

Paris, 21 October 2021



Activity at end-September 2021: recovery confirmed

Results very positive in summer and encouraging in September

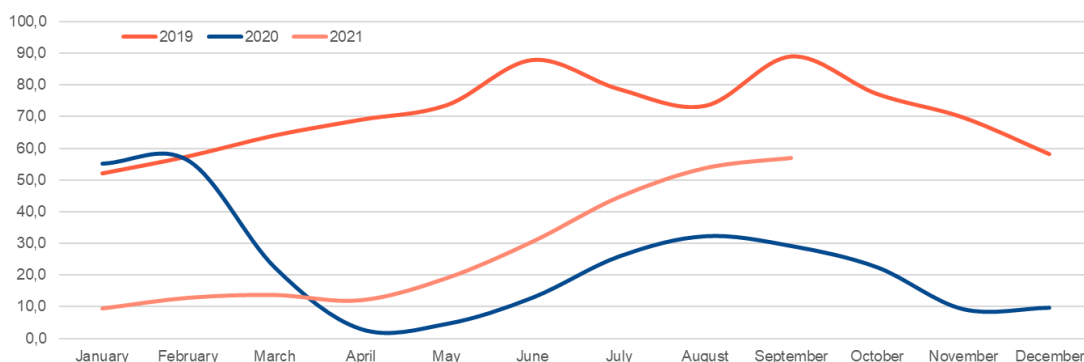
While the hotel sector was still heavily impacted by the pandemic in the first half of 2021, performances in summer 2021 were very positive and exceeded those of 2020 (RevPAR¹ up 67% in July-August).

The lifting of Covid restrictions in time for the holiday period and the step-up in vaccination rates resulted in an increase of performances during the summer months. Occupancy rates crossed the symbolic 50% threshold on average in Europe and exceeded 80% in August in several cities including Marseille and Bilbao. In some regions, particularly coastal areas and regional cities in France, Germany and the UK, RevPAR in summer 2021 even exceeded 2019 figures. These positive performances are mainly due to the significant part of domestic customers in these markets, particularly in Germany (76% of overnight stays) and France (62%²). As a reminder, these two markets account for 55% of Covivio Hotels revenues.

September confirmed the hotel sector recovery, particularly in the domestic business segment, with an occupancy rate in Europe nearing 60% over the month. Occupancy rates were highest in the UK (69%) and France (63%), up compared to July and August¹.

While RevPAR was below 2020 levels at the start of the year, it had exceeded those levels by the end of the first quarter. It has steadily increased since then, nearing 2019 levels by August¹.

Change in RevPAR¹ in Europe (revenue per available room, €)



¹ Source MKG

² Source: Tourism Economics for the number of overnight stays in hotels

COVIVIO HOTELS
PRESS RELEASE

Revenue at the end of September 2021: significant improvement in Q3

At 30 September 2021, Covivio Hotels hotel revenues amounted to €116.9 million. While this increase is limited to 2.2% at constant consolidation scope due to health restrictions in the first half, 42% growth in hotel revenues in the third quarter of 2021 confirms the upturn in business observed since summer.

€million	Revenues Q3 2020 100%	Revenues Q3 2020 Group Share	Revenues Q3 2021 100%	Revenues Q3 2021 Group Share	Group Share Variation PdG (%)	Group Share Variation Lfl (%) ^(*)
Hotel Lease properties	103,3	92,2	116,6	105,7	14,7%	1,6%
Hotel Operating properties	10,8	10,4	11,3	11,2	8,2%	9,8%
Total Hotel Revenues	114,0	102,5	127,9	116,9	14,0%	2,2%
Non strategic (retail)	9,2	9,2	4,0	4,0	-56,5%	-18,1%
Total revenues Covivio Hotels	123,2	111,7	131,9	120,9	8,2%	1,3%

(*) On a like for like basis

Rents from hotel lease properties was positively impacted by the third quarter upturn in the hotel business, up 1.6% at constant consolidation scope at the end of September to €105.7 million, compared to €92.2 million at 30 September 2020.

Hotel operating properties (mainly located in France and Germany) posted EBITDA up 9.8% at constant consolidation scope to €11.2 million, mainly driven by strong performances this summer in Berlin and Nice.

Consistently high level of hotel rent collection

The hotel rent collection rate rose from 88% at 30 June 2021 to 93% at 30 September 2021. This demonstrates the strength of the Covivio Hotels rental base (79% including rent-free periods and deferred payments granted, up from 69% at the end of June).

Solid financial structure

At the end of July 2021, Covivio Hotels successfully placed €500 million in bonds maturing in 2029, offering a fixed coupon of 1.0%. The bond issue, which was over four times oversubscribed, reflects investors' appetite for the hotel sector and its unchanged fundamentals, as well as their confidence in the sector's ability to capitalise on the recovery.

Following the €250 million capital increase carried out in June 2021, the bond issue helped refinance a portion of the existing debt and strengthened the balance sheet by extending debt maturity (from 6 months to 5 years) and improving its profile.

2021 outlook

The fourth quarter is expected to confirm the European hotel business recovery initiated in the third quarter. Covivio Hotels will then be able to count on the quality and diversity of its let portfolio, operated by leading European and international operators, to bring about long-term growth in its results.



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ABOUT COVIVIO HOTELS

Covivio Hotels specialises in holding lease properties in the hotel industry. Société d'Investissements Immobiliers Cotée (SIIC), real estate partner of leading hotel industry operators, Covivio Hotels holds a portfolio worth €6.5 billion.

Covivio Hotels is rated BBB+/Stable outlook by Standard and Poor's.



ABOUT COVIVIO

Thanks to its partnering history, its real estate expertise and its European culture, Covivio is inventing today's user experience and designing tomorrow's city.

A preferred real estate player at the European level, Covivio is close to its end users, capturing their aspirations, combining work, travel, living, and co-inventing vibrant spaces.

A benchmark in the European real estate market with a portfolio of €24 billion, Covivio offers support to companies, hotel brands and territories in their pursuit for attractiveness, transformation and responsible overall stock.

Covivio's mission is accordingly to create well-being and lasting relationships, and the Company embodies its role as a responsible real estate operator with all its stakeholders: customers, shareholders and financial partners, internal teams, local authorities, future generations, etc. Further, its living, dynamic approach opens up exciting project and career prospects for its teams.