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PRESS RELEASE

2022, a year of solid growth for La Française Real Estate Managers

Against a backdrop of geopolitical tensions with the war in Ukraine, a tense economic environment with rising inflation and commodity shortages, real estate continues to justify its place within an asset allocation. In this context, La Française Real Estate Managers (REM) has consolidated its position as a key player in the European real estate market in 2022 by pursuing its real estate strategy based around sustainability, services and location.

The year 2022 also marks an important stage in the group's international development. Noting a significant increase in demand from Asian investors, especially for European real estate, La Française REM has opened a second office in Asia – this time in Singapore – to fuel this growth.

According to Philippe DEPOUX, CEO of La Française Real Estate Managers, *"La Française Real Estate Managers has distinguished itself in 2022 thanks to our strategy of retaining and acquiring new tenant clients. This has involved the anticipation of their needs for contractual flexibility, services, control of energy consumption and long-term support. With 345 000 m² leased or re-leased in 2022, the quality of our expertise in asset management makes all the difference. It enables us to maintain a high occupancy rate in our real estate assets, thereby delivering a performance in line with our investors' expectations. This is clearly reflected through the renewal and extension of our main French institutional mandate. This also allows us to preserve the value of our real estate portfolio. We thank our investors for their renewed confidence in these unprecedented times."*

Dynamic collection

La Française REM announces forecasted gross inflows of more than €2.1 billion from private and institutional investors in 2022, driven in particular by investor interest in collective real estate investment vehicles and real estate unit-linked products. At the end of 2022, assets under management will amount to close to €31 billion, an increase of nearly 5% compared to 2021.

As in 2021, La Française REM stands to achieve record gross inflows for its collective real estate investment vehicles with close to €1.5 billion of inflows in 2022, compared to €1.4 billion in 2021. More generally, the management company ranked in top place on the French market at the end of September in terms of net inflows for collective real estate investment vehicles¹.

¹ IEIF net inflows SCPI (Société Civile de Placement Immobilier), IEIF, including SCPI managed by Euryale AM and distributed by La Française REM

Real estate transactions

La Française REM has taken on the challenge of geographical diversification through its real estate platform (presence in London, Frankfurt, Munich and Paris). At the end of November, almost 10% of assets under management were located outside of France: Germany, Belgium, Netherlands, United Kingdom, Luxembourg and Ireland. The asset manager has strengthened its local market investment and asset management teams in response to investor demand and to ensure better market coverage.

By 2022, La Française REM will have completed nearly €2.2 billion in real estate transactions. It has completed **€1.4 billion in acquisitions, paying particular attention to the location and Environmental, Social and Governance (ESG) credentials of the assets, and disposed of the equivalent of almost €800 million in assets.** The majority of acquisitions (58%) were in the office sector, followed by light industrial (12%) and residential (12%). 67% of assets are located in Paris and Ile-de-France, while almost 13% of the acquisitions are outside France, mainly in Germany but also in the UK, Ireland and Belgium. Particular mention should be made of healthcare assets, a new sector invested by La Française REM since the early part of the year: 4 healthcare assets in France (portfolio of three assets in Paris and one asset in Lyon), 1 in Ireland and 1 in Belgium. Among the most emblematic and representative acquisitions of its European investment strategy:

- Bristol, **UK**, mixed use building,
- **Bordeaux** city centre (33), retail,
- Dublin, **Ireland**, healthcare asset,
- “Campus Cyber”, **La Défense** (92), office building,
- Nuremberg, **Germany**, light industrial property - 'life sciences',
- Antwerp, **Belgium**, two adjacent office buildings,
- "Alphabet", **Bois-Colombes** (92), office building (off-plan),
- Quimper (29), last mile logistics warehouse.

Sustainability & Services

With regards to its existing real estate portfolio, the asset manager continued to pursue its real estate strategy in 2022, focusing in particular on sustainability and services, with initiatives such as:

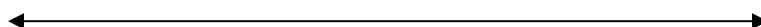
- support for its tenants as part of the eco-energy scheme,
- the development of strategic partnerships for energy consumption and
- the launch of Wellcome by La Française, a new services offer with two major innovations: contractual flexibility (with the “Agile” lease – a flexible commercial lease with a six-month rolling notice period) and a programme of exclusive benefits for the occupier.

Prospects for 2023

We still anticipate a period of high inflation in 2023. Even if inflation were to fall, it would probably still be too high to allow central banks to ease their monetary policies unless the Eurozone were to fall into a



deep recession. In this context, real estate is defensive investment to the extent that rents are indexed to inflation. In this environment, fundraising and investments should remain dynamic. However, an analysis by asset type and sector of activity will be key in identifying those assets which offer the greater potential for protection. Bearing this in mind, La Française REM will continue to favour the acquisition of offices leased to users in growth sectors (luxury, energy, transport, etc.), healthcare assets or managed residential properties which are less impacted by economic cycles, as well as city centre retail properties with brands operating in growth sectors. All of this falls within the scope of an ambitious policy to limit the consumption of fossil fuels and reduce greenhouse gas emissions. The value of existing assets will be defended by vigorous asset management, geared towards the satisfaction of the tenant.



About La Française

The major changes linked to environmental and societal challenges are opportunities to consider the future. The new levers which have been identified will constitute the growth and the financial and real estate performance of tomorrow. La Française management group's forward-looking investment strategy is built upon this conviction and mission.

The group uses its capacity for innovation and its technology to serve its customers and to design its investment solutions that combine performance and sustainability.

Organised around two business lines, "Financial Assets" and "Real Estate Assets", La Française is developing its business with institutional and heritage clients in France and abroad.

La Française manages over €50 billion in assets through its offices in Paris, Frankfurt, Hamburg, London, Luxembourg, Madrid, Milan, Seoul and Singapore (30/06/2022)

La Française is a subsidiary of Caisse Régionale du Crédit Mutuel Nord Europe (CMNE), a member of Crédit Mutuel Alliance Fédérale (LT ratings A+/Aa3/AA- from S&P (12/2021) / Moody's (02/2022) / Fitch (05/2022).

Press contact:

La Française

Pascale Cheynet +33 1 43 12 64 25 | pcheynet@la-francaise.com
Debbie Marty: + 33 1 44 56 42 24 | debmary@la-francaise.com

Legal notes:



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