

## **SFL – Financial information for the 3<sup>rd</sup> quarter 2016**

**Rental income up sharply by 21.4% to €150.1 million**

### **Consolidated revenue by business segment (€000's)**

	<b>2016 (9 months)</b>	<b>2015 (9 months)</b>
<b>Rental income</b>	<b>150,139</b>	<b>123,679</b>
<i>o/w Paris Central Business District</i>	114,003	99,061
<i>Western Crescent</i>	13,114	3,585
<i>Other</i>	23,022	21,034
Other revenue	0	0
Total consolidated revenue	150,139	123,679

Rental income rose sharply by 21.4%, or €26.5 million, to €150.1 million in the nine months to 30 September 2016, compared with €123.7 million in the same period in 2015.

- On a comparable portfolio basis, rental income rose by €9.9 million (up 8.8%), due in particular to the signature of a lease on the In/Out building which came into effect on 1 September 2015.
- Rental income from properties that were undergoing renovation in the comparable period expanded by €13.6 million, corresponding mainly to rent on the #cloud.paris building delivered in November 2015 and fully let.
- The acquisition of the 9 Percier building in June 2015 generated a €0.7 million increase in rental income in the first nine months of 2016.
- In addition, revenues were boosted by a €2.2 million lease termination penalty paid by a former tenant of the 103 Grenelle building.

In a still highly selective rental market shaped by a relative shortage of prime properties, SFL signed leases at favourable conditions on some 23,000 sq.m. in the first nine months of 2016. These office leases have an average nominal rent of €641 per sq.m., corresponding to an effective rent of €551 per sq.m. The average incentive ratio is 14% and the average firm lease maturity is 5.9 years.



The occupancy rate for revenue-generating properties at 30 September 2016 was 97.7% versus 95.6% at 31 December 2015, reflecting the outstanding attractiveness of the SFL portfolio.

There were no acquisitions or divestments during the first nine months of 2016.

At 30 September 2016, SFL's consolidated net debt amounted to €1,855 million, compared with €1,841 million at 31 December 2015, representing a loan-to-value ratio of 31.6%. At that date, SFL also had €560 million in undrawn back-up lines of credit.

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## About SFL

Leader on the prime segment of the Parisian tertiary real estate market, Société Foncière Lyonnaise stands out for the quality of its property portfolio, which is valued at €5.5 billion and is concentrated on the Central Business District of Paris (Louvre Saint-Honoré, Edouard VII, Washington Plaza, etc.), and for the quality of its client portfolio, which is composed of prestigious companies in the consulting, media, digital, luxury, finance and insurance sectors.

Stock market: Euronext Paris Compartment A – Euronext Paris ISIN FR0000033409 – Bloomberg: FLY FP – Reuters: FLYP PA

S&P rating: BBB stable outlook

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