



Foncière Paris France

PRESS RELEASE - FOR IMMEDIATE PUBLICATION

Foncière Paris France Quarterly report for the period ended 30 September 2010

- Gross rental revenue (nine months to 30 September)
 - €23.5 million Up 1.1% compared with the first nine months of 2009

(PARIS - 28 OCTOBER 2010) - Foncière Paris France today released its quarterly report for the nine months ended 30 September 2010.

In € millions	Nine months ended 30 Sept. 2010	Nine months ended 30 Sept. 2009	% change
Gross rental revenue (nine months)	23.5	23.3	+ 1.1%

BUSINESS REVIEW

- There was little movement in the tenant base of the let and lettable properties during the first nine months of the year.
- In late September, Foncière Paris France accepted delivery of the Studios du Lendit and Lendit Lumière complex, a three-building programme comprising television recording studios and offices totalling a net floor area of 24,000 sq.m. To date, 65% of the space has been leased, primarily to Euro Media Group, Europe's leading provider of TV and film facilities and services.
- During the third quarter, construction work continued on Mediacom 3, which is scheduled for delivery in early 2011. This approximately 4,500-sq.m property, which will be France's first zero-energy rental office building, is currently being advertised for lease.
- No properties were acquired or divested during the first nine months of 2010.

ASSET PORTFOLIO AND ASSET VALUE

- At 30 September 2010, the **asset portfolio** represented a total surface area of around 240,000 sq.m. It is comprised of 43 commercial properties, of which 74% office buildings and 26% industrial premises.
- The assets are located 32% in Paris, 57% in the inner suburbs and 11% in the outer suburbs.
- No portfolio valuation is performed at 30 September. Based on the 30 June 2010 valuation, the appraisal value of the **let and lettable portfolio** at 30 June 2010 stood at €382.2 million excluding transfer costs, with a **gross rental yield** of 8.1%.

FINANCIAL REVIEW

- **Consolidated rental revenue** amounted to €23.5 million for the first nine months of 2010, a 1.1% increase over the year-earlier period.
- **Debt** totalled €205.6 million at 30 September 2010, with an average maturity of around 4.4 years and an average cost of 4.5% for the first nine months of the year.
Undrawn bank facilities at 30 September 2010 totalled €18.8 million.
After deducting €43.6 million in **cash and cash equivalents**, **net debt** stood at €162 million at period-end.
- On the basis of the asset appraisal at 30 June 2010, plus the value of the development work carried out since the beginning of the year, the **loan to value** ratio (net debt/assets excluding transfer costs) was 35.8% at 30 September.

THIRD-QUARTER OPERATING HIGHLIGHTS

▪ Letter of intent signed with SNI

On 30 July, Foncière Paris France and Société Nationale Immobilière (SNI), the Caisse des Dépôts et Consignations' public housing subsidiary, announced the signature of a letter of intent covering the acquisition by Foncière Paris France of the commercial property business operated by SAGI, a subsidiary of SNI. This business covers:

- Six buildings in Paris representing a total of 47,000 sq.m of offices and industrial premises, valued at around €160 million and financed by €88 million in bank loans.
- A contract for the management of some twenty buildings comprising offices and industrial premises owned by the City of Paris.
- A 17-member asset and property management team.

The agreement calls for SNI to transfer the business to a company created for this purpose, which will then be acquired by Foncière Paris France before the end of the year.

To finance the purchase, the Foncière Paris France Board of Directors has called a special shareholders' meeting for next 24 November to approve the issue of €100 million in subordinated bonds redeemable in shares (OSRA), which will be directly placed with institutional investors.

OUTLOOK

In 2011, Foncière Paris France intends to pursue its acquisitions programme, with the confirmed medium-term objective of building a portfolio of some one hundred properties with a total value of around €1 billion.

ABOUT FONCIÈRE PARIS FRANCE

Foncière Paris France is an SIIC specialized in commercial real estate in the greater Paris region. 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 the NYSE Euronext (Paris), Compartment B, and is included in the CAC Small 90 and SBF 250 indexes (symbol: FPF; ISIN: FR0010304329).

www.fonciereparisfrance.fr

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