



# 2019 Interim Results Presentation



29 JULY 2019



# Overview

**1 Introduction & Property Portfolio at 30 June 2019**

**2 First-Half 2019 Rental Activity**

**3 Property Transactions**

**4 First-Half 2019 Financial Statements & Results**

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# 1

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## **Introduction & Property Portfolio at 30 June 2019**

# 1 First-Half 2019 Highlights

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## LETTING ACTIVITY

- Leases signed on 24,100 sq.m. during the period
- ≈ €19m of additional rental income per year
- Average non-cancellable period: 8.8 years
- Average nominal rent: €778/sq.m. excl. tax (offices)



## DEVELOPMENT

- Louvre Saint-Honoré (18,700 sq.m.)
  - Taken up in full by Richemont under a turnkey lease, subject to conditions precedent
  - Building permit obtained for the project for the Cartier Foundation's modern art gallery (Richemont Group) (March 2019)
- Biome (formerly 112 Zola) (24,500 sq.m.)
  - Site preparation and asbestos removal work completed
  - Modified building permit obtained (July 2019)
- 83 Marceau (formerly 96 léna) (9,600 sq.m.)
  - Site preparation and asbestos removal work completed
  - Works contract signed and construction phase launched (delivery Q2 2021)
  - Marketing and letting programme launched



## FINANCING

- New €390m syndicated line of credit expiring June 2024
- Average cost of debt: 1.4%

# 1 Key Indicators



## Profit and Loss Account

- Rental income: **€97.9m** (up 1.9%) (up 3.6% like-for-like)
- EPRA earnings: **€57.2m** (up 10.6%)
- Attributable net profit: **€253.5m** (up +26.7%)

## Statement of Financial Position

- Portfolio value (excl. transfer costs): **€6,823m** (up 3.9%)
- EPRA NNNAV: **€4,104m** (up 2.2%) (up 7.1% over 12 months)  
representing **€88.2/share**

## Business indicators

- Average nominal rent (offices): **€658/sq.m./year**
- Average lease maturity: **5.4 years**
- Physical occupancy rate: **97.5%**
- EPRA vacancy rate: **1.7%**

## Debt

- Average maturity: **4.2 years**
- Average spot cost: **1.4%**
- Loan-to-value: **24.2%**
- Interest cover: **6.3x**

# 1 EPRA Performance Indicators



	H1 2019	H1 2018
EPRA Earnings / share	€57.2m 1.23 €	€51.7m €1.11
EPRA Cost ratio (incl. Vacancy costs)	13.2%	14.7%
EPRA Cost ratio (excl. Vacancy costs)	12.5%	13.8%



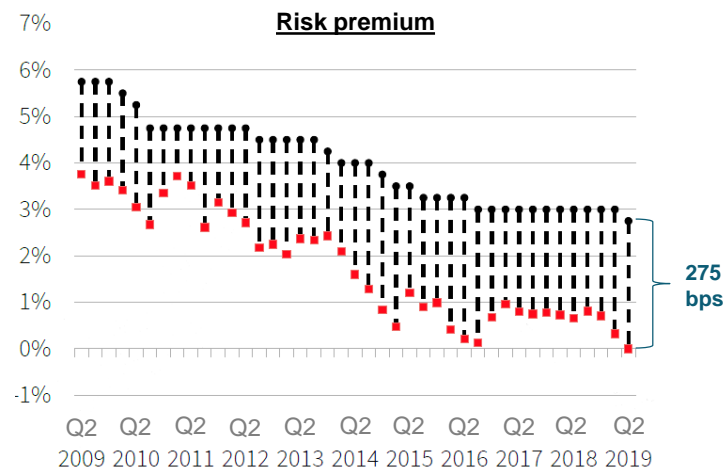
	30 June 2019	31 Dec. 2018
EPRA NAV / share	€4,282m €92.0	€4,142m €89.0
EPRA NNAV / share	€4,104m €88.2	€4,017m €86.3
EPRA Net Initial Yield	2.9%	2.8%
EPRA « topped-up » Net Initial Yield	3.1%	3.2%
EPRA Vacancy rate	1.7%	1.6%

# 1 Paris Region Investment Market in First-Half 2019

## One of the most dynamic six-month periods of the last ten years

- **Total Paris region investment volume in H1 2019: €9.9bn**, up 5% over one year
  - *This figure is up 88% compared to the ten-year average and 37% compared to the five-year average*
- **€8.8bn of investments (89%) concerned office properties**, while the share of retail properties halved in the space of a year to just 4% of the total
- The market for very large transactions remained extremely dynamic, with **deals in excess of €100m accounting for 67% of total investment volume**
- The market for **properties valued at less than €50m** attracted over €2.3bn of investments. However, transactions in the €50m to €100m bracket were down 11%
- **Paris was more than ever at the vanguard of the region's market**, with **€5.5bn** invested in total, including two deals in excess of €1bn (see Lumière and Terreïs below)
- Transactions in the **La Défense** district totalled a respectable €814m, but the number of deals in progress point to **a record year**

- Participation of foreign investors down slightly, at 32% vs. 41% in H1 2018; **Korean investors were big players, accounting for 11% of investments**
- Under pressure from the **negative OAT rate (-0.004%)** the **prime yield**, which had been stable since 2016, **declined to 2.75%**, representing what is still a **very attractive risk premium of 275bps**



Source: JLL

• Paris CBD prime yield      ■ 10-year OAT

## Examples of major transactions in H1 2019

**Lumière** (136,000 sq.m.)  
Paris 12



**4.85%**  
**€1,200m/€17,800** per sq.m.  
**Vendor:** Tishman Speyer  
**Buyer:** Primonial/Samsung SRA

**Terreïs portfolio**  
(28 assets) Paris



Around **2.70%**  
**€1,800m/€18,000** per sq.m.  
**Vendor:** Terreïs  
**Buyer:** Swiss Life AM

**Louvre 4.0** (9,300 sq.m.)  
Paris 1



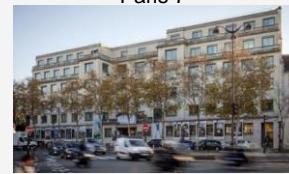
**3.15%**  
**€192m/€20,500** per sq.m.  
**Vendor:** Oreima  
**Buyer:** Union Investment

**79 Champs-Élysées**  
(10,300 sq.m.)  
Paris 8



not disclosed  
**€613m/€59,500** per sq.m.  
**Vendor:** Groupama  
**Buyer:** Norges Bank

**Carré Invalides**  
(17,600 sq.m.)  
Paris 7



n/a  
**€176m/€10,000** per sq.m.  
**Vendor:** Région IDF  
**Buyer:** AG2R La Mondiale

**37/39 Trudaine** (7,300 sq.m.)  
Paris 9



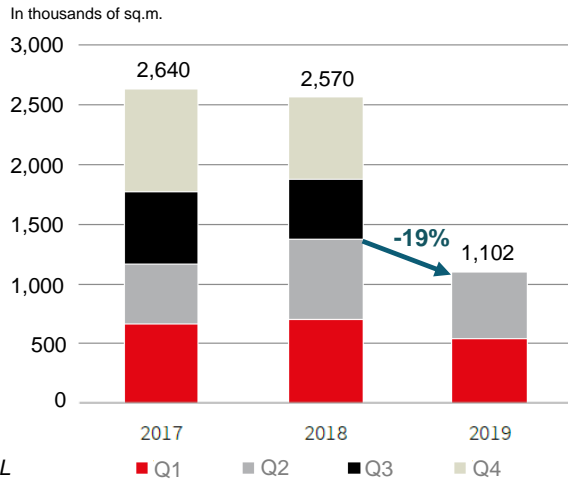
**3.15%**  
**€150m/€20,300** per sq.m.  
**Vendor:** Nacarat/Finapar  
**Buyer:** Amundi

# 1 Paris Region Rental Market in First-Half 2019

## Completed lettings: H1 in line with the average

- Leases signed on **1.1m sq.m.** in the Paris region in H1 2019, down 19% on H1 2018 but in line with the ten-year average
- The biggest decline in volume concerned large units** (more than 5,000 sq.m.), down 41% in one year
- The rapidly expanding **coworking operators accounted for 50% of leases on more than 5,000 sq.m. units in Paris**

**Paris region completed lettings (thousands of sq.m.)**



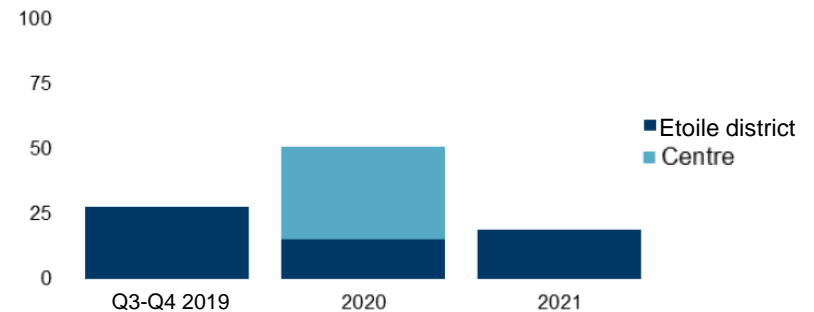
## Less supply and higher rents

- Immediately available space in the Paris region** continued to decline, to **less than 2.9m sq.m.** and the vacancy rate, at 5.3%, remained **below the level required to maintain a fluid market**
- Prime rents increased** in most of the region's markets, particularly in the **5th/6th/7th and 3rd/4th/10th/11th arrondissements**, where **prime rents** climbed to **€740 and €710 per sq.m.** respectively

## Spotlight on the CBD: some deliveries but very few vacant units

- The CBD performed well, with 207,000 sq.m. let in H1 2019** (down 4% vs 2018), of which 18% for over 5,000 sq.m. units (up 5% vs 2018)
- The **stock of immediately available units rose slightly** versus H1 2018 but the situation remains critical with the **vacancy rate at 1.7%** (vs. 2.3% for Paris as a whole)
- Deliveries of new or remodelled offices in the CBD will reach a record high in 2019** but the impact on the vacancy rate will be fairly limited as **70% of the surface area has already been let**

**Available office complexes of more than 5,000 sq.m. under construction in the Paris CBD (in thousands of sq.m.)**



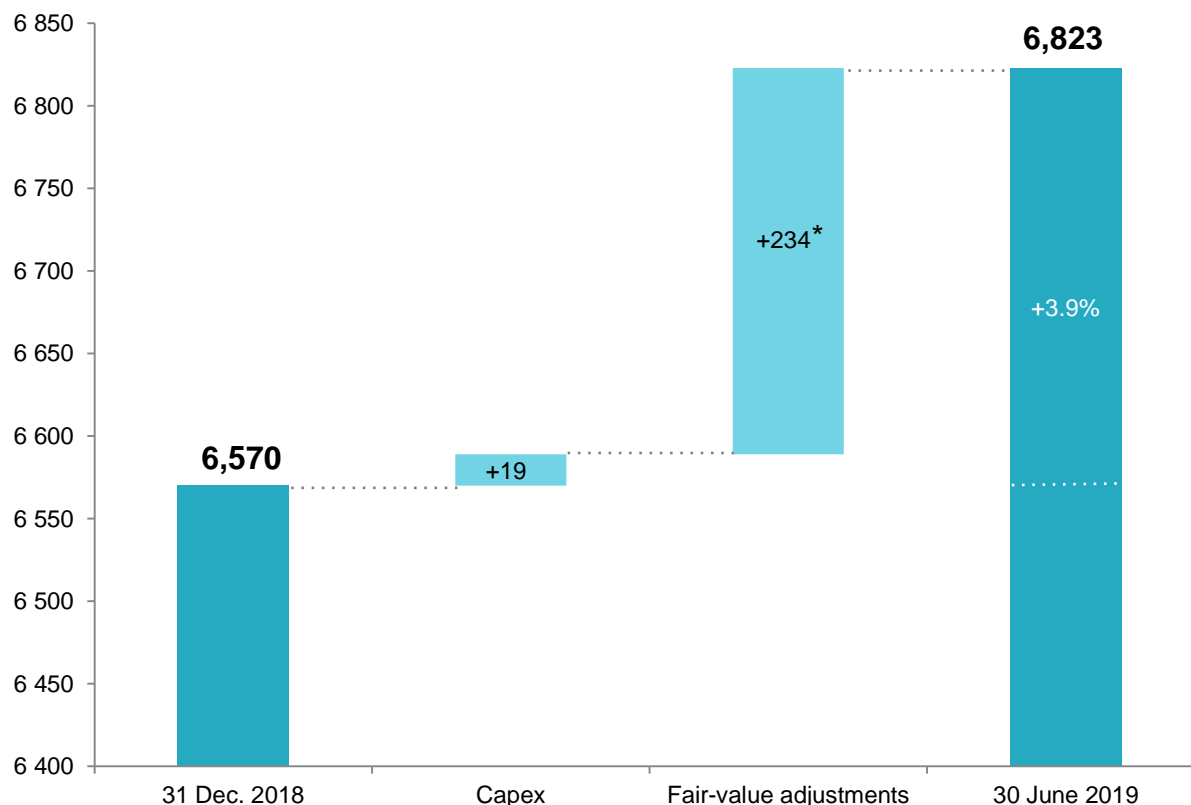
- Prime nominal rents rose by 6% to €830/sq.m.** (source: JLL), while the value of **rental incentives declined slightly**



# 1 Analysis of Property Portfolio Value

**Consolidated portfolio value up 3.9% vs. 31 December 2018:**  
**€6,823m excluding transfer costs - €7,276m including transfer costs**

Consolidated data (€m, excl. TC)



**Average value per sq.m.: €18,105/sq.m.**  
**excl. transfer costs**

**EPRA topped-up NIY: 3.1%**

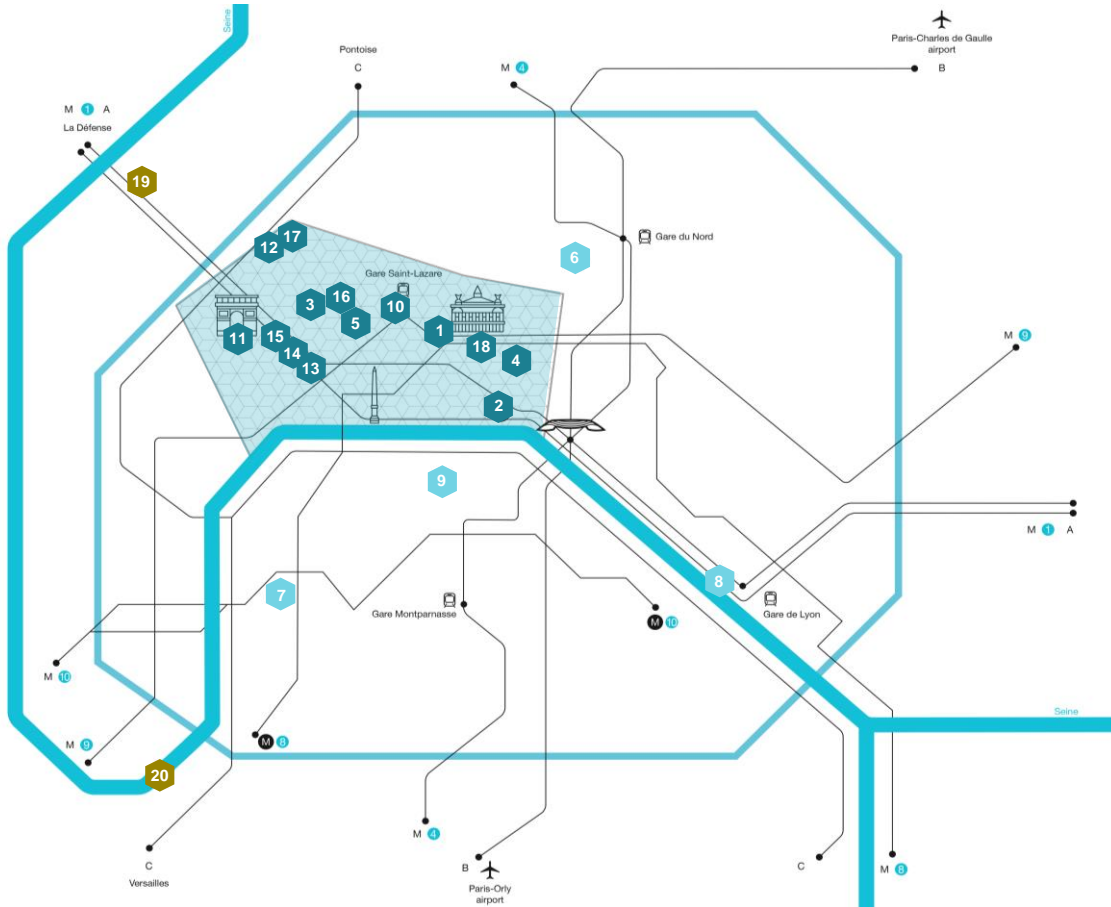
(3.2% at 31 December 2018)

- *Topped-up NIY Offices: 3.2%*
- *Topped-up NIY Retail: 2.7%*

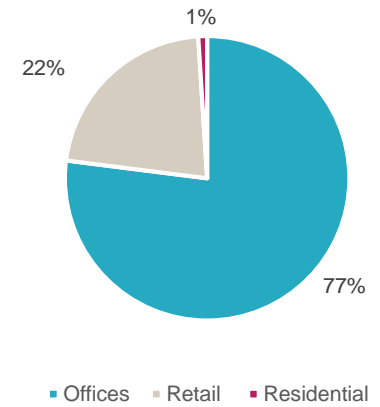
\* of which 54% due to higher revenues

# 1 The Benchmark in the Paris Prime Commercial Property Market

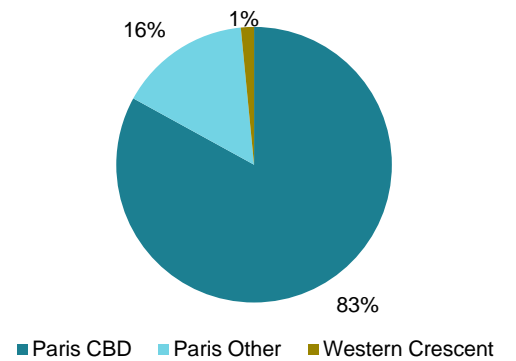
€6,823m portfolio, 98.6% located in Paris, as shown below:



Market focus (value)



Geographic focus (value)



# 1 Property Portfolio: 392,300 sq.m.

	Paris	Total surface area <sup>(1)</sup>
1	Edouard VII	54,100 sq.m.
2	Louvre Saint-Honoré	47,700 sq.m.
3	Washington Plaza	47,000 sq.m.
4	#Cloud.paris	35,000 sq.m.
5	Cézanne Saint-Honoré	29,000 sq.m.
6	Condorcet	24,900 sq.m.
7	Biome (formerly 112 Zola)	24,500 sq.m.
8	Rives de Seine	22,700 sq.m.
9	103 Grenelle	18,900 sq.m.
10	106 Haussmann	13,400 sq.m.
11	83 Marceau (formerly 96 léna)	9,600 sq.m.
12	131 Wagram	9,200 sq.m.
13	90 Champs-Élysées	8,900 sq.m.
14	Galerie Champs-Élysées	8,700 sq.m.
15	92 Champs-Élysées	7,700 sq.m.
16	9 Percier	6,700 sq.m.
17	112 Wagram	6,000 sq.m.
18	6 Hanovre	4,600 sq.m.
	<b>TOTAL</b>	<b>378,600 sq.m.</b>

	Western Crescent	Total surface area <sup>(1)</sup>
19	176 Charles de Gaulle <i>Neuilly-sur-Seine</i>	7,400 sq.m.
20	Le Vaisseau <i>Issy-les-Moulineaux</i>	6,300 sq.m.
	<b>TOTAL</b>	<b>13,700 sq.m.</b>

- Paris CBD
- Paris Other
- Western Crescent

<sup>(1)</sup> Including infrastructure and excluding car parks

# 1 SFL's CSR Policies

- EPRA Awards:



- SFL has earned **Green Star** ranking in each Global Real Estate Sustainability Benchmark (GRESB) survey since 2014
- **100%** of in-use properties are certified as meeting Bream In-Use International (BIU) standards
- The recently delivered redevelopment projects all comply with the following three standards:
  - BREEAM® New Construction
  - LEED®
  - HQE®

## 6<sup>th</sup> SFL/Ifop Paris WorkPlace Survey



- 1,600 employees surveyed
- Paris Conference in June 2019
- 2019 theme: “How interaction in the workplace creates performance”



[www.parisworkplace.fr](http://www.parisworkplace.fr)



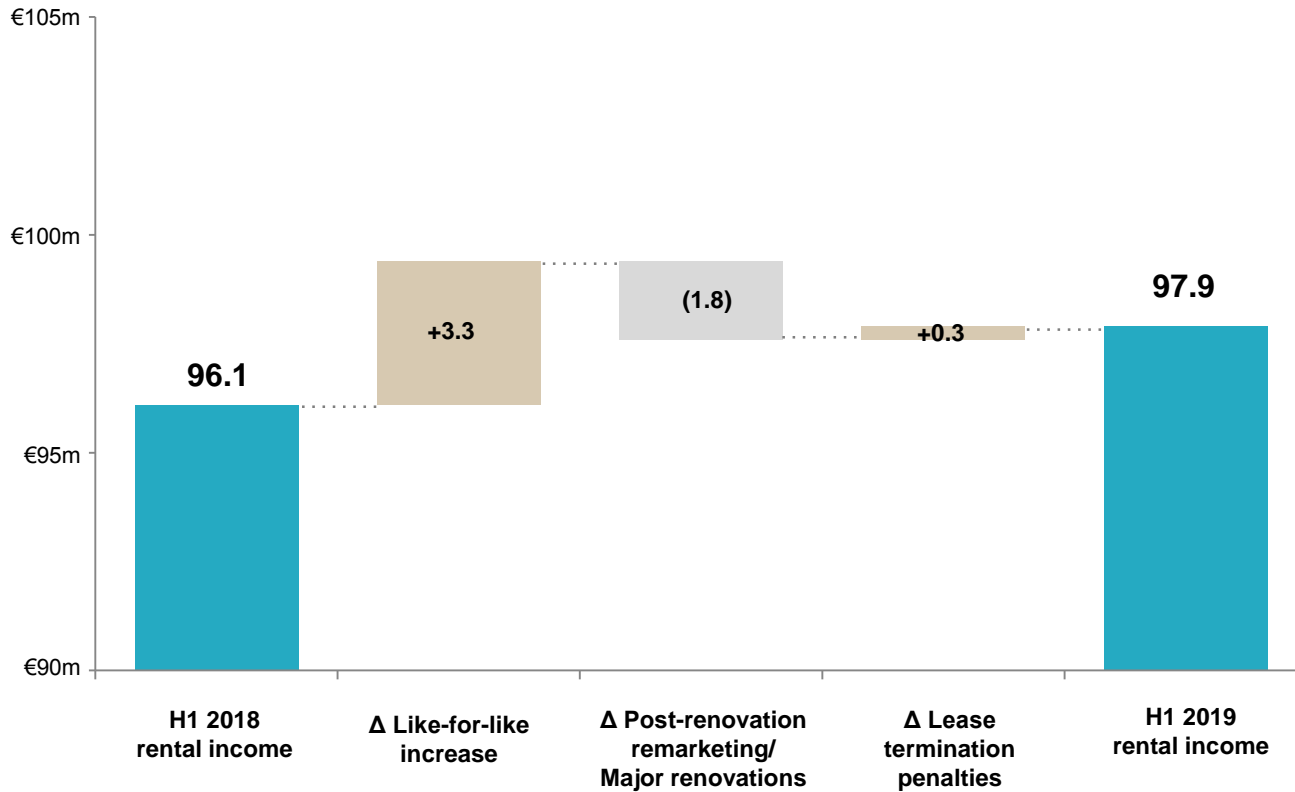
# 2

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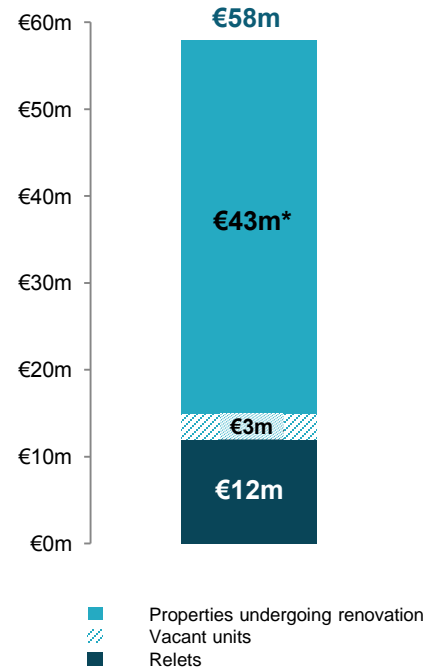
## **First-Half 2019 Rental Activity**

# 2 Rental Income and Reversionary Potential

## Rental income growth in H1 2019: 3.6% on a like-for-like basis



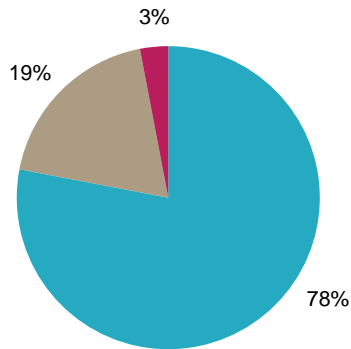
## Reversionary potential (Consolidated data, 100% basis at 30 June 2019)



# 2 Rental Income Breakdown

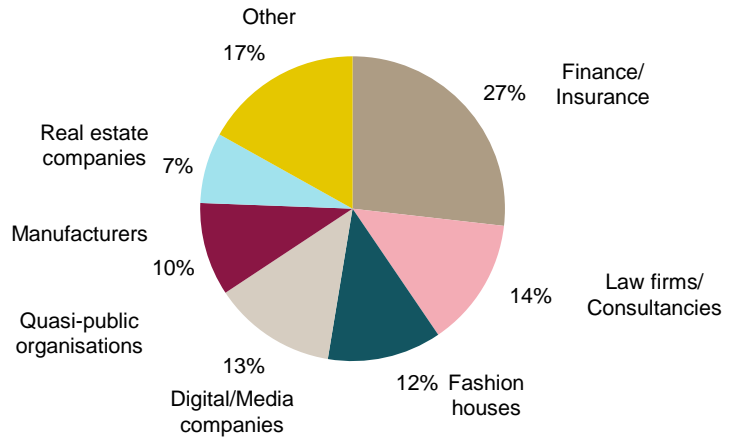
## A diversified portfolio of very high value-added tenants

H1 2019 rental income: €97.9m



■ Offices ■ Retail ■ Other

Breakdown by tenant business at 30 June 2019



### FINANCE/INSURANCE



### LAW FIRMS/CONSULTANCIES



### FASHION HOUSES



### DIGITAL/MEDIA COMPANIES



### MANUFACTURERS



### REAL ESTATE COMPANIES



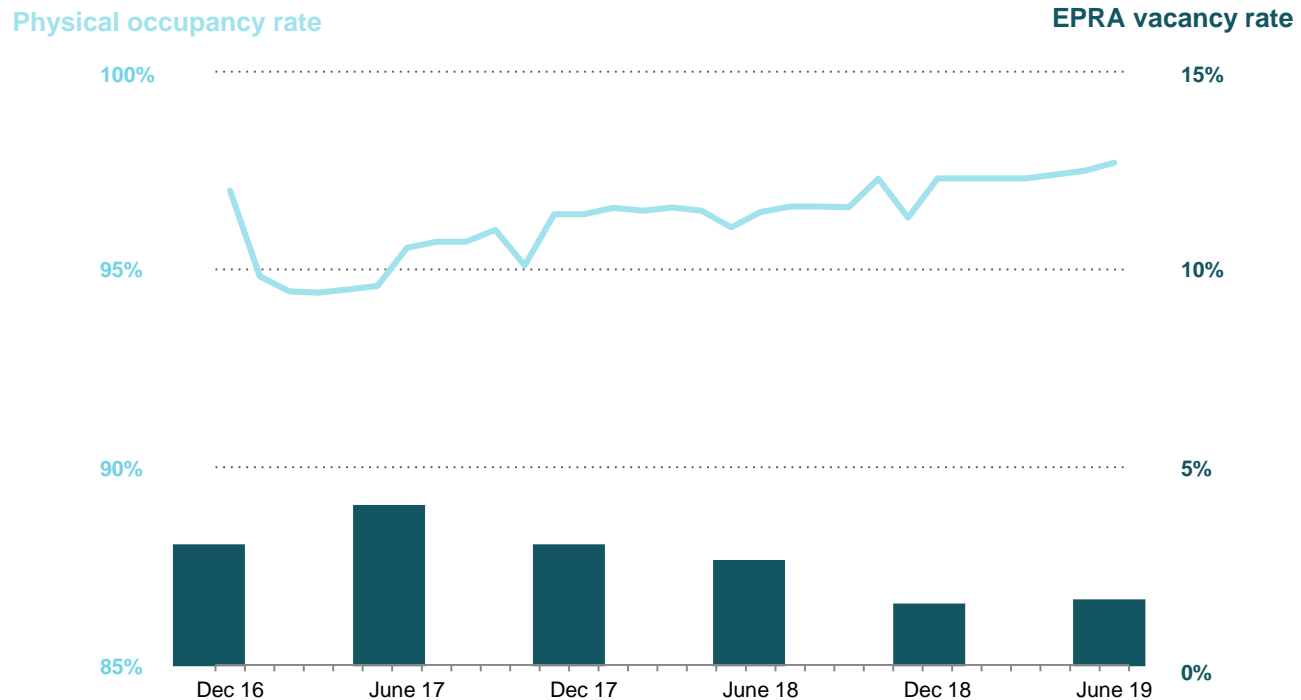
### OTHER



# 2 Occupancy rate at 30 June 2019

**Physical occupancy rate: 97.5%<sup>(1)</sup>**  
 (vs 97.3% at 31 December 2018)

**EPRA vacancy rate: 1.7%<sup>(1)</sup>**  
 (vs 1.6% at 31 December 2018)



(1) Surface area attributable to SFL



# 2 H1 2019 Rental Activity

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◆ **24,100 sq.m.** Total surface area leased


◆ **≈ €19m** Total nominal rent

➔ **Of which offices: 22,300 sq.m.**

**€778/sq.m.** Average nominal rent (offices):

**€672/sq.m.** Average effective rent (offices):

**8.8 years** Non-cancellable period



**13.6%\***

\* Incentive rate

# 2 H1 2019 Letting Programmes and Occupancy Rates

99% occupied\*

Édouard VII,  
Paris 9



Leading information and communication technology company

2,500 sq.m.  
Signed on 18 January 2019  
6/10 years

100% occupied\*

Louvre Saint-Honoré  
Paris 1



SwissLife

1,200 sq.m.  
Signed on 20 February 2019  
6 years

100% occupied\*

103 Grenelle  
Paris 7



Groupes  
EDOUARD  
DENIS

2,000 sq.m.  
Signed on 8 March 2019  
3/6/9/10 years

100% occupied\*

#Cloud.paris  
Paris 2



facebook

1,100 sq.m.  
Signed on 8 April 2019  
5/6 years

100% occupied\*

106 Haussmann  
Paris 8



wework

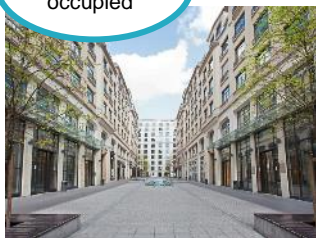
12,000 sq.m.  
Signed on 16 May 2019  
12 years

100% occupied\*



Washington Plaza  
Paris 8

99% occupied\*



Cézanne Saint-Honoré  
Paris 8

100% occupied\*



9 Percier  
Paris 8

100% occupied\*



92 Champs-Élysées  
Paris 8

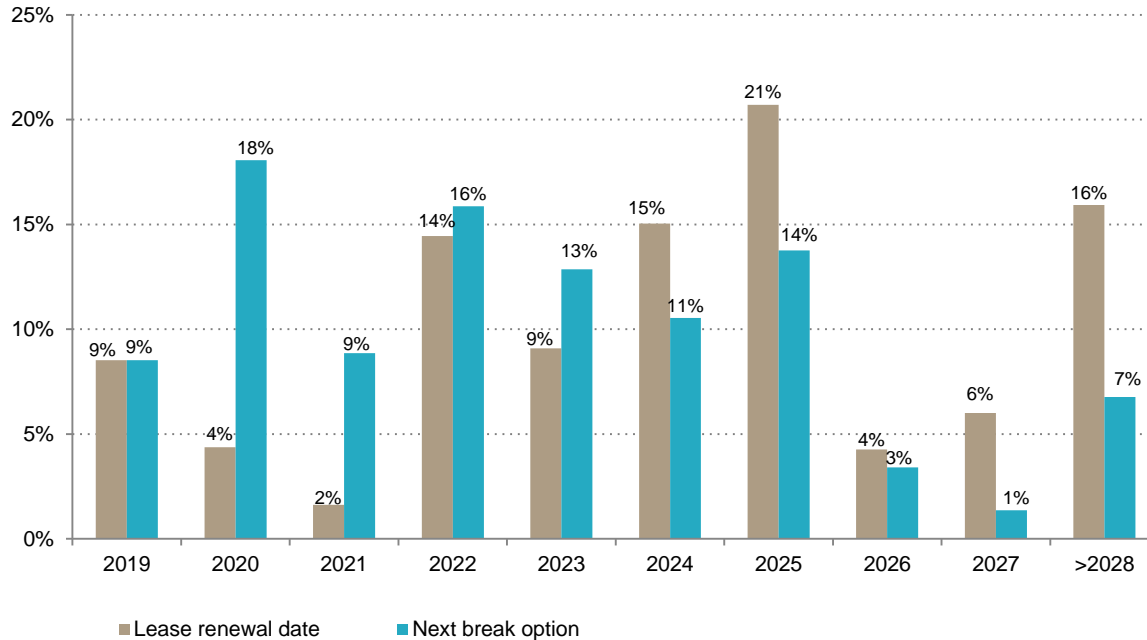
100% occupied\*



131 Wagram  
Paris 17

# 2 Lease Renewals

Commercial lease expiry dates



**Average SFL office rent at 30 June 2019:**

**€658/sq.m./year**  
(vs €646 at 31 December 2018)

**Average period<sup>(1)</sup> to lease expiry:**

**5.4 years**  
(vs 5.0 at 31 December 2018)

**Average period to next potential exit date<sup>(2)</sup>:**

**3.9 years**  
(vs 3.6 at 31 December 2018)

(1) Weighted average remaining life of commercial leases in progress at 30 June 2019.

(2) Weighted average remaining period to next potential exit date for commercial leases in progress at 30 June 2019.



# 3



## Property Transactions

# 3 106 Haussmann – Paris 8



- ◆ **12,000 sq.m. of office space**
- ◆ **Whole building pre-let turnkey to WeWork under a 12-year lease**
- ◆ **The deal includes a renovation project (STUDIOS) to (i) increase occupation density, (ii) enhance the building's image and visibility on Boulevard Haussmann, and (iii) optimise people flow and technical performance**

# 3 106 Haussmann – Paris 8

## Timeline:



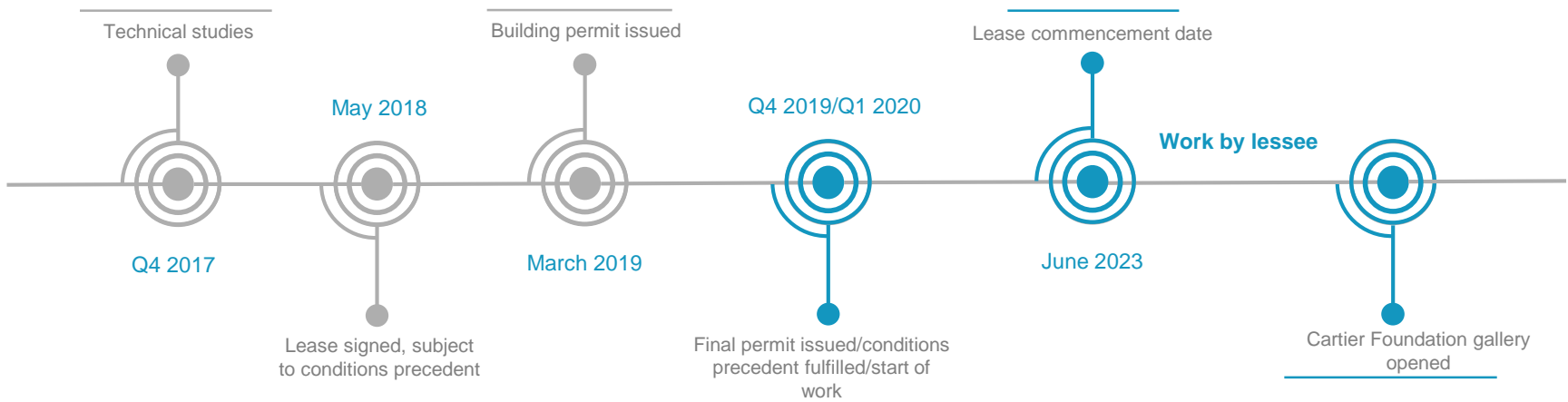
# 3 Louvre Saint-Honoré – Paris 1



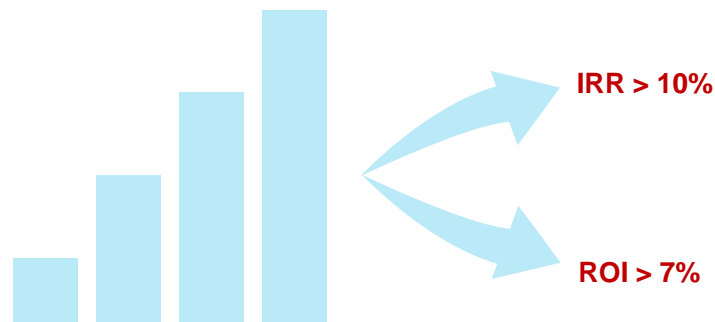
- ◆ Creation of 16,000 sq.m. of retail space at the foot of the building (ground floor, lower ground floor, upper ground floor)
- ◆ Pre-let turnkey to the Richemont Group to house the Cartier Foundation's modern art gallery and other equipment for 20 years, subject to conditions precedent
- ◆ Architects: B-Architecture for SFL and AJN for Richemont
- ◆ New building permit issued on 27 March 2019 (planning appeal process currently in progress)
- ◆ Work scheduled to start in late 2019 and last 39 months (for delivery in 2023)

# 3 Louvre Saint-Honoré – Paris 1

## Timeline:



## Key Indicators:





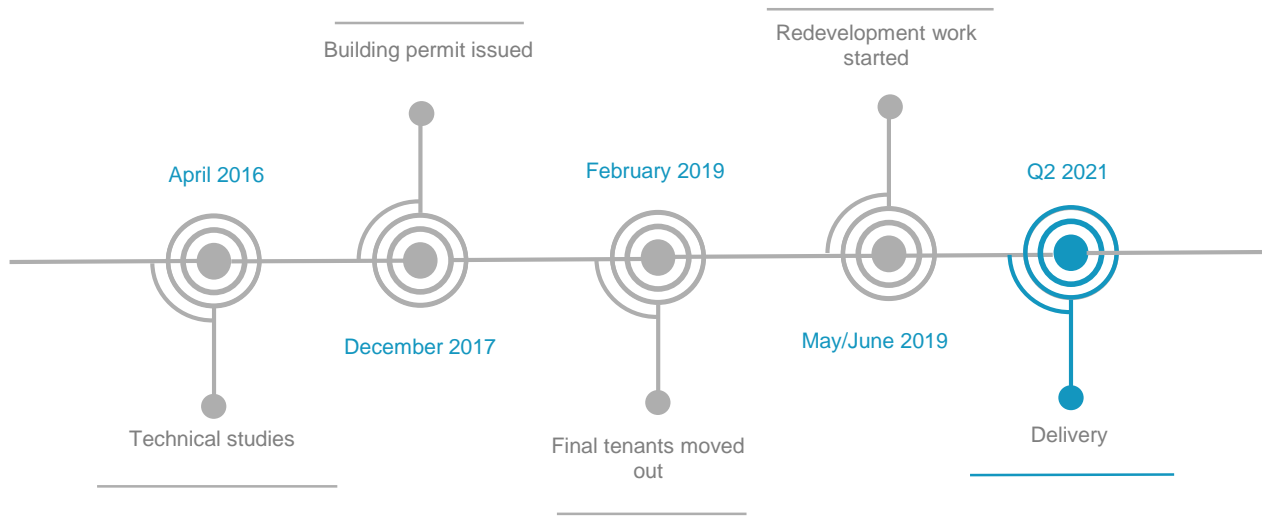
# 3 83 Marceau – Paris 16



- ◆ **Planned surface area: 9,600 sq.m.**
- ◆ **Highly flexible and efficient office floors, roughly 1,000 sq.m. each**
- ◆ **New dedicated service areas (cafeteria, ERP business centre, lounge, gardens)**
- ◆ **A unique roof terrace overlooking the Arc de Triomphe**
- ◆ **Architect: DPA - Dominique Perrault Architecture**
- ◆ **Designer: Ana Moussinet**
- ◆ **Building permit (28 December 2017)**
- ◆ **Redevelopment work in progress (contractor: Eiffage)**
- ◆ **Delivery scheduled for Q2 2021**
- ◆ **Retail space (650 sq.m.) pre-let turnkey to Caixa bank**

# 3 83 Marceau – Paris 16

## Timeline:



## Key Indicators:



# 3 Biome – Paris 15



- ◆ **Planned surface area: 24,500 sq.m. => offices with services**
- ◆ **Urban campus on a 6,300 sq.m. plot**
- ◆ **One of the first BBKA-certified buildings in Paris**

- ◆ **Architect: YM Architecture**
- ◆ **Designer: Jouin-Manku design agency**
- ◆ **Building permit issued May 2018 and modified permit issued July 2019**
- ◆ **Site preparation/asbestos removal work and contractor consultation process completed**

# 3 Biome – Paris 15

Ground floor



Conference floor

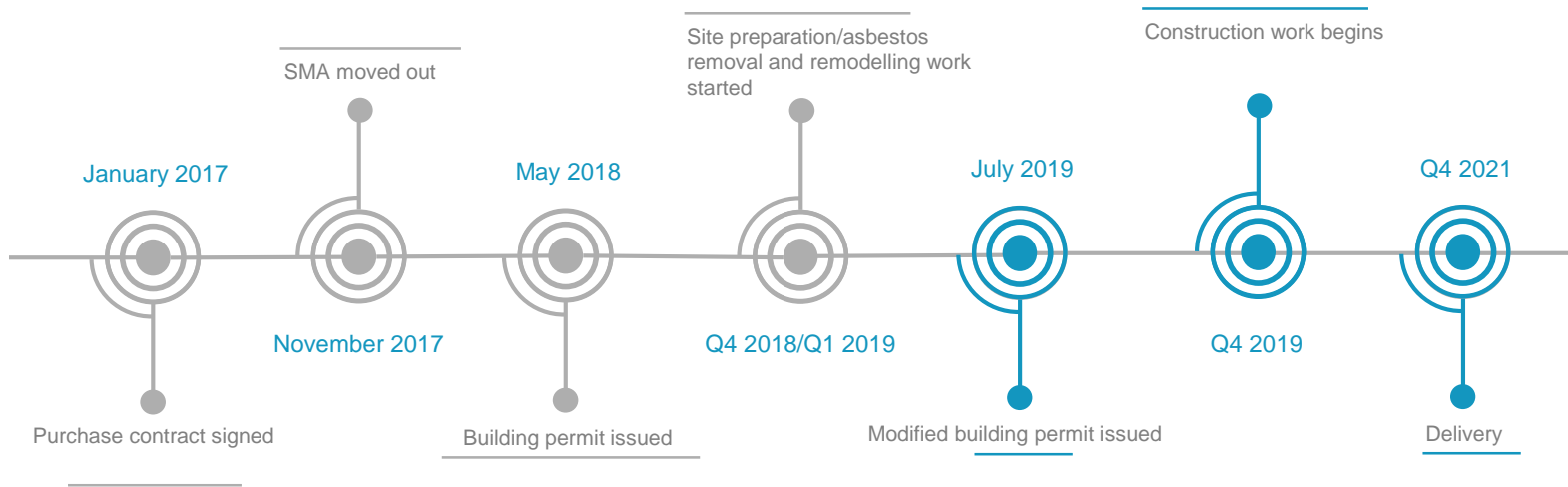


- ◆ Flexible, open plan areas without any structural obstacles, ranging from 1,400 sq.m. to 3,500 sq.m. per floor
- ◆ Creation of several terraces
- ◆ Creation of an atrium bathed in natural light

- ◆ Buildings offering a comprehensive range of exclusive services:
  - ERP business centre and auditorium
  - Modular ERP meeting rooms
  - Lounge/cafeteria and staff restaurant (designed by Jouin)
  - Fitness centre

# 3 Biome – Paris 15

## Timeline:



## Key Indicators:



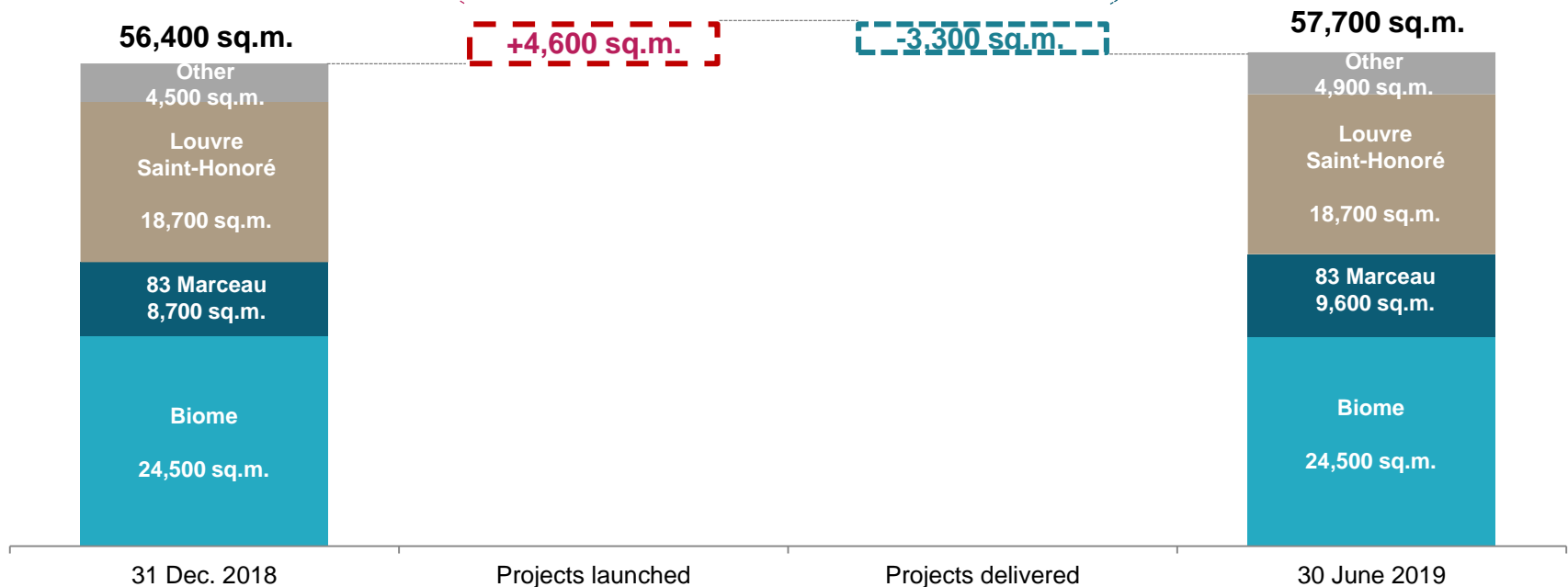
# 3 Current Redevelopment Projects\*

**Projects launched during the year**

176 Charles de Gaulle:	1,800 sq.m.
Washington Plaza:	1,400 sq.m.
83 Marceau:	900 sq.m.
Other:	500 sq.m.

**Projects delivered during the year**

Edouard VII:	2,500 sq.m.
9 Percier:	800 sq.m.



\* SFL share, including infrastructure and excluding car parks

# 3 Redevelopment Pipeline

## PROPERTY

83 Marceau

Biome

Louvre Saint-Honoré

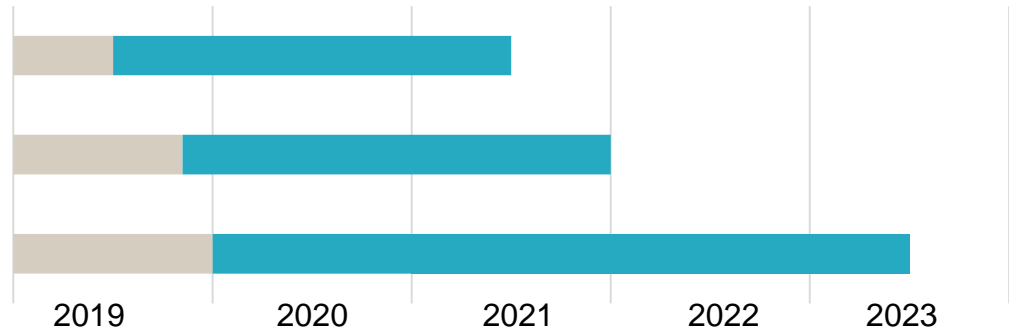
## PERMIT

Obtained

Obtained

Obtained

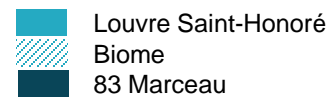
## STUDIES / REDEVELOPMENT



Capex\*



ERV



\* As of 1 July 2019



# 4



## **First-Half 2019 Financial Statements & Results**



# 4 First-Half 2019 Results

€m	H1 2019	H1 2018	Change
Rental income	97.9	96.1	+1.9%
Property expenses, net of recoveries	(5.3)	(5.6)	
<b>Net property rentals</b>	<b>92.6</b>	<b>90.5</b>	<b>+2.3%</b>
Service and other revenues	2.7	0.6	
Depreciation, amortisation and provision expense, net	(0.6)	(1.1)	
Employee benefits expense and other expenses	(11.5)	(11.3)	
<b>Operating profit before disposal gains/losses and fair value adjustments</b>	<b>83.3</b>	<b>78.7</b>	<b>+5.8%</b>
Profit (loss) on asset disposals	0.0	0.0	
Fair value adjustments to investment property	234.5	159.2	
Share of profits of associates	0.0	0.0	
Finance costs and other financial income and expenses	(15.2)	(16.5)	
Income tax expense	(17.2)	(6.4)	
<b>Profit for the period</b>	<b>285.4</b>	<b>215.0</b>	
Non-controlling interests	(31.8)	(14.8)	
<b>Attributable net profit</b>	<b>253.5</b>	<b>200.2</b>	
<b>EPRA earnings</b>	<b>57.2</b>	<b>51.7</b>	<b>+10.6%</b>

# 4 EPRA earnings

€m	H1 2019		H1 2018		Change
	Recurring EPRA	Non recurring	Recurring EPRA	Non recurring	Recurring EPRA
Rental income	97.9	0	96.1	0	+1.9%
Property expenses, net of recoveries	(5.3)	0	(5.6)	0	
<b>Net property rentals</b>	<b>92.6</b>	<b>0</b>	<b>90.5</b>	<b>0</b>	<b>+2.3%</b>
Service and other revenues	2.7	0	0.6	0	
Depreciation, amortisation and provision expense, net	(0.6)	0	(1.1)	0	
Employee benefits expense and other expenses	(11.5)	0	(11.3)	0	
<b>Operating profit before disposal gains/losses and fair value adjustments</b>	<b>83.3</b>	<b>0</b>	<b>78.7</b>	<b>0</b>	<b>+5.8%</b>
Profit (loss) on asset disposals	0	0	0	0	
Fair value adjustments to investment property	0	234.5	0	159.2	
Share of profits of associates	0	0	0	0	
Finance costs and other financial income and expenses	(13.2)	(2.1)	(15.0)	(1.6)	-12.1%
Income tax expense	(4.7)	(12.5)	(4.4)	(2.0)	+7.0%
<b>EPRA earnings before non-controlling interests</b>	<b>65.4</b>	<b>219.9</b>	<b>59.4</b>	<b>155.6</b>	
Non-controlling interests	(8.2)	(23.6)	(7.6)	(7.2)	
<b>EPRA earnings</b>	<b>57.2</b>	<b>196.3</b>	<b>51.7</b>	<b>148.4</b>	<b>+10.6%</b>
<b>EPRA earnings per share</b>	<b>€1.23</b>		<b>€1.11</b>		

# 4 Consolidated Statement of Financial Position

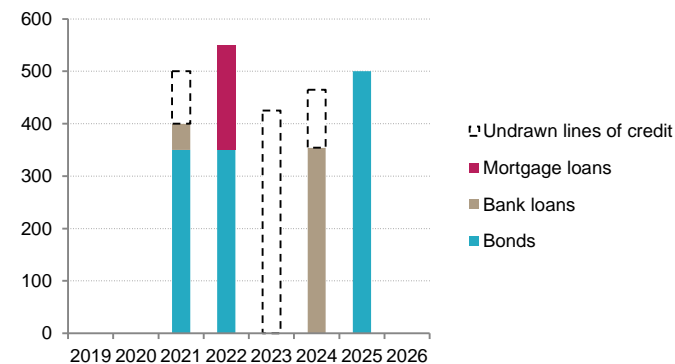
€m	30 June 2019	31 Dec. 2018
<b>Assets</b>		
Investment property	6,712	6,458
Other non-current assets	21	23
<b>Total non-current assets</b>	<b>6,733</b>	<b>6,481</b>
Properties held for sale	0	0
Other current assets	137	108
<b>Total current assets</b>	<b>137</b>	<b>108</b>
<b>Total Assets</b>	<b>6,870</b>	<b>6,589</b>
<b>Equity &amp; Liabilities</b>		
Equity	4,142	4,010
Non-controlling interests	526	502
<b>Total equity</b>	<b>4,668</b>	<b>4,512</b>
Non-current liabilities	1,750	1,737
Current liabilities	453	340
<b>Total Equity and Liabilities</b>	<b>6,870</b>	<b>6,589</b>

# 4 Consolidated Loan-to-Value

€m	30 June 2019	31 Dec. 2018	Change
Bonds	1,200	1,200	0
Bank loans	50	50	0
Mortgage loans	200	201	-1
NEU CP	354	263	+92
<b>Total debt</b>	<b>1,804</b>	<b>1,714</b>	<b>+91</b>
Cash and cash equivalents	43	25	+18
<b>Net debt</b>	<b>1,761</b>	<b>1,688</b>	<b>+73</b>
Undrawn lines of credit	990	920	+70
Property portfolio incl. TC	7,276	7,005	+271

Loan-to-value	24.2%	24.1%	+0.1pt
Interest cover	6.3x	5.1x	+1.2
Average maturity (years)	4.2	4.6	-0.4
Average spot cost of debt (after hedging)	1.4%	1.5%	-0.1pt

Maturities of debt at 30 June 2019 (€m)\*



\* After allocating NEU CP issuance to back-up lines of credit

**€390m syndicated loan  
obtained in June 2019**

**S&P rating:  
BBB+/A2 with a stable outlook**

# 4 Net Asset Value

€m	30 June 2019	31 Dec. 2018	Change
Equity	4,142	4,010	
Treasury shares and stock options	8	10	
Unrealised capital gains	20	19	
Elimination of financial instruments at fair value	2	0	
Elimination of deferred taxes	109	103	
<b>EPRA NAV</b>	<b>4,282</b>	<b>4,142</b>	<b>+3.4%</b>
<b>/share</b>	<b>€92.0</b>	<b>€89.0</b>	
Financial instruments at fair value	(2)	0	
Fixed-rate debt at fair value	(66)	(22)	
Deferred taxes	(109)	(103)	
<b>EPRA NNAV</b>	<b>4,104</b>	<b>4,017</b>	<b>+2.2%</b>
<b>/share</b>	<b>€88.2</b>	<b>€86.3</b>	
Number of shares (thousands)	46,529	46,529	

## Growth in EPRA NNAV (€m)

<b>NNNAV at 31 December 2018</b>	<b>4,017</b>
Change in fair value of attributable assets	+200
Change in fair value of debt and other financial instruments	-46
EPRA earnings	+57
Dividends	-123
Other	-1
<b>NNNAV at 30 June 2019</b>	<b>4,104</b>

# 4 Key Figures

€m	H1 2019	H1 2018	Change
Rental income (IFRS)	97.9	96.1	+1.9%
Operating profit before disposal gains and fair value adjustments	83.3	78.7	+5.8%
Profit on asset disposals and fair value adjustments on investment property	234.5	159.2	+47.3%
<b>Attributable profit</b>	<b>253.5</b>	<b>200.2</b>	<b>+26.7%</b>
<b>EPRA earnings</b>	<b>57.2</b>	<b>51.7</b>	<b>+10.6%</b>

€m	30 June 2019	31 Dec. 2018	Change
Equity	4,142	4,010	+3.3%
<b>Consolidated portfolio value (excluding TC)</b>	<b>6,823</b>	<b>6,570</b>	<b>+3.9%</b>
EPRA NNNNAV	4,104	4,017	+2.2%
/share	€88.2	€86.3	

# 4 Questions/Answers

www.fonciere-lyonnaise.com





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# Appendices



# SFL in Brief

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- The benchmark in Paris prime commercial property



- Founded in 1879: 140 years of sustainable business development



- Managing a property portfolio of more than €6.8 billion and 392,300 sq.m.



- 99% of assets in Paris, of which 83% in the CBD



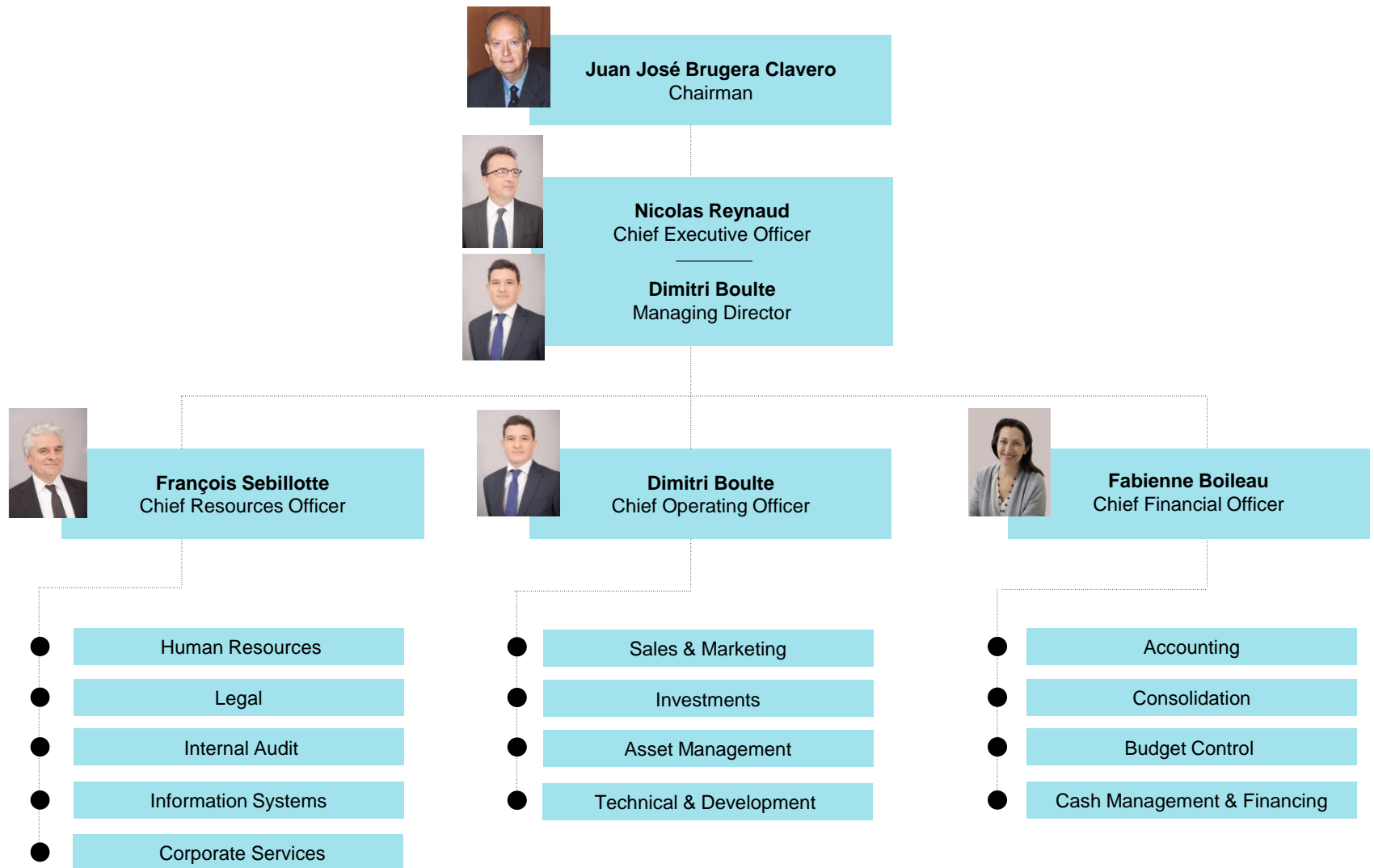
- 77% offices and 22% retail units



- 20 very large property complexes

- A very high value-added tenant portfolio

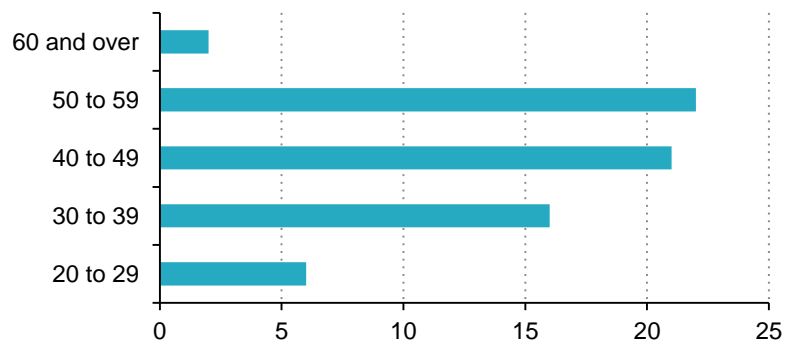
# Organisational Structure



# Human Resources

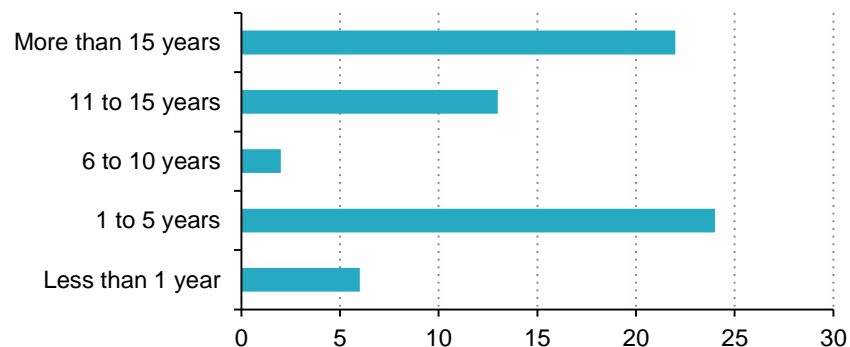
Number of employees	30 June 2019	31 Dec. 2018
Administrative staff	1	1
Supervisors	10	12
Managers	56	53
<b>Total headquarters</b>	<b>67</b>	<b>66</b>
Building caretakers	2	2

**Employees<sup>(1)</sup> by age group**  
(on payroll at 30 June 2019)



Average age:  
45 years

**Employees<sup>(1)</sup> by years of service**  
(on payroll at 30 June 2019)

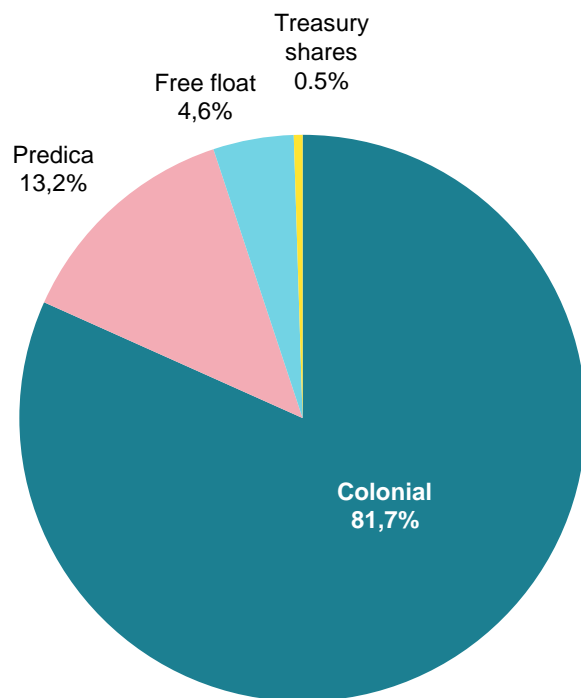


Average years of service:  
11 years

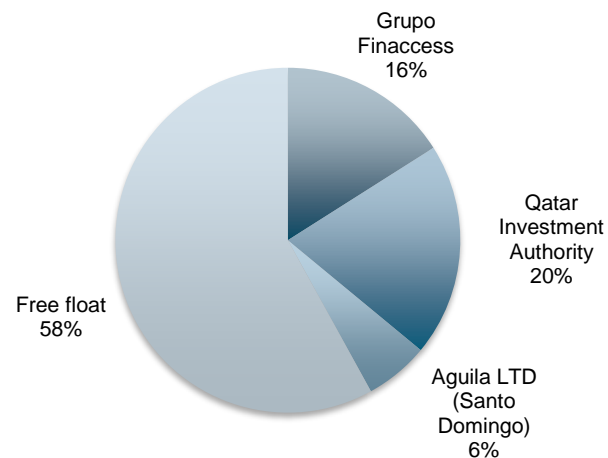
<sup>(1)</sup> Excluding building caretakers

# Ownership Structure at 30 June 2019

**SFL ownership structure**  
(46.5 million shares)



**Colonial ownership structure**  
at 3 July 2019



# Governance

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## Board of Directors

<b>Juan José Brugera Clavero</b>	Chairman of the Board of Directors (Colonial)
<b>Pere Viñolas Serra</b>	Vice-Chairman (Colonial)
<b>Angels Arderiu Ibars</b>	Director (Colonial)
<b>Ali Bin Jassim Al Thani</b>	Director
<b>Jean-Jacques Duchamp</b>	Director (Prédica)
<b>Chantal du Rivau</b>	Director (Prédica)
<b>Carlos Fernandez-Lerga Garralda</b>	Director (Colonial)
<b>Carmina Ganyet I Cirera</b>	Director (Colonial)
<b>Carlos Krohmer</b>	Director (Colonial)
<b>Arielle Malard de Rothschild</b>	Independent director
<b>Luis Maluquer Trepas</b>	Director (Colonial)
<b>Nuria Oferil Coll</b>	Director (Colonial)
<b>Alexandra Rocca</b>	Independent director
<b>Anthony Wyand</b>	Independent director

## Audit Committee

### **Carlos Fernandez-Lerga Garralda (Chairman)**

Jean-Jacques Duchamp  
Carmina Ganyet I Cirera  
Arielle Malard de Rothschild

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## Remuneration and Selection Committee

### **Anthony Wyand (Chairman)**

Arielle Malard de Rothschild  
Pere Viñolas Serra

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## Executive and Strategy Committee

### **Juan José Brugera Clavero (Chairman)**

Jean-Jacques Duchamp  
Carmina Ganyet I Cirera  
Pere Viñolas Serra

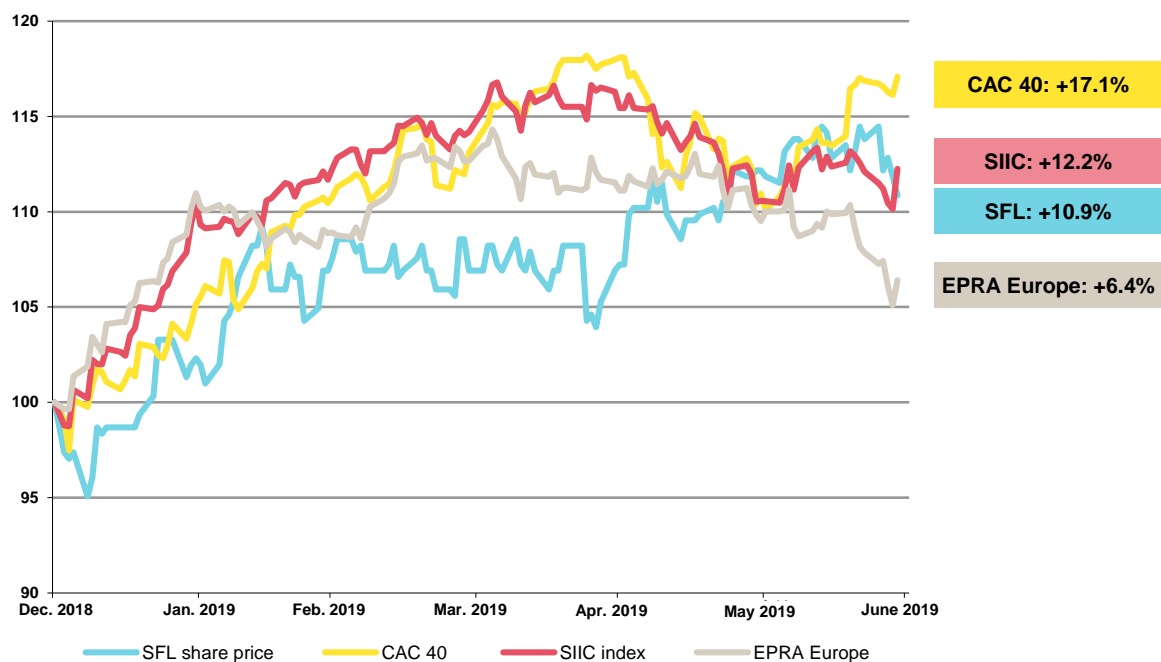
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## Committee of Independent Directors

Arielle Malard de Rothschild  
Alexandra Rocca  
Anthony Wyand

# Share Performance

## First-half 2019 share performance<sup>(1)</sup>



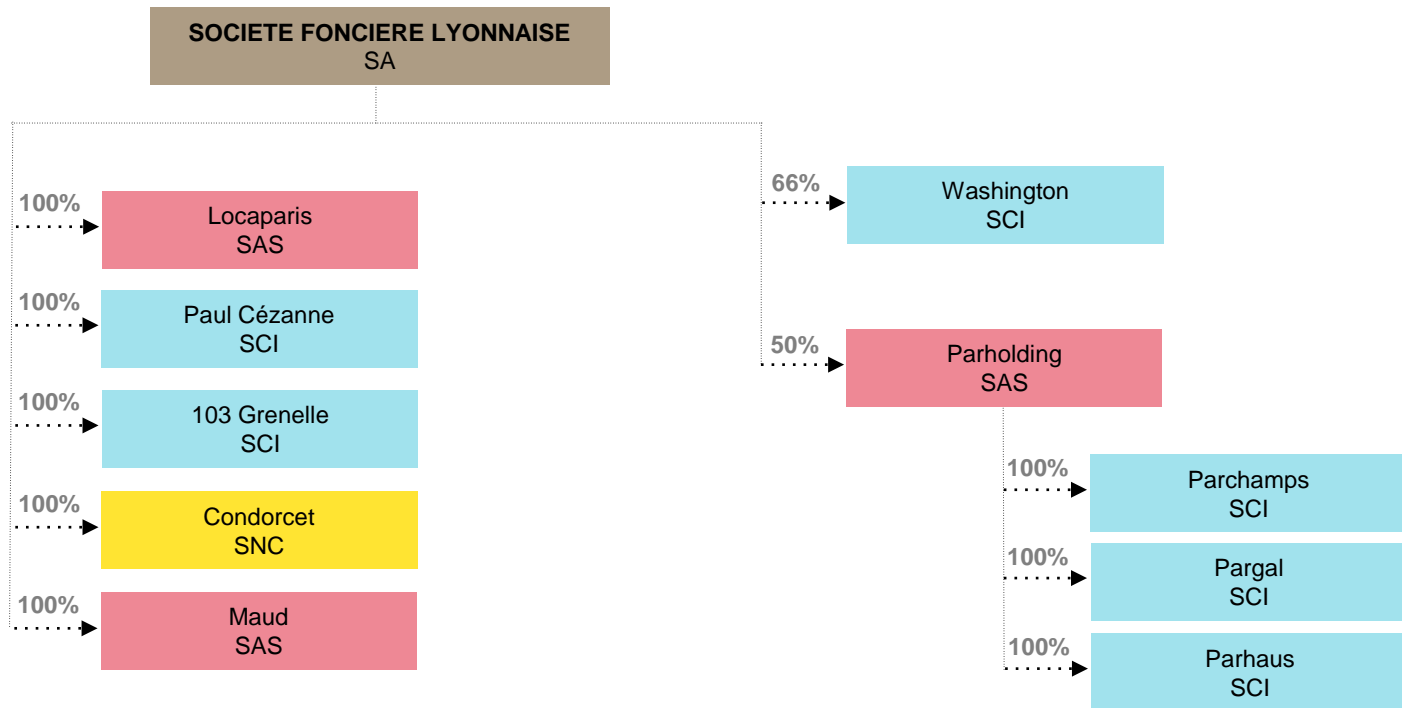
<sup>(1)</sup> Baseline 100: 31 December 2018; data up to 30 June 2019

Sources: Euronext/EPRA

## First-half 2019 key figures<sup>(1)</sup>

Number of shares at 30 June 2019 (thousands)	46,529
Average daily trading volume (shares)	1,398
Average daily trading volume (euros)	€90k
Closing share price on 31 December 2018	€60.80
High for the period (7 June)	€70.00
Low for the period (7 January)	€57.80
Closing price on 30 June 2019	€67.40

# Simplified Legal Structure



- SA (Société Anonyme)
- SAS (Société par Actions Simplifiée)
- SCI (Société Civile Immobilière)
- SNC (Société en Nom Collectif)

# Capex<sup>(1)</sup>

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Expenditure (€m)	H1 2019	H1 2018
Major redevelopment projects	6.0*	5.4
Other capitalised expenditure	9.0	8.2
<b>Total</b>	<b>15.0</b>	<b>13.6</b>

\* Of which: 83 Marceau: €4.1m; Biome: €2.8m

<sup>(1)</sup> Excluding capitalised borrowing costs and other expenses



