

PRESS RELEASE

BNP PARIBAS REAL ESTATE GENERATES € 704M REVENUES* IN 2016

€ 155m profit before tax

Breakdown of revenues:

- **43 % outside of France** (of which 12% in the UK, 20 % in Germany 4% in Italy) and **57% in France**,
- **72 % in Real Estate Services** (Transaction, Consulting, Valuation, Property Management and Investment Management) and **28% in Commercial and Residential real estate development**,
- **38% from recurrent revenues:** Consulting, Valuation, Property Management and Investment Management and Serviced Accommodation.

Key figures 2016:

- **Investment Management:** over € 1.6bn of new cash collected in funds and € 24.1bn of assets under management in Europe.
- **Property Management:** revenues of € 94m and a managed portfolio of 38 million m².
- **Advisory (Transaction, Consulting, Valuation):** revenue of € 314m.
- **Commercial real estate development:** business volume of € 692 M. to January 1, 2017 178,500 m² of offices are under construction in Europe and 154,000 m² were completed in 2016.
- **Residential real estate:** business volume of more than € 1bn including € 699m on own account, representing growth of 28% vs. 2015. Construction began on 1,593 homes.

“For BNP Paribas Real Estate, 2016 was a year of earnings growth, with € 704m revenues and € 155m net profit before tax. Despite the difficult geopolitical environment in 2016, real estate markets have generally held up well. All our business lines are progressing as a whole. In 2017 we are to start implementing our 2020 development plan that structures and crystallises our ambitions for each of our business lines and uses digital to develop new service offers. With respect to our central functions, early-2017 has seen the creation of two new departments: an Innovation department and a Data department. Lastly, our commitment to CSR, which has become increasingly important in our clients’ investment choices, also features among our priorities for 2017 and the coming years” comments **Thierry Laroue-Pont, Chief Executive Officer of BNP Paribas Real Estate.**

** Revenue corresponds to net banking income plus income from companies consolidated under the equity method. It mostly consists of net fees from the different business lines and margins of development schemes based on percentage of completion.*



2016 statement by business line

1. Investment Management

With revenues of **€ 98m**, this business line saw inflows of **over € 1.6bn of new cash in funds in 2016**. In addition separate accounts/mandates of € 1.3bn were realized. At the end of the year, it managed **€ 24.1bn** of assets in Europe (+€ 2.1bn vs. 2015), of which 73% on behalf of institutional investors.

A transaction volume of about **€ 3.9bn** was generated (investments and divestments), a record high.

2. Property Management

Property Management revenues came to **€ 94m** in 2016. The number of m² under management is up **4.5%** with **38 million m²** of which 56% offices and 26% logistics, while 40% is in France and 60% abroad.

Property Management enjoys a leadership position in mainland Europe for tertiary real estate, and an optimal regional coverage in Europe, established in 14 countries and 58 cities.

3. Advisory (Transaction, Consulting and Valuation)

In 2016, revenues generated by the Advisory activities came to € 314m. As such, in **Transaction**, **6.2 million m²** of commercial property were leased or sold in Europe (of which 1.9 million m² in France) thanks to **3,850** commercial property transactions performed. Investment came in at **€ 19bn**. In **Valuation**, the business is predominantly in France (46%) in terms of revenues, followed by the UK (24%). The value of assets valued in the 12 countries where this business operates totalled € 289bn, representing about 130 million m².

Consulting offers services including Real Estate Advisory for occupiers (69%) or Outsourced Real Estate Management with 16%.

4. Office Property Development

In 2016, the business volume came to **€ 692m, with 154,000 m² of completions**.

Among the major schemes completed in 2016 were Tiburtina (Rome), 43,800 m², Luxembourg Kirchberg (Luxembourg) 50,000 m² and Unicity (Levallois-Perret) 36,000 m².

As of January 1, 2017, 178,500 m² of offices were under construction in Europe.

5. Residential real estate (Property Development, Transaction and Property Management of serviced residences with Studélites and Hipark)

In 2016, the residential business line generated a **business volume of more than € 1bn including € 699m on own account, representing growth of 28% vs. 2015, completing 1,847 housing units delivered** (+ 44.5% vs. 2015). **Housing units started** came in at **1,593 homes**.

6,734 units in serviced residences are under management across 50 Studélites student residences and 5 Hipark residences for business travellers.

6. Prospects

“Our 2017 ambitions for our business lines are clear. We notably expect growth in Investment Management, mainly due to a robust level of activity in France and Germany, as well as the forthcoming launch of the NEIF 3 fund. Recent pan-European mandates for Property Management, such as that signed with Logicor for over 1 million m², should contribute to the growth that we expect for this business line. We also have major ambitions for our Advisory businesses for which we expect to at least match 2016 revenue. In Office Property Development, we plan to launch 10 or so schemes in France and Continental Europe. Our development strategy on this business line is based partly on researching substantial mixed schemes involving commercial/residential/hotel real estate in Ile-de-France and the regions and partly on our expansion in Europe. Lastly, we plan to start 2,300 homes in Residential” concludes **Thierry Laroue-Pont, Chief Executive Officer of BNP Paribas Real Estate.**

About BNP Paribas Real Estate

BNP Paribas Real Estate, one of the leading international real estate providers, offers its clients a comprehensive range of services that span the entire real estate lifecycle: property development, transaction, consulting, valuation, property management and investment management.

BNP Paribas Real Estate supports owners, leaseholders, investors and communities in their projects thanks to its local expertise through 36 countries (16 direct facilities and 20 through its Alliance network) in Europe, Middle-East and Asia.

BNP Paribas Real Estate generated € 704 m revenues in 2016 with, for property development, 154 000 sqm of completions and more than 1,500 homes launched; € 24.1 bn assets under management in Investment Management; 38m sqm managed in Property Management; 6.2m sqm taken up and € 19bn invested in Transaction; and three main types of Consulting services: Real Estate Advisory for occupiers, Building Consultancy and Outsourced Real Estate Management.

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