



## Cegereal First-half 2016

### **RENTAL INCOME UP 11.1%**

- **Strong operating activity – EPRA earnings up 64%**

BforBank expanded its premises in the Europlaza tower by signing a lease on June 1, 2016 for a "garden floor" covering 2,200 sq.m.

Boursorama will gradually move from its offices at Arcs de Seine to its You building in Boulogne this summer. Marketing of the soon-to-be-vacant premises (approximately 10,000 sq.m) is already under way.

The occupancy rate for the Company's assets was up compared with first-half 2015, at 94.6%.

IFRS revenue for first-half 2016 stood at €35 million, up 16.1% compared with the prior-year period.

EPRA earnings for the six months ended June 30, 2016 increased significantly to €14 million from €8.4 million for the year-earlier period, thanks mainly to higher rental income and €4 million in indemnities received.

- **Total Share Return 17.3% over the last 12 months**

The portfolio was valued at €967 million excluding transfer duties (€1,040 million including transfer duties) as of June 30, 2016, versus €942 million as of December, 2015 and €902 million as of June 30, 2015. This resulted in a reduction in the loan-to-value (LTV) ratio to 41%.

EPRA NNAV excluding transfer duties stood at €40.0 per share, compared with €39.2 per share as of December 31, 2015. The increase over the first half year reflected higher recurring income (positive impact of €0.60 per share), benefits granted to lessees (positive impact of €0.20 per share), changes in the properties' appraisal values (positive impact of €1.90 per share) and changes in the fair value of bank debt (positive impact of €0.20 per share), partly offset by dividend distributions (impact of €2.00 per share).

The Total Share Return for the last 12 months is 17.3%, with a NAV growth of 11.8% and a distribution ratio on NAV of 5.5%

<i>in millions of euros</i>	<b>First-half 2016</b>	<b>First-half 2015</b>	<b>Change</b>
IFRS revenue	35.0	30.1	+16.1%
IFRS rental income Portfolio occupancy rate: 94.6%	24.4	21.9	+11.1%
IFRS operating income	40.5	40.4	+0.3%
IFRS net income	32.6	32.1	+1.5%
EPRA earnings	14.0	8.4	+64.4%
EPRA NNAV per share excluding transfer duties (in €)	40.0	35.8	+11.8%

- **Outlook**

The Company should soon face an important milestone with the global refinancing of its portfolio and a first growth transaction.

### **Investor Calendar**

- October 26, 2016 Third-quarter 2016 revenue

### **For more information, please contact:**

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### **About Cegereal**

Created in 2006, Cegereal is a commercial property company that invests in prime office properties in Greater Paris. The portfolio's appraisal value is estimated at €1,040 million as of June 30, 2016 (replacement value).

To date, Cegereal is the first French property company with a fully certified portfolio from an environmental point of view (HQE and BREEAM "Very Good") and benefits from the Green Star rating in the international benchmark GRESB.

Cegereal is a REIT listed on Euronext Paris since 2006, in compartment B (ISIN: FR0010309096). The Company had a market capitalization of €488 million on July 21, 2016.

www.cegereal.com.

# Interim Financial Statements (IFRS)

Six-month period ended June 30, 2016

Excerpts from the interim financial report  
approved by the Board of Directors on July 21, 2016.

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

## Consolidated Statement of Comprehensive Income (IFRS) for the six months ended June 30, 2016

*in thousands of euros, except per share data*

	June 30, 2016	Dec. 31, 2015	June 30, 2015
	<i>6 months</i>	<i>12 months</i>	<i>6 months</i>
Rental income	24,354	44,310	21,926
Income from other services	10,597	11,349	8,169
Building-related costs	(11,396)	(17,156)	(11,427)
<b>Net rental income</b>	<b>23,555</b>	<b>38,504</b>	<b>18,668</b>
Sale of building			
Administrative costs	(1,849)	(4,976)	(2,038)
Depreciation, amortization and provisions for impairment	(4)		
Other operating expenses	(741)	(5)	(0)
Other operating income	8	65	
Increase in fair value of investment property	37,561	62,736	23,736
Decrease in fair value of investment property	(18,030)		
<i>Total change in fair value of investment property</i>	<i>19,531</i>	<i>62,736</i>	<i>23,736</i>
<b>Net operating income</b>	<b>40,500</b>	<b>96,323</b>	<b>40,366</b>
Financial income	0	15	
Financial expenses	(7,074)	(14,719)	(7,555)
<b>Net financial expense</b>	<b>(7,074)</b>	<b>(14,705)</b>	<b>(7,555)</b>
Corporate income tax	(802)	(662)	(662)
<b>CONSOLIDATED NET INCOME</b>	<b>32,623</b>	<b>80,957</b>	<b>32,149</b>
<i>of which attributable to owners of the Company</i>	<i>32,623</i>	<i>80,957</i>	
<i>of which attributable to non-controlling interests</i>	<i>0</i>	<i>0</i>	
<b>Other comprehensive income</b>			
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>32,623</b>	<b>80,957</b>	<b>32,149</b>
<i>of which attributable to owners of the Company</i>	<i>32,623</i>	<i>80,957</i>	<i>32,149</i>
<i>of which attributable to non-controlling interests</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Basic and diluted earnings per share (in euros)</b>	<b>2.44</b>	<b>6.06</b>	<b>2.41</b>

## Consolidated Balance Sheet (IFRS) at June 30, 2016

*in thousands of euros*

	June 30, 2016	Dec. 31, 2015	June 30, 2015
<b><u>Non-current assets</u></b>			
Property, plant and equipment	66	61	61
Investment property	967,300	942,000	902,000
Non-current loans and receivables	26,416	28,928	30,346
<b>Total non-current assets</b>	<b>993,781</b>	<b>970,989</b>	<b>932,407</b>
<b><u>Current assets</u></b>			
Trade accounts receivable	11,823	13,132	12,945
Other operating receivables	7,039	6,899	5,562
Prepaid expenses	193	96	200
<b>Total receivables</b>	<b>19,054</b>	<b>20,127</b>	<b>18,706</b>
Cash and cash equivalents	26,346	8,723	24,072
<b>Total cash and cash equivalents</b>	<b>26,346</b>	<b>8,723</b>	<b>24,072</b>
<b>Total current assets</b>	<b>45,400</b>	<b>28,850</b>	<b>42,778</b>
<b>TOTAL ASSETS</b>	<b>1,039,182</b>	<b>999,839</b>	<b>975,185</b>
<b><u>Shareholders' equity</u></b>			
Share capital	160,470	160,470	160,470
Legal reserve and additional paid-in capital	21,436	21,436	21,436
Consolidated reserves and retained earnings	359,663	305,447	305,202
Net attributable income	32,623	80,957	32,149
<b>Total shareholders' equity</b>	<b>574,192</b>	<b>568,309</b>	<b>519,257</b>
<b><u>Non-current liabilities</u></b>			
Non-current borrowings	403,254	402,664	402,442
Other non-current borrowings and debt	4,058	3,951	4,061
Non-current corporate income tax liability			
<b>Total non-current liabilities</b>	<b>407,312</b>	<b>406,615</b>	<b>406,503</b>
<b><u>Current liabilities</u></b>			
Current borrowings	1,591	1,626	1,794
Trade accounts payable	2,525	3,150	3,106
Corporate income tax liability	802		660
Other liabilities	37,968	4,573	30,722
Other financial liabilities	750		
Prepaid revenue	14,041	15,566	13,143
<b>Total current liabilities</b>	<b>57,678</b>	<b>24,915</b>	<b>49,424</b>
<b>Total liabilities</b>	<b>464,990</b>	<b>431,530</b>	<b>455,927</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>1,039,182</b>	<b>999,839</b>	<b>975,185</b>

## Consolidated Statement of Cash Flows for the six months ended June 30, 2016

in thousands of euros

	June 30, 2016	Dec. 31, 2015	June 30, 2015
<b>OPERATING ACTIVITIES</b>			
Consolidated net income	32,623	80,957	32,149
<i>Elimination of items related to the valuation of buildings:</i>			
Fair value adjustments to investment property	(19,531)	(62,736)	(23,736)
Indemnity received from lessees for the replacement of components			
<i>Elimination of other income/expense items with no cash impact:</i>			
Depreciation of property, plant and equipment (excluding investment property)	4	5	
Fair value of financial instruments (share subscription warrants)	741		
Adjustments for loans at a amortized cost	590	775	554
<b>Cash flows from operations before tax and changes in working capital requirements</b>	<b>14,427</b>	<b>19,001</b>	<b>8,967</b>
Change in amounts due to owners	26,746	0	22,065
Other changes in working capital requirements	6,574	(2,975)	(1,916)
<b>Change in working capital requirements</b>	<b>33,320</b>	<b>(2,975)</b>	<b>20,149</b>
<b>Net cash flows from operating activities</b>	<b>47,747</b>	<b>16,026</b>	<b>29,116</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of fixed assets	(5,777)	(8,331)	(7,325)
Disposal of fixed assets			
Net decrease in amounts due to fixed asset suppliers	2,314	(384)	837
<b>Net cash flows used in investing activities</b>	<b>(3,464)</b>	<b>(8,715)</b>	<b>(6,488)</b>
<b>FINANCING ACTIVITIES</b>			
Increase in share capital			
Change in bank debt			
Issue of financial instruments (share subscription warrants)	9		
Refinancing transaction costs			
Net increase in current borrowings	(35)	(90)	78
Net increase in other non-current borrowings and debt	107	(215)	(105)
Net decrease in other non-current borrowings and debt			
Purchases and sales of treasury shares	5	252	38
Dividends paid	(26,746)	(22,034)	(22,065)
<b>Net cash flows used in financing activities</b>	<b>(26,660)</b>	<b>(22,087)</b>	<b>(22,054)</b>
<b>Change in cash and cash equivalents</b>	<b>17,623</b>	<b>(14,776)</b>	<b>573</b>
Cash and cash equivalents at beginning of the period*	8,723	23,499	23,499
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>26,346</b>	<b>8,723</b>	<b>24,072</b>