



# *Analyst Meeting*



24 july 2017



**01**

Exclusive negotiations

# Exclusive negotiations

All about the transformation



## Transformation

Initiated in 2012 following disposal of mature heritage assets located in Lyon

Positioned to become the leader in commercial real estate in France's most dynamic cities

Realized by more than 550 M€ Core and high yield investments in offices, retail and hotels

Forged by optimized partnerships, debt and disposals



## Going Further

Exclusive negotiation with Primonial  
Selling heritage assets to fuel further growth and to become a pure commercial real estate player

Exclusive negotiation with Icade  
Adding financial capabilities, combining teams with specific know-how and congruent real estate portfolios

# Exclusive negotiations

2 portfolios for 2 exclusive and linked negotiations



## Exclusive negotiations leading to disposal of heritage assets by ANF Immobilier

- ✓ 142 heritage assets in Marseille and 1 asset in Lyon
- ✓ Fixed price of 400 M€
- ✓ Discount of -17% compared to 30/06/17 appraisals



## Exclusive negotiations leading to acquisition of ANF Immobilier by Icade

- ✓ 40 remaining core assets located in Lyon, Bordeaux, Toulouse and Marseille
- ✓ Fixed price of 22,15 €/share
- ✓ Premium of +5,7% compared to 30/06/17 Triple Net NAV (considering the remaining portfolio after disposal)

# Exclusive negotiations

In order to fuel further growth



## Financing capacity

- 1) Capped by the potential disposal of heritage portfolio since LTV is within target of 45-50%
- 2) Portfolio size and continual discount on Triple net NAV compared to share price

## Cost efficiency

Sufficient portfolio size needed to take advantage of economies of scale like financing costs

Selling heritage assets to secure growth and become a commercial real estate pure player



## Ambitious business plan

based on a solid growth through new acquisitions and new developments in dynamic French major cities

Implying important financing needs to carry out the business plan, especially new developments

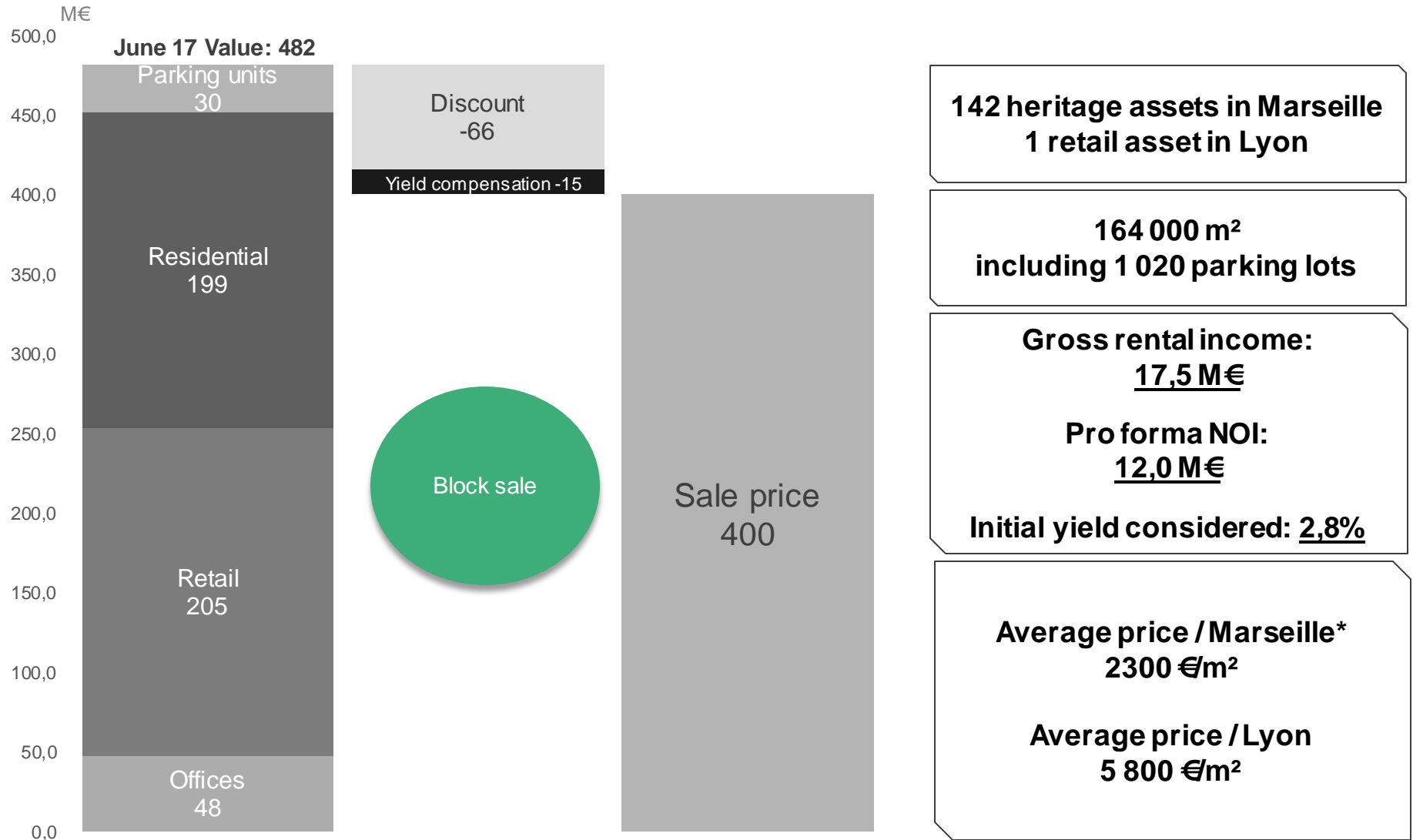


Teaming up with a major player in France, sharing the same ideas and ambition



# Exclusive negotiations

## Primonial portfolio and pricing elements



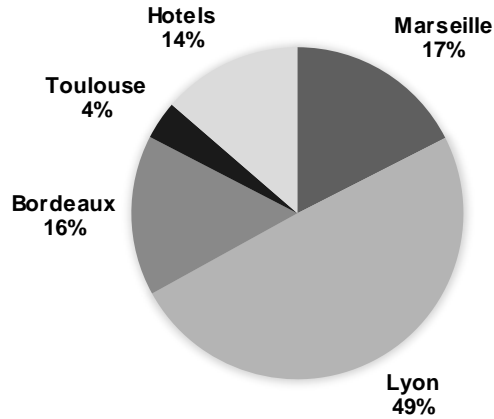
**Primonial**  
**-17% block sale discount applied to June 17 values**  
**determined by experts**



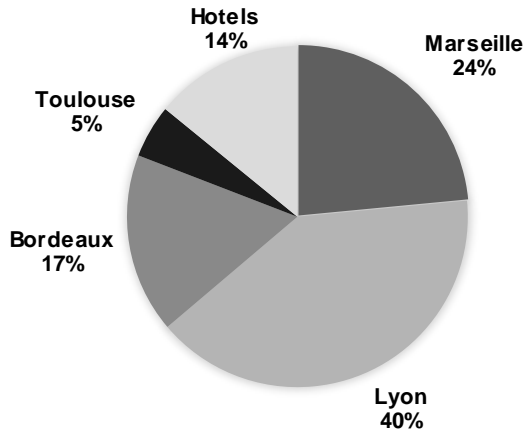
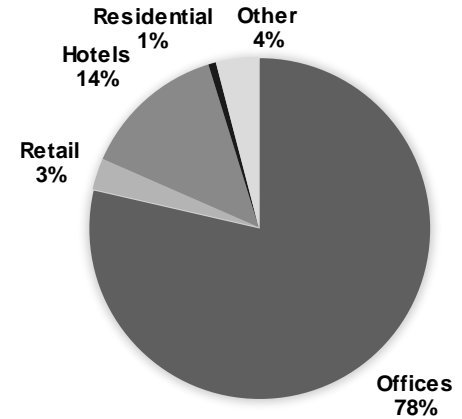
\*Yield compensation applied to Marseille

# Exclusive negotiations

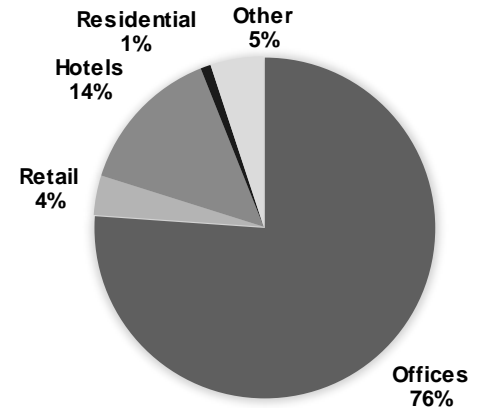
ANF Immobilier's remaining portfolio



**June 17**  
**portfolio value**  
**613,9 M€**  
**IFRS**



**June 17**  
**portfolio value**  
**457,3 M€**  
**Group Share**

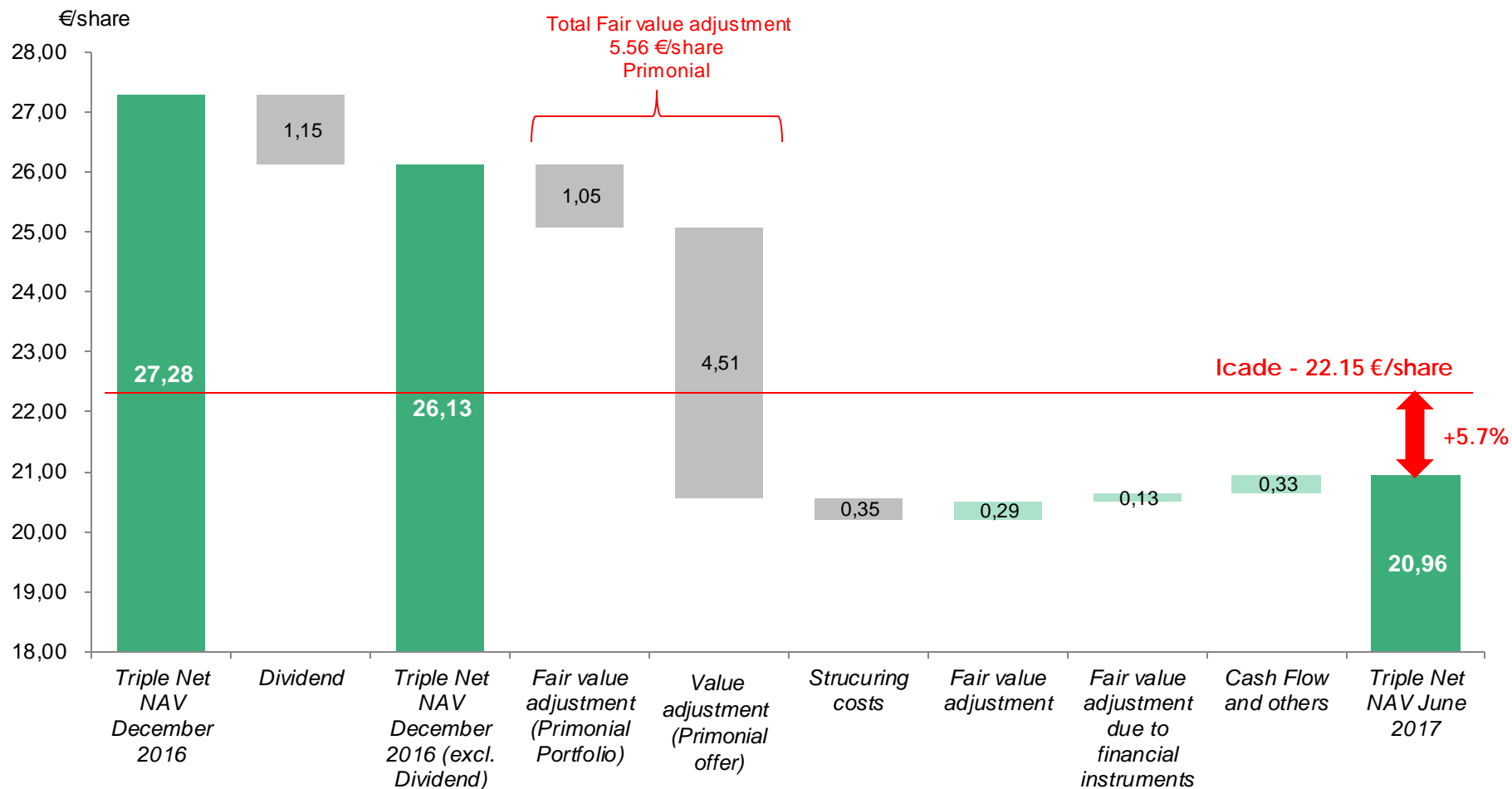


**ANF Immobilier**  
**A pure commercial real estate player**  
  
**with a balanced portfolio**  
**regarding each city's real estate market**



# Exclusive negotiations

## Icade offer compared to Triple Net Asset Value



**Icade**  
**+5.7% vs Triple Net NAV - june 2017**





# Exclusive negotiations

## Icade offer's analysis

**Creating liquidity for all shareholders**

**Resolving the continual discount**

**Offer**

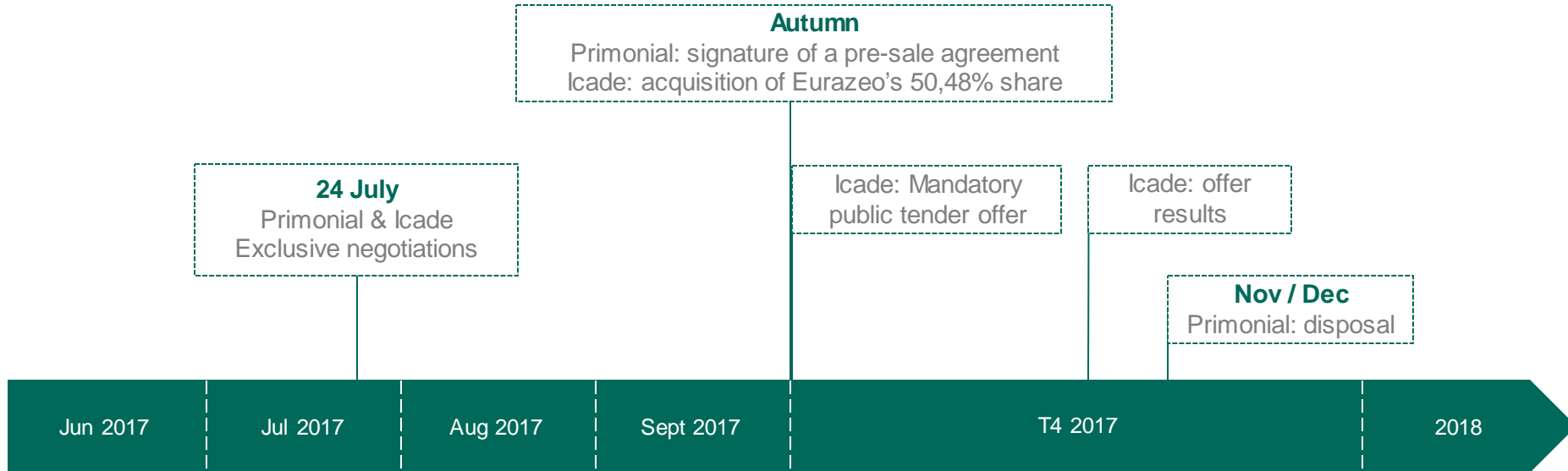
**22,15€share**

**402 M€ - 100% shares**  
*22 M€ / +5.7% premium vs Triple Net NAV 30/06/2017*



	€/share	Premium / (discount)
<b>Triple Net NAV 30/06/2017</b>	<b>20.95</b>	<b>5,7%</b>
Triple Net NAV 31/12/2016 adjusted for dividend paid	26.13	-15,2%
Stock price – Spot	21,09	5,0%
Stock price – Average 1 month	20,84	6,3%
<b>Stock price – Average 3 months</b>	<b>20,23</b>	<b>10,2%</b>
Stock price – Average 6 months	19,74	12,6%
Stock price – Average 12 months	19,70	12,9%

Source : Société, Euronext 21/07/2017 – Stock price adjusted for dividend paid (averages 3/6/12 months)



2 exclusive negotiations  
to be considered as an inseparable unit

\*This timetable is purely illustrative and is subject to changes depending on the evolution of the next steps following this entry into exclusive negotiations



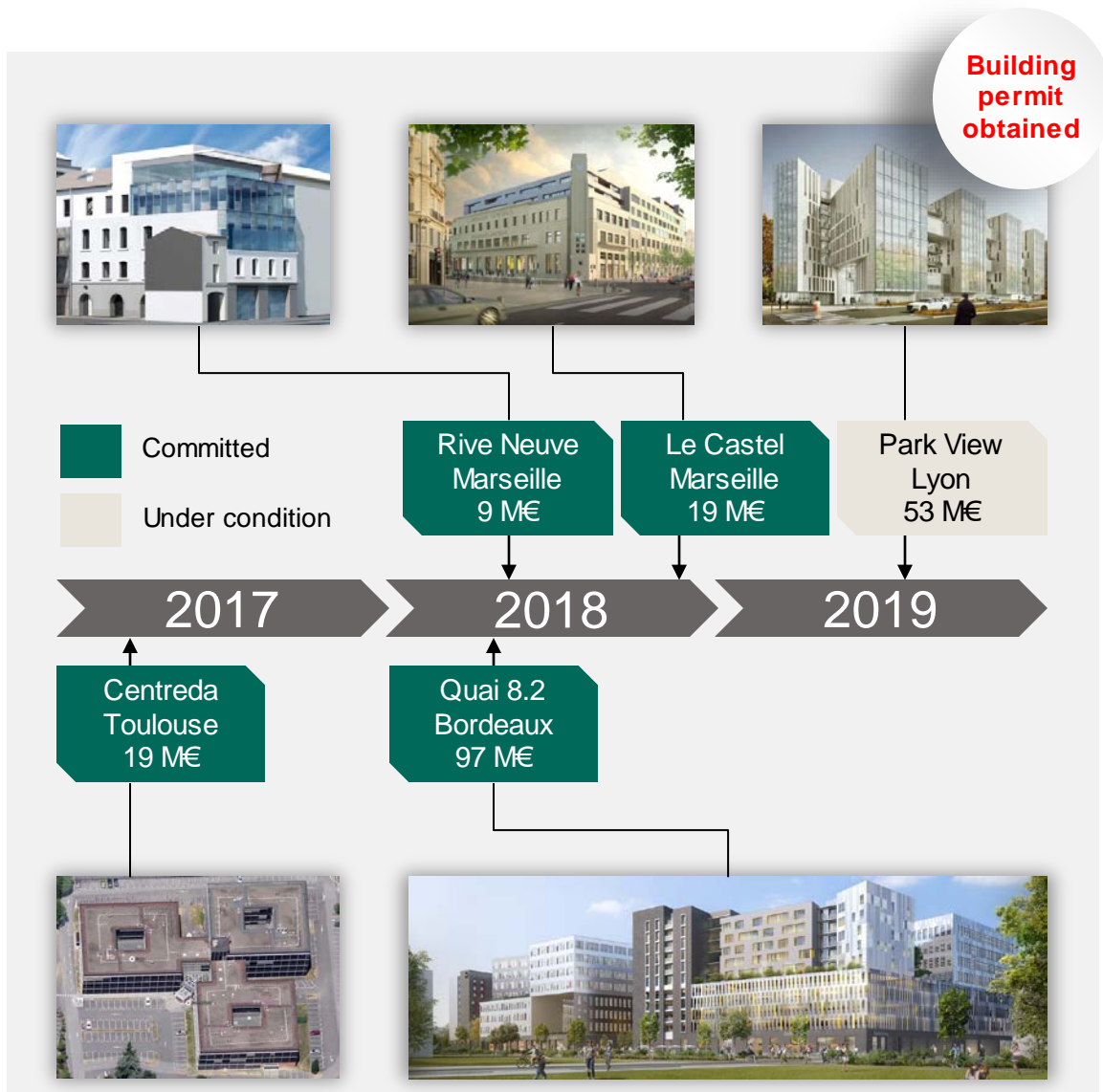
A light green diagonal bar runs from the top-left corner towards the bottom-right, partially overlapping the text.

**02**

Highlights



# Active asset management Pipeline



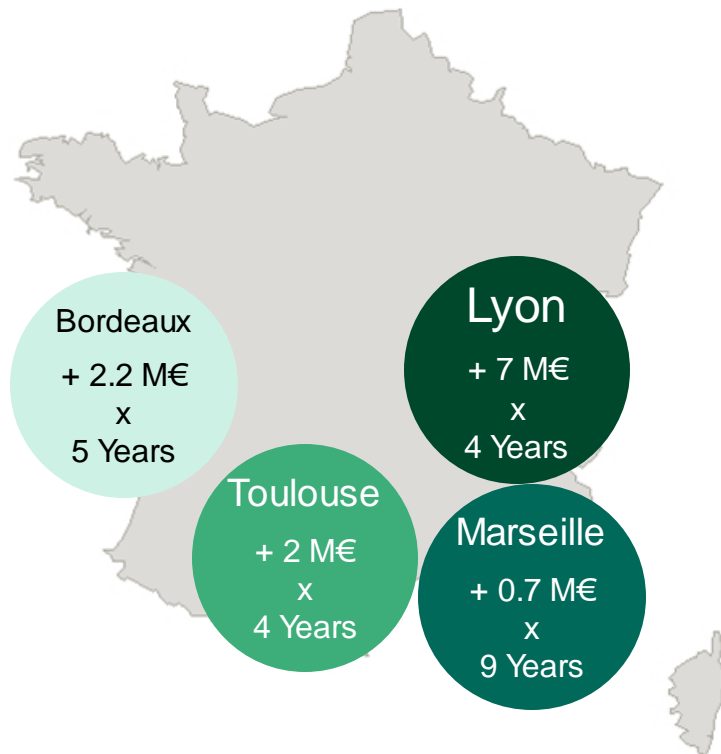
## H1 2017 Investments

- 39 M€**
- Toulouse 19 M€
- Bordeaux 16 M€
- Marseille 2 M€
- Lyon 2 M€

# Active asset management

## Rental income

### New lease contracts (H1 2017)



Marseille  
Rive Neuve

*New lease  
contract signed:  
Now Coworking*

Bordeaux  
Nautilus

*Lease duration  
extended:  
Casino*

Toulouse  
Centreda

*Lease contracts  
from new  
acquisition:  
multi tenants*

Lyon Part-Dieu  
Areva

*Lease duration  
extended :  
Areva*



**03**

Finance



## EPRA indicators - Finance

	2016	H1 2017
EPRA NNAV	27,28 €/share	20,96 €/share
EPRA NAV	28,43 €/share	21,98 €/share
Adjusted EPRA Earnings	7,90 M€	8,20 M€

# Top Line affected by Marseille difficult context



Organic Growth Impact  
= -6%

Acquisitions Impact  
= +2%

**- 5%**  
Rental Income  
(-3% Group Share)



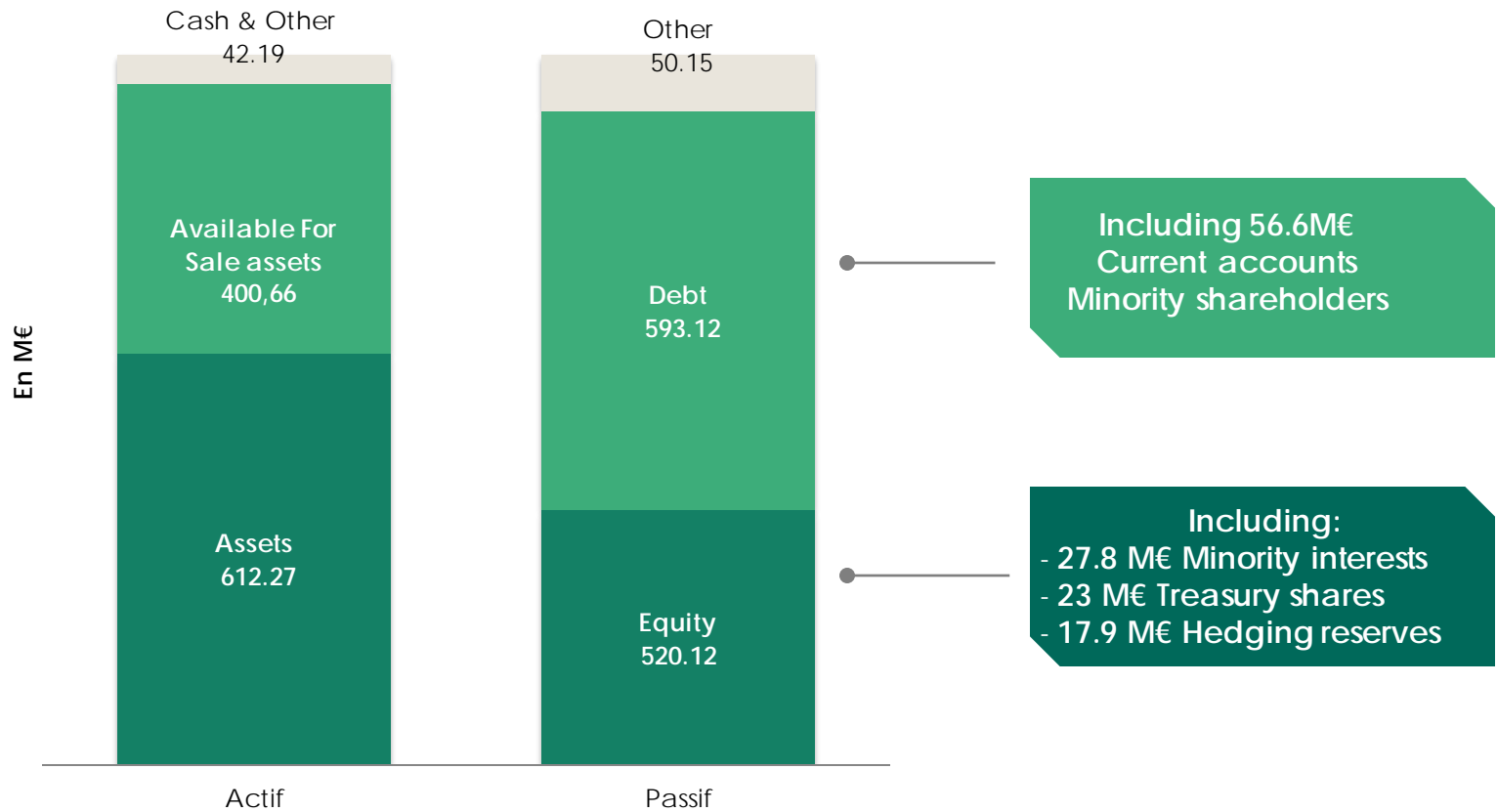


# Key figures

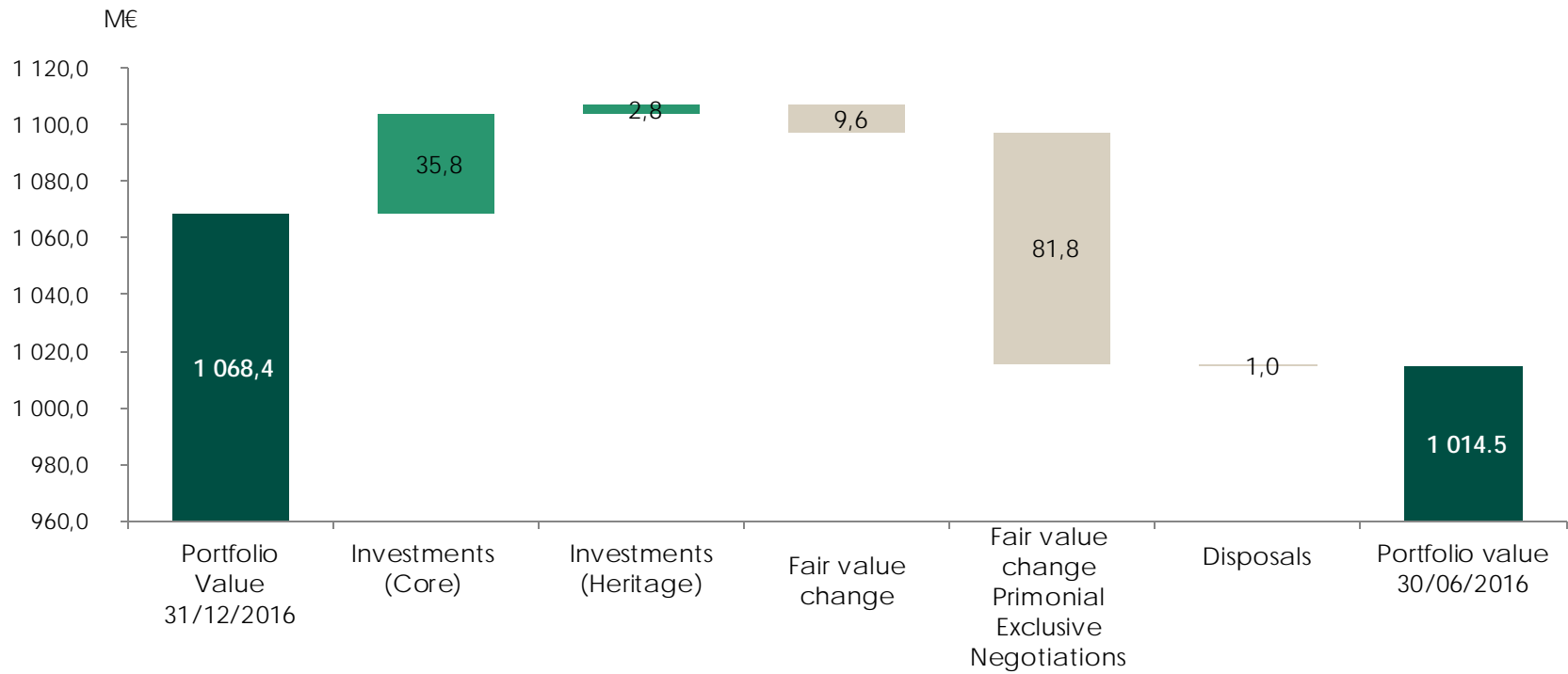
M€	30/06/2017			30/06/2016			Chg. EPRA
	EPRA	Adjustments	IFRS	EPRA	Adjustments	IFRS	
Gross rental income	24,4	-	24,4	25,8	-	25,8	-5,4%
Net operating expenses	- 2,6	1,3	-3,8	- 2,5	0,8	- 3,3	
<b>Net rental income</b>	<b>21,8</b>	<b>1,3</b>	<b>20,6</b>	<b>23,3</b>	<b>0,8</b>	<b>22,5</b>	-6,2%
<i>margin</i>	89,5%		84,4%	90,2%		87,3%	
Administrative expenses	- 5,7	4,1	- 9,8	- 5,7		- 5,7	
<b>EBITDA</b>	<b>16,1</b>	<b>5,3</b>	<b>10,8</b>	<b>17,6</b>	<b>0,8</b>	<b>16,8</b>	-8,3%
<i>margin</i>	66,1%		44,3%	68,2%		65,3%	
Financial expenses	- 7,8	2,3	- 10,1	- 8,3		- 8,3	
Amortization	-	0,4	- 0,4	-	0,5	- 0,5	
Change in Fair Value	-	91,4	- 91,4	-	17,4	- 17,4	
Other	0,2	- 0,6	0,8	0,2	3,5	- 3,3	
Taxes	- 0,3		- 0,3	0,1		0,1	
Minorities' impact	- 1,7	4,5	- 6,2	- 2,8	0,3	- 3,1	
<b>Earnings, Group Share</b>	<b>6,5</b>	<b>103,4</b>	- <b>96,9</b>	<b>6,8</b>	<b>22,5</b>	- <b>15,6</b>	-4,5%
	26,7%		-397,4%	26,5%		-60,7%	
Adjustment administrative expenses (non recurrent)	0,7	- 0,7	-	-		-	
Adjustment financial expenses	1,0	- 1,0	-	1,1	1,1	-	
<b>Adjusted Earnings, Group Share</b>	<b>8,2</b>	<b>101,7</b>	- <b>96,9</b>	<b>7,9</b>	<b>23,6</b>	- <b>15,6</b>	3,6%
<b>Earning</b>	<b>8,2</b>		- <b>90,8</b>	<b>9,6</b>		- <b>12,6</b>	-14,2%
<b>Adjusted Earnings</b>	<b>9,9</b>		- <b>90,8</b>	<b>10,7</b>		- <b>12,6</b>	-7,3%

- IFRS P&L impacted by portfolio's fair value change (-9.9 M€) and Primonial exclusive negotiations
- Decrease of rental stability but slight increase of ANF Immobilier's Adjusted EPRA Earnings

# Consolidated balance sheet



# Gross Asset Value



## ACQUISITIONS

- Centreda - Toulouse
  - 2 building in Toulouse - Blagnac
  - 16 151 m<sup>2</sup> offices

## DISPOSALS

- Lyon (misc) : 1 M€

# Fair value changes and gains on disposals (excluding Primonial's negotiations)

K€	Fair Value Change IFRS	Fair Value Change (Group Share)	Comments
HOTELS	-230	-260	Stability
BORDEAUX	994	994	Slight yield decrease
LYON	10 056	7 022	Yield decrease on Silky Way, Areva, New Way and Banque de France
MARSEILLE	-25 677	-25 677	
PROJECTS	892	79	
	<b>-9 939</b>	<b>-13 812</b>	

Disposals Capital gain in K€	IFRS
Total	316

Additional impact of Primonial's negotiations :

- Discount : 66,4 M€
- Yield compensation : 15,4 M €

# Debt: ratios and cost

Ratio	Main debt covenants	30/06/2017	31/12/2016
ICR	Min 2	2.14	2.80
LTV	Max 55%	47%	42%





**04**

Conclusion



# Accomplishing the transformation with two major French real estate players





[investorrelations@anf-immobilier.com](mailto:investorrelations@anf-immobilier.com)