



SOCIETE FONCIERE LYONNAISE

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SFL – Third Quarter 2013

5.2% growth in rental income on a comparable portfolio basis

Paris, 24 October, 2013

Rental Income at 30 September, 2013: €112 million
+5.2% on a comparable portfolio basis

Consolidated revenue by business segment (€ 000's)

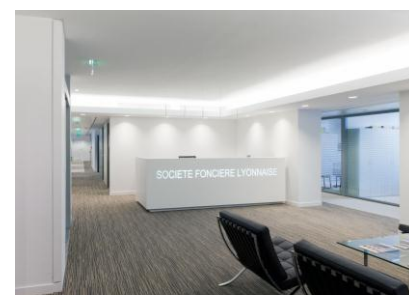
	2013 (9 months)	2012 (9 months)
Rental income	111,998	112,928
o/w Paris Central Business District	92,080	95,621
Western Crescent	4,064	3,819
Other	15,854	13,487
Other revenue	28	328
Total consolidated revenue	112,026	113,256

Rental income stood at €112.0 million on 30 September, 2013, versus €112.9 million on 30 September, 2012:

- On a comparable portfolio basis, rentals increased by €4.5 million (+5.2%) due to the impact of leases signed during 2012 and the application of rent indexation clauses.
- Rents on projects under development during the period in question fell by €8.0 million, due primarily to the redevelopment of the **#Cloud** building (Ilot Richelieu), which was partially compensated by the delivery of the **Ozone** building at the end of 2012.
- Variations in the perimeter led to an increase in revenues of €2.6 million. This is derived on the one hand from the full consolidation of Parholding (a jointly-owned subsidiary with Predica, part of Crédit Agricole Assurances) on 31 December, 2012 (+€9.8 million) and, on the other, from the sale of the **Mandarin Oriental** in February 2013 (-€7.2 million).

Although the rental market remains difficult and highly selective, SFL has successfully leased more than 34,000 sq.m. of space since the start of the year. Highlights include:

- **Rives de Seine** (22,700 sq.m.), where Natixis has signed a new lease
- **Edouard VII** (7,000 sq.m.), which has been leased to Klépierre
- **Louvre / Saint Honoré** (2,500 sq.m.), where Hugo Boss will install its Parisian headquarters



With an exceptional portfolio of properties valued at €3.9 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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The nominal rent for office transactions in 2013 stands at €538/sq.m. and the real rate at €482/sq.m.

The occupancy rate for buildings in use on 30 September, 2013 stood at 91.9%, versus 95.3% on 31 December, 2012. This rise in the vacancy rate is due to the delivery in 2013 of fully renovated office space in the **Edouard VII** complex. Although it has been leased to Klépierre, the lease will not come into effect until 2014.

The occupancy rate does not, by its nature, take account of surfaces in the **In/Out** building, the final delivery of which is imminent, or of signed leases that had not yet come into effect on 30 September, 2013. The net impact of these elements will increase the vacancy rate by approximately 10%.

As there were no property sales or acquisitions during the third quarter of 2013, SFL's portfolio (18 buildings) remains unchanged relative to 30 June, 2013.

Consolidated net debt stands at €1,397 million compared to €1,547 million at 31 December, 2012. This represents a loan-to-value ratio of 33%, including the minority interest held in SIIC de Paris.

On 30 September, 2013, SFL had €815 million in undrawn lines of credit.



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