Paris, December 10, 2010

Press release

Validation of a new financial policy supporting the operational strategy

The Board of Directors has validated the key thrusts for Gecina's financial policy. The goals outlined again within this framework are focused above all on ensuring effective control over debt. In this way, Gecina has set itself an internal objective to limit its loan-to-value to a maximum of 45%. At the same time, the Group is looking to diversify its sources of financing, with the following breakdown at September 30 2010: 78% bank debt and 22% bond debt. Gecina is now looking to reach a ratio of 40% bond debt over the medium term. Lastly, Gecina is implementing a policy to actively manage hedging on its debt in order to extend their maturity. By the end of 2010, the Group will have put in place 1,350 million euros of hedging lines with an average maturity of between four and nine years. On this basis, the average cost of debt is expected to come in at around 4.1% in 2011.
These measures, consolidating the actions already carried out by the Group over the past 12 months, which resulted in its financial rating being upgraded to BBB- by Standard & Poor's in October 2010, will enable Gecina to roll out its operational strategy.

This strategy will continue to be built around the demographic and economic divisions. The economic division, grouping together office real estate, logistics and hotels, will be driven by commercial property acquisitions and developments. Partial sales will gradually be looked into on logistics. Similarly, the hotels will be sold off under optimum conditions, whereas these assets offer high yields and strong visibility in terms of cash flow over an eight-year period.
The strategy carried out through the demographic division is based on developments on student residences (280 million euros to be invested over three years, corresponding to a further 3,500 apartments) and healthcare properties (300 million euros of investments targeted by 2014). Through this division, Gecina is also reasserting its commitment in the traditional residential sector. As part of ongoing moves to structure the Group's asset portfolio, Gecina's Board of Directors met on December 9, 2010 and approved the principle for a subsidiarization of its residential real estate portfolio. This operation, which is notably still subject to definitive approval by Gecina's competent corporate bodies, would enable the Group to continue moving forward with its strategy to manage its portfolio around dedicated subsidiaries for each business division. In time, this consolidation of residential real estate assets within a dedicated subsidiary may allow minority investors to come on board. The policy to optimize this portfolio through sales, primarily on a unit basis, is continuing to be rolled out set against strong growth in values, as highlighted by the recent notarial statistics published.

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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