

SFL

2009 INTERIM RESULTS

July 21 2009

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Introduction & Key Figures

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Property Portfolio at 30 June 2009

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First-Half Business Review

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First-Half Financial Statements and Results

Appendices

Key Figures

	H1 2009	H1 2008	% change
Property rentals (IFRS)	€96.0m	€89.7m	+7.0%
Operating profit before fair value adjustments	€84.6m	€74.9m	+12.9%
Fair value adjustments to investment properties	(€312.0m)	(€253.0m)	
Profit (loss) on disposal of investment properties	(€13.5m)	0.0	
Profit/(loss) attributable to equity holders	(€236.8m)	(€180.8m)	
Current cash flow attributable to equity holders	€63.0m	€50.2m	+25.5%
Current cash flow per share attributable to equity holders	€1.36	€1.08	+25.5%
	H1 2009	H1 2008	% change
Portfolio value, excluding transfer costs, at 30 June attributable to equity holders	€3,082m	€3,477m	-11.4%
NAV per share, including transfer costs	€43.4	€51.3	-15.4%
Loan-to-Value	34.2%	31.5%	

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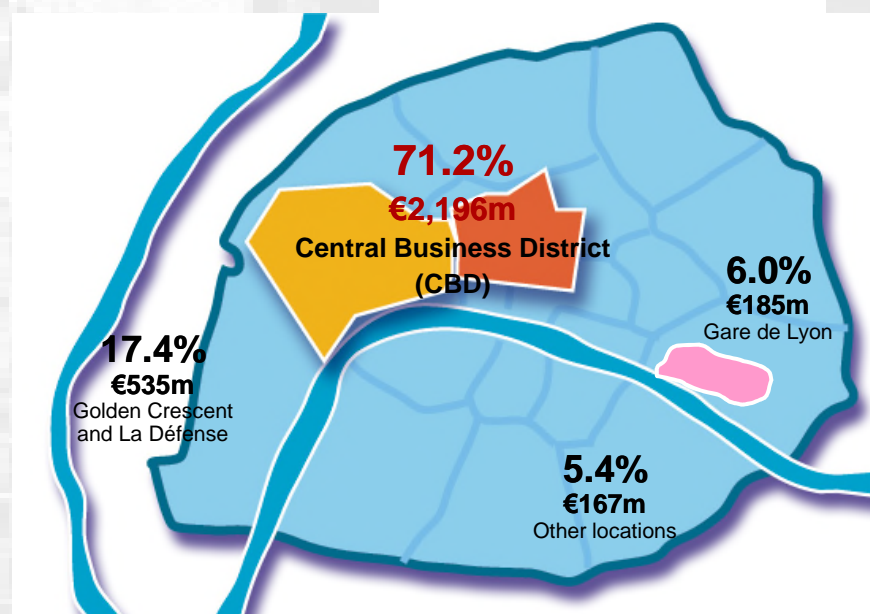
 First-Half Financial Statements and Results

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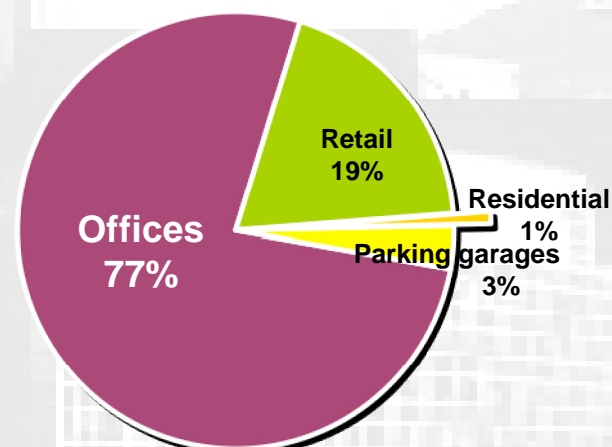
Property Portfolio

Appraisal value at 30 June 2009
€3,082m excluding transfer costs
(down 7.9% on 31 Dec. 2008 / down 14.1% YoY like-for-like)

Geographic focus



Property focus



Value including transfer costs = €3,255m

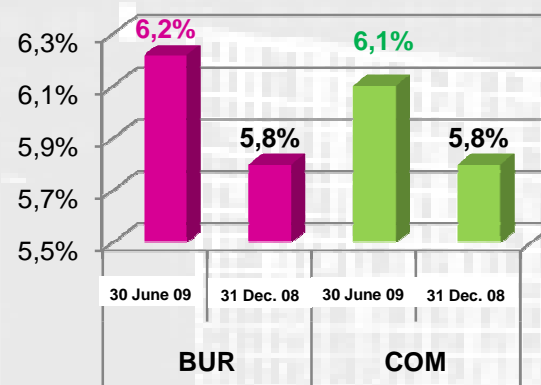
Appraisal Values at 30 June 2009

Appraisal value (attributable): €3,082m excl. transfer costs
(down 11.4% on 31 December 2008)
€3,255m including transfer costs

Like-for-like portfolio
(excl. transfer costs)
down 7.9% vs. end-2008
(down 11.5% in 2008)

Average value per sq.m.
(excl. transfer costs)
€7,496
(€8,184 at 30 June 2008)

Spot yield ⁽¹⁾
6.2%
(5.8% at 31 Dec. 2008)



(1) (Passing rent + Market rent on vacant properties) / (Appraisal value including transfer costs + Capex)

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Paris Region Office Rental Market First-Half 2009



PARIS REGION

- **Total rental volume in H1 2009:** 0.8m sq.m., down 27% on H1 2008
 - **Immediately available stock:** 3.2m sq.m. at 30 June 2009, up 18% on end-2008
 - Vacancy rate higher at 6.6%
- **Average rent in H1 2009:** €311/sq.m./year. Rents are trending downwards, deal sweeteners are increasingly common and marketing periods are longer.

PARIS CENTRE WEST & CBD

- **Total rental volume in H1 2009:** 132,216 sq.m. (15% of Paris region market), down 35% vs. H1 2008
 - **Immediately available stock:** 0.4m sq.m. at 30 June 2009, up 23% on end-2008
 - Vacancy rate higher, at 5.3%
- **Prime rents at end-H1 2009:** €700/sq.m./year
- **Average rent:**
 - ✓ **CBD:** €486/sq.m./year, down 7% on end-2008
 - ✓ **Paris Centre West:** €385/sq.m./year, down 8% on end-2008

2009 OUTLOOK

- Marketing volumes continued to fall rapidly in H1 2009 and the trend is not expected to reverse in the second half, due to the uncertain economic outlook, the increase in immediately available properties and the forecast decline in market rents
- Tenants are playing safe and are increasingly looking to renegotiate their leases

Sources: Immostat, JLL and BNP Paribas Real Estate

Paris Region Office Investment Market in First-Half 2009



FRANCE & PARIS REGION

- Total deal flow in **France** in H1 2009: **€2.6bn** (down 69% on H1 2008). Only 12 transactions in excess of €40m, including four for over €100m and two for over €200m
- ⑩ **Paris region** deal flow in H1 2009: **€1.2bn** (down 73% on H1 2008)
 - ✓ Average transaction amount much lower, at €15m
 - ✓ Yields for Offices up sharply from 2007 low (by 220 bps to 320 bps). Retail yields also higher (by 190 bps to 300 bps).

PARIS CENTRE WEST & CBD

- Total deal flow: **€0.6bn**, 48% of Paris region market (down 20% on H1 2008).
- **Prime CBD yields up by 220 to 270 bps vs. 2007 low to around 6.0 to 6.5% at 30 June 2008**
- Asset values continue to be adjusted down, while risk premiums increase, particularly for non-prime buildings presenting a tenant risk

H2 2009 OUTLOOK

- Total deal flow expected to be around €5bn to €6bn over the year, five times less than in 2007
- Market values already reflect the expected fall in rental values
- High-leverage investors are pulling out of the market
- Bank financing is once again an option, provided that the LtV is not too high

Sources: Immostat, JLL, BNP Paribas Real Estate and Cushman

Property Sales

Properties sold in first-half 2009: 12,300 sq.m.



5, rue Alfred de Vigny
Paris 8^{ème}



63, boulevard Haussmann
Paris 8^{ème}



11, rue de Prony
Paris 17^{ème}



62, rue Beaubourg
Paris 3^{ème}



6, avenue Vélasquez
Paris 8^{ème}

Gross spot yield: 6.31%

Total disposal proceeds: €117m
(excl. transfer costs and tax)

5, rue Alfred de Vigny	€27.8m excl. tax
63, boulevard Haussmann	€27.0 m excl. transfer costs
11, rue de Prony	€27.0 m excl. transfer costs
62, rue de Beaubourg	€22.3 m excl. transfer costs
6, avenue Vélasquez	€12.5 m excl. transfer costs

Current Renovation Projects

Property	District	Type	Renovated surface area	Forecast rentals (100% basis)	Delivery
Galerie des Champs Elysées (100%)	Central Business District	Retail	6,239 sq.m.	€9.0m	H2 2010
247-251, rue Saint Honoré	Central Business District	Hotel/ Retail	16,203 sq.m.	€10.8m	H2 2010
92, av. des Champs Elysées	Central Business District	Offices/ Retail	7,313 sq.m.	€9.8m	H2 2011
Total			29,755 sq.m.		



Galerie des Champs Elysées
Paris 8^{ème}



247-251, rue Saint Honoré
Paris 1^{er}



92, av. des Champs Elysées
Paris 8^{ème}

Rental Revenues

H1 2009 versus H1 2008

In €m

H1 2008 rental revenue	89.7
Like-for-like growth	+6.7
Increase due to purchases and post-renovation remarketing	-
Decrease due to sales and major renovations	-0.4
H1 2009 rental revenue	96.0

Reported increase

7.0%

Like-for-like increase

8.0%

Marketing Programme

New leases: 7,511 sq.m.

Offices

- 6,686 sq.m.marketed or remarketed
- Attributable to SFL: €4,452 thousand or €666/sq.m./year

Retail

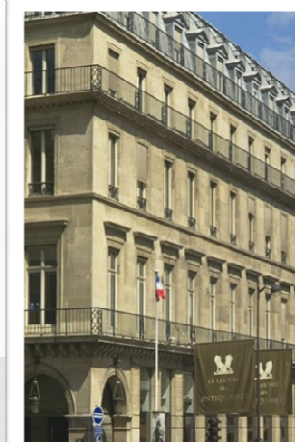
- 345 sq.m. marketed
- Total rent: €805 thousand or €2,333/sq.m/year
- Attributable to SFL: €481 thousand

**Rents on new leases
up 13% ⁽¹⁾**

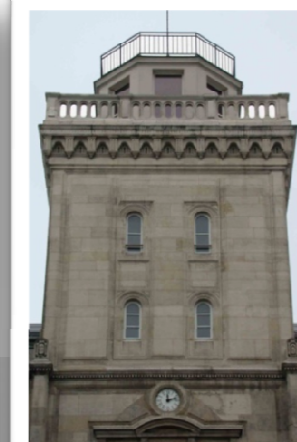
**Rents on renegotiated
leases down 10%**



EDOUARD VII



LDE-LDA



103 GRENELLE

Main leases signed in H1 2009

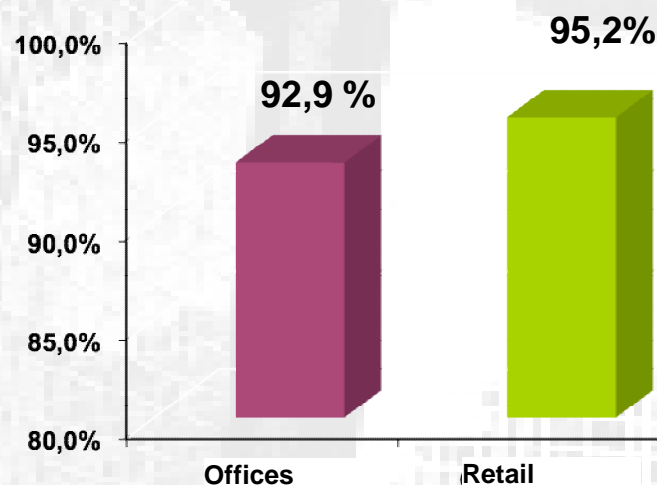
Property	Type	Surface (sq.m.)	Tenant
LDE-LDA	Offices	2,160	IEDOM
103 GRENELLE	Offices	1,602	Barilla
LDE-LDA	Offices	1,245	Royal International Insurance Holding
LDE-LDA	Offices	1,074	B.M.S Exploitation
EDOUARD VII	Offices	420	Neo Sécurité

(1) Based on rents on new leases in H1 2009.

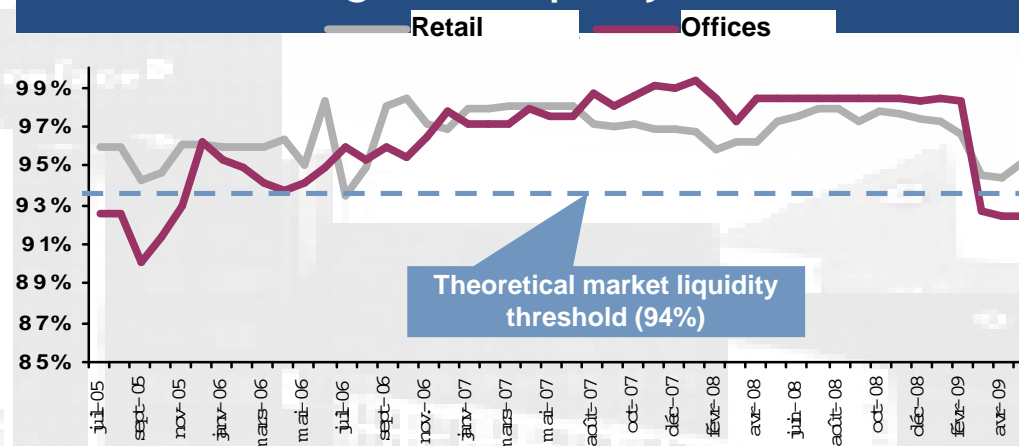
Occupancy Rates

Occupancy rate⁽¹⁾ at 30 June 2009: 93.7%
(98.5% at 30 June 2008)

Occupancy rate by property type



Change in occupancy rate ⁽²⁾



Office occupancy rates at 30 June 2009

SFL:	92.9%
Central Business District ⁽³⁾ :	94.7%
La Défense ⁽³⁾ :	96.0%
Paris region ⁽³⁾ :	93.4%

Occupancy rates

Average for the period ⁽⁴⁾

96.7%

Financial ⁽⁵⁾

Q2 09 : 91.8%

(1) : Attributable to SFL, excluding surface areas undergoing renovation or refurbishment

(2) : Month-end spot rates, based on surface area attributable to SFL.

(3) : Source: BNP Paribas Real Estate, At a Glance Bureaux Ile de France July 2009.

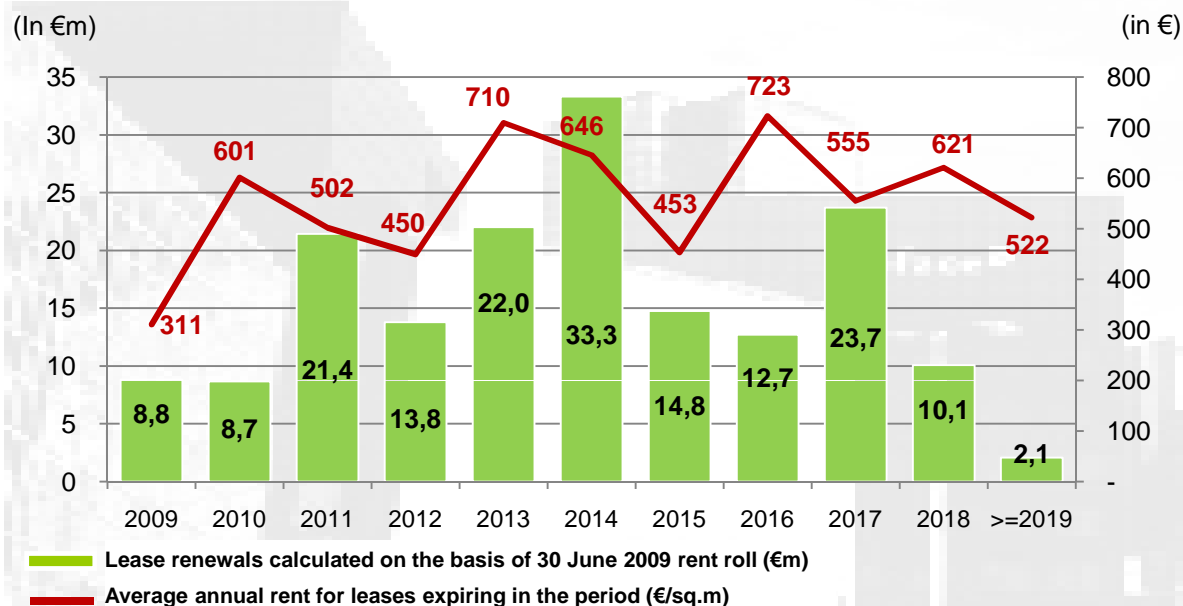
(4): Average end-of-month spot rate based on surface areas attributable to SFL, excluding surface areas and buildings undergoing renovation or refurbishment

(5): Attributable to SFL, excluding surface areas and buildings undergoing renovation or refurbishment (Assumed rent for vacant units / Passing rent+ assumed rent)

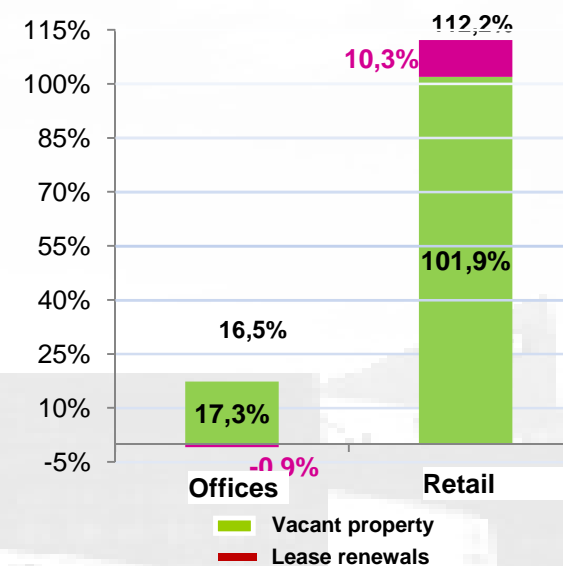
Lease Renewals and Potential Supplementary Rental Income



Commercial lease expiry dates



Potential supplementary rental income ⁽³⁾



Average rent, SFL office properties, 30 June 2009:

€546/sq.m./year
 (€559 at 31 Dec. 2008, down 2.3%)

Legal lease term⁽¹⁾
4.9 years

Remaining lease term⁽²⁾
3.1 years

Potential supplementary rental income⁽³⁾
28.2%

- (1) Weighted average period remaining for leases in progress as of 30 June 2009, up to lease expiry date.
 (2) Weighted average period remaining for leases in progress as of 30 June 2009, up to next potential exit date
 (3) As a percentage of current rents.

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First-Half 2009 Results



€m	H1 2009	H1 2008	% change	Full-year 2008
Property rentals	96.0	89.7	7.0%	181.5
Property costs, net of recoveries	(4.3)	(4.5)	-4.6%	(10.3)
Net property rentals	91.7	85.2	7.6%	171.2
Service and other revenues	4.2	3.5		4.8
Depreciation, amortisation and provision expense, net	(1.0)	(2.1)		(1.5)
Employee benefits expense and other expenses	(10.3)	(11.7)		(22.2)
Operating profit before fair value adjustments	84.6	74.9	12.9%	152.3
Fair value adjustments to investment properties	(312.0)	(253.0)		(546.5)
Profit/(loss) on disposal of investment properties	(13.5)	0.0		-
Finance costs, net	(17.7)	(23.4)		(53.1)
Profit/(loss) before income tax	(258.6)	(201.5)		(447.3)
Income tax expense	8.8	6.5		31.6
Profit/(loss) for the period	(249.8)	(195.0)		(415.7)
Minority interests	12.9	14.2		22.7
Profit/(loss) attributable to equity holders	(236.8)	(180.8)		(393.0)

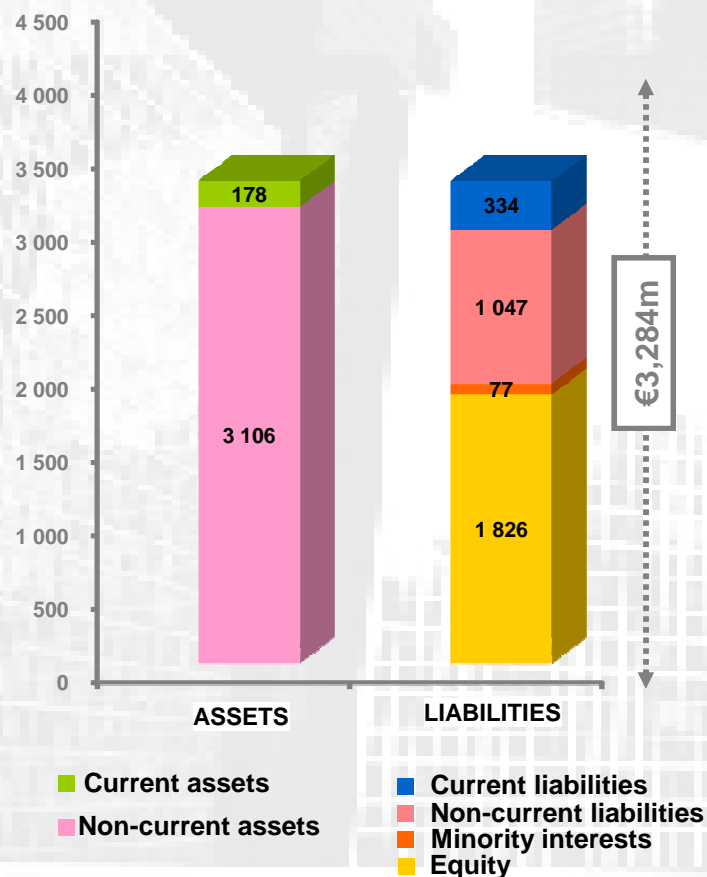
Current Cash Flow⁽¹⁾

€m	H1 2009	H1 2008	% change	Full Year 2008
Property rentals, net	91.7	85.2	} 8.4%	171.2
IFRS adjustments - Property rentals	1.2	0.5		1.8
Other income	4.2	3.5		4.8
Employee benefits expense and overheads	(9.9)	(11.3)		(21.5)
Finance costs, net	(18.8)	(24.6)		(49.5)
Current Cash Flow	68.5	53.3	28.4%	106.8
Attributable Current Cash Flow	63.0	50.2	25.5%	100.0
Average number of shares (in thousands)	46,502	46,502		46,502
Attributable Current Cash Flow per share	€1.36	€1.08	25.5%	€2.15

(1) Before disposal gains and losses

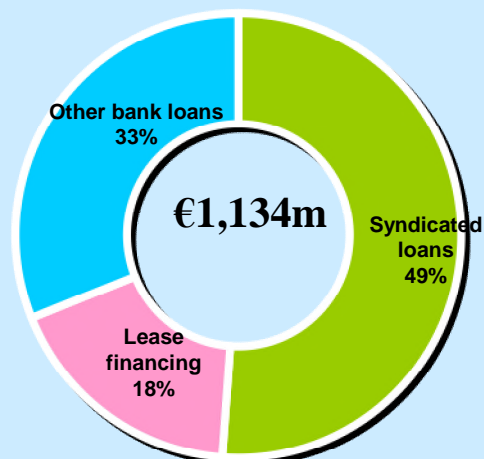
Consolidated Balance Sheet

Consolidated balance sheet at 30 June 2009 (€m)

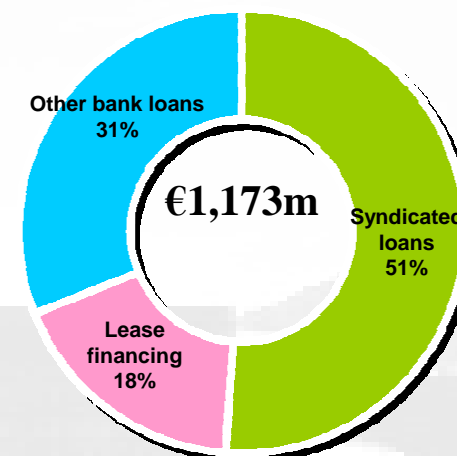


Debt structure

At 30 June 2009



At 31 Dec. 2008



Loan-to-value ratio

At 30 June 2009

34.2%

At 31 Dec. 2008

31.5%

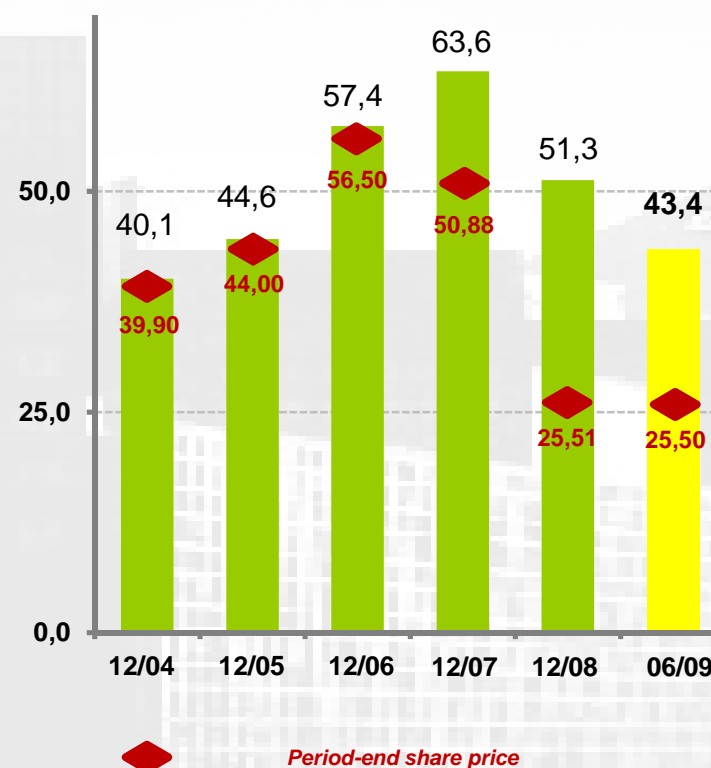
Debt

(€m)	30 June 2009	31 Dec. 2008	Change
Syndicated loan	552.0	600.0	-48.0
Lease financing	200.8	208.2	-7.4
Other bank loans	381.4	364.6	16.8
Total debt	1,134.2	1,172.8	-38.6
Average life (years)	2.5	2.6	-0.1
Average spot cost (after hedging)	4.0%	4.4%	-0.4pts
Cash and cash equivalents	20.1	14.2	6.0
Net debt (debt – cash and cash equivalents)	1,114.1	1,158.6	-44.6
Estimated value of assets (incl. transfer costs)	3,254.9	3,672.0	-417.1
Loan-to-value	34.2%	31.5%	2.7pts

NAV Per Share

NAV calculation (€m)	30/06/09	31/12/08	% change
Equity	1,826	2,161	
Unrealised capital gains	6	17	
Dilution	14	14	
Diluted NAV excl. transfer costs	1,846	2,191	-15.8%
Transfer costs on property portfolio	172	195	
Diluted NAV incl. transfer costs	2,018	2,386	-15.4%
Diluted number of shares (thousands)	46,529	46,529	
Diluted NAV/share excl. transfer costs	€39.7	€47.1	-15.8%
Diluted NAV/share incl. transfer costs	€43.4	€51.3	-15.4%

Growth in NAV per share
incl. transfer costs (€)



H1 2009 Results

■ www.fonciere-lyonnaise.com



SFL
SOCIÉTÉ FONCIÈRE LYONNAISE

bienvenue sur le site internet de la Foncière Lyonnaise

Language

ACTEUR DE RÉFÉRENCE DU MARCHÉ
DE L'IMMOBILIER TERTIAIRE PARISIEN

ACTUALITÉS

15 juin 2009 :
Réunion de l'Assemblée Générale
- Le Montant du dividende
proposé à l'AG est de 1,90 € par
action pour une mise en paiement
le 22 juin 2009

> en savoir plus

13 mai 2009 :
SFL - 1er trimestre 2009

> en savoir plus

COURS DE BOURSE
08/07/2009 - 17:35:02

€ 24.80
ISIN: FR0000033409

Rapport Annuel 2008

AGENDA

21 juillet 2009 :
Présentation des résultats
semestriels 2009 à 11h30
Centre de conférences
Edouard VII
23, square Edouard VII -
75009 PARIS

LA SOCIÉTÉ

LE PATRIMOINE

LES FINANCES

LES ENGAGEMENTS DURABLES

**GESTION ET COMMERCIALISATION
DE NOTRE
PATRIMOINE IMMOBILIER**

CARNET DE L'ACTIONNAIRE

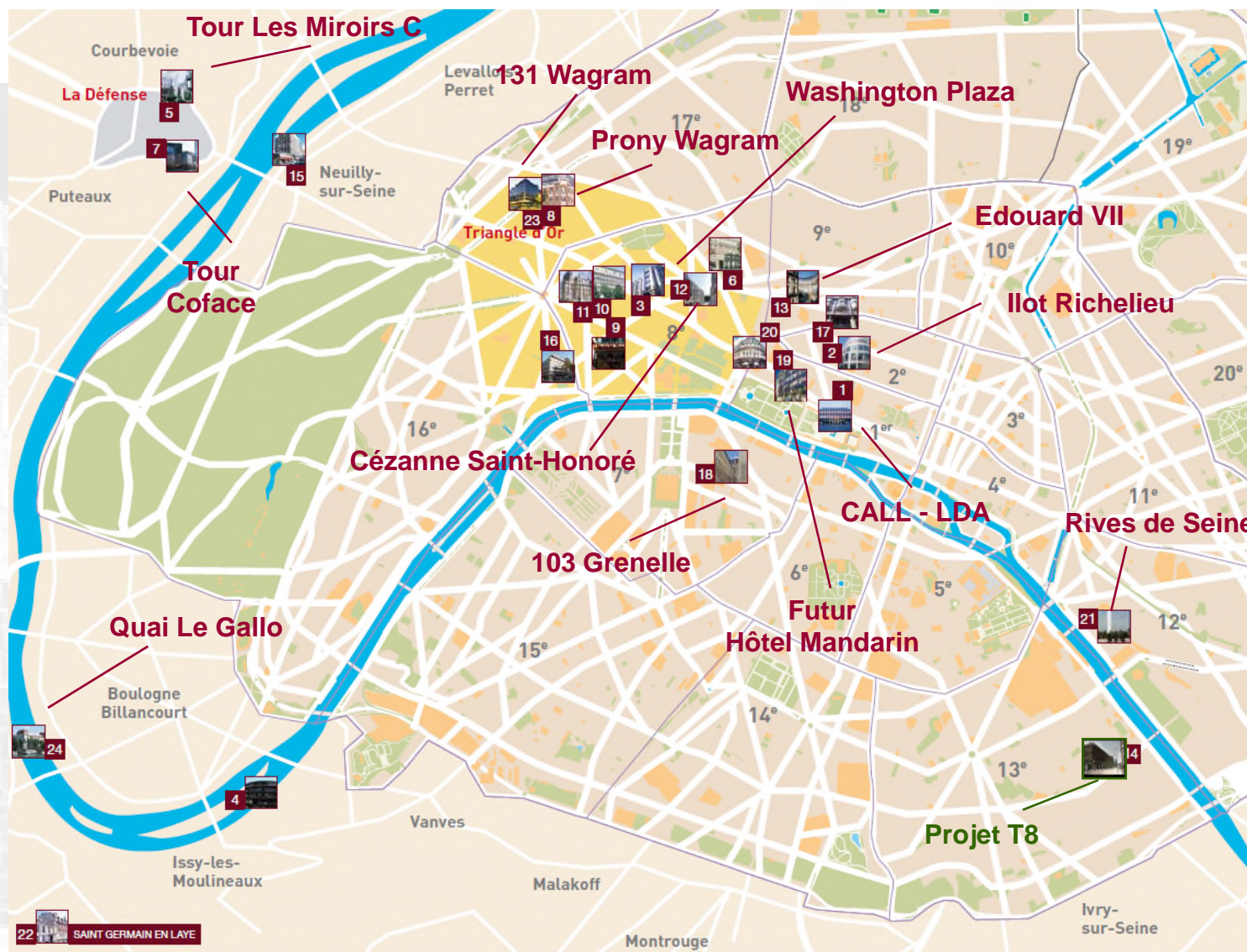
Language

crédits | plan du site | contact | recherche/aide | avertissement | mentions légales

APPENDICES

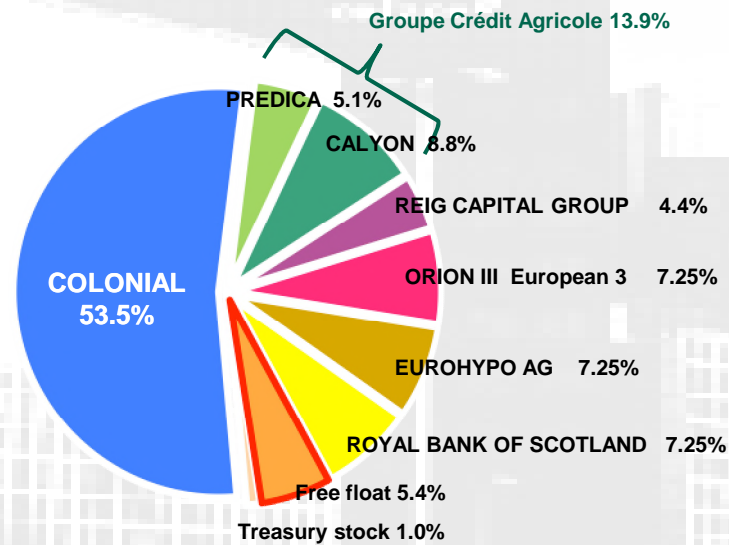


Locations



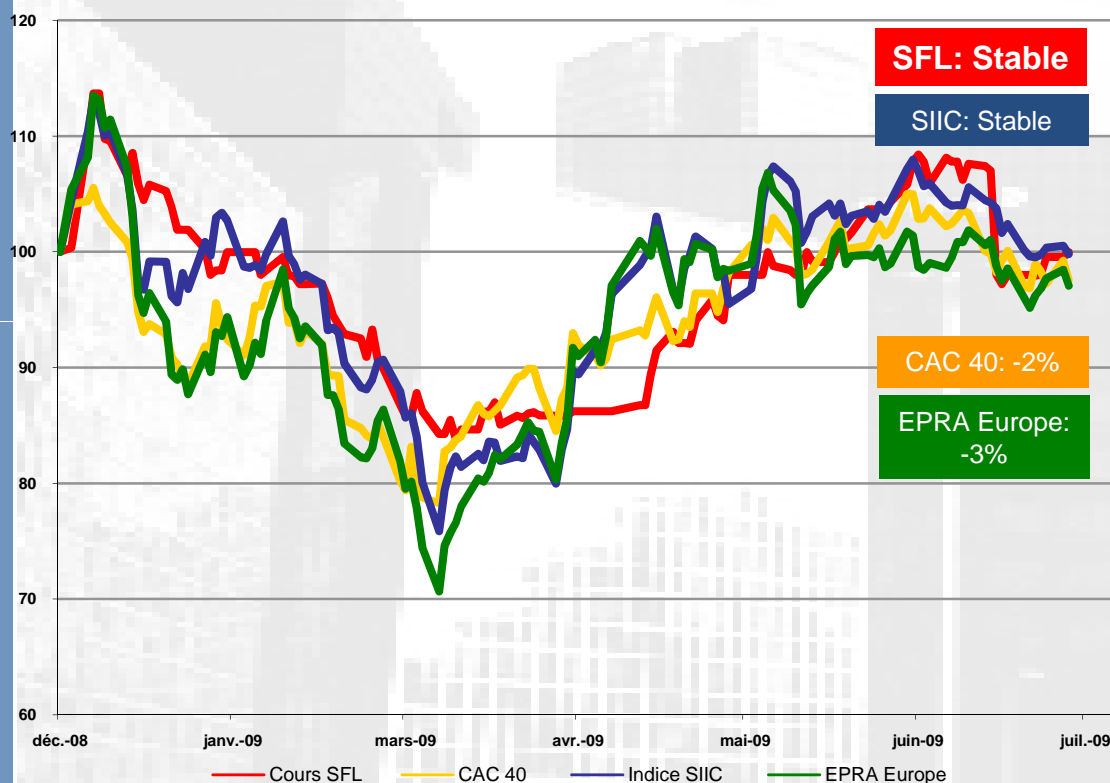
Ownership Structure

30 June 2009
(46.5 million shares)



Share Performance

H1 2009 share performance⁽¹⁾



(1) Base 100: 31 December 2008; data up to 30 June 2009

Sources: Euronext/Epra

H1 2009 key figures

Shares outstanding at 30 June 2009	46,502,301
Average daily trading volume (shares)	3,827
Average daily trading volume (amount)	€96,000
High for the period (5 January)	€29.66
Low for the period (10 March)	€20.7
Closing price on 30 June	€25.5

Closing price on 17 July 2009: €25.95

Property Valuation and NAV Calculation

Independent experts

Jones Lang LaSalle, CBRE, BNP Paribas Real Estate

Methodology

Discounted cash-flow or capitalisation of net rental revenues or comparison with recent transactions

Frequency

Entire portfolio valued at least every six months

NAV calculation

With and without transfer costs
Fully diluted
Financial instruments marked-to-market

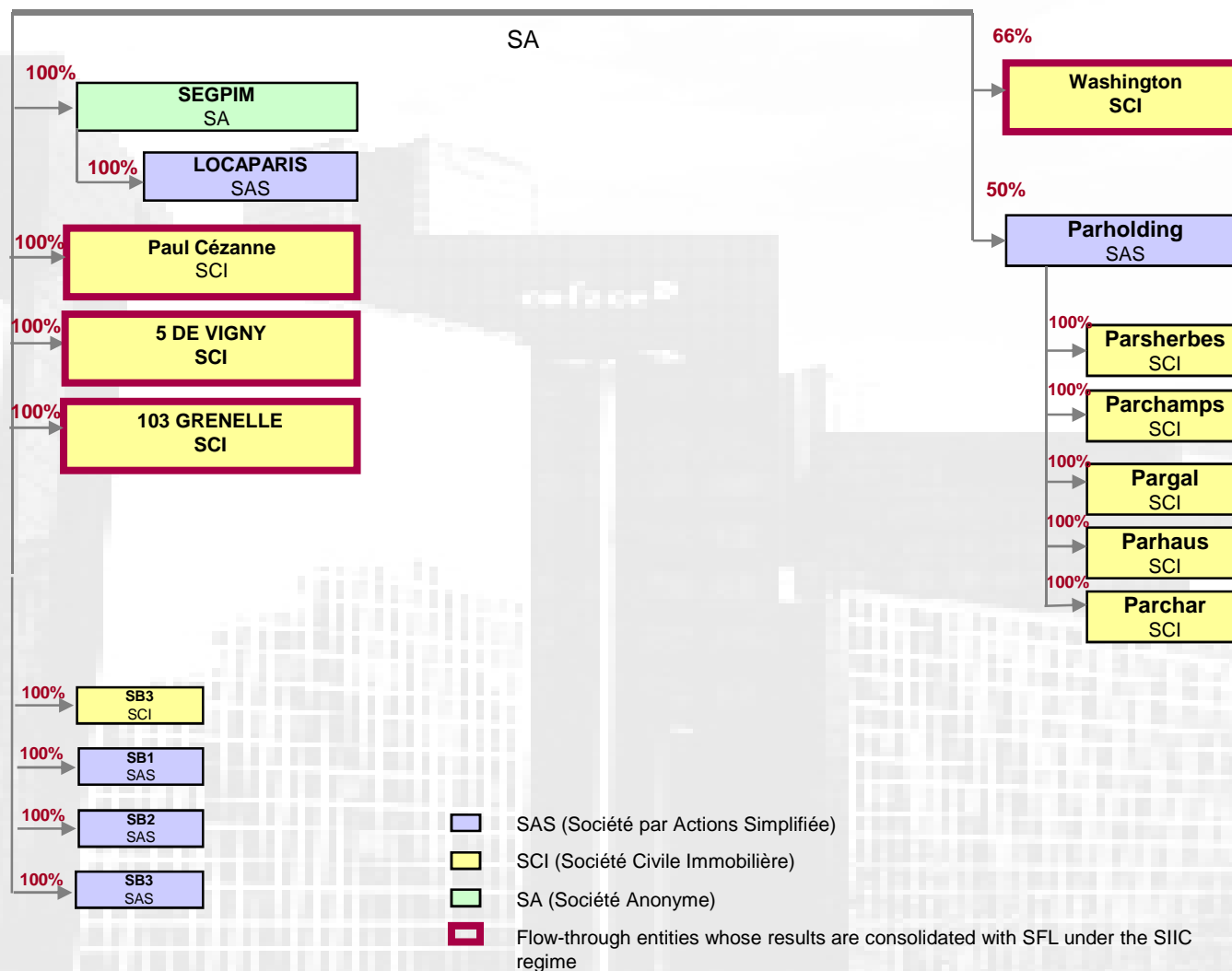
Validation

NAV calculation is reviewed by the auditors

Legal Structure at 30 June 2009



SOCIÉTÉ FONCIÈRE LYONNAISE



Organisation Structure



Yves MANSION
Chief Executive Officer

Number of employees

Head Office	84
Building staff and caretakers	3

Total	87
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Nicolas REYNAUD
Managing Director
Chief Financial Officer

Audit Interne



François SEBILLOTTE
Company Secretary

HR /Company Law
IT / General Services

10 people



Marc STRAVOPODIS
Marketing Director

Marketing

3 people



Jean-Luc POTIER
Development Dir.

Property
purchases/sales

2 people



Olivier ROCHEFORT
Asset Manag. Director.

Asset et Property
Management

34 people



Franck DATTEE
Technical Dir.

Technical

9 people

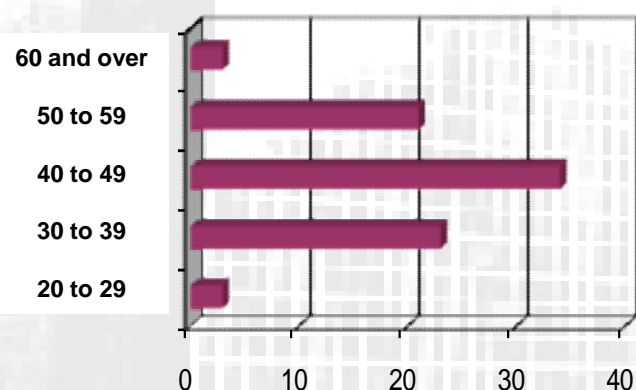
Accounting, Control
and Reporting

15 people

Human Resources

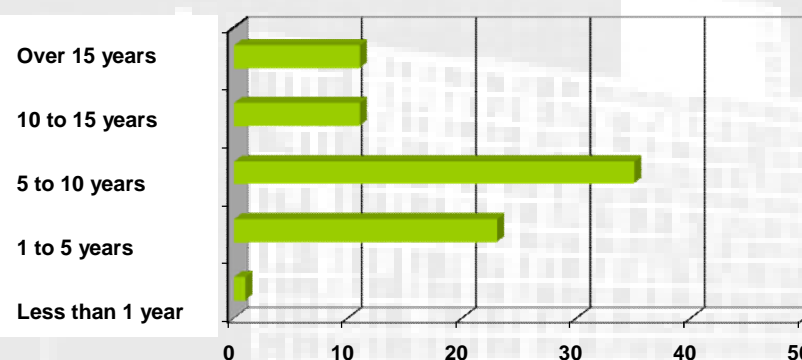
Number	31 Dec. 2008	30 June 2009
Building staff	3	3
Administrative staff	15	14
Supervisors	18	16
Managers	53	54
Total	89	87

Administrative staff* by age group
(at 30 June 2009)



* Excluding building caretakers

Administrative staff* by years of service
(at 30 June 2009)



Capex

Expenditures (€m)	H1 2009	H1 2008	% change	Full Year 2008
Major renovation projects ⁽¹⁾ (capitalised)	28.2	34.0		59.5
Other capitalized expenditure	10.8	9.1		30.6
Total	39.0	43.1	-9.5%	90.1

(1) Of which: 103 Grenelle: €3.0m; 247 St-Honoré: €16.9m; T8 project €2.3m;
92 Champs Elysées: €0.7m; Galerie des Champs Elysées: €5.3m