

Press release

Gecina acquires 440 million euros of offices, while diversifying its risk

Gecina is announcing that it has sealed three operations in the office sector, representing a total commitment of over 440 million euros. These acquisitions are in line with the strategy announced by Gecina, namely further strengthening its leadership on the office segment, looking to take this portfolio's value up from 5.5 billion euros to 9 billion euros by 2014.

Within this framework, Gecina is diversifying its risk by investing in two let or pre-let assets generating secure cash flows based on an average yield of 6.5%, in addition to one speculative development with a high yield rate of 8.0%.

These three acquisitions illustrate Gecina's investment criteria. The assets are located close to Paris itself, in the southern inner rim for the Montrouge and Arcueil buildings, and the northern river bend for the Gennevilliers building, near to public transport facilities. With its investments, Gecina targets large prime assets with a strong architectural identity and a revenue profile that appears to be relatively low-risk. These buildings are ideally designed to accommodate headquarters, with single tenants in priority, therefore optimizing management costs. Lastly, the buildings must be recent or new, and therefore target high sustainable development standards. All of these criteria are consistent with the trends seen among users, which are looking to rationalize their real estate costs in large complexes offering optimum environmental guarantees and services.

Alongside this, Gecina has divested 14 office assets in 2010 for a total of 180 million euros, in line with its targets, based on prices that are slightly higher than their valuations from the end of 2009. These sales are part of the 475 million euros of asset turnover operations announced by Gecina with its earnings at September 30, 2010.

Recent asset fully leased: Les Portes d'Arcueil

Gecina has signed a preliminary agreement with two funds managed by UBS Real Estate Kapitalanlagegesellschaft mbH, München to acquire a real estate complex, built in 2006 and located in Arcueil, on rue Nelson Mandela, with 44,735 sq.m and 940 parking spaces across three buildings. The entire complex has been leased in full to France Telecom for the offices and two Flo Group restaurants for the retail spaces.

Gecina was advised by Oudot. The sale was handled by Catella under a co-exclusive listing agreement with Stratégies&corp.

Pre-let asset to be built: Park Azur in Montrouge

In partnership with abcdgroup, Gecina has acquired the entity holding the project to develop an office program in Montrouge (Hauts-de-Seine) at 97, avenue Pierre Brossolette - 1, avenue de la Marne - 12, rue Paul Bert. This real estate complex, representing close to 24,000 sq.m, has been fully pre-let to EDF under an off-plan commercial lease for a firm nine-year period. Scheduled to be delivered in 2012, this project already has a building permit and is aiming to achieve HQE high environmental quality and BBC energy-efficient building certification.

Gecina was advised by Lacourte, Bredin Prat and Wargny, with Fidal advising abcdgroup.

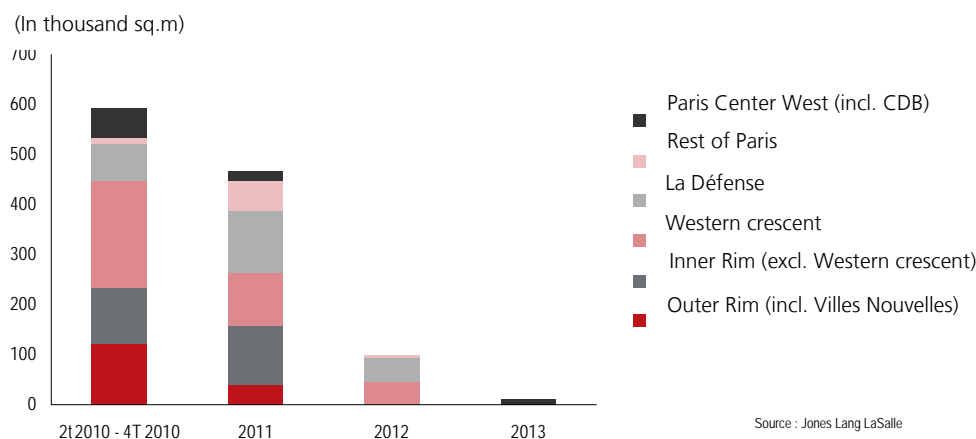
Speculative development: Pointe Métro 2 in Gennevilliers

Gecina has signed an off-plan contract with Nexity-Entreprises to acquire the Pointe Métro 2 building, which will offer 15,000 sq.m of office space and 274 parking spaces over two basement levels. Work will begin in January 2011, with delivery scheduled for the end of 2012. This project, designed by the architecture firm Jean-Paul Viguier, is aiming for HQE high environmental quality and BBC energy-efficient building certification.

The sale was handled by Jones Lang LaSalle under a co-exclusive listing agreement with Keops. Gecina's advisor was Oudot, while Nexity was advised by the Bresjanac notary's office.

This speculative development is expected to be delivered in an environment marked by a supply shortfall in 2012. Indeed, commercial property advisors highlight the reduction in the total volume of new large buildings available on the Paris region market. Supply in terms of buildings under construction for this type of asset fell by 58% between the third quarter of 2008 and the second quarter of 2010. An upturn in demand after 2012 would therefore lead to a phenomenon of a new available supply shortfall in the Paris region and some competition is expected to be seen between users on the best programs according to commercial property advisors.

Breakdown of available new future supply by sector



Gecina, a leading real estate group

Gecina, a European Real Estate Investment Trust ("SIIC") listed on Euronext Paris, is a leader in the premium property sector and owns, manages and develops property holdings worth €11.4 billion as at June 30, 2010, consisting primarily of office and residential buildings located in Paris and the Paris region, as well as student residences, logistics platforms, healthcare establishments and hotels. Benefiting from sound, integrated expertise, Gecina accompanies its clients on their property journeys, with an ever-present concern for the impact of its businesses. Gecina has integrated sustainable innovation in its strategy and, to cement its social commitments, has set up a corporate foundation dedicated to environmental protection and the support of all forms of disability.

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