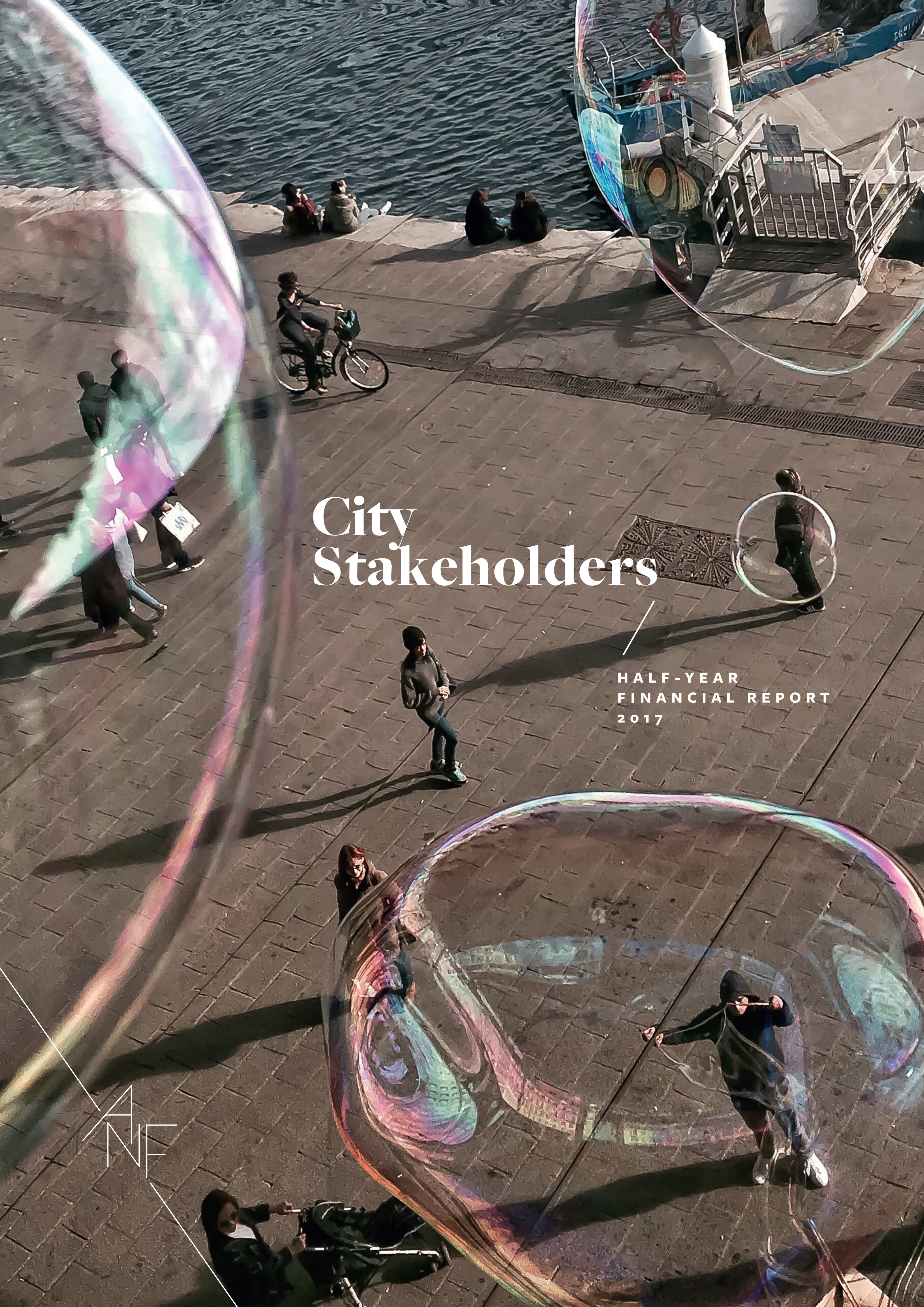

City Stakeholders

HALF-YEAR
FINANCIAL REPORT
2017

CONTENTS

1

MANAGEMENT REPORT

On July 24, 2017, ANF Immobilier ("ANF") announces that it has entered into two agreements for exclusive negotiations:

- one with Icade, relating to the projected acquisition of ANF Immobilier by Icade through the acquisition of the majority stake held by Eurazeo in ANF, followed by a mandatory tender offer[1], both at a price per share of €22.15 (the "Icade's Offer Project"). Simultaneously, Icade and Eurazeo have entered into an agreement for exclusive negotiations relating to the sale of Eurazeo's majority stake to Icade on those terms;
- one with Primonial REIM, as part of its fund management activities, relating to the projected acquisition of a portfolio composed of almost all the legacy mixed use Marseille assets of ANF Immobilier (the "Legacy Portfolio") and of one retail property in Lyon, for a price of €400,422,696 (the "Legacy Portfolio Sale Project").

Both projects are inter-related: the acquisition by Icade of Eurazeo's majority stake (50.48% of ANF's share capital and 53.73% of ANF's total number of voting rights) would be subject to the execution of a binding promise to buy and sell the Legacy Portfolio.

The backing of ANF Immobilier by Icade, one of the leading French real estate companies, would enable ANF Immobilier to accelerate its growth strategy. The latter, based on investment in commercial real estate in dynamic regional cities, would be supported by Icade's financial capacity in a context of industry concentration.

The tender offer which is part of Icade's Offer Project would offer liquidity to all ANF Immobilier shareholders at a price of €22.15 per share.

Icade's Offer Project would offer a premium over ANF Immobilier's trading price of +5.0% based on the closing price on July 21, 2017, and of respectively +6.3% and +10.2% on the basis of the one-month and three-month volume weighted trading average as of July 21 (the last trading date prior to the announcement), 2017 (adjusted for the dividend paid on June 6, 2017). It would reflect a +5.7% premium over the published triple net Net Asset Value as of June 30, 2017, and a discount of -15.2% over the published triple net Net Asset Value as of December 31, 2016 (adjusted for the dividend paid on June 6, 2017).

The Legacy Portfolio Sale Project with Primonial REIM, one of the principal French real estate investment fund managers, would be the culmination of ANF Immobilier's strategy to dispose of its Heritage Portfolio and concentrate on the commercial real estate sector in regional cities with strong growth prospects. It also comes in the context of a challenging Marseille market with a significant increase in the retail offer around Rue de la République and at a difficult time for retail activity in France.

This block disposal would take place at a discount of -17.0% and -20.5% respectively compared with the individual appraisal values of the properties at June 30, 2017 and December 31, 2016 for the assets in question[2].

ANF's Management and Supervisory Boards have approved the execution of both agreements to enter in exclusive negotiations, and decided to initiate the consultation of the ANF Immobilier employees' representative bodies and to pursue negotiations to agree on the definitive agreements.

ANF's Supervisory Board has retained Finexsi, represented by Olivier Perronet, as an independent expert, to give a fairness opinion on the financial terms both of the Icade's Offer Project (at a price per share of €22.15) and of the Legacy Portfolio Sale Project (the "Fairness Opinion"). ANF's Supervisory Board will only take its decision on the definitive agreements after the consultation of the employees' representative bodies, and after having received the Fairness Opinion.

Depending on the timetable for the consultation of the employees' representative bodies and for completing the technical steps for the binding promise to buy and sell relating to the Legacy Portfolio, and subject to the decision of the governing bodies of each party, the sale of ANF's majority stake and the execution of the definitive agreements relating to the Legacy Portfolio could take place in the fourth quarter of 2017; the mandatory tender offer for the remainder of ANF Immobilier's capital should be filed after the acquisition of the controlling stake.

"This dual operation, alongside Icade, a leader in its sector, will enable ANF Immobilier to embark on a new chapter in its history. The two disposal projects will give it the resources to accelerate its growth strategy, resolutely oriented towards commercial real estate based in dynamic regional cities, and to approach this new stage in its development with confidence, within the context of industry concentration" declared Bruno Keller, Chairman of ANF Immobilier's Supervisory Board.

1. *The documents relating to Icade's mandatory tender offer will be filed with the AMF by Icade and/or ANF Immobilier, as applicable, after the acquisition of the controlling stake. Icade's draft information note and ANF Immobilier's draft response note will be filed and submitted for approval with the AMF.*
2. *The discounts compared with appraisal values at June 30, 2017 and December 31, 2016 represent €66.4 million and €85.5 million respectively, to which a yield indemnity of €15.4 million is added.*

1. Operations

In the first half of 2017, ANF Immobilier's gross rental income under IFRS amounted to €24.4 million. This amount represents a fall of -5%, mainly due to disposals at the end of 2016 and to challenging conditions in Marseille. This trend is expected to be offset by current developments in Bordeaux starting in 2018 and the impact of new acquisitions, including those that took place in Toulouse at the end of March 2017.

On a like-for-like basis, revenue fell by -6% to €22.2 million. 56% of portfolio revenue was generated by office leases, 16% by retail and 10% by hotels. Accordingly, commercial real estate now represents 83% of gross rental income and residential, including ancillary, represents just 17% of rental income.

Rental income, Group Share, amounted to €20.2 million, down -3% compared with the first half of 2016.

Gross rental income, resulting from the assets included in the scope of the Primonial REIM offer, annualized at June 30, 2017, represented €17.5 million.

Recurring EBITDA amounted to €16.1 million. The indicator marks a decrease of -8% chiefly stemming from the aforementioned decline in rental income. In parallel, the recurring EBITDA margin under IFRS fell by -200 bps, from 68% to 66%.

The Group share adjusted EPRA Earnings amounted to €8.2 million or €0.45 per share, an increase of +4% compared with the first half of 2016, as a result of the reduction in recurring finance costs.

IFRS net income after minority interests amounted to -€97 million, chiefly impacted by losses on fair value and consolidated disposals of -€91.4 million, reflecting the exclusive negotiations concerning the Marseille portfolio. Recurring consolidated cash flow increased 12% to €10.4 million. Group share cash flow was €7.5 million in this half-year, i.e. €0.4 per share.

NNNAV as at June 30, 2017 amounted to €20.96 per share under the EPRA method, reflecting the losses on fair value and disposals of -€91.4 million, mainly due to the Marseille assets included in the scope of the Primonial REIM offer; Icade's public tender offer at a per share price of €22.15 results in a premium of +5.7% over the NNNAV.

CONSOLIDATED DATA (H1 2017/H1 2016)

	H1 2017		H1 2016		
(€ million)	**EPRA**	**IFRS**	**EPRA**	**IFRS**	**Chg. EPRA**
Gross rental income	24.4	24.4	25.8	25.8	-5.4%
Group share	*20.2*		*20.9*		
Net operating expenses	(2.6)	(3.8)	(2.5)	(3.3)	
NET RENTAL INCOME	**21.8**	**20.6**	**23.3**	**22.5**	**-6.2%**
Margin	*90%*	*84%*	*90%*	*87%*	
Administrative expenses	(5.7)	(9.8)	(5.7)	(5.7)	
RECURRING EBITDA	**16.1**	**10.8**	**17.6**	**16.8**	**-8.3%**
Margin	*66%*	*44%*	*68%*	*65%*	
Financial expenses	(7.8)	(10.1)	(8.3)	(8.3)	
Amortization	0.0	(0.4)	0.0	(0.5)	
Change in fair value	0.0	(91.4)	0.0	(17.4)	
Other	0.2	0.8	0.2	(3.3)	
Taxes	(0.3)	(0.3)	0.1	0.1	
Minorities' impact	(1.7)	(6.2)	(2.8)	(3.1)	
NET INCOME, GROUP SHARE	**6.5**	**(97,0)**	**6.8**	**(15.6)**	**-4.5%**
Margin	*27%*	*-397%*	*26%*	*-61%*	
Adjustment non recurring administrative expenses	0.7	0.0	0.0	0.0	
Adjustment financial expenses	1.0	0.0	1.1	0.0	
NET INCOME, GROUP SHARE ADJUSTED	**8.2**	**(97,0)**	**7.9**	**(15.6)**	**3.6%**
NET INCOME (LOSS) (TOTAL)	**8.2**	**(90.8)**	**9.6**	**(12.6)**	**-14.2%**
ADJUSTED NET INCOME(LOSS) (TOTAL)	**9.9**	**(90.8)**	**10.7**	**(12.6)**	**-7.3%**

2. Core Assets in Lyon, Bordeaux, Marseille and Toulouse

In Lyon, the real estate company continues its development projects and, in late April 2017, obtained a building permit for its Park View project, a major project located close to the Parc de la Tête d'or. The latter includes restructuring Adecco's former head office, with a current surface area of 9,000 sq.m., to provide a property comprising more than 22,000 sq.m. of new offices, for a works budget of some €53 million.

In the Part-Dieu area, ANF Immobilier has secured its rental flows with Areva, which has confirmed that it will continue to lease the majority of the square footage until 2021, for a lease of approximately €6.9 million (the Lafayette and Stratège properties).

In Bordeaux, at the end of June, ANF Immobilier celebrated the first tree being planted in the Quai 8.2 project, in the presence of its partners and the public institutions. In the first half of 2017, €16 million was invested in this emblematic commercial development adjacent to the LGV (high-speed line) train station. The total amount of the investment is €97 million and delivery of the real estate complex is expected in the second half of 2018.

In this same city, the real estate company has signed a new sub-letting lease with Casino for the asset known as "Nautilus". This allows the firm sub-letting period to be extended by 2.3 years (until end-2022) and guarantees a long-term lease income of €2.2 million.

In Marseille, ANF Immobilier signed a firm nine-year lease with Now Coworking, a major player in "co-working" spaces in France, for its Rive Neuve project (restructuring of an existing property as 2,848 sq.m. of new offices with outstanding views of the Old Port). The amount of additional investments, at approximately €9 million, will generate lease income of €0.7 million from delivery, which is scheduled for 2019.

In Toulouse, in late March 2017, the Company signed the acquisition of a first property complex, known as Centreda and ideally situated in the Blagnac area, for €19 million. This comprises two buildings totaling 16,150 sq.m. of offices (multiple tenants) and represents additional rental income of +€2 million.

3. Heritage portfolio in Marseille

In terms of its historical portfolio, ANF Immobilier has seen a sharp increase in the retail offer in Marseille for more than three years now, due to the delivery of a number of commercial centers in the immediate vicinity of Rue de la République. Despite ANF Immobilier's strategic repositioning, this influx has had a negative impact, in particular on retailers in the personal goods market.

Between December 31, 2016 and June 30, 2017, "passerby" gross lease income from the historical portfolio's retail properties thus fell by €0.7 million (notably with the departures of Célio and Mango) and the EPRA vacancy rate for the Company's retail premises rose at the same time from 13.1% to 18.9%.

In order to breathe new life into Rue de la République, the Company announced the inauguration of Chevalier Roze in August 2017, a hub dedicated to the contemporary artistic scene, on the street of the same name between the Old Port and the historic Le Panier quarter. More than 800 sq.m. spread over seven distinct spaces have been renovated for this purpose and will welcome international cultural operators to make this street a benchmark for contemporary creativity.

4. Disposals

The volume of disposals in the first half-year 2017 mainly consisted of residential assets in Rue de la République in Lyon (scattered). This amounts to €1 million.

5. Property appraisal

Real estate value amounted to €1,014 million, demonstrating the impact of the aforementioned fair value and of investments in the amount of €39 million over the period.

The "Core" portfolio at end-June 2017 represented 65% of the portfolio. NNNAV amounted to €20.96 per share on June 30, 2017.

6. Debt

The LTV ratio calculated on the basis of the appraisal report values at June 30, 2017 (which represents 1,096 million euros) was 47%.

2

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2017

1. Condensed consolidated statement of financial position

1.1 Consolidated balance sheet – Assets

(€ thousand)	Note	06/30/2017	12/31/2016	Changes	12/31/2015
Non-current assets					
Investment property	1	612,271	1,066,016	(453,745)	1,078,480
Operating properties	1	1,489	1,533	(44)	1,649
Intangible assets	1	206	238	(32)	175
Property, plant and equipment	1	3,598	3,918	(320)	4,596
Non-current financial assets	1	2,008	2,133	(125)	10,776
Investments in equity-accounted entities		438	620	(183)	743
Financial derivatives	5	691	737	(46)	298
Total non-current assets		**620,700**	**1,075,195**	**(454,495)**	**1,096,716**
Current assets					
Trade receivables	13	5,885	5,158	727	3,481
Other receivables	13	10,160	10,627	(466)	6,570
Prepaid expenses		1,373	137	1,235	103
Financial derivatives	9	13	0	13	0
Cash and cash equivalents	2	16,331	35,144	(18,814)	23,448
Total current assets		**33,761**	**51,066**	**(17,305)**	**33,603**
Property held for sale	1	400,658	792	399,866	19,760
TOTAL ASSETS		**1,055,119**	**1,127,053**	**(71,934)**	**1,150,078**

1.2 Consolidated balance sheet – Equity and liabilities

(€ thousand)	Note	06/30/2017	12/31/2016	Changes	12/31/2015
Shareholders' equity					
Capital stock	8	19,009	19,009	0	19,009
Additional paid-in capital		39,029	39,029	0	39,029
Treasury shares	4	(23,037)	(23,037)	0	(23,713)
Hedging reserve on financial instruments	5	(17,880)	(20,864)	2,984	(24,802)
Company reserves		186,382	203,907	(17,524)	183,774
Consolidated revenue		272,947	279,872	(6,925)	302,476
Net income (loss) for the year		(97,017)	(3,691)	(93,326)	18,556
Total shareholders' equity attributable to equity holders of the parent		**379,432**	**494,224**	**(114,792)**	**514,330**
Minority interests		27,842	25,897	1,945	14,575
Total shareholders' equity		**407,275**	**520,122**	**(112,847)**	**528,905**
Non-current liabilities					
Financial liabilities	14	150,091	533,495	(383,404)	549,314
Financial derivatives	5	3,954	20,289	(16,335)	22,501
Provisions for pensions	3	57	57	0	57
Deferred tax liabilities	9	121	0	121	0
Total non-current liabilities		**154,223**	**553,841**	**(399,618)**	**571,871**
Current liabilities					
Trade payables	14	10,469	10,523	(54)	22,858
Current financial liabilities	14	443,034	23,290	419,744	10,914
Financial derivatives	5	12,515	0	12,515	0
Security deposits	14	6,828	6,340	488	6,497
Short-term provisions	3	7,121	709	6,413	1,108
Tax and social security liabilities	14	9,878	11,121	(1,244)	6,235
Other liabilities	14	2,464	847	1,616	1,324
Deferred income		1,313	260	1,053	367
Total current liabilities		**493,621**	**53,090**	**440,531**	**49,302**
Liabilities on properties held for sale		0	0	0	0
TOTAL LIABILITIES		**1,055,119**	**1,127,053**	**(71,934)**	**1,150,078**

1.3 Consolidated income statement

(€ thousand)	06/30/2017	06/30/2016	Changes	06/30/2015
Revenues: rental income	24,384	25,770	(1,386)	23,238
Other operating income	4,646	4,954	(308)	4,973
Total operating income	**29,031**	**30,724**	**(1,693)**	**28,211**
Property expenses	(7,626)	(6,709)	(917)	(6,773)
Other operating expenses	(1,029)	(816)	(213)	(451)
Total operating expenses	**(8,655)**	**(7,525)**	**(1,130)**	**(7,224)**
Gross operating income (loss) from property	**20,376**	**23,199**	**(2,823)**	**20,988**
Gains (losses) on disposals of assets	316	276	40	335
Gross operating income (loss) from property after disposals	**20,692**	**23,475**	**(2,783)**	**21,323**
Employee benefits expenses	(4,901)	(3,345)	(1,556)	(3,311)
Other management expenses	(4,028)	(2,033)	(1,995)	(1,760)
Other income and transfers of expenses	103	0	103	262
Other expenses	(1,058)	(404)	(654)	(1,209)
Amortization	(428)	(468)	40	(277)
Other operating provisions (net of reversals)	195	(712)	907	(198)
Net operating income (loss) before changes in fair value of property	**10,575**	**16,514**	**(5,938)**	**14,830**
Changes in fair value of property	(91,746)	(17,659)	(74,087)	12,641
Net operating income (loss) after changes in fair value of property	**(81,170)**	**(1,145)**	**(80,025)**	**27,471**
Net financial expense	(10,098)	(8,274)	(1,824)	(8,325)
Financial amortization and provisions	0	318	(318)	82
Gains (losses) on financial instruments	565	(3,602)	4,166	(1)
Share of net income (loss) of equity-accounted	320	91	229	(153)
Net income (loss) before tax	**(90,384)**	**(12,611)**	**(77,773)**	**19,073**
Current taxes	(288)	86	(374)	(183)
Deferred taxes	(121)	0	(121)	0
Net consolidated income (loss)	**(90,794)**	**(12,525)**	**(78,269)**	**18,891**
Of which minority interests	6,224	3,117	3,107	10,512
Of which attributable to equity holders of the parent	(97,017)	(15,641)	(81,376)	8,379
Basic earnings per share	**(5.10)**	**(0.85)**		**0.46**
Diluted earnings per share	**(5.10)**	**(0.85)**		**0.46**

Earnings per share are calculated on the basis of the average number of common shares.

1.4 Consolidated statement of comprehensive income

(€ thousand)	06/30/2017	06/30/2016	Changes	06/30/2015
Net consolidated income (loss)	**(90,794)**	**(12,525)**	**(78,269)**	**18,891**
Impact from financial instruments	2,984	(3,605)	6,589	6,735
Total gains and losses recognized directly in equity	**2,984**	**(3,605)**	**6,589**	**6,735**
Consolidated statement of comprehensive income	**(87,810)**	**(16,130)**	**(71,680)**	**25,626**
Of which minority interests	6,301	2,653	3,648	10,902
Of which attributable to equity holders of the parent	(94,110)	(18,782)	(75,328)	14,724

1.5 Consolidated statement of changes in shareholders' equity

Changes in shareholders' equity attributable to equity holders of the parent	Capital stock	Additional paid-in capital	Treasury shares	Consolidated revenue	Company reserves	Financial instrument reserves	Consolidated net income	Total
Shareholders' equity at December 31, 2015	**19,009**	**39,029**	**(23,713)**	**302,476**	**183,774**	**(24,802)**	**18,556**	**514,330**
Appropriation of net income				(22,856)	41,412		(18,556)	0
Dividends					(21,280)			(21,280)
OPRA								0
Capital increase								0
Treasury shares			676					676
Changes in fair value of hedging instruments						3,938		3,938
Stock options, warrants, bonus shares				252				252
Other adjustments and restatements								0
Net income (loss) for the period (excl. appropriation to reserves)							(3,691)	(3,691)
Shareholders' equity at December 31, 2016	**19,009**	**39,029**	**(23,037)**	**279,872**	**203,906**	**(20,864)**	**(3,691)**	**494,224**

Changes in shareholders' equity attributable to equity holders of the parent	Capital stock	Additional paid-in capital	Treasury shares	Consolidated revenue	Company reserves	Financial instrument reserves	Consolidated net income	Total
Shareholders' equity at December 31, 2016	**19,009**	**39,029**	**(23,037)**	**279,872**	**203,906**	**(20,864)**	**(3,691)**	**494,224**
Appropriation of net income				(7,047)	3,276		3,691	(80)
Dividends					(20,800)			(20,800)
OPRA								0
Capital increase								0
Treasury shares								0
Changes in fair value of hedging instruments						2,984		2,984
Stock options, warrants, bonus shares				122				122
Other adjustments and restatements								0
Net income (loss) for the period (excl. appropriation to reserves)							(97,017)	(97,017)
Shareholders' equity at June 30, 2017	**19,009**	**39,029**	**(23,037)**	**272,947**	**186,382**	**(17,880)**	**(97,017)**	**379,433**

1.6 Consolidated statement of cash flows

(€ thousand)	**06/30/2017**	**12/31/2016**	**12/31/2015**
Cash flows from operating activities			
Net income (loss)	**(90,794)**	**9,848**	**33,241**
Depreciation allowances & provisions	4,655	58	116
Gains (losses) on disposals of assets	(316)	(6,640)	(7,329)
Changes in value of properties	91,746	10,710	(18,151)
Changes in fair value of financial instruments	(3,485)	5,232	615
Share of net income (loss) of subsidiaries (non tax)	(320)	(717)	553
(Income) expense related to stock options	122	252	304
Taxes and expenses related to distribution	410	0	598
Spread debt issue costs	544	1,391	1,884
Operating cash flows before changes in working capital	**2,561**	**20,134**	**11,832**
Changes in working capital requirements			
Operating receivables	(1,496)	(2,900)	(1,417)
Operating liabilities excluding SIIC option liabilities	1,859	(15,708)	(2,236)
Cash flows from operating activities	**2,924**	**1,526**	**8,179**
Cash flows from investing activities			
Acquisition of non-current assets	(38,695)	(54,901)	(94,303)
Disposal of property	1,109	86,761	132,740
Payment of exit tax	0	0	0
Changes in non-current financial assets	308	8,768	(4,120)
Cash flows from investing activities	**(37,278)**	**40,628**	**34,316**
Net cash provided by (used in) financing activities			
Dividends paid	(20,800)	(21,280)	(5,495)
Changes in capital stock	0	0	707
Taxes and expenses related to distribution	0	0	(598)
Purchase of treasury shares	0	0	(884)
Proceeds from new loans and other borrowings	57,548	31,113	59,100
Repayments of loans and other borrowings	(25,393)	(51,796)	(82,229)
Net cash provided by (used in) financing activities	**11,355**	**(41,963)**	**(29,399)**
Net increase (decrease) in cash and cash equivalents	**(22,998)**	**192**	**13,096**
Cash and cash equivalents at beginning of year	**23,185**	**22,993**	**9,897**
Cash and cash equivalents at end of year	**187**	**23,185**	**22,993**

2. Notes to the condensed consolidated financial statements

2

Detailed summary of the notes

Significant events of the period

Investments

City-center portfolio

Work performed on and the investments made in city-center portfolio totaled €2.1 million, and essentially comprised the refurbishment of office buildings and residential property in Rue de la République, in Marseille.

Core portfolio in Lyon

ANF Immobilier and its subsidiaries invested €1.2 million in their Lyon portfolios, essentially in buildings occupied by Areva in La Part Dieu.

Hotel portfolio

ANF Immobilier continued its investments, in partnership in the ANF Immobilier Hôtels SCI, by the acquisition of the 3* hotel rented to B&B in the Quai 8.2 project in Bordeaux for a total of €0.6 million. This project is a co-development between ANF Immobilier and Vinci Immobilier.

New development in Toulouse

At the end of the first quarter, ANF Immobilier acquired a property complex, comprising two buildings in Toulouse Blagnac, for €19 million. This multi-renter property generates €2 million in annual gross rental income.

New development in Bordeaux

ANF Immobilier, through its partnerships, continued its investment in the Quai 8.2 project, as part of the redevelopment of the Bordeaux new LGV train station district. Within this project, ANF Immobilier, through its subsidiaries (three SCCV and two SCI), is both co-developer with Vinci Immobilier, and co-investor with Foncière des Régions. Investment for the period totaled €15.9 million.

As co-developers, ANF Immobilier and Vinci Immobilier sold the 4* hotel rented to Louvre Hotels in the project to private investor, through their SCCV Hôtels A1-A2 subsidiary. In this context, a margin for the stage of completion was recognized in the financial statements of both co-developers. ANF Immobilier's share of €323 thousand at June 30, 2017 was recognized in the subsidiary's income from entities accounted for by the equity method.

Disposals

In Lyon, ANF Immobilier sold two residential blocks for €1 million, over the first half year.

Operations

Rental income amounted to €24.4 million, down 5.4% compared to June 30, 2016.

This reduction was the result of the impact of the disposals of hotels and one office building, carried out at the end of the year, and of the departure of retail tenants at Rue de la République in Marseille.

EBITDA totaled €10.8 million, compared to €16.8 million in 2016. Recurring EBITDA totaled €16.8 million compared to €17.6 million in 2016.

After deducting net financial expenses, the recurring cash flow was €10 million.

Property appraisal

A strong appetite in the market for commercial real estate continued to benefit the ANF Immobilier Group's portfolio, reflected in the slight compression of yields on core assets.

However, the portfolio was strongly affected by the departure of retail chains and rent renegotiation requests, which led to lower average rental values.

Accordingly, the change in the fair value of properties (excluding the portfolio discount being negotiated with Primonial) was negative at -€9.9 million. It includes a value creation of €15.7 million for the core portfolio and Group developments, compared to a value loss of €25.7 million for the Marseille city-center portfolio.

Financing

The amount of the Group's undrawn credit lines was €98 million, including €60 million in revolving credit lines.

The IFRS average cost of debt was 2.85%. Gross debt totaled €487.2 million. The consolidated LTV ratio stood at 47.4% and the consolidated Interest Cover Ratio at 2.14.

The Group set up a new line of credit in the first half of 2016 to finance the acquisition of the Centreda property complex in Toulouse Blagnac.

It continued to draw down against specific credit lines for property development projects and repaid amounts linked to assets sold or to regular credit line amortization.

In addition to using bank debt, the Group has financed its development projects through current accounts, totaling €56.6 million as of June 30, 2017.

With respect to its financial instruments and hedging policy, the ANF Immobilier Group had a portfolio of 12 interest rate hedging agreements to swap three-month Euribor variable rates for fixed rates. Two of these hedging instruments are measured in the Group's financial statements using the hedge accounting method. As at June 30, 2017, they had generated a change in hedging reserves of €0.3 million. The change in value of the other ten SWAPS contracts were transferred to the income statement on July 1, 2016. As at June 30, 2017, they had generated positive income of €3.5 million.

Events after the reporting period

Exclusive discussions for a possible change of control and the concurrent disposal of a property portfolio in Marseille

ANF Immobilier and its main shareholder, Eurazeo, entered into exclusive negotiations from July 20, 2017, with two major actors, in respect of a possible dual concurrent transaction (see page 2 of this report).

The Primonial group wishes to acquire a portfolio of Marseille and Lyon assets totaling €482.7 million according to the appraisals as at June 30, 2017. Following the signature of the agreement to sell on this asset portfolio, the Icade group wishes to acquire the block of shares held by Eurazeo in ANF Immobilier. Both operations are dependent on each other.

The indicative offer made by the Primonial group for the targeted scope in Marseille shows an additional discount of around €66.5 million compared to the appraisal value of June 30, 2017, and includes a yield indemnity of €15.4 million over six years. This yield indemnity does not include a better fortunes clause.

The proposed discount, as well as the yield indemnity, are an integral part of the overall transaction and have been accepted by all parties to date.

Accordingly, at June 30, 2017, ANF Immobilier reclassified the assets concerned by the Primonial group's bid in Assets Destined for Sale, in accordance with IFRS 5. This reclassification was carried out for the offered value. This value includes an additional discount of €66.5 million and the yield indemnity of €15.4 million (equivalent to an additional price reduction due to its certainty in the protocol). These elements directly impact the Company's fair value at June 30, 2017 for €81.9 million.

In parallel, ANF Immobilier reclassified all liabilities affected by this carve-out operation (mainly mortgage debt or debt with a change of control clause), from non-current liabilities to current liabilities due to them being potentially payable at the time of the transaction.

Dispute with former executives

On July 4, 2017, the Marseille Criminal Court delivered its verdict in the case of the former executives and corporate officers, Philippe Brion and Caroline Dheilly, and of Philippe Toti, builder at TPH, and Jean-Philippe Manacorda, architect.

As a reminder, the Company had filed criminal indemnification proceedings with the Marseille District Court on May 11, 2006 for misuse of corporate assets and receiving stolen goods.

After years of proceedings, the Marseille court delivered its final ruling on March 13, 2015, in which it requested the transfer of the case against Mr. Brion and Ms. Dheilly for misuse of corporate assets and against Mr. Toti and Mr. Manacorda for receiving stolen goods to the Criminal Court.

On April 29, 2016, the examining magistrate following the prosecution's decision ordered the transfer of the case against Mr. Brion and Ms. Dheilly for misuse of corporate assets of ANF Immobilier and Mr. Toti and Mr. Manacorda for receiving stolen goods to the Marseille Criminal Court.

The stay of civil proceedings was pronounced while awaiting the decision of the criminal jurisdiction.

The judgment made by the Marseille Criminal Court on July 4 led to the charges against the four defendants being dropped.

The Company has appealed this decision[1]. The Appeal Court will rule on AMF Immobilier's civil interests.

These disputes have not entailed provisions in the financial statements in the past or as of today.

Change in accounting policies

All accounting policies and methods used for the fiscal year are identical to those used for the two previous years. They are described in detail in the financial statements published for the year ended December 31, 2016. Only specific cases and information requiring an update are given in the Note "Basis of consolidation".

The new standards and interpretations applicable from January 1, 2017 did not have a material impact on ANF Immobilier's consolidated financial statements.

(1) As a reminder, the Company was subject to legal actions brought by its former managers, who were also suspended pending the decision of the criminal jurisdiction.

Basis of consolidation

Accounting basis

In line with the provisions of European regulation (EC) no. 1606/2002 of July 19, 2002 on the application of international accounting standards, the ANF Immobilier Group's consolidated financial statements for the six months ended June 30, 2017 were prepared in accordance with IFRS as adopted by the European Union.

The consolidated financial statements cover the period from January 1, 2017 to June 30, 2017. They were approved by the Executive Board on July 18, 2015. The consolidated financial statements are presented in accordance with IAS 34.

The ANF Immobilier Group applies the international accounting standards comprising IFRS, IAS and their interpretations as adopted by the European Union and which are mandatory for the fiscal year beginning January 1, 2016.

Official standards and interpretations that may be applicable subsequent to the closing date have not been applied early.

With the exception of investment property and certain financial instruments that are recognized using the fair value convention, the financial statements have been prepared using the historical cost convention. In accordance with the IFRS conceptual framework, certain estimates and assumptions have been used in drawing up these financial statements. These assumptions have an impact on some of the amounts presented in these financial statements. Material estimates made by the Group when preparing the financial statements mainly relate to the following:

- fair value measurement of investment properties and financial instruments;
- measurement of provisions.

Because of the uncertainty inherent in any measurement process, the Group revises its estimates based on regularly updated information. Future results of the operations in question may differ from these estimates.

In addition to making estimates, Group Senior Management makes judgments regarding the appropriate accounting treatment for certain activities and transactions when applicable IFRS standards and interpretations do not specify how the accounting issues should be handled.

New standards and interpretations applicable from January 1, 2017

The standards and interpretations applied for the consolidated financial statements for the six months ended June 30, 2017 are identical to those used for the consolidated financial statements for the year ended December 31, 2015.

No new IFRS were subject to first-time application as of January 1, 2017.

Moreover, ANF Immobilier has not applied in advance the most recent standards and interpretations not adopted by the European Union.

Scope of consolidation

The ANF Immobilier Group consolidated 16 companies as of June 30, 2017, stable compared to December 31, 2016. The changes in the consolidation scope compared with the December 31 of the previous year are summarized below:

List of consolidated entities	Method of consolidation	Property Owned/ Business	% of holding	
			June 2017	December 2016
SCCV 1-3 Rue d'Hozier	Equity method	Support of a residential property transaction	45.0%	45.0%
SARL ANF République	Full consolidation	Furnished sub-lease	100.0%	100.0%
SNC Les Bassins à Flots	Full consolidation	Offices (Casino Group)	100.0%	100.0%
SCI Silky Way	Full consolidation	Offices (Alstom Group)	65.0%	65.0%
SCI ANF Immobilier Hôtels	Full consolidation	Hotels	77.0%	51.0%
SCI Future Way	Full consolidation	Offices (Adecco Group)	50.6%	50.6%
SCI New Way	Full consolidation	Offices (under development)	50.3%	50.3%
SAS ANF Immobilier Développement	Full consolidation	Development and property trading	100.0%	100.0%
SCCV Hôtels A1-A2	Equity method	Hotels (under development)	50.0%	50.0%
SCCV Bureaux B-C	Equity method	Offices (under development)	50.0%	50.0%
SCCV Mixte D-E	Equity method	Mixed-use (under development)	50.0%	50.0%
SCI Lafayette	Full consolidation	Offices (Areva Group)	54.0%	54.0%
SCI Stratège	Full consolidation	Offices (Areva Group)	54.0%	54.0%
SCI Orianz	Full consolidation	Offices (under development)	65.3%	65.3%
SCI Factor E	Full consolidation	Offices (under development)	65.3%	65.3%
SAS Financière des Brotteaux	Equity method	Offices (various tenants)	20.0%	20.0%

The changes in controlling interests for the first half of 2017 only relate to the SCI ANF Immobilier Hôtels for which the partners purchased Eurazeo's shares in January 2017.

Market risk management

A comprehensive description of the market risk management policy is to be found in Chapter 3 of the Registration Document published for the fiscal year 2016.

Additional information

Note 1 Non-current assets

Intangible assets, property, plant and equipment, and operating property

Gross amount	Balance as of 12/31/2015	Increase	Decrease	Balance as of 12/31/2016	Increase	Decrease	Balance as of 06/30/2017
Intangible assets	1,461	110	(71)	1,500	3	(5)	1,498
Operating properties	2,803	751	(1,802)	1,752	(8)		1,745
Furniture, office & computer equipment	6,238	109	(95)	6,252	40		6,292
TOTAL	**10,502**	**970**	**(1,968)**	**9,504**	**36**	**(5)**	**9,535**

Amortization	Balance as of 12/31/2015	Increase	Decrease	Balance as of 12/31/2016	Increase	Decrease	Balance as of 06/30/2017
Intangible assets	1,286	47	(71)	1,262	30		1,292
Operating properties	1,154	51	(988)	217	38		255
Furniture, office & computer equipment	1,642	781	(88)	2,335	360		2,695
TOTAL	**4,082**	**880**	**(1,147)**	**3,814**	**428**	**0**	**4,242**
NET AMOUNT	**6,420**	**90**	**(821)**	**5,690**	**-392**	**-5**	**5,293**

Investment property

Valuation of properties	Lyon	Marseille	Bordeaux	Toulouse	Hotels	Balance as of 06/30/2017
Investment property (companies in development)	335,890	73,592	95,973	23,000	83,815	612,270
Property held for sale	35,500	365,158	0	0	0	400,658
Investment property and property held for sale	335,890	474,250	95,973	23,000	83,815	1,012,928
Operating properties	488	1,081	0	0	0	1,569
VALUATION OF PROPERTIES	**336,378**	**475,331**	**95,973**	**23,000**	**83,815**	**1,014,497**

Investment property and property held for sale	Lyon	Marseille	Bordeaux	Toulouse	Hotels	Total
Balance as of 12/31/2015	**324,766**	**623,958**	**42,567**	**0**	**106,948**	**1,098,240**
Investments	22,640	2,427	29,026		7,349	61,442
Income from disposals	(33,566)	(18,224)			(37,855)	(89,645)
Reclassification of Registered Office		817				817
Change in value	**11,660**	**(27,825)**	**5,071**		**7,049**	**(4,045)**
Balance as of 12/31/2016	**325,500**	**581,152**	**76,664**	**0**	**83,491**	**1,066,808**
Investments	1,214	2,074	15,844	18,974	553	38,659
Income from disposals	(1,109)					(1,109)
Reclassification of Registered Office						0
Change in value	10,287	(108,978)	3,464	4,026	(229)	(91,430)
Balance as of 06/30/2017	**335,892**	**474,248**	**95,972**	**23,000**	**83,815**	**1,012,928**

Changes in fair value include a +€0.3 million gain on disposals and a -€91.7 million decrease in the value of properties, including a -€66.5 million discount on the carved-out portfolio and a -€15.4 million impact of the yield indemnity.

Details of investments	Lyon	Marseille	Bordeaux	Toulouse	Hotels	Total
Acquisitions	22,920	0	29,015		3,529	55,464
Works	(280)	2,427	11		3,820	5,978
2016 total	**22,640**	**2,427**	**29,026**	**0**	**7,349**	**61,442**
Acquisitions	178		15,831	18,974	553	35,536
Works	1,036	2,074	13	0	0	3,123
2017 total	**1,214**	**2,074**	**15,844**	**18,974**	**553**	**38,659**

With the exception of buildings under sale agreements, the Company's city-center real estate assets were appraised by Jones Lang LaSalle, BNP Real Estate Expertise and CBRE using a number of different approaches:

- the rental income capitalization method for the Lyon and Marseille properties;
- the comparison method for the Lyon and Marseille properties;
- the developer balance sheet method for land;
- the income method for hotel properties.

These methodologies are described in the financial statements published for the year ended December 31, 2016.

Measurement parameters – IFRS 13

ANF Immobilier complies with IFRS 13 "Fair Value Measurement".

Given the limited data available, the complexity of real estate asset appraisals and the fact that, to carry out their appraisals, independent appraisers use the Group's confidential rental statements, ANF Immobilier considers that all of these assets are classified as Level 3.

Accordingly, the following tables show a number of quantitative factors used to determine the fair value of the Group's assets:

Measurement parameters CBRE

Historic properties (ranges)		Yield	Metric values	Rental income per sq.m*
Marseille				
	Residential	4.25%-4.75%	€1,116-€4,407/sq.m*	€31.96-€270.51/sq.m*
	Retail	4.53%-6.00%	€1,062-€12,247/sq.m*	€65.12-€630.76/sq.m*
	Offices	6.25%-6.75%	€1,333-€4,269/sq.m*	€86.61-€203/sq.m*
	Car parks	5.00%	€550-€17,865/U	€803.88-€1,260/sq.m*

Measurement parameters BNP Paribas Real Estate

Historic properties (ranges)		Yield	Capitalization rate	Metric values	Rental income per sq.m*
Marseille					
	Residential (excl. law 48)	3.25%-5.25%	3.47%-5.61%	€2,500-€6,400/sq.m*	€108 - €320/sq.m*
	Retail	5% -7.25%	5.35%-7.75%	€3,000-€13,000/sq.m*	€200 - €700/sq.m*
	Offices	5.85%-6.50%	5.95%-6.95%	€1,900-€4,100/sq.m*	€170 - €300/sq.m*

Projects and developments (ranges)		Yield	Capitalization rate	Metric values	Rental income per sq.m*
Lyon (city-center)					
	Residential	4.50%	4.81%	€3,500/sq.m	€150/sq.m
	Offices	5.00%-5.20%	5.35%-5.56%	€4,000/sq.m	€225/sq.m
	Retail	5.20%-6%	5.56%-6.41%	€4,200-€5,700/sq.m	€250-€500/sq.m
Lyon - Part Dieu					
	Offices	7%-7.2%	7.48%-7.7%	€2,150-€2,650/sq.m	€165-€200/sq.m
Marseille (city-center)					
	Residential	4.70%	4.78%	€4,000/sq.m	€160/sq.m
	Retail	6.60%	6.72%	€4,000/sq.m	€270/sq.m
	Offices	6.40%	6.52%	€3,700/sq.m	€240/sq.m
Bordeaux – Bassins à flot					
	Retail	6.40%	6.52%	€5,500/sq.m	€165/sq.m
	Offices	6.40%-7%	6.52%-7.13%	€2,400-€2,750/sq.m	€175-€250/sq.m
Bordeaux – Euratlantique					
	Retail	6.50%	6.62%	€3,400/sq.m	€190/sq.m
	Offices	5.75%-6.50%	5.85%-6.62%	€3,000/sq.m	€190/sq.m

* *Discount rate as part of the AOT.*

Measurement parameters Jones Lang Lasalle

Historic properties (ranges)		Yield	Metric values	Rental income per sq.m.
Lyon (city-center)				
	Residential (excl. law 48)	4.20%-4.45%	€3,124/sq.m.	€108/sq.m.
Marseille				
	Residential (excl. law 48)	4.40%-4.80%	€219-€5,049/sq.m.	€19-€344/sq.m.
	Retail	4.90%-6.35%	€3,185-€25,343/sq.m.	€77-€1,190/sq.m.
	Offices	6.30%-7.10%	€425-€3,028/sq.m.	€47-€202/sq.m.
Toulouse				
	Offices	8.00%-8.25%	€1,424/sq.m.	€244/sq.m.

Projects and developments (ranges)		Yield	Metric values	Rental income per sq.m.
Marseille				
	Retail (ground floor lots)	5.80%	€1,649-€2,551/sq.m.	€100-€150/sq.m.
	Offices	5.80%	€947/sq.m.	€250/sq.m.
Lyon (Carré de Soie)				
	Offices	5.10%-5.5%	€3,132-€3,698/sq.m.	€172.5-€187.9/sq.m.
Lyon (City-center)				
	Retail (all surface areas)	4.40%	€5,843-€8,023/sq.m.	€270-€345/sq.m.
	Offices	5.00%	€5,604/sq.m.	€300/sq.m.

Hotel properties (ranges)		Yield	Metric values	Rental income per sq.m.
France				
	Hotels	5.61%-8.40%	€625-€3,815/sq.m.	€47-€241/sq.m.

Sensitivity analysis

The market value of the real estate portfolio appraised was calculated by independent appraisers by varying the main criteria in order to determine sensitivity. The sensitivity may only be applied to and calculated for our entire portfolio (rent-controlled residential units falling under the 1948 law, car parks, miscellaneous assets, specific projects or acquisitions).

The following tables show in detail the sensitivity of the portfolio's market value:

Sensitivity analyses conducted by CBRE

Total Marseille				**Sensitivity to yield (capitalization method)**		
City	**Use**	**Capitalization method: yield at +0.20**	**Capitalization method: yield at +0.10**	**Value used as of 06/30/2017 per capitalization, excl. fees**	**Capitalization method: yield at -0.10**	**Capitalization method: yield at -0.20**
Marseille	Mixed use	€78,760,000	€79,533,029	€79,994,998	€81,177,037	€82,051,765
TOTAL MARSEILLE		**€78,760,000**	**€79,533,029**	**€79,994,998**	**€81,177,037**	**€82,051,765**

Sensitivity analyses by BNP Paribas Real Estate

	Market value excluding fees used. Capitalization method	Sensitivity of market value to changes in yield							
Historic properties (ranges)									
Lyon									
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Residential (excl. law 48)									
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Retail	€1,970,297	€2,049,109	4.00%	€2,008,931	1.96%	€1,933,122	-1.89%	€1,897,323	-3.70%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Offices	€114,763,688	€118,293,220	3.08%	€116,501,126	1.51%	€113,078,395	-1.47%	€111,442,892	-2.89%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Printemps									
Marseille									
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Residential (excl. law 48)	€53,129,092	€55,884,314	5.19%	€54,474,451	2.53%	€51,843,902	-2.42%	€50,614,924	-4.73%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Retail	€58,553,383	€60,831,312	3.89%	€59,671,073	1.91%	€57,475,920	-1.84%	€56,436,527	-3.62%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Offices*	€21,641,926	€22,426,761	3.63%	€22,027,922	1.78%	€21,268,158	-1.73%	€20,906,047	-3.40%
Bordeaux									
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Warehouse	€12,166	€12,478	2.56%	€12,320	1.27%	€12,015	-1.23%	€11,869	-2.44%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Retail	€7,155,405	€7,400,889	3.43%	€7,276,320	1.69%	€7,037,987	-1.64%	€6,923,918	-3.24%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Offices	€126,710,394	€130,916,800	3.32%	€128,781,098	1.63%	€124,701,767	-1.59%	€122,752,471	-3.12%
Projects and developments (ranges)									
Lyon									
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Residential (excl. law 48)	€305,666	€328,972	7.62%	€317,054	3.73%	€294,772	-3.56%	€284,343	-6.98%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Retail	€637,292	€659,325	3.46%	€648,122	1.70%	€626,816	-1.64%	€616,679	-3.23%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Offices									
Marseille									
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Residential (excl. law 48)	€40,808,351	€42,751,353	4.76%	€41,758,154	2.33%	€39,899,145	-2.23%	€39,027,974	-4.36%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Retail	€9,284,882	€9,647,028	3.90%	€9,462,916	1.92%	€9,112,629	-1.86%	€8,945,880	-3.65%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Offices	€20,352,203	€21,101,732	3.68%	€20,720,721	1.81%	€19,995,572	-1.75%	€19,650,263	-3.45%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Desbief	€12,460,000	€14,608,042	17.24%	€13,513,308	8.45%	€11,445,756	-8.14%	€10,468,394	-15.98%
TOTAL	**€467,784,745**	**€486,911,335**	**4.09%**	**€477,173,516**	**2.01%**	**€458,725,958**	**-1.94%**	**€449,979,503**	**-3.81%**

* *Excluding emphyteutic lease.*

Sensitivity analyses by Jones Lang Lasalle

Historic properties

		Sensitivity to yield (capitalization method)				
City	**Use**	**Capitalization method: yield at +0.20**	**Capitalization method: yield at +0.10**	**Value used as of 06/30/2017 per capitalization, excl. fees**	**Capitalization method: yield at -0.10**	**Capitalization method: yield at -0.20**
Lyon	Office					
	Retail					
	Residential	€843,184	€864,232	€886,254	€909,319	€933,505
TOTAL LYON		**€843,184**	**€864,232**	**€886,254**	**€909,319**	**€933,505**

		Sensitivity to yield (capitalization method)				
City	**Use**	**Capitalization method: yield at +0.20**	**Capitalization method: yield at +0.10**	**Value used as of 06/30/2017 per capitalization, excl. fees**	**Capitalization method: yield at -0.10**	**Capitalization method: yield at -0.20**
Marseille	Office	€51,960,638	€52,819,208	€53,705,791	€54,090,331	€55,568,677
	Retail	€78,099,279	€79,591,853	€81,936,049	€82,077,258	€84,421,027
	Residential	€84,550,677	€86,592,519	€88,707,834	€90,762,645	€93,291,543
TOTAL MARSEILLE		**€214,610,594**	**€219,003,580**	**€224,349,675**	**€226,930,234**	**€233,281,246**

Projects and acquisitions

		Sensitivity to yield (capitalization method)				
City	**Use**	**Capitalization method: yield at +0.20**	**Capitalization method: yield at +0.10**	**Value used as of 06/30/2017 per capitalization, excl. fees**	**Capitalization method: yield at -0.10**	**Capitalization method: yield at -0.20**
Lyon (Carré de Soie 1)	Office	€110,560,000	€112,560,000	€114,620,000	€116,760,000	€118,980,000
Lyon (Carré de Soie 2)	Office	€47,220,000	€48,130,000	€49,090,000	€50,080,000	€51,110,000
Lyon (city-center)	Retail	€31,290,000	€31,980,000	€32,700,000	€33,460,000	€34,250,000
Marseille	Office	€2,299,425	€2,495,311	€2,698,005	€2,907,867	€3,125,281
	Retail	€510,119	€519,244	€528,685	€538,458	€548,581
TOTAL LYON		**€191,879,544**	**€195,684,555**	**€199,636,690**	**€200,300,000**	**€208,013,862**

		Sensitivity to yield (capitalization method)				
City	**Use**	**Capitalization method: yield at +0.20**	**Capitalization method: yield at +0.10**	**Value used as of 06/30/2017 per capitalization, excl. fees**	**Capitalization method: yield at -0.10**	**Capitalization method: yield at -0.20**
Toulouse	Office*	€22,447,282	€22,720,343	€23,000,095	€23,286,784	€23,580,673
TOTAL TOULOUSE		**€22,447,282**	**€22,720,343**	**€23,000,095**	**€23,286,784**	**€23,580,673**

* *Including car parks.*

Hotel properties

Total Hotels		Sensitivity to yield (capitalization method)				
City	Use	Capitalization method: yield at +0.20	Capitalization method: yield at +0.10	Value used as of 06/30/2017 per capitalization, excl. fees	Capitalization method: yield at -0.10	Capitalization method: yield at -0.20
France	Hotels	€84,680,000	€86,000,000	€87,380,000	€88,810,000	€90,250,000
TOTAL HOTELS		**€84,680,000**	**€86,000,000**	**€87,380,000**	**€88,810,000**	**€90,250,000**

Non-current financial assets

Non-current financial assets	Balance as of 12/31/2015	Increase	Decrease	Balance as of 12/31/2016	Increase	Decrease	Balance as of 06/30/2017
Liquidity contract	268	194		462	1,790	(1,917)	335.1
Other loans	10,399		(8,842)	1,557		(1)	1,556
Deposits & guarantees	119	2		121	3		123.6
GROSS TOTAL	**10,786**	**196**	**(8,842)**	**2,140**	**1,793**	**(1,918)**	**2,015**
Provisions for the liquidity contract	(2)	0	2	0	0	0	0
Provisions for the other loans	0			0			0
Provisions for deposits and guarantees	(7)	0	0	(7)	0	0	(7)
NET TOTAL	**10,777**	**196**	**(8,840)**	**2,133**	**1,793**	**(1,918)**	**2,008**

Current account advances for the three Quai 8.2 project SCCVs in Bordeaux amounted to €1.3 million.

In 2005, a liquidity contract was arranged for ANF Immobilier stock. This contract is managed by Rothschild bank.

Note 2 Cash and cash equivalents

(€ thousand)	06/30/2017	12/31/2016	12/31/2015
Money market funds and marketable securities	0	0	822
Current bank accounts	16,331	35,144	22,627
Gross cash and marketable securities	**16,331**	**35,144**	**23,448**
Bank overdrafts	(15,781)	(11,619)	(300)
Accrued bank interest	(363)	(340)	(155)
Net cash and marketable securities	**187**	**23,185**	**22,993**

Note 3 Provisions for liabilities and expenses

Gross amount *(€ thousand)*	Balance as of 12/31/2015	Increase	Decrease	Balance as of 12/31/2016	Increase	Decrease	Balance as of 06/30/2017
Provision for long-service awards	12	0	0	12	0	0	12
Provisions for mutual retirement fund	45	0	0	45	0	0	45
Other provisions for liabilities	1,108	659	(1,059)	709	6,413		7,121
TOTAL	**1,165**	**659**	**(1,059)**	**766**	**6,413**	**0**	**7,178**
Current liabilities	1,108	659	(1,059)	709	6,413	0	7,121
Non-current liabilities	57	0	0	57	0	0	57

Impairment for the period mainly corresponds to expenses committed to the change of control operation and the disposal of part of the Marseille portfolio.

The most significant ongoing disputes are as follows:

1) Chief Executive Officer and Real Estate Director:

Proceedings are currently in progress as a result of the dismissal and termination of the Chief Executive Officer and the Real Estate Director of ANF Immobilier in April 2006.

On July 4, 2017, these disputes saw charges being dropped by the Criminal Court for the criminal elements. The Company has appealed this decision.

2) TPH-Toti proceedings:

Criminal proceedings before the Commercial Court have been ongoing since 2006 against TPH-Toti, a former supplier, notably for receiving stolen goods, aiding and abetting, and site abandonment.

On July 4, 2017, these disputes saw charges being dropped by the Criminal Court for the criminal elements. The Company has appealed this decision.

No provision has been recorded in the Company's financial statements for these disputes.

For the 2016 fiscal year, provisions of €550 thousand were recognized for commercial disputes related to buildings sold earlier in Lyon. In parallel, the Company disputed, before the Administrative Court, an amount of €5.8 million on the 3% tax on dividends paid in 2013 in respect of the OPRA carried out in 2012. These proceedings have not had an impact on the Company's financial statements to date.

No provision has been recorded in the Company's financial statements for these proceedings. To the best of the Company's knowledge, there are no other government, court or arbitration proceedings, pending or threatened, that might have or have had over the past six months a material effect on the Company's financial position or profitability.

Note 4 Treasury shares

(€ thousand)	06/30/2017	12/31/2016	12/31/2015
Shares recorded as a deduction from equity	23,037	23,037	23,713
Number of treasury shares	869,101	888,926	891,687
TOTAL NUMBER OF SHARES	**19,009,271**	**19,009,271**	**19,009,271**
Treasury shares *(%)*	4.57%	4.68%	4.69%

As of June 30, 2017, the Company held 869,101 treasury shares. During the period, no treasury shares were acquired and 12,868 shares were allocated (following performance conditions) as part of the 2014 bonus share program.

Note 5 Financial instruments

The ANF Immobilier Group is exposed to interest rate risk. Management actively manages this risk exposure. The Group uses a number of financial derivatives to mitigate this risk. The goal is to reduce, wherever deemed appropriate, fluctuations in cash flows as a result of changes in interest rates. The Group does not enter into financial transactions if it entails a risk that cannot be quantified.

ANF Immobilier has undertaken to comply with the following hedging requirements:

- Refinancing: 80% of the debt hedged at fixed rates;
- CFF financing: 80% of the debt hedged at fixed rates;
- HSBC financing: 100% of the debt hedged by a Cap agreement;
- CEPAC financing: 90% of the debt hedged at fixed rates;
- LCL financing: 80% of the debt hedged at fixed rates.

For this purpose, the ANF Immobilier Group entered into 12 interest rate hedging agreements to exchange a Euribor three-month variable rate for a fixed rate, as well as 13 Cap agreements to hedge a possible rate increase through a ceiling.

Two swap agreements hedge the debt in SCI ANF Immobilier Hôtels.

Two other contracts of this type hedge the debt in SCI Silky Way.

Two Cap agreements hedge two debts in SCI Stratège and SCI Lafayette.

Two Cap agreements hedge the debts in SCI Orianz and SCI Factor E.

Three Cap agreements hedge two debts in SCI ANF Immobilier Hôtels.

Two new Cap agreements hedge the debt in SCI New Way.

Lastly, eight hedging agreements and four Cap agreements hedge ANF Immobilier's main debt of €400 million (refinanced in May 2014).

As of June 30, 2016, in view of a lasting negative interest rate environment, the forward-looking efficiency tests carried out by the Group revealed that eight swap instruments on ANF Immobilier's main debt no longer qualified for hedge accounting. The same applied to two swap agreements hedging the debt in SCI Silky Way.

However, those items qualified based on retroactive tests as at June 30, 2016.

Consequently, from July 1, 2016 the Group reclassified these swap agreements into trading instruments. This resulted in the transfer of the changes in their fair value to the income statement and the spread of said fair value, previously stored in equity, over the remaining maturity of the underlying items.

At June 30, 2017, the positive fair value for these instruments amounted to €3.5 million. The amount of previous OIC deferred and transferred to the income statement was €2.9 million.

The table below breaks down the impact of the interest rate derivatives on the ANF Immobilier consolidated financial statements for the six months ended June 30, 2016:

Establishment	Loan hedged	Effective date	Maturity date	Fixed rate paid	*(€ thousand)*	Nominal	Variable nominal
Natixis	CEPAC IAH	06/27/2014	06/28/2021	1.0300%	Three-month Euribor swap/1.030%	32,105	Yes
Natixis	CEPAC IAH	03/31/2016	06/28/2021	1.2300%	Three-month Euribor swap/1.230%	8,026	Yes
					Hedging - Swaps	**40,131**	
CFF	CFF Silky Way	09/28/2015	06/29/2020	1.8500%	Three-month Euribor swap/1.850%	45,872	Yes
CERA	CFF Silky Way	09/28/2015	06/28/2020	1.8500%	Three-month Euribor swap/1.850%	7,572	Yes
BNPP	SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%	15,851	Yes
CIC	SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%	15,851	Yes
Natixis	SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%	12,969	Yes
CA	SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%	12,969	Yes
BNPP	SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%	24,465	Yes
CIC	SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%	24,465	Yes
Natixis	SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%	20,017	Yes
CA	SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%	20,017	Yes
					Trading swaps	**200,048**	
HSBC	HSBC SCI Lafayette	10/6/2014	10/7/2019	CAP 1.0000%	Three-month Euribor CAP/1.000%	21,786	No
HSBC	HSBC SCI Stratège	10/6/2014	10/7/2019	CAP 1.0000%	Three-month Euribor CAP/1.000%	18,914	No
Natixis	CEPAC IAH	12/31/2016	12/15/2021	CAP 1.5000%	Three-month Euribor CAP/1.500%	2,171	No
Natixis	CEPAC IAH	12/31/2016	12/15/2021	CAP 1.5000%	Three-month Euribor CAP/1.500%	3,060	No
LCL	LCL/CACE New Way	02/28/2017	03/31/2022	CAP 1.5000%	Three-month Euribor CAP/1.500%	7,040	No
CACE	LCL/CACE New Way	02/28/2017	03/31/2022	CAP 1.5000%	Three-month Euribor CAP/1.500%	7,040	No
BNPP	SG Natixis, BECM, BNPP, CACIB	12/31/2015	06/29/2018	CAP 1.5000%	Three-month Euribor CAP/1.500%	37,280	No
CIC	SG Natixis, BECM, BNPP, CACIB	12/31/2015	06/29/2018	CAP 1.5000%	Three-month Euribor CAP/1.500%	37,280	No
CACIB	SG Natixis, BECM, BNPP, CACIB	12/31/2015	06/29/2018	CAP 1.5000%	Three-month Euribor CAP/1.500%	30,502	No
Natixis	SG Natixis, BECM, BNPP, CACIB	12/31/2015	06/29/2018	CAP 1.5000%	Three-month Euribor CAP/1.500%	30,502	No
Natixis	CEPAC IAH	09/30/2018	09/01/2023	CAP 1.5000%	Three-month Euribor CAP/1.500%	3,281	No
Natixis	SCI Orianz	05/31/2018	09/01/2023	CAP 0.5000%	Three-month Euribor CAP/0.500%	27,028	No
Natixis	SCI Factor E	09/30/2018	09/01/2020	CAP 0.5000%	Three-month Euribor CAP/0.500%	12,727	No
					Hedging – Caps	**238,611**	
					TOTAL FINANCIAL INSTRUMENTS	**478,789.8**	
					CAPS	**238,610.8**	
					SWAPS	**240,179.0**	
Other impacts on the income statement					Balance on swaps and difference in balance versus previous OIC		
					Impact of reclassification of previous OIC following unwinding and repayment of underlying (JAN 2016)		
					Impact of deferred reclassification of previous OIC after disqualification of hedge accounting		
					TOTAL FINANCIAL INSTRUMENTS	**478,789.8**	

Fair values assets 06/30/2017	Fair values liabilities 06/30/2017	Changes in fair value over the period	Impact on financial income over the period	Impact on shareholders' equity over the period	Inclusion in scope of consolidation	Removal from scope of consolidation	Fair values assets 12/31/2016	Fair values liabilities 12/31/2016
-	(915.8)	266.3	-	266.3			-	(1,182.0)
-	(254.4)	68.5	-	68.5			-	(322.9)
-	**(1,170.1)**	**334.8**	**-**	**334.8**	**-**	**-**	**-**	**(1,504.9)**
-	(2,386.8)	575.4	575.4	-			-	(2,962.2)
-	(397.4)	95.8	95.8	-			-	(493.3)
-	(574.0)	158.4	158.4	-			-	(732.4)
-	(574.0)	158.4	158.4	-			-	(732.4)
-	(469.7)	129.6	129.6	-			-	(599.2)
-	(469.7)	129.6	129.6	-			-	(599.2)
-	(2,867.6)	615.5	615.5	-			-	(3,483.1)
-	(2,867.6)	615.5	615.5	-			-	(3,483.1)
-	(2,346.2)	503.6	503.6	-			-	(2,849.8)
-	(2,346.2)	503.6	503.6	-			-	(2,849.8)
-	**(15,299.3)**	**3,485.4**	**3,485.4**	**-**	**-**	**-**	**-**	**(18,784.8)**
7.1	-	(7.0)	(7.0)				14.1	-
6.2	-	(6.1)	(6.1)				12.3	-
6.9	-	(1.0)	(1.0)				7.9	-
9.5	-	(1.4)	(1.4)				10.8	-
26.8	-	(3.0)	(3.0)				29.9	-
26.8	-	(3.0)	(3.0)				29.9	-
0.2	-	(0.0)	(0.0)				0.2	-
0.2	-	(0.0)	(0.0)				0.2	-
0.1	-	(0.0)	(0.0)				0.2	-
0.1	-	(0.0)	(0.0)				0.2	-
31.7	-	(1.6)	(1.6)				33.2	-
559.2	-	(4.3)	(4.3)				563.5	-
28.7	-	(5.6)	(5.6)				34.3	-
704	-	(33)	(33)	-	-	-	737	-
703.5	**(16,469.5)**	**3,787.1**	**3,452.3**	**334.8**	**-**	**-**	**736.6**	**(20,289.7)**
703.5	**-**	**(33.1)**	**(33.1)**	**-**	**-**	**-**	**736.6**	**-**
-	**(16,469.5)**	**3,820.2**	**3,485.4**	**334.8**	**-**	**-**	**-**	**(20,289.7)**
-	-	-	(258.6)	258.6			-	-
-	-	-	(597.5)	597.5			-	-
-	-	-	(2,031.6)	2,031.6			-	-
703.5	**(16,469.5)**	**3,787.1**	**564.6**	**3,222.5**	**-**	**-**	**736.6**	**(20,289.7)**

The financial derivative instruments were measured by discounting the estimated future cash flows on the basis of the yield curve as of June 30, 2017.

Measurement parameters – IFRS 13

ANF Immobilier complies with IFRS 13 "Fair Value Measurement", which requires consideration of counterparty credit risk (i.e. the risk that a counterparty fails to fulfill any of its obligations) when measuring the fair value of financial assets and liabilities.

The fair value of the Group's financial instruments follows the Level 2 methodology (valuation model based on observable market inputs) to the extent that it is determined by a measurement model that incorporates counterparty risk.

Note 6 Covenants

With respect to loans and credit lines, ANF Immobilier has made certain undertakings including that of compliance with the following Financial Ratios:

Interest Cover Ratio

The Interest Cover Ratio must be two (2) or above from the first Test Date, and for as long as sums remain due under the Agreement.

The Interest Cover Ratio is calculated quarterly at each Test Date, (i) for Interest Cover Ratios as at December 31 of each year, on the basis of the audited annual Company financial statements (consolidated, if the Borrower is required to prepare consolidated financial statements), (ii) for Interest Cover Ratios as at June 30 of each year, on the basis of the Borrower's unaudited interim financial statements (consolidated, if the Borrower is required to prepare consolidated financial statements), and (iii) for Interest Cover Ratios as at March 31 and September 30 of each year, on the basis of a provisional quarterly accounting close.

The "**Interest Cover Ratio**" denotes the ratio of EBITDA to Net Financial Expenses for an Interest Period.

Loan to Value Ratio

The Loan to Value (LTV) Ratio must be 50% (fifty percent) or lower from the first Test Date, and for as long as sums remain due under the Agreement.

The Loan to Value Ratio is calculated every six months on each Test Date, on the basis of the audited consolidated annual financial statements or unaudited consolidated interim financial statements.

The "**Loan to Value Ratio**" denotes the ratio of Net Debt to the Appraisal Value of Real Estate Assets.

	Reference standard	Test frequency	Ratios as of 06/30/2017	Ratios as of 12/31/2016	Ratios as of 12/31/2015
ICR Ratio (EBITDA/restated net financial expenses)	minimum 2	quarterly	2.14	2.80	2.24
LTV Ratio (net debt/appraisal value of property)	maximum 50%	half-yearly	47.4%	41.9%	43.0%

ANF Immobilier is also committed to retaining real estate assets worth in excess of €800 million and to paying down some of its loans in the event of a change of control.

ANF Immobilier is in compliance with all of the undertakings agreed to with respect to its loan agreements.

During the first half of the year, ANF Immobilier began discussions with its banks to consider the modification of the LTV ratio, with the aim of bringing it from a maximum of 50% to 55%.

Note 7 Off-balance sheet commitments

Commitments received

Current off-balance sheet commitments received by ANF Immobilier can be summarized as follows:

Commitments received *(€ thousand)*	**06/30/2017**	**12/31/2016**	**12/31/2015**
Guarantees and deposits received	93,459	60,300	35,952
Other commitments received	107,942	98,169	90,782
TOTAL	**201,401**	**158,469**	**126,734**

- Guarantees and deposits received essentially consisted of completion guarantees on Group investments and development projects (including €51.5 million on Quai 8.2 in Bordeaux), a rental payment guarantee by B&B (€34 million), and security deposits for signed leases.
- Other commitments received during the period mainly represent the remaining drawdown capabilities on the Group's borrowings.

Commitments given

Current off-balance sheet commitments given by ANF Immobilier can be summarized as follows:

Commitments given *(€ thousand)*	**06/30/2017**	**12/31/2016**	**12/31/2015**
Leases	211		
Agreements to buy	4,800	17,500	0
Agreements to sell	300	840	18,323
Pledges, mortgages and collateral	459,176	494,701	504,230
Guarantees and deposits given	51,595	52,015	33,287
Other commitments given	23,792	23,935	19,496
TOTAL	**539,874**	**588,992**	**575,336**

- Details on Agreements: an agreement to buy relating to the Lafayette project in Lyon (Areva) from the BNP branch and an agreement to sell relating to 1, rue de Suez in Marseille (excluding Gulfstream project).
- Pledges: mortgages on the residual value of the Group's liabilities and financial instruments.
- Guarantees and deposits: on-demand guarantees for payment of the balance due on the Quai 8.2 project in Bordeaux.
- Other commitments given: mortgage pledges on overdraft authorizations and loans of the Banque de France project.

Note 8 Changes in capital stock and shareholders' equity

According to Article 6 of the Articles of Association, capital stock is set at nineteen million, nine thousand, two hundred and seventy-one euros (€19,009,271). It is divided into nineteen million, nine thousand, two hundred and seventy-one (19,009,271) shares of €1, fully paid-up and all of the same class.

Note 9 Deferred tax assets and liabilities

All property held by ANF Immobilier was included in the scope of the SIIC regime.

The consolidated rental activity of ANF Immobilier is therefore totally exempt from corporate income tax.

Deferred taxes amounting to €121,000 were recognized on June 30, 2017 to take into account the margin on completion on the sale of the second hotel in the Quai 8.2 operation in Bordeaux.

Note 10 Income statement and segment reporting

Primary segment reporting is business-related, insofar as it represents the Group's management structure and is presented on the basis of the following business segments:

- operating activity for city-center properties;
- hotel operations.

Secondary segment reporting is by geographic region:

- Lyon region;
- Marseille region;
- Bordeaux region;
- Toulouse region.

(€ thousand)	06/30/2017	Unallocated	Hotels	Toulouse	Marseille	Lyon	Bordeaux
Revenues: rental income	24,384	0	2,553	539	10,390	9,722	1,180
Other operating income	4,646	0	187	285	2,628	1,358	188
Total operating income	**29,031**	**0**	**2,740**	**824**	**13,018**	**11,080**	**1,368**
Property expenses	(7,626)	0	(165)	(270)	(5,533)	(1,461)	(197)
Other operating expenses	(1,029)	0	63	(51)	(894)	(135)	(13)
Total operating expenses	**(8,655)**	**0**	**(102)**	**(320)**	**(6,427)**	**(1,597)**	**(209)**
Gross operating income (loss) from property	**20,376**	**0**	**2,638**	**504**	**6,591**	**9,484**	**1,159**
Gains (losses) on disposals of assets	316	0	0	0	0	316	0
Gross operating income (loss) from property after disposals	**20,692**	**0**	**2,638**	**504**	**6,591**	**9,800**	**1,159**
Employee benefits expenses	(4,901)	0	(980)	0	(1,960)	(1,715)	(245)
Other management expenses	(4,028)	0	(199)	0	(3,054)	(723)	(53)
Other income and transfers of expenses	103	0	5	0	0	98	0
Other expenses	(1,058)	0	0	0	(819)	(8)	(231)
Amortization	(428)	0	0	0	(38)	(390)	0
Other operating provisions (net of reversals)	195	0	0	0	145	0	50
Net operating income (loss) before changes in fair value of property	**10,575**	**0**	**1,464**	**504**	**865**	**7,063**	**679**
Changes in fair value of property	(91,746)	0	(229)	4,026	(108,977)	9,970	3,464
Net operating income (loss) after changes in fair value of property	**(81,170)**	**0**	**1,235**	**4,530**	**(108,112)**	**17,032**	**4,143**
Net financial expense	(10,098)	0	(911)	(42)	(6,080)	(2,834)	(231)
Financial amortization and provisions	0	0	0	0	0	0	0
Gains (losses) on financial instruments	565	0	0	0	480	85	0
Share of net income (loss) of equity-accounted	320	0	0	0	0	0	320
Net income (loss) before tax	**(90,384)**	**0**	**324**	**4,487**	**(113,711)**	**14,283**	**4,233**
Current taxes	(288)	0	(23)	0	(230)	(28)	(6)
Deferred taxes	(121)	0	0	0	0		(121)
Net consolidated income (loss)	**(90,794)**	**0**	**301**	**4,487**	**(113,942)**	**14,254**	**4,105**

Note 11 Earnings per share

(€ thousand)	06/30/2017	06/30/2016	06/30/2015
Net income for basic earnings per share calculation	(97,017)	(15,641)	8,374
Net income for diluted earnings per share calculation	(97,017)	(15,641)	8,374
Number of ordinary shares for basic earnings per share calculation as of the balance sheet date	18,140,170	18,133,026	17,429,849
Weighted average number of ordinary shares for basic earnings per share calculation	19,009,271	18,351,093	18,351,093
Stock options for diluted earnings per share calculation	0	0	0
Diluted number of ordinary shares	18,140,170	18,133,026	17,429,849
Diluted weighted average number of ordinary shares	19,009,271	18,351,093	18,351,093
(€)			
Net earnings per share	(5.35)	(0.86)	0.48
Diluted earnings per share	(5.35)	(0.86)	0.48
Weighted net earnings per share	(5.10)	(0.85)	0.48
Diluted weighted earnings per share	(5.10)	(0.85)	0.48

The number of shares does not include treasury shares.

Note 12 Employees

Headcount as of June 30, 2017	Males	Females	Total
Executives	16	9	25
Non-executives	4	6	10
TOTAL	**20**	**15**	**35**

The compensation paid to members of the Executive Board is set out below:

Compensation paid to members of the Executive Board *(€)*		06/30/2017	06/30/2016
Renaud Haberkorn	Fixed compensation	184,615	184,615
	Variable compensation	207,780	267,300
	Benefits in kind	1,800	1,200
Ghislaine Seguin	Fixed compensation	92,386	92,308
	Variable compensation	105,740	121,860
	Benefits in kind	1,200	1,200

IFRS 2 requires that the income statement reflect the effects of all transactions involving share-based payments. All payments in shares or linked to shares must accordingly be expensed when the goods or services provided in return for these payments are consumed.

Stock option plans

Acting pursuant to the authorizations conferred by the shareholders at the Shareholders' Meeting, the Executive Board awarded stock options to members of the Executive Board as well as qualifying personnel, as defined by the resolutions of the Shareholders' Meeting.

The terms of the stock option plans granted during recent fiscal years, amended by the adjustments, are as follows:

Terms of stock option plans	**2007 Stock Option Plan**	**2008 Stock Option Plan**	**2009 Stock Option Plan**	**2010 Stock Option Plan**
Date of the Extraordinary Shareholders' Meeting	05/04/2005	05/14/2008	05/14/2008	05/14/2008
Date of the Executive Board's decision	12/17/2007	12/19/2008	12/14/2009	12/15/2010
Total number of options granted initially	**100,564**	**128,353**	**158,500**	**166,920**
• of which corporate officers	79,424	101,083	131,000	137,475
• of which employees	21,140	27,270	27,500	29,445
Number of shares that may be purchased after adjustments	**159,159**	**179,839**	**224,659**	**219,323**
• of which corporate officers	125,560	143,613	185,642	180,610
• of which employees	33,599	36,226	39,017	38,713
Exercise date of options	The options may be exercised once vested			
Expiration date	12/17/2017	12/19/2018	12/14/2019	12/15/2020
Purchase price per share	**29.73**	**19.42**	**22.55**	**23.72**
Terms of exercise	Final vesting of options in phases:			
First tranche after a period of two years, i.e.	12/17/2009	12/19/2010	12/14/2011	12/15/2012
Second tranche after a period of three years, i.e.	12/17/2010	12/19/2011	12/14/2012	12/15/2013
Third tranche after a period of four years, i.e.	12/17/2011	12/19/2012	12/14/2013	12/15/2014
Final award after two years, i.e.				
Two-year lock-up period, i.e.				
Final award after three years, i.e.				
Exercise subject to future performance	No	Yes	Yes	Yes
Number of shares purchased	0	98,945	59,234	12,432
Number of options canceled	0	30,157	33,293	44,002
Total number of options outstanding	**159,159**	**50,737**	**132,132**	**162,889**

Please note that where beneficiaries of stock options do not have four years' service by the expiration date of one of the vesting periods referred to above, the options corresponding to such period will be subject to a vesting period until such time as said beneficiary has four years' service with the Company. This rule does not apply to the 50,000 options granted to the current Chief Executive Officer when he joined the Company.

As of June 30, 2017, the number of shares under option, after adjustments, for each beneficiary, is as follows:

	2007 Stock Option Plan	**2008 Stock Option Plan**	**2009 Stock Option Plan**	**2010 Stock Option Plan**
Bruno Keller	83,825	50,737	93,034	83,044
Renaud Haberkorn	0	0	0	0
Ghislaine Seguin	0	0	1,855	8,928
Xavier de Lacoste Lareymondie	37,575	0	0	27,604
Brigitte Perinetti	4,160	0	4,654	4,600
Corporate officers	**125,560**	**50,737**	**99,543**	**124,176**
Employees	33,599	0	32,589	38,713
TOTAL	**159,159**	**50,737**	**132,132**	**162,889**

2

2011 Stock Option Plan	2012 Stock Option Plan	2013 Stock Option Plan	2014 Stock Option Plan	2015 Bonus Shares Plan	2014 Bonus Shares Plan	2012 Bonus Shares Plan
05/17/2011	05/17/2011	05/06/2014	05/06/2014	05/11/2016	05/06/2014	05/17/2011
12/22/2011	04/02/2013	06/23/2014	11/12/2014	05/23/2016	11/12/2014	04/02/2013
168,872	**105,850**	**106,575**	**50,000**	**34,000**	**34,000**	**17,818**
135,542	86,525	86,525	50,000	17,000	24,000	16,023
33,330	19,325	20,050	0	17,000	10,000	1,795
216,075	**52,915**	**106,575**	**50,000**	**34,000**	**34,000**	**19,605**
173,412	43,263	86,525	50,000	17,000	24,000	16,023
42,663	9,652	20,050	0	17,000	10,000	3,582
	The options may be exercised once vested					
12/22/2021	04/2/2023	06/23/2024	11/12/2024	05/23/2026	11/12/2024	04/02/2023
21.53	**21.81**	**23.88**	**21.83**			
	Final vesting of options in phases:					
12/22/2013	03/31/2015	06/23/2016	11/12/2016			03/31/2015
12/22/2014	03/31/2016	06/23/2017	11/12/2017			03/31/2016
12/22/2015	03/31/2017	06/23/2018	11/12/2018			03/31/2017
					03/15/2017	
					03/15/2019	
				05/22/2019		
Yes	Yes	Yes	Yes	Yes	Yes	Yes
17,512	0	0	0	0	0	0
43,353	0	26,241	0	0	21,132	9,798
155,210	**52,915**	**80,334**	**50,000**	**34,000**	**12,868**	**9,807**

2011 Stock Option Plan	2012 Stock Option Plan	2013 Stock Option Plan	2014 Stock Option Plan	2015 Bonus Shares Plan	2014 Bonus Shares Plan	2012 Bonus Shares Plan
81,819	27,217	54,433	0	0	4,584	5,040
0	0	0	50,000	11,000	3,056	
0	2,924	5,851	0	6,000	1,528	542
33,918	13,122	0	0	0	0	2,430
0	0	0	0	0	0	
115,737	**43,263**	**60,284**	**50,000**	**17,000**	**9,168**	**8,012**
39,473	9,652	20,050	0	17,000	3,700	1,795
155,210	**52,915**	**80,334**	**50,000**	**34,000**	**12,868**	**9,807**

Note 13 Receivables maturity schedule

(€ thousand)	Amount 06/30/2017	< One year	One to five years	> Five years
Trade receivables	9,263	9,263	0	0
Other receivables	10,160	10,160	0	0
GROSS TOTAL	**19,423**	**19,423**	**0**	**0**
Provisions	3,378	3,378	0	0
NET TOTAL	**16,045**	**16,045**	**0**	**0**

Note 14 Debt maturity schedule

(€ thousand)	Amount 06/30/2017	< One year	One to five years	> Five years
Bank borrowings	593,124	443,034	48,289	101,802
Current assets	0	0	0	0
Trade payables	10,469	10,469	0	0
Tax and social security liabilities	9,878	9,878	0	0
Rental security deposits	6,828	6,828	0	0
Other payables	2,464	2,464	0	0
TOTAL	**622,763**	**485,725**	**48,289**	**88,749**

Following the announcement of the Marseille property disposal operation, ANF Immobilier reclassified €389.9 million in debt with maturity under one year.

3

STATUTORY AUDITORS' REPORT ON THE CONDENSED INTERIM FINANCIAL STATEMENTS

ANF Immobilier
1, rue Georges Berger
75017 Paris

(Period from January 1, 2017 to June 30, 2017)

Dear Shareholders,

In carrying out the assignment entrusted to us by your Shareholders' Meeting, and pursuant to Article L. 451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we have:

- performed a limited review of the interim condensed consolidated financial statements of ANF Immobilier, corresponding to the period from January 1, 2017 to June 30, 2017, as attached to the present report;
- verified the information provided in the interim management report.

The interim condensed consolidated financial statements were drawn up under the responsibility of the Executive Board. Our role is to express our conclusions on these financial statements based on our limited review.

I Conclusion on the financial statements

We carried out our limited review in accordance with professional standards applicable in France.

A limited review mainly consists of speaking to members of management responsible for accounting and financial aspects, and implementing analytical procedures. This work is less extensive than that required for an audit performed in accordance with professional standards applicable in France. As a result, a limited review only yields a moderate assurance that the financial statements in their entirety do not contain any significant anomalies; this moderate assurance is less firm than that obtained as the result of an audit.

Our limited review did not bring to light any material misstatements liable to call into question the compliance of the interim condensed consolidated financial statements with IAS 34, the IFRS standard as adopted in the European Union in respect of interim financial reporting.

Without prejudice to the conclusion expressed above, we draw your attention to the note "Events after the reporting period'" of the condensed consolidated half-year financial statements that presents the consequences of the exclusive discussions on a possible change of control and the concurrent disposal of a property portfolio in Marseille.

II Specific check

We have also conducted a verification of the information in the interim management report commenting on the interim condensed consolidated financial statements, which were the focus of our limited review.

We have no matters to report regarding its fairness and its consistency with the interim condensed consolidated financial statements.

Signed in Neuilly-sur-Seine and Courbevoie, on September 14, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	**Mazars**
Pierre Clavié	Isabelle Massa

4

RISK EXPOSURE

The following risks are those known by the Company as of the date of registration of this report that could have a significant adverse effect on the Company, its operations, financial position, income, and share price, and should be taken into account when making investment decisions. Investors should note that the following list is not exhaustive, and that risks may exist that are unknown as of the date of registration of this report which could have a significant negative effect on the Company, its operations, financial position, income and share price.

1. Real estate sector risks

1.1 Risks related to the economic environment and developments in the property market

ANF Immobilier's property assets mainly consist of residential and commercial rental properties located in Marseille, Bordeaux and Lyon and hotel properties located throughout France. As a result, any unfavorable changes in the French economic climate and/or the property markets in Marseille, Bordeaux and Lyon could have a negative impact on ANF Immobilier's rental income and earnings, asset values, investment strategy, financial position, and growth outlook.

Changes in the economic environment and property market may also have a long-term effect on occupancy rates and on tenants' ability to pay their rents and maintenance costs.

Other factors that could affect rental income are downward fluctuations in the indices on which most of ANF's rents are indexed. These include the cost of construction index (ICC), the quarterly retail rent index (ILC), the tertiary activities rent index (ILAT) for retail leases and the rent reference index (IRL).

It is difficult to predict cycles in the economy and property market, particularly in Marseille and Lyon. However, ANF Immobilier's existing city-center and new city-center locations give it a dominant position in terms of commercial leases in cities with strong potential and a diverse range of tenants, making the Company's rental income especially resilient in the face of any potential decrease in consumption. Lastly, regarding the project program ongoing until 2017-2020, the development of a new project only begins, with some exceptions, when it is secured (the tenant has been found and financing secured) or when ANF Immobilier as a buyer receives a rental guarantee from the developer seller.

1.2 Risks related to the terms of sale of property assets

The value of ANF Immobilier's property assets depends on a number of factors, notably supply and demand in the property market. After a number of very successful years, the French property market has slowed, in parallel with the financial crisis, notably resulting in fewer transactions and an increase in price volatility.

Against this backdrop, ANF Immobilier may not always be able to sell its property at a favorable time or under favorable market conditions. These conditions may also encourage or force ANF Immobilier to postpone some transactions. Should this situation continue, it could have a significantly negative effect on ANF Immobilier's portfolio value and on its investment strategy, financial position, and growth outlook.

Partnerships with major stakeholders help control some of these risks.

1.3 Risks related to the competitive environment

A change in strategy of the owners of the property neighboring that of ANF Immobilier could affect the implementation of its plan to redevelop the property complexes located on Rue de la République in Lyon and in Marseille.

As part of its external growth strategy, ANF Immobilier may come up against a number of international, national or local competitors, some of which (i) may be able to acquire assets under terms and conditions, notably regarding price, that do not correspond to ANF Immobilier's investment criteria and objectives, and/or (ii) have greater financial resources and/or more property.

ANF Immobilier's business and earnings could be negatively affected if it is unable to defend its market share or gain the market share it has targeted and maintain or strengthen its strategy.

Its regional expertise, proximity to local stakeholders and long-term relationships with partners help protect ANF Immobilier from these outcomes.

2. Risks related to the Company's business

2.1 Risks related to default on rent payments

Nearly all of ANF Immobilier's revenue is generated from leasing property to third parties, and the profitability of this leasing business depends on tenants' solvency (see Note 13 "Receivables maturity schedule" of the notes to ANF Immobilier's condensed consolidated financial statements at June 30, 2017). As such, tenants facing financial difficulties may be late paying their rent or even default on rent payments, which could have a negative impact on ANF Immobilier's earnings.

In this context, ANF Immobilier has put in place a weekly check on customers' outstanding payments and follows up any unpaid debts on a case-by-case basis. In addition, the Company has put in place a review, prior to each lease agreement, of the potential tenant's creditworthiness.

2.2 Risks related to service quality and subcontractors

ANF Immobilier uses subcontractors and suppliers for some of its maintenance and/or refurbishment work. ANF Immobilier believes that its operations, outlook, or reputation could be damaged if a subcontractor or supplier shuts down its business, stops payments, or provides unsatisfactory services or products. A selection process for subcontractors has been implemented, together with a system for monitoring suppliers' outstanding balances. The aim is to increase the number of subcontractors so that the Company does not become dependent on a particular supplier. In addition, ANF Immobilier believes that it can quickly find new, reliable subcontractors or suppliers if any of its existing contracts are terminated.

2.3 Risks related to the inability to find tenants

ANF Immobilier leases space in its owned or acquired property either directly or through estate agents. It therefore incurs the risk of spaces remaining vacant for an extended period of time. ANF Immobilier may encounter problems finding new tenants at suitable rent prices. The rent that the Company charges could therefore be affected by its ability to lease newly vacant space as existing tenants move out. Any such extended vacancies could affect ANF Immobilier's financial position and earnings.

2.4 Asset value risks

ANF Immobilier's property asset portfolio is appraised every six months by independent expert appraisers. The appraisals are performed according to the specifications set forth by the French Association of Property Appraisers (AFREXIM) and the working group chaired by Mr. Barthès de Ruyter, in its February 2000 report on appraisal of real estate assets for listed companies. The value of a real estate asset portfolio depends largely on changes in the property market and several other factors (the economic situation, interest rates, the commercial climate of assets, etc.) all of which play a role in the net asset value determined by the appraiser.

In order for the appraisers to value the Company's assets, ANF Immobilier provides the appraisers with extensive information on leases and the rental situation of its property assets. In addition, based on the portfolio value determined by the independent appraisers, ANF Immobilier may need to recognize an impairment provision in accordance with the appropriate accounting standards, if this proves to be necessary. A drop in the value of ANF Immobilier's real estate assets would also impact the LTV ratio used as a reference for certain banking covenants and may have an impact on the Company's results.

It should be recalled that as of June 30, 2017, ANF Immobilier's LTV ratio, defined as being the ratio between net bank debt and the real estate value from the appraisal reports, was 47%. The covenants included in the loan agreements signed by ANF Immobilier are based on an LTV ratio below or equal to 50/55% depending on the contracts.

2.5 Risks related to the Company's growth strategy

ANF Immobilier's growth strategy may involve making selective property purchases. However, ANF Immobilier cannot guarantee that suitable purchasing opportunities will arise, or that any purchases it does make will be completed in the initial timeframe, or generate the expected return.

Property purchases carry risks related to: (i) conditions in the real estate market; (ii) a large number of investors being in the real estate market; (iii) the potential return on a rental investment; and (iv) problems with the assets that may be discovered after it has been purchased, such as toxic substances, other environmental hazards, or regulatory difficulties.

ANF Immobilier may need to employ considerable financial resources to achieve such external growth. This could involve assuming additional debt or issuing equity securities, both of which would impact ANF Immobilier's financial situation and income.

2.6 Risks related to the ownership of property acquisition entities

The Company's real estate investment business could lead to buying and selling real estate, either directly or through the buying and selling of shares or holdings in other entities that own said real estate. The partners in some of these entities could be liable to third parties for all the entity's debt that originated before they sold their shares (for general partnerships) or that became due before the sale of the entity (for civil companies). Potential actions taken by creditors to collect any debt that originated before the sale transaction could have a negative impact on the Company's financial position.

2.7 General risks related to health and safety hazards (asbestos, legionella, lead, classified facilities, etc.) Risks of flooding and building collapse

ANF Immobilier's property assets could be exposed to environmental, health and safety hazards such as those related to asbestos, legionella, termites or lead.

Such events may adversely impact the attractiveness, level of operations, earnings and financial position of ANF Immobilier's properties. Lessors have a legal obligation to inform potential tenants of the existence of any environmental or public health hazards, while sellers have more stringent disclosure requirements toward potential buyers.

Furthermore, ANF Immobilier may be held liable for failure to comply with applicable environmental, safety or public health regulations, which can have a negative impact on its business, reputation, earnings and financial position.

2.8 Risks related to asbestos

The manufacture, importation and sale of products containing asbestos are prohibited under Decree 96-1133 of December 24, 1996. ANF Immobilier is required to examine properties for asbestos, and where appropriate, remove it.

2.9 Risks related to classified facilities

Some facilities may be subject to French regulations governing Classified Facilities for the Protection of the Environment (ICPE). These facilities are likely to generate risks or to cause contamination or threats to public health and safety. As at the filing date of this report, ANF Immobilier does not operate any Classified Facilities and therefore has no exposure to the risks associated with these types of facilities.

2.10 Risks related to water treatment

Certain buildings, facilities or land may fall under regulations governing facilities likely to affect water resources and aquatic ecosystems and may therefore be subject to licensing or disclosure requirements. Moreover, building owners have obligations related to waste water collection and treatment.

ANF Immobilier, as the owner of buildings, facilities and land, could be liable for the failure to adequately monitor and inspect facilities. Any proceedings alleging ANF Immobilier's potential liability could have a negative impact on its operations, outlook, and reputation. ANF Immobilier closely follows all applicable regulations in this area in order to minimize this risk, and has a preventative approach in carrying out property inspections and, if necessary, doing any work needed to comply with regulations.

2.11 Natural and technological risks

ANF Immobilier's real estate assets may also be exposed to natural risks (such as floods and/or building collapse) and/or technological risks. Any such event may require the full or partial closure of the premises concerned. This could make ANF Immobilier's assets less attractive and have a negative impact on its operations and earnings.

Since June 1, 2006, lessors are required, at the time a lease is signed, to provide information to their tenants regarding the existence of certain environmental risks (Article L. 125-5 and Articles R. 125-23 to R. 125-27 of the French Environment Code). A statement of natural and technological risks must therefore be attached to the lease. Failing this, the lessee may request the termination of the lease or seek a reduction in rent from the judge.

2.12 Risks related to new development projects

The Company grows its property portfolio by building new structures to accommodate large tenants.

This business development activity is likely to pose risks for the Company and its subsidiaries: delivery delays, higher project costs, technical construction issues, adverse changes in raw material prices, non-issuance of administrative authorizations, third party claims, manufacturing defaults, etc.

All foreseeable risks are included in each construction contract and are covered by financial completion guarantees and bank sureties to ensure the long-term security of the project. In addition, the selected construction companies are financially strong, national players.

3. Legal risks

3.1 Risks related to the regulation of leases and non-renewal of leases

French legislation regarding leases places considerable restrictions on lessors. The rules applicable to the duration of leases, termination conditions, renewals and indexed rent increases are considered to be a matter of public policy and limit property owners' flexibility to raise rents.

As a result, ANF Immobilier may be faced with a more challenging market environment during the term of its leases or when its existing leases expire, or may have to cope with changes to French legislation, regulations, or jurisprudence that impose new or tighter restrictions on rent increases. Amendments to regulations governing the duration of leases, indexed rent increases, rent ceilings, or eviction compensation for tenants could have a negative impact on the Company's portfolio value, as well as ANF Immobilier's operations, earnings, and financial position.

Similarly, when a lease expires, the real estate market and economic conditions may pose a risk. The non-renewal of leases or ANF Immobilier's inability to attract new tenants may negatively impact rental income forecasts.

The long-term relationships established with tenants, the diversity of tenant types and non-cancelable terms for the majority of the leases provide coverage against the risk of non-renewal.

In this context, it should be noted that law no. 2014-626 of June 18, 2014 on small businesses, retail and very small businesses, known as the "Pinel law", and its implementing Decree no. 2014-1317 of November 5, 2014 significantly changed the rules applicable to commercial leases, particularly in terms of duration (restrictions on the possibility of agreeing non-cancelable six- or nine-year terms), renewal rent and the re-invoicing of expenses to tenants.

3.2 Risks related to the taxes applied to listed real estate investment companies (SIICs)

The Company is registered in France as a listed real estate investment company ("SIIC regime") and, as such, under Articles 208 C *et seq.* of the French General Tax Code, ANF Immobilier is exempted from paying income tax on profits from rental or sublet properties and some capital gains (see Section 2.1 "Tax regime" of Chapter 9 of this Registration Document).

Benefiting from this tax regime is contingent upon compliance with a number of conditions, including obligating the Company to distribute a significant portion of tax-exempt profits and prohibiting a single shareholder from owning 60% or more of the Company's capital and voting rights. No single shareholder of the Company owns 60% or more of the capital stock or its voting rights.

Furthermore, failure to comply with the obligation to retain the assets the Company has acquired for five years under the regime of Article 210E of the French General Tax Code would be subject to a penalty of 25% of the acquisition price of the asset for which the retention obligation has not been satisfied.

SIIC companies must pay a 20% tax on some payouts to shareholders that are not individuals and which have at least a 10% stake in the Company (directly or indirectly), provided they are not subject to French corporate income tax or an equivalent tax, with some exceptions. For situations where this tax must be paid, Article 24 of the Company's Articles of Association sets forth a payment mechanism through which these charges are ultimately paid by the shareholders who receive the payout.

3.3 Risks related to major disputes

For information regarding the disputes in which the Company is involved, see Section 6 "Legal and arbitration proceedings" in Chapter 9 of the 2016 Registration Document, Note 3 and the section "Events after the Reporting Period" of Chapter 2 "Consolidated Financial Statements at June 30, 2017" in this report.

4. Risks related to financial markets and debt

4.1 Interest rate risks

ANF Immobilier's net bank borrowings totaled €524 million as of June 30, 2017, according to the financial statements for the period then ended. ANF Immobilier has a policy of hedging interest rates over the lifetime of its loans.

The Group uses a number of financial derivatives to mitigate this risk. The goal is to reduce, wherever deemed appropriate, fluctuations in cash flows as a result of changes in interest rates. The Group does not enter into financial transactions if it entails a risk that cannot be quantified.

ANF Immobilier has undertaken to comply with the following hedging requirements:

• Natixis, BECM, BNPP, CA:	80% of debt hedged at fixed rates or by CAP;
• CEPAC:	85%-90% of debt hedged at fixed rates or by CAP;
• CFF:	80% of the debt hedged at fixed rates;
• HSBC:	100% of debt hedged by CAP.

For this purpose, the ANF Immobilier Group entered into 12 interest rate hedging agreements to exchange a Euribor three-month variable rate for a rate or swap, as well as 13 Cap agreements to hedge a possible rate increase through a ceiling.

Eight swap contracts and four Cap contracts hedge ANF Immobilier's debt in order to optimize financial costs. Four swap contracts and nine Cap contracts hedge debts carried by the subsidiaries SCI Silky Way, SCI Stratège, SCI Lafayette, ANF Immobilier Hôtels, New Way, SCI Factor E and SCI Orianz.

ANF Immobilier is exposed to the risk of interest rate changes for its future financing.

4.2 Equity investment risks

As of June 30, 2017, the Company owned 869,101 ANF Immobilier shares (including the ANF Immobilier shares in the liquidity contract), liquid assets and investment securities amounting to €1 million.

As a result, ANF Immobilier does not feel it faces any significant risks related to equity investments.

4.3 Foreign exchange risk

As of the date of this report, ANF Immobilier generates all its revenue in the euro zone and pays all its expenses (including investment costs) in euros. As a result, the Company is not exposed to any foreign exchange risks.

4.4 Liquidity risk – Debt capacity

ANF Immobilier's strategy relies on its ability to use financial resources in order to finance its investments, purchase property, and refinance debts as they fall due. ANF Immobilier (i) may not always have the desired access to financial markets, or (ii) may be required to obtain financing under terms that are less favorable than initially planned. This type of situation could arise. In particular, as a result of financial market trends, a major event affecting the real estate industry, or any other change in ANF Immobilier's operations, financial position or shareholding structure likely to influence investors' views of ANF Immobilier's credit quality or attractiveness as an investment.

In terms of liquid assets, ANF Immobilier takes steps to ensure that the amount of rental income it receives is always sufficient to cover the Group's operating expenses, interest payments, payments for existing financing, and payments for any new financing acquired to support its investment strategy.

ANF Immobilier's liquid assets risk management policy involves monitoring its loan duration and available lines of credit, as well as the diversification of its sources of financing.

Some of ANF Immobilier's loans contain the usual covenants and clauses governing early repayment and financial commitments (covenants), which are described in the notes to the interim consolidated financial statements for the six months ended June 30, 2017.

Given ANF Immobilier's financial position as of the date of registration of this report, ANF Immobilier does not feel it faces any risks related to liquid assets.

5. Company-specific risks

5.1 Risks related to the Company's shareholding structure

As of the date of this report, Eurazeo is the majority shareholder of ANF Immobilier in terms of shares and voting rights. Consequently, Eurazeo has significant influence over ANF Immobilier and the way it runs its business. Therefore, Eurazeo can make important decisions regarding not only the composition of the Executive and Supervisory Boards, approval of the financial statements, and dividend payouts, but also ANF Immobilier's capital or its Articles of Incorporation.

6. Risks related to safety

6.1 Risks related to information systems

ANF Immobilier and its service providers use certain software applications or packages and manage several specific databases to carry out its rental management operations. The Company is therefore exposed to the risk of failures, interruptions, and/or piracy of its software applications and packages. ANF Immobilier has implemented IT security procedures at its three sites (Lyon, Marseille, and Paris). Nevertheless, should all of these computer systems and applications be destroyed or damaged simultaneously for any reason, ANF Immobilier's operations could be disrupted and the Company's financial position and earnings could be impacted.

6.2 Risks related to acts of terrorism

By its very nature, the Group's portfolio is potentially exposed to acts of terrorism. The attendance of a property targeted by terrorists would suffer variable consequences over an indeterminate time-frame and this could harm the Group's image and results.

CERTIFICATION BY THE PERSON RESPONSIBLE FOR THE 2017 INTERIM FINANCIAL REPORT

CERTIFICATION BY THE PERSON RESPONSIBLE FOR THE 2017 INTERIM FINANCIAL REPORT

I hereby certify that, to the best of my knowledge, the condensed interim financial statements have been prepared in accordance with the applicable accounting standards and give a true picture of the assets and liabilities, financial position and income of the Company and of the consolidated companies as a whole, and that the attached condensed consolidated interim financial statements presents a true picture of the significant events that have occurred during the first six months of the fiscal year, their impact on the financial statements, the main transactions between related parties, and the description of the main risks and uncertainties for the remaining six months of the fiscal year.

Renaud Haberkorn

Chairman of the Executive Board

Designed & published by LABRADOR +33 (0)1 53 06 30 80