

COVIVIO

Build sustainable relationships and well-being



**9M 2022 ACTIVITY:
RECORD LFL GROWTH**



OCTOBER 20TH 2022

SUMMARY

- | | |
|--|----|
| 1. REAL ESTATE MARKETS DRIVEN BY A GOOD RENTAL DYNAMIC | 3 |
| 2. STRONG LETTING ACTIVITY FOR COVIVIO | 10 |
| 3. 9M 2022 REVENUES | 17 |



Paris - Stream Building

1. REAL ESTATE MARKETS DRIVEN BY A GOOD RENTAL DYNAMIC

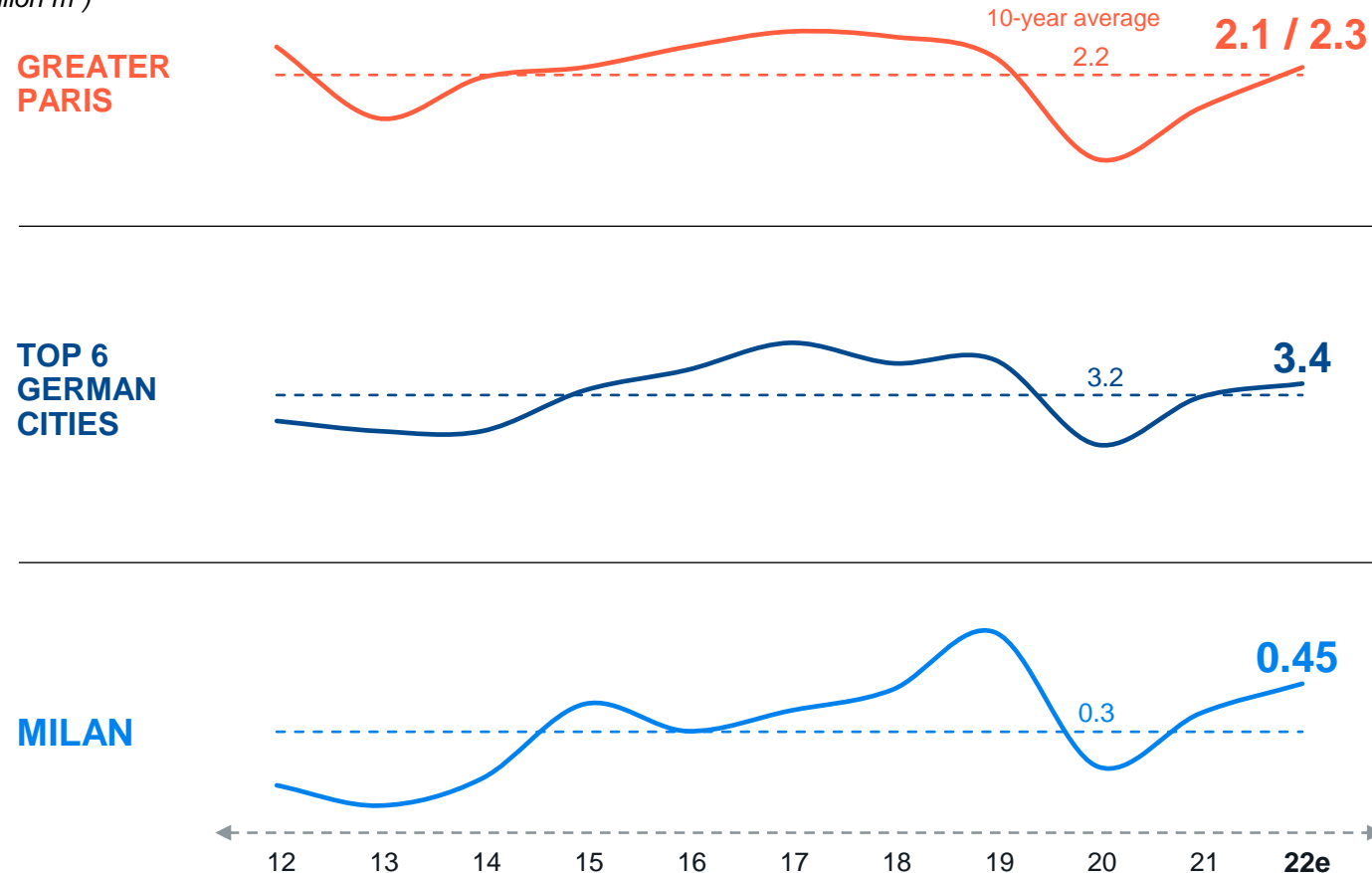


TAKE-UP CONTINUES TO GROW IN OFFICE MARKETS

THE TREND REMAINS POSITIVE IN ALL OUR MARKETS...

TAKE-UP EXPECTATION TO EXCEED 10-YEAR AVERAGE

(in million m²)



¹Top 6 German cities: Berlin, Munich, Hamburg, Frankfurt, Düsseldorf and Cologne.



GREATER PARIS

1.5M m²

+20% vs 9M 2021



TOP 6 GERMAN CITIES

2.4M m²

+22% vs 9M 2021



MILAN

0.4M m²

+50% vs 9M 2021

Sources: BNPP, Immostat, Savills, DILS

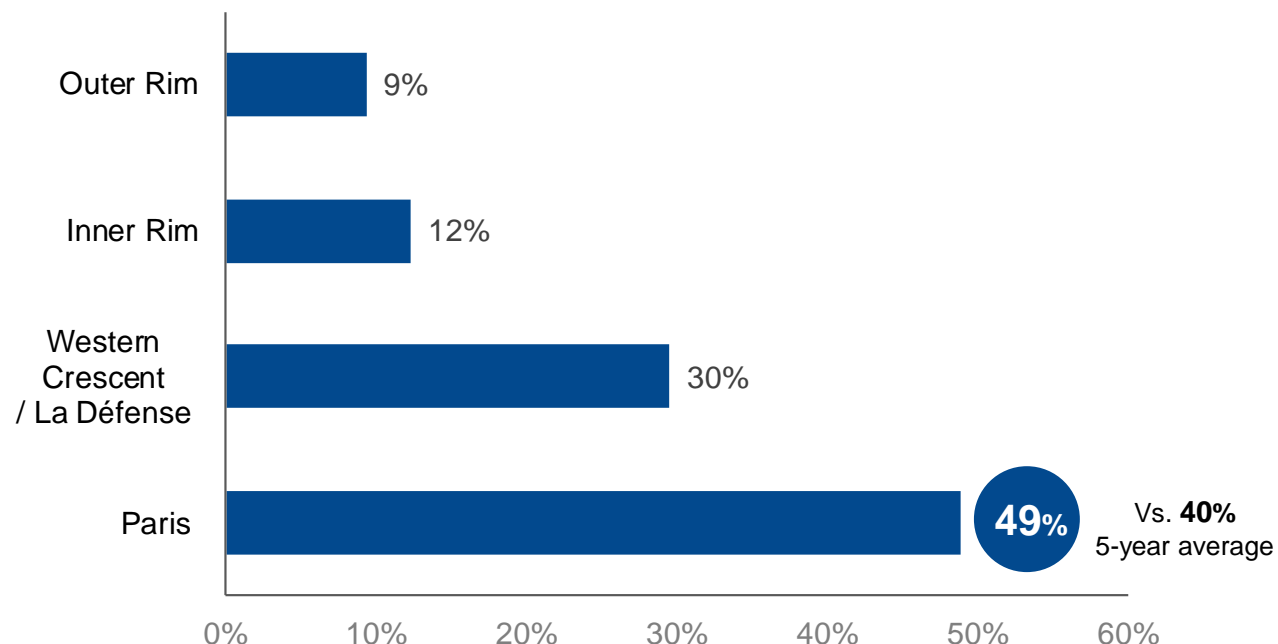
9M 2022 ACTIVITY - OCTOBER 20TH 2022

HIGHER POLARISATION

... SUPPORTING CENTRALITY

OFFICE TAKE-UP STILL FOCUSED ON CENTRAL AREAS

9M Take-Up breakdown - Greater Paris (%)



LEADING TO INCREASING POLARISATION

Changes in available supply - Greater Paris (%)

-11%
QoQ
PARIS CBD
(-33% YoY)

-12%
QoQ
REST OF PARIS
(-10% YoY)

+3% **+8%**
QoQ QoQ
OUTER RIM INNER RIM
(+7% YoY) (+30% YoY)

Flat
QoQ
WESTERN CRESCENT / LA DEFENSE
(-1.4% YoY)

Sources: Immostat

GERMAN RESIDENTIAL MARKET (1/2)

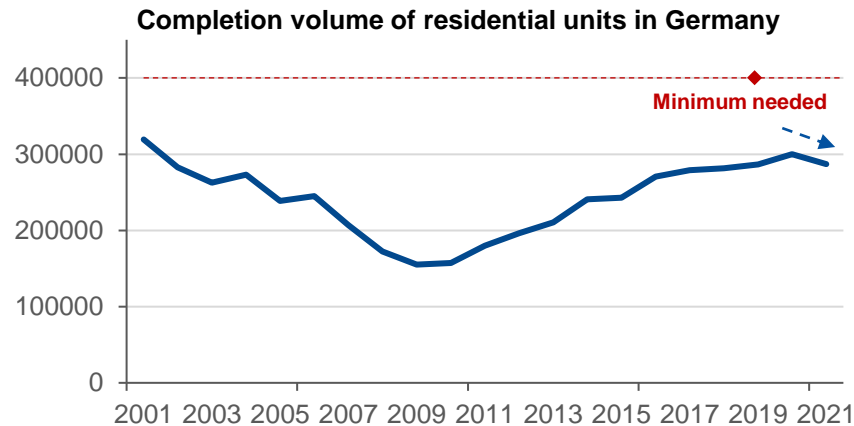
STRUCTURAL UNDERSUPPLY IN MAJOR REGIONAL CITIES...

STRUCTURAL LACK OF OFFER...

PRESSURE ON OFFER

Building material shortages, due to rising inflation, and shortage of labour continue to drive construction order cancellations.

STRONG DEMAND DRIVERS



...EXPECTED TO CONTINUE

Restrictions in Residential construction

17%

Construction cancellations in September

VS. 2.5% IN 2019

48%

Of projects impacted by material shortages in July

VS. 5% IN 2019

- **Demography:** Expected increase in number of households & population growth fuelled by immigration (>1M in 2022)
- **German government “Defensive shield”:** €200BN plan to protect companies & households from soaring energy bills

Sources: CBRE, IFO Business Survey (September 2022), Destatis

GERMAN RESIDENTIAL MARKET (2/2)

... SUPPORTING RENTS AND PRICES

RENTS CONTINUE TO INCREASE OVER 1 YEAR ...

MARKET RENTS CONTINUE TO INCREASE IN GERMANY... ...DRIVING UP RENT INDICES

€13/m²

MEDIAN ASKING RENT
IN BERLIN

+3.6%

YOY

Mietspiegel increase

+6%

IN ESSEN IN 2022
TO
€7.58/m²



MIETSPIEGEL PUBLICATION
NEXT YEAR
IN
BERLIN

...AS WELL AS APARTMENT PRICES

MEDIAN ASKING PRICES CONTINUE TO
INCREASE

€5,500/m²

IN BERLIN

+7%

YOY

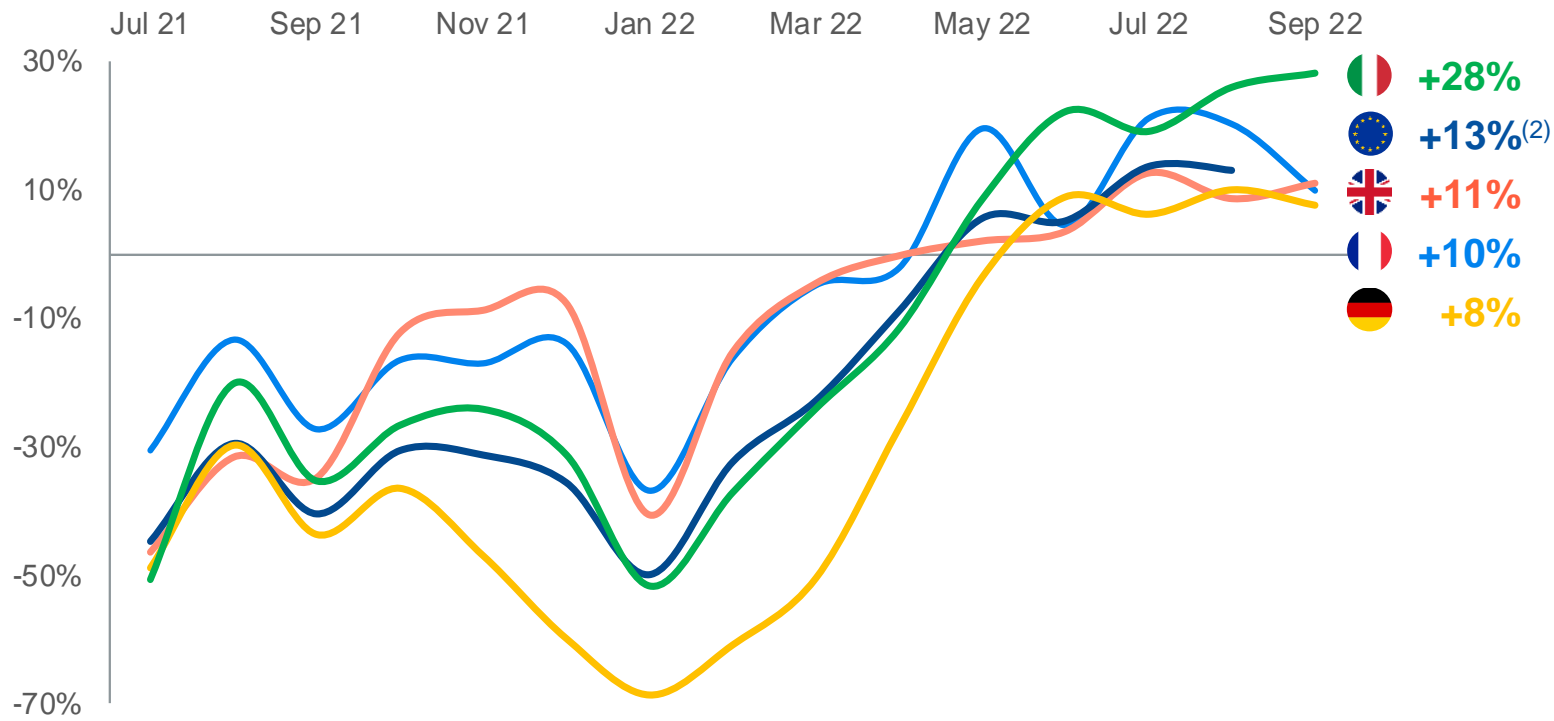
Source: Guthmann

HOTELS MARKET – RECOVERY CONTINUES

STRONG PERFORMANCES IN Q3

CONTINUED RECOVERY MOMENTUM ...

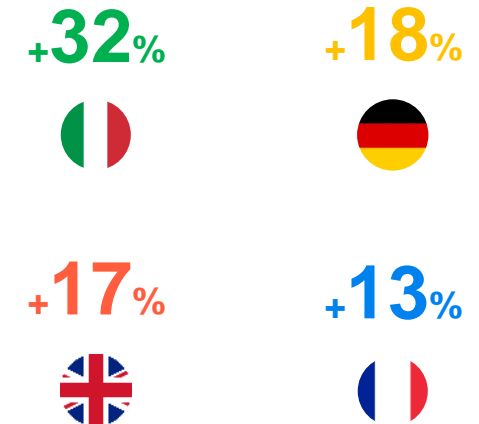
Monthly RevPAR ⁽¹⁾ (%) vs 2019



...WITH STRONG PRICING POWER

Ability of hotel operators to raise prices

Average Daily Rates ⁽¹⁾ in Sept. 2022 vs 2019



Source : MKG

(1) Preliminary data at end-September 2022

(2) Data as of end-August

INVESTMENT MARKET: LIQUIDITY IS FOCUSED ON PRIME

EXAMPLE OF THE FRENCH OFFICE INVESTMENT MARKET

INVESTMENT MARKET IS WAKING-UP IN SEPTEMBER...

LOW ACTIVITY IN JULY / AUGUST IN GREATER PARIS

~ **€3.5BN**

PULLED OUT OF THE
MARKET

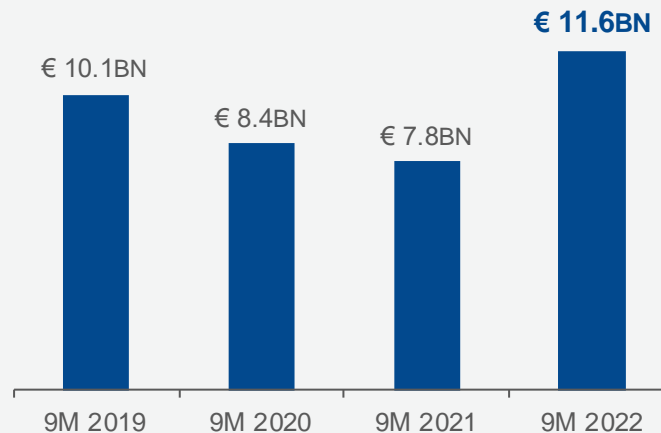
~ **€3BN**

INVESTMENT VOLUMES
IN SEPTEMBER

....SUPPORTED BY EQUITY PLAYERS...

OPEN-ENDED FUNDS EQUITY RAISING IN FRANCE

(in €BN, 9M data)



... CURRENTLY FOCUSED ON SMALLER & PRIME ASSETS

Q3 2022 INVESTMENTS

From €100M to €200M → **-3% YOY**
 > €200M → **-27.5% YOY**

PARIS

57%

Of total investments in Greater Paris
(vs. **47%** in Q3 21)

Selected transactions

| 'Eylau' | '25 Jean Goujon' |
|--|--|
| Sept. 2022 | Oct. 2022 |
| Paris 16 th | Paris 8 th |
| Yield: 2.9% | Yield: NC |
| Price: <€100M | Price: €59M |
| Surface: 3,630 m² | Surface: 2,250 m² |
| Price/m ² : ~ 27,550 €/m² | Price/m ² : 26,200 €/m² |



2. STRONG LETTING ACTIVITY FOR COVIVIO

Levallois - Maslo



OFFICES: RECORD LETTING ACTIVITY YTD

119,000 M² LET OR PRE-LET YTD...
OF WHICH **18,000 M²** IN Q3

PARIS

100% PRE-LET

Q3 2022



Paris – 21 Goujon

TOP FRENCH BUSINESS DISTRICTS

100% PRE-LET



Vélizy – Thalès Helios 2

BERLIN

100% PRE-LET

Q3 2022



Berlin – Beagle

MILAN

100% PRE-LET



Milan – Corso Italia

100% PRE-LET



Paris – Stream Building

99% LET



Bordeaux – Cité numérique

PRE-LETTINGS

81,000 M²

ON STATE-OF-THE-ART
BUILDINGS

NEW LETTINGS

38,000 M²

MAINLY ON MANAGE-
TO-CORE ASSETS

OFFICES: SUCCESSFUL ACTIVITY ON PIPELINE

3 DELIVERIES, PRE-LET AT **76%**



€8.1M **100%**
TOP UP RENTS LET



€3.5M **100%**
TOP UP RENTS LET
(GROUP SHARE)



€6.2M **36%**
TARGET TOP UP RENTS OF WHICH LET
(GROUP SHARE)

BEAGLE



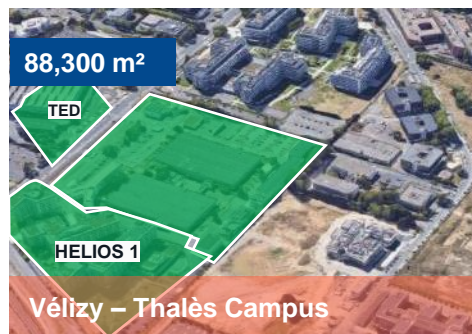
100% PRE-LET to Deutsche Bahn
for **15 YEARS**,
12 months before completion

€4M Capex program
To refurbish the building

5,100 m² **€15M** **6.6%**
Surface Cost YoC
Q3 2023 **15 YEARS**
Delivery Firm

OFFICES: 126,000 M² RENEWED WITH TOP TENANTS

OF WHICH 37,000 M² IN Q3 2022



LEASES RENEWAL WITH TOP COMPANIES IN 2022

THALES
uni
MITSUBISHI PENCIL



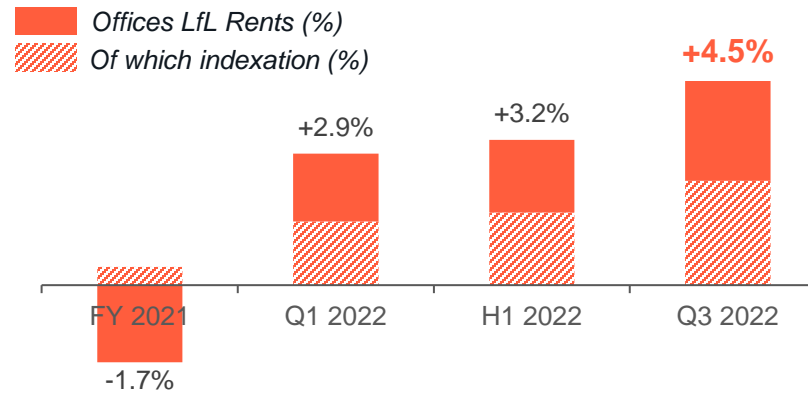
+2%
ON IFRS RENTS

+5 YEARS
MATURITY
ON AVERAGE

OFFICES: STRONG DYNAMIC OVER 9M 2022

STEEP LIKE-FOR-LIKE ACCELERATION

 **+4.5%**
LFL RENTS



Q3 2022 LfL Breakdown (%)

+2.3%
INDEXATION

+2.2%
OCCUPANCY
RATE & RENEWALS

 **94%**
OFFICES
OCCUPANCY RATE



FRANCE

-0.6pt QoQ
Mainly due to **So Pop** delivery
(+0.9pt without So Pop)



ITALY

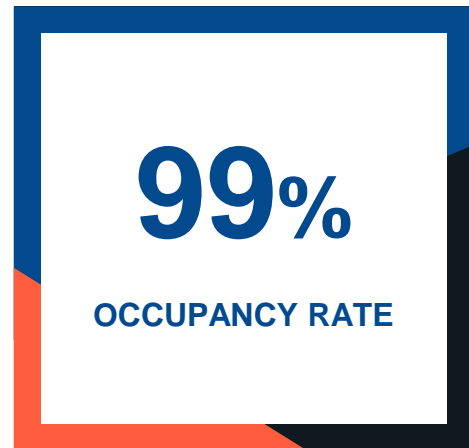
+0.2pt QoQ



GERMANY

Stable QoQ

GERMAN RESIDENTIAL: SUSTAINED GROWTH

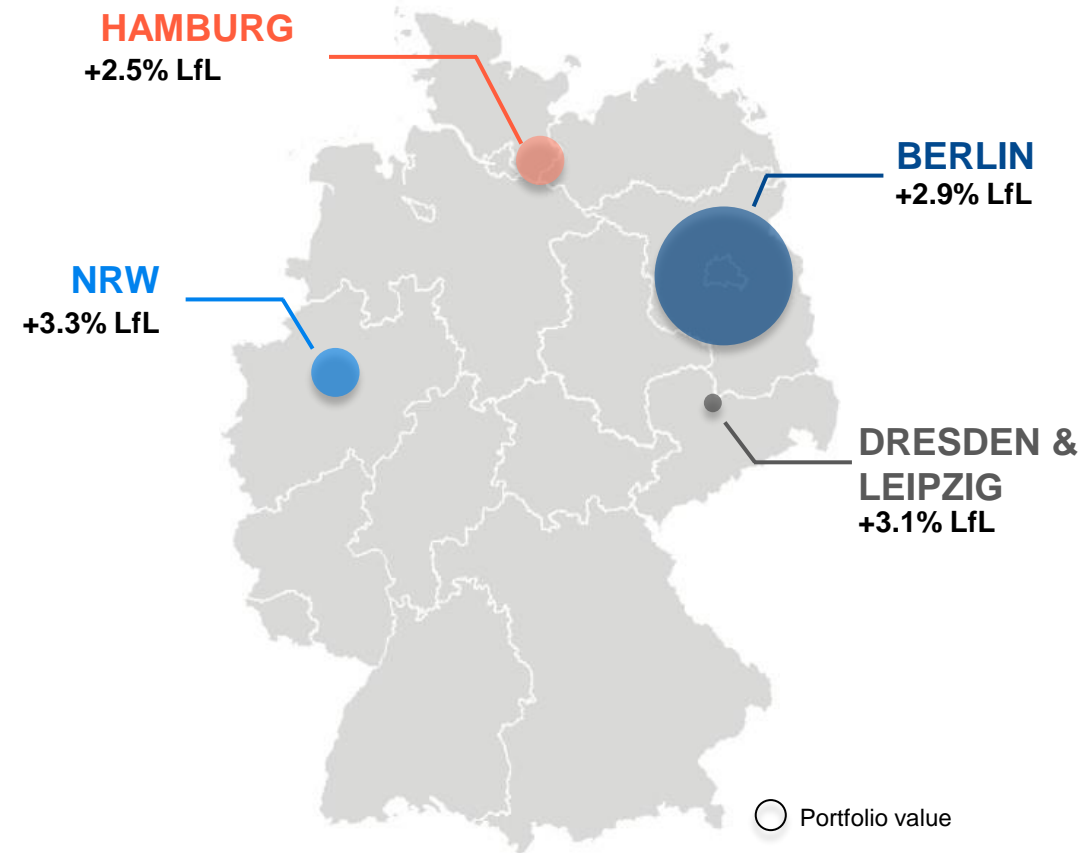
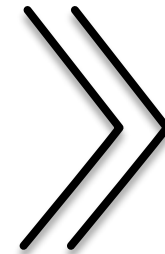


+1.5% due to Indexation

+0.8% due to Relettings (15% Uplift)

+0.8% due to Modernizations

(0.2)% of Vacancy effect linked to future privatizations



HOTELS: CONTINUED REBOUND DURING SUMMER

VARIABLE REVENUES CONTINUE TO DRIVE THE RECOVERY

+85%

9M 2022
LIKE-FOR-LIKE
REVENUES

+147% **VARIABLE RENTS**
LFL RENTS 21% OF HOTEL'S PORTFOLIO

+448% **OPERATING PROPERTIES**
LFL EBITDA 20% OF HOTEL'S PORTFOLIO

€12.1M **UK FIXED RENTS**
VS **€0M** 14% OF HOTEL'S PORTFOLIO
LFL RENTS

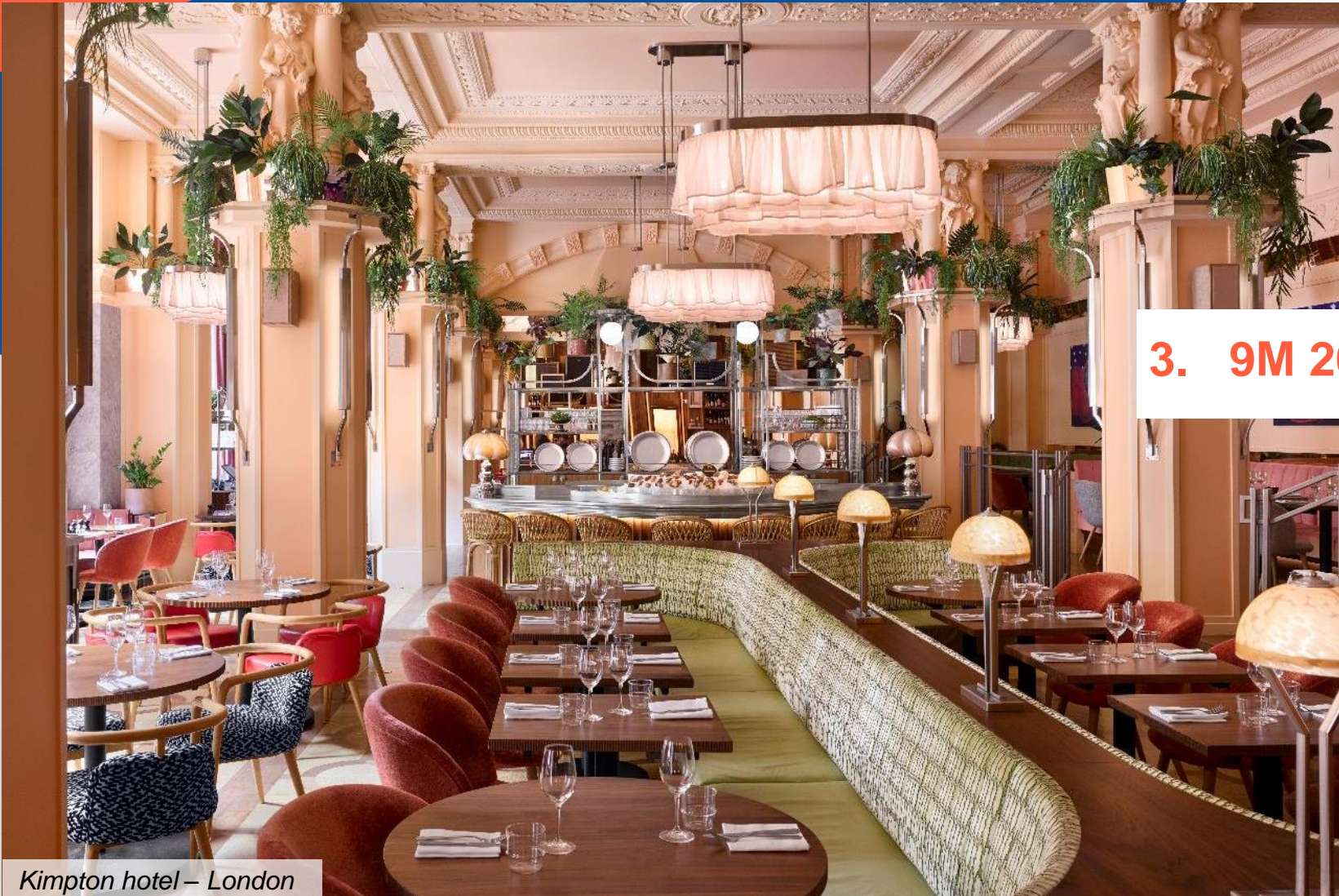
+12% **FIXED RENTS (Excl. UK)**
LFL RENTS 45% OF HOTEL'S PORTFOLIO



INDEXATION
+3.1%

POSITIVE REVERSION
+4.9%

STEP UP RENTS
+3.9%



Kimpton hotel – London

3. 9M 2022 REVENUES

ACCELERATION OF RENTAL GROWTH / +13.9% LFL

| | Revenues 9M 2021 | Revenues 9M 2022 | Revenues 9M 2022 | % change | % change like-for-like | Occupancy rate | Average lease term |
|-----------------------------------|---------------------|---------------------|---------------------|--------------|---------------------------|-------------------|-----------------------|
| 9M 2022, € million | Group share | 100% | Group share | Group share | Group share | % | firm, in years |
| <i>France Offices</i> | 143.9 | 150.8 | 130.7 | -9,2% | +4.2% | 93.6% | 4.7 |
| <i>Italy Offices</i> | 86.9 | 106.4 | 82.4 | -5,2% | +3.5% | 98.3% | 7.2 |
| <i>Germany Offices</i> | 33.3 | 38.2 | 34.0 | +2,1% | +8.5% | 84.8% | 4.7 |
| Offices in Europe | 264.1 | 295.4 | 247.2 | -6,4% | +4.5% | 93.9% | 5.5 |
| Germany Residential | 126.1 | 203.7 | 131.8 | +4,5% | +3.0% | 99.0% | n.a. |
| Hotels in Europe | 51.1 | 217.1 | 90.6 | +77,1% | +85.3% | 100.0% | 12.3 |
| TOTAL STRATEGIC ACTIVITIES | 441.4 | 716.2 | 469.5 | +6,4% | +13.9% | 96.2% | 7.0 |
| Non-strategic | 4.1 | 3.2 | 1.4 | -65,4% | +2.5% | 100.0% | 8.2 |
| TOTAL | 445.5 | 719.4 | 470.9 | +5,7% | +13.9% | 96.2% | 7.0 |

POSITIVE INDEXATION DRIVING LFL GROWTH

+14%

LFL GROWTH



+2.1%

INDEXATION

INDEXATION ACCELERATION IN OFFICES AND HOTELS

+6.2%

VAR. REVENUES HOTELS

RECOVERY ACCELERATION IN HOTELS

+1.5%

NEW LETTINGS

NEW LETTINGS IN OFFICES IN **FRANCE**, **ITALY** AND **GERMANY**

+4.2%

RENTAL UPLIFT

THANKS TO **MODERNIZATION CAPEX** IN GERMAN RESIDENTIAL AND **ASSET MANAGEMENT** IN HOTELS

YTD DISPOSALS: €287M NEW COMMITMENTS

INCREASING ASSET ROTATION

€287M

YTD DISPOSALS

+1.7%

ABOVE END-2021
APPRAISALS



€207M
OFFICES

MAINLY CORE &
TELECOM ITALIA
ASSETS



€57M
GERMAN RESI.
& HOTELS

+38% AVERAGE MARGIN
ON PRIVATIZATIONS

€23M
NON-CORE

NON-CORE ASSETS
IN FRANCE AND ITALY



€200M

Currently
Under
discussions



FRENCH
OFFICES



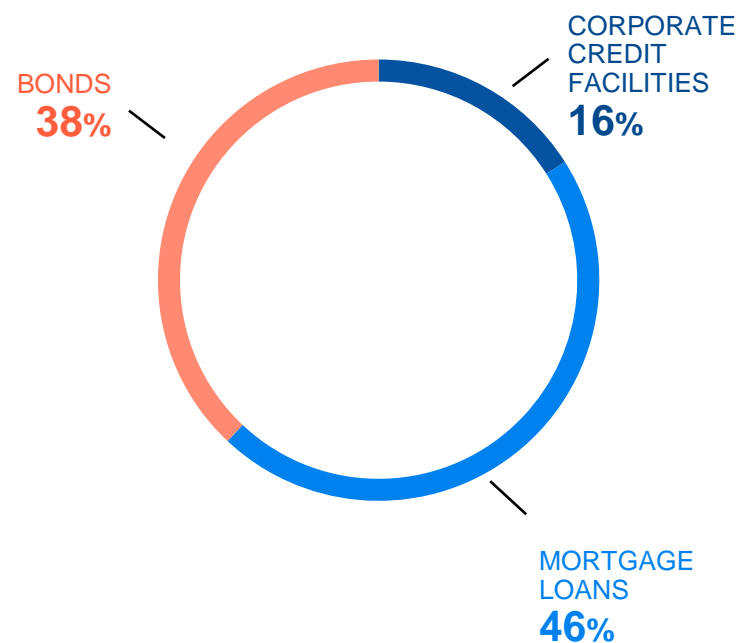
GERMAN
RESIDENTIAL



HOTELS

HEALTHY BALANCE SHEET (1/2)

DIVERSIFIED DEBT PROFILE



BANK LENDING AVAILABLE AT ATTRACTIVE CONDITIONS

€550m⁽¹⁾ of financings in Q3 2022

3 FINANCINGS SIGNED

2.6%⁽²⁾

AVERAGE INTEREST RATE,
WELL BELOW BOND MARKETS

FRENCH OFFICES (Silex²):

€115M

8 YEARS / GREEN

GERMAN RESI :

€210M

10 YEARS

2 GREEN CORPORATE FACILITIES REFINANCED

TOTALLING

€225M

MATURITIES EXTENDED TO

2027 & 2029

BASIC FINANCING TERMS
MAINTAINED

(1) €418m group share

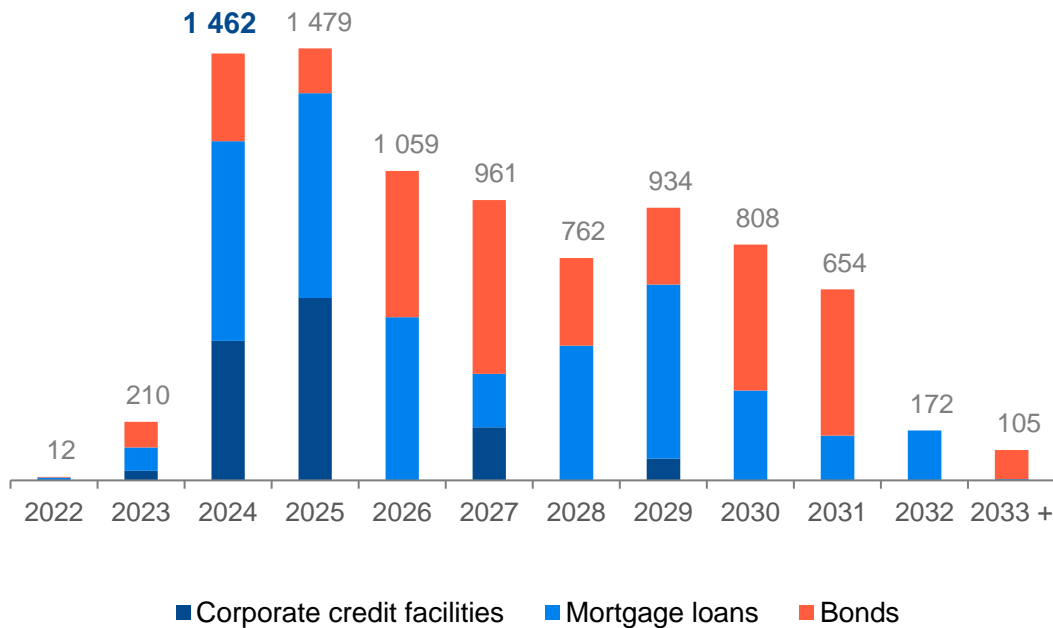
(2) On the hedged part of the debt i.e. 86% of the amounts of the borrowings

HEALTHY BALANCE SHEET (2/2)

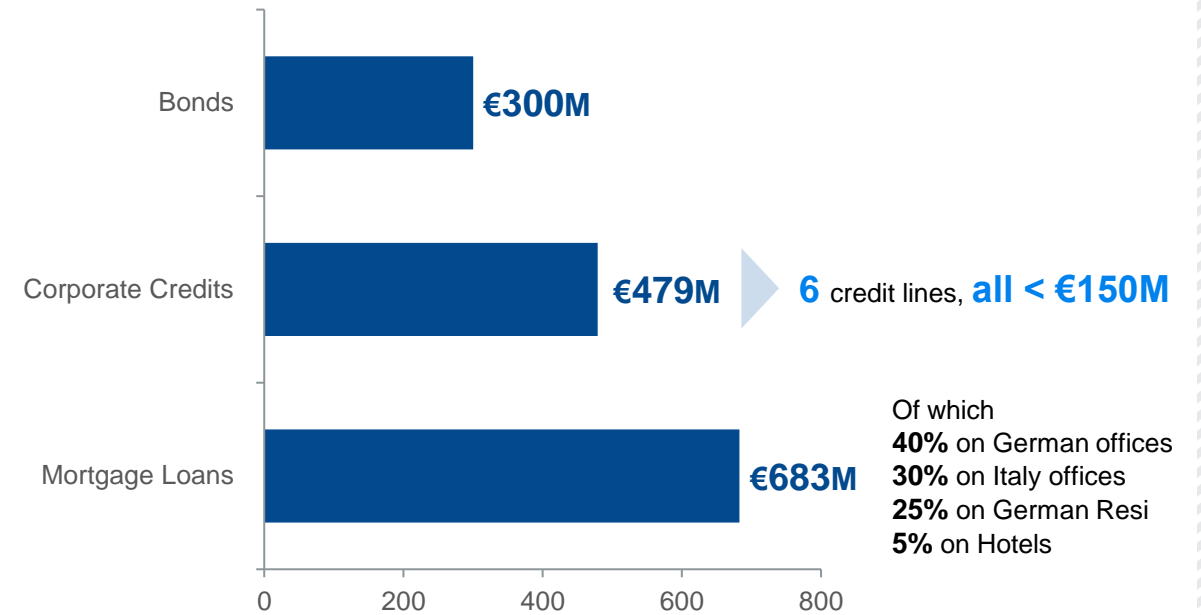
WELL SPREAD MATURITIES

MONITORED DEBT MATURITIES

In €M, Group share



Highly diversified 2024 debt expiries (€1,462M)



All tranches < €350M

KEY TAKEAWAYS

1**INCREASING TAKE-UP & ACCELERATED POLARISATION IN OFFICES****2****REINFORCED GERMAN FUNDAMENTALS****3****CONFIRMED RECOVERY IN HOTELS****4****INVESTMENT MARKET WAKING UP IN SEPTEMBER****5****ACCELERATED & RECORD LIKE-FOR-LIKE RENTAL GROWTH****6****ACTIVE DEBT MANAGEMENT DURING Q3**

KEY UPCOMING EVENTS



CAPITAL MARKETS DAY:

December, 6th 2022

ANNUAL RESULTS:

February, 21st 2023

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