SFL – FIRST HALF 2009 RESULTS

Further growth in operating profit and continued decline in appraisal values and NAV

First-half property rentals up 7.0% to €96.0 million
Operating profit before fair value adjustments up 12.9% to €84.6 million
Attributable current cash flow up 25.5% to €63.0 million
NAV/share including transfer costs: €43.4

Paris, 20 July 2009 - The financial statements for the six months ended 30 June 2009 were approved by the Board of Directors of SFL on 20 July 2009, at its meeting chaired by Yves Mansion.
These financial statements show further growth in property rentals, operating profit and current cash flow, but also significant negative fair value adjustments to the property portfolio, which have resulted in the Group recording a net loss for the period.

Consolidated results (€ millions)

	First-half 2009	First-half 2008
Property rentals	96.0	89.7
Operating profit before fair value adjustments	84.6	74.9
Attributable profit (loss)	(236.8)	(180.8)
Attributable current cash flow	63.0	50.2

	30 June 2009	31 Dec. 2008
Portfolio value excluding transfer costs	3,082	3,477
Portfolio value including transfer costs	3,255	3,672
Diluted NAV/share excluding transfer costs	€39.7	€47.1
Diluted NAV/share including transfer costs	€43.4	€51.3

Results

- Rental revenues for the first six months of 2009 totalled €96.0 million versus €89.7 million for first-half 2008, representing an increase of €6.3 million or 7.0% as reported and 8.0% on a comparable portfolio basis. The increase reflects scheduled rent increases, the remarketing of office space in the Louvre des Entreprises building renovated in 2008 and a €3.8 million lease termination penalty received from a tenant during the period.

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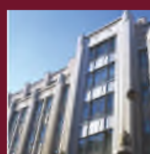
SOCIETE FONCIERE LYONNAISE

With an exceptional portfolio of properties valued at nearly €3,3 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





- Operating profit before fair value adjustments rose €9.7 million or 12.9% to €84.6 million from €74.9 million in first-half 2008.

- The property portfolio's appraisal value declined by 7.9% between 31 December 2008 and 30 June 2009 on a comparable portfolio basis, leading to the recognition of a net negative fair value adjustment of €312.0 million compared with a negative adjustment of €253.0 million in first-half 2008.

- Properties sold during the first six months of 2009 for a total of €117 million generated a loss of €13.5 million compared to their appraisal value at 31 December 2008, representing an average decline in value of 9.3%. No properties were sold in first-half 2008.

- Finance costs declined by €5.7 million to €17.7 million in first-half 2009 from €23.4 million in the same period of 2008, mainly due to lower interest rates.

- After taking into account these items, the Company reported a €236.8-million loss attributable to equity holders of the parent, compared with a €180.8-million loss for first-half 2008.

- Current cash flow attributable to equity holders of the parent (excluding disposals) rose by €12.8 million to €63.0 million in first-half 2009 from €50.2 million in the year-earlier period, primarily led by higher rents and the reduction in finance costs mentioned above.

Business review

At 30 June 2009, the occupancy rate (excluding properties undergoing renovation) stood at 93.7%, compared with 98.3% at 31 December 2008. The decline reflects the March 2009 delivery of the fully renovated building at 103 rue de Grenelle. Around 7,500 sq.m. of offices and retail units were let during the first half, despite a flat rental market. The first lease on 103 rue de Grenelle was signed during the period with the Barilla Group, which has rented 1,600 sq.m. to house its European headquarters.

In an investment market shaped by a considerably lower deal flow, five buildings were sold in first-half 2009 for a total of €117 million. The sales prices represented an average yield of 6.3%, attesting to the excellent quality of SFL's assets.

Capitalised work carried out in the first half of 2009 amounted to €39.0 million, including renovation and remodelling work on 247 rue Saint-Honoré, home to the future Paris Mandarin Hotel, and on the Galerie des Champs-Elysées shopping arcade. These are the Company's main renovation projects currently in progress and they remain on schedule for delivery in 2010.

Financing

During the period, the finance lease on the 131 Wagram building expiring in June 2009 was extended for seven years at a rate corresponding to Euribor plus 200 bps.

With interest rates at record lows, SFL also set up new interest rate swaps on a notional amount of €200 million.

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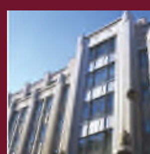

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NAV

The estimated market value of the portfolio at 30 June 2009 was €3,082 million excluding transfer costs, down 7.9% on a comparable portfolio basis from €3,477 million at 31 December 2008. The estimated replacement value, including transfer costs, at 30 June 2009 was €3,255 million.

The composition of the portfolio was unchanged, with prime office properties in Paris's Central Business District accounting for 77% of the total and retail units on the capital's best shopping streets representing 19%.

Net debt at 30 June 2009 amounted to €1,114 million – down slightly from €1,159 million at 31 December 2008 – and the loan-to-value ratio stood at 34.2%. The average cost of debt was 4.0% and the average maturity was 2.5 years.

On this basis, at 30 June 2009, fully-diluted NAV per share stood at €43.4 including transfer costs – down 15.4% from €51.3 at 31 December 2008 – and €39.7 excluding transfer costs.

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