



Paris, le 21 juillet 2022, 18h

Résultats semestriels 2022 en forte croissance, soutenus par une activité locative record

« Ce très bon premier semestre a été marqué par de nombreux succès opérationnels sur l'ensemble de nos activités, avec en particulier 101 000 m² de nouveaux baux signés en bureaux et une reprise en hôtellerie plus forte qu'attendu. Covivio délivre ainsi des résultats financiers en forte croissance et confirme ses perspectives 2022. Malgré un environnement économique et financier incertain, la dynamique locative de nos marchés, la pertinence de notre stratégie axée sur la centralité, les actifs prime et la culture-clients, et la solidité de notre gouvernance sont des fondements pérennes pour continuer à générer de la valeur. »

Christophe Kullmann, Directeur Général de Covivio

Forte accélération de la performance opérationnelle

- ▶ Hausses des revenus de +13,0% à périmètre constant et du taux d'occupation de +1,5 pt sur six mois, à 96,5%
- ▶ Bureaux : semestre record pour les locations, avec 101 000 m² loués et pré-loués et un taux d'occupation en hausse de +2,1 pts à 94,3%, pour une croissance des loyers à périmètre constant de +3,2%
- ▶ Résidentiel allemand : poursuite d'une croissance locative soutenue de +3,0% à périmètre constant
- ▶ Hôtels : les revenus, tant variables que fixes, en croissance à périmètre constant de +100%, bénéficient d'une reprise nettement supérieure aux attentes et du travail d'*asset management*

Patrimoine de 27 Md€ (18 Md€ PdG) en croissance de +2,6% à périmètre constant

- ▶ Le patrimoine bureaux (+0,7% à périmètre constant) bénéficie de la bonne activité locative et du succès du pipeline de développement (+3,0% pour les projets engagés)
- ▶ Résidentiel allemand : les valeurs augmentent de +5,9% à périmètre constant sur fond de pénurie de logements
- ▶ Hôtels : +2,8% à périmètre constant grâce au travail d'*asset management* et à la reprise de l'activité
- ▶ Rotation qualitative : 260 M€ d'engagements de cessions principalement réinvestis en développement

Résultats semestriels 2022 en forte croissance

- ▶ Réduction de la LTV de -1,7 pt sur un an, à 39,5%
- ▶ Hausse des ANR de +8% à +17% sur un an (EPRA NTA de 109,4€ et EPRA NDV de 107,4€), portée par les croissances de valeurs d'actifs
- ▶ EPRA Earnings ajusté en croissance de +8%, à 223 M€ (2,37€ par action) et résultat net à 796 M€ (+70%)

Gouvernance : évolutions dans la continuité

- ▶ Jean-Luc Biamonti remplace Jean Laurent à la Présidence du Conseil d'administration de Covivio
- ▶ Delfin est coopté en tant qu'administrateur de Covivio et représenté par Giovanni Giallombardo

Perspectives confirmées

- ▶ Confirmation de l'objectif d'EPRA Earnings ajusté 2022 de l'ordre de 4,5€ par action

Avec un patrimoine de 26,6 Md€ (17,8 Md€ PdG) d'actifs en Europe, Covivio construit son développement sur la diversification dans des activités où le groupe joue un rôle d'acteur de premier plan :

- **55% du patrimoine est composé de bureaux** en France, Italie et Allemagne, majoritairement dans des localisations centrales à Paris, Milan et dans les principales villes allemandes ;
- **Le résidentiel en Allemagne représente 30% du patrimoine**. Il est situé dans les centres-villes de Berlin, Dresde, Leipzig, Hambourg et les grandes villes de la Rhénanie du Nord-Westphalie ;
- **Les hôtels (15% du patrimoine)**, situés dans les grandes villes touristiques européennes (Paris, Berlin, Rome, Madrid, Barcelone, Londres, etc.), sont loués et gérés par les opérateurs leaders : Accor, IHG, B&B, NH Hotels, etc.

42% des immeubles en valeur sont situés en Allemagne, 37% en France et 15% en Italie.

Ce patrimoine est géré selon **trois piliers stratégiques** :

1. **La localisation au cœur des grandes métropoles européennes**, en particulier Paris, Berlin et Milan. Ainsi, 97% des actifs se situent à moins de 5 minutes à pied d'un transport en commun.
2. **La conception d'un immobilier neuf**, alliant performance énergétique, bien-être et adaptation à l'évolution des usages. Covivio développe aujourd'hui 2,5 Md€ part du groupe de projets de bureaux et 430 M€ part du groupe de logements en Europe. La majorité de ces développements, largement pré-loués, portent sur la rénovation d'actifs existants.
3. **La culture-clients**, qui place l'utilisateur au centre de la stratégie. Covivio accompagne dans la durée ses clients dans leurs stratégies immobilières, en co-définissant avec eux leurs projets et en nouant des relations partenariales durables (maturité moyenne ferme des baux de 7 ans). Cela se traduit notamment par une approche conseil forte, une politique servicielle ambitieuse et toujours plus de flexibilité, avec par exemple des offres hybrides alliant bail commercial et contrat flexible.

Forte accélération de la performance opérationnelle

Un nouveau semestre record en bureaux pour Covivio

La demande placée de bureaux retrouve ses niveaux historiques¹

La reprise amorcée en 2021 s'est confirmée sur le premier semestre, avec une hausse très sensible de l'activité locative sur l'ensemble des marchés. Dans le Grand Paris, la demande placée progresse de +24% sur un an, à 1,0 million de m² à fin juin (après +32% sur l'année 2021, à 1,9 million de m²). A Milan, la demande placée est en hausse de +60% sur un an, à 260 000 m² (après +32% à 390 000 m² en 2021). Sur les six premières villes allemandes, la tendance est comparable, avec 1,6 million de m² et une croissance de +36% sur un an (vs +27% à 3,2 millions de m² en 2021). Alors qu'en début d'exercice, les brokers anticipaient une stabilité de la demande placée, ils tablent désormais sur une croissance (+5% à +20% selon les villes) menant à un dépassement des moyennes décennales.

Cette performance s'accompagne d'une polarisation accrue avec un attrait renforcé des locataires pour les actifs bénéficiant des meilleures localisations et adaptés aux nouveaux usages des bureaux. Paris intra-muros a ainsi vu sa demande placée augmenter de +53% sur un an, tandis que le QCA de Milan affiche une hausse de +123% sur la même période. Cette dynamique se vérifie dans l'évolution des loyers, avec des croissances concentrées sur les actifs neufs les mieux situés (+3% à 960 €/m²/an à Paris en six mois, +3% à Berlin à 540 €/m²/an et +6% à Milan à 660 €/m²/an).

¹ Sources : Immostat, CBRE, Savills, Cushman & Wakefield

Covivio enregistre une activité locative record sur le 1^{er} semestre

Dans ce contexte, Covivio tire les bénéfices d'une stratégie axée sur la centralité, les bureaux neufs et la culture-clients. **Le groupe signe ainsi un semestre record avec 101 000 m² de nouvelles commercialisations auxquels s'ajoutent 90 000 m² renouvelés.** Plus de 70 000 m² ont concerné des commercialisations sur des immeubles en développement, pour des engagements fermes de 11 ans en moyenne. **Le pipeline de développement voit ainsi son taux de pré-commercialisation progresser de +14 points, à 61%.** A Vélizy-Meudon, Covivio développera pour Thalès son 3^e immeuble de la zone à horizon 2026, de 38 000 m², avec une durée de bail de 12 ans. Le groupe a par la même occasion renouvelé les baux des deux premiers immeubles Thalès en exploitation jusqu'en 2034 et 2037 (pour 11,5 M€ de loyers par an, Part du Groupe). A Levallois-Perret, Covivio a signé un premier engagement locatif de 2 030 m² sur son immeuble en développement Maslö. A Paris, deux grands groupes du Luxe et du Digital ont choisi Covivio pour installer leurs équipes dans les immeubles d'Anjou (Paris QCA, 9 300 m²) et Streambuilding (Paris 17^e, sur 9 160m² de surfaces de bureaux). Au cœur de Milan, les 11 600 m² du projet de développement Corso Italia ont été intégralement pré-loués à une grande société italienne, à un niveau de loyer nettement supérieur aux attentes initiales et qui constitue une nouvelle référence à Milan.

Les commercialisations du semestre ont aussi permis de poursuivre l'amélioration du taux d'occupation du patrimoine en exploitation, qui s'élève à 94,3% à fin juin. Les 31 000 m² commercialisés sur ce patrimoine sur le semestre ont principalement concerné les actifs de la catégorie *Manage-to-Core* (16% du patrimoine). Covivio a notamment signé pour près de 5 000 m² d'accords locatifs sur la tour CB21 à Paris-La Défense, de sorte que le taux d'occupation de l'immeuble s'élève maintenant à 91%, contre 79% il y a un an. Le taux d'occupation s'améliore également de près de +20 points (à 75%) sur l'immeuble 32 B, à Boulogne, et de +21 points à 85% sur Belaïa à l'aéroport d'Orly.

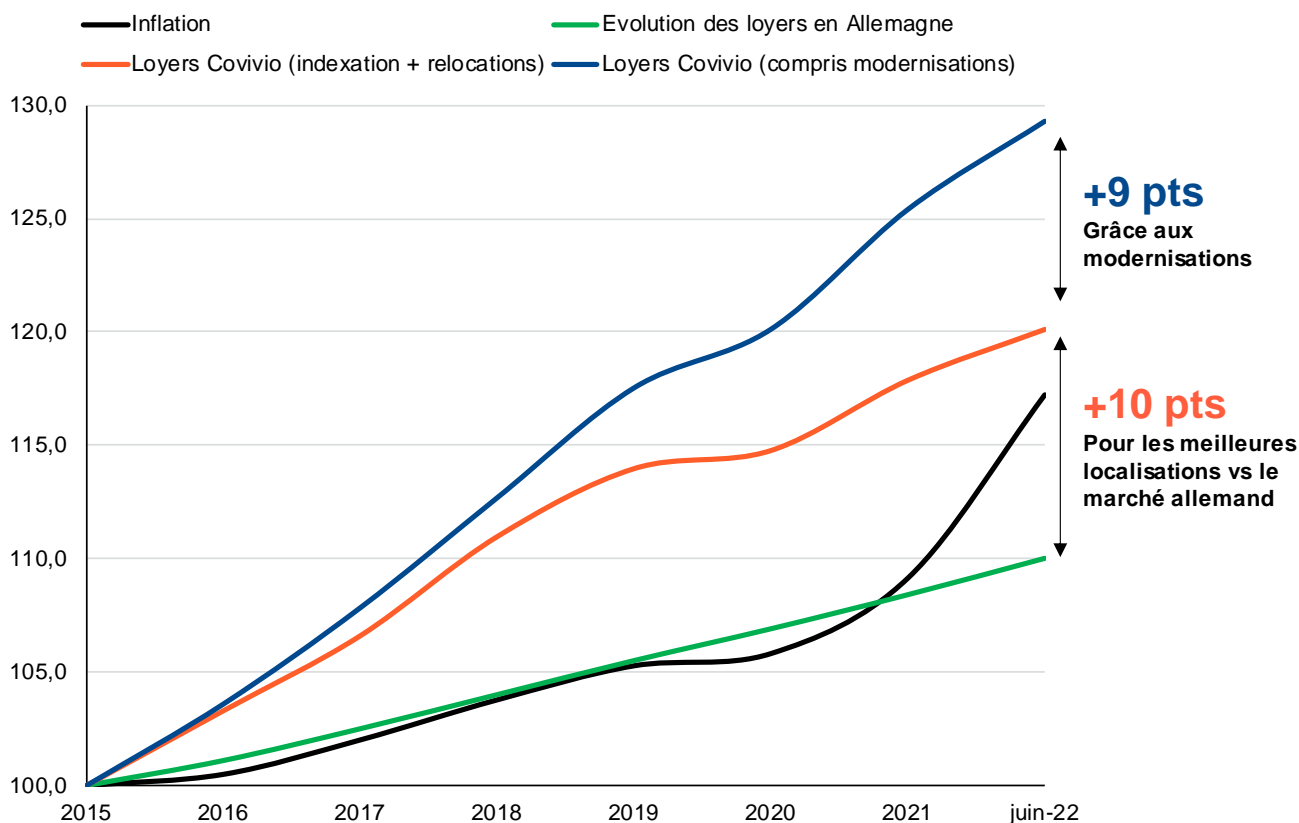
Résidentiel allemand : les bons fondamentaux structurels soutiennent la croissance locative²

Le déficit structurel de logements en Allemagne (estimé autour de 670 000 logements manquants), s'est encore accentué ce semestre, par un flux migratoire important, des coûts de construction en hausse et une pénurie de main d'œuvre dans la construction ayant compromis ou retardé certains projets. Cette sous-offre est encore plus prononcée à Berlin où l'on dénombre 217 candidats en moyenne pour chaque appartement mis en location (vs 177 au trimestre précédent). Dans ce contexte, les prix des appartements et les loyers moyens neufs de marché ont continué à progresser, de +6% et +8% sur un an à Berlin (à 5 600 €/m² et 18,2 €/m²/mois fin mars 2022).

Malgré une réglementation lissant dans le temps l'impact de l'inflation sur l'indexation des loyers, Covivio a été en mesure de surperformer l'inflation et l'évolution des loyers moyens en Allemagne, grâce à ses choix géographiques (en particulier Berlin et la Rhénanie du Nord-Westphalie) et à son travail d'*asset management*.

² Sources : Catella European Residential Map, Guthman Real Estate, ImmobilienScout

Evolution des loyers Covivio résidentiel allemand vs inflation et loyers de marché



Les revenus locatifs de l'activité résidentielle de Covivio enregistrent ainsi une nouvelle croissance soutenue, à +3,0% à périmètre constant, les loyers progressant sur toutes les zones géographiques : Berlin (+2,9%), Rhénanie du Nord-Westphalie (+3,4%), Hambourg (+2,4%) et Dresde et Leipzig (+3,1%). En plus de l'indexation, les revenus ont bénéficié de la réversion locative lors des relocations, ainsi que des travaux de modernisation des appartements. En rénovant en moyenne 3% du parc chaque année, Covivio augmente la qualité de ses logements et participe à la transition énergétique, tout en assurant un rendement supérieur à 5%.

Les loyers conservent un potentiel de croissance significatif, de l'ordre de 20% en moyenne sur le loyer réglementé et de plus de 40% sur le loyer de marché.

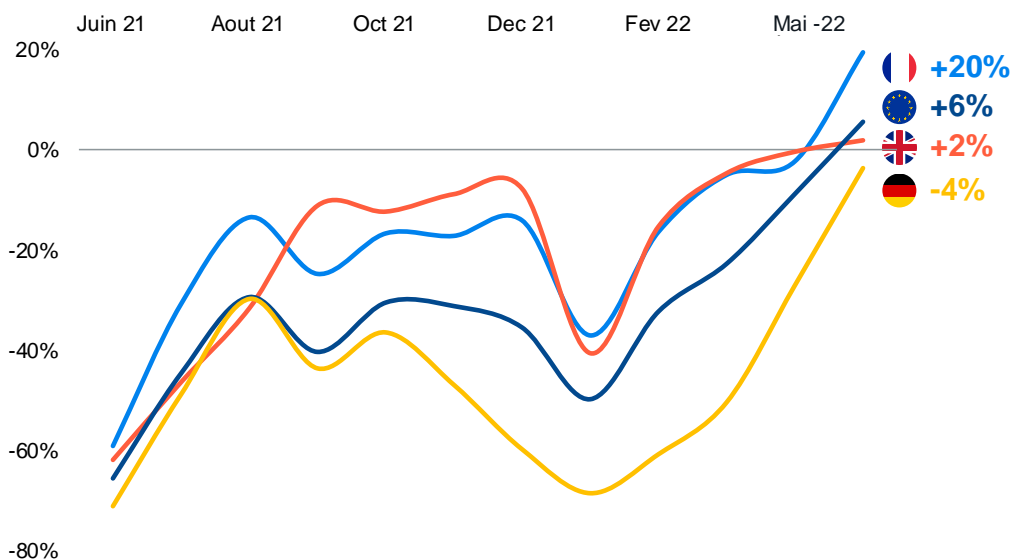
Les projets de développement en résidentiel allemand (176 M€ PdG à livrer d'ici 2025) ont également connu de nouvelles avancées : le portefeuille *build-to-let*, de 76 M€, enregistre des pré-commercialisations élevées et des niveaux de loyers supérieurs aux budgets initiaux, tandis que le portefeuille *build-to-sell* de 99 M€ devrait générer des marges de 35% en moyenne. Prenzlauer Promenade, programme de 278 logements à Berlin, est une bonne illustration du succès de ces développements, avec des loyers revus en hausse de +11% et un prix moyen de vente vers 6 000€/m² (générant une marge de 56%).

Hôtels : une reprise plus rapide qu'escompté, des RevPAR dépassant les niveaux de 2019

Après un début d'année perturbé par le variant Omicron, la levée de la plupart des restrictions sanitaires depuis la mi-février a permis un fort rebond de l'activité, au-delà des attentes. Progressivement, les RevPAR se sont rapprochés de leur niveau de 2019 et l'ont même nettement dépassé en mai 2022 (+6% en moyenne en Europe et +20% en France). La France, le Royaume-Uni et l'Italie, bénéficiant d'une importante clientèle domestique, font partie des grands gagnants du semestre, tandis que l'Allemagne, plus longuement impactée par les mesures de restriction, connaît une reprise plus tardive mais qui s'accélère nettement.

Le secteur démontre aussi un fort *pricing power* avec des progressions des prix moyens par chambre de +12% en moyenne en Europe en mai (par rapport à 2019), dont +17% en France et +9% au Royaume-Uni.

Evolution mensuelle des RevPAR³ en Europe par pays comparé à 2019 (en %)



Les revenus hôteliers de Covivio bénéficient de cette reprise, en croissance de +100% à périmètre constant sur un an, à 53,4 M€ :

- Les loyers variables (21% du patrimoine hôtelier principalement loué à AccorInvest) gagnent +214%, à 9,3 M€.
- La signature du nouveau contrat de bail avec IHG⁴ sur le Royaume-Uni (14% du patrimoine) permet de comptabiliser 7,2 M€ de loyers contre 0 l'année dernière sur ce portefeuille.
- Sur les loyers fixes hors Royaume-Uni (45% du patrimoine), les loyers gagnent +8,6% à périmètre constant, à 28,9 M€, grâce à l'indexation des loyers et au travail d'*asset management*. Le taux de collecte de loyers atteint 100% et les loyers dus au titre de 2021 ont également été entièrement recouverts.
- L'EBITDA des hôtels détenus en murs et fonds (20% du patrimoine hôtels) passe de -1,5 M€ en juin 2021 à +8,1 M€ fin juin 2022.

Alors que le marché de l'hôtellerie connaît une phase de rebond, Covivio met en mouvement son patrimoine hôtelier en poursuivant sa stratégie dynamique d'*asset management*, afin d'optimiser sa rentabilité et de garantir une offre hôtelière toujours plus adaptée aux attentes des utilisateurs. Ainsi, Covivio a signé un accord avec B&B Hotels pour la location de 30 hôtels situés en France et jusqu'à présent loués par AccorInvest. Une opération d'*asset* et de *brand management* qui témoigne de la capacité de Covivio à dynamiser son portefeuille et à renouveler en continu l'offre hôtelière.

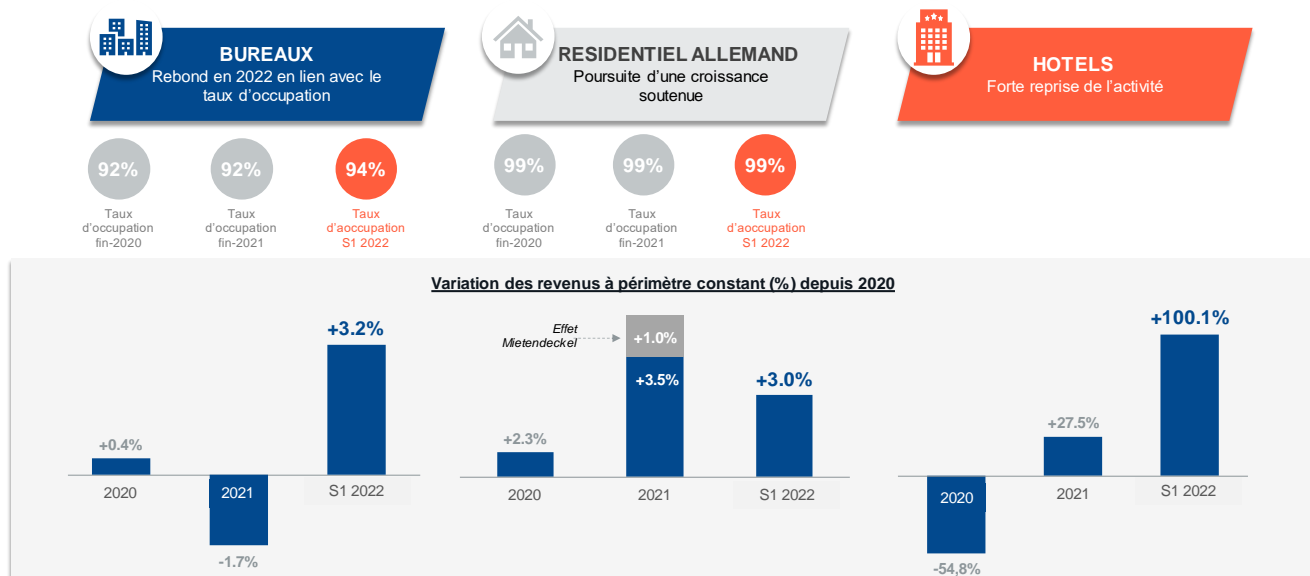
Ces 30 hôtels (2 565 chambres), déjà propriété de Covivio et sous enseignes du groupe Accor (Ibis, Novotel et Mercure), étaient jusqu'à présent loués dans le cadre de baux en loyer variable à AccorInvest. Suite à la signature du protocole, Covivio et B&B Hotels, partenaires depuis 2010, se sont engagés sur de nouveaux baux à loyer fixe de 12 ans fermes. Covivio bénéficie d'une hausse substantielle du loyer par rapport à celui de 2019 et participera à un programme de travaux réalisés par B&B Hotels. Avec cette opération, créatrice de valeur, Covivio

³ RevPAR : Revenu par chambre disponible – Source MKG

⁴ Sous réserve d'accord des landlords d'Oxford

accompagne aujourd'hui la 3^e marque européenne dans la catégorie économique dans une nouvelle phase de son développement en France.

Hausse de +13,0% des revenus locatifs à périmètre constant



Les bonnes tendances sur nos différents métiers font ressortir une forte croissance des revenus à périmètre constant de +13,0% sur un an. Ces derniers s'élèvent à 463,6 M€ (305,8 M€ Part du Groupe), vs 419,4 M€ il y a un an (291,3 M€ PdG). Le taux d'occupation moyen du patrimoine ressort à 96,5%, en hausse de +1,5 point sur six mois, tandis que la durée ferme des baux se maintient à un niveau élevé de 7,2 années en moyenne, offrant une forte visibilité sur les revenus futurs.

En bureaux, la croissance à périmètre constant de +3,2% est portée par les commercialisations (pour 1,4 point) et l'indexation (+1,6 point), dont les effets s'intensifieront sur les prochains trimestres, les renouvellements constituant le solde (+0,2 point). A périmètre courant, les loyers diminuent du fait de l'impact des ventes, plus de 717 M€ de cessions ayant été réalisées en 2021 et 473 M€ au S1 2022. Le taux d'occupation s'élève à 94,3%, en hausse de +2,1 points sur le semestre.

Les loyers en résidentiel allemand progressent de +3,0% à périmètre constant, portés par la bonne dynamique locative (cf. plus haut). Le taux d'occupation reste très élevé, à 99%.

En hôtels, les revenus ont quasiment doublé, à 129,0 M€ et 53,4 M€ Part du Groupe, en progression de +100% à périmètre constant (cf. plus haut).

COVIVIO
RESULTATS SEMESTRIELS 2022

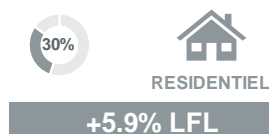
S1 2022, millions €	Revenus S1 2021 Part du Groupe	Revenus S1 2022 100%	Revenus S1 2022 Part du Groupe	% variation à périmètre constant Part du Groupe	Taux d'occupation %	Durée ferme des baux en années
<i>Bureaux France</i>	96,6	100,5	86,1	+2,2%	94,2%	4,8
<i>Bureaux Italie</i>	57,9	71,6	55,4	+3,6%	98,1%	7,2
<i>Bureaux Allemagne</i>	21,0	25,5	22,7	+6,4%	84,9%	4,3
Total Bureaux	175,6	197,7	164,2	+3,2%	94,3%	5,5
Résidentiel Allemagne	84,5	134,8	87,2	+3,0%	99,0%	n.a.
Hôtels en Europe	28,2	129,0	53,4	+100,1%	100,0%	12,9
Total activités stratégiques	288,3	461,4	304,8	+13,0%	96,5%	7,2
Non stratégique (commerce)	3,0	2,2	1,0	+3,3%	100,0%	8,5
TOTAL	291,3	463,6	305,8	+13,0%	96,5%	7,2

Un patrimoine en croissance de +2,6% à périmètre constant et en adaptation continue



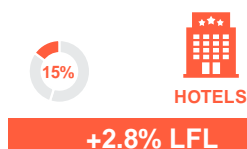
SUCCESS OF DEVELOPMENTS

- +3.0% LFL sur les actifs en développement
- +0.9% LFL sur les actifs Core, principalement en centre-ville
- -2.7% LFL sur le portefeuille 'Manage-to-Core' et Non-core assets (périphériques)



LA PENURIE DE LOGEMENTS SOUTIENT LES VALEURS

- Hausse des loyers, par un effet marché, commercialisation et modernisation
- Rareté, renforçant la pression sur les prix au détail



REBOND SUR LES VALEURS SOUTENU PAR LA REPRISE ET L'ASSET MANAGEMENT

- +2.5% LFL sur les hôtels en murs et fonds
- +4.4% sur les hôtels UK et +2.9% sur les hôtels aux loyers fixes, grâce à l'asset management

LFL : Like-for-Like

Le patrimoine du groupe s'élève à 26,6 Md€ et 17,8 Md€ part du groupe à fin juin, en croissance de +2,6% à périmètre constant, grâce à la dynamique locative de l'ensemble des activités, à la qualité du patrimoine et au pipeline de développement.

En bureaux, les valeurs d'actifs progressent de +0,7% à périmètre constant. Les bonnes performances des immeubles livrés ou en cours de développement (+3,0%) et sur le portefeuille Telecom Italia (+2,9%, grâce à l'effet indexation) font plus que compenser les baisses de valeurs concentrées sur quelques actifs aux enjeux locatifs spécifiques ou situés dans des localisations impactées par les évolutions de marché (comme La Défense, péri-Défense ou hors Milan en Italie).

En résidentiel allemand, les valeurs d'expertise affichent une croissance forte (+5,9%) et sur l'ensemble de nos régions : Hambourg (+7,9%), Rhénanie du Nord-Westphalie (+7,1%), Berlin (+5,2%) et Dresde & Leipzig (+5,1%). Les valeurs métriques, basées sur des valorisations en bloc, restent très inférieures aux prix moyens de marché au détail. La valeur moyenne du patrimoine s'établit à 3 467 €/m² à Berlin (vs prix moyen de marché au détail de 5 600 €/m²), 4 455 €/m² à Hambourg (vs 6 600 €/m²) et 2 080 €/m² en Rhénanie du Nord-Westphalie (vs 2 580 €/m²).

En hôtels, la valeur du patrimoine (+2,8% à périmètre constant) bénéficie de la forte reprise de l'activité : les hôtels en revenus variables progressent de +1,7% en moyenne. **Le travail d'asset management a également permis d'accroître la valorisation des hôtels en bail**, comme au Royaume-Uni (+4,4%) ou sur le portefeuille B&B France (+3,5%). Les hôtels en murs et fonds gagnent également +2,5% à périmètre constant.

Nouvelle rotation qualitative du patrimoine au premier semestre

Au premier semestre, Covivio a poursuivi sa stratégie de rotation du portefeuille en finalisant la vente de 473 M€ part du groupe d'actifs sous promesse et en signant pour 260 M€ part du groupe (416 M€ à 100%) de nouveaux engagements de cessions, globalement en ligne avec les valeurs d'expertise (+0,6%).

Ces cessions ont principalement concerné la poursuite de la vente d'actifs de bureaux (203 M€, soit 78%), dont Via dell'Innovazione à Milan (dans la poche *Manage-to-core*) ou des portefeuilles d'immeubles loués à Telecom Italia. En 2 ans, Covivio aura cédé pour plus de 1,5 Md€ de bureaux matures et non *core*, recentrant son patrimoine sur les actifs de qualité et disposant de réserves de croissance.

En résidentiel allemand (24 M€ de nouveaux engagements de cessions PdG et 37 M€ à 100%), Covivio a réalisé quelques ventes d'appartements à l'unité (11 M€ part du groupe), cristallisant une marge de +36% par rapport à la valeur d'expertise en bloc. En hôtels, Covivio a vendu pour 40 M€ à 100% (13 M€ PdG) d'hôtels non *core* à un taux de rendement moyen de 5,0% et une marge de +13% sur la valeur d'expertise.

En parallèle, 172 M€ part du groupe ont été investis, principalement dans les programmes de développement bureaux et dans les capex de modernisation en logements, sources d'accroissement de la qualité du patrimoine et de création de valeur. Le groupe a également racheté pour 38 M€ d'actions Covivio sur la base d'un prix moyen de 60,8€/action, soit une décote de 44% par rapport à l'ANR NTA.

Un pipeline de développement plébiscité par les locataires et générateur de valeur

A fin juin 2022, le pipeline de développement tertiaire s'élève à 2,5 Md€ part du groupe, situé à 84% dans les centres-villes (principalement de Paris, Berlin et Milan), et pré-loué à 61% (vs 47% fin 2021). Les principales évolutions ont concerné l'engagement du futur immeuble de Thales à Vélizy-Meudon (229 M€ d'investissements et 7% de rendement), entièrement pré-loué, et la mise en développement de l'actif HerzogTerrassen à Düsseldorf pour 318 M€ part du groupe, dont 64 M€ de capex. Situé dans le centre de Düsseldorf, l'immeuble de 55 700 m² fera l'objet d'un programme de restructuration de 12 mois avec l'objectif de devenir la nouvelle référence en termes d'usages, performances et expériences, dans une zone où le taux de vacance est inférieur à 4%.

En logements, Covivio poursuit ses programmes de développement. En Allemagne, 786 logements sont en cours de construction, pour un coût de revient de 268 M€ (176 M€ part du groupe) dont 57% en promotion avec 35% d'objectif de marge, et 43% destinés à être conservés avec un rendement locatif cible de près de 5%. En France, l'activité de transformation bureaux-logements s'est poursuivie. 8 projets sont en cours de construction, représentant 1 520 logements, à Bordeaux et dans le Grand Paris, pour 306 M€ de coût de revient (255 M€ en PdG).

Résultats semestriels en forte croissance

Réduction de la LTV de -1,7 pt sur un an, à 39,5%

La rotation maîtrisée du patrimoine et la hausse des valeurs d'expertise ont permis de réduire de 1,7 point le ratio de LTV. Ce dernier s'élève à 39,5% au 30 juin 2022, en dépit du paiement de l'intégralité du dividende sur le semestre. Le taux moyen de la dette poursuit également sa baisse, à 1,14% vs 1,2% fin 2021, tandis que l'ICR s'améliore à nouveau, à 7,3x vs 6,7x fin 2021.

Ainsi, Covivio continue d'afficher un bilan solide, bénéficiant d'une dette longue (5,1 ans de maturité, sans besoin de refinancement avant 2024) et diversifiée. Le groupe continue à se financer à des conditions attractives et a notamment signé en juillet deux dettes hypothécaires bancaires en bureaux France (115 M€) et en résidentiel

Allemagne (145 M€), à des taux de marge bien inférieurs à ceux du marché obligataire.

Le taux de couverture atteint 86% pour une maturité moyenne des instruments de couverture de 6,6 ans.

Ces éléments, couplés aux solides performances opérationnelles, ont permis à S&P de confirmer sa notation de crédit, BBB+, perspective stable, le 27 avril 2022.

Progression des ANR de +8% à +17% sur un an

La progression des valeurs d'actifs (+4,4% sur un an), portée par le développement bureaux, le résidentiel en Allemagne et la reprise en hôtellerie, tire en grande partie la croissance annuelle de +8% de l'ANR EPRA NTA par action, à 109,4€ et 10,3 Md€. L'ANR de liquidation (EPRA NDV) progresse encore plus fortement, à 10,1 Md€ et 107,4€ par action (+17%), bénéficiant de l'impact positif des mises en valeur de marché des dettes à taux fixes et instruments financiers. Enfin, l'ANR de reconstitution (EPRA NRV) ressort à 11,3 Md€ et 120,2€ par action (+7%).

EPRA Earnings ajusté par action en croissance de +8%

L'EPRA Earnings ajusté s'élève à 222,7 M€, en croissance de +7,6% sur un an (2,37€ par action et +7,8%). La reprise de l'activité hôtelière et les fortes croissances organiques des revenus ont largement compensé la baisse des marges de promotion. Le résultat a également bénéficié de la bonne tenue des coûts de fonctionnement nets et d'une légère réduction du coût de l'endettement financier. Le résultat net bénéficie quant à lui de nouvelles variations de valeurs importantes, pour s'établir en hausse de 70%, à 796 M€.

Stratégie ESG : de nouvelles avancées dans tous les domaines

Covivio s'allie à d'autres acteurs européens pour lancer un label bâtiments bas carbone pan-européen⁵

Le secteur immobilier, premier émetteur de CO₂ avec 39 % des émissions mondiales, est un acteur clé de la lutte contre le réchauffement climatique. Pour atteindre la neutralité carbone d'ici 2050, tous les pays européens doivent s'efforcer de réduire l'empreinte carbone des bâtiments neufs et existants. Au MIPIM, certains leaders européens du secteur se sont unis pour lancer le premier label immobilier bas carbone pan-européen. Les membres fondateurs de cette initiative sont implantés dans de nombreux pays européens : BPI au Luxembourg, en Belgique et en Pologne, NSI aux Pays-Bas, WO2 et ICAMAP au Luxembourg, en France et au Royaume-Uni, et Generali Real Estate, BNP Paribas Real Estate, ainsi que Covivio et Ivanhoé Cambridge, sur plusieurs pays européens. Cet engagement contribuera à l'atteinte de l'objectif de Covivio de réduction de -40% ses émissions de CO₂ entre 2010 et 2030 sur les scopes 1, 2 et 3 (y compris la construction).

Lancement de la transformation des dettes obligataires Covivio en green bonds

Pionnier dans l'émission d'obligations vertes (green bonds) depuis 2016, Covivio franchit une étape clé dans l'alignement de sa politique financière avec ses ambitions ESG, en lançant la transformation de ses souches obligataires en green bonds, lui permettant ainsi d'avoir un portefeuille d'obligations Covivio 100% green et plus de 3,1 Md€ de dettes vertes. D'ores et déjà 4,7 Md€ d'actifs de bureaux sont éligibles aux critères d'affectation aux obligations vertes⁶ (avec notamment une certification d'un niveau minimum HQE Excellent, BREEAM Excellent ou Very good pour les actifs déjà livrés, LEED ou DGNB Gold⁶). Le groupe envisage d'accroître cette part, notamment grâce au travail d'amélioration continue de la qualité du patrimoine et au redéveloppement et à l'amélioration d'immeubles déjà détenus, tels que Monceau ou Anjou à Paris.

⁵ [Lien vers le communiqué de presse](#)

⁶ [Lien vers le communiqué de presse](#)

Le client au centre de notre stratégie : Covivio surperforme le benchmark sur la satisfaction clients bureaux

Pilier stratégique de Covivio, la culture-clients est centrée sur la qualité des services et de la gestion, la fiabilité, l'écoute et la réactivité. Dans cette logique, Covivio a mandaté l'institut Kingsley, leader dans l'analyse de la satisfaction clients d'entreprise du secteur de l'immobilier, pour mesurer et comparer le niveau de satisfaction de ses clients sur ses immeubles de Bureaux en France et en Italie. L'étude révèle que la satisfaction globale des clients interrogés s'élève à 3,9 sur 5 (vs Indice Kingsley de 3,7), principalement portée par l'appréciation de la qualité des équipes de gestion (4,3 vs indice de 3,8). L'indicateur en lien avec la qualité du Facility Management affiche également un résultat supérieur à l'indice : 4,1 vs indice de 3,6.

Parmi les critères de renouvellement, les clients interrogés citent en priorité la localisation de l'immeuble à 70% (+6 pts vs indice), la qualité de l'immeuble à 51% (vs +1 pt vs indice), ainsi que la qualité des équipes de gestion de proximité à 30% (+11 pts vs indice). Ce résultat s'ajoute à la qualité de la relation clients en logements en Allemagne récompensée par le label de « *Fairest landlord* » délivré par la revue Focus Money. Les hôtels du patrimoine bénéficient également d'une très bonne appréciation sur Booking.com avec notamment une note de 8,8/10 pour la localisation.

Gouvernance : évolutions dans la continuité

Jean Laurent, pour des raisons de santé, a décidé d'anticiper la fin de son troisième mandat et de démissionner de ses fonctions d'administrateur et de Président du Conseil de Covivio, qu'il occupait depuis presque 12 ans. Il est nommé Président d'Honneur.

Le Conseil d'administration, après avoir remercié chaleureusement Jean Laurent pour le formidable travail réalisé depuis 2011 à la tête du Conseil, a décidé à l'unanimité de nommer Jean-Luc Biamonti à la Présidence du Conseil⁷.

Agé de 68 ans, diplômé de l'ESSEC et titulaire d'un MBA de l'Université de Columbia, Jean-Luc Biamonti a démarré sa carrière professionnelle chez Nestlé en 1979. Il s'est ensuite orienté vers le secteur de la banque d'investissements en rejoignant successivement The First Boston Corporation, Wasserstein Perella et Crédit Lyonnais Security. En 1993, il est entré chez Goldman Sachs où il a pris en charge les activités de banque d'investissements en France et en Belgique, puis le secteur de la distribution et des biens de consommation en Europe, en tant qu'Associé. En 2013, il a fondé Calcium Capital et développé, au travers de ce groupe, une activité d'investissement auprès de PME. En 2013, il est devenu Président Délégué de la Société des Bains de Mer de Monaco.

Jean-Luc Biamonti est administrateur indépendant de Covivio depuis 2011. Il a présidé le Comité des Rémunérations et des Nominations, puis le Comité d'Audit.

Lors de ce même Conseil, et suite à la disparition de Leonardo Del Vecchio survenue le 27 juin dernier⁸, **les membres du Conseil ont décidé de coopter Delfin en tant qu'administrateur**, représenté par Giovanni Giallombardo.

Perspectives 2022 confirmées

Les derniers mois ont été marqués par un accroissement de l'incertitude géopolitique, économique et financière. Dans cet environnement instable, le second semestre commencera à subir les effets de la remontée des taux d'intérêt sur la partie non couverte de la dette (14%). La hausse des coûts de construction et la pénurie de main d'œuvre pèsent également sur l'avancée des chantiers de promotion résidentielle. Pour autant, ces éléments devraient être compensés par les premiers effets de l'inflation sur l'indexation des loyers, dont les pleins bénéfiques joueront en 2023, et par une remontée plus rapide qu'anticipé de l'activité en hôtels. **Covivio confirme ainsi son**

⁷ [Lien vers le communiqué de presse](#)

⁸ [Lien vers le communiqué de presse](#)

objectif d'EPRA Earnings ajusté 2022 de l'ordre de 4,5€/action vs 4,35€/action en 2021.

A moyen terme, la qualité du patrimoine et la solidité de la stratégie seront déterminants. Covivio peut s'appuyer sur un patrimoine central et diversifié, des revenus sécurisés (taux d'occupation de 96%, maturité moyenne ferme des baux de 7 ans), ainsi que sur un profil d'endettement sain. Le groupe a aussi construit sa stratégie sur la centralité, la création d'un immobilier neuf et adapté aux envies des utilisateurs et sur une forte culture clients.

En bureaux, cela se traduit par un patrimoine principalement concentré sur les centres-villes de Paris, Milan et Berlin et sur des portefeuilles (campus Vélizy, portefeuille Telecom Italia) loués à des grandes entreprises (Thales, Dassault Systèmes, Telecom Italia) sur de très longues durées (près de 11 années fermes). Un patrimoine qui bénéficiera de l'indexation et de la création de valeur des développements engagés.

En logements, Covivio dispose de l'un des patrimoines les plus *prime* du marché, en particulier à Berlin, doté d'un fort potentiel de valorisation, avec des loyers (7,7€/m²/mois dont 8,3€ à Berlin) et des valeurs métriques (2 928€/m² dont 3 546€/m² à Berlin) très inférieurs aux niveaux de marchés, dans un contexte de sous-offre structurelle.

En hôtels, Covivio s'appuie sur des actifs centraux (note booking.com de localisation de 8,8/10), stratégiques pour les opérateurs (taux de collecte moyen 2020-2022 de 96%) et sur une forte relation partenariale avec ses locataires. Au-delà de la croissance offerte par la capacité de rebond rapide de l'industrie hôtelière, une nouvelle fois démontrée, Covivio entend cristalliser le potentiel d'*asset management* de son patrimoine, capitalisant sur sa qualité et sur les récentes opérations emblématiques.

Ces éléments sont autant de solides soutiens aux résultats de Covivio et à la valorisation du patrimoine.

AGENDA

- ▶ Activité du 3^{ème} trimestre 2022 : 20 octobre 2022
- ▶ Capital Markets Day : 29 novembre 2022

La présentation des résultats et le webcast sont disponibles sur le site internet de Covivio.

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A PROPOS DE COVIVIO

Fort de son histoire partenariale, de ses expertises immobilières et de sa culture européenne, Covivio invente l'expérience utilisateur d'aujourd'hui et dessine la ville de demain.

Acteur immobilier de préférence à l'échelle européenne, Covivio se rapproche des utilisateurs finaux, capte leurs aspirations, conjugue travailler, voyager, habiter, et coinvente des espaces vivants.

Opérateur européen de référence avec 27 Md€ de patrimoine Covivio accompagne les entreprises, les marques hôtelières et les territoires dans leurs enjeux d'attractivité, de transformation et de performance responsable. Construire du bien-être et des liens durables telle est ainsi la Raison d'être de Covivio qui exprime son rôle en tant qu'opérateur immobilier responsable auprès de l'ensemble de ses parties prenantes : clients, actionnaires et partenaires financiers, équipes internes, collectivités, générations futures. Par ailleurs, son approche vivante de l'immobilier ouvre à ses équipes des perspectives de projets et de parcours passionnants.

Le titre Covivio est coté sur le compartiment A d'Euronext Paris (FR0000064578 - COV), ainsi que sur le marché MTA (Mercato Telematico Azionario) de la bourse de Milan, admis au SRD et rentre dans la composition des indices MSCI, SBF120, Euronext IEIF « SIIC France », CAC Mid100, dans les indices de référence des foncières européennes « EPRA » et « GPR 250 », EPRA BPRs Gold Awards (rapport financier et développement durable), CDP (A-), Green Star GRESB, ainsi que dans les indices éthiques ESG FTSE4 Good, DJSI World et Europe, Euronext Vigeo (World 120, Eurozone 120, Europe 120 et France 20), Euronext® CDP Environment France EW, Oekom, Ethibel et Gaïa.

Notations sollicitées :

Volet financier : BBB+ / perspective Stable par Standard and Poor's

Volet extra-financier : A1+ par V.E (filiale de Moody's ESG Solutions) / 83/100 par S&P



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1. BUSINESS ANALYSIS

A. REVENUES: €306 MILLION IN H1 2022

(€ million)	100%			Group share				% of revenue
	H1 2021	H1 2022	Change (%)	H1 2021	H1 2022	Change (%)	Change (%) Lfl ¹	
France Offices	110.8	100.5	-9.3%	96.6	86.1	-10.9%	+2.2%	28%
Paris	41.2	37.2	-9.6%	39.0	34.9	-10.6%	+5.0%	11%
Greater Paris (excl. Paris)	54.9	47.8	-12.9%	43.7	37.7	-13.7%	+5.1%	12%
Major regional cities	10.4	12.6	+21.2%	9.6	10.6	+9.9%	+1.2%	3%
Other French Regions	4.3	2.9	-32.7%	4.3	2.9	-32.7%	-22.4%	1%
Italy Offices	77.0	71.6	-7.0%	57.9	55.4	-4.3%	+3.6%	18%
Offices - excl. Telecom Italia	38.0	38.5	+1.3%	38.0	38.5	+1.3%	+4.7%	13%
Offices - Telecom Italia	39.0	33.1	-15.1%	19.9	16.9	-15.1%	+1.2%	6%
German Offices	23.6	25.5	+8.0%	21.0	22.7	+8.2%	+6.4%	7%
Berlin	3.6	3.8	+6.3%	2.5	2.7	+7.2%	+3.9%	1%
Other cities	20.1	21.7	+8.2%	18.5	20.1	+8.3%	+6.8%	7%
Total Offices	211.4	197.7	-6.5%	175.6	164.2	-6.5%	+3.2%	54%
German Residential	131.5	134.8	+2.5%	84.5	87.2	+3.2%	+3.0%	28%
Berlin	65.0	68.7	+5.7%	42.2	45.1	+6.9%	+2.9%	15%
Dresden & Leipzig	11.5	11.4	-1.1%	7.4	7.4	+0.4%	+3.1%	2%
Hamburg	8.6	8.6	+0.4%	5.6	5.6	+0.6%	+2.4%	2%
North Rhine-Westphalia	46.3	46.0	-0.8%	29.2	29.0	-0.8%	+3.4%	9%
Hotels in Europe	71.8	129.0	+79.7%	28.2	53.4	+89.6%	+100.1%	17%
Hotels - Lease Properties	75.6	109.7	+45.1%	29.7	45.4	+52.6%	+54.9%	15%
France	24.9	36.8	+47.6%	7.8	13.4	+72.0%	+55.8%	4%
Germany	14.8	15.3	+3.4%	6.3	6.6	+5.0%	+3.5%	2%
UK	0.0	16.4	n.a.	0.0	7.2	n.a.	n/a	2%
Spain	15.6	16.2	+3.8%	6.8	7.1	+4.7%	+3.8%	2%
Belgium	4.5	6.5	+45.8%	1.9	2.8	+47.1%	+51.6%	1%
Others	15.9	18.6	+17.4%	6.9	8.2	+18.5%	+17.6%	3%
Hotels - Operating Properties (EBITDA)	-3.8	19.2	n.a.	-1.5	8.1	n.a.	n.a.	3%
Total strategic activities	414.7	461.4	+11.3%	288.3	304.8	+5.7%	+13.0%	100%
Non-strategic	4.7	2.2	-53.9%	3.0	1.0	-68.2%	+3.3%	0%
Retail Italy	1.7	0.0	-100.0%	1.7	0.0	-100.0%	n.a.	0%
Retail France	3.0	2.2	-27.7%	1.3	1.0	-27.0%	+3.3%	0%
Total revenues	419.4	463.6	+10.5%	291.3	305.8	+5.0%	+13.0%	100%

¹ Lfl : Like-for-Like

Group share revenues stand at €306 million vs. €291 million in H1 2021 under the following effects:

- ▶ **The revenues of strategic activities increase by +13.0% (+€33.2 million) on like-for-like basis due to :**
 - Office portfolio: +3.2% on like-for-like driven by indexation and leasing activity;
 - Hotels activity: like-for-like revenues increased by +100% (+€26.0 million) due to the start of recovery in H2 2021 on the operating properties EBITDA and on variable rents;
 - German Residential: a sustained growth of +3.0% like-for-like.
- ▶ **Deliveries of new assets** (+€7.0 million), mainly in France in 2021 (+€4.9 million) in major regional cities and in the 1st ring, and in Milan with two buildings (+€1.9 million).
- ▶ **Acquisitions** (+€2.5 million) in German residential.
- ▶ **Asset disposals:** (-€14.0 million), especially:
 - In France Offices (-€5.1 million), in 2021 and 2022 of mature assets in Western Crescent and French regions;
 - In Italy (-€5.0 million) non-core and mature assets;
 - In German Residential (-€1.2 million) mainly involving a portfolio of mature assets in NRW in H2 2021 and some privatisations in Berlin;

- In Hotels (-€0.4 million);
- Non-strategic assets (-€2.4 million) mainly retail in Italy and France.
- ▶ **Vacating for redevelopment assets** (-€14.3 million), mainly in Paris and Milan CBDs.

B. LEASE EXPIRIES AND OCCUPANCY RATES

1. Annualized lease expires: 7.2 years average lease term

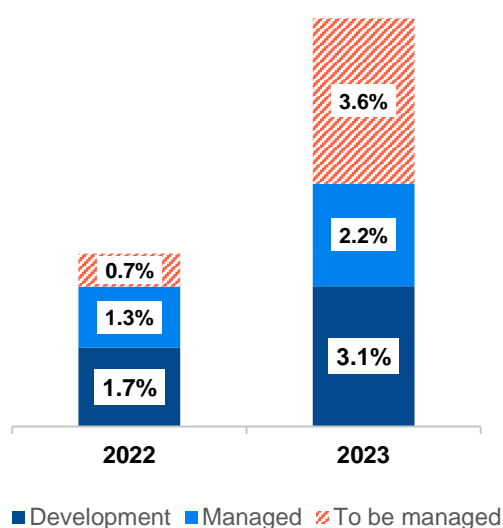
Average lease duration by activity

(Years)	By lease end date (1st break)		By lease end date	
	2021	H1 2022	2021	H1 2022
Group share				
France Offices	4.6	4.8	5.5	6.0
Italy Offices	7.1	7.2	7.5	7.7
Germany Offices	4.4	4.3	5.2	5.0
Total Offices	5.4	5.5	6.1	6.5
Hotels in Europe	13.3	12.9	14.6	14.2
Total strategic activities	7.0	7.2	7.8	8.2
Non-strategic	8.9	8.5	9.4	8.9
Total	7.0	7.2	7.8	8.2

The average firm residual duration of leases increased slightly to 7.2 years at end-June 2022, due to leases renegotiations in France and new lettings in Italy.

Lease expiries schedule

(€ million ; Group share)	By lease end date (1st break)	% of total	By lease end date	% of total
2022	25	4%	25	4%
2023	60	9%	36	5%
2024	35	5%	20	3%
2025	51	8%	31	5%
2026	10	2%	12	2%
2027	31	5%	24	4%
2028	26	4%	44	6%
2029	22	3%	36	5%
2030	49	7%	56	8%
2031	20	3%	30	4%
Beyond	132	20%	147	22%
Total Offices and Hotels leases	462	69%	462	69%
German Residential	179	27%	179	27%
Hotel operating properties	32	5%	32	5%
Total	673	100%	673	100%



Out of the €25 million of lease expiries scheduled for 2022, accounting for 3.7% of Covivio annualized revenues:

- ▶ 1.3% : related to tenants with no intent to vacate the property or vacant area already relet (0.9%), and to asset to be sold in Italy (0.4%)
- ▶ 1.7% related to assets to be redeveloped after the tenant departure, including 3 mature assets in Paris CBD occupied by Orange,
- ▶ 0.7% to be managed of which:
 - 0.5% related to core assets, mostly located in Paris
 - 0.2% related to Manage-to-core Assets, located in major European cities.

In 2023, the €60 million of lease expiries counting for 8.9% of Covivio annualized revenues are mainly split as follow:

- ▶ 5.3% is already managed due to assets that will be vacated for redevelopment (3.1%), mostly located in Greater Paris or to break option that will not be exercised (2.2%).
- ▶ 3.6% to be managed in France (79%), Italy (4%) and Germany (17%), of which:
 - 3.0% related to Core assets well located in Paris, Bordeaux, Milan, and Berlin CBDs, and with good accessibility in public transports;
 - 0.4% related to Manage-to-core Assets, in the Western Crescent, La Défense and other major German cities.
 - 0.2% related to Non-core assets in France.

2. Occupancy rate: 96.5%

(%)	Occupancy rate	
Group share	2021	H1 2022
France Offices	93.2%	94.2%
Italy Offices	96.6%	98.1%
German Offices	78.8%	84.9%
Total Offices	92.2%	94.3%
German Residential	99.1%	99.0%
Hotels in Europe	100.0%	100.0%
Total strategic activities	95.0%	96.5%
Non-strategic	100.0%	100.0%
Total	95.0%	96.5%

The occupancy rate is increasing to 96.5% for strategic activities. The Office occupancy rate increased by +2.1 pts versus last year, to 94.3%. The manage-to-core portfolio (16% of office portfolio) occupancy rate increased by +5pts over the semester.

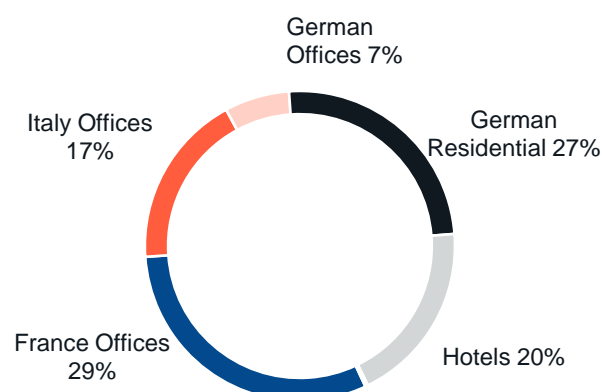
C. BREAKDOWN OF ANNUALIZED REVENUES

By major tenants

(€ million, Group share)	Annualized revenues ¹	
	H1 2022	%
Orange	33	5%
Accor	32	5%
Telecom Italia	30	4%
Suez	21	3%
NH	20	3%
IHG	19	3%
B&B	17	3%
Tecnimont	14	2%
Dassault	13	2%
Thalès	12	2%
Natixis	8	1%
EDF / Enedis	7	1%
Fastweb	6	1%
Intesa San Paolo	6	1%
NTT Data Italia	5	1%
Cisco	5	1%
Crédit Agricole	4	1%
Hotels lease properties	21	3%
Other tenants <€5M	221	33%
German Residential	179	27%
Total	673	100%

¹: The hotels annualized revenues are based on the 2022 fixed revenues and 2019 variable revenues

By activity



Covivio can rely on a strong tenant base, with around 90% of large corporates in offices, a resilient revenue base in German residential and partnerships with major hotel operators.

D. COST TO REVENUE RATIO BY BUSINESS

(€ million, Group share)	France Offices ⁽¹⁾	Italy Offices (incl. retail)	Germany Offices	German Residential	Hotels in Europe (incl. retail) ⁽¹⁾	Other (Mainly France Residential)	Total	
	H1 2022	H1 2022	H1 2022	H1 2022	H1 2022	H1 2022	H1 2021	H1 2022
Rental Income	86.1	55.4	20.4	89.5	46.3	0.0	292.8	297.7
Unrecovered property operating costs	-9.2	-6.7	-3.7	-1.1	-0.7	-0.1	-19.4	-21.5
Expenses on properties	-0.7	-2.3	-0.5	-6.3	-0.2	-0.2	-10.6	-10.1
Net losses on unrecoverable receivable	-0.7	-0.1	0.6	-0.4	4.5	0.0	-0.6	4.0
Net rental income	75.4	46.4	16.7	81.8	50.0	-0.2	262.2	270.1
Cost to revenue ratio	9.4%	16.2%	18.0%	8.6%	-8.0% ²	n.a	10.4%	9.3%

¹ Ratio restated of IFRIC 21 impact, spread over the year.

² Reversal of provision of the only unpaid rent in 2021

The cost to revenue ratio (9.3%) decreased by -1.1 pt compared to H1 2021, mainly due to the reversal of doubtful and the Rental income increase.

E. RESERVES FOR UNPAID RENT

Collection rate: 100% for hotels excluding deferred payment (very marginal, on German assets).

Provisions: At June-2022, a €4.0 million reversal of provision (Group Share) has been accounted for in hotels and German Offices activities.

F. DISPOSALS: €260M¹ OF NEW AGREEMENTS IN 2022

(€ million)		Disposals (agreements as of end of 2021 closed) 1	Agreements as of end of 2021 to close	New disposals H1 2022	New agreements ¹ H1 2022	Total H1 2022	Margin vs 2021 value	Yield	Total Realised Disposals
				2	3	= 2 + 3			
Offices in Europe ¹	100 %	576	60	144	173	316	3.3%	6.2%	720
	Group share	327	60	77	126	203	1.9%	6.1%	404
Germany Residential	100 %	11	11	27	10	37	22.3%	3.5%	38
	Group share	7	7	18	6	24	22.0%	3.3%	25
Hotels in Europe	100 %	134	31	7	34	40	14.4%	5.5%	141
	Group share	29	14	1	13	13	12.9%	5.0%	29
Total Core	100 %	721	102	177	216	394	5.9%	5.9%	899
	Group share	363	80	95	145	240	4.2%	5.7%	458
Non core & Non strategic	100 %	11	31	7	15	22	-26.0%	16.7%	19
	Group share	9	31	6	14	20	-28.7%	17.7%	14
Total	100 %	733	133	185	231	416	3.5%	6.5%	917
	Group share	372	111	101	160	260	0.6%	6.6%	473

¹: including binding agreement received in July for Telecom Italia assets for €47 million Group share (€91 million in 100%)

New disposals and agreements were signed for €260 million Group share (€416 million at 100%, including ownership below 33%) in line with last appraisal values and +4.2% excluding non-strategic assets. Covivio maintained its strategy of qualitative asset rotation. In details, the disposal agreements include:

- ▶ **Core assets¹:** €203 million Group share (€316 million in 100%), mainly made up of:
 - Offices in Milan for €85 million Group share in line with appraisals;
 - Assets let to Telecom Italia disposals¹ for €118 million Group share with a +4.0% margin on average;
 - Some privatizations and bloc sales in German residential: €24 million Group share, generating a +22.0% margin on average compared to last year market value;
 - Hotels: €13 million Group share (€40 million at 100%) with +12.9% margin;
- ▶ **Non-core and non-strategic strategic assets:** €20 million Group share (€22 million at 100%), mainly non-core properties in Italy and in France and retail stores (Jardiland and Courtepaille).

Since early 2020, Covivio sold for €1.6 billion of mature and *non core* offices to reinvest part in capex of prime developments mostly in city centers.

G. INVESTMENTS: €172M REALIZED IN 2022 GROUP SHARE

€172 million Group share (€263 million at 100%) of investments were realized in H1 2022, mainly in capex to improve the quality of our portfolio and create value:

- ▶ Capex in the **development pipeline** totalled €93 million Group share (€143 million at 100%),
- ▶ €56 million Group share (€83 million at 100%) **works on the operating portfolio** were realized of which €28 million (€44 million at 100%) capex in German Residential,
- ▶ €23 million Group share (€38 million at 100%) of acquisitions secured in 2021, mainly in Berlin residential at €2,630/m², with a rental reversionary potential of 15%.

In addition, Covivio bought back €38 million Group share of shares over the first semester 2022 on an average price of around €60.8 per share, representing 44% discount to NAV NTA.

H. DEVELOPMENT PROJECTS:

- 1- Deliveries
- 2- Committed Office Pipeline
- 3- Committed Residential Pipeline – Germany
- 4- Build-to-sell pipeline – Germany and France
- 5- Managed Pipeline

1. Deliveries: 8,700 m² offices delivered in the first half of 2022

Two projects were delivered in H1 2022 totaling 8,700 m² of office spaces in Lyon and Milan with an average occupancy rate of 76%. These were:

- ▶ Wellio Duomo in Milan (€47 million total cost & 4,500 m²), 100% let;
- ▶ Lyon Sévigné in Lyon (€17 million total cost & 4,200 m²), 14% let.

The gross yield on costs achieved upon delivery of these projects is about 4.7% at full occupancy.

2. Committed Office Pipeline: €2.5 BN Group share pre-let at 61%

Pipeline at H1 2022:




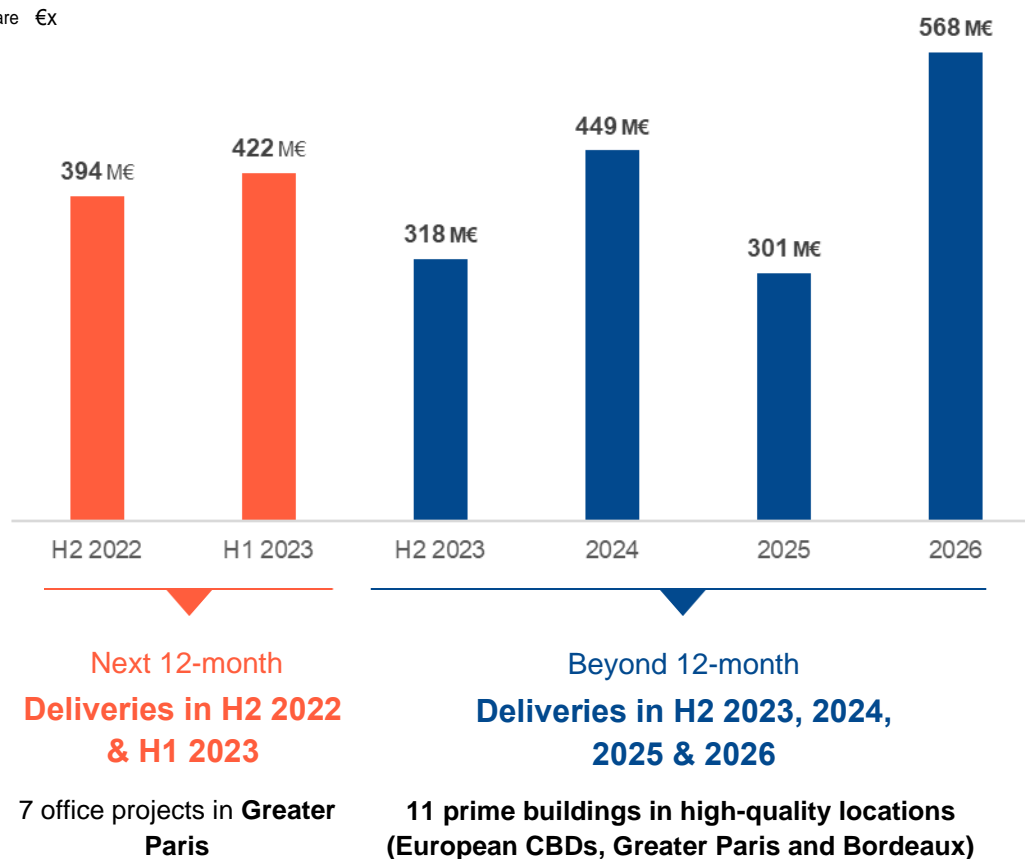
Covivio has a pipeline of office buildings in France, Germany, and Italy, the bulk of it in city centers of Paris, Milan and Berlin.

Committed projects	Surface ¹ (m ²)	Total Budget ² (€m. 100%)	Total Budget ² (€m. Group share)	Pre-let (%)	Target yield ³ (%)
France Offices	184,450	1,616	1,346	69%	5.0%
Italy Offices	98,500	423	423	82%	6.4%
Germany Offices	123,300	970	683	23%	4.4%
Total offices	406,250	3,008	2,452	61%	5.3%

¹ Surface at 100%. ² Including land and financial costs. ³ Gross yield on total rents including car parks, restaurants, etc

- ▶ Four projects were committed in H1 2022: Meudon Thalès 2 (100% pre-let), Düsseldorf Herzogterrassen (52% let), Fontenay Le Floria (0% pre-let) and Milan Rozzano Strada (28% let).
- ▶ The current pipeline is composed of 18 projects accounting for 406,250 m², a total cost of €2.5 billion Group Share (€3 billion at 100%) with currently an average occupancy rate of 61% and a 5.3% target yield on cost.

Delivery schedule 
Cost in Group share €x



Capex still to be spent on the committed development pipeline at mid-2022: €125M in H2 2022 and between €200M and €250M per year up to 2026.

Committed projects	Location	Project	Surface ¹ (m ²)	Delivery	Target rent (€/m ² /year)	Pre-leased (%)	Total Budget ² (M€. 100%)	Total Budget ² (M€. Group share)	Target Yield ³
Jean Goujon	Paris	Regeneration	8,600 m ²	2022	930	58%	196	196	4.0%
Streambuilding (50% share)	Paris	Construction	15,600 m ²	2022	575	94%	168	84	4.2%
So Pop (50% share)	Paris	Regeneration	31,300 m ²	2022	400	33%	230	114	5.5%
To be delivered in 2022			55,500 m²			56%	594	394	4.5%
Maslo	Levallois	Regeneration	19,800 m ²	2023	500	10%	208	208	4.5%
DS Campus Ext. (50% share)	Vélizy	Construction	27,500 m ²	2023	n.a.	100%	141	71	7.2%
Madrid - St Lazare	Paris	Regeneration	5,850 m ²	2023	800	100%	101	101	n.a.
Le Floria	Fontenay	Regeneration	9,300 m ²	2023	240	0%	43	43	5.5%
Jardins de l'Ars	Bordeaux	Construction	19,200 m ²	2025	220	51%	72	72	5.6%
Anjou	Paris	Regeneration	9,300 m ²	2025	890	100%	228	228	3.5%
Thalès 2	Meudon	Construction	38,000 m ²	2026	n.a.	100%	229	229	7.0%
To be delivered in 2023 and beyond			128,950 m²			73%	1,022	952	5.2%
Total France Offices			184,450 m²			69%	1,616	1,346	5.0%
Corso Italia	Milan	Regeneration	11,600 m ²	2024	638	100%	117	117	6.3%
The Sign D	Milan	Construction	13,200 m ²	2024	300	92%	64	64	6.5%
Vitae	Milan	Construction	10,000 m ²	2024	315	18%	42	42	6.5%
Symbiosis G+H	Milan	Construction	38,000 m ²	2024	319	100%	159	159	6.5%
Rozzano Strada	Milan	Regeneration	25,700 m ²	2024	140	28%	41	41	8.4%
Total Italy Offices			98,500 m²			82%	423	423	6.4%
Herzogterrassen (94% share)	Düsseldorf	Regeneration	55,700 m ²	2023	246	52%	338	318	4.1%
Loft (65% share)	Berlin	Regeneration	7,600 m ²	2024	280	0%	40	26	5.5%
Alexanderplatz (55% share)	Berlin	Construction	60,000 m ²	2026	516	0%	592	339	4.5%
To be delivered in 2023 and beyond			123,300 m²			23%	970	683	4.4%
Total Germany Offices			123,300 m²			23%	970	683	4.4%
Total committed pipeline			406,250 m²			61%	3,008	2,452	5.3%

¹ Surface at 100%

² Including land and financial costs

³ Yield on total rents

3. Committed Residential Build-to-let Pipeline – Germany

- ▶ One project was delivered in Berlin in H1 2022 for a total budget of €21 million (€32 million at 100%) generating an average yield on cost of 4.7% and a +37% value creation.
- ▶ Two residential projects build-to-let were committed, both located in Berlin, totaling 33 residential units and for a cost of €21 million Group share.
- ▶ At end of H1 2022, the pipeline is composed of 14 projects, mainly located in Berlin, totaling 339 residential units and a total cost of €76 million Group share with a value creation target of c.20%. €35 million of capex Group share remain to be spent.

Committed projects	Units	Total Budget ¹ (€M. 100%)	Total Budget ¹ (€M. Group share)	Target Yield
To be delivered in H2 2022 (Berlin - Müllerstraße NB)	57	18	12	5.0%
To be delivered in 2023 and beyond (13 projects)	282	98	64	4.7%
Total Germany Residential (Build to let)	339	116	76	4.8%

¹ Including land and financial costs

4. Build-to-sell pipeline

4.1 Germany

- ▶ One project was delivered and sold in H1 2022 for a total budget of €24 million (€36 million at 100%), generating a 42% promotion margin.
- ▶ One residential project build-to-sell was committed in Berlin totaling 19 residential units and for a total cost of €13 million Group share.
- ▶ At end of H1 2022, the pipeline is composed of five projects all located in Berlin, totaling 447 residential units and a total cost of €99 million Group share with a target promotion margin of 35%.

Committed projects	Units	Total Budget ¹ (€M. 100%)	Total Budget ¹ (€M. Group share)
Berlin - PrenzlauerPromenade	165	45	29
To be sold in H2 2022	165	45	29
Berlin - Großbeerenstraße	73	12	8
Berlin - Markelstraße	92	21	14
Berlin - Iceland Sales	98	54	36
Berlin - Iceland Tower	19	20	13
To be sold in 2023 and beyond	282	107	70
Total Germany Residential	447	152	99

4.2 France

- ▶ The current pipeline is composed of 8 projects located mainly in the Greater Paris and Bordeaux, representing 90,350 m², a total cost of €255 million Group Share, with a target margin above 10%. Close to 50% of the projects were already pre-sold, of which 100% for 2022 deliveries.

Committed projects	Units	Total Budget ¹ (€M. 100%)	Total Budget ¹ (€M. Group share)	Pre-sold rate (%)
Le Raincy	97	20	20	100%
Saint-Germain-lès-Corbeil	83	13	13	100%
To be sold in 2022	180	33	33	100%
Chartres Sully	110	15	15	85%
Bordeaux Lac	729	126	118	10%
Saint-Germain-en-Laye	24	13	13	92%
Fontenay-sous-Bois (Phase 1)	251	64	32	78%
Bobigny CT	158	34	23	92%
Antony CDG	68	21	21	0%
To be sold in 2023 and beyond	1,340	272	221	37%
Total French Residential	1,520	306	255	46%

¹ Including land and financial costs

5. Managed Pipeline

Landbanks:

In the long-term, Covivio also owns more than 390,000 m² of landbanks that could welcome new development projects:

- in Greater Paris (70,000 m²) and Major French Cities (110,000 m²) mainly for turnkey developments;
- in Milan with Symbiosis (20,000 m²) and Porta Romana (70,000 m²);
- in Germany with the potential for a second tower of 70,000 m² in Alexanderplatz in Berlin;
- and more than 50,000 m² in Berlin, Leipzig and Dresden.

French residential managed projects:

- ▶ Since 2017 Covivio has been constantly looking for opportunities to transform its secondary location offices into residential. To date 70,000 m², corresponding to 1,024 flats, are to be committed as from H2 2022.
- ▶ In addition, approximately 200,000 m² are under study. This pipeline amounts to 2,800 flats, 80% of which being in Greater Paris while the remainder is located in major regional cities.

Germany residential managed projects:

Covivio continues to strengthen its medium-term pipeline thanks to existing landbanks for 170,000 m² mostly in Berlin.

I. PORTFOLIO

Portfolio value: +2.6% like-for-like growth

(€ million. Excluding Duties)	Value 2021 Group Share	Value H1 2022 100%	Value H1 2022 Group share	Lfl ¹ 6 months change	Yield ² 2021	Yield ² H1 2022	% of portfolio
France Offices	5,880	6,742	5,681	+1.0%	4.6%	4.5%	31.9%
Italy Offices	2,653	3,151	2,612	+0.7%	5.3%	5.1%	14.7%
German Offices	1,445	1,702	1,464	-0.2%	3.4%	3.8%	8.2%
Total Offices - Europe	9,979	11,595	9,757	+0.7%	4.7%	4.6%	54.8%
Residential Germany	5,079	8,305	5,382	+5.9%	3.5%	3.3%	30.2%
Hotels in Europe	2,578	6,666	2,641	+2.8%	5.3%	5.2%	14.8%
Total strategic activities	17,636	26,566	17,780	+2.6%	4.4%	4.3%	99.8%
Non-strategic	68	60	28	-0.5%	7.1%	6.1%	0.2%
Total	17,703	26,626	17,808	+2.6%	4.4%	4.3%	100.0%

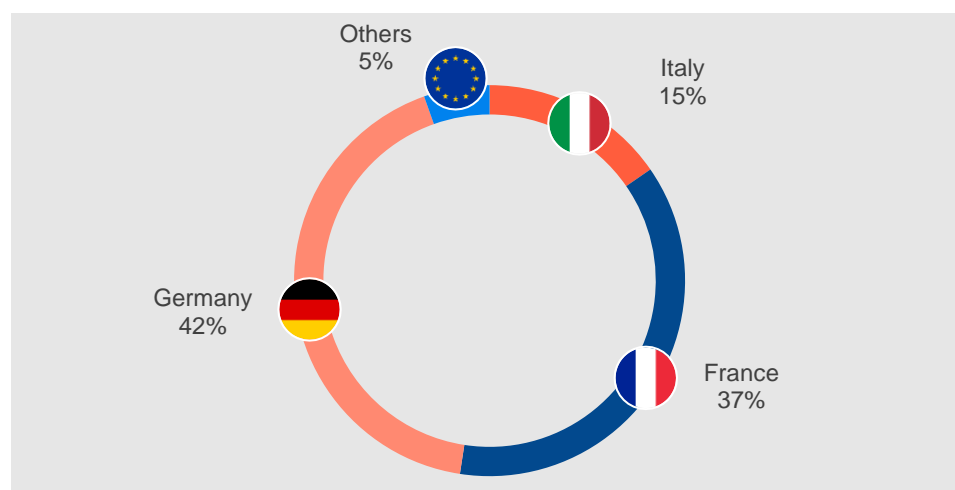
¹ LfL: Like-for-Like

² Yield excluding development projects. Yield on hotels based on 2019 revenues for variable and EBITDA, and 2022 fixed revenues

The portfolio grew by +€105 million to reach €17.8 billion Group share (€26.6 billion in 100%) mostly due to the increase in value by +2.6% like-for-like:

- ▶ +5.9% like-for-like growth on German residential. All German cities where Covivio's residential portfolio is located showed like-for-like growth: in Hamburg (+7.9%), in North Rhine-Westphalia (+7.1%), in Berlin (+5.2%) and in Dresden & Leipzig (+5.1%).
- ▶ +2.8% like-for-like growth on Hotels. A strong rebound initiated in February 2022, until reaching performance levels equal to 2019 in May 2022.

Geographical breakdown of the portfolio in H1 2022 94% in major European cities



J. LIST OF MAIN ASSETS

The value of the ten main assets represents 15% of the portfolio Group share. stable vs end 2021.

Top 10 Assets	Location	Tenants	Surface (m ²)	Covivio share
CB 21 Tower	La Défense (Greater Paris)	Suez. Verizon. BRS	68,100	75%
Garibaldi Towers	Milan	Maire Tecnimont. LinkedIn. etc.	44,700	100%
Dassault Campus	Vélizy (Greater Paris)	Dassault Systems	97,000	50%
Jean Goujon	Paris 8th	Roland Berger. etc.	8,600	100%
Herzogterassen	Düsseldorf	NRW Bank. Deutsche Bank. Mitsui	55,700	94%
Frankfurt Airport Center	Frankfurt	Lufthansa. Fraport. Operational Services	48,100	94%
Maslö	Levallois (Greater Paris)	In development	20,826	100%
Zeughaus	Hamburg	Universitätsklinikum Hamburg-Eppendorf	43,500	94%
Art&Co	Paris 12th	Wellio. Adova. Bentley. AFD	13,500	100%
Flow	Montrouge (Greater Paris)	EDF. Enedis	23,430	100%

2. BUSINESS ANALYSIS BY SEGMENT

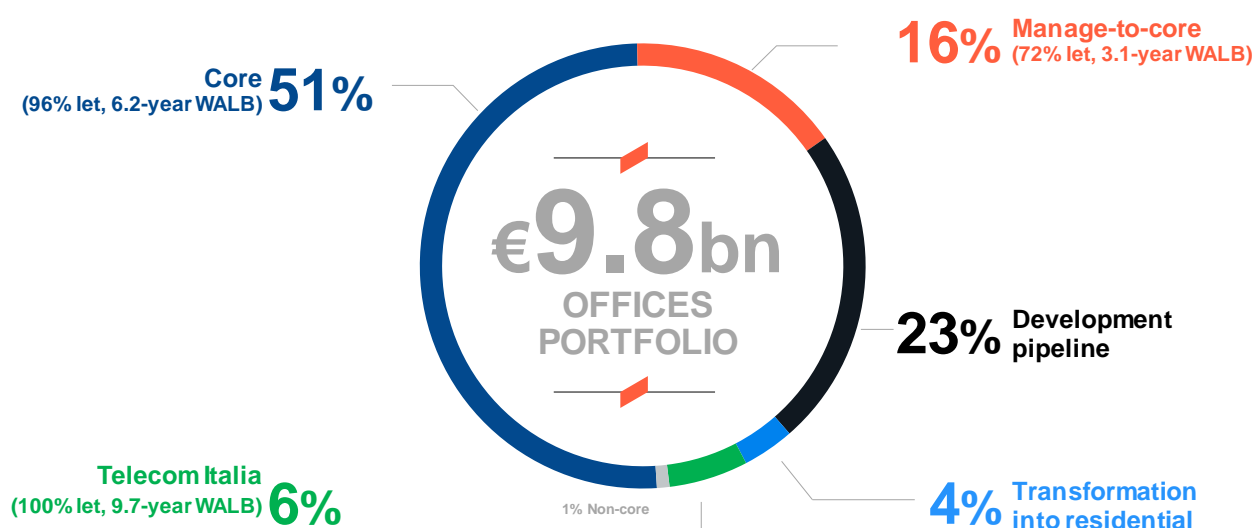
A. OFFICES: 55% OF COVIVIO'S PORTFOLIO

After take-up began to rally in 2021, the letting office market in Europe has pursued its path to recovery and intensified its polarization between central and peripheral locations, with a focus for Grade A buildings.

In this environment, where users are looking for greater centralization and modernization of their working spaces, Covivio keeps on improving its portfolio quality, focusing on attractive locations (city-centers and well-connected business districts) and developing high-quality assets with a full range of services that ensure optimal well-being for its tenants. For several years now, the group has implemented an overall strategy based on **centrality**, **high quality** of assets and **client-centricity**.

Covivio owns offices in France (32% of Covivio's portfolio), Italy (15%), and Germany (8%) with a portfolio of €11.6 billion (€9.8 billion Group share) at end-June 2022. Covivio's portfolio has been strategically refocused and is now split as follows:

- ▶ **Core assets (51%** of Covivio's office portfolio): including assets with strong value resiliency and liquidity, in good locations (60% in city-centers and 40% in well-connected top-business districts), with high occupancy (96%) and long WALB (6.7 years).
- ▶ **Manage-to-Core assets (16%)**: including assets with good fundamentals but high vacancy (28%) or short-term lease expiries, but which can provide significant upside potential. They are mostly in established areas (84% in major Business Districts) with attractive locations (83% <5 min to public transports).
- ▶ **Development Pipeline (23%)**: this bucket includes current and future office developments with high value creation potential.
- ▶ **Transformation into residential (4%)**: gathers obsolete office assets in France with opportunities to be converted into residential on a build to sell strategy.
- ▶ **Telecom Italia portfolio (6%)**: includes Italian assets, fully let to Telecom Italia on a long-term basis (10-year WALB).

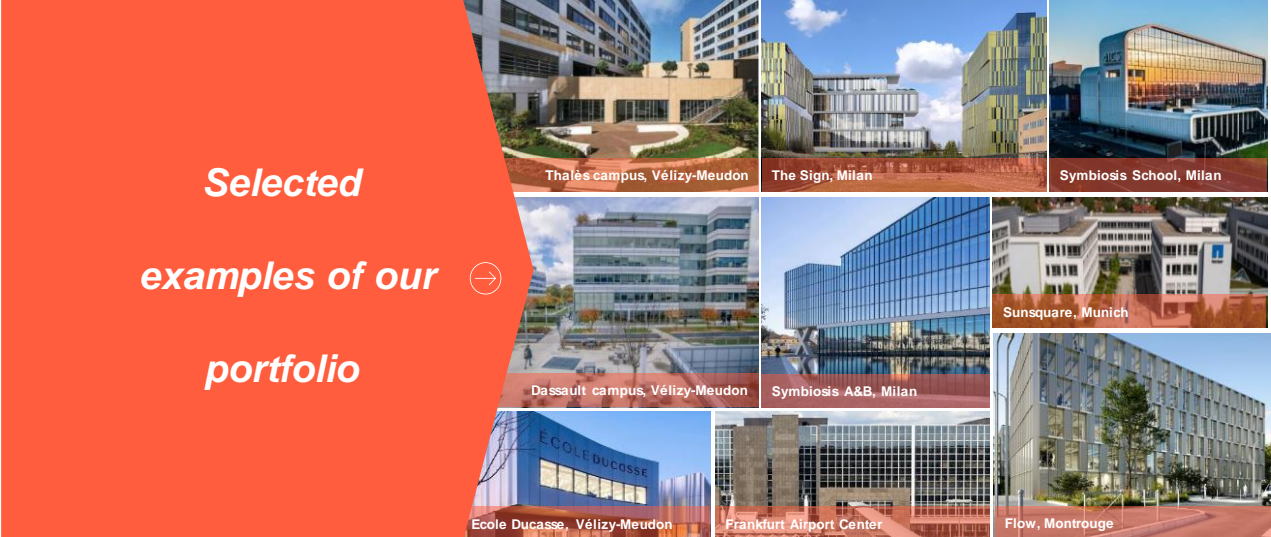


CORE ASSETS (51% ; €4.9 billion Group share)

Core assets in City-centers in Paris, Milan, Top German cities and French regional cities



Core assets in Top business districts: Attractive locations



MANAGE-TO-CORE ASSETS (16% ; €1.5 billion Group share)

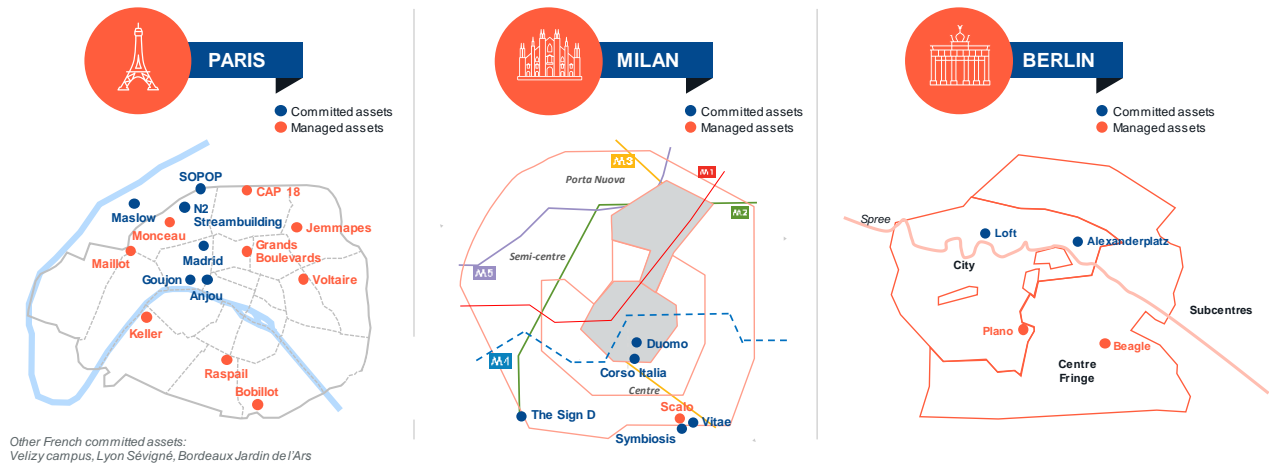


8
ASSETS

ASSET MANAGEMENT & CAPEX
 Ca. €50m REFURBISHMENT CAPEX

24%
 OF LETTING CHALLENGES SECURED

DEVELOPMENT PIPELINE (23%; €2.3 billion Group share)



B. FRANCE OFFICES: 32% OF COVIVIO'S PORTFOLIO

Covivio owns an office portfolio in France of €6,7 billion (€5.7 billion Group share) located:

- 52% in Paris & Neuilly / Levallois;
- 35% in top business districts of Greater Paris;
- 13% in the centre of major regional cities.

1. Take-up coming back to historical levels and market polarization

After a strong rebound in 2021 (+32% to 1.9 million m²), take-up for offices in Paris region kept on growing in the first semester of 2022. For the whole year 2022, brokers are now expecting an increase in take-up, towards 2.3 million m², i.e. just above the 10-year average (2.1 million m²).

- ▶ **Take-up** in Paris region reached 1.0 million m² (+24% YoY):
 - In **Paris**, take-up increased by +53% over H1 to 480 900 m²;
- ▶ Vacancy rate stabilized over H1 2022, at 7.4% end-2021, but with high disparities detailed below. The new/refurbished spaces counted for 27% of this vacancy. The immediate supply is slightly up, to 4.1 million m² (vs 4.0 million m² at end-2021).
 - In **Paris**, the vacancy rate decreased to 2.9% (vs 3.3% in 2021) of which 2.5% in Paris CBD
 - In the **first ring**, vacancy rate increased to 9.7% vs 8.4%.
- ▶ **Future available supply** at end-June was globally flat, at 1.4 million m².
- ▶ Average **headline rents in greater Paris for new or restructured space** rose by +2% year-on-year to €431/m² and for second-hand space by +4% to €423/m²:
 - Prime rents in Paris kept on increasing at an all-time high of €960 m²/year at end-June 2022 (+3% vs. end-2021 at €930);
 - Incentives in the Paris region increased by +20bps YoY, from 23.9% in Q2 21 to 24.1% in Q2 22, above the 5-year average of 21%, with strong disparities, from 16% in the center of Paris (excl. CBD) to 31.7% in La Défense. Over the last quarter, incentives slightly decreased (it was 24.9% for Greater Paris, of which 32.3% in La Défense).
- ▶ **Office investments** in Greater Paris totalled €4.9 billion over H1 2022, up +2% YoY. This asset class largely remains the most popular among investors, accounting for 67% of total investments in Greater Paris. Depending on brokers, Prime yields stand at 2.7% at end-June.

Sources : ImmoStat, CBRE

At end June 2022, the France Offices activity was marked by:

- ▶ **+1.0% like-for-like value growth** over H1, mainly thanks to value creation on our development projects, effect of indexation, offsetting decreases on temporary challenging assets.
- ▶ **+2.2% LFL rental growth**
- ▶ **82,000m² let or pre-let** during the first half and close to **90,000m² renewed at or above passing rents**.

2. Accounted rental income: +2.2% like-for-like

(€ million)	Rental income H1 2021 100%	Rental income H1 2021 Group share	Rental income H1 2022 100%	Rental income H1 2022 Group share	Change (%) Group share	Change (%) LfL ¹ Group share
Paris Centre West	16.3	16.3	9.9	9.9	-39.2%	+0.8%
Paris South	14.7	12.6	15.8	13.5	+7.0%	+4.2%
Paris North- East	10.1	10.1	11.5	11.5	+13.6%	+9.7%
Total Paris	41.2	39.0	37.2	34.9	-10.6%	+5.0%
Western Crescent and La Défense	26.6	23.4	18.3	15.7	-33.0%	-2.7%
First ring	27.0	18.9	28.2	20.7	+9.8%	+5.3%
Second ring	1.4	1.4	1.3	1.3	-6.0%	+2.5%
Total Paris Region	96.1	82.7	85.0	72.6	-12.2%	+2.9%
Major regional cities	10.4	9.6	12.6	10.6	+9.9%	+1.2%
Other French Regions	4.3	4.3	2.9	2.9	-32.7%	-22.4%
Total	110.8	96.6	100.5	86.1	-10.9%	+2.2%

¹ LfL: Like-for-Like

Compared to last year, rental income decreased by -€10.5 million, mainly as a result of:

- ▶ **disposals** (-€5.1 million), in 2021 and 2022 of mature assets in Western Crescent and French regions;
- ▶ **increase of rental performance** (+€1.7 million) with +2.2% on a like-for-like basis mostly driven by lettings in Paris South (Art&Co) and first Ring (Chatillon IRO);
- ▶ **deliveries** (+€4.9 million) in 2021 and 2022 in major regional cities and in the 1st ring;
- ▶ **releases of assets, essentially for redevelopment** (-€13.1 million) especially in Paris Centre West (Anjou, Monceau), Western Crescent (Vinci / Rueil) and first Ring
- ▶ **Other** (+€1.1 million), of which Bordeaux Quai 8.2 represents €1.6 million due to integration in consolidation.

3. Annualized rents: €192.9 million Group share

(€ million)	Surface (m ²)	Number of assets	Annualised rents 2021 100%	Annualised rents 2021 Group Share	Annualised rents H1 2022 100%	Annualised rents H1 2022 Group Share	Change (%)	% of rental income
Paris Centre West	83,906	11	20.8	20.8	20.9	20.9	+0.4%	11%
Paris South	43,253	7	35.8	29.7	21.8	21.4	-27.9%	11%
Paris North- East	141,050	7	21.4	21.4	22	22	+2.7%	11%
Total Paris	268,209	25	78.0	71.9	64.7	64.3	-10.6%	33%
Western Crescent and La Défense	181,410	11	57.0	50.2	48.7	41.7	-17.0%	22%
First ring	449,869	22	90.0	60.5	76.8	52.7	-13.0%	27%
Second ring	31,998	10	2.6	2.6	2.6	2.6	+0.4%	1%
Total Paris Region	931,486	68	227.7	185.3	192.7	161.3	-12.9%	84%
Major regional cities	374,434	36	39.1	28.0	35.7	28.8	+2.9%	15%
Other French Regions	63,690	18	2.9	2.9	2.8	2.8	-4.0%	1%
Total	1,369,610	122	269.7	216.2	231.3	192.9	-10.8%	100%

The -11% decrease is mainly explained by the following variations:

- ▶ In the Western Crescent including La Défense (-17%), the decrease is explained by the release of Vinci in Rueil early 2022.
- ▶ The decrease in Paris South (-28%) and First Ring is mainly due to the disposal of Carré Suffren and Eiffage Vélizy

4. Indexation

The indexation effect is +€0.8 million (Group share). For current leases:

- ▶ 90% of rental income is indexed to the ILAT (Service sector rental index; +5.1% yoy at Q1 2022);
- ▶ 9% to the ICC (French construction cost index; +6.9% yoy at Q1 2022);
- ▶ The balance is indexed to the ILC or the IRL (rental reference index; +3.3% yoy at Q1 2022 and +3.6% yoy at Q2 2022).

Most of the dynamics of the indexes will impact rents in H2 2022 and especially in 2023.

5. Rental activity: 170,860m² renewed or let during H1 2022

	Surface (m ²)	Annualized Top up rents (100%, € million)	Annualized rents 2022 (€/m ² , 100%)
Vacating	54,562	14.2	260
Letting	23,418	6.8	290
Pre-letting	58,529	30.1	514
Renewals	88,948	19.2	216

Covivio proved the quality and attractiveness of its portfolio:

- ▶ **Almost 90,000 m² were renegotiated or renewed** in 2022 with a +6-year lease extension on average at or above passing rents. Covivio has notably renegotiated more than 88,000 m² in Velizy with Thales.
- ▶ **81,950 m² have been let or pre-let** in 2022, including 58,529 m² on development projects, with:
 - **38,000 m² on Vélizy**, to be delivered in 2026 and 100% pre-let with a 12-year lease to Thalès;
 - **9,340 m² on Paris Anjou**, to be delivered in 2025 and 100% pre-let for 10 years to a top luxury firm;
 - **9,160 m² on Paris Streambuilding**, to be delivered in 2022 and pre-let with a 9-year lease to OVH;
 - **2,030 m² on Levallois Maslö**, to be delivered late 2022 and now 10% pre-let with a 9-year binding agreement;
 - **4,800 m² in La Défense-CB21** with 2 new tenants;
 - **5,750 m² in Coeur Orly Belaïa**, to Transavia, now 85% let;
 - **1,430 m² in Chatillon IRO**, to AUUM, now 42% let.
- ▶ **54,600 m² were vacated**, mostly in Western Crescent (40,350 m²), First ring (12,100 m²) and major regional cities (4,500 m²)
 - 51,000 m² for redevelopment (€ 14 million of top up GS) redevelopment, mostly in Western Crescent and first ring;
 - 4,000 m² on assets partially relet

6. Lease expiries and occupancy rate

6.1. Lease expiries: firm residual lease term of 4.8 years

(€ million)	By lease end date (1st break)	% of total	By lease end date	% of total
2022	13.5	7%	13.3	7%
2023	40.8	21%	27.7	14%
2024	17.6	9%	6.8	4%
2025	35.8	19%	23.0	12%
2026	3.0	2%	2.0	1%
2027	18.7	10%	12.5	6%
2028	8.0	4%	18.1	9%
2029	6.3	3%	16.2	8%
2030	17.1	9%	29.0	15%
2031	2.3	1%	13.6	7%
Beyond	29.7	15%	30.6	16%
Total	192.9	100%	192.9	100%

The firm residual duration of leases was stable vs year-end-2021 (4.8 years).

In 2022, the €14 million of lease expiries representing 2.0% of Covivio annualized revenues are split as follow:

- ▶ 1.7% of Covivio annualized revenues (€11.5 million) already managed due to assets that will be vacated for redevelopment, mostly located in Paris CBD;
- ▶ 0.3% of Covivio annualized revenues (€2.1 million) to be managed:
 - 0.2% relate to Core assets, well located in Paris CBD and in the first rim, and with good accessibility in public transports
 - 0.1% mostly on Manage-to- assets, mainly located in Western Crescent and La Défense.

6.2. Occupancy rate: **94.2%** at end June 2022

(%)	2021	H1 2022
Paris Centre West	99.9%	99.0%
Southern Paris	99.6%	100.0%
North Eastern Paris	98.6%	98.8%
Paris	99.4%	99.2%
Western Crescent and La Défense	90.0%	93.2%
Inner ring	89.4%	89.6%
Outer ring	96.2%	96.2%
Total Paris Region	93.3%	94.2%
Major regional cities	96.4%	96.7%
Other French Regions	65.9%	71.5%
Total	93.2%	94.2%

- ▶ In Paris, the occupancy rate is exceptionally high and close to 100%, with no vacancy except for few spaces in Cap 18, a tertiary activity area in the North of Paris that aims to be fully redeveloped in the coming years. This lays the stress on the polarization of the demand toward most central places.
- ▶ In the Western Crescent, the occupancy rate increases thanks to the lettings on CB21, 91% vs 79% occupancy rate in 2021.

7. Portfolio values

7.1. Change in portfolio values

(M€, Including Duties Group share)	Value 2021	Invest.	Disp.	Change in value	Change in scope	Value H1 2022
Assets in operation	4,881	8	-335	3	-181	4,375
Assets under development	1,000	66	0	52	188	1,306
Total	5,880	74	-335	55	6	5,681

Thanks to the restructuring of the asset portfolio in the past years, the portfolio is now focused on:

- ▶ 25 assets in Paris, new or with high potential for redevelopment (45% of portfolio value);
- ▶ 60 assets of high quality in Greater Paris and center of major regional cities (52% of portfolio value);
- ▶ 25 non-core assets, of which 11 are under disposal agreements (1%);
- ▶ 12 assets under study for residential development (1%).

The portfolio value decreased by €-199 M€ million since year-end-2021 (-3.4%) mainly driven by:

- ▶ + €55 million from **like-for-like** value growth, mostly resulting from development assets and indexation effect
- ▶ + €74 million invested in **development projects** and in **upgrading work** on assets in operation;
- ▶ - €335 million from **disposals**, mainly signed last year and transferred in 2022 (Carré Suffren and Eiffage Vélizy), on mature assets.

7.2. Like-for-like portfolio evolution: +1.0%

(€ million, Excluding Duties)	Value	Value	Value	Value	LfL (%) change ¹ 6 months	Yield ² 2021	Yield ² 2022	% of Subtotal
	2021 100%	2021 Group share	2022 100%	2022 Group share				
Paris Centre West	1,466	1,389	1,590	1,491	+4.8%	3.1%	3.0%	26%
Paris South	898	743	517	517	+1.5%	4.0%	4.1%	9%
Paris North- East	680	554	702	570	+1.7%	5.0%	5.0%	10%
Total Paris	3,044	2,686	2,809	2,578	+3.4%	3.9%	3.9%	45%
Western Crescent	1,298	1,148	1,275	1,129	-3.3%	5.4%	5.2%	20%
<i>Neuilly / Levallois</i>								6%
<i>La Défense/ Péri Défense/ Rueil</i>								11%
<i>Issy-les-Moulineaux / Boulogne</i>								3%
Inner ring	1,810	1,271	1,653	1,190	-0.2%	5.1%	4.9%	21%
<i>Montrouge / Malakoff / Châtillon</i>								7%
<i>Vélizy / Meudon</i>								9%
<i>Other</i>								5%
Outer ring	40	40	38	38	+0.2%	6.5%	6.9%	1%
Total Paris Region	6,192	5,145	2,965	2,357	+0.9%	4.6%	4.5%	41%
Major regional cities	991	682	923	701	+1.8%	4.3%	4.2%	12%
<i>Lyon / Marseille / Bordeaux</i>								6%
<i>Other</i>								6%
Subtotal	7,183	5,827	6,697	5,636				99%
Other French Regions	53	53	45	45	-3.7%	5.5%	6.0%	1%
Total	7,236	5,880	6,742	5,681	+1.0%	4.6%	4.5%	100%

¹ LfL: Like-for-Like

² Yield excluding assets under development

Covivio's France Office portfolio locations break down as follows:

- 52% in Paris & Neuilly / Levallois;
- 12% in the center of major regional cities (Lyon, Bordeaux, Marseille);
- 35% in top business districts of Greater Paris;
- 1% in other French regions.

The high quality of the portfolio explains the increase in values by +1.0% on a like-for-like basis at end of June 2022, considering development pipeline value creation and increase in core Parisian assets:

- ▶ A dynamic **development portfolio** with significant value increase (+3.3%) explained by its attractive locations, especially in CBD
- ▶ Increases on assets rented with long term maturities in which the indexation effect contributes to value creation
- ▶ Decreases on the temporarily **challenged assets** mainly in La Défense, Issy-les-Moulineaux and Charenton area.

8. Assets partially owned

Partially owned assets are the following:

- CB 21 Tower (75% owned) in La Défense.
- The Silex 1 and 2 assets in Lyon (50.1% owned and fully consolidated).
- So Pop project in Paris 17th (50.1% owned and fully consolidated).
- Streambuilding project in Paris 17th (50% owned and fully consolidated).
- The Dassault campuses in Vélizy (50.1% owned and fully consolidated).
- The New Vélizy campus for Thales (50.1% owned and accounted for under the equity method).
- Euromed Centre in Marseille (50% owned and accounted for under the equity method).
- Coeur d'Orly in Greater Paris (50% owned and accounted for under the equity method).

C. ITALY OFFICES: 15% OF COVIVIO'S PORTFOLIO

Covivio's Italy strategy is focused on Milan, where the Group's acquisitions and developments are concentrated. At end-June 2022, the Group owned offices worth €3.2 billion (€2.6 billion Group share) composed of:

- 81% (€2.1 billion) of offices in Milan, mostly in the CBD and centre of the city;
- 15% (€0.4 billion Group share) Telecom Italia assets outside Milan, 100% occupied with 9.7 years firm lease;
- 4% (€0.1 billion) non-core assets outside Milan.

1. Milan Office market: a record half year in terms of take-up and rents, yields stabilizing

- ▶ Milan Office **take-up** stood at 260,000 m² in H1 2022 (+60% YoY), with an increase in the number of transactions from 101 to 156, especially in the CBD (from 27 to 61 transactions and +123% for take-up). Grade A buildings were the most in demand, representing 76% of the take-up (vs. 72% in 2021), constantly increasing.
- ▶ **Vacancy rate** stood at +10.3% (-0.8pts vs end-2021), with strong disparity between the center, where most of Covivio's portfolio is located: 5.1% in the CBD (vs. 6.1%); 5.2% in semi-center (vs. 5.5%) and 13.8% in the periphery (vs. 14.3%).
- ▶ **Prime rents** in Milan increased by +6% over the last 6 months in the CBD to €660/m², according to C&W. This evolution is mainly due to the scarcity of central and quality spaces.
- ▶ Prime yields stabilized over H1 2022, to 3.0%, with an unchanged appetite for prime assets.

Covivio's activities in Italy at end-June 2022 were marked by:

- ▶ A resilient **occupancy rate of 98.1%**;
- ▶ Acceleration of **disposals**, with €172 million Group share, mainly from Telecom Italia assets and non-core properties outside Milan;
- ▶ Delivery of Wellio Duomo (4,500 m²), second spot and second success for Covivio's flexible offer in Milan
- ▶ Stability of values with a +1.2% like-for-like in Milan.

2. Accounted rental income: +3.6% like-for-like

(€ million)	Rental income H1 2021 100%	Rental income H1 2021 Group share	Rental income H1 2022 100%	Rental income H1 2022 Group share	Change (%)	Change (%) LfL ¹	% of total
Offices - excl. Telecom Italia	38.0	38.0	38.5	38.5	+1.3%	+4.7%	53.8%
<i>of which Milan</i>	30.3	30.4	32.8	32.8	+8.1%	+3.8%	45.8%
Offices - Telecom Italia	39.0	19.9	33.1	16.9	-15.1%	+1.2%	46.2%
Total	77.0	57.9	71.6	55.4	-4.3%	+3.6%	100.0%

¹ LfL: Like-for-Like

Overall, rental income decreased by -€2.5 million compared to H1 2021 due to:

- ▶ **Disposals** of non-core and core-mature assets (-€5.0 million);
- ▶ **Increasing like-for-like rents** (+€1.8 million, +3.6%) mainly due to:
 - New leases on Garibaldi Complex (+0.6%) and no more covid discount (+0.5%)
 - Inflation impact (+1.8%) of which Telecom Italia portfolio (+0.4%);
 - Partially offset by vacancy on high street retail spaces in Milan (-0.4%),
- ▶ **Deliveries** of The Sign B, The Sign C, Symbiosis D in Milan (+€1.9 million);
- ▶ **Vacating for redevelopment** (-€1.3 million), in Rozzano.

3. Annualized rental income: €117 million Group share

(€ million)	Surface (m ²)	Number of assets	Annualized rents 2021 100%	Annualized rents 2021 Group share	Annualized rents H1 2022 100%	Annualized rents H1 2022 Group share	Change (%)	% of total
Offices - excl. Telecom Italia	341,156	40	92.8	92.8	86.7	86.7	-6.5%	74%
Offices - Telecom Italia	549,027	69	68.5	34.9	59.1	30.1	-13.7%	26%
Development portfolio	110,225	5	0.0	0.0	0.0	0.0	-	n.a
Total	1,000,407	114	161.3	127.7	145.8	116.9	-8.5%	100%

(€ million)	Surface (m ²)	Number of assets	Annualized rents 2021 100%	Annualized rents 2021 Group share	Annualized rents H1 2022 100%	Annualized rents H1 2022 Group share	Change (%)	% of total
Milan	475,190	45	92.3	85.2	89.8	82.7	-3.0%	71%
Rome	66,510	11	8.3	4.2	8.3	4.2	0.0%	4%
Turin	65,425	5	7.0	5.8	7.2	6.2	+6.0%	5%
North of Italy	243,475	34	32.4	21.0	23.9	15.0	-28.8%	13%
Others	149,808	19	21.2	11.4	16.7	8.9	-22.5%	8%
Total	1,000,407	114	161.3	127.7	145.8	116.9	-8.5%	100%

Annualized rental income decreased by -8.5% mainly due to the disposals of end 2021.

4. Indexation

The annual indexation of rental income is usually calculated by applying the increase in the Consumer Price Index (CPI) on each anniversary of the signing of the agreement.

During the H1 2022, the average monthly change in the CPI was +6.2%, with effect mostly in 2023.

5. Rental activity: 15,300m² let or prelet in H1 2022

(€ million)	Surface (m ²)	Annualized Top up rents H1 2022 Group Share	Annualised rents 2021 (100%, €/m ²)
Vacating	24,895	6.1	245
Lettings on operating portfolio	3,563	2.2	606
Lettings on development	11,770	7.4	629
Renewals	978	0.3	348

In H1 2022, around **15,300 m² of new leases** were signed:

- ▶ 3,600 m² on the operating portfolio, of which 2,600 m² of retail spaces;
- ▶ 11,800 m² pre-letting on development portfolio with Corso Italia fully let.

Additionally, close to 1,000 m² have been renewed with a duration extension of 7 years.

24,900 m² were vacated during 2022:

- ▶ 21,050 m² vacated for development
- ▶ 2,230 m² have already been re-let;
- ▶ 1,614 m² still to be managed.

6. Lease expiries and occupancy rates

6.1. Lease expiries: 7.2 of average firm lease term

7.2
years

(€ million Group share)	By lease end date (1st break)	% of total	By lease end date	% of total
2022	7.4	6%	7.1	6%
2023	5.9	5%	2.9	2%
2024	2.9	3%	2.6	2%
2025	8.8	8%	1.9	2%
2026	4.0	3%	6.7	6%
2027	5.5	5%	7.5	6%
2028	17.3	15%	22.0	19%
2029	2.7	2%	2.2	2%
2030	21.0	18%	16.1	14%
2031	12.1	10%	10.0	9%
Beyond	29.1	25%	38.0	33%
Total	116.9	100%	116.9	100%

The firm residual lease term stabilized at 7.2 years thanks to new deliveries (Symbios D, Unione, Wellio) and the renewal signed in Milan.

In 2022, the €7.4 million of lease expiries representing 1.1% of Covivio annualized revenues are split as follows:

- ▶ 0.6% of Covivio annualized revenues (€4.0 million) already managed due to break option not exercised and new contracts already signed (€0.1 million);
- ▶ 0.4% of Covivio annualized revenues due to one asset under preliminary (€2.6 million)
- ▶ 0.1% of Covivio annualized revenues (€0.7 million) to be managed, relate mainly to Core assets.

6.2. Occupancy rate: a high-level of 98.1%

(%)	2021	H1 2022
Offices - excl. Telecom Italia	95.4%	97.5%
Offices - Telecom Italia	100.0%	100.0%
Total	96.6%	98.1%

The occupancy rate increased by +150bps over the semester, mainly explained by lettings in Via Dante (+1 pt) and the sale of Innovazione (+0.5 pt).

7. Portfolio values

7.1. Change in portfolio values

(€ million, Group share Excluding Duties)	Value 2021	Invest.	Disposals	Change in value	Transfer	Value H1 2022
Offices - excl. Telecom Italia	1,805	9	-11	-2	29	1,830
Offices - Telecom Italia	615	-	-69	16	-	561
Development portfolio	234	12	-	5	-29	221
Total strategic activities	2,653	21	-80	18	0	2,612

7.2. Portfolio in Milan: 95% of the portfolio excluding Telecom Italia

(€ million, Excluding Duties)	Value 2021 Group share	Value H1 2022 100%	Value H1 2022 Group share	LfL ¹ change	Yield ² 2021	Yield ² H1 2022	% of total
Offices - excl. Telecom Italia	1,805	1,830	1,830	-0.1%	5.2%	5.1%	70.1%
Offices - Telecom Italia	615	1,100	561	+2.9%	5.7%	5.4%	21.5%
Development portfolio	234	221	221	+2.1%	n.a.	n.a.	8.5%
Total strategic activities	2,653	3,151	2,612	+0.7%	5.3%	5.1%	100%

¹ LfL: Like-for-Like

² Yield excluding development projects

(€ million, Excluding Duties)	Value 2021 Group share	Value H1 2022 100%	Value H1 2022 Group share	LfL ¹ change	Yield ² 2021	Yield ² H1 2022	% of total
Milan	2,049	2,273	2,109	+1.2%	4.7%	4.7%	81%
Turin	102	114	97	-3.2%	6.2%	6.3%	4%
Rome	89	180	92	+3.0%	4.7%	4.6%	4%
North of Italy	242	325	175	-4.2%	8.4%	7.5%	7%
Others	172	259	138	+0.1%	7.1%	7.0%	5%
Total	2,653	3,151	2,612	+0.7%	5.3%	5.1%	100%

¹ LfL: Like-for-Like

² Yield excluding development projects

The weight of Milan Offices now represents 81% of the portfolio (+4 pts vs. end-2021) and 95% excluding Telecom Italia assets. Milan's exposition is in line with Covivio's strategy to focus on major European cities.

- ▶ Milan portfolio values have grown (+1.2%), sustained by the development portfolio's good performance (+2.1%)
- ▶ Telecom Italia portfolio slightly increased (+2.9%), relying on its strong fundamentals:
 - 100% occupancy
 - 9.7 years average lease term.
- ▶ Non-core offices (outside Milan) continue to show a decrease (-11.2%) due to the general market situation. Covivio has greatly reduced its exposure in the last few years to these assets, which now represent only 4% of the portfolio.

D. GERMANY OFFICES: 8% OF COVIVIO'S PORTFOLIO

1. A growing letting market, but a slow-down in the investment market

- ▶ **Take-up** in German's top six markets in H1 2022 increased by +35.6% year-on-year to 1.6 million m², exceeding the 5-year average everywhere for the first time since the beginning of the pandemic. Nonetheless, there is strong disparity between the cities: Munich (+80%), Düsseldorf (+75%), Cologne (+65%), Hamburg (+27%), Frankfurt (+8%), Berlin (+8%).
- ▶ **Immediate supply** is still quite tight with a low but increasing vacancy rate at 4.7% on average compared to the end of 2021 (at 4.3%) and with strong disparities: Berlin displays the lowest vacancy level at 2.8% closely followed by Cologne (2.9%), and then Munich (3.8%) & Hamburg (4.6%). Düsseldorf (7.6%) and Frankfurt (8.5%) vacancy levels remain higher.
- ▶ **Future supply** is also increasing with around 4.0 million m² under construction:
 - Little risk of oversupply in short-term: high pre-let ratio of 49%
 - Future available space represents 1.3 year of take-up*

** based on 2021 annual take-up*
- ▶ **Prime rents** have kept on growing, despite a slow increase in vacancy rate, at an overall +2.2% rate compared to December 2021 with some disparities in the trends: +5,3% in Düsseldorf (360€/m²), +4,7% in Cologne (333€/m²), +3% in Berlin (€540/m²), +2% in Hamburg (€384/m²) whereas Munich (510€/m²) and Frankfurt's (576€/m²) levels remain stable.
- ▶ **Investment in German Offices** in H1 2022 amounted to €13.1 billion (+17% vs. H1 2021). Office properties remain the strongest asset class on the German market for commercial real estate.
 - Berlin, Frankfurt, and Hamburg count for 64% of the investment volume in H1 2022.
 - Prime yields now stand at 2.55% in Berlin, 2.60% in Munich, 2.70% in Hamburg and 2.80% in Frankfurt.

2. Accounted rental income: +€1.7 million Group share in 2022

(€ million)	Rental income H1 2021 100%	Rental income H1 2021 Group share	Rental income H1 2022 100%	Rental income H1 2022 Group share	Change (%) Group share	Change (%) LfL ¹ Group share	% of rental income
Berlin	3.6	2.5	3.8	2.7	+7.2%	+3.9%	12%
Frankfurt	9.7	9.0	10.0	9.2	+1.7%	+2.7%	40%
Düsseldorf	4.3	4.0	4.7	4.4	+9.3%	-0.3%	19%
Hamburg	4.2	3.9	4.9	4.7	+20.0%	+15.7%	20%
Munich	1.3	1.2	1.5	1.4	+18.7%	+16.2%	6%
Other	0.6	0.4	0.6	0.4	+3.4%	+0.7%	2%
Total	23.6	21.0	25.5	22.7	+8.2%	+6.4%	100%

¹ LfL: Like-for-Like

Rental income amounted to €22.7 million in Group Share, grew by +€1.7 million compared to H1 2021 due to:

- Indexation for €0.6 million
- Letting activity for €1.2 million: mainly lease agreements signed in 2021 with full rental income effect in 2022 on Sunsquare in Munich (+€0.3 million), Zeughaus in Hamburg (+€0.5 million) and Y2 in Frankfurt (+€0.2 million).

3. Annualized rents: €46.7 million Group share

Geographic breakdown

(€ million)	Surface (m ²)	Number of assets	Annualized rents 2021 100%	Annualized rents 2021 Group share	Annualized rents H1 2022 100%	Annualized rents H1 2022 Group share	Change Group share (%)	% of rental income
Berlin	53,030	6	7.2	5.1	7.8	5.4	+7.0%	12%
Frankfurt	118,649	4	20.7	19.0	21.2	19.5	+2.6%	42%
Düsseldorf	68,786	2	8.8	8.3	9.0	8.4	+1.7%	18%
Hamburg	69,041	2	9.5	8.9	10.2	9.6	+7.7%	21%
Munich	37,104	2	3.0	2.8	3.1	3.0	+5.4%	6%
Other	12,945	1	1.2	0.7	1.2	0.7	+1.0%	2%
Total	359,555	17	50.4	44.9	52.5	46.7	+4.1%	100%

The annualized rental income at the end of June 2022 reaches €46.7 million, an increase of +4% compared to December 2021, mainly explained by the increase in actual occupancy: mainly lease agreements signed in 2021 with lease start in 2022 (+€0.5 million on Zeughaus, +€0.3 million on FAC, +€0.2 million on Y2, +€0.1 million on City Gate).

4. Indexation

Rents are indexed on the German consumer price index for 42% of lease, 10% have a fixed uplift and 33% have an indexation clause if CPI goes above an annual increase between 5% and 10%, the remainder is not indexed and mainly let to public administration.

5. Rental activity

	Surface (m ²)	Annualized Top up rents H1 2022 (€m, GS)	Annualized rents H1 2022 (€/m ² , 100%)
Vacating	2,445	0.39	175
Letting	3,671	0.84	283

The rental activity in H1 2022 was marked by:

- ▶ About 3,700 m² let, of which 1,600 m² in Hamburg for 15 years; 600m² in Frankfurt, and 1,300m² in Berlin.
- ▶ About 2,500 m² of vacated space, including 1,000 m² in Hamburg, 500m² in Frankfurt, 650m² in Düsseldorf.

6. Lease expiries and occupancy rate

6.1. Lease expiries: firm residual lease term of 4.3 years

(€ million)	By lease end date (1 st break)	% of total	By lease end date	% of total
2022	4.4	10%	4.3	9%
2023	4.8	10%	3.2	7%
2024	13.0	28%	10.4	22%
2025	4.5	10%	4.0	9%
2026	3.4	7%	3.2	7%
2027	5.6	12%	3.3	7%
2028	1.2	3%	3.6	8%
2029	1.9	4%	5.7	12%
2030	1.5	3%	1.7	4%
2031	0.0	0%	0.7	1%
Beyond	6.3	14%	6.5	14%
Total	46.7	100%	46.7	100%

The firm residual duration of leases stands at 4.3 years (vs 4.4 years at end-2021).

€4.4 m of expiries are coming in 2022, representing 0.65% of Covivio annualized revenues. They include:

- ▶ 0.35% already managed, including rental agreements which are rolling leases for which break options will not be exercised, and lease agreements for which the tenant is vacating but the space has already been relet.
- ▶ 0.31% to be managed, mainly in Berlin, Hamburg, and Munich, among which 0.25% is expected to be renewed.

6.2. Occupancy rate of **84.9%**

(%)	2021	H1 2022
Berlin	94.7%	92.7%
Frankfurt	87.4%	86.9%
Düsseldorf	58.5%	93.2%
Hamburg	85.9%	87.1%
Munich	55.3%	56.9%
Other	99.7%	100.0%
Total	78.8%	84.9%

The occupancy rate has improved and stands at 84.9% (+6.1 pts compared to year-end 2021) mainly due to the launch of the redevelopment of Herzogterrassen now classified in development.

7. Portfolio values

7.1. Change in portfolio values

(€ million, Group share, Excluding Duties)	Value 2021	Invest.	Change in value	Value H1 2022
Berlin	264	15	7	286
Frankfurt	470	1	0	471
Düsseldorf	306	1	-3	304
Hamburg	286	2	-2	285
Munich	110	2	-4	108
Other	10	0	0	10
Total	1,445	21	-2	1,464

The portfolio value in Group Share has increased by **+€19 million** since year-end 2021, mainly due to:

- **€21 million of investments:** investment into development projects (€15 million mainly invested in Alexanderplatz project in Berlin) and investment of €6 million into existing assets.
- **- €2 million of change in values (LFL)**

7.2. Like-for-like portfolio evolution: **-0.2%**

(€ million, Excluding Duties)	Value 2021 100%	Value 2021 Group share	Value H1 2022 100%	Value H1 2022 Group Share	Lfl ¹ change 6months	Yield 2021	Yield H1 2022	% of total value
Berlin	396	264	434	286	+2.5%	3.8%	3.9%	20%
Frankfurt	510	470	511	471	-0.1%	4.1%	4.1%	32%
Düsseldorf	325	306	322	304	-1.1%	2.7%	3.9%	21%
Hamburg	303	286	303	285	-0.8%	3.1%	3.4%	19%
Munich	117	110	114	108	-3.2%	2.5%	2.7%	7%
Other	16	10	17	10	+3.5%	7.5%	7.2%	1%
Total	1,667	1,445	1,702	1,464	-0.2%	3.4%	3.8%	100%

¹ LfL: Like-for-Like

Covivio Germany Office portfolio reaches a critical size with €1.7 billion of assets:

- ▶ The portfolio is stable on a like-for-like basis (-0.2%). On the one hand, it includes an **increase in valuation for Berlin assets: +2.5%** mainly due to an increase in market rental level. On the other hand, assets in other cities suffered a decrease in valuation mainly linked with vacancy and a slight increase in cap and discount rates (+5 bps to +10 bps).
- ▶ The gross yield grew from 3.4% end-2021 to 3.8% in H1 2022, due to the shift (+0.4bps) of Herzogterrassen from the operating portfolio to the development pipeline.

E. GERMAN RESIDENTIAL: 30% OF COVIVIO PORTFOLIO

Covivio operates in the German Residential segment through its 61.7% held subsidiary Covivio Immobilien. The figures presented are expressed as 100% and as Covivio Group share.

Covivio owns around ~41,300 units in Berlin, Hamburg, Dresden, Leipzig and North Rhine-Westphalia, representing €8.3 billion (€5.4 billion Group share) of assets.

1. Sustained market fundamentals

- ▶ **The housing shortage** persists with a deficit of around 670,000 units in Germany at end-2021, **especially marked in Berlin** with a lack of more than 200,000 units.
- ▶ **Demography keeps on supporting this trend:** aging population, increase in the number of households (+971k by 2040), refugees coming from Ukraine (700k registered in May).
- ▶ **More recently, increased construction costs and a shortage in construction workers** also appeared, delaying some projects, and putting **pressure on offer**.
- ▶ In Berlin, there is on average 217 potential tenants per available apartment (vs. 177 in Q1).
- ▶ This shortage continues to drive an important **increase in rents and values** in Germany. In **Berlin**:
 - The median **asking rent** on new buildings increased by +8% to €18.2/m² over a year at end-March 2022, while average asking rent on existing buildings increased by +10% to €13.6/m².
 - The median **asking price increased by +6% YoY** and stood at €5,600 /m² in March 2022, well above the current valuation of Covivio's residential portfolio (€3,467/m²). In June, the square meter price for new buildings also **reached a new high** of €8,430/m² (+14% YoY).

In the first semester of 2022, Covivio's activities were marked by:

- ▶ Continued and sustained rental growth: +3.0% on a like-for-life basis, driven by NRW and Dresden & Leipzig;
- ▶ Strong value growth: +5.9% increase on a like-for-like basis;
- ▶ Closed acquisitions of 165 units in Berlin for an average price of €2,630 /m².

2. Accounted rental income: +3.0% like-for like

(In € million)	Rental income H1 2021 100%	Rental income H1 2021 Group share	Rental income H1 2022 100%	Rental income H1 2022 Group share	Change Group share (%)	Change Group share (%) LfL ¹	% of rental income
Berlin	65.0	42.2	68.7	45.1	6.9%	+2.9%	52%
of which Residential	52.1	33.7	54.7	35.9	6.3%	+1.9%	41%
of which Other commercial ²	12.9	8.4	14.1	9.3	10.5%	+6.5%	11%
Dresden & Leipzig	11.5	7.4	11.4	7.4	0.4%	+3.1%	8%
Hamburg	8.6	5.6	8.6	5.6	0.6%	+2.4%	6%
North Rhine-Westphalia	46.3	29.2	46.0	29.0	-0.8%	+3.4%	33%
Essen	16.8	10.4	16.9	10.5	0.7%	+3.5%	12%
Duisburg	8.1	5.0	8.1	5.0	-0.6%	+2.3%	6%
Mulheim	5.3	3.3	5.2	3.3	-1.4%	+2.3%	4%
Oberhausen	5.1	3.4	4.8	3.1	-7.9%	+3.2%	4%
Other	11.1	7.1	10.9	7.0	-0.9%	+4.5%	8%
Total	131.5	84.5	134.8	87.2	3.2%	+3.0%	100%
of which Residential	113.5	73.1	116.4	75.1	2.7%	+2.6%	86%
of which Other commercial ²	17.9	11.4	18.4	12.0	5.8%	+6.1%	14%

¹ LfL: Like-for-Like

² Ground-floor retail, car parks, etc

Rental income amounted to €87 million Group share in H1 2022, up +3.2% (+€2.7 million) due to:

- ▶ In Berlin, the like-for-like rental growth is +2.9% (+€1.2 million) driven by the indexation (+1.9 pts) and the relettings including modernizations (+1.0 pts);
- ▶ Outside Berlin, like-for-like rental growth was strong in all areas (+3.2% on average, +€1.2 million) due to the reletting impact (including modernizations) and the indexation;
- ▶ Acquisitions in Berlin in 2021 and H1 2022 (+€2.5 million);
- ▶ Disposals (-€1.2 million) mainly involving a portfolio of mature assets in NRW in H2 2021 as well as some privatizations with high margins in Berlin;
- ▶ Others (-€1.0 million) which include the one-off effect of the cancellation of the Mietendeckel in Berlin (recovery of rents from 2020 in H1 2021).

3. Annualized rental income: €179.1 million Group share

(In € million)	Surface (m ²)	Number of units	Annualised rents 2021 Group share	Annualised rents H1 2022 100%	Annualised rents H1 2022 Group share	Change Group share (%)	Average rent €/m ² /month	% of rental income
Berlin	1,322,811	18,057	90.8	142.6	93.6	+3.1%	€9.0 /m ²	52%
of which Residential	1,138,008	16,862	72.5	113.0	74.1	+2.3%	€8.3 /m ²	41%
of which Other commercial ¹	184,803	1,195	18.3	29.6	19.5	+6.3%	€13.4 /m ²	11%
Dresden & Leipzig	265,536	4,357	15.2	22.8	14.8	-2.5%	€7.2 /m ²	8%
Hamburg	143,806	2,366	11.4	17.6	11.5	+0.9%	€10.2 /m ²	6%
North Rhine-Westphalia	1,103,984	16,537	58.5	93.9	59.2	+1.2%	€7.1 /m ²	33%
Essen	393,943	5,761	21.2	34.6	21.5	+1.2%	€7.3 /m ²	12%
Duisburg	204,535	3,147	10.1	16.5	10.3	+1.3%	€6.7 /m ²	6%
Mulheim	126,913	2,133	6.7	10.7	6.7	+1.3%	€7.0 /m ²	4%
Oberhausen	124,353	1,830	6.3	9.8	6.4	+1.6%	€6.6 /m ²	4%
Others	254,241	3,666	14.2	22.3	14.3	+0.9%	€7.3 /m ²	8%
Total	2,836,137	41,317	175.9	277.0	179.1	+1.8%	€8.1 /m²	100%
of which Residential	2,596,146	39,739	151.8	238.9	154.2	+1.6%	€7.7 /m ²	86%
of which Other commercial ¹	239,991	1,578	24.1	38.1	24.9	+3.4%	€13.2 /m ²	14%

¹ Ground-floor retail, car parks, etc

The portfolio breakdown has been relatively stable for the past few periods, with Berlin generating slightly above 50% of the rental income (+2 pts vs. H1 2021), through residential units and some commercial units (mainly ground-floor retail).

Rental income per m² (€8.1 /m²/month on average) offers solid growth potential through reversion in all our markets including, Berlin (20-25%), Hamburg (20-25%), Dresden and Leipzig (10-15%) and in North Rhine-Westphalia (15-20%).

4. Indexation

Rental income from residential property in Germany changes depending on multiple mechanisms:

4.1. Rents for re-leased properties:

In principle, rents may be increased freely, provided the property is not financed through governmental subsidies.

As an exception to the unrestricted rent setting principle, cities like Berlin, Hamburg, Cologne and Düsseldorf have introduced rent caps (*Mietpreisbremse*) for re-leased properties. End of May 2022, this cap rate was also decided for Dresden and Leipzig and should be enforced during summer 2022. In these cities, rents for re-leased properties cannot exceed the public rent reference (*Mietspiegel*) by more than 10%, except in the following conditions:

If the property has been modernised in the past three years, the rent for the re-let property may exceed the +10% limit by a maximum of 8% of the costs to modernise it.

In the event the property is completely modernised (work amounting to more than one-third of new construction costs), the rent may be increased freely.

If the rent received from the previous tenant is higher than the +10% limit, then the previous rent will be the limit in the case of re-letting.

Properties built after 1 October 2014 are not included in the rent cap.

4.2. For current leases:

For residential tenants, the rent can generally be adjusted based on the local comparative rent (*Mietspiegel*), which is usually determined based on the rent index. In addition to this adjustment method, an index-linked or graduated rent agreement can also be concluded. A successive combination of adjustment methods can also be contractually agreed (e.g. graduated rent for the first 5 years of the contract, followed by adjustment to the local comparative rent).

Adjustment to the local comparative rent: The current rent can be increased by 15% to 20% within three years, depending on the region, without exceeding the local comparative rent (*Mietspiegel*). This type of contract represent c. 90% of our rental income.

4.3. For current leases with work carried out:

If works have been carried out, rents may be increased by up to 8% of the cost of work, in addition to the possible increase according to the rent index. This increase is subject to three conditions:

- The works aim to save energy, increase the utility value, or improve the living conditions in the long run.
- The tenant must be notified of this rent increase within three months.
- The rent may not be increased by more than €3/m² for work to modernise the property within a six-year period (€2/m² if the initial rent is below €7/m²).

5. Occupancy rate: a high level of 99.0%

(%)	2021	H1 2022
Berlin	98.7%	98.5%
Dresden & Leipzig	99.5%	99.4%
Hamburg	100.0%	99.5%
North Rhine-Westphalia	99.5%	99.5%
Total	99.1%	99.0%

The occupancy rate remains high, at 99%. It has remained above 98% since the end of 2015 and reflects the Group's very high portfolio quality and low rental risk.

6. Portfolio values: €8.3 billion (€5.4 billion Group share)

6.1. Change in portfolio value: 6.0% growth

(In € million, Group share, Excluding Duties)	Value 2021	Acqu.	Invest.	Disposals	Value creation on Acquis./Disposals	Change in value	Change of scope	Value H1 2022
Berlin	2,913	19	9	-11	1	141	5	3,078
Dresden & Leipzig	429	-	2	-11	-	19	-	439
Hamburg	389	-	3	-	-	27	0	419
North Rhine-Westphalia	1,350	-	14	1	0	81	1	1,446
Total	5,079	19	28	-21	2	268	6	5,382

In H1 2022, the portfolio's value increased by +6.0%, to €5.4 billion Group share. The growth was mainly driven by the like-for-like increase in value (€268 million).

6.2. Change on a like-for-like basis: +5.9% growth

(In € million, Excluding Duties)	Value 2021 100%	Value 2021 Group share	Surface 100% in m ²	Value H1 2022 100%	Value H1 2022 in €/m ²	Value H1 2022 Group share	LfL ¹ change 6 months	Yield 2021	Yield H1 2022	% of total value
Berlin	4,439	2,913	1,322,811	4,691	3,546	3,078	+5.2%	3.1%	3.0%	57%
of which Residential	3,750	2,460	1,138,008	3,945	3,467	2,588	+4.7%	2.9%	2.9%	48%
of which Other commercial ²	689	453	184,803	746	4,037	490	+7.7%	4.1%	4.0%	9%
Dresden & Leipzig	661	429	265,535	677	2,548	439	+5.1%	3.5%	3.4%	8%
Hamburg	594	389	143,806	641	4,455	419	+7.9%	2.9%	2.8%	8%
North Rhine-Westphalia	2,143	1,350	1,103,984	2,297	2,080	1,446	+7.1%	4.3%	4.1%	27%
Essen	840	522	393,943	907	2,303	563	+8.0%	4.1%	3.8%	10%
Duisburg	354	220	204,535	375	1,835	233	+6.2%	4.6%	4.4%	4%
Mulheim	231	145	126,913	247	1,943	155	+6.3%	4.6%	4.3%	3%
Oberhausen	187	122	124,353	202	1,622	132	+7.9%	5.2%	4.9%	2%
Others	531	341	254,241	566	2,226	363	+6.6%	4.2%	3.9%	7%
Total	7,836	5,079	2,836,136	8,305	2,928	5,382	+5.9%	3.5%	3.3%	100%
of which Residential	6,926	4,484	2,596,146	7,338	2,827	4,748	+5.7%	3.4%	3.3%	88%
of which Other commercial ²	910	595	239,991	967	4,029	635	+7.5%	4.1%	3.9%	12%

¹ LfL: Like-for-Like

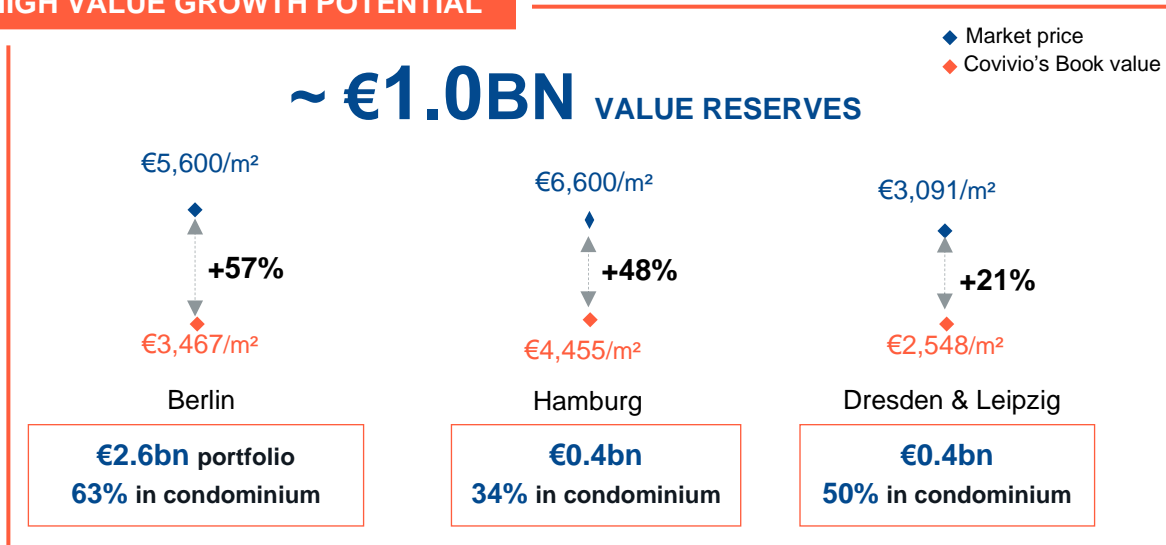
² Ground-floor retail, car parks, etc

Covivio's residential portfolio in Germany is valued at €2,928 /m² on average, offering a significant growth potential, especially in Berlin where the current valuation of residential units stands at €3,467 /m², significantly below the average asking price of condominiums (€5,600 /m² at end-March 2022 according to Catella).

In H1 2022, values increased by +5.9% on a like-for-like basis since end-2021 which represents yet another very dynamic period of growth in all our markets:

- ▶ +5.2% in Berlin due to the increase in values in highly sought-after locations;
- ▶ Strong increase in NRW (+7.1%), Hamburg (+7.9%) and Dresden and Leipzig (5.1%) thanks to the continued dynamic of rental growth and the increase in value in large German cities.

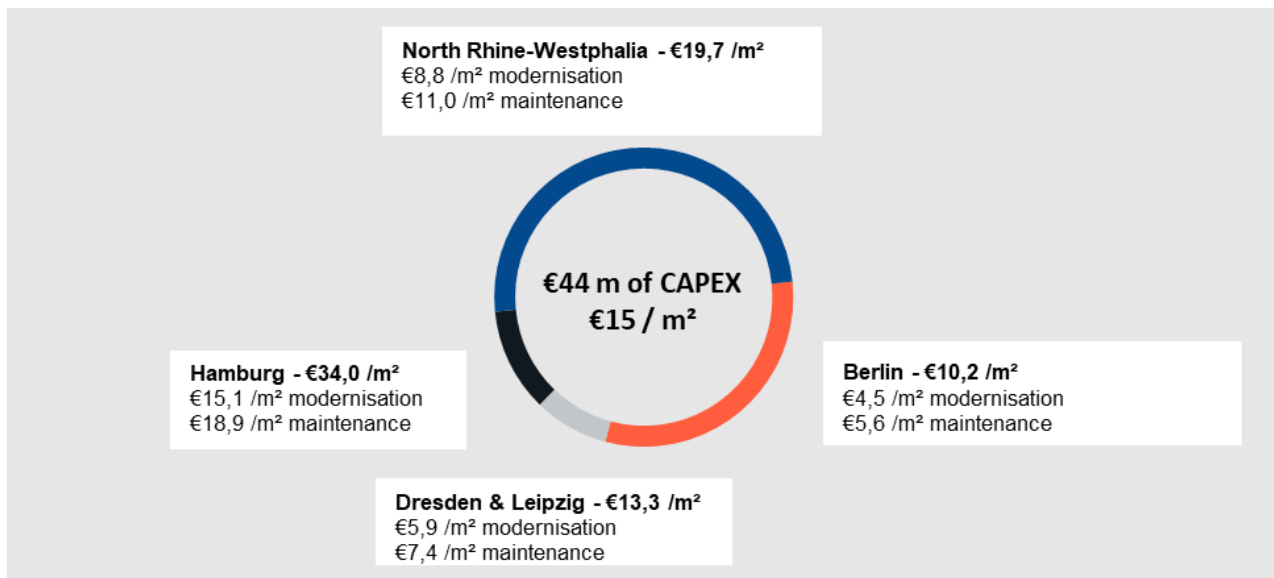
HIGH VALUE GROWTH POTENTIAL



7. Maintenance and modernization CAPEX

In H1 2022, CAPEX totalled €44 million (€15.4 /m²; €28 million in Group share) and OPEX came to €9 million (€3.2 /m²); €6 million in Group share).

Most of the Capex in H1 2022 were spent in Hamburg and in NRW. In Hamburg, we carried out a full energetic modernization project for c. 100 units. The quality of the portfolio in NRW enables us to benefit both from rent and value increase in this area. On average, modernization projects have a yield above 5.0%.



F. HOTELS IN EUROPE: 15% OF COVIVIO'S PORTFOLIO

Covivio Hotels, a 43.9%-owned subsidiary of Covivio as of 30 June 2022, is a listed property investment company (SIIC) and leading hotel real-estate player in Europe. It invests both in hotels under lease (fixed or variable) and hotel operating properties.

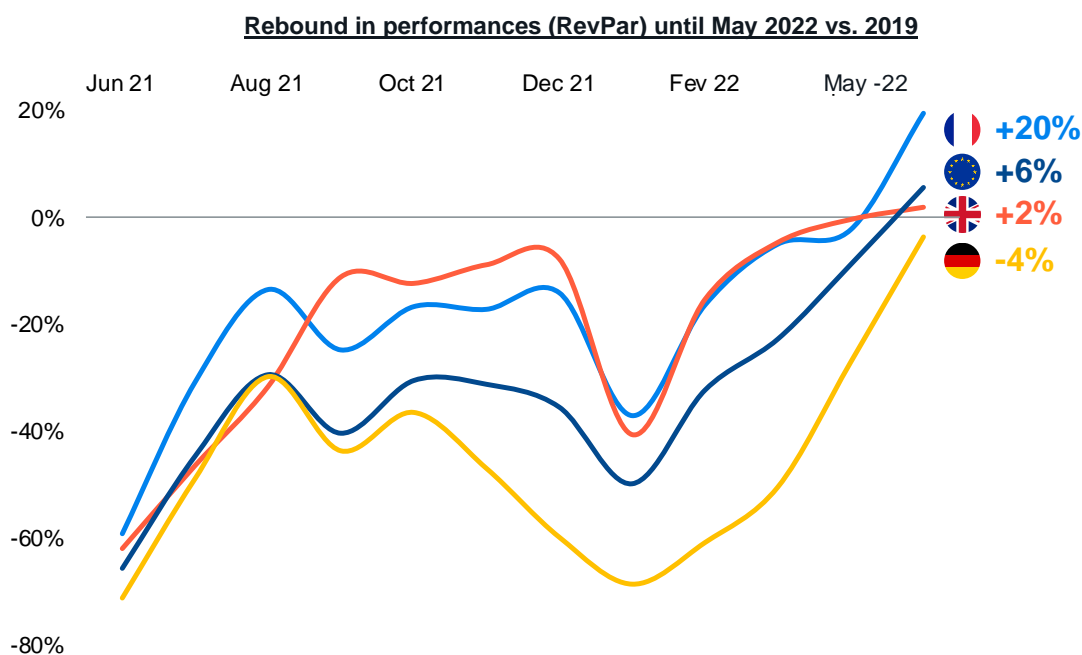
The figures presented are expressed at 100% and in Covivio Group share (GS).

Covivio owns a high-quality hotel portfolio worth €6.7 billion (€2.6 billion in Group share), focused on major European cities and let or operated by 16 major hotel operators such as Accor, B&B, IHG, NH Hotels, etc. This portfolio offers geographic and tenant diversification (across 12 European countries) and asset management possibilities via different ownership methods (hotel lease and hotel operating properties).

1. Acceleration of recovery over H1 2022

After a tough beginning of the year given the Omicron wave, the lifting of restrictions enabled the hotel recovery to accelerate from February – mid-March 2022, led by international tourism.

- ▶ In Europe, the **hotel recovery** was sustained, and RevPar progressively came out close and even higher than 2019 levels, rebounding from -50% in January (vs 2019) to +6% in May.
- ▶ The H1 2022 performances confirmed the **strong rebound** in countries with a large domestic clientele, notably France, UK & Italy, which accounts for 47% of Hotel's revenues, and testified to the good fundamentals of the hotel industry, particularly the leisure segment.
- ▶ **France** (and Paris in particular), recorded a strong recovery throughout the second half of the year, with RevPAR up +20% in May 2022 (vs 2019), demonstrating that, in addition to leisure, business customers are also recovering. UK also came back slightly above 2019 levels in May 2022 (RevPar up +2%).
- ▶ German growth was lagging until April because of longer restrictions (RevPar still down -4% in May vs. 2019), but the pace of recovery is now also accelerating.



Sources: MKG, STR

- ▶ Other good news that appeared over the first semester was the setting up of Pricing Power. Average daily rates beat 2019 levels in May, by +12% on average in Europe, with nice performances among our main exposures: +17% in Europe, +9% in the UK and even +6% in Germany.
- ▶ On the investment side, the volume of transactions recorded in Europe in H1 2022 reached €5.6 billion, an increase of +19% vs. H1 2021.

Assets partially owned by Covivio Hotels include:

- 8 operating properties in Germany (94.9% owned)
- 91 B&B assets in France, including 89 held at 50.2% and 2 held at 31.2%
- 11 B&B assets in Germany (93.0%)
- 8 B&B assets in Germany, 5 of them 84.6% held and the other 3, 90.0% held
- 2 Motel One assets in Germany (94.0%)
- 30 AccorInvest assets in France (28 assets) and Belgium (2 assets), 31.2% (24 assets) and 33.3% (6 assets) owned respectively

2. Accounted revenues: +100.1% on a like-for-like basis

(In € million)	Revenues H1 2021 100%	Revenues H1 2021 Group share	Revenues H1 2022 100%	Revenues H1 2022 Group share	Change (%) Group share	Change Group share (%) LfL ¹
Hotel Lease properties - Variable	7.4	3.2	21.1	9.3	+187.3%	+213.9%
Hotel Lease properties - Fixed	68.2	26.5	72.3	28.9	+9.1%	+8.6%
Hotel properties - UK	0.0	0.0	16.4	7.2	n.a	n.a
Operating properties - EBITDA	-3.8	-1.5	19.2	8.1	n.a	n.a
Total revenues Hotels	71.8	28.2	129.0	53.4	+89.6%	+100.1%

¹ LfL: Like-for-Like

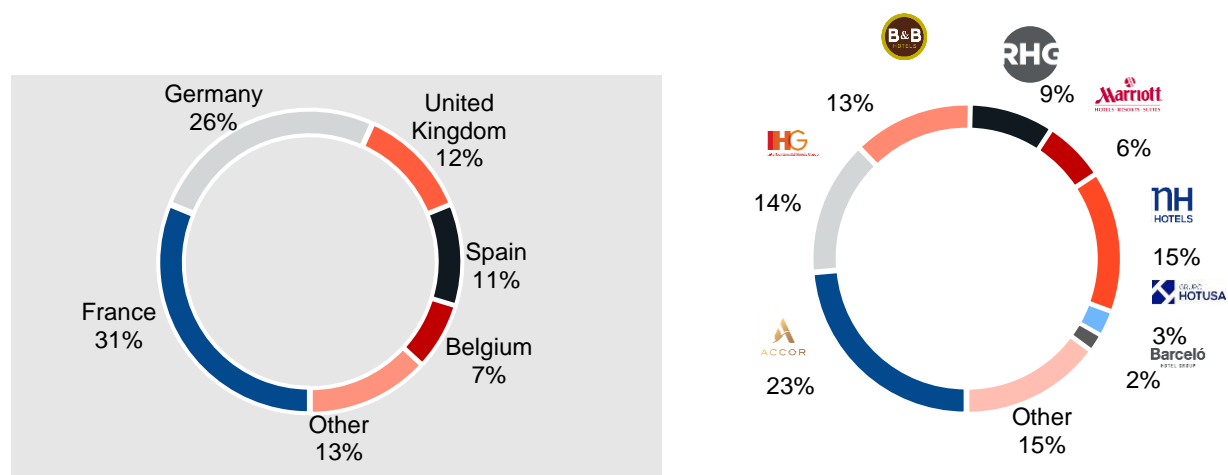
Hotel revenues increased by +100% (+€25.2 million Group share) compared to H1 2021, due to:

- ▶ **Leased hotels:**
 - **AccorInvest variable leases portfolio** (13% of the hotel portfolio), which is indexed on hotel turnover, increased by +214% like-for-like compared to H1 2021, due to the suspension of restrictions in Europe in the first quarter of 2022. These midscale and economy hotels are located in France and Belgium.
 - **UK fixed leases** (14% of the hotel portfolio): +€7 million due to renegotiation of leases.
 - **Other fixed leases** (45% of the hotel portfolio):
 - +€ 0.5 million due to the arrival of a new tenant in Madrid.
 - On a like-for-like basis the +9% performance is explained by the rise of prices that leads to a higher indexation that directly impacts rents.
 - Signing of new leases with B&B France +€ 0.7 million, much higher than 2019 variable rent.
- ▶ **Operating hotels** (20% of the hotel portfolio): mainly located in Germany and in the North of France. The increase from -€1.5M to €8.1M (Germany +€6.5M & France +€1.7M) is due to the end of restrictive health measures since Q1 2022.

Collection rate: 100% for hotels excluding rent free and deferred payment.

3. Annualized revenue

Breakdown by operators and by country (based on 2022 fixed revenues and 2019 variable revenues) which amount to €135.5 million in Group share.



Rents are split using the following breakdown: fixed (45%), variable (20%), UK (12%), and EBITDA (23%)

4. Indexation

Fixed-indexed leases are indexed to benchmark indices (ILC and ICC in France and the consumer price index for foreign assets).

5. Lease expiries: 12.9 years of firm residual lease term

12.9 years

(In € million, Group share)	By lease end date (1st break)	% of total	By lease end date	% of total
2022	0.0	0%	0.0	0%
2023	8.1	8%	2.3	2%
2024	1.0	1%	0.6	1%
2025	2.0	2%	2.3	2%
2026	0.0	0%	0.0	0%
2027	0.9	1%	0.9	1%
2028	0.0	0%	0.0	0%
2029	11.3	11%	12.4	12%
2030	9.6	9%	9.6	9%
2031	3.8	4%	3.8	4%
Beyond	67.1	64%	72.0	69%
Total Hotels in lease	104.0	100%	104.0	100%

7. Portfolio values: +2.8% increase like-for-like

7.1. Change in portfolio values

(In € million, Excluding Duties, Group share)	Value 2021	Acquis.	Invest.	Disposals	Change in value	Others	Value H1 2022
Hotels - Lease properties	2,033	3	12	-29	58	0	2,079
Hotels - Operating properties	521	-	3	-	13	1	539
Assets under development	23	-	-	-	-	0	23
Total Hotels	2,578	3	16	-29	71	1	2,641

At the end of June 2022, the portfolio amounted to €2.6 billion Group share, up €63 million compared to year-end 2021, essentially explained by the positive like-for-like change in value (+€71 million).

7.2. Change on a like-for-like basis: +2.8%

(In € million, Excluding Duties)	Value 2021 100%	Value 2021 Group share	Value H1 2022 100%	Value H1 2022 Group share	LfL ¹ change	Yield ² 2021	Yield ³ H1 2022	% of total value
France	2,283	730	2,238	734	+3.2%	4.9%	4.9%	28%
Paris	827	304	848	313				12%
Greater Paris (excl. Paris)	498	133	515	140				5%
Major regional cities	583	193	609	203				8%
Other cities	374	100	266	78				3%
Germany	650	280	663	286	+1.9%	4.7%	4.6%	11%
Frankfurt	74	31	76	32				1%
Munich	48	21	50	22				1%
Berlin	73	34	75	32				1%
Other cities	454	193	462	200				8%
Belgium	283	112	287	114	+1.4%	6.3%	6.2%	4%
Brussels	100	35	102	36				1%
Other cities	183	77	186	78				3%
Spain	630	276	646	283	+2.4%	5.2%	5.2%	11%
Madrid	283	124	286	126				5%
Barcelona	213	93	219	96				4%
Other cities	134	59	140	61				2%
UK	785	344	817	358	+4.4%	4.8%	4.6%	14%
Italy	265	116	277	121	+2.9%	5.1%	4.9%	5%
Other countries	454	199	467	205	+1.8%	5.2%	5.2%	8%
Total Hotel lease properties	5,351	2,057	5,394	2,102	+2.9%	5.0%	4.9%	80%
France	261	114	278	122	+6.1%	5.4%	5.0%	5%
Lille	106	47	108	48				2%
Other cities	155	68	170	75				3%
Germany	847	352	866	361	+1.5%	6.7%	6.5%	14%
Berlin	596	248	614	256				10%
Dresden & Leipzig	198	82	199	83				3%
Other cities	53	22	54	22				1%
Other countries	125	55	127	56	+1.6%	7.1%	6.9%	2%
Total Hotel Operating properties	1,234	521	1,272	538	+2.5%	6.3%	6.1%	20%
Total Hotels	6,584	2,578	6,666	2,641	+2.8%	5.3%	5.2%	100%

¹ LfL : Like-for-Like on a 6-months basis

² Yield excluding assets under development; EBIDTA yield for hotel operating properties

³ Yields calculated on the basis of 2022 fixed revenues and 2019 variable revenues. Effective yield for H1 2022: 4.6%

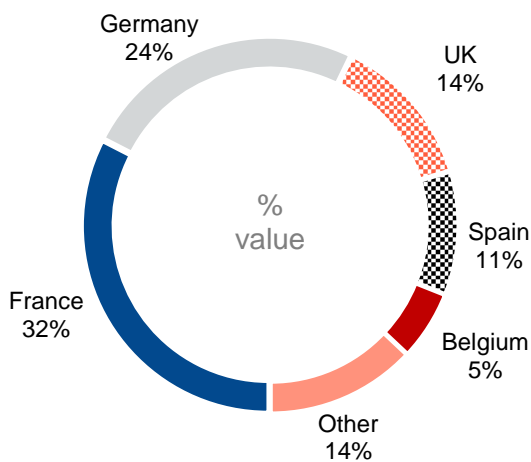
At the end of June 2022, Covivio held a unique hotel portfolio of €2.6 billion (€6.7 billion at 100%) in Europe. This strategic portfolio is characterised by:

- **High-quality locations:** average Booking.com location grade of 8.8/10 and 89% in major European city destinations.
- **Diversified portfolio:** in terms of countries (12 countries, none representing more than 33% of the total portfolio), and segment (68% economic/midscale and 32% upscale).
- **Major hotel operators** with long-term leases: 16 hotel operators with an average lease duration of 12.9 years.

The portfolio value increased by +2.8% Like-for-Like, a mix of:

- 1- **UK portfolio (+4.4%):** the strong recovery in activity from the beginning of the H1 and the new lease with IHG allow an increase of +4.4% on these 12 assets representing 14% of total hotel portfolio.
- 2- **Other leased assets (+2.5%):** in line with the resumption on AccorInvest variables rents, the margin on new sale agreements and the indexation on fixed leased rents. Also thanks to the streamlining of AccorInvest portfolio with joint sales of propcos and opcos and rebranding of 31 assets into Fixed leased B&B hotels.
- 3- **Operating portfolio (+2.5%):** Good performance for the French portfolio with an increase of +6.1% thanks to the asset in the south of the France which was renovated and the rebound of the leisure clientele. Later start of the recovery of German assets at the end of H1 (+1.5%).

Portfolio breakdown by value and geography



89% in major European destinations



3. FINANCIAL INFORMATION AND COMMENTS

Covivio's activity involves the acquisition or development, ownership, administration, and leasing of properties, particularly Offices in France, Italy and Germany, Residential in Germany, and Hotels in Europe.

Registered in France, Covivio is a public limited company with a Board of Directors.

The German Residential information in the following sections include some Office assets owned by the subsidiary (Covivio Immobilien).

CONSOLIDATED ACCOUNTS

3.1. Scope of consolidation

On 30 June 2022, Covivio's scope of consolidation included companies located in France and several European countries. The main equity interests in the fully consolidated but not wholly owned companies are as follows:

Subsidiaries	31 Dec. 2021	30 June 2022
Covivio Hotels	43.8%	43.9%
Covivio Immobilien	61.7%	61.7%
Covivio Office 6 GmbH	89.9%	89.9%
Sicaf (Telecom Italia portfolio)	51.0%	51.0%
OPCI CB 21 (CB 21 Tower)	75.0%	75.0%
Covivio Alexanderplatz	55.0%	55.0%
SCI Latécoère (DS Campus)	50.1%	50.1%
SCI Latécoère 2 (DS Campus extension)	50.1%	50.1%
SCI 15 rue des Cuirassiers (Silex 1)	50.1%	50.1%
SCI 9 rue des Cuirassiers (Silex 2)	50.1%	50.1%
Sas 6 Rue Fructidor (So Pop)	50.1%	50.1%
SCCV Fontenay sous bois (France Residential)	50.0%	50.0%
SCCV Bobigny (France Residential)	60.0%	60.0%
SNC N2 Batignolles promo (Paris N2)	50.0%	50.0%
SCI N2 Batignolles (Paris N2)	50.0%	50.0%

3.2. Accounting principles

The consolidated financial statements have been prepared in accordance with the international accounting standards issued by the IASB (International Accounting Standards Board) and adopted by the European Union on the date of preparation. These standards include the IFRS (International Financial Reporting Standards), as well as their interpretations. The financial statements were approved by the Board of Directors on 21 July 2022.

3.3. Simplified income statement - Group share

(In € million, Group share)	H1 2021	H1 2022	var.	%
Net rental income	262.2	270.1	+7.8	+3%
EBITDA from hotel operating activity & flex-office	2.7	13.6	+10.9	
Income from other activities (incl. Property development)	25.4	14.4	-11.0	-43%
Net revenue	290.4	298.1	+7.7	+3%
Net operating costs	-38.1	-35.5	+2.6	-7%
Amortisations of operating assets	-27.1	-17.9	+9.2	-34%
Net change in provisions and other	4.4	3.8	-0.6	-14%
Current operating income	229.6	248.6	+18.9	+8%
Net income from inventory properties	-0.3	-1.4	-1.1	
Income from value adjustments	296.3	380.4	+84.1	+28%
Income from asset disposals	6.0	-0.8	-6.8	-113%
Income from disposal of securities	1.8	24.5	+22.7	
Income from changes in scope & other	-0.8	-0.4	+0.4	-50%
Operating income	532.6	650.8	+118.2	+22%
Cost of net financial debt	-43.0	-42.0	+1.0	-2%
Interest charges linked to financial lease liability	-3.4	-3.5	-0.1	+3%
Value adjustment on derivatives	46.3	261.1	+214.8	
Discounting of liabilities-receivables, and Result of change	-0.3	-0.5	-0.2	+67%
Early amortisation of borrowings' cost	-1.3	1.5	+2.8	-215%
Share in earnings of affiliates	9.0	23.5	+14.5	
Income before tax	540.0	891.0	+351.1	+65%
Deferred tax	-67.7	-91.0	-23.4	+34%
Corporate income tax	-5.3	-4.3	+1.1	-21%
Net income for the period	466.9	795.7	+328.8	+70%

► **€298.1 million net revenue (+2.7%)**

Net rental income in Group share increased especially thanks to the good dynamic in all our activities, partly offset by disposals in offices.

(In € million, Group share)	H1 2021	H1 2022	var.	%
France Offices	87.5	75.2	-12.3	-14.0%
Italy Offices (incl. retail)	51.3	46.4	-4.9	-9.5%
German Offices	15.4	16.7	+1.3	+8.4%
German Residential	78.7	81.8	+3.1	+3.9%
Hotels in Europe (incl. retail)	29.5	50.0	+20.5	+69.5%
Other (incl. France Residential)	-0.2	-0.1	+0.1	-53.3%
Total Net rental income	262.2	270.1	+7.9	+3.0%
EBITDA from hotel operating activity & flex-office	2.7	13.6	+10.9	+403.7%
Income from other activities	25.4	14.4	-11.0	-43.3%
Net revenue	290.4	298.1	+7.7	+2.7%

France & Italy Offices: decrease mainly due to the sale of assets. Good like-for-like dynamic.

Germany Offices: increase of the rents following a slight reduction of the vacancy

German Residential: increase driven by acquisitions and continued rental growth

Hotels in Europe: recovery has been very strong since March, with performance close to or even above 2019 in April-May

- ▶ **EBITDA from the hotel operating activity and flex-office:** increase in revenues following the recovery in the activity in particular in France. The flex-office activity increased slightly thanks to the ramp-up of this activity and the opening of new spaces in Milan.
- ▶ **Income from other activities:** net income from other activities comes from the income generated by the property development activity (€9.1 million), asset and development fees on partnerships (€6 million) and marginally by car park activity (€0.6 million).
- ▶ **Net operating costs:** -€35.5 million including +€13.6 million in property management fees.
- ▶ **Amortisation of operating assets:**
Note that this item includes the amortisation linked to the right of use according to IFRS 16. This amortisation of right of use is mainly related to owner-occupied buildings and headquarters. The decrease is mainly due to the write off in our own-occupied building (Gobelins operated under our Wellio flexible workspace brand) and the impact on the park sale.
- ▶ **Net change in provision and other:**
Before the application of IFRS 16, ground lease expenses and ground lease recharge were reported within net rental income. Because of the application of IFRS16 “Leases”, there is no longer a ground lease expense (this expense is replaced by an interest charge), therefore the ground lease recharge is reported under “Net change in provision and other” so as to not artificially increase Net rental income. In H1-2021, the amount was €1.4 million and in H1-2022, the amount is € 1.6 million.
- ▶ **Net income from inventory properties:**
This item refers to a marginal real estate trading activity, mainly in Italy.
- ▶ **Change in the fair value of assets:**
The income statement recognises changes in the fair value (+€380.4 million) of assets based on appraisals carried out on the portfolio.
This line item does not include the change in fair value of assets recognised at amortised cost under IFRS but is taken into account in the EPRA NAV calculation (hotel operating properties, flex-office assets and other own-occupied buildings).
For more details on changes in the portfolio by activity, see section 1 of this document.
- ▶ **Income from asset disposals & disposal of securities:**
Income from asset disposals contributed €24.5 million during the year. This income comes from a car park sale.
- ▶ **Cost of net financial debt:**
The cost of net financial debt decreased thanks to continuous debt restructuring efforts.
- ▶ **Interest charges linked to finance lease liability:**
The Group rents some land under long term leasehold. According to IFRS 16, such rental costs are stated as interest charges. The interest charges refer to the hotel activity for an amount equal to -€3.5 million.
- ▶ **Value adjustment on derivatives:**
The fair value of financial instruments (hedging instruments) is positively impacted by an average 197 bps increase in the long-term interest rates. The P&L impact is a revenue of +€261.1 million, while the 1st half 2021, it was +€46.3 million.

Share of income of equity affiliates

Group share	% interest	Contribution to earnings (€million)	Value	Change in equity value (%)
OPCI Covivio Hotels	8.6%	3.8	41.7	+7.5%
Lénovilla (New Vélizy)	50.1%	9.6	70.6	+8.6%
Euromed	50.0%	2.1	33.5	+6.7%
Cœur d'Orly	50.0%	5.9	36.3	+19.3%
Phoenix (Hotels)	14.6%	2.2	48.6	+3.6%
Total		23.5	230.7	+0.3%⁽¹⁾

¹At end-2021, Equity affiliates included Orianz (an asset sold to Icade) and Factor E (an asset now 100% owned)

The equity affiliates include Hotels in Europe and the France Offices sectors:

- ▶ OPCI Covivio Hotels: two hotel portfolios, Campanile (32 hotels) and AccorHotels (39 hotels) 80%-owned by Crédit Agricole Assurances.
- ▶ Lenovilla: the New Vélizy campus (47,000 m²), let to Thalès and co-owned with Crédit Agricole Assurances.
- ▶ Euromed in Marseille: one office building (Calypso) and a hotel (Golden Tulip) in partnership with Crédit Agricole Assurances.
- ▶ Cœur d'Orly in Greater Paris: two buildings in the Orly airport business district in partnership with ADP.
- ▶ Phoenix hotel portfolio: 32% stake held by Covivio Hotels (43.9% subsidiary of Covivio) in a portfolio of 30 Accor Invest hotels in France & Belgium.

Taxes

The corporate income tax relates to the tax on:

- ▶ Foreign companies that are not or are only partially subject to a tax transparency regime (Italy, Germany, Belgium, the Netherlands, United Kingdom and Portugal).
- ▶ French subsidiaries with a taxable activity.

The corporate income tax amounted to -€4.2 million, including taxes on sales (-€0.5 million).

Adjusted EPRA Earnings increased by +8 % to €222.7 million (+€15.8 million vs. H1 2021)

	Net income Group share	Restatements	Adjusted EPRA E. H1 2022	Adjusted EPRA E. H1 2021
Net rental income	270.1	3.0	273.1	265.3
EBITDA from the hotel operating activity & flex-office	13.6	0.6	14.2	3.3
Income from other activities (incl. Property development)	14.4	0.0	14.4	25.7
Net revenue	298.1	3.6	301.7	294.3
Net operating costs	-35.5	0.0	-35.5	-38.1
Amortisations of operating assets	-17.9	10.5	-7.4	-10.3
Net change in provisions and other	3.8	-1.6	2.3	3.0
Operating income	248.6	12.5	261.1	248.9
Net income from inventory properties	-1.4	1.4	0.0	0.0
Income from value adjustments	380.4	-380.4	0.0	0.0
Income from asset disposals	-0.8	0.8	0.0	0.0
Income from disposal of securities	24.5	-24.5	0.0	0.0
Income from changes in scope & other	-0.4	0.4	0.0	0.0
Operating result	650.8	-389.7	261.1	248.9
Cost of net financial debt	-42.0	0.7	-41.2	-42.0
Interest charges linked to finance lease liability	-3.5	2.2	-1.3	-1.3
Value adjustment on derivatives	261.1	-261.1	0.0	0.0
Discounting of liabilities-receivables and Foreign Exchange Result	-0.5	0.4	-0.1	-0.3
Early amortisation of borrowings' costs	1.5	0.3	1.8	-0.3
Share in earnings of affiliates	23.5	-16.4	7.2	6.1
Pre-tax net income	891.0	-663.6	227.4	210.9
Deferred tax	-91.1	91.1	0.0	0.0
Corporate income tax	-4.2	-0.5	-4.7	-4.0
Net income for the period	795.7	-573.0	222.7	206.9
<i>Average number of shares</i>			<i>94,154,158</i>	<i>94,318,440</i>
Net income per share			2.37	2.19

- ▶ The restatement on the net rental income is linked with the IFRIC21 rule (property tax fully accounted in H1) which is spread over the year according to EPRA best practices.
- ▶ The restatement of the amortisation of operating assets (+€10.5 million) offsets the real estate amortisation of the flex-office and hotel operating activities.
- ▶ The restatement of the net change in provisions (-€1.6 million) consists of the ground lease expenses linked to the UK leasehold.
- ▶ There was a €0.7 million impact on the cost of debt due to early debt restructuring costs.
- ▶ Concerning the interest charges linked to finance lease liabilities relating to the UK leasehold, as per IAS 40 §25, €2.2 million was cancelled and replaced by the lease expenses paid (see the amount of -€1.6 million under the line item "Net change in provisions and other").
- ▶ The restatement of the share in earnings of affiliates allows for the EPRA earnings contribution to be displayed.
- ▶ The restatement of the corporate income tax (-€0.5 million) is linked to the tax on disposals.

Adjusted EPRA Earnings by activity

(In € million, Group share)	France Offices	Italy Offices ¹	Germany Offices	Germany Residential	Hotels in lease ¹	Hotel operating properties	Corporate or non-attributable sector	H1 2022
Net rental income	78.1	46.4	16.7	81.8		50.2	-0.2	273.1
EBITDA from Hotel operating activity & flex-office	4.0	1.6			8.7			14.2
Income from other activities (incl. Property development)	7.1	0.2		6.6			0.5	14.4
Net revenue	89.2	48.2	16.7	88.4	8.7	50.2	0.3	301.7
Net operating costs	-15.6	-1.6	-0.8	-14.2		-1.8	-1.5	-35.5
Amortisation of operating assets	-3.5	-0.7	-0.4	-1.3		-1.0	-0.5	-7.4
Net change in provisions and other	3.8	-0.6	-0.7	-0.2		-0.7	0.6	2.2
Operating result	74.0	45.3	14.8	72.7	8.7	46.6	-1.1	261.0
Cost of net financial debt	-7.0	-6.9	-3.6	-13.4		-10.6	0.3	-41.2
Other financial charges	0.0	1.8	-0.2	0.0	0.0	-1.0	0.0	0.6
Share in earnings of affiliates	4.9					2.3		7.2
Corporate income tax	-0.2	-0.7	-0.3	-2.4		-1.1	-0.1	-4.8
Adjusted EPRA Earnings	71.6	39.5	10.7	56.9	8.7	36.1	-0.9	222.7
Development margin		-0.2		-7.8			-1.1	-9.1
EPRA Earnings	71.6	39.3	10.7	49.1	8.7	36.1	-2.0	213.6

1: Including non-strategic retail in the subsidiary scope

EPRA Earnings of affiliates

(In € million, Group share)	France Offices	Hotels (in lease)	H1 2022
Net rental income	5.7	3.1	8.8
Net operating costs	-0.2	-0.3	-0.5
Amortisation of operating properties	0.0	0.0	0.0
Cost of net financial debt	-0.6	-0.5	-1.1
Corporate income tax		0.0	-0.0
Share in EPRA Earnings of affiliates	4.9	2.3	7.2

3.4. Simplified consolidated income statement (at 100%)

(In € million, 100%)	H1 2021	H1 2022	var.	%
Net rental income	383.8	415.0	+31.2	+8.1%
EBITDA from hotel operating activity & flex-office	0.4	24.8	+24.4	+6100.0%
Income from other activities (incl. Property development)	15.2	12.7	-2.5	-16.4%
Net revenue	399.4	452.5	+53.1	+13.3%
Net operating costs	-54.2	-54.2		+0.0%
Amortisation of operating assets	-38.6	-30.1	+8.5	-22.0%
Net change in provisions and other	9.2	7.9	-1.3	-14.1%
Current operating income	315.8	376.1	+60.3	+19.1%
Net income from inventory properties	0.1	-1.5	-1.6	n.s.
Income from asset disposals	8.6	0.6	-8.0	-93.0%
Income from value adjustments	421.5	646.6	+225.1	+53.4%
Income from disposal of securities	2.8	24.5	+21.7	+775.0%
Income from changes in scope	-0.9	-0.5	+0.4	-44.4%
Operating income	747.9	1,045.8	+297.9	+39.8%
Cost of net financial debt	-76.1	-70.5	+5.6	-7.4%
Interest charge related to finance lease liability	-7.2	-7.7	-0.5	+6.3%
Value adjustment on derivatives	76.7	399.7	+323.0	+421.1%
Discounting of liabilities and receivables	-0.8	-1.2	-0.4	+43.8%
Early amortisation of borrowings' costs	-2.1	1.1	+3.2	-152.4%
Share in earnings of affiliates	11.1	31.2	+20.1	+181.1%
Income before tax	749.5	1,398.5	+649.0	+86.6%
Deferred tax	-110.6	-134.3	-23.7	+21.4%
Corporate income tax	-8.8	-7.9	+0.9	-10.2%
Net income for the period	630.1	1,256.4	+626.3	+99.4%
Non-controlling interests	-163.2	-460.7	-297.5	+182.3%
Net income for the period - Group share	466.9	795.7	+328.8	+70.4%

The +€328.8 million (+€70.4%) increase in net income for the period is related to the increase in value of the properties of +€421.5 million last year vs +€646.6 million this year (gain €225.1 million), and the positive impact of derivatives' value of +€76.7 million last year vs +€399.7 million this year (gain €323.0 million).

Net revenue increased by c.€7.7 million, mainly due to the recovery of activity in the hotel sector and rental growth in German Residential.

(In € million, 100%)	H1 2021	H1 2022	var.	%
France Offices	100.9	89.0	-11.9	-11.8%
Italy Offices (incl. Retail)	68.7	61.2	-7.5	-10.9%
German Residential	122.8	126.6	+3.8	+3.1%
German Offices	16.5	17.9	+1.4	+8.5%
Hotels in Europe (incl. Retail)	75.0	120.3	+45.3	+60.4%
Other (mainly France Residential)	-0.1	0.0	+0.1	n.s.
Total Net rental income	383.8	415.0	+31.2	+8.1%
EBITDA from the hotel operating activity & flex-office	0.4	24.7	+24.3	n.s.
Income from other activities	15.2	12.7	-2.5	-16.4%
Net revenue	399.4	452.4	+53.0	+13.3%

3.5. Simplified consolidated balance sheet (Group share)

(In € million, Group share)					
Assets	2021	H1 2022	Liabilities	2021	H1 2022
Investment properties	14,640	14,786			
Investment properties under development	1,341	1,569			
Other fixed assets	852	917			
Equity affiliates	230	231			
Financial assets	304	290			
Deferred tax assets	94	82			
Financial instruments	45	364	Shareholders' equity	9,194	9,606
Assets held for sale	505	187	Borrowings	8,728	8,775
Cash	929	932	Financial instruments	142	163
Inventory (Trading & Construction activities)	153	139	Deferred tax liabilities	769	849
Other	668	713	Other liabilities	927	814
Total	19,760	20,207	Total	19,760	20,207

► Investment properties, Properties under development and Other fixed assets

The portfolio (including assets held for sale) at the end of December by operating segment is as follows:

(In € million, Group share)	2021	H1 2022	var.
France Offices	5,496	5,315	-182
Italy Offices (incl. Retail)	2,653	2,611	-42
German Offices	1,349	1,359	10
German Residential	5,202	5,526	324
Hotels in Europe (incl. Retail)	2,600	2,646	46
Car parks (and other)	37	0	-37
Total Fixed Assets	17,337	17,457	119

The decrease in **France Offices** (-€182 million) was mainly due to the disposals (-€327 million) and the depreciation tied to own-occupied buildings (-€5 million), partly offset by +€125 million of Acquisition and CAPEX and the change in fair value (+€38 million).

In Italy Offices, the change (-€42 million) was mainly due to disposals for the year (-€80 million), offset by the increase in fair value (+€18 million) due to the positive performance on assets in Milan CBD and the CAPEX & acquisition of the year (+€21 million).

The increase in **German Residential** (+€324 million) was mainly due to the growth in fair value (+€280 million), CAPEX and acquisitions (+€79 million), offset by disposals for the year (-€34 million).

German Offices (+€10 million) was mainly due to the CAPEX (+€7 million).

The increase in the **Hotels in Europe portfolio** (+€46 million) was mainly driven by the disposals (-€29 million) and the change in fair value (+€71 million), offset by foreign currency exchange losses (-€12million) and Acquisition and Capex (+€20 million).

▶ **Assets held for sale (included in the total fixed assets above), €186.5 million at the end of June 2022**

Assets held for sale consists of assets for which a preliminary sales agreement has been signed. The breakdown by segment is as follow:

- 47.2% of offices in Italy.
- 25.8% of hotels in Europe.
- 18.3% of offices in France.
- 8.7% of residential in Germany.

▶ **Total Group shareholders' equity**

Shareholders' equity increased from €9,194 million at the end of 2021 to €9,606 million at 30 Jun 2022, i.e +€412 million, mainly due to:

- Income for the period: +€799.7 million.
- The dividend distribution: -€353.3 million.
- Purchase of own shares: -€38.6 million.
- Change in Other Comprehensive Income +€7.7 million.

▶ **Deferred tax liabilities**

Net deferred taxes represent €767 million in liabilities versus €675.8 million on 31 December 2021. This €91.2 million increase is mainly due to the growth of appraisal values in Germany (+€81.1 million).

3.6. Simplified consolidated balance sheet (at 100%)

(In € million, 100%)					
Assets	2021	H1 2022	Liabilities	2021	H1 2022
Investment properties	21,450	21,815			
Investment properties under development	1,707	1,983			
Other fixed assets	1,525	1,589			
Equity affiliates	340	346			
Financial assets	138	123	Shareholders' equity	9,194	9,606
Deferred tax assets	106	96	Non-controlling interests	4,430	4,607
Financial instruments	64	521	Shareholders' equity	13,623	14,213
Assets held for sale	902	229	Borrowings	11,834	11,814
Cash	1,063	1,036	Financial instruments	201	205
Inventory (Trading & Construction activity)	212	183	Deferred tax liabilities	1,222	1,345
Other	730	845	Other liabilities	1,357	1,189
Total	28,237	28,766	Total	28,237	28,766

4. FINANCIAL RESOURCES

Summary of the financial activity

Covivio is rated BBB+ with a stable outlook by S&P, confirmed on April 27th 2022.

At June 2022, Covivio's Loan-to-Value (LTV) ratio is down by -170bps YoY at 39.5% (LTV policy < 40%) thanks to active portfolio rotation and strong value growth in German Residential. Average cost of debt continues to decrease, at 1.14% (-6bps vs end-2021), and maturity of debt is at 5.1 years.

The liquidity position is also strong, with €2.1 billion available at end-June 2022 on Covivio SA, including €1.3 billion of undrawn credit lines and €0.8 billion of cash.

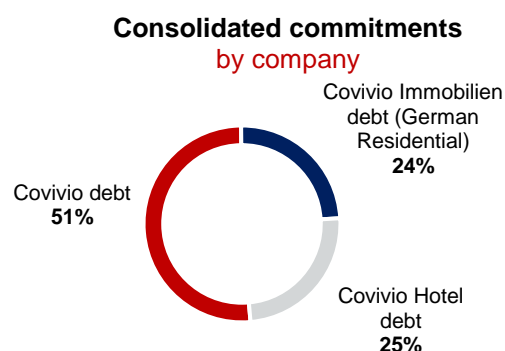
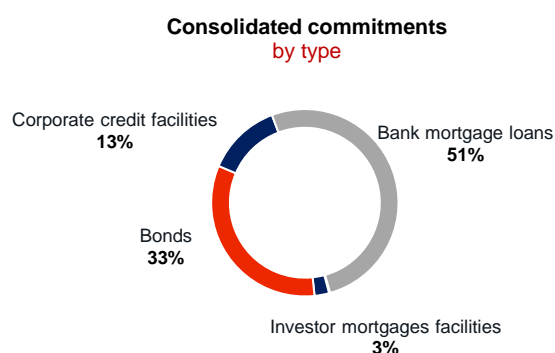
4.1. Main debt characteristics

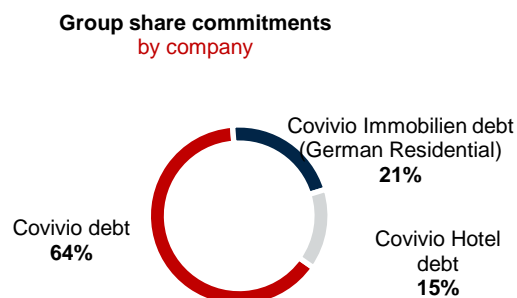
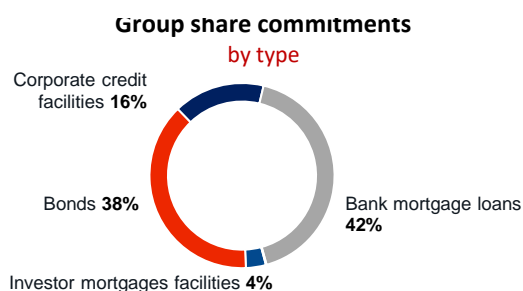
Group share	31 Dec. 2021	30 Jun. 2022
Net debt, Group share (€ million)	7,799	7,843
Average annual rate of debt	1.20%	1.14%
Average maturity of debt (in years)	5.4	5.1
Debt active hedging average rate	78%	79%
Average maturity of hedging	6.8	6.6
LTV including duties	39.1%	39.5%
ICR	6.7	7.3

4.2. Debt by type

Covivio's net debt stands at €7.8 billion in Group share at end-June 2022 (€10.8 billion on a consolidated basis), flat compared to end-2021.

As regards the commitments attributable to the Group, the share of corporate debts (bonds and loans) grows up to 54% at end-June 2022. Additionally, Covivio had €1.6 billion in commercial paper outstanding at 30 June 2022.



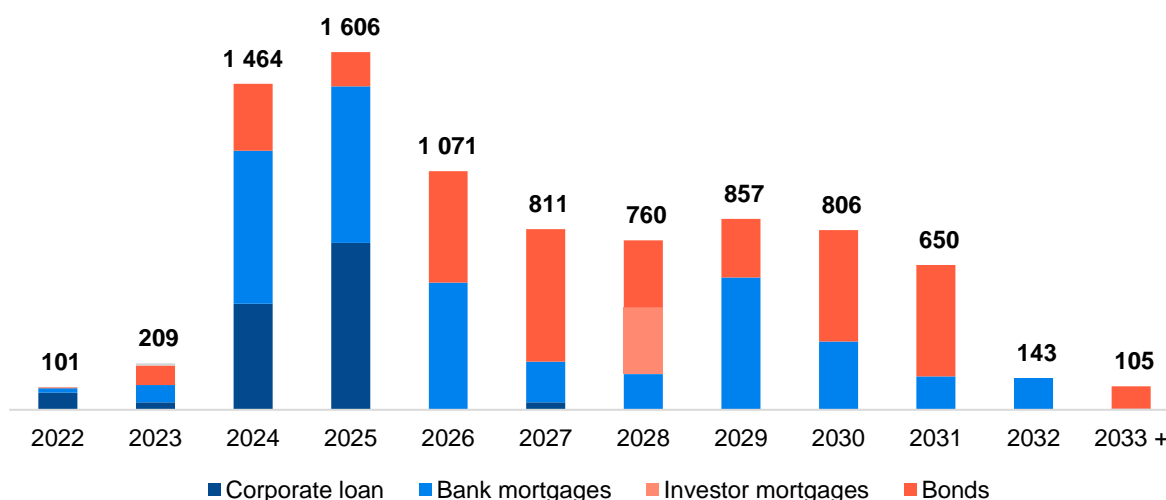


4.3. Debt maturity

The average maturity of Covivio's debt stands at 5.1 years at end-June 2022 (excluding commercial paper). Until 2024, there is no major maturity that has not already been covered or is already under renegotiation.

The next large maturities occur in 2024 and are mainly composed of a bond of €300 million and a mortgage debt of €207 million Group share linked to the Telecom Italia portfolio.

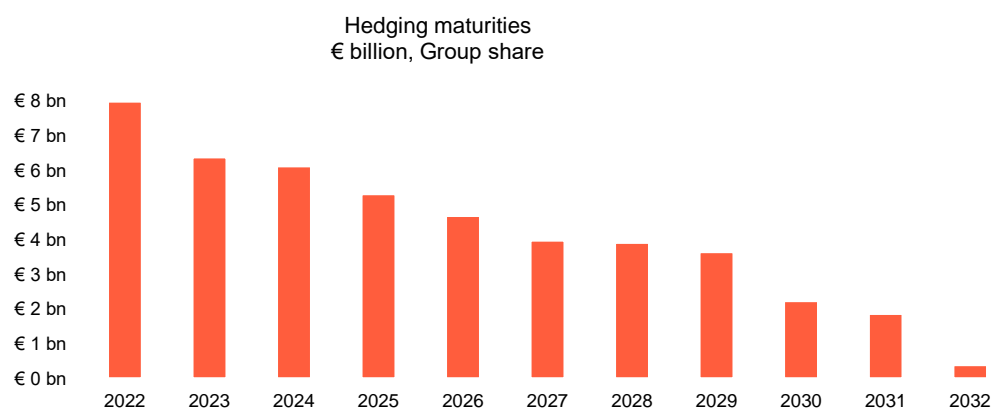
Debt maturities by type
(in € millions, Group share)



4.4. Hedging profile

At end-June 2022, the hedging management policy remained unchanged, with debt hedged at 85% on average over the year, at least 75% of which through short-term hedges, and all of which with maturities equivalent to or exceeding the debt maturity.

At 30 June 2022, the average term of the hedges is 6.6 years Group share and on average over H1, total hedging reached 86%, in line with our policy.



4.5. Average interest rate on debt and sensitivity

The average interest rate on Covivio's debt decreased again by 6 bps to 1.14% in Group share.

Financial structure

Excluding debts raised without recourse to the Group's property companies, the debts of Covivio and its subsidiaries generally include bank covenants (ICR and LTV) applying to the borrower's consolidated financial statements. If these covenants are breached, early debt repayment may be triggered. These covenants are established on a Group share basis for Covivio and Covivio Hotels and the other subsidiaries of Covivio (if their debt includes them).

- ▶ The most restrictive consolidated LTV covenants amounted, at 30 June 2022, to 60% for Covivio and Covivio Hotels.
- ▶ The most restrictive ICR consolidated covenants applicable to the REITs, at 30 June 2022, are of 200% for Covivio and Covivio Hotels.

With respect to Covivio Immobilien (German Residential), for which almost all of the debt raised is "non-recourse" debt, portfolio financings do not contain any consolidated financial covenants.

Lastly, with respect to Covivio, some corporate credit facilities are subject to the following ratios:

Ratio	Covenant	31 Dec. 2021	30 Jun. 2022
LTV	60.0%	42.2% ¹	42.2% ¹
ICR	200%	672%	734%
Secured debt ratio	25.0%	4,8%	4.7%

¹ Excluding duties and sales agreements

All covenants were fully complied with at year end 2021. No loan has an accelerated payment clause contingent on Covivio's rating, which is currently BBB+, Stable outlook (S&P rating) confirmed on 27th April 2022.

Detail of Loan-to-Value calculation (LTV)

(In € million Group share)	31 Dec. 2021	30 Jun. 2022
Net book debt	7,799	7,843
Receivables linked to associates (full consolidated)	-226	-209
Receivables on disposals	-110	-93
Preliminary sale agreements	-377	-186
Purchase debt	72	69
Net debt	7,158	7,423
Appraised value of real estate assets (Including Duties)	18,414	18,627
Preliminary sale agreements	-471	-186
Financial assets	18	22
Receivables linked to associates (equity method)	105	88
Share of equity affiliates	230	231
Value of assets	18,297	18,781
LTV Excluding Duties	41.2%	41.6%
LTV Including Duties	39.1%	39.5%

4.6. Reconciliation with consolidated accounts

Net debt

(In € million)	Consolidated accounts	Minority interests	Group share
Bank debt	11,814	-3,039	8,775
Cash and cash equivalents	1,036	-104	932
Net debt	10,778	-2,935	7,843

Portfolio

(In € million)	Consolidated accounts	Portfolio of companies under the equity method	Fair value of operating properties	Right of use of investment properties	Minority interests	Group share
Investment & development properties	23,799	1,077	1,783	-261	-8,776	17,622
Assets held for sale	229	-	-	-	-42	186
Total portfolio	24,027	1,077	1,783	-261	-8,818	17,808
					Duties	947
					Portfolio group share including duties	18,755
					(-) portfolio of companies consolidated under the equity method	-348
					(+) Fair value of trading activities	139
					(+) Other operating properties	81
					Portfolio for LTV calculation	18,627

Interest Coverage Ratio

(In € million)	Consolidated accounts	Minority interests	Group share
EBITDA (net rents (-) operating expenses (+) results of other activities)	400.8	-129.1	271.7
Cost of debt	63.2	-26.2	37.0
ICR			7.34

5. EPRA REPORTING

The German Residential information in the following sections includes some Office assets owned by the subsidiary Covivio Immobilien.

5.1. Change in net rental income (Group share)

€ million	H1 2021	Acquis.	Disposals	Developments (deliveries & vacating for redevelopment)	Indexation, asset management & occupancy	Others	H1 2022
France Offices	87	0	-4	-7	2	-3	75
Italy Offices (incl. retail)	51	0	-7	1	2	0	46
German Offices	15	0	0	0	1	1	17
German Residential	79	3	-1	0	0	1	82
Hotels in Europe (incl. Retail & excl. EBITDA from operating properties)	29	0	-1	0	24	-2	50
Total	262	3	-13	-7	28	-3	270

The revenues LFL growth (including EBITDA from Hotels) is +13% in H1 2022 (cf. page 14).

Reconciliation with financial data

	H1 2022
Total from the table of changes in Net rental Income (GS)	270
Adjustments	-
Total net rental income GS (Financial data § 3.3)	270
Minority interests	145
Total net rental income 100% (Financial data § 3.4)	415

5.2. Investment assets – Information on leases

Annualized rental income corresponds to the gross amount of guaranteed rent for the full year based on existing assets at the period end, excluding any incentives.

$$\text{Vacancy rate at end of period} = \frac{\text{Market rental value on vacant assets}}{\text{Contractual annualized rents on occupied assets} + \text{Market rental value on vacant assets}}$$

$$\text{EPRA vacancy rate at end of period} = \frac{\text{Market rental value on vacant assets}}{\text{Market rental value on occupied and vacant assets}}$$

(€ million, Group share)	Gross rental income (€m)	Net rental income (€m)	Annualized rents (€ m)	Surface (m ²)	Average rent (€/m ²)	Vacancy rate (excl. Secured lease) (%)	ERV of spot vacant space (€ m) ⁽²⁾	ERV of the whole portfolio (€ m) ⁽²⁾	EPRA vacancy rate (%)
France Offices	86	75	193	1,369,610	169	5.8%	17	211	8.3%
Italy Offices (incl. retail)	55	46	117	1,002,288	145	1.9%	3	121	2.8%
German Offices	20	17	47	369,638	142	15.1%	8	51	14.9%
German Residential	90	82	179	2,836,137	98	1.0%	2	181	1.0%
Hotels in Europe (incl. Retail & excl. EBITDA from operating properties)	46	50	106	n.c	n.c	-	0	106	-
Total ¹	298	270	641	5,577,673	127	3.5%	30	669	4.5%

1. Including French residential and others
2. Excluding Herzoterrassen, under development

The spread between the vacancy rate excluding the secured lease (3.5%) and the EPRA vacancy rate (4.5%) is due to the secured vacant area which are included in the EPRA vacancy as vacant even if already let.

Regarding the German Residential the 179 M€ of ERV doesn't include the potential reversion in all our markets Berlin (20-25%), Hamburg (20-25%), Dresden and Leipzig (10-15%) and in North Rhine-Westphalia (15-20%).

Average metric rents are computed on total surfaces, including land banks and vacancy on development projects.

5.3. Investment assets - Asset values

(€ million, Group share)	Market value	Change in fair value over the year	Duties	EPRA NIY
France Offices	5,681	38	273	3.6%
Italy Offices (incl. Retail)	2,613	14	89	3.7%
German Residential	5,382	280	375	2.9%
German Offices	1,464	-11	89	2.5%
Hotels in Europe (incl. Retail)	2,665	59	121	4.9%
Other (France Resi. and car parks)	3			n.a.
Total H1 2022	17,808	380	947	3.5%

The EPRA net initial yield is the ratio of:

$$\text{EPRA NIY} = \frac{\text{Annualized rental income after deduction of outstanding benefits granted to tenants (rent-free periods, rent ceilings) - unrecovered property charges for the year}}{\text{Value of the portfolio including duties}}$$

Reconciliation with financial data

€ million	H1 2022
Total portfolio value (Group share, market value)	17,808
Fair value of the operating properties	-1,038
Fair value of companies under equity method	-348
Other assets held for sale	0
Right of use on investment assets	121
Fair value of car parks facilities	-3
Tangible fixed assets	
Investment assets Group share ¹ (Financial data § 3.5)	16,540
Minority interests	7,486
Investment assets 100% ¹ (Financial data § 3.5)	24,026

¹ Fixed assets + Developments assets + asset held for sale

Reconciliation with IFRS

€ million	H1 2022
Change in fair value over the year (Group share)	380
Others	-
Income from fair value adjustments Group share (Financial data § 3.3)	380
Minority interests	266
Income from fair value adjustments 100% (Financial data § 3.4)	647

5.4. Assets under development

	Ownership type	% ownership (Group share)	Fair value H1 2022	Capitalised financial expenses over the year	Total cost incl. financial cost ¹ (€m, Group share)	% progress	Delivery date	Surface at 100% (m ²)	Pre-letting	Yield (%)
Paris So Pop (50% Share)	FC	50%		1.5	114	80%	2022	31,300 m ²	33%	5.5%
Paris Streambuilding (50% share)	FC	50%		0.8	84	86%	2022	15,600 m ²	94%	4.2%
DS Extension 2 (50% share)	FC	50%		0.2	71	45%	2023	27,500 m ²	100%	7.2%
Levallois Maslo	FC	100%		1.5	208	68%	2023	19,800 m ²	10%	4.5%
Paris Jean Goujon	FC	100%		2.3	196	70%	2022	8,600 m ²	58%	4.0%
Paris Anjou	FC	100%		0.8	228	6%	2025	9,300 m ²	100%	3.5%
Total France Offices			954	7.3	901	54%		112,100 m²	61%	4.5%
Symbiosis G+H	FC	100%		0.6	159	4%	2024	38,000 m ²	100%	6.5%
Corso Italia	FC	100%		0.8	117	37%	2023	11,600 m ²	100%	6.3%
The Sign D	FC	100%		0.2	64	10%	2024	13,200 m ²	92%	6.5%
Rozzano, Strada 8	FC	100%		0.2	41	2%	2024	25,700 m ²	28%	8.4%
Total Italy Offices			173	1.8	381	54%		88,500 m²	91%	7.4%
Berlin Alexanderplatz	FC	55%		2.4	339	34%	2026	60,000 m ²	0%	4.5%
Total German Offices			189	2.4	339	34%		60,000 m²	0%	4.5%
Total			1,315	11.5	1,621	50%		260,600 m²	55%	5.2%

¹ Total cost including land and financial cost

² FC : Full consolidation

The total cost of committed projects is therefore € 2,452 million (cf 1.G. Development projects).

Reconciliation with total committed pipeline

(€M, Group share)	Capitalised financial expenses over the year	Total cost incl. financial cost (Group share)
Projects fully consolidated	11.5	1,621
Projects on own-occupied buildings (Paris Madrid Saint Lazare)	0.4	101
Others (Bordeaux Jardin de l'Ars, Le Floria, Meudon Thalès 2, Vitae, Loft, Herzogterrassen)	0	731
Total Offices Committed pipeline	11.8	2,452
German Residential		176
French Residential		255
Total Committed pipeline	11.8	2,882

Reconciliation with financial data

	June 2022
Total fair value of assets under development	1,315
Project under technical review and non-committed projects	253
Assets under development (Financial data § 3.5)	1,569

5.5 Information on leases

	Firm residual lease term (years)	Residual lease term (years)	Lease expiration by date of 1st exit option Annualized rental income of leases expiring				Total (€m)	Section
			N+1	N+2	N+3 to 5	Beyond		
France Offices	4.8	6.0	7%	21%	29%	43%	193	2.B.6
Italy Offices (incl. retail)	7.2	7.7	6%	5%	13%	75%	117	2.C.6
Germany Offices	4.3	5.0	10%	10%	45%	35%	47	2.D.6
Hotels in Europe (incl. retail)	12.9	14.2	0%	8%	3%	89%	106	2.F.5
Others (German Residential, Hotels Ebitda, others)	n.a	n.a	n.a	n.a	n.a	n.a	211	
Total¹	7.2	8.2	4%	9%	14%	73%	673	

1. Percentage of lease expiries on total revenues

In 2022, 3.0% of the lease expiries are managed as 0.9% have no intention to vacate the property and 1.7% are going to be redeveloped and 0.4% will be sold. The other part, 0.7%, has to be managed.

5.6 EPRA Net Initial Yield

The data below shows detailed yield rates for the Group and the transition from the EPRA topped-up yield rate to Covivio's yield rate.

- EPRA topped-up net initial yield is the ratio of:

$$\text{EPRA Topped-up NIY} = \frac{\text{Annualized rental income after expiration of outstanding benefits granted to tenants (rent-free periods, rent ceilings) - unrecovered property charges for the year}}{\text{Value of the portfolio including duties}}$$

- EPRA net initial yield is the ratio of:

$$\text{EPRA NIY} = \frac{\text{Annualized rental income after deduction of outstanding benefits granted to tenants (rent-free periods, rent ceilings) - unrecovered property charges for the year}}{\text{Value of the portfolio including duties}}$$

(€ million, Group share) Excluding French Residential and car parks	Total 2021	France Offices	Italy Offices (incl. Retail)	German Offices	German Residential	Hotels in Europe (incl. Retail) ^(a)	Total H1 2022
Investment, disposable and operating properties	17,703	5,681	2,613	1,464	5,382	2,665	17,808
Restatement of assets under development	-1,340	-1,170	-221	-132	-20	-26	-1,569
Restatement of undeveloped land and other assets under development	-260	-243	-91	-271	-	-20	-625
Duties	921	273	89	89	375	121	947
Value of assets including duties (1)	17,025	4,542	2,390	1,150	5,737	2,740	16,562
Gross annualized IFRS revenues	656	180	107	35	179	136	637
Irrecoverable property charge	-70	-17	-17	-6	-15	-2	-58
Annualized net revenues (2)	586	163	89	29	164	134	579
Rent charges upon expiration of rent free periods or other reductions in rental rates	45	13	10	5	-	1	30
Annualized topped-up net revenues (3)	631	176	100	34	164	135	608
EPRA Net Initial Yield (2)/(1)	3.4%	3.6%	3.7%	2.5%	2.9%	4.9%	3.5%
EPRA "Topped-up" Net Initial Yield (3)/(1)	3.7%	3.9%	4.2%	2.9%	2.9%	4.9%	3.7%
Transition from EPRA topped-up NIY to Covivio yield							
Impact of adjustments of EPRA rents	0.4%	0.4%	0.8%	0.6%	0.3%	0.1%	0.4%
Impact of restatement of duties	0.2%	0.3%	0.2%	0.3%	0.2%	0.2%	0.2%
Covivio reported yield rate^(b)	4.4%	4.5%	5.1%	3.8%	3.3%	5.2%	4.3%

^(a) On Hotels the annualized revenues includes the 2022 fixed rents and the 2019 variable rents

^(b) Excludes asset in development

5.7. EPRA cost ratio

(€million, Group share)	H1 2021	H1 2022
Cost of other activities and fair value	-16.3	-18.5
Expenses on properties	-10.6	-10.1
Net losses on unrecoverable receivables	-0.6	4.0
Other expenses	-2.2	-1.7
Overhead	-45.0	-47.4
Amortisation, impairment and net provisions	3.6	2.3
Income covering overheads	8.7	13.6
Cost of other activities and fair value	-1.7	-1.5
Property expenses	0.5	0.3
EPRA costs (including vacancy costs) (A)	-63.6	-59.1
Vacancy cost	8.2	10.8
EPRA costs (excluding vacancy costs) (B)	-55.4	-48.3
Gross rental income less property expenses	292.3	297.4
EBITDA from hotel operating properties & coworking, income from other activities and fair value	37.1	37.7
Gross rental income (C)	329.4	335.0
EPRA costs ratio (including vacancy costs) (A/C)	19.3%	17.6%
EPRA costs ratio (excluding vacancy costs) (B/C)	16.8%	14.4%

The EPRA cost ratio is decreasing mainly due to the decrease of unpaid rents. The calculation of the EPRA cost ratio excludes car parks activities.

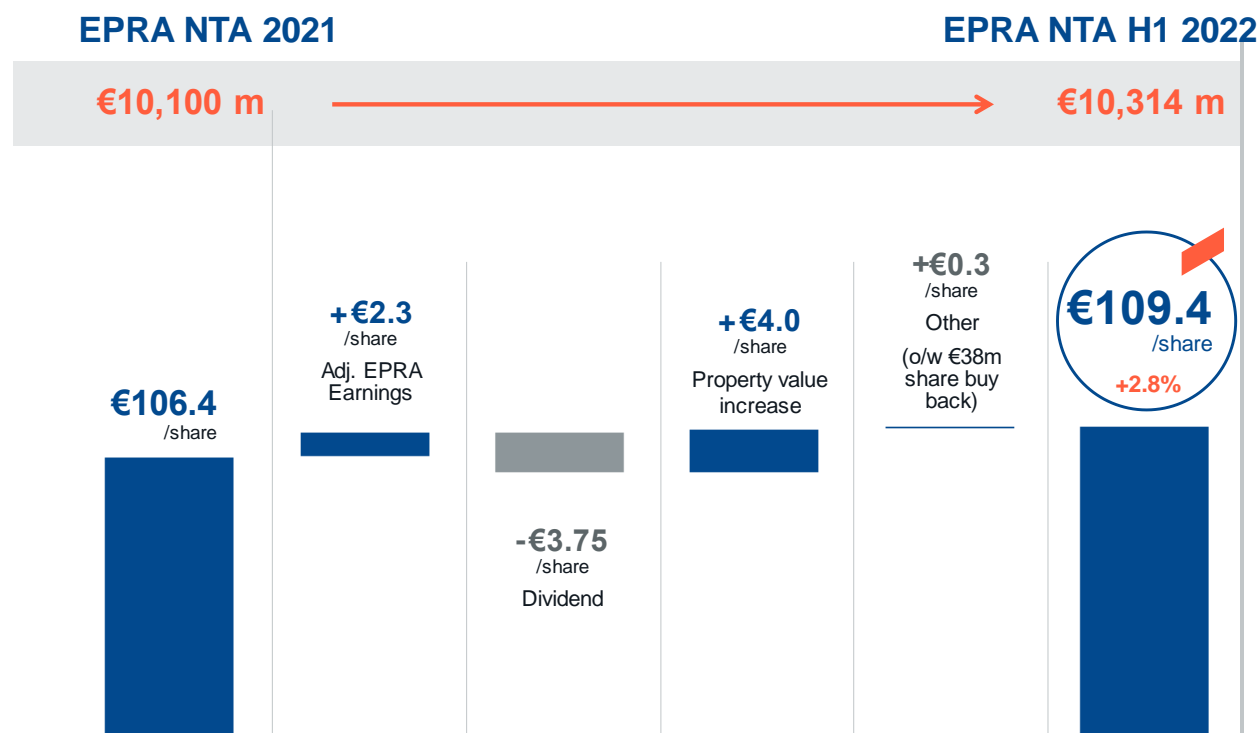
5.8. Adjusted EPRA Earnings: increase of +8% to €223 M

(€million)	H1 2021	H1 2022
Net income Group share (Financial data §3.3)	466.9	795.7
Change in asset values	-296.3	-380.4
Income from disposal	-7.6	-22.3
Acquisition costs for shares of consolidated companies	0.8	0.4
Changes in the value of financial instruments	-46.3	-261.1
Interest charges related to finance lease liabilities (leasehold > 100 years)	2.0	2.2
Rental costs (leasehold > 100 years)	-1.4	-1.6
Deferred tax liabilities	67.7	91.1
Taxes on disposals	1.3	-0.5
Adjustment to amortisation	16.8	10.5
Neutralization Result of change Hungary		0.4
Adjustments from early repayments of financial instruments	1.9	1.0
Adjustment IFRIC 21	3.9	3.6
EPRA Earnings adjustments for associates	-2.9	-16.3
Adjusted EPRA Earnings (B)	206.9	222.7
Adjusted EPRA Earnings in €/share (B)/(C)	2.19	2.37
Promotion margin	-11.2	-9.1
EPRA Earnings (A)	195.7	213.6
EPRA Earnings in €/share (A)/(C)	2.08	2.27
Average number of shares (C)	94,318,440	94,154,158

5.9. EPRA NRV, EPRA NTA and EPRA NDV

	2021	H1 2022	Var.	Var. (%)
EPRA NRV (€ m)	11,091	11,332	241	+2.2%
EPRA NRV / share (€)	116.9	120.2	3.3	+2.8%
EPRA NTA (€ m)	10,100	10,314	214	+2.1%
EPRA NTA / share (€)	106.4	109.4	3.0	+2.8%
EPRA NDV (€ m)	9,279	10,124	845	+9.1%
EPRA NDV / share (€)	97.8	107.4	9.6	+9.8%
Number of shares	94,882,277	94,297,856	-584,421	-0.6%

Evolution of EPRA NTA



Reconciliation between shareholder's equity and EPRA NAV

	2021 (€ m)	€ per share	H1 2022 (€ m)	€ per share
Shareholders' equity	9,194	96.9	9,606	101.9
Fair value assessment of operating properties	175		197	
Duties	921		947	
Financial instruments and ORNANE	99		-211	
Deferred tax liabilities	702		793	
EPRA NRV	11,091	116.9	11,332	120.2
Restatement of value Excluding Duties on some assets	-886		-913	
Goodwill and intangible assets	-78		-65	
Deferred tax liabilities	-27		-40	
EPRA NTA	10,100	106.4	10,314	109.4
Optimization of duties	-35		-34	
Intangible assets	28		15	
Fixed-rate debts	-40		371	
Financial instruments and ORNANE	-99		211	
Deferred tax liabilities	-675		-753	
EPRA NDV	9,279	97.8	10,124	107.4

Valuations are carried out in accordance with the Code of conduct applicable to SIICs and the Charter of property valuation expertise, the recommendations of the COB/CNCC working group chaired by Mr Barthès de Ruyter and the international plan in accordance with the standards of the International Valuation Standards Council (IVSC) and those of the Red Book of the Royal Institution of Chartered Surveyors (RICS).

The real estate portfolio held directly by the Group was valued on 30 June 2022 by independent real estate experts such as Cushman, REAG, CBRE, HVS, JLL, BNPP Real Estate, MKG and CFE. This did not include:

- ▶ assets on which the sale has been agreed, which are valued at their agreed sale price
- ▶ assets owned for less than 75 days, for which the acquisition value is deemed to be the market value.

Assets were estimated at values excluding and/or including duties, and rents at market value. Estimates were made using the comparative method, the rent capitalisation method and the discounted future cash flow method.

Car parks were valued by capitalising the gross operating surplus generated by the business.

Other assets and liabilities were valued using the principles of the IFRS standards on consolidated financial statements. The application of fair value essentially concerns the valuation of debt coverages.

For companies co-owned with other investors, only the Group share was considered.

Fair value assessment of operating properties

In accordance with IFRS, operating properties are valued at historical cost. To take into account the appraisal value, a €138.4 million value adjustment was recognised in EPRA NRV.

Fair value adjustment for the car parks

Car parks are valued at historical cost in the consolidated financial statements. NAV is restated to consider the appraisal value of these assets net of tax. The impact on EPRA NRV was €2.2 million on 30 June 2022.

Fair value adjustment for own occupied buildings and operating hotel properties

In accordance with IAS 40, owner-occupied buildings and operating hotel properties are not recognised at fair value in the consolidated financial statements. In line with EPRA principles, EPRA NRV was adjusted for the difference resulting from the fair value appraisal of the assets for €56.5 million. The market value of these assets is determined by independent experts.

Fair value adjustment for fixed- rate debts

The Group has taken out fixed-rate loans (secured bond and private placement). In accordance with EPRA principles, EPRA NDV was adjusted for the fair value of fixed-rate debt. The impact was +€370 million at 30 June 2022.

Recalculation of the base cost excluding duties of certain assets

When a company, rather than the asset that it holds, can be sold, transfer duties are re-calculated based on the company's net asset value (NAV). The difference between these re-calculated duties and the transfer duties already deducted from the value had an impact of €33.9 million at 30 June 2022.

Deferred tax liabilities

The EPRA NTA assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.

For this purpose, the Group uses the following method:

- **Offices:** takes into account 50% of deferred tax considering the regular asset rotation policy,
- **Hotels:** takes into account deferred tax on the non-core part of the portfolio, expected to be sold within the next few years
- **Residential:** includes the deferred tax linked to the building classified as Assets available held for sale, considering the low level of asset rotation in this activity.

5.10 CAPEX by type

€ million	2021		H1 2022	
	100%	Group share	100%	Group share
Acquisitions ¹	7	4	42	25
Renovation on portfolio excl. Developments ²	206	136	105	69
Developments ³	359	249	120	80
Capitalized expenses on development portfolio ⁴ (except under equity method)	67	59	17	13
Total	639	448	284	186

¹ Acquisitions including duties

² Renovation on portfolio excluding developments, mainly German Residential (€45 million in 100%, €29 million in group share)

³ Total acquisition and renovation expenses (excluding under equity method) on development projects, mainly France Offices (€73 million in 100%, €50 million in group share)

⁴ Financial expenses capitalized, commercialization fees and other capitalized expenses

The €69 million GS of renovation Capex on operating portfolio is mainly composed of :

- c.€41 million of refurbishment work to improve the quality and value of strategic offices properties (e.g. Carre Suffren or CB 21) and hotels, creating additional service offer, green areas, etc.
- €12 million of modernization Capex on German Residential, generating revenues
- €16 million maintenance Capex on German Residential.

5.11. EPRA performance indicator reference table

EPRA information	Section	in %	Amount in €	Amount in €/share
EPRA Earnings	5.8	-	€214 m	€2.27 /share
Ajusted EPRA Earnings			€223 m	€2.37 /share
EPRA NRV	5.9	-	€11,332 m	€120.2 /share
EPRA NTA	5.9	-	€10,314 m	€109.4 /share
EPRA NDV	5.9	-	€10,124 m	€107.4 /share
EPRA net initial yield	5.5	3.5%	-	-
EPRA topped-up net initial yield	5.5	3.7%	-	-
EPRA vacancy rate at year-end	5.2	4.5%	-	-
EPRA costs ratio (including vacancy costs)	5.6	17.6%	-	-
EPRA costs ratio (excluding vacancy costs)	5.6	14.4%	-	-
EPRA indicators of main subsidiaries	5.2, 5.3 & 5.6	-	-	-

6. FINANCIAL INDICATORS OF THE MAIN ACTIVITIES

	Covivio Hotels			Covivio Immobilien		
	2021	H1 2022	Change. (%)	2021	H1 2022	Change. (%)
EPRA Earnings (full year - M€)	99.0	102.5	n.a.	162.5	82.9	n.a.
EPRA NRV	3,868	4,024	+4.0%	5,470	5,872	+7.4%
EPRA NTA	3,498	3,644	+4.2%	4,953	5,323	+7.5%
EPRA NDV	3,167	3,552	+12.1%	4,134	4,604	+11.4%
% of capital held by Covivio	43.8%	43.9%	+0.1pt	61.7%	61.7%	-
LTV including duties	37.1%	36.8%	-0.3pt	32.0%	30.4%	-1.6pts
ICR	3.1	5.8	+2.7pts	6.8	6.2	-0.6pt

7. GLOSSARY

▶ **Net asset value per share (NRV/share), NTA and NDV per share**

NRV per share (NTA and NDV per share) is calculated pursuant to the EPRA recommendations, based on the shares outstanding as at year-end (excluding treasury shares) and adjusted for the effect of dilution.

▶ **Operating assets**

Properties leased or available for rent and actively marketed.

▶ **Rental activity**

Rental activity includes mention of the total surface areas and the annualized rental income for renewed leases, vacated premises and new lettings during the period under review.

For renewed leases and new lettings, the figures provided take into account all contracts signed in the period so as to reflect the transactions completed, even if the start of the leases is subsequent to the period.

Lettings relating to assets under development (becoming effective at the delivery of the project) are identified under the heading "Pre-lets".

▶ **Cost of development projects**

This indicator is calculated including interest costs. It includes the costs of the property and costs of construction.

▶ **Definition of the acronyms and abbreviations used:**

MRC: Major regional cities, i.e. Lyon, Bordeaux, Lille, Aix-Marseille, Montpellier, Nantes and Toulouse

ED: Excluding Duties

ID: Including Duties

IDF: Paris region (Île-de-France)

ILAT: French office rental index

CCI: Construction Cost Index

CPI: Consumer Price Index

RRI: Rental Reference Index

PACA: Provence-Alpes-Côte-d'Azur

LFL: Like-for-Like

GS: Group share

CBD: Central Business District

Rtn: Yield

Chg: Change

MRV: Market Rental Value

▶ **Firm residual term of leases**

Average outstanding period remaining of a lease calculated from the date a tenant first takes up an exit option.

▶ **Green Assets**

“Green” buildings, according to IPD, are those where the building and/or its operating status are certified as HQE, BREEAM, LEED, etc. and/or which have a recognised level of energy performance such as the BBC-effinergieR, HPE, THPE or RT Global certifications.

▶ **Unpaid rent (%)**

Unpaid rent corresponds to the net difference between charges, reversals and irrecoverable loss of income divided by rent invoiced. These appear directly in the income statement under net cost of irrecoverable income.

▶ **Loan To Value (LTV)**

The LTV calculation is detailed in Part 4 “Financial Resources”

▶ **Rental income**

Recorded rent corresponds to gross rental income accounted for over the year by considering deferment of any relief granted to tenants, in accordance with IFRS standards.

The like-for-like rental income posted allows comparisons to be made between rental income from one year to the next, before taking changes to the portfolio (e.g. acquisitions, disposals, building works and development deliveries) into account. This indicator is based on assets in operation, i.e. properties leased or available for rent and actively marketed.

Annualized “topped-up” rental income corresponds to the gross amount of guaranteed rent for the full year based on existing assets at the period end, excluding any relief.

▶ **Portfolio**

The portfolio presented includes investment properties, properties under development, as well as operating properties and properties in inventory for each of the entities, stated at their fair value. For the hotel operating properties it includes the valuation of the portfolio consolidated under the equity method. For offices in France, the portfolio includes asset valuations of Euromed and New Vélizy, which are consolidated under the equity method.

▶ **Projects**

- Committed projects: these are projects for which promotion or construction contracts have been signed and/or work has begun and has not yet been completed at the closing date. The delivery date for the relevant asset has already been scheduled. They might pertain to VEFA (pre-construction) projects or to the repositioning of existing assets.
- Managed projects: These are projects that might be undertaken and that have no scheduled delivery date. In other words, projects for which the decision to launch operations has not been finalised.

▶ **Yields/return**

The portfolio returns are calculated according to the following formula:

$$\frac{\text{Gross annualized rent (not corrected for vacancy)}}{\text{Value excl. duties for the relevant scope (operating or development)}}$$

The returns on asset disposals or acquisitions are calculated according to the following formula:

$$\frac{\text{Gross annualized rent (not corrected for vacancy)}}{\text{Acquisition value including duties or disposal value excluding duties}}$$

▶ **EPRA Earnings**

EPRA Earnings is defined as "the recurring result from operating activities". It is the indicator for measuring the company's performance, calculated according to EPRA's Best Practices Recommendations. The EPRA Earnings per share is calculated using the average number of shares (excluding treasury shares) over the period under review.

Calculation:

- (+) Net Rental Income
- (+) EBITDA of hotels operating activities and *Coworking*
- (+) Income from other activities
- (-) Net Operating Costs (including costs of structure, costs on development projects, revenues from administration and management)
- (-) Depreciation of operating assets
- (-) Net change in provisions and other
- (-) Cost of the net financial debt
- (-) Interest charges linked to finance lease liability
- (-) Net change in financial provisions
- (+) EPRA Earnings of companies consolidated under the equity method
- (-) Corporate taxes
- (=) EPRA Earnings**

▶ **Surface**

SHON: Gross surface

SUB: Gross used surface

▶ **Debt interest rate**

Average cost:

$$\frac{\text{Financial Cost of Bank Debt for the period} + \text{Financial Cost of Hedges for the period}}{\text{Average cost of debt outstanding in the year}}$$

Spot rate: Definition equivalent to average interest rate over a period of time restricted to the last day of the period.

▶ **Occupancy rate**

The occupancy rate corresponds to the spot financial occupancy rate at the end of the period and is calculated using the following formula:

$1 - \frac{\text{Loss of rental income through vacancies (calculated at MRV)}}{\text{rental income of occupied assets} + \text{loss of rental income}}$

rental income of occupied assets + loss of rental income

This indicator is calculated solely for properties on which asset management work has been done and therefore does not include assets available under pre-leasing agreements. Occupancy rate are calculated using annualized data solely on the strategic activities portfolio. Future leases secured on vacant spaces are accounted for as occupied.

The “Occupancy rate” indicator includes all portfolio assets except assets under development.

▶ **Like-for-like change in rent**

This indicator compares rents recognised from one financial year to another without accounting for changes in scope: acquisitions, disposals, developments including the vacating and delivery of properties. The change is calculated using rental income under IFRS for strategic activities.

This change is restated for certain severance pay and income associated with the Italian real estate (IMU) tax.

Given specificities and common practices in German residential, the Like-for-Like change is computed based on the rent in €/m² spot N versus N-1 (without vacancy impact) on the basis of accounted rents.

For operating hotels (owned by FDMM), like-for-like change is calculated on an EBITDA basis

Restatement done:

- Deconsolidation of acquisitions and disposals realised on the N and N-1 periods
- Restatements of assets under works, ie:
 - Restatement of released assets for work (realised on N and N-1 years)
 - Restatement of deliveries of assets under works (realised on N and N-1 years).

▶ **Like-for-like change in value**

This indicator is used to compare asset values from one financial year to the next without accounting for changes in scope: acquisitions, disposals, developments including the vacating and delivery of properties.

The like-for-like change presented in portfolio tables is a variation taking into account CAPEX works done on the existing portfolio. The restated like-for-like change in value of this work is cited in the comments section. The current scope includes all portfolio assets.

Restatement done:

- Deconsolidation of acquisitions and disposals realised over the period
- Restatement of work realised on assets under development during period N