INTERIM FINANCIAL REPORT

30 JUNE 2019

CONTENTS

HALF-YEAR MANAGEMENT REPORT

30 JUNE 2019

Pro forma financial statements of operations in Italy

On 20 December 2018, Ceetrus sold its 42% stake in Auchan SPA to Auchan Retail and on the same day acquired the shares of Ceetrus Italy, shares previously held by Auchan Retail. This acquisition increased the interest rate from 42% to 100% and gave control of Ceetrus Italy.

Details of the transaction are described in the notes to the consolidated financial statements of 31 December 2018 (note 2.2.4).

In order to ensure the comparability of the financial information, the income statement, the balance sheet, the indicators based on the financial statements and the extra-financial data for the periods of 30 June 2018 and 31 December 2018 are presented in the management report as if the sale transaction of Auchan SPA and the repurchase of Ceetrus Italy had taken place on 1 January 2017.

Consolidated Income Statement - Pro Forma of operations in Italy

in millions of euros	30/06/2019	30/06/2018[1]
Gross rental income	275.8	250.8
Non-recovered rental expenses	-7.1	-4.7
Property expenses	-12.2	-19.9
Net rental income	**256.5**	**226.2**
Revenue from administrative management and other activities	23.5	21.3
Other operating income	0.8	-0.1
Payroll expenses	-34.1	-32.0
Other general expenses	-44.5	-36.2
Gross operating income	**202.2**	**179.2**
Amortization and impairment of intangible assets and PPE	-10.6	-7.4
Provisions and reversals	-3.1	-2.5
Change in value of investment properties	-24.7	-0.5
Proceeds from disposal of fixed assets	*78.5*	*28.3*
Carrying value of fixed assets	*-77.0*	*-27.3*
Income from disposal of fixed assets	1.5	0.9
Goodwill impairment	0.0	-6.8
Operating result	**165.4**	**163.0**
Financial income	*2.7*	*0.8*
Financial expenses	*-13.7*	*-14.3*
Net cost of financial debt	-11.1	-13.5
Other financial proceeds and expenses	-7.1	-1.3
Financial result	**-18.1**	**-14.8**
Share of the profit or loss of companies accounted for using the equity method	14.9	-6.3
Income tax expenses	-52.1	-35.1
NET RESULT OF THE CONSOLIDATED ENTITY	110.1	106.8
Of which		
Attributable to owners of the parent company	101.5	103.1
Non-controlling interests	8.6	3.7

EBITDA	202.2	179.2

[1] Proforma information about operations in Italy

Consolidated statement of financial position - Pro Forma of operations in Italy

ASSETS (*in millions of euros*)	30/06/2019	31/12/2018[1]
Goodwill	206.1	206.1
Other intangible assets	24.2	19.8
Property, plant and equipment (PPE)	39.5	57.9
Right-of-use PPE	8.6	-
Investment properties	8,102.8	8,012.3
Right-of-use investment properties	130.4	-
Shares and investments in companies accounted for using the equity method	330.9	293.9
Non-current derivatives	2.3	9.1
Other non-current financial assets	229.0	174.4
Deferred tax assets	40.6	24.0
NON-CURRENT ASSETS	**9,114.2**	**8,797.4**
Investment properties available for sale	-	-
Client receivables	132.9	138.6
Current tax receivables	1.1	0.3
Current derivatives	0.5	4.9
Other current financial assets	115.6	107.0
Other current assets	332.6	318.2
Cash and cash equivalents	230.4	159.2
CURRENT ASSETS	**813.0**	**728.2**
TOTAL ASSETS	9,927.3	9,525.6

SHAREHOLDERS' EQUITY AND LIABILITIES (*in millions of euros*)	30/06/2019	31/12/2018
Share capital	635.8	635.8
Additional paid-in capital	840.8	840.8
Consolidated reserves	2,950.2	3,139.5
Consolidated result	101.5	101.7
Shareholders' equity - Owners of the parent	**4,528.2**	**4,717.8**
Non-controlling interests	170.8	167.1
TOTAL SHAREHOLDERS' EQUITY	**4,699.1**	**4,884.9**
Non-current provisions	4.3	4.4
Non-current loans and borrowings	1,741.0	1,586.0
Non-current lease liabilities	123.0	-
Non-current derivatives	23.9	10.8
Other non-current liabilities	144.0	145.6
Deferred tax liabilities	1,124.5	1,102.2
NON-CURRENT LIABILITIES	**3,160.7**	**2,848.9**
Current provisions	26.7	25.4
Current loans and borrowings	1,175.9	1,268.8
Current lease liabilities	18.3	-
Current derivatives	1.8	2.2
Trade payables	150.7	153.0
Tax liabilities	39.9	10.6
Other current liabilities	654.3	331.8
CURRENT LIABILITIES	**2,067.6**	**1,791.8**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	9,927.3	9,525.6

[1] Proforma information about operations in Italy

SIGNIFICANT EVENTS AND MAIN CHANGES IN SCOPE DURING THE FIRST HALF YEAR

EVOLUTION OF THE PROPERTY PORTFOLIO

Ceetrus is present in 10 countries across several business sectors such as retail, residential, office and leisure. During the first half of 2019, Ceetrus managed 279 shopping centres compared to 295 in 2018. The number of assets by geographical area has evolved as follows:

	Total	O	L	M
France	-19	-17		-2
Western Europe	+2	+1	-1	+2
Eastern Europe	+1			+1
Total	-16	-16	-1	+1

O: Owned; L: Leased; M: Management contract

With a desire to support the changing face of retail and changing lifestyles, Ceetrus continues to reinvent its commercial sites and is co-building new living spaces combining shops, housing, offices, recreational areas and services with territories.

During the 1st half of 2019, the company opened, renovated or expanded several new living and commercial premises, made a major acquisition in Italy and launched the construction of a new mixed neighbourhood, as part of the company's transformation in France.

SIGNIFICANT EVENTS DURING THE PERIOD

In France:

- On 22 February 2019, partnership agreements were signed relating to the project to transform the Gare du Nord by 2024. A single-purpose semi-public company (SEMOP) was established, of which 34% is owned by SNCF Gares & Connexions and 66% by Ceetrus.

France - Noyelles Godault

- The opening of phase 2 of the renovation of the Noyelles Godault site is expected in the 2nd half of 2019 (GLA: 24,000m²).
- In France, the Aushopping site in Roncq continues to be developed. After the transfer and expansion of Leroy Merlin and the establishment of several new stores during 2018 and 2019, a strip mall (+2300 m²; investment: €7.1 million) has now been added to the site. In the long term, the area will extend over 100,000m².
- In March and April 2019, the disposal of 19 assets.

In Western Europe:

- Inauguration of La Cloche d'Or shopping centre in Luxembourg on 28 May 2019 (75,000 m² of retail space, 130 international stores).
- In January 2019, Ceetrus Luxembourg bought office space in the district of Kirchberg (2,000 m² + car park).
- In Spain, Ceetrus launched the Xperience concept by opening Sant Boi Xperience, a new leisure, dining and retail park near Barcelona (14,500 m²; 350 direct and indirect jobs created) and Parque Rioja Xperience, in Logroño (GLA: 9,500 m² of GLA dedicated to innovative leisure and dining; 200 direct and indirect jobs created).
- In Italy, a partnership with Immobiliare Europea (IE) was signed for the construction of the Merlata Mall shopping centre in Northwest Milan (development of up to 70,000 m² of commercial space with over 160 stores and a leisure centre planned by 2021).
- Renovation of the shopping centre in Piacenza, Italy in 2019.

Spain - Sant Boi Xperience

In Eastern Europe:

- Ceetrus Hungary is launching the second phase of its housing development program on the Kecskemét commercial site (63 housing units by 2020).

Hungary - Boroka Park II housing

France - StatioNord (Gare du Nord)

PARTNERSHIPS

- Ceetrus is Auchan's main partner with regards to property management. Auchan Retail, which remains the owner of all its hypermarket shells, is present in almost all Ceetrus shopping centres.
- In Romania, the partnership with Avantgarden is part of the construction of housing in Brasov, in the Coresi district. Since the beginning of the project, more than 1,000 housing units have been delivered (end of April 2019). Eventually the site will have 2,000 homes.
- Ceetrus and the Chinese group Dalian Wanda signed an investment contract to create the EuropaCity development, the largest private leisure, culture, commerce and entertainment project in Europe. The directors of the two groups signed a partnership agreement for the development of this emblematic project of the Greater Paris region. Initiated and supported by Ceetrus, EuropaCity is indeed a unique project. From a fully private investment of over 3 billion euros, it will create a leisure destination that will play a part in the economic, social and urban development of the Ile-de-France region. The Dalian Wanda Group will finance the project and will bring its knowledge and expertise in leisure, the hotel industry and entertainment.
- Winner in December 2018 of the tender launched by SNCF Gares & Connexions, Ceetrus will metamorphose the Gare du Nord by 2024, thanks not only to its experience of customer flows and living spaces, but also to its ability to build strong partnerships. A network of about sixty partners, experts in digital tech, mobility or flows, are working with Ceetrus on this project.

NEW FINANCING

On 19 January 2019, Ceetrus concluded a €50 million financing agreement maturing in 2021.

On 27 January 2019, Ceetrus concluded an €80 million financing agreement maturing in 2022.

These transactions are aimed at diversifying the Group's sources of financing and ensuring its liquidity in the medium and long term.

OTHER KEY EVENTS

In order to improve efficiency, and to ensure greater cross-functionality of skills, good practices and innovations, Ceetrus has also evolved the management of the company by creating four portfolios of transnational sites (France; Italy-Luxembourg; Spain-Portugal-Hungary; Poland-Romania-Russia-Ukraine) and a Presidency of Major Projects.

COMMENTS ON THE FIRST HALF OF 2019

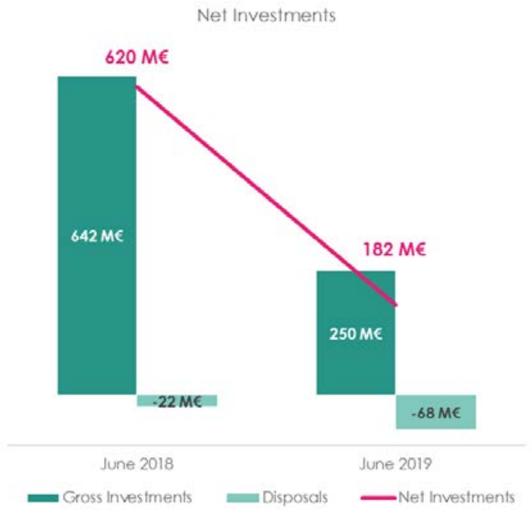
In the first half of 2019, Ceetrus continued to benefit from the impact of the acquisitions made in 2018 and very strong rental performance, in a context that remains strained, particularly in the field of personal and household equipment. Costs remained under control as the company focuses on the transformation of its sites. In terms of investments, the first half of 2019 was more modest than the first half of 2018.

INVESTMENTS

In the first half of 2018, Ceetrus' net investments were particularly high, notably due to major acquisitions in Portugal and investments in ongoing projects.

In the first half of 2019, Ceetrus continued to invest in iconic projects such as StatioNord and La Cloche d'Or. The company has not made any major acquisitions.

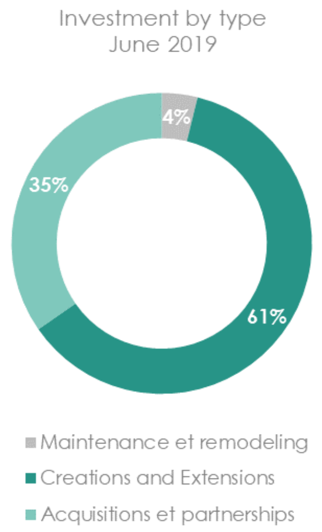
As part of its asset rotation strategy, in March and April 2019, Ceetrus disposed of 19 assets in France.

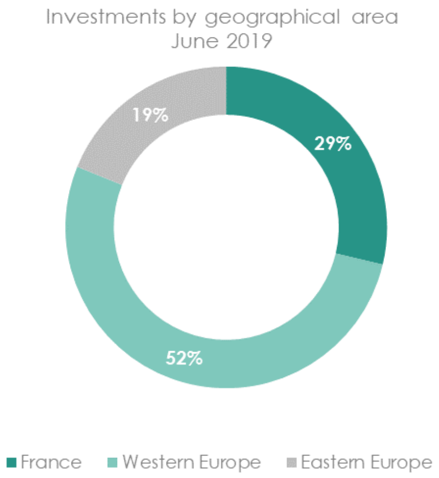


The largest projects currently being created or expanded reflect the preponderance of investments in mixed projects.

La Cloche d'or	Luxembourg	Creation	Shopping Centre + Homes
Noyelles-Godault	France	Extension	Shopping Centre
Pushkino	Russia	Creation	Shopping Centre
StatioNord	France	Creation	Shopping Centre + Offices
EuropaCity	France	Creation	City neighbourhood
Milanord 2	Italy	Creation	Shopping Centre

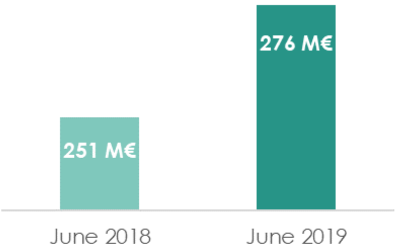
In the first half of 2019, Ceetrus' gross investments totalled €250 million, broken down as follows:



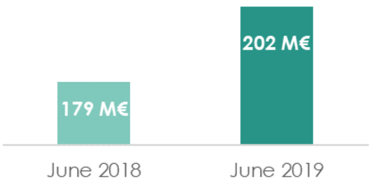


THE OPERATING RESULT

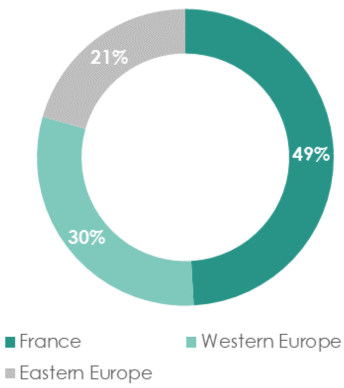
Gross rental income is up 10% compared to June 2018. This exceptional increase is mainly explained by the openings and acquisitions. On a like-for-like basis, rents increased by 3.6%.



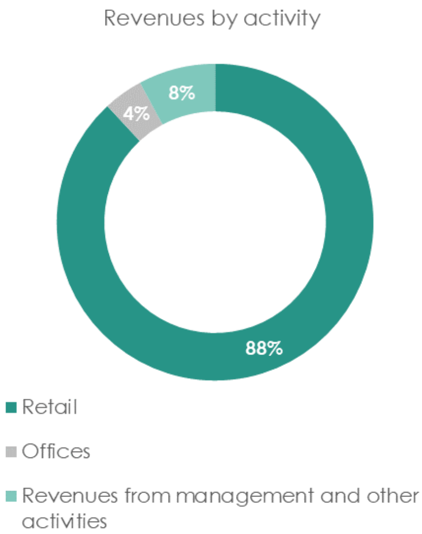
Similarly, EBITDA is up 13% with regards to the comparable period. This increase is explained by the strong growth in revenues related to expansion, combined with a lower increase in expenses and fees.



Geographical distribution of gross rental income:



Commercial retail property remains Ceetrus' core business. In 2019, this activity contributed to 88% of revenues.

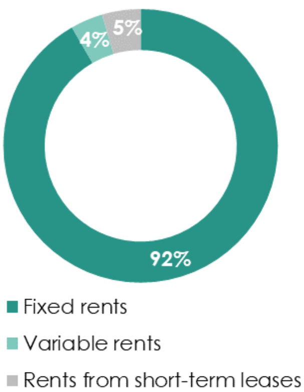


The average rents per m² of the shopping centre portfolio are as follows:

Shopping centres

France	€362/m²
Western Europe	€290/m²
Eastern Europe	€159/m²

Variable rents and short-term rents represent a total of 9% of gross rental income.



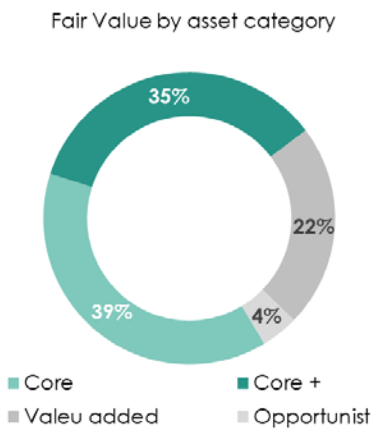
FAIR VALUE

From an asset perspective, the year 2018 was marked by an increase in the fair value of assets of +10.3%.

On 30 June 2019, the fair value of investment properties amounted to €8,134 million (excluding transfer taxes), which represents an increase of 2.2% (excluding disposals) compared to 31 December 2018.

Ceetrus has the special characteristic of having an asset portfolio that is very diversified by its number and its geographical presence while holding more than 50% of its fair value in France.

Note the ongoing transformation of Ceetrus' portfolio aimed at increasing the weight of Core or Core+ mixed regional sites[1]. With the dual effect of disposals and investments to densify existing sites, the size of the assets has increased significantly since 2016. In 2019, 74% of assets fell within the Core or Core+ category.

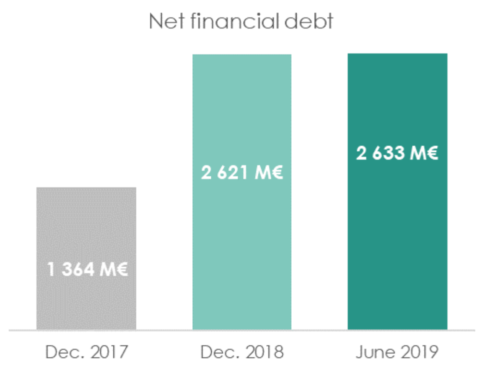


Ceetrus also holds assets in companies consolidated under the equity method. On 30 June 2019, Ceetrus' share of the fair value of investment properties held by companies accounted for under the equity method amounted to €464.5 million (compared to €438.6 million on 31 December 2018).

THE FINANCIAL SITUATION

The increase in Ceetrus' net debt between 2017 and 2018 is mainly related to subscription external financing (the "Club Deal" of €500 million, the private placement of €60 million, loans in Portugal and Luxembourg worth €308 million) and financing by Auchan Holding's treasury facility.

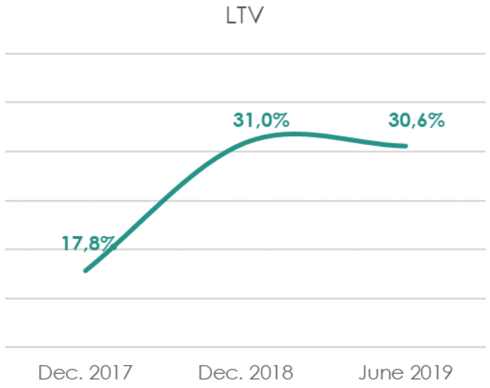
In the first half of 2019, the level of the Group's debt remained stable thanks to the balance of operating cash flows, investments and disposals.



Between 2017 and 2018, the *Loan to Value (LTV)* ratio of increased from 17.8% to 31.0%. This evolution is linked to the strong investments and the establishment of new financing. On 30 June 2019, the ratio remained stable at 30.6%.

[1] Classification according to: geographic location, general asset type, works required, type of leases, level of vacancy, potential for value creation

Ceetrus' LTV ratio remains below the real estate industry average.



Calculation of the LTV ratio:

€M	Dec. 2017	Dec. 2018[3]	June 2019[3]
Fair value of investment properties [1] [2]	7,286	8,035	8,134
Share and investments in companies accounted for using the equity method [1]	238	294	331
Equity and other securities [1]	130	136	137
Total	**7,654**	**8,465**	**8,602**
Net financial debt [1]	**1,364**	**2,621**	**2,633**
LTV	**17.8%**	**31.0%**	**30.6%**

[1] Consolidated balance sheet proforma of operations in Italy

[2] Excluding spreading of rent-free periods, step rents, key money and rents paid in advance

[3] See additional information in the notes to the consolidated financial statements: Investment properties note 4.4, Shares and investments in companies accounted for using the equity method note 5, Other financial assets note 7.2, net financial debt note 6.2

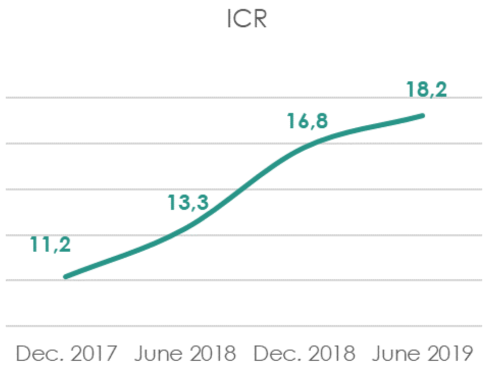
Reconciliation of the fair value of the investment properties used in the calculation of the ratios and the figures presented in the consolidated balance sheet:

€M	Dec. 2017	Dec. 2018[1]	June 2019[1]
Fair value of balance sheet investment properties before restatement	7,269	8,012	8,103
Restatement related to spreadings [2]	17	23	31
Fair value of investment properties after restatement	**7,286**	**8,035**	**8,134**

[1] See additional information in the notes to the consolidated financial statements: Investment properties note 4.4

[2] Spreading of rent-free periods, step rents, key money and rents paid in advance

Thanks to favourable financing conditions, Ceetrus continues to post an *Interest Coverage Ratio (ICR)* superior to that of the market.



Calculation of the ICR:

	Dec. 2017[1]	June 2018 [1]	Dec. 2018[1]	June 2019
EBITDA	311	179	364	202
Net cost of financial debt	-28	-14	-22	-11
ICR	**11.2×**	**13.3×**	**16.8×**	**18.2×**

[1] Consolidated income statement pro forma of operations in Italy, in millions of euros

In conclusion, Ceetrus has easily absorbed its massive investments in 2018 and maintained a stable financial position in the first half of 2019.

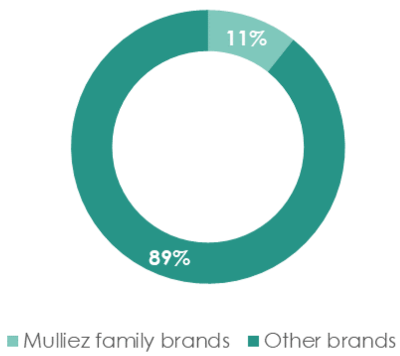
RETAIL ACTIVITY

On 30 June 2019, Ceetrus managed 2,321,000 m² GLA of shopping centres, 112,000 m² more than in 2018:

GLA surface (in thousands of m²)	Total	O	L	M
France	690	610	2	78
Western Europe	1,014	571	70	373
Eastern Europe	617	555	23	39
Total	2,321	1,737	95	489

O: Owned / L: Leased / M: Management mandate

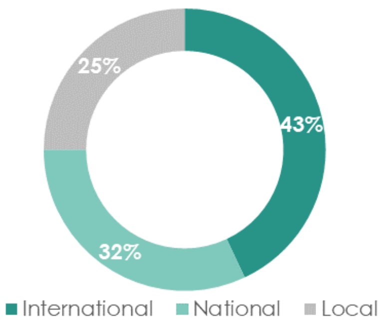
Brands (% surface)



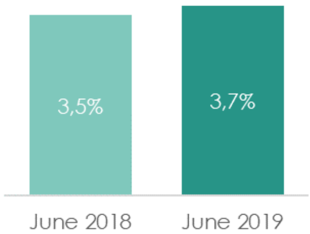
Ceetrus welcomes nearly 1 billion visitors a year. Footfall at the sites has remained stable over the last 12 months (June 2018 to June 2019).

This attractiveness is enhanced by the deep desire to create a link between citizens (customers, residents, retailers, employees, associations, local authorities...). The teams have organised more than 5,375 events since the beginning of the year.

Brand by type (% surface)



Ceetrus' like-for-like vacancy rate increased slightly compared to 30 June 2018, from 3.5% to 3.7%.



The customer risk is under control despite the economic difficulties faced by certain brands. In 2019, bad debts, bad debt provisions and rebates represented 3% of revenues, a slight increase compared to 2018 (2.7%).

The 10 biggest tenants in terms of rents are Flunch, H&M, Camaïeu, Nocibé, Sephora, Zara, Yves Rocher, Générale d'Optique, Micromania and Jules. They total nearly 500 leases.

OFFICE ACTIVITY

Office activity accounts for 4% of rents.

Ceetrus owns 4 office buildings located in Luxembourg, Spain and Romania:

- JBBK in Luxembourg
- Kubik in Luxembourg
- Coresi Business Park in Romania
- Zaragoza in Spain

In 2018, Ceetrus filed and obtained the building permit for the Wellice in Villeneuve d'Ascq (59) near the V2 shopping centre. Near services, Ceetrus is building 6,100 m² of offices, with delivery planned in 2021.

France - Wellice

RESIDENTIAL ACTIVITY

Ceetrus is taking part in 5 residential property development projects in partnership with local companies, specialist of the sector:

- 59 homes delivered in Hungary at the Kecskemét site, Boroka Park. 63 additional homes are planned for the second phase of the project in 2020.
- 1,000 apartments delivered in Romania on the Coresi site (out of 2,000 planned).
- 250 apartments under construction in Luxembourg on the site of the Cloche d'Or.
- In Saint-André-Lez-Lille, France, "Quai 22" is a global development project of 86,000 m² with 700 homes eventually planned.
- 52 homes planned in France as part of the project "Quadrilatère des Piscines" in Tourcoing (59). The project includes 2,100 m² of offices and 1,400 m² of shops, with delivery planned in 2022.

Interim Condensed Consolidated Financial Statements

30 June 2019

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS *(in millions of euros)*	Notes	30/06/2019	31/12/2018	30/06/2018
Goodwill	4.1	206.1	206.1	65.7
Other intangible assets	4.2	24.2	19.8	19.9
Property, plant and equipment (PPE)	4.3	39.5	57.9	32.8
Right-of-use PPE (1)	4.3	8.6	-	-
Investment properties	4.4	8,102.8	8,012.3	6,872.0
Right-of-use investment properties(1)	4.4	130.4	-	-
Shares and investments in companies accounted for using the equity method	5	330.9	293.9	446.9
Non-current derivatives	6.3	2.3	9.1	0.6
Other non-current financial assets	7.2	229.0	174.4	29.9
Deferred tax assets	9.2	40.6	24.0	3.6
NON-CURRENT ASSETS		**9,114.2**	**8,797.4**	**7,471.3**
Investment properties held for sale	4.4	-	-	-
Client receivables	7.1	132.9	138.6	68.9
Current tax receivables	9.2	1.1	0.3	1.3
Current derivatives	6.3	0.5	4.9	4.8
Other current financial assets	7.2	115.6	107.0	93.3
Other current assets		332.6	318.2	251.3
Cash and cash equivalents	6.2	230.4	159.2	145.9
CURRENT ASSETS		**813.0**	**728.2**	**565.4**
TOTAL ASSETS		9,927.3	9,525.6	8,036.7

(1) In accordance with IFRS 16 under the simplified retrospective method, the 2018 statement of financial position has not been restated.

SHAREHOLDERS' EQUITY AND LIABILITIES *(in millions of euros)*	Notes	30/06/2019	31/12/2018	30/06/2018
Share capital	14.1	635.8	635.8	635.8
Additional paid-in capital		840.8	840.8	840.8
Consolidated reserves		2,950.2	3,121.9	3,112.5
Consolidated result		101.5	119.3	40.9
Shareholders' equity - Owners of the parent		**4,528.2**	**4,717.8**	**4,630.0**
Non-controlling interests		170.8	167.1	171.2
TOTAL SHAREHOLDERS' EQUITY		**4,699.1**	**4,884.9**	**4,801.2**
Non-current provisions	10	4.3	4.4	4.1
Non-current loans and borrowings	6.2	1,741.0	1,586.0	586.7
Non-current lease liabilities(1)	7.3	123.0	-	-
Non-current derivatives	6.3	23.9	10.8	-
Other non-current liabilities		144.0	145.6	76.0
Deferred tax liabilities	9.2	1,124.5	1,102.2	1,017.7
NON-CURRENT LIABILITIES		**3,160.7**	**2,848.9**	**1,684.6**
Current provisions	10	26.7	25.4	20.8
Current loans and borrowings	7.3	1,175.9	1,268.8	1,134.2
Current lease liabilities(1)		18.3	-	-
Current derivatives	6.3	1.8	2.2	0.4
Trade payables		150.7	153.0	104.0
Tax liabilities		39.9	10.6	29.1
Other current liabilities		654.3	331.8	262.4
CURRENT LIABILITIES		**2,067.6**	**1,791.8**	**1,551.0**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		9,927.3	9,525.6	8,036.7

(1) In accordance with IFRS 16 under the simplified retrospective method, the 2018 statement of financial position has not been restated.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in millions of euros	Notes	30/06/2019	30/06/2018
Gross rental income		275.8	211.0
Non-recovered rental expenses		-7.1	-3.8
Property expenses		-12.2	-10.3
Net rental income	8.1	**256.5**	**197.0**
Revenues from administrative management and other activities	8.2	23.5	11.2
Other operating income		0.8	-0.1
Payroll expenses	11	-34.1	-27.6
Other general expenses	8.3	-44.5	-26.3
Gross operating income		**202.2**	**154.1**
Amortization and impairment of intangible assets and PPE	4	-10.6	-5.7
Provisions and reversals	10	-3.1	-2.5
Change in value of investment properties	4.4	-24.7	8.0
Proceeds from disposal of fixed assets		*78.5*	*28.1*
Carrying value of fixed assets		*-77.0*	*-27.3*
Income from disposal of fixed assets		1.5	0.8
Goodwill impairment	4.1	0.0	-6.8
Operating result		**165.4**	**147.9**
Financial income		*2.7*	*0.8*
Financial expenses		*-13.7*	*-10.3*
Net cost of financial debt		-11.1	-9.5
Other financial income and expenses		-7.1	-1.0
Change in value of financial instruments		0.0	0.0
Financial result	6.1	**-18.1**	**-10.5**
Share of the profit or loss of companies accounted for using the equity method	5	14.9	-58.4
Income tax expenses	9.3	-52.1	-35.3
NET RESULT OF THE CONSOLIDATED ENTITY		110.1	43.7
Of which			
Attributable to owners of the parent		101.5	40.9
Non-controlling interests		8.6	2.7
NET RESULT PER SHARE - Attributable to owners of the parent			
Undiluted	14.3	3.19	1.29
Diluted	14.3	3.19	1.29

in millions of euros	30/06/2019	30/06/2018
Net result of the consolidated entity	110.1	43.7
Other comprehensive income which can be recycled through profit and loss	**11.7**	**-41.3**
of which cash flow hedges	-18.5	2.7
of which foreign currency translation gains and losses	24.3	-44.1
of which tax effects	5.8	0.1
Other comprehensive income which cannot be recycled through profit and loss	**0.0**	**0.0**
of which employee benefits (including actuarial gains and losses)	0.0	0.0
of which tax effects	0.0	0.0
NET COMPREHENSIVE INCOME OF THE CONSOLIDATED ENTITY	121.8	2.4
Of which		
Attributable to owners of the parent	113.5	0.6
Non-controlling interests	8.3	1.8

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

in millions of euros	Notes	30/06/2019	30/06/2018
OPERATING ACTIVITIES			
Net result of the consolidated entity		**110.1**	**43.7**
Allowances for amortization, provisions and impairment		13.7	14.9
Change in value of investment properties		24.7	-8.0
Change in value of financial instruments (including derivatives and non-consolidated securities)		8.3	0.0
Share of the profit or loss of companies accounted for using the equity method	5.1	-14.9	58.4
Income from disposals, net taxes		8.6	0.4
Cash flows from operations after cost of financial debt net of taxes		**150.5**	**109.4**
Net cost of financial debt	6.1	11.0	9.5
Income tax expenses (including deferred taxes)		52.1	35.3
Cash flows from operations after cost of financial debt net of taxes		**213.6**	**154.2**
Taxes collected/paid		-42.2	-32.3
Changes in working capital requirement (operating activities)		30.1	13.7
of which property development stocks		*0.9*	*-1.4*
of which trade receivables		*5.7*	*-8.3*
of which other receivables		*-36.6*	*-1.1*
of which trade payables		*3.7*	*-6.9*
of which other debts		*56.2*	*31.4*
Net Cash flows from operating activities		**201.5**	**135.6**
INVESTMENT ACTIVITIES			
Intangible assets, property plant and equipment and investment properties		*-91.9*	*-128.4*
Acquisitions of fixed assets	4.4.1	-167.6	-161.3
Disposals of fixed assets		75.7	32.9
Consolidated securities		*0.0*	*-420.2*
Acquisitions of consolidated securities (including cash acquired)	4.4.1	0.0	-420.2
Disposals of consolidated securities (including transferred cash)	2.2.4	0.0	0.0
Non-consolidated securities (including investments accounted for using the equity method)		*-82.7*	*1.6*
Acquisitions and financing of non-consolidated securities	5.1	-82.7	1.6
Disposals of non-consolidated securities		0.0	0.0
Dividends received from unconsolidated companies	5.1	3.3	2.0
Net cash flows from investment activities		**-171.3**	**-545.0**
FINANCING ACTIVITIES			
Capital increase		0.0	0.0
Buybacks, disposals and other movements of treasury shares and share capital decrease		1.5	0.0
Dividends paid during the financial year		-5.0	-123.9
New loans and financial borrowings (and premium paid hedging instruments)	6.2.1	183.8	228.7
Repayment of loans, financial borrowings and hedging instruments	6.2.1	-6.0	-313.6
Repayment of lease liabilities(1)		-4.7	0.0
Net financial interest paid		-16.8	-10.3
Change in financial receivables		-3.9	-14.1
Change in current accounts	6.2.1	-104.8	675.8
Other movements related to financing operations		-6.3	4.5
Net cash flow from financing activities		**37.9**	**447.1**
CHANES IN CASH AND CASH EQUIVALENTS		71.5	42.7
Net Cash and Cash equivalents at opening		155.7	103.2
Effects of exchange rate differences on Cash and Cash equivalents		3.3	4.9
Net Cash and Cash equivalents at closing		227.3	145.7
of which Cash and Cash equivalents		*230.4*	*145.9*
of which Bank overdrafts (excluding accrued interests)		*-3.1*	*-0.2*

(1) *In accordance with IFRS 16 under the simplified retrospective method, the 2018 cash flow table has not been restated,*

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

						Shareholders' equity		
in millions of euros	Share capital	Additional paid-in capital	Treasury shares	Cash flow hedge reserves, translation reserves and actuarial gains and losses	Consolidated reserves and result	Attributable to owners of the parent	Non-controlling interests	TOTAL
December 31st, 2017	**635.8**	**840.8**	**-0.2**	**-40.7**	**3,298.6**	**4,734.3**	**173.4**	**4,907.7**
Net result for the year					40.9	40.9	2.7	43.7
Foreign currency translation differences				-43.2	0.1	-43.1	-0.9	-44.1
Actuarial gains and losses								
Gains and losses on cash flow hedging				2.8		2.8	0.0	2.8
Net comprehensive income of the period	**635.8**	**840.8**	**-0.2**	**-81.2**	**3,339.7**	**4,735.0**	**175.2**	**4,910.1**
Capital increases								
Capital decreases								
Treasury share transactions								
Dividend distributions					-117.9	-117.9	-5.9	-123.8
Changes in scope					9.3	9.3	0.7	10.0
Variations in put options granted to non-controlling interests								
Other variations				0.6	3.1	3.7	1.2	4.9
June 30th, 2018	**635.8**	**840.8**	**-0.2**	**-80.6**	**3,234.1**	**4,630.0**	**171.2**	**4,801.2**
Net result for the year					78.4	78.4	1.5	79.9
Foreign currency translation differences				9.7	-8.7	1.0	0.2	1.2
Actuarial gains and losses				0.6		0.6		0.6
Gains and losses on cash flow hedging				-6.9		-6.9	-0.2	-7.1
Net comprehensive income of the period	**635.8**	**840.8**	**-0.2**	**-77.1**	**3,303.8**	**4,703.0**	**172.7**	**4,875.8**
Capital increases								
Capital decreases								
Treasury share transactions								
Dividend distributions					0.0	0.0	-0.2	-0.3
Changes in scope					16.2	16.2	-4.4	11.8
Variations in put options granted to non-controlling interests								
Other variations				-0.6	-0.9	-1.5	-1.0	-2.5
December 31st, 2018	**635.8**	**840.8**	**-0.2**	**-77.7**	**3,319.1**	**4,717.8**	**167.1**	**4,884.8**
Net result for the year					101.5	101.5	8.6	110.1
Foreign currency translation differences				24.0		24.0	0.4	24.3
Actuarial gains and losses								
Gains and losses on cash flow hedging				-12.0		-12.0	-0.7	-12.7
Net comprehensive income of the period	**635.8**	**840.8**	**-0.2**	**-65.7**	**3,420.5**	**4,831.2**	**175.3**	**5,006.7**
Capital increases								
Capital decreases								
Treasury share transactions								
Dividend distributions					-321.7	-321.7	-4.9	-326.6
Changes in scope					-0.5	-0.5	0.2	-0.3
Variations in put options granted to non-controlling interests					2.9	2.9		2.9
Other variations				0.5	15.7	16.2	0.2	16.4
June 30th, 2019	**635.8**	**840.8**	**-0.2**	**-65.1**	**3,116.9**	**4,528.2**	**170.8**	**4,699.1**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONTENTS

NOTE 1 - DESCRIPTION OF THE GROUP AND KEY EVENTS

1.1 DESCRIPTION OF THE GROUP

Ceetrus SA, the holding company in the scope of consolidation, is a company incorporated under French law, whose registered office is located at rue du Maréchal de Lattre de Tassigny, 59170 CROIX. Ceetrus is a subsidiary of Auchan Holding.

Founded in 1976 as a property development subsidiary of Auchan Holding, Immochan has been undergoing a transformation project since 2016 to become a global property development operator. The company changed its name in June 2018 and became Ceetrus, moving from a mainly commercial property business to a mixed property developer.

An urban designer that listens to the needs of the regions, it creates diverse living spaces: shopping centres, housing, offices, major urban infrastructures, etc. Its skills extend to the professions of redeveloper-developer, property manager, investor and innovator. Having based its expertise on its ability to bring customers and brands together, Ceetrus now wants to achieve this for inhabitants and the town or city. The company is accelerating its development by investing in new areas of activity around its core business: neighbourhood redevelopment, construction of housing, offices, service industry and leisure properties.

Ceetrus SA and the companies included in the scope of consolidation managed assets in 10 countries on 30 June 2019.

Ceetrus SA is controlled by Auchan Holding SA.

1.2 KEY EVENTS

Ceetrus - New financing

On 19 January 2019, Ceetrus concluded a €50 million financing agreement maturing in 2021.

On 27 January 2019, Ceetrus concluded an €80 million financing agreement maturing in 2022.

These transactions are aimed at diversifying the Group's sources of financing and ensuring its liquidity in the medium and long term.

Ceetrus - StatioNord Project

On 22 February 2019, Ceetrus and SNCF Gares & Connexions signed the partnership agreements for the 2024 Gare du Nord transformation project. A single-purpose semi-public company (SEMOP) was established, of which 34% is owned by SNCF Gares & Connexions and 66% by Ceetrus.

France - Disposals

On 11 March 2019, disposal of a portfolio of sites consisting of 9 assets in favour of Carlyle, an associate company of Othrys.

On 2 April 2019, disposal of a portfolio of sites consisting of 10 assets to BDG Invest.

Luxembourg - Acquisition Leasinvest

On 17 January 2019, Perf 8 acquired offices and car parks near the JBBK and KUBIK offices.

Italy - Acquisition Cascina Merlata

On 21 May 2019 Merlata Sviluppo was founded by Ceetrus (30%) and Immobiliare Europea (70%). The purpose of this operation was the creation of a major shopping centre near Milan.

The main changes in the scope of consolidation on 30 June 2019 and the impact on the consolidated interim financial statements are described in Note 2.2.

1.3 POST BALANCE SHEET EVENTS

Italy - Acquisition Cascina Merlata

On 9 July 2019, the company Merlata Sviluppo created in partnership with IE concluded the acquisition of the company Merlata Mall Spa, owner of the Merlata Mall shopping centre construction project.

Ceetrus - New financing

In July 2019, Ceetrus SA concluded a €100 million financing agreement maturing in 2021.

The Romanian company that owns the Coresi Business Park project has signed a credit agreement for an amount of €31 million, maturing in 2024.

NOTE 2 - GENERAL ACCOUNTING PRINCIPLES AND SCOPE OF CONSOLIDATION

2.1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1.1 Statement of conformity

The interim condensed consolidated financial statements as of 30 June 2019 were prepared in accordance with IAS 34 "Interim Financial Reporting" and should be read in conjunction with the Group's most recent consolidated financial statements for the year ended 31 December 2018 (the "most recent annual financial statements"). They do not include all the information necessary for a complete set of financial statements under IFRS. They do, however, include a selection of notes explaining significant events and transactions with a view to understanding the changes in the Group's financial position and performance since the most recent annual financial statements.

These financial statements are the first to take into account the IFRS 16 standard. The changes in accounting policies that have had significant effects are described in note 2.1.2.

The interim condensed consolidated financial statements were prepared under the responsibility of the Board of Directors on 29 August 2019.

2.1.2 Applied framework

The accounting principles applied for the interim condensed consolidated financial statements for the half-year ended 30 June 2019 are in line with those used for the financial statements at 31 December 2018, except for the regulatory changes required to apply from 1 January 2019:

Standards	
IFRS 16	Leases
IFRIC 23	Uncertainty over income tax treatments
Amendments to IFRS 9	Prepayment features with negative compensation
Amendments to IAS 19	Plan amendment, curtailment or settlement
Amendments to IAS 28	Long-term interests in associates and joint ventures
Annual improvements to IFRS	2015-2017 cycle

2.1.2.1 Application of IFRS 16 on 1 January 2019

The Group adopted IFRS 16 for the first time on 1 January 2019.

IFRS 16 introduces a single model of accounting on the balance sheet of lease contracts for the lessee. The lessee recognises a "right-of-use" asset which represents their right to use the underlying asset, and a lease liability for their obligation to pay the rent.

For the lessor, accounting remains similar to what was practised according to previous accounting methods.

The Group applied IFRS 16 using the simplified retrospective method, which recommends recording the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity as at 1 January 2019.

As a result, the comparative information presented for 2018 has not been restated and is therefore presented, as before, in accordance with the principles of IAS 17 and its interpretations. The resulting changes in accounting methods are explained in detail below.

As a lessee

The group is a lessee of certain property assets that fall into the investment property category and also offices, equipment and vehicles that are classified as PPE.

The Group recognises a "right-of-use" asset and a lease liability at the commencement date of the lease. The "right-of-use" asset is initially measured at cost and then at cost less any accumulated depreciation and accumulated impairment losses, the amount could be adjusted for any remeasurement of the lease liability. When a "right-of-use" asset corresponds to the definition of an investment property, it is presented in the latter category.

The lease liability is initially measured at the discounted value of the rents due but not yet paid at the commencement date. The discount rate used is the implicit interest rate of the contract or, if this cannot be readily determined, the incremental borrowing rate. It is this last rate that the Group generally uses as a discount rate.

The lease liability is then increased by the interest expense minus the rent amounts paid. It is revalued in the event of a change in future rents following a change in index or rate, a new estimate of the expected amount to be paid under a residual value guarantee or, where applicable, a revaluation of the exercising of a purchase option or the extension or non-exercising of an option to cancel (which then becomes reasonably certain).

The Group has exercised its judgement in determining the lease term providing for an extension option. The fact that the Group has determined that it is reasonably certain of exercising such options has an impact on the lease term used and has a significant impact on the amount of rent liability and the "right-of-use" asset recorded in the accounts.

At the transition date, rent liabilities for contracts classified as operating leases in accordance with IAS 17 were valued at the value of the remaining lease payments, discounted using the incremental borrowing rate on 1 January 2019. "right-of-use" assets are valued either:

- at their book value, as if IFRS 16 had been applied since the beginning of the contract, discounted using the lessee's incremental borrowing rate at the date of the first application (01/01/2019) - this is the approach that the Group has chosen for its main investment property lease contract; or
- at an amount equal to that of the lease liability, restated for rents paid in advance or remaining due on the balance sheet - this is the approach chosen by the Group for all its other lease contracts.

The Group has used the following practical simplification measures:

- lease payments corresponding to low value assets are accounted for directly as expenses and do not result in the accounting of an asset and a liablity;
- short-term leases (less than 12 months) are accounted directly as expenses and do not result in the accounting of an asset and a debt;
- contracts corresponding to a short-term residual duration (less than 12 months) on the transition date are accounted directly as expenses and do not result in the accounting of an asset and a debt;
- the Group has relied on past experience to determine the duration of the contract if this included options for extension or termination;
- for finance leases under IAS17, the right-of - use asset and corresponding lease liability on 1 January were determined as those of the underlying asset and lease liability that had been calculated in accordance with IAS17 prior to that date;

As a lessor

As a lessor, the Group leases its investment properties including the "right-of-use" for those that are leased themselves. The Group has classified these contracts as operating leases.

The accounting policies applicable to the Group as a lessor do not differ from those that prevailed in accordance with IAS 17.

Impacts of the transition on financial statements:

As part of the transition to IFRS 16, the Group has recorded "right-of-use PPE" and "right-of-use investment properties", on the balance sheet assets and lease liabilities on the liabilities side, with a recognition of the difference in equity. The effects of the first application are summarised below.

In order to value the lease liabilities of contracts that were previously classified as operating leases, the Group has updated lease payments using the incremental borrowing rate applicable on 1 January 2019.

ASSETS *(in millions of euros)*	31/12/2018 Published	Impact of IFRS 16	01/01/2019 with IFRS 16
Goodwill	206.1		206.1
Other intangible assets	19.8		19.8
Property, plant and equipment (PPE)	57.9		57.9
Right-of-use PPE	-	7.9	7.9
Investment properties	8,012.3		8,012.3
Right-of-use investment properties	-	132.7	132.7
Shares and investments in companies accounted for using the equity method	293.9		293.9
Non-current derivatives	9.1		9.1
Other non-current financial assets	174.4		174.4
Deferred tax assets	24.0		24.0
NON-CURRENT ASSETS	**8,797.4**	**140.7**	**8,938.1**
Investment properties held for sale	-		-
Client receivables	138.6		138.6
Current tax receivables	0.3		0.3
Current derivatives	4.9		4.9
Other current financial assets	107.0		107.0
Other current assets	318.2	- 0.6	421.7
Cash and cash equivalents	159.2		159.2
CURRENT ASSETS	**728.2**	**- 0.6**	**727.6**
TOTAL ASSETS	9,525.6	140.1	9,665.7

SHAREHOLDERS' EQUITY AND LIABILITIES *(in millions of euros)*	31/12/2018 Published	Impact of IFRS 16	01/01/2019 with IFRS 16
Share capital	635.8		635.8
Additional paid-in capital	840.8		840.8
Consolidated reserves	3,121.7		3,121.7
Consolidated result	119.3		119.3
Shareholders' equity – Owners of the parent	**4,717.8**		**4,717.8**
Non-controlling interests	167.1		167.1
TOTAL SHAREHOLDERS' EQUITY	**4,884.9**		**4,884.9**
Non-current provisions	4.4		4.4
Non-current loans and borrowings	1,586.0		1,586.0
Non-current lease liabilities	-	125.5	125.5
Non-current derivatives	10.8		10.8
Other non-current liabilities	145.6		145.6
Deferred tax liabilities	1,102.2		1,102.2
NON-CURRENT LIABILITIES	**2,848.9**	**125.5**	**2,974.4**
Current provisions	25.4		25.4
Current loans and borrowings	1,268.8		1,268.8
Current lease liabilities	-	17.2	17.2
Current derivatives	2.2		2.2
Trade payables	153.0	- 2.5	150.4
Tax liabilities	10.6		10.6
Other current liabilities	331.8		331.8
CURRENT LIABILITIES	**1,791.8**	**14.7**	**1,806.4**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	9,525.6	140.1	9,665.7

The following table reconciles the off-balance sheet operating leases reported on 31 December 2018 and lease liabilities by virtue of lease contracts with application of IFRS16 restated on 1 January 2019:

in millions of euros

Commitments given under operating leases as of 31 December 2018	**145.8**
Effects related to contracts exempted from the application of IFRS 16	- 26.6
Effects related to contracts out of scope of commitments given by virtue of lease contracts as of 31 December 2018	6.3
Effects related to optional periods not taken into account in off-balance sheet commitments	- 0.8
Effects related to differences in the date of availability	-
Effects related to sublease agreements with Auchan Holding	22.4
Other effects	- 2.1
Lease obligations before discounting	**145.0**
Discount effect	- 2.3
Lease obligations after discounting	**142.7**
Lease obligations restated on 1 January 2019 after first application of IFRS 16	**142.7**

Impacts on the accounts of the period

As a result of the application of IFRS 16 to lease contracts previously classified as operating leases, the Group recorded €139 million of right-of-use assets (including investments properties) and €141.3 million euros in lease liabilities as of 30 June 2019.

In addition to these leases, the Group recorded amortisation and interest charges instead of rent expenses associated with operating leases. For the six months ended 30 June 2019, it therefore recorded €8.6 million of amortisation and €4.1 million of interest charges on these lease contracts. The amortisation recorded for the right-of-use investment properties asset is transcribed as a change in fair value in the Group's financial statements.

Regarding the impact of IFRS 16 on information relating to operating segments, see note 3.2.

2.1.2.2 IFRIC 23

The provisions of IFRIC 23 interpretation were applied by the Group on 1 January 2019. Its application has no impact on the consolidated financial statements as of 30 June 2019.

2.1.2.3 Other principles, amendments and interpretations issued by the International Accounting Standards Board (IASB) not yet adopted by the European Union

- Amendments limited to IFRS 3 "Definition of a business" applicable on 1 January 2020 according to the IASB (not yet approved by the EU);
- Amendments to the conceptual framework, applicable on 1 January 2020 according to the IASB (not yet approved by the EU);
- Amendments to IAS 1 and IAS 8 "Definition of Material", applicable on 1 January 2020 according to the IASB (not yet approved by the EU).

The issues relating to these amendments and interpretations are being examined.

2.1.3 Use of estimates and judgements

The preparation of the consolidated financial statements requires management to exercise its judgement, make estimates and formulate assumptions that may affect the carrying amount of certain assets, liabilities, income and expenses as well as the information given in the notes.

In preparing the consolidated interim financial statements, significant judgements made by management in applying accounting policies and significant estimates are identical to those described in the consolidated financial statements for the year ended 31 December 2018, and note 4.4 below, except for the application of IFRS 16 (see note 2.1.2.1). The main judgements and estimates relating to the application of IFRS 16 concern the lease durations and the determination of the incremental borrowing rate.

2.1.4 Characteristics specific to the preparation of consolidated interim financial statements

The amounts shown in the consolidated interim financial statements are rounded to the nearest million Euros and include individually rounded figures. Mathematical calculations on the basis of rounded elements may differ from the aggregates or subtotals displayed.

2.2 SCOPE AND METHODS OF CONSOLIDATION

Scope operations as at 30 June 2019

in number of companies	31/12/2018	Acquisitions	Creations	Disposal	Absorption, Dissolution, Deconsolidation	Change of consolidation mode	30/06/2019
Subsidiaries in FC	109		2		-2		109
Equity method	29		2				31
TOTAL	**138**	**0**	**4**	**0**	**-2**	**0**	**140**

France - StatioNord Project

On 24 January 2019, creation of Ceetrus Paganor.

On 6 February 2019, Ceetrus and SNCF Gares & Connexions proceeded to the creation of a single-purpose semi-public company (SEMOP) "Gare du Nord 2024". The company is 34% owned by SNCF Gares & Connexions and 66% by Ceetrus (shares held by Ceetrus Paganor). The company is jointly controlled and consolidated under the equity method.

Italy - Cascina Merlata

Constitution of Merlata Sviluppo on 21 May 2019. The company is 30% owned by Ceetrus Italy and 70% by Immobiliare Europea.

Hungary - Creation Boroka Park 2

Creation of the Boroka Park2 company on 9 May 2019, 90% owned by Ceetrus Hungary and 10% by ZEF KFT.

Poland - Fusion

On 21 March 2019, merger of the Challenge Twenty One company into Marisella.

NOTE 3 - OPERATING SEGMENTS

3.1 INCOME STATEMENT BY OPERATING SEGMENTS

30/06/2019 in millions of euros	France	Western Europe	Eastern Europe	Holdings and other activities	GROUP TOTAL 30/06/2019
Net rental income	**124.1**	**77.9**	**54.6**	**-0.1**	**256.5**
Revenues from administrative management and other activities	6.2	13.9	3.4	0.0	23.5
Gross operating income	101.3	64.8	42.5	-6.4	202.2
Operating result	**49.8**	**93.4**	**29.4**	**-7.2**	**165.4**
Financial result					-18.1
Share of result of companies accounted for using the equity method					14.9
Income tax expenses					-52.1
NET RESULT OF THE CONSOLIDATED ENTITY					110.1

30/06/2018 in millions of euros	France	Western Europe	Eastern Europe	Holdings and other activities	GROUP TOTAL 30/06/2018
Net rental income	**121.8**	**26.3**	**49.0**	**-0.1**	**197.0**
Revenues from administrative management and other activities	5.6	3.1	2.5	0.0	11.2
Gross operating income	102.3	22.1	36.6	-6.9	154.1
Operating result	**33.9**	**28.3**	**93.1**	**-7.5**	**147.9**
Financial result					-10.5
Share of result of companies accounted for using the equity method					-58.4
Income tax expenses					-35.3
NET RESULT OF THE CONSOLIDATED ENTITY					43.7

3.2 SIMPLIFIED BALANCE SHEET BY OPERATING SEGMENTS

30/06/2019 ASSETS *(in millions of euros)*	France	Western Europe	Eastern Europe	Holdings and others	GROUP TOTAL 30/06/2019
Goodwill	14.4	191.3	0.4	-	206.1
PPE and intangible assets	52.5	3.9	4.9	2.4	63.7
Right-of-use PPE	1.8	3.7	2.4	0.6	8.6
Investment properties	4,051.0	2,521.7	1,530.2	-	8,102.8
Right-of-use investment properties	6.5	104.7	19.1	-	130.4
Shares and investments in companies accounted for using the equity method	48.1	258.9	7.4	16.5	330.9
Other non-current assets	2.8	190.3	13.0	65.8	271.8
Other current assets	294.8	267.1	128.7	122.4	813.0
TOTAL ASSETS	4,471.9	3,541.5	1,706.2	207.7	9,927.3

31/12/2018 ASSETS *(in millions of euros)*	France	Western Europe	Eastern Europe	Holdings and others	GROUP TOTAL 31/12/2018
Goodwill	14.4	191.3	0.4	-	206.1
PPE and intangible assets	66.6	4.4	4.7	2.0	77.6
Investment properties	4,137.6	2,394.5	1,480.2	-	8,012.3
Shares and investments in companies accounted for using the equity method	41.1	232.1	6.4	14.3	293.9
Other non-current assets	2.9	182.8	7.0	14.8	207.5
Other current assets	284.8	225.7	176.2	41.6	728.2
TOTAL ASSETS	4,547.4	3,230.6	1,674.9	72.7	9,525.6

NOTE 4 - INVESTMENT PROPERTIES, PPE AND INTANGIBLE ASSETS, GOODWILL

4.1 GOODWILL

in millions of euros	31/12/2018	Business combination	Disposal	Impairment	Other changes (1)	30/06/2019
Gross value	217.5	0.0	0.0		-0.0	217.5
Impairment	-11.4	0.0	0.0	0.0	0.0	-11.4
NET VALUE	**206.1**	**0.0**	**0.0**	**0.0**	**-0.0**	**206.1**

(1) *including translation differences and transfers from one post to another*

in millions of euros	31/12/2018	30/06/2019
France	14.4	14.4
Western Europe	191.3	191.3
Eastern Europe	0.4	0.4
Holdings and other activities	0.0	0.0
NET VALUE	**206.1**	**206.1**

4.2 INTANGIBLE ASSETS (EXCLUDING GOODWILL)

in millions of euros	31/12/2018	Acquisitions and investments	Disposals, decommissioning	Changes in scope	Amortization/ Impairment	Reclassification and other changes (1)	30/06/2019
Gross value	60.6	2.1	-4.6	-0.0		9.9	68.0
Amortization and impairment	-40.8	0.0	4.6	0.0	-7.6	-0.0	-43.8
NET VALUE	**19.8**	**2.1**	**-0.0**	**0.0**	**-7.6**	**9.9**	**24.2**

(1) *including translation differences and transfers from one post to another*

The intangible assets item mainly consists of acquired software and software licences, and internally developed software.

Investments in the first half of 2019 are mainly attributable to Ceetrus France (+€1.5 million).

The change to the Aushopping platform in April 2019 led to the scrapping of fixed assets related to the previous platform for a total of €4.6 million.

The reclassification of €9.9 million corresponds to the commissioning of IT developments.

4.3 PROPERTY, PLANT AND EQUIPMENT (PPE)

in millions of euros	31/12/2018	Acquisitions and investments	Disposals, decommissioning	Changes in scope	Amortization/ Impairment	Reclassification and other changes [(1)]	30/06/2019
Land, buildings and fixtures	29.8	-0.0	-1.1	-0.0		1.3	29.9
Materials and other fixed assets	12.8	0.7	-0.0	0.0		0.9	14.4
Property, plant and equipment in progress (WIP)	53.2	5.1	-0.0	0.0		-22.9	35.4
Right-of-use PPE			-0.1			10.3	10.2
Gross value	**95.9**	**5.7**	**-1.2**	**0.0**		**-10.5**	**89.9**
Amortization and impairment of land, buildings and fixtures	-17.6			0.0	-0.4	-0.1	-18.1
Amortization and impairment of materials and other fixed assets	-7.8			0.0	-0.9	-0.0	-8.7
Impairment of PPE in progress	-12.6					-0.8	-13.5
Amortization and impairment of right-of-use PPE			0.0		-1.7	-0.0	-1.6
Amortization and impairment	**-38.0**		**0.0**	**0.0**	**-3.0**	**-0.9**	**-41.9**
NET VALUE	**57.9**	**5.7**	**-1.2**	**0.0**	**-3.0**	**-11.4**	**48.0**

[(1)] *including translation differences and transfers from one post to another*

The increase in assets under construction mainly concerns Ceetrus France for €4.6 million.

PPE in progress decreased by €22.9 million following the commissioning of intangible assets for €9.6 million and reclassification as investment property of €12 million at Ceetrus France.

4.4 INVESTMENT PROPERTIES

Valuation methods

Assessment of the fair value of properties on 31 December 2018 and 30 June 2019

On 31 December 2018 and 30 June 2019, Ceetrus had expert valuations carried out by independent property valuers for all property assets in France and abroad and used these values for the fair value accounting of investment properties on that date.

Assessment of the fair value of properties on 30 June 2018

For shopping centres and retail parks abroad, Ceetrus has expert valuations carried out by independent property valuers on 30 June 2018 and used these valuations for the fair value accounting of investment properties on that date. For land plots, the independent expert valuations carried out on 31 December 2017 were used.

For assets located in France, the values used for shopping centres and retail parks were based in principle on internal valuations carried out on 31 December 2017 using the net income capitalization method. The valuation carried out consists of applying to the annualised net rents generated by each shopping centre and retail park an adjusted capitalization rate by asset class (core, core+, value added, opportunistic), which is determined with reference to the expert valuations carried out in this country and have not changed significantly over the half year except for a few special cases of limited importance. For buildings under construction, the values corresponding to the costs actually spent were used. For land plots, the external expert valuations carried out on 31 December 2017 were used.

4.4.1 Investment properties

in millions of euros	Investment properties at fair value	Investment properties at cost	Right-of-use investment properties	TOTAL Investment properties
31/12/2018	**7,839.7**	**172.6**	**-**	**8,012.3**
Entries into scope	-	-	-	-
Investments	132.5	10.2	5.3	147.9
Disposals and exits from scope	-69.6	-6.4	-	-75.9
Reclassifications and other changes	27.5	-20.5	133.8	140.9
Exchange rate differences	27.4	5.3	-0.1	32.5
Change in fair value	-16.2	-	-8.6	-24.7
30/06/2019	**7,941.5**	**161.3**	**130.4**	**8,233.2**

Changes during the period

The principle investments during this period correspond to the completion of work on the La Cloche d'Or site for €46.1 million and the acquisition of offices for €17.7 million in Luxembourg, continued work on the Moscow shopping centre (€9 million), development works on the Brasov site in Romania for €5.5 million, acquisition of land and building for €5.4 million in Resita in Romania and renovations and extensions of shopping centres and business parks for €45 million in France, Spain and Italy.

Disposals during the first half of the year mainly concern France, following the sale of two asset portfolios (19 assets in total) in March and April 2019.

The reclassification and other movements item mainly includes the commissioning of investment properties and the first recognition of the right-of-use assets in accordance with IFRS 16.

in millions of euros	30/06/2019	31/12/2018
Investment property at fair value	7,972.8	7,862.6
Investment property at cost	161.3	172.6
INVESTMENT PROPERTIES BEFORE RESTATEMENT	**8,134.1**	**8,035.3**
Right-of-use investment properties	130.4	-
Restatement related to spreadings[1]	-31.3	-22.7
TOTAL INVESTMENT PROPERTIES	**8,233.2**	**8,012.5**

[1] spreading of rent-free periods, step rents, key money and rents paid in advance

The following table presents the main assumptions used in the assessment of the fair value of the Group's investment properties as of 30 June 2019:

Shopping centres (weighted average)	Rents in €/m²	Discount rate (%)[1]	Exit yield (%)[2]
France	€362/m²	6.83%	5.61%
Western Europe	€290/m²	7.96%	6.55%
Eastern Europe	€159/m²	10.61%	9.08%

[1] rate used to discount future cash flows

[2] exit yield used to capitalize revenues of the exit year in order to calculate the exit value of the asset

Sensitivity of fair values

An increase in rates of return or discount rates would result in a decrease in the total value of investment property, and vice versa.

An increase in rents would increase the fair value of investment properties and vice versa.

4.4.2 Investment properties held for sale

On 30 June 2019, Ceetrus did not recognise investment properties held for sale.

NOTE 5 - SHARES AND INVESTMENTS IN COMPANIES ACCOUNTED FOR USING EQUITY METHOD

5.1 EVOLUTION OF SHARES AND INVESTMENTS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

The changes in the value of shares and investments in companies valued by the equity method can be explained as follows:

in millions of euros	Group share
31/12/2018	**293.9**
Half-year result 30 June 2019 (1)	14.9
Dividends received	-1.4
Capital increases and reductions	34.1
Changes in scope	0.1
Other changes (2)	-10.7
30/06/2019	**330.9**

(1) including change in fair value of investment properties
(2) including translation differences

The item "Increases and decreases in capital" is mainly composed of the capital increase at Galleria Cinisello and Patrimonio Real Estate, for €21 million and €11 million respectively, the acquisition of a stake of €3.3 million in Gare du Nord 2024 and the decrease in Zenia's issue premium of €1.5 million. "Other changes" mainly include the cancellation of the reclassification of negative equity-accounted securities for France and changes in derivative instruments in Spain.

On 30 June 2019, 31 companies were accounted for using the equity method, compared with 29 companies on 31 December 2018.

The main companies accounted for using the equity method are:

		Share %		Equity value	
Country	**Companies**	**30/06/2019**	**31/12/2018**	**30/06/2019**	**31/12/2018**
France					
	Immaucom - SA	20.00%	20.00%	39.6	39.9
	Alliages et Territoires - SAS	50.00%	50.00%	9.3	10.4
	Gare du Nord 2024 - SA	64.49%	-	3.2	0.0
Spain					
	C.C Zenia, Sociedad Limitada	49.20%	49.20%	69.9	71.5
Luxembourg					
	Galerie Commerciale de Kirchberg - SA	20.00%	20.00%	28.1	27.1
Portugal					
	Alegro Alfragide - SA	49.29%	49.29%	41.8	39.7
	Alegro de Setubal - SA	49.29%	49.29%	24.6	24.5
	Neutripromo - SA	49.12%	49.12%	2.1	9.2
Italy					
	Galleria Cinisello - SRL	50.00%	50.00%	60.7	39.9
	Patrimonio Real Estate - SPA	49.99%	49.99%	16.5	5.5
	LSGI18 - SRL	50.00%	50.00%	12.4	12.4
	Other			22.6	13.7
Total value of shares and investments in companies accounted for using the equity method				**330.9**	**293.9**

5.2 SHARES AND INVESTMENTS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

The main balance sheet and income statement data for companies accounted for using the equity method are presented in the table below.

Information relating to companies accounted for using the equity method is grouped together because they are all subsidiaries with the same activities and with the same risk and return characteristics.

in millions of euros	30/06/2019		31/12/2018		30/06/2018	
	100%	Group Share	100%	Group share	100%	Group share
BALANCE SHEET						
Property, plant and equipment (PPE)	84.8	49.5	39.8	20.6	1,016.7	431.4
Investment properties	1,058.0	464.5	997.9	438.6	1,629.3	686.2
Other non-current assets	121.1	37.8	117.1	36.3	694.0	276.3
Other current assets	426.9	180.0	306.6	118.5	1,297.8	532.3
NON-CURRENT AND CURRENT ASSETS	**1,690.9**	**731.9**	**1,461.4**	**614.0**	**4,637.8**	**1,926.1**
Group financial debts (current and non-current)	123.9	70.0	61.7	31.7	1,623.5	688.0
External financial debts (current and non-current)	400.2	198.8	392.8	196.0	348.8	164.8
Other non-current liabilities	113.4	42.9	60.7	17.6	356.6	142.9
Other current liabilities	184.9	89.4	152.8	74.9	1,138.9	483.6
NON-CURRENT AND CURRENT LIABILITIES	**822.4**	**401.0**	**668.0**	**320.2**	**3,467.8**	**1,479.2**
NET ASSETS	**868.4**	**330.9**	**793.4**	**293.9**	**1,169.9**	**446.9**
INCOME STATEMENT						
Gross operating income	24.4	10.5	18.8	8.2	-22.2	-9.1
Amortizations, impairments and provisions	-0.2	-0.4	-420.7	-177.7	-67.6	-28.8
Change in value of investment properties	31.7	11.7	28.5	10.3	-5.0	-3.1
Income from disposal	-0.7	-0.4	297.8	125.2	0.7	0.3
Other income and expenses	-1.2	-0.6	1.2	0.6	-15.9	-8.0
Financial result	-4.9	-2.2	-21.9	-10.6	-13.7	-6.4
Income tax expenses	-8.2	-3.8	5.8	2.7	-7.2	-3.3
NET RESULT	**40.9**	**14.9**	**-90.6**	**-41.3**	**-131.0**	**-58.4**

NOTE 6 - FINANCING AND FINANCIAL INSTRUMENTS

6.1 FINANCIAL RESULT

in millions of euros	30/06/2019	30/06/2018
Interest expenses on financial debts	(12.8)	(10.3)
Interest income and expenses on derivatives	(0.9)	(0.0)
Gross cost of financial debt	**(13.7)**	**(10.3)**
Interest income from cash and cash equivalents	0.0	0.0
Financial income on advances granted to non-consolidated entities	2.6	0.8
Net cost of financial debt	**(11.1)**	**(9.5)**
Other financial income and expenses including:	(7.1)	(1.1)
Income from guarantee commissions	4.9	2.0
Income/Expenses on Cross Currency Swaps	(5.6)	(2.8)
Financial expenses - IFRS 16	(4.1)	-
Other financial income/expenses	*(2.3)*	*(0.3)*
FINANCIAL RESULT	**(18.1)**	**(10.5)**

Financial result 2019

As a result of the diversification of Ceetrus' financial resources, the "interest expenses on financial debts" item was composed in 2019 of interest expenses to Auchan Holding's other entities for €5.0 million and €7.6 million to external counterparties.

"Other financial income and expenses" consist of financial expenses of €5.6 million corresponding mainly to hedging transactions implemented (cross-currency swaps and foreign exchange swaps) on foreign currency financing issued by Ceetrus Finance to property companies outside the Euro zone and €2.0 million of financial income related to the Granato counter-guarantee on Ceetrus Italy with Auchan Holding's treasury facility. In addition, €4.1 million of financial expenses are linked to the application of IFRS 16.

Financial result 2018

The item "interest expenses on financial debts" mainly consists of interest expenses to other Auchan Holding entities, €10.2 million in 2018.

Other income and expenses in 2018 consisted of the Granato counter-guarantee on Ceetrus Italy with the Auchan Holding treasury facility for €2.0 million and an exchange rate loss of -€2.8 million.

6.2 NET FINANCIAL DEBT

6.2.1 Changes in net financial debt

Change in net financial debt between 31 December 2018 and 30 June 2019

in millions of euros	31/12/2018	Cash movement	Fair value through P&L	Fair value through OCI (1)	Changes in the scope of consolidation	Other changes	Exchange rate differences	30/06/2019
Loans and borrowings	**2,854.8**	**77.4**			**0.0**	**-17.4**	**2.1**	**2,916.8**
non-current	1,585.8	156.0				-0.8	-0.0	1,741.0
current	1,269.0	-78.6			0.0	-16.6	2.1	1,175.9
Group cash advances	-73.5	-3.0				0.8	-0.5	-76.2
Cash and cash equivalents	-159.2	-69.7			-0.0	-0.0	-1.5	-230.4
Derivative assets and liabilities	-1.0	-0.9	8.3	16.5		0.0		22.9
NET FINANCIAL DEBT	**2,621.1**	**3.8**	**8.3**	**16.5**	**-0.0**	**-16.6**	**0.1**	**2,633.1**

(1) *other comprehensive income*

The change in the item "Loans and borrowings" is mainly due to the increase in financing in Luxembourg for €28 million and to new financing lines for €154.5 million. The increase in cash and cash equivalents is mainly due to the recognition on 30 June 2019, in the books of Ceetrus SA, of a new financing line of €80 million, the funds from which were collected in July.

6.2.2 Components of financial debt

Breakdown of loans and financial debts

in millions of euros	30/06/2019	31/12/2018
Bonds and private placements	60.0	60.1
Loans and borrowings with credit institutions	1,117.5	962.7
Loans and borrowings with related parties (1)	560.4	560.0
Finance leases	2.1	2.1
Other financial borrowings	0.9	0.9
Non-current loans and borrowings	**1,741.0**	**1,585.8**
Loans and borrowings with credit institutions	23.4	2.4
Loans and borrowings with related parties (1)	298.0	295.5
Current accounts with related parties (1)	849.7	967.2
Finance leases	0.1	0.1
Other financial borrowings	1.5	0.0
Commercial papers	0.0	0.0
Bank overdrafts	3.1	3.5
Current loans and borrowings	**1,175.9**	**1,268.8**
GROSS FINANCIAL DEBT	**2,916.8**	**2,854.6**

(1) *mainly covers current accounts and advances granted by Auchan Holding*

In 2019, the Group continued to diversify its sources of financing by setting up new bank financing for €154.5 million, with a maturity of up to 3 years.

Gross financial debt - Payment schedule by interest rate type

		CURRENT	NON-CURRENT	
in millions of euros	Balance sheet value 30/06/2019	Less than one year	From 1 to 5 years	More than 5 years
Bonds and private placements	60.0	-	-	60.0
Loans and borrowings with credit institutions	135.0	-	11.0	124.0
Loans and borrowings with related parties (1)	2.7	2.7	-	-
Finance leases	2.2	0.1	-	2.1
Other financial borrowings	2.4	1.5	0.9	-
Commercial papers	0.0	-	-	-
Fixed rate debt	**202.3**	**4.2**	**11.9**	**186.1**
Bonds and private placements	-	-	-	-
Loans and borrowings with credit institutions	1,005.9	23.4	803.8	178.7
Loans and borrowings with related parties (1)	855.8	295.4	560.4	-
Current accounts with related parties (1)	849.7	849.7	-	-
Finance leases	-	-	-	-
Other financial borrowings	-	-	-	-
Bank overdrafts	3.1	3.1	-	-
Variable rate debt	**2,714.6**	**1,171.6**	**1,364.2**	**178.7**
GROSS FINANCIAL DEBT	**2,916.8**	**1,175.9**	**1,376.1**	**364.8**

(1) *mainly covers current accounts and advances granted by Auchan Holding*

Main characteristics of loans and financial debts

Borrowing company	Date of issue	Maturity date	Rate	Type	Amount at the start	Terminal on 31/12/2018	Nominal on 30/06/2019
Ceetrus SA	Dec-18	Dec-25	3.000%	Euro PP	60.0	60.0	60.0
Bonds and private placements					**60.0**	**60.0**	**60.0**
Gallerie Commerciali Sardegna	Dec-16	Dec-21	Euribor + Margin	Loan	118.0	106.0	105.5
Petit Menin Property Management Company	Sept-16	Sept-23	Euribor + Margin	Loan	60.0	46.1	46.1
LCO1	Nov-18	Nov-26	Euribor + Margin	Loan	168.0	127.8	149.7
LCO1	Nov-18	Nov-20	Euribor + Margin	Credit line	12.1	0.0	6.4
Ceetrus SA	Jul-18	Jul-23	Euribor + Margin	Loan	500.0	498.0	500.0
Ceetrus SA	Feb-19	Jan-21	Euribor + Margin	Loan	50.0	n.a.	50.0
Ceetrus SA	Jun-19	Jun-22	Euribor + Margin	Loan	80.0	n.a.	80.0
Ceetrus Russia	Jun-19	Jun-24	Key Rate + Margin	Credit line	21.0	n.a.	21.0
Glorirequinte, Brafero, Multi 25, Forum Montijo	Dec-18	Dec-25	2.350%	Loan	135.0	135.0	135.0
Glorirequinte, Brafero, Multi 25, Forum Montijo	Dec-18	Dec-25	Euribor + Margin	Loan	45.0	45.0	45.0
Loans and borrowings with credit institutions					**1,189.1**	**957.9**	**1,138.6**

The maturity dates correspond to the maturity dates of the loans and credit lines. Draws on credit lines are generally made over a period of 3 months and are renewed.

Maturity	Borrowing company	Nominal on 31/12/2018	Nominal on 30/06/2019
less than 1 year	Holding	295.0	295.0
	France	-	-
	Western Europe excl. France	-	-
	Central and Eastern Europe	-	-
1 year and +	Holding	560.0	560.0
	France	-	-
	Western Europe excl. France	-	-
	Central and Eastern Europe	-	-
Loans and borrowings with related parties		**855.0**	**855.0**

Cash and cash equivalents

in millions of euros	30/06/2019	31/12/2018
Marketable securities, term deposits	1.7	0.7
Cash	228.7	158.5
CASH AND CASH EQUIVALENTS	**230.4**	**159.2**
Bank overdrafts	3.1	3.5
NET CASH	**227.3**	**155.7**

6.3 FINANCIAL RISK MANAGEMENT AND DERIVATIVES

Derivatives: fair value

in millions of euros	Fair value 31/12/18	Acquisitions/Subscriptions	Change in the scope of consolidation	Fair value change through P&L	Fair value change through OCI [1]	Other / Reclassification	Fair value 30/06/19
Interest Rate Swaps - Payer	(6.1)			(0.7)	(15.1)		(21.9)
Swaptions	-	0.8		(0.2)	(0.6)		0.0
CAP	0.0	0.1		(0.3)	(0.8)	1.0	0.1
Currency Swaps	-						-
Instruments qualified for hedge accounting	**(6.1)**	**0.9**	**-**	**(1.1)**	**(16.5)**	**1.0**	**(21.8)**
Interest Rate Swaps - Payer	-						-
Swaptions	-						-
CAP	1.0					(1.0)	-
Currency Swaps	6.1			(7.2)			(1.1)
Instruments not qualified for hedge accounting	**7.1**	**-**	**-**	**(7.2)**	**-**	**(1.0)**	**(1.1)**
TOTAL DERIVATIVES	**1.0**	**0.9**	**-**	**(8.3)**	**(16.5)**	**-**	**(22.9)**

[1] *other comprehensive income*

Derivatives: notional amounts by maturity

Portfolio breakdown as of 30 June 2019 - Interest rate risk hedging

in millions of euros	Less than one year	From 1 to 5 years	More than 5 years	TOTAL
Interest Rate Swaps - Payer	-	1,150.0	126.0	1,276.0
Swaptions	-	300.0	-	300.0
CAP	326.0	764.5	-	1,090.5
Instruments qualified for hedge accounting	**326.0**	**2,214.5**	**126.0**	**2,666.5**
Interest Rate Swaps - Payer	-	-	-	-
Swaptions	-	-	-	-
CAP	-	-	-	-
Instruments not qualified for hedge accounting	**-**	**-**	**-**	**-**
TOTAL DERIVATIVES	**326.0**	**2,214.5**	**126.0**	**2,666.5**

Portfolio breakdown as of 31 December 2018 - Interest rate risk hedging

in millions of euros	Less than one year	From 1 to 5 years	More than 5 years	TOTAL
Interest Rate Swaps - Payer	-	438.0	-	438.0
Swaptions	-	-	-	-
CAP	95.8	187.9	-	283.8
Instruments qualified for hedge accounting	**95.8**	**625.9**	**-**	**721.8**
Interest Rate Swaps - Payer	-	-	-	-
Swaptions	-	-	-	-
CAP	-	250.0	-	250.0
Instruments not qualified for hedge accounting	**-**	**250.0**	**-**	**250.0**
TOTAL DERIVATIVES	**95.8**	**875.9**	**-**	**971.8**

Portfolio detail on 30 June 2019 - Foreign exchange risk hedging

On 30 June 2019

in millions of euros	HUF	PLN	RON	RUB	USD
Intercompany financing	57.2	122.8	78.2	52.4	-
Gross balance sheet exposure	**57.2**	**122.8**	**78.2**	**52.4**	**-**
Currency swaps	(57.2)	(122.8)	(78.2)	(52.4)	-
NET EXPOSURE	-	-	-	-	-

On 31 December 2018

in millions of euros	HUF	PLN	RON	RUB	USD
Intercompany financing	60.8	99.3	66.5	69.0	10.9
Gross balance sheet exposure	**60.8**	**99.3**	**66.5**	**69.0**	**10.9**
Currency swaps	(60.8)	(99.3)	(66.5)	(69.0)	(10.9)
NET EXPOSURE	-	-	-	-	-

6.4 FINANCIAL RISK MANAGEMENT

Ceetrus and the companies in the scope of consolidation are exposed to liquidity, interest rate, credit and currency risks during the normal course of their business.

They use derivative financial instruments to mitigate these risks. The Group has set up an organisation to manage these risks centrally.

On 30 June 2019, these derivatives are recorded on the balance sheet at market value in current and non-current assets and liabilities. Market risk management is controlled and monitored by a specialised committee that meets at least twice a year. General Management is represented in this body, which is responsible for assessing compliance with the hedging policy and therefore the level of the hedges put in place, their adequacy to the underlying financial instruments and the quality of the various counterparties.

6.4.1 Liquidity risk

The Group's policy is to permanently dispose of sufficient medium and long-term financing while having a significant margin for manoeuvre. During this financial year, the Group continued to access liquidity under favourable conditions, while benefiting from financing granted by Auchan Holding.

Covenants and financial ratios

Loans contracted by Ceetrus may be subject to covenants based on financial ratios, the main ones of which are presented below. In particular, the LTV ratio (Loan to Value) expresses the ratio of net financial debt to the fair value of investment properties. The hedging ratio of financial expenses expresses the ratio of EBITDA to the cost of financial debt. Generally, the contracts subscribed to also include a limitation of the securities granted to other lenders. Depending on the case, these ratios can be assessed differently at Group level, at the level of the company that contracts the loan or at the level of the investment properties. The ratios presented below are respected as of 30 June 2019.

In addition, certain financing lines may include a change of control clause, which may entail a repayment obligation in the event of Auchan Holding's loss of control of Ceetrus. Generally, the contracts have crossed default clauses.

		Covenants	30/06/19
Bank LTV	Maximum	< 50%	Respected
ICR	Minimum	>2	Respected
Debts guaranteed by real securities	Maximum	< 20%	Respected

Establishment of covenants from 2018

Exposure to liquidity risk

The remaining maturities of the financial liabilities are analysed as follows (including interest payments).

in millions of euros	Balance sheet value 30/06/2019	Expected cash flow			
		Total	< 1 year	1 to 5 years	> 5 years
Bonds and private placements	60.0	72.6	1.8	7.2	63.6
Loans and borrowings with credit institutions	1,140.9	1,224.9	41.9	853.8	329.2
Loans and borrowings with related parties	857.7	860.6	298.2	562.4	-
Current accounts with related parties	849.7	850.1	850.1	-	-
Finance leases	2.2	2.2	0.1	0.5	1.6
Other financial borrowings	2.9	0.9	0.9	-	-
Bank overdrafts	3.1	3.1	3.1	-	-
Trade payables	150.7	150.7	150.7	-	-
Current tax debts	39.9	39.9	39.9	-	-
TOTAL FINANCIAL LIABILITIES: EXCLUDING DERIVATIVES	**3,107.2**	**3,205.0**	**1,386.7**	**1,423.9**	**394.4**
Current derivatives	1.8	1.8	1.8	-	-
Non-current derivatives	23.9	22.0	3.9	16.9	1.2
TOTAL FINANCIAL LIABILITIES: DERIVATIVES	**25.7**	**23.8**	**5.7**	**16.9**	**1.2**

6.4.2 Interest rate risk

The resulting changes in financial markets and interest rates expose the Group to a possible increase in the cost of financing and refinancing.

In this context, the Group applies a policy of prudent management of its debt by maintaining a limited exposure to interest rate risk. This management involves the subscription of interest rate derivatives whose sole purpose is to reduce the Group's exposure to interest rate fluctuations on its debt with a strict objective of hedging (notwithstanding the possibility that certain transactions, particularly macro-hedges, are not eligible for hedge accounting as defined by IFRS). As part of this management, the Group may use different types of instruments, including swaps, caps or swaptions.

The Group determines the existence of an economic link between the hedging instrument and the hedged instrument according to the reference interest rates, the durations for which they are established, the dates of determination, the maturity date, as well as notional or nominal amounts. It uses a hypothetical derivative to determine whether the designated derivative in each hedging relationship is expected to be effective in offsetting changes in the cash flows of the hedged item.

The main sources of inefficiency in these hedging relationships are:

- The effect of the credit risk of the counterparty and the Group on the fair value of the swaps, which is not reflected in the change in fair value of the hedged cash flows attributable to changes in interest rates; and
- Differences in repricing dates between swaps and loans.

in millions of euros	30/06/2019	31/12/2018
Financial assets		
Fixed rate	230.4	159.2
Floating rate	76.2	73.5
Financial liabilities		
Fixed rate	(200.1)	(198.8)
Floating rate	(2,714.6)	(2,656.0)
NET EXPOSURE BEFORE HEDGING		
FIXED RATE	30.3	(39.6)
FLOATING RATE	(2,638.3)	(2,852.5)
Interest rate hedging instruments		
Fixed rate	-	-
Floating rate	(2,366.5)	(971.8)
NET EXPOSURE AFTER HEDGING		
FIXED RATE	30.3	(39.6)
FLOATING RATE	(271.8)	(1,610.7)

Sensitivity analysis

The cash flow sensitivity analysis for variable rate instruments was determined taking into account all variable flows of non-derivative instruments and derivative instruments. The analysis is prepared on the assumption that the amount of financial debts and derivatives on 30 June remains constant over a year. For the purposes of this analysis, all other variables, especially exchange rates, are assumed to remain constant. Ceetrus has modified the curve of the Euro and other currencies at -1.0%/+1.0%.

Impact on the profit and loss and shareholders' equity

A 1.0% rise in the interest rate curve would result in:

On the basis of the financial position on 30 June 2019, an increase in the cost of debt of €6.8 million until the maturity of the loans, including €3.8 million until 30 June 2020. Shareholders' equity would be impacted upwards by €38.6 million.

A 1.0% drop in the interest rate curve would result in:

On the basis of the financial position on 30 June 2019, an increase in the cost of debt of €10.2 million until the maturity of the loans, including €0.9 million until 30 June 2020. Shareholders' equity would be impacted downwards by €16.0 million.

6.4.3 Credit risk

For Ceetrus and its subsidiaries, credit risk or counterparty risk mainly concerns cash and cash equivalents of the banking institutions at which these cash resources are invested. This may also concern the financial instruments subscribed, when the trading conditions lead these institutions to pay flows to Ceetrus or its subsidiaries. Lastly, the Group is exposed to the risk of default by its lessees.

Regarding investments, with some exceptions, the policy of Ceetrus and companies in the scope of consolidation is to place surpluses with authorised counterparties in amounts and decided by the Financial Committee, according to a score sheet. The Group only uses banks considered to be robust.

In the same way, Ceetrus only works with a list of banks authorised by the Group's Management in relation to financing and interest rate and exchange rate derivative operations. Wherever possible, signed contracts provide for the termination of transactions and the application of a cleared net balance in the event of a change in the initial contractual balance, including the default of the counterparty. In addition, the Group ensures that risk is sufficiently dispersed by working with several leading banking institutions.

The fair value measurement of derivatives carried by Ceetrus and the companies in the scope of consolidation includes a "counterparty risk" component and a "clean credit risk" component for derivatives. The credit risk measurement is determined using standard mathematical models for market participants, taking into account, in particular, historical statistical data. Over the periods presented, the adjustments booked for counterparty risk and own credit risk are not material.

As mentioned elsewhere, trade receivables and other receivables mainly correspond to receivables with regard to lessees. The Group has procedures to ensure the credit quality of clients and third parties before signing contracts with them. The Group believes that it is not significantly exposed to the concentration of credit risk among its lessees, given a diversified exposure across countries and clients. Impairment losses on receivables are generally estimated on an individual basis. Losses on leases are historically low, since the existence of deposits ensures proper management of any outstanding payments.

6.4.4 Exchange rate risk

The entity made up of Ceetrus and its subsidiaries is exposed to exchange rate risk on internal and external financing denominated in a currency other than the Euro (balance sheet exchange rate) as well as on the value of property assets and lease income of its subsidiaries in currencies. The hedged currencies are the Hungarian forint, the Polish zloty, the Romanian leu, the US dollar and the Russian rouble. Although these transactions are carried out for hedging purposes, they are not documented in the hedge as a natural compensation is recognised in profit and loss by the symmetrical effect of the revaluation of derivatives and intra-group financing.

In addition, given the organisation of the Group, the subsidiaries are instructed to pay the expenses incurred using revenues generated in the corresponding currency to limit volatility effects and exposure to the currency concerned.

6.5 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The following tables present the financial assets and liabilities booked at fair value by fair value levels as defined by the applicable IFRS standard:

in millions of euros	**IFRS 9 category**	**Carrying amount/Fair Value 30/06/2019**	**Level 1**	**Level 2**	**Level 3**
CURRENT AND NON-CURRENT ASSETS					
Receivables	Amortized cost	132.9		132.9	
Derivatives	Fair value through P&L or OCI[1]	2.8		2.8	
Other financial assets	Fair value through OCI[1]	136.6		136.6	
Other financial assets	Amortized cost	208.0		208.0	
Cash equivalents	Fair value through P&L	230.4		230.4	
CURRENT AND NON-CURRENT LIABILITIES					
Bonds and private placements	Amortized cost	60.0		60.0	
Loans and debts with credit institutions	Amortized cost	1,140.9		1,140.9	
Loans, debts and current accounts with related parties	Amortized cost	1,707.4		1,707.4	
Finance lease debts	Amortized cost	2.2		2.2	
Derivatives	Fair value through P&L or OCI[1]	25.7		25.7	
Trade payables	Amortized cost	150.7		150.7	
Other financial debts	Amortized cost	2.9		2.9	
Bank overdrafts	Amortized cost	3.1		3.1	

[1] *Other comprehensive income*

NOTE 7 - OTHER BALANCE SHEET ITEMS

7.1 CLIENT RECEIVABLES AND OTHER RECEIVABLES

in millions of euros	31/12/2018	Changes during the year	Changes in scope	Other changes	30/06/2019
Gross value	175.6	-4.8	0.0	0.1	170.8
Impairment	37.0	0.9	0.0	0.1	38.0
NET VALUE	**138.6**	**-5.7**	**0.0**	**0.0**	**132.9**

7.2 OTHER FINANCIAL ASSETS

in millions of euros **Asset balance sheet item**	**IFRS 9 category**	31/12/2018	Changes during the year	Changes in scope	Other changes	30/06/2019
Equity and other securities	Non-consolidated securities at fair value	136.3	0.2	0.0	0.0	136.6
Loans and receivables with related parties	Amortized cost	38.1	54.3	0.0	0.1	92.5
NON-CURRENT FINANCIAL ASSETS		**174.4**	**54.6**	**0.0**	**0.1**	**229.0**
Current financial receivables	Amortized cost	33.5	-1.9	0.0	7.8	39.3
Group cash advances	Amortized cost	73.5	3.0	0.0	-0.3	76.2
CURRENT FINANCIAL ASSETS		**107.0**	**1.1**	**0.0**	**7.5**	**115.6**

7.3 LEASE LIABILITIES

in millions of euros	31/12/2018	Changes during the year	Changes in the scope of consolidation	Other changes	Exchange rate differences	30/06/2019
Non-current lease liabilities	0.0	-1.4	-0.0	124.6	-0.1	123.0
Current lease liabilities	0.0	-7.6	0.0	25.8	-0.0	18.3
LEASE LIABILITIES	**0.0**	**-9.0**	**-0.0**	**150.4**	**-0.1**	**141.3**

NOTE 8 - GROSS OPERATING INCOME

8.1 NET RENTAL INCOME

Detail of non-recovered rental expenses

in millions of euros	30/06/2019	30/06/2018
Service charge income	65.1	48.5
Service charge expense	- 72.3	- 52.3
NON-RECOVERED RENTAL EXPENSES	**- 7.1**	**- 3.8**

8.2 REVENUES FROM ADMINISTRATIVE MANAGEMENT AND OTHER ACTIVITIES

These revenues essentially include the fees related to the services provided under property management contracts. They can also, at the margin, represent turnover on divers other activities, drawn, for example, from the developing digital activities or catering at some shopping centres. Revenue from services is booked in the period during which the service is provided.

8.3 OTHER GENERAL EXPENSES

Structural costs consist mainly of head office costs, operating expenses of the company and maintenance expenses and costs related to non-capitalized projects.

NOTE 9 - INCOME TAXES

9.1 CURRENT TAX EXPENSE

The current tax expense is determined on the basis of the applicable provisions (and in particular the approved or quasi-approved tax rates) in each country where the Group's subsidiaries are established for the period to which the results relate to.

9.2 TAX ASSETS AND LIABILITIES

Non recognised deferred taxes

Deferred tax assets of €61.5 million on 30 June 2019 (€58.8 million on 31 December 2018) relating to tax loss carry-forwards, tax credits and other temporary differences are not booked because their recovery is not deemed probable under the terms of IAS 12.

in millions of euros	31/12/2018	Recorded through P&L	Recorded through OCI	Reclassifications and others [(1)]	Changes in scope	30/06/2019
Fixed assets	1,085.7	6.2	0.0	2.4	-0.0	1,094.3
Tax losses carried forward	-5.4	-0.0	0.0	-0.3	0.0	-5.7
Other	-2.2	3.5	-5.9	-0.2	0.0	-4.7
DEFERRED TAX ASSETS/LIABILITIES	**1,078.1**	**9.7**	**-5.9**	**2.0**	**-0.0**	**1,083.9**

[(1)] *including translation differences*

9.3 INCOME TAX EXPENSES

in millions of euros	30/06/2019	30/06/2018
Expenses/Income		
Current tax	-32.8	-32.2
Adjustments to current taxes and tax adjustments related to previous years	0.0	-0.1
Current tax on other operating income and expenses	-9.4	0.0
Current tax	**-42.2**	**-32.3**
Variation of temporary differences	-10.3	-4.8
Impact of rate changes	-0.2	0.0
Deferred tax on losses carried forward	2.6	1.8
Deferred tax on other operating income and expenses	-2.0	0.0
Deferred tax	**-9.9**	**-3.0**
TAX EXPENSES	**-52.1**	**-35.3**

Effective tax rate (TEI)

The difference between the level of tax resulting from the application of the theoretical tax rate in France and the amount of tax actually recorded in the year is broken down as follows:

in millions of euros	30/06/2019	TEI 30/06/2019	30/06/2018	TEI 30/06/2018
Net result of companies before tax	147.2		137.4	
Theoretical rate (current French rate)	*32.02%*		*34.43%*	
Theoretical tax expenses	**47.14**	**32.02%**	**47.30**	**34.43%**
Difference of rates between parent companies and subsidiaries	-10.9	-7.39%	-16.0	-11.63%
Difference of deferred tax rate at opening	1.8	1.24%	0.0	0.00%
Tax reduction, tax credits and taxes at reduced rates	-0.4	-0.28%	-0.4	-0.28%
Non-recognised tax losses in the financial year	6.0	4.09%	3.0	2.17%
Use of non-recognised losses carried forwards	-2.2	-1.50%	-0.2	-0.18%
Activation of previous losses	0.0	0.00%	0.0	0.00%
Tax adjustments and adjustments of previous years	-0.5	-0.36%	1.3	0.93%
Contribution on the added value of companies (CVAE)	0.9	0.63%	1.0	0.75%
Permanent differences/Non-booked deferred taxes	10.2	6.90%	-0.7	-0.49%
Actual tax expense	**52.1**	**35.35%**	**35.3**	**25.71%**
TAX EXPENSES	**52.1**	**35.36%**	**35.3**	**25.71%**

NOTE 10 - PROVISIONS AND CONTINGENT LIABILITIES

10.1 PROVISIONS

10.1.1 Non-current provisions

in millions of euros	Provisions for litigation	Provisions for employee benefits	Other provisions	TOTAL
TOTAL AT 31/12/2018	**1.1**	**2.7**	**0.6**	**4.4**
Provisions	0.0	0.0	0.0	0.0
Reversals of used provisions	0.5	0.0	-0.1	0.4
Reversals of non-used provisions	0.0	0.0	0.0	0.0
Actuarial gains and losses recognised through other comprehensive income	0.0	0.0	0.0	0.0
Reclassifications and other changes (1)	-0.5	0.0	0.0	-0.5
TOTAL AT 30/06/2019	1.1	2.7	0.5	4.3

(1) *including the effects of changes in scope*

10.1.2 Current provisions

in millions of euros	Provisions for litigation	Provisions for employee benefits	Other provisions	TOTAL
TOTAL AT 31/12/2018	**5.2**	**0.0**	**20.2**	**25.4**
Provisions (1)	3.5	0.0	0.1	3.6
Reversals of used provisions	-0.5	0.0	-0.1	-0.6
Reversals of non-used provisions	-0.3	0.0	0.0	-0.3
Actuarial differences booked through other comprehensive income	0.0	0.0	0.0	0.0
Reclassifications and other changes (2)	0.8	0.0	-2.1	-1.3
TOTAL AT 30/06/2019	8.6	0.0	18.2	26.7

(1) *corresponds mainly to a provision for risk relating to projects in Luxembourg (€3.5 million)*
(2) *mainly concerns the effects of changes in scope, and the cancellation of the reclassification of negative equity-accounted securities for France*

NOTE 11 - PAYROLL EXPENSES AND EMPLOYEE BENEFITS

11.1 PAYROLL EXPENSES

in millions of euros	30/06/2019	30/06/2018
Employee remuneration including social security contributions	-32.1	-25.1
Employee profit-sharing and incentives	-2.1	-2.6
CICE [Tax credit for competitiveness and employment]	0.0	0.0
Employee benefits and share-based payments	-0.0	0.0
NET AMOUNT IN THE STATEMENT OF COMPREHENSIVE INCOME	**-34.1**	**-27.6**

NOTE 12 - RELATED PARTIES

12.1 MAIN TRANSACTIONS

The main transactions carried out with related parties are those carried out:

- with the member companies of Auchan Holding. They relate in particular to financing transactions (presented at Ceetrus terminals as external financing), any leases granted to Auchan Holding's brands, service provision agreements and a set of contractual relations with the same counterparties. Property development transactions may also be concluded with these counterparties (generally in the form of CPIs or VEFA contracts), and in this context the Group generally undertakes to deliver buildings or sales areas within shopping centres or business parks. Finally, acquisitions or disposals of assets or portfolios of property assets may be concluded between Ceetrus and Auchan Holding, particularly with a view to streamlining Auchan Holding's property management, with Ceetrus being responsible for any property not directly operated by Auchan Holding.

- with companies accounted for under the equity method. These are mainly loans and current account advances and interest paid or received in this context, as well as the fees received by Ceetrus in the framework of the assignments entrusted to it, mainly for the lease and facility management of shopping centres held by these companies accounted for under the equity method.

Service agreement with Auchan Holding

The Company has entered into a service agreement with Auchan Holding, the purpose of which is to organise, particularly in certain countries, the supply to Ceetrus SA or its subsidiaries of services representative of the support functions necessary for its operation, in particular in administrative, accounting and IT domains.

In this context, Ceetrus or its subsidiaries paid an amount of €4.6 million in 30 June 2019 (compared to €9 million on 31 December 2018).

Property management agreement with Auchan Holding

Ceetrus is currently responsible for, on behalf of Auchan Holding and mainly on the sites jointly operated by Auchan Holding and Ceetrus, the lease management and facility management of the surfaces held by Auchan Holding.

Ceetrus received a fee of €1.3 million for this mission on 30 June 2019 (compared to €1 million on 31 December 2018).

Loans and current account advances with Auchan Holding

Ceetrus has entered into various loan agreements and current account advances with Auchan Holding. These agreements are concluded under normal conditions. The principal amounts of these loans and current account advances are presented in note 6.2.

Acquisition and sale of assets or portfolios of investment properties. Property development operations.

Various acquisition transactions have been concluded with Auchan Holding companies. These transactions may concern either acquisitions of assets or direct sales, or acquisition or disposal transactions via securities transactions. These transactions may be paid in cash or through capital transactions.

in millions of euros	30/06/2019	31/12/2018	30/06/2018
Income and expenses			
With Auchan Holding			
Rents paid to Auchan Holding	9.4	26.2	12.7
Property management fees received by Ceetrus	1.3	0.8	0.4
Service fees paid to Auchan Holding	4.6	8.6	4.5
Income from disposal with Auchan Holding	0.7	-82.8	0.3
Net financial expenses of loans, current accounts and advances	2.8	11.5	5.1
Payroll expenses	0.6	1.9	0.5
Miscellaneous costs	3.9	7.7	2.9
With Equity Method companies			
Financial income from loans and current accounts	4.6	0.7	0.2
Property management fees received by Ceetrus	1.3	2.0	1.0
Miscellaneous costs	0.0	0.0	0.0
Assets and Liabilities			
With Auchan Holding			
Assets			
Trade receivables	9.6	11.3	11.4
Other receivables	36.3	19.1	42.5
Loans and current accounts granted	39.7	42.0	31.3
Liabilities			
Loans and current accounts received	1,684.5	1,810.8	1,648.0
Trade payables	12.4	25.2	17.6
Other debts	332.5	10.1	33.3
With Equity Method companies			
Assets			
Loans and current accounts granted to EM companies	89.4	27.4	52.9
Receivables	8.6	5.8	2.3
Liabilities			
Loans and current accounts received	2.7		0.0
Other debts	0.1		0.7

NOTE 13 - OFF BALANCE SHEET COMMITMENTS

13.1 OFF-BALANCE SHEET COMMITMENTS GIVEN AND RECEIVED

in millions of euros	30/06/2019	31/12/2018
Off-balance sheet commitments related to operating activities	**81.5**	**142.8**
Land and buildings purchase options	81.5	141.9
Purchases conditional on future fixed assets	0.0	0.9
Off balance sheet commitments related to financing	**528.9**	**520.9**
Off balance sheet commitments received related to financing	0.0	0.0
Off balance sheet commitments given related to financing	5.3	4.4
Debts with guarantees	523.5	516.4
Off balance sheet commitments related to scope	**16.4**	**14.7**
Firm commitments to purchase securities	0.0	0.0
Share purchase options	16.4	14.7

Commitments related to the scope of consolidation

Ceetrus Luxembourg has share option commitments with respect to the minority interests of certain of its subsidiaries.

Commitments related to financing

These commitments, for the off-balance sheet portion, are most often made up of credit lines, for the undrawn share.

Commitments related to operational activities

The Group may, as part of its real estate activity (especially housing), have to sign contracts of reservations (or promises of sale) with its clients, whose regularization is subject to the lifting or otherwise of conditions precedent. In addition, the constitution of the land portfolio in this same activity can give rise to the signing of promises on the targeted land, promises which can themselves be subject to the fulfilment of conditions precedent.

NOTE 14 - OTHER INFORMATION

14.1 CAPITAL

	Number of ordinary shares	SHARE CAPITAL (in millions of euros)
SHARE CAPITAL ON 30 JUNE 2019	31,790,080	635.80

The capital of Ceetrus SA is 99.99% owned by Auchan Holding.

14.2 DIVIDEND DISTRIBUTIONS

The General Meeting of 17 May 2019 decided to distribute, in cash, a dividend of €321.7 million (€10.12 per share).

14.3 NET RESULT PER SHARE

Net result per share is determined by dividing net result for the period attributable to common shareholders by the weighted average number of outstanding ordinary shares excluding treasury shares during the period.

Diluted net result per share is calculated by dividing net result for the period attributable to ordinary shareholders by the weighted average number of outstanding ordinary shares excluding treasury shares during the period adjusted for the effects of dilutive options.

Calculation of the weighted average number of shares

	30/06/2019	30/06/2018
Number of shares in circulation on January 1st	31,790,080	31,790,080
Weighted average of capital increases		
Weighted average of capital redemptions		
Weighted average number of shares in circulation (excluding treasury shares) used to calculate basic earnings per share	**31,790,080**	**31,790,080**
Weighted average number of shares in circulation (excluding treasury shares) used to calculate diluted earnings per share	**31,790,080**	**31,790,080**

Calculation of earnings per share

Net earnings per share of the consolidated entity	30/06/2019	30/06/2018
Weighted average number of shares in circulation:	31,790,080	31,790,080
Net result of the consolidated entity - attributable to owners of the parent (in € million)	101.5	40.9
Per share (in €)	*3.19*	*1.29*
Diluted earnings per share	**30/06/2019**	**30/06/2018**
Weighted average number of shares in circulation:	31,790,080	31,790,080
Net result of the consolidated entity - attributable to owners of the parent (in € million)	101.5	40.9
Per share (in €)	*3.19*	*1.29*

NOTE 15 - CONSOLIDATION SCOPE

List of the main companies entering the scope of consolidation:

		% of share		% control		Consolidation method [1]	
Country	**Companies**	**06/2019**	**12/2018**	**06/2019**	**12/2018**	**06/2019**	**12/2018**
France							
	Ceetrus – SA	100.00	**100.00**	100.00	**100.00**	FC	**FC**
	Alliages et Territoires - SASU	50.00	**50.00**	50.00	**50.00**	EM	**EM**
	Ceetrus France - SA	97.72	**97.72**	97.72	**97.72**	FC	**FC**
	Petit Menin – SCI	97.72	**97.72**	100.00	**100.00**	FC	**FC**
	Grand Fontenay - SCI	60.70	**60.70**	62.12	**62.12**	FC	**FC**
	Gare du Nord 2024 - SA	64.49	**-**	66.00	**-**	EM	**EM**
	Immaucom - SA	20.00	**20.00**	20.00	**20.00**	EM	**EM**
	Les Saisons de Meaux - SASU	97.72	**97.72**	100.00	**100.00**	FC	**FC**
Belgium							
	Ceetrus Finance - SA	100.00	**100.00**	100.00	**100.00**	FC	**FC**
Spain							
	C.C Zenia, Sociedad Limitada - LLC	49.20	**49.20**	50.00	**50.00**	EM	**EM**
	Ceetrus Urban Player Spain - S.A.U - SA	98.41	**98.41**	100.00	**100.00**	FC	**FC**
Hungary							
	Ceetrus Hungary - KFT	98.72	**98.72**	98.72	**98.72**	FC	**FC**
Italy							
	Galleria Cinisello - SRL	50.00	**50.00**	50.00	**50.00**	EM	**EM**
	Ceetrus Italy – SPA	100.00	**100.00**	100.00	**100.00**	FC	**FC**
	Patrimonio Real Estate - SPA	49.99	**49.99**	49.99	**49.99**	EM	**EM**
	Gallerie Commerciali Sardegna - SRL	50.23	**50.23**	50.23	**50.23**	FC	**FC**
	LSGII8 - SRL	50.00	**50.00**	50.00	**50.00**	EM	**EM**
Luxembourg							
	Galerie Commerciale de Kirchberg - SA	20.00	**20.00**	20.00	**20.00**	EM	**EM**
	Joseph Bech Building Kirchberg S.N.C	100.00	**100.00**	100.00	**100.00**	FC	**FC**
	Kubik Kirchberg - SA	100.00	**100.00**	100.00	**100.00**	FC	**FC**
	LCO1 - SA	85.00	**85.00**	85.00	**85.00**	FC	**FC**
Poland							
	Ceetrus Polska - sp z.o.o.	99.49	**99.49**	99.49	**99.49**	FC	**FC**
Portugal							
	Alegro Alfragide - SA	49.29	**49.29**	50.00	**50.00**	EM	**EM**
	Alegro de Setubal - SA	49.29	**49.29**	50.00	**50.00**	EM	**EM**
	Brafero - SA	98.24	**98.24**	100.00	**100.00**	FC	**FC**
	Ceetrus Portugal - SA	98.24	**98.24**	100.00	**100.00**	FC	**FC**
	Forum Montijo - SA	98.24	**98.24**	100.00	**100.00**	FC	**FC**
	Multi 25 - SA	98.24	**98.24**	100.00	**100.00**	FC	**FC**
	Neutripromo - SA	49.12	**49.12**	50.00	**50.00**	EM	**EM**
	Sintra Retail Park - SA	98.24	**98.24**	100.00	**100.00**	FC	**FC**
Romania							
	Ceetrus Romania - LLC	100.00	**100.00**	100.00	**100.00**	FC	**FC**
	Coresi Business Park - SA	100.00	**100.00**	100.00	**100.00**	FC	**FC**
Russia							
	Ceetrus LLC - SARL	98.77	**98.77**	100.00	**100.00**	FC	**FC**
Ukraine							
	Ceetrus Ukraine - LLC	100.00	**100.00**	100.00	**100.00**	FC	**FC**

[1] FC: Full Consolidation; EM: Equity Method

This is a free translation into English of the statutory auditor's review report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

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Statutory Auditor's Review Report on the Interim Condensed Consolidated Financial Statements

Period from January 1, 2019 to June 30, 2019

To the Chairman of the Board of Directors,

In our quality of statutory auditor of the company Ceetrus S.A. and in answer to your request within the context of bond issue on a regulated market, we conducted a review of the consolidated interim financial statements for the period from January 1, 2019 to June 30, 2019 ("the financial statements"), which are attached to this report.

We draw your attention that the company establishes consolidated interim financial statements for the first time and that the comparative period ended from January 1, 2018 to June 30, 2018 has not been audited or reviewed.

These financial statements are the responsibility of the Company's Board of directors. Our responsibility is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with professional standards applicable in France and the professional doctrine of the French national auditing body (Compagnie nationale des commissaires aux comptes) related to this engagement. A review consists primarily of making inquiries of persons responsible for financial and accounting matters and applying analytical procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared in all material respects in conformity with IAS 34 norm the standard of IFRS as adopted by the European Union applicable to interim financial statements.

Without qualifying the conclusion expressed above, we draw your attention to Note 2.1.2.1 to the financial statements which set out the impacts on the financial statements of the mandatory first-time application as of January 1, 2019 of IFRS 16.

This report is addressed to your attention in the context described above and is not to be used, circulated, quoted or otherwise referred to for any other purposes.

This report is governed by French law. The Courts of France shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning the engagement letter or this report, and any matter arising from them. Every part irrevocably waives any right it may have to object to an action being brought in any of those Courts, to claim that the action has been brought in an inconvenient forum or to claim that those Courts do not have jurisdiction.

Neuilly-sur-Seine and Paris La Défense, on August 29, 2019

The Statutory Auditors

PricewaterhouseCoopers Audit	KPMG Audit Department of KPMG S.A.
Jean-Baptiste Deschryver	Sandie Tzinmann