

Press release

Neuilly-sur-Seine, May 16, 2013

2012/2013 was a decisive year for future value creation

- Asset portfolio valued at €371 million (including transfer duties), a 15% increase
- Investments carried out: €50.2 million
- Strong improvement in LTV at 56%
- Net rental income: €3.8 million
- As expected, a consolidated net loss of €-12.3 million
- EPRA NAV per share: €7.57



Optimization of operating portfolio management

- 100% occupancy rate for the operating portfolio
- Renewal of major leases
- Disposal of the HORIZON DEFENSE building (Suresnes)
- DANICA (Lyon) put up for sale; reorientation of the asset portfolio to focus on the Paris Region

Renovation work is moving ahead as planned

- The renovation of IMAGINE will be completed in late May 2013
- Delivery of CHAGANNE is expected in December 2013
- Delivery of NEWTIME is expected in March 2014

- **A year marked by significant and positive events**

Against a backdrop of financial and real estate crises, and with an eye to guaranteeing long-standing strength, Züblin Immobilière France pursued an active and rigorous management policy for its real estate portfolio throughout financial year 2012/2013, as illustrated by the following events:

- **Signature of a new lease with Europ Assistance** for a firm nine-year term;
- **Renegotiation of the Faurecia lease** for a firm six-year term, thus securing full occupancy of the MAGELLAN building;
- **Signature of leases for the DANICA building**, including a firm six-year agreement with France Télécom. Thanks to this lease, Züblin Immobilière France now enjoys optimal conditions to put this building up for sale: a property boasting secure tenants and a prime location in the heart of Lyon's La Part-Dieu business district;
- **Ongoing refurbishment work on the NEWTIME building in Neuilly-sur-Seine**. Work is moving ahead in line with the projected timeline. Despite setbacks during the initial cleansing and asbestos removal phase, the project remains on schedule thanks to the remarkable work of the teams at Bouygues Rénovation Privée. Delivery is expected in March 2014;
- **Renovation work on the IMAGINE building in Neuilly-sur-Seine**, which will be completed in late May 2013;

Finally, the group seized a market opportunity with the disposal of the HORIZON DEFENSE building in Suresnes for its March 31, 2012 appraisal value. Following repayment of the loan associated with the building, the remaining income from the sale, i.e., €2.6 million, was reinvested in renovation programs with strong potential for value creation.

- **Overall value of the portfolio on the rise**

At March 31, 2013, the appraisal value of the property portfolio (including transfer duties) stood at €371 million, up 15% compared to the portfolio value at March 31, 2012 (excluding the Suresnes building). Investments carried out over the period amounted to €50.2 million. The occupancy rate of the operating portfolio is 100%, compared to 86.5% at March 31, 2012. Annualized rental income came to €10.8 million. Independent appraiser BNP Paribas Real Estate estimated the market rental value of the full portfolio at €26.3 million.

- **FY 2012/2013 results reflect ongoing investments**

The consolidated results for the financial year ended March 31, 2013 showed a loss of €12.3 million with the following analytical breakdown:

- Net cash flow from operating assets	€+3.0 million
- Overhead expenses	€-2.4 million
- Carrying cost of assets undergoing renovation	€-6.8 million
- Temporary relocation expenses associated with ongoing renovations	€-2.6 million
- Change in portfolio value and income from disposal of buildings	€+0.5 million
- Restatement of the fair value of interest rate swaps	€-3.3 million
- Other financial value adjustments	€-0.7 million

As announced in last year's annual report, the current and coming financial years will be heavily impacted by the refurbishment of approximately 50% of portfolio assets. Net rental income for FY 2012/2013 thus recorded a sharp drop to €3.8 million, down from €16.2 million the previous year. Operating costs remained stable at €2.4 million. The €0.6 million increase in fair value was primarily due to investments carried out over the period (€50.2 million), as well as the new lease with Faurecia.

The cost of financial debt was stable at €11.1 million.

Exceptionally, a portion of the value adjustments of interest rate swaps (€3.3 million), which was previously recognized directly in equity; has been recorded in the income statement. This restatement, which is intended to reflect the sale of the Suresnes building and the upcoming disposal of the DANICA building, has no impact on the company's cash position or NAV, as these agreements will remain in place until their maturities.

- **The financial structure is in line with the current investment period**

At March 31, 2013, equity stood at €79.7 million.

The loan to value ratio, net of cash, showed improvement at 56% (62.7% at March 31, 2012).

Züblin Group renewed its financial support to its French subsidiary by securing financing for the renovation of the NEWTIME, IMAGINE and CHAGANNE buildings. This support comes in the form of loans for a total amount of €73.4 million.

EPRA NAV per share on a diluted basis was €7.57 at March 31, 2013 (€8.63 at March 31, 2012).

- **Outlook**

The real estate portfolio in operation boasts 100% occupancy and the Group does not expect to face any tenant risks in the coming years.

With the support of its parent company, Züblin Immobilière France remains true to the strategy it has been pursuing over the past three years: investing in the refurbishment of its portfolio properties to enhance their comfort and environmental performance. Züblin Immobilière France is thus creating value by ensuring sustainable cash flows for the future.

The next two financial years will nonetheless be strongly affected by the ongoing renovation work and the resulting loss of rental income.

In an economic environment where it pays to be cautious, visits to inspect the NEWTIME building attest to the excellence of this asset, which is poised to become a new benchmark on the office property market.

With laudable progress being made in renovation projects, Züblin Immobilière France teams are fully dedicated to marketing space in the NEWTIME and IMAGINE buildings.

Key figures for FY 2012/2013

In € millions	03.31.2013	03.31.2012
Income statement		
Net rental income	3.8	16.2
Overhead and corporate expenses	(2.4)	(2.8)
Income (loss) from disposal of assets	(0.1)	0
Change in asset valuations	0.6	(0.6)
Net operating income	1.8	12.8
Financial income	0.2	0.3
Net losses on financial liabilities at fair value through profit or loss	(3.3)	0
Interest paid / financial expenses	(11.1)	(10.8)
Net consolidated income	(12.3)	2.2
In € millions	03.31.2013	03.31.2012
Balance sheet		
Investment properties	304.4	317.8
Assets held for sale	53.6	0
Other assets	27.3	30.6
Total equity	79.7	87.6
Non-current liabilities	208.9	254.7
Current liabilities	96.7	12.6
Total liabilities	385.3	354.9
Key figures per share		
	03.31.2013	03.31.2012
ANR EPRA (fully diluted)	7.57 €	8.63 €
Operating cash flow (fully diluted)	(0.73) €	0.22 €

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About Züblin Immobilière France

Züblin Immobilière France is a listed property company that has opted for SIIC status. The company invests in office properties, and features a real estate portfolio consisting of seven office buildings in Paris Region, Lyon and Marseille.

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