

2021 half-year results:

First signs of recovery after a semester impacted by sanitary measures

First semester results impacted by sanitary measures in Europe

For the European hotel industry, the first semester remained impacted by the sanitary crisis and the administrative restrictions implemented all over Europe. However, impacts defer amongst the different European countries. In Germany and in the UK (respectively 24% and 13% of our hotel portfolio), strong and long lockdowns generated a significant RevPAR¹ decrease of respectively 71% and 58% compared to 2020. France (33% of our portfolio), where domestic demand remains important, benefited from lower constraining measures, leading to a RevPAR decrease of 30%.

First signs of recovery since May

Following the first effects of the vaccination programmes now under way, European countries have gradually released their administrative restrictions. It started with the United Kingdom, which benefit since May from a sustained recovery in activity. France followed in the middle of May, and lastly Germany at the end of June. Occupancy rates² in June are around 54% in the UK, 40% in France and 30% in Germany, with regions posting higher occupancy rates than capital cities. Summer 2021, as summer 2020, should benefit from high levels of occupancy due to the will and need to travel as soon as restrictions are lifted.

Strong partnerships with hotel operators

In this context, Covivio Hotels, a long-standing partner of the leading hotel operators, has been working to implement solutions to help them through this crisis. New agreements reached with 4 lease tenants (NH Hotels, Barcelo, Meininger, Melia Hotels International), representing 27% of fixed rents portfolio, have eased operators' difficulties through rent-free periods or payment facilities. On the first semester, the rent collection rate was 85% (69% including rent-free periods and deferred payment deals).

Balance sheet strengthening

Covivio Hotels successfully proceeded to its €250 million capital increase in cash with preferential subscription rights. The funds raised have been used to reimburse debts ending in 2022/2023 and improved the Loan-to-Value (LTV) ratio by nearly 400 bps. Covivio Hotels net debt stands at €2,451 million compared to €2,690 million at the end of 2020.

¹ Revpar : Revenue per room; source: MKG to the end of May 2021

² Source : Morgan Stanley

Limited review procedures were carried out on the half-year financial statements. The Statutory Auditors' report on the half-year financial information is being prepared. Investment data are presented including duties Disinvestment data are presented excluding duties.

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During this half-year, Covivio Hotels sold €52 million of assets, slightly above 2020 year-end appraisal values, including 32 M€ of new signed sale agreements. Divestments mainly concern retail assets.

At the end of June 2021, the Loan To Value (LTV) ratio including duties is down at 38.6% (41.9% at the end of 2020). The ICR ratio stands at 2.24 (compared with 2.20 at the end of 2020). Given this level in a troubled environment, Covivio Hotels doesn't anticipate any covenant breach for 2021 that would need a new suspension from its lenders.

The average maturity of Covivio Hotels' debt is 4.5 years – no major debt term will occur is due in the next 12 months – slightly up compared to end 2020 (+0.1 year).

Covivio Hotels has cash and undrawn credit lines of €253 million as of June 30th, 2021.

Thanks to the support of its shareholders, Covivio Hotels will be able, after this major crisis, to pursue its development with a solid balance sheet.

Stabilization of portfolio values

At the end of June 2021, Covivio Hotels held a unique hotel portfolio of €5,805 million (€6,492 million at 100%) in Europe. This strategic portfolio is characterised by:

- High-quality locations: Booking.com location average grade raised at 8.8 / 10
- Diversified portfolio: in terms of countries (12 countries, none representing more than 33% of the total portfolio), and segment (69% economic/midscale and 31% upscale)
- Major hotel operators with long-term leases: 16 hotel operators with an average lease duration of 13.9 years

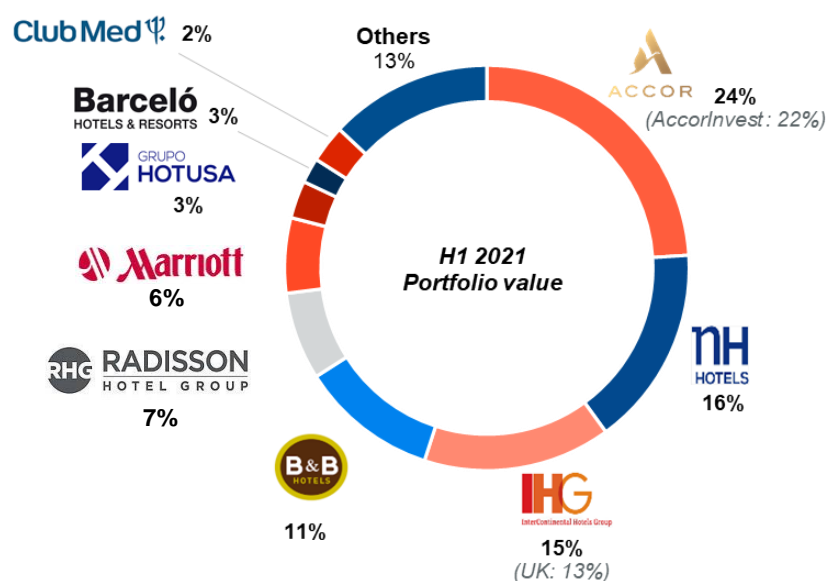
The Covivio Hotels portfolio appraisal value decreased by -1.0% on a like-for-like basis: values are stable regarding the whole portfolio, except for the UK for which appraisers have changed recovery hypothesis and discount rate.

Group Share (€M, excluding duties)	Value 2020	Value H1 2021	Lfl¹ change
Hotels - Lease properties	4 644	4 626	-1,3%
Hotels - Operating properties	1 174	1 179	0,1%
Total Hotels	5 818	5 805	-1,0%
Actifs non stratégiques (commerces)	120	80	-1,9%
Total Covivio Hotels	5 937	5 885	-1,0%

¹ Lfl : Like for like

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Hotel Portfolio breakdown at June 30th, 2021



Revenues at the end of June heavily impacted by European lockdowns

In the first half of 2021, Covivio Hotels' income fell by -20.0%, on a like-for-like basis, standing at €67.7 million compared to €71.7 million as of June 30th, 2020.

€ million	Income	Income	Income	Income	Change	Change
	H1 2020	H1 2020	H1 2020	H1 2021	Group Share	Group Share
	100%	Group Share	100%	Group Share	(%)	(%) (*)
Hotel Lease properties (Variable rents)	9,7	9,7	7,5	7,5	-23,2%	-26,4%
Hotel Lease properties (Rents) - UK	0,0	0,0	0,0	0,0	n/a	n/a
Hotel Lease properties (Others)	60,1	52,7	68,1	60,8	15,4%	0,0%
Hotel Operating properties (EBITDA)	3,3	3,2	-3,8	-3,6	-210,6%	-168,1%
Total Hotel Revenues	73,1	65,6	71,7	64,7	-1,3%	-20,2%
Non-strategic (Retail)	6,1	6,1	3,0	3,0	-50,6%	-16,9%
Total revenues Covivio Hotels	79,2	71,7	74,7	67,7	-5,5%	-20,0%

(*) On a like for like basis

Hotel lease properties (80% of the hotel portfolio)

- Variable-rent hotels: the portfolio, most of which is let to AccorInvest (22% of the total hotel portfolio), in France and Belgium, and made up of economic (Ibis) and midscale (Novotel, Mercure) hotels, was largely impacted by the drop of hotels turnovers, some of them also remaining closed, particularly in Belgium.

As rents are fully indexed to revenues, this portfolio brought in revenues of €7.5 million, 26% down compared to half-year 2020 (-24% for hotels located in France, -44% in Belgium). As a reminder, the first semester 2020 was impacted by the sanitary crisis only onwards from March, after 2 especially favourable months.

- Hotels in the United Kingdom let to IHG (13% of the hotel portfolio)

The 12 hotels in the portfolio were closed from January to March. Hotels reopenings began in April and continued until June. Given these exceptional circumstances, no rent was recognised in this scope for the first six months of 2021.

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- Other hotel lease properties (44% of the hotel portfolio): fixed-rent hotel real estate let to B&B, NH Hotels, Motel One, Barcelo, Hotusa, etc. on long leases. Change in like for like is stable: the agreements secured with tenants have limited the drop in income to only -€0.8 million over the semester offset by positive indexation (+€0.5 million)

Hotel operating properties (20% of the hotel portfolio)

These hotels are mostly located in Germany (mainly Berlin) and to a lesser degree in northern France. Most of German hotels faced a longer and stricter lockdown than in France. June occupation rates are still higher in France (34%) than in Germany (23%). Globally their performance fell €6.8 million group share compared to half-year 2020. This decrease includes French state aids and insurance indemnities relating to operating losses.

Financial indicators at the end of June 2021

The EPRA NRV (Net Reinstatement Value) reaches €3,777 million up 5.5% over six months. Per share, the fall is 5.6%, due to the capital increase proceeded in June at a subscription price of €16 per new share.

The EPRA NTA (Net Tangible Asset) stands at €3,384 million, and €22.8/share.

The EPRA NDV (Net Disposal Value) is €3,025 million (compared with €2,819 million at the end of December 2020), a 7.3% increase and stands at €20.4/share.

EPRA Earnings is €26.1 million (compared with €32.3 million at June 30th, 2020), a 19.3% fall due to reduced income as a result of hotel closures. EPRA Earnings per share is €0.19 as of June 30th, 2021, compared to €0.26 on the same date in 2020.

2021 Outlook

If Europe's hotel industry continued to suffer the consequences of the pandemic during the first semester, the recovery that started in June should endure and gather pace throughout the second semester. Covivio Hotels will then be able to count on the quality and diversity of its let portfolio, operated by leading European and international operators, to bring about long-term growth in its results.



CONTACTS

Press Relations

Géraldine Lemoine
Tél : + 33 (0)6 17 09 70 66
geraldine.lemoine@covivio.fr

Laetitia Baudon
Tel: + 33 (0)1 44 50 58 79
laetitia.baudon@shan.fr

Investor Relations

Quentin Drumare
Tél : + 33 (0)6 37 21 43 88
quentin.drumare@covivio.fr



ABOUT COVIVIO HOTELS

Covivio Hotels specialises in holding lease properties in the hotel industry. Société d'Investissements Immobiliers Cotée (SIIC), real estate partner of leading hotel industry operators, Covivio Hotels holds a portfolio worth €6.5 billion.

Covivio Hotels is rated BBB+/Stable outlook by Standard and Poor's.



ABOUT COVIVIO

Thanks to its partnering history, its real estate expertise and its European culture, Covivio is inventing today's user experience and designing tomorrow's city.

A preferred real estate player at the European level, Covivio is close to its end users, capturing their aspirations, combining work, travel, living, and co-inventing vibrant spaces.

A benchmark in the European real estate market with a portfolio of €26 billion, Covivio offers support to companies, hotel brands and territories in their pursuit for attractiveness, transformation and responsible overall stock.

Covivio's mission is accordingly to create well-being and lasting relationships, and the Company embodies its role as a responsible real estate operator with all its stakeholders: customers, shareholders and financial partners, internal teams, local authorities, future generations, etc. Further, its living, dynamic approach opens up exciting project and career prospects for its teams.

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Appendice :

Covivio Hotels, a subsidiary of Covivio held at 43.6% as of June 30th, 2021, is a listed property investment company (SIIC) and leading hotel real-estate player in Europe. It invests both in hotels under lease and hotel operating properties.

The figures presented are expressed at 100% and in Covivio Hotels Group share (GS).

Covivio Hotels owns a high-quality hotel portfolio worth €6.5 billion (€5.8 billion in Group share), focused on major European cities and let or operated by 16 major hotel operators such as Accor, B&B, IHG, NH Hotels, etc. This portfolio offers geographic and tenant diversification (across 12 European countries) and asset management possibilities via different ownership methods (hotel lease and hotel operating properties).

Assets not wholly owned by Covivio Hotels include:

- 8 operating properties in Germany (94.9% owned)
- 90 B&B assets in France (50.2%)
- 11 B&B assets in Germany (93.0%)
- 8 B&B assets in Germany, 5 of them held at 84.6% and the other 3 at 90.0%
- 2 Motel One assets in Germany (94.0%)
- Club Med Samoëns (50.1%)
- 32 AccorInvest assets in France (30 assets) and Belgium (2 assets), owned at respectively 31.2% (26 assets) and 33.3% (6 assets)

1. Recognised revenues: -20% on a like-for-like basis

(In €million)	Revenues H1 2020 100%	Revenues H1 2020 Group share	Revenues H1 2021 100%	Revenues H1 2021 Group share	Change (%) Group share	Change Group share (%) LfL ¹
Hotel Lease properties - Variable	9,7	9,7	7,5	7,5	-23%	-26%
Hotel Lease properties - Fixed	60,1	52,7	68,1	60,8	15%	0%
Hotel properties - UK	0,0	0,0	0,0	0,0	n/a	n/a
Operating properties - EBITDA	3,3	3,2	-3,8	-3,6	-211%	-168,1%
Total revenues Hotels	73,1	65,6	71,7	64,7	-1,3%	-20,2%
Non-strategic (Retail)	6,1	6,1	3,0	3,0	-51%	-16,9%
Total	79,2	71,7	74,7	67,7	-5,5%	-20,0%

¹LfL: Like-for-Like

Hotel revenue (excluding non strategic assets) were stable at only -€0.9 million Group share compared to the first half of 2020, due to:

► **Leased hotels:**

- **Variable-rent hotels:** the portfolio, most of which is let to AccorInvest (22% of the total hotel portfolio), which is indexed on hotel turnover, decreased by 26% LFL compared to half-2020, due to the continuation of restrictions in Europe. This portfolio is located in France and Belgium and made up of economic (Ibis) and midscale (Novotel, Mercure) hotels.
- **Hotels located in the UK** (13% of the hotel portfolio): we anticipate the MAC Clause to be triggered again this year due to the government restrictions (hotels closed for 3.5 months on average); therefore, no rent is expected. This has no impact on the variation of revenues.

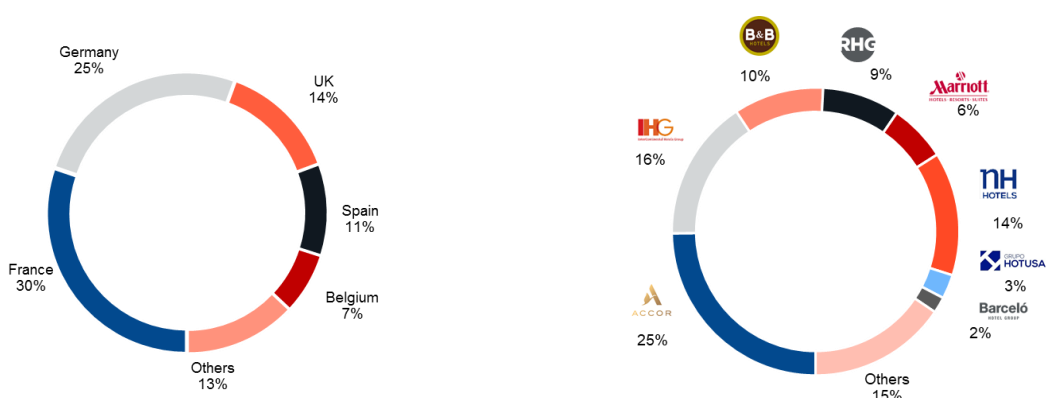
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- **Other leases:** increase of €8.1 million Group share mainly due to the integration of an acquisition in September 2020. No variation on a like-for-like basis.

- ▶ **Operating hotels:** mainly located in Germany and in the north of France. The decrease is due to the continuation of the restrictions in Europe in H1 2021 while Q1 2020 was no impacted by the crisis.

2. Annualised revenue

Breakdown by operators and by country (based on 2021 fixed revenues and 2019 variable revenues) which amount to €311 million in Group share.



3. Indexation

Fixed-indexed leases are indexed to benchmark indices (ICC and ILC in France and the consumer price index for foreign assets).

4. Lease expiries: 13.9 years of firm residual lease term

The firm lease duration stays very high at 13.9 years (-0.3-year vs end-2020), the main operation the first half of 2021 being the renegotiation on one asset in Spain extending the lease by 8 years.

The occupancy rate remained at 100% on hotels in leases.

(In €million, Group share)	By lease end date (1st break)	% of total	By lease end date	% of total
2021	2,7	1%	0,0	0%
2022	5,7	2%	0,0	0%
2023	9,9	4%	5,1	2%
2024	2,2	1%	1,3	1%
2025	4,7	2%	5,1	2%
2026	0,0	0%	0,0	0%
2027	2,1	1%	2,1	1%
2028	0,0	0%	0,0	0%
2029	31,1	13%	33,3	14%
2030	23,5	10%	23,5	10%
Beyond	156,7	66%	168,2	70%
Total Hotels in lease	238,6	100%	238,6	100%
Non-strategic (Retail)	5,7		5,7	

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5. Reserves for unpaid rent

At the end of the 1st semester 2021, only one significant provision for doubtful rents has been booked, and covers a tenant for which a legal procedure is pending. Total net amount of provision for doubtful rent recorded stands at €1.2 million.

6. Disposals and disposal agreements:

(In €million)	Disposals (agreements as of end of 2020 closed)	Agreements as of end of 2020 to close	New disposals H1 2021	New agreements H1 2021	Total H1 2021	Margin vs 2020 value	Yield	Total Realised Disposals
	1		2	3	2+3			= 1 + 2
Hotel Lease properties	13	19						13
Hotel Operating properties								
Total Hotels - 100%	13	19						13
Total Hotels - Group share	13	19						13
Non-strategic (retail) - 100%	20		20	12	32	1,2%	7,5%	39
Non-strategic (retail) - Group share	20		20	12	32	1,2%	7,5%	39
Total - 100%	32	19	20	12	32	1,2%	7,5%	52
Total - Group share	32	19	20	12	32	1,2%	7,5%	52

During the first half of 2021, Covivio finalised the cash sale of one Ibis Budget asset in Aubervilliers (north of Paris) for €13 million, agreed in 2019. The €19 million agreed in 2020 yet to be closed concern mainly one asset in Spain with a closing expected in 2022.

€39 million of non strategic asset have also been sold during the first semester (retail).

7. Portfolio values

7.1. Change in portfolio values

(In €million, Excluding Duties, Group share)	Value 2020	Acquis.	Invest.	Disposals	Value creation on Acquis./Disposals	Change in value	Others	Value H1 2021
Hotels - Lease properties	4 644	-	7,4	-13	-	-60	47,0	4 626
Hotels - Operating properties	1 174	-	5	-	-	1	-	1 179
Total Hotels	5 818	-	12	-13	-	-59	47	5 805
Non-strategic (Retail)	120	-	-	-39	-	-2	-	80
Total (+non strat)	5 937	-	12	-51	-	-60	47	5 885

At the end of June 2021, the portfolio reached €5.9 billion Group share, down -€52 million compared to year-end 2020, the like-for-like value impact (-€60 million) being partially compensated by the positive impact of the GBP revaluation (+€44 million).

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7.2. Change on a like-for-like basis: -1.0%

(In € million, Excluding Duties)	Value 2020 100%	Value 2020 QP	Value H1 2021 100%	Value H1 2021 Group share	LfL ¹ change	Yield ² 2020	Yield ² H1 2021	% of total value
France	2 245	1 647	2 233	1 633	-0,6%	5,0%	5,0%	28%
Paris	832	700	821	689				12%
Greater Paris (excl. Paris)	492	303	492	302				5%
Major regional cities	573	431	570	428				7%
Other cities	348	213	349	214				4%
Germany	627	611	642	626	2,3%	4,9%	4,7%	11%
Frankfurt	73	71	74	71				1%
Munich	47	47	48	48				1%
Berlin	71	69	73	70				1%
Other cities	435	424	448	437				8%
Belgium	285	258	283	256	-1,1%	6,2%	6,3%	4%
Brussels	100	81	100	81				1%
Other cities	185	177	183	174				3%
Spain	634	634	620	620	-2,3%	5,5%	5,3%	11%
Madrid	273	273	275	275				5%
Barcelona	227	227	212	212				4%
Other cities	135	135	133	133				2%
UK	783	783	773	773	-6,5%	5,5%	5,8%	13%
Italy	260	260	262	262	0,6%	5,2%	5,1%	4%
Other countries	451	451	457	457	1,1%	5,2%	5,2%	8%
Total Hotel lease properties	5 284	4 644	5 270	4 626	-1,3%	5,3%	5,3%	80%
France	254	254	259	259	0,5%	5,5%	5,4%	4%
Lille	109	109	109	109				2%
Other cities	146	146	150	150				3%
Germany ³	841	799	841	798	-0,1%	6,8%	6,8%	14%
Berlin	587	557	588	558				10%
Dresden & Leipzig	199	189	198	188				3%
Other cities	55	52	55	52				1%
Other countries	121	121	123	123	0,6%	7,3%	7,2%	2%
Total Hotel Operating properties	1 217	1 174	1 222	1 179	0,1%	6,4%	6,4%	20%
Total Hotels	6 501	5 818	6 492	5 805	-1,0%	5,5%	5,5%	100%
Non- strategic (Retail)	120	120	80	80	-1,9%	7,9%	7,2%	

¹ LfL : Like-for-Like

² Yield excluding assets under development ; EBITDA yield for hotel operating properties ; for variable revenues assets, yield calculated on the basis of 2019 revenues

³ Yields excluding retail surfaces in the German Hotels

At the end of June 2021, Covivio held a unique hotel portfolio of €5.8 billion (€6.5 billion at 100%) in Europe. This strategic portfolio is characterised by:

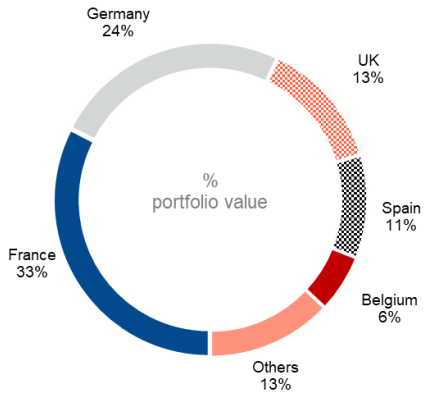
- **High-quality locations:** 90% with a Booking.com location grade superior to 8 and 88% in the centre of major European cities.
- **Diversified portfolio:** in terms of countries (12 countries, none representing more than 33% of the total portfolio), and segment (69% economic/midscale and 31% upscale)
- **Major hotel operators** with long-term leases: 16 hotel operators with an average lease duration of 13.9 years

The portfolio value decreased by -1.0% LfL, a mix of:

- **Value adjustments on the UK portfolio** (13% of hotels), -6.5% on these 12 assets leased to IHG, due to the longer lockdown period, MAC clause and their impact on the rent forecasts.
- **Stable values elsewhere:** resilience on 87% of the portfolio thanks to the quality of the location assets and the lease agreements reached with large operators.

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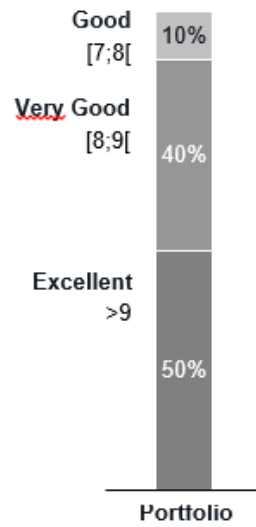
Portfolio breakdown by value and geography



88% in major European destinations



Portfolio split by location grade on Booking.com



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- Bridge table of the portfolio:

Portfolio (as of 30/06/2021)	5 885 M€
Use rights on investment properties	+ 223 M€
Use rights on operating properties	+ 31 M€
Equity affiliates > 30%	- 168 M€
Non-accrued goodwill of operating property assets	- 71 M€
Real Estate Assets Group Share	5 901 M€
The companies's fully consolidated non-controlling interest	+ 326 M€
100% Real estate assets - IFRS accounts	6 227 M€

- Bridge table of EPRA indicator:

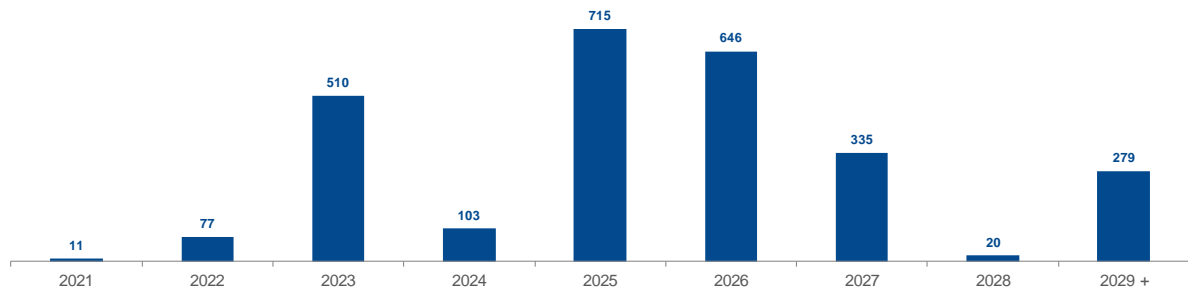
Shareholders' equity Group - IFRS Accounts	3 122 M€
Fair value of operating property assets net of deferred taxes	+ 57 M€
Fair value of financial instruments	+ 74 M€
Deferred tax (including IFRS adjustments)	+ 254 M€
Non optimised transfer rights	+ 270 M€
EPRA NRV	3 777 M€
Deferred tax on non-core assets	- 37 M€
Goodwill and intangibles assets	- 133 M€
Optimised transfer rights	- 223 M€
EPRA NTA	3 384 M€
Optimisation of the transfer rights	- 47 M€
Intangibles assets	+ 0 M€
Fair value of fixed-rate debt net of deferred taxes	- 21 M€
Fair value of financial instruments	- 74 M€
Deferred taxes	- 217 M€
EPRA NDV	3 025 M€

- Bridge table of rental income:

€ millions	Rental income H1 2021	Non-controlling interest	Rental income 2021 Group Share
	IFRS Accounts		Covivio Hotels
Hotels	76 M€	- 7 M€	68 M€
Retail premises	3 M€		3 M€
Total Rental Income	79 M€	-7 M€	71 M€
Managed hotel EBITDA	-4 M€	0 M€	-4 M€

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- Debt schedule (group share engagement)



- Detail of Loan-to-Value (LTV) calculation:

(€ millions) – Group Share	2020	H1 2021
Net book debt	2 690	2 451
Receivables linked to associates (fully consolidated)	-21	-19
Pledges	-51	-31
Security deposits received	0	0
Purchase debt	9	8
Net debt Group Share	2 627	2 409
Appraised value of real estate assets (including duties)	6 071	6 020
Pledges	-51	-31
Financial assets	0	0
Receivables linked to associates (equity method)	63	63
Share of equity affiliates	187	189
Value of assets	6 270	6 241
LTV Excluding Duties	43,8%	40,4%
LTV Including Duties	41,9%	38,6%

- Reconciliation with consolidated accounts:

Net debt

(€ millions)	Consolidated financial statements	Minority interests	Group Share
Bank Debt	2 659	129	2 530
Cash and cash equivalents	91	12	79
Net debt	2 568	117	2 451

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Portfolio (including duties)

(€ millions)	Consolidated financial statements	Portfolio of companies under equity method	Fair value of investment properties	Minority interests	Group Share
Investment & development properties	4 802	525	1 214	-687	5 854
Assets held for sale	31			0	31
Total portfolio	4 833	525	1 214	-687	5 885
				Duties	270
				Portfolio Group Share Including Duties	6 155
				(+ Advances and deposits on fixed assets	85
				Portfolio for LTV calculation	6 241

Interest Coverage Ratio (ICR)

€ millions	H1 2020	2020	H1 2021
EBE (Net rents (-) operating expenses (+) results of other activities)	67	112	58
Cost of debt	-25	-51	-26
ICR	2,63	2,20	2,24

- Bridge table of EPRA Earnings:

€ millions	Net income 100% IFRS Accounts	Non- controlling interest	Net Income, Group Share	Restatements	EPRA Earnings
Net Rental Income	74,4	-7,3	67,1	0,6	67,7
Managed hotel income	-3,8	0,3	-3,6	1,4	-2,2
Operating costs	-10,1	0,5	-9,6	0,0	-9,6
Depreciation of operating assets	-18,8	0,5	-18,3	15,7	-2,6
Net allowances to provisions and other	8,4	0,0	8,4	-3,3	5,2
OPERATING PROFIT	50,1	-6,1	44,1	14,4	58,5
Income from disposals of assets	-0,2	0,0	-0,2	0,2	0,0
Net valuation gains and losses	-64,8	-1,3	-66,0	66,0	0,0
Income from disposal of securities	-0,1	0,0	-0,1	0,1	0,0
Income from changes in scope	-0,1	-0,0	-0,1	0,1	0,0
OPERATING PROFIT (LOSS)	-15,0	-7,3	-22,4	80,9	58,5
Costs of net financial debt	-29,7	1,2	-28,5	0,0	-28,5
Interest charges on rental liabilities	-6,8	0,0	-6,8	4,7	-2,1
Fair value adjustment on derivatives	41,3	-0,5	40,9	-40,9	0,0
Discounting of liabilities and receivables	-0,8	0,0	-0,8	0,0	-0,8
Net change in financial and other provisions	-0,5	0,0	-0,5	0,5	0,0
Share in income of equity affiliates	3,8	0,0	3,8	-2,3	1,5
PRE-TAX NET INCOME (LOSS)	-7,7	-6,6	-14,3	43,0	28,6
Deferred tax liabilities	-22,5	0,7	-21,8	21,8	0,0
Recurrent Tax	-2,5	0,0	-2,5	0,0	-2,5
NET INCOME FOR THE PERIOD	-32,7	-5,9	-38,6	64,7	26,1

COVIVIO HOTELS
PRESS RELEASE

- Balance sheet (100%)

€ millions	2020	S1 2021	€ millions	2020	S1 2021
INTANGIBLE ASSETS			Capital Stock	530,2	592,6
Goodwill	135,1	135,1	Share Premium	1 506,2	1 685,7
Other intangible assets	0,2	0,2	Stocks own	0,0	-0,1
TANGIBLE ASSETS			Consolidation reserve	1 237,6	882,8
Operating buildings	1 018,0	1 006,3	Fiscal Year Net Result	-337,4	-38,6
Other tangible assets	24,4	22,1	CONSOLIDATED SHAREHOLDERS EQUITY	2 936,6	3 122,4
Under construction assets	4,1	7,2	Minority Interest	181,1	186,3
Investments property	5 052,6	5 024,9	TOTAL SHAREHOLDERS EQUITY	3 117,7	3 308,7
Non current financial assets	67,3	68,6	Long-term borrowing debt	2 681,4	2 539,9
Investments in related companies	187,4	188,9	Long-term lease liability	236,7	245,0
Deferred taxes - assets	29,9	13,9	Fair value of net financial instruments - liabilities	120,2	74,4
Fair value of net financial instruments - asset	34,4	20,6	Deferred taxes - liabilities	238,1	246,1
TOTAL NON CURRENT ASSETS	6 553,4	6 487,8	Provision for retirement indemnities	1,5	1,5
Assets held for sale	51,0	31,4	Other liabilities (non current)	6,6	7,7
Loans and financial lease receivables	2,9	3,5	TOTAL NON CURRENT LIABILITIES	3 284,5	3 114,7
Inventories and wip	1,7	1,7	Trade payables	30,1	31,4
Fair value of net financial instruments - assets	5,4	5,0	Payables related to assets	9,4	8,5
Trade receivables	29,0	99,8	Short-term borrowing debt	228,6	119,4
Tax receivables	9,9	6,0	Short-term lease liability	5,6	5,6
Other receivables	50,0	47,7	Fair value of Net Financial instruments - Liabilities	25,8	25,3
Deferred charges	0,9	2,8	Advances and deposit	0,1	0,1
Cash and cash equivalent	101,8	91,4	Short-term provisions	39,6	87,3
TOTAL CURRENT ASSETS	252,4	289,5	Corporate income tax liabilities	9,5	8,8
TOTAL ASSETS	6 805,8	6 777,3	Tax liabilities	13,5	11,5
			Other liabilities	35,1	50,5
			Advanced recognized revenues	6,3	5,6
			TOTAL CURRENT LIABILITIES	403,6	353,9
			TOTAL LIABILITIES	6 805,8	6 777,3

- Profit and loss account (100%):

€ millions	H1 2020	H1 2021	Var.
Rental Income	75,9	78,6	2,8
Un-recovered rental costs	-1,9	-1,8	0,1
Rental costs on property	-1,2	-1,3	-0,1
Bad debts	-1,5	-1,2	0,3
Net Rental Income	71,3	74,4	3,1
Hotel Operative Activity Income	45,7	22,7	-23,0
Hotel Operative Activity Costs	-42,4	-26,5	15,9
Profit From Hotel Operating Activity	3,3	-3,8	-7,2
Income from other activities	1,7	1,2	-0,5
Costs relating to the services activities	-0,7	-0,7	-0,0
Structure costs	-10,0	-10,6	-0,6
Development costs			0,0
Operating Costs	-8,9	-10,1	-1,1
Depreciation of operating assets	-20,0	-18,8	1,2
Net allowances to provisions and other	7,2	8,4	1,3
CURRENT OPERATING INCOME	52,9	50,1	-2,7
Income from disposals of assets	-0,3	-0,2	0,1
Net valuation gains and losses	-135,0	-64,8	70,3
Income from changes in scope	-2,4	-0,1	2,2
OPERATING INCOME	-84,7	-15,0	69,7
Costs of net financial debt	-29,0	-29,7	-0,8
Interest charges on rental liabilities	-6,5	-6,8	-0,3
Fair value adjustment on derivatives	-40,1	41,3	81,4
Net change in financial and other provisions	0,3	-0,8	-1,1
Amortization of borrowings' cost	-0,2	-0,5	-0,3
Share in income of equity affiliates	-6,9	3,8	10,7
INCOME FROM CONTINUING OPERATIONS	-167,1	-7,7	159,4
Deferred tax	20,1	-22,5	-42,5
Corporate income tax	-13,0	-2,5	10,5
NET INCOME FOR THE PERIOD	-160,1	-32,7	127,4
Non-controlling interests	-2,5	-5,9	-3,4
NET INCOME FOR THE PERIOD - GROUP SHARE	-162,6	-38,6	124,0

- **Glossary:**

1) Definition of the acronyms and abbreviations used:

GS: Group share

Chg: Change

LfL: Like-for-Like scope

2) Firm residual term of leases

Average outstanding period remaining of a lease calculated from the date a tenant first takes up an exit option.

3) Triple net lease

Lease contract reached between a landlord and a tenant. A "triple net" lease means a lease for which all the taxes and expenses (work, maintenance) related to proper functioning of the building are at the expense of the tenant.

4) Loan To Value (LTV)

Calculation of the LTV is detailed in the Appendices.

5) Rental income

Recorded rent corresponds to gross rental income accounted for over the year by taking into account the deferment of any relief granted to tenants, in accordance with IFRS standards.

The like-for-like rental income posted allows comparisons to be made between rental income from one year to the next, before taking changes to the portfolio (e.g. acquisitions, disposals, building works and development deliveries) into account. This indicator is based on assets in operation, i.e. properties leased or available for rent and actively marketed.

6) EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation):

This is gross operating income after rent. The calculation can be described in the following manner:

(+) Total revenues (revenues)
(-) Purchases and External Expenses
(-) Personnel Expenses
= EBITDAR
(-) Rental income
= EBITDA

7) EBITDAR Margin:

EBITDAR corresponds to the gross operating income before rent. It is used to compare companies with different ownership policies.

The EBITDAR margin corresponds to the following calculation: EBITDAR / Total rental income

The level of operating profits of hotels varies depending on the hotel category.

8) Portfolio

The portfolio presented includes investment properties and properties under development, as well as operating properties and properties in inventory for each of the entities, stated at their fair value.

9) Yield

The portfolio returns are calculated according to the following formula:

$$\frac{\text{Annualised gross rental income}}{\text{Value excluding duties on the scope in question}}$$

10) Average annual rate of debt

$$\frac{\begin{aligned} &\text{Financial cost of bank debt for the period} \\ &+ \text{Financial cost of hedges for the period} \end{aligned}}{\text{Average used financial net debt outstanding in the year}}$$

11) Occupancy rate

The occupancy rate corresponds to the spot financial occupancy rate at the end of the period and is calculated using the following formula:

$$1 - \frac{\text{Loss of rental income through vacancies (calculated at MRV)}}{\text{Rental income of occupied assets + loss of rental income}}$$

This indicator is calculated solely for properties on which asset management work has been done and therefore does not include assets available under pre-leasing agreements. Occupancy rate are calculated using annualized data solely on the strategic activities portfolio.

12) Like-for-like change in rent

This indicator compares rents recognised from one financial year to another without accounting for changes in scope: acquisitions, disposals, developments including the vacating and delivery of properties. The change is calculated on the basis of rental income under IFRS for strategic activities.

On hotel operating properties, the change in constant scope is calculated based on EBITDA.

Restatement done:

- Deconsolidation of acquisitions and disposals realised on the N and N-1 periods
- Restatements of assets undergoing work, i.e.:
 - Restatement of assets released for work (realised on N and N-1 years)
 - Restatement of deliveries of under-work assets (realised on N and N-1 years).

13) Like-for-like change in value

This indicator is used to compare asset values from one financial year to another without accounting for changes in scope: acquisitions, disposals, works, developments including the vacating and delivery of properties.

Restatement done:

- Deconsolidation of acquisitions and disposals realised during the period
- Restatement of work realised on assets during period N (including assets under developpement).