



SOCIETE FONCIERE LYONNAISE

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SFL – First Quarter 2013

Paris, 17 April 2013

Rental Income: €37.3 million (up 4.6% on a comparable portfolio basis)

Consolidated revenue by business segment (€ 000's)

	First quarter 2013	First quarter 2012
Rental Income	37,323	37,572
<i>o/w Paris CBD</i>	30,746	32,033
<i>Western Crescent</i>	1,313	1,248
<i>Other</i>	5,264	4,291
Other revenue	17	108
Total consolidated revenue	37,340	37,680

Consolidated rental income for the first quarter of 2013 remained stable at €37.3 million versus €37.6 million in the first quarter of 2012. On a comparable portfolio basis, rentals increased by €1.3 million or 4.6%, due primarily to leases signed during the course of 2012. Development projects underway in 2012/2013 accounted for a contraction in revenues of €3.2 million. This was mainly due to the launch of the redevelopment of the Ilot Richelieu in August 2012 and the renovation of the office spaces in the Louvre building, partially compensated by the delivery of the Ozone building at the end of 2012. At the same time, variations in the perimeter led to an increase in revenues of €1.6 million. This is derived on the one hand from the full consolidation of Parholding on 31 December 2012 (+€3.2 million) and on the other from the sale of the Mandarin Oriental Hotel in February 2013 (-€1.6 million).

The rental market was stagnant in the first quarter of 2013 and only one significant lease was signed, for 1,600 sq.m. of office space in the Louvre building. The occupancy rate of properties in operation stood at 91.6% on 31 March 2013 versus 95.3% on 31 December 2012. This rise in vacancy is due to the delivery of 6,500 sq.m. of fully renovated office space in the Edouard VII complex during the course of the quarter.



With an exceptional portfolio of properties valued at €3.8 billion including 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:

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

S&P RATING: BBB- Stable
outlook

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Progress continued on redevelopment projects during the period, notably on the In/Out building that will be delivered at the end of the summer. A remarkable on-site showroom has been created and is being used to show future clients the unique configuration of this complex. Major structural works began on the Ilot Richelieu project.

In line with the terms of the agreement signed in November 2012, SFL sold the Mandarin Oriental Hotel building in February 2013 for a net price of €290 million. This represents a gain of around 30% on the total cost of the renovation and an uplift of 15% on the appraisal value on 30 June 2012, the last formal appraisal before the transaction was announced.

Consolidated net debt decreased significantly due to the sale of the Mandarin Oriental to reach €1,303 million at 31 March 2013 compared to €1,547 million at 31 December 2012. This represents a loan-to-value ratio of 32%, including the minority interest held in SIIC de Paris. SFL had €800 million in undrawn lines of credit on 31 March 2013.



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