

Paris, July 11, 2016

Gecina secures a value creation operation at the heart of Paris' CBD

Preliminary purchase agreement signed for 63.8 million euros, alongside a preliminary sales agreement for 56.0 million euros

Gecina is announcing that, on July 7, 2016, it signed a **preliminary purchase agreement** and a **preliminary sales agreement** with a French institutional operator for two buildings in Paris' central business district (CBD), in connection with an **asset exchange operation**. Gecina has secured the acquisition of a 10,000 sq.m office building on Rue de Madrid with 114 parking spaces, as well as the sale of a mixed-used predominantly commercial building on Rue de la Bourse with nearly 5,000 sq.m of space. This operation is expected to be finalized in September 2016.

The building on **Rue de Madrid** (Paris 8th) for which Gecina has signed a preliminary purchase agreement for 63.8 million euros (including commissions and fees) is currently partially let and is expected to be vacated by the end of the year. The asset will then benefit from a redevelopment program, with delivery planned for 2019. Based on the assumptions retained at this stage, this operation is expected to generate a yield on cost of over 6.2%.

Alongside this, Gecina has signed a preliminary sales agreement for a fully occupied asset located on **Rue de la Bourse** (Paris 2nd), also in Paris' CBD, for 56.0 million euros (including commissions and fees). This building, with nearly 5,000 sq.m of space, is made up primarily of offices (3,300 sq.m), as well as retail units and housing. Based on the price agreed on with the buyer, the loss of rental income for Gecina would represent less than 3.9%.

In this way, Gecina is securing the acquisition of an asset with strong value creation potential and the simultaneous sale of a mature asset at the heart of Paris. This operation will further strengthen Gecina's value creation reserves through its project pipeline, in line with Gecina's strategy for investing in the Paris Region's most central sectors.

Based on current assumptions, the combination of these two operations would generate an IRR that is significantly higher than the Group's targets, as well as a combined marginal yield on cost of around 8%.

On this operation, Gecina was advised by BNP Paribas Real Estate's investment department and the notary's office Wargny Katz.

Gecina, a leading real estate group

Gecina owns, manages and develops property holdings worth 12.9 billion euros at December 31, 2015, with 90% located in the Paris Region. The Group is building its business around France's leading office portfolio and a diversification division with residential assets, student residences and healthcare facilities. Gecina has put sustainable innovation at the heart of its strategy to create value, anticipate its customers' expectations and invest while respecting the environment, thanks to the dedication and expertise of its staff.

Gecina is a French real estate investment trust (SIIC) listed on Euronext Paris, and is part of the SBF 120, Euronext 100, FTSE4Good, DJSI Europe and World, Stoxx Global ESG Leaders and Vigeo indices. In line with its commitments to the community, Gecina has created a company foundation, which is focused on protecting the environment and supporting all forms of disability.

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