

Press release

Paris, 1 December 2016

Profit for the first half of FY 2016-17

- Real estate portfolio valued at €275.8 million (excluding duties)
- Gross rental income: €4.1 million (six months)
- Consolidated net profit: +€4.8 million
- Shareholders' equity: €8.6 million
- EPRA NAV per share (diluted): €0.86

New leases signed, vacancy rate cut

Since 1 April 2016, Officiis Properties (previously Züblin Immobilière France) and its subsidiaries have signed eight new leases for the Newtime and Imagine buildings, representing a combined total of 5,372 sq.m and €2.6 million of gross rent.

At 30 September 2016, the occupancy rate came to 63%, up 20% from 30 September 2015 (43%). This occupancy rate will increase to 72%¹, in the second half of FY 2016-17 as the leases that have already been signed with effective dates after 30 September 2016 come into force.

Excluding the Think building, which is undergoing major renovation work, the operational portfolio is expected to report an occupancy rate of 84%¹ at the end of FY 2016-17.

Rental income and portfolio value growth

At 30 September 2016, the independent appraiser (JLL) estimated the overall portfolio's rental market value at €18.5 million, with a value including transfer duties of €283 million and a yield of 6.5%. JLL estimates the value excluding duties at €275.8 million, up €13.9 million from 31 March 2016.

Gross rental income for the first half of the year climbed to €4.1 million at 30 September 2016, up from €2.7 million at 30 September 2015. This significant growth reflects the major progress made with letting renovated space in the Imagine and Newtime buildings.

Operating and financial costs down

Operating costs totalled €1.3 million at 30 September 2016, significantly lower than the first half of the previous year, which had been affected by non-recurring costs linked to the Company's shareholder and financial restructuring on 31 July 2015.

Financial costs came to €7.5 million for the first six months of FY 2016-17, down from €13.2 million for the first half of 2015-16. In particular, this development factors in the lower level of bank borrowings and their interest rates. In addition, a €3.2 million non-recurring expense

¹ Continued application of existing leases and renewal of lease with the City of Marseille

was recorded in the previous year's half-year accounts when the new mortgage financing line was set up with the bank Helaba (unwinding of rate swaps).

Building a sustainable financial position

The maturity of the non-banking loan granted by the company TwentyTwo Credit 1, S.à.r.l, which was scheduled for 31 December 2016, has been aligned with the bank loans maturing on 31 July 2020.

Alongside this, the company REOF Holding S.à.r.l, which holds 50.1% of the Company's capital, has agreed to grant a €9.5 million shareholder advance to the Company, including €6 million to finance the renovation work underway on the Think building. The terms and conditions for this advance are identical to the new terms and conditions of the non-banking loan from TwentyTwo Credit 1, particularly its maturity (31 July 2020) and interest rate (14%).

The Company and its subsidiary Officiis Properties Paris Ouest 1 (previously Züblin Immobilière Paris Ouest 1) have signed an amendment to the mortgage agreement with the bank Helaba to increase the credit line for financing the Think building's renovation work from €6 million to €12 million.

Mortgage borrowing at 30 September 2016, net of cash and cash reserves, represents 44.7% of the net value of the Company's portfolio.

Total consolidated debt level (including non-banking loans and convertible bonds) is still very high, representing 94% of the Company's net portfolio value (vs. 96% at 31 March 2016).

The Company's consolidated shareholders' equity represented €8.6 million at 30 September 2016 (€4.3 million at 31 March 2016).

The Company's diluted net asset value per share represents €0.86 (€0.73 at 31 March 2016). On a non-diluted basis, it is negative (€1.38).

The Company's statutory shareholders' equity is still negative.

Outlook

In an office rental market environment that is stabilising in the Paris Region, Officiis Properties, with assistance from the teams at Scaprim Asset Management, which the Company has entrusted with its portfolio's asset management, is actively continuing to let the last remaining vacant spaces in its assets located in Neuilly-sur-Seine, alongside the major renovation of the Think building.

The results for FY 2016-17 and 2017-18 will be impacted by financial vacancies, while the rental discounts granted to the new tenants will continue to affect the Company's cash position.

Key figures for the first half of FY 2016-17

<i>In € million</i>	30.09.2016	30.09.2015
Profit and loss statement		
Net rental income	2.8	0.6
Operating costs	(1.3)	(2.9)
Income from disposal of investment property	0.0	0.0
Assets valuation adjustment	10.8	0.5
Net operating income	12.3	(1.8)
Financial income	0.0	0.0
Net result on financial liabilities at fair value from the statement of comprehensive income	0.0	1.0
Interest expenses	(7.5)	(13.2)
Net consolidated result	4.8	(14.0)
<i>In € million</i>	30.09.2016	31.03.2016
Balance sheet		
Investment properties	275.8	261.9
Properties held for sale	0.0	0.0
Other assets	12.2	15.0
Total Assets	288.0	276.9
Shareholders' equity	8.6	4.3
Non current liabilities	270.6	156.6
Current liabilities	8.8	116.0
Total Liabilities	288.0	276.9
Key figures per share	30.09.2016	31.03.2016
EPRA liquidation NAV (diluted basis)	0.86 €	0.73 €
Operating cash-flow (diluted basis)	(0.18) €	(0.79) €

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About Officiis Properties

Officiis Properties (previously Züblin Immobilière France) is a listed property company that opted for SIIC status, which invests in office properties. Its real estate portfolio consists of five office buildings in the Paris region and Marseille.

Shares of Officiis Properties trade on compartment C of Euronext Paris market of Nyse Euronext - ISIN: FR0010298901