Ile-de-France Office Transactions Increased in Q1

• Take-up of offices in Ile-de-France in Q1 came in at about 664,000 m², confirming the robust trend that began last year. There was a sharp increase in take-up (+27% compared to the first three months of 2016), which remained higher than the 10-year average (523,000 m² in Q1). Similarly, it is still large units that are driving the market, as these saw an 88% jump in volumes. Occupiers have been particularly active on the segment of units over 10,000 m², including Natixis with 89,650 m² in Tours Duo (Paris 13), the Consell Régional d’Ile-de-France with 33,000 m² in Influence (Saint-Ouen) and Crédit Agricole Assurances with 25,000 m² at 44 Boulevard de Vaugirard (Paris 15).

• Although small and medium-sized units slipped by 3%, they remained at a high level as they enjoyed their third best performance of the last 10 years. Units of between 0 and 500 m² (-7%), as well as those of 2,000 – 5,000 m² (-20%) struggled, while those of 500 – 2,000 m² experienced a rise in take-up (+10%).

• A number of major deals meant that the district of Paris non-CBD particularly stood out over the first quarter, with volumes surging by 79%. Despite a more mixed result for the CBD (-10%), take-up in Paris Inner City climbed 41% compared to the previous year. Outside Paris, La Défense saw a significant slump (-58%), but this should be seen in context. Firstly, take-up was in line with its 10-year average, and secondly 2016 was an exceptional year for this district. Péri-Défense (+248%), the Southern River Bend (+42%) and the Inner Rims (+169% for the North, South and East) also performed strongly, while transactions in other districts of the region contracted.

• The vacancy rate is stable overall with a very slight downward trend, now at 6.6% for the whole of Ile-de-France, but with major disparities in the region. Péri-Défense still has the highest vacancy rate at 15.9%, followed by the Northern River Bend at 12.7%. Conversely, the vacancy rate in Paris Inner City is the lowest, at 3.5%. The figure for La Défense is 8.2%, mainly due to second-hand supply, whereas empty new offices there are rare.

• Availability within a year as of April 1, 2017 was 4.4 million m², down 8% over the last 12 months. The share of new and refurbished premises is low and only represents 18% of total supply, i.e. 818,000 m². Offices under construction continue to rise, with 1,284,000 m² currently being built. There are many completions expected out to 2019, particularly in the traditional business districts. However, planning permission and speculative building intentions are already falling sharply, confirming that production of offices in Ile-de-France will be controlled in the medium term.
OFFICE MARKET IN ÎLE-DE-FRANCE

Take-up

- > 10,000 m²
- 5,000 - 10,000 m²
- 2,000 - 5,000 m²
- 500 - 2,000 m²
- < 500 m²

Availability within a year (as of 1st April)

Future supply

- Space under construction
- Planning permission granted

Source: BNP Paribas Real Estate - Research - May 2017
### OFFICE MARKET IN ÎLE-DE-FRANCE

<table>
<thead>
<tr>
<th>Area</th>
<th>2016 Q1</th>
<th>2017 Q1</th>
<th>Immediate supply</th>
<th>Take-up</th>
<th>Immediate supply</th>
<th>Take-up</th>
<th>Take-up variation</th>
<th>Immediate supply variation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Availability within a year</strong></td>
<td></td>
<td></td>
<td>Immediate supply*</td>
<td>Take-up</td>
<td>Immediate supply*</td>
<td>Take-up</td>
<td>Take-up variation</td>
<td>Immediate supply variation</td>
</tr>
<tr>
<td>Paris CBD</td>
<td>292,000</td>
<td>102,000</td>
<td>230,000</td>
<td>91,000</td>
<td>-21%</td>
<td>91,000</td>
<td>-11%</td>
<td></td>
</tr>
<tr>
<td>Paris outside CBD</td>
<td>413,000</td>
<td>135,000</td>
<td>342,000</td>
<td>243,000</td>
<td>-17%</td>
<td>243,000</td>
<td>-8%</td>
<td></td>
</tr>
<tr>
<td>La Défense</td>
<td>310,000</td>
<td>75,000</td>
<td>294,000</td>
<td>32,000</td>
<td>-5%</td>
<td>32,000</td>
<td>-5%</td>
<td></td>
</tr>
<tr>
<td>Péri Défense</td>
<td>445,000</td>
<td>24,000</td>
<td>413,000</td>
<td>85,000</td>
<td>-7%</td>
<td>85,000</td>
<td>254%</td>
<td></td>
</tr>
<tr>
<td>Neuilly/Levallois</td>
<td>147,000</td>
<td>30,000</td>
<td>147,000</td>
<td>25,000</td>
<td>0%</td>
<td>25,000</td>
<td>-17%</td>
<td></td>
</tr>
<tr>
<td>Northern River Bend</td>
<td>108,000</td>
<td>15,000</td>
<td>103,000</td>
<td>3,000</td>
<td>-5%</td>
<td>3,000</td>
<td>-80%</td>
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<tr>
<td>Southern River Bend</td>
<td>246,000</td>
<td>42,000</td>
<td>237,000</td>
<td>59,000</td>
<td>-4%</td>
<td>59,000</td>
<td>40%</td>
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</tr>
<tr>
<td>Northern Inner Rim</td>
<td>314,000</td>
<td>10,000</td>
<td>321,000</td>
<td>44,000</td>
<td>2%</td>
<td>44,000</td>
<td>340%</td>
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</tr>
<tr>
<td>Southern Inner Rim</td>
<td>244,000</td>
<td>12,000</td>
<td>271,000</td>
<td>24,000</td>
<td>11%</td>
<td>24,000</td>
<td>100%</td>
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</tr>
<tr>
<td>Eastern Inner Rim</td>
<td>124,000</td>
<td>8,000</td>
<td>78,000</td>
<td>16,000</td>
<td>-37%</td>
<td>16,000</td>
<td>100%</td>
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</tr>
<tr>
<td>Outer Rim</td>
<td>1,140,000</td>
<td>68,000</td>
<td>1,062,000</td>
<td>42,000</td>
<td>-7%</td>
<td>42,000</td>
<td>-38%</td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,783,000</td>
<td>523,000</td>
<td>3,498,000</td>
<td>664,000</td>
<td>-8%</td>
<td>664,000</td>
<td>27%</td>
<td></td>
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</tbody>
</table>

* end of period

Source: Immostat, BNP Paribas Real Estate

### Space under construction

<table>
<thead>
<tr>
<th>Area</th>
<th>2016 Q1</th>
<th>2017 Q1</th>
<th>Variation 2016 Q1 / 2017 Q1</th>
<th>2016 Q1</th>
<th>2017 Q1</th>
<th>Variation 2016 Q1 / 2017 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paris CBD</td>
<td>422,000</td>
<td>423,000</td>
<td>0%</td>
<td>119,000</td>
<td>217,000</td>
<td>82%</td>
</tr>
<tr>
<td>Paris outside CBD</td>
<td>632,000</td>
<td>529,000</td>
<td>-16%</td>
<td>298,000</td>
<td>315,000</td>
<td>6%</td>
</tr>
<tr>
<td>La Défense</td>
<td>417,000</td>
<td>320,000</td>
<td>-23%</td>
<td>94,000</td>
<td>153,000</td>
<td></td>
</tr>
<tr>
<td>Péri Défense</td>
<td>591,000</td>
<td>523,000</td>
<td>-12%</td>
<td>59,000</td>
<td>108,000</td>
<td>83%</td>
</tr>
<tr>
<td>Neuilly/Levallois</td>
<td>209,000</td>
<td>197,000</td>
<td>-6%</td>
<td>42,000</td>
<td>88,000</td>
<td>110%</td>
</tr>
<tr>
<td>Northern River Bend</td>
<td>123,000</td>
<td>130,000</td>
<td>6%</td>
<td>0</td>
<td>3,000</td>
<td>110%</td>
</tr>
<tr>
<td>Southern River Bend</td>
<td>396,000</td>
<td>350,000</td>
<td>-12%</td>
<td>72,000</td>
<td>128,000</td>
<td>78%</td>
</tr>
<tr>
<td>Northern Inner Rim</td>
<td>343,000</td>
<td>341,000</td>
<td>-1%</td>
<td>51,000</td>
<td>102,000</td>
<td>100%</td>
</tr>
<tr>
<td>Southern Inner Rim</td>
<td>358,000</td>
<td>336,000</td>
<td>-6%</td>
<td>64,000</td>
<td>31,000</td>
<td>-52%</td>
</tr>
<tr>
<td>Eastern Inner Rim</td>
<td>143,000</td>
<td>128,000</td>
<td>-12%</td>
<td>0</td>
<td>0</td>
<td>0%</td>
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<tr>
<td>Outer Rim</td>
<td>1,141,000</td>
<td>1,125,000</td>
<td>-1%</td>
<td>20,000</td>
<td>47,000</td>
<td>27%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,774,000</td>
<td>4,400,000</td>
<td>-8%</td>
<td>859,000</td>
<td>1,284,000</td>
<td>49%</td>
</tr>
</tbody>
</table>

Source: BNP Paribas Real Estate
6 BUSINESS LINES in Europe

A 360° vision

Contacts

Business lines

COMMERCIAL PROPERTY DEVELOPMENT
Bruno PINARD
Tel.: +33 (0)1 55 65 25 70
bruno.pinard@bnpparibas.com

CORPORATE SERVICES
Sylvain HASSE
Tel.: +33 (0)1 47 59 22 34
sylvain.hasse@bnpparibas.com

VALUATION
Jean-Claude DUBOIS
Tel.: +33 (0)1 55 65 29 29
jeanclaude.dubois@bnpparibas.com

PROPERTY MANAGEMENT
Lauric LECLERC
Tel.: +33 (0)1 55 65 29 29
lauric.leclerc@bnpparibas.com

INVESTMENT MANAGEMENT
Barbara KNOFLACH
Tel.: +49 69 29 89 90
barbara.knoflach@sentx.bnpparibas.com
Jacqueline FAISANT
Tel.: +33 (0)1 55 65 26 94
jacqueline.faisant@bnpparibas.com

TRANSACTION
Laurent BOUCHER
Tel.: +33 (0)1 47 59 23 35
laurent.boucher@bnpparibas.com

Guillaume DELATTRE
Tel.: +33 (0)1 55 65 24 31
guillaume.delattre@bnpparibas.com

Transaction

Île-de-France offices

Guillaume NOULIN
Head of Offices in western Île-de-France
Partner Manager
167, Quai de la Bataille de Stalingrad
92867 Issy les Moulins Cedex
Tel.: +33 (0)1 47 59 21 01
loic.cuvelier@bnpparibas.com

Frédéric DOS SANTOS
Head of offices in northern and eastern
Paris and IDF
Offices under 5,000 m²
Partner manager
Immeuble Les Mercurelles
40 rue jean laurets - Bagnolet
Tel.: +33 (0)1 47 59 23 67
frederic.dossantos@bnpparibas.com

Olivier TAILPIN
Head of Offices in western river-bank
and southwestern Île-de-France
Offices under 5,000 m²
Partner Manager
167, Quai de la Bataille de Stalingrad
92867 Issy les Moulins Cedex
Tel.: +33 (0)1 47 59 21 71
olivier.tailpin@bnpparibas.com

Eric BERAY
Head of large office space business unit
Partner manager
167, Quai de la Bataille de Stalingrad
92867 Issy les Moulins Cedex
Tel.: +33 (0)1 47 59 21 50
eric.beray@bnpparibas.com

Eric SIESSS
Head of large office space department
167, Quai de la Bataille de Stalingrad
92867 Issy les Moulins Cedex
Tel.: +33 (0)1 47 59 23 70
eric.siesse@bnpparibas.com

Jean-Bernard BARD
Head of Offices in Paris and western & southern Île-de-France
Sales
Partner Manager
167, Quai de la Bataille de Stalingrad
92867 Issy les Moulins Cedex
Tel.: +33 (0)1 47 59 37 42
jean-bernard.bard@bnpparibas.com

Research

167, Quai de la Bataille de Stalingrad
92867 Issy les Moulins Cedex
Tel.: +33 (0)1 55 65 20 04

Richard MALLE
Head of Research
richard.malle@bnpparibas.com

Vincent VOUTE
Research Analyst - Paris offices
vincent.voute@bnpparibas.com