



Boulogne-Billancourt, 27 July 2022

2022 Half-Year Results

Key financial information

- Resumption of normal financial performance and organic growth:
 - Net rental income up 34.6% versus first-half 2021, of which 4.8% in organic growth
 - Collection rate of 95.8% in the first half of 2022¹
- Recurring earnings per share up 59.2% versus first-half 2021 to €0.83
- Full-year 2022 recurring earnings per share expected to be up 20%

First-half 2022 trading

- Retailers sales at 2019 levels in the first half of the year, and up 5% versus vs. 2019 in the second quarter
- Leasing momentum maintained, with 517 leases signed in the first half of the year (up 17% in terms of annual rent compared to first half 2019; down 16% compared to the record performance in first-half 2021)
- Positive reversion of 2.8% on new leases
- Financial occupancy at 96.2%, up 0.5 percentage points versus end-June 2021
- Like-for-like increase of 4.1% in the rental base compared to end-2021

Strong balance sheet

- Like-for-like increase of 1.1% in the portfolio valuation versus end-2021
- EPRA Net Tangible Assets (NTA) per share of €24.82 at end-June 2022, up 1.2% versus end-2021
- New €550 million sustainability-linked bank loan (3 month Euribor plus 180 basis points, maturing in 2027)
- Loan-to-value ratio² of 36.9% at end-June 2022, down 50 basis points versus end-2021
- Net-debt-to-EBITDA ratio at 8.0x at end-June 2022³, versus 9.7x at end-2021; interest coverage ratio³ at 4.6x, versus 3.9x at end-2021

Significant events of first-half 2022

- Sale of a portfolio of six assets in France for €150 million
- Acquisition of the Rosaleda shopping centre in Malaga, Spain for €24.3 million
- Completion of two share buybacks for a total amount of €30 million
- Carmila joins the SBF 120 index

¹ As of 22 July 2022

² Including transfer taxes

³ Last 12 months



Marie Cheval, Chair and Chief Executive Officer of Carmila commented:

“This first half-year of the new strategic plan, “Building Sustainable Growth”, has perfectly illustrated the quality of Carmila’s assets and our ability to create value.

The asset rotation strategy was launched successfully with the sale of a portfolio of sites in France and the acquisition of a shopping centre in Spain.

Retailer sales at Carmila’s shopping centres bounced back to 2019 levels, benefiting from the draw of Carrefour hypermarkets amid the cost-of-living crisis.

Lastly, the efforts put in to transforming our assets and supporting retailers during the two-year health crisis are yielding results. In light of our organic business growth and the resumption of normal financial performance, we are revising the initial financial milestones of the strategic plan upwards.”

1. Key financial highlights

	First half 2022	First half 2021	Change	Like-for- like change
Gross rental income (€m)	182.8	172.9	+5.8%	
Net rental income (€m)	172.2	127.9	+34.6%	+4.8% ⁴
EBITDA (€m)	149.5	104.7	+42.8%	
Recurring earnings (€m)	120.1	74.1	+61.9%	
Recurring earnings per share (€)	0.83	0.52	+59.2%	

	30 June 2022	31 Dec. 2021	Change	Like-for- like change
Property portfolio valuation (€m)	6,165	6,214	-0.8%	+1.1%
Net Potential Yield	6.26%	6.18%	+8 bps	
Loan-to-value (LTV) ratio	36.9%	37.4%	-50 bps	
EPRA NDV ⁵ per share (€)	24.59	22.99	+7.0%	
EPRA NTA ⁶ per share (€)	24.82	24.54	+1.2%	

⁴ Excluding direct effects of the health crisis

⁵ Net Disposal Value

⁶ Net Tangible Assets



2. Trading

Retailers sales at 2019 levels in the first half of the year, and up 5% versus 2019 in the second quarter

In the first half of 2022, retailer sales bounced fully back to 2019 levels, despite a first quarter that continued to be hampered by health restrictions. In the second quarter of 2022, retailer sales came out 5% higher than in the same period in 2019.

This performance was achieved despite footfall over the period averaging just 91% of its 2019 level, confirming a change in consumption habits and a shift towards larger average baskets. In Spain, footfall gradually improved between January and June 2022, lifted by the recovery in tourism.

Compared to the first half of 2021, footfall increased sharply (up 17%), reflecting the government-imposed closures in the prior-year period. Retailer sales were also up sharply compared to the first half of 2021 (up 51%).

Underpinned by the draw of Carrefour hypermarkets in particular, Carmila centres continued to outperform the sector in terms of footfall (footfall versus first-half 2019 compared to market peers: 7 percentage points higher in France and 1 percentage point higher in Spain).

The average occupancy cost ratio of Carmila tenants as of 30 June 2022 (last 12 months) was 11%, the same level as in 2019.

Leasing momentum maintained

Following a record letting performance in 2021, the first half of 2022 saw 517 new leases signed (up 17% in terms of annual rent versus first-half 2019, down 16% versus first-half 2021) for a total minimum guaranteed rent of €23.2 million, or 6.2% of the rental base.

Reversion was a positive 2.8% on average over the first half, including new leases on vacant premises and renewals.

New deals signed during the first half of 2022 included the following retailers from a broad variety of retail segments:

- Healthcare: We audition, Vertuo, Krys, Alain Afflelou, Optic 2000, and new and enlarged pharmacies
- Restaurants: Sushi Shop, KFC, Crêpe Touch, Subway, Buffalo Grill, Factory & Co, La Tapa de Sabores
- Clothing: JD Sports, Sports Direct, JOTT, Project X Paris, Even, Jennyfer, Pepco
- Value retailers: Action, Normal
- Services, beauty and leisure: Fitness Park, Yelmo Cinemas, Body Minute, Qipao Beauty, Beauty Success, Esthetic Centre
- Household furnishings and gifts: Jysk, Dormitorium, Le Repaire des Sorciers, Nature et Découvertes, Le Comptoir de Mathilde, Palais des Thés



At the end of June 2022, the rental base was up by 4.1% compared to the end of June 2021 on a like-for-like basis (up 2.3% as reported, including the disposal of a portfolio of six assets in France). The like-for-like increase is attributable to business expansion (lower vacancy rate, positive reversion, transformation projects) as well as by an almost 3% positive indexation effect.

Adaptation of the pipeline of development projects

None of the five major extension projects are currently under construction. Work on the first project at Montesson will begin in 2023. The total investment of €150 million will be financed by asset rotation. Given the uncertain macroeconomic environment and higher energy and commodity prices, these projects are currently under review and may be adjusted.

On top of these 5 major extension projects, Carmila has a pipeline of smaller restructuring projects and projects to create new restaurants and food courts. The target for 2022 is to deliver 40 projects of this kind (33 in France, 6 in Spain and 1 in Italy), for an estimated total additional contribution to annual net rental income of €3.0 million.

Regarding mixed-use urban development projects, Carmila is pushing ahead with Carrefour and Altarea Cogedim on the two most advanced projects at Sartrouville and Nantes Beaujoire.

3. Financial results

Resumption of normal financial performance and organic growth

In the first half of 2022, net rental income increased by 34.6% versus the same prior-year period, with the significantly improved performance attributable to:

- the absence of major health restrictions affecting payment of rents during the period, together with €5 million in non-recurring income recognised in the first half of 2022 further to the collection of additional prior-period rents (+29.9%);
- organic rental income growth of 4.8%, including a 3.0% positive indexation effect;
- other changes had a negative 0.1% impact.

Rent collection continued to climb in the first half of 2022, with the collection rate for the period coming out at 95.8%⁷. The collection rate for the first half of 2021 was 69.3%, reflecting the health restrictions during that period and the delay in rolling out the government support package in France.

Recurring earnings per share for the first half of 2022 came out at €0.83, up 59.2% versus first-half 2021.

⁷ As of 22 July 2022



Full-year 2022 recurring earnings per share expected to be up 20%

With the sooner-than-anticipated resumption of normal financial performance and the strong operating performance, coupled with organic growth (including the positive indexation effect) in the first half of the year, Carmila is now anticipating year-on-year growth in recurring earnings per share of 20% in 2022. In 2023 Carmila expects growth in recurring earnings per share to be in line with organic business growth.

In December 2021, Carmila announced a target of 10% annual growth in recurring earnings per share in both 2022 and 2023.

This projection assumes that there are no further health crisis restrictions in the second half of 2022 or in 2023.

Like-for-like increase of 1.1% in the portfolio valuation versus end-2021

As of 30 June 2022, the gross asset value of Carmila's portfolio, including transfer taxes, stood at €6.16 billion, up 1.1% versus end-2021 on a like-for-like basis. The portfolio valuation was down 0.8% on a reported basis, reflecting the impact of the sale of a portfolio of six assets in France, partially offset by a like-for-like valuation increase and the acquisition of a shopping centre in Malaga, Spain.

The portfolio capitalisation rate (Net Potential Yield) was up 8 basis points versus end-2021 to 6.26%, corresponding to a premium vs. the 10-year EUR swap rate of around 450 basis points⁸.

EPRA Net Tangible Assets (NTA) per share of €24.82 at end-June 2022, up 1.2% versus end-2021

Carmila's EPRA Net Tangible Assets (NTA) per share was €24.82, up 1.2% on the end-2021 figure. The improvement can be explained by higher like-for-like appraisal values (positive €0.36 per-share impact), recurring earnings for the period (positive €0.83 impact), payment of the 2021 dividend (negative €1.00 impact), share buybacks (positive €0.15 impact) and other effects (negative €0.06 impact).

EPRA Net Disposal Value (NDV) was €24.59, up 7.0% on the end-2021 figure. The larger increase in this indicator was mainly attributable to the change in fair value of fixed-rate debt and financial instruments (positive €1.13 impact) on the back of higher interest rates since the end of 2021.

New €550 million sustainability-linked bank loan

On 21 July 2022, Carmila signed a new €550 million term loan. The loan matures in 2027, with two extension options of one year each. The cost of the new loan is 3-month Euribor plus 180 basis points.

No specific guarantee was given for this new unsecured credit facility, which has the same covenants as Carmila's other bank facilities: a ratio of consolidated net debt to the fair value of the asset portfolio (LTV) of less than 55%, a ratio of EBITDA to cost of debt (ICR) of more than 2.0x and a total value of the asset portfolio greater than or equal to EUR 2.5 billion.

This new credit line refinances an existing bank loan of €170 million maturing in 2024, and also replaces the first, undrawn, tranche of a revolving credit facility of €270 million maturing in 2024.

⁸ On 26 July 2022



Further to this operation, Carmila's cash position is sufficient to cover in full the repayment of the outstanding bond maturing in September 2023. The next bond maturity after that of September 2023 is in September 2024.

This new credit facility includes two sustainability criteria designed to support Carmila's strategy to reduce by 90% its greenhouse gas emissions by 2030 and to achieve BREEAM certification for its entire asset portfolio by 2025. Carmila will benefit from a reduction in the credit spread on the loan of 3 basis points if these targets are met.

Since the end of December 2021, Carmila has increased its interest rate hedging position for the refinancing of future bond maturities via swaps and swaptions for a nominal amount of €350 million, resulting in a total interest rate hedging position of €585 million.

Strengthened financial position; loan-to-value ratio⁹ of 36.9% at end-June 2022, down 50 basis points versus end-2021

At end-June 2022, the average maturity of Carmila's debt was 3.9 years (4.2 years pro forma the new bank loan, versus 4.3 years at end-2021). Carmila's financial position is solid, with a loan-to-value ratio (LTV) of 36.9%. The 50-basis-point decrease in the LTV ratio versus end-2021 was driven by the reduction in net debt over the period, thanks to the resumption of normal financial performance as well as the proceeds from the sale of a portfolio of six assets in France.

At 30 June 2022, the net-debt-to-EBITDA¹⁰ ratio stood at 8.0x, versus 9.7x at end-2021. At that same date, the interest coverage ratio¹¹ stood at 4.6x, versus 3.9 at end-2021.

4. Significant events of first-half 2022 and other information

Sale of a portfolio of six assets in France for €150 million, in line with end-2021 appraisal values

On 30 June 2022, Carmila completed the sale of a portfolio of assets located in France to a joint venture set up with Batipart and ATLAND Voisin.

The portfolio consists of six assets: Mondévillage, Meylan, Mont St Aignan, Nantes St Herblain, Rambouillet and St Jean de Vedas. The sale price of the portfolio is €150 million, including transfer taxes, in line with end-2021 appraisal values.

Carmila has retained a 20% minority stake in the joint venture and will continue to provide leasing and property services for the portfolio of assets.

The transaction forms part of the target €200-million asset rotation programme for 2022 and 2023, announced at Carmila's Capital Markets Day in December 2021.

⁹ Including transfer taxes

¹⁰ Over the last 12 months

¹¹ Over the last 12 months



Acquisition of the Rosaleda shopping centre in Malaga, Spain for €24.3 million

On 24 May 2022, Carmila announced the acquisition of Rosaleda, a shopping centre located in Malaga, Southern Spain, for €24.3 million including transfer taxes.

The centre, which is made up of 73 stores adjoining a Carrefour hypermarket, has a gross leasable area of 15,500 sq.m. and includes two larger stores (Decathlon and Lefties, an Inditex group fashion retailer). With 5.8 million visitors each year, it benefits from a clear leading position in its catchment area, a leisure complex with a cinema and strong footfall. The purchase price offers Carmila significant scope for value creation.

Completion of two share buybacks for a total amount of €30 million

During the first half of 2022, Carmila carried out two share buybacks. The first, for €20 million, was announced on 18 February, launched on 21 February and completed on 24 March 2022. The second, for €10 million, was launched on 25 March 2022 and completed on 28 April 2022.

“Building Sustainable Growth”: Growth initiatives on track

Carmila expects the three growth initiatives announced as part of its new strategic plan – the omnichannel incubator, Next Tower and Carmila Retail Development – to contribute an additional €30 million per year to recurring earnings by 2026.

In 2022, the incubator and omnichannel services platform for retailers are expected to contribute €2 million to recurring earnings.

Annualised secured rental income from leases signed by Next Tower will amount to ca. €2 million in 2022.

Lastly, Carmila's share of the EBITDA of Carmila Retail Development's main partners in 2022 is also expected to total approximately €2 million.

Carmila joins the SBF 120 index

On 20 June 2022, Carmila joined the SBF 120 – the flagship Paris stock exchange index listing the top 120 Euronext Paris stocks in terms of liquidity and market capitalisation.

Carmila awarded a financial reporting transparency prize in the non-SBF 120 category

At the 2022 Transparency Awards, Carmila was recognised for the transparency of its financial communication with the award of the financial reporting transparency prize (*Grand Prix de la Transparence*) in the non-SBF 120 category.

Additional information

The presentation of Carmila's 2022 half-year results will be broadcast live on 28 July 2022 at 11:30 a.m. (CET) on Carmila's website (www.carmila.com).



The presentation in English will be available on Carmila's website on the following page:

<https://www.carmila.com/en/finance/financial-presentation/>

A replay of the webcast will be made available online later that day.

The Half-year Financial Report, including the condensed interim consolidated financial statements and the Statutory Auditors' report, will also be made available on Carmila's website at the following page:

<https://www.carmila.com/en/finance/financial-press-releases/>

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INVESTOR AGENDA

20 October 2022 (after market close): Third-quarter 2022 financial information

ABOUT CARMILA

As the third-largest listed owner of commercial property in continental Europe, Carmila was founded by Carrefour and large institutional investors in order to transform and enhance the value of shopping centres adjoining Carrefour hypermarkets in France, Spain and Italy. At 30 June 2022, its portfolio was valued at €6.16 billion, comprising 208 shopping centres, leaders in their catchment areas.

Carmila is listed on Euronext-Paris Compartment A under the symbol CARM. It benefits from the tax regime for French real estate investment trusts ("SIIC").

Carmila has been a member of the SBF 120 since 20 June 2022.

Important notice

Some of the statements contained in this document are not historical facts but rather statements of future expectations, estimates and other forward-looking statements based on management's beliefs. These statements reflect such views and assumptions prevailing as of the date of the statements and involve known and unknown risks and uncertainties that could cause future results, performance or events to differ materially from those expressed or implied in such statements. Please refer to the most recent Universal Registration Document filed in French by Carmila with the *Autorité des marchés financiers* for additional information in relation to such factors, risks and uncertainties. Carmila has no intention and is under no obligation to update or review the forward-looking statements referred to above. Consequently, Carmila accepts no liability for any consequences arising from the use of any of the above statements.

This press release is available in the "Financial Press Releases" section of Carmila's Finance webpage:

<https://www.carmila.com/en/finance/financial-press-releases>