



Earnings at December 31, 2020

Empowering shared human experiences at the heart of our sustainable spaces

- o Like-for-like rental income growth: **+3.0% for offices** (+2.3% overall)
 - o **Recurrent net income per share: €5.72**
- o EPRA Net Tangible Assets (NTA) of €170.1 per share (-1.7% year-on-year)
 - o Ongoing **portfolio rationalization**, with €539m of sales secured
 - o **LTV of 33.6%** (including duties), -40bp year-on-year
 - o **Mobilization** to support customers and societal commitments

Resilient model withstanding the health shock

- o Gecina's markets and operational resilience
 - Close to 99% of rent collected in 2020, normalized collection for the first quarter of 2021
 - Rents signed up in 2020: +2% higher than pre-crisis market rents (market rental values)
 - Reversion potential still positive (+6%), particularly at the heart of Paris (+20%)
 - Lettings down, but significant upturn in commercial expressions of interest since September 2020
 - Lease signed in the last few days for 11,600 sq.m of Carré Michelet in La Défense
 - Portfolio value stable over the year (-0.1% like-for-like)

Strategic choices confirmed faced with the uncertainty

- o Centrality continuing to outperform
 - Outperformance in terms of rent and capital growth in the most central areas of scarcity
- o Healthy and flexible financial structure further optimized
 - LTV including duties down -40bp to 33.6%, average debt maturity of 7.1 years
 - Average cost of debt down to 1.3% (1.0% for the cost of drawn debt)
- o Residential strategy continuing to deliver performance, while preparing for the future
 - +7.2% reversion achieved on tenant rotations in 2020
 - Subsidiarization of the portfolio in H1 and partnership with Nexity to accelerate the portfolio's development
- o Polarization of investment markets in Gecina's strategic areas
 - Value growth for central Paris offices (+2.7% over 12 months) and for residential (+6.7% over 12 months)
 - Value adjustment for offices in more peripheral sectors (-7.6% outside of Paris City)

Proactive anticipation and transformation strategy

- o 162,000 sq.m of rental transactions with a "bespoke" approach depending on the areas
 - Reversion potential captured in Paris City (+25% in the CBD 5,6,7, +12% for the rest of Paris)
 - Firm maturity of leases extended outside of Paris and Neuilly (to 5.3 years vs 4.6 years at end-2019)
- o Acceleration underway with the digitalization of our activities and the deployment of our client-centric brand YouFirst
 - Client portals / web app, operational CRM, virtual visits, brokers portal, etc. to improve our competitive positioning, help build loyalty among our clients, strengthen commercial performance, differentiate our rental offering and optimize our buildings' operating expenditure and energy bills
- o Ongoing portfolio rationalization
 - €539m of sales secured and €474m completed with an average premium versus the latest free appraisal values of +4.7%
 - Our Office portfolio in central sectors further strengthened (66% in Paris City at end-2020)
- o Pipeline of 23 projects to be delivered by 2024
 - Concentrated in the Paris Region's most central sectors, with 82% in Paris City or Neuilly-sur-Seine
 - Expected yield on cost of around 5.3%, supporting future value creation
 - €120m to €130m of additional IFRS rental income to come from the pipeline that is already committed or to be committed shortly, as well as work underway to market space still to be let for the 2019 and 2020 deliveries

CSR commitments reflected in concrete results

- For our assets: office CO₂ emissions reduced by -50% over the last 12 years (i.e. 13.9 kg/sq.m/year), exceeding the 2020 targets
- For our liabilities: 44% responsible bank lines
- Environmental performance criterion incorporated into long-term incentive plans
- Performance recognized with leading sustainability ratings, positioning Gecina as one of the top-performing companies in its industry (GRESB 92/100, MSCI AAA, Sustainalytics 8,8, ISS B- and CDP A list)

Mobilization to support customers and societal commitments

- o Mobilization to support tenants, suppliers and people affected by the crisis
 - Rent waived in the second and fourth quarters for very small businesses and certain SMEs operating in sectors that were ordered to shut down, rent deferrals and monthly instalments offered for nearly 5% of the annual rental base for offices
 - Payment schedules maintained for suppliers
 - Vacant student residences made available to healthcare workers and women victims of domestic violence

Stable 2020 dividend proposed at the General Meeting

- o €5.30 per share for 2020 to be paid in cash
 - Dividend yield on the share price¹ of around 4.5%
 - Payment of an interim dividend of €2.65 per share at early March and payment of the €2.65 per share balance in July

2021: a transition year

- o Following the impact of the sales completed in 2020 and the assets with strong value creation potential freed up for redevelopment, a slowdown in indexation in 2021 and extended letting timeframes, recurrent net income (Group share) per share is expected to contract in 2021 to around €5.3 per share².
- o Over the longer term, the projects from the "committed" and "to be committed" (controlled and certain) pipeline and the normalization of the lettings rate for the assets delivered in 2019 and 2020 are expected to generate €120m to €130m of additional annualized rental income (IFRS), thanks exclusively to these internal dynamics developed by the Group

Key figures

In million euros	Dec 2019	Dec 2020	Change (%)	Like-for-like
Offices	548	534	-2.7%	+3.0%
Traditional residential	106	106	+0.3%	+0.9%
Student residences (Campus)	20	18	-6.3%	-6.0%
Gross rental income	673	658	-2.3%	+2.3%
Recurrent net income (Group share) ³	438	421	-4.0%	
Per share (€)	5.95	5.72	-3.9%	
LTV (excluding duties)	36.0%	35.6%		
LTV (including duties)	34.0%	33.6%		
Portfolio value (€m)	20,051	19,738	-1.6%	-0.1%
EPRA Net Reinstatement Value (NRV) per share	190.0	187.1	-1.5%	
EPRA Net Tangible Assets (NTA) per share	173.1	170.1	-1.7%	
EPRA Net Disposal Value (NDV) per share	167.8	163.0	-2.9%	
Diluted EPRA NAV per share – previous format	175.8	172.8	-1.7%	

¹ February 16, 2021 closing price

² This estimate could be revised down or up depending on potential acquisitions and sales in 2021

³ EBITDA including provisions recorded in connection with the health crisis, after deduction of net financial expenses, recurrent tax, minority interests, income from associates and restated for certain non-recurring items (notably costs relating to the subsidiarization of the residential business and the tax reimbursement)

Resilient performance faced with the uncertainty linked to the effects of Covid-19

c.99% of rent for 2020 already collected, with a normalized collection rate for the first quarter of 2021

For offices, **98.5% of rents** (including ground-floor retail units) **have been collected**. Nearly **0.1% were cancelled** as part of the measures put in place by the Group to support very small business tenants operating in sectors that were shut down during the second and fourth quarters. For the remaining **1.4% of rent not collected to date** (representing c.€10m including taxes and charges), with part corresponding to deferred payments granted to tenants, while the rest of the amounts are subject to rent recovery proceedings. The volume of rent still to be collected was significantly reduced during the second half of the year, down from almost €20m at end-June 2020. Part of these receivables that have not been collected to date justifies the **provisions** recorded in the accounts at end-December 2020, impacting the Group's rental margin for **€5.5m**.

The rent collection rate for the **first quarter of 2021 is to date in line with the usual rate observed**.

Gecina has also used Dunn & Bradstreet ratings to assess its tenants' risk profiles. **83% of the Group's rental base comes from tenants in the top two categories** (very low risk or low risk). Although this rate is down slightly since June 30, when it was 86%, logically reflecting the deterioration in the economic environment, this is still high, confirming the Group's solid rental base.

Rental income up +2.3% like-for-like

Gross rental income for 2020 came to €658m, up **+2.3% like-for-like and down -2.3% on a current basis**, primarily reflecting the impact of disposals and several projects launched for redevelopment.

The like-for-like performance represents +2.3% (+€12m), **outperforming indexation (1.6%) by +0.7pts**. This outperformance factors in positive rental reversion across all asset classes, as well as a lower vacancy level.

On a current basis, the -2.3% decrease primarily reflects the impact of sales carried out in 2019 and 2020 (-€32m) and the assets transferred to the pipeline for redevelopment (-€22m), partially offset by like-for-like growth (+€12m), the delivery of nine buildings (+€18m) and the recent acquisitions in Paris and Neuilly (+€8m).

Gross rental income In million euros	2019	2020	Change (%)	
			Current basis	Like-for-like
Offices	548.2	533.6	-2.7%	+3.0%
Traditional residential	105.7	106.0	+0.3%	+0.9%
Student residences (Campus)	19.7	18.4	-6.3%	-6.0%
Total gross rental income	673.5	658.0	-2.3%	+2.3%

Annualized rental income

Annualized rental income (IFRS) came to €627m, down €38m from December 31, 2019. This contraction reflects the impact of the sales completed in 2020 (-€17m) and tenant departures from buildings with strong value creation potential transferred to the pipeline (-€11m), as well as buildings that will not be operational for at least one year due to lighter refurbishment work (-€11m). These departures are partially offset by the impact of new acquisitions and building deliveries (+€9m). The rest of the change is linked to like-for-like growth and the slowdown in activity for student residences.

Note that this annualized rental income includes €18m from assets intended to be vacated shortly for redevelopment (controlled and certain pipeline) and €3m from buildings covered by preliminary sales agreements at end-2020.

At end-2020, the office portfolio's occupancy rate (spot) was 91.1%, taking into account the slower lettings rate (vs. a "normalized" average financial occupancy rate of 93.8% in 2019).

Annualized rental income (IFRS)		
In million euros	Dec-19	Dec-20
Offices	539	502
Traditional residential	106	106
Student residences (Campus)	20	19
Total	665	627

Offices: trends still positive in the most central sectors

Like-for-like, office rental income is up +3.0%.

This increase reflects an **improvement in indexation (+1.7%)**, as well as the **positive reversion effects (+0.4%)**, particularly in Paris' Central Business District, and a reduction in the vacancy rate, primarily in the Western Crescent, with further space let in the Be Issy and Octant-Sextant buildings.

Restated for the rent waivers granted to very small businesses and SMEs in the second and fourth quarters, the **like-for-like growth rate is +3.3%**.

Management of the lease expiry schedule in 2020: capturing positive reversion in Paris City, anticipating end dates and extending the term of leases in peripheral areas where reversion is negative

The leases signed⁴ in 2020 show a **headline reversion rate of around +25% for the CBD and Paris 5/6/7**, and +12% for the rest of Paris, compared with a negative rate outside of Paris, with -6% for the Western Crescent/La Défense and -15% for the rest of the Paris Region.

Gecina has **managed its lease expiry schedule with a proactive approach in the Paris Region's less central sectors** with a focus on extending the firm maturity of leases in peripheral areas. As a result, the slightly negative reversion recorded in 2020 (-2%) is linked primarily to the relative weighting of the renegotiations carried out in secondary sectors, which were higher than usual in 2020, but does not reflect a deterioration in rental conditions.

On a current basis, rental income from offices is down **-2.7%**.

This change reflects the impact of the non-strategic assets sold in 2019 and 2020 (-€31m), including the sale of the Park Azur building in Montrouge, PM2 in Gennevilliers and Le Valmy in Montreuil, partially offset by the impact of the six buildings delivered in 2019 and two in 2020, with 81% let, located primarily in Paris City, as well as La Défense.

Gross rental income - Offices In million euros	Dec 31, 2019	Dec 31, 2020	Change (%)	
			Current basis	Like-for-like
Offices	548.2	533.6	-2.7%	+3.0%
Paris City	290.6	289.8	-0.3%	+1.9%
- Paris CBD & 5-6-7	177.8	178.2	+0.2%	+1.6%
- Paris CBD & 5-6-7 - Offices	141.0	143.4	+1.8%	+2.5%
- Paris CBD & 5-6-7 - Retail	36.9	34.8	-5.6%	-1.7%
- Paris - Other	112.8	111.6	-1.1%	+2.5%
Western Crescent - La Défense	182.7	182.1	-0.4%	+5.4%
Paris Region - Other	53.7	42.9	-20.1%	+4.6%
Other French regions / International	21.1	18.8	-11.1%	+0.0%

YouFirst Residence (traditional residential): resilience confirmed

Like-for-like, rental income from traditional residential properties is up **+0.9%**.

This performance takes into account indexation of +1.1%, as well as a **positive reversion effect (+0.4%) on the apartments relet**. **The rents for new tenants are around +7.2% higher than the previous tenant's rent on average since the start of the year**. The change in the occupancy rate is not particularly significant, but represents a negative contribution of -0.4%.

On a current basis, rental income shows a slight increase, up +0.3% to €106.0m, with organic trends offsetting the impacts of the ongoing vacant unit-based sales program.

⁴ Excluding non-standard situations

YouFirst Campus (student residences): solid although facing a challenge with Coronavirus

Rental income from student residences is down -6.3% on a current basis and -6.0% like-for-like, reflecting the impact of the health crisis through the closure of universities and graduate schools, resulting in the departure of certain tenants.

The year's like-for-like performance benefited from positive indexation (+1.0%) and positive reversion (+0.1%), but was adversely affected by a Covid-19 effect on vacancies (-6.3%), linked in particular to the departure of international students. The remaining -0.8% is linked to the commercial measures offered as a result of the health crisis.

Gecina has continued to see encouraging signs: **the start of the new academic year in September 2020 recorded a particularly satisfactory occupancy rate, with 95% of rooms let** (spot occupancy rate at end-October), with **very similar levels to the start of the academic year in September 2019**, which points to an encouraging situation for the whole of the 2020-2021 academic year. For the **last quarter of 2020**, the **average occupancy rate** for student residences was nearly **92%**, close to the previous year's level.

While the health context calls for a lot of caution regarding this market segment, this performance reflects Gecina's ability to replace international students (particularly from outside the Schengen Area) who are not yet able to travel internationally again with predominantly French students. It is also benefiting from YouFirst Campus' growing independence from external letting platforms, making it possible to manage occupancy with a finer grained approach and to network the Group's student residences.

Market trends still favorable in Gecina's preferred sectors

Investment market still dynamic, particularly in the most central sectors

Although the volumes invested in commercial real estate in the Paris Region are down (-33%) compared with 2019, **they are still nearly +16% higher than a long-term average⁵**, reflecting the strong appetite among investors for real estate, particularly in an environment of persistently low rates and therefore sustainable risk premiums, as well as strong risk aversion.

In a flight to safety, investors have therefore focused on segments with strong levels of resilience, including quality offices located in the most central areas, and of course residential assets. In 2020, 44% of the amounts invested in commercial real estate were concentrated in Paris City, compared with just 32% in 2019. This growing selectivity among investors reflects a polarization of the markets, supporting relatively favorable trends for capital value growth in Gecina's preferred segments.

Office rental market: rental volume contraction and confirmation of rent levels in Paris

Take-up at end-2020 is down by almost -45% compared with 2019. However, this marked contraction masks a significant upturn in rental activity in September and October, with **strong growth in expressions of interest** in the properties to be let by the Group. On average, the number of expressions of interest received by Gecina from September to December was +16% higher than the situation before the health crisis (over January and February) and +228% higher than the level seen between April and July 2020.

The slowdown in the volume of transactions reflects the longer timeframes for decisions to be made and a wait-and-see attitude in a context of economic uncertainty for many tenants, preferring to keep their current premises rather than moving. These elements indicate that the slowdown in transactions is transitional and temporary to some extent, due to the slowdown in decision-making processes and an aversion to moving in the short term, rather than any structural shift in appetite among tenants.

BNPPRE estimates that the decision-making process (timeframe for transformation of demand) was extended by almost +16% in 2020 for premises over 5,000 sq.m, and also indicates that the percentage of cancelled negotiations during the lockdowns was particularly low (12% for the first lockdown between March and May, and just 4% for the second lockdown in October and November), illustrating the **resilience of tenant appetite despite a temporary break in the market**.

⁵ Long-term average calculated over the last 15 years (source: Immostat)

While the volume of rental transactions is significantly lower than 2019 (-45%) due to the sharp slowdown in commercial activity during the lockdown, immediate supply and rental values showed a solid level of resilience, particularly in the Paris Region's most central sectors. For **Paris CBD, the vacancy rate**, although mechanically higher as a result of the slowdown in take-up due to the economic environment, **is still at a very low level of 3.4%**, according to Cushman & Wakefield.

In 2020, headline rental values are not down overall (rents for existing properties up slightly, with +0.5% (source: Immostat over 12 months)), while this trend is driven by central markets and especially high-quality assets at the heart of Paris' Central Business District. The scarcity of immediate supply and future supply at the heart of Paris is continuing to support the robust trends seen for the central sectors in the last few quarters. In Paris City, rents on new-build properties are trending up in Paris (+5% year-on-year, according to Cushman & Wakefield). However, trends are less marked and even show a slight downturn outside of Paris City (La Défense, Western Crescent, Inner or Outer Rims), particularly for existing properties.

Thanks to this good resilience for central markets, the average reversion potential (spread between current market rents and the rents in place in our portfolio) came to around +6%, primarily due to the portfolio's most central sectors and particularly Paris' CBD, where it represents +20%.

The residential market trends are also still particularly favorable for Gecina, in markets affected by a persistent structural residential supply-side shortfall, especially in Paris City, where immediate supply levels are not covering rental demand at the heart of the city.

Return to the office: a reality in Paris, ahead of other major cities

At end-September, public data (source: Google Mobility Workplaces) indicated that traffic levels in Paris workplaces were only -34% less than a normalized situation, whereas they were still down by almost -58% in New York (Manhattan) and -63% in London.

This indication that employees are "returning to the office" for companies whose premises are located in Paris was consistent with the Group's indicative estimates obtained by surveying a sample of clients and footfall levels in company restaurants across its buildings.

This return to the office, with Paris seeing a stronger and quicker trend than other major international cities, has also been observed after the second lockdown. At end-January, the weekly average return to the office figure was -31% compared with a "normalized" situation, close to the level from September and October 2020, despite the restrictive health measures currently in force, including a curfew from 6pm.

The trend is less sustained in other countries, and particularly in Greater London, where the return to the office figure was around -55% for the last week of January.

Residential market: proving its resilience

The residential market in France has proven its **resilience, despite an economic context disrupted by the coronavirus crisis**.

Average sales prices have increased significantly. The Chambre des Notaires de Paris reports that apartments increased in value by around +6% year-on-year at end-November, in both Paris and the Paris Region.

In a study published in October 2020, BNP Paribas Real Estate found that investment volumes are down for the year, linked in part to the temporary suspension of discussions with institutional investors during the lockdown period, as well as a lack of available supply for sale. The broker estimates that this asset class is becoming a true safe haven for investors, indicating that "prime rates are likely to drop over the coming months in view of investors' appetite for this resilient asset class and the scarcity of supply".

Robust rental activity subject to a significant slowdown during the second quarter, but still reflecting encouraging prospects for reversion at the heart of the most central sectors

Over 162,000 sq.m let in 2020

Since the start of 2020, **Gecina has let, relet or renegotiated over 162,000 sq.m**. This volume of transactions compares favorably with previous years, with 165,000 sq.m in 2019, highlighting the intense activity carried out by Gecina's teams despite the context of a significant slowdown in transactions on the market in 2020.

This volume of transactions does not take into account the leases signed since the start of the year, including a nine-year lease mid-February for 11,600 sq.m of Carré Michelet, delivered in 2019 in La Défense, which will come into effect in the second half of 2022, taking this building's letting rate up to 83%.

The performance levels achieved once again show a clear rental outperformance for the Paris Region's most central sectors and especially Paris City, despite the uncertainty linked to the potential consequences of the health crisis.

Management of the lease expiry schedule: "bespoke" approach

Capturing positive reversion in Paris, anticipating end dates and extending the term of leases in peripheral areas where reversion is negative

The leases signed in 2020 (relettings, renewals and renegotiations) show a **headline reversion rate of around +25% for the CBD and Paris 5/6/7**, and +12% for the rest of Paris, compared with a negative rate outside of Paris, with -6% for the Western Crescent/La Défense and -15% for the rest of the Paris Region.

These performance levels, achieved through tenant rotations, confirm the Group's strategic focus on the most central sectors and especially the heart of Paris City.

To anticipate the leases scheduled to expire in 2021, the Group secured early renewals on a certain number of leases in secondary sectors and especially the Inner Rim, recording negative reversion potential in exchange for extending the residual term of leases in these areas.

This **proactive management of lease expiry schedules in the Paris Region's less central sectors** increased the relative weighting of lettings in these secondary areas (outside of Paris and Neuilly), which represented 56% of rental transactions in 2020 (compared with around 40% of consolidated rental income).

As a result, the slightly negative reversion potential recorded in 2020 (-2%) is linked primarily to the relative weighting of the renegotiations carried out in secondary sectors, which were higher than usual in 2020, with a view to **extending the firm maturity of leases in secondary sectors** (residual firm term in these areas increased from 4.6 years at end-2019 to 5.3 years at end-2020).

Theoretical reversion potential of +6% on average, driven by Paris City

The market trends, which are still positive for central sectors, make it possible to see reversion potential (spread between current market rents and the rents in place in our portfolio) of over +6% for the Group's commercial portfolio, primarily due to the portfolio's most central sectors and particularly Paris City (**e.g. +20% for the Paris CBD**). This potential performance will be gradually delivered over the coming years as the current leases come to an end.

This reversion potential was maintained at a high level in Paris City, where Gecina has 66% of its portfolio, whereas it decreased during the year for secondary sectors, such as the Western Crescent, where reversion potential is negative (-11% vs. -6% at end-June 2020).

Average occupancy rate still high, but down slightly due to recent deliveries of buildings that are currently being let

The average financial occupancy rate at end-December was 93.3%, down -80bp year-on-year and -10bp over six months.

This decrease is linked primarily to the delivery of partially vacant buildings and the sale of fully occupied buildings, offsetting the progress made with letting partially vacant buildings in 2019 (e.g. Be Issy, Carré Michelet and Octant-Sextant). The slowdown in the lettings rate also contributed to the longer turnaround times for lettings and therefore mechanically the increase in the transition rental vacancy level. As a result, the average occupancy rate for the **office portfolio** is down to 93.1%.

The office portfolio's occupancy rate (spot) is therefore lower than the average rate, down to 91.1%.

For **student residences**, the average financial occupancy rate improved by +80bp over six months to 82.9%, reflecting the Group's efforts with lettings despite a health crisis context resulting in graduate schools and universities being closed and restricting the mobility of national and international students. Over 12 months, this rate is down -5.1pts, reflecting the impacts of the health crisis, including the departure of foreign students from March 2020.

For the **last quarter of 2020**, the **average occupancy rate** on student residences was nearly **92%**, close to the previous year's level.

Average financial occupancy rate	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020	Sep 30, 2020	Dec 31, 2020
Offices	93.8%	93.0%	93.2%	93.1%	93.1%
Traditional residential	97.6%	97.7%	97.6%	97.1%	96.9%
Student residences	88.0%	93.9%	82.1%	79.0%	82.9%
Group total	94.1%	93.6%	93.4%	93.2%	93.3%

Recurrent net income (Group share) resilient

Recurrent net income (Group share) is down year-on-year at end-2020 (-3.9% per share) linked primarily to the volume of sales completed in 2019 and 2020 (€1.4bn), as well as the temporary loss of rental income from buildings with strong potential freed up for redevelopment. These effects were partially offset by the new rental income received on the buildings delivered recently, as well as non-recurring compensation for early departures.

Portfolio rotation: -€23.5m net change in rental income

This change reflects the impact of the portfolio's rotation since early 2019 (for €1.4bn of assets sold and €384m of acquisitions over the period). The disposals primarily concern the Le Valmy building, located in eastern Paris and sold in 2020, and the buildings sold in the second half of 2019 (Park Azur in Montrouge, Henner in Neuilly and Foy in Paris).

Operations relating to the pipeline (deliveries and launch of redevelopment work): -€4.5m net change in rental income

The change in recurrent net income (Group share) also reflects the impact of **operations relating to the pipeline**.

- o The additional rental income generated by the **recent deliveries** of buildings under development represents nearly **+€17.8m** (in 2019: Ibox, Penthemont 2, Friedland, Pyramides and MAP in Paris, Carré Michelet; in 2020, Rue de Madrid in Paris)
- o Alongside this, the **buildings transferred** to the pipeline in the last 12 months or to be transferred shortly account for a temporary drop in rental income of around **-€22.2m** compared with end-December 2019. For instance, these assets that have been freed up have made it possible to launch a new redevelopment project at the heart of Paris' Central Business District with the "Boétie" building (10,200 sq.m), which will be delivered in 2023.

Rental margin: increase in provisions in connection with the health crisis

The **rental margin** came to 90%, down -0.9pts compared with end-2019⁶, reflecting the increase in provisions for trade receivables linked directly to the effects of the Covid-19 crisis for nearly €5.5m. For comparison, provisions for trade receivables during the first half of the year totaled €7m. Restated for these provisions, the rental margin is stable compared with 2019.

	Group	Offices	Residential	Student
Rental margin at Dec 31, 2019 ⁶	90.9%	93.0%	82.9%	73.7%
Rental margin at Dec 31, 2020	90.0%	92.1%	83.0%	70.9%

The rental margin is stable for residential, and down for student residences due to this portfolio's increased vacancy rate during the lockdown periods.

Operating margin for other business: effects of the hotel portfolio divestment

Linked primarily to the sale of Gecina's hotel portfolio at end-2019, the operating margin contracted by -€8m in 2020 compared with 2019. This reduction also reflects the provisions recorded for part of the finance lease payments.

Decrease in overheads

This -1.6% reduction in overheads reflects the impact of the projects deferred or cancelled in connection with the health crisis, as well as the measures put in place by Gecina to reduce its operating expenditure.

Lower financial expenses: balance sheet optimized and volume of debt reduced

Recurrent financial expenses are down -€8.7m, linked to a reduction in the average cost of debt by -10bp compared with end-2019 to 1.3%, benefiting from the bond financing with a 4.75% coupon that matured in Q2 2019, as well as a slight reduction in the volume of debt as a result of the sales completed recently. These positive effects are partially offset by a lower level of capitalized interest (€3.8m in 2020, vs. €7.7m in 2019), since the projects held in the pipeline were launched recently.

In million euros	Dec 31, 2019 ⁴	Dec 31, 2020	Change (%)
Gross rental income	673.5	658.0	-2.3%
Net rental income	611.9	592.4	-3.2%
Operating margin for other business	9.6	1.6	-83.6%
Services and other income (net)	5.4	4.4	-20.0%
Overheads	(83.5)	(82.2)	-1.6%
EBITDA- recurrent	543.5	516.1	-5.0%
Net financial expenses	(98.5)	(89.8)	-8.8%
Recurrent gross income	445.0	426.4	-4.2%
Recurrent net income from associates	1.5	1.4	-4.7%
Recurrent minority interests	(1.7)	(1.3)	-23.8%
Recurrent tax	(6.6)	(5.9)	-10.7%
Recurrent net income (Group share)⁷	438.2	420.6	-4.0%
Recurrent net income (Group share) per share	5.95	5.72	-3.9%

LTV reduced, responsible loans set up, long maturity maintained and historically low cost of debt

Gecina has continued to build on its long-term management and optimize its liabilities, further strengthening and optimizing its financial structure in a volatile but still accommodating environment. The financial rating agencies confirmed Gecina's ratings (S&P A- and Moody's A3) during the second quarter, confirming the Group's sound balance sheet structure despite the uncertain environment.

LTV reduced and the Group's sound balance sheet structure confirmed

At December 31, 2020, Gecina had an **LTV of 33.6%** including duties (35.6% excluding duties), and €4.5bn of undrawn credit lines covering all of the Group's financing maturities through to mid-2024. The **ICR represents 5.6x**, with a secured debt ratio of 0.2%, giving Gecina significant headroom in relation to its bank covenants.

⁶ The rental margin at end-December 2019 reported here is proforma for the method retained since end-June 2020 for comparison. At end-December 2019, expenses billed to tenants included rental and technical management fees for €6.8m. These transferred costs are included in overheads from January 1, 2020 (€7.1m for 2020)

⁷ EBITDA including provisions recorded in connection with the health crisis, after deduction of net financial expenses, recurrent tax, minority interests, income from associates and restated for certain non-recurring items (notably costs relating to the subsidiarization of the residential business and the tax reimbursement)

In the last 12 months, Gecina has raised close to €1bn of new long-term financial resources under attractive conditions:

- €400m of bond issues with an average maturity of 10.1 years and an average rate of 0.47%, the lowest rate ever achieved by Gecina for such a maturity;
- Nearly €600m of new bank credit lines (including €350m at the start of 2021), with an average maturity of 6.7 years, enabling the early refinancing of all the bank maturities for 2021 and 2022.

At end-December, the **average maturity of Gecina's debt was 7.1 years**.

The Group's liquidity totaled €3.4bn at end-December (net of the coverage of NEU CP short-term resources), covering all the financial maturities for the next three years, while the available credit lines have a residual average maturity of 4.1 years (at end-January, including the agreements signed at the start of 2021).

44% of Gecina's bank lines now responsible, reflecting its CSR commitments

In 2020, the Group continued moving forward with its work to set up responsible loans: in the last few weeks, Gecina has finished setting up three new responsible credit lines, with financial conditions indexed against CSR performance in particular, for a combined total of €350m. In addition, the Group signed three amendments in December and January to transform standard bank lines into responsible credit lines, for a total of €450m.

Gecina's volume of responsible credit agreements is now up to €2.0bn, representing 44% of the Group's total bank borrowings (vs. 20% at end-2019). This rapid and large-scale integration of CSR into its financial structure once again sets out Gecina's strong environmental and societal convictions, as well as the Group's continued commitment to progress in these areas, which are now an integral part of its strategy.

Average cost of the Group's debt down -10bp

The Group has confirmed its robust balance sheet structure, while maintaining a historically low cost of debt, with 1.0% for drawn debt and 1.3% for all debt, around -10bp lower than 2019.

Ratios	Covenant	Dec 31, 2020
Loan to value (block, excl. duties)	< 55% - 60%	35.6%
EBITDA / net financial expenses	> 2.0x	5.6x
Outstanding secured debt / net asset value of portfolio (block, excl. duties)	< 25%	0.2%
Net asset value of portfolio (block, excl. duties) in billion euros	> 6.0 - 8.0	19.7

€539m of sales and €270m of investments

€474m of sales finalized in 2020, achieving a premium versus the latest appraisal values, further strengthening the Group portfolio's centrality and its robust balance sheet

Since the start of the year, Gecina has sold or secured **sales for nearly €539m of assets, with €474m already finalized, achieving an average premium of around +4.7% versus their latest values, with a loss of rental income of around 3.1%.**

These sales aim to further strengthen the centrality of Gecina's portfolio and rationalize its composition by selling or planning to divest non-strategic assets or assets located in secondary areas for Gecina, while reducing the Group's LTV.

The commercial sales completed since the start of the year represent €453m, achieving an average premium of +4.2% versus their latest free appraisal values, with almost 84% concerning buildings located outside of Paris, further strengthening the centrality of the Group's commercial portfolio.

As a result, based on the appraisal values from end-December 2020, the **LTV is 33.6% including duties**. For reference, it was 34.0% at end-December 2019.

€270m invested, including €56m of acquisitions

- €56m of assets acquired during the first half of the year, including the first residential building since the creation of the dedicated subsidiary to house the residential portfolio, in Paris' 8th arrondissement.
- €213m of investments paid out for the pipeline or to improve the residential and commercial portfolio, helping capture valuation potential through progress with work on assets under development, as well as improvements to the quality of our residential buildings, helping secure the reversion potential identified.

€3.6bn project pipeline, with €2.8bn underway or to potentially be launched shortly

€2.8bn of projects committed or to potentially be committed in the short term
€1.74bn of committed projects (deliveries for 2021-2024)

The vast majority of the projects under development are concentrated in the most central sectors, with **74.5% of the committed pipeline for offices located in Paris City and 14% in Neuilly and Boulogne Billancourt**. 5.5% are located in La Défense and 6% in Montrouge.

The residential pipeline includes seven projects, with five in Paris City.

In total, 15 projects are currently committed to and will be delivered between 2021 and 2024, representing a total investment volume of €1.7bn, with just €0.5bn still to be paid out over the coming years. With an expected yield on cost of 5.2%, the committed pipeline represents a potential rental income volume of around €90m, which will be achieved gradually between 2021 and 2024 as the various assets are delivered.

Four new projects were committed to in 2020: one project in Paris' Central Business District (Paris-Boétie), with delivery expected for the first quarter of 2023, one traditional residential project to transform an office building into apartments, and two student housing projects.

Seven of these 15 projects concern the traditional residential or student residence sectors, highlighting the strategic acceleration targeted by the Group for residential activities.

The **pre-letting rate** for operations to be delivered before the end of 2022 **is moderate to date (37%)** as these programs were recently transferred to the pipeline at the end of 2019 and early 2020, while the lockdown period slowed down the pace of discussions with potential tenants. However, since September 2020, the number of commercial interactions with prospective tenants has returned to significantly higher levels than seen at the start of the year, before the lockdown periods, which indicates that there is still marked appetite for the positioning and quality of the assets within our pipeline.

At end-December, €504m were still to be invested on committed projects, with €182m by end-2021, €171m in 2022, and €150m in 2023-2024.

€1.1bn of “controlled and certain” projects to potentially be launched over the coming half-year periods (deliveries in 2023-2024)

The pipeline of operations “to be committed”, i.e. “controlled and certain”, groups together the assets held by Gecina that are currently being vacated and for which a redevelopment project aligned with Gecina’s investment criteria has been identified. These projects will therefore be launched over the coming half-year periods, unless market conditions were to call into question their real estate and financial rationale.

This pipeline includes **eight projects, with 90% located in Paris or Neuilly**, that will be transferred to the committed pipeline when they are vacated by their current tenants. While waiting for the tenants in place to leave, these assets represent a residual annualized rental volume of nearly €18m at end-December.

In total, the “controlled and certain” pipeline is expected to generate an average **yield on cost of 5.6%**, representing almost €60m of potential rental income.

In the probable scenario in which these controlled and certain projects are launched, €456m will be invested over the coming half-year periods from their expected launch.

All of these projects are subject to regular reviews in line with market developments, and the final launch decision can be taken by Gecina up until the effective redevelopment start date, enabling the Group to optimize its flexibility for redevelopment operations.

€0.8bn of “likely” controlled projects over the longer term (possible deliveries in 2023-2026)

The “likely” controlled pipeline covers the projects identified and owned by Gecina for which tenant departures are not yet certain over the short term. The identification of these projects upstream is making it possible to achieve a **potential yield on cost of 5%** with a portfolio of potential projects **concentrated primarily in Paris City (around 75%)**. These projects will be launched as decided by Gecina in line with real estate market developments at the time of their potential launch.

Project	Location	Expected delivery date	Total space (sq.m)	Total investment (€m)	Already invested (€m)	Still to invest (€m)	Yield on cost (est.) (net)	Theoretical prime yields (BNPPRE)	% pre-let	
Boulogne - Anthos	Western Crescent	Q2-21	9,600	102	99	4			-	
Paris - Biopark	Paris	Q3-21	6,200	47	44	3			-	
La Défense - Sunside	Western Crescent	Q2-21	9,600	83	78	5			-	
Neuilly - 157 Charles de Gaulle	Western Crescent	Q4-21	11,200	108	89	19			-	
Paris - Live	Paris CBD	Q2-22	33,200	514	411	102			78%	
Offices – deliveries 2021 / 2022										
Paris - Mondo (formerly Bancelles)			2021 - 2022	69,800	854	721	133	5.2%	3.0%	37%
Paris - Mondo (formerly Bancelles)	Paris CBD	Q2-24	29,800	377	258	120			-	
Montrouge - Porte Sud	Inner Rim	Q3-24	11,700	91	38	53			-	
Paris - Boétie	Paris CBD	Q1-23	10,200	176	139	37			-	
Offices – deliveries 2023/2024										
2023- 2024			51,700	644	435	209	5.5%	2.8%	0%	
Total offices			121,500	1,498	1,156	343	5.3%	2.9%	21%	
Paris - Glacière	Paris	Q3-21	300	2	0	2			na	
Ivry sur Seine - Ynov	Inner Rim	Q2-21	7,200	41	30	11			na	
Ville d'Avray	Inner Rim	Q1-23	10,000	78	9	69			na	
Paris - Vouillé	Paris	Q2-23	2,400	24	9	15			na	
Paris - Lourmel	Paris	Q2-23	1,700	17	4	13			na	
Paris - Porte Brancion	Paris	Q2-23	2,900	19	0	19			na	
Paris - Dareau	Paris	Q4-23	5,500	51	25	27			na	
Residential densification		na	1,700	6	0	6			na	
Total residential			31,700	239	78	161	4.2%	3.1%	na	
Total committed pipeline			153,200	1,738	1,234	504	5.2%	2.9%		
Controlled and certain: Offices			82,500	913	563	350	5.9%	3.0%		
Controlled and certain: Residential			22,500	157	51	106	3.5%	3.0%		
Total controlled and certain			105,000	1,071	614	456	5.6%	3.0%		
TOTAL committed + controlled and certain			258,200	2,808	1,848	960	5.3%	3.0%		
Total controlled and likely			91,300	769	537	232	5.0%	3.0%		
TOTAL PIPELINE			349,500	3,577	2,385	1,192	5.3%	3.0%		

Stabilization of real estate values during the year, with contrasting effects depending on the areas

The portfolio value (block) came to €19.7bn, stable like-for-like over 12 months (-0.1%) and down -1.6% on a current basis due to the significant sales completed over the period.

Offices: value growth in central sectors in 2020

On a like-for-like basis, for the office portfolio, the dominance of the most central sectors can be clearly seen once again. The value of the overall office portfolio is down -1.4% over 12 months, but up +2.2% for the Paris portfolio (+2.7% for Paris CBD / 5-6-7), while the rest of the Paris Region is down.

For Paris City, the increase in values is linked primarily to a positive rent effect, reflecting the good performance by the most central rental markets, while the like-for-like contraction in values for the rest of the Paris Region factors in an increase in capitalization rates, linked to the growing risk aversion seen among investors faced with the uncertainty in 2020, and a moderately negative rent effect.

This performance differential measures the growing gap between the most central sectors, whose outlook is still resilient, thanks in particular to the extremely low vacancy rate currently and restricted future supply, and the secondary sectors, offering a risk profile that is more sensitive to the economic environment.

Traditional residential: values up by nearly +7% over 12 months

For the residential portfolio, the valuation retained is up +6.7% like-for-like. This performance has been driven by trends on the market, in a persistently low interest rate environment, and the growing appetite among institutional investors justifying a lower discount for the block values, as well as the rollout of Gecina's new strategy on this asset class, with its first value creation effects (more ambitious investment plans and rental reversion). This performance also reflects the strong resilience of this asset class in an uncertain environment linked to the effects of the health crisis.

Breakdown by segment <i>In million euros</i>	Appraised values	Net capitalization rates		Like-for-like change	€/sq.m
	Dec 2020	Dec 2020	Dec 2019	12 months	Dec 2020
Offices (incl. retail units)	15,983	4.1%	3.9%	-1.4%	10,716
Paris City	10,489	3.4%	3.4%	+2.2%	16,324
Paris CBD / 5-6-7 - Offices	5,837	3.3%	3.2%	+1.7%	19,007
Paris CBD / 5-6-7 - Retail	1,642	2.7%	2.6%	+5.6%	50,810
Paris - Other	3,010	4.0%	4.0%	+1.1%	10,928
Western Crescent - La Défense	4,416	5.2%	4.7%	-8.4%	7,807
Paris Region - Other	604	7.1%	6.7%	-4.4%	2,816
Other French regions / International	475	4.4%	4.2%	-4.5%	5,682
Residential	3,641	3.1%	3.3%	+5.9%	7,186
Traditional residential	3,274	3.0%	3.1%	+6.7%	7,503
Student residences	367	4.9%	5.0%	-0.9%	5,106
Hotels & finance leases	114				
Group total	19,738	3.9%	3.8%	-0.1%	10,007
Total value: unit appraisals	20,294			+0.3%	-

Slight contraction in EPRA Net Tangible Assets (NTA), down -1.7% year-on-year to €170.1 per share, with an EPRA Net Reinstatement Value (NRV) of €187.1 per share

EPRA Net Tangible Assets (NTA) represent **€170.1** per share (-1.7% year-on-year) and **€177.6** per share based on unit values for residential.

The **EPRA Net Reinstatement Value (NRV)** came to **€187.1** per share (-1.5% year-on-year).

The **EPRA Net Disposal Value (NDV)** was **€163.0** per share (-2.9% year-on-year).

For reference, the diluted EPRA NAV (previous format) represents €172.8 per share (-1.7% year-on-year), while the diluted EPRA triple net NAV totaled €167.4 (-2.9% year-on-year).

This change benefited overall from a stabilization of capitalization rates for offices and a positive “rent” effect in the most central sectors, as well as the impacts of Gecina’s total return strategy, particularly through the growth in value achieved for the portfolio under development.

The change in EPRA Net Tangible Assets (NTA) per share came to -€3.0 over 12 months, with the following breakdown:

- Dividend paid in 2020:	- €5.3
- Recurrent net income:	+ €5.7
- Like-for-like value adjustment on Office assets:	- €3.5
- Like-for-like value adjustment on Residential assets:	+ €2.2
- Net value increase for pipeline:	+ €1.1
- Net capital gains from sales completed:	- €0.2
- Provisions for disputes:	- €0.8
- Other (including IFRS 16):	- €2.2

New EPRA indicators at end-December 2020

At end-December 2020 In million euros	EPRA NRV (Net Reinstatement Value)	EPRA NTA (Net Tangible Assets)	EPRA NDV (Net Disposal Value)
IFRS equity attributable to shareholders	12,474.3	12,474.3	12,474.3
Receivable from shareholders	0.0	0.0	0.0
Includes / Excludes			
Impact of exercising stock options	0.0	0.0	0.0
Diluted NAV	12,474.3	12,474.3	12,474.3
Includes			
Revaluation of investment property	142.3	142.3	142.3
Revaluation of investment property under construction	0.0	0.0	0.0
Revaluation of other non-current investments	0.0	0.0	0.0
Revaluation of tenant leases held as finance leases	8.7	8.7	8.7
Revaluation of trading properties	0.0	0.0	0.0
Diluted NAV at fair value	12,625.3	12,625.3	12,625.3
Excludes			
Deferred tax	0.0	0.0	na
Fair value of financial instruments	(12.2)	(12.2)	na
Goodwill as a result of deferred tax	0.0	0.0	0.0
Goodwill as per the IFRS balance sheet	na	(191.1)	(191.1)
Intangibles as per the IFRS balance sheet	na	(9.0)	na
Includes			
Fair value of debt	na	na	(413.5)
Revaluation of intangibles to fair value	0.0	na	na
Real estate transfer tax	1,187.2	132.5	na
NAV	13,800.2	12,545.4	12,020.7
Fully diluted number of shares	73,762,805	73,762,805	73,762,805
NAV per share	€187.1	€170.1	€163.0

For reference, the EPRA NAV indicators based on block values (previous format) are indicated below:

	Dec 31, 2019		Jun 30, 2020		Dec 31, 2020	
	Amount / number of shares	€ / share	Amount / number of shares	€ / share	Amount / number of shares	€ / share
<i>In million euros</i>						
Fully diluted number of shares	73,656,339		73,711,096		73,762,805	
Shareholders' equity under IFRS*	12,699		12,651		12,474	
+ Receivable from shareholders	0.0		183.8		0.0	
+ Impact of exercising stock options	1.7		1.5		0.0	
Diluted NAV	12,701	€172.4	12,836	€174.1	12,474	€169.1
+ Fair value reporting of assets at amortized cost	136.4		143.5		151.0	
+ Hotel business	0.0		0.0		0.0	
+ Optimization of transfer duties	135.1		123.6		132.5	
- Fair value of financial instruments	(20.9)		(3.0)		(12.2)	
- Deferred tax	0.0		0.0		0.0	
= Diluted EPRA NAV	12,951	€175.8	13,100	€177.7	12,746	€172.8
+ Fair value of financial instruments	20.9		3.0		12.2	
+ Fair value of liabilities	(280.7)		(409.6)		(413.5)	
+ Deferred tax	0.0		(0.0)		0.0	
= Diluted EPRA triple net NAV	12,692	€172.3	12,694	€172.2	12,344	€167.4

* Including goodwill (€191m at December 31, 2020)

Transition from EPRA NAV (previous format) to new indicators

€/share	EPRA NRV	EPRA NTA	EPRA NDV
Diluted NAV per share (previous EPRA format)	172.8	172.8	172.8
Real estate transfer tax	14.3		-1.8
Goodwill		-2.6	-2.6
Intangibles as per the IFRS balance sheet		-0.1	
Fair value of debt and financial instruments			-5.4
NAV per share (new EPRA indicators)	187.1	170.1	163.0

Strategy taking shape with a clear residential ambition

Gecina's General Meetings approved the launch of the subsidiarization of the residential portfolio
The General Shareholders' Meeting, held as a closed session on April 23, 2020, and the General Meetings for note holders (held on March 23 and April 7, 2020) ratified all the resolutions relating to the proposed contribution enabling the subsidiarization of Gecina's residential portfolio.

Gecina is therefore effectively positioned to move forward with its residential strategy in order to better satisfy the needs for housing, flexibility and services, while responding to key environmental and societal stakes, by developing a responsible, quality rental offering aimed at middle-class households. Today, the Group is therefore positioned to capitalize on potential investment opportunities in order to achieve major synergies and launch new investments in sectors with strong value creation potential in the Paris Region or certain leading French cities that meet Gecina's requirements in terms of financial performance and operational risk.

Nexity and Gecina have signed a partnership agreement with a view to developing up to 4,000 housing units

On October 1, **Gecina and Nexity** signed a **strategic partnership agreement** with a view to developing up to 4,000 new housing units over four years in Paris, the Paris Region and major urban hubs across France on behalf of Gecina's residential subsidiary.

Under this partnership, a joint co-development company will be set up, with 60% owned by Nexity and 40% by Gecina. By identifying opportunities and launching operations in line with the ambitions and requirements of both partners, each group will be able to further strengthen its expertise, giving Gecina the possibility to get involved from the development stage alongside Nexity. The buildings developed in this way will be acquired by Gecina's residential subsidiary based on conditions that will be defined between the two parties for each building proposed.

Following the creation of the subsidiary grouping together all of the Group's traditional residential assets – YouFirst Residence – during the first half of the year, Gecina will be able to benefit from a **second complementary non-exclusive tool supporting its ambition to grow the size of its residential portfolio in order to be able to benefit from scale effects.**

Group's continued digitalization and CSR outperformance

CSR targets exceeded, supporting the Group's ambitions for the future

The performance achieved by Gecina on all four CSR priorities has exceeded the targets initially set.

Low carbon: for the portfolio in operation, CO₂ emissions per sq.m have been reduced by -53% since 2008 (vs. -49% at end-2019), and the projects under development are now almost 40% more carbon-efficient than they were in 2016. The 2020 targets in this area have been significantly exceeded, with Gecina on track for "zero carbon", which indicates that the ambition for carbon neutrality by 2050 could be achieved earlier.

Circular economy: for the projects delivered in 2020, 88% of construction site waste was recycled, marking progress compared with the previous year and positioning Gecina well above market standards and regulations in this area.

Wellbeing and Biodiversity: for these priorities, Gecina is continuing to apply a systematic approach. All of the Group's development projects since 2017 have been awarded "Well" and "BiodiverCity" labels (vs. 28% and 12% respectively on average for the market).

Acceleration of the digitalization of our activities and deployment of the client-centric brand YouFirst

The last few quarters have also been marked by the acceleration of the YouFirst brand's deployment for commercial activities (YouFirst Bureau and YouFirst Collaborative) and residential activities (YouFirst Residence and YouFirst Campus), as well as our digital transformation. For instance, Gecina has developed a platform for exchanges with YouFirst Bureau's partner agencies to improve its efficiency for lettings. With this solution, Gecina is optimizing its commercial strategy thanks to real-time tracking of progress with letting applications for each building.

Other digital projects are currently being developed, including the creation of a dedicated space for YouFirst Residence and YouFirst Campus clients, before sites are delivered for letting. For YouFirst Bureau, the in-depth review of the tech stack for the various assets is feeding into the future web app that will be the link between YouFirst Bureau and YouFirst Collaborative and its B2B2C clients.

The CRM deployment for all the YouFirst brands has made significant progress and this will be central to YouFirst's commercial relationships with its clients.

With the deployment of dedicated web apps and client portals, an operational CRM, the development of virtual visit solutions, a brokers portal and other innovations currently being put in place, the Group aims to improve its competitive positioning, help build loyalty among its clients, strengthen commercial performance, further differentiate its rental offering and optimize its portfolio's operating expenditure and energy bill.

Other information concerning 2020

Settlement of a tax dispute from 2003 in favor of Gecina

The French State Council then the Administrative Court of Appeal in Versailles ruled in favor of Gecina concerning the conditions for calculating its 2003 corporate income tax before the SIIC real estate investment trust tax system came into force.

Approximately €14m will therefore be returned to Gecina in 2021, recognized in the accounts over the second half of 2020 (outside of recurrent net income).

Gecina sentenced as part of a dispute with Abanca: the Group intends to appeal

In connection with the claim filed by Abanca in Madrid in 2015, calling for Gecina to pay €48.7m in relation to guarantee letters of engagement allegedly signed in 2008 and 2009 by Mr Joaquín Rivero (Gecina's former executive), the Madrid Court of Appeal confirmed the ruling of the Court of First Instance of Madrid, which sentenced Gecina to pay this sum and interest for late payment to Abanca. Following this ruling, a provision for around €60m (including interest for late payment) was recorded in the accounts (outside of recurrent net income) in the second half of 2020.

Gecina considers that this situation is the result of Joaquín Rivero's fraudulent acts and disputes the Spanish courts' decision. The Group is therefore appealing against this ruling in Spain and is vigorously pursuing its actions initiated in France, for both civil and criminal proceedings, in connection with this case.

Arlette Dome: all residual risks definitively cleared

For reference, and as detailed in the 2019 Universal Registration Document, in 2012 Gecina discovered the existence of four promissory notes issued fraudulently between 2007 and 2009 in Gecina's name, presented by the Spanish company Arlette Dome to Banco de Valencia to guarantee loans granted by this bank. At the time, Gecina filed a complaint with the Spanish courts, and in January 2020 they officially acknowledged that these promissory notes were fraudulent, discharging Gecina from any liability.

All of the residual risks have therefore been fully and definitively cleared.

2021: a transition year

Following the impact of the sales completed in 2020 and the assets freed up for redevelopment, as well as a slowdown in indexation in 2021 and extended letting timeframes, particularly for assets from the pipeline, recurrent net income (Group share) per share is expected to contract in 2021 to around €5.3 per share⁸.

Over the longer term, the projects from the "committed" and "to be committed" (controlled and certain) pipeline and the normalization of the lettings rate for the assets delivered in 2019 and 2020 are expected to generate €120m to €130m of additional annualized rental income (IFRS), thanks exclusively to these internal dynamics developed by the Group

About Gecina

As a specialist for centrality and uses, Gecina operates innovative and sustainable living spaces. The Group owns, manages and develops Europe's leading office portfolio, with nearly 97% located in the Paris Region, and a portfolio of residential assets and student residences, with over 9,000 apartments. These portfolios are valued at 19.7 billion euros at end-2020.

Gecina has firmly established its focus on innovation and its human approach at the heart of its strategy to create value and deliver on its purpose: **"Empowering shared human experiences at the heart of our sustainable spaces"**. For our 100,000 clients, this ambition is supported by our client-centric brand YouFirst. It is also positioned at the heart of UtilesEnsemble, our program setting out our solidarity-based commitments to the environment, to people and to the quality of life in cities.

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 and Euronext 100 indices. Gecina is also recognized as one of the top-performing companies in its industry by leading sustainability benchmarks and rankings (GRESB, Sustainalytics, MSCI, ISS ESG and CDP).

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⁸ This estimate could be revised down or up depending on potential acquisitions and sales in 2021

APPENDICES

1- FINANCIAL STATEMENTS

CONDENSED INCOME STATEMENT AND RECURRENT INCOME

At the Board meeting on February 18, 2021, chaired by Jérôme Brunel, Gecina's Directors approved the financial statements at December 31, 2020. The audit procedures on the consolidated accounts have been completed and the certification reports have been issued.

In million euros	Dec 31, 2019 ³	Dec 31, 2020	Change (%)
Gross rental income	673.5	658.0	-2.3%
Net rental income	611.9	592.4	-3.2%
Operating margin for other business	9.6	1.6	-83.6%
Services and other income (net)	5.4	4.4	-20.0%
Overheads	(83.5)	(82.2)	-1.6%
EBITDA - recurrent	543.5	516.1	-5.0%
Net financial expenses	(98.5)	(89.8)	-8.8%
Recurrent gross income	445.0	426.4	-4.2%
Recurrent net income from associates	1.5	1.4	-4.7%
Recurrent minority interests	(1.7)	(1.3)	-23.8%
Recurrent tax	(6.6)	(5.9)	-10.7%
Recurrent net income (Group share) ⁽¹⁾	438.2	420.6	-4.0%
Gains or losses on disposals	102.3	(4.3)	na
Change in value of properties	1,004.3	(154.7)	na
Real estate margin	0.4	(7.1)	na
Depreciation and amortization	(16.5)	(85.0)	na
Non-recurring items ⁽²⁾	23.0	3.5	na
Change in value of financial instruments and debt	(26.1)	(24.0)	na
Bond redemption costs and premiums	(15.9)	0.0	na
Other	5.7	5.8	na
Consolidated net income attributable to owners of the parent	1,515.3	154.8	na

1 - EBITDA including provisions recorded in connection with the health crisis, after deduction of net financial expenses, recurrent tax, minority interests, income from associates and restated for certain non-recurring items (notably costs relating to the subsidiarization of the residential business and the tax reimbursement)

2 - Linked primarily to non-recurring tax income (€14m) and residential subsidiarization costs (-€8m)

3 - The rental margin at end-December 2019 reported here is proforma for the method retained since end-June 2020 for comparison. At end-December 2019, expenses billed to tenants included rental and technical management fees for €6.8m. These transferred costs are included in overheads from January 1, 2020 (€7.1m for 2020).

CONSOLIDATED BALANCE SHEET

ASSETS	Dec 31, 2019	Dec 31, 2020	LIABILITIES	Dec 31, 2019	Dec 31, 2020
In million euros			In million euros		
Non-current assets	19,244.7	19,504.5	Shareholders' equity	12,726.6	12,500.9
Investment properties	17,662.3	17,744.3	Share capital	573.1	573.9
Buildings under redevelopment	1,055.1	1,256.8	Additional paid-in capital	3,281.9	3,295.5
Operating properties	86.0	81.1	Consolidated reserves	7,329.0	8,450.1
Other property, plant and equipment	14.6	12.1	Consolidated net income	1,515.3	154.8
Goodwill	196.1	191.1			
Intangible assets	7.0	9.0	Shareholders' equity attributable to owners of the parent	12,699.2	12,474.3
Financial receivables on finance leases	121.6	103.8	Non-controlling interests	27.4	26.6
Financial fixed assets	25.8	24.6			
Investments in associates	51.4	54.4	Non-current liabilities	5,487.7	5,778.2
Non-current financial instruments	22.8	25.4	Non-current financial debt	5,398.6	5,611.4
Deferred tax assets	1.9	1.9	Non-current lease obligations	50.5	50.7
			Non-current financial instruments	1.3	13.2
Current assets	1,210.1	745.1	Deferred tax liabilities	1.7	0.1
Properties for sale	928.8	368.2	Non-current provisions	35.7	102.8
Inventories	35.7	3.8			
Trade receivables and related	77.4	56.4	Current liabilities	2,240.5	1,970.5
Other receivables	111.2	124.6	Current financial debt	1,884.9	1,612.9
Prepaid expenses	19.2	18.0	Current financial instruments	0.6	0.0
Cash and cash equivalents	37.8	174.1	Security deposits	80.5	73.3
			Trade payables and related	153.0	159.2
			Current tax and employee-related liabilities	49.0	51.8
			Other current liabilities	72.6	73.3
TOTAL ASSETS	20,454.8	20,249.6	TOTAL LIABILITIES	20,454.8	20,249.6

2- ADDITIONAL INFORMATION CONCERNING RENTAL INCOME

2.1 Factors for like-for-like rental income changes at December 31, 2020 vs December 31, 2019

Group

Like-for-like	Indexes	Business effect	Occupancy	Other
2.3%	1.6%	0.4%	0.1%	0.3%

Offices

Like-for-like	Indexes	Business effect	Occupancy	Other
3.0%	1.7%	0.4%	0.5%	0.4%

Total residential

Like-for-like	Indexes	Business effect	Occupancy	Other
-0.2%	1.1%	0.3%	-1.3%	-0.3%

2.2 Rental position

Gecina's tenants operate across a very wide range of sectors responding to various macroeconomic factors.

Breakdown of tenants by sector (offices - based on annualized headline rents):

	GROUP
Public sector	5%
Insurance	3%
Banking	3%
Consulting / law	6%
Energy	12%
Real estate	3%
Industry	6%
IT	4%
Luxury goods - retail	16%
Media - television	6%
Pharma	3%
Services	18%
Technology and telecoms	7%
Other	7%
Total	100%

Weighting of the top 20 tenants (% of annualized total headline rents):

Tenant	GROUP
ENGIE	7%
ORANGE	3%
LAGARDERE	3%
LVMH	3%
WEWORK	3%
EDF	2%
SOLOCAL GROUP	2%
YVES SAINT LAURENT	2%
FRENCH SOCIAL MINISTRIES	2%
BOSTON CONSULTING GROUP	1%
EDENRED	1%
ARKEMA	1%
GRAS SAVOYE	1%
RENAULT	1%
IPSEN	1%
LACOSTE	1%
SALESFORCE	1%
ROLAND BERGER	1%
MSD	1%
LATHAM & WATKINS	1%
TOP 10	28%
TOP 20	39%

Volume of rental income by three-year break and end of leases (in €m):

Commercial lease schedule	2021	2022	2023	2024	2025	2026	2027	> 2027	Total
Break-up options	76	61	57	91	48	42	54	104	532
End of leases	58	26	20	53	37	38	108	192	532

2.3 Annualized gross rental income

Annualized rental income corresponds to the effective rental position on the year-end reporting date. As such, it does not take into consideration lettings or properties vacated, or sales or acquisitions of buildings that would not have an impact by the year-end reporting date.

Annualized rental income (IFRS)			
€m	Dec 31, 2019		Dec 31, 2020
Offices	539		502
Traditional residential	106		106
Student residences	20		19
Total	665		627

3- FINANCING

3.1 Debt structure

Gecina's gross financial debt⁽¹⁾ came to €7,198m at December 31, 2020, compared with €7,246m at end-2019; net financial debt⁽²⁾ represents €7,024m at end-December 2020.

The main characteristics of the debt are as follows:

	Dec 31, 2019	Dec 31, 2020
Gross financial debt (in million euros) ⁽¹⁾	7,246	7,198
Net financial debt (in million euros) ⁽²⁾	7,208	7,024
Gross nominal debt (in million euros) ⁽¹⁾	7,233	7,143
Unused credit lines (in million euros)	4,505	4,505
Average maturity of debt (in years, restated for available credit lines)	7.5	7.1
LTV (excluding duties)	36.0%	35.6%
LTV (including duties)	34.0%	33.6%
ICR	5.3x	5.6x
Secured debt / portfolio value	0.2%	0.2%

(1) Gross financial debt = gross nominal debt + impact of the recognition of bonds at amortized cost + accrued interest not due + other items
 (2) Excluding fair value items linked to Eurosic's debt, with €7,050m including these items.

Breakdown of gross nominal debt:

	Dec 31, 2020
Long-term bonds	81%
Mortgage loans	1%
Short-term resources covered by long-term credit lines	18%

3.2 Debt schedule

The following table presents the schedule for Gecina's debt at December 31, 2020 (in billion euros, excluding the refinancing operations carried out at the start of 2021):

€bn	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	>2035
Gross debt	1.5	0.6	0.4	0.4	0.5	0.1	0.7	0.7	0.5	0.5	-	0.5	-	0.7	-	-
Financing (incl. unused credit lines)	0.2	1.0	1.3	1.3	1.2	1.4	0.9	0.7	0.5	0.5	-	0.5	-	0.7	-	-
Net debt (after allocation of undrawn credit lines)	-	-	-	0.5	1.2	1.4	0.9	0.7	0.5	0.5	-	0.5	-	0.7	-	-

3.3 Bank covenants

Gecina's financial position at December 31, 2020 is compliant with the various limits likely to affect the conditions for repayment or early repayment clauses in the various credit agreements. The following table presents the position for the main financial ratios covered under the agreements:

Ratios	Covenant	Dec 31, 2020
LTV: loan to value (block, excl. duties)	< 55% - 60%	35.6%
ICR: EBITDA / net financial expenses	> 2.0x	5.6x
Outstanding secured debt / net asset value of portfolio (block, excl. duties)	< 25%	0.2%
Net asset value of portfolio (block, excl. duties) in billion euros	> 6.0 - 8.0	19.7

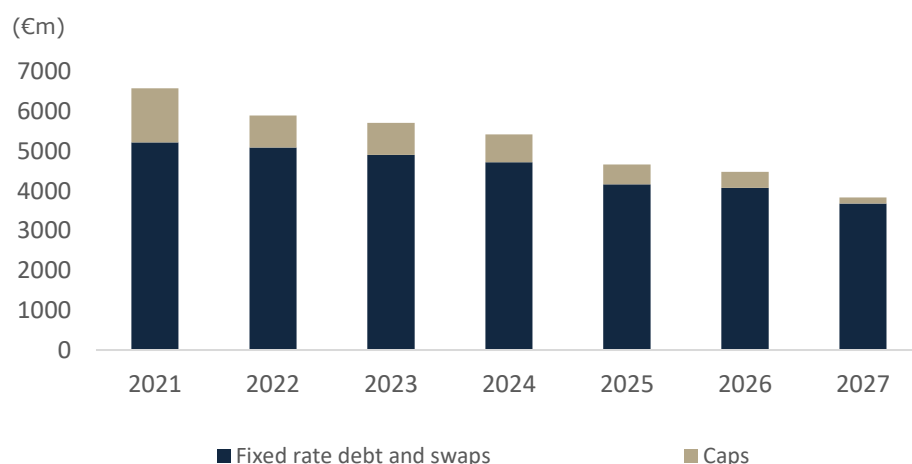
3.4 Financial rating

The Gecina Group is rated by Standard & Poor's and Moody's. At December 31, 2020:

- Standard & Poor's maintained its A- / outlook stable rating;
- Moody's maintained its A3 / outlook stable rating.

3.5 Hedging portfolio

The following chart presents the profile of the hedging portfolio:



3.6 Interest rate risk measurement

Gecina's expected net financial debt for 2021 is hedged for up to 93% against an increase in interest rates (based on observed Euribor rate levels, due to caps).

Based on the existing hedging portfolio, the contractual conditions at December 31, 2020 and the anticipated debt in 2021, a 50 basis point increase in interest rates would generate an additional financial expense of around €6.8m in 2021. A 50 basis point decrease in interest rates would reduce financial expenses by around €5.5m in 2021.

4- EPRA REPORTING AT DECEMBER 31, 2020

Gecina applies the EPRA best practices recommendations regarding the indicators listed below. Gecina has been a member of EPRA, the European Public Real Estate Association, since it was created in 1999. The EPRA best practices recommendations include performance indicators to make the financial statements of real estate companies listed in Europe more transparent and comparable.

Gecina reports on all the EPRA indicators defined by the Best Practices Recommendations available on the EPRA website.

4.1 EPRA recurrent net income

The following table presents the transition between the recurrent net income reported by Gecina and EPRA earnings:

<i>In thousand euros</i>	Dec 31, 2020	Dec 31, 2019
Recurrent net income (Group share) ⁽¹⁾	420,609	438,176
- Amortization, net provisions and depreciation	(15,335)	(8,415)
EPRA recurrent net income	405,274	429,762
EPRA recurrent net income per share	€5.51	€5.84

(1) EBITDA including provisions recorded in connection with the health crisis, after deduction of net financial expenses, recurrent tax, minority interests, income from associates and restated for certain non-recurring items (notably costs relating to the subsidiarization of the residential business and the tax reimbursement)

4.2 EPRA NAV and EPRA NNAV

<i>In euros / share</i>	Dec 31, 2020	Dec 31, 2019
EPRA NRV	€187.1	€190.0
EPRA NTA	€170.1	€173.1
EPRA NDV	€163.0	€167.8
Diluted NAV	€169.1	€172.4
Diluted EPRA NAV	€172.8	€175.8
Diluted EPRA NNAV	€167.4	€172.3

4.3 EPRA net initial yield and topped-up net initial yield

The following table presents the transition between the yield rate reported by Gecina and the yield rates defined by EPRA:

<i>(%)</i>	Dec 31, 2020	Dec 31, 2019
Gecina net capitalization rate (1)	3.9%	3.8%
Impact of estimated costs and duties	-0.2%	-0.2%
Impact of changes in scope	0.01%	0.04%
Impact of rent adjustments	-0.5%	-0.4%
EPRA net initial yield (2)	3.1%	3.2%
Exclusion of lease incentives	0.3%	0.2%
EPRA topped-up net initial yield (3)	3.4%	3.4%

(1) Like-for-like 2020

(2) The EPRA net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, after deducting lease incentives, divided by the portfolio value including duties.

(3) The EPRA topped-up net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.

EPRA net initial yield and EPRA topped-up net initial yield		Offices	Traditional residential	Student residences	2020 total
Investment properties		15,987	3,274	367	19,628 ⁽⁴⁾
Adjustment of assets under development and land reserves		1,619	11	38	1,668
Value of the property portfolio in operation excluding duties		14,367	3,264	329	17,960
Transfer duties		574	226	18	818
Value of the property portfolio in operation including duties	B	14,941	3,489	347	18,778
Gross annualized rents		498	106	19	622
Non-recoverable property charges		15	17	3	36
Annualized net rents	A	483	89	15	587
Rents at the expiry of the lease incentives or other rent discount		48	0	0	48
Topped-up annualized net rents (3)	C	531	89	15	635
EPRA net initial yield	A/B	3.2%	2.5%	4.4%	3.1%
EPRA topped-up net initial yield	C/B	3.6%	2.5%	4.4%	3.4%

(3) The EPRA topped-up net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.

(4) Excluding hotels and real estate finance leases

4.4 EPRA vacancy rate

%	Dec 31, 2020	Dec 31, 2019
Offices	8.9%	7.5%
Traditional residential	4.4%	3.6%
Student residences	12.2%	5.9%
Group total	8.3%	6.9%

The EPRA vacancy rate corresponds to the **spot** vacancy rate at the reporting date. It is calculated as the ratio between the market rental value of vacant premises and potential rental income on the portfolio in operation.

The financial occupancy rate reported elsewhere corresponds to the average financial occupancy rate of the portfolio in operation.

The higher vacancy rate is linked mainly to the delivery of partially vacant Office buildings, as well as the impacts of the health crisis for student residences, resulting in graduate schools and universities being closed and restricting the mobility of national and international students.

(%)	Market rental value of vacant space (€m)	Potential rental income (€m)	EPRA vacancy rate at end-2020 (%)
Offices	48	542	8.9%
Traditional residential	5	106	4.4%
Student residences	3	22	12.2%
EPRA vacancy rate	55	670	8.3%

4.5 EPRA cost ratios

<i>In thousand euros / As a %</i>	Dec 31, 2020	Dec 31, 2019
Property expenses	(188,536)	(184,716)
Overheads ⁽¹⁾	(92,038)	(92,968)
Amortization, net provisions and depreciation ⁽²⁾	(15,335)	(8,415)
Expenses billed to tenants	122,947	129,997
Rental expenses charged to tenants in gross rent	0	0
Other income / income covering overheads	4,355	5,447
Share in costs of associates	(327)	(345)
Ground rent	0	1,772
EPRA costs (including vacancy costs) (A)	(168,935)	(149,228)
Vacancy costs	10,274	10,546
EPRA costs (excluding vacancy costs) (B)	(158,661)	(138,682)
Gross rental income less ground rent	657,976	671,715
Rental expenses charged to tenants in gross rent	0	0
Share in rental income from associates	1,727	1,790
Gross rental income (C)	659,703	673,505
EPRA cost ratio (including vacancy costs) (A/C)	25.6%	22.2%
EPRA cost ratio (excluding vacancy costs) (B/C)	24.1%	20.6%

(1) The increase in the ratio levels for 2020 compared with 2019 is linked primarily to the costs to set up a dedicated subsidiary to house the residential business (€7.4m) and the provisions for rental risk recorded as a result of the effects of the health crisis (€5.5m)
(2) Excluding depreciation of assets recognized at their historical cost.

4.6 Property-related capex

<i>In million euros</i>	Dec 31, 2020			Dec 31, 2019		
	Group	Joint ventures	Total	Group	Joint ventures	Total
Acquisitions	56	na	56	328	na	328
Development	132	na	132	148	na	148
- Capitalized interest	4	na	4	8	na	8
Maintenance capex ⁽¹⁾	82	na	82	80	na	80
- Incremental lettable space	0	na	0	4	na	4
- No incremental lettable space	69	na	69	66	na	66
- Tenant incentives	13	na	13	6	na	6
- Other material non-allocated types of expenditure	0	na	0	4	na	4
- Capitalized interest	0	na	0	0	na	0
Total capex	270	na	270	556	na	556
Conversion from accrual to cash basis	-6	na	-6	49	na	49
Total capex on cash basis	264	na	264	604	na	604

(1) Capex corresponding to: (i) renovation work on apartments or private commercial spaces making it possible to capture the best market rents, (ii) work on communal areas, (iii) tenant work

5- CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are available in full on the Group's website.

Photo credits: Charly Broyez

This document does not constitute an offer to sell or a solicitation of an offer to buy Gecina securities and has not been independently verified.

If you would like to obtain further information concerning Gecina, please refer to the public documents filed with the French Financial Markets Authority (Autorité des marchés financiers, AMF), which are also available on our internet site.

This document may contain certain forward-looking statements. Although the Company believes that such statements are based on reasonable assumptions on the date on which this document was published, they are by their very nature subject to various risks and uncertainties which may result in differences. However, Gecina assumes no obligation and makes no commitment to update or revise such statements.