



Prime clients, prime performance



06
VISION



38
OPERATIONS



54
PROPERTY PORTFOLIO

THE CHAIRMAN'S MESSAGE

2013 saw a significant downturn in the French real estate market and encouraging signs of recovery in several other European countries. Despite this morose context, our company managed to achieve its ambitions, with excellent leasing activity and continued progress in our extensive portfolio-upgrade programme.

The delivery of 7,000 square metres of new offices in the Edouard VII complex that were leased by Klépierre, the redevelopment and leasing of the 'Art Nouveau' building on the rue Hanovre, and the renewal of Natixis' lease on 22,000 square metres of the Rives de Seine building are great examples of the success enjoyed by SFL in 2013. The delivery of the spectacular In/Out building at Boulogne at the end of the year was another highlight for our company. This project has met with unanimous approval and we have received many expressions of interest, which gives us great confidence about its leasing potential.



*Juan José Brugera Clavero,
Chairman of the Board*

We will be able to appreciate the full extent of the work that was undertaken in 2013 (and that will continue in 2014 on a number of significant projects) when it comes to fruition in 2015 and substantial new streams of rental income start to flow.

The financial restructuring process that is being undertaken by our majority shareholder, Colonial, has given us an opportunity to gauge the interest and professional respect that is felt towards SFL. The unique character of SFL's asset portfolio, its clear and well-structured strategic vision, the quality of its workforce and the standard of the work that they deliver are, more than ever, recognised and appreciated by major investors in France and abroad.

The professionalism of our teams, under the leadership of CEO Bertrand Julien-Laferrrière, and the support provided by a cohesive group of shareholders make an important contribution to the long-term success of our company.

€ 4,071 m

Consolidated portfolio value
including transfer costs

€ 149.3 m

Rental income

33.3%

Loan-to-value

€ 46.7

EPRA NNAV per share

369,000 sq. m.

Property portfolio

79%

Offices

INTERVIEW

WOULD YOU AGREE THAT 2013 WAS A DIFFICULT YEAR FOR ALL ACTORS ON THE FRENCH REAL ESTATE MARKET, INCLUDING SFL?

In common with the other companies on this market, we suffered from the disastrous economic and financial context that prevailed during most of the year. Business leaders put their projects on hold while they waited to see if the fiscal and regulatory environment would become more transparent; the situation only started to loosen up again at the end of the year. As a result, the rental market in the Île-de-France suffered a significant contraction in volume (-25%). The Central Business District also contracted, albeit to a lesser extent (-6%).

IN THIS CONTEXT OF A WIDESPREAD SLUMP IN LEASE TRANSACTIONS AND RENTAL VALUES IN THE ÎLE-DE-FRANCE, WHAT ENABLED YOU TO MAINTAIN YOUR HIGH STANDARD OF PERFORMANCE?

In this morose context, it was not easy to maintain a high level of ambition! Nevertheless, we managed, with leases and renewals signed for 39,400 square metres. That's an improvement of 5% relative to 2012 and of



*Bertrand Julien-Laferrrière,
Chief Executive Officer*

13% compared to the average of the last five years! We can be proud of Klépierre's decision to install their headquarters over 7,000 square metres of the fully renovated Edouard VII building. We are also delighted to welcome Pretty Simple, which signed a lease for the whole of the 'Art Nouveau' building on the rue Hanovre in the final days of the year. And, of course, we should not forget the new lease that Natixis signed for the Rives de Seine building it occupies on the quai de la Rapée.

Furthermore, in 2013, SFL's net asset value continued to rise and its consolidated rental incomes were maintained despite the sale of the Mandarin Oriental hotel and a substantial development pipeline. Current development projects and projects that have recently been delivered have the potential to generate rents of around €50 million. This income will gradually and mechanically improve SFL's results from 2015 onwards.

2014 is also off to a great start as a major international consulting company has pre-leased all 6,000 square metres of office space in 90 Champs-Élysées. They will take up residence in the spring of 2015, once the current redevelopment works are complete.

WHAT IS THE SOURCE OF SFL'S RESILIENCE?

Unlike the rest of the real estate industry, which thinks that downturns are always followed by recoveries, we believe that the current situation is here to stay and that it makes sense to redefine our corporate goals

"Our clients are companies that add high value: for them, an office building must be a performance driver."

accordingly. We have been working on this for the last three years by positioning SFL as the leader on the Parisian 'prime' real estate market, harmonising all of our operational practices, and making sense of our actions. At the heart of this vision is the idea that our clients are companies that add high value in their business: for them, an office building must be a performance driver and a tool to develop their 'talents'. In fact, our client portfolio has evolved substantially over the last three years and is now composed entirely of outstanding companies that are leaders in their field. We must, therefore, continue to transform the assets

in our real estate portfolio into living work spaces that meet the needs of these highly successful companies.

The value of our assets continued to increase noticeably during 2013 due to the combined impact of capex investments, high rental values, and a greater

understanding of the unique character of our real estate portfolio and our clients.

WHAT CHALLENGES DOES SFL FACE IN THE COMING YEARS?

They are many and varied. First of all, we must take the time to acquire an in-depth understanding of all of the high value-added companies that might, at some point, lease space in our portfolio.

Then we have a number of very attractive operational projects, such as the leasing of In/Out at Boulogne, the delivery of the complicated redevelopment project at #Cloud, formerly known as Cardinal, in the 2nd arrondissement and the renovation of 90 Champs-Élysées in time to welcome its new occupant in 2015.

We also face development challenges. In particular, we want to acquire sites or buildings in Paris and will be very attentive to opportunities for external growth that are consistent with our positioning.

Finally, we face interesting capital and stock-market challenges. The financial restructuring of our main shareholder, Colonial, is now well underway. This is bringing greater stability to SFL's situation and will enable the company to build on a reinforced shareholder base. In this context, we will be in a position to write an attractive equity story, to increase our free float, and to welcome all of the French and international investors who have been following SFL with interest for many years.

GOVERNANCE

BOARD OF DIRECTORS

Chairman

Juan José Brugera Clavero

Directors

Jean Arvis, Jacques Calvet, Anne-Marie de Chalambert, Jean-Jacques Duchamp, Carlos Fernandez-Lerga Garralda, Carmina Gañet Cirera, Aref Lahham, Bertrand Letamendia, Carlos Losada Marrodan, Luis Maluquer Trepas, Pere Viñolas Serra, Anthony Wyand, REIG Capital Group Luxembourg SARL (represented by Alejandro Hernandez-Puertolas)

AUDIT COMMITTEE

Chairman

Carlos Fernandez-Lerga Garralda

Members

Jean Arvis, Jacques Calvet, Jean-Jacques Duchamp

REMUNERATION AND SELECTION COMMITTEE

Chairman

Pere Viñolas Serra

Members

Jean Arvis, Juan José Brugera Clavero, Anthony Wyand

EXECUTIVE AND STRATEGY COMMITTEE

Chairman

Juan José Brugera Clavero

Members

Jean-Jacques Duchamp, Carmina Gañet Cirera, Aref Lahham, Pere Viñolas Serra

COMMITTEE OF INDEPENDENT DIRECTORS

Members

Jean Arvis, Jacques Calvet, Anthony Wyand

MANAGEMENT TEAM



FROM LEFT TO RIGHT

Éric Oudard Technical & Development Director, François Sebillotte Chief Resources Officer, Secretary to the Board, François Derrian Human Resources Director, Bertrand Julien-Lafferrière Chief Executive Officer, Fabienne Boileau Director of Management Control & Accounting, Franck Morin Property Management Director, Dimitri Boulte Deputy Managing Director and Chief Operating Officer, Nicolas Reynaud Managing Director and Chief Financial Officer



VISION

This isn't a crisis,
it's the dawn
of a new era...



THIS ISN'T A CRISIS, IT'S THE DAWN OF A NEW ERA

"Companies have tried to fight the effects of the economic crisis by reducing their costs. Now it's time for them to focus on the men and women who will enable them to innovate and to grow."

Attract, motivate and retain the brightest talents over the long term, develop the human capital that is key to future prosperity, offer employees every opportunity to innovate and be creative, increase productivity, adapt to new ways of working... There are so many performance challenges that invite companies to take a fresh look at their real estate choices and work spaces and see them as a means of creating value over the medium and long term.

L'EXPRESS **L'ENTREPRISE**

EMPLOYEE MOTIVATION: THE BUSINESS PRIORITY OF 2013

According to a study conducted in France in 2013 by the ADP, a specialist in corporate payroll management, human resources directors will focus their attention and their efforts on three topics during the next 24 months. *"HR directors are optimistic because they have the tools to enable their companies to survive the economic downturn. Questions about employee commitment and motivation will become a particular focus for them. In a context where the only topics of conversation are competitiveness and the cost of labour, motivation levels have a direct impact on competitiveness,"* explains Grégory Luneau, from the Marketing and Strategy division at ADP.



CENTRALENS
Entrepreneurs

"THE FUTURE OF THE WORKPLACE: HOW TO ATTRACT AND RETAIN THE TALENTS OF TOMORROW."

The physical working environment, i.e. the work space, the office, its layout, the way it encourages human interaction and expresses the corporate culture [...] is one of the most promising avenues. [...] If it is well thought out and adapted to corporate strategic and operational objectives, it can enable a company to differentiate itself from the competition through the attraction and retention of talents, by supporting cultural change, and by improving productivity enterprise through cost reduction.

THE
HUFFINGTON
POST

"THE PROOF IS IN: HAPPINESS AT WORK IMPROVES PRODUCTIVITY"

The happier the employee, the better they work. It's not surprising, but that's what a new study carried out by the economics department of the University of Warwick in the UK shows. Having conducted a number of experiments, the results of which will be published in the *Journal of Labor Economics*, the team of researchers established that happiness increased productivity by almost 12%.

RÉFLEXIONS
Immobilières

"What if the value of real estate assets was intangible?"

To assess the intangible value of a building, first identify the characteristics that provide economic benefits to its occupants, then measure the impact of those characteristics on the valuation of the asset.



66%

of employees work
in shared offices.



45%

of employees consider
quality of life at work to be more
important than rates of pay.



78%

Quality of life at work is primarily
based on the quality of human
relationships (78%) but also,
increasingly, on the quality of the
physical office environment (30%).



30%



92%

The work space is considered
to be a driver of both well-being (92%)
AND efficiency (89%).



89%

Main findings of a 2013 study by the thinktank Actinéo on the quality of life at work.



THIS ISN'T A CRISIS, IT'S THE DAWN OF A NEW ERA

"The companies and employees who are our clients are more important than our buildings."

SFL has a portfolio of high value-added clients in a diverse range of business sectors. All of them are leaders on their market or in their field. They seek to maintain that position by building on their existing strengths, recruiting the brightest talents, maintaining close relationships with their stakeholders and decision-makers, and offering their teams an optimised workplace that encourages creativity and interaction in spite of the gloomy economic context.

WHAT OUR CLIENTS EXPECT FROM OUR 'PRIME' BUILDINGS...

ACCESSIBILITY

spaces that are easy to get to on a daily basis

CENTRAL LOCATION

sites that are close to decision-makers, clients and suppliers

LIFESTYLE

a safe and attractive urban, commercial and cultural environment

FLUIDITY

work spaces that encourage interaction and teamwork

FLEXIBILITY

floor plates that can be adapted to all kinds of organisational structure

IMAGE

buildings that promote a positive image for employees and clients

INTEGRATED SERVICES

a simpler and more enjoyable working life

RELIABILITY

the guarantee of flawless technical and real estate management

SUSTAINABILITY

the highest standards of sustainable development

OUR 8 CLIENT FAMILIES



LAW FIRMS

Ashurst, Bird&Bird, Freshfields,
King&Wood Mallesons SJ Berwin



FINANCE/ASSET MANAGEMENT

CCR, Cinven, Citibank, Comgest, Dexia,
GIE Cartes Bancaires, Natixis



FASHION AND LUXURY

GAP, Hugo Boss, H&M,
Louis Vuitton Malletier, Morgan,
Promod, Zara



CONSULTING

Hudson, L.E.K., Misys,
SpencerStuart, Valtech...



REAL ESTATE

Aberdeen Asset Management,
CBRE Global Investors, Financière Rive Gauche,
Klépierre, LaSalle Investment Management,
Orion Capital Managers, Regus



MEDIA/COMMUNICATION

Facebook, Lagardère, TV5Monde,
NBC Universal, Pretty Simple



INSURANCE

AG2R La Mondiale, CCR, RSA, Zurich



OTHER

Barilla, Constellium, Dalkia, ESMA,
GE Energy, Générale de Santé, MoneyGram,
Embassy of New Zealand

“The management and development of talented staff is a key challenge for our clients. Their success depends on their ability to attract the brightest professionals and to motivate and retain them over the long term. This means they have to pay ever more attention to working conditions and employee well-being and, as a result, to the suitability of their real estate choices and the effectiveness of their work spaces and related services. To respond to this demand we have shifted our positioning: in the past, we were commodity suppliers who rented square metres; now, we are solution providers who supply work spaces and services. We have one goal: to improve the tertiary performance of our clients’ teams in order to increase their productivity and the value that they add.”



THIS ISN'T A CRISIS, IT'S THE DAWN OF A NEW ERA

"Because our clients are important, we do our best to get to know them, to develop relationships based on trust, and to learn to anticipate their needs."

The better we know our clients, the better we can respond creatively to their needs. For a number of years SFL has been carrying out satisfaction surveys to find out who our clients are, what they expect, how they operate, and how satisfied they are with their workplace.



AND TOMORROW?

From 2014, SFL will develop a thinktank, called **Workplaces of Metropolitan Greater Paris**, and a composite index, the **Paris Workplace Index**, in partnership with IFOP. SFL's aim is to track changing trends that relate to key questions regarding the role of tertiary real estate for executives and senior managers in Paris and neighbouring districts and, as a result, to better understand and anticipate current and future expectations.

LISTENING TO OUR CLIENTS

TO STRENGTHEN OUR RELATIONSHIP WITH OUR CLIENTS, WE REPEATED IN 2013, A SATISFACTION SURVEY THAT WE HAD PREVIOUSLY CARRIED OUT WITH JE HEC IN 2011.



82%

of our clients say that they are satisfied or very satisfied with the building where they work. Their assessment of the building is based primarily on its location (88%), the comfort and efficiency of its work spaces (35%) and its architectural qualities (33%).



77%

of our clients work in an open-plan office (49%) or a shared office (28%).



74%

of employees at our assets travel to work by public transport (versus 63% in 2011) and just 12% travel by car (versus 18%).



55%

of our clients have at least one meeting per week outside the workplace (of which 19% have four or more). 67% use public transport to go to meetings while 24% travel by car or taxi.

IN GENERAL, THE OCCUPANTS OF SFL'S BUILDINGS THINK THAT THEIR OFFICES CONTRIBUTE IN A POSITIVE OR VERY POSITIVE WAY TO:

88%

The image of their company
(81% in 2011)

82%

Attracting talented staff
(72% in 2011)

78%

Motivating teams
(68% in 2011)

78%

Their public image and client relationships
(70% in 2011)

77%

The quality of relationships between employees
(74% in 2011)

67%

Communication between employees
(70% in 2011)

58%

Encouraging innovation
(56% in 2011)

Survey carried out with JE HEC on a panel of respondents composed as follows: 489 employees drawn from 53 companies and 11 buildings; 52% female, 48% male; 80% managers, senior managers and executives.





WHEN OUR CLIENTS
ARE SATISFIED,
THEY SAY IT
AND THEY PROVE IT...

"We have occupied the Rives de Seine building for the last twelve years and have just renewed our lease with SFL. We greatly appreciate the quality of this real estate complex, which is highly visible, lies at the heart of a transport network that provides excellent access for our workforce, and combines timeless architecture with unbeatable views over the whole of Paris. These are important criteria for a major French bank like Natixis. We believe that real estate is playing an increasingly important role in motivating, attracting and retaining our employees, as well as in enhancing the reputation, visibility and performance of our bank. We are, as such, convinced that this asset contributes in a positive way to our long-term ambitions."

Luc-Emmanuel Auberger, member of the Senior Management Team and Director of Operations and Information Systems at Natixis



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"If we want our clients to come to and remain in our buildings, we need to understand the importance of the work space in their value chain."

What effect do real estate decisions have on a company's performance? That is the starting point of a fascinating study that was conducted in 2013 by SFL and Paris Développement (City of Paris) in collaboration with the consulting company Quartier Libre. The answers are central to the consolidation of SFL's business model because they make it possible, for the first time, to directly compare real estate costs against factors that have quantifiable value for the client.



DRIVER N°1
MAXIMISED WORKING TIME

Working time can be maximised by optimising the amount of time spent on commuting and on travel to meetings with clients and suppliers during the working day. For example, at a headquarters where the average value added per employee is €150,000 (INSEE average), an average reduction of 10 minutes in the home-work commute equates to an average rental impact of €93/sq.m./year. An average reduction of 10 minutes in work-related travel equates to €120/sq.m./year.

DRIVER N°2
INCREASED WELL-BEING AT WORK

Understanding the work environment as a source of well-being is a new focus for HR directors. Comfortable offices that offer integrated services and enjoy a good location in a lively, central neighbourhood can be significant factors when it comes to employee well-being and to the attraction and retention of talents.

DRIVER N°3
REINFORCED ORGANISATIONAL EFFECTIVENESS

In order to encourage innovation and creativity, the office must be an open office (a space to inspire, meet, listen and connect), a slow office (a space to express, reflect, create and concentrate), and a social office (a place to gather, cooperate, live and create meaning), all at the same time.



Download the full study at
fonciere-lyonnaise.com/en/company/strategy



THIS ISN'T A CRISIS, IT'S THE DAWN OF A NEW ERA

"If we know our clients and their needs, and we know how to measure the value contributed by their work spaces, then we can reinvent our assets in ways that support value creation."

SFL is constantly reinventing its assets so they respond to its clients' expectations in terms of value contribution and differentiation. The company transforms its buildings in ways that are both complex and exceptional and offers services of unprecedented quality. These initiatives enable SFL to build lasting relationships with demanding clients at the forefront of their sector.



"SFL's teams are passionate about the role that buildings play in the development of cities, organisations and individuals. They have a dynamic, rather than a static, vision of real estate. They see it as a constantly changing set of circumstances in which exchange and communication are essential and contribute to the performance of teams and companies. In/Out was conceived in this spirit, as part of a toolkit that would serve its occupants and deliver lasting user value. Complimented by a new building with a very modern design that hosts a shared service area, the 35,000 sq.m. of this remarkable industrial asset has been restructured to offer entirely new offices with HQE® / BREEAM / LEED certification and unconstrained, efficient floor plates of 4,200 sq.m. In/Out is the 'tertiary campus' of western Paris."

Dimitri Boulte, Deputy Managing Director and Chief Operating Officer

TRANSFORMING OUR PORTFOLIO TO SUIT OUR PRESTIGIOUS CLIENTS



OZONE

A substantial and complicated renovation project to transform this ageing complex into 'prime' offices:

- Installation of the headquarters of international corporate law firm, King & Wood Mallesons SJ Berwin;
- Establishment of the flagship store of leading fashion brand, Zara.

6 HANOVRE

Architecturally-sensitive renovation of this Art Nouveau building:

- Value creation through the addition of a 110 sq.m. roof terrace with panoramic views over Paris;
- Installation of the headquarters of the world champion of social gaming, Pretty Simple.

103 GRENELLE

Complete renovation of all three buildings to create a top-quality business centre on the Left Bank:

- Creation of 2,000 sq.m. dedicated to services (staff restaurant, cafeteria, meeting rooms, auditorium) and a car park with 100 spaces;
- Arrival of good quality clients from a wide variety of sectors (GE, ESMA, Valtech, Barilla, Regus, FRG, etc.).

EDOUARD VII

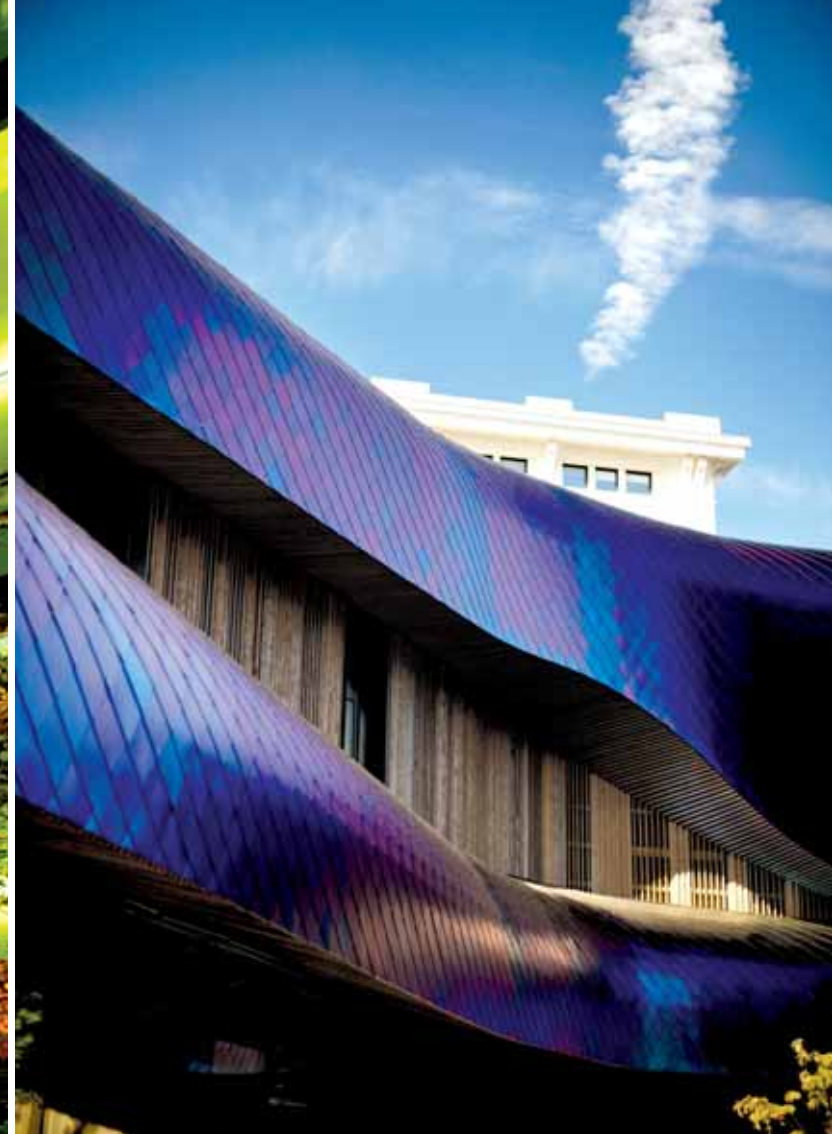
Modernisation and repositioning of this prestigious complex at the very heart of Paris:

- Close collaboration between architectural firm DTACC and interior designers Saguez & Partners;
- Arrival of Klépierre, which will occupy 7,000 sq.m. from September 2014.



“Create a very different atmosphere in the Boccage building so that employees who are present on the site can enjoy a genuine break during their working day and gain a new perspective on their daily habits.”

The Jouin-Manku Agency



"We identified the potential of this historic building from the very first sketches. We have delivered a transformation that respects its history but also integrates the challenges associated with a modern reading of the space."

DTACC



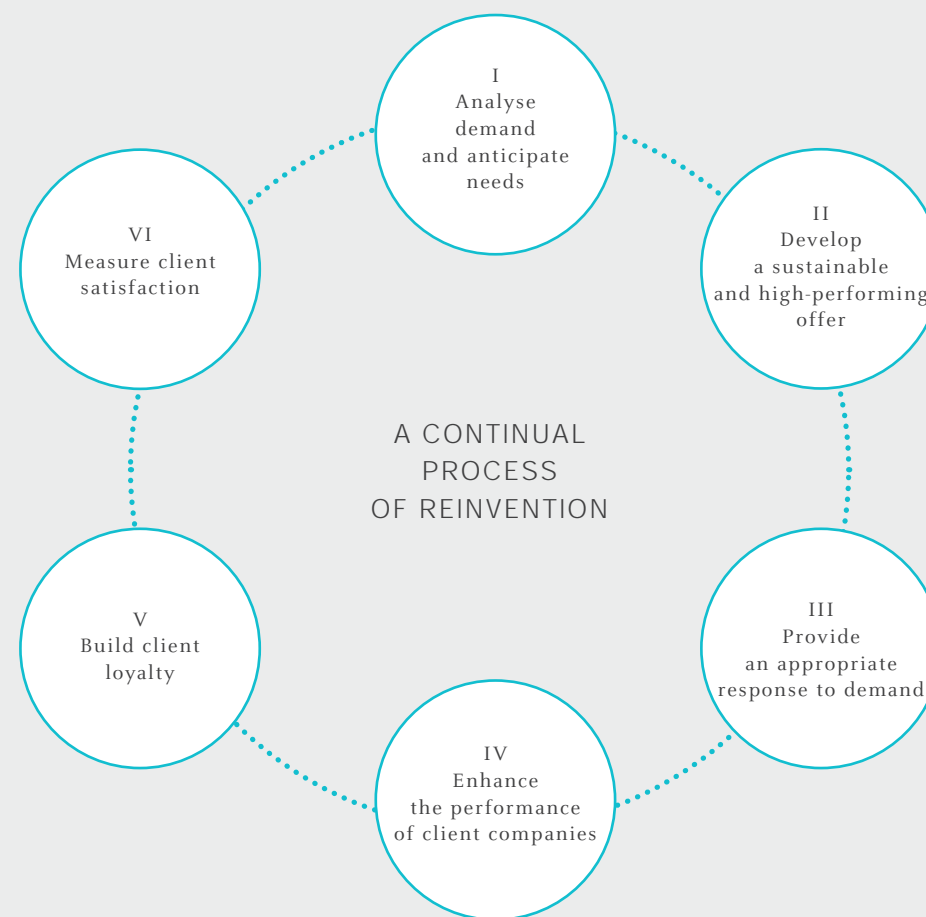
THIS ISN'T A CRISIS, IT'S THE DAWN OF A NEW ERA

"As the leader in Parisian prime real estate, our business model is founded on our ability to offer buildings that make a clear contribution to the performance of our clients."

Thanks to a real estate portfolio that is located in the centre of Paris and composed of well-designed buildings that reflect the needs of the most demanding companies, SFL helps its clients to improve the performance of their teams and, as a result, increase the amount of value they add. With its highly specialised 'prime' positioning, SFL is the only real estate company able to implement this innovative approach across the whole of its portfolio.

CREATING VALUE FOR OUR CLIENTS

WHAT ADDED VALUE DO YOU ASSOCIATE WITH YOUR CHOICE OF BUILDING?





We were looking for a single site where we could bring together more than 500 employees who were working at various locations in Paris and Puteaux and decided on Washington Plaza. The main objectives of this physical consolidation were to create a group identity - "One Misys" - and to encourage teamwork thanks to improved productivity.

"Although I cannot quantify it, there is no doubt that both productivity and employee well-being have increased."

We refused to consider the approach taken by numerous companies in recent years of prioritising short-term savings by choosing a location far from the centre of Paris. Naturally, we focused on the CBD, close to our clients (investment banks, retail banks, asset managers, finance divisions of major companies). We were conscious of our group executive team's insistence that all of our offices around the world should have a shared visual identity and common working practices, so we were pleased to see that the floor plan of Washington Plaza would enable us to create separate spaces but maintain a sense of openness. We have been able to establish a variety of spaces for socialising and holding informal meetings, as well as more traditional, client-focused spaces (training rooms, meeting rooms, video-conferencing spaces, etc.).

Having an integrated business centre is another advantage, as it gives us room to adapt the space we have leased, for example by expanding to cope with external growth in the future.

Washington Plaza has proved to be a good compromise between accessibility, particularly for the majority of our employees who are based in western Paris, a prestigious address that we share with some of our clients, organisational efficiency, and the potential to absorb future growth. Now that we have been here for several months, I am satisfied that it is a real success. And it will be better still when the owner completes the improvement works that are currently underway to equip the site and provide greater visibility to services such as the concierge. It was important for us to know who the owner was when we were making our choice. We felt that SFL was seeking to move upmarket and add value to its portfolio. I would not have signed for nine years if I hadn't been convinced by this strategy of investing in quality.

"We refused to consider short-term savings by choosing a location far from the centre of Paris."

There is enormous value in having everyone in the same space; I only have good things to say about the relocation. Although I cannot quantify it, there is no doubt that both productivity and employee well-being have increased. Since we moved in, two to three hundred employees from other parts of the world have visited our new premises and have been left speechless. The inauguration of our offices has had a global impact across the whole group.

Feedback from our clients is also very positive and contributes to our excellent brand image.

I can safely say that this has been a successful choice and that the return on investment is already tangible.

Laurent Pedo, Managing Director, Misys France (developer of banking software)/www.misys.com





THIS ISN'T A CRISIS, IT'S THE DAWN OF A NEW ERA

"The implementation of our strategy requires teams that share the same vision and are inspired by a focus on professional excellence."

The search for excellence in real estate products and services – the cornerstone of SFL's new business model – has given rise to a singular professional culture that necessitated a reinvention of the responsibilities and working practices of all teams. Today, this ambition is expressed through a better exchange of information, the development of collaborative working practices and, in the majority of projects, architecture and design taking pride of place.

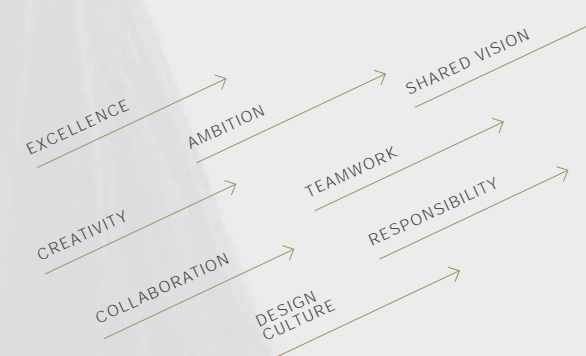


SHARED VISION, SHARED AMBITION



"Just over two years ago, SFL's management team asked me to guide the development of their 'Collective Intelligence'; it has been a highly satisfying experience for me. It is both a privilege and a genuine pleasure to guide and support a team that is so rich in enthusiasm, humanity and ambition, and to see top professionals, leaders on the office real estate market, write a new and extraordinary page in the already long history of this company. On the basis of decades of experience working with the leaders of major French and international companies, I am truly convinced that Bertrand Julien-Laferrière's teams will continue to surprise us with their creativity, their vision of their sector, and their future successes."

Vincent Lehnardt, CEO of Transformance Pro, Senior Advisor with Bain and Company





THIS ISN'T A CRISIS, IT'S THE DAWN OF A NEW ERA

"The 'green value' of a building is about more than just energy consumption, it's about how well the building serves its users."

SFL aims to be an industry leader in sustainable development and to bring its own vision to its fields of expertise. The company is actively working to improve its performance and is one of the most successful actors in the real estate sector in terms of sustainable activity, quality of life improvements, and resource conservation.



A PORTFOLIO THAT IS 100% CERTIFIED

In 2013, SFL successfully obtained environmental certification for 100% of its assets, with all revenue-generating properties certified under BREEAM In-Use and all development projects certified under BREEAM Construction. SFL systematically obtains multiple environmental certifications, at demanding standards, for all of its major redevelopment projects. In 2014, a development plan to improve standards in line with the new, international BREEAM In-Use framework will be rolled out.

"Everything that SFL does – from improvements, renovations and design work on its portfolio, to service offerings, web apps and "Services by SFL" for its clients, via societal projects around contemporary art, architecture and access for the disabled – is done within a wider framework that is entirely focused on increasing user value."

Éric Oudard, Technical and Development Director

ETHICS AND RESPONSIBILITY



ARTISTIC ENGAGEMENTS

'Mémoires contemporaines' is a programme launched by SFL to put the spotlight on its portfolio of culturally and historically significant buildings and to promote an innovative approach to architecture. Three major artistic interventions have taken place in three significant buildings in the portfolio. Mémoires Contemporaines 1, with Per Barclay and Alain Bublex, was the occasion to ask essential questions about the metamorphosis of businesses and corporate structures. Mémoires Contemporaines 2, with Felice Varini, was an opportunity to draw parallels between the anamorphic perception of an outline and the need for companies to have a strategic vision. With 'Grandes Ondes' in 2013, SFL gave free rein to the artist François Morellet who, for three years, will be putting his mark on the Louvre Saint-Honoré building, formerly the Grands Magasins du Louvre. The idea: to highlight the essential role of connectivity for companies and of networking for their teams. His oeuvre brings a new warmth and emotion to the building and paves the way for the future evolution of the site.

ACCESS FOR PEOPLE WITH DISABILITIES

SFL is committed to providing exemplary services to people with disabilities and has scheduled a programme of improvement works for its portfolio. The company aims to equip its buildings so people with disabilities can use them with greater ease and safety, for example by providing flashing sirens, visual and auditory lift signage, braille call buttons and so on. Furthermore, a commitment to improve access for people with reduced mobility now forms an integral part of all of SFL's redevelopment projects. At the end of 2014, 75% of the portfolio will be fully accessible and 100% of buildings in the pre-renovation phase or in redevelopment will be designed to ensure full accessibility.



ENERGY CONSUMPTION

The exceptional environmental performance of SFL's real estate portfolio in terms of greenhouse gas emissions can now be quantified. Thanks to high-quality upgrades and efficient management techniques, the consolidated energy intensity of SFL's portfolio of managed assets in operation stands at around 294 kWh/sq.m./year. A carbon analysis covering all revenue-generating properties as well as SFL's own activities confirmed that the company's CO₂ emissions per workstation are among the lowest in the world in terms of primary energy consumption, at 540 kgCO₂ e/user/year. The reason? A portfolio of recently built or redeveloped buildings, entirely located in Paris and, above all, very easily accessed by public transport.

"We took as our model the surface waves that form when a stone is thrown into still water. Concentric circles develop and become larger and larger the further they are from the centre. The work shows segments of these circles, formed from blue neon tubes that are fragmented by the architectural structure and that flow across all of the facades, their point of origin being located on the corner formed by the rue de Rivoli and the place du Palais Royal."

François Morellet, Artist, "Mémoires Contemporaines 3" – Grandes Ondes, Louvre/Saint-Honoré, 2013







THIS ISN'T A CRISIS, IT'S THE DAWN OF A NEW ERA

"Our ability to combat obsolescence and the suitability of our capex investments are key factors in the lifespan of our buildings and, as a result, in their long-term value."

For a building, a long lifespan is a question of constantly pushing against the limits of obsolescence; this in turn requires strategic investments and a rolling programme of improvement works. To keep its portfolio in 'prime' condition and to ensure the lasting loyalty of its best clients, SFL fights against obsolescence through significant redevelopment programmes on unoccupied sites, such as at #Cloud, or through regular, lighter improvement programmes at buildings that are occupied.



90 CHAMPS-ÉLYSÉES

- Renovation of the office space to create large floor plates of almost 1,200 sq.m., which are very rare on the avenue des Champs-Élysées, and meet the needs of the largest international companies.
- Creation of a sophisticated, elegant entrance hall by the interior design agency Agent M.
- Signature in February 2014 of a lease of almost 6,000 sq.m. with a major international consulting firm.



WASHINGTON PLAZA

- Reinvention of shared areas to improve access, functionality and circulation within the space and create well-equipped, well-designed alternative areas for socialising, all while reducing service charges.
- Recreation of large floor plates of more than 1,000 sq.m.
- Introduction of a wider range of higher-quality services.
- Signature of a lease with Mysis for almost 7,000 sq.m.

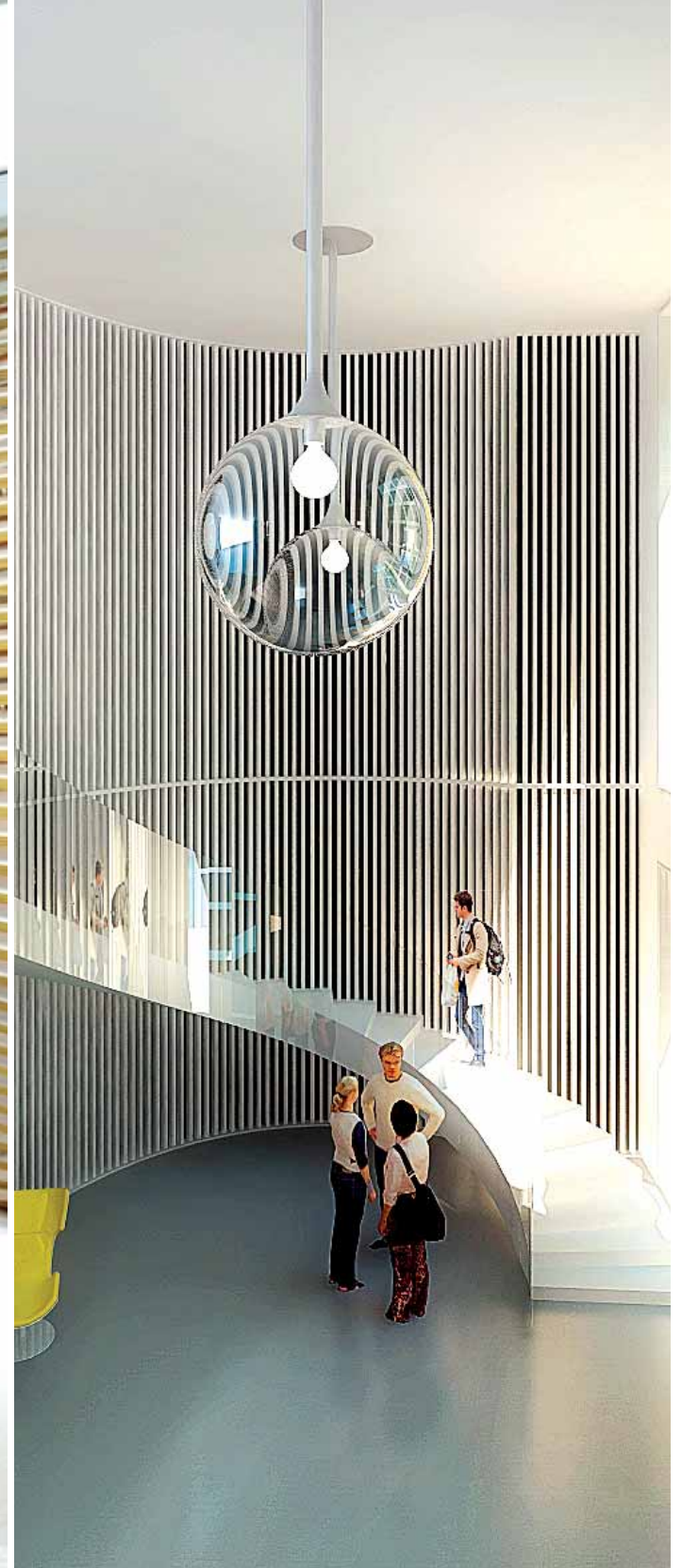


IN THE FUTURE... SFL is planning to follow up these projects with a reinvention of the aging, but extremely well located, 96 Iéna and Louvre Saint-Honoré buildings.

#CLOUD

Following the departure of the Crédit Lyonnais in 2012, SFL devoted serious thought to the future of this historic office complex, which is unusually large and located right in the heart of Paris. The architectural firm PCA was commissioned to dream up an incredible project that would transform an obsolete building into a contemporary ensemble delivering the highest levels of comfort, flexibility, environmental performance and architectural modernity. Conceived as a veritable 'cloud', in a nod to the cloud networks that inter-connect companies and their employees, the project is designed to welcome a selection of leading businesses and enable them to co-exist in an exceptional environment. This connected business centre aims to be at the cutting edge of alternative working practices and to offer services of the highest quality to its future occupants.







THIS ISN'T A CRISIS, IT'S THE DAWN OF A NEW ERA

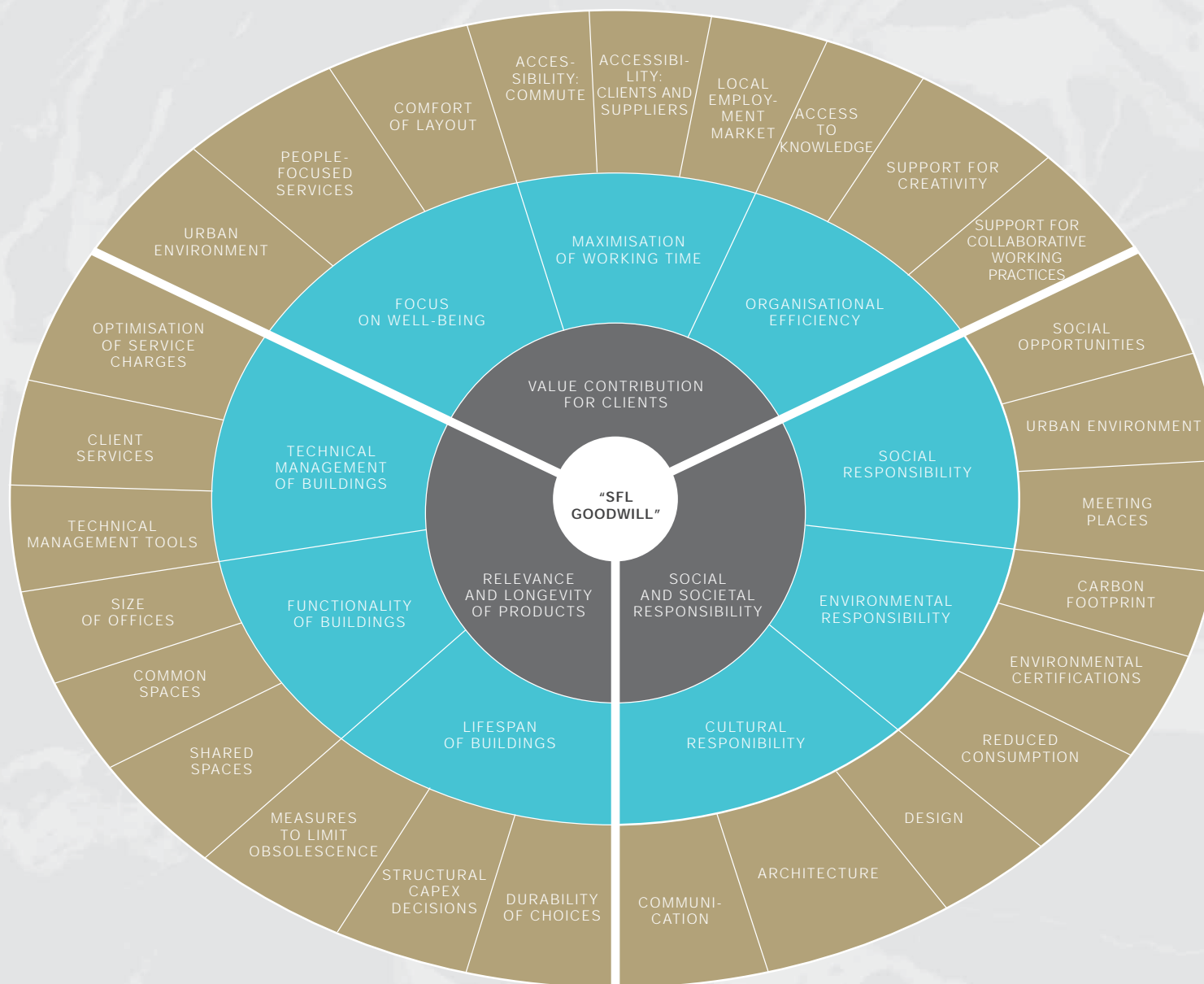
"SFL'S 'Goodwill' is founded on close synergies between our three development priorities, namely the value contribution for our clients, the relevance of our real estate products, and the societal and environmental responsibility of the company."

The interdependent nature of the actions implemented by SFL at the corporate and operational levels is summarised in this diagram. Every action that is undertaken in the context of one of the three development priorities also contributes to the other two and thus supports the virtuous cycle of 'SFL Goodwill'.

As well as being relevant at the operational level, these actions have a positive impact on the value of the company for our shareholders, our clients, our employees and our stakeholders because they contribute to this virtuous concept and make it possible to construct a business model that returns sustainable profits.

THE CHALLENGES

CULTURAL POSITIONING
CSR QUALITY
CLEAR STOCK MARKET HISTORY
VALUE FOR SHAREHOLDERS
INTERNATIONAL VISIBILITY
STRAIGHTFORWARD FINANCING
ACCESS TO MARKETS
COMPETITIVE BARRIERS
RARITY OF THE 'PRIME' OFFERING
PORTFOLIO OF LEADING CLIENTS
DEVELOPMENT OF CLIENT LOYALTY
LEADERSHIP ON THE 'PRIME' SEGMENT
ANTICIPATION OF CLIENT NEEDS
PROJECT DEVELOPMENT CAPACITY
MANAGEMENT OF RISKS
GOOD ADMINISTRATIVE KNOWLEDGE
VALUE CREATION
HIGH PROPERTY VALUATIONS
QUALITY OF ASSET PORTFOLIO
HIGH RENTS
REDUCED FRANCHISES
LOW VACANCY RATES
LOW RISK OF VACANCY
INVESTMENT CAPACITY





OPERATIONS

In the strained economic context of 2013, SFL proved itself to be highly resilient and showed promising growth potential.

This was due both to its financial capacity and to the scale of the works and investments undertaken on the portfolio.

LEASING



STRONG ACTIVITY IN A CHALLENGING MARKET Although the rental market was in the doldrums, with volumes down by 25% relative to 2012 and by 40% for surfaces over 5,000 sq.m., SFL enjoyed a successful year in terms of both volumes and rental values and did so while maintaining very reasonable levels of leasing support.

A DIFFICULT RENTAL MARKET

2013 was characterised by a flat, cautious and thus highly selective rental market; as a result, companies preferred to remain in their existing premises and renegotiate their rent. The volume of demands placed in the Île-de-France reached 1.8 million square metres, a fall of 25% relative to 2012 and the lowest level since 2009. This fall was particularly marked (-40%) in the segment covering deals of more than 5,000 square metres.

LEASING SUCCESS STORIES

In a market that was challenging for all real estate actors in France, SFL's results for the year were fairly exceptional, with almost 40,000 sq.m. leased in 2013, equivalent to a little over 10% of its portfolio. One of the most significant deals was the leasing, for a fixed term of nine years, of 7,000 square metres of fully-renovated offices in the Edouard VII complex to Klépierre, which will install its headquarters there. Following a complete renovation, the 3,300 square metres of office space in 6 Hanovre were leased for a fixed term of six years to Pretty Simple, a developer of social media games. They will install their headquarters in this superb little Art Nouveau building at the heart of the Opéra neighbourhood. Two other excellent contracts were also signed: Hugo Boss will install its headquarters in the 2,500 square metres of offices in the Louvre Saint-Honoré building that it has leased for a fixed term of nine years; Ariba, the world's leading business commerce network, will occupy 1,600 square metres of offices in the same building for a fixed term of six years. Finally, a new lease with a fixed term of 7 years and three months was signed with Natixis on the Rives de Seine, the 22,700 square metre building by the Gare de Lyon that the bank has occupied since 2000.

In total, the new lease agreements of 2013 returned an average nominal office rent of €613/sq.m. and an average effective rent of €523/sq.m. The physical occupancy rate for revenue-generating properties on 31 December, 2013, fell noticeably to 82%, as against 95% at the end of 2012. Corrected for leases that had been signed but had not come into effect on 31 December, 2013, the occupancy rate stood at 85%. This increase in vacancy rates is due to the delivery, in October 2013, of the In/Out building at Boulogne, a fully-redeveloped complex of 35,000 square metres for which the leasing process is underway. This complex had an impact of 11.6% on the physical vacancy rate of the portfolio and an 8.9% impact on the financial vacancy rate at the end of the financial year. The other unoccupied surfaces present far more modest challenges and are mainly located in the Cézanne Saint-Honoré, Washington Plaza and Louvre Saint-Honoré buildings.

82%

Physical occupancy rate

16.7%

EPRA vacancy rate



DEVELOPMENT



OFFERING SERVICES OF THE HIGHEST STANDARD SFL works constantly to maintain its buildings to the highest standards. It undertakes significant redevelopment projects that could better be described as ‘re-creation’ projects. The goal is to deliver products that meet the best standards of a new build and support a leasing strategy that positions assets at the top of the market.

CREATING FUTURE VALUE

In 2013, almost 25% of SFL's portfolio - a surface area of almost 90,000 square metres - was undergoing development work. For the most part, these were in-depth restructuring projects. Future value creation was supported by investments of €122 million in 2013, most of which concerned In/Out and #Cloud, and by a rigorous focus on the quality of every asset that is restructured.

REMARKABLE TRANSFORMATIONS

SFL carried out a number of exceptional transformation projects in 2013. The In/Out building at Boulogne, an urban campus of 35,000 square metres, is one of the prime examples. Delivered to the highest standards at the end of October 2013, the complex offers a 4,000 sq.m. service pavilion with modern architecture that is linked to the historic, 31,000 sq.m. main building. The redevelopment of the main building respects the original architecture but also reinvents it, notably through the creation of new vertical and horizontal circulation and the construction of offices on the sixth floor and in the domed roof space. The complex complies with the most demanding environmental standards and is the first office building in France to receive LEED Platinum certification.

Major construction work got underway at the start of 2013 on another complex project: the #Cloud building. This 33,000 sq.m. business centre is taking shape in the neighbourhood between Opéra and the Bourse and will be delivered in the second half of 2015. Renovation works are also in progress on the reception area and 8,000 square metres of office space of 90 Champs-Élysées; delivery is expected in 2014. Finally, the 3,300 square metres of fully-renovated office space in the little Art Nouveau building at 6 Hanovre were fully leased to the company Pretty Simple on 31 December, 2013.

To maintain its portfolio to the highest standards, SFL also carries out work on buildings that are occupied. In 2013, this was the case for Washington Plaza, which is located a stone's throw from the Arc de Triomphe. This project, which is intended to transform the image and functionality of this 47,000 sq.m. complex and turn it into one of the most attractive assets of the CBD, will be completed at the end of 2014.



RENTAL INCOME



A GREAT YEAR FOR SFL Following a rise of 6.6% in 2011 and 7.5% in 2012, SFL recorded an increase of 3.9% in its rental income for 2013 on a comparable portfolio basis. This third consecutive year of growth demonstrates, in no uncertain terms, the relevance of the company's business model.

EBITDA ANALYSIS BY PROPERTY *(in € millions)*

	Contribution 2013	2013	2012
ÉDOUARD VII	16.6%	22.9	20.1
WASHINGTON PLAZA	13.6%	18.8	18.5
CÉZANNE SAINT-HONORÉ	10.5%	14.5	14.4
GALERIE DES CHAMPS-ÉLYSÉES ⁽¹⁾	8.8%	12.2	5.6
RIVES DE SEINE	8.4%	11.6	11.7
OZONE (92 CHAMPS-ÉLYSÉES)	7.1%	9.8	3.5
LOUVRE/SAINT-HONORÉ	7.0%	9.6	12.9
HAUSSMANN SAINT-AUGUSTIN ⁽¹⁾	6.8%	9.3	4.8
103 GRENELLE	6.0%	8.3	5.5
131 WAGRAM	3.7%	5.1	5.0
96 IENA	3.2%	4.4	4.1
176 CHARLES-DE-GAULLE	2.3%	3.1	3.2
112 WAGRAM	2.2%	3.1	3.0
90 CHAMPS-ÉLYSÉES ⁽¹⁾	1.7%	2.4	1.5
LE VAISSEAU	1.5%	2.0	1.9
#CLOUD	0.0%	0	11.5
IN/OUT	-0.1%	-0.2	0
6 HANOVRE	-0.1%	-0.2	-0.1
PROPERTIES IN THE PORTFOLIO AT 31 DECEMBER 2013	99.1%	136.6	127.0
MANDARIN ORIENTAL	0.8%	1.1	11.0
OTHER ASSETS	0.1%	0.2	0
SOLD PROPERTIES AND OTHER	0.9%	1.3	11.0
TOTAL PROPERTIES	100%	138.0	138.0
CORPORATE		-18.5	-14.5
TOTAL EBITDA		119.5	123.4

+3.9% ON A COMPARABLE PORTFOLIO BASIS

Consolidated rental income stood at €149.3 million in 2013, a very slight decrease compared to the €150.2 million of 2012. On a comparable portfolio basis, rents increased by €4.6 million (+3.9%) due to the combined impact of rent indexation clauses and new leases, notably on 103 Grenelle and Washington Plaza. Rents from buildings undergoing renovations during the period declined by €8.5 million overall. This situation is due in particular to the shortfall of -€11.7 million on the #Cloud building, which was fully let until July 2012 and has been undergoing major renovations since then. It is partially compensated by higher rental income (+€6.6 million) from the Ozone building, which was delivered at the end of 2012. Finally, changes in the perimeter had a positive impact of €3 million on rental income. This growth is due, on the one hand, to the full consolidation of Parholding (+€13 million) since 31 December, 2012, and, on the other, to the sale of the Mandarin Oriental in February 2013 (-€10 million).

€ 149.3 m

Rental Income

+3.9%

Growth on a comparable portfolio basis

(1) 50% in 2012 (proportional consolidation), 100% in 2013 (full consolidation).

PORTFOLIO VALUE



STEADY GROWTH In 2013, SFL's position as the leader on the 'prime' real estate market in Paris was reinforced by positive growth in the value of its asset portfolio and in its net asset value (NAV). Steady improvements in appraisal values since 2010 confirm that our prime portfolio is well positioned.

NET ASSET VALUE (in € millions)

	31/12/13	31/12/12
EQUITY	2,215	2,137
TREASURY SHARES AND STOCK OPTIONS	15	16
UNREALISED CAPITAL GAINS	9	9
ELIMINATION OF FINANCIAL INSTRUMENTS AT FAIR VALUE	0	18
ELIMINATION OF DEFERRED TAXES	71	67
EPRA NAV	2,309	2,246
EPRA NAV/SHARE	€ 49.6	€ 48.3
FINANCIAL INSTRUMENTS AT FAIR VALUE	0	-18
FIXED-RATE DEBT AT FAIR VALUE	-65	-54
DEFERRED TAXES	-71	-67
EPRA NNNAV	2,172	2,108
EPRA NNNAV PER SHARE	€ 46.7	€ 45.3
TRANSFER COSTS ON PROPERTY PORTFOLIO	168	164
NAV INCLUDING TRANSFER COSTS	2,477	2,410
NAV/SHARE INCLUDING TRANSFER COSTS	€ 53.2	€ 51.8
NUMBER OF SHARES (THOUSANDS)	46,529	46,529

NEW RISE IN APPRAISAL VALUES

On 31 December, 2013, the estimated market value of SFL's portfolio was €3,874 million, excluding transfer costs, and the estimated replacement value, including transfer costs, was €4,071 million. These figures, which are almost identical to those of 2012, conceal an average increase of 7.9% in appraisal values on a comparable basis, the Mandarin Oriental building having been sold in February 2013 for €290 million, in accordance with the terms of the sale agreement signed in November 2012. This new rise in appraisal values is due in part to the €122 million of real estate investments that were carried out in 2013 and the value that will result from these activities. The buildings themselves are also more valuable as a result of leasing and transformation programmes. There is a further impact from a slight contraction in the discount rate for deals relating to very high-quality assets. On 31 December, 2013, the company's EPRA NNNAV stood at €2,172 million or €46.7 per share, compared with €45.3 per share on 31 December, 2012, an increase of 3.1%. Adjusting for monies distributed, the creation of value on SFL's NAV totalled 7.7% in 2013 and 18.7% over two years.



€3,874 m
(EXCL. TRANSFER COSTS)

Consolidated portfolio value

369,000 s.q. m.

Consolidated surface

FINANCIAL PERFORMANCE



RENTAL INCOME POTENTIAL OF AROUND €50 MILLION SFL enjoys strong growth potential. Buildings that were delivered during the year and those that are undergoing development had a negative impact on operating profit in 2013 but will, in the future, provide SFL with additional rental income streams worth around €50 million.

€ 147.3 m

Attributable net profit

€ 46.7

EPRA NNAV per share

€ 58.7 m

Underlying attributable profit (EPRA EARNINGS)

A SOLID FOUNDATION OF CONSOLIDATED OPERATIONS

On average in 2013, assets undergoing redevelopment accounted for almost 25% of the total surface area of the portfolio. At the current perimeter, this proportion will decrease over the next two years due, in particular, to the entry into operation of In/Out at Boulogne at the end of 2013 and the delivery of #Cloud in the second half of 2015.

The current situation will result in higher revenues in the future; in the meantime, SFL has successfully maintained its solid operational foundations. Consolidated rental incomes have remained almost stable at €149.3 million, versus €150.2 million in 2012. Operating profit, excluding the impact of disposals and fair value adjustments on buildings, stands at €119.8 million in 2013, versus €122.5 million in 2012. Recurring net profit (EPRA earnings) stands at €58.7 million, versus €69.5 million for 2012. Finally, attributable net profit in 2013, which includes an impact of €122.7 million from fair value variations (net of related taxes), stands at €182.7 million, with €147.3 million attributable to owners of the parent.

UNDERLYING ATTRIBUTABLE NET PROFIT (EPRA earnings) (in € millions)

	2013 (ACTUAL)			2012 (ACTUAL)		
	Recurring EPRA	Non-recurring	Total	Recurring EPRA	Non-recurring	Total
RENTAL INCOME	149.3	0	149.3	150.2	0	150.2
PROPERTY EXPENSES, NET OF RECOVERIES	-12.3	0	-12.3	-12.4	0	-12.4
NET RENTAL INCOME	137.0	0	137.0	137.8	0	137.8
SERVICE AND OTHER REVENUES	2.5	0	2.5	4.0	0	4.0
DEPRECIATION, AMORTISATION AND PROVISION EXPENSE, NET	0.4	0	0.4	-0.9	0	-0.9
CORPORATE COSTS	-20.1	0	-20.1	-18.4	0	-18.4
OPERATING PROFIT BEFORE DISPOSALS AND FAIR VALUE ADJUSTMENTS	119.8	0	119.8	122.5	0	122.5
PROFIT/LOSS ON PROPERTY DISPOSALS	0	-0.2	-0.2	0	0	0
FAIR VALUE ADJUSTMENTS TO INVESTMENT PROPERTIES	0	145.3	145.3	0	236.3	236.3
SHARE OF PROFIT OF ASSOCIATES	11.5	9.5	21.0	13.2	7.8	21.0
FINANCE COSTS AND OTHER FINANCIAL INCOME AND EXPENSE	-53.1	-17.6	-70.6	-56.0	-16.2	-72.2
INCOME TAX EXPENSE	-8.3	-24.2	-32.6	-4.7	-3.3	-8.1
PROFIT FOR THE YEAR	69.9	112.8	182.7	74.9	224.6	299.5
MINORITY INTERESTS	-11.2	-24.2	-35.4	-5.4	-10.9	-16.3
ATTRIBUTABLE NET PROFIT	58.7	88.6	147.3	69.5	213.7	283.2
EPRA EARNINGS PER SHARE	€1.26			€1.49		
AVERAGE NUMBER OF SHARES (THOUSANDS)	46,529			46,529		

DEBT AND FINANCING



THE MEANS TO ACHIEVE GOALS SFL benefits from a diverse range of financial resources that guarantee it access to excellent liquidity at an optimal cost. The Group also enjoys a good capacity to invest large volumes at attractive rates.

A DEBT STRUCTURE THAT SUPPORTS GROWTH

In 2013, SFL's debt level decreased slightly due to the sale of the Mandarin Oriental building at a price that exceeded the cost of the investments made. Furthermore, SFL consolidated its revolving credit facilities by implementing a new, €400-million syndicated credit facility with a term of five years, replacing an existing facility of €300 million that was due to expire in 2014. On 31 December, 2013, SFL's consolidated net debt amounted to €1,457 million, giving a loan-to-value ratio of 33.3%. It had an average maturity of 3.4 years and an average cost after hedging of 3.3%. SFL also has €700 million in confirmed lines of credit that are currently unused but could be drawn at any time. The characteristics of its debt profile mean that SFL is well placed to seize new investment opportunities. They also provide the Group with excellent coverage relative to liquidity risks.

DEBT STRUCTURE (in € millions)

	31/12/13	31/12/12	Variation
BONDS	1,000	1,000	0
SYNDICATED REVOLVING LINE OF CREDIT	50	45	5
OTHER BANK LOANS	403	438	-35
LEASE FINANCING	33	89	-56
TOTAL DEBT	1,486	1,572	-86
CASH AND CASH EQUIVALENTS	29	25	4
NET DEBT	1,457	1,547	-90
UNDRAWN LINES OF CREDIT	700	605	95
ESTIMATED VALUE OF ASSETS (INCL. TRANSFER COSTS)	4,071	4,072	-1
SIIC DE PARIS SHARES	302	287	15
LOAN-TO-VALUE RATIO	33.3%	35.5%	-2.2%
AVERAGE LIFE (YEARS)	3.4	3.9	-0.5
AVERAGE SPOT COST (AFTER HEDGING)	3.3%	3.6%	-0.3%

€ 1,457 m

Consolidated net debt

3.4 years

Average maturity

33.3%

Loan-to-Value

3.3%

Average spot cost of debt (after hedging)

SFL ON THE STOCK MARKET

STRONG PERFORMANCES The SFL share closed the year at €38.09 versus €35.50 at the end of 2012, an increase of 7.30% in one year. The share outperformed its sector: the EPRA Europe index rose by 6.8% over the same period. The CAC 40 recorded an increase of 18.0% in 2013.

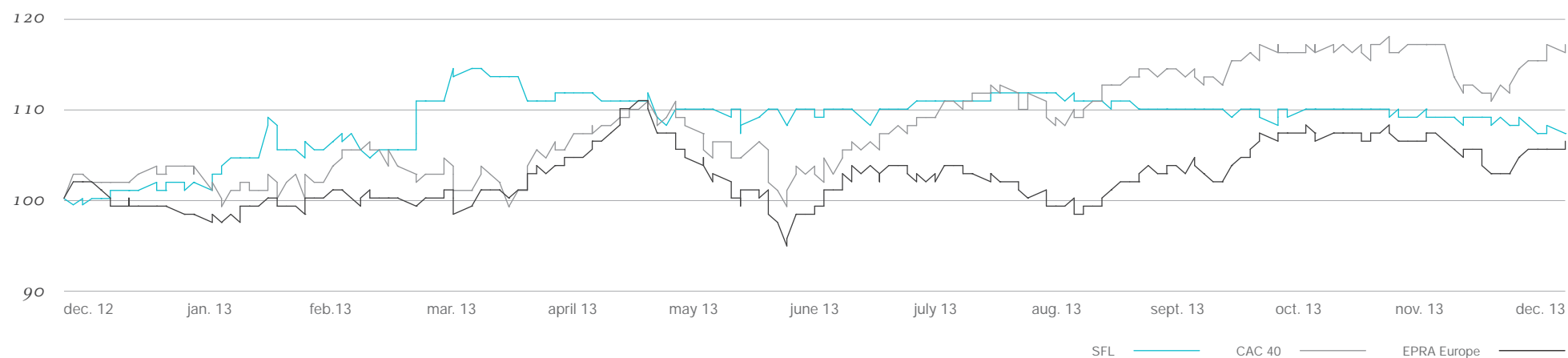


Transaction volumes remained modest with 3,960 shares traded per day on average. During the 2013 financial year, SFL paid a dividend of €1.40 per share for 2012 and an advance on the 2013 dividend of €0.70 per share, giving a total dividend of €2.10 per share. Taking these dividends into account, the total yield of the SFL share in 2013 amounted to 13.2%. Measured against EPRA earnings (EPRA NNNV) of €46.7 per share, the share price on 31 December, 2013, shows a discount of 18.4%.

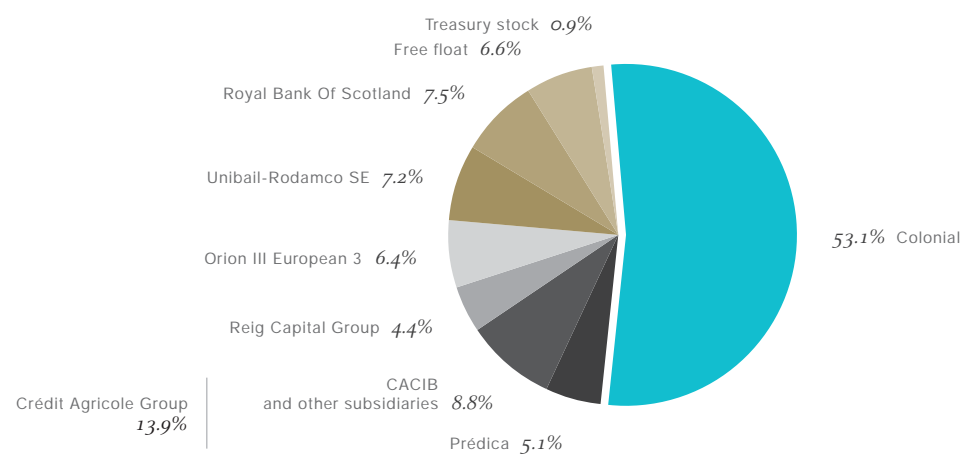
A TOTAL DIVIDEND OF €2.10 PER SHARE

The Board of Directors decided to recommend, at the Annual General Meeting of 24 April, 2014, the payment in cash of a dividend of €2.10 per share. This would result in a balance of €1.40 per share being paid once the advance of €0.70 per share distributed in October 2013 has been taken into account.

SFL STOCK MARKET PERFORMANCE



OWNERSHIP STRUCTURE (at 31 December 2013)



DIVIDEND PER SHARE (in €)



AN EXCEPTIONAL PORTFOLIO

AT THE HEART OF THE PARIS CBD

SFL's exceptional portfolio of assets is concentrated in the Central Business District of Paris and the west of the capital. These properties offer a winning blend of a prestigious address, architectural elegance, outstanding public transport links, an urban, cultural and business environment of the highest quality, cutting-edge technical amenities, and excellent environmental performance.

Their unique combination of size, product type, location and amenities responds to the most exacting needs of an increasingly demanding clientele, most of whom are leading companies that understand the vital role their workspaces play in driving performance and the talent management process.

GEOGRAPHIC FOCUS

82%

Central Business District

10%

Rest of Paris

8%

Western Crescent

MARKET FOCUS

79%

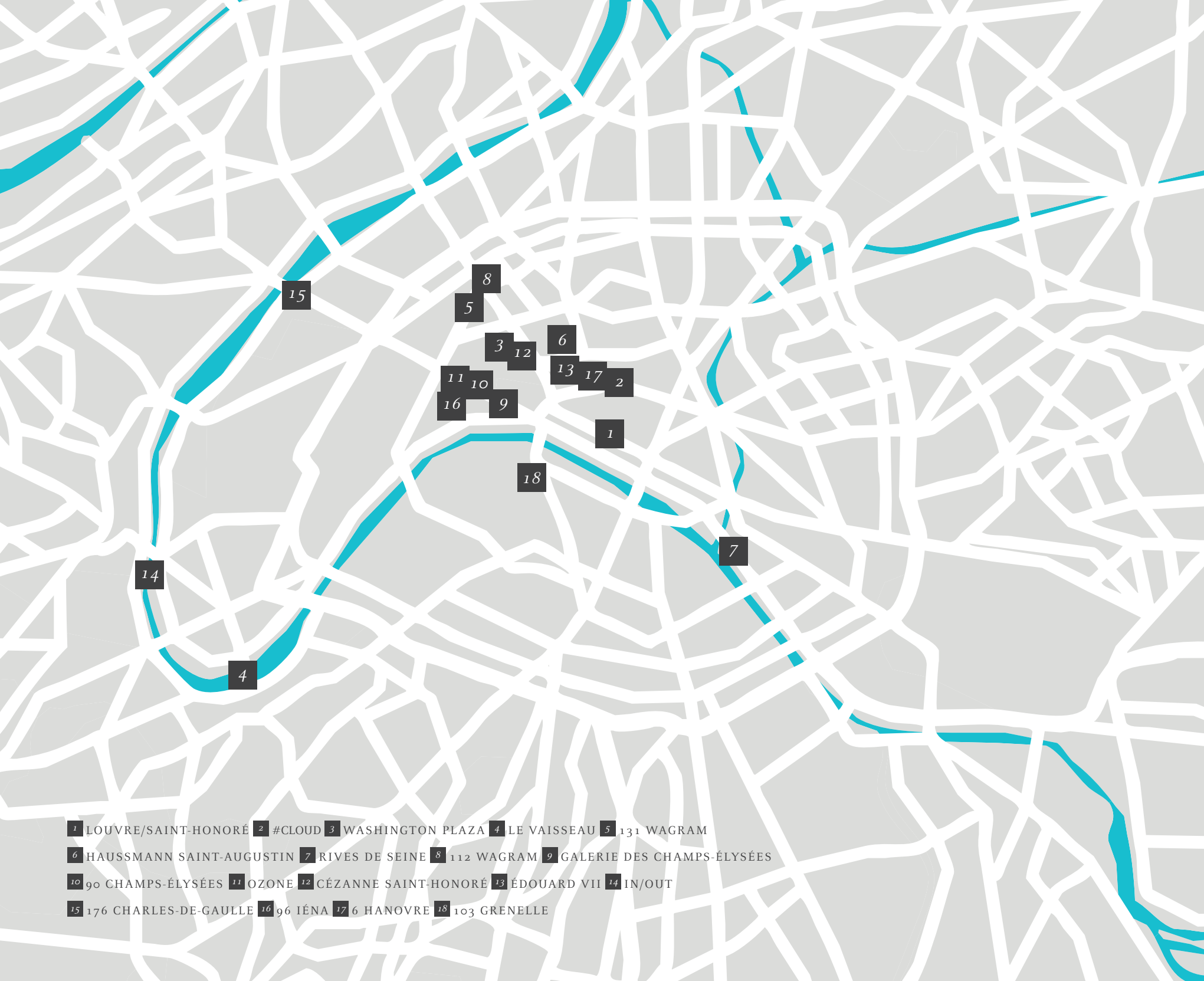
Offices

20%

Retail units

1%

Residential



- 1 LOUVRE/SAINT-HONORÉ 2 #CLOUD 3 WASHINGTON PLAZA 4 LE VAISSEAU 5 131 WAGRAM
6 HAUSSMANN SAINT-AUGUSTIN 7 RIVES DE SEINE 8 112 WAGRAM 9 GALERIE DES CHAMPS-ÉLYSÉES
10 90 CHAMPS-ÉLYSÉES 11 OZONE 12 CÉZANNE SAINT-HONORÉ 13 ÉDOUARD VII 14 IN/OUT
15 176 CHARLES-DE-GAULLE 16 96 IÉNA 17 6 HANOVRE 18 103 GRENELLE



WASHINGTON PLAZA

38-44, rue Washington, 29-31, rue de Berri,
43-45, rue d'Artois, 75008 Paris

A PROPERTY AT THE HEART OF THE CBD. Located just off the Champs-Élysées on an 8,000-sq.m. site, Washington Plaza is one of the capital's finest office complexes. An ambitious renovation of the business centre is underway to radically transform the functionality, identity and image of this site through the creation of a vast lobby at the Friedland entrance and a spectacular interior gallery that opens on to private landscaped areas.

Year of acquisition: 2000
Total surface area: 47,100 sq.m.
Main clients: Misys, Dexia, Lagardère and CCR



ÉDOUARD VII

16-30, boulevard des Capucines,
2-18, rue Caumartin, 75009 Paris

ONE OF THE CAPITAL'S BUSINESS LANDMARKS. Built on a 1.5-hectare plot, the Haussmann-style Édouard VII complex is situated between the Opéra Garnier, La Madeleine, and the Boulevard des Capucines. Its location at the heart of one of Paris's liveliest neighbourhoods and its distinguished architectural style – the result of extensive remodelling – make this property a fabulous showcase. SFL intends to give this historic property a more modern and prestigious identity by redeveloping the workspaces, reception areas and public spaces, landscaping the interior courtyards, and revitalising the shopping street on which it stands.

Year of acquisition: 1999
Total surface area: 54,100 sq.m.
Main clients: Bird&Bird, Zara, Ashurst, l'Olympia and Klépierre



CÉZANNE SAINT-HONORÉ

1-6, rue Paul Cézanne, 27, rue de Courcelles,
168, rue du Faubourg Saint-Honoré, 75008 Paris

A PRIVATE STREET YARDS FROM THE PLACE DE L'ÉTOILE. This exceptional office, retail and residential complex is comprised of two separate buildings that stand on either side of a 100-metre long, 15-metre wide private street in the heart of the capital's historic business district. Delivered in March 2005 after exemplary restoration work, the 1930s building has the advantage of long load-bearing spans that obviate the need for internal structural walls and allow for large, functional units. The Cézanne Saint-Honoré complex was honoured by two awards in 2004 and 2005 and is one of SFL's finest assets.

Year of acquisition: 2001 and 2007
Total surface area: 29,000 sq.m.
Main clients: Freshfields and Citibank



LOUVRE SAINT-HONORÉ

2, place du Palais-Royal, 75001 Paris

AN EXCEPTIONAL LOCATION. This building offers large, efficient 5,400-sq.m. workspaces in a prime location opposite the Louvre museum. As part of its ongoing efforts to improve services and user comfort, SFL undertook an extensive renovation of the offices so it delivers a technical performance in line with the highest international standards along with premium amenities including a staff restaurant and round-the-clock security. Until 2016, this asset is being rendered even more beautiful by 'Grandes Ondes', an ephemeral architectural installation by the artist François Morellet.

Year of acquisition: 1995
Total surface area: 47,700 sq.m.
Clients: Louis Vuitton Malletier, Hugo Boss, Ariba, GIE Cartes bancaires, Proparco and IEDOM



OZONE

92, avenue des Champs-Élysées, 75008 Paris

AN EMBLEMATIC LOCATION. Thomas Jefferson who lived here from 1785 to 1789, this building is one of the most prestigious locations on the Champs-Élysées, at the corner of rue de Berri. An effort to restore it to its former glory and Environmental Quality Award space was delivered and the property has retail units and premium-quality offices on the upper floors.

Year of acquisition: 2000
Total surface area: 7,700 sq.m.
Main clients: SJ Berwin and Citibank



amps-Élysées, 75008 Paris

BUILDING. Home to when he lived in Paris from building has one of the best mps-Élysées, on the corner extensive redevelopment to er glory and create High y (HQE)-certified office at the end of 2012. The nits on the ground floor y offices over the five

00
00 sq.m.
n and Zara



108-112, avenue de Wagram,
66-72, rue de Prony, 75017 Paris

NESTLED BETWEEN THE PLACE DE L'ÉTOILE and the porte de Champerret, the building at 112 avenue du Wagram stands out for its elegant industrial architecture, contemporary interior design, noble materials and impressive volumes. These include ceilings that are almost four metres high on the first and second floors, three vast terraces, a courtyard and an interior garden planted with trees. This new office complex lies behind a metallic façade decorated with bricks and glass and offers bright, modular, streamlined workspaces of more than 1,100 sq.m.

Year of acquisition: 2008, purchased off plan
Total surface area: 6,000 sq.m.
Clients: Zurich France and Facebook



176 CHARLES-DE-GAULLE

176, avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine

AN OUTSTANDING SITE. Located on the thoroughfare that links the place de l'Étoile to La Défense, this building is composed of offices and a large retail space on the ground floor. The courtyard-facing façade looks out over new, landscaped gardens.

Year of acquisition: 1997
Total surface area: 7,400 sq.m.
Main client: Hudson



#CLOUD

81-83, rue de Richelieu, 2-8, rue Ménars,
16-18, rue de Gramont, 1-5, rue Grétry, 75002 Paris

A UNIQUE THREE-BUILDING COMPLEX. #Cloud is a three-building complex in Paris's financial district, a stone's throw from the Palais Brongniart and the Opéra Garnier. The complex is being extensively redeveloped to create an exceptional environment based on modern, flexible office space and prestigious amenities such as a business centre, concierge service, restaurant, panoramic terrace and fitness rooms.

Year of acquisition: 2004
Total surface area: 33,200 sq.m.



6 HANOVRE

6, rue de Hanovre, 75002 Paris

AN ART NOUVEAU BUILDING. This 1908 building with its Art Nouveau façade is the work of architect Adolphe Bocage and is registered in the Supplementary List of Historical Monuments. Its vast lobby leads to a majestic horseshoe staircase and the façade features rectangular bays on the third floor and bow windows above. The façade, the entrance lobby and the elevator shaft are in concrete and decorated with ceramic tiles by Alexandre Bigot. The building is located at the heart of the financial district, near the Paris Stock Exchange, and enjoys stunning views over the Opéra district thanks to its panoramic terrace. Following a recent, painstaking renovation it now offers bright, streamlined office spaces.

Year of acquisition: 1958
Total surface area: 4,600 sq.m.
Client: Pretty Simple



131 WAGRAM

131, avenue de Wagram, 75017 Paris

A MEDIA HUB. This property stands halfway between Parc Monceau and the place de l'Étoile on the corner of rue de Prony. It features a terrace, an interior garden, nine floors of offices and five underground levels. The building offers light-filled, flexible workspaces of around 800 sq.m. in addition to an auditorium and a staff restaurant. The interior was fully renovated in 2004-2005.

Year of acquisition: 1999
Total surface area: 9,200 sq.m.
Client: TV5 Monde



RIVES DE SEINE

68-74, quai de la Râpée, 75012 Paris

EFFORTLESS ACCESS. Located on the banks of the Seine close to the Gare de Lyon train station and public transport hub, this property is emblematic of the revival of the Eastern Paris business district. This 16-storey building was built in 1974 and rises above a vast lobby that overlooks the river. It was extensively renovated in 2001 to create modern, well-lit and highly modular 1,200-sq.m. office units. Natixis renewed its lease in 2013.

Year of acquisition: 2004
Total surface area: 22,700 sq.m.
Client: Natixis



HAUSSMANN SAINT-AUGUSTIN

104-110, boulevard Haussmann, 75008 Paris

A LUXURY OFFICE COMPLEX. A two-year redevelopment project that was completed in 2007 transformed four separate buildings on boulevard Haussmann into a luxury office complex offering optimal working conditions. The building is designed around a vast central lobby that is flooded with natural light from a glass roof. It offers a total surface area of around 13,000 sq.m. over seven floors and its 82-metre long façade is made of cut stone. The use of natural, noble materials creates warmth and architectural beauty while the interior design is an elegant blend of the classic and the contemporary.

Year of acquisition: 2002 and 2004
Total surface area: 13,400 sq.m.
Main client: La Mondiale Groupe



LE VAISSEAU

2, allée des Moulineaux,
39-51, rue Pierre Polli, 92130 Issy-les-Moulineaux

AN INNOVATIVE CONCEPT. Located on the Île Saint-Germain in Issy-les-Moulineaux, Le Vaisseau ('The Vessel') owes its name to its unusual shape and structure that evokes 'a vessel moored to the island'. The building's façade was inspired by naval architecture and its moveable roof opens upwards along its entire length. The building of around 6,000 sq.m. was designed by architect Jean Nouvel and completed in 1992. SFL acquired the property in 2006 and intends to reintegrate Le Vaisseau fully into its surroundings by reinterpreting the original concept and enhancing its value.

Year of acquisition: 2006
Total surface area: 6,300 sq.m.
Client: Dalkia France



GALERIE LAFAYETTE CHAMPS-ÉLYSÉES

82-88, avenue des Champs-Élysées

A NEW LIFE FOR A PARISIAN CLASSIC. The Galerie Lafayette shopping arcade enjoys one of the most prestigious locations in Paris on the side of the Champs-Élysées in the central section of the avenue. A complete renovation by Jean Nouvel has given the building an elegant new look that combines Haussmannian style and modern architecture. The light fittings and escalators in the gallery houses the 2,800-sq.m. flagship store of H&M.

Year of acquisition: 2002
Total surface area: 8,700 sq.m.
Main clients: H&M, Promod, Etam, Paul, Minelli and McDonald's



DES ÉLYSÉES

Champs-Élysées, 75008 Paris
 RIAN
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 in the most visited
 mplete redesign
 ne property an
 oines stripped-back
 odern features like
 s in black metal. The
 m. international

96 IÉNA

96, avenue d'Iéna, 3, rue de Presbourg,
 83-85 bis, avenue Marceau, 75016 Paris

A REMARKABLE VIEW OF THE ARC DE TRIOMPHE. With an exceptional location right beside the place de l'Étoile, this six-storey property features an interior courtyard and terraces offering outstanding views of the Arc de Triomphe. The unique appeal of this asset is reinforced by its three street-facing façades, which afford it a rare degree of visibility. With its highly functional, flexible, light-filled workspaces of around 1,200 sq.m. each, the Iéna building is one of a kind.

Year of acquisition: 2001 (25%) and 2007 (100%)
 Total surface area: 8,900 sq.m.
 Main client: Générale de Santé

.
 tam, L'Occitane,

103 GRENELLE

103, rue de Grenelle, 75007 Paris

A BUSINESS CENTRE ON THE LEFT BANK. Located on the Left Bank in a district that is home to many government departments, this historical complex is dominated by a tower that housed the first Chappe telegraph system in the 19th century and, until recently, the headquarters of the French Telephone and Telegraph Administration. Following an extensive two-year redevelopment that was completed in mid 2009, the building offers around 15,000 sq.m. of premium office space with High Environmental Quality (HQE) certification. It offers traditional partitioned workspaces as well as larger units of more than 1,500 sq.m. in the Chappe Tower that are suitable for open plan or mixed layouts. The complex also offers high-quality amenities.

Year of acquisition: 2006
 Total surface area: 19,700 sq.m.
 Main clients: Harry's France, ESMA, Valtech, Regus and GE Energy

90 CHAMPS-ÉLYSÉES

90, avenue des Champs-Élysées, 75008 Paris

A PROPERTY WITH EXCELLENT POTENTIAL FOR VALUE CREATION. Located above the Galerie des Champs-Élysées shopping arcade, this modern building features a cut stone façade like that used for the most stunning Haussmann-style buildings. It was recently transformed by Jean Nouvel. The property is undergoing redevelopment and will offer very attractive, bright floor plates of 1,200 sq.m. SFL has signed a pre-leasing agreement with a major international consulting firm that will come into force in spring 2015.

Year of acquisition: 2002 and 2009
 Total surface area: 8,700 sq.m.

IN/OUT

46, quai Le Gallo, 92100 Boulogne-Billancourt

A REMARKABLE URBAN BUSINESS CAMPUS. The building benefits from a highly visible, desirable location at the Paris city limits between the Sèvres and Saint-Cloud bridges and opposite the Parc de Saint-Cloud, on a highway that links several strategic business areas of the Île-de-France Region. SFL has completely redeveloped this 35,000-sq.m. symbol of France's industrial and cultural heritage into a modern office complex, without losing sight of its storied past. The new complex has High Environmental Quality (HQE) certification. The main building is dedicated to office space while a new, ultra-contemporary extension welcomes a services centre.

Year of acquisition: 2000
 Total surface area: 35,000 sq.m.



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