

Paris, December 10, 2019

## **Gecina launches the subsidiarization of its residential portfolio**

**This subsidiarization is an opportunity for Gecina to develop its rental residential portfolio in Greater Paris' most central sectors, as well as in other major French cities. It will make it possible to open up the capital of this subsidiary, which will continue to be controlled by Gecina, enabling future investors to benefit from the Group's experience.**

Today, housing is a crucial issue in France. The current housing supply is not aligned with the rapid growth in the urban population and its expectations in terms of centrality, flexibility and environmental efficiency.

In response to these long-term trends, Gecina aims to develop and operate a residential rental offering aimed at middle-class households to supplement the existing rental offering of social or intermediate housing and private rental properties.

Gecina draws on its integrated management model and 60 years of experience to offer its residents housing and services that are effectively aligned with their expectations. With its customer relationship-focused approach and its capacity for innovation, the Group is able to offer quality rental properties that meet the growing demand among tenants for proximity between where they live, where they work and their transport hubs.

Gecina's residential portfolio is made up of 6,000 apartments, representing 409,000 sq.m, valued at around 3 billion euros, located primarily in the Paris Region.

With this proposed subsidiarization, the Group is looking to build on and further strengthen the robust operational and financial performance levels achieved for over two years with its residential portfolio, while positioning itself to capitalize on potential opportunities for growth and value creation.

Gecina intends to retain control of its subsidiary and maintain a Group share allocation of its portfolio with around 80% office assets and 20% residential assets.

The Group's Board of Directors today approved the implementation of this proposed subsidiarization, after consulting with the Central Works Council, subject to approval by shareholders at the extraordinary general meeting to be held in April 2020.

Gecina is being assisted with this operation by HSBC and Morgan Stanley for financial aspects, Etude Wargny-Katz for notarial aspects, Cleary Gottlieb Steen & Hamilton LLP for legal aspects, Bredin Prat and CMS Francis Lefebvre for tax aspects, and Factorhy for human resources and social aspects.

*"In 2017, we chose to relaunch our rental residential business, with the creation of a dedicated business unit. With this proposed subsidiarization, which is expected to be carried out during the first half of 2020, we are resolutely confirming this strategic choice and our ambition to develop a residential rental offering that is in line with the best standards for CSR, innovative operational technologies and customer relationships. This initiative is a response to the aspirations of middle-class households to live close to their workplace and all the facilities needed for a sustainable and balanced lifestyle, managed with the professionalism of an institutional owner",* explains Méka Brunel, Gecina's Chief Executive Officer.

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**Gecina, at the heart of urban life**

Gecina owns, manages and develops property holdings worth 19.9 billion euros at end-June 2019. As a specialist for centrality and uses, the Group is building its business around Europe's leading office portfolio, with nearly 97% located in the Paris Region, and a diversification division with residential assets in particular. Gecina has put sustainable innovation at the heart of its strategy to create value and anticipate the expectations of around 100,000 customers and end users, thanks to the dedication and expertise of its staff, who are committed to an understated, fluid and inclusive city. To offer its customers high-quality services and support their changing needs, Gecina has launched YouFirst, its relational brand.

Gecina is a French real estate investment trust (SIIC) listed on Euronext Paris, and is part of the SBF 120, CAC Next 20, CAC Large 60, Euronext 100, FTSE4Good, DJSI Europe and World, Stoxx Global ESG Leaders and Vigeo indices. In line with its community commitments, Gecina has created a company foundation, which is focused on protecting the environment and supporting all forms of disability.

[www.gecina.fr](http://www.gecina.fr)

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