



Boulogne-Billancourt, 24 October 2018

Financial information at 30 September 2018

**Carmila maintains momentum recorded during first half of the year.
Gross rental income at the end of September 2018 up +13.8%.**

Gross rental income for the first nine months of 2018

Carmila's gross rental income for the first nine months of 2018 amounts to **€253.3 million**, against €222.5 million for the same period in 2017, representing an increase of **+13.8%**.

<i>In thousands of euros</i>	30 September 2018	30 September 2017 ¹	% change 2018/2017
Gross rental income	253,277	222,545	+13.8%
France	175,547	156,165 ¹	+12.4%
Spain	59,847	51,829	+15.5%
Italy	17,883	14,551	+22.9%

The growth in gross rental income has been driven by the delivery in 2017 of nine extensions, the largest of which were at the shopping centres in Biarritz (BAB2 phase 2 in April 2017), Turin (l' Viali), Evreux (phase 1), Pau Lescar and Crèches-sur-Saône (near Mâcon), and by the delivery in 2018 of extensions in Orléans-Cap Saran, Douai, Caen-Hérouville and (in this quarter) Besançon-Chalezeule. These deliveries have contributed significantly to the rise in rental income in 2018 (+€8.2 million during the first nine months of 2018 compared to the same period in 2017).

Furthermore, the acquisition of eight shopping centres during the 1st semester of 2018 (Marseille-Vitrolles, Madrid-Gran Via de Hortaleza and the portfolio of six Spanish assets purchased from the Pradera European Retail Fund) has generated rental income of €12.3 million during the first nine months of the year.

The change in gross rental income on a like-for-like basis is a positive growth factor, driven by rental up-lifts in Spain and France and the development of the specialty leasing business.

¹ Gross rental income at 30 September 2017 was restated to include Cardety revenues with effect from 1 June 2017 to take account of the impact of the reverse merger between Cardety and Carmila SAS on 12 June 2017. Cardety gross rental income between 1 January and 31 May 2017 thus excluded amounted to €2,690 thousand.

The growth in cumulative gross rental income at the end of September 2018, compared to the first nine months of 2017, breaks down as follows:

- Growth in gross rental income on a like-for-like basis: **+2.9 points** including 110 indexation bps;
- Impact of extensions delivered in 2017 and 2018: +3.7 points;
- Impact of 2018 acquisitions on growth in gross rental income: +5.5 points;
- Other impacts due to the changes in scope (Cardety): +1.7 points.

Operational activity in the 3rd quarter of 2018

Carmila opened a Retail Park with 18 new shops, linked to its Besançon-Chalezeule shopping centre to the east of the city

18 new retail brands on an additional leasable 15,000 sq.m area further enhance this shopping centre with an already strong presence in this dynamic and rapidly-changing district. The site is also home to the terminal station of a new tram line into the heart of the retail park.

For Carmila, this project represents an investment of €24.7 million offering annual net rental income of €1.7 million and a net yield of 6.9%.

The environmentally-friendly Chalezeule Retail Park was awarded BREEAM Rating "Very Good" during its design phase. In terms of biodiversity, 260 trees and 6,000 shrubs have been planted in and around the Retail Park. The centre has also increased its social and economic impact through the creation of 100 new full-time jobs in the newly-added shops, and during the construction phase, the use of regional companies in 85% of the cases and of over 3,000 hours of professional integration schemes.

Carmila begins work on the Rennes-Cesson and Nice Lingostière extensions

Over the course of this quarter, Carmila also started work on the extension of its shopping centre in Rennes-Cesson, which will introduce 27 new shops over an additional 6,000 sq.m. area to the existing 42-store centre. This project is part of the plan to expand this site, which is located to the east of Rennes in a dynamic area with a lack in commercial offer. The extension is due to be completed towards the end of 2019.

Work also began on the Nice Lingostière shopping centre extension, where an additional 50 shops are to be created before the end of 2020 on 10,000 additional sq.m. This centre already benefits from a leading and successful Carrefour hypermarket (3rd busiest Carrefour hypermarket in France).

Furthermore, the extensions at Athis Mons, Evreux (*phase 2*) and Malaga-Los Patios have progressed to the unit fitting phase to be delivered during the 4th quarter of this year.

Carmila signs a lease with Primark for its Cité Europe regional centre in Calais

On 30 September 2018, Carmila announced the signing of its first lease with Primark in France, in Cité Europe, the regional shopping centre located in Coquelles near Calais. The fashion retailer will take on a two-level space of over 4,000 sq.m. In order to accommodate Primark, the centre will undergo a major restructuring programme to be launched during the 4th quarter of 2018.

The signing of this lease marks a new major milestone in the revival in the commercial dynamics of this leading centre, started with its acquisition from Unibail-Rodamco back in 2014.

A key event on the retail calendar: Carmila organises the fourth Carmiday

On 25 September, Carmila opened its doors to retailers, offering them an opportunity to find out more about its shopping centres and its marketing and digital solutions. An unmissable event in the shopping centre world, Carmiday welcomed representatives from 350 brands, franchises and retailers. Participants were able to learn how Carmila can support them in the development of their networks and help increase revenues of their shops.

This year, one of the highlights of the event was a presentation by Cyril Grira, Retail & Omnichannel Director at Google, who spoke on the theme of "Drive-to-store and local performance", discussing a variety of referencing tools, media exposure and targeting which can be used to increase in-store traffic.

Carmila continued to implement its local marketing and digital strategy

During this 3rd quarter, Carmila continued to implement its local marketing and digital strategy, which aims to boost multi-channel approaches and increase retailer sales. In particular, the "Kiosk of Services" has provided support to retailers in their "Back to school" campaigns, a key time of the year for our retailers.

As a result, during each month of the 3rd quarter of 2018, over 400 "Kiosk" operations were carried out by the centres' management teams for the benefit of retailers.

Moreover, the online presence of the shopping centres continued to improve (Google My Business views up 168% over the quarter). All of the actions implemented to strengthen our customer relationships and in particular the roll-out of game terminals dedicated to the collection of customer data within the centres, as well as initiatives to win over new customers for partner brands, have led to a deeper understanding of our customers and increased the number of relevant contacts in the Carmila databases (1.6 million contacts at end-September, i.e. +10% over the quarter and +45% since the beginning of 2018).

For the launch of the new "Spider-Man" game, Carmila organised an e-gaming event at some 20 of its shopping centres, in partnership with Micromania-Zing, Playstation and Marvel, on dedicated spaces in which shoppers could experience the new video game. In addition to the communicative and game-playing opportunities offered on-site, event partners used their own networks to promote the event: a local digital campaign by Carmila, shopping centre and partner social media pages and websites, all further endorsed by three influential gamers who reach over 150,000 unique visitors per month via their blogs. The combination of these efforts resulted in extensive communication on this event and attracted numerous customers to the centres. 4 million people were exposed to this communication campaign and at least 60,000 of these were detected on site.

Carmila recognised at the 16th Spanish Retail Congress

Carmila Spain's strategy was officially honoured during the 16th Spanish Retail Congress hosted in Granada by the Spanish Association of Shopping Centres (AECC).

Selected from almost 100 applicants in 14 categories, including all of its competitors, Carmila was awarded:

- the "Prize for best retailer revenue enhancement campaign" for its range of digital services known as the "Kiosque de services" (or "Service Kiosk"), developed for the retailers in its shopping centres;
- the "Prize for best large shopping centre" and the "Prize for best (re)branding campaign" for its Fan shopping centre in Majorca.

All of these prizes acknowledge the operational excellence applied over the past four years by Carmila's teams in Spain.

CSR activity during the 3rd quarter

Carmila takes responsible action in all of its business sectors.

During the 3rd quarter of 2018, Carmila organised almost 100 CSR operations across its sites, taking the number of CSR measures introduced at Carmila sites over the first nine months of the year to almost 700. Designed to create a common link in all of our territories, these operations cover a wide range of fields, including the protection of biodiversity, waste treatment, the development of local employment and support for local associations in favour of employment, disability and other societal issues. These CSR operations were organised around five central themes: a/ sustainable development, b/ the economic and social impacts of our business activities, c/ charitable initiatives, d/ public health actions and e/ culture and sport.

On 28 September 2018, Carmila signed the Diversity Charter alongside numerous other French companies and associations. Carmila has incorporated this Charter within its overall corporate policy and undertakes to implement the six main principles of the Charter which aim to promote equal opportunities and diversity in all aspects of its business. It encourages the respectful management of differences, focusing on improving cohesion and togetherness and, as a result, performance.

Carmila has joined forces with Carrefour and Miimosa, a crowdfunding platform dedicated to food and agriculture, to promote and support the financing by local consumers of innovative agricultural projects in their area. Carmila will accordingly be applying its local marketing and digital skills to raise awareness of the selected projects among its shopping centre customers. Through this relationship, Carmila will play an active role in developing local initiatives in favour of eco-responsible agricultural projects.

1 child out of 3 doesn't go on holiday. To enable more children to get away for a few days, Carmila held a "solidarity photo competition" at 80 of its shopping centres, in collaboration with Secours populaire français (a French non-profit organisation). Between 7 and 28 July this year, customers at Carmila shopping centres were invited to share their holiday snaps, whether on the beach or in the countryside, with family or with friends, on the dedicated "Photos Bonheur" (Happiness Photos) platform. For every photograph shared, €1 was donated to Secours populaire français. Through this initiative, Carmila hopes to extend community action on a nationwide scale, relying on the strength of its network of shopping centres and its local and digital marketing, and to create a link between its customers and charitable associations.

Other information on the 3rd quarter

Carmila welcomes a new member in its Board of Directors

The Carmila Board of Directors, meeting today, acknowledged the resignation of Ms Raphaëlle Pezant as director and member of the Remuneration and Appointments Committee and decided, based on a recommendation from the Remuneration and Appointments Committee, to co-opt Ms Claire du Payrat as replacement director for the remaining term of Raphaëlle Pezant's directorship, namely until the Shareholders' Meeting called in 2019 to rule upon the financial statements for the financial year ending 31 December 2018. Ms Claire du Payrat is Director of Financial Control and Operational Excellence for the Carrefour Group.

Ms Raphaëlle Pezant will be replaced as member of the Remuneration and Appointments Committee by Mr Laurent Vallée, General Secretary of the Carrefour Group, who has resigned from the Audit Committee where he will be replaced by Ms Claire du Payrat.

Outlook

The operational activity of this half-year was dynamic in the three countries in which Carmila operates and in particular in France and Spain, thus enabling Carmila to be more precise on its financial prospects for the 2018 financial year.

Based on the information available on the date of this press release, **Management has upgraded the company's earnings target for 2018 and is aiming for growth of at least 12%** in total Recurring Earnings (initial objective was a more than +10% growth).

Growth in Recurring Earnings to this level would compensate the dilutive effect on Recurring Earnings per share of the capital increase carried out in July 2017, without however offsetting the impact of the 2017 dividend partly paid in shares in June 2018. This level of Recurring Earnings would result in a very minor negative change in Recurring Earnings per share.

In order to comply with the most common practices of its sector peers, Carmila will pay the full-2018 dividend in 2019.

2019 Publication Calendar

- 13 February 2019** (*after market close*): 2018 Annual Results
- 14 February 2019** (*14:30 Paris time*): Investors' and Analysts' Meeting
- 18 April 2019** (*after market close*): Q1 2019 activity
- 16 May 2019** (*14:30 Paris time*): Shareholders' Annual General Meeting
- 25 July 2019** (*after market close*): 2019 Half-Year Results
- 26 July 2019** (*9:00 Paris time*): Investors' and Analysts' Meeting
- 23 October 2019** (*after market close*): Q3 2019 activity

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About Carmila

Carmila was founded by Carrefour and large institutional investors in order to develop the value of shopping centers anchored by Carrefour stores in France, Spain and Italy. Its portfolio consists of 214 shopping centres in France, Spain and Italy, mostly leaders in their catchment areas, and is valued at €6.3 billion. Inspired by a genuine retail culture, Carmila's teams include all of the expertise dedicated to retail attractiveness: leasing, digital marketing, specialty leasing, shopping centre management and portfolio management.

Carmila is listed in Compartment A of Euronext Paris under code CARM. It benefits from "SIIC" real estate investment trust (REIT) tax status.

On 18 September, 2017, Carmila joined the FTSE EPRA/NAREIT Global Real Estate (EMEA Region) indices.

On 24 September 2018, Carmila joined the Euronext CAC Small, CAC Mid & Small and CAC All-tradable indices.