Players of the city

REGISTRATION DOCUMENT 2016

ANF

SOMMAIRE

2016 REGISTRATION DOCUMENT

including the annual financial report

This Registration Document was filed with the French Financial Markets Authority (AMF) on April 12, 2017 pursuant to Article 212-13 of its General Regulations. It may be used for the purposes of a financial transaction if accompanied by a prospectus approved by the Financial Markets Authority. This document has been prepared by the issuer and its signatories are responsible for its content.

This Registration Document constitutes the annual financial report for the year ended December 31, 2016, as specified by Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF's General Regulations.

Copies of the Registration Document can be obtained free of charge from ANF Immobilier at 1, rue Georges Berger, 75017 Paris, France, from the French Financial Markets Authority website (**www.amf-france.org**), and from the ANF Immobilier website (www.anf-immobilier.com).

PROFILE

Investing in regions, promoting their major cities

A listed French Real Estate Investment Trust since **2006**.

Member of the **EPRA** benchmark index, comprising the largest European real estate companies.

A diversified portfolio of office, hotel and residential assets worth **€1.1 billion** at December 31, 2016.

Transformed structure, driven by substantial redevelopment projects started in 2013, **€369 million in commercial assets** already delivered or acquired at the end of 2016.

Gross rental income in 2016 in the amount of **€51.2 million**, mostly from commercial assets.

A strategy organized around **three pillars**:

1. Selection of high-potential cities
2. New or restructured commercial properties
3. Value creation optimized by the extent of the expertise of the teams

Specific differentiation by betting on **urban societal renewal**.

A flow of new transactions (or "pipeline") of **€198 million** and large land reserves ensure future growth.

Where you can find us
(as at December 31, 2016)

NEW

TOULOUSE :
New location since March 2017

LYON :
rue de la République, Confluence, Tête d'Or and Carré de Soie

2016 KEY FIGURES

€51.2 million in rental income
(€41.3 million Group share), from 84% commercial assets.

EBITDA
of **74%**,
an increase of +400 bps compared to 2015.

€16.3 million
in EPRA adjusted EPRA Earnings,
or €0.90 per share, an increase of 12% compared to 2015.

€1.1 billion
in assets in France,
located in Lyon, Bordeaux, Marseille and now Toulouse (stable compared to 2015).

Debt ratio of
42%
and cost of debt at 2.7% (stable compared to 2015).

EPRA triple Net Asset Value
(EPRA NNNAV) of
€27.3 per share
(stable compared to 2015 after distribution).

Recurring cash flow of
€18.5 million,
Group share, or €1.02 per share, an increase of 24% compared to 2015.

Dividend of
€1.15 per share
in 2017 for 2016*, comprising a normal distribution of €1.10 and an additional €0.05 from disposals of mature assets and obligations under the SIIC regime.

€369 million
of new commercial assets
delivered or acquired since 2012 (€254 million Group share), mainly in Lyon for 76%.

€198 million
in the pipeline
(almost €140 million Group share).

* *Subject to the approval of the Shareholders' Meeting of May 10, 2017*

Simplified income statement (IFRS)

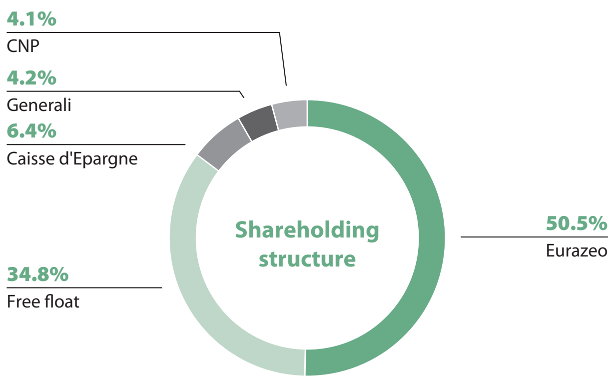
Please refer to the consolidated financial statements for 2016 (see Chapter 5 of the Registration Document).

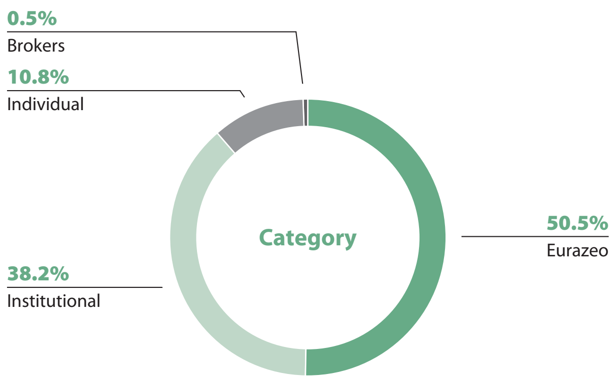
	2016		2015			2014	
(€ million)	**EPRA**	**IFRS**	**EPRA**	**IFRS**	**Var. EPRA**	**EPRA**	**IFRS**
Rental income	51.2	51.2	49.2	49.2	4%	40.1	40.1
Group share	*41.3*		*41.8*		*-1%*	*38.8*	
Net operating expenses	(3.7)	(3.7)	(4.0)	(4.0)		(3.9)	(3.9)
NET RENTAL INCOME	**47.6**	**47.6**	**45.1**	**45.1**	**5%**	**36.1**	**36.1**
margin	*93%*	*93%*	*92%*	*92%*		*90%*	*90%*
Administrative expenses	(9.8)	(9.8)	(12.2)	(12.9)		11.8	(11.8)
EBITDA	**37.8**	**37.8**	**33.0**	**32.2**	**15%**	**24.4**	**24.4**
margin	*74%*	*74%*	*67%*	*66%*		*61%*	*61%*
Financial expenses	(16.8)	(16.8)	(16.9)	(21.4)		(13.4)	(14.3)
Accumulated depreciation and amortization	-	(0.9)	-	(0.7)		-	(0.6)
Change for fair value	-	(4.1)	-	25.5		-	(29.2)
Other items	0.8	(5.2)	(0.2)	(1.7)		(0.4)	2.4
Taxes	(1.0)	(1.0)	(0.6)	(0.6)		(0.3)	(2.9)
Minority interests	(7.4)	(13.5)	(5.2)	(14.7)		(0.7)	(0.2)
Non-recurring overhead expenses adjustment	1.4	-	2.6	-		2.6	-
Adjustment financial expenses*	1.6	-	1.9	-		1.3	-
ADJUSTED EARNINGS, GROUP SHARE	**16.3**	**(3.7)**	**14.6**	**18.6**	**12%**	**13.5**	**(20.5)**
margin	*39%*		*35%*			*35%*	
CONTRIBUTION/RECURRING CASH FLOW	**23.6**	**21.0**	**20.6**	**10.8**	**15%**	**14.8**	**10.0**
Group share	*18.5*		*14.9*		*24%*	*13.8*	
RECURRING EBITDA	**38.8**	**37.8**	**35.6**	**32.2**	**9%**	**27.0**	**24.4**
Group share	29.8		28.3		5%	25.7	

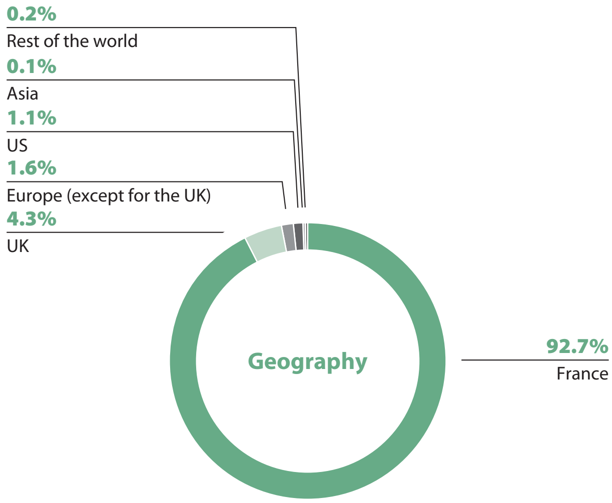
* *Mainly smoothing the cost of setting up the 2014 loan.*

SHAREHOLDING STRUCTURE AT DECEMBER 31, 2016

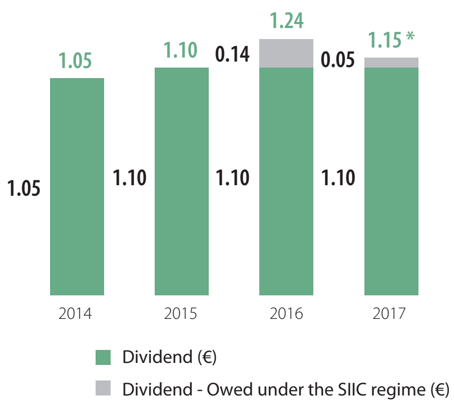
A DIVERSIFIED SHAREHOLDING STRUCTURE, A REFERENCE SHAREHOLDER TO ENSURE THE STABILITY AND GROWTH OF ANF IMMOBILIER (AS A % OF CAPITAL STOCK)







A RELIABLE DIVIDEND POLICY, ADAPTED TO GROWTH AND CONSISTENT WITH THE TIMETABLE OF THE DEVELOPMENT PROJECTS UNDERTAKEN



* *Subject to the approval of the Shareholders' Meeting of May 10, 2017*

MESSAGE FROM THE CHAIRMAN OF THE SUPERVISORY BOARD

Bruno Keller

"2016 was quite a remarkable year. It was a period that provided concrete results of the transformation initiated three years ago and it confirmed the effectiveness of your Company's strategy. As proof of this, I refer to the numerous completed projects, including Adely, the Adecco group's headquarters in Lyon, and the new retail units intended to increase the appeal of rue de la République in Marseille. I would also like to mention the signature of strategic partnerships, which led to large projects such as the Quai 8.2 project in Bordeaux, in the immediate vicinity of the new high-speed rail terminal.

During this year, the refocusing of your Company on a portfolio of new commercial properties, comprising office buildings, retail premises and hotels, continued. This process illustrates our determination to increase the profitability of your Company's portfolio as well as the EBITDA margin. It is based on diversification in terms of asset categories and geographic sectors. Therefore, in addition to a development project announced for the Euratlantique district in Bordeaux, the bases were laid for a new deployment in Toulouse, another high-potential regional city.

The ANF Immobilier teams, involved in all these matters, are well versed in the art of transformation. The emergence of new neighborhoods and the success of flagship transactions are the result of the teams' commitment and of the quality and complementarity of their expertise. Their most noteworthy ability is being able to plan ahead. By identifying the neighborhoods and projects offering the greatest potential for future value creation, the teams actively support one of the pillars of our strategy.

Furthermore, our results confirm both the maturity of our positioning and the pertinence of our choices. In fact, EPRA adjusted Earnings increased by +12%, a larger increase than we had predicted.

We look forward to the year ahead with confidence and determination. Our €198 million pipeline of projects and our substantial land reserves bode well for our growth and, of course, for our shareholders."

Bruno Keller
Chairman of the Supervisory Board

JOINT INTERVIEW

Renaud Haberkorn/ Ghislaine Seguin

After three years of transformation, ANF Immobilier is beginning to reap the fruits of a demanding positioning.

A period of consolidation and relaunch is beginning, as is explained by Renaud Haberkorn, Chief Executive Officer, and Ghislaine Seguin, Deputy Chief Executive Officer.

What were the highlights of 2016?

G.S.: This year was marked by several achievements. I would like to mention two examples in Lyon: the delivery of the Adely building, the new headquarters of the Adecco group, an attractive 13,000 sq.m. building that strengthens our presence in the Carré de Soie district, and the opening of two retail units inside the former headquarters of Banque de France. In Bordeaux, we signed commitments for the Quai 8.2 project. As for Marseille, we have seen the first positive results of an ambitious repositioning plan.

R.H.: 2016 was a year of tangible results. We achieved a major component of our business plan, namely the objective that more than half of our portfolio should be made up of core assets; at present these assets represent 57% of our portfolio value. To this impressive increase one can add the reorganization of our hotel business, which is now focused on a coherent and streamlined portfolio of assets. Indeed, we reinvested the proceeds from the disposal of two assets in Lyon and Marseille to raise our stake in ANF Immobilier Hôtels from 51% to 77%. Concurrently, we delivered two hotels in Marseille, in order to increase capacity in view of the Euro 2016 football championship.

What were your greatest grounds for satisfaction?

G.S.: We succeeded in signing six new brands for the rue de la République property in Marseille. Our goal is to increase the appeal of this district and make it a choice destination for both the inhabitants of Marseille and visitors. In Lyon, we contributed to the emergence of a true commercial hub, the Carré de Soie district, with two prestigious buildings, one with 36,000 sq.m., the other with 13,000 sq.m. As regards Bordeaux and the Quai 8.2 project, on which we have been working for three years, it is most satisfying that we have been able to enter into partnerships with both the developers and the investor, Foncière des Régions.

R.H.: I want to underline the commitment and exemplary behavior of our teams during a period marked by the outsourcing of our property management to Foncia in Marseille. The pertinence of this choice was confirmed by the good results of the marketing of residential units in this major city. I would also like to mention our pride at having received three awards at the EPRA 2016 conference. These awards highlight the substantial efforts made over the past two years to modernize the Company. I will conclude by mentioning that the policy that we have been implementing consistently for three years has led to a 15% growth in our EBITDA and a 12% growth in our adjusted EPRA Earnings.

What are your challenges for 2017?

G.S.: This year will be resolutely dedicated to the marketing of our products. We are currently reconquering certain territories, finding tenants and obtaining building permits. Admittedly, the real estate business is a long-term endeavor, but within our teams we have the necessary agility to find solutions adapted to every context.

R.H.: We have promising opportunities in terms of value creation within dynamic neighborhoods. For example, the refurbishment of an office building, quai de Rive Neuve, which is ideally located in the Vieux-Port district of Marseille, and the construction of two properties in the Tête d'Or district in Lyon. We have also successfully entered the Toulouse market, with the agreement to buy the Centreda property in the Blagnac airport area, totaling 16,151 sq.m. of offices. In financial terms, the pace of our growth will undoubtedly be less rapid this year with a stable target adjusted EPRA Earnings, but the impacts of the next project deliveries, expected in 2018 and 2020, are already promising.

1

PRESENTATION AND BUSINESS OF THE GROUP

1. Presentation of the Group

Investing in regions, promoting their major cities

ANF Immobilier's vision is to anticipate and support the development of the regions, of the future large cities in France. The Company believes in urban renewal and bases its strategy on three pillars: targeting and selection of the most ambitious regional cities in terms of infrastructure and growth, an enhanced focus on commercial real estate, and the optimization of the use of its know-how to create value.

A listed French Real Estate Investment Trust since 2006, ANF Immobilier holds a diversified portfolio of office, retail, hotel and residential assets worth €1,068 million in mainland France. In 2013, the Company embarked on a major process of transformation and restructuring. It currently has assets in Bordeaux, Lyon, Marseille and since March 2017 in Toulouse.

At the end of December 2016, the portfolio of ANF Immobilier totaled 382,000 sq.m., including 291,000 sq.m. of built assets and 91,000 sq.m. of projects under development or redevelopment (these figures do not take into account parking units). Marseille, Lyon and Bordeaux respectively account for 47%, 32% and 13% of areas. The Company also owns hotels in France, representing 8% of the area, or 32,000 sq.m.

In 2016, the portfolio's gross rental income amounted to €51.2 million, 54% of which comes from office leases, 17% from retail, 13% from hotels, 13% from residential, and 3% from car parks or accessories. Gross rental income, after minority interests, amounted to €41.3 million.

Listed on Euronext Paris Market (Compartment B, ISIN FR0000063091), ANF Immobilier opted for the SIIC (listed real estate investment companies) tax status. Eurazeo, which at the date of this Registration Document held 50.5% of the capital, is the reference shareholder and guarantees the stability of the Company's shareholding structure.

ANF Immobilier is part of the EPRA index. The EPRA index represents the largest European real estate companies and is the benchmark index for the real estate sector.

New deployment of ANF Immobilier

In 2013, ANF Immobilier reinvented itself and developed a strategy based on three major pillars. The first consists in concentrating the Company's efforts and resources on the most promising major regional cities. The second calls for refocusing on commercial real estate, and the third is based on a will to create added value.

Building on this identity and these pillars, the Company has diversified to Bordeaux and more recently to Toulouse. These two regional cities are seeing strong growth in their commercial real estate markets and are also the focus of particular attention due to the development of new infrastructures. ANF Immobilier acquired almost €369 million (€254 million Group share) of high-yield assets in the commercial sector from 2013 to 2016, thus increasing its consolidated gross rental income by almost +67%, from €30.6 million in 2012 (adjusted *pro forma* for the disposals made in 2012) to €51.2 million in 2016.

ANF Immobilier's strong growth is based on its solid financial structure, targeted disposals of low-yielding mature assets, strategic partnerships with recognized market players, and teams that are adapted to transformation. On the basis of the fundamental values of Commitment, Creativity, Team Spirit, Fighting Spirit and Responsibility, the teams have, on many occasions, demonstrated their expertise in the French regions, and their ability to both transform entire neighborhoods and to plan ahead. In terms of sustainability approach, the Company stands out not only because of the certifications obtained for its new projects but also, and above all, because of its involvement in the societal renewal of neighborhoods.

2016 was marked by the tangible results in all sectors of ANF Immobilier's transformation: delivery of new projects, such as the Adely project representing 13,000 sq.m. of new offices in Lyon, enhanced asset management with new retail assets in Marseille, and new strategic partnerships with, in particular, the launch of a large project in Bordeaux, 43,000 sq.m. of new properties in the Euratlantique district, in the immediate vicinity of the new high-speed rail terminal.

ANF Immobilier anticipates the needs of users and actively supports high-potential regional cities.

1

1.1 History

Significant events in the development of the Company's business

The Company as it exists today grew out of the transfer to ANF Immobilier of property activities of companies that have now been dissolved. Following these transfers, ANF Immobilier's business changed completely, so that it is now exclusively devoted to managing property assets.

Origins of the Company's property business

1854

- Creation SA Rue Impériale de Lyon

1878
- Fondation Société Immobilière Marseillaise


- Vieux Port projects at la Joliette

1965
LAZARD
- Controls the company Rue Impériale de Lyon

1967
- Successful bid by Rue Impériale de Lyon on the shares of Société Immobilière Marseillaise

1967–2002
- Rue Impériale de Lyon and Société Immobilière Marseillaise diversify their activities and become shareholders of Eurafrance (Eurazeo)

2002
- Rue Impériale de Lyon absorbs its subsidiary Société Immobilière Marseillaise and is renamed Rue Impériale

2004
eurazeo
- Absorbs its parent company, Rue Impériale, and its real estate assets

2005
- Eurazeo acquires 93% of ANF Immobilier and transfers its real estate assets to the latter

2006
- Adopts the SIIC tax regime

2007
B&B HOTELS
- The B&B Hotels Group acquires a portfolio of 159 hotel properties under the brands B&B Hôtels and Village Hôtel €471 million

2008
- Purchase of four property complexes and nine co-ownership lots in Lyon €18 million
- B&B development partnership
- Additional investments in Lyon and Marseille

2009
- Investments in Lyon and Marseille €64.9 million
- Delivery of two development projects
- Disposal of three properties in Lyon and seven in Marseillle
- Acquisition of a B&B hotel
- Further investments in the works program €11.3 million
- Disposal of about €50 million of assets in Lyon and Marseille 5 hotels for €20 million
- Additional investments in Lyon and Marseille and financing of works on several hotels

2011
- Investment in the refurbishment and development program Over €73 million €41 million of disposals
- Renewal of the lease of the Printemps department store in Lyon

2012
- Further investments in the refurbishment and development program €97 million of investments
- Disposal of almost half of the portfolio €788 million
- Followed by repayment of bank borrowings and a distribution to shareholders of €497 million

2013
Redeployment
- Targeting of high-potential cities (expanding to Bordeaux)
- Increase of the commercial properties in the portfolio
- Active asset management

2014–2016
- Growth in rental income €51.2 million in gross rental income (+67% vs. 2012)
- High rate of investment €369 million of commercial assets (€254 million in Group share) acquired or delivered between 2012 and 2016
- Future secured with projects to be completed €198 million in the pipeline

€1.1 billion Assets

2016
- Expands its activity to Toulouse

Significant events in ANF Immobilier's development

ANF Immobilier, which was originally known as "Ateliers de Construction du Nord de la France", and then became ANF, then ANF Immobilier, was founded in 1882.

In the first half of the 20th century, ANF Immobilier accompanied the country's industrial development by producing equipment used for building and operating railways, tramways and other transport routes, and by building viaducts, bridges and various machinery. Following its industrial period, ANF Immobilier became a holding company. When AXA acquired the Providence Group, which held 26% of ANF Immobilier's capital stock, ANF Immobilier entered the AXA Group's scope. At the end of 1986, AXA held, via its subsidiary Finaxa, 45% of the capital stock of ANF Immobilier, which at the time was a holding with a portfolio of industrial and real estate assets, including in particular several floors of the Tour Aurore building in the La Défense district. In 1990, various transactions on the markets, with investors and with AXA subsidiaries took Finaxa's shareholding in ANF Immobilier to 93%. Following the disposal of Financière des Terres Rouges (Rivaud Group) and of 32% of Compagnie du Cambodge (a listed company that was part of the Rivaud Group) in 1997, ANF Immobilier's assets only amounted to AXA shares and six floors in the Tour Aurore building. In October 2004, the floors in the Tour Aurore building were sold. At that time, the assets held by ANF Immobilier were limited to cash and financial assets (in particular AXA shares).

In May 2004, Eurazeo merged with Rue Impériale, its parent company, and bought out the Company's real estate assets, thus diversifying its assets under management. Following the merger with Rue Impériale in May 2004, Eurazeo decided to reorganize its property division. To promote the expansion of this property business, Eurazeo decided to turn the division and the relevant assets into a listed subsidiary with all the resources needed to maximize the value of its assets. The subsidiary would therefore be able to opt for the SIIC regime. It was against this background that Immobilière Bingen, a 99.9%-owned subsidiary of Eurazeo, acquired Finaxa's stake in ANF Immobilier on March 24, 2005. At the time, this stake represented 95.45% of ANF Immobilier's capital and 94.54% of the Company's voting rights. On May 4, 2005, Eurazeo transferred its entire property division to ANF Immobilier.

In the final stage of these restructuring transactions, on May 9, 2005, Eurazeo transferred all the ANF Immobilier shares received as payment for the division that it had contributed to Immobilière Bingen, its subsidiary (under Article 210 B *bis* of the French General Tax Code), so that Eurazeo's stake in ANF Immobilier's capital was wholly owned through this subsidiary.

As a result, ANF Immobilier's real estate assets now consist of properties historically owned by Rue Impériale and Immobilière Marseillaise (absorbed by Rue Impériale in 2002), which were built between 1850 and 1870.

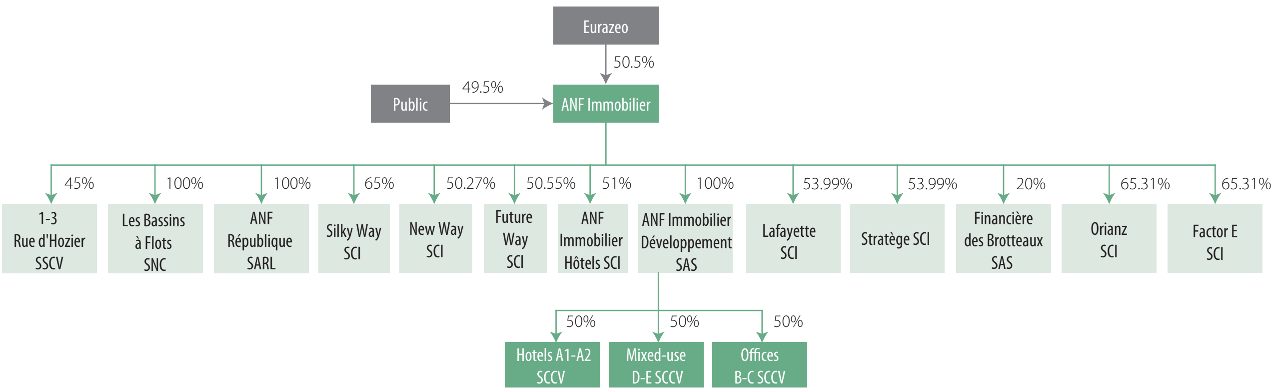
On October 31, 2007, ANF Immobilier completed the acquisition of a portfolio of 159 hotel properties for €471 million, including transfer duties and expenses. These assets are spread across the whole of France and are operated by B&B, the third-largest French budget hotel operator. A €300 million tranche of the transaction was financed from part of the proceeds of ANF Immobilier's capital increase of October 25, 2007, which amounted to €335.1 million in total, while the remainder was funded by bank loans.

Following the €788 million sale of mature assets in 2012, ANF Immobilier initiated a rapid redeployment to double rental income in the medium term and diversify corresponding risks.

Since 2013, ANF Immobilier has diversified to Bordeaux and more recently to Toulouse. It has developed its strategy based on three pillars. The first consists in concentrating its efforts and resources on the most promising major regional cities. The second calls for refocusing on commercial real estate, and the third is based on a will to create added value based on the multidisciplinary nature of its teams (in particular Asset Management and Development). At the end of 2016, the Company's portfolio was valued at €1.1 billion with almost €369 million in new projects since the end of 2012 and almost €200 million in projects to be completed. The Company's commercial real estate income now represents 84% of its total revenue.

1.2 Organization chart at December 31, 2016

Please see Note 19 to the 2016 Company financial statements for the list of subsidiaries and the percentage of ownership (in capital stock). All of ANF Immobilier's subsidiaries are French.



Eurazeo is one of the leading listed investment companies in Europe with €6 billion in diversified assets. ANF Immobilier is part of Eurazeo Patrimoine, which includes all Eurazeo's real estate investment and management activities.

As of January 1, 2017, ANF Immobilier held 77% of the capital stock of ANF Immobilier Hôtels. ANF Immobilier purchased 26 of the 34 ANF Immobilier Hôtels shares held by Eurazeo (an agreement for the disposal of shares and the rembursement of the current account was signed on December 9, 2016).

1.3 Business of main subsidiaries during the year ended December 31, 2016

During the 2009 fiscal year, ANF Immobilier acquired a 45% stake in the Company SCCV 1-3, rue d'Hozier ("SCCV"), a civil law property partnership authorized to build and sell properties, with share capital of €1,000 and registered office c/o Constructa Promotion, 29, boulevard de Dunkerque, Cœur Méditerranée, 13002 Marseille. The SCCV is registered with the Marseille Trade and Companies Registry under number 499 063 352. It was set up to develop the Fauchier residential construction program.

ANF Immobilier wholly owns ANF République, a limited liability company with capital stock of €10,000 and a registered office at 4, place Sadi Carnot, 13002 Marseille, France, registered with the Marseille Trade and Companies Registry under number 508 999 281. ANF République engages in furnished rentals.

In December 2011, ANF Immobilier acquired a 100% stake in SNC Les Bassins à Flots, a general partnership with capital stock of €100 and a registered office at 4, place Sadi Carnot, 13002 Marseille, France, registered with the Marseille Trade and Companies Registry under number 483 709 465. SNC Les Bassins à Flots is developing a 13,100 sq.m. property in Bordeaux to be used primarily for office space.

In May 2013, ANF Immobilier acquired a 65% stake in Silky Way, a real estate investment company (SCI) with capital stock of €1,000 and a registered office at 4, place Sadi Carnot, 13002 Marseille, France, registered with the Marseille Trade and Companies Registry under number 792 848 855. Silky Way owns a property complex of approximately 36,000 sq.m. of offices in the Carré de Soie district in Lyon.

In July 2013, ANF Immobilier acquired a 99% stake in ANF Immobilier Hôtels, a real estate investment company (SCI) with capital stock of €1,000 and a registered office at 4, place Sadi Carnot, 13002 Marseille, France, registered with the Marseille Trade and Companies Registry under number 794 578 286. ANF Immobilier Hôtels owns buildings used as hotels. ANF Immobilier's interest was reduced to 51% of the capital stock in June 2014 and raised to 77% on January 1, 2017.

In November 2013, ANF Immobilier acquired a 51% stake in Future Way, a real estate investment company (SCI) with capital stock of €1,820 and a registered office at 4, place Sadi Carnot, 13002 Marseille, France, registered with the Marseille Trade and Companies Registry under number 798 799 771. SCI Future Way owns an office property complex in the Tête d'Or district in Lyon (since February 18, 2014). ANF Immobilier's interest was increased to 95% of the capital in February 2014 and reduced to 50.55% in April 2016.

In November 2013, ANF Immobilier acquired a 95% stake in New Way, a real estate investment company (SCI) with capital stock of €1,890 and a registered office at 4, place Sadi Carnot, 13002 Marseille, France, registered with the Marseille Trade and Companies Registry under number 798 813 085. New Way owns a 13,000 sq.m. office property in the Carré de Soie district in Lyon. ANF Immobilier's interest was reduced to 50.27% in April 2015.

ANF Immobilier wholly owns ANF Immobilier Hôtels, a simplified joint-stock company with capital stock of €100 and a registered office at 4, place Sadi Carnot, 13002 Marseille, France, registered with the Marseille Trade and Companies Registry under number 800 314 619. ANF Immobilier Développement SAS carries out property development projects in the Euratlantique district of Bordeaux through three 50%-owned SCCVs (civil law property partnerships authorized to build and sell properties): SCCV Hôtels A1A2, SCCV Bureaux B.C and SCCV Mixte D-E.

ANF Immobilier holds a 53.99% stake in SCI Lafayette, a real estate investment company (SCI) with capital stock of €1,819 and a registered office at 4, place Sadi Carnot, 13002 Marseille, France, registered with the Marseille Trade and Companies Registry under number 804 691 764. SCI Lafayette owns the Lafayette property complex located in the Part-Dieu district in Lyon.

ANF Immobilier holds a 53.99% stake in SCI Stratège, a real estate investment company (SCI) with capital stock of €1,819 and a registered office at 4, place Sadi Carnot, 13002 Marseille, France, registered with the Marseille Trade and Companies Registry under number 804 681 815. SCI Stratège owns the Stratège property complex located in the Part-Dieu district in Lyon.

ANF Immobilier holds a 65.31% stake in SCI Orianz and in SCI Factor E, two real estate investment companies (SCI) with capital stock of €10,000 and a registered office at 4, place Sadi Carnot, 13002 Marseille, France, registered with the Marseille Trade and Companies Registry under numbers 82 173 637 800 018 and 82 173 611 300 019, respectively. These companies are in charge of the Quai 8.2 investment project, covering almost 30,000 sq.m. of office and retail premises, in Bordeaux.

2. 2016 highlights

ANF Immobilier is continuing its growth strategy.

In 2016, the Company confirmed the relevance of its strategy several times. At the end of the year, it exceeded its annual objective and its adjusted EPRA Earnings was up by +12%, to €16.3 million, or €0.90 per share.

March 2016 – The retail strategy is changing

Facing an increased supply of retail premises in Marseille, ANF Immobilier is adapting its strategy. With one major objective: to differentiate and revitalize the Rue de la République property. ANF Immobilier is therefore distinguishing two separate segments. The first, connected to Vieux-Port, groups shops intended for the family and tourism. The second, connected to Place de la Joliette, will provide a services offer that complements the boom of the Euromed commercial district.

June 2016 – High pace of hotel deliveries

ANF Immobilier took possession of three new hotels: the first in Marseille-Vélodrome (126 rooms) under the AC By Marriott brand, delivered in January; the second in Marseille-Euromed 2 (88 rooms) under the B&B brand, delivered in May; and the third in Bobigny (117 rooms) under the B&B brand, delivered in June. These three assets, acquired through the subsidiary ANF Immobilier Hôtels, generate additional revenue of +€1.9 million. The subsidiary has now delivered almost 1,100 hotel rooms.

July 2016 – First favorable results for the retail premises in Marseille

ANF Immobilier set up six new brands over 1,400 sq.m. (King Jouet, TUI Store, Copy Top, Adopt, Le Petit Cabanon and Dakao). The Company also signed a lease to set up the Musée du Savon in the Rue de la République property, which will open in 2017. These successes confirm the pertinence of ANF Immobilier's repositioning as regards its retail premises on Rue de la République. Despite the fact that this repositioning entailed a downward value adjustment of approximately -€19 million in 2016, it established the property's restored commercial attractiveness and promising prospects.

End-August 2016 – Quai 8.2 operation in Bordeaux, a good example of the Company's expertise

The launch of the Quai 8.2 transaction in the Euratlantique district, in the immediate vicinity of the future high-speed rail terminal, is a flagship for the Company's three-fold expertise:

- a 50/50 joint development project with Vinci Immobilier of a mixed-used complex over 43,000 sq.m. (29,500 sq.m. of offices, 2,000 sq.m. of retail premises, a three-star hotel with 126 rooms, a four-star hotel with 111 rooms and a student residence with 123 units);
- a 35% investment with Foncière des Régions for 29,500 sq.m. of offices and 2,000 sq.m. of retail premises. The financing amounts to €90 million with delivery scheduled for the third quarter of 2018. The office areas are currently 33% leased to Orange and Allianz by means of 9-year fixed-term leases;
- a total investment of €7 million with Caisse d'Epargne Provence Alpes-Corse for a three-star hotel with 126 rooms. It has been leased to B&B by means of a 12-year fixed-term lease signed with ANF Immobilier Hôtels;
- an Asset Manager function for all investments.

Early September 2016 – Three SIIC awards for transparency and CSR

Satisfaction for ANF Immobilier, which receives a host of awards: a gold medal for the quality and transparency of its financial statements and their compliance with current Best Practice Recommendations. EPRA also hailed the performance of ANF Immobilier in terms of non-financial information, including its sustainable development and Corporate Social Responsibility reports, by awarding the Company a silver medal. Lastly, the association also awarded it a trophy for achieving the most rapid growth.

End-September 2016 – Opening of the Maxi-Bazar store in the former Banque de France building

After winning the 2013 tender process for acquiring the Banque de France property on Rue de la République (Presqu'île district in Lyon), ANF Immobilier successfully reconverted the historic building in less than three years. Two brands now occupy this historic building: Nike, opened in March over 500 sq.m., and Maxi Bazar, opened in September over 2,000 sq.m.

October 2016 – Disposal of the four-star 111-room Golden Tulip hotel

On September 29, Vinci Immobilier and ANF Immobilier signed an off plan sale of the four-star Golden Tulip Hotel in Bordeaux, in the new Armagnac business district, developed by the Bordeaux Euratlantique public development establishment. This transaction secures almost the entire margin of the Quai 8.2 development in Bordeaux.

December 2016 – January 2017 – A disposal leading to an increased stake in the hotel subsidiary

Located on Place de la République, the Carlton Hotel in Lyon, under the MGallery brand, has 80 rooms and was completely refurbished in 2012. Located on Rue Trinquet, the Adagio Hotel in Marseille, under the Adagio Aparthotel brand, was delivered in 2009. It has 142 rooms. ANF Immobilier Hôtels sold these two hotels and received a net asset value premium of +€0.2 per ANF Immobilier share.

The proceeds from the disposal were reinvested to increase ANF Immobilier's stake in ANF Immobilier Hôtels from 51% to 77%. This transaction was in line with the strategy to dispose of mature assets in order to acquire new and higher-yielding products.

December 2016 and March 2017: Toulouse, ANF Immobilier's fourth major city

In December, ANF Immobilier signed an agreement to buy its first property in Toulouse, the Centreda complex, located in the Blagnac area. This property complex, comprising two buildings with a total of 16,150 sq.m. of offices (multi-tenant), represents a total investment of almost €19 million. It will generate additional gross income of +€2 million. The Company completed the purchase of the property in March 2017.

3. Strategy

3.1 Three guiding principles, a strong identity

Geography

Targeting dynamic metropolitan areas

- Targeting regions and cities undergoing radical changes
- Emergence of new neighborhoods
- New infrastructures
- *Geographic targeting enhancing value creation*

Investment

Value creation through active asset management

- Development and investment based on strict return on investment criteria
- Upstream project management
- Active asset management
- *Dynamic asset management generating better returns on investments*

Category

Rebalancing and move toward commercial sector

- Reduced share of the residential sector
- Increased exposure to offices, retail and hotels
- *Diversification resulting in reduced exposure to real estate cycles*

ANF Immobilier aims to increase its growth and improve its visibility. Its strategy is based on three pillars:

1 – Keep ahead of trends by targeting the most dynamic regional cities

ANF Immobilier focuses on cities under transformation that are driven by a strong entrepreneurial spirit. ANF Immobilier concentrates its efforts on Lyon, Marseille and Bordeaux and has established a foothold in Toulouse. The Company contributes to the emergence of new city centers by identifying promising districts with a solid infrastructure network.

2 – Improve profitability by refocusing on the commercial sector

ANF Immobilier has chosen to evolve from a mixed Haussman-type portfolio to a portfolio of new commercial properties. The latter is based on a wide range of assets: offices, retail, hotels. Its main growth driver is a pipeline secured through long-lasting partnerships and a high level of pre-leased or leased property.

3 – Create added value by making use of complementary skills

One of the strengths of ANF Immobilier is its ability to perform three roles: investor, developer and asset manager. Its triple expertise offers a wide range of opportunities, seized by its teams of experts. ANF Immobilier's employees accompany the projects from design to realization.

3.2 Anticipation of the structuring transformation of the major regional cities

ANF Immobilier is a real estate company located in French regions, in the most active and entrepreneurial major French cities. The choice of investing in a city is obviously the result of a detailed appreciation of each local real estate market, but it is also the result of an assessment of their development potential and their desire for transformation.

To identify the potential of these cities, which is directly related to the potential of their real estate market, their demographic characteristics, the health of their industries, their urban development and the degree of expansion of their infrastructures are scrupulously evaluated.

City	Lyon	Bordeaux	Marseille	Toulouse
Dynamism	Lyon is the second largest metropolitan area in France and has a population of 2,238,000 inhabitants spread over an area of 48 sq.km. Attracting people from all over Europe, its population has been growing uninterruptedly over the last 30 years. Always innovative, it has entered the ranks of the most dynamic cities in Europe.	Capital of the largest region of France, Bordeaux and its urban community have a population of 1,196,000 inhabitants spread over an area of more than 49 sq.km. France's fifth-largest city, Bordeaux and the surrounding region are characterized by dynamic and very favorable demographics. Bordeaux is undergoing a veritable transformation and is now seen as one of the most attractive regions in France.	Marseille is the capital of the Bouches-du-Rhône département. The Marseille metropolitan area has a population of 1,734,000 inhabitants. It is the third-largest city in France, and its population has been constantly growing since the 1990s. The city is located in Provence and bordered by the Mediterranean Sea. It celebrated the delivery of many defining urban projects in 2014 and cemented its tourism ambitions and its rank among Europe's most enterprising cities.	With a population of 1,312,000 inhabitants spread over an area of 118 sq.km., Toulouse is the capital of the European aeronautics and space industry. It is the fourth most populated metropolitan area in France and the sixth most populated city just after Lille. According to several sources, Toulouse has the fastest growing population of all major cities in France, which bodes well for the development of its infrastructures.

City	Lyon	Bordeaux	Marseille	Toulouse
Pro business	A long-standing prominent figure in the textile, petrochemical and imaging sectors, as well as a key financial center, Lyon forged a reputation as a city reinventing itself and riding the waves of urban and economic changes. It currently backs state-of-the-art technology sectors such as pharmaceuticals and biotechnology. The City of Lyon is a major center for research and studies in France.	As well as its prestigious history and regional attraction for tourists, Bordeaux is also an economic center, the world wine capital, a university and research hub, renowned for its gourmet food, with its face set resolutely to the future. In a few decades, the metropolitan area became a major aeronautics and space hub in Europe, a place for the world's wine experts to congregate and a sustainable development laboratory for the agri-food sectors.	Marseille, a port city, has always been turned toward the sea and is the largest cruise port in France. The tourism industry is its primary asset. In 1995, Marseille welcomed 20,000 tourists per year. In 2015, the city welcomed over 1.4 million tourists. In addition, the city is renowned for its soap, tile and food industries, and for its shops, of which those on the Rue de la République set the standard.	The economy of Toulouse is mainly based on state-of-the-art aerospace industries, of which Airbus is a driver, which directly and indirectly employ over 50,000 people in the city and almost 70,000 in the Greater South-West region of France. Toulouse has also become a major industrial center due to the regional electricity and gas resources and the city is gaining in importance as a center of education (100,000 students).

1

City	Lyon	Bordeaux	Marseille	Toulouse
Urban planning	The city is one of the fastest growing cities in Europe and enjoys a strong commitment to urban planning from public authorities. The Grand Lyon urban area recovered the banks of the Rhône and the Saône, thus completing the transformation of former industrial sites into new city centers with high-quality residential and commercial areas (Lyon Confluence 1 & 2, Carré de Soie).	The complete renewal of its reception infrastructure, involving some of the biggest names in contemporary architecture in the Bordeaux Lac district and on the docks, has already altered the physiognomy of the city. Bordeaux is a constantly changing city. With the arrival of the tramway, the wine museum in 2016, and the recovery of the docks, a major revival with a strong demographic and urban challenge began.	Marseille's urban development is characterized by the Euroméditerrannée project of national interest started in 1995. It covers 480 hectares and involves investments exceeding €7 billion: 18,000 residential units, 1 million sq.m. of office space, 200,000 sq.m. of public amenities, 200,000 sq.m. of retail premises, 40 hectares of landscaped surroundings, representing 35,000 job opportunities.	The city is organized into concentric areas corresponding to its urban growth. Several projects are included in the urban development plan: Aerospace Valley will bring together aerospace research centers over a surface of 355,000 sq.m; Toulouse Euro-Sud-Ouest will comprise a 400,000 to 500,000 sq.m. business center on the Raynal-Périole-Matabiau site; and the former Cartoucheri[e] site is expected to provide 350,000 sq.m. of ne[w] surface area.

City	Lyon	Bordeaux	Marseille	Toulouse
Infrastructure	Lyon is a crossing point for reaching southern Europe and tends to develop new connections with European metropolises to its east, as well as new urban connections consistent with the planning of the Grand Lyon urban area. The metropolis has the largest public transportation network outside the Île-de-France region with 440 million journeys per year. The Saint Exupéry and Bron airports are also growth pillars for Lyon, offering new destinations every year.	With the arrival of the tramway and the urban transformation under way, the city plans to welcome close to 100,000 additional inhabitants. The city's infrastructure is directly related to this ambition. The commissioning of the TGV Paris-Bordeaux line in 2017 (approximately two hours) with its double extension to Bilbao and Toulouse in 2020 represents undeniable additional assets for the city. It intends to build a reputation as a recognized European metropolis.	In addition to excellent regular maritime links, the city benefits from the Saint-Charles train station that routes TGV traffic to the west and north of France, highway connections to Lyon and Paris, and the international airport Marseille-Provence, which notably offers a link to New York. Furthermore, Marseille has 90 bus lines, a subway network with 28 stations, 28 tram stops, an intra urban maritime shuttle system and has operated a bike-rental system since 2007.	Several projects are included in the urban development and economic diversification plan: Toulouse, which for a long time depended on its airport for transport to Paris, now wants to enhance its transport options by adding high-speed rail services. This service will be provided via a high-speed Toulouse-Bordeaux track planned for 2024.

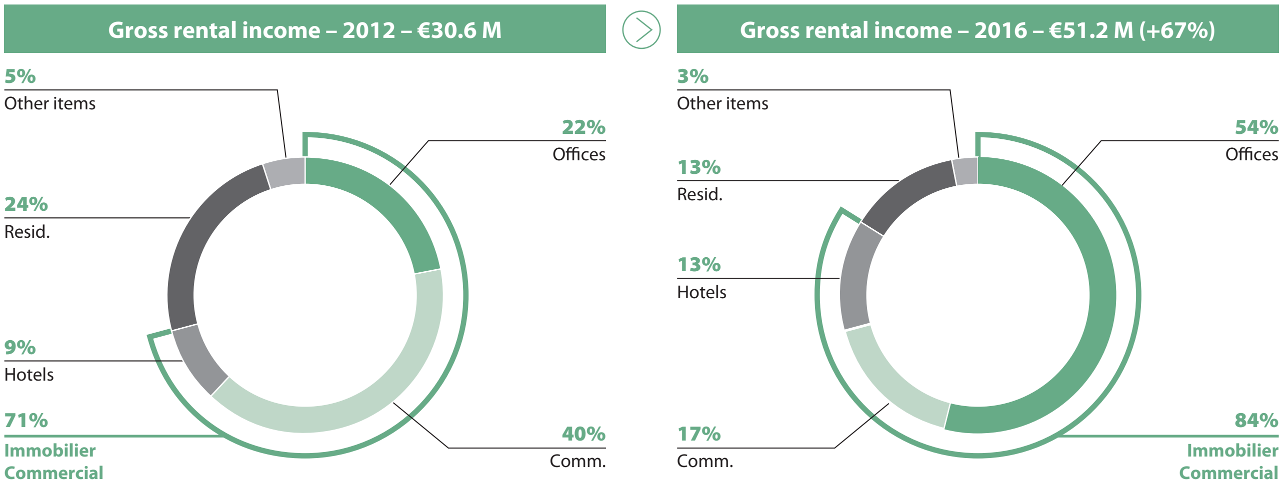
3.3 Refocusing on new commercial real estate

3.3.1 From a historical portfolio of mixed-use, low-yielding Haussmann-style properties to a portfolio of new, high-yielding commercial properties

ANF Immobilier refocusing on commercial real estate reflects a desire to increase the profitability of the portfolio and the gross operating profit margin through investments in new office and retail buildings and hotels. This operation makes it possible to diversify the portfolio in terms of types of assets but also of geography.

At the end of 2016, 54% of the rental income stemmed from offices, 17% from retail, 13% from hotels, 13% from housing and 3% from car parks. In terms of locations, 45% of the rental income came from assets in Marseille, 37% from Lyon, 5% from Bordeaux, and the remainder from hotel assets. In the medium term, the Company aims at a rental income generated by offices to be 59%, 17% from retail, 13% from hotels, 10% from housing and 1% from car parks. As part of this portfolio balancing, geographical distribution is being redesigned based on critical size relative to each real estate market.

BREAKDOWN AND EVOLUTION OF THE CONSOLIDATED RENTAL INCOME OF THE PORTFOLIO



3.3.2 A relevant transformation in terms of two key indicators: vacancy and yield

This transformation outlook is supported by the assessment of the EPRA ratios (see Section 8 "Shareholder Information" of Chapter 7 of the Registration Document), which measure the performance of real estate portfolios in terms of EPRA Net Initial Yield and vacancy rates. ANF Immobilier's current portfolio, excluding developments and redevelopments, shows an average EPRA Net Initial Yield of 4.6% and an average vacancy rate of 9.1% as at the end of 2016. These figures can be broken down as follows:

- for the historical portfolio, which consists mainly of Haussmann-style buildings, the EPRA Net Initial Yield is 3.2% and the vacancy rate is 15.3% *(Heritage Portfolio)*;
- for completed ANF Immobilier development and redevelopment projects, which consist mainly of new buildings with long lease times, the EPRA Net Initial Yield is higher, at 5.7%, and the vacancy rate is lower, at 4.9% *(Core Portfolio)*;
- in addition to a higher operating margin for commercial real estate, this transformation effectively reduces vacancy while significantly improving the actual net return on the assets.

3.3.3 Committed flow of development projects

The main engine of ANF Immobilier's metamorphosis is its new acquisitions and developments stream (called the "pipeline").

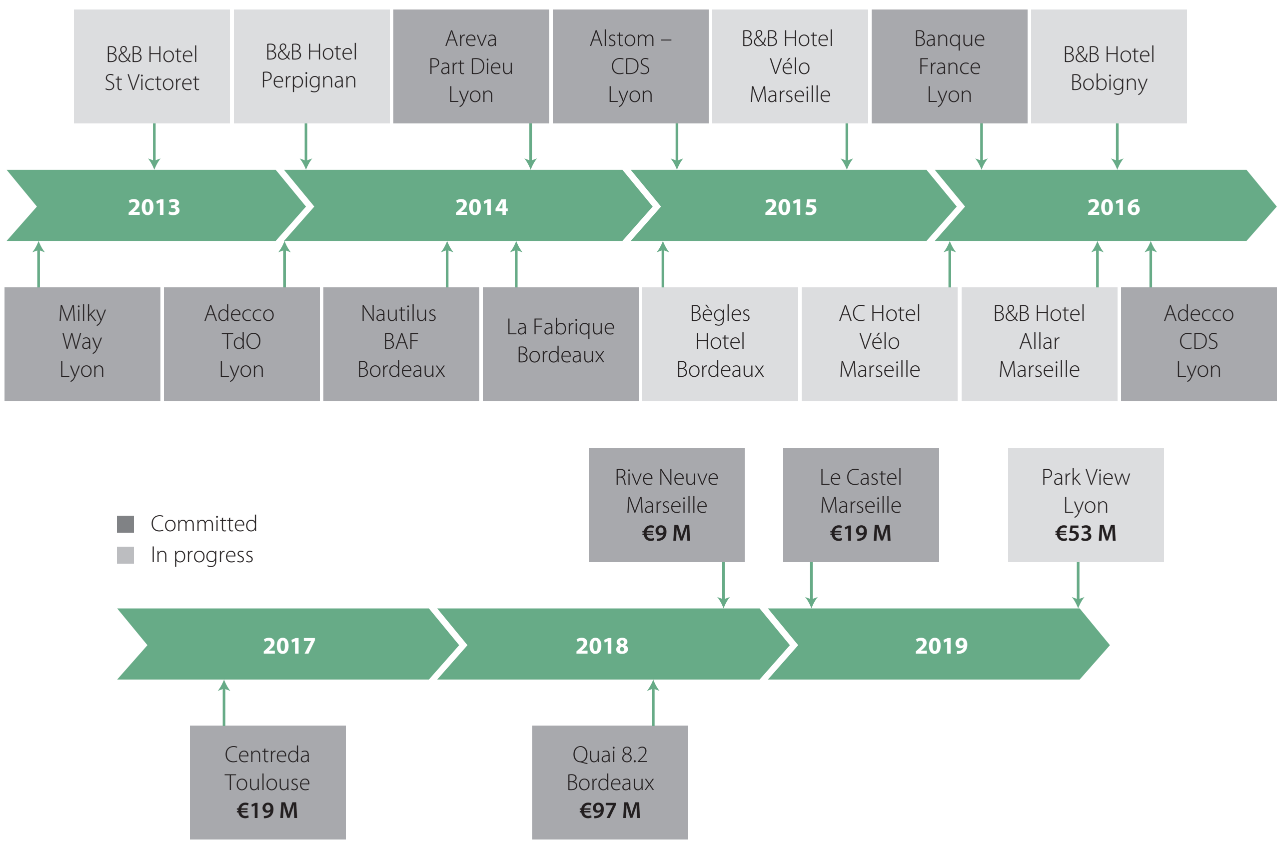
At the end of 2016, the committed or nearing-completion investment volume was €198 million of which €138 million was Group share. The pipeline comprises commercial transactions located mainly in Lyon, Bordeaux, Toulouse and Marseille.

More precisely, the pipeline includes 96% of office transactions and 4% of hotel transactions, with an average return on costs of over 7%. The expected rental income and EPRA Earnings growth and the degree of transformation will be directly related to subsequent deliveries of operations.

These investments are supported by:

- a solid financial structure based on a refinancing agreement, signed in May 2014, extending the average debt maturity by seven years (2021), while benefiting from a hedging strategy using caps and swaps for the debt (thus limiting interest rate risk – see Section 7.4.1 "Interest rate risks" of Chapter 1 of the Registration Document);
- a mechanism for setting up partnerships, such as the partnership agreed with Foncière des Régions for the Quai 8.2 transaction in Bordeaux and as the one agreed with Crédit Agricole Assurances for the Areva – Part-Dieu transaction in Lyon. This technique allows ANF Immobilier to invest in medium-sized projects, while maintaining a limited exposure;
- targeted disposals consistent with the balancing strategy, mostly composed of housing assets located in Marseille.

COMPLETED AND PLANNED ACQUISITIONS AMOUNTING TO €369 MILLION AND €198 MILLION, RESPECTIVELY



3.4 Value creation, an ultimate purpose of the strategy

3.4.1 Investor, developer, asset manager

ANF Immobilier is a real estate company with three-pronged expertise: investor, developer and asset manager. This allows the Company to have access to opportunities that require some or all of these qualities.

The Company thus combines the added value of each skill. For a "typical" commercial asset development transaction, the Company has the ability to become involved:

- as a developer, generating a margin related to the construction of the asset;
- as an investor, generating a recurring rental yield;
- as an asset manager, generating revenues from services rendered to third parties or subsidiaries.

ANF Immobilier's approach is multidisciplinary and tries to cover this extended range of skills in order to keep control of its developments, from their conception to their day-to-day operations after delivery. The entire life cycle of each asset is thus considered and the creation of value is optimized.

3.4.2 Ability to intervene upstream of the projects

Since 2005, ANF Immobilier's experience in the French regions has been demonstrated by the multiple major restructuring projects that have been undertaken, notably in Marseille and Lyon. But the Company is more than a real estate company, specializing in restructuring, it is positioned as a source of support for regional metropolitan areas that genuinely participates and has a real impact on their development.

The involvement of ANF Immobilier, through this cooperative approach, is found in all of its investments. They are all oriented toward urban transformation, the regeneration of entire neighborhoods and the emergence of new commercial hubs (Carré de Soie and Confluence in Lyon, Bassins à Flot and Euratlantique in Bordeaux, etc.).

The teams have acquired real know-how and established strong links with the public authorities and the various actors in the transformation and renewal of regional metropolises. In 2015, the Company decided to set up new offices in Lyon in order to strengthen these links. ANF Immobilier is able to get involved when projects first begin, anticipating trends and capturing the creation of value related to the expansion of the cities in question.

3.4.3 A broad market, with all types of commercial property

ANF Immobilier handles all types of commercial property in the French regions, and this allows it to operate and grow within a broad, active and deep market.

As an illustration, for all types combined, the regional investment market represents approximately 30% of the investment market in France on average over the past eight years (source: BNPP Real Estate).

With the help of this multi-product profile, the Company benefits from the liveliness of the regional real estate markets and liquidity related to their combined size, all categories included. In addition, it enjoys more limited competition because of the real skills necessary for investment in the French regions.

Through its unique positioning, it has the ability to seize opportunities, and it seizes them.

The transformation under way, secured by operations with a high pre-lease rate, based on a solid financial structure and experience, make ANF Immobilier a real estate company that is growing today to provide high yields tomorrow.

4. Investments

Backed by its acknowledged expertise in regional city-center commercial real estate, ANF Immobilier intends to further develop expertise in new locations where it has detected transformative potential. Based on criteria combining local characteristics associated with the development of the metropolis and basic real estate project qualities, ANF Immobilier will examine a large enough number of projects to ensure selectivity, especially with respect to the prospects for value creation and return on investments.

ANF Immobilier wishes to invest in commercial real estate assets to achieve a minimum yield on costs of 7% for projects located in major French regional cities. The Company is shifting the balance of its property portfolio towards commercial assets. The unit amount of the investments is between €10 million and €100 million. Transactions may be covered under one or more joint arrangements with one or more known and reliable market actors. Some of the financing is provided by bank debt in a manner consistent with the debt limits defined in the strategy.

A MOSTLY PRE-LEASED €567 MILLION INVESTMENT PROGRAM

Project	Geography	Year of delivery/ acquisition	Main category	Volume *(€M)*	Volume ANF Immobilier Group share *(€M)*
MilkyWay – Confluence	Lyon	2013	Offices	17	17
B&B St Victoret	Hotels	2013	Hotels	4	3
Park View (currently Adecco Tête d'Or)	Lyon	2014	Offices	20	10
B&B Perpignan	Hotels	2014	Hotels	4	3
Nautilus – Les Bassins à flot	Bordeaux	2014	Offices	27	27
La Fabrique – Les Bassins à flot	Bordeaux	2014	Offices	10	10
Areva – Part Dieu	Lyon	2014	Offices	92	50
Epsilon – Carré de Soie (Alstom)	Lyon	2015	Offices	100	65
B&B Bègles	Hotels	2015	Hotels	7	5
B&B Vélodrome	Hotels	2015	Hotels	10	8
AC Marriott Vélodrome	Hotels	2016	Hotels	14	11
Banque de France – Presqu'île	Lyon	2016	Retail	19	19
B&B Allar	Hotels	2016	Hotels	5	4
B&B Bobigny	Hotels	2016	Hotels	7	5
Adely – Carré de Soie (Adecco)	Lyon	2016	Offices	34	17
Sub-total 2013-2016				**369**	**254**
Toulouse – Centreda	Toulouse	2017	Offices	19	19
Quai 8.2 – Euratlantique	Bordeaux	2018	Offices	90	59
Quai 8.2 – Euratlantique	Bordeaux	2018	Hotels	7	5
Rive Neuve – Vieux-Port	Marseille	2018/2019	Offices	9	9
Le Castel – Quai Joliette	Marseille	2018/2019	Offices	19	19
Park View – Tête d'or	Lyon	2019/2020	Offices	53	27
Sub-total 2017-2020				**198**	**138**
TOTAL				**567**	**392**

LOCATION AND WEIGHT OF INVESTMENTS (VOLUME)

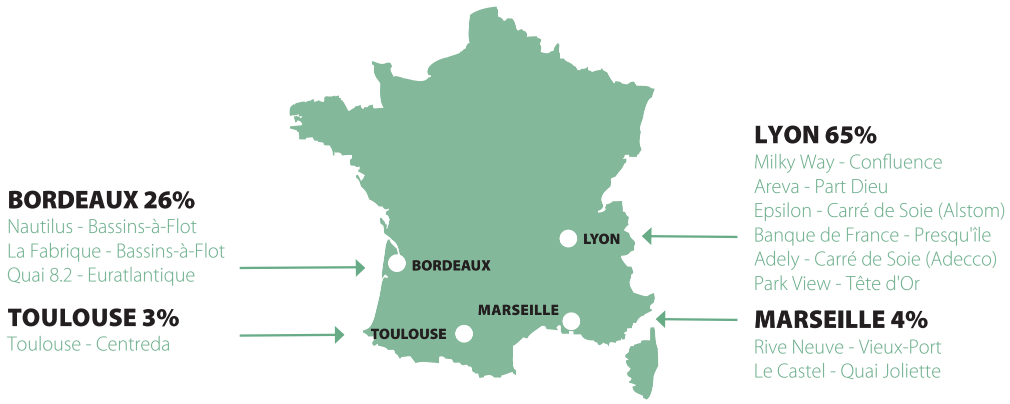
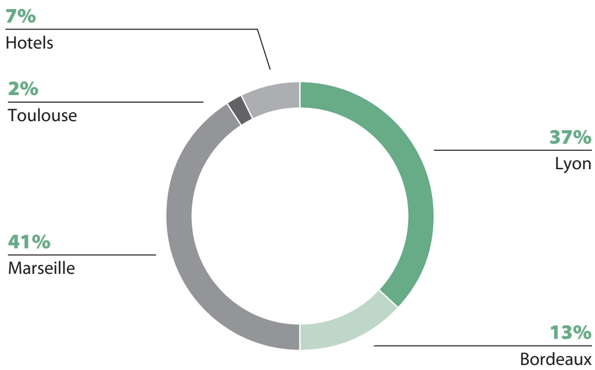


ILLUSTRATION OF THE GEOGRAPHICAL BREAKDOWN OF THE PORTFOLIO VALUE IN 2021*



* *After a 2017-2020 pipeline objective of €198 million and an estimated volume of disposals of 3.5% assets per year in Marseille.*

LOCATION AND WEIGHT OF INVESTMENTS (VALUE)

	2013-2016		2017-2020		Total	
City	**% Volume**	**% Volume (GS)***	**% Volume**	**% Volume (GS)***	**% Volume**	**% Volume (GS)***
Lyon	76%	70%	27%	19%	59%	52%
Bordeaux	10%	15%	49%	46%	24%	26%
Marseille	0%	0%	14%	20%	5%	7%
Toulouse	0%	0%	10%	14%	3%	5%
Hotels	14%	15%	0%	0%	9%	10%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

	2013-2016		2017-2020		Total	
Category	**% Volume**	**% Volume (GS)***	**% Volume**	**% Volume (GS)***	**% Volume**	**% Volume (GS)***
Offices	81%	77%	96%	96%	86%	84%
Retail	5%	7%	0%	0%	3%	5%
Hotels	14%	15%	4%	4%	10%	11%
Residential	0%	0%	0%	0%	0%	0%
Other items	0%	0%	0%	0%	0%	0%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

* *Group share.*

4.1 Lyon

Building new city centers, supporting new neighborhoods

Name	Description	Information sheet	Details
Park View – Tête d'or 	In February 2014, ANF Immobilier acquired the former headquarters of the Adecco France Group, located in the Tête d'Or district, for the purpose of redeveloping the site as of 2017 (on the basis of the previously defined criteria). This investment echoes the development of their new headquarters in the Carré de Soie district, delivered in September 2016.	Crédit Agricole Assurances (45%), ANF Immobilier (51%) and DCB International signed a financial partnership. As a first step, it aims to acquire the former headquarters of the Adecco France Group. Built in 1987 and located across from the Parc de la Tête d'Or, the asset is at the heart of the Tonkin commercial area, a few minutes from Lyon Part-Dieu, and enjoys significant residual constructability. It will be restructured in two tranches for a total of 23,000 sq.m. of offices.	Initial vesting date: February 18, 2014 Initial budget: €20 M Area: 9,000 sq.m. of offices Launch of the restructuring work: 2017 subject to specific conditions Date of delivery: 2019/2020 Works budget: €53 M Area: 23,000 sq.m. of office space in two tranches

Name	Description	Information sheet	Details
Areva Part-Dieu 	In partnership with Crédit Agricole Assurances, ANF Immobilier purchased the headquarters of Areva, at the heart of the Part-Dieu district. The scope comprises the Lafayette, Stratège and Massena buildings. This was the second largest transaction in 2014 in France's second largest commercial real estate market.	At the end of 2014, ANF Immobilier finalized its acquisition of Areva's headquarters building. The Lafayette and Stratège properties are located in the immediate vicinity of the Part-Dieu train station and have 550 parking units. This represents ANF Immobilier's third-largest transaction in Lyon. It is based on a partnership with Crédit Agricole Assurances (45%) and is financed by HSBC France. In 2015, the two partners also completed the acquisition of the 3,100 sq.m. Massena office building. The two partners expect long-term value creation from this investment with ANF Immobilier handling asset management.	Date: October 2014 Budget: €92 M Area: 39,100 sq.m. of offices
Epsilon – Carré de Soie (Alstom) 	The construction of Alstom Transport's headquarters in an up and coming city area is one of the flagship projects in French commercial real estate. It is led by ANF Immobilier in association with Caisse d'Epargne Rhône-Alpes (CERA) and DCB International.	The new Alstom Transport headquarters is located in a mixed commercial and residential environment. Named Epsilon, it is the result of a joint investment by ANF Immobilier (65%), Caisse d'Epargne Rhône-Alpes (30%) and DCB International (5%). Alstom, the rail industry leader, has committed to a lease for a non-cancelable period of 12 years. The building comes with two environmental labels: High Environmental Quality (HQE) and Building Research Establishment Environmental Assessment Methodology (Very Good) BREEAM certification. Epsilon comprises offices, test laboratories, manufacturing workshops, a logistics hall and a company restaurant. It provides optimal comfort levels and consumes 15% less energy than standard new buildings.	Date of delivery: August 2015 Budget: €100 M Area: 36,600 sq.m
Banque de France – Presqu'Île 	The former headquarters of Banque de France on Rue de la République is changing its intended use. Following its purchase by ANF Immobilier, it now houses two retail premises. Its rehabilitation was carried out under the stewardship of the head architect of the National Commission of Historic Monuments, Didier Reppelin.	ANF Immobilier won the call for tenders for the former headquarters of Banque de France in 2013. The works are carried out by Vinci Immobilier. The project strives to preserve the original structures and architectural elements, such as the 19th century facade. In March and September 2016, two retail chains, Nike France and Maxi Bazar, opened stores in this prestigious setting.	Date of delivery: 2016 Budget: €19 M Area: 2,500 sq.m. of retail premises
Adely – Carré de Soie (Adecco) 	Crédit Agricole Assurances (45%), ANF Immobilier (50%) and DCB International (5%) are building the new headquarters, named Adely, of the Adecco France Group in the up-and-coming Carré de Soie district.	The Adecco Group took possession of its new France registered office in September 2016. Adely comprises three buildings. It houses 900 of the Group's employees. This property complex has been designed by the architect firm Sagittaire & associés. The financing has been arranged in partnership between ANF Immobilier, Crédit Agricole Assurances and DCB International. The transaction is secured by a lease for a non-cancelable period of nine years.	Date of delivery: September 2016 Budget: €34 M Area: 13,275 sq.m.

4.2 Bordeaux

Taking a place at the heart of urban renewal

Name	Description	Information sheet	Details
La Fabrique – Les Bassins à flot 	As the link between Bordeaux and its suburbs, the Les Bassins à flot district has become a coveted area. For instance, the long-expected Cité du Vin opened in 2016. In 2014, ANF Immobilier delivered the La Fabrique property complex in the district. This office building has been designed by the architect Christian de Portzamparc.	In 2014, ANF Immobilier delivered La Fabrique, the only office building delivered that year in Les Bassins à flot. This six-story building was purchased by ANF Immobilier from Bouygues Immobilier, the promoter of the transaction. La Fabrique adds to the attractiveness of a district destined to become the new extension of the city center. Enjoying a solid infrastructure network, the Les Bassins à flot district becomes even more popular since the opening of the Cité du Vin in 2016.	Date of delivery: 2014 Budget: €10 M Area: 3,700 sq.m.
Nautilus tranche 2 – Les Bassins à flot 	The Nautilus building is the result of an acquisition made by ANF Immobilier from Eiffage Immobilier in 2012. Located in the Les Bassins à flot district, it comprises offices, a restaurant and parking spaces. It was divided into two tranches: the first was delivered in September 2012, the second two years later.	The Nautilus property complex enjoys a favored location along quai de Bacalan. It is close to the Autonomous Port of Bordeaux and the tramway. The overall €27 million project was divided into two tranches, delivered in 2012 and 2014. ANF Immobilier has secured its investment under a firm commitment by the tenant Cdiscount for a duration of six years.	Date of delivery: 2014 Budget: €10 M (tranche 2) Area: 13,000 sq.m.
Quai 8.2 – Euratlantique 	In 2017, the future high-speed rail terminal will provide Bordeaux-Paris travel within two hours. In its immediate vicinity, the mixed-use development of the Armagnac Block marks the renewal of a district. As regards development, ANF Immobilier and Vinci Immobilier are committed to the project and have signed agreements with Établissement Public d'Aménagement Euratlantique, the public body responsible for developing the district. As regards investments, ANF Immobilier (65%) and Foncière des Régions (35%) are committed to acquiring offices and retail units.	Eventually, three office buildings, retail premises, two hotels (one three-star, the other four-star), a student residence and 435 parking spaces will offer a pleasant living environment for Block Armagnac, close to the future high-speed rail terminal. This represents a total of 43,000 sq.m. of new areas. ANF Immobilier and Foncière des Régions will own the office buildings, representing 29,500 sq.m. (and 2,000 sq.m. of retail premises). The purchase deed, in the form of an off plan sale contract, was completed in early September 2016.	Date of delivery: 2018 Budget: €90 M (offices) Surface: 43,000 sq.m. (including student residence and hotel)

1

4.3 Marseille

Providing a further boost to a vibrant city

Name	Description	Information sheet	Details
Le Castel – Quai Joliette 	ANF Immobilier is acquiring 6,000 sq.m. of new offices located in the Euroméditerranée scope immediately adjacent to the sea. The surface area created is the result of the rehabilitation of the former headquarters of SNCM.	The former SNCM headquarters is famous for its clock tower. Designed by the architect Castel, it enjoys a key location within the Euroméditerranée scope: facing the sea, at the corner of Boulevard des Dames and Quai de la Joliette. ANF Immobilier is investing in a prestigious site.	Date of delivery: End of 2018/ Early 2019 Budget: €19 M Area: 6,000 sq.m.
Rive Neuve – Vieux-Port 	In Marseille, ANF Immobilier owns an existing building, located at 19/20 quai de Rive Neuve, enjoying an exceptional location with direct access to the Vieux-Port.	The refurbishment of the building will create almost 2,800 sq.m. of office space, fully pre-leased, over five floors.	Date of delivery: End of 2018/ Early 2019 Works budget: €9 M Area: 2,800 sq.m.

4.4 Toulouse

A fourth city for ANF Immobilier, a favored location

Name	Description	Information sheet	Details
Centreda – Toulouse 	ANF Immobilier took its first steps with the acquisition of an existing property complex, located in a strategic and prestigious area, the Toulouse airport district (Blagnac), and offering 16,200 sq.m. of offices in two independent buildings.	The Blagnac airport area is strategically located near the Airbus Group. The acquisition of these multi-tenant assets, located on a well-known site and leased mainly to subcontractors of Airbus, allows ANF Immobilier to approach the Toulouse market under the best possible conditions.	Vesting Date: March 2017 Budget: €19 M Area: 16,200 sq.m.

5. Property portfolio

5.1 ANF Immobilier portfolio

Distinction between Core and Heritage portfolio

ANF Immobilier divides its portfolio into two separate categories:

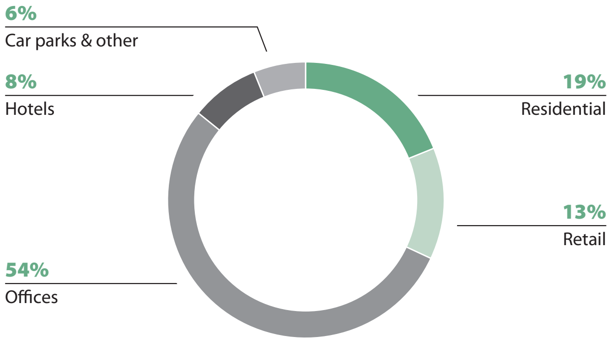
1. The Core portfolio (*57% of the portfolio value and 249,000 sq.m.*) comprises new or restructured commercial properties and more generally all commercial real estate type assets in the portfolio. This category is characterized by generally long non-cancelable lease periods, a high net EPRA yield of 5.7% and a low vacancy rate of 4.9%.
2. The so-called Heritage portfolio (*43% of the portfolio value and 133,000 sq.m.*) comprises older Haussmann-type properties. They are diversified in terms of asset types with in general a mix of retail premises, offices and residential units. This category is characterized by generally short lease periods, a net EPRA yield of 3.1% and a high vacancy rate of 16.1%.

Areas as of December 31, 2016

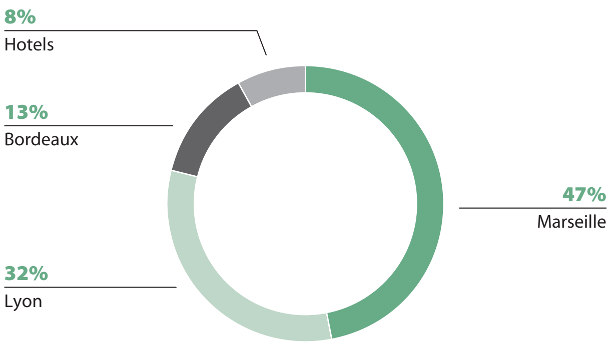
ANF Immobilier owns a total surface area of 392,000 sq.m. broken down as follows:

CORE/HERITAGE SURFACE AREAS

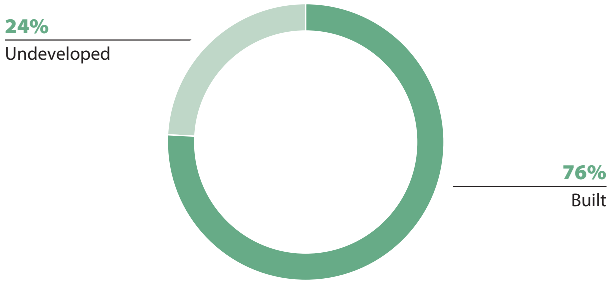
BREAKDOWN OF SURFACE AREAS BY ASSET TYPE



BREAKDOWN OF SURFACE AREAS BY CITY



WEIGHT OF THE DEVELOPMENT PROJECT



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Location of the heritage portfolio – Rue de la République, Marseille

The Marseille portfolio and the Heritage category mainly comprise property assets located on Rue de la République, a main road linking Vieux-Port to Place de la Joliette. The properties owned by the Company are indicated on the map below, on which a classification by block or address group is also noted. The heritage portfolio on Rue de la République represents €395 million and 124,000 sq.m.

- Unfurnished residential: buildings 2, 4, 5, 7, 9, 11, 12, 17, 20, 25
- Furnished residential: buildings 2, 5, 7, 17 et 20
- Offices: 2, 4, 5, 7, 9, 11, 12, 25, 26, 29
- Retail: buildings 2, 3, 4, 5, 6, 7, 9, 11, 12, 15, 17, 18, 20, 23, 25, 29
- Other: buildings 15b, 16, Malaval, Desbief, 30, JDML

5.2 Property appraisal

5.2.1 Stable portfolio value and significant asset rotation (€152 million)

The value of ANF Immobilier's portfolio as of December 31, 2016, as established by two independent property appraisers, amounted to €1,068 million. It amounted to €1,082 million as of June 30, 2016 and €1,101 million as of December 31, 2015.

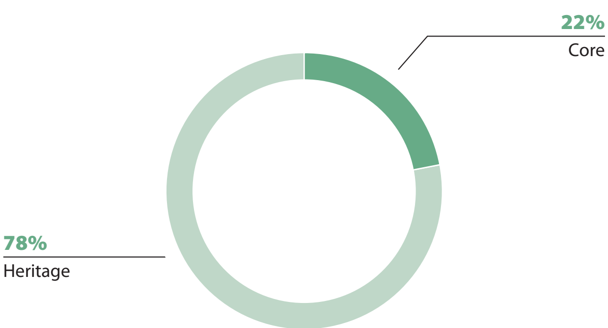
The portfolio value was relatively stable despite a -€27 million (consolidated) decrease in the market value of the assets in Marseille, caused by market conditions and in particular the oversupply of retail premises in the city. As mentioned above, ANF Immobilier is adapting and differentiating itself in order to revitalize Rue de la République. ANF Immobilier is therefore creating two separate segments: the first, connected to the Vieux-Port, groups shops intended for the family and tourism, and the second, connected to Place de la Joliette, provides an offer that complements the expansion of the Euromed commercial district. The first results are positive with the arrival of 1,400 sq.m. of new retail units and the Musée du Savon which is scheduled to open in 2017.

Various development projects are valued at their fair value as determined by the experts. At December 31, 2016, on going development or redevelopment projects represented €130 million.

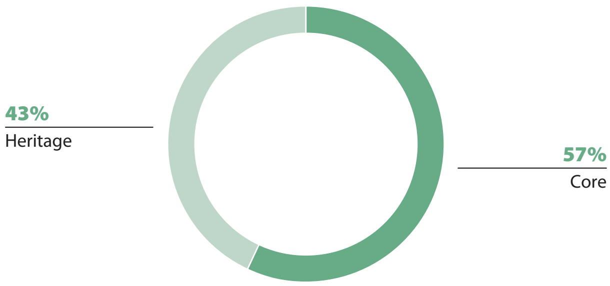
The experts noted that yields were relatively stable, with a decline in Lyon and Bordeaux, compared with June 30, 2016, but noted a slight rise of the yields for property in Marseille, in particular retail units.

BREAKDOWN AND EVOLUTION OF THE CORE AND HERITAGE PORTFOLIO VALUE BETWEEN 2012 AND 2016

Portfolio value December 2012



Portfolio value December 2016



BREAKDOWN AND EVOLUTION OF THE PORTFOLIO VALUE BY ASSET TYPE BETWEEN 2015 AND 2016

Percentage (%)	12/31/2016	12/31/2015	Change
Offices	46%	41%	+500 bps
Retail	22%	24%	-200 bps
Hotels	8%	10%	-200 bps
Residential	20%	20%	0 bps
Other items	4%	5%	-100 bps
TOTAL PORTFOLIO	**100%**	**100%**	

5.2.2 Gross yields rates selected

According to the fourth edition of the French Real Estate Appraisal Charter drawn up by the IFEI (Institut Français de l'Expertise Immobilière), the yield (in %) is the ratio of income from the property to the capital invested by the purchaser (purchase price plus fees and transfer taxes). It is called gross or net depending on whether the gross income or net income from the property is chosen as the numerator (see Note 1 "Non-current assets" in the notes to the 2016 consolidated financial statements).

5.2.3 Method

ANF Immobilier uses Jones Lang LaSalle and BNP Paribas Real Estate Expertise, two nationally recognized, independent property appraisers. The authorizations were signed for a period of two years in 2015 and provide for two property appraisals yearly. Each appraiser values approximately half of ANF Immobilier's properties.

The appraisers use the fourth edition of the French Real Estate Appraisal Charter drawn up by the IFEI.

ANF Immobilier complies with IFRS 13 "Fair Value Measurement". Real estate appraisals are performed based on the Group's rental statements, which are considered Level 3 inputs under IFRS 13.

The built assets are valued by means of both the comparison and capitalization methods.

The development projects are valued according to two methods, depending on their type. For development on real estate belonging to ANF Immobilier, the developer's balance sheet method is used. For heavy restructuring projects for constructed buildings, the capitalization and comparison method is applied. The hotels are valued using the net income capitalization method, as the discounted cash flow method is not appropriate due to the long length of the leases and the fixed nature of the rents.

5.2.4 Appraisal certificates

Appraisal certificates are prepared by Jones Lang LaSalle and BNP Paribas Real Estate Expertise. The certificates appear in Chapter [9] "Additional information" of the Registration Document.

5.3 Location of portfolio as of December 31, 2016

5.3.1 Lyon

Lyon: rue de la République, Confluence, Tête d'Or and Carré de Soie

EXISTING PORTFOLIO

2, rue de la République	77, rue Robert	153, cours Lafayette
3, rue de la République	79, rue Robert	155, cours Lafayette
4, rue de la République	81, rue Robert	119, rue Tête d'Or
57, passage de l'Argue	83, rue Robert	120, rue Masséna
Areva	85, rue Robert	MilkyWay – Confluence
10, rue Récamier	90, rue Robert	42, cours Suchet
12, rue Récamier	104, rue Masséna	Banque de France – Presqu'Île
14, rue Récamier	106, rue Masséna	14, rue de la République
16, rue Récamier	108, rue Masséna	16, rue de la République
18, rue Récamier	110, rue Masséna	**Villeurbanne**
20, rue Récamier	112, rue Masséna	Epsilon – Alstom – Carré de Siue
22, rue Récamier	114, rue Masséna	13, rue Alfred de Musset
24, rue Récamier	149, cours Lafayette	Adely – Adecco – Carré de Soie
75, rue Robert	151, cours Lafayette	Rue Henri Legay and rue Jean Bertin

PIPELINE

Villeurbanne		
Park View – Tête d'or		
2, boulevard du 11 novembre 1918	2-4, rue Louis Guérin	69, boulevard de la Bataille de Dtalingrad

5.3.2 Bordeaux

Bordeaux: pioneer in the new Euratlantique zone

EXISTING PORTFOLIO

Nautilus	La Fabrique
120, quai de Bacalan	rue de Gironde

PIPELINE

Quai 8.2 (Euratlantique)	ZAC Saint Jean Belcier

5.3.3 Marseille

Marseille: ANF Immobilier, Marseille roots

EXISTING PORTFOLIO

42, rue de Ruffi	3, rue Henri-Fiocca	12, rue de la République
44, rue de Ruffi	5, place de la Joliette	13/15, rue de la République
46, rue de Ruffi	16 bis, rue Lanthier	14, rue de la République
146, rue de Ruffi	1/1 bis, rue Malaval	16, rue de la République
148, rue de Ruffi	14, rue de la Mûre	17, rue de la République
150, rue de Ruffi	19, rue Pavillon	18, rue de la République
152, rue de Ruffi	25, rue Pavillon	19, rue de la République
154, rue de Ruffi	27, rue Pavillon	21, rue de la République
1, rue d'Anthoine	29, rue Pavillon	23, rue de la République
147, avenue Roger Salengro	31, rue Pavillon	25, rue de la République
40, rue Fauchier	33, rue Pavillon	26, rue de la République
50, rue Fauchier	35, rue Pavillon	27, rue de la République
14, rue Jean Trinquet	37, rue Pavillon	28, rue de la République
30/32, rue Jean Trinquet	34, rue des Phocéens	29, rue de la République
139, av. Camille-Pelletan	36, rue des Phocéens	30, rue de la République
1, rue Chevalier-Roze	38, rue des Phocéens	31, rue de la République
2, rue Chevalier-Roze	40, rue des Phocéens	33, rue de la République
3, rue Chevalier-Roze	42, rue des Phocéens	34, rue de la République
5, rue Chevalier-Roze	44, rue des Phocéens	36, rue de la République
7, rue Chevalier-Roze	46, rue des Phocéens	38, rue de la République
9, rue Chevalier-Roze	16, rue Plumier	40, rue de la République
11, rue Chevalier-Roze	18, rue Plumier	42, rue de la République
13, rue Chevalier-Roze	22, rue Plumier	62, rue de la République
15, rue Chevalier-Roze	31, rue Plumier	64, rue de la République
17, rue Chevalier-Roze	66, quai du Port	71, rue de la République
19, rue Chevalier-Roze	14, rue Pythéas	73, rue de la République
21, rue Chevalier-Roze	1, place Sadi-Carnot	75, rue de la République
23, rue Chevalier-Roze	2, place Sadi-Carnot	76, rue de la République
4, rue des Consuls	4, place Sadi-Carnot	77, rue de la République
6, rue des Consuls	5, place Sadi-Carnot	78, rue de la République
8, rue des Consuls	1, rue St-Cannat	79, rue de la République
10, rue des Consuls	15, rue St-Cannat	80, rue de la République
39, bd des Dames	18, rue St-Ferréol	81, rue de la République
41, bd des Dames	26, rue St-Ferréol	83, rue de la République
43, bd des Dames	7, rue St-Victoret	85, rue de la République
45, bd des Dames	1, rue de Suez	98, rue de la République
47, bd des Dames	32, rue Vacon	100, rue de la République
100, rue de l'Évêché	34, rue Vacon	102, rue de la République
38, rue de Forbin	36, rue Vacon	104, rue de la République
57, rue de Forbin	38, rue Vacon	106, rue de la République
59, rue de Forbin	40, rue Vacon	108, rue de la République
61, rue de Forbin	46, rue Vacon	110, rue de la République
63, rue de Forbin	50, rue Vacon	112, rue de la République
7, place du Général-de-Gaulle	54, rue Vacon	114, rue de la République
9, place du Général-de-Gaulle	4, rue de la République	116, rue de la République
9, rue Grand-Rue	6, rue de la République	118, rue de la République
11, rue Grand-Rue	7, rue de la République	17, rue Vincent-Leblanc
28, rue Grand-Rue	8, rue de la République	19, rue Vincent-Leblanc
12, rue François-Moisson	9, rue de la République	21, rue Vincent-Leblanc
37, rue Mazenod	35, avenue Robert-Schuman	23, rue Vincent-Leblanc
5, rue Henri-Barbusse	13, rue Gilbert-Dru	25, rue Vincent-Leblanc
1, rue Henri-Fiocca	11, rue de la République	5/7, rue Jean-Francois-Leca

PIPELINE

Le Castel 61, Boulevard des Dames 32, rue Mazenod	22, rue Jean-François-Leca	Rive Neuve 19, quai de Rive-Neuve 23, quai de Rive-Neuve

5.3.4 Hotels

EXISTING PORTFOLIO

44, rue de Ruffi, 13003 Marseille 52/54, rue de Forbin, 13002 Marseille Boulevard Michelet, 13008 Marseille Zac de la Cascade - 13730 St. Victoret	131, route de Bénodet, 29000 Quimper 1, place des Terres Neuves, 33130 Bègles 7, rue André Allar, 13015 Marseille Lieudit Luc René Goximmy, 92000 Bobigny	Plateau du Moulon, 91190 Gif-sur-Yvette Lieu Dit Orle Ouest, 66000 Perpignan

PIPELINE

Quai 8.2 (Euratlantique)	ZAC Saint Jean Belcier

6. EPRA Reporting

Performance indicators were established in accordance with best practices defined by the EPRA (European Public Real Estate Association) according to the guide titled "Best Practices Recommendations" (BPR).

All information relating to the ratios used to measure real estate performance is available on the EPRA website (http://www.epra.com).

EPRA Earnings

The ratio measures the operational performance of real estate but does not take into account changes in fair value, impact of disposals and other non-recurring items.

(€ million)	2016	2015	Change
Current cash flow IFRS	23.9	20.6	
Other items	0.8	(0.2)	
Taxes	(1.0)	(0.6)	
Minority Interests Impacts	(7.4)	(5.2)	
Elimination of adjustments (below)	(3.0)	(4.5)	
EPRA EARNINGS (LOSS), GROUP SHARE	**13.3**	**10.0**	**33%**
Non-recurring overhead expenses adjustment	*1.4*	*2.6*	
*Adjustment financial expenses**	*1.6*	*1.9*	
ADJUSTED EPRA EARNINGS (LOSS), GROUP SHARE	**16.3**	**14.6**	**12%**
Average number of shares	18,120,345	17,771,179	
ADJUSTED EPRA EARNINGS (LOSS), GROUP SHARE/SHARE	**0.90**	**0.82**	**9%**

* *Mainly smoothing the cost of setting up the 2014 loan.*

EPRA Net Initial Yield & topped-up Net Initial Yield

The Net Initial Yield is the ratio of the annualized contractual rental income minus current rental income adjustments, net of expenses, divided by the valuation of the operating portfolio, fees included (portfolio excluding developments, redevelopments and buildings being sold). The topped-up Net Initial Yield excludes adjustments to rental income.

EPRA NET INITIAL YIELD & TOPPED-UP NET INITIAL YIELD

2016

	Marseille		Lyon		Bordeaux		Hotels		Total portfolio		
(As a %)	Core	Hist.	Core	Hist.	Core	Hist.	Core	Hist.	Core	Hist.	Total
Net yield	4.4%	3.4%	6.4%	N/A	5.9%	N/A	6.4%	N/A	5.9%	3.4%	4.8%
Impact of adjustments on rental income	0.0%	0.0%	0.0%	N/A	0.0%	N/A	-0.1%	N/A	0.0%	0.0%	0.0%
Impact of estimated duties and expenses	-0.2%	-0.2%	-0.3%	N/A	-0.1%	N/A	-0.3%	N/A	-0.2%	-0.2%	-0.2%
EPRA NET INITIAL YIELD	**4.2%**	**3.1%**	**6.1%**	**0.0%**	**5.8%**	**0.0%**	**6.1%**	**0.0%**	**5.6%**	**3.1%**	**4.6%**
Exclusion of adjustments to rental income	0.0%	0.0%	0.0%	N/A	0.0%	N/A	0.1%	N/A	0.0%	0.1%	0.0%
EPRA TOPPED-UP NET INITIAL YIELD	4.2%	3.2%	6.1%	0.0%	5.8%	0.0%	6.2%	0.0%	5.7%	3.2%	4.6%

* *Not material*

2015

EPRA *NET INITIAL YIELD*	**5.1%**	**3.2%**	**6.8%**	**0.0%**	**6.0%**	**0.0%**	**5.9%**	**0.0%**	**6.1%**	**3.1%**	**4.7%**
EPRA TOPPED-UP NET INITIAL YIELD	**5.1%**	**3.2%**	**6.8%**	**0.0%**	**6.0%**	**0.0%**	**5.9%**	**0.0%**	**6.1%**	**3.1%**	**4.7%**

2016/2015 Change

EPRA *NET INITIAL YIELD*	**-0.90%**	**-0.10%**	**-0.70%**	**0.00%**	**-0.20%**	**0.00%**	**0.20%**	**0.00%**	**-0.50%**	**0.00%**	**-0.10%**
EPRA TOPPED-UP NET INITIAL YIELD	**-0.90%**	**0.00%**	**-0.70%**	**0.00%**	**-0.20%**	**0.00%**	**0.30%**	**0.00%**	**-0.40%**	**0.10%**	**-0.10%**

EPRA NAV & NNNAV

The NAV measures the fair value of the net assets of a real estate company. Unrealized gains on assets, fees and expenses from the disposal of assets, as well as the fair value of the debt and financial instruments, are excluded from the calculation of this indicator. The NNNAV takes into account the fair value of taxes on unrealized gains on assets, debt and financial instruments.

(€ million)	2016	2015	Change
EPRA NAV, Group share	515.1	535.7	
Hedging instruments restated, Group share	(20.9)	(20.1)	
EPRA NNNAV, Group share	494.2	515.5	
Number of shares at the end of the period excluding treasury shares	**18,120,345**	**18,117,584**	
EPRA NAV/SHARE	**28.4**	**29.6**	**-4%**
EPRA NAV TRIPLE NET/SHARE	**27.3**	**28.5**	**-4%**

1

EPRA Vacancy Rate

The end- of- period spot rate is defined as the ratio between market rent for vacant surface areas and market rent for the whole portfolio under operation (excluding developments, redevelopments and buildings being sold).

EPRA VACANCY RATE

2016

	Marseille		Lyon		Bordeaux		Hotels		Total portfolio		
(As a %)	Core	*Hist.*	Core	*Hist.*	Core	*Hist.*	Core	*Hist.*	Core	*Hist.*	Total
Residential	0.0%	16.9%	N/A	N/A	N/A	N/A	N/A	N/A	0.0%	16.9%	15.7%
Retail	10.9%	15.6%	N/A	N/A	0.0%	N/A	N/A	N/A	3.8%	15.5%	13.1%
Offices	15.8%	9.0%	0.6%	N/A	11.5%	N/A	N/A	N/A	4.7%	9.0%	5.2%
Car parks and other	N/A	17.1%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	17.1%	29.3%
Hotels	N/A	N/A	N/A	N/A	N/A	N/A	0.0%	N/A	0.0%	N/A	0.0%
TOTAL	**15.5%**	**15.4%**	**1.2%**	**N/A**	**12.8%**	**N/A**	**0.0%**	**N/A**	**4.9%**	**15.3%**	**9.1%**

2015

	Marseille		Lyon		Bordeaux		Hotels		Total portfolio		
(As a %)	Core	*Hist.*	Core	*Hist.*	Core	*Hist.*	Core	*Hist.*	Core	*Hist.*	Total
Residential	5.3%	25.8%	N/A	N/A	N/A	N/A	N/A	N/A	5.3%	26.0%	24.6%
Retail	20.6%	13.2%	N/A	N/A	0.0%	N/A	N/A	N/A	18.1%	13.5%	13.9%
Offices	6.0%	9.3%	0.0%	N/A	17.0%	N/A	N/A	N/A	3.3%	9.3%	3.9%
Car parks and other	10.5%	18.4%	N/A	N/A	N/A	N/A	N/A	N/A	10.5%	18.4%	16.9%
Hotels	N/A	N/A	N/A	N/A	N/A	N/A	0.0%	N/A	0.3%	N/A	0.3%
TOTAL	**7.9%**	**17.7%**	**0.0%**	**N/A**	**16.4%**	**N/A**	**0.0%**	**N/A**	**3.4%**	**17.9%**	**9.4%**

EPRA Cost Ratio

The EPRA cost ratio is the sum of operating costs and administrative costs expressed as a percent of total gross revenue. The purpose of the ratio is to present the most relevant operating and administrative costs.

EPRA COST RATIO

EPRA cost ratio (€K)	**2016**	**2015**
Including:		
Administrative expenses and other overheads	(10,784)	(13,915)
Rental expenses net of re-invoicing	(3,855)	(4,230)
Other income covering overheads	(183)	(107)
Share of net income (loss) of equity-accounted entities	(92)	(82)
Excluding (if included above)		
Land rental costs	105	72
ERPA COSTS (INCLUDING VACANCY COSTS)	**(14,809)**	**(18,263)**
Vacancy expenses (non-recovered expenses)	(990)	(1,043)
EPRA COSTS (EXCLUDING VACANCY COSTS)	**(13,819)**	**(17,220)**
Gross rental income minus land rental costs	51,134	49,083
RENTAL INCOME	**51,134**	**49,083**
EPRA cost ratio (including vacancy costs)	29.0%	37.2%
EPRA cost ratio (excluding vacancy costs)	27.0%	35.1%
Non-recurring overhead expenses adjustment	1,354	2,650
Adjusted EPRA costs (including vacancy costs)	(13,455)	(15,613)
ADJUSTED EPRA COSTS (EXCLUDING VACANCY COSTS)	**(12,465)**	**(14,570)**
EPRA cost ratio (including vacancy costs)	26.3%	31.8%
EPRA COST RATIO (EXCLUDING VACANCY COSTS)	**24.4%**	**29.7%**

CONSOLIDATED NET INCOME EPRA & IFRS

	2016		2015			2014	
In €M	EPRA	IFRS	EPRA	IFRS	Var. EPRA	EPRA	IFRS
Rental income	51.2	51.2	49.2	49.2	4%	40.1	40.1
Group share	*41.3*		*41.8*		-1%	*38.8*	
Net operating expenses	(3.7)	(3.7)	(4.0)	(4.0)		(3.9)	(3.9)
NET RENTAL INCOME	**47.6**	**47.6**	**45.1**	**45.1**	**5%**	**36.1**	**36.1**
margin	*93%*	**93%**	*92%*	*92%*		*90%*	*90%*
Administrative expenses	(9.8)	(9.8)	(12.2)	(12.9)		11.8	(11.8)
EBITDA	**37.8**	**37.8**	**33.0**	**32.2**	**15%**	**24.4**	**24.4**
margin	*74%*	**74%**	*67%*	*66%*		*61%*	*61%*
Financial expenses	(16.8)	(16.8)	(16.9)	(21.4)		(13.4)	(14.3)
Accumulated depreciation and amortization	-	(0.9)	-	(0.7)		-	(0.6)
Change in Fair Value	-	(4.1)	-	25.5		-	(29.2)
Other items	0.8	(5.2)	(0.2)	(1.7)		(0.4)	2.4
Taxes	(1.0)	(1.0)	(0.6)	(0.6)		(0.3)	(2.9)
Minority interests	(7.4)	(13.5)	(5.2)	(14.7)		(0.7)	(0.2)
Non-recurring overhead and other expenses adjustment	1.4	-	2.6	-		2.6	-
Adjustment financial expenses*	1.6	-	1.9	-		1.3	-
ADJUSTED EPRA EARNINGS (LOSS), GROUP SHARE	**16.3**	**(3.7)**	**14.6**	**18.6**	**12%**	**13.5**	**(20.5)**
margin	*39%*		*35%*			*35%*	
LTV	**23.6**	**21.0**	**20.6**	**10.8**	**15%**	**14.8**	**10.0**
Real estate value	*18.5*		*14.9*		24%	*13.8*	
NNNAV	**38.8**	**37.8**	**35.6**	**32.2**	**9%**	**27.0**	**24.4**
Group share	*29.8*		*28.3*		*5%*	*25.7*	

* *Mainly smoothing the cost of setting up the 2014 loan.*

7. Risk management – Risk factors and insurance

The following risks are those known by the Company as of the filing date of this Registration Document that could have a significant adverse effect on the Company, its operations, financial position, earnings, and share price, and should be taken into account when making investment decisions. Investors should note that the following list is non-exhaustive, and that risks may exist that are unknown as of the date of filing of this Registration Document which could have a significant adverse effect on the Company, its operations, financial position, earnings and share price.

The Company has reviewed the risks that could have a material adverse effect on its business, financial position or earnings (or its ability to achieve its objectives) and considers that it is not exposed to any material risks other than those described in this Registration Document.

7.1 Real estate sector risks

7.1.1 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.

7.1.2 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.

7.1.3 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.

7.2 Risks related to the Company's business

7.2.1 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 2 "Receivables maturity schedule" of the notes to the Company's 2016 consolidated financial statements). 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.

7.2.2 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.

7.2.3 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.

7.2.4 Asset value risks

ANF Immobilier's property asset portfolio is appraised every six months by independent expert appraisers. Their assessments are performed according to the specifications set forth by the French association of property Appraisers (AFREXIM) and a report published in February 2000 by a working group chaired by Mr. Barthès de Ruyter on the appraisal of real estate assets for listed companies (see Section 5.2 "Property appraisal" in Chapter 1 of this Registration Document and Note 1 "Non-current assets" in the notes to the consolidated financial statements in this Registration Document). The value of a portfolio of property assets depends largely on changes in the property market and a number of other factors (economic situation, interest rates, market climate for assets, etc.) can 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 ANF Immobilier's portfolio real value would also impact the LTV ratio used as a reference for certain banking covenants (see Section 3.1 "Financing contracts" in Chapter 9 of this Registration Document) and may impact the Company's earnings (see the sensitivity analysis featured in Note 1 in the Notes to the Company's consolidated financial statements). It should be recalled that as of December 31, 2016, ANF Immobilier's LTV ratio stood at 42%. The covenants included in the loan agreements signed by ANF Immobilier are based on an LTV ratio of up to 50%/55% depending on the agreements. Furthermore, the determined value of an asset may not be exactly equal to the sale price realized in the event of a disposal. Such a distortion could occur, for instance, in a sluggish market and/or for large transactions.

7.2.5 Risks related to the Company's growth strategy

ANF Immobilier's growth strategy involves 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.

7.2.6 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.

7.2.7 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.

See Section 2.2 "Regulations applying to ownership of the Company's real estate assets" in Chapter 9 of this Registration Document for further details on the environmental, safety or health regulations that apply to the Company.

7.2.8 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 (see Section 2.2 "Regulations applying to ownership of the Company's real estate assets" in Chapter 9 of this Registration Document).

7.2.9 Risks related to classified facilities

Some facilities may be subject to French regulations governing Classified Facilities for the Protection of the Environment (ICPE) (see Section 2.2 "Regulations applying to ownership of the Company's real estate assets" in Chapter [9] of this Registration Document). These facilities are likely to generate risks or to cause contamination or threats to public health and safety. As of the filing date of this Registration Document, ANF Immobilier does not operate any Classified Facilities and therefore has no exposure to the risks associated with these types of facilities.

7.2.10 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. In addition, building owners have obligations related to waste water collection and treatment (see Section 2.2 "Regulations applying to the ownership of the Company's real estate assets" in Chapter 9 of this Registration Document).

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.

7.2.11 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.

7.2.12 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.

7.3 Legal risks

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

French legislation on leases is rather restrictive on the lessor (see Section 2.2 "Regulations applying to ownership of the Company's real estate assets" (commercial lease law), in Chapter 9 of the Registration Document). 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.

7.3.2 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 (see Section 2.1 "Tax regime" of Chapter 9 of this Registration Document). In the event of payouts liable for the payment of this withholding tax, Article 24 of the Company's Articles of Association specifies a mechanism for repaying the Company, which entails that the expenses of any potential withholding tax falls on shareholders receiving such payouts (see the rights attaching to the shares in Section 1.2 "Articles of Association" in Chapter 9 of this Registration Document).

7.3.3 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 this Registration Document and Note 7 of the appendices to the Company's consolidated financial statements.

7.4 Risks related to financial markets and debt

7.4.1 Interest rate risks

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 address this. 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.

Based on the financial statements for the year ended December 31, 2016, ANF Immobilier's net bank borrowings totaled €475 million. ANF Immobilier has a policy of hedging interest rates over the lifetime of its loans.

The ANF Immobilier Group therefore arranged 12 interest rate hedging contracts to swap three-month Euribor variable rates for fixed rates (see Note 18 "Exposure to interest rate risk" in the notes to the consolidated financial statements), and 13 cap contracts that hedge a potential interest rate increase with a ceiling.

In early 2016, five Swap contracts hedging the debt of ANF Immobilier were replaced with four Cap contracts in order to optimize financial costs.

The nine existing Cap contracts hedge debts carried by the subsidiaries SCI Stratège, SCI Lafayette, ANF Immobilier Hôtels, New Way, SCI Factor E and SCI Orianz.

The table below shows the net exposure to interest rate risk, before and after hedging:

	Financial assets (a)		Financial liabilities* (b)		Net exposure before hedging (c) = (a) - (b)		Interest rate hedging instruments (d)		Net exposure after hedging (e) = (c) + (d)	
(€ thousands) **12/31/2016**	**Fixed rate**	**Variable rate**	**Fixed rate**	**Variable rate**	**Fixed rate**	**Variable rate**	**Fixed rate**	**Variable rate**	**Fixed rate**	**Variable rate**
Less than one year	35,144	-	11,619	12,541	23,525	(12,541)	-	-	23,525	(12,541)
One to five years	-	-	13,400	432,863	(13,400)	(432,863)	-	397,986	(13,400)	(34,877)
More than five years	-	-	-	16,967	-	(16,967)	-	-	-	(16,967)
TOTAL	**35,144**	**-**	**25,019**	**462,371**	**10,125**	**(462,371)**	**-**	**397,986**	**10,125**	**(64,385)**

* *Financial assets consist of the cash and cash equivalents reported on the consolidated balance sheet; financial liabilities are financial payables reported under liabilities on the consolidated balance sheet.*

The table below shows the financial assets and liabilities' sensitivity to interest rate risk:

	Fiscal year 2016
(€ thousands)	**Impact on net income (loss) before tax**
Impact of a +1.0% change in interest rates	(184)
Impact of a -1.0% change in interest rates	(2,362)

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

See paragraph "Market risk management" in the Notes to the consolidated financial statements.

7.4.2 Equity investment risks

As of December 31, 2016, ANF Immobilier owned 888,926 ANF Immobilier shares (including the ANF Immobilier shares in the liquidity contract). As a result, ANF Immobilier does not feel it faces any significant risks related to equity investments.

7.4.3 Foreign exchange risk

As of the filing date of this Registration Document, 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.

7.4.4 Risks related to liquidity and cash flow

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.

The table below shows a breakdown of financial liabilities by contractual maturity:

(€ thousands)	12/31/2016	12/31/2017	One to five years	More than five years	Total
Bonds	-	-	-	-	-
Bank loans	475,771	12,541	446,263	16,967	475,771
Accrued interest	-	-	-	-	-
Banks	11,619	11,619	-	-	11,619
Derivative instruments	20,290	-	-	-	20,290
TOTAL FINANCIAL LIABILITIES	**507,680**	**24,160**	**446,263**	**16,967**	**507,680**

The table in Note 3 of the Notes to the Company's consolidated financial statements shows debt maturities at the end of the period.

In terms of liquidity risks, ANF Immobilier takes steps to ensure that the amount of rental income it receives is always sufficient to cover its operating expenses and interest payments.

ANF Immobilier's risk management policy of its liquid assets 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 Section 3.1 "Financing contracts" of Chapter 9 of the Registration Document and in Note 10 of the Notes to the consolidated financial statements for the fiscal year ended December 31, 2016.

The Company has performed a specific review of its liquidity risk and considers that it is able to meet its future obligations.

7.4.5 Risks related to the covenants and commitments of the Company in some financing contracts

Most of the loan agreements concluded by ANF Immobilier comprise commitments or covenants that must be respected; they are presented in Note 10 to the consolidated financial statements (Chapter 5 of the Registration Document). In the event ANF Immobilier fails to honor one of its financial commitments and cannot remedy the situation within the contractually agreed time, the lenders may exercise their right to early repayment of the debt and possibly take possession of the assets pledged as security, if this eventuality has been agreed. Consequently, any failure to honor the financial commitments could entail an unfavorable impact on ANF Immobilier's financial position and results, and on its ability to conduct its business and pursue its growth. In order to guard against such eventualities, ANF Immobilier regularly monitors and verifies its covenants. These commitments are regularly analyzed and presented twice a year to ANF Immobilier's Audit Committee and Supervisory Board.

7.5 Company-specific risks

Risks related to the Company's shareholding structure

As of December 31, 2016, Eurazeo was the main shareholder, with 50.48% of ANF Immobilier's share capital and 52.63% of* its voting rights. Consequently, Eurazeo is likely to have significant influence over ANF Immobilier and the way it runs its business.

Nonetheless, the Executive Board manages the Company autonomously, under the control of the Supervisory Board in accordance with the provisions of Article L. 225-68, paragraph 1 of the French Commercial Code and with the Company's Articles of Incorporation. In order to prevent inordinate control by its majority shareholder, the Company has put in place Board Committees through the Supervisory Board; they include independent members.

* *Eurazeo holds 52.63% of ANF Immobilier's voting rights, based on all the shares, including those deprived of voting rights pursuant to Article L. 233-8-II of the French Commercial Code.*

7.6 Risks related to safety

7.6.1 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.

7.6.2 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.

7.7 Exceptional events

None.

7.8 Insurance and risk cover

7.8.1 General overview of Company policy with regard to insurance

The aim of ANF Immobilier's company policy on insurance is primarily to protect the Company's assets and to provide optimum cover against risks related to a liability claim.

ANF Immobilier's properties are covered against property damage at reinstatement cost and for loss of rent for up to three years. ANF Immobilier's entire portfolio is appraised by independent appraisers every six months with a view to optimizing insurance cover.

Generally speaking, ANF Immobilier believes that the insurance policies in place at the date of filing of the Registration Document are appropriate, given the value of the assets insured and the level of risk incurred. The degree of cover in place is intended to provide substantial protection in the event of claims, the amount and likelihood of which are estimated on a reasonable basis, in accordance with the aforementioned aims and subject to inherent insurance market constraints.

At the date this Registration Document was filed, no material damage had occurred that might cause changes either to the terms of future covers or to the overall cost of insurance premiums.

7.8.2 Insurance cover

ANF Immobilier has taken out insurance for all of its assets, including insurance against storms, acts of terrorism or terrorist attacks, appeals by neighbors or third parties, loss of rent and the resulting loss and compensation.

The properties are insured at reinstatement cost on the day of the damage suffered. The contractual compensation limit per damage varies depending on the property in question and may reach €100 million.

ANF Immobilier has also taken out operating civil liability and professional civil liability insurance, and insurance against legal expenses and appeals. The contractual compensation limit varies depending on the damage in question, and may reach a maximum amount of €15 million.

The property insurance program also includes policies taken out for construction projects, on a project-by-project basis, in accordance with law 78-12 of January 4, 1978.

2

CORPORATE SOCIAL RESPONSIBILITY

1. CSR strategy

1.1 Message from the Chief Executive Officer and the Deputy Chief Executive Officer

Anticipating trends, creating value and designing the town centers of the future

New town centers, districts being redeveloped: ANF Immobilier establishes itself in the most dynamic regional metropolises. Mindful of investing in the growth of regional metropolises, we support urban dynamism through the responsible management of our assets and the creation of attractive commercial hubs. Our main theme: creating value. Thus, we want to become the leading player in commercial real estate in the regions, develop the town centers of the future and sustain local employment. These objectives embody our differentiation. They illustrate the way in which we conceive sustainable development: as an integrated and essential component of our growth strategy, creating added value.

As the number one private investor in cities, ANF Immobilier wants to turn neighborhoods into good places to live, extending its influence beyond that of the traditional role of an asset manager. Within this context, since 2012, ANF Immobilier has sold part of its historical assets to position itself on new mixed assets located within regional metropolises, such as Lyon, Bordeaux or Marseille. Our operations actively participate in the life of neighborhoods and fulfill the requirements of local economies. As an example, ANF Immobilier's presence in the center of Marseille and the renovation of the buildings on Rue de la République have contributed to renewing the district.

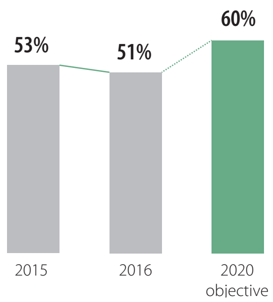
At the same time, environmental performance is a crucial component of our sustainable development strategy. We offer buildings that are in line with current high environmental standards, a major attraction factor for tenants. There are numerous advantages to this approach: increasing the value of assets, increasing occupancy rates, reducing operating costs, changing the type of tenants, lowering the environmental footprint, complying with regulations.... So many reasons which drive us to be increasingly demanding in terms of environmental performance, for a dynamic urban operation of buildings in the city center.

The combination of these efforts with improved consolidation and enhanced non-financial reporting puts ANF Immobilier on the path of creating long-term value, in line with the expectations of its stakeholders. This is long-term work, to which our employees contribute every year, with the aim of continuous improvement. Our policy covers all of our environmental, labor and societal issues as well as risk management, which should eventually enable us to financially quantify avoided impact and give the truest possible picture of the progress made.

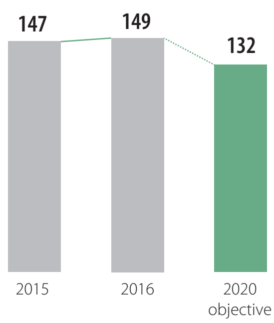
1.2 Key indicators, 2016, and objectives up to 2020

For the reporting scope, refer to Section 3.1 of this chapter.

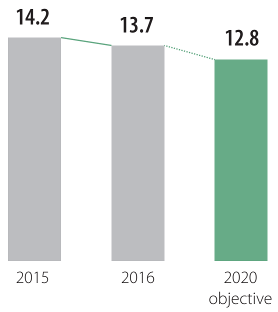
ENVIRONMENTAL CERTIFICATIONS OF ASSETS (%VE OF OFFICES CERTIFIED HQE AND/OR BREEAM CONSTRUCTION OR OPERATION) ANF IMMOBILIER



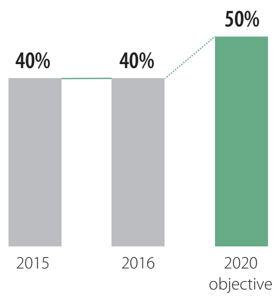
ENERGY EFFICIENCY OF OFFICES AND HOTELS (KWH FINAL ENERGY/SQ.M.) OF ANF IMMOBILIER



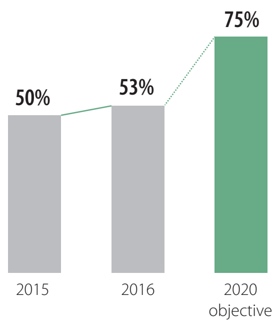
GREENHOUSE GAS EMISSIONS FROM ANF IMMOBILIER'S OFFICES AND HOTELS (KGCO2E/SQ.M./YEAR)



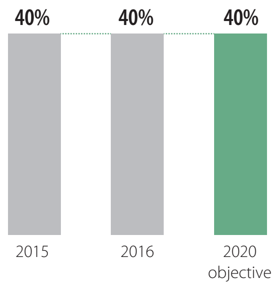
SHARE OF ANF IMMOBILIER'S EMPLOYEES WHO HAVE HAD AT LEAST ONE TRAINING COURSE DURING THE YEAR (%)



OFFICE SURFACE AREAS COVERED BY ANF IMMOBILIER'S WASTE SORTING SOLUTIONS (%)

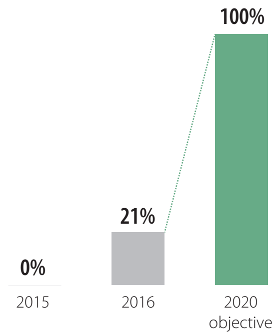


SHARE OF WOMEN IN ANF IMMOBILIER'S TOP MANAGEMENT (%)

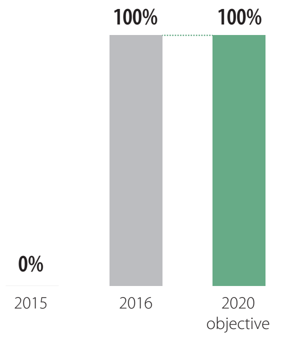


SHARE OF ANF IMMOBILIER'S ASSETS LOCATED AT LESS THAN 250 METERS FROM PUBLIC TRANSPORT (%)

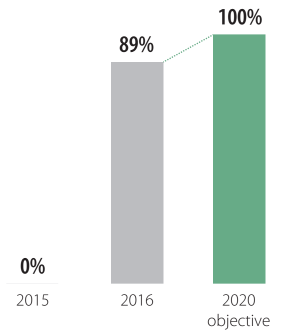
SHARE OF STRATEGIC SERVICE PROVIDERS WHO HAVE SIGNED ANF IMMOBILIER'S RESPONSIBLE PURCHASING CHARTER (%)



SHARE OF MANAGERS WHO HAVE SIGNED ANF IMMOBILIER'S SUSTAINABLE MANAGEMENT CHARTER (%)



SHARE OF ENVIRONMENTAL COMMITTEE MEETINGS HELD IN THE FRAMEWORK OF ANF IMMOBILIER'S ENVIRONMENTAL APPENDICES (%)



1.3 2016 highlights

Rejuvenation of districts, energy performance of buildings and urban diversity: three key vectors for the Company. In 2016, ANF Immobilier was particularly involved in the rejuvenation of neighborhoods in Marseille and Lyon. Working for the renewal of flagship areas, ANF Immobilier strengthened its partnership with these major regional metropolises.

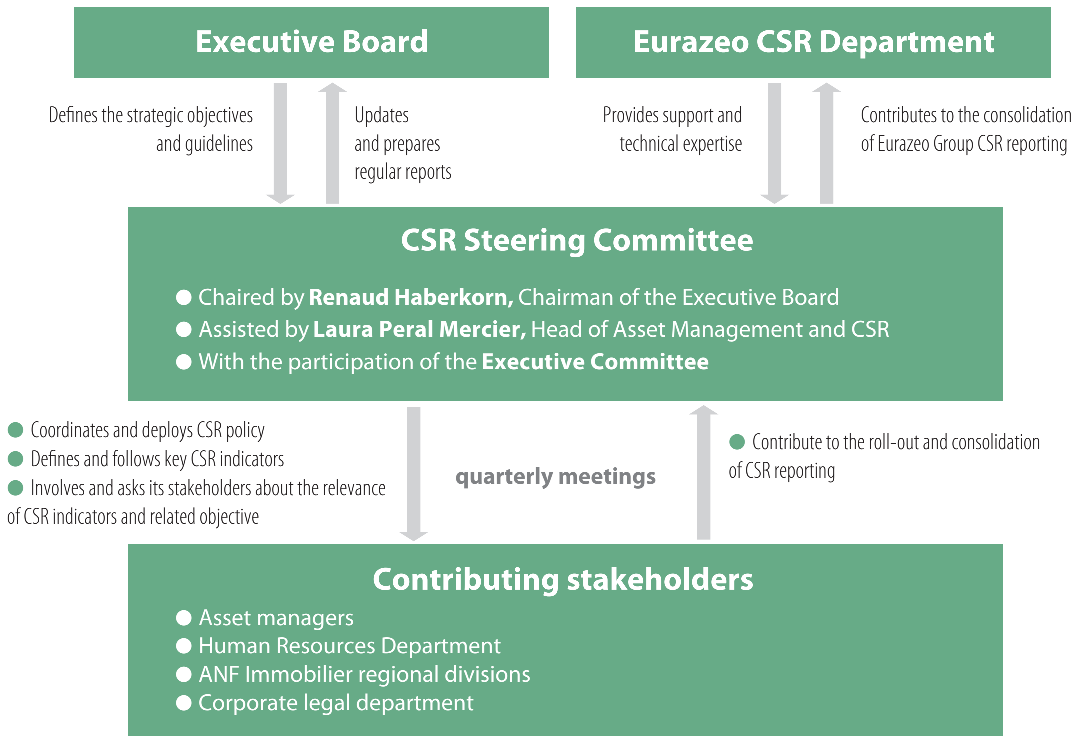
Moreover, ANF Immobilier now leases the premises located at 40, rue Vacon in Marseille to the Fondation d'Auteuil at a reduced rent. Recognized as being of public utility, the Fondation d'Auteuil aims to accelerate the emergence of future entrepreneurial projects for young people aged under 26 who have difficulties in finding jobs.

Lastly, this year, ANF Immobilier's teams in Marseille and Paris moved into new buildings. The Marseille staff moved into a new building with modern furniture and work spaces, designed with their comfort in mind. The new Paris offices are now in the same building as those of Eurazeo, the majority shareholder of ANF Immobilier. They have triple certification, notably recognizing energy efficiency and comfort level: HQE exceptional level, BREEAM excellent level and low-consumption building (BBC). Lastly, a fitness room is available to employees at the Paris headquarters. ANF Immobilier's concern for the well-being of its employees led it to set up the internal Great Place to Work social survey in 2016.

2. Organization of CSR

A CSR process was initiated by the Real Estate Department in 2011. At the end of 2014, a CSR Committee chaired by Renaud Haberkorn, Chief Executive Officer, was set up. The objective of this Committee is to define the short- and long-term sustainable development policy as well as the related corporate and environmental objectives. In liaison with the Executive Committee, the CSR Committee also oversees the inclusion of CSR commitments in the ANF Immobilier portfolio strategy. Lastly, it defines and monitors the key non-financial indicators. It comprises the Head of Asset Management & CSR and the Executive Committee.

ORGANIZATION OF ANF IMMOBILIER'S CSR GOVERNANCE



ANF Immobilier's aim is to organize four meetings of the CSR Committee per year by 2017. It met three times in 2016 to update the 2015-2020 action plans. The strategy includes quantified objectives at the environmental level, which involve:

- the application of an environmental certification policy, to improve the energy performance of ANF Immobilier's buildings;
- measurement of the greenhouse gas emissions generated by ANF Immobilier by conducting of a carbon review every three years;
- the gradual extension of waste sorting to ANF Immobilier's buildings.

Societal and labor topics have also been reviewed, notably:

- the responsible urban footprint of ANF's buildings and their adaptation to local infrastructure;
- dissemination of the principles of sustainable development in the procurement policy and monitoring the practices of suppliers and providers in this area through a dedicated charter;
- the progress of dialogue with users on environmental and societal subjects in the framework of the environmental appendices included in leasing contracts;
- the inclusion of social issues in terms of employee training and diversity in the Company;
- participation in non-financial rating surveys (such as the GRESB) to improve transparency on these subjects;
- the promotion of the CSR policy by the governance bodies.

Furthermore, these meetings led to a review of the initiatives carried out in 2016, to increase the involvement of employees in sustainable development matters. Said initiatives include participation in a day dedicated to these issues, and support to associations such as B&P Environnement and CREPI (*Clubs Régionaux d'Entreprises Partenaires de l'Insertion*).

These strategic guidelines, discussed at meetings of the CSR Committee, are the subject of an annual briefing to the Supervisory Board. Thus, on October 18, 2016, the main achievements of the past year in sustainable development matters were presented, notably the delivery of the Silky Way building in 2015 (the first asset certified both HQE "Excellent" and BREEAM "Very Good"). The 2015-2020 CSR action plans were also updated, as were the specific initiatives undertaken in 2016. This organization arises from ANF Immobilier's intention to promote its CSR policy and include it in its strategic objectives.

Lastly, the Properties Committee, which gives an opinion on all significant real estate transactions, has had new criteria included in its evaluation tables. Certain projects to acquire real estate assets take CSR criteria into consideration, such as proximity to public transport or energy renovation. Likewise, these issues are taken into account in the map of the risks to which the Company is exposed (Chapter 1, part 7 of this document), which presents the risks in relation to human resources or subcontracting.

3. ANF Immobilier's CSR performance

3.1 Reporting scope

The scope of reporting for the 2016 fiscal year was broadened, to more closely reflect the activities and impacts of ANF Immobilier.

The strategic evolution of a mixed Haussman-type portfolio towards a portfolio of new commercial properties, mostly consisting of offices and hotels, justifies a breakdown of the assets into three components:

- large buildings composed mainly of offices (the 11 buildings that are held represent about 38% of the total surface area of ANF Immobilier's assets, namely 80% of the total area of offices excluding developments and deliveries in 2016);
- hotels (the 13 assets chosen represent 10% of the surface area of ANF Immobilier's portfolio);
- the historical portfolio, which concerns remaining assets, in other words housing units and mixed buildings.

THE SCOPE OF ANF IMMOBILIER'S OFFICES IN 2016

City	Property complex	Office surface area
	Silky Way	36,593 sq.m.
	Areva	19,800 sq.m.
	Stratège	16,515 sq.m.
	Massena	2,762 sq.m.
	MilkyWay	4,475 sq.m.
Lyon	Future Way	8,652 sq.m.
	40, rue Fauchier	8,077 sq.m.
	42, rue de Ruffi	8,005 sq.m.
Marseille	5, place de la Joliette	3,312 sq.m.
	Le Nautilus	13,124 sq.m.
Bordeaux	La Fabrique	3,714 sq.m.

The consumptions shown for the office buildings and hotels were monitored over the year by the managers and tenants. The data concerning the historical portfolio was calculated based on average consumption data.

COMPREHENSIVENESS OF ANF IMMOBILIER'S NON-FINANCIAL REPORTING SCOPE

	Environment			Labor
	Office buildings	**Hotels**	**Heritage portfolio**	**Corporate**
Period	October 1, year N-1 to September 30, year N	October 1, year N-1 to September 30, year N	January 1, year N to December 31, year N	January 1, year N to December 31, year N
Scope of activity	Offices	Hotels	Mixed buildings (offices and housing units) and housing units	ANF Immobilier
Surface area	125,000 sq.m., 38% of the total surface area of ANF Immobilier's assets	37,348 sq.m., 10% of the total surface area of ANF Immobilier's assets	168,000 sq.m., 52% of the total surface area of ANF Immobilier's assets	100% of the assets of ANF Immobilier

A few methodological comments should be taken into account when examining ANF Immobilier's CSR performance:

- the scope of CSR reporting excludes buildings subject to agreements to sell, buildings delivered or acquired less than six months ago as of December 31, 2016, and certain car parks or other specific assets for which consumption was considered incoherent or incomplete (notably concerning indicators related to energy and/or water);
- the coverage of the energy and water scopes given in the EPRA environmental reporting table in the appendix covers the occupied surface areas of the reporting scope;
- the greenhouse gas emissions from the portfolio cover only the emissions related to energy consumption. The other emissions (such as professional travel) are covered in the carbon assessment.

3.2 2015-2020 key performance indicator report

ANF IMMOBILIER'S 2015-2020 CSR KEY PERFORMANCE INDICATOR REPORT

2015-2020 CSR action plan

Themes	2020 objectives	Scope concerned	Unit of measure	2015	2016
Axis 1: responsible portfolio					
Environmental labeling and certification	**60%** of the assets in the portfolio certified or labeled as HQE and/or BREEAM in construction or operation	Offices	%	**53%**	**51%**
Energy efficiency	**-10%** on average of final energy consumption per sq.m. leased compared to 2015	Offices & hotels	kWh final energy/sq.m.	**147**	**149** (+1.6%)
Greenhouse gas emissions and climate change	**-10%** of greenhouse gas emissions per sq.m. leased	Offices & hotels	kg CO_2/sq.m.	**14.2**	**13.7** (-3.5%)
Waste	**50%** of surface areas covered by sorting solutions	Offices	%	**40%**	**40%**
Axis 2: societal involvement					
Urban footprint	**90%** of buildings less than 250 m away from public transport	Total ANF Immobilier assets	%	**-**	**88%**
	Have **100% of managers sign the** ANF Immobilier sustainable management charter (all new developments)	ANF Immobilier	%	**0%**	**100%**
Fairness of practices	Have **100% of "strategic" service providers** identified by ANF Immobilier (property surveyors, property developers, companies providing building services with volume > €100 thousand, architects providing services with volume > €100 thousand) sign the responsible purchasing charter	ANF Immobilier	%	**0%**	**21%**
Dialogue with users	**100%** of annual Committee meetings held in the framework of the environmental appendices	Total ANF Immobilier assets of over 2,000 sq.m.	%	**0%**	**89%**
Non-financial transparency	Participate in **2** non-financial ratings (GRESB, EPRA) and shortly set results targets	ANF Immobilier	-	**Yes**	**Yes**
Axis 3: corporate policy					
Employee training	**75%** of employees had at least one training course during the year	ANF Immobilier	%	**50%**	**53%**
Diversity	The top management contains **40%** women	ANF Immobilier	%	**-**	**40%**
Governance	Organize at least **4** CSR Committee meetings per year	ANF Immobilier	Number	**2**	**3**

4. Responsible portfolio

4.1 Environmental labeling and certification

Obtaining certifications is an integral part of ANF Immobilier's development and investment policy. The feasibility of High Quality Environmental (HQE) certification is studied before all development projects. ANF Immobilier has set itself objectives in the field: have 60% of ANF's assets within the "offices" reporting scope certified or labeled as High Quality Environmental (HQE) and/or BREEAM by 2020 (see 3.1 Reporting scope).

The New Way building, delivered in 2016, illustrates the progress made by ANF Immobilier in this field. New Way received "Very Good" BREEAM energy pre-certification, associated with a high level of thermal performance. Indeed, its thermal performance is 15% better than the requirements in the Thermal Regulation RT 2012. It is based on an excellent level of insulation of the facade of the building, giving it a good level of air-tightness.

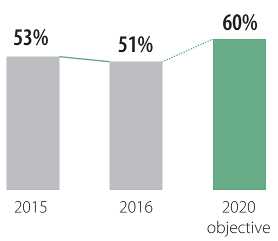
Overall, the following operations obtained environmental certificates and energy-performance labels (see table below). In 2016, ANF Immobilier's buildings did not obtain new certificates in the construction or operation phases. Nevertheless, for the operations under development buildings B, C and E of the operation Quai 8.2 are already certified HQE and BREEAM in the design phase, the New Way building is also certified BREEAM in the design phase and the Future Way asset is certified NF HQE in the program phase.

ENVIRONMENTAL CERTIFICATIONS AND ENERGY PERFORMANCE LABELS OBTAINED BY ANF IMMOBILIER PROJECTS

Asset	Certification/Label	Year of award
Nautilus 1st tranche	THPE 2005	2013
MilkyWay	Label "high energy performance, low-consumption building, energy renovation"	2013
Block 34 building G	THPE 2005	2014
La Fabrique block C2	Certification "nf commercial building associated with the HQE approach" level very good	2014
Nautilus 2nd tranche	THPE 2005	2015
Silky Way	Certification *"breeam bespoke international* 2010" level *very good*	2015
Silky Way	Certification "nf commercial building associated with the HQE approach" level excellent	2015

In 2016, the share of assets having environmental certification under construction or renovation represented 51% by value (offices scope), which corresponds to a drop of two points compared to the 2015 fiscal year, attributable to a change in ANF Immobilier's portfolio, affected by the disposal of a certified asset. Nevertheless, ANF Immobilier remains on the right track to fulfill its objective of 60% by 2020 (see 3.2 Key performance indicator report).

ENVIRONMENTAL CERTIFICATIONS OF ANF IMMOBILIER'S ASSETS (% OF OFFICES CERTIFIED HQE AND/OR BREEAM CONSTRUCTION OR OPERATION)

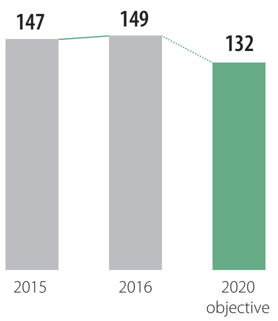


4.2 Energy efficiency

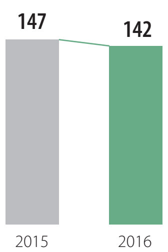
Energy performance is an essential component of ANF Immobilier's CSR strategy for two main reasons: climate change (strongly related to the property sector) and operating costs related to energy consumption. Yet, as an investor, developer and manager of assets, ANF Immobilier plays a crucial role in designing, renovating and operating its buildings. ANF Immobilier therefore has a significant impact on the energy consumption of its assets. The objective is to reduce final energy consumption per leased square meter by an average of 10% by 2020.

In 2016, the total energy consumption of hotels and offices represented 17 GWh in final energy. On a like-for-like basis (comparison relating to the same assets from one year to another), the average consumption ratio per sq.m. was down by 3.4% compared to 2015, while at the current scope (all assets taken into account), a slight increase of 1.6% was seen, to reach average consumption of 149 kWh/sq.m./year.

ENERGY EFFICIENCY OF ANF IMMOBILIER'S OFFICES AND HOTELS – CURRENT SCOPE (KWH FINAL ENERGY/SQ.M.)



ENERGY EFFICIENCY OF THE OFFICES AND HOTELS – LIKE-FOR-LIKE BASIS (KWH FINAL ENERGY/SQ.M.) OF ANF IMMOBILIER



Although the figures show a relative stability of the energy consumption of assets, progress is expected over the next three fiscal years due to the good energy performance of the buildings under construction, renovation and operation that will come within the reporting scope. The New Way building in Lyon will obtain BREEAM Very Good certification in 2017 and the Quai 8.2 operation in Bordeaux/Armagnac is aiming for the double certification HQE Excellent and BREEAM Very Good for a delivery in 2018.

For its development activities, ANF Immobilier scrupulously takes care to comply with all regulatory standards fixed by the laws in force. ANF Immobilier's certification ambitions concerning its assets sometimes lead it to exceed these requirements and present an energy performance that is superior to market standards. As well as a reduced environmental footprint, the specific attention paid to this point reduces the building's operating costs, increases the value of the portfolio held by ANF Immobilier and avoids regulatory risk in the matter. The immediate advantage of this for ANF Immobilier is the change in the type of tenants, which now includes more large groups than in the past. This also rationalizes the impact of the charges borne by the tenant.

Likewise, as a manager, ANF Immobilier adopts responsible behavior concerning the operation of the common parts of its assets. Energy consumption is subject to a detailed inspection and corrective measures are put in place. For example, to limit contributions of heat in summer and optimize the energy performance of the building, direction-controlled automatic sun-blinds have been installed on the Silky Way building. In the hot season, the building's blinds are automatically lowered in the afternoon and evening, leaving the occupants free to raise them. Furthermore, in line with legal obligations, specific environmental appendices have been attached to the leases; these establish meetings of environmental Committees between ANF Immobilier and its tenants to monitor the energy performance of buildings. In 2015, six environmental appendices were signed with the tenants of ANF Immobilier; this figure rose to nine in 2016 (representing 100% of the surface areas of more than 2,000 square meters concerned by the regulations in the field) bearing witness to increased dialogue with the occupants on topics related to the environment.

4.3 Greenhouse gas emissions and climate change

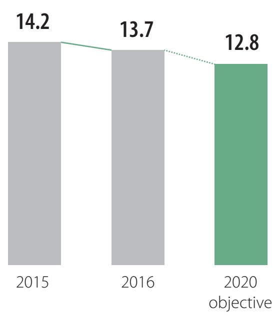
GREENHOUSE GAS EMISSIONS FROM ANF IMMOBILIER'S OFFICES AND HOTELS ($KGCO_2E$/SQ.M./YEAR) (LIKE-FOR-LIKE BASIS)

The energy consumption of ANF Immobilier's buildings translated into emissions of greenhouse gases represented 1,554 tCO_2e in 2016 on the offices and hotels scopes. Through its 2015-2020 CSR action plan, ANF Immobilier is aiming for a 10% reduction in its greenhouse gas emissions per sq.m. leased for all of its assets within the offices and hotels scopes by 2020. On a like-for-like basis, the average greenhouse gas emissions per square meter and per year have fallen by 3.5% compared to 2015. At the same time, a 2.4% drop in average greenhouse gas emissions per square meter and per year has been observed on the current offices and hotels scope between 2015 and 2016 (see 3.1 Reporting scope). This bears witness to the gradual efforts made by ANF Immobilier to reduce the carbon footprint of its buildings.

The carbon footprint of ANF Immobilier's buildings, calculated using ADEME online assessment tools, covers the following emission scopes, in line with GHG Protocol standards:

- scope 1: emissions directly associated with the combustion of fossil fuels (gas and fuel oil) for ANF Immobilier buildings;
- scope 2: emissions associated with the indirect production of energy; electricity and district heating/cooling systems.

GREENHOUSE GAS EMISSIONS FROM ANF IMMOBILIER'S OFFICES AND HOTELS ($KGCO_2E$/SQ.M./YEAR) (CURRENT SCOPE)



The duality of the question of climate change should be emphasized for ANF Immobilier. Beyond the impact of its climatic emissions and due to the nature of its activity, ANF Immobilier must also permanently adapt to the meteorological hazards caused notably by climate change.

CARBON ASSESSMENT IN RELATION TO THE COMPANY'S ACTIVITIES

In 2015, ANF Immobilier completed its second greenhouse gas emissions assessment of the activities of its headquarters and of its staff in order to evaluate the carbon footprint of its own activities, independently of those caused by its property portfolio. It intends to perform such an assessment every three years. The carbon assessment of the Company's operations, carried out using ADEME methodology, covers ANF Immobilier operations identified as being the main contributors to scope 3 CO_2 emissions. The analysis carried out covers the following activities:

- home-work travel of employees;
- professional travel in hired personnel vehicles, taxis, aircraft and trains;
- acquisition of durable goods, such as computer equipment and furniture;
- acquisition of administrative consumables, such as office supplies and paper;
- water consumption;
- waste generated;
- energy consumption of the different headquarters.

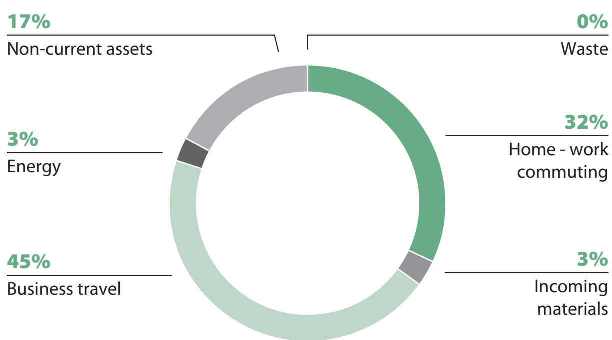
The results of this study show that travel is predominant in the Company's greenhouse gas emission items in 2015. Travel represented a total of 122 tCO_2e (compared with 117 tCO_2e in 2014), i.e. 3 tCO_2e per employee in full time equivalent (compared with 2.6 tCO_2e in 2014). In order to limit its impact, ANF Immobilier favors trains for its travel, as they generate fewer emissions than other modes of transport.

Some comparisons can put these figures into perspective:

122 tCO_2e correspond:

- to the average emissions of 14 people in France over 1 year;
- to the emissions of 20 outbound/inbound journeys between Paris and New York in an aircraft.

BREAKDOWN OF OVERALL GREENHOUSE GAS EMISSIONS (TCO_2E)



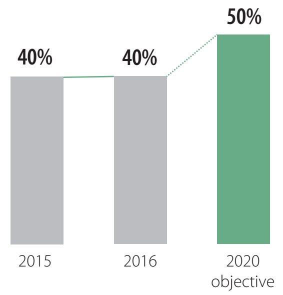
The eco-action policy is still in effect and is shared by all employees. Several good practices aiming to reduce the carbon footprint of the Company were put in place by them several years ago. Here are some examples:

- collection and recycling of batteries and computer equipment by the IT department;
- recovery of plastic caps, sending them to an association specializing in recycling them;
- paper collection and sorting carried out by B&P Environnement;
- renovation of office lighting fixtures with LED lighting to improve visual comfort and reduce energy consumption;
- deployment of an EDI (Electronic Data Interchange) policy to receive invoices in digital rather than paper format.

4.4 Waste

Waste management affects the development and operation of ANF Immobilier's assets. Linked to the construction and leasing activities, these matters are the subject of specific action plans through ANF Immobilier's sustainable purchasing policy. This broadening of the responsibility of ANF Immobilier to its service-providers has enabled it to set objectives related to waste in its CSR action plans for 2015-2020. ANF Immobilier thus hopes to cover half of the surface areas of its portfolio of office assets with waste sorting solutions by 2020.

OFFICE SURFACE AREAS COVERED BY WASTE SORTING SOLUTIONS (%)



These measures resulted in the redefinition, in 2015, of ANF Immobilier's sustainable purchasing charter, which now includes two appendices on real estate specificities. These adopt best sectoral practices in terms of waste management, thanks notably to:

- a works/site charter specific to ANF Immobilier, with a section dedicated to optimizing the management of site waste. It provides precisions on the building demolition phase, for which, among widespread practices, sawing and cutting techniques must be preferred. The demolition methodology used by the service-provider must be explicitly presented to ANF Immobilier in the documents that will be sent to it to fulfill the requirements of the charter. The management of dangerous products and the reduction of waste production at source are also addressed. Concerning this last point, the contracting company must justify, in a specific plan, the measures that it puts in place to sort its waste and participate in the due functioning of collection. Sustainable criteria are also defined for the choice of building materials, as in the use, for the New Way building, of NeoLife, an environmentally-friendly material composed of French sawdust and using only organic binders, intended for treating facades and terraces;
- a sustainable management charter intended for external property managers requiring the agent to do whatever is necessary to reach the best environmental standards in terms of waste management.

Other than these measures generalized to all assets, the construction site for the New Way building in 2016 distinguished itself by following the criteria of a green site charter specific to the project. In this context, a specific sorting process for waste generated was put in place.

Moreover, to sort waste at its head office, ANF Immobilier works with B&P Environnement, an adapted business employing disabled workers specialized in collecting, treating, recovering and recycling all non-dangerous waste.

4.5 Other environmental impacts

As a responsible player committed to environmental protection, ANF Immobilier seeks to reduce all of the environmental impacts of its activities.

Therefore, water management is the subject of particular attention during the development, renovation and operation of assets. In 2016, ANF Immobilier's assets consumed on average 2.4 cb.m/sq.m./year of water on the offices and hotels scopes, for a total consumption of 46,000 cb.m of water over the same scope. Action and work plans specific to each asset are implemented to optimize the use of this resource. For example, all of the faucet aerators in the New Way building, delivered in 2016, enabled water savings of 49% compared to a conventional building containing single-flush toilets and taps with no limited flow.

The Company respects the regulations and requirements of town halls and local authorities in relation to the use of land and biodiversity. Therefore, the potential pollution of soil and aquifer resources is taken into account by ANF Immobilier. The Company applies all the regulations and prescriptions in force in relation to soil quality for its development projects. As regards products developed by a third party, this obligation is directly incumbent on the property developer: it must contractually provide all substantiating documentation and proof of treatment in accordance with the use of the asset. These provisions have been adopted in ANF Immobilier's responsible purchasing charter.

As an illustration, as part of a joint operation concerning the buildings Silky Way and New Way, the geothermal extraction well of the neighboring building was moved. This solution reduced the risk of pollution on these two operations, by eliminating from the ground any passage of functioning pipes. Furthermore, specific provisions related to the protection of soil were put in place for the design of the New Way building. To avoid any pollution, all rainwater collected at the building is re-infiltrated into the soil via an infiltration basin of 204 cb.m.

Lastly, the amount of provisions and guarantees for risks regarding environmental matters was zero for the 2015 and 2016 fiscal years. Indeed, no environmental or regulatory risk likely to financially harm the activities of ANF Immobilier was identified during the risk mapping process.

4.6 Illustration of a sustainable building delivered in 2016

Located on the Carré de Soie site in Villeurbanne, New Way is a 13,275 sq.m. building, divided into three buildings which are interconnected outside and inside. It is accessible by all types of transport: as well as the immediate proximity of public transport, it has two 100 sq.m. bicycle

parks and 254 parking spaces (16 of which are equipped with electrical recharging terminals). It illustrates ANF Immobilier's desire to prioritize sustainable design for its new buildings.

5. Societal involvement

5.1 Urban footprint

ANF Immobilier wishes to reconcile the activity of the city with commercial activity, in order to revitalize existing town centers and contribute to the development of those of the future. This desire to become involved in local economic life, as a player in regional metropolises, is illustrated by the strategy of developing shopping and leisure activities in Marseille. In 2016, ANF Immobilier also delivered two hotels in Marseille, one operated by B&B with a capacity of 162 rooms in the economy category in December 2015, the other under the AC by Marriott brand with a capacity of 126 rooms in the 4 star category, in January 2016. They are strategically situated next to the new velodrome stadium and provided attractive hotel offers for spectators and participants in the UEFA European football championship, Euro 2016, which took place in France that year.

ANF Immobilier carried out other operations in 2016 to improve the status of Marseille as a tourist destination. Rue de la République has suffered the constraints of a difficult economic environment over recent years. The challenge was to reconstitute a complete, coherent and diversified range of commercial services. To remedy this, ANF Immobilier decided to adapt its strategy, with the creation of two separate centers: the first, connected to the Vieux-Port, will group shops intended for the family and tourism. The second, connected to the Place de la Joliette, will present an offering that complements the boom in the Euromed service sector. The opening of six commercial brands (King Jouet, TUI Store, Copy Top, Adopt, Le Petit Cabanon and Dakao) spread over 1,400 sq.m. of premises in Rue de la République supplements this commitment. The Company also signed a lease to set up the Musée du Savon, which will open in mid-2017. These notable events illustrate ANF Immobilier's repositioning strategy for its shops on Rue de la République in Marseille, with a double objective: implement differentiation and renew its commercial attractiveness.

In Lyon, other large-scale operations were carried out by ANF Immobilier. The old headquarters of the Banque de France, acquired in 2013, was recently transformed, after two years of work, into a Nike shop of 500 sq.m. and a Maxi Bazar shop of 3,000 sq.m. The conversion of these offices to shops generated jobs. These shops are the spearhead of the re-adaptation of the district, including an objective of increased pedestrian traffic and an entirely reinvigorated local dynamic.

This societal footprint also benefits from the systematic dialogue that ANF Immobilier undertakes with its stakeholders during each of its projects. Discussions on environmental subjects, specified by the green appendices of the leases (a legal obligation for surface areas of more than 2,000 square meters), are organized with all of the large tenants. Likewise, the relationship with the administrations and local authorities is essential to the success of each project and is the subject of particular attention, as was the case with the dialogues undertaken with the municipal team in Lyon, the public institutions in Bordeaux and the Chamber of Commerce in Marseille. By working in concert with local players, ANF Immobilier capitalizes on the experience acquired through the operation of historical buildings in the town center to propose a new urban approach, directly linked to the general interest.

Lastly, as regards the operation of assets and their impact on users, ANF Immobilier takes their proximity to public transport into account. Thus, its objective is for 90% of its buildings to be located at an average of less than 250 meters from a public transport network by 2020, thus contributing to reducing the carbon footprint of the occupants and to better integrating assets into the regions. This year, 89% of its buildings fulfilled this criterion.

5.2 Fairness of practices

In addition to its own activities, the responsibility of ANF Immobilier also covers all of its stakeholders. Consequently, the Company has a duty to behave impeccably from a legal and ethical point of view in its relationships with its stakeholders. This undertaking is expressed through a system of values inherent to ANF Immobilier. With regard to the French activities of ANF Immobilier, the risk of non-compliance with the conventions of the International Labor Organization concerning child labor, forced labor and trade union freedoms is low or non-existent.

Although the activities of ANF Immobilier do not cause any direct risks related to the working conditions of its employees, the Company set up an ethics charter at the end of 2016 for all its employees. This Code of ethics lists all of the principles and values that must be adhered to by the Company's employees and ensures respect of legal and moral rules. ANF Immobilier is therefore committed to fighting against all forms of corruption. The ethics charter replaces the Code of professional conduct and sets out ANF Immobilier's undertakings within its sphere of influence. These require all deeds of acquisition and disposal signed by the Company to systematically include a clause on the fight against money laundering and terrorist financing. ANF Immobilier has not put specific measures into place concerning human rights within the Company.

ANF Immobilier's societal responsibility has repercussions throughout its activities. The objective is to control its risks, while improving its economic performance. ANF Immobilier wishes to contribute to developing the value chain of the real estate sector by developing its responsible purchasing policy. Therefore, the responsible purchasing charter, also rolled out in 2016, specifies strict ethical rules, such as the refusal of bribes and excessive gifts from commercial partners. It also undertakes to fight corruption and money laundering and avoid any situation that could present a conflict of interest. Although 21% of its service providers identified as strategic have now signed it, ANF Immobilier wants to raise this figure to 100% by 2020.

Other than addressing problems in relation to corruption, this charter sets up a frame of reference for all relations between ANF Immobilier and its main commercial partners. By signing up to it, suppliers and service providers commit to upholding, on their own behalf but also that of any subcontractors, the principles set forth in the charter. These principles are in line with the fundamental principles of the Global Compact, with the ILO conventions and the ANF Immobilier guidelines for sustainable development. To complement these texts, ANF Immobilier has identified specific objectives to achieve in relation to asset management, on the one hand, and construction, on the other. Consequently, the responsible management charter is now signed by all external managers, to guarantee compliance with the best environmental and societal standards.

For some of its projects, ANF Immobilier is also a signatory, through the activities of its service providers, to agreements on welfare-to-work aiming to employ job seekers in difficulty. In 2016, a cooperation agreement was established, within the framework of the welfare-to-work clause of the Quai 8.2 Bordeaux – Euratlantique operation, for which ANF Immobilier is investor and developer. A tripartite agreement on welfare-to-work was set up with the Maison de l'Emploi et de l'Insertion Économique de Bordeaux and GTM Bâtiment Aquitaine covering 16,000 hours of employment on the project. As of December 31, 2016, six persons were hired on welfare-to-work contracts to perform structural work on the project, with a total of 1,170 hours worked.

Equally, a Low Environmental Impact Construction Sites charter was rewritten in 2016 for those working on the site, encouraging them to limit:

- the health risks of workers;
- the risks and nuisances caused to residents;
- the pollution in the local environment.

This charter applies to significant new renovation or construction work. It is discussed in cooperation with the persons involved (property developers, contractors, etc.) who for the most have their own construction site charter. For example, building maintenance interventions and minor work are scheduled for specific time slots to mitigate common nuisances.

Lastly, ANF Immobilier involves all in-house teams in its responsible management actions both through annual Environmental Committee meetings held with the main tenants and Strategic Committee meetings in which actions are reviewed.

5.3 Dialogue with users

The operation of buildings represents a major source of environmental impact for ANF Immobilier. Although the Company cannot always have a direct impact on the activities of its occupants, it sets up a privileged dialogue with them which can influence their behavior.

So, in order to extend its CSR commitments beyond the scope of its direct influence, ANF Immobilier has set up, in accordance with legal requirements, environmental indices in the leases signed with its tenants, as in the case of Alstom Transport and Areva. They encourage them to use the buildings that they occupy responsibly and sustainably. They establish specific rules concerning the consumption of energy and water or the sorting of waste. These appendices also fix a framework for dialogue between ANF Immobilier and its tenants by establishing annual meetings of the environmental Committee where questions including the energy performance of buildings are discussed. Such appendices covered the practices of nine ANF Immobilier tenants in 2016, for eight Committee meetings held.

5.4 Non-financial transparency

ANF Immobilier is a member of the EPRA (European Public Real Estate Association). The EPRA brings together the major listed real estate companies in Europe and aims to harmonize reporting and other practices. ANF Immobilier, an active member, came within the EPRA index in 2012 and complies with the Best Practices Recommendations, a guide aiming to harmonize the reporting methods between the main European listed real estate companies. It won three trophies during the 2016 EPRA conference:

- a gold trophy for the transparency of its financial information;

- a silver trophy for the quality of its non-financial information concerning sustainable development and corporate social responsibility;
- a third special trophy recognizing the greatest progress.

These awards stem from in-depth studies of all published annual information, conducted by the EPRA with Deloitte France for the financial information and with JLL for the non-financial information.

Furthermore, ANF Immobilier decided, in 2016, to join the GRESB (Global Real Estate Sustainability Benchmark), one of the leading international external rankings which consists of evaluating the non-financial reporting of managers of property portfolios. It was a complex exercise for a small real estate company such as ANF Immobilier, which is ranked 14th in terms of size amongst European real estate companies (out of 15 that replied) for its first participation. The questionnaire requires an advanced level of transparency and maturity in terms of reporting. The social and environmental components were identified as areas for improvement, while the part dedicated to governance was well-positioned. The Company's objective is to improve its positioning year after year, under a continuous-improvement approach.

Lastly, ANF Immobilier is also a signatory of the Global Compact, a United Nations initiative to encourage companies throughout the world to adopt a socially responsible attitude. Specific disclosures are made in this context every year on the Global Compact Internet site, which can be seen on the following link: http://www.globalcompact-france.org/participants/3386

5.5 Sponsorships and partnerships

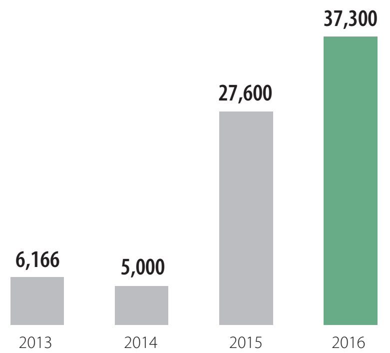
ANF Immobilier is a member of the FSIF, the French Federation of Real Estate and Property Companies (Fédération des Sociétés Immobilières et Foncières françaises), It takes part in various working groups related to the regulatory problems of the profession and actively participates in discussions on subjects relative to the cities of Bordeaux and Lyon.

A partnership was established in 2008 between ANF Immobilier and the CREPI (*Clubs Régionaux d'Entreprises Partenaires pour l'Insertion*) to promote professional training and recruitment. The partnership resulted notably in ANF Immobilier's employees helping young adults with no or very few qualifications to enter the workforce.

ANF Immobilier has charged a low rent to the Association AFTC 13 (Association of Families of Persons with Cranial Trauma) for a downtown facility located at the street level.

Overall, the amounts invested by ANF Immobilier in terms of sponsorships and partnerships stood at €37,300 in 2016, against €27,600 in 2015.

AMOUNT SPENT ON SOCIETAL ACTIONS (DIALOGUE/PARTNERSHIP WITH STAKEHOLDERS, NGOS, ETC.) BY ANF IMMOBILIER (EUROS)

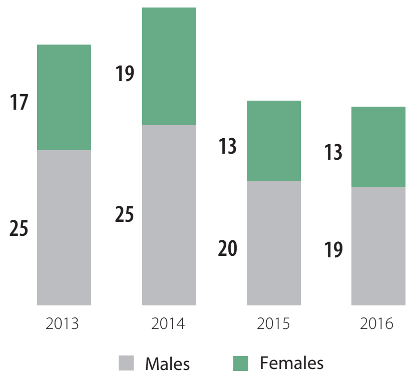


6. Corporate policy

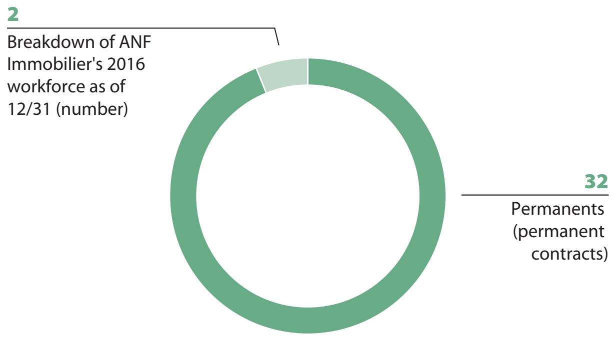
A human resources policy supports ANF Immobilier's work to meet its commitments with regard to equality, diversity, the development of talent and the support for personal initiatives.

ANF Immobilier recruited three employees on permanent contracts in 2016 and three employees on non-permanent contracts. There were two departures at the initiative of the employer: an employee was dismissed and another left the Company following a termination of the trial period. Furthermore, two employees left ANF Immobilier following termination of contract by mutual agreement. No work-related accident was recorded by the Company in 2016 (and only one was in 2015). No work-related illness or commuting accident has yet taken place. No collective agreement was signed in terms of health/safety in 2016 by ANF Immobilier. Lastly, the rate of absenteeism is down for the third consecutive year. Its cost was estimated at €94,705 for 2016.

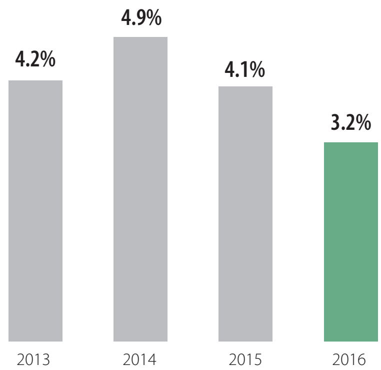
CHANGE IN PERMANENT WORKFORCE (ON PERMANENT CONTRACTS) AS OF 12/31 (NUMBER) ANF IMMOBILIER



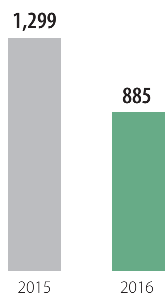
BREAKDOWN OF ANF IMMOBILIER'S 2016 WORKFORCE AS OF 12/31 (NUMBER)



CHANGE IN RATE OF ABSENTEEISM (%) AT ANF IMMOBILIER



NUMBER OF TEMPORARY HOURS WORKED AT ANF IMMOBILIER



6.1 Involvement of employees in the promotion of CSR

ANF Immobilier involves its employees in its CSR policy. It encourages the personal and collective initiatives performed in this context.

In order to foster the commitment of employees, 20% of the criteria in relation to profit sharing are defined according to responsible development objectives. These are notably linked to participation in the CSR day, which is organized to raise employee awareness regarding solidarity and the environment. Thus, on December 6, 2016, the employees of all the ANF Immobilier offices met on the site of the old Saint-Chamas powder mill, in Bouches-du-Rhône, which has become a natural area managed by the Conservatoire du Littoral. While there, they took part in work to renovate the site, with traditional methods of masonry using lime. They also had the opportunity to take part in a workshop based on ANF Immobilier's first activity: the responsible development and sustainable improvement of built assets. Lastly, criteria related to sustainable development and CSR are included in the variable part of the compensation of the Deputy Chief Executive Officer, based on the qualitative criterion of compliance with the implementation of ANF Immobilier's CSR policy.

Furthermore, over the last few years, as part of an initiative managed by the works council, certain employees gave €10 to the GEFLUC, deducted from their pay in December. The GEFLUC is the Groupement des Entreprises Françaises dans la Lutte contre le Cancer [consortium of French companies to fight cancer]. Its aim is to associate the world of business with the fight against the disease. The funds collected are used to finance research projects, develop preventive and information-provision actions within companies and support numerous patients affected by cancer. The principle is simple: for each euro paid by the employees, the Company also pays 1 euro. Set up in 2014, there were 21 participants in 2016.

Collective actions are also proposed to employees. Thus, ANF Immobilier continues to support the association B&P Environnement, an adapted business employing disabled workers and it continues to welcome the at-risk youths of the CREPI (regional associations of partner companies for insertion). ANF Immobilier also supports the association RAMH (centers for material assistance for the disabled) collecting plastic bottle caps to finance projects for material assistance to disabled persons.

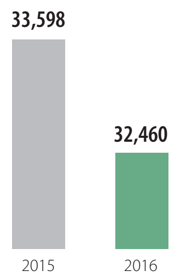
6.2 Dialogue and employees' rights

ANF Immobilier listens to its employees. They are represented by personnel representatives, the incumbents and substitutes being elected every four years, and by a Works Council, even though the ANF Immobilier workforce is under 50 people (the legal threshold beyond which a company must set up a Works Council).

ANF Immobilier is keen to provide training to develop the skills of its teams.

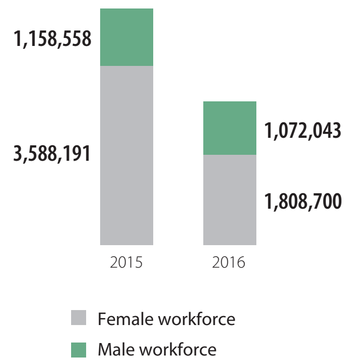
The Company is highly attentive to the employability and professional skills development of its employees and strongly encourages them to complete training courses. The main topics of the training courses followed in 2016 were: IT (training courses on the property management application and on the software for managing corporate taxation), legal matters in real estate, urban planning & building, oral communication and public speaking, and foreign languages. The number of hours of training dropped between 2015 and 2016, going from 805 to 144 hours. This reduction is explained by an overhaul of the training system, now intended to train the maximum possible number of employees, rather than benefiting a small number of employees through long-duration training courses. Internal training initiatives were put in place in 2016, notably regarding legal matters.

ANF IMMOBILIER'S ANNUAL TRAINING BUDGET (EUROS)



Company profit sharing is available to employees with at least three months' seniority. In addition, all employees can build a savings account through a company savings plan (PEE), a time savings account (CET) and a Group pension plan (PERCO).

ANF IMMOBILIER WORKFORCE



The drop in the payroll expenditure is explained notably by changes in the workforce and in the governance structure.

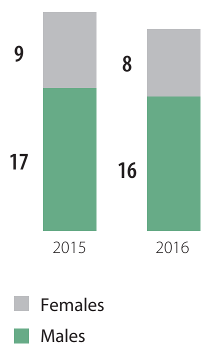
6.3 Diversity

The ethics charter specifies the undertakings of ANF Immobilier in fighting discrimination: the Company is committed to pursuing a policy of recruitment, hiring, promotion, assignment, compensation and training of qualified persons, without any distinction based on race, color, religion, sex, origin, ancestry, age, civil status, sexual orientation, physical or mental disablement or nationality, in accordance with the provisions of Article L 122-45 of the French Labor Code.

Equality between men and women has been the subject of a study within the Company. ANF Immobilier takes care to ensure diversity in its recruitment, its professional promotions and its compensation policies. Each new employee hired must support these principles by signing the ethics charter. A report on equality between men and women is presented every year to the Compensation and Appointments Committee, then the Supervisory Board. If it shows any differences in treatment in terms of compensation between men and women, detailed explanations must be provided so that corrective actions can be decided.

As of December 31, 2016, 59% of employees were men and 41% were women. 61% of women and 84% of men had executive status in 2016.

CHANGE IN THE MANAGERIAL POPULATION OF ANF IMMOBILIER

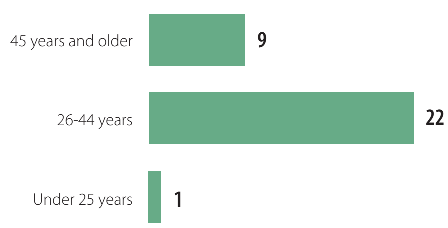


Although the workforce of ANF Immobilier shows real parity in the composition of teams and equal pay for equal work, ANF Immobilier must do more as regards the place of women in key posts with high levels of responsibility. ANF Immobilier's objective is as follows: encourage the promotion of women so that 40% of them are in the top management (the ten highest placed managers) by 2020. This objective was already achieved in 2016. Furthermore, parity has been reached in the Executive Board, composed of a man and a woman.

Furthermore, ANF Immobilier firmly prohibits any form of discrimination based on disability. All its employees are required to support its ethics charter to ensure that this policy is implemented. Although the Company does not currently employ any staff with disabilities, since 2011 it has made use of the association B&P Environnement, an adapted business employing disabled workers responsible for collecting and recycling the Company's waste paper and cardboard. Also, the Company has a collection point for plastic bottle caps in support of the Marseille association *Relais d'Aide Matérielle aux Handicapés*.

Lastly, since 2009, ANF Immobilier applies a sector agreement to promote the employment of older people. This agreement reaffirms the Company's commitment to the principle of non-discrimination based on age. It strives to promote job access and job retention of senior workers, and lift the barriers to their compensation in their career advancement. The agreement stipulates the main mechanisms in place: The use of professional training and professionalization contracts, awareness training in good practices with respect to non discrimination, the validation of acquired experience and professional interviews in the second part of a person's career.

AGE PYRAMID (NUMBER OF PERSONS) AT ANF IMMOBILIER IN 2016



7. Appendices

7.1 EPRA environmental reporting

The table below presents the environmental indicators of the ANF Immobilier portfolio according to the scope defined, broken down into office buildings, hotels and historical assets. These figures are presented in accordance with the standard defined by EPRA, an association grouping all European listed real estate companies, which ANF Immobilier has been a member of since 2012.

Current portfolio (as of 12/31/year N)	Unit of measure	EPRA benchmark	Offices – Common areas 2015	Offices – Common areas 2016	Offices – Private areas 2015	Offices – Private areas 2016
Coverage						
Total occupied surface area	**sq.m.**		**6,482**	**6,482**	**70,264**	**106,857**
Surface area, energy scope	**sq.m.**		**3,667**	**4,494**	**52,615**	**90,233**
Coverage, energy scope	%		57%	69%	75%	84%
Surface area, water scope	**sq.m.**		**-**	**-**	**-**	**33,092**
Coverage, water scope	%		-	-	-	31%
Energy						
Total consumption of final energy	**MWhFE**	**Energy-Abs**	**4,784**	**4,803**	**3,649**	**9,629**
Total consumption of primary energy	**MWhPE**		**9,174**	**9,043**	**9,413**	**24,842**
fuels	MWhFE	Fuel-Abs	0	0	-	-
Consumption of natural gas	MWhFE NCV	Fuel-Abs	0	0	-	-
Consumption of fuel oil	MWh	Fuel-Abs	0	0		-
electricity	MWhFE	Elec-Abs	2,779	2,684	3,649	9,629
district heating or cooling	MWhFE	DH&C-Abs	2,005	2,119	-	-
Heating network consumption	MWhFE		1,077	1,249	-	-
Cooling network consumption	MWhFE		928	870	-	-
other energies	MWhFE		0	0	0	0
Per sq.m.	**kwhFE/sq.m.**	**Energy-Int**	**-**	**-**	**-**	**-**
	kwhPE/sq.m.		**-**	**-**	**-**	**-**
Green house gas emission						
Total emission	**T CO_2e**		**507**	**515**	**299**	**790**
direct	T CO_2e	GHG-Dir-Abs	0	0	-	-
indirect	T CO_2e	GHG-Indir-Abs	507	515	299	790
Per sq.m.	Kg CO_2/sq.m.	GHG-Int	-	-	-	-
Water						
Total consumption	**thousand cb.m**	**Water-Abs**	**-**	**12.2**	**-**	**-**
Per sq.m.	**cb.m./sq.m.**	**Water-Int**	**-**	**-**	**-**	**-**

2

Offices		Hotels		OFFICES + HOTELS		Historical portfolio	
Total							
2015	**2016**	**2015**	**2016**	**2015**	**2016**	**Common areas, 2016**	**Other areas, 2016**
76,746	**113,339**	**18,986**	**33,067**	**95,732**	**146,406**	**7,779**	**154,221**
56,282	**94,727**	**18,986**	**18,986**	**75,268**	**113,713**	**7,779**	**154,221**
73%	84%	100%	57%	79%	78%	100%	100%
-	**33,092**	**18,986**	**18,986**	**18,986**	**52,078**	**-**	**-**
-	29%	100%	57%	20%	36%	-	-
8,432	**14,431**	**2,643**	**2,566**	**11,075**	**16,997**	**1,068**	**32,928**
18,588	**33,884**	**6,361**	**6,231**	**24,949**	**40,115**	**2,136**	**65,994**
0	0	289	247	289	247	-	-
0	0	289	247	289	247	-	-
0	0	0	0	0	0	-	-
6,427	12,312	2,354	2,319	8,781	14,632	-	-
2,005	2,119	0	0	2,005	2,119	-	-
1,077	1,249	0	0	1,077	1,249	-	-
928	870	0	0	928	870	-	-
0	0	0	0	0	0	-	-
149.8	**152.3**	**139.2**	**135.2**	**147.1**	**149.5**	**137.3**	**213.5**
330.3	**357.7**	**335.1**	**328.2**	**331.5**	**352.8**	**274.6**	**427.9**
806	**1,304**	**263**	**250**	**1,069**	**1,554**	**-**	**-**
0	0	70	60	70	60	-	-
806	1,304	193	190	999	1,494	-	-
14.3	13.8	13.9	13.2	14.2	13.7	-	-
-	**12.2**	**-**	**34**	**-**	**46**	**-**	**-**
-	**0.4**	**-**	**1.8**	**-**	**2.4**	**-**	

Like for like	Unit of measure	EPRA benchmark	Offices – Common areas 2015	Offices – Common areas 2016	Offices – Private areas 2015	Offices – Private areas 2016
Coverage						
Surface area, energy scope, LFL			-	-	-	-
Energy						
Total energy consumption	**MWhFE**	**Energy LFL**	**4,784**	**4,707**	**3,649**	**3,427**
Total consumption of primary energy	**MWhPE**		**9,174**	**8,876**	**9,413**	**8,842**
fuels	MWhFE	Fuels LFL	0	0	0	0
Consumption of natural gas	MWhFE NCV	Fuels LFL	0	0	0	0
Consumption of fuel oil	MWh	Fuels LFL	0	0	0	0
electricity	MWhFE	Elec LFL	2,779	2,638	3,649	3,427
district heating or cooling	MWhFE	DH&C LFL	2,005	2,069	-	-
Heating network consumption	MWhFE	DH&C LFL	1,077	1,199	-	-
Cooling network consumption	MWhFE	DH&C LFL	928	870	-	-
other energies	MWhFE		0	0	0	0
Per sq.m.	**kwhFE/ sq.m.**	**Energy LFL-Int**	-	-	-	-
	kwhPE/ sq.m.		-	-	-	-
Green house gas emission						
Total emission	**T CO_2e**	**GHG LFL**	**506.6**	**503.9**	**299.2**	**281.0**
direct	T CO_2e	GHG Dir LFL	0	0	-	-
indirect	T CO_2e	GHG Dir LFL	507	504	299	281
Per sq.m.	**Kg CO_2/ sq.m**	**GHG LFL-Int**	-	-	-	-

	Offices		Hotels		OFFICES + HOTELS	
	Total					
	2015	2016	2015	2016	2015	2016
	56,282		18,986		75,268	
	8,432	**8,135**	**2,643**	**2,566**	**11,075**	**10,701**
	18,588	**17,718**	**6,361**	**6,231**	**24,949**	**23,949**
	0	0	289	247	289	247
	0	0	289	247	289	247
	0	0	0	0	0	0
	6,427	6,066	2,354	2,319	8,781	8,385
	2,005	2,069	0	0	2,005	2,069
	1,077	1,199	0	0	1,077	1,199
	928	870	0	0	928	870
	0	0	0	0	0	0
	149.8	**144.5**	**139.2**	**135.2**	**147.1**	**142.2**
	330.3	314.8	335.1	328.2	331.5	318.2
	805.7	**785.0**	**263.2**	**250.1**	**1,069.0**	**1,035.1**
	0	0	70	60	70	60
	806	785	193	190	999	975
	14.3	**13.9**	**13.9**	**13.2**	**13.3**	**13.0**

2

7.2 Article 225 of the Grenelle 2 law

The information on food waste was not considered relevant by ANF Immobilier, as these issues are more related to the property sector.

Subcategory	Indicators	Paragraph
Employment	Total number and distribution of employees by gender, age and geographical area	6. Corporate policy
	Hires and dismissals	6. Corporate policy
	Compensation and changes to compensation	6. Corporate policy
Work organization	Organization of working time	6. Corporate policy
	Absenteeism	6. Corporate policy
Employee-management relations	Organization of employee-management relations, including procedures for informing and consulting staff and negotiating with them	6. Corporate policy
	Summary of collective agreements	6. Corporate policy
Health and safety	Workplace health and safety conditions	6. Corporate policy
	Summary of agreements signed with trade unions or employee representatives regarding workplace health and safety	6. Corporate policy
	Work accidents, including their frequency and severity, as well as occupational diseases	6. Corporate policy
Training	Training policies implemented	6. Corporate policy
	Total number of training hours	6. Corporate policy
Equal opportunity	Measures taken to promote equality between women and men	6. Corporate policy
	Measures taken to promote employment and integration of disabled persons	6. Corporate policy
	Anti-discrimination policy	6. Corporate policy & 5.2 Fairness of practices
ILO (Actions in favor of)	Respect for freedom of association and the right to collective bargaining	6. Corporate policy & 5.2 Fairness of practices
	Elimination of discrimination	6. Corporate policy & 5.2 Fairness of practices
	A strengthened ethical commitment	6. Corporate policy & 5.2 Fairness of practices
	Effective abolition of child labor	6. Corporate policy & 5.2 Fairness of practices
General environmental policy	Organization of the Company to take into account environmental issues, and any environmental evaluation and certification processes	4. Responsible portfolio
	Training and information of employees carried out in relation to environmental protection	6. Corporate policy
	Resources devoted to the prevention of environmental risks and pollution	4. Responsible portfolio
	Amount of provisions and guarantees for environmental risks	4. Responsible portfolio
Pollution	Measures for the prevention, reduction or reparation for air, water and soil discharges that seriously affect the environment	4. Responsible portfolio
	Taking noise and any other form of pollution specific to an activity into account	4. Responsible portfolio

Subcategory	Indicators	Paragraph
Circular economy	Prevention and management of waste: measures for prevention, recycling, reuse, other forms of recovery and disposal of waste	4. Responsible portfolio
	Prevention and management of waste: Actions to fight food waste	The information on food waste was not considered relevant by ANF Immobilier, as these issues are more related to the property sector.
	Sustainable use of resources: Water consumption and supply based on local constraints	4. Responsible portfolio
	Sustainable use of resources: Consumption of raw materials and the measures taken to improve efficiency in their use	4. Responsible portfolio
	Sustainable use of resources: Energy consumption, measures taken to improve energy efficiency and the use of renewable energy	4. Responsible portfolio
	Use of land	4. Responsible portfolio
Climate change	Significant greenhouse gas emission items generated due to the activity of the Company, notably through the use of the goods and services that it produces	4. Responsible portfolio
	Adaptation to the consequences of climate change	4. Responsible portfolio
Protection of biodiversity	Measures taken to preserve or increase biodiversity	4. Responsible portfolio
Territorial, economic and social impact of the activity	Concerning employment and regional development	4. Responsible portfolio
	On neighboring or local populations	4. Responsible portfolio
Relations with stakeholders	Conditions of the dialogue with stakeholders	5. Societal involvement
	Partnerships or sponsorships	5. Societal involvement
Subcontracting and suppliers	Consideration of social and environmental issues in purchasing policy responsible purchasing	5. Societal involvement
	The importance of sub-contracting and the social and environmental responsibility of suppliers	5. Societal involvement
Fairness of practices	Actions to prevent corruption	5. Societal involvement
	Measures taken to promote consumer health and safety	Chapter 1, part 7
Human Rights	Actions undertaken	5.2 Fairness of practices

7.3 Correspondence table Global Reporting Initiative G4 Essential Level

No.	Indicators	Reference	Correspondence
General Information			
Strategy and analysis			
G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chairperson, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	Registration Document	1.1 Message from the Chief Executive Officer
Profile of the organization			
G4-3	Name of the organization.		ANF Immobilier
G4-4	Primary brands, products and services.	Registration Document	Registration Document: 6. Information relating to the Company
G4-5	Location of the organization's headquarters.	-	1, rue Georges Berger, 75017 Paris
G4-6	Number of countries in which the organization operates, specifying the name of those in which the organization carries out significant business activities.	-	France
G4-7	Type of ownership and legal form.	Registration Document	Registration Document: Articles of Association
G4-8	Markets served (include the geographic breakdown, the sectors served and the types of clients and beneficiaries).	Registration Document	Registration Document: Presentation of the business – Profile
G4-9	Scale of the organization (total number of employees, sites, revenues, capital stock, debts and shareholders' equity, products and services).	Registration Document	6. Corporate policy Registration Document: Financial Statements
G4-10	Total number of employees (permanent or not) by type of employment contract, region and gender (and variations).	Registration Document	6. Corporate policy
G4-11	Percentage of all employees covered by a collective bargaining agreement.	-	100%
G4-12	Organization's supply chain (description).	Registration Document	Registration Document: Presentation of the business – Profile
G4-13	Substantial changes in the organizations' size, structure, capital stock or supply chain.	Registration Document	3. ANF Immobilier's CSR performance
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	Registration Document	Registration Document: Risk management
G4-15	Charters, principles and other initiatives in economic, environmental and corporate matters, developed externally and to which the organization has subscribed or endorsed.	Registration Document	Registration Document: Risk management 6. Corporate policy
G4-16	Membership of associations (such as industry associations) or national or international advocacy organizations.	Registration Document	5. Societal involvement
Materiality			
G4-17	Entities included in the consolidated financial statements of the organization or equivalent documents.	Registration Document	Registration Document: Financial Statements
G4-18	Content process and process of the scope of the "aspects" (= sub-topics).	Registration Document	3. ANF Immobilier's CSR performance
G4-19	List all relevant Aspects identified in the content process.	Registration Document	3. ANF Immobilier's CSR performance
G4-20	Relevance of the aspects and accuracy of the scope within the organization (following the description in point G4-17).	Registration Document	3. ANF Immobilier's CSR performance
G4-21	For each relevant Aspect, indicate the Scope of the Aspect outside of the organization.	Registration Document	3. ANF Immobilier's CSR performance
G4-22	Reasons and consequences of any restatements of information provided in prior reports.	Protocol	Reporting *protocol*
G4-23	Substantial changes concerning the Field of study and the Scope of Aspects, compared to prior reporting *periods*.	Protocol – Registration Document	3. ANF Immobilier's CSR performance
Dialogue and involvement of stakeholders			
G4-24	Provide a list of the groups of stakeholders engaged in dialogue with the organization.	Registration Document	5. Societal involvement
G4-25	Report the basis for identification and selection of stakeholders with whom to engage in dialogue.	Registration Document	1.2 Key indicators 2. Organization of CSR 3.2 2015-2020 key performance indicator report

No.	Indicators	Reference	Correspondence
G4-26	Indicate the organization's approach for involving stakeholders, including the frequency of dialogue by type and by group of stakeholder, and specify whether any dialogue has been specifically initiated as part of the process of preparation of the report.	Registration Document	3.2 2015-2020 key performance indicator report 5. Societal involvement 6. Corporate policy
G4-27	Key topics and concerns raised in the dialogue with the stakeholders and how the organization has responded, including through its *reporting*.	Registration Document	3.2 2015-2020 key performance indicator report 5. Societal involvement 6. Corporate policy
Profile of extra financial reporting			
G4-28	Reporting *period*	Registration Document	3.1 Reporting *scope*
G4-29	Date of last published report.	Registration Document	Fiscal year 2015
G4-30	Reporting cycle (annual, biennial, for example).	Registration Document	3.1 Reporting *scope*
G4-31	Indicate the person to contact for all questions on the report or its contents.	-	rse@anf-immobilier.com
G4-32	"Compliance" option to GRI 4 chosen by the organization ("Core" or "Comprehensive") and reference to the external verification report.	-	Core Level
G4-33	Organization of external verification	Registration Document	Registration Document: Certification of the Statutory Auditor (in appendices) 7.4 Report of one of the Statutory Auditor's (an appointed, independent third-party) on the corporate, environmental and societal information appearing in the management report
Governance			
G4-34	Structure of the organization's governance, including Committees of the highest governance body.	Registration Document	Registration Document: Governance
Ethics and integrity			
G4-56	Values, principles, standards and rules of the organization with respect to behavior, such as Codes of conduct and ethical Codes.	Registration Document	6.2 Dialogue and employees' rights 5.2 Fairness of practices Registration Document: Internal Rules of Procedure of the Supervisory Board
Economic performance			
G4-EC1	Direct economic value created and distributed (VEC&D) on the basis of the generating events.	Registration Document	Registration Document: Results of activities – Financial structure
G4-EC2	Risks and opportunities linked to climate change likely to generate major changes in business activities, income or expenses.	Registration Document	Registration Document: Results of activities – sustainable development 4.3 Greenhouse gas emissions and climate change
G4-EC3	Extent of the coverage of defined-benefit pension plans.	Registration Document	Registration Document: Members of the Executive Board and of the Supervisory Board of ANF Immobilier compensated at the Eurazeo level
Environment			
G4-EN15	Gross direct emissions (Scope 1) of GHG in metric tonnes of CO2 equivalen$_t$.	Registration Document	4.3 Greenhouse gas emissions and climate change
G4-EN16	Gross indirect emissions (Scope 2) of GHG in metric tonnes of CO2 equivalent	Registration Document	4.3 Greenhouse gas emissions and climate change
Working conditions			
G4-LA9	Average number of hours of training received by employees of the organization during the reporting *period*, by gender and social and professional category.	Registration Document	6. Corporate policy
G4-LA10	Type and extent of programs implemented and the assistance offered for employees' skills enhancement.	Registration Document	6. Corporate policy
Liability for products and services			
G4-PR1	Percentage of major categories of products and services for which the impacts on health and safety have been evaluated.	Registration Document	5.2 Fairness of practices

7.4 Statutory Auditor's (an appointed, independent third-party) report on the social, environmental and societal information appearing in the management report

Year ended December 31, 2016

Dear Shareholders,

In our capacity as a Statutory Auditor of ANF Immobilier, being an appointed independent third-party, accredited by the COFRAC under number 3-1060*, we hereby present to you our report on the consolidated corporate, environmental and societal information presented in the management report (hereinafter the "CSR Information"), prepared for the fiscal year ended December 31, 2016 in accordance with Article L. 225-102-1 of the French Commercial Code.

Corporate responsibility

The Executive Board is responsible for preparing a management report containing the CSR Information as defined in Article R. 225-105-1 of the French Commercial Code, in accordance with the "CSR Reporting Protocol" used by the Company (hereinafter the "Guidelines") and available on request at the Company's registered office.

Independent status and quality control

Our independence is defined by relevant regulations, the Code of professional ethics and the provisions of Article L. 822-11-3 of the French Commercial Code. In addition, we have put in place a system of quality control that includes policies and procedures aimed at ensuring compliance with applicable ethical rules and laws and regulations.

Responsibility of the Statutory Auditor

We are responsible, based on our work:

- for certifying that the management report either contains the required CSR Information or explains why it has been omitted, in accordance with paragraph 3 of Article R. 225-105 of the French Commercial Code (Certification of the presence of the CSR Information);
- for expressing a conclusion of moderate assurance that the required CSR Information, taken as a whole, is presented fairly in all material aspects, in accordance with the Guidelines (justified opinion on the fairness of the CSR Information).

Our work was carried out by a team of five individuals between December 2016 and March 2017 over a total period of approximately four weeks. We relied upon our CSR experts for assistance in completing our work.

We have conducted the work described below in accordance with the decision dated May 13, 2013 determining the terms by which an independent third-party organization conducts its missions as well as the professional doctrine of the French Institute of Statutory Auditors concerning this intervention and, concerning the reasoned opinion of sincerity, with the ISAE 3000 international standard[1].

1. Certification of the presence of the CSR Information

Nature and extent of work

Based on interviews with the managers of the departments concerned, we reviewed the approach to sustainable development in view of the social and environmental consequences linked to the Company's operations, its corporate commitments, and any actions or programs resulting therefrom.

We have compared the CSR Information presented in the management report with the list specified in Article R. 225-105-1 of the French Commercial Code.

When certain consolidated information was missing, we verified that the explanations were provided in accordance with the provisions of Article R. 225-105 paragraph 3 of the French Commercial Code.

We have verified that the CSR Information would cover the consolidated scope, meaning the Company as well as its subsidiaries within the meaning of Article L. 233-1 and the companies that it controls within the meaning of Article L. 233-3 of the French Commercial Code.

Conclusion

Based on our research, we certify the presence in the management report of the required CSR Information.

2. Justified opinion on the fairness of the CSR Information

Nature and extent of work

We conducted interviews with the persons responsible for preparing the CSR Information in the departments overseeing the procedures for collecting information and, as necessary, the managers of internal control and risk management procedures, in order to:

- assess the appropriateness of the Guidelines with respect to their relevancy, comprehensiveness, reliability, neutrality and understandability, taking best industry practices into account where necessary;

* *For more information about its activities, please visit www.cofrac.fr*

(1) *ISAE 3000 – Assurance engagements other than audits or reviews of historical financial Information.*

- verify the implementation of collection, compilation, processing and control procedures aimed at the comprehensiveness and consistency of the CSR Information, and review the internal control and risk management procedures related to the preparation of the CSR Information.

We determined the nature and extent of our tests and audits according to the nature and importance of the CSR Information with respect to the characteristics of the Company, the social and environmental effects of its operations, its approaches with respect to sustainable development, and best industry practices.

Regarding the CSR Information we considered the most important[(1)]:

- at the level of the parent company and of the assets, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organization, policies and initiatives), and we analyzed the quantitative information, verified the calculation and consolidation of figures based on sampling, and verified their consistency and agreement with the other information contained in the management report;
- at the level of the sample representing the assets that we have selected[(2)] based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify the correct application of the procedures and implemented detail tests based on samples, consisting of verifying the calculations conducted and reconciling the data with the supporting documentation. The sample thus selected represents on average 100% of the workforce considered as the main characteristic of the labor component, and between 50% and 55% of the environmental data considered as important characteristics of the environmental component.

Regarding the other consolidated CSR Information, we assessed its consistency with respect to our knowledge of the Company.

Finally, we assessed the relevance of the explanations in relation to, where applicable, the total or partial absence of some information taking into consideration the good professional practices formalized by EPRA in its September 2014 reporting guide for those in the real estate sector in Europe.

We believe that the sampling methods and sample sizes we used in the exercise of our professional judgment allow us to make a conclusion of moderate assurance; a higher level of assurance would have required more extensive verification work. Due to the use of sampling techniques and to other limits inherent in the functioning of any information and internal control system, the risk of not detecting a material abnormality in the CSR Information cannot be totally eliminated.

Conclusion

Based on this work, we have not found any material misstatement calling into question the fact that the CSR Information, taken as a whole, is presented fairly and in accordance with the Guidelines.

Neuilly-sur-Seine, March 24, 2017

One of Statutory Auditors
PricewaterhouseCoopers Audit

Pierre Clavié Partner	Sylvain Lambert Partner of the Sustainable Development department

(1) <u>Most important quantitative information:</u>

- *workforce and gender distribution;*
- *distribution of permanent/fixed-term contracts;*
- *absenteeism rate;*
- *hires and departures;*
- *% of employees trained;*
- *total energy consumption, including renewable energies, expressed in kWh and CO_2 equivalents (taking into account Scope 3);*
- *Hazardous waste generated.*

<u>Most important qualitative information:</u>

- *organization of the Company to take into account environmental issues, and any environmental evaluation and certification processes;*
- *conditions of the dialogue with stakeholders (suppliers and service providers, annual Committees).*

(2) Details on the sites selected:

- *Offices: Silky Way, Future Way*
- *Hotels: B&B France*

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CORPORATE GOVERNANCE

Pursuant to Article 28 of European Commission regulation (EC) 809/2004, the Statutory Auditors' special reports on regulated agreements relating to the fiscal years ended December 31, 2015 and December 31, 2014, which are included in the Registration Document filed with the French Financial Markets Authority on April 19, 2016 under number D. 16-0362 (Chapter 9, paragraph 9) and the Registration Document filed with the AMF on April 10, 2015 as D. 15-0323 (Chapter 9, paragraph 9).

1. Report of the Chairman of the Supervisory Board on Corporate Governance and internal control and risk management procedures, prepared in accordance with Article L. 225-68 of the French Commercial Code

In accordance with the provisions of Article L. 225-68 of the French Commercial Code, the Chairman of the Supervisory Board submits this report for the 2016 fiscal year:

- the composition of the Supervisory Board and the application of the principle of balanced representation of men and women among its members;
- the conditions of preparation and organization of the Supervisory Board's work;
- internal control and risk management processes implemented by the Company;
- the principles applied by the Company in terms of Corporate Governance;
- special procedures relating to shareholders' participation in Shareholders' Meetings;
- principles and rules approved by the Supervisory Board to determine compensation and benefits of all kinds for corporate officers, as well as the publication of the information referred to in Article L. 225-100-3 of the French Commercial Code.

The internal control mechanism has been set up to cover the five major components listed below in order to ensure their effective implementation:

- appropriate organization;
- internal distribution of pertinent and reliable information;
- a system for tracking, analyzing, and managing risks;
- monitoring procedures;
- continuous surveillance of procedures.

This internal control mechanism makes it possible:

- on the one hand, to ensure that the acts of management and transactions implemented, as well as employees' behavior, are in line with the Company's business model as dictated by corporate management bodies, applicable laws and regulations, and internal Company values, standards, and regulations;
- on the other hand, to verify that the accounting, financial, and management information received by the corporate management bodies accurately and fairly reflects the Company's business operations and current financial position.

One of the objectives of the internal control system is to prevent and manage risks resulting from the Company's business activities and the risk of error or fraud, particularly in accounting and financial matters. Like any control system, it cannot, however, absolutely guarantee that such risks have been entirely eliminated.

Risk analysis is, moreover, developed further in the annual report to be presented to the Shareholders' Meeting.

The Chairman of the Supervisory Board has prepared this report in close collaboration with the Director of Financial Management, the Director of Financial Structuring and Communication and the Corporate Legal Officer. These exchanges between the Chairman of the Supervisory Board and the different persons concerned thus explain and faithfully represent the operations and procedures implemented within ANF Immobilier.

In accordance with Article L. 225-235 of the French Commercial Code, this report has also been the subject of a report by the Company's Statutory Auditors on the internal control procedures relating to the preparation and processing of the accounting and financial information and a certificate as to the establishment of the other information required by Article L. 225-68 of the French Commercial Code. This report was approved by the Supervisory Board on March 8, 2017.

Corporate Governance Code

As decided by the Supervisory Board at its meeting of December 9, 2008 and made public by a press release dated December 12, 2008, the Company adopted the AFEP/MEDEF Corporate Governance Code as its reference Code (the "Corporate Governance Code"). This Code, which was last updated in November 2016, is available on the MEDEF website (www.medef.fr).

Implementation of the "Comply or explain" rule

ANF Immobilier refers to the Corporate Governance Code, as outlined above. However, some of the provisions of the Code have had to be adjusted or interpreted in the light of the Company's situation.

In accordance with the provisions of paragraph 8 of Article L. 225-68 of the French Commercial Code and the Corporate Governance Code on the "comply or explain" rule, this report specifies the provisions of the Corporate Governance Code that have been waived and the reasons for such waiver.

The table below summarizes the provisions of the Code that the Company has set aside:

AFEP/MEDEF recommendation set aside	ANF Immobilier's practice and justification
Composition of the Audit Committee (§15.1 of the AFEP/MEDEF Code) The Corporate Governance Code recommends that independent Directors comprise at least two-third of the Audit Committee.	The Audit Committee had two independent members out of a total of four members, therefore 50% until the Supervisory Board meeting of June 21, 2016 when the composition of the Audit Committee was reviewed. Since that date, the Committee has comprised three independent members out of four, i.e. at least two-thirds independent members.
Stock option and bonus share grant periods	Not all stock options and bonus shares were granted during the same calendar period (no stock options were granted in 2016). The last two bonus share grant plans, however, were established on March 16, 2015 (2014 Plan) and May 23, 2016.

Composition, conditions of preparation, and organization of the Supervisory Board's work

The composition and conditions of preparation and organization of the Supervisory Board's work are governed by the legislation and regulations applicable to corporations with an Executive Board and Supervisory Board, the Company's Articles of Association and the Supervisory Board's internal rules and regulations (the "Internal Rules of Procedure").

Composition of the Supervisory Board

The Supervisory Board consists of a minimum of three (3) members and a maximum of eighteen (18) members, subject to the derogation provided by law in the event of a merger.

The members of the Supervisory Board are appointed by the Ordinary Shareholders' Meeting however, the Supervisory Board may co-opt replacement members in the event that one or more positions become vacant. A replacement member is co-opted for the remaining period of his predecessor's appointment, subject to ratification at the next Shareholders' Meeting.

The number of Supervisory Board members aged over seventy (70) cannot exceed one third of the number of sitting members of the Supervisory Board in office. When this proportion is exceeded, the oldest member of the Supervisory Board, with the exception of the Chairman, ceases his duties at the end of the next Ordinary Shareholders' Meeting.

Throughout their terms of office, each member of the Supervisory Board must own at least two hundred and fifty (250) shares.

The Supervisory Board may appoint, among its members, a Senior Member of the Supervisory Board.

In accordance with the Articles of Association, the Shareholders' Meeting may appoint non-voting members to assist the Supervisory Board. The Supervisory Board sets their powers.

The Corporate Governance Code recommends that Supervisory Board members' terms of office do not exceed four (4) years, and that these terms are staggered over time. In accordance with the Corporate Governance Code recommendations, Supervisory Board members' terms of office are for four (4) years, and these terms are staggered over time.

Pursuant to French law, companies are required to make efforts to balance the composition of the Supervisory Board in terms of gender equality (on the date of this report, the Supervisory Board had four female members). Moreover, in accordance with the Corporate Governance Code, the Board is responsible for investigating the desired balance in its composition and that of the Committees within in, in particular in terms of diversity (gender and nationality equality, international experience, expertise, etc.)

COMPOSITION OF THE SUPERVISORY BOARD ON THE DATE OF THIS REPORT

Name	Age	Date of appointment to the Supervisory Board	Expiration of the term of office at the end of the Shareholders' Meeting ruling on the financial statements for the fiscal year
Bruno Keller Chairman	62 years old	05/06/2015	2018
Alain Lemaire* Vice-Chairman and Senior Member of the Supervisory Board	67 years old	05/14/2008	2016
Philippe Audouin	60 years old	05/04/2005	2017
Sébastien Didier	45 years old	05/06/2013	2016
Philippe Monnier*	74 years old	05/04/2005	2019
Sébastien Pezet*	41 years old	11/06/2015	2019
Jean-Pierre Richardson *	78 years old	05/14/2008	2017
Sabine Roux de Bézieux*	52 years old	05/11/2012	2019
Marie-Helène Sartorius*	59 years old	05/11/2016	2019
Patrick Sayer	59 years old	05/04/2005	2017
Marie-Pierre Soury*	56 years old	05/06/2014	2017
Isabelle Xoual*	51 years old	05/17/2011	2016

* *Independent members.*

As regards the representation of men and women, pursuant to Article L. 2 25-18-1 of the French Commercial Code, the percentage of Directors of either gender should not be under 40% following the 2017 Shareholders' Meeting. The Supervisory Board, on the proposal of the Compensation and Appointments Committee, will ensure that the rate of 40% women will be reached, at the latest, by the Shareholders' Meeting of May 10, 2017.

The Shareholders' Meeting of May 11, 2016 approved the appointment of Marie-Hélène Sartorius as a member of the Supervisory Board as well as the renewal of the terms of office for Sabine Roux de Bézieux and Philippe Monnier. The Shareholders' Meeting of May 11, 2016 also reappointed Sébastien Pezet as a member of the Supervisory Board and approved the renewal of his term of office.

Chapter 3 of the Company's 2016 Registration Document, which will be filed with the AMF and made available on the AMF website (www.amf-france.org) and on the Company's website (www.anf-immobilier.com), will reflect, where necessary, changes to the composition of the Supervisory Board and the Executive Board subsequent to the preparation of this report.

Definition of independent members

The criteria that guide the Supervisory Board in qualifying a member as independent are the criteria specified by the AFEP/MEDEF Code of November 2016 (Art. 8.5). The criteria that must be examined by the Compensation and Appointments Committee and the Supervisory Board in order to qualify a Director as independent and to prevent the risk of conflicts of interest between the Director and the management, the Company or its group, are the following:

1. is not, and has not been during the last five fiscal years:
   - an employee or executive corporate officer of the Company,
   - an employee, executive corporate officer or Director of a company consolidated by the Company,
   - an employee, executive corporate officer or Director of the Company's parent company or of a company consolidated by said parent company;
2. is not an executive corporate Director of a company in which the Company directly or indirectly holds a directorship or in which an employee designated as such or an executive corporate officer of the Company (current or having been one in the last five years) holds a directorship;
3. is not a client, supplier, investment banker or corporate banker (or directly or indirectly related to these persons):
   - that is significant for the Company or its group,
   - or for whom the Company or its group represents a significant portion of business.

   The assessment of the significant nature, or otherwise, of relations with the Company or its group is discussed by the Board and the quantitative and qualitative criteria that led to this assessment (continuity, economic dependency, exclusivity, etc.) explained in the annual report;
4. does not have close family ties with a corporate officer;
5. has not been a Statutory Auditor of the Company within the last five years;
6. has not been a Director of the Company for more than twelve years. independent Directors lose this status as of their twelve-year anniversary date.

Member of the Supervisory Board representing important shareholders of the Company or of its parent company may be considered independent once such shareholders no longer have a controlling interest in the Company. However, beyond a threshold of 10% of the capital or voting rights, the Supervisory Board, based on a report by the Compensation and Appointments Committee, systematically questions the qualification as independent, taking into account the composition of the Company's capital and the existence of a potential conflict of interest.

The fact of qualifying a member as independent is debated by the Compensation and Appointments Committee which prepares a report on that subject to the Supervisory Board. Each year, in light of this report, the Supervisory Board examines the situation of each member of the Supervisory Board in view of the above-defined criteria for independence.

The Supervisory Board meeting of March 8, 2017 examined the independence of its members in view of the above criteria and the report of the Compensation and Appointments Committee.

The criteria for assessing whether the relationship between the independent member and the Company was significant was also discussed.

At this time, as no independent member of the Supervisory Board has a business relationship with the Company, the Supervisory Board has not set any criteria for assessing the significance, or otherwise, of a business relationship.

The application of all the criteria specified by the AFEP/MEDEF Code to qualify a member as independent led the Supervisory Board to retain as independent members:

- Alain Lemaire;
- Philippe Monnier until May 4, 2017 (first appointment on May 4, 2005);
- Sébastien Pezet;
- Jean-Pierre Richardson;
- Sabine Roux de Bézieux;
- Marie-Hélène Sartorius;
- Marie-Pierre Soury;
- Isabelle Xoual.

Accordingly, on the date of this report, out of the twelve members comprising the Supervisory Board, eight, or more than half of the members of the Board, were independent members.

Article 8.3 of the Corporate Governance Code, which recommends that the proportion of independent Directors should be at least one third in companies with a controlling shareholding structure, is therefore respected.

Independence criteria according to the AFEP/MEDEF Code	**Bruno Keller**	**Alain Lemaire**	**Philippe Audouin**	**Sébastien Didier**	**Philippe Monnier**	**Sébastien Pezet**	**Sabine Roux de Bézieux**	**Jean-Pierre Richardson**	**Marie-Hélène Sartorius**	**Patrick Sayer**	**Marie-Pierre Soury**	**Isabelle Xoual**
1 Not be, nor have been within the last five years:												
• an employee or executive corporate officer of the Company, or an employee or Director of its parent company or of a company consolidated by the parent company	Yes	No	Yes	No	No	No	No	No	No	Yes	No	No
• an executive officer of a company in which the Company holds a mandate or in which an employee or executive officer of the Company (current or within the last five years) holds a mandate	No	No	No	No	No	No	No	No	No	No	No	No
2 Not be a client, supplier, investment banker or corporate banker:												
• that is significant for the Company or its group	No	No	No	Yes	No	No	No	No	No	No	No	No
• or one for whom the Company or its group represents a significant portion of business	No	No	No	No	No	No	No	No	No	No	No	No
3 Not have close family ties with a corporate officer	No	No	No	No	No	No	No	No	No	No	No	No
4 Not have been a Statutory Auditor of the Company within the last the five years	No	No	No	No	No	No	No	No	No	No	No	No
5 Not have been a Director of the Company for more than twelve years	No	No	No	No	No	No	No	No	No	No	No	No
6 Not be a shareholder with control over the Company or its parent company (10% threshold in capital or voting rights)	No	No	Yes	No	No	No	No	No	No	Yes	No	No
CONCLUSIONS*	NI	I	NI	NI	I	I	I	I	I	NI	I	I

* *NI: Non-independent.*
I: Independent.

Organization and Preparation of the Supervisory Board's work

The Supervisory Board exercises permanent control over the Executive Board's management of the Company.

The Supervisory Board's Internal Rules of Procedure determine how it operates and, more particularly, address the issue of Supervisory Board membership, independence criteria, meetings, communications to the Board, prior authorizations of the Supervisory Board for certain transactions, the role of the senior member of the Supervisory Board, the creation of Committees, compensation of the members of the Supervisory Board, and conduct.

At any point throughout the year, the Supervisory Board can conduct checks and verifications as it sees fit, and may require the Executive Board to provide any and all documents that it considers useful to accomplish its duties.

At least once per quarter, the Executive Board presents a report to the Supervisory Board outlining the Company management's main acts or deeds, providing the Supervisory Board with all necessary information on the Company business trends, and quarterly and half-yearly financial statements.

At the end of each half-year, and within the regulatory time frame, the Executive Board submits the financial statements to the Supervisory Board for inspection and review.

The Supervisory Board presents its comments on the Executive Board's report and on the annual Company and annual financial statements to the Shareholders' Meeting.

This supervision may not, under any circumstances, give rise to acts of management being carried out directly or indirectly by the Supervisory Board or its members.

The Supervisory Board appoints and may dismiss members of the Executive Board, under the conditions provided by law and Article 17 of ANF Immobilier's Articles of Association.

The Supervisory Board draws up draft resolutions to be submitted to Shareholders' Meetings for the appointment of Statutory Auditors, as prescribed by law.

The Supervisory Board meets as often as the Company requires, and at least once per quarter. It met six times in 2015, with an average attendance rate of 86% (this participation rate is restated for a member of the Supervisory Board who was not able to attend the meetings of the Supervisory Board in 2016 for personal reasons).

During the course of the year, the Supervisory Board, in particular, dealt with the following issues:

- meeting of March 14, 2016: examination of the annual company and consolidated financial statements as at December 31, 2016 and appropriation of income; preparation of the annual Ordinary and Extraordinary Shareholders' Meeting, preparation of the advisory opinion on Say on Pay, report of the Executive Board to the Supervisory Board;
- meeting of March 23, 2016: review of the financial authorizations granted to the Executive Board in the event of a capital increase maintaining or canceling pre-emptive subscription rights – finalization of the resolutions presented to the Shareholders' Meeting of May 11, 2016;
- meeting of June 21, 2016: presentation of the financial statements as of March 31, 2016, review of the Annual Ordinary and Extraordinary Shareholders' Meeting of May 11, 2016, update on the Company's policy on professional and employee equality, composition of Supervisory Board Committees, report of the Executive Board to the Supervisory Board;
- meeting of July 26, 2016: review of the interim financial statements for the six months ended June 30, 2016, update of the budget as of June 30, 2016, decommissioning of a regulated agreement, report of the Executive Board to the Supervisory Board;
- meeting of October 18, 2016: synthetic review of the financial statements as at September 30, 2016, launch of the Supervisory Board's self-assessment, review of the Company's CSR policy, report of the Executive Board to the Supervisory Board;
- meeting of November 30, 2016: results of the self-assessment of the Board and its Committees for 2016, deposits, sureties and guarantees: renewal of the annual authorization granted to the Executive Board, report of the Executive Board to the Supervisory Board, purchase of ANF Immobilier Hôtel shares held by Eurazeo, acquisition of a real estate complex in Toulouse (Centreda), presentation of operations in Marseille (followed by a visit to the projects and achievements of ANF Immobilier).

Board Committees acting on behalf of the Supervisory Board were duly referred issues falling within their fields of competence and the Supervisory Board followed their recommendations. Information and documents required by members of the Supervisory Board and Board Committees in order to perform their duties were provided with the greatest diligence and transparency by the Executive Board.

Evaluation of the Supervisory Board's operations

To comply with the AFEP/MEDEF Corporate Governance Code, ANF Immobilier's reference Code, and as part of a constant desire to improve the Company's governance, since 2015, the Board has been assessing its ability to meet the expectations of the shareholders who mandated it, periodically reviewing its composition, organization and operations (which involves reviewing the Board's Committees).

On October 19, 2016, the members of the Supervisory Board received a self-assessment questionnaire of the Supervisory Board and its Committees to allow an assessment of the operation of the Board and its Committees in 2016 in order, notably, to update its methods of operation and to verify that important issues had been adequately prepared and debated.

The members of the Board had until November 9, 2016 to respond to the questionnaire. The response rate to the questionnaire was 91%.

Following the return of the questionnaires, Bruno Keller as Chairman of the Supervisory Board, Alain Lemaire as Vice Chairman and Senior Member of the Supervisory Board and Philippe Monnier as Chairman of the Compensation and Appointments Committee met on November 14, 2016 to summarize the 2016 self-assessment and define paths for improvement.

The results of the self-assessment were then referred to the Compensation and Appointments Committee of November 22, 2016 and submitted to the Supervisory Board of November 30, 2016.

The results of the self-assessment also enabled the Chairman to report, in this report, on the conditions for the preparation and organization of the work of the Supervisory Board during the 2016 fiscal year.

Overall, he responded to most of the questions in a very positive manner. After discussions, possible improvements were however identified, namely:

- the transmission and archiving of documents to the attention of the members of the Supervisory Board: these shall be made available via a secure platform, thus making it possible to archive the documentation accessible to the members of the Board;
- the information sent during the deliberations on deposits, sureties guarantees: an update will be given on the use of the annual budget authorized by the Supervisory Board.

Supervisory Board Committees

The Supervisory Board created, in accordance with and in application of paragraph 6 of Article 14 of the Company's Articles of Association, its own Audit Committee, Properties Committee, and a Compensation and Appointments Committee which, each within its own field of competence, is responsible for dealing with the issues covered by the Corporate Governance Code.

The Supervisory Board establishes the composition and appoints such Committees, which act under its authority. These three Board Committees are permanent Committees. Their particular missions and operating rules are defined by internal rules.

Each Committee has between three and seven members appointed in their own names, who cannot delegate representatives. They are appointed at the Supervisory Board's discretion, thereby ensuring that they include independent Board members.

Committee members' terms of office correspond to their terms as Supervisory Board members; however, the Supervisory Board may, at any time, change the composition of the Committees, thereby ending any Committee member's term.

Each Committee issues proposals, recommendations and opinions within its field of competence. For this purpose, it may conduct any and all studies likely to clarify the deliberations of the Supervisory Board, or request that said studies be conducted.

The Audit Committee

During fiscal year 2016, this Committee consisted of the following four members:

- Alain Lemaire, Chairman and independent member;
- Philippe Audouin;
- Théodore Zarifi until May 11, 2016 then Marie-Hélène Sartorius, an independent member as of June 21, 2016; and
- Sabine Roux de Bézieux, independent member.

As of June 21, 2016, three-quarters of the members of the Audit Committee were independent members, in accordance with the AFEP/MEDEF Code.

The Audit Committee monitors:

- the process for preparing the financial statements;
- the process for appointing Statutory Auditors to execute the legal audits of the annual and consolidated financial statements;
- the process for appointing appraisers and the execution of their mission;
- the process for preparing the financial information;
- the financial policy;
- the operations and missions of the internal audit;
- the process for risk management and internal control and its efficacy.

The Audit Committee must also issue a recommendation on the Statutory Auditors proposed for appointment by the Shareholders' Meeting.

It regularly reports to the Supervisory Board on the performance of its duties and informs it without delay of any difficulties encountered.

Its members met three times during fiscal year 2016, on March 14, 2016, on July 19, 2016 and on October 17, 2016, with an average attendance rate of 100%. This participation rate is restated for one member of the Committee who was physically unable to attend the 2016 Audit Committee meetings for personal reasons.

The main subjects addressed were as follows:

- meeting of March 14, 2016: appraisal as of December 31, 2015, results as of December 31, 2015, financial communication, 2016 budget, reflections of the Company on its financial instruments;
- meeting of July 19, 2016: appraisals as of June 30, 2016, results as of June 30, 2016 and financial communication, update of the 2016 budget, review of the outsourcing of Property Management of the Marseille mixed asset portfolio, review the implementation of a program of short-term Negotiable Debt Securities;
- meeting of October 17, 2016: accounts as of September 30, 2016, update on financing, Treasury and Business Plan, progress of the outsourcing of property management, internal control, presentation of the audit reform by the Statutory Auditors, update on the service provider services for the management of the liquidity contract.

The Compensation and Appointments Committee

During fiscal year 2016, this Committee consisted of the following three members:

- Philippe Monnier, Chairman and independent member of the Supervisory Board;
- Marie-Pierre Soury, independent member of the Supervisory Board; and
- Isabelle Xoual, independent member of the Supervisory Board.

Therefore, the Compensation and Appointments Committee only comprises independent members of the Supervisory Board.

The missions of the Committee are as follows:

- as regards the selection of the new members of the Supervisory Board:
  - the Compensation and Appointments Committee is responsible for making proposals to the Supervisory Board after examining in detail all the factors to be taken into account in its deliberations, in particular in view of the composition of and changes to the Company's shareholder base, in order to achieve a balanced composition of the Board: gender equality, nationality, international experience, expertise, etc. In particular, it organizes a procedure to select the future independent members and conducts its own research on the potential candidates before contacting them.
- as regards the succession of the executive corporate officers:
  - the Compensation and Appointments Committee prepares a succession plan for the executive corporate officers. The Chairman of the Supervisory Board may participate in or be associated with the Committee's tasks in carrying out this mission.
- as regards compensation:
  - the Compensation and Appointments Committee is responsible for studying and proposing to the Supervisory Board all the elements of the executive corporate officers' compensation and benefits, with the Board as a whole being responsible for the decision. It also issues a recommendation on the budget and terms of the distribution of attendance fees allocated to the members of the Supervisory Board.

The Compensation and Appointments Committee met three times in 2016, on March 7, 2016, June 21, 2016 and November 22, 2016, with an average attendance rate of 88.88%.

During these meetings, the Compensation and Appointments Committee notably expressed an opinion on:

- the Company's policy on professional equality;
- the review of the independence of the members of the Supervisory Board;
- the review of the accumulation of terms of the members of the Supervisory Board;
- the renewal of the members of the Supervisory Board and the appointment of new members;
- the compensation of the members of the Executive Board;
- the grant of bonus shares.

The Properties Committee

During fiscal year 2016, this Committee consisted of the following four members:

- Patrick Sayer, Chairman;
- Alain Lemaire, independent member;
- Sébastien Didier; and
- Philippe Monnier, independent member.

The Properties Committee reviews and issues an opinion on any and all contemplated transactions, corporate acts, or proposals to the Shareholders' Meeting that are submitted to it by the Chairman of the Supervisory Board and require prior authorization from the Supervisory Board.

The Properties Committee met three times in 2016: March 9, 2016, September 28, 2016 and November 4, 2016, with an average attendance rate of 73.33%.

During these meetings, the Properties Committee gave its opinion on a proposed acquisition of a property complex in Toulouse.

Internal control and risk management processes implemented by the Company

The internal control processes applied at ANF Immobilier have two main objectives:

- to ensure that all operations and performances comply with the guidelines defined by the Supervisory Board and Executive Board, with applicable laws and regulations, and with Company rules;
- the fairness and accuracy of accounting, financial, and management information received by corporate bodies, the shareholders and the general public, with regard to the Company's business activities and its current financial situation.

Internal control processes are also intended to reduce and, where possible, prevent and manage risks the Company faces in the course of its business, and the risk of error or fraud, particularly in the areas of finance and accounting.

During the 2009 fiscal year, the Company created a quantitative and qualitative map of the different risks to which it is exposed. This analysis consisted of identifying specific situations, which were rated in terms of probability of occurrence and level of significance. These ratings were used to assess all of the situations identified, on a scale from "moderate" to "severe".

During the 2011, 2012, 2013, 2014, 2015 and 2016 fiscal years, ANF Immobilier used this map to reduce its exposure to the risks that were rated "severe".

A distinction must be made between internal control processes applied to asset acquisitions, disposals and debt, on the one hand, and those applied to Company operations, on the other.

Control Processes Applied to Acquisitions, Disposals, and Investments of Existing Assets, as well as to Debt

At the Supervisory Board level

In application of the law, the constitution of deposits, sureties and guarantees is subject to the Supervisory Board's prior authorization[(1)].

In addition, the Articles of Association require the Supervisory Board's prior authorization for the following transactions[(2)]:

- taking or increasing investments in any organization or company, as well as the disposal of such investments, entailing Company investment in excess of €20 million;
- any loan agreement, where the total amount, in one or more installments, exceeds €20 million.

The following criteria are taken into account when calculating the €20 million ceiling:

- the value of the investment made by the Company as it appears in its company financial statements, whether in the form of equity capital or similar instruments, or in the form of shareholder loans or similar instruments;
- liabilities or similar instruments where the Company gives a specific guarantee or bond for such financing. Other loans taken out by subsidiaries or participating interests, or by ad hoc acquisition company and for which the Company has not provided a specific guarantee or security, are not taken into account when calculating the aforementioned ceiling.

At its meeting of December 16, 2015, the Supervisory Board decided to renew for 2016 the authorization given to the Executive Board by the Supervisory Board at its meeting of December 10, 2014, for the purpose of:

- providing sureties of up to €75 million and for a maximum of €75 million per transaction;
- acting as guarantor and providing endorsements and guarantees of up to €75 million.

This authorization was renewed by the Supervisory Board meeting of December 30, 2016 for the 2017 fiscal year.

At the Properties Committee level

The Properties Committee reviews and issues an opinion on any and all contemplated transactions, corporate acts, or proposals to the Shareholders' Meeting that are submitted to it by the Chairman of the Supervisory Board and require prior authorization from the Supervisory Board.

At the level of departments responsible for internal control

The Financial Management department is in charge of making payments, in particular, to put investment decisions into practice, investing available cash, and following up on such short-term investments.

The legal teams assist the Executive Board in reviewing and monitoring operations. One member of the Executive Board is responsible for coordinating relations between the Executive Board, the legal teams, and the various Company departments.

The interaction between these various departments is described in the paragraph below on quality control of financial statements and accounting information.

Control processes applied to Company operations

At the Supervisory Board level

Certain operations which are not directly related to asset acquisition or disposal activities or debt are, according to the Articles of Association, subject to the Supervisory Board's prior authorization:

- proposal of any amendments to the Company's Articles of Association to the Shareholders' Meeting;
- any transactions that may result in an increase or decrease in the Company's share capital, immediately or at a later date, via the issue of securities or the cancellation of shares;
- the introduction of any stock option plan, or granting of Company stock options;
- proposal of any share buyback programs to the Shareholders' Meeting;
- proposal of any allocation of earnings, dividend payment, or any interim dividend payment to the Shareholders' Meeting.

At Executive Board level

All issues relating to the Company's commercial life are dealt with on a collegial basis by the Executive Board which meets, on average, twice per month. The Executive Board meets regularly with members of the Executive Committee. The Management Committee was set up at the beginning of the 2008 fiscal year and includes the members of the Executive Board, the Director of Financial Management, the Corporate Legal Officer and the Director of Financial Engineering and Communication (these last three persons regularly participate in the Executive Board meetings).

(1) It should be noted that a draft resolution will be submitted to the Shareholders' Meeting of May 10, 2017 in order to update Article 14 of the Articles of Association with the new Article L. 225-68 of the French Commercial Code as amended by law no. 2016-1691 dated December 9, 2016 on transparency, anti-corruption and the modernization of economic life (Sapin 2 law).

(2) It should be noted that a draft resolution will be submitted to the Shareholders' Meeting of May 10, 2017 in order to update Article 14 of the Articles of Association with the new Article L. 225-68 of the French Commercial Code, which provides for prior authorization from the Supervisory Board for disposals of equity interests and buildings when they are in excess of €20 million.

The Executive Board may give power to one or more of its members, or in any person not on the Board, to carry out any special temporary or permanent roles as it determines, and delegate to them such powers as it deems necessary for one or more specific purposes, with or without the option to sub-delegate such authority.

At the Strategic and Real Estate Committees level

The Strategic Committee, chaired by the Chief Executive Officer, is made up of Executive Board members and department heads to review policy and report on operations. Strategic Committee meetings enable Management to ensure that its policy is correctly implemented.

The Company's key executives also meet at least once every six months in the form of a Real Estate Committee. Real Estate Committee meetings, held alternately with Strategic Committee meetings, not only enable Management to ensure that its policy is being implemented correctly by the real estate team, but also enable all executives to receive regular information about such policy and its application.

At CSR Committee level

A CSR process was initiated by the Real Estate Department in 2011. At the end of 2014, a CSR steering Committee chaired by Renaud Haberkorn, Chief Executive Officer, was set up. The objective of this Committee is to define the short- and long-term sustainable development policy as well as the related corporate and environmental objectives. In liaison with the Executive Committee, the CSR Committee also oversees the inclusion of CSR commitments in the ANF Immobilier portfolio strategy. Lastly, it defines and monitors the key non-financial indicators. It comprises the Head of Asset Management & CSR and the Executive Committee.

At department level

Real estate management processes cover all aspects and are largely based on computerized systems:

- recording leases (start and end dates, reviews, renewals, and transfers);
- issuing payment advice notices;
- payments, outstanding debts, and reminders;
- rental expenses, with annual offsetting of provisions against actual costs;
- guarantee deposits (reviews, refunds to tenants upon departure after final inspection, and monitoring tenant account statements);
- maintenance or investment works.

Tasks are regularly monitored during the various phases described above.

ANF Immobilier outsourced the management of part of its Marseille assets in the third quarter of 2015 and the management of the other assets in 2016. All tools, processes and controls were maintained until the end of fiscal year 2015.

The Accounting department is in charge of preparing the financial statements. It also ensures compliance with internal processes related to expenditure.

An Investor Relations team is responsible for preparing any financial communications, ensuring that such communications are based on the general principles and good practices appearing in the "Financial Communication: Framework and Practices" guide of June 2016 (drafted by the Financial Communication Observatory under the aegis of the AMF).

The Executive Board defines the financial communication strategy. Any press release is approved, in advance, by the members of the Executive Board and by the Audit Committee. In addition, press releases pertaining to the announcement of half-yearly and annual results are submitted to the Supervisory Board. Supervisory Board Committees may be consulted as to their opinion on some ad hoc subjects, prior to information being released.

Prior to the announcement of half-yearly and annual results, ANF Immobilier is required to adhere to a one month quiet period during which the Company refrains from contact with analysts and investors. With regard to the quarterly results, this period is 15 days.

The Company has set up an electronic data management system. This system has enabled the Company to improve the quality and management of its commitments by a process of electronic invoice and order validation. In addition, a new accounting tool has also been introduced by means of dedicated accounting software. These new tools, together with the existing systems, help to improve the quality of financial information.

Risk Management Processes Implemented by the Company

The main risks identified appear in Section 7 "Risk Management, risk factors and insurance" of Chapter 1 of the 2016 Registration Document.

Besides risks of a cyclical nature (general economic situation, the real estate cycle) which are limited by the diversity of the real estate assets (residential, commercial, professional) and its geographical distribution, there are essentially two major risks involved in the property business which are covered by internal control processes.

ANF Immobilier seeks to ensure the quality and solvency of its tenants. Non-payment risk is managed by constantly monitoring outstanding rents and payments received, and by systematically sending reminder letters after the first missed payment (four days), and then, if necessary, recourse to debt collection agencies if no settlement can be reached amicably.

In addition, risk management in connection with the operation and preservation of property (maintenance, refurbishment, compliance with Codes and standards, physical security) is ensured by paying close attention to property owners' legal obligations, by insurance policies to cover losses and professional liability, and by contractual clauses obliging tenants to maintain the rental premises and keep the lessor informed of any damage or incident.

Concerned about not only legal compliance, but also reducing property risk to a minimum, the Company has taken measures to adhere to regulations currently in force.

Organization of Internal Control with Regard to Preparation and Treatment of Financial and Accounting Information

The Financial Management department reports directly to the Chief Executive Officer. Each accounting manager has the necessary autonomy to record and check day-to-day transactions.

Particular attention is paid to preventing errors and fraud. The Company has put various rules in place, in addition to its everyday methods of control and verification. These rules are based on the general principle of dissociation of tasks, mainly at the order entry level (for property maintenance and investment operations, for instance), verifying, recording, and issuing payments. Such rules are independent of specific processes relating to Company policy decisions which cover matters such as the acquisition, construction, operation, sale or arbitrage of assets.

With this in mind, the Company set up an internal audit process in the first quarter of 2007 to review and validate processes on a periodic basis.

Prior to being submitted to the Executive Board, Audit Committee, and Supervisory Board, the annual and interim financial statements are audited and reviewed systematically by the Financial Management department.

Once per month, the Strategic Committee reviews the report prepared by the Financial Management department on the Company's business activities, in particular, to verify the effective performance of works and check for any budget variances.

Organization of Internal Control of Commitments Undertaken by the Company

Control of the Company commitments and delegations of powers – control of expenditures – bank signatures

The Executive Board is invested with the most extensive authority to act in all circumstances in the name, and on behalf of, the Company, within the limits of the corporate purpose and subject to the authority expressly conferred by law, the Articles of Association, and by the Supervisory Board.

No restriction of such authority is binding on third parties, as concerns the commitments undertaken on its behalf by the Chief Executive Officer or the Deputy Chief Executive Officer, provided that their appointments were duly published.

Members of the Executive Board may, with the Supervisory Board's authorization, divide management roles between them. Under no circumstances, however, may this division relieve the Executive Board of the obligation to meet and discuss the most pertinent Company management issues, nor may it be invoked as grounds for exemption from the joint and several liability of the Executive Board and each of its members.

All contracts and working documents can only be signed by the Chief Executive Officer or the Deputy Chief Executive Officer. Consequently, specific processes have been put in place for expenditure commitments (limit on amounts per person, regular analysis of revenues by supplier, etc.) and their payment (persons authorized to incur expenditure not authorized to pay for it, and so forth). Furthermore, the previously implemented tool for monitoring both forecast and actual profitability is used for investment decisions related to lot refurbishments or construction.

The Chief Executive Officer is authorized to sign payments for unlimited amounts, the Deputy Chief Executive Officer, member of the Executive Board, is authorized to sign for up to €5 million; delegations of powers have been given to some employees requiring single signatures for expenditure from €5,000 to €1 million.

Professional conduct

Internal Rules of Procedure of the Supervisory Board

The Internal Rules of Procedure were the subject of amendments adopted at the meeting of the Supervisory Board of March 8, 2017 and now lay out the following stipulations in their Article 8:

Article 8 – Rules applicable to the members of the Supervisory Board

8.1 – General obligations

Each member of the Board shall, at the time of his or her appointment, take note of the Company's Articles of Association and the Internal Rules of Procedure in force as well as of the regulations applicable to the functions of members of the Board in a company whose securities are admitted to trading on a regulated market. If necessary, he or she will benefit from further training on the specific characteristics of the Company, its businesses and its sector of activity.

The member of the Board must act in all circumstances in the Company's interest. He/she must dedicate the time and attention necessary.

He/she agrees to attend all meetings of the Board according to a previously agreed timetable communicated to him/her and to be available for special meetings. He/she agrees, if applicable, to attend all meetings of the Committees to which he/she belongs.

Each Member of the Board must exercise his/her functions in compliance with the legal provisions on the accumulation of terms. In the event that a Member of the Board proposes to accept a mandate in addition to those held by him/her (except for mandates held in unlisted controlled companies), he/she shall so inform the Chairman of the Compensation and Appointments Committee with whom he/she will examine whether this new duty leaves sufficient availability for ANF Immobilier.

No Member of the Board may exercise a corporate office in a competitor of ANF Immobilier. He/she keeps the Board informed of the offices exercised in other companies, including his/her participation in the Advisory Committees of said French or foreign companies.

Executive corporate officers receive the opinion of the Board before accepting a new corporate office in a listed company.

A Member of Boards attends the Shareholders' Meetings of ANF Immobilier.

8.2 – Duty of reserve and obligation of confidentiality

Each Member of the Board shall personally protect the confidentiality of the non-public information communicated to him or her on the Company in the course of his or her duties and the password giving *access to the Internet platform dedicated to the Board. In the event of accidental loss or disclosure of this password, he/she must immediately notify the Corporate Legal Officer in order to take measures to ensure the confidentiality of the information contained on the site.*

The members of the Board are bound by the confidentiality of deliberations.

Apart from the Chairman, the Board members expressly agree not to speak individually except in internal deliberations at the Board or at the invitation of the Chairman or with his consent, in particular at meetings of shareholders or bondholders. The members of the Supervisory Board also agree to comply with the legal and regulatory provisions applicable to the use and transmission of insider information (refer to ANF Immobilier's Securities Trading Conduct Code).

8.3 – Duty to speak

The member of the Board agrees to clearly express his/her potential opposition to any draft decision that he/she thinks may harm the Company.

8.4 – Obligation to hold Company shares

Each Member of the Board must hold, for the entire duration of his or her term of office, the minimum number of shares required by the Articles of Association. This number is currently 250 shares.

All the shares which a Member of the Board owns must be recorded in pure registered or administered accounts.

8.5 – Transactions on Company shares

Refer to ANF Immobilier's Securities Trading Conduct Code.

8.6 – Independence of the Members of the Board and conflicts of interest

Independence

Each Board member agrees under all circumstances to maintain his/her independence of analysis, judgment, decision and actions and to reject any direct or indirect pressure exerted on him/her by other Board members, specific groups of shareholders, creditors, suppliers and in general any third parties. He/she agrees not to seek or to accept from the Company or from companies related to it, directly or indirectly, any benefits that may be considered to be such as to compromise his/her independent status.

When it is called upon to decide on the appointment of any new Member of the Board, the Shareholders' Meeting is informed of his/her situation.

Conflicts of interest

Each Member of the Board has a duty to inform the Board of any conflict of interest situation, even if potential or arising in future, in which they find themselves in order to define and implement the steps which will prevent such a conflict.

The member of the Board concerned is required to refrain from attending the part of the Board or Committee meeting during which a sensitive subject, in this regard, is discussed.

Where there is a proposed transaction in which a member of the Supervisory Board or a non-voting member is directly or indirectly interested (e.g. when a member of the Board is affiliated: to the seller's advisory or financing bank, to the advisory or financing bank of a competitor of ANF Immobilier for the transaction in question, to a significant supplier or customer of a company in which ANF Immobilier is considering taking a participating interest), the member of the Board or the non-voting member concerned is required to inform the Chairman of the Supervisory Board as soon as he/she is aware of such a project and to inform him that he/she is directly or indirectly affected and in what capacity. The member of the Supervisory Board or non-voting member concerned is required to refrain from attending the part of the Supervisory Board or Committee meeting that addresses the project in question. As a result, they do not take part in the Board's discussions or vote on the project in question, and the section of the minutes of the meeting concerning the project in question is not submitted to them."

Securities Trading Conduct Code

A Securities Trading Conduct Code was set up from the beginning of January 2017. It was sent to all those concerned within the Company.

Ethics charter

An ethics charter was set up in the Company at the end of 2016. The objective of this charter is to establish certain guidelines and rules to ensure that ANF Immobilier and its workers have a common vision of ethical standards and that they practice their profession in compliance with these standards.

Attendance fees

It was decided at the Supervisory Board meeting on May 4, 2005, in accordance with the rule set forth by the Eurazeo Executive Board, that members of the Executive Board and employees of Eurazeo appointed as corporate officers for Eurazeo subsidiaries (i.e. ANF Immobilier), shall waive any attendance fees as Board members either at Eurazeo's request, or by virtue of their official positions at Eurazeo.

Special procedures relating to shareholders' participation in Shareholders' Meetings

Please refer to Article 23 of the Company's Articles of Association on special procedures relating to shareholders' participation in the Company's Shareholders' Meetings.

Determination of compensation and benefits of any kind given to corporate officers

The Supervisory Board applies the recommendations of the AFEP/MEDEF Code concerning the compensation of the executive corporate officers of listed companies.

The compensation of Executive Board members is determined on an individual basis by the Supervisory Board upon the Compensation and Appointments Committee's proposal, which proposes the principles regarding compensation and benefits granted to Executive Board members.

The compensation of Executive Board members is made up of a fixed and a variable component and benefits in kind relating to their position as Board members. The Supervisory Board, on the proposal of the Compensation and Appointments Committee, may decide to award exceptional compensation to the Company's corporate officers, particularly in the case of specific transactions conducted by the Company. Members of the Executive Board may also receive stock options or bonus shares.

Relevant, measurable and verifiable criteria are defined for each business that falls within the know-how and positioning of each member of the Executive Board. This involves measuring, in calculating the variable compensation of the individuals concerned, their individual contribution to the strategic challenges for the Company. ANF Immobilier's Supervisory Board integrated corporate social responsibility (CSR) criteria in the compensation of the members of the Executive Board.

Once per year, the Compensation and Appointments Committee conducts an exhaustive review of the Executive Board members' compensation and recommends any changes required to the Supervisory Board. To do this, the Committee relies on comparative studies carried out by external and independent advisers according to a range of listed real estate companies.

The Compensation and Appointments Committee assesses the qualitative factors determining compensation before it is set by the Supervisory Board.

It should be noted that at its May 4, 2005 meeting, the Supervisory Board decided not to compensate certain members of the Executive Board for their offices. On the other hand, compensation based on their employment contract was maintained (notably Ghislaine Seguin as an employee of ANF Immobilier).

All of the principles and rules decided by the Supervisory Board on the compensation and benefits of the members of the Executive Board appear in Chapter 3, Section 5 of the Registration Document.

Disclosure of information defined in Article L. 225-100-3 of the French Commercial Code/Factors likely to have an impact in the event of a takeover bid

The information listed in Article L. 225-100-3 of the French Commercial Code is subject to an appropriate notice in Chapter 7 "ANF Immobilier and its shareholders" of the Company's 2016 Registration Document.

2. List of positions and duties of the Board members as of December 31, 2016 – Management expertise

2.1. Executive Board

2.1.1 Composition of the Executive Board as of December 31, 2016

The Executive Board of ANF Immobilier had two members as of December 31, 2016:

Name	First name	Business address	Position at ANF Immobilier	Number of shares held on December 31, 2016(1)
Haberkorn	Renaud	C/o ANF Immobilier 1, rue Georges Berger – 75017 Paris	Chief Executive Officer	0
Seguin	Ghislaine	C/o ANF Immobilier 1, rue Georges Berger – 75017 Paris	Deputy Chief Executive Officer and member of the Executive Board	542

(1) Including shares held by closely related persons within the meaning of regulation (EU) no. 596/2014 of April 16, 2014.

Renaud Haberkorn was appointed a member of the Executive Board and Chief Executive Officer of the Company on November 12, 2014. He resigned from his position of Deputy Chief Executive Officer and was appointed Chief Executive Officer on March 3, 2015 effective immediately upon the close of the Shareholders' Meeting of May 6, 2015.

Ghislaine Seguin was appointed as a member of the Executive Board by the Supervisory Board of December 9, 2008 and as Deputy Chief Executive Officer by the Supervisory Board of June 17, 2010.

During the meeting of March 8, 2017, the Supervisory Board renewed the terms of office for the members of the Executive Board, for 4 years.

2.1.2 Members of the Executive Board

Renaud Haberkorn

Chief Executive Officer of ANF Immobilier

46 years old

Date of first appointment: November 12, 2014

Term of office expiration date: March 8, 2021

Main position held outside of ANF Immobilier:
Chief Investment Officer of Eurazeo Patrimoine

Other offices and positions held in any company as of December 31, 2016

Chairman:
Legendre 37, Legendre 38, Legendre 39, Legendre 40
CarryCo Patrimoine

Manager:
Eurazeo Real Estate Lux
EREL, EREL 1, EREL 2
Les Bassins à Flots
Grape Hospitality Lux Austria

Director:
Grape Hospitality Holding (GHH)

Expired functions and terms of office during the last 5 years

Chairman:
Legendre Holding 41
Grape Hospitality France, Grape Hospitality Holding (GHH), Grape Hospitality International (GHI)
Locafimo

Chief Executive Officer:
ANF Immobilier
Société de la Tour Eiffel
EP Aubervilliers

Member of the Executive Board:
ANF Immobilier

Member of the Board of Directors:
Société de la Tour Eiffel

Member of the Supervisory Board:
Event Hospitality Group BV (Netherlands)
Expired functions and terms of office during the last 5 years

Member of the Board of Directors:
Société de la Tour Eiffel

Member of the Supervisory Board:
Event Hospitality Group BV (Netherlands)
Cooperatieve Redwood Grove international UA (Netherlands)

Co-manager:
SNC Tour Eiffel Asset Management

Director:
Polish Investments Real Estate Holding BV (Netherlands)
Polish Investments Real Estate Holding II BV (Netherlands)
Cypress Grove International D cooperatief UW (Netherlands)
Cypress Grove International E cooperatief UA (Netherlands)

Member of the Investment Committee:
Redwood Grove International (USA)
Captiva SCA (Luxembourg)
Captiva 2 SCA (Luxembourg)

Management experience

Previously Chief Executive Officer of Société de la Tour Eiffel from 2012 to 2014, Renaud Haberkorn began his professional career in 1996 at Goldman Sachs. He then joined Soros Real Estate Partners as *a* Partner until 2005 and Grove International Partners as a *Senior Partner* in charge of Europe until 2011.
He joined ANF Immobilier in 2014 where he was appointed Chief Executive Officer and member of the Executive Board. In 2015, he was appointed Chief Executive Officer of ANF Immobilier.
Renaud Haberkorn has an engineering degree from the École spéciale des travaux publics (ESTP) and a master's in finance from the ESSEC.

3

Ghislaine Seguin

Deputy Chief Executive Officer and member of the Executive Board of ANF Immobilier

51 years old

Date of first appointment: December 9, 2008

Term of office expiration date: March 8, 2021

Main position held outside of ANF Immobilier:

-

Other offices and positions held in any company as of December 31, 2016

Manager:

ANF République

Expired functions and terms of office during the last 5 years

Real Estate Director of ANF Immobilier

Management experience

Ghislaine Seguin began her career in 1989 in real estate development, and she then spent 13 years at AGF Immobilier as head of Investments, then head of Arbitration and Investments.

In 2006, she joined ING Real Estate as Deputy Director of Development.

She joined ANF Immobilier in 2008 as Real Estate Director and was appointed a member of the Executive Board. In 2015, she became Deputy Chief Executive Officer of ANF Immobilier.

She holds a master's degree (Diplôme d'Études Approfondies) in private law and an advanced Graduate Diploma (Diplôme d'Études Supérieures Spécialisées) in real estate law (Paris II Assas). Ghislaine Seguin is also a member of the Royal Institution of Chartered Surveyors (MRICS) and an associate member of the French Institute of Expertise in Real Estate (IFEI).

2.2 Supervisory Board

22.1 Composition of the Supervisory Board as of December 31, 2016

Name	First name	Business address	Position at ANF Immobilier	Number of shares held as of December 31, 2016
Keller	Bruno	C/o ANF Immobilier 1, rue Georges Berger – 75017 Paris	Chairman of the Supervisory Board	29,235
Lemaire	Alain	C/o ANF Immobilier 1, rue Georges Berger – 75017 Paris	Vice-Chairman and senior member of the Supervisory Board	301
Audouin	Philippe	C/o Eurazeo 1, rue Georges Berger – 75017 Paris	Member of the Supervisory Board	2 392
Didier	Sébastien	C/o Caisse d'Epargne Provence Alpes Corse Place Estrangin Pastré – BP 108 – 13254 Marseille Cedex 06	Member of the Supervisory Board	250
Monnier	Philippe	C/o Carrefour Property 58, avenue Émile Zola TSA 3800 – 92649 Boulogne-Billancourt Cedex	Member of the Supervisory Board	263
Pezet	Sébastien	C/o Generali RE 2, rue Pillet-Will – 75309 Paris Cedex 09	Member of the Supervisory Board	250
Richardson	Jean-Pierre	C/o Richardson 2, place Gantès – BP 1917 – 13225 Marseille Cedex 20	Member of the Supervisory Board	279
Roux de Bézieux	Sabine	C/o Notus Technologies 2 *bis*, rue de Villiers – 92300 Levallois	Member of the Supervisory Board	250
Sartorius	Marie-Hélène	C/o ANF Immobilier 1, rue Georges Berger – 75017 Paris	Member of the Supervisory Board	250
Sayer	Patrick	C/o Eurazeo 1, rue Georges Berger – 75017 Paris	Member of the Supervisory Board	4,359
Soury	Marie-Pierre	C/o La Croissanterie 5, rue Olof Palme – 92110 Clichy	Member of the Supervisory Board	250
Xoual	Isabelle	C/o Lazard Frères Banque 121, boulevard Haussmann – 75008 Paris	Member of the Supervisory Board	275

2.2.2 Members of the Supervisory Board as of December 31, 2016

Bruno Keller

Chairman of the Supervisory Board
Invited to the Properties Committee
62 years old
Date of first appointment: May 6, 2015
Term of office expiration date: 2019 Shareholders' Meeting ruling on the financial statements for the 2018 fiscal year

Main position held outside of ANF Immobilier
Director of companies
Other offices and positions held in any company as of December 31, 2016
Chairman:
Chairman of the Board of Directors and Chief Operating Officer of Société Française Générale Immobilière (SFGI)
Manager:
Investco 3d Bingen
Chief Operating Officer:
Legendre Holding 21, Legendre Holding 23, Legendre Holding 26, Legendre Holding 27, Legendre Holding 29, Legendre Holding 30 and Legendre Holding 36
Member of the Strategic Committee:
Fonroche Énergie
Member of the Supervisory Board:
Eurazeo PME
Foncia Holding
Legendre Holding 28
Expired functions and terms of office during the last 5 years
Chief Executive Officer:
ANF Immobilier until May 6, 2015
Eurazeo from 2002 to 2015
Chief Operating Officer:
Eurazeo from 2002 to 2015
Chairman:
La Mothe
Manager:
ANF République
SNC Les Bassins à Flots
Eurazeo Real Estate Lux SARL (Luxembourg)
Member of the Supervisory Board:
OFI Private Equity Capital (now Eurazeo PME Capital),
Financière Truck (Investissement) SAS
Foncia Group
Director:
Europcar Group
Chief Operating Officer:
Legendre Holding 22, Legendre Holding 28, Legendre Holding 31 (now Les amis d'Asmodee), Legendre Holding 32 (now Asmodee II), Legendre Holding 34 and Legendre Holding 35

Management experience
Having spent 14 years working in auditing, financial management and third-party fund management, Bruno Keller joined the Eurazeo Group in 1990 as Chief Financial Officer, and was subsequently appointed Deputy Chief Executive Officer of Eurazeo in June 1998, then Chief Operating Officer and member of the Executive Board from 2002 until 2015. He was also Chairman of the Executive Board of ANF Immobilier from 2005 to 2015.
He is a graduate from Rouen Business School.

Alain Lemaire[1]

Independent Vice-Chairman and Senior Member of the Supervisory Board
Chairman of the Audit Committee
Member of the Properties Committee
67 years old
Date of first appointment: May 14, 2008
Term of office expiration date: 2017 Shareholders' Meeting ruling on the financial statements for the 2016 fiscal year

Main position held outside of ANF Immobilier
Director of companies

Other offices and positions held in any company as of December 31, 2016
Director:
BICEC (Cameroon)
BCI (Congo)

Expired functions and terms of office during the last 5 years
Chairman of the Board of Directors:
Banque Palatine
Meilleurtaux
BPCE Domaines
Oterom
Director:
Banca Carige (Italy)
PITCH SA

Management experience
Alain Lemaire began his career within the Caisse des Dépôts et Consignations (CDC) and the Crédit Local de France (CLF). Member of the Executive Board of CLF since 1991, he became a member of the Executive Committee of the CDC in 1993.
He joined the Caisse d'Epargne Group in 1997 as a member of the Executive Board of the CENCEP (the body that gave rise to the CNCE in 1999). Having held the position of Chief Operating Officer of Crédit Foncier from 1999 to 2002, he was appointed Chief Executive Officer of Caisse d'Epargne Provence Alpes Corse in 2002. He has been a member of the Supervisory Board of the Caisse Nationale des Caisses d'Epargne since 2002 and was appointed Chief Operating Officer in October 2008.
In 2009, he was appointed a member of the Executive Board and Chief Operating Officer in charge of the Caisse d'Epargne network upon the creation of BPCE. He is an Advisor to the Chief Executive Officer of BPCE from 2010 to June 2011.
Alain Lemaire holds a master's degree in public law and is a former student of the École Nationale des Impôts and ENA.

(1) Member whose appointment is proposed for approval to the Shareholders' Meeting of May 10, 2017.

Philippe Audouin

Member of the Supervisory Board
Member of the Audit Committee
60 years old
Date of first appointment: May 4, 2005
Term of office expiration date: 2018 Shareholders' Meeting ruling on the financial statements for the 2017 fiscal year

Main position held outside of ANF Immobilier
Member of the Eurazeo Executive Board and Chief Financial Officer of Eurazeo[1]
Other offices and positions held in any company as of December 31, 2016
Member of the Supervisory Board:
Elis[1]
Eurazeo PME
Europcar Group[1]
Managing Director:
Perpetuum MEP Verwaltung GmbH (Germany)
Chairman:
Eurazeo Patrimoine
LH APCOA, LH Novacap, LH CPK
Legendre Holding 19, Legendre Holding 21, Legendre Holding 27, Legendre Holding 29, Legendre Holding 30, Legendre Holding 34, Legendre Holding 35, Legendre Holding 36, Legendre Holding 41, Legendre Holding 42, Legendre Holding 51
Chief Operating Officer:
Legendre Holding 23, Legendre Holding 25
CarryCo Capital 1, CarryCo Croissance
Chairman and member of the Supervisory Board:
Legendre Holding 28
Managing Director:
Eurazeo Services Lux (Luxembourg)
Permanent representative of Eurazeo on the Board of Directors for SFGI
Expired functions and terms of office during the last 5 years
Vice-Chairman of the Supervisory Board of APCOA Parking AG (Germany)
Member of the Advisory Board of APCOA Parking Holdings GmbH (Germany)
Director:
Holdelis
Europcar Group
Chief Operating Officer:
Legendre Holding 33, Legendre Holding 54, Legendre Holding 55
La Mothe
Eurazeo Capital Investissement
Eureka Participation
Chairman:
Legendre Holding 22, Legendre Holding 28, Legendre Holding 8, Legendre Holding 26, Legendre Holding 31 (now Les Amis d'Asmodee), Legendre Holding 32 (now Asmodee II)
Novacap Group Holding, Novacap Group Bidco
CPK
EP Aubervilliers
Ray France Investment, Immobilière Bingen
Manager:
Eurazeo Italia (Italy)

Management experience
Philippe Audouin joined Eurazeo in February 2002 as Chief Financial Officer and was appointed as a member of the Executive Board in March 2006. He began his career by creating and developing his own business for nearly ten years. After selling it, Philippe Audouin worked in Germany as Chief Financial Officer and Signing Officer (Prokurist) of the first joint venture between France Telecom and Deutsche Telekom from 1992 to 1996. From 1996 to 2000, Philippe Audouin was Director of Finance, Human Resources and Administration of France Telecom's Multimedia division. He was also a member of the Supervisory Board of Pages Jaunes. From April 2000 to February 2002, Philippe Audouin joined the Arnault Group as the Chief Financial Officer of Europ@Web. He also taught for five years at the HEC Business School as a lecturer, then as associate professor for third year students in the "Entrepreneurs" program.
Philippe Audouin is a member of the AMF's Issuers Committee and Chairman of the French Association of Finance Directors and Management Controllers (Association des Dirigeants Finance-Gestion – DFCG).
Philippe Audouin is a graduate of the École des Hautes Études Commerciales (HEC).

(1) Listed company.

Sébastien Didier[1]

Member of the Supervisory Board
Member of the Properties Committee
45 years old
Date of first appointment: May 6, 2013
Term of office expiration date: 2017 Shareholders' Meeting ruling on the financial statements for the 2016 fiscal year

Main position held outside of ANF Immobilier
Member of the Executive Board of the Caisse d'Epargne Provence Alpes Corse Réunion Antilles, in charge of Mainland France and the markets of regional economies

Other offices and positions held in any company as of December 31, 2016
Director:
Provence Rugby
Fondation Méditérannée Infection and SHUMP
Member of the Supervisory Board:
Caisse d'Epargne Capital
Member of the Management Board:
CEPAC Investissement et Développement
Chairman of the Board of Directors:
CEPAC Immobilier
Vice-Chairman:
UPE 13
Non-voting member:
Soleam
CEPAC representative:
CEPAC representative on the Board of Directors of SACOGIVA, Famille et Provence, Foyer de Provence, Habitat en Région Services, Habitat Guyanais, Habitations de Haute Provence, SCOP de Production des Alpes de Haute Provence, LOGIREM, Objectif Métropôle and the Fonds de Dotation Objectif Métropôle.
CEPAC representative on the Supervisory Boards of SOCFIM and GCE Syndication Risque.
CEPAC representative on the Supervisory Boards of Habitation de Haute Provence and LOGIREM.
CEPAC representative to AREMA's Executive Committee.
CEPAC representative on the Executive Committee of Tertium.
CEPAC representative to Tertium's Investment Committee.
CEPAC representative to the Chairmanship of the Investment Committee of Connect Invest.
CEPAC representative to the Management of the SCI CEPAC FONCIÈRE.
CEPAC Immobilier representative to the Chairmanship of CEPAC Participation, CEPAC Promotion and BR2 MB.
CEPAC Immobilier representative to the Management of the SCI BR1 and the SCI BR3 FONCIÈRE.
CEPAC Foncière representative to the Chairmanship of the SAS Ecureuil les Voutes.
Ecureuil les Voutes representative to the Chairmanship of the SAS La Cathédrale Sainte-Marie de la Majeure.
Habitat en Région Services representative to SOGIMA's Supervisory Board.
Habitat en Région Services representative to SOGIMA's Audit Committee.

Expired functions and terms of office during the last 5 years
Member of the Supervisory Board:
Viveris Holding.
Member of the Board of Directors:
SACOGIVA and Vivéris Odyssée.
Permanent representative:
CEPAC representative as a member of Clésud Terminal's Executive Committee.
CEPAC representative in his capacity as Chairman of the Board of Directors of Vivéris Odysée.
CEPAC representative as a member of the Board of Directors of Marseille Aménagement, Midi Foncière 2, Valoénergie and ACG Management.
Permanent CEPAC representative in his capacity as non-voting member of the Supervisory Board of Treize Développement.
Permanent CEPAC representative in his capacity as member of the Supervisory Board of GCE Habitat and LOGIREM.

Management experience
Sébastien Didier is a member of the Executive Board of Caisse d'Epargne CEPAC in charge of Mainland France and the markets of regional economies since May 1, 2015. He was previously a member of the Executive Board in charge of the Regional Development Bank sector since May 2010.
He joined the BPCE Group in 2000, in the finance division, where he held the positions of financial management manager, Chief Financial Officer, Director of the "Convergence Client" Business Project and member of the Executive Board in charge of the Regional Development Bank.
Previously, Sébastien Didier pursued an international career with Dresdner Kleinwort Benson in Paris and Tokyo as Arbitrage Trader Global Market.
He graduated in computer engineering from the Université de Technologie de Compiègne.

(1) Member whose appointment is proposed for approval to the Shareholders' Meeting of May 10, 2017.

Philippe Monnier

Independent member of the Supervisory Board [1]
Chairman of the Compensation and Appointments Committee
Member of the Properties Committee
74 years old
Date of first appointment: May 4, 2005
Term of office expiration date: 2020 Shareholders' Meeting ruling on the financial statements for the 2019 fiscal year

Main position held outside of ANF Immobilier
Senior Management, Développement Grands Projets of Carrefour Property
Other offices and positions held in any company as of December 31, 2016
Manager:
SCI La Louvière
SCI IMOFI
Chairman:
PCE
La Roubine
Siagne du Nord
PM Conseils
Expired functions and terms of office during the last 5 years
Senior Advisor of Unibail
Manager:
Groupe BEG.BEG Technique
CEFIC Gestion
SCI SOGEP
Foncière Immobilière
SCI Waskim
Bay 1/Bay 2
TC Design
Simon Ivanhoe Services
BEG Investissements
Foncière d'Investissement
CEFIC Jestyion Ticaret Limited Sirketi (Turkey)
Erelux Hold SARL (Luxembourg), Erelux Fin (Luxembourg)
Le Cannet Développement
Director:
SWEM de Wasquehal
Co-manager of Simon Ivanhoe France
Chairman and Chief Operating Officer of CEFIC
Co-representative of Simon Ivanhoe BV/SARL, co-Manager of Alliance ERE SARL (Luxembourg).
Member of the Management Board:
Simon Ivanhoe BV
CEFIC Polska Sp. z o.o. (Poland)
Gdansk Station Shopping Mall Sp. z o.o. (Poland)
Bydgoszcz Shopping Mall Sp. z o.o. (Poland)
Gliwice Shopping Mall Sp. z o.o. (Poland)
Katowice Budus Shopping Mall Sp. z o.o. (Poland)
Lodz Nord Shopping Mall Sp. z o.o. (Poland)
Polska Shopping Mall Sp. z o.o. (Poland),
Szczecin Shopping Mall Sp. z o.o. (Poland)
Wilenska Station Shopping Mall Sp. z o.o. (Poland)
Wroclaw Garage Shopping Mall Sp. z o.o. (Poland)
Polskie Domy Handlowe Sp. z o.o. (Poland)
Arkadia Centrum Handlowe Sp. Z o.o. (Poland)
Wilenska Centrum Handlowe Sp. z o.o. (Poland)

Management experience
As Chief Operating Officer of the Simon Ivanhoe Group, Philippe Monnier has developed over 30 shopping malls in France, Spain, Portugal, Poland and Turkey. Before joining the Carrefour group, he was Chairman and Chief Operating Officer of SMECI (Weil Group) from 1975 to 1988, where he developed and managed various shopping malls in Europe.
Philippe Monnier is a graduate of ESC Reims.

** Until May 4, 2017 (date of first appointment: May 4, 2005).*
(1) Member who resigned with effect from the Shareholders' Meeting of May 10, 2017; nominated as non-voting member.

3

Sébastien Pezet

Independent member of the Supervisory Board
Member of the Properties Committee
41 years old
Date of first appointment: November 6, 2015
Term of office expiration date: 2020 Shareholders' Meeting ruling on the financial statements for the 2019 fiscal year

Main position held outside of ANF Immobilier
Chief Operating Officer of Generali Real Estate French Branch

Other offices and positions held in any company as of December 31, 2016

Chairman of the Board of Directors:
OFI GR1, OFI GB1
Generali Bureaux
Generali Résidentiel
Immobilière Commerciale des Indes Orientales "IMMOCIO"

Director:
Generali Real Estate SPA de FSIF

Other:
Permanent representative of Generali Vie and member of the Supervisory Board of Foncière des Murs (Foncière des Régions Group)
Representative of Generali Real Estate S.P.A of FSIF
Head of the French branch of Generali Real Estate S.P.A in France
Member of the Real Estate, Economic and Financial Committee of FFSA

Expired functions and terms of office during the last 5 years

Manager:
SCI 18/20 Paix
SCI 42 Rue de Notre Dame des Victoires
SCI du 54 avenue Hoche
SCI Berges de Seine
SCI Commerce Paris
SCI Romeu Neige et Soleil
SCI Iris La Défense
SC Novatis
SCI Commerces Régions
SCI Generali Le Moncey
SCI du Coq
SCI Parcolog Isle d'Abeau 1
SCI Parcolog Isle d'Abeau 2
SCI Parcolog Isle d'Abeau 3
SCI Parcolog Bordeaux Cestas
SCI Parcolog Combs la ville 1
SCI Parcolog Dagneux
SCI Parcolog Gondreveille Fontenoy 2
SCI Parcolog Lille Henin Beaumont 2
SARL Parcolog Lyon Isle d'Abeau Gestion
SCI Parcolog Marly
SCI Parcolog Mitry Mory
SCI Parcolog Orchies
SCI Bureaux Paris
SCI Thiers Lyon
SCI Espace Seine Generali
SCI Landy Novatis
SCI Landy Wilo
SCI Cogipar
SCI Eureka Nanterre
SCI Iliade Massy
SCI Beaune Logistique 1
SCI Parc Logistique Maisonneuve 1
SCI Parc Logistique Maisonneuve 2
SCI Parc Logistique Maisonneuve 3
SCI Parc Logistique Maisonneuve 4
SCI Parcolog Messageries
SCI Generali Carnot
SCI Generali Commerce I
SCI Generali Commerce II
SCI Generali Logistique
SCI Generali Pierre
SCI Generali Pyramides
SCI Generali Reaumur
SCI Generali Wagram
SC Hoche, SCI Le Dufy
SCI Haussmann 50 Generali
Generali Le Franklin

Other:
Member of the Supervisory Board of Immeo AG (German company of the Foncière des Régions group) (until January 28, 2016)
Permanent representative of Generali France Assurances
Member and Director of the Association pour la location du Moncey de BEEOTOP (until August 12, 2016)
President of Suresnes Immobilier and Lonthenes (until December 21, 2015)
Generali Vie permanent representative, Director of Foncière Développement Logements (Foncière des Régions Group)
Director of Foncière Développement Logements (Foncière des Régions group)

Management experience
Following two years with the Archon Group (Goldman Sachs subsidiary), where he worked in real estate sale-leaseback transactions (EDF, France Telecom, CDR), he joined Generali Immobilier in 2002 as an asset manager, becoming the head of asset management in 2008. In 2015, he was appointed Chief Operating Officer of the Generali Real Estate French Branch.
Sébastien Pezet holds a Master in economics applied to financial audit from the Université Paris Dauphine and an advanced post graduate diploma in Real Estate Engineering and a graduate degree in accounting and finance.

Jean-Pierre Richardson[1]

Independent member of the Supervisory Board

78 years old

Date of first appointment: May 14, 2008

Term of office expiration date: 2018 Shareholders' Meeting ruling on the financial statements for the 2017 fiscal year

Main position held outside of ANF Immobilier
Chairman and Chief Operating Officer of SA Joliette Matériel
Other offices and positions held in any company as of December 31, 2016
Non-voting member of Eurazeo
Expired functions and terms of office during the last 5 years
Member of the Supervisory Board of Eurazeo

Management experience
Jean-Pierre Richardson is Chairman and Chief Operating Officer of SA Joliette Matériel, *a* family holding company and president of the SAS Richardson. He chairs SAS Richardson, which he joined in 1962, at the time a 51% owned subsidiary of the company Escaut et Meuse which later merged with Eurazeo, and managed its operations from 1969 to 2003.
Jean-Pierre Richardson served as a judge at the Marseille Commercial Court from 1971 to 1979.
He is a graduate of École Polytechnique (in 1958).

(1) Member resigning with effect from the Shareholders' Meeting of May 10, 2017 and proposal for appointment as a non-voting member.

Sabine Roux de Bézieux

Independent member of the Supervisory Board

Member of the Audit Committee

52 years old

Date of first appointment: May 1, 2012

Term of office expiration date: 2020 Shareholders' Meeting ruling on the financial statements for the 2019 fiscal year

Main position held outside of ANF Immobilier
Chief Operating Officer of Notus Technologies
Other offices and positions held in any company as of December 31, 2016
Member of the Supervisory Board:
Altur Investissement
Member of the Board of Directors:
ABC Arbitrage
IDLF (Inès de la Fressange)
Expired functions and terms of office during the last 5 years
Member of Arteum's Strategic Committee
Member of the Supervisory Board of Microfinance Solidaire

Management experience
After two years in the CCF's business bank (from 1986 to 1988), Sabine Roux de Bézieux spent 14 years in the Arthur Andersen Group where she led audit and consulting assignments for 10 years or so in both France and abroad. She then set up the Marketing, Communications, and Business Development department. In 2002, she created Advanceo, her own strategic growth consulting firm. She has been the Chief Operating Officer of Notus Technologies since 2013.
Sabine Roux de Bézieux graduated from ESSEC in 1986. Sabine Roux de Bézieux also holds a DECF (accounting and finance degree) and a degree in philosophy.

3

Marie-Hélène Sartorius

Independent member of the Supervisory Board
Member of the Audit Committee
59 years old
Date of first appointment: May 11, 2016
Term of office expiration date: 2020 Shareholders' Meeting ruling on the financial statements for the 2019 fiscal year

Main position held outside of ANF Immobilier
Director of companies

Other offices and positions held in any company as of December 31, 2016

Member of the Board of Directors:
BNP Paribas Cardif
Areva(1)

Member of the Audit and Ethics Committee:
Areva

Member of the Compensation and Appointments Committee:
Areva

Expired functions and terms of office during the last 5 years
PricewaterhouseCoopers Partner
Member of PwC's Global Financial Services Advisory Leadership Team (GFSALT)

Management experience
Marie-Hélène Sartorius spent 20 years at Paribas' corporate and investment banking division, where she acquired vast expertise in financing, financial products and risk management. More specifically, she was in charge of specialized financing activities in Europe (LBOs, project funding, etc.), as well as of the market activity risk department.
She then joined PwC's advisory branch. From 2001 to April 2016, she assisted major international groups in the Financial Services and Energy industries. She worked on major transformation projects focusing on business model review, operational safety and compliance (internal control), or operational efficiency (off-shoring, outsourcing, etc.).
Marie-Hélène Sartorius is a graduate of École Polytechnique and of the École Nationale des Ponts et Chaussées.

(1) Listed company.

Patrick Sayer

Member of the Supervisory Board
Chairman of the Properties Committee
59 years old
Date of first appointment: May 4, 2005
Term of office expiration date: 2018 Shareholders' Meeting ruling on the financial statements for the 2017 fiscal year

Main position held outside of ANF Immobilier
Chairman of the Eurazeo Executive Board(1)

Other offices and positions held in any company as of December 31, 2016

Member of the Supervisory Board:
Europcar Group(1)

Chairman:
Legendre Holding 25, Legendre Holding 26
CarryCo Capital 1, CarryCo Croissance and CarryCo Croissance 2

Chief Operating Officer:
Legendre Holding 19

Director:
AccorHotels(1)
Member of the Board of Directors of Tech Data Corporation (USA)(1)
Member of the Board of Directors of I-Pulse (USA)

Expired functions and terms of office during the last 5 years

Vice-Chairman of the Supervisory Board:
Rexel

Chairman of the Supervisory Board:
ANF Immobilier (and Vice-Chairman)
Europcar Group

Chairman of the Board of Directors:
Europcar Group
Holdelis

Director:
Moncler Srl (Italy)
Sportswear Industries Srl (Italy)
Edenred
Rexel
Gruppo Banca Leonardo (Italy)

Member of the Supervisory Board:
Foncia Holding

Manager:
Investco 3d Bingen (Civil Company)

Chief Operating Officer:
Immobilière Bingen
Legendre Holding 8

Chairman:
Eurazeo Capital Investissement

Member of the Advisory Board:
APCOA Parking Holdings GmbH (Germany)

Management experience

Patrick Sayer has been Chairman of the Eurazeo Executive Board since May 2002. Previously he was a Senior Partner of Lazard Frères et Cie in Paris and Managing Director of Lazard Frères & Co in New York.

Former Chairman of the Association Française des Investisseurs pour la Croissance (AFIC), he is also Director of the Musée des Arts Décoratifs of Paris and he teaches finance (Master 225) at the Université de Paris Dauphine. A member of the Club des Juristes, he is also a member of the Paris Commercial Court.

Patrick Sayer is a graduate of École Polytechnique and of the École des Mines de Paris.

(1) Listed company.

Marie-Pierre Soury

Independent member of the Supervisory Board
Member of the Compensation and Appointments Committee
56 years old
Date of first appointment: May 6, 2014
Term of office expiration date: 2018 Shareholders' Meeting ruling on the financial statements for the 2017 fiscal year

Main position held outside of ANF Immobilier
Chief Executive Officer of the LGN Group
Chairman-Chief Operating Officer of La Croissanterie
Other offices and positions held in any company as of December 31, 2016
-
Expired functions and terms of office during the last 5 years
Director:
Renault Trucks Oil

Management experience
A graduate in agro-food engineering, with specialization at the Institut Français du Pétrole, Marie-Pierre Soury began her career in 1984 in the oil industry.
After spending 20 years at Esso France, she joined the Total Group in 2004 where she took over management of Argedis, a subsidiary that directly manages gas stations in the French highway network, before being appointed Vice-Chairman of Marketing Development in 2009.
In September 2011, she joined the management of la Croissanterie as Chief Operating Officer before becoming the Chair of the Executive Board of the LGN Group during the summer of 2013.

Isabelle Xoual(1)

Independent member of the Supervisory Board
Member of the Compensation and Appointments Committee
51 years old
Date of first appointment: May 17, 2011
Term of office expiration date: 2017 Shareholders' Meeting ruling on the financial statements for the 2016 fiscal year

Main position held outside of ANF Immobilier
Senior Partner of Lazar Frères and Compagnie Financière Lazard Frères
Other offices and positions held in any company as of December 31, 2016
Senior Partner:
Lazard Frères
Compagnie Financière Lazard Frères
Other:
Managing Director of Lazard Group LLC (Delaware, USA)
Member of LFCM Holdings LLC (Delaware, USA)
Expired functions and terms of office during the last 5 years
Director:
Lazard Frères Banque

Management experience
Isabelle Xoual joined Lazard in 1998. She was appointed as Senior Partner in 2002. Previously, she was a strategic consultant at Strategic Planning Associates (London, then Paris, 1987-1991), which is currently called Oliver Wyman. She was then a Mergers & Acquisitions consultant at Rothschild & Cie (1991-1998).
Co-Head of Financial Investors at Lazard in Europe, she has over 20 years of experience in M&A and an in-depth knowledge of the French market and investment funds and follows a certain number of major *French* corporates.
She has participated in several transactions involving financial investors (Moniteur, Novescia, Spotless, Deutsch, Medica, Novasep, Ceva Santé Animale, etc.) and industrial investors (Areva, Air Liquide, Kering, Accor, etc.).
A member of the operating Committee of Lazard in France, she is the reference partner for Human Resources issues.
Isabelle Xoual is a graduate of ESSEC Business School.

(1) Member whose appointment is proposed for approval to the Shareholders' Meeting of May 10, 2017.

2.2.3 Composition of the Supervisory Board at the end of the Ordinary and Extraordinary Shareholders' Meeting of May 10, 2017

Subject to the approval of the 8th, 9th and 10th resolutions submitted to the Ordinary and Extraordinary Shareholders' Meeting of May 10, 2017, the composition of the Supervisory Board at the end of this meeting would be as follows:

Name	First name	Business address	Position at ANF Immobilier	Number of shares held as of December 31, 2016
Keller	Bruno	C/o ANF Immobilier 1, rue Georges Berger – 75017 Paris	Chairman of the Supervisory Board	29,235
Lemaire	Alain	C/o ANF Immobilier 1, rue Georges Berger – 75017 Paris	Vice-Chairman and senior member of the Supervisory Board	301
Audouin	Philippe	C/o Eurazeo 1, rue Georges Berger – 75017 Paris	Member of the Supervisory Board	2,392
Didier	Sébastien	C/o Caisse d'Epargne Provence Alpes Corse Place Estrangin Pastré – BP 108 – 13254 Marseille Cedex 06	Member of the Supervisory Board	250
Pezet	Sébastien	C/o Generali RE 2, rue Pillet-Will – 75309 Paris Cedex 09	Member of the Supervisory Board	250
Roux de Bézieux	Sabine	C/o Notus Technologies 2 *bis*, rue de Villiers – 92300 Levallois	Member of the Supervisory Board	250
Sartorius	Marie-Helène	C/o ANF Immobilier 1, rue Georges Berger – 75017 Paris	Member of the Supervisory Board	250
Sayer	Patrick	C/o Eurazeo 1, rue Georges Berger – 75017 Paris	Member of the Supervisory Board	4,359
Soury	Marie-Pierre	C/o La Croissanterie 5, rue Olof Palme – 92110 Clichy	Member of the Supervisory Board	250
Xoual	Isabelle	C/o Lazard Frères Banque 121, boulevard Haussmann – 75008 Paris	Member of the Supervisory Board	275

In addition, subject to the approval of the 11th and 12th resolutions submitted to the Ordinary and Extraordinary Shareholders' Meeting of May 10, 2017, two non-voting members will be appointed. The composition of the group of non-voting members is as follows:

Name	First name	Business address	Position at ANF Immobilier	Number of shares held as of December 31, 2016
Monnier	Philippe	C/o Carrefour Property 58, avenue Émile Zola TSA 3800 – 92649 Boulogne-Billancourt Cedex	Non-voting member	263
Richardson	Jean-Pierre	C/o Richardson 2, place Gantès – BP 1917 – 13225 Marseille Cedex 20	Non-voting member	279

3. Declarations regarding the administrative, management, supervisory bodies, and senior management

To ANF Immobilier's knowledge, there are no family relationships between the members of the Supervisory Board and the members of the Executive Board.

To ANF Immobilier's knowledge, during the last five years:

- no member of the Executive or Supervisory Boards has been convicted of fraud;
- no member of the Executive or Supervisory Boards has been associated with bankruptcy, sequestration, or liquidation as a member of an administration, management or supervisory body;
- no incrimination and/or official public fine has been pronounced against any members of the Executive or Supervisory Boards by any statutory or regulatory authority;
- no member of the Executive or Supervisory Boards has been prevented by a court from acting as a member of an administrative, management, or supervisory body of an issuer or from participating in the management or conducting of business of an issuer, in the last five years.

4. Conflicts of interest at the level of the administrative, management and supervisory bodies and of Senior Management

Patrick Sayer, Philippe Audouin, and Jean-Pierre Richardson, members of ANF Immobilier's Supervisory Board, also hold offices at Eurazeo, a majority shareholder in ANF Immobilier. Renaud Haberkorn, Chief Executive Officer of ANF Immobilier, is also employed by Eurazeo, the majority shareholder in ANF Immobilier.

To ANF Immobilier's knowledge, Patrick Sayer, Philippe Audouin, Jean-Pierre Richardson and Renaud Haberkorn have no conflicts of interest relating to the exercising of their corporate office within ANF Immobilier.

No service agreement that provides for the award of specific benefits has been entered into between the members of the Executive or Supervisory Boards and ANF Immobilier or its subsidiaries, except for a service provision agreement between Eurazeo and ANF Immobilier, as described in the Section 3.2 "Service Agreement" in Chapter 9 of the Registration Document, and the benefits granted to some members of the Supervisory Board described in Section 5.1.3 "Members of ANF Immobilier's Executive and Supervisory Boards Compensated by Eurazeo" in Chapter 3 of the Registration Document.

As of the filing date of this Registration Document and to ANF Immobilier's knowledge, there are no other situations which could give rise to a conflict between the duties of the members of the Supervisory and/or Executive Boards regarding ANF Immobilier and their private interests or other duties.

Also refer to the "Statutory Auditors' report on regulated agreements and commitments" for the fiscal year ended December 31, 2016 in this chapter.

No service agreement that provides for the award of specific benefits has been entered into between the members of the Executive or Supervisory Boards and ANF Immobilier or its subsidiaries, except for a service provision agreement between Eurazeo and ANF Immobilier, as described in the Section 3.2 "Service Agreement" in Chapter 9 of the Registration Document, and the benefits granted to some members of the Supervisory Board described in Section 5.1.3 "Members of ANF Immobilier's Executive and Supervisory Boards Compensated by Eurazeo" in Chapter 2 of the Registration Document.

5. Compensation and benefits

Any compensation and benefits paid to ANF Immobilier's corporate officers by ANF Immobilier and Eurazeo(1) are settled as indicated below, as defined by the AFEP/MEDEF Corporate Governance Code for Listed Companies (amended notably in November 2016) and by AMF recommendation 2009-16 of December 10, 2009 (amended notably on April 13, 2015) pertaining to the disclosure of corporate officer compensation in Registration Documents.

Note that information on the compensation of each executive corporate officer is presented in accordance with the provisions of paragraph 2 of Article L. 225-102-1 of the French Commercial Code.

5.1 Compensation and benefits of all kinds for corporate officers

5.1.1 Principles of compensation of corporate officers

Compensation paid in 2016 (2016 fixed portion and 2015 variable portion, due in 2015 and paid in 2016)

Fixed compensation

Fixed compensation for Executive Board members with respect to the 2016 fiscal year was decided on at the Supervisory Board meeting of December 16, 2015, based on the proposals of the Compensation and Appointments Committee made on its meeting of December 1, 2015.

In accordance with the AFEP/MEDEF Code, which recommends that fixed compensation should in principle be reviewed only at relatively long intervals, the fixed compensation paid to Renaud Haberkorn, granted at the time of his appointment as Chief Executive Officer of the Company in November 2014, has not been amended and remained effective in 2016.

The Supervisory Board, based on the opinion of the Compensation and Appointments Committee, authorized the revaluation in fixed compensation for Ghislaine Seguin to €200,000. This revaluation, representing an average annual increase of less than 4% per year since her appointment to the Executive Board on December 9, 2008, highlights her successful transition to the position of Deputy Chief Executive Officer, following her promotion in 2015.

Variable compensation

The target annual variable compensation represents 50% of the fixed compensation, or €200,000 for Renaud Haberkorn, Chief Executive Officer, and €100,000 for Ghislaine Seguin, member of the Executive Board. It is determined based on the achievement of objectives linked to work accomplished during the previous fiscal year.

At its meeting of March 3, 2015, the Supervisory Board decided, upon the Compensation and Appointments Committee's proposal of February 13, 2015, that for the 2015 fiscal year, the variable portion of compensation would be calculated based on the three following factors:

- 50% of the variable portion would be calculated according to the reviewed quantitative criteria that are directly connected to the business plan and the 2015 budget. Three new criteria were therefore added:
  - EPRA NAV restated for the dividend paid and adjusted for exceptional items linked to regulatory changes (20%),
  - EPRA recurring net income before minority interests and restated for off-budget disposals (20%),
  - and EPRA vacancy rate, standardized and restated for the SNCM vacancy (10%);
- 20% of the variable portion would be tied to the achievement of four qualitative criteria specific to each member of the Executive Board;
- 30% of the variable portion would be tied to discretionary assessment by the Compensation and Appointments Committee for the Chief Executive Officer, and by the Chief Executive Officer for the other Executive Board members.

Variable compensation for members of the Executive Board for 2015 was decided on at the Supervisory Board meeting on March 14, 2016, based on the proposals of the Compensation and Appointments Committee meeting of March 7, 2016. It was set at €267,300 for Renaud Haberkorn and €121,860 for Ghislaine Seguin.

It should be noted that Bruno Keller's variable compensation owed for 2015 was adjusted on a pro rata basis due to the end of his term of office as Chief Executive Officer on May 6, 2015. It was set at €133,826.

Special compensation

No exceptional compensation was paid in 2016.

(1) ANF Immobilier is a company controlled, within the meaning of Article L. 233-16 of the French Commercial Code, by Eurazeo.

Compensation paid in 2017 (2017 fixed portion and 2016 variable portion, due in 2016 and paid in 2017)

Fixed compensation

Renaud Haberkorn's fixed compensation, allocated at the time of his appointment as Chief Executive Officer of the Company in November 2014, has not been modified and remains effective in 2017.

Ghislaine Seguin's fixed compensation, revalued in 2016, remains unchanged in 2017.

Variable compensation

For 2016, the target annual variable compensation represents 50% of the fixed compensation, namely €200,000 for Renaud Haberkorn, Chief Executive Officer, and €100,000 for Ghislaine Seguin, member of the Executive Board.

According to the level of achievement of each of the criteria for awarding the variable compensation, the payment may vary from 0% to 150% of the target annual variable compensation in the event these criteria are exceeded.

At its meeting of March 14, 2016, the Supervisory Board decided, upon the Compensation and Appointments Committee's proposal of March 7, 2016, that for the 2016 fiscal year, the variable portion of compensation would be calculated based on the three following factors (the "Variable Compensation Criteria"):

- quantitative criteria representing 50% of annual target variable compensation and which may go up to 100% of annual target variable compensation if the criteria is exceeded. The three criteria adopted are directly related to the 2016 business plan and budget:
  - EPRA NAV restated for the dividend paid and adjusted for exceptional items linked to regulatory changes (20%),
  - EPRA recurring net income before minority interests and restated for off-budget disposals (20%), and
  - EPRA vacancy rate, standardized (10%);
- qualitative criteria representing 20% of the variable part related to the achievement of specific qualitative criteria; each criterion represents 5% of the variable part. For Renaud Haberkorn, this criteria are the quality of management, the interaction with the Chief Executive Officer and the other members of the Supervisory Board, the reduction of the discount and the quality of financial communication and the relationship with shareholders. For Ghislaine Seguin, these criteria are the quality of management and sustainable development, the execution of projects: VEFA, BEFA, development, etc., the decrease in vacancy in Marseille and the identification of new projects;
- 30% of the variable part linked to the discretionary assessment of the Supervisory Board.

During the meeting of March 8, 2017, the Supervisory Board, upon recommendation from the Compensation and Appointments Committee of March 2, 2017 and after validation by the Financial Components Audit Committee, evaluated the amount of the variable compensation for Renaud Haberkorn and Ghislaine Seguin for the 2016 fiscal year.

Bearing in mind the quantitative and qualitative criteria as seen above and the achievements noted on December 31, 2016, the amount of the variable portion was evaluated as follows:

- for the quantitative criteria, the Supervisory Board noted performance for the quantitative criteria implying the payment of 57.74% of the target annual variable compensation;
- for the qualitative criteria, 16% of the target annual variable compensation for Renaud Haberkorn and 18% of the annual target variable compensation for Ghislaine Seguin;
- for the discretionary part, 30% of the target annual variable compensation for each of the members of the Executive Board.

The amount of the variable compensation for 2016 has thus been set at €207,480 for Renaud Haberkorn, or 103.74% of his target annual variable compensation and at €105,740, or 105.75% of the target annual variable compensation for Ghislaine Seguin.

Special compensation

No special compensation is due in 2017 for the 2016 fiscal year.

5.1.2 Members of the Executive Board and Supervisory Board compensated by ANF Immobilier

TABLE 1: SUMMARY OF THE COMPENSATION AND OPTIONS AND SHARES GRANTED BY THE COMPANY TO EACH EXECUTIVE CORPORATE OFFICER

Renaud Haberkorn, Chief Executive Officer *(€)*	**Fiscal year 2015**	**Fiscal year 2016**
Compensation due for the fiscal year (detailed in Table 2)	680,787	623,243
Value of the multiannual variable compensation granted during the fiscal year	-	-
Value of stock options granted during the fiscal year	-	-
Value of performance shares granted during the year (detailed in Table 6)	116,800	99,000
TOTAL	**797,587**	**722,243**

Ghislaine Seguin, member of the Executive Board and Deputy Chief Executive Officer *(€)*	**Fiscal year 2015**	**Fiscal year 2016**
Compensation due for the fiscal year (detailed in Table 2)	304,372	307,910
Value of the multiannual variable compensation granted during the fiscal year	-	-
Value of stock options granted during the fiscal year	-	-
Value of performance shares granted during the year (detailed in Table 6)	58,400	54,000
TOTAL	**362,772**	**361,910**

TABLE 2: SUMMARY OF EACH EXECUTIVE CORPORATE OFFICER'S COMPENSATION

The tables below present the gross compensation paid to members of the Executive Board for the fiscal years ended December 31, 2015 and December 31, 2016 as well as the gross compensation due for the same fiscal years:

	Amounts for fiscal year 2015		**Amounts for fiscal year 2016**	
Renaud Haberkorn, Chief Executive Officer *(€)*	**Due***	**Paid****	**Due***	**Paid****
Fixed compensation	400,000	400,000	400,000	400,000
Annual variable compensation	267,300	28,000	207,480	267,300
Multiannual variable compensation	-	-	-	-
Special compensation	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind(1)	13,487	13,487	15,763	15,763
TOTAL	**680,787**	**441,487**	**623,243**	**683,063**

(1) A company car and senior executive insurance policy.
** The variable compensation due for fiscal year N is paid in fiscal year N+1.*
*** The variable compensation paid in fiscal year N is that due for fiscal year N-1.*

	Amounts for fiscal year 2015		**Amounts for fiscal year 2016**	
Ghislaine Seguin, member of the Executive Board – Deputy Chief Operating Officer *(€)*	**Due***	**Paid****	**Due***	**Paid****
Fixed compensation	180,000	180,000	200,000	200,000
Annual variable compensation	121,860	74,727	105,740	121,860
Multiannual variable compensation	-	-	-	-
Special compensation(1)		10,000	-	-
Attendance fees	-	-	-	-
Benefits in kind(2)	2,512	2,512	2,170	2,170
TOTAL	**304,372**	**267,239**	**307,910**	**324,030**

(1) On March 3, 2015, the Supervisory Board, on a proposal from the Compensation and Appointments Committee of February 13, 2015, decided to award her an exceptional bonus of €10,000 for her involvement and performance during the period the position of Chief Executive Officer was vacant and her support during Renaud Haberkorn's transition and assumption of office phase.
(2) Company car.
** The variable compensation due for fiscal year N is paid in fiscal year N+1.*
*** The variable compensation paid in fiscal year N is that due for fiscal year N-1.*

TABLE 3: ATTENDANCE FEES AND OTHER COMPENSATION RECEIVED BY THE MEMBERS OF THE SUPERVISORY BOARD

Members of the Supervisory Board		Amounts in euros paid in 2016 for the 2015 fiscal year	Amounts in euros paid in 2017 for the 2016 fiscal year
Bruno Keller	Attendance fees	15,833	19,000
	Other compensation	232,456*	150,000
Alain Lemaire	Attendance fees	23,333	26,500
	Other compensation	-	-
Philippe Audouin(1)	Attendance fees	-	-
	Other compensation	-	-
Philippe Brion(2)	Attendance fees	10,333	-
	Other compensation	-	-
Sébastien Didier	Attendance fees	12,000	14,500
	Other compensation	-	-
Philippe Monnier	Attendance fees	18,500	19,500
	Other compensation	-	-
Sébastien Pezet	Attendance fees	4,667	14,000
	Other compensation	-	-
Jean-Pierre Richardson	Attendance fees	14,000	14,000
	Other compensation	-	-
Sabine Roux de Bézieux	Attendance fees	16,500	18,000
	Other compensation	-	-
Patrick Sayer(1)	Attendance fees	-	-
	Other compensation	-	-
Marie-Pierre Soury	Attendance fees	13,000	14,500
	Other compensation	-	-
Isabelle Xoual	Attendance fees	15,000	13,500
	Other compensation	-	-
Théodore Zarifi(3)	Attendance fees	15,500	3,000
	Other compensation	-	-
TOTAL	**ATTENDANCE FEES**	**158,666**	**167,500**
	OTHER COMPENSATION	**232,456**	**150,000**

(1) Members of the Supervisory Board compensated solely by Eurazeo and having waived any attendance fees paid by ANF Immobilier.
(2) Resigned on October 23, 2015.
(3) Member whose term of office will expire at the end of the Shareholders' Meeting of May 11, 2016.
* *Including €133,826 for the 2015 fiscal year paid in 2016 (as Chief Executive Officer) and €98,630 for the 2015 fiscal year paid in 2015 (as Chairman of the Supervisory Board).*

Each member of the Supervisory Board receives a fixed amount and a variable amount of attendance fees paid pro rata to his/her effective presence at Supervisory Board meetings. The variable part is predominant for the members of the Supervisory Board. Bruno Keller receives annual gross compensation of €150,000 as the Chairman of the Supervisory Board of ANF Immobilier.

5.1.3 Members of the ANF Immobilier Executive Board and Supervisory Board compensated by Eurazeo

Patrick Sayer and Philippe Audouin, members of the Supervisory Board of ANF Immobilier, are also members of the Executive Board of Eurazeo. Bruno Keller, Chairman of the Supervisory Board, stepped down as a member of the Eurazeo Executive Board on May 6, 2015.

Renaud Haberkorn receives compensation in his capacity as Chief Investment Officer of Eurazeo.

Compensation for Eurazeo Executive Board members is set individually. Variable compensation is determined by the Compensation and Appointments Committee based on the achievement of qualitative and quantitative objectives. On March 8, 2016, the Compensation and Appointments Committee proposed the 2015 variable compensation for the Executive Board members to the Supervisory Board on March 15, 2016, which approved them. On March 2, 2017, the Compensation and Appointments Committee proposed the 2016 variable compensation for the Executive Board members to the Supervisory Board on March 8, 2017, which approved them.

At its meeting on December 9, 2008, the Eurazeo Supervisory Board reviewed the AFEP/MEDEF recommendations issued in October 2008 on the compensation of the executive corporate officers of listed companies. These recommendations are part of Eurazeo's Corporate Governance policy, which was implemented long ago.

It should be noted that the members of the Eurazeo Executive Board have, in return for services rendered in the exercise of their work, a supplementary pension plan (a scheme with an insurance company) intended to supplement their pensions. This supplement is based on compensation and length of service at the time of retirement.

In the event of involuntary termination of their positions, of forced departure prior to the expiration of their term of office or of the non-renewal of their term of office prior to a four-year period starting from the date they were renewed to the Executive Board by the Supervisory Board meeting of March 18, 2014, they would receive an allowance, representing respectively two years of compensation for Patrick Sayer and eighteen months for Bruno Keller. Philippe Audouin, in the event of dismissal (except for gross negligence), shall be entitled to compensation equal to eighteen months of compensation. Payment of such allowances is subject to the relevant party's performance criteria.

TABLE 1 *BIS*: SUMMARY OF COMPENSATION AND OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER AT THE EURAZEO LEVEL

Renaud Haberkorn, Chief Executive Officer *(€)*	**Fiscal year 2015**	**Fiscal year 2016**
Compensation due for the fiscal year (detailed in Table *2 bis*)	220,000	209,263
Value of the multiannual variable compensation granted during the fiscal year	-	-
Value of stock options granted for the fiscal year	-	-
Value of performance shares granted for the fiscal year	84,875	114,873
Value of bonus shares granted throughout the fiscal year	2,045	2,050
TOTAL	**306,920**	**326,186**

Bruno Keller, Chairman of the Supervisory Board *(€)*	**Fiscal year 2015**	**Fiscal year 2016**
Compensation due for the fiscal year (detailed in Table *2 bis*)	184,681	-
Value of the multiannual variable compensation granted during the fiscal year	-	-
Value of stock options granted for the fiscal year*	242,000	-
Value of performance shares granted for the fiscal year	-	-
Value of bonus shares granted throughout the fiscal year	2,045	-
TOTAL	**428,726**	**-**

* *Value of options received for Eurazeo only.*

Patrick Sayer, member of the Supervisory Board *(€)*	**Fiscal year 2015**	**Fiscal year 2016**
Compensation due for the fiscal year (detailed in Table *2 bis*)	1,864,502	1,825,456
Value of the multiannual variable compensation granted during the fiscal year	-	-
Value of stock options granted for the fiscal year	1,320,000	350,357
Value of performance shares granted for the fiscal year	-	1,097,542
Value of bonus shares granted throughout the fiscal year	2,136	-
TOTAL	**3,186,638**	**3,273,355**

Philippe Audouin, member of the Supervisory Board *(€)*	**Fiscal year 2015**	**Fiscal year 2016**
Compensation due for the fiscal year (detailed in Table *2 bis*)	729,902	826,302
Value of the multiannual variable compensation granted during the fiscal year	-	-
Value of stock options granted for the fiscal year	308,000	117,814
Value of performance shares granted for the fiscal year	139,200	369,045
Value of bonus shares granted throughout the fiscal year	2,136	-
TOTAL	**1,179,238**	**1,313,161**

TABLE 2 *BIS*: SUMMARY OF EACH EXECUTIVE CORPORATE OFFICER'S COMPENSATION AT EURAZEO

	Amounts for fiscal year 2015		Amounts for fiscal year 2016	
Renaud Haberkorn, Chief Executive Officer *(€)*	**Due***	**Paid****	**Due***	**Paid****
Fixed compensation	100,000	100,000	100,000	100,000
Variable compensation	120,000	13,889	105,450	120,000
International travel allowance			3,813	3,813
Multiannual variable compensation	-	-	-	-
Special compensation	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind	-	-	-	-
TOTAL	**220,000**	**113,889**	**209,263**	**223,813**

* *The variable compensation due for fiscal year N is paid in fiscal year N+1.*
** *The variable compensation paid in fiscal year N is that due for fiscal year N-1.*

	Amounts for fiscal year 2015		Amounts for fiscal year 2016	
Patrick Sayer, member of the Supervisory Board *(€)*	**Due***	**Paid****	**Due***	**Paid****
Fixed compensation	920,000	920,000	920,000	920,000
Variable compensation	901,526	725,587	861,700	885,040
Multiannual variable compensation	-	-	-	-
Special compensation	-	-	-	-
Attendance fees(1)	81,083	155,800	132,072	81,083
Benefits in kind	42,976	42,976	43,756	43,756
TOTAL	**1,945,585**	**1,844,363**	**1,825,456**	**1,929,879**

(1) The amounts of the attendance fees paid for the year for the directorships held within companies invested in are deducted from the payment of the variable compensation, with certain differences stemming from tax and social security processing.
* *The variable compensation due for fiscal year N is paid in fiscal year N+1.*
** *The variable compensation paid in fiscal year N is that due for fiscal year N-1.*

	Amounts for fiscal year 2015		Amounts for fiscal year 2016	
Philippe Audouin, member of the Supervisory Board *(€)*	**Due***	**Paid****	**Due***	**Paid****
Fixed compensation	410,000	410,000	475,000	475,000
Variable compensation	312,486	257,598	346,033	256,589
International travel allowance(1)	15,895	15,895	29,368	29,368
Multiannual variable compensation	-	-	-	-
Special compensation	-	-	-	-
Attendance fees(2)	70,750	20,558	88,464	70,750
Benefits in kind	7,416	7,416	5,269	5,269
TOTAL	**729,902**	**711,467**	**944,134**	**836,976**

(1) The international travel allowance is deducted from variable compensation allocated for the same year.
(2) The amounts of the attendance fees paid for the year for the directorships held within companies invested in are deducted from the payment of the variable compensation owed for the same year, with certain differences stemming from tax and social security treatment.
* *The variable compensation due for fiscal year N is paid in fiscal year N+1.*
** *The variable compensation paid in fiscal year N is that due for fiscal year N-1.*

TABLE 3 *BIS*: ATTENDANCE FEES AND OTHER COMPENSATION RECEIVED BY THE MEMBERS OF THE SUPERVISORY BOARD AT THE EURAZEO LEVEL

Members of the Supervisory Board		Amounts in euros paid in 2014 for the 2015 fiscal year	Amounts in euros paid in 2015 for the 2016 fiscal year
Jean-Pierre Richardson*	Attendance fees	62,500	58,500
	Other compensation	-	-
TOTAL	**ATTENDANCE FEES**	**62,500**	**58,500**
	OTHER COMPENSATION	**-**	**-**

* *Jean-Pierre Richardson was a member of the Supervisory Board of Eurazeo until May 14, 2008, he is currently a non-voting Member of Eurazeo.*

5.1.4 Commitments of all kinds made by ANF Immobilier to the corporate officers

Renaud Haberkorn

Renaud Haberkorn was appointed Deputy Chief Executive Officer and member of the Executive Board of ANF Immobilier by the Supervisory Board on November 12, 2014. He resigned from his position of Deputy Chief Executive Officer and was appointed Chief Executive Officer on March 3, 2015 effective immediately upon the close of the Shareholders' Meeting of May 6, 2015.

At its meeting of March 3, 2015, the Supervisory Board decided to set up a severance package for Renaud Haberkorn.

At its meeting of March 8, 2017, the Supervisory Board decided to renew the term of office of Renaud Haberkorn as Chief Executive Officer. In accordance with Article L. 225-90-1 of the French Commercial Code, on the recommendation of the Compensation and Appointments Committee, the Supervisory Board authorized the commitments made for Renaud Haberkorn, Chief Executive Officer, concerning severance compensation under the terms and conditions set out below.

In accordance with the legal provisions, this pay must be the subject of further deliberations by the next Shareholders' Meeting.

I Performance conditions:

Payment of the severance compensation is subject to performance conditions which are determined as follows:

- 2015 and 2016: increase in the EBITDA at an average rate of 10% per year over the period considered (in accordance with the deliberation of the Supervisory Board of March 3, 2015);
- as of January 1, 2017: achievement of at least 80% of the quantitative and qualitative objectives triggering payment of his variable compensation.

Renaud Haberkorn will therefore receive severance compensation if he has fulfilled the above-mentioned performance conditions in at least two of the three years preceding the termination of his duties as Chief Executive Officer.

II Reasons for departure:

The severance compensation will be paid in the event of termination, for any reason whatsoever, of the duties of Chief Executive Officer except in the case of his resignation.

III Amount of severance compensation:

The gross amount of the severance compensation equals 150% of the gross annual remuneration paid to Renaud Haberkorn in the year preceding the termination of his duties (i.e., in practice, 18 months' salary).

The compensation taken into consideration consists of the fixed and variable compensation subject to social-security charges in application of Article L. 242-1, paragraph 1 of the French Social Security Code, excluding any other form of compensation, notably compensation paid under a long-term compensation plan (stock options, bonus shares, etc.).

IV Payment of severance compensation:

In application of the provisions of Article L. 225-90-1 of the French Commercial Code, no payment may be made before:

- the termination of the duties of the Chief Executive Officer;
- and the Supervisory Board has noted that the aforementioned performance conditions have been fulfilled.

Ghislaine Seguin

The Supervisory Board of March 27, 2017, on the recommendation of the Compensation and Appointments Committee of March 22, 2017, authorized the allocation of a severance compensation to Ghislaine Seguin under the following conditions, in accordance with the procedure for regulated agreements and the provisions of Article L. 225-79-1 of the French Commercial Code.

I Performance conditions

Payment of the severance compensation is subject to performance conditions which are determined as follows:

- achievement of at least 80% of the quantitative and qualitative objectives triggering payment of his variable compensation.

Ghislaine Seguin will therefore receive severance compensation if, in at least two of the three years preceding the termination of her duties, she has fulfilled the performance conditions mentioned above.

II Reasons for departure

The severance compensation shall be made if her employment agreement is terminated at the Company's initiative, except in the case of gross negligence or serious misconduct by Ghislaine Seguin.

III Amount of severance compensation

The amount of the severance compensation will amount to 150% of the gross annual compensation paid to the person in question in the year prior to the termination of their duties (i.e. in practice 18 months' wages).

It is expressly agreed between the parties that this allowance includes the contractual dismissal allowance to which Ghislaine Seguin may be entitled depending on the nature of the termination of her employment agreement.

IV Payment of severance compensation

In application of the provisions of Article L. 225-90-1 of the French Commercial Code, no payment may be made before:

- the termination of her duties as a member of the Executive Board;
- and the Supervisory Board has noted that the aforementioned performance conditions have been fulfilled.

5.1.5 Amounts of pensions and other employee benefit obligations

Renaud Haberkorn

Renaud Haberkorn receives, under the same conditions (contributions and benefits) as those applicable to ANF Immobilier employees, the following:

- collective defined contribution pension plan (2.50% of Salary Band A and 11% of Salary Band C);
- provident contract;
- reimbursement of health care costs contract (supplementary).

On September 26, 2014, the Supervisory Board also authorized the following benefits for Renaud Haberkorn:

- social security regime for company executives coverage;
- civil liability insurance for corporate officers;
- company car.

Bruno Keller

In exchange for services rendered during the fiscal year for the performance of his work, Bruno Keller has a supplementary pension plan (a defined benefit scheme with an insurance company) intended to supplement his pension, in compliance with the provisions of Articles L. 9 11-1 et seq. of the French Social Security Code.

Access to this plan has been definitively closed to any new beneficiaries since June 30, 2011.

To be eligible for this plan, executives must meet the following aggregate conditions:

- have at least four years of service;
- complete their career at the Company;
- exercise their right to the base social security pension plans and the supplemental mandatory ARRCO and AGIRC plans;
- receive, for one entire calendar year, gross annual compensation higher than five annual social security ceilings;
- this pension amount is based on compensation and length of service at the time of retirement.

The total amount of the additional pension plan granted to the beneficiary, in compliance with all provisions of retirement regulations, equals 2.5% of the base compensation per year of service (with a maximum of 24 years). The maximum pension amount is limited to 60% of base compensation.

Seniority, as defined by the retirement regulations, corresponds to the number of years of professional activity carried out within ANF Immobilier and Eurazeo. As of December 31, 2016, Bruno Keller had 26 years and 2 months of service in ANF Immobilier and Eurazeo.

The base compensation used to calculate benefits is based exclusively on the following items: the average compensation received for the previous 36 months preceding the departure from the Company up to a cap equal to twice the fixed compensation.

As previously mentioned, the granting of this benefit is contingent upon completing his/her career in the Company. Nevertheless, the beneficiaries of this plan who are dismissed after the age of 55 can continue to benefit from this plan on the condition that they do not take up any professional activity before they exercise their right to pension benefits.

The financing of this plan is outsourced. Accordingly, each year, based on changes in the commitment, which particularly depend on the rate of acquisition of the conditional rights and changes in technical and discount rates, ANF Immobilier makes a payment to the insurance company that manages the plan.

These payments represent a specific contribution of 24% for which the Company is exclusively responsible. When the pension is paid, the beneficiaries are responsible, in addition to the universal social security tax (CSG) (up to 6.6%), the contribution to the repayment of social debt (CRDS) (0.5%), a healthcare contribution (1%) and the additional solidarity contribution for autonomy (0.30%), for a specific employee contribution that may go up to 14%.

The gross annual pension amount that may be claimed by Bruno Keller as part of his rights acquired in ANF Immobilier is €80,750. In accordance with rules of this plan, and given Bruno Keller's departure from Eurazeo effective December 31, 2015, he may only claim the payment of this pension income as long as he does not take up any professional activity prior to claiming his pension.

5.1.6 Stock option and bonus share grants

TABLE 4: STOCK OPTIONS GRANTED DURING THE FISCAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER BY THE ISSUER AND BY ANY COMPANY OF THE GROUP

Name of executive corporate officer	Date of plan	Type of options (purchase or subscription)	Value of the options according to the method used for the consolidated financial statements *(€)*	Number of shares granted during the fiscal year	Exercise price	Date of plan
			None			

TABLE 5: ANF IMMOBILIER STOCK OPTIONS EXERCISED DURING THE FISCAL YEAR BY EACH EXECUTIVE CORPORATE OFFICER

Options exercised by each executive corporate officer	No. and date of plan	Number of options exercised during the fiscal year	Exercise price	Year of grant
Ghislaine Seguin	12/22/2011-2011 Plan	8,796	21.53	2011

TABLE 6: BONUS SHARES GRANTED DURING THE FISCAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER BY THE ISSUER AND BY ANY GROUP COMPANY

Name of executive corporate officer	Date of plan	Number of shares granted during the fiscal year	Value of shares according to the method selected for the consolidated financial statements (€)	Date of purchase	Availability date	Performance conditions
Renaud Haberkorn	05/23/2016 2015 Plan - ANF Immobilier	11,000	99,000	05/23/2019	05/23/2019	100%*
	05/13/2016 2016/1 Plan - Eurazeo	49	2,183	05/13/2019	05/13/2019	-
	05/13/2016 2016/2 Plan - Eurazeo	3,476	123,050	05/13/2019	05/13/2016	100%
Ghislaine Seguin	05/23/2016 2015 Plan - ANF Immobilier	6,000	54,000	05/23/2019	05/23/2019	100%*

* *The vesting of the allocated bonus shares (the "Bonus Shares") is subject to the Company's stock market performance condition, which will be determined over a three-year period (currently from May 23, 2016 until May 22, 2019 inclusive) by adding the change in the Company's stock price (stock price change) and the value of ordinary dividends paid to the shareholders during the same period (hereafter the "Company's Stock Market Performance"). The Company's stock market performance will be determined as follows:*

1) *in the amount of 60%, by the stock market performance in absolute value; and*
2) *in the amount of 40%, by the stock market performance in relative value.*

The Total Shareholder Return (hereafter the "TSR") corresponds to the yield for shareholders and is made up both of the change in the value of the Company's shares (change in the share price) and the value of the ordinary dividends paid to shareholders.

Regarding the stock market performance in absolute value, which makes up 60% of the Company's stock market performance:

- *if the average annual TSR is higher than or equal to 5%, 60% of the Bonus Shares allocated will become vested;*
- *if the average annual TSR is zero, none of the Bonus Shares awarded will become vested under this criterion;*
- *if the average annual TSR is higher than 0% and lower than 5%, the percentage of Bonus Shares awarded that becomes vested will be determined on a straight line basis.*

Regarding the stock market performance in relative value, which makes up 40% of the Company's stock market performance:

- *if the average annual TSR is higher than or equal to the EPRA index, 40% of the Bonus Shares allocated will become vested;*
- *if the average annual TSR is lower than 80% of the EPRA index, no Bonus Shares awarded will become vested under this criterion;*
- *between these points, the percentage of Bonus Shares awarded that becomes vested will be determined on a straight line basis.*

In the event of the occurrence of one of the following events prior to May 22, 2019 inclusive:

(i) *a takeover bid for the Company's shares that has been approved by the French Financial Markets Authority (AMF);*
(ii) *the takeover of the Company consisting of: (i) a change of control as defined in Article L. 233-3 of the French Commercial Code, (ii) a one-time change in the majority of the members of the Supervisory Board and on the initiative of a new shareholder or new shareholders acting in concert, or (iii) a company holding, directly or indirectly, a fraction of the Company's voting rights greater than 30%, in addition to a rotation, over a nine-month period, of more than 20% of the members of the Executive Board and the Supervisory Board;*
(iii) *dismissal of more than half the members of the Supervisory Board of the Company by the Shareholders' Meeting.*

The vesting of the Bonus Shares awarded will remain subject to the achievement of the criterion involving the Company's stock market performance under the following conditions, at the option of the beneficiary:

- *by applying the performance conditions over a period between the date on which the Bonus Shares were awarded (i.e. May 23, 2016) and the date of said event, at the latest, within the two months following the occurrence of the event; or*
- *by applying the performance conditions over a period of three years (starting from May 23, 2016 and ending on May 22, 2019 inclusive).*

Regardless of the beneficiary's choice of application period for the Company's stock market performance conditions, the Bonus Shares awarded will only become vested upon the expiration of the three-year vesting period, i.e. on May 22, 2019 inclusive. Upon the expiration of the vesting period, the Bonus Shares will be definitively awarded to the beneficiaries and will be transferred to their accounts.

TABLE 7: BONUS SHARES MADE AVAILABLE FOR EACH CORPORATE OFFICER

Name of the executive corporate officer	Date of plan	Number of shares made available during the fiscal year	Vesting conditions
		None	

TABLE 8: OVERVIEW OF STOCK OPTION GRANTS

	2007 Plan(1)	2008 Plan(1)	2009 Plan(1)	2010 Plan(1)	2011 Plan(1)	2012 Plan	2013 Plan	2014/1 Plan
Date of the Extraordinary Shareholders' Meeting	May 4, 2005	May 14, 2008	May 14, 2008	May 14, 2008	May 17, 2011	May 17, 2011 and May 3, 2012	May 6, 2014	May 6, 2014
Date of the Executive Board's decision	December 17, 2007	December 19, 2008	December 14, 2009	December 15, 2010	December 22, 2011	April 2, 2013	June 23, 2014	November 12, 2014
Total number of shares allocated initially(1)	159,159	179,839	224,659	219,323	216,075	52,915	106,575	50,000
The number of which can be purchased by corporate officers	0	0	1,855	8,928	0	2,924	5,851	50,000
Of which are corporate officers:								
• Renaud Haberkorn	-	-	-	-	-	-	-	50,000
• Ghislaine Seguin	-	0	1,855	8,928	0	2,924	5,851	-
Of which are top ten employee recipients	11,089	-	10,605	16,440	14,925	5,682	20,050	-
Exercise date of options	The options may be exercised once vested	The options may be exercised once vested	The options may be exercised once vested	The options may be exercised once vested	The options may be exercised once vested	Purchased options may only be exercised as from April 2, 2017 subject to the fulfillment of the performance conditions	Purchased options may only be exercised as from June 23, 2018 subject to the fulfillment of the performance conditions	Purchased options may only be exercised as from November 12, 2018 subject to the fulfillment of the performance conditions
Expiration date	December 17, 2017	December 19, 2018	December 14, 2019	December 15, 2020	December 22, 2021	April 2, 2023	June 23, 2024	November 12, 2024

(1) After any necessary adjustments.

	2007 Plan[1]	2008 Plan[1]	2009 Plan[1]	2010 Plan[1]	2011 Plan[1]	2012 Plan	2013 Plan	2014/1 Plan
Purchase or subscription price	€29.73 This price being equal to the average listed price of the ANF Immobilier share in the 20 trading days from November 16, to December 13, 2007, which precede the date of the meeting of the Executive Board concerning the stock option grants and take into account the adjustments made by the Executive Board.	€19.42 This price being equal to the average listed price of the ANF Immobilier share over the 20 trading days from November 21 to December 18, 2008 which preceded the date of the meeting of the Executive Board concerning the stock option grants.	€22.55 This price is equal to the average listed price of the ANF Immobilier share over the 20 trading days from November 16 to December 11, 2009 which preceded the date of the meeting of the Executive Board concerning the stock option grants.	€23.72 This price is equal to the average listed price of the ANF Immobilier share over the 20 trading days from November 18 to December 14, 2010 which preceded the date of the meeting of the Executive Board concerning the stock option grants.	€21.53 This price is equal to the average listed price of the ANF Immobilier share over the 20 trading days from November 24 to December 21, 2011 which preceded the date of the meeting of the Executive Board concerning the stock option grants.	€21.81 This price is equal to the average listed price of the ANF Immobilier share over the 20 trading days from March 1 to March 28, 2013 which preceded the date of the meeting of the Executive Board concerning the stock option grants.	€23.88 This price is equal to the average listed price of the ANF Immobilier share over the 20 trading days from May 26 to June 20, 2014 which preceded the date of the meeting of the Executive Board concerning the stock option grants.	€21.83 This price is equal to the average listed price of the ANF Immobilier share over the 20 trading days from October 15 to November 11, 2014 which preceded the date of the meeting of the Executive Board concerning the stock option grants.
Terms of exercise		Vesting of options in phases: • the first third of the options will be vested after a two-year period, i.e. on December 19, 2010; • the second third of the options will be vested after a three-year period, i.e. on December 19, 2011; • the last third of the options will be vested after a four-year period, i.e. on December 19, 2012. The exercise of stock options granted under the 2008 Plan is subject to certain performance conditions.	Vesting of options in phases: • the first third of the options will be vested after a two-year period, i.e. on December 14, 2011; • the second third of the options will be vested after a three-year period, i.e. on December 14, 2012; • the last third of the options will be vested after a four-year period, i.e. on December 14, 2013. The exercise of stock options granted under the 2009 Plan is subject to certain performance conditions.	Vesting of options in phases: • the first third of the options will be vested after a two-year period, i.e. on December 15, 2012; • the second third of the options will be vested after a three-year period, i.e. on December 15, 2013; • the last third of the options will be vested after a four-year period, i.e. on December 15, 2014. The exercise of stock options granted under the 2010 Plan is subject to certain performance conditions.	Vesting of options in phases: • the first third of the options will be vested after a two-year period, i.e. on December 22, 2013; • the second third of the options will be vested after a three-year period, i.e. on December 22, 2014; • the last third of the options will be vested after a four-year period, i.e. on December 22, 2015. The exercise of stock options granted under the 2011 Plan is subject to certain performance conditions.	Vesting of options in phases: • the first third of the options will be vested after a two-year period, i.e. on April 2, 2015; • the second third of the options will be vested after a three-year period, i.e. on April 2, 2016; • the last third of the options will be vested after a four-year period, i.e. on April 2, 2017. The exercise of stock options granted under the 2012 Plan is subject to certain performance conditions.	Vesting of options in phases: • the first third of the options will be vested after a two-year period, i.e. on June 23, 2016; • the second third of the options will be vested after a three-year period, i.e. on June 23, 2017; • the last third of the options will be vested after a four-year period, i.e. on June 23, 2018. The exercise of stock options granted under the 2013 Plan is subject to certain performance conditions.	Vesting of options in phases: • the first third of the options will be vested after a two-year period, i.e. on November 12, 2016; • the second third of the options will be vested after a three-year period, i.e. on November 12, 2017; • the last third of the options will be vested after a four-year period, i.e. on December 12, 2018. The exercise of stock options granted under the 2014/1 Plan is subject to certain performance conditions.

3

	2007 Plan(1)	2008 Plan(1)	2009 Plan(1)	2010 Plan(1)	2011 Plan(1)	2012 Plan	2013 Plan	2014/1 Plan
Number of shares purchased at December 31, 2015	-	98,945	59,234	12,432	17,512	-	-	-
Total number of stock options canceled or forfeited	-	30,157	33,293	44,002	43,353	-	26,241	-
Stock options remaining at the end of the fiscal year	159,159	50,737	132,132	162,889	155,210	52,915	80,334	50,000

(1) The features of the 2007, 2008, 2009, 2010 and 2011 Plans presented in the table take into account the adjustments made by the Executive Board on January 21, 2013 following transactions affecting the capital stock.

The stock options are granted without discount and without recourse to hedging instruments. Until the 2011 Plan, the Executive Board attributed said options during the December meeting following the decision of the Supervisory Board with regard to this issue. The 2012 and 2013 Plans were implemented the year following the fiscal year to which they related. The 2014/1 plan involves a specific and exclusive grant to Renaud Haberkorn as part of his appointment as member of the Executive Board and the new Deputy Chief Executive Officer of the Company. No stock options were granted in 2016.

The stock options, which are valued using IFRS, may not exceed twice the compensation of each recipient.

TABLE 9: HISTORY OF BONUS SHARE GRANTS

Plans	2012 Plan	2014 Plan	2015 Plan
Date of Executive Board meeting	04/02/2013	03/16/2015	05/23/2016
Total number of bonus shares granted*	17,814	34,000	34,000
of which the number granted to			
Renaud Haberkorn	-	8,000	11,000
Ghislaine Seguin	542	4,000	6,000
Vesting date of shares	04/02/2015	03/16/2017	05/23/2019
End date of lock-up period	04/02/2017	03/16/2019	n/a
Number of shares vested at 12/31/2016	9,803	-	
Total number of shares cancelled or forfeited	9,802	-	
Bonus shares granted remaining at end of year	-	34,000	34,000

* *After any necessary adjustments.*

TABLE 10: MULTIANNUAL VARIABLE COMPENSATION

Name of the executive corporate officer	Fiscal years
Renaud Haberkorn	None
Ghislaine Seguin	None

TABLE 11: OTHER INFORMATION

The table below presents the information required as part of AFEP/MEDEF recommendations as to whether, for executive corporate officers and where applicable, the following exist: (i) an employment contract in addition to the corporate office, (ii) supplementary pension plans, (iii) commitments made by the Company on compensation or benefits due or that are likely to be due as a result of or following the termination of or change in positions of the executive corporate officer and (iv) non-compete compensation.

	Employment agreement		Supplementary pension plan		Compensation or benefits due or that are likely to be due as a result of termination of or change in positions		Non-compete compensation	
Name of executive corporate officer	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Renaud Haberkorn Chief Executive Officer Beginning of term: May 6, 2015 Term ends: March 8, 2021		X		X	X			X
Ghislaine Seguin Member of the Executive Board and Deputy Chief Executive Officer Beginning of term: December 9, 2008 Term ends: March 8, 2021	X			X	X			X

5.2 Executive and employee interest in share capital

5.2.1 Bonus shares grants

(I) Bonus shares granted by ANF Immobilier during the 2016 fiscal year

Refer to Section 5.1.6 "Stock option and bonus share grants" of Chapter 3 of the Registration Document.

(II) Bonus shares granted by Eurazeo during the 2016 fiscal year

BONUS SHARES GRANTED BY EURAZEO DURING THE 2016 FISCAL YEAR SUBJECT TO PERFORMANCE CONDITIONS

	Number of shares granted	Vesting date	Availability date
Patrick Sayer	33,203	05/13/2019	05/13/2019
Philippe Audouin	11,165	05/13/2019	05/13/2019

BONUS SHARES GRANTED BY EURAZEO DURING THE 2016 FISCAL YEAR NOT SUBJECT TO PERFORMANCE CONDITIONS

	Number of shares granted	Vesting date	Availability date
None			

5.2.2 Stock options

(I) Options granted by ANF Immobilier

ANF Immobilier did not grant any stock options during the 2016 fiscal year.

(II) Options granted by Eurazeo

Stock options granted individually to executives and aggregate stock options granted to employees at Eurazeo are also examined by Eurazeo's Compensation and Appointments Committee. As part of a policy of loyalization of key executives, Eurazeo implemented a policy to distribute stock options on a regular basis. The amount set per individual is based on the potential gains from exercising the options compared to the annual salary of the person concerned, after consulting with an external specialist.

Eurazeo options granted in 2008

	Number	Maturity dates	Price
Bruno Keller	27,438	05/20/2018	€55.10
Patrick Sayer	171,448	05/20/2018	€55.10
Philippe Audouin	36,515	05/20/2018	€55.10

Eurazeo options exercised in 2008

	Number	Dates of exercise	Price
None			

Eurazeo options granted in 2009

	Number	Maturity dates	Price
Bruno Keller	12,233	06/02/2019	€22.33
Patrick Sayer	172,321	06/02/2019	€22.33
Philippe Audouin	37,742	06/02/2019	€22.33

Eurazeo options exercised in 2009

Options exercised by each executive corporate officer	No. and date of plan	Number of options exercised during the fiscal year	Exercise price	Year of grant
Patrick Sayer	2002 Plan	15,723	€36.00	2002
Bruno Keller	2004 Plan	13,000	€37.32	2004

Eurazeo options granted in 2010

	Number	Maturity dates	Price
Bruno Keller	28,219	05/10/2020	€35.02
Patrick Sayer	171,957	05/10/2020	€35.02
Philippe Audouin	37,659	05/10/2020	€35.02

Eurazeo options exercised in 2010

Options exercised by each executive corporate officer	No. and date of plan	Number of options exercised during the fiscal year	Exercise price	Year of grant
Bruno Keller	2004	26,039	€35.54	2004

Eurazeo options granted in 2011

	Number	Maturity dates	Price
Bruno Keller	28,294	05/31/2021	€40.77
Patrick Sayer	187,311	05/31/2021	€40.77
Philippe Audouin	20,671	05/31/2021	€40.77

Eurazeo options exercised in 2011

Options exercised by each executive corporate officer	No. and date of plan	Number of options exercised during the fiscal year	Exercise price	Year of grant
None				

Eurazeo options granted in 2012

	Number	Maturity dates	Price
Bruno Keller	14,385	05/14/2022	€28.62
Patrick Sayer	87,536	05/14/2022	€28.62
Philippe Audouin	19,316	05/14/2022	€28.62

Eurazeo options exercised in 2012

Options exercised by each executive corporate officer	No. and date of plan	Number of options exercised during the fiscal year	Exercise price	Year of grant
None				

Eurazeo options granted in 2013

	Number	Maturity dates	Price
Bruno Keller	28,646	05/07/2023	€31.96
Patrick Sayer	174,340	05/07/2023	€31.96
Philippe Audouin	22,395	05/07/2023	€31.96

Eurazeo options exercised in 2013

Options exercised by each executive corporate officer	No. and date of plan	Number of options exercised during the fiscal year	Exercise price	Year of grant
Bruno Keller	2009 Plan	6,000	€26.38	2009
Patrick Sayer	2009 Plan	19,200	€26.38	2009
Philippe Audouin	2009 Plan	9,674	€26.38	2009
Fabrice de Gaudemar	2003 Plan	13,459	€25.35	2003

Eurazeo options granted in 2014

	Number	Maturity dates	Price
Bruno Keller	24,739	06/17/2024	€55.11
Patrick Sayer	146,183	06/17/2024	€55.11
Philippe Audouin	33,734	06/17/2024	€55.11

Eurazeo options exercised in 2014

Options exercised by each executive corporate officer	No. and date of plan	Number of options exercised during the fiscal year	Exercise price	Year of grant
Bruno Keller	2009 Plan	4,578	€25.12	2009
Bruno Keller	2010 Plan	7,600	€39.38	2010
Patrick Sayer	2009 Plan	37,105	€25.12	2009
Philippe Audouin	2004 Plan	1,014	€28.68	2004
Fabrice de Gaudemar	2004 Plan	4,684	€30.11	2004

Eurazeo options granted in 2015

	Number	Maturity dates	Price
Bruno Keller	23,561	06/29/2025	€57.58
Patrick Sayer	128,513	06/29/2025	€57.58
Philippe Audouin	29,986	06/29/2025	€57.58

Eurazeo options exercised in 2015

Options exercised by each executive corporate officer	No. and date of plan	Number of options exercised during the fiscal year	Exercise price	Year of grant
Bruno Keller	2005 Plan	47,093	€43.59	2005
Patrick Sayer	2006 Plan	29,385	€51.05	2006
Patrick Sayer	2009 Plan	16,741	€23.92	2009
Philippe Audouin	2005 Plan	16,058	€43.59	2005
Philippe Audouin	2009 Plan	8,121	€23.92	2009

Eurazeo options granted in 2016

	Number	Maturity dates	Price
Patrick Sayer	33,204	05/13/2026	€57.90
Philippe Audouin	11,166	05/13/2026	€57.90

Eurazeo options exercised in 2016

Options exercised by each executive corporate officer	No. and date of plan	Number of options exercised during the fiscal year	Exercise price	Year of grant
Bruno Keller	2006 Plan	42,119	€51.05	2006
Bruno Keller	2012 Plan	2,900	€28.62	2012
Patrick Sayer	2006 Plan	88,155	€51.05	2006
Patrick Sayer	2009 Plan	23,458	€22.33	2009
Philippe Audouin	2006 Plan	19,590	€51.05	2006
Philippe Audouin	2009 Plan	10,191	€22.33	2009

5.2.3 Potential capital ownership

Taking the allocation of stock options and bonus shares into account, the maximum number of ANF Immobilier shares that may be acquired by the beneficiaries is as follows:

Name of beneficiary	Maximum number of shares that may be vested for stock option plans and granting of bonus shares	Total at 12/31/2016
Members of the Executive Board		
Renaud Haberkorn		61,000
Ghislaine Seguin		25,558
Members of the Supervisory Board		
Bruno Keller		486,109
Employees and former employees		326,709
TOTAL		**899,376**

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6. Transactions performed by executives on company shares during the 2016 fiscal year

Summary of transactions in Company shares referred to in Article L. 621-18-2 of the French Monetary and Financial Code and Articles 223-22 et seq. of the AMF's General Regulations during the last fiscal year(1).

Name and position	Description of the financial instrument	Type of transaction	Number of shares
Ghislaine Seguin	Shares	Exercise of stock options	8,796
Deputy Chief Executive Officer and member	Shares	Acquisitions	None
of the Executive Board	Shares	Disposals	8,796

(1) Including transactions conducted by persons closely connected with the individual as stated in the AMF directive of September 28, 2006.

7. Internal Rules of Procedure of the Supervisory Board and its Committees

On May 4, 2005, ANF Immobilier's Supervisory Board adopted Internal Rules of Procedure intended to set out its terms of operation, in addition to legal provisions and the provisions in the Company's Articles of Association. These Internal Rules of Procedure, pursuant to Article 13 of the Company's Articles of Association, may be amended at any time by a resolution of the Supervisory Board.

7.1 Internal Rules of Procedure of the Supervisory Board

The Supervisory Board meeting of March 8, 2017 updated these Internal Rules of Procedure. These Internal Rules of Procedure, set forth in Article 13-3 of the Company's Articles of Association, are intended to clarify and supplement the operating procedures of the Supervisory Board provided for in the Articles of Association. It may be modified at any time by deliberation of the Supervisory Board.

Article 1 : Composition and renewal of the Supervisory Board

1.1 Number of members

In accordance with Article 11 of the Company's Articles of Association, the Supervisory Board is composed of three to eighteen members appointed by the Shareholders' Meeting for a four-year term.

The number of Supervisory Board members aged over seventy (70) cannot exceed one third of the number of sitting members of the Supervisory Board in office. When this proportion is exceeded, the oldest member of the Supervisory Board, with the exception of the Chairman, ceases his duties at the end of the next Ordinary Shareholders' Meeting.

1.2 Independent status of the members

In accordance with the AFEP/MEDEF Corporate Governance Code of November 2016, as ANF Immobilier is a controlled company within the meaning of Article L. 2 33-3 of the French Commercial Code, the proportion of independent members on the Supervisory Board must be at least one-third.

The criteria that guide the Supervisory Board in qualifying a member as independent are the criteria specified by the AFEP/MEDEF Code of November 2016 (Art. 8.5). The criteria that must be examined by the Committee and the Board in order to qualify a Director as independent and to prevent the risk of conflicts of interest between the member of the Board and the management, the Company or its group, are the following:

- is not, and has not been during the last five fiscal years:
  - an employee or executive corporate officer of the Company,
  - an employee, executive corporate officer of Director of a company consolidated by the Company,
  - an employee, executive corporate officer or Director of the Company's parent company or of a company consolidated by said parent company;
- is not an executive corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee designated as such or an executive corporate officer of the Company (current or having been one in the last five years) holds a directorship;
- is not a client, supplier, investment banker or corporate banker (or directly or indirectly related to these persons):
  - that is significant for the Company or its group,
  - or for whom the Company or its group represents a significant portion of business.

    The assessment of the significant nature, or otherwise, of relations with the Company or its group is discussed by the Board and the quantitative and qualitative criteria that led to this assessment (continuity, economic dependency, exclusivity, etc.) explained in the annual report;
- does not have close family ties with a corporate officer;
- has have been a Statutory Auditor of the Company within the last five years;
- has not been a Director of the Company for more than 12 years. independent Directors lose this status as of their 12-year anniversary date.

The Supervisory Board defines and reviews the independence of its members every year. It rules on the qualification of its members after receiving an opinion from the Compensation and Appointments Committee.

The Supervisory Board may take the view that one of its members who meets these criteria should not be described as independent due to a specific situation, or conversely, that one of its members who does not meet all these criteria should be described as independent.

1.3 Senior Member of the Supervisory Board

The Supervisory Board may appoint from among its independent members a "Senior Member of the Supervisory Board".

The primary mission of the Senior Member of the Supervisory Board is to ensure the due operation of the Company's governance bodies. To that effect, he/she may:

- convene and chair meetings of the independent members of the Supervisory Board as needed;
- submit to the Chairman of the Supervisory Board his/her suggestions or recommendations on the operation of the Board, after consultation with the other members of the Board; inform the Chairman of the Supervisory Board of any conflicts of interest that he/she may have identified;
- take note of significant concerns regarding governance among the shareholders who are not represented on the Supervisory Board and ensure that these concerns are addressed;
- participate, in coordination with the Chairman of the Compensation and Appointments Committee, in overseeing the work done to evaluate the operation of the Board;
- report on the status of his/her mission to the Supervisory Board and, if applicable, to the Annual Shareholders' Meeting.

1.4 Gradual renewal

The Supervisory Board ensures that its members are gradually reappointed in as equal as possible fractions. As required, the Board may invite one or more of its members to resign to implement such a gradual renewal policy.

Article 2 : Participation in the Board

Each member of the Supervisory Board must dedicate the time and attention necessary to fulfill their remit, and must regularly attend meetings of the Board and of the Committee(s) of which they are a member.

Any Board member who has not attended half the meetings of the Board and Committees of which they are a member over the year shall be deemed as seeking to terminate their office and shall be asked to resign, unless exceptional circumstances apply.

Article 3 : Supervisory Board meetings

Pursuant to paragraph 3 of Article 12 of the Articles of Association, the Supervisory Board shall appoint a secretary, who is not required to be one of its members, on the proposal of its Chairman.

The Supervisory Board meets as often as required by the Company's interests and at least once a quarter. Notices of meetings may be issued by letter, telegram, fax, email or verbally. They may be delivered by the Secretary of the Board.

Meetings are convened by the Chairman, who sets their agenda, which may only be set at the time of the meeting.

If the Chairman is unable to attend, they are replaced in all capacities by the Vice-Chairman.

The Chairman must hold a Supervisory Board meeting within two weeks of any justifiable request for a meeting being submitted by at least one-third of its members or by the Executive Board. If the request is ignored, the parties who requested the meeting are authorized to convene a meeting themselves and set the agenda.

Meetings are held at the location designated in the notice of meeting.

A member of the Supervisory Board may give any other Supervisory Board member proxy for a meeting by letter, telegram, fax or electronic mail. Members are authorized to act as proxy for one member only at a given meeting.

These provisions apply to permanent representatives of a legal entity.

Supervisory Board resolutions are only valid if at least half of the members are present. Decisions are adopted by majority vote of the members present or represented. In the event that votes are tied, the Chairman of the meeting has the casting vote.

Except for the adoption of decisions relating to the appointment or replacement of its Chairman and Vice-Chairman, those relating to the appointment or dismissal of members of the Executive Board and those relating to the approval of the annual consolidated financial statements and the management report, any Audit Committee members who attend the meeting by video conference or any other means of telecommunication are deemed present for the purposes of quorum and majority, in accordance with the conditions authorized or specified in law and the regulations in force for Supervisory Board meetings.

The Supervisory Board may authorize non-members to attend meetings, including by video conference or telephone.

The attendance register signed by the members of the Supervisory Board who attend the meeting is kept at the registered offices.

Article 4: Minutes

Minutes of the discussions of every Supervisory Board meeting are drawn up, in accordance with the legal provisions in force.

The minutes mention whether video conference or telecommunication facilities were used, as well as the name of each member who attended the meeting via such facilities.

The Secretary of the Supervisory Board is authorized to deliver and certify copies or excerpts of the minutes.

Article 5: Exercise of powers of the Supervisory Board

The Supervisory Board exercises permanent control over the Executive Board's management of the Company. To do so, it exercises the remit granted by law and the Articles of Association.

5.1 Information provided to the Supervisory Board

Throughout the year, the Supervisory Board performs the checks and verifications that it deems appropriate, and may require the Executive Board to forward any documents that it considers useful for the fulfillment of its remit.

The Chairman specifically asks the Executive Board to send them a monthly update on the Company's investments, cash position and any potential debt, as well as the transactions performed.

The Executive Board presents the Supervisory Board with a report covering these same items and a description of the Company's businesses and strategy at least once a quarter.

The Executive Board also presents its budgets and investment plans to the Supervisory Board once every six months.

5.2 Prior authorization from the Supervisory Board

1. In accordance with Article 14.5 of the Articles of Association, the Supervisory Board sets the duration, amounts and terms according to which it grants the Executive Board advance authorization in writing to perform one or more transactions listed in a) and b) of paragraph 4 of Article 14 of the Articles of Association.
2. By authorization of the Supervisory Board and based on the favorable opinion of the Properties Committee, the Chairman may authorize the Executive Board to perform transactions listed in a) and b) of paragraph 4 of Article 14 of the Articles of Association between two Supervisory Board meetings in the event of an emergency, only if the amount of said transactions (as accounted for in assessing the threshold, in accordance with paragraph 4 of Article 14 of the Articles of Association) is between €20,000,000 and €50,000,000 for transactions listed in the last two sub-sections of b).

This authorization must be given in writing. The Chairman shall submit a report to the Supervisory Board for its approval at its next meeting.

1. The Supervisory Board grants its Chairman the authority to appoint any new Company representative to any Board of any French or foreign company in which the Company has an investment of at least €20,000,000.00.
2. The Chairman of the Supervisory Board may issue an opinion at any time to the Executive Board on any transaction that it has carried out, is carrying out or is planning to carry out.
3. The prior approvals and authorizations granted to the Executive Board pursuant to Article 14 of the Articles of Association and this Article are mentioned in the minutes of the Supervisory Board and Executive Board meetings.

Article 6: Formation of Committees – Joint provisions

1. Pursuant to paragraph 6 of Article 14 of the Articles of Association, the Supervisory Board has decided to set up an Audit Committee, a Properties Committee and a Compensation and Appointments Committee. These three Specialist Committees are permanent Committees. Their duties and specific operating rules are defined in this regulation.
2. Each Committee has between three and seven members appointed in their own names, who cannot delegate representatives. The Supervisory Board chooses the members at its discretion and ensures that the Committees include independent members.
3. Committee members' terms of office correspond to their terms as Supervisory Board members; however, the Supervisory Board may, at any time, change the composition of the Committees, thereby ending any Committee member's term.
4. The Supervisory Board can also appoint one or more non-voting members to one or more Committees for the term that it chooses. Pursuant to the Articles of Association, non-voting members appointed by the Supervisory Board take part in the deliberations of the Committee to which they are appointed in an advisory capacity only. They cannot replace members of the Supervisory Board and may only issue opinions.
5. The Supervisory Board appoints the Committee Chairman from among its members for the length of their term as a member of that Committee.
6. Every Committee reports on the execution of its remit at the following Supervisory Board meeting.
7. Every Committee sets the frequency of its meetings, which are held at the registered offices or in any other location chosen by the Chairman, who sets the agenda for each meeting.

   The Chairman of a Committee may decide to invite all the members of the Supervisory Board to attend one or more of the Committee's meetings. Only Committee members may take part in the discussions.

   Every Committee can invite any person of its choice to its meetings.
8. The minutes of each meeting are drawn up, unless otherwise indicated, by the meeting Secretary appointed by the Committee Chairman and under the Committee Chairman's authority. The agenda is forwarded to all Committee members. The Committee Chairman decides how it will report on the Committee's work to the Supervisory Board.
9. Each Committee issues proposals, recommendations and opinions within its field of competence. For this purpose, it may conduct any and all studies likely to clarify the deliberations of the Supervisory Board, or request that said studies be conducted.
10. The compensation paid to the members of each Committee is set by the Supervisory Board and deducted from the overall annual attendance fee amount.

Article 7: Compensation of the Supervisory Board

1. The Chairman and Vice-Chairman may receive compensation, the form, amount, and terms of which are determined by the Supervisory Board based on a proposal made by the Compensation and Appointments Committee.
2. The Supervisory Board divides the amount of attendance fees set by the Shareholders' Meeting pursuant to Article 15 of the Articles of Association between the Board, its various Specialist Committees, and the non-voting members, if necessary, according to the following principles:
   - the Supervisory Board determines the amount of attendance fees allocated to members of the Supervisory Board, and the amount of the fees allocated to the Chairman and members of each Committee,

- half of the amount of the attendance fees allocated to the Supervisory Board and Committee members is distributed evenly, while the other half is distributed in proportion to their actual attendance at Board and Committee meetings,
- the Supervisory Board may decide to allocate a portion of its attendance fees to non-voting members, under conditions that it determines.

Article 8: Rules applicable to the members of the Supervisory Board

8.1 General obligations

Each member of the Board shall, at the time of his or her appointment, take note of the Company's Articles of Association and the Internal Rules of Procedure in force as well as of the regulations applicable to the functions of member of the Board in a company whose securities are admitted to trading on a regulated market. If necessary, he or she will benefit from further training on the specific characteristics of the Company, its businesses and its sector of activity.

The member of the Board must act in all circumstances in the Company's interest. He/she must dedicate the time and attention necessary.

He/she agrees to attend all meetings of the Board according to a previously agreed timetable communicated to him/her and to be available for special meetings. He/she agrees, if applicable, to attend all meetings of the Committees to which he/she belongs.

Each Member of the Board must exercise his/her functions in compliance with the legal provisions on the accumulation of terms. In the event that a Member of the Board proposes to accept a mandate in addition to those held by him/her (except for mandates held in unlisted controlled companies), he/she shall so inform the Chairman of the Compensation and Appointments Committee with whom he/she will examine whether this new duty leaves sufficient availability for ANF Immobilier.

No Member of the Board may exercise a corporate office in a competitor of ANF Immobilier. He/she keeps the Board informed of the offices exercised in other companies, including his/her participation in the Advisory Committees of said French or foreign companies.

Executive corporate officers receive the opinion of the Board before accepting a new corporate office in a listed company.

A Member of Boards attends the Shareholders' Meetings of ANF Immobilier.

8.2 Duty of reserve and obligation of confidentiality

Each Member of the Board shall personally protect the confidentiality of the non-public information communicated to him or her on the Company in the course of his or her duties and the password giving access to the Internet platform dedicated to the Board. In the event of accidental loss or disclosure of this password, he/she must immediately notify the Corporate Legal Officer in order to take measures to ensure the confidentiality of the information contained on the site.

The members of the Board are bound by the confidentiality of deliberations.

Apart from the Chairman, the Board members expressly agree not to speak individually except in internal deliberations at the Board or at the invitation of the Chairman or with his consent, in particular at meetings of shareholders or bondholders. The members of the Supervisory Board also agree to comply with the legal and regulatory provisions applicable to the use and transmission of insider information (refer to ANF Immobilier's Securities Trading Conduct Code).

8.3 Duty to speak

The member of the Board agrees to clearly express his/her potential opposition to any draft decision that he/she thinks may harm the Company.

8.4 Obligation to hold Company shares

Each Member of the Board must hold, for the entire duration of his or her term of office, the minimum number of shares required by the Articles of Association. This number is currently 250 shares.

All the shares which a Member of the Board owns must be recorded in pure registered or administered accounts.

8.5 Transactions on Company shares

Refer to ANF Immobilier's Securities Trading Conduct Code.

8.6 Independence of the Members of the Board and conflicts of interest

Independence

Each Board member agrees under all circumstances to maintain his/her independence of analysis, judgment, decision and actions and to reject any direct or indirect pressure exerted on him/her by other Board members, specific groups of shareholders, creditors, suppliers and in general any third parties. He/she agrees not to seek or to accept from the Company or from companies related to it, directly or indirectly, any benefits that may be considered to be such as to compromise his/her independent status.

When it is called upon to decide on the appointment of any new Member of the Board, the Shareholders' Meeting is informed of their situation.

Conflicts of interest

Each Member of the Board has a duty to inform the Board of any conflict of interest situation, even if potential or arising in future, in which they find themselves in order to define and implement the steps which will prevent such a conflict.

The member of the Board concerned is required to refrain from attending the part of the Board or Committee meeting during which a sensitive subject, in this regard, is discussed.

Where there is a proposed transaction in which a member of the Supervisory Board or a non-voting member is directly or indirectly interested (e.g. when a member of the Board is affiliated: to the seller's advisory or financing bank, to the advisory or financing bank of a competitor of ANF Immobilier for the transaction in question, to a significant supplier or customer of a company in which ANF Immobilier is considering taking a participating interest), the member of the Board or the non-voting member concerned is required to inform the Chairman of the Supervisory Board as soon as he/she is aware of such a project and to inform him that he/she is directly or indirectly affected and in what capacity. The member of the Supervisory Board or non-voting member concerned is required to refrain from attending the part of the Supervisory Board or Committee meeting that addresses the project in question. As a result, they do not take part in the Board's discussions or vote on the project in question, and the section of the minutes of the meeting concerning the project in question is not submitted to them.

Article 9: Notification

These Internal Rules of Procedure shall be disclosed to the Executive Board, which shall take note of them through a special resolution.

Article 10: Appendices

Appendix 1: Internal Rules of Procedure of the Audit Committee

Appendix 2: Internal Rules of Procedure of the Properties Committee

Appendix 3: Internal Rules of Procedure of the Compensation and Appointments Committee

7.2 Internal Rules of Procedure of the Audit Committee

In application of Article 14.6 of the Company's Articles of Association and in accordance with the law, an "Audit Committee" shall be created within the Supervisory Board. The Audit Committee exercises its activity under the Supervisory Board's responsibility.

These Internal Rules of Procedure are intended to recall the powers and duties of the Audit Committee (hereinafter the "Committee") of ANF Immobilier (hereinafter the "Company") and to specify the operating procedures, in addition to the provisions of the Company's Articles of Association, the decisions of the Supervisory Board (hereinafter the "Board") and its Internal Rules of Procedure.

The Audit Committee is an advisory body to the Supervisory Board.

Article 1: Composition

In accordance with the AFEP/MEDEF Code of May 2016, the proportion of independent members of the Supervisory Board in the Audit Committee must be two-thirds and the Committee must not include any executive corporate officer.

The members of the Audit Committee must have financial or accounting competence. At least one member must be a financial expert within the meaning of the French Commercial Code.

Status of the Chairman

By majority of the members present, the Supervisory Board appoints the Chairman of the Committee from among its independent members.

The Board may change the Chairman at any time and without indemnity.

The appointment or renewal of the Chairman of the Audit Committee proposed by the Compensation and Appointments Committee must be the subject of a special review by the Supervisory Board.

Article 2: Role

The Committee gives opinions and recommendations to the Supervisory Board on:

- the process for preparing the financial statements;
- the process for appointing Statutory Auditors to execute the legal audits of the annual and consolidated financial statements;
- the process for appointing appraisers and the execution of their mission;
- the process for preparing the financial information;
- the financial policy;
- the operations and missions of the internal audit;
- the process for risk management and internal control and its efficacy.

Each year the Committee is responsible for presenting to the Supervisory Board at least one communication on each of these subjects.

Article 3: Mission

As part of its role, the Committee's specific missions are the following:

a) As regards the Company financial statements and the consolidated financial statements, the Committee:

- examines the draft company financial statements and the draft consolidated financial statements, half-yearly and annual (hereinafter the "Financial Statements"), monitors the processes by which they are prepared, ensures the relevance and consistency of accounting policies and methods and the proper application of and compliance with the accounting standards applicable to it. It assesses the relevance of the methods selected to process significant transactions;
- analyzes the financial statements in direct dialogue with the Company's financial department and the Statutory Auditors and reports to the Supervisory Board on that subject. At the Chairman's request, the Committee may meet at the end of the meeting with

the financial department and/or the Statutory Auditors without the presence of the Executive Board;

- examines the draft half-yearly and yearly reports and the annual report and the profit and loss statements before they are published, as well as all the financial statements prepared for the purposes of specific transactions (contributions, mergers, market transactions, payment of advance dividends, etc.);
- examines the accounting and financial treatment of acquisition or disposal transactions and, if applicable, the important transactions in which a conflict of interest could have occurred;
- examines the scope of the consolidated companies and, if applicable, the reasons why companies are not included;
- ensures the existence of a procedure for the identification of disputes and off-balance sheet commitments.

b) As regards the Statutory Auditors, the Committee:

- supervises their selection or renewal at the end of their term of office and issues a recommendation on the Statutory Auditors proposed for appointment by the Shareholders' Meeting;
- monitors the fulfillment by the Statutory Auditors of their mission under the applicable legal and regulatory provisions;
- each year, is notified of:
  - the amount of fees paid to the network of Statutory Auditors by companies controlled by the Company or the entity that controls it for services not directly related to the Statutory Auditors' mission, and
  - information on the services carried out under the due diligence directly associated with the Statutory Auditors' mission;
- ensures that the fees paid by the Company and its group, or the share they represent of the revenues of the firms and the networks, are not likely to interfere with the independence of the Statutory Auditors;
- examines with the Statutory Auditors the risks weighing on their independence and the safeguard measures taken to mitigate these risks;
- decides on ancillary work or work directly complementing the audit of the financial statements, such as acquisition audits (excluding evaluation and advisory work), the realization of which could be entrusted to the Company's Statutory Auditors;
- reports to the Supervisory Board on the results of the account certification mission, on the way this mission contributed to all the financial information and on the role it played in this process.

c) As regards expert appraisers, the Committee:

- supervises the selection and renewal of outside experts in charge of evaluating the portfolio;
- ensures that the rules applicable to Statutory Auditors are transposed to the experts;
- ensures that the evaluation methods used are uniform, relevant and permanent.

d) As regards the financial information, the Committee:

- monitors the process for preparing the financial information and, if applicable, issues recommendations to ensure that the work is carried out in full;
- is informed by the Executive Board of the Company's financial situation and the methods used to define the financial policy;
- examines the investment/divestiture plans, the financing plans, the cash flow plans and their execution;
- monitors the annual budget as well as the execution of the main decisions concerning the portfolio (for example: heavy works, investments, disposals);
- examines the clarity and reliability of the information communicated to the shareholders and to the market;
- examines the Company's financial information policy and the financial communiqués before they are sent to the Supervisory Board and to the market.

e) As regards the financial policy, the Committee:

- is informed by the Executive Board of the Company's financial situation and financial policy;
- examines the debt situation (including the structure – variable rate, fixed rate – and the hedging policy); It reviews the financing plans, the cash flow plans and their execution;
- at the Executive Board's request, it gives its opinion on decisions to allocate financial resources where they are significant;
- examines the income and dividend distribution policy and makes recommendations to the Board.

f) As regards the internal audit, the Committee:

- examines the operation and effectiveness of the internal control systems with regard to the procedures for preparing and processing the accounting and financial information, without prejudice to its independence, makes observations and examines the measures taken to implement them;
- listens to the head of internal audit, give its opinion on the organization of the department and keeps itself informed of the work program;
- receives all mission reports from the internal audit;
- ensures that internal audit has the appropriate resources to carry out the audit plan;
- asks the Executive Board, if applicable, for the internal audit to conduct specific missions, notably those concerning the Corporate Governance process.

g) As regards risks and internal control, the Committee:

- organizes the resources and skills available to identify the main risks to which the Company is exposed. On an indicative basis, these risks may be financial in nature;
- ensures that the risk monitoring process is appropriate for the challenges faced by the Company's different business lines (including "non-systemic" risk mapping) and in particular the separation of the execution and audit functions;

- examines the operation of the rules and procedures to ensure compliance with the laws and regulations, with the Code of ethics and with the rules on signing and delegations of power;
- examines the decision-making procedure concerning the Company's commitments (for example: investments or any other significant contractual agreement), including the financial models used and the preparation of business plans by asset;
- examines the procedures the Company uses to organize the hedging of risks relating to its portfolio (reconstruction), its operations (operating losses, loss of rents, site risks) and its civil liability, through appropriate insurance policies. Examines the procedure for delegating penal risk that is implemented;
- examines the crisis management plans in force in the Company as well as their relevance given the main risks incurred.

Article 4: Resources

The Audit Committee:

- can request that any internal or external audit on any subject it considers material to its duties and responsibilities be performed. In such cases, the Chairman immediately informs the Supervisory Board and the Executive Board;
- is informed of internal control processes and internal audit programs whenever necessary;
- is presented by the Executive Board, twice per year, with an analysis of risks to which the Company may be exposed.

Article 5: Operation

The Audit Committee meets when convened by its Chairman. It also meets at the request of the Chairman of the Supervisory Board or of the Chief Executive Officer.

The Audit Committee meets in principle before the meetings of the Supervisory Board, the agenda of which includes making a decision falling within the scope of the power assigned to the Audit Committee by the Supervisory Board.

The members of the Committee cannot delegate a proxy.

Written minutes are prepared for each meeting. These minutes are sent to the members of the Committee.

Either the Chairman or one of the members of the Audit Committee shall report on its works at the following meeting of the Supervisory Board.

Any Audit Committee members who attend the meeting by video conference or any other means of telecommunication are deemed present for the purposes of quorum and majority, in accordance with the conditions authorized or specified in law and the regulations in force for Supervisory Board meetings.

The members of the Audit Committee can, if the Committee deems it necessary or if they so request, benefit from training on the accounting, financial and operational aspects of the Company.

The Director of Financial Management attends meetings of the Audit Committee and acts as its Secretary.

7.3 Internal Rules of Procedure of the Properties Committee

In application of Article 14.6 of the Company's Articles of Association, a special "Properties Committee" shall be set up within the Supervisory Board. The Properties Committee exercises its activity under the Supervisory Board's responsibility.

These Internal Rules of Procedure are intended to recall the powers and duties of the Properties Committee (hereinafter the "Committee") of ANF Immobilier (hereinafter the "Company") and to specify the operating procedures, in addition to the provisions of the Company's Articles of Association, the decisions of the Supervisory Board (hereinafter the "Board") and its Internal Rules of Procedure.

The Properties Committee is an advisory body to the Supervisory Board.

Article 1: Mission

The Properties Committee examines and issues an opinion on any and all real estate transactions, corporate acts, or proposals to the Shareholders' Meeting that are submitted to it by the Chairman of the Supervisory Board.

Article 2: Operation

The Properties Committee meets, when necessary, after a meeting has been called by its Chairman. It also meets at the request of the Chairman of the Supervisory Board or of the Chief Executive Officer .

Any Properties Committee members who attend the meeting by video conference or any other means of telecommunication are deemed present for the purposes of quorum and majority, in accordance with the conditions authorized or specified in law and the regulations in force for Supervisory Board meetings.

7.4 Internal Rules of Procedure of the Compensation and Appointments Committee

In application of Article 14.6 of the Company's Articles of Association, a special "Compensation and Appointments Committee" shall be set up within the Supervisory Board. The Compensation and Appointments Committee exercises its activity under the Supervisory Board's responsibility.

These Internal Rules of Procedure are intended to recall the powers and duties of the Compensation and Appointments Committee (hereinafter the "Committee") of ANF Immobilier (hereinafter the "Company") and to specify the operating procedures, in addition to the provisions of the Company's Articles of Association, the decisions of the Supervisory Board (hereinafter the "Board") and its Internal Rules of Procedure.

The Compensation and Appointments Committee is an advisory body to the Supervisory Board.

Article 1: Composition

The Committee may not include an executive corporate officer and a majority of its members must be independent.

Article 2: Mission

The missions of the Committee are as follows:

1- As regards the selection of the new members of the Supervisory Board:

The Committee is responsible for making proposals to the Board after examining in detail all the factors to be taken into account in its deliberations, in particular in view of the composition of and changes to the Company's shareholder base, in order to achieve a balanced composition of the Board: gender equality, nationality, international experience, expertise, etc. In particular, it organizes a procedure to select the future independent members and conducts its own research on the potential candidates before contacting them.

2- As regards the succession of the executive corporate officers:

The Committee prepares a succession plan for the executive corporate officers. The Chairman may participate in or be associated with the Committee's tasks in carrying out this mission.

3- As regards compensation:

The Committee is responsible for studying and proposing to the Board all the elements of the executive corporate officers' compensation and benefits, with the Supervisory Board as a whole being responsible for the decision. It also issues a recommendation on the budget and terms of the distribution of attendance fees allocated to the members of the Board.

Article 3: Operation

The Committee meets at least once a year after a meeting has been convened by its Chairman. It also meets at the request of the Chairman of the Supervisory Board or of the Chief Executive Officer.

Any Compensation and Appointments Committee members who attend the meeting by video conference or any other means of telecommunication are deemed present for the purposes of quorum and majority, under the conditions authorized or specified in law and by the regulations in force for Supervisory Board meetings.

8. Statutory Auditors' report prepared pursuant to Article l. 225-235 of the French Commercial Code, on the report of the Chairman of the Supervisory Board

Year ended December 31, 2016

ANF Immobilier
Headquarters: 1, rue Georges Berger – 75017 Paris
A French limited company (société anonyme) with a share capital of €19,009,271
Paris Trade and Companies Registry no. 568 801 377

Dear Shareholders,

In our capacity as Statutory Auditors of ANF Immobilier, and in fulfillment of the requirement under Article L. 225-235 of the French Commercial Code, we hereby present our report on the report prepared by the Chairman of your Company pursuant to Article L. 225-68 of the French Commercial Code for the year ended December 31, 2016.

The Chairman is responsible for preparing and submitting for approval by the Supervisory Board a report on the internal control and risk management procedures implemented within the Company and providing the further information required by Articles L. 225-68 of the French Commercial Code, relating, in particular, to Corporate Governance.

We are responsible:

- for informing you of any observations we have made on the information contained in the Chairman's report on internal control and risk management procedures pertaining to the preparation and treatment of accounting and financial information; and
- for certifying that the report includes the further information required by Article L. 225-68 of the French Commercial Code, on the understanding that we are not responsible for checking the accuracy of this further information.

We have carried out our assignment in accordance with professional standards applicable in France.

Information on internal control and risk management processes for the preparation and treatment of accounting and financial information

Professional standards require us to take all due diligence in order to determine that the information given in your Chairman's report on internal control and risk management processes for the preparation and treatment of financial and accounting information is true and fair.

This due diligence includes, in particular:

- reviewing the internal control and risk management procedures for the preparation and treatment of accounting and financial information serving as the basis for the information presented in your Chairman's report and in existing documentation;
- reviewing the work serving as the basis for such reported information and existing documentation;
- determining whether or not any major deficiencies in internal control of the preparation and treatment of accounting and financial information that we may discover during our investigations are fully disclosed in the Chairman's report.

Based on our work, we have no comments to make concerning the information on the Company's internal control and risk management procedures for the preparation and treatment of financial and accounting information contained in the report of the Chairman of the Supervisory Board, prepared in accordance with Article L. 225-68 of the French Commercial Code.

Other information

We certify that the report of the Chairman of the Supervisory Board includes the further information required by Article L. 225-68 of the French Commercial Code.

Signed in Neuilly-sur-Seine and Courbevoie, on March 24, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	**Mazars**
Pierre Clavié	Guillaume Potel

9. Statutory Auditors' special report on regulated agreements and commitments

Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2016

ANF Immobilier
1, rue Georges Berger
75017 PARIS

Dear Shareholders,

In our capacity as Statutory Auditors for your Company, we hereby present our report on regulated agreements and commitments.

Our responsibility is to inform you, on the basis of the information provided, of the characteristics and the main terms and conditions, as well as the grounds justifying the Company's interest, of the agreements and commitments that were disclosed to us or that we may have come across in the course of our work, without commenting on their relevance or substance, nor seeking to discover whether other agreements and commitments exist. It is incumbent upon you, under the terms of Article R. 225-58 of the French Commercial Code, to determine whether the agreements and commitments are appropriate and should be approved.

In addition, it is our responsibility to disclose any information, as defined in Article R. 225-58 of the French Commercial Code, relating to the performance during the fiscal year just ended of agreements and commitments already approved by the Shareholders' Meeting.

We have undertaken all the procedures we considered necessary with respect to the auditing standards of the French Institute of Statutory Auditors in order to perform our assignment. This due diligence consisted of checking the consistency of the information given to us with the source documents serving as the basis for such information.

I. Agreements and commitments submitted for approval at the Shareholders' Meeting

1.1 Agreements and commitments authorized since the end of the fiscal year

We have been informed of the following agreements and commitments that have been authorized in advance by your Supervisory Board since the end of the fiscal year just ended.

Agreements with the executives

Variable compensation of the members of the Executive Board in respect of 2016 and paid in 2017

- Persons concerned:

  Renaud Haberkorn (Chief Executive Officer of ANF Immobilier) and Ghislaine Seguin (Deputy Chief Executive Officer and Member of the Executive Board of ANF Immobilier).

- Type and terms:

  On March 8, 2017, the Supervisory Board set the amount of variable compensation to be paid to Executive Board members in 2017 in respect of the 2016 fiscal year in accordance with quantitative and qualitative criteria defined during the Supervisory Board's meeting on March 14, 2016.

- The compensation is as follows:

  Renaud Haberkorn: variable compensation of €207,480.

  Ghislaine Seguin: variable compensation of €105,740.

- Interests:

  This agreement continues to be implemented since compensation for members of the Executive Board, set by the Supervisory Board, consists of a fixed portion and a variable portion determined on the basis of qualitative and quantitative criteria.

Severance compensation of Renaud Haberkorn within the framework of the renewal of his term as Chief Executive Officer

- Person concerned:

  Renaud Haberkorn (Chief Executive Officer of ANF Immobilier effective May 6, 2015).

- Type and terms:

  At its meeting of March 3, 2015, the Supervisory Board established, for the benefit of Renaud Haberkorn, a severance compensation subject to the approval of the Shareholders' Meeting within the framework of the renewal of the term of Renaud Haberkorn as Chief Executive Officer.

  At its meeting of March 8, 2017, the Supervisory Board decided to renew Renaud Haberkorn's term as Chief Executive Officer and at that time authorized the allocation of severance compensation subject to performance conditions to Renaud Haberkorn in the event of termination of his duties within ANF Immobilier.

  The gross amount of the severance compensation amounts to 150% of the gross annual compensation paid to Renaud Haberkorn in the year prior to the termination of his duties (i.e. in practice 18 months' wages).

  The severance compensation will be paid in the event of termination, for any reason except resignation, of the duties as Chief Executive Officer.

  Payment of the severance compensation is subject to performance conditions that are determined as follows:

  - years 2015 and 2016: increase in EBITDA at a rate of 10% on average per year over the period under consideration (in accordance with the decision taken by the Supervisory Board on March 3, 2015),
  - as of January 1, 2017: achievement of at least 80% of the quantitative and qualitative objectives triggering the payment of his variable compensation.

Renaud Haberkorn will receive Executive Director job loss insurance.

Severance compensation of Ghislaine Seguin within the framework of the renewal of her term as Chief Executive Officer

- Person concerned:

  Ghislaine Seguin (Deputy Chief Executive Officer and Member of the Executive Board of ANF Immobilier).

- Type and terms:

  At its meeting of March 27, 2017, the Supervisory Board authorized the allocation of severance compensation subject to performance conditions to Ghislaine Seguin in the event of termination of her duties within ANF Immobilier.

  The amount of the severance compensation will amount to 150% of the gross annual compensation paid to the person in question in the year prior to the termination of their duties (i.e. in practice 18 months' wages).

  The severance compensation will be paid in the event the Company terminates the contract for any reason other than gross negligence or serious misconduct.

  Payment of the severance compensation is subject to performance conditions that are determined as follows:

  - achievement of at least 80% of the quantitative and qualitative objectives triggering payment of her variable compensation.

1.2 Agreements and commitments authorized during the fiscal year just ended

Pursuant to Article L. 225-88 of the French Commercial Code, we have been informed of the following agreements and commitments that have been authorized in advance by your Supervisory Board.

Agreements with shareholders

Approval of the disposal of the 26 ANF Immobilier Hôtels shares held by Eurazeo (Supervisory Board meeting of November 30, 2016)

- Persons concerned:

  Eurazeo, as shareholder controlling ANF Immobilier within the meaning of Article L. 233-3 of the French Commercial Code, and ANF Immobilier.

- Type and terms:

  On November 30, 2016, the Supervisory Board authorized the Company, prior to the transaction, to purchase, jointly with CEPAC, 26 of the 34 ANF Immobilier Hôtels (AIH) shares held by Eurazeo. CEPAC Foncière purchased the remaining 8 AIH shares held by Eurazeo.

  An agreement for the disposal of shares and current account receivables was therefore signed on December 9, 2016, subject to the condition precedent of receiving prior authorization from the lending banks.

  A reiterative deed noting the transfer of ownership and possession of the shares and receivables, with effect from January 1, 2017, and the payment (made on January 4, 2017) of the price for the shares and receivables sold, was signed on January 5, 2017.

- Interests:

  By increasing its investment in AIH to 77%, ANF Immobilier gains a substantial additional recurring cash flow and offsets the decrease in income caused by the disposals under way.

II. Agreements and commitments already approved by the Shareholders' Meeting

2.1 Agreements and commitments approved in prior fiscal years that were still in force in the fiscal year just ended

Pursuant to Article R. 225-57 of the French Commercial Code, we were informed that the following agreements and commitments approved by the Shareholders' Meeting during previous fiscal years remained in full force during the fiscal year just ended.

a. Agreements with companies with executives in common

Partnership ANF Immobilier, Caisse d'Epargne Provence Alpes Corse – CEPAC and Eurazeo (Supervisory Board meetings of June 17, 2014 and December 10, 2014)

- Persons concerned:

  Patrick Sayer (Member of the Supervisory Board of ANF Immobilier and Chief Executive Officer of Eurazeo), Philippe Audouin (Member of the Supervisory Board of ANF Immobilier and Member of the Executive Board of Eurazeo), Sébastien Didier (Member of the Supervisory Board of ANF Immobilier and Member of the Executive Board of CEPAC).

- Type and terms:

  At its meeting on March 17, 2014, the Supervisory Board authorized the establishment of a partnership within the ANF Immobilier subsidiary known as ANF Immobilier Hôtels. The partners of ANF Immobilier Hôtels are ANF Immobilier, Eurazeo and CEPAC.

  The Supervisory Board, at its meeting on June 17, 2014, authorized ANF Immobilier to (i) subscribe, under the €44,590,000 credit agreement granted by CEPAC to ANF Immobilier Hôtels, with the commitment not to sell its shares in ANF Immobilier Hôtels without the agreement of CEPAC and (ii) become a party as a subordinate creditor under the terms provided for in said contract.

  The Supervisory Board, at its meeting on December 10, 2014, authorized ANF Immobilier to (i) subscribe, under the €5,812,000 credit agreement granted by CEPAC to ANF Immobilier Hôtels, with the undertaking not to sell its shares in ANF Immobilier Hôtels without the agreement of CEPAC and (ii) become a party as a subordinate creditor under the terms provided for in said contract.

b. Agreements with the executives

Commitments towards Renaud Haberkorn for his role as Chief Executive Officer effective May 6, 2015

- Person concerned:

  Renaud Haberkorn (Chief Executive Officer of ANF Immobilier effective May 6, 2015).

- Type and terms:

  Severance compensation subject to performance conditions capped at 18 months of fixed and variable compensation will be paid to Renaud Haberkorn in the event of the termination of his duties within ANF Immobilier. This compensation will only be paid if the recurring EBITDA before exceptional items grew at an average rate of 10% per annum over the period under review. Should the performance condition not be achieved, no amount will be payable.

  Renaud Haberkorn will receive Executive Director job loss insurance.

2.2 Agreements and commitments authorized during the fiscal year just ended

We were also informed of the implementation, during the fiscal year just ended, of the following agreements and commitments, already approved by the Shareholders' Meeting of May 11, 2016, based on the Statutory Auditors' special report of April 13, 2016.

a. Agreements with companies with executives in common

Management mandate given to Foncia Vieux Port for the management (i) of the entire property portfolio in Marseille except the large commercial property complexes and furnished rentals and (ii) of the marketing of the residential portfolio and spread out offices in Marseille (Supervisory Board meeting of June 17, 2015)

- Persons concerned:

  Bruno Keller, (Chairman of the Supervisory Board of ANF Immobilier and Member of the Supervisory Board of Foncia Holding), Patrick Sayer (Member of the Supervisory Board of ANF Immobilier and Chief Executive Officer of Eurazeo), Philippe Audouin (Member of the Supervisory Board of ANF Immobilier and Member of the Executive Board of Eurazeo) and Jean-Pierre Richardson (Member of the Supervisory Board of ANF Immobilier and Non-voting Member of Eurazeo).

  Foncia and ANF Immobilier are both controlled by Eurazeo.

- Type and terms:

  Three-year management mandate given to Foncia Vieux Port under the following terms and conditions:

  - Normal management fees:

    3.6% excluding taxes of the amounts received on behalf of the client during the first two full years of the term of office, then 4% excluding taxes of the amounts received on behalf of the client if the representative has satisfied the requirements of his term of office. These fees include the fees for monitoring work and managing rental disputes.

  - Fees for monitoring large-scale works (work cost in excess of €30,000):

    1.5% excluding taxes of the amount of the works excluding taxes.

  - Marketing fees (residential premises):

    7% excluding taxes on the amount of yearly rent excluding taxes and charges.

    If the tenant vacates the premises within the twelve months following the effective date of the lease, no fees will be billed to the Client.

  - Marketing fees (spread out offices, if entrusted to the Client as part of the Term of office):

    15% excluding taxes on the amount of yearly rent excluding taxes and charges.

b. Agreements with the executives

Compensation of the members of the Executive Board who hold an employment contract with the Company (Supervisory Board meeting of December 16, 2015)

- Person concerned:

  Ghislaine Seguin (Deputy Chief Executive Officer and Member of the Executive Board).

- Type and terms:

  Fixed Compensation for Ghislaine Seguin totaled €180,000 for fiscal year 2015. The Supervisory Board meeting of December 16, 2015 raised this fixed compensation to €200,000 as of January 1, 2016.

Variable compensation of the members of the Executive Board in respect of 2015 and paid in 2016

- Persons concerned:

  Renaud Haberkorn (Chief Executive Officer of ANF Immobilier), Ghislaine Seguin (Deputy Chief Executive Officer and Member of the Executive Board of ANF Immobilier) and Bruno Keller (Chief Executive Officer until May 6, 2015).

- Type and terms:

  On March 14, 2016, the Supervisory Board set the amount of variable compensation to be paid to Executive Board members in 2016 in respect of the 2015 fiscal year in accordance with quantitative and qualitative criteria defined during the Supervisory Board's meeting on March 3, 2015.

- The compensation is as follows:

  Renaud Haberkorn: variable compensation of €267,300.

  Ghislaine Seguin: variable compensation of €121,860.

  Bruno Keller: variable compensation of €133,826.

Signed in Neuilly-sur-Seine and Courbevoie, on April 12, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	**Mazars**
Pierre Clavié	Guillaume Potel

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INCOME FROM OPERATIONS

1. Factors having an impact on income

The main factors which ANF Immobilier considers to have had an impact on its business and its financial performance are presented below.

1.1 Occupancy rate

Changes in the occupancy rate of ANF Immobilier's properties have a direct influence on rental incomes and the share of rental expenses which are at the charge of the landlord. The occupancy rate may be affected by difficulties encountered by tenants, including business closure in certain cases, if there is a significant deterioration in economic conditions. Nevertheless, despite the departure of tenants, ANF Immobilier's target is to maintain a high occupancy rate, notably as a result of its active rental management strategy.

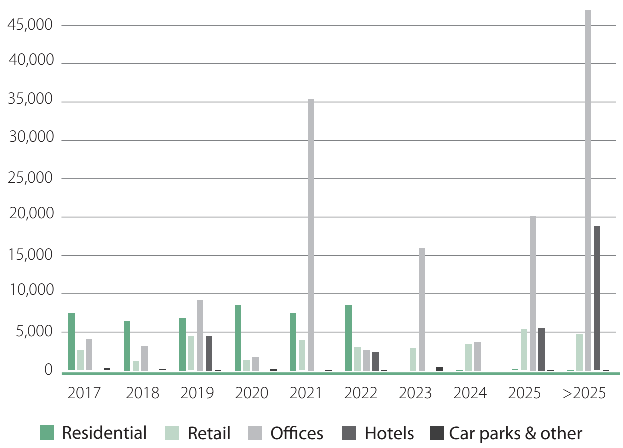
Occupancy rate *(%)*	**Core***	**Heritage**	**Total**
Offices	95%	91%	95%
Retail	100%	86%	86%
Hotels	100%	N/A	100%
Residential	N/A	83%	84%
Other	N/A	83%	83%
TOTAL	**95%**	**85%**	**91%**

* *Not material, Residential & Other – Core: < 3% of the portfolio value.*

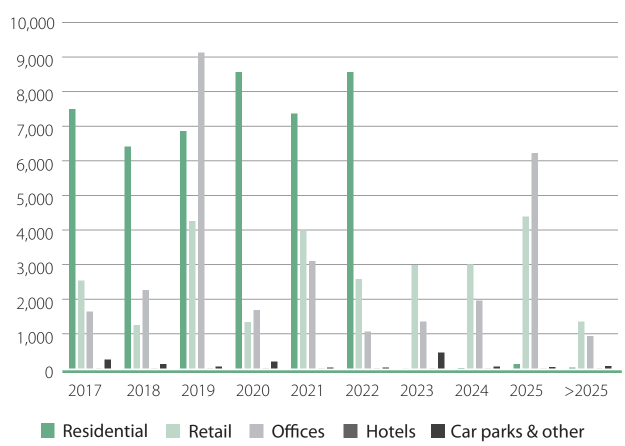
1.2 Lease renewal terms

The retail, residential and office lease renewal schedule for Marseille, Lyon and Bordeaux is as follows:

TOTAL PORTFOLIO

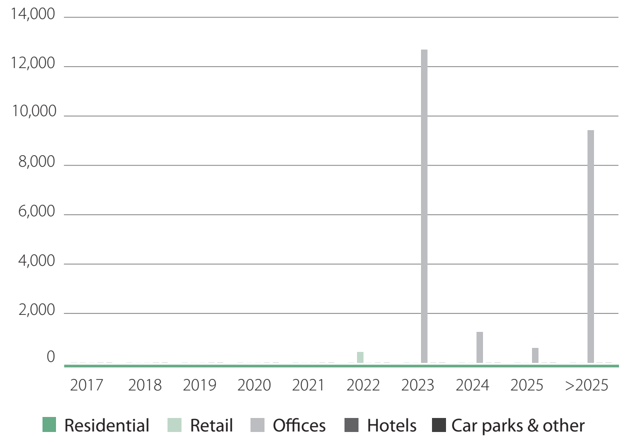


MARSEILLE

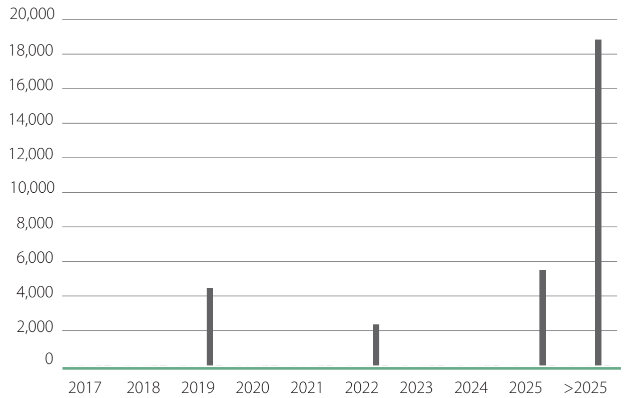


LYON

BORDEAUX



HOTELS



1.3 Project delivery

In general, rents become payable upon completion of a project. As a result, completion dates have a direct impact on income.

1.4 Indexation

Rent indexation to the "**ICC**" (construction cost index) or the "**ILC**" (retail rent index) for commercial leases for retail stores and small businesses or to the "**ILAT**" (tertiary activities rent index) for office space leases, logistics activities and professional offices or to the "**IRL**" (rent reference index) for housing leases provides for an annual review of the lease rent, based on changes in the relevant index.

It should be noted that law no. 2014-626 of June 18, 2014 on craft, retail and very small businesses, known as the "Pinel law", has removed the reference to the ICC in Articles L. 145-34 and L. 145-38 of the French Commercial Code and replaced this index with the ILC and the ILAT as the reference indices for calculating the adjusted rent during the triennial review or when the lease is renewed.

Accordingly, the rent indexation for commercial leases, particularly when renewing existing leases or signing new ones, will now be based only on the ILC or the ILAT according to the use of the premises covered by the lease.

1.4.1 ICC

The ICC is calculated quarterly by INSEE. It measures changes in the price of new residential properties every quarter and is commonly used for the indexation of retail and office rents.

The principle behind the calculation of this index is to compare the market price of each construction transaction with a fictional price determined by assessing the price of each construction element, excluding other components which form part of the cost of housing (real-estate expenses, development-related expenses, financial expenses, etc.) at a reference date. The calculation is carried out each quarter on the basis of a representative sample tracking movements in construction prices for new housing.

Leases usually include a clause on the annual indexation of the rent based on changes in this index on January 1 of every year or on the anniversary date of the start of the lease term. Older leases include a clause requiring the indexation of rents every three years.

1.4.2 ILC

The ILC was established based on three existing indices, and is calculated as follows: 50% of the average CPI (consumer price index) over 12 consecutive months, plus 25% of the average ICAV index (retail sales index by value) over 12 consecutive months, plus 25% of the average ICC index (construction cost index) over four consecutive quarters.

Pursuant to Decree no. 2008-1139 of November 4, 2008 relating to the ILC allowing new rules to be applied concerning the revision and indexation of commercial rents under the LME law, confirming that the ILC applies to commercial premises, except for premises reserved exclusively for office use.

The ILC index applies to leases signed after the decree of November 4, 2008 came into force, i.e. November 7, 2008. For leases in progress at that date that do not include a clause expressly providing for the automatic substitution of the index previously used with the ILC upon its entry into force, the parties may agree, through an amending rider, to index the rent of the lease based on changes in the ILC.

1.4.3 ILAT

Law no. 2011-525 of May 17, 2011 on the simplification and improvement of the law allows the parties to a retail lease to use the ILAT (tertiary activities rent index) to index the rent for leases to which the ILC does not apply, such as leases for retail office space, logistics activities, or professional offices.

Decree no. 2011-2028 of December 29, 2011 on the tertiary activities rent index specifies the conditions for the calculation and publication of the new index.

The ILAT was established based on three existing indexes, and is calculated as follows: 50% of the average consumer price index over 12 consecutive months, plus 25% of the average ICC over four consecutive quarters, plus 25% of the average Gross Domestic Product over four consecutive quarters.

This new index applies to leases signed after the decree of December 29, 2011 came into force, i.e. December 30, 2011. For leases in progress at that date that do not include a clause expressly providing for the automatic substitution of the index previously used with the ILAT upon its entry into force, the parties may agree, through an amending rider, to index the rent of the lease based on changes in the ILAT.

1.4.4 IRL

The IRL is a quarterly index calculated by INSEE.

Article 9 of law 2008-111 of February 8, 2008 on purchasing power, modified the IRL created by Article 35 of law 2005-841 of July 26, 2005. The new index represents the average, over the past 12 months, of the consumer price index excluding tobacco and rent. It is calculated using a base of 100 in the fourth quarter of 1998.

1.5 Gains (losses) on disposals

Gains (or losses) arising from asset disposals represent the difference between proceeds from the disposal less sales-related expenses and the net carrying amounts of the assets.

Whether ANF Immobilier actually disposes of assets primarily depends on its ability to find potential purchasers for the assets it wishes to sell.

1.6 Macroeconomic conditions

The residential and commercial property sector is directly affected by general economic conditions. The main economic indicators, notably gross domestic product growth, job creation levels, interest rates, inflation, the construction cost index and the rent reference index, may have an impact on ANF Immobilier's performance, and on the value of its properties in either the short or long term.

The level of interest rates has a major impact on the property market since low interest rates contribute generally to supporting both the value of property portfolios and tenants' financial strength. By contrast, a significant increase in interest rates is likely to be detrimental to the value of property portfolios and raise financial expenses on debt. Low long-term interest rates and construction costs also make it easier for property landlords to finance investments and reduce the costs related to the completion of their developments.

1.7 Property expenses

Property expenses include in particular maintenance expenses, operating expenses (which mainly include the supply of consumables, maintenance contracts, concierge expenses and insurance) and taxes. A portion of these expenses is passed on to tenants.

In addition, ANF Immobilier incurs refurbishment and major repair expenses which are capitalized and are therefore not included in property expenses.

1.8 Overhead expenses

Overhead expenses mainly include personnel expenses (employees and secondments), operating expenses (premises, IT purchases, and supplies) and fees.

1.9 Net financial expense

Changes in financial expenses are affected by average debt levels, trends in the interest rates at which ANF Immobilier can obtain financing or carry out refinancing, and the cash generated by the business.

2. Consolidated net income

2.1 Comparison of 2016 and 2015 fiscal years (consolidated financial statements prepared in accordance with IFRS)

2.1.1 Comparison of balance sheet items

Asset items

As of December 31, 2016, assets totaled €1,127.1 million compared with €1,150.1 million as of December 31, 2015. This €23 million decrease was a result of the following items.

Non-current assets

Total non-current assets amounted to €1,075.2 million as of December 31, 2016 compared with €1,096.7 million as of December 31, 2015, a €21.5 million decrease. This decrease in non-current assets is mainly due to portfolio disposals and the decrease in non-current financial assets. Non-current assets mainly consist of the following:

- investment properties amounting to €1,066 million as of December 31, 2016, compared with €1,078.5 million as of December 31, 2015, a decrease of €12.5 million; this is mainly attributable to the disposals made during the year for €89.6 million with disposal gains of €6.6 million, a negative change in the fair value of the portfolio of €10.7 million and of investments of €61.4 million;
- operating properties amounted to €1.5 million as of December 31, 2016, compared with €1.6 million as of December 31, 2015;
- other intangible assets and property, plant and equipment reaching €4.2 million as of December 31, 2016, compared with €4.8 million as of December 31, 2015;
- non-current financial assets amounting to €2.1 million as of December 31, 2016, a decrease of €8.6 million compared with the 2015 fiscal year. This decrease mainly stems from repayments of loans and receivables granted by the Company to these non-consolidated subsidiaries;
- financial derivatives amounting to €0.7 million, compared with €0.3 million as of December 31, 2015. It includes the positive fair value of a few of the Company's financial hedges.

Current assets and properties held for sale

Current assets totaled €51.1 million as of December 31, 2016, compared with €33.6 million as of December 31, 2015, an increase of €17.5 million. Current assets mainly comprise the following items:

- trade receivables, mainly consisting of tenant receivables, totaling €5.2 million, compared with €3.5 million as of December 31, 2015;
- other receivables totaling €10.6 million as of December 31, 2016, compared with €6.6 million as of December 31, 2015, and comprising VAT receivables and receivables on disposals made at the end of 2016;
- cash and cash equivalents of €35.1 million as of December 31, 2016, compared with €23.4 million as of December 31, 2015, excluding bank overdrafts classified as current liabilities;
- properties held for sale amounting to €0.8 million as of December 31, 2016, compared with €19.8 million as of December 31, 2015, and mainly related to some residential units in Lyon.

Liability items

As of December 31, 2016, liabilities totaled €1,127.1 million compared with €1,150.1 million as of December 31, 2015. This €23 million decrease was a result of the following items.

Shareholders' equity

Equity (Group share) totaled €494.2 million as of December 31, 2016, compared with €514.3 million as of December 31, 2015.

This €20.1 million change is explained mainly by the decrease of €22.2 million in net income (Group share) for the year.

Non-current liabilities

The non-current liabilities mainly consist of bank borrowings, as well as the current accounts of minority partners. They totaled €553.8 million as of December 31, 2016, compared with €571.9 million as of December 31, 2015, an €18.03 million decrease resulting mainly from the repayment of debts following the year's disposals.

Current liabilities

Current liabilities totaled €53.1 million as of December 31, 2016, compared with €49.3 million as of December 31, 2015, an increase of €3.8 million. Current liabilities mainly consist of the following:

- trade payables of €10.5 million as of December 31, 2016, compared with €22.9 million for the 2015 fiscal year;
- short-term portion of financial payables totaling €23.3 million as of December 31, 2016, compared with €10.9 million as of December 31, 2015;
- security deposits of €6.3 million as of December 31, 2016, compared with €6.5 million as of December 31, 2015;

- tax and social security liabilities totaling €11.1 million as of December 31, 2016, compared with €6.2 million as of December 31, 2015. This increase of €4.9 million is mainly explained by changes in VAT liabilities;
- other liabilities amounting to €0.8 million as of December 31, 2016, compared with €1.3 million in 2015;
- deferred income of €0.3 million as of December 31, 2016, compared with €0.4 million in 2015.

On average, ANF Immobilier pays its suppliers 30 days after the end of the month in which the transaction took place. As of December 31, 2016 and December 31, 2015, trade payables (with the exception of a number of disputed invoices) were due in less than one month.

2.1.2 Comparison of income statement items

As of December 31, 2016, total operating income amounted to €60 million compared with €55.2 million as of December 31, 2015, or an increase of €4.9 million, explained by a €2.1 million increase in consolidated rents and a €2.8 million increase in re-invoicing of expenses. Operating income comprised rents in the amount of €51.2 million and other operating income amounting to €8.8 million.

Total operating expenses amounted to €11.5 million, a €1.3 million increase compared with December 31, 2015, and included property expenses and other operating expenses of €9.6 million and €1.9 million respectively (compared with €9.1 million and €1 million respectively for the 2015 fiscal year).

As a result, EBITDA from property totaled €48.6 million in 2016 (compared with €45 million in 2015) and €55.2 million after asset disposals (compared with €52.3 million in 2015).

In 2016, net operating income (before changes in fair value of property) totaled €43.3 million, compared with €38.5 million in 2015, a rise of €4.8 million. During 2016:

- employee expenses amounted to €6.2 million, compared with €7.1 million in 2015;
- other management expenses totaled €4 million, compared with €3.5 million as of December 31, 2015;
- other income amounted to €1.1 million, compared with €0.4 million as of December 31, 2015;
- other expenses totaled €1 million, compared with €3 million for fiscal year 2015;
- depreciation and amortization was recorded for €0.9 million, compared with €0.7 million as of December 31, 2015;
- after taking into account the decrease of €10.7 million in property values, there was net operating profit of €32.6 million, compared with a net operating profit of €56.6 million in 2015.

Net financial expenses totaled €16.8 million as of December 31, 2016 (compared with €21.4 million as of December 31, 2015) and consisted of expenses relating to ANF Immobilier's loans. The net result on financial instruments was negative by €6 million in 2016, compared with a positive result of €0.9 million in 2015, the difference being mainly due to the recognition in income of the non-effective portion of the Company's hedging instruments in the first half of the year and the transfer to income of the hedging reserves of the Company's financial instruments that were disqualified from the hedge accounting in the second half of the year.

Income tax for fiscal year 2016 was €1 million. This tax amount is mainly due to a subsidiary not benefiting from the derogatory SIIC regime and to taxation of management fees relating to the Company's partnerships.

As a result, consolidated net income was €9.8 million (of which a loss of €3.7 million in Group share) as of December 31, 2016, compared with net profit of €33.2 million as of December 31, 2015 (€18.6 million in Group share).

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2.2 Comparison of 2015 and 2014 fiscal years (consolidated financial statements prepared in accordance with IFRS)

2.2.1 Comparison of balance sheet items

Asset items

As of December 31, 2015, assets totaled €1,150.1 million compared with €1,134.4 million as of December 31, 2014. This €15.7 million rise was a result of the following items.

Non-current assets

Total non-current assets amounted to €1,096.7 million as of December 31, 2015 compared with €1,067.7 million as of December 31, 2014, a €29 million increase. This increase in non-current assets is mainly due to the Company's investment policy. Non-current assets mainly consist of the following:

- investment properties amounting to €1,078.5 million as of December 31, 2015, compared with €1,057.2 million as of

December 31, 2014, an increase of €21.3 million; this is mainly attributable to the investments made during the year for €128.3 million plus a positive change in fair value of €25.6 million and disposals of €132.6 million;

- operating properties remained stable at €1.6 million as of December 31, 2015, compared with €1.6 million as of December 31, 2014;
- other intangible assets and property, plant and equipment reaching €4.8 million as of December 31, 2015, compared with €1.4 million as of December 31, 2014;
- non-current financial assets of €10.8 million as of December 31, 2015, an increase of €4.0 million over the 2014 fiscal year. This increase mainly stems from an increase in loans and receivables due from associates and non-consolidated entities;
- financial derivatives amounting to €0.3 million, compared with €0.2 million as of December 31, 2014. It includes the positive fair value of a few of the Company's financial hedges.

Current assets and properties held for sale

Current assets totaled €33.6 million as of December 31, 2015, compared with €19.2 million as of December 31, 2014, an increase of €14.4 million. Current assets mainly comprise the following items:

- trade receivables, mainly consisting of tenant receivables, totaling €3.5 million, compared with €4.6 million as of December 31, 2014;
- other receivables totaling €6.6 million as of December 31, 2015, compared with €4.1 million as of December 31, 2014;
- cash and cash equivalents of €23.4 million as of December 31, 2015, compared with €10.4 million as of December 31, 2014;
- properties held for sale amounting to €19.8 million as of December 31, 2015, compared with €47.6 million as of December 31, 2014, and mainly related to a residential block in Lyon and some residential units in Marseille.

Liability items

As of December 31, 2015 liabilities totaled €1,150.1 million compared with €1,134.4 million as of December 31, 2014. This €15.7 million rise was a result of the following items.

Shareholders' equity

Equity (Group share) totaled €514.3 million as of December 31, 2015, compared with €494.5 million as of December 31, 2014.

This €19.8 million increase is explained mainly by the net income (Group share) of €18.6 million for the year.

Non-current liabilities

Non-current liabilities, mainly consisting of bank borrowings, totaled €571.9 million as of December 31, 2015, compared with €603.1 million as of December 31, 2014, i.e. a €31.2 million decrease resulting mainly from the repayment of debts following the year's disposals.

Current liabilities

Current liabilities totaled €49.3 million as of December 31, 2015, compared with €36.8 million as of December 31, 2014, an increase of €12.5 million. Current liabilities mainly consist of the following:

- trade payables of €22.9 million as of December 31, 2015, compared with €11.4 million for the 2014 fiscal year;
- short-term portion of financial payables totaling €10.9 million as of December 31, 2015, compared with €6.7 million as of December 31, 2014;
- security deposits of €6.5 million as of December 31, 2015, compared with €6.1 million as of December 31, 2014;
- tax and social security liabilities totaling €6.2 million as of December 31, 2015, compared with €10.1 million as of December 31, 2014. The €3.9 million decrease is mainly attributable to the recognition of an extraordinary income tax expense for 2014 on gains on property disposals that did not qualify for the SIIC special regime;
- other liabilities amounting to €1.3 million as of December 31, 2015, compared with €0.7 million in 2014;
- deferred income of €0.4 million as of December 31, 2015, compared with €0.3 million in 2014.

On average, ANF Immobilier pays its suppliers 30 days after the end of the month in which the transaction took place. As of December 31, 2015 and December 31, 2014, trade payables (with the exception of a number of disputed invoices) were due in less than one month.

2.2.2 Comparison of income statement items

As of December 31, 2015, total operating income was €55.2 million, compared with €44.7 million as of December 31, 2014, a growth of €10.4 million resulting from the start of production of investments delivered in 2014 and 2015. Operating income comprised €49.2 million in rental income (an increase of €9 million compared with 2014) and other operating income amounted to €6 million.

Total operating expenses amounted to €10.2 million, a €2.2 million increase compared with December 31, 2014, and included property expenses and other operating expenses of €9.1 million and €1 million respectively (compared with €7.2 million and €0.8 million respectively for the 2014 fiscal year).

As a result, EBITDA from property totaled €45 million in 2015 (compared with €36.7 million in 2014) and €52.3 million after asset disposals (compared with €37.0 million in 2014).

In 2015, net operating income (before changes in fair value of property) totaled €38.5 million, compared with €23.7 million in 2014, a rise of €14.8 million. During 2015:

- employee expenses amounted to €7.1 million, compared with €7.5 million in 2014;
- other management expenses remained stable at €3.5 million;
- other income amounted to €0.4 million, compared with €1.4 million as of December 31, 2014;
- other expenses totaled €3 million, compared with €2.5 million for fiscal 2014;
- depreciation and amortization was recorded for €0.7 million, compared with €0.6 million as of December 31, 2014;
- after taking into account the rise of €18.2 million in property values, there was net operating profit of €56.6 million, compared with net operating loss of €5.7 million in 2014.

Net financial expenses totaled €21.4 million as of December 31, 2015 (compared with €14.3 million as of December 31, 2014), and mainly consisted of expenses relating to ANF Immobilier's loans, and of the recognition in income of a €4.6 million extraordinary expense on the unwinding of financial instruments following the repayment of the underlying debt. The net result on financial instruments was negative by €0.9 million in 2015, compared with a positive result of €2.9 million in 2014, the difference being mainly due to the recognition in income of the non-effective portion of the Company's hedging instruments.

Income tax for fiscal 2015 was €0.6 million.

As a result, consolidated net income was €33.2 million (of which €18.6 million in Group share) as of December 31, 2015, compared with net loss of €20.3 million as of December 31, 2014.

3. Company net income

4

3.1 ANF Immobilier company results – Comparison of the years ended December 31, 2016 and December 31, 2015

3.1.1 Balance sheet

Non-current assets amounted to €546.3 million as of December 31, 2016, compared with €585.3 million as of December 31, 2015, a decrease of €39 million. This decrease results mainly from the following:

- a €2.9 million decrease in land values, from €122.9 million as of December 31, 2015 to €120 million as of December 31, 2016; constructions and fittings amounted to €254.2 million as of December 31, 2016, compared with €278.9 million in 2015. These decreases were the result of the portfolio disposals completed during the fiscal year;
- property, plant and equipment in progress amounted to €50.1 million as of December 31, 2016, compared with €62.3 million as of December 31, 2015. This €12.2 million reduction is explained mainly by the delivery of previously launched projects and the slowdown in the Company's investments made over the fiscal year.

Financial assets (€121.9 million), mainly consist of the investments in: Les Bassins à Flots SNC (€25 million), a company in which ANF Immobilier holds a 99% interest; SCI Silky Way (€26 million), in which ANF Immobilier holds a 65% interest; SCI Future Way (€2.7 million), in which ANF Immobilier holds a 51% interest; SCI New Way (€7.4 million), in which ANF Immobilier holds a 50% interest; SCI ANF Immobilier Hôtels (€28.4 million), in which ANF Immobilier holds a 51% interest; SAS ANF Immobilier Développement (€0.3 million), in which ANF Immobilier holds a 100% interest; SCI Stratège (€9.2 million), in which ANF Immobilier holds a 54% interest; SCI Lafayette (€12.6 million), in which ANF Immobilier holds a 54% interest; SCI Orianz (€6.6 million), in which ANF Immobilier holds a 65% interest; SCI Factor E (€3.1 million), in which ANF Immobilier holds a 65% interest.

The purpose of Les Bassins à Flots SNC is to lease land and buildings (Nautilus building) in the form of permissions to occupy public domain. The purpose of SCI Silky Way relates to the development of a property complex in Lyon (in partnership with CERA and

DCB International). The purpose of SCI ANF Immobilier Hôtels is to carry out our hotel partnership activities. SAS ANF Immobilier Développement was created to handle property transactions that do not qualify for the SIIC tax regime. SCI Stratège and SCI Lafayette are used to carry out an investment in the buildings used by Areva in Lyon. The purpose of SCI Future Way is the management of a property complex in the Tête d'Or district in Lyon. The purpose of SCI New Way is the development of a 13,000 sq.m. building on land in the Carré de Soie business district in Lyon. SCI Orianz and SCI Factor E were created to carry out the Company's investments in an offices program in the vicinity of the high-speed rail terminal in Bordeaux.

Operating receivables totaled €12.1 million and consisted of other receivables (€7.5 million), trade receivables (€4.6 million) and advances and prepayments on orders (€0.03 million).

Marketable securities and cash (€28.3 million as of December 31, 2015) were €18.5 million as of December 31, 2016. This includes treasury shares (for a net amount of €17.3 million).

Shareholders' equity totaled €264.8 million as of December 31, 2016, compared with €284.1 million at the end of the previous fiscal year.

As of December 31, 2016, regulatory reserves amounted to €164 million and additional paid-in capital remained stable at €37.8 million.

Provisions for liabilities and expenses amounted to €0.8 million as of December 31, 2016, compared to €0.3 million as of December 31, 2015.

Liabilities totaled €316.5 million compared with €340.5 million the previous year. The main components of the Company's debt are:

- bank borrowings of €299.3 million;
- payables to suppliers of non-current assets of €1.9 million;
- tax and social security liabilities for an amount of €9 million;
- miscellaneous loans and other borrowings of €2.7 million;
- trade payables for a total of €2.4 million.

3.1.2 Income statement

Net profit in 2016 amounted to €3.3 million, compared with a net profit of €42.6 million in 2015. It includes the following:

- net operating loss of €3 million (-€2 million in 2015);
- net financial expenses of €9 million (-€12.2 million in 2015);
- net non-recurring income of €16 million (€57 million in 2014);
- income tax of €0.7 million.

Net operating income amounted to €32.2 million (€34.4 million in 2015): rental income totaled €23.9 million, compared with €28.7 million in 2015, and rental expenses reinvoiced to tenants and other income amounted to €8.3 million (compared with €5.7 million in 2015).

Operating expenses were €35.1 million, compared with €36.4 million in the prior year. Purchases and external expenses increased to €8.2 million from €6.7 million in the prior year. Depreciation and amortization expenses decreased from €17.4 million to €16.6 million. The other main expenses items are employee expenses (€5.9 million, compared with €6.7 million in 2015) and taxes and duties (€3.5 million compared with €4.6 million paid in 2015).

Net financial expenses totaled €9 million. The main components of these net expenses were (i) interest income from investments (€6 million) and (ii) interest expenses arising from loans (€15.1 million).

The net non-recurring income of €16 million corresponds mainly to €15.7 million in gains on property disposals.

3.2 ANF Immobilier company results – Comparison of the years ended December 31, 2015 and December 31, 2014

3.2.1 Balance sheet

Non-current assets amounted to €585.3 million as of December 31, 2015, compared with €646.4 million as of December 31, 2014, a decrease of €61.1 million. This decrease results mainly from the following:

- a €24 million decrease in land values, from €146.9 million as of December 31, 2014 to €122.9 million as of December 31, 2015. This is a result only of disposals of €26.6 million;
- buildings and fittings totaled €278.9 million as of December 31, 2015, compared with €308 million in 2014. The decrease of €29.2 million is due to newly commissioned properties of €23.4 million off set by accumulated depreciation of €16 million and disposals of €36.6 million;
- property, plant and equipment in progress amounted to €62.3 million as of December 31, 2015, compared with €90.6 million as of December 31, 2014. This €28.3 million decrease is explained mainly by a positive change in investments for €9 million off set by

new commissions and sold properties amounting to €26 million, as well as €11.3 million in over-amortization of the properties in the TAT block in Lyon. Over-amortization follows receipt of a firm offer accepted on these properties.

Financial assets (€121.3 million), mainly consist of the investments in: Les Bassins à Flots SNC (€26 million), a company in which ANF Immobilier holds a 99% interest; JDML (€5.7 million), in which ANF Immobilier holds a 50% interest; SCI Silky Way (€25.3 million), in which ANF Immobilier holds a 65% interest; SCI Future Way (€2.9 million), in which ANF Immobilier holds a 55% interest; SCI New Way (€3.5 million), in which ANF Immobilier holds a 50% interest; SCI ANF Immobilier Hôtels (€27.6 million), in which ANF Immobilier holds a 51% interest; SAS ANF Immobilier Développement (€6.1 million), in which ANF Immobilier holds a 100% interest; SCI Stratège (€8.5 million), in which ANF Immobilier holds a 55% interest; SCI Lafayette (€12.2 million), in which ANF Immobilier holds a 55% interest; SAS Financière des Brotteaux (€2.5 million), in which ANF Immobilier holds a 20% interest.

The purpose of Les Bassins à Flots SNC is to lease land and buildings (Nautilus building) in the form of permissions to occupy public domain. JDML's corporate purpose is the acquisition and rehabilitation of a property complex in Marseille (the former headquarters of SNCM) in partnership with Eiffage. The purpose of SCI Silky Way relates to the development of a property complex in Lyon (in partnership with CERA and DCB International). The purpose of SCI ANF Immobilier Hôtels is used to carry out our hotel partnership activities. SAS ANF Immobilier Développement was created to handle property transactions that do not qualify for the SIIC tax regime. SCI Stratège and Lafayette are used to carry out an investment in Areva. SAS Financière des Brotteaux is used to carry out a housing renovation partnership program. The purpose of SCI Future Way is the management of a property complex in the Tête d'Or district in Lyon. The purpose of SCI New Way is the development of a 13,000 sq.m. building on land in the Carré de Soie business district in Lyon.

Operating receivables totaled €5.1 million and consisted of other receivables (€2.2 million), trade receivables (€2.6 million) and advances and prepayments on orders (€0.3 million).

Marketable securities and cash (€22.1 million as of December 31, 2014) were €28.3 million as of December 31, 2015. This includes treasury shares (for a net amount of €23.4 million). Cash is invested in short-term cash mutual funds for €0.8 million.

Shareholders' equity totaled €284.1 million as of December 31, 2015, compared with €247.4 million at the end of the previous fiscal year.

Regulatory reserves amounted to €164 million and additional paid-in capital went from €24.7 million to €37.8 million as of December 31, 2015, due to the distribution of a portion of the 2015 dividends in shares.

Provisions for liabilities and expenses amounted to €0.3 million as of December 31, 2015. They include a €0.3 million provision for 2014-2015 restructuring.

Liabilities totaled €340.5 million compared with €434.6 million the previous year. The main components of the Company's debt are:

- bank borrowings of €322.5 million;
- payables to suppliers of non-current assets of €4.5 million;
- tax and social security liabilities for an amount of €6.2 million;
- miscellaneous loans and other borrowings of €2.8 million;
- trade payables for a total of €3.5 million.

3.2.2 Income statement

2015 net profit amounted to €42.6 million, compared with a net loss of €2.7 million in 2014. It includes the following:

- net operating loss of €2 million (€2.9 million in 2014);
- net financial expenses of €12.2 million (-€21.9 million in 2014);
- net non-recurring income of €57 million (€19.0 million in 2014);
- income tax of €0.1 million.

Net operating income amounted to €34.4 million (€48.9 million in 2014): rental income totaled €28.7 million, compared with €32.2 million in 2014, and rental expenses reinvoiced to tenants and other income amounted to €5.7 million (compared with €16.7 million in 2014).

Operating expenses were €36.4 million, compared with €46.0 million in the prior year. Purchases and external expenses declined to €6.7 million, compared with €15.5 million in the prior year. Depreciation and amortization expenses decreased from €18.2 million to €17.4 million. The other main expenses items are employee expenses (€6.7 million, compared with €7.0 million in 2014) and taxes and duties (€4.6 million compared with €4.8 million paid in 2014).

Net financial expenses totaled €12.2 million. The main components of these net expenses were (i) interest income from investments (€6.6 million) and (ii) interest expenses arising from loans (€18.9 million).

The extraordinary expense of €57 million mainly corresponds to an extraordinary impairment of €11.3 million (negative revaluation of an asset), a €2 million write-off concerning the studies and costs relating to a lapsed building permit, and property disposal gains of €71.7 million.

4. Financial structure

4.1 Consolidated shareholders' equity

See statement of changes in shareholders' equity in Chapter 5 "Consolidated financial statements as of December 31, 2016" of the Registration Document.

4.2 Cash flow

See cash flow statement in Chapter 5 "Consolidated financial statements as of December 31, 2016" of the Registration Document.

4.3 Financial structure and sources of financing

As of December 31, 2016, net debt totaled €452 million and 100% of it was hedged at a fixed interest rate (over 80% of the hedges were active). In 2016, the average cost of the debt was 2.7%. The net debt is broken down into gross debt of €476 million (over one year) from which net cash of €24 million is deducted.

The covenants applicable to this debt were complied with as of December 31, 2016. At the date of filing this Registration Document, ANF Immobilier was able to meet the firm commitments arising from the development of new projects using lines of credit.

Please see Section 3.1 "Financing contracts" in Chapter 9 of the Registration Document.

5. Events after the reporting period

In early 2017, ANF Immobilier reinvested the proceeds from the sale of the Carlton and Adagio hotels to buy back, with CEPAC, the shares held by its parent company Eurazeo in its hotel partnership ANF Immobilier Hôtels. As a result, ANF Immobilier now holds 77% of the shares of ANF Immobilier Hôtels.

No other significant events have occurred since December 31, 2016.

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CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2016

Pursuant to Article 28 of European Commission regulation (EC) no. 809/2004, the following are incorporated by reference into this Registration Document: ANF Immobilier's consolidated financial statements (under IFRS) for the fiscal year ended December 31, 2014, together with the accompanying Statutory Auditors' report, included in Chapter V, pages 130 to 167 and 168 to 169 of the Registration Document filed with the Financial Markets Authority (AMF) on April 10, 2015, under no. D. 15-0323, as well as the consolidated financial statements (under IFRS) of ANF Immobilier for the fiscal year ended December 31, 2015, together with the accompanying Statutory Auditors' report, included in Chapter V, pages 132 to 169 and 170 to 171 of the Registration Document filed with the Financial Markets Authority (AMF) on April 19, 2016, under no. D. 16-0362.

1. Consolidated statement of financial position

1.1 Consolidated balance sheet – Assets

(€ thousand)	Note	12/31/2016	12/31/2015	Changes	12/31/2014
Non-current assets					
Investment property	1	1,066,016	1,078,480	(12,464)	1,057,159
Operating properties	1	1,533	1,649	(116)	1,629
Intangible assets	1	238	175	63	106
Property, plant and equipment	1	3,918	4,596	(678)	1,254
Non-current financial assets	1	2,133	10,776	(8,644)	6,707
Investments in equity-accounted entities	14	620	743	(122)	595
Financial derivatives	9	737	298	439	210
Total non-current assets		**1,075,195**	**1,096,716**	**(21,522)**	**1,067,661**
Current assets					
Trade receivables	2	5,158	3,481	1,676	4,559
Other receivables	2	10,627	6,570	4,057	4,177
Prepaid expenses	5	137	103	34	81
Cash and cash equivalents	4	35,144	23,448	11,696	10,352
Total current assets		**51,066**	**33,603**	**17,463**	**19,169**
Property held for sale	1	792	19,760	(18,968)	47,562
TOTAL ASSETS		**1,127,053**	**1,150,078**	**(23,026)**	**1,134,391**

1.2 Consolidated balance sheet – Equity and liabilities

(€ thousand)	Note	12/31/2016	12/31/2015	Changes	12/31/2014
Shareholders' equity					
Capital stock	12	19,009	19,009	0	18,350
Additional paid-in capital		39,029	39,029	0	25,271
Treasury shares	8	(23,037)	(23,713)	676	(23,189)
Hedging reserve on financial instruments	5	(20,864)	(24,802)	3,938	(31,133)
Company reserves		203,907	183,774	20,132	205,681
Consolidated reserves		279,872	302,476	(22,604)	319,789
Net income (loss) for the year		(3,691)	18,556	(22,247)	(20,288)
Total shareholders' equity attributable to equity holders of the parent		**494,224**	**514,330**	**(20,106)**	**494,481**
Minority interests		25,897	14,575	11,322	3
Total shareholders' equity		**520,122**	**528,905**	**(8,783)**	**494,484**
Non-current liabilities					
Financial liabilities	3	533,495	549,314	(15,819)	574,762
Financial derivatives	5	20,289	22,501	(2,212)	28,252
Provisions for pensions	7	57	57	0	57
Total non-current liabilities		**553,841**	**571,871**	**(18,031)**	**603,071**
Current liabilities					
Trade payables	3	10,523	22,858	(12,335)	11,359
Current financial liabilities	3	23,290	10,914	12,376	6,711
Financial derivatives	9	0	0	0	114
Security deposits	3	6,340	6,497	(157)	6,139
Short-term provisions	7	709	1,108	(400)	1,387
Tax and social security liabilities	3	11,121	6,235	4,887	10,108
Other liabilities	3	847	1,324	(476)	698
Deferred income	6	260	367	(107)	319
Total current liabilities		**53,090**	**49,302**	**3,788**	**36,836**
Liabilities on properties held for sale		0	0	0	0
TOTAL LIABILITIES		**1,127,053**	**1,150,078**	**(23,026)**	**1,134,391**

1.3 Consolidated income statement

(€ thousand)	Note	12/31/2016	12/31/2015	Changes	12/31/2014
Revenues: rental income		51,239	49,155	2,084	40,063
Other operating income		8,806	6,014	2,792	4,670
Total operating income		**60,045**	**55,168**	**4,876**	**44,733**
Property expenses		(9,591)	(9,147)	(444)	(7,169)
Other operating expenses		(1,871)	(1,023)	(848)	(822)
Total operating expenses		**(11,461)**	**(10,169)**	**(1,292)**	**(7,991)**
Gross operating income (loss) from property		**48,584**	**44,999**	**3,585**	**36,742**
Gains (losses) on disposals of assets		6,640	7,329	(689)	214
Gross operating income (loss) from property after disposals		**55,224**	**52,329**	**2,895**	**36,956**
Employee benefits expenses		(6,154)	(7,127)	974	(7,455)
Other management expenses		(3,963)	(3,524)	(439)	(3,505)
Other income and transfers of expenses		1,054	390	663	1,395
Other expenses		(956)	(2,982)	2,026	(2,490)
Accumulated depreciation and amortization		(870)	(744)	(127)	(618)
Other operating provisions (net of reversals)		(1,017)	140	(1,157)	(597)
Net operating income (loss) before changes in fair value of property		**43,318**	**38,482**	**4,836**	**23,687**
Changes in fair value of property		(10,710)	18,151	(28,860)	(29,382)
Net operating income (loss) after changes in fair value of property		**32,608**	**56,633**	**(24,025)**	**(5,695)**
Net financial expense		(16,826)	(21,426)	4,600	(14,346)
Financial amortization and provisions		324	99	225	(118)
Gains (losses) on financial instruments		(5,969)	(913)	(5,056)	2,914
Share of net income (loss) of equity-accounted	14	717	(553)	1,270	(140)
Net income (loss) before tax		**10,853**	**33,839**	**(22,986)**	**(17,385)**
Current taxes		(1,006)	(598)	(408)	(2,903)
Deferred taxes		0	(0)	0	(0)
Net consolidated income (loss)		**9,848**	**33,241**	**(23,394)**	**(20,288)**
Of which minority interests	15	13,538	14,685	(1,147)	219
Of which attributable to equity holders of the parent		(3,691)	18,556	(22,247)	(20,507)
Basic earnings per share		**(0.19)**	**1**		**(1.13)**
Diluted earnings per share		**(0.19)**	**1**		**(1.13)**

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

1.4 Total comprehensive income

(€ thousand)	12/31/2016	12/31/2015	Changes	12/31/2014
Net consolidated income (loss)	**9,848**	**33,241**	**(23,394)**	**(20,288)**
Impact from financial instruments	4,376	6,331	(1,955)	(20,863)
Total gains and losses recognized directly in equity	**4,376**	**6,331**	**(2,394)**	**(20,863)**
Consolidated statement of comprehensive income	**14,224**	**39,573**	**(25,788)**	**(41,151)**
Of which minority interests	13,590	14,575	(985)	(1,596)
Of which attributable to equity holders of the parent	634	24,998	(24,364)	(39,555)

1.5 Changes in shareholders' equity

Changes in shareholders' equity attributable to equity holders of the parent	Capital stock	Additional paid-in capital	Treasury shares	Consolidated reserves	Company reserves	Financial instrument reserves	Consolidated net income	Total
Shareholders' equity at December 31, 2014	18,350	25,271	(23,189)	319,789	205,681	(31,133)	(20,288)	494,481
Appropriation of net income				(17,574)	(2,715)		20,288	(0)
Dividends	658	13,052			(19,205)			(5,495)
OPRA								0
Capital increase	1	706	0					707
Treasury shares			(524)					(524)
Changes in fair value of hedging instruments						6,331		6,331
Stock options, warrants, bonus shares				304				304
Other adjustments and restatements				(44)	13			(31)
Net income (loss) for the period (excl. appropriation to reserves)							18,556	18,556
Shareholders' equity at December 31, 2015	**19,009**	**39,029**	**(23,713)**	**302,476**	**183,774**	**(24,802)**	**18,556**	**514,330**

Changes in shareholders' equity attributable to equity holders of the parent	Capital stock	Additional paid-in capital	Treasury shares	Consolidated reserves	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**

1.6 Consolidated statement of cash flows

(€ thousand)	12/31/2016	12/31/2015	12/31/2014
Cash flows from operating activities			
Net income (loss)	**9,848**	**33,241**	**(20,507)**
Depreciation allowances & provisions	58	116	1,216
Gains (losses) on disposals of assets	(6,640)	(7,329)	(214)
Changes in value of properties	10,710	(18,151)	29,382
Changes in fair value of financial instruments	5,232	615	(13,515)
Share of net income (loss) of subsidiaries (non tax)	(717)	553	0
(Income) expense related to stock options	252	304	271
Taxes and expenses related to distribution	0	598	2,903
Spread debt issue costs	1,391	1,884	0
Operating cash flows before changes in working capital	**20,134**	**11,832**	**(465)**
Changes in working capital requirements			
Operating receivables	(2,900)	(1,417)	(3,349)
Operating liabilities excluding SIIC option liabilities	(15,708)	(2,236)	(1,721)
Cash flows from operating activities	**1,526**	**8,179**	**(5,535)**
Cash flows from investing activities			
Acquisition of non-current assets	(54,901)	(94,303)	(190,416)
Disposal of property	86,761	132,740	31,448
Payment of exit tax	0	0	0
Changes in non-current financial assets	8,768	(4,120)	(2,295)
Cash flows from investing activities	**40,628**	**34,316**	**(161,263)**
Net cash provided by (used in) financing activities			
Dividends paid	(21,280)	(5,495)	(5,044)
Changes in capital stock	0	707	554
Taxes and expenses related to distribution	0	(598)	(2,903)
Purchase of treasury shares	0	(884)	(5,120)
Proceeds from new loans and other borrowings	31,113	59,100	510,249
Repayments of loans and other borrowings	(51,796)	(82,229)	(323,104)
Net cash provided by (used in) financing activities	**(41,963)**	**(29,399)**	**174,632**
Net increase (decrease) in cash and cash equivalents	**192**	**13,096**	**7,834**
Cash and cash equivalents at beginning of year	**22,993**	**9,897**	**2,062**
Cash and cash equivalents at end of year	**23,185**	**22,993**	**9,897**

2. Notes to the consolidated financial statements

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Significant events of the year

Investments

City-center portfolio

Work performed on and investments in city-center real estate assets totaled €3.1 million, and essentially comprise the renovation of lobbies, various office buildings and the preparation of the retail structures of Segment 1 of Rue de la République, in Marseille.

In Lyon, the Banque de France project continued with investments totaling a little under €3.4 million.

SCI New Way & SCI Future Way

SCI New Way continued its investment in a 13,275 sq.m. office building, delivered in September 2016. The investment amounted to €18.3 million in full-year out of a total investment of €33 million. The building is fully leased to Adecco France, which has moved out of its former headquarters owned by SCI Future Way. SCI Future Way will redevelop its property after demolition and reconstruction.

SCI ANF Immobilier Hôtels

ANF Immobilier completed its investment, in partnership, in the two Stade Vélodrome hotels in Marseille for €1.4 million over the year. It also continued its investment in a B&B Hotel in the Allar eco-district in Marseille and a B&B Hotel in Bobigny for €2.4 million. Lastly, the Company has launched a new investment in the future B&B Hotel in Bordeaux, located in the new development zone around the future high-speed rail terminal. This new investment represented €3.9 million in the second half-year.

SAS JDML

On May 31, 2016, ANF Immobilier terminated its partnership with the Eiffage Group within SAS JDML. This company, 50%-owned by ANF Immobilier, had been formed to redevelop the block comprising the former SNCM headquarters in Marseille. At its exit from the joint development company, ANF Immobilier, as an investor, signed an off-plan sale agreement for the new office building located in the heart of this block. This investment will represent an amount of nearly €20 million upon delivery. Work started in 2016, with delivery expected in 2019.

SCCV Hotels A1-A2, Bureaux B-C et Mixte D-E/SCI Orianz and Factor E

ANF Immobilier has a 50% stake together with Vinci Immobilier in three non-trading construction and sale companies (SCCVs). These are responsible for a 46,000 sq.m. mixed-use project located in the new development zone around the future high-speed rail terminal in Bordeaux. It will co-develop the two hotel projects (one of which has been sold off-plan to SCI ANF Immobilier Hôtels and the other to an outside investor), as well as offices, retail premises and student accommodation.

In parallel, ANF Immobilier has a 65.31% stake with Foncière des Régions in the Orianz and Factor E real estate partnerships (SCIs). They will act as co-investors in two office developments, representing an investment of €29 million in the second half-year.

Disposals

ANF Immobilier disposed of various properties in Marseille and Lyon, as well as its hotel portfolio.

In Lyon, ANF Immobilier and ANF Immobilier Développement sold the "TAT" block for €18.6 million. This included properties behind the Printemps de Lyon buildings, between the Place de la République, Rue Thomassin and Rue Jean de Tourne. In the second half, the Company sold the ground-floor retail premises at 2-3-4, rue de la République for €12.7 million. Throughout the year, several office and residential units were sold for a total of €2.4 million.

In Marseille, the Company continued its sales by lot in the "Pavillon Vacon" city-center block for just under €1 million. At the end of the year, CPAM exercised its purchase option on the office building it occupied in Euroméditerranée for €17 million.

Finally, at the end of December 2016, ANF Immobilier Hôtels sold the Carlton Hotel in Lyon and the Adagio Hotel in Marseille for a total of €39.1 million.

Operations

Rental income amounted to €51.2 million.

Growth in rental income on property assets was 4.2%. It breaks down as 13.1% for the Company's acquisitions and new developments, with a 7.5% negative impact from disposals and slightly negative organic growth.

Property appraisal

A strong appetite in the market for commercial real estate, particularly in Lyon and Bordeaux, 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 fair value of properties fell by €-10.7 million.

Financing

The amount of undrawn credit lines was €109 million.

The IFRS average cost of debt was 2.73%. Gross debt was €487 million; no significant repayments are due before May 2021. The LTV ratio stood at 41.9% and the Interest Cover Ratio at 2.8.

The Group 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.

To finance their new office investments in Bordeaux, SCI Orianz and Factor E arranged a new seven-year mortgage for a total of €55.9 million.

In addition to using bank debt, the Group finances its development projects through partner current accounts, totaling €73.8 million as of December 31, 2016.

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. These hedging instruments are measured in the Group's financial statements using the hedge accounting method.

In view of a lasting negative interest rate environment, the efficiency tests carried out by the Group on June 30, 2016 revealed that ten such instruments no longer qualified for hedge accounting. The Group therefore reclassified those swap agreements into trading instruments (see Note 5 to the consolidated financial statements).

Events after the reporting period

In early January 2017, ANF Immobilier reinvested the proceeds from the sale of the Carlton and Adagio hotels to buy back, with CEPAC, the shares held by its parent company Eurazeo in its hotel partnership ANF Immobilier Hôtel. As a result, ANF Immobilier now holds 77% of the shares of SCI ANF Immobilier Hôtel.

No other significant events have occurred since December 31, 2016.

Change in accounting policies

The accounting policies and methods used for the fiscal year are identical to those used for the two previous years.

New standards and interpretations applicable from January 1, 2016 have had no significant impact on the consolidated financial statements of ANF Immobilier. They are described in the following note "Basis of consolidation".

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 year ended December 31, 2016, were prepared in accordance with IFRS as adopted by the European Union.

The consolidated financial statements concern the period from January 1, 2016 to December 31, 2016. They were approved by the Executive Board on February 27, 2017.

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, 2016

The standards and interpretations applied for the consolidated financial statements at December 31, 2016 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, 2016. Only the following amendments to standards apply to ANF Immobilier:

- Amendment to IAS 1 "Presentation of Financial Statements", clarifying the concepts of materiality and professional judgment;
- Amendment to IAS 19 "Employee Benefits", concerning the discount rate to be used;
- Amendment to IAS 34 "Interim Financial Reporting"; providing clarification;
- Amendment to IFRS 7 "Financial Instruments: Disclosures"; providing clarification.

These amendments had no significant impact on the consolidated financial statements of ANF Immobilier.

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

Basis and scope of consolidation

In application of IFRS 10, 11 and 12, ANF Immobilier recognizes the following definitions of control:

Subsidiaries and consolidated structured entities

In accordance with IFRS 10, ANF Immobilier has control when it has power over the other entity; has exposure, or rights, to variable returns from its involvement with the other entity; and has the ability to use its power over the entity to affect the amount of its returns.

If ANF Immobilier does not hold the majority of an entity's voting rights, it determines whether it has sufficient rights to give it the ability to unilaterally direct the relevant activities of the entity.

Subsidiaries and entities over which it has control are consolidated according to the full consolidation method.

Joint arrangements

IFRS 11 only distinguishes between joint operations and joint ventures.

A joint operation is an arrangement whereby the parties that exercise joint control have rights to the assets, and obligations for the liabilities. In relation to its interest in a joint operation, a partner must recognize:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output of the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

A joint venture must recognize its interest in a joint venture as an investment and account for that investment using the equity method.

The ANF Immobilier Group consolidated 16 companies as of December 31, 2016. The changes in the consolidation scope compared to the previous December 31, as well as the consolidation method, are summarized below:

List of consolidated entities	Registered office	Portfolio held/Activity	Method of consolidation	% of holding	
				December 201616	December 2015
SCCV 1-3 Rue d'Hozier	29, bd de Dunkerque 13002 Marseille	Support of a residential property transaction	Equity method	45.0%	45.0%
SARL ANF République	4, place Sadi Carnot 13002 Marseille	Furnished sub-lease	Full consolidation	100.0%	100.0%
SNC Les Bassins à Flots	4, place Sadi Carnot 13002 Marseille	Offices (Casino Group)	Full consolidation	100.0%	100.0%
SCI Silky Way	4, place Sadi Carnot 13002 Marseille	Offices (Alstom Group)	Full consolidation	65.0%	65.0%
SAS JDML	4, place Sadi Carnot 13002 Marseille	Mixed-use block	Equity method	0.0%	50.0%
SCI ANF Immobilier Hôtels	4, place Sadi Carnot 13002 Marseille	Hotels	Full consolidation	51.0%	51.0%
SCI Future Way	4, place Sadi Carnot 13002 Marseille	Offices (Adecco Group)	Full consolidation	50.6%	55.0%
SCI New Way	4, place Sadi Carnot 13002 Marseille	Offices (under development)	Full consolidation	50.3%	50.3%
SAS ANF Immobilier Développement	4, place Sadi Carnot 13002 Marseille	Development and property trading	Full consolidation	100.0%	100.0%
SCCV Hôtels A1/A2	59, rue Yves Kermen 92100 Boulogne Billancourt	Hotels (under development)	Equity method	50.0%	50.0%
SCCV Bureaux B-C	59, rue Yves Kermen 92100 Boulogne Billancourt	Offices (under development)	Equity method	50.0%	50.0%
SCCV Mixte D-E	59, rue Yves Kermen 92100 Boulogne Billancourt	Mixed-use (under development)	Equity method	50.0%	50.0%
SCI Lafayette	4, place Sadi Carnot 13002 Marseille	Offices (Areva Group)	Full consolidation	54.0%	55.0%
SCI Stratège	4, place Sadi Carnot 13002 Marseille	Offices (Areva Group)	Full consolidation	54.0%	55.0%
SCI Orianz	4, place Sadi Carnot 13002 Marseille	Offices (under development)	Full consolidation	65.3%	0.0%
SCI Factor E	4, place Sadi Carnot 13002 Marseille	Offices (under development)	Full consolidation	65.3%	0.0%
SAS Financière des Brotteaux	30, quai Perrache 69002 Lyon	Offices (various tenants)	Equity method	20.0%	20.0%

All internal transactions and balances were eliminated upon consolidation in proportion to ANF Immobilier Group's interest in its subsidiaries.

Ownership of all fully consolidated entities is more than 50%and fulfills the criteria contained in IFRS 10.

Ownership of all companies consolidated using the equity method is between 20 and 50%, giving the Group at least significant influence. 50% owned companies are joint arrangements, in which ANF Immobilier and its partners exercise joint control over this structure and have rights to the net assets of the structure.

No company in the ANF Immobilier Group is considered joint operation.

Segment reporting

IFRS 8 requires entities whose equity or debt securities are traded on an organized market or issued on a public securities market to present information by business segment and geographical sector.

Segment reporting is prepared on the basis of criteria relating to business activities and geographic regions. 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.

The second level of information to be provided is by geographical area. It is applied to city-center properties only (since the hotels are dispersed throughout France, a geographical distribution is irrelevant):

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

IFRS 8 "Operating segments" requires that the information published by an entity enable users of its financial statements to evaluate the nature and financial impact of the type of business activities in which it engages and the economic environment in which it operates.

The Company decided to continue to include segment reporting under the previous terms: breakdown by business segment (Hotels and City-center portfolio) and a geographical breakdown of its city-center portfolio (Lyon, Marseille and Bordeaux).

Real estate assets

Investment Property (IAS 40)

IAS 40 defines investment property as property held by the owner or lessee (under a finance lease) to earn rental income or for capital appreciation, or both, as opposed to:

- using this property for the production or supply of goods or services or for administrative purposes;
- selling it in the normal course of a trading business (property dealing).

The ANF Immobilier Group has opted to measure its investment property at fair value. This option does not apply to operating property, which is measured at historical cost less accumulated depreciation and any value impairments.

The fair value of the real estate assets is determined at each financial statement closing date by two independent real estate experts (Jones Lang LaSalle and BNP Paribas Real Estate Expertise), which appraise the properties of the Group in a context of sustainable ownership. The fair value is the appraisal value excluding transfer taxes.

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. Barthes de Ruyter, in its February 2000 report on appraisal of real estate assets for listed companies.

The change in the fair value of investment property is recognized in the income statement.

These properties are not therefore subject to depreciation or value impairment. Any change in fair value for each property is recognized in the income statement for the period and is determined as follows:

Change in fair value = Market value N – [market value N-1 + capitalized work and expenses for period N].

Investment properties, including redevelopment projects, are recognized at fair value.

Buildings under construction fall within the scope of IAS 40 as revised and might not be recognized at fair value if this cannot be measured reliably.

The Group believes that a building under construction can be valued reliably if it meets the following criteria:

- the administrative authorizations have been finalized;
- construction costs have been approved and construction has started;
- it has been substantially sold or let (removal of uncertainty over future income).

The fair value of these projects is determined by experts, who assess the value of the building at its delivery, from which is deducted all of the direct and indirect costs related to the transaction that are not yet incurred.

Virtually all of the real estate assets of ANF Immobilier are recognized as investment properties.

In the second half of 2016, the Group decided to fully develop the SCI Future Way asset following the departure of the tenant. The new project will create significant additional space and is currently awaiting planning approval. However, this project does not meet the criteria defined above for being valued reliably at fair value. Therefore, this asset is measured as if it were a new project.

Gains (or losses) on disposals of investment properties are calculated with reference to the most recent fair value recognized at the previous balance sheet date.

Fair value measurement (IFRS 13)

IFRS 13 defines fair value as the price that would be received when selling an asset or paid when transferring a liability in a normal transaction between market participants. The standard establishes a three-tier fair value hierarchy for measurement inputs:

- level 1: Prices quoted (unadjusted) on an active market for identical assets/liabilities and available at the measurement date;
- level 2: Valuation models that use directly or indirectly observable input data on an active market;
- level 3: Valuation models that use unobservable input data on an active market.

The appropriate level of the fair value hierarchy is thus determined in reference to the levels of the inputs in the valuation technique. When using a valuation technique that is based on inputs from different levels, the lowest fair value level is selected.

The ANF Immobilier Group considers that its assets can be measured primarily using Level 3 inputs, while its financial instruments can be measured using Level 2 inputs in the fair value hierarchy.

Consequently, the application of IFRS 13 requires more detailed disclosures regarding the group's asset appraisal methodologies (yield, capitalization rate, annual rental income in €/sq.m., etc.) and valuation of derivatives (inclusion of counterparty risk).

However, the asset appraisal methodologies used by independent real estate appraisers have not been impacted by the adoption of IFRS 13.

Assets held for sale (IFRS 5)

In accordance with IFRS 5, when the Group has undertaken to sell an asset or group of assets, it classifies them as assets held for sale.

Properties included in this category continue to be measured using the fair value approach.

To be classified as an "asset held for sale", a property must meet all the following criteria:

- the asset must be immediately available for sale in its current condition;
- a sale must be highly likely, formalized through the notification of the Properties Committee, a decision of the Executive Board or Supervisory Board, and at minimum one firm purchase offer.

Properties meeting these criteria are presented on a separate line in the balance sheet.

As of December 31, 2016, three dispersed blocks in Lyon valued at €0.8 million were held for sale.

Depreciation of operating properties valued at amortized cost ceases from the date on which these properties are classified as held for sale.

Operating properties and other property, plant and equipment (IAS 16)

The Group's operating property is measured at historical cost less accumulated depreciation and any value impairment.

Moreover, other property, plant and equipment includes computer equipment and furniture.

The following depreciation periods are used:

- Structure: 50 to 75 years;
- Facades and waterproofing: 20 years;
- General fittings (including elevators): 15 to 20 years;
- Fittings: 10 years;
- Asbestos, lead and energy diagnostics: 5 to 9 years;
- Furniture, office and computer equipment: 3 to 10 years.

Operating lease receivables

Operating lease receivables is valuated at the amortized cost and is subject to an impairment test when there is an indication that the asset could have lost value.

An individual analysis is conducted on the closing date of each financial period in order to assess, as fairly as possible, the risk of non-recovery of any receivables and the requisite provisions.

Cash and marketable securities

Marketable securities generally comprise money market funds and are recognized at their fair value on the balance sheet. All these marketable securities have been deemed cash equivalents.

Treasury shares (IAS 32)

Treasury shares held by the Group are deducted from the consolidated shareholders' equity at their acquisition value.

As of December 31, 2016, the Company held 888,926 treasury shares. During the fiscal period, no treasury shares were acquired and 41,684 were sold after stock options were exercised.

Financial liabilities (IAS 32-39)

Financial liabilities consists of loans and other interest-bearing liabilities. It is recognized at amortized cost using the effective interest rate method.

Loan issue costs are recognized under IFRS as a deduction from the nominal amount of the loan. The portion of financial liabilities due in less than a year is classified as current financial liabilities.

Security deposits are deemed to be short-term liabilities and are not discounted.

Derivative instruments (IAS 39)

IAS 39 distinguishes between two types of interest rate hedging:

- hedging of balance sheet items, the fair value of which fluctuates as a result of interest rate risk ("fair value hedge");
- hedging the risk of future cash flow variability ("cash flow hedge"), which consists of fixing the future cash flows of a variable-rate financial instrument.

Certain derivatives associated with specific financing qualify as cash flow hedges under accounting regulations. In accordance with IAS 39, only changes in the fair value of the effective portion of these derivatives, as measured by prospective and retrospective effectiveness tests, are recognized in shareholders' equity. Any changes in the fair value of the ineffective portion of the hedge are recognized in income.

The ANF Immobilier Group uses cash flow hedge financial derivatives (swaps) and interest rate options (caps) to hedge its exposure to risk stemming from interest rate fluctuations.

Discounting of deferred payments

The Group's long-term payables and receivables are discounted where the impact is material:

- security deposits received are not discounted, since the discounting effect is not material and there is no reliable discounting schedule;
- long-term liability provisions under IAS 37 are discounted over the estimated length of the disputes to which they relate.

Current and deferred tax (IAS 12)

SIIC Tax Regime

The switch to the SIIC tax regime results in a complete exemption from income tax. However, an exit tax at a reduced rate on unrealized gains from properties and interests in entities not subject to income tax becomes immediately due. This tax was fully paid as of December 31, 2016.

Common law and Deferred Tax regime

Deferred tax is recognized where there are temporary differences between the carrying amounts of assets and liabilities in the balance sheet and their tax bases, where these give rise to taxable sums in the future.

A deferred tax asset is recognized where tax losses may be carried forward on the assumption that the relevant entity is likely to generate future taxable profits, against which these tax losses may be charged. Deferred tax assets and liabilities are measured using the liability method at the tax rate assumed to apply in the period in which the asset will be realized or the liability settled, on the basis of the tax rate and tax regulations that have been or will be adopted prior to the balance sheet date. Measurement of deferred tax assets and liabilities must reflect the tax effects that would result from the manner in which the Company expects to recover or settle the carrying amount of its assets and liabilities at the balance sheet date.

Current and deferred tax is recognized as tax income or expenses in the income statement, except for deferred tax that is recognized or settled upon the acquisition or disposal of a subsidiary or interest, unrealized gains and losses on assets held for sale. In these cases, the corresponding deferred tax is charged to equity.

All property held by ANF Immobilier was included in the scope of the SIIC regime. The buildings that ANF Immobilier owns in partnership are carried by fiscally transparent companies whose earnings are taxed as SIICs (listed real estate investment companies).

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

No deferred tax has been recorded as of this date.

CVAE

The CVAE (a French business value added tax) is computed on the Company financial statements under corporate income tax.

Leases (IAS 17)

Under IA S 17, a lease is an agreement under which the lessor transfers to the lessee the right to use an asset for a fixed period in return for a payment or series of payments. IAS 17 distinguishes between two types of leases:

- a finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Transfer of title may or may not occur at the end. For the lessee, the assets are recognized as non-current assets offset by a debt. The asset is recognized at the fair value of the leased asset at the lease start date or, if lower, at the present value of minimum payments;
- an operating lease is any lease other than a finance lease.

Treatment of step rents and rent-free periods

Rental income from operating leases is recognized on a straight line basis over the term of the lease. Step rents and rent-free periods granted are recognized by staggering, reducing or increasing rental income for the period. The reference period used is the initial minimum period of the lease.

Front-end fees

Front-end fees received by the lessor are deemed to be additional rent. The front-end fee forms part of the net sum transferred from the lessee to lessor under the lease. In this regard, the accounting periods during which this net amount is recognized should not be affected by the form of the agreement and payment schedules. These fees are staggered over the initial minimum period of the lease.

Cancellation fees and eviction compensation

Cancellation fees are received from tenants when they cancel the lease before its contractual term. Such fees relate to the old lease and are recognized as income in the period recorded. Where the lessor cancels a lease in progress, it pays eviction compensation to the sitting tenant:

- replacement of a tenant: if payment of eviction compensation makes it possible to alter the level of the asset's performance (a rent increase and hence an increase in the value of the asset), under the revised IAS 16, this expenditure may be capitalized in the cost of the asset subject to this increase in value being confirmed by appraisers. Should this not be the case, the cost is recognized as an expense;

- refurbishment of a property, requiring the departure of sitting tenants: if payment of eviction compensation is part of the major refurbishment or reconstruction of a property from which the tenants must vacate prior to commencement, this cost is considered a preliminary expenditure included as an additional component further to the refurbishment.

We have estimated the impact of the restatement of stage payments, rent-free periods and front-end fees identified in the rental base in 2012, 2013, 2014 and 2015, according to IAS 17. The estimate arrived at is not material and therefore no straight-line adjustments were made in the 2012, 2013, 2014, and 2015 financial statements.

For fiscal year 2016, €680 thousand in additional rental income was recognized following the estimation of stage payments and rent-free periods for retail premises in Lyon and a hotel in Marseille.

Residential leases may be terminated by the tenant at any time, with a notice period of one or three months. Leases on retail or office premises may generally be terminated by the lessee after each three-year period, with a notice period of six months. Leasing agreements with B&B on hotels have a firm duration of 12 years.

Employee benefits (IAS 19)

For defined contribution schemes, Group payments are expensed in the period to which they relate.

For defined benefit schemes involving post-employment benefits, the cost of the benefits is estimated using the projected unit credit method.

Under this method, rights to benefits are allocated to periods of service on the basis of the scheme rights vesting formula, allowing for a linearization effect when the pace at which rights vest is not uniform over subsequent periods of service.

The amounts of future payments in respect of employee benefits are measured on the basis of assumptions regarding salary increases, retirement age and mortality rates, and then discounted to their present value using the interest rate on long-term bonds from top quality issuers. Actuarial differences for the period are directly recognized in consolidated equity.

The ANF Immobilier Group has established a defined benefit scheme. Pension commitments relating to this scheme are managed by an insurance company. The only two beneficiaries of this scheme left the Company in 2015. No new liability was recorded in 2016.

The Company has decided to stop offering these types of benefits to its employees.

Share-based payments (IFRS 2)

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. There was no transaction involving share-based payment during the period.

During the 2016 fiscal year, 25,767 options were exercised. These options were from the 2009, 2010 and 2011 stock option plans.

Stock option plans and granting of bonus shares

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**	**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**
Date of the Extraordinary Shareholders' Meeting	05/04/2005	05/14/2008	05/14/2008	05/14/2008	05/17/2011	05/17/2011	05/06/2014	05/06/2014	05/11/2016	05/06/2014	05/17/2011
Date of the Executive Board's decision	12/17/2007	12/19/2008	12/14/2009	12/15/2010	12/22/2011	04/02/2013	06/23/2014	11/12/2014	05/23/2016	11/12/2014	04/02/2013
Total number of options granted initially	**100,564**	**128,353**	**158,500**	**166,920**	**168,872**	**105,850**	**106,575**	**50,000**	**34,000**	**34,000**	**17,814**
• of which corporate officers	79,424	101,083	131,000	137,475	135,542	86,525	86,525	50,000	17,000	24,000	16,019
• of which employees	21,140	27,270	27,500	29,445	33,330	19,325	20,050	0	17,000	10,000	1,795
Number of shares that may be purchased after adjustments	**159,159**	**179,839**	**224,659**	**219,323**	**216,075**	**52,915**	**106,575**	**50,000**	**34,000**	**34,000**	**19,605**
• of which corporate officers	125,560	143,613	185,642	180,610	173,412	43,263	86,525	50,000	17,000	24,000	16,023
• of which employees	33,599	36,226	39,017	38,713	42,663	9,652	20,050	0	17,000	10,000	3,582
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	12/22/2021	04/02/2023	06/23/2024	11/12/2024	05/23/2026	11/12/2024	04/02/2023
Purchase price per share	**29.73**	**19.42**	**22.55**	**23.72**	**21.53**	**21.81**	**23.88**	**21.83**			
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	12/22/2013	03/31/2015	06/23/2016	11/12/2016			03/31/2015
Second tranche after a period of three years, i.e.	12/17/2010	12/19/2011	12/14/2012	12/15/2013	12/22/2014	03/31/2016	06/23/2017	11/12/2017			03/31/2016
Third tranche after a period of four years, i.e.	12/17/2011	12/19/2012	12/14/2013	12/15/2014	12/22/2015	03/31/2017	06/23/2018	11/12/2018			03/31/2017
Vesting after two years, or										03/15/2017	
Two-year lock-up period, or										03/15/2019	
Final award after 3 years, or									05/02/2019		
Exercise subject to future performance	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Number of shares purchased	0	98,945	59,234	12,432	17,512	0	0	0	0	0	0
Number of options canceled	0	30,157	33,293	44,002	43,353	0	26,241	0	0	0	9,802
Total number of options outstanding	**159,159**	**50,737**	**132,132**	**162,889**	**155,210**	**52,915**	**80,334**	**50,000**	**34,000**	**34,000**	**9,803**

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 Chief Executive Officer when he joined the Company.

Accordingly, on the basis of the different adjustments, the number of options allocated to each beneficiary is as follows:

	2007 Stock Option Plan	2008 Stock Option Plan	2009 Stock Option Plan	2010 Stock Option Plan	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
Bruno Keller	83,825	50,737	93,034	83,044	81,819	27,217	54,433	0	0	12,000	5,040
Renaud Haberkorn	0	0	0	0	0	0	0	50,000	11,000	8,000	
Ghislaine Seguin	0	0	1,855	8,928	0	2,924	5,851	0	6,000	4,000	542
Xavier de Lacoste Lareymondie	37,575	0	0	27,604	33,918	13,122	0	0	0	0	2,430
Brigitte Perinetti	4,160	0	4,654	4,600	0	0	0	0	0	0	
Corporate officers	125,560	50,737	99,543	124,176	115,737	43,263	60,284	50,000	17,000	24,000	8,012
Employees	33,599	0	32,589	38,713	39,473	9,652	20,050	0	17,000	10,000	1,795
TOTAL	**159,159**	**50,737**	**132,132**	**162,889**	**155,210**	**52,915**	**80,334**	**50,000**	**34,000**	**34,000**	**9,803**

When stock option or stock award plans are created, the counterparty of services rendered is evaluated by an expert (using the actuarial method) and the expense is spread over the plan's vesting period. For the fiscal year 2016, an expense of €252 thousand was recognized, consisting of the apportionment of the 2012, 2013 and 2014 programs and the start-year of the 2015 program.

Earnings per share (IAS 33)

Basic earnings per share equate to net income (loss) attributable to holders of common stock of the parent company, divided by the weighted average number of shares outstanding during the period. The average number of shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted for the number of ordinary shares bought back or issued during the period.

To calculate diluted earnings per share, the average number of shares outstanding is adjusted to reflect the effect of dilution from equity instruments issued by the Company that might increase the number of shares outstanding.

Market risk management

Market risks

Owning rental properties exposes the Group to the risk of fluctuations in the value of property assets and rents. However, this exposure is mitigated because:

- the assets are mainly held for the long term and are recognized in the financial statements at their fair value, even if this value is determined on the basis of estimates;
- rental income stems from leasing arrangements, the term and dispersion of which are likely to lessen the impact of fluctuations in the rental market.

Counterparty risk

With a client portfolio of over 600 commercial tenants, a highly diversified segment, and more than 1,000 individual tenants, the Group is not exposed to significant concentration risk.

Financial transactions, particularly the hedging of interest rate risk, are carried out with leading financial institutions.

Liquidity risk

Liquidity risk is managed in the medium and long term under multi-annual financing plans and, in the short term, using confirmed undrawn credit lines.

Interest rate risk

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.

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.

Eight of these hedging agreements hedge ANF Immobilier's main debt of €400 million, which was refinanced in May 2014.

Four of these new contracts cover two new debts housed in the subsidiaries SCI Silky Way and SCI ANF Immobilier Hôtels.

ANF Immobilier's main debt of €400 million is hedged by four interest rate options (caps), replacing the five previous hedges unwound in January 2016 to reduce the average cost of debt. Nine interest rate options (caps) hedge the debts held by the subsidiaries SCI Stratège, SCI Lafayette, SCI Orianz, SCI Factor E and ANF Immobilier Hôtels.

Additional information *(€ thousand)*

Note 1 Non-current assets

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

Gross amount	Balance as of 12/31/2014	Increase	Reduction	Balance as of 12/31/2015	Increase	Reduction	Balance as of 12/31/2016
Intangible assets	1,366	95		1,461	110	(71)	1,500
Operating properties	2,725	373	(295)	2,803	751	(1,802)	1,752
Furniture, office & computer equipment	2,399	3,933	(94)	6,238	109	(95)	6,252
TOTAL	**6,490**	**4,401**	**(389)**	**10,502**	**970**	**(1,968)**	**9,504**

Depreciation and amortization	Balance as of 12/31/2014	Increase	Reduction	Balance as of 12/31/2015	Increase	Reduction	Balance as of 12/31/2016
Intangible assets	1,260	26		1,286	47	(71)	1,262
Operating properties	1,096	127	(69)	1,154	51	(988)	217
Furniture, office & computer equipment	1,145	590	(93)	1,642	781	(88)	2,335
TOTAL	**3,501**	**743**	**(162)**	**4,082**	**880**	**(1,147)**	**3,814**
NET AMOUNT	**2,989**	**3,658**	**(227)**	**6,420**	**90**	**(821)**	**5,690**

Investment & operating property

Valuation of properties	Lyon	Marseille	Bordeaux	Hotels	Balance as at 12/31/2016
Investment property	324,708	581,152	76,665	83,491	1,066,016
Property held for sale	792	0	0	0	792
Investment property and property held for sale	325,500	581,152	76,665	83,491	1,066,808
Operating properties	340	1,216	0	0	1,556
VALUATION OF PROPERTIES	**325,840**	**582,368**	**76,665**	**83,491**	**1,068,364**

Investment property and property held for sale	Lyon	Marseille	Bordeaux	Hotels	Total
Balance as of 12/31/2014	**297,079**	**679,488**	**41,459**	**86,694**	**1,104,721**
Investments	69,026	3,055		28,660	100,741
Income from disposals	(78,023)	(41,893)		(12,786)	(132,702)
Change in value	36,684	(16,692)	1,108	4,380	25,480
Balance as of 12/31/2015	**324,766**	**623,958**	**42,567**	**106,948**	**1,098,240**
Investments	22,640	2,427	29,026	7,349	61,442
Income from disposals	(33,566)	(18,200)	0	(37,855)	(89,621)
Impact of change in registered office		817			817
Change in value	11,660	(27,850)	5,071	7,049	(4,070)
Balance as at 12/31/2016	**325,500**	**581,152**	**76,664**	**83,491**	**1,066,808**

The change in value includes a €6,640 thousand profit on disposals and a €10,710 thousand decrease in the value of properties.

Details of investments	Lyon	Marseille	Bordeaux	Hotels	Total
Acquisitions	63,095	0	0	28,573	91,668
Works	5,931	3,055	0	87	9,073
2015 total	**69,026**	**3,055**	**0**	**28,660**	**100,741**
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**	**7,349**	**61,442**

With the exception of buildings under sale agreements, the Company's city-center real estate assets were appraised by Jones Lang LaSalle and BNP Real Estate Expertise 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.

Rental income capitalization method

The appraisers used two different methodologies to capitalize rental income:

1) Current rental income is capitalized up to the expiry of the existing lease. The capitalized current rent to expiry or revision is added to the capitalized renewal rent to perpetuity. The latter is discounted to the appraisal date on the basis of the date of commencement of capitalization to perpetuity. An average ratio was used between "vacancies" and "renewals" on the basis of historic tenant changes.

   Recognition of market rent may be deferred for a variable vacancy period for any rent-free period, renovation work or marketing period, etc. following the departure of the sitting tenant.

2) For each lot appraised, a rental ratio is calculated, expressed in €/sq.m./year. This is used to calculate the annual market rent (ratio x weighted floor space).

   An "imputed rent" is estimated and used for the purposes of calculating the income method (capitalized rent). It is determined on the basis of the nature and occupancy level of the premises, and is capitalized at a yield approaching market levels, though where appropriate this includes upward potential.

   The low yields in question include upward rental potential either where a sitting tenant leaves or where rent caps are lifted due to changes in local marketability factors.

Different yields have been applied by use and also between current rental income and rent on renewal. Appraisals also take account of expenditure required to maintain real estate properties (renovation of facades, stairwells, etc.).

Comparison method

In the case of residential lots, an average price per square meter, vacant and excluding transfer taxes, is allocated to each lot appraised, based on examples of market transactions for similar assets.

For commercial property, and in particular retail premises (where rent caps cannot be lifted), the ratio of the average price per square meter is closely linked to rental terms.

With regard to city-center properties, a value after work, a value after work on private areas, a value after work on communal areas and a current condition value are presented for each of the two methods for each property appraised.

The value applied for each premises in its current condition is the average of the two methods, unless the appraiser indicates otherwise. The final value excluding transfer taxes is converted into a value including transfer taxes (by applying transfer taxes at 6.90% for existing buildings and 1.80% for new buildings), giving the effective yield for each lot (ratio between actual gross income and the value including transfer taxes).

Developer balance sheet method for redevelopment land

For land available for construction, the appraiser distinguishes between land with planning approval and/or an identified and likely project, and land for which there is no clearly defined project with advanced plans.

In the first instance, the appraiser looks at the project from a development perspective.

For simple land reserves, an approach based on the metric value of the land to be developed by reference to the market price is used.

Income method for hotel properties

For each asset, the net rent was capitalized on the basis of a weighted rate of return specific to each hotel according to its characteristics.

The result is a market value for the asset including "transfer taxes" (or "deed in hand"), with full ownership rights.

Measurement parameters – IFRS 13

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

Given the limited public data available, the complexity of real estate asset assessments, and the fact that, to perform their assessments, independent real estate experts 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 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/m^2	€108 - €320/ sq.m
	Retail	5% - 7.25%	5.35% - 7.75%	€3,000 - €15,500/m^2	€200 - €750/m^2
	Offices	5.85% - 6.50%	5.95% - 6.95%	€1,900 - €4,100/m^2	€170 - €300/m^2

Projects and developments (ranges)		Yield	Capitalization rate	Metric values	Rental income per sq.m.
Lyon City-center					
	Residential	4.50%	4.81%	€3,500/m^2	€150/m^2
	Offices	5.05% - 5.30%	5.40% - 5.67%	€4,000/m^2	€225/m^2
	Retail	5.30% - 6%	5.67% - 6.41%	4,200 - 5,700/m^2	€250 - €500/m^2
Lyon - Part Dieu					
	Offices	7.20%	7.70%	€2,150 - €2,600/m^2	€165 - €200/m^2
Marseille					
	Residential	4.70%	4.78%	€4,000/m^2	€160/m^2
	Retail	6.60%	6.72%	€4,000/m^2	€270/m^2
	Offices	6.40%	6.52%	€3,700/m^2	€240/m^2
Bordeaux					
	Retail	6.5% - 6.65%	6.62% - 6.77%	€3,400 - €5,300/m^2	€165 - €190/m^2
	Offices	6% - 7%	6.11% - 7.13%	€2,300 - €3,000/m^2	€175 - €250/m^2

Measurement parameters Jones Lang LaSalle

Historic properties (ranges)		Yield	Metric values	Rental income per sq.m.
Lyon				
	Residential (excl. law 48)	4.30% - 4.45%	€3,014 - €4,192/m²	€130/m²
Marseille				
	Residential (excl. law 48)	4.40% - 4.80%	€214 - €5,048/m²	€9 - €345/m²
	Retail (ground floor lots)	4.90% - 6.35%	€2,433 - €25,288/m²	€65 - €1,189/m²
	Offices	6.30% - 7.10%	€762 - €3,211/m²	€47 - €272/m²

Projects and developments (ranges)		Yield	Metric values	Rental income per sq.m.
Marseille				
	Retail (ground floor lots)	6.80%	€735 - €3,829/m²	€39 - €216/m²
	Offices	6.80%	€1,446/m²	€240/m²
Lyon Carré de Soie				
	Offices	5.25% - 5.75%	€2,989 - €3,589/m²	€177 - €194/m²
Lyon City-center				
	Retail (ground floor lots)	4.50%	€10,556 - €12,222/m²	€470 - €580/m²
	Offices	5.95%	€3,725/m²	€250/m²

Hotel properties (ranges)		Yield	Metric values	Rental income per sq.m.
France				
	Hotels	5.61% - 7.21%	€686 - €3,812/m²	€51 - €231/m²

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 sensitivity defined using the change in yield criterion results in market values for the property concerned ranging from €790.7 million (for a sensitivity step of +0.20) to €853.7 million (for a sensitivity step of -0.20), compared with the carrying amount of €821 million as of December 31, 2016.

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

Sensitivity analysis 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	€1,822,906	€1,894,486	3.93%	€1,858,008	1.93%	€1,789,105	-1.85%	€1,756,533	-3.64%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Offices	€111,570,588	€114,963,615	3.04%	€113,241,320	1.50%	€109,949,093	-1.45%	€108,374,649	-2.86%
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)	€77,355,744	€81,385,477	5.21%	€79,323,620	2.54%	€75,475,554	-2.43%	€73,677,311	-4.76%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Retail	€87,970,575	€91,363,886	3.86%	€89,635,688	1.89%	€86,365,139	-1.82%	€84,816,215	-3.59%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Offices*	€30,979,785	€32,073,594	3.53%	€31,517,799	1.74%	€30,458,711	-1.68%	€29,953,790	-3.31%
Bordeaux									
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Warehouse	€12,168	€12,480	2.56%	€12,323	1.27%	€12,018	-1.23%	€11,872	-2.44%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Retail	€3,169,142	€3,268,571	3.14%	€3,218,170	1.55%	€3,121,435	-1.51%	€3,074,996	-2.97%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Offices	€127,443,312	€131,609,320	3.27%	€129,494,691	1.61%	€125,452,393	-1.56%	€123,519,308	-3.08%
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)	€41,023,396	€42,970,125	4.75%	€41,975,017	2.32%	€40,112,456	-2.22%	€39,239,629	-4.35%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Retail	€9,284,399	€9,646,432	3.90%	€9,462,378	1.92%	€9,112,200	-1.85%	€8,945,504	-3.65%
Change considered		-0.20%	Difference	-0.10%	Difference	0.10%	Difference	0.20%	Difference
Offices	€37,201,558	€38,559,567	3.65%	€37,869,025	1.79%	€36,556,027	-1.74%	€35,931,368	-3.41%
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	**€541,236,530**	**€563,343,892**	**4.08%**	**€552,086,522**	**2.00%**	**€530,771,476**	**-1.93%**	**€520,670,591**	**-3.80%**

* *Excluding emphyteutic lease.*

Sensitivity analysis by Jones Lang LaSalle

Historical Portfolio

Total Lyon		Sensitivity to yield (capitalization method)				
City	Use	Capitalization method: yield at +0.20	Capitalization method: yield at +0.10	Value used as of 12/31/2016 per capitalization, excl. fees	Capitalization method rate at -0.10	Capitalization method: yield at -0.20
Lyon	Office					
	Retail					
	Residential[1]	€1,577,217	€1,615,066	€1,654,666	€1,696,141	€1,739,629
TOTAL LYON		**€1,577,217**	**1,615,066 €**	**€1,654,666**	**1,696,141 €**	**€1,739,629**

(1) Law of 1948 included in residential.

Total Marseille[2]		Sensitivity to yield (capitalization method)				
City	Use	Capitalization method: yield at +0.20	Capitalization method: yield at +0.10	Value used as of 12/31/2016 per capitalization, excl. fees	Capitalization method rate at -0.10	Capitalization method: yield at -0.20
Marseille	Office	€63,582,991	€64,615,375	€65,681,274	€66,782,350	€67,920,376
	Retail	€91,873,090	€93,611,282	€96,177,141	€97,286,933	€99,232,147
	Residential	€88,245,219	€90,343,909	€92,539,773	€94,830,228	€97,231,423
TOTAL MARSEILLE[2]		**€243,701,300**	**€248,570,565**	**€254,398,187**	**€258,899,511**	**€264,383,946**

(1) Law of 1948 included in residential.
(2) Excluding car parks.

Projects

		Sensitivity to yield (capitalization method)				
City	Use	Capitalization method: yield at +0.20	Capitalization method: yield at +0.10	Value used as of 12/31/2016 per capitalization, excl. fees	Capitalization method rate at -0.10	Capitalization method: yield at -0.20
Marseille	Office	€3,105,589	€3,236,791	€3,371,769	€3,510,689	€3,653,725
	Retail	€803,662	€816,867	€830,591	€844,620	€859,215
	Residential					
TOTAL MARSEILLE		**€3,909,251**	**€4,053,658**	**€4,202,360**	**€4,355,310**	**€4,512,940**

City	Use	Capitalization method: yield at +0.20	Capitalization method: yield at +0.10	Value used as of 12/31/2016 per capitalization, excl. fees	Capitalization method rate at -0.10	Capitalization method: yield at -0.20
		Sensitivity to yield (capitalization method)				
Lyon (Carré de Soie)	Office	€105,660,000	€107,490,000	€109,380,000	€111,330,000	€113,360,000
Lyon (Carré de Soie)	Office	€45,880,000	€46,740,000	€47,640,000	€48,580,000	€49,550,000
Lyon (City-center)	Retail	€29,690,000	€30,340,000	€31,010,000	€31,720,000	€32,460,000
TOTAL LYON		**€181,230,000**	**€184,570,000**	**€188,030,000**	**€191,630,000**	**€195,370,000**

Hotel Properties

City	Use	Capitalization method: yield at +0.20	Capitalization method: yield at +0.10	Value used as of 12/31/2016 per capitalization, excl. fees	Capitalization method rate at -0.10	Capitalization method: yield at -0.20
		Sensitivity to yield (capitalization method)				
France	Hotels	€84,920,000	€86,250,000	€87,610,000	€89,050,000	€90,500,000
TOTAL HOTELS		**€84,920,000**	**€86,250,000**	**€87,610,000**	**€89,050,000**	**€90,500,000**

Non-current financial assets

Non-current financial assets	Balance as of 12/31/2014	Increase	Reduction	Balance as of 12/31/2015	Increase	Reduction	Balance as of 12/31/2016
Liquidity contract	909	0	(641)	268	194		462
Other loans	5,785	4,783	(169)	10,399		(8,842)	1,557
Deposits & guarantees	119	0	0	119	2		121
GROSS TOTAL	**6,813**	**4,783**	**(810)**	**10,786**	**196**	**(8,842)**	**2,140**
Provisions for the liquidity contract	(100)	0	99	(2)	0	2	0
Provisions for the other loans	0	0	0	0			0
Provisions for deposits and guarantees	(7)	0	0	(7)	0	0	(7)
NET TOTAL	**6,707**	**4,783**	**(712)**	**10,777**	**196**	**(8,840)**	**2,133**

Other Loans consist of SCCV account payments of €1.3 million for the Armagnac Bordeaux project.

The Company made a loan of €2.5 million to its investment, Financière des Brotteaux SAS in 2014. This was repaid in full during the year.

During the fiscal year, ANF Immobilier disposed of its equity investment in JDML SAS, on which it held a receivable of €5.2 million as of December 31, 2015. At the same time, the notes held by the Company against it three investments in Bordeaux (SCCV Hôtels A1-A2, SCCV Bureaux B-C and SCCV Mixte D-E) were reduced by €1.1 million.

In 2005, a liquidity contract was arranged for ANF Immobilier stock. This contract was managed by Rothschild bank and was transferred to the company Kepler.

Note 2 Receivables maturity schedule

(€ thousand)	Amount 12/31/2016	In less than one year	From one to five years	In more than five years
Trade receivables	8,730	8,730	0	0
Other receivables	10,627	10,627	0	0
GROSS TOTAL	**19,357**	**19,357**	**0**	**0**
Provisions	3,573	3,573	0	0
NET TOTAL	**15,784**	**15,784**	**0**	**0**

The other receivables consisted mainly of €2.9 million of VAT owing, €2.5 million of current account balances made available to JDML SAS until the summer of 2017 under the partnership unwinding agreements and a €2.9 million balance in an escrow account for the disposal of two hotels in late December 2016.

Note 3 Debt maturity schedule at end of period

(€ thousand)	Amount 12/31/2016	In less than one year	From one to five years	In more than five years
Bank borrowings	556,785	23,290	426,031	107,464
current assets	0	0	0	0
Trade payables	10,523	10,523	0	0
Tax and social security liabilities	11,121	11,121	0	0
Rental security deposits	6,340	6,340	0	0
Other payables	847	847	0	0
TOTAL	**585,617**	**52,122**	**426,031**	**107,464**

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Note 4 Cash and cash equivalents

(€ thousand)	12/31/2016	12/31/2015	12/31/2014
Money market funds and marketable securities	0	822	181
Current bank accounts	35,144	22,627	10,171
Gross cash and marketable securities	**35,144**	**23,448**	**10,352**
Bank overdrafts	(11,619)	(300)	(17)
Accrued bank interest	(340)	(155)	(438)
Net cash and marketable securities	**23,185**	**22,993**	**9,897**

Note 5 Accruals – Assets

Prepaid expenses include subscriptions, insurance, fees and other expenses involving future periods totaling €137 thousand.

Note 6 Accruals – Liabilities

Deferred income includes €260 thousand in rents and service charge payments for the coming months.

Note 7 Provisions for liabilities and expenses

Gross amount *(€ thousand)*	Balance as of 12/31/2014	Increase	Reduction	Balance as of 12/31/2015	Increase	Reduction	Balance as of 12/31/2016
Provision for long-service awards	12	0	0	12	0	0	12
Provision for supplementary post employment benefits	45	0	0	45	0	0	45
Other provisions for liabilities	1,387	(805)	526	1,108	659	(1,059)	708
TOTAL	**1,444**	**(805)**	**526**	**1,165**	**659**	**(1,059)**	**765**
Current liabilities	1,387	(805)	526	1,108	659	(1,059)	708
Non-current liabilities	57	0	0	57	0	0	57

Reversals of provisions are for provisions used or that no longer serve any purpose.

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. There was no significant change regarding these proceedings in 2016.

2) TPH proceedings – Toti:

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.

There was no significant change regarding these proceedings in 2016.

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

At December 31, 2016 provisions of €550 million were recognized for commercial disputes related to buildings sold earlier in Lyon. Likewise, the Company launched proceedings before the Administrative Court to assert its right to a €5.8 million refund in respect of the 3% tax on dividends paid by the Company in 2013 for the OPRA (*Offre Publique de Rachat d'Actions* - Public buyout offer) conducted at the end of 2012. This claim for tax relief is not shown in the accounts of ANF Immobilier pending the outcome of the proceedings.

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 12 months a material effect on the Company's financial position or profitability.

Note 8 Treasury shares

(€ thousand)	12/31/2014	12/31/2015	12/31/2016
Shares recorded as a deduction from equity	23,037	23,713	23,189
Number of treasury shares	888,926	891,687	906,051
TOTAL NUMBER OF SHARES	**19,009,271**	**19,009,271**	**18,351,093**
Treasury shares *(%)*	4.68%	4.69%	4.94%

Note 9 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.

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 December 31, 2015, this last debt was hedged by 13 swap agreements. At the beginning of January 2016 the Company unwound five swaps and replaced them with four Caps.

In accordance with IAS 39, the fair value of these swaps, which totaled €3.9 million and used to be recorded under equity (hedging reserve), has been spread over the original maturity of the instrument. This represents an annual expense of €2.4 million.

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 still qualified based on retroactive tests as at June 30, 2016.

Consequently, from July 1, 2016 the Group reclassified these swap agreements as 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 recorded in equity, over the maturity of the instrument.

At December 31, 2016, the amount of accumulated negative fair value recorded in equity was €19.9 million. Spreading this over the original maturity resulted in an annual expense of €2 million.

In the second half of 2016, the Group made debt repayments and unwound the associated instruments. This led to the immediate recognition of the accumulated negative fair value in profit or loss (previously recorded in equity) for a total of €975 thousand.

At December 31, 2016 the analysis of the hedging reserves, amounting to €20.9 million, led to the identification of a balance from a previous hedging relationship on the Natixis debt restructured in 2014 and maturing in 2021. Given that this restructuring was analyzed as a rolled-over debt (as defined by IAS 39.91), the amortization of this reserve was spread out to 2021. At December 31, 2016 this hedging reserve showed a residual balance to be apportioned of €2.3 million. As a counterpart to these expenses, income of around €4.5 million was recognized in the second half from the fair value measurement of financial instruments held for trading.

The table below breaks down the impact of the interest rate derivatives on the ANF Immobilier consolidated financial statements:

Loan hedged	Effective date	Maturity date	Fixed rate paid	*(€ thousand)*	Nominal	Variable nominal
CFF Silky Way	09/28/2015	06/29/2020	1.8500%	Three-month Euribor swap/1.850%	45,872	Yes
CFF Silky Way	09/28/2015	06/28/2020	1.8500%	Three-month Euribor swap/1.850%	7,572	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%	15,851	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%	15,851	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%	12,969	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%	12,969	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%	24,465	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%	24,465	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%	20,017	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%	20,017	Yes
CEPAC IAH	06/27/2014	06/28/2021	1.0300%	Three-month Euribor swap/1.030%	32,105	Yes
CEPAC IAH	03/31/2016	06/28/2021	1.2300%	Three-month Euribor swap/1.230%	8,026	Yes
				Hedging – Swaps	**240,179**	
CFF Silky Way	09/28/2015	06/29/2020	1.8500%	Three-month Euribor swap/1.850%	45,872	Yes
CFF Silky Way	09/28/2015	06/28/2020	1.8500%	Three-month Euribor swap/1.850%	7,572	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%	15,851	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%	15,851	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%	12,969	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%	12,969	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%	24,465	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%	24,465	Yes
SG Natixis, BECM, BNPP, CACIB	06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%	20,017	Yes
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**	
SG Natixis, BECM, BNPP, CACIB	07/01/2014	06/29/2017	2.6030%	Three-month Euribor swap/2.603%	40,000	No
SG Natixis, BECM, BNPP, CACIB	07/01/2014	06/29/2016	2.4050%	Three-month Euribor swap/2.405%	40,000	No
SG Natixis, BECM, BNPP, CACIB	06/30/2014	06/30/2016	2.2400%	Three-month Euribor swap/2.240%	20,000	No
SG Natixis, BECM, BNPP, CACIB	070/1/2014	06/29/2018	2.1800%	Three-month Euribor swap/2.180%	15,564	No
SG Natixis, BECM, BNPP, CACIB	07/01/2014	06/29/2018	1.7900%	Three-month Euribor swap/1.790%	20,000	No
				Unwound swaps	**135,564**	
HSBC SCI Lafayette	10/06/2014	10/07/2019	CAP 1.0000%	Three-month Euribor CAP/1.000%	21,786	No
HSBC SCI Stratège	10/06/2014	10/07/2019	CAP 1.0000%	Three-month Euribor CAP/1.000%	18,914	No
CEPAC IAH	12/31/2016	12/15/2021	CAP 1.5000%	Three-month Euribor CAP/1.500%	2,171	No
CEPAC IAH	12/31/2016	12/15/2021	CAP 1.5000%	Three-month Euribor CAP/1.500%	3,060	No
LCL/CACE New Way	02/28/2017	03/31/2022	CAP 1.5000%	Three-month Euribor CAP/1.500%	7,040	No
LCL/CACE New Way	02/28/2017	03/31/2022	CAP 1.5000%	Three-month Euribor CAP/1.500%	7,040	No
SG Natixis, BECM, BNPP, CACIB	12/31/2015	06/29/2018	CAP 1.5000%	Three-month Euribor CAP/1.500%	37,280	No
SG Natixis, BECM, BNPP, CACIB	12/31/2015	06/29/2018	CAP 1.5000%	Three-month Euribor CAP/1.500%	37,280	No
SG Natixis, BECM, BNPP, CACIB	12/31/2015	06/29/2018	CAP 1.5000%	Three-month Euribor CAP/1.500%	30,502	No
SG Natixis, BECM, BNPP, CACIB	12/31/2015	06/29/2018	CAP 1.5000%	Three-month Euribor CAP/1.500%	30,502	No
CEPAC IAH	09/30/2018	09/01/2023	CAP 1.5000%	Three-month Euribor CAP/1.500%	3,281	No
SCI Orianz	05/31/2018	09/01/2023	CAP 0.5000%	Three-month Euribor CAP/0.500%	27,028	No
SCI Factor E	09/30/2018	09/01/2020	CAP 0.5000%	Three-month Euribor CAP/0.500%	12,727	No
				Three-month Euribor CAP/0.500%	238,611	
				Hedging – Caps	**238,611**	
				TOTAL FINANCIAL INSTRUMENTS	**814,401.8**	
				CAPS	**238,610.8**	
				SWAPS	**575,791.0**	
Other impacts on the income statement				Balance on swaps and difference in balance versus previous OCI		
				Impact of reclassification of previous OCI following unwinding and repayment of underlying (Sept & Dec)		
				Impact of deferred reclassification of previous OIC after disqualification of hedge accounting		
				Impact of change in deferred reclassification of previous OIC and initial adjustment		
				TOTAL FINANCIAL INSTRUMENTS	**814,401.8**	

The financial derivative instruments were measured by discounting the estimated future cash flows on the basis of the yield curve as at December 31, 2016.

Fair values assets 12/31/2016	Fair values liabilities 12/31/2016	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 12/31/2015	Fair values liabilities 12/31/2015
		(350.2)	(358.7)	8.5		3,653.2		(3,303.0)
		(58.2)	(59.6)	1.5		608.3		(550.2)
		(332.5)	(128.2)	(204.3)		1,075.2		(742.7)
		(332.5)	(128.2)	(204.3)		1,075.2		(742.7)
		(272.0)	(104.9)	(167.1)		879.7		(607.7)
		(272.0)	(104.9)	(167.1)		879.7		(607.7)
		(1,415.8)	(521.2)	(894.6)		4,141.9		(2,726.1)
		(1,415.8)	(521.2)	(894.6)		4,141.9		(2,726.1)
		(1,158.4)	(426.4)	(732.0)		3,388.8		(2,230.4)
		(1,158.4)	(426.4)	(732.0)		3,388.8		(2,230.4)
	(1,182.0)	(225.3)		(225.3)		398.7		(1,355.4)
	(322.9)	(52.9)		(52.9)		112.5		(382.5)
	(1,504.9)	**(7,044.1)**	**(2,779.8)**	**(4,264.3)**		**23,743.8**		**(18,204.7)**
	(2,962.2)	691.0	691.0		(3,653.2)			
	(493.3)	115.1	115.1		(608.3)			
	(732.4)	342.8	342.8		(1,075.2)			
	(732.4)	342.8	342.8		(1,075.2)			
	(599.2)	280.5	280.5		(879.7)			
	(599.2)	280.5	280.5		(879.7)			
	(3,483.1)	658.7	658.7		(4,141.9)			
	(3,483.1)	658.7	658.7		(4,141.9)			
	(2,849.8)	539.0	539.0		(3,388.8)			
	(2,849.8)	539.0	539.0		(3,388.8)			
	(18,784.8)	**4,447.9**	**4,447.9**		**(23,232.7)**			
			(1,009.3)	1,009.3		1,678.8		(1,678.8)
			(444.0)	444.0		513.2		(513.2)
			(223.0)	223.0		241.4		(241.4)
			(303.2)	303.2		901.4		(901.4)
			(387.2)	387.2		961.0		(961.0)
			(2,366.7)	**2,366.7**		**4,295.9**		**(4,295.9)**
14.1		(40.6)	(40.6)				54.7	
12.3		(35.2)	(35.2)				47.5	
7.9		(12.1)	(12.1)				20.0	
10.8		(16.8)	(16.8)				27.6	
29.9		(44.1)	(44.1)				74.0	
29.9		(44.1)	(44.1)				74.0	
0.2		(4.3)	(4.3)		4.5			
0.2		(5.7)	(5.7)		5.9			
0.2		(4.8)	(4.8)		5.0			
0.2		(3.8)	(3.8)		4.0			
33.2		4.0	4.0		29.2			
563.5		103.9	103.9		459.6			
34.3		4.5	4.5		29.8			
737		(99)	(99)		538		298	
737		**(99)**	**(99)**		**538**		**298**	
736.6	**(20,289.7)**	**(2,695.2)**	**(797.6)**	**(1,897.6)**	**(22,694.7)**	**28,039.7**	**297.7**	**(22,500.5)**
736.6		**(99.1)**	**(99.1)**		**538.0**		**297.7**	
	(20,289.7)	**(2,596.2)**	**(698.5)**	**(1,897.6)**	**(23,232.7)**	**28,039.7**		**(22,500.5)**
			(928.5)					
			(975.3)	975.3				
			(2,031.6)	2,031.6				
			(1,235.9)	1,292.8				
736.6	**(20,289.7)**	**(2,695.2)**	**(5,968.9)**	**2,402.1**	**(22,694.7)**	**28,039.7**	**297.7**	**(22,500.5)**

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 10 Covenants

With respect to loans and credit lines, ANF Immobilier has undertaken certain commitments 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 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 annual financial statements or unaudited 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 12/31/2016	Ratios as of 12/31/2015	Ratios as of 12/31/2014	Ratios as of 12/31/2013
ICR ratio (EBITDA/restated net financial expenses)	minimum 2	quarterly	2.80	2.24	2.03	2.90
LTV ratio (net debt/appraisal value of property)	maximum 50%	half-year	41.9%	43.0%	47.5%	40.4%

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.

Note 11 Off-balance sheet commitments

Commitments received

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

Commitments received *(€ thousand)*	**12/31/2016**	**12/31/2015**	**12/31/2014**
Guarantees and deposits received	60,300	35,952	65,329
Other commitments received	98,169	90,782	100,040
TOTAL	**158,469**	**126,734**	**165,369**

- New commitments:
  - guarantees and deposits received: €52 million of new financial completion guarantees on investments in the offices in Bordeaux of SCI Orianz and Factor E,
  - other commitments received: €34 million in new undrawn facilities to finance investments in the offices in Bordeaux of SCI Orianz and Factor E;
- Commitments that continued during the fiscal year:
  - guarantees and deposits received:
    - €4.8 million in financial completion guarantees and sureties on the investments of the Banque de France CPI in Lyon and the Castel transaction in Marseille,
    - €3.4 million in security deposits received (including €2 million from Alstom for Silky Way);
  - other commitments received:
    - €57.3 million in undrawn facilities (overdraft and ANF Immobilier refinancing, line of credit for investments in progress),
    - €5.8 million in CIC and City of Marseille guarantees for the CDC Loan;
- Expired commitments:
  - guarantees and deposits received:
    - €12.7 million for the financial completion guarantee on New Way in Lyon, completed on September 30, 2016, and on hotels delivered during the year;
  - other commitments received:
    - Lines of financing for hotel investments and for the New Way building were fully drawn.

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Commitments given

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

Commitments given *(€ thousand)*	**12/31/2016**	**12/31/2015**	**12/31/2014**
Agreements to buy	17,500	0	0
Agreements to sell	840	18,323	47,560
Pledges, mortgages and collateral	494,701	504,230	562,627
Guarantees and deposits given	52,015	33,287	27,137
Other commitments given	23,935	19,496	36,937
TOTAL	**588,992**	**575,336**	**674,261**

- New commitments:
  - agreements to sell: €0.8 million in signed agreements to sell for the dispersed blocks in Lyon,
  - agreement to buy: ANF Immobilier has signed an agreement to buy an office building in the Toulouse region for €17.5 million,
  - pledges and mortgages:
    - €26.8 million of mortgages and pledges on new financing linked to investments in the office buildings and hotel developed in Bordeaux,
  - guarantees and deposits given:
    - €52 million on-demand guarantee for payment of the balance due on the off-plan sale of the office buildings and hotel developed in Bordeaux;
- Commitments that continued during the fiscal year:
  - pledges and mortgages:
    - €282 million for mortgage refinancing (including hedging instruments),
    - €51.5 million for mortgage financing of ANF Immobilier Hôtels (including hedging instruments),
    - €65.2 million for mortgage financing of Silky Way (including hedging instruments),
    - €45.8 million lender's lien and €2 million pledge of Areva accounts,
    - €15.8 million for mortgage financing of New Way and €18 million lender's lien,
    - €2.9 million mortgage on Malaval for the benefit of BLB (related to CDC borrowing),
  - other commitments given: €2.9 million for buildings that must remain unmortgaged for the CDC loan, €12 million mortgage pledge for Banque de France project finance, and €9 million for the bank overdraft (value of the Mazenod parking lot that must remain unmortgaged);
- Expired commitments:
  - agreements to sell:
    - €18 million for the "TAT" block in Lyon, sold in early 2016,
  - guarantees and deposits given: €28.6 million on-demand guarantee for payment of the price on investments delivered during the year (Hotels, New Way) and €2.1 million earnest payment guarantee for the sites of the new investments in Bordeaux,
  - other commitments given: €1.6 million for buildings that must remain unmortgaged for the benefit of CEPAC as collateral for the on-demand guarantee for the Vélodrome hotels.

Note 12 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 with a par value of one euro, fully paid-up and all of the same class.

Note 13 Deferred tax assets and liabilities

There are no deferred tax assets or liabilities.

Note 14 Related parties & equity investments

(€ thousand)	Eurazeo	SCCV 1-3 Rue d'Hozier	SAS Brotteaux	SCCV Hôtels A1-A2	SCCV Bureaux B-C	SCCV Mixte D-E	FONCIA VIEUX PORT	CIFA Asset Management
Trade receivables								
Other receivables		33						
Trade payables	438						218	
Other liabilities	17							
Net financial expense								
Revenues: rental income								
Other operating income								250
Other financial income			7					
Employee benefits expenses	350							
Other management expenses	344						800	
Income from entities accounted for by the equity method		1	171	39	269	237		

The foregoing table uses the share of the net income (loss) from entities accounted for by the equity method on the Group consolidated financial statements. The stock in these companies is valued at €620 thousand on the asset side of the Company's balance sheet.

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

Compensation paid to members of the Executive Board *(€)*	12/31/2016	12/31/2015
Bruno Keller		
Fixed compensation	0	107,670
Variable compensation	0	222,564
Special bonus	0	984,883
Benefits in kind	0	0
Renaud Haberkorn		
Fixed compensation	400,000	400,000
Variable compensation	267,300	28,000
Benefits in kind	15,764	13,487
Ghislaine Seguin		
Fixed compensation	200,000	180,000
Variable compensation	121,860	74,727
Special bonus	0	10,000
Benefits in kind	2,171	2,512
Xavier de Lacoste Lareymondie		
Fixed compensation	0	0
Variable compensation	0	83,099
Benefits in kind	0	0

The payment of one-time bonuses, which were awarded following the completion of disposals at the end of 2012, are spread over a three-year period for the former Chairman and the Chief Executive Officer.

Note 15 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.

(€ thousand)	12/31/2016	Unallocated	Hotels	Total of city-center portfolio	Marseille	Lyon	Bordeaux
Revenues: rental income	51,239	0	6,671	44,568	23,060	19,085	2,423
Other operating income	8,806	0	438	8,368	5,007	2,669	692
Total operating income	**60,045**	**0**	**7,109**	**52,936**	**28,067**	**21,754**	**3,115**
Property expenses	(9,591)	0	(351)	(9,239)	(5,896)	(2,527)	(817)
Other operating expenses	(1,871)	0	(82)	(1,789)	(1,470)	(292)	(26)
Total operating expenses	**(11,461)**	**0**	**(433)**	**(11,028)**	**(7,366)**	**(2,819)**	**(843)**
Gross operating income (loss) from property	**48,584**	**0**	**6,676**	**41,908**	**20,701**	**18,935**	**2,272**
Gains (losses) on disposals of assets	6,640	0	6,595	45	(413)	458	0
Gross operating income (loss) from property after disposals	**55,224**	**0**	**13,271**	**41,953**	**20,288**	**19,393**	**2,272**
Employee benefits expenses	(6,154)	0	(1,231)	(4,923)	(2,769)	(1,846)	(308)
Other management expenses	(3,963)	0	(793)	(3,171)	(1,784)	(1,189)	(198)
Other income and transfers of expenses	1,054	0	211	843	474	316	53
Other expenses	(956)	0	0	(956)	(765)	(191)	0
Accumulated depreciation and amortization	(870)	0	0	(870)	(435)	(435)	0
Other operating provisions (net of reversals)	(1,017)	(434)	0	(583)	(525)	(58)	0
Net operating income (loss) before changes in fair value of property	**43,318**	**(434)**	**11,458**	**32,294**	**14,485**	**15,989**	**1,819**
Changes in fair value of property	(10,710)	0	454	(11,165)	(27,437)	11,201	5,071
Net operating income (loss) after changes in fair value of property	**32,608**	**(434)**	**11,912**	**21,129**	**(12,951)**	**27,190**	**6,890**
Net financial expense	(16,826)	0	(2,249)	(14,576)	(7,234)	(6,501)	(841)
Financial amortization and provisions	324	324	0	0	0	0	0
Gains (losses) on financial instruments	(5,969)	0	(680)	(5,289)	(5,060)	(337)	108
Share of net income (loss) of equity-accounted	717	717	0	0	0	0	0
Net income (loss) before tax	**10,853**	**606**	**8,983**	**1,263**	**(25,245)**	**20,352**	**6,157**
Current taxes	(1,006)	(1,006)	0	0	0	0	0
Deferred taxes	0	0	0	0			0
Net consolidated income (loss)	**9,848**	**(400)**	**8,983**	**1,263**	**(25,245)**	**20,352**	**6,157**
Of which minority interests	13,538	13,538	0	0	0	0	0
Of which attributable to equity holders of the parent	(3,691)	(3,691)	0	0	0	0	0

Net income for non-controlling interests for the year was €13.5 million. This consists of the percentages of net income coming to associates from entities created by the Group for its new commercial developments in Lyon and Bordeaux and in Hotels.

Note 16 Earnings per share

(€ thousand)	12/31/2016	12/31/2015	12/31/2014
Net income for basic earnings per share calculation	(3,691)	18,556	(20,507)
Net income for diluted earnings per share calculation	(3,691)	18,556	(20,507)
Number of ordinary shares for basic earnings per share calculation as of the balance sheet date	18,120,345	18,117,584	17,445,042
Weighted average number of ordinary shares for basic earnings per share calculation	19,009,271	18,528,295	18,092,542
Stock options for diluted earnings per share calculation	0	0	0
Diluted number of ordinary shares	18,120,345	18,117,584	17,445,042
Diluted weighted average number of ordinary shares	19,009,271	18,528,295	18,092,542
(€)			
Net earnings per share	(0.20)	1.02	(1.18)
Diluted earnings per share	(0.20)	1.02	(1.18)
Weighted net earnings per share	(0.19)	1.00	(1.13)
Diluted weighted earnings per share	(0.19)	1.00	(1.13)

The number of shares does not include treasury shares.

Note 17 Tax proof

(€ thousand)	12/31/2016	12/31/2015	12/31/2014
Current taxes	(1,006)	(598)	(2,903)
Deferred taxes	0	0	(0)
TOTAL	**(1,006)**	**(598)**	**(2,904)**
Net income (loss) attributable to equity holders of the parent	(3,691)	18,556	(20,507)
Previous corporate income tax/CVAE correction and distribution tax 2	1,006	598	2,903
Entities Net income (loss) before tax	**(2,685)**	**19,154**	**(17,604)**
SIIC regime income (exempt)	8,024	1,003	4,388
SIIC regime fair value adjustment	(10,710)	18,151	(29,382)
Capital gains taxed at nor mal rate	0	0	7,390
Taxable profit	3,149	0	0
TAX BASE	**3,149**	**0**	**7,390**
Current tax rate in France	33.33%	33.33%	33.33%
Additional contribution	3.33%	3.33%	3.33%
CVAE/previous corporate income tax and distribution tax	(44)	598	385
Expected theoretical tax	**1,006**	**598**	**2,905**
TAX EXPENSE FOR THE FISCAL YEAR	**1,006**	**598**	**2,905**

Note 18 Exposure to interest rate risk

(€ thousand)	Balance 12/31/2016	Repayments < 1 year	Balance 12/31/2016	Repayments 1 to 5 years	Balance 12/31/2016	Repayments > 5 years
Fixed rate debt	**13,400**	**0**	**13,400**	**(13,400)**	**0**	**0**
Bank Loans	13,400	0	13,400	(13,400)	0	0
Finance leases	0	0	0	0	0	0
Variable rate debt	**543,385**	**(23,290)**	**520,095**	**(412,631)**	**107,464**	**(107,464)**
Loans at variable and revisable rates	531,426	(11,331)	520,095	(412,631)	107,464	(107,464)
Finance leases	0	0	0	0	0	0
Bank overdrafts	11,619	(11,619)	0	0	0	0
Accrued interest	340	(340)	0	0	0	0
Gross debt	**556,785**	**(23,290)**	**533,495**	**(426,031)**	**107,464**	**(107,464)**
Cash & equivalents	**35,144**	**(35,144)**	**0**	**0**	**0**	**0**
Mutual funds and investments	0	0	0	0	0	0
Liquid assets	35,144	(35,144)	0	0	0	0
NET LIABILITIES	**521,641**	**11,854**	**533,495**	**(426,031)**	**107,464**	**(107,464)**
Fixed rate	13,400	0	13,400	(13,400)	0	0
Variable rate	508,241	11,854	520,095	(412,631)	107,464	(107,464)
Derivatives portfolio as at December 31, 2016	**421,674**					
Fixed for variable rate swaps	240,179					
Caps and corridors	181,495					
Forward start derivatives portfolio	**57,116**					
Fixed for variable rate swaps	0					
Caps and corridors	57,116					
TOTAL DERIVATIVES PORTFOLIO	**478,790**					
Fixed for variable rate swaps	240,179					
Caps and corridors	238,611					

The IFRS average cost of debt was 2.73%.

Note 19 Credit risk

Counterparty *(€ million)*	12/31/2016		12/31/2015		12/31/2014	
	Credit limit	Amount drawn	Credit limit	Amount drawn	Credit limit	Amount drawn
Credit Agricole CIB, BECM, Société Générale, HSBC			0	0	0	0
BNP Paribas			0	0	0	0
Groupe Crédit Mutuel CIC	15	12	15	0	15	0
Groupe Credit Agricole	37	37	42	41	45	39
Groupe CFF	63	63	70	66	70	36
Other banks (CDC)	6	6	6	6	7	7
Natixis, CACIB, BNPP, BECM	317	258	345.7	288.1	400	380
CEPAC, BPI, CIC	34	34	50	34.6	50	34.6
HSBC	46	46	47.7	47.7	49.9	49.9
LCL	18	18	19.4	6.5	0	49.9
CEPAC	60	14				

Note 20 Employees

Headcount as of December 31, 2015	Males	Females	Total
Executives	17	9	26
Non-executives	4	6	10
TOTAL	**21**	**15**	**36**

None of the companies consolidated by the Group had employees at December 31, 2016.

Note 21 Fees paid to the Statutory Auditors

	Mazars		PricewaterhouseCoopers Audit	
	Amount (before tax) *(€)*		Amount (before tax) *(€)*	
	2016	2015	2016	2015
Statutory Auditors, certification, review of parent company and consolidated financial statements	158,800	151,939	149,200	157,749
Other services directly related to the Statutory Auditors' assignment (CSR)	0	0	7,500	7,500
TOTAL	**158,800**	**151,939**	**156,700**	**165,249**

These fees only apply to the issuer.

3. Statutory Auditors' report on the consolidated financial statements

Year ended December 31, 2016

Dear Shareholders

ANF Immobilier
1, Rue Georges Berger
75017 Paris

Dear shareholders,

In carrying out the assignment entrusted to us by your General Shareholders' Meetings, we hereby present our report on the fiscal year ended December 31, 2016 on:

- the audit of the accompanying ANF Immobilier consolidated financial statements;
- the basis for our assessment;
- the specific check provided for by law.

The consolidated financial statements were approved by the Executive Board. It is our responsibility to express an opinion on these financial statements on the basis of our audit.

I Opinion on the consolidated financial statements

We carried out our audit in accordance with professional standards applicable in France. These standards require us to carry out the audit in such a manner as to obtain reasonable assurance that the consolidated financial statements do not contain any material misstatements. An audit consists of checking, by sampling or other means of selection, the items underlying the amounts and information in the consolidated financial statements. It also consists of assessing the accounting policies applied, the material estimates used and the overall presentation of the financial statements. We consider that the audit evidence we obtained provides a sufficient and appropriate basis for our opinion.

We certify that the consolidated financial statements for the reporting period are, with respect to the IFRS accounting basis as adopted by the European Union, reasonable and accurate and that they give a true and fair view of the assets and liabilities, financial position and earnings of the Group consisting of the companies and entities within the scope of consolidation.

II Justification of the assessments

Pursuant to Article L. 823-9 of the French Commercial Code on the basis for our assessment, we would draw your attention to the following matters:

- as indicated in the Note on accounting policies and methods entitled "Investment property (IAS 40)", the real estate assets are appraised at each balance sheet date by two independent real estate appraisers in the manner described in Note 1 "Non-current assets". Our work primarily consisted of reviewing the information and assumptions used as well as the resulting valuations. We also satisfied ourselves that the fair value of the investment property as presented in the consolidated balance sheet was determined on the basis of these appraisals;
- as indicated in the Note on accounting policies and methods entitled "Financial instruments (IAS 39)," the ANF Immobilier Group uses financial instruments recognized at fair value in the consolidated balance sheet. In order to determine this fair value, the Group uses measurement methods based on market criteria in accordance with the methods mentioned in Note 9 of the financial statements regarding additional information entitled "Financial instruments". We assessed the information and assumptions underlying these estimates and reviewed the calculations performed by the Group.

The above assessments were made in the course of our audit of the consolidated financial statements, as a whole, and thereby contributed to forming our opinion expressed in the first part of this report.

III Specific check

In accordance with the professional standards applicable in France, we also carried out the specific check provided for by law on the information presented in the Group's management report.

We have no observations to make regarding their fairness and consistency with the consolidated financial statements.

Signed in Neuilly-sur-Seine and Courbevoie, on March 24, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	**Mazars**
Pierre Clavié	Guillaume Potel

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FINANCIAL STATEMENTS AS OF DECEMBER 31, 2016

Pursuant to Article 28 of European Commission regulation (EC) no. 809/2004, the following are incorporated by reference into this Registration Document: the Company financial statements of ANF Immobilier for the fiscal year ended December 31, 2014, together with the accompanying Statutory Auditors' report, included in Chapter VI, pages 172 to 193 and 194 to 195 of the Registration Document filed with the Financial Markets Authority (AMF) on April 10, 2015, under no. D. 15-0323 as well as the Company financial statements of ANF Immobilier for the fiscal year ended December 31, 2015, together with the accompanying Statutory Auditors' report, included in Chapter VI, pages 174 to 195 and 196 to 197 of the Registration Document filed with the Financial Markets Authority (AMF) on April 19, 2016, under no. D. 16-0362.

1. Financial statements as of December 31, 2016

Balance sheet as of December 31, 2016 – Assets

Assets (€)	Note	Gross amount	Amortization or Provisions	12/31/2016	12/31/2015
Non-current assets					
Intangible assets					
Concessions, patents and similar rights	1	1,407,725	1,262,520	145,205	90,829
Property, plant and equipment					
Land	1	119,919,219	0	119,919,219	122,937,139
Buildings & fittings	1	374,699,872	120,479,829	254,220,044	278,866,686
Other property, plant and equipment	1	321,887	288,244	33,643	45,293
Property, plant and equipment in progress	1	50,103,624		50,103,624	62,324,897
Non-current financial assets					
Investment	1 and 19	324,221	21,275	302,947	375,359
Other non-current financial assets	1	122,173,911	615,031	121,558,879	120,644,255
TOTAL I		**668,950,460**	**122,666,898**	**546,283,562**	**585,284,457**
Current assets					
Advance payments on orders	2, 3 and 4	32,139	0	32,139	336,707
Trade receivables	2, 3 and 4	8,012,704	3,378,391	4,634,313	2,566,682
Other receivables	2, 3 and 4	7,513,120	0	7,513,120	2,170,650
Marketable securities	5	22,710,034	5,392,237	17,317,797	19,817,292
Liquid assets		1,244,288	0	1,244,288	8,473,748
Accrual accounts – Assets					
Prepaid expenses	6	88,531		88,531	104,555
TOTAL II		**39,600,818**	**8,770,629**	**30,830,189**	**33,469,633**
Expenses to be amortized over several years		**6,357,519**	**1,270,039**	**5,087,480**	**6,358,984**
TOTAL III		**6,357,519**	**1,270,039**	**5,087,480**	**6,358,984**
GRAND TOTAL (I+II+III)		**714,908,797**	**132,707,566**	**582,201,230**	**625,113,074**

Balance sheet as of December 31, 2016 – Equity and liabilities

Liabilities *(€)*	**Note**	**12/31/2016**	**12/31/2015**
Shareholders' equity			
Capital stock	7 and 8	19,009,271	19,009,271
Additional paid-in capital	8	37,768,676	37,768,676
Legal reserve	8	2,777,479	2,777,479
Regulatory reserves	8	164,017,390	164,017,390
Other reserves		15,998,615	15,998,615
Retained earnings	8	21,113,051	980,856
Net income (loss) for the year	8	3,338,695	42,629,703
Dividend paid in advance		0	0
Investment grants	8	783,884	893,600
TOTAL I		**264,807,063**	**284,075,590**
Provisions for liabilities and expenses	**9**	**765,484**	**332,312**
TOTAL II		**765,484**	**332,312**
Liabilities			
Financial liabilities			
Bank borrowings	10 and 11	299,363,070	322,476,383
Accrued interest and liabilities related to investments	10 and 11	1,114	1,114
Various debts and financial liabilities	10 and 11	2,738,032	2,895,192
Operating liabilities			
Advance tenant payments	10 and 11	504,885	452,967
current assets	10 and 11	1,948,922	4,527,325
Trade payables	10 and 11	2,439,714	3,483,929
Tax and social security liabilities	10 and 11	8,954,830	6,214,275
Other payables	10 and 11	532,706	453,335
TOTAL III		**316,483,273**	**340,504,521**
Accrual accounts – Assets			
Deferred income	12	145,411	200,651
TOTAL IV		**145,411**	**200,651**
GRAND TOTAL (I TO IV)		**582,201,230**	**625,113,074**

Income statement

Income statement *(€)*	**12/31/2016**	**12/31/2015**
Revenues – rental income	23,874,278	28,743,825
Other income – expenses invoiced, grants, etc.	8,310,031	5,682,897
Total I: Operating income	**32,184,309**	**34,426,722**
External purchases and expenses	(8,229,012)	(6,736,478)
Taxes	(3,527,536)	(4,609,971)
Employee expenses	(5,905,763)	(6,731,464)
Other operating expenses	(481,160)	(347,918)
Depreciation and amortization of non-current assets	(16,559,617)	(17,365,309)
Depreciation of current assets	(434,204)	(645,359)
Provisions for liabilities and expenses	0	0
Total II: operating expenses	**(35,137,292)**	**(36,436,499)**
NET OPERATING INCOME (LOSS)	**(2,952,984)**	**(2,009,777)**
Financial income	6,070,960	6,630,525
Financial expenses	(15,147,310)	(18,873,844)
Net financial income	**(9,076,350)**	**(12,243,319)**
Extraordinary income	49,288,041	135,984,839
Extraordinary expenses	(33,238,952)	(78,971,146)
Net non-recurring income (expenses)	**16,049,089**	**57,013,694**
Income tax	**(681,060)**	**(130,895)**
NET INCOME (LOSS) FOR THE YEAR	**3,338,695**	**42,629,703**

2. Notes to the annual financial statements

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Significant events of the year

Investments

City-center Portfolio

Work performed on and investments in city-center real estate assets totaled €3.1 million, and essentially comprise the renovation of lobbies, various office buildings and the preparation of the retail structures of Segment 1 of Rue de la République, in Marseille.

In Lyon, the Banque de France project continued with investments totaling a little under €3.4 million.

Since 2013 the Company has developed mostly by adding on specific legal entities, for which ANF Immobilier provides the necessary funds in the associate's current account, on top of contributions from any partners and any specific liabilities there may be.

Below are given the changes over time in the principal subsidiaries:

SCI New Way & SCI Future Way

SCI New Way continued its investment in a 13,275 sq.m. office building, delivered in September 2016. The investment amounted to €18.3 million in full-year out of a total investment of €33 million. The building is fully leased to Adecco France, which has moved out of its former headquarters owned by SCI Future Way. SCI Future Way will redevelop its property after demolition and reconstruction.

SCI ANF Immobilier Hôtels

ANF Immobilier completed its investment, in partnership, in the two Stade Vélodrome hotels in Marseille for €1.4 million over the year. It also continued its investment in a B&B Hotel in the Allar eco-district in Marseille and a B&B Hotel in Bobigny for €2.4 million. Lastly, the Company has launched a new investment in the future B&B Hotel in Bordeaux, located in the new development zone around the future high-speed rail terminal. This new investment represented €3.9 million in the second half.

SAS JDML

On May 31, 2016, ANF Immobilier terminated its partnership with the Eiffage Group within SAS JDML. This company, 50%-owned by ANF Immobilier, had been formed to redevelop the block comprising the former SNCM headquarters in Marseille. At its exit from the joint development company, ANF Immobilier, as an investor, signed an off-plan sale agreement for the new office building located in the heart of this block. This investment will represent an amount of nearly €20 million upon delivery. Work started in 2016, with delivery expected in 2019.

SCCV Hotels A1-A2, Bureaux B-C et Mixte D-E/SCI Orianz and Factor E

ANF Immobilier has a 50% stake together with Vinci Immobilier in three non-trading construction and sale companies (SCCVs). These are responsible for a 46,000 sq.m. mixed-use project located in the new development zone around the future high-speed rail terminal in Bordeaux. It will co-develop the two hotel projects (one of which has been sold off-plan to SCI ANF Immobilier Hôtels and the other to an outside investor), as well as offices, retail premises and student accommodation.

In parallel, ANF Immobilier has a 65.31% stake with Foncière des Régions in the Orianz and Factir E real estate partnerships (SCIs). They will act as co-investors in two office developments, representing an investment of €29 million in the second half.

Disposals

ANF Immobilier disposed of various properties in Marseille and Lyon, as well as its hotel portfolio.

In Lyon, ANF Immobilier and ANF Immobilier Développement sold the "TAT" block for €18.6 million. This included properties behind the Printemps de Lyon buildings, between the Place de la République, Rue Thomassin and Rue Jean de Tourne. In the second half, the Company sold the ground-floor retail premises at 2-3-4 Rue de la République for €12.7 million. Throughout the year, several office and residential units were sold for a total of €2.4 million.

In Marseille, the Company continued its sales by lot in the "Pavillon Vacon" city-center block in Marseille for just under €1 million. At the end of the year, CPAM exercised its purchase option on the office building that it occupied in Euroméditerranée for €17 million.

Finally, at the end of December 2016, ANF Immobilier Hôtels sold the Carlton Hotel in Lyon and the Adagio Hotel in Marseille for a total of €39.1 million.

Operations

Rental income amounted to €23.9 million.

Rents from properties declined 16.9% following the asset disposals made in 2015 and 2016 (Printemps in Lyon, Parcels 15-18-23 in Marseille and Hotels under option since 2012).

Property appraisal

A strong appetite in the market for commercial real estate, particularly in Lyon and Bordeaux, 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 fair value of properties fell by €-10.7 million.

Financing

The amount of undrawn credit lines was €109 million.

Gross debt was €299 million; no significant repayments are due before May 2021. The consolidated LTV ratio stood at 41.9% and the consolidated Interest Cover Ratio at 2.8.

The Group 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.

To finance their new office investments in Bordeaux, SCI Orianz and Factor E arranged a new seven-year mortgage for a total of €55.9 million.

In addition to using bank debt, the Group finances its development projects through partner current accounts, totaling €73.8 million as of December 31, 2016.

Change in accounting policies

There was no change in accounting methods during the fiscal year.

Events after the reporting period

In early January 2017, ANF Immobilier reinvested the proceeds from the sale of the Carlton and Adagio hotels to buy back, with CEPAC, the shares held by its parent company Eurazeo in its hotel partnership ANF Immobilier Hôtel. As a result, ANF Immobilier now holds 77% of the shares of SCI ANF Immobilier Hôtel.

No other significant events have occurred since December 31, 2016.

Significant accounting policies

The Company financial statements for the year ended December 31, 2016 are presented in accordance with the 2014 French General Chart of Accounts and French GAAP.

The period ran for twelve months from January 1, 2016 to December 31, 2016.

The notes and tables below form an integral part of the annual financial statements. They have been prepared in accordance with applicable laws and regulations.

The historical cost plus any share of non-recoverable VAT method has been used for measuring items recognized in the financial statements.

Intangible assets

In accordance with applicable legislation, the Company recognizes its non-current assets at historical cost, including incidental acquisition-related costs plus any share of non-recoverable VAT.

Intangible assets include software, brands, and patents owned by the Company, plus costs incurred as part of taking on real estate finance leases. These costs are not impaired until the purchase option is exercised and are included in the cost of property complexes where the option is exercised.

The following depreciation periods are used:

Concessions, patents and rights: one to ten years.

Property, plant and equipment

ANF Immobilier adopted CRC (Comité de Réglementation Comptable, the French Accounting Regulations Committee) regulation no. 2002-10 in respect of asset depreciation and impairment.

This gave rise to the application of all the provisions of this regulation to property, plant and equipment that can be broken down into components, with the exception of the provisions thereof governing impairment; in particular, the component of an item of property, plant and equipment that can be replaced or that corresponds to major maintenance or refurbishment costs, recognized on the balance sheet under assets, is depreciated on the basis of criteria specific to its use.

Entries for the buildings and building fittings are affected by the application of these provisions.

Haussmann-style properties

The component method has thus been applied in the Company financial statements. Six components were defined, for which the depreciation periods were used based on internal studies at the Company and on the basis of studies performed by various agencies known in the real estate market:

Item	Depreciation period
• Structure	50 to 75 years
• Facades and waterproofing	20 years
• General fittings (including elevators)	15 to 20 years
• Fittings	10 years
• Asbestos, lead and energy diagnostics	5 to 9 years
• Furniture, office and computer equipment	3 to 10 years

Hotels Properties

For the B&B Hotels, five items have been identified:

Item	Depreciation period
• Structure	40 years
• Facades and roofing	20 years
• Technical installations	25 years
• Interior fittings	10 years

ANF Immobilier only owned one hotel directly as of December 31, 2016.

The balance sheet item buildings, fixtures and fittings include structures, facade roofing, technical fittings, fixtures and diagnostics.

The land was presented on a separate line in the balance sheet.

In accordance with applicable legislation, the Company recognizes its non-current assets at historical cost, including incidental acquisition-related costs plus any share of non-recoverable VAT. The acquisition cost of a building includes its purchase price and all directly related expenses (legal fees, transfer taxes and other transaction costs).

The financial expenses related to building operations and the sales fees are integrated as non-current expenditures in the cost of the general and technical facilities.

The internal costs directly attributable to the production of projects underway were capitalized in the cost of these projects.

Eviction compensation is also treated as non-current asset, when it allows for a possible creation of value, by an increase in rents for example.

Eviction compensation and marketing fees are amortized over a period of twelve years.

Voluntary revaluation

As part of the transition to the SIIC regime on January 1, 2006, ANF Immobilier remeasured the assets for which the option was adopted. This reappraisal was based on valuations by Jones Lang LaSalle and gave rise to a revaluation adjustment of €409.6 million in respect of ANF Immobilier's assets.

At December 31, 2016 the revaluation reserve was €163 million and is positioned alongside the regulatory reserves in the Company's shareholders' equity.

This adjustment was also recognized in equity. The exit tax of 16.50% was levied on this amount, corresponding to €68.8 million.

The revaluation was allocated to land and structure components. The revaluated building is amortized over 75 years.

Changes in fair value of property

The change in the value of a property over a given period of time is equal to the difference between the fair value of property held by the Company at the end of the period considered and the net carrying amount.

If the appraised value excluding transfer taxes is notably less than the net carrying value, an impairment is recognized when the reduction is deemed lasting and significant on a case-by-case analysis.

No impairment loss was recognized for the year ended December 31, 2016.

Equity holdings

As of December 31, 2016, ANF Immobilier held:

- 100% of ANF République Sarl, established in November 2008. ANF République Sarl is involved in furnished rentals in Marseille;
- 100% of SNC Bassins à Flots. This company manages an office building in Bordeaux;
- 45% of SCCV 1-3, Rue d'Hozier, a company created to develop the Fauchier residential project;
- 65% of SCI Silky Way, a company created to develop an office building in the Carré de Soie business district in the Lyon area;
- 50.6% of SCI Future Way, a company created to acquire and redevelop an office building in Lyon;
- 50.3% of SCI New Way, a company created to develop an office building in the Carré de Soie business district in the Lyon area;
- 51% of SCI ANF Immobilier Hôtels, a company created to set up and develop a hotel portfolio in partnership;
- 100% of ANF Immobilier Développement SAS, a company created to handle the Group's real estate development and property trading activities. In its own right, this company owns 50% of 3 SCCV in a development project in Bordeaux;

- 54% of SCI Lafayette and SCI Stratège, companies created to co-invest in two office buildings in La Part-Dieu in Lyon;
- 20% of Financière des Brotteaux SAS, a company with plans to refurbish and sell housing in the Part-Dieu district of Lyon;
- 65.3% of SCI Orianz and Factor E, companies set up during the year to co-invest with Foncière des Régions in office property in the new development zone around the future high-speed rail terminal in Bordeaux.

During fiscal year 2016, ANF Immobilier liquidated its 50% stake in SAS JDML. It was bought out by its partner, Eiffage Immobilier.

At December 31, 2016, ANF Immobilier prepared consolidated financial statements under IFRS that included ANF République, ANF Immobilier Développement, ANF Immobilier Hôtels, Silky Way, Future Way, New Way, Lafayette, Stratège, Orianz, Factor E and Bassins à Flots using the full consolidation method, and SCCV 1-3, Rue d'Hozier, SCCV Hôtels A1-A2, Bureaux B-C et mixte D-E, and SAS Financière des Brotteaux using the equity method.

Trade receivables

Trade receivables from tenants correspond mainly to rents due. However, for certain leases whose rents and expenses are invoiced twice yearly or quarterly in advance, the payments received in respect to income that will be earned after December 31, 2016 were recognized in deferred income.

Front-end fees on commercial leases are recognized over the firm duration of the lease, *i.e.* generally three years.

The Company individually reviews receivables at each closing, estimates the risk of possible non-collection and establishes a provision to cover this risk.

Consolidating company

At December 31, 2016 ANF Immobilier was 50.48% controlled by Eurazeo, whose registered office is at 1, rue Georges Berger 75017 and registered as 692 030 992 in the Paris RCS. Accordingly, ANF Immobilier was fully consolidated in the consolidated financial statements of the Eurazeo group at that date.

Additional information

Note 1 Non-current assets

Intangible assets and property, plant and equipment

Gross amount *(€ thousand)*	**Balance as at 12/31/2015**	**Increases**	**Reductions**	**Commissioning and other movements**	**Balance as at 12/31/2016**
Concessions, patents and similar rights	1,378	0	(71)	101	1,408
Land	122,937	0	(3,018)	0	119,919
Buildings & fittings	387,193	0	(42,570)	30,077	374,700
Other items	405	0	(94)	11	322
Property, plant and equipment in progress	73,576	6,717	0	(30,189)	50,104
TOTAL	**585,489**	**6,717**	**(45,753)**	**0**	**546,452**

Accumulated depreciation and amortization *(€ thousand)*	**Balance as at 12/31/2015**	**increases**	**reductions**	**other changes**	**Balance as at 12/31/2016**
Concessions, patents and similar rights	1,287	47	(71)	0	1,263
Land	0	0	0	0	0
Buildings, fixtures & fittings	108,326	15,224	(3,422)	352	120,480
Other items	360	17	(89)	0	288
In progress	11,251	0	(10,899)	(352)	0
TOTAL	**121,224**	**15,288**	**(14,481)**	**0**	**122,031**

Intangible assets include software, brands, and patents owned by the Company.

Property, plant and equipment includes land and buildings at their reappraised value following the transition to the SIIC regime, fixtures and fittings, and furniture, office and computer equipment.

Thus the Company's investments in the period were essentially focused on construction and renovation work. Accordingly, €3.1 million was invested in Marseille and €3.4 million in Lyon.

Assets in progress include uncompleted developments and refurbishments as at December 31, 2016. These are measured using the costs incurred method.

The real estate assets break down by component (land and buildings, fixtures and fittings) as follows:

Gross amount by component *(€ thousand)*	**Balance as at 12/31/2015**	**Increases**	**Reductions**	**Commissioning and other movements**	**Balance as at 12/31/2016**
Land	122,937	0	(3,018)	0	119,919
Structures	185,053	0	(34,164)	28,539	179,428
Facades and waterproofing	51,480	0	(2,921)	581	49,140
Fittings	50,974	0	(1,408)	266	49,832
Diagnostics	2,082	0	(16)	47	2,113
General miscellaneous plant	97,607	0	(4,059)	645	94,193
TOTAL	**510,133**	**0**	**(45,586)**	**30,077**	**494,625**

Depreciation by component *(€ thousand)*	Balance as at 12/31/2015	Increases	Reductions	Other changes	Balance as at 12/31/2016
Structures	15,940	3,501	(780)	0	18,660
Facades and waterproofi ng	12,392	2,584	(555)	0	14,421
Fittings	37,217	2,494	(539)	0	39,172
Diagnostics	1,530	148	(14)	0	1,664
General miscellaneous plant	41,247	6,497	(1,534)	352	46,562
TOTAL	**108,326**	**15,224**	**(3,422)**	**352**	**120,480**

Non-current financial assets

Gross amount *(€ thousand)*	Balance as at 12/31/2015	Increase	Reduction	Reclassification	Balance as at 12/31/2016
Subsidiaries and investments	697	131	(504)		324
Treasury shares, liquidity contract	266	2,627	(2,430)		462
Receivables related to equity interests	120,057	28,333	(27,037)		121,353
Loans	211	20			230
Deposits & securities	120	9			129
TOTAL	**121,352**	**31,119**	**(29,971)**	**0**	**122,499**

Bassins à Flots SNC was acquired in December 2011; its shares are valued at €155,433 million; a current account advance was granted for a sum of €25 million.

SAS JDML, a company acquired in February 2012, was sold to the other shareholder, Vinci Immobilier.

SCI Silky Way was created in May 2013; its shares are valued at €21,274; a current account advance was granted for a sum of €26 million.

SCI Future Way was created in November 2013; its shares are valued at €920; a current account advance was granted for a sum of €2.7 million.

SCI New Way was created in November 2013; its shares are valued at €950; a current account advance was granted for a sum of €7.4 million.

SCI ANF Immobilier Hôtels was created in July 2013; its shares are valued at €510; a current account advance was granted for a sum of €28.4 million.

SCI ANF Immobilier Développement was created in February 2014; its shares are valued at €100; a current account advance was granted for a sum of €0.3 million.

SCI Stratège was created in September 2014; its shares are valued at €982; a current account advance was granted for a sum of €9.2 million.

SCI Lafayette was created in September 2014; its shares are valued at €982; a current account advance was granted for a sum of €12.6 million.

ANF Immobilier granted a loan of €2.5 million to its subsidiary SAS Financière des Brotteaux, which was repaid in full in 2016.

SCI Orianz was created in July 2016; its shares are valued at €63,310; a current account advance was granted for €6.6 million.

SCI Factor E was created in July 2016; its shares are valued at €63,310; a current account advance was granted for €3.1 million.

In 2005, a liquidity contract was arranged for ANF Immobilier stock. This contract had been managed by Rothschild since 2008, but they were replaced by Kepler in mid-November 2016.

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Note 2 Receivables maturity schedule

(€ thousand)	Balance as at 12/31/2016	< One year	One to five years	> Five years
Other non-current financial assets	121,712	15	121,478	219
Operating receivables				
Trade receivables	8,013	8,013		
Other receivables	7,513	7,513		
TOTAL	**137,237**	**15,541**	**121,478**	**219**

Note 3 Accrued income

(€ thousand)	Balance as at 12/31/2016
Receivables	
Trade receivables	761
Other receivables	320
Liquid assets and marketable securities	**0**
TOTAL	**1,082**

Note 4 Impairment of assets

Accumulated impairment losses *(€ thousand)*	Balance as at 12/31/2015	Increase	Reduction	Other changes	Balance as at 12/31/2016
Non-current assets					
Subsidiaries and investments	322	21	(322)		21
Treasury shares, liquidity contract	2	608	(2)		608
Deposits & securities	7				7
Current assets					
Other receivables	0				0
Trade receivables	2,944	930	(496)		3,378
Marketable securities	4,390	1,002			5,392
TOTAL	**7,665**	**2,561**	**(820)**	**0**	**9,407**

Accumulated impairment losses of €5,392 thousand were recognized as a result of the change in the market value of treasury stock.

Note 5 Marketable securities

Marketable securities include 865,920 treasury shares purchased at an average price of €26.23, representing a total of €22,710 thousand.

As of December 31, 2016, the average stock price over the last trading month was €21.23. Treasury shares were acquired to cover stock option plans.

The unrealized loss compared to the market price, to the extent it is lower than the exercise price of the stock option plans, was provisioned for €5,392 thousand as of December 31, 2016.

Note 6 Accruals – Assets

Prepaid expenses totaling €88.5 thousand include subscriptions, fees and other expenses relating to future periods.

Note 7 Share capital

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 8 Changes in shareholders' equity

The change in shareholders' equity over the period is shown below:

(€ thousand)	Capital stock	Additional paid-in capital	Legal reserve	Regulatory reserves	Other reserves	Retained earnings	Net income	Dividend paid in advance	Investment grants	Total
Retained earnings	19,009	37,769	2,777	164,017	15,999	981	42,630	0	894	284,076
Capital reduction										0
Allocation of income	0	0		0		20,132	(42,630)			(22,498)
Special dividends						0				0
Dividend paid in advance										0
Grants									(110)	(110)
Reallocation to reserves				0	0					0
Net income (loss) for the year							3,339			3,339
TOTAL	**19,009**	**37,769**	**2,777**	**164,017**	**15,999**	**21,113**	**3,339**	**0**	**784**	**264,807**

As of December 31, 2016 the Company held 888,926 treasury shares.

Note 9 Provisions for liabilities and expenses

(€ thousand)	Balance as at 12/31/2015	Increase	Reduction	Balance as at 12/31/2016
Provision for tax	0			0
Provision for long-service awards	12			12
Provision for pensions	45			45
Provision for financial trading instruments	0			0
Other provisions for liabilities	275	659	(225)	709
TOTAL	**333**	**659**	**(225)**	**766**

Reversals of provisions are for provisions used or that no longer serve any purpose. The balance of the provision is for commercial disputes concerning buildings in Lyon that were sold previously.

The most significant ongoing disputes are as follows:

1) Chief Executive Officer and Real Estate Director

Proceedings 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: There was no significant change regarding these proceedings in 2016.

2) TPH proceedings – Toti

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.

There was no significant change regarding these proceedings in 2016.

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

At December 31, 2016 provisions of €550 million were recognized for commercial disputes related to buildings sold earlier in Lyon. Likewise, the Company launched proceedings before the Administrative Court to assert its right to a €5.8 million refund in respect of the 3% tax on dividends paid by the Company in 2013 for the OPRA (*Offre Publique de Rachat d'Actions* - Public buyout offer) conducted at the end of 2012. This claim for tax relief is not shown in the accounts of ANF Immobilier pending the outcome of the proceedings.

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 12 months a material effect on the Company's financial position or profitability.

Note 10 Debt maturity schedule

Repayment schedule *(€ thousand)*	**Balance as at 12/31/2016**	**< One year**	**One to five years**	**> Five years**
Financial liabilities				
Bank borrowings	299,364	18,893	277,205	3,266
Various debts and financial liabilities	2,738	2,738		
Operating liabilities				
Advance tenant payments	505	505		
Current assets	1,949	1,949		
Trade payables	2,440	2,440		
Tax and social security liabilities	8,955	8,955		
Other payables	**533**	**533**		
TOTAL	**316,483**	**36,012**	**277,205**	**3,266**

Note 11 Accrued expenses

(€ thousand)	**Balance as at 12/31/2016**
Bank borrowings	145
Various debts and financial liabilities	
Advance payments received on open orders	
Trade payables	1,943
Tax and social security liabilities	3,449
Current assets	1,749
Other liabilities	179
TOTAL	**7,465**

Note 12 Accruals – Liabilities

Deferred income includes €145 thousand in rental payments and expenses invoiced in advance.

Note 13 Off-balance sheet commitments

Commitments received

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

Commitments received *(€ thousand)*	**12/31/2016**	**12/31/2015**
Guarantees and deposits received	6,284	7,057
Other commitments received	61,301	74,915
TOTAL	**67,585**	**81,972**

The main sureties, deposits and guarantees are the following:

- deposits received from ANF Immobilier's tenants: €1.5 million;
- deposit received on works contracts (Banque de France in Lyon): €4.8 million.

The main "Other commitments" are as follows:

- ANF Immobilier has arranged various credit facilities. Unused credit facilities amounted to €55.3 million;
- ANF Immobilier has an authorized bank overdraft of €15 million, of which €6 million remained unused at December 31, 2016.

Commitments given

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

Commitments given *(€ thousand)*	**12/31/2016**	**12/31/2015**
Agreements to sell	17,500	0
Agreements to sell	840	18,323
Pledges, mortgages and collateral	285,238	316,649
Guarantees and deposits given	0	6,393
Finance leases	0	0
Other commitments given	23,935	17,877
TOTAL	**327,513**	**359,242**

The main commitments are the following:

- €0.8 million in signed purchase options on scattered parcels in Lyon;
- a contingent put option for €17.5 million for a commercial asset in Toulouse;
- the following guarantees have been given in return for the €400 million seven-year loan from a bank syndicate led by Natixis:
  - mortgage of some of the properties in the amount of €267.8 million,
  - mortgage hedging instruments in the amount of €14.5 million;
- other commitments totaling €23.9 million include €9 million for the value of the Mazenod parking lot and €3 million for the value of other buildings, which must remain unmortgaged for BLB to guarantee the CDC loans and the authorized overdraft, as well as €12 million mortgage commitment on the project to the Banque de France in Lyon.

Note 14 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 consolidated Loan to Value 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 consolidated 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 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 12/31/2016**	**Ratios as of 12/31/2015**
ICR ratio (EBITDA/net financial expenses)	minimum 2	quarterly	2.8	2.24
LTV ratio (net debt/appraisal value of property)	maximum 50%	half-yearly	41.9%	43.1%

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

Note 15 Interest rate risk

ANF Immobilier 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 minimum risk-free-rate hedging commitments:

- Refinancing: 80% of the debt hedged at fixed rates.

The table below gives the details of these contracts:

Effective date	Maturity date	Fixed rate paid	*(€ thousands)*
06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%
06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%
06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%
06/30/2014	05/14/2021	1.1300%	Three-month Euribor swap/1.130%
06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%
06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%
06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%
06/30/2014	05/14/2021	1.3500%	Three-month Euribor swap/1.350%
			Trading swaps
12/31/2015	06/29/2018	CAP 1.5000%	Three-month Euribor CAP/1.500%
12/31/2015	06/29/2018	CAP 1.5000%	Three-month Euribor CAP/1.500%
12/31/2015	06/29/2018	CAP 1.5000%	Three-month Euribor CAP/1.500%
12/31/2015	06/29/2018	CAP 1.5000%	Three-month Euribor CAP/1.500%
			Hedging – Caps

To this end, ANF Immobilier entered into eight interest rate-hedging contracts (swaps) to swap three-month Euribor variable rates for fixed rates, and four interest rate option (cap) agreements.

At the beginning of January the Company unwound five existing swaps and replaced them with four caps.

The net cost or gain of the swaps is recognized every quarter in the Company's income statement. The CAP premiums paid when the instrument is placed are spread out over the instrument's maturity.

Nominal	Variable nominal	Fair values assets 12/31/2016	Fair values liabilities 12/31/2016
15,851	Yes	0	(732.4)
15,851	Yes	0	(732.4)
12,969	Yes	0	(599.2)
12,969	Yes	0	(599.2)
24,465	Yes	0	(3,483.1)
24,465	Yes	0	(3,483.1)
20,017	Yes	0	(2,849.8)
20,017	Yes	0	(2,849.8)
200,048		**0**	**(15,329.3)**
37,280	No	0.21	0
37,280	No	0.21	0
30,502	No	0.17	0
30,502	No	0.17	0
238,611		**0.75**	**0**

Note 16 Headcount

As of December 31, 2016, the headcount of ANF Immobilier was as follows:

Headcount as of December 31, 2016	Males	Females	Total
Executives	17	9	26
Non-executives	4	6	10
Total	21	15	36

Note 17 Executive compensation

At its May 4, 2005 meeting, the Supervisory Board decided not to compensate the members of the Executive Board for their offices. However, they continue to receive compensation under their employment contracts.

The compensation paid in respect of fiscal years 2015 and 2016 was as follows:

Compensation paid to members of the Executive Board *(€)*	12/31/2016	12/31/2015
Bruno Keller		
Fixed compensation	0	107,670
Variable compensation	0	222,564
Special bonus	0	984,883
Renaud Haberkorn		
Fixed compensation	400,000	400,000
Variable compensation	267,300	28,000
Benefits in kind	15,764	13,487
Ghislaine Seguin		
Fixed compensation	200,000	180,000
Variable compensation	121,860	74,727
Special bonus	0	10,000
Benefits in kind	2,171	2,512
Xavier de Lacoste Lareymondie		
Fixed compensation	0	0
Variable compensation	0	83,099
Benefits in kind	0	0

Bruno Keller resigned as Chief Executive Officer and was appointed Chairman of the Supervisory Board, following his appointment to the Supervisory Board by the Shareholders' Meeting in May 2015. As Chairman of the Supervisory Board, Mr. Keller receives annual compensation of €150,000.

Renaud Haberkorn was appointed Chief Executive Officer to replace Bruno Keller.

Xavier de Lacoste was relieved of his duties as Chief Operating Officer of the Company on September 30, 2014.

Note 18 Share-based payments

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.

In order to factor in the distribution of reserves that took place pursuant to the 2nd resolution of the Ordinary and Extraordinary Shareholders' Meeting of May 3, 2012, the Executive Board, at its May 21, 2012 meeting, adjusted the exercise terms of the 2007-2011 stock option plans.

In order to factor in the distribution of reserves and the public buyback offer that took place pursuant to the decisions taken by the Ordinary and Extraordinary Shareholders' Meeting of November 21, 2012, the Executive Board, at its January 21, 2013 meeting, adjusted the exercise terms of the 2007-2011 stock option plans.

No adjustments were made for fiscal years 2013, 2014, 2015 and 2016.

The terms of the stock option and bonus share plans granted during recent fiscal years, as amended, are as follows:

Terms of stock option plans	2007 Stock Option Plan	2008 Stock Option Plan	2009 Stock Option Plan	2010 Stock Option Plan	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
Date of the Extraordinary Shareholders' Meeting	05/04/2005	05/14/2008	05/14/2008	05/14/2008	05/17/2011	05/17/2011	05/06/2014	05/06/2014	05/11/2016	05/06/2014	05/17/2011
Date of the Executive Board's decision	12/17/2007	12/19/2008	12/14/2009	12/15/2010	12/22/2011	04/02/2013	06/23/2014	11/12/2014	05/23/2016	11/12/2014	04/02/2013
Total number of options granted initially	**100,564**	**128,353**	**158,500**	**166,920**	**168,872**	**105,850**	**106,575**	**50,000**	**34,000**	**34,000**	**17,818**
• of which corporate officers	79,424	101,083	131,000	137,475	135,542	86,525	86,525	50,000	17,000	24,000	16,023
• of which employees	21,140	27,270	27,500	29,445	33,330	19,325	20,050	0	17,000	10,000	1,795
Number of shares that may be purchased after adjustments	**159,159**	**179,839**	**224,659**	**219,323**	**216,075**	**52,915**	**106,575**	**50,000**	**34,000**	**34,000**	**19,605**
• of which corporate officers	125,560	143,613	185,642	180,610	173,412	43,263	86,525	50,000	17,000	24,000	16,023
• of which employees	33,599	36,226	39,017	38,713	42,663	9,652	20,050	0	17,000	10,000	3,582
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	12/22/2021	04/02/2023	06/23/2024	11/12/2024	05/23/2026	11/12/2024	04/02/2023
Purchase price per share	**29.73**	**19.42**	**22.55**	**23.72**	**21.53**	**21.81**	**23.88**	**21.83**			
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	12/22/2013	03/31/2015	06/23/2016	11/12/2016			03/31/2015
Second tranche after a period of three years, i.e.	12/17/2010	12/19/2011	12/14/2012	12/15/2013	12/22/2014	03/31/2016	06/23/2017	11/12/2017			03/31/2016
Third tranche after a period of four years, i.e.	12/17/2011	12/19/2012	12/14/2013	12/15/2014	12/22/2015	03/31/2017	06/23/2018	11/12/2018			03/31/2017
Vesting after two years, i.e.										03/15/2017	
Two-year lock-up period, i.e.										03/15/2019	
Final award after three years, i.e.									05/22/2019		
Exercise subject to future performance	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Number of shares purchased	0	98,945	59,234	12,432	17,512	0	0	0	0	0	0
Number of options canceled	0	30,157	33,293	44,002	43,353	0	26,241	0	0	0	9,802
Total number of options outstanding	**159,159**	**50,737**	**132,132**	**162,889**	**155,210**	**52,915**	**80,334**	**50,000**	**34,000**	**34,000**	**9,803**

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 Chief Executive Officer when he joined the Company.

Accordingly, on the basis of the above adjustments, the number of options allocated to each beneficiary is as follows:

	2007 Stock Option Plan	2008 Stock Option Plan	2009 Stock Option Plan	2010 Stock Option Plan	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
Bruno Keller	83,825	50,737	93,034	83,044	81,819	27,217	54,433	0	0	12,000	5,040
Renaud Haberkorn	0	0	0	0	0	0	0	50,000	11,000	8,000	
Ghislaine Seguin	0	0	1,855	8,928	0	2,924	5,851	0	6,000	4,000	542
Xavier de Lacoste Lareymondie	37,575	0	0	27,604	33,918	13,122	0	0	0	0	2,430
Brigitte Perinetti	4,160	0	4,654	4,600	0	0	0	0	0	0	
Corporate officers	**125,560**	**50,737**	**99,543**	**124,176**	**115,737**	**43,263**	**60,284**	**50,000**	**17,000**	**24,000**	**8,012**
Employees	33,599	0	32,589	38,713	39,473	9,652	20,050	0	17,000	10,000	1,795
TOTAL	**159,159**	**50,737**	**132,132**	**162,889**	**155,210**	**52,915**	**80,334**	**50,000**	**34,000**	**34,000**	**9,803**

Note 19 Subsidiaries and investments

(€ thousand)	Value of shares	Net value of shares	% of holding	Capital stock	Shareholders' equity	Net income (loss)	Revenues
SNC Les Bassins à Flots	155	155	99.0%	0	591	591	2,423
ANF République	10	10	100.0%	10	187	136	2,523
SCCV 1-3, Rue d'Hozier	0	0	45.0%	1	2	1	50
SCI Silky Way	21	0	65.0%	1	(968)	(969)	6,662
SCI Future Way	1	1	50.6%	2	770	(109)	1,298
SCI New Way	1	1	50.3%	2	149	148	630
SCI ANF Immobilier Hôtels	1	1	51.0%	1	8,632	8,876	6,422
SAS ANF Immobilier Développement	0	0	100%	0	614	2,414	0
SCI Lafayette	1	1	54%	2	1,335	999	4,209
SCI Stratège	1	1	54%	2	1,674	1,454	3,603
SAS Financière des Brotteaux	2	2	20%	10	365	853	13,413
SCI Orianz	65	65	65%	10	938	(12)	0
SCI Factor E	65	65	65%	10	539	(13)	0
TOTAL	**324**	**303**		**50**	**14,828**	**14,369**	**41,233**

If the net position of a company subsidiary is negative, ANF Immobilier then impairs the equity owned and its current accounts in the subsidiary to the extent of its ownership. Thus at December 31, 2016 ANF Immobilier recognized an impairment loss on its stock of €21.3 thousand and an impairment loss on its current account of €607.6 thousand, equaling its share of the negative net worth in its SCI subsidiary, Silky Way.

Note 20 Related parties

(€ thousand)	Non-current financial assets	Other receivables	Trade receivables	Other liabilities	Financial income	Other operating income	Financial expenses
SNC Les Bassins à Flots	25,029				1,069		
ANF République	0	1,262	30		38	30	
JDLM	0				28	211	
SCCV 1-3, Rue d'Hozier		33					
SCI Silky Way	25,973		371		570	736	
SCI Future Way	2,690		38		26	127	
SCI ANF Immobilier Développement	332						
SCI ANF Immobilier Hôtels	28,416		114		768	819	
SCI Lafayette	12,557		85		1,248	230	
SCI Stratège	9,160		84		1,541	184	
SAS Financière des Brotteaux	0				219		
SCI Orianz	6,629		57		33	3	
SCI Factor E	3,135		27		16	3	
SCI New Way	7,432		74		131	327	
TOTAL	**121,353**	**1,294**	**880**	**0**	**5,687**	**2,670**	**0**

Note 21 Revenues

Breakdown of rents

(€ thousand)	12/31/2016	12/31/2015
Lyon	2,091	4,691
Marseille	21,589	23,540
Total of city-center portfolio	**23,680**	**28,231**
B&B Hotels	194	512
TOTAL RENT	**23,874**	**28,744**

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Note 22 Non-recurring income (expenses)

(€ thousand)	12/31/2016	12/31/2015
Gains on property disposals	15,742	71,688
Depreciation allowances & provisions	(410)	(12,385)
Other extraordinary income and expenses	717	(2,289)
TOTAL EXTRAORDINARY INCOME	**16,049**	**57,014**

Note 23 Financing

(€ thousand)	12/31/2016	12/31/2015
Uses		
Dividends paid	22,498	5,495
Extraordinary distributions	0	0
Share buyback	0	884
Tax and distribution cost	44	131
Investment in plant, property, equipment and intangible assets	6,717	9,074
Investment in non-current financial assets	31,119	43,007
Repayments of loans and other borrowings	43,113	120,648
Increase in liquid assets and investment securities	(8,727)	5,820
TOTAL – USES	**94,763**	**185,059**
Resources		
Increase in shareholders' equity	0	0
Cash flow	6,055	762
Proceeds from disposal of plant, property equipment and intangible assets	47,037	132,618
Disposal or reduction of non-current financial assets	30,158	22,796
Increase in debt	20,000	33,000
Investment grants received	0	0
Change in surplus working capital	(8,487)	(4,117)
TOTAL RESOURCES	**94,763**	**185,059**

3. Statutory Auditors' report on the annual financial statements

Year ended December 31, 2016

ANF Immobilier
1, Rue Georges Berger
75017 Paris

Dear shareholders,

In carrying out the assignment entrusted to us by your General Shareholders' Meetings, we hereby present our report on the fiscal year ended December 31, 2016 on:

- the audit of the accompanying ANF Immobilier annual financial statements, as attached to this report;
- the basis for our assessment;
- the specific checks and disclosures required by law.

The annual financial statements were approved by the Executive Board. It is our responsibility to express an opinion on these financial statements on the basis of our audit.

I Opinion on the annual financial statements

We carried out our audit in accordance with the professional standards applicable in France. These standards require us to carry out the audit in such a manner as to obtain reasonable assurance that the annual financial statements do not contain any material misstatements. An audit consists of checking, by sampling or other means of selection, the items underlying the amounts and information in the annual financial statements. It also consists of assessing the accounting policies applied, the material estimates used and the overall presentation of the financial statements. We consider that the audit evidence we obtained provides a sufficient and appropriate basis for our opinion.

We certify that the annual financial statements are, with respect to French GAAP, reasonable and accurate, and that they give a true and fair view of the operating performance during the past fiscal year, as well as of the financial position and assets and liabilities of the Company at the end of said year.

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II Basis for our assessments

Pursuant to Article L. 823-9 of the French Commercial Code on the basis for our assessment, we would draw your attention to the following matter:

- Upon the closing of the accounts, the real estate holdings were assessed by two independent real estate appraisers. The paragraph "Principles and accounting methods – Change in fair value of property" in the appendix indicates that the Company may be required to set aside provisions for the impairment of its real estate holdings if the appraised value excluding transferable securities is sustainably and significantly lower than the net carrying amount. Our work consisted of reviewing the information and assumptions used by the appraisers as well as the resulting valuations and to verify the proper application of this accounting treatment.

These assessments form part of our audit of the annual financial statements, as a whole, and thereby contributed to forming our opinion, as expressed in the first part of this report.

III Specific checks and disclosures

In accordance with professional standards applicable in France, we also carried out the specific checks provided for by law.

We have no observations regarding the fairness and consistency with the annual financial statements of the information in the management report of the Executive Board and in the documents provided to shareholders on the financial position and the annual financial statements.

In accordance with the information provided in Article L. 225-102-1 of the French Commercial Code relating to compensation and benefits paid to corporate officers and commitments made to them, we have verified its consistency with the financial statements or the data used in the preparation of these financial statements, and as necessary with information gathered by your Company from companies controlling your Company or controlled by it. On the basis of this work, we certify the accuracy and fairness of these disclosures.

In application of the law, we verified that the various items of information concerning equity participations and takeovers and the identity of holders of capital or voting rights were communicated to you in the management report.

Signed in Neuilly-sur-Seine and Courbevoie, on March 24, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	**Mazars**
Pierre Clavié	Guillaume Potel

4. Five-year financial summary

(€)	2012	2013	2014	2015	2016
Capital at year-end					
Capital stock	17,730,570	17,730,570	18,351,093	19,009,271	19,009,271
Number of existing ordinary shares	17,730,570	17,730,570	18,351,093	19,009,271	19,009,271
Maximum number of shares to be created by exercising share warrants	-	-	-	-	-
Transactions and income for fiscal year					
Revenues (excluding tax)	71,351,923	33,200,831	32,194,220	28,743,825	23,874,278
Net income (loss) before tax, depreciation, amortization and provisions	223,179,896	2,944,943	8,934,836	70,617,976	22,874,320
Income tax	(11,123,705)	(423,136)	(2,615,891)	(130,895)	(681,060)
Income after tax, depreciation and provisions	151,503,464	(813,129)	(2,714,508)	42,629,703	3,338,695
Distributed earnings	117,164,333	18,617,099	20,186,202	23,571,496	21,860,662
Distribution deducted from premiums and reserves	84,990,870	-	4,174,951	-	-
Earnings per share					
Income after tax, before depreciation and provisions	11.96	0.14	0.34	3.71	1.16
Income after tax, depreciation and provisions	8.54	(0.05)	(0.15)	2.24	0.18
Total net dividend per share	7.64	1.05	1.10	1.24	1.15
Of which, distribution deducted from premiums and reserves	3.06	-	0.23	-	-
Employees					
Average number of employees for the year	53	42	44	37	35
Wage bill for the year	5,203,641	2,941,602	3,035,366	3,401,291	3,541,843
Employee benefits for the year	3,650,674	3,072,836	3,595,864	2,859,277	1,916,543

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ANF IMMOBILIER AND ITS SHAREHOLDERS

1. Capital stock

1.1 Number of shares

As of December 31, 2016, ANF Immobilier's capital stock was €19,009,271 divided into 19,009,271 fully paid-up shares, all of the same class, with a par value of €1 each.

1.2 Securities giving access to the capital

Please refer to Section 5.2 "Executive and employee interest in share capital" in Chapter 3 of this Registration Document.

1.3 Securities not representing capital

None.

1.4 Purchase by the Company of its own shares

See Section 5 "Transactions related to the Company's shares" in Chapter 7 of this Registration Document.

A liquidity contract was concluded on June 16, 2008 with the credit institution Rothschild & Cie Banque. This liquidity contract was terminated with effect from October 31, 2016 and ANF Immobilier assigned the implementation of a new liquidity contract to Kepler Cheuvreux from November 1, 2016 and for a duration of one year renewable by tacit renewal.

For the implementation of this agreement, the sum of €664,381.03 was assigned to the liquidity account.

1.5 Share capital authorized but not issued

Please refer to the table showing the delegations of authority granted by the Shareholders' Meeting with respect to capital increases and still in force in Section 7 "Table of delegations of authority still in force" of Chapter 7 of this Registration Document.

1.6 Information regarding the Company's capital on which there is an option or an agreement providing for options to be issued

To the best of ANF Immobilier's knowledge, at the date of filing of the Registration Document, no person other than those referred to in Section 5.2 "Interests of executives and employees in the share capital" in Chapter 3 of the Registration Document, holds purchase or subscription options on ANF Immobilier stock.

2. Group shareholding structure

2.1 The Company's main shareholders

To the best of ANF Immobilier's knowledge, the breakdown of capital stock ownership as of December 31, 2016, December 31, 2015 and December 31, 2014 was as follows[1]:

	As of December 31, 2016				
	Voting rights	**% of actual voting rights**	**% of theoretical voting rights**	**Shares**	**% of capital stock**
Eurazeo	10,551,095	55.07%	52.63%	9,596,267	50.48%
Caisse d'Epargne Prévoyance Provence Alpes Corse	1,219,914	6.37%	6.08%	1,219,914	6.42%
Generali	792,891	4.14%	3.95%	792,891	4.17%
CNP Assurances	786,781	4.11%	3.92%	786,781	4.14%
SCG percap	772,818	4.03%	3.85%	772,818	4.07%
Cardif Assurance Vie	373,576	1.95%	1.86%	373,576	1.97%
Treasury shares	-	-	4.43%	888,926	4.68%
Other items	4,578,098	24.08%	23.26%	4,662,492	24.08%
TOTAL	**19,159,567**	**100%**	**100%**	**19,009,271**	**100%**

	As of December 31, 2015				
	Voting rights	**% of actual voting rights**	**% of theoretical voting rights**	**Shares**	**% of capital stock**
Eurazeo	9,596,267	52.76%	50.26%	9,596,267	50.48%
Caisse d'Epargne Prévoyance Provence Alpes Corse	1,219,914	6.71%	6.39%	1,219,914	6.42%
Generali	792,891	4.36%	4.15%	792,891	4.17%
CNP Assurances	786,781	4.33%	4.12%	786,781	4.14%
SCG percap	772,818	4.25%	4.05%	772,818	4.07%
Cardif Assurance Vie	373,576	2.05%	1.96%	373,576	1.97%
Treasury shares	-	-	4.74%	904,387	4.76%
Other items	4,645,243	25.54%	24.33%	4,562,637	24%
TOTAL	**18,187,490**	**100.00%**	**100.00%**	**19,009,271**	**100.00%**

(1) It should be noted that pursuant to Article 223-11 of the General Regulations of the AMF, the theoretical voting rights are calculated based on all of the shares to which voting rights are attached, including shares held by the Group which are deprived of voting rights. The actual voting rights are calculated based on shares to which voting rights are attached, excluding shares held by the Group and deprived of voting rights.

	As of December 31, 2014				
	Voting rights	% of actual voting rights	% of voting rights rights	Shares	% of capital stock
Eurazeo	9,114,923	52%	49.45%	9,114,923	49.67%
Caisse d'Epargne Prévoyance Provence Alpes Corse	1,219,914	6.96%	6.62%	1,219,914	6.65%
Generali	792,891	4.52%	4.30%	792,891	4.32%
SCG percap	772,818	4.41%	4.19%	772,818	4.21%
CNP Assurances	747,317	4.26%	4.05%	747,317	4.07%
Cardif Assurance Vie	354,838	2.02%	1.93%	354,838	1.93%
Treasury shares	-	-	4.91%	905,021	4.93%
Other items	4,525,297	25.83%	24,55%	4,443,371	24.21%
TOTAL	**17,527,998**	**100.00%**	**100.00%**	**18,351,093**	**100.00%**

To its knowledge, there are no pledges in respect of the Company's capital.

2.2 Changes in capital

Below is the table of changes in ANF Immobilier's capital over the past three fiscal years:

Date	Transactions	Amount of the change in capital in euros	Cumulative number of shares	Cumulative amount of capital (€)
12/31/2013	-	-	17,730,570	17,730,570
06/10/2014	Capital increase by creating new shares following the payment of a dividend in shares.	620,523	18,351,093	18,351,093
12/31/2014	-	-	18,351,093	18,351,093
07/07/2015	Capital increase by creating new shares following the payment of a dividend in shares	658,178	19,009,271	19,009,271
12/31/2015	-	-	19,009,271	19,009,271
12/31/2016	-	-	19,009,271	19,009,271

2.3 Voting rights of the main shareholders

See the table in Section 2.1 above.

Each company share carries one vote.

However, double voting rights are carried by all fully paid up shares and for which proof of registration under one shareholder's name for a period of two (2) years is provided. Furthermore, when capital is increased by incorporating reserves, profits, or additional paid-in capital, double voting rights are granted upon issuance, to registered shares granted to a shareholder in respect of existing shares carrying this right.

Any share which is converted to bearer form, or transferred to another holder loses the double voting right. However, the transfer of ownership by inheritance, liquidation of joint ownership between spouses, or an *inter vivos* gift to a spouse or relative who is an heir, does not cause vested rights to be lost and does not interrupt the time period in the preceding clause.

2.4 Company ownership

As of December 31, 2016, ANF Immobilier was majority-owned and controlled by Eurazeo, which directly held 50.48% of the capital stock and 55.07% of the Company's voting rights[(1)].

As part of its governance policy, the Company established specialized Committees under the responsibility of the Supervisory Board. These Committees include independent members (see Section 1 "Report of the Chairman of the Supervisory Board on Corporate Governance and internal control and risk management procedures" in Chapter 3 of the Registration Document).

Agreements which could give rise to a change of ownership

To the best of ANF Immobilier's knowledge, there were no agreements in place, at the Registration Document filing date, which could give rise to a change of ownership at a later date.

3. Dividends paid over the past three fiscal years

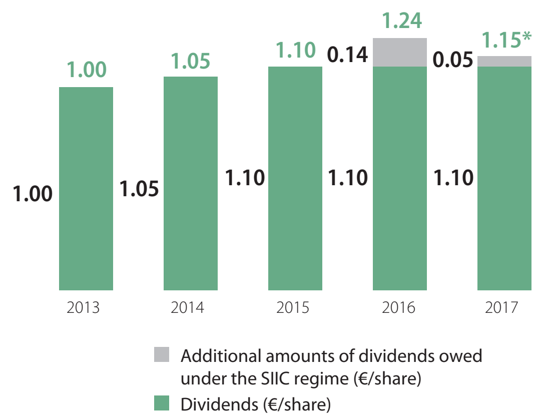
3.1 The Company's dividend distribution policy

ANF Immobilier intends to continue distributing dividends on a regular basis, in line with its SIIC status.

ANF Immobilier seeks to foster shareholder loyalty with an attractive dividend policy. Therefore, since the implementation of its new strategy in 2005, the dividends paid by ANF Immobilier to its shareholders have always been subject to regular growth in line with the Company's improved cash flow. Over the five years from 2006 to 2011 dividends rose by 41%.

In 2012, the Company paid a dividend of €6.64 per share on the sale of mature assets in Lyon and B&B Hotels, which took place under favorable conditions. ANF Immobilier views its listed real estate investment company business as involving the acquisition and then the enhancement of property complexes, followed by their disposal upon maturity, with a view to sharing the profits with its shareholders and to enabling reinvestment in new property complexes. These transactions represent for ANF Immobilier phases of a cycle that precedes that of new investments with a new strategy.

Thanks to this new strategy, since 2013, the Company has undergone a profound transformation of its portfolio. It plans to double its rental income in the medium term and significantly increase its recurring cash flow to allow coverage of the dividend and an attractive dividend payment. The dividend of €1.15 per share will be proposed to the Shareholders' Meeting to be held on May 10, 2017. This amount is consistent with our dividend obligations, earnings and disposals. It represents a yield of 5.6% relative to the share price as of December 31, 2016.



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(1) Eurazeo holds 52.63% of ANF Immobilier's voting rights, based on all the shares, including those deprived of voting rights pursuant to Article L. 233-8--II of the French Commercial Code.

* Subject to the approval of the Shareholders' Meeting of May 10, 2017.

3.2 Dividends paid over the past three fiscal years

Fiscal year	Date of the Shareholders' Meeting at which the distribution was approved	Amount (€)	Amount per share (€)
Year ended December 31, 2014	May 6, 2015	20,186,202.30	1.10
Year ended December 31, 2015	May 11, 2016	23,571,496.04	1.24
Year ended December 31, 2016	May 10, 2017*	21,860,661.65	1.15

* *A dividend of €1.15 per share will be proposed to the Shareholders' Meeting scheduled to take place on May 10, 2017.*

4. Shareholder agreements

4.1 Agreements declared to the AMF

None.

4.2 Agreements signed by ANF Immobilier

In late June 2014, ANF Immobilier transferred six Hotels to its new subsidiary ANF Immobilier Hôtels. This subsidiary, a partnership with Eurazeo and Caisse d'Epargne Provence Alpes Corse, in turn invested in a B&B Hotel in Perpignan, a B&B Hotel in Bègles and the two hotels of the Stade Velodrome in Marseille. In the context of this partnership, the ANF Immobilier Hôtels' partners entered into a shareholder agreement on June 25, 2014.

A partners' agreement was also concluded on September 1, 2016 by ANF Immobilier concerning its new subsidiaries SCI Factor E and Orianz with Foncière des Régions as part of a real estate development transaction on the site of block 8.2 of ZAC Saint-Jean Belcier in Bordeaux, north of the Armagnac district.

4.3 Provisions restricting change of ownership of the Company

None.

5. Transactions related to the Company's shares

The Ordinary and Extraordinary Shareholders' Meeting of May 11, 2016 (13th resolution) authorized the Executive Board to implement a share buyback program ("**Buyback program**"), pursuant to the provisions of Article L. 225-209 of the French Commercial Code, Part IV of Book II of the General regulations of the French Financial Markets Authority and the European regulations applicable to market abuses. During the 2016 fiscal year, this share buyback program was implemented by ANF Immobilier's Executive Board, which carried out purchases, the terms of which are described below (5.1).

The 2017 buyback program, which will be submitted for the approval of the Ordinary and Extraordinary Shareholders' Meeting on May 10, 2017, is described below (5.2).

5.1 Share buyback program, 2016

The buyback program was adopted for a period of 18 months from the date of the meeting, *i.e.* until November 11, 2017. Pursuant to this authorization, the maximum purchase price was set at €60 (excluding purchase costs).

The Executive Board was authorized to purchase a number of shares representing a maximum of 10% of ANF Immobilier's capital on the closing date of such purchases, with the understanding that the maximum number of shares held after such purchases could not exceed 10% of the capital.

In accordance with the regulations in force and the market practices allowed by the Financial Markets Authority, the various objectives of the buyback program are as follows:

- to cancel shares by virtue of the authority granted to the Executive Board by the shareholders at the Extraordinary Shareholders' Meeting;
- to increase share liquidity as part of a liquidity contract made with an independent investment services company, in accordance with a code of conduct approved by the French Financial Markets Authority;
- to grant or sell shares to Company employees and/or corporate officers and/or to employees and/or corporate officers of companies either related to ANF Immobilier or those which will be related to ANF Immobilier in the future, in accordance with applicable law and regulations, notably for stock option grants, bonus share grants or profit sharing;
- to remit or exchange shares when the rights attached to debt instruments that entitle holders to receive, in any manner whatsoever, ANF Immobilier shares are exercised;
- to have shares available to keep or remit at a later date in exchange or as payment for acquisitions. However, the number of shares the Company is allowed to buy back for this purpose may not exceed 5% of its share capital;
- any other practice which may be allowed or recognized by law or by the French Financial Markets Authority, or any other objective which complies with regulations in force.

The Ordinary and Extraordinary Shareholders' Meeting of May 6, 2015 (14th resolution) authorized the Executive Board to reduce, in one or several transactions, within a limit of 10% of the capital in a 24-month period, the Company's capital stock, by canceling shares purchased within the framework of a buyback program.

5.1.1 Share buybacks carried out by ANF Immobilier during the 2016 fiscal year and until March 15, 2017

Throughout the 2016 fiscal year, ANF Immobilier purchased 122,835 shares at an average price (including costs) of €21.38, *i.e.*, a total cost of €2,626,541.58.

During the period from January 1, 2017 to March 15, 2017, ANF Immobilier bought 35,352 shares at an average share price of €20.75 (including expenses), representing a total cost of €727,356.31.

5.1.1.1 Buybacks carried out in the context of a liquidity contract to increase share liquidity

Rothschild & Cie Banque (up to October 31, 2016) and Kepler (from November 1, 2016) bought, on behalf of ANF Immobilier, 122,835 shares during the 2016 fiscal year at an average price of €21.38, representing a total cost of €2,626,212.3, to increase share liquidity under a liquidity contract.

During the period from January 1, 2017 to March 15, 2017, Kepler purchased, on behalf of ANF Immobilier, 35,352 shares at an average price of €20.57, representing a total cost of €727,356.31, to increase share liquidity under a liquidity contract.

5.1.1.2 Share buybacks for cancellation

During 2016 and through to March 15, 2017, ANF Immobilier did not buy back any shares for cancellation.

5.1.1.3 Share buybacks to grant to employees and corporate officers

During the 2016 fiscal year, ANF Immobilier didn't purchase any shares.

During the period from January 1, 2017 to March 15, 2017, ANF Immobilier bought no shares to allocate them to beneficiaries of stock options, for bonus share grants or for profit sharing.

5.1.1.4 Share buybacks for distribution or exchange when rights attached to debt instruments are exercised

During the 2016 fiscal year and until March 15, 2017, ANF Immobilier did not buy back any shares for remittance or exchange once rights attached to debt instruments were exercised.

5.1.1.5 Share buybacks to be held and for subsequent remittance within the framework of external growth transactions

During the 2016 fiscal year and until March 15, 2017, ANF Immobilier did not buy back any shares in order to hold them and subsequently remit them as part of external growth transactions.

5.1.2 Share disposals carried out by ANF Immobilier during the 2016 fiscal year and until March 15, 2017

Throughout the 2016 fiscal year, ANF Immobilier sold 112,529 shares at an average price of €21.55, *i.e.*, a total cost of €2,424,581.89.

During the period from January 1, 2017 to March 15, 2017, ANF Immobilier sold 27,751 shares at an average price of €20.84, representing a total cost of €578,370.25.

5.1.2.1 Share disposals carried out in the context of a liquidity contract to increase share liquidity

During the 2016 fiscal year, Rothschild & Cie Banque (until October 31, 2016) and Kepler (from November 1, 2016) sold, on behalf of ANF Immobilier under a liquidity contract, in order to increase share liquidity, 112,529 shares at an average price of €21.55 per share, for a total cost of €2,424,581.89.

During the period from January 1, 2017 to March 15, 2017, Kepler sold, on behalf of ANF Immobilier as part of a liquidity contract, in order to increase share liquidity, 27,751 shares at an average price of €20.84 per share, for a total cost of €578,370.25.

5.1.2.2 Share disposals carried out with a view to their allocation during the exercise of stock options

During the 2016 fiscal year, ANF Immobilier didn't sold any shares in the framework of the exercise of stock options.

From January 1, 2017 to March 15, 2017, no shares were sold by ANF Immobilier in the framework of the exercise of stock options.

5.1.3 Terms of share buybacks

Over the period from January 1, 2016 to March 15, 2017, ANF Immobilier bought back shares under a liquidity contract only in order to increase share liquidity.

During this period, ANF Immobilier did not use any derivatives in order to make its purchases.

5.1.4 Cancellation of shares by ANF Immobilier

ANF Immobilier has not canceled any shares over the past 24 months. Pursuant to Article L. 225-209 paragraph 4 of the French Commercial Code, shares may be canceled only within a limit of 10% of a company's capital in 24-month periods.

5.1.5 Potential re-allocations

The shares purchased by ANF Immobilier under the authorization granted by the 13th resolution adopted by the Ordinary and Extraordinary Shareholders' Meeting of May 11, 2016 or under any other previous authorization have not been reallocated for other purposes than those initially assigned upon purchase.

5.2 Description of the 2017 buyback program to be submitted for approval by the Ordinary and Extraordinary Shareholders' Meeting of May 10, 2017 pursuant to Articles 241-2 and 241-3 of the General regulation of the French Financial Markets Authority

The Ordinary and Extraordinary Shareholders' Meeting of May 10, 2017 will be asked to adopt the 17th resolution approving a share buyback program pursuant to the provisions of Article L. 225-209 of the French Commercial Code, Part IV of Book II of the General regulations of the French Financial Markets Authority and EU regulations on market abuse.

The objectives of this share buyback program, as stated in the 17th resolution to be submitted for approval by the Ordinary and Extraordinary Shareholders' Meeting of May 10, 2017, are:

- to cancel shares by virtue of the authority granted to the Executive Board by the shareholders at the Extraordinary Shareholders' Meeting;

- to increase share liquidity as part of a liquidity contract made with an independent investment services company, in accordance with a code of conduct approved by the French Financial Markets Authority;
- to grant or sell shares to Company employees and corporate officers and/or to employees and corporate officers of companies either related to ANF Immobilier or those which will be related to ANF Immobilier in the future, as applicable by law, notably for exercising stock options, granting bonus shares, or profit sharing;
- to remit or exchange shares when the rights attached to debt instruments that entitle holders to receive, in any manner whatsoever, ANF Immobilier shares are exercised;
- to remit or exchange shares when the rights attached to debt instruments that entitle holders to receive ANF Immobilier shares are exercised;
- any other practice which may be allowed or recognized by law or by the French Financial Markets Authority, or any other objective which complies with regulations in force.

The buyback authorization to be granted to the Executive Board for the buyback program is for a maximum of 10% of the capital on the date such purchases take place. Based on a total of 19,009,271 shares making up the capital as of March 31, 2016, this maximum amount would be 1,900,927 shares.

The maximum buyback price under the share purchase program is €40 per share. The maximum pecuniary amount allocated to the program is €76,037,080.

The share buyback program is planned for a term of eighteen months from the date of the Ordinary and Extraordinary Shareholders' Meeting of May 10, 2017, which is called upon to adopt it, *i.e.* until November 9, 2018.

The share buybacks carried out by the Company within the framework of the previous share buyback program are summarized in the following table.

SUMMARY OF TRANSACTIONS CARRIED OUT BY THE COMPANY ON ITS OWN SHARES FROM JANUARY 1, 2016 TO MARCH 15, 2017, AS PART OF THE SHARE BUYBACK PROGRAM

	Cumulative gross transactions		Positions open as of March 15, 2017			
			Purchase positions open		Sale positions open	
	Purchases	Sales	Purchase options bought	Forward purchases	Purchase options sold	Forward sales
Number of shares	158,187	140,280	-	-	-	-
Average maximum maturity	-	-	-	-	-	-
Average transaction cost *(€)*	21.20	21.41	-	-	-	-
Average exercise price *(€)*	-	-	-	-	-	-
Amount *(€)*	3,353,898	3,002,952	-	-	-	-

On March 15, 2017, ANF Immobilier held 30,807 treasury shares which were all allocated for the purpose of increasing share liquidity under a liquidity contract.

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6. Elements likely to have an impact in the event of a takeover bid

Please see Section 3.1 "Financing contracts" in Chapter 9 of the Registration Document regarding loan agreements containing an acceleration clause in the event of a change of ownership.

7. Table of delegations of authority still in force

Type of delegation of authority	Date of AGM (resolution no.)	Duration (expiration date)	Maximum nominal amount of capital increase	Maximum nominal amount for issues of debt securities	Use in 2016
Increase in share capital					
Authorization to increase share capital by incorporating reserves, profits, or additional paid-in capital.	May 11, 2016 (resolution 15)	26 months (July 9, 2018)	€25 million(1)	-	None
Authorization to issue shares and/or securities conferring immediate and/or deferred rights to Company shares, with pre-emptive subscription rights.	May 11, 2016 (resolution 16)	26 months (July 9, 2018)	€9.5 million(2)	€100 million(3)	None
Authorization to issue shares and/or securities conferring immediate and/or deferred rights to Company shares, without pre-emptive subscription rights by a public offering or in the framework of a public offering comprising an exchange component.	May 11, 2016 (resolution 17)	26 months (July 9, 2018)	€3.8 million(2)	€100 million(3)	None
Authorization to issue shares and/or securities conferring immediate and/or deferred rights to Company shares, without pre-emptive subscription rights, as part of an offering as referred to in Section II of Article L. 411-2 of the French Monetary and Financial Code.	May 11, 2016 (resolution 18)	26 months (July 9, 2018)	10% of the Company's share capital as it stands on the date of the operation per 12-month period(2)	€70 million(3)	None
Authorization to freely set the issue price in the event of the issue of shares or securities conferring immediate and/or deferred rights to Company shares, without pre-emptive subscription rights, representing up to 10% of the share capital.	May 11, 2016 (resolution 19)	26 months (July 9, 2018)	10% of the Company's share capital as it stands on the date of the operation per 12-month period (with a maximum discount of 5%)(2)	-	None
Authorization to increase the number of shares, securities, or other instruments to be issued in the event of a capital increase with or without pre-emptive subscription rights for shareholders.	May 11, 2016 (resolution 20)	26 months (July 9, 2018)	15% of the initial issue(2)	15% of the initial issue(3)	None
Authorization to issue shares and/or securities conferring immediate and/or deferred rights to Company shares, in consideration for contributions in kind granted to the Company.	May 11, 2016 (resolution 21)	26 months (July 9, 2018)	10% of the share capital on the issue date(1)	€70 million(3)	None

(1) Independent ceiling.
(2) With an overall nominal capital increase ceiling of €25 million for share issues authorized by the 16th, 17th, 18th, 19th, 20th and 21st resolutions (22nd resolution).
(3) With an overall nominal ceiling of €100 million for issues of debt securities authorized by the 16th, 17th, 18th, 19th, 20th and 21st resolutions (22nd resolution).

Type of delegation of authority	Date of AGM (resolution no.)	Duration (expiration date)	Maximum nominal amount of capital increase	Maximum nominal amount for issues of debt securities	Use in 2016
Stock options, bonus share allocations and employee savings plans					
Authorization to issue shares and/or securities conferring immediate and/or deferred rights to capital stock reserved for the members of a company savings plan.	May 11, 2016 (resolution 23)	26 months (July 9, 2018)	€100,000	€20 million	None
Authorization to grant bonus shares to the employees or corporate officers of the Company or its affiliates.	May 11, 2016 (resolution 24)	38 months (July 9, 2019)	2% of the capital stock of the Companyon the day of the decision of the Executive Board	-	Decisions of the Executive Board at its meeting of May 23, 2016
Authorization to grant stock options to the Company or its affiliates' employees and/or corporate officers.	May 6, 2014 (resolution 21)	38 months (July 5, 2017)	3% of the capital stock of the Company as of May 6, 2014	-	None
Capital reduction by canceling shares					
Capital reduction by canceling shares[4].	May 6, 2015 (resolution 14)	26 months (July 5, 2017)	10% of the capital stock per 24-month period		None
ANF Immobilier share buyback program					
Share buyback[4].	May 11, 2016 (resolution 13)	18 months (November 10, 2017)	10% of the capital stock on the date the purchases are made Maximum amount of €114,055,626 Maximum price repurchase price: €60		Use: • in the context of a liquidity contract to increase share liquidity; • with a view to them being allocated to employees and corporate officers

(1) Independent ceiling.
(2) With an overall nominal capital increase ceiling of €25 million for share issues authorized by the 16th, 17th, 18th, 19th, 20th and 21st resolutions (22nd resolution).
(3) With an overall nominal ceiling of €100 million for issues of debt securities authorized by the 16th, 17th, 18th, 19th, 20th and 21st resolutions (22nd resolution).
(4) Renewal proposed to the Ordinary and Extraordinary Shareholders' Meeting of May 10, 2017.

8. Shareholder information

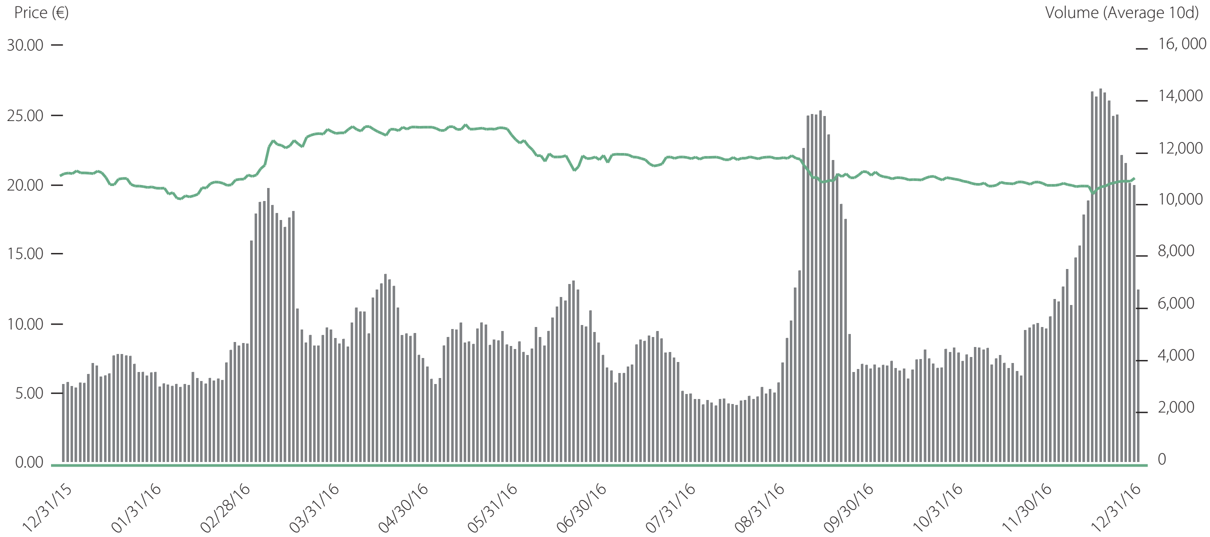
8.1 Market for ANF Immobilier shares

The ANF Immobilier share is listed in France on Euronext Paris, compartment B.

8.2 Share price 2016

As of December 31, 2016, the closing price of the ANF Immobilier share was €20.25 and the market capitalization stood at €384,937,737.75.

The graph below shows the changes to the stock market price of the ANF Immobilier share from the end of December 2015 to the end of December 2016:



Market Compartment B

Main Indices: EPRA, CAC All Shares

ISIN: FR0000063091

Bloomberg: ANF:FP

Reuters: ACNF.PA

Eligibility: SRD

Nb. Securities: 19,009,271

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SHAREHOLDERS' MEETING OF MAY 10, 2017

1. Agenda

1.1 Matters within the remit of the Ordinary Shareholders' Meeting

First resolution – Executive Board's reports, Supervisory Board's observations, and Statutory Auditors reports; approval of the Company financial statements for the year ended December 31, 2016.

Second resolution – Executive Board's reports, Supervisory Board's observations, and Statutory Auditors' reports; approval of the consolidated financial statements for the year ended December 31, 2016.

Third resolution – Allocation of net income for the year, payment of the dividend.

Fourth resolution – Statutory Auditors' special report on regulated agreements referred to in Article L. 225-86 of the French Commercial Code and approval of such agreements.

Fifth resolution – Statutory Auditors' special report on agreements covered by Article L. 225-86 of the French Commercial Code and approval of the agreement concluded by the Company with Eurazeo relative to the repurchase of 26 of the 34 units of ANF Immobilier Hôtels held by Eurazeo.

Sixth resolution – Statutory Auditors' special report on agreements and commitments covered by Articles L. 225-86 and L. 225-90-1 of the French Commercial Code relative to Renaud Haberkorn following his reappointment as Chief Executive Officer and approval of the said agreements and commitments.

Seventh resolution – Statutory Auditors' special report on agreements and commitments covered by Articles L. 225-86 and L. 225-90-1 of the French Commercial Code relative to Ghislaine Seguin following her reappointment as member of the Executive Board and approval of the said agreements and commitments.

Eighth resolution – Reappointment of Alain Lemaire as member of the Supervisory Board.

Ninth resolution – Reappointment of Sébastien Didier as member of the Supervisory Board.

Tenth resolution – Reappointment of Isabelle Xoual as member of the Supervisory Board.

Eleventh resolution – Appointment of Philippe Monnier as non-voting member.

Twelfth resolution – Appointment of Jean-Pierre Richardson as non-voting member.

Thirteenth resolution – Approval of the principles and criteria for determining, distributing and assigning components of compensation to members of the Executive Board and members of the Supervisory Board.

Fourteenth resolution – Approval of the components of compensation due or paid for the fiscal year ending on December 31, 2016 to Renaud Haberkorn as Chief Executive Officer.

Fifteenth resolution – Approval of the components of compensation due or paid for fiscal year ending on December 31, 2016 to Ghislaine Seguin as member of the Executive Board.

Sixteenth resolution – Approval of the components of compensation due or paid for the fiscal year ending on December 31, 2016 to Bruno Keller in his capacity as Chairman of the Supervisory Board.

Seventeenth resolution – Authorization of a share buyback program by the Company for its own shares.

1.2 Matters within the remit of the Extraordinary Shareholders' Meeting

Eighteenth resolution – Authorization to the Executive Board to reduce the share capital by canceling shares purchased in application of the share buyback programs.

Nineteenth resolution – Modification of Article 4 of the Articles of Association – Registered office.

Twentieth resolution – Modification of Article 8 of the Articles of Association – Information on share capital ownership.

Twenty-first resolution – Modification of Article 14 of the Articles of Association – Powers of the Supervisory Board.

1.3 Matters within the remit of the Ordinary Shareholders' Meeting

Twenty-second resolution – Powers to carry out formalities.

2. Draft resolutions

2.1 Matters within the remit of the Ordinary Shareholders' Meeting

First resolution

(Executive Board's reports, Supervisory Board's observations, and Statutory Auditors' reports; approval of the Company financial statements for the year ended December 31, 2016).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's reports, the Supervisory Board's observations, and the Statutory Auditors' reports as well as the Company financial statements for the year ended December 31, 2016, approves the Company financial statements for the year ended December 31, 2016 as presented to the Shareholders' Meeting, as well as the transactions reflected therein and summarized in these reports.

Second resolution

(Executive Board's reports, Supervisory Board's observations, and Statutory Auditors' reports; approval of the consolidated financial statements for the year ended December 31, 2016).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's reports, the Supervisory Board's observations, and the Statutory Auditors' reports, as well as the consolidated financial statements for the year ended December 31, 2016, approves the consolidated financial statements for the year ended December 31, 2016 as presented to the Shareholders' Meeting, as well as the transactions reflected therein and summarized in these reports.

Third resolution

(Allocation of net income for the year, payment of the dividend).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's report, the Supervisory Board's observations, and the Statutory Auditors' report, resolves to allocate as follows the net income for 2016 of €3,338,694.92, with the specification that no contributions to the legal reserve are required, as said reserve is already equal to one tenth of the share capital:

Profit for the year:	€3,338,694.92
Previously retained earnings:	€21,113,051.07
Corresponding to a distributable profit of:	**€24,451,745.99**
As 2016 dividend:	€21,860,661.65
Deducted from the distributable profit in the amount of:	€21,860,661.65
Balance allocated to retained earnings:	€2,591,084.34

It should be noted that the total dividend for the 2016 fiscal year, in the amount of €21,860,661.65, represents a dividend of €1.15 per share before social security deductions and the compulsory levy of 21% stipulated in Article 117 *quater* of the French General Tax Code. It is deducted in full from tax-exempt net income and is therefore not eligible for the 40% tax reduction described in Article 158-3-2 of the French General Tax Code.

The shares will go ex-dividend on June 6, 2017 and the dividend will be payable on June 8, 2017. The amount of dividends attached to treasury shares on the date of the payment will be carried over to retained earnings.

You are reminded that, in accordance with Article 243 *bis* of the French General Tax Code, dividends distributed with respect to the past three fiscal years and the income eligible for the tax reduction covered by Article 158-3-2 of the French General Tax Code were, per share, as follows:

(€)	**Year ended on 12/31/2013**	**Year ended on 12/31/2014**	**Year ended on 12/31/2015**
Dividend per share	1.05	1.10	1.24
Dividend amount eligible for the 40% reduction	0	0.23	0
Dividend amount not eligible for the 40% reduction	1.05	0.87	1.24

Fourth resolution

(Statutory Auditors' special report on regulated agreements referred to in Article L. 225-86 of the French Commercial Code and approval of such agreements).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Statutory Auditors' special report on the agreements referred to in Article L. 225-86 of the French Commercial Code, approves the agreements entered into, amended or canceled which are mentioned therein with the exception of the agreements covered by the fifth, sixth and seventh resolutions.

Fifth resolution

(Statutory Auditors' special report on agreements covered by Article L. 225-86 of the French Commercial Code and approval of the agreement concluded by the Company with Eurazeo relative to the repurchase of 26 of the 34 shares of ANF Immobilier Hôtels held by Eurazeo).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Statutory Auditors' special report on the agreements referred to in Article L. 225-86 of the French Commercial Code, approves the agreement which is mentioned in it concluded by the Company with Eurazeo which is mentioned in this report.

Sixth resolution

(Statutory Auditors' special report on agreements and commitments covered by Articles L. 225-86 and L. 225-90-1 of the French Commercial Code relative to Renaud Haberkorn following his reappointment as Chief Executive Officer and approval of the said agreements and commitments).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Statutory Auditors' special report on the agreements and commitments covered by Articles L. 225-86 and L. 225-90-1 of the French Commercial Code, approves the agreements and commitments covered by Articles L. 225-86 and L. 225-90-1 of the French Commercial Code undertaken in favor of Renaud Haberkorn which are mentioned in this report.

Seventh resolution

(Statutory Auditors' special report on agreements and commitments covered by Articles L. 225-86 and L. 225-90-1 of the French Commercial Code relative to Ghislaine Seguin following her reappointment as member of the Executive Board and approval of the said agreements and commitments).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Statutory Auditors' special report on the agreements and commitments covered by Articles L. 225-86 and L. 225-90-1 of the French Commercial Code, approves the agreements and commitments covered by Articles L. 225-86 and L. 225-90-1 of the French Commercial Code undertaken in favor of Ghislaine Seguin which are mentioned in this report.

Eighth resolution

(Reappointment of Alain Lemaire as member of the Supervisory Board).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's report, renews Alain Lemaire's appointment as member of the Supervisory Board for a four-year term expiring at the end of the Ordinary Shareholders' Meeting called in 2021 to approve the financial statements for the year ending December 31, 2020.

Ninth resolution

(Reappointment of Sébastien Didier as member of the Supervisory Board).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's report, renews Sébastien Didier's appointment as member of the Supervisory Board for a four-year term expiring at the end of the Ordinary Shareholders' Meeting called in 2021 to approve the financial statements for the year ending December 31, 2020.

Tenth resolution

(Reappointment of Isabelle Xoual as member of the Supervisory Board).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's report, renews Isabelle Xoual's appointment as a member of the Supervisory Board for a four-year term expiring at the end of the Ordinary Shareholders' Meeting called in 2021 to approve the financial statements for the year ending December 31, 2020.

Eleventh resolution

(Appointment of Philippe Monnier as non-voting member).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's report, decides to appoint Philippe Monnier as non-voting member with effect from the end of this present Shareholders' Meeting for a period of four years which will expire at the end of the Ordinary Shareholders' Meeting called in 2021 to approve the financial statements for the year ending December 31, 2020.

Twelfth resolution

(Appointment of Jean-Pierre Richardson as non-voting member).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's report, decides to appoint Jean-Pierre Richardson as non-voting member with effect from the end of this present Shareholders' Meeting for a period of four years which will expire at the end of the Ordinary Shareholders' Meeting called in 2021 to approve the financial statements for the year ending December 31, 2020.

Thirteenth resolution

(Approval of the principles and criteria for determining, distributing and assigning components of compensation to members of the Executive Board and members of the Supervisory Board).

The Shareholders' Meeting, after having reviewed the report prepared in application of Article L. 225-82-2 of the French Commercial Code, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, approves the principles and criteria for determining, distributing and assigning fixed, variable and exceptional components composing the total compensation and benefits of any kind attributable to members of the Executive Board and to members of the Supervisory Board pursuant to their appointments, as presented in this report.

Fourteenth resolution

(Approval of the components of compensation due or paid for the fiscal year ending on December 31, 2016 to Renaud Haberkorn in his capacity as Chief Executive Officer).

The Shareholders' Meeting, in application of the recommendation in paragraph 26.2 of the AFEP/MEDEF Corporate Governance Code of November 2016, which constitutes the reference code of the Company in application of Article L. 225-68 of the French Commercial Code, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, approves the components of the compensation due or paid for the fiscal year ending on December 31, 2016 to Renaud Haberkorn, in his capacity as Chief Executive Officer, as presented in Section 3 of chapter VIII of the Company's 2016 Registration Document.

Fifteenth resolution

(Approval of the components of compensation due or paid for the fiscal year ending on December 31, 2016 to Ghislaine Seguin as member of the Executive Board).

The Shareholders' Meeting, in application of the recommendation in paragraph 26.2 of the AFEP/MEDEF Corporate Governance Code of November 2016, which constitutes the reference code of the Company in application of Article L. 225-68 of the French Commercial Code, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, approves the components of the compensation due or paid for the fiscal year ending on December 31, 2016 to Ghislaine Seguin, member of the Executive Board, as presented in Section 3 of chapter VIII of the Company's 2016 Registration Document.

Sixteenth resolution

(Approval of the components of compensation due or paid for the fiscal year ending on December 31, 2016 to Bruno Keller in his capacity as Chairman of the Supervisory Board).

The Shareholders' Meeting, in application of the recommendation in paragraph 26.2 of the AFEP/MEDEF Corporate Governance Code of November 2016, which constitutes the reference code of the Company in application of Article L. 225-68 of the French Commercial Code, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, approves the components of the compensation due or paid for the fiscal year ending on December 31, 2016 to Bruno Keller, in his capacity as Chairman of the Supervisory Board, as presented in Section 3 of chapter VIII of the Company's 2016 Registration Document.

Seventeenth resolution

(Authorization of a share buyback program by the Company for its own shares).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Ordinary Shareholders' Meetings, having reviewed the Executive Board's report and in accordance with the provisions of Article L. 225-209 of the French Commercial Code, Part IV of Book II of the General Regulations of the French Financial Markets Authority and EU regulations on market abuse:

- terminates, effective immediately, the unused portion of the authorization granted by the Ordinary and Extraordinary Shareholders' Meeting on May 11, 2016 by voting for the 13th resolution authorizing the Executive Board to buy Company shares;
- authorizes the Executive Board to carry out transactions on Company shares up to an amount representing 10% of share capital on the date of such purchases, as calculated in accordance with applicable laws and regulations, provided, however, that the total number of the Company's own shares held by it following such purchases does not exceed 10% of the Company's capital stock.

The maximum purchase price per share will be €40 (excluding acquisition costs), giving a total amount allocated to the share buyback program of €76,037,080, based on a total of 19,009,271 shares comprising the capital stock as of December 31, 2016. However, it should be noted that in the event of changes in capital resulting, in particular, from the incorporation of reserves, bonus share grants, stock splits or reverse stock splits, the above-mentioned price will be revised accordingly.

Shares may be bought, sold or transferred by any means, in one or more transactions, including over the counter, through block trades, public offerings, the use of derivatives, warrants or other securities convertible, redeemable, exchangeable or otherwise exercisable for Company shares, or by creating option mechanisms, as permitted by the financial market authorities and in accordance with applicable regulations.

The Company will be entitled to make use of this authorization for the following purposes, in compliance with the above-mentioned statutes and financial market practices authorized by the French Financial Markets Authority:

- to cancel shares by virtue of the authority granted to the Executive Board by the shareholders at the Extraordinary Shareholders' Meeting;
- to increase share liquidity as part of a liquidity contract made with an independent investment services company, in accordance with a code of conduct approved by the French Financial Markets Authority;
- to grant or sell shares to Company employees and/or corporate officers and/or to employees and/or corporate officers of companies either related to ANF Immobilier or those which will

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be related to ANF Immobilier in the future, in accordance with applicable law and regulations, notably for stock option grants, bonus share grants or profit sharing;

- to remit or exchange shares when the rights attached to debt instruments that entitle holders to receive, in any manner whatsoever, ANF Immobilier shares are exercised;
- to retain and use shares in exchange or as payment for potential future acquisition;
- any other practice which may be allowed or recognized by law or by the French Financial Markets Authority, or any other objective which complies with regulations in effect.

Pursuant to Article L. 225-209 of the French Commercial Code, the number of shares purchased by the Company with a view to retaining them and subsequently tendering them in payment or exchange in connection with an acquisition (merger, split or contribution) may not exceed 5% of the Company's capital stock.

This authorization is granted for a period of 18 months from the date of this Shareholders' Meeting.

Company shares may be bought, sold or transferred at any time, subject to applicable laws and regulations, including during periods of takeover bids for cash or shares launched by the Company or targeting Company shares.

As required by applicable regulations, the Company must report purchases, disposals and transfers to the French Financial Markets Authority (AMF) and, in general, complete all formalities or filing requirements.

The Shareholders' Meeting grants full powers to the Executive Board, which may delegate such power as defined by Article L. 225-209 paragraph 3 of the French Commercial Code, to implement this authorization and to set the terms and conditions thereof, in particular, to adjust the above mentioned purchase price in the event of changes in shareholders' equity, capital stock or the par value of shares, to place any orders on the stock exchange, to enter into agreements, or reallocate the shares acquired in line with the Company's objectives in accordance with applicable laws and regulations, to complete all filing requirements and formalities and, in general, do all that is necessary.

2.2 Matters within the remit of the Extraordinary Shareholders' Meeting

Eighteenth resolution

(Authorization to the Executive Board to reduce the share capital by canceling shares purchased in application of the share buyback programs).

The Shareholders' Meeting, voting in accordance with the quorum and majority rules for Extraordinary Shareholders' Meetings, having reviewed the Executive Board's report and the Statutory Auditors' special report and in application of Article L. 225-209 of the French Commercial Code:

1. authorizes the Executive Board to reduce, in one or more stages, the share capital of the Company, by cancellation of all or part of the shares purchased under the buyback program by the Company of its own shares, within the limit of 10% of the capital per period of 24 months, it being understood that this limit applies to an amount of the capital of the Company which will, if necessary, be adjusted to take into account any transactions affecting the share capital prior to this Shareholders' Meeting;
2. decides that any excess of the purchase price of the shares over their nominal value will be booked to the issue, merger or contribution premiums items or to any available reserve item, including the legal reserve, within the limit of 10% of the capital reduction implemented;
3. decides that this authorization is given for a period of 26 months from this Shareholders' Meeting;
4. gives the broadest powers to the Executive Board, with the option to subdelegate to its Chairman and/or to one of its members, with the agreement of the Chairman, to perform this (or these) capital reductions, and notably to duly note the reduction of capital, make the necessary changes to the Articles of Association if the present authorization is used and provide all information, make all publications and undertake all formalities relating to it;
5. decides that this authorization cancels, with immediate effect, for its unused part, any previous authorization having the same purpose.

Nineteenth resolution

(Modification of Article 4 of the Articles of Association – Registered office).

The Shareholders' Meeting, voting according to the conditions of quorum and majority required for Extraordinary General Meetings, having read the report from the Executive Board, decides to modify Article 4 of the Articles of Association relative to the movement of the registered office, which is now written as follows:

"Article 4. — Registered office (…). Movement of the registered office on French territory may be decided by the Supervisory Board, providing this decision is ratified by the next Ordinary Shareholders' Meeting."

The other provisions of Article 4 of the Articles of Association remain unchanged.

Twentieth resolution

(Modification of Article 8 of the Articles of Association – Information on share capital ownership).

The Shareholders' Meeting, voting according to the conditions of quorum and majority required for Extraordinary General Meetings, having read the report from the Executive Board, decides to modify

Article 8 of the Articles of Association relative to information on ownership of the share capital, for which the last sentence of the first paragraph is now written as follows:

"Article 8. — Information on share capital ownership

(…) This information is sent to the Company no later than before the end of trading on the fourth trading day following the day on which the holding threshold is exceeded."

The other provisions of Article 8 of the Articles of Association remain unchanged.

Twenty-first resolution

(Modification of Article 14 of the Articles of Association – Powers of the Supervisory Board).

The Shareholders' Meeting, voting according to the conditions of quorum and majority required for Extraordinary Shareholders' Meetings, having read the report from the Executive Board, decides to modify Article 14, point 4 of the Articles of Association relative to transactions subject to the prior authorization of the Supervisory Board, which is now written as follows:

"Article 14. — Powers of the Supervisory Board (…).

4. The following transactions require the prior approval of the Supervisory Board:

a) by the legal and regulatory provisions in force, deposits, sureties and guarantees;

b) by the present Articles of Association:

(…)

- taking or increasing investments in any organization or company, entailing Company investment in excess of twenty million euros (€20,000,000),

(…)

- any sales of real property, if the amount of the transaction, in one or more stages, exceeds twenty million euros (€20,000,000),

- any total or partial sale of equity investments if the amount of the transaction, in one or more stages, exceeds twenty million euros (€20,000,000).

(…)".

The other provisions of Article 14 of the Articles of Association remain unchanged.

2.3 Ordinary resolution

Twenty-second resolution

(Powers to carry out formalities).

The Shareholders' Meeting grants full powers to the Chief Executive Officer or his representative(s), and bearers of these minutes or of a copy or extract thereof, for the purpose of all necessary filings, registrations and formalities.

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3. Executive Board's report on the presentation of resolutions to be submitted to the Shareholders' Meeting of May 10, 2017

Executive Board's report on the presentation of resolutions to be submitted to the Shareholders' Meeting of May 10, 2017, including the report relative to the policy on compensation of members of the Executive Board and members of the Supervisory Board of ANF Immobilier covered by Article L. 225-82-2 of the French Commercial Code (Sapin 2 law)

Dear shareholders,

You have been invited to attend ANF Immobilier's Ordinary and Extraordinary Shareholders' Meeting on May 10, 2017 in order that we may submit twenty-two resolutions for your approval. Some of these resolutions are to be voted on at the Ordinary Shareholders' Meeting and some will be put to vote at the Extraordinary Shareholders' Meeting.

The draft resolutions concern:

- approval of ANF Immobilier's Company and consolidated financial statements for the fiscal year ended December 31, 2016 (1st and 2nd resolutions);
- the allocation of net income for the 2016 fiscal year and dividend distribution (3rd resolution);
- the approval of regulated agreements (4th, 5th, 6th and 7th resolutions);
- the renewal, as members of the Supervisory Board, of Alain Lemaire, Sébastien Didier and Isabelle Xoual (8th, 9th and 10th resolutions);
- the appointment of Philippe Monnier and Jean-Pierre Richardson as non-voting members of the Supervisory Board (11th and 12th resolutions);
- the approval of the principles and criteria for determining, distributing and assigning components of compensation to members of the Executive Board and members of the Supervisory Board, in accordance with the applicable legislative provisions following the promulgation of law no. 2016-1691 dated December 9, 2016 relative to transparency, the fight against corruption and the modernization of economic life ("**Sapin 2 law**") (13th resolution);
- the approval of the components of the compensation due or paid for the fiscal year ending on December 31, 2016 to Renaud Haberkorn, in his capacity as Chief Executive Officer, to Ghislaine Seguin in her capacity as member of the Executive Board, and to Bruno Keller, in his capacity as Chairman of the Supervisory Board, in accordance with the recommendations of the AFEP/MEDEF Code on Corporate Governance (14th, 15th and 16th resolutions);
- the renewal of the authorization for a share buyback program by the Company for its own shares (17th resolution);
- the authorization by the Executive Board to reduce the share capital by cancellation of shares bought under the share buyback programs (18th resolution);
- the modification of Article 4 of the Articles of Association – *Registered office* (19th resolution);
- the modification of Article 8 of the Articles of Association – *Information on the ownership of the share capital* (20th resolution);
- the modification of Article 14 of the Articles of Association – *Powers of the Supervisory Board* (21st resolution);
- the powers to carry out formalities (22nd resolution).

Approval of the Company financial statements and the consolidated financial statements and allocation of net income for the 2016 fiscal year

Your Board of Directors recommends that you vote for the 1st, 2nd and 3rd resolutions to approve:

- the Company and consolidated financial statements for the fiscal year ended December 31, 2016;
- the allocation of net income for the 2016 fiscal year and dividend distribution.

The net income for 2016 of €3,338,694.92 would be allocated as detailed below, with the specification that no contributions to the legal reserve are required, as said reserve is already equal to one tenth of the capital stock:

Profit for the year:	€3,338,694.92
Previously retained earnings:	€21,113,051.07
Corresponding to a distributable profit of:	**€24,451,745.99**
As 2016 dividend:	€21,860,661.65
Deducted from the distributable profit in the amount of:	€21,860,661.65
Balance allocated to retained earnings:	€2,591,084.34

It should be noted that the total dividend for the 2016 fiscal year, in the amount of €21,860,661.65, represents a dividend of €1.15 per share before social security deductions and the compulsory levy of 21% stipulated in Article 117 *quater* of the French General Tax Code. It would be deducted in full from tax-exempt net income and would therefore not be eligible for the 40% tax reduction described in Article 158-3-2 of the French General Tax Code.

The amount of dividends attached to treasury shares on the date of the payment would be carried over to retained earnings.

The shares would go ex-dividend on June 6, 2017 and the dividend would be payable on June 8, 2017.

The following dividends per share were distributed in the last three fiscal years:

(€)	**Year ended on 12/31/2013**	**Year ended on 12/31/2014**	**Year ended on 12/31/2015**
Dividend per share	1.05	1.10	1.24
Dividend amount eligible for the 40% reduction	0	0.23	0
Dividend amount not eligible for the 40% reduction	1.05	0.87	1.24

Approval of regulated agreements

We also propose, by the vote on the 4th, 5th, 6th and 7th resolutions, that you approve the agreements mentioned in the Statutory Auditors' special report on regulated agreements, which include in particular the agreement relative to the buyback of 26 of the 34 units of ANF Immobilier Hôtels (AIH) held by Eurazeo (contract to transfer the shares and receivables in the current accounts at December 9, 2016) and the agreements and commitments relative to Renaud Haberkorn and Ghislaine Seguin following the renewal of their appointments, respectively, as Chief Executive Officer and member of the Executive Board, in accordance with the decisions of the Supervisory Board of March 8 and 27, 2017.

Renewal of the terms of office of members of the Supervisory Board and appointment of two non-voting members

By vote on the 8th, 9th and 10th resolutions, you are asked to renew the terms of office as members of the Supervisory Board, for the statutory period of four years, of Alain Lemaire, Sébastien Didier and Isabelle Xoual. Their terms of office would expire at the end of the Ordinary Shareholders' Meeting to be held in 2021 and called to approve the financial statements for the year ending December 31, 2020.

Also, you are reminded that Philippe Monnier and Jean-Pierre Richardson have resigned their functions as members of the Supervisory Board effective at the end of the next Shareholders' Meeting. In this context, you are asked to decide, by voting on the 11th and 12th resolutions, on the appointment of Philippe Monnier and Jean-Pierre Richardson as non-voting members. Their terms of office would expire at the end of the Ordinary Shareholders' Meeting to be held in 2021 and called to approve the financial statements for the year ending December 31, 2020.

All of the information relative to Alain Lemaire, Sébastien Didier, Isabelle Xoual, Philippe Monnier and Jean-Pierre Richardson will be published in the Company's 2016 Registration Document in chapter III "Corporate Governance".

Approval of the principles and criteria for determining, distributing and assigning components of compensation to members of the Executive Board and members of the Supervisory Board pursuant to their terms of office

In accordance with the Sapin 2 law, by voting on the 13th resolution, you are asked to approve the principles and criteria for determining, distributing and assigning the fixed, variable and exceptional components composing the total compensation and benefits of any kind attributable to the members of the Executive Board and the Supervisory Board pursuant to their appointments for the 2017 fiscal year as presented below. This section constitutes the report covered by Article L. 225-82-2 of the French Commercial Code.

We also remind you, in accordance with the law, that the payment of variable and exceptional components of compensation, provided for by these principles and criteria, depends upon the approval by an Ordinary Shareholders' Meeting of the components of compensation of the person concerned under the conditions specified by Article L. 225-100.

Principles and criteria for determining, distributing and assigning the components of the total compensation and benefits of any kind attributable to members of the Executive Board pursuant to their terms of office

The compensation of Executive Board members is determined on an individual basis by the Supervisory Board upon the Compensation and Appointments Committee's proposal, which proposes the principles regarding compensation and benefits granted to Executive Board members.

Once per year, the Compensation and Appointments Committee conducts an exhaustive review of the Executive Board members' compensation and recommends any changes required to the Supervisory Board. To do this, the Committee relies on comparative studies carried out by external and independent advisers according to a range of listed real estate companies.

The compensation of Executive Board members is made up of a fixed and a variable component and benefits in kind relating to their position as Board members and, where applicable, special compensation.

General principles of compensation

The policy on the compensation of executives of ANF Immobilier is based upon the principles explained below.

Comprehensiveness: the compensation for the members of the Executive Board presented below is the subject of an overall approach. The compensation policy adopted is explained and the criteria adopted are specified.

Recognition of performance: the compensation of members of the Executive Board is composed of a fixed and a variable part, for which the amounts are proportionate to the responsibilities exercised and, for the variable part, to the level of achievement of predefined performance criteria.

The choice of these criteria, based upon both individual performance and that of the working teams, is made according to essential components of the success of the Company. The amount of the variable compensation also changes according to the current and future performance of the Company, thus connecting the interest of the executive with the corporate interest of the Company.

Moderation: determination of the compensation of members of the Executive Board is characterized by a search for balance.

It takes into account the corporate interest of the Company, the performance of the executives, compensation practices within the Company and those of the market. The recognition of performance is combined with an objective of retention, thus serving the interests of the Company. An annual review adapts the amount of compensation to the requirements of ANF Immobilier.

Coherence: the compensation of members of the Executive Board is coherent with that of other corporate officers and employees of ANF Immobilier and with the development objectives and values of the Company. With a view to fairness and harmonization, each component of compensation is justified and is related to the work done and the performance achieved.

Adaptation to the market: the compensation of members of the Executive Board reflects the position of the Company in the market. The compensation system develops according to external reference practices, by comparison with companies similar to ANF Immobilier in terms of business sector, size and objectives.

Specific principles of compensation

In accordance with the general principles of compensation explained in this report, the Supervisory Board, upon recommendation of the Compensation and Appointments Committee, has adopted a specific compensation structure for the members of the Company's Executive Board, composed of:

1. fixed compensation;
2. variable compensation;
3. special compensation;
4. a severance compensation;
5. benefits in kind.

Fixed compensation

The fixed compensation of members of the Executive Board is decided on an individual basis by the Supervisory Board upon proposal from the Compensation and Appointments Committee.

The fixed compensation of the Chief Executive Officer, Renaud Haberkorn, is €400,000 for the 2017 fiscal year. It was determined at the meeting of the Supervisory Board of November 30, 2016, upon proposal from the Compensation and Appointments Committee of November 22, 2016. This fixed compensation has not been changed since his appointment in 2014 and continues to apply.

The fixed compensation of Ghislaine Seguin, member of the Executive Board and Deputy Chief Executive Officer is €200,000 for the 2017 fiscal year. It was determined at the meeting of the Supervisory Board of November 30, 2016, upon proposal from the Compensation and Appointments Committee of November 22, 2016. The fixed compensation of Ghislaine Seguin was revalued for the 2016 fiscal year and went from €180,000 to €200,000 following her appointment as Deputy Chief Executive Officer. It therefore remains unchanged compared to 2016.

Annual variable compensation

The variable compensation of the members of the Executive Board was decided at the meeting of the Supervisory Board of March 8, 2017, upon proposal from the Compensation and Appointments Committee meetings of February 22 and March 2, 2017.

Given the level practiced by a reference sample composed of companies comparable to ANF Immobilier, the share of the target annual variable compensation has been maintained at 50% of the fixed annual compensation.

The payment may vary from 0% to 150% of this target annual variable compensation according to the level of achievement of the quantitative and qualitative criteria listed below.

In accordance with the AFEP/MEDEF Code, these quantitative criteria are predominant in calculating the annual variable compensation for 2017.

The quantitative criteria, which represent 60% of the target annual variable compensation, are the following:

- the EPRA net asset value (NAV) (15% of variable compensation);
- the EPRA net income (25% of variable compensation);
- the EPRA vacancy rate (20% of variable compensation).

The actual annual variable compensation based on quantitative criteria is between 0% and 100% of the target annual variable compensation, depending on whether the objectives have been missed, achieved or exceeded.

The qualitative criteria have an identical weight and represent 40% in total (5% each) of the target annual variable compensation. These criteria vary according to the corporate office exercised.

For the Chief Executive Officer:

1. top-quality management;
2. definition of strategic policies for the development of assets and projects;
3. interaction with all members of the Supervisory Board;
4. reduction of the discount;
5. quality of financial communication and the relationship with shareholders;
6. development of the corporate social responsibility (CSR) policy;
7. participation in the development of a positive image and maintenance of the good reputation of the Company;
8. analysis of the strengths and weaknesses of the Company according to key success factors.

For the Deputy Chief Executive Officer, member of the Executive Board:

1. top-quality management;
2. sustainable development;
3. project implementation: off-plan sales, off-plan leases, property-development…;
4. acquisition of yield-producing assets;
5. lowering of vacancy in Marseille;
6. quality of work life of employees;
7. participation in the development of a positive image and maintenance of the good reputation of the Company;
8. analysis of the strengths and weaknesses of the Company according to key success factors.

The meeting of the Supervisory Board of March 8, 2017 decided, upon proposal from the Compensation and Appointments Committee meeting of March 2, 2017, to eliminate the discretionary variable part.

Special compensation

No special compensation is currently planned for the members of the Executive Board.

However, the Supervisory Board, upon proposal from the Compensation and Appointments Committee, reserves the right to decide to assign special compensation to corporate officers, notably in the case of specific transactions carried out by the Company.

Severance compensation

Severance compensation is foreseen in the event of the revocation of the term of office of the Chief Executive Officer and the Deputy Chief Executive Officer, member of the Executive Board.

The assignment of this severance compensation is subject to conditions of performance and may not exceed 18 months of fixed and variable compensation.

Benefits in kind

For the exercise of their functions, the Chief Executive Officer and the Deputy Chief Executive Officer and member of the Executive Board of ANF Immobilier have company cars.

The Chief Executive Officer also benefits from social coverage for company managers as well as civil liability insurance for corporate officers.

Lastly, he receives, under the same conditions (contributions and benefits) as those applicable to ANF Immobilier employees, the following:

- a defined-benefit pension contract;
- a provident contract;
- a contract for the reimbursement of medical expenses;
- an accident insurance contract.

Attendance fees

The members of the Executive Board do not receive attendance fees.

Non-compete compensation

The members of the Executive Board do not receive compensation relative to a non-competition clause.

Supplementary pension plan

The members of the Executive Board do not benefit from a supplementary pension plan.

Stock option and bonus share grants

The Executive Board may decide to grant stock options and/or to grant bonus shares, if authorized to do so by the Extraordinary Shareholders' Meeting.

Stock option grants

The stock options are granted without discount and without recourse to hedging instruments.

The stock options, which are valued using IFRS, may not exceed twice the compensation of each recipient.

No grant of stock options was made in 2016.

As of the date of this report, the Supervisory Board did not decide to grant stock options for the 2017 fiscal year.

Grant of bonus shares under conditions of performance

As of the date of this report, the Supervisory Board did not decide to grant bonus shares for the 2017 fiscal year.

Principles and criteria for determining, distributing and assigning the components of the total compensation and benefits of any kind attributable to members of the Supervisory Board pursuant to their terms of office

The members of the Supervisory Board are compensated by the allocation of attendance fees. Equally, Bruno Keller, in his capacity as Chairman of the Supervisory Board, receives fixed compensation and other benefits.

Attendance fees

Each member of the Supervisory Board receives a fixed amount and a variable amount of attendance fees paid pro rata to his/her effective presence at meetings of the Supervisory Board and its Committees. The variable portion is predominant for the members of the Supervisory Board. Some members of the Supervisory Board (on the date of this report, Patrick Sayer and Philippe Audouin) are compensated by Eurazeo and do not receive attendance fees.

Fixed compensation

Bruno Keller, in his capacity as Chairman of the Supervisory Board, receives fixed annual compensation of €150,000 for this appointment.

Special compensation

In accordance with Article 15 of the Articles of Association of the Company, the Supervisory Board may allocate special compensation to its members in the cases and under the conditions specified by the law.

Other benefits of any kind

The Supervisory Board may give the Chairman of the Supervisory Board the benefit of a company car.

Approval of the components of compensation due or paid for the fiscal year ending on December 31, 2016 to the members of the Executive Board and to the Chairman of the Supervisory Board in accordance with the recommendations of the AFEP/MEDEF Code

In accordance with the recommendations of the AFEP/MEDEF Code revised in November 2016 (Articles 26.1 and 26.2) to which the Company refers in application of Article L. 225-68 of the French Commercial Code, the following components of the compensation due or paid for the closed fiscal year to each executive corporate officer and the Chairman of the Supervisory Board of the Company must be approved by the shareholders:

- fixed compensation;
- the annual variable compensation with performance criteria intended to determine its amount;
- special compensation;
- share options, performance shares and multi-year variable compensation plans with performance criteria intended to determine these components of compensation;
- sign-up bonus and termination benefits;
- supplementary pension plan;
- benefits in kind.

Accordingly, your Board submits the 14th, 15th and 16th resolutions for the approval of the following components of the compensation due or paid for the year ended December 31, 2016 and presented in the tables below:

1. Components of the compensation due or paid for the fiscal year ending on December 31, 2016 to Renaud Haberkorn in his capacity as Chief Executive Officer (14th resolution)

Compensation component	Amount	Compensation
A. Fixed compensation	€400,000	Fixed compensation was decided on at the Supervisory Board meeting of December 16, 2015, based on the proposals of the Compensation and Appointments Committee meeting of November 1, 2015. (The compensation granted to Renaud Haberkorn when he took office on November 12, 2014 was not modified and continued to apply for 2015 and 2016).
B. Annual variable compensation	€207,480(1) (€267,300 paid)(2)	For 2016, the target annual variable compensation represents 50% of the fixed compensation, namely €200,000. According to the level of achievement of each of the criteria for fixing the variable compensation, the payment may vary from 0% to 150% of the target annual variable compensation in the event these criteria are exceeded. At its meeting of March 14, 2016, the Supervisory Board decided, upon the Compensation and Appointments Committee's proposal that, for the 2016 fiscal year, the variable portion of compensation would be calculated based on the three following factors (the "Variable Compensation Criteria"): ● quantitative criteria represent 50% of the target annual variable compensation (representing €100,000) and which can go up to 100% (namely €200,000) of the target annual variable compensation in the event these criteria are exceeded. The three criteria adopted are directly related to the 2016 business plan and budget: ○ EPRA NAV (20%), ○ EPRA net income (20%), and ○ EPRA vacancy rate (10%); ● several qualitative criteria representing 20% (namely €40,000) of the variable part related to the achievement of specific qualitative criteria; ● 30% (namely €60,000) of the variable part related to the discretionary assessment of the Supervisory Board. During the meeting of March 8, 2017, the Supervisory Board, upon recommendation from the Compensation and Appointments Committee and after validation by the Financial Components Audit Committee, evaluated the amount of the variable compensation of Renaud Haberkorn for the 2016 fiscal year. Bearing in mind the quantitative and qualitative criteria as seen above and the achievements noted on December 31, 2016, the amount of the variable share was evaluated as follows: ● for the quantitative criteria, the Supervisory Board noted performance for the quantitative criteria implying the payment of 57.74% of the target annual variable compensation; ● for the qualitative criteria, 16% of the target annual variable compensation; ● for the discretionary part, 30% of the target annual variable compensation. The amount of Renaud Haberkorn's variable compensation for 2016 was therefore set at €207,480, representing 103.74% of his 2016 target annual variable compensation.
C. Deferred variable compensation	N/A	No deferred variable compensation.
D. Multiannual variable compensation	N/A	No multiannual variable compensation.
E. Special compensation	N/A	No special compensation.
F. ANF Immobilier stock options	N/A	No stock options.

(1) The variable compensation due for fiscal year N is paid in fiscal year N+1.
(2) The variable compensation paid in fiscal year N is that due for fiscal year N-1.

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Compensation component	Amount	Compensation

G. ANF Immobilier bonus share grant subject to performance conditions	**Number of shares** = 11,000 (representing 0.0579% of the share capital at December 31, 2016)
	Valuation of shares = €99,000
		Date of the Shareholders' Meeting: May 11, 2016 (24th resolution)
		Date of the Supervisory Board meeting: March 14, 2016
		Date of the Executive Board meeting: May 23, 2016
		The vesting of the allocated Bonus Shares is subject to an ANF Immobilier stock market performance condition, which will be determined over a three-year period (from May 23, 2016 until May 22, 2019 inclusive) by adding the change in the ANF Immobilier stock price (stock price change) and the value of ordinary dividends paid to the shareholders during the same period (hereafter the "ANF Immobilier's Stock Market Performance").
		The Company's stock market performance will be determined as follows:
		• in the amount of 60%, by the stock market performance in absolute value; and
		• in the amount of 40%, by the stock market performance in relative value.
		The *Total Shareholder Return* (hereafter the "TSR") corresponds to the yield for shareholders and is made up both of the change in the value of the Company's shares (change in the share price) and the value of the ordinary dividends paid to shareholders.
		Regarding the stock market performance in absolute value, which makes up 60% of the Company's stock market performance:
		• if the average annual TSR is higher than or equal to 5%, 60% of the Bonus Shares allocated will become vested;
		• if the average annual TSR is zero, none of the Bonus Shares awarded will become vested under this criterion;
		• if the average annual TSR is higher than 0% and lower than 5%, the percentage of Bonus Shares awarded that becomes vested will be determined on a straight line basis.
		Regarding the stock market performance in relative value, which makes up 40% of the Company's stock market performance:
		• if the average annual TSR is higher than or equal to the EPRA index, 40% of the Bonus Shares allocated will become vested;
		• if the average annual TSR is lower than 80% of the EPRA index, no Bonus Shares awarded will become vested under this criterion;
		• between these points, the percentage of Bonus Shares awarded that becomes vested will be determined on a straight line basis.
		In the event of the occurrence of one of the following events before May 22, 2019 inclusive:
		• a takeover bid for the Company's shares that has been approved by the French Financial Markets Authority (AMF);
		• the takeover of the Company, consisting of: (i) a change of control as defined in Article L. 233-3 of the French Commercial Code, (ii) a one-time change in the majority of the members of the Supervisory Board and on the initiative of a new shareholder or new shareholders acting in concert, or (iii) a company holding, directly or indirectly, a fraction of the Company's voting rights greater than 30%, in addition to a rotation, over a nine-month period, of more than 20% of the members of the Executive Board and the Supervisory Board;
		• dismissal of more than half the members of the Supervisory Board of the Company by the Shareholders' Meeting;
		• the vesting of the Bonus Shares awarded will remain subject to the achievement of the criterion involving the Company's stock market performance under the following conditions, at the option of the beneficiary:
		  – by applying the performance conditions over a period between the date on which the Bonus Shares were awarded (i.e. May 23, 2016) and the date of said event, at the latest, within the two months following the occurrence of the event, or
		  – by applying the performance conditions over a period of three years (starting from May 23, 2016 and ending on May 22, 2019 inclusive).
		Regardless of the beneficiary's choice of application period for the Company's stock market performance conditions, the Bonus Shares awarded will only become vested upon the expiration of the three-year vesting period, namely on May 22, 2019 inclusive, if they are still employees and/or corporate officers of the Company.

Compensation component	Amount	Compensation
H. Attendance fees	N/A	No attendance fees.
I. Value of benefits in kind	€15,763	On September 26, 2014, the Supervisory Board also authorized the following benefits for Renaud Haberkorn: ● social security regime for company executives coverage; ● civil liability insurance for corporate officers; ● company car.
J. Severance compensation		The Supervisory Board, during its meeting of March 3, 2015, decided to grant the benefit of severance compensation to Renaud Haberkorn. As the term of office of Renaud Haberkorn as Chief Executive Officer was renewed by the Supervisory Board at its meeting of March 8, 2017, this compensation must, in accordance with legal provisions, be the subject of a new deliberation of the Shareholders' Meeting. The payment of the severance compensation is subject to performance conditions determined as follows: ● 2015 and 2016: increase in the EBITDA at an average rate of 10% per year over the period considered (in accordance with the deliberation of the Supervisory Board of March 3, 2015); ● from January 1, 2017: achievement of at least 80% of the quantitative and qualitative objectives triggering payment of his variable compensation. Renaud Haberkorn will therefore benefit from severance compensation if, over at least two of the three years preceding the termination of his functions as Chief Executive Officer, he has fulfilled the performance conditions mentioned above. The severance compensation will be paid in the event of termination, for any reason whatsoever, of the duties of Chief Executive Officer except in the event of resignation. The gross amount of the severance compensation stands at 150% of the gross annual compensation paid to Renaud Haberkorn the year preceding the termination of his functions (i.e., in practice, 18 months of salary). The compensation taken into consideration consists of the fixed and variable compensation subject to social-security charges in application of Article L. 242-1, paragraph 1 of the French Social Security Code, excluding any other form of compensation, notably compensation paid under a long-term compensation plan (stock options, bonus shares, etc.).
K. Non-compete compensation	N/A	No non-compete compensation.
L. Supplementary pension plan	N/A	No supplementary pension plan.
M. Collective benefits		Renaud Haberkorn receives, under the same conditions (contributions and benefits) as those applicable to ANF Immobilier employees, the following: ● collective defined contribution pension plan (2.50% of Salary Band A and 11% of Salary Band C); ● provident contract; ● reimbursement of health care costs contract (supplementary); ● accident insurance contract.

2. Components of the compensation due or paid to Ghislaine Seguin as member of the Executive Board for the year ended December 31, 2016 (15th resolution)

Compensation component	Amount	Compensation
A. Fixed compensation	€200,000	The fixed compensation was determined at the meeting of the Supervisory Board of December 16, 2015, upon proposal from the Compensation and Appointments Committee of December 1, 2015. The fixed compensation of Ghislaine Seguin was revalued for the 2016 fiscal year and went from €180,000 to €200,000.

B. Annual variable compensation	€105,740(1)
	(€121,860 paid)(2)
		For 2016, the target annual variable compensation represents 50% of the fixed compensation, namely €200,000.
		According to the level of achievement of each of the criteria for fixing the variable compensation, the payment may vary from 0% to 150% of the target annual variable compensation in the event these criteria are exceeded (meetings of the Supervisory Board of March 3, 2015 and March 14, 2016).
		At its meeting of March 14, 2016, the Supervisory Board decided, upon the Compensation and Appointments Committee's proposal that, for the 2016 fiscal year, the variable portion of compensation would be calculated based on the three following factors (the "Variable Compensation Criteria"):
		• quantitative criteria represent 50% of the target annual variable compensation (representing €100,000) and which can go up to 100% (namely €200,000) of the target annual variable compensation in the event these criteria are exceeded. The three criteria adopted are directly related to the 2016 business plan and budget:
		  ◦ EPRA NAV (20%),
		  ◦ EPRA net income (20%), and
		  ◦ EPRA vacancy rate (10%);
		• several qualitative criteria representing 20% (namely €40,000) of the variable part related to the achievement of specific qualitative criteria;
		• 30% (namely €60,000) of the variable part related to the discretionary assessment of the Supervisory Board.
		During the meeting of March 8, 2017, the Supervisory Board, upon recommendation from the Compensation and Appointments Committee and after validation by the Financial Components Audit Committee, evaluated the amount of the variable compensation of Ghislaine Seguin for the 2016 fiscal year.
		Bearing in mind the quantitative and qualitative criteria as seen above and the achievements noted on December 31, 2016, the amount of the variable share was evaluated as follows:
		• for the quantitative criteria, the Supervisory Board noted performance for the quantitative criteria implying the payment of 57.74% of the target annual variable compensation;
		• for the qualitative criteria, 18%;
		• for the discretionary part, 30%.
		The amount of Ghislaine Seguin's variable compensation for 2016 was therefore set at €105,740, representing 105.75% of her target annual variable compensation.

C. Deferred variable compensation	N/A	No deferred variable compensation.
D. Multiannual variable compensation	N/A	No multiannual variable compensation.
E. Special compensation	N/A	No special compensation.
F. ANF Immobilier stock options	N/A	No stock options.
G. ANF Immobilier bonus share grant subject to performance conditions	**Number of shares** = 6,000 (representing 0.0136% of the share capital at December 31, 2016) **Valuation of shares** = €54,000	Date of the Shareholders' Meeting: May 11, 2016 (24th resolution) Date of the Supervisory Board meeting: March 14, 2016 Date of the Executive Board meeting: May 23, 2016 Vesting rules for Bonus Shares are described in Section 1.G above.
H. Attendance fees	N/A	No attendance fees.
I. Value of benefits in kind	€2,170	Company car
J. Severance compensation	N/A	No severance compensation for the elapsed fiscal year(3).

(1) The variable compensation due for fiscal year N is paid in fiscal year N+1.
(2) The variable compensation paid in fiscal year N is that due for fiscal year N-1.
(3) It should be noted that the Supervisory Board, during its meeting of March 27, 2017, decided to grant the benefit of severance compensation to Ghislaine Seguin.

Compensation component	Amount	Compensation
K. Non-compete compensation	N/A	No non-compete compensation.
L. Supplementary pension plan	N/A	No supplementary pension plan.
M. Collective benefits	N/A	No collective benefits

3. Components of the compensation due or paid for the fiscal year ending on December 31, 2016 to Bruno Keller in his capacity as Chairman of the Supervisory Board (16th resolution)

Compensation component	Amount	Compensation
A. Fixed compensation	€150,000	The fixed compensation was determined at the meeting of the Supervisory Board of March 3, 2015, upon proposal from the Compensation and Appointments Committee of February 13, 2015.
B. Annual variable compensation	€0(1) (€133,826 paid)(2)	No multiannual variable compensation. In 2016, Bruno Keller was paid the annual variable compensation due for the 2015 fiscal year due to his functions as Chief Executive Officer until May 6, 2015.
C. Deferred variable compensation	N/A	No deferred variable compensation.
D. Multiannual variable compensation	N/A	No multiannual variable compensation.
E. Special compensation	N/A	No special compensation.
F. ANF Immobilier stock options	N/A	No stock options.
G. ANF Immobilier bonus share grant subject to performance conditions	N/A	No bonus shares granted.
H. Attendance fees	€19,000	Each member of the Supervisory Board receives a fixed amount and a variable amount of attendance fees paid pro rata to his/her effective presence at Supervisory Board meetings.
I. Value of benefits in kind	N/A	No benefits in kind.
J. Severance compensation	N/A	No severance compensation.
K. Non-compete compensation	N/A	No non-compete compensation.
L. Supplementary pension plan	-	In exchange for services rendered during the fiscal year for the performance of his work, Bruno Keller has a supplementary pension plan (a defined benefit scheme with an insurance company) intended to supplement his pension, in compliance with the provisions of Articles L. 911-1 et seq. of the French Social Security Code. Access to this plan has been definitively closed to any new beneficiaries since June 30, 2011. The total amount of the additional pension plan granted to the beneficiary, in compliance with all provisions of retirement regulations, equals 2.5% of the base compensation per year of service (with a maximum of 24 years). The maximum pension amount is limited to 60% of base compensation. Seniority, as defined by the retirement regulations, corresponds to the number of years of professional activity carried out within ANF Immobilier and Eurazeo. As of December 31, 2015, Bruno Keller had 25 years and 2 months of service in ANF Immobilier and Eurazeo. The base compensation used to calculate benefits is based exclusively on the following items: the average compensation received for the previous 36 months preceding the departure from the Company up to a cap equal to twice the fixed compensation. As previously mentioned, the granting of this benefit is contingent upon completing his/her career in the Company. Nevertheless, the members of the Executive Board who are dismissed after the age of 55 can continue to benefit from this plan on the condition that they do not take up any professional activity before they exercise their right to pension benefits.

(1) The variable compensation due for fiscal year N is paid in fiscal year N+1.
(2) The variable compensation paid in fiscal year N is that due for fiscal year N-1.

Compensation component	Amount	Compensation
M. Collective benefits	N/A	The Supervisory Board meeting of March 24, 2011 also authorized Bruno Keller to receive the following, under the same conditions (contributions and benefits) as those applicable to ANF Immobilier employees: • collective defined contribution pension plan (2.50% of Salary Band A and 11% of Salary Band C); • provident contract; • reimbursement of health care costs contract (supplementary); • accident insurance contract.

Purchase by the Company of its own shares

The authorization granted to the Executive Board by the Shareholders' Meeting on May 11, 2016 to trade in the Company's securities is due to expire on November 10, 2017; therefore your Board proposes the 17th resolution to authorize the Executive Board, for a period of 18 months, to trade in the Company's securities at a maximum purchase price of €40 per share, giving a total amount allocated to the share buyback program of €76,037,080, based on a total of 19,009,271 shares comprising the share capital as of December 31, 2016.

This authorization would allow the Executive Board to purchase shares up to a maximum of 10% of the Company's share capital. The Company may use this authorization for the following purposes:

- to cancel the shares;
- in the context of a liquidity contract to increase share liquidity;
- to grant or sell shares to Company employees and corporate officers and/or to employees and corporate officers of companies either related to ANF Immobilier or those who will be related to ANF Immobilier in the future, according to the conditions stipulated in the applicable laws and regulations;
- to remit or exchange shares when the rights attaching to securities granting the holders entitlement, in any manner whatsoever, to receive the Company's shares are exercised;
- to retain them and subsequently remit them in exchange or as payment for potential future acquisitions; and
- to use them for any other practice which may be allowed or recognized by law or by the French Financial Markets Authority, or any other objective which complies with regulations in force.

The number of shares purchased by the Company with a view to retaining them and subsequently tendering them in payment or exchange in connection with an acquisition (merger, split or contribution) may not exceed 5% of the Company's share capital.

Shares may be bought, sold or transferred by any means, in one or more transactions, including over the counter, through block trades, public offerings, the use of derivatives, warrants or other securities convertible, redeemable, exchangeable or otherwise exercisable for Company shares, or by creating option mechanisms, as permitted by the financial market authorities and in accordance with applicable regulations.

Authorization by the Executive Board to reduce the share capital by cancellation of shares bought under the share buyback programs

In the context of the extraordinary resolutions, you are asked, in the 18th resolution, to authorize the Executive Board to reduce the share capital by cancellation of shares bought in application of the share buyback programs, within the limit of 10% of the capital per period of 24 months, according to the provisions of Article L. 225-209 of the French Commercial Code.

Modification of Article 4 of the Articles of Association – *Registered office*

You are asked, by the vote on the 19th resolution, to modify Article 4 of the Company's Articles of Association – *Registered office*. The first paragraph of Article L. 225-65 of the French Commercial Code was modified by the Sapin 2 law to enable the movement of the registered office by decision of the Supervisory Board across the French territory subject to ratification of this provision by the next Ordinary Shareholders' Meeting.

We therefore propose to modify the second paragraph of Article 4 of the Articles of Association relative to the movement of the registered office, which will be written as follows:

"Article 4. — Registered office:

(…)

Movement of the registered office on French territory may be decided by the Supervisory Board, subject to ratification by the next Ordinary Shareholders' Meeting."

The other provisions of Article 4 of the Articles of Association shall remain unchanged.

Modification of Article 8 of the Articles of Association – *Information on share capital ownership*

We ask you, by the vote on the 20th resolution, to modify Article 8 of the Articles of Association of the Company – *Information on share capital ownership* to align the period for notifying declarations of overruns of the statutory thresholds with the legal regime, which specifies, in application of Article R. 233-1 of the French Commercial Code, a declaration to the Company no later than before the end of trading on the fourth trading day following the day of crossing of the thresholds mentioned in Article L. 233-7 of the French Commercial Code.

We therefore propose that you modify the last sentence of the first paragraph of Article 8 of the Articles of Association relative to the declarations of overruns of statutory thresholds, so that it is written as follows:

"Article 8. — Information on share capital ownership

(…) This information is sent to the Company no later than before the end of trading on the fourth trading day following the day on which the holding threshold is exceeded."

The other provisions of Article 8 of the Articles of Association shall remain unchanged.

Modification of Article 14 of the Articles of Association – *Powers of the Supervisory Board*

You are asked, by the vote on the 21st resolution, to modify Article 14 of the Company's Articles of Association – *Powers of the Supervisory Board*. The second paragraph of Article L. 225-68 of the French Commercial Code was effectively modified by the Sapin 2 law to only make it mandatory to submit deposits, sureties and guarantees to the authorization of the Supervisory Board.

You are therefore asked to modify Article 14, point 4 of the Articles of Association relative to transactions subject to the prior authorization of the Supervisory Board so that it is written as follows:

"Article 14. — Powers of the Supervisory Board.

(…)

4. The following transactions require the prior approval of the Supervisory Board:

a) by the legal and regulatory provisions in force, deposits, sureties and guarantees;

b) by the present Articles of Association:

- taking or increasing investments in any organization or company, entailing Company investment in excess of twenty million euros (€20,000,000),

- any sales of real property, if the amount of the transaction, in one or more stages, exceeds twenty million euros (€20,000,000),

- any total or partial sale of equity investments if the amount of the transaction, in one or more stages, exceeds twenty million euros (€20,000,000)."

The other provisions of Article 14 of the Articles of Association shall remain unchanged.

Powers to carry out formalities

The 22nd and last resolution proposes granting full powers to the Chief Executive Officer or his representative(s), and bearers of the minutes of the Shareholders' Meeting or of a copy or extract thereof, for the purpose of all necessary filings, registrations and formalities.

Lastly, we wish to remind you that a report on trends in the Company business during the course of 2016, and since the start of 2017, will be provided in the 2016 Registration Document, which will be filed with the French Financial Markets Authority.

4. Observations by the Supervisory Board on the Executive Board's report presented to the Ordinary and Extraordinary Shareholders' Meeting of May 10, 2017

ANF Immobilier
French limited company (*société anonyme*) with Executive and Supervisory Boards
Capital of €19,009,271
1, rue Georges Berger – 75017 PARIS

Paris trade and companies registry no. 568 801 377

Dear shareholders,

In view of Article L. 225-68 of the French Commercial Code, the Supervisory Board considers that there are no observations to be made either on the Executive Board's report or on the financial statements for the fiscal year ended December 31, 2016, and it encourages the Shareholders' Meeting to adopt all the resolutions proposed to it by the Executive Board.

The Supervisory Board

5. Executive Board's special report on stock options granted to corporate officers and employees

ANF Immobilier
French limited company (*société anonyme*) with Executive and Supervisory Boards
Capital of €19,009,271
1, rue Georges Berger – 75017 PARIS

Paris trade and companies registry no. 568 801 377

Year ended December 31, 2016

In accordance with the provisions of Article L. 225-184 of the French Commercial Code, your Executive Board provides you with information in its special report on the transactions carried out pursuant to the provisions of Articles L. 225-177 *et seq.* of said Code regarding stock options.

Stock options attributed by the Company in the course of the year

None.

OTHER INFORMATION ON THE STOCK OPTIONS

Stock options granted to individual corporate officers and options exercised by them	Total number of options granted/ shares subscribed or purchased	Price	Maturity date	Plan
Options granted in 2016 by the Company and its affiliates, under the conditions provided for by Article L. 225-180 of the French Commercial Code, to each corporate officer (list of names) for their offices and positions held in the Company	N/A	N/A	N/A	N/A
Options granted in 2016 by controlled companies, within the meaning of Article L. 233-18 of the French Commercial Code, to individual corporate officers (list of names) for their offices and positions held in said controlled companies	N/A	N/A	N/A	N/A
Options exercised during the year by individual corporate officers (list of names)	Ghislaine Seguin: 8,796	€21.53	12/22/2021	2011 Plan – ANF Immobilier

Stock options granted to the top ten employee beneficiaries (other than corporate officers) and options exercised by them	Total number of options granted/ shares subscribed or purchased	Price	Maturity date	Plan
Options granted in 2016 by the Company and companies in affiliated groups, under the conditions provided for by Article L. 225-180 of the French Commercial Code, to the ten Company employees (other than corporate officers) with the highest number thereof (aggregate information)	N/A	N/A	N/A	N/A
Options held in the Company and in the companies described above, exercised during 2016 by the Company's ten employees (other than corporate officers) with the highest number of shares purchased or subscribed to (aggregate information)	N/A	N/A	N/A	N/A

Options granted in 2016 by the Company and its affiliated companies or groups, under the conditions provided for by Article L. 225-180 of the French Commercial Code, to different categories of beneficiary Company employees: NA.

6. Executive Board's special report on bonus share grants

ANF Immobilier
French limited company (*société anonyme*) with Executive and Supervisory Boards
Capital of €19,009,271
1, rue Georges Berger – 75017 PARIS

Paris trade and companies registry no. 568 801 377

Year ended December 31, 2016

In accordance with the provisions of Article L. 225-197-4 of the French Commercial Code, your Executive Board provides you with information in its special report on the transactions carried out pursuant to the provisions of Articles L. 225-197-1 to L. 225-197-3 of said Code regarding bonus share grants.

During the fiscal year ended December 31, 2016, acting in accordance with (i) the authorization granted by the Extraordinary Shareholders' Meeting of May 11, 2016, in its 24th resolution, and (ii) the authorization granted by the Supervisory Board on March 14, 2016, after hearing the Compensation and Appointments Committee on March 7, 2016, the Executive Board, at its meeting of May 23, 2016, decided to grant 34,000 bonus shares (the "2015 Plan").

Bonus shares granted in 2016 (2015 Plan)

Date of the Extraordinary Shareholders' Meeting	May 11, 2016
Date of the Executive Board's decision	May 23, 2016
Total number of shares granted	34,000
Of which granted to corporate officers	17,000
Corporate officers	
Renaud Haberkorn	11,000
Ghislaine Seguin	6,000
Of which granted to the top ten employee beneficiaries (other than corporate officers)	13,263
Vesting period/Retention period	The bonus shares will not be allocated to the beneficiaries until a vesting period of three years has elapsed, i.e. on May 22, 2019 inclusive. The vesting of the allocated bonus shares is subject to an ANF Immobilier stock market performance condition, which will be determined over a three-year period (currently from May 23, 2016 until May 22, 2019 inclusive) by adding the change in the ANF Immobilier stock price (stock price change) and the value of ordinary dividends paid to the shareholders during the same period (hereafter the "Company's stock market performance"). The Company's stock market performance will be determined as follows: 1) in the amount of 60%, by the stock market performance in absolute value; and 2) in the amount of 40%, by the stock market performance in relative value. The method used to calculate the Company's stock market performance is explained in table no. 6 of Section 5.1.6 of Chapter 3 of the Registration Document. The bonus shares acquired shall be immediately available for each beneficiary following the vesting period.

Shares granted to each corporate officer	Number	Value (€)	Date	Plan
Shares granted in 2016 by the Company and all its affiliates, under the conditions provided for by Article L. 225-197-2 of the French Commercial Code, to each corporate officer (list of names) for their offices and positions held in ANF Immobilier	• Renaud Haberkorn: 11,000 • Ghislaine Seguin: 6,000	99,000 54,000	May 23, 2016	2015 Plan
Shares granted in 2016 to all individual corporate officers of the Company by controlled companies, within the meaning of Article L. 233-16 of the French Commercial Code, for their offices and positions held in them	N/A	N/A	N/A	N/A

Number of bonus shares in the Company granted in 2016 to each of the ten Company employees (other than corporate officers) having received the most bonus shares from the Company and from companies or groupings related to it under the conditions provided for by Article L. 225-197-2 of the French Commercial Code	Value (€)
13,263	268,575.75

Number and value of the bonus shares granted during the year by the Company and the companies mentioned in Article L. 225-197-2 of the French Commercial Code to all employee beneficiaries, as well as number of employees concerned and breakdown of bonus shares granted among categories of beneficiaries:	Value (€)
17,000	344,250

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7. Statutory Auditors' report on the capital reduction

Shareholders' Meeting of May 10, 2017

Resolution 18

ANF Immobilier
Headquarters: 1 rue Georges Berger – 75017 Paris
A French limited company (société anonyme) with a share capital of €19,009,271

Paris Trade and Companies Registry no. 568 801 377

Dear shareholders,

In our capacity as Statutory Auditors of your company, and pursuant to the execution of the mission provided for in Article L. 225-209 of the French Commercial Code in the event of a capital reduction through cancellation of shares purchased, we have prepared this report to provide you with our understanding of the causes and conditions of the envisaged capital reduction.

Your Executive Board has asked you to grant it full powers, for a period of twenty-six (26) months as of this Shareholders' Meeting, to cancel, within the limit of 10% of the share capital per twenty-four (24) month period, the shares purchased as part of the implementation of a share buyback program by the Company for its own shares within the framework of the above-mentioned article.

We have undertaken all the procedures we considered necessary with respect to the auditing standards of the French Institute of Statutory Auditors in order to perform our assignment. These procedures are designed to examine whether the causes and conditions of the envisaged capital reduction, which is not likely to undermine the equality of shareholders, are duly in order.

We have no comment to make concerning the causes and conditions of the envisaged capital reduction.

Signed in Neuilly-sur-Seine and Courbevoie, on March 24, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	**Mazars**
Pierre Clavié	Guillaume Potel

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ADDITIONAL INFORMATION

1. Information relating to the Company

1.1 Information on the Company

1.1.1 Corporate name

ANF Immobilier

1.1.2 Registered office

1, rue Georges Berger, 75017 Paris

Telephone: +33 (0) 1 44 15 01 11

1.1.3 Form and constitution

A French limited liability company (*société anonyme*) with an Executive Board and Supervisory Board, governed by the legal and regulatory provisions in force, including the French Commercial Code, it is registered in the Paris Trade and Companies Registry (RCS) under number 568 801 377. ANF Immobilier's SIRET number is 568 801 377 00157 and its activity code is 7010Z – Activities of Head Offices.

ANF Immobilier was formed on June 25, 1882. Incorporation has been extended until June 23, 2081, except in the event of a dissolution or extension by decision of the Shareholders' Meeting.

1.1.4 Corporate documents

The documents relating to the Company, in particular its Articles of Association, financial statements and reports presented to its Shareholders' Meetings by the Executive Board, the Supervisory Board, or the Statutory Auditors, may be consulted at the registered office.

1.2 Articles of Association

The Articles of Association in force at the date of the Registration Document are reproduced below[(1)].

Article 1 – Company form

The Company is a French corporation (*société anonyme*) with an Executive Board and a Supervisory Board. It is governed by current laws and regulations, including in particular Articles L. 225-57 to L. 225-93 of the French Commercial Code and these Articles of Association.

Article 2 – Corporate name

The corporate name is ANF Immobilier.

Article 3 – Corporate purpose

The Company's purpose is, directly or indirectly, in France and all countries, to:

- acquire by means of purchase, exchange, transfer in kind or by other means, or take a lease or long-term lease on any property, regardless of whether it has already been built;
- build properties or engage in other transactions directly or indirectly related to the construction of such properties;
- finance the acquisition and construction of properties;
- operate, by renting or otherwise, administer and manage all properties on its own account or for the account of third parties;
- dispose of all properties or property rights by sale, exchange, contribution, or other means;
- supply all services to any entities or companies in the Group to which it belongs;
- acquire, manage, or dispose, by any means, of all minority or controlling stakes and, more generally, of all securities, listed or otherwise, and of all moveable and immoveable rights, in France or abroad, in any companies or entities engaged in activities that are in line with its corporate purpose;
- provide guarantees and endorsements to promote the financing of subsidiaries or companies in which the Company holds an investment; and
- more generally, all tangible and intangible, financial, industrial or commercial transactions directly or indirectly related to one of these purposes or any similar or related purpose that might assist the furthering or execution of such transactions.

(1) See the proposed amendments to the Articles of Association presented to the Shareholders' Meeting of May 10, 2017, in Section 2 "Draft resolutions" of Chapter VIII.

Article 4 – Registered office

The registered office is set in Paris (17th) 1, rue Georges Berger.

The Supervisory Board may decide to move the registered office within the same Administrative department or to a neighboring Administrative department, provided such a move is ratified by the next Ordinary Shareholders' Meeting.

Article 5 – Duration

The duration of incorporation has been extended by 99 years from June 24, 1982 to June 23, 2081.

Except in the event of a dissolution by decision of the Extraordinary Shareholders' Meeting, it may be extended.

Article 6 – Share capital

The 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 one euro, fully paid-up and all of the same class.

Article 7 – Shares

Fully paid-up shares can be registered or bearer shares, depending on the choice made by the shareholder.

As an exception to the above, the shares of any shareholder other than an individual owning more than 10% of the Company's dividend rights are to be held in pure registered accounts. They may, however, be converted to bearer form, to allow their subsequent transfer within a maximum of seven (7) trading days, or temporarily for a period not exceeding seven trading (7) days.

The shares are registered in an account under the conditions provided for by law and regulations.

The Company may, at any time, ask any institution or intermediary, under the legal and regulatory conditions in force and subject to the corresponding penalties, to disclose the name or corporate name, and the nationality and address of individuals or entities holding securities with current or future voting rights at the Company's Shareholders' Meetings, as well as the number of securities held by each individual or entity and, if applicable, any restrictions on the securities held.

Article 8 – Information on share capital ownership

Any natural person who, or legal entity that, acting alone or in concert with others, may come to hold, either directly or indirectly, under the terms of Articles L. 233-7 *et seq.* of the French Commercial Code, one percent (1%) or more of the Company's capital or voting rights shall inform the Company whenever it crosses this threshold or each time it increases its holding of the share capital or the voting rights by 1% at least of the share capital or total voting rights, providing the information required under Article L. 233-7-I of the French Commercial Code, particularly the aggregate number of shares, voting rights, securities conferring deferred rights to Company shares that may be issued and the voting rights attached thereto.

The information must be forwarded to the Company no later than five (5) trading days after any acquisition of shares or voting rights which results in one or more thresholds being exceeded.

In the event that a shareholder fails to comply with the provisions of this Article, at the request of one or more shareholders owning at least five percent (5%) of the Company's capital, any shares or voting rights not reported within this deadline shall be barred from voting at any Shareholders' Meeting taking place until the expiration of a two year period following the date on which a declaration of regularization is made.

The foregoing reporting requirement shall also apply whenever the amount of shares or voting rights held falls below the one percent (1%) threshold.

Moreover, in the event that the 10% threshold for the direct or indirect ownership of rights to Company dividends is exceeded, all shareholders other than private individuals are required to state in their declaration that the aforementioned threshold has been exceeded, under their own responsibility, and regardless of whether they are subject to a withholding tax (as defined in Article 24 of the Articles of Association). In the case where such a shareholder states that they are not subject to withholding tax, they will need to provide supporting evidence whenever the Company requests it, it being understood that any supporting evidence thus provided shall not exonerate the shareholder in question from being fully responsible for their statements. All shareholders, other than natural persons, who have indicated that they have exceeded the aforementioned threshold shall inform the Company of any change in the their tax status that would make them subject to or exempt from withholding tax within a short period.

Article 9 – Rights attaching to each share

In addition to the voting right granted by law, each share carries the right to a share of the profits or liquidation surplus that is proportionate to the existing number of shares.

Every time a certain number of shares must be owned to exercise a right, it is the responsibility of those shareholders who do not own that number of shares to make arrangements to pool their shares as required.

Article 10 – Paying up shares

Shares issued to increase the Company's capital and to be paid up in cash are payable in accordance with the conditions set by the Supervisory Board.

Calls for funds are sent to subscribers and shareholders at least 15 (fifteen) days prior to the date set for each payment by a notice placed in an official journal of the area in which its registered office is located, or by individual registered letter.

Any delay in the payment of amounts due on shares that are not fully paid up will automatically result, without the need for any formal procedures, in the payment of interest calculated at the official rate plus two (2) percentage points, for each day after the due date, without prejudice to the personal actions that the Company may take against the defaulting shareholder and the enforcement measures provided for by law.

Article 11 – Composition of the Supervisory Board

1. The Supervisory Board consists of a minimum of three (3) members and a maximum of eighteen (18) members, subject to the derogation provided by law in the event of a merger.

   The members of the Supervisory Board are appointed by the Ordinary Shareholders' Meeting; however, the Supervisory Board may co-opt replacement members in the event that one or more positions become vacant. A replacement member is co-opted for the remaining period of his predecessor's appointment, subject to ratification at the next Shareholders' Meeting.

   The number of Supervisory Board members aged over seventy (70) cannot exceed one third of the number of sitting members of the Supervisory Board in office. When this proportion is exceeded, the oldest member of the Supervisory Board, with the exception of the Chairman, ceases his duties at the end of the next Ordinary Shareholders' Meeting;
2. Throughout their terms of office, each member of the Supervisory Board must own at least two hundred and fifty (250) shares;
3. The members of the Supervisory Board are appointed for a period of four (4) years. They may stand for re-election. The Supervisory Board members' duties end following the Shareholders' Meeting approving the financial statements for the last fiscal year, held in the year during which the term of office expires. However, the duties of current members of the Supervisory Board whose term of office was set at six years shall continue to serve until their term of office expires.

Article 12 – Chairmanship of the Supervisory Board

1. The Supervisory Board elects a Chairman and Vice-Chairman, who must be private individuals, from among its members for their term of office.

It shall set their fixed and variable compensation.

   The Chairman is responsible for convening Board meetings at least four times a year, and for chairing the discussions;
2. The Vice-Chairman fulfills the same role and has the same powers, in the event that the Chairman is detained elsewhere, or where the Chairman has temporarily delegated his powers to him;
3. The Supervisory Board may appoint a secretary from among or outside its members.

Article 13 – Deliberations of the Supervisory Board

1. The members of the Supervisory Board may be convened to its meetings by any means, including verbally.

   The meetings of the Supervisory Board take place at the registered offices or in any other place specified in the notice of meeting. The meetings are chaired by the Chairman of the Supervisory Board or, in his/her absence, by the Vice-Chairman;
2. Supervisory Board meetings shall be held and votes taken in accordance with the quorum and majority rules provided for by law. In the event that votes are tied, the Chairman of the meeting has the casting vote;
3. The Supervisory Board draws up Internal Rules of Procedure that may specify that, except for decisions relating to the appointment or replacement of its Chairman and Vice-Chairman, and those relating to the appointment or dismissal of members of the Executive Board, the members of the Supervisory Board taking part in the meeting by video conference or telephone are deemed to be present for the purposes of quorum and majority, under the conditions allowed or laid down in law and by the regulations in force;
4. Minutes of the Board meetings are taken and copies or excerpts thereof are certified and delivered in accordance with the law.

Article 14 – Powers of the Supervisory Board

1. The Supervisory Board exercises permanent control over the Executive Board's management of the Company;
2. Throughout the year, the Supervisory Board performs the checks and verifications that it deems appropriate, and may require the Executive Board to provide any and all documents that it considers useful for fulfilling its remit.

   At least once a quarter, the Executive Board presents a report to the Supervisory Board outlining the main acts or deeds of Company management, which provides the Supervisory Board with all necessary information on trends in the Company's business, as well as the quarterly and half-yearly financial statements.

   The Executive Board presents the budgets and investment plans to the Supervisory Board every six months.

   At the end of each fiscal year, and within the regulatory timeframe, the Executive Board submits the annual financial statements, the consolidated financial statements and its report to the Shareholders' Meeting to the Supervisory Board for review and verification. The Supervisory Board presents its comments on the Executive Board's report and on the annual, Company, and consolidated financial statements to the Shareholders' Meeting.

   This supervision may not, under any circumstances, give rise to acts of management being carried out directly or indirectly by the Supervisory Board or its members;
3. The Supervisory Board appoints and may dismiss members of the Executive Board, under the conditions provided in law and by Article 17 of these Articles of Association;
4. The Supervisory Board draws up the draft resolutions recommending the appointment of Statutory Auditors to the Shareholders' Meeting, under the conditions specified by law;
5. The following transactions require the prior approval of the Supervisory Board:

   a) transactions pursuant to the legal and regulatory provisions in force:

   - disposal of properties that are immovable by nature,
   - full or partial disposal of investments,
   - constitution of securities, as well as the granting of pledges, endorsements and guarantees,

b) by these Articles of Association:

- proposal of any amendments to the Company's Articles of Association to the Shareholders' Meeting,
- any transactions that may result in an increase or decrease in the Company's share capital, immediately or at a later date, via the issue of securities or the cancellation of shares,
- introduction of any stock option plan, or granting of Company share subscription or purchase options,
- proposal of any share buyback programs to the Shareholders' Meeting,
- proposal of any allocation of earnings, dividend payment, or any interim dividend payment to the Shareholders' Meeting,
- taking or increasing investments in any organization or company, as well as the disposal of such investments, entailing Company investment in excess of twenty million euros (€20,000,000),
- any loan agreement, where the total amount, in one or more installments, exceeds twenty million euros (€20,000,000).

  The following criteria are taken into account when calculating the ceiling of twenty million euros (€20,000,000):

  - the value of the investment made by the Company as it appears in its company financial statements, whether in the form of equity capital or similar instruments, or in the form of shareholder loans or similar instruments,
  - liabilities or similar instruments where the Company gives a specific guarantee or bond for such financing. Other loans taken out by subsidiaries or participating interests, or by an *ad hoc* acquisition company and for which the Company has not provided a specific guarantee or security, are not taken into account when calculating the aforementioned ceiling,

c) any agreement governed by Article L. 225-86 of the French Commercial Code;

6. Within the limit of the amounts it shall determine and according to the conditions and the term it shall establish, the Supervisory Board may authorize the Executive Board in advance to perform one or more of the transactions mentioned under a) and b) of paragraph 4 above;
7. The Supervisory Board may decide to create Internal Committees responsible for reviewing issues referred to them for an opinion by the Supervisory Board or its Chairman. It establishes the composition and appoints such Committees, which act under its authority.

Article 15 – Compensation of Supervisory Board members

Attendance fees may be granted to the Supervisory Board by the Shareholders' Meeting. The Supervisory Board distributes such fees freely among its members.

The Supervisory Board may also award exceptional compensation to members of the Supervisory Board in the cases and under the conditions provided for by law.

Article 16 – Non-voting members

1. The Shareholders' Meeting may appoint non-voting members to assist the Supervisory Board. At most four non-voting members may be appointed, who may or may not be shareholders, for a maximum term of six years. The Supervisory Board establishes their duties and determines their compensation;
2. The age limit for non-voting members is eighty (80). Any non voting member who reaches this age is deemed to have automatically resigned;
3. Non-voting members are called to attend all meetings of the Supervisory Board and to take part in its deliberations, on a consultative basis only. They cannot replace members of the Supervisory Board and may only issue opinions.

Article 17 – Composition of the Executive Board

1. The Company is managed by an Executive Board consisting of two to seven members, who are appointed by the Supervisory Board. The Executive Board exercises its remit under the control of the Supervisory Board, in accordance with the law and the Company's Articles of Association;
2. Members of the Executive Board may be chosen from outside the shareholders. They must be natural persons. They may always be re-elected. No member of the Supervisory Board may be a member of the Executive Board;

   The age limit for a member of the Executive Board is sixty-eight (68). Any member of the Executive Board who reaches this age is deemed to have automatically resigned;

   A member of the Executive Board may have an employment contract with the Company that remains valid throughout the member's term of office and after the expiry of his or her term;
3. The Executive Board is appointed for a term of four (4) years. In the event that a seat becomes vacant, the Supervisory Board, in accordance with the law, appoints a successor for the remaining term of their predecessor's office;
4. A member of the Executive Board may be dismissed either by the Supervisory Board or by the Shareholders' Meeting on the Supervisory Board's proposal. When an appointment is terminated without justification, damages may be awarded. Termination of a member's term on the Executive Board does not lead to the termination of their employment contract.

Article 18 – Chairmanship of the Executive Board Senior Management

1. The Supervisory Board appoints one of the members of the Executive Board as Chairman. He shall hold office for the term of office of the Executive Board. The Chairman represents the Company in dealings with third parties;
2. The Supervisory Board may grant the same authority to represent the Company to one or more members of the Executive Board, who will have the title of Chief Operating Officer;
3. The Supervisory Board may withdraw the office of Chairman, and where relevant, of Chief Operating Officer at any time;

4. As regards third parties, all acts binding the Company are deemed valid when performed by the Chief Executive Officer or a Chief Operating Officer.

Article 19 – Deliberations of the Executive Board

1. The Executive Board meets as often as required by the Company's interests, once a meeting has been called by the Chairman or by at least half of the Executive Board's members, either at the registered offices, or at any other place specified in the notice of meeting. Items may be added to the agenda at the time of the meeting. Notices of meetings may be issued by any means, including verbally;
2. The Chief Executive Officer or, in his absence, the Chief Operating Officer appointed by him, chairs the meetings;
3. The resolutions adopted by the Executive Board are valid only if at least half of its members are present. Decisions are adopted by majority vote of the members present or represented. In the event that votes are tied, the Chairman of the meeting has the casting vote.

   Members of the Executive Board may take part in Executive Board meetings by video conference or by telephone under the conditions authorized by the regulations in force that apply to Supervisory Board meetings. They are then deemed to be present for the calculation of the quorum and majority;
4. Discussions at meetings of the Executive Board are recorded in the form of minutes drawn up in a special register and signed by the members of the Executive Board attending the meeting;
5. The Executive Board sets out the Internal Rules of Procedure for its own operation and notifies the Supervisory Board thereof for information purposes.

Article 20 – Powers and duties of the Executive Board

1. The Executive Board enjoys the most extensive authority to act in the name of the Company in all circumstances, within the limits of the corporate purpose, and subject to the authority expressly conferred on the Shareholders' Meetings and the Supervisory Board by law and by these Articles of Association.

   No restriction on its powers is binding on third parties, and the latter can issue proceedings against the Company, in accordance with the commitments made in its name by the Chief Executive Officer or a Chief Operating Officer, once their appointments have been publicized in accordance with the law;
2. The members of the Executive Board may, with the approval of the Supervisory Board, allocate management tasks among themselves. Under no circumstances, however, may this division relieve the Executive Board of the obligation to meet and discuss the most pertinent Company management issues, nor may it be invoked as grounds for exemption from the joint and several liability of the Executive Board and each of its members;
3. The Executive Board may give power to one or more of its members, or to any person not on the Board, to carry out any special temporary or permanent roles as it determines, and delegate to them such powers as it deems necessary for one or more specific purposes, with or without the option to subdelegate such authority;
4. The Executive Board draws up and presents the quarterly, half-yearly and annual financial statements, budgets and reports to the Supervisory Board, as required by law and paragraph 1 of Article 14 above;

   The Executive Board calls all Shareholders' Meetings, sets their agenda, and executes their decisions;
5. The members of the Executive Board are liable to the Company or to third parties, individually or jointly, depending on the case, either for breaches of the legal provisions governing limited companies, or for breaches of the present Articles of Association, or for mistakes made in their management remit, under the conditions and subject to the penalties specified by the legislation in force.

Article 21 – Compensation of Executive Board members

The Supervisory Board sets the method and amount of compensation paid to each member of the Executive Board, and sets the number and conditions for subscription to or purchase of the shares that may potentially be awarded to them.

Article 22 – Statutory Auditors

Auditors are appointed and perform their engagement in accordance with the law.

Article 23 – Shareholders' Meetings

1. Shareholders' Meetings are convened and held in the conditions provided for by law.

   Notices of meetings called to decide on the payment of dividends distributed will remind shareholders of their duties under Article 8 of the Articles of Association;
2. Each share entitles the holder to one vote. However, double voting rights are carried by all fully paid up shares and for which proof of registration under one shareholder's name for a period of two (2) years is provided. Furthermore, when capital is increased by incorporating reserves, profits, or additional paid-in capital, double voting rights are granted upon issuance, to registered shares granted to a shareholder in respect of existing shares carrying this right;

   Any share which is converted to bearer form, or transferred to another holder loses the double voting right. However, the transfer of ownership by inheritance, liquidation of joint ownership between spouses, or *inter vivos* gift to a spouse or relative who is an heir, does not cause vested rights to be lost and does not interrupt the time period in the preceding clause.

   The voting rights attaching to the shares belong to the income beneficiary in Ordinary Shareholders' Meetings and to the bare owner in Extraordinary Shareholders' Meetings. However, shareholders may agree to allocate voting rights in a different manner at Shareholders' Meetings. In this case, they must notify the Company of their agreement by registered letter sent to the Company's registered office, and the Company must comply with this agreement for all Shareholders' Meetings held one month or more after the postmarked date of the said registered letter;

3. Meetings are held either at the registered offices or in another place specified in the notice of meeting.

   A right to attend the Shareholders' Meetings is conferred by the registration of the shares in the shareholder's name or in the name of the financial intermediary acting on his or her behalf (under the conditions provided for by law) on the second business day prior to the meeting, at midnight (Paris time):

   - for registered shareholders: in the registered share accounts held by the Company,
   - for bearer shareholders: in the bearer share accounts kept by the authorized intermediary, under the conditions provided for by the regulations in force.

   All shareholders may attend the meetings either in person or by proxy. All shareholders may also take part in any meeting by postal vote under the conditions provided for by the legal and regulatory provisions in force. To be taken into account, postal votes must be received by the Company no later than three (3) days prior to the date of the meeting.

   All shareholders, other than natural persons, holding 10% or more of the rights to Company dividends either directly or indirectly, must confirm or refute the information declared pursuant to Article 8, paragraph 4 of the Articles of Association no later than five (5) days prior to the date of the meeting;
4. Meetings are chaired by the Chairman of the Supervisory Board or, in his or her absence, by the Vice-Chairman. If both parties are absent, the meeting elects its own Chairman;
5. Minutes of the meetings are taken and copies or excerpts thereof are certified and delivered in accordance with the law.

Article 24 – Company financial statements – Distributions

The fiscal year commences on January 1 and ends on December 31 of each year.

Where net income for the fiscal year allows it, and after deducting the amounts required to create or build up the legal reserve, the Shareholders' Meeting may, following a proposal by the Executive Board, withhold such amounts as it deems useful, either to carry that amount forward to the following year, or to allocate it to one or more general or specific reserve funds, or to distribute it to shareholders.

The Shareholders' Meeting to approve the financial statements for the fiscal year may opt to grant all shareholders the option of payment in cash or in shares of all or part of the dividend to be distributed or paid in advance, under the conditions provided for by law and regulations in force at the date of its decision.

Any shareholder other than a natural person:

(i) who owns at least 10% of the rights to Company dividends directly or indirectly at the time any dividend is paid; and

(ii) whose specific situation, or that of their partners owning 10% or more of the rights to dividends directly or indirectly, where the payment of any dividend is concerned, renders the Company liable for the 20% withholding tax mentioned under Article 208 C II *ter* of the French General Tax Code (the "withholding tax") (such shareholder being hereinafter described as "Shareholder subject to withholding tax"),

shall owe the Company the amount payable by the Company as withholding tax in respect of the aforementioned distribution when the dividend is paid.

In the absence of a declaration that a threshold has been exceeded under the conditions laid down in Article 8, or in the absence of a statement of confirmation or of the information specified in Article 23.3 within the required timeframe, any shareholder in the Company who owns 10% or more of the rights to Company dividends, either directly or indirectly, on the day dividends are paid, shall be presumed to be subject to withholding tax.

When a number of shareholders are subject to withholding tax, each shareholder subject to withholding tax shall owe the Company the share of the withholding tax payable by the Company to which that shareholder's direct or indirect shareholding shall have given rise. Whether a shareholder is subject to withholding tax is assessed at the time the dividend is paid.

Payment of any dividend to a shareholder subject to withholding tax shall be made via an entry on that shareholders' individual current account (on which no interest is paid), with the current account being credited within five (5) business days from that entry, after offsetting the sums payable to the Company by the shareholder subject to withholding tax under the provisions of this Article.

The Shareholders' Meeting may grant each shareholder the option of payment in cash or in shares for all or part of the dividend paid or to be paid in advance. Where a dividend is paid in shares, a shareholder subject to withholding tax shall receive a portion in shares and the rest in cash (with that portion being paid *via* an entry on an individual current account), so that the offsetting mechanism described above may be applied to the portion of the dividend paid by entry in an individual current account, it being specified that no fractional shares shall be created and that the shareholder subject to withholding tax shall receive an amount in cash equal to the value of any fractional shares.

Article 25 – Dissolution and liquidation

On the dissolution of the Company, one or more liquidators shall be appointed by the Shareholders' Meeting voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings.

The liquidator shall represent the Company. He is vested with the widest powers possible to liquidate assets, even by amicable settlement. The liquidator is empowered to pay creditors and to distribute the remaining balance.

The Shareholders' Meeting may authorize the liquidator to continue current business or to embark on new business for the purposes of the liquidation.

Article 26 – Disputes

Any disputes that may arise during the life of the Company or during its liquidation between either the Company and its shareholders or between the shareholders themselves relating to corporate issues, will be submitted to the competent courts of the location of the registered office.

2. Regulatory environment

2.1 Tax regime

On April 28, 2006, the Company opted for the SIIC (listed real estate investment company) regime, with effect from January 1, 2006.

2.1.1 Consequences of opting for the SIIC tax regime

Opting for the SIIC regime led to a partial termination of business, as the Company ceased to be subject to corporate income tax. This termination of business primarily resulted in an immediate tax charge (exit tax) of €65.2 million[1], payable in four equal installments on December 15, 2006, 2007, 2008, and 2009.

2.1.2 SIIC tax regime

SIICs and their subsidiaries that have opted for the SIIC regime are exempt from corporate income tax on that part of their profits arising from:

- the leasing of property and subleasing of leased property or property for which possession has been temporarily granted by the French government, a local authority, or one of their public agencies, on the condition that 95% of these profits be paid out before the end of the fiscal year following that in which they were realized;
- gains on the disposal of property, rights relating to a property finance lease agreement, investments in partnerships with the same purpose as SIICs, or in the shares of subsidiaries that have opted for the SIIC regime, on condition that 60% of these gains be paid out before the end of the second fiscal year following that in which they were realized;
- dividends received from subsidiaries that have opted for the SIIC regime, or from another SIIC, in which the Company has owned at least 5% of the share capital and voting rights for at least two years, on condition that these dividends be paid out in full in the fiscal year following the one in which they were received.

Distributions outside the Group constituted by a SIIC regime and its subsidiaries that opted for the SIIC tax regime, to individual and corporate entity shareholders are, in principle, subject to an additional corporation tax contribution of 3% in respect of the amounts paid out. Distributions by SIIC regime companies to comply with their dividend payout obligations are, however, exempt from the 3% contribution.

SIICs are not subject to rules requiring exclusivity of purpose. If the Company operates other businesses that are ancillary to its primary business purpose, such as estate agent or property developer, this is unlikely to result in its losing the benefits of this regime.

2.1.3 Ownership of the capital of SIICs

Since January 1, 2010, one or more shareholders acting in concert cannot own, either directly or indirectly, more than 60% of the Company's capital or voting rights. This limit may be exceeded following a restricted number of transactions (tender offers, certain restructuring transactions or the conversion or redemption of bonds into shares), provided the ownership percentage is brought back under 60% prior to the deadline for registering the statement of earnings for the fiscal year.

If the 60% ownership threshold is not complied with during a fiscal year, and only once in a ten-year period, the SIIC regime would only be suspended, provided that the ownership threshold is once again complied with by the end of the same fiscal year in which it was exceeded. During the suspension period, the Company would be taxed at the corporate income tax rate applicable under common law for that period (subject to a specific rule on gains on the disposal of properties) but would not lose its status as an SIIC. Following the re-application of the SIIC status, a 19% tax rate would apply to the unrealized gains on assets in the sector exempt during the suspension period.

Non-compliance with the ownership threshold after the end of the fiscal year in which it was exceeded, or further non-compliance in another fiscal year within a ten-year period following the application of the SIIC status within the next ten-year period (for a reason other than a tender offer, certain restructuring transactions or the conversion or redemption of bonds into shares), the SIIC status will no longer apply.

As of December 31, 2016, Eurazeo held 50.48% of ANF Immobilier's capital stock and 52.63% of its voting rights[2].

2.1.4 20% withholding tax

Since July 1, 2007, in cases where income is paid out by a SIIC to a shareholder other than a private natural person that directly or indirectly owns at least 10% of its share capital, and where the income received is not subject to corporate income tax or an equivalent tax, the SIIC making the pay-out must pay a withholding tax equivalent to 20% of the amount paid to that shareholder and withheld from income exempt from tax under the SIIC regime, before any potential withholding tax deduction.

(1) Corresponding to 16.5% of the difference between the market value and the tax value of the real estate assets held at the time of opting for the SIIC tax regime (i.e. €395.1 million).

(2) Eurazeo holds 52.63% of ANF Immobilier's voting rights, based on all the shares, including those deprived of voting rights pursuant to Article L. 233-8-II of the French Commercial Code.

In the event of pay-outs giving rise to payment of this 20% withholding tax, Article 24 of the Company's Articles of Association specifies a mechanism for repaying the Company, which entails that the expenses of any such withholding tax falls on the shareholders receiving the pay-out that have given rise to the 20% withholding tax (see "Rights attaching to shares" in Section 1.2 "Articles of Association" in Chapter 9 of the Registration Document).

2.1.5 Loss of SIIC tax regime status

Failure to comply with the conditions of access to the SIIC regime in the fiscal years that follow the adoption of said regime, or, in certain cases, with the 60% ownership threshold, will cause the Company, and therefore any subsidiaries which had opted for this regime, to be withdrawn from the SIIC regime.

As the Company entered the SIIC tax regime with effect on January 1, 2006, its possible exit from the regime would necessarily take place more than ten years after it having opted for the regime. Consequently, although the terms of Article 208 IV of the French General Tax Code seem to stipulate that the Company itself does not risk being sanctioned in the event of exit from the SIIC regime without a previous suspension period, the published administrative doctrine does not seem to exclude that this exit, even after a ten-year period spent in the exemption scheme, may entail reintegration into the fiscal year's taxable income of the sums exempt during the SIIC period which were not effectively distributed consecutively to a suspension period, and that these sums may be, in addition to the possible sanction mentioned above, liable to pay the 19% tax on unrealized capital gains acquired on the assets of the exempt sector during the suspension period.

2.1.6 Sales to a SIIC or to a subsidiary of a SIIC

Until December 31, 2011, Article 210 E of the French General Tax Code provided for a reduced tax rate on gains on the disposal of properties, certain property rights or real estate company securities once the disposal is carried out specifically in favor of a company benefiting from the SIIC regime or a subsidiary that is at least 95%-owned by one or more SIICs having opted for the SIIC regime.

Application of the regime specified in Article 210E of the French General Tax Code was specifically subject to a commitment by the acquirer to retain the properties thus acquired for five years. Failure to comply with the commitment does not mean that the reduced tax rate applied to the assignor is compromised, but does mean that the assignee company is liable for a fine amounting to 25% of the asset's acquisition value.

2.2 Regulations applying to ownership of the Company's property assets

In carrying out its business, the Company is specifically subject to the following regulations:

- **public health law:**
  - the Company has to detect asbestos and, where necessary, remove it pursuant to Articles R. 1334-14 to R. 1334-29-9 and R. 1337-2 to R. 1337-5 of the French Public Health Code. Moreover, when it sells or rents a property for which the building permit was issued before July 1, 1997, it must produce a technical asbestos report as provided for in Articles R. 1334-14 *et seq.* of the French Public Health Code,
  - when its sells or rents a property that is assigned for residential use in whole or in part, and was built in an area at risk of exposure to lead before 1949, as identified by the department Prefect, the Company is also required to append a report on the risk of exposure to lead to the sale contract (Articles L. 1334-5 *et seq.* of the French Public Health Code);
- **environmental law:**
  - in cases where sites owned by the Company are classified by an administrative act as being in an area covered by a technological risk prevention plan, by a foreseeable natural risk prevention plan or as being in an earthquake zone, the Company is required, pursuant to Articles L. 125-5 and R. 125-23 *et seq.* of the French Environmental Code, to inform the tenants or buyers, including through a statement of natural and technological risks prepared from information provided by the department Prefect,
  - some facilities may also be subject to French regulations governing Classified Facilities for the Protection of the Environment (ICPE);
- **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 in accordance with Articles L. 214-1 *et seq.* and R. 214-1 *et seq.* of the French Environment Code,
  - property owners have obligations related to waste water collection and treatment: they are notably responsible for connecting their buildings to public collection systems and installing a waste water treatment facility for buildings that are not connected to such a system, in accordance with Articles L. 1331-1 *et seq.* of the French Public Health Code and Articles L. 2224-7 *et seq.* of the French General Local Authorities Code;

- **compliance with the safety and accessibility standards pertaining to disabled persons and applicable to establishments open to the public and to high-rise buildings:** properties that the Company owns or operates and which are to be open to the public must, notably, be equipped and operated under the conditions defined in Articles R. 123-1 *et seq.* of the French Building Code, in order to prevent risks of fire and panic, and Articles R. 111-19 *et seq.* of said code which relate to access for disabled persons and the conditions for their evacuation. In accordance with the provisions of Order no. 2014-1090 of September 26, 2014, codified in Articles L. 111-7-5 *et seq.* of the French Building Code, the owner or operator of a building or a facility open to the public that did not meet the accessibility requirements at December 31, 2014 had to develop a "scheduled accessibility agenda" by the end of September 2015, to be executed within a period of three years from its approval. Opening an establishment to the public also requires authorization from the mayor, who rules after receiving an opinion of the safety and accessibility commissions. These establishments are then visited periodically for unannounced inspections by the competent safety commission to ascertain whether they comply with safety and accessibility standards. In addition, high-rise buildings owned by the Company must be equipped and operated under the provisions of Articles R. 122-1 *et seq.* of the French Building Code;
- **energy efficiency assessment:** when a property is rented or sold, an energy efficiency review is conducted, as specified in Articles R. 134-1 to R. 134-5-6 of the French Building Code;
- **assessment of internal gas and electrical installations:** when part or all of a residential property including an internal domestic gas and/or electrical system installed over 15 years ago is sold, an installation report is produced by the seller, as defined in Articles R. 134-6 to R. 134-9 (interior gas installation report) and R. 134-10 to R. 134-13 (interior electrical installation report) of the French Building Code;
- **report on the presence of termites:** when it sells a property located in an area identified by the prefect as contaminated by termites or liable to be contaminated by termites in the short term, the Company must draw up a report on the presence of termites, in accordance with Article L. 133-6 of the French Building Code;
- **prevention and treatment of dry rot:** in the event of sale of all or part of a built property located in an area identified under the terms of Article L. 133-8 of the French Building Code, information on the presence of a risk of dry rot is provided in accordance with the terms and conditions stipulated in Article L. 271-4 of said code;
- **commercial lease law:** in conducting its business, the Company is also subject to the regulations on commercial leases. Commercial leases are governed by Articles L. 145-1 *et seq.* and R. 145-1 *et seq.* of the French Commercial Code; in this context, it should be noted that law no. 2014-626 of June 18, 2014 on crafts, 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;
- **residential lease law:** the vast majority of leases for premises used as principal residences or used for mixed professional and principle residence purposes, as well as leases granted for garages, parking spaces, gardens and other premises leased in addition to the main premises by the same lessor are subject to law no. 89-462 of July 6, 1989;
- **property finance lease law:** property finance leases are governed, in particular, by Articles L. 313-7 *et seq.* and R. 313-3 *et seq.* of the French Monetary and Financial Code. A financial lease contract is essentially a financing technique that includes both a lease and an option to purchase the leased property asset no later than upon expiration of the lease;
- **compliance with the requirements of law no. 2010-788 of July 12, 2010, known as the "Grenelle 2" law, modified by law no. 2015-992 of August 17, 2015 on Energy Transition for Green Growth:** the Company is subject to an obligation to carry out energy performance improvement work in existing buildings (Article L. 111-10-3 of the French Building Code), so that final energy consumption is reduced by at least 60% by 2050 compared to 2010 for the entire portfolio concerned. The implementation decrees for this law, which shall determine, for each decade, the nature of these obligations and the insulation criteria or energy efficiency levels that must be complied with, have yet to be published. These works are likely to take the form of thermal insulation works (on the roof, walls, glass walls and external doors), or works on heating, domestic hot water, cooling, ventilation and lighting systems. A certificate of compliance with this obligation shall be drawn up and appended to sales and letting agreements.

When a property is sold, all information and documents required by the provisions mentioned above, with the exception of safety standards and the disabled persons access standards applicable to public buildings, are grouped in the technical assessment file defined in Articles L. 271-4 *et seq.* of the French Building Code and supplied by the seller in the event of a sale of all or part of an existing building.

For the leasing of premises intended for residential use or for mixed business and residential use, most of the information and documents required by the provisions mentioned above, with the exception of safety standards, the disabled persons access standards applicable to public buildings and the termite report, are grouped in the technical assessment file defined in Article 3-3 of law no. 89-462 of July 6, 1989 and provided by the lessor in the appendix to the lease, when the lease is first signed or renewed.

In addition, leases agreed or renewed after January 1, 2012, and which involve premises of over 2,000 sq.m. to be used as offices or retail premises, must include an environmental annex, pursuant to Article L. 125-9 of the French Environmental Code. Starting from July 14, 2013, this obligation will apply equally to leases concluded or renewed before January 1, 2012. Furthermore, Articles R. 137-1 to R. 137-3 of the French Building Code specify that the environmental annex should include, notably, the following information:

- **information provided by the lessor:** list, complete description, energy features and annual consumption of existing equipment in the building and pertaining to waste treatment, heating, air conditioning, ventilation, and lighting as well as any other system associated with the building's characteristics;
- **information provided by the tenant:** list, complete description, energy features and annual consumption of existing equipment implemented in the rented locations and pertaining to waste treatment, heating, air conditioning, ventilation, and lighting as well as any other system associated with its specific activity.

Article R. 137-3 of the French Building Code also requires the lessor and the tenant to prepare a report illustrating the change in the building and rented locations' energy and environmental performance and their undertaking, based on this report, an action program aiming to improve the energy and environmental performance of the building and rented locations.

3. Major contracts

3.1. Financing contracts

On April 13, 2015, in the context of the "New Way" building acquisition transaction through its subsidiary New Way, ANF Immobilier negotiated and was granted a seven-year mortgage by Crédit Lyonnais and Caisse Régionale de Crédit Agricole Mutuel Centre-Est in the amount of €19 million. The agreement provides for compliance with an LTV ratio (net debt over the revalued real estate value) less than or equal to 60%, a consolidated LTV ratio less than or equal to 55%, and a Debt Servicing Coverage Ratio (DSCR) greater than or equal to 1.2.

On December 15, 2014, in the context of the development of its hotel business through its subsidiary ANF Immobilier Hôtels, ANF Immobilier negotiated and was granted a seven-year mortgage by Caisse d'Epargne Provence-Alpes-Corse in the amount of €6 million. The agreement provides for compliance with an LTV ratio less than or equal to 50% and an ICR ratio greater than or equal to 2.0.

On October 6, 2014, in the context of the "Lyon-Areva" acquisition transaction through its subsidiaries SCI Lafayette and SCI Stratège, ANF Immobilier negotiated and was granted a five-year loan by HSBC France in the amount of €50 million. The agreement provides for compliance with a loan-to-value ratio (LTV – net debt over revalued property portfolio value) less than or equal to 60%, a consolidated LTV ratio less than or equal to 50% and consolidated interest coverage ratio ("consolidated ICR" – EBITDA over net financial income/expenses) greater than or equal to 2.0.

On June 27, 2014, as part of its hotel properties development project through its subsidiary ANF Immobilier Hôtels, ANF Immobilier negotiated and was granted a seven-year mortgage by Caisse d'Epargne Provence-Alpes-Corse, BPI France and CIC in the amount of €42 million, divided into two tranches (existing hotels/hotels under development). The agreement provides for compliance with an LTV ratio less than or equal to 50% and an ICR ratio greater than or equal to 2.0.

In May 2014, ANF Immobilier was granted a €400 million seven-year mortgage by a bank syndicate consisting of BNP Paribas, BECM, Crédit Agricole CIB and Natixis as the lead bank. The agreement provides for compliance with a consolidated LTV ratio less than or equal to 50% and a consolidated ICR ratio greater than or equal to 2.0. This loan replaces three lines of credit (including the long-standing line of €250 million maturing in June 2014) for a total amount of €340 million and provides €60 million for the ANF Immobilier's redeployment.

On February 18, 2014, as part of the "Future Way" development project through its subsidiary SCI Future Way, ANF Immobilier negotiated and was granted a seven-year mortgage by Caisse Régionale de Crédit Agricole Mutuel Centre Est in the amount of €14 million. The agreement provides for compliance with a consolidated LTV ratio less than or equal to 50% and a consolidated ICR ratio greater than or equal to 2.0.

On September 1, 2016, ANF Immobilier, within the context of its "Quai 8.2" development and through its subsidiaries, SCI Factor E and SCI Orianz, negotiated and was granted a 7-year mortgage for €56 million by Caisse d'Epargne Provence-Alpes-Corse. The agreement provides for compliance with an LTV ratio less than or equal to 57.5% and an ICR ratio greater than or equal to 2.0, subject to conditions.

3.2 Service agreement

On December 20, 2005, ANF Immobilier signed a service provision agreement with Eurazeo, under the terms of which Eurazeo undertook to provide general assistance to ANF Immobilier, in order to help the Company achieve the aims established and agreed by the Supervisory and Executive Boards. This agreement was for a term of one year from January 1.

The compensation received by Eurazeo amounted to all costs and expenses incurred by Eurazeo as part of the services provided to ANF Immobilier.

For the year ended December 31, 2014, the amount paid by ANF Immobilier under this service agreement was €303,900, excluding tax (paid in 2015).

The Supervisory Board of March 3, 2015, authorized the signing of a new service agreement between ANF Immobilier and Eurazeo for the provision of reciprocal services between the two companies for a one-year period, renewable by tacit agreement.

Under the terms of this agreement, signed on March 16, 2015, (i) Eurazeo will provide administrative services for ANF Immobilier and (ii) ANF Immobilier will provide Eurazeo with assistance on real estate matters. In consideration for the services provided, Eurazeo received annual compensation, excluding taxes, in respect of the 2015 and 2016 fiscal years, of respectively €375,000 and €342,000. Based on time spent, ANF Immobilier received compensation of €34,854, excluding taxes, in respect of the 2015 fiscal year and €34,854, excluding taxes, in respect of the 2016 fiscal year. See Section 9 of the "Special report of the Statutory Auditors on Regulated Agreements and Commitments" in Chapter 3 of the Registration Document.

4. Dependence on patents and licenses

ANF Immobilier is not engaged in any research and development activity and does not own any patents or licenses.

5. Appraisals

BNP PARIBAS REAL ESTATE

Condensed report – ANF Immobilier's property portfolio – Appraisal campaign as of December 31, 2016

1. General appraisal assignment background

1.1 General framework

BNP PARIBAS REAL ESTATE VALUATION FRANCE, a member of the French Association of Property Appraisers (AFREXIM) and a signatory to the French Property Appraisal Charter, has been assigned for two years, following the signature of an agreement on March 6, 2015 by Renaud Haberkorn, acting in his capacity as Chief Executive Officer of ANF Immobilier.

BNP PARIBAS REAL ESTATE VALUATION FRANCE, a French Simplified limited company (*société par actions simplifiée*) that is a wholly-owned subsidiary of BNP Paribas, primarily aims to provide expert real estate market appraisals (sale and rental values), and value-in-use, restoration value, and lease rights appraisals. It has the appropriate organizational structure, level of expertise and human and material resources for the size and type of the expert appraisals described in the aforementioned agreement.

This assignment represents 0.46% of BNP PARIBAS REAL ESTATE VALUATION FRANCE's annual revenues.

No conflict of interest was recognized in relation to this assignment.

The assignment was performed in order to comply with the recommendations issued by the AMF on February 8, 2010 regarding the description of the appraisal data for and the risks to the real estate assets of public listed companies.

1.2 Assignment

Given their current occupancy conditions:

- update the market value, on the basis of documents and without new on-site inspections, of 89 real estate assets belonging to ANF IMMOBILIER's portfolio, at the value date as of December 31, 2016.

The real estate assets involved are included in a real estate portfolio, the value of which has been fully or partially estimated by BNP PARIBAS REAL ESTATE VALUATION FRANCE, on June 30 and December 31 each year since December 31, 2007.

The assignment entrusted to BNP PARIBAS REAL ESTATE VALUATION FRANCE covers 89 real estate assets, 88 of which are investment properties and one of which is a property under development (Desbief).

Each asset is visited every five years.

It should be noted that when finance leases are concluded by the real estate investment company, the appraiser assesses only the assets underlying the agreement and not the lease agreement. Similarly, for real estate assets owned by a special purpose company, their value is estimated on the assumption that the underlying asset is sold and not the Company.

Method of ownership	No. of assets
Fully owned	88
Co-ownership	0
Undivided co-ownership	0
Construction lease	0
Other (AOT – Nautilus in Bordeaux)	1

Asset category	No. of assets
Offices	7
Retail	13
Residential	1
Offices + Retail	5
Residential + Retail	34
Offices + Residential	2
Investment properties (Res + Offic + Ret)	21
Land	1
Car parks	5

Geographic location	No. of asset
Rhône-Alpes (Lyon)	5
South-East (Marseille)	80
South-West (Bordeaux)	4

9

2. Conditions of execution

2.1 Items under consideration

This assignment was performed based on documents and information that were disclosed to us, all of which we assume to be true. These documents are meant to be a representative sample of all the information and documents likely to have an impact on the market value of the property that the real estate investment company has in their possession or is aware of.

2.2 Accounting basis

The appraisal and valuation work was performed in accordance with:

- The national guidelines:
  - the recommendations of the Barthès de Ruyter report on the valuation of real estate assets owned by listed companies who issued debt securities, which was published in February 2000,
  - the French Property Appraisal Charter,
  - the principles set out by the SIIC Code of Professional Conduct;
- The following international standards recognized alternatively/cumulatively:
  - the European Valuation Standards, published by The European Group of Valuers' Associations (TEGoVA),
  - the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors (RICS),
  - the International Valuation Standards of the International Valuation Standards Council.

2.3 Methodology

The market value of the properties was estimated using the following methods:

- the comparison method;
- the income method;
- the so-called developer's balance sheet method (only applied to buildings under construction).

3. Overall market value as of December 31, 2016

The overall market value corresponds to the sum of the individual values of each asset.

Total value as %:

€599,879,803 excluding expenses and transfer taxes

€630,572,069 including expenses and transfer taxes

Distributed as follows:

Method of ownership	No. of assets
Fully owned	94.6%
Co-ownership	0
Undivided co-ownership	0
Construction lease	0
Other (AOT – Nautilus in Bordeaux)	5.4%

Asset category	No. of assets
Offices	31.55%
Retail	2.36%
Residential	0.01%
Offices + Retail	21.27%
Residential + Retail	16.94%
Offices + Residential	0.88%
Investment properties (Res + Offic + Ret)	20.45%
Land	2.08%
Car parks	4.46%

Geographic location	No. of asset
Rhône-Alpes (Lyon)	19.44%
South-East (Marseille)	56.90%
South-West (Bordeaux)	23.65%

These values assume that the market remains stable and that no major changes are made to the properties between the appraisal performance date and the value date.

This condensed report forms an integral part of the overall work performed as part of the appraisal assignment, as well as of the introduction to the detailed report.

Issy-Les-Moulineaux, February 27, 2017.

Jean-Claude Dubois

Chairman

Real value in a changing world

Condensed report – Document-based appraisals and updates – Value date: December 31, 2016

1. General assignment background

1.1 General framework

1.1.1 Reference to the contract between the appraiser and its client

According to the proposed engagement, dated February 15, 2015, and its amending riders, signed by Renaud Haberkorn from ANF Immobilier for a two-year term, Jones Lang LaSalle Expertises SAS was asked to estimate the fair value, as is, of a portfolio almost exclusively concentrated on Haussmann-style properties located in Lyon and Marseille.

We have reviewed these assets within the context of your Company's accounting records according to IFRS, as of December 31, 2016.

In particular, our assignment is consistent with IFRS 13, which governs the determination of fair value for any fiscal year beginning on or after January 1, 2013.

1.1.2 Independence and expertise of the appraisal company

Jones Lang LaSalle Expertises acted as an independent appraiser for the purposes of this assignment to estimate the fair value of these property assets.

We are not acting as an external appraiser within the meaning of the AIFM directive, nor as an expert of the Company itself. It is not our responsibility to appraise the Company's net present value. Our report is intended for the Company's internal purposes and it cannot be used as a basis for claims by third parties. Our overall liability for this assignment is limited to €5,000,000.

We hereby confirm that Jones Lang LaSalle Expertises has the expertise and market knowledge required to estimate the value of the assets appraised.

In accordance with the RICS requirements, we hereby inform you that the fees received from ANF represented less than 5% of the total amount of fees received by Jones Lang LaSalle Expertises in France for the second half of 2016.

1.1.3 Conflict of interest

Jones Lang LaSalle Expertises did not identify any conflict of interest in carrying out this assignment, either with regard to the parties concerned or to the property assets and rights appraised.

1.1.4 Compliance with the AMF recommendation

The assignment complies with the recommendation issued by the AMF on February 8, 2010 regarding the description of the appraisal data for and the risks to the real estate assets of public listed companies.

1.2 Current assignment

1.2.1 Type of assignment

All of the properties appraised by Jones Lang LaSalle Expertises were visited (exterior areas, some units, and common areas) during the first appraisal in December 2007 and then again in June 2011 and June 2012 for the new assets entering into our scope of study.

A summary report was drawn up for each property. At a later stage, a group of properties was revisited during each six-monthly campaign.

Within the framework of this appraisal as of December 31, 2016, the following buildings of the property portfolio in Marseille had been visited:

- 40, rue de la République;
- 1, rue Henry Fiocca;
- 16, rue de la République;
- 29, rue de la République;
- 31, rue de la République;
- 4, place Carnot.

The following buildings of the property portfolio in Lyon had been visited:

Banque de France building under development (retail premises delivered, offices under construction);

New Way (Delivery to tenant).

1.2.2 Determined value

We carried out our appraisal assignment in accordance with the RICS valuation standards, the French Real Estate Appraisal Charter (fourth edition of October 2012) and the AMF report of February 3, 2000 (known as the Barthès de Ruyter report).

We conducted the appraisal by taking into account the "General Appraisal Principles" a copy of which is attached hereto as Annex.

We have assumed that the property assets were free of all mortgages, leases and encumbrances.

Given the aforementioned purpose of the assignment, the value was estimated according to the fair value method under IFRS 13.

IFRS 13 defines **fair value** as "The price that would be received when selling an asset or paid when transferring a liability in an arm's length transaction between market participants as of the appraisal date".

Professional bodies agree that fair value is virtually identical to market value, as defined by the Royal Institution of Chartered Surveyors (RICS) and the *Charte de l'expertise immobilière* (the French Real Estate Appraisal Charter).

According to the French Real Estate Appraisal Charter (the fourth edition of which was published in October 2012), "market value is the estimated amount for which a property would be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after appropriate marketing, and where the parties have both acted knowledgeably, cautiously, and without pressure".

As a result, a market value appraisal is performed under the following conditions:

- the free will of the seller and buyer;
- the availability of a reasonable time frame for the negotiation, given the nature of the asset and the market situation;
- the fact that the asset has been offered for sale under usual market conditions, with no restrictions and using the appropriate resources;
- the absence of personal interest factors and the concept of a balanced negotiation.

We assumed that the properties reviewed comply with the building permit and have all the administrative authorizations needed for the activities and assignments disclosed and fulfilled.

The values quoted do not include any costs to sell, or taxes and related fees.

We would like to point out that Jones Lang LaSalle Expertises acted as a real estate appraiser and estimated only the value of real estate assets.

Its role was thus limited to the assessment of the market value of real estate assets in accordance with the French Real Estate Appraisal Charter. JLL Expertises has not assessed the calculation of the NPV of the assets or the net value of the Company, which were the responsibility of the latter.

1.2.3 Value date

We have measured the values as of December 31, 2016. Our appraisal report was finalized on December 20, 2016; therefore these values were stated before December 31, 2016.

Some values were finalized before the value date. We can reserve the right to review our values in the event that significant events occur that could have an impact on the value. With the benefit of hindsight, we estimate that the values stated prior to December 31, 2016 remain consistent with a value date of December 31, 2016.

1.2.4 Scope

The appraisal involves assets in Lyon (6 buildings) and mainly in Marseille (73), which are used for commercial, office and residential purposes. These mostly mixed-use properties, built in the "Haussmann" style, are leased to several tenants. All these properties are held as investment properties by ANF Immobilier.

2. Conditions of execution

2.1 Items under consideration

This assignment was performed on the basis of documents and information that were disclosed to us and that we assume to be true, and that are meant to be a representative sample of all the information and documents likely to have an impact on the market value of the property that the client has in their possession or is aware of.

Jones Lang LaSalle Expertises' assignment consisted in the following:

- to review the information supplied by our client;
- to visit the property assets (only those that have been redeveloped or where work was in progress);
- to gather the relevant information regarding the market in question;
- to prepare our valuations and send them to the client as a report.

2.2 Accounting basis

The appraisal and valuation work was performed in accordance with:

- the following national guidelines:
  - the recommendations of the Barthès de Ruyter report on the valuation of real estate assets owned by listed companies who issued debt securities, which was published in February 2000,
  - the French Real Estate Appraisal Charter (fourth edition of October 2012),
  - the principles set out by the SIIC Code of Professional Conduct;
- the following international guidelines:
  - the TEGoVA European appraisal standards,
  - together with the standards specified in the Red Book published *by the Royal Institution of Chartered Surveyors*,
  - the International Valuation Standards (IVS).

2.3 Selected methodology

We used two methods, the capitalization and comparison methods.

The retained value in almost all cases corresponds to 50% of the value obtained via the capitalization method plus 50% of the value obtained via the comparison method.

3. Overall market value

The overall market value corresponds to the sum of the individual value for each asset.

Market value: €448,335,000 (rounded), excluding expenses and transfer duties.

(Four hundred and forty-eight million three hundred and thirty-five thousand euros (rounded), excluding expenses and transfer duties).

This value assumes that the market remains stable and that no major changes are made to the properties between the appraisal performance date and the value date (see Section 1.2.3.).

4. Comments

The ANF Immobilier real estate portfolio reviewed by us has benefited from stable or positive trends in the investment or rental market as a whole (particularly for modern, well situated commercial properties that benefit from secure income streams).

To take into account the macroeconomic conditions of the residential market, where the number of transactions is stable or even slightly up (interest rates remaining low, prices slightly up), we have factored in stable prices overall for this asset class.

The market for street-level, city-center retail premises on shopping streets is always popular among investors. Brands are, however, still negatively affected by the general downturn in consumption.

In Marseille, in a context of oversupply of available commercial premises, we noted a certain number of trends concerning commercial units. New leases are often concluded at lower rent levels than the previous lease.

Renovated city-center offices located downtown in Haussmann-style buildings record very low vacancy rates and rents at the top end of the range. These assets are sought by both investors and buyers-users. For instance, the Silky Way, New Way and Banque de France properties in Lyon are currently prime assets in the Lyon investment market.

Moreover, the ANF Immobilier properties reviewed by us have benefited from significant management services work conducted by ANF Immobilier, with the aim of raising rental income through lease renewals and the release of vacant units. Significant real estate improvement works have been underway for several years. We noted a significant reduction in residential vacancies in 2016.

This condensed report forms an integral part of the overall work performed as part of the appraisal assignment.

Paris, March 3, 2017

Gareth Sellars, Chairman

On behalf of Jones Lang LaSalle Expertises

Christophe Adam, Director

On behalf of Jones Lang LaSalle Expertises

6. Legal and arbitration proceedings

Current litigation proceedings are shown in Note 7 to the consolidated financial statements and in Note 9 to the annual financial statements for the year ended on December 31, 2016.

To the best of the Company's knowledge, there are no other government, court, or arbitration proceedings pending or threatened that might have a material effect on the Company's and/or the ANF Immobilier Group's financial position or profitability, or that have had such an effect over the past 12 months.

7. Statement by the person responsible for the Registration Document

"Paris, April 12, 2017

I hereby declare that having taken all reasonable care to ensure that such is the case, the information contained in this Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omissions likely to affect its scope.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true picture of the assets and liabilities, financial positions and income of the Company and of all consolidated companies, and that the management report in this Registration Document, as mentioned in the concordance table in Chapter 9 of the Registration Document, presents a true picture of the business development, earnings and financial position of the Company and of and all the consolidated companies, and that it addresses the main risks and uncertainties that they face.

I have received an end-of-assignment letter from the Statutory Auditors, in which they state that they have checked the information relating to the Company's financial position and the financial statements provided in this Registration Document, and that they have read this Registration Document in its entirety."

Renaud Haberkorn

Chief Executive Officer of ANF Immobilier

8. Persons responsible for the audit of the financial statements

8.1 Primary Statutory Auditors

- PricewaterhouseCoopers Audit, domiciled at 63, rue de Villiers – 92208 Neuilly-sur-Seine Cedex, France, represented by Pierre Clavié.

  Date of first appointment: Appointment by the Shareholders' Meeting of June 21, 1991.

  Date of term renewal: Ordinary and Extraordinary Shareholders' Meeting of May 6, 2015.

  The current term of office expires at the Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2020.

  PricewaterhouseCoopers Audit is a member of the Versailles Regional Chamber of Statutory Auditors.

- Mazars, domiciled at 61, rue Henri Regnault – 92075 La Défense Cedex, France, represented by Guillaume Potel.

  Date of first appointment: Appointment by the Shareholders' Meeting of May 25, 1994.

  Date of term renewal: Ordinary and Extraordinary Shareholders' Meeting of May 3, 2012.

  The current term of office expires at the Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2017.

  Mazars is a member of the Versailles Regional Chamber of Statutory Auditors.

8.2 Alternate Statutory Auditors

- Jean-Christophe Georghiou, domiciled at 63, rue de Villiers – 92208 Neuilly-sur-Seine Cedex.

  Date of first appointment: Appointment by the Ordinary and Extraordinary Shareholders' Meeting of May 6, 2015.

  The current term of office expires at the Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2020.

- Jean-Louis Simon, domiciled at 61, rue Henri Regnault – 92075 La Défense Cedex.

  Date of first appointment: Appointment by the Shareholders' Meeting of June 4, 2004.

  Date of term renewal: Ordinary and Extraordinary Shareholders' Meeting of May 3, 2012.

  The current term of office expires at the Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2017.

9. Person responsible for the financial information

Renaud Haberkorn – Chief Executive Officer
Address: 1, rue Georges Berger, 75017 Paris
E-mail: rhaberkorn@anf-immobilier.com

10. Financial information calendar

ANF Immobilier 2017 Financial Agenda

2016 annual results and presentation	March 9, 2017 (before market opening)
2017 first quarter revenues	May 10, 2017 (before market opening)
Shareholders' Meeting	May 10, 2017

11. Documents available to the public

Copies of the Registration Document are available free of charge from ANF Immobilier and on the websites of the French Financial Markets Authority (www.amf-france.org) and of ANF Immobilier (www.anf-immobilier.com).

All legal and financial documents relating to ANF Immobilier that should be made available to shareholders in accordance with the regulations in force may be consulted at ANF Immobilier's registered offices.

Concordance table between the Registration Document and Appendix 1 of European Commission regulation (EC) 809/2004 of April 29, 2004, implementing Directive 2003/71/EC of the European Parliament and Council

In order to make reading this Registration Document easier, the following table of headings identifies the main sections required by European Commission regulation (EC) 809/2004 of April 29, 2004, implementing Directive 2003/71/EC of the European Parliament and Council to be identified.

Information		Chapter/paragraph/page(s)
1	Persons responsible	
1.1	Persons responsible for the information	Section 9 – Chapter 9 (p. 271)
1.2	Certification by the person responsible	Section 7 – Chapter 9 (p. 270)
2	Statutory Auditors for the financial statements	
2.1	Information relating to the Statutory Auditors of the financial statements	Section 8 – Chapter 9 (p. 271)
2.2	Information on the potential resignation or non-reappointment of the Statutory Auditors of the financial statements	Section 8 – Chapter 9 (p. 271)
3	Selected financial information	
3.1	Presentation of historical financial information	p. 3 to 4 Section 4 – Chapter 6 (p. 215)
3.2	Presentation of interim financial information	N/A
4	Risk factors	Section 7 – Chapter 1 (p. 38 to 44)
5	Information about the Company	
5.1	History and development of the Company	Section 1.1 – Chapter 1 (p. 13 to 14)
5.1.1	Legal name and trade name of the Company	Section 1.1 – Chapter 9 (p. 254)
5.1.2	Place of registration and registration number of the Company	Section 1.1.3 – Chapter 9 (p. 254)
5.1.3	Date of incorporation and term of the Company	Section 1.1.3 – Chapter 9 – Section 1.2 – Chapter 9 (p. 254 to 255)
5.1.4	Company's registered office, legal form and applicable regulations	Section 1.2 – Chapter 9 (p. 254)
5.1.5	Significant events in the development of the business of the Company	Section 2 – Chapter 1 (p. 16 to 17) Section 1.1 – Chapt r 1 (p. 13 to 14)
5.2	Investments	
5.2.1	Description of the Company's main investments	Sections 4 and 5 – Chapter 1 (p. 22 to 33)
5.2.2	Description and location of the Company's investments in progress	Sections 4 and 5 – Chapter 1 (p. 22 to 33)
5.2.3	Information relating to the Company's planned investments	Sections 4 and 5 – Chapter 1 (p. 22 to 33)
6	Business overview	
6.1	Main businesses	
6.1.1	Description of the Company's transactions and its main businesses	Sections 1 to 6 – Chapter 1 (p. 12 to 37)

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Table de concordance du Document de Référence avec l'annexe I du règlement (CE) n° 809/2004
de la Commission du 29 avril 2004 mettant en œuvre la Directive 2003/71/CE du Parlement européen et du Conseil

Information		Chapter/paragraph/page(s)
16	Operation of administrative and management bodies	
16.1	Expiration date for current terms of office	Section 2 – Chapter 3 (p. 90 to 103)
16.2	Service contracts binding members of administrative and management bodies	Section 4 – Chapter 3 (p. 105)
16.3	Information on the Audit Committee and the Compensation Committee	Section 1 – Chapter 3 (p. 83 to 84) Section 7.2 to 7.4 – Chapter 3 (p. 128 to 131)
16.4	Declaration of compliance with the Corporate Governance regime	Section 1 – Chapter 3 (p. 78 to 79)
17	Employees	
17.1	Number of employees	Note 20 – Chapter 5 (p. 187)
17.2	Investments and stock options	Section 5.2 – Chapter 3 (p. 120 to123)
17.3	Agreements for employee profit-sharing in the Company's share capital	Section 5.2 – Chapter 3 (p. 120 to123)
18	Main shareholders	
18.1	Shareholders owning more than 5% of the share capital	Section 2.1 – Chapter 7 (p. 219 to 220)
18.2	Existence of different voting rights	Section 2.3 – Chapter 7 (p. 220)
18.3	Ownership or control of the Company	Section 2.4 – Chapter 7 (p. 221)
18.4	Agreement that could give rise to a change of control if implemented	Section 2.4 – Chapter 7 (p. 221)
19	Related-party transactions	p. 77 + Section 9 – Chapter 3 (p. 134 to 138)
20	Financial information on the Company's net assets, financial position and results	
20.1	Historical financial information	Chapter 5 (p. 151 to 187) Chapter 6 (p. 191 to 212)
20.2	Pro forma *financial information*	N/A
20.3	Financial statements	Chapter 5 (p. 151 to 187) and Chapter 6 (p. 191 to 212)
20.4	Verification of historical annual financial information	
20.4.1	Declaration attesting that the historical financial information has been audited	Section 3 – Chapter 5 (p. 188 to 189) and Section 3 – Chapter 6 (p. 213 to 214)
20.4.2	Other financial information that has been verified	N/A
20.4.3	Financial information not taken from the Company's financial statements and not verified	N/A
20.5	Closing date of the last accounting period: December 31, 2016	Chapter 6 (p. 192 to 212)
20.6	Interim and other financial information	
20.6.1	Quarterly and half-yearly financial information	N/A
20.6.2	Interim financial information covering the first six months of the year	N/A
20.7	Dividend distribution policy	Section 3.1 – Chapter 7 (p. 221)
20.8	Legal and arbitration proceedings	Section 6 – Chapter 9 (p. 270)
20.9	Material changes in the financial or commercial position	Section 5 – Chapter 4 (p. 150)
21	Additional information	
21.1	Capital stock	
21.1.1	Subscribed capital and information relating to each class of shares	Sections 1 to 3 – Chapter 7 (p. 218 to 219)
21.1.2	Number and characteristics of shares not representing capital	N/A
21.1.3	Number, carrying amount and par value of shares held by the Company itself or on its behalf or by its subsidiaries	Section 1 – Chapter 7 (p. 218 to 219)
21.1.4	Amount of convertible or exchangeable securities, or of securities with warrants attached	N/A
21.1.5	Information on the conditions governing any right to purchase and/or any obligation attached to the capital subscribed but not paid-up, or any undertaking to increase capital	Section 5.1.6 – Chapter 3 (p. 114 to 119) and Section 7 – Chapter 7 (p. 226 to 227)
21.1.6	Information on the capital of any member of the Group that is subject to a conditional or unconditional option or agreement providing for it to be subject to an option	Section 5.1.6 – Chapter 3 (p. 114 to 119) and Section 5 – Chapter 8 (p. 249)
21.1.7	History of capital stock for the period covered by the historical financial information	Section 2.2 – Chapter 7 (p. 220)

Concordance table between the Registration Document and the annual financial report, as defined by Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the French Financial Markets Authority's General Regulations

In accordance with its General Regulation and, in particular, its Article 212-13, the Registration Document was filed with the Financial Markets Authority on April 12, 2017. This Registration Document can only be used to support a financial transaction if it is supplemented by an offering circular, as specified by the French Financial Markets Authority. The Registration Document has been prepared by the Company, and its signatories are responsible for its content.

The Registration Document constitutes the annual financial report for the year ended December 31, 2016, as specified by Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF's General Regulations.

Copies of the Registration Document can be obtained free of charge from ANF Immobilier at 1, rue George Berger, 75017 Paris, France, from the French Financial Markets Authority website (www.amf-france.org), and from the ANF Immobilier website (www.anf-immobilier.com).

Information	Chapter/paragraph/page(s)
Annual financial statements	Chapter 6 (p. 192 to 212)
Consolidated financial statements	Chapter 5 (p. 152 to 187)
Management report data	Sections 1 to 3 – Chapter 4 (p. 140 to 149) Section 4 – Chapter 4 (p. 150) Section 7 – Chapter 1 (p. 38 to 44) Section 7 – Chapter 7 (p. 226 to 227) Section 1 and 2 – Chapter 8 (p. 230 to 235) Section 6 – Chapter 7 (p. 225)
Statement by the natural persons accepting responsibility	Section 7 – Chapter 9 (p. 270)
Statutory Auditors' report on the annual financial statements	Section 3 – Chapter 6 (p. 213 to 214)
Statutory Auditors' report on the consolidated financial statements	Section 3 – Chapter 5 (p. 188 to 189)

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CSR concordance table

Please see the "Global Reporting Initiative G4 Essential Level" correspondence table in Chapter 2 of the Registration Document, p. 72 to 73.

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