

2023 first-half results:

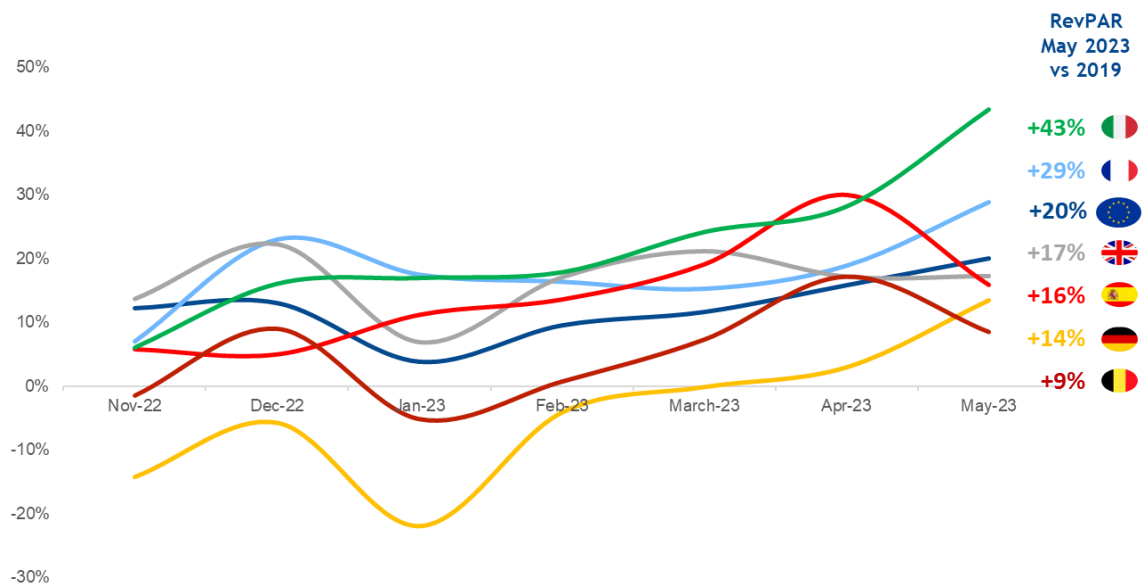
Excellent first-half operating performance

Hotel market: 2022 and 2019 performances surpassed

Hotel performance in the first half of 2023 was exceptional and showed steady improvement, driven primarily by steep rises in average prices, but also since May by a return to occupancy rates close to or above their 2019 levels (down 1.9 pp in Europe and up 1.2 pp in France). The already strong domestic customer base strengthened further, while international customers increased significantly. This environment has boosted the entire hotel market, from economy to upscale segments. The latter segment also benefited from the return of business customers, with a greater number of events in the second quarter.

As a result, RevPAR has risen sharply since the start of the year, averaging 12.7% growth in Europe including 20% in May alone. Covivio Hotels' main markets significantly exceeded their 2019 performance: Italy (up 43% in May), France (up 29%) and the UK (up 17%). Germany, where the recovery has begun more recently, mainly driven by the return of business customers, posted a marked increase in performance, closing the gap with other countries in May (up 14%).

Change in hotel RevPAR in Europe¹



¹ Source: MKG - change in RevPAR in May 2023 vs May 2019

Continuity of asset management work

In February 2023, Covivio Hotels signed new 15-year leases with Melia on three hotels in Spain, in Barcelona, Valencia and Malaga. Covivio Hotels will fund a €14.8 million works programme to reposition these hotels and improve their energy performance. This *asset management work* will generate an increase of around 30% in fixed rents and a marginal return on investment of around 9%.

In addition, a hotel in Amsterdam leased to NH Hotel Group will undergo a €10 million works programme in 2023, involving the renovation of rooms and bathrooms and the refurbishment of technical facilities. Funded by NH Hotel Group, these works are set to boost hotel performance and variable rents under the lease.

€80 million of new disposal commitments signed

Covivio Hotels signed new disposal commitments amounting to €80 million Group share (€100 million at 100%) during the first half, including seven economy class hotels in France and one hotel in Spain. These disposals were carried out at values in line with end-2022 appraisal values.

Resilient like-for-like values

At the end of June 2023, Covivio Hotels held a portfolio worth €5,998 million (€6,635 million at 100%), characterised by:

- high-quality locations: Booking.com location average grade of 8.8/10;
- a diversified portfolio in terms of country (12 countries, none representing more than 33% of the total portfolio) and segment (68% economy/midscale and 32% upscale);
- long-term leases with the major hotel operators: 16 operators with an average firm residual lease term of 12.6 years.

Group Share (€ millions, excluding duties)	Value 2022	Value H1 2023	H1 LfL change ¹	Yield ²
Hotel lease properties	4 595	4 583	-0,8%	5,4%
Hotel Operating properties	1 375	1 366	-1,1%	6,0%
Total Hotels	5 970	5 949	-0,8%	5,5%
Non-Stratégic (Retail)	53	49	-5,9%	7,8%
Total Covivio Hotels	6 022	5 998	-0,9%	5,5%

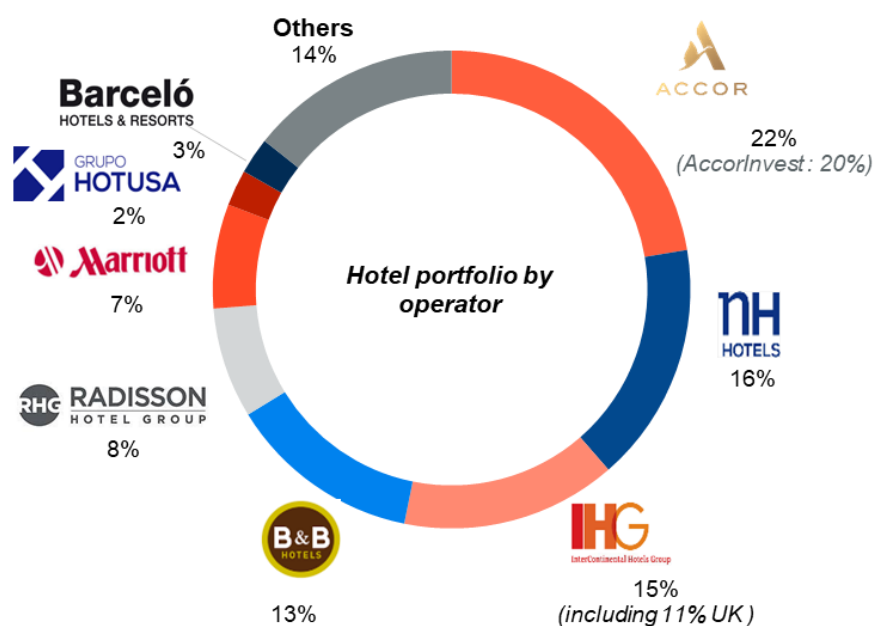
¹ LfL : Like-for-like

² Yield excluding duties

On a like-for-like basis, the hotel portfolio showed considerable resilience, with values down slightly (0.8%) over six months. This change is primarily attributable to the increase in capitalisation rates, mostly offset by revenue growth linked to the excellent performance of variable-revenue hotels and high fixed-rent indexation.

The hotel portfolio has a 5.5% average yield excluding duties.

Hotel portfolio breakdown at 30/06/2023



Like-for-like revenue growth of 20%

The excellent first half performance by the hotel market resulted in revenue growth of 20.3% like-for-like and 23.2% as reported, with revenues totalling €150.1 million versus €121.8 million a year earlier.

€ million	Income	Income	Income	Income	Change Group Share (%)	Change Group Share LFL (%) ^(*)
	H1 2022	H1 2022	H1 2023	H1 2023		
	100%	Group Share	100%	Group Share		
Hotel Lease properties (Variable rents)	21,1	21,1	27,0	27,0	27,8%	32,4%
Hotel Lease properties (UK)	16,4	16,4	18,2	18,2	11,2%	12,9%
Hotel Lease properties (Others)	72,3	65,7	80,6	74,2	13,1%	9,0%
Hotel Operating properties (EBITDA)	19,2	18,7	31,6	30,7	64,3%	53,8%
Total Hotel Revenues	129,0	121,8	157,4	150,1	23,2%	20,3%
Non-strategic (Retail)	2,2	2,2	1,9	1,9	-12,1%	4,5%
Total revenues Covivio Hotels	131,2	124,0	159,3	152,0	22,8%	20,0%

(*) On a like for like basis

Hotel lease properties (77% of hotel portfolio)

- Variable-rent hotel real estate: the portfolio is leased mainly to AccorInvest (20% of the hotel portfolio) in France and Belgium and consists of economy class (Ibis) and midscale (Novotel, Mercure) hotels.
Rents are fully indexed to revenues. As a result, this portfolio was bolstered by growth in the hotel market and posted revenues of €27.0 million, up 32.4% like-for-like over first half 2022. This increase is mainly driven by Parisian assets, the renovation of which in 2019 will allow them to capitalise fully on the rise in average prices.
- Hotels in the United Kingdom let to IHG (11% of the hotel portfolio): the nine hotels in the portfolio posted excellent performances, with like-for-like growth of 12.9%. Under the new lease signed in 2022 with IHG, variable income based on revenues applies in addition to the fixed rent.

- Other hotel lease properties (46% of the hotel portfolio): fixed-rent hotel real estate let to B&B, NH Hotels, Motel One, Barcelo, Hotusa, etc. on long leases. Rents increased 9.0% like-for-like, mainly due to rent indexation during the first half (up 6.9% on average). Rental income was also impacted by the delivery in 2022 of the Anantara hotel in Nice (up €2 million).

The hotel residual lease term reached 12.6 years at end June 2023 while the occupancy rate remained at 100% across the portfolio.

Hotel operating properties (23% of the hotel portfolio)

Most of these hotels are located in Germany (mainly Berlin) and France. French hotels benefited from sector growth, while Germany enjoyed a favourable base effect, with the first quarter of 2022 still impacted by the health crisis.

Globally, Group share EBITDA for hotel operating properties rose by €12.0 million year-on-year, representing like-for-like growth of 53.8%.

A sound balance sheet maintained in the first half of the year

Covivio Hotels net debt (Group share) amounted to €2,390 million, compared with €2,287 million at 31 December 2022, reflecting the full impact of the cash dividend paid in the first half (€185 million). The average interest rate on debt was 2.30% (compared with 1.89% at the end of 2022). Covivio Hotels had a strengthened debt coverage ratio of 90% at end June 2023 (compared with 81% at the end of 2022), with a high hedging maturity of 6.0 years.

Average debt maturity was 3.9 years at 30 June 2023, with a comfortable Loan-to-Value (LTV) ratio of 35.9% and an Interest Coverage Ratio (ICR) of 5.24x.

Finally, Covivio Hotels reached a new milestone in aligning its financial policy with its ESG goals, by adopting a Green Financing Framework and asking its bondholders to vote to convert their bonds into Green Bonds. Covivio Hotels now holds more than €1 billion in green debt.

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

EPRA Earnings growth of 9% in H1 2023

H1 2023 EPRA Earnings were €112.1 million, up 9.3% from €102.5 million a year earlier, boosted by strong income growth fuelled by a highly buoyant hotel market. EPRA Earnings per share amounted to €0.76, up 9.3% from €0.69 the previous year.

Taking into account the fair value adjustment of interest rate hedges and fixed-rate debt, EPRA NDV (net disposal value) amounted to €3,646 million, up 2.7% from €3,763 million at 31 December 2022, or €24.6 per share.

EPRA NTA (net tangible assets) was down 0.7% year-on-year at €3,618 million, or €24.4 per share, mainly due to the May 2023 dividend payment.

EPRA NRV (net reinstatement value), at €3,999 million, was down 0.6% year-on-year by value and per share.

2023 outlook

European hotels have emerged stronger from the Covid crisis, returning - in record time - to their pre-crisis occupancy levels and significantly raising prices to maintain profitability in a more inflationary environment. Covivio Hotels plans to take advantage of this favourable environment to continue repositioning its portfolio to improve profitability and adapt the portfolio to new client expectations.



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ABOUT COVIVIO HOTELS

Covivio Hotels specializes in owning business premises in the hotel sector. A listed real estate investment company (SIIC), a real estate partner of the major players in the hotel industry, Covivio Hotels holds assets worth € 6.6 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 €26bn in assets, Covivio offers support to companies, hotel brands and territories in their pursuit for attractiveness, transformation and responsible performance.

Build sustainable relationships and well-being, is the Covivio's Purpose who expresses its role as a responsible real estate operator to all its stakeholders: customers, shareholders and financial partners, internal teams, local authorities but also to future generations and the planet. Furthermore, its living, dynamic approach opens up exciting project and career prospects for its teams.

Appendice:

Covivio Hotels, a 43.9%-owned subsidiary of Covivio as of 30 June 2023, is a listed property investment company (SIIC) and leading hotel real-estate player in Europe. It invests both in hotels under lease (fixed or variable) 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 €6.6 billion (€6.0 billion in Group share), focused on major European cities and let or operated by 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 partially owned by Covivio Hotels include:

- 8 operating properties in Germany (94.9% owned)
- 91 B&B assets in France, including 89 held at 50.2% and 2 held at 31.2%
- 11 B&B assets in Germany (93.0%)
- 8 B&B assets in Germany, 5 of them 84.6% held and the other 3, 90.0% held
- 2 Motel One assets in Germany (94.0%)
- 25 AccorInvest assets in France (23 assets) and Belgium (2 assets), 31.2% (19 assets) and 33.3% (6 assets) owned respectively.

2. Accounted revenues: +20 % on a like-for-like basis

(M€)	Revenues 30/06/2022 100%	Revenues 30/06/2022 PdG	Revenues 30/06/2023 100%	Revenues 30/06/2023 PdG	Change Group Share (%)	Change Group Share LfL (%)
Hotel Lease properties (variable rents)	21,1	21,1	27,0	27,0	+27,8%	+32,4%
Hotel Lease properties (rents) - UK	16,4	16,4	18,2	18,2	+11,2%	+12,9%
Hotel Lease properties others	72,3	65,7	80,6	74,2	+13,1%	+9,0%
Hotel Operating properties - EBITDA	19,2	18,7	31,6	30,7	+64,3%	+53,8%
Total Revenues Hotels	129,0	121,8	157,4	150,1	+23,4%	+20,3%

Hotel revenues were up 20.3% compared to H1 2022 on a like-for-like basis, totalling €150.1 million, mainly driven by:

► Hotel lease properties (77% of the hotel portfolio):

- **AccorInvest variable leases portfolio** (20% of the hotel portfolio), whose rent is indexed to hotel turnover, increased by 32.4% like-for-like year on year. This portfolio comprises midscale and economy hotels located in France and Belgium.
- **Hotels located in the United Kingdom** (11% of the hotel portfolio), let to IHG: a variable rent (€2.7 million, calculated on the turnover) applies additionally to the fixed rent thanks to the recovery of the activity and the new rental agreement signed with IHG in 2022.
- **Other leases** (46% of the hotel portfolio): 9.0% increase mainly due to:

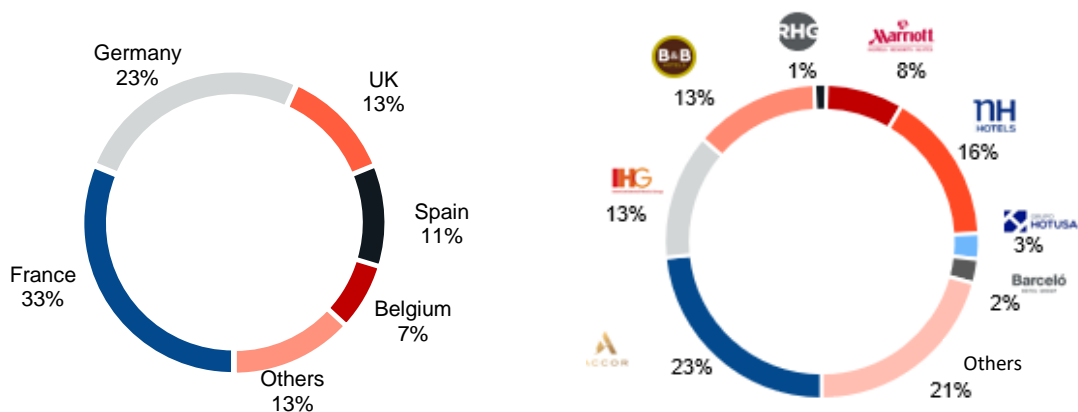
- the effect of indexation (€4 million),
- the Anantara hotel located in Nice reopening in 2022 (+€2 million)

Rent collection was 100% excluding rent relief and deferred payments.

- ▶ **Hotel operating properties (23% of the hotel portfolio):** these hotels, mainly located in Germany and northern France, enjoyed an hotel activity recovery and benefit from a rent increase by €12.0 million in a year.

3. Annualised revenue: €320 million Group share

Breakdown by operator and country



Rent is broken down as follows: fixed rent (47%), variable rent (19%), rent from lease properties in the United Kingdom (11%) and EBITDA (23%).

4. Indexation

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

5. Lease expiry schedule: 12.6 firm residual term years

(In €million, Group Share)	By lease end date (1st break)	% of total	By lease end date	% of total
2024	10.8	4%	1.5	1%
2025	5.8	2%	5.4	2%
2026	6.3	3%	0.0	0%
2027	2.3	1%	2.3	1%
2028	0.0	0%	0.0	0%
2029	30.9	12%	26.6	11%
2030	19.5	8%	19.5	8%
2031	4.9	2%	9.3	4%
2032	8.8	4%	8.8	4%
2033	11.1	4%	14.0	6%
Beyond	148.1	60%	161.2	65%
Total Hotels in lease	248.6	100%	248.6	100%

6. Portfolio values

6.1. Change in portfolio values

(In € million, excluding duties, Group Share)	Value 2022	Acquisition	Investments	Disposals	Change in value	Others	Value H1 2023
Hotel lease properties	4 595		3	-17	-35	37	4 583
Hotel operating properties	1 375		4		-15	2	1 366
Total Hotels	5 970		7	-17	-50	39	5 949

At the end of June 2023, the hotel portfolio stood at €5.9 billion Group share, down €21 million compared to year-end 2022, mainly due to the negative effect of value creation over the half-year (-€50 million).

6.2 Like-for-like change:

-0.8%

(In € million, Excluding Duties)	Value 2022 QP COVH	Value H1 2023 100%	Value H1 2023 QP COVH	LfL ¹ change	Yield 2022 ²	Yield H1 2023 ³	% of total value
France	1 656	2 194	1 645	-0,4%	4,7%	5,2%	28%
Paris	717	852	716				
Greater Paris (excl. Paris)	311	490	307				
Major regional cities	385	528	387				
Other cities	243	324	235				
Germany	649	653	637	-1,9%	4,8%	5,2%	11%
Frankfurt	73	74	72				
Munich	51	47	47				
Berlin	71	73	70				
Other cities	454	459	447				
Belgium	235	260	233	-0,8%	6,0%	6,6%	4%
Brussels	82	100	81				
Other cities	152	159	151				
Spain	646	637	637	-0,0%	5,3%	5,6%	11%
Madrid	289	284	284				
Barcelona	216	222	222				
Other cities	142	131	131				
UK	665	679	679	-1,8%	4,5%	5,3%	11%
Italy	277	279	279	+0,8%	5,0%	5,1%	5%
Other countries	467	474	474	-1,0%	5,1%	5,5%	8%
Total Hotel lease properties	4 595	5 176	4 583	-0,8%	4,9%	5,4%	77%
France	300	307	307	+1,9%	5,8%	6,3%	5%
Lille	109	108	108				
Other cities	191	199	199				
Germany ³	830	860	816	-2,1%	4,8%	5,9%	14%
Berlin	589	607	576				
Dresden & Leipzig	189	197	187				
Other cities	52	55	53				
Other countries	245	243	243	-1,6%	5,8%	6,3%	4%
Total Hotel Operating properties	1 375	1 410	1 366	-1,1%	5,2%	6,0%	23%
Total Hotels	5 970	6 585	5 949	-0,8%	5,0%	5,5%	100%

¹ LfL: Like-for-Like

² 2022 Yield is calculated on the basis of 2022 revenues and EBITDA yield for hotel operating properties

³ 2023 Yield is calculated on the basis of 2023 fixed revenues; Variable revenues and EBITDA of operating properties are calculated on a rolling year (H2 2022 to H1 2023).

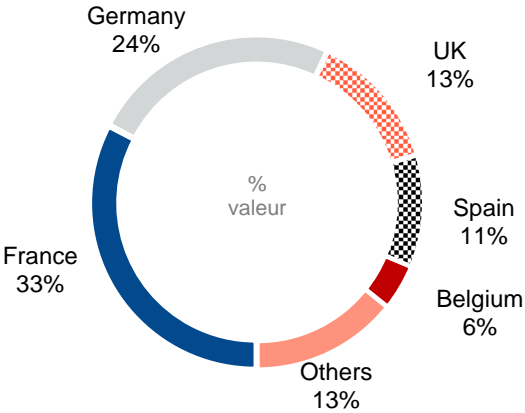
At end June 2022, Covivio Hotels held an unrivalled hotel portfolio worth €5 949 million (€6,585 million at 100%) in Europe. This strategic portfolio is characterised by:

- **high-quality locations:** an average Booking.com location grade of 8.8 and 89% in the centre of major European cities.
- **a diversified portfolio:** in terms of country (12 countries, none representing more than 33% of the total portfolio) and segment (68% economy/midscale and 32% upscale);
- **long-term leases with the major hotel operators:** 16 hotel operators with an average residual lease term of 12.6 years.

The portfolio value decrease by -0.8% Like-for-Like, a mix of:

- 1) **Hotel lease properties** (-0.6%): This slight fall, due to the increase in cap rates, was mostly offset by a positive income effect linked to the growth in hotel performance and strong indexation of rents.
- 2) **Hotel operating properties** portfolio (-1.1%): The value of German hotel fell by 2.1% in the first half, reflecting market performance and a rise in interest rates. Good performance for the French portfolio with a value increase of +1.9% thanks to one asset in the south of the France which was renovated and the rebound of the leisure clientele.
- 3) **The United Kingdom portfolio** (-1.8%): decline in value in the first half, following a slight adjustment of hotels results due to inflation on these 9 assets, counting for 11% of total hotel portfolio.

Portfolio breakdown by value and geography



89 % in major European destinations



- **Bridge table of the portfolio:**

Portfolio (as of 30/06/2023)	5 998 M€
Use rights on investment properties	+ 239 M€
Use rights on operating properties	+ 43 M€
Equity affiliates > 30%	- 164 M€
Non-accrued goodwill of operating property assets	- 200 M€
Other asset held for sales	+ 7 M€
Real Estate Assets Group Share	5 924 M€
The companies's fully consolidated non-controlling interest	+ 285 M€
100% Real estate assets - IFRS accounts	6 209 M€

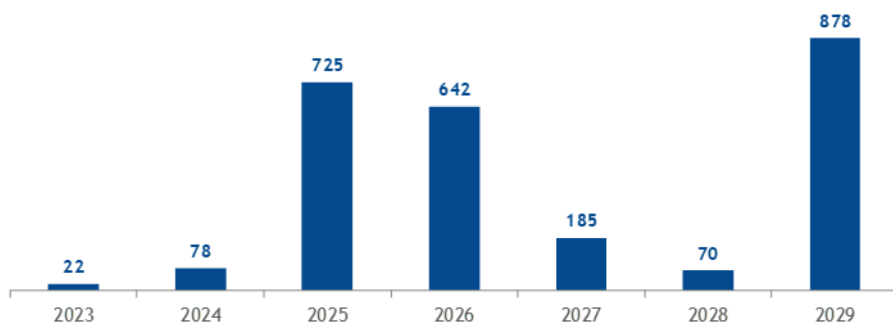
- **Bridge table of EPRA indicator:**

Shareholders' equity Group - IFRS Accounts	3 465 M€
Fair value of operating property assets net of deferred taxes	+ 156 M€
Non optimised transfer rights	+ 272 M€
Fair value of financial instruments	- 177 M€
Deferred tax (including IFRS adjustments)	+ 283 M€
EPRA NRV	3 998 M€
Deferred tax on non-core assets	- 225 M€
Goodwill and intangibles assets	- 116 M€
Non-optimised transfer rights	- 39 M€
EPRA NTA	3 618 M€
Optimisation of the transfer rights	- 47 M€
Intangibles assets	+ 0 M€
Fair value of fixed-rate debt net of deferred taxes	+ 141 M€
Fair value of financial instruments	+ 177 M€
Deferred taxes	- 243 M€
EPRA NDV	3 646 M€

- **Bridge table of rental income:**

€ millions	Rental income H1 2023	Non-controlling interest	Rental income H1 2023 Group Share
	IFRS Accounts		Covivio Hotels
Hotels	126 M€	- 6 M€	119 M€
Retail premises	2 M€	+ 0 M€	2 M€
Total Rental Income	128 M€	-6 M€	121 M€
Managed hotel EBITDA	32 M€	-1 M€	31 M€

- Debt maturity per year (group share engagement)



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

(€ millions) – Group Share	31-déc.-22	30-juin-23
Net book debt	2 287	2 390
Receivables linked to associates (fully consolidated)	-19	-26
Pledges	-43	-97
Security deposits received	0	-2
Purchase debt	16	8
Net debt Group Share	2 241	2 272
Appraised value of real estate assets (including duties)	6 175	6 161
Pledges	-42	-96
Receivables linked to associates (equity method)	63	58
Share of equity affiliates	212	213
Value of assets	6 408	6 336
LTV Excluding Duties	36,5%	37,5%
LTV Including Duties	35,0%	35,9%

- Reconciliation with consolidated accounts:

Net debt

(€ millions)	Consolidated financial statements	Minority interests	Group Share
Bank Debt	2 616	98	2 518
Cash and cash equivalents	139	11	128
Net debt	2 476	87	2 390

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	4 617	512	1 401	-630	5 901
Assets held for sale	97			0	97
Total portfolio	4 714	512	1 401	-630	5 998
				Duties	272
				Portfolio Group Share Including Duties	6 270
				Portfolio affiliates	8
				(+) Receivables from equity interests	58
				Portfolio for LTV calculation	6 336

Interest Coverage Ratio (ICR)

€ millions	30-juin-22	31-déc.-22	30-juin-23
EBE (Net rents (-) operating expenses (+) results of other activities)	128	278	145
Cost of debt	-22	-46	-28
ICR	5,77	6,00	5,24

- Bridge table of EPRA Earnings:

€ millions	Net income 100% IFRS Accounts	Non-controlling interest	Net Income, Group Share	Restatements	EPRA Earnings
Net Rental Income	123,6	-6,3	117,3	0,5	117,8
Managed hotel income	31,6	-0,9	30,7	1,5	32,2
Other Activity income	0,0	-0,0	0,0	0,0	0,0
Operating costs	-9,0	0,5	-8,5	0,0	-8,5
Depreciation of operating assets	-23,6	0,5	-23,1	20,7	-2,4
Net allowances to provisions and other	15,3	-0,4	14,8	-11,0	3,8
OPERATING PROFIT	137,9	-6,6	131,3	11,7	143,0
Income from disposals of assets	-0,3	-0,0	-0,3	0,3	0,0
Net valuation gains and losses	-44,0	5,0	-39,1	39,1	0,0
Income from disposal of securities	0,0	0,0	0,0	0,0	0,0
Income from changes in scope	-1,9	0,0	-1,9	1,9	0,0
OPERATING PROFIT (LOSS)	91,7	-1,6	90,1	53,0	143,0
Costs of net financial debt	-30,6	1,2	-29,4	0,0	-29,4
Interest charges on rental liabilities	-7,5	0,0	-7,5	5,1	-2,4
Fair value adjustment on derivatives	7,8	0,4	8,3	-8,3	0,0
Discounting and exchange result	0,4	0,0	0,4	0,0	0,4
Net change in financial and other provisions	-0,1	0,0	-0,1	0,0	-0,1
Share in income of equity affiliates	4,6	0,0	4,6	2,0	6,6
PRE-TAX NET INCOME (LOSS)	66,3	-0,0	66,3	51,9	118,1
Deferred tax liabilities	2,0	-0,1	1,9	-1,9	0,0
Recurrent Tax	-6,1	0,1	-6,0	0,0	-6,0
NET INCOME FOR THE PERIOD	62,2	-0,1	62,1	50,0	112,1

- **Balance sheet (100%)**

€ millions	2022	S1 2023	€ millions	2022	S1 2023
INTANGIBLE ASSETS					
Goodwill	120,1	118,2	Capital Stock	592,6	592,6
Other intangible assets	0,3	0,2	Share Premium	1 700,6	1 657,1
TANGIBLE ASSETS			Stocks own	-0,2	-0,1
Operating buildings	1 111,3	1 098,9	Consolidation reserve	806,0	1 153,4
Other tangible assets	17,2	15,7	Fiscal Year Net Result	478,8	62,1
Under construction assets	5,4	7,5	CONSOLIDATED SHAREHOLDERS QUITTY	3 577,8	3 465,1
Investments property	4 937,2	4 863,6	Minority Interest	184,7	183,6
			TOTAL SHAREHOLDERS EQUITY	3 762,5	3 648,6
Non current financial assets	67,7	65,1	Long-term borrowing debt	2 208,8	2 385,3
Investments in related companies	211,7	213,4	Long-term lease liability	276,1	278,6
Deferred taxes - assets	16,0	15,8	Fair value of net financial instruments - liabilities	69,9	65,2
Fair value of net financial instruments - asset	227,3	207,8	Deferred taxes - liabilities	247,3	245,9
TOTAL NON CURRENT ASSETS	6 714,2	6 606,2	Provision for retirement indemnities	0,7	0,8
Assets held for sale	42,9	104,5	Other liabilities (non current)	8,6	8,7
Loans and financial lease receivables	6,8	13,5	TOTAL NON CURRENT LIABILITIES	2 811,6	2 984,6
Inventories and w ip	2,3	2,4	Passifs destinés à être cédés	0,0	6,4
Fair value of net financial instruments - assets	50,1	72,0	Trade payables	43,4	65,0
Trade receivables	48,8	105,9	Payables related to assets	15,9	7,8
Tax receivables	3,4	3,3	Short-term borrowing debt	294,5	230,3
Other receivables	36,6	28,9	Short-term lease liability	5,3	5,3
Deferred charges	1,3	3,3	Fair value of Net Financial instruments - Liabilities	30,2	38,8
Cash and cash equivalent	127,4	139,4	Advances and deposit	0,1	0,1
TOTAL CURRENT ASSETS	319,8	473,1	Short-term provisions	11,1	15,8
TOTAL ASSETS	7 034,0	7 079,3	Corporate income tax liabilities	12,3	4,4
			Tax liabilities	4,9	9,8
			Other liabilities	27,5	50,1
			Advanced recognized revenues	14,6	12,1
			TOTAL CURRENT LIABILITIES	459,9	446,1
			TOTAL LIABILITIES	7 034,0	7 079,3

- **Profit and loss account (100%):**

€ millions	H1 2022	H1 2023	Var.
Rental Income	111,9	127,7	15,8
Un-recovered rental costs	-1,7	-1,5	0,2
Rental costs on property	-1,4	-1,9	-0,5
Bad debts	10,4	-0,7	-11,1
Net Rental Income	119,3	123,6	4,4
Hotel Operative Activity Income	88,8	136,2	47,4
Hotel Operative Activity Costs	-69,6	-104,6	-35,0
Profit From Hotel Operating Activity	19,2	31,6	12,4
Profit From Others Activity	0,0	0,0	0,0
Income from other activities	1,7	2,6	1,0
Costs relating to the services activities	-0,7	-0,7	0,0
Structure costs	-10,0	-10,9	-1,0
Operating Costs	-9,0	-9,0	0,0
Depreciation of operating assets	-20,1	-23,6	-3,5
Net allowances to provisions and other	7,5	15,3	7,7
CURRENT OPERATING INCOME	116,9	137,9	21,0
Income from disposals of assets	-0,1	-0,3	-0,2
Net valuation gains and losses	143,5	-44,0	-187,5
Income from disposal of securities	0,0	0,0	0,0
Income from changes in scope	-0,0	-1,9	-1,8
OPERATING INCOME	260,3	91,7	-168,6
Costs of net financial debt	-25,1	-30,6	-5,5
Interest charges on rental liabilities	-7,3	-7,5	-0,3
Fair value adjustment on derivatives	138,3	7,8	-130,5
Net change in financial and other provisions	-1,1	0,4	1,5
Amortization of borrowings' cost	-0,2	-0,1	0,2
Share in income of equity affiliates	13,7	4,6	-9,1
INCOME FROM CONTINUING OPERATIONS	378,6	66,3	-312,3
Deferred tax	-13,7	2,0	15,7
Corporate income tax	-2,6	-6,1	-3,5
NET INCOME FOR THE PERIOD	362,3	62,2	-300,2
Non-controlling interests	-15,6	-0,1	15,6
NET INCOME FOR THE PERIOD - GROUP SHARE	346,7	62,1	-284,6

- 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

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

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).