

SFL RAISES ITS INTEREST IN SCI PAUL CÉZANNE TO 100%

Paris, 30 March 2007 – Pursuant to the memorandum of understanding signed on 8 February 2007¹, SFL has today acquired Prédica's 50% interest in SCI Paul Cézanne, raising its interest to 100%.

The value of €198,670,242 attributed to the 50% interest has been confirmed by the merger auditors, Jacques Zaks and Edouard Leduc. Their report was filed with the Clerk of the Paris Commercial Court on 22 March 2007. The report and the sale agreement are available for consultation at SFL's headquarters.

The 3,425,349 SFL shares issued in payment for the acquisition will be priced at €58 per share, as provided for in the memorandum of understanding. They will rank *pari passu* with existing shares and will be quoted on the same line. This issue, representing less than 8% of SFL's capital, is being carried out pursuant to the general authorisation given to the Board at the 2005 Annual General Meeting (6th resolution) to issue shares representing up to 10% of the capital in payment for stock in another company.

The transaction will give SFL exclusive control over SCI Paul Cézanne's capital.

Prédica has confirmed to SFL that it plans to sell an equivalent number of SFL shares to three investors, at the same price of €58, retaining at least 5% of SFL's capital and voting rights in accordance with the provisions of the shareholder pact concluded with Immobiliaria Colonial on 24 November 2004.

For further information, contact François Sebillotte, SFL's Company Secretary.

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With an exceptional portfolio of properties valued at more than €3.5 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



¹ See SFL press release dated 9 February 2007