SFL FIRST-HALF 2007 RESULTS

Property rentals up 5.9% to €83.3 million
Operating profit, before fair value adjustments, up 8.7% to €72.3 million
Current cash flow per share up 23.2% to €1.08
NAV per share, including transfer costs, up 8.8% over 6 months to €62.5

Paris, 24 July 2007 - **The Board of Directors of Société Foncière Lyonnaise, chaired by Luis Manuel Portillo Muñoz, met on 23 July 2007 to approve the financial statements for the six months ended 30 June 2007, which show further growth in property rentals and asset values, and a sharp rise in current cash flow.**

Consolidated results (€ millions)

	First-half 2007	First-half 2006
Property rentals	83.3	78.7
Operating profit before fair value adjustments	72.3	66.5
Profit attributable to equity holders of the parent	306.4	343.1

	30 June 2007	31 December 2006
Portfolio value excluding transfer costs	3,827	3,320
Portfolio value including transfer costs	4,047	3,511
Diluted NAV/share excluding transfer costs	€57.7	€53.0
Diluted NAV/share including transfer costs	€62.5	€57.4

Results

- Property rentals totalled €83.3 million in the first six months of 2007, an increase of 5.9% compared with the €78.7 million reported in the first half of 2006. On a comparable portfolio basis, property rentals were up 6.4% for the period.

- Fair value adjustments to investment properties represented a positive €274.2 million versus €331.0 million in first-half 2006.

- Operating profit before fair value adjustments rose 8.7% to €72.3 million from €66.5 million in first-half 2006.

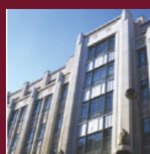
- Profit attributable to equity holders declined to €306.4 million from €343.1 million, reflecting slower growth in the value of the property portfolio compared with first-half 2006.

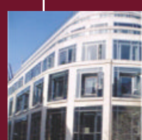
- Current cash flow attributable to equity holders (excluding disposal proceeds) amounted to €48.2 million, up 28.1% from €37.6 million. The increase was primarily attributable to higher property rentals and the material impact of rent-free periods on the basis of comparison in first-half 2006.

With an exceptional portfolio of properties valued at more than €3.8 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







Business review

At 97.7%, the occupancy rate at 30 June 2007 remained very satisfactory. During the period, the Company fully let two renovated properties, the 1,360 square-meter avenue Velasquez building and the 2,788 square-meter rue Alfred de Vigny building which has been extensively remodelled. However, as the Alfred de Vigny lease did not commence until July, the property was classified as vacant at 30 June 2007.

On 30 March 2007, SFL completed the acquisition of Prédica's 50% stake in SCI Paul Cézanne, raising its interest in the Cézanne Saint-Honoré property to 100%. The €198.7 million transaction was settled in newly issued SFL shares and should bring in around €8 million in additional rental revenues per year.

Ongoing renovation programmes concerned five buildings as of 30 June 2007, representing nearly 60,000 square meters. Highlights of the period included the CDEC permit to convert 247 rue Saint-Honoré into a Mandarin Oriental hotel and the upcoming delivery of the property at 104-110 boulevard Haussmann held in partnership with the Latsis group, following comprehensive renovation of its 12,000 square meters of offices and 820 square meters of retail space.

SFL and Nexity were selected by SEMAPA to build lot T8 on the Paris Rive Gauche development site following a competitive bidding process. The project involves the construction of a 34,500 square-meter (net floor area) office, retail and residential complex scheduled for delivery at the end of 2011.

No properties were sold during the first half of 2007.

As planned, SFL redeemed in advance $125 million in US Private Placement Notes, whose impact was already recognised in the 2006 financial statements, and had its Standard & Poor's rating withdrawn. At the same time, two new bank lines of credit were arranged, one for €50 million over five years and the other for €150 million over seven years.

NAV

The estimated market value of the portfolio at 30 June 2007 was €3,827 million excluding transfer costs, an increase of 15.3% compared with €3,320 million at 31 December 2006. The estimated replacement value, including transfer costs, at 30 June 2007 was €4,047 million. On a like-for-like basis, portfolio value rose 9.2% over the period.

SFL continues to focus on high quality office properties in the prime business districts of Paris.

The loan-to-value ratio stood at 24.4% at 30 June 2007.

At the same date, diluted NAV per share amounted to €62.5 including transfer costs (€57.7 excluding transfer costs), up 8.8% compared with €57.4 at 31 December 2006.

SFL
SOCIETE FONCIERE LYONNAISE

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