2015

REFERENCE DOCUMENT

Gecina
Bien plus que des mètres carrés

Reference document

including the Annual Financial Report
and the Sustainable Development Report

2015

AUTORITÉ
DES MARCHÉS FINANCIERS

AMF

This reference document was filed with the French securities regulator (Autorité des marchés financiers, AMF) on 02/25/2016, in accordance with Article 212-13 of the AMF's general regulations. It may be used in support of a financial transaction if supplemented with a transaction memorandum that has been approved by the AMF. This document has been drawn up by the issuer and is the responsibility of its signatories.

Contents

Editorial by Bernard Michel

2015, AMBITIOUS STRATEGIC REFOCUSING WITH MAJOR ACHIEVEMENTS

2015 was a particularly busy year for Gecina. With the support of a stabilized shareholding and revamped Board of Directors, we announced a clear and ambitious refocusing strategy in early 2015 aimed at strengthening our leadership on office property in Paris, around four major value-creating pillars. The Group recorded substantial successes all year long, particularly with respect to investments, disposals and marketing. The Group also continued to implement an ambitious Corporate Social Responsibility project, and has made major strides on the road to innovation targeted at boosting the company's performance.

DIVIDENDS NOW TO BE PAID IN TWO PARTS, AND SIGNIFICANTLY HIGHER THIS YEAR

For the year, Gecina's net recurring income – Group share surged +10.3% to €349.2 million, i.e. +8.6% per share, well above our expectations at the beginning of the year. By excluding the impact of the Beaugrenelle disposal completed in 2014, growth of our net recurring income was as high as +12.2%. This robust performance underlines the rigorous real estate, operational and financial management that we set up, while reflecting the result of the Group's capacity to seize value-creating investment opportunities, in a fiercely competitive market. Gecina's teams were able to realize and secure nearly €2 billion in investment in 2015. By including the initiated sale of the healthcare real estate division, the amount of disposals also amounted to nearly €2 billion.

Based on these good results, we can propose, at the upcoming General Meeting of April 2016, the payment of a dividend of €5.0 per share, up +7.5%, delivering a 4.5% yield based on the Gecina stock price at the end of 2015.

For the first time, Gecina will pay its dividend in two parts, the first part in March, then the balance in July, to allow shareholders to receive regular payments, as and when rents are collected during the year.

STRENGTHENED LEADERSHIP ON URBAN OFFICE PROPERTY

Gecina ranked among the very top players on the market in France with nearly €2 billion in investments realized or secured in 2015, concerning assets located in the best office areas, and nearly €579 million from disposals of non-strategic assets and mature office properties. As a result, at December 31, 2015, 69% of Gecina's property portfolio was made up of office assets, compared to just 63% at December 31, 2014. Furthermore, in these first months of 2016, Gecina has signed an irrevocable and final agreement for sale of its healthcare real estate, thus raising the weight of urban office property in its portfolio to nearly 77%. Although we are now close to our 80% goal, we shall not falter in our efforts, but will continue striving to have a dynamic asset turnover in our portfolio. Gecina's office property portfolio now mostly comprises buildings located in the best commercial and urban areas of the Paris region, since more than half of the latter is located in the city of Paris, and more specifically in the Central Business District (CBD) and nearly 40% of this portfolio is located in the Western Crescent, specifically in Boulogne-Billancourt, Neuilly-Levallois and La Défense.

A RECOGNIZED AND STILL VERY ACTIVE CSR POLICY

Today, Gecina's CSR policy is perfectly integrated in all its business lines. Preservation of biodiversity, energy consumption and carbon footprint are central concerns in all our strategic decisions and particularly during reconstructions or new developments. Our goals remain particularly ambitious and demanding on these topics, because we fully embrace our leading role on the various CSR themes specific to our sector. In order to further improve our CSR performance, Gecina is the first real estate company to obtain ISO 50001 certification, an international standard that certifies an entity's Energy Management System. We stress that Gecina has set itself an ambitious energy policy with the goal of reducing the energy consumption of its commercial properties by 40%.

In 2015, Gecina also made a commitment to the Paris City Hall to promote urban planting, signed the «one building, one work» charter, and also delivered highly efficient buildings compliant with energy consumption and carbon impact criteria such as «Le Cristallin» in Boulogne-Billancourt.

The Group also has a good track record in diversity and equal representation. The gender balance of its governance has been praised by the Ethics & Boards ranking, which places Gecina fifth in the SBF 120 ranking and top real estate company in this ranking.

We also maintained or improved most of our non-financial indicators in 2015, which is further proof of the Group's unflagging commitment. This ambitious CSR policy is a major lever for value creation because it compels us to anticipate changes in our environment and permanently come up with new ideas for the building of the future, in order to meet the expectations of all stakeholders, and of our clients and shareholders in particular.

AN INNOVATIVE PROCESS TO STIMULATE PERFORMANCE

Strengthening our leadership on Office properties in Paris is not just a quantitative ambition; it is also a qualitative ambition for the Group, because we are convinced that innovation leads to value creation on office properties.

Accordingly, Gecina has developed innovative solutions with its partners for start-ups in Neuilly and in Paris, close to the Gare de Lyon train station, and is currently setting up new tools to optimize the operation of its car parks while developing the model of shared car parks. At the same time, the Group continues to strive to propose quality services and new solutions to make life easier for our customer-tenants. We want our offices to represent more than a workspace; we want them to be genuine living areas where people meet and talk to each other.

In the same way as its CSR policy, innovation has become for Gecina a strategic tool enabling it to stand out from the crowd.

Bernard Michel

Chairman

Editorial by Philippe Depoux

A BUOYANT MARKET, ESPECIALLY IN THE MOST CENTRAL AREAS

In 2015, the office property market in the Paris Region showed clear signs of a recovery, especially in the most central zones where Gecina is well established. Although the balance of certain peripheral markets occasionally remains a source of concern, the trends are in fact very encouraging in the City of Paris and the Southern Loop of the Parisian Western Crescent. Take-up was slightly up by +1% year on year in the Paris Region. Although this figure is low, it conceals a very clear rebound compared to the trend observed at the end of the first half, when it was down -22%. This upturn is particularly visible in the Paris Central Business District, where take-up rallied strongly (+18%), but also in the Southern Loop of the Western Crescent (+92%), while supply year on year fell in both areas. Thanks to this renewed momentum, we were able to complete significant rental transactions, notably at the start of 2016 with the letting of the previously vacant Pointe Metro 2 building in Gennevilliers.

The vacancy rate stayed particularly low in central Paris, around 4.5%, against a background of persistently insufficient quality supply. Therefore, we think that the right conditions for an upturn in the rental cycle now exist, at least in the center of Paris, where demand is much stronger than current or future supply. This market trend has boosted our confidence on our office property in Paris. We would, moreover, point out that office property in Paris is unrivaled in Continental Europe, in terms of liquidity, size and market depth.

Since we largely anticipated improvements in market conditions in these areas, we were able to confidently carry out ambitious transactions under good conditions during the first half of the year. For example, we realized and secured nearly €2 billion in investments for the full year, placing Gecina at the very forefront of investment market players in 2015.

SOLID FINANCIAL, OPERATIONAL AND REAL ESTATE PERFORMANCE

We are particularly satisfied with the performance achieved by Gecina in 2015. The Group's net recurring income - Group share jumped +10.3% to €349.2 million (up +12.2% adjusted for the effect of the sale of Beaugrenelle), reflecting how carefully we managed the Group's administrative, operational and financial expenses and also underlining our success on the investment market.

Once again, financial charges were key to our performance since we were able to take advantage of the favorable context to significantly reduce our average cost of debt, while extending its average maturity, in addition to those of our hedges.

We also performed remarkably well on our property assets. We leased and re-leased, renegotiated and renewed leases for nearly 133,000 sq.m, representing nearly €52 million in rents, on a market that still remained difficult in certain peripheral areas, particularly at the start of the year. Consequently, the office vacancy rate stayed close to an incompressible level of 4.2%, well below the average rate in the Paris region (6.9% according to CBRE).

GECINA HAS SUCCESSFULLY IMPLEMENTED THE ANNOUNCED STRATEGY...

2015 was the year of strategic acceleration, since Gecina performed remarkably well with respect to the ambitions announced at the start of the year.

In early 2015, we announced our intention to make off-market opportunistic acquisitions in high-potential areas, while observing our expected profitability standards. In 2015, we secured a total of nearly €1.7 billion in new acquisitions, particularly in the Paris CBD, La Défense, Boulogne-Billancourt and Paris-Gare de Lyon.

We also planned to launch ambitious disposal programs on certain assets that we considered mature or when their positioning was considered non-strategic, making significant gains, in a booming market. In 2015, we secured nearly €579 million of disposals with nearly 26% of premium on appraisals, and early 2016, we secured the disposal of our healthcare asset portfolio for €1.35 billion, reflecting a 16% premium on the latest appraisals.

We also announced our intention to focus on creating value for our own assets. At year-end 2015, the Group had a total of €3.5 billion in its investment pipeline compared to just €1.7 billion at the end of 2014.

Lastly, we announced our desire to promote the office building of tomorrow. Although there is still much to be done, we have already developed new services for our tenants, set up innovative solutions for start-ups, launched a new operating mode for some car parks, delivered a building that is exemplary in several respects in Boulogne-Billancourt, and made huge progress on another project in Paris, rue d'Amsterdam, which should become a key reference when delivered in 2017. We have also been exploring several avenues and options and expect numerous projects to materialize shortly.

...SECURING SUBSTANTIAL VALUE CREATION SOURCES FOR THE FUTURE

Although the rental market seems promising in Gecina's traditional areas, the investment market is particularly dynamic but highly competitive. More than ever, it is important to be extremely picky and proactive in order to seize the best investment opportunities, under the best possible conditions. Gecina has proven its know-how in this field, which allows us to secure significant transactions, most of them off-market. This is how we were able to complete the acquisition of the T1&B towers at La Défense, and the current head office of the PSA Group located in the Paris CBD, avenue de la Grande Armée. This asset right in the center of Paris will be reconstructed and will ultimately become a flagship asset for Gecina. We also seized significant sources of untapped value by acquiring the Sky 56 and City 2 buildings in Lyon and Boulogne respectively, in addition to a major restructuring project in Paris Gare de Lyon (the Van Gogh Tower).

Gecina also has considerable reserves for creating value within its own portfolio, which our Asset Management teams have been striving to identify, for each individual asset, since early 2014. We have also defined numerous restructuring projects to populate our investment pipeline, raising it to €3.5 billion at the end of 2015, and therefore fuel future growth, primarily in the heart of Paris. The building located on rue d'Amsterdam in Paris and the «Le Cristallin» building in Boulogne will be the first examples of our approach. Early this year, we also launched a new redevelopment project of nearly 14,000 sq.m in one of our buildings in the 17th arrondissement of Paris.

WE EMBRACE 2016 WITH CONFIDENCE

The highly buoyant investment market, and signs of substantial improvement on the rental markets of the most central areas, have boosted our confidence in the strategy that we have set up with the support of our Directors. We are serenely confident about the new year considering the pick-up on the rental market in certain areas, and the progression in our development and redevelopment projects. In 2016, we shall neither be forced into buying nor selling, as our robust balance sheet gives us sufficient flexibility to wait for the right opportunities before selling and to be extremely picky about investments. In 2016, we shall be supple, flexible, proactive and responsive where necessary, ready to grab opportunities as they come while remaining rigorous with regards to our standards in terms of profitability.

Philippe Depoux

Chief Executive Officer

Executive Committee members

Philippe Depoux
Chief Executive Officer

Brigitte Cachon
Marketing & Innovation Executive Director

Yves Dieulesaint
Head of CSR

Nicolas Dutreuil
Chief Financial Officer

Loïc Hervé
Director of Real Estate Holdings

André Lajou
Director of Acquisitions & Sales

Vincent Moulard
Director of Asset Management

Philippe Valade
General Secretary

01 Group profile

1.1. Key figures

€ million	Change	2015	2014
Gross rental revenue	**+0.6%**	**574.6**	**571.0**
Offices	+4.4%	364.2	348.9
- Paris CBD - Offices	+6.4%	98.7	92.7
- Paris CBD - Retail	+0.1%	35.0	35.0
- Paris excluding CBD	-1.6%	52.6	53.5
- Western Crescent - La Défense	+13.4%	137.0	120.8
- Other	-12.8%	41.0	47.0
Residential	-1.5%	133.2	135.3
Healthcare	+4.1%	76.4	73.4
Other (incl. Beaugrenelle)	n.a.	0.7	13.4
Net recurring income (1)	**+9.8%**	**349.0**	**317.8**
Net recurring income - Group share (1)	**+10.3%**	**349.2**	**316.6**
Value in block of property holding (2)	**+24.5%**	**12,875**	**10,341**
Offices	+37.2%	8,892	6,482
- Paris CBD - Offices	+42.9%	2,576	1,803
- Paris CBD - Retail	+22.8%	1,098	894
- Paris excluding CBD	+23.6%	1,036	838
- Western Crescent - La Défense	+59.2%	3,392	2,130
- Other	-3.3%	790	817
Residential	-3.0%	2,667	2,750
Healthcare	+19.0%	1,316	1,106
Other (incl. Logistics)	n.a.	0	4
Net yield on property holding (3)	**-58 bp**	**4.99%**	**5.57%**

Data per share (€)	Change	2015	2014
Net recurring income	+8.2%	5.61	5.19
Net recurring income - Group share	+8.6%	5.61	5.17
Diluted block triple net NAV (EPRA) (4)	+21.2%	122.7	101.2
Net dividend (5)	+7.5%	5.00	4.65

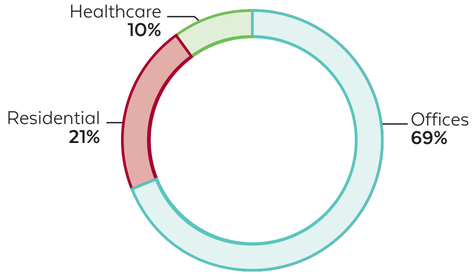
Number of shares	Change	2015	2014
Number of shares comprising share capital as at December 31	+0.2%	63,260,620	63,104,820
Number of shares excluding treasury stocks as at December 31	+2.2%	62,640,073	61,317,661
Diluted number of shares excluding treasury stocks as at December 31	+2.2%	63,327,690	61,967,103
Average number of shares excluding treasury stocks	+1.6%	62,216,325	61,260,603

(1) EBITDA less financial expenses and recurring tax
(2) See note 2.3. Valuation of property holding
(3) Like-for-like basis 2015
(4) See note 2.5. Triple Net Asset Value
(5) Dividend 2015 submitted for approval by General Meeting 2016

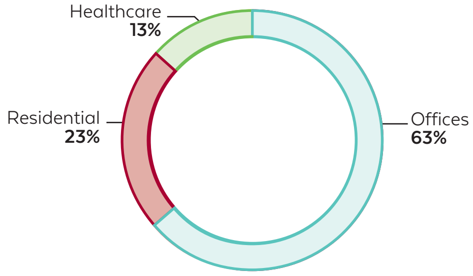
RSE	Change	2015	2014
Energy consumption trend on office assets controlled operationally by Gecina, in kWhep/sq.m/year (1)	-12%	299	339
Percentage of office space with HQE® Operation certification	+8 pt	71%	63%

(1) Primary energy at constant climate

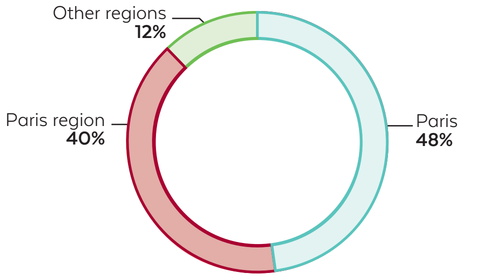
Property holding appraisal by business



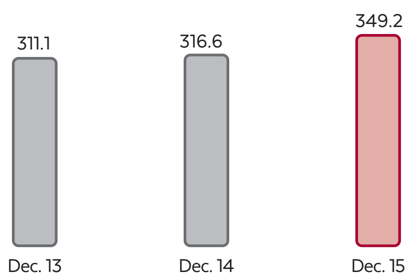
Breakdown of rental revenues by business



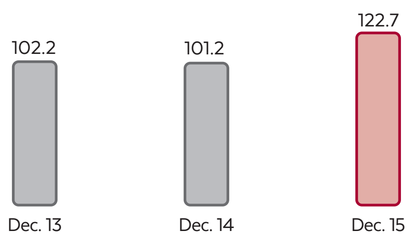
Geographic breakdown of rental revenues



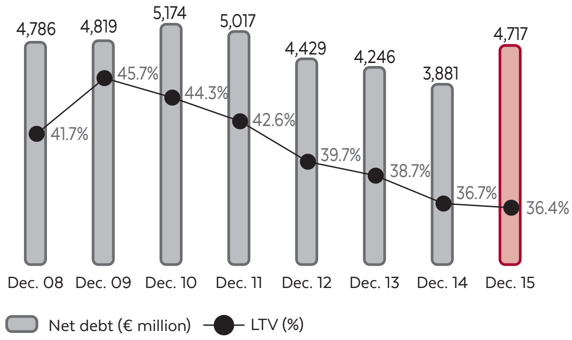
Net recurring income – Group share (€ million)



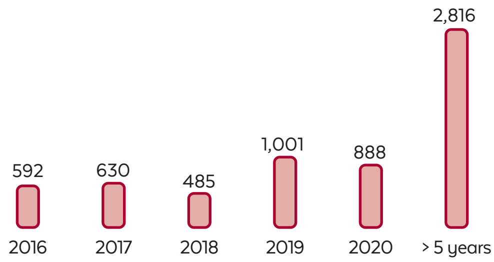
Diluted block triple net EPRA NAV per share (€)



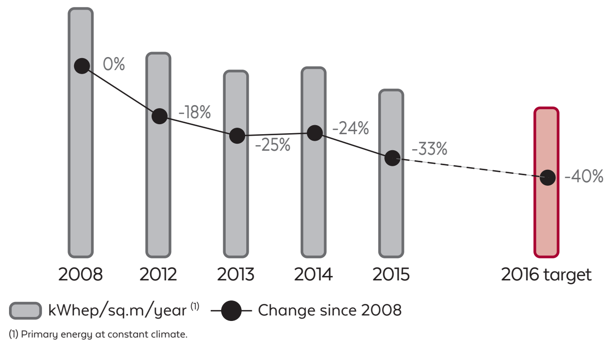
LTV ratio



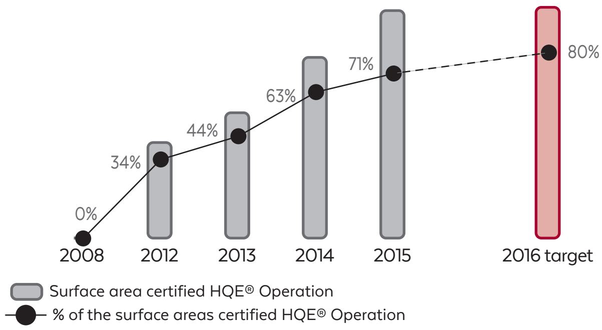
Schedule of authorized financing (including unused credit lines and excluding commercial paper) (€ million)



Energy consumption trend on office assets controlled operationally by Gecina



Percentage of office space with HQE® Operation certification



1.2. Gecina in brief

Gecina holds, manages and develops property holdings worth €12.9 billion as at December 31, 2015, mainly located in the Paris region and primarily made up of office buildings.

The company's office building portfolio, valued at €8.9 billion, represents 69% of its total property assets. Nearly half of these assets are made up of Parisian assets (53%), the majority of which are located in the Central Business District, and 38% of the office building portfolio located in the Western Crescent and at La Défense.

Gecina also owns "diversification" assets, which make up 31% of its portfolio (i.e. nearly €4.0 billion). They are composed of traditional residential property and student residences (21% of the total portfolio), as well as clinics and nursing homes (10%).

In recent years, Gecina has reinforced its exposure on offices in the Paris region through the active turnover of its portfolio. It has disposed of nearly €6.3 billion assets since 2008 and invested over €5.7 billion. Thanks to this active turnover of its property holdings, Gecina succeeded in raising the weight of office property in its portfolio from 52% in 2006 to 69% at end 2015. Its declared target is to continue this strategic repositioning by achieving a weight of over 80% in the future, through selective investments and divestment of non strategic assets. If we take into account the disposal of the healthcare portfolio for which a sale agreement was signed in February 2016, the office portfolio now represents 77% of the Group's total portfolio.

As part of this, Gecina will give priority to Paris region offices, offering a unique breadth of market within the Euro Area, as well as good prospects both in economic and development terms through in particular the Greater Paris project.

With a stable shareholding and stronger balance sheet, the company is poised to build its future, and announced at the beginning of 2015, its strategic ambitions aimed in particular at strengthening its leadership in the Paris urban office market:

- by seizing investment opportunities that create value;
- by identifying and exploiting the untapped intrinsic opportunities of its own real estate portfolio;
- by selling non-core and mature assets in a buoyant context;
- by developing the new generation building, offering differentiating services that will meet the needs of its tenants, and also the environmental criteria through "sustainable innovation".

2015 marked a sharp boost to the development of the Group's strategy, with Gecina securing nearly €1.7 billion in new investments, and €579 million from completed sales and pending sales as at December 31, 2015. In addition, the Group completed its portfolio review, which allowed it to identify significant projects in its portfolio capable of fueling its growth in coming years.

Gecina also aims to make 80% of its property portfolio certified HQE® Operations by the end of 2016 (71% at end 2015).

Gecina is a French real estate investment trust (SIIC) listed on Euronext Paris, and is part of the SBF 120, FTSE4Good, DJSI Europe and World, Stoxx Global ESG Leaders, Euronext 100 and Vigeo indices.

1.3. Key Gecina dates

1959

- Foundation of Groupement pour le Financement de la Construction (GFC).

1963

- Listing of GFC on the Paris stock market.

1991

- GFC absorbs GFII.

1997

- GFC acquires Foncina.

1998

- GFC absorbs UIF and acquires Foncière Vendôme. GFC becomes Gecina.

1999

- Gecina absorbs Sefimeg (which holds Fourmi Immobilière founded in 1879) followed by Immobilière Batibail.

2002

- Acquisition of Simco, a real estate company, which had previously acquired Compagnie Immobilière de La Plaine Monceau (founded in 1878) and Société des Immeubles de France (founded in 1879).

2003

- Gecina adopts the status of a *Société d'Investissement Immobilier Cotée* (Listed Real Estate Investment Trust).
- Gecina absorbs Simco.
- Gecina creates the risk management and sustainable development department.

2005
- After a public tender offer, Metrovacesa holds 68.54% of Gecina's share capital.
- Joaquín Rivero is appointed Chairman of Gecina at the Shareholders' General Meeting.
- First investments in new types of assets, hotel properties and logistics.
- "Building of the Year 2005" trophy, "renovated building" category, awarded at SIMI.
- The "Cristallin" building in Boulogne is the first HQE® Construction certified building.

2006
- Public tender offer on Sofco, which becomes Gecimed, and purchase of 28 clinics from Générale de Santé.

2007
- Signing of a Separation Agreement among Metrovacesa shareholders.
- On completion of the first phase of this Separation Agreement, Metrovacesa holds only a 27% stake in Gecina, Mr. Rivero 16% and Mr. Soler 15%.
- Merger by absorption of Société des Immeubles de France by Gecina.
- Creation of an energy/carbon mapping of all the property holdings.

2008
- The "Building", former head office of "Le Figaro", receives the "Building of the Year 2008" trophy, renovated buildings category, awarded at SIMI.
- Gecina launches its Corporate Foundation.
- Gecina launches "Campuséa", its student residences brand.

2009
- Labuire Park receives the urban development prize.
- Gecina launches a mandatory public offer on Gecimed and obtains 98.5% of the share capital.
- Definite waiving of the Separation Agreement.
- Gecina amends its system of governance, separates the positions of Chairman and Chief Executive Officer and in November appoints Christophe Clamageran as Chief Executive Officer.
- The "Mercure" building is the first HQE® Operations certified building.
- Signing of the first green lease with Barclays.

2010
- Bernard Michel is appointed Chairman to replace Joaquín Rivero.
- Gecina starts withdrawing from Spain by shutting down the local branch and selling its interests in Sanyres.
- Gecina acquires 25% of SCI Beaugrenelle, and raises its interests to 75%.
- Gecina is included on the FTSE4Good and DJSI indices.

2011
- Gecina combines the duties of Chairman and Chief Executive Officer and Bernard Michel is appointed Chairman and CEO in October.
- The Horizons building wins the SIMI Grand Prize in the "New building" category.
- Gecina is included on the Stoxx Global ESG Leaders index.

2012
- Gecina wins the "SIIC Trophy" in the "Best transaction for the year" category for its financial restructuring.
- As part of its refocusing policy, Gecina disposes of its logistics assets.
- "Newside" is the first building to obtain triple certification (HQE®, LEED® and BREEAM®).
- The "96-104" building in Neuilly-sur-Seine is the first building to obtain the BBC (low-energy building) label.

2013
- The "Pierre d'Or 2013" is awarded to Bernard Michel in the manager category.
- Gecina decides to separate the duties of Chairman of the Board of Directors from those of CEO, Philippe Depoux is appointed Chief Executive Officer in June.
- As part of its refocusing policy, Gecina disposes of its hotel assets.
- Reopening of Beaugrenelle shopping center in October.

2014
- The "Pierre d'Or 2014" is awarded to Beaugrenelle in the "Programs" category.
- The concert party Blackstone and Ivanhoé Cambridge acquire a 22.98% stake in Gecina.
- As part of its refocusing policy, Gecina disposes of its Beaugrenelle shopping center.
- Gecina acknowledges the disposal by Metrovacesa of all its shares (26.74%) to institutional investors, including, in particular Blackstone and Ivanhoé Cambridge, Crédit Agricole Assurances and Norges Bank.
- Gecina wins the "SIIC Trophy" in the "CSR" category.

2015
- As part of its refocusing policy, Gecina disposes its last office building in Spain, an 11,000 sq.m asset located in Madrid and let to BMW.
- Gecina acquires the T1&B Towers and the PSA group's historic headquarters, located avenue de la Grande Armée, for an amount of 1.24 billion euros, from Ivanhoé Cambridge.
- Gecina launches, in October 2015, a sales process for its healthcare portfolio that has led to a firm agreement signed on February 8, 2016 with Primonial Reim, for 1.35 billion euros.
- Gecina acknowledges, on October 29, the sale by Gevrey Investissement of nearly 3.4% of the capital, concerning the securities held by The Blackstone Group.
- Gecina is the first real estate company to be ISO 50001 certified by AFNOR.

1.4. Group structure and organization chart

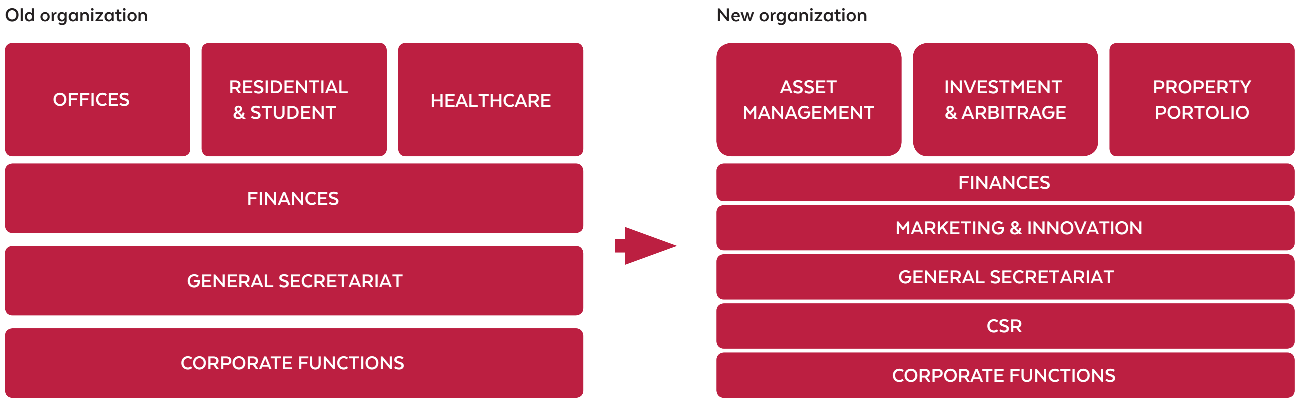
1.4.1. GROUP STRUCTURE AND ORGANIZATION CHART

The Group's operations are organized around France's leading office property holdings, as well as around "diversification" assets (traditional residential assets, student residences and healthcare facilities).

To ensure its strategic refocusing on the office property market and to consolidate its model, in 2014, Gecina adopted a new organization adjusted to the property value creation chain. This reorganization spurred the acceleration of the refocusing process as announced in early 2015.

The operational teams, which were previously organized "vertically" by product, *i.e.* in silos, now work "horizontally" across business lines. It led to the creation of three multi-product divisions: Acquisitions & Sales, Asset Management and Real Estate Holdings. The Acquisitions & Sales Department identifies opportunities and manages acquisition and sale processes. The Asset Management department is in charge of the real estate strategy, business plans per building and the management of major account customers. The Real Estate Holdings Department is responsible for managing construction operations, the oversight of renovation and property management.

Under this new organization, Gecina has made CSR a key component of its strategy, under the direct responsibility of Executive Management, as is the case of the new Marketing and Innovation Department. These two Departments will contribute to the Group's vision of becoming the trailblazer for tomorrow's buildings, which will meet environmental criteria and offer enhanced solutions to the needs of tenants and to the expectations of the stakeholders.

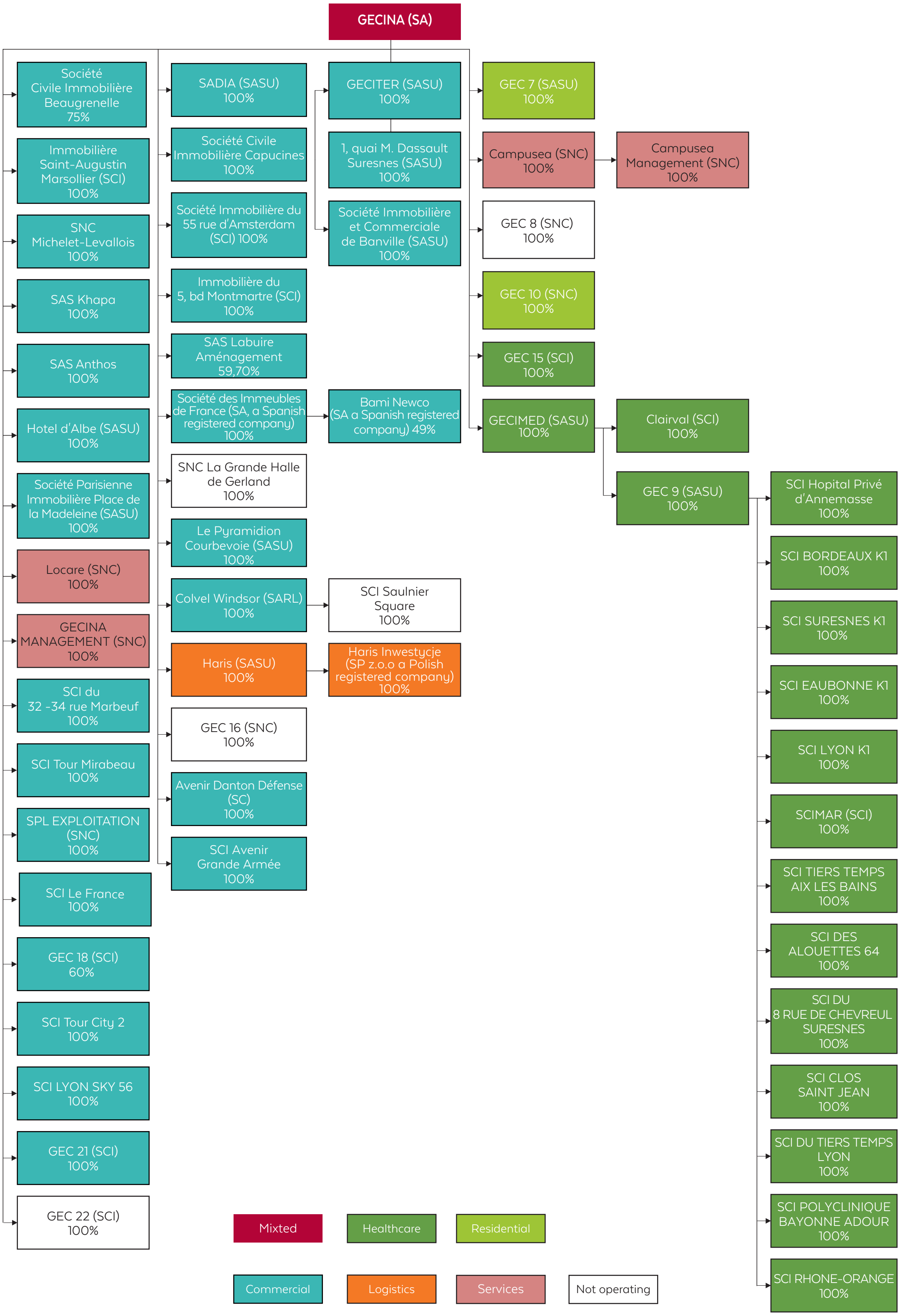


Moreover, as at December 31, 2015, the Gecina group consisted of 60 distinct legal entities including (i) 51 real estate companies with property holdings or real estate rights, and (ii) four service companies.

The main legal entities are based in France.

The organization chart below shows that most subsidiaries are wholly owned by the Group with the exception of:

- SAS Labuire Aménagement, in which Gecina holds a 59.7% equity stake;
- Spanish company Bami Newco, in which Gecina holds a 49% equity stake through its wholly-owned subsidiary SIF Espagne;
- SCI Beaugrenelle, in which Gecina holds a 75% equity stake;
- SCI GEC 18, in which Gecina holds a 60% equity stake.


GECINA (SA)
Société Civile Immobilière Beaugrenelle 75%
Immobilière Saint-Augustin Marsollier (SCI) 100%
SNC Michelet-Levallois 100%
SAS Khapa 100%
SAS Anthos 100%
Hotel d'Albe (SASU) 100%
Société Parisienne Immobilière Place de la Madeleine (SASU) 100%
Locare (SNC) 100%
GECINA MANAGEMENT (SNC) 100%
SCI du 32 -34 rue Marbeuf 100%
SCI Tour Mirabeau 100%
SPL EXPLOITATION (SNC) 100%
SCI Le France 100%
GEC 18 (SCI) 60%
SCI Tour City 2 100%
SCI LYON SKY 56 100%
GEC 21 (SCI) 100%
GEC 22 (SCI) 100%
SADIA (SASU) 100%
Société Civile Immobilière Capucines 100%
Société Immobilière du 55 rue d'Amsterdam (SCI) 100%
Immobilière du 5, bd Montmartre (SCI) 100%
SAS Labuire Aménagement 59,70%
Société des Immeubles de France (SA, a Spanish registered company) 100%
SNC La Grande Halle de Gerland 100%
Le Pyramidion Courbevoie (SASU) 100%
Colvel Windsor (SARL) 100%
Haris (SASU) 100%
GEC 16 (SNC) 100%
Avenir Danton Défense (SC) 100%
SCI Avenir Grande Armée 100%
GECITER (SASU) 100%
1, quai M. Dassault Suresnes (SASU) 100%
Société Immobilière et Commerciale de Banville (SASU) 100%
Bami Newco (SA a Spanish registered company) 49%
SCI Saulnier Square 100%
Haris Inwestycje (SP z.o.o a Polish registered company) 100%
GEC 7 (SASU) 100%
Campusea (SNC) 100%
Campusea Management (SNC) 100%
GEC 8 (SNC) 100%
GEC 10 (SNC) 100%
GEC 15 (SCI) 100%
GECIMED (SASU) 100%
Clairval (SCI) 100%
GEC 9 (SASU) 100%
SCI Hopital Privé d'Annemasse 100%
SCI BORDEAUX K1 100%
SCI SURESNES K1 100%
SCI EAUBONNE K1 100%
SCI LYON K1 100%
SCIMAR (SCI) 100%
SCI TIERS TEMPS AIX LES BAINS 100%
SCI DES ALOUETTES 64 100%
SCI DU 8 RUE DE CHEVREUL SURESNES 100%
SCI CLOS SAINT JEAN 100%
SCI DU TIERS TEMPS LYON 100%
SCI POLYCLINIQUE BAYONNE ADOUR 100%
SCI RHONE-ORANGE 100%
Mixted
Healthcare
Residential
Commercial
Logistics
Services
Not operating

1.4.2. CHANGES IN THE GROUP'S STRUCTURE DURING THE FISCAL YEAR

On July 14, 2015, Braque Ingatlan, a company without activity, was liquidated.

On November 30, 2015, Braque was subject to a universal transfer of its assets to Gecina, and was deregistered on December 2, 2015.

On November 30, 2015, SAS L'Angle was also subject to a universal transfer of its assets to Gecina and was deregistered in December 3, 2015.

On December 30, 2015, GEC 9 raised its interests in SCI Rhône-Orange from 80% to 100%..

1.4.3. POST-BALANCE SHEET EVENTS RELATING TO THE GROUP STRUCTURE

On February 8, 2016, Gecina has signed a preliminary sales agreement concerning the equities of Gecimed and GEC 15, comprising the entire healthcare portfolio. After reiteration of this preliminary sales agreement, that is expected in the first half of 2016, these two companies will not be controlled by Gecina anymore.

1.5. Business and markets

In recent years, Gecina has significantly streamlined its property holdings by disposing of non-strategic assets, primarily aimed at reinforcing the company's specialization around its office building portfolio while reducing its debt. Accordingly, Gecina sold off its logistics portfolio in 2012, then its hotel assets in 2013 and the Beaugrenelle shopping center in early 2014. In October 2015, the Group announced that it had launched a procedure that could lead to the sale of its healthcare portfolio. In 2015, Gecina also sold off its last office building in Spain (the BMW building in Madrid), and continued to gradually let go of its residential real estate by selling off vacant housing units. While selling off these assets, Gecina also secured nearly €1.7 billion in new office investments in Paris, at La Défense but also at Boulogne-Billancourt and in Lyon. Consequently, the share of the office building portfolio rose from 52% of the total portfolio in 2006 to 69% at end 2015, and 77%, if we exclude the healthcare portfolio for which a sale agreement was signed in early 2016.

The company wishes to extend this strategic repositioning and is aiming at the exposure of over 80% of its portfolio to the office building market in the medium term, while adopting a controlled diversification that will not represent more than 20% of its portfolio.

On the office market in Paris and the Paris region, Gecina's core business, the environment in 2015 showed signs of improvement, notably in the most central areas of the Paris region, but the context was generally mixed, depending on the area.

The investment volume was close to the record levels of 2006-2007, with nearly €23.4 billion in 2015, marking a clear acceleration during the year, with the best half-year ever recorded in the second half of the year.

Although the rental market showed signs of weakness in the immediate suburbs, the most central districts (and notably the City of Paris) showed encouraging signs. The outlook seemed rosy in Gecina's traditional areas (the City of Paris and the Southern Loop of the Western Crescent) where take-up rallied sharply. Overall, the Paris region rental market appears to be on a good trend, despite the still glaring differences in trends and very diverse performances depending on the quality and location of assets.

1.5.1. THE OFFICE BUILDING MARKET: 2015 TRENDS AND OUTLOOK

Sources: BNP Paribas Real Estate, CBRE, Cushman & Wakefield, Immostat, IPD, Jones Lang LaSalle, Knight Franck, MBE Conseil.

PROPERTY HOLDINGS

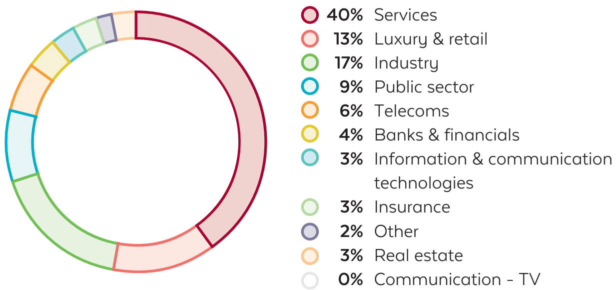
At the end of 2015, Gecina managed a portfolio of office & retail assets of over 1,000,000 sq.m of which more than 900,000 sq.m in operation broken down (in value) as follows:

- 54% in the City of Paris;
- 45% in the rest of the Paris region;
- 1% in Lyon.

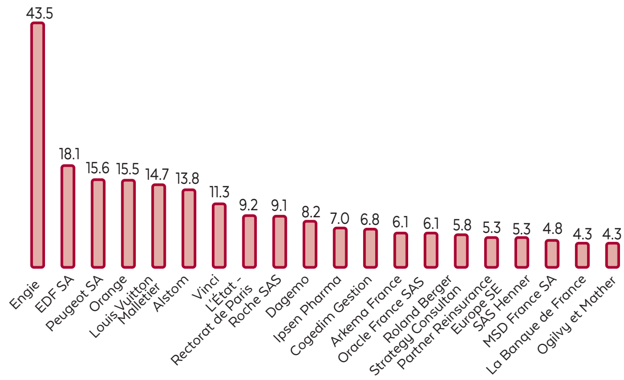
Breakdown of assets in operation by size (in value):

- properties with a floor space of more than 10,000 sq.m representing 57% of the portfolio;
- 27% of the portfolio is comprised of properties between 5,000 and 10,000 sq.m;
- properties with less than 5,000 sq.m of floor space account for only 16% of the property holdings.

Breakdown of office tenants by sector



Rent from main office tenants (€ million)



A PARTICULARLY BUOYANT INVESTMENT MARKET…

Large volumes of liquidities continued to maintain the buoyancy of the investment market, in France, and especially in the Paris region. For instance, nearly €24 billion were invested in corporate real estate in France in 2015, confirming the momentum observed in 2014. In the last 10 years, the investment volume observed in 2014 and 2015 was exceeded only in 2006 and 2007. The concentration of the investment market further intensified in 2015, in favor of office assets in the Paris region. According to CBRE, the greater part of these investments (84%) concerned investments in the Paris region (*versus* 75% in 2014). CBRE further indicated that 72% of commitments during the year pertained to office assets (*versus* 66% in 2014), while only 18% of these investments concerned retail assets (27% in 2014). The trend already observed in 2014 regarding growing investor preference for office assets located in the Paris region, grew stronger in 2015.

The market proved particularly active on large transactions, since 74 transactions worth more than €100 million were recorded (*versus* 54 in 2014), representing almost 64% of the total investment amount, in value, *i.e.*, a similar weight to that recorded 2014 (source: CBRE). Furthermore, the share of investments made up of very large transactions (between €100 and €500 million) rose from 35% in 2014 to nearly 53% in 2015, offsetting the drop in the share of very large transactions (>€500 million). Investors remain attentive to the search for prime assets with secure fundamentals, but a rare offer on this segment pushed them to position themselves on broader asset types, specifically in terms of location. The volume of pre-construction sales rose slightly to €2.5 billion in 2015 compared to €2.3 billion in 2014, while the proportion of speculative developments (blank) also showed a modest increase. Given the scarcity of properties available for sale in prime locations and the existence of good rental situations, the abundance of capital for investment contributed to the sharp compression of prime rates observed during the year.

National investors were the principal investors (60% of transactions), with insurance companies, real estate investment trusts (SCPI) and real estate mutual funds (OPCI), and to a lesser extent sovereign funds, all net buyers, being particularly active and confirming the trends observed in 2014. Meanwhile, German open funds were generally sellers, especially in the drive to gradually liquidate their assets.

The strong momentum of the investment market sustained the valuation of prime assets, especially in Paris, where interest rates are now 3.25% compared with 3.75% at end 2014. The compression of rates was also observed in prime locations in the Western Crescent and some markets of the first and second rims that are well served by public transport and where there is significant rental market depth.

Gecina intends to continue enhancing its portfolio quality to match the growing expectations of major tenants. The responsible and remarkable buildings concept proposed by Gecina is driven not just by environmental certification criteria but also by a concern for the comfort and well-being of occupants, as these criteria directly impact their productivity.

… AND AN ENCOURAGING RENTAL MARKET IN CENTRAL AREAS

The improvement in take-up grew stronger in the second half after slowing down in the first half. Following a significant increase of +13% in 2014, take-up was up +1% again to 2.2 million sq.m, in spite of a rather severe contraction in the first half (-22%). However, this level remains below the 10-year average, despite the strong momentum observed in the second half. There was substantial improvement on most markets and particularly in Paris (an average of +15% and +18% in the CBD alone) and the Southern Loop of the Western Crescent (+92%), two areas where Gecina has a solid presence. The recovery therefore marked the return of users to traditional business districts while other geographical sectors such as the second rim and south first rim struggled to cope in a more difficult market.

The improvement in transactions mainly concerned properties with surface areas between 1,000 sq.m and 5,000 sq.m, which were up +16% year on year, mainly driven by the strong performance on the City of Paris market (+37%), while major transactions for properties over 5,000 sq.m were down -16%, to the detriment of La Défense, where take-up dropped significantly (however, a number of large transactions are expected in the first half of 2016 such as the letting of the remaining Majunga space to Deloitte).

At the same time, office space supply dipped slightly by -3% relative to the end of 2014 and fell to 3.9 million sq.m, reflecting a 30-bp drop in the vacancy rate to 6.9% in the Paris region (source: CBRE). The vacancy rate fell below 5% in the Paris CBD and settled at 4.8% (5.8% at the end of 2014) where new/reconstructed supply is structurally weak. This rate remained higher in the Western Crescent (11.5%), but also followed a downtrend, notably in the Southern Loop where it dropped below 10% to 9.7% (10.9% in 2014). Vacancy shrank in La Défense as well, where the rate reached 10.8% (12.2% in 2014), boosted by the lack of new projects. In addition, we note the modest drop in future supply, and the fact that only 18% of immediately available supply comprises new or reconstructed assets.

Against this background, market headline rents remained flat, marking a slight increase in the City of Paris, especially for prime properties. In the Paris CBD, first-hand office property rents were up +3% (source: Cushman & Wakefield), reflecting the shortage of class A office space in that area. In addition, in the Paris region, incentive measures were reportedly slightly down for the first time since 2010 (source: BNP Paribas), particularly in the center of Paris, thereby confirming the rally on the most central rental markets. This trend is in line with observations made by Gecina during transactions completed on its own portfolio.

2016: A FAVORABLE CONTEXT

In 2016, the combination of abundant available cash, very attractive interest rates and signs of a rally on the rental market in most central areas, should continue to fuel the investment market. Although macroeconomic trends are uncertain, they seem to be heading the right way and Paris and its region show unique defensive qualities in continental Europe, such as liquidity and market depth.

Faced with this influx of cash and expectations of record low levels for the cost of money, real estate yields should stay at their current levels, or even fall slightly, with offered risk premium remaining particularly attractive. In this context, some sellers are likely to seize transaction opportunities in order to streamline their portfolios.

The main issue remains the willingness of investors to raise their exposure to secondary assets or to developing blank assets, considering the limited prime offering. This will depend to a large extent on the development of investor confidence that the economic cycle will pick up.

In this context, the volume of commitments in 2016 could still reach the volumes observed in 2014 and 2015.

Concerning the rental market, the office property market will still be influenced by the macro-economic environment, and particularly the employment trend. We expect large transactions to rally in 2016, and potentially boost take-up to around 2.4 million sq.m. Immediate supply is expected to remain unchanged, therefore the vacancy rate should remain slightly bearish. In the Paris CBD, in the light of the expected decrease in rental incentives, combined with the contraction of available supply for medium-sized properties, rents are likely to rise in 2016 (Cushman & Wakefield), especially given the low-supply situation in the CBD in 2016 and 2017.

GECINA ON THE OFFICE BUILDING MARKET IN THE PARIS REGION

In 2015 Gecina leased, released and renegotiated nearly 133,000 sq.m of office space, representing an economic rent volume of around €52 million, to proactively manage leases set to expire in 2016 and 2017. Consequently, the vacancy rate of Gecina's office portfolio stayed close to a record low of 4.2%, which was significantly lower than market rate (6.9% according to CBRE).

Lease management this year resulted in the emergence of a negative reversion that had a modest -0.7% impact on the organic growth of rents on the segment, stable compared with 2014.

On a comparable basis, the valuation of Gecina's assets rose by +14.4% for the office portfolio, showing the differences in the trends observed in 2015 in Paris and in the rest of the Paris region (the valuation of Gecina's CBD portfolio rose +21.6 % on a comparable basis).

With nearly €2 billion euros in secured investment outflows over the year and €374 million in completed sales or pending sales as at December 31, 2015, Gecina ranked among the foremost players on the investment market. Gecina's acquisitions in 2015 included the T1&B towers at La Défense (head office of Engie), the current head office of the PSA Group located in the Paris CBD avenue de la Grande Armée, the Sky 56 building in Lyon Part-Dieu and City 2 (Citylights) in Boulogne-Billancourt as well as the Van Gogh (Sunflower) tower in Paris-Gare de Lyon. At the same time, it sold off its last building in Spain (BMW), in addition to other properties such as «Le Mazagran» (Gentilly), «L'Angle» (Boulogne-Billancourt) «Newside» (La Garenne Colombes) and «Brune» in Paris.

It should be noted that, in a fiercely competitive investment environment, Gecina intends to continue to capitalize on the value potential that is intrinsic to its property portfolio, by exploiting its land reserves, and also by conducting asset restructuring programs on its own portfolio, especially in Paris.

1.5.2. DIVERSIFICATION MARKETS

1.5.2.1. RESIDENTIAL

Sources: www.paris.notaires.fr, INSEE, Guide du crédit, Clameur, LPI-Seloger

Property holdings

Following a series of divestments, Gecina's residential portfolio is almost exclusively concentrated on Paris and the adjacent department of Hauts-de-Seine, markets where the decisive factors, especially in terms of scarcity of supply, appear very specific compared to the rest of the country.

Traditional residential assets in operation are broken down as follows in value:
- 77% in the City of Paris;
- 23% in the Paris Region.

Rallying volumes in 2015, and recovering prices in the second half

Residential property prices in Paris fell slightly in 2015 to €8,020/sq.m (at the end of September 2015), according to the statistics of notaries, representing a fall of 0.9% year on year (statistics from LP-Seloger give an average price of €8,359/sq.m at the end of 2015, also representing a drop of 0.9%). However, this slight drop masks a fairly bullish price trend in the 2nd and 3rd quarters (the average price was €7,890 at the end of the second quarter of 2015). According to Notaries, prices could remain unchanged or even increase slightly year on year in Paris (the leading indicators of Notaries refer to +1.2% increase year on year by January 2016).

With respect to sale volumes, the market confirmed the rally already observed in 2014 (+7%) with a significant acceleration of this trend. In the third quarter, the volume of old apartment sales in the Paris region surged +28% year on year (+22% in the City of Paris and +33% in Hauts-de-Seine), *i.e.* +13% higher than the long-term average volume (over ten years).

Although this bullish trend could persist throughout 2016, Notaries remain cautious, waiting for confirmation of green shoots and for changes in the unemployment rate.

In this context, Gecina has successfully continued a unit-by-unit sales program worth €155 million (completed or pending sales) in 2015, representing an average premium on appraisals (block value) of more than 30%. €15 million of additional sales were in the pipeline at December 31, 2015.

Prices continued to be boosted by scarcity of supply and particularly attractive credit terms, which compensated for a certain number of less favorable factors, which improved during the year (economic environment and the confidence of households). For example, at the end of December 2015, credit rates for 15-year mortgage loans fell to a historically low level of 2.15% compared with 2.40% at the end of 2014 and 3.20% at the end of 2013.

Paris and to a lesser extent, the First Rim, represent a market with genuine shortages and growing demand due to demographic changes, concern about pensions and uncertain financial markets. The Paris market continued to serve as a safe haven for a number of private investors.

Rents slightly down, in the absence of indexing

Paris rents fell slightly in 2015 (down 1.3% year on year) to €24.9/sq.m (at the end of October). In the Paris region, rents stood at €19.0/sq.m (excluding charges), representing a moderate drop of -1.6%. For the whole of France, the decrease in rents in 2015 was limited to 1.6%. The rental trend was barely boosted by weak indexing in 2015 (+0.4% for Gecina's portfolio). For information, the IRL (the French rent reference index) was close to zero in 2015 (at -0.01%), pointing to even weaker indexing in 2016.

Yet, the scarcity of rental supply remains particularly significant in the City of Paris. It is particularly the result of the shortage of new constructions in this zone. This situation could not be corrected by the deliveries of new buildings covered by the Scellier (since 2009), Duflot (since January 2013) and Pinel (since 2014) tax-relief initiatives. In this context of limited supply, the gradual increase in the number of first-time homeowners resulted in a lower number of private properties available for rental. These market conditions are reflected in a high average financial occupancy rate of 97.7% for Gecina's residential property holdings in 2015.

Outlook

The scarcity of housing supply in Paris and in the First Rim should remain the structuring factor for this market in the medium term and will help to keep asset prices up. The macroeconomic context remained uncertain even if it improved in 2015 and will continue to improve in 2016. This situation led to some caution, while stoking fears around the application of the ALUR incentive, which could make certain private investors take more conservative decisions. However, the positive trend at year end 2015 could continue, and should at least help to keep prices at their current levels, especially if financing conditions continue to represent a substantial support factor for creating solvent demand.

Rents are not expected to rise in 2016 in Paris and in the First Rim, but are likely to stay close to current levels, especially considering the rent regulation decree, but also the weak indexing. The tenant turnover rate in the Gecina portfolio should remain close to the 2015 level (15.6%).

1.5.2.2. STUDENT RESIDENCES SECTOR

Property holdings

At the end of 2015, Gecina was running, through its Campuséa subsidiary, fifteen student residences, of which eight in the Paris Region and seven in other French regions, representing approximately 2,400 beds. Gecina is currently developing three residences through this subsidiary.

A market with insufficient capacity in large university cities

In the long term, the student residences sector is expected to be boosted by an increase in the number of students, while supply continues to be limited.

This is because France, together with Germany and the United Kingdom constitute the three European countries with the largest student populations, *i.e.*, nearly 2.4 million students. This number is expected to rise given the increase in the length of university courses and the number of foreign students. According to the French Minister of Higher Education and Research, the number of students is likely to increase by 7% to more than 2.5 million by 2020. At the same time, the number of foreign students should increase by around 285,000 now to nearly 750,000 in 2020, representing by that date 30% of the total number of students in France.

Within this student population, more than 60% of students share apartments, especially given the rising trend in student mobility. The level of apartment sharing rises in proportion to the age of students: two thirds of students aged 21 and above no longer live with their parents. In this context, there is a genuine shortage of suitable housing, especially in the Paris region. Students need to find accommodation in the traditional sector, often sharing with other students, sometimes in conditions of limited comfort, and at very high prices.

In 2015, Gecina continued to develop its student residences portfolio. After delivering two projects in 2014 (Cité - Cinéma in Saint-Denis (93) and Lecourbe - Paris 15), four others were delivered in 2015 (Sadi-Carnot in Bagnolet (93), Palaiseau-Saclay (91), Bordeaux Blanqui-Bassin à flots (33) and Lançon - Paris 13). Other started projects are scheduled for delivery in 2017 and 2018, and several other programs are currently under study and could be launched soon.

Outlook

Gecina's ambition is to raise its student residence portfolio to 6,000 beds, by targeting major French university cities. A total of three development projects are currently covered by agreements or under construction in the Paris region and in Marseilles, and several other projects are still being studied and could be launched very soon, especially in Paris. The Group acquires or develops entirely new residences, or converts office buildings into residences, always to the highest sustainable development standards and especially all with the Effinergie + label and compliant with the premium (high level of comfort, design, equipment and services) spirit of Campuséa, its dedicated subsidiary. This has enabled Gecina to assert its ranking as the No. 1 owner-operator in France.

Currently, three projects already underway are therefore scheduled for delivery between 2017 and 2018, one in Marseille and two in Puteaux. These three projects represent total investment of nearly €80 million for nearly €15,000 sq.m.

1.5.2.3. LOCARE, GECINA'S MARKETING AGENT

Through its subsidiary Locare, Gecina is one of the only fully integrated French players in the residential property sector, exclusively promoting the interests of the Group's portfolio.

As such, Locare focuses on three key areas:

- rental of assets for Gecina group companies;
- block and unit-by-unit disposals of assets, for both residential as well as offices, retail and hotel properties;
- asset management for Gecina group companies.

1.5.2.4. HEALTHCARE

Property holdings

At December 31, 2015 Gecina owned the buildings of 73 facilities, clinics and nursing homes, which made it the second largest player on this market in France.

The healthcare real estate segment continued to be boosted by a buoyant environment for operators. Demographics as well as longer life expectancy continued to be favorable factors for the sector. According to INSEE, by 2060, 32% of the French population will be over 60 years old (*versus* 25% today). This aging population will further increase the need for medical care. To cope with these changes, healthcare expenditure rose faster than GDP, and also outperformed demographic growth. At the same time, new medical and regulatory developments strengthened the entry barriers to this sector, thereby minimizing the risk of new entrants in a still buoyant sector, and promoting the consolidation of the sector.

The private sector of nursing homes continues to consolidate by buying independent facilities, medium-sized groups and forming alliances between entities of significant sizes. Although the sector is particularly buoyant as a result of longer life expectancy, and consequently the increase in dependent elderly people who need nursing care, the number of facilities available continues to be low. Today, more than in the past, operators are resorting to external growth operations. The size effect allows operators to maximize their financing capacities, optimize the medical resources but also gain more clout with respect to supervisory authorities and enhance their bed operating licenses. Indeed, the budget constraints weighing on public finances have considerably limited the construction of new facilities, and the *Agences Régionales de Santé* (ARS, or regional health agencies) have launched few new calls for projects. This scarcity has enhanced the value of existing real estate assets, through the implementation of stronger entry barriers.

In the health sector (clinics, private hospitals), operators are still impacted by the price control. This constraint has led to a change in care structures and real estate strategies. For example, operators are encouraged to shorten the length of an average stay and provide more outpatient care facilitated by progress in surgical techniques. In line with this optimization strategy, Gecina has concluded a new partnership with a major European operator: Capio. Accordingly, in 2013, Gecina launched the construction of two new private clinics, which were delivered in 2015 and which are leased and run by Capio in Bayonne and Orange, for a total investment of nearly €83 million.

MSO operators have also positioned themselves downstream, offering post-op and rehabilitation care, often within the MSO-SCR healthcare divisions, such as Générale de Santé. This segment, which continues to grow sharply and is dominated by private players, should continue expanding, with post-op and rehabilitation (SCR) beds accounting for 20% of the number of hospitalization beds, *versus* 46% for the MSO sector. The psychiatric clinic segment is also very buoyant with very high demand and excellent operating margins for operators. There was a sharp increase in concentrations in the healthcare sector owing to mergers in 2014 (i) of the Générale de Santé and Ramsay groups that resulted in the creation of the leading French operator of short-stay hospitalization and (ii) the Médi Partenaires and Médipôle Sud Santé groups that resulted in the second largest operator on the same market.

The healthcare real estate market, which is a recent segment of the investment market, continued its structuring during the year. Investment volumes continued to be high in 2015, notably due to the acquisition by Icade Santé of the Vitalia portfolio of 16 clinics for €606 million.

1.6. Definition and sensitivity of main indicators

Rental income from offices and retail depends on the average rent levels, the occupancy rate, acquisitions or disposals of real estate assets, but also on criteria specific to this business, namely:

- as regards offices, changes in rents depend on office market conditions, on lease renewal negotiations carried on by the management teams and on automatic annual reviews on the basis of the French Cost of Construction Index (ICC) and the Tertiary Activities Rent Index (ILAT) for current leases. On expiration of the lease, since office rent is not subject to the cap rules applicable to retail leases, the Group's asset management teams negotiate with the tenant to set the renewal rent at the rental value;
- as regards retail, leases signed for several years contain automatic annual review clauses for rents based on the French Cost of Construction Index (ICC) or on the French Commercial Rent Index (ILC). For rents subject to renewal, the rules are more restrictive than those applicable to offices, in that these rents are in principle subject to the cap rule.

The change of rental income for housing units depends, among other things, on the rental market conditions and on how efficiently the Group manages the property holdings.

The principal factors affecting the amount of rents taken by the Group for its housing units are as follows:

- the rent per sq.m billed to tenants. Its change is principally a function of the French Rent Reference Index (IRL) for current leases and of the regulation for re-rentals. The regulation is described further on in this chapter;
- the financial occupancy rate of buildings. The financial occupancy rate is the ratio between the rents billed for a given period and the rents the Group would receive if all of its property holdings were rented (vacant premises are computed at the rent paid by the departing tenant). The vacancy periods are determined day by day during the period of calculation. Buildings for which a disposal procedure has been initiated are not taken into account in the calculation of financial occupancy because, beginning at this stage, the Group stops putting the vacant units up for rent in order to be able to sell the wholly unoccupied units. The structural cap of the financial occupancy rate is less than 100% because of improvements performed during the periods of structural non-occupancy of housing units at times of tenant turnover (these periods being the minimum time necessary to complete the work needed to restore to previous condition or to renovate). The level of this cap depends on the efficiency of the rental and marketing management teams, the goal of the Group in the present market context being to keep the financial occupancy rate close to the structural cap;
- the financial occupancy rate is influenced by the turnover rate, defined for any given period as the number of housing units becoming vacant in the given period divided by the number of the Group's housing units at the same given period, exclusive of buildings for which the transfer period has been initiated. In principle, unless the units are not re-rented within a short time, an increase in the turnover rate will result in a fall in the financial occupancy rate;
- acquisitions and disposals of real estate assets.

Four indicators are particularly sensitive for real estate companies:

- Net Recurring income (also known as net current cash flow) per share, which Gecina defines as the difference between EBITDA and net financial expenses and recurring income tax. This amount is based on the average number of shares comprising share capital, excluding treasury shares;
- Diluted Net Asset Value (NAV) per share: its calculation is defined by the European Public Real Estate Association (EPRA). Detailed in paragraph 2.5, this indicator comprises the company's revalued shareholders' equity, *i.e.* based on the fair value of consolidated assets and liabilities, including balance sheet items not valued at fair value, such as the headquarters and most financial debt at fixed rate. This amount, known as the NAV, is calculated in relation to the company's number of shares at the end of the period excluding treasury shares, taking account of any diluting items stemming from the equity instruments to be issued when the issuance conditions are met;
- the yield: it is calculated on the basis of a potential rent over the block value of the property holdings duties included, where the potential rent corresponds to the following definition: Potential rent = annualized rent end of period + market rental value of vacant units;
- the capitalization rate: it is calculated as the ratio of potential rents as described above to appraisal values excluding duties. Duties correspond mainly to transfer duties (notary expenses, registration taxes, etc.) applied to the asset sale or the company holding that asset.

Gecina applies the EPRA best practices recommendations regarding key performance indicators. These indicators aim to make the financial statements of public real estate companies more transparent and more comparable across Europe. Gecina reports on all the EPRA key performance indicators (see chapter 2.8. Reporting EPRA):

- EPRA net recurring income;
- EPRA Net Asset Value and EPRA triple NAV;
- EPRA Net Initial Yield and EPRA "topped-up" Net Initial Yield;
- EPRA Vacancy Rate;
- EPRA cost ratios.

1.7. Risks

1.7.1. SUMMARY TABLE OF MAIN RISKS AND CONTROL MECHANISMS

Every year, Gecina analyzes those risks whose occurrence could have a material impact on the Group's business. The summary table of the group's main risks ranks risks according to two levels (high or moderate). Note that the summary table neither seeks to compile an exhaustive inventory of risks, nor make a chronological ranking, with respect to the dynamic changes in each of the risk levels over time.

The icons symbolizing changes are represented according to the following key:
- ⬆ Risk whose rating increased over the period
- ➡ No change in the risk of exposure
- ⬇ Exposure to the risk declined

Risks	Control mechanisms	Change over the 2014-2015 period
High risk level		
Risks of change in the real estate market Risks linked to the cyclical nature of the real estate market, the principal components of which include fluctuating demand and supply, change in interest rates and the general macro-economic context. Gecina might not be in a position to carry out acquisitions and sales at a time when market conditions are optimal. The Group might suffer from a drop in rents or a negative impact of the valuation of its property portfolio (see Section 3.5.4.1 «Real estate market risk»).	The Group strives to implement regular monitoring of the real estate market, which contributes qualitatively to the guidelines defined by the Strategic Committee. Business plans drawn up for each property are reviewed by annual Asset Review committees in connection with the Medium Term Plan. The Group focuses on the quality of its portfolio as well as on steering the rotation of its assets carried out under the guidance of Asset Management Department. The mechanisms used to control the risks of tenant insolvency and decline in the financial occupancy rate are explained in detail below.	➡ These risks specific to the activity of a real estate company remained stable during the period under review. The change in these structurally-high risks is closely linked to exogenous factors such as fluctuations on the real estate market, interest rates and economic cycles. The Asset Management Department seeks in particular to reduce this risk as best as possible by implementing a medium term action plan and continuous monitoring of the property portfolio.
Acquisition risks Risk of overestimating the expected yield or the value accretion potential of the acquired assets, or failure to detect hidden defects of said assets. For projects under development, there is the additional risk of underestimating development costs. There is also the risk of not having the financial resources projected at the time of the asset's acquisition.	These risks are controlled by using an acquisition process based on the technical, legal and financial study of the asset, including modeling tools in particular. The process also includes assistance from external advisors. Acquisition projects are preceded by a preliminary study by a Steering Committee then by the Investment Committee. Depending on the thresholds defined by the limitations to the powers of the CEO, investment projects must also be reviewed and validated by the Board of Directors, on the opinion of the Strategic Committee. The acquisitions financing risk control mechanism is presented with the financial risks below (liquidity risk).	⬇ See commentary linked to «Risks linked to acquisitions through blank and pre-construction sale agreements (VEFA)».
Property risks Risks of non-compliance with the regulation for real estate activities (hygiene, safety, health, environment) that can generate adverse consequences for the company's financial position and earnings.	The management of these risks is monitored by the «real estate risks management» function attached to the Project Management Department. These risks are assessed on the basis of control reporting standards defined for each area of risk (18), with indicators measuring the level of efficiency for the various buildings, published in chapter 1. Each evaluation results in the introduction of action plans based on objectives to be achieved. The introduction of a real estate risk mapping in 2006 has strengthened control over these risks.	Concerning new developments linked to these risks, we shall refer to the description of the real estate risk mapping in Chapter 1.7.4.

Risks	Control mechanisms	Change over the 2014-2015 period
Specific risks linked to activity in office real estate These risks mainly stem from the high sensitivity of this activity to the economic environment, specific regulatory constraints, the higher cost of restoration works in vacant premises compared to residential or healthcare real estate and the higher risk of tenant insolvency due to the relative weight of each tenant. These represent 63% of rental revenues and 69% of the portfolio.	The specific features of the corporate real estate business are incorporated into the risk control mechanisms for which this activity presents particular challenges. For further information on this issue, please refer to the description of the operational risks control mechanisms below: - risk of tenant insolvency; - risk of a fall in the financial occupancy rate; - obsolescence risk; - legal and tax risks; - liquidity risks; - risks linked to the deterioration of social and environmental contexts.	➡ These risks remained stable in 2015. However, their level still requires monitoring given the increasing importance of office real estate in the strategy implemented by Gecina. The economic environment, office lease regulations, and changes in French legislation are major components of this risk.
Obsolescence risk Risk of harsher regulation, changes in industry practices or tenant expectations that may lead to non-compliance or unsuitability of the assets to market expectations, due to the company's inability to foresee these changes. Changes in CSR related issues represent a significant component of this risk, the main aspects of which are as follows: - energy efficiency and renewable energy, - integration within surrounding areas, - relations with stakeholders, - labeling, certification and environmental performance, - biodiversity.	Operational Departments conduct technological and industrial watch operations in which they are mainly assisted by CSR and Building risks functions. Quality studies are also performed with tenants in order to identify changes in their expectations. The intelligence gathered from the watch is reflected in updates to building renovation budgets, and acquisition and sale criteria. More generally, the Group's CSR policy is translated into specific goals and action plans, the achievement of which is measured with the help of published indicators (see 7.1.3. «CSR policy», 7.3 «Assets» and 7.6.2 «Relations with stakeholders» for more information). The Gecina CSR materiality matrix provides a comprehensive overview of CSR challenges, the main control mechanisms of which are summarized in the sections below: - 7.1.2.5. «Determining the key issues» - 7.1.2.5.1. «Energy efficiency and renewable energy», - 7.1.2.5.4. «Integration within surrounding areas», - 7.1.2.5.10. «Relations with stakeholders». - 7.1.2.5.2. Labeling, certification and performance, - 7.1.2.5.3. «Biodiversity».	➡ The CSR action plans, the new organization as well as the budget impetus launched in 2014, helped to achieve a stable risk level, fully addressed in the company's strategy. In the medium and long term, the management of energy remains a priority issue and theme for the action plans set up by the Group.
Risk of a fall of the financial occupancy rate Risk of not renewing the leases or not renting out the assets within the time frames and at prices consistent with the company's expectations or under lease conditions as favorable as the current ones. This risk is particularly high for office and commercial assets. The average financial occupancy rate of the Group's offices stood at 96.6% at the end of December 2015 (see tables 1.7.2.1 «Rents volume by three-year lease terms» and «Rent volume by lease agreement expiry schedule»). The vacancy of certain premises would have a negative impact on the Group's earnings since in addition to a fall in rental income, the Group would have to bear additional operating expenses.	Management constantly monitors its vacant premises and the upcoming expiry dates of its leases, using statements obtained from its IT system. This monitoring, completed by the organization set up for tenants relations and rental market watch, is useful for anticipating as rapidly as possible, the actions to take to minimize the financial costs linked to vacancy: early renegotiations, marketing, scheduling of renovations and programming of works...	➡ This structurally high risk is linked to the general macro-economic climate, investment and asset disposal policy. However, the risk declined over the period. The decline is primarily due to the persistently high financial occupancy rate and satisfactory rental revenues. They are primarily linked to the Group's highly successful rental activity materializing the quality of Gecina's assets as well as their appeal for customers, especially those in the service sector.
Risks linked to certain transactions in Spain Risk linked to acquisitions and commitments made in Spain, under the Chairmanship of Mr. Joaquin Rivero. The company cannot rule out an unfavorable development of these operations or the emergence of additional financial, legal or regulatory risks.	These operations are monitored from a legal standpoint by the Group's internal teams with the support of law firms in France and in Spain. Frequent coordination meetings are held with the other departments concerned under the authority of the CEO. Finally, new developments of these risks are regularly reported to the Audit and Risk Committee.	➡ These risks remained stable over the period. The Group strives to maintain a high level of attention and control over these risks which tend to evolve by nature.

Risks	Control mechanisms	Change over the 2014-2015 period
Moderate risk level		
Risks linked to the deterioration of social and environmental contexts Loss of value risk for the Group, linked to the heightened sensitivity of the property assets to extreme weather events (temperature, rainfall and flood, wind, rising sea levels, etc.). The Group might also suffer from the scarcity and increase in the prices of the raw materials required for operating its business (sand, water, energy, etc.). The consequence for Gecina would be an increase in insurance premiums and the operating (consumables and technical maintenance) and construction costs of its assets. The risk also concerns the failure to achieve the CSR objectives set by the Group. The Group's image and reputation could be affected. The main CSR issues associated with these risks are: - responsible purchasing, - natural resources and waste other than water and energy, - Climate change and GHG emissions, - energy efficiency and renewable energy.	The Group has made CSR a central issue in its strategy. It has the Asset Management function which fully incorporates these criteria into the acquisition and sale process, asset reviews as well as asset-specific business plans. All the Group's departments and employees have been trained in the components of CSR culture (see 7.5.1. Integrate CSR into Gecina's business lines). A special CSR team has been created to translate the Group's CSR strategy into organized events and learning opportunities for employees (see 7.1.4 «Steering and coordination of the CSR strategy»). The Group has structured its CSR action, which has been integrated into existing modes and into the objectives of employees (see 7.1.3. «CSR policy: Commitments, goals and action plans»). Gecina monitors the consumption for its assets in detail (see 7.3.1. «Energy efficiency and renewable energy»). Gecina is engaged in an energy efficiency and production mix carbon reduction approach for its property portfolio (see 7.1.2.5.8. and 7.4.1. «Climate change and GHG emissions»). The Group also undertakes actions with its tenants regarding waste sorting (cf. 7.4.2.2. «Waste management»). Lastly, for more information regarding the control mechanism for the main CSR issues of this risk, please refer to the following sections: - 7.1.2.5.6. and 7.6.4. «Responsible purchasing», - 7.1.2.5.13. «Natural resources and waste products», - 7.6.2.2. «Gecina Lab, the CSR think-tank for assisting the company's stakeholders».	➡ Corporate social responsibility is fully incorporated into Gecina's corporate strategy and policy. This commitment is materialized in particular at the level of the Group's governance and processes. The risk is studied in medium and long term action plans to keep it under control and prepare for it as much as possible.
Financial risks – market risk The risk primarily covers financial assets held for the long term or for sale. It exposes the Group to the risk of fluctuation in the value of its assets. Gecina may be subject to changes in share prices for its financial investments and for its treasury shares. Lastly, Gecina may be exposed to exchange rate risk.	Financial fixed assets are immaterial at Group level. They are primarily comprised of securities and financial advances linked to investments in Spain, which have been fully written down for impairment. The Group is primarily exposed to the risks of fluctuations in its financial instruments used to hedge its debt and treasury shares. All transactions linked to these financial instruments or treasury shares are regulated by procedures comprising formalized rules on credentials, authorizations and controls. The Group also has formal guidelines for managing the use of hedge financial instruments. Lastly, Gecina is not exposed to exchange rate risk.	➡ The Group considers its exposure to the risks of the financial market as stable in 2015.

Risks	Control mechanisms	Change over the 2014-2015 period
Financial risks – liquidity risk Risk of not having the financial resources necessary for the everyday running of the company's activities and investment or acquiring them under adverse conditions. This risk is specifically influenced by changes on financial and property markets, but also by the company's strategy, performances and financial management (see section 3.5.4.4. on «liquidity risk»). A potential credit crunch among banks or downgrading of Gecina's credit rating could affect the Group's ability to raise funds.	This risk is managed by constantly monitoring the maturity of loans, maintaining available credit lines, diversifying resources and counterparties, in addition to monthly cash forecasts. Furthermore, the Group strives to continuously improve its financial credit rating.	➡ Liquidity risk is highly dependent on exogenous factors. However, the current risk control system should allow the Group to limit the impacts of this risk on its operations.
Financial risks – counterparty risk Risk particularly linked to the possible default of banking counterparties on available credit lines or hedging instruments. These failures may lead to payment delays or defaults which might have an impact on the company's cash and earnings (see Section 3.5.4.3. on «counterparty risk»).	This risk is managed through constant diversification of financial resources and counterparties by focusing on the choice of premier financial institutions. The hedge management framework specifically provides for counterparty exposure and quality standards.	➡ The risk is stable and considered as relatively low. The Group strives to maintain a long-term strategy of diversifying its leading sources of financing to minimize any significant exposure to concentration or quality risks.
Financial risks – Interest rate risk Risk that the Group's performance and objectives may be affected by interest rate increases with time (see Section 3.5.4.5. «interest rate risk»).	This risk is controlled by using hedging instruments managed by the Financing, Treasury and Business Plan Department supported by external advisors in this area. The Group's hedging policy is managed under a formalized framework that specifically defines hedge limits, decision-making channels and authorized instruments. Hedges are also managed through quarterly reporting to the Audit and Risks Committee.	➡ The risk is stable over the period under consideration. The Group ensures that interest rate risk is kept under control. The adopted financial strategy options are managed through strict guidelines. Risk prevention is enhanced by the improved financial strength of the Group, recognized in particular by the financial market and financial rating agencies.
Risks related to insurance costs and lack of coverage for certain risks Risks that the company may not be capable of maintaining the appropriate insurance covers at an acceptable cost, may not be covered for certain types of risks or may be confronted to the default risk of one of its insurers. These risks could then adversely impact the company's financial position and earnings.	The management of this risk is monitored by the dedicated «Insurance» Department which reports to the Financial Department, with the assistance of an external broker-consultant. This function periodically conducts audits of the Group's insurance programs and the renewal of the competitive bidding procedures of brokers and insurers; thus helping to optimize the Group's insurance covers and costs. Policy categories are moreover distributed between several brokers and insurers. Currently, the cost of insurance premiums paid by Gecina for its compulsory and optional insurance coverage accounts for a limited portion of its operating costs. All the Group's assets are covered by insurance policies.	➡ The Group considers this risk as currently stable. For the year just ended, no significant insurance default was observed. Reorganization of the overall insurance policy conducted for several years now has allowed us to maintain a high hedging level at contained costs.

Risks	Control mechanisms	Change over the 2014-2015 period
Legal and tax risks The Group is required to comply with numerous legal and tax regulations. Changes in the nature, interpretation, application or compliance with the formalism associated with these regulations could call into question certain Gecina practices or activities, and/or adversely impact its financial position and earnings. This relates in particular to regulations linked to real estate activities (rental, transactions, construction, maintenance and renovation of buildings, hygiene, safety, environment; planning and urban development, etc.) and the SIIC tax system to which the company is subjected.	With respect to legal risks, the Operational Departments are backed by the Legal Department in their regulatory watch and in the vetting of the various contracts signed inside the Group. To do so, the Departments also call upon, when necessary, external legal advisors. The regulatory changes then result in updates to standard contracts and the processes concerned. Compliance with tax regulations and more specifically with the French Listed Real-Estate Investment Company (SIIC) system is supervised by the Finance Department, which conducts periodic reviews, calling in external advisors whenever necessary. Generally, the Group follows a policy of prudent interpretation of the regulation and has set its goals beyond the regulatory obligations.	➡ As a major player on the real estate market, the Group complies with all applicable regulations. The Group is permanently adapting to changes in legislation. For example, it was able to adapt to meet the challenges of the «ALUR» and «Pinel» incentives, which became effective in 2014.
Asset valuation risks Risk of asset value estimate error or non-realization of the adopted assumptions. As a reminder, the change in fair value of buildings over a six-month or one-year period is recorded in the Group's consolidated net earnings. An asset value estimate error could also have an impact on Gecina's cost of debt, compliance with its financial ratios and the Group's borrowing capacity, since these factors depend, in particular, on Gecina's debt ratio in relation to the value of its real estate assets.	Property valuations are made twice a year by independent appraisers according to recognized and consistent methods from one year to another (see Section 2.3. on «Valuation of property holdings» and Section 3.5.3.1. «Accounting methods»). Internal valuations are also made by each Operational Department on the basis of rental statements. The process is subjected to a formalized procedure, the application of which is supervised by a central function, independent from the Operational Departments. The results of each half-year appraisal campaign are presented to the Audit Committee.	➡ Gecina has set up a significant control system that is regularly updated to keep abreast of the potential impact of this risk on the value of Gecina's property portfolio. Over the period under consideration, the risk remains stable, in particular with respect to the quality of the Group's assets. The estimated value of the assets is satisfactory, backed by the observed disposal prices. The Group observed no estimate error that could have a negative impact on the Group's financial statements.
Risks linked to acquisitions through blank and pre-construction sale agreements (VEFA) Risk of carrying costs for projects initiated before marketing, if users are not found quickly after construction begins. The risk primarily concerns the financing of works and financial costs.	With respect to these types of projects, the search for tenants begins once the investment decision is taken with a view to the signing of pre-construction leases (*Baux en l'État Futur d'Achèvement* – BEFA). (See 3.5.4.1. «Property market risk»). In view of the restrictions on the CEO's powers established by Gecina's Board of Directors, these transactions must, depending on pre-defined thresholds, also receive the Board's prior approval, and the advice of the Strategic Committee.	⬇ In 2015, the level of this risk was adjusted down given the redefinition of the acquisition process and enhanced process control mechanism. This mechanism strengthens the level of analysis of the projects and contributes to make more reliable the choice of the acquisitions.
Risks linked to sub-contracting Risks of insolvency, poor performance or non-compliance with regulations by the main subcontractors, especially for construction/restructuring and maintenance works for the properties. These risks could lead to a deterioration of the quality of services supplied by the Group, a deterioration of the company's image, and an increase in the corresponding costs or legal risks.	Construction or renovation works are supervised by dedicated internal specialized departments: Project Management and Technical Departments. These functions also use the services of external consultants (engineering, inspection firms, etc.) and as appropriate, delegated project management. Suppliers are listed on an externalized platform, which allows service providers to meet their legal obligations, and sub-contracting is authorized only with Gecina's explicit, prior approval. These procedures take into account the safety regulations and obligations for compliance with labor laws. Suppliers also sign the responsible purchasing charter (chapter 7.6.4.) «Responsible purchasing»). During the works, suppliers are then selected by viewing quotations or competitive bidding procedures depending on the predefined thresholds. The specifications and standard agreements which are binding on the suppliers are frequently updated to reflect regulatory obligations. While the works are being performed, they are subject to frequent operational and budget checks.	⬆ This risk stems from several factors linked to the general macro-economic climate. Given the higher number of corporate failures in the construction sector in 2015, we decided to raise the ranking of this risk. Furthermore, the Group strengthened its risk control mechanism notably through the creation of a development division, under the authority of the Asset Management Department, tasked with coordinating company-wide development initiatives.

Risks	Control mechanisms	Change over the 2014-2015 period
Risks linked to failure to issue administrative permits and review Risks of refusal to issue, late issue, or review, withdrawal or expiry of the administrative permits required for the company's property investments, may lead to delays, additional costs or even the abandonment of operations or the impossibility to operate certain assets.	These operations are carried out under the supervision of internal specialized departments (Project Management and Technical Departments). These Departments organize regulatory watch in conjunction with the Legal Department and external consultants. Permit applications are anticipated right from the design phase of projects and factored into the business plans of operations. Significant development projects are also reviewed and validated by the Investment Committee. The implementation of permit applications is then frequently checked by the specialist department in charge, which may seek the assistance of project managers or external consultants.	➡ This risk remained stable over the period under consideration. Its impacts, mainly financial (carrying costs, etc.), and potentially to the Group's reputation, are considered as moderate. The Group's regulatory intelligence and internal procedures are the main control tools.
Risk of tenant insolvency Risks of deterioration of rent recovery rates as a result of the financial difficulties of tenants, for example in a bad economic climate, especially for office and commercial assets. (see 3.5.4.3 on «Counterparty risk»).	The Group strives to diversify its tenant portfolios, both in terms of income per tenant as in terms of business sectors. Gecina's top 20 tenants in 2015 accounted for 36% of the annualized rental income of the entire Group. The top ten tenants accounted for 27% of the annualized rental income of the entire Group. Procedures for selecting tenants include an analysis of their financial strength with the assistance of a financial advisor, in addition to the arrangement of collaterals. Rent monitoring and collection procedures are also used to prevent and minimize the risks of losses on receivables.	➡ The risk level remained the same for the office segment. Gecina carefully monitors such key indicators as the rate of past dues or the loss rate. The risk level also stayed unchanged for the residential segment and there was little or no impact at Group level. Lastly, the risk inherent in the healthcare real estate segment stayed on a straight line trend thanks to the in-depth monitoring of tenant solvency and the risk tools in place.
Risks linked to competition Risks of an obstacle to achieving the company's strategy and non-achievement of the Group's investment and sale strategy or rental management strategy, owing to competition. The risk mainly concerns the deterioration of rent levels, margins or non-achievement of the strategy. Gecina is present on four segments of the real estate market (offices, traditional residential, student residences, and healthcare). Gecina has to deal with competition in its rental business as well as in its investing activities. The Group competes against numerous national and international players. Some competitors have potentially larger financial resources, property holdings and acquisition and asset management capacities.	The mechanisms for controlling acquisition and liquidity risks, detailed below, specify the method for managing the risk component likely to affect the investment and sale strategy. With respect to the rental management component, assets are marketed by dedicated teams acting in collaboration with sales agents and/or external advisers. The Group monitors commercial transactions and keeps an up-to-date report on each property in order to track all rentals. The Group's organization which includes a comprehensive range of in-house real estate functions, allows optimum responsiveness in a competitive context. The introduction in 2014 of a new company-wide organization with, in particular, the reinforcement of the Asset Management function and the introduction of asset reviews, has strengthened the system already in place.	⬆ This risk can be considered as being on an upward trend in the context of strong real-estate property demand and rental market that is still recovering. As the largest real estate company in France in office property, Gecina's positioning gives it a definite competitive edge over its rivals.

1.7.2. RISK FACTORS

1.7.2.1. OPERATING RISKS

Risks linked to a drop in the financial occupancy rate of its buildings, primarily in its office buildings

The average financial occupancy rate of the Group's buildings was 96.6% at the year-end 2015. When the current leases expire, Gecina may be unable to renew or lease the assets concerned as rapidly as it expects and with terms as favorable as those of the current leases. The vacancy of some premises could have a negative impact on Group results for several reasons. First, the absence of rent combined with an increase in operating expenses borne by the Group, resulting from the fact that Gecina cannot recharge part of the overheads relating to the vacant premises, together with rehabilitation expenses before the property is put back on the market. Should Gecina be unable to attract enough tenants to rent its offices and maintain a satisfactory financial occupancy rate and rental income, this could adversely affect its revenues, operating income, profitability and valuation of its property holdings.

Rents volume by three-year lease terms

	2016	2017	2018	2019	2020	2021	2022	> 2022
Offices	85	42	80	62	12	33	11	70
Healthcare	3	0	9	9	4	4	6	43
TOTAL	**87**	**42**	**90**	**70**	**17**	**38**	**18**	**113**

Rents volume by lease agreements expiry schedule

	2016	2017	2018	2019	2020	2021	2022	> 2022
Offices	45	12	42	46	51	58	18	123
Healthcare	3	0	9	3	4	1	11	48
TOTAL	**47**	**12**	**51**	**49**	**55**	**59**	**29**	**171**

1.7.2.2. LEGAL AND TAX RISKS

It is incumbent upon the Group to comply with numerous general or specific regulations that govern, among others, regulations for real estate rental or transactions activities, urban planning, operating permits, construction, public health, the environment, and safety.

1.7.2.3. RISKS LINKED TO CHANGES IN LEASE REGULATIONS

1.7.2.3.1. Residential leases

With respect to residential leases, the annual rent revision is regulated and, for a current lease, it may not exceed the annual change in the French Rent Reference Index (IRL). So long as the annual turnover rate of the Group's operating residential properties is low, rent increases for most residential leases concluded by the Group and consequently the Group's residential rentals will follow the change in the Rent Reference Index. In this respect, note that changes in rents are capped annually by decree in high-demand areas and for Paris in particular, a rent control experiment was introduced in August 2015.

1.7.2.3.2. Student residential leases

Concerning student residential leases, since the entry into force of the law dated March 24, 2014, known as the «ALUR» Act, the regulatory framework for the aforesaid rents, which applied only to rentals of unfurnished premises, will now apply to tenancy agreements for furnished premises signed or renewed between August 1, 2014 and July 31, 2015. The ceiling principle now applicable to leases concluded or renewed on Campuséa residences is subject to the same exceptions as those relating to the principle of rent capping.

1.7.2.3.3. Office and retail leases

For offices and retail leases, the law of June 18, 2014, known as the «Pinel Act», stipulates that rents should be revised according to three types of indices, namely the Construction Cost Index (ICC), the Commercial Rents Index (ILC) and the INSEE Retail Rental Index (ILAT). The Pinel Act has canceled any reference to the quarterly cost of construction index (ICC) for the quarterly revision of rents (Article L. 145-38 of the French Commercial Code) and introduced a ceiling for rent renewal (Article L. 145-34 of the French Commercial Code).

Rent revision and the setting of the renewed rent, in case of change as a function of an index and not of the rental value, will now be governed by the Commercial Rents Index (ILC) and the INSEE Retail Rental Index (ILAT) only.

However, since no amendments have been made to the provisions of the French Monetary and Financial Code (L. 112-2) which describe the ICC as an index that can be used as the basis for the annual indexing of rents, any indexing clause that would be based on this index remains perfectly valid.

The other measures of the Pinel Act have no impact on Gecina's office real estate business.

1.7.2.4. RISKS RELATED TO CHANGES IN SOME TAX SYSTEMS

1.7.2.4.1. Risks linked to constraints stemming from the SIIC tax regime

Gecina is subject to the tax system for French listed real estate investment trusts (hereinafter "SIIC") as provided for in Article 208 C of the French General Tax Code, which allows it to benefit from a corporate tax exemption on the portion of its profits generated from the rental of its buildings as well as from capital gains from disposals of properties or equity interests in real estate companies, and dividend payments from certain subsidiaries.

Despite the benefits of the SIIC regime, it entails a certain number of risks for Gecina and its shareholders, which are described in this section.

The benefit from the tax exemptions under the SIIC regime is contingent on compliance with the mandatory distribution of a significant percentage of Gecina's profits. However, this could be revoked if this obligation is not adhered to. The obligation to distribute could limit the resources available for financing new investments and oblige the Group to take on more debt or turn to the market to finance its development.

1.7.2.4.2. Gecina's business activities will be limited by the constraints of the SIIC regime

Under the SIIC regime, Gecina is not subject to an exclusive corporate purpose. It may engage in activities incidental to its main corporate purpose (for example property trading, marketing and development) on the condition that the value of the assets used for and directly involved in the exercise of this business does not exceed 20% of the gross value of Gecina's assets. In case of the contrary, the benefit of the SIIC regime could be revoked. In any event, the profits accruing from incidental business are subject to corporate income tax based on the ordinary tax rate.

The 20% withholding tax due by the company under the Amended Finance Act for 2006, and applicable to distributions by SIICs to a shareholder being a legal entity (not an individual) paying little or no tax that holds at least 10% of the capital ("Deduction Shareholder") could affect Gecina insofar as this withholding tax must be paid back to Gecina by the Deduction Shareholder, although in practice this repayment is done by way of an offset with the dividend payable to such Deduction Shareholder. Nevertheless, Gecina's bylaws specify that this withholding tax is due by the Deduction Shareholder.

1.7.2.4.3. Gecina is subject to the risk of future amendments to the SIIC regime

The criteria of eligibility to the SIIC regime and the tax exemption conditions associated with this regime and the scope of the withholding tax may be amended by the legislator or on the strength of interpretations of the tax authorities. Any amendments to the SIIC regime could therefore have a materially adverse impact on the Group's business, financial position and earnings.

1.7.2.4.4. Tax environment

Gecina is exposed to risks related to changes in applicable tax rules, their interpretations and new levies and taxes. Even if Gecina can sometimes pass on part of the corresponding costs to third parties, such changes could have an adverse effect on the Group's financial position and earnings.

Furthermore, the complexity and constant change typical of the tax environment of Gecina's business generates a risk of errors in complying with tax rules. Although Gecina takes all necessary steps to avoid such errors, it may be faced with tax assessments and disputes that may have adverse consequences on Gecina's financial position and earnings.

1.7.2.5. RISKS LINKED TO CERTAIN TRANSACTIONS IN SPAIN

Up until 2009, Gecina, chaired by Mr. Joaquín Rivero, made a certain number of acquisitions in the Spanish real estate sector, including SIF Espagne's acquisition of a 49% stake in Bami Newco in 2009. Gecina also made certain commitments, notably granting certain guarantees relating to these acquisitions, as referred to in Notes 1.7.3, 3.5.5.13 and 3.5.9.3 of the Notes to the Consolidated financial statements.

These acquisitions and some of these commitments have been subject to depreciation and provisions in accordance with the regulations in force. Moreover, some of these guarantees were granted outside of the framework defined by Gecina's internal control arrangements and despite the specific measures put in place (see paragraph 5.1.9.).

Gecina cannot entirely rule out the possibility of non-compliance with its internal control and risk management arrangements resulting in additional financial, legal or regulatory risks that have not been identified to date. Occurrence of such risks may impact the Group's reputation, results or financial situation.

1.7.3. DISPUTES

Each of the known legal disputes in which Gecina or the Group's companies are involved was reviewed at the close of the accounts and the provisions deemed necessary have, where called for, been created to cover the estimated risks (see also Note 3.5.5.13 in the Notes to the Consolidated financial statements).

The main disputes in which the Gecina group is involved are described below:

1.7.3.1. PENDING CRIMINAL COURT DISPUTES

To date, the company is not in a position to evaluate any potential risks, in particular, regulatory, legal or financial, arising from the facts covered by the ongoing criminal proceedings and cannot, in particular, exclude the possibility that it may be joined as a party in the future, together with the company's officers and representatives.

- In 2009, a complaint was filed in France pertaining to certain transactions involving in particular the former Chairman of Gecina's Board of Directors, Mr. Joaquín Rivero.
  The company fully assisted the investigations and joined the proceedings as a civil party in 2010 to safeguard its interests.
  The examining magistrate Mr. Van Ruymbeke, ordered during the investigations, the seizure of the sums representing the dividends owed to Mr. Joaquin Rivero and to the companies that it controls by virtue of the Shareholders' Meetings of April 17, 2012 and April 18, 2013 (around €87 million).
  Mr. Joaquín Rivero was sent back to the Criminal Court (*Tribunal Correctionnel*) on various counts as a result of the aforementioned complaint and, in a ruling handed down on March 11, 2015, he was convicted of misuse of corporate assets and money laundering and sentenced to four years of imprisonment, with a one-year suspended sentence. He was also ordered to pay around €209 million to Gecina in damages and a fine of €375,000. The Court ordered the confiscation of all the sums seized during the investigation (around €87 million). In case of Mr. Joaquín Rivero would be definitively convicted, the sums confiscated could be used to pay these damages.
  Lastly, Mr. Joaquín Rivero was acquitted on the counts of failure to report threshold crossings and circulation of false or misleading information.
  As the parties have appealed this decision, the ruling is not enforceable. The appeal proceedings are ongoing.
  An appeal filed by Mr. Joaquín Rivero and the companies he controls at the Court of Cassation to overturn the order of December 8, 2014, which had confirmed the seizure of the dividends (around €43 million) to which they were entitled for 2012 as voted by the Shareholders' Meeting of April 18, 2013, is ongoing.
- On April 27, 2015, following the ruling of March 11, 2015, Gecina petitioned the Judge in charge of enforcement measures at the District Court of Paris (*Tribunal de Grande Instance*) for authorization to proceed with an attachment order concerning the 8,839 shares held personally by Mr. Joaquin Rivero and the dividends related thereto. By order on the same day, the Judge accepted Gecina's petition.
- On September 11, 2014, the Spanish bank Abanca requested the payment by Gecina of €63 million pursuant to the guarantee letters of endorsements that were allegedly signed in 2008 and 2009, by Mr. Joaquin Rivero, former Gecina officer.
  Gecina, which had no knowledge of these letters of endorsement, considered, after talking to its legal advisers, that they represent a fraudulent arrangement since they are in breach of its corporate interest and of applicable rules and procedures.
  For these reasons, Gecina informed Abanca that it contested the fact that it owed the sum being claimed and that as a result, it would not respond to its claim. On October 24, 2014, the company filed a criminal complaint against Mr. Rivero and any other person involved, for misuse of authority under these letters of endorsement. Abanca, for its part, brought a legal suit against Gecina before the Madrid District Court (see point 1.7.3.2).
- The company was informed on July 16, 2012 by Banco de Valencia of the existence of four promissory notes issued in 2007 and 2009, for a total amount of €140 million, three of which are in the name of «Gecina S.A. Succursal en España» and one in the name of Gecina S.A., in favor of a Spanish company known as Arlette Dome SL. The latter allegedly gave these promissory notes to Banco de Valencia as a guarantee for loans granted by that bank.
  After verification, the company realized that it had no information about these alleged promissory notes or about any business relationship with Arlette Dome SL which could have justified their issue. After also observing the existence of evidence pointing to the fraudulent nature of their issuance if the issue were to be confirmed, the company has filed a criminal complaint in this respect with the competent Spanish authorities. No provision was recognized for this purpose. After being accepted as a civil party to the proceedings before Madrid's Court No. 17, the company was denied this capacity at the National Court. Proceedings are still ongoing. Gecina continues to assert its rights in this respect and in particular, its capacity as a civil party.

1.7.3.2. PENDING CIVIL AND COMMERCIAL COURT DISPUTES

- Spanish bank Abanca, after seeking the payment by Gecina of €63 million (of which €48.7 million in principal) pursuant to the guarantee letters of engagement allegedly signed in 2008 and 2009 by Mr. Joaquin Rivero, former Gecina officer (see Section 1.7.3.1), summoned Gecina to appear before the Court of First Instance of Madrid in order to obtain the payment of the claimed amounts.
  Gecina is challenging Abanca's claims, asserting its rights and defending its interests in these proceedings. Gecina filed a criminal complaint in France against Mr. Rivero and any other party involved, for misuse of authority under letters of endorsement raised by Abanca (see Section 1.7.3.1).
  No provision was recognized for this purpose.
- Bami Newco was the subject of insolvency proceedings commenced in June 2013. Gecina and SIF Espagne reported their receivables in the context of these bankruptcy proceedings.

In December 2014, Bami Newco asked for the commencement of receivership proceedings that was agreed by the Spanish court. Gecina and SIF Espagne are challenging the conditions for commencing this liquidation phase.

Following a claim filed by a Bami Newco senior creditor, the Spanish Bankruptcy judge authorized in June 2015, a procedure to sell off the property assets of Bami Newco. In spite of the various petitions filed by some creditors, including Gecina and SIF Espagne, the Spanish Bankruptcy judge, through a firm and final order at the end of July 2015, authorized the sale of the property assets to the Bami Newco senior creditor.

In November 2015, the liquidation plan was addressed to the parties. This plan shows a liability significantly higher than the remaining assets of Bami Newco, thereby confirming that it is unlikely for Gecina and SIF Espagne to recover their receivables, considered as subordinated debt.

Gecina and SIF Espagne continue however to uphold their rights and defend their interests in this procedure.

- The Spanish company Bamolo, to which Gecina granted in 2007 a €59 million loan, which matured in October 2010, filed for bankruptcy in 2011. Gecina has reported this loan refund receivable as a loss, under the Spanish proceedings. Having gained knowledge of a loan at the same time as the Gecina loan, granted by Bamolo, for an equivalent amount to a company known as Eusko Levantear Eraikuntzak II (ELE), also in receivership, Gecina is asserting its rights and defending its interests in these two bankruptcy proceedings. Following the liquidation phase of Bamolo, on March 10, 2015, Gecina filed, before the Spanish courts, a liability action against the de jure and de facto directors of Bamolo, including Mr. Joaquin Rivero, for fraudulent bankruptcy. The proceedings are ongoing.
- A joint bond of €5 million involving SIF Espagne was granted to FCC Construcción for the development by Bami Newco of a corporate office in Madrid on behalf of FCC Construcción. The latter went to a Spanish court to demand the payment of this bond. On September 12, 2014, the Madrid Appeal Court sentenced Bami Newco and its guarantors (SIF Espagne and Inmopark 92 Alicante) to pay, jointly and severally, to FCC Construcción, the sum of €5 million in principal, in addition to interests on arrears as well as the trial expenses.

  In November 2014, FCC Construcción requested the execution of the aforesaid order against SIF Espagne, which made the corresponding payment.

  Bami Newco and SIF Espagne have filed an appeal with the court of cassation. The proceedings are still ongoing.

  The corresponding provision of €5 million has been written back in the accounts of SIF Espagne and a debt has been recognized to Bami Newco and Inmopark 92 Alicante, on the assets side of the balance sheet, immediately written down for impairment due to the financial position of these two companies and their ongoing bankruptcy proceedings.

  The ensuing statements of claims were confirmed in the bankruptcy proceedings of Bami Newco and Inmopark 92 Alicante.
- In October 2012, Alteco Gestión y Promoción de Marcas, SL (company then controlled by Mr. Joaquín Rivero) and the company Mag Import S.L. (company then controlled by Ms. Victoria Soler, former member of the Gecina Board of Directors) filed a motion for the opening of bankruptcy proceedings at the Madrid Commercial Court. Gecina has asserted its rights under both bankruptcy proceedings.

  To the company's knowledge, there are no other government, judicial or arbitration proceedings pending or threatening it, which may or have had in the last twelve months material impacts on the financial position or profitability of the company and/or Group.

1.7.4. RISK MANAGEMENT

Gecina's risk management control structure is intended to:

- create and protect the company's value, assets and reputation;
- secure decision-making and the company's procedures to ensure that it meets its targets;
- ensure that the company's actions are in line with its values;
- galvanize employees around a shared vision of the main risks.

Risk identification, analysis and management systems are implemented by the "Risks" Department with respect to risks linked to the safety and environment of properties, and by Internal Audit with respect to general risks. Risk management falls under the responsibility of the various Group Departments, depending on the nature of the risks. Risk management was strengthened in 2013 with the creation of a «Risks & Compliance» function within the Internal Audit Department. The main tasks of this function entail updating the risk mapping, in addition to permanent control and compliance oversight in the company.

In 2014, the function set up a risk management policy. This policy makes it easier to incorporate risk management into the organization's objectives, culture and operation. It strengthens the link between the company's strategy and risk management through a risk identification, analysis and treatment process based primarily on risk mapping. It sets a risk acceptability level defined by management, beyond which each risk must be closely monitored in order to reduce it or ensure its stability. The Risk Management policy clarifies the roles and responsibilities of all stakeholders and tends to strengthen the involvement of each party. This Risk Management policy can be viewed by all the Group's employees on the company's Intranet.

Risk management is described in a summarized form in the table in section 1.7.1, and in section 5.1.9. of chapter 5 «Corporate governance».

1.7.4.1. MANAGEMENT OF REAL ESTATE RISKS

The inventory of risks associated with building safety and environment is regularly reviewed by the «Risk Management» Department and validated by Executive Management.

Such risks are assessed based on a set of control standards defined for each area of risk, with indicators measuring the level of efficiency for the various buildings in relation to these reporting standards.

For certain subjects that are deemed to be more important or linked to regulatory requirements, preference has been given to an external assessment of compliance (asbestos, soil contamination, fire, floods, etc.).

Each evaluation results in the introduction of action plans to respond to Gecina's strategy.

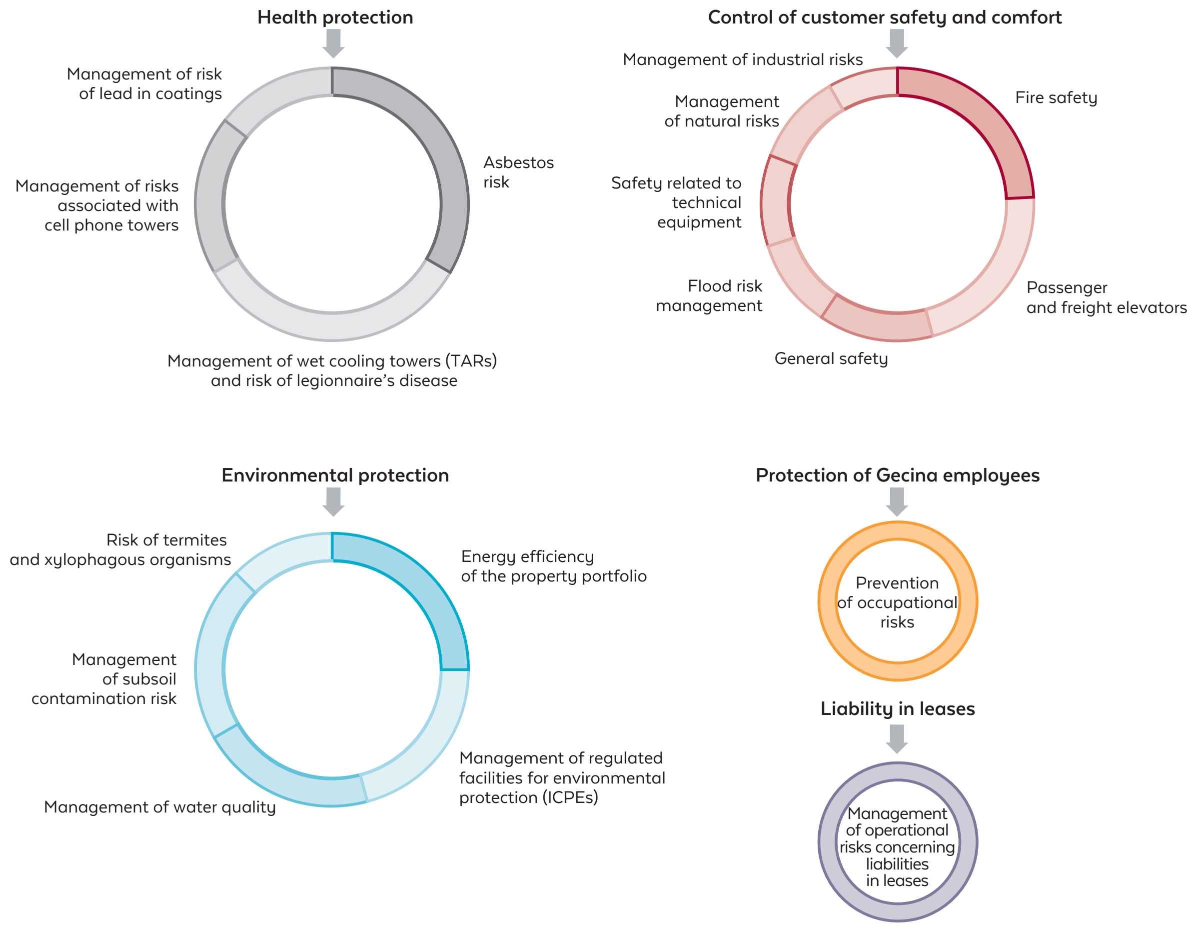
The control of real estate risk is based on three principal tools: risk mapping, risk prevention plans and an alert system.

1.7.4.1.1. Real estate risk mapping

The mapping aims to identify and define sets of standards and policies for each of the major risks associated with property holdings.

It seeks to help the different Group players pay more attention to risks linked to buildings in their day-to-day management. It is constantly updated.

The mapping covers 18 areas of risk, hazard or factors relevant to environmental protection broken down into five categories:



Underlying principles

Since its introduction, this approach follows the same process. It is managed by the Project Management Department.

Risk control support tool

The Gecina group has been using the services of Provexi since 2006. Provexi provides Gecina with a secure web platform, where data linked to the risks for its assets in the 18 mapped areas is centralized, structured and harmonized. All the audits required by regulation (asbestos, lead paints, etc.) and those stemming from Gecina's strategic policy (flood, fire, general safety, etc.) are integrated and controlled on this platform.

Dynamic scorecards are used to constantly monitor the compliance of buildings with regulations and Gecina's policy and to control the action plans to be taken to improve risk management and enhance the efficiency of assets.

Since 2011, in collaboration with Provexi, the "Technical Audit Files" (DDT) module has been added to the mechanism. This module allows the editing of the required documents on the platform (asbestos, lead (homes), state of natural and technological risks, EPA) in case of rental, in addition to verifications of the electrical, gas (homes) installations and parasitic statements in case of a sale. Warning systems have been set up to inform operational staff of actions to be implemented or non-satisfactory controls for compiling the Technical Audit Files. A simulation tool allows projection of the compliance level of documents on the estimated date of the sale or the arrival of a new tenant.

Improvements made to the system in 2015 involved, in particular, the generalization of QR codes to all sites, integration of five-year reports for elevators, guarantee of the availability of files during updates in the area of asbestos, addition of scorecards, adjustment of labels for some indicators, improvement of delivery emails, updates with display of changes in the performance of the area and the site, finalization of the steering of multichannel communications on all sites and improvement of the Technical Audit Files.

The scope of property holdings concerned

It covers the entire spectrum of the Group's activities. The risk mapping and the DDT module are used to process 267 assets, 42 of which are in the process of being sold. 37 with the unit surface area < 200 sq.m, are solely monitored within the framework of DDT sale. 27 assets are discarded because they are atypical (sites under construction, under management for third parties or withdrawn from market).

The scope changes every year depending on acquisitions, developments or asset disposals. The property portfolio is updated in real time.

Calculation method

Assets are rated and ranked using measurement indicators by:

- introducing various sets of indicators adapted to the method of holding (full ownership or joint ownership) and renting (multiple tenants or single tenant);
- enhancing the performance of assets over and above regulatory compliance;
- introducing a method of rating for sites by area, on three levels modeled on the HQE® process:
  - standard: level corresponding to the regulatory performance. It may exceed the level required by the regulation if that regulation is not considered sufficiently demanding with regard to the efficiency of buildings,
  - efficient: standard level reached + level corresponding to satisfactory performance defined by Gecina,
  - very efficient: level corresponding to best industry practices.

The 18 areas are assessed:

- either through self-assessment by Operational Departments and audited by an independent external auditor;
- or by qualified and independent external third parties.

The efficiency of an area on each asset is then calculated according to whether the Standard, Efficient and Very Efficient indicators were assessed and/or met.

The weighted overall performance rate of an area is calculated by combining the satisfied standard, efficient and very efficient indicators weighted by the financial values of the assets

An area will be rated:

- standard: if all "Standard" indicators are assessed and met;
- efficient: standard level reached and all "Efficient" indicators are assessed and met;
- very efficient: efficiency level reached and at least one «Very Efficient» indicator is met.

The efficiency of an asset is obtained by calculating the sum of its various efficiency levels by weighted risk according to the risk level of the areas (scale of 1 to 9). Obtaining an award (bronze, silver or gold) depends on the result obtained

Note: at the very least, all 18 areas of an asset must be assessed under the standard criteria before it can qualify for a medal.

The weighted distribution of awards on the entire property portfolio is calculated by weighting each asset by its financial value and by applying the inter-area weightings.

Risk mapping accessible to tenants and external contractors

The specific web platform also ensures transparency for customers with regard to risk. Customers can access technical files on asbestos, paint lead, ICPEs (regulated facilities for environmental protection), TARs (cooling towers), Statement of Natural, Mining and Technological Risks (SNTR) of their building. The general and specific instructions in case of a major risk (natural and/or technological) are also provided on the platform.

Transparency also for companies referenced with Gecina which, for the buildings on which they work, are issued a login/password to access information on asbestos, lead, and since 2014 extended to files on ICPEs (regulated facilities for environmental protection), TARs (cooling towers) and telephone masts.

Every year, an audit of the risk management system is carried out by an independent external auditor

An external audit was performed late 2015-early 2016 to verify the mapping in the following three areas:

- the assessment of the quality of self-assessments and the quality of the data transmission and consolidation process (of the seven self-assessed areas, six were audited in 2015 (lead paint, water, ICPEs, TARs, technical equipment and telephone masts) from a sampling of the assets concerned, randomly selected by the auditor;
- checking of the results obtained against Gecina's commitments for 2015 (assessment rate of indicators at 98%, weighted overall efficiency level at 98% and obtaining gold and silver trophies on at least 70% of the financially weighted property portfolio);
- verification of the suitability of changes in the mapping system, linked to Gecina's policy and the recommendations made by the auditor early 2015, regarding in particular:
  - the relevance of risk assessment and risk mitigation,
  - continuous improvement of the system.

2015 results of the real estate risk mapping, all areas combined

The auditor's findings are once again encouraging this year:
"At the end of our audit, we observe that the regulatory risk assessment and management system in place in response to Gecina's needs is efficient and allows permanent steering of Gecina's property portfolio. The dual weighting system (by risk and financial area) enhances the accuracy of the representativeness of sites present in the property portfolio. The two major sites, Grande Armée & la tour T1&B, acquired in 2015, have a heavy financial weighting.

The audit carried out on the premises of Provexi allowed verification of the system and procedures for receiving information, entering data for the mapping and comparative checking. The entire process is traceable and documented on the platform. It also allowed qualification of legal watch actions carried out by Provexi and checking of the processes and controls implemented by Provexi in connection with this watch.

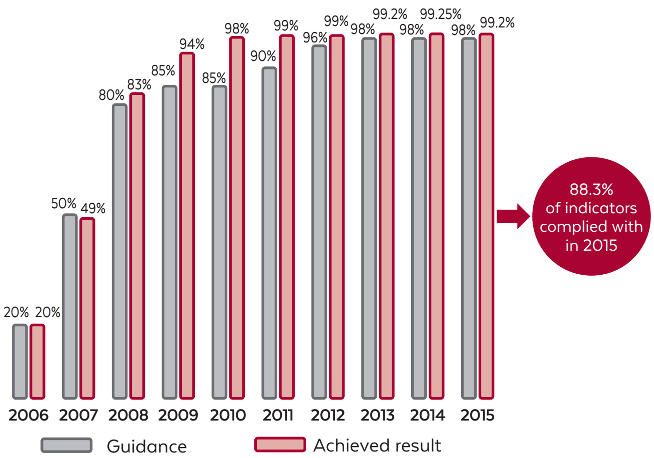
The part of the audit dedicated to meetings with operating staff allowed confirmation that kits are conscientiously filled out based on elements in their possession and their understanding of the questions in the kits and definition of criteria.

Lastly, the audit confirmed that Gecina is committed to the continuous improvement of its risk management system and that this concerns regulations, business lines, organization and the ergonomics of the system.»

A reasonable level of assurance was obtained after this audit (the certificate is presented at the end of this section).

Risk assessment rate: 99.2% of indicators are completed on the adopted scope of assets

The quantitative and qualitative control of assessments confirms "that the overall assessment rate for risk control indicators was 99.2%, which exceeded Gecina's goal to reach 98% at the end of 2015".

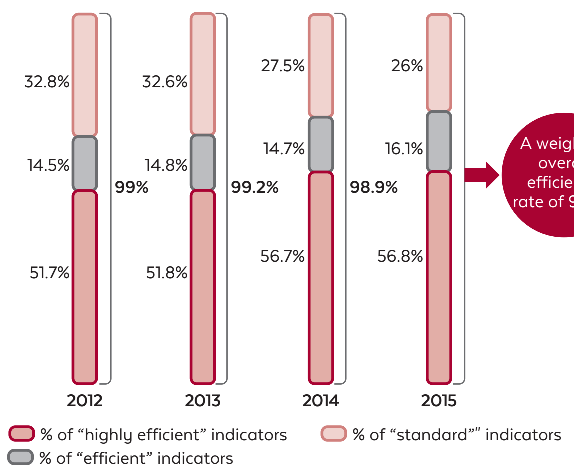


Out of a total of 46,774 indicators, 88.3% are complied with, representing an increase of 1% compared to the rate reached in 2014 and demonstrating the ever-increasing involvement of teams.

A weighted overall efficiency rate of 98.9%

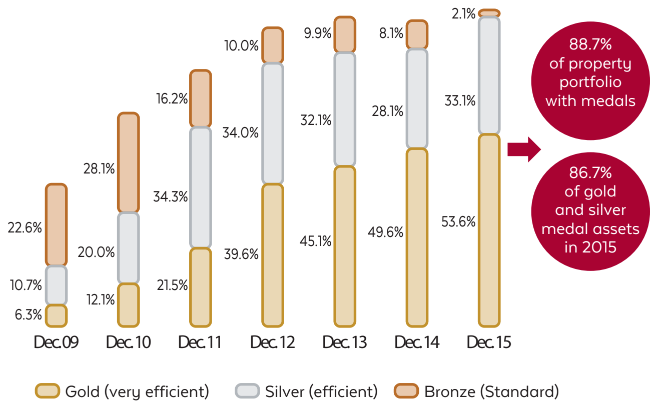
The initial goal of 98% for 2015 is exceeded by 0.9%

Change in indicators by efficiency criterion over 4 years (after inter-area and financial weightings)



We notice a stable percentage of total weighted indicators at «met» and «very efficient» level, compared to 2014. Considering the introduction of more stringent regulations on asbestos (see section 1.7.4.1.2.), this is a very good result.

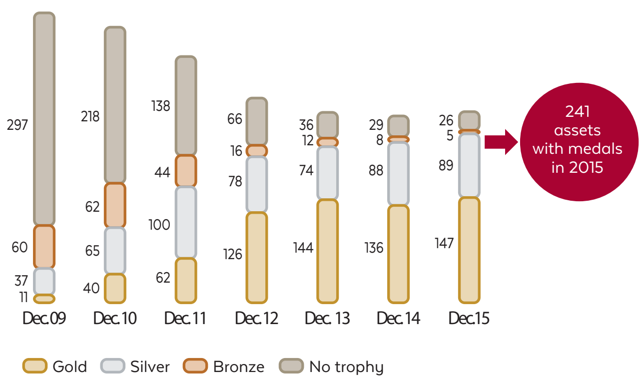
In fact, 88.7% of the weighted property holding obtained a trophy, representing an increase of 2.9% compared to 2014.



Furthermore, the goal of obtaining gold or silver trophies for 70% of the weighted property portfolio at end 2015 was largely overshot at 86.7%, and shows a very clear increase in results, in favor of "gold" trophies.

Breakdown of trophies in number of sites

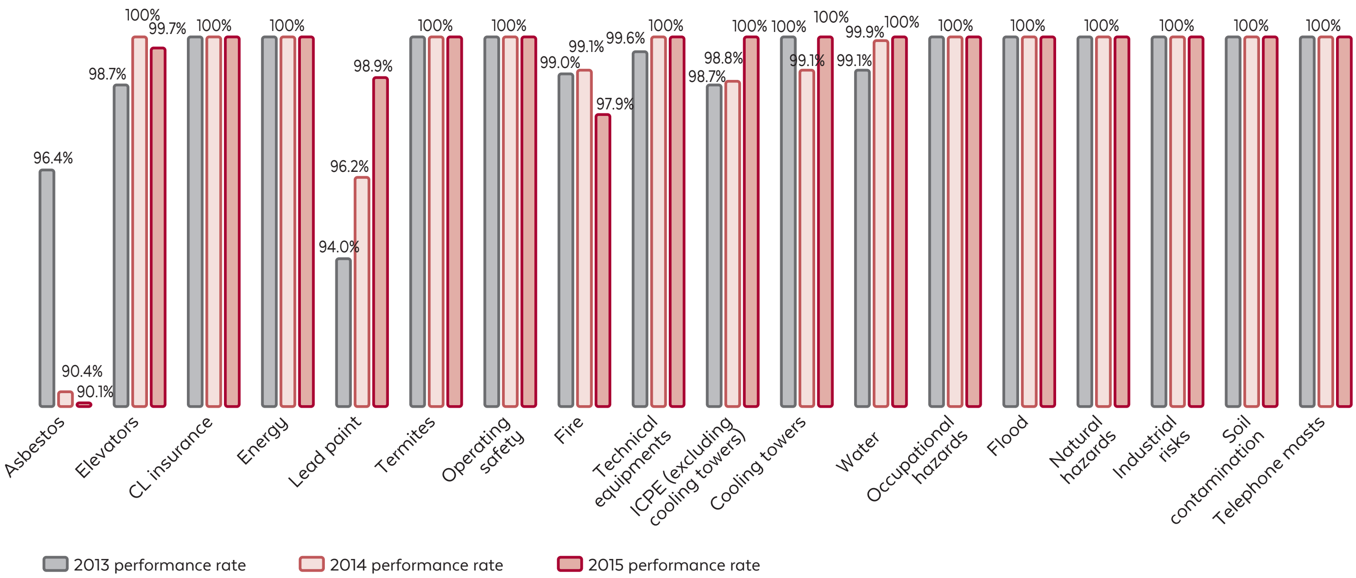
The Group has a total of 236 gold and silver assets, *i.e.*, 12 more than in 2014.



Overall, the Group has a policy of prudent interpretation of regulations and a proactive risk management policy minimizes the risk of its property portfolio becoming obsolete due to regulatory changes.

1.7.4.1.2. Measured classification of Gecina's risk exposure

Breakdown of financially-weighted efficiency by area

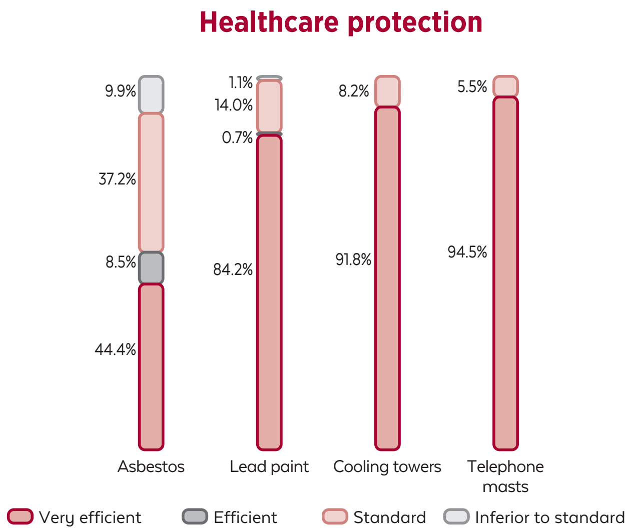


The decline in the 2015 asbestos efficiency rate was mainly due to more stringent regulations. Gecina has appointed an external expert for assistance in implementing highly complex actions. The expert visits sites concerned by level 1 & level 2 corrective actions and proposes implementation solutions.

The 1.2% drop in the fire safety rate compared to 2014 can be explained by the significant potential fire hazard posed by the frequently cluttered parking garages (communal areas) of two co-owned sites. Gecina has made the property management company aware of this risk.

SUMMARY TABLE OF RISK AREAS AND CONTROL MECHANISMS

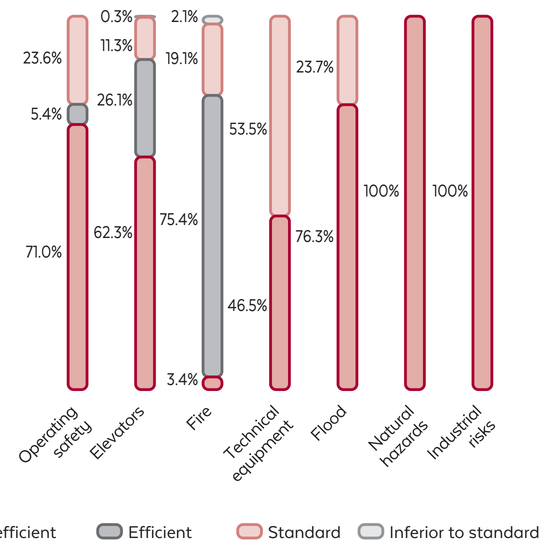
Risk level key:
- High risk level
- Moderate risk level



Areas	Lev. risk	Control mechanism	Results (weighted efficiency rate) 2013 %	2014 %	2015 %	Variation in efficiency
Asbestos In the last three years, the regulation on asbestos has been significantly tightened to prevent health risks. It covers several aspects: public health, environment and work. New obligations have appeared to strengthen the asbestos risk reduction policy.	High	They fall into five areas: - • continue asbestos searches extended to the entire property portfolio; - • adopt an aggressive stance to the treatment of asbestos (removal, confinement, prevention); - • adopt regular and systematic monitoring of all materials left in place and take advantage of periodic controls to carry out the additional tracking of materials and products containing asbestos in the external elements on list B, due no later than 02/01/2021 on assets (on sale or not) under renovation or to be demolished. - • be proactive on controlling the risks for the companies involved; - • promise full transparency on the presence of asbestos in its buildings towards clients/tenants but also towards the associates and staff of the construction and maintenance companies. Finally, in order to preserve the environment for future generations, Gecina is careful to render all its asbestos waste inert.	96.4	90.4	90.1	The weighted efficiency rate of the property portfolio is now 90.1%, which is still a good result. Of the 267 assets monitored in the risk mapping, 224 have an initial building permit dating prior to July 1, 1997. The more stringent regulation on asbestos in completed buildings had collateral impacts on the risk mapping indicators. The regulation triggered new actions to be implemented (corrective actions on materials containing asbestos, additional identification of external factors, destructive audits prior to works revealing the presence of new asbestos materials). Materials containing asbestos kept on sites have latent evolving risks linked to the works and acquisitions programs, results of inspections and the life of materials in place.

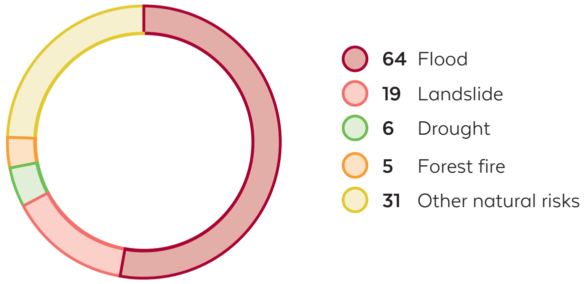
			Results (weighted efficiency rate)			
Areas	**Lev. risk**	**Control mechanism**	**2013** %	**2014** %	**2015** %	**Variation in efficiency**
Lead in paint Children are exposed to lead mainly through eating crumbling wall coatings which contain lead (mostly paint). To a lesser extent, inhaling dust is also dangerous for people who have to work on elements that may contain lead.		Gecina is very sensitive to the presence of lead paint and exceeds regulatory requirements by applying the mandatory housing obligations to its entire property portfolio: Gecina undertakes to remove the risk of exposure in case of the presence of deteriorated coatings containing lead at a concentration exceeding the defined thresholds, thereby reinforcing its regulatory obligations.	94	96.3	98.9	The weighted performance rate increased by 2.6% compared to 2014 to reach 98.9%. 65 assets date before 1949, i.e. 24% of the property portfolio, mainly in the corporate real estate and healthcare segments. The 13 residential sites concerned are under sale. In 2015, no tenant reported significant deterioration in its private area and as in previous years, no case of lead poisoning was reported. No record revealed a deterioration factor for built structures requiring communication to the Prefet.
Cooling towers Wet cooling towers (TARs) are locations where legionella can proliferate. These bacteria can cause serious chest infections. Contamination is through the respiratory canal, by inhaling contaminated water sprayed into the air.		Gecina protects the environment and complies with the regulations in force by implementing controls and carrying out the necessary maintenance of water distribution, heating or cooling systems with selected contractors; checks the quality of the elements discharged by cooling towers (discharges into the air, into sewers, etc.); and ensures transparency by placing documents on the management of TARs online for its tenants and general contractors.	100	99.1	100	The Group achieved very good results in 2015. Gecina only owns eight assets equipped with cooling towers and continues its policy of dismantling installations during reconstruction operations.
Mobile telephone masts To date, findings from national and international appraisals present no conclusive evidence about the existence of healthcare risks linked to exposure to electromagnetic emissions from mobile telephone relay masts, so long as the public exposure limits are complied with.		Gecina seeks to ensure maximum safety by maintaining the compliance of the installations located on its grounds. In 2013, Gecina amended its policy to include the upgrades caused by the new Paris charter and also applies it on sites in other French cities unless there are more restrictive local constraints. In addition to ongoing oversight, the Group has entrusted a specialized research agency with the task of monitoring the terms set out in operator contracts. Tenants or their representatives may request access to the technical documents relating to the safety of the mobile telephone installations.	100	100	100	The results show very good performance. 20 installations are located on the terraces of buildings. The tenants are informed about any modification programs and planned work. New facilities will only be installed if the agreement of tenants is obtained through their representative bodies (health, safety and working conditions committees, union boards, etc.).

Customer safety and comfort

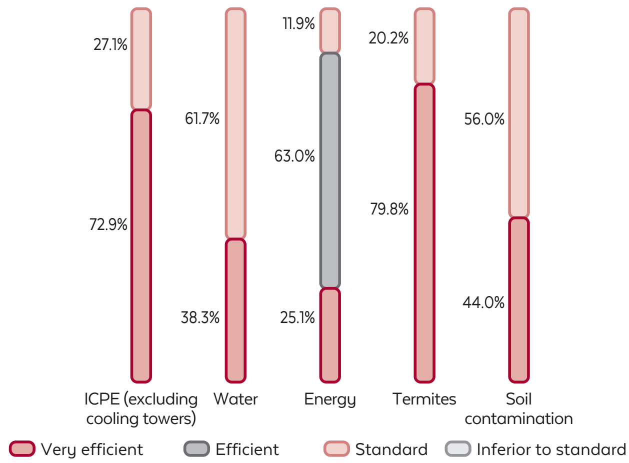


Areas	Lev. risk	Control mechanism	Results (weighted efficiency rate) 2013 %	2014 %	2015 %	Variation in efficiency
Operating safety In this area, safety is apprehended from a «multi-criteria» angle while taking the conduct of users into account. It includes, in particular, risks associated with explosions, falls and traffic accidents, accidents and falls from a height, intrusions, electrical accidents, leaks, floods, ICPEs and other.	●	The control mechanism is based on the performance of audits by experts on the entire property portfolio. These analyses allow operating teams to identify risky assets, evaluate their vulnerability and set up preventive actions and risk mitigation measures.	100	100	100	100% of the property portfolio was appraised and subject, in 2015, to a review of outstanding action to be undertaken.
Elevators The regulations are restrictive and there could, potentially, be numerous liability issues. The value of assets may be affected by poor service quality linked to an elevator.	●	In order to guarantee an optimum level of safety for its occupants and external contractors, Gecina has decided to take preventive and proactive action: - respect for the safety standards of elevators in the context of the compliance upgrade of old elevators - all elevator cars are inspected annually by technical service companies working under standardized contracts; - these machines are covered by a full maintenance contract tailored to the latest regulatory changes; - technical inspections are conducted by an independent inspection company at the intervals required by regulations, especially in high-rise buildings and after any new standards are introduced.	99	100	99.7	The weighted performance rate fell slightly by 0.3% in 2015: only a single asset did not meet Gecina's requirements. Some minor reservations had not been lifted on the closing date of the mapping results but they have since been cleared. Works to upgrade elevators to meet new standards were undertaken in 2015. For unoccupied offices and sites awaiting complete restructuring, the standards in place will be taken into account during the renovations. Neither Gecina nor its occupants/users were involved in any accidents in 2015.

Areas	Lev. risk	Control mechanism	Results (weighted efficiency rate) 2013 %	2014 %	2015 %	Variation in efficiency
Fire Regulations on fire risks prevention are thorough and often complex. In effect, premises regulated by the French Labor Code, regulated facilities for environmental protection (ICPEs), public access buildings (ERP), high-rise buildings (IGH), and residential premises are all governed by different regulations. They mainly seek to guarantee the protection of people. Furthermore, insurers recommend specific measures to protect property		Gecina seeks to provide the occupants of its assets with a good level of fire safety and eliminate the faults that could be the source of danger for people and properties. Gecina has set up measures to reduce weak points identified by consultants accredited by the Group's insurer: - • management arrangements: monitoring, alert procedures and systems, etc.; - • constructive arrangements; - • preventive mechanisms.	99	99.1	97.9	Gecina records a slight drop in the weighted performance rate linked to either the construction period of sites that have since not been reconstructed (they do not meet totally the criteria defined by Gecina's risk policy) or the use of premises by occupants (cluttering of common areas). Gecina takes advantage of any renovation work on all or part of assets to improve fire safety and, if necessary, exceed the relevant regulations. It then informs the occupants concerned about the measures put in place. In 2015, the Group supplied and installed smoke detectors in all its residential assets.
Technical equipment Gecina is subject to strict regulations concerning technical equipment on which, for the most part, the safety and quality of service provided to occupants depends (fire equipment, electricity, lightning rods, boiler rooms, CMV gas, etc.).		The extent of Gecina's obligation means that all of its properties are appropriately equipped with safety devices and technical systems that function properly. The inspections, tests and technical examinations provide an opportunity to identify the installations in order to detect any possible defects that could endanger people and property, and to rapidly implement the recommendations made during these operations.	99.6	100	100	The weighted efficiency rate is stable Technical equipment is maintained by selected, qualified companies under formal contracts and particularly studied in the interest of the group.
Areas linked to natural, mining and technological risks With regard to natural or industrial events or accidents, the law requires preparation of Natural Risk Prevention Plans (NRPPs) and Technological Risk Prevention Plans (TRPPs), and calls for better public information. The mapping of these risks enables the necessary economic and strategic information to be consolidated, and the cumulative risk involving the same event to be identified. Gecina's assets are not located in a mining risk zone.		Flood – Natural risks – Industrial and technological risks In addition to a better understanding of the risks involved, Gecina strives to: - • limit vulnerability and reduce potential damage by technical means; - • guarantee the comfort and continued activity of occupants; - • and, above all, ensure the safety of occupants. Lastly, general and specific instructions in case of major risks (natural and/or technological) have been placed online and are accessible to tenants.	100	100	100	Flood All Gecina sites have been analyzed with the help of outside experts. The 70 assets exposed to the risk and their vulnerability levels have been identified. Gecina has included among the buildings at risk those located in service areas susceptible to disruptions in the supply of water, electricity and heating. This brings the number of sites exposed to 141. 54 buildings have already undergone a flooding hazard audit and action plans are being implemented.
			100	100	100	Natural hazards To Gecina's knowledge, no building has to be subjected to a special survey procedure to reveal any possible risk of collapse. 137 assets situated within an area covered by a natural risks prevention plan (NRPP) in 2015: See the breakdown of natural risks identified in Gecina's property portfolio
			100	100	100	Industrial and technological hazards In the current state of TRPPs, 99.5 % of Gecina's property holdings are not located in a technologically hazardous zone.



Environmental protection



Areas	Lev. risk	Control mechanism	Results (weighted efficiency rate) 2013 %	2014 %	2015 %	Variation in efficiency
<u>Regulated facilities for environmental protection</u> The existence and operation of regulated facilities for environmental protection (ICPEs) expose Gecina to risks of harm or pollution. These risks can also affect the health and safety of tenants and nearby residents.	●	As a real estate professional, Gecina undertakes to: - protect the environment and follow the regulation in force, - guarantee the quality of the elements discharged by ICPEs (discharges into the air, into sewers, etc.); - be transparent: supply any document concerning the management of ICPEs, - seek the services of knowledgeable persons.	98.7	98.8	100	37 sites are concerned by the presence of ICPEs 8 are directly operated by Gecina and appear to be highly efficient. The Group is very attentive to the compliance of these installations.
<u>Water</u> The management of water presents Gecina with several challenges: - from the health and legal point of view, in terms of water quality (presence of lead, particles or bacteria, etc. above regulated levels); - from an environmental viewpoint: management of the water resource which is described in the chapter dedicated to CSR.	●	Gecina's policy focuses on a commitment to: - protect the environment and follow the regulation in force; - guarantee the quality of drinking water at pumping points; - be transparent: supply on demand any document concerning the quality of water.	99.1	99.9	100	The results are significantly constant over three years. The water theme is further developed in Chapter 7

Areas	Lev. risk	Control mechanism	Results (weighted efficiency rate) 2013 %	2014 %	2015 %	Variation in efficiency
Energy The results from Energy efficiency audits incorporated into the mapping are used to evaluate the commercial risk linked to the asset's obsolescence in terms of energy efficiency.	●	The risk mapping integrates the values of energy labeling of assets to rank them according to efficiency. The measures taken with regard to the energy risks mapped and analyzed by Gecina are explained by the CSR Department (Chapter 7 of this document).	100	100	100	Energy labels are defined for the entire property portfolio tracked in the risk mapping. For further information see Chapter 7
Termites The presence of termites can have serious consequences on the building structure, resulting in material damage and often significant repair costs or the risk of contaminating neighboring buildings.	●	Gecina regularly checks the entire property portfolio if it is located in an area covered by a regional administrative order. If an asset turns out to be concerned by the presence of termites and if it contains a wooden structure, a preventive audit is conducted to arrange for the property to be treated, where necessary.	100	100	100	The results have been constant over the past three years: there were no termites in any of Gecina's buildings in 2015.
Soil contamination The presence of pollutants in the soil can be a health hazard for the people staying on a site. These reports and associated regulations give rise to legal and market risks, as well as a risk to Gecina's image.	●	The control mechanism is characterized by four action areas: - know of contaminated or potentially contaminated sites; - store relevant information, to ensure that over time, actions taken are kept and more importantly, their associated use is known; - take preventive action to ensure that active sites or land banks are not a source of underground pollution; - process / manage (if necessary) the contaminated sites, according to their intended use, to ensure proper human and environmental protection.	100	100	100	The Group systematically checks if its assets are in a zone with a soil contamination risk (BASIAS, BASOL database) and 125 sites have been subject to historical and vulnerability studies. Based on these results and the activities that are subsequently conducted there, Operational Departments have verified the absence of risks for occupants and the environment.

Risks to the environment are not covered by any provision or guarantee, and no compensation was paid during fiscal year 2015.

Areas	Lev. risk	Control mechanism	Results (weighted efficiency rate) 2013 %	2014 %	2015 %	Variation in efficiency
Protection of Gecina's employees						
Occupational hazards The assessment of occupational assets entails identifying the dangers and analyzing the risks facing Gecina's staff. The assessment is formalized in a single document, which is updated.	●	Gecina identifies the dangers and analyzes the risks to which its employees are exposed. Field audits have been conducted in all residences and at the head office employing Group staff. The introduction of a new single document template allowed the addition of musculoskeletal and psychosocial risks to the list. These single documents are updated annually and may be consulted by employees.	100	100	100	The measures taken by the Group these last years aimed at ensuring the safety of its staff and protecting their physical and mental health have produced good results. The corrective or preventive actions undertaken (3), for the purpose of mitigating the risks that the company's employees might be exposed to, revealed that all significant risks in the group were under control.

(3) For example, this year, a kit of mandatory individual protective gear is supplied to each superintendent, in addition to training (electrical skills certification (H0B0), gestures and postures). The group has also acquired equipment to improve working conditions.

Areas	Lev. risk	Control mechanism	Results (weighted efficiency rate) 2013 %	2014 %	2015 %	Variation in efficiency
Liability in leases						
Lease management The danger of liability risk has to do with its complexity and growing importance as laws and regulations evolve. The origin of a third-party liability is no longer to be found solely in the fault but rather increasingly in the responsibilities and competence required of professionals.	●	In order to enhance its risk control linked to the insurance and liability conditions mentioned in leases linked to buildings, Gecina hires an expert to analyze insurance clauses.	100	100	100	Assessments relating to these reporting standards are described in the "Insurance" section of this chapter.

1.7.4.1.3. Crisis management

To be responsive and effective when an incident or accident occurs, a 24-hour monitoring and crisis management system has been set up to galvanize the skills required to deal with a major accident.

The system is based on three successive response levels to match the seriousness of the identified incidents:

- the first involves a call center (Gecina Sécurité) where tenants can call for "everyday" problems;
- the second involves the intervention of an on-call officer for events considered as more serious;
- lastly, the crisis unit can be mobilized for accidents considered as "serious" or exceptional events that may have serious consequences for the Group.

The existing tools have been supplemented with the preparation of potential crisis scenarios and new entrants have been trained.

Gecina Sécurité recorded 425 calls which required an intervention and 205 without any immediate follow-up.

Number of calls for minor incidents outside office hours (example: water damage, various breakdowns, etc.).

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Number of calls to the call center	552	584	574	641	614	584	494	581	432	425

No serious incident required the mobilization of the crisis unit in 2015.

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CERTIFICATE

Magellan was missioned by Gecina to issue an external opinion on the output of the risks' cartography on its assets. The audit conducted between November 23rd, 2015 and January 15th, 2016 led us to provide a **reasonable level of assurance** on the following conclusions:

Achievement of performance objectives:

Magellan certifies that, at January 8, 2016, the global rate of estimated indicators reaches 99.2 %. This realisation exceeds the target of 98 %. In addition, the rate of overall weighted performance reaches 98.9 % in 2015 (with a target at 98%). This is the same performance as 2014. Magellan certifies as well that, for 2015, 86.7 % of Gecina's assets were rewarded with either gold or silver trophies. This result is strongly up compared to 2014 (77.7 %). Performance objectives for 2015 are thus exceeded.

Quality of self-assessments:

Regarding self-assessments quality, the audit covered six segments: telecommunications antennas, elevators, Installations Classified for Environmental Protection, Cooling Towers, Lead and paint, Water. According to the results of the interviews and the testing we performed during our audit, we can certify that the quality of self-assessments for these segments is globally satisfactory.

Quality of data transmission & consolidation process:

We identified no incident on data transmission quality & consolidation process between data input and output. A process audit, performed at the TPA in charge of the software platform and the data consolidation, enabled us to check compliance of 1st and 2nd level controls, as well as the implementation of detailed procedures and a specialized regulatory outlook and assessment. The strict quality controls performed by the administrator assure good process quality. Verifications helped to control the reliability of data cartography.

Evolution of the risks control device:

Magellan noticed improvements made on the risks framework in 2015, including: QR code generalization to all sites, quinquennial reports on elevators, folder availability during asbestos information update, new dashboards, definition adjustments on some KRI, improvement of email communication concerning site and domain performance evolution, finalization of multichannel communication management, improvement of DDT module.

Certified in PARIS, January 15th, 2016
Michel HATIEZ, CEO

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1.7.5. INSURANCE

The core objective of Gecina's policy with regard to insurance is the safeguarding of its assets and protection against liabilities incurred.

It is focused on assuring the Group's long-term viability faced with various risks, reducing the costs of these risks when they occur, constant improvement of guarantees and management of indemnification flows, and providing quality service to tenants.

The principal risks for which Gecina has taken out insurance coverage are property damage and consequent loss of rents, construction risks and civil liability as a property owner and real estate professional.

The insurance program consists of four distinct parts:
- insurance for developed real estate assets, including owner third-party liabilities (RCPI);
- construction insurance policies (constructor's liability, all construction risks);
- third-party liabilities (general, environmental);
- other policies (cars, staff travel, comprehensive IT risks, fraud and malicious intent, etc.).

To ensure that there is adequate coverage and management of the major risks, the Group has traditionally given preference to high levels of coverage with deductibles, enabling it to keep insurance costs down.

Cover for damage to properties and/or loss of use and RCPI account for the bulk of the budget, because of its strategic importance to the Group in terms of risk management.

These risks are insured in a program that covers Gecina as well as all its subsidiaries or partnerships with leading insurers, principally ACE Europe and AXA, Allianz and Liberty Mutual, through its insurance broker, Assurances-Conseils, SIACI Saint-Honoré, Marsh and Bessé.

In addition, in commercial leases Gecina favors a mutual waiver of appeal to facilitate the management of claims and reduce its frequency risk and that of its insurers.

There is no captive insurance company in the Group.

1.7.5.1. COVERAGE OF DAMAGES AND LIABILITIES ASSOCIATED WITH PROPERTIES

Because of the broad geographic dispersion of the Group's assets and its custom insurance coverage, a major claim affecting one of the Group's properties should have little impact on its financial situation. Indeed, cover has been set at levels that would easily cover a major claim for the largest property of the Group.

Gecina benefits from a Group insurance program that covers damage to its property holding, including that caused by natural events, acts of terrorism and attacks, claims by neighbors and third parties, loss of rental income, and consequential losses and indemnities. The program also covers replacement value as at the day of the loss.

The property portfolio is covered up to its brand new value with a Limit of Indemnity (LOI) of €150 million, with the exception of seven assets (large office or residential buildings) which are covered by LOIs of €300 million and three new office assets acquired in 2015 and which benefit from an LOI of €600 million.

Property damage and casualty policies include building owner third-party liability and environmental risks.

The general exclusions common to the insurance market as a whole (*e.g.* acts of war, damage consequential to the possible presence of asbestos, etc.) normally apply to the coverage taken out by Gecina.

The insurance program for buildings also includes construction insurance, namely, primarily contractor's liability insurance (in France "Dommages Ouvrages" or DO), in accordance with the Spinetta Law 78-12 of January 4, 1978, and All construction risks insurance.

A master agreement signed with Allianz, through the firm Marsh, provides all construction risks, contractor's liability and promoter (*Constructeurs Non Réalisateurs*) coverage to all construction sites for up to €15 million.

For works entailing sums greater than €15 million, contracts are negotiated and concluded on a case-by-case basis.

1.7.5.2. GENERAL AND PROFESSIONAL THIRD-PARTY LIABILITY

The consequences of bodily, material and immaterial third-party liability due to employee malpractice or flawed professional work are insured under a Group policy.

Mandatory coverage for professional third-party liability of subsidiaries whose activities come under the Hoguet Law is incorporated into the Group's civil liability program. The program was renewed for three years on January 1, 2015.

1.7.5.3. ENVIRONMENTAL THIRD-PARTY LIABILITY

This innovative coverage in the real estate sector was instituted as early as 2007 to cover Gecina's liability for damage suffered by third parties and damage to biodiversity when such damage is the result of the impact of the Group's activities on the environment, and also any costs incurred from on-site pollution cleanup operations to neutralize or eliminate an environmental hazard. The program was renewed for two years on January 1, 2016.

1.7.5.4. LEASE MANAGEMENT AND MANAGEMENT OF SUPPLIER CONTRACTS

The real estate risk assessment approach described in this chapter contains guidelines on the management of the insurance clauses and liability in the leases described herein.

Since 1998, liability law has been toughened considerably and made much more complex with the integration of European Directives harmonizing the legal provisions of member states. In the aim of ensuring indemnification of the victim, origin of a third-party liability is no longer to be found solely in the fault but rather more and more in the responsibilities and competence required of professionals (the "deep pocket" principle).

The importance of liability risk has to do with its complexity and growing importance as laws and regulations evolve. This risk is difficult to foresee. It materializes when court proceedings are initiated by one or more third parties without it being possible to prejudge the validity of their reasons.

Aside from court costs, and the expenses and internal costs of defense, these steps to respond to court injunctions may also have major indirect effects on earnings and the company's finances. Whatever the case, they can adversely affect Gecina's image.

Like all other professionals, organizations or individuals, the Gecina group is bound by four types of commitment, which must all be followed:

- its technical commitments;
- control over them;
- its disclosure and advisory obligations;
- its contractual obligations.

To each of them must be added the notion of security, which is increasingly taking the form of a quasi performance guarantee.

Although Gecina accepts in its commercial leases an equitable mutual appeal waiver clause with its tenants and the relevant insurers, the regulation specific to residential leases requires the tenant to take out insurance for damage that might be sustained by the lessor and for which the tenant may be judged liable. However, even though the regulations authorize the lessor to require an appeal waiver from tenants for damage they might sustain due to the owner's fault, Gecina does not wish to systematically include such a clause in its leases out of concern for fairness towards its customers.

1.7.5.5. CLAIMS

There was no significant claim in 2015 and until the date of the publication of this document.

02 Comments on the fiscal year

The Group's consolidated income is presented in a format that is appropriate for its real estate business and specifically includes the following items:

- Income recorded in the Group's income statement (gross rental revenues), which mainly comes from rent paid by tenants of the Group's properties;
- EBITDA (total of gross rental revenues and income from services and other items minus total net property expenses, services and other items and overheads including salaries and fringe benefits and net management fees) represents income from operations related to the properties and service businesses.

The company also uses recurring earnings as an indicator (which is EBITDA less net financial expenses and recurring tax). This indicator is used to assess changes in the Group's earnings from operations before disposals, valuation adjustments and non-current taxes.

Value adjustments include changes in the fair value of properties as well as changes in the value of financial instruments. Gains or losses due to these changes in value are unrealized and do not generally correspond to actual transactions. The Group has no intention of disposing of its entire real estate portfolio in the short term, while most of the derivatives are hedges for long-term debt to safeguard the Group from interest rate rises and thus cap the cost of debt.

2.1. Business review

2.1.1. STRONG GROWTH IN KEY AGGREGATES FOR 2015

In 2015, recurrent net income (Group share) climbed +12.2%, restated for the impact of Beaugrenelle's sale in 2014 (+10.3% for recurrent net income (Group share) on a reported basis). This strong performance partly reflects the impact of the acquisitions made during the year (including the T1&B towers in La Défense, and the PSA Group's current headquarters in Paris' central business district), as well as a further significant reduction in the average cost of debt over the year, down -90bp to 2.7% (2.2% for drawn debt), and the effective control over operating expenditure.

In line with the strategic ambitions announced at the start of 2015, Gecina achieved a particularly dynamic year in terms of its portfolio's rotation. Since the beginning of 2015, Gecina has completed or secured around 1.9 billion euros of investments and 1.9 billion euros of sales (including the Group's healthcare portfolio, with its sale expected to be finalized mid-2016). Gecina has significantly strengthened its leadership for urban offices in Paris, ramping up its office portfolio to represent nearly 77% of its total portfolio (excluding the healthcare portfolio), compared with 63% one year ago.

The committed project pipeline was increased to 0.9 billion euros at end-2015 (of which 353 million euros still to be invested), with 43% of projects located in Inner Paris and 28% in the Southern Loop, delivering an expected yield of 6.8%. This committed pipeline represented 7% of the Group's portfolio at end-2015. In addition, after reviewing all the assets in its portfolio, Gecina's teams have identified major value reserves, taking the controlled pipeline for development and redevelopment projects up to 2.55 billion euros (with 1 billion euros of potential outlays, to be added to the current asset value of 1.55 billion euros), with 80% of these projects located in Paris. These committed and controlled projects will help drive the Group's future growth and value extraction.

The strong growth in triple net NAV (+21.2% to 122.7 euros per share) partly reflects the compression of real estate yields on the investment market, combined with the significant capital gains recorded on sales, as well as the increase in the value of assets acquired recently and programs that are being developed. These various elements confirm the relevance of Gecina's strategic choices in the current market environment, further strengthening the Group's confidence in its total return positioning, adopted at the start of 2015.

2.1.2. RENTAL INCOME UP +0.6% TO 574.6 MILLION EUROS

Gross rental income came to 574.6 million euros in 2015. Like-for-like, rental income is down very slightly (-0.2%), continuing to be affected by low indexation (+0.2%) and a slightly negative level of reversion. However, the quarter-on-quarter performance shows that growth has continued to improve on a like-for-like basis, with -1.9% at March 31, 2015, then -1.1% at June 30 and -0.8% at September 30.

On a current basis, rental income is up +0.6%, despite the loss of rent resulting in particular from the commercial and residential assets sold in 2014 and 2015 (Beaugrenelle in 2014 and BMW-Madrid, Mazagran-Gentilly, L'Angle-Boulogne and, to a lesser extent, Newside-La Garenne-Colombes and Brune-Paris, in 2015). The loss of rent linked to these sales (-28.1 million euros) and strategic redevelopment operations (-3.2 million euros) has been fully offset by the additional rent generated by acquisitions and project deliveries (+35.9 million euros), primarily with the PSA Group's current headquarters in Paris and the T1&B towers in La Défense, as well as the delivery of four new student residences and two healthcare facilities.

The loss of rent resulting from strategic redevelopments represents -3.2 million euros and primarily concerns the 55 Amsterdam and Guersant buildings, both located in Paris, bordering the Central Business District, in the 8th and 17th arrondissements. These operations, creating future value, are scheduled to be delivered in 2017 and 2018 respectively, in a market with a shortfall of quality premises at the heart of Paris.

Gross rental income In million euros	12/31/2015	12/31/2014	Change (%) Current basis	 Like-for-like
Group total	**574.6**	**571.0**	**+0.6%**	**-0.2%**
Offices	364.2	348.9	+4.4%	-0.5%
Traditional residential	121.3	126.1	-3.8%	-0.1%
Student residences	12.0	9.1	+30.9%	+0.1%
Healthcare	76.4	73.4	+4.1%	+0.5%
Other (incl. Beaugrenelle)	0.7	13.4	n.a.	n.a.

The average financial occupancy rate for 2015 was 96.6%, an improvement compared with the already high levels from 2014 (96.4%) and 2013 (95.5%). This increase is consistent with the Group's objectives for 2015.

This improvement can be seen primarily on the Group's office portfolio, with its financial occupancy rate rising from 95.3% in 2014 to 95.8% in 2015, notably reflecting the Henner Group's arrival in Neuilly during the year. This figure does not include the impact of the letting of the Pointe Métro 2 building in Gennevilliers, for which two leases were signed on February 19, 2016, but has benefited from the inclusion of fully-let assets in the scope, such as the T1&B buildings in La Défense and the PSA Group's current headquarters in Paris' Central Business District.

For Inner Paris, the financial occupancy rate climbed to 98.5%, a year-on-year increase of +70bp. In the Western Crescent, it is up +120bp year-on-year to 94.1%.

In addition, the financial occupancy rate for the student residence portfolio has increased by 200bp since the third quarter of 2015 (to 91.7%, versus 89.7%), thanks to the improvement in the fill rate for the residence halls delivered in the third quarter of 2015. On this portfolio, the spot occupancy rate was up to 95.1% at the end of 2015.

Average financial occupancy rate	12/31/2014	06/30/2015	09/30/2015	12/31/2015
Offices	**95.3%**	**95.3%**	**95.6%**	**95.8%**
Diversification	**98.3%**	**98.2%**	**98.1%**	**98.2%**
Residential	97.7%	97.8%	97.7%	97.7%
Student residences	92.0%	90.6%	89.7%	91.7%
Healthcare	100.0%	100.0%	100.0%	100.0%
GROUP TOTAL	**96.4%**	**96.3%**	**96.4%**	**96.6%**

OFFICES: RENTAL INCOME UP THANKS TO THE GROUP'S GROWING SPECIALIZATION

Like-for-like change	Indexes	Business plan	Vacancy	Other
-0.5%	+0.1%	-0.7%	-0.3%	+0.5%

Rental income from **offices** is up +4.4% on a current basis, thanks in particular to the impact of the acquisition of the T1&B towers in La Défense and PSA's current headquarters in Paris' CBD at the start of the second half of the year, offsetting the impact of sales and redevelopments.

Like-for-like, rental income is down slightly (-0.5%), primarily as a result of the space vacated during the year (-0.3%), although part of this space has already been relet. This like-for-like change moderately outperformed the Group's expectations from the start of the year (by -1%).

Nearly two thirds of the space vacated in 2015 in the CBD was already relet during the year, with a slightly positive level of reversion.

This was a particularly active year in terms of **rental management** and Gecina had let nearly 133,000 sq.m of offices by the end of 2015, factoring in new lettings, relettings, renegotiations and renewals, representing around 52 million euros of annualized economic rent. Gecina has already anticipated the majority of its letting maturity milestones for 2016. Rental incentives in 2015 were significantly lower than those awarded by Gecina in 2014. On all the leases covered by relettings across the Group's portfolio in 2015, the level of reversion is still negative, but shows a clear improvement compared with previous years, confirming the gradual upturn in the market for the region as a whole, but above all the most central sectors.

Gross rental income – Offices In million euros	12/31/2015	12/31/2014	Change (%)	
			Current basis	Like-for-like
Offices	**364.2**	**348.9**	**+4.4%**	**-0.5%**
Inner Paris	186.3	181.2	+2.8%	-1.3%
Paris CBD - Offices	*98.7*	*92.7*	*+6.4%*	-
Paris CBD - Retail units	*35.0*	*35.0*	*+0.1%*	-
Paris excl. CBD	*52.6*	*53.5*	*-1.6%*	-
Western Crescent - La Défense	137.0	120.8	+13.4%	+0.8%
Other	41.0	47.0	-12.8%	+0.2%

DIVERSIFICATION PORTFOLIOS: RENTAL RESILIENCE AND IMPACT OF SALES PROGRAMS

Rental income from **traditional residential** assets is virtually stable like-for-like (-0.1%). On a current basis, the -3.8% contraction factors in the program to sell apartments on a unit basis when they become vacant as tenants naturally free up assets (Hopper program).

The **student residence** portfolio achieved strong growth in rental income (+30.9%) in 2015, driven by the major deliveries seen in the third quarter of 2015 in Paris, Bagnolet, Palaiseau-Saclay and Bordeaux. Like-for-like, rental income is up very slightly (+0.1%), in line with indexation.

Healthcare rental income is up +0.5% like-for-like, slightly outperforming the low level of indexation seen for 2015 (+0.1%). On a current basis, growth is more significant (+4.1%), benefiting from the delivery of two facilities in Bayonne and Orange in the third quarter of 2015.

RENTAL MARGIN

The rental margin came to 91.6% at end-2015, down slightly from December 31, 2014 (-20bp), following a slight drop in the rental margin on the residential portfolio, linked primarily to various non-recurring costs recorded mainly over the second half of 2015. On the other segments, the rental margins are stable overall.

	Group	Offices	Residential	Healthcare
Rental margin at Dec 31, 14	91.8%	94.1%	83.0%	99.2%
Rental margin at Dec 31, 15	91.6%	94.0%	81.1%	99.4%

2.1.3. RECURRENT NET INCOME (GROUP SHARE) UP +10.3%)

Recurrent net income (Group share) shows strong growth for 2015, up +10.3% to 349.2 million euros. This performance reflects not only Gecina's achievements on the investment market, but also its rigorous management of financial expenses and operating expenditure, as well as its highly effective letting management. Restated for the impact of Beaugrenelle's sale in April 2014, recurrent net income (Group share) growth comes out at +12.2%.

Recurrent net income (Group share) per share came to 5.61 euros for 2015, compared with 5.17 euros per share in 2014, up +8.6% (+10.5% restated for Beaugrenelle's sale). The recurrent net income (Group share) growth includes the effect of the early redemption of the ORNANE convertible bonds in the first half of 2015, buying back and cancelling 19% of the issue, then converting the remaining bonds. 922,591 shares previously held as treasury stock were put back into circulation.

In million euros	12/31/2015	12/31/2014	Change (%)
Gross rental income	**574.6**	**571.0**	**+0.6%**
Net rental income	**526.2**	**524.3**	**+0.4%**
Services and other income (net)	8.3	8.4	-2.0%
Salaries and management costs	(62.1)	(65.1)	-4.6%
EBITDA	**472.4**	**467.6**	**+1.0%**
Net financial expenses	(119.8)	(146.6)	-18.2%
Recurrent gross income	**352.5**	**321.0**	**+9.8%**
Recurrent minority interests	0.2	(1.2)	n.a.
Recurrent tax	(3.5)	(3.3)	+7.0%
RECURRENT NET INCOME (GROUP SHARE)	**349.2**	**316.6**	**+10.3%**

2.1.4. INVESTMENTS AND SALES SECURED IN 2015

Gecina led the market in 2015, completing or securing a total of 1.9 billion euros of investments over the year. These operations cover a wide range of investment profiles, but always in premium locations.

This amount includes:

- Operations **directly generating rental income** for 1.24 billion euros (T1&B buildings in La Défense, and PSA's current Grande Armée headquarters in the Paris CBD, which will benefit from extensive redevelopment work)
- One **operation secured** for 188 million euros generating rental income from 2016 (City 2-Boulogne-Billancourt)
- Operations with a **rental risk** for nearly 295 million euros, with the Tour Van Gogh-Sunflower in Paris-Gare de Lyon and the Sky 56 asset in Lyon Part-Dieu, which will be delivered in 2018
- The balance primarily concerns progress with other operations that were under development or delivered in 2015, including the "Le Cristallin" building in Boulogne-Billancourt, delivered in January 2016.

In line with the Group's ambition to accelerate its portfolio rotation, **Gecina completed and secured 579 million euros of sales** (excluding duties, Group share) in 2015, with an average net exit yield of 4.4%. **Since February 8, 2016, this amount has been increased to more than 1.9 billion euros**, including the firm sales agreement signed with Primonial Reim for the companies holding the Group's healthcare assets, based on a net yield of around 5.9%.

374 MILLION EUROS OF OFFICE SALES, WITH A PREMIUM OF OVER 27% VERSUS THE APPRAISAL VALUES

In 2015, Gecina completed almost 374 million euros of sales of office buildings, with the BMW (Madrid), Le Mazagran (Gentilly), L'Angle (Boulogne-Billancourt), Newside (La Garenne-Colombes) and Brune (Paris) buildings, achieving an average premium of 27% versus their end-2014 appraisals.

AGREEMENT TO SELL THE HEALTHCARE PORTFOLIO FOR 1.35 BILLION EUROS, WITH A PREMIUM OF AROUND 16%

On February 8, 2016, Gecina signed a preliminary sales agreement with Primonial Reim, representing a club deal involving various institutional investors, for its subsidiaries holding its entire healthcare real estate portfolio. The transaction represents a total of 1.35 billion euros including commissions and fees, with a net yield of 5.9% and a premium of around 16% compared with the appraisal values.

191 MILLION EUROS OF RESIDENTIAL SALES, WITH PREMIUMS OF OVER 25% VERSUS THE APPRAISAL VALUES

By the end of 2015, Gecina had secured 191 million euros of residential sales, including 155 million euros on a unit-by-unit basis, achieving an average premium of over 30% compared with the appraisal values. At end-December, 30 million euros of sales were subject to preliminary agreements, while preliminary agreements are currently being prepared for other sales that are not indicated here. The unit-based program to sell properties as they are naturally vacated by tenants ("Hopper" program, covering 18% of the residential portfolio) is progressing more quickly than initially expected by Gecina, thanks to a rotation rate of over 20% on this portfolio, compared with around 15.6% on average for the total residential portfolio. On the Hopper program, the premium compared with the appraisal values for residential assets is averaging out at around +34%.

2.2. Financial resources

2015 was a particularly active year for Gecina in terms of management of its financial resources, with close to €2.4 billion of long term financing raised or renegotiated, a decrease of 80 bp of the average cost of its debt and an improvement in all of its financial indicators (maturity, ICR, LTV etc.).

In fact, Gecina was able to take advantage of a buoyant market to secure very attractive financial terms both in the short and long term while at the same time optimizing its debt schedule on a straight line basis and optimizing the flexibility of its financing structure.

The principal ratios are thus 2.2% for the cost of drawn debt (-80 bp over 2014), 5.7 years for the average maturity of the debt (+0.7 years compared to December 31, 2014), 36.4% for the LTV (excluding duties, -0.3% compared to December 31, 2014) and 3.9x for ICR (+0.7x compared to 2014). Liquidity (available credit lines and cash available) was also €2,556 million, easily covering the credit maturities for the next two years.

2.2.1. DEBT STRUCTURE AT DECEMBER 31, 2015

Net financial debt amounted to €4,717 million at year-end 2015, up €836 million on the previous year, primarily due to the higher volume of investments for the year compared with disposals.

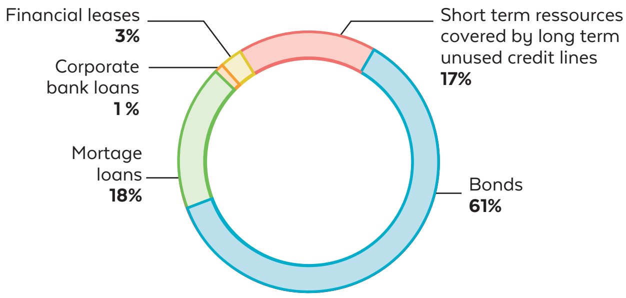
The main characteristics of the debt are:

	12/31/2014	12/31/2015
Gross financial debt (€ million) (1)	3,895	4,863
Net financial debt (€ million)	3,881	4,717
Gross nominal debt (€ million) (1)	3,778	4,814
Unused credit lines (€ million)	2,090	2,410
Average maturity of debt (years, adjusted for available credit lines)	5.0	5.7
LTV	36.7%	36.4%
LTV (including transfer taxes)	34.7%	34.7%
ICR	3.2x	3.9x
Secured debt/Properties	11.2%	7.7%

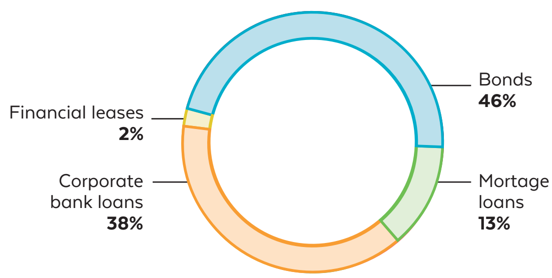
(1) Gross financial debt = Gross nominal debt + impact of the recognition of bonds at amortized cost + accrued interests not due.

Debt by type

Breakdown of gross nominal debt



Breakdown of authorized financing (including €2,410 million of unused credit lines at 12/31/2015)



Gecina was able to continue diversifying the Group's financial resources through the transactions completed in 2015. Long-term bond resources now account for 61% of nominal debt (as opposed to 26% at the end of 2010 and 60% at the end of 2014) and 46% of the Group's authorized financing (compared to 22% at the end of 2010 and 41% at the end of 2014).

At December 31, 2015, Gecina's gross nominal debt comprised:

- €2,950 million of long term bonds issued under the EMTN (Euro Medium Term Note) program;
- €913 million of bank loans, of which €863 million of mortgage financing and €50 million of corporate financing;
- €139 million of financial leases;
- €813 million in short-term resources covered by confirmed medium-term and long-term credit lines, of which €603 million in commercial paper and €210 million in short-term private placements.

2.2.2. LIQUIDITY

As at December 31, 2015, Gecina had €2,556 million available liquidity, of which €2,410 million in unused credit lines and €146 million in cash, easily covering all credit maturities for the next two years.

In 2015, Gecina continued to diversify its sources of financing and its banking counterparties while retaining satisfactory flexibility and liquidity and reducing its average cost.

Gecina's €2.4 billion long term financing and refinancing transactions during the year include:

- the raising of €2,075 million including primarily:
  - the €500 million 10-year bond issue in January 2015 with a coupon of 1.50% (85 bp spread on the mid-swap rate),
  - the €500 million 9-year bond issue in June 2015 with a coupon of 2.00% (115 bp spread on the mid-swap rate),
  - the signing of eight bilateral bank credits for a total outstanding of €1,075 million, as refinancing for the early termination of €750 million maturing in 2015 and 2016. These new financing plans have an average life of 5.6 years;
- renegotiation of the financing terms of €300 million in corporate financing.

In addition, Gecina also repaid two mortgage loans for an outstanding of €118 million and the ORNANE bond which represented a par value of €320 million, constituting the only financing that could involve shareholder dilution.

Gecina updated its EMTN program by increasing the ceiling to €4.0 billion with the AMF and its commercial paper program with the Banque de France.

Gecina continues to make use of short-term resources through the issue of commercial paper and private placements with short maturities: the outstanding amount as at the end of 2015 was €813 million, compared to €290 million at the end of 2014. The average annual outstanding amount was €616 million in 2015 and was issued at an average rate of 0.08%, compared with an average outstanding amount of €516 million in 2014 issued at an average rate of 0.27%.

Lastly, Gecina's loan repayments due in the next 24 months are easily covered by €2,556 million in liquidity (unused credit lines and cash). Debt amortizations for 2016 and 2017 amount to €1,520 million.

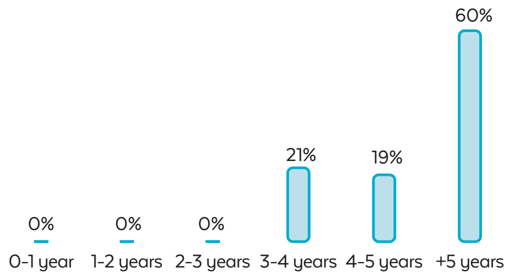
- €1,295 million in 2016 (of which €703 million of short-term resources and €500 million corresponding to the February 2016 bond issue).
- €225 million in 2017 (of which €110 million of short-term resources).

The primary purpose of this liquidity is to cover the refinancing of short-term maturities, meet the criteria of rating agencies and finance the Group's investment projects.

2.2.3. DEBT REPAYMENT SCHEDULE

As at December 31, 2015, the average maturity of Gecina's debt is 5.7 years[1], an improvement of 0.7 years compared with December 31, 2014.

The chart below presents the schedule of Gecina's debt as at December 31, 2015 (after allocation of unused credit lines):



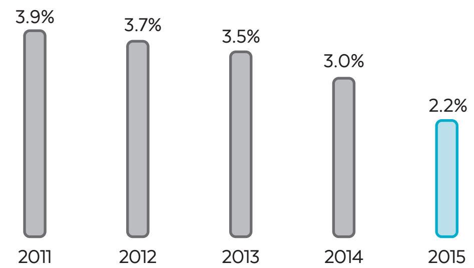
All the credit maturities for the next two years were covered by unused credit lines as at December 31, 2015. Furthermore, 100% of the debt has a maturity of more than three years and 60% of debt has a maturity exceeding five years.

2.2.4. AVERAGE COST OF DEBT

The average cost of drawn debt clearly improved in 2015, down from 3.0% in 2014 to 2.2%. This positive change is primarily due to the Group's financial strategy (rating, financial structure, hedging policy, loan repayment schedule etc.) that has been implemented a favorable market environment.

The average cost of overall debt also improved, falling from 3.6% in 2014 to 2.7% in 2015.

The chart below shows the trend of average cost of Gecina's drawn debt in the last five years:



Capitalized interest on development projects amounted to €5.9 million in 2015 (*versus* €4.5 million in 2014).

2.2.5. CREDIT RATING

The Gecina group is monitored by both Moody's and Standard & Poor's:

- Moody's confirmed Gecina's rating on September 24, 2015 at Baa1 with a stable outlook;
- Standard & Poor's confirmed Gecina's rating on August 3, 2015 at BBB+ with a stable outlook.

2.2.6. 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 financial instruments (primarily caps and swaps) in order to limit the impact of interest rate changes on the Group's results, and to keep its cost of debt under control.

Gecina continued to adjust and optimize its hedging policy in 2015 aimed at:

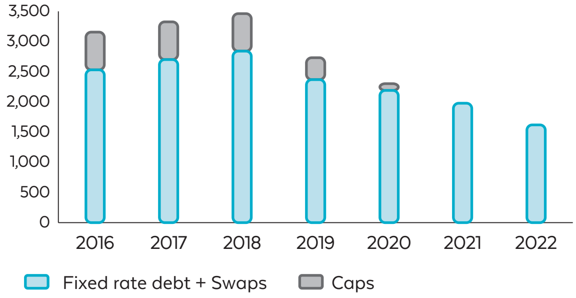
- maintaining an optimal hedging ratio;
- adjusting its hedging portfolio after the issue of the fixed-rate bonds and when the debt volume changes;
- raising the average maturity of hedges (fixed-rate debt and derivative instruments).

(1) After taking into account of unused credit lines.

Consequently, as at December 31, 2015, the average maturity of hedges (fixed-rate debt and derivative instruments) was 5.8 years compared to 4.3 years at December 31, 2014.

The chart below shows the hedging portfolio:

In € millions



Gecina's interest rate hedging policy is primarily at Group level and on the long-term; it is not specifically assigned to certain loans. As a result, it does not meet the accounting definition of hedging instruments and the change in fair value is posted to the income statement.

MEASURING INTEREST RATE RISK

Gecina's anticipated average debt in 2016 is 73% hedged against interest rate increase (depending on observed Euribor rate levels, due to caps).

Based on the existing portfolio of hedges and taking account of the contractual conditions as at December 31, 2015 and anticipated debt in 2016, a 50 basis point increase in the interest rate would generate an additional expense in 2016 of €8.6 million. A 50 bp fall in interest rates would result in a reduction in interest expense in 2016 of €8.6 million.

2.2.7. FINANCIAL STRUCTURE AND BANKING COVENANTS

Gecina's financial position as at December 31, 2015, meets all requirements of the various covenants of loan agreements the company has contracted.

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

	Benchmark standard	Balance at 12/31/2015
Net debt/revalued block value of property holding (excluding duties)	Maximum 55%	36.4%
EBITDA (excluding disposals)/net financial expenses	Minimum 2.0x	3.9x
Outstanding secured debt/revalued block value of property holding (excluding duties)	Maximum 25%	7.7%
Revalued block value of property holding (excluding duties, € million)	Minimum 6,000/8,000	12,971

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

The LTV was 36.4% as at December 31, 2015 and remains stable compared to the end of December 2014 (36.7%). The ICR is up sharply by 0.7x (from 3.2x at December 31, 2014 to 3.9x as at December 31, 2015).

2.2.8. GUARANTEES GIVEN

The amount of consolidated nominal debt guaranteed by real sureties (*i.e.* mortgages, lender's liens, unregistered mortgages) amounted to €863 million at year-end 2015, compared with €1,011 million at year-end 2014. Furthermore, outstanding nominal financial leases were €139 million compared with €154 million at December 31, 2014.

Thus as at December 31, 2015, the total amount of financing secured by mortgage-backed assets or leasing amounted to 7.7% of the total block value of the property holding held, *versus* 11.2% at December 31, 2014, for an authorized maximum limit of 25% in the various loan agreements. This decrease can be primarily explained by the early repayment of two mortgage loans amounting to €118 million during the year.

2.2.9. EARLY REPAYMENT IN THE EVENT OF A CHANGE OF CONTROL

Certain loan agreements to which Gecina is party and certain bonds issued by Gecina provide for mandatory early repayment and/or cancellation of loans granted and/or a mandatory early repayment liability if there is a change of control of Gecina.

Based on a total amount of authorizations of €6,411 million as at December 31, 2015 (including drawn debt and available credit lines), €2,983 million of bank debt and €2,950 million in bonds (falling due on February 3, 2016, April 11, 2019, May 30, 2023, July 30, 2021, June 17, 2024 and January 20, 2025) are affected by such a clause concerning a change of control of Gecina (in most of the cases, this change will result in a downgrading in the credit-rating to «Non-Investment Grade» for this clause to be activated).

With regard to bond issues maturing in February 2016, April 2019, May 2023, July 2021, June 2024 and January 2025, a change of control followed by the downgrading of Gecina's credit rating to Non-Investment Grade, not upgraded to Investment Grade within the next 120 days, may trigger the early repayment of the loan.

2.3. Appraisal of property holdings

The entire property holding of Gecina group undergoes appraisals each year as at June 30 and December 31 conducted by a board of five independent appraisers: CBRE, BNPP Real Estate, Foncier Expertise, Jones Lang LaSalle, and Catella; the appraisers´ fees are based on the number of assets appraised and not on the value of those assets.

The values presented in this chapter were obtained from the appraisals made by the property appraisers appointed by Gecina for this purpose with the exception of the healthcare portfolio assets.

The Group's real estate holdings comprise commercial assets (offices and retail), residential buildings and healthcare facilities. For purposes of its consolidated financial statements, the Group opted for the fair value model of appraisal for its properties in accordance with IAS 40, with the fair value being measured by the independent appraisers twice a year. In accordance with this standard, changes in fair value of the properties (after factoring in capitalized work) in each accounting period are posted to the income statement.

The value of each appraised asset is measured by one of the appraisers on the board; the appraisers are rotated in accordance with a procedure reviewed by the Group's Audit and Risk Committee, which stipulates that each appraiser should be given a portfolio of properties to value and that an annual average turnover of 10% be maintained by transferring properties between appraisers. This Committee checked that this procedure was applied. The appraisers determine the value of the properties based on two approaches: individual sale of units comprising the properties (appraised unit value) and sale of entire buildings (appraised block value). The method used by the appraisers is described in Note 3.5.3.1.1 of the Notes to the Consolidated financial statements. The appraisers produce a detailed report for each building valued.

The appraisals were carried out in accordance with standard procedures that remain consistent from year to year on the basis of net sales prices, *i.e.*, exclusive of costs and duties. Gecina does not disclose values inclusive of duties, given that they do not add value for the shareholders. Gecina deems that disclosures including such costs that artificially increase the value of the assets are not appropriate.

Information on the sensitivity of the property holding valuation to changes in the economic situation is indicated in the Consolidated financial statements section, in Note 3.5.6.6.

During a real estate valuation, the appraiser performs the appraisal on the basis of the rental statement that he receives from the company.

If this statement includes vacant surface areas, the appraiser uses the market rental value to measure the rents of vacant surface areas.

For measuring the market rental value, the appraiser takes account of the market situation in question on the date on which the appraisal is performed.

Potential rent is then obtained by the combination of rents for ongoing leases and the rental values of vacant surface areas. The appraiser uses this overall rent as the basis for pricing the building's value by applying the yield linked to the type of asset under review in the case of income-based methods.

The gross or net capitalization rates are determined as the ratio of gross or net potential rents respectively over the appraisal values excluding transfer duties.

In the case of the Discounted Cash Flow method, the appraiser values vacant premises in the same way based on the market rental value.

In the case of a 10-year discounted cash flow (DCF), the appraiser will use at the end of each lease under consideration, the market rental value of the surface areas that have been released.

Changes in the value of assets in 2015 are as follows:

€ million	Block value			Change current basis		Change like-for-like
				12/31/2015	12/31/2015	12/31/2015
	12/31/2015	06/30/2015	12/31/2014	*vs* 12/31/2014	*vs 06/30/2015*	*vs* 12/31/2014
Offices	**8,892**	**6,788**	**6,482**	**+37.2%**	**+31.0%**	**+14.4%**
- Paris CBD – Offices	2,576	1,918	1,803	+42.9%	+34.3%	+15.5%
- Paris CBD – Retail	1,098	928	894	+22.8%	+18.3%	+35.3%
- Paris excl. CBD	1,036	860	838	+23.6%	+20.4%	+9.8%
- Western Crescent – La Défense	3,392	2,341	2,130	+59.2%	+44.9%	+10.1%
- Other	790	742	817	-3.3%	+6.5%	+2.5%
Residential	**2,667**	**2,722**	**2,750**	**-3.0%**	**-2.0%**	**+0.4%**
Healthcare	**1,316**	**1,119**	**1,106**	**+19.0%**	**+17.6%**	**n.a.**
Logistics	**0**	**4**	**4**	**-100.0%**	**-100.0%**	**n.a.**
GROUP TOTAL	**12,875**	**10,633**	**10,341**	**+24.5%**	**+21.1%**	**+10.8%**
TOTAL APPRAISED UNIT VALUE	**13,531**	**11,223**	**10,913**	**+24.0%**	**+20.6%**	**+10.5%**

The property holdings had a block value of €12,875 million, corresponding to an increase of €2,534 million in 2015.

The main items are the following:

- a like-for-like structure representing €8,781 million, an increase of €853 million (or +10.8%) including €47 million of costs and capex completed during the year;
- €56 million of projects delivered in the year (December 31, 2015 value), with deliveries of four student residences including Sadi-Carnot in Bagnolet (€18 million) and Auguste Lançon in Paris (13) (€15 million);
- €1,351 million in acquisitions in operation with the portfolio comprising the T1&B towers (headquarters of Engie) at La Défense and the present headquarters of the PSA Group located at Avenue de la Grande Armée) acquired for a value (including duties) of €1,240 million;
- €379 million in projects acquired under development (including City 2 in Boulogne and the Van Gogh Tower) representing an investment in 2015 of €313 million;
- €356 million in buildings under development before 2015 (including 55, rue d'Amsterdam in the 8th arrondissement of Paris and the part under restructuration of the Cristallin asset in Boulogne) representing an investment in 2015 of €45 million;
- €62 million of head office book value including €1 million of impairment in 2015;
- €32 million of land reserves for which €7 million of expenses and works were booked in 2015;
- €1,333 million in assets in the process of block sale, including the healthcare portfolio assets for €1,316 million;
- €525 million of assets under unit-by-unit sale as at December 31, 2015 out of which €97 million of units were sold in 2015.

Net capitalization rates excluding duties for the year dipped by 58 basis points like-for-like in line with the market.

€ million	Net capitalization rate (incl. duties) 12/31/2015	12/31/2014 (1)	Change	Net capitalization rate (excl. duties) 12/31/2015	12/31/2014 (1)	Change
Offices	**4.89%**	**5.65%**	**-77 bp**	**5.17%**	**5.97%**	**-81 bp**
Paris CBD	3.86%	4.70%	-83 bp	4.09%	4.98%	-88 bp
- Paris CBD – Offices	4.38%	5.06%	-68 bp	4.64%	5.36%	-72 bp
- Paris CBD – Retail	2.87%	3.52%	-65 bp	3.04%	4.12%	-108 bp
Paris excl. CBD	6.32%	6.94%	-62 bp	6.71%	7.37%	-66 bp
Western Crescent – La Défense	5.58%	6.31%	-72 bp	5.90%	6.65%	-77 bp
Other	6.04%	6.29%	-25 bp	6.32%	6.57%	-25 bp
Residential	**4.17%**	**4.17%**	**0 bp**	**4.43%**	**4.43%**	**0 bp**
TOTAL LIKE-FOR-LIKE BASIS	**4.72%**	**5.27%**	**-55 BP**	**4.99%**	**5.57%**	**-58 BP**

(1) Like-for-like basis 2015.

For each asset category, the property appraisers established working assumptions based mainly on their knowledge of the market and in particular of the latest transactions. It is in this context that they determine the various capitalization and discount rates.

The table below indicates, by asset category, the range of discount rates used by the property appraisers to prepare the Discounted Cash Flow (DCF method) in their current appraisals.

Sector-specific premium risks were determined with reference to the French Treasury's 10-year OAT (with an interest rate of 1.00% as at December 31, 2015).

	Discount rate December 2015	Specific risk premium December 2015
Offices	**3.50% -10.25%**	**2.50% -9.25%**
Offices – Paris CBD	3.50% -6.25%	2.50% -5.25%
Offices – Paris excl. CBD	4.50% -8.50%	3.50% -7.50%
Offices – Western Crescent – La Défense	5.00% -7.75%	4.00% -6.75%
Offices other	6.00% -10.25%	5.00% -9.25%

The block value of property holdings rose by 24.5% on a current basis.

This increase is due to the acquisition of the portfolio comprising the T1&B towers at La Défénse and the asset located at Avenue de la Grande Armée in Paris, valued at €1,351 million as at December 31, 2015 and the increase in value of the assets on a like-for-like basis (+€853 million, of which €47 million in investments) related to the decline in rates observed on the markets.

- Like-for-like, the value of property holdings rose 10.8%, or €853 million:
  (i) The value of office properties appreciated during the year (14.4% or +€844 million). Net capitalization rates dropped on all properties (down 81 bp at 5.17%);
  (ii) The overall value of the residential portfolio was stable for the year: the value of traditional residential properties appreciated during the year by 0.2% or €5 million and the value of student residences appreciated by 2.3% or €4 million. Unit valuations increased by 1.2%.
  The value per square meter of traditional residential properties stood at €4,719/sq.m as at December 31, 2015 with a net capitalization rate of 4.34%. The value per square meter of student residences was €4,271 with a net capitalization rate of 5.49%.
- On a current basis:
  (i) Four student residences were delivered in 2015 for a value of €56 million as at December 31, 2015 (+€20 million over the year for a capital expenditure of €14 million) including the Sadi-Carnot student residence in Bagnolet (€18 million) and Lançon student residence in the 13th arrondissement of Paris (€15 million).
  (ii) Acquisition in operation of the portfolio comprising the T1&B towers at La Défense (Engie headquarters) and the headquarters of the PSA Group located at Avenue de la Grande Armée in Paris in 2015, appraised on December 31, 2015 at €1,351 million.
  (iii) The balance sheet value of the pipeline as at December 31, 2015 surged by €519 million. This increase in value can be explained by investments of €358 million;
  (iv) Block sale of eight assets for a total sale price of €405 million and a value as at December 31, 2014, of €323 million, of which:
    - €373 million of office assets (including L'Angle building in Boulogne and Newside in La Garenne-Colombes), at a gross capitalization rate of 5.7%;
    - €27 million of residential assets, at a gross capitalization rate of 6.7%;
    - €5 million of a logistics property.
  The overall gross capitalization rate for these assets as at December 31, 2015 based on their sale price stood at 5.8% (calculated on potential rents);
  (v) €125 million of apartments and car parks (€97 million in book value as at December 31, 2014) were sold unit-by-unit in 2015.
  (vi) €1,333 million of assets are undergoing block sale (€1,111 million in book value as at December 31, 2014) including the healthcare portfolio assets for €1,316 million.

The breakdown of value by segment as at December 31, 2015 was as follows:

Segments	2015 (€ million)	2015 (%)
Offices	8,892	69%
Residential	2,667	21%
Healthcare	1,316	10%
TOTAL GECINA	**12,875**	**100%**

In accordance with the EPRA guidelines, the table below presents the reconciliation between the book value of buildings on the balance sheet and the total appraisal value of the property holdings:

€ million	12/31/2015
Book value	**12,859**
Transaction costs	+16
Book value before transaction costs	**12,875**
Operating property (head office)	+87
Under development projects booked at their historic cost	+4
Inventory properties booked at historic cost	+5
APPRAISAL VALUE	**12,971**

2.3.1. BUILDINGS IN THE OFFICE PROPERTY HOLDINGS

Valuation of office properties

€ million	12/31/2015	12/31/2014	Change
Valuation of office properties	8,892	6,482	+37.2%
Valuation of office properties on a like-for-like basis	6,713	5,869	+14.4%

Given the investments in 2015 (€1,351 million) and the drop in rates, the value of buildings in the office properties portfolio increased by +37% to €8,892 million compared with the value as at December 31, 2014 (*i.e.*, +€2,410 million).

On a very dynamic real estate investment market in which there was an accelerated decline in rates and cash flow was plentiful, there was high investor demand for secure commercial assets on prime locations throughout 2015. As such, the value of the office portfolio located in the Paris Central Business District appreciated by +21.6%. This increase was also observed, albeit to a lesser extent, in the assets located in the other sectors.

On a like-for-like basis, the block value of office assets reached €6,713 million in 2015, corresponding to an appreciation of 14.4%, or +€844 million (of which €654 million in the 2nd half).

The appreciation of office property assets can be explained by:

- a positive rate effect (15.5%);
- a slightly negative business plan effect (-1.1%).

After recognition of capex (€31 million), value was up by 13.9% or +€813 million. Capitalization rates fell overall (down 81 bp at 5.17%). Potential rents per square meter dipped -1.1% to €460/sq.m. Average value per square meter was €8,136/sq.m.

Office portfolio assets in operation (on a like-for-like basis)

	Appraisal value (€ million)	Value (€/sq.m)*	Gross capitalization rate	Net capitalization rate
Paris CBD – Offices	2,105	12,057	4.78%	4.64%
Paris CBD – Retail	1,098	36,992	3.14%	3.04%
Paris excl. CBD	739	6,218	6.92%	6.71%
Western Crescent – La Défense	2,101	5,947	6.07%	5.89%
Other	669	4,329	8.18%	7.94%
TOTAL	**6,713**	**8,136**	**5.33%**	**5.17%**

** Average value per sq.m of offices surface, restated of parking estimated values*

Office assets located in the CBD were boosted by market appetite for this asset class and as such appreciated by 21.6% over the full year (of which 15.1% in the second half). The result was net capitalization rate of 4.09% and 3.04% for retail assets. In the Western outskirts of Paris, the office portfolio increased 10.1% over the year. The net capitalization rate of Western Crescent offices was 5.90%.

On a like-for-like basis, 58.7% of the Group's office real estate portfolio is located in Paris and 40.3% in the Paris region.

2.3.2. BUILDINGS IN THE DIVERSIFICATION PROPERTY HOLDINGS

Valuation of residential properties

€ million	12/31/2015	12/31/2014	Change
Valuation of residential property holdings	2,667	2,750	-3.0%
Valuation of residential properties on a like-for-like basis	2,068	2,060	+0.4%

On a current basis, the value of the residential property shrank by 3.0% to €2,667 million following the divestments in 2015 (€125 million of unit sales for a block value down by €97 million as at December 31, 2014 and €27 million in block sales).

The residential portfolio mimicked the trend on the residential property market and consequently changed little, going up 0.4% in value on a like-for like basis, to €2,068 million for the full year.

The traditional residential portfolio was stable, up by 0.2% (€1,907 million, an increase of €5 million). Student residences increased by 2.3% for the full year.

This slight increase in value is mainly due to a rate effect (+0.5%).

Taking account of the capital expenditure on traditional residential buildings (€16 million), the annual change in value was €11 million lower (-0.6%).

On a like-for-like basis, for traditional residential assets, the block/unit overall discount stayed flat at 18% as at December 31, 2015. Unit values were up by 0.7% to €2,325 million for the full year. The block value per square meter of these assets stood at €4,719/sq.m as at December 31, 2015 with the net capitalization rate down by 8 bp at 4.34%.

Residential properties in use on a like-for-like basis

	Appraisal value (block) (€ million)	Value (€/sq.m)	Gross capitalization rate	Net capitalization rate
Paris Region	2,005	4,776	5.35%	4.37%
Other regions	63	2,859	9.09%	6.47%
TOTAL	**2,068**	**4,681**	**5.47%**	**4.43%**

96.5% of the Group's residential property in use is located in the Paris region, of which 72.6% in Paris. The average gross and net capitalization rates and the average value per square meter barely changed in 2015.

Valuation of healthcare properties

€ million	12/31/2015	12/31/2014	Change
Valuation of healthcare properties	1,316	1,106	+19.0%
Valuation of healthcare properties on a like-for-like basis	-	-	n.a.

On a like-for-like basis, the healthcare holdings increased 19.0% over the full year to €1,316 million, this price corresponding to preliminary sales agreement signed on February 8, 2016 with Primonial Reim.

2.3.3. CONDENSED REPORT OF PROPERTY APPRAISERS

GENERAL BACKGROUND TO THE APPRAISAL ENGAGEMENT

General background

Gecina consulted the property appraisers:
- CB Richard Ellis Valuation;
- BNPP Real Estate Valuation;
- Foncier Expertise;
- Jones Lang LaSalle Expertises.

to obtain the updated value of its portfolio of real estate assets, broken down as follows:

€ million		Number of assets	Valuation at 12/31/2015
CBRE	Offices	44	5,411
BNP RE	Offices	46	3,390
Foncier Expertise	Offices	5	166
	Residential	44	1,283
Jones Lang LaSalle	Residential	29	1,245
Non-appraised assets (including €1,316 million of healthcare under offer)		134	1,477
TOTAL GECINA GROUP ASSETS		**302**	**12,971** (1)

(1) Appraisal value of €12,971 million versus book value of €12,859 million.

In accordance with Gecina's instructions, the property appraisers drafted appraisal reports and determined the requested fair values, the objective value as at December 31, 2015.

No conflict of interest was recognized.

This engagement accounts for less than 5% of the annual revenue of each real estate appraiser. The fees of property appraisers are determined on the basis of a lump sum per asset examined and never on the basis of an amount proportional to the value of the building.

It was conducted in response to AMF recommendations on the presentation of valuation items, and the property holding risks of listed companies, published on February 8, 2010.

Mission

All the concerned real estate assets have been inspected by the appraisal teams over the last five years, including 53 assets in 2014 and 30 assets in 2015.

To carry out this appraisal, no technical, legal, environmental, administrative or other audit was required. The valuation was based on the documents provided by the principal, namely:
- leases;
- descriptive sections of purchase deeds;
- details of receipts;
- details about the tax regime and certain charges.

PERFORMANCE CONDITIONS

This appraisal was conducted on the basis of documents and information sent by Gecina, in particular rental statements sent out in October, all supposedly genuine and representing all the information and documents held by or known to the principal and likely to have an impact on the fair value of the property.

The appraisal procedures and assessments were made in accordance with:
- the recommendations of the Barthès de Ruyter report on assessing the real estate portfolios of publicly-listed companies, published in February 2000;
- the Charter of Professional Real Estate Appraisers;
- the "European Valuation Standards", published by TEGoVA (The European Group of Valuers' Associations);
- the "Appraisal and valuation manual" of the Royal Institution of Chartered Surveyors (RICS);
- the "International Valuation Standards" of the International Valuation Standard Committee.

The following methods were used to estimate the fair value of assets:
- comparison method;
- revenue method;
- cash flow method;
- "Developer's balance sheet" method (only applied to buildings under construction).

The valuation method is summarized in Note 3.5.3.1.1 of the Notes to the Consolidated financial statements.

This value applies subject to market stability and absence of significant changes in the buildings between the date of the appraisals discussed in this report and the value date.

With respect to properties and rights in rem covered by a financial lease, the appraisers exclusively valued the properties and the underlying rights in rem and not the assignment value of the financial lease.

Similarly, the appraisers did not take account of any specific financing methods that may have been used by property owners.

COMMENTS

Fair values are stated exclusive of costs and duties.

All appraisers have declared that they were independent and held no stake in Gecina; each appraiser has certified the fair values of the properties measured thereby without assuming liability for appraisals performed by any of the other appraisers and has agreed that this summary report be included in Gecina's Reference Document.

CBRE Valuation	BNPP Real Estate Valuation	Foncier Expertise	Jones Lang LaSalle Expertises

2.4. Business and corporate earnings of main subsidiaries

2.4.1. GECINA

2.4.1.1. BUSINESS AND EARNINGS

2015 rental income amounted to €264 million compared with €272 million in 2014. Residential sector rents fell from €119 million in 2014 to €116 million in 2015 as a result of asset disposals in 2014 and in 2015.

Rental income from the tertiary sector decreased to €148 million in 2015 (€153 million in 2014). This drop was due mainly to the block disposals in 2015.

With respect to the write-backs of provisions in 2015, €1.7 million were written back for impaired receivables, €0.1 million concerned share buyback plans (in 2014 they concerned €2 million of provisions for receivables and €1.5 million for provisions for share buyback plans).

Operating income includes €51 million of recharges to tenants and, under other income, recharges of inter-company services amounting to €32 million.

Operating expenses for 2015 came to €239 million (same as previous year).

External expenses were unchanged and include €3 million in management fees and €9 million in consultancy fees.

Depreciation expenses increased in 2015 by €4 million, mainly as a result of the write-off of items in 2015.

Operating income thus stood at €112 million (€121 million previous year).

Net financial income constituted net profit of €143 million, compared to net income of €76 million the previous year. This reflects:

- interest and related expenses (net of cash revenues) of €91 million (including €37 million payments of balances resulting from the restructuring of transactions on hedging financial instruments);
- dividends received from subsidiaries and income from equity investments of €225 million;
- write-backs on depreciations of €35 million related to shares and receivables from subsidiaries;
- financial provisions for impairments of €26 million, including €19 million for the Beaugrenelle company.

A net profit of €30 million was recorded under exceptional items, of which €78 million of capital gains on property disposals, €33 million of net write-backs of provisions on properties and €88 million of losses on buybacks of bonds and treasury shares related to the ORNANE bond repayment.

2015 net income amounted to a profit of €284 million, up from €230 million for 2014.

2.4.1.2. FINANCIAL POSITION

As at December 31, 2015, the company reported total assets of €8,675 million, compared to €7,576 million as at December 31, 2014.

Fixed assets include intangible assets, primarily consisting of €403 million of unrealized merger gains from the SIF property holding (taken over in 2007) and its subsidiaries for €195 million, as well as €62 million on the property holding of Horizons taken over in 2011 and €146 million on the property holding of Parigest, Montbrossol, Geci 1 and Geci 2 (taken over in 2012).

As of December 31, 2015, Gecina's directly held property holdings stood at €3,485 million, compared to €3,730 million at year-end 2014, a drop of €245 million.

The changes were as follows:

• capitalized expenditures	49
• net book value of assets sold	(264)
• net depreciations and provisions	(30)
	(245)

Investments in subsidiaries, equity interests and related receivables represented a total net amount of €4,235 million as at December 31, 2015, compared to €2,962 million at the end of 2014.

The main changes were as follows (€ million):

• acquisition of Avenir Danton Défense shares	477
• acquisition of Avenir Grande Armée shares	114
• universal transfer of assets and liabilities of L'Angle	(21)
• increase in related receivables (of which 396 for Avenir Danton Défense and 232 for Avenir Grande Armée)	677
• net change in provisions	(17)

At December 31, 2015, the most significant equity investments were as follows stated at cost: Avenir Danton Défense (€477 million in shares and €396 million in receivables), Geciter (€782 million in shares), Gecimed (€314 million in shares and €301 million in receivables) and Avenir Grande Armée (€114 million in shares and €232 million in receivables).

Other equity investments consisted of 277,264 treasury shares amounting to €20 million, plus 343,283 shares recorded as transferable securities held for stock options granted to employees and corporate officers amounting to €26 million (gross value). Total treasury shares represented 0.98% of share capital.

Current assets amounted to €272 million as at December 31, 2015 *versus* €151 million as at December 31, 2014. They include:

- «other receivables» (€68 million net) primarily comprising intra-group receivables (€52 million, the receivable on Bami Newco of €20 million being fully depreciated), VAT receivables for €4 million, accrued income (Group recharging) for €9 million;
- transferable investment securities for €31 million, mainly comprising treasury shares reserved for employees (net of provisions) and cash and cash equivalents for €142 million.

Prepaid expenses (€26 million) primarily concern deferred loan issuance costs.

The €1 million increase in shareholders´ equity can be explained as follows:

€ million	
Shareholders' equity at December 31, 2014	**3,876**
Capital increase and merger premium resulting from the exercise of stock options and subscriptions to the company savings scheme (PEE)	7
Dividends paid in 2015	(290)
2015 earnings	284
Shareholders' equity at December 31, 2015	**3 877**

Financial debt as at December 31, 2015 totaled €4,700 million compared with €3,597 million at the end of 2014, of which €215 million represented inter-company payables and debt.

The company made two new bond issues in 2015, in January and June for €500 million each, and repaid the ORNANE bond which resulted in €88 million in losses.

Provisions for risks and charges amounted to €17 million, compared with €16 million the previous year.

The provisions mainly concern €12 million of provisions for pension commitments and long service awards and €1 million of provisions for future charges caused by the allocation to employees of performance shares and stock options, and €3 million for property disputes.

Disclosures about Gecina's terms of payment (art. D.441-4 of the French Commercial Code)

The table below presents the breakdown of outstanding trade payables by maturity date, as at December 31, 2014 and December 31, 2015.

Balances	Not due									
	< 30 days		Between 30 and 60 days		Due at year end		Off schedules		Total	
In € '000	12/31/2014	12/31/2015	12/31/2014	12/31/2015	12/31/2014	12/31/2015	12/31/2014	12/31/2015	12/31/2014	12/31/2015
Suppliers	2,023	4,546	3	0	4,922	760			6,948	5,306
Provisions for invoices not received							28,453	28,838	28,453	28,838
Other							(10)	(90)	(10)	(90)
TOTAL GECINA	**2,023**	**4,546**	**3**	**0**	**4,922**	**760**	**28,443**	**28,748**	**35,391**	**34,054**

2.4.2. BUSINESS AND EARNING OF THE MAIN SUBSIDIARIES

GECIMED

This wholly-owned Gecina subsidiary owns 32 healthcare properties and one asset on a financial lease, with an appraised value in total, excluding duties, of €658 million as at December 31, 2015.

The total amount of rents billed for 2015 amounted to €44.4 million, compared with €44.1 million in 2014. The net result for the year was a loss of €3.4 million compared to a €10.6 million gain in 2014, mainly due to the €3.5 million increase in the financial result and the €18.5 million decrease in exceptional items.

Gecimed distributed a total dividend for 2014 of €17.5 million.

GECITER

This subsidiary, wholly owned by Gecina, owns 30 office buildings with a block value, excluding duties, of €1.5 billion as at December 31, 2015.

The total amount of rents billed for 2015 amounted to €70.7 million, compared with €70.9 million in 2014. Net earnings for the year amounted to €41 million compared with €38 million in 2014 (as a result of the €2.9 million increase in the financial result).

In 2015, Geciter distributed a dividend of €203 per share for fiscal year 2014, for a total amount of €35.5 million (€34 million of which was paid in December 2014 as an interim dividend).

An interim dividend of €194.56 per share, *i.e.* €34 million, was also paid out on December 30, 2015 and supplemented by an exceptional payout of €65 million on the same day.

2.4.3. RELATED PARTY TRANSACTIONS

2.4.3.1. TRANSACTIONS BETWEEN GECINA GROUP AND ITS SHAREHOLDERS

As at December 31, 2015, Gecina had no material transaction with the company's major shareholders, other than those described in Note 3.5.9.3. of the Notes to the Consolidated financial statements.

2.4.3.2. TRANSACTIONS BETWEEN GROUP COMPANIES

The Group structure is highly centralized. Gecina is the direct employer of most of the administrative staff, with the exception of Locare's sales teams and the property personnel, consisting mainly of caretaker staff, who are paid by the property companies.

All the Group's financing requirements are organized by Gecina (with the exception of some financing specific to certain assets held by subsidiaries).

Cash pooling agreements and loan agreements of associates and shareholders provide for optimized management of cash flow based on the various subsidiaries' excess funds and cash requirements between the different branches.

2.5. Triple Net Asset Value

TRIPLE NET ASSET VALUE – BLOCK (EPRA FORMAT)

The diluted triple Net Asset Value is calculated according to the EPRA recommendations[1]. The calculation is based on the Group's shareholders' equity obtained from financial statements, which include the fair value by block, excluding duties, of investment properties, buildings under reconstruction and properties held for sale, as well as financial instruments.

The foregoing elements are restated of the group's shareholders' equity to calculate diluted NAV and diluted triple net NAV:

- unrealized capital gains on buildings valued at their historic cost such as operating building and inventory buildings are calculated on the basis of block appraisal values excluding duties, determined by independent appraisers;
- consideration of the deferred tax systems of companies not covered by the SIIC system;
- the fair value of fixed rate financial debts;
- impact of the increase of transfer duties in Paris and the additional tax on offices disposals in the Paris region, applicable as of January 1, 2016.

Registration fees are determined by taking into account the most appropriate mode of disposal of the asset: sale of the asset or company shares. When the sale of the company appears to be more advantageous than the sale of the asset, the resultant registration rights replace those deducted from the property appraisals.

The number of diluted shares includes the number of shares likely to be created through the exercise of equity instruments to be issued in the right conditions. The number of diluted shares does not include treasury shares.

The diluted EPRA triple Net Asset Value amounted to €7,767.9 million as at December 31, 2015 or €122.7 per fully diluted share. Diluted EPRA NAV totaled €7,909.9 million as at December 31, 2015, or €124.9 per share.

The diluted triple net unit NAV came to €131.5 per share as at December 31, 2015, compared with €110.0 per share as at December 31, 2014.

The table below, compliant with EPRA recommendations, presents the transition between the group's shareholders' equity derived from financial statements and the diluted triple net NAV.

NAV at December 31, 2014 is the one published (without the application of IFRIC 21 interpretation)

Net Asset Value – block

	12/31/2015		12/31/2014	
€ million	Amount/ number of shares	€ per share	Amount/ number of shares	€ per share
Fully diluted number of shares	63,327,690		61,967,103	
Shareholders' equity under IFRS	**7,735.8**		**6,268.7**	
+ Impact of exercising stock options	57.5		49.7	
DILUTED NAV	**7,793.3**	**123.1**	**6,318.4**	**102.0**
+ Fair value reporting of properties, if amortized cost option is adopted	86.6		44.5	
- Increase of transfer duties	(72.9)		-	
+ Adjustment of transfer duties	74.3		-	
- Fair value of financial instruments	26.8		73.6	
- Deferred tax linked to impacts of entry into SIIC system	1.8		3.4	
= DILUTED EPRA NAV	**7,909.9**	**124.9**	**6,439.9**	**103.9**
+ Fair value of financial instruments	(26.8)		(73.6)	
+ Fair value of liabilities	(113.4)		(93.5)	
+ Deferred tax linked to impacts of entry into SIIC system	(1.8)		(3.4)	
= DILUTED EPRA TRIPLE NET NAV	**7,767.9**	**122.7**	**6,269.4**	**101.2**

(1) European Public Real Estate Association.

2.6. Developments, outlook and trends

2.6.1. TRENDS AND OUTLOOK

In a very competitive investment market, Gecina, more than ever, intends to maintain its selective and opportunistic approach for both acquisitions and potential sales, while maintaining its high standards for profitability.

The market environment is expected to be positive for Gecina in 2016. While take-up increased slightly in 2015 for the Paris Region in general (+1%), it has picked up again significantly for the Paris CBD (+18%) and the Western Crescent's Southern Loop (+92%), where Gecina has a very strong presence and where one-year supply levels are down, showing the first concrete signs of a rental upturn for the central sectors where available supply will remain limited, despite the upturn in demand.

2016 is expected to show contrasting trends, benefiting from the first signs of an upturn on certain rental markets, particularly in the most central sectors, as well as the latest adjustments for certain assets in peripheral areas renegotiated at the end of 2014 and early 2015 and taking effect in 2015 and 2016 in certain cases. Like-for-like, office rental income could therefore contract slightly.

Excluding the effect of the process underway to sell the healthcare portfolio, underlying growth in recurrent net income is expected to represent over +5% for 2016.

	12/31/2015	2016 guidance
Recurrent net income (Group share) growth	+10.3%	Over +5% excluding the effect of the process underway to sell the healthcare
Average cost of debt (all in)	2.7%	Slight decrease
CSR	**12/31/2015**	**2016 guidance**
% of office buildings with HQE® Operations certification	71%	80%
Energy consumption trend for office assets controlled operationally by Gecina, in kWhPE/sq.m/year (primary energy at constant climate)	299	-40%

2.7. Post-balance sheet events

On January 26, 2016, Gecina has acknowledged the disclosure threshold declarations and statements of intent filed with the French securities regulator (AMF), relating to the dissolution of Ivanhoé Cambridge's partnership to hold Gecina shares in concert with Blackstone.

Following these operations, Ivanhoé Cambridge, directly and through its subsidiaries, now holds 23% of Gecina's capital. This percentage corresponds to Ivanhoé Cambridge's interest under the previous investment in concert, as announced in June 2015 when it further strengthened its stake.

On February 8, 2016, Gecina signed a preliminary sales agreement with Primonial Reim, representing a club deal involving various institutional investors, for its subsidiaries Gecimed and Gec 15 holding its entire healthcare real estate portfolio.

The transaction represents a total of 1.35 billion euros including commissions and fees, with a net yield of 5.9%.

On February 16, 2016, Gecina has signed a preliminary agreement with the developer PRD Office for its speculative off-plan acquisition of the BE ISSY office building. This asset, located in Issy-les-Moulineaux, in the Southern Loop of Paris' Western Crescent, will offer a gross leasable area of around 25,000 sq.m and 258 parking spaces.

The transaction represents a total of 157.8 million euros including commissions and fees, with around 6,100 euros per sq.m excluding parking spaces.

On February 19, 2016, Gecina signed two nine-year leases with CREDIPAR and the PSA Peugeot Citroën Group for nearly 10,000 sq.m in the "Pointe Métro 2" building in Gennevilliers, representing 77% of this asset's total space. Under these leases, the space will be made available to the two tenants from mid-March 2016.

2.8. EPRA reporting as at December 31, 2015

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». Gecina publishes all these indicators on its website (www.gecina.fr, CSR section).

	12/31/2015	12/31/2014	See Note
EPRA Earnings	344.9	308.6	2.8.1.
EPRA Earnings per share	€5.54	€5.04	2.8.1.
EPRA Net Asset Value (EPRA NAV)	7,909.9	6,439.9	2.8.2.
EPRA Triple Net Asset Value (EPRA NNNAV)	7,767.9	6,269.4	2.8.2.
EPRA Net Initial Yield	4.10%	4.90%	2.8.3.
EPRA "Topped-up" Net Initial Yield	4.60%	5.37%	2.8.3.
EPRA Vacancy Rate	3.4%	3.6%	2.8.4.
EPRA Cost Ratio (including direct vacancy costs)	19.0%	19.9%	2.8.5.
EPRA Cost Ratio (excluding direct vacancy costs)	18.0%	19.1%	2.8.5.

2.8.1. EPRA NET RECURRING INCOME

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

€'000	12/31/2015	12/31/2014
Gecina net recurring income	349,048	317,768
- Depreciations, net impairments and provisions	(4,375)	(8,086)
- Minority recurring income	188	(1,185)
+ Recurring income from equity-accounted investments	55	115
EPRA NET RECURRING INCOME	**344,916**	**308,612**
EPRA NET RECURRING INCOME PER SHARE	**€5.54**	**€ 5.04**

2.8.2. EPRA NET ASSET VALUE AND EPRA TRIPLE NAV

The calculation for the diluted EPRA triple NAV is explained in paragraph 2.5. "Triple Net Asset Value".

€/share	12/31/2015	12/31/2014
Diluted NAV	123.06	101.96
DILUTED EPRA NAV	**124.90**	**103.93**
DILUTED EPRA TRIPLE NAV	**122.66**	**101.17**

(1) European Public Real Estate Association.

2.8.3. 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:

%	12/31/2015	12/31/2014
GECINA NET YIELD[(1)]	5.00%	5.57%
Impact of estimated duties and costs	-0.28%	-0.30%
Impact of changes in scope	+0.06%	+0.15%
Impact of rent adjustments	-0.68%	-0.51%
EPRA NET INITIAL YIELD[(2)]	4.10%	4.90%
Excluding lease incentives	0.51%	0.46%
EPRA TOPPED-UP NET INITIAL YIELD[(3)]	4.60%	5.37%

(1) Comparable basis December 2015.
(2) The EPRA Net Initial Yield rate is defined as the annualized rental income, net of property operating expenses, after deducting rent adjustments, divided by the value of the portfolio, including duties.
(3) The EPRA "topped-up" Net Initial Yield rate is defined as the annualized rental income, net of property operating expenses, excluding lease incentives, divided by the value of the portfolio, including duties.

2.8.4. EPRA VACANCY RATE

The financial occupancy rate disclosed corresponds to (1 – EPRA vacancy rate).

%	12/31/2015	12/31/2014
Offices	4.2%	4.7%
Residential	2.3%	2.3%
Student residences	8.3%	8.0%
Healthcare	0.0%	0.0%
GROUP TOTAL	**3.4%**	**3.6%**

2.8.5. EPRA COST RATIOS

€'000/%	12/31/2015	12/31/2014
Property expenses	(143,904)	(142,705)
Overheads	(62,129)	(65,121)
Depreciation, net impairments and provisions	(4,375)	(8,086)
Recharges to tenants	95,523	95,983
Rental expenses recharged in gross rent	0	0
Other income covering G&A expenses	5,139	5,466
Share of costs from equity-accounted affiliates	59	142
Land-related expenses	822	823
EPRA COSTS (INCLUDING COST OF VACANCY) (A)	**(108,866)**	**(113,498)**
Cost of vacancy	5,685	4,871
EPRA COSTS (EXCLUDING COST OF VACANCY) (B)	**(103,181)**	**(108,627)**
Gross rental income less land-related expenses	573,771	570,166
Rental expenses recharged in gross rent	0	0
Share of rental income from equity-accounted affiliates	0	0
GROSS RENTAL INCOME (C)	**573,771**	**570,166**
EPRA COST RATIO (INCLUDING COST OF VACANCY) (A/C)	**19.0%**	**19.9%**
EPRA COST RATIO (EXCLUDING COST OF VACANCY) (B/C)	**18.0%**	**19.1%**

03 Consolidated financial statements

The application as at January 1, 2015 (and with ras at January 1, 2014 for the consolidated statement of financial position) of IFRS 5 (Non-current assets and liabilities held for sale and discontinued activities), led to a specific presentation of the financial statements. For a presentation without the application of IFRS 5, see Note 3.5.2.7.

3.1. Consolidated statement of financial position

Assets

In €'000	Note	12/31/2015 Net	12/31/2014 Net
Non-current assets		**11,045,175**	**10,201,395**
Investment properties	3.5.5.1	10,188,259	9,827,239
Properties under reconstruction	3.5.5.1	766,624	275,999
Operating properties	3.5.5.1	61,853	62,672
Other tangible fixed assets	3.5.5.1	7,160	5,494
Intangible fixed assets	3.5.5.1	5,572	3,282
Financial fixed assets	3.5.5.2	2,885	11,788
Shares in equity-accounted companies	3.5.5.3	3,573	3,518
Non-current derivatives	3.5.5.12.2	9,249	11,038
Deferred tax assets	3.5.5.4	0	365
Current assets		**880,831**	**344,825**
Properties held for sale	3.5.5.5	542,493	169,081
Inventories	3.5.5.1	0	6,428
Accounts and notes receivable	3.5.5.6	81,661	84,788
Other receivables	3.5.5.7	89,939	48,635
Prepaid expenses	3.5.5.8	20,401	22,632
Current derivatives	3.5.5.12.2	0	6
Cash and cash equivalents	3.5.5.9	146,337	13,255
Assets classified as held for sale[1]	3.5.5.10	1,309,439	
TOTAL ASSETS		**13,235,445**	**10,546,220**

(1) See Note 3.5.2.7. for the application of IFRS 5 on non-current assets and liabilities held for sale and discontinued activities.

Liabilities

In €'000	Note	12/31/2015	12/31/2014
Shareholders' equity	**3.5.5.11**	**7,751,354**	**6,280,000**
Share capital		474,455	473,286
Additional paid-in capital		1,897,070	1,890,749
Consolidated reserves linked to owners of the parent		3,754,994	3,624,260
Consolidated net income linked to owners of the parent		1,609,262	281,351
Shareholders' equity linked to owners of the parent		**7,735,781**	**6,269,646**
Non-controlling interests		15,573	10,354
Non-current liabilities		**3,469,240**	**3,614,705**
Non-current financial debt	3.5.5.12.1	3,406,481	3,501,110
Non-current derivatives	3.5.5.12.2	35,200	84,646
Deferred tax liabilities	3.5.5.4	0	2,122
Non-current provisions	3.5.5.13	27,559	26,827
Non-current tax and social security liabilities	3.5.5.15	0	0
Current liabilities		**1,900,879**	**651,515**
Current financial debt	3.5.5.12.1	1,354,574	393,507
Current derivatives	3.5.5.12.2	0	11
Security deposits		53,197	58,552
Trade payables	3.5.5.15	374,613	109,554
Current tax and social security liabilities	3.5.5.16	37,535	36,868
Other current liabilities	3.5.5.17	80,960	53,023
Liabilities classified as held for sale(1)	3.5.5.18	113,972	
TOTAL LIABILITIES AND EQUITY		**13,235,445**	**10,546,220**

(1) See Note 3.5.2.7. for the application of IFRS 5 on non-current assets and liabilities held for sale and discontinued activities.

3.2. Consolidated statement of comprehensive income (EPRA format)

In €'000	Note	12/31/2015	12/31/2014 (1)	12/31/2014 Published
Gross rental income	**3.5.6.1**	**498,178**	497,572	**570,989**
Expenses non billed to tenants	3.5.6.2	(47,893)	(46,147)	(46,722)
Net rental income		**450,285**	**451,425**	**524,267**
Services and other income (net)	3.5.6.3	7,592	7,389	8,437
Overheads	3.5.6.4	(61,164)	(63,861)	(65,120)
EBITDA		**396,713**	**394,953**	**467,584**
Gains or losses on disposals	3.5.6.5	91,029	14,007	14,031
Change in value of properties	3.5.6.6	1,068,358	28,330	21,066
Depreciation	3.5.5.1	(5,000)	(5,323)	(5,323)
Net impairments and provisions	3.5.5.13	(540)	677	677
Operating income		**1,550,560**	**432,644**	**498,035**
Financial interest		*(118,879)*	*(146,671)*	*(148,345)*
Financial revenues		*664*	*1,139*	*1,791*
Net financial expenses	3.5.6.7	(118,215)	(145,532)	(146,554)
Financial impairment and amortization	3.5.5.2	(4,470)	0	0
Change in value of derivatives and debts	3.5.6.8	(51,061)	(67,773)	(68,322)
Net income from equity-accounted investments	3.5.5.3	55	115	115
Pre-tax income		**1,376,869**	**219,454**	**283,274**
Tax	3.5.6.9	(1,564)	(2,061)	(2,343)
Net gains or losses from continued operations		**1,375,305**	**217,393**	**280,931**
Net gains or losses from discontinued operations(1)	3.5.6.10	243,485	63,538	
Consolidated net income		**1,618,790**	**280,931**	**280,931**
Of which consolidated net income linked to non-controlling interests		9,528	(420)	(420)
Of which consolidated net income linked to owners of the parent		**1,609,262**	**281,351**	**281,351**
Consolidated net earnings per share	3.5.6.11	€25.87	€4.59	€4.59
Consolidated diluted net earnings per share	3.5.6.11	€25.58	€4.57	€4.57

In €'000	12/31/2015	12/31/2014 (1)	12/31/2014 Published
Consolidated net income	**1,618,790**	**280,931**	**280,931**
Items not to be recycled in the net income	**159**	**(2,127)**	**(2,127)**
Actuarial gains (losses) on post-retirement benefit obligations	159	(2,127)	(2,127)
Items to be recycled in the net income	**15**	**(192)**	**(192)**
Gains (losses) from translation differentials	15	(192)	(192)
Comprehensive income	**1,618,964**	**278,612**	**278,612**
Of which comprehensive income linked to non-controlling interests	9,528	(420)	(420)
Of which comprehensive income linked to owners of the parent	**1,609,436**	**279,032**	**279,032**

(1) Results from the application of IFRS 5 as presented in note 3.5.2.7.

3.3. Statement of changes in consolidated equity

At year-end 2015, the capital was composed of 63,260,620 shares with a par value of €7.50 each.

In €'000 (except for number of shares)	Number of shares	Share capital	Additional paid-in capital and consolidated reserves	Shareholders' equity (owners of the parent)	Non-controlling interests	Total shareholders' equity
Balance at January 1, 2014	**62,870,496**	**471,529**	**5,774,011**	**6,245,540**	**5**	**6,245,545**
Dividend paid in 2014			(280,678)	(280,678)	(41,753)	(322,431)
Assigned value of treasury shares(1)			6,998	6,998		6,998
Impact of share-based payments(2)			2,925	2,925		2,925
Actuarial gains (losses) on post-retirement benefit obligations			(2,127)	(2,127)		(2,127)
Gains (losses) from translation differentials			(192)	(192)		(192)
Group capital increase(3)	234,324	1,757	13,094	14,851		14,851
Changes in consolidation scope(4)			0	0	52,522	52,522
Other changes			0	0		0
Retrospective application of IFRIC 21			978	978		978
Net income at December 31, 2014			**281,351**	**281,351**	**(420)**	**280,931**
Balance at December 31, 2014	**63,104,820**	**473,286**	**5,796,360**	**6,269,646**	**10,354**	**6,280,000**
Dividend paid in 2015			(290,357)	(290,357)	(4,152)	(294,509)
Assigned value of treasury shares(1)			24,336	24,336		24,336
Impact of share-based payments(2)			2,267	2,267		2,267
Actuarial gains (losses) on post-retirement benefit obligations			159	159		159
Gains (losses) from translation differentials			15	15		15
Group capital increase(3)	155,800	1,169	5,802	6,971		6,971
Changes in consolidation scope			0	0	(157)	(157)
Ornanes bonds conversion			113,482	113,482		113,482
Other changes			0	0		0
Net income at December 31, 2015			**1,609,262**	**1,609,262**	**9,528**	**1,618,790**
Balance at December 31, 2015	**63,260,620**	**474,455**	**7,261,326**	**7,735,781**	**15,573**	**7,751,354**

(1) Treasury shares:

	12/31/2015		12/31/2014	
In €'000 (except for number of shares)	Number of shares	Net amount	Number of shares	Net amount
Shares recorded as a deduction from shareholders' equity	620,547	46,062	1,787,159	129,760
Treasury stock in %		0.98%		2.83%

(2) Impact of benefits related to shares award plans (IFRS 2).

(3) Creation of shares linked to capital increase reserved for the Group's employees (39,219 shares in 2015 and 53,260 shares in 2014) and the exercise of share subscription options reserved for employees (39,529 shares in 2015 and 134,184 shares in 2014), and the definitive vesting as a result of the performance share award plan of December 14, 2012 (45,280 shares) December 14, 2012 bis (9,550 shares), December 13, 2013 (59,162 shares) and December 13, 2013 bis (8,340 shares).

(4) Sale option granted to SCI Pont de Grenelle on its share (25% of the capital of SCI Beaugrenelle) that has become devoid of purpose at December 31, 2014.

3.4. Statement of consolidated cash flows

In €'000	12/31/2015	12/31/2014	12/31/2014 Published
Consolidated net income (including non-controlling interests)	**1,618,790**	280,931	**280,931**
Net income from discontinued operating activities	**243,485**	**63,538**	**0**
Net income from continued operating activities	**1,375,305**	**217,393**	**280,931**
Net income from equity-accounted investments	(55)	(115)	(115)
Net depreciations, impairments and provisions	10,011	4,645	4,645
Changes in fair value and discounting of debts and receivables	(1,017,297)	39,443	47,256
Calculated charges and income from stock options	2,267	2,925	2,925
Tax charges (including deferred tax)	1,564	2,062	2,344
Current cash flow before tax	**371,795**	**266,352**	**337,986**
Capital gains and losses on disposals	(91,029)	(14,007)	(14,031)
Other calculated income and expenses	3,450	(5,380)	(5,221)
Net financial expenses	118,214	145,532	146,554
Net cash flow before cost of net debt and tax (A)	**402,430**	**392,498**	**465,288**
Tax paid (B)	(4,925)	(6,116)	(6,321)
Change in operating working capital (C)	(47,010)	22,401	17,873
Cash flow from continued operating activities	**350,495**	**408,784**	**476,839**
Net cash flow from discontinued operating activities	**80,309**	**68,055**	**0**
NET CASH FLOW FROM OPERATING ACTIVITIES (D) = (A + B + C)	**430,804**	**476,839**	**476,839**
Acquisitions of tangible and intangible fixed assets	(438,195)	(234,730)	(282,402)
Disposals of tangible and intangible fixed assets	512,698	752,208	757,782
Impact of changes in consolidation	(585,195)	0	0
Dividends received (equity-accounted affiliates, non-consolidated securities)	0	307	307
Changes in loans and agreed credit lines	313	63	248
Other cash flows from investing activities	(5,647)	(3,633)	(3,633)
Change in working capital from investing activities	313,043	(32,407)	(4,753)
Net financing cash flow from continued operating activities	**(202,983)**	**481,808**	**467,549**
Net financing cash flow from discontinued operating activities	**(57,463)**	**(14,258)**	**0**
NET CASH FLOW FROM INVESTING ACTIVITIES (E)	**(260,446)**	**467,549**	**467,549**
Capital provided by non-controlling interests	0	1,835	1,835
Amounts received on the exercise of stock options and of the company savings plans (PEE)	31,307	21,850	21,850
Purchases and sales of treasury shares	0	0	0
Dividends paid to owners of the parent	(290,327)	(280,696)	(280,696)
Dividends paid to non-controlling interests	(4,152)	(41,750)	(41,753)
New borrowings	3,512,658	3,357,285	3,357,285
Repayment of borrowings	(3,120,031)	(3,719,989)	(3,726,735)
Net interests paid	(120,927)	(150,855)	(152,733)
Other cash flows from financing activities	(37,112)	(122,463)	(122,463)
Net investment cash flow used by continued activities	**(28,583)**	**(934,783)**	**(943,411)**
Net investment cash flow used by discontinued activities	**(8,654)**	**(8,628)**	**0**
NET CASH FLOW FROM FINANCING ACTIVITIES (F)	**(37,237)**	**(943,411)**	**(943,411)**
NET CHANGE IN CASH AND CASH EQUIVALENTS (D + E + F)	**133,120**	**978**	**978**
Opening cash and cash equivalents	13,255	12,277	12,277
Closing cash and cash equivalents	**146,375**	13,255	**13,255**

3.5. Notes to the consolidated financial statements

3.5.1. HIGHLIGHTS

FOREWORD

Gecina owns, manages and develops property holdings worth €12.9 billion at December 31, 2015, with 90% located in the Paris Region. The Group is building its business around France's leading office portfolio and a diversification division with residential assets, student residences and healthcare facilities. Gecina has put sustainable innovation at the heart of its strategy to create value, anticipate its customers' expectations and invest while respecting the environment, thanks to the dedication and expertise of its staff.

Gecina is a French real estate investment trust (SIIC) listed on Euronext Paris, and is part of the SBF 120, Euronext 100, FTSE4Good, DJSI Europe and World, Stoxx Global ESG Leaders and Vigeo indices. In line with its commitments to the community, Gecina has created a company foundation, which is focused on protecting the environment and supporting all forms of disability.

FISCAL YEAR 2015

On January 12, 2015, Gecina placed a €500 million 10-year bond issue, maturing in January 2025. This issue was made with an 85bp spread on the mid-swap rate and a coupon of 1.50%.

On January 23, 2015, Gecina finalized the sale of an office building of nearly 11,000 sq.m located in Madrid and entirely leased to BMW, to a SOCIMI managed by IBA Capital Partners. The amount of this transaction came to €41 million excluding transfer taxes.

On February 16, 2015, Gecina acquired the City2 office building from BNP Paribas Real Estate, for an amount of €188 million including transfer taxes. This 28,500 sq.m. asset located in Boulogne-Billancourt will be fully leased to Solocol Group under a firm 10-year lease that will become effective in the 2nd quarter of 2016.

On March 11, 2015, Gecina announced the signature of a preliminary pre-construction sale agreement (VEFA) with Icade Promotion and Cirmad concerning the Sky 56 office building located in Lyon Part Dieu, for €136 million including transfer taxes. This asset will be located near the Lyon-Part Dieu TGV high-speed train station; it will cover a gross leasable area of 30,700 sq.m on 13 levels and will provide 328 parking spaces. The building will be delivered in April 2018. The transaction was completed on July 23, 2015.

On April 11, 2015, Gecina carried out the early redemption of all Gecina bonds redeemable in cash and in new and/or existing shares issued in April 2010 (ORNANE bonds) still in circulation. The ORNANE bonds were fully redeemed, through the purchase on the market then cancellation of 19% of the issue by the Group, and the conversion of the balance. In this way, Gecina re-injected 922,591 shares previously held as treasury stock back into circulation.

On June 2, 2015, Gecina indicated that it had signed a purchase offer with Ivanhoé Cambridge, for €1.24 billion, transfer taxes included, concerning two emblematic and complementary office assets. The historic head office of the PSA Group, on one hand, is located in the Central Business District, and covers 33,600 sq.m. This asset offers a unique opportunity for carrying out a major restructuring operation with a strong value-creating potential in Paris. The T1&B towers, on the other hand, occupied by Engie (formerly GDF Suez) and located at La Défense, offers secure long-term revenue, with leases renewed for 12-year periods. This acquisition was completed on July 21, 2015.

On June 9, 2015, Gecina placed a €500 million nine-year bond issue, maturing in June 2024. This issue was made with a 115bp spread on the mid-swap rate and a coupon of 2.0%.

On June 29, 2015, Gecina finalized the disposal of the «Le Mazagran» office building to a French institutional investor. The amount of this transaction amounted to nearly €84 million transfer taxes included, *i.e.* net yield of nearly 5.4%, based on potential stabilized rents.

On September 16, 2015, Gecina signed with AG2R LA MONDIALE a promise of sale concerning the «L'Angle» office building, an asset of more than 11,000 sq.m located in Bologne-Billancourt and entirely leased to L'Equipe. This transaction amounts to nearly €145 million, transfer taxes included, raising the price of the sq.m to nearly €12,750, and giving a net yield of 3.90% for the buyer. The transaction was finalized on October 16, 2015.

On October 19, 2015 Gecina announced that it had signed two offers of sale for €112 million (transfer taxes excluded). The first promise, entered into with a leading French institutional investor, concerns the «Newside» building, for nearly €95.5 million. This asset, covering 18,000 sqm in La Garenne-Colombes near La Défense, is entirely leased to Technip France SA. This sale was completed on December 22, 2015. The second offer of sale, signed with SCPI EFIMMO, managed by Sofidy, concerns a mixed asset of offices and retail outlets of around 3,000 sq.m located at 11 boulevard Brune in the 14th arrondissement of Paris. The amount of the transaction amounts to nearly €16.8 million. This sale was completed on December 16, 2015.

On November 17, 2015, Gecina finalized with the Klésia Group the acquisition of the Van Gogh Tower, an office asset of nearly 19,000 sq.m located right next to the Gare de Lyon train station in the 12th arrondissement of Paris. This building is currently vacant and will be fully reconstructed for delivery scheduled mid-2018. Total investment should be close to €150 million, achieving a yield on cost of around 6%, with an unleveraged IRR of over 9%, significantly higher than Gecina's requirements.

On December 15, 2015, the Gecina Board of Directors, meeting under the chairmanship of Mr. Bernard Michel, decided to set up an interim dividend payment starting from 2016 for the 2015 dividend payment. The dividend payment will include the payment in March 2016 of an interim dividend corresponding to 50% of the 2015 dividend amount, and by the payment of the balance in July 2016. This new method will allow Gecina shareholders to benefit from regular payments, more in line with the company's financial flows.

Lastly, in 2015, Gecina has redesigned its information system: the property management base was overhauled in 2015, by incorporating the Cassiopae Habitat and Périclès software programs. It will allow centralizing all the data concerning the property management. These changes play a part in the overall strategy of Gecina of digitalization and modernization of the company.

3.5.2. GENERAL PRINCIPLES OF CONSOLIDATION

3.5.2.1. REPORTING STANDARDS

The consolidated financial statements of Gecina and its subsidiaries ("the Group") are prepared in accordance with IFRS as adopted by the European Union on the balance sheet date.

The standards and interpretations applicable for the Group since January 1, 2015 are primarily linked to the IFRIC 21 interpretation (Levies imposed by governments). Its impact is detailed in part 3.5.2.2.

The official standards and interpretations potentially applicable after the closing date (such as IFRS 15 "Revenue from contracts with customers" and IFRS 9 "Financial instruments") were not applied early and should not have a significant impact on the financial statements.

The preparation of financial statements, in accordance with IFRS, requires the adoption of certain decisive accounting estimates. The Group is also required to exercise its judgment on the application of accounting principles. The areas with the most important issues in terms of judgment or complexity or those for which the assumptions and estimates are material in relation to the Consolidated financial statements are presented in note 3.5.3.14.

Gecina applies the ethical code for French Real Estate Investment Trusts (SIIC) as established by the *Fédération des Sociétés Immobilières et Foncières.*

3.5.2.2. IMPACT OF THE APPLICATION OF NEW IFRS STANDARDS

Since January 1, 2015, the Group has been applying the IFRIC 21 interpretation (Levies imposed by governments) which stipulates the timing for the recognition of a liability as a tax or levy imposed by a government or other public authority. These rules concern both levies or taxes recognized under IAS 37 (Provisions, contingent liabilities and contingent assets) and those with certain timing and amount.

The levies and taxes concerned are defined as net outflow of resources (thus excluding VAT collected on behalf of the Government) required by governments (as defined by IAS 20 and IAS 24) in application of the legal and/or regulatory provisions other than fines or penalties linked to non-compliance with laws or regulations. These include taxes entering into the scope of application of IAS 37 on provisions (excluding those in the scope of IAS 12, such as income tax liabilities) as well as taxes with certain amount and payment date (*i.e.* liabilities that do not fall within the scope of IAS 37).

Since the initial treatment is retrospective, the financial statements at December 31, 2014 have been restated as if the text had always been applied. Consequently, the 2014 financial statements take account of the IFRIC 21 interpretation (impact on the annual financial accounts only corresponds to the social "solidarity" contribution):

- Consolidated statement of financial position;
- Statement of comprehensive income (EPRA format);
- Statement of changes in consolidated equity.

Furthermore, since this impact does not represent inflows or outflows, the cash flow linked to operations as at December 31, 2014, presented in the statement of consolidated cash flows, has not been amended.

The impact in the annual financial statements is not material.

3.5.2.3. CONSOLIDATION METHODS

All companies in which the Group holds direct or indirect exclusive control and companies in which Gecina exercises a notable or joint influence are included in the scope of consolidation. The former are fully consolidated and the latter are consolidated under the equity method.

3.5.2.4. SCOPE OF CONSOLIDATION

At December 31, 2015, the scope of consolidation included the companies listed below.

Companies	SIREN	12/31/2015 % interest	Method of consolidation	12/31/2014 % interest
Gecina	592 014 476	100.00%	Parent company	100.00%
5, rue Montmartre	380 045 773	100.00%	FC	100.00%
55, rue d'Amsterdam	382 482 065	100.00%	FC	100.00%
8, rue de Cheuvreul/Suresnes	352 295 547	100.00%	FC	100.00%
Alouettes 64	443 734 629	100.00%	FC	100.00%
Anthos	444 465 298	100.00%	FC	100.00%
Beaugrenelle	307 961 490	75.00%	FC	75.00%
Bordeaux K1	512 148 438	100.00%	FC	100.00%
Campusea	501 705 909	100.00%	FC	100.00%
Capucines	332 867 001	100.00%	FC	100.00%
Clairval	489 924 035	100.00%	FC	100.00%
Clos Saint Jean	419 240 668	100.00%	FC	100.00%
Colvel Windsor	477 893 366	100.00%	FC	100.00%
Dassault Suresnes	434 744 736	100.00%	FC	100.00%
Eaubonne K1	512 148 974	100.00%	FC	100.00%
GEC 7	423 101 674	100.00%	FC	100.00%
GEC 8	508 052 149	100.00%	FC	100.00%
GEC 9	508 052 008	100.00%	FC	100.00%
GEC 10	529 783 649	100.00%	FC	100.00%
Marbeuf	751 139 163	100.00%	FC	100.00%
Tour Mirabeau	751 102 773	100.00%	FC	100.00%
GEC 15	444 407 837	100.00%	FC	100.00%
GEC 16	751 103 961	100.00%	FC	100.00%
SCI Le France	792 846 123	100.00%	FC	100.00%
GEC 18	799 089 982	60.00%	FC	100.00%
Gecimed	320 649 841	100.00%	FC	100.00%
Gecina Management	432 028 868	100.00%	FC	100.00%
Geciter	399 311 331	100.00%	FC	100.00%
Grande Halle de Gerland	538 796 772	100.00%	FC	100.00%
Haris	428 583 611	100.00%	FC	100.00%
Haris Investycje		100.00%	FC	100.00%
Hôpital Privé d'Annemassse	528 229 917	100.00%	FC	100.00%
Khapa	444 465 017	100.00%	FC	100.00%
Labuire Aménagement (1)	444 083 901	59.70%	EM	59.70%
Le Pyramidion Courbevoie	479 765 874	100.00%	FC	100.00%
Locare	328 921 432	100.00%	FC	100.00%
Lyon K1	512 149 121	100.00%	FC	100.00%
Michelet-Levallois	419 355 854	100.00%	FC	100.00%
Sadia	572 085 736	100.00%	FC	100.00%
Saint Augustin Marsollier	382 515 211	100.00%	FC	100.00%
Saulnier Square	530 843 663	100.00%	FC	100.00%
SCI Polyclinique Bayonne Adour	790 774 913	100.00%	FC	100.00%
SCI Rhone Orange	794 514 968	100.00%	FC	80.00%
SCIMAR	334 256 559	100.00%	FC	100.00%

Companies	SIREN	12/31/2015 % interest	Method of consolidation	12/31/2014 % interest
Société des Immeubles de France (Espagne)		100.00%	FC	100.00%
Société Hôtel d'Albe	542 091 806	100.00%	FC	100.00%
Société Immobilière et Commerciale de Banville	572 055 796	100.00%	FC	100.00%
SPIPM	572 098 465	100.00%	FC	100.00%
SPL Exploitation	751 103 961	100.00%	FC	100.00%
Suresnes K1	512 148 560	100.00%	FC	100.00%
Tiers temps Aix les bains	418 018 172	100.00%	FC	100.00%
Tiers temps Lyon	398 292 185	100.00%	FC	100.00%
JOINED CONSOLIDATION 2015				
SCI AVENIR DANTON DÉFENSE	431 957 356	100.00%	FC	
SCI AVENIR GRANDE ARMÉE	751 037 631	100.00%	FC	
SCI Lyon Sky 56	809 671 035	100.00%	FC	
GEC 21	810 066 126	100.00%	FC	
GEC 22	812 746 188	100.00%	FC	
JOINED CONSOLIDATION 2014				
CAMPUSEA MANAGEMENT	808 685 291	100.00%	FC	100.00%
Tour City 2	803 982 750	100.00%	FC	100.00%
LEFT CONSOLIDATION 2015				
Braque	435 139 423	Merged	FC	100.00%
Braque Ingatlan	12 698 187	Merged	FC	100.00%
L'Angle	444 454 227	Merged	FC	100.00%
LEFT CONSOLIDATION 2014				
GEC 11	530 019 009	Merged	FC	100.00%
Nikad	433 877 669	Merged	FC	100.00%

FC: full consolidation.
EM: accounted for under the equity method.
(1) Although Gecina owns more than 50% of Labuire Aménagement, it does not, under the shareholder agreement, control the company. Labuire Aménagement is therefore accounted for under the equity method.

3.5.2.5. CONSOLIDATION ADJUSTMENTS AND ELIMINATIONS

3.5.2.5.1. Restatements to homogenize individual financial statements

The rules and methods applied by companies in the scope of consolidation are restated to make them consistent with those of the Group.

All companies cut off their accounts (or prepare a position of accounts) on December 31, 2015.

3.5.2.5.2. Intercompany transactions

Intercompany transactions and any profits on disposal resulting from transactions between consolidated companies are eliminated.

3.5.2.5.3. Business combinations (IFRS 3)

To determine if a transaction is a business combination placed under IFRS 3, the Group determines whether an integrated set of activities is acquired in addition to the real estate. The selected criteria may be the number of real estate assets held, the scope of the processes acquired or the autonomy of the target. In this case, acquisition cost corresponds to the fair value on the date of exchange of the contributed assets and liabilities and the equity instruments issued in exchange for the acquired entity. Goodwill is recognized as an asset in respect of the surplus of the acquisition cost over the buyer's share of the fair value of the assets and liabilities acquired net of deferred tax recognized if necessary while an amount for negative goodwill is posted to the income statement. Costs directly attributable to the acquisition process are recognized under expenses.

IAS 40 standard is applied (investment property) for acquisitions that do not fall under a business combination.

3.5.2.6. FOREIGN CURRENCY TRANSLATION

The Group's operating currency is the euro. Transactions conducted by subsidiaries situated outside the Eurozone are translated at the closing exchange rate for balance sheet items and at the average exchange rate over the period of the income statement. Exchange differentials recognized in the balance sheet at the beginning of the period and on earnings for the year are recorded on a separate line under shareholders' equity.

3.5.2.7. CHANGES TO THE PRESENTATION OF FINANCIAL STATEMENTS

The application as at December 31, 2015 of IFRS 5 as part of the plan to sell off the healthcare business led to a specific presentation of the financial statements.

At December 31, 2015, the balance sheet recognized on a separate line residual assets and liabilities held for sale for this discontinued activity, while the income statement presents the net earnings of discontinued activities separately from the net earnings of continued activities. The statement of consolidated net cash flows also presents the net cash flows generated by the discontinued activities.

The financial information presented at December 31, 2014 was restated for comparison purposes, by applying IFRS 5 to the income statement and to the statement of consolidated net cash flows according to the principles given above («proforma accounts»). The balance sheet published at December 31, 2014 has not been restated as required by the standard.

The presentation of consolidated balance sheets and income statements, such as it would have been if IFRS 5 had not been applied, is provided below for information.

ASSETS

	12/31/2015	12/31/2014
In €'000	Net	Net
Non-current assets	**11,049,101**	**10,201,395**
Investment properties	10,188,259	9,827,239
Properties under reconstruction	766,624	275,999
Operating properties	61,853	62,672
Other tangible fixed assets	7,160	5,494
Intangible fixed assets	5,572	3,282
Financial fixed assets	6,811	11,788
Shares in equity-accounted companies	3,573	3,518
Non-current derivatives	9,249	11,038
Deferred tax assets	0	365
Current assets	**2,186,344**	**344,825**
Properties held for sale	1,842,718	169,081
Inventories	0	6,428
Accounts and notes receivable	82,513	84,788
Other receivables	91,089	48,635
Prepaid expenses	23,649	22,632
Current derivatives	0	6
Cash and cash equivalents	146,375	13,255
TOTAL ASSETS	**13,235,445**	**10,546,220**

LIABILITIES

In €'000	12/31/2015	12/31/2014
Shareholders' equity	**7,751,354**	**6,280,000**
Share capital	474,455	473,286
Additional paid-in capital	1,897,070	1,890,749
Consolidated reserves linked to owners of the parent	3,754,994	3,624,260
Consolidated net income linked to owners of the parent	1,609,262	281,351
Shareholders' equity linked to owners of the parent	**7,735,781**	**6,269,646**
Non-controlling interests	15,573	10,354
Non-current liabilities	**3,564,179**	**3,614,705**
Non-current financial debt	3,501,420	3,501,110
Non-current derivatives	35,200	84,646
Deferred tax liabilities	0	2,122
Non-current provisions	27,559	26,827
Non-current tax and social security liabilities	0	0
Current liabilities	**1,919,912**	**651,515**
Current financial debt	1,362,252	393,507
Current derivatives	796	11
Security deposits	54,212	58,552
Trade payables	383,572	109,554
Current tax and social security liabilities	37,849	36,868
Other current liabilities	81,231	53,023
TOTAL LIABILITIES AND EQUITY	**13,235,445**	**10,546,220**

CONSOLIDATED INCOME STATEMENT

In €'000	12/31/2015	12/31/2014
Gross rental income	**574,593**	**570,989**
Expenses non billed to tenants	(48,381)	(46,722)
Net rental income	**526,212**	**524,267**
Services and other income (net)	8,268	8,437
Overheads	(62,129)	(65,120)
EBITDA	**472,351**	**467,584**
Gains or losses on disposals	91,026	14,031
Change in value of properties	1,238,713	21,066
Depreciation	(5,000)	(5,323)
Net impairments and provisions	(540)	677
Operating income	**1,796,550**	**498,035**
Financial interest	*(121,114)*	*(148,345)*
Financial revenues	*1,302*	*1,791*
Net financial expenses	(119,812)	(146,554)
Financial impairment and amortization	(4,470)	0
Change in value of derivatives and debts	(51,610)	(68,322)
Net income from equity-accounted investments	55	115
Pre-tax income	**1,620,713**	**283,274**
Tax	(1,923)	(2,343)
Consolidated net income	**1,618,790**	**280,931**
Of which consolidated net income linked to non-controlling interests	9,528	(420)
Of which consolidated net income linked to owners of the parent	**1,609,262**	**281,351**
Consolidated net earnings per share	€25.87	€4.59
Consolidated diluted net earnings per share	€25.61	€4.57

In €'000	12/31/2015	12/31/2014
Consolidated net income	**1,618,790**	**280,931**
Items not to be recycled in the net income	**159**	**(2,127)**
Actuarial gains (losses) on post-retirement benefit obligations	159	(2,127)
Items to be recycled in the net income	**15**	**(192)**
Gains (losses) from translation differentials	15	(192)
Gains (losses) on change in value of derivatives		
Comprehensive income	**1,618,964**	**278,612**
Of which comprehensive income linked to non-controlling interests	9,528	(420)
Of which comprehensive income linked to owners of the parent	**1,609,436**	**279,032**

3.5.3. ACCOUNTING METHODS

3.5.3.1. PROPERTY HOLDINGS

3.5.3.1.1. Investment properties (IAS 40)

Properties held for the long term and intended to be leased under operating leases, and/or held for capital appreciation, are considered as investment properties.

On acquisition, investment properties are recorded on the balance sheet at cost, inclusive of duties and taxes.

The time spent by operational teams, directly attributable to disposals, rentals and development projects is monitored and priced, and then, as appropriate:
(i) reported under fixed assets for the portion spent on development projects, studies or marketing actions;
(ii) recognized under gains or losses on disposals if related to pre-sale activities.
The financial costs linked to construction operations as well as eviction allowances, paid in connection with property reconstructions, are capitalized.

Financial lease contracts are recognized as financial leases and recorded as assets on the balance sheet, and the corresponding borrowings are recorded as liabilities under financial debt. Accordingly, the fees are eliminated and the interest expense for financing and the fair value of the asset are recognized in accordance with the Group accounting principles, as if the Group were the owner. In case of the acquisition of a financial lease contract, if the discrepancy between the fair value of the related debt and its nominal value represents a liability owing to more favorable market conditions on the day of the acquisition, it is recorded in the balance sheet as a financial liability. This financial liability is recognized in income over the term of the contract and fully cleared through gain or loss in disposal if the contract is sold.

Gecina has opted for the valuation of its investment properties at fair value as defined by IFRS 13 (see Note 3.5.3.1.2.). The company has elected, by convention, to retain the block value of properties as the fair value of investment properties in the consolidated financial statements. This block value excludes transfer duties and is determined by independent appraisers (as at December 31, 2015: BNPP Real Estate, Catella, CBRE Valuation, Foncier Expertise and Jones Lang LaSalle), which value the Group portfolio on the assumption of a long-term holding at June 30 and December 31 each year and which take into account capitalized construction work. Valuations are conducted in accordance with industry practices using fair value valuation methods to establish market value for each asset, pursuant to the professional real estate valuation charter. All Gecina assets are now appraised by independent appraisers.

The change in fair value of investment properties is recorded on the income statement. These properties are not therefore subject to depreciation or impairment.

The income statement records the change in fair value of each property over the year determined as follows:
- current market value – (prior year market value + cost of construction work and expenditure capitalized in the current year).

Investment properties in the course of renovation are recognized at fair value.

Properties under construction or acquired with the intention of reconstruction or in the process of being reconstructed are recognized at fair value where that value can be reliably measured. In cases where fair value cannot be reliably determined, the property is recognized at its last-known value plus any costs capitalized during the period. At each balance sheet date, an impairment test is conducted to certify that the booked value does not require impairment. Impact is recognized at variation of fair value.

The fair value is determined by appraisers based on an evaluation of the property realizable value less all direct and indirect future development costs.

The Group considers that a property in the process of construction can be reliably appraised at fair value when construction begins and when its marketing is advanced. Whatever the case, the fair value appraisal will be performed when the asset is protected from the rain.

Nevertheless, when the asset is already leased and the signature of works contracts has sufficiently progressed to allow a reliable estimate of the construction cost, the asset under development may then be recognized at fair value.

Valuation methodology

Each property asset is valued separately by an independent appraiser. However, the appraisers use the same valuation methods, described below. When appraising a property, real estate appraisers exclude transfer duties, taxes and fees. They thus comply with the position taken by the French professional body of property appraisers, AFREXIM[1], and use the following rates:

- 1.8% of legal fees for properties in VAT;
- from 6.2% to 6.9% of registration fees and expenses for other properties.

At December 31, 2015, the increase of transfer duties in Paris and the additional tax on office premises, and disposals in Paris region, applicable from January 1th, 2016, were not taken into account in valuations of assets by property appraisers, in accordance with the position of Afrexim. This effect was therefore not recognized at December 31, 2015.

The property is assessed at fair value, which corresponds to the price at which it could be sold between informed consenting parties operating under normal market conditions without reference to the financing conditions as at the valuation date. The value used in the consolidated financial statements is the value excluding transfer duties.

a) Office properties

The fair value of each asset is based on the results of the following three methods: method by comparison, by income capitalization, and by discounted cash flow (DCF). The simple arithmetic mean of these three methods is used. In the event that a difference between the results of the three methods is 10% or more, the appraiser has the option of determining the more relevant valuation.

- Direct comparison method: this method consists of comparing the asset that is the object of the appraisal and transactions made on assets equivalent in type and situation, on dates close to the date of appraisal.
- Net income capitalization method: this method consists of capitalizing recorded or potential income on the basis of a yield expected by an investor for a similar type of asset. The income base is generally constituted either of net annual rent excluding taxes and rental charges, or the market rent value. For occupied premises, the appraiser conducts an analysis of the legal and financial conditions of each lease and of the rental market. For vacant premises, the market rent value is used as a reference, taking account of re-letting delays, renovation work and other miscellaneous expenditure.
- Discounted cash flow method: the value of the asset is equal to the discounted cash flow expected by the investor, including its assumed sale following a 10-year holding period. The sale price at the end of the period is determined on the basis of the net cash flow in year 11 capitalized at yield. Discounted cash flow is determined on the basis of a risk-free interest rate (10-year government bond equivalent) plus an appropriate risk premium for the property determined in comparison with standard discounted rates on cash flow generated by similar assets.

b) Residential properties

The block fair value of each asset is determined from the results of the following two methods: direct comparison and net income capitalization method. The simple arithmetic mean is used for the comparison and income capitalization methods. In the event that a difference between the results of the two methods is 10% or more, the appraiser has the option of determining the more relevant valuation.

Direct comparison method: this is identical to the method used for office property.

Net income capitalization method: this is identical to the method used for office property applied to gross income pursuant to the recommendations of the French professional body of property appraisers, AFREXIM[1].

c) Unit valuation for residential and mixed buildings

Unit valuation is used for buildings on sale by apartments (see Note 3.5.3.1.3.).

The unit value is determined from unit prices per square foot recorded on the market for vacant premises. The appraisal includes discounts to reflect marketing periods, costs and the margin earned on the sale of all the units. These discounts are differentiated according to the size of the property and number of units included. The estimated values of office units and commercial premises situated on the ground floor of buildings are then added based on both methods: direct comparison and net income capitalization.

For properties where the unit-by-unit sale process has been started, the valuation follows the same method, adjusting the allowances applied to the property's actual marketing situation.

d) Healthcare properties

The block fair value of each asset is determined from the results of the following two methods: income capitalization and discounted cash flow (DCF). The simple arithmetic mean is used for the income capitalization and discounted cash flow (DCF) methods. In the event that a difference between the results of the two methods is 10% or more, the appraiser has the option of determining the more relevant valuation.

3.5.3.1.2. Determining the fair value (IFRS 13)

The Group applies IFRS 13, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard establishes a fair value hierarchy that categorizes into three levels the data used for measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date;
- Level 2: valuation model using inputs that are directly or indirectly observable in an active market;
- Level 3: valuation model using inputs that are unobservable in an active market.

(1) Association française des sociétés d'expertise immobilière.

The fair value hierarchy is therefore established by reference to the levels of inputs to valuation techniques. When using a valuation technique based on inputs of several levels, the fair value level is then constrained by the lowest level.

Investment properties

The fair value measurement must consider the highest and best use of the asset. Gecina has not identified any high and best use different from the current use.

The fair value measurement of investment properties implies using different valuation methods based on unobservable or observable inputs that have been subject to certain adjustments. Accordingly, the Group's property holdings are considered, in their entirety, as categorized in level 3 with respect to the fair value hierarchy established by IFRS 13, notwithstanding the recognition of certain level 2 observable inputs.

Financial instruments

IFRS 13 requires the recognition of counterparty credit risk (*i.e.* the risk that a counterparty may breach any of its obligations) in measuring the fair value of financial assets and liabilities.

IFRS 13 retains the disclosure obligations on the 3-level fair value hierarchy of IFRS 7, which requires an entity to establish a difference between the fair values of financial assets and financial liabilities as a function of the observable nature of the inputs used to measure fair value.

As at December 31, 2015, IFRS 13 application by the Group does not challenge the fair value hierarchy of financial instruments, until then categorized as level 2 according to IFRS 7 (valuation model based on observable market inputs) to the extent that the adjustment for credit risk is considered as an observable input.

3.5.3.1.3. Assets held for sale (IFRS 5)

IFRS 5, "Non-recurring assets held for sale and discontinued operations", states that a non-recurring asset should be classified as held for sale as for it is a major line of activity if its carrying amount will be recovered principally through a sales transaction rather than through continuing use. In such cases, the sale should be highly probable.

The sale of an asset is thus highly probable if the following three conditions are met:

- the appropriate level of management is committed to a plan to sell the asset;
- the asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value;
- the sale is expected to be concluded within one year except under special circumstances.

When the sale pertains to an asset or group of assets only, the assets held for sale are reported separately in the balance sheet under "Properties for sale" and measured at the lower of their carrying amount and fair value less costs to sell.

Buildings recorded in this category are valued as follows:

- properties sold in block: sale value recorded in the agreed sale or in the purchase offer, subject to the deduction of expenses and fees necessary for their sale;
- properties sold unit-by-unit: appraisal value in units (see Note 3.5.3.1.1.). If more than 60% (in value) of the property is sold, the asset is recognized at the fair value of the last recorded transactions for unsold units, after taking account of allowances linked to the achievement of all lots and at the sale value recorded in the preliminary agreement subject to the deduction of expenses and fees for units covered by a preliminary agreement.

When a sale concerns a complete business line, the consolidated assets and liabilities, booked as appropriate under subsidiaries held for sale, are presented separately on the asset side of the balance sheet (Assets held for sale) and on the liabilities side of the balance sheet (Liabilities held for sale). The corresponding net gain or loss is isolated in the income statement on the line «Net gain or loss from discontinued activities».

3.5.3.1.4. Operating properties and other tangible fixed assets (IAS 16)

The head office property at 16, rue des Capucines, Paris is valued at cost. It has been depreciated according to the component method, each component being depreciated on a straight-line basis over its useful life (10 to 60 years).

Other tangible fixed assets are recorded at cost and depreciated under the straight-line method for periods of three to ten years. They are primarily composed of computer hardware and furniture.

In the event of a sign of impairment, the book value of an asset is immediately written down to its recoverable value. For the headquarters building, it is determined by an independent appraisal conducted under the methods described in 3.5.3.1.1.

3.5.3.1.5. Intangible assets (IAS 38)

Intangible fixed assets correspond primarily to software.

The costs to purchase software licenses are recorded as an asset based on the costs incurred in acquiring and commissioning the software concerned. These costs are amortized over the estimated useful life of the software (three to five years).

3.5.3.2. EQUITY INTERESTS

3.5.3.2.1. Equity-accounted investments

Equity interests in companies in which the Group exercises joint control or significant influence are recorded on the balance sheet at the Group share of their net assets as at the balance sheet date adjusted to the Group's accounting principles. Adjustments are related to the harmonization of methods.

In the event where the Group's share in the negative equity of a company accounted for under the equity method were to exceed the book value of its investment, the Group considers its share to be nil and it ceases to recognize its share in upcoming losses, unless the Group is obliged or intends to financially support such investment.

3.5.3.2.2. Non-consolidated interests

Non-consolidated equity interests are stated at fair value in accordance with IAS 39. Changes in fair value are recorded under shareholders' equity until their disposal date. For long-term impairment, underlying capital losses recognized in shareholders' equity are recorded as expenses.

3.5.3.2.3. Other financial investments

Loans, receivables and other financial instruments are booked according to the amortized cost method on the basis of an effective interest rate. When there is non-recoverability or default risk, this is recognized in the profit and loss statement.

3.5.3.3. PROPERTIES IN INVENTORY

Buildings relating to real estate development operations or acquired under the tax system governing properties held for rapid resale by real-estate traders, legally designated as "marchands de biens", are booked under inventories at their acquisition cost. An impairment test is carried out as soon as any indication of impairment is detected. In the event of such an indication and when the estimated recoverable amount is lower than the carrying amount, an impairment loss is recognized based on the difference between those two amounts.

3.5.3.4. OPERATING RECEIVABLES

Receivables are recorded for the initial amount of the invoice, after deduction for impairment valued on the basis of the risk of non-recoverability. The cost of non-recoverability risk is posted under property expenses.

Rent receivables are systematically written down according to the due date of the receivables and situation of the tenants.

An impairment rate is applied to the amount excluding tax of the receivable minus the security deposit:

- tenant has left the property: 100%;
- tenant still in the property:
  - receivable between three and six months: 25%,
  - receivable between six and nine months: 50%,
  - receivable between nine and 12 months: 75%,
  - over 12 months: 100%.

Impairment thus determined is adjusted to take account of particular situations.

Receivables relating to the deferral of commercial benefits according to IAS 17 (see Note 3.5.3.13), and recognized by the difference between the economic lease and the paid lease, give rise to a specific analysis to validate their justification at each reporting date.

3.5.3.5. CASH AND CASH EQUIVALENTS

Cash and money-market UCITS are recorded on the balance sheet at fair value.

3.5.3.6. TREASURY SHARES (IAS 32)

Treasury shares held by the Group are deducted from consolidated shareholders' equity at cost.

3.5.3.7. SHARE-BASED PAYMENTS (IFRS 2)

Gecina has instituted an equity-based remuneration plan (stock options and performance shares). The impact of services rendered by employees in exchange for the award of options or the allocation of performance shares is expensed against shareholders' equity. The total amount expensed over the rights vesting period year is determined by reference to the fair value of equity instruments granted, the discounted value of future dividends paid over the vesting period and the staff turnover rate.

At each balance sheet date, the number of options that may be exercised is reviewed. Where applicable, the impact of revising estimates is posted to the income statement with a corresponding adjustment in shareholders' equity. Amounts received when options are exercised are credited to shareholders' equity, net of directly attributable transaction costs.

3.5.3.8. FINANCIAL INSTRUMENTS (IAS 39)

IAS 39 distinguishes between two types of interest-rate hedge as follows:

- hedging of balance sheet items whose fair value fluctuates with interest rates ("fair value hedge");
- hedging of the risk of future cash flow changes ("cash flow hedge"), which consists of fixing future cash flows of a variable-rate financial instrument.

Some derivative instruments attached to specific financing are classified as cash flow hedges pursuant to accounting regulations. Only the change in fair value of the effective portion of these derivatives, measured by prospective and retrospective effectiveness tests, is taken to shareholders' equity. The change in fair value of the ineffective portion of the hedge is posted to the income statement if material.

To a large extent, Gecina's interest rate hedging is covered by a portfolio of derivatives that are not specifically assigned and do not meet hedge accounting eligibility criteria. Furthermore, some derivatives cannot be classified as hedging instruments for accounting purposes. These derivative instruments can therefore be recorded at fair value on the balance sheet with recognition of changes in fair value on the income statement. The change in the value of derivatives is recognized for the recurring portion and where applicable (amortization of options premiums or periodic premiums) within financial expenses in the same capacity as interests paid or received for these instruments, and the non-recurring portion (fair value excluding amortization of premium or periodic premiums) within value changes of financial instruments. Where applicable, terminations of derivative instruments are considered as non-recurring, such that the gain or loss on disposal or termination is recognized in the income statement within changes in value of financial instruments.

Fair value is determined in accordance with IFRS 13 (see Note 3.5.3.1.2.) by an external financial organization using valuation techniques based on the discounted forward cash flow method, as well as the Black & Scholes model for optional products integrating the counterparty risks mentioned by IFRS 13. Estimates of probability of default are obtained by using bond spreads on the secondary market. Valuations are also confirmed by banking counterparties and in-house valuations.

Marketable securities are recorded under this heading as assets at fair value and changes in value are posted to the income statement.

3.5.3.9. FINANCIAL LIABILITIES (IAS 32 AND 39)

Bank borrowings are mostly constituted of repayable borrowings and medium and long-term credit lines that can be used by variable term drawings. Successive drawings are recognized in the financial statements at face value, with the unused portion of the borrowing facility representing an off-balance sheet commitment.

Financial liabilities, including EMTN issues, are stated at their outstanding balance (net of transaction costs) based on the effective interest rate method. Security deposits are considered as short-term liabilities and are not subject to any discounting.

3.5.3.10. LONG TERM NON-FINANCIAL PROVISIONS AND LIABILITIES

In accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets", a provision is recognized when the Group has a present obligation (legal or constructive) to a third party as a result of past events, and when it is probable or certain that this obligation will give rise to an outflow of resources to that third party, without at least the equivalent expected in exchange from that third party.

3.5.3.11. EMPLOYEE BENEFIT COMMITMENTS

IAS 19 specifies the accounting rules for employee benefits. This accounting occurs during the rights vesting period. It excludes from its scope share-based payments, which come under IFRS 2.

Short-term benefits

Short-term benefits (*i.e.* salaries, paid holiday, social security contributions, profit-sharing, etc.), which fall due within twelve months of the end of the year during which members of staff provided corresponding services, are recognized as "accrued expenses" under the heading "Current tax and social security payables" under balance sheet liabilities.

Long-term benefits

Long-term benefits correspond to benefits payable during the employee's working life (anniversary premiums). They are recognized as non-recurring provisions.

Post-employment benefits

Post-employment benefits, also recognized as non-recurring provisions, correspond to end-of-career payments and supplementary retirement commitments to some employees. The valuation of these retirement commitments assumes the employee's voluntary departure.

These commitments that are related to the defined-benefit plans for supplementary pensions are paid to external organizations.

No post-employment benefits were granted to executives.

The net commitment resulting from the difference between amounts paid and the probable value of the benefits granted, recognized under salaries and benefits, is calculated by an actuary according to the method known as "projected unit credit method", the cost of the provision being calculated on the basis of services rendered at the valuation date.

Actuarial variances are booked in equity.

3.5.3.12. TAXES

3.5.3.12.1. Ordinary law treatment

For companies not eligible to the SIIC system, deferred taxes resulting from timing differences on taxation or deductions are calculated under the liability method on all timing differences existing in the individual accounts or deriving from consolidation adjustments or eliminations of internal profits and losses. This happens when the book value of an asset or liability is different from its tax value. A net deferred tax asset is only recognized on loss carry-forwards provided that it is likely that it can be charged against future taxable income. Deferred tax is determined using the principles and tax rates of the finance laws in effect at the balance sheet date that are likely to be applied when the various taxes involved crystallize. The same rule applies for assets held abroad.

3.5.3.12.2. SIIC tax regime

Opting for the SIIC system means an exit tax immediately falls due at the reduced rate of 19% on unrealized capital gains related to properties and investments in entities not subject to income tax.

Profits subject to the SIIC system are tax-exempt subject to certain distribution conditions. However, for newly acquired companies, a deferred tax liability is calculated at a rate of 19% corresponding to the amount of exit tax that these companies have to pay when opting for the SIIC system, this option coming under the acquisition strategy.

The discounting of the exit tax liability due to opting for the SIIC system is only recognized when considered material.

3.5.3.13. RECOGNITION OF RENTAL INCOME (IAS 17)

Rent is recorded in the income statement when invoiced. However, pursuant to IAS 17, benefits granted to tenants in the commercial and the healthcare real estate sectors (mainly rent franchises and stepped rents) are amortized straight-line over the probable, firm period of the lease. Consequently, rents shown in the income statement differ from rents paid.

At the sale of an asset, the balance of the receivable arising from the straight-line recognition of benefits granted to tenants (mostly rent franchises and stepped rents) is fully reversed and posted in gain or loss on disposal.

Works carried out on behalf of tenants are capitalized and are not deferred over the probable term of the lease according to IAS 17.

3.5.3.14. ESTIMATES AND KEY ACCOUNTING JUDGMENTS

To establish the Consolidated financial statements, the Group uses estimates and formulates judgments which are regularly updated and are based on historic data and other factors, especially forecasts of future events considered reasonable in the circumstances.

The significant estimates made by the Group mainly concern:
- fair value measurement of investment properties;
- fair value measurement of financial instruments;
- measurement of equity interests;
- measurement of provisions;
- measurement of employee-benefit commitments (pensions and share plans).

Due to the uncertainties inherent in any measurement process, the Group adjusts its estimates using regularly updated information.

Estimates that carry a major risk of leading to a material adjustment in the net book value of assets and liabilities during the following period are analyzed below:
- The fair value of the property portfolio, whether it is held for the long term or for sale, is specifically determined based on the valuation of the portfolio by independent experts according to the methods described in sections 3.5.3.1.1. and 3.5.3.1.2. However, given the estimated nature inherent in these valuations, it is possible that the actual sales value of some properties will differ significantly from the valuation, even in the event of disposal within a few months following the balance sheet date.
- The fair value of financial instruments that are not traded on an organized market (such as over the counter derivatives) is determined using valuation techniques. The Group uses methods and assumptions that it believes are the most appropriate, based on market conditions at the balance sheet date. The realizable value of these instruments may turn out to be significantly different from the fair value used for the accounting statement.
- The value in use and the fair value of equity investment securities are determined on the basis of estimates based on various data available to the Group as at the balance sheet date. New information obtained subsequent to the balance sheet date may have a material influence on this valuation.

The procedures for determining fair value according to IFRS 13 are detailed in section 3.5.3.1.2.

In addition to the use of estimates, the Group's management formulates judgments to define the appropriate accounting treatment for certain activities and transactions where the IFRS in force do not specifically deal with the issues concerned. This is especially the case for the analysis of leases, whether operating leases or financial leases.

3.5.4. MANAGEMENT OF FINANCIAL AND OPERATIONAL RISKS

3.5.4.1. REAL ESTATE MARKET RISK

Holding property assets for rent exposes the Group to the risk of fluctuation of the value of property assets and rents as well as to the risk of vacancy.

However, this exposure is limited given that:
- the assets are currently held with a long-term view and valued in the accounts at fair value, even though fair value is based on estimates described in sections 3.5.3.1.1. à 3.5.3.1.3. above;
- invoiced rents come from rental commitments, the term and spread of which contribute to moderating the impact of fluctuations on the rental market.

With respect to development projects, the search for tenants begins once the investment decision is taken and results in the signing of pre-construction leases (*Baux en l'État Futur d'Achèvement* – BEFA). These leases contain clauses on the definition of completion, the completion time and late penalties.

Certain aspects of this risk are quantified in Note 3.5.6.6.

3.5.4.2. FINANCIAL MARKET RISK

Holding financial instruments for the long term or for sale exposes the Group to the risk of fluctuation in the value of these assets. The analysis and quantification of the risk on hedging financial instruments are stated under Note 3.5.6.8.

In particular, the Group's exposure to equity risk in case of falling stock market indices gives rise to a problem of valuing hedging assets against pension liabilities. This risk is very limited with respect to the amounts of the hedging assets subject to equity risk.

Furthermore, Gecina may be subject to changes in share prices for its financial investments and for its treasury shares. Gecina has set up a share buyback program and therefore holds a certain number of its own shares. A fall in the price of the Gecina share has no impact on the consolidated financial statements, only on the individual company financial statements.

3.5.4.3. COUNTERPARTY RISK

Since it has a portfolio of clients of around 570 corporate tenants from a wide variety of sectors, and more than 8,900 individual tenants, the Group is not exposed to significant concentration risks. In the course of its development, the Group aims to acquire assets for which the rental portfolio is closely based on tenant selection criteria and the security provided by them. When a property is rented out, a detailed application is submitted by the tenant and an analysis of the tenant financial soundness is conducted. Tenant selection and rent collection procedures help to maintain a satisfactory rate of losses on receivables.

Financial transactions, especially hedging the interest rate risk, are carried out with a broad selection of leading financial institutions. Competitive tenders are conducted for all major financial transactions and the maintenance of a satisfactory diversification of sources of funds and counterparties is one of the selection criteria. Gecina has no material exposure to a single bank counterparty on its portfolio of derivatives. Counterparty risk is now an integral part of fair value as determined under IFRS 13 (cf. Note 3.5.3.1.2.) The Group's maximum exposure on all its loans (used and unused) to a single counterparty is 9%.

3.5.4.4. LIQUIDITY RISK

Liquidity risk is managed by constantly monitoring the maturity of financing facilities, maintaining available credit lines and diversifying finance sources. Liquidity is managed in the medium and long term as part of multi-annual financing plans and, in the short term, by using confirmed undrawn credit lines and asset disposal programs. Details of debt maturity dates are provided in Note 3.5.5.12.1 as well as a description of the various limits that might affect interest conditions or early repayment, as stipulated in the credit agreements.

3.5.4.5. INTEREST RATE RISK

Gecina's interest rate risk management policy, which includes the use of hedging instruments, is aimed at limiting the impact of a change in interest rates on the Group's earnings, where a significant portion of the Group's loans is at a floating rate. With respect to the foregoing, a management framework was presented and validated by the company's Audit Committee. This management framework defines in particular the management horizons, a percentage of coverage required on the time horizons, new hedging targets and the instruments enabling such management (mostly caps, floors and swaps). The interest rate risk is analyzed and quantified in Note 3.5.5.12.2 and 3.5.6.8, together with an analysis of interest rate sensitivity. Gecina interest rate hedging policy is primarily implemented on a comprehensive basis for all its loans (*i.e.* not specifically assigned to certain loans). As a result, it does not meet the accounting qualification of hedging instruments and the fair value change therefore appears in the income statement, according to the procedures described in Note 3.5.3.8.

3.5.4.6. FOREIGN EXCHANGE RISK

The Group conducts the majority of its business in the Eurozone and almost all its revenues, operating expenses, investments, assets and liabilities are denominated in euros. The Group is therefore only very marginally exposed to an exchange rate risk through its subsidiary in the logistics sector in Poland.

3.5.4.7. OPERATING RISKS

Gecina is exposed to a wide range of operating risks, the details of which are specified in Note 1.7.2.1.of Chapter 1.

Until 2009 when Joaquín Rivero was a corporate officer of Gecina or one of its subsidiaries, Gecina carried out a number of transactions including the acquisition by SIF Espagne of a 49% equity investment in Bami Newco in 2009, and also undertook certain commitments, notably the grant of certain guarantees in relation to said transactions, as mentioned in Notes 3.5.5.13 and 3.5.9.3. When said commitments and transactions were revealed, impairment and provisions were recorded against some of them pursuant to applicable regulations. Some of the guarantees were also granted outside Gecina's internal control framework, despite the specific procedures implemented.

Gecina cannot totally rule out that non-compliance with internal control and risk management procedures, the worsening economic environment in Spain or fraud attempts will not result in further financial, legal or regulatory risks which have not been identified to date. Occurrence of such risks may impact the Group's reputation, results or financial situation.

3.5.5. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

3.5.5.1. PROPERTY HOLDINGS

3.5.5.1.1. Statement of changes in property holdings

Gross value

In €'000	At 12/31/2014	Acquisitions	Disposals	Change in fair value	Change in scope	Transfers between items	IFRS 5 impact	At 12/31/2015
Investment properties	9,827,239	1,289,067	(726)	912,465	2,833	(802,800)	(1,039,820)	10,188,259
Properties under reconstruction	275,999	379,447	(890)	143,762	1,506	32,725	(65,925)	766,624
Operating properties	76,798	3	0	0	0	0	0	76,801
Intangible assets	13,345	3,365	(6,570)	0	1,297	0	0	11,437
Other tangible assets	14,229	3,470	(2,467)	0	17	(280)	0	14,970
Properties for sale	169,081	4,821	(420,053)	12,130	11	776,503	0	542,493
Properties in inventory	6,428	0	0	0	0	(6,428)	0	0
GROSS VALUE	**10,383,119**	**1,680,174**	**(430,706)**	**1,068,358**	**5,665**	**(279)**	**(1,105,744)**	**11,600,584**

Depreciations and impairments

In €'000	At 12/31/2014	Allocations	Write backs	Change in fair value	Change in scope	Transfers between items	IFRS 5 impact	At 12/31/2015
Properties under reconstruction	0	0	0	0	0	0	0	0
Operating properties	14,125	823	0	0	0	0	0	14,948
Intangible assets	10,062	2,373	(6,570)		0	0	0	5,865
Other tangible assets	8,735	1,805	(2,467)	0	17	(280)	0	7,810
Depreciations and impairments	**32,922**	**5,001**	**(9,037)**	**0**	**17**	**(280)**	**0**	**28,623**
NET VALUE	**10,350,196**	**1,675,173**	**(421,669)**	**1,068,358**	**5,648**	**0**	**(1,105,744)**	**11,571,961**

In accordance with the accounting principles defined in Note 3.5.3.1.1., 9 assets under reconstruction are recorded at their historical cost for a combined total of €55 million.

The other changes concern marketing fees for €1.5 million and capitalized internal costs for €4.1 million.

3.5.5.1.2. Analysis of acquisitions (duties and costs included)

Acquisitions concerned the following:

In €'000	12/31/2015
Tour T1&B La Défense	891,394
Grande Armée in Paris 16th arrondissement	350,802
City 2 in Boulogne-Billancourt	188,432
Tour Van Gogh in Paris 12th arrondissement	94,848
Sky 56 à Lyon	22,582
4 student residences	4,845
Property acquisitions	**1,552,903**
Construction and reconstruction works	64,023
Renovation works	51,692
Works	**115,715**
Head office	3
Capitalized financial expenses	4,717
TOTAL	**1,673,339**
Other tangible fixed assets	3,470
Intangible fixed assets	3,365
TOTAL ACQUISITIONS	**1,680,174**

3.5.5.1.3. Details of income from sales

Disposals are detailed in Note 3.5.6.5.

3.5.5.1.4. Maturity dates of investment properties held on financial lease

The Group holds 8 financial lease contracts (which 5 contracts on healthcare assets recognizes on IFRS 5). These are fixed or variable-rate contracts taken out for an average duration of 2.5 years (weighted average of outstandings) with leading organizations.

In €'000	12/31/2015	12/31/2014
Less than 1 year	57,914	17,191
1 to 5 years	46,006	118,253
Over 5 years	0	29,877
TOTAL	103,920	165,321

3.5.5.2. FINANCIAL FIXED ASSETS

In €'000	12/31/2015	12/31/2014
Non-consolidated investments	109,421	109,421
Advances on fixed asset acquisitions	65,519	65,519
Deposits and guarantees	1,195	1,584
Other financial investments	1,130	5,174
TOTAL	177,265	181,698
Impairment	(174,380)	(169,910)
NET TOTAL	2,885	11,788

The impairment of €174.4 million is related to the 49% equity interest in the Spanish company Bami Newco, which has been fully written down (€109.3 million) and the advance on property acquisition granted to the Spanish company Bamolo, written down for €65 million (in order to reduce it to the land's latest appraisal value of €0.5 million).

3.5.5.3. EQUITY-ACCOUNTED INVESTMENTS

This item reflects the percentage held by the Group in companies in which the Group exercises significant influence.

As at December 31, 2015, this item included the company's share in Labuire Aménagement (a Lyon-based business that sells plots of land). As at December 31, 2015, the equity interest in Labuire Aménagement amounted to €3.6 million with share of net income of €0.06 million.

3.5.5.4. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax arises from temporary differences between the tax base of assets or liabilities and their carrying amounts. They particularly result from the fair value revaluation of investment buildings held by companies who did not opt for the SIIC regime or from the cost related to the adoption of this regime. Deferred tax assets are recognized in respect of tax loss carry-forwards if their future realization is likely.

As at December 31, 2015, no deferred tax assets and liabilities were booked.

In €'000	At 12/31/2014	Change result	Gap of conversion (foreign subsidiary)	At 12/31/2015
Effects of entry into the SIIC system	(2,122)	2,122		0
Fair value of investment properties				0
Other changes				0
Total deferred tax liabilities	**(2,122)**	**2,122**	**0**	**0**
Fair value of investment properties	365	(372)	7	0
Capitalization of tax losses				0
Other changes				0
Total deferred tax assets	**365**	**(372)**	**7**	**0**
TOTAL NET DEFERRED TAXES	**(1,757)**	**1,750**	**7**	**0**

Deferred tax asset and liabilities are offset within a single entity.

3.5.5.5. PROPERTIES FOR SALE

Movements on properties for sale are included in the overall statement of changes in property holdings (see Note 3.5.5.1.1).

The amount of properties held for sale breaks down as follows:

In €'000	12/31/2015	12/31/2014
Properties for sale (block basis)	17,594	9,818
Properties for sale (units basis)	524,899	159,263
TOTAL	**542,493**	**169,081**

3.5.5.6. ACCOUNTS AND NOTES RECEIVABLE

The breakdown of net receivables by sector is indicated in Note 3.5.8. At December 31, 2015, the amount of overdue trade receivables with no impairment was not material.

In €'000	12/31/2015	12/31/2014
Billed clients	**28,720**	**22,632**
Unbilled expenses payable	4,063	8,322
Balance of amortized rent – free periods and stepped rents (IAS 17)	60,443	64,722
TRADE RECEIVABLES (GROSS)	**93,226**	**95,676**
Impairment of receivables	(11,565)	(10,888)
TRADE RECEIVABLES (NET)	**81,661**	**84,788**

3.5.5.7. OTHER RECEIVABLES

In €'000	12/31/2015	12/31/2014
Value added tax[1]	76,824	25,782
Income tax	1,179	1,434
Bami Newco cash advances (fully depreciated)	12,623	12,628
Receivables on asset disposal	3,848	11,097
Other[2]	30,659	32,888
GROSS AMOUNTS	**125,133**	**83,829**
Impairment	(35,194)	(35,194)
NET AMOUNTS	**89,939**	**48,635**
(1) Of which VAT on the acquisitions of City 2 and Tour Van Gogh	*56,000*	
(2) Of which:		
External agents and managers	*2,420*	*1,369*
Advances on equity investments	*2,300*	*2,300*
Deposit payments for orders	*1,260*	*2,860*
Bami Guarantee (Eurohypo)	*20,140*	*20,140*

3.5.5.8. PREPAID CHARGES

In €'000	12/31/2015	12/31/2014
Loan application costs[1]	13,917	14,823
10 year warranty insurance	3,189	4,029
Other	3,295	3,780
NET VALUES	**20,401**	**22,632**

(1) Primarily including arrangement fees and mortgage costs.

3.5.5.9. CASH AND CASH EQUIVALENTS

In €'000	12/31/2015	12/31/2014
Money-market UCITS	6,187	3,510
Bank current accounts	140,150	9,745
CASH AND CASH EQUIVALENTS (GROSS)	**146,337**	**13,255**
Bank overdrafts	0	0
CASH AND CASH EQUIVALENTS (NET)	**146,337**	**13,255**

3.5.5.10. ASSETS CLASSIFIED AS HELD FOR SALE

In €'000	12/31/2015
Non-current assets	**3,926**
Financial fixed assets	3,926
Current assets	**1,305,513**
Properties for sale	1,300,225
Trade receivables	852
Other receivables	1,149
Prepaid expenses	3,249
Cash and marketable securities	38
TOTAL ASSETS	**1,309,439**

3.5.5.11. CONSOLIDATED SHAREHOLDERS' EQUITY

See the accounting statement preceding this note in Chapter 3, section 3 "Statement of changes in consolidated equity".

3.5.5.12. LOANS, DEBT AND FINANCIAL INSTRUMENTS

3.5.5.12.1. Borrowings and financial debt

Outstanding debt

In €'000	Outstanding debt 12/31/2015	Repayments < 1 year	Outstanding debt 12/31/2016	Repayments 1 to 5 years	Outstanding debt 12/31/2020	Repayments more than 5 years
Fixed-rate debt	**2,995,421**	**(566,044)**	**2,429,376**	**(646,387)**	**1,782,989**	**(1,782,989)**
Bonds	2,919,274	(499,856)	2,419,418	(646,387)	1,773,031	(1,773,031)
Other liabilities	9,958	0	9,958	0	9,958	(9,958)
Accrued interest	66,188	(66,188)	0	0	0	0
Floating-rate debt	**1,765,634**	**(788,530)**	**977,104**	**(603,614)**	**373,490**	**(373,490)**
Treasury notes	603,000	(603,000)	0	0	0	0
Floating-rate bonds	210,000	(100,000)	110,000	(110,000)	0	0
Floating-rate and variable-rate borrowing	801,045	(25,570)	775,475	(437,685)	337,790	(337,790)
Credit lines	48,450	(2,550)	45,900	(10,200)	35,700	(35,700)
Finance leases	103,139	(57,410)	45,729	(45,729)	0	0
Bank overdrafts	0	0	0	0	0	0
GROSS DEBT	**4,761,055**	**(1,354,574)**	**3,406,481**	**(1,250,001)**	**2,156,479**	**(2,156,479)**
Cash (floating rate)						
Open-end investment funds, deposits and income receivable	6,187	(6,187)	0	0	0	0
Current bank accounts	140,150	(140,150)	0	0	0	0
TOTAL CASH AND EQUIVALENTS	**146,337**	**(146,337)**	**0**	**0**	**0**	**0**
Net debt						
Fixed rate	2,995,421	(566,044)	2,429,376	(646,387)	1,782,989	(1,782,989)
Floating rate	1,619,297	(642,193)	977,104	(603,614)	373,490	(373,490)
TOTAL NET DEBT	**4,614,718**	**(1,208,237)**	**3,406,481**	**(1,250,001)**	**2,156,479**	**(2,156,479)**
Available credit lines	2,410,000	0	2,410,000	(1,790,000)	620,000	(620,000)
Future cash flows on debt	0	(87,769)	0	(266,643)	0	(97,661)

The interest that will be paid until maturity of the entire debt estimated on the basis of the interest rate curve at December 31, 2015, amounts to €462 million.

The breakdown of the €1.355 million repayment of gross debt within less than one year is as follows:

	1st quarter 2016	2nd quarter 2016	3rd quarter 2016	4th quarter 2016	Total
In €'000	978,573	280,873	63,883	31,246	1,354,574

The fair value of the gross debt used to calculate NAV was €4,977 million at December 31, 2015 (*i.e.*, €4,863 million of gross debt and €114 million corresponding to the fair value adjustment of fixed-rate debt).

Type of bonds

	EMTN	EMTN	EMTN	EMTN	EMTN	EMTN	EMTN	EMTN
Issue date	February 3, 2011	April 11, 2012	May 30, 2013	July 30, 2014	January 20, 2015	June 17, 2015	July 09, 2015	December 18, 2015
Issue amount (in € million)	500	650	300	500	500	500	100	110
Issue/conversion price	€99,348	€99,499	€98,646	€99,317	€99,256	€97,800	€100,000	€100,000
Redemption price	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000
Nominal rate	4.25%	4.75%	2.875%	1.75%	1.50%	2.00%	Euribor 3 mois + 0.18%	Euribor 3 mois + 0.30%
Maturity date	February 3, 2016	April 11, 2019	May 30, 2023	July 30, 2021	January 20, 2025	June 17, 2024	July 11, 2016	July 18, 2017

Covenants

The company's main credit facilities are accompanied by contractual clauses relating to compliance with certain financial ratios (calculated on consolidated figures), determining interest rates charged and early repayment clauses, the most restrictive of which are summarized below:

	Benchmark standard	Balance at 12/31/2015	Balance at 12/31/2014
Net debt/revalued block value of property holding (excluding duties)	Maximum 55%	36.4%	36.7%
EBITDA (excluding disposals)/net financial expenses	Minimum 2.0x	3.9x	3.2x
Outstanding secured debt/revalued block value of property holding (excluding duties)	Maximum 25%	7.7%	11.2%
Revalued block value of property holding (excluding duties, in € million)	Minimum 6,000/8,000	12,971	10,369

Change of control clauses

For bonds maturing in February 2016, April 2019, May 2023, July 2021, June 2024 and January 2025 a change of control leading to the downgrading of Gecina's credit rating to "Noninvestment grade", not raised to "Investment Grade" within 120 days, can lead to early repayment of the loan.

3.5.5.12.2. Financial instruments

The financial instruments (Level 2 instruments as defined by IFRS 7 and IFRS 13) held by the Group are hedging instruments. The financial instruments held by the Group are traded on the over-the-counter market and valued on the basis of valuation models using observable inputs.

Portfolio of derivatives

In €'000	Outstanding 12/31/2015	Maturity or effective date < 1 year	Outstanding 12/31/2016	Maturity or effective date 1 to 5 years	Outstanding 12/31/2020	Maturity or effective date More than 5 years
Portfolio of outstanding derivatives at December 31, 2015						
Fixed-rate receiver swaps	400,000	0	400,000	(400,000)	0	0
Fixed-rate payer swaps	390,000	0	390,000	0	390,000	(390,000)
Selling of puts and calls on fixed rate payer swaps	0	0	0	0	0	0
Purchasing of puts and calls on fixed rate receiver swaps	0	0	0	0	0	0
Caps purchases	625,000	0	625,000	(625,000)	0	0
Caps sales	0	0	0	0	0	0
Floors sales	0	0	0	0	0	0
TOTAL	**1,415,000**	**0**	**1,415,000**	**(1,025,000)**	**390,000**	**(390,000)**
Future interest cash flows on derivatives	0	(973)	0	(25,675)	0	(1,937)

Gross debt hedging

In €'000	12/31/2015
Fixed-rate gross debt	**2,995,421**
Fixed-rate debt converted to floating rate	(400,000)
Residual debt at fixed rate	**2,595,421**
Gross debt at floating rate	**1,765,634**
Fixed-rate debt converted to floating rate	400,000
Gross debt at floating rate after conversion of debt to floating rate	**2,165,634**
Fixed-rate payer swaps and activated caps/floors	(390,000)
Unhedged gross debt at floating rate	**1,775,634**
Caps purchases	(625,000)
Caps sales	0
Floating rate debt	**1,150,634**

The fair value of hedging instruments, as recorded on the balance sheet, breaks down as follows:

In €'000	12/31/2014	Acquisitions	Disposals	Transfer between items	Change in value	IFRS 5 Impact	12/31/2015
Non-current assets	11,038	0	0	0	(1,789)	0	9,249
Current assets	6	0	0	0	(6)	0	0
Non-current liabilities	(84,646)	0	37,112	796	11,538	0	(35,200)
Current liabilities	(11)	0	0	(796)	11	796	0
TOTAL	**(73,613)**	**0**	**37,112**	**0**	**9,754**	**796**	**(25,951)**

Financial instruments (current and non-current) have fallen by €47 million. This drop can be explained by:

- the restructuring of financial instruments for €37 million;
- the €10 million increase in value linked to the change in rates in 2015 and pro rata.

3.5.5.13. PROVISIONS

In €'000	12/31/2014	Allocations	Write backs	Utilizations	Reclassification	12/31/2015
Tax reassessments	975	1,165	0	0	0	2,141
Employee benefit commitments	12,866	429	(236)	0	0	13,058
Spain commitments	5,940	0	0	0	0	5,940
Other disputes	7,045	1,166	(1,296)	(496)	0	6,420
TOTAL	**26,827**	**2,760**	**(1,532)**	**(496)**	**0**	**27,559**

Some companies within the consolidation have been the subject of tax audits leading to notifications of tax reassessments, the majority of which are contested. In particular, some tax reassessments were notified after accounting review in respect of 2012 and 2013 fiscal years, essentially. These tax reassessments for a total amount of €86 million are contested by the company and are essentially not accrued as aprovision.

At December 31, 2015, the total amount accrued as a provision for the fiscal risk is €2 million, based on the assessments of the company and its advisers.

The Group has also, directly or indirectly, been the subject of liability actions and court proceedings instigated by third parties. Based on the assessments of the company and its advisers, there is no risk that is not accrued, which would be likely to significantly impact the company's earnings or financial situation.

Furthermore, the company has several ongoing litigations with the French tax administration, which could result today, in the reimbursement of a maximum amount of nearly €30 million. This amount is related to the corporate income tax paid in 2003 when several Group companies opted for the SIIC tax regime. These amounts, which could be recovered at various dates in light of the various ongoing proceedings, were expensed at the time of payment and therefore no longer appear on the company's balance sheet.

Employee benefit commitments (€13.1 million) concern supplementary pensions, lump-sum retirement benefits, and anniversary premiums. They are valued by independent experts.

Commitments made in Spain (€5.9 million) primarily concern:

- guarantees granted by SIF Espagne then represented by Mr. Joaquin Rivero, on November 13, 2009, concerning Bami Newco's repayment of credit facilities granted to it until November 13, 2019 by Banco Popular for principal amounts of €3.3 million and €1.5 million respectively. As at December 31, 2015, provisions had been fully accrued for the full amount of these guarantees, i.e. €4.8 million. The resulting contingent receivable was reported under the bankruptcy proceedings of Bami Newco. In June 2014, Banco Popular called in one of its two guarantees and claimed the payment of €3 million from SIF Espagne. The company studied and analyzed this file and considers that it is not currently required to make this payment.
- considering SIF Espagne's decision in 2012 not to erect a buildingon one of its proprietary plots located in Madrid, a provision of €1.1 million was maintained at December 31, 2015. This provision covers the possible implementation of a guarantee of an equivalent amount that SIF Espagne granted to the City of Madrid when it bought the land and promised to erect a building.

Furthermore a joint bond of €5 million involving SIF Espagne, granted to FCC Construcción for the development by Bami Newco of a corporate office in Madrid on behalf of FCC Construcción. The latter went to a Spanish court to demand the payment of this bond. On September 12, 2014, the Madrid Appeal Court sentenced Bami Newco and its guarantors (SIF Espagne and Inmopark 92 Alicante) to pay, jointly and severally, to FCC Construcción, the sum of €5 million in principal, in addition to interests on arrears as well as the trial expenses. In November 2014, FCC Construcción requested the execution of the aforesaid order against SIF Espagne, which made the corresponding payment. Bami Newco and SIF Espagne are appealing the merits of the case. The proceedings are ongoing. The corresponding provision of €5 million has been written back in the accounts of SIF Espagne and a debt has been recognized to Bami Newco and Inmopark 92 Alicante, on the assets side of the balance sheet, immediately written down for impairment due to the financial position of these two companies and their ongoing bankruptcy proceedings.The ensuing statements of claims were confirmed in the bankruptcy proceedings of Bami Newco and Inmopark 92 Alicante.

In December 2014, the Spanish court declared the commencement of receivership proceedings for Bami Newco. Gecina and SIF Espagne are challenging the conditions for commencing this liquidation phase. Following a claim filed by a Bami Newco senior creditor, the Spanish Bankruptcy judge authorized in June 2015, a procedure to sell off the property assets of Bami Newco. In spite of the various petitions filed by some creditors, including Gecina and SIF Espagne, the Spanish Bankruptcy judge has, through a firm and final order at the end of July 2015, authorized the sale of the property assets to the Bami Newco senior creditor.

In November 2015, the liquidation plan was addressed to the parties. This plan shows a liability significantly higher than the remaining assets of Bami Newco, thereby confirming that it is unlikely for Gecina and SIF Espagne to recover their receivables, considered as subordinated debt.

Gecina and SIF Espagne continue, however, to uphold their rights and defend their interests in this procedure.

3.5.5.14. PENSIONS AND OTHER EMPLOYEE BENEFITS

The amounts reported in the balance sheet as at December 31, 2015 are as follows:

In €'000	12/31/2015	12/31/2014
Discounted value of the liability	16,246	16,563
Fair value of hedging assets	(3,188)	(3,697)
Discounted net value of the liability	**13,058**	**12,866**
Non-recognized profits (losses)	0	0
Non-recognized costs of past services	0	0
NET LIABILITY ON THE BALANCE SHEET	**13,058**	**12,866**

The net commitment recorded in non-recurring provisions amounted to €13.1 million after taking into account hedging assets estimated at €3.2 million at December 31, 2015.

Actuarial variance for the period amounted to €0.2 million recorded directly in shareholders' equity.

Change of bond

In €'000	12/31/2015	12/31/2014
Discounted net value of bond at beginning of period	**12,866**	**12,475**
Breakdown of expense		
Cost of services rendered during the year	731	695
Net interest	171	306
Actuarial losses and gains	0	154
Expense reorganized under payroll expense	**902**	**1,155**
Effects of any change or liquidation of the plan	0	3
Benefits paid (net)	(171)	(685)
Contributions paid	(380)	(2,209)
Actuarial losses and gains not written to income	(159)	2,127
DISCOUNTED NET VALUE OF BOND AT END OF PERIOD	**13,058**	**12,866**

Below are the main actuarial hypotheses used to calculate Group commitments.

	12/31/2015	12/31/2014
Expected yield rate of hedging assets	3.00%	2.75%
Wage increase rate (net of inflation)	0.50%	0.50%
Discount rate	0.00% - 2.00%	0.25% - 1.75%
Inflation rate	2.00%	2.00%

3.5.5.15. TRADE PAYABLES

Fixed asset trade payables make up the bulk of the balance and relate to debt from the company's projects under development.

In €'000	12/31/2015	12/31/2014
Trade payables	1,779	5,563
Trade payables (invoices not received)	21,589	17,654
Fixed asset trade payables[(1)]	309,393	39,131
Fixed asset trade payables (invoices not received)[(1)]	41,853	47,206
TRADE PAYABLES	**374,614**	**109,554**
(1) Of which:		
Acquisition of City 2	*225,390*	
Acquisition of Van Gogh	*84,528*	

3.5.5.16. TAX AND SOCIAL SECURITY PAYABLES

In €'000	12/31/2015	12/31/2014
Social security liabilities (short term)	22,584	22,884
Other tax liabilities (representing VAT payable and local taxes)	14,951	14,963
TAX AND SOCIAL SECURITY PAYABLES	**37,535**	**37,847**
of which non-current liabilities	*0*	*0*
of which current liabilities	*37,535*	*37,847*

3.5.5.17. OTHER PAYABLES

In €'000	12/31/2015	12/31/2014
Client credit balances	65,272	33,763
Other payables	12,066	16,153
Deferred income	3,622	3,108
OTHER PAYABLES	**80,960**	**53,023**

3.5.5.18. ASSETS CLASSIFIED AS HELD FOR SALE

In €'000	12/31/2015
Non-current payables and debt	**94,939**
Financial payables and debt	94,939
Current payables and debt	**19,033**
Share short-term of financial debt	7,678
Financial instruments	796
Security deposits	1,015
Trade payables	8,959
Tax and social security payables and debt	314
Other debts	271
TOTAL LIABILITIES	**113,972**

3.5.5.19. OFF BALANCE SHEET COMMITMENTS

In €'000	12/31/2015	12/31/2014
Commitments given		
Off balance sheet commitments given linked to operating activities		
Deposits and guarantees (in favor of subsidiaries and equity investments)	1,020	0
Asset-backed liabilities(1)	862,506	1,011,257
Works amount to be invested (including sales of property for future completion)	300,411	217,397
Preliminary sale agreements for properties	55,181	24,414
Other(2)	17,987	13,129
TOTAL COMMITMENTS GIVEN	**1,237,105**	**1,266,197**
Commitments received		
Off balance sheet commitments received linked to financing		
Unused lines of credit	2,410,000	2,090,000
Off balance sheet commitments received linked to operating activities		
Preliminary sale agreements for properties	19,331	2,200
Mortgage-backed receivables	480	4,950
Financial guarantees for management and transactions activities	2,160	2,510
Other(3)	1,249,904	13,011
TOTAL COMMITMENTS RECEIVED	**3,681,875**	**2,112,671**

(1) List of main mortgaged properties: 148 and 152 rue de Lourmel (75015 Paris); 4-16 avenue Léon Gaumont (93105 Montreuil); Zac Charles de Gaulle (92700 Colombes); 418-432 rue Estienne d'Orves and 25-27 and 33 rue de Metz (92700 Colombes); 10/12 place Vendôme (75002 Paris); 9 to 11 bis avenue Matignon, 2 rue de Ponthieu, 12 to 14 rue Jean Mermoz, 15 avenue Matignon (75008 Paris); 37 rue du Louvre, 25 rue d'Aboukir (75002 Paris); ZAC Danton, 34 avenue Léonard de Vinci (92400 Courbevoie); 101 avenue des Champs-Élysées (75008 Paris); 505 rue Iréne Joliot Curie (76600 Le Havre)
Mortgages related to six nursing homes in Paris an in the Paris region
(2) Of which €10 million for liability guarantee granted in the GEC 4 subsidiary's equities disposal (logistics division).
(3) Of which €1.24 billion guarantee received as part of acquisition ADD and AGA equities.

During the course of its normal business operations, Gecina made certain commitments to be fulfilled within a maximum of ten years, and which do not appear in the table of commitments given because their cost is not yet known. Based on the assessments of the Group and its advisers, there are currently no commitments likely to be called and which would materially impact Gecina's earnings or financial position.

The outstanding amounts for future development costs (including sales of property for future completion) correspond to reciprocal guarantees with the developer who undertakes to complete the works.

Employees' entitlement to training (*droit individuel à la formation* – DIF) was replaced by the employees' personal training account (*compte personnel de formation* – CPF) on January 1, 2015. The group no longer has any commitment in this respect.

3.5.5.20. RECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

In €'000	Assets/ liabilities valued at fair value through the income statement	Assets/ liabilities held to maturity	Assets available for sale	Loans and receivables	Liabilities at amortized cost	Historic cost	Fair value through shareholders' equity	Total	Fair value
Financial fixed assets[1]	0	2,325	0	480	0	80	0	2,885	2,885
Equity-accounted investments	0	0	0	0	0	3,573	0	3,573	3,573
Cash and cash equivalents	146,337	0	0	0	0	0	0	146,337	146,337
Current and non-current derivatives[2]	9,249	0	0	0	0	0	0	9,249	9,249
Other assets[1]	0	0	0	0	0	171,600	0	171,600	171,600
TOTAL FINANCIAL ASSETS	**155,586**	**2,325**	**0**	**480**	**0**	**175,254**	**0**	**333,645**	**333,645**
Non-current financial debts	0	987,063	0	0	2,419,418	0	0	3,406,481	3,406,481
Current and non-current derivatives[2]	35,200	0	0	0	0	0	0	35,200	35,200
Current financial debts	0	854,718	0	0	499,856	0	0	1,354,574	1,354,574
Other liabilities[1]	0	0	0	0	0	542,684	0	542,684	542,684
TOTAL FINANCIAL LIABILITIES	**35,200**	**1,841,781**	**0**	**0**	**2,919,274**	**542,684**	**0**	**5,338,939**	**5,338,939**

(1) Due to the short term nature of these receivables and debts, the book value represents a good estimate of fair value, as the discount effect is immaterial.
(2) According to IFRS 7 and IFRS 13, the fair value of derivatives is level 2 which means that the valuation is based on published market data.

3.5.6. NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

3.5.6.1. GROSS RENTAL INCOME

In its revenues, Gecina distinguishes rental income by type of lease while the analysis by sector (Note 3.5.8) is based on the Group's internal management.

Minimum future rents receivable until the next possible termination date under the operating leases of commercial and healthcare properties are as follows:

In €'000	12/31/2015	Proforma 12/31/2014	12/31/2014 Published
Less than 1 year	320,965	339,265	412,893
1 to 5 years	565,640	793,151	1,090,937
Over 5 years	90,061	482,461	569,062
TOTAL	**976,666**	**1,614,877**	**2,072,891**

3.5.6.2. DIRECT OPERATING EXPENSES

These are composed of:

- rental charges that are payable by the owner, charges related to construction work, cost of disputes and property management fees;
- the portion of rechargeable rental charges by nature, which remains at the Group's expense, mainly on vacant premises;
- rental risk comprising net impairments plus the amount of losses and profits on unrecoverable debts for the period.

The cost of rental risk, which has been included in property expenses, amounted to €0.9 million for the period ended December 31, 2015 *versus* €0.8 million in 2014.

Recharges to tenants consist of rental income from recharging tenants for costs payable by them.

In €'000	12/31/2015	12/31/2014	12/31/2014 Published
Other external expenses	(79,080)	(80,437)	(82,531)
Taxes and other payables	(49,880)	(46,976)	(53,191)
Salaries and fringe benefits	(5,089)	(6,050)	(6,050)
Other expenses	(1,017)	(933)	(933)
Property expenses	**(135,066)**	**(134,396)**	**(142,705)**
Rental expenses to be regularized	4,702	6,739	6,739
Vacant premises' expenses	(5,685)	(4,852)	(4,871)
Miscellaneous recovery	25,097	25,347	31,655
Provisions on costs	63,059	61,015	62,460
Recharges to tenants	**87,173**	**88,249**	**95,983**
NET DIRECT OPERATING EXPENSES	**(47,893)**	**(46,147)**	**(46,722)**

3.5.6.3. SERVICES AND OTHER INCOME (NET)

These largely comprise the following items:

In €'000	12/31/2015	12/31/2014	12/31/2014 Published
Income from service activities	5,994	5,865	5,865
Reversals of investment subsidies	169	144	144
Other	1,836	1,866	2,914
TOTAL GROSS	**7,999**	**7,875**	**8,923**
Expenses	(407)	(486)	(486)
TOTAL NET	**7,592**	**7,389**	**8,437**

3.5.6.4. OVERHEADS

Overheads break down as follows:

In €'000	12/31/2015	12/31/2014	12/31/2014 Published
Salaries and fringe benefits	(47,373)	(47,825)	(47,825)
Internal costs	6,002	4,248	4,248
Share-based payments (IFRS 2)	(2,267)	(2,925)	(2,925)
Net management costs	(17,526)	(17,360)	(18,619)
TOTAL	**(61,164)**	**(63,862)**	**(65,121)**

Payroll costs relate to the company's administrative staff, since the salaries of building staff are included in rental margins.

Depending on their nature, a portion of payroll costs has been reclassified to the income statement or balance sheet where appropriate for a total amount of €6 million at December 31, 2015. Payroll costs attributable to disposals are recorded under gains or losses on disposal. Those attributable to projects under development and marketing actions are recognized as fixed assets. Lastly, payroll costs attributable to ongoing studies are booked as prepaid expenses.

Share-based payments concern stock options for new or existing shares and performance shares (cf. Note 3.5.9.5) and are booked in accordance with IFRS 2 (cf. Note 3.5.3.7).

Management costs primarily include fees paid by the company and head office operating costs (computer maintenance, insurance, advertising, etc.).

3.5.6.5. GAINS OR LOSSES ON DISPOSALS

Disposals represented:

In €'000	12/31/2015	12/31/2014	12/31/2014 Published
Block sales	407,026	699,700	705,627
Units sales	125,467	79,665	79,665
Proceeds from disposals	**532,494**	**779,366**	**785,293**
Block sales	(324,484)	(678,191)	(683,741)
Units sales	(97,185)	(60,010)	(60,010)
Net book value	**(421,669)**	**(738,201)**	**(743,751)**
Block sales	(12,039)	(21,576)	(21,929)
Units sales	(7,756)	(5,582)	(5,582)
Cost of sales	**(19,795)**	**(27,158)**	**(27,511)**
Block sales	70,503	(66)	(42)
Units sales	20,526	14,073	14,073
CAPITAL GAINS ON DISPOSAL	**91,029**	**14,007**	**14,031**

Payroll costs directly attributable to disposals and to a lesser extent management costs recorded under "Gains or losses on disposal" for the year ending December 31, 2015 amounted to €1.9 million *versus* €2.1 million in 2014.

3.5.6.6. CHANGE IN VALUE OF PROPERTIES

Changes in the fair value of property holdings break down as follows:

In € million	12/31/2014	12/31/2015	Change	%
Offices	5,869	6,713	844.4	14.4%
Residential	2,060	2,068	8.3	0.4%
Investment properties	**7,929**	**8,781**	**852.6**	**10.8%**
Change in value of projects delivered and acquisitions			113.7	
Change in value of projects in progress			138.6	
Change in value of assets held for sale			12.1	
Change in value			**1,117.0**	
Capitalized works on investments properties			(46.8)	
Capitalized salaries and fringe benefits on investments properties			(1.0)	
Acquisition costs, translation differentials and other			(0.8)	
CHANGE IN VALUE RECORDED IN INCOME STATEMENT AS AT DECEMBER 31, 2015			**1,068.4**	

Pursuant to IFRS 13 (see Note 3.5.3.1.2.), the tables below break down, by activity sector, ranges of the main unobservable inputs (level 3) used by property appraisers:

Offices	Yield rate	Discount Rate (DCF method)	Rental market value In €/sq.m
Paris CBD	3.00% - 5.50%	3.50% - 6.25%	390 - 780 €/sq.m
Paris excl. CBD	4.00% - 7.50%	4.50% - 8.50%	290 - 480 €/sq.m
Paris	**3.00% - 7.50%**	**3.50% - 8.50%**	**290 - 780 €/sq.m**
1st rim	4.00% - 7.25%	5.00% - 7.75%	240 - 550 €/sq.m
2nd rim	7.00% - 10.25%	8.00% - 10.25%	60 - 200 €/sq.m
Paris Region	**4.00% - 10.25%**	**5.00% - 10.25%**	**60 - 550 €/sq.m**
Rest of France	6.15% - 6.15%	6.00% - 6.00%	260 - 260 €/sq.m
OFFICES	**3.00% - 10.25%**	**3.50% - 10.25%**	**60 - 780 €/sq.m**

Residential	Units sales price In €/sq.m	Yield rate
Paris	5,530 - 9,290 €/sq.m	3.90% - 4.75%
1st rim	3,540 - 5,610 €/sq.m	4.65% - 5.65%
RESIDENTIAL	**3,540 - 9,290 €/sq.m**	**3.90% - 5.65%**

An unfavorable situation on the real estate market could have a negative impact on the valuation of Gecina's property portfolio as well as its operating income. For instance, a downturn on the real estate market, resulting in an increase of 50 basis points (0.5%) in capitalization rates, could bring about a decrease of around 8.8% of the appraised value of Gecina's property holdings (on the assumption that such a downturn would affect all of the different segments of Gecina's real estate business), representing roughly €1,019 million based on the block valuation of appraised assets as at December 31, 2015, and would have a similar unfavorable impact on Gecina's consolidated earnings.

Sensitivity to changes in the capitalization rate

Sector	Change in capitalization ratede capitalisation	Valuation of assets (in €m)	Variation of assets (in %)	Impact on consolidated income (in €m)
All sectors	**0.50%**	**10,540**	**-8.8%**	**(1,019)**
Offices	0.50%	8,115	-8.7%	(779)
Residential	0.50%	2,425	9.1%	(240)

3.5.6.7. NET FINANCIAL EXPENSES

Net financial expenses specifically include (i) interest, coupons or dividends, received or paid, to be received or to be paid, on financial assets and liabilities including hedge financial instruments; (ii) net gains and losses on assets held for trading (UCITS and other shares held for the short term) and (iii) straight line depreciation of premiums on option and periodic premiums on option; (iv) the straight line depreciation of the cost of arranging these loans and credit lines.

In €'000	12/31/2015	Proforma 12/31/2014	12/31/2014 Published
Interests and expenses on bank loans	(29,047)	(35,863)	(38,463)
Interests and expenses on bond borrowings	(87,005)	(91,585)	(91,585)
Interests on finance leases	(851)	(1,293)	(2,092)
Interest expenses on hedge instruments	(6,503)	(20,187)	(20,187)
Other financial costs	(49)	(482)	(472)
Losses from translation differentials	(142)	(16)	(16)
Capitalized interests on projects under development	4,717	2,754	4,469
Financial costs	**(118,879)**	**(146,671)**	**(148,345)**
Interest income on hedging instruments	22	579	579
Other financial income	565	511	1,163
Gains from translation differentials	78	49	49
Financial income	**664**	**1,139**	**1,791**
NET FINANCIAL EXPENSES	**(118,215)**	**(145,532)**	**(146,554)**

The average cost of the drawn debt amounted to 2.2% in 2015.

3.5.6.8. CHANGE IN VALUE OF DERIVATIVES AND DEBTS

Based on the existing portfolio of hedges and taking account of the contractual conditions at December 31, 2015 and anticipated debt in 2016, a 0.5% increase in the interest rate would generate an additional expense in 2016 of €8.6 million. An interest rate cut of 0.5% would lead to a drop in financial expenses in 2016 of €8.6 million.

Financial instruments (current and non-current) have fallen by €48 million.

Based on the portfolio at December 31, 2015, the fair value change of the derivatives portfolio, as a result of a 0.5% increase in the interest rate, would generate an additional +€12 million in income. A 0.5% interest rate cut would lead to a fair value decrease of income -€16 million recorded in income.

The Group holds all financial instruments to hedge its debt. None of them is held for speculative purposes.

3.5.6.9. TAXES

In €'000	12/31/2015	12/31/2014	12/31/2014 Published
Corporate income tax	0	(7)	(7)
Additional contribution to corporate income tax	(619)	(604)	(604)
CVAE	(2,512)	(2,580)	(2,848)
Tax credits	0	197	197
Recurring taxes	**(3,131)**	**(2,994)**	**(3,262)**
Exit tax	0	(2,742)	(2,742)
Non-recurring taxes	(182)	(46)	(61)
Tax credits	0	291	291
Deferred taxes	1,750	3,430	3,430
TOTAL	**(1,564)**	**(2,061)**	**(2,343)**

The French 2010 Finance law voted on December 30, 2009 canceled the French business tax as from 2010 and replaced it with a territorial economic levy (*Contribution Économique Territoriale* – CET) which comprises two new levies: the business real estate tax (*Cotisation Foncière des Entreprises* – CFE) based on the real estate rental value of the business tax and the tax on wealth generated by businesses (*Cotisation sur la Valeur Ajoutée des Entreprises* – CVAE), based on the wealth generated according to the annual financial statements. The Group recognizes CFE (mainly pertaining to head office) in operating charges. Concerning CVAE, the Group is considering it as income tax. Deferred tax was not material on the balance sheet date.

In €'000	12/31/2015	12/31/2014	12/31/2014 Published
Consolidated net income	1,365,777	217,392	280,930
Tax (incl. CVAE)	1,564	2,061	2,343
CVAE	(2,512)	(2,580)	(2,848)
Consolidated net income, before tax excl. CVAE	**1,364,830**	**216,873**	**280,425**
Theoretical tax rate	**38.00%**	**38.00%**	**38.00%**
Theoretical tax in value	**518,635**	**82,412**	**106,562**
Impact of tax rate differences between France and other countries	0	(30)	(30)
Impact of permanent and timing differences	(3,456)	(550)	(535)
Companies accounted for by the equity method	(21)	(44)	(44)
Impact of the SIIC regime	(516,106)	(82,312)	(106,457)
CVAE	2,512	2,580	2,848
TOTAL	**(517,071)**	**(80,356)**	**(104,218)**
Effective tax charge per income statement	1,564	2,056	2,343
Effective tax rate	**0.11%**	**0.95%**	**0.84%**

The theoretical tax rate of 38% corresponds to the ordinary law rate of 33.3% and to the corporate income tax social contribution of 3.3% and the exceptional contribution on corporate tax of 10.7% (rate for fiscal year 2015).

3.5.6.10. NET INCOME FROM DISCONTINUED ACTIVITIES

In €'000	12/31/2015	12/31/2014
Gross rental income	76,415	73,417
Property expenses	(8,838)	(8,309)
Recharges to tenants	8,350	7,734
Net rental income	**75,927**	**72,842**
Services and other income (net)	676	1,048
Overheads	(965)	(1,259)
EBITDA	**75,638**	**72,631**
Gains or losses on disposals	(3)	24
Change in value of properties	170,355	(7,264)
Operating income	**245,990**	**65,391**
Net financial expenses	(1,597)	(1,022)
Change in value of financial instruments and debt	(549)	(549)
Pre-tax income	**243,844**	**63,820**
Tax	(359)	(282)
CONSOLIDATED NET INCOME	**243,485**	**63,538**

3.5.6.11. EARNINGS PER SHARE

Earnings per share are calculated by dividing net income attributable to shareholders by the weighted average number of ordinary shares in circulation during the year. Diluted earnings per share are calculated by dividing net income for the year attributable to shareholders by the average weighted number of shares outstanding during the year, adjusted for the impact of equity instruments to be issued when the issue conditions are met and the dilutive effect of the benefits granted to employees through the allocation of stock options and performance shares.

	12/31/2015	12/31/2014
Net income linked to owners of the parent (in €'000)	1,609,262	281,351
Weighted average number of shares before dilution	62,216,325	61,260,603
Undiluted earnings per share, linked to owners of the parent (in €)	**25.87**	**4.59**
Earnings per share, after effect of dilutive securities, linked to owners of the parent (in €'000)	1,610,775	282,736
Weighted average number of shares after dilution	62,903,942	61,910,045
Diluted earnings per share, linked to owners of the parent (in €)	**25.61**	**4.57**

	12/31/2015	12/31/2014
Net income linked to owners of the parent before dilution (in €'000)	1,609,262	281,351
Impact of dilution on net income (securities allocations effect)	1,513	1,385
Net income linked to owners of the parent, after effect of dilutive securities (in €'000)	**1,610,775**	**282,736**
Weighted average number of shares before dilution	62,216,325	61,260,603
Impact of dilution on weighted number of shares	687,617	649,442
Weighted average number of shares after dilution	**62,903,942**	**61,910,045**

3.5.7. NOTES TO THE STATEMENT OF CONSOLIDATED CASH FLOWS

3.5.7.1. ACQUISITIONS AND DISPOSALS OF CONSOLIDATED SUBSIDIARIES

In €'000	12/31/2015	12/31/2014
Equities price acquisition	590,032	0
Acquired cash	(6,973)	0
Net acquisitions acquired cash	**583,059**	**0**
Equities sale price net	0	0
Transferred cash	0	0
Net disposals transferred cash	**0**	**0**
Incidence of scope variation	**583,059**	**0**

3.5.7.2. PROCEEDS FROM THE DISPOSALS OF TANGIBLE AND INTANGIBLE FIXED ASSETS

In €'000	12/31/2015	12/31/2014	12/31/2014 Published
Block sales	408,136	705,627	705,627
Units sales	125,467	79,665	79,665
Proceeds from disposals	**533,604**	**785,293**	**785,293**
Block sales	(12,041)	(21,929)	(21,929)
Units sales	(7,756)	(5,582)	(5,582)
Cost of sales	**(19,797)**	**(27,511)**	**(27,511)**
Impacts of the application of IFRS 5	(1,108)	(5,574)	0
CASH IN LINKED TO DISPOSALS	**512,698**	**752,208**	**757,782**

3.5.7.3. DISTRIBUTION TO EQUITY HOLDERS OF THE PARENT

For 2014, the Group distributed a dividend per share of €4.65 for a total amount of €290.4 million paid out on April 30, 2015 (for 2013 a dividend per share of €4.60 for a total amount of €280.7 million had been paid on April 30, 2014).

3.5.7.4. CLOSING CASH AND CASH EQUIVALENTS

In €'000	12/31/2015	12/31/2014	12/31/2014 Published
Money-market UCITS	6,187	3,510	3,510
Cash and cash equivalents	140,188	9,745	9,745
CLOSING CASH AND CASH EQUIVALENTS	**146,375**	**13,255**	**13,255**

3.5.8. SEGMENT REPORTING

The Group only operates in France (except for minimal operations in other European countries). It is structured into various business lines, as follows.

Income statement for business lines at December 31, 2015

In €'000	Offices	Residential	Student residences	Services	Total continued operations	Discontinued operations	Segments total
Operating income							
Rental revenues on offices properties	359,850	8,753	0	0	368,603	0	368,603
Rental revenues on residential properties	4,379	112,526	0	0	116,905	0	116,905
Rental revenues on healthcare properties	0	0	0	0	0	76,415	76,415
Rental revenues on logistics properties	717	0	0	0	717	0	717
Rental revenues on students residences	0	0	11,953	0	11,953	0	11,953
Turnover: gross rental income	**364,946**	**121,279**	**11,953**	**0**	**498,178**	**76,415**	**574,593**
Expenses not billed to tenants	22,655	21,959	3,280	0	47,893	488	48,381
Net rental income	**342,291**	**99,320**	**8,673**	**0**	**450,285**	**75,927**	**526,212**
Margin on rents	**93.79%**	**81.89%**	**72.56%**		**90.39%**	**99.36%**	**91.58%**
Services and other income (net)	1,377	188	440	5,588	7,592	676	8,268
Salaries and fringe benefits					(43,638)	0	(43,638)
Net management costs					(17,526)	(965)	(18,491)
EBITDA					**396,713**	**75,638**	**472,351**
Net gains on disposals of properties	69,721	21,483	(175)	0	91,029	(3)	91,026
Change in value of properties	1,074,348	(15,418)	9,427	0	1,068,358	170,355	1,238,713
Amortization					(5,000)	0	(5,000)
Net impairments					(540)	0	(540)
Operating income					**1,550,560**	**245,990**	**1,796,550**
Net financial expenses					(118,215)	(1,597)	(119,812)
Financial provisions and amortization					(4,470)	0	(4,470)
Change in value of derivatives					(51,061)	(549)	(51,610)
Net income from equity-accounted investments					55	0	55
Pre-tax income					**1,376,869**	**243,844**	**1,620,713**
Tax					(1,564)	(359)	(1,923)
Consolidated net income linked to non-controlling interests					(9,528)		(9,528)
Consolidated net income linked to owners of the parent					**1,365,777**	**243,485**	**1,609,262**
Assets and liabilities by segments as at December 31, 2015							
Property holdings (except headquarters)	8,830,432	2,436,530	230,414	0	11,497,377	1,300,225	12,797,602
- of which acquisitions	1,552,903	0	0	0	1,552,903	0	1,552,903
- of which properties for sale	15,394	527,099	0	0	542,493	1,300,225	1,842,718
Amounts due from tenants	80,144	12,160	748	175	93,227	852	94,078
Impairments of tenants' receivables	(4,575)	(6,671)	(319)	0	(11,565)	0	(11,565)
Security deposits received from tenants	40,656	11,067	2,540	0	54,263	1,015	55,277

Income statement for business lines at December 31, 2014 – Proforma

In €'000	Offices	Residential	Student residences	Services	Total continued operations	Discontinued operations	Segments total
Operating income							
Rental revenues on offices properties	354,799	10,082	0	0	364,881	0	364,881
Rental revenues on residential properties	6,805	116,040	0	0	122,844	0	122,844
Rental revenues on healthcare properties	0	0	0	0	0	73,417	73,417
Rental revenues on logistics properties	716	0	0	0	716	0	716
Rental revenues on students residences	0	0	9,132	0	9,132	0	9,132
Turnover: gross rental income	**362,320**	**126,121**	**9,132**	**0**	**497,573**	**73,417**	**570,989**
Expenses not billed to tenants	23,205	20,533	2,409	0	46,147	575	46,722
Net rental income	**339,114**	**105,588**	**6,723**	**0**	**451,426**	**72,842**	**524,267**
Margin on rents	**93.60%**	**83.72%**	**73.62%**		**90.73%**	**99.22%**	**91.82%**
Services and other income (net)	1,197	230	583	5,379	7,388	1,048	8,437
Salaries and fringe benefits					(46,502)	0	(46,502)
Net management costs					(17,360)	(1,259)	(18,619)
EBITDA					**394,952**	**72,631**	**467,583**
Net gains on disposals of properties	(86)	14,093	0	0	14,007	24	14,031
Change in value of properties	66,503	(37,741)	(431)	0	28,330	(7,264)	21,066
Amortization					(5,323)	0	(5,323)
Net impairments					677	0	677
Operating income					**432,643**	**65,391**	**498,034**
Net financial expenses					(145,532)	(1,022)	(146,554)
Financial provisions and amortization					0	0	0
Change in value of derivatives					(67,773)	(549)	(68,322)
Net income from equity-accounted investments					115	0	115
Pre-tax income					**219,453**	**63,820**	**283,273**
Tax					(2,061)	(282)	(2,343)
Consolidated net income linked to non-controlling interests					420		420
Consolidated net income linked to owners of the parent					**217,812**	**63,538**	**281,351**
Assets and liabilities by segments as at December 31, 2014							
Property holdings (except headquarters)	6,423,271	2,553,530	196,202	0	9,173,003	1,105,745	10,278,748
- of which acquisitions	135,403	0	1,237	0	136,640	0	136,640
- of which properties for sale	7,618	161,463	0	0	169,081	0	169,081
Amounts due from tenants	81,560	12,114	549	332	94,555	1,121	95,676
Impairments of tenants' receivables	(3,646)	(7,041)	(201)	0	(10,888)	0	(10,888)
Security deposits received from tenants	43,405	12,259	1,154	0	56,817	1,735	58,552

Income statement for business lines at December 31, 2014 - Published

In €'000	Offices	Residential	Healthcare	Student residences	Services	Segments total
Operating income						
Rental revenues on offices properties	354,799	10,082	0	0		364,881
Rental revenues on residential properties	6,805	116,040	0	0		122,844
Rental revenues on healthcare properties	0	0	73,417	0		73,417
Rental revenues on logistics properties	716	0	0	0		716
Rental revenues on students residences	0	0	0	9,132		9,132
Turnover: gross rental income	**362,320**	**126,121**	**73,417**	**9,132**	**0**	**570,989**
Expenses not billed to tenants	23,205	20,533	575	2,409		46,722
Net rental income	**339,114**	**105,588**	**72,842**	**6,723**	**0**	**524,267**
Margin on rents	**93.60%**	**83.72%**	**99.22%**	**73.62%**		**91.82%**
Services and other income (net)	1,197	230	1,048	583	5,379	8,437
Salaries and fringe benefits						(46,502)
Net management costs						(18,619)
EBITDA						**467,583**
Net gains on disposals of properties	(86)	14,093	24	0	0	14,031
Change in value of properties	66,503	(37,741)	(7,264)	(431)	0	21,066
Amortization						(5,323)
Net impairments						677
Operating income						**498,034**
Net financial expenses						(146,554)
Financial provisions and amortization						0
Change in value of derivatives						(68,322)
Net income from equity-accounted investments						115
Pre-tax income						**283,273**
Tax						(2,343)
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Amounts due from tenants	81,560	12,114	1,121	549	332	95,676
Impairments of tenants' receivables	(3,646)	(7,041)	0	(201)	0	(10,888)
Security deposits received from tenants	43,405	12,259	1,735	1,154	0	58,552

3.5.9. OTHER INFORMATION

3.5.9.1. SHAREHOLDING STRUCTURE OF THE GROUP

At December 31, 2015, Gecina's shareholding was structured as follows:

Shareholders	Number of shares	% of share capital
Blackstone & Ivanhoé Cambridge	16,684,244	26.37%
Crédit Agricole Assurances – Predica	8,424,197	13.32%
Norges Bank	6,139,377	9.70%
Other resident institutional shareholders	2,369,842	3.75%
Individual shareholders	2,736,207	4.33%
Non-resident shareholders	26,286,206	41.55%
Treasury shares	620,547	0.98%
TOTAL	**63,260,620**	**100.00%**

3.5.9.2. DIVIDEND DISTRIBUTED DURING THE YEAR

For 2014, the Group distributed a dividend per share of €4.65 for a total amount of €290.4 million paid out on April 30, 2015.

3.5.9.3. RELATED PARTIES

The attendance allowances paid to directors appear in Note 5.2.3.

In June 2013, the Spanish company, Bami Newco in which Gecina holds 49% interests through its subsidiary SIF Espagne, filed a motion with the Spanish courts for the commencement of bankruptcy proceedings. These proceedings were accepted by the Spanish court. Bami Newco is neither consolidated nor booked under the equity method by Gecina since the Group has no control over that entity and significant influence.

In December 2014, the Spanish court declared the commencement of receivership proceedings for Bami Newco. Gecina and SIF Espagne continue however to uphold their rights and defend their interests in this procedure (see point 3.5.5.13).

On December 14, 2007, Gecina advanced €9.85 million to Bami Newco in connection with the acquisition by Gecina group of a plot of land in Madrid. This agreement was approved by the General Meeting of shareholders on April 22, 2008. Following repayments made, the balance of this loan, which stood at €2.7 million, was subject to a ruling on September 10, 2012, instructing Bami Newco to repay SIF Espagne. Bami Newco has appealed this ruling. An order handed down by the Madrid Appeal Court on January 18, 2013, confirmed the September 10, 2012 ruling. The resulting debt was reported under the bankruptcy proceedings of Bami Newco.

A joint bond of €5 million involving SIF Espagne was granted to FCC Construcción for the development by Bami Newco of a corporate office in Madrid on behalf of FCC Construcción. The latter went to a Spanish court to demand the payment of this bond. On September 12, 2014, the Madrid Appeal Court ordered Bami Newco and its guarantors (SIF Espagne and Inmopark 92 Alicante) to pay, jointly and severally, to FCC Construcción, the sum of €5 million in principal, in addition to interests on arrears and the trial expenses.

In November 2014, FCC Construcción requested the execution of the aforesaid order against SIF Espagne, which made the corresponding payment.

Bami Newco and SIF Espagne have filed an appeal with the court of cassation. The proceedings are ongoing.

The corresponding provision of €5 million has been written back in the accounts of SIF Espagne and a debt has been recognized to Bami Newco and Inmopark 92 Alicante, on the assets side of the balance sheet, immediately written down for impairment due to the financial position of these two companies and their ongoing bankruptcy proceedings.

The ensuing statements of claims were confirmed in the bankruptcy proceedings of Bami Newco and Inmopark 92 Alicante.

In 2012, the company was informed about the existence of several guarantees granted by SIF Espagne, then represented by Mr. Joaquín Rivero:

- on January 14, 2010, concerning Bami Newco's repayment of a loan taken out the same day in connection with a renewal with Caja Castilla La Mancha for a principal total of €9 million, alongside Inmopark 92 Alicante, also a shareholder in Bami Newco and controlled by Joaquín Rivero. Through a payment of €5.2 million to Caja Castilla la Mancha in June 2012, the company definitively paid the balance of the guarantee granted to Bami Newco. SIF Espagne demanded the repayment of the €5.2 million from Bami Newco; this debt has been reported in the context of Bami Newco's bankruptcy proceedings. It remains fully written down on Gecina's consolidated balance sheet;
- on November 13, 2009, concerning Bami Newco's repayment of credit facilities granted to it until November 13, 2019 by Banco Popular for principal of €3.3 million and €1.5 million respectively. The resulting contingent receivable was reported under the bankruptcy proceedings of Bami Newco. Pursuant to a letter dated June 17, 2014, Banco Popular called in one of its two guarantees and claimed the payment of €3 million from SIF Espagne. After studying and analyzing the files, SIF Espagne considers, considering the data in its possession, that it is not required, to date, to pay the guaranty called by Banco Popular.

Furthermore, the company was informed on July 16, 2012 by Banco de Valencia of the alleged existence of four promissory notes, issued in 2007 and on 2009, for a total amount of €140 million, with three of them in the name of «Gecina S.A. Succursal en España» and one of them in the name of Gecina S.A., in favor of a Spanish company called Arlette Dome SL. Arlette Dome SL supposedly gave these promissory notes to Banco de Valencia as a guarantee for loans granted by that bank. After verification, the company realized that it had no information about these alleged promissory notes or about any business relationship with Arlette Dome SL which could have justified their issue. After also observing the existence of evidence pointing to the fraudulent nature of their issuance if the issue were to be confirmed, the company has filed a criminal complaint in this respect with the competent Spanish authorities. No provision was recognized for this purpose.

After being accepted as a party to the proceedings before Madrid's Court No. 17, the company was denied this capacity at the National Court in spite of its petition. Proceedings are still ongoing. Gecina continues to assert its rights in this respect

To date, the company is not in a position to evaluate any potential risks, in particular, regulatory, legal or financial, arising from the facts covered by the ongoing criminal proceedings and cannot, in particular, exclude the possibility that it may be joined as a party in the future, together with the company's officers and representatives.

On September 11, 2014, the Spanish bank Abanca requested the payment by Gecina of €63 million pursuant to the guarantee letters of endorsements that were allegedly signed in 2008 and 2009, by Mr. Joaquín Rivero, a former Gecina officer.

Gecina, which had no knowledge of these letters of endorsement, considered, after talking to its legal advisers, that they represent a fraudulent arrangement since they are in breach of its corporate interest and of applicable rules and procedures. For these reasons, Gecina informed Abanca that it contested the fact that it owed the sum being claimed and that as a result, it would not respond to its claim. On October 24, 2014, the company filed a criminal complaint against Mr. Rivero and any other person involved, for misuse of authority under these letters of endorsement.

Abanca brought a legal suit against Gecina before the Madrid District Court in order to obtain the payment of the sums claimed.

Gecina is asserting its rights and defending its interests in these two proceedings.

No provision was recognized for this purpose.

A co-exclusive sale mandate for a building located in Neuilly-sur-Seine (Hauts-de-Seine) was concluded in May 2011, between Locare, subsidiary of Gecina, and Resico, subsidiary of Predica, shareholder and director of the company. In this respect, Locare issued an invoice of €499,957 in 2015 to Resico.

The Board of Directors' meeting of June 1, 2015 authorized the acquisition for €1.24 billion, by Gecina, of 100% of the equity shares of the two companies of the Ivanhoé Cambridge group, owners of the property complexes below:

- the property complex located at La Défense, comprised of the T1 Building and the B building and the Jacques Cartier car park; and
- the property complex located on the Avenue de la Grande Armée, in the 16th arrondissement of Paris known as Emotion.

The Board of Directors' authorization was motivated by the interest of the agreement for the company, in particular by specifying the financial conditions related thereto. This motivation is taken up by the Statutory Auditors in their special report on related-party agreements. The Board relied on the opinions of three external experts: a real estate expert mandated by the company (CBRE) and two independent real estate and financial experts (Cushman & Wakefield and Ernst & Young) mandated by the Board of Directors.

The acquisition was completed on July 21, 2015.

This agreement will be subject to the approval of the next Shareholders' General Meeting planned for April 21, 2016.

3.5.9.4. GROUP EMPLOYEES

Average headcount	12/31/2015	12/31/2014	12/31/2013
Managers	195	199	197
Employees and supervisors	165	176	184
Building staff	78	101	109
TOTAL	**438**	**477**	**490**

3.5.9.5. STOCK OPTIONS AND PERFORMANCE SHARES

Stock options

Grant date	Start date of exercise of options	Number of options advanced	Subscription or purchase price	Subscription or purchase price after adjustment of June 18, 2015(1)	Total to exercise at 12/31/2014	Options exercised in 2015	Options cancelled, expired or transferred in 2015	Number of additional options after adjustment of June 18, 2015(1)	Total to exercise at 12/31/2015	Residual life In years
03/14/2006	03/14/2008	251,249	€96.48	€95.73	205,084	103,055	28,949	936	74,016	0.2
12/12/2006	12/12/2008	272,608	€104.05	€103.25	240,904	82,788	30,561	1,404	128,959	1.0
12/13/2007	12/13/2009	230,260	€104.72	€103.91	189,487	55,095	31,615	1,075	103,852	2.0
12/18/2008	12/18/2010	331,875	€37.23	€36.94	39,262	3,106		300	36,456	3.0
04/16/2010	04/16/2012	252,123	€78.98	€78.37	125,558	13,118		987	113,427	4.3
12/27/2010	12/27/2012	210,650	€84.51	€83.86	198,878	26,411		1,570	174,037	5.0

(1) In order to preserve the rights of holders of stock-options further to the distribution in accordance with Articles L. 225-181 and L. 228-91 of the French Commercial Code. The Board of Directors of June 18, 2015 proceeded with the adjustment provided for in the third paragraph of Article L. 228-99 of the French Commercial Code.

Performance shares

Grant date	Vesting date	Number of shares advanced	Stock price when granted	Balance at 12/31/2014	Shares vested in 2015	Shares cancelled in 2015	Balance at 12/31/2015
12/14/2012 bis	12/14/2015	11,750	€86.35	9,850	9,550	300	0
12/13/2013	12/14/2015	62,560	€93.65	62,210	59,162	3,048	0
12/13/2013 (2)	12/14/2015	9,700	€93.65	8,600	8,340	260	0
	Vesting date	Number of shares advanced	Stock price when granted	Balance at 02/19/2015	Shares vested in 2015	Shares cancelled in 2015	Balance at 12/31/2015
02/19/2015	02/19/2018	58,120	€116.45	58,120		1,250	56,870

3.5.9.6. COMPENSATION FOR ADMINISTRATIVE AND GOVERNANCE BODIES

Compensation for management bodies concerns Gecina's corporate officers

In €'000	12/31/2014	12/31/2015
Short-term benefits	1,522	1,286
Post-employment benefits	N.A.	N.A.
Long-term benefits	N.A.	N.A.
End-of-contract benefits (ceiling for 100% of criteria)	N.A.	N.A.
Share-based payment	486	390

3.5.9.7. STATUTORY AUDITORS' FEES

The Statutory Auditors' fees recognized on the 2015 income statement for the certification and review of the individual and consolidated financial statements in addition to the various related engagements amount to:

	PricewaterhouseCoopers Audit				Mazars				Total			
	Amount (net of tax)(1)		%		Amount (net of tax)(1)		%		Amount (net of tax)(1)		%	
In €'000	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
AUDIT												
Statutory auditing, certification, review of individual and consolidated accounts..												
Issuer	455	517	60%	73%	459	468	67%	57%	914	985	63%	65%
Fully consolidated subsidiaries	166	134	22%	19%	163	163	24%	20%	329	297	23%	20%
Other procedures and services directly linked to the Statutory Auditor's engagement..												
Issuer	118	10	16%	1%	66	183	10%	22%	184	193	13%	13%
Consolidated subsidiaries	15	48	2%	7%	0		0%	0%	15	48	1%	3%
Subtotal	**754**	**709**	**100%**	**100%**	**688**	**814**	**100%**	**100%**	**1,442**	**1,523**	**100%**	**100%**
OTHER SERVICES RENDERED BY THE NETWORKS TO FULLY CONSOLIDATED SUBSIDIARIES												
Legal, fiscal, social			0%	0%			0%	0%			0%	0%
Other if > 10% of audit fees			0%	0%			0%	0%			0%	0%
Subtotal	**0**	**0**	**0%**	**0%**	**0**	**0**	**0%**	**0%**	**0**	**0**	**0%**	**0%**
TOTAL	**754**	**709**	**100%**	**100%**	**688**	**814**	**100%**	**100%**	**1,442**	**1,523**	**100%**	**100%**

(1) Including share of non-refundable VAT.

The other procedures and services directly linked to the engagement primarily include reviewing published social, environmental and societal information (€61,000), certifications (€23,000) and due diligence works (€100,000).

In fiscal year 2015, KPMG has also conducted due diligence on the work of Statutory Auditors of Group subsidiaries amounting to €17 000.

3.5.9.9. POST-BALANCE SHEET EVENTS

On January 26, 2016, Gecina has acknowledged the disclosure threshold declarations and statements of intent filed with the French securities regulator (AMF), relating to the dissolution of Ivanhoé Cambridge's partnership to hold Gecina shares in concert with Blackstone.

Following these operations, Ivanhoé Cambridge, directly and through its subsidiaries, now holds 23% of Gecina's capital. This percentage corresponds to Ivanhoé Cambridge's interest under the previous investment in concert, as announced in June 2015 when it further strengthened its stake.

On February 8, 2016, Gecina signed a preliminary sales agreement containing usual guarantees with Primonial Reim, representing a club deal involving various institutional investors, for its subsidiaries Gecimed and Gec 15 holding its entire healthcare real estate portfolio. The transaction represents a total of 1.35 billion euros including commissions and fees.

On December 31, 2015, the value of the healthcare real estate portfolio was adjusted to take account of preliminary sales agreement.

04 Annual financial statements

4.1. Balance sheet as at December 31, 2015

Assets

In €'000	12/31/2015 Gross	12/31/2015 Depreciations and impairments	12/31/2015 Net	12/31/2014 Net
Fixed assets				
Intangible fixed assets	**411,888**	**5,502**	**406,386**	**412,797**
Concessions, patents, licenses	8,801	5,502	3,299	2,798
Intangible assets	403,087		403,087	409,999
Tangible fixed assets	**4,056,405**	**571,369**	**3,485,036**	**3,729,587**
Land	2,210,477	75,967	2,134,510	2,227,340
Buildings	1,767,623	479,434	1,288,189	1,443,155
Buildings on third party land	27,779	12,527	15,252	15,752
Other	6,935	3,441	3,494	3,016
Construction in progress	43,456		43,456	40,324
Advances and instalments	135		135	
Financial investments	**4,818,018**	**327,251**	**4,490,767**	**3,273,078**
Equity investments and related receivables	4,497,178	262,059	4,235,119	2,961,941
Other equity investments	20,187		20,187	79,273
Loans	234,169		234,169	226,090
Other financial investments	965	153	812	825
Advances on property acquisitions	65,519	65,039	480	4,950
TOTAL I	**9,286,311**	**904,122**	**8,382,189**	**7,415,462**
Current assets				
Advances and instalments	789		789	1,024
Receivables				
Rent due	12,697	7,776	4,921	7,788
Other	94,978	26,947	68,031	39,640
Investment securities	30,875		30,875	51,299
Liquid assets	141,508		141,508	27,585
Asset accruals				
Prepaid expenses	26,014		26,014	23,446
TOTAL II	**306,861**	**34,723**	**272,138**	**150,782**
Bond redemption premiums	21,028		21,028	9,329
TOTAL III	**21,028**	**0**	**21,028**	**9,329**
GRAND TOTAL (I + II + III)	**9,614,200**	**938,845**	**8,675,355**	**7,575,573**

Liabilities

In €'000	Before allocation of income 12/31/2015	12/31/2014
Equity		
Capital	474,455	473,286
Issue, merger and contribution premiums	1,905,293	1,898,971
Revaluation gain	445,535	453,351
Reserves:		
Legal reserve	46,149	46,033
Legal reserve from long-term capital gains	1,296	1,296
Regulatory reserves	24,220	24,220
Distributable reserves	694,023	747,692
Retained earnings	0	0
Net income for the year	284,497	229,508
Investment subsidies	1,347	1,260
TOTAL I	**3,876,815**	**3,875,617**
Provisions		
Provisions for contingencies	2,557	2,562
Provisions for liabilities	14,779	13,438
TOTAL II	**17,336**	**16,000**
Payables and debt		
Bonds	3,223,029	2,320,554
Loans and debt	1,449,893	1,247,606
Security deposits	27,139	28,977
Advances and instalments received	10,928	12,683
Trade payables	15,508	14,939
Tax and social security payables	26,400	26,247
Fixed asset payables	20,040	21,479
Other payables	7,174	10,193
Accruals		
Deferred income	1,093	1,278
TOTAL III	**4,781,204**	**3,683,956**
GRAND TOTAL (I + II + III)	**8,675,355**	**7,575,573**

4.2. Income statement as at December 31, 2015

In €'000	12/31/2015	12/31/2014
Operating revenues		
Rental income	264,269	271,910
Write-backs on impairment and provisions	2,549	5,011
Recharges to tenants	50,523	51,517
Other transferred expenses	508	762
Other income	33,429	30,944
TOTAL	**351,278**	**360,144**
Operating expenses		
Purchases	11,923	12,457
Other external expenses	76,067	75,160
Taxes and duties	32,933	33,296
Salaries and fringe benefits	40,773	43,848
Depreciation	71,527	67,808
Impairment on current assets	1,477	1,426
Provisions	2,140	2,329
Other charges	1,233	2,339
TOTAL	**238,073**	**238,663**
Operating income	**113,205**	**121,481**
Financial income		
Interest and related income	111,925	58,176
Net gains on sale of marketable securities	118	92
Write-backs on impairment and provisions, transferred expenses	35,245	3,836
Income from investment securities and receivables	200,668	273,434
Income from equity investments	24,614	14,371
TOTAL	**372,570**	**349,909**
Financial costs		
Interest and related expenses	203,360	258,616
Impairment and provisions	26,162	15,211
TOTAL	**229,522**	**273,827**
Net financial items	**143,048**	**76,082**
Income before tax and exceptional items	**256,253**	**197,563**
Exceptional items		
Net gains on sale of properties	78,322	38,468
Net gains on sale of securities	412	786
Provisions for property impairments	33,032	(5,629)
Subsidies	169	144
Exceptional income and expenses	(81,612)	1,025
Exceptional items	**30,323**	**34,794**
Income before tax	**286,576**	**232,357**
Employee profit-sharing	(1,396)	
Income tax	(683)	(2,849)
RESULT	**284,497**	**229,508**

4.3. Notes to the annual financial statements as at December 31, 2015

4.3.1. HIGHLIGHTS

FISCAL YEAR 2015

On January 12, 2015, Gecina placed a €500 million 10-year bond issue, maturing in January 2025. This issue was made with an 85 bp spread on the mid-swap rate and a coupon of 1.50%.

On April 11, 2015, Gecina carried out the early redemption of all Gecina bonds redeemable in cash and in new and/or existing shares issued in April 2010 (ORNANE bonds) still in circulation. In this way, Gecina re-injected 922,591 shares previously held as treasury stock back into circulation.

On June 2, 2015, Gecina signed a preliminary purchase agreement with Ivanhoé Cambridge, to purchase all the shares of SCI Avenir Danton Défense and Avenir Grande Armée, the owners. The first agreement concerned the T1&B towers occupied by Engie (former GDF-Suez) and located at La Défense, which generate long-term secure income with leases renewed for 12 years, and the second concerned the historic headquarters of the PSA Group located in the Central Business District and covering an area of 33,600 sq.m. The preliminary agreement concerning these assets, acquired for an amount of €1.24 billion transfer taxes included, was confirmed on July 21, 2015.

On June 9, 2015, Gecina placed a €500 million nine-year bond issue, maturing in June 2024. This issue was made with a 115 bp spread on the mid-swap rate and a coupon of 2.0%.

On June 29, 2015, Gecina finalized the disposal of the «Le Mazagran» office building with a French institutional investor. The amount of this transaction amounted to nearly €84 million transfer taxes included, *i.e.* net yield of nearly 5.4%, based on potential stabilized rents.

On October 19, 2015 Gecina announced that it had signed two offers of sale for €112 million (transfer taxes excluded). The first promise, entered into with a leading French institutional investor, concerns the «Newside» building, for nearly €95.5 million. This asset, covering 18,000 sq.m in La Garenne-Colombes near La Défense. This sale was completed on December 22, 2015. The second offer to sell, signed with SCPI EFIMMO, managed by Sofidy, concerns a mixed asset of offices and retail outlets of around 3,000 sq.m located 11, boulevard Brune in the 14th arrondissement of Paris. The amount of the transaction amounts to nearly €16.8 million. This sale was completed on December 16, 2015.

On December 15, 2015, the Gecina Board of Directors, meeting under the chairmanship of Mr. Bernard Michel, decided to set up an interim dividend payment starting from 2016 for the 2015 dividend payment. The dividend payment will include the payment in March 2016 of an interim dividend corresponding to 50% of the 2015 dividend amount, and by the payment of the balance in July 2016. These new methods will allow Gecina shareholders to benefit from regular payments, more in line with the company's financial flows.

Lastly, in 2015, Gecina has redesigned its information system. The property management base was overhauled in 2015, by incorporating the Cassiopae Habitat and Périclès software programs. It will allow centralizing all the data concerning the property management. These changes play a part in the overall strategy of Gecina of digitalization and modernization of the company.

4.3.2. ACCOUNTING RULES AND PRINCIPLES

The annual financial statements are prepared in accordance with the French General Chart of Accounts and the French Commercial Code.

4.3.3. VALUATION METHODS

The method used for valuing items recorded in the financial statements is the historical cost method.

Note that the balance sheet was subjected to a voluntary revaluation at January 1, 2003, after Gecina opted for the French listed real estate investment trust (SIIC) tax regime.

4.3.3.1. FIXED ASSETS

4.3.3.1.1. Intangible assets

Intangible assets are measured at cost and amortized under the straight-line method according to the planned term of the asset. They include in particular technical merger losses, written down if the fair value of the asset is lower than the value of the capitalized asset plus the technical loss.

4.3.3.1.2. Gross value of tangible fixed assets and depreciation

Gecina has been using a component approach since January 1, 2005. The table below gives the straight-line depreciation periods for each of the components:

	Proportion of component		Depreciation period In years	
	Residential	Commercial	Residential	Commercial
Framework structure	60%	50%	80	60
Roofing and walls	20%	20%	40	30
Technical components	15%	25%	25	20
Fixtures and fittings	5%	5%	15	10

The new assets are stated at cost made up of the purchase price and all direct costs including transfer duties, fees and commissions linked to the acquisition, or at cost for constructions.

4.3.3.1.3. Property impairment and value adjustments

Any impairment charge following a reduction in value of properties is determined as follows:

Long-term property holdings

An impairment is recognized on a line-by-line basis if there is an indication of loss of value, especially if the block appraisal value of the property valued by one of the independent appraisers (as at December 31, 2015: BNPP Real Estate, CBRE Valuation, Foncier Expertise, Jones Lang LaSalle, Catella), is more than 15% below the building's net book value. In this case, the impairment amount recorded is then calculated in relation to the appraisal amount excluding transfer taxes. In the event of an unrealized capital loss of the total property holding, impairment is recognized for each property as an unrealized capital loss. This impairment is primarily assigned to non-depreciated assets and adjusted each year based on subsequent appraisals.

Property for sale or to be sold in the short term

Properties for sale or due to be sold in the short term are valued in relation to their independent block valuation or their realizable market value, and an impairment is recognized if this value is lower than the book value.

Valuations are conducted in accordance with industry practices using valuation methods to establish market value for each asset, pursuant to the professional real estate valuation charter. These valuation methods are described in detail in the notes to the consolidated financial statements.

The impairment allocation of a tangible asset is booked under extraordinary items, just as any impairment write-back due to appreciation in the asset's value.

4.3.3.2. FINANCIAL FIXED ASSETS

Equity investments are stated on the balance sheet at subscription or acquisition cost, except for those held at January 1, 2003 that were revalued.

The acquisition costs of investments previously recorded under deferred expenses have been recorded under expenses and not included in the acquisition cost of financial investments.

This heading notably includes Gecina's equity investment in companies with rental property holdings (including equity interests and non-capitalized advances).

Treasury shares held by the company are recorded in "Other financial investments", except for those specifically assigned to cover stock options or performance shares granted to employees and corporate officers, which are recorded under investment securities.

Where there is a sign of long-term impairment of securities, loans, receivables and other capitalized assets, impairment, which is determined on the basis of several criteria (net asset value, profitability and strategic value, in particular) is recorded under income.

4.3.3.3. OPERATING RECEIVABLES

Receivables are recognized at par value. Rent receivables are always written down based on the receivables' aging and the situation of the tenants.

An impairment rate is applied to the amount of the receivable, excluding tax, minus the security deposit:

- tenant has left the property: 100%;
- tenant in the property:
  - receivable between three and six months: 25%,
  - receivable between six and nine months: 50%,
  - receivable between nine and 12 months: 75%,
  - over 12 months: 100%.

Impairment thus determined is adjusted to take account of particular situations.

4.3.3.4. INVESTMENT SECURITIES

Investment securities are stated on the balance sheet at cost. An impairment charge is recorded when realizable value is lower than net book value.

Shares specifically assigned to cover stock options awarded to employees and corporate officers are included in this item. Where applicable, they are written down to the lower of the exercise price of the options or the average stock market price in the last month of the year.

4.3.3.5. ACCRUED ASSETS AND RELATED AMOUNTS

This item mainly includes the following prepaid expenses:
- renovation costs for properties up for sale (in addition to disposal costs). They are recognized in income when disposals have been carried out;
- the redemption or issue premiums of bonds as well as the issue costs of loans, which are amortized over the term of the loans under the straight line method.

4.3.3.6. BONDS

Bonds issued by the company are recorded at their redemption value. The redemption premium is recorded on the asset side of the balance sheet and amortized under the straight-line method over the term of the bonds.

4.3.3.7. HEDGING INSTRUMENTS

The company uses interest rate swaps, caps, swaptions and floors to hedge lines of credit and borrowings. The corresponding expenses and income are posted on an accruals basis to the income statement.

Premiums on derivatives are amortized over the term of the instruments, with the exception of swaptions, for which the premiums are amortized on a straight-line basis over the term of the option.

4.3.3.8. EMPLOYEE BENEFIT COMMITMENTS

Retirement benefit commitments

Retirement benefit commitments resulting from the application of national and company-level collective agreements are valued by independent experts under the actuarial method and taking account of mortality tables. They are covered by an insurance policy or are accrued for any portion not covered by the insurance fund in case the funds paid are insufficient.

Supplementary retirement commitments to certain employees

Supplementary retirement commitments to certain employees are valued under actuarial methods factoring in mortality tables. They are managed by external organizations and payments are made to these organizations. Additional provisions are constituted in the event that the insurance fund is underfunded for the liabilities. The valuation of these retirement commitments assumes the employee's voluntary departure.

Long-service awards

Commitments for long-service awards (anniversary premiums paid to personnel) are accrued on the basis of an independent estimate made at each year end.

4.3.4. NOTES ON THE BALANCE SHEET ITEMS

4.3.4.1. FIXED ASSETS

Gross value of assets

In €'000	Gross brought forward	Mergers	Transfers between items	Acquisitions	Decreases	Gross carried forward
Intangible fixed assets	**422,599**	**0**	**29**	**2,742**	**13,482**	**411,888**
Concessions, licences	12,600		29	2,742	6,570	8,801
Intangible assets	409,999				6,912	403,087
Tangible fixed assets	**4,306,979**	**0**	**(29)**	**49,040**	**299,585**	**4,056,405**
Land	2,344,572				134,095	2,210,477
Buildings	1,886,441		6,357	34,401	159,576	1,767,623
Buildings on third party land	27,779					27,779
Other tangible fixed assets	7,863		32	1,507	2,467	6,935
Fixed assets in progress	40,324		(6,418)	12,997	3,447	43,456
Advances and instalments	0			135		135
Financial investments	**3,612,433**	**(21,434)**	**0**	**1,461,997**	**234,978**	**4,818,018**
Equity investments	2,127,535	(21,434)		590,038		2,696,139
Receivables related to equity investments	1,113,039			856,756	168,756	1,801,039
Other financial investments[1]	79,273			7,025	66,111	20,187
Loans	226,090			8,154	75	234,169
Other financial investments	976			24	36	964
Advances on property acquisitions	65,520					65,520
TOTAL	**8,342,011**	**(21,434)**	**0**	**1,513,779**	**548,045**	**9,286,311**

(1) Including treasury shares (see Note 4.3.4.4).

The amount of the intangible asset corresponds to the underlying capital gains on the property holdings contributed at the merger of SIF, its subsidiaries, Horizons, Parigest, Montbrossol, Geci 1 and Geci 2. The intangible asset is written down for impairment when it exceeds the sum of these underlying capital gains.

Changes in equity investments mainly concern:

- acquisition of the securities of subsidiary Avenir Danton Défense for €477 million;
- acquisition of the securities of subsidiary Avenir Grande Armée for €114 million;
- the universal transfer of the assets and liabilities of subsidiary L'Angle for -€21 million.

Receivables related to equity investments mainly cover long-term financing set up by Gecina with its subsidiaries, in the form of long-term shareholder loans.

On the day of the acquisition of Avenir Danton Défense and Avenir Grande Armée, Gecina arranged long-term shareholder loans for these companies amounting to €396 million and €232 million respectively. The largest shareholder loans to other subsidiaries were made to Gecimed for €301 million, GEC 9 for €155 million, GEC 7 for €66 million, Khapa for €65 million, Sci Le France for €64 million and Michelet and 32-34 rue Marbeuf for €61 million each. SIF Espagne received a total of €7 million in shareholder loans and €195 million as an equity loan.

Amortization

In €'000	Balance brought forward	Mergers	Allocations	Write-backs	Balance carried forward
Intangible fixed assets	**9,802**	**0**	**2,270**	**6,570**	**5,502**
Concessions, licenses	9,802		2,270	6,570	5,502
Tangible fixed assets	**459,230**	**0**	**69,257**	**42,249**	**486,238**
Buildings	442,356		67,697	39,783	470,270
Buildings on third party land	12,027		500		12,527
Other tangible fixed assets	4,847		1,060	2,466	3,441
TOTAL	**469,032**	**0**	**71,527**	**48,819**	**491,740**

Impairment

In €'000	Balance brought forward	Mergers	Allocations	Write-backs	Balance carried forward
Intangible fixed assets	**0**				**0**
Intangible assets	0				0
Tangible fixed assets	**118,162**	**0**	**14,485**	**47,517**	**85,130**
Land	117,232		6,164	47,430	75,966
Buildings	930		8,321	87	9,164
Financial investments	**339,355**	**0**	**23,141**	**35,245**	**327,251**
Equity investments and related receivables	278,633		18,671	35,245	262,059
Other equity investments	0				0
Other financial investments	153				153
Advances on property acquisitions	60,569		4,470		65,039
TOTAL	**457,517**	**0**	**37,626**	**82,762**	**412,381**

Tangible fixed asset impairments are related to the impairments of portfolio properties when there is a sign of impairment (see Note 4.3.3.1.3 on impairment method).

Impairment of investments and related receivables mainly concern SIF Espagne for €33 million and €183 million.

The impairment of advances on property acquisitions is related to the advance granted to the Spanish company Bamolo, written down for €65 million (in order to reduce it to the land's latest appraisal value of €0,5 million).

4.3.4.2. OPERATING RECEIVABLES

In €'000	12/31/2015	12/31/2014
Rent due	12,697	15,826
Impairment of rent due	(7,776)	(8,038)
TOTAL RENT DUE AND RELATED RECEIVABLES	**4,921**	**7,788**
Group receivables	71,929	44,542
Group income due	8,876	8,273
Miscellaneous income due	466	977
French state – income tax receivables	7,469	5,198
French state – VAT	3,865	2,734
Management agencies, co-ownerships and external managers	1,333	1,404
Miscellaneous other receivables	1,040	3,459
Other receivables impairment	(26,947)	(26,947)
TOTAL OTHER RECEIVABLES	**68,031**	**39,640**

Group receivables mainly comprise receivables derived from the centralized cash management and from Bami Newco, SIF Espagne's subsidiary, for an amount of €20 million, which was fully written down.

This receivable of €20 million corresponds to Gecina's guarantee (issued in 2010), counter-guaranteeing the SIF Espagne subsidiary's €20 million guarantee in connection with the restructuring of financing facilities for Bami Newco (with Eurohypo bank as the lead manager) which was called and paid by Gecina in November 2013 as ordered by the courts. The receivership proceedings for Bami Newco are ongoing.

Operating receivables have a maturity of less than one year.

4.3.4.3. INVESTMENT SECURITIES

In €'000	12/31/2015	12/31/2014
Investment securities (money market UCITS)	0	812
Treasury shares reserved for employees	25,875	50,487
Cash instruments	5,000	0
Total gross amounts	**30,875**	**51,299**
Impairment	0	0
TOTAL INVESTMENT SECURITIES	**30,875**	**51,299**

Treasury shares recorded as investment securities for €25,875,000, including the 343,283 Gecina shares held to cover the stock options awarded to employees and company officers. The impairment method is described in Note 4.3.3.4.

4.3.4.4. CHANGES IN TREASURY SHARES

	Number of shares	€'000
Balance at January 1, 2015	1,112,422	79,273
Share disposal	87,410	6,778
Shares allocated to Ornane bondholders	(922,568)	(65,864)
BALANCE AT DECEMBER 31, 2015[1]	**277,264**	**20,187**

(1) These shares are recorded in "Other equity investments".

4.3.4.5. BOND REDEMPTION PREMIUMS

At December 31, 2015, this line comprised premiums related to all non-convertible bonds, which are amortized on a straight line over the term of the debt (€3 million amortized in 2015).

4.3.4.6. CHANGE IN SHARE CAPITAL AND SHAREHOLDERS' EQUITY

At year-end 2015, the capital was composed of 63,260,620 shares with a par value of €7.50 each.

In €'000	Capital	Issue, merger and conversion premiums	Reserves	Revaluation gain	Retained earnings	Net shareholders equity excluding earnings for the year and subsidies	Income	Subsidies	Share capital	Distribution of dividends
12/31/2013	**471,529**	**1,885,666**	**754,937**	**480,769**		**3,592,901**	**317,775**	**768**	**3,911,444**	
Capital increase (employees)	1,757	13,305	(211)			14,851			14,851	
Account transfers			27,418	(27,418)						
Merger premiums								492	492	
2013 Income appropriation			37,097			37,097	(317,775)		(280,678)	280 678
Result 2014							229,508		229,508	
12/31/2014	**473,286**	**1,898,971**	**819,241**	**453,351**		**3,644,849**	**229,508**	**1,260**	**3,875,617**	
Capital increase (employees)	1,169	6,321	(519)			6,971			6,971	
Account transfers			7,816	(7,816)						
Merger premiums								87	87	
2014 Income appropriation			(60,849)			(60,849)	(229,508)		(290,357)	290 357
Result 2015							284,497		284,497	
12/31/2015	**474,455**	**1,905,292**	**765,689**	**445,535**		**3,590,971**	**284,497**	**1,347**	**3,876,815**	

4.3.4.7. PROVISIONS

In €'000	Values at 12/31/2014	Contribution/ Merger	Allocations	Write-backs	12/31/2015
Provisions for tax audits	976		1,165		2,141
Provision for employee benefits	11,440		394	157	11,677
Provision for share buyback plans	1,022			61	961
Other provisions	2,562			5	2,557
TOTAL	**16,000**	**0**	**1,559**	**223**	**17,336**

Gecina has been the subject to tax audits that have resulted in notifications of tax reassessments, the majority of which are contested. In particular, some tax reassessments were notified after accounting review in respect of 2012 and 2013 fiscal years, essentially. These tax reassessments for a total amount of €77 million are contested by the company and are not accrued as a provision. At December 31, 2015, the total amount accrued as a provision for the fiscal risk is €2 million, based on the assessments of the company and its advisers.

Gecina has also, directly or indirectly, been the subject of liability actions and court proceedings instigated by third parties. Based on the assessments of the company and its advisers, there is no risk that is not accrued, which would be likely to significantly impact the company's earnings or financial situation.

The €12 million provision for employee benefits cover the company's commitments for the portion of employee benefits not covered by insurance funds.

The provision for share buyback plans corresponds to the expense to be incurred by Gecina in relation to stock option plans for existing shares and spread over the vesting period.

4.3.4.8. BORROWINGS AND FINANCIAL DEBT

Remaining maturities

In €'000	Less than 1 year	1 to 5 years	Over 5 years	Total 12/31/2015	Total 12/31/2014
Non-convertible bonds	663,029	760,000	1,800,000	3,223,029	2,000,565
Ornane bond				0	319,989
Loans and debt (excluding Group)	648,650	288,325	297,750	1,234,725	943,717
Group debt	215,167			215,167	303,889
TOTAL	**1,526,846**	**1,048,325**	**2,097,750**	**4,672,921**	**3,568,160**

During the fiscal year, the company issued two new bonds with a unit value of €500 million each, one maturing in January 2025 at the rate of 1.50%, another maturing at the end of June 2024 at a rate of 2.00%.

Bank covenants

The company's main credit facilities are accompanied by contractual clauses relating to compliance with certain financial ratios (calculated on consolidated figures), determining interest rates charged and early repayment clauses, the most restrictive of which are summarized below:

	Benchmark standard	Balance at 12/31/2015	Balance at 12/31/2014
Net debt / revalued block value of property holding (excluding duties)	Maximum 55%	36.4%	36.7%
EBITDA (excluding disposals) / net financial expenses	Minimum 2.0x	3.9x	3.2x
Outstanding secured debt / revalued block value of property holding (excluding duties)	Maximum 25%	7.7%	11.2%
Revalued block value of property holding (excluding duties, € million)	Minimum 6,000/8,000	12,971	10,369

Change of control clauses

For all the bonds a change of control leading to the downgrading of Gecina's credit rating to "Non-investment Grade", not raised to "Investment Grade" within 120 days, can lead to early repayment of the loan.

4.3.4.9. EXPOSURE TO INTEREST RATE RISKS

In €'000	Debt before hedging at 12/31/2015	Effect of hedging at 12/31/2015		Debt after hedging at 12/31/2015	Debt after hedging at 12/31/2014
Floating rate financial debt	1,210,925	(1,015,000)	400,000	595,925	(458,925)
Fixed rate financial debt	3,160,000	1,015,000	(400,000)	3,775,000	3,648,413
INTEREST-BEARING FINANCIAL DEBT(1)	**4,370,925**	**0**	**0**	**4,370,925**	**3,189,488**

(1) Gross debt excluding accrued interests, bank overdrafts and Group debts.

Derivative portfolio

In €'000	12/31/2015	12/31/2014
Derivatives in effect at year-end		
Fixed rate swaps	390,000	690,000
Caps (purchases)	625,000	1,250,000
Caps (sales)		(50,000)
Floating rates swaps	400,000	512,300
Subtotal	**1,415,000**	**2,402,300**
Derivatives with deferred impact[(1)]		
Caps (purchases)		125,000
Fixed rate swaps		150,000
Subtotal	**0**	**275,000**
TOTAL	**1,415,000**	**2,677,300**

(1) Including nominal changes on derivatives in portfolio at closing.

The fair value of the derivatives portfolio as at December 31, 2015 shows an unrealized termination loss of €26 million.

Hedging instruments were restructured during the fiscal year, leading to financial expenses of €37 million.

4.3.4.10. EXPENSES PAYABLE, INCOME RECEIVABLES AND PREPAID CHARGES AND ACCRUED INCOME

These elements are included in the following balance sheet items:

In €'000	12/31/2015	12/31/2014
Bonds	63,029	50,565
Financial debt	2,857	3,277
Trade payables	12,398	11,625
Tax and social security payables	16,977	16,395
Fixed asset payables	17,142	16,828
Miscellaneous	468	2,712
Total accrued expenses	**112,871**	**101,402**
Prepaid income	1,092	1,278
TOTAL LIABILITIES	**113,963**	**102,680**
Financial investments	6,391	6,303
Trade receivables	902	4,325
Other receivables	9,406	9,412
Total accrued income	**16,699**	**20,040**
Prepaid charges	26,014	23,446
TOTAL ASSETS	**42,713**	**43,486**

Prepaid charges mainly concern loan issuance costs for €22 million. Income receivables recognized under "Other receivables" correspond, for €9 million, to revenues from inter-company recharges.

4.3.4.11. DEPOSITS AND GUARANTEES RECEIVED

This item, for a total of €27 million, primarily represents deposits paid by lessees to guarantee their rent payments.

4.3.4.12. OTHER LIABILITIES

All other liabilities are due in less than one year.

4.3.4.13. OFF BALANCE SHEET COMMITMENTS

In €'000	12/31/2015	12/31/2014
Commitments received		
Swaps	790,000	1,352,300
Caps	625,000	1,375,000
Unused lines of credit	2,410,000	2,090,000
Commitments to sale of properties	12,206	2,200
Mortgage-backed receivable	480	4,950
Other	3,904	12,193
TOTAL	**3,841,590**	**4,836,643**
Commitments given		
Guarantees granted(1)	594,749	490,826
Swaps	790,000	1,352,300
Caps	625,000	50,000
Payables secured by collateral	557,925	578,775
Commitments to sale of properties	48,056	16,664
Other	11,517	11,489
TOTAL	**2,627,247**	**2,500,053**

(1) Including guarantees granted at December 31, 2015 by Gecina to Group companies for €595 million.

During the course of its normal business operations, Gecina made certain commitments to be fulfilled within a maximum of ten years, and which do not appear in the table of commitments given because their cost is not yet known. Based on the assessments of the Group and its advisers, there is no commitment which could be called and which would be likely to significantly impact the company's earnings or financial situation.

Employees' entitlement to training (*droit individuel à la formation* – DIF) was replaced by the employees' personal training account (*compte personnel de formation* – CPF) on January 1, 2015. The group no longer has any commitment in this respect.

4.3.5. NOTES ON THE INCOME STATEMENT

4.3.5.1. OPERATING INCOME

In €'000	12/31/2015	12/31/2014
Rental revenues on residential properties	115,748	119,410
Rental revenues on commercial properties	148,521	152,500
TOTAL RENTAL REVENUES	**264,269**	**271,910**

4.3.5.2. OPERATING EXPENSES

Operating expenses (excluding depreciation and provisions) mainly include property rental expenses to recharge to tenants for €56 million.

Payroll costs include the competitiveness and employment tax credit (CICE) for an amount of €100,000 in 2015. This tax credit has been used for various investments.

4.3.5.3. DEPRECIATION AND IMPAIRMENT ALLOCATIONS AND WRITE-BACKS

	12/31/2015		12/31/2014	
In €'000	Allocations	Write-backs	Allocations	Write-backs
Fixed assets depreciation(1)	71,527		67,808	
Intangible fixed assets impairment(1)				
Tangible fixed assets impairment(1)	14,485	47,517	11,741	6,112
Impairment of financial investments and investment securities	23,142	35,245	13,131	3,836
Receivables impairment(2)	1,477	1,745	1,426	2,029
Provisions for risks and charges(3)	2,140	803	2,329	2,982
Amortization of bond redemption premiums(4)	3,020		2,081	
TOTAL	**115,791**	**85,310**	**98,516**	**14,959**
of which:				
- operating	75,144	2,548	71,563	5,011
- financial	26,162	35,245	15,212	3,836
- non-recurring and tax	14,485	47,517	11,741	6,112

(1) See Note 4.3.4.1.
(2) See Note 4.3.4.2.
(3) See Note 4.3.4.7.
(4) See Note 4.3.4.5.

4.3.5.4. NET FINANCIAL ITEMS

In €'000	12/31/2015 Expenses	12/31/2015 Income	12/31/2014 Expenses	12/31/2014 Income
Interest and related expenses or income	203,360	111,925	258,615	58,175
Net gains on sale of marketable securities		118		92
Dividends of subsidiaries and income from equity investments		225,282		287,806
Depreciation, impairment and provision charges and write-backs:				
- amortization of bond redemption premiums	3,020		2,081	
- impairment of investment in subsidiaries, related receivables or treasury shares	23,142	35,245	13,131	3,836
TOTAL	**229,522**	**372,570**	**273,827**	**349,909**

4.3.5.5. EXCEPTIONAL ITEMS

In €'000	12/31/2015	12/31/2014
Net gains on sale of properties	78,322	38,462
Impairment of fixed assets	33,032	(5,629)
Capital gains or losses on disposals of securities or mergers	412	786
Loss on purchase of treasury shares	(88,253)	0
Other non-recurring income and expenses	6,810	1,175
EXCEPTIONAL ITEMS	**30,323**	**34,794**

Unit-by-unit sales generated a gain of €55 million, the balance of €23 million having been generated by block sales.

4.3.5.6. OPERATIONS WITH AFFILIATED COMPANIES

In €'000

Assets (gross values)		Liabilities		Net financial items	
Financial investments	4,692,300	Financial debts	157,353	Financial costs	77,060
Trade receivables	0	Trade payables	751		
Other receivables	80,805	Other payables	0	Financial income	311,660
Guarantees granted by Gecina on behalf of related companies					594,749

During the fiscal year, Gecina acquired from the Ivanhoé Cambridge Group, the shares of companies Avenir Danton Défense and Avenir Grande Armée for respectively €477 million and €114 million, representing a valuation (including commissions and fees) for all this portfolio of €1.24 billion.

Transactions with companies in which Gecina has a significant equity interest are limited to billing for services rendered and operating resources (€32 million in 2015) as well as loans governed by specific agreements.

4.3.6. OTHER INFORMATION

4.3.6.1. EXCEPTIONAL EVENTS AND DISPUTES

The company was informed on July 16, 2012 by Banco de Valencia of the alleged existence of four promissory notes, issued in 2007 and on 2009, for a total amount of €140 million, with three of them in the name of «Gecina S.A. Succursal en España» and one of them in the name of Gecina S.A., in favor of a Spanish company called Arlette Dome SL. Arlette Dome SL supposedly gave these promissory notes to Banco de Valencia as a guarantee for loans granted by that bank. After verification, the company realized that it had no information about these alleged promissory notes or about any business relationship with Arlette Dome SL which could have justified their issue. After also observing the existence of evidence pointing to the fraudulent nature of their issuance if the issue were to be confirmed, the company has filed a criminal complaint in this respect with the competent Spanish authorities. No provision was recognized for this purpose. After being accepted as a party to the proceedings before Madrid's Court No. 17, the company was denied this capacity at the National Court in spite of its petition. Proceedings are still ongoing. Gecina continues to assert its rights in this respect.

To date, the company is not in a position to evaluate any potential risks, in particular, regulatory, legal or financial, arising from the facts covered by the ongoing criminal proceedings and cannot, in particular, exclude the possibility that it may be joined as a party in the future, together with the company's officers and representatives.

On September 11, 2014, the Spanish bank Abanca requested the payment by Gecina of €63 million pursuant to the guarantee letters of endorsements that were allegedly signed in 2008 and 2009, by Mr. Joaquín Rivero, a former Gecina officer.

Gecina, which had no knowledge of these letters of endorsement, considered, after talking to its legal advisers, that they represent a fraudulent arrangement since they are in breach of its corporate interest and of applicable rules and procedures. For these reasons, Gecina informed Abanca that it contested the fact that it owed the sum being claimed and that as a result, it would not respond to its claim. On October 24, 2014, the company filed a criminal complaint against Mr. Rivero and any other person involved, for misuse of authority under these letters of endorsement.

Abanca brought a legal suit against Gecina before the Madrid District Court in order to obtain the payment of the sums claimed.

Gecina is asserting its rights and defending its interests in these two proceedings.

No provision was recognized for this purpose.

4.3.6.2. WORKFORCE

Average headcount	2015	2014
Managers	163	165
Employees and supervisors	127	139
Building staff	71	94
TOTAL	**361**	**397**

4.3.6.3. COMPENSATION FOR ADMINISTRATIVE AND GOVERNANCE BODIES

Attendance allowances allocated to members of Gecina's Board of Directors for 2015 amounted to €489,000. No loans or guarantees were granted or arranged for members of the administrative and governance bodies.

4.3.6.4. CONSOLIDATING COMPANY

None.

4.3.6.5. STOCK OPTIONS AND PERFORMANCE SHARE PLANS

Performance share plans

	Performance shares[1]	Performance shares[1]	Performance shares[1]	Performance shares[1]
Date of General Meeting	05/24/2011	04/18/2013	04/18/2013	04/18/2013
Date of Board of Directors' meeting	12/14/2012	12/13/2013	12/13/2013	02/19/2015
Effective allocation date	12/14/2012	12/13/2013	12/13/2013	02/19/2015
Vesting date	12/14/2015	12/14/2015	12/14/2015	02/19/2018
Number of rights	11,750	62,560	9,700	58,120
Withdrawal of rights	2,200	3,398	1,360	1,250
Cancellation				
Share price on day of allocation	€86.35	€93.65	€93.65	€116.45
Number of registered shares	9,550	59,162	8,340	0
Number of shares to be exercised	**0**	**0**	**0**	**56,870**
Performance conditions	yes	yes	yes	yes
Internal	no	no	no	Total Return progression
External	Gecina share performance/ Euronext IEIF SIIC France index	Gecina share performance/ Euronext IEIF SIIC France index	Gecina share performance/ Euronext IEIF SIIC France index	Gecina share performance/ Euronext IEIF SIIC France index dividends reinvested

(1) Shares to be issued.

Stock options plans

Meeting date	06/02/2004	06/02/2004	06/19/2007	06/19/2007	06/15/2009[1]	06/15/2009[1]
Date of Board of Directors' Meeting	03/14/2006	12/12/2006	12/13/2007	12/18/2008	03/22/2010	12/09/2010
Effective allocation date	03/14/2006	12/12/2006	12/13/2007	12/18/2008	04/16/2010	12/27/2010
Start date for exercise of options	03/14/2008	12/12/2008	12/13/2009	12/18/2010	04/16/2012	12/27/2012
Expiration date	03/15/2016	12/13/2016	12/14/2017	12/19/2018	04/17/2020	12/28/2020
Number of rights	251,249	272,608	230,260	331,875	252,123	210,650
Number of rights (after adjustment)	252,185	274,012	231,335	332,175	253,110	212,220
Withdrawal of rights	43,449	50,730	63,184	0	1,779	280
Subscription or purchase price (after adjustment)	€95.73	€103.25	€103.91	€36.94	€78.37	€83.86
Number of shares bought or subscribed (after adjustment)	134,720	94,323	64,299	295,719	137,904	37,903
Number of shares to be exercised	**74,016**	**128,959**	**103,852**	**36,456**	**113,427**	**174,037**
Performance conditions	no	no	no	no	yes	yes
Internal					no	no
Externe					Gecina share performance/ Euronext IEIF SIIC France index	Gecina share performance/ Euronext IEIF SIIC France index

(1) Shares to be issued.

4.3.6.6. POST BALANCE SHEET EVENTS

On January 26, 2016, Gecina has acknowledged the disclosure threshold declarations and statements of intent filed with the French securities regulator (AMF), relating to the dissolution of Ivanhoé Cambridge's partnership to hold Gecina shares in concert with Blackstone.

Following these operations, Ivanhoé Cambridge, directly and through its subsidiaries, now holds 23% of Gecina's capital. This percentage corresponds to Ivanhoé Cambridge's interest under the previous investment in concert, as announced in June 2015 when it further strengthened its stake.

On February 8, 2016, Gecina signed a preliminary sales agreement containing usual guarantees with Primonial Reim, representing a club deal involving various institutional investors, for its subsidiaries Gecimed and Gec 15 holding its entire healthcare real estate portfolio. The transaction represents a total of 1.35 billion euros including commissions and fees.

4.3.6.7. TABLE OF SUBSIDIARIES AND EQUITY INVESTMENTS

Financial information In €'000	Capital	Reserves and retained earnings before allocation of income	Equity interest In %	Book value of shares held	
				Gross	Nette
Subsidiaries and equity interests					
A – Detailed information on subsidiaries and equity investments					
1- Subsidiaries					
SAS GECITER	17,476	787,534	100.00%	782,018	782,018
SA GECIMED	213,914	56,661	100.00%	314,407	314,407
SAS HOTEL D'ALBE	2,261	52,049	100.00%	216,096	216,096
SCI CAPUCINES	14,273	1,579	100.00%	26,188	26,188
SNC MICHELET LEVALLOIS	75,000	20,680	100.00%	95,965	95,681
SAS KHAPA	30,037	37,209	100.00%	66,659	66,659
SCI 55 RUE D'AMSTERDAM	18,015	(6,173)	100.00%	36,420	36,420
SAS GEC 7	81,032	40,200	100.00%	119,553	119,553
SIF Espagne	60	(183,023)	100.00%	33,161	
SARL COLVEL WINDSOR	32,000	3,232	100.00%	58,016	37,797
SAS SPIPM	1,226	25,098	100.00%	26,890	26,890
SAS SADIA	90	21,157	100.00%	24,928	24,928
SCI ST AUGUSTIN MARSOLLIER	10,515	1,427	100.00%	23,204	23,204
SAS LE PYRAMIDION COURBEVOIE	37	25,145	100.00%	22,363	22,363
SCI AVENIR DANTON DEFENSE	1	(36,174)	100.00%	476,506	476,506
SCI 5 BD MONTMARTRE	10,515	5,884	100.00%	18,697	18,697
SAS ANTHOS	30,037	(1,058)	100.00%	50,953	50,953
SCI BEAUGRENELLE	22	16,043	75.00%	30,720	12,049
SCI GEC 15	5	4,441	99.00%	32,193	32,193
SNC GECINA MANAGEMENT	3,558	5,508	100.00%	12,215	6,828
SCI DU 32-34 RUE MARBEUF	50,002	3,892	100.00%	50,002	50,002
SCI TOUR MIRABEAU	120,002	4,222	100.00%	120,002	120,002
SCI LE France	60,002	5,974	100.00%	60,002	60,002
SCI AVENIR GRANDE ARMEE	100	(22,826)	100.00%	113,526	113,526
B – General information on other subsidiaries or equity investments with gross value not exceeding 1% of Gecina's share capital					
a. French subsidiaries (Total)				14,338	12,964
b. Foreign subsidiaries (Total)				-	-
c. Equity investments in French companies (Total)					
d. Equity investments in foreign companies (Total)				-	-

(1) Amount of technical losses on merger assigned to shares contributed by SIF and GECI 1 and GECI 2 (unrealized capital gains).
(2) Amount of provisions on loans and advances.

Outstanding loans and advances granted by the company and not yet reimbursed	Guarantees and sureties given by the company	Net revenues for most recent year ended	Earnings (profit or loss for most recent year ended)	Dividends recorded by the company during the year	Others
	145,379	70,650	41,359	100,475	
303,667		44,441	(3,355)	17,500	
	150,880	21,826	15,282	56,210	69,873 (1)
33,299		4,080	1,579		4,702 (1)
63,656		13,723	8,352		
66,318		11,873	4,985	3,518	
33,360			(6,173)		4,255 (1)
66,654	27,903	8,061	1,610	738	
201,820		166	11,808		182,963 (2)
42,382		6,087	824		
		2,113	1,236	1,786	4,075 (1)
10,380		2,941	1,986	1,561	5,870 (1)
9,081		2,885	1,427		4,537 (1)
	48,450	4,354	2,145	2060	
402,565		11,270	(43,038)		
18,164		3,457	1,769	1,745	3,462 (1)
22,246		3,114	517		
		(6)	1,519	12,300	
1,083		4,934	2,327		32,189 (1)
1		7,003	2,238		
61,913		6,357	3,892		
58,526		14,986	4,222		
64,077		9,276	5,974		
238,874		15,583	(4,221)		
82,035	221,116	21,190	(1,682)	-	
-	-	-	-	-	
7,063	-	1,959	1,218	-	
-	-	-	-	-	

05 Corporate Governance

5.1. Chairman's report on corporate governance and internal control

As required by Article L. 225-37 of the French Commercial Code, the Chairman of the Board of Directors reports specifically in this document, on the structure of the Board of Directors, the application of the principle of gender equality on the Board, the terms governing the preparation and organization of the Board of Directors' work, limitations to the powers of the Chief Executive Officer as well as the internal control and risk management procedures set up by the company. Information on the compensation and benefits of executive corporate officers and Directors are presented in Section 5.2. "Compensations and Benefits" of this Reference Document.

This report was prepared with the support of Internal audit, the Board of Directors Secretariat and the Corporate Legal Department. Various meetings were organized with the heads of the different Group Departments to discuss this report.

This report was presented to the Governance, Appointment and Compensation Committee for matters concerning corporate governance, the structure of the Board and the terms governing the preparation and organization of its work, and to the Audit and Risk Committee for matters concerning Internal Audit procedures and risk management, prior to its approval by the Board of Directors at its meeting of February 24, 2016.

5.1.1. REFERENCE TO THE AFEP-MEDEF CODE

Gecina complies with the AFEP-MEDEF Corporate Governance Code for listed companies ("AFEP-MEDEF Code"), pursuant to the decision by the Board Meeting of December 18, 2008.

This decision was announced in a statement released by Gecina on December 24, 2008. The Code, which was last amended in November 2015, can be viewed on the MEDEF website (www.medef.com).

Article L. 225-37 of the French Commercial Code stipulates that "when a company chooses to refer to a corporate governance code drafted by corporate representative organizations, the report required in this article shall also specify the provisions that were discarded and the reasons for discarding them". Pursuant to this Article, the recommendation 25.1 of the AFEP-MEDEF Code and the stipulations of Recommendation no. 2012-02 of the AMF regarding the implementation of the "comply or explain" rule, the table below presents the AFEP-MEDEF Code provision with which Gecina does not fully comply and explains the reasons for this situation. It must be noted that according to the position of the High Committee for Corporate Governance («HCGE») expressed in its 2014 activity report, this situation remains compliant with the spirit of the AFEP-MEDEF Code.

Subject	Recommendation of the AFEP-MEDEF Code	Gecina's situation	Justifications/Remarks
Percentage of independent directors on the Audit and Risk Committee	At least two-thirds of independent directors, or at least 66% of the members (recommendation 16.1)	Three out of the five Directors can be described as independent, *i.e.*, 60% of the members.	The Board of Directors is made up of 10 Directors, five of whom are independent. Among these five independent directors, three are members of the Audit and Risk Committee and two of the Governance, Appointment and Compensation Committee. A larger percentage of independent directors on the Audit and Risk Committee would imply the participation of at least one independent director on both Committees. Considering the considerable workload of the Committees, the Board of Directors' choice in the structure of its Committees allows Directors to devote the necessary time and attention to their duties. Furthermore, it should be noted that the HCGE considers that an Audit Committee comprising three independent members out of five is still in line with the spirit of the AFEP-MEDEF Code insofar as it is chaired by an independent director, which is the case for the Gecina Audit and Risk Committee (2014 HCGE Activity Report p. 14).

5.1.2. STRUCTURE OF THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT TEAM

5.1.2.1. DIRECTORS AND CHANGES IN THE STRUCTURE OF THE BOARD OF DIRECTORS

Under the bylaws, the Board of Directors must be made up of a minimum of three and maximum of 18 members. At December 31, 2015, the Gecina Board of Directors is made up of 10 members, 50% of whom are independent directors and 50% women.

Directors are appointed for four years. Exceptionally, to allow the staggered renewal of the terms of office of Directors, the Ordinary General Meeting may appoint one or more Directors for a period of two or three years.

Mr. Philippe Depoux, Chief Executive Officer, represents the Executive Management of Gecina. Additional information on Executive Management procedures is provided in Section 5.1.3.

The table below indicates for each director and for the Chief Executive Officer, the age, nationality, gender, independence status, appointment to one or several committees, expiry dates of term of office, number of Gecina shares held, attendance rate at Board and Committee meetings and the list of terms of office as at December 31, 2015. Unless otherwise indicated, all the terms of offices indicated are held outside the Group.

Chairman of the Board of Directors

Mr. Bernard Michel
67 years old, French nationality
First appointment: GM of 05/10/2010
Office expiry date: GM 2018

Chairman of the Strategic Committee
Attendance rate at Board meetings 100%
Attendance rate at Strategic Committee meetings: 100%
Number of shares held: 40
Domiciled: 14-16, rue des Capucines – 75002 Paris

Observer for SOPRA Group[1]
Chairman of the Gecina Corporate Foundation
Member of the Supervisory Board of UNOFI SAS
Chairman of the Board of Directors of UNOFI GESTION D'ACTIFS SA
Chairman of BM Conseil SASU
Director of:
- EPRA
- MEDEF Paris

Chairman of the Corsica Crédit Agricole Foundation
Member of the Executive Committee of the Palladio Foundation

Chief Executive Officer

Mr. Philippe Depoux
54 years old, French nationality
Appointment: BoD of 04/17/2013
with effect from 06/03/2013
Indefinite-term office

Number of shares held: 9,525
Domiciled: 14-16, rue des Capucines – 75002 Paris

Director of the Club de l'Immobilier
Director of:
- IEIF
- NGO Première Urgence – Aide Médicale Internationale

Member, in the capacity of a qualified personality, of the Investment Committee and Steering and Monitoring Committee of the National Agency for Urban Renovation (ANRU), a public entity.
Corporate officer in most Gecina subsidiaries

Directors

Ms. Méka Brunel
59 years old, French nationality
First appointment: GM of 04/23/2014
Office expiry date: GM 2018

Member of the Strategic Committee and the Audit and Risk Committee
Attendance rate at Board meetings: 100%
Attendance rate at Strategic Committee meetings: 100%
Attendance rate on the Audit and Risk Committee: 100%
Number of shares held: 25,681
Domiciled: 15, rue Jouvenet – 75016 Paris

Chairman of Ivanhoé Cambridge Europe
Chairman of France GBC
Director of:
- Crédit Foncier de France
- SPPICAV Lutiq
- P3 Group SARL
- EPRA
- FSIF
- HBS PG

 **Ms. Dominique Dudan** 61 years old, French nationality First appointment: GM of 04/24/2015 Office expiry date: GM 2019	Independent director Member of the Audit and Risk Committee Attendance rate at Board meetings: 100% Attendance rate on the Audit and Risk Committee: 100% Number of shares held: 40 Domiciled: 1, rue de Condé – 75006 Paris	Director of: - Observatoire Régional de l'Immobilier d'Île-de-France (ORIE) - RICS France Manager of SCI du Terrier and SCI du 92 Manager of SARL William's Hotel Chairman of Artio Conseil (SASU)
 **Ms. Sylvia Fonseca** 54 years old, French nationality First appointment: GM of 04/23/2014 Office expiry date: GM 2016	Independent director Member of the Audit and Risk Committee Attendance rate at Board meetings: 100% Attendance rate on the Audit and Risk Committee: 90% Number of shares held: 40 Domiciled: 77, avenue Ledru-Rollin – 75012 Paris	Director Audit, Quality and cross-functional missions of the Sanef Group
 **Mr. Claude Gendron** 63 years old, Canadian nationality First appointment: GM of 04/23/2014 Office expiry date: GM 2016	Member of the Governance, Appointment and Compensation Committee Attendance rate at Board meetings: 87.50% Attendance rate at the Governance, Appointment and Compensation Committee: 100% Number of shares held: 40 Domiciled: 4898, rue Hutchison – Montreal (Quebec) H2V 4A3 – Canada	Executive Vice-President for Legal Affairs and head of litigation of Ivanhoé Cambridge and companies affiliated to the Ivanhoé Cambridge Group Member of the Ivanhoé Cambridge Executive Committee
 **Mr. Rafael Gonzalez de la Cueva** 50 years old, Spanish nationality First appointment: GM of 05/24/2011 Office expiry date: GM 2017	Independent director Member of the Governance, Appointment and Compensation Committee Attendance rate at Board meetings: 100% Attendance rate at the Governance, Appointment and Compensation Committee: 100% Number of shares held: 40 Domiciled: Calle Ana de Austria, 34, Portal 0-2C – 28050 Madrid (Spain)	Chairman – founder of Nuevos Espacios de Arquitectura y Urbanismo, S.L.

Mr. Jacques-Yves Nicol
65 years old, French nationality
First appointment: GM of 05/10/2010
Office expiry date: GM 2018

Independent director
Chairman of the Audit and Risk Committee
Attendance rate at Board meetings: 100%
Attendance rate on the Audit and Risk Committee: 100%
Number of shares held: 40
Domiciled: 7, rue Brunel – 75017 Paris

N/A

Ms. Nathalie Palladitcheff
48 years old, French nationality
First appointment: BoD of 07/22/2015 (coopted)
Office expiry date: GM 2017

Member of the Strategic Committee
Attendance rate at Board meetings: 100%
Attendance rate at Strategic Committee meetings: 100%
Number of shares held: 40
Domiciled: 934 avenue Hartland H2V 2Y1 Montreal (Quebec) – Canada

Executive Vice-President and CFO of Ivanhoé Cambridge
Member of the Ivanhoé Cambridge Executive Committee

Mr. Jean-Jacques Duchamp, permanent representative of Predica
61 years old, French nationality
First appointment: GM of 12/20/2002
Office expiry date: GM 2019

Member of the Strategic Committee and the Audit and Risk Committee
Attendance rate at Board meetings: 100%
Attendance rate at Strategic Committee meetings: 100%
Attendance rate on the Audit and Risk Committee: 100%
Number of shares held by Predica: 8,096,229
Domiciled: 16-18, bd de Vaugirard – 75015 Paris

Deputy CEO of Crédit Agricole Assurances* (Member of the Executive Committee)
Vice-President of the Board of Directors, Director of Générale de Santé SA(1)
Director of:
- SANEF (Autoroutes du Nord et de l'Est de la France)
- Société Foncière Lyonnaise(1)
- CPR-AM*
- SPIRICA*
- CA Vita*
- PACIFICA*

Permanent representative of SPIRICA*, Director of:
- Lifeside Patrimoine*
- ISR Courtage*

Member of the Office of the Economic and Financial commission of FFSA

Ms. Inès Reinmann Toper
58 years old, French nationality
First appointment: GM of 04/17/2012
Office expiry date: GM 2016

Independent director
Chairwoman of the Governance, Appointment and Compensation Committee
Attendance rate at Board meetings: 100%
Attendance rate at the Governance, Appointment and Compensation Committee: 100%
Number of shares held: 40
Domiciled: 57, bd du Commandant Charcot – 92200 Neuilly-sur-Seine

Independent director of Cofinimmo(1)
Director of:
- AINA Investment Fund (Luxembourg), SICAV
- Orox Asset Management SA

Observer for OPCI Lapillus
Member of the Management Board of EDRCF (Edmond Rothschild Corporate Finance), SAS
Member of:
- Club de l'Immobilier Île-de-France
- Cercle des Femmes de l'Immobilier

Fellow of The Royal Institution of Chartered Surveyors

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(1) Listed company.
** Crédit Agricole SA Group's companies.*

During 2015 the following movements occurred in the structure of the Board of Directors:

Director's name	Renewal	Appointment	Departure	Comments
Ms. Dominique Dudan		X		Appointment by the Shareholders' General Meeting of April 24, 2015 for a four-year term, *i.e.*, until the end of the Shareholders' General Meeting convened to approve the financial statements for the year ending December 31, 2018. The appointment of Ms. Dominique Dudan raised the percentage of independent directors from 44% to 50% and the percentage of women from 33% to 40%.
Predica, represented by Mr. Jean-Jacques Duchamp	X			Renewal by the Shareholders' General Meeting of April 24, 2015 for a four-year term, *i.e.*, until the end of the Shareholders' General Meeting convened to approve the financial statements for the year ending December 31, 2018.
Mr. Anthony Myers			X	Resignation duly noted by the Board of Directors' Meeting of July 22, 2015.
Ms. Nathalie Palladitcheff		X		Cooptation by the Board of Directors' Meeting of July 22, 2015 to replace Mr. Anthony Myers, who has resigned, for Mr. Myers' remaining period in office, *i.e.* until the end of the Shareholders' General Meeting convened to approve the financial statements for the year ending December 31, 2016. This cooptation will be submitted to the Shareholders' General Meeting convened to approve the financial statements for the year ending December 31, 2015. The cooptation of Ms. Nathalie Palladitcheff raises the percentage of women on the Board of Directors from 40% to 50%. The percentage of independent directors remains unchanged (50%).

It should be noted that since the total number of employees of the company and its subsidiaries is lower than the thresholds fixed by Article L. 225-27-1 of the French Commercial Code, there is no director representing employees on the Board of Directors. However, in accordance with Article L. 2323-62 of the French Labor Code, members of the Works Council attend Board of Directors' meetings in an advisory capacity.

Diversity of the structure of the Board of Directors

The Board of Directors reflects a diversification goal in its structure in terms of gender, nationalities and background, as recommended by the AFEP-MEDEF Code and its internal regulations (Article 7) which stipulate that "The Board shall regularly examine the desired balance of its structure and that of its Committees especially with respect to the representation of women and men, nationalities and diversity of backgrounds."

The Board of Directors ensures that each movement in its structure is compliant with this goal in order to be able to carry out its tasks under the best conditions. Accordingly, to date, the members of the Board of Directors comprise three different nationalities and come from diverse and complementary backgrounds, especially in the area of real estate, finance, accounting, management, law, CSR and risk management. These skills are set forth in detail in points 5.1.2.1, 5.1.2.2 and 5.1.2.3, which describe the duties and mandates exercised by the Directors as well as the experience and expertise of each one.

The table below sums up the main areas of expertise of the company's Directors.

Areas of expertise	Board of Directors (10 directors)
Administration and management	10 directors
Real estate	10 directors
Finances	8 directors
International experience	7 directors
Human Resources	5 directors
Banks – Insurance	4 directors
CSR	4 directors
Accounting	3 directors
Law	3 directors

Training of directors

In the context of the introduction of new Directors, and pursuant to the AFEP-MEDEF Code recommendation relating to the training of Directors, documentation on the key subjects of the company ("Director's kit") has been distributed to the latter and briefings on certain subjects have been organized for the Directors.

In addition, a budget was allotted for the training of Directors and the use of external consultants by the Board of Directors and its Committees.

Independent directors

The Board of Directors reviews every year, after seeking the opinion of the Governance, Appointment and Compensation Committee, the situation of each of its members regarding the independence criteria stated in the AFEP-MEDEF Code, namely:

(i) not be employees or executive corporate officers of the company, employees or Directors of its parent company or any company consolidated by the latter, and not have been so at any time in the last five years;

(ii) not be executive corporate officers of a company in which the company directly or indirectly holds a directorship, or in which an employee who has been appointed as a corporate officer of the company (currently or at any time in the last five years) has a directorship;

(iii) not be clients, suppliers, investment bankers or commercial bankers:
- of significance to the company or its Group,
- or for which the company or its Group represents a significant amount of business;

(iv) not have any close family ties or others with a corporate officer;

(v) not have served as an auditor for the company at any time in the last five years;

(vi) not have served as a Director for the company for more than 12 years;

(vii) Directors representing major shareholders of the company are considered to be independent provided they are not involved in the control of the company. If Directors hold more than 10% of the share capital or voting rights, the Board, acting on the basis of a report issued by the Governance, Appointment and Compensation Committee, must systematically investigate compliance with the independence criteria, taking account of the shareholder structure and the existence of any potential conflicts of interest.

Pursuant to the aforesaid criteria, the Board of Directors concluded from its investigation on December 31, 2015, that five out of its ten members qualify as independent directors, namely: Ms. Dominique Dudan, Ms. Sylvia Fonseca, Mr. Rafael Gonzalez de la Cueva, Mr. Jacques-Yves Nicol and Ms. Inès Reinmann Toper.

As at the publication date of this report, none of the Directors considered as independent had direct or indirect business relations with the company or its Group.

Shares held by directors

As stated in the internal regulations for the Board of Directors, each Director must own at least 40 shares for the duration of his or her term in office.

Directors are responsible for reporting to the Autorité des Marchés Financiers (the French market regulator) with a copy addressed to Gecina, within five trading days, transactions involving company shares or any other security issued by the company, carried out directly or through a third party on their own behalf or for any other third party under a mandate not applying to third party management services. Transactions carried out by people with close links to the Directors as described by the applicable regulations are also concerned.

Transactions in company shares conducted by officers, senior managers or persons to whom they are closely connected are listed in section 6.3.4.

Rules about multiple offices

The Board of Directors' internal regulations (Article 2) in accordance with the recommendations of the AFEP-MEDEF Code concerning the number of mandates of executive corporate officers and Directors, state that:

"Directors should devote the necessary time and attention to their duties and participate, as much as possible, in all Board meetings and, as applicable, in the meetings of the Committees to which they belong. A Director shall not hold more than four other offices in listed companies external to the Group, including foreign ones. Where a Director exercises executive functions in the company, such Director must devote his/her time to the management of the company and shall not hold more than two other directorships in listed companies external to his/her Group, including foreign ones. He/she shall seek the approval of the Board before accepting another corporate office in a listed company."

Furthermore, the Directors' charter (Article 16), which is an appendix to the Board of Directors' internal regulations, specifies that "*The Director undertakes, for any new office of any kind, inside the Group, a French or foreign company, to contact the Chairman of the Board of Directors or the Secretary of the Board of Directors, in order to inform him/her, as necessary, of the conditions for compliance with the regulation applicable to the holding of multiple offices and the principles stemming from this charter.*" The table in section 5.1.2.1. describes the offices of members of the Board of Directors and its Chairman as well as those of the company's Chief Executive Officer as at December 31, 2015.

5.1.2.2. SUMMARY OF OFFICES AND FUNCTIONS EXERCISED IN ANY COMPANY DURING THE PAST FIVE YEARS AND TERMINATED

The table below summarizes all companies in which the members of the Board of Directors, its Chairman and the company's Chief Executive Officer have been members of an executive, governance or supervisory body or a general partner at any time during the last five years. Unless otherwise clarified, all the terms of offices indicated are held outside the Group.

Name and surname	Offices and functions exercised in any company during the past five years and terminated
Mr. Bernard Michel	CEO of Gecina CEO and Director of Predica Chairman of the Board of Directors of Dolcea Vie Vice-Chairman and Director of Pacifica Chairman of the Supervisory Board of Finogest SA Chairman of CA Grands Crus SAS Director of: - CAAGIS SAS - Attica GIE - La Sécurité Nouvelle SA Member of the bureau of Fédération Française des Sociétés d'Assurances (FFSA) Chairman of the Provisional Management Commission of the Caisse Régionale de la Corse Permanent representative of CAA, Director of CACI Permanent representative of Predica, member of the Supervisory Board of CAPE SA Director of La Médicale SA, Observer of SIPAREX(1) Corporate officer in most Gecina subsidiaries
Mr. Philippe Depoux	Chairman of: - Generali France Immobilier SA - Immocio (Immobilière Commerciale des Indes Orientales) - Locaparis - Generali Résidentiel - SAS 100 CE Chairman-CEO, Deputy CEO, Director of Segprim CEO of GEII Rivoli Holding SAS Permanent representative of Generali France Assurances: - on the Supervisory Board of Foncière des Murs(1) - on the Board of Directors of Expert Finance - on the Board of Directors of Association pour la location du Moncey – Beeo Top Permanent representative of Generali Vie: - on the Supervisory Board of Foncière Développement Logements(1) - on the Supervisory Board of Foncière des Régions(1) - on the Board of Directors of Eurosic(1) - on the Supervisory Board of SCPI Generali Habitat Permanent representative of Generali IARD on the Board of Directors of Silic(1) Director of: - ULI (Urban Land Institute) - Generali Bureaux - OFI GR1 - OFI GB1 - Architecture et Maîtrise d'Ouvrage (AMO) Manager of: - SCI Malesherbes - SCI Daumesnil - SCI 15 Scribe - SCI Saint-Ouen C1 Head of the France and overseas operations of Generali Real Estate SPA (GRESPA) – branch in France Chairman of the Club de l'Immobilier
Ms. Méka Brunel	Chairman of ORIE Director of ORIE
Mr. Jean-Jacques Duchamp, permanent representative of Predica	Director of Foncière des Régions(1) Director of BES VIDA Director of Korian(1) Director of CA-IMMO Director of Dolcea Vie
Ms. Dominique Dudan	CEO of Arcole Asset Management Chairman of Artio Conseil Chairman of Union Investment Real Estate France SAS
Ms. Sylvia Fonseca	N/A
Mr. Claude Gendron	Senior partner at the Fasken Martineau Du Moulin LLP Law Firm
Mr. Rafael Gonzalez de la Cueva	N/A
Mr. Jacques-Yves Nicol	Managing Director of Aberdeen Property Investors France CEO of the Association des Diplômés du Groupe ESSEC Member of the Supervisory Board of ESSEC

(1) Listed company.

Name and surname	Offices and functions exercised in any company during the past five years and terminated
Ms. Nathalie Palladitcheff	Chairman, CEO of Icade Finances Chairman of Icade Services Director of: - Crédit Agricole CIB - SILIC(1) - Inmobiliaria de la Caisse des dépôts España - Qualium Investissement Chairman of the Crédit Agricole CIB Audit Committee Member of the Audit, Accounts and Risk Committee of SILIC (1) Interim CEO of Icade(1) Member of the Icade(1) Executive Committee, in charge of finance, legal, IT and real estate services. Permanent representative of Icade(1), Chairman of: - I-Porta - Icade Property Management - Icade Transactions - Sarvilep - Icade Expertise Permanent representative of Icade(1), Liquidator of the Caisse des dépôts des Pays de Loire Permanent representative of Icade(1), Managing partner of SCI de la Résidence de Sarcelles Permanent representative of Icade Services, Chairman of: - I-Porta - Icade Transactions - Icade Property Management - Icade Résidences Services - Icade Gestec Member of the ULI FRANCE Steering Committee
Ms. Inès Reinmann Toper	Chairman of Acxior Immo Partner at Acxior Corporate Finance Director of Acxior Corporate Finance Co Joint leader of the Innovative Financing group – Plan Bâtiment Grenelle 2

(1) Listed company.

5.1.2.3. MANAGEMENT EXPERTISE AND EXPERIENCE OF THE MEMBERS OF THE BOARD OF DIRECTORS, ITS CHAIRMAN AND THE CEO

Bernard Michel

A graduate of the *École nationale des impôts* and General Inspector of Finances, he began his career at the *Direction générale des impôts* (1970-1983) then joined the *Inspection générale des finances* to carry out audit and control engagements (1983-1987). He joined the GAN group in 1987 as Director. He was then appointed Director of Life Assurance Management (1990-1993), Chairman of Socapi (GAN and CIC life assurance company) (1992-1996), Deputy-CEO and Executive Vice-President of Assurances France (1993-1996). He was Chairman of the Banque Régionale de l'Ouest (CIC) from 1994 to 1996 and in parallel Chairman of the retirement fund of the CIC group. After joining the CNCA (now Crédit Agricole S.A.) in 1996 as Secretary General and member of the Executive Committee of Crédit Agricole S.A., he was appointed Deputy CEO in 1998, a position he held until 2003. He was in charge of the Technologies, Logistics and Banking Services cluster in particular, and was appointed Chairman of Crédit Agricole Immobilier. Since 2003, Bernard Michel has been Deputy Director of Operations and Logistics then Director of Operations and Logistics of Crédit Agricole S.A., Director of the Real Estate, Purchasing and Logistics Department, and Vice-Chairman of Predica, before being appointed CEO of Predica in 2009, Director of the Crédit Agricole Assurances Department. Since February 16, 2010, he has been Chairman of the Board of Directors of Gecina and also performed, from October 4, 2011 to June 3, 2013, the duties of Chief Executive Officer for Gecina.

Philippe Depoux

Philippe Depoux, a graduate of the *École Supérieure de Commerce de Rouen* and holder of a degree in business administration and finance (DESCAF), was Head of Sales and Acquisitions inside the real estate division of GAN, Director of Sales, Acquisitions and Appraisals for Immobilière FINAMA, Director of Sales and Acquisitions at AXA REIM, Managing Director of Société Foncière Lyonnaise and Chairman of Generali Real Estate France. He joined Gecina in June 2013 as Chief Executive Officer.

Méka Brunel

Méka Brunel is an engineer by training. She is the Executive Vice-President of Ivanhoé Cambridge since 2009 and, in this respect, heads up the real estate activities of Ivanhoé Cambridge in Europe. Méka Brunel is a public works engineer, holds an executive MBA from HEC, and is MRICS.

Specialized in real estate for over 35 years, she began her professional career with Fougerolle (Eiffage group) where she had the opportunity to participate in prestigious projects such as the "Cour Carrée" of the Louvre museum or the extension of Musée Carnavalet. Méka Brunel then continued her career at the SINVIM before holding various managerial functions within Simco, now merged with Gecina, from 1996 to 2006, before, in 2006, becoming Chair of the Management Board of Eurosic, a real estate company listed on the Paris Stock Exchange.

Méka Brunel is also active in corporate affairs and professional bodies (in particular, she is Director of Crédit Foncier de France, Chair of France GBC, Director of the FSIF and EPRA), and was voted professional of the year by the 2013 Pierre d'Or Awards.

Dominique Dudan

After studying science, Dominique Dudan joined the real estate industry. Admitted as a Member of the Royal Institution of Chartered Surveyors (FRICS), she subsequently became a Fellow of the institution. Between 1996 and 2005, Dominique Dudan held the position of Development Director inside the Accor Hotels & Resorts group. She then joined HSBC Reim as Director of Operations and Executive Board member, then BNP Paribas Reim as Deputy CEO and Director of Regulated Real Estate Funds. In 2009, Dominique Dudan created her own Artio Conseil structure and in 2010 she became CEO of Arcole Asset Management. Since 2011, she is Chairman of Union Investment Real Estate France SAS. Dominique Dudan is director of the Paris region Real Estate Regional Observatory (ORIE) and of RICS France, member of the MEDEF Economic commission for the Service professions group, member of the *Cercle des Femmes de l'Immobilier* and the *Club de l'Immobilier d'Île-de-France*. She is a Knight of the National Order of Merit.

Sylvia Fonseca

Sylvia Fonseca is a graduate of ESSEC, and in 1982 joined Fougerolle, a construction group, in the human resources department. In 1989, she was Secretary General of Sofracim, the real estate subsidiary of Fougerolle. In 1992, at Forclum as Omnilux Director, she developed contracts in the energy sector and created the purchasing function; in 2001, she was appointed group HR manager. Furthermore, at Eiffage, she participated in the development of highway projects and car park concessions as Director of Omniparc. In 2003, she joined the Eiffage holding and was appointed Director of Group Internal Audit, then Director of the general delegation to risks and controls. She joined SANEF Group in 2012 as Chief Financial Officer until the end of May 2015, and since that date, she has held the position of Director of Audit, Quality and Cross-functional Missions.

Claude Gendron

Claude Gendron is a professional lawyer. He holds the position of Executive Vice-President for Legal Affairs and head of litigation at Ivanhoé Cambridge, a real estate subsidiary of the Caisse de dépôt et placement du Quebec, one of the largest institutional fund managers in Canada. Claude Gendron is a member of the Ivanhoé Cambridge Executive Committee. He is in charge of all the legal affairs of the company as well as the General Secretariat.

Claude Gendron holds a degree in business administration from the University of Ottawa (Canada) in addition to a BA and MA in business law from the University of Montreal (Canada).

Specialized in financial and real estate transactions for more than 30 years, he started as a legal adviser at the Banque Nationale du Canada, a leading Canadian bank (1975 to 1980). Claude Gendron then continued his career within law firms by joining the Fasken Martineau firm, lead manager at the international level in business law, where he was the senior partner (1998-2013) before joining Ivanhoé Cambridge.

Rafael Gonzalez de la Cueva

A graduate of ETSA Madrid, Rafael Gonzalez de la Cueva began his career as an architect for Ara Arquitectos. He was then appointed Promotions Manager for Ferrovial Inmobiliaria before joining Vallehermoso, where he held several positions including Director of Special Projects. Thereafter he worked for Nozar as Promotions Director. In 2005, he joined Martinsa as Director of Investment, and then from 2007 to 2010, Martinsa Fadesa as Director of Strategy, Assets and Valuations. He is currently Chairman and founder of Urbanea.

Jacques-Yves Nicol

Jacques-Yves Nicol graduated from ESSEC Business School and completed postgraduate studies in Economics. He was Managing Director of the ESSEC Group Alumni Association, after being the Managing Director (France) of Aberdeen Property Investors and Tishman Speyer Properties.

He has also held posts at Bank of America in France and internationally, at Bouygues (CFO and Deputy General Manager for Spain), then with the AXA Group as Managing Director of AXA Immobilier, then responsible successively for overseeing life-insurance activities in Asia-Pacific and the South Europe/Middle East area of AXA. He is a member of the *Club des Présidents de Comité d'Audit* of the *Institut Français des Administrateurs.*

Nathalie Palladitcheff

Nathalie Palladitcheff is graduate of ESC Dijon and holds DECF and DESCF degrees in accounting and finance. She began her career at Coopers & Lybrand Audit (1991 to 1997). She then joined the Banque Française Commercial Océan Indien (1997-2000) as Director of financial affairs and management control. In 2000 she was appointed CFO of Société Foncière Lyonnaise, where she subsequently became deputy CEO. She became CEO of Dolmea Real Estate in May 2006. She then joined Icade in September 2007 as member of the Executive Committee in charge of finance, legal and IT then also of the real estate services division from August 2010. In April 2015, she was appointed, effective from August 3, 2015, Executive Vice-President and Head of Finance at Ivanhoé Cambridge. Nathalie Palladitcheff has been director of Silic et Qualium and director and chairman of the Crédit Agricole CIB Audit Committee. She has been honored as Knight of the National Order of Merit.

Jean-Jacques Duchamp, Permanent Representative of Predica

Graduate of AGRO-INAPG and ENGREF. After a career abroad (India, Morocco and Colombia) in public works and hydraulics, and later infrastructure financing with the World Bank, Jean-Jacques Duchamp joined the Crédit Agricole Group, where he has held a variety of positions in the general inspectorate of finances and auditing at regional mutuals of Crédit Agricole, and later internationally on capital markets, before joining the Board of Finances of Crédit Agricole Group. In 2001, he was part of the personal insurance division of Predica where he assumed the management of "Financing and Corporate" on the Executive Committee. In 2011, he became Deputy Managing Director of Crédit Agricole Assurances.

Inès Reinmann Toper

After studying law (post-graduate degree in property law), Inès Reinmann Toper worked for Dumez SAE and Bouygues, then continued her career with Coprim (Société Générale group), first as Development Director, then as Operational Director and lastly as Corporate Real Estate Commercial Director. From 2000 to 2004, she was the CEO of Tertial, then between 2004 and 2007 was Director of the Icade Commercial Property Market, President of EMGP, President of Tertial and a board member of Icade Foncière des Pimonts. Between 2007 and 2010, she occupied the position of Managing Director Continental Europe at Segro Plc. She was also a director of that company. From 2010 to 2014, she was the Partner in charge of the real-estate subfund of Acxior Corporate Finance. She is a member of the Edmond de Rothschild Corporate Finance management board, in charge of real estate, and director of Cofinimmo. She is also a Fellow of the Royal Institution of Chartered Surveyors. In addition, she is a member of the *Club de l'Immobilier Île-de-France* and the *Cercle des Femmes de l'Immobilier*.

5.1.3. EXECUTIVE MANAGEMENT PROCEDURES

5.1.3.1. SEPARATION OF THE DUTIES OF CHAIRMAN OF THE BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

At its April 17, 2013 session and upon the recommendation of the Governance, Appointment and Compensation Committee, the Board of Directors decided, with effect from June 3, 2013, to separate the duties of Chairman of the Board of Directors from those of CEO. It therefore decided to appoint Mr. Philippe Depoux to the office of CEO for an indefinite period and confirm Mr. Bernard Michel in his position as Chairman of the Board of Directors for a term that may not exceed that of his directorship.

This change in Executive Management procedures was in line with the Board of Directors' wish to return to the separation of the duties of Chairman of the Board of Directors from those of Chief Executive Officer, which had been set up by the Board meeting of May 5, 2009 and had remained the company's governance procedure until October 4, 2011.

At its meeting of April 23, 2014, held after the Shareholders' General Meeting of the same day, the Board of Directors confirmed that the duties of Chairman of the Board of Directors and of Chief Executive Officer of the company would remain separated (with Mr. Philippe Depoux as the CEO) and, having duly noted the renewal by the said Shareholders' General Meeting of his directorship, decided, in agreement with the recommendations of the Governance, Appointment and Compensation Committee, to renew the appointment of Mr. Bernard Michel as Chairman of the Board of Directors for his outstanding term as Director, *i.e.*, until the end of the Shareholders' General Meeting convened to approve the financial statements for the year ending December 31, 2017.

The Board of Directors considers that the separation of duties is the most suitable form of governance for the company's activity, as it helps to strengthen strategic and control functions at the same time as operational functions. It should also strengthen governance and allow a better balancing of powers between the Board of Directors on the one hand, and the CEO on the other.

5.1.3.2. SPECIFIC ROLE ASSIGNED TO THE CHAIRMAN OF THE BOARD OF DIRECTORS

In connection with the return to the separation of duties as decided by the Board of Directors' meeting of April 17, 2013, the Board of Directors decided to allocate, in addition to the remits generally provided for by law, the Chairman of the Board of Directors with a specific role in order to enhance the smooth operation of the Board of Directors and ensure the continuity of Executive Management. In this respect, the Chairman of the Board of Directors:

- is the chairman and moderator of the Strategic Committee;
- attends internal meetings regarding issues of strategy, external and financial communication or compliance, internal audit and risks;
- ensures compliance with the principles of corporate and environmental responsibility;
- participates in shareholder and investor relations;
- participates in representing the company in its high-level relations, especially major clients and public authorities, on the national and international level as well as in external and internal communication.

This role is carried out in close coordination with the actions conducted in these field by Executive Management and does not allow the Chairman of the Board of Directors to exercise the executive responsibilities of the CEO. The Board of Directors' internal regulations were updated to include this role (Article 4.1.1).

5.1.3.3. POWERS OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer has the broadest powers to act in the company's name under any and all circumstances.

As an internal measure and pursuant to the provisions of Article 4.1.2. of the internal regulations, the Board of Directors has set limits to the CEO's powers.

Accordingly, pursuant to Article 4.1.2 of the Board of Director's internal regulations and the law, the Chief Executive Officer may not grant any endorsement, deposit or guarantee to third parties without the express prior authorization of the Board of Directors. The Board's internal regulations also provide that the CEO is specifically required to obtain the authorization of the Board of Directors for any significant decision above certain thresholds that fall outside the scope of the annual budget and the strategic business plan or are related to their change or for any decision likely to involve a conflict of interest between a member of the Board of Directors and the company or leading to a change of corporate governance or share capital.

Authorizations for guarantees, endorsements and deposits – article L. 225-35 of the French Commercial Code

The Board of Directors' Meeting of February 19, 2015 renewed the authorization given to the CEO, with an option to subdelegate such powers, to issue on behalf of Gecina, deposits, endorsements and guarantees, for the duration of the commitments guaranteed (i) for up to €1.65 billion on behalf of its subsidiaries, (ii) €50 million on behalf of third parties, and (iii) without limit for guarantees made to tax and customs authorities, and to continue with any deposits, endorsements and guarantees granted previously.

Commitments made by Gecina in previous fiscal years, which were still in effect as at December 31, 2015, represented a total of €615 million.

5.1.4. CONDITIONS FOR THE PREPARATION AND ORGANIZATION OF THE BOARD OF DIRECTORS' WORK

5.1.4.1. INTERNAL REGULATIONS OF THE BOARD OF DIRECTORS

The procedures for the Board of Directors' organization and operation are governed by the company's bylaws and by the internal regulations of the Board of Directors. These internal regulations were adopted by the Board of Directors on June 5, 2002 and are regularly reviewed by the Board of Directors. They have been amended whenever necessary, as well as the appendices mentioned below, to reflect the regulatory context, marketplace recommendations and changes in corporate governance. For example, the latest updates were made in 2013, in particular to clarify the role of the Chairman of the Board of Directors and to take account of the new provisions resulting from the June 2013 revision of the AFEP-MEDEF Code, notably regarding the introduction of an advisory vote on the remunerations of executive corporate officers and the rules regarding the number of offices that can be held by executive corporate officers and Directors.

The Director's charter, the charter of the Works Council representative on the Board of Directors and the internal regulations of the Governance, Appointment and Compensation Committee, the Audit and Risk Committee, and the Strategic Committee are attached to these regulations.

Some sections of the Board of Directors' internal regulations are reproduced in this report. The internal regulations of the Board of Directors are available on the company's website, in accordance with AMF recommendation no. 2012-02.

5.1.4.2. ROLE OF THE BOARD OF DIRECTORS

In accordance with Article 3 of its internal regulations, the Board of Directors' role is to set the guidelines for the company's business and ensure their implementation, in particular through the management control department. It addresses any issues that relate to the smooth operation of the company and through its deliberations resolves any business concerning it. It performs the controls and verifications it deems necessary. It is regularly informed about changes in the Group's activities and property holdings, as well as its financial position and cash flow. It is also informed about any significant commitments made by the Group.

In the context of authorizations given by the General Meeting of shareholders, the Board of Directors decides on any transaction leading to a change in the company's share capital or issue of new shares and, more generally, deliberates on issues under its legal or regulatory authority. In addition, any significant transaction that does not fall within the company's stated strategy, including major investments for organic growth or company restructuring, is subject to the prior approval of the Board of Directors.

As an internal measure, the Board of Directors reviews and approves prior to their implementation, the deeds, transactions and commitments that fall under the restrictions to the powers of the Chief Executive Officer, defined and set out in Article 4.1.2 of its internal regulations (see Section 5.1.3 above).

The Board of Directors reviews the company's financial communication policy as well as the quality of information supplied to shareholders and to financial markets in the form of financial statements or on the occasion of major transactions.

The Board of Directors presents the compensation of executive corporate officers to the Annual Shareholders Meeting. This presentation includes information on the compensation due to or awarded for the fiscal year ended to each executive corporate officer. This presentation is followed by an advisory vote of the shareholders. Where the Shareholders Meeting issues a negative opinion, the Board of Directors, on the advice of the Governance, Appointment and Compensation Committee, deliberates on the subject at the next meeting and immediately publishes on the company's website a statement mentioning the action that the Board of Directors plans to take with respect to the expectations expressed by shareholders during the meeting.

Pursuant to Article L. 225-37-1 of the French Commercial Code introduced by law no. 2011-103 of January 27, 2011, the Board of Directors holds an annual deliberation on the company's policy with respect to professional and wage equality.

The Directors are entitled to meet the main executive officers of the company, in the presence or absence of the CEO and of the Chairman of the Board of Directors, after submitting a prior request to the Chairman of the Board of Directors and informing the CEO thereof.

Directors can organize work meetings on specific subjects in order to prepare, if necessary, Board of Directors' meetings, including without the presence of the CEO or the Chairman. In this case, the Chairman or the CEO shall be informed thereof in advance.

5.1.4.3. ORGANIZATION AND FREQUENCY OF THE BOARD OF DIRECTORS' MEETINGS

The Board of Directors meets whenever necessary but at least four times a year, these meetings being normally convened by its Chairman. Directors representing at least one-third of the total number of Board members may also convene the Board at any time, indicating the agenda for the meeting. The Chief Executive Officer may also ask the Chairman to convene a Board Meeting on a specific agenda. Decisions are taken by a majority vote of the members present or represented. In the event of a tie, the Chairman of the meeting does not have a casting vote.

Article 14 of the bylaws and Article 6 of the Board's internal regulations allow Directors to meet and take part in the Board's deliberations using video-conferencing or telecommunications facilities, or any other means provided for under French law. They are deemed present using such facilities for calculating the quorum and majority votes, except for the adoption of decisions described in Articles L. 232-1 and L. 233-16 of the French Commercial Code, namely approval of annual financial statements and the management report and approval of the consolidated financial statements and the Group management report. However, at least one-quarter of the Directors must be physically present in the same location.

The above-mentioned restrictions do not, however, prevent any Directors excluded from quorum and majority calculations from taking part in meetings and giving their opinion on an advisory basis.

The Board of Directors met 10 times in 2015 with an attendance rate of 98.98%. The various committees held 29 meetings, which goes to show the involvement of Directors and the scale of the works carried out and the subjects addressed. The average attendance rate of Directors at the meetings is given in the table below. The individual attendance rate of directors is provided in section 5.1.2.1. above.

Table of average attendance rates during fiscal year 2015

Type of meetings	Number of meetings	Average attendance rate
Board of Directors	10	98.98%
Strategic Committee	11	100.00%
Audit and Risk Committee	10	97.73%
Governance, Appointment and Compensation Committee	6	100.00%
Ad hoc Committee in charge of monitoring developments in ongoing judicial cases/proceedings	2	83.33%

5.1.4.4. ACTIVITIES OF THE BOARD OF DIRECTORS DURING FISCAL YEAR 2015

After fiscal year 2014 marked by in-depth changes in the company's shareholding structure, the Board of Directors was particularly attentive throughout 2015, to the implementation of the strategy adopted at the end of 2014. In this context, it specifically expressed its opinion on exceptional real estate transactions, both in terms of financial challenges, value creation and innovation. The Board of Directors met 10 times in 2015, with an attendance rate of 98.98%.

Monitoring of the Group's routine management

The Board of Directors is regularly informed about changes in the Group's activities and property holdings, as well as its financial position and cash flow. To this end, the Executive Management presents an overview of the Group's business (landing forecast, rental management, disposals and investments, financing and overheads) at each Board of Directors' meeting.

During 2015, the Board of Directors drafted the Group's 2014 annual and consolidated financial statements, the consolidated financial statements for the period ended March 31, June 30 and September 30, 2015, management forecasts, press releases as well as the annual and half-year financial reports and the reference document. It also monitored the execution of the budget for fiscal year 2015 and drafted the budget for fiscal year 2016.

On the advice of the Strategic Committee, the Board of Directors decided to set up the half-yearly payment of dividends starting from 2016 for the payment of the 2015 dividend, to allow the company's shareholders to receive steady payments, more in line with the company's financial flows.

The Board of Directors noted the capital increases resulting from subscriptions by members of the Group's savings plan and performance share and stock option plans. It also renewed the authorization given to the CEO to grant deposits, endorsements and guarantees on behalf of the company within the limits recalled above (see section 5.1.3).

Pursuant to ordinance no. 2014-863 of July 31, 2014, the Board of Directors, after reviewing the related-party agreements signed and authorized in prior years whose performance continued in 2014, duly noted the continuation of these agreements.

Authorization for real estate acquisition/development and disposal transactions in line with the defined strategy

The Board of Directors ensured the implementation of the strategy defined in December 2014 regarding in particular the Group's reduced exposure to diversification assets and strengthening of its specialization on the office based in the Paris region.

In this respect, it gave its opinion on various office investment transactions for a total amount of around €1.7 billion, of which the acquisition of a portfolio for a total amount of €1.24 billion, was the largest transaction recorded on the French investment market in 2015. In the context of this transaction concluded with Ivanhoé Cambridge, a shareholder holding more than 10% of the company's voting rights, the Board of Directors ensured the strict application of the related-party agreements procedure and the rules regarding the handling of conflicts of interest and, in accordance with the AMF recommendation no. 2012-05, solicited three external experts, including two independent real estate and financial experts (see sections 5.1.5 and 5.1.6).

Furthermore, it gave its opinion on the company's participation in the City of Paris' call for innovative urban projects and, in particular, on the conditions of its application concerning the Pershing site, for which the company was short-listed for phase two.

At the same time as these acquisition and development projects, the Board of Directors reviewed various disposal transactions and accordingly authorized the sale, through a call for bids, of all or part of the Group's healthcare portfolio and closely monitored the implementation of the process.

Confirmation of strategic guidelines

The members of the Board of Directors met at a strategic seminar organized outside the head office in October 2015 and in the presence of Executive Committee members, in order to discuss the company's strategic guidelines. The Board of Directors, at a session in December 2015, confirmed the strategy defined in December 2014 and set three-year guidelines in the context of this strategy.

These strategic guidelines were then presented to the Works Council under the conditions set out by law no. 2013-504 of June 14, 2013 on protecting employment.

Strengthening governance in accordance with market recommendations

In line with actions undertaken in 2014, the Board of Directors confirmed its will to follow the recommendations of the AFEP-MEDEF and the AMF, in particular regarding the appointment of independent directors, more women, different nationalities and the international background of Directors.

As such, the Board of Directors, on the opinion of the Governance, Appointment and Compensation Committee, proposed to the Combined General Meeting of April 24, 2015, the appointment of Ms. Dominique Dudan as an independent director. It also appointed, through cooptation, Ms. Nathalie Palladitcheff as replacement for Mr. Anthony Myers, who had resigned. The proportion of independent directors and women on the Board of Directors total 50% as at the date of this report.

The policy regarding having more women on the Board of Directors and other executive bodies of the company was praised by the Ministry of social affairs, health and women's rights. As such, Gecina was ranked 5th in the hit parade of companies with female executives on the SBF 120 in 2015.

With respect to issues of compensation, the Board of Directors expressed its opinion on the various compensation items of Mr. Philippe Depoux, Chief Executive Officer, as well as on the amount and new method of calculating the Directors' attendance allowance (see Section 5.2.3). In this respect, the Board of Directors, assisted by the Governance, Appointment and Compensation Committee ensured compliance with the provisions of the AFEP-MEDEF Code and AMF recommendations on executive and directors' pay.

Continuing the corporate social responsibility strategy

The Board of Directors devoted one item on its agenda to the company's CSR policy. Accordingly, the Director of CSR department presented the challenges, strategy and organization of the CSR policy as well as the actions undertaken and the results obtained by the company in recent years. The Board of Directors took the opportunity of confirming that the CSR policy was an integral part of the company's overall strategy.

In the same manner as in previous fiscal years, the Board of Directors reviewed the 2014 report on the comparative situation as presented to it by the Company Secretary in charge of human resources, and duly noted the company's policy with respect to professional and wage equality.

The Board of Directors also congratulated the company, which was awarded the «CSR, Social & Gender Diversity» Prize at the 2015 Human Capital leaders awards and special recognition for its HR policy in the «Real estate category» (prize organized by the *Décideurs* magazine).

Risk management and monitoring of disputes

The Board of Directors, assisted by the Audit and Risk Committee, has continued to ensure the existence of reliable procedures for identifying, controlling and evaluating the company's commitments and risks. In this respect, the works of the Audit and Risk Committee in the field have been extensively reported to the Board of Directors. A presentation of risk mapping was also done by the Director of Internal Audit.

The Board of Directors also continued to monitor and analyze the changes to all judicial proceedings in France and in Spain involving a number of former shareholders. The Board also relied on the findings of the *ad hoc* Committee in charge of monitoring the process of judicial cases/proceedings, then on the findings of the Audit and Risk Committee, and ensured the protection of the company's rights.

5.1.4.5. BOARD OF DIRECTORS' COMMITTEES

To ensure the quality of work of Gecina's Board of Directors and help it in the exercise of its responsibilities, three specialized Committees comprising representatives of the principal shareholders and independent directors were established by the Board of Directors:

- the Strategic Committee;
- the Audit and Risk Committee; and
- the Governance, Appointment and Compensation Committee.

The internal regulations of each of these Committees specify their operating principles and roles.

The Committees systematically submit an executive summary of their findings to the Board of Directors.

At its April 24, 2015 meeting and in order to follow up on the recommendations issued during the annual evaluation of the Board of Directors' work for 2014, the Board of Directors decided to:

- give the Strategic Committee CSR-related missions, which used to be the responsibility of the Audit, Risk and Sustainable Development Committee, in order to further strengthen CSR in the company's strategy;
- at the same time, change the name of the Audit, Risk and Sustainable Development Committee, which is now known as the Audit and Risk Committee;
- terminate the mission of the *ad hoc* Committee, set up in 2013, of the monitoring of the progress of judicial cases/procedures involving some former shareholders;
- give the Audit and Risk Committee the mission of examining the main risks linked to the judicial cases/proceedings involving certain former shareholders, and more generally "sensitive judicial cases/proceedings":

Strategic Committee

Structure

The members of the Strategic Committee are appointed by the Board of Directors which sets their term of office and may dismiss one or more members at any time.

At December 31, 2015, the Committee was made up of four directors: Mr. Bernard Michel, Ms. Méka Brunel, Ms. Nathalie Palladitcheff and Predica, represented by Mr. Jean-Jacques Duchamp. It is chaired by Mr. Bernard Michel, Chairman of the Board of Directors.

The movements below occurred in the Committee's structure during 2015:

- the Board of Directors' Meeting of April 24, 2015, held after the Annual General Meeting of the same day, decided to renew Predica in its duties as member of this Committee;
- the Board of Directors' Meeting of July 22, 2015, having appointed through cooptation Ms. Nathalie Palladitcheff to replace Mr. Anthony Myers, who had resigned, decided to appoint Ms. Nathalie Palladitcheff as a member of this Committee.

Role

The Strategic Committee gives its opinions and recommendations to the Board of Directors on the definition of the company's strategy as proposed by the Executive Management, on the implementation of this strategy, on major projects, on investments and on their impact on the financial statements. It oversees the maintenance of key financial balances and the company's performance in terms of corporate social responsibility.

Its specific tasks include:

- reviewing the strategic projects presented by the Executive Management with their economic and financial consequences (budget, financing structure, cash flow forecasts in particular);
- providing guidance to the Board through its analyses of the strategic plans submitted by the Executive Management, on developments and the progress of ongoing significant transactions;
- examining information on market trends, reviewing the competition and the resulting medium- and long-term outlook;
- examining the company's long-term development projects specifically with respect to external growth, especially concerning acquisitions or divestments of subsidiaries, equity interests, real estate assets or other important assets, in investment or divestment as well as financial transactions likely to have a material impact on the balance sheet structure;
- evaluating the corporate social responsibility policies proposed by Executive Management and ensuring the integration of such policies in the company's strategy. It also monitors their development and improvement to guarantee the company's growth.

More generally, it gives an opinion on any subject that falls within the scope of matters referred to its attention or likely to be referred to its attention.

The Committee may ask any expert of its choice for assistance in its mission (after informing the Chairman of the Board of Directors or the Board of Directors itself), and doing so at the company's expense. Should that happen, the Committee ensures the objectivity of the said expert.

Work accomplished in 2015

The Strategic Committee met 11 times in 2015, with an attendance rate of 100%.

During these meetings, the Committee made decisions about a significant number of investment projects and asset disposals submitted by Executive Management, following a careful review of economic, financial and strategic consequences. In this context, it reviewed the offices portfolio acquisition project for an amount of €1.24 billion and other value creating office assets such as the Boulogne-Billancourt-based City 2, Lyon-based Sky 56 and Paris-based Van Gogh property complexes. It also forwarded its recommendations to the Board of Directors concerning the methods and process for selling off all or part of the Group's healthcare real estate portfolio.

The Committee also provided guidance to the Board through its analyses of the strategic plans submitted by Executive Management to prepare for the Board of Director's strategy seminar. In view of this, it examined the perspectives and opportunities for development of the company in the medium and long term, regarding both operational and financial aspects.

As in preceding years, the Committee devoted one agenda item to reviewing the dividend distribution policy, seeking to balance the company's development with shareholders' interests. In this respect, it supported the introduction of a half-yearly dividend payment system starting from 2016 for the payment of 2015 dividend. In addition, it completed the 2015 budget and began the in-depth analyses necessary for drafting the 2016 budget on the basis of a preliminary budget handed down from Executive Management.

As part of its works, the Committee received studies completed by external experts on real estate market trends and the economic environment.

Audit and Risk Committee

The Committee operates and performs its tasks in accordance with Articles L. 823-19 and L. 823-20 of the French Commercial Code (transposing the EU Directive of May 17, 2006), the AFEP-MEDEF Code, the works of the IFA and the IFACI, and specifically the works of the EPRA.

Structure

The members of the Audit and Risk Committee are appointed by the Board, which sets their term of office and may dismiss one or more members at any time.

At December 31, 2015, the Committee is comprised of five directors, three of whom are independent: Ms. Méka Brunel, Ms. Dominique Dudan, Ms. Sylvia Fonseca, Mr. Jacques-Yves Nicol and Predica, represented by Mr. Jean-Jacques Duchamp. It is chaired by Mr. Jacques-Yves Nicol, an independent director, who has the casting vote in the event of a tie. There is no executive corporate officer on this Committee.

According to the position of the High Committee for Corporate Governance («HCGE») concerning the proportion of independent directors on Audit Committees (see 2014 Activity Report of the HCGE), Gecina's Audit and Risk Committee, comprising three independent members out of five and chaired by an independent director, remains compliant with the spirit of the AFEP-MEDEF Code, although the proportion of two-thirds of independent directors is not met.

All members of the Audit and Risk Committee have specific qualifications in financial or accounting issues, as detailed in paragraph 5.1.2.3. Mr. Jacques-Yves Nicol, Chairman of the Committee, is a member of the *Club des Présidents de Comité d'Audit* of the *Institut Français des Administrateurs* (a club for Presidents of Audit Committees).

The movements below occurred in the Committee's structure during 2015:
The Board of Directors' Meeting of April 24, 2015, held after the Annual General Meeting of the same day, decided to:
- renew Predica in its duties as member of the Audit and Risk Committee;
- appoint Ms. Méka Brunel and Ms. Dominique Dudan as members of this Committee.

Considering the workload of the Audit and Risk Committee, the Board of Directors had in fact considered it necessary to strengthen the structure of this Committee.

Role

The Committee gives the Board of Directors its opinions and recommendations on:
- the financial reporting preparation process;
- the review of individual and consolidated financial statements and financial reporting;
- the review of the budget and business plans;
- the process for appointing Statutory Auditors, reviewing their fees, monitoring their independence and the performance of their legal audit engagement with respect to the annual and consolidated financial statements;
- the process for appointing appraisal experts and the performance of their engagement;
- the financial policy and financing plans;
- the risk mapping, the quality, the internal control and their effectiveness;
- the operation and assignments of Internal Audit;
- the main risks linked to sensitive judicial cases/proceedings.

The Committee may ask any expert of its choice for assistance in its mission (after informing the Chairman of the Board of Directors or the Board of Directors itself), and doing so at the company's expense. Should that happen, the Committee ensures the objectivity, competence and independence of the said expert.

Work accomplished in 2015

The Audit and Risk Committee met 10 times in 2015, with an attendance rate of 97.73%.

At these meetings, the Committee mainly examined the results of the property holdings appraisals as of December 31, 2014 and June 30, 2015, the annual and consolidated financial statements for fiscal year 2014 and the consolidated financial statements of March 31, June 30 and September 30, 2015 and the situation of financing and hedging plans. On these occasions, it examined the clarity and reliability of the information communicated to shareholders and to the market by reviewing the draft press releases. It studied the annual report, the Chairman's report on governance and internal control as well as the CSR report.

In line with its works carried out in previous fiscal years, the Committee conducted a review of rental, legislative and financial risks, technological and fraud risks, and risks related to CSR the Committee will continue to follow. Furthermore, it continued reviewing the insurance program and litigations/disputes and related provisions. It examined the work plan and internal audit reports and the financing, hedging and banking relations plan. It also examined the company's situation in light of the commitments and guarantees taken in Spain. At these meetings, Internal Audit submitted presentations on its review of off-balance-sheet commitments and risk mapping. The Committee also conducted an in-depth analysis of certain risks and certain aspects of internal control. In addition, it was kept informed of the change in these sensitive judicial cases/procedures in order to examine these risks.

The Committee further examined the risks and accounting and financial treatment of significant acquisition and disposal transactions. In this context, it ensured, in particular, strict application of the related-party agreements procedure in the portfolio acquisition operation concluded with Ivanhoé Cambridge, a shareholder holding more than 10% of the company's voting rights.

Furthermore, the Committee met with the Finance Department, the Internal Audit, Risk and Compliance Department and the Statutory Auditors, and reviewed the budget for the Statutory Auditors. Statutory Auditors systematically participate in the Committee's works relating in particular to the different presentations of accounts, and presented to the Committee the results of the legal audit, the review of certain aspects of internal control and the recommendations issued as well as the selected accounting options.

The Committee supervised the procedure for selecting Statutory Auditors in the context of the expiry of the mandates of the company's current Statutory Auditors after the Annual General Meeting convened to approve the accounts for the financial year ended December 31, 2015. At the end of the evaluations and auditions thereof, the Committee recommended to the Board of Directors to propose to the Annual General Meeting to renew their terms. The Committee also supervised the procedure for selecting external experts in charge of property appraisals.

The Committee has a minimum deadline of two days before the Board of Directors reviews the financial statements. Exceptionally, the Committee reviewing the consolidated financial statements of March 31, 2015 was held on the day preceding its review by the Board of Directors. To ensure that the Committee had sufficient time before the Board of Directors' meeting, the necessary documents and information were addressed to the Committee members prior to the meeting.

Governance, Appointment and Compensation Committee

Structure

The members of the Governance, Appointment and Compensation Committee are appointed by the Board of Directors, which sets their term of office and may dismiss one or more members at any time.

On December 31, 2015, the Committee consisted of three directors, including two independent directors, in accordance with the recommendations of the AFEP-MEDEF Code: Ms. Inès Reinmann Toper, Mr. Claude Gendron and Mr. Rafael Gonzalez de la Cueva. It is chaired by Ms. Inès Reinmann Toper, an independent Director, who has the casting vote in the event of a tie. There is no executive corporate officer on this Committee.

There were no changes in the Committee's structure in 2015.

Role

The role of this Committee is to inform, train and advise:

- it reviews the operation of the Board of Directors and its Committees and makes proposals to improve corporate governance. It leads discussions on the Committees in charge of preparing the Board of Directors' work. It supervises the Board of Directors' assessment procedure;
- it examines the structure of the company's executive bodies. It prepares a succession plan for corporate officers and Directors;
- it makes proposals to the Board of Directors on all aspects of officers' compensation.

The Committee may invite officers and executives of the company and its subsidiaries, Statutory Auditors and, more generally, any person who may be of assistance in achieving its goals, to its meetings.

The Committee may ask any expert of its choice for assistance in its mission (after informing the Chairman of the Board of Directors or the Board of Directors itself), and doing so at the company's expense. Should that happen, the Committee ensures the objectivity of the said expert.

Work accomplished in 2015

The Governance, Appointment and Compensation Committee met six times in 2015, with an attendance rate of 100%.

At these meetings, the Committee addressed various issues related to governance, appointment and compensation.

Regarding governance and appointments, at the request of the Board of Directors, the Committee organized, in particular, recruitment processes for female independent directors with the help of an external firm selected for this purpose. At the end of the process, the Committee recommended to the Board of Directors to propose to the General Meeting of April 24, 2015, the appointment of Ms. Dominique Dudan. The Committee also reviewed the application of Ms. Nathalie Palladitcheff and gave a favorable opinion for her appointment to replace Mr. Anthony Myers, who has resigned. On these occasions, the Committee paid special attention to diversifying the composition of the Board of Directors in terms of a balanced representation of gender, competences and international experience.

With respect to issues of compensation, the Committee examined in particular the compensation of Mr. Philippe Depoux, Chief Executive Officer, and the application of performance linked to his variable compensation, also discussed during an executive session (see Section 5.1.4.6). It organized debates about the CEO's compensation structure by ensuring compliance with the principles stipulated in the AFEP-MEDEF Code: exhaustiveness, balance, benchmark, coherence, intelligibility and measure. In addition, it was informed of the compensation policy for the key non-corporate officer executive.

It also debated the use and calculation method of the attendance allowance package for 2015.

In addressing these issues, the Committee solicited the services of independent external firms, which were, in particular, asked to conduct benchmark studies.

It also reviewed the draft statements on the compensation elements of executive corporate officers which must, in accordance with the AFEP-MEDEF Code, be disclosed publicly immediately after the Board of Directors' meeting that decides on said compensation.

It also supervised the work to assess the Board of Directors and gave its opinion on the Directors who could be considered as independent. Furthermore, it familiarized itself with the company's human resources policy and monitored its policy with respect to professional gender equality.

In accordance with the recommendations of the AFEP-MEDEF Code, the Committee further began works towards preparing a succession plan for executive corporate officers and will continue them in 2016 in order to be in a situation to propose to the Board of Directors temporary solutions, especially in the event of an unexpected vacancy. The Committee also ensured the existence of a succession plan for the company's key positions.

In fiscal year 2015, Mr. Bernard Michel, Chairman of the Board of Directors, was invited to some of the Committee's meetings concerning, in particular, the appointment of Directors and preparation of the evaluation of the Board of Directors' works. Likewise, Mr. Philippe Depoux, CEO, was invited to some Committee meetings concerning, in particular, the compensation of members of the Executive Committee and the succession plan for key positions in the company.

Ad hoc Committee in charge of monitoring developments in ongoing judicial cases/proceedings

The Committee was created by the Board of Directors at its meeting of March 26, 2013, with the role of monitoring the process of judicial cases/proceedings involving certain former shareholders and if necessary, expressing the Board of Director's recommendations.

Given the changes to the shareholding context, the Board of Directors considered that the existence of this *ad hoc* Committee was no longer necessary and consequently terminated its role on April 24, 2015. The Board of Directors then decided to entrust the Audit and Risk Committee with the continuation of the mission of examining the main risks linked to these judicial cases/proceedings.

In 2015 and until its cancellation date, the Committee was made up of three directors, including an independent director: Mr. Bernard Michel, Mr. Jacques-Yves Nicol and Predica, represented by Mr. Jean-Jacques Duchamp. It was chaired by Mr. Bernard Michel, Chairman of the Board of Directors.

As part of its duties and until it was canceled, the Committee met twice in 2015. It specifically conducted analysis of the different court decisions linked to the judicial proceedings in France and in Spain as described in this reference document, and made recommendations on the positions to be adopted by the company.

5.1.4.6. EVALUATION OF THE BOARD OF DIRECTORS' WORK AND THE PERFORMANCE OF EXECUTIVE MANAGEMENT

The rules for evaluating the Board of Directors' work are defined in its internal regulations (Article 7):
- annual discussion of its operating principles and those of its Committees;
- potential discussion once a year, excluding corporate officers and chaired by the Chairman of the Governance, Appointment and Compensation Committee, relative to the quality of the company's management, its relations with the Board of Directors and the recommendations that it would like to make to management;
- every three years, evaluation of its members, organization and operating principles. This evaluation is primarily aimed at checking that important issues are suitably prepared and discussed by the Board of Directors.

Evaluation of the Board of Directors' work

For 2014, a formalized evaluation was carried out at the start of 2015, with the assistance of an external consultant. This evaluation entailed a detailed questionnaire distributed to all directors, and individual interviews conducted by the external consultant with each director.

The questionnaire and the interviews concerned the main themes below:
- the size and structure of the Board of Directors,
- the organization and operation of the Board of Directors,
- the areas of competence of the Board of Directors and its working methods,
- the Board's relations with Executive Management,
- risk management,
- organization and operation of Committees,
- personal appreciation of governance and benchmark.

During the evaluation, the consultant measured the actual contribution of each director in 2014. The results of this measurement were placed in a report to the Board of Directors but remain confidential and are not intended for public disclosure.

Upon the receipt of these questionnaires and at the end of the interviews, a report was drafted and presented to the Governance, Appointment and Compensation Committee, then to the Board of Directors. A point had been recorded on the agenda of these meetings.

This annual evaluation shows that on a statistical basis as well as on the basis of qualitative judgment and comments made, the directors are mostly satisfied with the operation of the Board of Directors and its governance, a governance which all directors consider to have «progressed» compared to prior years.

Topics of satisfaction were underlined such as:
- the diversity of the Board of Directors' structure (proportion of independent directors, women and presence of different nationalities);
- the peace of mind, solidarity and confidence in the Board of Directors' working method;
- the role of the Chairman of the Board of Directors in moderating discussions, a chairman who fully plays his role in a spirit of collegiality and transparency;
- respect for the confidentiality of the Board of Directors' discussions;
- good information to the Board of Directors on internal control monitoring and risk management;
- the smooth operation of the Committees and their smooth interaction with the Board of Directors.

Some directors expressed the wish for improvement in the following areas:

- fewer and shorter Board of Directors' and Committee meetings;
- enhancement of the Board of Directors' skill in digital technology and sustainable development;
- preparation by the Governance, Appointment and Compensation Committee of a succession plan for executive corporate officers;
- review of the method for allocating the attendance allowance to bring it into line with market practice.

Following the improvement wishes expressed during the evaluation, the Governance, Appointment and Compensation Committee presented an action plan to the Board of Directors, which approved it. Several actions have since been implemented, such as:

- the presentation by the Chairman of the Board of Directors, at each Board meeting, of a specific point concerning in particular the Company's major indicators in its competitive market between the holding of two meetings;
- the preparation of a succession plan for executive corporate officers by the Governance, Appointment and Compensation Committee,
- the adoption by the Board of Directors of another method for allocating the attendance allowance (see Section 5.2.3),
- the continued organization of an annual strategic seminar of the Board of Directors.

For 2015, the Board of Directors meeting on December 15, 2015, regarding the opinion of the Governance, Appointment and Compensation Committee, decided that the annual evaluation of the works of the Board of Directors and Committees would be made internally by the Board Secretary and under the supervision of the Governance, Appointment and Compensation Committee.

Evaluation of the performance of Executive Management ("Executive Session")

Following the wish expressed by certain directors during the evaluation of the Board of Directors' work carried out in 2014, and in accordance with the recommendations of the AFEP-MEDEF Code, the directors met in February 2015, without the CEO, in order to evaluate fulfillment by Executive Management of its missions in 2014.

The Board of Directors plans such a meeting at least once a year.

5.1.5. CONFLICTS OF INTEREST AMONG THE ADMINISTRATIVE, MANAGEMENT AND EXECUTIVE OFFICERS

The internal regulations of the Board of Directors and the Directors' charter, in accordance with the AFEP-MEDEF recommendations, set out the rules to be followed by Directors in the area of prevention and management of conflicts of interests.

Article 2 of the Board of Directors' internal regulations state that "*The Director shall inform the Board of any situations of conflict of interest, even potential, and shall refrain from participating in the vote on the corresponding deliberation*".

Article 14 of the Directors' charter provides further clarity on the issue by stating that:

"The Director undertakes to ensure that the interests of the company and of all its shareholders prevail under all circumstances over direct or indirect personal interests.

Any director who may, even potentially, be directly or through an intermediary in a situation of conflict of interests with respect to the corporate interest, owing to the duties that he performs and/or the interests that he owns elsewhere, undertakes to inform the Chairman of the Board of Directors or any person designated by said Chairman. In the event of a conflict of interests, the director shall refrain from participating in the debates and decision-making on the issues concerned and may have to leave the Board meeting during the debates or voting, where necessary. This rule shall be waived if all Directors have to abstain from taking part in the vote owing to the application of this rule.

Pursuant to the law, each Director shall communicate to the Chairman of the Board any agreement to be concluded directly or by the intermediary of another person, with the company, its subsidiaries, except where it is not material for any of the parties owing to its object or financial implications.

Regarding a legal entity which is a Director, the agreements concerned are those concluded with the company itself and the companies that it controls or which control it as defined by Article L. 233-3 of the French Commercial Code. The same applies for agreements in which the Director is indirectly interested.

The Director may, for any ethical issue, even occasional, consult the Chairman of the Board of Directors or the Chairman of the company's Governance, Appointment and Compensation Committee."

Each year, the Governance, Appointment and Compensation Committee devotes a point of its agenda to reviewing potential situations of conflict of interest.

For transactions for which there could be a conflict of interests (acquisition, disposal of assets, etc.), the Board of Directors ensures that the aforesaid rules are strictly followed. Furthermore, the information or documents linked to such transactions are not disclosed to the directors in such situations of conflicts of interests, even potential ones.

For instance, when the offices portfolio was holding acquired by the company from Ivanhoé Cambridge, a shareholder holding more than 10% of the company's voting rights and represented on the Board of Directors, all necessary precautions, in addition to application of the related-party agreements procedure, were taken with a view to preventing and managing conflicts of interests. Directors linked to Ivanhoé Cambridge refrained from participating in the debates and voting. Documents linked to the transaction were not transmitted to them.

To Gecina's knowledge:

- no member of the Board of Directors has been convicted of fraud in the last five years;
- none of its members have held senior positions in companies subject to bankruptcy, receivership or liquidation proceedings in the last five years and no one has been under arraignment and/or been the object of official public sanction levied by a statutory or regulatory authority;
- none of these members have been prohibited by a Court from serving as a member of an administrative, executive, or supervisory body of an issuer or from being involved in the management of an issuer during the last five years.

To Gecina's knowledge (i) there exists no arrangement or agreement concluded with the principal shareholders, customers, suppliers, or others based on which one of the Directors has been chosen, (ii) there exists no restriction, other than those, if any, mentioned in Section 6.3.2, accepted by the corporate officers, concerning the transfer of their equity shares after a certain lapse of time, (iii) no service contracts exist linking members of executive bodies to Gecina or any of its subsidiaries providing for benefits after the expiry of such a contract.

To the company's knowledge, there is no family link among (i) members of the Board of Directors, (ii) corporate officers of the company and (iii) between the persons referred to under (i) and (ii).

5.1.6. RELATED-PARTY AGREEMENTS

AGREEMENTS AND COMMITMENTS AUTHORIZED DURING THE PAST YEAR

The Board of Directors' meeting of June 1, 2015 authorized the acquisition for €1.24 billion, by Gecina, of 100% of the equity shares of the two companies of the Ivanhoé Cambridge group, owners of the property complexes below:

- the property complex located at La Défense, comprised of the T1 Building and the B building and the Jacques Cartier car park; and
- the property complex located on the Avenue de la Grande Armée, in the 16th arrondissement of Paris known as Emotion.

The Board of Directors' authorization was motivated by the interest of the agreement for the company, in particular by specifying the financial conditions related thereto. This motivation is taken up by the Statutory Auditors in their special report on related-party agreements. The Board relied on the opinions of three external experts: a real estate expert mandated by the company (CBRE) and two independent real estate and financial experts (Cushman & Wakefield and Ernst & Young) mandated by the Board of Directors.

The acquisition was completed on July 21, 2015.

This agreement will be subject to the approval of the next Shareholders' General Meeting planned for April 21, 2016.

AGREEMENTS AND COMMITMENTS APPROVED IN PREVIOUS YEARS, WHICH REMAINED IN FORCE DURING THE FISCAL YEAR

Pursuant to the provisions of Article L. 225-40-1 of the French Commercial Code, based on ordinance no. 2014-863 of July 31, 2014, the agreements and undertakings mentioned above, approved in previous fiscal years and which continued to be performed during the year, were reviewed by the Board of Directors' Meeting of February 24, 2016.

Agreement entered into with Mr. Christophe Clamageran

The Board of Directors' meeting of October 4, 2011 authorized the signature of a transaction with Mr. Christophe Clamageran, following the termination of his duties as CEO of the company.

The agreement continued to be effective in 2015 on the following point: the right of Mr. Christophe Clamageran to retain the benefit of the stock-options awarded to him at the Board Meetings of March 22, 2010 and December 9, 2010, as the Board of Directors has waived for Mr. Christophe Clamageran the presence condition specified in the plan regulations governing these awards, while the other settlement procedures of the said plans remain unchanged.

The total number of options received by Mr. Christophe Clamageran under these plans is 61,847 options.

This agreement was approved by the General Meeting of shareholders of April 17, 2012.

Agreement entered into with Mr. Philippe Depoux

The Board of Directors of April 17, 2013 defined the conditions for severance pay in the event of the termination of the duties of CEO of Mr. Philippe Depoux. Provisions which continued to produce their effects in fiscal year 2015 can be summed up as follows:

- In case of termination of the services as CEO, following a forced departure due to a change in control or strategy, Mr. Philippe Depoux will receive a severance benefit contingent on a performance condition with a maximum amount calculated as indicated below:
  - in office between one and two years: severance indemnity of a maximum of 100% of the gross remuneration as CEO (fixed and variable) for the previous year; it is specified that this provision became obsolete on June 03, 2015, since the CEO's time in office reached two years on that date,
  - in office for more than two years: severance pay of 200% maximum of the total gross compensation for his functions as CEO (fixed and variable) for the previous calendar year.

Performance conditions

The indemnity will only be fully paid if the recurring income in the previous financial year (N), completed prior to the severance, is greater than the average of the recurring income for the two years (N-1 and N-2) preceding the termination of services. The comparison of recurring incomes will be made by taking account of changes to the property-holding structure during the years under review.

Performance Conditions	Severance pay
Recurring income year N (excluding fair value adjustments) > average recurring income of years (N-1 + N-2)	100%
Recurring income year N (excluding fair value adjustments) / average recurring income of years (N-1 + N-2) > 0.96	80%
Recurring income year N (excluding fair value adjustments) / average recurring income of years (N-1 + N-2) > 0.92	50%
Recurring income year N (excluding fair value adjustments) / average recurring income of years (N-1 + N-2) < 0.92	No severance pay

It is the duty of the Board of Directors to check that these performance criteria are achieved, with the understanding that the Board of Directors may consider exceptional items that occurred during the year.

This agreement was approved by the General Meeting of shareholders on April 23, 2014.

No other agreements were concluded or continued in 2015.

5.1.7. SPECIAL CONDITIONS GOVERNING THE ATTENDANCE OF SHAREHOLDERS AT GENERAL MEETINGS

The conditions governing shareholders' attendance at General Meetings are specified in Article 20 of the bylaws and are restated in Section 9.3 of the Reference Document, in the Chapter on Legal Information.

5.1.8. INFORMATION ABOUT THE CAPITAL STRUCTURE AND FACTORS THAT COULD HAVE AN IMPACT IN THE EVENT OF A TAKEOVER BID FOR THE COMPANY

These are described in the Chapter "Comments on the year" in Section 2.2. "Financial resources" and in paragraph 6.3.3.

5.1.9. INTERNAL CONTROL AND RISK MANAGEMENT

For this description and for the implementation of its systems, Gecina draws on the general principles proposed in the "Risk management and internal control systems framework", updated in July 2010 by the AMF work group. It should, however, be remembered that these systems, like all internal control or risk management systems, cannot provide an absolute guarantee of meeting the company's targets. The internal control and risk management systems apply to all the activities covered by the Group, without exception.

5.1.9.1. RISK MANAGEMENT SYSTEM

Gecina's current risk management system is described in paragraph 7 of Chapter 1 "Risks". It aims to:

- create and protect the company's value, assets and reputation;
- secure decision-making and the company's procedures to ensure that it meets its targets;
- ensure that the company's actions are in line with its values;
- mobilize employees around a shared vision of the main risks.

Risk identification, analysis and management systems are implemented by the "Property Risks" Department with respect to risks linked to the safety and environment of properties and by the "Risks and Compliance" Department with respect to general risks. Risk management falls under the responsibility of the various Group Departments, depending on the nature of the risks.

Risk management works are presented and monitored on a regular basis by the Audit and Risk Committee. A summary of risk management works is presented annually to the Board of Directors.

A risk management policy, circulated by the "Risks and Compliance" Department, supplements the internal procedures and regulations. This policy makes it easier to incorporate risk management into the organization's objectives, culture and operation. It strengthens the link between the company's strategy and risk management. By clarifying the roles and responsibilities of the stakeholders, this policy tends to strengthen the involvement of each party. It can be consulted by all the Group's employees as it is posted on the Intranet.

Section 7 of Chapter 1 "Risks" features a summary table of the main general risk factors (operational) and the corresponding control mechanisms.

5.1.9.2. INTERNAL CONTROL SYSTEM

Gecina's current internal control system comprises a set of resources, behaviors, procedures and activities aimed at ensuring that:

- management decisions or operations are carried out within the framework defined for the company's activities by corporate bodies, in accordance with applicable laws and regulations and subject to the company's internal rules;
- assets are protected, and more generally, any risks resulting from the company's activities are prevented and effectively managed;
- accounting, financial and management information faithfully reflects the company's activities and position.

It should thus be remembered that the scope of internal control is not limited to procedures or to accounting and financial processes alone.

Company management and organization

Company management

The Board of Directors opted for the separation of the duties of Chairman of the Board of Directors and those of CEO as organizational method for Executive Management. The duties of Chairman of the Board of Directors are awarded to Mr. Bernard Michel and the duties of CEO to Mr. Philippe Depoux.

The specific missions entrusted to the Chairman of the Board of Directors and the powers of the CEO are described in sections 5.1.3.2. and 5.1.3.3.

Company organization

In 2015, given the pipeline of assets under development, the development division was created to report to the Asset Management Department, in order to coordinate group-wide development actions. This division strengthens the value creation internal control system for the existing portfolio.

It should be remembered that since 2014, the company has a new organization. It shifted from an organization based on asset type to an organization based on business lines in accordance with the strategy and allowing cross-functionality and versatility. The company is organized around the following main Departments:

- an "Acquisitions & Sales" Department, which centralizes oversight of acquisitions and sales processes;
- a "Real Estate Holdings" Department in charge of the real estate management of the property holdings including management, marketing as well as the Project Management function;
- an "Asset Management" Department tasked with drafting business plans by property and overseeing the turnover of the property holding. This Department contributes, in liaison with the Real Estate Holdings Department and the Acquisitions & Sales Department, to the drafting of real estate strategy;
- in order to centralize the different entities in charge of marketing and communications, a Marketing & Innovation Department was also created. Its main duties are focused on the marketing of the commercial offering, relational and digital marketing. With respect to communication, this Department is in charge of commercial, corporate and internal communications.

The General Secretariat includes the Legal, HR and Information Systems Departments as well as the corporate Foundation. The «Corporate Social Responsibility» function, an autonomous department, reports to Executive Management. The Group's CSR policy (Section 7.1.3. «CSR policy: commitments, objectives and action plans») is coordinated at global level by the CSR Department. The complete oversight system with the different departments is described in Section 7.1.4.1. Steering and coordination of the CSR process.

The Financial Department includes the Financial Communications, Financial Control, Financing, Treasury & Business Plan, and Appraisals Departments, in addition to the Accounts, Tax and Insurance Department.

The Internal Audit, Risk and Compliance functions together with the Departments mentioned above report to the CEO.

The Board Secretariat and the Department of Corporate Legal Affairs report to both the Chairman and Executive Management.

Executive Committee Structure

The Gecina group's executive structure comprises:

- an Executive Committee, which brings together around the CEO, the heads of the principal Departments. The Executive Committee sets goals, guidelines for strategic projects, decides on priorities and the necessary resources and ensures the implementation of decisions taken. This Committee meets once a week;
- a Management Committee that comprises all the members of the Executive Committee, including representatives of key functions in the company. The Management Committee implements all the Group's projects, guides business operations and monitors the key performance indicators. It meets twice a month.

The Group Executive and Management Committees are supported by special Committees tasked with gathering information, expressing opinions and monitoring operations in their specific areas of concern. The special Committees include the Acquisitions & Sales Committee, which meets to review ongoing acquisition or disposal projects presented by the Acquisitions & Sales Department. The role of the CSR steering Committee, which meets once a month, is to anticipate the pillars on which Gecina must build its approach, define the objectives and related action plans, ensure compliance with the CSR strategy and organize theme-specific Committees.

Lastly, communication between the Executive Management and the entire Group is handled by a specific Committee for managers, which meets regularly and represents a venue for information and sharing.

Group organization

The Group consists of the parent company and the subsidiaries included in the scope of consolidation. Group management is organized centrally with common teams and departments applying the same methods and procedures for all companies (see 1.4. Group organization and organization chart).

Definition of responsibilities and powers

The responsibilities assigned to employees are formalized in job descriptions and delegations of authority in line with the Group's management procedures. Job descriptions are drafted by the Human Resources Department and the delegations of authority are prepared by the Legal Department. In addition, detailed organization charts are freely available through various internal communications systems. Organization charts and delegations of powers are updated to reflect changes in the Group's organization. Furthermore, other internal communications media or devices such as the intranet or the guide distributed to each new employee help to clarify the responsibilities and powers of each party.

Human Resources management

The HR Department is the guardian of the development of the Group's human assets. In this respect, it is in charge of the recruitment and induction of employees, management, training and their career development.

Guardian of a top-quality social climate, it ensures the Group's compliance with its legal and social obligations and nurtures permanent dialogue with union organizations through the Group's employee representatives. Collective measures regarding human resources management are regularly subject to briefings, consultations and negotiations, resulting in the signing of specific agreements.

The Group's HR policy seeks to promote a high quality professional environment, devoid of any form of discrimination and which fosters diversity as well as the professional development of its employees. It is deployed through numerous systems such as the current recruitment, training and careers management processes, as well as the commitments made with respect to gender equality, employment for young and older people and people with disabilities.

Information System

The Group's information system is made up of interlinked applications covering the areas of property management, accounting, financial, and HR management. Specific documentation has been drafted for these applications and their architecture, which are also covered by corrective and upgrade maintenance resources. Accordingly, the property management base was overhauled in 2015, by incorporating the Cassiopae Habitat and Périclès software programs. The accounting program was upgraded to the latest build of Talentia Finance. This opportunity was used to review all user profiles to match Gecina's current organization. The systems are protected by access right procedures, logical security applications and regular data and systems backup procedures. In 2015, a strong authentication system was added for off-site access (mobile or Internet). Two back-ups are performed and saved with a specialized service provider. Critical systems are hosted in a protected facility with secure access. Business continuity is guaranteed through a formalized disaster recovery plan tested annually with the participation of users. In addition, a back-up contract with an external service provider guarantees the company's business continuity should its information systems become unavailable following a major disaster.

Management procedures

The Group's management procedures draw on best practices promoting higher operating security by positioning the required controls. They are accessible to all employees through internal IT communication systems. The coordination and support required for changes to standard procedures are provided by Internal Audit.

Anti-fraud and anti-corruption measures

The Group's anti-fraud and anti-corruption arsenal is supervised by the "Risks and Compliance" function. It is based on the evaluation and analysis of risks of fraud and corruption through annual risk mapping projects. The evaluation helps to define specific prevention measures based on the Group's Ethical Charter and on the repository of internal procedures, which include various controls, segregation of tasks and access security measures. Prevention is also based on awareness-raising actions conducted by the "Risks and Compliance" function, which organizes briefings and training for the Group's employees. Lastly, a detection measure is also implemented. It specifically concerns the integration of risks of fraud and corruption in the permanent control audit works carried out by the "Risks and Compliance" function, on reporting and warning systems, as well as on occasional investigations when anomalies are detected or reported.

Ethics charter

All the regulations, measures and internal procedures were supplemented by the implementation of the Group's Ethics Charter.

The Ethics Charter was drafted in accordance with Gecina's fundamental values and ratified by the Board of Directors. It was distributed to all employees and posted on the Group's website at the same time. In 2015, the charter was updated and distributed to all employees during the first half of 2016. It focuses on eight issues:

- compliance with regulations;
- Group's commitments towards its stakeholders;
- Group corporate social responsibility;
- work conduct;
- ethical business management;
- confidentiality;
- stock exchange compliance;
- whistle-blowing rights.

Each employee is asked to follow and ensure that others follow the charter and act with integrity at all times. A practical guide illustrating the principles listed in the Ethics Charter has been distributed to all administrative staff. In the event of an additional query regarding a transaction or doubt about a specific situation, employees may report this directly to the Chief Compliance Officer. A whistle-blowing right was set up through a special e-mail address. Depending on the nature and seriousness of the problem, a Whistle-blowing Committee is then set up to handle the issue as rapidly as possible.

Each new employee is given the Ethics Charter and the practical guide on joining the company. A presentation on the Charter is also added to the orientation process for new Group employees and the executive induction seminar. Thus, 100% of new employees have attended this presentation in 2014 and 2015. Taking into account the initial trainings when the Charter was issued in 2012 and staff turnover, 82% of Group employees have been familiarized with the Ethics Charter. The Ethics Charter will be updated in 2016, and will be subject to a formalized commitment by all the employees.

Anti-money laundering and terrorism financing

The Group anti-money laundering and terrorism financing system is managed by a procedure and by identification and management tools for Operational Departments. An awareness-raising and information session was organized by the Risks and Compliance function for the Management Committee and the employees concerned when the procedure was published to all Group employees. The Risks and Compliance function is integrated in this procedure as an informed entity and consulted by the operational entities.

CSR Indicators

As part of its CSR policy (see 7.1.3. «CSR Policy: commitments, objectives and action plans»), Gecina has CSR performance measuring tools consolidated through indicator dashboards. The indicators are calculated from the data collected from all the departments of the company concerned by CSR action plans. They are essential for steering projects and for measuring the Group's CSR performance (see 7.1.4. "Steering and coordination of the CSR strategy"). They are used to keep operational and environmental risks under control and are regularly presented to the Audit and Risk Committee and to the Strategic Committee. In accordance with the regulations in force, the published data is verified by an accredited independent third-party organization (see 7.7.1.3. "External verification and OTI report"). Furthermore, correspondence tables are made with the main reporting standards (see 7.7.2. "Correspondence tables").

Conditions for the internal distribution of relevant information

The internal procedures for communicating relevant, reliable and timely information to relevant stakeholders are based primarily on the "business" and "finance" production applications. These provide their users with the tracking reports and consultation modules required to perform their functions.

On a second level, decision-support IT based on the Group's data warehouse and analysis systems makes it possible to prepare the various reports and records required to control budgets and to oversee activities.

Furthermore, collaborative tools such as the intranet, email and the Internet ensure rapid access and sharing of information.

Specifically, the intranet system makes it possible to share organization charts, Group procedures, documentation, archives and relevant information on properties.

Shared network spaces and intranet communities also facilitate the distribution of control reports or templates between the Departments.

Secure access from mobile devices or from the Internet has been set up for functions requiring such access.

Risk management

Gecina's internal control system relies on the risk management system to identify the major risks requiring the introduction of controls. Gecina's current risk management system is set forth in Section 5.1.9.1. and described in Section 7 of Chapter 1, "Risks".

Control activities

Internal control procedures, intended to manage the risks associated with the Group's operations, are described in four major procedures: valuation of property holdings, rental management, production and processing of accounting and financial information and shared functions.

Valuation of property holdings

Main risks covered in this process are risks associated with the authorization and monitoring of investments, divestments and construction work, as well as risks involved in building maintenance and security.

Investments

The Group's main guidelines on asset investments are set through a three-year medium-term plan and rolled out in the budget. Control of risks associated with investment authorization (assets portfolio and development projects) is handled through a validation process for projects under development based on their technical, legal and financial study. Following the restructuring carried out in 2014, the investment process has been formalized within a new procedure. This procedure is performed by the Acquisitions & Sales Department, with the backing of various support functions (Legal and Finance Departments and Project Management Department especially). It also incorporates support from external advisors (*e.g.* lawyers, notaries, tax experts, auditors, etc.) and real estate appraisers.

An intermediary analysis committee known as the Steering Committee has been set up to analyze planned investments. It is comprised of the Acquisitions & Sales Director, representatives from the Departments concerned, the Asset Management Director and the Director in charge of projects coordination as well as "Operations", "Project Management" and "Technical" Directors of the Real Estate Holdings Department. The Directors of Financial Control, Legal and CSR are also permanent members of this committee. For specific issues, other employees of the aforesaid Departments may intervene. The files are compiled in accordance with the specific formal rules and parameters defined in a procedure. Acquisition projects reviewed by a Steering Committee and selected must then be validated by the Acquisitions Committee, comprised of members of the Executive Committee and the Head of the Legal Department. This Committee meets whenever necessary and always during each significant stage of any investment process. Lastly, in view of the restrictions on the CEO's powers established by Gecina's Board of Directors, investment projects must also receive the prior opinion of the Strategic Committee and be approved by the Board, especially when the projects involve amounts that:

- exceed €300 million, or concern speculative real estate development projects exceeding €30 million (property development projects not initially marketed), for investments included in the annual budget and the Group's approved strategic business plan;
- exceed €50 million, or concern speculative real estate projects (no limit on the amount), for investments that are neither included in the annual budget nor in the Group's approved strategic business plan.

Divestments

The Group's main guidelines on asset transactions are set through a three-year medium-term plan, detailed in the budget. The transaction volumes under consideration are planned by activity. The list of buildings likely to be sold is defined by a panel at Asset Review meetings and transmitted to Financial Control for validation. The plan is then presented for approval to the Acquisitions Committee by the Acquisitions & Sales Department, or the Real Estate Holdings Department concerning unit-by-unit residential sales. If the plan obtains the agreement of the Acquisitions Committee, the Strategic Committee is consulted for its opinion. This plan, prepared by the Operational Departments involved in each business line, covers hypothetical block or unit-by-unit disposals. The transaction budgets defined in this way are validated by Financial Control. In the same manner as for investments and considering the restrictions on the CEO's powers, disposal projects must also receive the prior opinion of the Strategic Committee and be approved by the Board, especially when the projects involve amounts that:

- exceed €50 million for disposals included in the approved annual disposal plan;
- or concern (no limit on the amount) a disposal not included in the approved annual disposal plan.

The implementation of asset disposal transactions is overseen by the Acquisitions & Sales Department, which uses support functions and third parties (*e.g.* sales agents, lawyers, tax specialists, notaries, quantity surveyors, real estate experts, etc.).

The finalization of transactions is then secured through specific procedures required for the preparation of notarial deeds or deeds of conveyance validated by law firms, as appropriate.

Residential block sales

In the context of the disposal budget line by asset type set out in the disposals annual budget approved by the Board of Directors, and after authorization of the Acquisitions Committee and where applicable the Board, the Head of Acquisitions & Sales puts together a team to oversee the implementation of the disposal.

To coordinate these actions, the Head of Acquisitions & Sales relies on Locare teams and if necessary external sales agents with, in particular, the help of lawyers/notaries.

Unit-by-unit sales

Unit-by-unit sales of residential properties are handled by a specific department reporting to the Real Estate Holdings Department. Within this Department, under the authority of the Director of Sales, asset managers in charge of programs coordinate the internal and external parties (notaries, quantity surveyors, property managers, sales agents, etc.).

Unit-by-unit sales pertaining to any given property are subject to a specific procedure involving the creation of a detailed file covering both legal and technical issues. The units are marketed by sale teams at Locare, a Gecina subsidiary attached to the Acquisitions & Sales Department, or, if necessary, external sales agents. Such sales are carried out strictly in accordance with current regulations. They specifically require tenants to be provided with complete documentation on issues including but not limited to legally-required expert audits, the preferential conditions and protections available to them, as well as on the state of the building. Today, Gecina sells vacant apartments as part of new programs, as and when they become available.

Project Management

The Project Management function is integrated in the Real Estate Holdings Department. It provides assistance to all the company's business lines. In particular, it monitors development operations by relying on external experts (engineering firms, auditing firms, etc.) and, as applicable, project owners' assistance services, while providing advisory services upstream of investment operations. In this context, it ensures the improved management of the different risks linked to construction operations such as obtaining administrative authorizations, complying with regulatory standards and performing works. Project Management also relies on the development division, which reports to the Asset Management Department. The role of the division is to coordinate group-wide development actions and accordingly strengthen the value creating internal control mechanism of the existing portfolio and of assets under construction. Project Management is active throughout the asset development process.

Security, maintenance and improvement of property holdings

For the entire property portfolio, the Real Estate Holdings Department participates actively in the security and management of the physical risks of properties: it is associated in particular with the assessments made under the oversight of the Properties Risks Function, and takes into account or oversees the implementation of prevention or correction actions following these evaluations.

The overview of expenditure linked to works is reinforced by the existence of works programs, established for each building by the Project Management and Property Management Department. Budgetary monitoring of commitments and actual achievements is subsequently carried out. The cost effectiveness of investment works that result in higher profitability in capital and/or rental income is analyzed for significant commitments or exceeding predefined thresholds.

Risks associated with the authorization of work are also covered by the following procedures:

- rules for approving and listing suppliers;
- suppliers are selected based on a review of estimates submitted for projects valued at under €50,000 excluding VAT and a tender procedure with strictly defined rules for projects over €50,000 excluding VAT;
- work orders and invoices are approved on the basis of authorization limits determined in accordance with the level of responsibility of the employees involved and recorded in the information system;
- specifically relating to residential assets, itemized price lists define standard services for each category of building, and suppliers are required to comply with them. Calls for tenders and certain requests for proposals are also validated by a Commitments Committee.

Lastly, operators of healthcare property holdings continue to be responsible for the management of building security and work, and they provide the Operational Healthcare Department with regular updates. The department concerned then ensures compliance of any work being considered and, if relevant, any project owner assistance contracts.

Certain capex works in the commercial real estate and healthcare sectors can be paid by the lessor in return for the renegotiation of rental conditions (lease term and financial conditions).

Rental management

Main risks covered in this process: risks related to the setting of rents, vacancy and the solvency of tenants.

Setting of rents

The risks associated with poorly adapted rent levels are minimized by ongoing efforts to monitor the market and resorting to a second level of control:

- concerning residential property holdings, rents for new leases are based on a comparison of market rent levels with the regulation on rent control and capping, and in-house data (unit features, work undertaken, etc.). The rents set in this way are based on a series of specific criteria and are regularly reviewed throughout the marketing process in joint bimonthly meetings with Locare teams. The teams receive regular training in new regulatory developments in the area of rent setting.
- concerning commercial real estate assets, rents for premises to be marketed are also set in relation to market data (published prices, statistics, etc.) and, for larger properties, on the basis of a specific market analysis carried out in collaboration with sales teams. The rents and lease conditions set in this way are systematically subject to a hierarchical control process, and are regularly reviewed throughout the marketing process in meetings with the sales teams; the rents overseen by the Commercial Department must be compliant with conditions defined with inside asset reviews;
- for all properties in use, leases for renewal are systematically monitored and any proposed new rental conditions are evaluated according to a specific procedure. The renewal of commercial leases is also monitored on a regular basis by a committee organized by the Property Management Department. Annual rent reviews are subject to explicit procedures including several levels of prior controls.

Marketing (re-letting)

For commercial real estate, marketing is undertaken by in-house teams specialized in this activity. These teams work with leading external sales agents and/or independent consultants, identified on the basis of their presence and level of performance in the geographic sectors concerned.

The marketing of residential properties is almost systematically entrusted to teams at Locare and, depending on the type of unit, sub-delegated to external agents if necessary. Student residences are operated by Campuséa using dedicated Internet tools. Seasonal price grids are set by the person in charge of student residences. A second-level control is provided by the Director of Real Estate Assets.

Marketing campaigns are monitored in joint meetings of management and marketing teams from the Operational Departments.

Finally, an individual property reporting system enables regular monitoring of new rentals, re-letting periods and vacant properties.

Vacancy monitoring

A register of properties that are vacant or expected to become vacant as a result of tenants having given their notice or expressed their intention to leave is updated regularly. This register makes it possible to monitor vacancy trends and measure the occupancy rate for each building and for all properties in use.

To minimize the financial costs associated with property vacancies, the planning of refurbishing or renovation work as well as the sales and marketing actions required to secure new tenants begins as soon as possible after notice has been given. Such plans are explicitly based on preliminary inventories that are drawn up within the timeframes set for each business line.

All of this information relating to the management of the property portfolio is automatically transferred to the information system used to support commercial activity.

Selection of customers

New tenants for residential properties are chosen by a daily Committee composed of lessor and marketing representatives. The Committee undertakes a comprehensive analysis of the bad debt risk for each proposed tenant, while ensuring compliance with the regulations regarding non-discrimination.

The Campuséa teams select the new tenants of the students' residential property based on strictly financial criteria. Note that priority is given to students from schools that have signed an allotment contract with Campuséa.

New tenants for commercial real estate properties are selected after a solvency check performed with the assistance of a financial adviser and subject to a hierarchical control process.

Rent collection and Receipts

For the entire property portfolio, delays in payment are regularly monitored and systematic payment reminders issued, in accordance with internal rules of procedure. Depending on each case, the situation of certain commercial real estate tenants can be thoroughly researched with the assistance of a partner specialized in solvency-related reporting. For healthcare real estate, the operating accounts of tenants are constantly monitored in order to anticipate and avoid any counterparty risk.

Outstanding payments are dealt with in collaboration with the legal department, which has employees specialized in this field.

Awareness-raising campaigns about efforts to control external fraud are sent to tenants in all business sectors on a regular basis. This awareness-raising begins on the day the lease is signed.

Customer relations

The Commercial Department oversees customer relations and works with the Marketing & Innovation Department to monitor quality and customer satisfaction. At Group level, the Marketing & Innovation Department oversees «Customer relations barometer» surveys and studies.

These barometers must define the Group customer-relations performance indicators and key factors of quality by asset type (satisfaction surveys and reports), in order to assist operational action plans. This involves building an iterative and participative approach that fits into a comprehensive progress policy.

The data obtained is extended through theme-specific studies and customer action plans and regularly monitored and updated.

The Marketing & Innovation Department conducts occasional surveys to better understand market changes from the viewpoint of demand.

The Marketing & Innovation Department also develops digital strategy at the service of customers. Gecina Lab, the think-tank and forum for dialogue on topics such as CSR and innovation is also overseen by Marketing & Innovation. Through Gecina Lab, Gecina seeks to strengthen its relationship with all its customers and stakeholders. The aim of Gecina Lab is to establish a close relationship with customer-tenants by promoting knowledge, exchange and the sharing of best practices, and comparing expert and user viewpoints. Gecina seeks to transpose progressive ideas into concrete actions to help improve building performance and the well-being of employees for the tenant-user.

The Marketing & Innovation Department defines and oversees different customer communication, relational marketing actions with both present and future customers, with a concern for efficiency and measurement of the actions undertaken.

Production and processing of accounting and financial information

The process for producing financial statements is mostly based on:

- the existence of formalized procedures related to closing and consolidation of financial statements based on a specific account closing schedule;
- the regular update of the Group's accounting principles and methods to reflect regulatory changes and the activity of Group companies;
- anticipation, validation and documentation of accounting and financial incidences of any significant transaction that occurs during the fiscal year;
- analytical reviews to validate changes in the main balance sheet items and the income statement linked to changes in Group structure;
- in addition, the Financial Department submits every year to the Audit and Risk Committee, a presentation of various year-end sensitive issues, prior to the Committee's annual accounts review meeting.

The Group's Accounts Department performs and checks all the accounting works of the Group companies through a single information system. This centralization enables better control over accounting and consolidation practices, in accordance with the principles and standards defined at Group level.

The procedure and schedule of year-end closure is distributed to all parties involved and include the tasks of centralization, reconciliation and analysis that are required for the accuracy of the financial and accounting information. This process includes a hierarchical review of the closing procedures of all Group companies at each reporting date. Specific documentation has been issued to cover these procedures. In general, the reliability of accounting information is guaranteed by an organizational structure ensuring a separation of duties and control measures undertaken by the Group's various entities. Invoicing and collection of rent and other charges are tasks performed by the Operational Departments in accordance with specific procedures and subject to a series of detailed controls. Major transactions are automatically recorded in the accounting information system.

Furthermore, the budgetary monitoring system based on the Group's chart of accounts and the comparative analyses developed by Management Control provide additional control.

Off-balance sheet commitments are monitored for each consolidated entity, centralized, then subject to a specific semi-annual review by Internal Audit.

Gecina also relies on external advice, essentially on tax issues with, in particular, the review of the Group's main tax forms.

Lastly, concerning more particularly the reliability of the property holdings valuation in connection with the preparation of the accounting and financial information, such valuation is based on the biannual process of property appraisals: the Valuations and Appraisals function is responsible for coordinating and overseeing the performance of property appraisals, performed at least twice a year by independent appraisers, in connection with the semi-annual reporting. In this way, this function is centralized and separated from the responsibility for property transactions (which is handled by the Operational Departments) in order to guarantee the reliability and objectivity of property appraisal data.

Furthermore, internal valuations are carried out by each operational department concerned on the basis of the updated rental statements of the latest rentals carried out and the application of a yield rate per asset, which reflects developments on the markets concerned. This information is cross-checked using metric values and previous period appraisals. The property appraisal process is governed by a specific procedure that explicitly defines the principles for selecting and changing appraisers, and indicates how appraisal campaigns should be conducted. Under this procedure, the Audit and Risk Committee is provided with regular progress reports on the property appraisal process. Subsequent to each campaign, this Committee holds a meeting devoted exclusively to reviewing property appraisals and, if necessary, obtaining additional appraisals on certain buildings. The panel of experts is renewed on the basis of 10% of the property in use every year, or over several years in aggregate value (in number of buildings).

Group functions

In discussing the functions in question, this section will primarily focus on the risks of failure in IT data processing, the risks of unreliable financial and accounting information, as well as legal, tax and financial risks.

IT

The IT Department is in charge of systems upgrades, linked to the needs of Operational Departments, regulatory constraints or technological risks, in accordance with good project management practices (specifications, developments, tests and user coaching). A dedicated team equipped with alert management tools is in charge of the 24/7 supervision of the smooth operation of IT systems, in accordance with predefined procedures and schedules. Within this framework, a full analysis of system operations is permanently carried out.

A bimonthly Committee is held with each of the main user Departments to monitor the various activities and projects associated with the function, as well as their compliance with user expectations and needs.

Lastly, the quality of IT services is reported every month using key security indicators (viral attacks and spam in particular).

Legal

Property sales and acquisitions are carried out with the help of notaries that have been carefully selected in light of their reliability and expertise. In addition, they are systematically supervised by in-house legal experts with or without the support of specialized lawyers.

Rental management transactions involving such items as leases for new tenants and marketing mandates are all formulated on the basis of standards defined by the Legal Department in conjunction with the various management services.

Annual legal requirements for professional real-estate agent cards (Hoguet Act) are monitored by in-house lawyers.

The Legal Department handles the monitoring and management of the Group's operational disputes and the monitoring of subsidiaries with the assistance of specialized lawyers.

The Board Secretariat handles the legal monitoring of the parent company, with the participation of specialized lawyers.

The Legal Department monitors the observance of applicable regulations, especially in checking the wording and validity of some contracts concluded within the Group as well as through its interventions concerning specific issues confronting the Group.

Generally, other legal risks are monitored in-house with recourse, where necessary, to leading law firms.

Tax

Compliance with tax regulations and more specifically the obligations resulting from the French Listed Real-Estate Investment Company (SIIC) system is supervised by the Finance Department, which conducts regular reviews, calling in external advisors where necessary. In addition, the Finance Department systematically provides support for the management of any tax risks resulting from the acquisition or disposal of assets.

Financial management

Financial risks (liquidity, rates, solvency, etc.) are managed in the Finance Department by the Financing, Cash Management and Business Plan Department, which regularly monitors market trends, the Group's financial ratios, cash flow forecasts and forecast financing plan, all updated on a monthly basis.

The management of interest rate risk is performed using hedging instruments under a policy designed to protect the company against market changes while optimizing the cost of debt.

The Financing, Cash Management and Business Plan Department receives assistance from external advisers in this area. The Group's hedging policy is managed under a formalized framework that specifically defines hedge limits, decision-making channels, authorized instruments and reporting procedures. The management goals are presented and validated each year by the Audit and Risk Committee. Furthermore, a report on hedging transactions is presented and validated every quarter to the Audit and Risk Committee.

Liquidity risk is managed by constantly monitoring the maturity of loans, maintaining available credit lines, diversifying resources and counterparties, in addition to monthly cash forecasts.

Payments are secured by the procedure of organizing bank signatures, set up by Executive Management and the Legal Department, which entrusts the authorities required for administering bank accounts to a limited number of people, in accordance with the separation of responsibilities and the corresponding precisely defined limits.

Supervision of practices

Gecina has three organizations supervising its internal control and risk activities: the Building Risk function, Financial Control and Internal Audit. These organizations report to the Project Management Department for matters related to Building Risks, to the Finance Department for Financial Control issues and to Executive Management for Internal Audit matters. They present reports of their activities to the Executive Management, to the specialized Board Committees and in particular to the Audit and Risk Committee.

The Building Risk function

Supporting the Operational and Functional Departments, the Building Risk function, made up of two employees, is responsible for identifying and addressing risks associated with the security of assets and people, the effective management of responsibilities and respect for the environment. It constitutes an expert function responsible for steering, coordinating and supervising the management of random risks.

This function, which is responsible for providing guidance and support in its area of expertise for the various Group Departments, may also carry out inspections and issue recommendations. More specifically, it is tasked with conducting risk assessments on properties, assisting operational managers in their acquisition/disposal or managerial activities, and undertaking actions to improve training and increase awareness.

A "Building Risks" meeting is organized six times a year, attended by the Technical Directors, Heads of the real estate entity, members of the Executive Committee and the Management Committee. Building risks and their developments are analyzed at these meetings.

A round-the-clock surveillance and crisis management system designed to be triggered in response to a major incident is also in place. It consists in particular of a crisis unit, an outsourced platform made available to tenants and a set of rules governing on-call duties.

The Financial Control Function

Through its budgetary activities and analyses, the Financial Control Department significantly contributes to the effective management and supervision of risks, notably with regard to rental management, overheads, property valuation, and the production of financial and accounting information.

- **Budget preparation and control**:
  A forecast budget is drawn up for each building, covering rent, work and property-related expenses. Assumptions are made for each building with regard to vacancy rate, turnover rate, new letting trends and re-letting periods.
  Budget monitoring of properties is performed on a monthly basis for rent and construction work, and quarterly for property-related expenses. Any differences between forecasts and actual figures are analyzed and justified in conjunction with the relevant operational departments.
  With respect to overheads, payroll expenses are checked every month, and other expenses are checked quarterly.

- **Monitoring of activity indicators**:
  There are activity indicators for measuring the performance of the rental activity in each sector. These indicators are primarily used to monitor rentals and departure notices. The Financial Control Department, liaising with the various Operational Departments concerned, regularly analyzes the vacancy rate, prices and re-letting periods, as well as turnover rates.

- **Property profitability analysis**:
  This is assessed on the basis of market indicators and the last known appraisals. Properties are classified for each category (by asset type and region). Buildings with an abnormally low level of profitability are specifically monitored in order to improve their profitability in order to optimize their earnings or decide on their future status within the property holdings.

To monitor operations more effectively, Gecina's Financial Control is carried out at two levels:

- on an operational level by liaising directly and continuously with each of the Departments by supplying the reports required for monitoring the activity and useful for decision taking;
- on a centralized level, it is specifically responsible for drawing up and monitoring budgets, tracking key business indicators, analyzing the profitability of properties and conducting property appraisals. It produces detailed monthly reports on each business line and performs any budgetary analysis specifically requested by the Executive Management.

The Financial Control Department is currently comprised of 11 people and is integrated into the Finance Department.

Internal Audit, Risks and Compliance

The Internal Audit Department, comprised of six people, includes the following functions divided into separate teams:

- the "Internal Audit" function in charge of implementing the annual audit program and one-off audit assignments requested by the Executive Management or the Audit and Risk Committee;
- the "Risks and Compliance" function in charge of the risk management and the compliance.

The main tasks of the "Risks and Compliance" function include:

- risk management by setting up and monitoring a risk management policy and mapping operational risks;
- permanent control through the continuous verification of the application of the main activities of the internal control mechanism;
- compliance through monitoring the Ethics Charter and the whistle-blowing system, the anti-fraud and anti-corruption arsenal, monitoring the "anti-money laundering and terrorism financing" system and oversight of the regulatory intelligence mechanisms.

Its main tasks, and the responsibilities of the various Operational and Functional Departments in terms of internal control, are defined in the Group audit charter.

The annual work plan of Internal Audit is prepared by the Audit Department and validated by the Executive Management. This program covers audits on specific areas, and the ongoing cycle for monitoring control activities. Audit reports are submitted to the Chairman, CEO and members of the Departments concerned. The Annual Audit Plan and mission reports are also distributed to the Audi and Risk Committee. The audit reports receive recommendations with answers from departments, as well as the action plans and associated deadlines. Lastly, Internal Audit regularly monitors the implementation of its recommendations.

Guarantee commitments granted in Spain

Guarantee commitments, presented in Notes 3.5.5.13. and 3.5.9.3 to the consolidated financial statements, were taken on in Spain at the end of 2009 and the beginning of 2010. Despite the specific arrangements put in place by the company within its internal control framework, the existence of these guarantee commitments was only brought to the company's attention from 2012. Gecina has already implemented and will continue to move forward with the procedures required to protect its interests.

5.2. Compensation and benefits

5.2.1. COMPENSATIONS AND BENEFITS GRANTED TO EXECUTIVE CORPORATE OFFICERS

This section describes the elements of compensation and benefits granted to executive corporate officers by the Board of Directors after taking into account the opinion of the Governance, Appointment and Compensation Committee. To determine these elements, the Board of Directors sought to take into account the principles of exhaustiveness, balance, benchmark, coherence, intelligibility and metrics as recommended by the AFEP-MEDEF Code. The information presented below, drafted with the assistance of the Governance, Appointment and Compensation Committee reflects, in view of its presentation, the AFEP-MEDEF Code, the 2014 and 2015 activity reports of the High Committee for Corporate Governance, the AMF 2015 report on corporate governance and the compensation for officers and the guide for preparing annual reports updated by the AMF, on April 13, 2015.

Given the nature of their functions, the respective compensations of the Chairman of the Board of Directors, Mr. Bernard Michel and the CEO, Mr. Philippe Depoux, include different elements which are detailed below.

It should be remembered that Mr. Bernard Michel has been Chairman of the Board of Directors since February 16, 2010. He combined these duties together with those of CEO from October 4, 2011 to June 3, 2013, when Mr. Philippe Depoux was appointed CEO, following the Board of Directors' decision to separate the two functions. Mr. Bernard Michel continues to be the Chairman of the Board of Directors.

Neither Mr. Bernard Michel nor Mr. Philippe Depoux have an employment contract and they are not covered by any supplementary pension plan in the Group.

The Chief Executive Officer and the members of the Executive Committee do not receive attendance allowances for their corporate offices held in the Group's companies.

Furthermore, as required by the recommendation of the AFEP-MEDEF Code regarding the shareholders' right to have a say on the individual pay of officers ("say on pay"), the information below provides details of the compensation owed or allocated during the year ended to each executive corporate officer which will be submitted to the advisory vote of shareholders at the General Meeting of April 21, 2016.

5.2.1.1. COMPENSATION AND BENEFITS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS, MR. BERNARD MICHEL

The compensation of the Chairman of the Board of Directors includes a fixed compensation and fringe benefits.

Fixed compensation

The gross annual fixed compensation for Mr. Bernard Michel was set by the Board of Directors' Meeting of April 17, 2013 with effect from June 3, 2013 at €550,000. This fixed compensation has not changed since that date.

Fringe benefits

The fringe benefits correspond in particular to the provision to Mr. Bernard Michel of a company car and the IT devices required for carrying out his duties.

5.2.1.2. COMPENSATION AND BENEFITS OF THE CHIEF EXECUTIVE OFFICER, MR. PHILIPPE DEPOUX

The CEO's compensation includes a fixed compensation, an annual variable compensation, performance shares as well as fringe benefits. The CEO also receives severance pay if forced to resign and if his departure is linked to a change of control or change in the company's strategy.

Fixed compensation

The gross annual fixed compensation for Mr. Philippe Depoux was set by the Board of Directors' Meeting of April 17, 2013 with effect from June 3, 2013 at €400,000.

This fixed compensation has not changed since that date. Pursuant to the recommendations of the AFEP-MEDEF Code, the fixed amount of the annual compensation will only be reviewed within relatively long time frames, for example every three years.

Annual variable compensation

The Board meeting of April 23, 2015, after seeking the opinion of the Governance, Appointment and Compensation Committee, set the performance criteria relating to the variable compensation for 2015 for Mr. Philippe Depoux.

The target variable compensation was set at 100% of the fixed portion of the compensation, with however, a possibility of reaching a maximum of 120% of the fixed portion of the compensation in the event that the target quantitative or qualitative performance criteria are exceeded. The quantitative criteria represent 60% of the variable compensation and the qualitative criteria represent 40%.

Quantitative performance criteria: Target 60% / Maximum 75%

The achievement of quantitative performance criteria will be established according to the grid below:

EBITDA % achieved / budget	Bonus	NRI – GS % achieved / budget	Bonus	Group average FOR % achieved/ budget	Bonus
> 102	25%	> 102	25%	> 102	25%
> 100	20% Target	> 100	20% Target	> 100	20% Target
> 98	10%	> 98	10%	> 98	10%
> 96	5%	> 96	5%	> 96	5%
< 96	0%	< 96	0%	< 96	0%

NRI-GS = Net Recurring Income – Group Share.
Group average FOR = Group average financial occupancy rate.

Qualitative performance criteria: Target 40% / Maximum 45%

Qualitative performance criteria concern:
- profitability and productivity;
- value creation strategy;
- corporate social responsibility policy.

The Board meeting of February 24, 2016, after having reviewed both the quantitative and qualitative performance criteria and seeking the opinion of the Governance, Appointment and Compensation Committee, set the variable compensation for Mr. Philippe Depoux for 2015 at 106% of his fixed compensation received in 2015, or €424,000. This 106% breaks down as follows:
- 70% corresponding to the achievement of quantitative criteria:
  - 25% for EBITDA,
  - 25% for net recurring income,
  - 20% for Group average financial occupancy rate;
- 36% corresponding to the achievement of qualitative criteria.

Performance shares

Information relating to the performance shares allocated to Mr. Philippe Depoux is presented in tables no. 6 and no. 10 below (AFEP-MEDEF recommendation).

Benefits in kind

The fringe benefits correspond in particular to the provision to Mr. Philippe Depoux of a company car and the IT devices required for carrying out his duties.

Severance pay in the event of termination of the CEO

The Gecina Board of Directors decided, at its meeting of April 17, 2013, to set the terms of the severance pay of Mr. Philippe Depoux in the event of termination of his duties as CEO under the conditions set forth below.

Mr. Philippe Depoux, in his capacity as the CEO, receives severance pay if forced to resign and if his departure is linked to a change of control or change in the company's strategy.

The amount of the allowance will also depend on how long Mr. Philippe Depoux has been in office as the company's CEO. Mr. Philippe Depoux had been in office for two years as of June 3, 2015.

- In office for more than two years: severance pay of 200% maximum of the total gross compensation for his functions as CEO (fixed and variable) for the previous calendar year.

The payment of this allowance will be subject to the performance conditions described in the table below.

The indemnity will only be fully paid if the recurring income in the previous financial year (N), completed prior to the severance, is greater than the average of the recurring income for the two years (N-1 and N-2) preceding the termination of services. The comparison of recurring incomes will be made by taking account of changes to the property holding structure during the years under review.

Performance Conditions	Severance pay
Recurring income year N (excluding fair value adjustments) > average recurring income of years (N-1 + N-2)	100%
Recurring income year N (excluding fair value adjustments) / average recurring income of years (N-1 + N-2) > 0.96	80%
Recurring income year N (excluding fair value adjustments) / average recurring income of years (N-1 + N-2) > 0.92	50%
Recurring income year N (excluding fair value adjustments) / average recurring income of years (N-1 + N-2) < 0.92	No severance pay

It is the duty of the Board of Directors to check that these performance criteria are achieved, on the understanding that the Board of Directors may consider exceptional items that occurred during the year.

Pursuant to the provisions of Article L. 225-42-1 of the French Commercial Code, the granting of this severance pay was subject to the regulated agreements procedure and received the approval of the General Meeting of April 23, 2014.

For enhanced legibility and comparability of information on the compensation of executive corporate officers, all the details of the compensation of Mr. Bernard Michel and Mr. Philippe Depoux is presented below, particularly in the form of tables as recommended by the AFEP-MEDEF Code.

Table summarizing the compensations and stock options and shares granted to each executive corporate officer (table no. 1 AMF – AFEP-MEDEF Code)

In € '000	12/31/2014	12/31/2015
Bernard Michel – Chairman of the Board of Directors		
Compensations due for the period (details in table 2)	556	558
Valuation of the multi-annual variable compensations allocated during the period		
Valuation of stock options allocated during the period	N/A	N/A
Valuation of performance shares allocated during the period	N/A	N/A
TOTAL	**556**	**558**
Philippe Depoux – CEO		
Compensations due for the period (details in table 2)	728	832
Valuation of the multi-annual variable compensations allocated during the period		
Valuation of stock options allocated during the period (details in table 4)	N/A	N/A
Valuation of performance shares allocated during the period (details in table 6)	N/A	390
TOTAL	**728**	**1,222**

Table summarizing the compensations to each executive corporate officer (table no. 2 AMF – AFEP-MEDEF Code)

In € '000	12/31/2014		12/31/2015	
Bernard Michel – Chairman of the Board of Directors	**Amounts due**	**Amounts paid**	**Amounts due**	**Amounts paid**
Fixed compensation	550	550	550	550
Annual variable compensation*(1)		325		
Multi-annual variable compensation				
Exceptional compensation				
Attendance allowance				
Value of benefits in kind (new technologies)				
Value of benefits in kind (company car)	6	6	8	8
TOTAL	**556**	**881**	**558**	**558**
Philippe Depoux – CEO	**Amounts due**	**Amounts paid**	**Amounts due**	**Amounts paid**
Fixed compensation	400	400	400	400
Annual variable compensation(1)	320	233	424	320
Multi-annual variable compensation				
Exceptional compensation				
Attendance allowance				
Value of benefits in kind (new technologies)				
Value of benefits in kind (company car)	8	8	8	8
TOTAL	**728**	**641**	**832**	**728**

(1) The variable compensation due for year N-1 paid in year N.
** Mr. Bernard Michel served as CEO from October 4, 2011 to June 3, 2013.*

The company recognized a provision of €480,000 corresponding to the variable compensation portion set at 120% of the fixed compensation to be paid to Mr. Philippe Depoux in 2015, for his services as CEO.

Stock options for existing or new shares awarded during the year to each executive corporate officer by the issuer and by any group company (table no. 4 AMF Guideline – AFEP-MEDEF Code)

No stock option for new or existing shares was granted to executive corporate officers in 2015.

Stock options for existing or new shares exercised by each executive corporate officer (table no. 5 AMF Guideline – AFEP-MEDEF Code)

No corporate officer exercised stock options for new or existing shares in 2015.

Performance shares awarded to each corporate officer (table no. 6 AMF Guideline – AFEP-MEDEF Code)

Performance shares awarded by the Shareholders' General Meeting during the year to each corporate officer by the issuer and by each Group company	Grant date	Number of shares awarded in the year	Valuation of shares according to the method adopted for the Consolidated financial statements(1)	Vesting date	Date of availability	Performance Conditions
Philippe Depoux	2/19/2015	7,000	€55.65	2/19/2018	2/19/2020	Performance of the Gecina share compared to the Euronext SIIC France index dividends reinvested (for 75%) Triple net NAV dividends attached per share compared to a group of seven French real estate companies (for 25%)

(1) Estimate of the fair value of the performance shares under IFRS2 – AON Hewitt Report.

As for the other beneficiaries of the 2015 performance share plan, the 7,000 shares awarded to the CEO are subject to compliance with the presence condition and the achievement of performance conditions.

At the end of a three-year vesting period and subject to the presence condition and the achievement of the aforesaid performance condition, the shares transferred to the CEO will be recorded in the registered account and should continue to be held in registered form until the end of the two-year holding period. In addition, the CEO is required to hold at least 25% of the performance shares which will be definitively vested for him, until the end of his term of office. This obligation applies until the total amount of shares held reaches, at the final vesting of the shares, a threshold equal to 200% of the last gross annual fixed compensation, calculated on that same date.

The value (IFRS2) of the performance shares awarded to M. Philippe Depoux represent 30.9% of his theoretical gross annual compensation (fixed portion + maximum of the variable portion recalculated over 12 months + valuation of performance shares).

The number of performance shares allocated to Mr. Philippe Depoux represents 12% of all the shares allocated to Group employees and officer in 2015.

In accordance with Article 5.3 of the performance share plan regulation "Prohibition from hedging", «Beneficiaries may not use any hedge instrument to hedge the risk inherent in their shares».

This award represents around 0.01% of the capital at December 31, 2015.

Mr. Bernard Michel is not entitled to any performance share award.

Performance shares that became available for each corporate officer (table no. 7 AMF Guideline – AFEP-MEDEF Code)

No performance share became available for corporate officers in 2015.

Other disclosures (table no. 11 AMF – AFEP-MEDEF Code Recommendation)

		Employment contract		**Supplementary pension plan**		**Compensations[(1)] or benefits due or likely to be due after the corporate officer leaves the position or changes functions**		**Compensations arising from a non-competition clause**	
Corporate officers		Yes	No	Yes	No	Yes	No	Yes	No
Bernard Michel – Chairman			**x**		**x**		**x**		**x**
Date of appointment	2/16/2010								
Date of expiry of term[(2)]	GM 2018								
Philippe Depoux – CEO			**x**		**x**	**x**			**x**
Date of appointment	6/3/2013								

(1) The benefits in the event of termination of duties of the CEO are presented in Notes 5.1.6.
(2) The General Meeting of April 23, 2014 reappointed Mr. Bernard Michel as Director for a period of four years which will end after the Shareholders' General Meeting convened to approve the financial statements for fiscal year 2017.

5.2.1.3. ELEMENTS OF COMPENSATION DUE OR AWARDED IN 2015

Pursuant to the guidelines of the AFEP-MEDEF Code amended in November 2015 (Article 24.3), a code to which the company refers in application of Article L. 225-37 of the French Commercial Code, elements of the compensation due or awarded for the year ended to each company executive corporate officer must be submitted to shareholders for advisory opinion.

Therefore, the Shareholders' Meeting of April 21, 2016 will be asked to issue an advisory opinion on the elements of the compensation due or awarded in 2015 to each executive corporate officer.

Elements of compensation due or awarded in 2015 to Mr. Bernard Michel, chairman of the Board of Directors

Elements of compensation	Amounts or accounting valuation In €',000	Overview
Fixed compensation	550	
Annual variable compensation	N/A	Mr. Bernard Michel is not entitled to any variable compensation.
Multi-annual variable compensation	N/A	Mr. Bernard Michel is not entitled to any multi-annual variable compensation.
Exceptional compensation	N/A	Mr. Bernard Michel is not entitled to any exceptional compensation.
Award of stock options	N/A	Mr. Bernard Michel is not entitled to any stock options award.
Award of performance shares	N/A	Mr. Bernard Michel is not entitled to any performance share award.
Attendance allowance	N/A	The management team does not receive attendance allowances in their capacity as corporate officers in Group companies.
Fringe benefits	8	Company car
Severance pay	none	Mr. Bernard Michel is not entitled to any severance pay.
Non-competition pay	N/A	Mr. Bernard Michel is not entitled to any non-competition pay.
Pension plan	N/A	Mr. Bernard Michel does not have a supplementary pension plan with the Group.

Elements of compensation due or awarded in 2015 to Mr. Philippe Depoux, Chief Executive Officer

Elements of compensation	Amounts or accounting valuation In €',000	Overview
Fixed compensation	400	
Annual variable compensation	424	The target variable compensation was set at 100% of the fixed portion of the compensation, with however, a possibility of reaching a maximum of 120% of the fixed portion of the compensation in case the target quantitative or qualitative performance criteria are exceeded. The quantitative criteria represent 60% of the variable compensation and the qualitative criteria represent 40%. The qualitative performance criteria concern profitability and productivity, value creation strategy and corporate social responsibility. The achievement of quantitative performance criteria is established according to the grid described in Chapter 5.2.1.2.
Multi-annual variable compensation	N/A	Mr. Philippe Depoux is not entitled to any multi-annual variable compensation.
Exceptional compensation	N/A	Mr. Philippe Depoux is not entitled to any exceptional compensation.
Award of stock options	N/A	No stock options were awarded in 2015.
Award of performance shares	390	7,000 performance shares were granted to Mr. Philippe Depoux as part of the 2015 performance share plan set up by the Board of Directors of February 19, 2015, in accordance with the resolutions taken by the Combined General Meeting of April 18, 2013, in its 18th resolution. This award represents around 0.01% of the capital at December 31, 2015. The shares awarded to the CEO are subject to compliance with the presence condition and the achievement of the performance conditions described below: *Total Shareholder Return*: performance criterion adopted for 75% of the awarded performance shares. Gecina's Total Shareholder Return compared over a three-year period, to the Euronext IEIF «SIIC France» gross index dividends reinvested over the same period (January 2, 2018 opening share price *versus* January 2, 2015 opening share price), the number of vested performance shares varying to reflect the performance rate achieved: - the entirety of shares subject to this condition shall only vest if the index is outperformed by 5%; - at 100% of the index, 70% of the total number of shares subject to this condition will be vested; - in the event of performance comprised between 99% and 85%, stepwise regression will be applied within the limit of the achievement of 25% of the total number of shares contingent on this condition; - in the event of performance below 85%, none of these performance shares will be vested. *Total Return*: performance criterion adopted for 25% of the awarded performance shares Total return: Triple net NAV dividends attached per share compared to a group of seven French real estate companies. The vesting of performance shares shall be contingent on exceeding the average performance of the comparison group. If this average performance is not exceeded, none of these performance shares will be vested.
Attendance allowance	N/A	The management team does not receive attendance allowances in their capacity as corporate officers in Group companies.
Benefits in kind	8	Company car
Severance pay	none	Mr. Philippe Depoux, in his capacity as the CEO, will receive severance pay if forced to resign and if his departure is linked to a change of control or change in the Company's strategy. The amount of this pay and its payment (contingent on compliance with the performance conditions) are described in Chapter 5.2.1.1. Pursuant to the provisions of Article L. 225-42-1 of the French Commercial Code, the granting of this severance pay was subject to the regulated agreements procedure and received the approval of the Shareholders' General Meeting of April 23, 2014.
Non-competition pay	N/A	Mr. Philippe Depoux is not entitled to non-competition pay.
Pension plan	N/A	Mr. Philippe Depoux does not have a supplementary pension plan with the Group.

5.2.2. INFORMATION ON STOCK OPTIONS FOR NEW OR EXISTING SHARES AND PERFORMANCE SHARES

History of the allocation of stock options for new or existing shares – information on stock options for new or existing shares (table no. 8 AMF Guideline – AFEP-MEDEF Code).

None.

History of performance share awards (table no. 10 Recommendation – AFEP/MEDEF Code)

	AP13(1)	AP15(2)
Date of Shareholders' Meeting	4/18/2013	4/18/2013
Date of Board Meeting	12/13/2013	2/19/2015
Total number of shares awarded free of charge	62,560	58,120
including the number awarded to:		
Mr. Philippe Depoux	10,000	7,000
Acquisition date of shares	12/13/2015	2/19/2018
End of holding period	12/13/2017	2/19/2020
Performance conditions	Performance of the Gecina share compared to the Euronext SIIC France index	Performance of the Gecina share compared to the Euronext SIIC France index dividends reinvested (for 75%) Triple net NAV dividends attached per share compared to a group of seven French real estate companies (for 25%)
Number of shares definitively awarded on 02/23/2016	59,162	-
Aggregate number of canceled or obsolete shares	3,398	1,250
Outstanding shares awarded free of charge at year end (in vesting period)	-	56,870

(1) The plan regulations have set the term of the performance shares' vesting period at two years from the Gecina Board of Directors' meeting that agreed on the award of said shares, contingent on the beneficiary's presence in the company and performance under the terms described below:

- *Gecina stock market performance rate compared with the SIIC France index over the same period:*
  - *if the average performance of the Gecina share exceeded, in the 24 months preceding the Vesting Date (December 1, 2015 closing price versus December 1, 2013 closing price) the average performance of the Euronext IEIF "SIIC France" index during the same period, a performance rate of 100% will be applied to the target number of shares,*
  - *if the average performance ranges between 90% and 100% of the index, a penalty equal to double the underperformance will be directly applied to the target number of shares,*
  - *if the average performance ranges between 85 % and 90 % of the index, a penalty equal to three times the underperformance will be directly applied to the target number of shares,*
  - *if during the same period, the performance is 85 % below that of the SIIC France index, no performance share will be awarded.*

In addition, the CEO is required to hold at least 25% of the performance shares which will be definitively vested for him, until the end of his term of office. This obligation applies until the total amount of shares held reaches, at the final vesting of the shares, a threshold equal to 200% of the last gross annual fixed compensation, calculated on that same date.

The number of performance shares allocated to Mr. Philippe Depoux in December 2013 represented 16% of all the shares allocated to Group employees and officers in 2013.

(2) The plan regulations have set the term of the performance shares' vesting period at three years from the Gecina Board of Directors' meeting that agreed on the award of said shares, contingent on the beneficiary's presence in the company and performance under the terms described below:

- *Total Shareholder Return: performance criterion adopted for 75% of the awarded performance shares*
  Gecina's Total Shareholder Return compared over a three-year period, to the Euronext IEIF «SIIC France» gross index dividends reinvested over the same period (January 2, 2018 opening share price versus January 2, 2015 opening share price), the number of vested performance shares varying to reflect the performance rate achieved:
  - *all the shares contingent on this condition shall only vest if the shares outperform this index by 5%,*
  - *at 100% of the index, 70% of the total number of shares contingent on this condition will be vested,*
  - *in the event of performance comprised between 99% and 85%, stepwise regression will be applied within the limit of the achievement of 25% of the total number of shares contingent on this condition,*
  - *in the event of performance below 85%, none of these performance shares will be vested.*
- *Total Return: performance criterion adopted for 25% of the awarded performance shares*
  Total return: Triple net NAV dividends attached per share compared to a group of seven French real estate companies. The vesting of performance shares shall be contingent on exceeding the average performance of the comparison group. If this average performance is not exceeded, none of these performance shares will be vested.

In addition, the CEO is required to hold at least 25% of the performance shares which will be definitively vested for him, until the end of his term of office. This obligation applies until the total amount of shares held reaches, at the final vesting of the shares, a threshold equal to 200% of the last gross annual fixed compensation, calculated on that same date.

The number of performance shares allocated to Mr. Philippe Depoux in February 2015 represented 12% of all the shares allocated to Group employees and officers in 2015. These two awards represent less than 0.03% of the capital as at December 31, 2015.

The rules of the performance share plans specify in Article «5.3 Prohibition for hedging» that: «Beneficiaries may not use any hedge instrument to hedge the risk inherent in their shares.»

Mr. Bernard Michel is not entitled to any performance share award.

Stock options granted to the top 10 non-corporate officer employee beneficiaries and options exercised by these beneficiaries (table no. 9 AMF Guideline – AFEP-MEDEF Code)

Stock options for new or existing shares granted to the top ten non-corporate officer employees and options exercised by the latter	Total number of options granted/shares subscribed or bought	Weighted average price	Stock options of March 14, 2006	Stock options of December 12, 2006	Stock options of December 13, 2007	Stock options of April 16, 2010	Stock options of December 27, 2010
Options granted during the year by the issuer and by any company in the options allocation scope, to the top ten employees of the issuer and any company included in this scope, where the number of options granted under the plans is the highest (comprehensive data).	None						
Options held on the issuer and in the companies described above, exercised during the year, by the ten employees of the issuer and these companies, where the number of options bought or subscribed under the plan is the highest (comprehensive data).	210,351	€97.24	84,129	51,925	43,681	12,055	18,561

5.2.3. DIRECTORS' COMPENSATION

The Combined General Meeting of April 24, 2015 set, as from the fiscal year starting on January 1, 2015, the annual total amount of attendance allowance granted to directors at €800,000, down compared to the previous package set at €1,360,000. This reduction can be primarily explained by the Board of Directors' desire to review the method for sharing attendance allowance and by the smaller size of the Board of Directors (10 members instead of 14).

The Board of Directors of April 23, 2015 adopted a new method for sharing directors' fees, to be applied after the aforesaid General Meeting. On this occasion, the Board of Directors took particular account of the benchmark studies and recommendations of the AFEP-MEDEF Code.

The table below describes the sharing method, adopted by the Board of Directors in previous years and applied until April 24, 2015, in addition to the new sharing method applied until this date.

	Former sharing method In euros	New sharing method In euros
Annual fixed portion for each director	25,000	20,000
Annual fixed portion for each Committee member	N/A	6,000
Annual fixed portion for each Committee Chairman	25,000	25,000
Variable portion by presence at a Board meeting (the amount is halved in the event of participation through videoconferencing, telecommunication)	5,000	3,000
Variable portion by presence at a Committee meeting (the amount is halved in case of participation through videoconferencing, telecommunication)	4,000	2,000

The other methods relating to the payment of attendance allowance remain unchanged, namely in particular:

- if an extraordinary Committee meeting takes places (i) during an interruption of a Board of Directors session, (ii) or immediately before, (iii) or immediately after, only the Board of Directors will give rise to compensation;
- should several Board of Directors' meetings be held on the same day, especially on the day of the Annual General Meeting, attendance of these meetings by a Director shall be considered as only one attendance;
- as appropriate, capping amounts and any rebates at the end of the year in order not to exceed the annual total amount authorized by the General Meeting and ensure a balance between the number of meetings and each of the Committees.

As a result of the application of these rules, the variable portion linked to the regular attendance of Board meetings and Committee meetings outweighs the fixed portion.

Furthermore, it should be noted that:

- the directors linked to the Ivanhoé Cambridge and Blackstone groups (Ms. Méka Brunel, Ms. Nathalie Palladitcheff, and Mr. Claude Gendron, bearing in mind that Mr. Anthony Myers resigned from his directorship on July 22, 2015) are not paid any attendance allowance for reasons linked to their Group's internal policy;
- Mr. Bernard Michel receives no attendance allowance as Chairman of the Board of Directors.
- some extraordinary Committee meetings held immediately before Board of Directors' meetings, and the Board of Directors' meeting held after the Annual General Meeting of April 24, 2015 did not lead to any compensation.

On these bases, the amounts of attendance allowances paid in 2014 and 2015 were as follows:

Table summarizing the attendance allowances and other compensations received by non-executive corporate officers (table no. 3 AMF Guideline – AFEP-MEDEF Code)

Non-executive corporate officers	Amounts paid in 2014 In euros	Amounts paid in 2015 In euros
Ms. Méka Brunel		
Attendance allowance	-	-
Other compensation		
Ms. Dominique Dudan(1)		
Attendance allowance	-	47,379
Other compensation		
Ms. Sylvia Fonseca		
Attendance allowance	72,694	73,188
Other compensation		
Mr. Claude Gendron		
Attendance allowance	-	-
Other compensation		
Mr. Rafael Gonzalez de la Cueva		
Attendance allowance	98,318	74,688
Other compensation		
Mr. Anthony Myers(1)		
Attendance allowance	-	-
Other compensation		
Mr. Jacques-Yves Nicol		
Attendance allowance	117,016	99,562
Other compensation		
Predica, represented by Mr. Jean-Jacques Duchamp		
Attendance allowance	117,646	98,814
Other compensation		
Ms. Nathalie Palladitcheff(1)		
Attendance allowance	-	-
Other compensation		
Ms. Inès Reinmann Toper		
Attendance allowance	130,041	95,562
Other compensation		
TOTAL	**535,715**	**489,192**

(1) Directors whose terms began or ended in 2015.

The company recorded no provision for Directors' compensation and benefits.

06 Distribution, share capital and shares

6.1. Distribution

6.1.1. DISTRIBUTION AND APPROPRIATION OF INCOME

Pursuant to the provisions concerning the regime of French listed real estate investment trusts (SIIC), the system selected by Gecina, a proposal by the General Meeting has been made for the payment in 2016, regarding fiscal year 2015, of a dividend of €5 per share.

Pursuant to Article 158 of the French General Tax Code and Article L. 221-31 of the French Monetary and Financial Code, the dividends distributed by listed real estate investment trusts (SIIC) to individual investors resident in France do not qualify for the 40% rebate. In addition, the 20% withholding tax introduced by Article 208C-II ter of the French General Tax Code is described in section 6.1.2 below.

Consequently, a proposal will be put to the General Meeting of Shareholders to appropriate 2015 earnings for the year as follows, and to decide, after taking into account:

- profit for the year of €284,496,779.88;
- representing distributable earnings of €284,496,779.88;
- increased by a charge against available reserves in the amount of €31,806,320.12;
- to distribute a dividend per share of €5 under the SIIC system, representing a maximum overall amount of €316,303,100.

Should the number of shares conferring dividend rights vary with respect to the 63,260,620 shares comprising share capital at December 31, 2015, the overall amount of dividends would be adjusted on the basis of dividends effectively paid out.

An interim payment of 50% of the 2015 dividend amount will be paid out on March 9, 2016 and the balance will be paid on July 6, 2016.

As required by law, details of dividends distributed in the previous three fiscal years are set out below:

DIVIDENDS DISTRIBUTED IN THE PREVIOUS THREE YEARS

Year	2012	2013	2014
Total distribution	€276,219,394	€289,204,282	€293,437,413
Dividend per share	€4.40	€4.60	€4.65

Dividend no longer qualifying for the 40% tax rebate for resident individual investors as from January 1, 2011.

The General Meeting will also be asked to decide on the transfer to a specific reserve account of the revaluation gain/loss on assets sold during the year and the additional impairment resulting from the revaluation amounting to €16,619,994.16.

6.1.2. COMPOSITION OF PROFITS (ARTICLE 23 OF THE BYLAWS)

As required by law, the appropriation of the profit for the year is decided by the General Meeting of Shareholders.

Distributable earnings are composed of the year's profit, minus losses from previous years and the sums required by law to be taken to reserves, plus retained earnings.

After approval of the financial statements and recognition of the distributable earnings, the General Meeting of Shareholders determines the portion to be distributed to Shareholders in the form of a dividend.

The General Meeting of Shareholders ruling on the financial statements for the year may grant each Shareholder an option between payment of the dividend or interim dividends either in cash or in shares of the company, for some or all of the dividend or interim dividends payable, pursuant to the legal and regulatory provisions in force.

All Shareholders, other than individual investors:

- owning, directly or indirectly, at the time of payment of any Distribution of dividends, reserves, premiums or income deemed distributed as defined in the French General Tax Code (a "Distribution"), at least 10% of the rights to the company's dividends; and
- whose own situation or that of their associates owning, directly or indirectly, at the time of payment of any Distribution, 10% or more of the dividend entitlement, renders the company liable to a 20% withholding tax specified in Article 208-C-II ter of the French General Tax Code (the "Withholding Tax") (such Shareholder being hereinafter called a "Deduction Shareholder"), will be a debtor with regard to the company at the time payment is made of any Distribution, the amount of which will be determined so as to fully offset the cost of the Withholding Tax payable by the company for the Distribution.

In the event that the company holds, directly or indirectly, 10% or more of one or more SIICs specified in Article 208-C of the French General Tax Code (a "Daughter SIIC Trust"), the Deduction Shareholder will be a further debtor of the company, on the date payment is made of any distribution by the company, for an amount (the "Daughter SIIC Trust Withholding Tax") equal, depending on the case:

- either to the amount for which the company has become liable to the Daughter SIIC Trust, since the previous Distribution by the company, in respect of the Withholding Tax that the Daughter SIIC Trust has to pay due to the company's equity interest;

- or in the absence of any payment to the Daughter SIIC Trust by the company, to the Withholding Tax for which the Daughter SIIC Trust has become liable, since the previous Distribution by the company, at the rate of a Distribution to the company multiplied by the percentage of the company's dividend rights in the Daughter SIIC Trust, such that the other Shareholders do not have to bear any part whatsoever of the Withholding Tax paid by any of the SIICs in the chain of equity investments as a result of the Deduction Shareholder.

If there are several Deduction Shareholders, each Deduction Shareholder will be liable to the company for the portion of the Deduction and the Daughter SIIC Trust Deduction resulting from his direct or indirect interest. The status of Deduction Shareholder is recognized on the date of payment of the Distribution.

Unless information to the contrary is provided, as required by Article 9 of the bylaws, any Shareholder other than an individual investor holding or coming to hold directly or indirectly at least 10% of the rights to the company dividend will be presumed to be a Deduction Shareholder.

The amount of any debt owned by a Deduction Shareholder will be calculated in such a way that the company is placed, after payment of the debt and taking account of any tax that may apply to it, in the same situation as if the Withholding Tax had not been required.

Payment of any Distribution to a Deduction Shareholder will be made by registration in an individual (non-interest-bearing) current account for that Shareholder, the repayment of the current account being made within five business days of the registration after payment with the sums payable by the Deduction Shareholder to the company, pursuant to the above provisions. If the Distribution is made in a form other than cash, the amount must be paid by the Deduction Shareholder before the payment of the Distribution.

In the event that:

- it turns out, after a Distribution by the company or a Daughter SIIC Trust, that a Shareholder was a Deduction Shareholder on the date of payment of the Distribution; and if
- the company or the Daughter SIIC Trust had to make the payment of the Withholding Tax for the Distribution thus paid to that Shareholder, without said amounts having been paid as specified above, that Deduction Shareholder will be required to repay the company not only the sum that it owed the company under the provisions of this article but also an amount equal to any late payment penalties and interest that may be owed by the company or a Daughter SIIC Trust as a result of the late payment of the Withholding Tax.

If necessary, the company will be entitled to offset the full amount between its receivable in this respect and any sums that may be subsequently payable to the Deduction Shareholder.

The General Meeting of Shareholders shall decide on the allocation of the balance, which may either be carried forward as retained earnings or transferred to one or more reserve accounts.

The time, method and place of dividend payments are set by the Annual General Meeting of Shareholders, and failing this, by the Board of Directors.

6.1.3. DIVIDENDS IN THE LAST FIVE YEARS

The dividend is paid on the dates and at the places determined by the General Meeting of Shareholders, or failing this, by the Board of Directors, in a maximum of nine months after the close of the year. If payment of the dividend in shares is offered to Shareholders, the option must be selected within a maximum period of three months after the date of the General Meeting of Shareholders.

Dividends not claimed at the end of a period of five years are time-barred and paid to the French tax authorities.

DIVIDENDS IN THE LAST FIVE YEARS

	2011	2012	2013	2014	2015
Distribution	€275,661,971	€276,219,394	€289,204,282	€293,437,413	€316,303,100
Number of shares	62,650,448	62,777,135	62,870,496	63,104,820	63,260,620
Dividend under the SIIC system	€4.40	€4.40	€4.60	€4.65	€5.00 (1)

(1) Proposal submitted for approval by the General Meeting called to approve the financial statements for 2015.

6.1.4. RESOLUTIONS SUBMITTED TO THE GENERAL MEETING

The General Meeting of Gecina Shareholders is called to approve the resolutions that were sent to Shareholders within the legally specified time before the General Meeting and are also available on the company's website.

6.2. Information on share capital

Share capital, composed of 63,260,620 shares at a par value of €7.50, totaled €474,454,650 at the end of fiscal year 2015.

6.2.1. BREAKDOWN OF SHARE CAPITAL AND VOTING RIGHTS

No shares carry a double voting right. However, the number of voting rights is adjusted to take account of treasury shares that do not carry voting rights. Accordingly, at December 31, 2015, the breakdown of share capital and voting rights, to the company's knowledge, is as follows:

BREAKDOWN OF SHARE CAPITAL AND VOTING RIGHTS AT DECEMBER 31, 2015

Shareholders	Number of shares	% of share capital	% of theoretical voting rights(1)	% of exercisable voting rights(2)
Blackstone & Ivanhoé Cambridge	16,684,244	26.37%	26.37%	26.64%
Crédit Agricole Assurances – Predica	8,424,197	13.32%	13.32%	13.45%
Norges Bank	6,139,377	9.70%	9.70%	9.80%
Other resident institutional shareholders	2,369,842	3.75%	3.75%	3.78%
Individual shareholders	2,736,207	4.33%	4.33%	4.37%
Non-resident shareholders	26,286,206	41.55%	41.55%	41.96%
Treasury shares	620,547	0.98%	0.98%	
TOTAL	**63,260,620**	**100%**	**100%**	**100%**

(1) The calculation of percentages of voting rights takes into account all shares entitled to voting rights, including shares with restricted voting rights (treasury shares).
(2) The calculation of percentages does not include the treasury shares held by the company which have restricted voting rights.

To the company's knowledge, no other shareholder owns more than 5% of the share capital or voting rights at December 31, 2015.

As at December 31, 2015, the percentages of share capital and voting rights held by the members of the administrative and governance bodies were 12.85% and 12.98% respectively.

As at December 31, 2015, Group employees held 646,140 Gecina shares directly and 76,344 Gecina shares indirectly *via* the Gecina employee share ownership plan ("FCPE Gecina actionnariat"), representing a total of 1.14% of share capital.

The company has no pledges on its treasury shares.

On January 26, 2016, Gecina was notified of declarations of threshold crossing and statements of intent filed with the Autorité des Marchés Financiers (the French market regulator), in connection with the dissolution of the concert party formed by Ivanhoé Cambridge and Blackstone.

In the wake of these transactions, the breakdown of share capital and voting rights is, to the company's knowledge, as follows:

BREAKDOWN OF SHARE CAPITAL AND VOTING RIGHTS AT JANUARY 31, 2016

Shareholders	Number of shares	% of share capital	% of theoretical voting rights(1)	% of exercisable voting rights(2)
Ivanhoé Cambridge	14,542,318	22.99%	22.99%	23.22%
Crédit Agricole Assurances - Predica	8,423,829	13.32%	13.32%	13.45%
Norges Bank	6,139,377	9.70%	9.70%	9.80%
Other resident institutional shareholders	2,623,993	4.15%	4.15%	4.19%
Individual shareholders	2,726,974	4.31%	4.31%	4.35%
Non-resident shareholders	28,184,568	44.55%	44.55%	44.99%
Treasury shares	619,561	0.98%	0.98%	
TOTAL	**63,260,620**	**100%**	**100%**	**100%**

(1) The calculation of percentages of voting rights takes into account all shares entitled to voting rights, including shares with restricted voting rights (treasury shares).
(2) The calculation of percentages does not include the treasury shares held by the company which have restricted voting rights.

6.2.2. SECURITIES GIVING ACCESS TO SHARE CAPITAL

As at December 31, 2015, the potential number of shares to be created by the exercise of stock options and performance shares amounted to 287,464, or 0.45% of share capital.

For information, and assuming the exercise of all outstanding stock options and the definitive award of all performance shares, the company would issue 344,334 new shares representing a maximum dilution potential of 0.54%.

Information on the stock options and performance shares granted and/or exercised in 2015 can be found in the special report of the Board of Directors, presented in paragraph 6.4.

- The company has not issued any founder shares or voting right certificates.
- There are no other securities giving access to the company's share capital.

6.2.3. CHANGE IN THE BREAKDOWN OF SHARE CAPITAL OVER THE LAST THREE YEARS

	12/31/2015			12/31/2014			12/31/2013		
	% of share capital	% of theoretical voting rights(1)	% of exercisable voting rights(2)	% of share capital	% of theoretical voting rights(1)	% of exercisable voting rights(2)	% of share capital	% of theoretical voting rights(1)	% of exercisable voting rights(2)
Blackstone & Ivanhoé Cambridge	26.37%	26.37%	26.64%	29.83%	29.83%	30.70%			
Norges Bank	9.70%	9.70%	9.80%	9.70%	9.70%	9.98%			
Metrovacesa							26.74%	26.74%	27.56%
Rivero Group							16.14%	16.14%	16.64%
Soler Group							15.22%	15.22%	15.69%
Crédit Agricole Assurances – Predica	13.32%	13.32%	13.45%	13.37%	13.37%	13.76%	8.51%	8.51%	8.77%
Individual shareholders	4.33%	4.33%	4.37%	4.34%	4.34%	4.47%	4.44%	4.44%	4.57%
Other resident institutional shareholders	3.75%	3.75%	3.78%	7.73%	7.73%	7.95%	2.85%	2.85%	2.94%
Non-resident shareholders	41.55%	41.55%	41.96%	32.20%	32.20%	33.14%	23.12%	23.12%	23.83%
Treasury shares	0.98%	0.98%		2.83%	2.83%		2.98%	2.98%	
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

(1) The calculation of percentages of voting rights takes into account all shares entitled to voting rights, including shares with restricted voting rights (treasury shares).

(2) The calculation of percentages does not include the treasury shares held by the company which have restricted voting rights.

6.2.4. CHANGE IN SHARE CAPITAL AND RESULTS OVER THE LAST FIVE YEARS

Year	Transactions	Number of shares	Capital (€)	Share issue or merger premium (€)
2011	Balance at January 1, 2011	62,615,368	469,615,260.00	
	Subscription under the Company's savings plan	35,080	263,100.00	2,337,030
	Balance at December 31, 2011	62,650,448	469,878,360.00	
2012	Balance at January 1, 2012	62,650,448	469,878,360.00	
	Shares issued under the performance share award plan – April 2010	37,180	278,850.00	
	Subscription under the Company's savings plan	28,807	216,052.50	1,497,964
	Shares issued under the performance share award plan – December 2010	60,700	455,250.00	
	Balance at December 31, 2012	62,777,135	470,828,512.50	
2013	Balance at January 1, 2013	62,777,135	470,828,512.50	
	Exercise of stock options	2,094	15,705.00	148,109
	Subscription under the Company's savings plan	43,302	324,765.00	2,665,238
	Shares issued under the performance share award plan – December 2011	47,965	359,737.50	
	Balance at December 31, 2013	62,870,496	471,528,720.00	
2014	Balance at January 1, 2014	62,870,496	471,528,720.00	
	Exercise of stock options	134,184	1,006,380.00	9,554,385
	Subscription under the Company's savings plan	53,260	399,450.00	3,750,569
	Shares issued under the performance share award plan – April 2010	1,600	12,000.00	
	Shares issued under the performance share award plan – December 2012	45,280	339,600.00	
	Balance at December 31, 2014	63,104,820	473,286,150.00	
2015	Balance at January 1, 2015	63,104,820	473,286,150.00	
	Exercise of stock options	39,529	296,467.50	2,917,491
	Subscription under the Company's savings plan	39,219	294,142.50	3,403,817
	Shares issued under the performance share award plan – December 2012 bis	9,550	71,625.00	
	Shares issued under the performance share award plan – December 2013	59,162	443,715.00	
	Shares issued under the performance share award plan – December 2013 bis	8,340	62,550.00	
	Balance at December 31, 2015	63,260,620	474,454,650.00	

During fiscal year 2015, 155,800 new company shares entitled to dividend on January 1, 2015 were created as a result of:

- the subscription of 39,219 shares under the Company's Savings Plan;
- the creation of 39,529 shares from the exercise of stock options;
- the definitive acquisition of 9,550 shares from the performance share plan of December 14, 2012 bis;
- the definitive acquisition of 59,162 shares from the performance share plan of December 13, 2013;
- the definitive acquisition of 8,340 shares from the performance share plan of December 13, 2013 bis.

THE COMPANY'S RESULTS OVER THE LAST FIVE FISCAL YEARS

	2011	2012	2013	2014	2015
I – Closing share capital					
Share capital (€'000)	469,878	470,829	471,529	473,286	474,455
Number of ordinary shares outstanding	62,650,448	62,777,135	62,870,496	63,104,820	63,260,620
Maximum number of future shares to be issued by converting bonds, awarding performance shares and exercising stock options	618,464	510,539	588,730	4,151,027	344,334
II – Operations and earnings for the year (€'000)					
Net revenues	302,248	268,394	270,879	271,910	264,269
Income before tax, depreciation, impairment and provisions	529,936	81,730	388,612	315,913	315,661
Income tax	42,495	(314)	(3,818)	(2,849)	(683)
Earnings after tax, depreciation, impairment and provisions	272,801	410,673	317,775	229,508	284,497
Distributed profits	275,662	276,219	289,204	293,437	316,303 (1)
III – Earnings per share (€)					
Earnings after tax but before depreciation, impairment and provisions	9.14	1.30	6.12	4.96	4.98
Earnings after tax, depreciation, impairments and provisions	4.35	6.54	5.05	3.64	4.50
Total net dividend per share	4.40	4.40	4.60	4.65	5.00(1)
IV – Workforce					
Average headcount during the year	499	417	405	397	361
Annual payroll (€'000)	33,827	27,848	28,574	28,698	26,863
Annual employee benefits including social security and other social charges (€'000)	16,854	13,019	10,333	15,150	13,909

(1) Subject to approval by the General Meeting of Shareholders.

6.2.5. CONDITIONS FOR CHANGES TO SHARE CAPITAL AND THE RESPECTIVE RIGHTS OF VARIOUS CLASSES OF SHARES

The Extraordinary General Meeting of Shareholders is able to delegate to the Board of Directors the powers or authority necessary to change the company's share capital and number of shares, especially in the event of a capital increase or reduction.

6.2.6. AMOUNT OF AUTHORIZED SHARE CAPITAL NOT ISSUED

1. The Combined General Meeting of April 24, 2015 delegated its power to the Board of Directors to issue, in one or more installments, in the proportions and at the times of its choosing, in France and/or abroad, either in euros or another currency, company shares and any other marketable securities of any kind, giving access immediately and/or in the future, at any time or on a fixed date, to company shares. The marketable securities thus issued could consist of bonds or be related to the issue of bonds, or could enable their issue as intermediary securities. The total amount of share capital increases that could be conducted immediately and/or in the future by virtue of the above delegation may not be greater than €150 million in par value, to which amount can be added the par value of additional shares that may be issued to preserve the rights (in accordance with the law) of holders of marketable securities that give entitlement to shares.
   These issues may be conducted with or without a pre-emptive subscription right.
   These authorizations, valid for twenty-six months from the General Meeting of Shareholders of April 24, 2015, have not yet been used.
2. The same Meeting delegated power to the Board of Directors to conduct a capital increase:
   - to pay for contributions in kind, up to a limit of 10% of share capital;
   - by capitalization of premiums, reserves or profits, up to a limit of €100 million;
   - by the issue of shares, at a freely set price, up to a limit of 10% of share capital per annum;
   - for the benefit of employees, up to a limit of €2 million.

   These authorizations, valid for twenty-six months from the General Meeting of Shareholders of April 24, 2015, have not yet been used.
3. The General Meeting of Shareholders held on April 24, 2015, delegated to the Board of Directors its power to award performance shares of existing or new shares to Group employees or officers, up to a limit of 1% of share capital.
   This authorization, valid for 26 months from the General Meeting of Shareholders of April 24, 2015, has not yet been used.

6.2.7. SUMMARY OF FINANCIAL AUTHORIZATIONS

Securities concerned Date of General Meeting *(Term of authorization and expiry date)*	Restrictions	Use of authorizations
1. Issue with pre-emptive subscription right		
Capital increase by issue of shares and/or transferable securities giving access to share capital and/or the issue of transferable securities (A) GM of April 24, 2015 – 12th resolution (up to 26 months, expiry on June 24, 2017)	**Maximum amount of capital increase** €100 million (A) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J) limited to €150 million	Issue of 77,052 shares from the performance share plans of 2012/2013 and of 39,529 shares from the stock options plan of 2010.
Capital increase by capitalization of reserves, profits or premiums (B) GM of April 24, 2015 – 19th resolution (up to 26 months, expiry on June 24, 2017)	**Maximum amount of capital increase** €100 million	None

Securities concerned Date of General Meeting *(Term of authorization and expiry date)*	Restrictions	Use of authorizations
2. Issue without pre-emptive subscription right		
Capital increase by issue of shares and/or transferable securities giving access to share capital in the event of a public exchange offer initiated by the Company (C) GM of April 24, 2015 – 14th resolution (up to 26 months, expiry on June 24, 2017)	**Maximum amount of capital increase** €50 million (A) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J) limited to €150 million	None
Capital increase by issue of shares and/or transferable securities giving access to share capital in connection with a public buyout offer (D) GM of April 24, 2015 – 13th resolution (up to 26 months, expiry on June 24, 2017)	**Maximum amount of capital increase** €50 million (A) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J) limited to €150 million	None
Capital increase by issue of shares and/or transferable securities giving access to share capital in connection with a private placement offer (E) GM of April 24, 2015 – 15th resolution (up to 26 months, expiry on June 24, 2017)	**Maximum amount of capital increase** €50 million (A) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J) limited to €150 million	None
Capital increase as remuneration for contributions in kind (F) GM of April 24, 2015 – 17th resolution (up to 26 months, expiry on June 24, 2017)	**Maximum amount of capital increase** 10% of adjusted share capital (A) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J) limited to €150 million	None
Issue of shares at a freely-set price (G) GM of April 24, 2015 – 18th resolution (up to 26 months, expiry on June 24, 2017)	**Maximum amount of capital increase** 10% of adjusted share capital per year (A) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J) limited to €150 million	None
Capital increase through issues reserved for members of the Company Savings Plans (H) GM of April 24, 2015 – 20th resolution (up to 26 months, expiry on June 24, 2017)	**Maximum amount of capital increase** €2 million (A) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J) limited to €150 million	39,219 shares issued in 2015
Performance shares (I) GM of April 24, 2015 – 21st resolution (up to 26 months, expiry on June 24, 2017)	**Maximum number of existing or yet-to-be-issued performance shares** 1% of share capital on the day of the decision by the Board of Directors Shares granted to executive corporate officers Maximum 5% of the total envelope set by resolution (A) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J) limited to €150 million	Award 58,120 shares to be issued on February 19, 2018
3. Issue with or without pre-emptive subscription rights		
Increase of the number of shares to issue in case of capital increase (J) GM of April 24, 2015 – 16th resolution (up to 26 months, expiry on June 24, 2017)	**Maximum amount of capital increase** 15% of initial issue (A) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J) limited to €150 million	None
4. Share buyback		
Share buyback transactions GM of April 24, 2015 – 11th resolution (up to 18 months, expiry on October 24, 2016)	**Maximum number of shares that can be purchased** 10% of adjusted share capital or 5% in the event of share buybacks for external growth acquisitions Maximum number of shares that can be held by the company 10% of share capital Maximum price of share buybacks: €150 per share Maximum overall amount of the share buyback program €946,572,300	None
Reduction of share capital by cancellation of treasury shares GM of April 24, 2015 – 22nd resolution (up to 26 months, expiry on June 24, 2017)	**Maximum number of shares that can be canceled in 24 months** 10% of shares comprising the adjusted share capital	None

6.3. Share capital transactions

6.3.1. COMPANY TRANSACTIONS ON TREASURY SHARES

The General Meeting of Shareholders of April 24, 2015 renewed the authorization given to the company to purchase treasury shares on the stock market for a period of 18 months. The maximum purchase price was set at €150. The number of shares purchased by the company during the duration of the buyback program cannot exceed, at any time whatsoever, 10% of the shares comprising the company's share capital, and 5% in the event of share buybacks aimed at external growth projects at the time of the transaction. The maximum number of shares that can be held, at any time whatsoever, is set at 10% of shares comprising the share capital. Given that the General Meeting of Shareholders of April 24, 2015 granted authorization for a period of 18 months, a motion was submitted for its renewal, which will be submitted to the approval of the General Meeting convened to approve the financial statements for 2015.

In 2015, Gecina did not use the authorization given to the Board of Directors by the General Meeting of Shareholders of April 23, 2014, then by the General Meeting of Shareholders of April 24, 2015, to purchase treasury shares.

As at December 31, 2015, 620,547 treasury shares were held, i.e. 0.98% of share capital. The treasury shares represent a total investment of €46 million, at an average price per share of €74.23.

COMPANY TRANSACTIONS ON TREASURY SHARES

Aggregate information 2015		% of share capital
Number of shares comprising the issuer's share capital at December 31, 2015	63,260,620	
Number of treasury shares at December 31, 2014	1,787,159	2.83%
Options exercised in the year	244,044	0.39%
Shares transferred to allocation plans		
Shares transferred to the conversion of ORNANE bonds	922,568	1.46%
Cancellation of withdrawal of rights		
Share buyback	None	None
Average price of share buybacks including transaction fees		
Liquidity contract	None	None
Number of shares purchased		
Number of shares sold		
Average purchase price		
Average sale price		
Number of treasury shares at December 31, 2015	620,547	0.98%

The conditions for implementing the share buyback program submitted for authorization are provided in a description of the program and are notably subject to the provisions of Article L. 225-209 *et seq.* of the French Commercial Code, amended by Ordinance 2009-105 of January 30, 2009, European Regulation No. 2273/2003 of December 22, 2003 pursuant to Council Directive 2003/6/EC of January 28, 2003, known as the "Market Abuse Directive", which came into effect on October 13, 2004, Article L. 451-3 of the French Monetary and Financial Code and Articles 241-1 to 241-6 of the General Regulations of the AMF (amended by the decrees of April 2 and July 10, 2009), by the AMF Instruction 2005-06 of February 22, 2005 (latest amendment on July 20, 2009) and by two AMF decisions dated March 22, 2005 and October 1, 2008.

6.3.2. AGREEMENT BETWEEN SHAREHOLDERS

On January 26, 2016, the company was informed of the dissolution of a shareholders' agreement between Blackstone and Ivanhoé Cambridge, which is summarized in Section 6.3.5.

6.3.3. FACTORS THAT COULD HAVE AN INFLUENCE IN THE EVENT OF A TAKEOVER BID FOR THE COMPANY

Under Article L. 225-100-3 of the French Commercial Code, the company is required to identify factors that could have an influence in the event of a takeover bid. Among these factors are agreements made by the company that would be amended or terminated in the event of a change in control of the company. In this respect, the company has disclosed the clauses of change of control contained in the financing contracts (see the "Financial Resources" section in Chapter 2).

By letters received on January 22, 2016, the Autorité des Marchés Financiers (the French market regulator) was informed of the end of the concert party existing between the affiliates of The Blackstone Group L.P. (Blackstone) and Ivanhoé Cambridge II Inc. with respect to Gecina. The AMF also received the following declarations of threshold crossing. This information is detailed in Section 6.3.5. "Declarations of Threshold Crossing and Statements of Intent".

6.3.4. TRANSACTIONS IN COMPANY SHARES CONDUCTED BY OFFICERS, SENIOR MANAGERS OR PERSONS TO WHOM THEY ARE CLOSELY CONNECTED

In 2015, the declarations made by officers and by the persons covered by Article L. 621-18-2 of the French Monetary and Finance Code to the AMF pursuant to the provisions of Article 223-24 *et seq.* of the AMF's General Regulations are as follows:

SUMMARY OF TRANSACTIONS PERFORMED

Declarer	Financial instruments	Type of transaction	Date of transaction	Date of receipt of declaration	Place of transaction	Unit price	Amount of the transaction
Vincent MOULARD, Member of the Executive Committee	Shares	Disposal	January 9, 2015	January 13, 2015	Euronext Paris	€108.00	€75,600.00
Vincent MOULARD, Member of the Executive Committee	Shares	Disposal	January 12, 2015	January 13, 2015	Euronext Paris	€108.02	€140,420.02
Vincent MOULARD, Member of the Executive Committee	Shares	Disposal	February 23, 2015	February 24, 2015	Euronext Paris	€116.56	€1,203,101.35
Vincent MOULARD, Member of the Executive Committee	Shares	Exercise of stock options	February 23, 2015	February 24, 2015	OTC	€104.72	€547,580.88
Vincent MOULARD, Member of the Executive Committee	Shares	Exercise of stock options	February 23, 2015	February 24, 2015	OTC	€104.05	€529,926.65
Loïc HERVÉ, Member of the Executive Committee	Shares	Disposal	February 27, 2015	March 2, 2015	Euronext Paris	€117.38	€469,505.20
André LAJOU, Member of the Executive Committee	Shares	Exercise of stock options	March 3, 2015	March 6, 2015	OTC	€96.48	€1,642,379.04
André LAJOU, Member of the Executive Committee	Shares	Disposal	March 4, 2015	March 6, 2015	Euronext Paris	€118.50	€2,370.00
André LAJOU, Member of the Executive Committee	Shares	Disposal	March 5, 2015	March 6, 2015	Euronext Paris	€118.20	€24,585.60
André LAJOU, Member of the Executive Committee	Shares	Disposal	March 6, 2015	March 6, 2015	Euronext Paris	€118.02	€696,324.49
André LAJOU, Member of the Executive Committee	Shares	Disposal	March 10, 2015	March 11, 2015	Euronext Paris	€118.20	€46,689.00
Vincent MOULARD, Member of the Executive Committee	Shares	Disposal	March 11, 2015	March 12, 2015	Euronext Paris	€118.06	€236,129.60
André LAJOU, Member of the Executive Committee	Shares	Disposal	March 11, 2015	March 11, 2015	Euronext Paris	€118.03	€1,239,352.80
Loïc HERVÉ, Member of the Executive Committee	Shares	Exercise of stock options	March 16, 2015	March 17, 2015	OTC	€104.05	€544,077.45
Loïc HERVÉ, Member of the Executive Committee	Shares	Exercise of stock options	March 16, 2015	March 17, 2015	OTC	€104.72	€657,013.28

Declarer	Financial instruments	Type of transaction	Date of transaction	Date of receipt of declaration	Place of transaction	Unit price	Amount of the transaction
Loïc HERVÉ, Member of the Executive Committee	Shares	Disposal	March 16, 2015	March 17, 2015	Euronext Paris	€122.63	€1,410,640.50
Vincent MOULARD, Member of the Executive Committee	Shares	Disposal	May 4, 2015	May 6, 2015	Euronext Paris	€124.00	€1,984.00
Vincent MOULARD, Member of the Executive Committee	Shares	Exercise of stock options	May 4, 2015	May 6, 2015	OTC	€84.51	€1,352.16
Vincent MOULARD, Member of the Executive Committee	Shares	Disposal	May 4, 2015	May 5, 2015	Euronext Paris	€123.03	€102,115.23
Dominique DUDAN, Member of the Board of Directors	Shares	Acquisition	June 16, 2015	June 19, 2015	Euronext Paris	€114.00	€4,340.66
Yves DIEULESAINT, Member of the Executive Committee	Shares	Exercise of stock options	June 17, 2015	June 18, 2015	OTC	€78.98	€376,023.78
Vincent MOULARD, Member of the Executive Committee	Shares	Exercise of stock options	August 7, 2015	August 10, 2015	OTC	€83.86	€78,157.52
Vincent MOULARD, Member of the Executive Committee	Shares	Exercise of stock options	August 14, 2015	August 17, 2015	OTC	€83.86	€503,160.00
Vincent MOULARD, Member of the Executive Committee	Shares	Disposal	August 14, 2015	August 17, 2015	Euronext Paris	€121.04	€726,241.80
Philippe VALADE, Member of the Executive Committee	Shares	Exercise of stock options	August 17, 2015	August 18, 2015	OTC	€78.37	€238,323.17
Nathalie PALLADITCHEFF, Member of the Board of Directors	Shares	Acquisition	October 22, 2015	October 28, 2015	Euronext Paris	€115.95	€4,638.00

To the company's knowledge, the summary of the transactions completed by the company's officers show all the financial transactions and instruments (disposals, purchases, exercise of stock options, etc.) reported by the officers on Gecina shares.

6.3.5. DECLARATIONS OF CROSSING OF OWNERSHIP THRESHOLDS AND STATEMENTS OF INTENT

During fiscal year 2015, the Company was notified of declarations regarding the crossing of the following legal and statutory thresholds:

- By letter received on April 21, 2015, completed by a letter received on April 22, 2015, Norges Bank[1] (Bankplassen 2, P.O Box 1179, Sentrum, 0107 Oslo, Norway), reported that it had exceeded, on April 16, 2015, the thresholds of 10% of Gecina's share capital and voting rights and that it held 6,346,952 Gecina shares[2] representing as many voting rights, i.e. 10.06% of the capital and voting rights of this company[3].
  This crossing of ownership thresholds was the result of an increase in the number of Gecina shares held as collateral.
  The following statement of intent was made:
  "Norges Bank states:
  - Norges Bank's equity interest in Gecina comprises shares bought in cash and shares held as collateral in connection with a securities lending program;
  - Norges Bank acts alone;
  - Norges Bank is generally limited to the acquisition of 10% in share capital and voting rights of listed companies. In this present case, the Bank did not intentionally plan to exceed the ownership threshold by 10%; it occurred as a result of an increase in the number of Gecina shares held as collateral. The shares received as collateral are held on a temporary basis and will be returned at the discretion of the counterparty. Norges Bank does not intend to exercise the voting rights attached to the shares held as collateral;
  - Norges Bank does not plan to take over control of the company;
  - Norges Bank does not plan to modify the strategy of Gecina;
  - Norges Bank does not plan to carry out the transactions set out in Article 223-17 I, 6° of the General Regulations of the Autorité des marchés financiers.
  - Norges Bank holds no instruments or agreements listed in 4° and 4° bis of I of Article L. 233-9 of the French Commercial Code;
  - Norges Bank has not entered into any temporary sale agreement involving the shares and/or voting rights of Gecina.
  - Norges Bank has no intention of requesting the appointment of a representative to the Gecina Board of Directors.»

(1) Central Bank of Norway.
(2) Of which 310,396 Gecina shares held as collateral.
(3) Based on share capital composed of 63,104,820 shares representing as many voting rights, in application of the 2nd sub-paragraph of Article 223-11 of the General Regulations.

In a letter received on April 24, 2015, Norges Bank[1] (Bankplassen 2, P.O Box 1179, Sentrum, 0107 Oslo, Norway), stated that it had, on April 22, 2015, crossed below the threshold of 10% of Gecina's voting rights and shares and that it held 6,139,377 Gecina shares[4] representing as many voting rights, or 9.73% of the capital and voting rights of this company[3].
This crossing of ownership thresholds resulted from a decrease in the number of Gecina shares held as collateral.

- By letter received on October 29, 2015, Gevrey Investissement[5], a limited liability company incorporated under the laws of Luxembourg (2-4, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg), reported that it had individually fallen below, on October 28, 2015, the thresholds of 20% of Gecina's share capital and voting rights and that it held individually 10,870,360 Gecina shares representing as many voting rights, *i.e.*, 17.21% of the share capital and voting rights of this company[6].

The crossing of these ownership thresholds is the result of an OTC sale of Gecina shares.
On this occasion, the concert party comprising affiliates of The Blackstone Group L. P. (Blackstone) and Ivanhoé Cambridge II Inc. (Ivanhoé Cambridge) have not crossed any threshold and stated that it held, as at October 28, 2015, 16,684,244 Gecina shares representing as many voting rights, or 26.41% of the capital and voting rights of this company[6], broken down as follows:

	Shares and voting rights	% of share capital and voting rights
Gevrey Investissement S.à.r.l.[1]	10,870,360	17.21%
Gevrey Investissement II S.à.r.l.[1]	5,768,442	9.13%
Moon Finance EIII ESC-Q S.à.r.l.[2]	8,989	0.01%
Moon Finance VII ESC-Q S.à.r.l.[2]	4,232	0.01%
Moon Finance Holding-Q S.à.r.l.[2]	4,010	0.01%
Caisse de dépôt et placement du Québec	28,211	0.04%
TOTAL CONCERT PARTY	**16,684,244**	**26.41%**

(1) Company held by the affiliates of The Blackstone Group L. P. (Blackstone) and Ivanhoé Cambridge II Inc. (controlled at the highest level by the Caisse de dépôt et placement du Québec), on the understanding that Blackstone is acting in its capacity as general managing partner of the partnership formed with Ivanhoé Cambridge II Inc., and that Blackstone and Ivanhoé Cambridge II Inc. (and their affiliates) are acting in concert (see AMF documents no. 213C0350 of March 15, 2013 and 214C1616 of August 5, 2014).
(2) Controlled and managed by Blackstone.

- By letters received on January 22, 2016, the Autorité des Marchés Financiers (the French market regulator) was (i) informed of the end of the concert party existing between the affiliates of The Blackstone Group L.P. (Blackstone) and Ivanhoé Cambridge II Inc.[7] with respect to Gecina, and (ii) also received the following declarations of threshold crossing, occurring on January 22, 2016:

Blackstone and Ivanhoé Cambridge II Inc.[7] reported that they had, in concert, fallen below the thresholds of 25%, 20%, 15%, 10% and 5% of Gecina's capital and voting rights;

Blackstone stated that it now held, through its affiliates, 2,141,926 Gecina shares representing as many voting rights, i.e., 3.39% of the capital and voting rights of this company[8], broken down as follows:

	Shares and voting rights	% of share capital and voting rights
Gevrey Investissement S.à.r.l.[1]	2,133,310	3.37%
Gevrey Investissement II S.à.r.l.[1]	0	-
Moon Finance EIII ESC-Q S.à.r.l.[1]	4,495	0.01%
Moon Finance VII ESC-Q S.à.r.l.[1]	2,116	ns
Moon Finance Holding-Q S.à.r.l.[1]	2,005	ns
TOTAL BLACKSTONE	**2,141,926**	**3.39%**

(1) Controlled and managed by Blackstone.

(1) Central Bank of Norway.
(2) Of which 310,396 Gecina shares held as collateral.
(3) Based on share capital composed of 63,104,820 shares representing as many voting rights, in application of the 2nd sub-paragraph of Article 223-11 of the General Regulations.
(4) Of which 102,821 Gecina shares held as collateral.
(5) Company held by the affiliates of The Blackstone Group L. P. (Blackstone) and Ivanhoé Cambridge II Inc. (controlled at the highest level by the Caisse de dépôt et placement du Québec), on the understanding that Blackstone is acting in its capacity as general managing partner of the partnership formed with Ivanhoé Cambridge II Inc., and that Blackstone and Ivanhoé Cambridge II Inc. (and their affiliates) are acting in concert (see AMF documents no. 213C0350 of March 15, 2013 and 214C1616 of August 5, 2014).
(6) Based on share capital composed of 63,164,320 shares representing as many voting rights, in application of the 2nd sub-paragraph of Article 223-11 of the General Regulations.
(7) Company controlled at the highest level by the Caisse de dépôt et placement du Québec. (See in particular D&I 214C0609 of April 23, 2014, D&I 214C1616 of August 5, 2014 and D&I 215C1544 of October 29, 2015).
(8) Based on share capital comprised of 63,260,620 shares representing as many voting rights, in application of the 2nd subparagraph of Article 223-11 of the General Regulation.

On this occasion, Gevrey Investissement S.à.r.l.[3] reported that it had individually fallen below the thresholds of 15%, 10%, and 5% of the capital and voting rights of Gecina, and Gevrey Investissement II S.à.r.l.[3] reported that it had individually fallen below the thresholds of 10% and 5% of Gecina's capital and voting rights.

Furthermore, Ivanhoé Cambridge Inc.[1] reported that it had exceeded, indirectly through the intermediary of its subsidiaries and in concert with the latter and the Caisse de dépôt et placement du Québec, the thresholds of 5%, 10%, 15% and 20% of Gecina's share capital and voting rights, and that it held indirectly 14,542,318 Gecina's shares representing as many voting rights, i.e., 22.99% of the capital and voting rights of this company[2], broken down as follows:

	Shares and voting rights	% of share capital and voting rights
Omaha Investments S.à.r.l.[1]	4,600,000	7.27%
Sword Investments S.à.r.l.[1]	3,168,442	5.01%
Juno Investments S.à.r.l.[1]	4,145,665	6.55%
Utah Investments S.à.r.l.[1]	2,600,000	4.11%
Caisse de dépôt et placement du Québec	28,211	0.04%
TOTAL CONCERT PARTY	**14,542,318**	**22.99%**

(1) Controlled at the highest level by the Caisse de dépôt et placement du Québec.

On this occasion, Omaha Investments S.à.r.l., Sword Investments S.à.r.l. and Juno Investments S.à.r.l. individually exceeded the ownership thresholds of 5% of the capital and voting rights of Gecina.

These threshold crossings are the result (i) of the decision of Blackstone Real Estate Associates (Offshore) VII L.P. and Ivanhoé Cambridge II Inc. to terminate, by agreement on January 22, 2016, the limited partnership entered into on March 11, 2013 between Ivanhoé Cambridge II Inc. (as the limited partner) and Blackstone Real Estate Associates (Offshores) VII L.P. (as the general partner) regarding the limited partnership incorporated under the laws of Alberta (Canada), Blackstone Real Estate Principal Transaction Partners (Gold) L.P. and the concert party formed by Blackstone, Ivanhoé Cambridge II Inc. and their affiliates, as well as (ii) the disposal on the same date, by Gevrey Investissement S.à.r.l. and Gevrey Investissement II S.à.r.l. of 8,745,665 and 5,768,442 Gecina shares respectively to Omaha Investments S.à.r.l., Sword Investments S.à.r.l, Juno Investments S.à.r.l. and Utah Investments S.à.r.l., all affiliates of Ivanhoé Cambridge Inc.[4].

In the same letters, the following intention was stated:

"The concert party hereby declares that:

Pursuant to Article L. 233-7 VII of the French Commercial Code, and Article 223-17 of the General Regulation, after Omaha Investments S.à.r.l., Sword Investments S.à.r.l., Juno Investments S.à.r.l. and Utah Investments S.à.r.l. exceeded the thresholds of 5%, 10%, 15% and 20% of Gecina's capital and voting rights, Ivanhoé Cambridge Inc. decided, in the name and on behalf of the concert party formed with Omaha Investments S.à.r.l., Sword Investments S.à.r.l., Juno Investments S.à.r.l., Utah Investments S.à.r.l., and the Caisse de dépôt et placement du Québec (the concert party), to report the following, regarding the intentions of the concert party for the next six months:

- Juno Investment S.à.r.l. and Omaha Investments S.à.r.l. became owners, following the acquisition from Gevrey Investissements S.à.r.l. of 8,745,665 Gecina shares representing as many voting rights, i.e., 13.82% of the capital and voting rights of this company.
- Sword Investments S.à.r.l. and Utah Investments S.à.r.l. became owners, following the acquisition from Gevrey Investissements S.à.r.l. of 5,768,442 Gecina shares representing as many voting rights, i.e., 9.12% of the capital and voting rights of this company.

As a result of these transactions, the members of the concert party collectively own 14,542,318 Gecina shares representing as many voting rights, i.e., 22.99% of the capital and voting rights of this company. The foregoing thresholds were exceeded as a result of the acquisition of Gecina shares by Omaha Investments S.à.r.l., Sword Investments S.à.r.l., Juno Investments S.à.r.l. and Utah Investments S.à.r.l., following the dissolution of the Alberta (Canada) law limited partnership Blackstone Real Estate Principal Transaction Partners (Gold) L.P. within which Ivanhoé Cambridge II Inc. was acting in concert with Blackstone Group L.P. and its affiliates[5], and the end of the said concert party.

(1) Company controlled at the highest level by the Caisse de dépôt et placement du Québec. (See in particular D&I 214C0609 of April 23, 2014, D&I 214C1616 of August 5, 2014 and D&I 215C1544 of October 29, 2015).
(2) Based on share capital comprised of 63,260,620 shares representing as many voting rights, in application of the 2nd subparagraph of Article 223-11 of the General Regulation.
(3) Controlled and managed by Blackstone.
(4) See statement released by Blackstone and Ivanhoé Cambridge on January 22, 2016.
(5) See D&I 213C0350 of March 15, 2013.

- The acquisition of the said equity interests was financed with the equity of Ivanhoé Cambridge Inc.
- Ivanhoé Cambridge Inc., the Caisse de dépôt et placement du Québec, Omaha Investments S.à.r.l., Sword Investments S.à.r.l., Juno Investments S.à.r.l. and Utah Investments S.à.r.l., which act in concert, do not act in concert with any other person, either an individual or a legal entity.
- The concert party does not plan to increase its equity interest in Gecina beyond the threshold of the mandatory public tender offer, nor does it plan to take control of Gecina.
- The concert party supports the strategy defined by Gecina.
- To date, the concert party has three representatives on Gecina's Board of Directors; in the light of its current equity interest, it does not plan to request the cooptation or appointment of other representatives to Gecina's Board of Directors.
- The concert party does not plan to implement the measures set out in Article 223-17. I(6) of the General Regulation.
- None of the members of the concert party is party to (i) the agreements or instruments set out in (4) and (4) bis of Article L. 233-9 of the French Commercial Code or (ii) temporary transfer agreements relating to Gecina shares or voting rights."

By letter received on January 22, 2016, the Autorité des Marchés Financiers (the French market regulator) was informed that the shareholders' agreement concluded on March 11, 2013 between Blackstone and Ivanhoé Cambridge II Inc.7 was terminated on January 22, 2016.

6.4. Options and performance shares

6.4.1. STOCK OPTIONS

The company has set up various stock option plans for the purchase of new and existing shares, the allocation of which are reserved for officers or employees of the company and of companies associated with it as defined in Article L. 225-180 of the French Commercial Code. The company did not implement a stock option plan in 2015.

The report below shows the number and main terms of the stock options awarded between 2006 and 2010 by Gecina to its staff:

STOCK OPTIONS

Date of Shareholder Meeting	06/02/2004	06/02/2004	06/19/2007	06/19/2007	06/15/2009	06/15/2009
Date of Board Meeting	03/14/2006	12/12/2006	12/13/2007	12/18/2008	03/22/2010(1)	12/09/2010(1)
Date of option allocation	03/14/2006	12/12/2006	12/13/2007	12/18/2008	04/16/2010	12/27/2010
Expiry date	03/15/2016	12/13/2016	12/14/2017	12/19/2018	04/17/2020	12/28/2020
Number of options awarded	**236,749**	**254,008**	**200,260**	**331,875**	**251,913**	**210,650**
of which number of options awarded to corporate officers	57,450	60,648	31,370	73,198	31,368	30,000
of which number of options awarded to top ten employee beneficiaries	130,336	123,393	110,320	157,376	144,293	117,000
Subscription or purchase adjusted price (€)	95.73	103.25	103.91	36.94	78.37	83.86
Number of options awarded (after adjustment(2))	*252,185*	*274,012*	*231,335*	*332,175*	*253,110*	*212,220*
Number of shares subscribed or purchased at December 31, 2015	**134,720**	**94,323**	**64,299**	**295,719**	**137,904**	**37,903**
of which number of options awarded to corporate officers	8,725	0	0	73,198	0	0
of which number of options awarded to top ten employee beneficiaries	98,763	51,925	43,681	131,234	93,446	20,906
Number of shares that can be exercised (after adjustment)	**74,016**	**128,959**	**103,852**	**36,456**	**113,427**	**174,037**
of which number of options awarded to corporate officers	20,156	30,561	0	0	31,368	30,000
of which number of options awarded to top ten employee beneficiaries	31,573	71,468	110,320	26,142	50,847	96,094

(1) Stock options.
(2) In order to preserve the rights of holders of stock-options further to the distribution in accordance with Articles L. 225-181 and L. 228-91 of the French Commercial Code, the Board of Directors of June 18, 2015 proceeded with the adjustment provided for in the third paragraph of Article L. 228-99 of the French Commercial Code.

(1) See D&I 213C0350 of March 15, 2013.

SPECIAL REPORT ON STOCK OPTIONS GRANTED TO CORPORATE OFFICERS AND EMPLOYEES

To the Shareholders,

Pursuant to the provisions of Article L. 225-184 of the French Commercial Code, the purpose of this report is to inform you of the award of stock options during 2015 for the purchase or subscription of new or existing shares to members of staff of the company or affiliated companies or groups as specified in Articles L. 225-177 to L. 225-186 of the French Commercial Code.

STOCK OPTIONS GRANTED IN 2015

None.

STOCK OPTIONS GRANTED TO CORPORATE OFFICERS OF GECINA IN 2015

None.

STOCK OPTIONS GRANTED TO THE TEN EMPLOYEES (NOT CORPORATE OFFICERS) OF GECINA WHO RECEIVED THE GREATEST NUMBER OF OPTIONS IN 2015

None.

STOCK OPTIONS EXERCISED BY CORPORATE OFFICERS AND EMPLOYEES OF GECINA IN 2015

The Gecina stock options exercised by all Group employees in 2015 were as follows:

Plans	Strike price of options	Number of options exercised in 2015
Stock options March 14, 2006	€95.73	103,055
Stock options December 12, 2006	€103.25	82,788
Stock options December 13, 2007	€103.91	55,095
Stock options December 18, 2008	€36.94	3,106
Stock options April 16, 2010	€78.37	13,118
Stock options December 27, 2010	€83.86	26,411
TOTAL		**283,573**

INFORMATION CONCERNING OPTIONS EXERCISED BY THE TEN EMPLOYEE STOCK OPTION HOLDERS WHO EXERCISED THE HIGHEST NUMBER OF OPTIONS DURING 2015

Plans	Strike price of options	Number of options exercised in 2015
Stock options March 14, 2006	€95.73	84,129
Stock options December 12, 2006	€103.25	51,925
Stock options December 13, 2007	€103.91	43,681
Stock options April 16, 2010	€78.37	12,055
Stock options December 27, 2010	€83.86	18,561
TOTAL		**210,351**

No option was exercised by corporate officers and employee directors of Gecina during 2015.

6.4.2. AWARD OF PERFORMANCE SHARES

Pursuant to the authorization granted by the eighteenth resolution of Gecina's Combined General Meeting of April 18, 2013, Gecina's Board of Directors adopted on February 19, 2015, a performance share plan regulation. This plan allows the award of Gecina performance shares to beneficiaries designated from among the employees and corporate officers most directly concerned by the development of Gecina group, within the limit of 1.5% of the share capital.

SHARES ISSUED UNDER THE PERFORMANCE SHARE AWARD PLAN OF FEBRUARY 19, 2015 (AP15)

The plan regulations have set the term of the performance shares vesting period at three years from the Gecina Board of Directors' meeting that agreed on the award of said shares, contingent on the beneficiary's presence in the company and performance under the terms described below:

- *Total Shareholder Return:* performance criterion adopted for 75% of the awarded performance shares
  - Gecina's *Total Shareholder Return* compared over a three-year period, to the Euronext IEIF "SIIC France" dividends reinvested gross index over the same period (January 2, 2018 opening share price *versus* January 2, 2015 opening share price), the number of vested performance shares varying to reflect the performance rate achieved:
    - all the shares contingent on this condition shall only vest if the shares outperform this index by 5%;
    - at 100% of the index, 70% of the total number of shares contingent on this condition will be vested;
    - in the event of performance comprised between 99% and 85%, stepwise regression will be applied within the limit of the achievement of 25% of the total number of shares contingent on this condition;
    - in the event of performance below 85%, none of these performance shares will be vested.
- *Total Return:* performance criteria selected for 25% of performance shares allocated
  - *Total return:* attached dividend triple net NAV per share compared to a group of seven French real estate companies. The vesting of performance shares shall be contingent on exceeding the average performance of the comparison group. In the event of failure to exceed this average performance, none of these performance shares will be vested.

Furthermore, whatever the case, pursuant to Article L. 225-197-1 I, the shares cannot be disposed of:

1. Within a period of ten prior trading days and three days following the date on which the consolidated accounts, or failing which the annual accounts, are publicly disclosed;
2. Within the period comprised between the date on which the company's corporate bodies become aware of a piece of information which, if publicly disclosed, could have a material impact on the stock price of the company's securities, and ten trading sessions subsequent to the day on which such information is publicly disclosed.

The table below shows the number and main characteristics of the performance shares awarded based on the aforementioned

Performance shares award plan	AP15
Date of Board Meeting	02/19/2015
Start date of vesting period	02/19/2015
Vesting date	02/19/2018
Number of shares awarded	58,120
of which number of shares awarded to corporate officers	7,000
of which number of shares awarded to top ten employee beneficiaries	21,680
Number of shares subscribed, purchased or canceled	1,250
of which number of shares subscribed, purchased or canceled by corporate officers	-
of which number of shares subscribed, purchased or canceled by top ten employee beneficiaries	-
Number of shares that may be awarded	56,870
of which number of shares that may be awarded to corporate officers	7,000
of which number of shares that may be awarded to top ten employee beneficiaries	21,680

SPECIAL REPORT ON PERFORMANCE SHARES GRANTED TO CORPORATE OFFICERS AND EMPLOYEES

To the Shareholders,

Pursuant to the provisions of Article L. 225-197-4 of the French Commercial Code, the purpose of this report is to inform you of the award of performance shares during 2015, to be issued to members of staff of the company or affiliated companies or groups as specified in Articles L. 225-197-2 of the French Commercial Code and the corporate officers referred to in Article L. 225-197-1-II of the said Code.

Performance share plans awarded by the Board of Directors of February 19, 2015

Pursuant to the authorization granted by the eighteenth resolution of the Combined General Meeting of April 18, 2013 and at the recommendation of the Compensation Committee, the Board of Directors decided on February 19, 2015 to award a performance share plan of 58,120 company shares, worth €116.45[1].

The (AP15) plan corresponds to 58,120 performance shares to be issued to beneficiaries designated from among the employees and corporate officers most directly concerned by the Group's development.

In accordance with Article L. 225-197-1 of the French Commercial Code and the conditions defined in the Gecina performance share plan of February 19, 2015, the shares awarded by the aforementioned Board of Directors will be definitively vested at the expiration of a three-year period following their award date (the vesting date) and contingent on compliance with the presence and performance conditions.

From the vesting date and subject to meeting the aforesaid conditions, the beneficiaries will become owners of the shares freely awarded to them and will have the full rights of a shareholder. However, they cannot dispose of the performance shares that will be definitively awarded to them during a period of two years starting from the vesting date.

STOCK OPTIONS GRANTED TO CORPORATE OFFICERS OF GECINA

Date of Board meeting	Grant date	Number of shares	Beneficiary	
02/19/2015	02/19/2015	7,000	Philippe Depoux	CEO

PERFORMANCE SHARES GRANTED TO THE TEN EMPLOYEES (NOT CORPORATE OFFICERS) OF GECINA WHO RECEIVED THE GREATEST NUMBER OF OPTIONS IN 2015

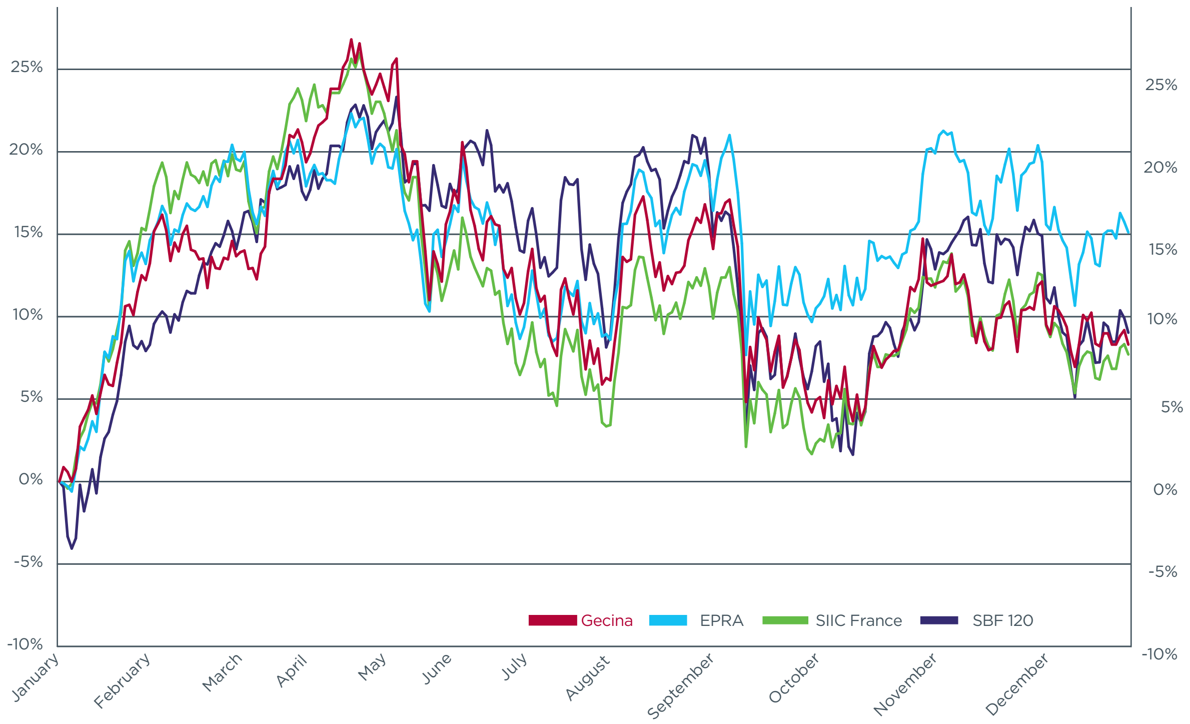
21,680 performance shares were awarded under the plan (AP15).

(1) Stock price on the award date.

6.5. Gecina's stock

6.5.1. THE SHARE PRICE IN 2015

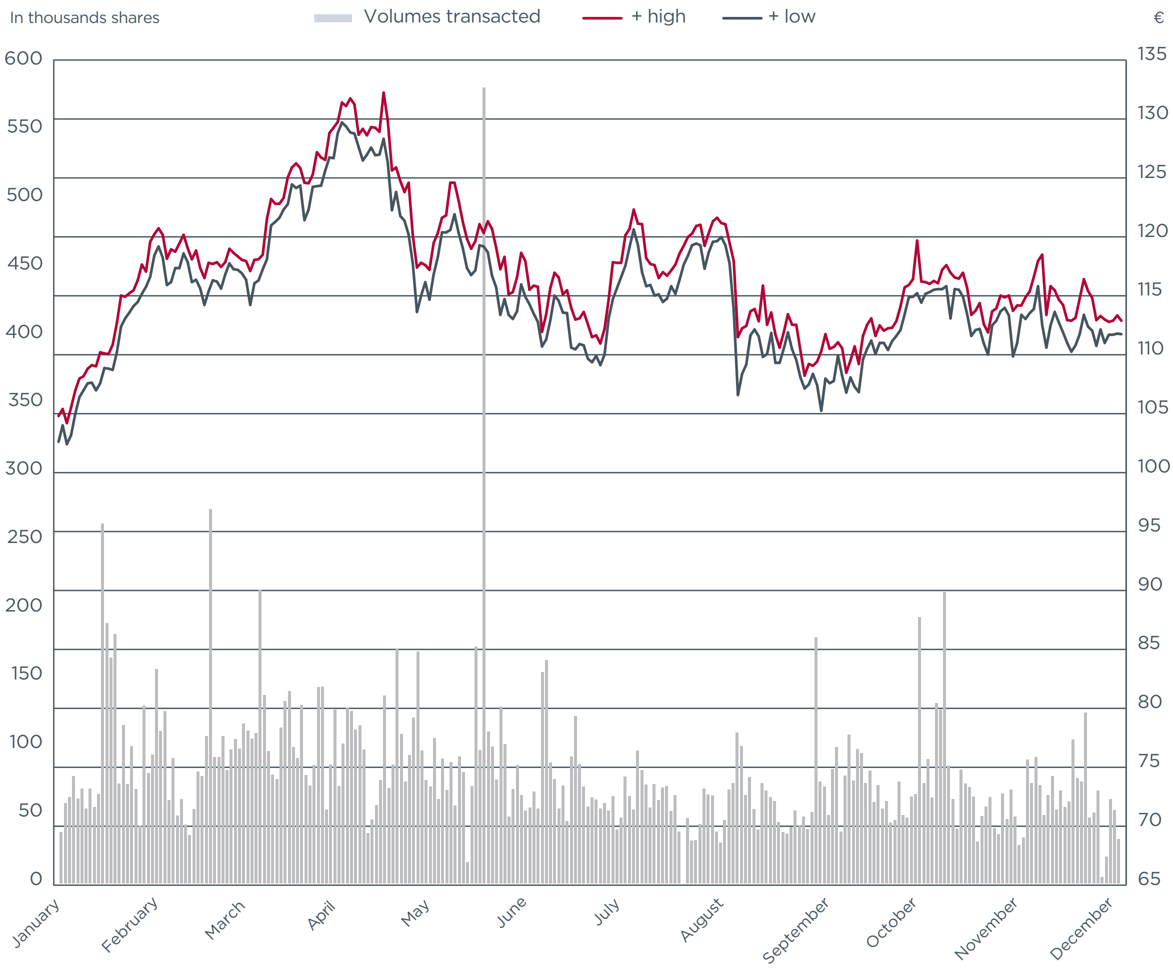
The Gecina share price was up by 8.31% in 2015, climbing from €103.50 on December 31, 2014 to €112.10 on December 31, 2015. This price ranged between a low of €102.45 on January 6 and a high of €132.50 on April 24.



The table presented in section 6.5.3 below provides a summary of the statistics on the share's performance on the Stock Exchange in 2015. In total, 21,311,866 securities were traded on Euronext in 2015 for a total amount in capital of €2,486 million.

At year-end 2015, the company's market capitalization amounted to €7,091 million.

Gecina 2015 – share price extremes in euros



6.5.2. EQUITY MARKET

STOCK EXCHANGE LISTING

Gecina's shares are listed on Euronext Paris, Compartment A (Large Cap) under ISIN Code FR0010040865. The shares are eligible for the Deferred Settlement System (SRD) and are included in the SBF 120, Euronext 100, SBF TOP 80, Cac Mid 60, EPRA, FTSE4Good, DJSI Europe and World, STOXX Global ESG Leaders, GPR250, IEIF REITS, IEIF SIIC France, Euronext Vigeo Europe 20, Europe 120 and Eurozone120 indices.

ICB (Industry Classification Benchmark): 8671 Industrial & Office Reits.

OTHER ISSUES AND STOCK EXCHANGE LISTINGS

Stock Exchange listing	Euronext Paris	Euronext Paris	Euronext Paris	Euronext Paris	Euronext Paris	Euronext Paris	Euronext Paris	Euronext Paris
Name and type of the Issue	Gecina 4.25%3FEB16	Gecina 4.75%APR19	Gecina 2.875%MAY23	Gecina 1.75%JULY21	Gecina 1.50%JAN25	Gecina 2%17JUN24	Gecina E3M+0.18%JUL16	Gecina E3M+0.30%JUL17
	Euro Medium	Euro Medium	Euro Medium	Euro Medium	Euro Medium	Euro Medium	Euro Medium	Euro Medium
	Term Notes	Term Notes	Term Notes	Term Notes	Term Notes	Term Notes	Term Notes	Term Notes
Issue date	02/03/2011	04/11/2012	05/30/2013	07/30/2014	01/20/2015	06/17/2015	07/09/2015	12/18/2015
Amount of the Issue	€500 million	€650 million	€300 million	€500 million	€500 million	€500 million	€100 million	€110 million
Issue price	99.348% in respect of €500 million	99.499% in respect of €650 million	98.646% in respect of €300 million	99.317% in respect of €500 million	99.256% in respect of €500 million	97.800% in respect of €500 million	100.000% in respect of €150 million	100,000% in respect of €110 million
Maturity date	02/03/2016	04/11/2019	05/30/2023	07/30/2021	01/20/2025	06/17/2024	07/11/2016	07/18/2017
Annual interest	4.25%	4.75%	2.88%	1.75%	1.50%	2.00%	Euribor 3 months + 0.18%	Euribor 3 months + 0.30%
ISIN Code	FR0011001361	FR0011233337	FR0011502814	FR0012059202	FR0012448025	FR0012790327	FR0012843787	FR0013078144

6.5.3. TRADING VOLUMES IN NUMBER OF SHARES AND VALUES

Shares (ISIN Code FR0010040865).

TRADING VOLUME AND PRICE TRENDS

Month	Number of shares traded monthly	Value traded per month (€ million)	Price extremes high (€)	Price extremes low (€)
July 2014	948,059	100.68	109.35	100.25
August 2014	3,017,085	331.05	113.00	105.65
September 2014	1,621,601	173.13	109.75	102.00
October 2014	1,439,747	146.31	108.00	97.54
November 2014	846,914	91.23	109.45	105.60
December 2014	1,505,536	159.20	111.15	99.43
January 2015	2,034,273	223.91	117.80	102.45
February 2015	1,897,753	223.71	120.90	114.35
March 2015	2,461,925	298.21	127.40	114.35
April 2015	1,972,392	252.42	132.50	121.95
May 2015	2,328,271	278.14	124.80	113.75
June 2015	1,917,139	220.11	121.50	110.55
July 2015	1,498,940	173.47	122.50	109.20
August 2015	1,221,958	141.83	121.80	106.65
September 2015	1,456,123	159.59	116.00	105.30
October 2015	1,763,677	200.41	119.85	106.90
November 2015	1,359,208	155.72	117.75	109.95
December 2015	1,400,207	159.06	118.65	110.35

TRADING VOLUMES AND PRICE TRENDS OVER FIVE YEARS

Year	Number of shares traded	Number of trading days	Price extremes high	Price extremes low	Latest prices
2011	22,801,404	257	€105.00	€52.51	€65.00
2012	16,783,264	256	€89.25	€58.10	€84.90
2013	11,008,793	255	€100.10	€82.50	€96.03
2014	15,192,672	255	€113.00	€89.70	€103.50
2015	21,311,866	256	€132.50	€102.45	€112.10

Source: Euronext.

07 CSR responsibility and performance

Foreword

THE METAMORPHOSIS OF REAL ESTATE?

A powerful economic sector in France, real estate is central to the environmental debate and its key issues: energy efficiency, climate change, the protection of biodiversity and a more frugal management of resources.

While some of the work has already been done, in terms of embracing corporate social responsibility (governance, stakeholders consultation, extending responsibility across the value chain, etc.) or the rapid breakthrough in the design and construction of new buildings (spread of environmental certification, anticipation of the 2012 thermal building regulations, life cycle analysis and early initiatives to source bio-based materials, new approach towards biodiversity, planting on buildings, etc.) **much remains to be done,** especially on existing buildings.

First, for budgetary or decision-making reasons, the rate of stakeholder uptake is structurally highly uneven: an office building owned by Gecina in the center of the Paris business district will be transformed more quickly than a building in co-ownership in the outer suburbs or a workshop in a regional industrial area.

More importantly, we are convinced that there is **a lack of awareness of the need for a radical shift in how we live,** the problem being that the magnitude of the changes to be made (their "radical" nature) means that they are inevitably long term. The end result is that people are lulled into a false sense of security, in the mistaken belief that there is plenty of time, an attitude with an adverse impact on the need to take immediate action to launch the required structural changes.

In agreement with this diagnosis, and mindful of the vital role of the real estate sector in this necessary paradigm shift, Gecina has made sustainable development a key part of its strategy and operations since 2007. It is firmly committed to a policy of continuous improvement and has factored all these constraints into its materiality matrix (reassessed in 2014), its project management, its governance, the functioning of all departments and the everyday practices of its 447 employees.

THE CHALLENGE FOR GECINA: TO BE A REAL ESTATE OPERATOR WITH ADVANCED SOCIETAL EXPERTISE

Designing, investing in, managing and renovating a real estate portfolio is an influential activity in today's urban societies, from the densely populated capitals of the developed world, faced with an obsolescent building stock, to the rapidly expanding cities of emerging countries. In real estate, supply-side performance derives as much from the transparency of production mechanisms as from the integration of collective issues, not to mention value for money. In this context, real estate is more than ever a "societally" dependent activity.

The main challenge for Gecina is striking a fair balance between the need for value creation of a private-sector operator (measured by the performance and value of its assets), and the value created for society (judged first and foremost by stakeholders and local communities, taking into account external factors that may be direct or indirect, positive or negative). This is what differentiates Gecina and lends it resilience in a difficult and uncertain economic and environmental context. This collaborative method will represent the essence of tomorrow's market. There is a host of possible solutions and no definitive models have yet been found. The public sector must reinvent itself in its ability to think, decide and manage projects over the long term, while Gecina must demonstrate its capacity to innovate, propose and manage products in the requisite "sustainable and responsible" manner. Gecina's active participation in 2015 in the call for innovative urban projects to reinvent Paris ("Réinventer Paris") is proof of this commitment[1].

To count in this new urban reality, the Group must rise to the challenge of urban integration in the widest possible sense, requiring skills beyond the traditional expertise of the engineers and architects of individual projects, and encompassing three distinct strands:

- economic integration, in the fair distribution of the value created;
- environmental integration, which is not only a question of initial design, investment and innovation, but also one of usage and efficient building performance, reversing the extensive damage caused to the two main systems for regulating natural resources, the atmosphere and biodiversity;
- social integration, upstream and downstream of projects, boosting its attraction to different communities.

This presupposes new forms of collaboration, building in partnership with the clients in a way that increasingly demands the temporal and spatial management of their needs to optimize the use of the structure throughout its life cycle.

This responsible dimension of the new real estate business model changes the parameters of the performance and know-how of the profession. CSR excellence gives the company a new role within its value chain. It forces it to anticipate constraints, to turn them into development opportunities, and to gauge their utility rather than being purely focused on costs. Objectives include saving time and resources and garnering consensus, mechanisms that will ensure the optimum societal integration of a real estate investment. By reducing unnecessary complexities and costs, this streamlines processes and creates opportunities for economic and social growth.

(1) Gecina has been short-listed as one of the four finalists for the site "Pershing Paris 17e".

GECINA'S STRATEGIC PRIORITIES IN TERMS OF CSR

Through significant intellectual, technical and operational investment, recognized today in numerous industry reviews, Gecina has incorporated this societal change into its programs, thereby giving its investors and partners a competitive advantage. The company's CSR expertise is also a contributing factor in its resilience in a tough and uncertain economic and environmental context. It is organized around the following strategies in terms of CSR:

- extend the analysis of its corporate social responsibility to all components of its value chain while properly identifying its dependencies and measuring its direct or indirect environmental, social or economic impacts, or those induced by it;
- maintain a systemic approach (the *responsible building* concept, foundation for tomorrow's innovative building and workspace) towards the environmental performance of assets through interaction of the various themes (energy efficiency and CO_2 emissions, resource management and waste recycling, biodiversity, comfort and well-being, immaterial value, etc.);
- financialize actions and results and establish a global vision of Gecina's activities' impacts and of the created values by developing the application of the integrated reporting framework.

MAJOR ACHIEVEMENTS IN 2015

Gecina had a good year in 2015 in terms of CSR[2] the highlights of which included:

- exemplary governance with a lean 10-member Board of Directors and perfect representation in terms of gender and independent Board members;
- new powerful and highly-diversified societal commitments, as a founding member of the Association for Low Carbon Buildings (BBCA), in connection with the launch of the "Carbon Value for Business" initiative, the signature of the Paris Climate Action charter, the LGBT[3] charter and the "one building, one work" charter, a proactive initiative to promote the development of French artistic and cultural events in addition to quality of life and comfort at wok in commercial buildings;
- an enhanced CSR communication tool with the publication of the second integrated report for fiscal 2014 and four theme-specific reports focused on biodiversity, economic contribution, Human Rights and dialogue with stakeholders;
- confirmation of Gecina's decisive "climate" commitment with the drawing up of a 2016/2030 climate/energy roadmap focused on the quest for carbon neutrality, the delivery of the "le Cristallin" building in Boulogne-Billancourt with carbon emissions reduced by four after its reconstruction, the selection of the "La Grande Halle" project in Lyon as a "low carbon building" pilot operation, and lastly, obtaining the ISO 50001 certification in recognition of an efficient energy management system;
- the merits of the "resilient" approach of the portfolio with the delivery of the new office spaces successfully converted into housing units with student residence (Campuséa Montsouris);
- co-management of a "biodiversity & building" report on behalf of the sustainable building plan task force;
- closeness to the goal set in 2008 and reassessed in 2012, for the certification KPI for office buildings in operation (71% in line with the 2016 goal at 80%).
- Considering the very significant improvement in energy performance, thanks to in-depth actions and favorable climate conditions (few mid-season periods), reflected by a reduction in the energy consumption (primary energy adjusted for climate variations) of the office properties portfolio compared to 2008 consumptions and down -33% for properties directly operated by Gecina, we are on course to achieve our -40% target between 2016 and 2020 depending on the building type.
- The positive results of our actions launched several years ago in water management or the target to reduce average consumption (-25%) has been achieved one year earlier.

KEY POINTS TO BE ADDRESSED IN 2016 AND BEYOND

Encountering difficulties is inherent in any human activity, particularly when this is carried out at a time of profound change.

In this respect, although in 2015, the unfaltering commitment of teams led to a very significant increase in the number of green leases signed in the context of regulatory obligations for leases covering surface areas larger than 2000 sq. m, as well as for all other leases (40% of tenants [who are naturally "CSR" inclined and positively embrace this process] renting surface areas smaller than 2,000 sq. m, i.e., leases that do not require an environmental appendix, have signed up), 23% of those compelled to do so by law (representing around 16% of surface areas and rents) are yet to meet this obligation more than 30 months after the deadline.

These tenants have voiced several reservations:

- a reluctance to see environmental or green clauses written into the lease that are perceived as solely a way to enhance the value of Gecina's real estate properties;
- reluctance with regard to exchanging information that could relate to their business;
- the fear of having to assume major costs and constraints in return for accounting for the energy performance of the building and environmental targets (especially the completion of major work on the landlord's initiative);
- or quite simply the fear of having to achieve results...

In 2016, Gecina will continue its efforts to convince these tenants as the achievement of its objectives for reducing energy use and emissions must inevitably be through a shared process involving occupants, in the same way as seeking operations certification.

Switching to the subject of responsible purchasing, huge efforts are required if we are to achieve our 50% target for the rating of suppliers working with Gecina during fiscal year 2016.

(2) A significant improvement in most non-financial ratings and the winning of several awards (see 7.2.4. "A process recognized by non-financial rating agency").
(3) The LGBT charter of L'Autre Cercle, an association combating any form of discrimination linked to sexual orientation which is written into the Group's overall societal HR policy, also committed to promoting professional and gender equality, the employment of young and older people, parenthood and disability awareness.

OUTLOOK 2016/2020

Gecina is keen to respond to the primary expectations of the building user, namely to live or work in comfortable, safe, economical and environmentally friendly premises. Thus the overwhelming tendency of the real estate industry is, without renouncing the classic intrinsic features that determine the quality of a building (location, architecture and interior decoration, performance of technical facilities, headroom, etc.) shifting from the exclusive focus on means to guaranteed results.

Accordingly, Gecina continues to resolutely implement its second four-year plan (2013-2016), in which the action plans specific to each of the four pillars of its CSR strategy (Assets, Planet, Employees, Society) are commitments towards achieving the quantified goals for 19 key performance indicators, such as energy efficiency (-40% at constant climate, base 2008, for office buildings directly operated by Gecina, building certification (80% of the portfolio certified in 2016), the optimization of non-renewable natural resources (life cycle analysis for 100% of projects), or the responsible purchasing policy (CSR performance rating of 50% of suppliers). Although these goals appear reasonably accessible today, Gecina seeks to develop a more responsible and more innovative offering, geared towards optimized use, abundant services and the quest for the highest environmental and societal quality.

In conclusion, after a very busy 2015, marked by environmental milestones such as the voted energy transition bill in France and preparation of the biodiversity framework law, and the international agreement on CO_2 emissions reached at the COP21 in Paris, Gecina is confident in its ability to rise to the challenges that lie ahead and to achieve the goals set in its various action plans.

Yves Dieulesaint, Director of CSR

7.1. A CSR policy in response to the expectations of stakeholders

7.1.1. DESCRIPTION OF THE VALUE CHAIN AND STAKEHOLDERS MAPPING

7.1.1.1. GECINA'S VALUE CHAIN

So as to be able to implement its extended responsibility all along its value chain, Gecina identifies its key issues and the stakeholders concerned at each stage in its activity. A simplified representation of this analysis is accessible on the Gecina website, at the following address: http://www.gecina.fr/fr/rese/enjeux-et-parties-prenantes.html

Employees are galvanized at each stage of Gecina's activity chain to ensure that employee-related issues are naturally core concerns of the company's social responsibility strategy. In addition, the five key steps of Gecina's activity, *i.e.* investment, design, construction and reconstruction, marketing, operations and divestment, have an impact on Gecina's properties, environment and stakeholders.

At the investment stage, Gecina selects assets with the potential to generate value for both the company and its future tenants by focusing on the intrinsic qualities and potential in terms of the environment, health and the community (location, accessibility, integration in the surrounding, immaterial value, presence of asbestos, lead, flood risks, etc.). The CSR scoring grid that analyzes investment based on responsible building themes (see. 7.6.4.1. "Incorporation of CSR criteria in specifications and investments") is a key tool to manage these impacts during acquisition.

The design stage impacts the future performance of the building by determining the resources that need to be implemented to limit environmental impacts and create value on the territory and for occupants (see 7.1.3.2. "A systemic approach: Sustainable buildings in sustainable locations" Certification, energy efficiency, raw materials use and preservation of biodiversity are important issues during this stage. They are managed through specifications and as part of the Group's responsible purchasing policy Thus, certification, energy efficiency, sustainable use of raw material and biodiversity conservation are important issues during this stage. They are managed through the specifications and Gecina's responsible purchasing policy.

During construction or reconstruction, there are multiple impacts at the environmental level through the manufacture, transportation and implementation of products (use of raw materials, GHG emissions, construction site waste, water and ground pollution, etc.) as well as at the societal level by supporting the economic activity of service providers (expenditure flow, work conditions, etc.) and relations with local residents.

During the marketing step, the impacts lie in relations with stakeholders, especially customers whose satisfaction is regularly measured. These impacts are managed through the green lease and regular dialogue with the tenants on these subjects.

Operating the property has an impact on achieving the environmental and societal performances defined during the design phase.

During the divestment stage, Gecina sells off mature assets to generate value from their sale. Impacts on the environment are then no longer controlled by Gecina which, nevertheless, gives the purchaser the means to maintain the performance level of assets (operating contracts, transparency of information and compliance with ethical rules, etc.).

The stages of design, construction and refurbishing and operation are those where impacts are potentially the more important, especially from an environmental point of view. Relations between Gecina and its suppliers and clients being important during those stages, the quality and the organization of the dialogue with those stakeholders turn out to be determining for the management of Gecina's value chain.

7.1.1.2. INTEGRATION OF STAKEHOLDERS INTO GECINA'S PROCESS

A dialogue process must be at the core of corporate social responsibility policies in order to create value for and with each stakeholder. The regulatory framework that Article 225 of the Grenelle 2 law together with non-financial standards such as the Global Reporting Initiative (GRI) make up encourages Gecina to identify the various groups of stakeholders and to analyze their expectations. Suitable dialogue modes can be determined and solutions provided to meet diverse expectations. Through this dialogue process, Gecina seeks to increase transparency, assess the credibility of its actions, remove potential reciprocal misunderstandings, identify and resolve any contradictory interest issues and form partnerships to attain mutually beneficial objectives. By taking into account the opinions expressed by its stakeholders, Gecina can capture signals useful for implementing a process highlighting continual improvement, openness and transparency that will bolster its competitiveness. Convinced that dialogue with stakeholders is a driver of action and innovation as well as a modernizer of the governance process, Gecina engaged in different types of bilateral and multilateral dialogues with them.

The paragraphs below describe the key elements of Gecina's dialogue process with its stakeholders. Additionally, a special report published on this subject provides an overall perspective of the process pursued in 2013 and 2014. This report can be accessed on the Gecina site at http://www.gecina.fr/sites/default/files/RapPartiesPrenantes_uk_1.pdf

7.1.1.2.1. Mapping of stakeholders

Gecina identified eight stakeholders groups according to their degree of importance and their direct or indirect relations with the company: Government and local authorities, customers, local communities and associations and NGOs, suppliers, investors and financial partners, employees, rating agencies and analysts, peers and competitors and professional associations. These stakeholders may be categorized according to the level at which dialogue with them must be held:
- the corporate (overall) level;
- both the corporate (overall) and local (per asset) levels.

The level of influence on the company's business is determined by the following with regard to each stakeholder group:
- a major impact on the company's business that could result in a clear and direct loss of revenue;
- a significant impact on the company's business, particularly in terms of image and reputation competition or quality of services.

The representation of this mapping of stakeholders is accessible on the Gecina website, at the following address: http://www.gecina.fr/en/csr/stakes-and-stakeholders.html

7.1.1.2.2. Panorama of the types of bilateral dialogue

The table below shows the overall perspective of bilateral dialogue methods used to meet the expectations and frequency of contact for each of the groups of major stakeholders identified by Gecina. This table also provides information on the key elements of response provided by Gecina and several examples of specific subjects addressed during the year.

Identification of stakeholders' key concerns

	DIALOGUE AT THE CORPORATE AND ASSETS LEVEL	DIALOGUE AT THE CORPORATE LEVEL
Major impact on the business	**CLIENTS (TENANTS AND BUYERS)** **Principal expectations:** Principal expectations: Share the responsible building strategy and set up a mechanism for listening and follow-up	**INVESTORS (SHAREHOLDERS, BONDHOLDERS, ETC.) AND FINANCIAL PARTNERS** **Principal expectations:** Establish a trust-based relationship, fight corruption and facilitate the voting rights procedure
Major impact on the business	**Dialogue method and rate of frequency:** Client relationships indicator (3 yearly), green leases and Collaborative Rental Councils , Gecina Lab **Gecina's response to their expectations:** Client action plans, exchange of views on vectors of energy performance, openness to innovative themes (biodiversity and intangible immaterial value and uses) **Specific subjects addressed during the year:** Improving energy efficiency (Roll-out of Hypervision and the CPCU subscription), the French eco-garden label and tenant satisfaction survey	**Dialogue method and rate of frequency:** Presentations dedicated to analysts, investors and for road shows (see section 7.6.2.3.) **Gecina's response to their expectations:** Communication campaign on the voting mechanism and developing means of prevention and checking on practices (e.g., the Ethics Charter) **Specific subjects addressed during the year:** Preventing money laundering
Major impact on the business	**GOVERNMENT AND LOCAL AUTHORITIES** **Principal expectations:** Develop transparent relationships with elected officials, take on an innovation role for the area	**EMPLOYEES** **Principal expectations:** Promote well-being, reinforce social dialogue, fight against all forms of discrimination, develop and retain talent and integrate CSR skills
Major impact on the business	**Dialogue method and rate of frequency:** Gecina's Stakeholder Committee (yearly), information and exchange of views meetings (occasional) **Gecina's response to their expectations:** compliance with tax and duties regulations and procedures, transparent information with regard to urban planning rules **Specific subjects addressed during the year:** Regional planning (Lyon), sale of residential units to social housing associations, planting of green areas and urban agriculture (Paris)	**Dialogue method and rate of frequency:** Survey of psycho-social risks and well-being (social climate survey), evaluation interviews (once or twice yearly), Sustainable Development Disability Weeks events (yearly) **Gecina's response to their expectations:** Disabilities policy, AGEFIPH agreement, generational contracts, parenting charter, professional gender equality policy, signature of the NOA agreement (Compulsory Annual Negotiations) and incentive plan **Specific subjects addressed during the year:** Disability, nutrition, management, results of the social climate survey, generations, gestures and postures
Major influence on the business	**SUPPLIERS OF PRODUCTS AND SERVICES** **Principal expectations:** Incorporation of the responsible purchasing process into Gecina procedures, share consistent CSR practices with primary suppliers	**RATING AGENCIES AND ANALYSTS** **Principal expectations:** Develop a transparent and proactive dialogue process
Major influence on the business	**Dialogue method and rate of frequency:** General information about the responsible purchasing process to suppliers (annual), promote awareness among suppliers about CSR issues (annual) and follow-up meeting (annual) **Gecina's response to their expectations:** Responsible purchasing strategy and action plans, Responsible Purchasing Charter, CSR evaluation questionnaires for suppliers and visit to an exemplary worksite **Specific subjects addressed during the year:** Health and safety on the job issues, adherence to environmental rules and energy efficiency	**Dialogue method and rate of frequency:** Response to questionnaires sent out and participation in the main non-financial rankings (yearly), debriefing on results (yearly), interviews and road shows (yearly – see section 7.6.2.3.), participation / involvement in results-related events **Gecina's response to their expectations:** Encounters with investors and non-financial analysts (see section 7.6.2.3.) to identify areas of improvement and to detail actions completed **Specific subjects addressed during the year:** Integrated report, CSR reporting tool, details of actions related to improving energy efficiency and biodiversity
Major influence on the business	**LOCAL COMMUNITIES, ASSOCIATIONS AND NGOS (HOUSING, URBAN LIFE AND ENVIRONMENT)** **Principal expectations:** listen to the needs of civil society, commit to partnerships and engage in dialogue regarding noxious worksite situations	**PEERS, COMPETITORS AND PROFESSIONAL ASSOCIATIONS** **Principal expectations:** Develop a consultative, open and innovative outlook and reinforce the local impact of Gecina's actions
Major influence on the business	**Dialogue method and rate of frequency:** Internal foundations and skills sponsorship (see section 7.6.5.3.) and partnerships with associations, follow-up project meetings with neighboring residents **Gecina's response to their expectations:** Assistance with the ESSEC Alumni trophies program and coaching young entrepreneurs through the ASHOKA organization **Specific subjects addressed during the year:** Disability, developing social entrepreneurship, environmental innovation, follow-up on noise and other pollution prevention measures	**Dialogue method and rate of frequency:** Working group and participation in the significant think-tanks of the sector, especially in the area of CSR (Number of think-tanks and frequency, see 7.6.2.5.) **Gecina's response to their expectations:** New methods for analyzing value (intangible value of assets), development of a biodiversity label and a method of CSR scoring of assets, co-steering of a working group on the sustainable building plan **Specific subjects addressed during the year:** Local roots (Orée), biodiversity (CIBI and Sustainable Building Plan, environmental assessment of assets (GRA)

Details of actions carried out with the various stakeholders by dialogue mode are provided in section 7.6.2. "Relations with stakeholders".

7.1.1.2.3. Consultation of stakeholders

Apart from the different bilateral dialogue mechanisms described in the table above, Gecina has engaged in multilateral dialogue with its stakeholders since 2013, particularly by means of a committee of experts that it set up. The subjects addressed by this committee primarily deal with Gecina's assimilation of sustainable development issues of the real estate sector and the analysis of solutions provided to the most significant or material of these (see section 7.1.2.4. "The new Gecina materiality matrix"). The committee met once in 2013 and 2014 and twice in 2015. The analyses and recommendations prepared by the experts have been systematically submitted to the Executive Committee within the year. Meetings are held according to a stakeholder dialogue methodology that is guided and monitored by an independent expert, Institut RSE Management, consistent with the "Principles for Constructive Dialogue with Stakeholders", a document whose completion was coordinated by the Comité 21 and which was signed by the Group CEO on January 13, 2015. This independent expert ensures that the choice of experts consulted and the preparation, carrying out and evaluation of the exchanges meet the independence requirements of participants and those of building an authentic dialogue, without avoiding subjects and targeting the collective interest.

The final syntheses of and list of participants at the two committee meetings of October 2013 and July 2014 are accessible *via* the Gecina website.

In 2015, in order to build its climate road map and prepare a shared vision of the changes to its properties and activities, Gecina organized on October 27 and 29, two workshops which provided a platform for all its businesses to meet and compare the Group's adopted guidelines with the vision of experts representative of its stakeholders (see section 7.4.1.1. "Gecina's climate road map"). As such, 19 representatives of 15 stakeholders expressed their views and recommendations on the work areas and assumptions adopted by the internal task force created to prepare the climate road map. Those views and recommendations were taken into account to draft an enhanced proposal for the Executive Committee at the end of the year.

Simultaneously, as part of its commitment to the UN Global Compact, Gecina submits COP (communication on progress) reports to peers of the GC Advanced club in order to exchange views on the relevance of its strategy and to stimulate the implementation of good practices meeting all of its criteria (see section 7.6.2.5. "Active participation in representative bodies and think tanks").

Finally, in 2014 Gecina wished to obtain an objective analysis of its dialogue process with stakeholders, by consulting the British consultancy IMS Consulting. The findings of this analysis are detailed in the 2014 Reference Document (page 207). Gecina took these findings into account to improve its process in 2015, by expanding the panel of stakeholders represented on committees – for the first time NGOs and customers participated in these workshops –, by initiating dialogue with the Paris City Hall regarding the planting of green areas and urban farming (participation to the Pariculteurs request for proposal, etc.) and by opening Gecina Lab to innovation-specific themes (see 7.6.2.2. "Gecina Lab, the CSR think-tank for assisting the company's stakeholders").

7.1.2. KEY ISSUES AND MATERIALITY MATRIX

7.1.2.1. METHODOLOGY AND HIERARCHY OF CSR ISSUES

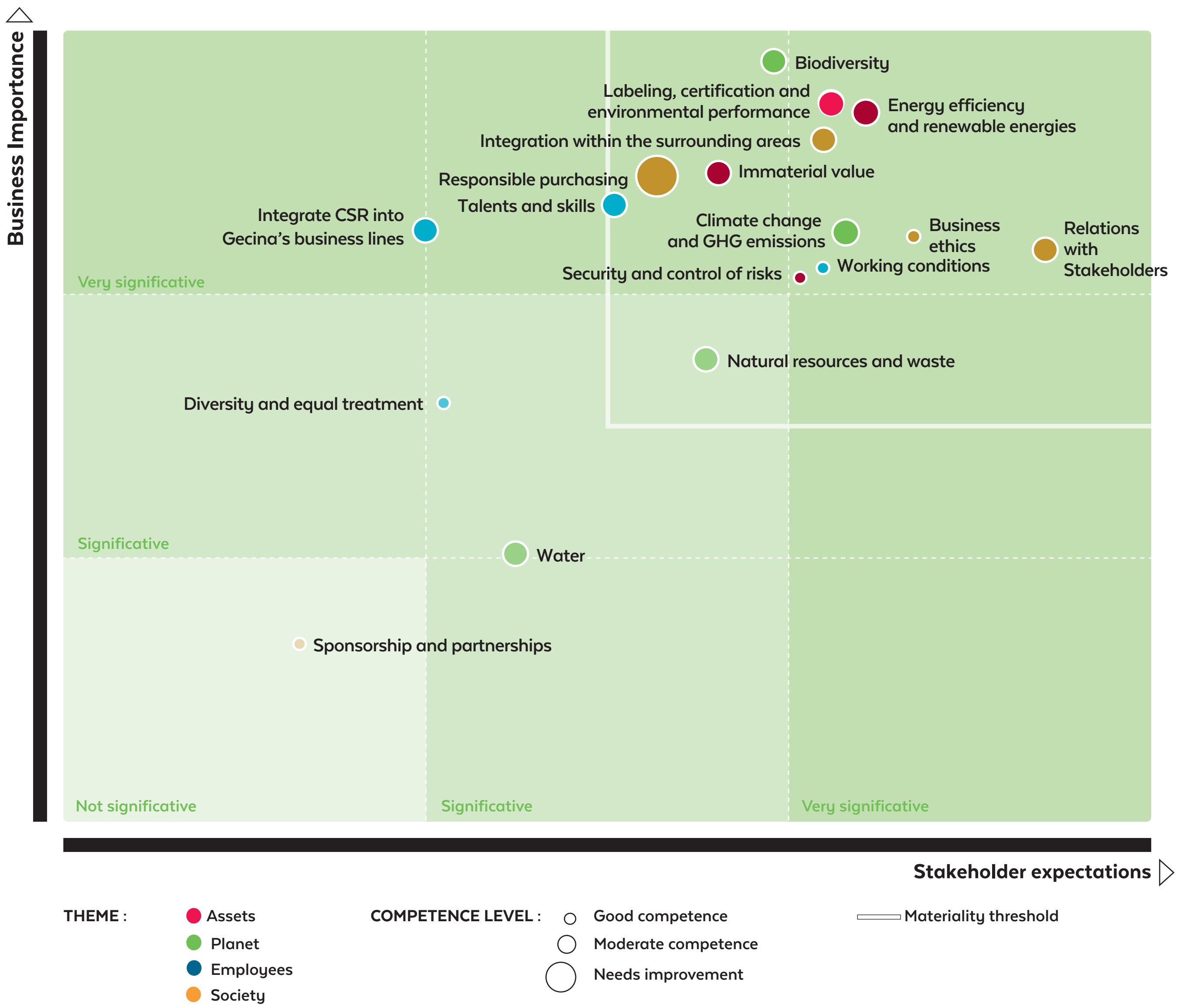
In 2012, Gecina chose to carry out a full review of the issues mapping it completed in 2008 and to enhance it with a materiality analysis that accounted for its context, organization and business-related constraints. The development of this materiality matrix was entrusted to an external expert, Institut RSE Management. Initially, an analysis of major reference sources and sector reports led to determining the nature of different issues. The impact on Gecina's business and expectations of stakeholders was subsequently evaluated by members of the Executive Committee with the support of the institute. This segmentation of the issues was then shared with all members of the Executive Committee. Committee members enhanced the work by evaluating the level of control Gecina exerted over the various issues. The consultation process promoted the assimilation of the method by each of the Executive Committee members, whose involvement was one of the key factors in completing this materiality matrix. Details on the methodology and completion of this matrix are available in the 2013 Reference Document (section 7.1.2.2. "Methodology and priorities of CSR issues", page 206). In order to continue this analysis of issues process, Gecina re-evaluated its materiality matrix in 2014. To accomplish this, the Group relied on the expertise of the Stakeholders Committee and on the completion of a sector benchmark study. The benchmark methodology used, the results compared and the evolution of the materiality matrix are described in the 2014 Reference Document (pages 208 to 213) and in the stakeholders report, both available on the Gecina website: www.gecina.fr.

The impact on Gecina's business and expectations of stakeholders identified in the 2014 materiality matrix remains unchanged for 2015.

7.1.2.2. THE GECINA MATERIALITY MATRIX

The Gecina materiality matrix includes 17 issues arranged according to their level of impact on Gecina's activity, stakeholder expectations and the company's degree of control. These issues are grouped into four pillars: assets, planet, employees and society. In addition to the representation below, the diagram available on the Gecina website, at the following address: http://www.gecina.fr/en/csr/stakes-and-stakeholders.html, offers a dynamic presentation of the results of the benchmark carried out in 2014, changes in the level of control over the issues by Gecina. The list of stakeholders related to each stake identified in the matrix is available on Gecina's website (http://www.gecina.fr/en/csr/stakes-and-stakeholders.html).

Gecina's materiality matrix



7.1.3. CSR POLICY: COMMITMENTS, GOALS AND ACTION PLANS

7.1.3.1. GECINA'S CSR POLICY

Confronted with a necessary transformation of the offer, practices and company governance policies required by multiple societal issues, Gecina chose to respond in a proactive and determined manner *via* its CSR policy that features both:

- a specific offering of buildings and real estate services that are both sustainable and responsible to clients and that act as a catalyst to their growth chains and to their own societal responsibility issues. This is accomplished through improved working conditions, comfort, health, air quality, responsible use of utilities, environmental protection, accessibility and connectivity, innovation, etc.;
- a mobilizing project for stakeholders and employees, the policy acts as a change factor at collective and individual levels all along the value chain, through attracting and retaining talent, training, job satisfaction and career management of employees, increasing responsible purchasing practices, involvement of various stakeholders, etc.

In this way, Gecina has taken on commitments and set objectives to address each of the seventeen issues identified in the four CSR pillars of Assets, Planet, Employees and Society. These objectives were set out since 2008 by the Executive Management as part of the four-year plans for 2012 and 2016. For some asset types or issues, monitoring tools development and experience gained revealed a difficulty in achieving the objectives. Thus, in 2014 the Executive Committee revised the objectives linked to energy performance and reset their achievement for 2016 to 2020 depending on the level of operational control of assets, to take into account the specific contexts of various types of assets while continuing to aim high.

Gecina defined action plans for each of the issues that it had identified in the materiality matrix to ensure that it achieves the objectives defined. Priority is given to action plans directed at ten issues requiring improvements in management from among the thirteen "material" issues (*i.e.* that are above the materiality threshold of the matrix). The objectives and action plans are presented in detail on the Gecina website, at the following address: http://www.gecina.fr/en/csr/policy-and-performance.html. These action plans are regularly submitted to the opinion of experts representing Gecina stakeholders in ad hoc committees to improve their relevance.

In 2015, to limit its impact on climate change, extend its objectives and bring them in line with national environmental commitments (law on energy transition, green growth and low-carbon strategy), Gecina drew up a climate road map up to 2030. Prepared with its stakeholders representatives and members of different directions concerned within the firm. This roadmap organizes Gecina's actions around four key focuses:

- reduce the carbon intensity of the portfolio by 60% by 2030 compared with 2008 with usage and at constant climate;
- offset net emissions of the portfolio in an annual perspective of neutrality;
- maximize the moderation of real estate programs and strive to achieve carbon neutrality for each program;
- engage its partners through transparency and dialogue.

The action plans implemented to address the issues in the Assets and Planet pillars may be broken down into 12 major themes (see 7.1.3.2. "A systemic approach: Sustainable buildings in sustainable locations"). The action plans put in place for each of the issues identified in the Employees and Society pillars also address central subjects of the UN Global Compact, such as respect of human rights and labor law. In accordance with its commitments, Gecina chose to improve the readability of its actions on this theme and to publish a special human rights report on its website (http://www.gecina.fr/en/csr.html).

These action plans are developed taking into account the precautionary principle defined in the Rio declaration and set out in French law in 1995 (Barnier Act[4]). Thus, for all the risks identified in Gecina's risk mapping (see Section 1.7.1. "Summary table of main risks and control mechanisms"), *i.e.* risks related to buildings, obsolescence, societal and environmental deterioration and subcontracting, the absence of scientific certainty is no excuse for refusing to adopt effective measures that reinforce the control of Gecina's impact on the environment.

To highlight the impact of CSR issues on its business model and its performance, Gecina is gradually expressing the economic value of some of these indicators (cost of absenteeism, cost savings related to energy and water consumption, cost of carbon tax) and has based its reporting and communication on an "integrated rationale" in line with the recommendations of the International Integrated Reporting Council (IIRC)[5]. Since 2013 it has therefore published an integrated annual report that aims to reflect the analysis of its business model with respect to social, societal and environmental issues and to describe how its strategy, governance, performance and outlook create value.

7.1.3.2. A SYSTEMATIC APPROACH: SUSTAINABLE BUILDINGS IN ITS TERRITORY

Gecina participates in the planning and development of sustainable cities by deciding, building, managing or operating sustainable buildings. These buildings are part of a perspective of sustainable development and address the issues highlighted in the Assets and Planet pillars of the company's CSR policy, as shown in the diagram available one Gecina's website (http://www.gecina.fr/en/portfolio.html).

The action plans set out for each of the issues making up sustainable buildings and the level of progress achieved and monitoring methods are stipulated on Gecina's website (http://www.gecina.fr/en/csr/policy-and-performance.html).

Gecina's operational departments (Real Estate Holdings Department, Acquisition and Sales Department, Asset Management Department) contribute to action plans' progress in order to improve the real estate portfolio' performance. To do so, they have support from technical teams that are expert on each of the 12 issues of the responsible building.

In order to identify qualities and potential progress of each in operation property on those 12 issues, a specific tool has been deployed (see 7.1.4.3."CSR scoring to assist in mapping properties").

For new properties or properties under refurbishment, technical specifications describe the Group's minimum standards on each of the 12 responsible building's issues. In addition, a constructive dialogue has been engaged with service providers and suppliers in order to find new solutions, reinforcing expected performances. The refurbishement of 55 Amsterdam building, an office of over 12 000 sq.m that was built in 1929, illustrate well on each of this issues, the seek for excellence and innovation developed by Gecina (http://www.gecina.fr/en/portfolio/development.html).

The responsible building designed by Gecina incorporate a maximum of flexibility in order to foster the building's adaptability to the evolution of uses. Gecina also seeks to foster uses' intensity of its surface area and encourage networking services on its portfolio and territory scale (abundance of assets' parkings, creation of third places, start-ups hosting, optimization of companies' restaurants, etc.). Gecina offers, for example, a flexible renting offer adapted to specific expectations from entrepreneurs and users of coworking places though the creation of an 1,300 sq.m incubator located in the heart of Neuilly-sur-Seine.

(4) In France, the Barnier Act of 1995 stipulates that "where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective and adequate measures to prevent environmental degradation".
(5) The IIRC released the International Integrated Reporting Framework in December 2013.

7.1.3.3. FOCUS ON THE EXEMPLARY HEAD OFFICE, ILLUSTRATION OF THE SUSTAINABLE BUILDING

Gecina wants to turn its head office, at rue des Capucines, into a benchmark in terms of responsible buildings by testing out innovative materials, measuring systems, operating procedures, services and uses, in order to reproduce them in its premises where relevant.

To do so, a dedicated task force comprised of representatives from different departments monitor, on a monthly basis, the progress of action plans, performance by means of key performance indicators and progress achieved in the operational incorporation of CSR issues.

The table summarizing the performances and progress of these action plans is available on Gecina's website on the Portfolio page (http://www.gecina.fr/en/portfolio.html). Since 2008, Gecina has been carrying annually its Carbon Assessment for its headquarter. In 2015, the quantity of CO_2eq/employee/year is 1,75 ton, a result that is increasing from 2014 by 3.2% and that can mostly be explained by the increase of professional travels due to the deployment of specific projects during the year.

In 2015, Gecina continued its efforts to improve its HQE® Operation and BREEAM IN USE certification levels on this building. Gecina improved its overall waste management system by introducing biowaste sorting. Changing the inverter in November 2015 will significantly reduce the building's power consumption in 2016. Lastly, Gecina continued its office upgrade program to provide enhanced comfort to its employees and experiment with a new collaborative workspace designed around uses.

7.1.4. STEERING AND COORDINATING THE CSR STRATEGY

7.1.4.1. CSR AT THE HEART OF THE ORGANIZATION

Since 2014, Gecina's business-oriented organization has placed all the CSR themes at the heart of the company's various functions.

Real estate functions are adjusted to the real estate value creation chain with an Asset Management department, an Investment and Transactions department and a Real Estate properties department. These have operationally integrated CSR action plans and objectives in their assignments and organization as follows:

- The Asset Management department, which co-steered the CSR scoring project, has harmonized the financial analysis criteria of the performance of properties over their life cycles, expenditures, operations and transactions and associated all CSR dimensions of responsible buildings to this. The systematic analysis of assets process involving asset review and business review, which is carried out twice yearly, and covers both financial and non-financial aspects.
- The Investments and Transactions department has expanded its presentation files to include acquisitions, diagnostics, action plans and simulations specific to possible greening of projects, that is, stating how a building under review satisfies the criteria of sustainable buildings and what is its contribution to changes in overall Gecina properties.
- The Real Estate Properties department has placed sustainable development at the core of operational management of properties:
  - in the management function where environmental appendices modify the type of customer relationship;
  - within the technical function itself, whose various staff members assume direct responsibilities on CSR dimension of buildings, such as water use, certification, biodiversity, waste, etc., in the diagnostic phases or in carrying out progress plans. A special unit was assigned to management of energy use and CO_2 emissions.

The primary task of the Secretary General is to provide the company with the human and technical resources for implementing its strategy, and thus implement the Employees pillar action plan, and to co-steer the development of Gecina's IT system in its CSR axes (implementation in 2015 of the application for specific CSR reporting and instrumentation of buildings).

The tasks of the CSR department were confirmed as follows:

- make Gecina's CSR commitment a major avenue of demarcation;
- reflect on, drive and structure the Gecina CSR process to inscribe it in the core of its business;
- steer the implementation of the CSR process in Gecina's strategy, offer, process and tools by uniting all the departments to achieve the project;
- nourish a productive dialogue with stakeholders.

7.1.4.2. STEERING AND COORDINATING THE CSR STRATEGY

The CSR department is composed of the equivalent of four full-time positions. Its director is part of the Executive Committee and reports to general management, a strong indication of the coherence between the company's expressed determination and resources to implement policy, with Comex the prime focus for coordinating CSR strategy. Beyond internal weekly exchanges on current projects, a specific CSR meeting occurs monthly to review the progress and proper implementation of CSR action plans toward set objectives. This involves plans originating with each department or those that are more cross-functional in nature, such as the stakeholders' relationship or responsible purchasing, and it involves internal managers and external consultants.

Two steering committees instituted in 2014 continued to monitor progress in action plans in 2015:

- a steering committee for the Assets and Planet pillars, managed by the Real Estate Holdings Department. This quarterly committee includes the CSR team and the principal General Secretariat managers (15 members);
- a steering committee for the Employees pillar, a quarterly committee that includes the CSR team and the principal General Secretariat managers (seven members).

Beyond the structuring and energizing phase of CSR integration into its business lines and processes, Gecina's general management controls the proper implementation of its strategy. The implementation of individual appraisal criteria specific to CSR objectives and linked to performance-based pay for Comex members since 2013, the Management Committee since 2014 and all directors as from 2015, provides the necessary consistency to the management structure.

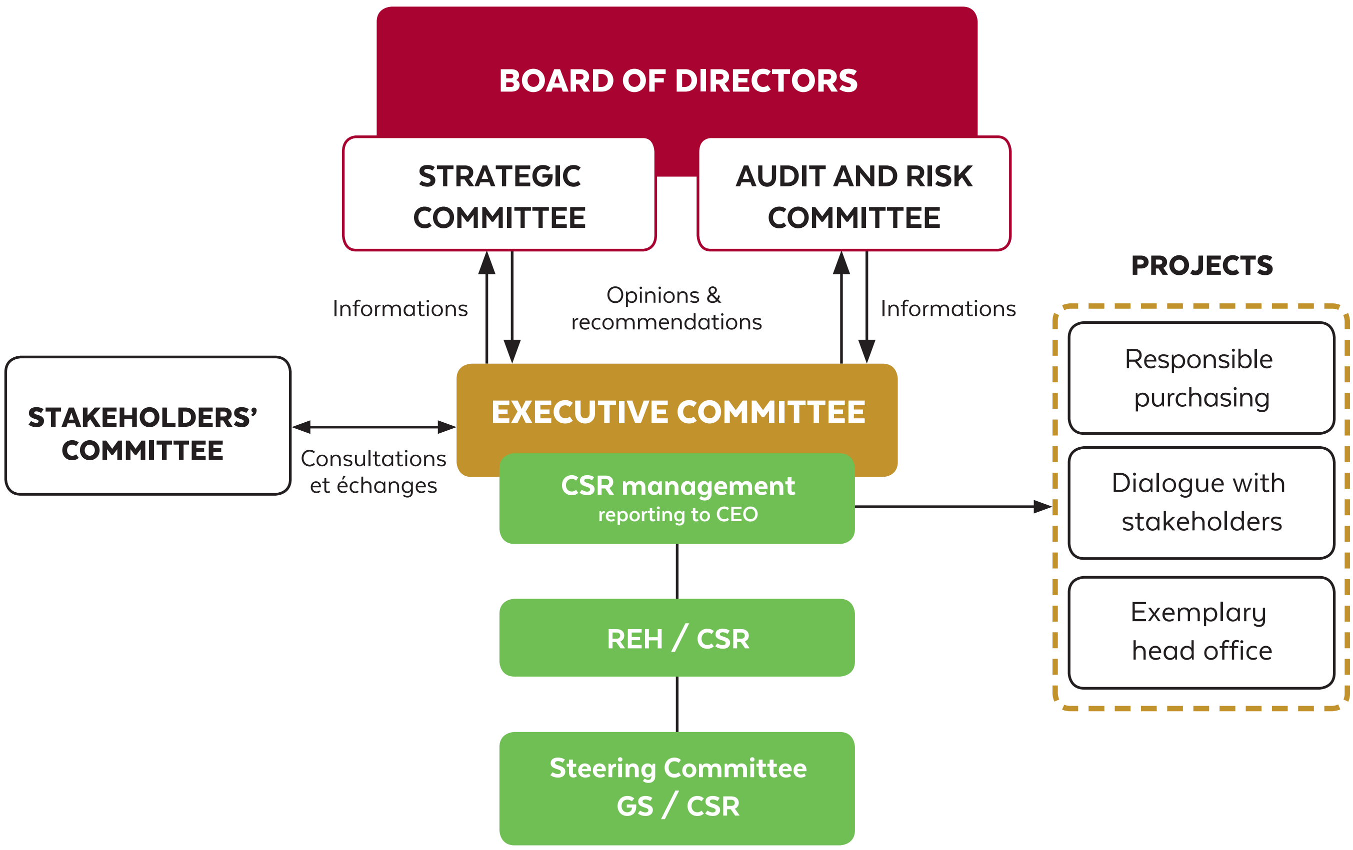
The CSR department remained in 2015 the guarantor of its mission before the Audit, Risks and Sustainable Development committee, and participated in three of its meetings, to present the 2014 results, refine the terms of review by the independent third party, detail Gecina's evaluation results by the primary non-financial rating agencies and prepare the presentation of the CSR policy involving materiality of issues, action plans, objectives, organization, etc., to Gecina's Board of Directors at its December 15, 2015 meetings. The CSR department also participated in the Board of Directors' and the Comex's strategy seminar on October 22 and 23, 2015.

In 2016, the Strategic Committee will address more specifically the strategic aspects and the results of Gecina's CSR policy at it meetings on February 23, June 14 and October 11, 2016, while the Audit and Risk Committee will focus on CSR risk analysis (at its meeting on April 19).

It is also charged with continuing to develop profitable dialogue with all of Gecina's stakeholders (see 7.1.1.2. "The Gecina Stakeholders' Committee").

The diagram below shows the main lines of CSR strategy governance and steering for 2016. Most themes are integrated in Gecina's operationnal organization except for three cross-functional projects that are still managed and steered by CSR management: responsible purchasing, dialogue with stakeholders and the exemplary headquarters concept.

Simplified governance of CSR



The increase in the number of criteria and support parameters for proper monitoring of actions and performance, the requirement for rapidly available results, the implementation of instrumentation in buildings, such as the Hypervision® real time energy use measuring system and the Azimuth sensors for measuring air quality, noise levels, etc., and the search for convergence in the integrated reporting process, have all led Gecina to reassess its reporting and information system to implement in 2015 an application that will be specific to CSR reporting through the application Credit 360.

7.1.4.3. CSR SCORING TO ASSIST IN MAPPING OF PROPERTIES

Gecina initiated a mapping of its assets in 2008, focusing solely on the subjects of energy and CO_2 emissions. Changes in the company's perception of the issues led Gecina to carry out a new analysis of its assets incorporating all the themes that define responsible buildings. While its objective is to analyze its entire asset base, taking into account the number of diagnostics to be performed on each of the 12 responsible building themes, Gecina decided to put the priority on assets with commercial leases of wich environmental criteria are the subject of both investors and tenants interest.

Analyses of CSR quality of the properties in Gecina's portfolio during the 2014 and 2015 asset reviews were carried out on the basis of currently available data, including use of energy and water, waste processing, certification levels, accessibility for people with disabilities and risk mapping level allotted. Gecina has been convinced of the necessity to round out this approach since 2013 in order to cover all responsible building themes. Following a market analysis of tools existing to accomplish this, Gecina decided to merge the expertise of Bureau Veritas and CSTB at the end of an extensive consultation effort, in order to develop an audit tool that meets its expectations, as follows:

- mapping its assets by:
  - evaluating CSR performance related to their intrinsic qualities, which exclude user impact, and to their extrinsic qualities, *i.e.* levels obtained while occupied and in use,
  - analyzing ability to change and determining resource and cost scenarios to improve the quality of buildings in a perspective of "Responsible Building in 2020" (recommendations integrated into technical action plans for each building);
- rating asset quality using tools consistent with those used by its peers (IPD, the CIBE grid, other processes, etc.) so as to be able to viably compare performance;
- implementing CSR as part of the asset review for investment, negotiations and building plan operations to class assets as leaders, good prospects, quandary projects or dead weight. It should also be an aid to decision making in deciding about acquisition, disposal, renovation, restructuring or conversion.

As the Green Rating™ tool in use only partially met Gecina requirements, additional adaptation and development was carried out to take into account all 12 areas Gecina uses to determine what constitutes responsible buildings.

Each theme is then rated on a scale of 1, the lowest, to 9, the best, and an overall rating is assigned to each building according to the relative weight of each theme.

The system was adapted to types of asset comprising Gecina's property portfolio, such as office properties and the commercial parts of mixed buildings, residential buildings including students residences.

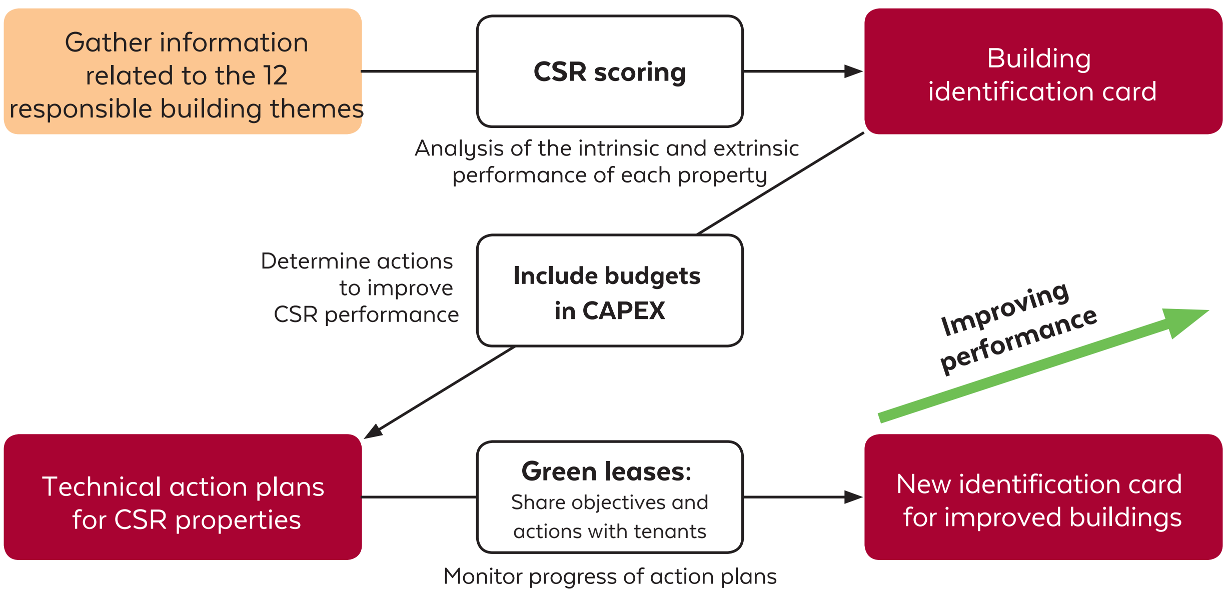
Between February and August of 2014, six pilot campaigns were carried out by CSTB and Bureau Veritas teams to determine what elements to include in the rating program.

During these campaigns, each theme was tested on two representative buildings from the company's portfolio to evaluate the relevance of the method and to compare results with expectations. This improved Green Rating™ system is now shared by all members of the Green Rating Alliance and has become the new benchmark.

The CSR scoring system was applied to 79 properties including four properties sold within the year and two properties acquired in 2015 (T1 Tower and building B at La Défense). A total of 65 commercial buildings with green leases and 10 student residences were thus audited in 2014 and 2015, which represent 78.6% of the surface and 64.3% of the value of the portfolio. Analyses were progressively returned by Bureau Veritas and shared with all the professionals who work on these buildings, including property companies responsible for operational management, asset managers who integrate current results and potential asset development as an asset review element and the technical department, which consolidates all actions by means of a performance monitoring and steering tool for each property.

This tool, known as the CSR technical action plan for performance enhancement, identifies and breaks down actions to be carried out on each of the buildings in the asset base, expected gains in performance and their development to consolidate Gecina's performance on all of its holdings with regard to objectives the company has set in its four-year plans.

Progress plan follow up process of buildings' performance



7.2. CSR performance

7.2.1. A REPORTING PROCESS BASED ON THE FRENCH LAW, INTERNATIONAL REFERENCES AND IN ACCORDANCE WITH SECTOR RECOMMENDATIONS

In order to measure CSR performance and to guide its actions, Gecina has had a non-financial reporting system in place since 2010, based on the most significant international and domestic reporting standards in its business sector. Gecina's non-financial reporting system is made up of a group of indicators monitored annually that covers the 17 issues identified in the Materiality Matrix (see section 7.1.2. "Key issues and materiality matrix"). At the same time, Gecina wishes to innovate by working on performance indicators specific to some material issues.

ARTICLE 225 OF THE GRENELLE 2 LAW

As a listed company, Gecina meets all of the obligations described in Article 225 of the Grenelle 2 law and since 2012 has published information related to its environmental, social and societal processes in the light of the 42 themes of said article. This information was verified by an independent organization (see section 7.2.2.3."External verification of non-financial information").

GRI

The Global Reporting Initiative (GRI) is the most unifying reference for non-financial reporting worldwide. Gecina has reached the "Core" level of version GRI 4.

GLOBAL COMPACT

Through its membership with the Global Compact in 2013, Gecina has committed to adhering to the ten United Nations principles, the most widely recognized standard worldwide, and to communicate the actions it carries out and the progress it achieves in the areas of human rights, labor law, respect of the environment and the fight against corruption. Since 2014, Gecina has published its Communication on Progress (CoP) each year on the UN website (https://www.unglobalcompact.org/). Each year, it receives the "Advanced" accreditation level after a peer review, performed under the aegis of Global Compact France.

EPRA

In addition to the above-mentioned standards, Gecina relies on the recommendations of the European Public Real Estate Association (EPRA) for reporting on sustainable development issues (Best Practices Recommendations on Sustainability Reporting). The scope of publication of data on greenhouse gases, energy, water and waste is consistent with EPRA recommendations and has enabled Gecina to be recognized as "SBPR Gold" since 2014. The EPRA report is available on the Group's website (http://www.gecina.fr/en/csr/reporting-ecosystem.html).

Gecina's reporting is also compliant with the recommendations of France GBC.

In addition, Gecina is involved in other initiatives to reinforce the financialization of its reporting and to include specific indicators on themes that are not fully covered by these standards, such as biodiversity immaterial value and integration within surrounding areas. The details of these processes and correspondence tables are available on the Gecina website (http://www.gecina.fr/en/csr/reporting-ecosystem.html).

7.2.2. SUMMARY OF THE REPORTING METHODOLOGY

7.2.2.1. SUMMARY OF REPORTING PROCESS

To ensure the quality and consistency of the non-financial indicators, Gecina publishes and updates its reporting protocol annually. The reporting protocol is available on the Group's website (http://gecina.fr/en/csr/reporting-ecosystem.html).

For each indicator, the protocol defines:
- the scope;
- the indicators and their definition;
- the calculation rules and procedures for each indicator;
- the interpretation, validation and control procedures.

Details of the data collection process and methodology information are available on the Group's website (http://gecina.fr/en/csr/reporting-ecosystem.html).

7.2.2.2. SUMMARY OF SCOPE AND PERIOD OF REPORTING

Activities concerned

The scope covers all businesses operationally controlled by Gecina in France from January 1 to December 31 of the reporting year (year Y) with the exception of the health portfolio which transfer has been initiated during 2015.

Workforce

The following are included in the scope:
- Head office: the Group's administrative employees;
- Group: the Head Office scope and building staff and superintendents.

Rules for taking account of the assets within the scope of reporting

- An asset is considered in operation if it is included with the properties from January 1 of year Y until December 31 of year Y.
- Assets sold in year Y are directly excluded from the scope.
- Acquisitions and deliveries that took place in year Y are effectively taken into account as part of properties from year Y. The reference set of properties applies for all indicators, with the exception of indicators related to the consumption of energy, water and the production of waste, which only cover these acquisitions and deliveries after a full operating year.
- Some specific indicators related to assets under construction or restructuring cover only assets under heavy construction or restructuring during year Y.

Changes in scope

From one year to another, changes in scope may be due to the following causes:

- acquisition, development or sale of assets;
- start-up or wind-up of businesses.

Coverage ratio

Social indicators (the "Employees" pillar) cover 100% of the Group's workforce.

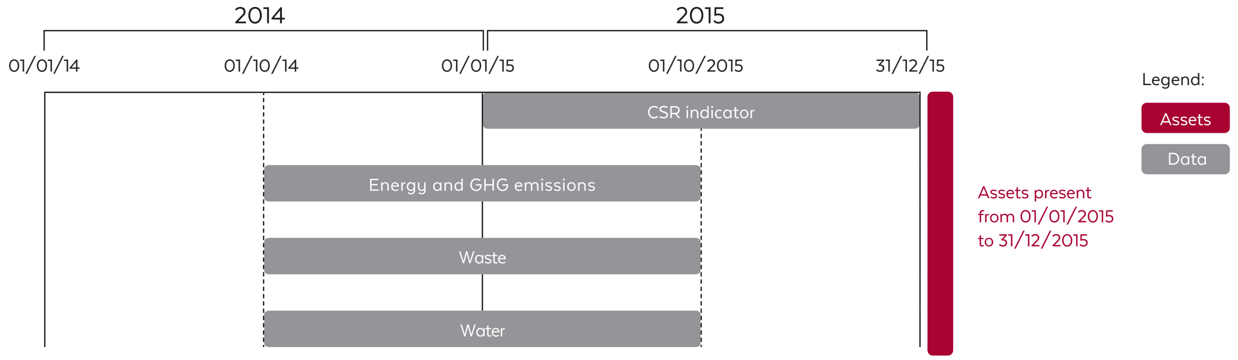
The environmental indicators (the "Assets" and "Planet" pillars) are for the most part expressed as a percentage of area. The percentage is constructed as follows:

- total surface area providing measured data/surface area in service = % of the indicator;
- commercial and head office surface area: the Gross Leasable Area (GLA) corresponding to the private surface area, including the rented communal areas, is taken into account;
- residential surface areas: the rented Net Floor Area (NFA) is taken into account.

Reporting offices and residential surfaces

	2012	2013	2014	2015
Offices (GLA, sq.m)	815,758	819,582	913,021	972,352
Residential including student residences (NFA, sq.m)	513,566	503,467	509,746	430,624
Scope of *CSR* reporting (sq.m)	1,329,324	1,323,049	1,422,767	1,402,976

Reporting period and frequency



Gecina's reporting cycle is annual and is aligned to the calendar year, from January 1 to December 31 of the reporting year Y.

Data are collected once a year.

Gecina has no control over the completeness of fluid meters and therefore it was decided that the data collection and reporting period will be shifted in order to ensure the most comprehensive monitoring possible of the relevant indicators.

Therefore, for year Y the reporting period will be from 10/01/Y-1 to 09/30/Y for the following indicators:

- energy consumption;
- GHG emissions;
- water consumption;
- waste volume.

7.2.2.3. EXTERNAL VERIFICATION OF NON-FINANCIAL INFORMATION AND INDEPENDENT THIRD PARTY REPORT

Since 2011, an external audit has been conducted annually by the firm Mazars, in accordance with the rules of implementation of Article 225 of the Grenelle 2 Act, which entered into force in April 2012 and to which Gecina is subject as a listed company. All of the audits received an unqualified opinion.

For 2015, Mazars, an audit, accounting and consulting firm accredited by the COFRAC, was appointed by the Chief Executive Officer as an Independent Third Party to audit the social, environmental and societal information disclosed in the Gecina management report as for the fiscal year ended December 31, 2014, pursuant to Article 225 of the Grenelle 2 law.

The audit engagement covering topics defined by Article R. 225-105-1 of the French Commercial Code is composed of two parts:

- the review of the completeness of the information disclosed;
- the review of the fairness of the information disclosed.

In the context of the audit conducted by the Independent Third Party, indicators can be reviewed at different levels:

- reasonable: the highest level of assurance, it attests to the fact that the relevant indicators were established fairly in all material aspects, in accordance with the reference source;
- moderate: this level of assurance attests that the information does not contain any material misstatement likely to call into question their fairness;
- review of consistency: this level of assurance attests to the consistency of information disclosed.

At the end of this audit, the Independent Third Party issues a report that is published in the Management Report (see 9.2.2.5. "Statutory auditors' independent third-party report on consolidated social, environmental and societal information published in the management report"), which includes:

- an attestation of completeness of the disclosed information;
- an opinion on the fair presentation of the disclosed information;
- the audit procedures used in the assignment.

Consistency and completeness of the information disclosed under Article 255 in addition to the level of audit of the indicators used are summarized in the cross-reference table with Article 225 of the Grenelle 2 law (see section 7.7. "Grenelle 2 concordance table and level of Independent Third Party Audit").

As part of a continued proactive process and ongoing initiative to render its reporting transparent and reliable, Gecina submits an increasing number of indicators to the highest level of auditing. In 2015, Gecina decided to submit six new indicators to the highest level of auditing (reasonable).

Distribution of audited indicators according to level of assurance

	"Reasonable assurance"	"Moderate assurance"	"Review of consistency"
Number of indicators	29	24	24
including KPI	6	13	4

NB: In this document, the data that has been audited at the highest level "reasonable assurance" by the Independent Third Party are identified by the symbol ☑.

7.2.3. TABLE OF PERFORMANCE INDICATORS

	Issues	Indicators	Page	Scope(1) Business line	% covered	Results 2008	2012	2014
Assets	**Energy efficiency and renewable energy**	**Average consumption of primary energy in kWhPE/sq.m/year (constant climate)**	221	**Offices**	**96%**	**473**	**385**	**367**
		% reduction of primary energy consumption per sq.m/year (constant climate)	221	Offices	96%	Base	**-19%**	**-21%**
		% reduction of final energy consumption per sq.m/year (constant climate)	221	Offices	96%	Base	-17%	-22%
		% of properties with an EPD label of A, B or C (5)	223	Offices	96%	0%	0%	1%
		Average consumption of primary energy in kWhPE/sq.m/year(3)	224	**Residential**	**100%**	**221**	**196**	**188**
		% reduction of primary energy consumption per sq.m/year	224	Residential	100%	Base	-11%	-15%
		% reduction of final energy consumption per sq.m/year	224	Residential	100%	Base	-15%	-18%
		% of properties with an EPD label of A, B or C (5)	225	Residential	100%	7%	17%	20%
	Labeling, certification and environmental performance	**% of office areas with HQE® Operation certification ☑**	232	**Offices**	**100%**	**0%**	**34%**	**63%**
		% of surface areas delivered certified with a high level of certification ☑	229	**Offices/ Residential**	**100%**	**0%**	**84%**	**100%**
		% of surface areas delivered certified during the year ☑	229	Offices/ Residential	100%	87%	94%	100%
		EMS coverage rate ☑	227	Offices/ Residential	100%	6%	30%	42%
	Immaterial value, well-being and productivity	**% of properties with high immaterial value (categories A, B and C)**	236	**Offices**	**100%**	**-**	**-**	**64%**
		% of properties with public transport access at less than 400 m ☑	241	Offices/ Residential	100%	89%	92%	93%
		% of surface areas accessible or adaptable for people with reduced mobility	241	Offices	93%	36%	44%	76%
		% of communal areas accessible or adaptable for people with reduced mobility	242	Residential	65%	-	53%	78%
	Security and control of risks	**% of properties with a "Very Efficient" or "Efficient" rating**	242	**Property portfolio**	**100%**	**-**	**74%**	**78%**

- : Non available // NA : Not applicable

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(4) Progress status regarding 2016 objective

< 50% completed

≥ 50% completed

≥ 70% completed

≥ 100% completed

(5) Regarding Energy Label (A,B or C at constant climate), starting 2015 Gecina chooses to report by number of properties rather than by surface area. According to the portfolio distribution (27% of assets cover 65% surface area), the objective set at 25% of surface area are equal to 10% of properties.

2015	Target 2016	Progress statut (4)	Performance evolution and additional information
↘ **326**	**284 (2)**		In 2015, Gecina became the first real estate company to obtain ISO 50001 certification, which represents a great opportunity to improve the energy management system which is steered by the Energy Management Unit. This latter coordinates action plans on the property portfolio to meet the objectives set for 2016 through energy sonsumption monitoring, action plans definition and setting up, tenant relations and optimization of energy purchase. The deployment of the Hypervision® remote metering system continued in 2015 and areas for improvement are defined thanks to this data availability on regular period basis with the objective to set up an automatic alarm system in case of overconsumption. The environmental certification of surface area in properties still remains an important lever for improving energy efficiency. HQE® Operation certified buildings featured primary energy consumption of 308 kWhPE/sq.m/year corrected for climate variations in 2015, which is 4.9% lower than the average consumption in office properties. In 2015, the energy efficiency recorded for the property portfolio has improved and average primary energy consumption corrected for climate variations dropped by 31% compared with 2008. The management of facilities based on climate conditions is an essential component of the improvement in the energy efficiency of commercial assets, and will be closely monitored in 2016 to ensure that the objectives set are met. Significant external constraints, a very warm summer on the whole and several days of extreme heat as well as a harsh winter had a positive impact on the efficiency of technical equipment. Moreover, these climate conditions also limited the so-called ""mid-season"" effect in 2015, by avoiding the switching, in the same day, of hot and cold requests which inevitably leads to an over-consumption of energy.
↘ -31%	-40% (2)		
↘ -32%	-30%		
↗ 3%	10%		
↘ **174**	**176**		The objective to reduce energy consumption defined for residential property was revised in 2015 to give a new time frame in strict compliance with the thresholds of the Grenelle Act. If the correction for climate variation is taken into account, in 2015, the savings on consumption for residential porperties were in line with the 2016 objective thanks to the actions undertaken to improve not only the building but also in the operation of heating and domestic hot water systems as well as asset acquisitions and disposals. The number of low energy efficiency assets has decreased considerably, with a gain of 16% in categories C and above, reaching the lower limit of the 2020 national objective, which is set at 150 kWhPE/sq.m./year. Monitoring actual results for collectively heated assets confirms the importance of managing asset operations and contributes to the measurement of this clear improvement in the efficiency of our assets over time.
↘ -21%	-20%		
↘ -19%	-20%		
↗ 27%	10%		
↗ **71%**	**80%**		The most widespread initiative in France for office property, the HQE® Operation certification represents the most appropriate reference framework for the type of Gecina's assets as well as its property management activity. At end of 2015, Gecina's property portfolio with HQE® Operation certification represented 71% of its total surface area.Moreover, 12% of commercial buildings under operation have an energy label (THPE or BBC Effinergie). Six assets, representing 173,695 sq.m, have been presented for HQE® Operation certification by Gecina and attested by Certivéa, two assets have been added to the already certified portfolio while three assets certified in previous years were sold. The total cost of HQE® Operation certifications including the costs of project management support and certification in 2015 was €306,164. Regarding certification of properties delivered during the year, Gecina has maintained the objective set for 2016 since 2013 as again in 2015, 100% of surface area delivered was certified with a high level. The overall cost of HQE Construction certifications including assistance with project management and certification costs amounts to 197,408 euros for 2015. Thanks to theses certification operations, Gecina improves continuously its Environmental Management System (EMS) coverage rate that reached 56% in 2015.
= **100%**	**100%**		
= 100%	100%		
↗ 56%	65%		
↗ **66%**	**70%**		In 2015, 66% of the buildings were classified into one of the A, B or C categories and provided productive efficiency gains of over 7%, generating significant economic gains for office users. This represented a 1% increase (i.e. one building) compared with 2014. This change is primarily due to the disposals of the Newside and L'angle (class B) buildings, which although recent and well-appointed, were farther from the center of Paris, and the acquisition of the T1 and B buildings (class A), delivered in 2008 and located in the La Défense business district as well as the one for building located Avenue de la Grande Armée (class C). Property sales and acquisition strategy has also help Gecina improve its rate in terms of percentage of assets with public transport access at less than 400 m (94% which means +1 point comparing to 2014), thus exceeding its target of 90% for the third consecutive year. In 2015, and for the fifth year running, Gecina extended its process of making its property portfolio accessible to persons with disabilities by carrying out new audits and updating audits conducted prior to the Act and Order of 2014; implementing the recommendations derived from the audits ; identifying all public access buildings in the office and residential property portfolio. Those actions conducted to an increase of the percentage of assets areas accessible or adaptable for people with reduced mobility to exceed its target for 2016.
↗ 94%	90%		
↗ 81%	50%		
↗ 79%	60%		
↗ **87%**	**> 70%**		The percentage of properties with a "Very Efficient" or "Efficient" rating was 86.7% in 2015. This represented another year-on-year improvement in Gecina's coverage of property risks (77.7% in 2014) and exceeded the 70% target set for 2016 for the fourth year running. The methodology for the management and control of property risks that could have an impact on safety such as risks related to asbestos, lead, fire, water quality, wet cooling towers, floods, soil contamination as well as Gecina's performance in this respect are set out in section 1.7.4.1.1. "Property risk mapping". In 2015, Gecina increased its performance concerning lead-related risks in its buildings and maintained a high level of performance concerning asbestos in buildings despite the tightening of regulations on asbestos risks.

= : no significant evolution
↗ or ↘ : negative evolution
↗ or ↘ : positive evolution

	Issues	Indicators	Page	Scope(1) Business line	% covered	Results 2008	2012	2014
Planet	**GHG emissions and climate change**	**Average greenhouse gas emissions in kgCO_2/sq.m/year (constant climate)**	246	**Offices**	**96%**	**28**	**24**	**20**
		Average reduction of greenhouse gas emissions per sq.m/year (constant climate)	246	Offices	96%	Base	-12%	-29%
		% of properties with an A, B or C climate or energy label (5)	247	Offices	96%	19%	32%	54%
		Average greenhouse gas emissions en kgCO_2/sq.m/year	246	**Residential**	**100%**	**44**	**36**	**34**
		% reduction of greenhouse gas emissions per sq.m/year	246	Residential	100%	Base	-18%	-23%
		% of properties with an A, B or C climate or energy label (5)	249	Residential	100%	23%	39%	42%
		% reduction in the level of greenhouse gas emissions from employees in CO_2eq/employee/year ☑	204	Head office	100%	Base	-26%	-14%
	Natural resources and waste	**% of properties delivered in 2014 subjected to LCA**	249	**Offices / Residential**	**100%**	**-**	**40%**	**50%**
		% of waste sorted for recycling	251	**Offices**	**49%**	**-**	**62%**	**59%**
		% of surface areas equipped for selective sorting of waste	251	Offices / Residential	100%	45%	62%	58%
		% of surface areas with a separate room outfitted for selective sorting of waste	250	Offices / Residential	100%	3%	44%	33%
	Biodiversity	**Average biotope area factor of properties in operation ☑**	254	**Offices / Residential**	**100%**	**-**	**-**	**0.39**
		Biotope area factor by surface area of properties delivered during the year ☑	254	Offices / Residential	100%	-	0.16	0.19
	Water	**Average consumption of water in m^3/sq.m/year**	256	**Offices / Residential**	**65%**	**1.24**	**0.97**	**0.97**
		% reduction in water consumption in m^3/sq.m/year	256	Offices / Residential	65%	Base	-22%	-22%

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(4) Progress status regarding 2016 objective
< 50% completed
≥ 50% completed
≥ 70% completed
≥ 100% completed
(5) Regarding Energy Label (A,B or C at constat climate), starting 2015 Gecina chooses to report by number of properties rather than by surface area. According to the portfolio distribution (27% of assets cover 65% surface area), the objective set at 25% of surface area are equal to 10% of properties.

2015	Target 2016	Progress statut (4)	Performance evolution and additional information
↘ **19**	**17** (2)		The greater part of emissions of the commercial portfolio is from energy consumed outside Gecina's control (Scope 3). Gecina's action can thus be assessed on only 46% of the total emissions generated by its assets. The change in CO_2 emissions adjusted for climate effect shows savings of 6.1% between 2014 and 2015, bringing the reduction of emissions to 31% since 2008. This result is not only linked to the gains recorded on energy consumptions, but also to the change in the energy mix of the property portfolio, since Gecina gives priority to low-carbon energy sources, in particular during heavy building reconstructions (e.g., connection to the IDEX urban network for the Cristallin building in Boulogne Billancourt, or to the ClimEspace network for 55 Amsterdam. The sharpest drop is in buildings where Gecina has full control of operations, with a drop of 35.2% (at constant climate) since 2008.
↘ -31%	-40% (2)		
↘ 49%	10%		
↗ **35**	**35**		Gecina's choices of energy sources for its residential buildings have an impact on 70% of the total emissions of these assets (Scopes 1 and 2 combined). The decisions to change the energy mix or carry out energy savings works therefore have a strong impact on all these CO_2 emissions.The gain is equal to that obtained in primary energy (-21%), although it results from a 25.6% improvement for buildings controlled by Gecina and a decline of 18.7% for buildings controlled by the tenant. This is the result of the improved energy efficiency of the assets and the renovation work on collective heating plants (with conversion to reduced-carbon energy sources) on the properties as well as of the sale of buildings using individual electric heating and hot water systems.
↗ -21%	-20%		
↘ 31%	10%		
↘ -11%	-20%		In 2015, the quantity of CO_2eq/employee/year is 1.75 ton, a result that is increasing from 2014 by 3.2% and that can mostly be explained the increase of professional travels due to the deployment of specific projects during the year.
↘ 0%	**100%**		The four student residences delivered in 2015 were not subject to life cycle analysis (LCA). Regarding the Brillat Savarin residence, its conception was held in 2010 by Gecina. However, at this time, Gecina has not started to set the target to conduct LCA on its assets under development. As for the three other residences, they have been acquired on VEFA (sales of property for future completion) with the certification "Habitat et Environement" as target, a label that does not imply LCA. However, from now on, performance programs and Gecina's standard specifications do integrate LCA requirement in addition. In 2015, Gecina changed its reporting method for waste management to better reflect all the measures in place for commercial buildings concerning selective waste collection. By also including buildings in the property portfolio where tenants manage their own waste, the reporting scope now reflects the complete range of the property portfolio's selective waste collection capacity. In 2015, selective waste collection was possible in 88% of the surface area of properties. By way of comparison, the surface area calculated on this new scope was 86.5% of total properties in 2014. Under the same change in methodology, the proportion of surface area of the property portfolio with premises adapted to selective waste sorting reached 81.7% in 2015 compared with 79.7% in 2014. The performance of the residential properties sold was offset by the commissioning of new student residences that have adapted waste sorting premises. For the commercial property portfolio, the acquisition of the T1 tower and B buildings in the La Défense business district had a positive effect on the indicator despite the sale of three buildings with waste sorting facilities in 2014 (Newside, L'Angle and Mazagran).
↗ **63%**	**80%**		
↗ 88%	80%		
↗ 82%	80%		
↗ **0.41**	**0.40**		The BAF characterizes the planting of a plot of land to assess the biodiversity of a project. Depending on treatment types and the thickness of the natural soil (the subsoil), an ecological value factor per square meter is defined and used to weight the various eco-developable surface areas. For projects delivered during the year, the BAF was 0.23 in 2015, an increase compared to 2014, thanks to the integration into the property portfolio of four student residences, two of which (located in Bordeaux and Palaiseau) have open areas with a very high proportion of vegetation (approximately 25% of the plot surface) has contributed to this change. Regarding assets in operation, the BAF, calculated for the entire residential and offices property portfolio in 2015, presents an average value of 0.41, a progress for residential assets by the sale of assets with very little vegetation.
↗ 0.23	0.20		
↘ **0.93**	**0.93**		In 2015, Gecina continued to implement the water management actions undertaken for several years now, continually reducing consumption across its entire portfolio through the Hypervision solution for managing consumption of assets ; the installation of meters and connection of meters and sub-meters to building management systems (BMS) for close tracking of consumption and identification of any leaks; signing of a water savings contract with the installation of aeration units to limit throughput; the removal of air-cooled towers. As for residential assets in operation, ations made are :installation of water-saving measures; deployment of 890 cold water meters in 14 residences; installation of 9,806 individual domestic hot water consumption meters with remote meter reading systems ; signing of collective service contracts for plumbing with at least one annual visit scheduled for each apartment; replacement of hot water heaters and stopcocks; installation of automatic watering timers. Specifically concerning rainwater collection, when the collection conditions are met, these systems are deployed in buildings under development or under reconstruction. Thanks to these actions, reduction in water consumption was progressing very well to reach 2016 objective in 2015.
↘ -25%	-25%		

= : no significant evolution
↗ or ↘ : negative evolution
↗ or ↘ : positive evolution

	Issues	Indicators	Page	Scope(1)		Results		
				Business line	% covered	2008	2012	2014
Employees	**Integrate CSR into Gecina's business lines aux métiers de Gecina**	**% of hours of training integrating CSR**	259	**Group**	**100%**	**-**	**-**	**3%**
		% of hours of training dedicated to CSR	259	Group	100%	-	-	23%
	Talents and skills	**% of positions filled through in-house mobility**	263	**Group**	**100%**	**-**	**47%**	**75%**
		% of employees who participated in at least one training course during the year	265	Group	100%	-	85%	102%
		Average number of training hours per employee trained ☑	264	Group	100%	12	28	22
		Turnover rate of indefinite-term contracts ☑	262	Group	100%	-	8%	8%
	Working conditions	**% of employees with at least one work stoppage for medical reasons less than or equal to 3 days ☑**	268	**Group**	**100%**	**-**	**-**	**34%**
		Absenteeism (sick days) ☑	269	Group	100%	6,429	4,687	4,447
		% of part-time employees	260	Group	100%	-	-	8%
	Diversity and equal treatment	**Number of professional classification levels for which the wage gap between men and women is greater than 3% (administrative population excluding Executive Committee members) ☑**	275	**Group**	**100%**	**-**	**2/7**	**2/7**
		% women in the Board of Directors	286	Group	100%	6%	23%	33%
		% of employees on work-study contracts	274	Group	100%	-	-	4%
		% of employees with a declared disability	273	Group	100%	-	-	3%
		Rate of access to training of employees aged over 55	273	Group	100%	-	-	27%

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(4) Progress status regarding 2016 objective

< 50% completed
≥ 50% completed
≥ 70% completed
≥ 100% completed

2015	Target 2016	Progress statut (4)	Performance evolution and additional information
↗ **4.3%**	**5%**		In 2015, the Group organized specific CSR training concerning environmental themes (energy, environmental certifications) societal themes (risks, responsible purchasing) and social themes (awareness of working with display screen equipment, disability in the workplace, awareness of intergenerational cooperation). The training hours dedicated to these themes were increased, rising from 2.6% to 4.3% of total hours of training provided between 2014 and 2015. They represented a total of 414 hours in 2015. Following on from the approaches taken in 2014, the training program incorporated CSR into all the relevant themes. Thus, in 2015, CSR was incorporated into 1,701 training hours representing 17.7% of the total hours of training provided to 63% of the Group's employees. This result, slightly down on 2014, when the proportion of training incorporating CSR represented 22.6% of training hours, is linked to the importance given this year to training courses dedicated to new IT tools.
↘ 18%	30%		
↘ **42%**	**> 25%**		In 2015, 15 employees changed jobs through internal mobility, representing 42% of the Group's recruitment needs which represents a decrease compared to 2014, a year during which the reorganization of Gecina took place with numerous job evolution. If the one-off mobilities created by the reorganization that took place in 2014 are excluded, the rate of jobs filled through internal mobility rose compared with 2014, where it was 35%. The Group's expenditures for training in 2015 were unchanged with respect to 2014. This represented an average of 22 hours, or three days of training per year per employee, and a total volume of 9,602 hours. The total budget allocated to training in 2015 rose compared with 2014 and amounted to €1,384,750, which was nearly 5% of the gross employee expenses for 2015 (compared with 4.4% in 2014). This investment represented an average of €3,100 per employee in 2015 (against €2,819 in 2014), or an increase of nearly 10% of the amount spent on training per employee. Despite a slight drop compated to 2014, access to training by employees remains high and ensures fair access for all ages and genders. It was 97.8% in 2015, versus 102.1% in 2014 and 96.8% in 2013.
↘ 98%	95%		
= 22	25		
= 8%	[7% ; 10%]		
↘ **31%**	**29%**		There was a sharp drop in absences of 1 to 3 days between 2014 and 2015, both in terms of the number of employees concerned, which fell from 162 to 137 employees and the number of leaves of absence, which fell from 281 to 227. The same applied to the number of cumulative days of absence from work which dropped from 499.5 to 396 days. The stabilization of Gecina's 2014 reorganization can partly explain this trend. Conversely, the rate of absences rose, from 2.59% in 2014 to 3.12% in 2015. That said, although the number of days off work increased by 10.6% compared with 2014, the number of employees off work fell by 9.2%. In 2015, the average sick leave was at 11.2 days off work per employee compared with 9.3 days in 2014. In 2015, the total number of employees who adopted a part-time work scheme rose 18.9% compared with 2014, from 37 to 44 persons. The reasons for this change in working hours were: the generation contract (41%), part-time parental leave (10.3%), and personal convenience (48.7%).
↗ 4,919	-		
↗ 10%	[7.5% ; 12.5%]		
↘ **0/7**	**0/7**		As at December 31, 2015, the proportion of women on Gecina's Board of Directors was 50%, compared with 33% as at December 31, 2014. Gecina was rewarded for this in 2015 when it ranked 5th on the barometer of feminization of SBF 120 companies. Its policy on the feminization of the Board of Directors and other company management bodies has been praised by the French Ministry of Social Affairs, Health and Women's Rights. Equal treatment is also a them that has been well promoted in 2015 as for the first time since the creation of this indicator in 2010, no significant difference over 3% was observed between the compensation of male and female employees at equivalent position, skills, level of qualification and work experience. Gecina's diversity policy launched in 2013 also starts to bear fruits as regard to 2015 results. In fact, the objectives achieved were assessed during a review conducted at the end of the two years of the agreement on all six areas: awareness-raising, communication, training, recruitment, continued employment and collaboration with companies employing people in adapted and protected work environments. As at December 31, 2015, Gecina had an employment rate of persons with disabilities of 9.2%, well above the mandatory 6%. The number of employees with disabilities rose from 12 persons in 2012 to 24 persons. They are employed in nearly all the company departments and represents 7% of the FTE. In terms of employability of older persons and those under 26 policy, 2015 results are slightly droping compared to 2014. However, during 2015 Gecina continued to support the student apprenticeship promotion program begun in 2011. It took in 19 young students in nearly all departments during the 2014-2015 academic year and 14 for the 2015-2016 academic year, at initial training levels of one to five years of university studies. Older workers have a rate of access to training of 19%, which is slightly lower than their proportion in the workforce.
↗ 50%	40%		
↘ 3%	[3% ; 5%]		
↗ 7%	4%		
↘ 19%	$\geq \frac{\left(\text{nb.employees aged over 55}\right)}{\text{workforce}}$		

= : no significant evolution
↗ or ↘ : negative evolution
↗ or ↘ : positive evolution

	Issues	Indicators	Page	Scope[1] Business line	% covered	Results 2008	2012	2014
Society	**Integration within surrounding areas**	**% of buildings open to their surrounding areas and home to business incubators, new ways of working, and shared services**	278	**Group**	**100%**	**-**	**-**	**-**
	Relations with stakeholders	**Satisfaction rate of outgoing customers (residential excluding student residences)**	281	**Residential**	**100%**	**93%**	**91%**	**92%**
		Rate of renewal of collective bargaining agreements before term	270	Group	NA	-	-	100%
		Number of SRI investors met	283	Group	NA	-	3	28
	Business ethics	**Number of convictions for non-compliance with laws and regulations (excluding fines)**	287	**Group**	**100%**	**0**	**0**	**0**
		% of employees trained in or made aware of the Ethics Code over the past five years	287	Head office	100%	-	75%	82%
	Responsible purchasing	**% of suppliers who have been evaluated by their CSR performance ☑**	290	**Group**	**100%**	**-**	**-**	**9%**
		% of regular suppliers who have signed the Responsible Purchasing Charter ☑	289	Group	100%	-	-	91%
		% specifications revisited in light of responsible purchasing (risk categories)	289	Group	100%	-	-	60%
	Sponsorship and partnerships	**% employees actively involved in one or more actions of the Foundation**	294	**Group**	**100%**	**-**	**12%**	**22.6%**

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(4) Progress status regarding 2016 objective

< 50% completed

≥ 50% completed

≥ 70% completed

≥ 100% completed

2015	Target 2016	Progress statut (4)	Performance evolution and additional information
4%	**10%**		In response to changing work and management methods, and anticipating new behaviors and practices that will impact real estate in the coming years, Gecina is experimenting with ways to make its buildings more flexible, more open and richer in services, all to promote the well-being and performance of occupants as well as regional dynamism : shared office spaces, office space to the startup incubator, sharing strategy by looking for ways to pool services, spaces and amenities such as meeting rooms, restaurant spaces, community gardens, fitness centers and auditoriums. In 2015, five buildings, or 4% of the portfolio, were "open" to their surrounding areas, and home to business incubators, new ways of working, and shared services. In 2016, Gecina has set a target of 30% of its portfolio to house such spaces, uses or services.
↘ **88%**	**> 90%**		Although it was lower than in 2014, the overall satisfaction rate of residential clients remained high since over eight out of ten tenants declared that they were satisfied or even very satisfied with Gecina's facilities and services. This drop is due to the reduction in the survey scope linked to building disposals, which led to more significant changes in results and the implementation of new rent regulation and ceiling decrees led to a less accurate perception of the value-for-money ratio by tenants. In 2015, 100% of collective agreements due to expire were renewed following negotiations in accordance with the corporate agenda presented above. The total number of complaints brought before Management during monthly meetings with staff representatives came to 21 for the year, while there were no complaints during six of the twelve meetings. Gecina also participated in two non-financial roadshows in 2015 and met, in particular in London, 12 ISR investors during individual and collective meetings.
= 100%	100%		
↘ 22	20		
= 0	**0**		Section 5.1.9.2. "Internal Control System" sets out the system and good practices implemented in the Group and with regard to stakeholders to guarantee compliance with the strictest ethical principles concerning transparency, corruption and business ethics (with, for example, the implementation of a whistle-blowing system). The conditions for implementing the Ethics Charter and for raising awareness of the fight against money laundering and financing terrorism are also laid down. In addition to the 2012 training sessions, all new employees of Gecina are trained to the practical application of the Ethics Charter. Given the turnover of the year, in 2015, 90% of Gecina's employees were aware of the ethics code. The awareness, prevention and control mechanisms implemented by Gecina guarantee compliance with good ethical practices by Group employees in carrying out their functions and with regard to the various stakeholders, as Gecina has maintained a status of no criminal convictions since 2008 and again in 2015, excluding traffic fines.
↗ 90%	100%		
↗ **23%**	**50%**		In 2015, the rules applicable to the signing of the Responsible Purchasing Charter were extended in order to make them similar to those used for listing procedure. The number of active suppliers that meet the criteria for signing the Responsible Purchasing Charter therefore rose from 616 in 2014 to 668 in 2015. As in 2014, getting suppliers to sign this charter was a key action in 2015, once again marshaling the dialogue and persuasion efforts of the Gecina employees involved in supplier relations. This year, the charter was signed by 608 suppliers, i.e. 9% more than in 2014. As in 2014, they represented, 91% of active suppliers that met the new criteria for signing the Charter in 2015, and 95% of expenditure, or €169 million. In addtion to the Responsible Purchasing Charter, Gecina assesses its suppliers CSR performance through an online assessment questionnaire. In 2014 and 2015, this questionnaire was sent out to 239 (36%) of suppliers who have signed the charter. 197 of them have completed the questionnaire (82%) i.e. nearly 30% of total suppliers that have signed the charter from the beginning. 23% of those that have still worked with Gecina in 2015 have been assessed. An internal audit was conducted in 2015 to verify the proper inclusion of the Responsible Purchasing Charter into the Gecina supplier and service provider consultation process. This engagement made the monitoring processes of the signing of the Responsible Purchasing Charter more reliable by reinforcing the role of management control in the mechanism. The application of this process in 2016 will constitute a guarantee of achieving the target.
= 91%	100%		
↗ 63%	40%		
↘ **21%**	**20%**		A total of 94 employees were employed in 2015 across all proposed measures (sponsorship, partnerships, collective action). They represented 21.45% of employees, thus showing their strong commitment. Despite a light decrease compared to 2014, that can in part be explained by the new organization of the Foundation and the deployment of various transversal projects that have mobilize a great number of employees, the objective of involving more than 20% of employees was once again achieved in 2015.

= : no significant evolution
↗ or ↘ : negative evolution
↗ or ↘ : positive evolution

7.2.4. A PROCESS RECOGNIZED BY NON-FINANCIAL RATING AGENCIES

In 2015, Gecina continued to respond actively to requests from non-financial rating agencies and key players in the real estate and CSR sectors.

This exercise is part of a process of dialogue, transparency, continued progress and co-construction with these players. The responses and exchanges with these agencies respect the principle of independence and impartiality; no commercial relationship is maintained with them.

All the results can be accessed on the Gecina website (http://www.gecina.fr/en/csr/policy-and-performance.html).

7.2.4.1. RESULTS AND ANALYSIS OF NON-FINANCIAL RANKINGS

In 2015, Gecina answered questionnaires from nine non-financial analysis agencies and bodies by providing the relevant information throughout the year. Thus, during the year, the Group maintained a high level of performance with five of them and improved its assessment in four of these rankings.

In 2015, Gecina was integrated in the Euronext Vigeo World 100 index for the first time and was reintegrated in the Euronext Vigeo France 20. At the same time, the company continued to be present in the list of nine indices: Dow Jones Sustainability Index World and Europe, FTSE4GOOD, STOOX Global ESG Leaders, Euronext Vigeo Europe 120, Euronext Vigeo Eurozone 120, Ethibel Pioneer and Ethibel Excellence, and maintained its top ranking in the Services sector of the Gaia Index (Ethifinance).

The assessments made by non-specialist rating agencies of Gecina's performance continue to be high and reveal a general observation of robust reporting and high performance at the environmental (biodiversity, certification) and social policy (diversity, work conditions) levels.

After an overall increase since 2009, in 2015, Gecina maintained its score in the Robeco SAM questionnaire at 77% while it has been more complex (score 78% in 2014) and reached 93 percentile ranking in 2015, which means Gecina is listed among the best 7% of the sector. Moreover, this year, Gecina is the leader in its sector for social reporting, environmental reporting and resource preservation indicators. Further progress can be considered in the capital humain and eco-efficiency categories.

In 2015, for the first time, Gecina obtained a score of 100% for the annual questionnaire on climate change by the Carbon Disclosure Project (CDP). This maximum score attests to the Group's high level of transparency, which qualifies it for the Climate Disclosure Leadership Index (CDLI). In terms of performance, Gecina achieved a score of C, and is still in good position within the industry average despite a slight decline compared with 2014 (score B).

The analysis of the results of these two agencies confirms the reliability of Gecina's reporting process. The areas for improvement mainly concern the identification and quantification of the risks and opportunities linked to the activities. The work carried out after these analyses to improve the management of its risks and the deployment of its "climate roadmap" will constitute the an area of improvement in 2016.

This year, for the third time, Gecina took part in the Oekom corporate rating and obtained a score of C+, which gives it PRIME status and ranks it among the top 3 of the 222 companies of the sector that have been analyzed. This is a clear improvement on 2013, when it obtained a C- rating. It was made possible thanks to a better knowledge of the agency's expectations and greater coverage of the subjects addressed.

This improvement is also confirmed by the scores obtained with other agencies: Vigeo and Sustainalytics both rank Gecina among the top 3 in its sector for the analyses conducted in 2015, thus continuing to keep Gecina in the indices that they generate (Euronext, Ethibel and Stoox).

Gecina has maintained a high performance level in the evaluations of rating agencies specialized in the real estate sector. For the second year running, Gecina received the Gold SBPR Award by EPRA in addition to the Gold BPR.

Gecina also obtained Green Star status from Global Real Estate Sustainability Benchmark (GRESB), for the third year running. It is once again among the leaders of its sector, despite a slight dip in its score (68% *versus* 74% in 2014). This was mainly due to the low level of control of its healthcare assets – which are currently being disposed of.

7.2.4.2. A REPORTING PROCESS RECOGNIZED BY OTHER REAL ESTATE AND CSR ACTOR

In 2015, Gecina was awarded the **Best First COP** by the Global Compact France network in the **"GC Advanced"** category (for its COP published in 2014), at its General Meeting (http://cop-advanced.org/).

Gecina's social policy has also received two awards: it won the Victoire d'Or "CSR, Gender Equality & Diversity" as well as a special mention for its HR policy in the "Building" category at the Victoires des Leaders du Capital Humain awards, which was organized in December 2015 by *Décideurs* magazine. It has also been ranked fifth among SBF 120 companies by the Ethics & Boards classification for the feminization of its management bodies with the perfect gender parity of its Board of Directors since August 2015.

Lastly, to meet the expectations of its clients and guarantee consistency and reciprocity with respect with its responsible purchasing approach, Gecina decided to submit its CSR commitments and performance to an independent assessment. In 2015, it therefore took out a subscription with the Ecovadis platform, delivering an objective analysis of its CSR approach based on a questionnaire and the information disclosed by the Group. Gecina obtained a score of 81/100 compared with an industry average of 42/100, and the "GOLD" recognition level. It is thus one of the two companies that performed best in its category (real estate businesses) and is among the top 1% of the companies rated by EcoVadis across all categories.

7.3. Assets

7.3.1. ENERGY EFFICIENCY AND RENEWABLE ENERGIES

Energy efficiency and renewable energies.

KPI: Average consumptions and % reduction of primary energy (offices and residential).

2016-2020 objective: 284 kWhPE/sq.m/year, which is-40% for offices and 177 kWhPE/sq.m/year, 20% for residential (depending on operational control of assets compared with 2008).

7.3.1.1. ENERGY EFFICIENCY OF THE PROPERTY PORTFOLIO

In 2015, Gecina became the first real estate company to obtain ISO 50001 certification. This is an acknowledgment of the effort Gecina has employed on its property portfolio with respect to energy management through a stringent framework of standards. The definition of multi-year action plans in line with the objectives set by the company, and the continuous improvement of the energy efficiency management process are two obligations imposed by the standard.

Certification, which is welcomed and considered as an opportunity to improve the energy management system, is also an opportunity for Gecina to meet its regulatory obligations of energy audit (Act No. 2013-619 of July 16, 2013, or the DDADUE Act).

The Energy Management unit of the Real Estate Assets technical department coordinates actions on the property portfolio, in particular concerning the achievement of the objectives set for 2016:

- overseeing energy and water consumption, by monitoring data collection and processing of the collected data;
- defining and implementing efficiency improvement action plans (work or improvement in operations management);
- support for tenant relations especially for tenants with whom a green lease has been signed;
- optimizing utility purchases and supply contracts (see section 7.3.1.2. "Development of renewable energy");
- gathering intelligence on technological developments in this area undergoing constant, rapid change.

The Group monitors all energy consumption of its commercial and residential buildings and for 2015 decided to renew the application of the recommendations of Article 225 of the France GBC-published CSR Reporting Guidelines for the Construction/Real Estate Sector, which it helped to draft. Data is broken down by source:

- **Corporate** data, corresponding to performance at the head office building located at 16 rue des Capucines;
- **Businesses** data, comprising all energy consumption of buildings managed by Gecina (*i.e.* those in which Gecina controls operations, *i.e.* excluding consumption related to tenant use);
- **Stakeholders**' data, comprising all energy consumption of buildings not controlled by Gecina (*i.e.* those in which Gecina does not control operations as well as all energy consumption related to tenant use.

Energy efficiency of portfolio as required by the csr reporting guide prepared by France GBC (including usage)

Property portfolio	Corporate	Businesses	Stakeholders	Total
kWhPE	4,511,730	200,057,806	254,278,837	458,848,373
kWhPE adjusted*	4,439,850	191,118,510	242,735,276	438,293,637
kWhFE	2,369,097	120,232,462	115,990,653	238,592,212
kWhFE adjusted*	2,247,042	118,292,071	111,659,382	232,198,494

* *Heating/cooling DDU adjusted for offices and residential (see reporting protocol on the Gecina website http://www.gecina.fr/en/csr/reporting-ecosystem.html).*

Gecina set these energy efficiency objectives in 2008 as part of the four-year plans for 2012, 2016 and 2020. It chose to distinguish between the monitoring of the energy consumption of the commercial property portfolio and that of the residential property portfolio, given the many differences between these two asset types:

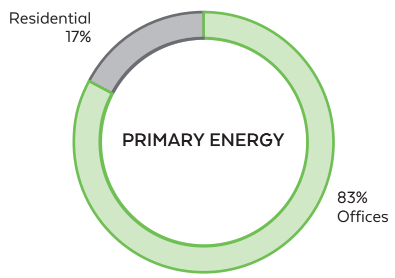
- consumption areas (for example, air-conditioning, which is found in the majority of commercial buildings, is non-existent in residential buildings);
- occupation (mainly day-time during the week for commercial assets and the evening, night-time and weekends for residential assets);
- management of periods of vacancy (management of intermittency for commercial assets and management of temperature levels for residential premises);
- architecture and technical equipment of buildings (residential buildings are more compact and there are more communal areas and larger areas of glazing in office buildings).

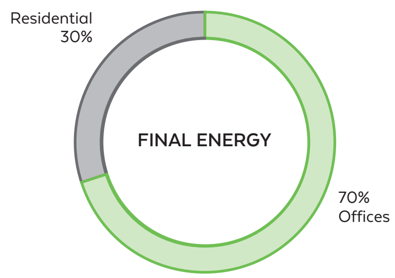
Gecina also considers that in office buildings, consumption is due to the technical systems incorporated in buildings and placed at the disposal of users. For this reason, all consumption is monitored, with the exception of tenant-specific uses such as consumption related primarily to process and IT. In its residential properties, Gecina controls only collective heating and domestic hot water consumption and therefore restricts its monitoring to these two areas.

The difference between the scope of consumption monitored for these two types of assets in the company's reporting system reveals a significant variation between average consumption per asset. For example, in 2008, commercial property assets had an average consumption of 473 kWhPE/sq.m/year, while average consumption for residential assets was 221 kWhPE/sq.m/year.

The calculation and monitoring of indicators is adjusted according to the type of asset examined and each year, Gecina makes a differentiated report of the energy efficiency of its office assets (see section 7.3.1.1.1 "Energy efficiency of the office property portfolio") and residential assets (see 7.3.1.1.2 "Energy efficiency of residential property and student residences").

Breakdown of total energy consumption by activity (at constant climate)





Energy intensity of property portfolio per occupant

	Offices (without usage)		Residential	
	2014	2015	2014	2015
Number of properties	78	73	65	49
Reference surface area (by sq.m)	813,170	751,177	516,443	428,976
Number of occupants	46,416	43,459	25,822	21,449
kWhFE	143,212,738	127,279,684	74,619,015	64,996,866
kWhFE/occupant/year	**3,085**	**2,929**	**2,890**	**3,030**
kWhFE (heating/cooling) DDU adjusted	143,728,608	117,377,979	82,991,464	68,504,852
kWhFE (heating/cooling) DDU adjusted/occupant/year	**3,096**	**2,701**	**3,214**	**3,194**
kWhPE	301,006,007	268,573,068	88,484,886	71,150,641
kWhPE/occupant/year	**6,485**	**6,180**	**3,427**	**3,317**
kWhPE (heating/cooling) DDU adjusted	298,777,516	244,510,345	96,857,335	74,658,628
kWhPE (heating/cooling) DDU adjusted/occupant/year	**6,437**	**5,626**	**3,751**	**3,481**

The number of occupants is calculated on the same bases as those used for the breakdown of Gecina's cash flows per stakeholder for 2015 (see section 7.6.1.1. "Breakdown of the value created by Gecina").

7.3.1.1.1. Energy efficiency of the office portfolio

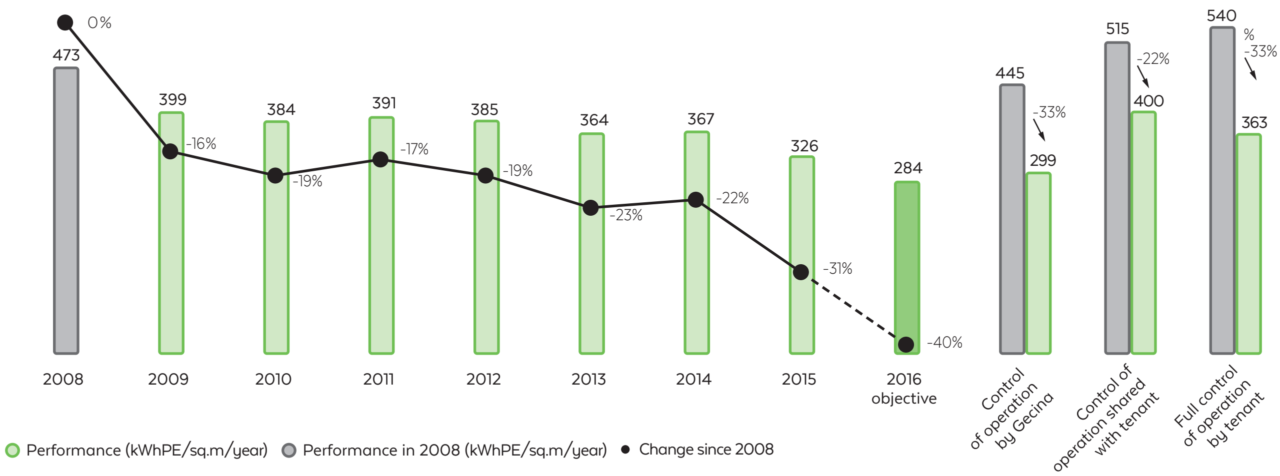
The energy efficiency of office properties improved considerably in 2015, after leveling off in 2014. The average energy consumption of commercial properties, corrected for climate variations, rose 31% compared with the reference year (2008).

Changes in average energy consumption of offices depending on the level of control (without usage and at 2008 constant climate)

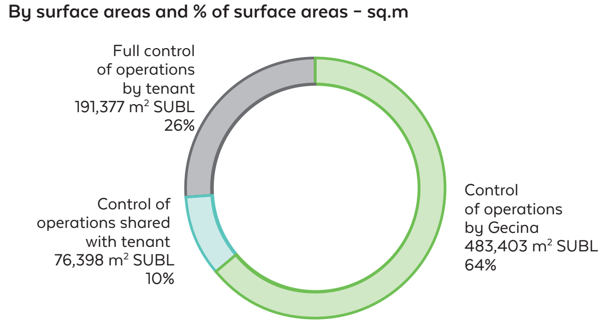
	2008	2014	2015	Control of operations by Gecina	Control of operations shared with tenant	Full control of operations by tenant
Number of assets	83	78	73	47	14	12
Reference surface area (by sq.m)	683,952	813,170	751,177	483,403	76,398	191,377
kWhPE	323,783,329	301,006,007	268,573,068	157,041,728	32,522,740	79,008,601
kWhPE/sq.m/year	**473**	**370**	**358**	**325**	**426**	**413**
YoY change	0%	-12.0%	-3.4%	-3.3%	-3.2%	-4.0%
Change since 2008	0%	-21.8%	-24.5%	-27.0%	-17.3%	-23.5%
kWhPE heating/cooling DDU adjusted	323,783,329	298,777,516	244,510,345	144,522,566	30,537,463	69,450,316
kWhPE/sq.m/year heating/cooling DDU adjusted	**473**	**367**	**326**	**299**	**400**	**363**
YoY change	0%	0.9%	-11.4%	-11.8%	-10.4%	-10.6%
Change since 2008	0%	-22.4%	-31.2%	-32.8%	-22.4%	-32.8%
kWhFE	156,635,473	143,212,738	127,279,684	75,816,847	16,630,863	34,831,974
kWhFE/sq.m/year	**229**	**176**	**169**	**157**	**218**	**182**
YoY change	0%	-12.2%	-3.8%	-3.2%	-0.1%	-5.2%
Change since 2008	0%	-23.1%	-26.0%	-28.7%	-12.6%	-26.0%
kWhFE heating/cooling DDU adjusted	156,635,473	143,728,608	117,377,979	70,246,414	15,685,744	31,445,821
kWhFE/sq.m/year heating/cooling DDU adjusted	**229**	**177**	**156**	**145**	**205**	**164**
YoY change	0%	1.4%	-11.6%	-12.5%	-7.5%	-9.7%
Change since 2008	0%	-22.8%	-31.8%	-33.9%	-17.5%	-33.2%

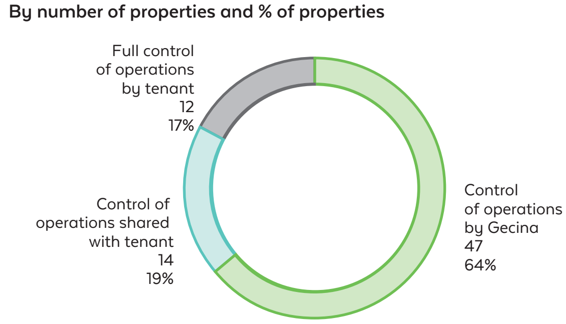
When use is included, the average performance of the portfolio corrected for climate variations is 484 kWhPE/sq.m/year for 2015, which is a 27% increase compared with 2008.

Average primary energy consumption (without usage and at 2008 constant climate) - offices



Breakdown of properties according to Gecina's operational control





The lessons learned from this initial monitoring period between 2008 and 2012 and the work carried out collectively with France GBC in 2012 have drawn attention to the need to segment the property portfolio according to the following categories:

- when Gecina has full control over operations (64% of total surface area), the target of an energy efficiency of 40% in primary energy corrected for climate variations for 2016 is maintained. Given the 2015 results (299 kWhPE adjusted/sq.m/year, or a 32.8% reduction), a specific action plan, set out below, has been defined to meet this target;
- when Gecina controls only a part of operations (10% of surface area), the objective has been shifted to 2020. The 22.4% increase obtained in 2015 confirms the need to establish a long-term dialogue with tenants. The draft text of the decree relating to the obligation to carry out work to improve energy efficiency in existing commercial buildings reinforces the concept of joint work between the lessor and the tenant, which is already included in the environmental appendix. This should be a powerful lever for this section of the property portfolio;
- when the tenant has sole responsibility for operating the site (26% of surface areas), the accelerated reduction in energy consumption observed in 2014 is confirmed in 2015 (32.8% reduction between 2008 and 2015). Major users, most of which are subject to compliance with the DDADUE Act, thus continued to develop their virtuous management of energy.

Gecina has already defined a three-pronged action plan for attaining its 2016 and 2020 objectives on office buildings:

1. Optimization of consumption through the retro-commissioning of 25 buildings of which Gecina has operational control.
   The purpose of this approach is to conduct investigations to ensure the optimum performance of all the building's equipment and systems in line with the needs of occupants. Audits are scheduled at each season to factor in the various seasonal constraints and their impact on consumption areas (heating, air-conditioning, ventilation, and lighting). These technical analyses result in the adjustment of management resources and the repair of faulty systems to optimize energy consumption while improving comfort.
2. New contracts include an energy efficiency clause for office buildings.
   At the end of the retro-commissioning phase, Gecina will introduce incentive contracts with the technical operators of its buildings. This type of contract, which is already deployed on residential buildings accounting for 22% of the total surface area of Gecina's property portfolio, will constitute a new working base between Gecina and its technical operators. By fixing a performance objective for the operation of building systems, all the players work to guarantee comfort as well as energy efficiency. Based on a bonus/malus principle, the system encourages operators to optimize their operations to avoid potential sanctions and to obtain additional compensation if they achieve results that exceed expectations.
   In the same vein, an energy efficiency guarantee is implemented on each reconstruction or new project conducted by Gecina. These guarantees concern all the building's energy consumption sources and ensure a minimum energy efficiency level when the building begins operation. Gecina then defines higher objectives for subsequent years. This guarantee is deployed for example on the 55 Amsterdam building, which is scheduled for delivery between the end of 2016 and early 2017.
3. The improvement of intrinsic performance through targeted investments
   Gecina will conduct an analysis during the first quarter of 2016 to determine the investments to be made on the most significant consumption areas, for example switching to LED lighting in all car parks, the insulation of all heat networks to avoid heat loss, the insulation of roofs that have not yet been insulated, and analysis and improvement of Building Management Systems (BMS) for the improved management of facilities.

Significant external constraints, a very warm summer on the whole[6] and several days of extreme heat as well as a harsh winter had a positive impact on the efficiency of technical equipment. Moreover, these climate conditions also limited the so-called "mid-season" effect in 2015, by avoiding the switching, in the same day, of hot and cold requests which inevitably leads to an over-consumption of energy. However, the improvement in the operating conditions of equipment linked to climate conditions are not taken into account when adjusting for climate variations.

(6) According to Météo France, summer 2015 was the second hottest summer after the 2003 heatwave.

The energy efficiency recorded for the property portfolio has improved and average primary energy consumption corrected for climate variations dropped by 31% compared with 2008 (decrease from 473 kWhPE/sq.m/year in 2008 to 326 kWhPE/sq.m/year in 2015). The management of facilities based on climate conditions is an essential component of the improvement in the energy efficiency of commercial assets, and will be closely monitored in 2016 to ensure that the objectives set are met.

There is always a significant difference in energy efficiency depending on the mode of control of operations. For example, in 2015, when Gecina managed the entire operation, energy efficiency was 299 kWhPE/sq.m/year, well below the energy efficiency obtained for the two other types of control (400 kWhPE/sq.m/year for shared control and 363 kWhPE/sq.m/year for assets controlled by the tenant). Meter readings and analyses, the search for optimization between the needs of occupants, the operating time of facilities, and the continued renovation of assets are all factors that contribute to improved energy efficiency.

The environmental certification of surface area in properties still remains an important lever for improving energy efficiency. HQE® Operation certified buildings featured primary energy consumption of 308 kWhPE/sq.m/year corrected for climate variations in 2015, which is 4.9% lower than the average consumption in office properties.

Transactions concerning the assets also have an impact on these results: eight buildings that were removed from the scope had an average consumption of 412 kWhPE/sq.m/year in 2014, while two buildings that entered the scope had an average consumption of 182 kWhPE/sq.m/year.

The deployment of the Hypervision® remote metering system continued in 2015 and information about energy consumption is available for 36 out of the 56 buildings targeted). Gecina analyzes these data periodically and defines areas for improvement such as changes to the programming of head office fan coil units, which were turned on when the building was vacant, and motion sensors for the car park lighting system to be deployed on the Horizons building to optimize the periods during which the lights function). The deployment will be continued in 2016 on the 20 other buildings in the commercial property portfolio. The aim is to ensure the continuity of the current data feedback process, complete the building scope with new buildings and set up an automatic alert system in case of excess consumption.

For several years now, the replacement of energy equipment has been subject to a technical/economic analysis of the overall cost with a preference for the most energy-efficient, while taking into account controlling expenses for users. The management of this equipment has been analyzed to assess the impact on the comfort of occupants.

In particular, when work is carried out prior to lease renewals or new tenant occupancies, Gecina carries out detailed energy audits in order to evaluate the most profitable work packages and the actions which, depending on their cost and the term of the lease, will generate savings on energy bills for tenants.

The review of energy requirements for building heating and cooling needs is also an influential vector, not only on performance of a property but also on its primary energy and carbon footprint. Where district heating systems are located nearby, the technical/economic analysis integrates this solution and involves it in the selection of the energy strategy to implement in the building.

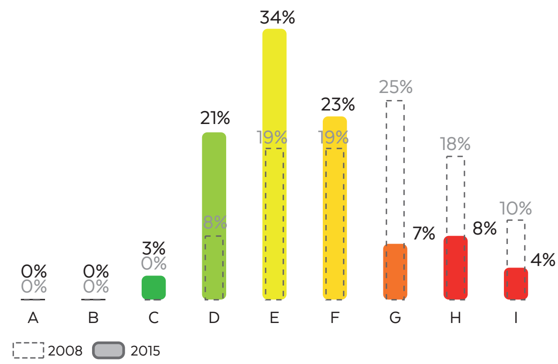
Action plans use the results of the CSR scoring of properties on this theme are used in long-term planning of processes to be implemented in each building.

As part of these new developments, Gecina has imposed the highest energy efficiency levels on itself by selecting the Effinergie+ label as an objective for new buildings and BBC Renovation for reconstruction and major renovation projects. Where these projects are part new/partly restructured combinations, targeted energy efficiency is set with relation to RT2012, as with the Grande Halle project in Lyon, which has achieved a level of RT 2012 – 25% through the high-performance exterior insulated facade and an energy mix largely provided by renewable energy in the form of a shallow groundwater geothermal system and solar heat for domestic hot water.

Shown below is the change in 2015 of energy labels in office properties (in number of properties), compared with the benchmark year of 2008 and established according to energy consumption excluding use of properties in CSR reporting scope.

Between 2008 and 2015, the proportion of buildings with G, H and I labels went from 53% to 19%. Classes C, D and E represented 58% of assets in 2015. The most represented class is Class E (34% of buildings) and 3% of assets are in Class C.

2008/2015 breakdown of office properties by energy label (by number of properties)



7.3.1.1.2. Energy efficiency of residential property and student residences

The objective to reduce energy consumption defined for residential property was revised in 2014 to give a new time frame in strict compliance with the thresholds of the Grenelle Act. The objective set for 2016 with relation to 2008 is -20% and -38% by 2020.

The constant improvement in the energy efficiency of our residential properties through a work plan and an optimized management of asset operation resulted in reductions of 21.1% in primary energy and 18.9% in final energy in 2015.

The choice made in 2008 to communicate about results derived from Energy Performance Certificates using the 3CL methodology only covers the results of building work or changes in energy sources. Since the results presented between 2008 and 2012 did not show the improvement obtained through operations management, a proactive effort that Gecina undertook on over half of its asset base, Gecina decided, as from 2012, to use different monitoring methods for the two categories.

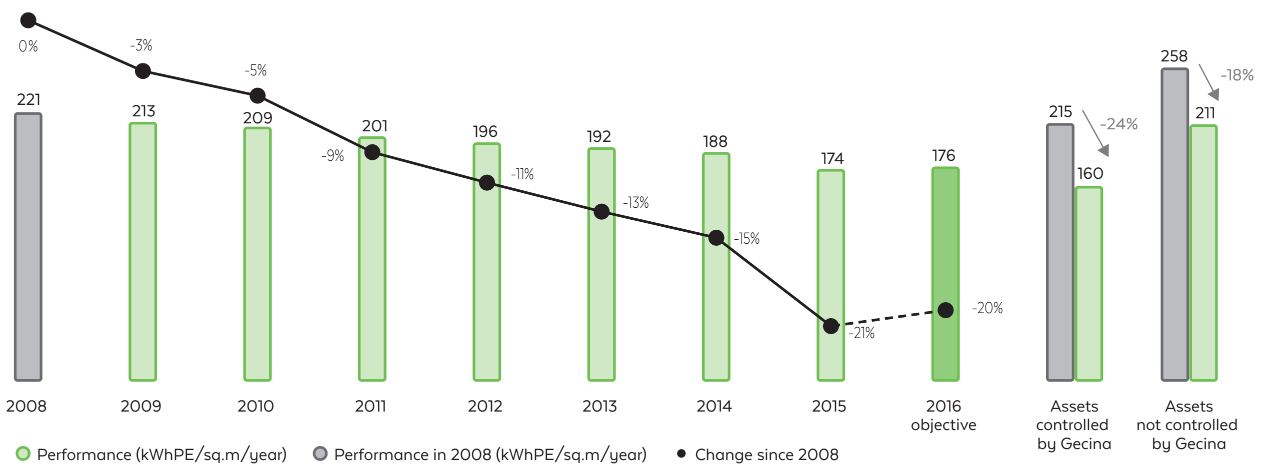
For buildings with collective heating for which Gecina controls operations, the methodology used is the same as for commercial buildings, *i.e.* based on actual consumption adjusted for climate variations. The average energy efficiency obtained in 2015 for these 29 properties is presented in the table below in the column "Business activities Actual consumption of assets controlled by Gecina".

For assets with individual heating over which Gecina exerts no operational control in view of the large number of the tenants, it is not conceivable for the Group to collect all invoices to identify actual consumption in properties. That is why this portion continues to be analyzed with the EPD methodology. The average energy efficiency obtained in 2015 for these 20 properties is presented in the column "Stakeholders Consumption assessed by the 3CL method for assets not controlled by Gecina".

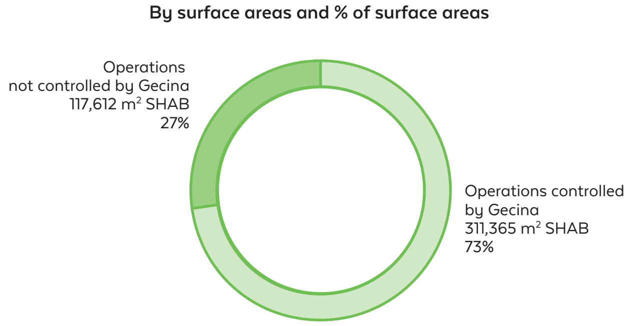
Changes in average energy consumption of residential properties depending on the level of control (at 2008 constant climate)

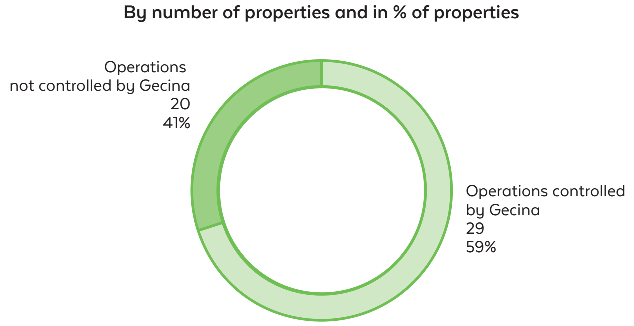
	2008	2014	2015	Businesses Real consumption for assets controlled by Gecina	Stakeholders Assessed consumption by 3CL method for assets not controlled by Gecina
Number of properties	128	65	49	29	20
Reference surface area (sq.m NFA)	885,892	516,443	428,976	311,365	117,612
kWhPE	195,391,780	88,484,886	71,150,641	46,314,398	24,836,243
kWhPE/sq.m/year	**221**	**171**	**166**	**149**	**211**
YoY change	0.0%	-15.5%	-3.2%		
Change since 2008	0.0%	-22.3%	-24.8%	-29.8%	-18.2%
kWhPE heating DDU adjusted	195,391,780	96,857,335	74,658,628	49,822,385	24,836,243
kWhPE/sq.m/year heating DDU adjusted	**221**	**188**	**174**	**160**	**211**
YoY change	0.0%	-2.1%	-7.2%		
Change since 2008	0.0%	-15.0%	-21.1%	-24.5%	-18.2%
kWhFE	174,508,921	74,619,015	64,996,866	46,314,398	18,682,467
kWhFE/sq.m/year	**197**	**144**	**152**	**149**	**159**
YoY change	0	-17.5%	4.9%		
Change since 2008	0	-26.7%	-23.1%		
kWhFE heating DDU adjusted	174,508,921	82,991,464	68,504,852	49,822,385	18,682,467
kWhFE/sq.m/year heating DDU adjusted	**197**	**161**	**160**	**160**	**159**
YoY change	0	-2.0%	-0.6%		
Change since 2008	0	-18.4%	-18.9%		

Average energy consumption (at 2008 constant climate) - Residential



Breakdown of properties according to Gecina's operational control

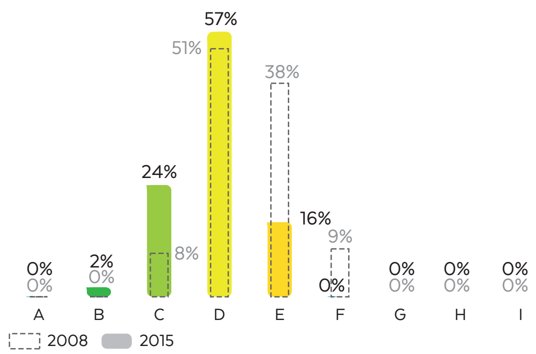




If the correction for climate variation is taken into account, in 2015, the savings on consumption for residential assets were in line with the 2016 objective thanks to the actions undertaken to improve not only the building but also in the operation of heating and domestic hot water systems as well as asset acquisitions and disposals:

- replacing exterior windows and doors with double-glazed units in residential buildings; Work began on two residences in 2015 and one is already completed;
- waterproofing of non-accessible flat roofs has been gradually replaced with reinforced thermal insulation. Work began on four residences in 2015 and two are already completed;
- collective heating plants and district heating substations for heating and domestic hot water production renovated with the installation of more efficient equipment. Those that run on fuel oil were connected to a heating system or converted to gas, with the installation of condensing boilers; In 2015, two gas boiler units were converted to condensing boilers and two CPCU substations were renovated. 180,000 sq.m of NFA of assets still under operation have already been treated. When this work on energy production systems is compatible with the improvement of heating terminals, these are replaced. Work is ongoing on a residence to replace radiators with thermostatically controlled valves;
- insulation of hot domestic water piping located in common areas of buildings replaced with a Class 2 insulation meeting thermal regulations;
- incentive clause added to heating contracts to encourage operators to monitor energy consumption and avoid deviations, which are subject to a penalty. The objective is reviewed once work begins to take into account the improvement in the efficiency of residences;
- two student residences with high energy efficiency levels acquired in 2014, Cité Cinéma Saint Denis and Lecourbe (heating and domestic hot water) recognized under operations in 2015 with an average corrected consumption of 124 kWhPE/sq.m/year;
- 17 buildings disposed of unit-by-unit withan average corrected consumption of 204 kWhPE/sq.m/year in 2014.

2008/2015 breakdown of residential properties by energy label (by number of properties)



As with commercial property, the number of low energy efficiency assets has decreased considerably, with a gain of 16% in categories C and above, reaching the lower limit of the 2020 national objective, which is set at 150 kWhPE/sq.m./year. Furthermore, virtually all properties are in energy categories D or E, which is measurably close to the targeted average. Monitoring actual results for collectively heated assets confirms the importance of managing asset operations and contributes to the measurement of this clear improvement in the efficiency of our assets over time.

7.3.1.2. DEVELOPMENT OF RENEWABLE ENERGIES

Gecina is continuing to pull out of carbon-intensive energy from fuel oil and coal while simultaneously stepping up the proportion of energy generated from renewable sources.

The Group supports its action plan through two avenues:

- directly, by choosing a suitable method for providing energy to buildings from their construction or during renovation work of energy production systems;
- indirectly, by encouraging energy providers to produce renewable energy through the signing of green electricity contracts or connection to urban heating and cooling networks that have an evolving energy mix. Discussions are already under way with gas suppliers to prepare for the changeover to contracts using biogas.

Nonetheless, direct performance is, for the moment, almost exclusively linked to the connection to distribution networks, the energy mix of which is slow in changing significantly. The development of photovoltaic and windmill produced power remains restricted. Nevertheless, the supply of the CPCU network with wood-fired power, which will become operational in 2016, will benefit Gecina's energy mix. In 2015, Gecina connected five buildings to heating networks, while 32 rue Marbeuf is currently being connected to a chilled-water system.

The NOME Act (Act No. 2010-1488 of December 7, 2010) on the New Organization of the Energy market, which took effect on January 1, 2016 put an end to the historic regulated electricity supply tariffs proposed by EDF for its "green tariffs" (subscribed power of over 250 kVA) and "yellow tariffs" (subscribed power of between 36 and 250 kVA). Gecina is therefore migrating towards market offerings on all its contracts concerned, by buying all its electricity from renewable sources. At the end of this consultation, Gecina had saved 19.6% between the previous tariffs and the new contracts, which it used entirely to lower charges for its tenants. These contracts have been in force since November 1, 2015 for a term of 38 months.

The on-site development of renewable energy is making progress, in particular in residential properties, through the adoption of solar energy as the basis for domestic hot water for all new developments. Three student residences and five office buildings are fitted with thermal solar panels. In 2016, these installations will be systematically fitted with sub-metering systems to count the calories produced. For example, 7% of the domestic hot water produced by the restaurant of the 96/104 avenue Charles-de-Gaulle in Neuilly is through solar energy.

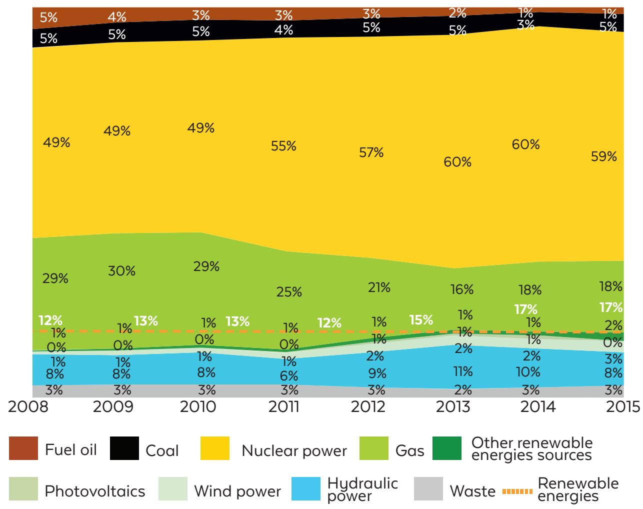
Gecina's continues with opportunities to establish production systems through renewable energy, both to new constructions and assets in service. For instance, the Vélum building in Lyon is already fitted with a geothermal system, while studies are being conducted to find innovative systems for pre-heating domestic hot water: digital boilers that recover energy from computer servers, heat pump to recover energy in wastewater, etc. A photovoltaic solar plant on the roof of a planned office building in Montigny-le-Bretonneux (Garden Ouest) is on the drawing board.

The preponderance of electricity in our properties is largely due to the relative increase of office surface area compared to that of residential properties. This has a positive effect on CO_2 emissions performance, given the French energy production mix.

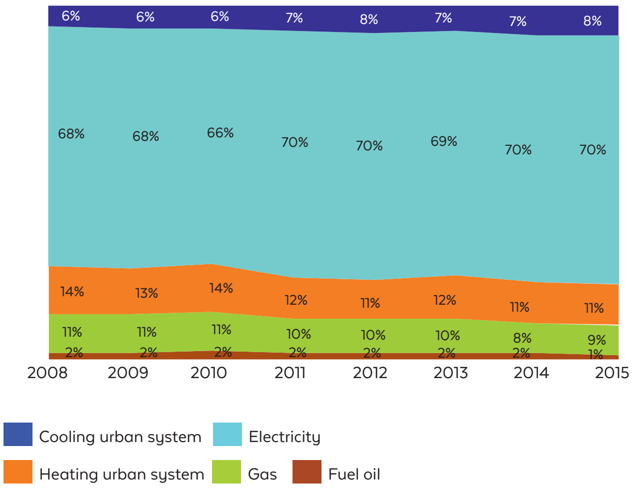
With regard to indirect performance, the Group's energy mix is evaluated on the basis of the breakdown of primary energy consumption in Gecina properties and by resorting to the French energy production mix published each year by RTE and that transmitted by distributors of heating and cooling networks.

The share of renewable energies in Gecina's energy mix is stable at 17%, the french context didn't change from 2013.

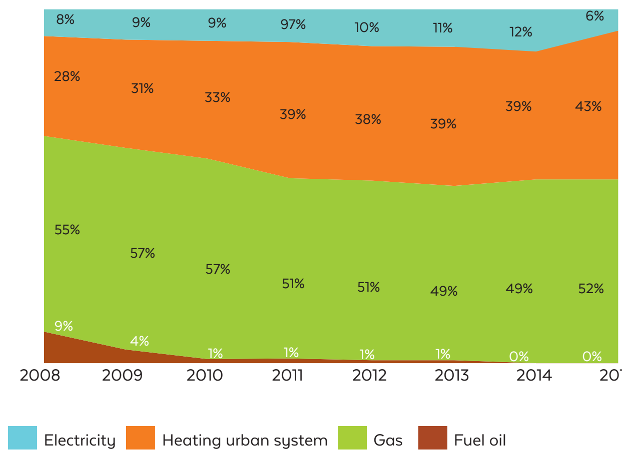
Changes in energy production method for Gecina's assets



Changes in final energy mix for offices



Changes in final energy mix for residential



7.3.2. LABELING, CERTIFICATION AND ENVIRONMENTAL PERFORMANCE

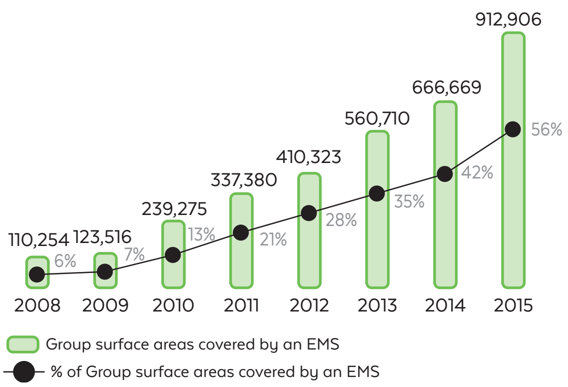
Labeling, certification and environmental performance.

KPI: % of surface areas delivered certified with a high level of certification / % of office space with HQE® Operation certification.

2016 objective: 100% / 80%.

Gecina pursues its certification process through third parties. Today, it has real estate assets under certified operation of 652,986 sq.m, which is a 25% increase over 2014. If we add buildings under development with certification pending, this brings the surface area covered by an environmental management system (EMS) to 912,906 sq.m, or 56% of asset surface area.

EMS coverage – office and residential properties ☑



To step up the transformation of its property portfolio, in 2010 Gecina put in place an Operations Management System for the process of obtaining certification for its office real estate properties. In 2012, a Construction Management System was implemented to increase the quality of new construction and reconstruction projects to achieve higher standards and to prepare projects in the development pipeline for responsible operations.

The two management systems fuse to guarantee the coordination of the various parties and monitoring of performance.

In 2015, Gecina, assisted by the environmental engineering firm, ESOPE, decided to take its Operations Management System further to bring it in line with operation processes as from 2016, by integrating the same requirements for all buildings of its portfolio, both certified and uncertified. The Operations Management System will be broken down into two processes: one dedicated to administrative and technical management and the other to renovation, reconstruction and sales. In addition, four specific procedures will be added to implement the certification procedure for buildings in the property portfolio (Launch of the certification process, Admission, Follow-up and Renewal) in conformity with the new version of the HQE certification and the NF Habitat HQE Operation certification (see section 7.3.2.2 “Operation”).

The management system presented below therefore continued to apply in 2015. Renewed by Certivéa in 2015 for commercial property, the recognition of this management system by Cerqual, a subsidiary of Qualitel, is scheduled for the first quarter of 2016, both for residential property in operation through the NF Habitat HQE Operation certification and for student residences under development that are NF Habitat HQE certified.

Description of Gecina Management Systems

<table>
<tr><th></th><th>Construction Management System</th><th>Operations Management System</th></tr>
<tr><td>Process broken down according to the operational phases
describing the operating mode to be used for an operation</td><td>1. Programming
2. Selection
3. Design
4. Completion
5. Commissioning</td><td>1. Launch
2. Acceptance
3. Monitoring
4. Renewal</td></tr>
<tr><td rowspan="2">Procedures
each describing a specific operating mode for carrying out recurring tasks</td><td colspan="2">- Evaluation of the BEQ and evaluation of skills, shared by both systems
- Management of differences and capitalization on a database shared by the two systems, partly adapted to each scope</td></tr>
<tr><td>- Project audit
- Market compliance</td><td>- Evaluation of services
- Works
- Crisis management
- Functioning of an operations follow-up meeting
- User claim processing procedure on SAMFM
- Action sheets
- Budget management operation notes
- Review of the Operations Management System</td></tr>
<tr><td rowspan="2">Standard documents
"templates" to re-use and adapt to the specific character of each operation</td><td colspan="2">Buyer specifications, Environmental Occupancy Guides for operators and shared Environmental Operations Guide for both systems</td></tr>
<tr><td>- Performance program summarizing Gecina's requirements in terms of quality, usage and technical and environmental performances for commercial office buildings, student residences (this document was entirely revamped to include requirements of the H&E certification, systematically sought for this type of asset)
- Standard commitment for certification
- Standard listing for environmental analysis
- AMO HQE® specifications
- Worksite Environmental Organization Charter</td><td>- Set of expectations of interested parties
- A set of specifications for services
- Operational waste management tool
- RMA type
- Follow-up meeting management tools</td></tr>
<tr><td>Management tools
added to as project develops for monitoring targeted performance data</td><td>- "Responsible building" dashboard that takes up the eleven technical themes of "Sustainable Buildings" and monitors, for each theme and each phase, the technical solutions selected and the levels reached by performance indicators and related labels.
- Capitalization table
- Evaluation grid for design and implementation suppliers
- Operation file
- Document tracking</td><td>- Dashboard for monitoring operations performance
- Variance monitoring table
- Capitalization table
- Certification monitoring table</td></tr>
</table>

7.3.2.1. CONSTRUCTION AND RENOVATION

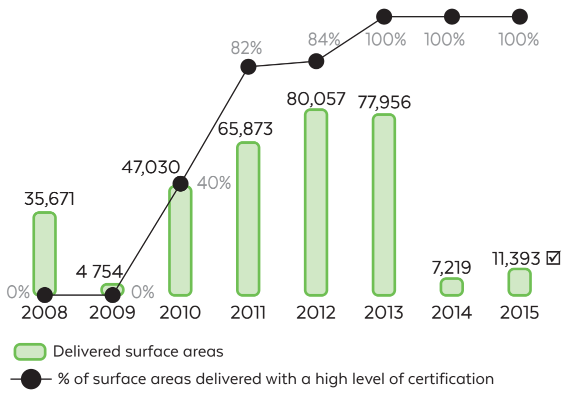
Since 2005, Gecina has used the NF HQE® Commercial Buildings certification for its office buildings under development. This was the only certification for this area in existence at the time and has since become the most widely used in France as illustrated by the 2014 Environmental Certification Survey[7]. Gecina's initial choice has proven to be relevant with its highly ambitious aspirations, seeking one of the two highest levels of certification known as the HQE® Excellent or Exceptional passports.

For its residential properties, Gecina chose the multi-criteria Habitat & Environnement (H&E) certification developed by Qualitel, the leading certification in the sector in France. The more ambitious of the two H&E and Patrimoine H&E (PH&E) certifications for renovations is systematically sought. In 2015, the H&E benchmark changed to become NF Habitat HQE, a certification deployed on Gecina student residences under development. This new benchmark is still structured around a responsible management system and includes eight new themes: Safety and Security, Services and Transportation, Use of Ground Area, Waste, Biodiversity, Cost of Maintenance and Sustainability of the Envelope, Control of Consumption and Charges and Overall Cost.

Gecina seeks to complement its HQE® certification, which was selected as the basis of all its certifications, with other certifications (LEED, BREEAM®, etc.) and labels (Effinergie+, BiodiverCity©, Well Building Standard, etc.), with a view to bringing its operations more in line with the expectations of its stakeholders, current and future tenants, investors and local authorities.

As shown by the tables and graph below, all its delivered properties are certified to a high level of certification. The overall cost of HQE Construction certifications including assistance with project management and certification costs amounts to 197,408 euros for 2015 .

Surface areas of office and residential properties certified to a high level of construction certification



(7) Among the 771 commercial buildings certified in 2014, 691 (90%) were granted HQE® certification, 10 the LEED certification and 119 the BREEAM® certification.

Certification of developments – office and residential

	2008	2014	2015
Surface areas delivered with a high level of certification*	0	7,219	11,393
Surface areas delivered certified	31,023	7,219	11,393
Surface areas delivered	35,671	7,219	11,393
% OF SURFACE AREAS DELIVERED WITH A HIGH LEVEL OF CERTIFICATION ☑	**0%**	**100%**	**100%**
% of surface areas delivered certified	*87%*	*100%*	*100%*
% of surface areas delivered (except Beaugrenelle)	*0%*	*100%*	*100%*

**Offices: 12/14 targets HQE Efficient or Very Efficient; Residential: Profile A H&E*

In 2015, three student residences were delivered with H&E profile A certification, like the Palaiseau operation. Another residence, the Montsourisprogram, was certified PH&E.

Palaiseau student residence

The Palaiseau student residence, delivered in July 2015, is located in the new Camille Claudel eco-district and is consists of two buildings on four floors covering a total surface area of 3,000 sq.m. It is close to public transportation and is also surrounded by green areas, creating a calm environment that is conducive to study. This residence certified H&E profile A and with the BBC Effinergie label is equipped with a very energy-efficient dual flow ventilation system, connected to the district heating system for domestic hot water and heating. It has a system for optimizing the management of rainwater using rain gardens.

Montsouris student residence

Delivered in August 2015 and fully leased to the University of New York, this residence is located in the heart of Paris' 13th arrondissement, close to the public transport network and shops as well cultural and sports venues. The residence is a conversion of an office building into a student residence and embodies Gecina's desire to increase the density of cities to prevent urban sprawl, developing buildings that can be flexible depending on usage into buildings that correspond to the needs of occupants. Certified PH&E and with a BBC renovation label, the residence is connected to the district heating network and has a consumption of 82 kWhPE/sq.m/year, which is 30% less than the RT 2005.

Residential and commercial buildings delivered since 2005

Project name	Date	Net floor area of unit	HPE (high energy performance) label obtained	Certification/Latest Level of Passport delivered	Stars by Theme				Presence in the portfolio	Energy Label
						Environment	Health	Comfort		
Le Cristallin bâtiment A	2005	9,000		*HQE EXCELLENT*	0	4	3	3	yes	no
B3A	2007	4,452		*H&E Profile A*					no	no
Khapa	2008	19,639		*HQE VERY GOOD*	0	3	3	2	yes	no
L'Angle	2008	11,384		*HQE VERY GOOD*	0	2	3	2	no	no
Anthos	2010	9,487	THPE 2005	*HQE OUTSTANDING*	2	3	3	4	yes	yes
Origami	2010	5,053	THPE 2005	*HQE VERY GOOD*	2	3	1	2	no	yes
Tour Mercure	2011	12,888	THPE 2005	*HQE EXCELLENT*	2	3	2	3	no	yes
Horizons	2011	36,465	THPE 2005	*HQE EXCELLENT*	2	3	3	2	yes	yes
96/104 Neuilly	2011	10,559	THPE 2005	*HQE EXCELLENT*	3	3	2	2	yes	yes
Magistère	2012	7,854	THPE 2005	*HQE VERY GOOD*	2	3	2	1	yes	yes
Newside	2012	17,860	BBC-Effinergie 2005	*HQE OUTSTANDING LEED Platinum BREEAM VERY GOOD*	3	4	3	3	no	yes
Park Azur	2012	24,000		*HQE EXCELLENT*	3	3	1	2	yes	no
Pointe Metro 2	2012	14,765	BBC-Effinergie 2005	*HQE OUTSTANDING*	3	4	3	2	yes	yes
Rue De Chambéry	2012	889		*H&E Profile E*					no	no
Beaugrenelle	2013	45,687		*HQE VERY GOOD BREEAM VERY GOOD*					no	no
Velum	2013	13,978	BBC-Effinergie 2005	*HQE EXCELLENT*	3	3	1	2	yes	yes
Docks en Seine	2013	15,999	BBC-Effinergie 2005	*HQE OUTSTANDING*	3	4	3	2	yes	yes
Cite Cinema	2014	4,428		*H&E Profile A*					yes	no
Lecourbe	2014	2,734		*PH&E*					yes	no
Montsouris	2015	1,465	BBC Rénovation	*PH&E*					yes	yes
Bassin à Flots	2015	2,800		*H&E Profile A*					yes	no
Palaiseau	2015	3,002	BBC Rénovation	*H&E Profile A*					yes	yes
Bagnolet	2015	4,126	BBC Effinergie	*H&E Profile A*					yes	yes
Bayonne	2015	29,594		*HQE EXCELLENT*	3	3	3	2	yes	no
TOTAL SURFACE AREA (sq.m)	**308,108**									

Buildings under development – offices

Project name	Scheduled delivery date	Net floor area of unit	HPE (high energy performance) label obtained	Green Building Certification/Latest Level of Passport delivered	Specific characteristics of transaction	Stars by Theme: Energy	Environ-ment	Health	Comfort
Cristallin Building B	2016	12,236	BBC renovation	*HQE Outstanding LEED Platinum*	*Restoration of office building (Boulogne-Billancourt) Target factor 4 on GHG emissions before/after works on Boulogne urban heating network Help with choice of construction finishes using LCA modeling Green roofs with different substrate thicknesses*	3	4	3	3
55 Amsterdam	2016	12,240	BBC renovation	*HQE Outstanding LEED Platinum BREEAM Outstanding BiodiverCity Label WELL certification (Core and Shell – Compliant level)*	*Rehabilitation of a Haussmann-type building (Paris 8th) 45% reduction in consumption (thermal regulation items) after renovation Implementation of energy efficiency guarantee Rain water retention facilities and reuse of gray water (sink waste water) for toilets and plant watering Use of bio-based and locally produced materials and 6,000 sq.m of wood wool for interior insulation Maximum site vegetation with a 300% improvement in BAF*	3	3	3	3
Grande Halle	2017	21,600	RT2012-40% on the new build	*HQE ExcellentBREEAM ExcellentBiodiverCity*	*Office complex: refurbishment of an existing covered market area and construction of two new buildingsInstallation of a groundwater geothermal system coupled with 3 thermoelectric cooling pumps 100% LED lighting No discharge of rainwater into the public network thanks to the creation of an infiltration basin and reuse of rainwater for lavatories and plant watering Wood frame for the covered market area and wood applied to the façade for the new buildings, leading to NFA of 87 dm³/sq.m of net area Creation of 3 gardens planted with a variety of major species (135) and accessible to tenants, "secret garden" as a sanctuary for biodiversity with insect shelters and nest boxes*	3	4	3	1
Guersant		15,128	BBC renovation	*HQE ExcellentBiodiverCity*	*Restoration of office building (Paris 17th) Overall consumption of 69.9 kWhPE/sq.m/year Complete change of the façade Ventilation system built into the façade to improve interior air treatment Integration of biodiversity into the project and process to obtain the biodivercity label (local species, green roofs and walls, hosting facilities for animals) Creation of a modular services area that can be adjusted as needed (cafeteria, interoffice restaurants, conference rooms)*	3	3	2	2
Octant/ Sextant		36,122	BBC renovation	*HQE Outstanding BREEAM Excellent*	*Restoration of two office buildings (Levallois-Perret) Overall consumption of kWhPE/sq.m/year No work on existing façades Connection to urban heating network with air induction units LED lighting Incorporation of biodiversity requirements into the project and greening of terraces Ground floor made up of a cafeteria, interoffice restaurant, co-working areas*	3	3	4	2
City light	2016	28,355	BBC renovation	*HQE Outstanding BREEAM Excellent*	*Renovation of an office building (Boulogne-Billancourt) Connection to the Idex heating network and emission via chilled beamsNatural lighting of office floors boosted with the building designService center consisting of a concierge service, fitness area, competence center, 5 restaurants covering a surface area of 6,022 sq.m. Greening of the common area and terraces, creation of a garden above the car park*	Pre-construction sale project pending certification			
Sky 56	2018	30 689	Effinergie +	*HQE Excellent BREEAM Excellent*	*Construction of a new office buildingConsumption of 73.40 kWhep/sq.m/year – RT 2012 -40%Connection to local heating network, 400 sq.m. of solar panels, air permeability of 1 m³/m².hBasic services with interoffice restaurant, concierge services, meeting rooms, gym, shops, crècheGreening of the building using green terraces*	Pre-construction sale project pending certification			
Sunflower	2018	20 106	BBC renovation	*HQE Excellent LEED Gold WELL certification (Core and Shell –Compliant level)*	*Heavy restructuring and extension of an R+17 type office buildingsTarget factor 4 on GHG emissions before/after works (savings of 26.5kgCO_2/sq.m/year)GHG emissions assessment of the operation equivalent to the savings generated over 20 years, i.e. a maximum of 529.5 kgCO_2/sq.m generated for the worksImplementation of an energy performance guarantee Project under development not yet declared to the certifying bodies*	3	3	3	2

Project name	Scheduled delivery date	Net floor area of unit	HPE (high energy performance) label obtained	Green Building Certification/Latest Level of Passport delivered	Specific characteristics of transaction	Stars by Theme: Energy	Environ-ment	Health	Comfort
Vélizy Way		15 064	Effinergie +	*HQE Outstanding LEED Platinum*	*Construction of new office building (Velizy)Overall consumption of 53.8 kWhep/sq.m/year – RT 2012 -47% Installation of 65sq.m of solar panels for hot water productionLife Cycle Analysis of the building to optimize the choice of construction finishingsRainwater harvesting for plant wateringMajor greening of the building: 200% improvement in the BAF (43.5%) by transforming an open-air car park into a 440-sq.m ecological pond and 6000-sq.m of landscaping, including a 43-tree orchard*	3	3	3	4
Garden Ouest		42 292	Effinergie +	*HQE Excellent*	*Construction of new office building (Montigny-le-Bretonneux)Highly effective exterior thermal insulation – sun optimized shields – installation of solar panels for DHW production and photovoltaic panelsImplementation of low-emission materials accredited with the most stringent labels: GreenGuard, Ange Bleu, Cygne BlancOptimal comfort through effective building management: real-time consumption monitoring using the Hypervision® tool and Fireflies® comfort monitoring system (to measure temperature, indoor air quality and noise)Protection and transplant of existing trees – creation of grassland and hedges – establishment of snags – more than 50 plant species – 34% BAF*	3	3	3	2
Garden Ouest 2		14 000	Effinergie +	*HQE Excellent*		3	3	3	2
TOTAL SURFACE AREA (sq.m)			**247,832**						

Buildings under development – residential

Project name	Scheduled delivery date	Net floor area of unit	HPE (high energy performance) label obtained	Green Building Certification/Latest Level of Passport delivered	Specific characteristics of transaction
Javel		640		HQE Excellent	Childcare center delivered as shell onlyImplementation of insulation on high-performance wood frame (RT2012 -30%) Airtightness target of 1 m^3/sq.m.hr "Biosourced Building" label and Ecojardin accreditation sought
Ville d'Avray Neuf		12,345	Effinergie+	H&E Profile A	Construction of new H&E residential buildings and HQE retail storesPriority given to soft transport linked to natural areas (Forêt de Fausses Reposes) Creation of a link between the new and existing buildings via elevatorsRT 2012 average primary energy coefficient of 109.40 kWh/sq.m/yearFully planted roofs and terracing
Ville d'Avray EPHAD		52,000		H&E Profile A	Program undergoing feasibility study
Castle Light	2016	4,500	Effinergie+	H&E Profile A	Construction of a new student residenceHeating and DHW on the urban heat network Class B EPC < 65 kWh/sq.m/yearEfficient airtightness (<1m^3/h* sq.m)
Rose de Cherbourg	2017	10,000	Effinergie+	H&E Profile A	Construction of a new student residence (La Défense) Bespoke BREEAM certification Curtain wall providing good thermal insulation and airtightness Gray water heat recovery systemHW and heat production system via individual sub-stations with display of consumption per unit 240 sq.m of green roofing + 48 sq.m planted terracing
Lourmel	2018	3,000	Effinergie+	NF Habitat HQE Very efficient	Construction of new student residence (Paris 15th) Consumption of 67.54 kWhPE/sq.m/year Study of heat production using a "digital boiler" that recycles the energy generated by computer servers to heat the building Massive greening of available surface areas and integration of biodiversity and urban farming
Brançion	2018	3,500	Effinergie+	NF Habitat HQE Very efficient	Construction of a student residence (Paris 15th) Consumption of 77 kWhPE/sq.m/year DHW and heat production system via individual sub-stations with display of consumption per unit"Biosourced Building" label sought (in particular with the use of wood wool)Greening of roof and terrace
Marseille Mazenod	2016	3,742	Effinergie+	H&E Profile A	Construction of a new student residenceClass B EPC < 65 kWh/sq.m/year
Charbonnel	2017	2,479	Effinergie+	H&E Profile A	Construction of a new student residence (Paris 13th) Wood frame Gray water heat recovery system"Biosourced Building" label sought
TOTAL SURFACE AREA (sq.m)			**92,206**		

7.3.2.2. OPERATION

The labeling and/or certification of Gecina's properties is a critically-important guidance tool for managing the Group's asset base and a key issue in materiality tests in terms of importance for Gecina's business and stakeholder expectations. The goal (defined in 2012) of having 80% of the office portfolio certified by 2016 is therefore an ambitious legitimate quest. A specific initiative has been undertaken on residential property portfolio which is still not covered by standards tailored to the assets held by Gecina.

Gecina has chosen the HQE® Operation certification to underscore its commitment and capitalize on the best operating practices developed for its property portfolio. This certification highlights the green quality of existing assets which could not, given their construction date, be initially certified. It certifies an operation focused on environmental concerns for already certified assets under construction.

The most widespread initiative in France[8] for office property, the HQE® Operation certification represents the most appropriate reference framework for the type of Gecina's assets as well as its property management activity. The HQE® Operation certificate guarantees the quality level of the building for tenants and investors by establishing mandatory responsible management methods and improvement of environmental performance (analyzed using objective metrics) through a progress action plan. In addition, it has ensured continuity in operating methods since 2010, when Gecina introduced a HQE® Operation Management System, audited and recognized for the properties assessed by Certivéa. By regularly intervening either through in-situ audit, or through documentary analysis, Certivéa assesses the system in place and checks the achievement of the established efficiency goals on a range of buildings submitted for certification. The certification of each asset is also re-assessed every five years.

The changes to the certification standard since 2013 (V2) have also changed the recognition of buildings. It now separates their intrinsic quality, the sustainable building focus, from their specific operational quality, the sustainable management focus. In 2015, 28 assets from Gecina's property portfolio were certified according to this new standard; buildings certified under version 1 in 2014 had been recognized under version 2 during the year.

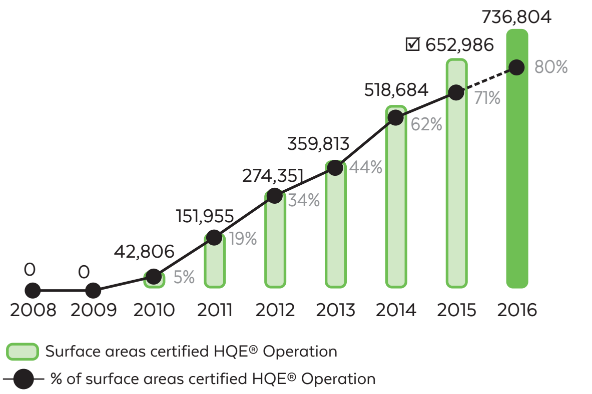
The two buildings, T1 and B, newly acquired and certified according to version 1 of the standard, have not yet been reassessed with the new version and are therefore recognized for their intrinsic and operational quality combined.

Gecina deploys its asset strategy according to three types of action:

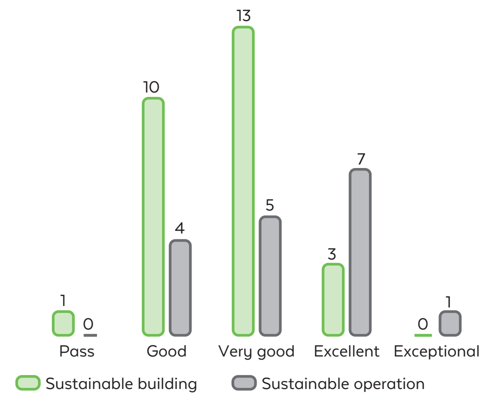
1. Buildings with an intrinsic quality that meets the standards and that are operated by Gecina are submitted for certification and recognized both under the sustainable building focus and the sustainable management focus;
2. Buildings with an intrinsic quality that meets the standards and that are operated by tenants are submitted for sustainable building focus certification only, while sustainable management focus certification is discussed with tenants, especially when the time comes for implementing green leases;
3. Buildings with an intrinsic quality that does not meet the standard's requirements and cannot therefore be recognized under the sustainable building focus are recognized at least under the sustainable management focus when it is Gecina that is managing their operation. For these buildings, a renovation work plan is developed to achieve the certification for the sustainable building focus. This plan is implemented either during occupancy if possible, with the objective of avoiding any impact on tenants' businesses, or once the premises have been vacated.

At end of 2015, Gecina's property portfolio with HQE® Operation certification represented a surface area 652,986 sq.m, or 71% of its total surface area, which is close to the 2016 target of 80%. Moreover, 12% of commercial buildings under operation have an energy label (THPE or BBC Effinergie). Six assets, representing 173,695 sq.m, have been presented for HQE® Operation certification by Gecina and attested by Certivéa, two assets have been added to the already certified portfolio while three assets certified in previous years were sold. The diagram below shows certification levels of the property portfolio. The total cost of HQE® Operation certifications including the costs of project management support and certification in 2015 was €306,164.

Office properties surface areas HQE® Operation certified



Number of HQE® Operation buildings per level and per focus



(8) In France, 176 assets are certified HQE® Operation, 100 are certified BREEAM In Use and 2 are certified LEED EBOM. Of these, 85% are office buildings (source: Certification in use – Five years on – OID – November 2014).

In 2015, 18.9% of the surface area of the property portfolio was involved in a certification initiative.

Of the eight assets certified in 2015, three were recognized both for their intrinsic qualities and the quality of operations:

- 14 Général Leclerc (92 Neuilly-sur-Seine), a 16,785 sq. m building built in 1973;
- Mirabeau (75 Paris), a 35,449 sq. m building built in 1972;
- Marceau (75 Paris), a 5,043 sq. m building built in 1940, refurbished before 2008;

In addition, three assets were recognized for their intrinsic quality:

- Suresnes (92 Suresnes), a 13,282 sq. m building built in 2003;
- Marbeuf (75 Paris), a 12,036 sq. m office building built in 2007
- Montmartre (75 Paris), a 3,072 sq. m office building built in 1820, refurbished in 2012;

In 2016, other assets in operation such as the 21,822 sq.m Le Banville building (Paris 75017) and assets delivered during the year such as the 24,644 sq.m Le Cristallin building (92 Boulogne), will obtain operation certification, bringing Gecina to its objective of 80% of certified properties.

Gecina also uses a standard developed with Interface that recognizes quality of contributions and services in the company restaurants of its property portfolio. Thus among the 19 inter-office restaurants, nine of which are operated by external contractors and 10 by tenants where the building has a single tenant, 14 restaurants were already involved in a certification process in 2015.

The special case of residential buildings operations

The operation certification of residential buildings, implemented by the certification body Cerqual through the NF Habitat HQE™ Operation certification, was set up in 2015. This recognition concerns buildings in operation for over a year, for which a sustainable operation mechanism has been put in place, demonstrating a minimum of qualities either through construction certification or by reaching the minimum criteria at the end of an assessment of their intrinsic qualities. A feasibility study was carried out on two operation-certified student residences that have been in operation for over a year. The results obtained and the change in the Operations Management System to include residential properties encouraged Gecina to take on a commitment with Cerqual on the operation certification of these two residential buildings. The recognition audit is scheduled for first quarter 2016. Moreover, 2% of residential buildings have an energy label (THPE or BBC Effinergie).

7.3.2.3. GREEN LEASES AND ENVIRONMENTAL APPENDICES

The "green lease" (or environmental appendix), evolved out of a process started by the Grenelle de l'Environnement laws and was confirmed when Law 2010-788 dated July 12, 2010 went into effect instituting a national commitment regarding the environment. It applies to all leases for office or retail space in excess of 2,000 sq.m that are signed or renewed on or after January 1, 2012 and became mandatory for all leases on July 14, 2013 (*via* the July 13, 2010 Grenelle 2 law), although there is no sanction for not having one.

Article L. 125-9 of the French Environmental Code states its content, especially:

- mutual communication of all information related to consumption of energy in leased premises;
- the obligation of the lessee to allow the lessor access to leased areas to perform work related to improvement of energy efficiency;
- the possibility of anticipating the obligations to be imposed on lessees to limit energy consumption of the concerned surface areas.

Gecina rapidly viewed the environmental appendix not as a constraint, but rather as the core of an iterative progress process, one that could and should become a key factor of success for Gecina and its customers as a boon to their CSR strategies. In 2010, Gecina anticipated future changes in regulations by signing green leases with its customer-partners for new buildings, as follows:

- Barclays Capital for ORIGAMI – 34-36 av. de Friedland – 75008 Paris;
- Roche for Horizons – ZAC Seguin Rives de Seine – 92100 Boulogne-Billancourt;
- Carrefour Management SAS for Anthos – ZAC Seguin Rives de Seine – 92100 Boulogne-Billancourt.

Gecina also devoted several meetings of "Gecina Lab", the group's think tank which assists clients with sustainable development issues to spreading and exchanging information with stakeholders about good practices for this process.

Since 2011, all new leases signed by Gecina concerning surface areas exceeding 2,000 sq.m include an environmental appendix. As a link between participants, it helps to ensure consistency between the various real estate-specific CSR themes and has proven to be a key factor in the success of the HQE Operations certification process where Gecina sets high objectives, like the certification of 80% of assets by 2016.

Since 2012, Gecina's ambition exceeds this target, as the property company seeks to add environmental appendices to all its leases for all of its customers, starting with all customers located in buildings where at least one "regulated" green lease must be signed (for surface areas exceeding 2,000 sq.m.). For example, Gecina has added an environmental appendix to the leases for all its office and retail tenants in the Mercy Argenteau building, even though each tenant's surface area was under 2,000 sq.m.

This mentality has driven Gecina's staff since that time to set up personalized meetings with all tenants concerned, to explain the content and issues of environmental leases.

More specifically and beyond regulatory obligations, the detailed structure of the contracts proposed by Gecina are as follows.

1. Obligations assumed by Gecina:
   - set up a technical "building environmental audit" in order to determine its performances; this audit will serve as a basis for setting general and specific environmental objectives to be achieved;
   - - update the initial environmental audit every three years to monitor the environmental performance of the building and verify that the objectives set comply with this performance so as to improve them, as far as possible;

- undertake compliance and improvement of energy and environmental efficiency work on equipment for which the Lessor is contractually responsible;
- review these environmental and sustainable development commitments with the parties concerned with managing the building or occupying the leased premises, especially with the building manager, maintenance and care-taking companies, etc.

2. Obligations assumed by tenants (in adopting an eco-responsible attitude towards the use of premises rented):
   - review the environmental and sustainable development commitments determined by the lease with the contracting parties in connection with the occupation of the premises and especially with maintenance and care-taking companies;
   - share information related to the various energy consumption data with Gecina, including energy, water, waste processing, etc., with a view to verifying that general and specific environmental objectives are met;
   - cooperate in obtaining a certification or accreditation for the building;
   - accept the constraints required for obtaining or maintaining certifications and/or accreditations.

These five years of practical experience in implementing environmental appendices have resulted in the emergence of very different customer types:

- those with a natural CSR set of convictions who welcome the process positively and see it as in perfect resonance with their own objectives and ambitions;
- those who spontaneously voice some reservations:
  - a reluctance to see environmental or green clauses written into the lease, perceived as solely a way to enhance the value of Gecina's real estate properties,
  - reluctance with regard to exchanging information that could relate to their business,
  - the fear of having to assume major costs and constraints in return for accounting for the energy performance of the building and environmental targets (especially the completion of major work at the lessor's initiative),
  - or quite simply the fear of having to achieve results.

At this stage, due to the absence of sanctions and the current market oversupply of buildings, Gecina's teams have adopted a pragmatic attitude to tenants who tend to wait for their leases to be up for renewal before discussing the addition of an environmental appendix.

Green leases signed according to surface areas

	Number		Surface areas (sq.m and %)		Rent (€ and %)	
Green leases > 2,000 sq.m	59	76.6%	595,601	83.6%	255,179	84.2%
Green leases < 2,000 sq.m	157	34.2%	80,188	44.1%	36,718	40.6%
TOTAL	**216 ☑**		**675,789 ☑**		**291,897**	

Without counting the green leases signed for buildings that were sold and buildings under reconstruction or being marketed, 216 green leases had been signed at December 31, 2015 (compared with 126 in 2014, 51 in 2013). 59 of these leases (48 in 2014, 31 in 2013) were for surface areas exceeding 2,000 sq.m (*i.e.*, 76.6% of leases, 83.6% of surface area and 84.2% of rents corresponding to surface areas over 2,000 sq.m).

157 leases (78 in 2014, 20 in 2013) were signed for surface areas smaller than 2,000 sq. m (*i.e.* 34.2% of leases, 44.1% of surface areas and 40.6% of rents).

In conclusion, 2015 was a year in which the decisive commitment of teams resulted in very significant progress in the number of green leases signed, for all categories of surface areas, **40% of customers with surface areas smaller than 2,000 sq. m, therefore contracts without the legal requirement of an environmental appendix,** have voluntarily agreed to have such appendices. However, 23% of customers who account for around 16% of surface areas and rents, required to do so, have not yet met this obligation.

In 2016, Gecina will continue its efforts to convince all its customers that the achievement of its own objectives for reducing energy use and emissions and those required by the upcoming decree on the total energy consumption of buildings (including for all uses), must inevitably be through a shared process involving occupants, in the same way as seeking operations certification.

7.3.3. IMMATERIAL VALUE, WELL-BEING AND PRODUCTIVITY

Immaterial value, well-being and productivity.
KPI: % of properties with high productive efficiency (categories A, B and C).
2016 objective: 70%.

It has long been established[9] [10] that various characteristics of an office building, including comfort, interior air quality, acoustical performance, the quality of the office space and workstation planning, as well as the location, have an influence on the productivity of occupants.

Likewise, in the residential sphere, most of these factors have an impact on the initial choice of the residence but also on the well-being of occupants.

Gecina decided to perform detailed monitoring on these subjects throughout its properties *via* the following themes and indicators:

- the productive effectiveness of office buildings, an indicator developed with the firm Goodwill Management, the calculation method of which is detailed in section 7.3.3.1. "Productive effectiveness of office buildings". Thermal and visual comfort, interior air quality and noise pollution, while integrated with other themes in this indicator, have specific monitoring arrangements, described in sections 7.3.3.2 to 7.3.3.4.;
- since location has an extremely important weighting in terms of productivity gains, often in the order of 50%, Gecina assesses the portion of its commercial and residential properties located near to public transportation infrastructure (see section 7.3.3.5. "Transportation and connections");
- Gecina wishes to address the widest audience possible and assesses areas accessible to people with reduced mobility through specific methods (see section 7.3.3.6. "Accessibility of persons with disabilities").

7.3.3.1. PRODUCTIVE EFFICIENCY OF OFFICE BUILDINGS

In 2013, Gecina initiated an assessment of the performance of its assets using the "productive efficiency" concept and published the results of its assessment of 74 properties. In 2014, to improve the accuracy of this indicator, all employees working on its office property portfolio were mobilized to assess the various characteristics of the buildings more precisely. In 2015, the scope of the analysis was updated to include changes to assets (disposals and commissioning) and featured 82 buildings.

The source data used to establish this indicator (the assessments of the characteristics of each building) are also used in determining how to improve the asset's efficiency. These are then integrated into performance improvement action plans (see 7.1.4.3. "CSR scoring to assist in mapping of properties").

Method

Goodwill-Management carried out this study by applying the Thésaurus-Ecopolis© method. This model, which is built on a body of academic publications, was adapted for the requirements of the study. Gecina's experts evaluated the factors that influence the productivity of the building occupants targeted by the study according to six levels (ranging from "excellent" to "very inadequate"). These influencing factors are grouped into five major categories:

1. **Physical well-being**: office area per person, thermal comfort, lighting quality, solar glare control, air and ventilation quality,
2. **Occupant tranquility**: external view quality, proximity to natural areas, internal and external acoustic performance, quality of break areas.
3. **Motivation**: impact of the neighborhood, neighborhood safety, identity and maintenance of the building and modular nature of offices.
4. **Time wasted in the building**: rapidity of movement (vertical and horizontal flows, elevators and stairs), flexibility and speed of refits, easy access to meeting rooms, services in the buildings (restaurant, parking, concierge services, showers, etc.).
5. **Ease of access**: location, distance to and density of public transportation, proximity to shops and services.

Each building assessed presents a level of performance that is more or less high in each of these categories, presented by the model as a change in productivity. Productivity is defined in this study as the relationship between speed of work and cost of work. A gain of productivity of say 3% means that people can produce 3% more at constant wage costs or that their production may be invariable with a like reduction in cost of labor. Thus a gain in productivity means an increase in operating profit for the company occupying the building. In this model, the gain in productivity of a given building is calculated in relation to the features of a benchmark building with no special priority allocated to the above-mentioned criteria.

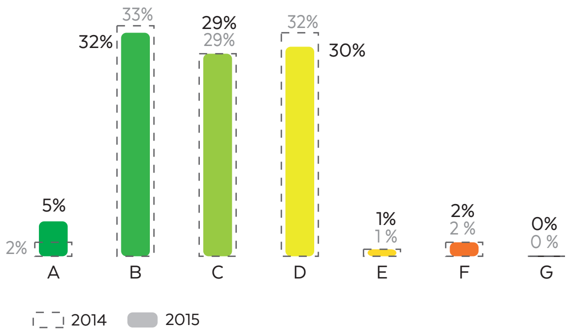
Study results

Results were expressed in the form of a "productivity label", similar to the 7-class environmental labeling from A to G.

Class A corresponds to a gain in productivity between 11.1% and 13% and Class G from 0 to 1.8%.

(9) Brill, Michael, et al. *"Using Office Design to Increase Productivity, Workplace Design and Productivity", Buffalo Organization for Social and Technological Innovation (BOSTI), 1984.*
(10) Wyon, David *"Predicting the Effects of Individual Control on Productivity", White Paper 960130, 1996.*

Breakdown of Gecina properties by productive efficiency class



In 2015, 66% of the buildings were classified into one of the A, B or C categories and provided productive efficiency gains of over 7%, generating significant economic gains for office users. This represented a 1% increase (*i.e.* one building) compared with 2014. This change is primarily due to the disposals of the Newside and L'angle (class B) buildings, which although recent and well-appointed, were farther from the center of Paris, and the acquisition of the T1 and B buildings (class A), delivered in 2008 and located in the La Défense business district as well as the one for building located Avenue de la Grande Armée (class C).

This is because location has an extremely important weighting in terms of productivity gains, often in the region of 50%. Thus, some buildings show high internal gains but are penalized by their distance from the center of Paris. These represent opportunities for some companies with long-standing operations in these areas. More generally, comparisons of productive efficiency gains with respect to rent gains provide additional input to the decision-making process compared to simple analyses of price per square meter.

7.3.3.2. THERMAL AND VISUAL COMFORT

Although difficult to grasp, comfort is an element that illustrates how asset quality makes itself felt in both office and residential properties and this is not communicated simply by measuring ambient temperature[11].

This theme is therefore assessed specifically on the assets developed by Gecina.

With regard to office properties, the performance program (See section 7.3.2 "Labeling, certification and environmental performance") defines the "Efficient" level as the minimum standard to achieve for targets 8 (hygrothermal comfort) and 10 (visual comfort) in NF HQE™ Commercial Buildings certification. With the exception of the Grande Halle project in Lyon (as regards both targets), subsequent to the fitting out requirements of the premises stipulated by the future tenant, and the 55 Amsterdam project (as regards target 10), this level is attained in all developments.

"Profile A" of the Habitat & Environnement certification is used for student residences. This profile includes the health and comfort aspects contained in theme 6 of its content. Where the reference guidelines are those of renovation, the certification covers comfort in three areas: the sanitary quality of residences, equipment and comfort levels of common areas, and technical plants of residences.

For existing assets, while working on the energy efficiency of a building, for example, by installing double glazing to replace windows or by insulating the outside walls of residences, Gecina's actions improve the comfort of occupants by reducing the effects of cold walls and the sensation of drafts. Several air permeability tests have been carried out on new assets, and have become a standard requirement for Gecina.

Of the 30 commercial buildings with HQE® Operation certification (see section 7.3.2.2 Operation) 18 have achieved a level of Efficient or higher level for the sustainable building area, both for target 8 (hygrotherrmal comfort) and target 10 (visual comfort). Trois buildings achieved this level only for target 10 and 3 others achieved this level as well only for target 8. Eleven buildings achieved the "Very Efficient" level for target 8 while three others achieved this level for target 10. All these results are proof of a level of comfort of the large majority of Gecina's certified assets that is higher than standards.

Using a productive efficiency assessment questionnaire, Gecina identified those assets among its office properties that will require work to improve comfort levels. The following table presents the results of the listing of 82 office buildings in operation.

The arbitrage carried out on assets in 2015 influenced the average results of assets for the three indicators: comfort, solar glare control and lighting. The sale of the building located at 55 boulevard de Sébastopol, which had a score of 5.3 for the lighting criteria in 2014, pushed up the lowest rank of the property portfolio for this criteria to 6.7.

(11) The concept of thermal comfort is closely related to personal perceptions. For example, thermal regulations set at 19°C the average temperature for heating occupied residential, school, office and public premises. This does not exclude certain rooms from having higher or lower temperatures (for example a temperature of 18°C is advisable in bedrooms for refreshing sleep). In a different approach, occupational medicine recommends a working environment between 22°C and 24°C with a humidity of 40 to 60%, which is far above the limits imposed by regulations (see ACMS [French occupational health service] explanatory brochure on workstation ergonomics).

Impact of the building on physical well-being	Rank awarded*								
	0	4	8	12	16	20	Highest rank	Lowest rank	Average rank
Comfort (heating and cooling)	Identified comfort issue	Adjustment of overall comfort level for the building	Adjustment of comfort level by floor	Adjustment of comfort level by office	Adjustment of comfort level by office, manual adjustment	Automated adjustment of optimized comfort, with possible manual adjustment provided	20 A total of 29 buildings achieved this rank 48 buildings were rated with a rank of 16 or higher	0 A specific comfort problem identified in three buildings	14.4 49 buildings were rated with a rank higher than this average
Solar glare control	No protective system, clear glass	Interior shades	Interior shades & double glazing with glare control	Double glazing with glare control & fixed sun screens	Fixed sun screens & reflective double glazing	Automatic sun screens & reflective double glazing	17.3 A total of 1 building in the property base was given this rank 4 buildings were rated with a rank of 16 or higher	0 21 buildings have no solar protection system, primarily Haussmannian buildings	5.1 30 buildings have a rank above this average (highly affected by the number of buildings without solar protection or with only interior shades)
Lighting	Artificial lighting is too weak in the daytime	Artificial lighting is too weak at night	Artificial lighting is required by day in many offices	Artificial lighting is required by day in some offices	Some rare non-office areas where artificial lighting is too weak	Optimal lighting everywhere and at all times	20 A total of 8 buildings achieved this rank 36 buildings were rated with a rank of 16 or higher	6.7 For one office building	13.2 42 buildings were rated with a rank higher than this average

* *Each of the three persons in charge attributed a rating equal to 0, 4, 8, 12, 16 or 20. An average was then calculated based on those 3 ratings (if the rating for one item was 8, 8 and 12 for example, the average would be 9.3).*

Comfort in the buildings of Gecina's properties also constitutes an element of dialogue with occupants.

In commercial properties, tenant meetings are an excellent platform for discussion on the subject, especially when drawing up a green lease. The direct link with energy use leads to setting out shared action plans, such as reducing set point temperatures, which simultaneously guarantees occupant comfort and energy savings. In order to detect any malfunctions that could bear on the comfort of occupants and take action as quickly as possible in 18 sites, Gecina has implemented an IT application to handle tenant requests and monitor related actions.

In the residential arena, comfort issues are discussed during Collaborative Rental Councils. Overall solutions at the level of all properties, concerning the relationship between comfort and operators' interest in heating operations, or specific to certain buildings, focusing on the different temperatures in units depending on climatic exposure of facades, are reviewed during these councils. In addition, building caretakers and site staff in student residences take in tenant complaints to rapidly resolve any malfunctions.

The implementation of an extranet portal is intended to further optimize monitoring of this relation.

7.3.3.3. EVALUATION OF AIR QUALITY

Because of its importance for public health and the difficulty of identifying all the factors affecting the quality of indoor air, Gecina is continuing its action as an extension of previous years' work by:

- implementing the resources and solutions for which certain positive impact has been identified;
- adopting suitable measures in areas much less well documented to enhance available data and improve correlations;
- participating in dedicated work groups to improve knowledge on the subject.

All technical specifications have been revisited in order to give priority to the most efficient ventilation systems, the materials having the labels and certifications with the highest performances (class A+, European Ecolabel, GUT, Blue Angel, White Swan, etc.) and propagating the use of best practices (protection of materials against humidity during site work).

In new construction, these requirements have been described in commercial and student residence performance programs. These specifications are submitted to design teams at the beginning of a program. For work being done in operational buildings, the descriptions of interior fixtures and fittings for private and shared areas of both company and residential buildings also integrate these requirements.

With regard to office properties, the performance program defines the "Efficient" level as the minimum standard to achieve for targets 11 (olfactory comfort, related to the comfort theme) and 13 (health quality of air, related to the health theme) for the NF HQE™ Commercial Buildings certification. This level was attained for all properties under development and most of them are seeking the Very Efficient levels on these two targets, for example, the 55 Amsterdam project that is aiming for the "Very Efficient" level for targets 11 and 13 (see website: http://www.gecina.fr/en/portfolio.html).

"Profile A" of Habitat & Environnement certification is used for student residences. This profile includes the health quality of air under theme 6. Where the reference guidelines are those of renovation, the certification covers this theme in three areas: the sanitary quality of residences, equipment of communal areas, and the technical facilities of residences. Buildings located close to high urban pollution areas presenting a risk related to fine particles are fitted with dual flow systems.

An example is the Cité Cinéma student residence delivered in 2014 (see the 2014 Reference Document p. 267).

Of the 30 commercial buildings with HQE® Operation certification (see section 7.3.2.2 "Operation"), 18 have achieved a level of Efficient or higher on target 11 (olfactory comfort) or target 13 (health quality of air) for the sustainable building area. This demonstrates a level of equipment higher than best practices to treat air quality. Nine buildings achieved this level for the two targets; fourbuildings achieved the Very Efficient level for target 13 and onefor target 11.

Using a productive efficiency assessment questionnaire (see section 7.3.3.1 "Productive efficiency of office buildings"), Gecina identified those assets among its office properties that will require actions for improvement on this theme. The following table presents the results of the listing of 84 office buildings in operation for the ventilation and air quality criteria. The change in rank between 2014 and 2015 is due to the acquisitions and sales made on the property portfolio during the year.

Impact of construction on the tranquility of occupants	Rank awarded*						Highest rank	Lowest rank	Average rank
	0	4	8	12	16	20			
Ventilation	No mechanical ventilation	Old ventilation system or one with defects	Old ventilation system functioning properly	Recent ventilation system	Recent, good quality ventilation system	Innovative latest-generation ventilation system	20 A total of 4 buildings achieved this rank 23 buildings were rated with a rank of 16 or higher	0 For 10 buildings in the real estate portfolio, ventilation of building areas is based on natural ventilation systems	10.1 41 buildings were rated with a rank higher than this average
Air quality	Interior air quality problem noted by occupant complaints, headaches, odors, etc.	Mediocre fresh air renewal	Constant air renewal without fresh air filtering	Constant air renewal with treatment of fresh air	Flow adapted to occupation and treatment of fresh air (pollen and bacteria filters, no VOC capture)	Flow adapted to occupation and treatment of fresh air (pollen and bacteria filters, VOC capture)	20 A total of 3 buildings achieved this rank 9 buildings were rated with a rank of 16 or higher	0 1 air quality problem identified in a building	10.9 58 buildings were rated with a rank higher than this average

** Each of the three persons in charge assigned a rating equal to 0, 4, 8, 12, 16 or 20. An average was then calculated based on those 3 ratings (if the rating for one item was 8, 8 and 12 for example, the average would be 9.3).*

Since 2011, in anticipation of specific future regulations, Gecina has carried out interior air quality measures at handover of buildings based on HQE® Performance "Evaluation of interior air quality of a new or renovated building" using a standardized methodology involving a pump system and passive measures with a Radiello tube. After having carried out these initial measurements with the *Laboratoire d'Hygiène de la Ville de Paris* (Paris public health laboratory) – LHVP, Gecina is continuing its approach by opening up to new techniques such as the dynamic measurement using Azimut Monitoring sensors or the installation of new sensors from Amstein & Walthert.

The Bagnolet and Palaiseau student residences were delivered in July 2015 and were concerned by these measures. The two residences show emissions below TVOC and formaldehyde threshold values. These results are consistent with the materials with quality labels used and the cleaning products used during the end-of-site clean-up. Emission levels noted for outdoor pollutants (NO_2 and benzene) are also below the threshold levels, except for the fine particles measured in the Bagnolet residence for one of the points (PM 2.5 at 20 µg/m^3 and PM 40 at µg/m^3) which were higher than guideline values at delivery. These values were observed in one of the units of the south-west facing façade, located 150 m from the interchange connecting the Paris beltway and the A3 highway.

With this in mind, Gecina has set up a passive measurement system with the design office Vit'Air and a dynamic measurement system with Azimut Monitoring, to assess the impact of materials and the role of ventilation on indoor air quality (see the *2014 Reference Document, p. 268*). The findings of this assessment are today being applied to work to be carried out on the property portfolio. In 2015, sanitation works were carried out on air flow networks, thus demonstrating the importance of a stringent maintenance of ventilation systems to ensure the longevity of their performance (see website: http://www.gecina.fr/en/portfolio.html). Lastly, to treat NO_2, Gecina is examining the appropriateness of fitting out the entrances of air treatment units with an active charcoal filter that should make it easier to obtain the Well building standard label, which is under consideration.

Deployment of the sanitation of networks

As the experiment conducted on Gecina's head office has shown, ventilation systems play a major role on indoor air quality.

In 2014, the air flow network of the Tour Mirabeau underwent complete sanitation through:

- the cleaning of all the distribution networks, air treatment units and fan coil units;
- unclogging of fan coil unit batteries;
- repairing of collapsed ducts;
- balancing of the network.

Over and above the technical performance obtained, this operation significantly improved the comfort of occupants and saved about €2 million, which was the budget required for the complete renovation of the ventilation system compared with the €450,000 spent with this solution.

Changes in efficiency and pressure drop as a result of the sanitation of air networks in the Tour Mirabeau building

Area	Before		After		Efficiency	Decrease in pressure drop
	Air flow rate (m^3/h)	Pressure drop (Pa)	Air flow rate (m^3/h)	Pressure drop (Pa)		
Moyenne	142	208	168	183	19%	-12%

Source: report published in 2014 by Ventéo for Sodexo.

Given the results of these tests, the extension of the operation to the entire property portfolio has already been scheduled for the coming years. This should increase ratings for the ventilation and air quality criteria of productive efficiency.

Integration at the heart of projects: INSPIR to control IAQ (Internal Air Quality)

This project undertaken by a grouping of several major companies working to improve IAQ, including Bouygues Immobilier, Green Affair, Ciat, Saint-Gobain, Médieco, Azimut, Ademe and Gecina, wishes to initiate a quality process that details best practices applicable to each phase of a project in order to control the interior air quality of buildings.

This work, with an initial phase of tests on existing buildings to feed the drafting of reference sources and a second test phase on development projects, will take place over 36 months and contribute to the research project "responsible buildings for 2020" launched by the Ademe.

The measurements taken in the Gecina head office as well as the sanitation presented above contribute to the work carried out as part of this project.

At the end of the first experimentation phase, the following buildings were fitted out (active and passive measurements):

- Gecina head office: impact of the renewal of decoration materials, sanitation and cleaning of carpets;
- the Bouygues Immobilier head office with the Galéo building: impact of routine maintenance (change of filters) and cleaning of carpets;
- the Cité Cinéma student residence (Campuséa, wholly-owned Gecina subsidiary): study of the efficiency of a dual-flow system after one year of operation;
- the Ginko school (Bouygues Immobilier): study a project that integrated indoor air quality right from the design stage and a few months after it began operation.

In addition to the field observations made, a sociological study was conducted through interviews of occupants, managers and the operating personnel of these four buildings.

All the results obtained for this first phase will be submitted to the Ademe in January 2016 to add to the Manag'air method.

The launch of the second phase is scheduled for early 2016 with the selection of projects in the development pipeline.

7.3.3.4. NOISE POLLUTION

The impact of the indoor acoustic environment on quality of life and comfort is important in both office and residential properties.

This theme is therefore assessed specifically on the assets developed by Gecina.

With regard to office properties, the performance program defines the "efficient" level as the minimum standard to be achieved for "Target 9 – Acoustic comfort" of the NF HQE™ Commercial Buildings certification. This level guarantees a high degree of sound attenuation inside for tenants regardless of future fit-outs. With the exception of the Grande Halle project in Lyon, subsequent to the fitting out requirements of the premises stipulated by the future tenant, this level is attained in all property development projects.

"Profile A" of the Habitat & Environnement certification is used for student residences. This level requires an acoustic treatment higher than that determined in the regulatory framework. Where the reference guidelines are those of renovation, the certification is extended to the acoustic option.

Regarding existing properties, while it is easy to reduce noise pollution coming from the outside by replacing windows in residences, improving indoor acoustic levels in office space requires solutions that may only be implemented in unoccupied spaces.

In the absence of exact knowledge of performance in the commercial sector, all HQE® Operation buildings are assessed on target 9, acoustic comfort, at the "basic" level. Several properties developed internally by Gecina, which have construction characteristics that were specially developed on this point (Magistère – Very Efficient) or whose characteristics were assessed by measurements (Khapa – Efficient), achieved higher levels. Buildings T1 and B, which were incorporated into Gecina's asset base in 2015, both achieved "Efficient" levels for this target.

To bolster knowledge of acoustic qualities in its properties that are operation-certified and to identify areas of improvement, several assets were measured for indoor and outdoor acoustic quality.

For the other assets in its office property portfolio, Gecina identified those that will require work to improve both indoor and outdoor acoustic performance *via* an assessment of productive efficiency. The following table presents the results of the listing of 82 office buildings in operation from the property portfolio.

The ranking concerning outdoor noise of the 41 Montaigne building thus rose from 4 to 12 after works on outside doors in 2015. The other changes are related to arbitration on the property portfolio. The acquisition of two recent assets (buildings T1 and B) raised the average of the property portfolio as well as the number of buildings that obtained a ranking of 20 for the outdoor noise criterion.

Impact of construction on the tranquility of occupants	Rank awarded*						Highest rank	Lowest rank	Average rank
	0	4	8	12	16	20			
Indoor noise	Poor indoor acoustic insulation causing major disturbances for work	Some office areas have poor indoor acoustic quality	Some office areas have passable indoor acoustic insulation	Office areas are insulated, but common areas, such as entryways and cafeterias, have poor indoor acoustic quality	Office areas are insulated, but common areas, such as entryways and cafeterias, have passable indoor acoustic quality	There are no areas, whether office space, meeting rooms or common areas, near noisy areas, such as machine rooms or boiler-rooms.	20 A total of 13 buildings in the property base achieved this rank 42 buildings were rated with a rank of 16 or higher	1.3 A total of 1 building in the property base was given this rank	13.5 46 buildings were rated with a rank higher than this average
Outdoor noise	Very noisy neighborhood and no reinforced insulation on glass surfaces	Poor attenuation of outdoor noise	Outdoor noise is attenuated but can still be bothersome	Area undergoing urbanization, disturbances only during construction periods	Outdoor noise is extremely attenuated (no disturbance)	No outside noise	20 A total of 4 buildings achieved this rank 42 buildings were rated with a rank of 16 or higher	0 Only one of the company's properties is located in a very noisy quarter and has no temporary insulation	12.8 47 buildings were rated with a rank higher than this average

* *Each of the three persons in charge attributed a rating equal to 0, 4, 8, 12, 16 or 20. An average was then calculated based on those 3 ratings (if the rating for one item was 8, 8 and 12 for example, the average would be 9.3).*

Gecina is implementing the following additional actions in an effort to reduce disturbance to neighbors:

- "extreme" measures are implemented each time building equipment is replaced in office buildings, to ensure that they do not impact ambient noise levels;
- controlling worksite noise *via* a Worksite Environmental Organization Charter, a standard format document of the Construction Management System and the Operations Management System adapted to each context type so as to limit noise related disturbances for both adjacent occupants and for tenants during work on occupied premises (see section 7.3.2 "Labeling, certification and environmental performance").

7.3.3.5. TRANSPORTATION AND CONNECTIONS

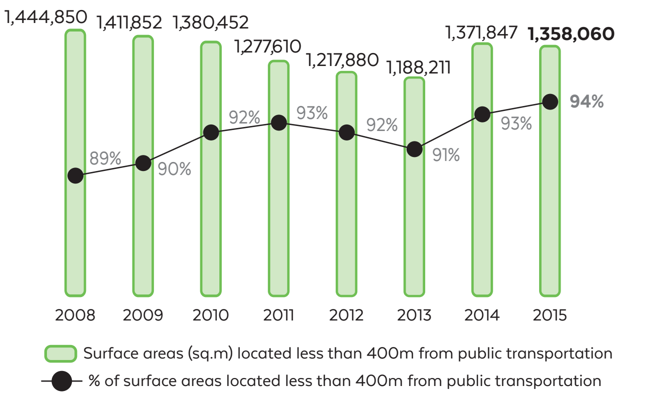
Gecina has made it a priority to develop real estate assets close to public transportation: buses, metros, RER trains, tramways, trains and public bicycle rental stations.

To achieve this, it was decided that the distance between transportation infrastructure entries and building entries should not exceed 400 meters, or less than ten minute walking distance, to ensure a reasonable time period for returning home or going to work using public transportation.

The methodology used to identify addresses has evolved and uses each property's GPS coordinates as an indicator.

The Group lists 94% of property holdings with public transport access at less than 400 meters (98% for office property and 85% for residential buildings), thus exceeding its target of 90%. Assets that have been recently added to the portfolio such as the T1 and B Towers at La Défense or 75 Grande Armée meet this objective.

Connectivity – offices and residential ☑



To reduce its extended carbon footprint, Gecina has committed to offer its tenants an additional alternative to public transportation to replace carbon-emitting means of transport (the first contributor to GHG emissions in France). Thus, since 2014, Gecina has been monitoring the proportion of its property holdings that have access to alternative modes of transport: buildings with bicycle shelters, infrastructure for recharging electric vehicles and/or carpooling spaces.

In 2015, 75% of offices offered tenants the possibility of commuting with one of these three alternative modes of transports. In particular, 73% of commercial buildings have bike shelters and 44% have facilities for recharging electric vehicles.

As the sole owner of office buildings occupied by single tenants and pursuant to Decree No. 2011-873 of July 25, 2011 under the Grenelle 2 Act, Gecina has installed 233 facilities for recharging electric and hybrid vehicles (i.e. 10% of parking spaces) in eight assets in its portfolio.

7.3.3.6. ACCESSIBILITY OF PEOPLE WITH DISABILITIES

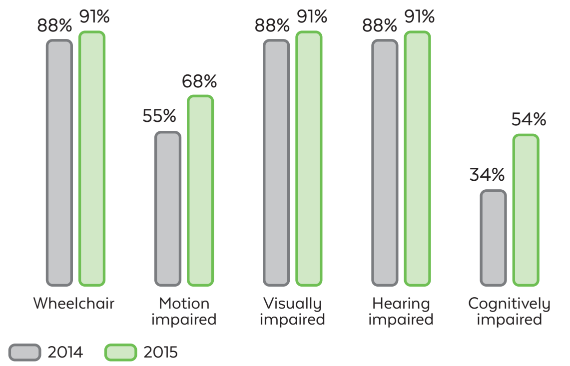
In 2015, and for the fifth year running, Gecina extended its process of making its property portfolio accessible to persons with disabilities by:

- carrying out new audits and updating audits conducted prior to the Act and Order of 2014, in order to assess the amenities required to improve the accessibility of its office buildings;
- implementing the recommendations derived from the audits in order to meet the company's societal commitment;
- identifying all public access buildings in the office and residential property portfolio, conducting the corresponding audits and filing an Ad'AP (Scheduled Accessibility Agenda) application with the state authorities.

Thanks to these measures, a total of 91% of the portfolio had been audited by end 2015 for the five types of disability (wheelchair, slow walking, visual, hearing and cognitive impairments).

Furthermore, to meet the needs of people with disabilities as well as to improve the clarity of information for the non-disabled, Gecina will create in 2016 a Signage Charter for all its real estate assets that it includes in its Ad'AP applications.

Changes in accessibility to properties per type of disability (in proportion of surface areas)

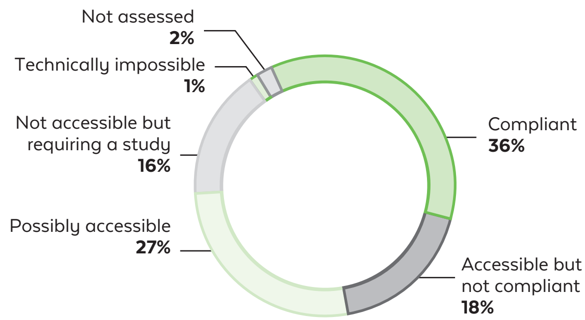


Office properties

In 2015, 96% of the office property portfolio, or 80 out of the 83 buildings in operation, had been assessed or audited.

With respect to "wheelchair" disability, which is technically the most restrictive for fitting out buildings, 18 are compliant, 58 are accessible and/or convertible and four had at least one blocking point such as the elevator or main entrance.

Results of wheelchair accessibility audits of office properties (in proportion of surface areas)



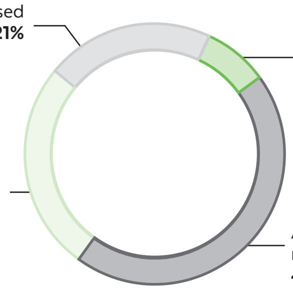
777,300 sq.m. or 81% of the office property surface area is compliant or convertible for wheelchair uses.

Residential properties

In 2015, 79% of the residential property portfolio, or 43 out of the 54 residences of the property portfolio in operation, was audited. Only 8% of the portfolio is compliant with wheelchair accessibility, corresponding to 11 recent student residences. For traditional residential properties, buildings are accessible or can be adapted depending on the type of stair enclosure. Thus, 79% of surface areas are accessible or can be adapted for persons with reduced mobility.

Cognitive impairments were not treated in these audits.

Results of wheelchair accessibility audits of residential properties (in proportion of surface areas)



Public access buildings and scheduled accessibility agenda (Ad'AP)

As at December 31, 2014, all public access buildings were obliged to comply with the Act of February 11, 2005. The Act of September 26, 2014 makes it possible for all owners and operators to file an Ad'AP application to bring into compliance all their public access buildings that were not compliant as at December 31, 2014, as required by the Act of February 11, 2005.

This compliance concerned points as different as the height of the doorstep (primarily the owner's responsibility) or the choice of reception desk, lighting or space between aisles (the operator's responsibility). It was therefore made possible for applications to be made separately or jointly by the owner and operators.

Nevertheless, given the number of buildings concerned, Gecina decided firstly to file the application separately from its tenants for the works for which it was responsible in its entire property portfolio.

The identification of public access buildings in the property portfolio turned out to be relatively complex. This is because although shops at the bottom of buildings were easy to locate, it was more difficult to identify tenants who are self-employed or who give lessons.

Thus, 250 tenants were identified as public access buildings or potential public access buildings.

Inspections and audits gave the following results:

- 16 public access buildings were declared compliant for the portion under the owner's responsibility;
- 32 public access buildings were dismissed because they proved not to be public access in the end;
- 1 public access building was treated separately – the "Quai de la Rapée" public carpark – because it had obtained a building permit in 2015 that obliged it to address accessibility issues.

201 public access buildings of the property portfolio are thus concerned by an application for an Ad'AP that is pending at the *Préfecture* at the end of 2015.

In terms of deployment, Gecina undertakes to carry out €1,141,439 excluding VAT of works within the next six years to render accessible the 201 public access establishments located in 90 buildings in its portfolio.

7.3.4. SECURITY AND CONTROL OF RISKS

Security and control of risks
KPI: % of properties with a "Very Efficient" or "Efficient" rating
Objective: > 70%

7.3.4.1. SUMMARY OF REAL ESTATE RISK MAPPING

The methodology for the management and control of property risks that could have an impact on safety such as risks related to asbestos, lead, fire, water quality, wet cooling towers, floods, soil contamination as well as Gecina's performance in this respect are set out in section 1.7.4.1.1. "Property risk mapping".

The percentage of properties with a "Very Efficient" or "Efficient" rating was 86.7% in 2015. This represented another year-on-year improvement in Gecina's coverage of property risks (77.7% in 2014) and exceeded the 70% target set for 2016 for the fourth year running. The share of buildings that won medals (linked to the methodology implemented) has increased progressively, as has the efficiency of buildings that have received medals: the percentage of "Very Efficient" buildings rose from 49.6% in 2014 to 53.6% in 2015. In 2015, Gecina increased its performance concerning lead-related risks in its buildings and maintained a high level of performance concerning asbestos in buildings despite the tightening of regulations on asbestos risks.

7.3.4.2. ADAPTING TO THE CONSEQUENCES OF CLIMATE CHANGE

The real estate sector is directly impacted by global warming. The increase in the number of extreme events related to this phenomenon has a definite effect on buildings[(12)]:

- existing buildings: Severe storms, floods and forest fires lead to more repairs and even reconstruction, and impact insurance costs. The growing number of heat-waves[(13)] also affects air-conditioning requirements and increases energy loads while unit costs are rising;
- buildings under development: The risk of increased rainfall encourages local authorities to require harvesting or even infiltration of rainwater, which requires land space and limits areas for construction. New ways to design and build must be devised to adapt buildings to deteriorating climate conditions while preserving occupant comfort and limiting energy requirements. The increase in the number of bad weather days also poses a risk of construction delays.

The location of the assets therefore becomes crucial when assessing their potential vulnerability. Gecina's property holdings are primarily located in high-density city centers (Paris, Lyon, Bordeaux, Marseille, Lille) and therefore are severely impacted by all these issues.

For each risk related to climate change and inherent to its business that has been identified in the risk mapping (see Section 1.7 "Risks"), Gecina analyzes the impacts and determines the related control mechanisms. This approach is used again in the data reported to the Carbon Disclosure Project.

With regard to properties in operation, Gecina has introduced stricter specifications based on the extent of the constraints at each location and is implementing anticipatory measures to guard against risks such as flooding (application of the model of the 1910 Great Flood of Paris) or natural disasters. In addition to ensuring that the properties themselves are more resilient to major disasters, scenarios are prepared, under the authority of a duly constituted disaster unit, detailing what needs to be done to mitigate the consequences and costs of such disasters and facilitate the restart of operations.

The increase in energy costs, linked to an increase in unit prices or the introduction of taxes such as the carbon tax, is a significant and direct risk which has an impact not only on the fees paid by Gecina but also on those paid by tenants. This is valued at M€ 0.47 for the entire property portfolio, based on the current carbon pricing system (€14.5/t CO_2).

Energy additional costs modelling related to the Carbon tax increase

	Monetarization (based on 2015 CO_2 emissions)				
	2015	2016	2017	2020	2030
Tax (€/t CO_2)	14.5	22.0	30.5	56.0	100.0
Amount (M€)	0.47	0.71	0.98	1.8	3.2

Several solutions have been identified to control this risk, including the reduction of consumption (improvement in the intrinsic efficiency of buildings, better use of facilities, etc.), increased monitoring of energy purchases (purchase of green energy, etc.) and the search for renewable energy sources for its buildings.

With climatic disruptions (in particular, increasingly hot summers) coupled with the ever-increasing energy needs of users, Gecina is constantly improving the management of its buildings (see section 7.3.1. "Energy efficiency and renewable energy"). In fact, the estimated impact from heat island is up to 15% increase in the use of air conditioning during a quarter of the year, which represents an average extra cost of M€ 0.2 per year.

It is now implementing solutions such as the flexible operation of its facilities, for example the free-cooling system installed on the VELUM building in Lyon. Consumption is thus spread over longer time slots, resulting in a reduction of final total consumption.

Gecina compiles all the actions initiated on its real estate assets and the related gains in emissions:

Initiatives to reduce GHG emissions detailed for CDP 2015 reporting (item CC3.3 b – extracts)

Activity type	Description of activity	Estimated annual CO_2e savings (in ton of CO_2)	Annual monetary savings (in euros excluding tax)	Investment required (in euros excluding tax)	Payback period (in years)	Estimated lifetime of the initiative (in years)
Energy efficiency	Envelop enhancement	183	59,443	2,343,286	40-50	35
Low carbon energy installation	Production equipments replacement	252	99,261	2,563,235	15-20	20
Energy efficiency: process	Regulation enhancement	21	21,725	146,845	2-10	10

(12) According to Climate Change: implications for buildings – University of Cambridge, BPIE, GBPN, WBSCD.

(13) Green Paper: Assessment of climate issues, Île-de-France region, July 2010: On average, the Île-de-France region currently experiences one heat-wave alert day (over 35°C) per year, with 10 one-day spikes in 2003. During the second half of the 21st century, there will be an average of between two and eight days per year depending on the scenarios, with spikes of up to 40 days. The increased frequency of heat waves is one of the main climate risks facing our property portfolio in the Île-de-France region.

With regard to new construction, Gecina has already implemented a number of measures to limit the effect of global warming and urban heat islands, such as green roofs, giving particular attention to the materials used in building envelopes. Regulatory obligations may be perceived as a constraint as well as an opportunity for differentiation. For example, the Grenelle 1 law requires that all new buildings built after 2020 be positive energy buildings. There is therefore a risk of higher construction costs related to the increasingly complex technologies and methods used. To prepare for this, Gecina has integrated the search for better standards into the development of its property portfolio, to propose buildings that are efficient with respect to the control of carbon emissions. An example is the heavy reconstruction of the Cristallin building in Boulogne-Billancourt, which has attained Factor 4.

Looking ahead (2030 to 2050), Gecina has launched an in-depth study to analyze what needs to be done (technically and managerially) to adapt its property assets to the effects of global warming. For example, it seems unrealistic to Gecina to imagine a future where a building would not be cooled to counteract temperature spikes resulting in heat waves in the Paris region of well over 40°C, equivalent to the climate of Granada or Rabat.

The challenge will therefore be to anticipate what future investment will be required to optimize performance and keep control of expenses, not just those related to energy but also to building servicing and maintenance, and ensure that Gecina's buildings are comfortable for tenants.

7.4. Planet

7.4.1. CLIMATE CHANGE AND GHG EMISSIONS

Climate change and GHG emissions
KPI: GHG emissions average and % of reduction at constant climate (offices and residential)
Objective 2016-2020: 17 kgCO_2/sq.m/year/*i.e.* -40% depending on operational control of assets as compared to 2008 for offices and 35 kg of CO_2/year i.e -20% as compared to 2008 for residential.

7.4.1.1. THE GECINA CLIMATE ROADMAP

In 2015, to limit its impact on climate change, extend its objectives and bring them in line with national environmental commitments (law on energy transition, green growth and low-carbon strategy), Gecina drew up a climate road map up to 2030.
Created in collaboration with its stakeholder representatives and employees from the various company functions concerned (asset management, management control, financial communication, technical function, acquisitions and sales, marketing, general services, building programs and CSR), this roadmap organizes Gecina's actions around four key focuses:

- reduce the carbon intensity of the portfolio by 60% in 2030 as compare to 2008 with usage and at constant climate;
- offset net emissions of the portfolio in an perspective of neutrality;
- maximize the moderation of real estate programs and strive to achieve carbon neutrality for each program;
- engage its partners through transparency and dialogue.

Four levers will be used to reduce the carbon intensity of Gecina's portfolio (emissions per unit of area in kg of CO_2/sq.m). They are presented below by increasing order of impact on performance:

- smoothly manage the energy efficiency of buildings in operation (through monitoring and the commitment of service providers to performance and the management of commissions);
- carry out work to improve the energy efficiency of buildings in operation (by allocating dedicated budgets to implement eco-alternatives to technical facilities at the end of their life cycle);
- increase carbon performance target levels for restructuring projects included in the plan (by taking the carbon impact into account right from the design phase and in project management);
- engage buildings under reconstruction in addition to the envisaged plan, with a high carbon performance level (depending on the upside potential and vacation of surface areas).

Furthermore, to offset the impact of GHG emissions of the portfolio on the climate, Gecina will mobilize the following levers to avoid the production of additional GHG emissions:

- support low-carbon energy production sources (purchase of green electricity, production of renewable energy);
- optimize the use of the portfolio (densification of building use through increased services and the pooling of spaces, increase in occupancy rate, optimization of empty spaces by creating start-ups incubators, etc.);
- support innovative third-party low-carbon projects by dedicating a specific fund. The amount assigned will be calculated based on the envisaged level of carbon neutrality. Gecina could also use this fund to capture the CO_2 emissions produced by its portfolio to offset the impact on the climate by financing dedicated projects (reforestation…).

To ensure that each restructuring project is climate-friendly, Gecina will quantify the CO_2 emissions linked to restructuring work to compare them with the total CO_2 emissions avoided throughout the restructuring life cycle. If the technical solutions chosen do not guarantee the neutrality of the operation, a compensation budget would be assigned to the carbon innovation fund.

Tenants will be provided with change management support. The optimization of uses, the development of services and the promotion of low-emission modes of transport could lead to a ripple effect. Furthermore, the specifications that define Gecina's standards should gradually take into account the carbon weight of products and services, and recurring suppliers and service providers should commit to reducing their emissions.

The action plans that are currently being prepared will fall under these various functions and will be monitored in a dedicated steering committee as from 2016. The reporting of these actions will be incorporated into the various pillars and related chapters. A specific climate report will be published during the second quarter of 2016 on the Gecina website (http://www.gecina.fr/en/csr.html).

7.4.1.2. GREENHOUSE GAS (GHG) EMISSIONS OF THE PROPERTY PORTFOLIO

Limiting global warming means combining energy efficiency and the carbon reduction of the production mix. Gecina has decided to adopt this dual approach.

Since 2008, Gecina has implemented a greenhouse gas (GHG) reduction policy, not only by monitoring and reducing energy consumption, but also by integrating these criteria into the selection of energy sources for its buildings.

This "Carbon strategy" has been rolled out on office as well as residential assets.

Through its various action plans, Gecina is trying to minimize the adverse effects of its activities on the planet by reducing its CO_2 emissions. This last criterion is important when taking decisions to replace facilities. Gecina thus studies the best solution during each replacement opportunity, taking into account the emissions of the current facility and the emission projections of the future facility. For example, for energy efficiency and carbon footprint reasons, it is gradually replacing fuel oil heating systems with other systems (gas heating or connection to district heating systems). The power supply modes of Gecina's real estate assets are therefore changing with renovations as well as new building projects. The approach and the reflection are therefore implemented at the portfolio level as a whole and no longer simply at the building level, resulting in a change in the relationship with energy providers.

With the transition to deregulated electricity tariffs under the so-called NOME Act (New Organization of the Electricity Market), Gecina has incorporated into its new contracts a clause stipulating that a portion of its power supply must come from renewable energy produced in France, thus reducing the carbon footprint of its properties' future energy use.

The GHG Protocol breaks down the operational scope of greenhouse gas emissions of the organization into three scopes:

- Scope 1: direct emissions linked to the combustion of fossil fuels of resources owned or controlled by the company;
- Scope 2: indirect emissions linked to the purchase or production of electricity;
- Scope 3: all other indirect emissions, primarily emissions related to energy consumed but not controlled by the company. In 2015, as part of the analysis required to establish its climate roadmap, Gecina estimated the CO_2 emissions related to its purchases of products and services (LocalFootprint® methodology of sustainability firm Utopies – see the report on socio-economic contributions: http://www.gecina.fr/en/csr.html) and the movements of its buildings' occupants (by Carbone 4 based on the buildings' locations and the national survey on transport and travel published by INSEE). These data are detailed below for the overall portfolio.

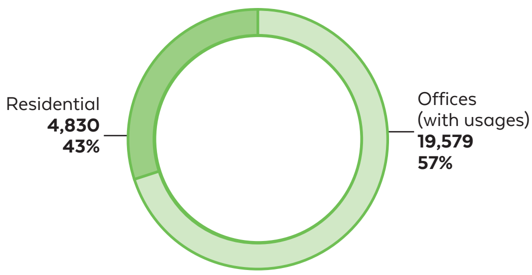
Emissions of properties (offices and residential) according to the GHG protocol

			Scope 3		
Emissions (without usage)	Scope 1	Scope 2	Consumptions out of control	Movements of occupants	Purchase of goods and services
ton of CO_2	7,673	9,230	12,886	27,000	35,000
ton of CO_2 heating/cooling DDU adjusted	8,809	10,045	13,022	-	-

Emissions of properties (offices and residential) according to France GBC recommendations

Emissions (with usage)	Corporate	Businesses	Stakeholders	Total
ton of CO_2	228	18,169	13,743	32,140
ton of CO_2 heating/cooling DDU adjusted	238	19,082	15,090	34,409

Breakdown of GHG emissions adjusted for climate according to the type of activity



Since 2014, Gecina has published the CO_2 emissions of its assets by taking into account the occupancy of its buildings. The number of occupants is calculated on the same bases as those used for the breakdown of Gecina's cash flows per stakeholder for 2015 (see section 7.6.1.1. "Breakdown of the value created by Gecina").

CO_2 intensity of properties per occupant

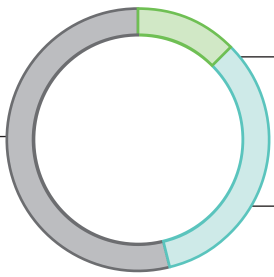
	Offices (without usage)		Residential	
	2014	2015	2014	2015
Number of properties	78	73	65	49
Reference surface area	813,170	751,177	516,443	428,976
Number of occupants	46,416	43,459	25,822	21,449
ton of CO_2	14,992	14,149	15,639	14,054
ton of CO_2 /occupant/year	**0.3**	**0.3**	**0.6**	**0.7**
ton of CO_2 heating/cooling DDU adjusted	16,603	14,404	17,473	14,830
ton of CO_2 heating/cooling DDU adjusted /occupant/year	**0.4**	**0.3**	**0.7**	**0.7**

7.4.1.2.1. Greenhouse gas (GHG) emissions of the office properties

Emissions of office properties according to the *GHG protocol*

Emissions (without usage)	Scope 1	Scope 2	Scope 3	Total
ton of CO_2	1,688	4,786	7,675	14,149
ton of CO_2 DDU adjusted	1,815	4,852	7,737	14,404

Breakdown of office properties GHG emissions per scope (DDU adjusted)



The greater part of emissions of the commercial portfolio is from energy consumed outside Gecina's control (Scope 3). Gecina's action can thus be assessed on only 46% of the total emissions generated by its assets.

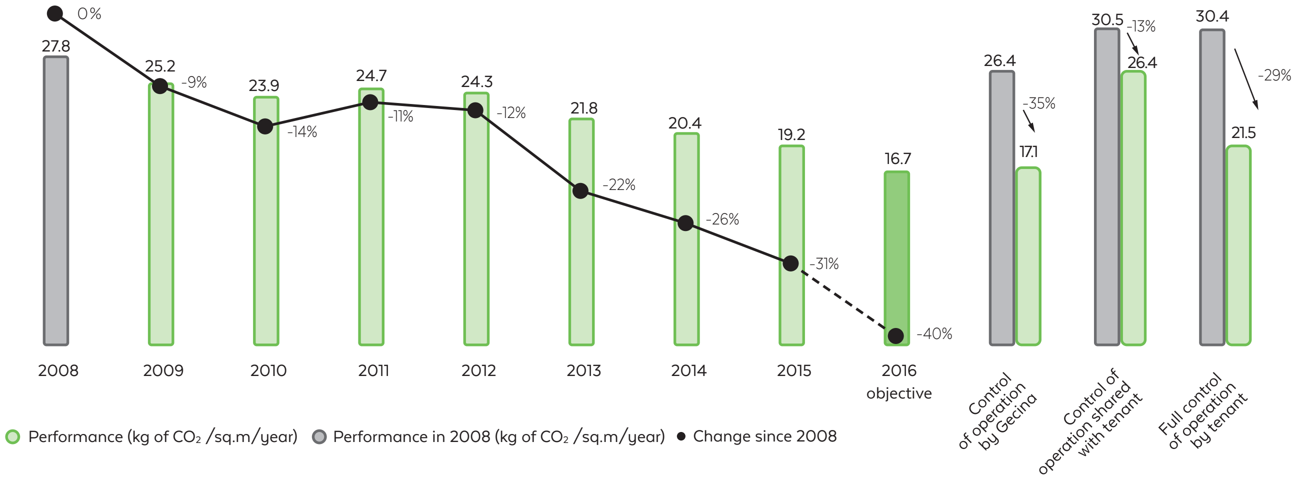
The change in CO_2 emissions adjusted for climate effect shows savings of 6.1% between 2014 and 2015, bringing the reduction of emissions to 31% since 2008.

This result is not only linked to the gains recorded on energy consumptions, but also to the change in the energy mix of the property portfolio, since Gecina gives priority to low-carbon energy sources, in particular during heavy building reconstructions (*e.g.*, connection to the IDEX urban network for the Cristallin building in Boulogne-Billancourt, or to the ClimEspace network for 55 Amsterdam. For the scheduled replacement of the cooling units in the building operated at 32 rue Marbeuf, connection to the ClimEspace network was selected and will be carried out in 2016.

Changes in GHG emissions of office properties by operationnal control (without usage and 2008 DDU adjusted)

	2008	2014	2015	Control of operations by Gecina	Control of operations shared with tenant	Full control of operations by tenant
Number of properties	83	78	**73**	**47**	**14**	**12**
Reference surface area by sq.m	683,952	813,170	**751,177**	**483,403**	**76,398**	**191,377**
ton of CO_2	18,998	14,992	**14,149**	**8,128**	**1,953**	**4,067**
kg of CO_2/sq.m/year	**27.8**	**18.4**	**18.8**	**16.8**	**25.6**	**21.3**
YoY change	0%	-22.7%	**2.2%**	**-**	**-**	**-**
Change since 2008	0%	-33.6%	**-32.2%**	**-36.3%**	**-16.2%**	**-30.1%**
ton of CO_2 heating/cooling DDU adjusted	18,998	16,603	**14,404**	**8,275**	**2,017**	**4,112**
kg of CO_2/sq.m/year heating/cooling DDU adjusted	**27.8**	**20.4**	**19.2**	**17.1**	**26.4**	**21.5**
YoY change	0%	-6.1%	**-6.1%**	**-**	**-**	**-**
Change since 2008	0%	-26.5%	**-31.0%**	**-35.2%**	**-13.5%**	**-29.3%**

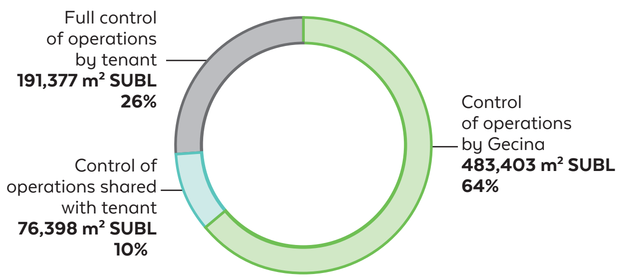
Average GHG emissions (without usage and 2008 DDU adjusted) – office properties



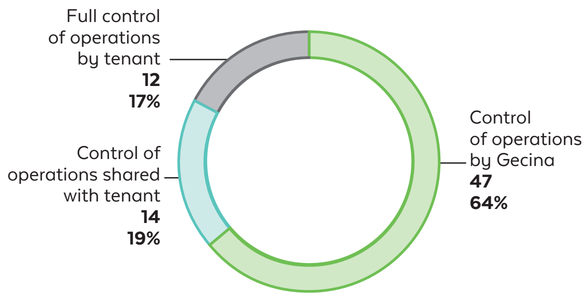
The sharpest drop is in buildings where Gecina has full control of operations, with a drop of 35.2% (at constant climate) since 2008. This gain once again reflects Gecina's decision to use low-carbon energy sources, as well as energy savings generated from optimizing usage.

Breakdown of properties according to Gecina's operational control

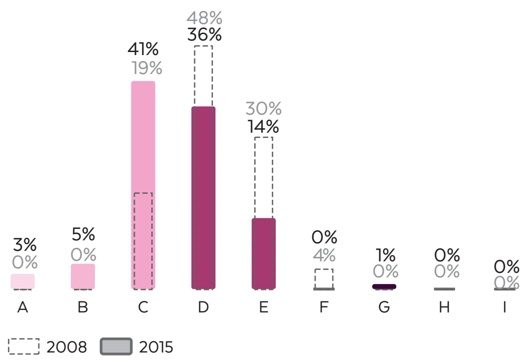
By surface areas and % of surface areas



By number of properties and % of properties



2008-2015 breakdown by climate label – offices in operation (by number of properties)



Between 2008 and 2015, the proportion of buildings with E and H labels declined from 34% to 15%, and in 2015 those in the H and I classes fell to zero, reflecting Gecina's actions to improve its properties' energy efficiency. This is confirmed by the increasing number of buildings in classes A to D (85% of assets in 2015 compared with 67% in 2008). The same trend is seen in the breakdown by label of commercial assets.

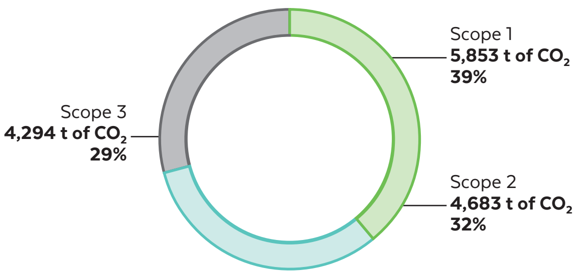
Climate labels for commercial assets benefit from a predominantly electrical energy mix, with low carbon emission.

7.4.1.2.2. Greenhouse gas (GHG) emissions of residential properties and student residences

Emissions of residential properties according to the GHG protocol

	Scope 1	Scope 2	Scope 3	Total
ton of CO_2	5,440	4,353	4,261	14,054
ton of CO_2 DDU adjusted	5,853	4,683	4,294	14,830

Breakdown of residential properties' GHG emissions by scope



Gecina's choices of energy sources for its residential buildings have an impact on 70% of the total emissions of these assets (Scopes 1 and 2 combined). The decisions to change the energy mix or carry out energy savings works therefore have a strong impact on all these CO_2 emissions.

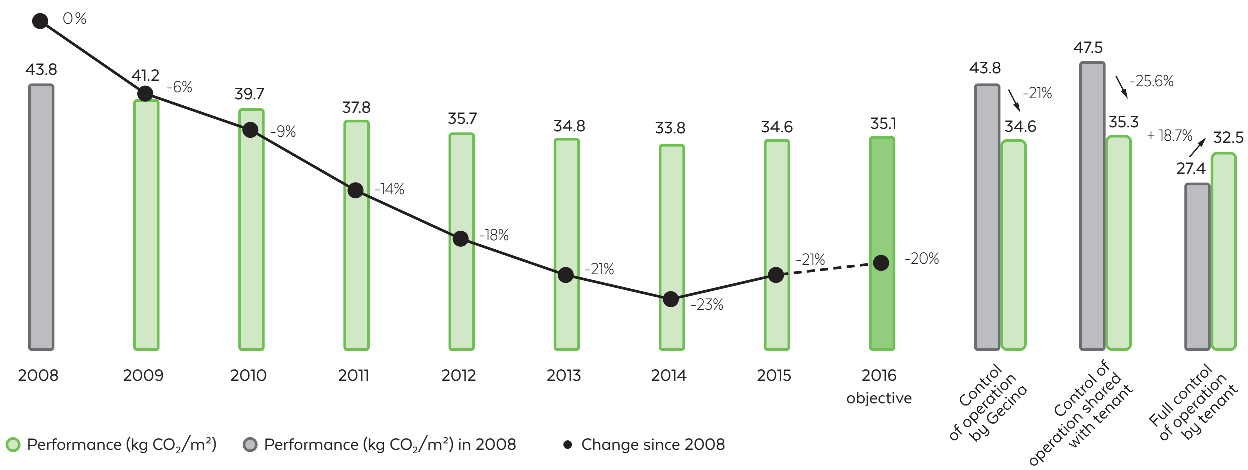
The gain is equal to that obtained in primary energy (-21%), although it results from a 25.6% improvement for "Business" buildings (controlled by Gecina) and a decline of 18.7% for "Stakeholder" buildings (not controlled by Gecina).

Despite the improved energy efficiency of the assets and the renovation work on collective heating plants (with conversion to reduced-carbon energy sources) on the properties, the sale of buildings using individual electric heating and hot water systems (with a low coefficient of GHG emissions) substantially decrease the performance compared with 2014.

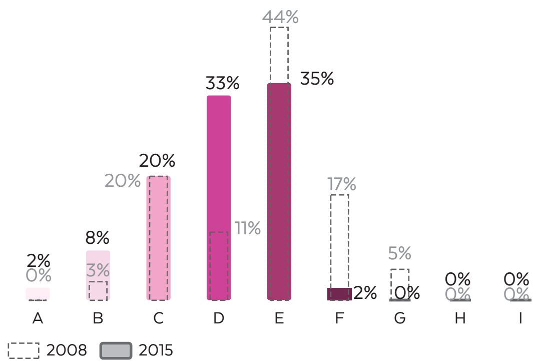
Changes in GHG emissions depending on the level of control – Residential properties

	2008	2014	2015	Businesses	Stakeholders
Number of properties	128	65	49	29	20
Reference surface area (sq.m NFA)	885,892	516,443	428,976	311,365	117,612
ton of CO_2	38,818	15,639	14,054	10,229	3,825
kg of CO_2/sq.m/year	**43.8**	**30.3**	**32.8**	**32.9**	**32.5**
YoY change	0.0%	-13.1%	8.2%		
Change since 2008	0.0%	-30.9%	-25.2%	-30.8%	18.7%
ton of CO_2 DDU adjusted	38,818	17,341	14,830	11,004	3,825
kg of CO_2/sq.m/year heating DDU adjusted	**43.8**	**33.6**	**34.6**	**35.3**	**32.5**
YoY change	0.0%	-3.6%	3.0%		
Change since 2008	0.0%	-23.4%	-21.1%	-25.6%	18.7%

Average GHG emissions (at 2008 constant climate) – Residential properties



2008/2015 breakdown by climate label – residential (by number of properties)



Between 2008 and 2015, the percentage of buildings with E to H labels dropped from 66% to 37% showing the improvements made by Gecina to its assets, especially in the increase of buildings rated class A to D (34% of its assets in 2008 against 63% in 2015).

7.4.2. NATURAL RESOURCES AND WASTE

Natural resources and waste
KPI: % of delivered buildings having undergone an LCA during the year
2016 objective: 100%/80%

7.4.2.1. ECO-DESIGN

The design and construction of low energy buildings (BBC – *bâtiments basse consommation*) has brought to light the increase in requirements of construction materials needed to reduce energy use during operation (increase in thickness of insulation, more complex outside finishing carpentry, need for blinds, etc.). This change implies taking into account the overall impact of buildings throughout their life cycles, both in terms of gray energy[14] and of the generation of dangerous waste products, air and water pollution or eutrophication (an excess of nitrogen, phosphorous, etc.) of environments (indicators determined by Life Cycle Analyse, LCA).

Gecina is aware of the need to assimilate these new concerns and is developing increasingly virtuous buildings. Since 2011, it has been carrying out LCAs on all the assets that it develops under the supervision of its in-house project management teams, in addition to other processes such as actual energy use of a building with dynamic energy simulations.

Gecina started carrying out LCAs by presenting the commercial buildings Vélizy Way and Garden Ouest (new buildings), Cristallin building B (reconstructed building), and the Lecourbe student residence for the two phases of HQE® Performance tests (2011-2013). The results obtained at the end of this experiment, which revealed a lot about optimizing the total footprint of a building, highlighted the relative proportion of energy consumption over a 50-year life cycle. Specific thermal regulation items represent 27% of the total primary energy used in a building, while 54% of this consumption is due to the building and other activities during the service life of the building and 20% is used during the construction phase (18% for products and equipment +2% during the works phase). Likewise, the impact on climate change has been modeled and the results show that 61% of CO_2 is emitted by construction (56% for the manufacturing of products and equipment and 5% during the construction phase). This confirms the importance that Gecina gives to the moderation of building projects by aiming to ensure that each one achieves carbon neutrality.

To complete its knowledge of these issues, in 2014 Gecina took part in the Paris area LCA community project coordinated by the IFPEB (French Institute for Energy Performance in Buildings), ADEME (French Agency for the Environment and Energy) for the Paris region and the Ekopolis association. During this project, three scenarios to renovate the Cristallin building B were studied in order to compare the environmental impact of three options: major renovation of the building, demolition/reconstruction or conservation of the existing building. For an estimated useful life of 50 years, major renovation of the existing building, which was the solution chosen by Gecina, was confirmed as the scenario with the least impact on energy use, water use, and GHG emissions. All the commented results were presented on pages 279 and 280 of the 2014 Reference Document.

These results have led Gecina to choose construction options and materials with a low environmental impact, for both its development and reconstruction projects, by planning the reflection process per phase:
- in the sketching phase: modeling and choice of the structure;
- in the final design phase: modeling and choice of technical equipment;
- in the project phase: modeling and choice of finishing products.

(14) Gray energy: energy needed for the extraction, transformation, transportation and end-of-life cycle of the materials used in buildings.

For example, the materials study conducted on 55 Amsterdam (Paris 8th – see the Gecina website: http://www.gecina.fr/en/portfolio.html) led to several choices such as the use of wood wool, a bio-sourced material with a lower environmental impact than the materials traditionally used for insulation.

This method also led Gecina to opt for a wood structure with a lower impact than a metal frame for its Grande Halle project in Lyon (9th) – see 2014 Reference Document p. 281). In order to limit the environmental impact of wood frame construction even further, the wood used is from an eco-managed, FSC- or PEFC-certified forest, either untreated or treated with a CTB P+ certified product.

Based on an innovation and continuous improvement approach, the Grande Halle is one of the 18 pilot programs of the low-carbon building label BBCA. These programs are intended to identify current good practices and the carbon weight of new buildings in order to consolidate the benchmark that will be published in the spring of 2016.

The BBCA label is issued by the BBCA association for buildings that have reduced their carbon footprint. The benchmark focuses on two themes to establish a single score, with three levels ranging from 1 to 3 stars:

- reduce CO_2 emissions with the implementation of integrated construction and controlled operation;
- foster innovation by giving bonus points for the storage of carbon in materials and the development of a circular economy (waste can be used as resources).

Another example, apart from an ambitious energy objective (Effinergie+), is the Brançion project, a 3500-sq. m student residence developed in the 15th arrondissement of Paris, currently in the design phase, and which is aiming for the bio-sourced building label. This government regulatory label (Decree No. 2012-518 of April 19, 2012 on the "bio-sourced building" label) highlights the environmental quality of new buildings (or new in part) that integrate a significant proportion of bio-sourced materials such as wood, hemp, straw or wool in their construction.

Initiated during the architecture competition, the objective to reduce the environmental footprint of building results in the following choices:

- wood wool insulant for the exterior insulation of the building;
- outside finishing carpentry in wood-aluminum;
- wooden railings;
- outside cupboard doors in wood.

The project has reached the first level of this label by totaling a quantity of bio-sourced materials covering 20.42 kg/sq.m of floor space.

7.4.2.2. WASTE MANAGEMENT

In 2015, Gecina changed its reporting method to better reflect all the measures in place for commercial buildings concerning selective waste collection. Since 2008, Gecina had recognized only office buildings for which it had taken out a selective waste collection contract. By also including buildings in the property portfolio where tenants manage their own waste, the reporting scope now reflects the complete range of the property portfolio's selective waste collection capacity. In 2015, selective waste collection was possible in 88% of the surface area of properties. By way of comparison, the surface area calculated on this new scope was 86.5% of total properties in 2014.

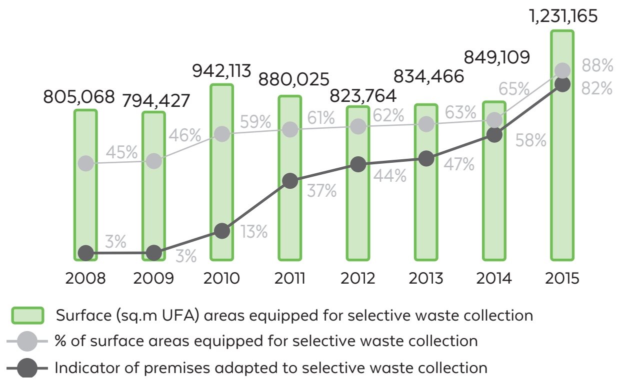
Under the same change in methodology, the proportion of surface area of the property portfolio with premises adapted to selective waste sorting (with suitably sized ventilation, water supply, water evacuation) reached 81.7% in 2015 compared with 79.7% in 2014.

In 2015, aside from the impacts of disposals and acquisitions made during the year, a selective waste collection contract was set up to replace the waste collection services provided by the municipality for the Cristallin building located at 122 avenue du Général-Leclerc in Boulogne-Billancourt. The performance of the residential properties sold was offset by the commissioning of new student residences that have adapted waste sorting premises. For the commercial property portfolio, the acquisition of the T1 tower and B buildings in the La Défense business district had a positive effect on the indicator despite the sale of three buildings with waste sorting facilities in 2014 (Newside, L'Angle and Mazagran).

Changes in surface areas of properties with selective waste sorting facilities

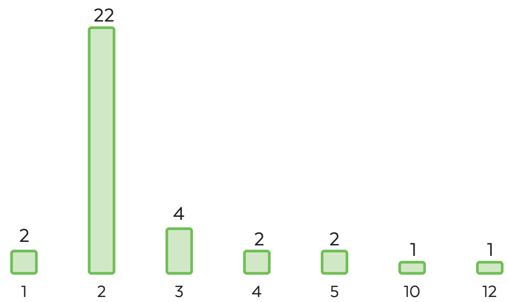
	2008	2013	2014	2015
Surface areas equipped for selective waste collection (sq. m)	805,068	834,466	849,109	1,231,165
Surface areas – Offices and residential properties (sq. m)	1,796,920	1,323,048	1,306,220	1,399,772
% of surface areas equipped for selective waste collection	**44.8%**	**63%**	**65%**	**88%**
Surface areas equipped with premises outfitted for selective sorting (sq. m)	54,894	622,850	760,457	1,142,945
% of surface areas equipped with premises outfitted for selective sorting	**3.1%**	**47%**	**58%**	**82%**

Surface areas with selective waste sorting facilities

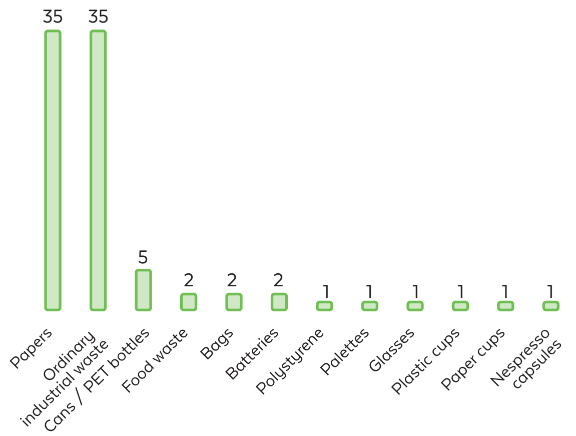


The surface area of office buildings for which a selective waste collection contract has been taken out by Gecina is 415,040sq.m. The annual cost of this system is €464,141 or €1.12/sq.m in 2015.

Breakdown of properties according to the number of waste recovery systems



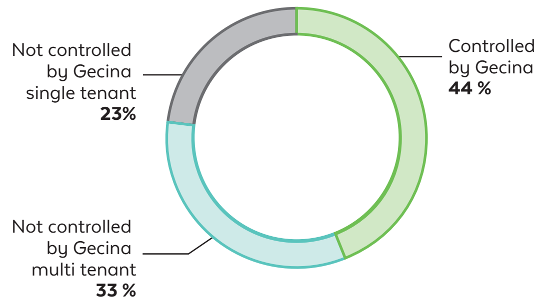
Breakdown of properties by waste recovery system



At its head office, Gecina added the recovery of cigarette butts to the 11 sorting systems of the previous years, by signing a contract with the firm Cy-Clope. This system, which is a first test for the property portfolio, will be extended in 2016, first to 10 buildings and then to five more buildings. The number of sorting channels also increased for the Cristallin building with the contract signed with Green Wishes to collect 10 different types of waste. The two buildings, Portes de la Défense and Crystalys, now have five sorting systems after the setting up of a new system in 2015.

In staff restaurants, Gecina works with operations companies and has deployed the recycling of biodegradeable waste products in sectors working in that area. Students residences have been equipped with mechanisms for recycling bottle stoppers.

Breakdown of office properties according to the operational control of waste recovery contracts

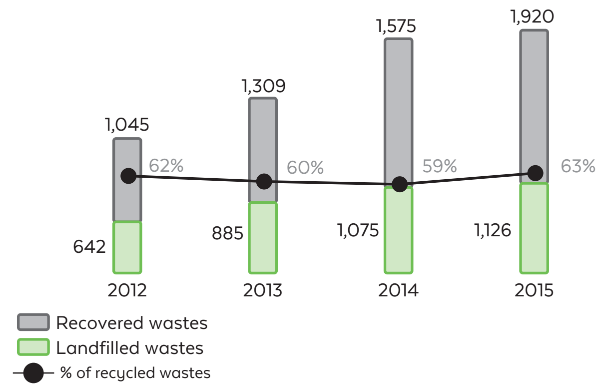


The disposal of buildings for which Gecina has a selective waste collection contract and the acquisition of single-tenant buildings, (T1, B and 75 avenue de la Grande Armée) for which Gecina does not have the operational control of waste, has changed the breakdown of buildings based on the control of waste recovery contracts. 17% of multi-tenant buildings not controlled by Gecina have a waste collection room and selective sorting bins, but have not signed a collection contract with a private company. Waste is collected by the municipality. Furthermore, 6% of commercial buildings do not have selective waste sorting facilities.

Gecina has appointed the specialized consultancy, Inddigo, to analyze its property portfolio, increase the number of buildings with selective waste sorting facilities and to recover an increased proportion of waste. The purpose of this forward-looking inventory was to obtain an overview of the problems encountered relating to waste management with respect to technical, legal and financial criteria.

This work was initiated in 2014 and will continue in 2016 with the deployment of an in-depth audit of all the buildings of the property portfolio. The audit will be shared with tenants with the aim of increasing the number of sorting systems.

Changes in the proportion of waste recycled (in tons)



Waste on construction site are managed by service providers that are commited to respect waste treatment conditions described in the “clean construction site” charter.

7.4.3. BIODIVERSITY

Biodiversity
KPI: biotope area factor of properties "BAF"
2016 objective: 0.40

As all progress and individual or collective actions achieved by Gecina cannot legitimately be dealt with and included in this reference document, in 2014, we prepared a specific report jointly with our primary stakeholders on this subject. It can be accessed in the CSR section of the Gecina website (http://www.gecina.fr/en/csr.html).

7.4.3.1. GECINA'S BIODIVERSITY STRATEGY

Gecina's property holdings are primarily located in city centers with very little vegetation (Paris and its close suburbs, and Lyon). Therefore, none of its sites represent a serious or significant risk toward biodiversity according to a study conducted by Gondwana in 2011. Nevertheless, half of its real estate assets are located near species and habitats of interest, as illustrated by the biodiversity mapping accomplished by the specialized firm, Gondwana.

By focusing the development of new assets on the re-urbanization of derelict or unoccupied sectors (75 Gerland, ZAC Girondins, investment in new assets such as City Light in Boulogne and Sky 56 in Lyon), the reconstruction of the assets in its portfolio (55 Amsterdam and Cristallin) and the functional reallocation of buildings (conversion of the Lecourbe and Auguste Lançon office buildings into student residences), Gecina minimizes its adverse impact on biodiversity by limiting urban sprawl. Moreover, although the building coverage is considerable for these projects because the building rights are used to offer the maximum available surface areas, the roofs, residual ground space and even the walls are planted as soon as possible.

Aside from the reduced impact on the artificialization of land resulting from these strategic choices, the increase in biodiversity areas in the buildings in its portfolio also constitutes a response to the desire to ensure their occupants' well-being and productivity as well as the global warming challenge. This is because although these green surfaces play an insignificant role in carbon sequestration, they contribute to the reduction of urban heat islands

All these points have reinforced Gecina's conviction that it is capable of contributing to the preservation and creation of ecological continuity in the form of green and blue belts, a basic element of its biodiversity strategy. The strategy is laid out over three areas with ten commitments, and was prepared with the support of Gondwana in 2012. It is the culmination of a lengthy period of reflection carried out in four phases: biodiversity mapping of properties, biodiversity audits of representative buildings, interviews with internal and external stakeholders and preparation of biodiversity indicators. The table below shows the progress of the action plans linked to this strategy.

Progress of Gecina's biodiversity action plan

Commitment	Actions carried out/completed in 2015	Actions planned for 2016
1. Incorporate biodiversity into Gecina's responsible management system	Biodiversity integrated into specifications for construction of commercial buildings and student residences (Campuséa). Integration of the requirements of the Écojardin label into the maintenance contracts of residential building green spaces (service contracts signed in 2014) Inclusion of the biodiversity task force in cross-functional technical committees Choice of the BAF indicator for new and existing properties	Drawing up of specifications for landscaping design applicable to all properties Launch of a campaign to measure the surface area of residential properties to make BAF calculations reliable
2. Develop a biodiversity mentality internally	Organization of the conference "What is the reality of biodiversity within the company?" organized by Gecina Lab Use of the Gecina intranet to publish information on biodiversity (in the form of "posts"); Sharing of the results of audits conducted on buildings with technical teams	Creation of theoretical training courses and site visits to develop the biodiversity skills of technical managers Continue to raise the awareness of all Gecina employees
3. Display Gecina's commitment to biodiversity	Coordination of the biodiversity task force within the Sustainable Building Plan Participation in the Assises de la Biodiversité (Dijon, June 10, 2015) meetings: workshop entitled "Green Building Plan & BiodiverCity©, two answers to promote urban biodiversity" Incorporation of the biodiversity dimension into product communication Publication of the "Did you say Biodiversity?" report on Gecina action's from 2010 to 2014	Systematically incorporate biodiversity into building brochures

Commitment	Actions carried out/completed in 2015	Actions planned for 2016
4. Carry out an ecological audit on sites with major biodiversity issues	Conduct two LPO (bird protection society) audits to bring the number of audited sites in operation to seven Appointment of ecologists for new builds and refurbishments LPO audits and support for existing assets Support from the LPO on the daycare center project and renovation of the green spaces of the Javel site Support from Green Affair for the renovation of the outdoor areas of the Lourmel residence	Annual update of biodiversity mapping of properties Continuation of LPO audits on three sites
5. Incorporate biodiversity into the design and construction phase	BiodiverCity© labeling of 55 Amsterdam in Paris Design of an ecological pond and an orchard on the Vélizy Way program Design of landscaped spaces for the Garden Ouest program (Montigny le Bretonneux) with the ecological engineering company, Dervenn	Application for the BiodiverCity© label for the Grande Halle programs in Lyon, in the execution phase, and 32 rue Guersant, in the design phase Greening of the roof of three new student residences, developed and completed, through: - the ecological renovation of the 4,000 sq.m protected green floor space for the Lourmel project - the development of urban farming for the Rose de Cherbourg project - application for the "Biosourced Building" label for the Brancion project Development of a grey biodiversity section when conducting LCAs on buildings to identify their impacts and dependencies with regard to biodiversity and ecosystem services
6. Incorporate biodiversity in the operation phase	Integration of the Écojardin label criteria to all contracts for the maintenance of residential and commercial green areas Écojardin label for two sites (offices located at 14 boulevard Général Leclerc in Neuilly-sur-Seine and the Blomet residence) Operation of 22 beehives on commercial buildings	Continuation of the Écojardin labeling of properties; 7 buildings to apply between 2016 and 2017
7. Incorporate biodiversity into the renovation phase	Greening: Arcueil (green roof), 3 rue Caumartin (Courtyard), Banville (terraces, patios, balcony planters), 5 Montmartre (green terrace) Creation of a flowering meadow in Défense Ouest	Finalization and formalization of specifications for landscaping design applicable to all programs Launch of studies for the renovation of landscaping spaces for the Berri, Crystalys and Vouillé sites
8. Raise the awareness of tenants and users to biodiversity issues and meet their expectations on this issue	Drafting of brochures and setting up of events such as beehive visits Application for the Pepsi-co supplier trophy: "Écojardin label for the Défense Ouest site" Installation of Écojardin certification labels on approved sites	Set up events and activities on Écojardin label sites or on those on which biodiversity actions have been developed (commercial and residential)
9. Involve Gecina's partners in recognizing the importance of biodiversity	Support landscaping companies in implementing Écojardin recommendations on audited sites Implement a contract monitoring system for residential and commercial buildings (management and follow-up of contracts dedicated to the biodiversity section and green spaces and annual meeting with service providers for commercial and residential buildings)	Integration of the biodiversity dimension as one of the selection criteria for the building service purchasing policy (materials specification, household products, etc.)
10. Work in cooperation with biodiversity players	Setting up of a steering committee with DEVE, the biodiversity observatory, etc. as part of the call for "Innovative Vegetation" projects. Founding member of the Town Planning, Building and Biodiversity Club of the LPO Participation in the HQE/Orée biodiversity task force	Call for "Innovative Vegetation" projects: continue ecological monitoring and implementation of societal follow-up

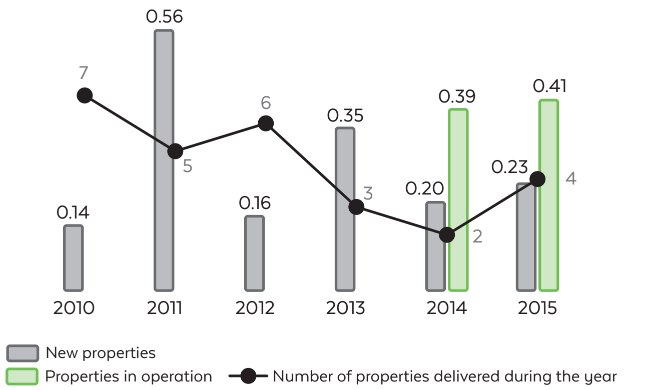
To measure the contribution of its properties, Gecina has chosen the BAF (biotope area factor). Used in Berlin for 20 years now, the BAF characterizes the planting of a plot of land to assess the biodiversity of a project. Depending on treatment types and the thickness of the natural soil (the subsoil), an ecological value factor per square meter is defined and used to weight the various eco-developable surface areas. Convinced that this type of indicator is essential for measuring the environmental footprint of a building, Gecina calculates the BAF of projects under development as well as the improvement made before and after construction for programs involving its properties in use.

The BAF, calculated for the entire residential and commercial property portfolio in 2015, presents an average value of 0.41, a light progress compared to 2014 when it was at 0.39. This change breaks down into an increase in the BAF for residential assets as a result of the sale of assets with very little vegetation (0.44 in 2015 compared to 0.41 in 2014) and to the decrease in BAF for commercial assets (0.37 in 2015 compared to 0.38 in 2014) linked to transactions on this portfolio (sale of assets with a large proportion of green areas – Newside and L'Angle – and acquisition of assets with fewer green areas).

For projects delivered during the year, the BAF was 0.23 in 2015, an increase compared to 2014. The integration into the property portfolio of four student residences, two of which (located in Bordeaux and Palaiseau) have open areas with a very high proportion of vegetation (approximately 25% of the plot surface) has contributed to this change.

This indicator does not, however, represent all the work to reinforce biodiversity that Gecina has carried on its real estate assets. Gecina is therefore studying new indicators, as for example, the identification of the presence on-site of endemic, invasive or allergenic species within the meaning of the audits conducted by BREEAM assessors on projects under development.

BAF of new properties and properties in operation (residential and offices) ☑



7.4.3.2. THE ADDED VALUE OF BUILDINGS THAT INTEGRATE BIODIVERSITY

After the contributions of the Goodwill Management design office, who in 2014 did a study on immaterial assets and Gaïadomo, a consultant that assisted in a study on the "Evaluation of the financial value of services provided by nature" on the Opio Club Méditerranée village in 2011, Gecina is exploring how vegetative surfaces increase the value of its properties through the ecosystem services they provide.

The decrease in the heat island effect, the ability to act on rainwater management, the regulation of atmospheric pollution or saving energy and even the increase in productivity of building occupants, are some of the ecosystems services that are worth valuing.

A model responding to this issue can be created and broken down into five phases:
- review of the concept of services rendered by ecosystems;
- design of a model to determine the major biodiversity options applicable to a building;
- study of financialization methods applicable to the various situations possible;
- inventory of internal and external impacts of biodiversity practiced on a building;
- production of formulas for related calculations.

The initial results emerging from bibliographic studies[15] indicate that the value of a building that integrates biodiversity is above all closely linked to its immaterial. This is because biodiversity creates a decrease of 0.7% in absenteeism, 0.3% in presenteeism, an increase of 15% in mental well-being, through lowered stress levels, and an increase of 10% in production speed. An employee's total increase in productivity in this context is thus valued at 2.1%.

Other factors analyzed, which offer less economic value but are nonetheless favorable for implementation are as follows:
- the effect of green walls and roofs to improve insulation, reinforce wall inertia and reduce the heat island effect results in a 10% saving on annual energy requirements, valued at €6,500 per year for a BBC building;
- adding vegetation to rooftops increases the life of waterproofing;
- savings achieved in water purification through planted ground areas are difficult to quantify.

In view of these elements, an integrated model made up of two scores was finalized in 2014:
- the first score, concerning the access to biodiversity of the human capital occupying a building, has an influence on the value of a building up to a maximum of 7%;
- the second, relating to biodiversity brought to a building, has an influence on the value of a building of up to a maximum of 5%.

7.4.3.3. MAIN BIODIVERSITY ACTIONS PERFORMED DURING THE YEAR

Although it is difficult to create green spaces on existing properties, Gecina is changing its landscaped areas to make them more environmentally-friendly.

From audits to certification: creating eco-friendly landscaping projects

Écojardin label for the 14 Général Leclerc building

Located in a dense urban area, the 14 Général Leclerc building has more than 1,000 sq.m of outdoor and courtyard green spaces. This 15,000 sq.m building underwent complete renovation in 2015 and a major landscaping redesign of the inner courtyard. The purpose this project was to:
- meet the expectations of Gecina and future tenants of the site;
- make the inner courtyard accessible to occupants;
- correct damage to the garden linked to the weather (poor maintenance, slippery ground and mounds created by the uplifting of roots of trees on the site);
- be in line with Gecina's environmental approach, with the setting up of an ecological management method and application for the Écojardin label.

(15) Among which the study called "the Economics of Biophilia" showing that stress decreases significantly when people are immersed in biodiversity (a drop of 10 to 15% of cortisol – the stress neuro-mediator) – The Economics of Biophilia (2012) – Why designing with nature in mind makes financial sense – and the work of Elzeyadi's study at the University of Oregon that shows that employees working in a rich biodiversity environment are less absent by 11 hours per year. Which means up to 0.7% of the working time.

The garden obtained the label in June 2015. This is reflected in:

- **the revitalization of the garden,** offering a pleasant space where users can take a break, creating movement and an atmosphere conducive for walks, creating an educational garden, and making the garden brighter and easier to access;
- **the creation of a natural atmosphere,** by planting seasonal flowers composed of perennials and shrubs, favoring plants that mark the seasons, bringing together materials and reducing the mineral elements, and toning down walls with the installation of lattice fences and climbing plants;
- **the creation of amore eco-friendly garden,** by adding several nectar-producing plants, installing a composter, building insect hotels and free zones, mulching flower beds and shredding and chipping waste on site.

Écojardin label of the Blomet residence

In 2015, the landscaping at the heart of the block of the Blomet residence in the 15th arrondissement of Paris was fully redesigned. The purpose of the landscaping project was to open up the heart of this development, redefine circulation for residents and develop new usages by incorporating biodiversity.

Project in figures:

- -20% of permeable surfaces;
- 100% of watering regulated automatically;
- +35% of plant species with the installation of plants of environmental interest;
- +50% of access ways for persons with reduced mobility.

New contracts for residential landscaping

In seeking to redefine landscaping management in its property portfolio, in 2014, Gecina selected an overall approach for its commercial real estate assets, based on more ecological management, the definition of measurement and monitoring tools, and responsible purchasing by using companies employing people in adapted and protected work environments.

In pursuing this objective, in 2015, Gecina launched a tender process to renew the contracts for the maintenance of residential green spaces that have expired. Prior to consultations, audits were carried out on each site. These audits identified the current "nature" of each site, the actions implemented and their potential for improvement in terms of standard (service quality) and ecological operations.

After drawing up individual and detailed specifications of the requirements and technical approach of each site, Gecina launched a call for tenders covering 26 sites. Companies were selected according to their capacity to maintain sites in terms of human and technical resources as well as their environmental approach and partnerships with companies employing people in adapted and protected work environments (see section 7.6.4 "Responsible purchasing").

Gecina has thus implemented a biodiversity management plan on all its property portfolio concerned

Assets under development

Since 2010, Gecina has been integrating biodiversity into its new building programs. By focusing on this theme right from the early phases, Gecina has obtained BiodiverCity® certification for two commercial building programs, the 55 Amsterdam (Paris 8th – see Gecina website: http://www.gecina.fr/en/portfolio.html) and the Grande Halle (Lyon 9th – application under preparation).

Special attention is paid to programs under development to maximize the greening of the building (roof and walls) and its immediate surroundings, and to use alternative materials with a low impact on biodiversity.

Call for innovative vegetation projects

In 2013, Gecina together with a project team comprised of LPO, Noé Conservation, Gondwana, Goodwill-Management and Jardins de Gally were selected to participate in the Innovative Re-vegetation project launched by the City of Paris under the steering of Paris & Co (formerly Paris région Lab).

The proposed project consisted of monitoring the status and ageing of green rooftops and walls in Gecina properties for three years. The testing phase is open to building owners who wish to monitor their properties using this monitoring protocol.

Gecina is convinced that innovation has no meaning without real or immaterial benefits and hopes that through this experiment ecological, sociological and economic advantages will emerge, as will requirements for improvement, which will be freely shared throughout the profession. This feedback is a prerequisite to spreading multiple green surfaces throughout cities.

The experiment will take place over a three-year period through the following phases:

- determine the monitoring protocol and indicators with the entire project team;
- test the protocol and monitor Gecina buildings selected over three years;
- publish a report for the entire profession through the LPO Biodiversity Club.

During these three years, the project team together with representatives of the City of Paris, the Biodiversity Observatory and the DEVE will meet in quarterly steering committees to share information about observations and difficulties encountered and discuss necessary changes to the monitoring protocol. The website set up by LPO through the U2B club will be the vector for disseminating this initial feedback.

In 2015, the testing resulted in:

- nine ecological monitoring operations (seven in 2014) with the observation of spontaneous flora, insect counting using the Spipoll protocol, and lastly, the observation of nesting signs;
- the drafting of questionnaires and interviews for occupants as part of the societal monitoring phase;
- the sharing of questionnaires *via* a web form for commercial property tenants and a paper questionnaire for residential tenants;
- the conducting of six interviews bringing together Gecina technical managers, directors of support services, tenants of commercial buildings, building managers and caretakers.

The monitoring operations conducted in 2015 confirmed the observations made in 2014 regarding the impact of subsoil thickness as well as the management of colonization of areas by spontaneous flora, as illustrated by the numerous areas monitored on the green roof of the Newside building (self-heal, wild lettuce, wild carrot, etc.). They also revealed the presence of about ten wild plant species on average per site, with nine species for the least endowed and 25 species for the best endowed site.

These results were shared in November 2015 with the U2B club, as well as with the steering committee composed of experts and the Biodiversity Observatory, the DEVE, Paris Habitat and France Habitation.

7.4.4. WATER

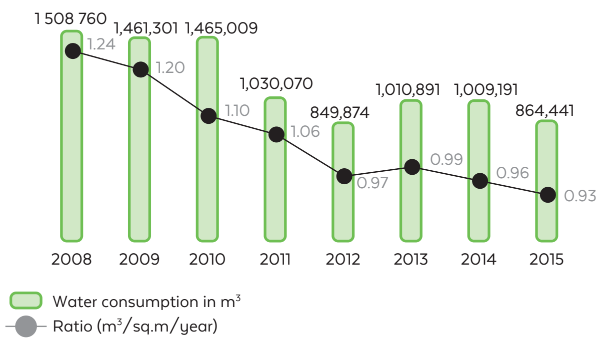
Water
KPIs: average and % of reduction of water consumption
2016 objective: 0.93 m³/sq.m/year, *i.e.* a saving of 25% compared with 2008

In 2015, Gecina continued to implement the water management actions undertaken for several years now, continually reducing consumption across its entire portfolio. Since 2014 these are managed by the "Energy Management" team.

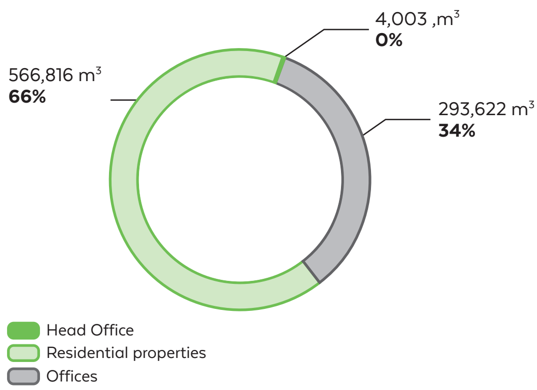
In 2015, it achieved its objective of 0.93 m³/sq.m/year set for 2016. This amounted to a total expenditure of €3,149,913, which represented savings of €0.06/sq.m compared with 2014. The savings of water consumption were particularly pronounced for commercial property, where consumption dropped by 6% between 2014 and 2015. Gecina had continued to implement solutions with a view to constantly optimizing tenant expenses. Average consumption in residential properties rose very slightly (2%) given the transactions and the increase in the number of student residences, where the high occupancy has an impact on the overall ratio.

Note that Gecina's activites are exclusively in France, they are not subject to water supply provision constraint.

Change in cold water consumption for all properties



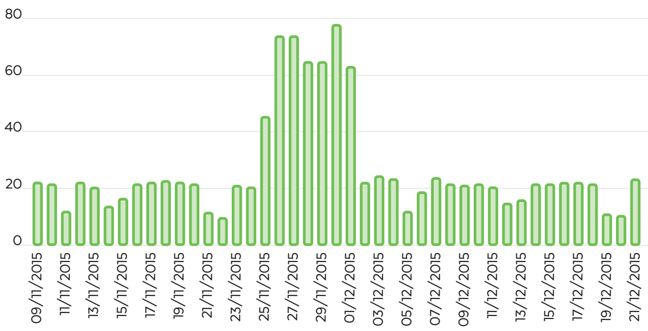
Breakdown of water consumption per business activity (365 days of consumption base)



Actions performed on office assets in operation:

- deployment of the Hypervision® solution for managing consumption of assets (savings estimated at 2,400 m³ of water, which is a little less than half the annual water consumption of the building, and €6,700 was saved, for example, with the detection of a leakage of 48 m³/day);

Hypervision reading of water consumption from November 9 to December 31, 2015 of 10 place Vendôme (m³)



- installation of meters and connection of meters and sub-meters to building management systems (BMS) for close tracking of consumption and identification of any leaks;
- signing of a water savings contract with the installation of aeration units to limit throughput;
  removal of air-cooled towers.

Buildings that were not yet fitted with dual-flush toilets have been identified after the audit conducted on properties (see section 7.1.4.3. "CSR scoring to assist in mapping of properties") and a plan to install these systems will be defined accordingly. Recommendations have also been made for the improvement of existing tap fittings.

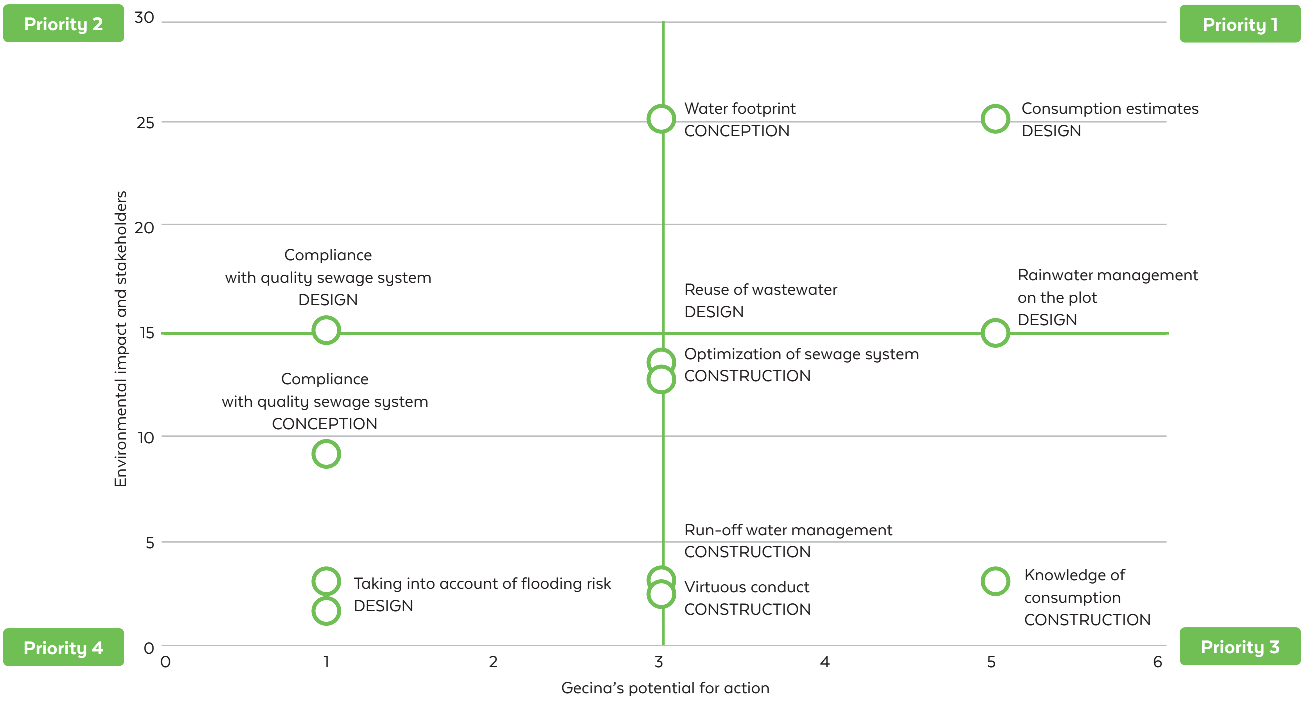
Actions performed on residential assets in operation:

- installation of water-saving measures (in 2015, the replacement of 597 shower heads dividing by two or three the water flow in the student residences of Talence, Pessac, Le Bourget and Champs-sur-Marne saved an estimated 4,000 m³/year and €15,638/year, and dual-flush toilets, water-saving shower heads and tap aerators were installed each time an apartment was renovated);
- deployment of 890 cold water meters in 14 residences;
- installation of 9,806 individual domestic hot water consumption meters with remote meter reading systems on 33 residences;
- signing of collective service contracts for plumbing with at least one annual visit scheduled for each apartment;
- replacement of hot water heaters and stopcocks;
- installation of automatic watering timers, installation of drop-by-drop watering systems and low water consumption plants for ornamental gardens.

Specifically concerning rainwater collection, when the collection conditions are met, these systems are deployed in buildings under development or under reconstruction. This concerns 8% of projects under development (*i.e.* one building, 55 Amsterdam, in Paris). Three buildings currently in operation are thus fitted with a rainwater collection tank for watering plants. They represent 2.2% of the property portfolio (Velum in Lyon delivered in 2013, 96/104, avenue Charles-de-Gaulle in Neuilly-sur-Seine delivered and the Château des Rentiers residence in Paris (13th) delivered in 2011).

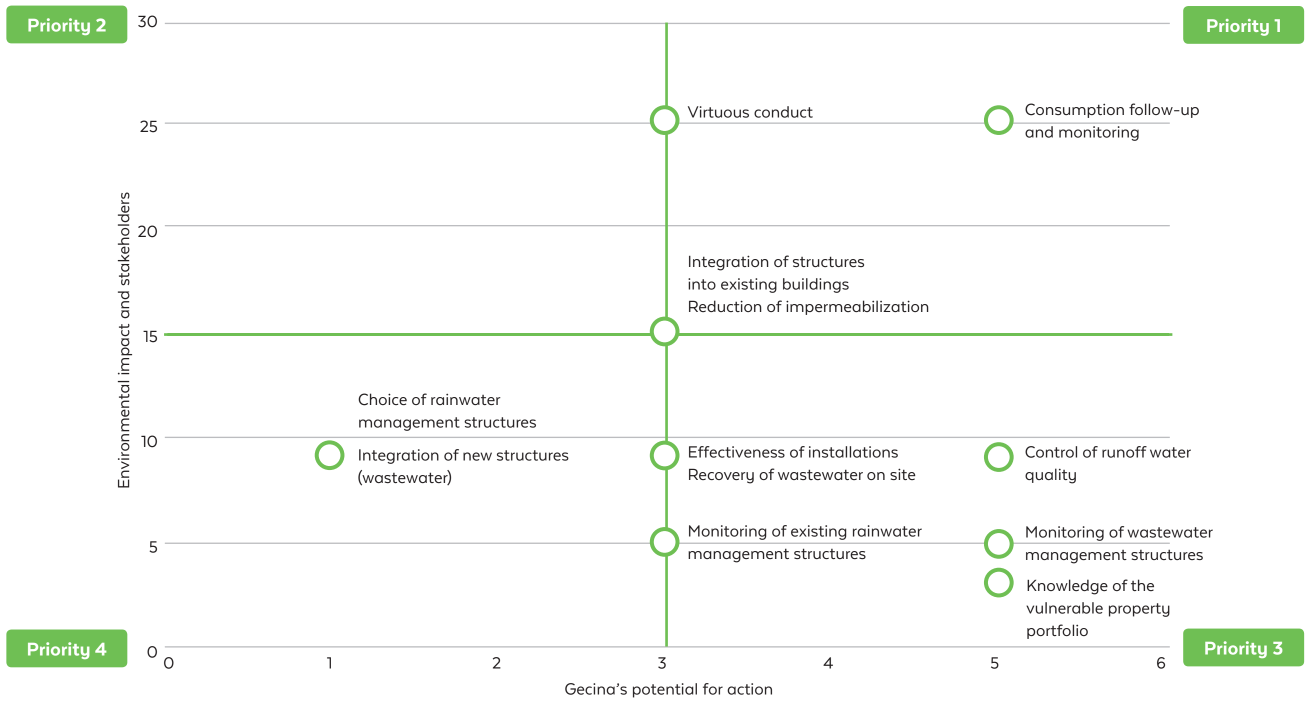
To define a strategy specific to water management for all its property holdings and identify new improvement actions to carry out, Gecina has chosen to be assisted by 2EI. After conducting an audit of the property portfolio, the challenges were prioritized to determine the action priorities on construction programs and buildings in operation.

Mapping of the prioritization of issues – design and construction phase



(source: 2EI, report on the establishment of the water management strategy on building assets – Gecina real estate – 12/07/2015)

Mapping of the prioritization of issues – operation phase



(source: 2EI, report on the establishment of the water management strategy on building assets – Gecina real estate – 12/07/2015)

For each of the issues identified, one process sets out the actions to be implemented. These could result in the treatment of another issue, given their level of inter-dependency. All the block diagrams make up the audit tool of the buildings of the property portfolio to determine the actions to be launched and their priority level.

7.5. Employees

Gecina's Human Resources policy is based on the issues described in the Employees pillar of the Gecina CSR policy:

- integrate CSR into Gecina's business lines;
- talents and skills;
- working conditions;
- diversity and equal treatment.

To ensure that these issues are monitored in the Group's human resources management, they have been expressed as objectives that are managed through performance indicators. These include: the percentage of training hours that integrate CSR (for the integration of CSR into Gecina's businesses), the percentage of positions filled through in-house mobility (for talents and skills); the percentage of employees who have been off work for at most three days (for working conditions), and lastly the number of professional classification levels for which the wage gap between men and women is greater than 3% (for diversity and equal treatment).

The following sections describe the action plans implemented for each of these issues and the level of achievement of outcomes with respect to the objectives set. A summary of the results is also presented in Chapter 7.2.3. "Table of non-financial indicators"). The level of achievement of action plans can be accessed on the Gecina website (http://www.gecina.fr/en/csr/policy-and-performance.html).

The reporting scope for social indicators covers all of Gecina's staff. All Group employees are covered by a collective bargaining agreement: the real estate industry collective agreement for head office personnel, while building personnel are covered by the collective bargaining agreement for caretakers, concierge and building maintenance employees.

The Group has no employees working outside of France (see section 7.2.2. "Summary of the reporting scope"). Some of these social indicators have been verified with a reasonable level of assurance by an independent organization (see section 7.2.2.3. "External verification of non-financial information").

For Gecina, 2015 was the year of the realization and deployment of many projects initiated in 2014 on the basis of the new operational organization (see 2014 Reference Document page 289), in particular in terms of employee development to adapt to these challenges.

7.5.1. INTEGRATE CSR INTO GECINA'S BUSINESS LINES

Integrate CSR into Gecina's business lines
KPI: % of hours of training dedicated to CSR
2016 objective: 30%

7.5.1.1. INVOLVING TOP MANAGEMENT IN CSR

The presence of the CSR function in the Group's Executive Committee facilitates the integration of CSR issues into Gecina's overall strategy and management of its business. In addition to regular discussions within the Executive Committee on the subject, there are monthly reviews dedicated to the progress of CSR action plans (see section 7.1.4.2. "CSR governance and management").

To ensure that the operational issues are consistent with the corporate strategy, guidelines and action plans are formalized as objectives set for all the members of the Management Committee who, in their turn, adapt them to all managers. These objectives are different from the recurring tasks linked to the position and serve to assess whether a measurable performance has been achieved. The results obtained determine the amount of the bonus to allocate to employees each year. Aside from these Business, Financial and Management criteria, since 2014, these objectives include a CSR criterion that represents between 2% and 15% of the four criteria togetherv.

Depending on the profession of the employee, objectives defined according to these criteria can be linked to one or several issues identified in the CSR policy.

In this respect, in 2015, the performance of each member of the Management Committee was assessed based on the results obtained in the adaptation or creation of the processes required to deploy CSR action plans.

7.5.1.2. PROMOTE EMPLOYEE AWARENESS OF CSR ISSUES

Throughout 2015, various awareness actions were carried out directed at employees, according to news and issues then current.

Gecina organized two days of dialogue in April and June, as part of its commitment to promote equal opportunity in education. Twenty-seven students from a rural junior high school were therefore able to learn about the working world and discover the professions and organization of a company. During the first day, five workshops were organized presenting real estate professions. They were run by a two-person team made up of a manager and a supervisor. The students also visited an office building reconstruction site. On the second day, they explained what they had understood about Gecina's businesses and functioning to Group employees.

During the Sustainable Development Week in June, Gecina employees heard the testimonies of members of the Surfrider association, to raise awareness about environmental protection. They also viewed videos of employees who wanted to share their vision of CSR in their everyday work. The awareness-raising campaign ended with a visit to an exemplary reconstruction site, in particular with respect to energy use.

Since September 2015, to encourage employees to use public transportation more often and thus contribute to reducing its carbon footprint, Gecina has increased its contribution to the cost of public transport passes, from the legal 50% subsidy to 70%.

In November, the European Disability Employment Week featured a dedicated awareness-raising event that was attended by nearly 150 employees. During the event, participants learned how to prepare floral centerpieces for tables under the supervision of people with disabilities from a specialized institution, or had massages performed by sight-impaired physiotherapists. Throughout the week, 26% of the company's employees answered a quiz to raise awareness about disabilities at work.

The same month, the European Week for Waste Reduction provided another opportunity to raise employees' awareness of recycling and waste conversion. To this end, in addition to the useful tips published on the intranet, a film made with the participation of Group employees and the support of companies employing people in adapted and protected work environments was projected to inform employees about the Group's recycling efforts.

In addition to these periodic activities, the Group drew on one-off contributions by employees with CSR-specific expertise to raise the awareness of the various stakeholders during team or working meetings. This was the case, in particular, for the ISO 50001 energy certification project.

7.5.1.3. TRAINING EMPLOYEES IN CSR

In 2015, the Group organized specific CSR training concerning environmental themes (energy, environmental certifications) societal themes (risks, responsible purchasing) and social themes (awareness of working with display screen equipment, disability in the workplace, awareness of intergenerational cooperation). The training hours dedicated to these themes were increased, rising from 2.6% to 4.3% of total hours of training provided between 2014 and 2015. They represented a total of 414 hours in 2015.

Following on from the approaches taken in 2014, the training program incorporated CSR into all the relevant themes. Thus, in 2015, CSR was incorporated into 1,701 training hours representing 17.7% of the total hours of training provided to 63% of the Group's employees. This result, slightly down on 2014, when the proportion of training incorporating CSR represented 22.6% of training hours, is linked to the importance given this year to training courses dedicated to new IT tools.

7.5.2. TALENTS AND SKILLS

Talents and skills
KPI: % of positions filled through in-house mobility.
2016 objective: > 25%

Mapping of positions

Under the Group's Prospective Management of Jobs and Skills (GPEC) policy, in 2014, the company mapped jobs occupied by administrative personnel in the Group. This Human Resources-guided project resulted in the updating of job descriptions by department, consistent with the levels of responsibility and autonomy within the teams. In all, 180 job titles were concentrated in 15 skill sectors.

This mapping, a genuine recruiting, training and mobility tool, reinforced by a company-wide agreement signed by the social partners, has been published on the Group's intranet site since July 2015.

Furthermore, a succession plan for Group directors was formalized and presented to the Governance, Appointment and Compensation Committee in July 2015. For these 35 directors, the Group has identified one or more persons who can take over immediately, in two or three years, or in more than three years.

7.5.2.1. WORKFORCE

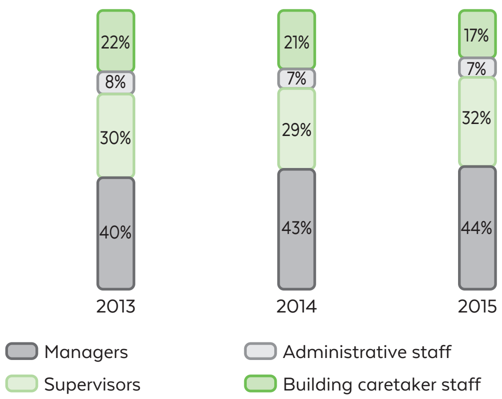
In 2015, the number of Group employees fell by 5.5% from 473 persons at December 31, 2014 to 447 at December 31, 2015. This trend, which began a few years ago, is a reflection of Gecina's strategy to refocus on the office business. It primarily concerns the workforce assigned to the management of buildings that are no longer included in the property portfolio (a 23.5% reduction in building staff and a 9.1% reduction in administrative staff).

As at December 31, 2015, employees under indefinite-term contracts represented 92.2% of the total workforce, a 7% drop compared with 93.7% in 2014. The share of the temporary workforce (fixed-term contracts and people on work-study contracts) in the total workforce rose slightly compared with 2014 (7.8% *vs* 6.3%). This is mainly due to the recruitment of employees with fixed-term contracts, needed to cope with temporary increases in business activity or staff replacements.

Status of workforce ☑

	2013			2014			2015			Change
Category	Men	Women	Total	Men	Women	Total	Men	Women	Total	2015-2014
Management staff	100	100	200	99	104	203	98	100	198	-2.5%
Supervisory staff	27	125	152	28	111	139	30	114	144	3.6%
Administrative staff	17	22	39	12	21	33	15	15	30	-9.1%
Building and caretarker staff	44	66	110	40	58	98	30	45	75	-23.5%
TOTAL WORKFORCE	**188**	**313**	**501**	**179**	**294**	**473**	**173**	**274**	**447**	**- 5.5%**
Of which:										
Permanent contracts	177	294	471	168	275	443	159	253	412	-7.0%
Fixed length contracts	11	19	30	11	19	30	14	21	35	16.7%

Changes in workforce distribution



Breakdown of staff by status is consistent with the direction of the Human Resources policy. The decreased representation of caretaker staff, from 22% of employees in 2013 to 17% in 2015, is in line with the reduction in the residential property portfolio. The proportion of administrative employees and supervisors has remained stable over the last three years, in as much as, regarding this category, persons who leave the company are generally replaced. The percentage of management staff grew from 40% in 2013 to 44% of total staff in 2015, reflecting a growing need for qualified persons in skilled positions.

In 2015, the average age of employees with indefinite-term contracts was 46.3 years. This figure has not changed from 2014, mainly because of retirements that took place during the year bringing the rate of representation of the highest age group (60 years and over) down from 8.6% in 2014 to 7.5% in 2015. The average length of service of employees with indefinite-term contracts remains unchanged and has been stable for the past three years (14.3 years in 2015 and 14.5 years in 2013).

The average age is 45 years for management staff, 47.4 years for non-management staff and 36.5 years for the 21 people recruited under indefinite-term contracts during the year.

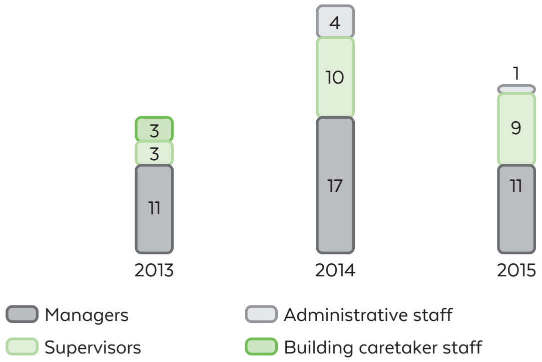
There was only one recruitment in the under-26 age group corresponding to a "Generation Contract" recruitment objective, bringing their rate of representation down from 1.8% in 2014 to 1.5% in 2015. In contrast, there were seven recruitments in the 26-29 year age group and two departures during the year, raising their rate of representation from 2.9% in 2014 to 4.1% in 2015.

Breakdown of workforce by age group ☑

Percentage of employees with permanent contract in Decembre 31, 2015	2014	2015
Under 26	1.8%	1.5%
26 to 29	2.9%	4.1%
30 to 34	11.1%	9.7%
35 to 39	13.1%	12.9%
40 to 44	16.5%	17.2%
45 to 49	14.2%	14.6%
50 to 54	18.3%	18.0%
55 to 56	6.1%	7.0%
57 to 59	7.4%	7.5%
Over 60	8.6%	7.5%
TOTAL	**100.0%**	**100.0%**

7.5.2.2. HIRES AND DISMISSALS

Changes in indefinite-term contract recruiting



In 2015, 21 employees were recruited under indefinite-term contracts. This was 10 less than in 2014, a year that was marked by the setting up of a new organization. One of these recruitments corresponds to the conversion of a position that was initially created as a fixed-term job into an indefinite-term contract. 52.4% of these recruitments concerned managerial positions in the operational professions, while 28.6% of them concerned job creations primarily related to the development of student residences.

Changes in workforce

Category	Genger	Workforce at 31/12/2014	Permanent contracts: Incoming	Outgoing	Change of status +	Change of status -	Fixed length contracts: Incoming	Outgoing	Workforce at 31/12/2015	Change 2015-2014
Management staff	M	99	6	6			1	2	98	-1.0%
	W	104	5	12	2		6	5	100	-3.8%
Supervisory staff	M	28	4	3			4	3	30	7.1%
	W	111	5	8	1	2	14	7	114	2.7%
Administrative employees	M	12		2			21	16	15	25.0%
	W	21	1	1		1	21	26	15	-28.6%
Building and caretaker staff	M	40		8			123	125	30	-25.0%
	W	58		12			51	52	45	-22.4%
TOTAUX		**473**	**21 ☑**	**52 ☑**	**1**	**1**	**241 ☑**	**236**	**447**	**-5.5%**

Aside from specific positions that require a certain level of expertise or technicality, nearly all the Group's recruiting is handled in-house. Since February 2015, administrative employees have been recruited using a dedicated tool that monitors the recruitment process from the publication of the job offers until the final hiring decision. Since this tool was implemented, 6,871 resumes have been received and processed. They include 812 spontaneous applications and 6,059 applications received in response to offers published.

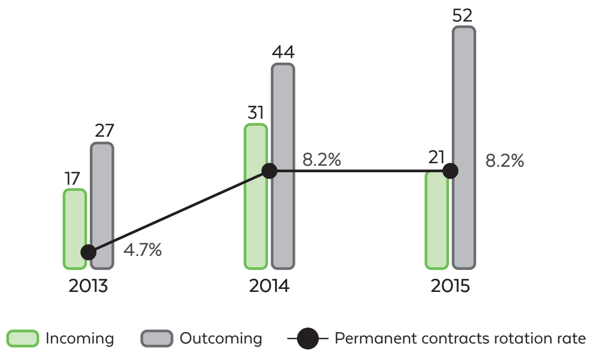
Recruitments made under work-study contracts, fixed-term contracts and indefinite-term contracts brought in 88 employees. These figures do not include the 23 interns taken in each year who are not counted among the company's workforce.

72.2% of the fixed-term contracts signed for the Group correspond to the replacement of building staff during their absence from work.

Recruitments for administrative staff under fixed-term contracts are on the rise. They correspond mainly to work-study contracts, seasonal jobs and the replacement of employees on leave.

In 2015, 52 employees with indefinite-term contracts left the Group, representing 11% of the total workforce of 473 employees as at December 31, 2014.

Changes in indefinite-term contract turnover rates since 2013



In 2015, the turnover rates for indefinite-term contracts was 8.2%, unchanged from 2014.

Departures, especially resignations, are monitored specially by the Human Resources department, who interviews each resigning employee.

Reasons for leaving (excluding Group mobility)

Reason	Gender	Resignation from a permanent contract	L. 1224-1- based transfer	Layoff	Termination for another reason	Left during permanent contract trial period	Resignation from fixed-term contract	End of fixed-term contract	Left during fixed-term contract	Voluntary retirement or pre-retirement	Compulsory retirement	Death
Management staff	M	3				1		2		2		
	W	4			5			5		3		
Supervisory staff	M	1			1	1		3				
	W	1			1			7		6		
Administrative staff	M						1	15		2		
	W						1	25		1		
Building and caretaker staff	M		6		1			125		1		
	W		6		1		1	51		5		
TOTAL	**288**	**9**	**12**	**0**	**9**	**2**	**3**	**233**	**0**	**20**	**0**	**0**

During the year, the reasons for the 52 departures of employees under indefinite-term contracts from the company were retirement (38.5%) and staff transfers due to the sale of residential buildings (23.1%). The proportion of redundancies for personal reasons or contractual termination, as well as resignations, represented 17.3%. Two out of the nine resignations were because of spouse relocations (supervisors). The seven other resignations concerned managerial employees who moved on because of higher career development prospects.

Departures at the end of the trial period represented 3.8% of departures in 2015. Half of these departures, which were due to professional difficulties, were at the employee's initiative while the other half were at the company's initiative.

7.5.2.3. CAREER MANAGEMENT INTERVIEWS

Performance reviews

The annual or six-month performance review is a management tool focused on individual and collective performance within the company steered by the department of Human Resources. This interview is formalized through a document and is an opportunity for all employees and their managers to review the past year, analyze, if applicable, how well objectives have been achieved and then assess the skills that have been acquired and those remaining to be developed.

This review is compulsory for all employees with at least six months' service in the company and is carried out in the fourth quarter of each year for administrative personnel, and in the first half of the year following the reference year for building staff. The Human Resources department performs a quantitative and qualitative monitoring of interviews each year.

For 2014, the quantitative report of June 2015 showed that 97.1% of administrative personnel and 81.9% of building staff were interviewed. At the group level, this represents an implementation rate of 94.3%, and all the interviews that were not conducted had to be justified. The stability of these rates demonstrates the high level of assimilation of annual performance appraisal interviews in Gecina's management process.

An analysis of the forms returned each year is taken into account when drafting the training plan as well as during career management interviews. During 2015, some twenty employees were accorded career management interviews following the evaluations in the Human Resources department.

Given the many development projects that took up the time of head office employees in the fourth quarter of 2015, they were given extra time to carry out the 2015 annual performance interviews. Thus, as at January 31, 2016, 60% of the performance reviews conducted for administrative staff had been submitted to the Human Resources Department for analysis.

Professional interview

In accordance with Act No. 2014-288 of March 5, 2014 relating to professional training, employment and social democracy, a Professional Interview is now systematically proposed to all employees every two years and employees who have been on maternity leave, parental leave, family support leave, adoption leave, sabbatical leave, protected voluntary mobility period, extended sick leave (over six months) or at the end of a term as a trade union representative, when they resume work.

Different from the Annual Performance Review, the professional interview is conducted by the career management team. Based on the employee's motivations and remarks, the career management team can help in preparing and implementing a professional project (job change or training).

In the sixth year, this interview must be accompanied by an assessment of the employee's professional career, in order to determine whether he has obtained the professional interviews expected and to verify whether or not he has followed at least one training course, acquired certification through training or through accreditation of prior learning (VAE), or has benefited from salary increases or professional advancement.

7.5.2.4. INTERNAL MOBILITY AND PROMOTIONS

Internal mobility

For many years now, Gecina has put internal mobility at the core of its career management strategy. Every time a job comes up, Human Resources systematically explores how to identify the most appropriate in-house profiles by getting the word out about job offers to all employees. Every internal mobility possibility is subject to a thorough review of the application file and a preliminary interview by the Human Resources Department and the manager concerned.

To promote the employability of its employees, in its second Prospective Management of Jobs and Skills agreement implemented since January 1, 2015, the Group has added two new mechanisms to the internal mobility process aimed at providing employees with in-house learning opportunities.

Temporary Assignment

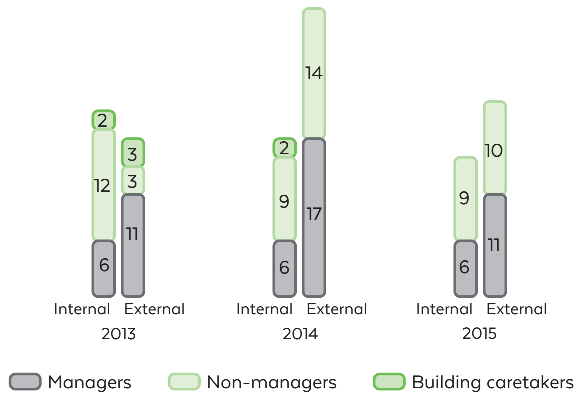
This system has been created to assist employees who wish to develop specific skills, by entrusting them with temporary assignments over a period of at least three months for one-off projects or to replace absent employees. The assignments planned in this framework are set out in an assignment letter written specifically for this purpose. Temporary assignments are not counted as internal mobility because at the end of the mobility period, the employee returns to his initial position or an equivalent position. In 2015, eight positions were proposed in-house for temporary assignments. Three applications were received and two were selected. The positions that were not filled in-house were filled with fixed-term contracts signed with external applicants.

Voluntary transfer

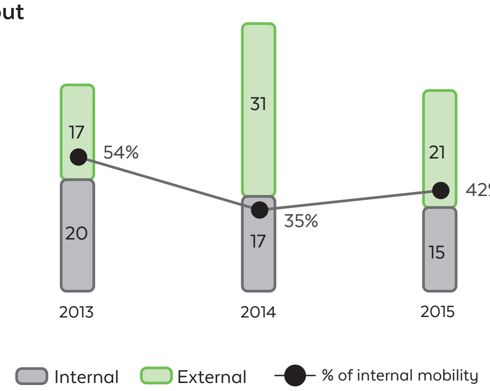
This system provides that in the event of an in-house vacancy, the Human Resources Department may contact an employee directly when this employee occupies a similar position and/or if his profile can be adapted to the need. If the employee is in the course of a training process that corresponds to the available assignment or position or if he has expressed the desire to progress in his career management, through the performance review, professional interview or through his line manager. In 2015, six employees benefited from this arrangement.

In 2015, 15 employees changed jobs through internal mobility, representing 42% of the Group's recruitment needs. If the one-off mobilities created by the reorganization that took place in 2014 are excluded, the rate of jobs filled through internal mobility rose compared with 2014, where it was 35%.

Changes in recruitment through internal mobility and external recruitments



Changes in the distribution of internal mobility in recruitment carried out



Promotions

Breakdown of promotions

		Managers	Supervisors	Administrative staff	Building caretaker staff	Total
Promoted, changed status	Men	1	1			2
	Women	5	5			10
Sub-total		**6**	**6**			**12**
Promoted, no status change	Men	1	2			3
	Women	6	5			11
Sub-total		**7**	**7**	**0**	**0**	**14**
TOTAL		**13**	**13**	**0**	**0**	**26**
Of which change in socio-professional category	Men					
	Women	2	1			3

Over the year, Gecina recorded 26 promotions for administrative personnel, 12 of which led to changes in classification in the collective bargaining grading system, with in particular two employees who were promoted to managers at the end of a specific process (Management training program – see 7.5.2.5. "Training"). These promotions represent a development of skills and/or a broadening of the responsibilities entrusted to the employees concerned.

Of the 14 employees who benefited from professional development without a change in grade, 50% were managers and the other 50% were supervisors. Of the seven supervisors, two employees broadened their field of activity while the five others integrated the management training program which will be validated at the end with a promotion.

7.5.2.5. TRAINING

To ensure the quality of the training courses provided, Gecina's Human Resources Department proposes a spot assessment to interns at the end of each training session. For 2015, the satisfaction rate of training courses proposed for the plan with a duration of at least seven hours or in line with company policy with a duration of at least three hours was 97.6%.

The annual training plan is prepared in concert with area managers. The plan is focused on the Group's strategy and technological changes and promotes the acquisition and development of the skills required of employees in their job functions. Recommendations drawn up by managers also take into account the individual desires for training as expressed by their staff during the performance appraisal interviews and those requirements identified in career development monitoring carried out by the Human Resources department.

The Group's expenditures for training in 2015 were unchanged with respect to 2014. This represented an average of 22 hours ☑, or three days of training per year per employee, and a total volume of 9,602 hours ☑.

The total budget allocated to training in 2015 rose compared with 2014 and amounted to €1,384,750, which was nearly 5% of the gross employee expenses for 2015 (compared with 4.4% in 2014). This investment represented an average of €3,100 per employee in 2015 (against €2,819 in 2014), or an increase of nearly 10% of the amount spent on training per employee.

The proportion of expenditure corresponding to the eligibility criteria defined by the law of 2015 relating to continuing professional training represents 3.75% of gross employee expenses.

Within the Group, 1.25% of the training actions defined by company policy concerned awareness-raising programs or programs to develop employee skills.

Furthermore, in line with its social commitments, each year the Group devotes its annual apprenticeship tax to paying tuition fees for young hires under apprenticeship contracts as well as assistance for schools and associations working in the field of disability or professional integration. The breakdown of the funds invested remained stable in 2015 compared with 2014, and in line with Group policy (65%, dedicated to schools, and 35% to the Group's social commitment).

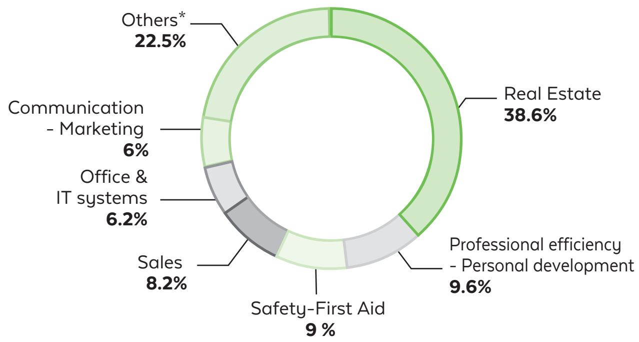
Number of employees trained by spc and by gender

	Workforce			Access to training by SPC and by gender					
SPC	Men	Women	Total	Men	% of men trained w/ relation to their representation	Women	% of women trained w/ relation to their representation	Total M + W	Total % M + W trained
Managers	**143**	**229**	**372**	**142**	**99.3%**	**234**	**102.2%**	**376**	**101.1%**
Supervisors	98	100	198	99	101.0%	102	102.0%	201	101.5%
Staff	30	114	144	32	106.7%	112	98.2%	144	100.0%
Administrative staff	15	15	30	11	73.3%	20	133.3%	31	103.3%
Building caretaker staff	**30**	**45**	**75**	**25**	**83.3%**	**36**	**80.0%**	**61**	**81.3%**
TOTAL	**173**	**274**	**447**	**167**	**96.5%**	**270**	**98.5%**	**437 ☑**	**97.8%**

Access to training by employees remains high and ensures fair access for all ages and genders. It was 97.8% in 2015, *versus* 102.1% in 2014 and 96.8% in 2013.

Building staff were less concerned by the themes addressed during the courses provided during the year (change in the IT tool).

Breakdown of training hours by field



*(incl. audit - quality - risks, special leave, finance - accounting - management - securities, CSR, legal, Languages, HR)

The Group's training plan is drawn up based specific themes classified by field. In 2015, the real estate field totaled the most hours as usual, at 38.6% of the total volume of training hours provided within the Group. That said, this year, given the technological developments and the setting up of new IT tools in departments, the emphasis has been placed in particular on support to employees in using these tools.

IT training

The training required after the deployment of new IT tools in the various businesses (Asset Management, Sales, Real Estate Management, Human Resources, etc.) was integrated into each field of activity and mobilized 3,288 hours out of the Group's 9,602 training hours, representing 34.2% of training provided. This training concerned all Group departments. The most significant change was that of the real estate IT system which mobilized all the departments. Consequently, the year was mainly devoted to the acceptance of the various tools implemented, to training and support for in-house trainers identified for their business skills. In all, 402 employees attended a presentation and/or training involving this changeover. It represented 1,387 hours or 14.4% of the total training hours for the year. This effort will be stepped up in 2016 to guarantee that all employees quickly and effectively become familiarized with the new IT tools.

Presentations of Group businesses

At the request of employees, Gecina organizes monthly presentations of its various businesses. Run by management teams from each department in one and half hour sessions, they provide employees (administrative and building staff) with the opportunity to discover the businesses as well the functioning of each department. These presentations were attended by 238 employees over the year.

Management as a development orientation

Training in setting annual objectives

In 2015, the Group extended the training courses in objective setting organized in 2014 for executive managers to other team managers. In all, 111 managers, representing 56% of management staff, have been trained over the past two years.

Management training program

The objective of this program, which was fully implemented for the first time in 2014, is to provide employees selected move to management jobs with an individualized and collective support program of at least 70 training hours to develop business and soft skills, as well as their knowledge of the company, its businesses and operational objectives that contribute to the implementation of its strategy.

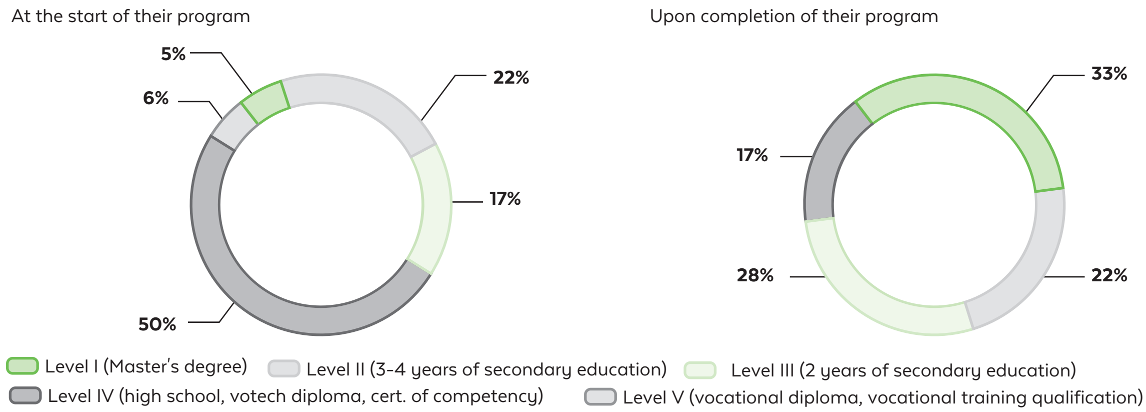
In 2015, the program integrated six new employees, thus bringing the number of future managers to 13. During the year, three of them completed the training and were promoted to managers.

The Personal Skills Development Project (PPDC)

Gecina has continued its skills development policy for employees wishing to go on a training course leading to a certificate, qualification or diploma with the support of the Human Resources Department. Since it was launched in 2012, this program, which is paid for by the company, has had 18 participants who all finished their course with an overall success rate of 83.3% and a training level that continues to improve, thus ensuring their employability.

At the end of the training, 61% of these employees changed jobs through internal mobility. Among the employees who have been promoted to managers since the program was launched, 53% had first completed a course under the personal skills development program that led to a qualification or a diploma.

Level of training of the 18 employees who completed the personal skills development program



7.5.3. WORKING CONDITIONS

Working conditions
KPI: % of employees with at least one work stoppage for medical reasons less than or equal to three days
2016 objective: 29%

7.5.3.1. ORGANIZATION OF WORKING HOURS

Within the Group, work-time and organization of work is generally based on a company-wide agreement depending on category of employee. Aside from senior managers not subject to regulations governing working time, employees with managerial status are required to work a fixed number of days on an annual basis by virtue of their responsibilities and autonomy.

Non-managerial employees are either subject to a collective variable schedule or are required to work a fixed number of hours on an annual basis if their duties include frequent travel away from the corporate head office.

Based on an average of 35 hours per week, the agreement sets a weekly variable work time of 37 hours and 30 minutes, an annual rate of 1,567 hours (for non-managerial staff) or 206 days (for managerial staff), compensated by the allotment of days off in lieu (15 or 17 days depending on the status).

Hours paid to employees over the regulatory thresholds are considered overtime hours. These hours are usually paid as and when they are worked.

For 2015, overtime hours worked and paid amounted to 1,079 hours, an increase of 360 hours compared with 2014. However, the volume of overtime hours remained low compared with previous years (1,828 hours in 2011 and 1,360 hours in 2012).

The company also offers its employees the option of working within a broad daily timetable, in order to guarantee a satisfactory work/life balance while maintaining collective performance.

Employees are entitled to adopt part time working based on various schemes. When employees apply for adjustments to working hours under the company-wide agreement for older employees, Gecina compensates a portion of the resulting loss in salary including pension contributions. Consequently, these employees may voluntarily opt to keep up their social contributions on the basis of full salary.

In 2015, the total number of employees who adopted a part-time work scheme rose 18.9% compared with 2014, from 37 to 44 persons. They included part-time employees who had been hired under a fixed-term contract.

In 2015, the employees who worked part-time were mainly women. There were 39 employees under indefinite-term contracts, 82% of which were women, who reduced their working hours. The reasons for this change in working hours were: the generation contract (41%), part-time parental leave (10.3%), and personal convenience (48.7%). There are 320 full-time employees, excluding senior managers and resident superintendants, representing 71.6% of the workforce compared with 70% in 2014.

The various organization formats

	% of working time	Number of persons at December 31, 2013	Number of persons at December 31, 2014	Number of persons at December 31, 2015	Change 2015-2014
Executive management		21	22	21	-4.5%
Annual number of working hours (based on 35 hrs/wk)	100%	8	7	6	-14.3%
Annual number of working days	From 50% to 79%			1	
	From 80% to 99%	12	12	14	16.7%
	100%	165	168	159	-5.4%
Resident building caretakers	Not subject to schedules	92	83	62	-25.3%
Employees with fixed or variable schedules (based on 35 hrs/wk)*	Less than 50%	3	1	4	300 .0%
	From 50% to 79%	5	3	2	-33.3%
	From 80% to 99%	20	21	23	9.5%
	100%	175	156	155	-0.6%
TOTAL		**501**	**473**	**447**	**-5.5%**

** Including building staff.*

In order to guarantee the best working conditions for its employees, Gecina has placed well-being and stress reduction at the heart of its preoccupations. This commitment is reflected in the collective bargaining agreements or company-wide systems set up over the years. Depending on an employee's personal situation, in addition to their annual leave of thirty days and their 17 or 15 days in lieu depending on their management or non-management status, employees may have additional leave for reasons related to family events or their personal situations, such as moving days, providing health care to family members, disabilities, etc.

The parenthood charter

Gecina signed the Parenthood Charter in 2013 and is working towards a work organization that will promote the well-being of working and also improve the productivity and performance of its employees. The welcome booklet distributed to all employees since 2014 contains information about benefits available to them. This list includes a bonus for child care, a back-to-school bonus, inter-company daycare centers, variable working hours, part-time options, leave for family events, work time adjustments for pregnant women, full salary as part of maternity/parental leave, assumption of the company's share of insurance up to 78% of the full amount, a Christmas party for children of employees, maintaining of full length of service during parental leave on the first year of absence and taking into account family-related constraints in setting up working meetings, seminars and professional travel.

7.5.3.2. HEALTH, SAFETY AND ABSENTEEISM OF EMPLOYEES

The work completed since 2013 in the area of managing psycho-social risk, which was continued in 2014 and 2015 with the implementation of an *ad hoc* committee, contributed to an unruffled social climate marked by the absence of complaints from employees about difficulties arising from interpersonal relationships. In addition, the company rejoices that no occupational related illness or death has occurred since 2013.

Thanks to the partnership established since 2014 with **Psya**, a firm specializing in the prevention and management of psychosocial risks, Gecina employees are now aware of the risk situations identified through the confidential and anonymous report drawn up periodically. In 2015, the firm was contacted for seven situations: one concerned a change of job, four were for family problems and two were for the tragic November 13 shootings.

Simultaneously, since August 2014, Gecina has been associated with **Responsage**, a multi-media news, guidance and consulting platform to help employees in supporting older dependent persons. In 2015, all the employees who assessed this service were satisfied with it, and 75% of them were very satisfied.

In 2015, the Risks department finalized **"the comprehensive workplace risk prevention assessment"** for the head office. The purpose of this document is to inventory and identify all risks that could affect the safety of all employees and to recommend actions to mitigate these risks.

For building staff, this identification led to the provision of equipment such as garbage tractors for moving trash bins and adapted housecleaning tools, thus reducing the number of employees subject to these risks.

35.2% of the 72 building employees with indefinite-term contracts were identified as being exposed to work hardship risk factors. Gecina is concerned by two of the six factors that are to enter into force on July 1, 2016: manual handling of loads and strenuous work positions. Employees exposed to these two risk factors will be given a work hardship prevention account. They will receive "hardship" points that they can use for training, part-time work or early retirement.

Absenteeism ☑

	2013	2014			2015			
	Total	Administrative staff	Building caretaker staff	Total	Administrative staff	Building caretaker staff	Total	Change 2015-2014
Average monthly FTE	489.71	375.3	101.33	476.64	359.86	78.44	438.30	-8.0%
Illness	5,429	3,141	1,306	4,447	3,591	1,328	4,919	10.6%
	3.08%	2.32%	3.58%	2.59%	2.77%	4.70%	3.12%	20.3%
Workplace or commuting accidents	622	145	319	464	119	300	419	-9.7%
	0.35%	0.11%	0.87%	0.27%	0.09%	1.06%	0.27%	-1.8%
Total illness and accidents	**6,051**	**3,286**	**1,625**	**4,911**	**3,710**	**1,628**	**5,338**	**8.7%**
Rate of absenteeism	**3.43%**	**2.43%**	**4.45%**	**2.86%**	**2.86%**	**5.77%**	**3.38%**	**18.2%**
Family leave	350	272	39	311	312	53	364	17.0%
	0.26%	0.28%	0.12%	0.24%	0.33%	0.21%	0.31%	28.1%
Maternity/Paternity	951	785	0	785	1,346	0	1,346	71.5%
	0.54%	0.58%	0.00%	0.46%	1.04%	0.00%	0.85%	86.5%
Other absences	960	719*	78	796	232	60	291	-63.5%
	0.72%	0.74%*	0.25%	0.62%*	0.25%	0.24%	0.25%	-60.0%
Total absences	8,311	5,061	1,742	6,803	5,599	1,740	7,339	7.9%
	4.96%	4.03%	4.82%	4.18%	4.48%	6.22%	4.79%	14.7%

Calculation: No of days absent/Average monthly FTE x No. calendar days or days worked.
** Other absences: 1,551 days in 2014 remplaced by 719 days after a double accounting that has impacted the related absenteeism rate that passed from 1.59% to 0.74% and a total from 1.26% becoming 0.62% after correction.*

Absences for "family events" include care for family members, exceptional leave and leave for births, marriages and deaths. "Maternity/paternity" absences are related to leave for which the company assumes 100% of the cost. "Other absences" concern the following types of leave: parental leave, unpaid leave, additional days of leave for employees with disabilities, leave for moving and leave without pay.

The days counted in leave due to "illness, work-related/commuting accidents and maternity/paternity" are expressed in calendar days. Those concerning "family events and other absences" are expressed in business days for administrative staff and working days for building staff.

Absence due to illness

There was a sharp drop in **absences of 1 to 3 days** between 2014 and 2015, both in terms of the number of employees concerned, which fell from 162 to 137 employees (from 34% of the workforce to 31% in 2015) and the number of leaves of absence, which fell from 281 to 227. The same applied to the number of cumulative days of absence from work which dropped from 499.5 to 396 days.

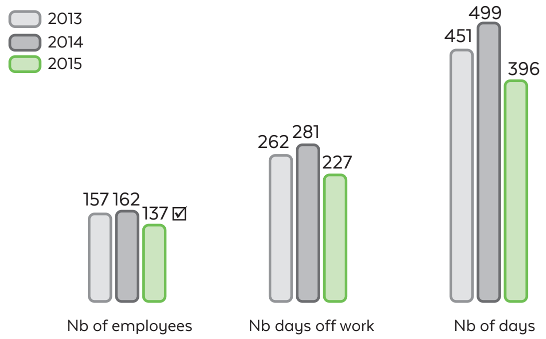
Conversely, the rate of absences rose, from 2.59% in 2014 to 3.12% in 2015. That said, although the number of days off work increased by 10.6% compared with 2014, the number of employees off work fell by 9.2%.

During the year, 216 employees took sick leave with an average 11.2 days off work per employee compared with 9.3 days in 2014.

Extended sick leave (more than 100 days) accounted for 20.7% of absences, representing 1,017 days and concerned seven employees.

Nevertheless, the number of days of sick leave linked to these long-term illnesses dropped 30% compared to 2014, when they represented 1,453.5 days.

Changes in absenteeism related to time off work for illness of less than or equal to 3 days



Cost of absenteeism

Deductions for absence due to illness less social security repayments were used for this analysis. In 2015, the cost of absenteeism for sick leave amounted to €350,000 compared with €332,000 in 2014, representing a 5.4% increase. This is primarily due to the presence among those on sick leave in 2015 of employees with a higher average salary.

Safety and working conditions

	2013			2014			2015		
	Off work	Not off	Total	Off work	Not off	Total	Off work ☑	Not off	Total
Number of workplace accidents	11	2	13	7	2	9	5	2	7
Number of commuting accidents	7	4	11	3	5	8			
TOTAL	**18**	**6**	**24**	**10**	**7**	**17**	**5**	**2**	**7**
Number of days off work for work accident	428		428	344		344	374		374
Number of days off work for commuting accident	194		194	120		120	45		45
TOTAL	**622**	**0**	**622**	**464**	**0**	**464**	**419**	**0**	**419**

Absences due to work-related accidents, work or commuting fell significantly for the third year running. It represented 419 days in 2015, compared with 464 days in 2014, down 9.7%. Of the 419 days off due to accidents, 300 days, or 71.6% of them, concerned building staff while 119 days or 28.4% concerned administrative staff. The absenteeism rate linked to these accidents was 0.27%, unchanged from 2014.

The seven employees counted on sick leave in 2015 correspond to work-related accidents and generated 76 days off work. The other 343 days off work were the result of work-related accidents or commuting accidents that occurred in 2014. These accidents were due to the following:

- four falls or slippages;
- two accidents due to wrong movements or postures;
- one accident while operating handling-storage machinery.

In accordance with commitments undertaken by the Human Resources department, a training course on movements and postures was provided for the employees concerned by accidents related to movements.

Rate of frequency ☑

	2013	2014	2015	Change 2015-2014
Rate of frequency	13.30	8.71	6.82	-21.8%
Administrative	6.53	4.96	1.73	-65.2%
Building	32.64	20.07	25.92	29.2%

Calculation = (Number of work accidents with time off x 1,000,000)/ (Number of hours worked x Average annual FTE).

The rate of frequency fell sharply in contrast with 2014, by 21.8%, from 8.71% to 6.82% in 2015. This decrease is due to the decrease in the number of work-related accidents that resulted in work stoppage.

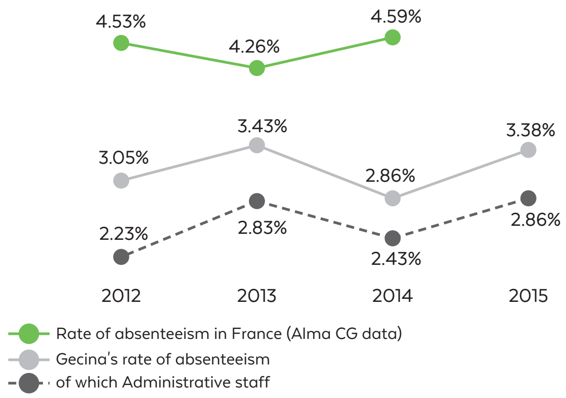
Rate of severity ☑

	2013	2014	2015	Change 2015-2014
Rate of severity	0.52	0.43	0.51	19.1%
Administrative	0.18	0.04	0.13	208.7%
Building	1.48	1.60	1.94	21.5%

Calculation = (Number of days off work following a work accident regardless of year x 1,000)/(Number of hours worked x Average annual FTE).

The rate of severity of accidents rose 19.1% in relation to 2014, from 0.43 to 0.51 in 2015. This increase is proportional to the number of days of work stoppage related to these accidents.

Comparative absenteeism rate



According to the last Alma Consulting chart published in 2015 (see graph above), in 2014, the national average absenteeism rate is 4.59%. At Gecina it accounts for 2.86%, like for like. This study included absence due to illness, work-related accidents, commuter accidents and occupational illnesses. Since 2009, absenteeism at Gecina has always been lower than the national average published by the Alma Consulting Group's barometer on absenteeism.

7.5.3.3. STAFF COHESION AND DIALOGUE

Gecina adheres to ILO principles for its own employees and extends its requirements to its relations with suppliers and subcontractors (see section 7.6.4. "Responsible purchasing"). The commitments undertaken under the Global Pact reflect Gecina's actions on this issue.

2015-2016 corporate agenda

Achievements in 2015	Projects for 2016
• Rider to the agreement relating to the "Generation contract" signed in June 2013	• Rider to the collective retirement savings plan (PERCO) regulation (Macron law adaptation)
• Rider to the agreement on professional gender equality (extension through to July 10, 2015)	• Rider to profit-sharing (Macron law adaptation)
• Rider to the agreement establishing a time off for Residences staff reached on February 13, 2007	• Rider to the collective agreement relating to classifications and career management of administrative staff
• Rider to the collective agreement relating to classifications and career management of administrative staff signed in September 2007	• Generation contract agreement
• Agreement on professional gender equlity within Gecina	• Agreement on Residences staff classification
• Agreement on workers with disabilities of the UES Gecina	• Electoral draft agreement
• Agreement for the extension of terms of Employee delegates of the Works Council (until March 8, 2017)	• Profit-sharing agreement
• Annual Mandatory Negociations for 2016 agreement	

During 2015, regular and special meetings with the Works Council, staff representatives and members of the Health, Safety and Working Conditions Committee (CHSCT), and meetings to review the various corporate agreements provided 54 occasions to discuss collective or individual employee issues relating to working conditions at the company.

As guarantor of the law and of maintaining quality social dialogue, Gecina set up personnel representative elections in March 2012 with over 72% of company employees participating. On this occasion, staff representatives and Works Council members were elected for initial terms of office of two years, extended by an additional two years through to March 8, 2016.

On November 30, 2015 and by mutual consent, the signatory parties decided unanimously to extend the mandates of personnel representatives to the works council and UES Gecina personnel representatives for a maximum period of 12 months, *i.e.* up till March 8, 2017.

Conversely, the Health, Safety and Working Conditions Committee held new elections on December 18, 2014. This election, held during a Works Council meeting, brought in two new committee members for a term of two years.

These bodies have the task of representing all of the company's employees and defending their interests in the face of the employer during periodic meetings or organized negotiation sessions set up by the employer.

To accomplish this, each elected body has standing and alternate members, who in 2015 were broken down as follows:

Breakdown of standing and alternate members for each personnel representative bodies

	Standing members	Alternates
Employee representatives	6	5
Works Council members	6	4
Health and Safety and Working Conditions Committee	6	2

Trade union representatives are appointed by their union. Their role is to negotiate company-wide agreements (Prospective Management of Jobs and Skills, incentive plans, working hours, professional equality, mandatory annual salary negotiations, etc.).

In 2015, 100% of collective agreements due to expire were renewed following negotiations in accordance with the corporate agenda presented above. The total number of complaints brought before Management during monthly meetings with staff representatives came to 21 for the year, while there were no complaints during six of the twelve meetings.

The Works Council was consulted 14 times about projects related to acquisition plans, legal obligations (social indicators, new agreements, etc.).

In addition, each year the Group sets aside an amount equal to 1.6% of employee expenses to finance the Works Council's operating budget and social actions. In 2015, the total budget allotted to the Works Council was €447,000.

Internal opinion barometer

In 2015, for the first time, Gecina proposed an internal satisfaction barometer to all its employees. This questionnaire, administered by an independent consulting firm, proposed that employees take part in an anonymous survey, either on-line or in paper form for employees with no access to computers.

The participation rate was 71%, with an average satisfaction rate of 74%.

The consulting firm presented the results to all employees with the support of the company's management teams. At the end of these presentations, workshops and round-table conferences were organized with volunteer employees to draw up action plans on specific topics that had been identified beforehand.

7.5.3.4. PROFIT SHARING AND INVOLVEMENT OF EMPLOYEES IN GECINA'S PERFORMANCE

Gecina's compensation policy is based on a balance between the Group's ability to increase revenue and profitability and the proportion distributed to employees through its salary policy. The general level of salary increase is established with the unions during the mandatory annual negotiations which in 2015 produced agreed minutes signed off by both parties.

The amount determined for the general increase applicable on January 1, 2015 was 1% and is intended solely for non-management employers employed in the company prior to September 1, 2014.

Compensation

In euros	Administrative staff	Building caretaker staff	Group
Amount paid out*	3,322,999	32,150	3,355,149
Gross employee expenses	25,477,960	2,471,658	27,949,617
Percentage of employee expenses	13.0%	1.3%	12.0%

** Including loyalty bonus, anniversary bonus and tutoring bonus.*

An envelope specifically intended for individual increases and bonuses is set aside to reward employees on merit. These individual increases and bonuses are allocated each year on the basis of results of the annual assessment and performance with regard to the targets set for the employee. Their amount lies within the bracket established for each person's level of responsibility.

All employees with indefinite-term contracts are entitled to a variable bonus, provided they have been with the company for at least six months during the reference year. The amount of these premiums is defined based on the results achieved by each manager employee in relation to the objectives set, or, for non-management staff including building staff, in relation to one-off projects executed. The objectives must be set in relation with the corporate strategy and their success must be assessed at the end of the year to determine each employee's contribution to the company's performance and the amount of the variable bonus to be allocated.

The sales teams benefit from a variable bonus rule specific to their activity.

In 2015, 94.3% of the 262 administrative employees eligible received a variable bonus. This represented 247 persons. For administrative employees, the difference observed between the eligible employees and those who received bonuses was 5.7%. For the 15 employees concerned, this is because they failed to reach their objectives.

For the same reason, the proportion of total beneficiaries was 93.4% compared with 94.7% in 2014.

Gross median monthly salary in the group

Median monthly salary In euros	2013	2014	2015	Change 2015-2014
Managers	4,852	5,019	5,024	3.4%
Non-managers	3,204	3,256	3,312	1.6%
Building caretaker staff	2,245	2,331	2,441	3.8%

The gross median monthly salary is calculated based on the number of employees with indefinite-term contracts, excluding corporate officers, who were with the company in December 2015. The salary taken into account is the fixed annual basic salary excluding variable remunerations but including the 13th month and long-service payments. The total is divided over 12 months. For administrative staff, this value is 100% for part-time and building staff on a pro rata basis of presence in the company.

Average individual and general raises by gender and category

		% increase CWR + IR 2014			% increase CWR + IR 2015		
Category		Total	M	W	Total	M	W
Managers	**Individual raise (IR)**	**2.52%**	**2.39%**	**2.68%**	**2.19%**	**2.27%**	**2.08%**
	Company-wide raise (CWR)	*1.33%*	*1.28%*	*1.34%*	*0.94%*	*0.95%*	*0.94%*
Non-managers	Individual raise (IR)	1.21%	0.88%	1.29%	1.15%	1.17%	1.14%
	Total raises, non managers	**2.54%**	**2.16%**	**2.63%**	**2.09%**	**2.12%**	**2.08%**

Despite economic growth and a low inflation level, Gecina maintained a relatively average increase of salary level of 2.19% for management and 2.09% for non-management staff, which comprised a significant portion of general increase. The overall increase in salaries for the year (general and individual) represented 2.2% (against 2.52% for management staff and 2.54% for non-management staff in 2014).

Regarding building staff, only general and collective bargaining increases were applied.

It must be noted that the total compensation package includes access to a Group Savings Plan with employer's contribution and as well as access to capital increase for employees.

A Group Savings Plan (PEG) is designed to receive savings from employees *via* four mutual funds with diversified profiles (money-market, balanced, European equities and bond solidarity funds) and one mutual fund invested in the company's shares. The PEG benefits from an employer's contribution of up to €2,100 gross per employee depending on the amounts invested.

The gross profit-sharing paid in 2015 for 2014 amounted to a total of €3,344,106 representing 11% of the 2014 payroll while the employer's contribution paid in 2015 by Gecina for the PEG or PERCO (Collective retirement savings plan) amounted to €832,000 (€724,000 for administrative staff and €108,000 for building staff).

The amounts paid as variable collective compensation including profit-sharing and investments supplemented income further by 4.6% between 2014 and 2015.

The company-wide variable compensation

	Paid in 2014 for 2013	Paid in 2015 for 2014	Change 2015-2014
Average amount of the company-wide variable compensation	**5,986**	**6,262**	**4.6%**

Employee shareholding

As at December 31, 2015, Group employees held 646,140 Gecina shares directly and 76,344 Gecina shares indirectly *via* the Gecina employee share ownership plan ("FCPE Gecina actionnariat"), representing a total of 1.14% of share capital.

Performance shares

In December 2014, the company decided to delay to early 2015 the implementation of the performance share awards plan in order to make performance criteria of the plan consistent with the strategy validated by the Board of Directors. Beneficiaries of performance shares are designated from among the corporate officers and employees bound by an employment contract to the Gecina Group on the date of allotment. These beneficiaries held less than 10% of share capital (Article L.225-197, II, paragraph 3 of the French Commercial Code).

The vesting period of the 2015 plan has gone from two to three years, bringing the total duration of the plan to five years (three-year vesting period and two-year lock-up period).

The performance shares allotted will effectively vest at the end of the vesting period provided the two performance conditions of the plan, which are structured as follows, are met:

- 75%: comparison between Gecina's stock price trend and the Euronext IEIF SIIC France gross index (dividends reinvested);
- 25%: the ratio between Gecina's Triple NAV net dividends per share compared with a Group of seven French real estate companies (Foncière de Paris, Foncière des Régions, Icade, SFL, Tour Eiffel, Eurosic, Unibail).

Detailed information on these performance shares can be found in Chapter 6.4 "Stock options and performance shares".

7.5.4. DIVERSITY AND EQUAL TREATMENT

Diversity and equal treatment
KPIs: Number of professional classification levels for which the wage gap between men and women is greater than 3% (administrative population excluding Comex)
2016 objective: 0/7

7.5.4.1. DIVERSITY POLICY

Since 2010, the Group has been involved in the promotion of diversity and equal opportunity, in particular with regard to the agreements signed with social partners over the years concerning gender equality, employment of the youth and seniors, disabled persons or the Prospective Management of Jobs and Skills (GPEC). Changes to and performance of action plans implemented are evaluated through a body of indicators shared during the half-year follow-up commissions with personnel representatives.

A signatory of the **Diversity Charter** since 2011, Gecina promotes diversity through its recruitments and the career management of its employees.

The Group signed the **LGBT Charter** on October 27, 2015. This charter was created in 2012 with the aim of driving forward the agenda on sexual orientation and sexual or gender identity within a professional context to ensure an inclusive work environment for lesbian, gay, bisexual or transgender persons (LGBT).

In 2015, Gecina continued its partnership with the **"Our Neighborhoods Have Talent"** organization by supporting young university graduates in their job search. Since this program began in 2012, 80 young people have been monitored and 29 of them have found jobs. Currently six young people have been assisted by Gecina volunteer employees, who dispense advice and methods for CV drafting, how to get through hiring interviews, etc. during their meetings and exchanges.

Gecina also won the **2015 Victoire d'Or for "CSR, Gender Equality & Diversity"** as well as a special mention for its HR policy in the "Building" category at the "Victoires des Leaders du Capital Humain" awards, which was organized in December 2015 by the Décideurs magazine.

7.5.4.2. DISABILITIES POLICY AND EMPLOYMENT OF PEOPLE WITH DISABILITIES

In October 2015, Gecina signed its first agreement with the social partners for the employment of people with disabilities. This agreement is the culmination of the efforts made for several years now to improve the employment rate of people with disabilities. In 2012, when the Group had only 2.5% of disabled employees, far from the legal threshold of 6%, Gecina decided to seek the support of Agefiph, the French fund management association for the professional insertion of the disabled, to define an ambitious employment policy in favor of disabled persons.

This two-year agreement, signed in 2013, was aimed at improving the company's situation both from a quantitative point of view (recruitment rate, rate of continued employment, acknowledgment of disabilities, etc.) and from a qualitative point of view (changing perceptions of disability, induction of new employees with disabilities, career management, etc.).

In 2015, the Group recruited seven people with disabilities, two of whom had indefinite-term contracts and five with fixed-term contracts. This is higher than its target of two recruitments per year. In addition to these recruitments, 11 employees already in the company carried out voluntary formalities to have their disability recognized. Furthermore, six interns were taken in thanks to partnerships signed with Agefiph and professional retraining centers.

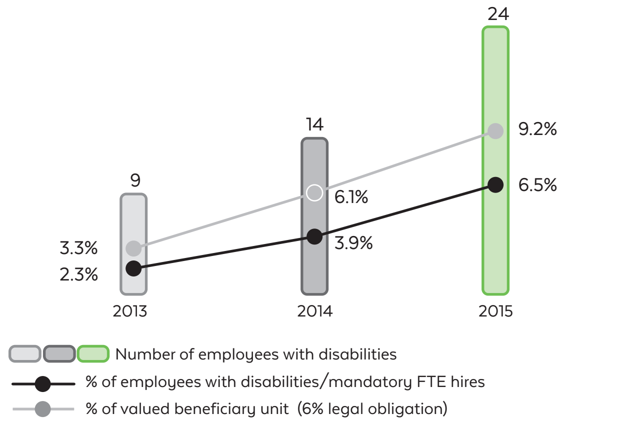
In accordance with the commitments made, the career management of employees with disabilities is monitored specifically to prevent all risks of discrimination and to ensure that their workstation is adapted to their disability. The workstation readjustments resulting from this process concerned 20% of all employees with disabilities. No case of discrimination was observed. Access to training concerned 87.5% of these employees.

The collaboration with companies employing people in adapted and protected work environments) generated 3.13 beneficiary units (BU) compared with an annual target of 2 BU. The services provided by persons with disabilities primarily concerned landscape maintenance, printing and copying, waste collection and recycling at the head office, printing, copying and audiovisual services, massages and flower composition activities.

Gecina also provided training actions that raised the awareness of over 81% of employees to disabilities.

The objectives achieved were assessed during a review conducted at the end of the two years of the agreement on all six areas: awareness-raising, communication, training, recruitment, continued employment and collaboration with companies employing people in adapted and protected work environments. As at December 31, 2015, Gecina had an employment rate of persons with disabilities of 9.2%, well above the mandatory 6%. The number of employees with disabilities rose from 12 persons in 2012 to 24 persons. They are employed in nearly all the company departments. As such, the company was not subject to the payment of the contribution AGEFIPH.

Changes in the rate and number of employees with disabilities



7.5.4.3. EMPLOYABILITY OF OLDER PERSONS AND THOSE UNDER 26

In June 2013, Gecina signed a three-year agreement with its social partners concerning the "Generation Contract". This corresponded to three objectives: foster access to permanent employment for young people under the age of 26 (or 30, if they have been recognized as disabled workers); promote the hiring and continued employment of older people by proposing specific age-related measures, starting from the age of 45; encourage the transfer of knowledge and skills between different generations.

At Gecina, the measures recommended in the Generation Contract are monitored jointly every six months with employee representatives. Built into the Group's HR processes, they contribute to the Prospective Management of Jobs and Skills, mirroring Gecina's corporate social commitment.

The results achieved in 2015, two years after the signature of the agreement, were positive for all the objectives.

Recruitment

The recruitment rate of people under 26 is 15%, in line with the objective set. The recruitment rate for job applicants over 45 is 22%, well above the objective of 5%.

Keeping older workers on the job

Seniors represent 22% of the total workforce compared with an objective of 20%. Older workers have a rate of access to training of 19%, which is slightly lower than their proportion in the workforce.

The measures that were the most used among those proposed under this framework were collective and individual interviews with pension funds to prepare for retirement, HR interviews for adapting the work environment to improve difficult work situations, and part-time work for older staff with the partial payment of their remuneration.

In 2015, some 34% of employees over 50 had interviews while part-time work concerned 21 % of employees entitled to this measure.

Transfer of knowledge and skills between generations

All persons under 26 who were hired were supported by a sponsor who wanted to facilitate their integration during their first six months in the company.

Lastly, to address cross-cutting themes related to intergenerational cooperation, the company organized a play during the year.

The company's work-study policy

During 2015, Gecina continued to support the student apprenticeship promotion program begun in 2011. It took in 19 young students in nearly all departments during the 2014-2015 academic year and 14 for the 2015-2016 academic year, at initial training levels of one to five years of university studies. Most of the courses being studied by the beneficiaries of the apprenticeship or professionalization contracts are in the real estate sector and concern first degrees or postgraduate degrees. This system makes it a little easier for young graduates to find their first jobs. An assessment was conducted at the end of the 2014-2015 intake. It revealed that of the 13 people who had validated their Master's degree, 2.46% had signed indefinite-term or fixed-term contracts (23% with Gecina), 38% were still looking for a job while 15% continued their studies.

7.5.4.4. GENDER EQUALITY

Gecina has been committed for several years now to promoting gender equality within the Group. The various measures, in particular the action plan in place since 2011, are testimony to the Group's continued interest in diversity as well as its commitment to the principle of non-discrimination.

For its second three-year agreement, the signatories reached a general consensus about the need to define the progress objectives concerning gender equality, identify the actions required to meet these objectives and indicators to assess their implementation. The priority areas of action are as follows:

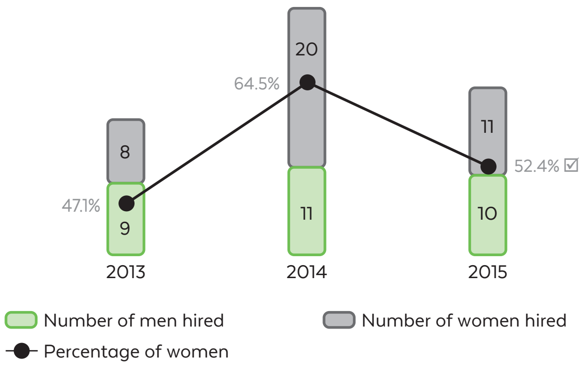
- ***Continue communication and awareness-raising actions***

To fight against stereotypes and preconceptions, it is necessary to continue to raise employee awareness to diversity, present the main outlines of the corporate policy with respect to gender equality in the workplace and to inform employees about the legal and contractual provisions relating to the rights of parents as well as existing financial support.

- ***Promote diversity of employment and a male-female balance during recruitments***

Through its policy, Gecina wishes to promote the diversity of its employment and give equal access to career opportunities. Job offers are written based on job descriptions that were all updated in 2015, to favor the diversity of profiles interviewed, on condition that there is a diverse range of applications received with equivalent skills. Lastly, it pays special attention to diversity in its business line segments, as well as fair access to senior positions.

Breakdown of genders among indefinite and fixed-term contract



In 2015, women accounted for 52.4% of recruitments for indefinite-term contracts with 45.5% in the management staff category. Of 79 applicants interviewed 58% were women. This year, the percentage of women in the workforce is 61.3%, slightly down on 2014, when women accounted for 62.2% of the workforce. This drop is reflected in the number of employees under indefinite-term contracts, since the proportion of female employees dropped from 62.1% in 2014 to 61.4% in 2015.

The impact of recruitments with indefinite-term contracts maintained the average age of women at 45.9 in 2015 compared with 46.2 in 2014. In comparison, the average age of men was 46.8 in 2015 compared with 46.6 in 2014.

The Group's commitment to diversity is also reflected in its governance bodies.

As at December 31, 2015, the proportion of women on Gecina's Board of Directors was 50%, compared with 33% as at December 31, 2014.

Gecina was rewarded for this in 2015 when it ranked 5th on the barometer of feminization of SBF 120 companies. Its policy on the feminization of the Board of Directors and other company management bodies has been praised by the French Ministry of Social Affairs, Health and Women's Rights.

- ***Promote equal treatment***

Gecina has reaffirmed its determination to manage its entire workforce in line with the values set out in its ethics charter. It has therefore committed to implementing a compensation, training and career development policy that guarantees equal treatment between men and women working in the company.

Compensation is linked to the level of training and experience acquired as well as the type of duties assigned. It does not in any way take into account the gender of the person recruited. The company guarantees the same level of classification and starting salary for men and women for all the socio-professional categories for the same position, function and experience.

Salaries are monitored in the company on the basis of the annual comparative status report on professional gender equality. Since 2010, corrective measures are taken for each unjustified difference in compensation of over 3%, at equivalent position, skills, level of qualification and work experience (see dedicated envelope in the section below "Overall salary increases by gender"). No significant difference was observed between the compensation of male and female employees in 2015.

Within each socio-professional category, the analysis was prepared in accordance with the Real Estate Collective Bargaining agreement that sets out three categories: Management (C), Supervisory (AM) and Employees (E). Within the management group, classifications are based on an increasing level of responsibility (ranging from 1 to 4). At Gecina, all Management Committee (Codir) members have reached the C4 classification level, the highest in the collective bargaining agreement.

This analysis is carried out each year on administrative personnel with regard to salaries paid in December and from a representative panel of at least three persons by level and by gender. The aim is to reduce any unjustified difference when pay scales are assessed.

The C4 and E2 levels are not presented because of the limited numbers in these categories.

Wage gap in base salaries by gender ☑

		2013	2014	2015	Change 2015-2014 compared with the target (less than 3% gap)
Managers	Codir	-1%	-4%	-2%	-
	C3	2%	-1%	3%	+
	C2	3%	4%	3%	-
	C1	-2%	-3%	-3%	=
Supervisors	AM2	0%	0%	-1%	+
	AM1	1%	0%	0%	=
Staff	E3	-3%	3%	0%	-

The salary taken into account is the fixed annual basic salary (value 100%). Report (M average basic salary – W average basic salary)/W average basic salary.

In 2015, aside from the Executive Committee, the most significant gaps for all levels were in line with the objective set, plus or minus 3%.

Compliance with the objective:
In favor of women:

- Codir: the difference is -2%. The panel is relatively restricted, including nine men and four women, and a single change in personnel, resignation or hire, can change the balance in the category.
- C1 managers: the difference is -3%, the same as in 2014.
- AM2 level supervisors: the difference is -1%, up slightly compared with 2014 when no difference was observed.

In favor of men:

- C3 managers: the difference is +3%. This difference is inverted compared with 2014, when it favored women (-1%). The change is primarily due to two people who left the Group in 2015.
- C2 managers: the +3% difference is in line with the objective set by reducing the difference by 1% over a year. This change is mainly due to the impacts related to promotions from one level to another, recruitments made in this level and to employees who left the company during the year.

Gender balance:

- AM1 supervisors and E3 Employees: over the past two years, there has been stability in the AM1 category and an equilibrium in the E3 category in 2015.

Moreover, salaries are determined first depending on the profession and then on the level of experience (expressed in the classification level provided by the collective bargaining agreement).

Comparative analysis of salaries by gender and professional category (excluding Management and Executive Committees)

Annual salary	2013	2014	2015
M managers	65,077	66,792	67,355
W managers	57,630	59,227	63,300
(M-W)/W (in %)	12.9%	12.8%	6.4%
W/M Ratio	88.6%	88.7%	94.0%
M supervisors	37,963	37,940	37,604
W supervisors	38,343	38,907	39,110
(M-W)/W (in %)	-1.0%	-2.5%	-3.9%
W/M Ratio	101.0%	102.5%	104.0%
Men staff	30,818	28,336	28,881
Women staff	29,910	26,957	28,167
(M-W)/W (in %)	3.0%	5.1%	2.5%
W/M Ratio	97.1%	95.1%	97.5%

An analysis of average annual salaries over the last three years by professional category shows that the gap continues to be reduced between male and female salaries, excluding Management Committee salaries.

- For the management staff category, this gap dropped six points from 12.9% in 2013 to 6.4% in 2015.
- For the supervisor category, the ratio has been inverted and the average salaries of women is now higher than that of men. This category is made up of 78.5% of women. The difference observed went from -1% in 2013 to -3.9% in 2015.
- For the employee category, the difference remains in favor of men and dropped from 3% in 2013 to 2.5% in 2015.

To sum up, the differences observed since 2013 are linked to the renewal of generations: employees with high salaries have left the company because of their length of service and broad experience, hiring of employees who are sometimes beginners to replace these functions, promotions, etc.).

Annual salary reviews

During the annual salary review, the Human Resources Department checks, validates and decides, if necessary on the proposals made by each department. It makes sure that the salary increases are determined based on objective criteria such as level of responsibility, skills and performance.

Overall salary increases by gender

	% increase CWR + IR 2014			% increase CWR + IR 2015		
Category	**Total**	**M**	**W**	**Total**	**M**	**W**
Managers	2.52%	2.39%	2.68%	2.19%	2.27%	2.08%
Non-managers	2.54%	2.16%	2.63%	2.09%	2.12%	2.08%
of which professional equality	*0.19%*	*0.14%*	*0.23%*	*0.22%*	*0.16%*	*0.27%*

These increases include the gender equality envelope called for under compensation measures. In 2015, this envelope, amounting to €43,000, represented 0.22% of employee expenses for December of N-1. It was 14.8% more than the amount allocated in 2014.

Breakdown of training hours by gender

	2013	2014	2015	Change 2015-2014
Men	97.3%	97.8%	96.5%	-1.3%
Women	96.5%	104.8%	98.5%	-6.3%

Men and women have equal access to training. The company makes sure that the training course conditions are not an obstacle to diversity and take family constraints into account whenever possible, in line with the collective bargaining agreement relating to the Prospective Management of Jobs and Skills.

Career development

All employees must, within the limit of available positions, have a career development based solely on the assessment of their skills and performance.

The company thus guarantees that women will have access to the company's various positions under the same conditions as men, including senior management positions.

The analysis of these indicators in the Comparative Status Report shows that women are less represented at the highest managerial levels. Gecina is paying special attention to this situation, and makes sure that there is a diversity in applications during internal mobility and recruitments for senior management positions.

As at December 31, 2015, there were 21% of women in the main management bodies (Executive Committee and Management Committee). The proportion of female managers reporting to Management Committee members represented 44.1% of the company's total workforce in 2015.

Work-life balance

For many years now, the company has set up measures for organizing working hours (variable working hours, part-time and parental leave) in order to ensure a good work-life balance.

Managers have been made aware of the importance of maintaining a work-life balance and take family constraints into account, in particular by paying special attention to the time spent at work by part-time employees and the personal constraints of each employee.

7.6. Society

7.6.1. INTEGRATION WITHIN SURROUNDING AREAS

Integration within surrounding areas
KPIs: % of buildings open to their surrounding areas and home to business incubators, new ways of working, and shared services
2016 objective: 30%

7.6.1.1. BREAKDOWN OF THE VALUE CREATED BY GECINA

Gecina is positioned as an organization involved in the value creation chain of the real estate sector (see the diagram in section 7.1.1.1. "Gecina value chain") and has chosen to adopt the SIIC tax regime for listed real estate investment trusts set up in France in 2003 (see section 1.7.1.3.3. "Risks related to modifications in certain tax regimes"). Gecina operates primarily in the Paris region and introduces financing into the market on the scale of that area, as on the whole of the French economy (see detailed breakdown below).

Breakdown of Gecina cash flows by type of stakeholder ☑

		2014	2015	Change
In flow (M€)	Disposals	785	534	-32%
	Rental income	579	582	1%
	Expenses	96	96	0%
	Locare	1.0	1.2	13%
Out flow (M€)	Acquisitions	135	1 433	958%
	Utilities (energy and water)	18.1	17.6	-2%
	Construction and public work industry (construction, maintenance and small works)	147	270	84%
	Suppliers (excl. Construction/public works and utilities)	76	76	1%
	The Gecina Foundation	0.3	0.4	57%
	Employees	32	31	-5%
	Shareholders	281	290	3%
	Social security contributions	17	14	-15%
	Taxes	55	58	6%
	Banks and lenders	151	126	-17%

Direct impacts

Because of its status as an SIIC, Gecina distributes 95% of its profit and 60% of its gains on disposals of assets, thus providing individual investors the opportunity to access a category of assets suitable for establishing retirement savings. In 2015, Gecina paid out €290 million to its shareholders. With SIIC entities, the tax burden is transferred from the company, which is exempted from corporate taxes, to shareholders, who pay taxes on dividends. Direct taxes paid by Gecina amounted to €58 million in 2015, which corresponds to real estate taxes, office taxes and waste removal taxes. Furthermore, transfer taxes are generated through the regular rotation of matured assets, assessed on both disposals and acquisitions. Gecina also paid out €14 million in social security contributions.

Gecina had 447 employees at December 31, 2015. Total workforce and breakdown by gender and age is detailed in paragraph 7.5.2.1. "Employees". The "direct" economic contribution paid by Gecina to its employees, including gross salaries, profit sharing and other compensation, amounted to €31 million. Its decrease compared to 2014 is in line with the reduction in the workforce.

The Group finances a part of its development through loans and other financial transactions concluded with banks and lending institutions. Gross interest expense paid out to these establishments totaled €126 million in 2015, down sharply from 2014 as a result of various actions implemented by the Group during the year. These included new bond issues (low cost with no counterparty), debt renegotiation, and redemption of the ORNANE convertible bond.

Gecina produces economic benefits in various sectors of the economy through the development of new properties and the restructuring and maintenance of its existing assets. Due to an increase in the number of reconstruction projects, Gecina spent €270 million in the building and public works sector (construction, maintenance and small repair work) in 2015, up 84% over 2014. In 2015, Gecina also spent €18 million for utilities and just over €76 million on suppliers and service providers from other sectors such as maintenance, insurance, headquarters overheads, etc. These amounts were relatively unchanged from 2014, since the overall surface area of properties in use also changed very little over the year.

The volume of sales and acquisitions carried out during the year is determined both by the Group's set strategy and by market opportunities (see section 1.5. "Business and markets"). The volume of disposals was therefore down in 2015 (-32% from 2014), while investments rose more than tenfold with the acquisition of four existing buildings and the off-plan purchase of three new buildings.

Indirect impacts

All the financial activity directed by Gecina to its various stakeholders has an "indirect" impact on the economic activity of the locality. The taxes and contributions paid to the government and to social security administrations help to support public sector employment. Expenses incurred with suppliers and service providers also have a knock-on or "wave" effect on the economic dynamism of the various regions. In addition, compensation paid to the Group's employees, as well as to employees of companies that make up Gecina's value chain, produce an induced impact on local household consumption and help to finance public spending through taxes.

In 2014, in order to precisely determine the entire direct, indirect and induced economic knock-on effects, Gecina consulted with the Utopies sustainability firm to use its Local Footprint® methodology[16]. Using data from 2014, this method showed Gecina's total estimated impact to be over 4,900 direct, indirect and induced jobs, with 45% in the Paris region and distributed across a variety of sectors including business services, health care and social action, construction, real estate services and public administration.

In 2015, Gecina decided to supplement this study by specifying the class of jobs supported in its supply chain as well as the environmental impact of its purchases. The study showed that among its supply chain, Gecina supports jobs for skilled workers (21% of supported jobs) and jobs at businesses with fewer than 10 employees (38% of jobs supported, against a national average of 21%). The carbon footprint of its purchases is estimated at 35,300 tons of CO_2 eq., the equivalent of all emissions from its properties (including usage by lessees), and four million m^3 of water, or four times the water used by its properties. Details of this study, its methodology and results are available in the socio-economic contribution report published on the Gecina website (http://www.gecina.fr/en/csr.html).

Catalyst impacts

In 2014, the socio-economic impact study also presented, on an exploratory basis, a calculation of the catalyst impacts of Gecina's business - *i.e.*, the socio-economic contribution of Group property tenants. Estimated at 130,100 jobs supported in France, the impact of occupants of Group-owned office, residential and health facilities generates a contribution of €5.3 billion to GDP.

In 2015, the number of occupants of Gecina properties changed little as a result of the disposals, acquisitions and deliveries made during the year. All told there were 81,500 people working or living in a Gecina building in 2015 (55,000 working in office buildings, 5,000 working in health care facilities, and 21,500 living in Gecina residential buildings). This 2% change compared to 2014 is considered unrepresentative and does not alter the overall findings of the study in 2015.

Opening up buildings to their surrounding area

Given the complexity of modeling their impacts, the Utopies study does not take into account the architectural contribution of Gecina's properties the company's investment in the arts or its actions in preserving local biodiversity that promote the well-being of residents and building occupants of the area and bolster the amenities created. Neither does the study consider the strengthening of factors that constitute the immaterial value of assets nor Gecina's engagement with its stakeholders, the impacts of which are still difficult to determine in terms of attractiveness and boosting the local economy.

Nevertheless, in response to changing work and management methods, and anticipating new behaviors and practices that will impact real estate in the coming years, Gecina is experimenting with ways to make its buildings more flexible, more open and richer in services, all to promote the well-being and performance of occupants as well as regional dynamism. For example, in an office building scheduled for reconstruction, Gecina has extended a one-to two-year contract for 1,500 m^2 of shared office space managed by Bureaux A Partager. Similarly, in the Gare de Lyon area in central Paris, Gecina is providing 2,000 m^2 of office space to the startup incubator Paris&Co. At the same time, Gecina is adopting a sharing strategy by looking for ways to pool services, spaces and amenities such as meeting rooms, restaurant spaces, community gardens, fitness centers and auditoriums. Accordingly, Gecina has offered its headquarters' auditorium to the Paris Opéra Comique theater troupe to use for rehearsals while their facilities are being renovated. In addition, following a consultation, the Group selected an operator to manage the many car parks at more than 40 of its properties.

(16) *By reproducing the functioning of a local economy realistically, the LOCAL FOOTPRINT® methodology makes it possible to measure economic contribution over more than 35 different business sectors. Based on the Input-Output model prepared by W. Leontief, the Nobel Prize laureate in economics, the methodology uses a series of algorithms and coefficients emerging from work at the University of Bristol.*

In 2015, five buildings, or 4% of the portfolio, were "open" to their surrounding areas, and home to business incubators, new ways of working, and shared services. In 2016, Gecina has set a target of 30% of its portfolio to house such spaces, uses or services.

7.6.1.2. URBAN SPRAWL AND INCORPORATING LOCAL ARCHITECTURE INTO DESIGNS

The real estate industry is naturally affected by the development of the city and the experts consulted by Gecina (see 7.1.1.2.3. "The Gecina Stakeholders consultation") legitimately wish to have more information on this topic, material for Gecina and an essential component of integration in the territory.

As a corporate citizen, Gecina takes part in the planning and development of sustainable cities. Building the equivalent of a city with a million and a half inhabitants each week to cope with population growth requires a new vision of the city[17]. It is Gecina's belief that it is necessary to emphasize density as opposed to sprawl and to banish suburban areas such as the North American model.

Sprawl is a useless consumption factor in terms of network extension resources, artificial soil, the destruction of natural habitats and the breaking down of ecological continuities by fragmenting territories. It also emphasizes the needs for mobility. It is however, important to reject preconceived ideas and to understand the mechanisms at work in every densification project. A recent report from the Agence Nationale pour la Recherche (National Research Agency)[18] concludes as follows: "There is a greater number of square meters in extended cities than compact cities, all things being equal. In return, the heat island is more intense in winter, reducing heating needs. As a result, extended and compact cities have aggregated energy consumptions over the year for heating and air conditioning that are comparable in the future climate. In summer on the other hand, the urban heat island effect is more pronounced in compact cities, which, combined with the fact that people are more concentrated near the center of the metropolitan area, increases the conditions of heat stress."

And although we also want to admit that "the quality of the city will be judged not solely in terms of carbon criterion but according to its overall impact on living systems at each stage of the life cycle[19]", the difficulty of the exercise results in the pressing need, which is today clearly acknowledged, to approach the responses theme by theme using a systemic analysis and not a segmented approach.

Gecina, through its concept of responsible building, is laying the groundwork for such an approach at building level, being well aware of the difficulties of extending it to each of the following dimensions: the neighborhood, the city and the territories. The city must no longer be designed as a juxtaposition of buildings taken individually, "the result of the uncoordinated implementation of sectoral policies[20]".

Respect for the local architecture is also an issue, as is the concern expressed by some builders or contractors that marking the sites with a particular footprint may oppose heritage preservation. Gecina wants to work with architects who share this goal while recognizing the environmental, economic and social constraints of today, which are not always taken into account in the city centers of previous centuries, which were less demographically restricted and not affected by the perspective of limited global resources. On the bioclimatic plan for example, the shape of the buildings is a key issue in the optimization of energy consumption.

7.6.1.3. ART AND GECINA'S PROPERTY PORTFOLIO

For several years now, Gecina has been installing permanent and temporary works of art in its properties. A responsible player who is committed to the creation of the sustainable city, Gecina thus contributes to contemporary artistic creation in France by supporting new talent as well as established artists. The artistic works of Gecina's real estate assets are testimony to the openness of its buildings to their environment, sending out messages and questions about the transformation of the contemporary society in which they are located.

These works thus contribute to raising the awareness of building occupants to contemporary art in general, and in particular to the messages that it delivers. In so doing, they contribute to the quality of life and the physical and intellectual well-being of users in workspaces, complementing actions carried out on the immaterial value of buildings (see section 7.3.3. "Immaterial value – well-being and productivity").

To confirm and continue with this commitment, in December 2015, Gecina signed the "One Building, One Work of Art" charter launched by the French Ministry of Culture and Communication. As the first Real Estate Investment Trust to sign the charter, Gecina is thus continuing its approach to promote the local art scene by making a commitment to install works of art in its buildings under construction. Thus, works of art are associated with 17% of its in development projects.

Besides, works of arts from artists such as Fabien Verschaere, Sly2, Jan Kalab, Jean-Michel Othoniel, Stéphane Calais, Pierre Delavie and Xavier Veilhan, have been installed in 5% of Gecina's buildings and can be seen on the Internet (https://fr.pinterest.com/GecinaParis/art-patrimoine/).

(17) Jacquet P., Pachauri RK., Tubiana L. (dir), United Nations in "Regards sur la terre: villes, changer de trajectoire" (Perspectives on Earth: cities, changing trajectory).
(18) Urban modeling and adaptation strategies to climate change in order anticipate demand and energy production (MUSCADE) – 2014 Final Report.
(19) Barrat M., Hutinet L., Lecuir G., "Économie et biodiversité, produire et consommer dans les limites de la biosphère" (Economy and biodiversity, production and consumer within the limits of biosphere). Victoires Éditions – June 2014.
(20) Peylet R. "Rapport au Premier ministre, la ville durable, une politique à construire" (Report to the prime Minister, Sustainable Cities, a building Policy), May 2014.

7.6.2. RELATIONS WITH STAKEHOLDERS

Relations with stakeholders
KPIs: Satisfaction rate of outgoing residential customers (excluding students residences)
2016 objective: > 90%

Gecina identified the groups of stakeholders directly or indirectly interacting with the company at different stages of its business and throughout its value chain (see section 7.1.1.2.1. "Stakeholders' mapping"). The paragraphs below describe the details of actions carried out with the various stakeholders.

In addition, since 2013, Gecina has been conducting a multilateral dialogue process with representatives of the various stakeholders through a committee of experts meeting at least once a year (see section 7.1.1.2.3. "Stakeholder consultation").

7.6.2.1. CUSTOMER RELATIONS AND THE QUALITY PROCESS

7.6.2.1.1. A customer-oriented quality and innovation approach

Gecina has made customer relations central to its commercial and property management strategy and is determined to establish a partner relationship built on client satisfaction and attention to their needs and expectations. This determination is illustrated the company's motto "Gecina, far more than square meters". For example, the various Gecina employees concerned work actively to create the conditions for an efficient relationship with clients by improving their responsiveness and deploying the actions for improvement identified after the Group survey and satisfaction surveys:

- sales teams for new clients and prospects;
- management teams from the Real Estate Holdings Department for clients of commercial properties, conventional residential properties and student residences;
- marketing teams to support marketing and management, in particular in carrying out surveys, studies and building events.

Gecina is using an evaluation system that includes a Group survey on customer relations management, which is renewed every three years. The purpose of this survey is to:

- evaluate overall satisfaction levels for the various stages of the client experience;
- pinpoint customer expectations in the area of real estate products and services;
- identify Gecina's key strengths and areas for improvement.

The first series of surveys were carried out in 2013 by the Ipsos Institute with a sampling of key accounts for corporate customers and with individual customers for residences. Health facilities were not included in the survey due to the specific nature of that market, where tenants assume responsibility for all building operations.

The results concerning the primary survey indicators are presented in the table below:

Group barometer survey's results

(average score out of 10 excluding the recommendation rate)	Conventional residential property	Campuséa students residences	Offices
1. Overall satisfaction with Gecina	6.7	7.1	7.5
2. Overall satisfaction with the relationship	7.1	7.5	7.5
3. Overall satisfaction with the quality of facilities	6.4	7.2	6.9
4. Overall satisfaction with the quality of services	6.3	7.1	7.1
5. Recommendation rate	82%	88%	90%
Partnership			*7.4*
Image			*7.6*

At the end of 2013, the staff worked to prepare action plans that were ranked based on priority expectations of customers.

The key area of improvement across all the categories considered involved providing greater fluidity in exchanges and follow-up of requests, especially relating to Gecina service provider interventions.

To address these expectations from customers, in 2014 Gecina set up dedicated interfaces online that could be accessed by both major corporate and individual customers.

With this new service, Gecina wants to provide solutions to clients that meet their requirements and are in line with their use of the property. In this service area, people can:

- make online requests and follow up on them on a 24-hour basis;
- quickly and securely access tenant account documents;
- create and directly submit documents on line;
- find transparent information about current events of their building.

Gecina tested the tool among a select group of clients before extending this service to all its clients. The pilot phase of this project took place in 2014, using four office and four residential buildings. Meetings with customers promoted an optimization of the tool's functionalities. Gecina thus rolled out this area for all of its properties in the first half of 2015.

Gecina also continues to carry out client satisfaction surveys with incoming and outgoing tenants in student residences. For conventional residential properties, given the strategic transfer decisions (see section 7.6.2.1.3. "Responsible sales management"), the number of incoming clients cannot be considered as representative. Therefore, only satisfaction surveys with outgoing tenants are continued.

Satisfaction of residential and student residence clients and the recommendation rate of residential clients

	2013	2014	2015	2014/2015 Change
Total satisfaction rate of outgoing residential clients	85%	92%	88%	-4%
Recommendation rate of outgoing residential clients	89%	95%	88%	-7%
Total satisfaction rate of incoming student residence clients	98%	98%	98%	0%
Total satisfaction rate of outgoing student residence clients	96%	95%	97%	+2%

The satisfaction rate of incoming and outgoing student residence clients remains stable overall. Although it was lower than in 2014, the overall satisfaction rate of residential clients remained high since over eight out of ten tenants declared that they were satisfied or even very satisfied with Gecina's facilities and services. This drop is due to the reduction in the survey scope linked to building disposals, which led to more significant changes in results and the implementation of new rent regulation and ceiling decrees led to a less accurate perception of the value-for-money ratio by tenants.

Gecina uses the data from these results as inspiration for the development of customer relations tools:

- a Tenant Handbook is given to all incoming tenants of residential properties upon moving into an apartment to underscore the privileged relationship that Gecina wishes to establish with them. This handbook contains information on the building, the apartment and Gecina's properties as well as useful tips to tenants to increase their comfort levels while limiting the impact they make on the environment, thus instilling a responsible attitude with regard to protecting the planet for future generations;
- a Works Notice containing information on planned building improvement work;
- the address of the Facebook page for students (over 3,600 fans to date). This is the favorite interaction channel for Campuséa tenants. Competitions between residence buildings are held throughout the year to strengthen the community spirit. This area is also much appreciated area by foreign students who can obtain information about residences and application procedures *via* personal messages.

Gecina observes and analyzes emerging trends in society, in particular trends that relate to ways of life and work, in order to maintain dialogue with tenants and to anticipate their future requirements. The study, which was launched in 2014 with the Ipsos research institute on the theme of "the office building of tomorrow", was continued in 2015. The qualitative phase took place in the first half with 15 decision-makers of major companies, and the quantitative phase was deployed in the fourth quarter on a sample of 1,000 employees, in order to find out now what transformations will be impacting the real estate sector in the coming years, and to better anticipate the design of its buildings.

7.6.2.1.2 be more transparent with clients

To meet the expectations of its clients and to guarantee consistency and reciprocity with respect with its responsible purchasing approach, Gecina decided to submit its CSR commitments and performance to an independent assessment.

In 2015, it therefore took out a subscription with the Ecovadis platform. Ecovadis delivers an objective analysis of its CSR approach based on:

- answers to a questionnaire specifically related to its real estate business;
- supporting documents provided;
- web-based 360° monitoring to detect any controversial issues.

Based on international sustainable development standards (GRI, United Nations Global Compact, ISO 26000), the Ecovadis methodology is overseen by a scientific committee in order to ensure that its assessments are independent and reliable. The results can be accessed from the platform by subscribing clients and prospects who request access. Gecina also publishes these results transparently on its website (http://www.gecina.fr/en/csr/policy-and-performance.html) in French and in English.

Gecina obtained a score of 81/100 compared with an industry average of 42/100. It obtained the "GOLD" recognition level and its commitment is rated as "advanced". Gecina is one of the two companies that performed best in its category (real estate businesses) and is among the top 1% of the companies rated by EcoVadis, in all the categories.

7.6.2.1.3. Responsible sales management

Concerned about the impact on tenants of putting their apartments up for sale, the company began many years ago to take steps to ensure the careful implementation of this process.

Until 2014, Gecina regularly used to negotiate part of its residential assets, selling them unit-by-unit. This process, carried out in strict compliance with applicable laws and regulations, protects tenants according to several criteria based on age, income and health. Furthermore, Gecina meets and exceeds legal requirements by implementing specific practices to enhance the protection of its tenants (see page 311 of the 2014 Reference Document, section 7.6.2.1.2. "Responsible sales management").

In 2015, in a sometimes still controversial context, Gecina decided, in agreement with the local authorities concerned, to only sell units that had become vacant after the departure of the tenants. Thus, for all identified buildings, the tenants can stay in their apartment until they decide to leave of their own accord. It should be noted that some tenants have expressed their disappointment in not being able to purchase their accommodation on preferential terms.

7.6.2.2. GECINA LAB, THE CSR & INNOVATION THINK-TANK FOR ASSISTING THE COMPANY'S STAKEHOLDERS

Created in 2010 by Gecina to strengthen its relationship with its stakeholders and in particular commercial tenants, Gecina Lab is a forward-looking think-tank specifically devoted to dialogue on themes related to CSR, innovation and new office practices. Gecina Lab seeks to establish a partnership with its stakeholders, promote listening and constructive exchanges, provide a forum for exchanging viewpoints between experts and customers, translate ideas into effective actions to enhance building performance and anticipate user needs.

In 2015, Gecina boosted the action program of its think-tank by starting to represent its missions to major Gecina commercial customers/tenants. Based on the analysis of a questionnaire distributed to such customers/tenants, it defined an action plan in response to their expectations regarding CSR and innovation on new working methods. As such, a cycle of conferences was organized on specific themes such as carbon footprint, green lease/environmental appendix, certifications, third-party venues, an incubator for startups and the well-being of users, and more general themes to fuel the vision for tomorrow's real estate, such as COP 21, immaterial value, integrated reporting, next-generation offices, new working methods and flexible spaces. Seven conferences were organized throughout the year, each attended by 60 to 80 people, comprised of Gecina's customers and stakeholders:

1. On June 25, 2015: *"Will the current shifts in commercial real estate drive innovation and economic growth?"* Gecina, partner of the conference organized by the Sustainable Property Observatory (OID) – with keynote address by Gecina CEO (Philippe Depoux).
2. On July 08, 2015: *"The reality for biodiversity in a company"* with keynote address by Gecina Chairman (Bernard Michel) and presentations by the Real Estate Director of Sanofi (Florence Péronnau), the Sustainable Development Director of Carrefour group (Bertrand Swiderski), the CSR Director of Gecina (Yves Dieulesaint) and the founder/manager of B&L Evolution (Sylvain Boucherand), a start-up that has developed a model for analyzing biodiversity policies and, in particular, performed a study of the entire CAC 40, to exchange views about opportunities for implementing biodiversity strategies in companies, their impacts on economic growth, occupational health and well-being.
3. On July 09, 2015: *"New forms of non-financial reporting"* – Gecina, partner of the conference organized by Utopies, a consulting firm for the integration of social and environmental issues into corporate strategies – with a presentation by Gecina's CSR projects manager (Aurélie Rebaudo-Zulberty) on territorial integration and integrated reporting.

Two conferences were organized in connection with the World Green Building Week hosted by France GBC.

4. On September 22, 2015: *" The user's well-being is a core concern of real estate projects: the innovative example of the WELL certification"*, with presentations by the Innovation & Development Director of ARP-Astrance (Hervé Moal), the Deputy Director for Innovation of Green Affair (Gwenaël Jan) and the CSR Director of Gecina (Yves Dieulesaint) to share ideas around an innovative certification process which seeks to make the building a vector of well-being for its occupants.
5. On September 24, 2015: *"Cristallin a factor 4 office building"*, with keynote address by Gecina Chairman (Bernard Michel) and presentations by the building's architect (Grégoire Zündel) of Atelier Zündel Cristea to present Cristallin, a Gecina building in which greenhouse gas emissions have been reduced by four since its reconstruction. The Environmental Director of Deerns (Julien Daclin), the Environmental Director of Cofely Services (Frédéric Hug), the founding partner of Carbone 4 (Jean-Marc Jancovici) and the Climate, Energy and Sustainable Infrastructures Manager of WWF France (Pierre Cannet) then had a round table discussion about *"the role of real estate in COP 21"*.
6. On November 24, 2015: "The cost of reaching a climate deal", presentation of the issues at stake in the quest for international cooperation (COP 21) to cope with climate disruption presented by Christian de Perthuis, economics professor at Paris-Dauphine University and the founder of the Climate Economics Chair.
7. On December 10, 2015: *"Reinventing tomorrow's building, today! What is the reality for innovation in companies? "*, presentation by sociologist Bruno Marzloff, specialized in mobility issues, followed by a round table on the topic of *"Reinventing tomorrow's building"* with the Chairman of LBMG Worklabs (Nathanaël Mathieu), a start-up specialized in innovative work areas, the Chief Operations Officer of Oracle (Violaine Penicaud) and the Chairman of Gecina (Bernard Michel) for dialogue around the emergence of new ways of working as a permanent source of innovation for the building of tomorrow.
   In 2016, Gecina Lab will strive to continue the action plan launched to strengthen relations with its stakeholders. Diversified meetings on topics such as the climate, digital solutions, urban farming, art in the property portfolio, and incubators for start-ups were identified, in particular.
   A special email address has also been created to respond to all queries for further information (contact@gecinalab.fr).

7.6.2.3. IN-DEPTH RELATIONSHIP WITH INVESTORS

7.6.2.3.1. A privileged relationship with individual shareholders

Gecina maintains a privileged relationship with all its shareholders through its registered shareholding format. All shareholders are identified in the company's registers and get personalized treatment and free custody and management services as their account is held by the Securities and Market department, which is part of the Financial Communication Department.

Furthermore, seeking to create a closer relationship with its shareholders, Gecina develops resources for meeting with them. In addition to the General Meeting, which is a major event, the Financial Communications team set up three visits to properties in 2015, during which the participants were able to visit eight assets, located in Paris and the Paris region.

Gecina also offers a certain number of additional services to its shareholders:

- a seasoned Shareholders Relations team that responds to all questions related to the General Meeting, account management, taxes, etc.;
- a dedicated space in the company's website (www.gecina.fr) from which all publications of the company may be received by electronic mail – Letters to shareholders, press releases on results and Group news – and where shareholders can register to visit properties;
- a toll-free number from France (+33 (0) 800 800 976);
- a specific e-mail address: actionnaire@gecina.fr

7.6.2.3.2. A trust-based relationship with institutional investors and financial analysts

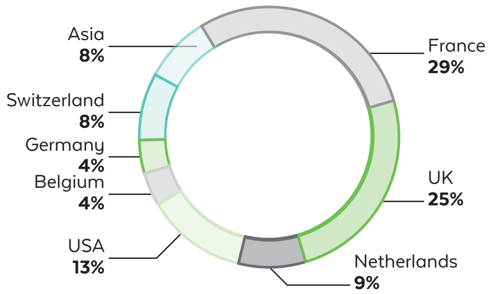
Through its team dedicated to financial communications informs and communicates regularly with institutional investors and financial analysts on company results as well as news and strategy.

In 2015, outside of the annual and half-yearly results meetings, Gecina met with more than 270 investors and financial analysts in conferences and road shows in France and abroad, and during individual meetings and visits to properties.

In addition, Gecina occasionally organizes an Investors Day, an opportunity for participants to meet and discuss with Gecina management regarding current issues relating to the real estate market and to the company. This event is also the opportunity for investors and analysts to discover the more emblematic properties in Gecina's portfolio.

Gecina attaches special importance to relations with institutional investors and financial analysts, encouraging constructive exchanges of view that promote a climate of trust.

Geographical breakdown of roadshows



Gecina also participated in two non-financial roadshows in 2015 and met, in particular in London, 12 ISR investors during individual and collective meetings.

Summary of roadshows and meetings with investors

	2012	2013	2014	2015
Number of financial *roadshows* completed	14	11	12	22
Number of investors met	204	178	261	270
Number of non-financial *roadshows* completed	0	2	2	2
Number of ISR investors met	3	20	28	22
Existence of an individual shareholders committee and number of committee meetings	no	no	no	no
Number of individual shareholders meetings	7	5	5	4

7.6.2.4. EMPLOYEE RELATIONS

Gecina tries hard to maintain a constructive dialogue with its employees and staff representative. All these elements are described in the section 7.5.3.3 "Staff cohesion and dialogue".

7.6.2.5. ACTIVE PARTICIPATION IN REPRESENTATIVE BODIES AND THINK TANKS

Gecina participates in different think tanks that deal especially with sustainable development issues. In addition to monitoring the issues, this involvement contributes ideas and techniques that facilitate experimentation with new practices, boost innovation, and augment the development of employee skills.

The Group is also an active member of many organizations that represent the construction and real estate businesses. This participation helps Gecina to stay abreast of the issues, anticipate the future requirements of its business sector and act accordingly in order to implement best practices.

The Group provides no financing for these representative bodies and think tanks aside from membership dues used for their functioning. Neither does it practice any direct or indirect lobbying.

Representative bodies and think tanks in which Gecina participates

Sector	Name and type of think-tank or representative body	Details of Gecina's involvement
Real estate	**Grenelle Building Plan (2007-2012)/Green Building Plan (2012-2017)** This group is attached to the DGALN (Directorate of Planning, Housing and Nature), which federates a network of construction and real estate entities aiming to achieve energy efficiency targets. Its role is to inform participants of regulatory changes, make them aware of new challenges, assist them in their projects and provide liaison with appropriate ministerial and administrative offices.	- Active member of four working groups and co-steered the "Marks of Quality" group (Yves Dieulesaint) in 2012 - Involvement in the actions undertaken in the 2013 General Meetings, contributed to the drafting and signature of the energy efficiency in commercial buildings charter in November 2013 - Joint management of the "Building and biodiversity" group (Yves Dieulesaint) started in 2014 and report published on December 14, 2015.
	France Green Building Council (France GBC) France GBC is an association created for the purpose of leading a nationwide movement to bring together public and private sectors in developing sustainable construction and planning, to defend France's stance at the World Green Building Council (WGBC) and to contribute to strengthening the offering of French companies.	- Founding member and member of the Board of Directors of France GBC - Participation in its Communications Committee (Yves Dieulesaint) and Technical Committee (Stéphane Carpier) - Annual contribution to the World Green Building Week with the organization of two conferences in 2015 (one on the well-being of users through the example of the WELL label and the other based on the example of the Cristallin building (rated Factor 4) in Boulogne-Billancourt) which brought together 160 people.
	Sustainable Real Estate Observatory (OID) An independent association of public and private commercial real estate professionals whose objective is to promote sustainable development in the real estate industry both on the market and among its members by fostering progress in environmental issues, integrating sustainable development into real estate strategies and exchanging best practices.	- Contribution to the annual benchmark and participation in the publication on "Innovation, a driver for value creation in the real estate sector" published in December 2015 - Participation in information-sharing meetings and hosting of conferences
	French Federation of Real Estate and Property Development Companies (FSIF) The purpose of the FSIF is to review, promote and represent the collective and professional interests of its members, to research and apply all its resources in their favor and to assist in any subject of direct or indirect interest to members.	- Federation member - member of the sustainable development committee - co-founder and chair of the innovation committee
	Green Rating Alliance A non-profit association started in 2011 by a partnership of European real estate companies in collaboration with Bureau Veritas. Its objective is to help construction and real estate companies to guide and improve their environmental performance by providing a European building performance standard.	- Member of the association since 2013 - Participation in the Board of Directors (Vincent Moulard) and the Executive Board (Éric Saint-Martin) - Representation in the Technical Committee (Stéphane Carpier – five meetings)
	HQE Association An association whose mission is to bring together concerned entities to reflect on sustainable construction and planning, contribute to developing excellence in localities and defend the general interests of entities in the sector by recommending changes to the reference framework and by carrying out actions on operational work and planning.	- Member since 2012 - Participation in the "Air Quality" and "Biodiversity" working groups (Joanna Rebelo attended seven meetings in 2015) - Signatory of the HQE® Performance Charter.
	Apogée Association Apogée is a grouping of organizations in the real estate sector that seek to improve their management of real property, to identify and to promote best practices.	- Active member since 2002 - Regular presentations in meetings and conferences in the "Housing" and "Offices" permanent groups, the Apogée Tuesdays and debates or conferences on current affairs (25 staff members from various operational and functional departments of Gecina)
	The International Council on Biodiversity and Real Estate (CIBI) A non-profit association made up of representative institutions for various trades including investors, developers, property companies, design offices, builders, equipment suppliers and landscapers, who seek to enhance best practices in the area of urban biodiversity during planning, design and operation phases for built up areas, in France and worldwide, primarily through the BiodiverCity© label.	- Founding member and participation in the Board of Directors - Participation in the Communications Committee (Yves Dieulesaint) and Technical Committee (Stéphane Carpier), involving two meetings in 2015 and the publication of an article in the journal Réflexion Immobilière
	INSPIR grouping of companies created to try out the best practices applicable to each phase of a project, based on a quality approach developed by ADEME to control the interior air quality of buildings.	- participation in the task force dedicated to the creation of the best practices benchmark with companies such as Bouygues Immobilier, Green Affair, Ciat, Saint-Gobain, Médieco, Azimut and ADEME (Joanna Rebelo – meetings and tests at head office).

Sector	Name and type of think-tank or representative body	Details of Gecina's involvement
	Sustainable Building Alliance (SB Alliance) An organization that endeavors to develop common metrics that can be used to compare environmental performance internationally, particularly for the six essential indicators of carbon, energy, water, waste, air quality and thermal comfort.	- Participation in the "Pilot test on common metrics" task force (Stéphane Carpier) led by CSTB, tasked with defining a common label for the various international benchmarks
	Ekopolis Ekopolis is an association based in the Paris region and backed by ADEME (French agency for energy management and the environment), CAUE (councils for architecture, town planning and the environment), the Association of architects, State departments and its members. Its purpose is to encourage sustainable development in the development and building sectors, in particular, for urban renewal and rehabilitation, as well as mobilizing the stakeholders concerned in the Paris Region in this perspective.	- Stéphane Carpier, Technical Director of Gecina, is a member of the Scientific and Technical Council, made up of 14 experts representing the project management sector, contractors, the teaching sector, research and companies (there were three meetings in 2015)
	Certivéa A subsidiary of CSTB that assists through certification in the performance improvement processes of construction sector companies.	- Stéphane Carpier, technical director of Gecina, is also an auditor for Certivea (NF HQE® Commercial Property and NF HQE® Planning)
	Construction 21 A collaborative European platform dedicated to construction professionals and the sustainable city, intended to exchange information and experiences, develop networks and share knowledge among specialists on subjects of current interest.	- Membership (14 Gecina staff members belong to the network) - Participation in the Editorial Committee
Sustainable development	**Global Compact** International initiative of corporation – citizens who seek to promote social legitimacy of companies and to commit to aligning their operations and strategies on ten universally accepted principles relating to human rights, work standards, the environment and the fight against corruption.	- Membership since 2013 and public confirmation, in 2014 and 2015, of its adherence to the ten universal principles of the initiative (Gecina received the special award for the best communication on progress, reaching the "Advanced" level). - Active member of the GC Advanced Club (Aurélie Rebaudo-Zulberty and Anh Tran) that offers a forum for dialogue, reflection and collective learning on the way to attain the 21 criteria of the Global Pact required to reach GC Advanced level
	Urbanism, Built Structures and Biodiversity Club A club for exchanging perspectives led by the LPO (Bird Protection Society) assembling the major actors of the area to develop an approach to urbanism that integrates biodiversity, urban nature and ecological connectivity in the construction and planning processes of localities.	- Founding member participating in the Board of Directors (Stéphane Carpier) - Participation in information-sharing work (Joanna Rebelo – four meetings in 2015)
	Orée Multi-player association created in 1992, bringing together more than 170 companies, local authorities, professional and environmental associations, academic and institutional bodies to develop a shared reflection on environmental best practices and to implement tools for the integrated environmental management at local level.	- Participation in meetings and discussions on the themes of biodiversity, the circular economy and CSR reporting - Participation in the "Ancrage Local" task force that aims at proposing an indicator of strong local commitment (Aurélie Rebaudo-Zulberty – two meetings in 2015).
	The HR Forward Planning Society Club made up of Human Resources directors and experts in forward planning and innovation, who seek to promote awareness among its participants of the culture and methods of anticipating forward, working on changes that will impact organizations, management and cultures in upcoming years.	- Participation in the development of the HR forward planning compendium dedicated to thinking about new ways of working, organization and management in socially responsible companies (Aurélie Rebaudo-Zulberty – three meetings in 2015)

Lastly, in 2014, Gecina decided to subscribe to the initiative conducted by Comité 21 to develop a benchmark and trust framework with respect to stakeholder dialogue. During the summer of 2014, Gecina's CSR management participated in the consultation started to enhance and finalize the "Principles for Constructive Dialogue with Stakeholders" document. It signed the final document as soon as it was published, on January 13, 2015 (*via* Yves Dieulesaint, CSR Director). Thus, in 2015, Gecina made sure that it had complied with the seven guiding principles described in the document in order to integrate dialogue with its stakeholders into its governance and management processes. The full text and list of signatories are available on the Comité 21 website: http://www.comite21.org/le-projet-dialogue-parties-prenantes.html.

7.6.3. GOVERNANCE AND BUSINESS ETHICS

Governance and business ethics
KPIs: Number of criminal convictions (excluding traffic fines)
Objective: 0

In 2015, Gecina pursued the changes to the structure of its governance and Board of Directors launched in 2014. The Board maintained the reduced number of 10 directors, of which four, the president and three othersrepresenting the major shareholders, did not receive any attendance allowances (see 5.2.3. "Directors' compensation"). In 2015, 50% of the Board was composed of independent directors, including the chairs of the Audit and Risk Committee and the Governance, Appointment and Compensation Committee. At the same time, the proportion of women on the Board reached 50% of directors. One of them chairs a Board committee (Governance, Appointment and Compensation Committee) while the other three are independent directors.

All elements describing the exercise and organization of governance, the internal control process and information on compensation and benefits are detailed in Chapter 5 "Corporate Governance". In addition, a summary of these elements for 2011 to 2015 is provided below (information from 2008 to 2011 can be accessed on pages 316 and 317 of the 2014 Reference Document).

Gecina – Governance and financial communication indicators

		2012	2013	2014	2015	2015 Reference Document page
Operation of management bodies	Number of Board members (at 12/31/N)	13	13	9	10	135
	% of independent Board members	38%	38%	44%	50%	135
	Definition of independence in accordance with the Afep-Medef code					139
	% of women on the board of directors	23%	23%	33%	50%	135
	AFEP/MEDEF correspondence table	Table in compliance				134
	Number of employee representatives on the Board of Directors	4 members representing administrative categories of staff (employee, supervisor, manager, senior manager); no voting right				138
	Board member term of office	4	4	4	4	135
	Turnover (incoming/outgoing)	1 incoming/2 outgoing	1 incoming/1 outgoing	1 incoming/8 outgoing	2 incoming/1 outgoing	138
	Directors' compensation	€1,360,000(1)	€1,360,000	€1,360,000(1)	€800,000(1)	171
	Director's compensation voted at GM					171
	Number of board of directors meetings	9	12	13	10	145
	Board meetings attendance rate	94%	98%	94%	99%	145
	Board of directors evaluation	yes external	yes external	yes external	yes external	150
	Number of independent board committees	3	3(2)	3(2)	3(2)	145
	Number of board committee meetings	31	28	28	29	145
	Board committee meetings attendance rate	96%	98%	97%	99%	145

		2012	2013	2014	2015	2015 Reference Document page
Corporate officer	Separation of the duties of Chairman of the Board of Directors and Chief Executive Officer	no	yes	yes	yes	143
	Effective separation of roles	no	yes	yes	yes	143
	Organization of the succession of the CEO	yes	yes	no	yes(3)	151
	Compensation of the CEO voted at GM	no	yes(3)	yes(3)	yes(4)	163
Shareholder democracy	Publication of the detailed breakdown of company capital	yes	yes	yes	yes	-
	Publication of bylaws	yes(5)	yes(5)	yes(5)	yes(5)	-
	Voting rights	1 share = 1 vote; no double vote				-
	Anti-takeover actions	No	no	no	no	-
	Voter turnout/quorum	57.22%(6)	81.76%	73.91%	76.48%	-
	Number of resolutions submitted	14	23	20	26	-
	% positive votes/% negative votes/% abstained breakdown	Y: 94% N: 1.9% A: 4.1%	Y: 82.1% N: 16.7% A: 1.2%	Y: 96.08% N: 3.83% A: 0.05%	Y: 96.62% N: 3.29% A: 0.10%	-
	Number of resolutions submitted by minority shareholders	0	3	0	0	-
	Number of regulated agreements presented at GM	3	1	1	1	-
	Rate of approval of regulated agreements % positive votes/% negative votes/% abstained	Y: 87.9% N: 2.7% A: 9.4%	Y: 99.8% N: 0.1% A: 0.1%	Y: 92.32% N: 7.54% A: 0.14%	Y: 99.49% N: 0.44% A: 0.07%	-
	Provisions to facilitate voting rights	Upload beforehand of the information relative to the general meeting, including ballots + Ballots are mailed to all shareholders + Use of electronic voting devices at the meeting				-

(1) The envelope of attendance fees was used in the amount of €1,292,179 for 2012, up to €929,667 for 2014 and €489,192 for 2015.
(2) The Board of Directors has formed, during fiscal 2013, two ad hoc committees. He ended the mission of these committees in 2014 and 2015.
(3) Succession plan under development.
(4) Consultative vote.
(5) Website.
(6) No presence in quorum of one of the Group's major shareholders.

Section 5.1.9.2. "Internal Control System" sets out the system and good practices implemented in the Group and with regard to stakeholders to guarantee compliance with the strictest ethical principles concerning transparency, corruption and business ethics (with, for example, the implementation of a whistle-blowing system). The conditions for implementing the Ethics Charter and for raising awareness of the fight against money laundering and financing terrorism are also laid down. Given the turnover of the year, 90% of Gecina's employees were aware of the ethics code.

The awareness, prevention and control mechanisms implemented by Gecina guarantee compliance with good ethical practices by Group employees in carrying out their functions and with regard to the various stakeholders, as Gecina has maintained a status of no criminal convictions since 2008 and again in 2015, excluding traffic fines.

In 2015, as in 2014, no grievances about the integrity of professional practices were brought to the attention of Gecina or its Audit and Risk Committee. No sanction was therefore taken and no specific action plan was implemented on this issue. Employees reported two potential situations of conflict of interest to the Risks and Compliance function. These are being examined and preventive measures will be taken, if they prove necessary. Ten attempts of external fraud against Gecina were reported to the Risks and Compliance function. There is an inquiry in progress and a report has been made to the legal authorities. These have given rise to internal control reinforcement plans and awareness-raising sessions for employees and clients on this issue. These actions are complemented by the regular sending of letters to raise awareness among tenants in all business sectors.

7.6.4. RESPONSIBLE PURCHASING

Responsible purchasing
KPI: % of suppliers whose CSR performance has been evaluated
2016 objective: 50%

Gecina is aware of the breadth of its responsibilities regarding its value chain, particularly with regard to its suppliers, and has recognized that responsible purchasing is a priority issue in its CSR policy. In 2011, Gecina set up a dedicated task force for this issue and formalized a responsible purchasing strategy based on four commitments:

- **train stakeholders and promote their awareness about CSR issues** in the construction and operation of buildings;
- **base purchasing practices on the best standards of quality and traceability** for products and services;
- **build partnership relationships with suppliers** in the field of CSR;
- **raise awareness and involve users** to ensure optimum impact of the responsible purchasing process.

It defined action plans for each of the 12 priority categories of purchasing identified subsequent to an analysis of 92% of purchases. This risk analysis is described accurately in the 2013 Reference Document (see section 7.6.4.1.3. "Prioritization of purchasing categories" on page 308), as well as the action plans that were decided on (see section 7.6.4.1. "Gecina's responsible purchasing process" on page 307). The purchasing categories are grouped into five purchasing areas, presented below in descending order of risk:

- **investments** (pre-construction projects or property development contract purchases of new or existing buildings and delivery of turnkey projects);
- **construction work** (finishing, technical equipment and shell);
- **operations and maintenance** (maintenance with a maintenance contract, fittings and finishing, ongoing maintenance and small repairs, cover and façade and fittings and finishes of private areas);
- **services and small equipment** (lights, electrical equipment such as light bulbs, neon lights and batteries, electrical and electronic equipment such as PCs and printers, telephones, screens and accessories);
- **intellectual services** (communication, marketing, legal and human resources).

In 2014, following the structural changes that occurred within the Group, these action plans were revised with the new key persons in the various operational and functional departments, with the assistance of the Utopies firm. Over the five priority purchasing categories, 52 actions have been identified and grouped into 11 macro-objectives. These actions may be cross-functional through one or several areas or specific and monitoring of them is carried out in each steering body of the departments concerned in order to ensure the highest level of consistency with the organization implemented. In 2015, four actions that no longer applied to the company's strategic scope were discontinued, 11% of actions have already been finalized, 46% are under way and 43% are yet to be launched.

In 2015, Gecina organized a specific training course to reinforce the knowledge and skills of employees concerning responsible purchasing practices. Established with the help of the change management specialist, Des *Enjeux et des Hommes*, this training, which lasted half a day, combined theory, experience sharing and practical application, in particular concerning the presentation of expectations towards suppliers and support to suppliers after the assessment of their CSR performance. All employees in charge of supplier relations were concerned: directors and heads of real estate entities, technical managers and assistants, program managers and functional leads. There were seven training sessions, involving 98 people, with an overall satisfaction rate of 91%.

7.6.4.1. INCORPORATION OF CSR CRITERIA IN SPECIFICATIONS AND INVESTMENTS

Investments

Gecina has developed a sustainable investment scoring matrix in order to analyze the performance of an existing asset on the various responsible building themes. The 15 projects presented by the investment committee regarding existing assets have integrated analytical elements complementing this tool wholly or partly, depending on available items. In addition, to obtain a more in-depth analysis and to determine the levers for creating environmental and societal value, two out of the three existing assets acquired in 2015 were subjected to a CSR scoring according to the methodology described in paragraph 7.1.4.3. "CSR scoring to assist in mapping of properties", the third one being dedicated to full restructuring with a high level of CSR target performance. This is because Gecina grants as much importance to building performance with regard to these various themes as to its potential for creating sustainable value. By investing in assets whose potential in various responsible building themes requires development, Gecina sets the conditions for future value creation for the company, its shareholders and society.

Furthermore, in addition to the responsible purchasing charter applied in a pre-construction sale agreement case, a specific clause in responsible purchasing, requiring counterparties to make their best efforts to take into account the CSR approach as developed by Gecina, has been established for existing buildings. In 2015, whether the clause or the charter was incorporated into the acts, with the exception of the one concerning the acquisition of the two existing buildings that have been deeply analysed with the CSR scoring. Indeed, the legal structure (company acquisition) made the application of the clause inappropriate.

Construction and works

Project development assets managed by Gecina require the signing of the Responsible Purchasing Charter and specifications describing the standards inherent in each of the sustainable building themes. Performance programs developed for commercial properties and student residences have been revised in the last two years under the responsible purchasing policy to ensure the highest performance levels in terms of energy consumption, respect for biodiversity and the impact of materials on air quality. Depending on the potential of the building and the asset management strategy used, a target level is determined for each asset in terms of their environmental and social aspects.

The General Conditions of Contract (GCC) regarding technical activities linked to works (residential and commercial) that sets out the expectations and relationships between Gecina and its suppliers was revised at the end of 2013. Since then, it has been signed by all technical suppliers who invoice over €100,000.

For commercial activities, the special technical specifications concerning the replacement of furniture, construction finishing equipment and materials have also been revised to take environmental criteria into account, in particular with respect to HQE® Operation certification. The technical services guide is being gradually revised. In 2015, 36% of product categories had taken environmental criteria into account. The extract below shows an example of the strict requirements concerning the purchase of wood materials.

Extract of the performance program concerning the use of wood materials

"The wood used in accordance with Decree No 2010-273 of March 15, 2010 should comply with the Order of June 2, 2003 relating to restrictions on the marketing and use of certain products containing hazardous substances. It should either be from naturally sustainable trees or treated with a product certified CTB P+ adapted to the risk class. "

In all, 63% of Gecina's specifications (construction and renovation works) have been reviewed as part of the responsible purchasing policy to include environmental and social criteria for the €270 million spent during the year on the building sector.

Operations and maintenance

In 2015, the General Conditions of Contract (GCC) were revised to define Gecina's general expectations of its operations and maintenance service providers. They are currently being finalized and will be applied in 2016.

At the same time, the technical specifications of maintenance services are revised during each tender process to incorporate the best environmental and social standards throughout the framework agreements. The extracts below present examples of the strict environmental requirements expected for landscape maintenance services.

Extract of specifications for landscape maintenance

"Landscape maintenance [...] is qualified as environmentally friendly and differentiated.

To contribute to landscape improvement and to keep environmental disturbances to a minimum, operations to be carried out must follow these two principles:

- differentiation of landscape maintenance depending on their functions: several maintenance levels are defined;
- maintenance according to environmental engineering principles: this consists in performing maintenance that limits the use of phytosanitary products and promoting the expression of biodiversity in the green areas of the property portfolio, while controlling the visual appearance.

The objectives of differentiated environmental management are as follows:

- the landscape quality of the entire property portfolio;
- protection of the environment and restoration of biodiversity;
- stabilization or even reduction of landscape management costs;
- limitation of water consumption. "

In 2015, an action aimed at updating tender regulations for purchasing categories linked to renovation works as well as operation and maintenance was launched. It will be completed in 2016 to include CSR criteria in the supplier selection process, in addition to the environmental requirements described in the specifications.

7.6.4.2. GECINA'S ACTIONS AND PERFORMANCE IN THE AREA OF RESPONSIBLE PURCHASING

Signing of the responsible purchasing charter

The Gecina Responsible Purchasing Charter, launched at the end of 2013, is a key element in:

- raising awareness among suppliers, in particular VSEs and SMEs, about CSR issues;
- sharing out the common definitions, values and commitments needed to build partnership relationships with suppliers;
- involving suppliers and service providers in practices and the implementation of sustainable products.

Details concerning the drawing up of this charter appear in the 2013 Reference document (section 7.6.4.2. "Gecina actions and performance in the area of responsible purchasing" on page 309). The charter is also available on the Gecina website (http://www.gecina.fr/en/csr/stakes-and-stakeholders.html).

In 2015, the rules applicable to the signing of the Responsible Purchasing Charter were extended in order to make them similar to those used for listing procedure (see section below "Supplier Listing Procedure "). For example, in addition to the amounts of consolidated expenditure exceeding €45,000 for "technical" suppliers and exceeding €20,000 for all other suppliers, there is a €5,000 for non-recurring order amounts, in excess of which all suppliers must sign the Responsible Purchasing Charter. The number of active suppliers that meet the criteria for signing the Responsible Purchasing Charter therefore rose from 616 in 2014 to 668in 2015. As in 2014, getting suppliers to sign this charter was a key action in 2015, once again marshaling the dialogue and persuasion efforts of the Gecina employees involved in supplier relations. This year, the Charter was signed by 608 suppliers, *i.e.* 9% more than in 2014. As in 2014, they represented, 91% of active suppliers that met the new criteria for signing the Charter in 2015, and 95% of expenditure, or €169 million.

Breakdown of signature of the Charter by purchasing area ☑

	Number of companies			
Purchasing area	**Signed**	**Did not sign**	**Total**	**Rate of signatures**
Construction	1	0	1	100%
Operations and maintenance	95	4	99	96%
Overheads and IT	340	24	364	93%
Intellectual services	60	11	71	85%
Prestations intellectuelles	112	21	133	84%
TOTAL	**608**	**60**	**668**	**91%**

In 2014, specific efforts have been made to adapt the charter to certain trades (see Annual Report 2014 page 321).

In parallel, the charter or the clause was integrated into contracts signed for three VEFA investments for which payments will be made in 2015.

An internal audit was conducted in 2015 to verify the proper inclusion of the Responsible Purchasing Charter into the Gecina supplier and service provider consultation process. This engagement made the monitoring processes of the signing of the Responsible Purchasing Charter more reliable by reinforcing the role of management control in the mechanism. The application of this process in 2016 will constitute a guarantee of achieving the target.

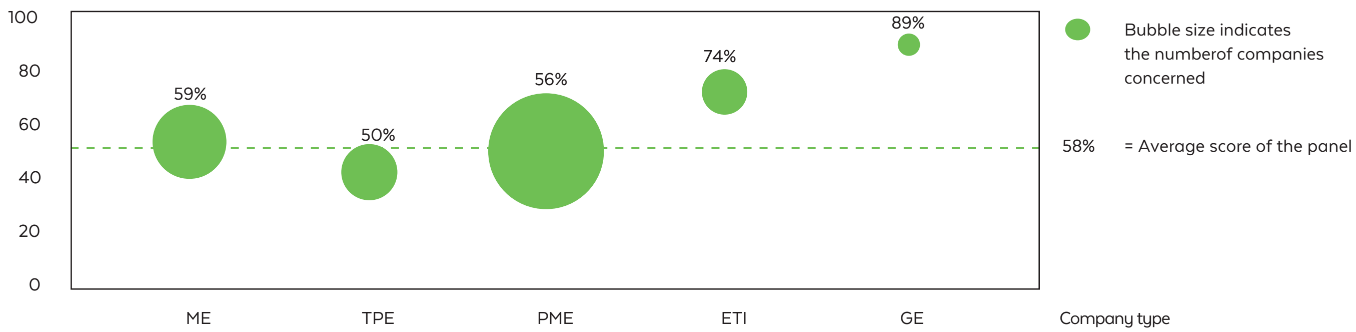
Assessment of the CSR performance of suppliers

To assist suppliers and service providers in implementing commitments taken by signing the Responsible Purchasing Charter, in 2015, Gecina continued to deploy an assessment questionnaire intended to:

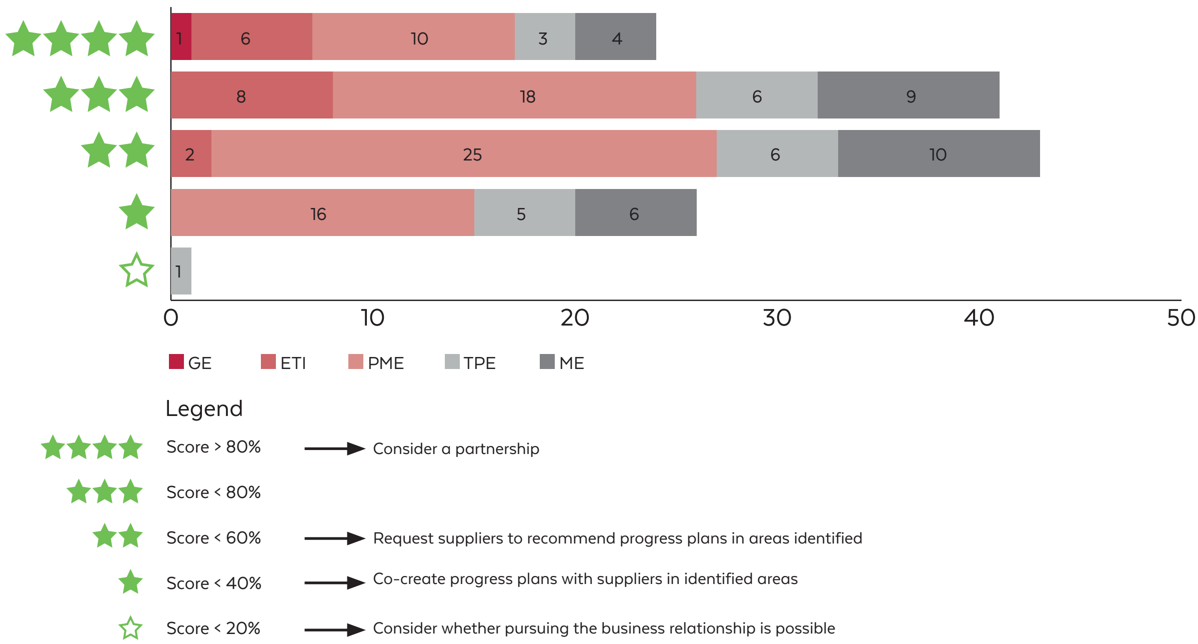
- assess the maturity of its panel of suppliers in terms of CSR in analyzing risks and opportunities;
- evaluate the individual performance of suppliers as well as by purchasing categories and structure type;
- adapt measures and identify action paths by supplier and by purchasing category as a function of the results of co-establishing progress plans if necessary, and/or programming sector actions by channel, for example in collaboration with federations.

This questionnaire can be accessed online to facilitate its use and comprises some twenty questions given to 239 suppliers who have signed the Charter. 197 of them (82%) actually filled and send back the questionnaire, *i.e.* about 30% of the suppliers who signed the Charter since the beginning. If we strictly consider the suplliers that worked for Gecina in 2015, they were 153 to be assessed, *i.e.* 23% and represents €52 million of expense, *i.e.* 29% of expenses with suppliers who are subject to the signing of the Charter. Details of the results for the 2014 campaign are available in the Annual Report 2014 page 322 and those for the two campaigns in 2015 are specified in the chart below.

Details OG average scores (%) by company type (excluding companies appearing on a non-financial index – score estimated at > 80% ☑



Distribution of the results by category of score



Areas for improvement identified or SMEs, SOHO and micro-businesses across all areas of purchases are: company organization methods, societal process and commitment to communities.

The suppliers for whom areas of progress were identified as having scores lower than 60% received a summary of this study and a sheet recapitulating their performance. The actions implemented depend on the scores obtained by suppliers. Thus the supplier who had a score lower than 20% at the end of the 2015 campaign will be contacted soon to discuss their answers before comprehensive review of its performance with the appropriate teams. For example, the 11 suppliers who scored between 20% and 40% were met in 2015 and the others will be contacted during the first half of 2016. The 43 suppliers who scored between 40% and 60% will be requested to contact Gecina with progress paths for the areas of improvement identified. Beyond these exchanges, suppliers will be reassessed every three years to monitor the progress made. Given the date of the first assessments, no supplier was assessed again in 2015.

New campaigns will be launched in 2016 to enable the analysis of the performance of 50% of suppliers *via* the questionnaire at the end of 2016. In order to achieve this, the identification of the targeted suppliers will be improved by strengthening the monitoring process of signing the responsible purchasing charters.

In 2015, there was no serious accident or death among suppliers on Gecina's sites. Any accidents that may occur on site are reported on a case-by-case basis to the Gecina management teams concerned. At the same time, an action identified in the revised plan consists in setting up a process for monitoring the supplier accident rate on Gecina's sites.

Supplier listing procedure

With a view to bolstering its action to combat illegal work, in July 2014 Gecina implemented a new approval procedure for suppliers and service providers. Articles L. 8222-1 and L. 8254-1 of the French Labor Code require all principals to verify every six months that their contractors are up to date with their social and tax declaration obligations, throughout the duration of the contract and the contractor's work provided as part of it. The management of this documentation is extremely cumbersome. Gecina, wishing to ensure compliance with the Labor Code, contracted Actradis.fr, the leading collaborative platform for exchanging mandatory documents, to collect and manage the documents required by law from suppliers who invoice in excess of €3,000 including tax to Gecina, to include:

- proof of registration with tax and social services;
- attestations of social declarations and payment of social security contributions from the Urssaf social security administration;
- a nominative list of foreign employees that are required to have work permits as stipulated by article L. 5221-2 of the Labor Code, showing date of hire, nationality and the type and number of their work permit.

Actradis.fr handles the collection, verification, online publication and archiving of these documents. Gecina suppliers and service providers can then allow access to this platform to all of their other customers requiring this information, thus reducing the number of emails and letters and their communications efforts expended in compliance with the law.

Over 959 suppliers have been registered on the platform since July 2014, including 443 in 2015. Around 314 suppliers whose sales to Gecina were under €3,000 including VAT were also listed and approved outside the platform.

Meanwhile, the supplier's solvency is verified with the company SVP, an expert in providing companies with operational information, which determines a score of failure and a risk level. If the assessed score is below 10/20, an alert is sent to the applicant and its hierarchy to confirm the continuation of the business relationship and the supplier listing procedure. If the evaluation reveals a situation of bankruptcy, the listing procedure is automatically canceled. Lastly, in 2015, Gecina launched a study to find out the proportion of suppliers for whom it represents sales of over 30%. This study led to the implementation of a procedure which will be validated in the first quarter 2016. Then action plans and associated means will be implemented.

The effective contract payment deadline of Gecina with its suppliers is 30 days from receipt of the invoice (excluding disputes). Expenses related to buildings requiring multiple validations internally and externally (architects, project manager…) sometimes delays can be observed. In this case, Gecina's employees are attentive to the suppliers and make every effort to speed up the validation process and ensure proper payment. End of 2015, in order to avoid late payments related to the implementation of its new property management system, Gecina wished to advance payments for every bill received in December. Thus, the actual average payment period at the end of the year is less than the contractual deadline.

Support of companies employing people in adapted and protected work environments

In order to encourage the hiring of people with disabilities, Gecina has committed to support adapted and protected work environments through its responsible purchasing and disabilities policy. Objectives were set in terms of revenue and beneficiary (disabilities-equivalent) units (BUs) through to 2016, as indicated in the table below.

Use of companies employing people in adapted and protected work environments

Evolution of beneficiary units (BU) generated by the use of companies employing people in adapted and protected work environments

		2013	2014	2015	2016
Objective	Expenditure (€)	15,000	19,000	38,000	45,000
	BU	**0.8**	**1**	**2**	**3**
Actual	Expenditure (€)	10,700	20,600	57,150	-
	BU	**0.57**	**1.10**	**3.13**	**-**

Contracts signed with companies employing people in adapted and protected work environments for processing headquarters building waste and D3E (Electronic and electrical equipment waste) thus generated 1,03 Beneficiary Unit in 2015. At the same time, after the workshops organized in 2014 with technical departments and Handiréseau, an agency specialized in people with disabilities, a specific requirement was added to tenders, in addition to environmental criteria, concerning the maintenance of green spaces of the commercial property portfolio. For example, the maintenance of the Montigny-le-Bretonneux site was entrusted directly to the sheltered workshop ESAT "Les amis de l'atelier" and companies in the "traditional" sector contracted out part of the services of four buildings to the protected sector (Le Valmy in Paris 20th, Défense Ouest and Portes de la Défense in Colombes and Crystalys in Vélizy). In all, in 2015, approximately 10% of landscape maintenance contracts will be allotted to companies employing people in adapted and protected work environments, i.e.about €20,000 and this process also generated 1,05 BU in 2015. In 2016, this process will be extended to landscape maintenance for the residential property portfolio. In addition, companies employing people in adapted and protected work environments carried out one-off operations consisting of archiving, communication (creation of a film to raise awareness) and services (massages for employees or floral design courses taught by people with disabilities) for a total amount of 1.05 BU. The total number of BUs generated by use of these companies exceeded the target set for the year and reached 3.13.

7.6.5. SPONSORSHIP AND PARTNERSHIPS

7.6.5.1. GECINA SUPPORTS THE PALLADIO FOUNDATION

Gecina is a founding member of the Palladio Foundation. The Palladio Foundation started out as an original initiative by real estate companies under the auspices of the Fondation de France. It was founded in 2008 and is currently made up of all the sectors and businesses involved in the construction of the city and its living areas. It is the place where policy makers, champions of the city, theorists, investors and builders come together to work at inventing the city of tomorrow. The Foundation works directly with stakeholders by creating the support tools necessary for reflection (institutes), setting up relays (center for the future) and anticipating issues (research). By bringing together and comparing the viewpoints of leaders and experts, students and business lines, as well as doctoral candidates and operational personnel, each action undertaken by the Foundation contributes to building a process based on constant questioning, openness of mind and mutual development.

In 2015, with the support of Gecina, the Palladio Foundation was able to develop in particular:

- for managers and decision-makers, the annual Palladio Institute cycle. In 2015, the fourth annual Palladio Institute program of Higher Studies in Real Estate and the City was held on the theme of *"The city of tomorrow: for what values?"* It was sponsored by Alain Juppé, Mayor of Bordeaux and Chairman of Greater Bordeaux. In November 2015, the 2015 Proceedings, containing the results of the program and of the work conducted by its 28 participants, were published, adding to the Collection created in 2012. The theme of the 2016 cycle will be *The City of tomorrow in the era of societal responsibility* and will be sponsored by Anne Hidalgo, Mayor of Paris;
- for students, the tools of the Palladio Center for the Future. 13 scholarships were granted to students, representing an overall allocation of €110,000. The SIMI Junior Real Estate Prize was sponsored for the eighth year running by the Foundation. The Foundation also sponsored the fourth edition of the Real Estate Industry Career Fair, with 43 exhibitors and 1,500 visitors, as well as the SIMI Training Facility offering more than 20 training programs from 12 institutions. The Palladio University year brought together nearly 300 students from universities and engineering/business schools;
- for doctorate and post-doctorate candidates, the actions of the Palladio Research Center. In addition to the Palladio Dossiers,

which publish articles written by the Foundation's doctoral fellowship holders, the Research Center organized the fourth Research Congress on Urban Real Estate and Construction Research, on the theme *Towards the co-production of urban society – Inventing to produce better*. The eight PhD students presented their theses and the innovative features of their work to leaders and decision-makers.

In 2015, Gecina was especially involved in the following:

- governance (Bernard Michel and Philippe Valade were members of the Board of Trustees, Philippe Valade and André Lajou took part in strategic think-tanks, while Philippe Valade is a member of the financial committee);
- communications: the Gecina Marketing and Communications department passed on news about the Foundation and distributed invitations to its events;
- the Palladio Center for the Future: Bernard Michel is Chairman of the Palladio Grants Committee and Gecina hosted a stand at the Real Estate Industry Career Fair. Anoko Lawson also gave a presentation during the investment business-workshop.
- the Palladio Institute: Florent De Malherbe was a member of the College of auditors of the 2015 cycle;
- the Palladio Research Center: Gecina hosted the Research Congress of September 23, 2015, opened by Bernard Michel, and took part in its organization.

7.6.5.2. HELP FOR SOCIAL REHABILITATION THROUGH HOUSING

To help promote social diversity in France, Gecina has initiated, for several years now, partnerships with three associations active in the field of rehabilitation through housing (*Solidarités nouvelles pour le Logement* (New Solidarities for Housing) – SNL Paris, Habitat and Humanism and Coallia). Although social housing is not part of the Group's strategy, Gecina rents out apartments to these associations at preferential rates below market value (almost 20% less for accommodation located rue A. Mouchez in the 13th arrondissement of Paris, for instance) for the benefit of low-income households which cannot afford the prices of private-sector rental in the Paris region. Gecina therefore rents out, to these three partner associations, eight apartments in various residences in Paris (three located in the 20th arrondissement, two in the 13th arrondissement and one in the 12th arrondissement) and the Paris region (two in Ville-d'Avray in the department of Hauts-de-Seine).

Candidates are chosen by the associations, which forward requests from the Paris City Council or from the prefecture. The tenants are people in distressed circumstances, mostly couples or single mothers. A total of 30% are single-person households. Many of them have to deal with health, family or professional rehabilitation issues. All of them have lived in precarious housing conditions. Rents are capped and the lease proposed by the associations is temporary. With SNL, for example, the one-year lease is renewable until a long-term solution is found. The average occupancy period for a unit is three years. When the household feels ready to deal unassisted with the rights and duties of a tenant, they are then re-housed. All avenues are considered in the best interest of the tenants, their constraints and their aspirations.

Most of the apartments provided by Gecina to these associations are now home to their second generation of tenants, proof that access to housing contributes to the social reintegration of the most disadvantaged.

7.6.5.3. MOBILIZING EMPLOYEES FOR THE GECINA FOUNDATION

Sponsorship and partnerships
KPI: % employees actively involved in one or more actions of the Foundation
2016 objective: Over 20%

Two avenues for unified deployment in line with CSR

The Gecina Foundation has been structuring corporate philanthropic activities regarding disability and protecting the environment since 2008, and does not seek to support commercial initiatives such as sponsoring.

It supports general interest projects connected with the following:

- the improvement of living conditions and accessibility for people with disabilities;
- the protection of nature through preservation or rehabilitation actions at natural sites and of biodiversity in urban settings.

The Foundation is part of a process of openness by Gecina to the issues facing civil society that go beyond business commitments. It involves Group employees and nourishes and enriches the company's consideration of societal issues while participating in the development of a unified company culture.

To complement CSR actions applied to properties, the Foundation, with its employees and stakeholders, injects specific vitality into the challenges of protecting the planet and upholding social causes.

Composition of the Board of Directors as at December 31, 2015

The Gecina Foundation is presided over by Mr. Bernard Michel, Chairman of Gecina's Board of Directors. The Board of Directors comprises nine members:

- six of whom represent the founder and have operational jobs within the Group;
- three qualified members who provide expert advice on disabilities and environmental issues.

In fiscal 2015, there were several changes to the Board of Directors of the Gecina Foundation:

- the Board Meeting of April 9, 2015 duly noted the termination of the duties of Véronique Signori, Executive Officer of the Foundation;
- Nicolas Coiffait took over from her from April 9 to December 8, 2015;
- on December 8, 2015, Gecina's Board of Directors appointed Viviane Carbognani-Liotta as Executive Officer. To ensure good governance, she resigned from her position as treasurer of the Foundation, where she was replaced by Nicolas Coiffait for the duration of his term as director.

Gecina representatives
- Bernard Michel, Chairman of Gecina's Board of Directors.
- Viviane Carbognani-Liotta, Executive Officer, Gecina Foundation.
- Nicolas Coiffait, Head of Corporate Communication.
- Jacques Craveia, Director of Operations.
- Loïc Hervé, Director of Real Estate Holdings.
- Philippe Valade, General Secretary.

Qualified members
- Dominique Legrain, former Inspector-General for the Environment.
- Ryadh Sallem, elite athlete, Director of the Cap Sport Art Amitié Aventure (CAPSAAA), a non-profit organization.
- Anne Voileau, Director of the radio station Vivre FM.

Over 2015, the amount paid for by the Foundation was €253,475 as a result of the €200,000 annual allocation and the previous fund balances. Furthermore, on December 8, 2015, Gecina granted an additional allocation of €150,000, to continue a partnership with the Conservatoire du Littoral (the French coastal protection agency). The Board met twice to approve five programs undertaken with employees.

A framework for action and source of citizen involvement for the company and its employees

The Group's employees are at the core of projects supported by the Foundation. They participate through volunteering and charity work by means of participation mechanisms:
- partnership for contributing expertise;
- project sponsorship;
- collective mobilization on specific and intermittent support actions.

A total of 94 employees were employed in 2015 across all proposed measures (sponsorship, partnerships, collective action). They represented 21.45% of employees, thus showing their strong commitment. The objective of mobilizing more than 20% of employees was once again achieved in 2015.

The share of skills-based sponsorship stood at 90.5 days for 2015, out of a total of 146.05 days devoted to general-interest projects by employees. Depending on the type of project, they may or may not be carried out during working hours. The valuation of working hours amounts to €40,442 and forms part of a contribution by the company of the participation of volunteer employees and volunteers.

The strong commitment of employees was made possible in 2015, in particular through collective action operations conducted with the Conservatoire du Littoral (the French coastal protection agency) on the Le Rayol site, with the French Apiology Observatory (*Observatoire Français d'Apidologie*) as well as a non-recurring project with the Surfrider association on the challenges of aquatic waste.

In 2015, the Gecina Foundation continued its projects with institutional players and associations such as the Bird Protection Society (LPO), the Conservatoire du Littoral, Clayes Handisport, Mécénat Chirurgie Cardiaque, Tour du Valat, Petits Princes as well as the École Nationale Supérieure du Paysage.

Combined balance sheet

Since its establishment in 2008, the Foundation has supported 85 projects with some 30 partners.

A total of 278 Gecina employee volunteers have been involved at different levels since the Foundation began.

At December 31, 2015, and since its establishment, the total resources of the Foundation amounted to €2,125,095 (including gifts received).

7.7. Grenelle 2 concordance table and level of Independent Third Party audit

Information 0= no information or exclusion / not material 1 = qualitative information, 2 = quantitative and qualitative information

Theme	Information at 0 / 1 / 2	Indicator / Information	Level of verification by Independent Third Party	Page
Social				
Employment				
Total headcount and breakdown of employees by gender, age, and geographic region	2	- Total headcount by status - Total headcount by gender - Total headcount by age - Total headcount by contract	Reasonable	260
Hires and dismissals	2	- Changes in headcount through new hires - % of jobs placed internally - Total number of departures of indefinite-term contracts (CDI), exits stated by reason for leaving and by population)	Reasonable Moderate Reasonable (level upgraded)	261 263 261
Remuneration and changes thereto	2	% of average individual raise management vs. non-management by status and by gender	Moderate	274
Work organization				
Organization of working time	1	Organization of working time	Coherence	266
Absenteeism	2	- Regulatory absenteeism rate for all absence types - Number of days of absence by type of absence - Absenteeism rate detailed by type of absence and by collective bargaining agreement - Number of employees off work at least once for a period of at least three days in the period	Reasonable	267 269
Labor relations				
Organization of labor-management relations, especially procedures for informing the employees and consulting and negotiating with them	1	Organization of labor-management relations	Coherence	271
Overview of collective bargaining agreements	2	Number and overview of collective bargaining agreements	Coherence	271
Health and safety				
Health and safety conditions at work	1	Health and safety conditions at work	Coherence	264
Overview of agreements signed with union organizations or employee representatives regarding health and safety at work	2	Number and overview of Hygiene, Safety and Working Conditions Committee agreements No agreement signed in 2015 regarding health and safety at work	Coherence	270
Work accidents, especially their frequency and severity; occupational illnesses	2	- Frequency rate of work accidents - Rate of severity of work accidents	Reasonable	269
Training				
Training policies implemented	2	Training policy	Coherence	264
Total number of training hours	2	Average number of hours of training per employee	Reasonable (level upgraded)	264
Gender equality				
Measures taken to promote gender equality	2	- % of women in external recruitment - Number of occupation classification levels for which wage gap between men and women > 3% (administrative personnel, excluding Comex)	Reasonable (level upgraded)	275
Measures taken to promote employment and insertion of people with disabilities	2	Policy for employing people with disabilities	Coherence	273
Anti-discrimination policy	2	Anti-discrimination actions	Coherence	272

Theme	Information at 0 / 1 / 2	Indicator / Information	Level of verification by Independent Third Party	Page
Promotion and respect of the basic ILO conventions relating to:				
Respect for the right to freedom of association and the right to collective bargaining	1	Compliance with ILO agreements / human rights	Coherence	270
with the elimination of discrimination in respect of employment and occupation	1			
with the abolition of forced or compulsory labor	0	Exclusion, since Gecina's activities are 100% located in France, the company strictly follows French labor laws which excludes these forms of labor		
with the abolition of child labor	0			-
Environmental data				
General environmental policy				
Organization of the company in assimilating environmental issues and, if appropriate, engaging in environmental assessment and certification processes	2	- Coverage rate of the construction and renovation Management System in % of surface area - Coverage rate of the operations Management System, in % of surface area	Reasonable Reasonable	228 232
Approaches for training and informing employees regarding environmental protection	2	- Training and information on environmental protection (Sustainable Development Week, blog, etc.) - % reduction in the level of greenhouse gas emissions of employees in egrCO_2 /employee/year	Coherence Reasonable	259 204
Resources dedicated to the prevention of environmental risks and pollution	2	SME coverage rate	Reasonable	227
Amount set aside as provisions or reserves to cover environmental risks, provided that this information is not of a nature that could cause serious damage to the company in any ongoing litigation	0	Gecina has no amount set aside as provisions or reserves to cover environmental risks		-
Pollution and waste management				
Measures for the prevention, reduction or reparation of discharges into the air, water or ground that severely impact the environment	2	- % of assets with public transport access at less than 400 m	Reasonable (new indicator)	241
Measures for preventing, recycling and eliminating waste	2	- % of waste recovered/recycled (in tons) - % of surface area renovated with a selective waste collection area	Moderate Moderate	251 250
Taking into account all noise and other forms of pollution specific to an activity	2	Taking into account noise pollution	Coherence	239
Sustainable use of resources				
Consumption and supply of water depending on local restrictions	2	Water consumption (in m^3/sq.m/year)	Moderate	256
Consumption of raw materials and measures taken to improve efficiency of use	2	Information	Coherence	-
Consumption of energy, measures taken to improve energy efficiency, and use of renewable energies	2	- Energy consumption in kWHPE/sq.m/year at constant climate office - % of reduction in consumption since 2008 kWHPE/sq.m/year at constant climate Commercial - % of surface areas with an EPC certificate for energy A, B or C Commercial - Energy consumption in kWHPE/sq.m/year at constant climate Residential - % of reduction in consumption since 2008 kWhPE/sq.m/year Residential - % of surface areas with an EPC certificate for energy A, B or C Residential - Energy mix - % of renewable energy production	Moderate Moderate Moderate Moderate Moderate Moderate Moderate Moderate	221 221 223 224 224 225 226 226
Use of ground area	2	Information	Coherence	-

Theme	Information at 0 / 1 / 2	Indicator / Information	Level of verification by Independent Third Party	Page
Climate change				
GHG emissions	2	- GHG emissions in kgCO $kgCO_2$/ sq.m/year at constant climate Commercial	Moderate	246
		- % of surface areas with an EPC certificate for energy A, B or C Commercial	Moderate	247
		- GHG emissions in kgCO $kgCO_2$/ sq.m/year at constant climate Residential	Moderate	248
		- % of surface areas with an EPC certificate for energy A, B or C Residential	Moderate	249
		- % of reduction in emissions since 2008	Moderate	246
Adapting to the consequences of climate change	2	- Adapting to consequences of climate change - The Gecina Climate Roadmap	Coherence	243 244
Protection of biodiversity				
Measures taken to preserve and improve biodiversity	2	- Biotope coefficient per surface area	Reasonable (level upgraded)	254
Societal data				
Economic, social and territorial impact of the company's business				
In the area of employment and regional development	2	Economic contribution	Reasonable	277
On local and adjacent populations	2	Opening up buildings to their surrounding area	Coherence	277
Relationships with persons or organizations interested in the company's business, especially professional insertion associations, teaching institutions, environmental protection associations, consumer organizations and adjacent residents				
Terms regulating dialogue with these persons and organizations	2	- Client recommendation rate	Moderate	280
		- Number of Green leases signed in the year	Reasonable (level upgraded)	234
		- Stakeholders' dialogue process	Coherence	200
Partnership and sponsoring actions	2	- Number and % of employees mobilized for one or more actions (Foundation)	Moderate	294
		- Amount of Foundation donations	Moderate	294
Subcontractors and suppliers				
Inclusion of social and environmental issues in the purchasing policy	2	- Number of charters signed by suppliers	Reasonable	289
Importance of subcontracting and consideration of supplier and subcontractor social and environmental responsibility in relations with these entities	2	- Number and percentage of respondents to the "responsible purchasing" questionnaire	Reasonable (new indicator)	291
Constancy of practices				
Actions undertaken to prevent corruption	2	Risks and compliance policy	Coherence	287
Measures taken to promote health and safety of consumers	2	Risk policy	Coherence	241
Other actions taken to benefit Human rights				
Other actions taken to benefit Human rights	1	Commitment to Global Compact	Coherence	207

08 List of property holdings

8.1. Offices

Adress	Construction year	Year of last restructuration	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Total surface area (sq.m)	% of interests
Buildings in operation								
75 **Paris 1er**								
10/12, place Vendôme	1750	1750	-	80	7,821	1,002	8,903	100%
1, boulevard de la Madeleine	1890	1996	6	542	1,488	716	2,747	100%
Paris 2e								
35, avenue de l'Opéra – 6, rue Danielle-Casanova	1878	1878	5	593	1,003	591	2,187	100%
26/28, rue Danielle-Casanova	1800	1800	2	145	1,117	283	1,545	100%
Central Office – 120/122, rue Réaumur – 7/9, rue Saint-Joseph	1880	2008	-	-	4,642	-	4,642	100%
16, rue des Capucines	1970	2005	-	-	7,241	-	7,241	100%
Le Building – 37, rue du Louvre – 25, rue d'Aboukir	1935	2009	-	-	6,586	654	7,240	100%
64, rue Tiquetonne – 48, rue Montmartre	1850	1850	52	4,717	2,963	1,923	9,604	100%
31/35, boulevard des Capucines	1992	1992	-	-	4,136	1,548	5,684	100%
5, boulevard Montmartre	1850 / 1900	1996	18	1,418	3,938	2,579	7,935	100%
29/31, rue Saint-Augustin	1996	1996	6	447	4,744	259	5,450	100%
4, rue de la Bourse	1750	1993	10	802	3,186	773	4,760	100%
3, place de l'Opéra	1870	1870	-	-	4,617	868	5,486	100%
Paris 8e								
26, rue de Berri	1971	1971	-	-	1,926	920	2,846	100%
151, boulevard Haussmann	1880	1880	13	1,264	2,372	-	3,635	100%
153, boulevard Haussmann	1880	1880	15	798	4,194	-	4,991	100%
155, boulevard Haussmann	1880	1880	9	705	4,078	-	4,783	100%
22, rue du Général-Foy	1894	1894	4	323	2,434	-	2,758	100%
43, avenue de Friedland – rue Arsène-Houssaye	1867	1867	-	-	1,459	227	1,685	100%
38, avenue George-V – 53, rue François-1er	1961	1961	-	-	583	704	1,286	100%
41, avenue Montaigne – 2, rue de Marignan	1924	1924	2	136	1,523	625	2,284	100%
162, rue du Faubourg-Saint-Honoré	1953	1953	-	-	1,812	125	1,937	100%
169, boulevard Haussmann	1880	1880	8	735	746	268	1,749	100%
Magistère – 64, rue de Lisbonne – rue Murillo	1987	2012	-	-	7,405	-	7,405	100%
Parkings – Haussmann	1880	1880	-	-	-	-	-	100%
32/34, rue Marbeuf	1930-1950-1970	2005-2007	-	-	9,633	2,331	11,965	100%
44, avenue des Champs-Élysées	1925	1925	-	-	2,244	2,779	5,023	100%
66, avenue Marceau	1997	2007	-	-	4,858	-	4,858	100%
Parkings – 45, rue Galilée	-	-	-	-	-	-	-	100%
30, place de la Madeleine	1900	1900	2	337	816	983	2,137	100%
Parkings – Parc Haussmann-Berry	1990	1990	-	-	-	-	-	100%
9/15, avenue Matignon	1890	1997	35	2,684	5,269	3,810	11,763	100%

LIST OF PROPERTY HOLDINGS

Adress	Construction year	Year of last restructuration	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Total surface area (sq.m)	% of interests
24, rue Royale	1996	1996	-	-	1,747	1,150	2,897	100%
18/20, place de la Madeleine	1930	1930	-	-	2,902	648	3,549	100%
101, avenue des Champs-Élysées	1995	2006	-	-	4,300	3,885	8,185	100%
Parkings – George-V	1977	1977	-	-	-	-	-	100%
8, avenue Delcassé	1988	2007	-	-	9,316	510	9,826	100%
17, rue du Docteur-Lancereaux	1972	2002	-	-	5,428	-	5,428	100%
20, rue de la Ville-l'Évêque	1967	1967	-	-	5,575	-	5,575	100%
27, rue de la Ville-l'Évêque	1962	1962	-	-	3,172	-	3,172	100%
5, rue Royale	1850	1850	1	129	2,172	153	2,454	100%
Paris 9e								
21, rue Auber – 24, rue des Mathurins	1866	1866	-	10	1,256	422	1,687	100%
Mercy-Argenteau – 16, boulevard Montmartre	1820	2012	22	1,422	2,459	412	4,293	100%
1/3, rue de Caumartin	1780	1780	4	284	1,648	1,041	2,973	100%
32, boulevard Haussmann	1850	2002	-	-	2,385	287	2,672	100%
Paris 12e								
Parkings – 58/62, quai de la Rapée	1990	1990	-	-	-	-	-	100%
Tour Gamma – 193, rue de Bercy	1972	1972	-	-	14,790	548	15,338	100%
Paris 13e								
Le France – 190-198, avenue de France	2001	2001	-	-	17,860	248	18,108	100%
Paris 14e								
37/39, rue Dareau	1988	1988	-	-	4,724	-	4,724	100%
Paris 15e								
Tour Mirabeau – 39, quai André-Citroën	1972	1972	-	-	36,497	-	36,497	100%
Paris 16e								
58/60, avenue Kléber	1992	1992	-	-	4,297	588	4,885	100%
69-81, avenue de la Grande-Armée	1973	1973	-	-	27,901	-	27,901	100%
Paris 17e								
63, avenue de Villiers	1880	1880	8	415	2,964	98	3,476	100%
Le Banville – 153, rue de Courcelles	1991	1991	-	-	19,442	1,138	20,579	100%
Paris 20e								
Le Valmy – 4/16, avenue Léon-Gaumont	2006	2006	-	-	27,234	-	27,234	100%
Total buildings in operation in Paris			**222**	**17,984**	**302,900**	**35,095**	**355,979**	
78 **78140 Vélizy-Villacoublay**								
Crystalys – 6, avenue Morane-Saulnier – 3, rue Paul-Dautier	2007	2007	-	-	24,059	-	24,059	100%
78180 Montigny-le-Bretonneux								
6, avenue Ampère	1981	1981	-	-	3,204	-	3,204	100%
91 **91220 Brétigny-sur-Orge**								
ZI Les Bordes	1975	1975	-	-	15,646	-	15,646	100%

	Adress	Construction year	Year of last restructuration	Number of housing units	Residential surface area *(sq.m)*	Office surface area *(sq.m)*	Retail surface area *(sq.m)*	**Total surface area** *(sq.m)*	% of interests
92	**92100 Boulogne-Billancourt**								
	Khapa – 65, quai Georges-Gorse	2008	2008	-	-	17,889	427	18,315	100%
	Anthos – 63/67 rue Marcel-Bontemps – 26/30, cours Émile-Zola	2010	2010	-	-	8,681	230	8,910	100%
	Tour Horizons – Rue du Vieux-Pont-de-Sèvres	2011	2011	-	-	32,381	1,027	33,408	100%
	Le Cristallin – Bât. A – 122, avenue du Général-Leclerc	1968	2006	-	-	7,410	3,033	10,443	100%
	92120 Montrouge								
	Park Azur – 97, avenue Pierre-Brossolette	2012	2012	-	-	21,648	-	21,648	100%
	92150 Suresnes								
	1, quai Marcel-Dassault	2003	2003	-	-	12,257	-	12,257	100%
	92200 Neuilly-sur-Seine								
	159/161, avenue Achille-Peretti – 17, rue des Huissiers	1914	1914			3,407	-	3,407	100%
	157, avenue Charles-de-Gaulle	1959	1959	-	-	5,487	232	5,720	100%
	159, avenue Charles-de-Gaulle	1970	1970	-	-	3,573	243	3,816	100%
	96/104, avenue Charles-de-Gaulle	1964	2012	-	-	9,154	-	9,154	100%
	12/16, boulevard du Général-Leclerc	1973	1973	8	541	14,432	-	14,973	100%
	6 bis/8, rue des Graviers	1959	1959	-	-	4,559	-	4,559	100%
	163/165, avenue Achille-Peretti	1970	1970	-	-	2,495	-	2,495	100%
	92230 Gennevilliers								
	Pointe Métro 2 – 1-17, rue Henri-Barbusse	2012	2012	-	-	13,332	351	13,683	100%
	92300 Levallois-Perret								
	2/4, quai Michelet	1996	1996	-	-	34,156	-	34,156	100%
	55, rue Deguingand	1974	2007	-	-	4,682	-	4,682	100%
	92400 Courbevoie								
	Pyramidion – ZAC Danton 16, 16 bis 18 à 28, avenue de l'Arche – 34, avenue Léonard-de-Vinci	2007	2007	-	-	8,728	-	8,728	100%
	Tour T1 – Tour Engie – Place Samuel-Champlain	2008	2008	-	-	61,539	-	61,539	100%
	Bât. B – Tour Engie – Place Samuel-Champlain	2008	2008	-	-	18,931	-	18,931	100%
	Parking Cartier – Tour Engie – Place Samuel-Champlain	2008	2008	-	-	-	-	-	100%
	92500 Rueil-Malmaison								
	Vinci 1 – Cours Ferdinand-de-Lesseps	1992	1992	-	-	22,418	-	22,418	100%
	Vinci 2 – Place de l'Europe	1993	1993	-	-	8,871	916	9,787	100%
	92700 Colombes								
	Portes de la Défense – 15/55, boulevard Charles-de-Gaulle – 307 rue d'Estienne-d'Orves	2001	2001	-	-	42,387	-	42,387	100%
	Défense Ouest – 420/426, rue d'Estienne-d'Orves	2006	2006	-	-	51,768	-	51,768	100%
93	**93400 Saint-Ouen**								
	Docks en Seine – 1-5, rue Paulin-Talabot	2013	2013	-	-	15,999	-	15,999	100%

	Adress	Construction year	Year of last restructuration	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Total surface area (sq.m)	% of interests
94	**94110 Arcueil**								
	13, rue Nelson-Mendela – Bat. A - B - C	2006	2006	-	-	42,175	714	42,889	100%
	94300 Vincennes								
	5/7, avenue de Paris	1988	1988	-	-	3,507	-	3,507	100%
	9, avenue de Paris	1971	2003	-	-	1,969	-	1,969	100%
	Total buildings in operation in the Paris Region			**8**	**541**	**516,741**	**7,173**	**524,456**	
	Total buildings in operation in Paris and its Region			**230**	**18,525**	**819,642**	**42,268**	**880,435**	
69	**Lyon 3e**								
	Le Velum – 106, boulevard Vivier-Merle	2013	2013	-	-	13,032	-	13,032	100%
	Total buildings in operation in other regions			**-**	**-**	**13,032**	**-**	**13,032**	
	TOTAL BUILDINGS IN OPERATION			**230**	**18,525**	**832,674**	**42,268**	**893,467**	
	Assets under development								
75	**Paris 8e**								
	55, rue d'Amsterdam	1996	under development	-	-	9,252	-	9,252	100%
	Paris 12e								
	Tour Van Gogh – 5-9, rue Van-Gogh	1974	under development	-	-	19,949	-	19,949	100%
	Paris 17e								
	32/34, rue Guersant	1970-1992	under development	-	-	12,258	-	12,258	100%
92	**92100 Boulogne-Billancourt**								
	City 2 – 204, rond-point du Pont-de-Sèvres	under development	under development	-	-	28,511	-	28,511	100%
	Le Cristallin - Bât. B – 122, avenue du Général-Leclerc	1968	under development	-	-	10,948	-	10,948	100%
69	**Lyon 3e**								
	Sky 56 – Avenue Félix-Faure	under development	under development	-	-	28,236	238	28,474	100%
	Lyon 7e								
	Septen – ZAC Gerland	under development	under development	-	-	19,176	-	19,176	100%
	TOTAL ASSETS UNDER DEVELOPMENT			**-**	**-**	**128,330**	**238**	**128,568**	
	Land Reserves								
78	**78140 Vélizy-Villacoublay**								
	Square – Colvel Windsor – 8/10, avenue Morane-Saulnier	1979	under development	-	-	-	-	-	100%
	78180 Montigny-le-Bretonneux								
	1, avenue Niepce	1984	under development	-	-	-	-	-	100%
	5/9, avenue Ampère	1986	under development	-	-	-	-	-	100%
	4, avenue Newton	1978	under development	-	-	-	-	-	100%
69	**Lyon 7e**								
	ZAC Gerland	under development	under development	-	-	-	-	-	100%
	ZAC des Girondins	under development	under development	-	-	-	-	-	100%
Other countries	**28050 Madrid (Espagne)**								
	16, calle del Puerto Somport	under development	under development	-	-	-	-	-	100%
	10, calle del Puerto Somport	under development	under development	-	-	-	-	-	100%
	TOTAL LAND RESERVES			**-**	**-**	**-**	**-**	**-**	
	GRAND TOTAL OFFICES			**230**	**18,525**	**961,004**	**42,506**	**1,022,035**	

8.2. Residential

Adress	Construction year	Year of last restructuration	Nomber of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Total surface area (sq.m)	% of interests
Buildings in operation								
75 **Paris 3e**								
7/7 bis, rue Saint-Gilles	1987	1987	42	2,713	-	116	2,829	100%
Paris 11e								
8, rue du Chemin-Vert	1969	1969	42	2,200	-	713	2,913	100%
Paris 12e								
18/20 bis, rue Sibuet	1992	1992	63	4,423	73	-	4,496	100%
9/11, avenue Ledru-Rollin	1997	1997	62	3,055	-	177	3,232	100%
25, avenue de Saint-Mandé	1964	1964	82	3,625	-	141	3,766	100%
220, rue du Faubourg-Saint-Antoine	1969	1969	125	6,485	-	1,019	7,504	100%
24/26, rue Sibuet	1970	1970	158	9,708	85	-	9,793	100%
Paris 13e								
20, rue du Champ-de-l'Alouette	1965	1965	53	3,886	570	369	4,825	100%
53, rue de la Glacière	1970	1970	53	646	-	99	745	100%
49/53, rue Auguste-Lançon – 26, rue de Rungis – 55/57, rue Brillat-Savarin	1971	1971	40	3,413	-	-	3,413	100%
2/12, rue Charbonnel – 53, rue de l'Amiral-Mouchez – 65/67, rue Brillat-Savarin	1966	1966	181	12,007	-	491	12,498	100%
75, rue du Château-des-Rentiers (student residence)	2011	2011	183	4,168	-	-	4,168	100%
rue Auguste-Lançon (student residence)	2015	2015	60	1,465	-	-	1,465	100%
Paris 14e								
26, rue du Commandant-René-Mouchotte	1966	1966	317	21,137	-	-	21,137	100%
3, villa Brune	1970	1970	108	4,689	-	-	4,689	100%
Paris 15e								
18/20, rue Tiphaine	1972	1972	80	4,877	1,897	177	6,951	100%
37/39, rue des Morillons	1966	1966	37	2,212	212	312	2,736	100%
6, rue de Vouillé	1969	1969	588	28,216	730	1,147	30,093	100%
199, rue Saint-Charles	1967	1967	58	3,234	-	-	3,234	100%
159/169, rue Blomet – 334/342, rue de Vaugirard	1971	1971	320	21,517	-	7,475	28,992	100%
76/82, rue Lecourbe – rue François-Bonvin (Bonvin-Lecourbe)	1971	1971	247	13,875	-	480	14,355	100%
10, rue du Docteur-Roux – 189/191, rue de Vaugirard	1967	1967	222	13,035	2,755	-	15,790	100%
74, rue Lecourbe	1971	1971	93	8,042	186	4,213	12,441	100%
89, rue de Lourmel	1988	1988	23	1,487	-	245	1,732	100%
168/170, rue de Javel	1962	1962	85	5,817	135	-	5,952	100%
148, rue de Lourmel – 74/86, rue des Cévennes – 49, rue Lacordaire	1965	1965	316	21,980	190	612	22,782	100%
85/89, boulevard Pasteur	1965	1965	260	16,434	-	-	16,434	100%
76/82, rue Lecourbe – rue François-Bonvin (Résidence étudiants)	1971	2014	103	2,674	-	-	2,674	100%

	Adress	Construc-tion year	Year of last restructura-tion	Nomber of housing units	Resi-dential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Total surface area (sq.m)	% of interests
	Paris 16e								
	6/14, rue de Rémusat – square Henri-Paté	1962	1962	185	16,038	-	1,022	17,060	100%
	46 bis, rue Saint-Didier	1969	1969	42	2,056	-	670	2,726	100%
	Paris 17e								
	Parkings – 169, boulevard Péreire	1882	1882	-	-	-	-	-	100%
	Paris 20e								
	59/61, rue de Bagnolet	1979	1979	57	3,227	-	101	3,328	100%
	44/57, rue de Bagnolet	1992	1992	30	1,926	-	308	2,234	100%
	42/52 et 58/60, rue de la Py – 15/21, rue des Montibœufs	1967	1967	142	8,004	488	-	8,492	100%
	Total buildings in operation in Paris			**4,457**	**258,271**	**7,321**	**19,887**	**285,479**	
77	**77420 Champs-sur-Marne**								
	6, boulevard Copernic (student residence)	2010	2010	135	2,659	-	-	2,659	100%
91	**91120 Palaiseau**								
	Plateau de Saclay (student residence)	2015	2015	145	3,002	-	-	3,002	100%
92	**92100 Boulogne-Billancourt**								
	94/98, rue de Bellevue	1974	1974	63	4,474	-	-	4,474	100%
	108, rue de Bellevue – 99, rue de Sèvres	1968	1968	322	24,759	-	-	24,759	100%
	92350 Le Plessis-Robinson								
	25, rue Paul-Rivet	1997	1997	132	11,265	250	-	11,515	100%
	92400 Courbevoie								
	4/6/8, rue Victor-Hugo – 8/12, rue de l'Abreuvoir – 11, rue de l'Industrie	1966	1966	202	13,977	142	1,825	15,944	100%
	43, rue Jules-Ferry – 25, rue Cayla	1996	1996	58	3,574	-	-	3,574	100%
	92410 Ville-d'Avray								
	14/18, rue de la Ronce	1963	1963	159	15,902	-	-	15,902	100%
	1 à 33, avenue des Cèdres – 3/5, allée Forestière – 1, rue du Belvedère-de-la-Ronce	1966	1966	550	40,243	-	1,095	41,338	100%
93	**93170 Bagnolet**								
	16-18, rue Sadi-Carnot – 2-4, avenue Henriette (student residence)	2015	2015	163	3,745	-	381	4,126	100%
	93200 Saint-Denis								
	Cité Cinéma – Saint-Denis Pleyel – Rue Anatole-France (student residence)	2014	2014	183	4,282	-	268	4,550	100%
	93350 Le Bourget								
	5, rue Rigaud (student residence)	2008	2008	238	4,648	-	-	4,648	100%
94	**94410 Saint-Maurice**								
	1/5, allée des Bateaux-Lavoirs – 4, promenade du Canal	1994	1994	87	6,382	-	-	6,382	100%
	Total buildings in operation in the Paris Region			**2,437**	**138,912**	**392**	**3,568**	**142,872**	
	Total buildings in operation in Paris and its Region			**6,894**	**397,183**	**7,713**	**23,455**	**428,351**	
13	**13778 Fos-sur-Mer**								
	Les Jardins	1966	1966	36	2,967	-	-	2,967	100%

	Adress	Construction year	Year of last restructuration	Nomber of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Total surface area (sq.m)	% of interests
33	**33000 Bordeaux**								
	26/32, rue des Belles-Îles (student residence)	1994	1994	99	2,034	-	-	2,034	100%
	rue Blanqui – rue de New-York (student residence)	2015	2015	159	3,800	-	-	3,800	100%
	33400 Talence								
	11, avenue du Maréchal-de-Tassigny (student residence)	2000	2000	150	3,621	-	933	4,554	100%
	36, rue Marc Sangnier (student residence)	1994	1994	132	2,740	-	-	2,740	100%
	33600 Pessac								
	80, avenue du Docteur-Schweitzer (student residence)	1995	1995	92	1,728	-	-	1,728	100%
59	**59000 Lille**								
	Tour V Euralille- avenue Willy-Brandt (student residence)	2009	2009	190	4,738	-	-	4,738	100%
69	**Lyon 7e**								
	7, rue Simon Fryd (student residence)	2010	2010	152	3,258	-	-	3,258	100%
	Total buildings in operation in other regions			**1,010**	**24,886**	**-**	**933**	**25,819**	
	TOTAL BUILDINGS IN OPERATION			**7,904**	**422,069**	**7,713**	**24,388**	**454,170**	
	Buildings on unit-by-unit sale in Paris								
75	**Paris 2e**								
	6 bis, rue Bachaumont	1905	1905	12	993	-	-	993	100%
	Paris 6e								
	1, place Michel-Debré	1876	1876	14	933	-	-	933	100%
	Paris 7e								
	262, boulevard Saint-Germain	1880	1880	2	215	-	-	215	100%
	266, boulevard Saint-Germain	1880	1880	2	362	-	-	362	100%
	Paris 8e								
	80, rue du Rocher	1903	1903	5	567	-	-	567	100%
	165, boulevard Haussmann	1866	1866	5	477	-	-	477	100%
	3, rue Treilhard	1866	1866	6	482	-	-	482	100%
	Paris 9e								
	13/17, cité de Trévise	1998	1998	45	2,792	-	-	2,792	100%
	Paris 12e								
	25/27, rue de Fécamp – 45, rue de Fécamp	1988	1988	33	2,524	-	-	2,524	100%
	Paris 13e								
	22/24, rue Wurtz	1988	1988	68	4,495	-	-	4,495	100%
	82, boulevard Massena (Tour Ancone)	1972	1972	-	-	-	14	14	100%
	84, boulevard Massena (Tour Bologne)	1972	1972	-	-	-	30	30	100%
	Paris 14e								
	83/85, rue de l'Ouest	1978	1978	4	279	-	-	279	100%
	8/20, rue du Commandant-René-Mouchotte	1967	1967	1	42	-	-	42	100%
	Paris 15e								
	12, rue Chambéry	1968	1968	15	426	-	-	426	100%
	22, rue de Cherbourg – 25, rue de Chambéry	1965	1965	1	40	-	-	40	100%
	191, rue Saint-Charles – 17, rue Varet	1960	1960	65	4,584	-	-	4,584	100%
	22/24, rue Edgar-Faure	1996	1996	85	6,760	-	-	6,760	100%
	39, rue de Vouillé	1999	1999	84	6,267	-	-	6,267	100%
	3, rue Jobbé-Duval	1900	1900	3	122	-	-	122	100%
	27, rue Balard	1995	1995	64	5,686	-	-	5,686	100%

LIST OF PROPERTY HOLDINGS

Adress	Construc-tion year	Year of last restructura-tion	Nomber of housing units	Resi-dential surface area *(sq.m)*	Office surface area *(sq.m)*	Retail surface area *(sq.m)*	Total surface area *(sq.m)*	% of interests
Paris 16e								
4, rue Poussin	1880	1880	-	-	-	-	-	100%
8/9, avenue Saint-Honoré-d'Eylau	1880	1880	1	158	-	-	158	100%
Paris 17e								
169/183, boulevard Péreire – 7/21, rue Faraday – 49, rue Laugier	1882	1882	8	716	-	-	716	100%
10, rue Nicolas-Chuquet	1995	1995	55	3,144	-	-	3,144	100%
28, avenue Carnot	1882	1882	8	870	-	-	870	100%
30, avenue Carnot	1882	1882	4	239	-	-	239	100%
32, avenue Carnot	1882	1882	4	448	-	-	448	100%
169/183, boulevard Péreire – 7/21, rue Faraday – 49, rue Laugier	1882	1882	18	1,743	-	-	1,743	100%
Paris 18e								
40, rue des Abbesses	1907	1907	18	1,263	-	-	1,263	100%
Paris 19e								
104/106, rue Petit – 16, allée de Fontainebleau	1977	1977	1	66	-	-	66	100%
Paris 20e								
162, rue de Bagnolet	1992	1992	32	2,273	-	-	2,273	100%
19/21, rue d'Annam	1981	1981	57	2,912	-	-	2,912	100%
Total buildings on unit-by-unit sale in Paris			**720**	**51,876**	**-**	**44**	**51,919**	
78 **78000 Versailles**								
7, rue de l'Amiral-Serre	1974	1974	32	2,426	-	-	2,426	100%
Petite place – 7/9, rue Sainte-Anne – 6, rue Madame – 20, rue du Peintre-Le-Brun	1968	1968	191	13,887	-	1,963	15,851	100%
78100 Saint-Germain-en-Laye								
17, rue Félicien-David	1966	1966	3	346	-	-	346	100%
78600 Maisons-Laffitte								
21/31, rue des Côtes	1982	1982	2	137	-	-	137	100%
56, avenue de Saint-Germain	1981	1981	3	282	-	-	282	100%
91 **91380 Chilly-Mazarin**								
5, rue des Dalhias	1972	1972	1	94	-	-	94	100%
92 **92100 Boulogne-Billancourt**								
Rue Marcel Bontemps – Îlot B3 – lot B3abc – ZAC Séguin Rives-de-Seine	2011	2011	67	4,398	-	-	4,398	100%
59 bis/59 ter, rue des Peupliers – 35 bis, rue Marcel-Dassault	1993	1993	36	2,871	83	96	3,049	100%
92160 Antony								
254/278, rue Adolphe-Pajeaud	1972	1972	2	73	-	-	73	100%
92190 Meudon								
7, rue du Parc – 85, rue de la République	1966	1966	16	1,677	-	-	1,677	100%
92200 Neuilly-sur-Seine								
163/165, avenue Charles-de-Gaulle	1967	1967	1	65	-	-	65	100%
47/49, rue Perronet	1976	1976	6	431	-	-	431	100%
92210 Saint-Cloud								
9/11, rue Pasteur	1964	1964	3	243	-	-	243	100%

	Adress	Construction year	Year of last restructuration	Nomber of housing units	Residential surface area *(sq.m)*	Office surface area *(sq.m)*	Retail surface area *(sq.m)*	Total surface area *(sq.m)*	% of interests
	92290 Chatenay-Malabry								
	148, rue d'Aulnay	1973	1973	10	643	-	-	643	100%
	97, avenue Roger-Salengro	1972	1972	1	64	-	-	64	100%
	92300 Levallois-Perret								
	136/140, rue Aristide-Briand	1992	1992	32	2,188	-	-	2,188	100%
	92400 Courbevoie								
	3/6, square Henri-Regnault	1974	1974	50	3,249	-	-	3,249	100%
	6, rue des Vieilles-Vignes	1962	1962	18	942	-	-	942	100%
	8/12, rue Pierre-Lhomme	1996	1996	96	5,328	-	-	5,328	100%
	3, place Charras	1985	1985	67	4,785	-	-	4,785	100%
	92600 Asnières								
	46, rue de la Sablière	1994	1994	15	1,015	-	-	1,015	100%
94	**94000 Créteil**								
	1/15, passage Saillenfait	1971	1971	2	126	-	-	126	100%
	Total buildings on unit-by-unit sale in the Paris Region			**654**	**45,268**	**83**	**2,059**	**47,410**	
01	**01280 Prévessin-Moëns**								
	«La Bretonnière» – Route de Mategnin – Le Cottage – Mail du Neutrino	2010	2010	51	3,628	-	-	3,628	100%
13	**13008 Marseille**								
	116, avenue Cantini – Quartier le Rouet	2010	2010	21	1,408	-	-	1,408	100%
	Total buildings on unit-by-unit sale in other regions			**72**	**5,036**	**-**	**-**	**5,036**	
	TOTAL BUILDINGS ON UNIT-BY-UNIT SALE			**1,446**	**102,180**	**83**	**2,103**	**104,365**	
	Buildings under development								
75	**Paris 15e**								
	3-9, rue de Villafranca	under development	under development	14	542.85		156	698	100%
92	**92410 Ville-d'Avray**								
	Éco-quartier – 20, rue de la Ronce	under development	under development	129	9,000		3,000	12,000	100%
	92800 Puteaux								
	Rose de Cherbourg (student residence)	under development	under development	355	7,379		100	7,479	100%
	Castle Light – Terrasse Valmy (student residence)	under development	under development	168	3,940			3,940	100%
13	**Marseille 2e**								
	1, rue Mazenod (student residence)	under development	under development	179	3,742			3,742	100%
	TOTAL BUILDINGS UNDER DEVELOPMENT			**845**	**24,604**	**-**	**3,256**	**27,859**	
	GRAND TOTAL RESIDENTIAL			**10,195**	**548,853**	**7,796**	**29,747**	**586,395**	

8.3. Healthcare*

	Adress	Construction year	Year of last reconstruction	Healthcare surface area (sq.m)	Type of facility	Number of beds and places	Total surface area (sq.m)	% of interests
	Building in operation							
75	**Paris 20e**							
	Résidence Les Amandiers – 5, rue des Cendriers	1990	1990	4,954	Nursing home	118	4,954	100%
77	**77400 Saint-Thibault-des-Vignes**							
	Résidence Eleusis Saint-Thibaut – 5, rue Marc-Chagall	1988	1988	3,208	Nursing home	95	3,208	100%
	77640 Jouarre							
	Clinique de Perreuse – Château de Perreuse	1870	1870	5,043	PSY	96	5,043	100%
78	**78125 Vieille-Église-en-Yvelines**							
	Clinique d'Yveline – Route de Rambouillet	1939	1947	6,605	PSY	126	6,605	100%
	78130 Chapet							
	Clinique de Bazincourt – Route de Verneuil	1901	1901	6,771	SCR	120	6,771	100%
	78300 Poissy							
	Résidence Eleusis – 11, rue Saint-Barthélémy	1995	1995	3,333	Nursing home	85	3,333	100%
	Résidence L'Île de Migneaux – 52, rue de Villiers	1989	1989	5,122	Nursing home	124	5,122	100%
	78400 Chatou							
	Résidence Mandoline – 8, square Debussy	1990	1990	4,932	Nursing home	115	4,932	100%
92	**92130 Issy-les-Moulineaux**							
	Laboratoire Diderot – 30/32, rue Diderot – 35, rue Danton	1985	1985	211	LABO	-	211	100%
	92150 Suresnes							
	Résidence Tiers Temps – 8, rue de Chevreul	1995	1995	12,000	Nursing home	148	12,000	100%
	Résidence Les Sarments – 36, rue Carnot	2001	2001	4,502	Nursing home	108	4,502	100%
	92230 Gennevilliers							
	Résidence Villa Caroline – 22, rue Jeanne-d'Arc	1963	1963	3,064	Nursing home	76	3,064	100%
	92290 Chatenay-Malabry							
	Résidence Jean Rostand – 6/8, avenue du Bois	1987	1987	5,812	Nursing home	96	5,812	100%
	92500 Reuil-Malmaison							
	Résidence Villa Impératrice – 29/31, boulevard Solferino	1993	1993	4,608	Nursing home	98	4,608	100%
	92700 Colombes							
	Résidence Azur – 27, rue Youri-Gagarine	1997	1997	2,438	Nursing home	72	2,438	100%
93	**93110 Rosny-sous-Bois**							
	Résidence Le Tulipier – 16, rue Marcelin-Berthelot	1989	1989	4,297	Nursing home	114	4,297	100%
	93250 Villemomble							
	Résidence Les Cèdres – 36, rue de la Montagne-Savart	2008	2008	5,425	Nursing home	121	5,425	100%
	93600 Aulnay-sous-Bois							
	HP de l'Est Parisien – 11, avenue de la République	1936	1936	11,829	MSO	146	11,829	100%
95	**95200 Sarcelles**							
	Résidence Les Merlettes – 206, avenue de la Division-Leclerc	1990	1990	6,679	Nursing home	156	6,679	100%
	95460 Ezanville							
	Résidence Eleusis – 6, Grande rue	1992	1992	3,072	Nursing home	100	3,072	100%
	95600 Eaubonne							
	Résidence La Croisée bleue – 2, rue Henry-Barbusse	1997	1997	4,501	Nursing home	103	4,501	100%
	Total buildings in operation in the Paris and its Region			**108,406**		**2,217**	**108,406**	

* *On February 8, 2016 Gecina has signed a preliminary sales agreement for its subsidiaries holding its entire healthcare real estate portfolio.*

	Adress	Construction year	Year of last reconstruction	Healthcare surface area *(sq.m)*	Type of facility	Number of beds and places	**Total surface area** *(sq.m)*	% of interests
01	**01000 Bourg-en-Bresse**							
	Clinique Convert – 62, route de Jasseron	1974	1974	15,848	MSO	180	15,848	100%
06	**06400 Cannes**							
	Résidence Seren Cannes – 6, rue Marius-Monti, impasse bellevue	1987	1987	4,958	Nursing home	121	4,958	100%
07	**07500 Guilherand-Granges**							
	HP Drôme Ardèche – 294, boulevard du Général-de-Gaulle	1968	1968	16,572	MSO	361	16,572	100%
09	**09270 Mazères**							
	Résidence Gaston de Foix – Faubourg du Cardinal-d'Este	1988	1988	3,319	Nursing home	80	3,319	100%
11	**11069 Carcassonne**							
	Polyclinique de Montréal – 3, route de Bram	1953	1953	11,899	MSO	118	11,899	100%
13	**13000 Marseille**							
	Clinique Monticelli – 88, rue du Commandant-Rolland	1950	1950	3,864	MSO	54	3,864	100%
	Clinique Rosemond – 61/67, avenue des Goumiers	1968	1968	6,500	SCR	165	6,500	100%
	HP Clairval – 317, boulevard du Redon	1990	1990	30,000	MSO	359	30,000	100%
	HP Marseille-Beauregard – 12, impasse du Lido	1950	1973	22,163	MSO	271	22,163	100%
	13400 Aubagne							
	Clinique Provence-Bourbonne – Domaine de la Bourbonne	1964	1964	9,049	SCR	128	9,049	100%
14	**14000 Caen**							
	HP Saint-Martin – 18, rue des Roquemonts	1993	1993	34,000	MSO	223	34,000	100%
17	**17300 Rochefort**							
	Résidence Clos des fontaines – 2 bis, rue du 14-Juillet	1989	1989	3,222	Nursing home	71	3,222	100%
22	**22130 Plancoët**							
	Clinique La Maison de Velleda – Bran de Fer, rue Velleda	1971	1971	5,155	SCR	117	5,155	100%
	22430 Erquy							
	Résidence Les Jardins d'Erquy – 37, rue Saint-Michel	1920	1989	3,339	Nursing home	58	3,339	100%
27	**27100 Le Vaudreuil**							
	Résidence Les Rivalières – 1, rue Bernard-Chedeville	1987	1987	4,673	Nursing home	98	4,673	100%
31	**31203 Frouzins**							
	Les Terrasses de Mailheaux – 25, chemin de Mailheaux	2003	2003	4,161	Nursing home	80	4,161	100%
	31470 Saint-Lys							
	Résidence La Joie de Vivre – 835, route de Toulouse	1970	1970	3,472	Nursing home	95	3,472	100%
	31700 Blagnac							
	Résidence de Vinci – 20, rue Pablo-Picasso	1988	1988	4,143	Nursing home	80	4,143	100%
	31770 Colomiers							
	Résidence Domaine de Lasplanes – 4, chemin des Cournaudis	1973	1973	3,564	Nursing home	95	3,564	100%
32	**32410 Castera-Verduzan**							
	Résidence Villa Castera – 3, rue de l'Armagnac	2009	2009	4,661	Nursing home	84	4,661	100%
33	**33000 Bordeaux**							
	Clinique Tourny – 54, rue Huguerie	1850	1850	5,698	MSO	-	5,698	100%
	RPA Les Templitudes – 27, rue Ségalier	1850	1989	5,583	RPA	61	5,583	100%
	Résidence Clos Serena – 1, rue Jean-Renaud-Dandicolle	1994	1994	4,152	Nursing home	107	4,152	100%

	Adress	Construc-tion year	Year of last reconstruc-tion	Healthcare surface area (sq.m)	Type of facility	Number of beds and places	Total surface area (sq.m)	% of interests
	33600 Pessac							
	HP Saint-Martin Pessac – Allée des Tulipes	1976	1976	17,000	MSO	256	17,000	100%
34	**34000 Montpellier**							
	Clinique Rech – 10, rue Hippolyte-Rech	1850	1900	13,800	PSY	204	13,800	100%
35	**35170 Bruz**							
	Clinique du Moulin – Lieu-dit Carcé	1850	1960	5,200	PSY	94	5,200	100%
44	**44000 Nantes**							
	Clinique Sourdille – 3, place Anatole-France	1928	1928	7,000	MSO	72	7,000	100%
45	**45500 Gien**							
	Clinique Jeanne d'Arc – 2, avenue Villejean	2010	2010	11,887	MSO	106	11,887	100%
47	**47000 Agen**							
	Résidence Tiers Temps Saint-Jean – 2, avenue du Général-de-Gaulle	1990	2002	4,076	Nursing home	76	4,076	100%
53	**53810 Change**							
	Clinique Notre Dame de Pritz – Route de Niafles	1965	1965	2,270	PSY	56	2,270	100%
59	**59110 Lille**							
	Résidence Saint-Maur – 15, avenue Saint-Maur	1862	1890	9,643	Nursing home	152	9,643	100%
	59553 Esquerchin							
	Clinique de l'Escrebieux – 984, rue de Quiery	1997	1997	4,899	PSY	113	4,899	100%
60	**60200 Compiègne**							
	Résidence Tiers Temps – 8, rue des Bouvines	1991	1991	2,662	Nursing home	60	2,662	100%
	60350 Pierrefonds							
	Clinique Eugénie – 1, sente des Demoiselles	1998	1998	2,134	PSY	42	2,134	100%
62	**62320 Rouvroy**							
	HP Bois-Bernard – Route de Neuvireuil	1974	1974	26,737	MSO	248	26,737	100%
63	**63830 Durtol**							
	Clinique du Grand Pré – Lieu-dit Chaves	1974	1974	13,819	PSY	144	13,819	100%
64	**64000 Pau**							
	Résidence Tiers Temps – 5, avenue des Lilas	1600	1963	4,102	Nursing home	65	4,102	100%
	64100 Bayonne							
	Clinique de Bayonne – Chemin de Jupiter	2015	2015	29,594	MSO	254	29,594	100%
69	**Lyon 5e**							
	Résidence Tiers Temps – 40, rue des Granges	1988	1988	5,075	Nursing home	91	5,075	100%
	Lyon 8e							
	Résidence Saison Dorée – 8, rue Antoine-Péricaud	1995	1995	4,685	Nursing home	108	4,685	100%
	69130 Écully							
	Clinique Mon Repos – 11, chemin de la Vernique	1820	1910	4,838	PSY	108	4,838	100%
	69280 Marcy-l'Étoile							
	Résidence Eleusis – 248, rue des Sources	1993	1993	3,198	Nursing home	90	3,198	100%
71	**71100 Châlon-sur-Saône**							
	HP Sainte-Marie – 4, allée Saint-Jean-des-Vignes	1985	1985	15,669	MSO	312	15,669	100%
	71400 Autun							
	Résidence Sainte-Anne – 14, rue Lauchien-le-Boucher	1877	1999	6,233	Nursing home	80	6,233	100%

	Adress	Construction year	Year of last reconstruction	Healthcare surface area (sq.m)	Type of facility	Number of beds and places	Total surface area (sq.m)	% of interests
73	**73100 Aix-les-Bains**							
	Résidence Tiers Temps – 26, rue Victor-Hugo	1989	1989	2,657	Nursing home	54	2,657	100%
74	**74100 Annemasse**							
	HP Pays de Savoie – 17/19, avenue Pierre-Mendes-France	2012	2012	23,353	MSO	233	23,353	100%
76	**76600 Le Havre**							
	HP de l'Estuaire – Rue Irène-Joliot-Curie	2010	2010	33,291	MSO	386	33,291	100%
79	**79500 Saint-Martin-les-Melle**							
	Résidence Château de Chaillé – 5, allée de Chaillé	1850	2002	7,168	Nursing home	112	7,168	100%
81	**81710 Saix**							
	Résidence Les Grands Chênes – 14, chemin des Amoureux	1988	1988	3,504	Nursing home	72	3,504	100%
84	**84100 Orange**							
	Clinique du Parc-Orange – 52, avenue Frédéric-Mistral	2015	2015	5,350	MSO	61	5,350	100%
85	**85000 La Roche-sur-Yon**							
	Résidence Le Richelieu – 94, boulevard des Belges	2009	2009	4,295	Nursing home	73	4,295	100%
	RPA Le Richelieu – 94, boulevard des Belges	2009	2009	2,288	Nursing home	-	2,288	100%
	Total buildings in operation in other regions			**486,422**		**6,728**	**486,422**	
	TOTAL BUILDINGS IN OPERATION			**594,828**		**8,945**	**594,828**	
	GRAND TOTAL HEALTHCARE			**594,828**		**8,945**	**594,828**	

8.4. Summary of surface areas

Summary of the office property portfolio

	Office surface area (sq.m)	Commercial surface area (sq.m)
Paris	**310,221**	**54,982**
Commercial portion of predominantly residential assets	7,321	19,887
Commercial portion of predominantly commercial assets	302,900	35,095
Paris Region	**517,133**	**10,742**
Commercial portion of predominantly residential assets	392	3,568
Commercial portion of predominantly commercial assets	516,741	7,173
Other regions	**13,032**	**933**
Commercial portion of predominantly residential assets	0	933
Commercial portion of predominantly commercial assets	13,032	0
Commercial portfolio in operation as at December 31, 2015	**840,387**	**66,656**
Unit-by-unit sale programs	**83**	**2,103**
Commercial portion of predominantly residential assets	83	2,103
Commercial portion of predominantly commercial assets	0	0
Programs under construction and land reserves	**128,330**	**3,494**
Commercial portion of predominantly residential assets	0	3,256
Commercial portion of predominantly commercial assets	128,330	238
TOTAL COMMERCIAL PROPERTY HOLDINGS AS AT DECEMBER 31, 2015	**968,799**	**72,253**
Commercial portion of predominantly residential assets	7,796	29,747
Commercial portion of predominantly commercial assets	961,004	42,506

Summary of the residential property portfolio

	Nb of housing units	Residential surface area *(sq.m)*
Paris	**4,679**	**276,255**
Residential portion of predominantly residential assets	4,457	258,271
Residential portion of predominantly commercial assets	222	17,984
Paris Region	**2,445**	**139,453**
Residential portion of predominantly residential assets	2,437	138,912
Residential portion of predominantly commercial assets	8	541
Other regions	**1,010**	**24,886**
Residential portion of predominantly residential assets	1,010	24,886
Residential portion of predominantly commercial assets	0	0
Residential portfolio in operation as at December 31, 2015	**8,134**	**440,594**
Unit-by-unit sale programs	**1,446**	**102,180**
Residential portion of predominantly residential assets	1,446	102,180
Residential portion of predominantly commercial assets	0	0
Programs under construction and land reserves	**845**	**24,604**
Residential portion of predominantly residential assets	845	24,604
Residential portion of predominantly commercial assets	0	0
TOTAL RESIDENTIAL PROPERTY HOLDINGS AS AT DECEMBER 31, 2015	**10,425**	**567,378**
Residential portion of predominantly residential assets	10,195	548,853
Residential portion of predominantly commercial assets	230	18,525

Summary of the healthcare property portfolio

	Number of beds and places	Total surface area *(sq.m)*
Paris Region	2,217	108,406
Other regions	6,728	486,422
Healthcare portfolio in operation as at December 31, 2015	**8,945**	**594,828**
Programs under construction and land reserves	0	0
TOTAL HEALTHCARE PROPERTY HOLDINGS AS AT DECEMBER 31, 2015	**8,945**	**594,828**

09 Additional Information

9.1. Reference document containing an annual financial report

9.1.1. PUBLIC DOCUMENTS

This financial report is available free of charge on request from Gecina's Financial Communication Department at the following address: 16, rue des Capucines – 75002 Paris, by telephone at +33 (0)1 40 40 50 79, or by e-mail to actionnaire@gecina.fr. It is also available on Gecina's website (www.gecina.fr).

Other documents accessible at Gecina's head office or on its website include:

- the company's bylaws;
- the historic financial reports of the company and its subsidiaries for the two fiscal years preceding the publication of the annual financial report.

Person responsible for the reference document
Mr. Philippe Depoux, CEO of Gecina (hereinafter the "Company" or "Gecina").

Persons responsible for Financial Communications
Nicolas Dutreuil, CFO
Samuel Henry-Diesbach, Head of Financial Communications
Laurent Le Goff: +33 (0)1 40 40 62 69
Virginie Sterling: +33 (0)1 40 40 62 48

Financial Communications, institutional investor, financial analyst and press relations:
ir@gecina.fr

Private shareholder relations:
Toll-free number (only available in France): 0 800 800 976 or +33 (0)1 40 40 50 79
actionnaire@gecina.fr

9.1.2. HISTORICAL FINANCIAL INFORMATION

In accordance with Article 28 of European Regulation 809/2004 of April 29, 2004, this Reference Document incorporates by reference the following information, to which readers are invited to refer:

- for the fiscal year ended December 31, 2013: the Consolidated financial statements and the related Statutory Auditors' report included on pages 69 to 112 and 346 of the Reference Document filed with the AMF on February 26, 2014 under reference D. 14-0089;
- for the fiscal year ended December 31, 2014: the Consolidated financial statements and the related Statutory Auditors' report included on pages 73 to 112 and 359 of the Reference Document filed with the AMF on February 20, 2015 under reference D. 15-0073.

These documents are available on the AMF and Gecina websites:
www.gecina.fr
www.amf-france.org

9.1.3. STATEMENT BY THE PERSON RESPONSIBLE FOR THE REFERENCE DOCUMENT CONTAINING AN ANNUAL FINANCIAL REPORT

"I certify that, having taken all reasonable measures to this effect, the information contained in this Reference Document is, to the best of my knowledge, fair and accurate, and free from any omission that could alter its substance.

I certify that, to the best of my knowledge, the financial statements have been drawn up in accordance with the applicable accounting standards and faithfully reflect the assets, liabilities, financial situation and earnings of the company and all the companies included in its consolidation group, and that the information from the management report listed in the correspondence table on the page 319 presents an accurate picture of the development of the business, earnings and financial situation of the company and all the companies included in the consolidation group, as well as a description of the main risks and uncertainties facing them.

I have received a completion letter from the Statutory Auditors in which they indicate that they have verified the information relating to the financial situation and financial statements given in this document and that they have reviewed the entire document.

The historical financial information relating to the year ended December 31, 2015 presented in this document is the subject of reports by the Statutory Auditors, which appear on pages 321 to 323 of this document. The report on the Consolidated financial statements for the year ended December 31, 2015 is presented on page 321 of this document. The Consolidated financial statements for the year ended December 31, 2014, presented in the Reference Document filed with the AMF under number D.15-0073 on February 20, 2015, are the subject of a report by the Statutory Auditors, which appears on page 359 of that document. The Consolidated financial statements for the year ended December 31, 2013, presented in the Reference Document filed with the AMF under number D. 14-0089 on February 26, 2014, are the subject of a report by the Statutory Auditors, which appears on page 346 of that document."

Philippe Depoux
CEO

9.1.4. CORRESPONDENCE TABLE FOR THE REFERENCE DOCUMENT

9.1.5. CORRESPONDENCE TABLE WITH THE INFORMATION REQUIRED IN THE ANNUAL FINANCIAL REPORT

Since the Reference Document also contains the annual financial report, the statement by the person responsible makes reference to information from the management report. In the document's current form, this information can be found in various sections.

ANNUAL FINANCIAL REPORT

Elements required by Articles L. 451-1-1-1 of the French Monetary and Financial Code and 222-3 of the AMF's General Regulations	Pages
Consolidated financial statements	69-112
Annual financial statements	113-131
Statement of the responsible person	316
Management report	See below
Auditors' report on the Consolidated financial statements	321-322
Auditors' report on the Annual financial statements	323
Auditors' fees	111

MANAGEMENT REPORT

	Pages
Analysis of changes in the company and the Group's business, earnings and financial position, the company and the Group's position during the past year (L. 225-100, L. 225-100-2, L. 232-1 and L. 233-26 of the French Commercial Code)	47-68
Predictable changes (L. 232-1 and L. 233-26 of the French Commercial Code)	66
Research and development activities (L. 232-1 and L. 233-26 of the French Commercial Code)	333
Information on environmental issues and the environmental consequences of business operations (L. 225-100 and L. 225-102-1 of the French Commercial Code)	195-297
Information on employee issues and the social consequences of business operations (L. 225-100 and L. 225-102-1 of the French Commercial Code)	260-276
Description of the major risks and uncertainties (L. 225-100 and L. 225-100-2 of the French Commercial Code)	23-46
Information about the capital structure and organization: authorizations for capital increases (L. 225-100 of the French Commercial Code), information on the buying of treasury stock (L. 225-211 of the French Commercial Code), identity of shareholders with more than 5%; treasury stocks (L. 233-13 of the French Commercial Code), employee shareholding as the last day of the financial year (L. 225-102 of the French Commercial Code)	176-187
Factors likely to have an impact in the event of a public offering (L. 225-100-3 of the French Commercial Code)	183
Amount of dividends distributed during three last financial years (243 bis of the French General Tax Code)	174
Total compensation and fringe benefits paid to each corporate officer, offices and positions held in any company by each of the corporate officers during the financial year (L. 225-102-1 of the French Commercial Code)	162-172

9.2. Statutory Auditors

9.2.1. PARTIES RESPONSIBLE FOR AUDITING THE FINANCIAL STATEMENTS

INCUMBENT STATUTORY AUDITORS

Mazars
Member of the Compagnie Régionale de Versailles
Represented by Julien Marin-Pache
Exaltis – 61, rue Henri-Regnault
92400 Courbevoie

Mazars was appointed at the Combined General Meeting on June 2, 2004 for a six-year term. The firm's appointment was renewed by the Ordinary General Meeting held on May 10, 2010. The appointment will expire at the end of the Ordinary General Meeting convened to approve the financial statements for the financial year ending on December 31, 2015.

PricewaterhouseCoopers Audit
Member of the Compagnie Régionale de Versailles
Represented by Jean-Pierre Bouchart
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

PricewaterhouseCoopers Audit was appointed at the Combined General Meeting on June 2, 2004 for a six-year term. The firm's appointment was renewed by the Ordinary General Meeting held on May 10, 2010. The appointment will expire at the end of the Ordinary General Meeting convened to approve the financial statements for the financial year ending on December 31, 2015.

DEPUTY STATUTORY AUDITORS

Philippe Castagnac
Member of the Compagnie Régionale de Versailles
Exaltis – 61, rue Henri-Regnault
92400 Courbevoie

Patrick de Cambourg was appointed by the Combined General Meeting held on June 2, 2004 for a six-year term. His term of office expired at the end of the Ordinary General Meeting on May 10, 2010. Mr. Philippe Castagnac has been appointed by this Meeting to replace Patrick de Cambourg. His term of office will expire at the end of the Ordinary General Meeting called to approve the annual financial statements for the year ending December 31, 2015.

Yves Nicolas
Member of the Compagnie Régionale de Versailles
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Pierre Coll was appointed by the Combined General Meeting of June 2, 2004 for a six-year term. His appointment expired at the end of the Ordinary General Meeting held on May 10, 2010. Mr. Yves Nicolas has been appointed by this Meeting to replace Pierre Coll. His term of office will expire at the end of the Ordinary General Meeting called to approve the annual financial statements for the year ending December 31, 2015.

9.2.2. STATUTORY AUDITORS' REPORTS

9.2.2.1. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information presented below is the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Financial year ended December 31, 2015

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you, for the year ended December 31, 2015, on:
- the audit of the accompanying consolidated financial statements of Gecina SA;
- the justification of our assessments;
- the specific verification required by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of Gecina SA as of December 31, 2014, and of the results of its operations for the year then ended in accordance with IFRS as adopted by the European Union.

II - Justification of our assessments

In accordance with the requirements of Article L.823.9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:
- Notes 3.5.4.7., 3.5.5.13. and 3.5.9.3. of the Notes to the consolidated financial statements describe, on the one hand, certain transactions and/or commitments in Spain and, on the other hand, the alleged issuing of four promissory notes and letters of guarantee by Gecina. We have been made aware of the developments on this subject during the financial year and/or the specific analyses conducted by the company. We have also examined the corresponding documentation and assessed the appropriateness of the resulting accounting treatment.
- The portfolio properties are subject, at each reporting date, to evaluation procedures by independent property appraisers according to the terms described in Note 3.5.3.1. of the notes to the financial statements. We have assessed the appropriateness of these evaluation methods and their application. We have also confirmed that the determination of the fair value of investment properties and properties for sale as presented in the consolidated statement of financial position and Notes 3.5.5.1. and 3.5.5.5. of the notes to the financial statements were carried out in accordance with Gecina's accounting principles and taking into account these external expert reviews. We have also verified that the amount of impairment losses recorded for property measured at historical cost was sufficient relative to these external expert reviews. As indicated in Note 3.5.3.14. of the notes to the financial statements, the evaluations performed by independent property appraisers rely on estimates and it is therefore possible that the value at which the portfolio properties could be sold differs significantly from their evaluation at the reporting date.
- As indicated in Notes 3.5.3.8. and 3.5.5.12.2. of the notes to the financial statements, Gecina SA has access to derivative instruments recognized at their fair value in the consolidated statement of financial position. To determine this fair value, the company uses evaluation techniques based on market parameters. We have examined the data and assumptions on which these estimates are based and reviewed the calculations performed by the company. As indicated in Note 3.5.3.14. of the notes to the financial statements, the evaluations performed by the company are based on estimates and it is therefore possible that the value at which these derivative instruments could be settled differs significantly from their evaluation at the reporting date.
- As indicated in Notes 3.5.3.2.2. and 3.5.3.14. of the notes to the financial statements, equity securities are evaluated at their fair value and impairment losses are recognized on other financial fixed assets in the event of lasting impairment. To determine the fair value of equity securities and the potential for lasting impairment of other financial fixed assets, the company examines the specific circumstances of each asset and uses assumptions and forecasts. We have examined these elements and assessed the evaluations performed by the company. As indicated in Note 3.5.3.14 of the notes to the financial statements, the evaluations performed by the company are based on estimates and it is therefore possible that the value at which these assets could be sold differs significantly from their evaluation at the reporting date.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and thus contributed to the opinion we formed which is expressed in the first part of this report.

III - Specific verification

As required by French law, we have also verified, in accordance with professional standards applicable in France, the information presented in the Group's management report.

We have no matters to report as to their fair presentation and consistency with the consolidated financial statements.

Courbevoie and Neuilly-sur-Seine February 24, 2016

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Jean-Pierre Bouchart	Julien Marin-Pache
Partner	Partner

9.2.2.2. STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report on the financial statements issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information presented below is the audit opinion on the (consolidated) financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as to provide separate assurance on individual account balances, transactions or disclosures.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Financial year ended December 31, 2015

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you, for the year ended December 31, 2015, on:
- the audit of the accompanying annual financial statements of Gecina SA;
- the justification of our assessments;
- the specific verifications and information required by law.

The annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the annual financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the annual financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the annual financial statements give a true and fair view of the assets and liabilities and of the financial position of Gecina SA as of December 31, 2015, and of the results of its operations for the year then ended in accordance with French accounting principles.

II - Justification of our assessments

In accordance with the requirements of Article L.823.9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we hereby inform you that our assessments we conducted focused on the appropriateness of accounting principles applied and on reasonableness of significant estimates used for the preparation of the financial statements, including:
- The applicable accounting policies for portfolio properties and financial fixed assets are described in Notes 4.3.3.1. and 4.3.3.2., respectively, of the notes to the annual financial statements. We have assessed the appropriateness of these estimating methods and their correct application.
- Note 4.3.3.7. «Hedging Instruments» of the notes to the annual financial statements describes the accounting policies related to the recognition of financial instruments. We have examined the control system related to their accounting classification and the determination of the parameters used to measure financial instruments.
- Note 4.3.6.1 of the notes to the annual financial statements describes the alleged issuing of four promissory notes and letters of guarantee by Gecina SA. We have been made aware, as applicable, of the developments on this subject during the financial year and/or the specific procedures and analyses conducted by the company. We have also examined the corresponding documentation and assessed the appropriateness of the resulting accounting treatment.

These assessments were made as part of our audit of the annual financial statements taken as a whole, and thus contributed to the opinion we formed which is expressed in the first part of this report.

III -Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the annual financial statements of the information given in the management report of the Board of Directors and in the documents addressed to shareholders on the financial position and the annual financial statements.

As regards the information provided pursuant to Article L. 225-102-1 of the French Commercial Code on compensation and benefits paid to corporate officers and commitments made in their favor, we have verified the consistency of this information with the information given in the annual financial statements or with the data used to prepare these financial statements, and, if applicable, with the information received by your company from the companies which control it or which are controlled by it. On the basis of this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the Management Report.

Courbevoie and Neuilly-sur-Seine February 24, 2016

The Statutory Auditors

PricewaterhouseCoopers Audit	**Mazars**
Jean-Pierre Bouchart Partner	Julien Marin-Pache Partner

9.2.2.3. STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

General Meeting called to approve the financial statements for the year ended December 31, 2015

To the Shareholders,

In our capacity as Statutory Auditors of Gecina, we hereby report to you on regulated agreements and commitments.

It is our responsibility to report to shareholders, based on the information provided to us, the main terms and conditions of agreements and commitments that have been disclosed to us or that we may have identified as part of our assignment, without commenting on their usefulness or substance or identifying the existence of any undisclosed agreements or commitments. Pursuant to the provisions of Article R.225-31 of the French Commercial Code (Code de commerce), it is the responsibility of the shareholders to determine whether the agreements and commitments are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R225-31 of the French Commercial Code in relation to the implementation during the year of agreements and commitments already approved by the General Meeting.

We implemented the procedures that we deemed necessary for this task in accordance with professional standards applicable in France to this assignment. These procedures consisted of verifying that the information provided to us corresponds with the underlying documents.

AGREEMENTS AND COMMITMENTS TO BE SUBMITTED TO THE GENERAL MEETING FOR APPROVAL

Agreements and commitments authorized during the past year

Pursuant to Article L.225-40 of the French Commercial Code, we have been advised of the following agreements and commitments which were previously authorized by your Board of Directors.

1. Acquisition of a portfolio of two office assets with the Ivanhoé Cambridge group duly noted by the Board of Directors' Meeting of June 1, 2015.

<u>Persons directly or indirectly concerned:</u> Ms. Meka Brunel, Mr. Claude Gendron, Mr. Anthony Myers until July 22, 2015, Ms. Nathalie Palladitcheff since July 22, 2015, the company Ivanhoe Cambridge.

<u>Purpose of the acquisition:</u>

Acquisition of 100% of the shares of two companies from the Ivanhoé Cambridge group owning all of the following:

- All of the real estate located in La Défense comprised of the T1 building, the B Building and the Jacques Cartier parking lot.
- All of the real estate located in Paris 16 called Emotion.

This operation is comprehensive and indivisible.

<u>Sales price of the shares of the companies:</u>

- Conventional valuation of the T1 building, the B Building and the Jacques Cartier parking lot: €890,000,000
- Conventional valuation of the Emotion building: €350,000,000

<u>Grounds for justifying the interest of this agreement retained by the Board of Directors on June 1, 2015:</u>

- Operation perfectly in line with Gecina's pure "offices player" and "total return" strategy
- Accretive transaction allowing the continuation of optimizing the financial structure
- Positive impacts on the aggregate of the Company in 2015 and in the medium term

AGREEMENTS AND COMMITMENTS PREVIOUSLY APPROVED BY THE GENERAL MEETING

Conventions et engagements approuvés au cours d'exercices antérieurs

Pursuant to the provisions of Article R.225-30 of the French Commercial Code, we have been informed that the following agreements and commitments, approved by the General Meeting in prior financial years, remained in force during the past year.

These agreements and commitments were reviewed by the Board of Directors on February 9, 2015 and duly noted the continuation of these agreements and commitments. These will be subject to further review by the Board of Directors on February 24, 2016.

1. Signing of a settlement agreement with Mr. Christophe Clamageran, subsequent to the termination of his duties as CEO of the company

Officer involved: Mr. Christophe Clamageran

The Board of Directors' Meeting of October 4, 2011 authorized the signature of a transaction with Mr. Christophe Clamageran, following the termination of his duties as CEO of the company. This transaction remained in effect in 2015 with regard to the following point:

- The retention by Mr. Christophe Clamageran of the benefit of stock options granted to him by the Board of Directors' Meetings of March 22 and December 9, 2010. The Board of Directors released Mr. Christophe Clamageran from the obligation of complying with the condition of presence that is included in the plan regulations governing these grants, while the other payment terms in these plans remain unchanged.

The total number of stock options granted to Mr. Christophe Clamageran under these plans is 61,847.

This agreement was approved by the General Meeting of May 17, 2012.

2. Awarding of severance compensation to Mr. Philippe Depoux in the event of termination as Chief Executive Officer subject to performance-related conditions

Officer involved: Mr. Philippe Depoux

The Board of Directors' Meeting of April 17, 2013 approved the implementation of conditions for the severance benefit due to the CEO in the event of termination of service. These can be summarized as follows:

- In case of termination of the services as CEO, following a forced departure due to a change in control or strategy, Mr. Philippe Depoux will receive a severance benefit with a maximum amount calculated as indicated below:
  - **Seniority between one and two years**: 100% of the total gross compensation (fixed and variable) for the position as CEO for the previous calendar year. It is specified that this provisions became obsolete on June 3, 2014, the CEO's time in office reached two years on that date;
  - **Seniority of more than two years**: 200% of the total gross compensation (fixed and variable) for the position as CEO for the previous calendar year. The payment of this benefit is subject to performance-related conditions as described in the table below.

Performance-related conditions for seniority of more than one year:

The benefit will only be paid if the recurring income in the last financial year (N) completed prior to the severance is greater than the average of the recurring income for the two years (N-1 and N-2) preceding the termination of services. The recurring income amounts will be compared taking into account changes in the scope of the company's assets during the relevant years, as indicated below:

Performance-related conditions	Severance pay
Recurring income in year N excluding fair value adjustments > average recurring income for the years (N-1 + N-2)	100 %
Recurring income year N (excluding fair value adjustments) / average recurring income of years (N-1 + N-2) > 0.96	80%
Recurring income year N (excluding fair value adjustments) / average recurring income of years (N-1 + N-2) > 0.92	50%
Recurring income year N (excluding fair value adjustments) / average recurring income of years (N-1 + N-2) < 0.92	No severance pay

It is the duty of the Board of Directors to check that these performance-related criteria are satisfied, with the understanding that the Board of Directors may take into account exceptional items that occurred during the year.

This agreement was approved by the Shareholders' General Meeting of April 23, 2014.

Courbevoie and Neuilly-sur-Seine February 24, 2016

The Statutory Auditors

PricewaterhouseCoopers Audit	**Mazars**
Jean-Pierre Bouchart	Julien Marin-Pache
Partner	Partner

9.2.2.4. STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L. 225-235 OF THE FRENCH COMMERCIAL CODE ON THE REPORT PREPARED BY THE CHAIRMAN OF GECINA SA'S BOARD OF DIRECTORS

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France

Financial year ended December 31, 2015

To the Shareholders,

In our capacity as Statutory Auditors of Gecina and in accordance with Article L. 225-235 of the French Commercial Code (Code de commerce), we hereby report to you on the report prepared by the Chairman of your company for the financial year ended December 31, 2015 in accordance with Article L. 225-37 of the French Commercial Code.

It is the Chairman's responsibility to prepare and submit to the Board of Directors' for approval, a report describing the internal control and risk management procedures implemented by the company and providing the other information required by Article L.225-37 of the French Commercial Code in particular relating to corporate governance.

It is our responsability:

- To report to you on the information set out in the Chairman's report on internal control and risk management procedures relating to the preparation and processing of accounting and financial information; and
- To attest that the report sets out the other information required by Article L. 225-37 of the French Code of Commerce, it being specified that it is not our responsibility to assess the fairness of this information.

We conducted our work in accordance with professional standards applicable in France.

Information concerning the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the procedures to assess the fairness of the information provided in the Chairman's report regarding the internal control and risk management procedures relating to the preparation and processing of accounting and financial information. These procedures mainly consistedof:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of accounting and financial information on which the information presented in the Chairman's Report is based, and the existing documentation;
- obtaining an understanding of the work performed to support the information given in the report and of the existing documentation;
- determining ifany material weaknesses in the internal control procedures relating to the preparation and processing of accounting and financial information that we may have identified in the course of our work are properly discribed in the Chairman's report.

On the basis of our work, we have no matters to report on the information regarding the company's internal control and risk management procedures relating to the preparation and processing of accounting and financial information set out in the report of the Chairman of the Board of Directors, prepared in accordance with Article L. 225-37 of the French Commercial Code.

We draw your attention to the paragraph "Guarantee commitments made in Spain" in Section 5.1.9 of the report of the Chairman of the Board of Directors. This paragraph mentions the identification of commitments made in spite of the internal control system, as well as the implementation of procedures by the Group in this context.

Other information

We hereby attest that the Chairman's report sets out the other information required in Article L.225-37 of the French Commercial Code.

Courbevoie and Neuilly-sur-Seine February 24, 2016

The Statutory Auditors

Mazars	**PricewaterhouseCoopers Audit**
Julien Marin-Pache	Jean-Pierre Bouchart
Partner	Partner

9.2.2.5. REPORT BY THE INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED HUMAN RESOURCES, ENVIRONMENTAL AND SOCIAL INFORMATION INCLUDED IN THE MANAGEMENT REPORT

This is a free translation into English of the original report issued in French, and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and is construed in accordance with French law and professional auditing standards applicable in France

Financial year ended December 31, 2015

To the Shareholders,

In our capacity as Independent Third Party, certified by COFRAC under number 3-1958(1) and member of Mazars' network, Gecina SA's Statutory Auditor, we hereby report to you on the consolidated human resources, environmental and social information for the year ended December 31st, 2015, included in the management report (hereinafter named "CSR Information"), pursuant to article L.225-102-1 of the French Commercial Code (Code de commerce).

Company's responsibility

The Board of Directors is responsible for preparing a company's management report including the CSR Information required by article R.225-105-1 of the French Commercial Code in accordance with the protocols used by the Company (hereinafter the "Guidelines"), summarised in the management report and available on request from the company's head office.

Independence and quality control

Our independence is defined by regulatory texts, the French Code of ethics (Code de déontologie) of our profession and the requirements of article L.822-11 of the French Commercial Code. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibility of the Independent Third Party

On the basis of our work, our responsibility is to:

- attest that the required CSR Information is included in the management report or, in the event of non-disclosure, that an explanation is provided in accordance with the third paragraph of article R.225-105 of the French Commercial Code (Attestation regarding the completeness of CSR Information);
- express a limited assurance conclusion that the CSR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Conclusion on the fairness of CSR Information);
- provide, at the request of the Company, a reasonable assurance as to whether the information identified by the symbol ☑ in the Chapter 7 of the management report was prepared, in all material respects, in accordance with the adopted Guidelines.

Our work involved 5 persons and was conducted between December 2015 and February 2016 during a 8-week intervention period.

We performed our work in accordance with the professional standards and with the order dated 13 May 2013 defining the conditions under which the Independent Third Party performs its engagement and with ISAE 3000(2) concerning our conclusion on the fairness of CSR Information and the reasonable assurance report.

I - Attestation regarding the completeness of CSR Information

On the basis of interviews with the individuals in charge of the relevant departments, we obtained an understanding of the Company's sustainability strategy regarding human resources and environmental impacts of its activities and its social commitments and, where applicable, any actions or programmes arising from them.

We compared the CSR Information presented in the management report with the list provided in article R.225-105-1 of the French Commercial Code.

For any consolidated information that is not disclosed, we verified that explanations were provided in accordance with article R.225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, i.e., the Company, its subsidiaries as defined by article L.233-1 and the controlled entities as defined by article L.233-3 of the French Commercial Code within the limitations set out in the methodological note, presented in the section 7.2.2 of the management report.

Based on the work performed and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

II - Conclusion on the fairness of CSR Information

Nature and scope of our work

We conducted about twenty interviews with twenty persons responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, responsible for internal control and risk management procedures, in order to:

- assess the appropriateness of the Reporting Criteria in terms of relevance, completeness, neutrality, clarity and reliability, by taking into consideration, when relevant, the sector's best practices;
- verify the set-up within the Group of a process to collect, compile, process and check the CSR Information with regard to its completeness and consistency. We familiarized ourselves with the internal control and risk management procedures relating to the compilation of the CSR Information.

We determined the nature and extent of tests and controls depending on the nature and importance of CSR Information in relation to the characteristics of the Company, the social and environmental issues of its operations, its strategic priorities in relation to sustainable development, and the Industry best practices.

(1) whose scope is available at www.cofrac.fr
(2) ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information

Regarding the CSR Information that we considered to be the most significant[3], at the Group Human Resources Department, the Technical Departments, the Administration and the Process Department, the Marketing and Innovation Department, the Gecina Foundation and the CSR Department, we:

- referred to documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information in the management report;
- conducted interviews to verify that procedures are properly applied and we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents.

The selected sample represents 100% of headcount and 100% of quantitative environmental data disclosed.

For the remaining consolidated CSR Information, we assessed its consistency based on our understanding of the company.

We also assessed the relevance of explanations provided for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be totally eliminated.

Conclusion

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

III - Reasonable assurance report on selected CSR information

Nature and scope of procedures

Regarding information selected by the Group and identified by the symbol ☑, we conducted similar work as described in paragraph 2 above for CSR information that we consider to be most significant but of greater depth, especially regarding the number of tests.

The selected sample represents 100% of headcount and 100% of quantitative environmental information identified by the symbol ☑.

We deem this work allows us to express a reasonable assurance on the information selected by the company and identified by the symbol ☑.

Conclusion

In our opinion, the Information selected by the Group and identified by the symbol ☑ was prepared, in all material respects, in accordance with the Guidelines.

Paris La Défense, February 24th, 2016

The Independent Third Party

Mazars SAS

Julien Marin-Pache	Emmanuelle Rigaudias
Partner	CSR & Sustainable Development Partner

(1) ***Social information****: global workforce and breakdown by gender, age, type of contract and category; number of recruitments; total number of departures (permanent contracts); percentage of employees promoted internally; absenteeism rate; number of days of absences per type of absence; detailed absenteeism rate by type of absence and category (administrative staff / building staff); number of employees who had at least one stop less than or equal to 3 working days during the period; frequency rate; severity rate; percentage of average individual increase manager versus non manager (by category and gender); number of level of occupational classification for which the pay gap Men/Women greater than 3% (administrative staff, except Comex); percentage of women in external recruitments; average hours of training per employee.*

Environmental information*: GMS (General Management System) coverage rate - building and renovating (in % of surface); GMS coverage rate - Exploitation (in % of surface); EMS (Environmental Management System) coverage rate; percentage of reduction in the level of employee greenhouse gas emissions in tCDE/employee/p.a; percentage of recovered / recycled waste; percentage of equipped surface areas in a room outfitted for selective sorting of waste; average water consumption and percentage of reduction in water consumption; percentage of reduction in primary energy consumption per,sqm/p.a - Offices and Residential; percentage reduction in final energy consumption per,sqm/p.a – Offices and Residential; percentage of properties with an EPD (Environmental Product Declaration) energy label of A, B or C – Offices and Residential; energy mix; percentage of renewable energy produced; greenhouse gas emission level in kgCO2/sqm/p.a. – Offices and Residential; percentage of reduction in emissions since 2008; percentage of properties with an EPD climate label of A, B or C – Offices and Residential; biotope area factor; percentage of assets with public transport access at less than 400 m.*

Societal information*: coverage green leases (in % of surface); customer satisfaction rate; economic contribution; number of charters « responsible purchasing » signed with suppliers; number and percentage of respondents to the questionnaire « responsible purchasing »; number of days devoted to one or more projects (Foundation); number and percentage of employees involved in one or more projects (Foundation); amounts of donations from the Foundation.*

9.3. Legal information

9.3.1. REGISTERED OFFICE, LEGAL FORM AND APPLICABLE LEGISLATION

Name	Gecina
Registered office	14-16, rue des Capucines à Paris (2nd)
Legal form	French Société Anonyme (public limited company) governed by Articles L. 225-1 et seq. and R. 210-1 et seq. of the French Commercial Code and all subsequent legislation
Legislation	French legislation
Date of formation and termination of company	The company was found on January 14, 1959 for 99 years. It will expire on January 14, 2058
Trade and company registry	592 014 476 RCS PARIS
Identification number	SIRET 592 014 476 00150
APE Code	6820A
Place where documents and information relating to the company may be consulted	At registered office (telephone: +33 1 40 40 50 50)
Fiscal year	The financial year begins on January 1 and ends on December 31 for a term of 12 months

FRENCH LISTED REAL ESTATE INVESTMENT TRUSTS SYSTEM

The company opted for the tax system introduced by the 2003 Finance law dated December 30, 2002 and applicable from January 1, 2003, which provided for the creation of listed real estate investment trusts (SIIC). It allows companies opting for this system to claim exemption from the tax imposed on the income and capital gains deriving from their business as a real estate company, contingent on the payment of an exit tax now calculated at a rate of 19% on unrealized capital gains existing on the date of the option, and for which the payment is to be spread over four years. In return for this tax exemption, the SIICs are subject to the mandatory distribution of 95% of their exempt rental income and 60% of their exempt capital gains within two years, and 100% of profits received from subsidiaries.

9.3.2. ARTICLES OF INCORPORATION AND EXTRACTS FROM BYLAWS

9.3.2.1. CORPORATE PURPOSE

Corporate purpose (Article 3 of the bylaws)

The company's purpose is to operate rental properties or groups of rental properties located in France or abroad.

To this end, the company may:

- acquire undeveloped land or similar land through purchases, exchanges, payments in kind, or other types of payment;
- build individual properties or groups of properties;
- acquire developed properties or groups of properties through purchase, exchanges, and payments in kind or other types of payment;
- finance the acquisition and construction of properties;
- rent, administer, and manage any properties, either on its own behalf or on behalf of third parties;
- sell any real estate assets or rights;
- acquire equity interests in any company or organization involved in activities related to its corporate purpose by any authorized means, including capital contributions and the subscription, purchase or exchange of securities or corporate rights; and generally engage in all types of financial, real estate, and investment transactions directly or indirectly relating to this corporate purpose or capable of facilitating the furtherance thereof.

9.3.2.2. ORGANIZATION OF THE BOARD AND EXECUTIVE COMMITTEE

Chairman and Executive Officer

At its April 17, 2013 session and upon the recommendation of the Governance, Appointment and Compensation Committee, the Board of Directors decided, with effect from June 3, 2013, to separate the duties of Chairman of the Board of Directors from those of CEO. It therefore decided to appoint Mr. Philippe Depoux to the office of CEO for an indefinite period and confirm Mr. Bernard Michel in his position as Chairman of the Board of Directors.

Board of Directors (Article 12)

The company's administration is performed by a Board of Directors consisting of at least three (3) members and at most eighteen (18) members, subject to the dispensations provided for under French law.

Directors are appointed for four years. Exceptionally, to allow the staggered renewal of the terms of office of Directors, the Ordinary General Meeting may appoint one or more Directors for a period of two or three years. They may be reappointed and dismissed at any time by the General Meeting.

No one over the age of 75 may be appointed. If a Director has passed this age limit, he or she will be deemed to have automatically resigned at the end of the General Meeting convened to approve the financial statements for the fiscal year during which said Director reached this age limit.

Each Director must own at least one share during his or her term of office.

As required by Article 2 of the Board of Directors' Internal Regulations, each Director must own 40 shares.

Board office (Article 13)

The Board of Directors shall elect from among its members a Chairman who must be a natural person, and, if need be, a Co-Chairman and one or more Vice-Chairmen.

If the Board of Directors decides to appoint a Co-Chairman, this title shall also be given to the Chairman, without said appointment restricting the powers granted solely to the Chairman under French Law or these bylaws.

The Board of Directors shall set the term of office of the Chairman as well as that of the Co-Chairman and of the Vice-Chairmen, if they exist, but this term of office may not exceed that of their terms of office.

The Chairman of the Board of Directors and the Co-Chairman and the Vice-Chairman or -Chairmen, if they exist, may be dismissed at any time by the Board of Directors.

No one over the age of 70 may be appointed Chairman, Co-Chairman, or Vice-Chairman. If the Chairman, the Co-Chairman or a Vice-Chairman passes this age he or she will be deemed to have automatically resigned at the end of the General Meeting convened to approve the financial statements for the fiscal year during which they reached this age limit.

The sessions of the Board shall be chaired by the Chairman. If the Chairman is absent, the meeting shall be chaired by the Co-Chairman or by one of the Vice-Chairmen present, as designated by the Board for each session. If the Chairman, the Co-Chairman and the Vice-Chairmen are absent, the Board shall appoint one of the members present to chair the meeting for each session.

The Board shall appoint a person to serve as secretary.

Deliberations of the Board of Directors (Article 14)

The Board shall meet as often as necessary in the company's interests, either at the registered office or at another venue, including outside of France.

The Chairman shall set the agenda for each Board of Directors and shall convene the Directors using any appropriate means.

Directors representing at least one-third of the total number of Board members may also convene the Board at any time, indicating the agenda for the meeting.

If necessary, the Chief Executive Officer may also request the Chairman to convene the Board on a given agenda.

The Chairman is bound by requests submitted to him under the previous two paragraphs.

The physical presence of at least half of the Board's members will be necessary for deliberations to have legal force.

A Director may authorize another Director to stand proxy for him at a session of the Board of Directors in accordance with the legal and regulatory provisions in force.

The provisions of the preceding paragraphs shall also apply to the permanent representatives of a Director.

The Board may meet and deliberate using videoconferencing or telecommunications facilities or any other means provided for under French law, in accordance with the terms and provisions set forth in its internal regulations.

In this respect, within the limits applicable under French law, the internal regulations may allow for any Directors participating in Board Meeting, using videoconferencing or telecommunications facilities or by other means, the nature and conditions of which are determined by the regulatory provisions in force, to be deemed to be present for the purposes of calculating a quorum or a majority.

Decisions shall be by majority vote of the members present or represented, whereby any Director representing one of his or her colleagues is entitled to two votes. In the event of a tie vote, the session's Chairman shall not have a casting vote.

Powers of the Board of Directors (Article 15)

The Board of Directors sets the strategies for the company's business and oversees their implementation. Under the powers directly attributed to General Meetings and within the bounds of the corporate purpose, it may address any issues that are deemed to be of interest for the company's effective performance, and through its deliberations resolve any issues concerning it.

In its dealings with third parties, the company shall be bound by the resolutions of the Board of Directors even where they do not fall within the company's corporate purpose unless it can prove that the third party in question knew that the resolution in question fell outside said purpose or that said party could not have been unaware of this on account of the circumstances, it being excluded that the mere publication of the bylaws should be enough to constitute said proof.

The Board of Directors may perform the controls and verifications it deems necessary.

The Board of Directors may invest one or more of its members or third parties, whether they are shareholders or not, with any authority necessary for any specified purpose or purposes.

It may also decide to set up committees charged with reviewing issues that the Board or its Chairman has submitted to said committees for an opinion. These committees, whose makeup and remits are defined in the internal regulations, will carry on their activities under the responsibility of the Board of Directors.

Powers of the Chairman of the Board of Directors (Article 16)

In accordance with Article L. 225-51 of the French Commercial Code, the Chairman of the Board of Directors represents the Board of Directors. Subject to the legal and regulatory provisions in force, he organizes and oversees its work and reports on this work to the General Meeting. He ensures that the various corporate governance bodies are working smoothly and, in particular, that the Directors are capable of fulfilling their required duties.

Pursuant to Article 17 of these bylaws, the Chairman may also assume the executive management of the company.

The company's Executive Management (Article 17)

The company's executive management is performed by either the Chairman of the Board of Directors, or by another natural person appointed by the Board of Directors and bearing the title of Chief Executive Officer.

The Board of Directors chooses between the two methods of exercising the Executive Management presented in the preceding paragraph.

The Board of Directors makes this choice by majority vote of the Directors present or represented.

Shareholders and third parties shall be informed of this choice as prescribed in the relevant regulations.

When the executive management is assumed by the Chairman of the Board of Directors, he shall hold the position of Chairman and Chief Executive Officer. The Board of Directors shall determine the term of office of the Chairman and Chief Executive Officer, which may not exceed his term as Director. The Chairman and Chief Executive Officer may be dismissed at any time by the Board of Directors.

If the executive management is not performed by the Chairman of the Board of Directors, a Chief Executive Officer shall be appointed by the Board of Directors.

The term of office of the Chief Executive Officer is freely defined by the Board of Directors.

The Chief Executive Officer, or where relevant, the Chairman and Chief Executive Officer, shall have the broadest powers to act in the company's name under any and all circumstances – in particular, to execute the sale or purchase of any real estate assets or rights. They exercise their powers within the scope of the corporate purpose and subject to those reserved expressly by French law to Shareholders' General Meetings and to the Board of Directors.

They represent the company in their dealings with third parties. The company is bound by the resolutions of the Directors even where they do not fall within the company's corporate purpose unless it can prove that the third party in question knew that the resolution in question fell outside said purpose or that said party could not have been unaware of this on account of the circumstances, it being excluded that the mere publication of the bylaws should be enough to constitute said proof.

In connection with the company's internal organization, the Board of Directors may limit the powers of the Chief Executive Officer, or as relevant, of the Chairman and Chief Executive Officer, but any such restrictions on their powers are not enforceable against third parties.

On the proposal of the Chief Executive Officer, or where relevant, the Chairman and Chief Executive Officer, the Board of Directors may appoint one or more natural persons to assist the Chief Executive Officer, or where relevant, the Chairman and Chief Executive Officer, in which case they shall be given the title of Deputy Chief Executive Officer.

There may not be more than five Deputy Chief Executive Officers.

By agreement with the Chief Executive Officer, or where relevant, with the Chairman and Chief Executive Officer, the Board of Directors shall determine the scope and term of the powers granted to the Deputy Chief Executive Officers.

Should the Chief Executive Officer, or where relevant, the Chairman and Chief Executive Officer, cease or be prevented from performing their functions, the Deputy Chief Executive Officers shall retain their functions and their remits barring a decision to the contrary by the Board of Directors until the appointment of a new Chief Executive Officer, or where relevant a Chairman and Chief Executive Officer.

Deputy Chief Executive Officers, vis-à-vis third parties, shall have the same powers as the Chief Executive Officer, or where relevant the Chairman and Chief Executive Officer.

The Chief Executive Officer may be dismissed at any moment by the Board of Directors if there are reasonable grounds. The same shall apply to Deputy Chief Executive Officers on the proposal of the Chief Executive Officer, or where relevant the Chairman and Chief Executive Officer.

No one over the age of 65 may be appointed Chief Executive Officer or Deputy Chief Executive Officer. Should a Chief Executive Officer or Deputy Chief Executive Officer pass this age limit he or she will be deemed to have automatically resigned at the end of the General Meeting convened to approve the financial statements for the fiscal year during which said Chief Executive Officer or Deputy Chief Executive Officer reached this age limit.

Observers (Article 18)

The annual General Meeting may appoint up to three Observers for the company from among the shareholders. The Observers may also be appointed by the Company's Board of Directors subject to this appointment being ratified at the next General Meeting.

No one over the age of 75 may be appointed Observer. Should an Observer pass this age limit he or she will be deemed to have automatically resigned at the end of the General Meeting convened to approve the financial statements for the fiscal year during which said Observer reached this age limit.

Observers shall be appointed for a three-year term and may be reappointed. They are summoned to the sessions of the Board of Directors and take part in its deliberations in an advisory capacity.

Observers may be called upon to perform special assignments.

Compensation for Directors, observers, the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officers (Article 19)

Directors shall receive for their activities a fixed amount of annual attendance allowances, which shall be determined by the Ordinary General Meeting.

The Board of Directors shall freely distribute the amount of these attendance allowances among its members.

It may also grant exceptional compensation for assignments or offices entrusted to Directors or Observers. Such agreements shall be subject to the legal provisions applicable to agreements contingent on prior authorization from the Board of Directors.

The Board of Directors shall determine the amount of remuneration for the Chairman, Chief Executive Officer, and Deputy Chief Executive Officers.

Internal regulations for the Board of Directors

Gecina's Board of Directors adopted its Internal Regulations on June 5, 2002 and updated them on several occasions since this date. They clarify and supplement the Board's operating procedures and principles as set down in the company bylaws.

The Directors' Charter and the Works Council Representative Charter respectively clarify the duties and obligations of Directors and Works Council representatives.

The two Charters, and the Internal Regulations of the three Board of Directors committees, represent the schedules to the Internal Regulations of the Board of Directors.

9.3.2.3. RIGHTS AND OBLIGATIONS ATTACHED TO SHARES

Rights and obligations attached to each share (Article 10 of the bylaws)

In addition to the voting right allotted to it under French law, each share gives right to a portion of the company's assets, profits or liquidating dividend proportional to the number and minimum value of existing shares.

Shareholders are only liable for the company's liabilities up to the nominal value of the shares they own.

The rights and obligations attached to a share follow the share if it is transferred between holders.

Ownership of a share entails full adherence by law to the company bylaws and to the decisions of the General Meeting.

Dual voting rights (Article 20.4, subparagraph 1)

The voting right attached to the Company's shares corresponds to the percentage of capital that it represents and one Company share entitles the holder to one vote. Pursuant to the option offered by subparagraph 3 of Article L. 225-123 of the French Commercial Code, no double voting right shall be conferred to fully paid-up shares for which proof of registration is given for two years in the name of the same shareholder.

Restrictions on voting rights

None.

9.3.2.4. CHANGES TO SHARE CAPITAL AND VOTING RIGHTS ATTACHED TO SHARES

Gecina's bylaws prescribe no measures for changing share capital and voting rights attached to shares. Such measures, when decided, are subject to the relevant legal and regulatory provisions.

9.3.2.5. GENERAL MEETING

Shareholders' Meetings (Article 20 of the bylaws)

1. Notice to attend

General Meetings are convened to deliberate under the conditions defined by legal and regulatory provisions.

Meetings are held at the registered office or any other venue stated in the invitation to attend.

2. Access rights

The right to participate in the Company's General Meetings shall be based on the registration of shares in an account in the name of the shareholder or the intermediary registered on his or her behalf in the Company's records within the time frames and under the conditions provided by law.

3. Office – Attendance sheet

General Meetings are chaired by the Chairman of the Board of Directors or, in his absence, by a Vice-Chairman or, in the absence of the latter, by a Director especially appointed to this effect by the Board. Failing this, the General Meeting itself shall elect a Chairman.

The functions of the voting supervisors shall be performed by the two members present at the meeting who have the most votes, in accordance with the legal and regulatory provisions in force.

The office for the meeting shall appoint the secretary, who may be chosen from outside the shareholders.

4. Voting rights

The voting right attached to the Company's shares corresponds to the percentage of capital that it represents and one Company share entitles the holder to one vote. Pursuant to the option offered by subparagraph 3 of Article L. 225-123 of the French Commercial Code, no double voting right shall be conferred to fully paid-up shares for which proof of registration is given for two years in the name of the same shareholder.

Shareholders may vote at meetings by sending their voting form by correspondence either in paper form or, as decided by the Board of Directors, by teletransmission (including by electronic mail), according to the procedure defined by the Board of Directors and clarified in the meeting notice and/or invitation to attend. Where the last method is selected, the electronic signature may be in the form of a procedure that meets the conditions defined in the first sentence of the second paragraph of Article 1316-4 of the French Civil Code.

Shareholders may also appoint a proxy to represent them at meetings by sending the proxy form to the company in paper form or by teletransmission according to the procedure defined by the Board of Directors and specified in the meeting notice and/or invitation to attend, in the conditions outlined by the applicable legal and regulatory provisions. The electronic signature may be in the form of a procedure that meets the conditions defined in the first sentence of the second paragraph of Article 1316-4 of the French Civil Code.

The mandate given for a Meeting is revocable in the same way as those required to appoint the representative.

The General and Special Meetings may hold their deliberations only on condition that the quorum and majority conditions provided for under the legal and regulatory provisions in force are met.

Shareholders who participate in Meetings through videoconferencing or though telecommunication means, allowing their identification in the conditions set out in the applicable regulation, shall be considered as present or represented for the calculation of the quorum or majority, as decided by the Board of Directors and published in the meeting notice and/or in the notice of invitation to attend.

The minutes of Meetings shall be prepared and copies certified and delivered in accordance with French law.

Form of shares (Article 7 of the bylaws)

Shares must be held and registered by name. They shall be registered in an account under the conditions and in accordance with procedures provided for by the legislative and regulatory provisions in force.

9.3.2.6. DECLARATION OF CROSSING SHAREHOLDER THRESHOLD LIMITS

Crossing shareholder threshold limits – information (Article 9 of the bylaws)

In addition to the legal obligation to inform the Company when certain fractions of the share capital or voting rights are held and to declare the intention consequent thereto, every individual or corporate shareholder, acting alone or in concert, who has acquired or ceases to hold, directly or indirectly, a fraction equal to or higher than 1% of the share capital and voting rights or any multiple of this percentage, must inform the Company of the total number of shares and voting rights it holds, of the number of securities it holds giving access in the future to the Company's share capital and the associated voting rights, and equivalent securities or financial instruments (as defined by laws and regulations in force), by registered letter with recorded delivery to the Company's registered office within five trading days of having crossed one of such thresholds.

This disclosure requirement shall apply in every instance that one of the aforementioned thresholds has been crossed, including thresholds over and above the thresholds provided for under French law. To determine whether the threshold has been crossed, shares equivalent to the shares held as defined by the legislative and regulatory provisions of Articles L. 223-7 *et seq.* of the French Commercial Code shall be taken into account.

In the event of a failure to disclose, under the aforementioned conditions, the shares in excess of the fraction that should have been disclosed will forfeit their voting rights under the conditions provided by French law if one or more shareholders holding at least 5% of the share capital should requests this as recorded in the minutes of the General Meeting. The forfeiture of voting rights applies to all General Meetings held within a period of two years following the date on which the failure to disclose is rectified.

Any shareholder other than a natural person that directly or indirectly comes into possession of 10% of the Company's dividend rights will be required to indicate in their declaration on exceeding the threshold limit whether or not they are a Deduction Shareholder as defined in Article 23 of the bylaws. Any shareholder other than a natural person that directly or indirectly comes to hold 10% of the Company's dividend rights as at the date this paragraph comes into force is required to indicate within ten (10) business days before distributions are scheduled to be paid out, whether or not they are a Deduction Shareholder as defined in Article 23 of the bylaws. Any shareholder who declares that he or she is not a Deduction Shareholder, will be required to justify this claim whenever requested to do so by the Company, and at the Company's request provide a legal opinion from an internationally-renowned law firm specialized in tax matters confirming that the shareholder is not a Deduction Shareholder. Any shareholder other than a natural person having disclosed that they have directly or indirectly crossed the 10% threshold for dividend rights or directly or indirectly holding 10% of the Company's dividend rights as at the date when this paragraph comes into force, is required to notify the Company as promptly as possible or in any event within ten (10) business days before the payouts are to be made, of any change in their tax status that would cause them to acquire or lose their status as a Deduction Shareholder.

9.3.3. RESEARCH AND PATENTS

None.

Design and creation:
makheia sequoia

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