



COVIVIO

Paris, le 22 juillet 2024, 7h00

Résultats semestriels 2024 Premier semestre transformant et perspectives relevées

« Le premier semestre 2024 marque un tournant pour Covivio. Tout en renforçant sa structure financière, le Groupe a montré sa capacité à saisir les opportunités, avec le renforcement de son exposition à l'hôtellerie, la signature d'un protocole d'accord avec AccorInvest et un nouveau partenariat en résidentiel allemand. En parallèle, le succès du déploiement de l'offre premium en bureaux a permis un net rebond du taux d'occupation. Ce fort dynamisme permet à Covivio de relever ses perspectives de résultat net récurrent pour l'exercice 2024. »

Christophe Kullmann, Directeur Général de Covivio

Des avancées stratégiques majeures au premier semestre

- ▶ **Renforcement en hôtellerie** : acquisition de l'équivalent de 500 M€ d'hôtels en échange d'actions Covivio, permettant de renforcer les fonds propres de 280 M€ et de porter l'exposition à l'hôtellerie à 20% du patrimoine de Covivio
- ▶ **Signature du protocole d'accord avec AccorInvest** en vue de rembourser murs et fonds de commerce
- ▶ **Création d'une joint-venture** sur un portefeuille résidentiel allemand de 274 M€, avec CDC Investissement Immobilier
- ▶ **Succès de l'offre premium en bureaux** : 74 100 m² commercialisés, taux d'occupation de 95,1% (+60pb sur six mois)

Renforcement de la structure financière

- ▶ **311 M€ (455 M€ à 100%) de nouveaux accords de cessions en 2024**, en prime de +3% sur les valeurs d'expertise
- ▶ **Succès du dividende en actions**, souscrit à 77,5% et permettant de renforcer les fonds propres à hauteur de 256 M€
- ▶ **Baisse du ratio de levier (LTV)**, à 40,3% (vs 40,8% fin 2023)
- ▶ **Hausse de la liquidité**, à 2,5 Md€, couvrant les échéances de dette jusque fin 2026
- ▶ **Notation BBB+**, perspective stable confirmée par S&P en mai 2024

Croissance de +6,5% des revenus à périmètre constant

- ▶ **500 M€ de revenus consolidés (327 M€ part du Groupe)**, soit +1,8% à périmètre courant et +6,5% à périmètre constant
- ▶ **Bureaux** : hausse soutenue des loyers à périmètre constant de +8,8%
- ▶ **Résidentiel allemand** : hausse des loyers à périmètre constant de +3,9%
- ▶ **Hôtels** : croissance des revenus de +5,2% à périmètre constant
- ▶ **Maintien à des niveaux élevés du taux d'occupation (97,1%)** et de la **durée moyenne ferme des baux (6,8 années)**

Résultat net récurrent en hausse de +3%, stabilisation des valeurs d'actifs

- ▶ **Résultat net récurrent** (EPRA Earnings ajusté) en hausse de +3%, à 231 M€ (2,24€/action, soit -4,8%)
- ▶ **Croissance du patrimoine de +2%, à 15,4 Md€ part du Groupe**. A périmètre constant, les valeurs commencent à se stabiliser (-1,3%) grâce à une légère hausse en hôtels et une stabilité en bureaux (à Paris et Milan) et en résidentiel allemand
- ▶ **Actif net réévalué** (EPRA NTA) en hausse de +2,3% à 8,7 Md€ (-7,5% par action, à 77,7€/action)

Stratégie ESG : de nouvelles avancées

- ▶ **96% du patrimoine doté d'une certification**, dont 69% de bureaux certifiés HQE/BREEAM Very Good ou au-dessus
- ▶ **Nouvelle hausse de la part de la dette liée à des objectifs ESG**, à 61% (vs 57% fin 2023 et 38% fin 2022)

Perspectives 2024 relevées

- ▶ **Extraction du potentiel de croissance** par la réversion, le travail d'asset management (dont la finalisation attendue au 2nd semestre de l'échange d'actifs avec AccorInvest) et l'indexation
- ▶ **Objectif de résultat net récurrent (EPRA Earnings ajusté) 2024 de l'ordre de 460 M€** (contre un objectif initial de 440 M€), soit une hausse de +6% par rapport à 2023

Principaux indicateurs opérationnels et financiers

Compte de résultat, En M€, part du Groupe	S1 2023	S1 2024	Variation	Variation à périmètre constant
Taux d'occupation (%)	95,8%	97,1%	+1,3pt	
Revenus	321,2	326,8	+1,8%	+6,5%
Résultat opérationnel courant	269,6	276,2	+2,4%	
Résultat net récurrent (*)	223,4	230,8	+3,3%	
Résultat net récurrent (*) par action (€)	2,36	2,24	-4,8%	
Résultat net comptable	-689,7	-8,4	+681	

Bilan, Part du Groupe	2023	S1 2024	Variation	Variation à périmètre constant
Patrimoine (Md€)	15,1	15,4	+2%	-1,3%
Dette nette (Md€)	6,9	7,0	+1%	
Liquidité nette disponible (Md€)	2,4	2,5	+4%	
LTV droits inclus (%)	40,8%	40,3%	-0,5pt	
Dette nette / EBITDA	12,3x	12,1x	-0,2x	
EPRA NTA (Md€)	8,5	8,7	+2%	
EPRA NTA par action (€)	84,1	77,7	-7,5%	

ESG	2023	S1 2024	Variation
Actifs bénéficiant d'une certification	95,3%	95,9%	+0,6 pt
dont Bureaux <i>Very Good</i> ou au-dessus	67,2%	68,9%	+1,7 pt
Dette associée à des critères ESG	57%	61%	+4 pts

* EPRA *Earnings* Ajusté

Covivio : un patrimoine diversifié et en amélioration continue

Covivio détient un patrimoine de 23,0 Md€ (15,4 Md€ PdG) d'actifs en Europe, géré selon trois piliers stratégiques :

- La localisation au cœur des capitales européennes et des principaux quartiers d'affaires et de loisirs**, en particulier à Paris, Berlin et Milan. 94% des actifs se situent dans des localisations centrales¹ et 99% à moins de 5 minutes à pied d'un transport en commun.
- Une approche *hospitality* innovante et évolutive**, inspirée du savoir-faire en hôtellerie, pour accompagner l'évolution des attentes des utilisateurs. Cela se traduit notamment par une logique d'opérateur intégré, une politique servicielle et une relation client ambitieuses, adossées à des offres flexibles et sur-mesure. Cette approche est saluée par les clients utilisateurs des immeubles Covivio, l'enquête Kingsley réalisée auprès de 270 utilisateurs bureaux en France, Italie et Allemagne ayant révélé une satisfaction globale de 3,9/5 (vs *benchmark* à 3,6).
- Le développement durable** : Covivio est un opérateur engagé dans la transition climatique, pour un impact positif et durable sur la ville. Cet objectif s'illustre notamment par une trajectoire carbone ambitieuse (baisse des émissions de -40% de 2010 à 2030) et est salué par les principales agences de notation.

Le patrimoine est composé à 50% (-2pts par rapport à fin 2023 et -10pts vs 2020) de bureaux en France, Italie et Allemagne, dont 69% en centre-ville (vs 59% en 2020) et 25% dans les principaux centres d'affaires ; 30% (-1pt) de logements principalement à Berlin (57% du portefeuille résidentiel) ; et 20% (+3pts) d'hôtels situés dans les grandes villes touristiques européennes (Paris, Berlin, Rome, Madrid, Barcelone, Londres, etc.), loués ou gérés par les opérateurs leaders : Accor, IHG, Marriott, B&B, NH Hotels, etc.

42% du patrimoine est situé en Allemagne, 34% en France, 17% en Italie et 7% dans les autres pays européens.

¹ Bureaux : centre des grandes métropoles européennes (Paris, Berlin, Milan, etc) et des principaux quartiers d'affaires ; Hôtels : grandes destinations touristiques européennes ; Logements : Berlin, Dresde, Leipzig, Hambourg et grandes villes de la Rhénanie du Nord Westphalie

Des avancées stratégiques majeures au premier semestre

Renforcement significatif de l'exposition à l'hôtellerie

Au cours du premier semestre, Covivio a repris 8,7% du capital de sa filiale Covivio Hotels, en échange d'actions nouvelles Covivio, principalement auprès de Generali, et détient dorénavant 52,5% du capital de Covivio Hotels.

Cette opération s'inscrit dans un mouvement stratégique de rééquilibrage du patrimoine, en augmentant ainsi l'exposition à l'hôtellerie, secteur ayant démontré sa capacité à surperformer l'inflation et la croissance du PIB sur une longue période et offrant des perspectives de croissance prometteuses. La progression des nuitées est ainsi attendue à +5%/an d'ici 2030², tandis que l'offre future ne représente que 2% du parc existant en moyenne en Europe.

Avec cet apport, qui équivaut à l'acquisition de 500 M€ d'actifs, Covivio se renforce dans l'un des patrimoines les plus qualitatifs du marché, constitué de 311 hôtels *prime* situés à 90% dans les principales villes touristiques européennes comme Paris, Berlin, Rome, Londres, Barcelone ou Madrid.

La part de l'hôtellerie dans le patrimoine de Covivio s'élève désormais à 20%, contre 17% fin 2023, accélérant ainsi l'équilibrage du patrimoine entre les hôtels, les bureaux et les logements.

Signature du protocole d'accord avec AccorInvest, pour un échange d'hôtels créateur de valeur

En parallèle de ce renforcement, Covivio a franchi une étape significative en vue d'extraire le potentiel de création de valeur de son patrimoine hôtels. Covivio Hotels a ainsi signé en juin un protocole d'accord avec AccorInvest portant sur le remembrement de la propriété des murs et fonds de commerce d'hôtels détenus conjointement, en ligne avec les conditions définies lors de l'entrée en négociations exclusives en novembre 2023.

Covivio Hotels détient les murs de 54 hôtels loués au Groupe AccorInvest en loyer variable sur chiffre d'affaires, dans le cadre de baux long terme. Le Groupe AccorInvest est propriétaire et exploitant des fonds de commerce de ces hôtels, et a signé des contrats de gestion long terme avec le Groupe Accor.

Le protocole porte sur l'acquisition par Covivio Hotels de 24 fonds de commerce³ - permettant ainsi le remembrement de ces hôtels qui seront détenus en murs et fonds par Covivio Hotels - en contrepartie du transfert à AccorInvest des murs de 10 autres hôtels qui seront alors détenus en murs et fonds par AccorInvest.

La valeur convenue des murs cédés à AccorInvest représente 208 M€⁴ et la valeur convenue des fonds de commerce rachetés par Covivio Hotels représente 266 M€⁵. Sur la base des chiffres 2023, le montant des loyers annuels des actifs cédés à AccorInvest représente 11 M€ et l'EBITDA des fonds de commerce acquis par Covivio Hotels représente 31 M€.

L'opération permet ainsi à Covivio Hotels d'acquérir des fonds de commerce localisés dans des zones à forte attractivité touristique et bénéficiant d'un potentiel de création de valeur significatif au travers de travaux de repositionnement et d'optimisation de la gestion. Certains de ces hôtels resteront sous enseignes Accor (en contrat de gestion ou de franchise), d'autres feront l'objet d'un changement de marque.

La finalisation de l'opération est prévue pour le dernier trimestre 2024.

Création d'une *joint-venture* en résidentiel allemand

Au cours du premier semestre, Covivio et la CDC Investissement Immobilier ont mis en place un partenariat stratégique en résidentiel allemand, via l'acquisition par la CDC Investissement Immobilier d'une participation de 49% dans un portefeuille berlinois (39% auprès de Covivio Immobilien, filiale de Covivio à 61,7%, et 10% auprès de Covivio).

² Source : Oxford Economics

³ Via l'acquisition de titres de sociétés propriétaires et exploitantes de fonds de commerce

⁴ Hors droits

⁵ Droits inclus

COVIVIO

RESULTATS SEMESTRIELS 2024

Ce portefeuille, représentatif du patrimoine résidentiel berlinois de Covivio, comprend 8 actifs situés dans plusieurs des quartiers les plus attractifs de Berlin et totalise environ 70 000 m² (dont 770 appartements, 15 800 m² de surfaces commerciales et un parking public de 274 places). Cette opération a été signée sur la base d'une valorisation du portefeuille de 274 M€ (à 100%), en ligne avec les valeurs d'expertise à fin décembre 2023. Le financement hypothécaire adossé au portefeuille a été maintenu en place.

La création de cette *joint-venture* illustre l'intérêt de CDC Investissement Immobilier pour le marché résidentiel berlinois, souligne la qualité du patrimoine et le savoir-faire des équipes locales de Covivio. Celles-ci continuent d'assurer l'asset et le *property management* du portefeuille, en déployant notamment une stratégie ambitieuse d'amélioration de la performance environnementale à horizon 2030, en lien avec les objectifs ESG des deux partenaires.

Succès de l'offre premium en bureaux

Le semestre a également été marqué par le succès de l'offre bureau du Groupe, reposant sur trois piliers que sont la centralité, de hautes performances ESG et une approche *hospitality*.

Ce positionnement stratégique et cette offre innovante permettent à Covivio de bénéficier d'une dynamique locative favorable sur l'ensemble de son patrimoine de bureaux. Au total, 74 100 m² de nouvelles commercialisations et renouvellements ont été signés sur les six premiers mois de 2024.

Le patrimoine bureaux est majoritairement constitué d'actifs de centre-ville (69%), permettant de capter un potentiel de réversion important, de +9% en moyenne sur les actifs *Core*, dont +15% dans les centres-villes. Ceci s'illustre principalement à Paris QCA (+22% sur 3 661 m² de l'immeuble Avenue Delcassé), à Francfort (+55% dans FAC, sur 1 502 m²), à Berlin (+43% sur 1 438 m² dans l'actif Fischerinsel) ou encore dans le centre-ville de Milan (+39% sur 867 m² à Via Messina, +20% sur 718 m² à Via Rombon).

Covivio a par ailleurs signé plusieurs succès locatifs sur le reste de son patrimoine : en France, 2 700 m² supplémentaires dans Maslô à Levallois-Perret (loué à 100%), 1 800 m² dans Urban Garden, à Issy-les-Moulineaux (désormais occupé à 84%, un an après sa libération), 1 270 m² dans l'immeuble IRO à Châtillon (occupé à 69%) et 2 200 m² dans Belaïa à l'aéroport d'Orly (occupé à 96%), désormais directement desservi par la ligne de métro 14. Plusieurs succès locatifs sont également à noter en Allemagne, avec 3 100 m² loués sur l'actif Sunsquare à Munich (occupé à 79%) et 1 270 m² renouvelés sur Zeughaus, à Hambourg. A Milan, 30 000 m² ont été renouvelés sur l'actif Lorenteggio.

Le taux d'occupation s'inscrit ainsi en nette croissance, de +3pts depuis le premier trimestre 2023 et de +0,6pt sur le semestre, à 95,1%.

Renforcement de la structure financière

311 M€ de nouveaux accords de cessions signés en 2024

Dans un marché de l'investissement ralenti, Covivio a signé pour 311 M€ part du Groupe (455 M€ à 100%) d'accords de cessions, avec une marge moyenne de +3% sur les valeurs d'expertise de fin 2023 et un taux de rendement moyen de 5,0%. Le Groupe est ainsi en ligne avec son plan de cessions de 1,5 Md€ entre fin 2022 et fin 2024, avec près de 1,2 Md€, soit 80% du plan d'ores et déjà sécurisés.

Les bureaux ont concentré la plus large part des accords de cessions, pour 142 M€ en part du Groupe (183 M€ à 100%), avec une marge moyenne de -1,6%. Les cessions ont porté sur un total de 21 actifs, dont 12 en France (majoritairement des immeubles de bureaux *non core* convertis ou à convertir en résidentiel) et 9 en Italie (principalement issus du portefeuille Telecom, en régions).

En résidentiel allemand, 129 M€ part du Groupe (189 M€ à 100%) ont été cédés, en prime moyenne de +5,6% sur les valeurs d'expertise, avec notamment : la création de la *joint-venture* avec la CDC, en ligne avec les valeurs de fin 2023, contribuant au programme de cessions à hauteur de 93 M€ en part du Groupe, et la poursuite des ventes à l'unité, pour 25 M€ en part du Groupe (38 M€ à 100%), en prime moyenne de +40%.

En hôtellerie, les accords de cessions ont totalisé 40 M€ en part du Groupe (83 M€ à 100%), en prime moyenne de +10,7% sur les valeurs d'expertise. Elles ont principalement concerné des hôtels non stratégiques en Allemagne et Espagne, ainsi que des cessions conjointes de murs et fonds de commerce avec AccorInvest.

Renforcement des fonds propres de 536 M€ sur le semestre

Les fonds propres ont été renforcés de 536 M€ sur le semestre : 280 M€ provenant de l'opération d'échange d'actions sur Covivio Hotels, et 256 M€ issus de l'option de paiement du dividende en actions, souscrite par 77,5% du capital à 38,6€/action, traduisant le soutien des actionnaires, en particulier les principaux, représentés au conseil d'administration.

1,3 Md€ de financements ou refinancements

Depuis le début d'année, Covivio a sécurisé plus de 1,3 Md€ de financements ou refinancements (709 M€ en part du Groupe) pour une maturité moyenne de 7 ans, tant sur le marché obligataire que bancaire.

En mai 2024, Covivio Hotels a notamment émis pour 500 M€ d'emprunts obligataires verts (*Green bonds*), à maturité 2033, avec une marge de 148 pb. L'émission a été largement variabilisée afin de tirer parti de la très bonne situation de couverture du Groupe. Sur le marché hypothécaire, 765 M€ de financements ont été sécurisés, principalement sur des portefeuilles d'hôtels en Espagne et de résidentiel allemand.

La liquidité nette disponible du Groupe a continué de progresser, à 2,5 Md€ (vs 2,4 Md€ fin 2023). Elle couvre désormais les échéances de dette jusque fin 2026.

Des indicateurs de dette améliorés

Le ratio d'endettement (LTV) baisse de nouveau au premier semestre, de -50 pb, à 40,3%. Ce ratio, proche de la politique de LTV inférieure à 40%, bénéficiera de l'effet plein du résultat récurrent au 2nd semestre. Le ratio dette nette / EBITDA évolue lui aussi favorablement, en baisse à 12,1x (vs 12,3x fin 2023).

La dette dispose d'une maturité moyenne de 4,9 ans (stable) et conserve une forte protection contre la hausse des taux d'intérêt : le taux de couverture est de 95%, pour une maturité moyenne des instruments de couverture portée à 6,1 ans. Le taux moyen de la dette de Covivio s'établit à 1,68% et est attendu en dessous de 2,5% jusque fin 2028.

L'agence de notation Standard & Poor's a confirmé, le 7 mai 2024, sa notation BBB+, perspective stable sur Covivio.

Revenus en hausse de +6,5% à périmètre constant

En million d'€	Revenus S1 2023	Revenus S1 2024	Revenus S1 2024	% variation à Périmètre courant	% variation à Périmètre constant	Taux d'occupation	Durée ferme des baux
	Part du Groupe	100%	Part du Groupe	Part du Groupe	Part du Groupe	%	en années
Hôtels	65,9	162,3	75,9	+15,1%	+5,2%	100,0%	11,8
Bureaux	162,6	189,2	155,2	-4,5%	+8,8%	95,1%	5,0
Résidentiel Allemagne	91,8	146,6	94,8	+3,3%	+3,9%	99,0%	n.a.
Non stratégique	0,8	1,7	0,8	-0,4%	-9,3%	100,0%	n.a.
TOTAL	321,2	499,8	326,8	+1,8%	+6,5%	97,1%	6,8

Sur les six premiers mois de 2024, **les revenus ressortent à 500 M€ et 327 M€ en part du Groupe, en progression de +2% sur un an à périmètre courant**. L'effet des ventes de bureaux est plus que compensé par le renforcement en hôtellerie et la dynamique opérationnelle positive sur les trois classes d'actifs. **A périmètre constant, les revenus progressent de +6,5%**, grâce à l'indexation (3,1 pts), la hausse du taux d'occupation et des loyers lors des relocations et renouvellements (2,9 pts) et les revenus variables en hôtellerie (0,6 pt).

En hôtellerie, la croissance des revenus se poursuit, en hausse de +5,2% à périmètre constant. Cette performance est attribuable tant aux loyers fixes, en hausse de +4,4%, qu'aux revenus variables, en hausse de +6,1%. A périmètre courant, la hausse des revenus ressort à +15,1%, bénéficiant au deuxième trimestre du renforcement de la participation dans Covivio Hotels.

En bureaux, face à la polarisation croissante du marché locatif, le positionnement haut de gamme de Covivio (centralité, haute performance environnementale, offre servicielle ambitieuse) porte ses fruits. Les loyers reculent de -4,5%, en raison des cessions d'actifs réalisées en 2023 et 2024, mais **progressent fortement à périmètre constant, de +8,8%**, principalement portés par l'indexation (4,4 pts), le rebond du taux d'occupation (+3,8 pts) et la réversion positive (+0,6 pt).

En résidentiel allemand, la croissance des loyers à périmètre constant reste soutenue, à +3,9%. Elle provient de l'indexation (pour 1,7 pt), des programmes de travaux d'amélioration des logements (pour 1,3 pt) et des relocations (pour 1,1 pt) avec réversion élevée (+22%, dont +35% à Berlin). Le taux d'occupation s'établit à un niveau toujours élevé de 99%.

Le taux d'occupation moyen du patrimoine progresse de +40pb à 97,1% (vs 96,7% fin 2023), tandis que la durée moyenne ferme des baux s'établit à 6,8 ans.

Croissance du patrimoine de +2% à périmètre courant et stabilisation à périmètre constant

(En million d'euros, hors droits)	Valeurs 2023	Valeurs S1 2024	Valeurs S1 2024	Variation 6 mois	Variation 6 mois	Rendement 2023	Rendement S1 2024	% du portefeuille
	part du Groupe	100%	part du Groupe	à périmètre courant	à périmètre constant	(%)	(%)	
Hôtels	2 535	6,432	3,061	+20,7%	+0,5%	5,9%	6,0%	20%
Bureaux	7 847	9,308	7,749	-1,3%	-2,6%	5,5%	5,7%	50%
Résidentiel allemand	4 672	7,161	4,542	-2,8%	-0,1%	4,1%	4,2%	30%
TOTAL STRATEGIQUE	15 054	22,902	15,351	+2,0%	-1,3%	5,1%	5,3%	100%
Non stratégique	26	49	27	+5,5%	-10,7%	n.a.	n.a.	
TOTAL	15 080	22,951	15,378	+2,0%	-1,3%	5,1%	5,3%	100%

Le marché de l'investissement en immobilier est resté ralenti au premier trimestre 2024 sur la plupart des classes d'actifs, à l'exception de l'hôtellerie. Depuis le deuxième trimestre, les signaux positifs sont plus nombreux. Les transactions se sont multipliées en hôtellerie, tandis que les larges transactions ont fait leur retour en résidentiel allemand, et que les bureaux les plus recherchés se négocient autour de 4% de rendement.

Dans ce contexte, le patrimoine de Covivio ressort en croissance de +2% à périmètre courant, à 15,4 Md€ en part du Groupe (23,0 Md€ à 100%) tout en s'équilibrant, avec le renforcement en hôtellerie et les cessions de bureaux.

A périmètre constant, les valeurs d'actifs varient de -1,3%, marquant notamment une croissance en hôtels et en logements à Berlin, et une stabilisation sur les bureaux à Paris et Milan.

Le patrimoine hôtels, porté par la croissance des revenus, **progresses de +0,5% à périmètre constant**. La croissance concerne en particulier les hôtels en France (+1,1%) et dans le sud de l'Europe (+1,3%), tandis que l'Allemagne fait exception, à -0,7%. Le patrimoine affiche un rendement moyen de 6,0%.

En bureaux (-2,6% à périmètre constant), la France et l'Italie affichent des valeurs quasi stables (-1,2%), portées par les performances de Paris QCA (+2,0%) et Milan (-0,8%). En Allemagne, les valeurs continuent de s'ajuster, en baisse de -10% sur le semestre, en raison d'un marché de l'investissement particulièrement atone et d'un rendement de haut de cycle plus faible (2,5% sur le bureau *prime* à Berlin mi-2022 vs 2,7% à Paris et 3% à Milan). Le rendement moyen du patrimoine bureau augmente de +20pb, à 5,7%.

Enfin, le résidentiel allemand affiche des valeurs stables à périmètre constant (-0,1%), dont des progressions dans les meilleures localisations (+2,3% à Berlin, qui représente 57% du patrimoine). La valeur moyenne du patrimoine résidentiel s'établit à 2 435 €/m², dont 3 081 €/m² à Berlin et 1 776 €/m² en Rhénanie-du-Nord Westphalie, et le rendement moyen remonte de +10pb sur six mois, à 4,2%. Le patrimoine est valorisé en valeur bloc. Pour autant, 49% du patrimoine, soit 2,3 Md€, sont d'ores et déjà mis en copropriété, en particulier à Berlin (68% / 1,9 Md€), où l'écart entre valeur bloc et prix de vente au détail atteint +50%.

Au 30 juin 2024, le rendement moyen du patrimoine de Covivio ressort ainsi à 5,3%, en hausse de +20 pb sur six mois.

Croissance du résultat net récurrent, dans un contexte de désendettement

Résultat net récurrent de 231 M€, en hausse annuelle de +3%

La solide croissance des revenus à périmètre constant, la maîtrise des coûts de fonctionnement et la baisse des frais financiers permettent une croissance du résultat net récurrent (*EPRA Earnings ajusté*) de +3,3% sur un an, à 230,8 M€ (2,24€ par action, soit -4,8% en raison de l'augmentation du nombre moyen d'actions).

Le résultat net de Covivio est quant à lui quasi nul, à -8 M€, la légère baisse des valeurs étant en très large partie compensée par le résultat récurrent.

Actif net réévalué EPRA NTA de 77,7€/action

L'actif net réévalué de continuation (ANR EPRA NTA) ressort à 8 662 M€, en hausse de +2,3% sur six mois, la montée au capital de Covivio Hotels (en échange d'actions nouvelles Covivio) faisant plus que compenser la baisse modérée des valeurs d'actifs à périmètre constant. Par action, il s'inscrit à 77,7€, en baisse de -7,5%, en raison de la hausse du nombre de titres liée à la souscription par 77,5% des actionnaires au paiement du dividende en actions. L'ANR de liquidation (EPRA NDV) s'établit à 77,8€/action (8 668 M€) et l'ANR de reconstitution (EPRA NRV) ressort à 9 511 M€ et 85,4€ par action.

La stratégie ESG continue de porter ses fruits

Poursuite de la hausse du patrimoine certifié, désormais à 96%

Covivio a continué de faire croître le taux de certification de son patrimoine : la part bénéficiant d'une certification HQE, BREEAM, LEED ou équivalent, en opération et/ou en construction, atteint désormais 95,9% (+0,6 point vs 2023).

En outre, la part des immeubles de bureaux bénéficiant des meilleurs niveaux de certification (*Very Good* et au-dessus) s'établit à 68,9%, en hausse de +1,7 pt par rapport à fin 2023.

Cette politique d'amélioration environnementale de l'intégralité du portefeuille contribue activement à l'atteinte des ambitions ESG du Groupe, notamment celle de réduire de -40% ses émissions de gaz à effet de serre entre 2010 et 2030 (sur l'ensemble des scopes 1, 2 et 3 et la totalité du cycle de vie des actifs : matériaux, construction, restructuration et exploitation).

Progression des notations ESG au premier semestre

Début février 2024, Covivio a été reconnu par le CDP (Carbon Disclosure Project) pour son leadership en matière de transparence et de performance sur le changement climatique, avec l'obtention de la note « A », meilleure note possible. Covivio fait ainsi partie du cercle restreint (1,6%) des entreprises ayant obtenu la note « A », parmi plus de 20 000 entreprises évaluées.

En juin 2024, l'agence Sustainalytics a amélioré la notation de Covivio de 3 points, à « 4,8 » (contre 7,9 précédemment), évaluant son niveau de risque ESG comme étant « négligeable » et le classant dans le « Top 5 » du secteur et le « Top 20 » mondial.

Hausse de la part de la dette associée à des critères ESG

Pionnier dans l'émission d'obligations vertes (*Green bonds*) depuis 2016, Covivio a poursuivi le renforcement du poids de sa dette verte (associée à des objectifs ESG), porté à 61% au 30 juin 2024 (contre 57% fin 2023 et 38% fin 2022).

Perspectives 2024

Relèvement des perspectives de résultat net récurrent 2024

Le renforcement dans Covivio Hotels et les solides performances opérationnelles en bureaux permettent au Groupe de **relever son objectif de résultat net récurrent** (EPRA *Earnings* ajusté) **2024, autour de 460 M€ (contre 440 M€ initialement), en croissance de +6% vs 2023.**

Le Groupe vise également le **retour à un paiement du dividende uniquement en numéraire au titre de 2024**, avec un **taux de distribution supérieur à 80%**.

Poursuite du renforcement en hôtellerie et extraction du potentiel de croissance sur le patrimoine

A moyen terme, Covivio se donne pour priorités (i) de poursuivre le renforcement en hôtels et (ii) d'extraire le potentiel de croissance de son patrimoine, en particulier à Paris, Milan et Berlin.

Au-delà des perspectives favorables du marché hôtelier, le renforcement du premier semestre et les opérations d'*asset management* en cours **représentent plus de 50 M€ (part du Groupe) de revenus supplémentaires en hôtellerie.** L'échange d'actifs avec AccorInvest doit notamment permettre de générer 10 M€ de revenus supplémentaires, auxquels s'ajouteront les revenus issus des programmes de capex identifiés (environ 75 M€ et près de 20% de retour sur investissement). Enfin, Covivio prévoit de convertir certains immeubles de bureaux en hôtels. Deux projets ont déjà été identifiés, à Paris et Boulogne, pour près de 90 M€ d'investissements et 7 M€ de revenus supplémentaires.

Acteur majeur des grandes capitales européennes que sont Paris, Milan et Berlin, Covivio entend aussi poursuivre l'extraction de valeur de son patrimoine, en accompagnant la transformation de ces villes :

- A Paris, Covivio possède notamment 11 immeubles de bureaux issus du portefeuille historiquement loué à Orange. La libération progressive de ces actifs d'ici 2030 va permettre de les transformer en bureaux *prime* ou en hôtels, et d'en accroître significativement les revenus, avec un potentiel de plus de 60 M€ contre 30 M€ actuellement.
- A Milan, Covivio détient une capacité de développement de près de 100 000 m² d'immeubles mixtes à Symbiosis et sur la zone du futur village Olympique de Scalo di Porta Romana, pouvant générer 45 M€ de revenus.
- A Berlin, Covivio est un acteur majeur du résidentiel où le déséquilibre entre l'offre et la demande ne cesse de s'accroître et soutient la croissance des loyers à long terme. Le dernier indice de marché (Mietspiegel) publié fin mai est ainsi ressorti à +7,4% sur un an sur les localisations des immeubles de Covivio. Dans ce marché, Covivio bénéficie d'un patrimoine parmi les plus *prime*, disposant d'un important potentiel de réversion locative (+35%), de valorisation via les programmes de ventes à l'unité (avec une marge de plus de 50%) et d'amélioration de la performance énergétique des logements (rentabilité moyenne de 5% à 10%). Covivio participe aussi au renouveau du centre-ville et livrera en 2027 son projet mixte sur Alexanderplatz.

AGENDA

- ▶ Activité du 3^{ème} trimestre 2024 : **22 octobre 2024**
- ▶ Capital Markets Day 2024 (Paris) : **28 novembre 2024**

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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 23,0 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), 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 », ainsi que dans les indices ESG FTSE4 Good, CAC SBT 1.5°C, DJSI World et Europe, Euronext Vigeo (World 120, Eurozone 120, Europe 120 et France 20), Euronext® CDP Environment France EW, Stoxx ESG, Ethibel et Gaïa et bénéficie des reconnaissances et notations EPRA BPRs Gold Awards (rapport financier et développement durable), CDP (A), GRESB (90/100, 5-Star, 100% public disclosure), Vigeo-Eiris (A1+), ISS-ESG (B-) et MSCI (AAA).

Notations sollicitées :

Volet financier : BBB+ / perspective Stable par S&P



1. BUSINESS ANALYSIS	12
2. BUSINESS ANALYSIS BY SEGMENT	21
A. OFFICES	21
B. GERMAN RESIDENTIAL	30
C. HOTELS	36
3. FINANCIAL INFORMATION	41
4. FINANCIAL RESOURCES	50
5. EPRA REPORTING	55
6. FINANCIAL INDICATORS	65
7. GLOSSARY	66

1. BUSINESS ANALYSIS

A. REVENUES: €500 MILLION AND €327 MILLION GROUP SHARE IN H1 2024

(€ million)	100%			Group share				% of revenue
	H1 2023	H1 2024	Change (%)	H1 2023	H1 2024	Change (%)	Change (%) LfL ¹	
Offices	193.6	189.2	-2.2%	162.6	155.2	-4.5%	+8.8%	47%
Paris / Levallois / Neuilly	33.2	37.4	+12.5%	31.3	35.1	+12.2%	+17.5%	11%
Greater Paris (excl. Paris)	50.8	43.7	-13.9%	41.1	32.1	-21.9%	+10.7%	10%
Milan	34.0	34.2	+0.5%	34.0	34.2	+0.5%	+4.6%	10%
Telecom portfolio	28.7	29.6	+3.3%	14.6	15.1	+3.3%	+5.8%	5%
Top 7 German cities	27.2	28.5	+4.9%	24.2	25.4	+5.0%	+2.8%	8%
French Major Regional Cities	14.5	11.3	-22.3%	12.1	8.8	-27.6%	+6.9%	3%
Other cities (France & Italy)	5.2	4.5	-13.3%	5.2	4.5	-13.3%	+7.8%	1%
Germany Residential	141.8	146.6	+3.3%	91.8	94.8	+3.3%	+3.9%	29%
Berlin	73.3	75.4	+2.8%	48.1	49.5	+2.8%	+4.5%	15%
Dresden & Leipzig	11.6	11.9	+2.7%	7.5	7.7	+2.7%	+2.7%	2%
Hamburg	9.1	9.6	+5.4%	6.0	6.3	+5.4%	+5.4%	2%
North Rhine-Westphalia	47.9	49.8	+3.8%	30.2	31.4	+3.9%	+3.2%	10%
Hotels	157.4	162.3	+3.1%	65.9	75.9	+15.1%	+5.2%	23%
Lease Properties	125.8	131.8	+4.8%	52.5	60.9	+15.9%	+5.8%	19%
France	44.7	45.4	+1.6%	17.0	19.0	+12.0%	+0.6%	6%
Germany	17.0	17.6	+3.9%	7.3	8.3	+14.7%	+5.5%	3%
UK	18.2	18.4	+0.6%	8.0	8.8	+10.6%	+0.5%	3%
Spain	18.3	21.1	+15.3%	8.0	10.4	+28.9%	+20.5%	3%
Belgium	7.5	7.7	+3.2%	3.3	3.8	+14.5%	+4.5%	1%
Others	20.1	21.6	+7.1%	8.8	10.4	+18.1%	+8.3%	3%
Operating Properties²	31.6	30.5	-3.4%	13.5	15.1	+11.9%	+2.9%	5%
Total strategic activities	492.8	498.1	+1.1%	320.3	326.0	+1.8%	+6.6%	100%
Non-strategic	1.9	1.7	-9.5%	0.8	0.8	-0.4%	-9.3%	0%
Total Revenues	494.7	499.8	+1.0%	321.2	326.8	+1.8%	+6.5%	100%

1: Like-for-like change || 2: Operating Properties (EBITDA)

Group share revenues, up +1.8% at current scope, stand at €326.8 million vs. €321.2 million in H1 2023, due to:

- ▶ **The reinforcement of the stake in Covivio Hotels (+€8 million);**
- ▶ **The +6.5% increase on like-for-like basis, split between:**
 - Offices: +8.8% like-for-like, driven by indexation and letting activity;
 - Hotels: a sustained like-for-like revenue increased by +5.2%, due to the continued rebound in variable revenues (EBITDA + variable leases) of +6.1% and a +4.4% like-for-like growth for fixed lease properties;
 - German Residential: a continued robust growth of +3.9% like-for-like.
- ▶ **Reduction in office exposure through disposals (-€14 million);**
- ▶ **Deliveries of new assets (+€2 million),** in Greater Paris and Berlin;
- ▶ **Vacated assets for redevelopment (-€5 million),** mostly in Paris Western Crescent and first ring, for conversion into residential or hotel.

B. LEASE EXPIRIES AND OCCUPANCY RATES

1. Lease expiries: average firm residual duration of 6.8 years

Average lease duration by activity

Group share, in Years	By lease end date (1st break)		By lease end date	
	2023	H1 2024	2023	H1 2024
Offices	5.4	5.0	5.9	5.6
Hotels	12.2	11.8	13.9	13.5
Non-strategic	7.4	6.9	7.4	6.9
Total	7.0	6.8	7.8	7.7

Lease expiries schedule

(€ million; Group share)	By lease end date (1st break)	% of total	By lease end date	% of total
2024	25	3%	16	2%
2025	66	9%	44	6%
2026	29	4%	14	2%
2027	43	6%	25	3%
2028	41	6%	43	6%
2029	36	5%	39	5%
2030	58	8%	55	7%
2031	24	3%	41	6%
2032	32	4%	54	7%
2033	33	4%	45	6%
Beyond	121	16%	133	18%
Offices and Hotels leases	508	69%	508	69%
German Residential	190	26%	190	26%
Hotel operating properties	41	6%	41	6%
Total	739	100%	739	100%

In 2024, lease expiries with first break options represent €25 million, of which €18.0 million are already managed (€3.6 million of hotels, €11.7 million of offices for which tenant has no intention to vacate the property and €2.7 million of offices to be converted into hotels). Only €7.0 million (1.0% of Annualized revenue) are still to be managed in offices, mostly on core assets for which tenant decision is not known yet.

2. Occupancy rate: 97.1% secured, +0.4pt vs. 2023

Group share	Occupancy rate (%)	
	2023	H1 2024
Offices	94.5%	95.1%
German Residential	99.1%	99.0%
Hotels	100.0%	100.0%
Total strategic activities	96.7%	97.1%
Non-strategic	100.0%	100.0%
Total	96.7%	97.1%

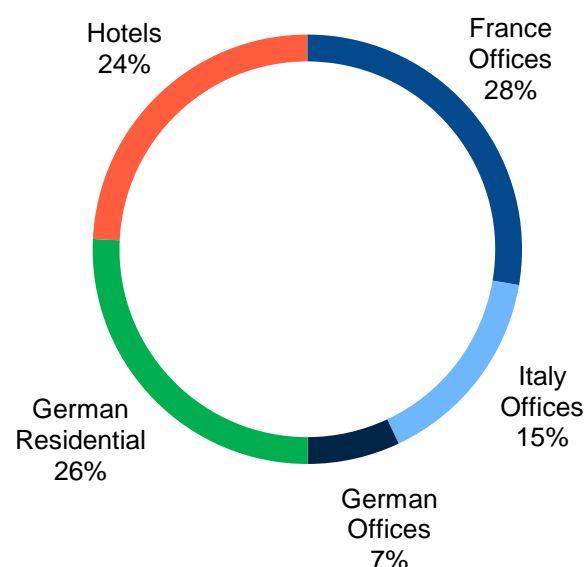
The occupancy rate continued to increase, by +40bps over six months, to 97.1% for the whole portfolio. This is linked with the rebound in offices by +60bps to 95.1%, thanks to several lettings in Greater Paris.

C. BREAKDOWN OF ANNUALIZED REVENUES

By major tenants

(€ million, Group share)	Annualised revenues 2024	%
AccorInvest	41	6%
NH	29	4%
Telecom portfolio	29	4%
Orange	26	3%
B&B	23	3%
IHG	23	3%
Suez	19	3%
Dassault Systèmes	18	2%
Tecnimont	16	2%
Thalès	13	2%
Edvance (EDF)	9	1%
LVMH	9	1%
Fastweb	6	1%
NTT Data Italia	5	1%
Chloé	5	1%
EDF / Enedis	5	1%
Crédit Agricole	5	1%
Other hotels lease properties	13	2%
Other office tenants <€5M	255	35%
German Residential	190	26%
Total	739	100%

By activity



D. STABLE COST TO REVENUE RATIO

(€ million, Group share)	Offices in Europe	German Residential	Hotels in Europe (incl. retail)	Other (mainly France Resi.)	Total ⁽¹⁾	
					H1 2023	H1 2024
					H1 2024	
Rental Income	152.6	97.5	61.7	-	307.7	311.8
Unrec. property oper. costs	-16.4	-2.2	-1.0	-0.1	-17.4	-19.6
Expenses on properties	-3.0	-6.6	-0.2	-0.1	-10.6	-10.0
Net losses on unrec. receivable	0.3	-1.0	0.4	-	-0.7	-0.3
Net rental income	133.5	87.6	60.9	-0.2	279.0	281.9
Cost to revenue ratio	10.8%	10.1%	0.7%	n.a.	8.6%	8.6%

¹Ratio restated of IFRIC21 impact (property tax), spread over the year

E. DISPOSALS: €311M OF NEW AGREEMENTS

(€ million)		Disposals <2024 closed	Agreements <2024 to close	New disposals 2024	New agreements 2024	Total	Margin vs 2023 value	Yield	Total Realised Disposals
		1		2	3	= 2 + 3			= 1 + 2
Offices & Conversion to Residential	100 %	115	107	37	146	183	-1.1%	6.8%	152
	GS ¹	109	107	28	114	142	-1.6%	6.8%	137
Germany Residential	100 %	10	5	166	23	189	5.9%	3.6%	176
	GS	7	4	114	15	129	5.6%	3.6%	121
Hotels	100 %	-	84	21	63	83	10.4%	5.9%	21
	GS	-	44	11	30	40	10.7%	5.9%	11
Total Group	100 %	125	196	223	232	455	3.7%	5.1%	349
	GS	116	154	152	159	311	2.8%	5.0%	268

1: GS: Group share

New disposals and agreements totalled €311 million Group share (€455 million at 100%) at the end of the semester.

These disposal agreements were made of offices for the largest part, for a total of €142 million Group share, with an average margin of -1.6%. It dealt with 12 offices in France and 9 offices in Italy (mostly from the Telecom portfolio, in regions).

In German residential, €129 million Group share (€189 million at 100%) of disposal agreements were achieved over H1, with an average premium of +5.6% vs. 2023 book values. Major achievements were the creation of a joint venture with CDC Investment on a portfolio in Berlin, in line with the values at the end of 2023, contributing €93m (Group share) to the disposal program, and, at the same time, the Group continued with its privatisation program, selling €25m Group share (€38m at 100%), at an average premium of 40%.

In the hotels business, disposal agreements totalled €40m Group share (€83m at 100%), at an average premium of +10.7% to appraised values. These mainly concerned non-strategic hotels in Germany and Spain, as well as joint disposals (opco and propco) in France with AccorInvest.

INVESTMENTS: €214M GROUP SHARE REALIZED

€214 million Group share (€263 million at 100%) of capex were realized during the first 6 months of the year to improve the quality of our portfolio and create value:

- ▶ Capex in the **development pipeline** totalled €110 million Group share (€125 million at 100%),
- ▶ €71 million Group share (€100 million at 100%) relate to **works on the operating portfolio (including 2/3 of valorisation work)**, of which €35 million in German residential (54% for modernization capex, generating additional revenue),
- ▶ €33 million capex on office to residential conversion projects (built to sell).

F. DEVELOPMENT PROJECTS:

1. Committed office pipeline: €93m of revenues in Group share, 85% in city centers

Covivio has an office pipeline of 10 buildings which will generate €93m of revenues in France, Germany, and Italy, the bulk of it (85%) in the city centers of Paris, Milan and Berlin, where demand for prime assets is high. Capex still to be spent on the committed development pipeline reach €584 million (€167 million per year by 2027 on average).

This pipeline is highly pre-let (55%, +2 pts compared to end-2023) and will participate to the continued improvement of the portfolio quality towards centrality & grade A buildings (100% of the projects certified "Excellent" or above).

- ▶ Expected deliveries before year-end 2024: 2 projects in Milan (The Sign D, Rozzano).
- ▶ Deliveries from 2025 refer to **8 projects in Paris CBD** (Grands Boulevards, Monceau), Paris 1st ring (turnkey development for Thalès), Milan (Corte Italia, Symbiosis G+H), Berlin (Loft), Düsseldorf (Icon) and Berlin (Alexanderplatz).

Committed projects	Location	Project type	Surface (m ²) ¹	Delivery year	Pre-leased (%)	Total Budget ² (€M, 100%)	Total Budget ² (€M, GS)	Target Yield ³
Monceau	Paris	Regeneration	11,200 m ²	2025	0%	249	249	4.4%
Thalès 2	Meudon	Construction	38,000 m ²	2026	100%	213	213	7.9%
Grands Boulevards	Paris	Regeneration	7,500 m ²	2027	0%	153	153	4.5%
Total France committed pipeline			56,700 m²		49%	615	615	5.6%
The Sign D	Milan	Construction	13,200 m ²	2024	92%	76	76	6.1%
Rozzano - Strada 8	Milan	Regeneration	25,700 m ²	2024	58%	44	44	7.9%
To be delivered in 2024			38,900 m²		77%	120	120	6.7%
Corte Italia	Milan	Regeneration	12,100 m ²	2025	100%	125	125	5.9%
Symbiosis G+H	Milan	Construction	38,000 m ²	2025	100%	198	198	6.4%
To be delivered in 2025 and beyond			50,100 m²		100%	323	323	6.2%
Total Italy committed pipeline			89,000 m²		93%	443	443	6.3%
Loft (65% share)	Berlin	Regeneration	7,600 m ²	2025	0%	40	26	5.4%
Icon (94% share)	Düsseldorf	Regeneration	55,700 m ²	2025	60%	249	235	5.5%
Alexanderplatz (55% share)	Berlin	Construction	60,000 m ²	2027	0%	624	343	4.5%
Total Germany committed pipeline			115,700 m²		26%	913	604	4.9%
Total committed pipeline			261,400 m²		55%	1,970	1,661	5.6%

¹ Surface at 100%

² Including land and financial costs

³ Yield on total rents over total budget

2. Build-to-sell pipeline

Committed projects	Units	Total Budget ¹ (€m, 100%)	Total Budget ¹ (€m, Group share)	Pre-sold (%)
Berlin (1 project)	92			
Bordeaux Lac	203			
Antony	68			
Saint-Germain-en-Laye	24			
2024 Delivery	387	103	93	74%
Berlin (2 projects)	117			
Fontenay-sous-Bois	249			
Bordeaux Lac	102			
Bobigny	158			
Zabarella	47			
2025 & beyond Delivery	673	237	154	55%
Total residential BTS	1060	340	247	62%

¹ Including land and financial costs

- ▶ At the end of June 2024, the German build-to-sell pipeline deals with **3 projects located in Berlin**, where housing shortage is the highest in Germany, totalling 209 residential units and a total cost of €73 million Group share.
- ▶ The current French pipeline is composed of **6 projects located mainly in the Greater Paris and Bordeaux**, representing 804 residential units, a total cost of €152 million Group Share. 94% of the projects are already pre-sold.
- ▶ The total margin of the committed pipeline reaches 8%.

3. Managed Pipeline

In the long-term, Covivio also owns more than 293,000 m² of landbanks that could welcome new development projects:

- ▶ in Paris, Greater Paris and Major French Cities (180,000 m²) mainly for turnkey developments;
- ▶ in Milan with Symbiosis (23,000 m²) and Porta Romana (76,000 m²);
- ▶ and approximately 14,000 m² in Germany, mostly in Berlin.

G. PORTFOLIO

Portfolio value: +2.0% at current scope, -1.3% like-for-like change

(€ million, Excluding Duties)	Value 2023 Group Share	Value H1 2024 100%	Value H1 2024 Group share	Change (%)	LfL ¹ 6 months change	Yield 2023	Yield H1 2024	% of strategic portfolio
Offices	7,847	9,308	7,749	-1.3%	-2.6%	5.5%	5.7%	50%
Residential Germany	4,672	7,161	4,542	-2.8%	-0.1%	4.1%	4.2%	30%
Hotels	2,535	6,432	3,061	+20.7%	+0.5%	5.9%	6.0%	20%
Non-strategic	26	49	27	+5.5%	-10.7%	n.a.	n.a.	n.a.
Total	15,080	22,951	15,378	+2.0%	-1.3%	5.1%	5.3%	100%

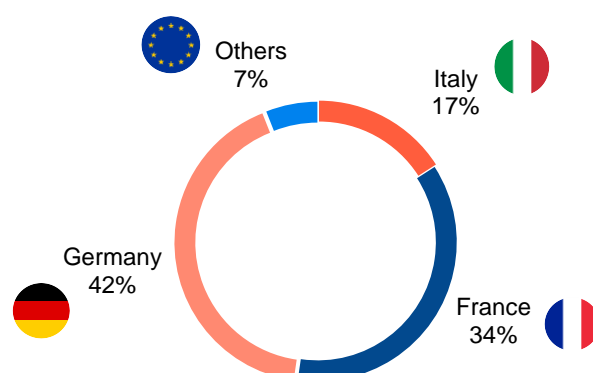
¹ LfL: Like-for-Like

The portfolio increased by +2% at current scope, to reach €15.4 billion Group share (€23.0 billion at 100%). This is mostly explained by the reinforcement in hotels, offsetting the impact of disposals in offices.

On a like-for-like basis, the portfolio value changed by -1.3% mostly due to:

- ▶ **Overall in offices**, asset values were down -2.6% on a like-for-like basis, with substantial disparities linked to centrality and geography. France and Italy (85% of office portfolio value) displayed almost stable values (of which +2% in Paris CBD), while Germany values (15% of office portfolio value) continued to adjust (-10% over H1);
- ▶ **Germany Residential** values stabilized in H1 (-0.1%) **on a like-for-like basis**. A stronger performance was achieved in Berlin (57% of German residential portfolio), at +2.3% like-for-like. Average value per m² for residential part of the portfolio is €2,435/m², of which €3,081/m² in Berlin. Assets are valued at their block value. 49% of the portfolio, worth €2.3 billion, is already divided into condominium, particularly in Berlin (68%; €1.9 billion), where the unit sale value is 50% above the block value.
- ▶ **In Hotels**, portfolio values increased slightly (+0.5%), of which +0.6% for fixed leases and stable values for operating properties.

Geographical breakdown of the portfolio at end of H1 2024



H. LIST OF MAIN ASSETS

The value of the ten main assets (excl. Dassault Systèmes Campus & Thalès Campus) represents 14% of the portfolio Group share, stable vs end 2023.

Top 10 Assets	Location	Tenants	Surface (m ²)	Covivio share
Garibaldi Complex	Milan	Multi let	44,700	100%
CB21 Tower	La Défense	Multi let	68,100	75%
Jean Goujon	Paris	LVMH	8,600	100%
Mäslo	Levallois Perret	Multi let	20,800	100%
Zeughaus	Hamburg	Multi let	43,700	94%
Icon	Dusseldorf	Multi let, Devpmt.	55,700	94%
Art & Co	Paris	Multi let	13,500	100%
Percier	Paris	Multi let	8,600	100%
Monceau	Paris	Devpmt.	11,200	100%
Frankfurt Airport Center	Frankfurt	Multi let	48,100	90%

2. BUSINESS ANALYSIS BY SEGMENT

A. OFFICES: 50% OF COVIVIO'S PORTFOLIO

Covivio has implemented an overall offices strategy based on **centrality, hospitality, and sustainability**. This strategy has been executed by increasing investments on best-in-class assets in central locations, improving the quality of the existing portfolio and exiting from non-core areas.

Today, quality has become a much more important driver of future growth for Covivio, which owns offices with high levels of centrality and accessibility, A-quality buildings, and top-level service offering. These offices buildings are located in France (27% of Covivio's portfolio), Italy (16%), and Germany (7%) totalling **€9.3 billion (€7.7 billion Group share)** as of end-June 2024.

This offices strategy is bearing fruit, as illustrated by the **increase in occupancy rate in 2024, by +60bps to 95.1%**.

Covivio's portfolio is split as follows:

- ▶ **Core assets in city centers (69% of Covivio's office portfolio, +10pts vs. 2020):** located in city centers of main European cities (Paris/Levallois/Neuilly, Milan, Berlin, Düsseldorf, Hamburg, and French major regional cities), with **high occupancy (97.4%)** and **4.8 years WALB**.
- ▶ **Core assets in major business hubs (25%):** includes assets in well-connected business hubs (Greater Paris, Periphery of German cities), with **high occupancy (94%)** and **long WALB (5.6 years)**, mostly let to long-term partners such as Thalès and Dassault Systèmes.
- ▶ **Non-Core assets (6%):** gathers secondary offices assets outside city centers for which the occupancy rate (83%) and the WALB (3.8 years) are lower, with a **disposal or conversion into residential** strategy.

1. European office market: confirmed polarization, slowdown in investments¹

1.1. French offices: stabilizing take-up and yields

Take-up in Greater Paris office market reached 853,400 m² in H1 2024, down -5.1% year-on-year. At the same time, customer demand continues to polarize, as the preference for best places continues to increase:

- ▶ **Paris inner city outperformed**, with take-up up +12.2% year-on-year to 428,900m².
- ▶ **Paris inner city** counted for **47%** of the total take-up in Greater Paris (vs. 40% on average over the last 5 years).

The **immediate offer** increased by **+5%** over the last six months to **4.98 million m²** and the vacancy rate now stands at **9.0%**, up by +30bps year-to-date, but with strong disparities: below 3% in Paris CBD and close to 15% in the first ring and La Défense.

Scarcity of best assets in city centers continues to impact positively prime rents, reaching all-time levels in Paris at **€1,070/m²/year** (+7% yoy), and with transactions currently under marketing at **€1,200/m²/year**. Incentives in Greater Paris increased slightly to **26.0% in H1 2024**, up +50bps vs. end-2023, with maintained disparities across sub-markets, from 13.1% in Paris North-East to 42.8% in La Défense.

¹ Sources: Immostat, JLL, Cushman & Wakefield, Savills, BNP Real Estate, DILS

Office investments in Greater Paris totaled €985 million over H1 2024, down –65% YoY. Prime yields remained stable over the first semester, at **4.25%** in Paris CBD. Mood in the investment market seems improving over the last weeks, looking at the increased number of transactions under negotiations (of which > €500m at yields around 4%).

1.2. Milan offices: dynamic letting market and better investment market

Milan office market recorded a total take-up of **185,000 m²** in H1 2024, **-9%** year-on-year. Demand is still focused on **buildings** in prime locations, offering **good level of services**, as demonstrated by the level of **grade A/A+** properties, which count for **80%** of the total take-up in Milan.

The average vacancy rate in Milan was up by +10bps in Q1 2024, to **+11.3%**, with strong disparity between the centre (where most of Covivio's portfolio is located), at 6.7% and the periphery.

The intense demand for high-quality spaces, combined with the scarcity of grade A assets, contributed to a new increase of prime rents in Milan, at **€750/m²/year (+7% year-on-year)**, according to DILS.

With a total amount of **€830 million invested in H1 2024**, the **Italian office investment market** rebounded strongly compared to last year (€400 million). Prime yields stabilized, at 4.25% according to BNP Real Estate.

1.3. Germany offices: +4.5% in take-up, prime rents up +5% yoy on average

Take-up in Germany top six markets in H1 2024 increased by +4.5% year-on-year to **1,164,000 m²**, **boosted by Dusseldorf (+33%), Munich (+17.5%) and Berlin (+11%)**.

Vacancy rates reached **5.9%** on average, up +30 bps over six months. Hamburg (4.2%) and Berlin (5.2%) recorded among the lowest vacancy rates, followed by Munich at 5.8%, while in Frankfurt and Dusseldorf vacancy levels remained higher, respectively at 10% and 7.8%.

Prime rents grew on average by **+5.1%** vs. H1 2023, with varying performances: strong growth in Düsseldorf and Munich (+11%), +2% in Frankfurt and stable in Berlin.

Investment volumes in German Offices declined by -22% YoY in H1 2024 to €1.6 billion. Prime yields stabilized since end-2023, at **4.4%** on average for the top 6 cities in Germany (of which 4.25% in Berlin and Hamburg, 4.5% in Frankfurt and Dusseldorf).

2. Accounted revenues: +8.8% on a Like-for-Like basis

(€ million)	100%			Group share			Change (%) LfL ¹
	H1 2023	H1 2024	Change (%)	H1 2023	H1 2024	Change (%)	
Offices	193.6	189.2	- 2.2%	162.6	155.2	- 4.5%	+8.8%
France	101.1	94.2	- 6.8%	87.1	77.8	- 10.7%	+13.1%
Paris / Neuilly / Levallois	33.2	37.4	+12.5%	31.3	35.1	+12.2%	+17.5%
Western Crescent and La Defense	24.3	17.7	-27.2%	20.9	13.9	-33.6%	+18.0%
First ring	26.5	26.0	-1.6%	20.2	18.2	-9.8%	+6.5%
Major Regional Cities	14.5	11.3	-22.3%	12.1	8.8	-27.6%	+6.9%
Others France	2.6	1.8	-29.9%	2.6	1.8	-29.9%	+9.4%
Italy	65.3	66.5	+1.8%	51.3	52.0	+1.4%	+5.1%
Milan	34.0	34.2	+0.5%	34.0	34.2	+0.5%	+4.6%
Telecom portfolio (51% ownership)	28.7	29.6	+3.3%	14.6	15.1	+3.3%	+5.8%
Others Italy	2.6	2.7	+3.1%	2.6	2.7	+3.1%	+7.1%
Germany	27.2	28.5	+4.9%	24.2	25.4	+5.0%	+2.8%
Berlin	3.7	4.6	+22.6%	2.6	3.3	+28.3%	+8.5%
Frankfurt	10.9	11.0	+0.7%	10.1	10.1	+0.8%	+0.8%
Düsseldorf	5.0	5.1	+2.4%	4.7	4.8	+2.4%	+2.4%
Other (Hamburg & Munich)	7.5	7.8	+4.0%	6.9	7.2	+3.7%	+3.7%

1 LfL: Like-for-Like

Compared to last year, rental income decreased by -€7.4 million, mainly due to:

- ▶ **Strong like-for-Like rental growth** (+€12.1 million) of **+8.8%**, a very good performance mostly driven by the impact of strong indexation (+4.4pts contribution) and letting activity,
- ▶ **Disposals** (-€13.2 million) realized in 2023 (-€7.2 million) and in 2024 (-€6.0 million),
- ▶ Impact of vacated assets to be converted into hotel or residential (-€5.1 million) partially offset by deliveries of new assets (+€2.2 million),
- ▶ **Some base effects with 2023 indemnities** (-€3.3 million compared to 2023).

3. Annualized revenue

(€ million)	Surface (m ²)	Number of assets	H1 2024 (100%)	H1 2024 (Group share)	% of rental income
Offices	2,095,093	180	459.6	369.0	100%
France	1,135,979	92	261.0	204.3	55%
Paris / Neuilly / Levallois	273,736	24	98.3	90.8	25%
Western Crescent and La Defense	100,924	6	41.7	32.9	9%
First ring	410,303	19	86.0	55.0	15%
Major Regional Cities	295,607	28	32.1	22.8	6%
Others France	55,409	15	2.8	2.8	1%
Italy	594,470	69	140.9	113.2	31%
Milan	213,571	26	78.9	78.9	21%
Telecom portfolio (51% ownership)	337,760	41	56.5	28.8	8%
Others Italy	43,139	2	5.6	5.6	2%
Germany	364,644	19	57.7	51.5	14%
Berlin	58,119	7	9.1	6.6	2%
Frankfurt	118,649	4	22.9	21.1	6%
Düsseldorf	68,786	2	10.2	9.6	3%
Other (Hamburg & Munich)	119,090	6	15.4	14.1	4%

4. Indexation

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

- ▶ For current leases in France, 93% of rental income is indexed to ILAT, 5% to ICC and 2% to ILC.
- ▶ In Italy, the 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.
- ▶ Rents are indexed on the German consumer price index for 42% of leases, 10% have a fixed uplift and 32% have an indexation clause (if CPI goes above an annual increase between 5% and 10%). The remainder (16%) is not indexed and mainly let to public administration.

5. Busy rental activity: 74,079 m² renewed or let during 2024

(€ million - H1 2024)	Surface (m ²)	Annualized Top up rents Group Share (€m)	Annualised rents (100%, €/m ²)
Vacating	29,297	4.7	179
Letting	27,225	9.1	357
Renewals	46,854	8.0	203

2024 was a dynamic semester for letting activity, with 74,079 m² let or renewed, with the main lettings shown below:

- ▶ **27,225 m² have been let or pre-let** in 2024, of which:
 - 3,661 m² on Paris, The Line,
 - 3,085 m² on Sun in Munich,
 - 3,009 m² of pre-lettings on the development part of Dusseldorf, Icon,
 - 2,664 m² on Levallois, Maslo, now 100% let,
 - 2,817 m² of pre-lettings on the development portfolio (Rozzano),
 - 2,184 m² on Orly, CDO Belaïa,
 - 1,766 m² on Issy les Moulineaux, Urban Garden now 84% let,
 - 1,502 m² on Frankfurt, FAC,
 - 1,438 m² on Fischerinsel in Berlin,
 - 1,270 m² on Chatillon, IRO, now 69% let.
- ▶ **46,854 m² have been renewed**, of which:
 - 30,234 m² on Milan, Lorenteggio,
 - 7,870 m² on Orly, CDO Askia,
 - 4,320 m² on Dusseldorf, Icon,
 - 1,270 m² on Hamburg, Zeughaus.
- ▶ **29,297 m² were vacated**, mostly in France (21,705 m²) and Germany (6,361 m²)
 - 13,612 m² for redevelopment (€1.5 million of top up rents, Group share), mostly for new offices in Chalon-sur-Saone and Melun.
 - 15,685 m² on assets to be relet, of which 4,554 m² have already been relet.

6. Lease expiries and occupancy rate

6.1. Lease expiries: firm residual lease term of 5.0 years

(€ million Group share)	By lease end date (1st break)	% of total	By lease end date	% of total
2024	21.5	5.8%	14.7	4.0%
2025	62.5	16.9%	41.4	11.2%
2026	23.1	6.3%	14.0	3.8%
2027	41.8	11.3%	24.2	6.6%
2028	41.3	11.2%	42.6	11.5%
2029	19.0	5.1%	24.3	6.6%
2030	47.4	12.8%	44.5	12.0%
2031	20.6	5.6%	34.9	9.5%
2032	27.1	7.4%	49.0	13.3%
2033	27.0	7.3%	36.8	10.0%
Beyond	37.8	10.2%	42.8	11.6%
Total	369.0	100%	369.0	100%

In 2024, €21.5 million of leases will expire, of which €14.4 million already managed (€11.7 million for which tenant has no intention to vacate the property and €2.7m on assets going to be transformed into hotels). €7.0 million are still to be managed (1.0% of Covivio annualized revenues), mostly on core assets for which tenant decision is not known yet.

6.2. Occupancy rate: 95.1% at end June-2024, +60 bps vs end-2023

(%)	2023	H1 2024
Offices	94.5%	95.1%
France	94.1%	95.0%
Paris / Neuilly / Levallois	95.8%	96.8%
Western Crescent and La Defense	95.8%	97.6%
First ring	89.9%	91.1%
Major Regional Cities	97.9%	96.6%
Others France	84.0%	79.3%
Italy	98.7%	98.6%
Milan	98.3%	98.2%
Telecom portfolio (51% ownership)	100.0%	100.0%
Others Italy	97.3%	97.3%
Germany	86.4%	87.7%
Berlin	85.0%	84.5%
Frankfurt	90.3%	90.0%
Düsseldorf	93.8%	90.1%
Other (Hamburg & Munich)	81.4%	85.9%

- ▶ In France, the occupancy rate increased by +90bps to 95.0%, compared to 94.1% at end-2023, mostly due to the dynamic letting activity in H1 2024.
- ▶ In Italy, the occupancy rate level decreased by -10bps to 98.6%, compared to 98.7% at end-2023, mainly due to disposals of fully occupied assets (Telecom portfolio), almost fully offset by letting activity.
- ▶ In Germany, the occupancy rate increased by +130 bps to 87.7% vs. end-2023. This is mainly linked to lettings, especially on Sun in Munich.

7. Portfolio values

7.1. Change in portfolio values: -1.3% on offices

(€ million - incl. Duties - Group share)	Value 2023	Invest.	Disp.	Change in value	Other effects	Value H1 2024
Assets in operation	6,623	23	-64	-166	164	6,581
Assets under development	1,224	115	0	-42	-129	1,168
Total Offices	7,847	138	-64	-207	35	7,749

The portfolio value decreased by -€98 million since year-end-2023 (-1.3%), mainly driven by:

- ▶ -€207 million from **changes in values**,
- ▶ +€138 million invested in **development projects** and **upgrading works** on assets in operation,
- ▶ -€64 million from **disposals**.

7.2. Change on a like-for-like basis: -2.6%

(€ million, Excluding Duties)	Value 2023 100%	Value 2023 Group share	Value H1 2024 100%	Value H1 2024 Group share	LfL (%) change ¹ 6 months	Yield ² Dec. 2023	Yield ² H1 2024	% of total
Offices	9,446	7,847	9,308	7,749	-2.6%	5.5%	5.7%	100%
France	5,010	4,117	5,025	4,147	-1.4%	5.5%	5.7%	54%
Paris / Neuilly / Levallois	2,476	2,293	2,536	2,358	+0.1%	4.5%	4.6%	30%
Western Crescent and La Defense	604	496	582	479	-4.8%	7.1%	7.7%	6%
First ring	1,283	864	1,290	869	-1.6%	6.3%	6.7%	11%
Major Regional Cities	601	417	576	400	-4.1%	6.0%	6.3%	5%
Others France	46	46	41	41	-9.3%	9.3%	9.4%	1%
Italy	2,963	2,491	2,916	2,462	-1.0%	5.6%	5.6%	32%
Milan	1,932	1,932	1,931	1,931	-0.9%	5.3%	5.3%	25%
Telecom portfolio (51% ownership)	963	491	926	472	-0.7%	6.2%	6.1%	6%
Others Italy	68	68	59	59	-4.9%	9.2%	9.5%	1%
Germany	1,473	1,239	1,368	1,140	-10.0%	5.2%	5.9%	15%
Berlin	467	306	462	300	-7.4%	4.6%	5.4%	4%
Frankfurt	411	378	369	340	-10.4%	5.7%	6.3%	4%
Düsseldorf	251	237	223	210	-13.1%	5.8%	6.3%	3%
Other (Hamburg & Munich)	344	319	314	290	-9.6%	4.9%	5.6%	4%

¹ LfL : Like-for-Like || ² Yield excluding assets under development

The -2.6% change in Like-for-Like value is driven by several effects:

- ▶ Strong resilience of France (-1.4%) and Italy (-1.0%) assets, especially in city centers with values back to stability, while some further limited adjustments were needed outside city centers,
- ▶ -10% value decline in Germany, in line with a more muted investment market in H1.

The average yield increased by +20bps to 5.7%.

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 Saint-Ouen (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).

B. 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 ~41,100 units in Berlin, Hamburg, Dresden, Leipzig, and North Rhine-Westphalia, representing €7.2 billion (€4.5 billion Group share) of assets.

Covivio is mostly exposed to A-cities in Germany, with a 100% exposure to metropolitan areas above 1 million inhabitants and 90% in cities above 500,000 inhabitants. Covivio targets the high-end of the housing market.

Exposure to Berlin, where housing shortage is the highest in Germany, represents 57% at end-June 2024. Covivio's portfolio in Berlin is of high quality, with 68% of buildings built before 1950 and 68% of the surface already divided into condominiums.

1. Continued rise in markets rents and rebounding investment market

- ▶ In Germany, the demand for housing continued to rise since the start of the year, in a context of increasing number of inhabitants (population in Germany reached a record high level of 84.7 million inhabitants according to Destatis), while building completions, at 294 000 units in 2023, remained far from the Government target (> 400 000 units / year).
- ▶ This shortage continues to support rents in Germany and especially in Berlin. According to Immoscout24, in H1 2024, average asking rents for existing buildings were by +4.2% to €8.56/m²/month in Germany and by +7.2% to €13.8/m²/month in Berlin. For new buildings, rents were up up by +8.7% year-on-year in Germany to €12.2/m²/month and by +8.6% in Berlin to €19.5/m².
- ▶ After several low quarters for the German residential investment market (for multi-family buildings above 30 units), volumes rebounded in H1 2024, by +25% to €3.3 billion according to BNP Real Estate. The private market also shows signs of stronger appetite since the beginning of 2024, as shown by private real estate loans recorded by the Bundesbank, up +15% year-on-year to €76.5 billion over the first 5 months of 2024.
- ▶ Average asking prices were also trending upwards in Q1 2024. According to Immoscout24, prices for existing buildings increased by +2% over H1 in Berlin to €4,641/m² (-0.1% over one year), still well above the current valuation of Covivio's residential portfolio (€3,081/m² in Berlin). The average square meter price for new buildings also increased to €6,471/m² in H1 2024 (+3.1% over H1 and +5.1% over one year).

In H1 2024, Covivio's activities were marked by:

- ▶ Continued high rental growth: +3.9% on a like-for-life basis, now well above inflation;
- ▶ Creation of a joint-venture on a €274 million Berlin portfolio, through a partnership with CDC Investissement Immobilier;
- ▶ Stability in values: -0.1% on a 6-months like-for-like basis, of which +2.3% in Berlin.

2. Accounted rental income: +3.9% like-for-like

(In € million)	Rental income H1 2023 100%	Rental income H1 2023 Group share	Rental income H1 2024 100%	Rental income H1 2024 Group share	Change (%) Group share	Change (%) LfL ¹ Group share	% of rental income
Berlin	73.3	48.1	75.4	49.5	+ 2.8%	+4.5%	52%
Dresden & Leipzig	11.6	7.5	11.9	7.7	+ 2.7%	+2.7%	8%
Hamburg	9.1	6.0	9.6	6.3	+ 5.4%	+5.4%	7%
North Rhine-Westphalia	47.9	30.2	49.8	31.4	+ 3.9%	+3.2%	33%
Essen	17.8	11.0	18.3	11.3	+ 2.9%	+2.9%	12%
Duisburg	8.2	5.1	8.5	5.3	+ 3.1%	+3.2%	6%
Mulheim	5.5	3.5	5.9	3.7	+ 7.3%	+3.3%	4%
Oberhausen	5.0	3.3	5.2	3.4	+ 4.3%	+4.4%	4%
Other	11.4	7.3	11.9	7.6	+ 4.2%	+3.2%	8%
Total	141.8	91.8	146.6	94.8	+ 3.3%	+3.9%	100%
of which Residential	121.4	78.4	125.5	81.0	+ 3.4%	+4.0%	85%
of which Other commercial ²	20.5	13.4	21.1	13.8	+ 3.0%	+3.8%	15%

1 LfL: Like-for-Like || 2 Other commercial: Ground-floor retail, car parks, etc

Rental income amounted to €94.8 million Group share in H1 2024, up +3.3% (+€3.0 million) thanks to:

- ▶ In Berlin, like-for-like rental growth is +4.5% (+€ 2.8 million), driven by the indexation (+1.7 pts) and relettings (+1.4 pts) with high uplift (+35% in H1 2024).
- ▶ Outside Berlin, like-for-like rental growth was strong in all areas (+3.4% on average, +€2.2 million) due to the reletting impact (including modernizations) and the indexation.
- ▶ These effects were partly offset by disposals closed in 2023/2024 (-€0.8 million).

3. Annualized rents: €190.4 million Group share

(In € million)	Surface (m ²)	Number of units	Annual. rents H1 2024 100%	Annual. rents H1 2024 Group share	Average rent per month	% of rental income
Berlin	1,305,200	17,819	154.6	97.8	9.9 €/m ²	51%
Dresden & Leipzig	266,474	4,350	24.3	15.8	7.6 €/m ²	8%
Hamburg	149,000	2,415	19.5	12.8	10.9 €/m ²	7%
NRW ²	1,105,321	16,508	101.5	64.0	7.7 €/m ²	34%
Essen	393,924	5,757	37.3	23.1	7.9 €/m ²	12%
Duisburg	198,664	3,033	17.2	10.7	7.2 €/m ²	6%
Mulheim	131,296	2,194	12.1	7.6	7.7 €/m ²	4%
Oberhausen	124,984	1,830	10.6	7.0	7.1 €/m ²	4%
Others	256,453	3,694	24.4	15.6	7.9 €/m ²	8%
Total	2,825,995	41,092	300.0	190.4	8.8 €/m²	100%
o/w Residential	2,592,367	39,560	256.2	163.1	8.2 €/m ²	86%
o/w Other com. ¹	233,628	1,532	43.8	27.2	15.6 €/m ²	14%

¹ Other commercial: Ground-floor retail, car parks, etc || ² North Rhine-Westphalia

Rental income (€8.8/m²/month on average) offers solid growth potential through reversion vs. our achieved reletting rents in all our markets including Berlin (30%-35%), Hamburg (10%-15%), 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, Düsseldorf, Dresden and Leipzig have introduced rent caps (*Mietpreisbremse*) for re-leased properties. 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 excl. Maintenance), 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 represents 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 excl. maintenance, 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 rent increase takes effect 3 months after the declaration of rent increase.
- ▶ 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%

(%)	2023	H1 2024
Berlin	98.6%	98.4%
Dresden & Leipzig	99.8%	99.7%
Hamburg	100.0%	99.9%
North Rhine-Westphalia	99.6%	99.5%
Total	99.1%	99.0%

The occupancy rate stands at 99.0% It has remained above 98% since the end of 2015 and reflects the Group's very high-quality portfolio and low rental risk.

6. Portfolio values: €7.2 billion (€4.5 billion Group share)

6.1. Change in portfolio value: -2.8%

(In € million, Group share, Excluding duties)	Value 2023	Invest.	Disposals	Change in value	Other	Value H1 2024
Berlin	2,674	18	-105	43	-22	2,608
Dresden & Leipzig	379	3	0	-27	0	355
Hamburg	350	5	0	-13	0	343
North Rhine-Westphalia	1,269	14	0	-44	-3	1,236
Total	4,672	40	-105	-41	-25	4,542

In the first half of 2024, the portfolio decreased by -2.8% at current scope, to €4.5 billion Group share, mostly driven by the creation of a joint-venture, contributing to €93 million of disposals Group share.

6.2. Stable values on a like-for-like basis: -0.1%

(In € million, Excluding duties)	Value 2023 100%	Value 2023 Group Share	Surface (m ²) 100%	Value H1 2024 100%	Value H1 2024 in €/m ²	Value H1 2024 Group share	LfL ¹ change	Yield 2023	Yield H1 2024	% of total value
Berlin	4,078	2,674	1,286,549	4,127	3,208	2,608	2.3%	3.7%	3.7%	57%
Dresden & Leipzig	584	379	266,474	547	2,052	355	-6.4%	4.1%	4.5%	8%
Hamburg	536	350	149,000	523	3,513	343	-2.3%	3.6%	3.7%	8%
NRW ³	2,014	1,269	1,105,321	1,963	1,776	1,236	-2.5%	4.9%	5.2%	27%
Essen	782	485	393,924	790	2,005	490	0.8%	4.7%	4.7%	11%
Duisburg	328	203	198,664	311	1,568	193	-5.0%	5.2%	5.5%	4%
Mulheim	223	140	131,296	222	1,692	140	-0.3%	5.2%	5.4%	3%
Oberhausen	182	119	124,984	175	1,398	114	-4.2%	5.7%	6.1%	3%
Others	499	320	256,453	465	1,815	298	-6.3%	4.8%	5.3%	7%
Total	7,212	4,672	2,807,344	7,161	2,551	4,542	-0.1%	4.1%	4.2%	100%
o/w Residential	6,356	4,113	2,575,334	6,270	2,435	3,994	-0.6%	4.0%	4.1%	88%
o/w Other com. ²	855	559	232,009	891	3,840	548	3.9%	5.0%	5.0%	12%

1 LfL: Like-for-Like 6 months || 2 Other commercial: Ground-floor retail, car parks, etc || 3 NRW: North Rhine-Westphalia

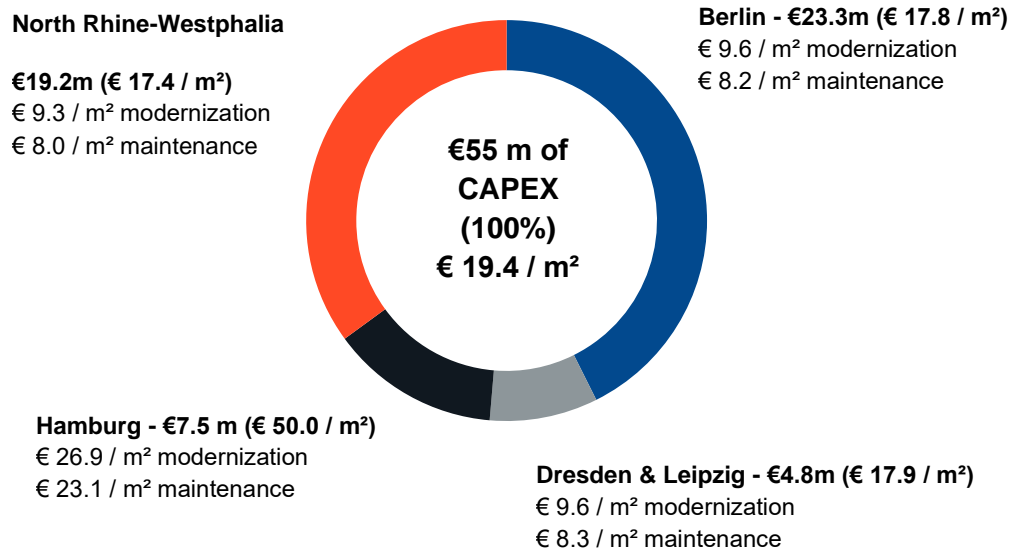
The average value of residential assets is €2,551/m², with €3,208/m² in Berlin (€3,081 on pure residential) and €1,776/m² in North Rhine-Westphalia. The average yield increased by +10 bps vs. end of 2023 to 4.2%. Assets are valued at their block value. 49% of the portfolio is already divided into condominiums, particularly in Berlin (68%), where the unit sale value is 50% above the block value.

In H1 2024, values decreased -0.1% on a like-for-like basis versus end-2023, reflecting a renewed appetite for large portfolios in German residential.

7. Maintenance and modernization CAPEX

In half-year 2024, CAPEX totalled €54.7 million (€19.4 /m²; €34.7 million in Group share) and OPEX came to €9.8 million (€3.5 /m²; €6.2 million in Group share).

On average, modernization projects, which totalled €29.4 million in H1 2024 (€18.8 million in Group share), have an immediate yield around 5%, going up to 10% post relettings.



C. HOTELS: 20% OF COVIVIO'S PORTFOLIO







Covivio Hotels, a 52.5%-owned subsidiary of Covivio as of 30 June 2024 (vs. 43.9% at end-2023), 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 in hotel operating companies.

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

Covivio owns a high-quality hotel portfolio (311 hotels, 43,402 rooms) worth €6.4 billion (€3.1 billion in Group share), focused on major European cities and let or operated by major hotel operators such as Accor, B&B, Marriott, IHG, NH Hotels, etc. This portfolio offers geographic and tenant diversification (across 12 European countries) as well as several asset management opportunities via different ownership methods (hotel lease and hotel operating properties).

1. Hotels market: continued increasing performances

European hotels performance in the first half of the year is increasing compared to 2023. The average RevPAR (revenue Per Available Room) in Europe shows an average increase of +4% year-on-year at end-May 2024, as the market continues its positive momentum, supported by the rise in occupancy rates and average prices.

<u>RevPAR Growth in Europe in the First Half of the Year* in Europe...</u>	<u>...thanks to the increase in average prices...</u>	<u>...and the improvement in occupancy rates</u>
vs. H1 2023*	vs. H1 2023*	vs. H1 2023*
 +15%	+10%	+3,5pt
 +8%	+7%	+0,8pt
 +4%	+1%	+1,5pt
 +4%	+3%	+0,7pt
 +1%	+0,4%	+0,4pt
 +1%	+2%	-0,6pt

Cumulative results as of the end of May 2024
vs 2023
Source: MKG

- ▶ Southern European countries, particularly Spain and Italy, are showing very strong performances, increasing respectively by +15% and +8%.
- ▶ Germany is continuing to catch up with a RevPAR growth of +4%.
- ▶ In France, RevPAR growth is more modest at +1%, impacted by travel delays during the pre-Olympic period.
- ▶ On the investment side, volumes remained strong, reaching €4.5 billion in Q1 2024, +45% vs. Q1 2023. France, Spain, and the United Kingdom account for the majority of transactions (60%).

Assets partially owned by Covivio Hotels include mostly:

- 91 B&B assets in France, including 89 held at 50.2% and 2 held at 31.2%
- 25 AccorInvest assets in France (23 assets) and Belgium (2 assets), between 31.2% and 33.3% owned.

2. Accounted revenues: +5.2% on a like-for-like basis

(In € million)	Revenues H1 2023 100%	Revenues H1 2023 Group share	Revenues H1 2024 100%	Revenues H1 2024 Group share	Change Group share (%)	Change Group share (%) LfL ¹
Lease properties - Variable	32.3	14.2	35.6	17.5	+ 23.3%	+9.3%
Lease properties - Fixed	93.5	38.2	96.2	43.3	+ 13.2%	+4.4%
Operating properties - EBITDA	31.6	13.5	30.5	15.1	+ 11.9%	+2.9%
Total revenues Hotels	157.4	65.9	162.3	75.9	+ 15.1%	+5.2%

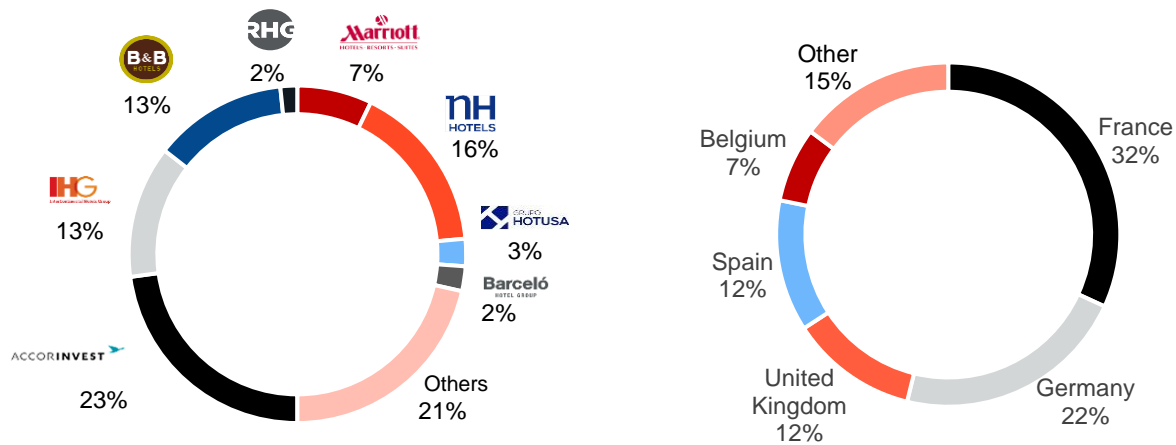
¹ LfL: Like-for-Like

Hotel revenues increased by +5.2% like-for-like (+€10.0million Group share) compared to H1 2023, due to:

- ▶ **Lease properties:**
 - **Variable leases** (23% of hotels revenue), up +9.3% on a like-for-like basis, mostly linked with the steep increase of variable rents in the south of Europe, compensating a slowdown in Paris area impacted by the pre-Olympic period.
 - **Fixed leases** (57% of hotels revenue), up +4.4% like-for-like, mostly through positive indexation.
- ▶ **Operating properties** (20% of hotels revenue): mainly located in Germany and in the north of France. The +2.9% like-for-like increase in EBITDA is mostly explained by improved performances in Germany (+10%).

3. Annualized revenue

Breakdown by operators and by country (based on 2024 revenues), totalling €178.8 million in Group share:



Revenues are split using the following breakdown: fixed (55%), variable (22%) and EBITDA on management contracts (23%).

4. Indexation

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

5. Lease expiries: 11.8 years hotels residual lease term

(In € million, Group share)	By lease end date (1st break)	% of total	By lease end date	% of total
2024	3.6	3%	0.8	1%
2025	3.1	2%	2.7	2%
2026	5.7	4%	0.0	0%
2027	1.1	1%	1.1	1%
2028	0.0	0%	0.0	0%
2029	16.9	12%	14.5	11%
2030	10.3	7%	10.3	7%
2031	2.8	2%	5.2	4%
2032	4.6	3%	4.6	3%
2033	6.2	5%	8.0	6%
Beyond	83.5	61%	90.5	66%
Total Hotels in lease	138.0	100%	138.0	100%

6. Portfolio values: +21% at current scope

6.1. Change in portfolio values

(In € million, Group share, Excluding Duties)	Value 2023	Invest.	Disposals	Change in value	Other (currency)	Change of scope	Value H1 2024
Hotels - Lease properties	1,948	2	-9	12	7	387	2,348
Hotels - Operating properties	587	9	-	0	1	116	713
Total Hotels	2,535	11	-9	13	8	503	3,061

At the end of June 2024, the portfolio reached €3.1 billion (Group share), reflecting a €527 million increase (+21%) compared to year-end 2023. This growth can be attributed primarily to the increased stake in Covivio Hotels (from 43.9% to 52.5%), a significant step for Covivio in enhancing its presence in the hotel industry, along with a positive change in value amounting to €13 million.

6.2. Change on a like-for-like basis: +0.5%

(In € million, Excluding Duties)	Value 2023 100%	Value 2023 Group share	Value H1 2024 100%	Value H1 2024 Group share	LfL ¹ change	Yield 2023	Yield H1 2024	% of total value
France	2,117	701	2,134	845	+0.8%	5.6%	5.5%	28%
Paris	833	309	842	374				12%
Greater Paris (excl. Paris)	461	127	462	153				5%
Major regional cities	511	164	517	199				6%
Other cities	312	101	312	120				4%
Germany	619	267	617	319	-0.3%	5.6%	5.8%	10%
Frankfurt	70	30	69	35				1%
Munich	45	20	45	24				1%
Berlin	70	30	71	37				1%
Other cities	434	188	432	223				7%
Belgium	244	96	248	116	+0.9%	7.2%	7.7%	4%
Brussels	96	34	102	43				1%
Other cities	148	61	146	72				2%
Spain	636	279	629	330	+0.5%	6.2%	6.7%	11%
Madrid	282	124	275	144				5%
Barcelona	222	97	221	116				4%
Other cities	132	58	133	70				2%
UK	662	290	683	359	+0.4%	5.6%	5.3%	12%
Italy	266	117	273	143	+2.5%	5.5%	6.0%	5%
Other countries	451	198	450	236	+0.6%	5.7%	6.3%	8%
Total Lease properties	4,996	1,948	5,033	2,348	+0.6%	5.8%	5.9%	77%
France	311	136	326	171	+2.8%	6.5%	6.3%	6%
Lille	103	45	106	56				2%
Other cities	208	91	220	115				4%
Germany	842	350	836	417	-1.0%	6.1%	6.0%	14%
Berlin	592	246	587	293				10%
Dresden & Leipzig	193	80	192	96				3%
Other cities	57	24	57	29				1%
Other countries	228	100	237	125	-0.2%	6.8%	7.5%	4%
Total Operating properties	1,380	587	1,400	713	+0.0%	6.2%	6.3%	23%
Total Hotels	6,376	2,535	6,432	3,061	+0.5%	5.9%	6.0%	100%

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

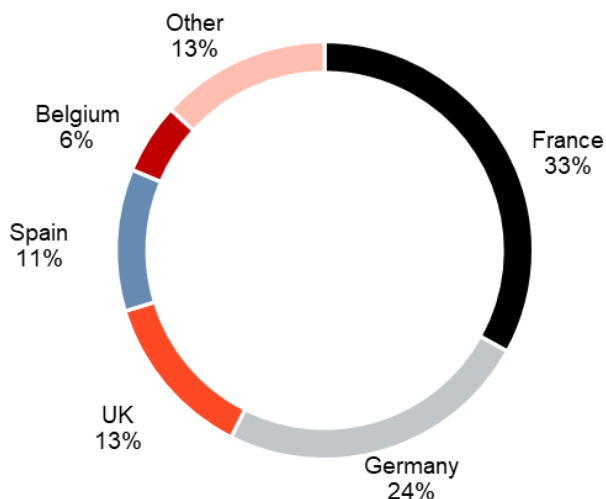
At the end of June 2024, Covivio held a unique hotel portfolio (311 hotels / 43,402 rooms) of €3.1 billion group share (€6.4 billion at 100%) in Europe. This strategic portfolio is characterised by:

- ▶ **High-quality locations:** average Booking.com location grade of 8.9/10 and 90% 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 11.8 years.

The portfolio value increase by **+0.5% like-for-like**:

- On a like-for-like basis, the hotel portfolio increased by +0.5% over 6 months. This variation is mainly explained by the stabilization of capitalization rates and continued revenue growth, driven by the strong performance of variable revenue hotels and the indexation of fixed rents.
- The hotel portfolio has an average yield excluding duties of 6.0%.

Portfolio breakdown by value and geography



90% in major European destinations



3. FINANCIAL INFORMATION AND COMMENTS

Covivio's activity involves the acquisition or development, ownership, management, 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 2024, Covivio's scope of consolidation includes companies located in France and several European countries. The main equity interests fully consolidated but not wholly owned companies are as follows:

Subsidiaries	31 Dec. 2023	30 Jun. 2024
Covivio Hotels	43.9%	52.5%
Covivio Immobilien (German Resi.)	61.7%	61.7%
Covivio Berlin Prime (German Resi.)	65.6%	31.5%
Sicaf (Telecom portfolio)	51.0%	51.0%
OPCI CB 21 (CB 21 Tower)	75.0%	75.0%
Covivio Alexanderplatz (mixed used dev.)	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 (Streambuilding)	50.0%	50.0%
SCI N2 Batignolles (Streambuilding)	50.0%	50.0%
Hôtel N2 (Streambuilding - Zoku)	50.1%	50.1%

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 19 July 2024.

3.3. Simplified income statement - Group share

(In € million, Group share)	H1 2023	H1 2024	var.	%
Net rental income	279.0	281.9	+2.8	+1%
EBITDA from hotel operating activity & flex-office	21.3	23.2	+2.0	+9%
Income from other activities (incl. Property dev.)	11.3	9.0	-2.4	-21%
Net revenue	311.6	314.1	+2.4	+1%
Net operating costs	-39.5	-38.6	+0.9	-2%
Amort. of oper. assets & net change in provisions	-13.4	-18.4	-4.9	+37%
Current operating income	258.7	257.1	-1.6	-1%
Change in value of properties	-928.3	-246.7	+681.7	n.a.
Result from asset disposals	-2.4	1.8	+4.2	n.a.
Result from disposal of securities	-0.3	-0.4	-0.1	+47%
Result from changes in scope & other	-0.8	-0.3	+0.5	-60%
Operating income	-673.1	11.5	+684.7	n.a.
Cost of net financial debt	-50.5	-47.3	+3.2	-6%
Interest charges linked to financial lease liability	-3.6	-4.1	-0.5	+13%
Value adjustment on derivatives	-29.4	15.5	+44.9	n.a.
Discounting of liabilities-receivables & Result of chge	0.2	0.2	-0.0	-0%
Early amortisation of borrowings' cost	-0.3	-0.8	-0.5	+150%
Share in earnings of affiliates	-15.9	12.5	+28.4	n.a.
Income before tax	-772.7	-12.6	+760.2	n.a.
Deferred tax	87.7	10.3	-77.3	-88%
Corporate income tax	-4.7	-6.1	-1.5	+32%
Net income for the period	-689.7	-8.4	+681.3	n.a.

► **€314.1 million net revenue (+1%)**

Net revenue in Group share increased especially thanks to both dynamic rental activity and strong operating activity in hotels, the reinforcement in Covivio Hotels, despite the impact of disposals in offices. *Also refer to 1. Business Analysis*

(In € million, Group share)	H1 2023	H1 2024	var.	%
France Offices	78.2	68.5	-9.7	-12%
Italy Offices (incl. retail)	44.4	44.7	+0.3	+1%
German Offices	18.9	20.1	+1.3	+7%
Offices	141.4	133.3	-8.1	-6%
German Residential	85.4	87.6	+2.2	+3%
Hotels	52.1	60.9	+8.8	+17%
Total Net rental income	279.0	281.9	+2.8	+1%
EBITDA from hotel operating activity & flex-office	21.3	23.2	+2.0	+9%
Income from other activities	11.3	9.0	-2.4	-21%
Net revenue	311.6	314.1	+2.4	+1%

► **Amort. & net change in provisions:**

Note that this item includes the amortisation linked to the right of use according to IFRS 16. This amortization of right of use is mainly related to owner-occupied buildings and headquarters.

► **Change in the fair value of assets:**

The income statement recognises changes in the fair value (-€246.7 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 & disposals of securities:**

Income from asset disposals contributed +€1.8 million during the period.

► **Cost of net financial debt:**

Restated of the other financial products and the capitalization of interests on projects under development, the cost of net financial debt increases due to the rise in interest rates partially offset by a decrease of the average net debt.

► **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 slight increase refers to the hotel activity linked to the reinforcement in Covivio Hotels and the evolution of the exchange rate GBP.

► **Value adjustment on derivatives:**

The fair value of financial instruments (hedging instruments) is impacted by changes in interest rates. The P&L impact is a revenue of +€15.5 million.

► **Share of income of equity affiliates**

Group Share	% interest	Contribution to earnings (€million)	Value	Change in equity value (%)
OPCI Covivio Hotels	10.5%	2.5	51.9	+53%
Lénovilla (New Vélizy)	50.1%	4.7	62.2	-15%
Euromed Marseille	50.0%	-0.1	28.5	-8%
Cœur d'Orly (Orly Paris Airport)	50.0%	2.9	31.4	-13%
Phoenix (Hotels)	17.5%	2.0	56.9	+15%
Zabarella 2023 Srl (Build to sell office to resi.)	64.7%	0.0	13.6	+0%
Fondo Porta di Romana (Milan land bank)	24.5%	0.4	41.3	+17%
Total		12.5	285.7	+10%

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

- OPCI Covivio Hotels: three hotel portfolios, B&B (16 hotels), Campanile (19 hotels) and AccorHotels (35 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.
- Coeur 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 (52.5% subsidiary of Covivio) in a portfolio of 25 Accor Invest hotels in France & Belgium and 2 B&B in France.
- Fondo Porta di Romana in Milan is a joint venture between Covivio (24.52%), Coima and Prada to participate to the acquisition of a plot of land in South Milan (future Olympic game village).
- Zabarella in Padua is a joint venture between Covivio (64.74%) and Carron Cav. Angelo SpA (35.26%) to participate to the project in development Pauda Zabarella (transformation office to residential).

► **Taxes**

The corporate income tax amounted to -€6.1 million driven by:

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

Adjusted EPRA Earnings at €230.8 million

(In € million, Group share)	Net income Group share	Restatement	Adjusted EPRA E. H1 2024	Adjusted EPRA E. H1 2023
Net rental income	281.9	3.0	284.9	281.4
EBITDA from the hotel operating activity & flex-office	23.2	0.7	23.9	22.0
Income from other activities (incl. Property dev.)	9.0	0.0	9.0	11.3
Net revenue	314.1	3.7	317.8	314.8
Management and administration revenues	12.9	0.0	12.9	12.3
Operating costs	-51.5	0.0	-51.5	-51.8
Amort. of operating assets & net change in provisions	-18.4	15.4	-3.0	-5.6
Operating income	257.1	19.1	276.2	269.6
Change in value of properties	-246.7	246.7	0.0	0.0
Result from asset disposals	1.8	-1.8	0.0	0.0
Result from disposal of securities	-0.4	0.4	0.0	0.0
Result from changes in scope & other	-0.3	0.3	0.0	0.0
Operating result	11.5	264.7	276.2	269.6
Cost of net financial debt	-47.3	0.0	-47.3	-50.5
Interest charges linked to finance lease liability	-4.1	2.6	-1.4	-1.3
Value adjustment on derivatives	15.5	-15.5	0.0	0.0
Foreign Exchge. result & Early amort. of borrowings' costs	-0.6	0.8	0.2	0.1
Share in earnings of affiliates	12.5	-2.9	9.6	9.6
Pre-tax net income	-12.6	249.7	237.2	227.4
Deferred tax	10.3	-10.3	0.0	0.0
Corporate income tax	-6.1	-0.2	-6.3	-4.0
Net income for the period	-8.4	239.2	230.8	223.4
Average number of shares			102,962,700	94,838,980
Net income per share			2.24	2.36

- The restatement of the amortisation of operating assets (+€17.1 million) offsets the real estate amortisation of the flex-office and hotel operating activities.
- The restatement of the net change in provisions (-€1.7 million) consists of the ground lease expenses linked to the UK leasehold.
- Concerning the interest charges linked to finance lease liabilities relating to the UK leasehold, as per IAS 40 §25, €2.6 million was cancelled and replaced by the lease expenses paid (see the amount of -€1.7 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 (-€0.2 million) is linked to the tax on disposals.

Adjusted EPRA Earnings by activity

(In € million, Group share)	Offices	Germany Residential	Hotels in lease	Hotel operating properties	Corporate or non-attrib. sector	H1 2024
Net rental income	136.1	87.6	61.1	0.2	-0.2	284.9
EBITDA from Hotel operating activity & flex-office	8.5	0.0	0.0	15.4	0.0	23.9
Income from other activities (incl. Property dev.)	6.2	2.5	0.0	0.0	0.3	9.0
Net revenue	150.8	90.1	61.2	15.6	0.2	317.8
Net operating costs	-19.9	-15.6	-1.3	-0.5	-1.4	-38.6
Amortisation of operating assets	-3.6	-1.0	0.0	-1.1	-0.6	-6.3
Net change in provisions and other	3.1	-0.4	-0.7	-0.4	1.7	3.3
Operating result	130.4	73.1	59.2	13.5	0.0	276.2
Cost of net financial debt	-17.3	-16.9	-9.7	-3.8	0.3	-47.3
Other financial charges	-0.2	0.0	-0.7	-0.4	0.0	-1.3
Share in earnings of affiliates	6.3	0.0	3.2	0.0	0.0	9.6
Corporate income tax	-1.2	-2.0	-2.0	-0.7	-0.4	-6.3
Adjusted EPRA Earnings	118.0	54.2	50.1	8.7	-0.1	230.8
Development margin	-6.3	-2.3	0.0	0.0	0.0	-8.6
EPRA Earnings	111.7	51.9	50.1	8.7	-0.1	222.3

EPRA Earnings of affiliates

(In € million, Group share)	Offices	Hotels (in lease)	H1 2024
Net rental income	6.9	4.4	11.2
Net operating costs	-0.4	-0.4	-0.8
Amortisation of operating properties	0.0	0.3	0.3
Operating result	6.5	4.3	10.8
Cost of net financial debt	-0.2	-0.9	-1.1
Share in earnings of affiliates	0.0	-0.1	-0.1
Share in EPRA Earnings of affiliates	6.3	3.2	9.6

3.4. Simplified consolidated income statement (at 100%)

(In € million, 100%)	H1 2023	H1 2024	var.	%
Net rental income	426.2	431.3	+5.1	+1%
EBITDA from hotel operating activity & flex-office	39.6	38.7	-0.9	-2%
Income from other activities (incl. Property dev.)	3.1	11.4	+8.3	+264%
Net revenue	469.0	481.4	+12.4	+3%
Net operating costs	-55.9	-54.9	+1.0	-2%
Amort. of operating assets & net change in provisions	-19.1	-25.8	-6.8	+35%
Current operating income	394.0	400.6	+6.6	+2%
Result from asset disposals	-3.7	3.0	+6.7	n.a.
Change in value of properties	-1,277.7	-302.5	+975.2	n.a.
Result from disposal of securities	-0.3	-0.6	-0.3	+102%
Result from changes in scope	-1.9	-0.6	+1.3	-66%
Operating income	-889.5	100.0	+989.5	n.a.
Cost of net financial debt	-85.7	-81.9	+3.9	-4%
Interest charge related to finance lease liability	-7.8	-8.1	-0.3	+4%
Value adjustment on derivatives	-29.2	36.5	+65.8	n.a.
Foreign Exchange result & Early amortization of borrowings' costs	0.0	-1.1	-1.1	n.a.
Share in earnings of affiliates	-13.3	16.6	+29.9	n.a.
Income before tax	-1,025.6	62.0	+1,087.6	n.a.
Deferred tax	128.9	8.8	-120.0	-93%
Corporate income tax	-7.9	-10.0	-2.1	+27%
Net income for the period	-904.6	60.8	+965.4	n.a.
Non-controlling interests	214.9	69.1	-145.8	-68%
Net income for the period - Group share	-689.7	-8.4	+681.3	n.a.

The +€681.3 million increase in net income for the period compared with H1 2023 is related to the change in fair value of properties reflecting the beginning of a stabilisation of the real estate market (-€302.5 million compared with a -€1,277.7 million in H1 2023), the impact by changes in interest rates on the fair value of financial instruments (+€36.5 million compared with a -€29.2 in H1 2023), partly offset by the change in deferred taxes mainly related to the effects described above (-€120 million) and strong operating performances. As a result, these effects are also presents in non-controlling interests and in net income Group share. The decrease in non-controlling interests is also linked to the reinforcement in Covivio Hotels.

(In € million, 100%)	H1 2023	H1 2024	var.	%
France Offices	91.3	83.9	-7.4	-8%
Italy Offices	57.2	58.2	+1.0	+2%
German Offices	20.3	21.6	+1.3	+7%
Offices	168.8	163.7	-5.1	-3%
German Residential	132.4	135.7	+3.3	+2%
Hotels	125.0	131.9	+6.9	+6%
Total Net rental income	426.2	431.3	+5.1	+1%
EBITDA from the hotel operating activity & flex-office	39.6	38.7	-0.9	-2%
Income from other activities	3.1	11.4	+8.3	+264%
Net revenue	469.0	481.4	+12.4	+3%

3.5. Simplified consolidated balance sheet (Group share)

(In € million, Group share) Assets	31 Dec. 23	30 Jun. 24	Liabilities	31 Dec. 23	30 Jun. 24
Investment properties	12,596	12,569			
Investment properties under development	1,007	1,072			
Other fixed assets	993	1,063			
Equity affiliates	260	286			
Financial assets	251	315			
Deferred tax assets	57	58			
Financial instruments	366	418	Shareholders' equity	7,957	8,143
Assets held for sale	227	318	Borrowings	7,703	8,025
Cash	778	1,018	Financial instruments	142	154
Inventory (Trading & Construction activities)	257	229	Deferred tax liabilities	650	648
Other	420	542	Other liabilities	760	928
Total	17,211	17,899	Total	17,211	17,899

► Investment properties, Properties under development and Other fixed assets

The portfolio (including assets held for sale) by operating segment is as follows:

(In € million, Group share)	31 Dec. 23	30 Jun. 24	var.
France Offices	3,932	3,899	-32
Italy Offices	2,403	2,364	-38
German Offices	1,145	1,047	-98
Offices	7,479	7,311	-168
German Residential	4,811	4,675	-137
Hotels	2,530	3,035	505
Other	3	3	0
Total Fixed Assets	14,823	15,023	200

The decrease in **Offices** (-€168 million) was mainly due to the disposals (-€116 million), the change in fair value (-€211 million) partly offset by (+€128 million) of CAPEX.

The decrease in **German Residential** (-€137 million) was mainly due to CAPEX (+€43 million), partly offset by disposals for the half year (-€11 million), the change in fair value (-€45 million), the reclassification in inventories (-€26 million) and the impact of the partnership with CDC taking a 49% stake in a Berlin portfolio of Covivio Berlin Prime (-€98 million).

The increase in the **Hotels portfolio** (+€505 million) was mainly driven by the reinforcement in Covivio Hotels (+505 M€), the increase in fair value (+€10 million), foreign currency exchange gain (+€10 million). Acquisition and Capex (+€12 million), offset by disposals (-€9 million), amortization of operating properties and other tangible assets (-€15 million).

► Assets held for sale (included in the total fixed assets above), €318.4 million at the end of June 2024

Assets held for sale consist of assets for which a preliminary sales agreement has been signed.

▶ **Total Group shareholders' equity**

Shareholders' equity increased from €7,957 million at the end of 2023 to €8,143 million at the end of June 2024, i.e. +€186 million, mainly due to:

- Income for the period: -€8 million,
- The dividend distribution: -€330.8 million, partially offset by option for payment in shares (+€255 million),
- The reinforcement in Covivio Hotels (+€280 million),
- The change in fair value of derivative instruments in OCI (Italy) for -€3 million.

▶ **Net deferred tax liabilities**

Deferred tax liabilities represent €648 million in liabilities at the end of June versus €650 million in 2023, Deferred tax assets represent €58 million in assets at the end of June versus €57 million in 2023. This €3 million variation is mainly due to the drop in appraisal values in Office Germany (+€14.8 million), in Residential Germany (+€1.4 million), the changes in fair values and the sales in Italy Offices (-€2.6 million) and the increase in fair values of derivatives (-€1.4 million) and the rate variation following the increase in stake of Covivio Hotels (€-6.6 million).

3.6. Simplified consolidated balance sheet (at 100%)

(In € million, 100%)					
	31 Dec. 23	30 Jun. 24	Liabilities	31 Dec. 23	30 Jun. 24
Assets					
Investment properties	19,046	18,577			
Investment properties under dev.	1,140	1,208			
Other fixed assets	1,730	1,700			
Equity affiliates	375	384			
Financial assets	118	158	Shareholders' equity	7,957	8,143
Deferred tax assets	72	67	Non-controlling interests	4,006	3,726
Financial instruments	522	576	Shareholders' equity	11,963	11,869
Assets held for sale	327	521	Borrowings	10,707	11,056
Cash	901	1,336	Financial instruments	185	195
Inventory (Trading & Constr. activities)	308	290	Deferred tax liabilities	1,054	1,040
Other	488	644	Other liabilities	1,117	1,300
Total	25,026	25,460	Total	25,026	25,460

4. FINANCIAL RESOURCES

Summary of the financial activity

Covivio is rated BBB+ with a stable outlook by S&P, confirmed on May 7th, 2024.

Covivio's Loan-to-Value (LTV) ratio was reduced to 40.3% (LTV policy < 40%), thanks to active portfolio rotation and despite value adjustments. Average rate of debt is at to 1.68%, thanks to a highly hedged debt. Maturity of debt remained stable to 4.9 years.

The net available liquidity position increased to €2.5 billion on a Group share basis at end-June 2024, including €1.7 billion of undrawn credit lines and €1.0 billion of cash minor by €0.2 billion of Commercial Paper. This strong liquidity position enables to cover debt expiries until end of 2026.

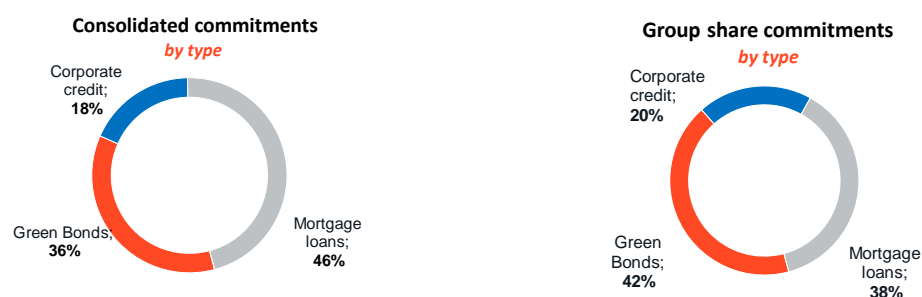
4.1. Main debt characteristics

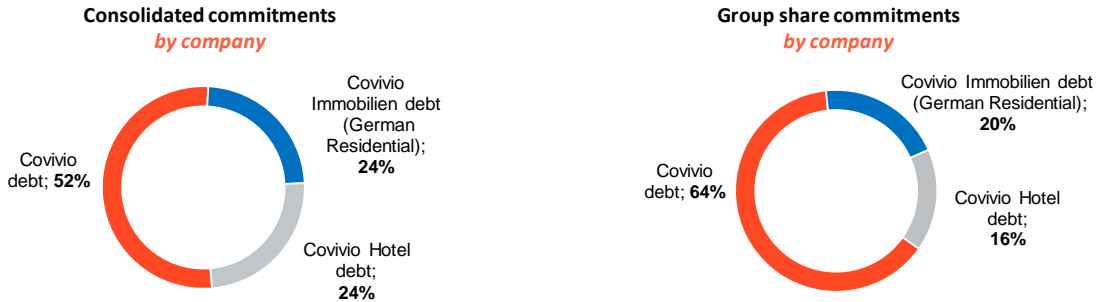
Group share	31 Dec. 2023	30 Jun. 2024
Net debt, Group share (€ million)	6,925	7,007
Average annual rate of debt	1.50%	1.68%
Average maturity of debt (in years)	4.9	4.9
Debt active average hedging rate	97.0%	95.0%
Average maturity of hedging (in years)	5.9	6.1
LTV including duties	40.8%	40.3%
ICR	6.4x	6.1x
Net debt / EBITDA	12.3x	12.1x

4.2. Debt by type

Covivio's net debt stands at €7.0 billion in Group share at end-June 2024 (€9.8 billion on a consolidated basis), up by +€0.1 billion compared to end-2023. This is entirely due to the increased exposure to Covivio Hotels and the consolidation, on a Group share basis, of a higher part of Covivio Hotels' debt.

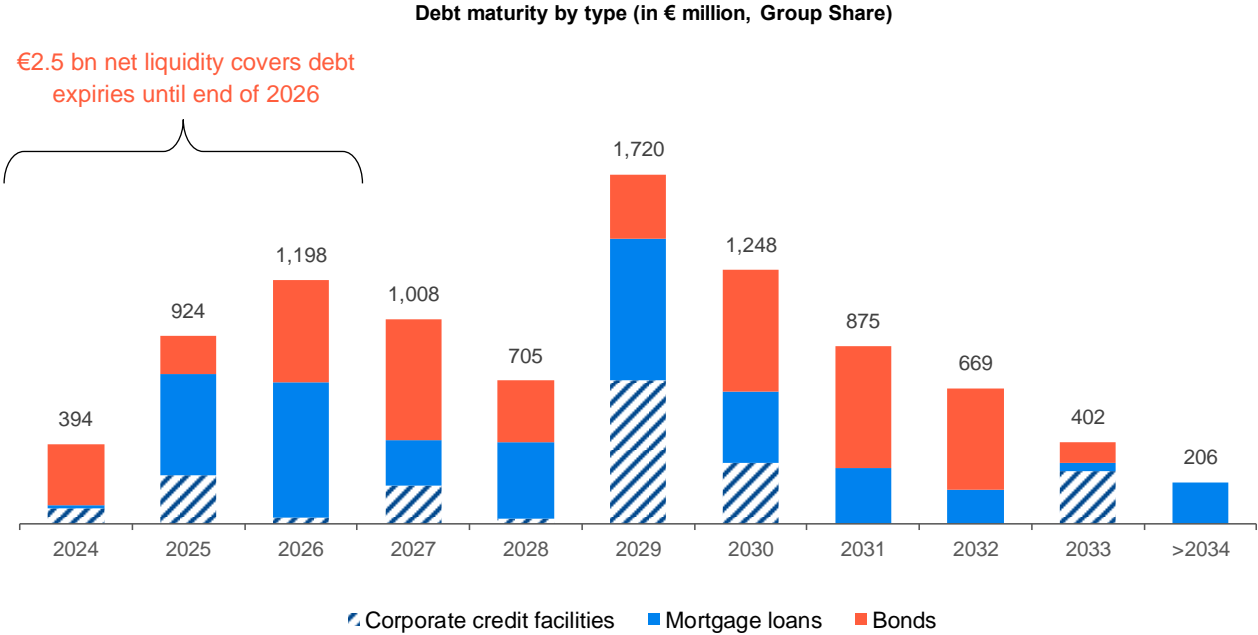
As regards commitments attributable to the Group, the share of corporate debt (bonds and loans) grows up to 62% on a Group share basis, at end-June 2024. Additionally, Covivio had €0.2 billion in commercial paper outstanding at 30 June 2024.





4.3. Debt maturity

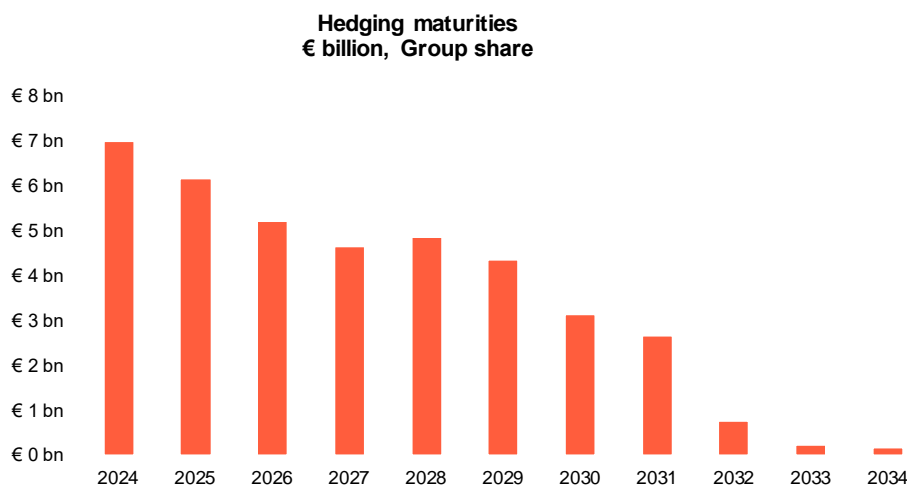
The average maturity of Covivio's debt stands at 4.9 years at end-June 2024. Until end of 2024, all major maturity has already been covered.



4.4. Hedging profile

In H1 2024, debt was hedged at 97% on average (95% end of June), and 82% on average over the next three years, all of which with maturities equivalent to or exceeding the debt maturity.

The average term of the hedges is 6.1 years Group share.



4.5. Debt ratios

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.

- ▶ The most restrictive consolidated LTV covenants amounted, at 30 June 2024, to 60% for Covivio and Covivio Hotels.
- ▶ The most restrictive ICR consolidated covenants applicable to the REITs, at 30 June 2024, 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 LTV or ICR consolidated financial covenants.

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

Ratio	Covenant	30 June 2024
LTV	60.0%	43.4% ¹
ICR	2.00	6.06
Secured debt ratio	25.0%	4.2%

¹ Excluding duties and sales agreements

All covenants were fully complied with at end-June 2024. No loan has an accelerated payment clause contingent on Covivio's rating.

Detail of Loan-to-Value calculation (LTV)

(In € million Group share)	31 Dec. 2023	30 Jun. 2024
Net book debt	6,925	7,007
Receivables linked to associates (full consolidated)	-187	-193
Receivables on disposals	15	-45
Preliminary sale agreements	-224	-268
Purchase debt	33	42
Net debt	6,562	6,544
Appraised value of real estate assets (Including Duties)	15,948	16,129
Preliminary sale agreements	-224	-268
Financial assets	15	14
Receivables linked to associates (equity method)	68	72
Share of equity affiliates	260	286
Value of assets	16,067	16,233
LTV Excluding Duties	43.0%	42.4%
LTV Including Duties	40.8%	40.3%

4.6. Reconciliation with consolidated accounts

Net debt

(In € million)	Consolidated accounts	Minority interests	Group share
Bank debt	11,056	-3,031	8,025
Cash and cash equivalents	1,336	-318	1,018
Net debt	9,720	-2,713	7,007

Portfolio

(In € million)	Consolidated accounts	Portfolio of companies under the equity method	Fair value of operating properties	Other assets held for sale	Right of use of investment properties	Minority interests	Group share
Investment & dev. properties	19,785	1,075	1,936	-24	-268	-7,441	15,064
Assets held for sale	521			-74		-133	314
Total portfolio	20,306	1,075	1,936	-97	-268	-7,574	15,378
							(+) Duties
							805
							Portfolio group share including duties
							16,184
							(-) portfolio of companies consolidated under the equity method
							-429
							(+) Fair value of trading activities
							+229
							(+) Other operating properties
							+146
							Portfolio for LTV calculation
							16,129

Interest Coverage Ratio

(In € million)	Consolidated accounts	Minority interests	Group share
EBITDA (net rents (-) operating expenses (+) results of other activities)	442	155	287
Cost of debt	82	35	47
ICR			6.1x

Net Debt / EBITDA

(In € million)	Group share
Net debt, Group share (€ million)	7,007
Adj. on borrowings from associates (on JVs) ¹	-155
Net debt	6,852
EBITDA (net rents (-) operating expenses (+) results of other activities) ²	287
Other adjustments ³	-3
Prorata on a 12 months basis (<i>half year only</i>)	284
EBITDA	568
Net debt / EBITDA	12.1x

¹ Borrowings from associates are shareholder loans for which the Covivio Group could not be asked to repay.

² It includes dividends received from Equity method companies

³ Mainly IFRIC 21 adjustment related to Property Tax (in half year accounts only)

5. EPRA REPORTING

The following reporting was prepared in accordance with EPRA (European Public Real Estate Association) Best Practices Recommendations, available on EPRA website (www.epra.com).

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

5.1. Change in net rental income (Group share)

€ million	H1 2023	Acquis.	Disposals	Development. ⁽¹⁾	Indexation, AM & occupancy	Others	H1 2024
France Offices	78	0	-10	-3	8	-4	69
Italy Offices (incl. retail)	44	0	-2	0	2	0	45
German Offices	19	0	0	0	1	0	20
Offices	142	0	-12	-3	11	-4	134
German Residential	85	0	-1	0	2	1	88
Hotels ⁽²⁾	52	0	0	0	2	7	61
Other (France Residential)	0	0	0	0	0	0	0
Total	279	0	-13	-3	15	3	282

⁽¹⁾ Deliveries & vacating for redevelopment || ⁽²⁾ Including Retail but excluding EBITDA from operating properties

The revenues LFL growth (including EBITDA from Hotels) is +6.5% in H1 2024.

€ million	H1 2024
Total from the table of changes in Net rental Income (GS)	282
Adjustments	0
Total net rental income (Financial data § 3.3)	282
Minority interests	149
Total net rental income (Financial data § 3.4)	431

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)	Annualised rents (€m)	Surface (m ²)	Average rent (€/m ²)	Vacancy rate (%)	ERV of spot vacant space (€m)	ERV of the whole portfolio (€m)	EPRA vacancy rate (%)
France Offices	78	69	204	1,135,979	230	5.0%	16	222	7.1%
Italy Offices (incl. retail)	52	45	113	594,470	237	1.4%	2	119	1.4%
German Offices	23	20	51	364,644	158	12.3%	9	63	14.3%
Offices	153	134	369	2,095,093	219	4.9%	26	403	6.5%
German Residential	97	88	190	2,825,995	106	1.0%	2	193	1.0%
Hotels in Europe ⁽²⁾	62	61	139	n.c	n.c	-	-	138	-
Total ⁽¹⁾	312	282	698	4,921,088	215	2.9%	28	734	3.9%

(1) Including French residential and others || (2) incl. Retail & excl. EBITDA from operating properties

The vacancy rate (2.9%) is including secured areas for which lease will start soon, while the EPRA vacancy rate (3.9%) is spot, at 30 June 2024.

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	4,147	- 60	194	4.5%
Italy Offices (incl. Retail)	2,462	- 29	84	4.3%
German Offices	1,140	- 122	61	4.3%
Offices	7,749	- 211	339	4.4%
German Residential	4,542	- 45	325	3.5%
Hotels (incl. Retail)	3,084	10	103	5.7%
Other (France Resi. and car parks)	3	-	-	n.a.
Total H1 2024	15,378	- 247	767	4.4%

The change in fair value over the year presented above excludes change in value of operating properties, hotel operating properties, and assets under the equity method.

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 2024
Total portfolio value (Group share, market value)	15,378
Fair value of the operating properties	- 1,222
Fair value of companies under equity method	- 429
Other assets held for sale	4
Right of use on investment assets	149
Fair value of car parks facilities	- 3
Tangible fixed assets	83
Investment assets Group share ¹ (Financial data § 3.5)	13,960
Minority interests	6,345
Investment assets 100% ¹ (Financial data § 3.5)	20,306

¹ Fixed assets + Developments assets + asset held for sale

Reconciliation with IFRS

€ million	H1 2024
Change in fair value over the year (Group share)	- 247
Others	-
Income from fair value adjustments Group share (Financial data § 3.3)	- 247
Minority interests	- 56
Income from fair value adjustments 100% (Financial data § 3.3)	- 302

5.4. Assets under development

	Own. type	% Own. (Group share)	Fair value H1'24	Capitalised fin. exp. (H1'24)	Total cost ¹ (€m, Group share)	% progress	Delivery date	Surface at 100% (m ²)	Pre- letting	Yield ² (%)
Meudon Thalès 2	FC ³	100%	0	0	213	18%	2026	38,000 m ²	100%	7.9%
Paris Grands Boulevards	FC	100%	0	0	153	11%	2027	7,500 m ²	0%	4.5%
Paris Monceau	FC	100%	1	1	249	17%	2025	11,200 m ²	0%	4.4%
Total France Offices			299	2	615	16%		56,700 m²	49%	5.6%
The Sign D	FC	100%	0	0	76	75%	2024	13,200 m ²	92%	6.1%
Corte Italia	FC	100%	1	1	125	58%	2025	25,700 m ²	100%	5.9%
Rozzano - Strada 8	FC	100%	0	0	44	87%	2024	12,100 m ²	58%	7.9%
Symbiosis G+H	FC	100%	1	1	198	51%	2025	38,000 m ²	100%	6.4%
Total Italy Offices			313	3	443	61%		89,000 m²	93%	6.3%
Düsseldorf Icon	FC	94%	1	1	235	14%	2025	55,700 m ²	60%	5.5%
Berlin Alexanderplatz	FC	55%	3	3	343	34%	2027	60,000 m ²	0%	4.5%
Total German Offices			305	4	578	26%		115,700 m²	27%	4.9%
Total			918	9	1,635	32%		261,400 m²	56%	5.6%

¹ Total cost including land and financial cost || ² Yield on total cost || ³ FC: Full consolidation

Reconciliation with total committed pipeline

(€M, Group share)	Capitalised fin. expenses over the year	Total cost incl. fin. cost (Group share)
Projects fully consolidated	9	1,635
Others (Loft)	0	26
Offices Committed pipeline (Business Analysis § 1.F)	9	1,661

Reconciliation with financial data

	H1 2024
Total fair value of assets under development	918
Project under technical review and non-committed projects	155
Assets under development (Financial data § 3.5)	1,072

5.5 Information on leases

	Firm residual lease term (years)	Residual lease term (years)	Lease expiration by date of 1st exit option				Total (€m)	Section
			Annualised rental income of leases expiring					
			N+1	N+2	N+3 to 5	Beyond		
France Offices	4.7	5.5	6%	20%	28%	46%	204	
Italy Offices (incl. retail)	5.9	6.3	2%	6%	31%	60%	113	
Germany Offices	3.9	4.3	13%	26%	26%	34%	51	
Offices	5.0	5.6	6%	17%	29%	48%	369	2A
Hotels (incl. retail)	11.7	13.5	3%	2%	5%	90%	139	2C
Others ²	n.a	n.a	n.a	n.a	n.a	n.a	231	
Total ¹	6.8	7.7	3%	9%	15%	72%	739	

1. Percentage of lease expiries on total revenues || 2: (German Residential, Hotels Ebitda, others)

In 2024, 3.4% of total leases are expiring: 2.1% have no intention to vacate the property and 0.4% are going to be redeveloped. That leads the unsecured part to 1.0%, for which tenant decision is not yet known.

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 2023	France Offices	Italy Offices	German Offices	German Resid.	Hotels (incl. retail)	Total H1 2024
Investment, disposable and operating properties	15,076	4,147	2,462	1,140	4,542	3,084	15,375
Restatement of assets under development	- 1,007	- 358	- 352	- 333	- 18	-	- 1,061
Restatement of undeveloped land and other assets under development	- 295	- 209	- 115	- 39	-	- 38	- 402
Duties	773	194	84	61	325	103	767
Value of assets including duties (1)	14,547	3,773	2,079	829	4,849	3,149	14,679
Gross annualised IFRS revenues	668	185	104	40	189	182	701
Irrecoverable property charge	- 54	- 17	- 14	- 5	- 17	- 2	- 55
Annualised net revenues (2)	614	168	90	36	172	180	646
Rent charges upon expiration of rent free periods or other reductions in rental rates	32	19	8	5	-	- 0	32
Annualised topped-up net revenues (3)	645	187	98	41	172	180	678
EPRA Net Initial Yield (2)/(1)	4.2%	4.5%	4.3%	4.3%	3.5%	5.7%	4.4%
EPRA "Topped-up" Net Initial Yield (3)/(1)	4.4%	5.0%	4.7%	5.0%	3.5%	5.7%	4.6%
Transition from EPRA topped-up NIY to Covivio yield							
Impact of adjustments of EPRA rents	0.4%	0.5%	0.7%	0.2%	0.4%	0.1%	0.4%
Impact of restatement of duties	0.3%	0.3%	0.2%	0.4%	0.3%	0.2%	0.3%
Covivio reported yield rate	5.1%	5.7%	5.6%	6.0%	4.2%	6.0%	5.3%

5.7. EPRA cost ratio

(€million, Group share)	H1 2023	H1 2024
Unrecovered Rental Cost	-15.0	- 16.6
Expenses on properties	- 10.6	- 10.0
Net losses on unrecoverable receivables	-0.7	- 0.3
Other expenses	- 1.9	- 1.3
Overhead	- 49.9	- 50.0
Amortisation, impairment, and net provisions	2.1	3.2
Income covering overheads	12.3	12.9
Cost of other activities and fair value	-2.5	- 2.7
Property expenses	- 0.3	- 0.5
EPRA costs (including vacancy costs) (A)	- 66.5	- 65.2
Vacancy cost	10.9	9.7
EPRA costs (excluding vacancy costs) (B)	- 55.6	- 55.5
Gross rental income less property expenses	308.0	312.2
EBITDA from hotel operating properties & coworking, income from other activities	36.4	35.2
Gross rental income (C)	344.4	347.5
EPRA costs ratio (including vacancy costs) (A/C)	-19.3%	-18.8%
EPRA costs ratio (excluding vacancy costs) (B/C)	-16.2%	-16.0%

5.8. Adjusted EPRA Earnings: growing to €230.8 million

(€million)	H1 2023	H1 2024
Net income Group share (Financial data §3.3)	- 689.7	- 8.4
Change in asset values	928.3	246.7
Income from disposal	2.7	- 1.4
Acquisition costs for shares of consolidated companies	0.8	0.3
Changes in the value of financial instruments	29.4	- 15.5
Interest charges related to finance lease liabilities (leasehold > 100 years)	2.3	2.4
Rental costs (leasehold > 100 years)	- 1.6	- 1.5
Deferred tax liabilities	- 87.7	- 10.3
Taxes on disposals	0.7	- 0.2
Adjustment to amortisation & provisions	12.6	17.1
Adjustment to write-off of null and void provision	- 3.2	-
Adjustments from early repayments of financial instruments	0.2	0.8
Adjustment IFRIC 21	3.1	3.7
EPRA Earnings adjustments for associates	25.5	- 2.9
Adjusted EPRA Earnings (B)	223.4	230.8
Adjusted EPRA Earnings in €/share (B)/(C)	2.36	2.24
Promotion margin	- 2.0	- 8.6
EPRA Earnings (A)	221.4	222.3
EPRA Earnings in €/share (A)/(C)	2.33	2.16
Average number of shares (C)	94,838,980	102,962,700

5.9. EPRA NRV, EPRA NTA and EPRA NDV

	2023	H1 2024	Var.	Var. (%)
EPRA NRV (€ m)	9,327	9,511	183	+2.0%
EPRA NRV / share (€)	92.6	85.4	- 7.2	-7.8%
EPRA NTA (€ m)	8,470	8,662	191	+2.3%
EPRA NTA / share (€)	84.1	77.7	- 6.3	-7.5%
EPRA NDV (€ m)	8,401	8,668	267	+3.2%
EPRA NDV / share (€)	83.4	77.8	- 5.6	-6.7%
Number of shares	100,758,774	111,407,445	10,648,671	+10.6%

Reconciliation between shareholder's equity and EPRA NAV

	2023 (€m)	€ per share	H1 2024 (€m)	€ per share
Shareholders' equity	7,957	79.0	8,143	73.1
Fair value assessment of operating properties	175		210	
Duties	807		805	
Financial instruments	- 235		- 275	
Deferred tax liabilities	623		628	
EPRA NRV	9,327	92.6	9,511	85.4
Restatement of value Excluding Duties on some assets	- 773		- 767	
Goodwill and intangible assets	- 68		- 69	
Deferred tax liabilities	- 16		- 13	
EPRA NTA	8,470	84.1	8,662	77.7
Optimization of duties	- 34		- 38	
Intangible assets	18		18	
Fixed-rate debts ¹	318		366	
Financial instruments	235		275	
Deferred tax liabilities	- 607		- 615	
EPRA NDV	8,401	83.4	8,668	77.8

¹ Excluding credit spread impact of +7M€

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 2024 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.

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 €210 million value adjustment was recognised in EPRA NRV, NDV, NTA related to:

- co-working and operating hotel properties for €160 million
- own-occupied buildings for €47million
- car parks for €3 million

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 is +€366 million at 30 June 2024.

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 values (NAV). The difference between these re-calculated duties and the transfer duties already deducted from the value had an impact of €38 million at 30 June 2024.

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	H1 2023		H1 2024	
	100%	Group share	100%	Group share
Acquisitions ¹	-	-	-	-
Developments	113	83	101	89
Investment Properties	82	58	101	71
Capitalized expenses on development portfolio ² (except under equity method)	23	20	16	14
Total	218	160	219	174

¹ Acquisitions including duties

² Financial expenses capitalized, commercialization fees and other capitalized expenses

The €89 million group share of Development Capex relates to renovation expenses on development projects (excluding properties under equity method and assets under operation but including Capex on assets delivered over the year until delivery date).

The €71 million group share of CAPEX on Investment Properties is mainly composed of:

- €26 million on offices including tenant improvement, green capex to enhance the value on strategic offices;
- €3 million of modernisation Capex on hotels, with the aim to improve the quality of assets and benefit from increased revenues and performance,
- €40 million of modernization & maintenance Capex on German Residential of which 54% modernization, generating revenues.

5.11. EPRA LTV

The following table is published in line with EPRA recommendations.

EPRA LTV 30 June. 2024 (€ million, Group share)	Proportionate Consolidation				Combined
	Group as reported	Share of Joint Ventures	Share of Material Associates	Non-controlling Interests	
Include:					
Borrowings from Financial Institutions	5,473	182		-2,162	3,493
Commercial paper	359			-147	212
Hybrids (including Convertibles, preference shares, debt, options, perpetuals)	-				-
Bond Loans	4,944			-688	4,256
Foreign Currency Derivatives (futures, swaps, options and forwards)					0
Net Payables	82			-70	12
Owner-occupied property (debt)					0
Current accounts (Equity characteristic)					0
Exclude:					
Cash and cash equivalents	1,336	34		-335	1,035
Net Debt (a)	9,522	148		-2,733	6,938
Include:					
Owner-occupied property	1,988	10		733	1,265
Investment properties at fair value	18,309	460		6,118	12,651
Properties held for sale	507	-		193	314
Properties under development	1,208	-		136	1,072
Intangibles	-	-		-	-
Net Receivables	-	9		4	5
Financial assets	420	-		127	293
Total Property Value (b)	22,432	479	0	7,311	15,600
Real Estate Transfer Taxes	1,152			347	805
Total Property Value (incl. RETTs) (c)	23,584	479	0	-7,657	16,406
LTV (a/b)	42.4%				44.5%
LTV (incl. RETTs) (a/c) (optional)	40.4%				42.3%

Including preliminary agreements still to be cashed in, EPRA LTV (excluding transfer taxes) would go down to 43.4%.

EPRA LTV	44.5%
Duties	-2.1%
Preliminary Agreements	-1.0%
Other effects (including conso. restatements)	-1.1%
LTV including duties	40.3%

5.12. EPRA performance indicator reference table

EPRA information	Section	in %	Amount in €	Amount in €/share
EPRA Earnings	5.8	-	€222.3 m	€2.16 /share
Adjusted EPRA Earnings	5.8	-	€230.8 m	€2.24 /share
EPRA NRV	5.9	-	€9,511 m	€85.4 /share
EPRA NTA	5.9	-	€8,662 m	€77.7 /share
EPRA NDV	5.9	-	€8,668 m	€77.8 /share
EPRA net initial yield	5.6	4.4%	-	-
EPRA topped-up net initial yield	5.6	4.6%	-	-
EPRA vacancy rate at year-end	5.2	3.9%	-	-
EPRA costs ratio (including vacancy costs)	5.7	-18.8%	-	-
EPRA costs ratio (excluding vacancy costs)	5.7	-16.0%	-	-
EPRA LTV	5.11	44.5%		
EPRA indicators of main subsidiaries	6	-	-	-

6. FINANCIAL INDICATORS OF THE MAIN ACTIVITIES

	Covivio Hotels			Covivio Immobilien		
	31 Dec. 23	30 Jun. 24	Change (%)	31 Dec. 23	30 Jun. 24	Change (%)
EPRA Earnings in M€ (half year)	112.1	119.5	+6.6%	78.2	76.0	-2.9%
EPRA NRV	3,915	3,852	-1.6%	4,756	4,649	-2.2%
EPRA NTA	3,550	3,505	-1.3%	4,262	4,156	-2.5%
EPRA NDV	3,512	3,472	-1.1%	3,682	3,582	-2.7%
% of capital held by Covivio	43.9%	52.5%	+8.7 pts	61.7%	61.7%	-
LTV including duties	34.4%	36.1%	+1.7 pts	35.2%	35.1%	-0.1 pts
ICR	5.4x	5.9x	+0.6x	4.5x	4.1x	- 0.4x

7. GLOSSARY

▶ **Net asset value per share: NRV, NTA and NDV**

NRV (Net Reinstatement Value) per share, NTA (Net Tangible Assets) per share and NDV (Net Disposal Value) per share are 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:**

CBD: Central Business District

Chg: Change

CCI: Construction Cost Index

CPI: Consumer Price Index

ED: Excluding Duties

GS: Group share

ID: Including Duties

IDF: Paris region (Île-de-France)

ILAT: French office rental index

LFL: Like-for-Like

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

MRV: Market Rental Value (⇔ ERV : Estimated Rental Value)

NRW: North Rhine Westphalia

RevPAR: Revenue per Available Room

RRI: Rental Reference Index

Rdt: Yield

▶ **Firm residual term of leases**

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

▶ **Certified assets**

Certified buildings are those where the building and/or its operating status are certified as HQE, BREEAM, LEED, DGNB or appropriate sector-specific labels on operation.

▶ **EU Taxonomy**

The Green Taxonomy (or only Taxonomy) refers to the EU Regulation that has been adopted in 2021 and which aims at classifying economic activities to identify those which are environmentally sustainable. For the real estate sector, it has defined what building can be considered as green ([The European green taxonomy - Covivio](#)).

▶ **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”.

LTV EPRA is available in the dedicated EPRA reporting, Part 5.

▶ **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 hotel and offices in France, it includes the valuation of the portfolio 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:

$$\frac{\text{Gross annualized rent (at current occupancy rate)}}{\text{Value excl. duties for the relevant scope (operating or development)}}$$

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

$$\frac{\text{Gross annualized rent (at current occupancy rate)}}{\text{Acquisition value including duties or disposal value excluding duties}}$$

▶ **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

▶ **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 - Loss of rental income through vacancies (calculated at MRV)

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