

## PORTFOLIO VALUE STRENGTHENED BY DYNAMIC ASSET MANAGEMENT

- KEY INDICATORS

<i>In millions of euros</i>	First-half 2018	First-half 2017	Change
IFRS rental income	26.0	26.0	+0.2%
EPRA earnings	14.7	14.9	-1.6%
Portfolio value (excluding transfer duties)	1,174	1,144	+2.7%
Debt ratio	53.1%	51.2%	+1.9 pts
EPRA NAV per share excluding transfer duties (in €)	40.9	41.8	-2.0%
EPRA NNNAV per share excluding transfer duties (in €)	40.4	41.4	-2.4%
Dividend per share (in €)	2.2	2.1	+4.8%
Special dividend per share (in €)	1.9		
Total Share Return over the last 12 months	7.5%	8.7%	-1.2 pts

Rental income for the first half of 2018 remained stable at €26 million as a result of strong marketing activity, while the portfolio value rose by 2.7% to €1,174 million (excluding transfer duties) on the back of active asset management.

Cegereal's EPRA earnings came in at €14.7 million in first-half 2018, compared with €14.9 million in the same prior-year period.

- A PREMIUM PORTFOLIO WITH EVER INCREASING APPEAL

Cegereal is highly committed to improving and optimizing its properties, and seeks to offer its tenants a superior quality of life that guarantees well-being at work.

In the first half of 2018, a major asset management project was carried out at the Europlaza building, with the aim of completing all the renovation work taking place in the property's upper floors, as well as in shared spaces such as the auditorium, gym and common area, before summer. The redesign complements the recently renovated garden and lobby, offering users outstanding amenities in a welcoming, modern atmosphere designed to the highest standards and full of natural light.

Despite strong competition in the La Défense business district, Europlaza's attractive features have won the approval of leading companies such as KPMG, which in recent months has leased additional space in the building's "garden floors".

In addition, a number of potential tenants have already expressed a keen interest in Europlaza's upper floors, the remaining vacant space in Cegereal's portfolio.

The occupancy rate of Cegereal's other assets stood at an average of 99.5%, resulting in an overall occupancy rate of 90.5% at June 30, 2018, compared with 91.4% at December 31, 2017.

- TOTAL SHARE RETURN (TSR) OVER THE LAST 12 MONTHS: 7.5%

The estimated value, excluding transfer duties, of Cegereal's real estate assets totaled €1,174 million at June 30, 2018, versus €1,144 million excluding transfer duties at June 30, 2017 and €1,169 million at December 31, 2017.

In first-half 2018, EPRA NNAV, excluding transfer duties, amounted to €40.4 per share, versus €41.4 in first-half 2017, reflecting changes in fair value of properties (positive impact of €2.2 per share), dividend distributions (negative impact of €4.1 per share), consolidated earnings growth (positive impact of €1.0 per share) and movements in other line items (negative impact of €0.1 per share).

Total Share Return over the last 12 months came to 7.5%, with a distribution-to-NAV ratio of 9.9% and a slight 2.4% decline in NAV.

- AN OUTSTANDING ENVIRONMENTAL COMMITMENT

In first-half 2018, Cegereal continued with its ambitious environmentally friendly process rolled out several years ago as part of its "Upgreen your Business" program.

As a result of its CSR activities and its green capex policy, the Company has now achieved the highest environmental standards, with dual BREEAM In-Use International and NF HQE™ Exploitation certification for its entire portfolio.

- INVESTOR CALENDAR

- November 15, 2018 Third-quarter 2018 revenue

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#### About Cegereal

Created in 2006, Cegereal is a commercial property company that invests in prime office properties in Greater Paris. The portfolio's appraisal value is estimated at €1,263 million at June 30, 2018 (replacement value).

From an environmental point of view, Cegereal's portfolio is fully certified with NF HQE™ Exploitation and BREEAM In-Use International certification, and benefits from the "Green Star" rating in the international GRESB benchmark.

Cegereal is a REIT listed on Euronext Paris since 2006, in compartment B (ISIN: FR0010309096). The Company had a market capitalization of €511 million on July 24, 2018.

[www.cegereal.com](http://www.cegereal.com)



**Interim Financial Statements  
(IFRS)**  
Six-month period ended June 30, 2018

Excerpts from the interim financial report  
approved by the Board of Directors on July 25, 2018.

The Statutory Auditors have performed a review  
of the interim financial statements.

## Consolidated Statement of Comprehensive Income (IFRS) for the six months ended June 30, 2018

*In thousands of euros, except per share data*

	June 30, 2018	Dec. 31, 2017	June 30, 2017
	6 months	12 months	6 months
Rental income	26 036	51 259	25 975
Income from other services	10 746	16 166	10 675
Building-related costs	(16 074)	(29 416)	(14 306)
<b>Net rental income</b>	<b>20 707</b>	<b>38 008</b>	<b>22 344</b>
Sale of building	0	0	0
Administrative costs	(2 377)	(4 765)	(2 513)
Net additions to provisions & depreciation and amortization	(5)	(10)	(5)
Other operating expenses	(133)	0	0
Other operating income	0	175	716
Increase in fair value of investment property	4 291	41 978	14 095
Decrease in fair value of investment property	(5 688)	(4 800)	0
<i>Total change in fair value of investment property</i>	<i>(1 397)</i>	<i>37 178</i>	<i>14 095</i>
<b>Net operating income</b>	<b>16 795</b>	<b>70 587</b>	<b>34 636</b>
Financial income	6	597	204
Financial expenses	(5 643)	(10 542)	(5 102)
<b>Net financial expense</b>	<b>(5 637)</b>	<b>(9 945)</b>	<b>(4 898)</b>
Corporate income tax	0	1 765	0
<b>CONSOLIDATED NET INCOME</b>	<b>11 158</b>	<b>62 408</b>	<b>29 738</b>
<i>of which attributable to owners of the Company</i>	<i>11 158</i>	<i>62 408</i>	<i>29 738</i>
<i>of which attributable to non-controlling interests</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Other comprehensive income</b>			
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>11 158</b>	<b>62 408</b>	<b>29 738</b>
<i>of which attributable to owners of the Company</i>	<i>11 158</i>	<i>62 408</i>	<i>29 738</i>
<i>of which attributable to non-controlling interests</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Basic earnings per share (in euros)</b>	<b>0,84</b>	<b>4,67</b>	<b>2,23</b>
<b>Diluted earnings per share (in euros)</b>	<b>0,79</b>	<b>4,37</b>	<b>2,04</b>

## Consolidated Balance Sheet (IFRS) at June 30, 2018

*In thousands of euros*

	June 30, 2018	Dec. 31, 2017	June 30, 2017
<b><u>Non-current assets</u></b>			
Property, plant and equipment	53	56	56
Investment property	1 174 400	1 169 400	1 143 700
Non-current loans and receivables	21 289	21 591	15 359
Financial instruments	10	31	101
<b>Total non-current assets</b>	<b>1 195 752</b>	<b>1 191 078</b>	<b>1 159 216</b>
<b><u>Current assets</u></b>			
Trade accounts receivable	13 902	18 481	10 808
Other operating receivables	11 866	10 200	16 065
Prepaid expenses	196	347	247
<b>Total receivables</b>	<b>25 964</b>	<b>29 029</b>	<b>27 120</b>
Cash and cash equivalents	18 879	61 718	42 321
<b>Total cash and cash equivalents</b>	<b>18 879</b>	<b>61 718</b>	<b>42 321</b>
<b>Total current assets</b>	<b>44 843</b>	<b>90 747</b>	<b>69 441</b>
<b>TOTAL ASSETS</b>	<b>1 240 595</b>	<b>1 281 825</b>	<b>1 228 657</b>
<b><u>Shareholders' equity</u></b>			
Share capital	66 863	66 863	66 863
Legal reserve and additional paid-in capital	25 314	77 600	77 600
Consolidated reserves and retained earnings	470 363	410 662	410 646
Net attributable income	11 158	62 408	29 738
<b>Total shareholders' equity</b>	<b>573 697</b>	<b>617 532</b>	<b>584 847</b>
<b><u>Non-current liabilities</u></b>			
Non-current borrowings	616 418	616 043	577 061
Other non-current borrowings and debt	6 505	5 929	5 374
Non-current corporate income tax liability	0	0	0
Financial instruments	780	548	(1)
<b>Total non-current liabilities</b>	<b>623 704</b>	<b>622 519</b>	<b>582 434</b>
<b><u>Current liabilities</u></b>			
Current borrowings	2 970	2 979	3 160
Trade accounts payable	14 698	11 589	2 880
Corporate income tax liability	0	0	0
Other operating liabilities	11 363	9 644	39 250
Prepaid revenue	14 163	17 561	16 086
<b>Total current liabilities</b>	<b>43 194</b>	<b>41 774</b>	<b>61 376</b>
<b>Total liabilities</b>	<b>666 898</b>	<b>664 293</b>	<b>643 810</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>1 240 595</b>	<b>1 281 825</b>	<b>1 228 657</b>

## Consolidated Statement of Cash Flows for the six months ended June 30, 2018

In thousands of euros

	June 30, 2018	Dec. 31, 2017	June 30, 2017
<b>OPERATING ACTIVITIES</b>			
Consolidated net income	11 158	62 408	29 738
<i>Elimination of items related to the valuation of buildings:</i>			
Fair value adjustments to investment property	1 397	(37 178)	(14 095)
Reversal of depreciation and amortization			
Indemnity received from lessees for the replacement of components	0	0	0
<i>Elimination of other income/expense items with no cash impact:</i>			
Depreciation of property, plant and equipment (excluding investment property)	5	9	5
Free share grants not vested at the reporting date	0	0	103
Fair value of financial instruments (share subscription warrants, interest rate caps and swaps)	253	(219)	(838)
Adjustments for loans at amortized cost and fair value of embedded derivatives	1 208	1 752	957
Contingency and loss provisions	0	0	0
Corporate income tax	0	(1 765)	0
Penalty interest	0	(165)	0
<b>Cash flows from operations before tax and changes in working capital requirements</b>	<b>14 021</b>	<b>24 841</b>	<b>15 870</b>
Change in shareholder debt	0	0	28 082
Other changes in working capital requirements	3 965	14 380	12 216
Working capital adjustments to reflect changes in the scope of consolidation	0	0	0
<b>Change in working capital requirements</b>	<b>3 965</b>	<b>14 380</b>	<b>40 298</b>
<b>Net cash flows from operating activities</b>	<b>17 986</b>	<b>39 221</b>	<b>56 168</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of fixed assets	(6 399)	(8 126)	(5 505)
Net increase in amounts due to fixed asset suppliers	833	493	207
<b>Net cash flows used in investing activities</b>	<b>(5 567)</b>	<b>(7 633)</b>	<b>(5 297)</b>
<b>FINANCING ACTIVITIES</b>			
Share capital increase	0	0	0
Change in bank debt	(750)	37 875	(375)
Issue of financial instruments (share subscription warrants)	0	0	0
Refinancing transaction costs	(68)	(508)	(106)
Purchases of hedging instruments	0	0	0
Net increase in current borrowings	0	729	0
Net decrease in current borrowings	(23)	0	571
Net increase in other non-current borrowings and debt	577	1 323	769
Net decrease in other non-current borrowings and debt	0	0	0
Purchases and sales of treasury shares	(180)	130	40
Dividends paid	(54 813)	(28 053)	(28 082)
<b>Net cash flows from (used in) financing activities</b>	<b>(55 258)</b>	<b>11 496</b>	<b>(27 184)</b>
<b>Change in cash and cash equivalents</b>	<b>(42 839)</b>	<b>43 084</b>	<b>23 687</b>
Cash and cash equivalents at beginning of the period*	61 718	18 634	18 634
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>18 879</b>	<b>61 718</b>	<b>42 321</b>

\* There were no cash liabilities for any of the periods presented above.