

SHAREHOLDERS
NEWSLETTER
2019

COVIVIO

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CSR strategy rewarded in 2018

- Grand Prix for "Best non-financial performance declaration, environmental category" awarded by the French Ministry for Ecological and Solidarity Transition
- 2018 AGEFI Corporate Governance Grand Prix award
- ICR Annual General Meeting Awards, Jury Special Prize 2018
- Member of the Carbon Disclosure Project (CDP) Climate A List 2018
- As part of the -2°C scenario of the Paris International Agreement of 2015, Covivio's targets approved by the CSTB (Centre Scientifique et Technique du Bâtiment)

Board of Directors

The Board of Directors determines Covivio's strategic orientations and ensures their implementation. It is composed of fifteen members and two non-voting members.

Covivio will propose to the General Meeting of 17 April 2019 the renewal of the term of office of the Chairman, Jean Laurent, for a further four years. Having exceeded their terms of office as independent directors, Bertrand de Feydeau and Pierre Vaquier will leave the Board of Directors. The appointment of two new independent directors, Christian Delaire (ex-CEO of Generali Real Estate and of AEW Europe) and Olivier Piani (ex-CEO of Allianz Real Estate and of GE Capital Real Estate Europe), will also be proposed to you, to enhance the real estate and international expertise of the Board of Directors.



Leonardo Del Vecchio*
VICE-PRESIDENT OF THE BOARD OF DIRECTORS



Catherine Allonas-Barthe
PERMANENT REPRESENTATIVE OF ACM VIE



Romolo Bardin
DIRECTOR



Delphine Benchetrit
INDEPENDENT DIRECTOR



Jean Laurent*
CHAIRMAN OF THE BOARD OF DIRECTORS



Jean-Luc Biamonti
INDEPENDENT DIRECTOR



Christian Delaire*
INDEPENDENT DIRECTOR



Sigrid Duhamel
INDEPENDENT DIRECTOR



Jérôme Grivet
PERMANENT REPRESENTATIVE OF PREDICA



Christophe Kullmann
DIRECTOR/
CHIEF EXECUTIVE OFFICER



Sylvie Ouziel
INDEPENDENT DIRECTOR



Olivier Piani*
INDEPENDENT DIRECTOR



Patricia Savin
INDEPENDENT DIRECTOR



Catherine Soubie
INDEPENDENT DIRECTOR



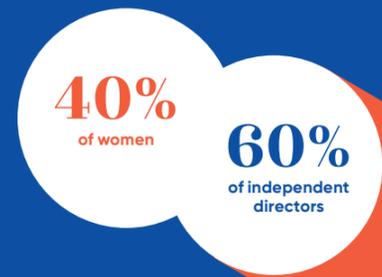
Laurent Tollié*
PERMANENT CHAIRMAN OF COVÉA COOPÉRATIONS



Sergio Erede
NON-VOTING MEMBER,
will be renewed by the Board on April 17th, 2019



Ariberto Fassati
NON-VOTING MEMBER,
will be nominated by the Board on April 17th, 2019



* Subject to your approval at the General Assembly on April 17th, 2019



Editorial by Jean Laurent

Chairman of the Board of Directors



Dear shareholders,

2018 was the year we changed our name. Our new identity reflects the change of scale for our company: even more of Europe in its sights, more development, and resolutely focused on its customers.

The year 2018 was also when we saw products and expertise synergize. Covivio set its sights on real estate that is mixed and flexible – in a word, living. Our customers can be working, travelling and living in a different kind of way, switching from one usage to another, all over Europe, and always with Covivio, the 360° European real estate operator.

Beyond good results and successful programs, the awards that have recognized Covivio's corporate social responsibility initiatives are a genuine source of pride. Transparent, best-in-class governance, ambitious objectives on sustainable development and preserving human capital: for Covivio, "sustainable" is the only kind of growth there can be.

Our 2018 results underscore the relevance of our strategic choices and the balance of roles between our Board of Directors, as upholder of our vision, and our Executive Management, as prime mover. In my view, that is one of the keys to our collective success and long may it continue.

I will therefore be asking you, at the next General Meeting, for a further term of office, my third. I promise to carry it out with the same determination and enthusiasm for this exciting company, alongside a tremendous team.



Message from Christophe Kullmann

Chief Executive Officer



The year 2018 yielded further financial, property and operational performance. At the same time, it was a year of intense change to prepare for even better in future.

Our fundamentals are solid

Record occupancy rate, growth in rental income and asset values, active debt management, recurring income (EPRA Earnings) on the rise, etc. Our main indicators are positive. These excellent performances underline the relevance of our strategy, focused on three pillars: Europe, development and a client-centric approach. Our diversified unique business model is proving profitable, and our positioning as a benchmark European player is especially distinct and resilient.

Our product offerings are in demand

Our vision of new product development in the business, hotel and residential sectors is addressing the needs and expectations of users, professionals, hoteliers and residents. We are attracting new lifestyle hotel brands, our housing units have an occupancy rate of over 98%, and several of our office schemes secure tenants more than 18 months prior to completion. Consequently, 62% of the €1.6 billion development pipeline committed at the end of 2018 has already been pre-let.

Our momentum is sustainable

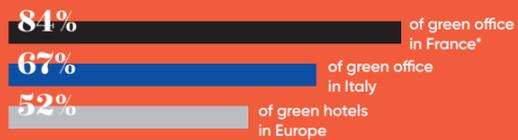
In 2018, we made investments of €1.9 billion, focused primarily on major European cities, and disposed of an equivalent amount in non-strategic or mature assets. This turnover has contributed to the upscaling and transformation of our asset portfolio.

This performance and this positive momentum are the result of the hard work and unfaltering commitment and loyalty of our teams, who work day in, day out to improve our indicators and our property solutions.

For the third year running, the dividend that we are proposing is up 2.2%, at €4.60. You will be given the option of receiving this in shares, an offer that all institutional shareholders on the Board have already taken, thereby enabling Covivio to continue to develop while building up its financial strength.

Key figures 2018

A model portfolio



1/3

Our target for reducing carbon intensity of the portfolio by 2030

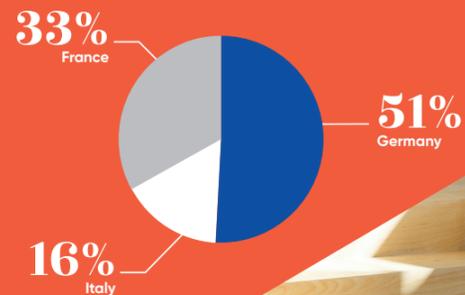
€23 billion
of assets

€6 billion
in development projects in Europe,
including €1.6 billion
in projects under way

€1.9 billion
invested in major European cities

98.1%
occupancy rate

922 employees
in Europe



Breakdown of European

41%
in France

32%
in Germany

4%
in the United Kingdom

18%
in Italy

3%
in Spain

2%
in other countries

*Core Assets and development

Covivio

Highlights

COVIVIO

New name, new dimension

In May 2018, Foncière des Régions became Covivio. This new identity reflects our company's transformation into a 360° European real estate operator.



Alexanderplatz, an iconic mixed project

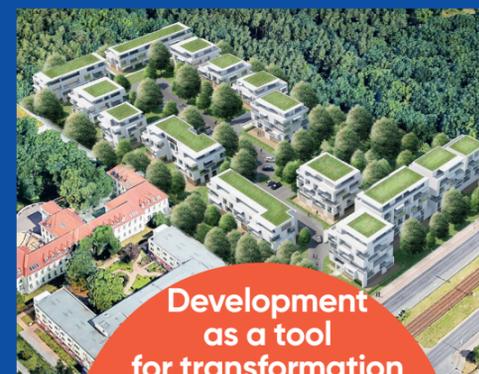
This 60,000 m² project alone sums up Covivio's strategy: it melds property use (offices, retail space, housing, coworking, coliving) together with all business expertise, on a European scale. It is going to make Alexanderplatz the new favorite place to be in the very heart of Berlin.

Merger with Beni Stabili

On December 31, 2018, the merger-takeover by Covivio of its Italian subsidiary, Beni Stabili, marked a key stage in the streamlining of the group's organization. All teams and all business activities are now gathered under the same European brand: Covivio.

Client-centric innovation

Listening to users and anticipating their needs, even as they rapidly evolve, is a source of inspiration for Covivio and opens up fresh prospects. In terms of office business, the launch of Wellio flexible spaces proved promising, with three sites opened in Paris in 2018: Miromesnil (3,300 m²), opposite the Gare de Lyon mainline station (5,100 m²) and Montmartre (1,400 m²). On the residential side, Covivio has been expanding its offering to include furnished apartments, with services designed especially for shared tenancy. Rollout of the coliving business under the Covivio To Share brand started in Berlin with 100 rooms.



Development as a tool for transformation

Transformation and attractiveness are challenges that lead companies to seek out brand-new, flexible buildings. Covivio has been ramping up development projects. At the end of 2018, the committed pipeline amounted to €1.6 billion, an increase of 80% year-on-year, representing 31 projects comprising 280,000 m² of offices, 790 hotel rooms and 454 housing units, 80% of which are located in Paris, Berlin and Milan.

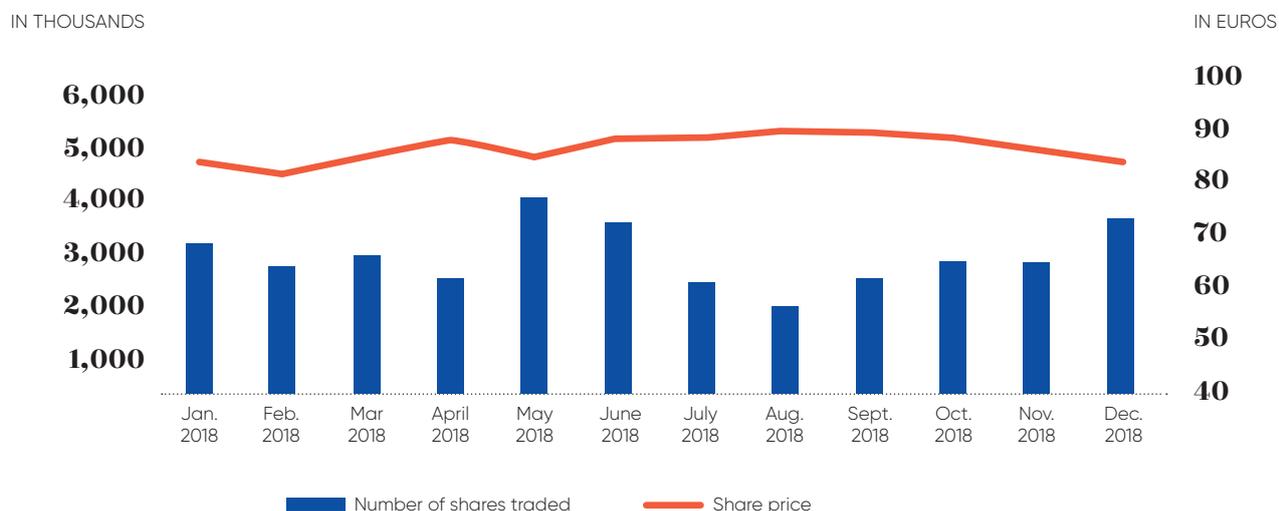
New country, new hotel partner

The €895 million purchase of an iconic portfolio of 12 four- and five-star hotels in the UK's major cities is a strategic one on a number of counts: Covivio has set up in a new country and has begun a new partnership with Intercontinental Hotels Group (IHG).

Covivio

Shareholders' informations

The last Covivio stock price from 2018 was €84.2, bringing the market capitalization to €6.9 billion. In 2018, Covivio stock outperformed the CAC 40 index by 1.6 points and the EPRA Europe index by 1.2 points.



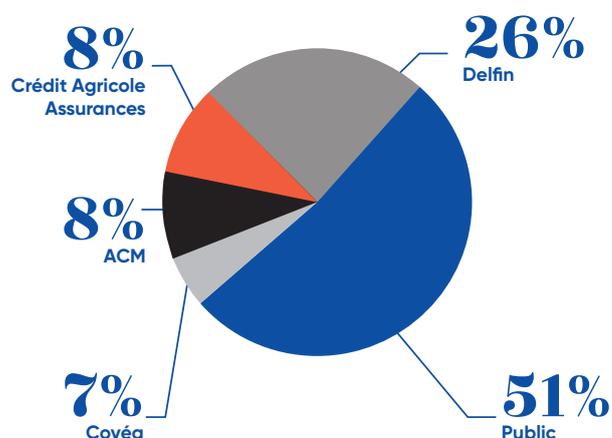
2018 DIVIDEND

€4.60 /share

Dividend for 2018 proposed to the General Meeting of April 17, 2019, up 2.2% versus 2017.

Option for dividend payment in shares also proposed to the General Meeting of April 17, 2019, with a discount of 10% compared to the average closing price over the 20 trading days prior to the General Meeting, less the dividend.

BREAKDOWN OF CAPITAL



FACT SHEETS

Share fact sheet – Euronext Paris

- ISIN code: FR0000064578
- Mnemonic code: COV
- Place of listing: Euronext Paris
- Market: Local securities – Sub-fund A (Blue chips) – SRD
- Business sector: Real Estate Investment Trusts (REIT)
 - SRD: eligible
- Indices: S.I.I.C FRANCE, SBF 120, CAC MID100, EPRA Europe MSCI, Euronext IEIF, GPR 250, FTSE4 Good, ASPI Eurozone®, DJSI World
- Standard & Poor's rating: BBB positive outlook

Share fact sheet – Borsa Italiana

- ISIN code: FR0000064578
- Mnemonic code: CVO
- Place of listing: Borsa Italiana
- Market: MTA (Mercato Telematico Azionario)
- Business sector: Real Estate

INDIVIDUAL SHAREHOLDER'S CONTACT

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 (toll free from a land line)
E-mail: actionnaires@covivio.fr

REGISTERING DIRECT OR ADMINISTERED SHARES

In either case, simply make your request through your financial intermediary or by free phone (within France) on +33 (0)826 109 119 (BNP Paribas Securities Services).

COVIVIO

covivio.eu