

Press release

Paris, 17 May 2011

Züblin Immobilière France announces a FY 2010/2011 net profit of €11.3m, a substantial 8.1% increase in diluted EPRA NAV per share to €9.04 and a distribution of free shares representing a yield of 7%.

- **Gross open market value of the portfolio: +1.5% to €330.2m**
- **Preparation of the redevelopment of the Jatte 1 building on track**
- **Creation of Züblin Immobilière France Asset Management**
- **Distribution of free shares resulting from capital increase out of share premium reserve: 1 new share for every 16 shares held, i.e. a yield of 7% on the average share price for the FY 2010/2011**

Substantial increase in NAV per share

The gross open market value of Züblin Immobilière France's property portfolio amounts to €330.2m, an increase of +1.5% compared to 31 March 2010.

As of 31 March 2011, the physical portfolio occupancy rate remained unchanged over the last six months at 93.9%, versus 94.3% at 31 March 2010.

EPRA NAV per share, on a diluted basis, was €9.04, i.e. representing a strong increase of +8.1% over the year. At 31 March 2011, the share price (€3.72) thus showed a record discount of 59%.

Results and cash flow per share

On an annualised basis, rents totalled €22.7m at 31 March 2011, and were thus almost stable (-1.3% on the year). The gross yield was hence 6.9%.

2010/2011 net profit totalled €11.3m, compared to €6.6m for the previous 12 months. The upward adjustment in the fair value of the property portfolio, smaller than a year ago, provided a positive contribution of €2.8m to 2010/2011 annual profit (representing a +0.9% increase on investment property portfolio net open market value as of 31 March 2010).

Due to the full-year effect of the last year vacated space in the Jatte 3 and Magellan buildings, operating cash flow per share totalled, on a diluted basis, €0.79 in FY 2010/2011 versus €0.89 the previous year. Over the financial year, Züblin Immobilière France generated cash flow of €9.2m, thus enabling it to further strengthen its cash position.

Financial solidity

At 31 March 2011, Züblin Immobilière had a cash position of €29.1m, €24.1m of it immediately available (versus €23.7m at 31 March 2010). The Company's financial structure is solid, with stable bank debt of €227.8m and no refinancing deadlines before the end of 2013.

The consolidated net LTV ratio improved thanks to the increase in the value of the portfolio, and stood at 63.6% at 31 March 2011 compared to 66.2% a year earlier.

Züblin Immobilière is also pleased to announce that Aareal bank has waived its covenants on Jatte 1 and Jatte 2 buildings' debt until the loan matures in July 2014.

Züblin Immobilière France thus has greater flexibility to successfully carry out this major redevelopment project.

Creation of Züblin Immobilière France Asset Management

The Company announces the setting up of Züblin Immobilière France AM. This structure, 100% held by Züblin Immobilière France, will ensure the asset management of (i) the group companies and (ii) third parties investment vehicle such as the OPCI real estate investment fund *Pierres Vertes Investissements* set up in partnership with Viveris REIM. This fund is dedicated to the acquisition of office buildings with a view to renovating them to meet new French environmental standards. Züblin Immobilière France is thus seeking to increase its revenue, diversify its risk profile and gradually resume its real-estate growth momentum on this very high-potential segment.

Outlook: instigation of environmental renovation work

For FY 2011/2012, Züblin Immobilière France expects an end-of-crisis property context with less, albeit persistent, pressure on rental values. The Company will continue to pursue its strategy of increasing tenant loyalty and boosting the value of its property portfolio by gradually carrying out environmental renovation work on its assets, which will create significant value.

Regarding the redevelopment of the Jatte 1 building, subject to the building permit being obtained by the end of the year, work is scheduled to start in early 2012 with delivery of the building slated for the end of 2013. This ambitious project foresees the creation of 2 730 m² of new office space and should cost a total of €55m. Züblin Immobilière France will thus have a rare and modern property asset with a surface area of more than 17 650 m² meeting the highest energy-efficiency standards and located in one of the Paris region's most prestigious locations, which should thus attract very high-quality tenants.

Regarding the renovation work on the currently-occupied Jatte 3 building, the 1st phase, which relates to the renovation of 1,300 m², is underway with completion slated for the summer of 2011. The

following phases will be carried out until mid 2012 as the building's various floors are freed up for a global investment of €12.4m.

During the period of renovation of these buildings (i.e. 24 months), rental revenues will decrease significantly, however they will remain sufficient to cover financial and structure costs.

Distribution of free shares resulting from a capital increase out of the share premium reserve

Given the positive cash flow generated over the 2010/2011 financial year, and ever respectful of our shareholders, Züblin Immobilière France's Board will ask the Shareholders' Meeting of 28 June 2011 to approve a distribution in the form of a free share allocation with 1 share allocated for every 16 held shares. This issue, which will preserve the Company's financial resources, will thus take the form of a capital increase incorporating share premium reserve. Based on the current level of share price (€4.0) this free share allocation represents a yield of approximately 7% on the average 2010/2011 share price (€3.56) for shareholders.

This distribution will allow the Company to reward the loyalty of its shareholders whilst enabling them to benefit from the substantial value creation associated with the Company's renovation projects. A press release detailing the allocation procedure will be issued along with the preparatory documents relating to the shareholders general meeting called in connection with the financial statements for the year ended 31 March 2011.

For more information

Eric Berlizon, CFO, Züblin Immobilière France

52, rue de la Victoire, 75009 Paris

Tel. +33 (0)1 40 82 72 40, info@zueblin.fr

More information can be found on our website www.zueblin.fr

Steve Grobet, Dusan Oresansky, NewCap., Financial communication

Tel. +33 (0)1 44 71 94 94, Fax +33 (0)1 44 71 94 90, Email: zueblin@newcap.fr

A brief outline of Züblin Immobilière France

Züblin Immobilière France is a listed property company, which has elected for REIT status (SIIC status). The company invests in office properties, and its real estate in France consists of 8 office buildings in Paris area, Lyon and Marseille.

Shares of Züblin Immobilière France trade on compartment C of Euronext Paris market of Nyse Euronext - ISIN: FR0010298901

Key Figures for the first-half of the financial year 2010/2011

In €m	31.03.2011	31.03.2010
Income statement		
Rental income	22.8	24.3
Overheads and corporate expenses	(2.8)	(2.3)
Change in assets valuations	2.8	6.5
Net operating income	22.1	27.7
Financial income	0.0	0.0
Interest paid / financial expenses	(10.9)	(11.1)
Net income	11.3	16.6
 Balance sheet		
Investment properties	311.5	306.9
Current assets	33.2	32.2
Total equity	92.2	76.3
Non-current liabilities	241.5	248.4
Current liabilities	14.8	14.8
Total liabilities	348.6	339.5
 Key figures per share		
EPRA NAV (fully diluted)	9.04	8.36
Operating cash flow (fully diluted)	0.79	0.89
Share price	3.72	3.88

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