

GECINA

French limited company (société anonyme) with capital of €573,076,950
Registered office: 14-16 rue des Capucines, 75002 Paris, France.
Paris trade and companies register: 592 014 476

BOARD OF DIRECTORS' SUPPLEMENTARY REPORT CONCERNING GECINA'S CAPITAL INCREASE DECIDED ON JULY 18, 2019

Dear Sir or Madam,

In accordance with Articles L.225-129-5 and R.225-116 of the French commercial code (Code de commerce), we can inform you that the Board of Directors has used the delegation of authority granted by the 29th resolution from the combined general shareholders' meeting of Gecina (hereafter the "Company") on April 18, 2018 to increase the share capital by issuing shares or transferable securities giving access to the capital reserved for members of savings plans, with their preferential subscription rights waived. This operation was carried out in connection with the decisions taken to encourage employees to invest in the Company's shares.

a) Reminder of the main terms of the delegation of authority granted to the Board of Directors by the 29th resolution from the combined general meeting on April 18, 2018

We would like to remind you that the combined general meeting on April 18, 2018, ruling under the quorum and majority conditions required for extraordinary general meetings, delegated, in its 29th resolution, to the Board of Directors for 26 months, with an option to subdelegate under the legal conditions in force, its authority to decide to increase the Company's share capital, on one or more occasions, for up to a maximum nominal amount of €2 million, by issuing shares or transferable securities giving access to the capital reserved for members of one or more employee savings plans.

b) Board of Directors' decision from July 18, 2019:

Under the delegation of authority granted by the 29th resolution from the general meeting on April 18, 2018, the Company's Board of Directors, on July 18, 2019, decided:

- to approve the principle for a capital increase with preferential subscription rights waived, reserved for members of the Company's group savings plan, using the delegation granted to it by the Company's combined general shareholders' meeting (ordinary and extraordinary) on April 18, 2018 in its twenty-ninth resolution, up to a maximum nominal amount of €2 million,
- that the subscription price for the shares that may be issued will be, in accordance with Article L. 3332-18 of the French employment code (Code du travail), at least

equal to 80% of the average opening listed prices preceding the date of the decision to set the opening of the subscription period,

- to subdelegate to the Chief Executive Officer the powers required to perform any operations and formalities with a view to carrying out this capital increase.

C) Chief Executive Officer's decision from September 2, 2019

The Chief Executive Officer, Ms Méka Brunel, under the delegation of authority granted to her based on the Board of Directors' decision from July 18, 2019, decided:

- to carry out a cash-based increase in the Company's capital reserved for members of the Company's group savings plan, based on the amount of the capital securities subscribed for by the employees individually, subject to the legal limits in force;
- that said shares will be issued at a price equal to 80% of the average opening prices for Gecina's share from the 20 stock market sessions prior to the date of this decision, i.e. €112.19 per share; taking into account the par value of €7.50 per share, the issue premium will be €104.69 per share;
- that the new shares will be entitled to dividends from January 1, 2019;
- that subscriptions will be carried out directly in shares by the beneficiaries, who are members of an employee savings plan, and the shares subscribed for will be unavailable for a five-year period;
- that the subscription period will be open from September 6, 2019 (inclusive) to September 20, 2019 (inclusive);
- that the shares subscribed for will need to be paid up on subscription in cash;

and issued a reminder that:

- in accordance with French law, the capital increase will only be carried out for the amount of the shares effectively subscribed for, without requiring any minimum level;
- the setting of the number of new shares that will be issued to fulfil the subscription requests and the issuing of the corresponding new shares will be recorded in a subsequent decision when the subscription period closes.

The Chief Executive Officer will report to the Board of Directors on the use made of this delegation under the conditions set by the latter.

d) Conditions for the reserved capital increase

In accordance with Section 4 of the group savings plan regulations, the total amount of voluntary payments (including profit-sharing) made during a given year cannot exceed one quarter of an employee's annual compensation or professional income subject to income tax for the previous year.

e) Impact of the reserved capital increase on shareholder positions

Impact of the issue on the stake in consolidated shareholders' equity

For information, the impact of the issue of shares on the stake in equity per share (based on consolidated shareholders' equity at June 30, 2019) is as follows:

	Stake in consolidated shareholders' equity (€)
Before issue of shares with the capital increase	€157.39
After issue of 61,492 shares with the capital increase reserved for employees	€157.65

Impact of the issue on the stake in statutory shareholders' equity

For information, the impact of the issue of shares on the stake in equity per share (based on statutory shareholders' equity at June 30, 2019) is as follows:

	Stake in statutory shareholders' equity (€)
Before issue of shares with the capital increase	€72.29
After issue of 61,492 shares with the capital increase	€72.33

Impact of the issue on shareholders' interests

For information, the impact of the issue of shares on the capital interest of a shareholder owning 1% of the Company's capital prior to the reserved capital increase and not subscribing for this capital increase (based on the number of shares comprising the capital at June 30, 2019, i.e. 76,319,060 shares) is as follows:

	Shareholder's interest (%)
Before issue of shares with the capital increase	1%
After issue of 61,492 shares with the capital increase	1%

f) Theoretical impact of the reserved capital increase on the current market value of the Company's share

	Market value (€ per share)
Before issue of shares with the capital increase	€145.40
After issue of 61,492 shares with the capital increase	€145.37
Impact	(0.03)

g) For reference: Change in share capital and net position

€'000	Share conversion capital	Issue, merger and premiums	Revaluation gain/loss	Reserves	Retained earnings	Net position excl. earnings for year and subsidiaries	Income	Subsidies	Shareholders' equity	Dividend payments
DEC 31, 2016	475,760	1,918,916	428,915	753,153		3,576,743	469,119	1,516	4,047,378	
Capital increases	88,395	1,244,465				1,332,860			1,332,860	
Capital increases (employees)	1,071	11,935				13,006			13,006	
Account transfers			(10,619)	10,619						
Other changes								(236)	(236)	
2016 income appropriation					146,955	146,955	(469,119)		(322,163)	322,163
2017 income							333,385		333,385	
DEC 31, 2017	565,226	3,175,315	418,295	763,772	146,955	5,069,564	333,385	1,280	5,404,230	
Capital increases	5,996	101,250		600		107,845			107,845	
Capital increases (employees)	779	4,963		(360)		5,382			5,382	
Account transfers			(40,212)	40,212						
Other changes								(164)	(164)	
2017 income appropriation				8,947	(63,640)	(54,693)	(333,385)		(388,079)	388,079
2018 income							467,994		467,994	
DEC 31, 2018	572,001	3,281,528	378,084	813,169	83,315	5,128,097	467,994	1,117	5,597,207	

This report, and the supplementary report prepared by the Company's statutory auditors, will be available to shareholders at the Company's registered office and will be brought to their attention at the next general meeting.

Paris, February 19, 2020

The Board of Directors