SFL
SOCIETE FONCIERE LYONNAISE

PAYMENT OF AN INTERIM DIVIDEND

Paris, 15 November 2007 - The Board of Directors of SFL, chaired by Luis Portillo Muñoz, met on 15 November.

During the meeting, the Board noted that the Paris office market is holding up well in a difficult international environment.

The office rental market in the Paris Central Business District remains robust, with the number of new leases signed since the beginning of the year on a par with 2006 levels and with prime rents up slightly year-on-year. Investment volumes are also in line with 2006, and with demand remaining strong, prices in the Central Business District show no signs of easing.

In this environment, the Company's portfolio of prime properties delivered increases in both revenues and market values:

- Consolidated property rentals for the first nine months of the year amounted to €125.5 million compared with €121.2 million for the same period of 2006, an increase of 4.0%.

- The occupancy rate (excluding properties undergoing renovation) stood at a very high 98.1% at 30 September. In particular, the fully-renovated 12,000-square meter office complex at 104-110 boulevard Haussmann in the eighth *arrondissement* of Paris was let under a 9-year lease starting on 15 August.

- Based on independent valuations, the market value of the property portfolio at 30 September 2007 was €3,897 million excluding transfer costs, up 11% on a comparable portfolio basis from 31 December 2006.

- The increase compared with 30 June 2007 was 2% on a comparable portfolio basis.

The loan-to-value ratio at 30 September stood at 23.6%, allowing the Company to make future investments without weakening its financial position.

At the same date, diluted NAV per share amounted to €59.2 excluding transfer costs (€64.0 including transfer costs), up 2.5% compared with 30 June.

In light of this performance, the Board examined a proposal to pay an interim dividend, in line with the Company's practice in prior years.

Under the new "SIIC 4" tax rules, the Company will be liable for 20% withholding tax on dividends paid to corporate shareholders that hold at least 10% of the capital and are not taxed on dividends received from an SIIC.

The Board noted Colonial's decision to reimburse the total withholding tax that would be due by SFL on an interim dividend paid by the Company, in order to avoid penalizing other shareholders.

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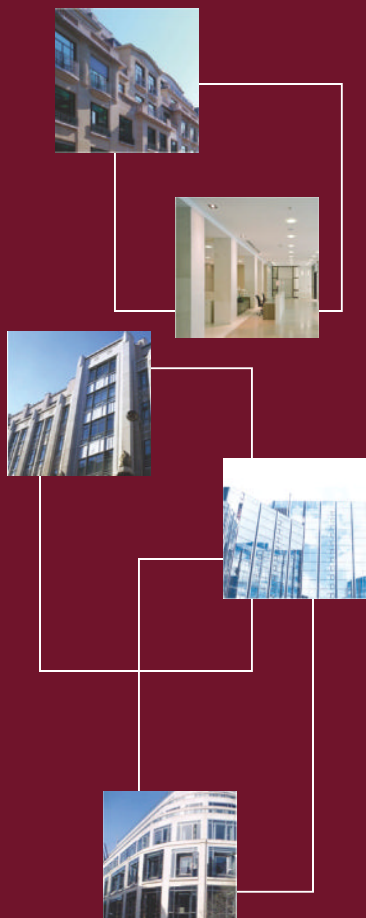
With an exceptional portfolio of properties valued at some €3.9 billion net of transfer costs, essentially located in the Paris Central Business District, SFL is a preferred vehicle for investors wishing to invest in the Paris office and retail property market. As the leading player in this market, the Group is firmly focused on pro-actively managing high-quality property assets. SFL has elected to be taxed as an SIIC since 2003.

STOCK MARKET:
Eurolist Compartment A – Euronext Paris ISIN FR0000033409 – Bloomberg: FLY FP – Reuters: FLYP PA



The Board also decided to recommend, at the next General Meeting of Shareholders, a change in the Articles of Association to require any shareholders concerned by these new rules to reimburse the withholding tax to SFL.

On this basis, the Board decided to pay an interim dividend of €1.10 per share. The dividend will be paid on 19 November.

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