Half-year Report 2023

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Half-year Report 2023

PHOTO CREDITS

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This Amendment to the 2022 Universal Registration Document has been submitted without prior approval to the AMF on July 20, 2023, in its capacity as the competent authority under Regulation (EU) 2017/1129, in accordance with Article 9 of that Regulation. The Universal Registration Document may be used for a public offer of financial securities or the admission of financial securities to trading on a regulated market if it is accompanied by a prospectus and, if applicable, an abstract and any amendments to the Universal Registration Document. The resulting collection of documents shall then be approved by the AMF in accordance with Regulation (EU) 2017/1129.

1. Declaration by the responsible party

L1ve, Paris 16

1.1 | Statement of the person responsible for this Amendment to the Universal Registration Document

“I certify that the information contained in this Amendment to the 2022 Universal Registration Document is, to the best of my knowledge, fair and accurate, and free from any omission that could alter its substance.

I certify that to my knowledge the complete accounts for the half year ended have been drawn up in accordance with current accounting practice and give a fair picture of the assets, financial situation and profits of the company and all companies included in the consolidation, and that the attached half-yearly activity report gives a true picture of the important events occurring during the first six months of the year, their impact on the accounts, the principal transactions between related parties and a description of the principal risks and uncertainties for the remaining six months of the year.”

Beñat Ortega
Chief Executive Officer

2. Key figures

7 rue de Madrid, Paris 8

2.1 | Key figures and charts

In million euros	Change vs 06/30/2022	06/30/2023	12/31/2022	06/30/2022
GROSS RENTAL INCOME	**+8.0%**	**332.9**	**625.9**	**308.2**
OFFICES	**+9.0%**	**266.6**	**498.5**	**244.7**
Central locations	**+8.3%**	**194.2**	**362.6**	**179.3**
Paris City	+8.0%	154.7	289.8	143.3
▸ Paris CBD & 5-6-7	+12.1%	99.1	179.7	88.4
▸ Paris Other	+1.3%	55.6	110.1	54.8
Core Western Crescent (Neuilly/Levallois, Southern Loop)	+9.8%	39.5	72.8	36.0
La Défense	**+14.5%**	**35.2**	**65.0**	**30.7**
Other locations (Peri-Défense, Inner/outer rim, other regions)	**+7.3%**	**37.2**	**70.9**	**34.7**
RESIDENTIAL	**+4.4%**	**66.3**	**127.3**	**63.5**
RECURRENT NET INCOME (GROUP SHARE)[1]	**+7.6%**	**216.5**	**409.9**	**201.2**
RECURRENT NET INCOME (GROUP SHARE)[1] PER SHARE *(in euros)*	**+7.5%**	**2.93**	**5.56**	**2.73**
RECURRENT NET INCOME (GROUP SHARE)[1]	**– 10.1%**	**18,482**	**20,092**	**20,557**
OFFICES	**–11.3%**	**14,632**	**16,082**	**16,491**
Central locations	**–10.7%**	**12,428**	**13,631**	**13,915**
Paris City	–11.3%	10,121	11,210	11,411
▸ Paris CBD & 5-6-7	–13.2%	7,237	8,226	8,337
▸ Paris Other	–6.2%	2,884	2,984	3,073
Core Western Crescent (Neuilly/Levallois, Southern Loop)	–7.9%	2,308	2,421	2,504
La Défense	**–14,1%**	**1,107**	**1,227**	**1,289**
Other locations (Peri-Défense, Inner/outer rim, other regions)	**–14.8%**	**1,097**	**1,225**	**1,287**
RESIDENTIAL	**–4.9%**	**3,801**	**3,951**	**3,999**
HOTEL & FINANCIAL LEASE	**–27.0%**	**49**	**58**	**67**
NET YIELD ON PROPERTY PORTFOLIO [3]	**+44 bp**	**4.2%**	**4.0%**	**3.8%**

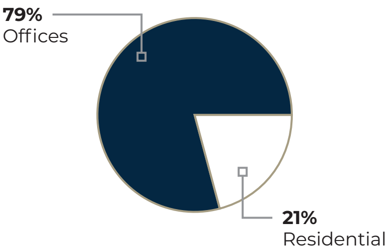
Data per share *(in euros)*	Change vs 12/31/2022	06/30/2023	12/31/2022	06/30/2022
EEPRA NRV (Net Reinstatement Value)[4]	–6.6%	176.9	189.5	198.9
EPRA NTA (NET TANGIBLE ASSET VALUE)[4]	**–6.3%**	**161.4**	**172.2**	**181.2**
EPRA NDV (Net Disposal Value)[4]	–6.3%	172.2	183.8	187.9
Net dividend		-	5.30	-

Number of shares	Change vs 06/30/2022	06/30/2023	12/31/2022	06/30/2022
Comprising the share capital	+0.1%	76,623,192	76,623,192	76,572,850
Excluding treasury shares	+0.1%	73,832,958	73,802,548	73,737,206
Diluted number of shares excluding treasury shares	+0.2%	74,057,311	73,975,931	73,916,964
Average number of shares excluding treasury shares	+0.1%	73,832,958	73,763,378	73,752,206

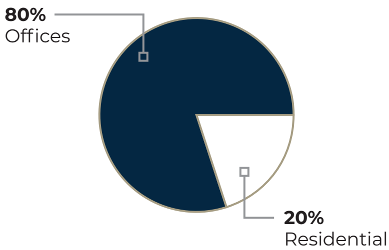
(1) EBITDA excluding IFRIC 21 after deducting net financial expenses, recurring tax, and minority interests, including income from associates and restated for certain non-recurring items.
(2) See Note 3.5 Appraisal of the property portfolio.
(3) Like-for-like basis June 2023.
(4) See Note 3.1.5 Net Asset Value.

2

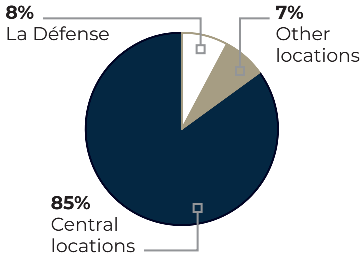
Property portfolio appraisal by business



Breakdown of rental revenues by business

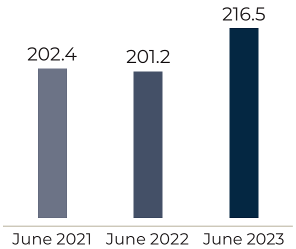


Geographic breakdown of the office property portfolio

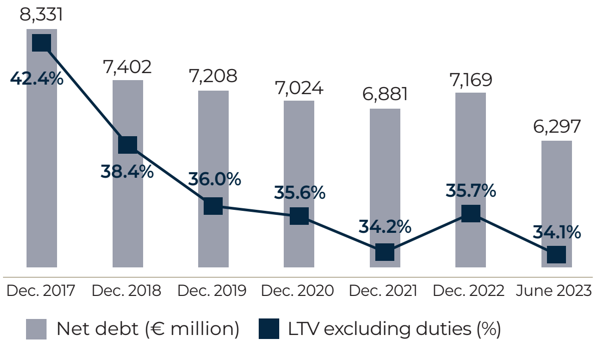


Recurrent net income (Group Share)

(€ million)

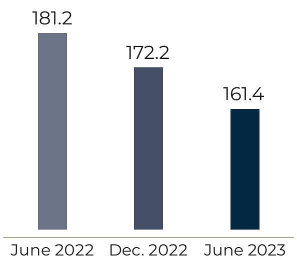


LTV ratio



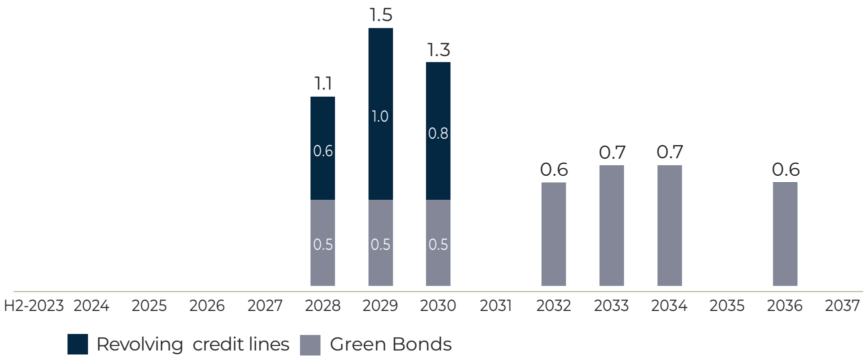
EPRA NTA (Net Tangible Asset Value)

(in euros)



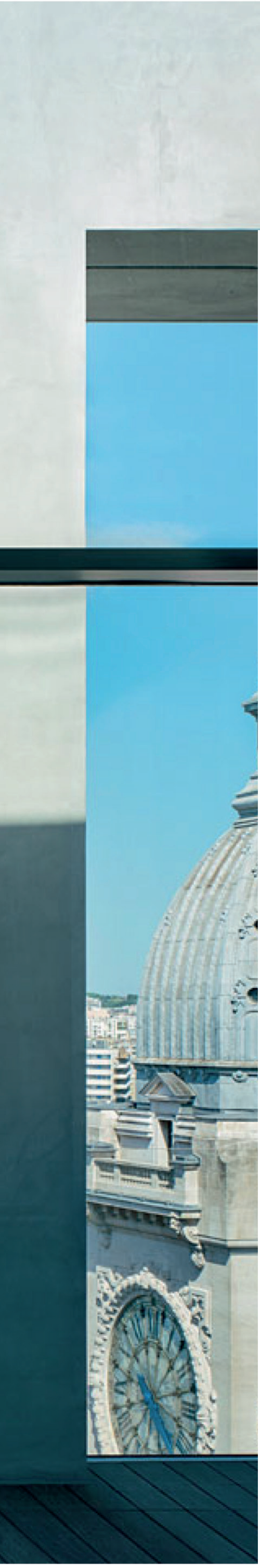
Debt maturity breakdown affter taking into account revolving credit lines

(€bn)



3. Business review

Ibox, Paris 12



3.1 | Activity review

3.1.1 RECURRENT NET INCOME

Strong growth

In million euros	06/30/2023	06/30/2022	Change (%)
GROSS RENTAL INCOME	**332.9**	**308.2**	**+8.0%**
NET RENTAL INCOME	**301.3**	**277.8**	**+8.5%**
Operating margin for other business	1.0	1.4	–28.1%
Services and other income (net)	1.9	1.3	+52.7%
Overheads	(39.7)	(39.1)	+1.6%
EBITDA – RECURRENT	**264.6**	**241.4**	**+9.6%**
Net financial expenses	(47.5)	(38.5)	+23.4%
RECURRENT GROSS INCOME	**217.0**	**202.9**	**+7.0%**
Recurrent net income from associates	1.1	0.7	+55.2%
Recurrent minority interests	(0.9)	(0.9)	+6.0%
Recurrent tax	(0.8)	(1.6)	–52.4%
RECURRENT NET INCOME (GROUP SHARE)[1]	**216.5**	**201.2**	**+7.6%**
RECURRENT NET INCOME (GROUP SHARE) PER SHARE	**2.93**	**2.73**	**+7.5%**

(1) EBITDA excluding IFRIC 21 after deducting net financial expenses, recurrent tax and minority interests, including income from associates and restated for certain non-recurring items.

Recurrent net income (Group share) came to €2.93 per share, up +7.5%, thanks to the combination of robust leasing trends, the increase in the rental margin and the good control of overheads and financial expenses.

Like-for-like rental performance: +€19 million

This change takes into account the increase in the occupancy rate, the gradual impact of indexation and the positive rental reversion secured.

Pipeline (deliveries and redevelopments): +€7 million net change in rental income

Recurrent net income (Group share) benefited from a positive effect of the pipeline, with the impact of building deliveries higher than the temporary effects of the assets made unavailable for rent with a view to being redeveloped.

- +€13 million of additional rental income generated by the recent deliveries of buildings under development: "157 CDG" in Neuilly and "l1ve" Paris-CBD in 2022, as well as Boétie Paris-CBD and a residential building in Ville-d'Avray during the first half of 2023.
- The buildings to be redeveloped reduced first-half rental income by –€6 million, including the launch of work to redevelop the Icône building (previously 32 Marbeuf in Paris CBD) and 27 Canal (previously "Flandre" in Paris City).

Asset disposals: –€2 million net change in rental income

The significant volume of disposals completed since the start of the year (€1 billion of disposals, with a loss of rental income of around 2.5%) was concentrated primarily at the end of the second quarter. The impact on rental income is therefore moderate for the first half of the year.

Rental margin up +40 bp

	Group	Offices	Residential	Student
Rental margin at 06/30/2022	90.1%	92.1%	82.5%	82.4%
RENTAL MARGIN AT 06/30/2023	**90.5%**	**93.2%**	**80.5%**	**75.5%**

The rental margin is up +40 bp over twelve months. This growth is linked primarily to the higher average occupancy rate and costs being charged back to tenants more effectively, offsetting the increase in local taxes.

Overheads under control

In an inflationary context, the Group paid particularly close attention to changes in its overheads. This focus has started to deliver benefits across all of the Company's cost areas. As a result, the EBITDA margin shows a significant increase, up +110 bp year-on-year.

Financial expenses: up +€9 million

The disposals completed during the first half of the year have not yet had any impact on financial expenses. However, the impact on them will be immediately visible from the start of the second half of the year.

Financial expenses are up +€9 million over twelve months. This increase is firstly due to a volume effect because the average net debt is up +€239 million between the first half of 2022 and the first half of 2023. However, this increase also reflects a base effect compared with the first half of 2022, before the hedging facilities (caps) were fully activated. The average cost of debt has virtually stabilized since the second half of 2022 following the activation of these instruments (with an average cost of 0.2%), confirming the effectiveness of the Group's debt hedging and further strengthening its visibility over the cost of its debt for the coming half-year periods.

3.1.2 GROSS RENTAL INCOME

Up +8% on a current basis

Gross rental income *In million euros*	06/30/2023	06/30/2022	Change (%) – Current basis %	Change (%) – Current basis In million euros	Change (%) – Like-for-like %	Change (%) – Like-for-like In million euros
Offices	**266.6**	**244.7**	**+9.0%**	**21.9**	**+7.5%**	**16.2**
Traditional residential	55.6	53.4	+4.1%	2.2	+4.6%	2.3
Student residences	10.7	10.1	+6.1%	0.6	+6.2%	0.6
TOTAL GROSS RENTAL INCOME	**332.9**	**308.2**	**+8.0%**	**24.7**	**+6,9%**	**19.1**

Like-for-like, the acceleration in performance exceeded the levels reported at end-2022, with rental income growth of +6.9% overall (vs +4.4% at end-2022) and +7.5% for offices (vs +4.6% at end-2022).

All of the components contributing to like-for-like rental income growth during the first half of this year are trending up:

- the impact of the increase in the occupancy rate contributed +1.6% to like-for-like growth;
- the gradual impacts of the acceleration in indexation contributed +4.2%;
- rental reversion was captured for both offices and residential: the capturing of this reversion contributed +1.1% to organic rental income growth.

With these positive trends on all Gecina's business lines, like-for-like rental income growth of around +6% is expected for the full year in 2023.

On a current basis, rental income is up by nearly +8%, benefiting from not only the robust like-for-like rental performance, but also the pipeline's strong net rental contribution (+€7 million), particularly following two major deliveries of office buildings in 2022 in Paris and Neuilly and two new deliveries in 2023 with the "Boétie" office building (Paris CBD) and a residential building in Ville-d'Avray.

3.1.2.1 Offices: positive rental trends

Gross rental income – Offices *In million euros*	06/30/2023	06/30/2022	Change (%) – Current basis	Change (%) – Like-for-like
OFFICES	**266.6**	**244.7**	**+9.0%**	**+7.5%**
Central areas (Paris, Neuilly, Southern Loop)	**194.2**	**179.3**	**+8.3%**	**+5.8%**
▸ Paris City	154.7	143.3	+8.0%	+6.3%
▸ ▸ Paris CBD & 5-6-7	99.1	88.4	+12.1%	+6.9%
▸ ▸ Paris – Other	55.6	54.8	+1.3%	+5.4%
▸ Core Western Crescent	39.5	36.0	+9.8%	+3.6%
La Défense	**35.2**	**30.7**	**+14.5%**	**+14.5%**
Other locations	**37.2**	**34.7**	**+7.3%**	**+8.8%**

Increase in occupancy rate, positive reversion, indexation

Gecina has let, relet or renegotiated nearly 84,000 q.m since the start of the year, with a strong level of lettings activity, in the context of a reduction in the vacancy rate in the central markets where Gecina operates.

- The vast majority of the transactions carried out during the first half of the year concerned relettings or renewals of leases.
  - Overall, the average reversion captured came to +15%.
  - This performance, driven by central sectors in particular, was further strengthened during the first half of the year, with reversion reaching over +30% in Paris City.
- The remaining 10% of transactions mainly concerned buildings that were delivered recently or under development: they included the signing of a lease for the 35 Capucines building in Paris' Central Business District.

Iconic transactions confirming the Group's strategic positioning

Among the latest rental transactions secured since the start of the year, some operations highlight the very good performance by central markets for high-quality buildings.

During the first half of the year, the Group secured several rental transactions at close to or over €1,000/sq.m/year in Paris' Central Business District, confirming the widespread adoption of a new rental benchmark, including:

- 35 Capucines (6,300 q.m): nearly half of the building pre-let to a law firm (delivery expected for the second quarter of 2024);
- 24-26 Saint-Dominique (7,900 q.m): half of the building pre-let to a private equity player (from the second half of 2024), following the BCG Group's relocation to the l1ve building in Paris' CBD.

These transactions add to the list of rental transactions secured recently over the last twelve months based on these same levels of rent, with the 3 Opéra, 16 Capucines and 44 Champs-Élysées buildings.

The Group also let 8,700 q.m in Boulogne-Billancourt in the Horizons building, with rents now over €500/sq.m.

85% of the Group's portfolio is located in Paris City, Neuilly-sur-Seine/Levallois or the Southern Loop (primarily Boulogne-Billancourt), concentrated in the sectors with the most positive trends, benefiting from the polarization of the markets. In these sectors, the theoretical timeframe to clear the stock of vacant space is short, particularly in Paris and Neuilly (around 0.4 year), where it has been decreasing regularly in the last few years.

Change in gross rental income for offices

Like-for-like office rental income growth came to +7.5% year-on-year (vs +4.6% at end-2022), benefiting from an improvement in the occupancy rate across our buildings for +1.9%, as well as a positive indexation effect which is continuing to ramp up (+4.8%), passing on the return of an inflationary context, as well as the impact of the positive reversion captured in the last few years (+0.8%).

- In the most central sectors (85% of Gecina's office portfolio) in Paris City, Neuilly-Levallois and Boulogne-Issy, like-for-like rental income growth came to +5.8%, benefiting from an improvement in the occupancy rate (+0.7%), positive indexation (+4.5%) and other effects including positive rental reversion (+0.9%).
- On the La Défense market (8% of the Group's office portfolio), Gecina's rental income is up +14.5% like-for-like:
  - two thirds of this performance factor in a significant increase in the occupancy rate for the Group's buildings, resulting from the arrival of tenants in the second half of 2022 with the leases signed previously on buildings that were vacant (Carré Michelet, Adamas);
  - reversion had a marginally positive impact on this sector (+0.2%).

Rental income growth on a current basis came to nearly +9% for offices, reflecting the impact of the pipeline's positive net contribution (+€7 million net of tenant departures from buildings to be redeveloped), notably taking into account the delivery of the "l1ve" building during the second half of 2022 and the "Boétie" building during the first half of 2023, which are both located in Paris' Central Business District, largely offsetting the buildings vacated and currently being redeveloped (Icône-Marbeuf and 27 Canal-Flandre in Paris).

The impact of disposals completed during the first half of the year is moderate at this stage (–€2 million).

3.1.2.2 Residential: operational trends confirmed during the first half of the year

Gross rental income *In million euros*	06/30/2023	06/30/2022	Change (%) Current basis	 Like-for-like
TOTAL RESIDENTIAL	**66.3**	**63.5**	**+4.4%**	**+4.9%**
Traditional residential	55.6	53.4	+4.1%	+4.6%
Student residences	10.7	10.1	+6.1%	+6.2%

The residential division's rental income is up +4.9% like-for-like. This performance reflects the impact, on an equivalent basis, of indexation, rental reversion and the higher occupancy rate in our buildings (+190 bp year-on-year).

YouFirst Residence: strong operational trends

Like-for-like, rental income from traditional residential properties is up +4.6%.

This performance takes into account the impacts of positive indexation (+2.5%) and the positive reversion (+1.2%) secured on the apartments relet, with an average uplift of +13%.

YouFirst Campus: strong upturn in activity

Rental income from student housing portfolio is up +6.2% like-for-like and +6.1% on a current basis, reflecting the gradual improvement since the third quarter of 2021.

This performance is linked primarily to the significant reversion captured (contributing +5.5%).

3.1.3 FINANCIAL OCCUPANCY RATE

Up +80 bp over six months and +160 bp year-on-year

Average financial occupancy rate	06/30/2022	09/302022	12/31/2022	03/31/2023	06/30/2023
Offices	**91.8%**	**92.3%**	**92.8%**	**94.5%**	**93.8%**
Traditional residential	96.8%	96.5%	96.7%	97.1%	96.3%
Student residences	86.3%	82.7%	86.0%	93.4%	86.8%
GROUP TOTAL	**92.3%**	**92.5%**	**93.1%**	**94.9%**	**93.9%**

The Group's average financial occupancy rate is at a high level, with 93.9%, up +160 bp over twelve months and +80 bp over six months, reflecting the benefits of the strong upturn in rental transactions since the second quarter of 2021 and the digitalization of letting processes, making it possible to reduce transition vacancies in residential assets, as well as the normalization of occupancy levels for student residences.

For offices, the performance reflects the robust trend for leasing transactions, the delivery of buildings during the last twelve months that were fully let (l1ve-Paris CBD and Boétie-Paris CBD), the leases signed during previous quarters that came into effect in the second half of 2022.

However, this rate decreased during the second quarter of 2023. This decrease is temporary because it reflects the departure of tenants from three buildings located in Paris and Neuilly, with the majority of their space already relet, which are subject to small-scale renovation works. The completion of these works, expected for mid-2024, will enable the future tenants to occupy the building, resulting in a mechanical improvement of the average financial occupancy rate.

For traditional residential, the moderate contraction in the occupancy rate (–50 bp over one year) follows the delivery of a residence during the first half of the year (in Ville-d'Avray), where occupancy levels are gradually ramping up.

For student housing, the occupancy rate shows a slight increase year-on-year (+50 bp) and over six months (+80 bp), but is down over three months, once again reflecting a temporary effect, linked to the digitalization of letting processes. The Group expects this rate to normalize over the coming quarters.

3

3.1.4 PORTFOLIO VALUE

Positive rent effect in central sectors, moderating the impact of an increase in capitalization rates

	Appraised values	Net capitalization rates		Like-for-like change	
Breakdown by segment *In million euros*	06/30/2023	06/30/2023	12/31/2022	June 2023 vs June 2022	June 2023 vs Dec. 2022
OFFICES (INCL. RETAIL UNITS)	**14,632**	**4.5%**	**4.2%**	**–7.2%**	**–4.5%**
Central areas	**12,428**	**3.9%**	**3.6%**	**–5.5%**	**–3.4%**
▸ Paris City	10,121	3.6%	3.3%	–4.6%	–2.8%
▸ Core Western Crescent	2,308	5.0%	4.6%	–8.5%	–5.4%
La Défense	**1,107**	**6.7%**	**6.0%**	**–14.1%**	**–9.8%**
Other locations	**1,097**	**8.3%**	**7.5%**	**–14.3%**	**–8.6%**
RESIDENTIAL (BLOCK)	**3,801**	**3.2%**	**3.1%**	**–4.5%**	**–2.2%**
HOTELS & FINANCE LEASES	**49**				
GROUP TOTAL	**18,482**	**4.2%**	**4.0%**	**–6.6%**	**–4.0%**
TOTAL VALUE: UNIT APPRAISALS	**19,035**			**–6.3%**	**–3.8%**

The portfolio value (block) came to €18.5 billion, with a like-for-like value adjustment of –4% over six months and nearly –7% over twelve months. However, this change includes very contrasting trends depending on the areas, with a polarization of the markets, once again benefiting the most central sectors.

Offices: adjustment of capitalization rates partially offset by positive rent effects in central sectors

The value of our office portfolio shows a decrease of around –4.5% on average over six months and –7.2% over twelve months.

- Reflecting the impact of an adjustment in yields ("yield effect"), with a negative impact across all sectors (–6% to –8% for the first half of the year).
- Combined with a "rent effect" reflecting the different trends of the Paris Region's rental markets. This effect is positive in Paris City (+5%) and the Core Western Crescent (Neuilly and Boulogne) with nearly +3%, but it is negative elsewhere (–3% to –6%), in the Paris Region's less central sectors.

The very strong weighting of Gecina's portfolio in the most central sectors, where rental trends are particularly positive, made it possible to moderate the value adjustment for the first half of the year.

Over twenty-four months, the trends in terms of life-for-like value growth reflect a significant adjustment due to yield expansion, offset by a very favorable rent effect in the central areas.

- the "yield effect" (negative macroeconomic effect attributable to an increase in capitalization rates) negatively affected the value of assets across all asset classes by around –14%;
- however, the "rent effect", attributable to rental trends in each sector, show significant differences between locations:
  - this "rent effect" is negative for more peripheral areas (Inner and Outer Rims), where it reached –10%, accentuating the decrease in value for the assets concerned,
  - however, it is significantly positive for the central sectors (+15% in Paris), offsetting the drop in value resulting from the increase in rates.

Residential: resilient values

For the residential portfolio, the valuation retained is down slightly with –2.2% over six months (–2.2% for traditional residential, –1.7% for student housing) and –4.5% over twelve months (–4.8% for traditional residential and –2.3% for student housing).

3.1.5 NET ASSET VALUE

Net Tangible Assets (NTA) of €161.4 per share (–6% over six months)
Net Disposal Value (NDV) of €172.2 (–6% over six months)

- The EPRA Net Disposal Value (NDV) was €172.2 per share (–6% over six months). It represents €179.7 per share including the unit values for residential.
- EPRA Net Tangible Assets (NTA) came to €161.4 per share (–6% over six months). They represent €168.8 per share including the unit values for residential.
- The EPRA Net Reinstatement Value (NRV) came to €176.9 per share (–7% over six months). It represents €184.9 per share including the unit values for residential.

This change primarily reflects the like-for-like adjustment in the portfolio value.

The scale of this contraction in the NAV was reduced by the Group's moderate leverage effect, with an LTV (including duties) of 32.2% today.

The change in EPRA Net Tangible Assets (NTA) per share came to –€11 over six months, with the following breakdown:

- Dividend paid in H1 2023: –€2.65.
- H1 2023 recurrent income: +€2.9.
- Value adjustment linked to the yield effect: –€17.2.
- Value adjustment linked to the "rent" effect: +€6.6.
- Capital gains on sales: +€1.2.
- Other (including IFRS 16): –€1.7.

Net asset value

	EPRA NRV *Net Reinstatement Value*	EPRA NTA *Net Tangible Asset Value*	EPRA NDV *Net Disposal Value*
IFRS equity attributable to shareholders	11,756.5	11,756.5	11,756.5
Receivable from shareholders	195.7	195.7	195.7
Includes / Excludes			
Impact of exercising stock options			
DILUTED NAV	**11,952.2**	**11,952.2**	**11,952.2**
Includes			
Revaluation of investment property	180.5	180.5	180.5
Revaluation of investment property under construction	–	–	–
Revaluation of other non-current investments	–	–	–
Revaluation of tenant leases held as finance leases	0.8	0.8	0.8
Revaluation of trading properties	–	–	–
DILUTED NAV AT FAIR VALUE	**12,133.6**	**12,133.6**	**12,133.6**
Excludes			
Deferred tax	–	–	x
Fair value of financial instruments	(115.7)	(115.7)	x
Goodwill as a result of deferred tax	–	–	–
Goodwill as per the IFRS balance sheet	x	(174.9)	(174.9)
Intangibles as per the IFRS balance sheet	x	(12.4)	x
Includes			
Fair value of debt[1]	x	x	792.4
Revaluation of intangibles to fair value	–	x	x
Transfer duties	1,086.2	119.1	x
NAV	**13,104.0**	**11,949.7**	**12,751.1**
Fully diluted number of shares	74,057,311	74,057,311	74,057,311
NAV PER SHARE	**€176.9**	**€161.4**	**€172.2**

(1) Fixed-rate debt has been measured at fair value based on the yield curve at June 30, 2023.

3.1.6 CAPITAL ALLOCATION

€1 billion of disposals immediately accretive, with positive impacts across all debt KPIs

€1 billion of disposals

Since the start of the year, Gecina has completed nearly €1 billion of disposals. All of the assets sold achieved a premium versus the latest appraisal values, with an average of +10%. For information, this premium represents +17% compared with the end-2019 appraisals.

These sales were completed with an average loss of rental income of 2.5%.

Specifically, the Group sold:

- three office buildings in Paris' Central Business District (129 Malesherbes, 142 Haussmann and 43 Friedland), representing over 5,100 q.m;
- one office building located in Cergy-Pontoise (around 10,000 q.m);
- one residential building in Courbevoie (16,600 sq.m);
- the 101 Champs-Élysées building, occupied by LVMH (nearly 10,000 sq.m).

Use of proceeds from the sales

In the short term, the proceeds from these sales have been used to replace short-term financing facilities (commercial paper) with an average cost of around 3.5%, resulting in an accretive impact on recurrent net income per share.

These sales had a positive impact on Gecina's debt KPIs (LTV, ICR, net debt/EBITDA), as well as the level of available liquidity, now enabling it to cover all of bond maturities through to 2028 (at constant debt levels).

These disposals are also enabling the Group to optimize its debt hedging with a view to increasing its duration and level over the medium term. Based on the current level of debt, the Group's debt is fully hedged for the second half of 2023, with its hedging rate gradually decreasing to reach 75% in 2027. The hedging rate is now 95% on average through to the end of 2027.

Over the medium term, these disposals have secured all of the financing for the pipeline of committed projects for which the return on capital employed is very significantly higher than the loss of rental income.

Alongside this, the strengthening of Gecina's solid balance sheet structure opens up opportunistic financial headroom for the coming years.

€160 million of investments made, primarily on development projects

70% of the €160 million of investments spent during the first half of 2023 were focused on the development pipeline or projects delivered during the year.

The remaining corresponds to investments to improve the residential and commercial portfolio, helping capture the reversion potential.

3.1.7 BALANCE SHEET AND FINANCIAL STRUCTURE

Debt structure further strengthened during the first half of the year

Ratios	Covenant	06/30/2023
Loan to value (block, excl. duties)	<60%	34.1%
EBITDA / net financial expenses	>2.0x	5.3x
Outstanding secured debt / net asset value of portfolio (block, excl. duties)	<25%	–
Net asset value of portfolio (block, excl. duties) *in billion euros*	>6.0	18.5

Since the start of the year, Gecina's debt structure has been further strengthened, reflecting the impact of a significant volume of disposals, contributing to the improvement in all the characteristics of the Group's debt.

Gecina has also aligned its financing with its CSR convictions, setting up new responsible credit lines and requalifying all of its outstanding bonds as Green Bonds.

€575 million of new financing secured since the start of the year

Since the start of 2023, thanks to its strong financial ratings, Gecina has proactively secured €575 million of new debt under favorable conditions.

- €325 million of bank loans – including €180 million of undrawn credit lines – with a maturity of 6.1 years based on equivalent financial conditions (margin) to the other existing credit lines.
- €250 million of bond financing, with an average maturity of 8.4 years and a margin of 91 bp.

LTV down to 32% (including duties)

The reduction in the Group's net debt (to €6.3 billion at end-June 2023 vs €7.2 billion at end-December 2022), particularly following the disposals completed during the first half of the year, consolidated the LTV at around 32% (including duties), and also significantly improved the ICR and the net debt/EBITDA ratios.

Liquidity further strengthened, making it possible to cover bond maturities through to 2028

Alongside this, access to liquidity has been significantly strengthened, thanks to nearly €5.3 billion of available liquidity, with €4.1 billion of liquidity net of short-term financing facilities, considerably higher than the long-term target of €2.0 billion. To date, this surplus liquidity makes it possible to cover the bond maturities through to 2028, i.e. one more year than the situation published at the end of 2022.

Excellent visibility over the hedged cost of debt, with over 90% hedging maintained through to 2026

In terms of the sensitivity of the Group's average cost of debt, Gecina capitalized on the opportunity offered by a high volume of sales during the first half of the year to also optimize the hedging of its debt. Based on the current level of debt, the Group's debt is fully hedged for the second half of 2023, with its hedging rate gradually decreasing to reach 75% in 2027. The hedging rate is now 95% on average through to the end of 2027. For comparison, Gecina's debt at end-2022 was 90% hedged on average through to just 2025.

The ICR represents 5.3x (vs 5.5x one year ago). It does not yet include the impact of the sales completed mid-2023, which will significantly improve this indicator.

The secured debt ratio is still 0%, giving Gecina significant headroom in relation to its bank covenants.

3.1.8 PROJECT PIPELINE

€2.6 billion of outstanding quality projects phased over the coming years (€862 million to be invested)

With a committed pipeline of around €1.4 billion and a €1.2 billion controlled and certain pipeline that could be launched over the coming years, the Group is expected to benefit from a strong leverage effect on rental income growth between 2023 and 2027.

€1.4 billion of committed projects (deliveries for 2023-2025), €372 million of investments still to be made and €70 million of potential rental income

The office projects under development are concentrated primarily in central sectors, with 92% of the committed pipeline for offices in Paris City, for an expected yield on cost of around 5.6%. This yield on cost is up 30 bp over six months, linked primarily to the combined impact of an increase in the rental income expected, as well as an excellent level of control over construction costs.

Nearly 30% of the committed pipeline is also made up of residential assets. In total, 16 projects are currently committed to and will be delivered between 2023 and 2025.

This pipeline includes the "Icône" redevelopment project (previously "32 Marbeuf", 13,300 sq.m) in Paris' Golden Triangle, with delivery scheduled for early 2025, and three other projects in Paris, with "27 Canal" (previously "Flandre", 15,300 sq.m), "Mondo" (previously "Bancelles", 30,100 sq.m) and "35 Capucines" (6,300 sq.m), at the heart of Paris' Central Business District, very close to Place de l'Opéra.

For these buildings, the letting processes have been particularly active, and nearly 50% of the space in the 35 Capucines building was already pre-let during the first half of the year.

Major source of growth for coming years

Over the next twelve months, and primarily during the first half of 2024, seven projects are scheduled to be delivered:

- two office projects, with 82% pre-let (Porte Sud–Montrouge and 35 Capucines–Paris-CBD);
- five residential projects in Paris and Rueil;

At end-December, €372 million were still to be invested on committed projects, with €158 million by end-2023, €198 million in 2024 and €16 million in 2025.

€1.2 billion of "controlled" projects and €490 million of investments that could potentially be launched over the coming half-year periods (deliveries in 2025-2027)

The pipeline of operations "to be committed", i.e. "controlled", groups together the assets held by Gecina that are currently being vacated and for which a redevelopment project aligned with Gecina's investment criteria has been identified.

This pipeline includes seven projects, with four office buildings, located exclusively in Paris or Neuilly. These projects will be able to be committed to once the administrative authorizations have been obtained and they have been vacated by their current tenants.

All of these projects are subject to regular reviews in line with market developments, and the final launch decision can be taken by Gecina up until the effective redevelopment start date.

€0.2 billion of "likely" controlled projects over the longer term (possible deliveries in 2027-2028)

The "likely" controlled pipeline covers the projects identified and owned by Gecina for which tenant departures are not yet certain.

These projects have a potential yield on cost of around 6%. These projects will be launched when decided by Gecina in line with real estate market developments.

Development pipeline overview

Projects	Location	Delivery date	Total space (sq.m)	Total investment (in € million)	Already invested (in € million)	Still to inves (in € million)	Yield on cost (est.)	Average prime yield (BNPPRE / CBRE)	Pre-let
Montrouge – Porte Sud	Inner Rim	Q2-24	12,600	83					100%
Paris – 35 Capucines	Paris CBD	Q2-24	6,300	182					46%
Paris – Mondo (formerly Bancelles)	Paris CBD	Q3-24	30,100	388					-
Paris – 27 Canal (Flandre)	Paris	Q4-24	15,300	117					-
Paris – Icône (Marbeuf)	Paris CBD	Q1-25	13,300	210					-
TOTAL OFFICES			**77,600**	**978**	**761**	**217**	**5.6%**	**3.7%**	**20%**
Paris – Glacière	Paris	Q4-23	800	9					
Paris – Wood'up	Paris	Q1-24	8,000	97					
Paris – Dareau	Paris	Q2-24	5,500	52					
Rueil – Arsenal	Rueil	Q2-24	6,000	47					
Rueil – Doumer	Rueil	Q2-24	5,500	46					
Bordeaux – Belvédère	Bordeaux	Q3-24	8,000	39					
Garenne Colombes – Madera	La Garenne-Colombes	Q1-25	4,900	43					
Bordeaux – Brienne	Bordeaux	Q2-25	5,500	26					
Paris – Porte Brancion	Paris	Q3-24	2,100	16					
Paris – Vouillé	Paris	Q1-25	2,400	24					
Paris – Lourmel	Paris	Q1-25	1,600	17					
Residential densification		n.a.	500	1					
TOTAL RESIDENTIAL			**50,800**	**417**	**262**	**155**	**3.7%**	**3.2%**	
TOTAL COMMITTED PIPELINE			**128,400**	**1,395**	**1,023**	**372**	**5.0%**	**3.5%**	
CONTROLLED: OFFICES			**85,000**	**1,146**	**726**	**420**	**4.9%**	**3.9%**	
CONTROLLED: RESIDENTIAL			**12,400**	**104**	**33**	**70**	**3.7%**	**3.2%**	
TOTAL CONTROLLED			**97,400**	**1,249**	**759**	**490**	**4.8%**	**3.9%**	
TOTAL COMMITTED + CONTROLLED			**225,800**	**2,644**	**1,782**	**862**	**4.9%**	**3.7%**	
TOTAL CONTROLLED AND LIKELY			**41,200**	**212**	**62**	**150**	**6.0%**	**4.4%**	
TOTAL PIPELINE			**267,000**	**2,857**	**1,844**	**1,012**	**5.0%**	**3.7%**	

(1) Committed pipeline is valued at €1,199 million at H1-2023, this suggesting already book value creation is c.€176 million.
(2) Prime rates for office at the end of June 2023 (BNPPRE).
(3) Prime rates for residential at the end of May 2023 (CBRE).

3.1.9 ENERGY EFFICIENCY PLAN

Energy consumption reduction exceeding the Group's expectations

Energy efficiency plan already performing particularly well: energy consumption reduced by –17% and carbon emissions by –21% in six months

In 2022, Gecina launched an energy efficiency plan aiming to rapidly and significantly reduce energy consumption for the buildings across its portfolio, supporting its tenants to use their offices more efficiently.

Today, the Group is able to collect real-time information on 92% of its rental space in operation. All of the office buildings are now equipped with connected sensors (2,400 sensors installed, including 1,200 added during the first half of the year), while 2,400 sensors have also been installed across the residential portfolio, enabling each building's operating conditions to be adjusted in real time with a view to optimizing its performance.

- 100% of the office tenants have already received a list of specific recommendations for their buildings to reduce their energy consumption.
- A dedicated team is gradually being deployed for the Group's 50 main buildings. To date, 47 of them have already been reviewed by this task force. Following this deployment, specific lists have been drawn up with actions to be taken to optimize the energy consumption of these buildings, making it possible to open discussions and look specifically at concrete actions with the tenants in place.

At end-June, this efficiency plan was already showing very significant progress.

- Average energy consumption across the commercial portfolio managed by Gecina was reduced by around –17% over six months, contributing to the reduction in carbon emissions by –21% over this same period.

Gecina's performance is aligned with the roadmap from its ambition to be carbon neutral by 2030, following on from the commitment it has set out since 2008.

Carbon emissions across Gecina's commercial portfolio have been reduced by –75% since 2008 (to 8.6kgCO_2/sq.m/year), while energy consumption has been reduced by –50% over this same period (to 150 Kwhf/sq.m/year).

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3.1.10 GUIDANCE REVISED UPWARDS

2023 recurrent net income growth of +6% to +8% now expected (between €5.90 and €6.00)

The results published at end-June 2023 reflect the very good level of the rental markets in Gecina's preferred locations. This robust operational performance is being further strengthened by the ramping up of indexation and the pipeline's positive contribution to the Group's rental income growth.

Alongside this, Gecina's long debt maturity and active rate hedging policy will enable it to limit the impact of interest rate rises on the Group's financial expenses in 2023.

During the first half of the year, the Group's operational performances exceeded its initial expectations, and the €1 billion of sales completed, with a loss of rental income of 2.5%, contributed to the robust trend for recurrent net income per share growth.

As a result, Gecina is raising its guidance for 2023, with recurrent net income (Group share) now expected to reach €5.90 to €6.00 per share (vs €5.80 to €5.90 previously), with growth of +6% to +8%.

3.2 | EPRA reporting at June 30, 2023

Gecina applies the EPRA[1] best practices recommendations regarding the indicators listed hereafter. Gecina has been a member of EPRA, the European Public Real Estate Association, since its creation in 1999. The EPRA best practice recommendations include, in particular, key performance indicators to make the financial statements of real estate companies listed in Europe more transparent and more comparable across Europe.

Gecina reports on all the EPRA indicators defined by the "Best Practices Recommendations" available on the EPRA website.

Moreover, EPRA defined recommendations related to corporate social responsibility (CSR), called "Sustainable Best Practices Recommendations."

(1) European Public Real Estate Association.

	06/30/2023	06/30/2022	See Note
EPRA Earnings *(in million euros)*	199.0	185.8	3.2.1
EPRA Earnings per share *(in euros)*	€2.70	€2.52	3.2.1
EPRA Net tangible asset value *(in million euros)*	11,949.7	13,394.7	3.2.2
EPRA Net initial yield	3.5%	3.2% (1)	3.2.3
EPRA "Topped-up" net initial yield	3.8%	3.5% (1)	3.2.3
EPRA Vacancy rate	7.7%	7.4%	3.2.4
EPRA Cost ratio (including direct vacancy costs)	22.3%	23.8%	3.2.5
EPRA Cost ratio (excluding direct vacancy costs)	20.2%	21.5%	3.2.5
EPRA Property related capex *(in million euros)*	160	134	3.2.6
EPRA Loan-to-Value	36.6%	35.9%	3.2.7

(1) At December 31, 2022.

3.2.1 EPRA RECURRENT NET INCOME

The table below indicates the transition between the recurrent net income disclosed by Gecina and the EPRA recurrent net income:

In thousand euros	06/30/2023	06/30/2022
RECURRENT NET INCOME (GROUP SHARE)[1]	**216,532**	**201,195**
IFRIC 21	(12,288)	(10,219)
Depreciation and amortization, net impairment and provisions	(5,199)	(5,135)
EPRA RECURRENT NET INCOME (A)	**199,045**	**185,841**
Average number of shares excluding treasury shares (B)	73,832,958	73,752,206
EPRA RECURRENT NET INCOME PER SHARE (A/B)	**€2.70**	**€2.52**

(1) EBITDA excluding IFRIC 21 after deducting net financial expenses, recurring tax, minority interests, including income from associates and restated for certain non-recurring items.

3.2.2 NET ASSET VALUE

The calculation for the net asset value is explained in section 3.1.5 "Net asset value."

In euros per share	06/30/2023	06/30/2022
EPRA NAV NRV	€176.9	€198.9
EPRA NAV NTA	**€161.4**	**€181.2**
EPRA NAV NDV	€172.2	€187.9

3.2.3 EPRA NET INITIAL YIELD AND EPRA "TOPPED-UP" NET INITIAL YIELD

The table below indicates the transition between the yield rate disclosed by Gecina and the yield rates defined by EPRA:

In %	06/30/2023	12/31/2022
GECINA NET CAPITALIZATION RATE[1]	**4.2%**	**4.0%**
Impact of estimated costs and duties	–0.2%	–0.2%
Impact of changes in scope	0.1%	0.0%
Impact of rent adjustments	–0.6%	–0.6%
EPRA NET INITIAL YIELD[2]	**3.5%**	**3.2%**
Exclusion of lease incentives	0.3%	0.3%
EPRA TOPPED-UP NET INITIAL YIELD[3]	**3.8%**	**3.5%**

(1) Like-for-like June 2023.
(2) The EPRA net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.
(3) The EPRA topped-up net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.

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EPRA net initial yield and EPRA "Topped-up" net initial yield *(in million euros)*		Offices	Traditional residential	Student residences	Total H1 2023
Investment properties		14,632	3,402	399	18,433 [4]
Adjustment of assets under development and land reserves		(2,325)	(204)	(37)	(2,566)
VALUE OF THE PROPERTY PORTFOLIO IN OPERATION EXCLUDING DUTIES		**12,307**	**3,197**	**363**	**15,867**
Transfer duties		733	218	18	969
VALUE OF THE PROPERTY PORTFOLIO IN OPERATION INCLUDING DUTIES	**B**	**13,040**	**3,415**	**381**	**16,836**
Gross annualized IFRS rents		497	108	21	626
Non recoverable property charges		(15)	(18)	(4)	(37)
ANNUAL NET RENTS	**A**	**482**	**90**	**18**	**590**
Rents at the expiration of the lease incentives or other rent discount		55	0	0	56
"TOPPED-UP" ANNUAL NET RENTS	**C**	**538**	**90**	**18**	**645**
EPRA NET INITIAL YIELD[2]	**A/B**	**3.7%**	**2.6%**	**4.6%**	**3.5%**
EPRA "TOPPED UP" NET INITIAL YIELD[3]	**C/B**	**4.1%**	**2.6%**	**4.6%**	**3.8%**

(2) The EPRA net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.
(3) The EPRA topped-up net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.
(4) Except finance lease, hotel, headquarter and investment in Euler.

3.2.4 EPRA VACANCY RATE

In %	06/30/2023	06/30/2022
Offices	6.9%	6.8%
Traditional residential	5.8%	4.6%
Student residences	32.0%	30.4%
EPRA VACANCY RATE	**7.7%**	**7.4%**

EPRA vacancy rate corresponds to the vacancy rate "spot" at the end of the period. It is calculated as the ratio between the estimated market rental value of vacant spaces and potential rents for the operating property portfolio.

The financial occupancy rate reported in other parts of this document corresponds to the average financial occupancy rate of the operating property portfolio.

EPRA vacancy rate does not include leases signed with a future effect date.

	Market rental value of vacant units *(in million euros)*	Potential rents *(in million euros)*	EPRA vacancy rate at the end of June 2023 *(in %)*
Offices	39	561	6.9%
Traditional residential	7	113	5.8%
Student residences	8	26	32.0%
EPRA VACANCY RATE	**54**	**701**	**7.7%**

3.2.5 EPRA COST RATIOS

In thousand euros/in %	06/30/2023	06/30/2022
Property expenses(1)(2)	(135,153)	(114,733)
Overheads(1)(2)	(39,688)	(39,065)
Depreciation and amortization, net impairment and provisions(3)	(5,199)	(5,135)
Recharges to tenants	103,527	84,351
Rental expenses charged to tenants in gross rent	0	0
Other income/income covering overheads	1,940	1,271
Share in costs of associates	(147)	(136)
Ground rent	0	0
EPRA COSTS (INCLUDING VACANCY COSTS) (A)	**(74,720)**	**(73,446)**
Vacancy costs	7,086	7,124
EPRA COSTS (EXCLUDING VACANCY COSTS) (B)	**(67,634)**	**(66,322)**
Gross rental income less ground rent	332,932	308,193
Rental expenses charged to tenants in gross rent	0	0
Share in rental income from associates	1,469	906
GROSS RENTAL INCOME (C)	**334,401**	**309,099**
EPRA COST RATIO (INCLUDING VACANCY COSTS) (A/C)	**22.3%**	**23.8%**
EPRA COST RATIO (EXCLUDING VACANCY COSTS) (B/C)	**20.2%**	**21.5%**

(1) Marketing costs, eviction allowances, and time spent by the operational teams directly attributable to marketing, development or disposal projects are capitalized or reclassified as a result of disposals of €7.2 million in 2023 and €5.7 million in 2022 (see Notes 5.5.3.1.1, 5.5.5.1.2 and 5.5.6.5 to the Consolidated financial statements).
(2) Without IFRIC 21.
(3) Excluding impairment of assets recognized at historical cost.

3.2.6 CAPITAL EXPENDITURE

In million euros	06/30/2023 Group	06/30/2023 Joint ventures	06/30/2023 Total	06/30/2022 Group	06/30/2022 Joint ventures	06/30/2022 Total
Acquisitions[1]	0	n.a.	0	0	n.a.	0
Pipeline[2]	115	n.a.	115	92	n.a.	92
Of which capitalized interests	4	n.a.	4	3	n.a.	3
Maintenance capex[3]	45	n.a.	45	42	n.a.	42
Incremental lettable space	0	n.a.	0	0	n.a.	0
No incremental lettable space	41	n.a.	41	37	n.a.	37
Tenant incentives	3	n.a.	3	5	n.a.	5
Other expenses	0	n.a.	0	0	n.a.	0
Capitalized interest	0	n.a.	0	0	n.a.	0
TOTAL CAPEX	**160**	**n.a.**	**160**	**134**	**n.a.**	**134**
Conversion from accrual to cash basis	7	n.a.	7	(11)	n.a.	(11)
TOTAL CAPEX ON CASH BASIS	**166**	**n.a.**	**166**	**123**	**n.a.**	**123**

(1) See section 3.1.6
(2) See section 3.1.8
(3) Capex corresponding to (i) renovation work on apartments or private commercial surface areas to capture rental reversion, (ii) work on communal areas, (iii) lessees' work.

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3.2.7 EPRA LOAN-TO-VALUE

In million euros	Group	Share of joint ventures	Share of material associates	Non-controlling Interests	Combined
Include					
Borrowings from financial institutions [1]	145	-	13	-	158
Commercial paper[1]	1,194	-	-	-	1,194
Hybrids	-	-	-	-	-
Bond loans[1]	5,587	-	-	-	5,587
Foreign currency derivatives	-	-	-	-	-
Net Payables[2]	470	-	1	(2)	469
Owner-occupied property (debt)	-	-	-	-	-
Current accounts (equity characteristic)	16	-	-	(16)	0
Exclude					
Cash and cash equivalents	(653)	-	(5)	2	(655)
NET DEBT (A)[3]	**6,758**	**-**	**10**	**(16)**	**6,752**
Include					
Owner-occupied property[4]	247	-	-	-	247
Investment properties at fair value[4]	16,668	-	106	(36)	16,737
Properties held for sale[4]	171	-	-	-	171
Properties under development[4]	1,298	-	-	-	1,298
Intangibles	12	-	-	-	12
Net receivables	-	-	-	-	-
Financial assets	-	-	1	-	1
TOTAL PROPERTY VALUE (EXCL. RETTS) (B)[5]	**18,396**	**-**	**106**	**(36)**	**18,467**
Real estate transfer taxes	1,086	-	8	(2)	1,092
TOTAL PROPERTY VALUE (INCL. RETTS) (C)	**19,483**	**-**	**114**	**(39)**	**19,558**
EPRA LTV (EXCL. RETTS) (A/B)	**36.7%**				**36.6%**
EPRA LTV (INCL. RETTS) (A/C)	**34.7%**				**34.5%**

(1) See details of the group's financial debt in note 5.5.5.11.1 to the consolidated accounts.
(2) This item includes current liabilities (accrued interest, security deposits, trade payables, tax and social security liabilities, other liabilities) net of current receivables (trade receivables, other receivables and prepaid expenses).
(3) Adjusted for net payables excluding accrued interest, net financial debt is €6,297 million.
(4) Block values of buildings and finance leases, excluding real estate transfer taxes.
(5) Adjusted for intangible assets and the book value of equity-accounted investments, the value of property portfolio is €18,482 million.

3.3 | Additional information on rental income

3.3.1 RENTAL SITUATION

Gecina's tenants come from a wide range of sectors of activity, reflecting various macro-economic factors.

Breakdown of tenants by sector (offices – based on annualized headline rents)

	Group
Public sector	8%
Consulting/services	19%
Industry	37%
Finance	7%
Media – television	6%
Retail	6%
Hospitality	5%
Technology	12%
Other	1%
TOTAL	**100%**

Weighting of the top 20 tenants (% of annualized total headline rents)

Breakdown for office only (not significant for the Residential and Student portfolios):

Tenant	Group
ENGIE	7%
LAGARDÈRE	3%
WEWORK	3%
BOSTON CONSULTING GROUP	3%
SOLOCAL GROUP	2%
YVES SAINT LAURENT	2%
EDF	2%
MINISTÈRES SOCIAUX	2%
GRAS SAVOYE	1%
ARKEMA	1%
EDENRED	1%
EIGHT ADVISORY	1%
LVMH	1%
IPSEN	1%
RENAULT	1%
JACQUEMUS SAS	1%
LACOSTE OPÉRATIONS COURT 37	1%
SALESFORCE COM.FRANCE	1%
ORANGE	1%
CGI FRANCE	1%
TOP 10	**25%**
TOP 20	**36%**

3.3.2 ANNUALIZED GROSS RENTAL INCOME

Annualized rental income is down –€7 million from December 31, 2022, primarily reflecting the impact of the sales completed during the first half of the year (–€25 million), but significantly offset by the like-for-like rental trends (+€11 million) and the buildings delivered during the first half of the year (+€7 million).

Note that this annualized rental income includes €22 million from assets intended to be vacated for redevelopment.

In addition, the annualized rental income figures below do not yet include the rental income that will be generated by committed or controlled projects, which may represent nearly €130 million of potential headline rents.

In million euros	06/30/2023	12/31/2022
Offices	515	520
Traditional residential	108	109
Student residences (Campus)	22	23
TOTAL	**645**	**652**

3.3.3 LIKE-FOR-LIKE RENT CHANGE FACTORS FOR THE FIRST HALF OF 2023 VS. THE FIRST HALF OF 2022

3

Group

Like-for-like change	Indexes	Business effects	Vacancy	Other
6.9%	4.2%	1.1%	1.6%	0.0%

Offices

Like-for-like change	Indexes	Business effects	Vacancy	Other
7.5%	4.8%	0.8%	1.9%	–0.1%

Total residential

Like-for-like change	Indexes	Business effects	Vacancy	Other
4.9%	2.2%	1.9%	0.5%	0.3%

3.3.4 VOLUME OF RENTAL INCOME BY THREE-YEAR BREAK AND END OF LEASES *(in million euros)*

Commercial lease schedule	2023	2024	2025	2026	2027	2028	2029	> 2029	Total
Break-up options	34	88	81	64	102	44	35	115	562
End of leases	30	50	24	40	95	46	49	228	562

3.4 | Financial resources

The first half of 2023 was marked by higher short-term interest rates and more stable long-term rates, with inflation remaining very high amid an economic backdrop that remained uncertain.

Amid this volatile environment, Gecina could rely on the robust and flexible balance sheet it has built up over the last few years. The Group was able to take advantage of favorable bond market conditions at the end of 2022 and in the first half of 2023 to raise a total of €400 million (average maturity 9.5 years) through tap issues.

The Group's already significant levels of liquidity at December 31, 2022 were further bolstered by these tap issues, by taking out €145 million in responsible bank loans, and by the early refinancing of undrawn credit lines resulting in €180 million of new responsible lines of credit, with an average maturity of seven years.

Over the past eighteen months, Gecina has raised a total of €3 billion in new long-term financing, further illustrating the Group's deep and liquid access to all sources of financing.

At June 30, 2023, Gecina therefore had immediate liquidity of €5.3 billion, or €4.1 billion excluding NEU CP, which is considerably higher than the long-term target of a minimum of €2.0 billion. This excess liquidity notably covers all bond maturities until 2028 (and therefore in particular the 2025 and 2027 maturities).

This proactive management of the financial structure has ensured that the Group's main credit indicators remain at an excellent level. The maturity of the debt was 7.6 years at the end of June 2023, the interest rate risk hedging is 89% on average until the end of 2028, and the average maturity of this hedging is 6.7 years. The loan-to-value (LTV) ratio (including duties) was 32.2%, and the interest coverage ratio (ICR) stood at 5.3x. Gecina therefore has a significant margin with respect to all of its banking covenants.

3.4.1 DEBT STRUCTURE

Net financial debt amounted to €6,297 million at June 30, 2023, down €872 million further the asset sales realized during the first-half of the year.

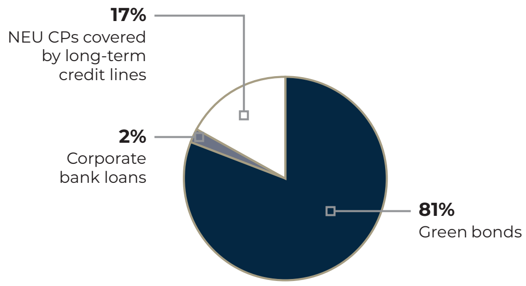
The main characteristics of the debt are:

	12/31/2022	06/30/2023
Gross financial debt *(in million euros)*[1]	7,219	6,950
Cash position *(in million euros)*[(	51	653
Net financial debt *(in million euros)*[2]	7,169	6,297
Gross nominal debt *(in million euros)*[1]	7,224	7,039
Unused credit lines *(in million euros)*	4,610	4,660
Average maturity of debt *(years, restated from available credit lines)*	7.5	7.6
LTV (including duties)	33.7%	32.2%
LTV (excluding duties)	35.7%	34.1%
EPRA LTV (excluding duties)	36,8%	36,6%
ICR	5.6x	5.3x
Secured debt/Properties	0.0%	0.0%

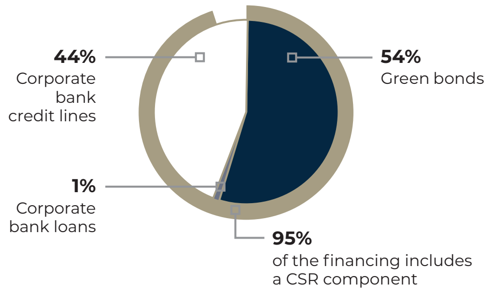
(1) Gross financial debt (excluding fair value related to Eurosic's debt) = Gross nominal debt + impact of the recognition of bonds at amortized cost + accrued interest not yet due + miscellaneous.
(2) Excluding fair value related to Eurosic's debt, €6,303 million including these items.

Debt by type

Breakdown of gross nominal debt
(€7.0 billion)



Breakdown of authorized financing
(€10.5 billion, including €4.7 billion of unused credit lines at June 30, 2023)



Gecina uses diversified sources of financing. Long-term bonds represent 81% of the Group's nominal debt and 54% of the Group's authorized financing.

At June 30, 2023, Gecina's gross nominal debt was €7,039 million and comprised:

- €5,700 million in long-term Green Bonds issued under the Euro Medium-Term Notes (EMTN) program;
- €145 million in responsible bank loans;
- €1,194 million in NEU CP covered by confirmed medium- and long-term credit lines.

3.4.2 LIQUIDITY

The main objectives of the liquidity are to provide sufficient flexibility to adapt the volume of debt to the pace of acquisitions and disposals, cover the refinancing of short-term maturities, allow refinancing under optimal conditions, meet the criteria of the credit rating agencies, and finance the Group's investment projects.

Financing and refinancing transactions carried out in the first half of 2023 amounted to €575 million and related in particular to:

- raising €250 million of Green Bond debt via tap issues on existing medium- and long-term issues (maturing in 2028, 2032, 2033 and 2036) placed in January and May 2023 (a similar transaction was completed in December 2022 for €150 million). The average margin on these new bonds was 91 basis points with an average term of 8.4 years;
- taking out €145 million in responsible bank loans, with an average term of five years;
- setting up new responsible credit lines totaling €180 million with an average maturity of nearly seven years, in particular through the early renewal of the line maturing in 2024. These new financing programs all have a margin that depends on achieving CSR objectives, and their financial terms are consistent with those of the lines renewed early.

At the end of June 2023, total liquidity stood at €5.3 billion, including €4.7 billion of undrawn credit lines and €0.7 billion of cash (€4.1 billion net of NEU CP). This level of cash is due to the recent disposal of several assets, which will be used in the short term to redeem financial debts.

Gecina updated its EMTN program with the AMF in June 2023 and its Negotiable European Commercial Paper (NEU CP) program with the Banque de France in May 2023, with caps of €8 billion and €2 billion, respectively.

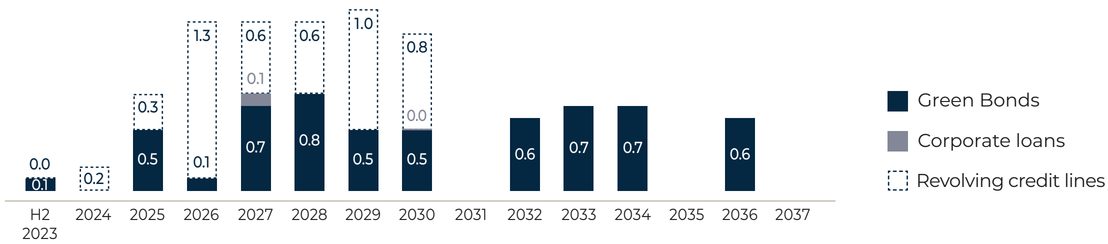
In the first half of 2023, Gecina continued to use short-term resources via the issue of NEU CPs. At June 30, 2023, the Group's short-term resources totaled €1,194 million, versus €1,574 million at the end of 2022.

3.4.3 FINANCING SCHEDULE

As at June 30, 2023, the average maturity of Gecina's debt (€7.0 billion), after allocation of unused credit lines and cash, was 7.6 years.

The following chart shows the financing schedule at June 30, 2023 (excluding commercial paper):

Financing schedule
(in € billion)



All of the credit maturities up to 2028, including 2025 and 2027 bond maturities in particular, were covered by unused credit lines as at June 30, 2023 or by free cash. Furthermore, 100% of the debt has a maturity beyond 2027.

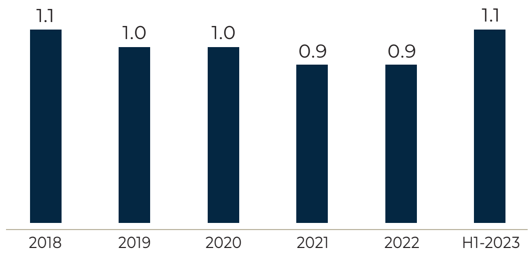
The table below presents Gecina's debt maturity breakdown as at June 30, 2023:

In € billion	Total	H2 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	> 2036
Gross debt	7.0	1.3	–	0.5	0.1	0.8	0.8	0.5	0.5	–	0.6	0.7	0.7	–	0.6	–
Financing (including undrawn credit lines)	10.5	0.1	0.2	0.8	1.4	1.4	1.4	1.5	1.4	–	0.6	0.7	0.7	–	0.6	
Net debt (after allocation of undrawn credit lines)	6.4	–	–	–	–	–	1.1	1.5	1.3	–	0.6	0.7	0.7	–	0.6	–

3.4.4 AVERAGE COST OF DEBT

The average cost of the drawn debt amounted to 1.1% in the first half of 2023 (and 1.4% for total cost), up compared to 2022, mainly due to Euribor increase for the debt hedged by caps (not yet triggered in the first half of 2022). The cost of debt benefits from the Group's financial structure, including its quality financial ratings, high level of liquidity, long average maturity and ability to anticipate short-term refinancing challenges, and from its extensive and long hedging structure.

Average cost of drawn debt
(in %)



Capitalized interest on development projects amounted to €4.0 million in the first half of 2023 (compared with €2.6 million in the first half of 2022).

3.4.5 CREDIT RATING

The Gecina Group is rated both by Moody's and Standard & Poor's:

- Standard & Poor's rating confirmed at A– stable outlook on July 2023;
- Moody's rating remained at A3 stable outlook.

3.4.6 MANAGEMENT OF INTEREST RATE RISK HEDGE

Gecina's interest rate risk management policy is aimed at hedging the company's exposure to interest rate risk. To do so, Gecina uses fixed-rate debt and derivative products (mainly caps and swaps) in order to limit the impact of interest rate changes on the Group's results and to keep the cost of debt under control.

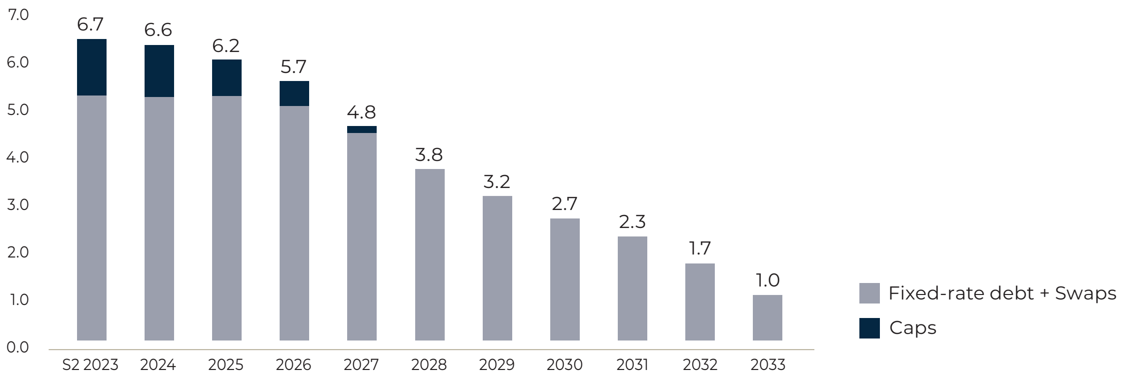
Gecina continued to adjust and optimize its hedging policy with the aim of:

- maintaining an optimal hedging ratio;
- maintaining a high average maturity of hedges (fixed-rate debt and derivative instruments); and
- securing favorable long-term interest rates.

At June 30, 2023, the average duration of the portfolio of firm hedges stood at 6.7 years.

Based on the current level of debt, the debt is fully hedged in the second half of 2023, and the hedging ratio gradually decreases in the future, reaching 75% in 2027.The hedging ratio will average 95% until end-2027.

The chart below shows the profile of the hedge portfolio (including hedging operations of early July 2023):



Gecina's interest rate hedging policy is implemented mainly at Group level and on the long-term; it is not specifically assigned to certain loans.

Measuring interest rate risk

Gecina's anticipated nominal net debt in the second half of 2023 is fully hedged against higher interest rates (depending on observed Euribor rate levels, due to caps).

Based on the existing hedge portfolio, contractual conditions as at June 30, 2023, and anticipated debt in 2023, a 50 basis point increase in the interest rate compared to the forward rate curve of June 30, 2023, would generate an additional expense of about +€0.1 million in 2023. A 50 basis point fall in interest rates compared to June 30, 2023, would result in a reduction in financial expenses in 2023 of about –€0.1 million.

3.4.7 FINANCIAL STRUCTURE AND BANKING COVENANTS

Gecina's financial position as at June 30, 2023, meets all requirements that could affect the compensation conditions or early repayment clauses provided for in the various loan agreements.

The table below shows the status of the main financial ratios outlined in the loan agreements:

	Benchmark standard	**Balance at 06/30/2023**
LTV – Net financial debt/revalued block value of property holding *(excluding duties)*	Maximum 60%	34.1%
ICR – EBITDA/net financial expenses	Minimum 2.0x	5.3x
Outstanding secured debt/revalued block value of property portfolio *(excluding duties)*	Maximum 25%	0.0%
Revalued block value of property holding (excluding duties), *(in billion euros)*	Minimum 6	18.5

The financial ratios shown above are the same as those used in the covenants included in all the Group's loan agreements.

LTV excluding duties was 34.1% at June 30, 2023, (35.7% at the end of 2022). The ICR stood at 5.3x (5.6x in 2022).

3.4.8 GUARANTEES GIVEN

At the end of June 2023, the Group did not hold any debt guaranteed by real sureties (i.e. mortgages, lender's liens, unregistered mortgages).

Thus, at June 30, 2023, there was no financing guaranteed by mortgage-backed assets for an authorized maximum limit of 25% of the total block value of the property portfolio in the various loan agreements.

3.4.9 EARLY REPAYMENT IN THE EVENT OF A CHANGE OF CONTROL

Some loan agreements to which Gecina is party and bonds issued by Gecina provide for mandatory early repayment and/or cancellation of loans granted and/or a mandatory early repayment liability, if control of Gecina changes.

On the basis of a total amount of authorizations of €10.5 billion (including unused credit lines) at June 30, 2023, €4.3 billion of bank debt and €5.7 billion of bonds are concerned by such a clause relative to a change of control of Gecina (in most cases, this change must lead to a downgrade in the credit rating to "Non-Investment Grade" for this clause to be activated).

In the case of bonds issued by Gecina, this clause will not be activated if this downgrade is followed by an upgrade in the Investment Grade category within 120 days.

3.5 | Appraisal of the property portfolio

The Group's property portfolio is valued twice a year by independent appraisers: office assets by Cushman & Wakefield and Jones Lang LaSalle, traditional residential assets by CBRE Valuation, and student residences by Catella Valuation Advisors.

For the purposes of its consolidated financial statements, the Group has opted for the fair value model of appraisal for its properties in accordance with IAS 40 and, as such, changes in the fair value of properties over each accounting period are recorded in the income statement (after taking into account capitalized works).

The fair value of each asset is determined based on the results of the following three methods: the direct comparison method, the net income capitalization method and the discounted cash flow method. The appraiser determines the fair value of each property using a simple or weighted average based on the method that they deem most appropriate for the property.

The appraisers determine the fair value of the properties using two approaches: the disposal of entire buildings (appraised block value) plus, for residential buildings only, the individual disposal of units of buildings (appraised units value).

The appraisals were carried out in accordance with standard procedures that remain consistent from year to year on the basis of net sales prices, i.e. exclusive of costs and duties.

As part of the property assessment, the appraiser carries out their assessment by taking into account all components of the property valued, such as the rental situation, work schedule, energy performance, and environmental certifications sent to them by the Company. If this rental statement includes vacant surface areas, the appraiser uses the market rental value to measure the rents of vacant surface areas. When measuring the market rental value, the appraiser takes account of the market situation in question on the date on which the appraisal is performed. Potential rent is then obtained by the combination of rents for ongoing leases and the rental values of vacant surface areas. The appraiser uses this overall rent as the basis for pricing the building's value by applying the yield linked to the type of asset under review in the case of income-based methods.

In the case of the "discounted cash flow" (DCF) method, the appraiser values vacant premises in the same way based on the market rental value. In the case of a ten-year discounted cash flow, the appraiser will use, at the end of each lease under consideration, the market rental value of the surface areas that have been released.

The method used by appraisers is described in the notes to the consolidated financial statements.

In million euros	Current assets at 12/31/2022	Acquisitions	Disposals	Investments	Other	Fair value measurement	Current assets at 06/30/2023
Offices	16,082	+0	–821	+94	+1	–724	14,632
Traditional residential	3,556	+0	–87	+64	+1	–132	3,402
Student residences	395	+0	+0	+2	+7	–4	399
Hotel and finance lease	58	+0	+0	–0	–9	+0	49
GROUP TOTAL	**20,092**	**+0**	**–908**	**+160**	**+0**	**–861**	**18,482**

The property portfolio had a block value of €18,482 million, a decrease of €1,610 million (or -8.0%) in the first half of 2023

The main changes in the property portfolio in the financial year are the following:

- €908 million in disposals for a sale price of €995 million concerning five office assets (including 101 Champs-Élysées, 142 bd Haussmann and 43 avenue de Friedland), one residential asset (8/12 rue de l'Abreuvoir in Courbevoie) and residential units for sale by unit;
- €160 million in investments, including €39 million in residential pre-construction projects (VEFA), €45 million in property maintenance work and €76 million in investments in the development pipeline;
- €861 million of negative change in the fair value of the portfolio and other (net of capitalized works), mainly explained by –€698 million on a like-for-like basis;

The valuation of assets in the constant scope of consolidation of €15,426 million fell by –€638 million over the half-year (or –4.0%) as a result of the rise in mortgage rates (interest rate effect of –7.1%), which was slightly offset by positive trends in rents and sales (cash flow effect of +3.1%).

	Block value		Δ On a current basis	Δ On a like-for-like basis		Value per square meter	Net yield rate (including duties)*	Net capitalization rate (excluding duties)*
In million euros	06/30/2023	12/31/2022	06/30/2023 vs. 12/31/2022	06/30/2023 vs. 06/30/2022	06/30/2023 vs. 12/31/2022	06/30/2023	06/30/2023	06/30/2023
OFFICES	**14,632**	**16,082**	**–9.0%**	**–7.2%**	**–4.5%**	**10,945**	**4.3%**	**4.5%**
Central areas	**12,428**	**13,631**	**–8.8%**	**–5.5%**	**–3.4%**	**15,353**	**3.7%**	**3.9%**
Paris City	10,121	11,210	–9.7%	–4.6%	–2.8%	17,831	3.4%	3.6%
▸ Paris CBD & 5-6-7	7,237	8,226	–12.0%	–3.7%	–2.4%	21,028	3.2%	3.4%
▸ Paris – Other	2,884	2,984	–3.3%	–7.0%	–4.1%	12,535	3.8%	4.0%
Core Western Crescent(1)	2,308	2,421	–4.7%	–8.5%	–5.4%	9,861	4.8%	5.0%
La Défense	**1,107**	**1,227**	**–9.8%**	**–14.1%**	**–9.8%**	**7,568**	**6.3%**	**6.7%**
Other locations(2)	**1,097**	**1,225**	**–10.5%**	**–14.3%**	**-8.6%**	**3,212**	**7.8%**	**8.3%**
RESIDENTIAL	**3,801**	**3,951**	**–3.8%**	**–4.5%**	**–2.2%**	**7,360**	**3.0%**	**3.2%**
Traditional residential	3,402	3,556	–4.3%	–4.8%	–2.2%	7,695	2.8%	3.0%
Student residences	399	395	+1.0%	–2.3%	–1.7%	5,427	4.5%	4.7%
HOTEL & FINANCE LEASE	**49**	**58**	**–15.5%**					
GROUP TOTAL BLOCK VALUE	**18,482**	**20,092**	**–8.0%**	**–6.6%**	**–4.0%**	**9,904**	**4.0%**	**4.2%**
GROUP TOTAL UNIT APPRAISALS	**19,035**	**20,573**	**–7.5%**	**–6.3%**	**–3.8%**			

(1) Neuilly/Levallois, Southern Loop.
(2) Péri-Défense, Inner and outer rim, and Other regions.
** The gross or net capitalization rates are determined as the ratio of gross or net potential rents respectively over the appraisal values excluding transfer duties. The gross or net yield rates are determined as the ratio of gross or net potential rents respectively over the appraisal values including duties.*

Office portfolio

The office portfolio amounted to €14,632 million at June 30, 2023, down –9.0% (or –€1,451 million) on a current basis, mainly due to the sale of €821 million in assets and the –€564 million like-for-like decrease.

On a like-for-like basis, over the half-year, the decline in value of the office properties portfolio results from:

- a negative interest rate effect (–7.4%) reflecting a wait-and-see investment market given the macro-economic context;
- a positive cash flow effect of 3.0%, reflecting the half-year's strong rental performance, the return of indexation and the increase in rental values in the central areas.

Residential portfolio

Traditional residential

The traditional residential portfolio amounted to €3,402 million at June 30, 2023, down –4.3% (or –€154 million) on a current basis, due in particular to the –€68 million like-for-like decrease and the block sale of an asset on rue de l'Abreuvoir in Courbevoie.

On a like-for-like basis, over the half-year, the decline in value of the traditional residential portfolio results from:

- a negative interest rate effect (–6.1%) reflecting a wait-and-see investment market given the macro-economic context;
- a positive cash flow effect of +3.9%, reflecting the half-year's strong rental performance and the return of indexation.

Student residences

The student residential portfolio amounted to €399 million at June 30, 2023, up +1.0% (or +€4 million) on a current basis, due to the repurposing of an asset as a student residence, offset by the –€6 million like-for-like decrease.

The like-for-like decrease in the value of the student residential portfolio over the half-year results from a negative interest rate effect of –1.8% and a neutral cash flow effect of +0.1%. Managed residential real estate, and more specifically student residences, remain attractive in the current context, given the strong demand for beds by students and the limited number of properties available on the market.

Reconciliation of portfolio value with book value

In accordance with the EPRA guidelines, the table below presents the reconciliation between the book value of buildings on the balance sheet and the total appraisal value of the property portfolio:

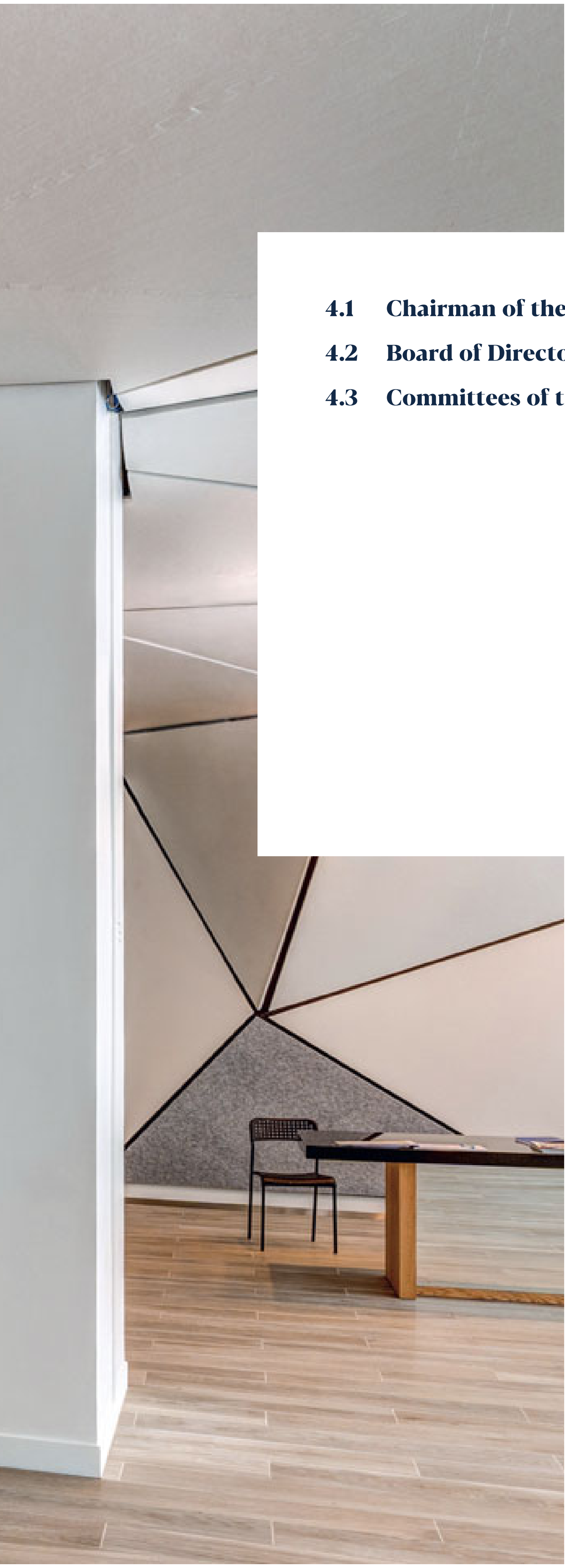
In million euros	06/30/2023
BOOK VALUE	**18,316**
Fair value of buildings in operation (including Head Office)	181
Lease obligation IFRS 16	-15
PORTFOLIO VALUE	**18,482**

3.6 | Post-balance sheet events

None.

4.
Governance

Biopark, Paris 13



4.1 | Chairman of the Board of Directors and Chief Executive Officer

The separation of the functions of Chairman of the Board of Directors and Chief Executive Officer, which has been in place since June 2013, appears to be the mode of governance that is best suited to the Company's activity, making it possible to strengthen the Strategic and Control functions at the same time as the Operational functions.

It also strengthens governance and allows a better balancing of powers between the Board of Directors on the one hand and Executive Management on the other.

This mode of governance was confirmed when Mr. Beñat Ortega was appointed as Chief Executive Officer of Gecina.

Chairman of the Board of Directors

The Board of Directors is chaired by **Mr. Jérôme Brunel**, who was appointed by the Board on April 23, 2020.

Chief Executive Officer

Mr. Beñat Ortega
has been the Company's Chief Executive Officer since April 21, 2022.

4.2 | Board of Directors

During the General Meeting of April 20, 2023, the directorships of Ms. Dominique Dudan and Predica, represented by Mr. Matthieu Lance, were renewed for four years, i.e. until the end of the Annual General Meeting convened to approve the financial statements for the year ending December 31, 2026.

The shareholders also appointed Mr. Beñat Ortega as a Director for four years, i.e. until the end of the Annual General Meeting convened to approve the financial statements for the year ending December 31, 2026.

At its meeting on April 20, 2023, and on the recommendation of the Governance, Appointment and Compensation Committee, the Board of Directors decided not to make any changes to the composition of its Committees. Mr. Beñat Ortega does not sit on any Committee in his role as Director. He continues, however, to attend certain Committee meetings by invitation in his role as Chief Executive Officer.

Mr. Beñat Ortega does not receive any compensation for serving as a Director.

As at June 30, 2023, the Board of Directors is made up of the following 11 members, 63% of whom are independent (on the basis of the independence criteria set out in the AFEP-MEDEF Code) and 45% of whom are women:

Jérôme Brunel

Chairman of the Board of Directors
Independent Director

Beñat Ortega

Chief Executive Officer
Director

Laurence Danon Arnaud

Independent Director

Dominique Dudan

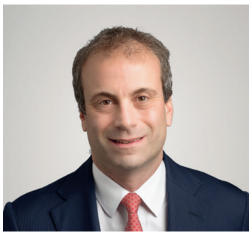
Independent Director

Gabrielle Gauthey

Independent Director

Claude Gendron

Director



Karim Habra

Permanent representative of Ivanhoé Cambridge Inc., Director

Matthieu Lance

Permanent representative of Predica, Director

Carole Le Gall

Independent Director

Inès Reinmann Toper

Independent Director

Jacques Stern

Independent Director

5
Board Committees

♀ 45% – ♂ 55%
Gender parity

63%
of Independent Directors

In the first half of 2023, the following changes were made to the structure of the Board of Directors and its Committees:

	Departure	Appointment	Renewal
Board of Directors	X	▸ Mr. Beñat Ortega	▸ Ms. Dominique Dudan ▸ Predica
Strategic and Investment Committee	X	X	▸ Predica
Audit and Risk Committee	X	X	▸ Predica
Governance, Appointment and Compensation Committee	X	X	▸ Ms. Dominique Dudan
Compliance and Ethics Committee	X	X	▸ Ms. Dominique Dudan
CSR Committee	X	X	X

Since the total number of employees of the Company and its subsidiaries is lower than the thresholds set by article L. 225-27-1 of the French Commercial Code, the Board contains no Director representing employees. However, in accordance with article L. 2312-72 of the French Labor Code, some members of the Company's Social and Economic Committee attend the Board of Directors' meetings in an advisory capacity.

4.3 | Committees of the Board of Directors

At its meeting on April 20, 2023, the Board of Directors decided not to make any changes to the composition of its Committees. With their directorships having been renewed, Ms. Dominique Dudan and Predica were reappointed to their existing seats on Committees. No executive corporate officers sit on any of the Committees. The composition of the Committees at June 30, 2023 is as follows.

Strategic and Investment Committee

- **4 members**
- **50% Independent Directors**

	Ivanhoé Cambridge Inc., represented by Mr. Karim Habra, Chairman of the Committee
◊	Mr. Jérôme Brunel
	Predica, represented by Mr. Matthieu Lance
◊	Mr. Jacques Stern

◊ Independent Director.

Audit and Risk Committee

- **6 members**
- **67% Independent Directors**

◊	Mr. Jacques Stern, Committee Chairman
◊	Ms. Laurence Danon Arnaud
◊	Ms. Gabrielle Gauthey
	Mr. Claude Gendron
	Predica, represented by Mr. Matthieu Lance
◊	Ms. Inès Reinmann Toper

◊ Independent Director.

Governance, Appointment and Compensation Committee

- **3 members**
- **67% Independent Directors**

◊	Ms. Dominique Dudan, Committee Chairwoman
◊	Ms. Gabrielle Gauthey
	Mr. Claude Gendron

◊ Independent Director.

Compliance and Ethics Committee

- **3 members**
- **100% Independent Directors**

◊	Ms. Inès Reinmann Toper, Committee Chairwoman
◊	Ms. Dominique Dudan
◊	Ms. Carole Le Gall

◊ Independent Director.

Corporate Social Responsibility Committee

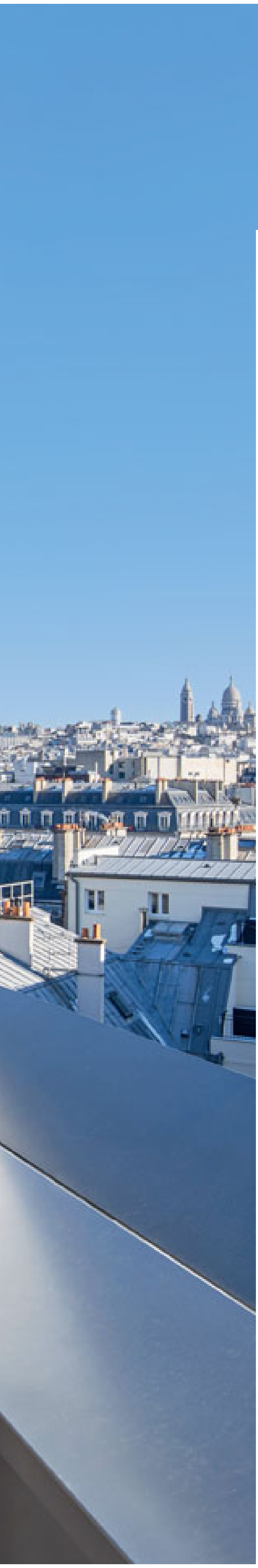
- **3 members**
- **100% Independent Directors**

◊	Ms. Gabrielle Gauthey, Committee Chairwoman
◊	Ms. Laurence Danon Arnaud
◊	Ms. Carole Le Gall

◊ Independent Director.

5.
Consolidated financial statements

Live, Paris 16



5.1 | Consolidated statement of financial position

5.1.1 ASSETS

In thousand euros	Note	06/30/2023	12/31/2022	06/30/2022
NON-CURRENT ASSETS		**18,654,855**	**20,267,293**	**20,612,637**
Investment properties	5.5.5.1	16,628,900	18,131,208	18,289,107
Buildings under redevelopment	5.5.5.1	1,297,589	1,354,068	1,644,136
Operating properties	5.5.5.1	79,677	78,371	78,486
Other property, plant and equipment	5.5.5.1	10,061	11,229	9,230
Goodwill	5.5.5.1.4	174,859	183,218	183,218
Other intangible assets	5.5.5.1	12,417	13,533	11,149
Financial receivables on finance leases	5.5.5.1	39,950	48,889	57,930
Other financial fixed assets	5.5.5.2	52,572	57,268	52,072
Equity-accounted investments	5.5.5.3	98,735	108,543	114,476
Non-current financial instruments	5.5.5.11.2	258,934	279,803	171,164
Deferred tax assets	5.5.5.4	1,163	1,163	1,667
CURRENT ASSETS		**1,010,481**	**410,565**	**514,903**
Properties for sale	5.5.5.5	171,290	207,519	208,156
Trade receivables	5.5.5.6	65,996	38,115	60,973
Other receivables	5.5.5.7	94,880	90,966	99,963
Prepaid expenses	5.5.5.8	25,409	23,393	19,975
Current financial instruments	5.5.5.11.2	0	0	1,675
Cash and cash equivalents	5.5.5.9	652,905	50,572	124,160
TOTAL ASSETS		**19,665,336**	**20,677,859**	**21,127,540**

5.1.2 EQUITY AND LIABILITIES

In thousand euros	Note	06/30/2023	12/31/2022	06/30/2022
SHAREHOLDERS' EQUITY	**5.5.5.10**	**11,777,595**	**12,780,915**	**13,161,060**
Share capital		574,674	574,674	574,296
Additional paid-in capital		3,303,875	3,303,875	3,300,011
Consolidated reserves attributable to owners of the parent company		8,485,287	8,709,104	8,698,851
Consolidated net income attributable to owners of the parent company		(607,382)	169,583	562,836
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY		**11,756,454**	**12,757,236**	**13,135,994**
Non-controlling interests		21,141	23,679	25,065
NON-CURRENT LIABILITIES		**5,935,188**	**5,591,721**	**5,552,572**
Non-current financial debt	5.5.5.11.1	5,650,857	5,298,245	5,288,788
Non-current lease obligations	5.5.5.12	49,843	50,069	50,286
Non-current financial instruments	5.5.5.11.2	143,238	152,227	113,789
Non-current provisions	5.5.5.13	91,250	91,179	99,709
CURRENT LIABILITIES		**1,952,553**	**2,305,223**	**2,413,908**
Current financial debt	5.5.5.11.1	1,305,443	1,929,043	1,798,646
Security deposits		94,936	87,565	84,871
Trade payables	5.5.5.14	181,728	178,218	172,334
Current tax and employee-related liabilities	5.5.5.15	98,634	41,833	89,435
Other current liabilities	5.5.5.16	271,812	68,565	268,621
TOTAL LIABILITIES AND EQUITY		**19,665,336**	**20,677,859**	**21,127,540**

5.2 | Consolidated statement of comprehensive income

In thousand euros	Note	06/30/2023	06/30/2022
GROSS RENTAL INCOME	**5.5.6.1**	**332,932**	**308,193**
Property expenses	5.5.6.2	(146,964)	(124,414)
Recharges to tenants	5.5.6.2	103,527	84,351
NET RENTAL INCOME		**289,495**	**268,130**
CURRENT OPERATING INCOME ON FINANCE LEASE TRANSACTIONS	**5.5.6.3**	**707**	**1,026**
CURRENT OPERATING INCOME ON THE HOTEL ACTIVITY	**5.5.6.3**	**309**	**387**
Services and other income (net)	5.5.6.4	1,940	1,271
Overheads	5.5.6.5	(40,165)	(39,602)
EBITDA		**252,285**	**231,211**
Gains or losses on disposals	5.5.6.6	76,533	4,940
Change in value of properties	5.5.6.7	(862,929)	362,903
Depreciation and amortization		(5,276)	(4,807)
Net impairments and provisions		(478)	(860)
OPERATING INCOME		**(539,865)**	**593,387**
Net financial expenses	5.5.6.8	(47,524)	(42,023)
Financial impairment		20	266
Change in value of financial instruments	5.5.6.9	(11,970)	12,124
Net income from equity-accounted investments	5.5.5.3	(8,765)	(121)
PRE-TAX INCOME		**(608,104)**	**563,634**
Taxes	5.5.6.10	(763)	(1,558)
CONSOLIDATED NET INCOME		**(608,867)**	**562,075**
Of which consolidated net income attributable to non-controlling interests		(1,486)	(761)
OF WHICH CONSOLIDATED NET INCOME LINKED TO OWNERS OF THE PARENT COMPANY		**(607,382)**	**562,836**
Consolidated net earnings per share (in euros)	5.5.6.11	(8.23)	7.63
Consolidated diluted net earnings per share (in euros)	5.5.6.11	(8.20)	7.61

In thousand euros	06/30/2023	06/30/2022
CONSOLIDATED NET INCOME	**(608,867)**	**562,075**
Items not to be recycled in the net income	**(4,214)**	**7,365**
Revaluation of net defined benefit liability (asset)	(36)	1,992
Change in value of non-consolidated interests	(4,178)	5,373
Items to be recycled in the net income	**0**	**14**
Currency translation differentials	0	14
COMPREHENSIVE INCOME	**(613,082)**	**569,454**
Of which comprehensive income attributable to non-controlling interests	(1,486)	(761)
OF WHICH COMPREHENSIVE INCOME LINKED TO OWNERS OF THE PARENT COMPANY	**(611,596)**	**570,215**

5.3 | Statement of changes in consolidated equity

In thousand euros (except for number of shares)	**Number of shares**	**Share capital**	**Additional paid-in capital and consolidated reserves**	**Shareholders' equity attributable to owners of the parent company**	**Shareholders' equity attributable to non-controlling interests**	**Total shareholders' equity**
SHAREHOLDERS' EQUITY AT DECEMBER 31, 2021	**76,572,850**	**574,296**	**12,382,033**	**12,956,330**	**26,867**	**12,983,197**
Dividends paid			(390,828)	(390,828)	(1,041)	(391,869)
Impact of share-bases payments			4,870	4,870		4,870
Group capital increase[1]	50,342	378	3,901	4,279		4,279
Transactions on treasury shares			(13)	(13)		(13)
Consolidated net Income			**169,583**	**169,583**	**(2,147)**	**167,436**
Revaluation of net defined benefit liability (asset)			2,447	2,447		2,447
Change in value of non-consolidated interests			10,697	10,697		10,697
Currency translation differentials			(129)	(129)		(129)
Comprehensive Income			**182,598**	**182,598**	**(2,147)**	**180,451**
SHAREHOLDERS' EQUITY AT DECEMBER 31, 2022	**76,623,192**	**574,674**	**12,182,561**	**12,757,236**	**23,679**	**12,780,915**
Dividends paid			(195,591)	(195,591)	(1,052)	(196,644)
Receivable from shareholders			(195,723)	(195,723)		(195,723)
Impact of share-bases payments			2,169	2,169		2,169
Transactions on treasury shares			(40)	(40)		(40)
Consolidated net Income			**(607,382)**	**(607,382)**	**(1,486)**	**(608,867)**
Revaluation of net defined benefit liability (asset)			(36)	(36)		(36)
Change in value of non-consolidated interests			(4,178)	(4,178)		(4,178)
Comprehensive Income			**(611,596)**	**(611,596)**	**(1,486)**	**(613,082)**
SHAREHOLDERS' EQUITY AT JUNE 30, 2023	**76,623,192**	**574,674**	**11,181,779**	**11,756,454**	**21,141**	**11,777,595**

(1) Creation of shares linked to the capital increase reserved for Group employees.

5.4 | Consolidated statement of cash flows

In thousand euros	Note	06/30/2023	12/31/2022	06/30/2022
CONSOLIDATED NET INCOME (INCLUDING NON-CONTROLLING INTERESTS)		**(608,867)**	**167,436**	**562,075**
Net income from equity-accounted investments		8,765	6,079	121
Net depreciation and amortization, impairments and provisions		5,754	4,971	5,667
Changes in value and in bond redemption costs and premiums	5.5.7.1	874,898	231,091	(375,027)
Calculated charges and income from performance shares	5.5.6.5	2,169	4,870	1,725
Tax expenses (including deferred tax)	5.5.6.10	763	3,381	1,558
Capital gains and losses on disposals	5.5.6.6	(76,533)	(5,375)	(4,940)
Other calculated income and expenses		(12,846)	8,228	6,370
Net financial expenses	5.5.6.8	47,524	87,141	42,023
Net cash flow before cost of net debt and tax		**241,628**	**507,821**	**239,572**
Tax paid		(1,347)	12,803	13,642
Change in operating working capital requirements	5.5.7.2	38,191	(36,818)	3,240
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		**278,472**	**483,807**	**256,454**
Acquisitions of property, plant and equipment and intangible assets	5.5.5.1.2	(162,123)	(368,820)	(137,589)
Disposals of property, plant and equipment and intangible assets	5.5.7.3	993,114	129,306	103,848
Acquisitions of financial fixed assets		(887)	(58,289)	(58,206)
Dividends received (equity-accounted investments, non-consolidated shares)		1,043	1,074	1,074
Changes in granted loans and credit lines		110	1,961	(33)
Disposal of other non-current assets		6,109	11,619	6,169
Change in working capital requirement relating to investing activities	5.5.7.4	6,064	18,063	3,684
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		**843,431**	**(265,086)**	**(81,053)**
Proceeds from capital increase received from shareholders		0	4,279	0
Transactions on treasury shares		(40)	(13)	(1,440)
Dividends paid to shareholders of the parent company	5.5.7.5	(195,712)	(390,949)	(195,719)
Dividends paid to non-controlling shares		(1,052)	(1,041)	(1,041)
New loans	5.5.7.6	3,686,683	6,348,796	2,478,651
Repayments of loans	5.5.7.6	(3,917,947)	(6,028,067)	(2,268,053)
Net interest paid		(87,481)	(94,020)	(78,481)
Premiums paid or received on financial instruments		(4,020)	(22,236)	(262)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		**(519,570)**	**(183,251)**	**(66,343)**
NET CHANGE IN CASH AND CASH EQUIVALENTS (A + B + C)		**602,333**	**35,470**	**109,058**
Opening cash and cash equivalents	5.5.5.9	50,572	15,102	15,102
CLOSING CASH AND CASH EQUIVALENTS	**5.5.5.9**	**652,905**	**50,572**	**124,160**

5.5 | Notes to the consolidated financial statements

5.5.1 HIGHLIGHTS

5.5.1.1 First half of 2023

Governance and Executive Management

At the General Meeting of April 20, the terms of office of the Directors Ms. Dominique Dudan and the company Predica represented by Mr. Matthieu Lance were renewed and Mr. Beñat Ortega was appointed as a Director. The four-year terms of office will expire at the end of the General Meeting convened to approve the financial statements for the 2026 fiscal year.

Main lettings

- 24–26 rue Saint Dominique (Paris's 7th arrondissement):

Gecina signed a firm nine-year lease with the investment fund LBO France Gestion for 4,300 sq.m of its asset located at 24–26 rue Saint Dominique in Paris's 7th arrondissement.

- 35 Capucines (Paris's 2nd arrondissement):

Gecina prelet more than 2,600 sq.m of 35 Capucines, located in Paris's 2nd arrondissement, with Pinsent Masons, a multinational law firm. This 6,300-sq.m building, currently under redevelopment, should be delivered in the second quarter of 2024.

- 8–10 rue Saint Fiacre (Paris's 2nd arrondissement):

Gecina let its entire asset at 8–10 rue Saint Fiacre (nearly 2,900 sq.m), located in Paris's 2nd arrondissement, to Welcome to the Jungle, a company offering innovative solutions to businesses to help them develop their employer brand and become more attractive.

- Tour Horizons (Boulogne-Billancourt):

At Horizons in Boulogne-Billancourt, where the building's top section—floors 7 to 20—is currently being renovated, Gecina let more than 4,300 sq.m to Moongy, a network of consulting companies for the Engineering and Digital sectors. The Group also signed two firm nine-year leases, one with Fresenius Kabi France, a global company specialized in infusion, transfusion and clinical nutrition, for more than 2,500 sq.m, and the second for more than 1,800 sq.m with CWT, a business travel management company. In total, nearly 8,700 sq.m of the Tour Horizons was let.

Portfolio turnover

Gecina finalized €1 billion of sales with a premium of around +10% versus the latest appraisal values. These sales included 101 Champs-Elysées, occupied by Louis Vuitton Malletier and covering around 10,000 sq.m, three office buildings in the Paris CBD (129 Malesherbes, 142 Haussmann and 43 Friedland) representing nearly 5,000 sq.m, an office building in Cergy-Pontoise (10,000 sq.m) and the residential building "Abreuvoir" in Courbevoie (16,600 sq.m). These sales totaled 42,000 sq.m of office and residential space.

Loans, balance sheet and financial structure

In January and May 2023, Gecina was able to take advantage of favorable bond market conditions to raise a total of €250 million of Green Bonds with a maturity of eight years, via a tap issue on existing issues.

Gecina also raised or renewed €180 million in responsible credit lines with an average term of seven years and a margin comparable to that of previous lines. These lines of credit renewed those maturing in 2024 and 2025 early, with equivalent conditions.

Lastly, over the half-year, Gecina took out €145 million in responsible bank loans with an average duration of five years.

Energy efficiency plan

In 2022, Gecina launched an energy efficiency plan aiming to rapidly and significantly reduce energy consumption for the buildings across its portfolio, supporting its tenants to use their offices more efficiently.

At end-June, this efficiency plan was already showing very significant progress, average energy consumption across the commercial portfolio managed by Gecina was reduced by around -17% over six months, contributing to the reduction in carbon emissions by -21% over this same period.

Gecina's performance is aligned with the roadmap from its ambition to be carbon neutral by 2030, following on from the commitment it has set out since 2008.

Carbon emissions across Gecina's commercial portfolio have been reduced by -75% since 2008 (to 8.6kgCO_2/sq.m/year), while energy consumption has been reduced by -50% over this same period (to 150 Kwhf/sq.m/year).

5.5.2 GENERAL PRINCIPLES OF CONSOLIDATION

5.5.2.1 Reporting standards

The consolidated financial statements of Gecina and its subsidiaries ("the Group") are prepared in accordance with IFRS as adopted by the European Union on the balance sheet date. The financial statements were approved by the Board of Directors on July 19, 2023.

The official standards and interpretations applicable from January 1, 2023 do not have a material impact on the Group:

- amendments to IAS 1 (and IFRS Practice Statement 2: Making Materiality Judgements), IAS 8 (definition of accounting estimates) and IAS 12 (deferred tax related to assets and liabilities arising from a single transaction);

- new IFRS 17 (Insurance Contracts) and related amendments.

The preparation of financial statements, in accordance with IFRS, requires the adoption of certain decisive accounting estimates. The Group is also required to exercise its judgment in the application of accounting principles. The areas with the most important issues in terms of judgment or complexity or those for which the assumptions and estimates are material in relation to the consolidated financial statements are presented in Note 5.5.3.17.

Climate change and sustainable development issues are factored into the Group's financial statements via:

- implementation of the investment and divestment strategy;
- a sustainable financing strategy (described in note 3.4);
- specific expenditure aimed at responding to environmental issues, particularly in relation to applicable regulatory provisions;
- and the way in which the Group measures its assets and liabilities.

For the most part, climate-related issues are taken into account when determining the fair value of investment properties in accordance with IAS 40 and measuring other Group assets pursuant to IAS 36 rules on impairment tests.

In particular, it was deemed that there was no indication of impairment associated with climate change and that the useful lives used thus far in impairment tests did not require revision.

Gecina applies the Code of Ethics for Listed Real Estate Investment Companies (SIIC) as established by the Fédération des Entreprises Immobilières.

5.5.2.2 Consolidation methods

All companies in which the Group holds direct or indirect control and companies in which Gecina exercises a notable influence or joint control are included in the scope of consolidation. The first group of companies are fully consolidated and the second group are consolidated using the equity method.

5.5.2.3 Scope of consolidation

At June 30, 2023, the scope of consolidation included the companies listed below:

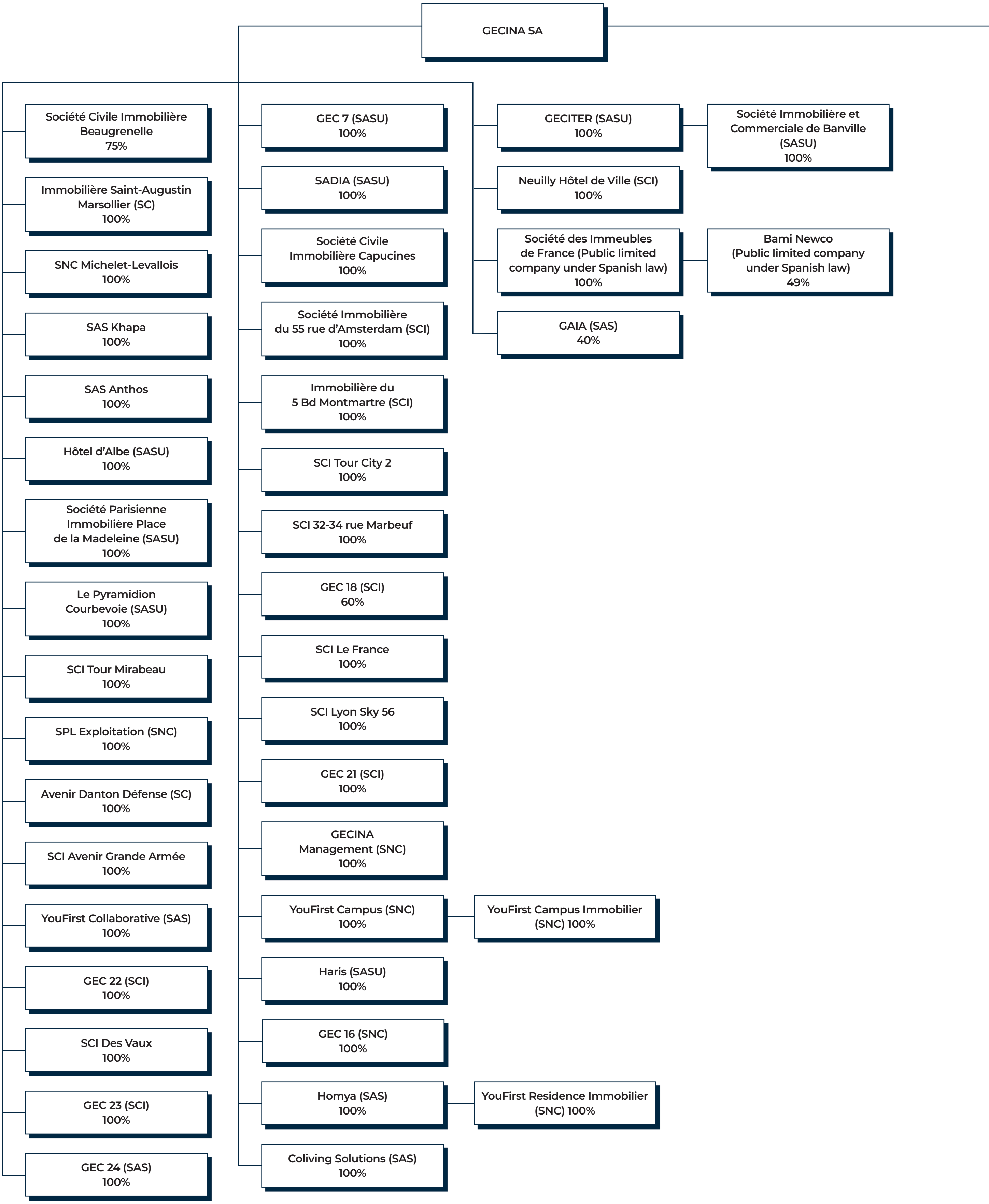
Companies	SIREN no.	06/30/2023 % interest	Consolidation method	12/31/2022 % interest	06/30/2022 % interest
Gecina	592 014 476	100.00%	Parent company	100.00%	100.00%
5, rue Montmartre	380 045 773	100.00%	FC	100.00%	100.00%
55, rue d'Amsterdam	382 482 065	100.00%	FC	100.00%	100.00%
Anthos	444 465 298	100.00%	FC	100.00%	100.00%
Beaugrenelle	307 961 490	75.00%	FC	75.00%	75.00%
YouFirst Campus	501 705 909	100.00%	FC	100.00%	100.00%
YouFirst Campus Immobilier	808 685 291	100.00%	FC	100.00%	100.00%
Capucines	332 867 001	100.00%	FC	100.00%	100.00%
GEC 16	788 912 343	100.00%	FC	100.00%	100.00%
GEC 18	799 089 982	60.00%	FC	60.00%	60.00%
GEC 21	810 066 126	100.00%	FC	100.00%	100.00%
GEC 22	812 746 188	100.00%	FC	100.00%	100.00%
GEC 23	819 358 201	100.00%	FC	100.00%	100.00%
GEC 24	851 756 502	100.00%	FC	100.00%	100.00%
GEC 7	423 101 674	100.00%	FC	100.00%	100.00%
Gecina Management	432 028 868	100.00%	FC	100.00%	100.00%
Geciter	399 311 331	100.00%	FC	100.00%	100.00%
Haris	428 583 611	100.00%	FC	100.00%	100.00%
Homya	880 266 218	100.00%	FC	100.00%	100.00%
Khapa	444 465 017	100.00%	FC	100.00%	100.00%
Le Pyramidion Courbevoie	479 762 874	100.00%	FC	100.00%	100.00%
YouFirst Residence Immobilier	328 921 432	100.00%	FC	100.00%	100.00%
Marbeuf	751 139 163	100.00%	FC	100.00%	100.00%
Michelet-Levallois	419 355 854	100.00%	FC	100.00%	100.00%

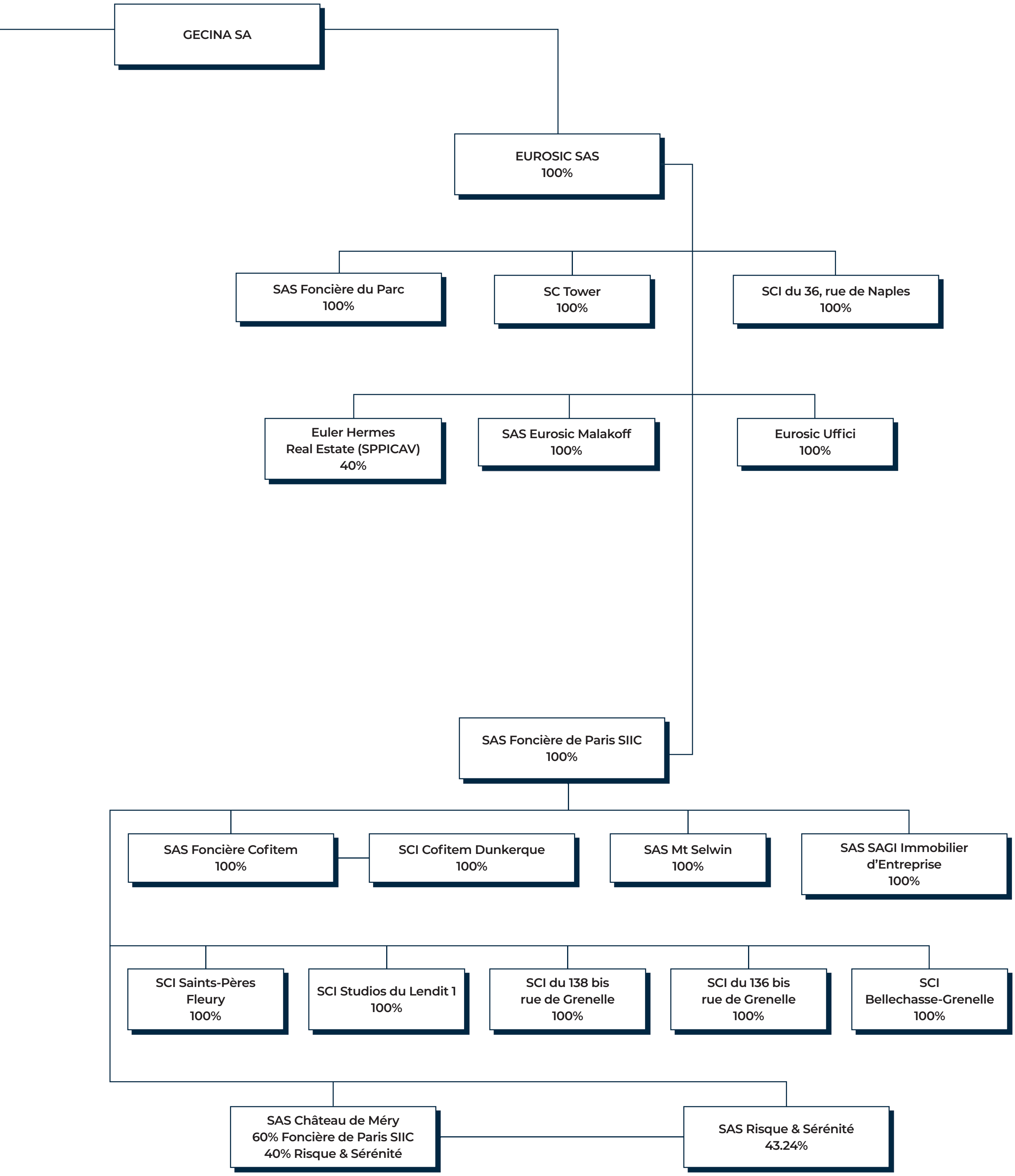
Companies	SIREN no.	06/30/2023 % interest	Consolidation method	12/31/2022 % interest	06/30/2022 % interest
Sadia	572 085 736	100.00%	FC	100.00%	100.00%
Saint-Augustin-Marsollier	382 515 211	100.00%	FC	100.00%	100.00%
SCI Le France	792 846 123	100.00%	FC	100.00%	100.00%
SCI Avenir Danton Défense	431 957 356	100.00%	FC	100.00%	100.00%
SCI Avenir Grande Armée	751 037 631	100.00%	FC	100.00%	100.00%
SCI Lyon Sky 56	809 671 035	100.00%	FC	100.00%	100.00%
SCI Neuilly Hôtel de Ville	785 420 746	100.00%	FC	100.00%	100.00%
Société des Immeubles de France (Spain)		100.00%	FC	100.00%	100.00%
Société Hôtel d'Albe	542 091 806	100.00%	FC	100.00%	100.00%
Société Immobilière et Commerciale de Banville	572 055 796	100.00%	FC	100.00%	100.00%
SPIPM	572 098 465	100.00%	FC	100.00%	100.00%
SPL Exploitation	751 103 961	100.00%	FC	100.00%	100.00%
Tour City 2	803 982 750	100.00%	FC	100.00%	100.00%
Tour Mirabeau	751 102 773	100.00%	FC	100.00%	100.00%
YouFirst Collaborative	823 741 939	100.00%	FC	100.00%	100.00%
SCI Des Vaux	449 228 816	100.00%	FC	100.00%	100.00%
Gaïa	897 700 621	40.00%	EM	40.00%	40.00%
SAS Eurosic	307 178 871	100.00%	FC	100.00%	100.00%
SAS Eurosic Malakoff	453 385 601	100.00%	FC	100.00%	100.00%
Foncière du Parc	445 394 851	100.00%	FC	100.00%	100.00%
Tower	433 566 932	100.00%	FC	100.00%	100.00%
SCI du 36 rue de Naples	479 871 659	100.00%	FC	100.00%	100.00%
Euler Hermes Real Estate	538 610 825	40.00%	EM	40.00%	19.90%
Foncière de Paris SIIC	331 250 472	100.00%	FC	100.00%	100.00%
Foncière Cofitem	411 846 033	100.00%	FC	100.00%	100.00%
MT Selwin	418 089 280	100.00%	FC	100.00%	100.00%
Risque & Sérénité	419 403 449	43.24%	EM	43.24%	43.24%
SAGI Immobilier d'entreprise	528 047 129	100.00%	FC	100.00%	100.00%
Château de Méry	479 916 298	77.30%	FC	77.30%	77.30%
SCI Saints-Pères Fleury	509 110 151	100.00%	FC	100.00%	100.00%
SCI du 136 bis rue de Grenelle	493 293 823	100.00%	FC	100.00%	100.00%
SCI du 138 bis rue de Grenelle	493 293 633	100.00%	FC	100.00%	100.00%
SCI Bellechasse-Grenelle	802 446 195	100.00%	FC	100.00%	100.00%
SCI Cofitem Dunkerque	528 344 039	100.00%	FC	100.00%	100.00%
SCI Studio du Lendit 1	508 475 662	100.00%	FC	100.00%	100.00%
Eurosic UFFICI (Italy)		100.00%	FC	100.00%	100.00%
JOINED CONSOLIDATION 2023					
Coliving Solutions	948 575 949	100.00%	FC		
LEFT CONSOLIDATION 2023					
SCI Eurosic F Patrimoine	811 932 714	Merged	FC	100.00%	100.00%
LEFT CONSOLIDATION 2022					
SCI Cofitem Levallois	494 346 570	Merged	FC	Merged	Merged
Haris Inwestycje (Poland)		Liquidated	FC	Liquidated	100.00%
Société Auxiliaire de Gestion Immobilière	508 928 926	Merged	FC	Merged	100.00%
SNC Eurosic F1	810 028 506	Merged	FC	Merged	100.00%

FC: full consolidation. EM: accounted for under the equity method.

Bami Newco (49% owned) is neither consolidated nor accounted for under the equity method since the Group has no control or significant influence over this entity (see Note 5.5.9.2).

Legal organizational chart




GECINA SA
EUROSIC SAS
100%
SAS Foncière du Parc
100%
SC Tower
100%
SCI du 36, rue de Naples
100%
Euler Hermes
Real Estate (SPPICAV)
40%
SAS Eurosic Malakoff
100%
Eurosic Uffici
100%
SAS Foncière de Paris SIIC
100%
SAS Foncière Cofitem
100%
SCI Cofitem Dunkerque
100%
SAS Mt Selwin
100%
SAS SAGI Immobilier
d'Entreprise
100%
SCI Saints-Pères
Fleury
100%
SCI Studios du Lendit 1
100%
SCI du 138 bis
rue de Grenelle
100%
SCI du 136 bis
rue de Grenelle
100%
SCI
Bellechasse-Grenelle
100%
SAS Château de Méry
60% Foncière de Paris SIIC
40% Risque & Sérénité
SAS Risque & Sérénité
43.24%

5

5.5.2.4 Consolidation adjustments and eliminations

5.5.2.4.1 Restatements to homogenize individual financial statements

The rules and methods applied by companies in the scope of consolidation are restated to make them consistent with those of the Group.

All the companies prepared an accounting statement as at June 30, 2023.

5.5.2.4.2 Intercompany transactions

Intercompany transactions and any profits on disposal resulting from transactions between consolidated companies are eliminated.

5.5.2.4.3 Business combinations (IFRS 3)

To determine if a transaction is a business combination placed under IFRS 3, the Group checks whether it is taking control of one or more activities. The selected criteria may be the number of real estate assets held, the scope of the processes acquired or the autonomy of the target. In this case, acquisition cost corresponds to the fair value on the date of exchange of the contributed assets and liabilities and the equity instruments issued in exchange for the acquired entity. Goodwill is recognized as an asset in respect of the surplus of the acquisition cost over the buyer's share of the fair value of the assets and liabilities acquired net of deferred tax recognized if necessary, while an amount for negative goodwill is posted to the income statement. Costs directly attributable to the acquisition process are recognized under expenses.

Revised IFRS 3 specifies a period of twelve months starting from the acquisition date to finalize the accounting of the acquisition. Corrections to valuations made must be linked to events and circumstances existing at the date of acquisition. Goodwill is subject to an impairment test at least once a year or whenever there is an indication of loss of value.

IAS 40 "Investment property" applies to acquisitions that are not part of a business combination.

5.5.2.5 Foreign currency translation

The Group's presentation currency is the euro. Transactions conducted by subsidiaries whose functional currency is not the euro are translated at the closing exchange rate for balance sheet items and at the average exchange rate over the period of the income statement. Exchange differentials recognized in the balance sheet at the beginning of the period and on earnings for the year are recorded under other comprehensive income.

5.5.3 ACCOUNTING METHODS

5.5.3.1 Property portfolio

5.5.3.1.1 Investment properties (IAS 40 and IFRS 13)

Investment properties are properties held to generate rental income and/or capital growth.

On acquisition, investment properties are recorded on the balance sheet at acquisition cost, inclusive of duties and taxes.

Investment expenses, costs incurred for entering into leases, eviction allowances paid to tenants for the purpose of renovating or reletting the building, internal staff costs attributable to marketing operations and development projects, and financial expenses as detailed in IAS 23, are capitalized as part of the value of the properties.

The Group applies the fair value model to value its investment properties. The fair value of an investment property is the price that would be received from the sale of an asset in the context of a normal transaction between market participants on the valuation date. Fair value is calculated in accordance with IFRS 13 and takes into account the best use of the asset.

The Group has elected to show the block value of properties, excluding duties, taxes, and fees, in the consolidated financial statements.

Each property asset is valued separately by independent property appraisers (at June 30, 2023: CBRE Valuation, Cushman & Wakefield, Jones Lang LaSalle and Catella Valuation Advisors) who value the property portfolio of the Group from the point of view of a sustainable holding at June 30 and December 31 of each financial year. The appraisers are members of the French Association of Property Valuation Firms (Association française des sociétés d'expertise immobilière – Afrexim). They comply with the professional real estate valuation charter and use the valuation methods described below.

The fair value of each asset is determined via the following three methods:

- direct comparison method: comparison of the asset that is the object of the appraisal with transactions made on assets of an equivalent type and location, on dates close to the date of appraisal. For the specific block valuation of residential assets, two discounts are applied to the transaction value of the flats: a discount between the block value and the unit value and a discount for occupation;
- net income capitalization method: capitalization of the recorded or potential net annual rent, excluding taxes and rental expenses, generated by the property on the basis of the yield to be expected by an investor from a similar type of asset. For occupied premises, the appraiser conducts an analysis of the legal and financial

conditions of each lease and of the rental market. For vacant premises, the market rental value is used as a reference, taking account of re-letting lead times, any renovation work and other miscellaneous expenditure;
- discounted cash flow (DCF) method: the value of the asset is equal to the discounted sum of the financial flows expected by the investor, including the assumed resale at the end of a ten-year holding period. The sale price at the end of the period is determined on the basis of the net cash flow in year 11 capitalized at yield. Discounted cash flow is determined on the basis of a risk-free interest rate (ten-year government bond equivalent) plus an appropriate risk premium for the property determined in comparison with standard discounted rates on cash flow generated by similar assets.

The appraiser determines the fair value of each property using a simple or weighted average based on the method that they deem most appropriate for the property.

IFRS 13 establishes a fair value hierarchy that categorizes into three levels the data used for measurements:
- level 1: price (not adjusted) on an active market for identical assets/liabilities available on the valuation date;
- level 2: valuation model using inputs directly or indirectly observable in an active market;
- level 3: valuation model using inputs not observable in an active market.

The fair value hierarchy is therefore established by reference to the levels of inputs to valuation techniques. When using a valuation technique based on inputs of several levels, the fair value level is then constrained by the lowest level.

The fair value measurement of investment properties involves the use of different valuation methods based on unobservable or observable inputs that have been subject to certain adjustments. Accordingly, the Group's property portfolio is categorized in its entirety in level 3 with respect to the fair value hierarchy established by IFRS 13, notwithstanding the recognition of certain level 2 observable inputs.

5.5.3.1.2 Buildings under reconstruction (IAS 40)

Properties under construction acquired with the intention of redevelopment or which are in the process of being redeveloped are valued according to the general principle of valuing investment properties at their fair value.

If the fair value cannot be reliably determined, the property is provisionally valued at cost and is subject to impairment testing whenever there is an indication of loss of value.

The Group considers that fair value can be reliably measured:
- when the asset is protected from rain;
- as soon as construction begins if marketing is at an advanced stage;
- or if the signature of the works contracts has progressed sufficiently to estimate costs and the property is leased.

The market value is determined by appraisers based on an evaluation of the exit price of the property less all direct and indirect future development costs.

On completion of the work, the building is classified as an investment property.

5.5.3.1.3 Operating properties (IAS 16)

Operating properties are properties held by the Group that do not meet the definition of investment property. They are valued at cost, depreciated using the component method and adjusted for any impairment losses.

The Group's operating properties consist of the head office located at 16, rue des Capucines in Paris and the Chateau de Méry building (hotel business).

For each type of asset, the gross values of the buildings are divided by component, determined on the basis of technical data at the time of the acquisition, using the current estimated cost of new reconstruction.

Each component is depreciated using the straight-line method over its useful life. No residual value has been retained for any of the components identified.

In addition to the land, six components have been identified:
- structural system;
- walls and roofing;
- technical installations;
- parking;
- restoration;
- fixtures and fittings.

In the event of an indication of impairment, the book value of the property is written down to its recoverable value, which is determined by an independent appraisal conducted under the methods described in 5.5.3.1.1.

5.5.3.1.4 Properties for sale (IFRS 5)

A non-current asset is considered to be held for sale when it is available, if the sale is highly probable and if its book value is recovered primarily through its disposal.

The sale of an asset is highly probable if the following three conditions are met:
- a plan to sell the asset has been initiated by an appropriate level of management;
- the asset is being actively marketed at a reasonable price in relation to its current fair value;
- it is probable that the sale will be concluded within one year, barring special circumstances.

When the sale pertains to a property or a portfolio of properties, these are classified as current assets under "Properties for sale" and are valued as follows:
- properties in block sales: sale value recorded in the preliminary sales agreement or the purchase offer, subject to the deduction of selling expenses/fees and outstanding receivables from the straight-line recognition of commercial benefits under IFRS 16;

- properties sold unit by unit (residential segment): Properties for which more than 60% of the surface area has been sold are subject to internal valuation. The value of each unit is determined from unit prices per square meter recorded on the market for vacant premises. The valuation includes discounts according to the size of the properties and the number of units included to reflect marketing periods, costs and the margin earned on the sale of all the units. Properties for which less than 60% of the surface area has been sold are subject to independent appraisal using the same methods as for investment properties (see Note 5.5.3.1.1).

When a sale concerns a complete business line, the assets and liabilities of the business are presented separately under assets and liabilities on the balance sheet (Assets and Liabilities held for sale). The corresponding net gain or loss is isolated in the income statement on the line "Net gain or loss from discontinued operations".

5.5.3.2 Other property, plant and equipment (IAS 16)

Other property, plant and equipment are recorded at acquisition cost and depreciated under the straight-line method for periods of three to ten years. They are primarily composed of computer hardware and furniture.

5.5.3.3 Other intangible assets (IAS 38)

Other intangible assets correspond mainly to the purchase and development of software under the Group's control. These are measured at acquisition cost and amortized over their estimated useful life (three to eight years).

5.5.3.4 Equity interests

5.5.3.4.1 Equity-accounted investments

Equity interests in companies in which the Group exercises joint control or significant influence are accounted for under the equity method. These interests in equity-accounted companies are initially recognized at cost and then increased or decreased by the Group's share in the net income of the post-acquisition investee, as well as by dividends received from the investee.

When the recoverable value of an equity interest is less than its book value, an impairment loss is recognized as a reduction of the interest in the equity-accounted company, offset under the Group's share in said company's net income.

5.5.3.4.2 Non-consolidated interests

Non-consolidated interests are valued at fair value through other comprehensive income pursuant to IAS 39.

5.5.3.4.3 Other financial fixed assets

Loans, receivables and other financial instruments are booked according to the amortized cost method on the basis of the effective interest rate. When there is non-recoverability or default risk, this is recognized in the profit and loss statement.

5.5.3.5 Operating receivables

Receivables are recorded for the initial amount of the invoice, after deduction for impairment valued on the basis of the risk of non-recoverability. The cost of non-recoverability risk is posted under property expenses.

These receivables are valued using the amortized cost method.

Impairment is valued using the simplified approach under IFRS 9. Expected credit losses are calculated over their lifetime, based on the Group's historical loss data.

Rent receivables are systematically written down according to the age of the receivables and situation of the tenants.

An impairment rate is applied to the amount excluding tax of the receivable minus the security deposit:

- tenant has left the property: 100%;
- tenant in the property:
  - receivable between 3 and 6 months: 25%,
  - receivable between 6 and 9 months: 50%,
  - receivable between 9 and 12 months: 75%,
  - over 12 months: 100%.

Impairment thus determined is adjusted to take account of particular situations.

Residual receivables relating to the deferral of commercial benefits in accordance with IFRS 16 (cf. Note 5.5.3.10) result in a specific analysis covering the ability of the tenant to actually reach the end of the signed lease.

5.5.3.6 Cash and cash equivalents

Cash and cash equivalents are recorded on the balance sheet at fair value.

5.5.3.7 Treasury shares (IAS 32)

Treasury shares held by the Group are deducted from consolidated shareholders' equity at acquisition cost.

5.5.3.8 Share-based payments (IFRS 2)

Gecina has instituted an equity-based remuneration plan. Performance share award plans result in a personnel expense charged against shareholders' equity for the fair value of services rendered, divided on a straight-line basis over the rights' vesting period.

For each performance share award plan, the fair value of one awarded share is determined by an independent actuary on the award date. The number of shares likely to be awarded based on internal performance (some relating to environmental performance) and attendance conditions is reviewed on every reporting date so that the fair value of the plan can be adjusted if necessary. This fair value is not amended if market parameters change.

5.5.3.9 Financial instruments (IAS 32, IAS 39 and IFRS 9)

Hedging financial instruments

The Group hedges against interest rate risk as part of a macro-hedging strategy. It is covered by a portfolio of derivatives that are not specifically assigned and do not, therefore, meet hedge accounting eligibility criteria.

The Group decided not to adopt the hedge accounting proposed under IFRS 9 and to apply the provisions of IAS 39. Consequently, derivatives are recorded at their fair value through profit or loss.

Interest paid or received on derivative instruments is recorded under "Net financial expenses", while variations in value and any effects of disposals or terminations of contracts are recognized under "Change in value of financial instruments".

Fair value is determined in accordance with IFRS 13 (see Note 5.5.3.1.1) by an external financial organization using valuation techniques based on the discounted forward cash flow method, as well as the Black & Scholes model for optional products integrating the counterparty risks mentioned by IFRS 13. Estimates of probability of default are obtained by using bond spreads on the secondary market. Valuations are also confirmed by banking counterparties and in-house valuations.

Hedging financial instruments are valued at fair value based on observable market data and inputs classed as level 2 on the fair value hierarchy established by IFRS 13 (the fair value levels are detailed in Note 5.5.3.1.1).

Other financial assets and liabilities

Financial assets are recognized at amortized costs, at fair value through other comprehensive income or at fair value through profit or loss. Debt instruments (those with contractually defined cash flows) are classified in the three categories depending on their management model and on analysis of their contractual characteristics. Equity instruments are generally measured at fair value through profit or loss, except for those which the entity has irrevocably elected to measure at fair value through other comprehensive income (provided these instruments are not held for trading).

Financial liabilities consist primarily of bonds, bank borrowings, credit lines, commercial papers and other current liabilities.

Medium- and long-term credit lines can be utilized in drawings of variable lengths. Successive drawings are recognized in the financial statements at face value, with the unused portion of the borrowing facility representing an off-balance sheet commitment received.

Long-term bonds issued under the EMTN (Euro Medium-Term Notes) program are stated at their amortized cost (net of transaction costs) based on the effective interest rate method.

Other current liabilities are considered as short-term liabilities and are not subject to any discounting.

Impairment of financial assets

The impairment model requires the measurement of expected credit losses (ECL) on loans and debt instruments measured at amortized cost or at fair value through other comprehensive income, on loan commitments and financial guarantee contracts not measured at fair value.

The Group uses the simplified approach for the impairment of receivables from leases and trade receivables (see Note 5.5.3.5).

5.5.3.10 Leases (IFRS 16)

Leases covered by the standard primarily relate to construction leases, long leases and, to a lesser extent, leases on vehicles and reprographic equipment. Leases for less than twelve months or with a low unit value are not covered by this standard.

On this basis, the Group recognizes in its balance sheet:

- under liabilities, a debt for lease obligations in relation to rents for the balance of the lease term, discounted at the same rate as the cost of the debt that the Group would have incurred over the same term as the rental contracts;
- under assets and within investment properties, where applicable, usage rights amortized in a linear fashion from the implementation of the contracts.

In the income statement, rents and fees paid are replaced by:

- depreciation of rights of use recorded as a change in the valuation of investment properties where applicable;
- a financial expense, amounting to the interest included in rents paid in addition to the capital repaid to reduce the debt.

5.5.3.11 Rental expenses (IFRS 15)

The Group acts as principal when rental expenses are billed back to tenants. In compliance with IFRS 15, property expenses and recharges are presented separately in the consolidated statement of comprehensive income.

5.5.3.12 Long term non-financial provisions and liabilities (IAS 37)

In accordance with IAS 37 "Provisions, contingent liabilities and contingent assets", a provision is recognized when the Group has a present obligation (legal or constructive) to a third party as a result of past events, and when it is probable or certain that this obligation will give rise to an outflow of resources to that third party.

Contingent assets and liabilities are not recognized; they are instead recorded in off balance sheet commitments.

5.5.3.13 Employee benefit commitments (IAS 19)

IAS 19 specifies the accounting rules for employee benefits. This accounting occurs during the rights vesting period. It excludes from its scope share-based payments, which come under IFRS 2 (see Note 5.5.3.8).

Short-term benefits

Short-term benefits (i.e., salaries, paid leave, social security contributions, incentives, etc.) due within twelve months of the end of the year during which members of staff provided corresponding services are recognized as "accrued expenses" under the heading "Current tax and employee-related liabilities" under balance sheet liabilities.

Long-term benefits

Long-term benefits correspond to benefits payable during the employee's working life (anniversary premiums). They are recognized as non-recurring provisions.

Post-employment benefits

Post-employment benefits, also recognized as non-recurring provisions, correspond to end-of-career payments and supplementary pension commitments to some employees. The valuation of these retirement commitments assumes the employee's voluntary departure.

These commitments that are related to the defined benefit plans for supplementary pensions are paid to external organizations.

No post-employment benefits were granted to executives.

The net commitment resulting from the difference between amounts paid and the probable value of the benefits granted, recognized under salaries and benefits, is calculated by an actuary using the method known as "projected unit credit method", the cost of the provision being calculated on the basis of services rendered at the valuation date.

Actuarial differences are booked in other comprehensive income.

5.5.3.14 Taxes

5.5.3.14.1 IFRIC 21 "Levies"

IFRIC 21 "Levies" stipulates the timing for the recognition of a liability as a tax or levy imposed by a government. These rules cover both the levies recognized in accordance with IAS 37 "Provisions, contingent liabilities and contingent assets" and those for which the timing and amount are certain.

The levies and taxes in question are defined as net outflows of resources (thus excluding VAT collected on behalf of the Government) levied by governments (as defined by IAS 20 and IAS 24) in application of legal and/or regulatory provisions other than fines or penalties linked to non-compliance with laws or regulations. These include taxes entering into the scope of application of IAS 37 on provisions (excluding those falling under the scope of IAS 12, such as income tax liabilities) as well as taxes with a certain amount and payment date (i.e., liabilities that do not fall within the scope of application of IAS 37).

Pursuant to the IFRIC 21 interpretation, the following taxes are recognized (and their potential reinvoicing at the same time) on a single occasion on the first day of the current year:

- property tax;
- tax on offices, commercial premises, storage premises and parking areas;
- annual tax on parking areas;
- company social solidarity contribution.

5.5.3.14.2 SIIC regime

The SIIC regime is a tax transparency regime which defers the payment of tax to the shareholder through the dividends they receive that result from a distribution obligation for the Company subject to the SIIC regime.

Opting for the SIIC regime means that an exit tax immediately falls due at the reduced rate of 19% on unrealized capital gains related to properties and investments in entities not subject to corporate income tax.

Profits subject to the SIIC regime are exempt from corporate income tax under certain distribution conditions (obligation to distribute 95% of operating income, 70% of capital gains on disposals and 100% of SIIC dividends received).

5.5.3.14.3 Standard regime

For companies not eligible under the SIIC regime, deferred tax resulting from timing differences on taxation or deductions is calculated under the liability method on all timing differences existing in the individual accounts or deriving from consolidation adjustments or eliminations of internal profits and losses.

This happens when the book value of an asset or liability is different from its tax value. A net deferred tax asset is only recognized on loss carryforwards provided that it is likely that it can be charged against future taxable income. Deferred tax is determined using the principles and tax rates of the finance laws in effect at the closing date that are likely to be applied when the various taxes involved crystallize. The same rule applies for assets held abroad.

5.5.3.14.4 Deferred tax assets and liabilities

Deferred tax arises from temporary differences between the tax valuation of assets or liabilities and their book values. They particularly result from the fair value revaluation of investment properties held by companies who did not opt for the SIIC regime or from the cost related to the adoption of this regime. Deferred tax assets are recognized in respect of tax loss carryforwards if their future realization is likely.

5.5.3.15 Recognition of rental income (IFRS 16)

Rental income is recognized on a straight-line basis over the duration of the lease. The commercial incentives given to tenants (mainly rent-free periods and stepped rents) are spread in a straight line over the probable fixed term of the lease. From January 1, 2018, these are booked against the fair value adjustment of investment properties.

Works invoiced to tenants are deferred over the term of the lease.

Works carried out on behalf of tenants but under the control of the Group are capitalized as part of the value of the properties.

Early termination indemnities paid by the lessee are recognised as rental income if they correspond to remaining rents until the next firm lease expiration date, or as other income if they represent costs for refurbishing the leased premises.

5.5.3.16 Finance leases

In a finance lease, the lessor transfers all of the risks and benefits of the asset to the lessee. It is treated as financing granted to the lessee for the purchase of a property.

The current value of payments due under the lease, increased, as necessary, by the residual value, is entered under “Financial receivables on finance leases”. The net income of the transaction for the lessor or the lessee corresponds to the amount of interest on the loan. It is recognized in the income statement under “Current operating income on finance lease transactions”. The rents received are divided over the duration of the finance lease by recognizing them in capital amortization and interest such that the net income represents a constant rate of return over the residual outstanding. The rate of interest used is the implicit rate of interest in the lease.

5.5.3.17 Key accounting estimates and judgments

To establish the consolidated financial statements, the Group uses estimates and formulates judgments which are regularly updated and are based on historical data and other factors, especially forecasts of future events considered reasonable in the circumstances.

The significant estimates made by the Group mainly concern:

- the measurement of the fair value of investment properties;
- the measurement of the fair value of financial instruments;
- the measurement of equity interests;
- the measurement of provisions;
- the measurement of employee benefit commitments (pensions and share plans).

Due to the uncertainties inherent in any measurement process, the Group adjusts its estimates using regularly updated information. Estimates that carry a major risk of leading to a material adjustment in the net book value of assets and liabilities during the following period are analyzed below:

- the fair value of the property portfolio, whether it is held for the long term or for sale, is specifically determined based on the valuation of the portfolio by independent appraisers according to the methods described in Note 5.5.3.1. However, given the estimated nature inherent in these valuations, it is possible that the actual sales price of some properties will differ significantly from the valuation, even in the event of disposal within a few months following the balance sheet date;
- the fair value of the financial instruments that are not traded on an organized market (such as over-the-counter derivatives) is determined using valuation techniques. The Group uses methods and assumptions that it believes are the most appropriate, based on market conditions at the balance sheet date. The realizable value of these instruments may turn out to be significantly different from the fair value used for the accounting statement;
- the fair value of equity investment securities are determined on the basis of estimates based on various data available to the Group as at the balance sheet date. New information obtained subsequent to the balance sheet date may have a material influence on this valuation.

The procedures for determining fair value according to IFRS 13 are detailed in section 5.5.3.1.1.

In addition to the use of estimates, the Group’s management formulates judgments to define the appropriate accounting treatment for certain activities and transactions where the IFRS standards in force do not specifically deal with the issues concerned. This is especially the case for the analysis of Group leases, particularly when determining the period during which it is reasonably certain that the tenant will remain in the property to benefit from the incentives of the lease.

5.5.4 MANAGEMENT OF FINANCIAL AND OPERATIONAL RISKS

The 2022 Universal Registration Document contains a detailed description of the risk factors to which the Group is exposed (see Integrated Report and chapter 2).

No other risks and uncertainties other than those presented in this document are expected.

5.5.4.1 Real estate market risk

Holding property assets for rent exposes the Group to the risk of fluctuation of the value of property assets and rents as well as to the risk of vacancy.

However, this exposure is limited given that:

- the assets are essentially held for the long term and valued in the accounts at fair value, even if fair value is based on the estimates described in Note 5.5.3.1 above;
- invoiced rents come from rental commitments, the term and spread of which are liable to moderate the impact of fluctuations in the rental market.

With respect to development projects, the search for tenants begins once the investment decision is taken and results in the signing of preconstruction leases (baux en l'état futur d'achèvement – BEFA). These leases contain clauses on the definition of completion, the completion time and late penalties.

Certain aspects of this risk are quantified in Note 5.5.6.7.

5.5.4.2 Financial market risk

Holding financial instruments for the long term or for sale exposes the Group to the risk of fluctuation in the value of these assets. The analysis and quantification of the risk on hedging financial instruments are stated under Note 5.5.6.9.

In particular, the Group's exposure to equity risk in case of falling stock market indices gives rise to a problem of valuing hedging assets against pension liabilities. This risk is very limited with respect to the amounts of the hedging assets subject to equity risk.

Furthermore, Gecina may be subject to changes in share prices for its financial investments and for its treasury shares. Gecina has set up a share buyback program and therefore holds a certain number of its own shares. A fall in the price of the Gecina share has no impact on the consolidated financial statements, only on the individual company financial statements.

5.5.4.3 Counterparty risk

With a customer portfolio of around 640 corporate tenants, from a wide variety of sectors, and around 7,300 individual tenants, the Group is not exposed to significant concentration risks. In the course of its development, the Group aims to acquire assets for which the rental portfolio is closely based on tenant selection criteria and the security provided by them. When a property is rented out, a detailed application is provided by the tenant and an analysis of the tenant's financial soundness is conducted. Tenant selection and rent collection procedures help to maintain a satisfactory rate of losses on receivables.

Financial transactions, especially hedging the interest rate risk, are carried out with a broad selection of leading financial institutions. Competitive tenders are conducted for all major financial transactions and the maintenance of a satisfactory diversification of sources of funds and counterparties is one of the selection criteria. Gecina has no material exposure to a single bank counterparty on its portfolio of derivatives. Counterparty risk is now an integral part of fair value as determined under IFRS 13 (see Note 5.5.3.9). The Group's maximum exposure on all its loans (used and unused) to a single counterparty is 5%.

5.5.4.4 Liquidity risk

Liquidity risk is managed by constantly monitoring the maturity of financing facilities, maintaining available credit lines and diversifying finance sources. Liquidity is managed in the medium and long term as part of multi-annual financing plans and, in the short term, by using confirmed undrawn credit lines and asset disposal programs. A debt maturity breakdown is provided in Note 5.5.5.11.1 as well as a description of the various limits that might affect interest conditions or early repayment, as stipulated in the credit agreements.

5.5.4.5 Interest rate risk

Gecina's interest rate risk management policy, which includes the use of hedging instruments, is aimed at limiting the impact of a change in interest rates on the Group's earnings, where a significant portion of the Group's loans is at a floating rate. With respect to the foregoing, a management framework was presented and validated by the Company's Audit and Risk Committee. This management framework defines in particular the management horizons, a percentage of coverage required on the time horizons, new hedging targets and the instruments enabling such management (mostly caps and swaps). The interest rate risk is analyzed and quantified in Notes 5.5.5.11.2 and 5.5.6.9, together with an analysis of interest rate sensitivity. Gecina's interest rate hedging policy is primarily implemented on a global basis for all its loans (i.e., not specifically assigned to certain loans). As a result, it does not meet the accounting qualification of hedging instruments and the fair value change therefore appears in the income statement, according to the procedures described in Note 5.5.3.9.

5.5.4.6 Foreign exchange risk

The Group conducts the majority of its business in the eurozone and almost all its revenues, operating expenses, investments, assets and liabilities are denominated in euros.

5.5.5 NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

5.5.5.1 Property portfolio

5.5.5.1.1 Statement of changes in portfolio

Gross value

In thousand euros	12/31/2022	Acquisitions	Asset disposal or exercise of options	Change in value	Other changes	Transfers between items	06/30/2023
Investment properties	18,131,208	54,417	0	(755,445)	16,821	(818,101)	16,628,900
Buildings under redevelopment	1,354,068	102,742	0	(106,038)	1,697	(54,880)	1,297,589
Operating properties	108,675	2,255	0	0	0	0	110,930
Other property, plant and equipment	32,400	645	(828)	0	0	0	32,217
Other intangible assets	28,673	1,844	0	0	0	0	30,517
Financial receivables on finance leases	142,548	0	(14,124)	0	0	0	128,424
Properties for sale	207,519	219	(907,984)	(1,446)	0	872,981	171,290
GROSS VALUE	**20,005,091**	**162,123**	**(922,936)**	**(862,929)**	**18,519**	**0**	**18,399,868**

Depreciation, amortization and impairment

In thousand euros	12/31/2022	Allocations	Disposals/ Write backs	Change in value	Other changes	Transfers between items	06/30/2023
Operating properties	30,304	1,015	(65)	0	0	0	31,254
Other property, plant and equipment	21,171	1,815	(828)	0	0	0	22,157
Other intangible assets	15,140	2,961	0	0	0	0	18,101
Financial receivables on finance leases	93,659	3,053	(8,238)	0	0	0	88,474
DEPRECIATION, AMORTIZATION AND IMPAIRMENT	**160,274**	**8,844**	**(9,132)**	**0**	**0**	**0**	**159,986**
NET FIXED ASSETS	**19,844,817**	**153,279**	**(913,805)**	**(862,929)**	**18,519**	**0**	**18,239,882**

Investment properties were appraised by independent property appraisers as described in Note 5.5.3.1.1. Their reports stated that the economic and financial uncertainty particularly linked to inflation, rising interest rates and the context of war in Ukraine are uncertainty sources for real estate investment markets.

Pursuant to the accounting principles defined in Note 5.5.3.1.2, 8 assets under reconstruction (including off-plan property sales) are recognized at their historical cost for a total amount of €88 million.

The other changes relate to the effect of the commercial benefits granted to tenants for €19 million.

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5.5.5.1.2 Property acquisitions

Acquisitions concern the following:

In thousand euros	06/30/2023
PROPERTY ACQUISITIONS (INCLUDING DUTIES AND COSTS)	**400**
Construction and redevelopment work	96,832
Renovation work	49,101
WORKS	**145,933**
Operating properties	2,194
Capitalized internal costs	4,042
Capitalized financial expenses	4,027
Costs incurred for entering into leases	2,908
Eviction allowances	130
TOTAL PROPERTY ACQUISITIONS	**159,634**
Other property, plant and equipment	645
Other intangible assets	1,844
TOTAL ACQUISITIONS	**162,123**

5.5.5.1.3 Detail of the disposals

Disposals are detailed in Note 5.5.6.6.

5.5.5.1.4 Goodwill

The goodwill results from the acquisition of Eurosic in August 2017 and is allocated to the cash-generating unit (CGU) Offices. It varied from €183 million at December 31, 2022 to €175 million at June 30, 2023.

According to IAS 36, an impairment test is performed when there is an indication that the goodwill may be impaired and at least once a year.

The valuation of the CGU was performed at December 31, 2022 incrementally using the fair value of the assets, as accounted for in the Group's financial statements, plus the valuation of the cash flows not taken into account in the financial statements.

5.5.5.2 Other financial fixed assets

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Non-consolidated investments	146,687	151,365	147,832
Advances on property acquisitions	63,229	63,369	65,519
Advances on liquidity contract	11,959	11,999	10,573
Deposits and guarantees	1,189	1,210	1,126
Other financial fixed assets	2,424	2,260	2,109
GROSS OTHER FINANCIAL FIXED ASSETS	**225,487**	**230,203**	**227,157**
Impairment	(172,916)	(172,936)	(175,085)
NET OTHER FINANCIAL FIXED ASSETS	**52,572**	**57,268**	**52,072**

Impairment in the amount of €172.9 million is mainly related to the 49% equity interest in the Spanish company Bami Newco, which has been fully written down (€109.3 million) and the advance on property acquisitions granted to the Spanish company Bamolo, written down for €63.1 million (in order to reduce it to the land's latest appraisal value given as a guarantee of €0.2 million).

5.5.5.3 Equity-accounted investments

This item reflects the share held by the Group in the companies in which the Group exercises significant influence.

In thousand euros	Euler Hermes Real Estate	Risque & Sérénité	Total
GROUP SHARE AT 12/31/2022	**106,856**	**1,688**	**108,543**
Share in the result(1)	(8,854)	89	(8,765)
Dividends received	(1,043)	0	(1,043)
GROUP SHARE AT 06/30/2023	**96,959**	**1,776**	**98,735**

(1) Including impairment of equity-accounted investments.

The elements of the financial situation of the main companies with investments that do not afford control are presented below:

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Property portfolio	264,000	290,000	307,290
Other assets	18,032	17,196	13,614
TOTAL ASSETS	**282,032**	**307,196**	**320,904**
Shareholders' equity	245,760	270,891	285,488
External loans and debts with partners	32,187	32,254	32,062
Other liabilities	4,085	4,052	3,354
TOTAL LIABILITIES	**282,032**	**307,196**	**320,904**
Revenue	3,672	9,184	4,062
NET INCOME	**(22,613)**	**(9,074)**	**5,523**

5.5.5.4 Deferred tax

Deferred tax assets correspond to the activation of certain tax loss carryforwards.

5.5.5.5 Properties for sale

Movements on properties for sale are included in the statement of changes in portfolio (see Note 5.5.5.1.1).
Properties for sale break down as follows:

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Properties for sale (block basis)	8,400	34,980	37,119
Properties for sale (unit basis)	162,890	172,539	171,037
PROPERTIES FOR SALE	**171,290**	**207,519**	**208,156**

5.5.5.6 Trade receivables

The breakdown by business sector is indicated in Note 5.5.8. The majority of this item is due in less than one year.

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Billed customers	51,036	48,646	43,825
Unbilled expenses payable	32,981	4,789	27,917
Balance of rent-free periods and stepped rents	9,104	10,543	14,099
GROSS TRADE RECEIVABLES	**93,121**	**63,978**	**85,841**
Impairment of receivables	(27,125)	(25,863)	(24,868)
NET TRADE RECEIVABLES	**65,996**	**38,115**	**60,973**

5.5.5.7 Other receivables

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Value added tax	52,655	51,671	49,208
Corporate income tax(1)	7,087	7,092	6,670
Bami Newco cash advances and guaranties(2)	32,763	32,763	32,763
Receivables on asset disposal	1,095	1,729	1,812
Other(3)	39,876	36,307	46,515
GROSS OTHER RECEIVABLES	**133,477**	**129,562**	**136,969**
Impairment	(38,597)	(38,597)	(37,006)
NET OTHER RECEIVABLES	**94,880**	**90,966**	**99,963**

(1) Includes €6 million related to ongoing disputes or receivables from the tax administration.
(2) Fully impaired.
(3) Includes €10 million of advances for projects at June 30, 2023.

5.5.5.8 Prepaid expenses

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Loan application costs(1)	16,251	14,764	10,134
Ten-year warranty insurance	2,821	3,011	3,417
Other(2)	6,337	5,618	6,423
PREPAID EXPENSES	**25,409**	**23,393**	**19,975**

(1) Primarily including arrangement fees and interest on NEU CP.
(2) Mainly relate to expenses of the current activity.

5.5.5.9 Cash and cash equivalents

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Cash equivalents	0	464	0
Current bank accounts	652,905	50,108	124,160
CASH AND CASH EQUIVALENTS (GROSS)	**652,905**	**50,572**	**124,160**
Bank overdrafts	0	0	0
CASH AND CASH EQUIVALENTS (NET)	**652,905**	**50,572**	**124,160**

This level of cash is due to the recent disposal of several assets, which will be used in the short term to redeem financial debts.

5.5.5.10 Consolidated shareholders’ equity

See the accounting statement preceding this note in section 5.3 “Statement of changes in consolidated equity”.

5.5.5.11 Borrowings, financial debt and financial instruments

5.5.5.11.1 Borrowings and financial debt

Outstanding debt

In thousand euros	Outstanding 06/30/2023	Repayments <1 year	Outstanding 06/30/2024	Repayments 1 to 5 years	Outstanding 06/30/2028	Repayments beyond 5 years
FIXED-RATE DEBT	**5,617,300**	**(111,443)**	**5,505,857**	**(2,093,803)**	**3,412,054**	**(3,412,054)**
Fixed-rate bonds	5,586,618	(100,000)	5,486,618	(2,090,322)	3,396,295	(3,396,295)
Other fixed-rate debts	21,852	(2,613)	19,239	(3,481)	15,758	(15,758)
Accrued interest provisioned	8,831	(8,831)	0	0	0	0
FLOATING RATE DEBT	**1,339,000**	**(1,194,000)**	**145,000**	**(100,000)**	**45,000**	**(45,000)**
Negotiable European Commercial Paper (NEU CP)	1,194,000	(1,194,000)	0	0	0	0
Bank loans	145,000	0	145,000	(100,000)	45,000	(45,000)
GROSS DEBT	**6,956,300**	**(1,305,443)**	**5,650,857**	**(2,193,803)**	**3,457,054**	**(3,457,054)**
Cash (floating rate)						
Liquidities	652,905	(652,905)	0	0	0	0
CASH	**652,905**	**(652,905)**	**0**	**0**	**0**	**0**
Net debt						
Fixed rate	5,617,300	(111,443)	5,505,857	(2,093,803)	3,412,054	(3,412,054)
Floating rate	686,095	(541,095)	145,000	(100,000)	45,000	(45,000)
NET DEBT	**6,303,395**	**(652,538)**	**5,650,857**	**(2,193,803)**	**3,457,054**	**(3,457,054)**
Undrawn credit lines	4,660,000	(175,000)	4,485,000	(2,700,000)	1,785,000	(1,785,000)
Future cash flows on debt	0	(155,095)	0	(479,386)	0	(311,483)

The interest that will be paid up to maturity of the entire debt, and which is estimated on the basis of the rate curve at June 30, 2023 amounts to €946 million.

The breakdown of the repayment of gross debt within less than one year is as follows:

In thousand euros	Third quarter 2023	Fourth quarter 2023	First quarter 2024	Second quarter 2024	Total
	1,120,322	167,936	15,192	1,993	1,305,443

These debt maturities (consisting of NEU CP and bond maturities) are covered by available liquidity at June 30, 2023 of €5,313million (including €4,660 million of undrawn credit lines).

Details of bonds issued

All bonds are Green Bonds. The Group has committed to issuing all future bonds in this format.

Bonds	Issuer	Issue date	Issue amount *(in million euros)*	Outstanding amount *(in million euros)*	Nominal rate	Maturity date
Bond 01/2025	Gecina	01/20/2015	500	500	1.50%	01/20/2025
Bond 11/2023	Gecina	11/06/2015	100	100	3.00%	11/06/2023
Bond 06/2026	Gecina	12/01/2015	100	100	3.00%	06/01/2026
Bond 01/2029	Gecina	09/30/2016	500	500	1.00%	01/30/2029
Bond 06/2032	Gecina	06/30/2017	500	500	2.00%	06/30/2032
		01/25/2023	50	50		
Bond 06/2027	Gecina	06/30/2017	500	500	1.375%	06/30/2027
		10/30/2020	200	200		
Bond 01/2028	Gecina	09/26/2017	700	700	1.375%	01/26/2028
		05/09/2023	100	100		
Bond 03/2030	Gecina	03/14/2018	500	500	1.625%	03/14/2030
Bond 05/2034	Gecina	05/29/2019	500	500	1.625%	05/29/2034
		10/30/2020	200	200		
Bond 06/2036	Gecina	06/30/2021	500	500	0.875%	06/30/2036
		12/13/2022	50	50		
		05/09/2023	50	50		
Bond 01/2033	Gecina	01/25/2022	500	500	0.875%	01/25/2033
		12/13/2022	100	100		
		01/25/2023	50	50		

Covenants

The Company's main credit facilities are accompanied by contractual clauses relating to compliance with certain financial ratios determining interest rates charged and early repayment clauses, the most restrictive of which are summarized below:

	Benchmark standard	06/30/2023	12/31/2022	06/30/2022
Net financial debt/revalued block value of property portfolio (excluding duties)	Maximum 60%	34.1%	35.7%	33.8%
EBITDA/net financial expenses	Minimum 2.0x	5.3x	5.6x	5.5x
Outstanding secured debt/revalued block value of property portfolio (excluding duties)	Maximum 25%	-	-	-
Revalued block value of property holding (excluding duties), *in billion euros*	Minimum 6	18.5	20.1	20.6

Change of control clauses

For bonds issued by Gecina, a change of control leading to the downgrading of its credit rating to "Non-Investment Grade" and not raised to "Investment Grade" within 120 days, could lead to the early repayment of the loan.

5.5.5.11.2 Financial instruments

The financial instruments (level 2 fair value as defined by IFRS 7 and IFRS 13) held by the Group are hedging instruments. They are traded on the over-the-counter market and valued on the basis of valuation models using observable inputs.

Portfolio of derivatives

In thousand euros	Outstanding 06/30/2023	Maturity or effective date <1 year	Outstanding 06/30/2024	Maturity or effective date 1 to 5 years	Outstanding 06/30/2028	Maturity or effective date more than 5 years
Portfolio of outstanding derivatives at June 30, 2023						
Fixed-rate receiver swaps	750,000	0	750,000	(100,000)	650,000	(650,000)
Fixed-rate payer swaps	850,000	0	850,000	(100,000)	750,000	(750,000)
Cap purchases	1,250,000	0	1,250,000	(1,250,000)	0	0
TOTAL	**2,850,000**	**0**	**2,850,000**	**(1,450,000)**	**1,400,000**	**(1,400,000)**
Portfolio of derivatives with deferred impact at June 30, 2023						
Fixed-rate receiver swaps	0	0	0	0	0	0
Fixed-rate payer swaps	0	0	0	300,000	300,000	(300,000)
Short fixed-rate swaption(1)	0	0	0	0	0	0
TOTAL	**0**	**0**	**0**	**300,000**	**300,000**	**(300,000)**
Portfolio of derivatives at June 30, 2023						
Fixed-rate receiver swaps	750,000	0	750,000	(100,000)	650,000	(650,000)
Fixed-rate payer swaps	850,000	0	850,000	200,000	1,050,000	(1,050,000)
Cap purchases	1,250,000	0	1,250,000	(1,250,000)	0	0
Short fixed-rate swaption(1)	0	0	0	0	0	0
TOTAL	**2,850,000**	**0**	**2,850,000**	**(1,150,000)**	**1,700,000**	**(1,700,000)**
Future interest cash flows on derivatives	0	82,006	0	113,350	0	(46,058)

(1) Short fixed-rate swaption for €300 million with start and expiry dates greater than 5 years appear as 0 in the table above.

Gross debt hedging

	06/30/2023		
In thousand euros	Fixed rate	Floating rate	Total
BREAKDOWN OF GROSS DEBT BEFORE HEDGING	**5,617,300**	**1,339,000**	**6,956,300**
Fixed-rate receiver swaps	(750,000)	750,000	
Fixed-rate payer swaps and activated caps/floors	2,100,000	(2,100,000)	
Non activated caps/floors	0	0	
BREAKDOWN OF GROSS DEBT AFTER HEDGING	**6,967,300**	**(11,000)**	**6,956,300**

5.5.5.12 Lease obligations

The debt for lease obligations arises from applying IFRS 16, as described in Note 5.5.3.10.

It relates primarily to construction leases and long leases and, to a lesser extent, leases on vehicles and reprographic equipment.

5.5.5.13 Non-current provisions

In thousand euros	12/31/2022	Allocations	Write-backs	Utilizations	06/30/2023
Tax reassessments	6,600	0	0	0	6,600
Employee benefit commitments	10,293	40	0	(774)	9,560
Other disputes	74,286	1,503	(395)	(304)	75,090
NON-CURRENT PROVISIONS	**91,179**	**1,544**	**(395)**	**(1,078)**	**91,250**

Some companies within the consolidation have been the subject of tax audits leading to notifications of tax reassessments, the majority of which are contested. At June 30, 2023, the total amount accrued as a provision for the fiscal risk is €6.6 million, based on the assessments of the Company and its advisers.

Employee benefit commitments (€9.6 million) concern supplementary pensions, lump-sum retirement benefits, and anniversary premiums. They are valued by independent experts.

Other disputes (€75.1 million) include miscellaneous business-related litigations (€7.6 million) as well as provisions for commitments in Spain (€67.5 million) with the following breakdown.

In the context of the proceedings instigated by Abanca in Madrid in 2015, regarding its demand for Gecina to pay €48.7 million plus interest, pursuant to the guarantee letters of commitment allegedly signed by Mr. Joaquín Rivero (former Gecina officer), the Madrid Court of Appeal upheld the ruling whereby the Court of First Instance of Madrid had ordered Gecina to pay this amount as well as the default interest to Abanca. A provision of €66 million (including interest) is recognized in this regard. Gecina considers this situation to be the result of the fraudulent actions of Mr. Joaquín Rivero and is contesting the decision of the Spanish courts. The Group has therefore lodged an appeal in Spain and is vigorously pursuing both the civil and criminal actions instigated in France with regard to this matter.

Moreover, the guarantees granted by SIF Espagne on November 13, 2009, then represented by Mr. Joaquín Rivero, concerning Bami Newco's repayment of credit facilities granted by Banco Popular is accrued at June 30, 2023 for €1.5 million.

The contingent receivable resulting from these guarantees had been reported under the bankruptcy proceedings of Bami Newco.

The Group has also, directly or indirectly, been the subject of liability actions and court proceedings instigated by third parties. Based on the assessments of the Company and its advisers, all risks that would be likely to significantly impact the Company's earnings or financial situation have been provisioned.

Non-current provisions for employee benefit commitments

The amounts recognized for long-term benefits (anniversary premiums) and retirement benefits (lump-sum retirement payments and supplementary pension liabilities) granted to employees are as follows:

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Present value of the liability	12,490	13,342	14,199
Fair value of hedging assets	(2,931)	(3,049)	(3,118)
NET PRESENT VALUE OF THE LIABILITY	**9,560**	**10,293**	**11,082**
Non-recognized profits (losses)	0	0	0
Non-recognized costs of past services	0	0	0
NET LIABILITY	**9,560**	**10,293**	**11,082**

The net commitment recorded as non-recurring provisions amounted to €9.6 million after taking into account hedging assets estimated at €2.9 million at June 30, 2023.

The actuarial difference for the period recorded in other comprehensive income are less than €0.1 million.

Change in liability

In thousand euros	06/30/2023	12/31/2022	06/30/2022
NET PRESENT VALUE OF THE LIABILITY AT BEGINNING OF PERIOD	**10,293**	**13,217**	**13,217**
Cost of services rendered during the year	382	1,036	517
Net interest	186	123	61
Actuarial differences	0	(551)	(247)
Effects of any change or liquidation of the plan [(1)]	(233)	82	82
EXPENSE RECOGNIZED UNDER SALARIES AND BENEFITS	**335**	**690**	**413**
Benefits paid (net)	(457)	(817)	(280)
Contributions paid	(648)	(349)	(276)
Actuarial differences not written to profit or loss	36	(2,447)	(1,992)
NET PRESENT VALUE OF THE LIABILITY AT END OF PERIOD	**9,560**	**10,293**	**11,082**

(1) In 2023, impact of the pension reform enacted on 14 April 2023.

The main actuarial assumptions used to calculate Group commitments are as follows:

	06/30/2023	12/31/2022	06/30/2022
Wage increase rate (net of inflation)	0.00% - 0.25%	0.00% – 0.25%	0.00% – 0.25%
Discount rate	3.75%	3.75% – 4.00%	3.00% – 3.25%
Inflation rate	2.00%	2.00%	2.00%

5.5.5.14 Trade payables

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Trade payables on goods and services	46,931	49,187	53,222
Fixed asset trade payables	134,797	129,031	119,113
TRADE PAYABLES	**181,728**	**178,218**	**172,334**

5.5.5.15 Current tax and employee-related liabilities

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Social security liabilities	21,934	27,444	21,496
Value added tax	17,556	10,614	18,616
Other tax liabilities	59,144	3,775	49,322
CURRENT TAX AND EMPLOYEE-RELATED LIABILITIES	**98,634**	**41,833**	**89,435**

5.5.5.16 Other current liabilities

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Customer credit balance	66,316	58,474	66,302
Other payables[(1)]	200,049	7,913	199,019
Deferred income	5,447	2,177	3,300
OTHER CURRENT LIABILITIES	**271,812**	**68,565**	**268,621**

(1) Including dividends paid on July 5, 2023 for €196 million.

5.5.5.17 Off balance sheet commitments

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Commitments given – Operating activities			
Works amount to be invested (including off-plan property sales)	352,893	430,950	548,563
Preliminary property sale agreements	6,974	27,930	36,051
Other(1)	16,270	17,270	17,270
COMMITMENTS GIVEN	**376,137**	**476,150**	**601,885**
Commitments received – Financing			
Undrawn credit lines	4,660,000	4,610,000	4,585,000
Commitments received – Operating activities			
Preliminary property sale agreements	0	27,000	29,254
Mortgage-backed receivable	180	300	300
Financial guarantees for management and transaction activities	880	880	880
Guarantees received in connection with works (including off-plan property sales)	154,329	223,621	247,526
Guarantees received from tenants	98,637	86,767	84,414
Other(2)	1,244,557	1,244,557	1,244,557
COMMITMENTS RECEIVED	**6,158,583**	**6,193,125**	**6,191,932**

(1) Including €16 million in liability guarantees granted as part of the sale of shares of subsidiaries (€14 million for former Eurosic subsidiaries and €2 million for Hôtelière de La Villette).
(2) Including a €1,240 million guarantee received as part of the acquisition of Avenir Danton Défense and Avenir Grande Armée equities.

During the course of its normal business operations, Gecina made certain commitments to be fulfilled within a maximum of ten years, which do not appear in the table of commitments given because their cost is not yet known. Based on the assessments of the Group and its advisers, there are currently no commitments likely to be called and which would materially impact Gecina's earnings or financial position.

5.5.5.18 Recognition of financial assets and liabilities

In thousand euros	Assets/ liabilities valued at fair value through the income statement	Assets/ liabilities held to maturity	Loans and receivables	Liabilities at amortized cost	Historic cost(1)	Fair value through other comprehensive income	Total	Fair value
Financial fixed assets	0	180	15,274	0	0	37,118	52,572	52,572
Equity-accounted investments	0	0	0	0	98,735	0	98,735	98,735
Cash	652,905	0	0	0	0	0	652,905	652,905
Financial instruments(2)	258,934	0	0	0	0	0	258,934	258,934
Other assets	0	0	0	0	160,877	0	160,877	160,877
FINANCIAL ASSETS	**911,840**	**180**	**15,274**	**0**	**259,611**	**37,118**	**1,224,023**	**1,224,023**
Financial debt(3)	0	1,369,682	0	5,586,618	0	0	6,956,300	6,163,920
Financial instruments(2)	143,238	0	0	0	0	0	143,238	143,238
Other liabilities	0	0	0	0	641,662	0	641,662	641,662
FINANCIAL LIABILITIES	**143,238**	**1,369,682**	**0**	**5,586,618**	**641,662**	**0**	**7,741,201**	**6,948,821**

(1) Due to the short-term nature of these receivables and debts, the book value represents a good estimate of fair value, as the discount effect is immaterial.
(2) According to IFRS 7 and IFRS 13, the fair value of the financial instruments is classified as level 2, which means that the valuation is based on observable market data.
(3) See Note 5.5.5.11.1.

5.5.6 NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

5.5.6.1 Gross rental income

The revenue analysis by segment is detailed in Note 5.5.8.

Minimum future rents receivable until the next possible termination date under the operating leases of commercial properties are as follows:

In thousand euros	06/30/2023	06/30/2022
Less than 1 year	484,398	436,713
1 to 5 years	1,143,920	986,546
Over 5 years	463,008	277,977
TOTAL	**2,091,326**	**1,701,235**

5.5.6.2 Direct operating expenses

Property expenses largely comprise:

- rental expenses, including expenses related to building staff as well as local taxes;
- expenses related to non-capitalizable work, property management and any disputes;
- cost of rental risk consisting of net impairments plus the amount of losses and profits on unrecoverable receivables for the period.

Net direct operating expenses primarily represent non-rechargeable property expenses by type, the share of rental expenses not billed to tenants due to vacancy, and the cost of rental risk.

Recharges to tenants include works invoiced to tenants deferred over the term of the lease.

In thousand euros	06/30/2023	06/30/2022
External purchases and services	(64,541)	(56,073)
Taxes and other payables	(78,046)	(65,586)
Salaries and benefits	(2,502)	(2,228)
Cost of rental risk	(1,875)	(528)
PROPERTY EXPENSES	**(146,964)**	**(124,414)**
RECHARGES TO TENANTS	**103,527**	**84,351**
NET DIRECT OPERATING EXPENSES	**(43,437)**	**(40,063)**

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5.5.6.3 Operating income from finance leases and hotel activities

In thousand euros	06/30/2023	06/30/2022
Financial fees and other income on finance lease transactions	5,892	8,295
Operating expenses	(5,186)	(7,269)
CURRENT OPERATING INCOME ON FINANCE LEASE TRANSACTIONS	**707**	**1,026**
Hotel operating income	2,492	2,270
Hotel operating expenses	(1,802)	(1,498)
Depreciation of the hotel activity	(381)	(386)
CURRENT OPERATING INCOME ON THE HOTEL ACTIVITY	**309**	**387**

5.5.6.4 Services and other income (net)

These largely comprise the following items:

In thousand euros	06/30/2023	06/30/2022
Income from service activities	150	221
Reversals of investment subsidies	43	45
Other income (net)	1,747	1,005
SERVICES AND OTHER INCOME (NET)	**1,940**	**1,271**

5.5.6.5 Overheads

Overheads break down as follows:

In thousand euros	06/30/2023	06/30/2022
Salaries and benefits	(35,459)	(33,240)
Internal costs	4,200	2,997
Share-based payments	(2,169)	(1,725)
Net management costs	(10,433)	(10,975)
Invoicing of fees for rental and technical management	3,696	3,341
OVERHEADS	**(40,165)**	**(39,602)**

Salaries and benefits relate to the Company's staff, with the exception of building staff included in property expenses.

Depending on their nature, certain salaries and fringe benefits and management fees are reclassified in a total amount of €4.2 million as at June 30, 2023 (internal costs). Expenses attributable to disposals are recorded under gains or losses on disposal, those attributable to projects under development and marketing actions are recognized as fixed assets.

Share-based payments concern performance shares (see Note 5.5.9.4) and are booked in accordance with IFRS 2 (see Note 5.5.3.8).

Management costs primarily include fees paid by the Company and head office operating costs.

5.5.6.6 Gains or losses on disposals

Disposals represented:

In thousand euros	06/30/2023	06/30/2022
Block sales	986,337	100,058
Unit sales	9,521	6,333
PROCEEDS FROM DISPOSALS	**995,858**	**106,391**
Block sales	(900,067)	(92,923)
Unit sales	(8,423)	(5,366)
NET BOOK VALUE	**(908,490)**	**(98,289)**
Block sales	(1,728)	(1,178)
Unit sales	(748)	(539)
COST OF SALES	**(2,476)**	**(1,718)**
SHARE OF GOODWILL	**(8,360)**	**(1,444)**
GAINS OR LOSSES ON DISPOSALS	**76,533**	**4,940**

Gains and losses on disposal amount to €76.5 million, including -€8.4 million for the share of goodwill written back with respect to the assets transferred within the Offices CGU.

Salaries and benefits and management costs reclassified as a result of disposal to internal costs are €1.1 million at June 30, 2023, compared with €0.7 million at June 30, 2022.

5.5.6.7 Change in value of properties

Changes in the fair value of the property portfolio break down as follows:

In thousand euros	12/31/2022	06/30/2023	Change
Investment properties	18,131,208	16,628,900	
Changes in consolidation scope	(1,124,191)	(326,290)	
INVESTMENT PROPERTIES ON A COMPARABLE BASIS	**17,007,017**	**16,302,610**	**(704,406)**
Capitalized works on investment properties			(48,119)
Capitalized salaries and fringe benefits on investment properties			(2,244)
Linearization of commercial benefits			(16,821)
Other capitalized charges on investment properties[1]			(3,283)
CHANGE IN VALUE OF INVESTMENT PROPERTIES ON A COMPARABLE BASIS			**(774,875)**
Change in value of buildings under reconstruction or acquired			(86,608)
Change in value of properties for sale			(1,446)
CHANGE IN VALUE OF PROPERTIES			**(862,929)**

(1) Mainly costs incurred for entering into leases and eviction allowances.

Pursuant to IFRS 13 (see Note 5.5.3.1.1), the tables below break down, by activity sector, the ranges of the main unobservable inputs (level 3) used by property appraisers:

Commercial sector	Yield rate	DCF discount rate	Market rental value *(in euros/sq.m)*
Paris CBD	2.95% - 3.70%	4.15% - 5.25%	€600 - 1,000/sq.m
Paris non-CBD	2.95% - 4.90%	3.75% - 6.25%	€270 - 975/sq.m
PARIS	**2.95% - 4.90%**	**3.75% - 6.25%**	**€270 - 1,000/sq.m**
Inner Rim	3.75% - 13,00%	5.10% - 8.00%	€130 - 680/sq.m
Outer Rim	10.00% - 10.00%	10.95% - 10.95%	€75 - 135/sq.m
PARIS REGION	**3.75% - 13.00%**	**5.10% - 10.95%**	**€75 - 680/sq.m**
Rest of France	4.60% - 4.85%	5.25% - 5.75%	€215 - 290/sq.m
COMMERCIAL	**2.95% - 13.00%**	**3.75% - 10.95%**	**€75 - 1,000/sq.m**

Traditional Residential	Yield rate	DCF discount rate	Unit sale price *(in euros/sq.m)*
Paris	2.50% - 3.30%	3.25% - 4.40%	€8,460- 14,900sq.m
Inner Rim	3.25% - 3.75%	4.05% - 4.60%	€4,290 - 8,580sq.m
TRADITIONAL RESIDENTIAL	**2.50% - 3.75%**	**3.25% - 4.60%**	**€4,290 -14,900/sq.m**

Student Residences	Yield rate	DCF discount rate
Paris	3.00% - 3.00%	4.00% - 4.00%
Paris Region	4.00% - 4.50%	4.50% - 5.00%
Rest of France	4.25% - 4.75%	4.75% - 5.50%
STUDENT RESIDENCES	**3.00% - 4.75%**	**4.00% - 5.50%**

Sensitivity to changes in capitalization rates

An unfavorable situation on the real estate market could have a negative impact on the valuation of Gecina's property portfolio and its operating income. All other things being equal, a downturn in the real estate market, resulting in an increase of 100 basis points (+1.0%) in capitalization rates, could result in a decrease of approximately 17.6% in the appraised value of Gecina's property portfolio (on the assumption that such a downturn would affect all the different segments of Gecina's real estate business) representing around €3,238 million based on the block valuation of the assets at June 30, 2023, and would also have an unfavorable impact on Gecina's consolidated earnings.

Change in capitalization rate	Valuation of assets *(in million euros)*	Change in assets *(in %)*	Impact on consolidated income *(in million euros)*
ALL SECTORS[1]			
+1.00%	15,203	–17.6%	(3,238)
+0.50%	16,664	–9.6%	(1,778)
+0.25%	17,507	–5.1%	(935)
OFFICES			
+1.00%	12,198	–16.6%	(2,434)
+0.50%	13,304	–9.1%	(1,327)
+0.25%	13,937	–4.8%	(695)
TRADITIONAL RESIDENTIAL			
+1.00%	2,662	–21.7%	(740)
+0.50%	2,987	–12.2%	(415)
+0.25%	3,181	–6.5%	(221)
STUDENT RESIDENCES			
+1.00%	335	–16.1%	(64)
+0.50%	364	–8.7%	(35)
+0.25%	381	–4.6%	(18)

(1) Except finance leases.

5.5.6.8 Net financial expenses

In thousand euros	06/30/2023	06/30/2022
Interest and charges on loans (including undrawn credit lines)	(75,398)	(45,710)
Other financial expenses (including loan termination costs)	0	(3,957)
Losses from translation differentials	(34)	(83)
Capitalized interests	4,027	2,602
Interest on lease obligations	(748)	(755)
FINANCIAL EXPENSES	**(72,153)**	**(47,903)**
Interest income on hedging instruments	19,736	5,877
Interest on bank deposits	4,885	0
Other financial income	5	3
Foreign exchange gains	2	0
FINANCIAL INCOME	**24,629**	**5,881**
NET FINANCIAL EXPENSES	**(47,524)**	**(42,023)**

The average cost of the drawn debt amounted to 1.1% in the first half of 2023.

5.5.6.9 Change in value of financial instruments

Net valuation of financial instruments decreased by €12 million over the period.

Based on the existing hedging portfolio and the anticipated debt in 2023:

- a 0.5% increase in the yield curve compared to that of June 30, 2023 would generate an additional financial expense of +€0.1 million in 2023, as well as a change in fair value of the derivatives portfolio recognized in income of +€9 million;
- a 0.5% decrease in the yield curve compared to that of June 30, 2023 would lead to a drop in financial expenses in 2023 of -€0.1 million, as well as a change in fair value of -€8 million.

The Group holds all financial instruments to hedge its debt. None of them are held for speculative purposes.

5.5.6.10 Taxes

In thousand euros	06/30/2023	06/30/2022
Contribution on the value added of companies[1]	(763)	(1,592)
Corporate income tax	0	(11)
RECURRENT TAX	**(763)**	**(1,602)**
Corporate income tax	0	44
NON-RECURRENT TAX	**0**	**44**
TAXES	**(763)**	**(1,558)**

(1) The Contribution on the value added of companies (Cotisation sur la valeur ajoutée des entreprises – CVAE) is considered as income tax, whereas the business real estate tax (Cotisation foncière des entreprises – CFE), which mainly pertains to the corporate head office, is recognized under overheads.

The SIIC regime is a tax transparency regime which defers the payment of tax to the shareholder through the dividends they receive that result from a distribution obligation for the Company subject to the SIIC regime (see Note 5.5.3.14.2).

Reconciliation of the tax expense and the theoretical tax

IAS 12 "Income taxes" requires the reconciliation of the booked tax charge with the theoretical tax charge (equal to the multiplication of pre-tax income with the theoretical tax rate defined below):

- the theoretical tax rate of 25.8% corresponds to the ordinary tax rate of 25% and to the corporate income tax social contribution of 3.3%;
- the effective tax presented covers corporate income tax and the CVAE, excluding all other taxes, local taxes and royalties.

In thousand euros	06/30/2023	06/30/2022
Consolidated net income	(608,867)	562,075
Tax expense including CVAE	**763**	**1,558**
Pre-tax income	(608,104)	563,634
Theoretical tax in %	25.80%	25.80%
Theoretical tax in value	**(156,891)**	**145,417**
DIFFERENCE BETWEEN TAX EXPENSE AND THEORETICAL TAX	**157,654**	**(143,859)**
Impact on theoretical tax:		
▸ Impact of SIIC regime related to the change in value of properties	222,576	(93,629)
▸ Impact of SIIC regime related to the other items of net income	(67,663)	(51,834)
▸ Impact of permanent and timing differences	(251)	405
▸ Companies taxed abroad	(103)	20
▸ Equity-accounted investments	2,332	(412)
▸ Contribution on the value added of companies	763	1,592

5.5.6.11 Earnings per share

Earnings per share are calculated by dividing net income attributable to shareholders by the weighted average number of ordinary shares in circulation during the year.

Diluted earnings per share are calculated by dividing net income for the year attributable to shareholders by the weighted average number of ordinary shares outstanding during the year, adjusted for the impact of equity instruments to be issued when the issue conditions are met and the dilutive effect of the benefits granted to employees through the allocation of stock options and performance shares.

In accordance with IAS 33 "Earnings per share", the amounts per share for the previous financial period were restated retroactively, where applicable, to take the new shares created over the financial period into account.

	06/30/2023	06/30/2022
Earnings attributable to owners of the parent company *(in thousand euros)*	(607,382)	562,836
Weighted average number of shares before dilution	73,832,958	73,752,206
UNDILUTED EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY *(in euros)*	**(8.23)**	**7.63**
Earnings attributable to owners of the parent company, after the effect of dilutive securities *(in thousand euros)*	(607,382)	562,836
Weighted average number of shares after dilution	74,057,311	73,931,964
DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY *(in euros)*	**(8.20)**	**7.61**

	06/30/2023	06/30/2022
Earnings attributable to owners of the parent company before dilution *(in thousand euros)*	(607,382)	562,836
Impact of dilution on earnings (securities allocations effect)	0	0
DILUTED EARNINGS ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY *(in thousand euros)*	**(607,382)**	**562,836**
Weighted average number of shares before dilution	73,832,958	73,752,206
Impact of dilution on average number of shares [(1)]	224,353	179,758
WEIGHTED AVERAGE NUMBER OF SHARES AFTER DILUTION	**74,057,311**	**73,931,964**

(1) Effect of performance shares (5.5.9.4) and bonus shares

5.5.7 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

5.5.7.1 Changes in value and in bond redemption costs and premiums

The consolidated statement of comprehensive income items below are restated in the cash flow statement:

In thousand euros	Note	06/30/2023	12/31/2022	06/30/2022
Change in value of properties	5.5.6.7	(862,929)	(285,747)	362,903
Change in value of financial instruments	5.2	(11,970)	54,656	12,124
CHANGES IN VALUE AND IN BOND REDEMPTION COSTS AND PREMIUMS		**(874,898)**	**(231,091)**	**375,027**

5.5.7.2 Change in operating working capital requirements

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Customers change	30,582	5,402	23,770
Change in other receivables	3,264	12,562	16,101
Change in prepaid expenses	2,015	6,081	2,663
TOTAL BALANCE SHEET ASSETS	**35,861**	**24,045**	**42,533**
Change in tenants' security deposits	7,372	9,126	6,432
Change in trade payables	(2,256)	(7,798)	(3,839)
Change in tax and employee-related liabilities	57,389	(7,213)	40,847
Change in other debts	8,278	(5,667)	2,431
Change in deferred income	3,270	(1,221)	(98)
TOTAL BALANCE SHEET LIABILITIES	**74,052**	**(12,772)**	**45,773**
CHANGE IN OPERATING WORKING CAPITAL REQUIREMENTS	**38,191**	**(36,818)**	**3,240**

5.5.7.3 Proceeds from disposals of property, plant and equipment and intangible assets

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Block sales	986,337	116,762	99,237
Unit sales	9,521	16,845	6,333
PROCEEDS FROM DISPOSALS	**995,858**	**133,606**	**105,570**
Block sales	(1,996)	(3,006)	(1,182)
Unit sales	(748)	(1,294)	(539)
COST OF SALES	**(2,744)**	**(4,300)**	**(1,721)**
CASH INFLOW LINKED TO DISPOSALS	**993,114**	**129,306**	**103,848**

5.5.7.4 Change in working capital requirements from investing activities

In thousand euros	06/30/2023	12/31/2022	06/30/2022
Change in other receivables (fixed asset buyers)	(629)	18,307	14,267
Change in fixed asset trade payables	6,693	(244)	(10,583)
CHANGE IN WORKING CAPITAL REQUIREMENTS FROM INVESTING ACTIVITIES	**6,064**	**18,063**	**3,684**

5.5.7.5 Dividends paid to shareholders of the parent company

After paying an interim dividend of €2.65 per share on March 8, 2023, the General Meeting of April 20, 2023 approved the payment of a dividend of €5.30 per share for the 2022 financial year. The balance of €2.65 per share still owing was paid out on July 5, 2023.

For the 2021 financial year, the Group distributed a dividend per share of €5.30 for a total of €391 million.

5.5.7.6 New loans and repayments of loans

In thousand euros	**06/30/2023**	**12/31/2022**	**06/30/2022**
New loans[1]	3,686,683	6,348,796	2,478,651
Repayments of loans[1]	(3,917,947)	(6,028,067)	(2,268,053)
CHANGE IN LOANS	**(231,264)**	**320,729**	**210,598**

(1) Includes renewals of Negotiable European Commercial Paper (NEU CP) during the year.

In thousand euros	**06/30/2023**	**12/31/2022**	**06/30/2022**
Debts at year closing	6,956,300	7,227,288	7,087,434
Debts at year opening	(7,227,288)	(6,913,012)	(6,913,012)
Accrued interest at year closing	(8,831)	(51,204)	(19,479)
Accrued interest at year opening	51,204	53,483	53,483
Impact of bonds issued	(2,417)	4,600	2,455
Other changes	(233)	(426)	(282)
CHANGE IN LOANS	**(231,264)**	**320,729**	**210,598**

5.5.8 SEGMENT REPORTING

The Group operates in France (except for minimal operations in other European countries). It is structured into various business sectors, as follows:

5.5.8.1 Income statement for business sectors at June 30, 2023

In thousand euros	Commercial	Residential	Student residences	Other sectors[1]	Segments total
Rent on commercial properties	264,248	4,679	218	0	269,145
Rent on residential properties	2,385	50,894	0	0	53,278
Rent on student residences	0	0	10,509	0	10,509
GROSS RENTAL INCOME[2]	**266,633**	**55,573**	**10,726**	**0**	**332,932**
Property expenses	(117,686)	(23,912)	(5,366)	0	(146,964)
Recharges to tenants	92,313	9,276	1,938	0	103,527
NET RENTAL INCOME	**241,260**	**40,937**	**7,298**	**0**	**289,495**
% MARGIN ON RENTS	**90.5%**	**73.7%**	**68.0%**		**87.0%**
CURRENT OPERATING INCOME ON FINANCE LEASE TRANSACTIONS				**707**	**707**
CURRENT OPERATING INCOME ON THE HOTEL ACTIVITY				**309**	**309**
Services and other income (net)	2,281	(268)	(73)	0	1,940
Overheads					(40,165)
EBITDA					**252,285**
Gains or losses on disposals	72,274	4,184	0	75	76,533
Change in value of properties	(701,814)	(156,704)	(4,411)	0	(862,929)
Depreciation and amortization					(5,276)
Net impairments and provisions					(478)
OPERATING INCOME					**(539,865)**
Net financial expenses					(47,524)
Financial impairment					20
Change in value of financial instruments					(11,970)
Net income from equity-accounted investments					(8,765)
PRE-TAX INCOME					**(608,104)**
Taxes					(763)
CONSOLIDATED NET INCOME					**(608,867)**
Of which consolidated net income attributable to non-controlling interests					(1,486)
OF WHICH CONSOLIDATED NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY					**(607,382)**

Assets and liabilities by segment at June 30, 2023					
Gross portfolio	14,383,513	3,401,907	399,179	152,535	18,337,134
Of which property acquisitions	400	0	0	0	400
Of which properties for sale	8,400	162,890	0	0	171,290
Amounts due from tenants	65,636	10,723	1,054	15,709	93,121
Provisions for tenant receivables	(11,287)	(6,047)	(649)	(9,142)	(27,125)
Security deposits received from tenants	82,954	9,823	1,989	170	94,936

(1) The other business segments include finance leasing and hotel company operations.
(2) Rents are presented by type of lease agreement, while the segment analysis is based on the Group's organization.

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5.5.8.2 Income statement for business sectors at June 30, 2022

In thousand euros	Commercial	Residential	Student residences	Other sectors[1]	Segments total
Rent on commercial properties	242,468	4,377	223	0	247,068
Rent on residential properties	2,569	48,707	0	0	51,276
Rent on student residences	0	0	9,850	0	9,850
GROSS RENTAL INCOME[2]	**245,037**	**53,084**	**10,073**	**0**	**308,193**
Property expenses	(99,939)	(20,267)	(4,209)	0	(124,415)
Recharges to tenants	74,325	8,270	1,757	0	84,351
NET RENTAL INCOME	**219,423**	**41,087**	**7,621**	**0**	**268,130**
% MARGIN ON RENTS	**89.5%**	**77.4%**	**75.7%**		**87.0%**
CURRENT OPERATING INCOME ON FINANCE LEASE TRANSACTIONS				**1,026**	**1,026**
CURRENT OPERATING INCOME ON THE HOTEL ACTIVITY				**387**	**387**
Services and other income (net)	718	338	215	0	1,271
Overheads					(39,602)
EBITDA					**231,210**
Real estate margin					
Gains or losses on disposals	4,604	354	(18)	0	4,940
Change in value of properties	314,019	39,379	9,505	0	362,903
Depreciation and amortization					(4,807)
Net impairments and provisions					(860)
OPERATING INCOME					**593,387**
Net financial expenses					(42,023)
Change in value of financial instruments					266
Bond redemption costs and premiums					12,124
Net income from equity-accounted investments					(121)
PRE-TAX INCOME					**563,634**
Taxes					(1,558)
CONSOLIDATED NET INCOME					**562,075**
Of which consolidated net income attributable to non-controlling interests					(761)
OF WHICH CONSOLIDATED NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY					**562,836**

Assets and liabilities by segment at June 30, 2022					
Gross portfolio	16,142,637	3,608,189	390,573	185,640	20,327,039
Of which property acquisitions	768	15,081	0	0	15,849
Of which properties for sale	8,400	199,756	0	0	208,156
Amounts due from tenants	61,311	8,157	487	15,886	85,841
Provisions for tenant receivables	(9,419)	(6,000)	(661)	(8,789)	(24,868)
Security deposits received from tenants	73,370	9,417	1,919	164	84,871

(1) The other business segments include finance leasing and hotel company operations.
(2) Rents are presented by type of lease agreement, while the segment analysis is based on the Group's organization.

5.5.9 OTHER INFORMATION

5.5.9.1 Shareholding structure of the Group

Gecina's shareholding is structured as follows:

Breakdown of share capital and voting rights at June 30, 2023

Shareholders	Number of shares	% of share capital	% of theoretical voting rights(1)	% of exercisable voting rights(2)
Ivanhoé Cambridge	11,575,623	15.11%	15.11%	15.68%
Crédit Agricole Assurances – Predica	10,516,249	13.72%	13.72%	14.25%
Norges Bank	7,168,025	9.35%	9.35%	9.71%
Other shareholders(3)	44,570,061	58.17%	58.17%	60.36%
Treasury shares	2,793,234	3.65%	3.65%	
TOTAL	**76,623,192**	**100%**	**100%**	**100%**

(1) The calculation of percentages of voting rights takes into account all shares entitled to voting rights, including shares with restricted voting rights (treasury shares).
(2) The calculation of percentages does not include the treasury shares held by the Company which have restricted voting rights.

5.5.9.2 Related parties

Bami Newco is the subject of insolvency proceedings that commenced in June 2013. Gecina and SIF Espagne reported their receivables in the context of these bankruptcy proceedings.

Bami Newco is neither consolidated nor accounted for under the equity method by Gecina since the Group has no control or significant influence over this entity.

The liquidation plan sent to the parties in November 2015 is still in execution by the court-ordered liquidator. This plan shows a liability significantly higher than the remaining assets of Bami Newco, thereby confirming that it is unlikely for Gecina and SIF Espagne to recover their receivables, considered as subordinated debt, and which amount to a total of €38 million, fully impaired. On January 22, 2016, Gecina and SIF Espagne filed pleadings seeking a classification of fraudulent bankruptcy and liability of the de facto and de jure directors of Bami Newco and they continue to assert their rights and defend their interests in this proceeding.

5.5.9.3 Group employees

Average FTE(1)	06/30/2023	12/31/2022	06/30/2022
Managers	274	277	276
Employees and supervisors	152	162	170
Building staff	48	53	54
TOTAL	**474**	**492**	**500**

(1) Full-time equivalent, including short-term contracts.

For the first half of 2023, the number of permanent employees (average monthly number of full-time employees on permanent contracts) is 421.

5.5.9.4 Performance shares

Grant date	Vesting date	Number of shares granted	Stock price when granted	Balance at 12/31/2022	Shares acquired in 2023	Shares canceled in 2023	Balance at 06/30/2023
02/19/2020 [1]	02/20/2023	53,285	€182.00	47,370	30,410	16,960	0
02/18/2021	02/19/2024	62,350	€120.00	57,938		3,000	54,938
02/17/2022	02/18/2025	64,775	€115.50	63,075		3,400	59,675
02/15/2023	02/15/2026	105,890	€109.90			1,150	104,740

(1) On the vesting date of February 20, 2023, 30,410 treasury shares were transferred to the beneficiaries of the performance share plan of February 19, 2020.

5.5.9.5 Compensation for administrative and management bodies

Compensation for management bodies concerns Gecina's corporate officers.

In thousand euros	06/30/2023	12/31/2022
Short-term benefits	1,199	1,644
Post-employment benefits	N/A	N/A
Long-term benefits	N/A	N/A
End-of-contract benefits (ceiling for 100% of criteria)	N/A	N/A
Share-based payment	157	105

5.5.9.6 Post-balance sheet events

None.

6. Report of the Statutory Auditors

Penthemont, Paris 7

6.1 | Statutory Auditors' Review Report on the half-year financial information

(For the period from January 1, 2023 to June 30, 2023)

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

GECINA SA
14-16, rue des Capucines
75084 PARIS CEDEX 02

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting and in accordance with the requirements of article L.451-1-2 III of the French Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying half-yearly consolidated financial statements of Gecina SA, for the period from January 1, 2023 to June 30, 2023 ;
- the verification of the information presented in the half–yearly management report.

These half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly consolidated financial statements do not give a true and fair view of the assets and liabilities and of the financial position of the Group as at 30 June, 2023 and of the results of its operations for the period then ended in accordance with IFRSs as adopted by the European Union.

II. Specific verification

We have also verified the information presented in the half-yearly management report on the half-yearly consolidated financial statements subject to our review.

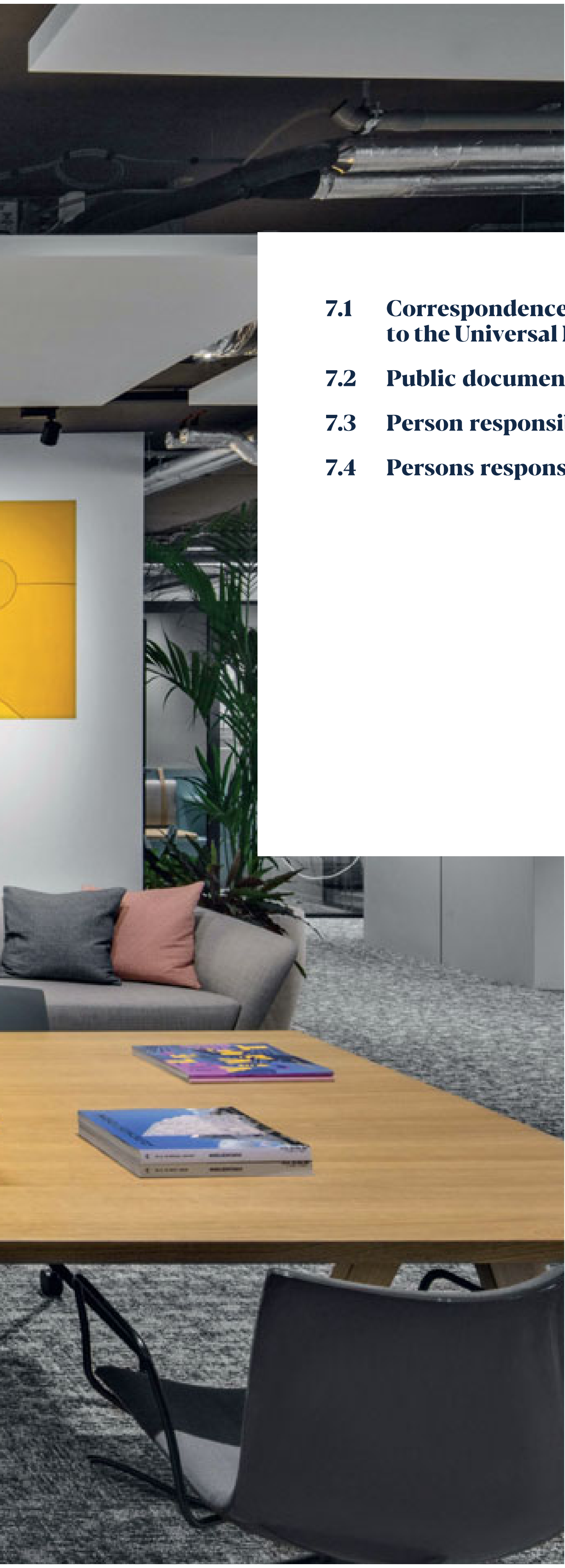
We have no matters to report as to its fair presentation and consistency with the half-yearly consolidated financial statements.

Paris-La Défense, on the 19 July 2023 and Neuilly-sur-Seine, on the 19 July 2023
The Statutory Auditors

KPMG S.A.	PricewaterhouseCoopers Audit
Xavier de Coninck	Jean-Baptiste Deschryver
Partner	*Partner*

7. Correspondence table

16 rue des Capucines, Paris 2



7.1 | Correspondence table of the Amendment to the Universal Registration Document

This correspondence table contains the headings set out in Annexes 1 and 2 of the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 and refers to the pages of the 2022 Universal Registration Document and of this Amendment to the 2022 Universal Registration Document where the information relating to each of these headings is mentioned.

Headings cited in annexes 1 and 2 of delegated regulation (EU) 2019/980 of March 14, 2019		2022 Universal Registration Document		Amendment to the 2022 Universal Registration Document	
		Sections	Pages	Sections	Pages
1	**Persons responsible, third party information, experts' reports and competent authority approval**				
1.1	Identity of the persons responsible	9.1.1; 9.1.3	316	7.3; 7.4	97
1.2	Declaration by the persons responsible	9.1.3	316	1.1	6
1.3	Declaration or report by expert	7.6	288-289		
1.4	Information from third parties	7.6	288-289		
1.5	Declaration without prior approval by the competent authority	Cover sheet	Cover sheet	Cover sheet	Cover sheet
2	**Statutory Auditors**				
2.1	Identity of Statutory Auditors	9.2.1	321	6.1	90
2.2	Any changes				
3	**Risk factors**	**Integrated report; Chapter 2**	**10-11; 74-94**		
4	**Information about the issuer**				
4.1	Legal and commercial name of the issuer	9.3.1	330	7.4	97
4.2	Place of registration of the issuer, its registration number and LEI	9.3.1	330		
4.3	Date of incorporation and length of life of the issuer	9.3.1	330		
4.4	Domicile, legal form of the issuer and applicable legislation, address and telephone number of its registered office, website with a disclaimer	9.3.1	330	7.4	97
5	**Business overview**				
5.1	Principal activities	Integrated report	13-25	3.1-3.6	14-36
5.2	Principal markets	Integrated report	5-11	3.1.2	15-17
5.3	Important events in the development of the issuer's business	Integrated report; 5.5.1	2; 217	5.5.1	53
5.4	Strategy and objectives	Integrated report; 1.1.9	5-37; 56	3.1.10	23
5.5	Issuer's dependence on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	9.3.3	336		
5.6	Competitive position	Integrated report	5-25		
5.7	Investments	Integrated report; 1.1.5; 1.1.8;	13-25; 52-53; 56	3.1.6	19-20
6	**Organizational structure**				
6.1	Brief description of the Group	5.5.2	218-222	5.5.2	53-58
6.2	List of significant subsidiaries	1.6.2; 5.5.2	71; 220-221	5.5.2	53-58
7	**Operating and financial review**				
7.1	Financial condition	Chapters 1 and 5	46-72; 208-251	Chapters 3 et 5	13-36; 45-86
7.2	Operating results	Integrated report; 1.1.4; 5.2; 5.5.8	44; 50-51; 212; 247-248	3.1.1; 5.2; 5.5.8	14-15; 48; 83-84

Headings cited in annexes 1 and 2 of delegated regulation (EU) 2019/980 of March 14, 2019		2022 Universal Registration Document		Amendment to the 2022 Universal Registration Document	
		Sections	Pages	Sections	Pages
8	**Capital resources**				
8.1	Capital resources information	5.1; 5.3	210-211; 213	5.1; 5.3	46-47; 50
8.2	Cash flows	5.4	214	5.4	50
8.3	Borrowing requirements and funding structure	1.4	63-66	3.4	30-34
8.4	Restrictions on the use of capital resources	1.4.7; 5.5.5.11.1; 6.3.4.8	64; 234; 265	3.1.7; 3.4.7 ; 5.5.5.11.1	20; 33; 70
8.5	Expected sources of funds	1.4	63-66	3.4	30-34
9	**Regulatory environment**	**9.3**	**330-336**		
10	**Trend information**	**Integrated report; 1.1**	**5-37; 48-56**	**3.1.2**	**15-17**
11	**Profit forecasts or estimates**	**1.1.9**	**56**	**3.1.10**	**23**
12	**Administrative, management and supervisory bodies and senior management**				
12.1	Board of Directors and the Executive Management team	4.1	158-186	Chapter 4	40-43
12.2	Conflicts of interest	4.1.5	184-185		
13	**Remuneration and benefits**				
13.1	Remuneration paid and benefits in kind	Integrated report; 4.2; 5.5.9.6	35; 187-206; 251	5.5.9.5	86
13.2	Amounts set aside or accrued to provide for pensions, retirement or similar benefits	5.5.5.13	236-237	5.5.5.13	72-73
14	**Board practices**				
14.1	Dates of expiration of terms of office	Integrated report; 4.1.3	33; 160-172		
14.2	Service contracts with the issuer binding members of the executive and management bodies	4.1.5; 4.1.6	184-185	5.5.9.2	85
14.3	Information on the Audit Committee and the Remuneration Committee	Integrated report; 4.1.4.4	34: 179-183	4.3	43
14.4	Statement of compliance with the applicable corporate governance regime	4.1.1	158		
14.5	Potential material impacts on the corporate governance	4.1.3	163-162		
15	**Employees**				
15.1	Number of employees and breakdown of staff	3.4.1.1: 5.5.9.4; 6.3.6.3	125-127; 251; 271	5.5.9.3	85
15.2	Shareholdings and stock options	5.5.9.5; 6.3.6.6	251; 272	5.5.9.4	86
15.3	Agreements for employee share ownership	4.1.8	186		
16	**Major shareholders**				
16.1	Shareholders holding more than 5% of the capital on the date of the Registration Document	Integrated report; 5.5.9.1	41; 249	5.5.9.1	85
16.2	Existence of different voting rights	4.3; 9.3.2.2	206; 331-332		
16.3	Control	4.3	206		
16.4	Arrangements, the operation of which may result in a change in control	4.3	206		
17	**Related party transactions**	**5.5.9.3**	**250**	**5.5.9.2**	**85**

Headings cited in annexes 1 and 2 of delegated regulation (EU) 2019/980 of March 14, 2019		2022 Universal Registration Document		Amendment to the 2022 Universal Registration Document	
		Sections	Pages	Sections	Pages
18	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**				
18.1	Historical financial information	9.1.2	316	7.2	97
18.2	Interim and other financial information				
18.3	Auditing of historical annual financial information	9.2	321-329	Chapter 6	89-90
18.4	Pro forma financial information				
18.5	Dividend policy	Integrated report; 5.5.9.2	41; 250		
18.6	Legal and arbitration proceedings	5.5.5.13	236-237	5.5.5.13	72-73
18.7	Significant change in the issuer's financial position				
19	**Additional information**				
19.1	Share capital	9.3.2.2	331-332		
19.1.1	Issued capital and number of shares	Integrated report; 6.3.6.2	42; 270-271	Chapter 2	10-11
19.1.2	Shares not representing capital				
19.1.3	Treasury shares	5.5.9.1	249	5.5.9.1; 5.5.9.4	85-86
19.1.4	Marketable securities that are convertible, exchangeable or that have warrants attached	6.3.4.3	263		
19.1.5	Acquisition rights and/or obligations attached to authorized but unissued capital	4.1.8	186		
19.1.6	Information about any capital of any member of the Group which is under option or agreed to be put under option				
19.1.7	History of share capital	6.3.6.2	270-271		
19.2	Articles of association and bylaws	9.3.2	330-336		
19.2.1	Register and corporate objects and purposes	9.3.1	330		
19.2.2	Rights, preferences and restrictions attached to each share class	9.3.2.2	331-332		
19.2.3	Statutory or other provisions that would have the effect of delaying, deferring or preventing a change of control				
20	**Material contracts**	**1.1.1**	**48-56**	**Chapter 3**	**14-36**
21	**Documents available**	**9.1.1**	**316**	**7.2**	**97**

7.2 | Public documents

This half-year financial report is available free of charge on request from the Financial Communication Department at Gecina at the following address: 16, rue des Capucines, 75002 Paris, or by telephone at +33 (0)1 40 40 50 79, or by e–mail to *actionnaire@gecina.fr*. It is also available on Gecina's website *(www.gecina.fr)*.

Other documents accessible at Gecina's head office or on its website include:

- all reports, letters and other documents, historic financial reports, evaluations and statements compiled by an appraiser at the request of the company or mentioned in the 2022 Universal Registration Document;
- the historic financial reports of the company and its subsidiaries for the two years preceding the publication of the half-year financial report.

7.3 | Person responsible for the half-year financial report

Mr. Beñat Ortega, Chief Executive Officer of Gecina (hereinafter the "company" or "Gecina").

7.4 | Persons responsible for financial communications

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