

RISE IN FIRST-HALF NET PROFIT

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Despite a slowdown in activity in the commercial property sector, Affine's profits continued to grow in H1 2002. Operating profit was up 0.6% on the same period in 2001 (proforma) and net profit (group share) rose 8.7% to EUR 5.26m, compared with EUR 4.84m in H1 2002. Operating cash flow (before financial expenses) came to EUR 30.2m (EUR 13.3 per share).

• **PRUDENT GROWTH**

The uncertain economic outlook and relative lack of opportunities meeting its risk/return requirements led the group to adopt a cautious strategy on new investments.

Nonetheless, in the first half of the year Affine:

- lease financed extensions to two buildings in its portfolio for a total value of approximately EUR 4m;
- acquired an office block (Grand Ecran) of around 4,200m² in Marseilles on a to-be-built basis (VEFA), for which it is in the process of finalizing the letting;
- increased its interest in a 6,900m² office building in Evry (Génoscope) from 60% to 100%;
- signed a provisional agreement for the acquisition of land for the construction of three office blocks with a total surface area of 5,100m² in Saint-Germain-en-Laye.

Five buildings were sold under the group's arbitrage policy, the aim of which is to withdraw from joint ownership arrangements and sell assets that are not sufficiently large or have reached maturity. These disposals included a surface of office building in the 17th *arrondissement* of Paris, and together generated a net capital gain of EUR 1.6m, versus EUR 2.4m in H1 2001.

• **GROUP SUBSIDIARIES MAKE SIGNIFICANT CONTRIBUTION**

Property transactions carried out by the group's specialised subsidiaries were in line with forecasts:

- In H1 2002, the Concerto group, a logistics engineering specialist that Affine has controlled since 2001, delivered two warehouses in Brétigny and Saint-Germain-les-Arpajon, each with a surface area of almost 30,000m², to be used by ND Logistics, and signed a provisional agreement for the acquisition of land in Marly-la-Ville for the construction of three warehouses with a total surface area of 76,000m². The first warehouse, which will have a surface area of 26,500m², has already been let to a subsidiary of the Aventis group.
- Promaffine delivered an office block of 3,500m² in Gennevilliers to Oppenheim Immobilier and a sold out residential complex of 50 apartments in Châtenay-Malabry.

- **NET ASSET VALUE IS STABLE**

Consolidated shareholders' equity (group share) was EUR 82.4m as of June 30, 2002. On the basis of property appraisals for end-2001 and including investments and disposals over the first six months of 2002, the Affine group's net assets at end-June 2002 are valued at EUR 210.2m, representing an unrealised capital gain of EUR 85.8m. After deduction of transfer taxes, at end-June 2002 the value of the group's consolidated net assets was EUR 150m (EUR 66 per share), in line with end-2001 (proforma) levels.

- **INTERIM DIVIDEND MAINTAINED**

Affine SA's net profit was up 10% on H1 2001 at EUR 6.01m, giving an ROE of 16.7% on the basis of end-June 2002 shareholders' equity of EUR 72.1m.

To give its shareholders an immediate share in these results, Affine has decided to pay an interim dividend of EUR 1.2 per share, as in previous years. The dividend will be distributed in November 2002.

- **OUTLOOK**

Against a mixed economic backdrop, Affine's strategic choices, valuation policy and expertise guarantee the group visible and secure earnings. The results posted in the first half of the year should be consolidated in the second and, assuming no major unforeseen event, should guarantee the group a 2002 operating profit close to 2001 levels.

Consolidated P & L (In EURm)	First-half 2001 (pro forma)	First-half 2002
Leasing	11.2	9.2
Rental properties	8.0	7.6
Property transactions	2.6	2.9
Other income and expenses	(10.1)	(7.5)
Net banking product	11.7	12.2
Operating expenses	(4.9)	(5.3)
Operating profit	6.8	6.9
Net profit	5.0	5.7
o/w group share	4.8	5.3

Description of Affine

Affine is one of the leading independent players in the French commercial property financing sector, operating in the areas of lease finance, rental properties, financial and logistics engineering and property development. Affine manages 441 properties, 357 of them under leasing contracts (1.7 million m²) and the other 84 under rental agreements (261,000 m²). The group's financial and logistics engineering and property development businesses are carried out by its specialist subsidiaries Imaffine, the Concerto group and Promaffine.

Affine is listed on the Premier Marché of the Paris Bourse and has been admitted to the Nextprime segment of Euronext (Euroclear: 3610, Bloomberg: IML, FP, Reuters: BTTP.PA).

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