



PRESS RELEASE - IMMEDIATE RELEASE

Foncière Paris France Quarterly Report for the period ended September 30, 2008

- **Gross rental revenue: €19.6 million** (for the first nine months of 2008)

(PARIS - November 5, 2008) – Foncière Paris France today released its quarterly report for the period ended September 30, 2008.

In € millions	2008	2007	% Change
Gross rental revenue (nine months to September 30)	19.6	15.6	+25.6%

"In a challenging real-estate market, Foncière Paris France pursued its selective growth strategy and continued to strengthen its balance sheet in the third quarter of 2008," said the Company's CEO Jean-Paul Dumortier. "We voluntarily limited our investment volume, and conducted a significant sale on satisfactory terms. Our solid balance sheet and financial resources will allow us to seize new opportunities in the coming months."

ASSET PORTFOLIO

▪ Investments and Disposals

The total value of **investments** carried out since January 1, 2008 amounts to €12.1 million, with just one acquisition in the third quarter.

During the third quarter, the Les Ellipses building was **sold** to SAGI for €33.7 million, slightly above the appraisal value in December 2007. The transaction concluded the 2008 programme of asset sales, which involved just over €40 million.

▪ Rental activity

New leases were signed for around 15,000 square meters in the third quarter, bringing the total for the first nine months of the year to 68,500 square meters. The new leases primarily concerned the Topaze building, located in Boulogne Billancourt in the western suburbs of Paris and fully let to the Turkish Consulate, and the Décime building, located in Thiais in the southern suburbs of Paris and fully let to Grosbill. The average vacancy rate, excluding properties undergoing renovation or development, was less than 3%.

▪ Renovation and Development

Foncière Paris France made further headway in its new building and renovation projects during the third quarter of 2008.

- **Rueil 250:** The €15-million renovation of this complex in Rueil continued during the third quarter, and will be finished on schedule, ready for the new tenant to take possession in early 2009.
- **Mediacom 3:** The demolition of the existing buildings on the site began during the quarter, in preparation for the imminent construction of a 4,500 square-meter zero-energy office building. The project represents a total investment of around €14.5 million and is scheduled for delivery in early 2010.
- **Studios du Lendit:** Most of the contracts for the first phase of the Studios du Lendit project have been signed. The project involves the construction of two television recording studios representing net floor area of around 16,000 square meters and an 8,000 square-meter (net floor area) office building.

The land was acquired on October 13, and the project, which represents a total investment of around €68 million, is scheduled for delivery in mid-2010. Two-thirds of the property have already been let via a 12-year lease with VCF, part of the SFP Group.

FINANCIAL INFORMATION

- At September 30, 2008, Foncière Paris France's **portfolio** comprised 40 properties.
- Consolidated **rental** revenue amounted to €19.6 million for the first nine months of the year, a 25.6% increase over the same period a year earlier. The increase was mainly due to: 1) the full-year impact of the investment programme carried out in 2007; 2) new leases and re-lets; and 3) rent increases of around 4% on an annual basis.
- Gross **debt** stood at €163.5 million at September 30, 2008, including three finance leases in the sum of €11.8 million.

During the third quarter, new credit facilities were arranged for €50 million, of which €10 million were drawn down.

At September 30, 2008, **cash and cash equivalents** amounted to €81.2 million, reducing net debt to €82.3 million.

- On the basis of the asset appraisal carried out on June 30, adjusted for changes in the portfolio during the third quarter, **loan-to-value** was 20.6% at September 30, 2008.

OUTLOOK

Foncière Paris France intends to pursue its selective growth strategy. Backed by currently available investment capacity of around €120 million, the Company plans to seize investment opportunities in 2009, in a market where volumes and prices continue declining.

ABOUT FONCIÈRE PARIS FRANCE

Foncière Paris France is an SIIC specialized in commercial real estate in the greater Paris area. The Company was founded in May 2005 by Jean-Paul Dumortier, President of the Fédération des Sociétés Immobilières et Foncières.

Foncière Paris France is listed on NYSE Euronext Paris, compartment B (symbol: FPF, ISIN: FR0010304329). It is included in the CAC Small 90 and SBF 250 indexes.

www.fonciereparisfrance.fr

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