

## **Media Release**

Paris, 3 June 2009

### **Züblin Immobilière France announces results for its 2008/2009 Financial Year.**

**Züblin Immobilière France today announced its audited results for the financial year ended 31 March 2009. The Company recorded a solid operating performance, with operating cash flow of €12.1 million (+25%) or €1.04 per share. The investment property portfolio's negative fair value adjustment of €79.9 million or 20.8% over the 12-month period weighed on consolidated net income, resulting in a consolidated net loss of €68.2 million. As of 31 March 2009, the investment property portfolio value was €315 million with the fully diluted NAV per share at €6.04.**

#### **Increase in operating cash flow**

Despite the economic environment deterioration, Züblin Immobilière France increased its operating cash flow by 25.2% up to €12.1 million, compared with €9.7 million in the previous Financial Year. As a result operating cash flow per share, on a fully diluted basis, was €1.04 (€1.00 as of 31 March 2008).

At €25.8 million, rental income rose by 23.5%, thanks to the positive effect of lease indexation and the full-year effect of rental income from the Magellan, Danica and Salengro buildings. Operating costs remained low and fell by 3.5% down to €2.6 million. Financing costs levelled off at €11.2 million. Despite the good operating performance, the negative fair value adjustment on the portfolio of €79.9 million resulted in a net consolidated loss of €68.2 million for the current year compared with a profit €5.9 million in the prior year.

As of 31 March 2009, IFRS shareholders equity totalled €65.1 million, leading to a decline in fully diluted NAV per share down to €6.04.

#### **Proposed distribution from the share premium reserve of €0.30 per share**

In the ongoing challenging economic environment, cash reserves are a determining competitive advantage. As such, Züblin Immobilière France remains focused on preserving its cash reserves and securing future cash flows. Consequently, in order to maintain optimal strategic liquidity and despite the Company's strong operating performance, the Board of Directors will propose to shareholders at the Annual General Meeting on 22 June 2009, the distribution from the share premium reserve of €0.30 per share.

**Decrease in real estate valuation**

As of 31 March 2009, the gross value of the investment property portfolio stood at €315 million, representing a decrease of 20.8% over the 12-month period. Based on annualised rents passing totalling €24.6 million as of 31 March 2009, the gross yield of the portfolio was 7.8%. As of 31 March 2009, the Company's occupancy rate was 99.3%.

**Secure long-term financing**

All of the assets of Züblin Immobilière France are financed by long-term bullet loans with a maturity of over 5 years. No financing agreement will mature before the end of 2013 and the debt is fully hedged against interest rate fluctuation risks. Throughout the Financial Year 2008/2009, the average cost of debt remained stable at 4.49%. Net financial debt (bank loans less cash and cash equivalents) as reported in the IFRS financial statements as of 31 March 2009 was €206.6m, resulting in a consolidated net LTV ratio of 69.7%. Züblin Immobilière France was in compliance with all its debt covenants as of the end of the Financial Year.

**Outlook**

Züblin Immobilière France has solid fundamentals to navigate through the current crisis: secure long-term debt, an occupancy rate of nearly 100% and a tenant base consisting of well-known major domestic and international companies. Thanks to the priority set on securing cash flows, Züblin Immobilière France can continue to focus on its business fundamentals and tenants without distraction.

**Annual Report**

The Annual Report for the 2008/2009 Financial Year is now available at [www.zueblin.fr](http://www.zueblin.fr).

**For more information**

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**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 financial year 2008/2009**

In €m	31 March 2009	31 March 2008
<b>Income statement</b>		
Rental income	25.8	20.9
Overheads and corporate expenses	(2.6)	(2.7)
EBITDA	22.3	17.8
Change in assets' valuation	(79.9)	(5.7)
Net income from disposals	0	3.7
Net operating income	(57.6)	15.7
Financial income	0.6	1.9
Interests paid and financial expenses	(11.2)	(11.8)
Net income	(68.3)	(5.9)
<b>Balance sheet</b>		
Investment properties	296.3	374.7
Current assets	32.6	36.2
Total equity	65.1	158.7
Non-current liabilities	246.1	237.1
Current liabilities	18.0	19.1
Total liabilities	329.3	415.0
<b>Key figures per share</b>		
NAV (fully diluted)	6.04	14.09
Operating cash flow (fully diluted)	1.04	1.00
Share price as of 31.03	3.90	12.22

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