

Paris, 22 July 2009

## Results as at 30 June 2009

- **Growth in recurring net result per share of + 4%**
- **Stability in the value of the asset portfolio**

In €m (Group share)	H1 2008	H1 2009	Change
<b>Revenue (rents)</b>	106.4	106.4	
<b>Recurring Current Cash Flow (in €M)</b>	27.1	32.2	
<b>Recurring Current Cash Flow (in €per share)</b>	€0.45	€0.54	+ 20%
<b>Consolidated recurring net result ( in €M)<sup>1</sup></b>	39.5	40.9	
<b>Consolidated recurring net result per share ( in €per share)<sup>2</sup></b>	€0.65	€0.68	+ 4%

Foncière Développement Logements generated revenue (Group share) of €106.4 million during the 2009 first half. Revenue was stable versus 30 June 2008: loss in rents due to sales was compensated by the increase in rents.

### **Annualised rents rose by + 1.7% on a constant scope over the six-month period.**

Foncière Développement Logements generated annualised rents of €213 million. The growth on a constant scope was + 2.2% in France and + 1.6% in Germany; this trend was notably the result of the improvement in renewal rents and the optimisation of the asset portfolio's occupancy rate.

FDL effectively benefited from a fall in the vacancy rate as at 30 June 2009. The vacancy rate in France<sup>3</sup> thus amounted to 1.5% versus 2.9% as at 31 December 2008; the vacancy rate in Germany was stable at 1.7%.

<sup>1</sup> Including margins on sales, after Taxe

<sup>2</sup> Based on the number of shares as at 30 June 2009

<sup>3</sup> Assets in operation

### **Strong increase in Recurring Current Cash Flow per share by + 20% versus 30 June 2008.**

The growth in Recurring Current Cash Flow was mostly due to the fall in financial expenses as well as the containment of operating expenses over the period (operating expenses ratio down by - 6% over six months); this reduction started in the 2009 first half.

Net Recurring Cash Flow per share increased by + 4% versus 30 June 2008, due to the reduction in margins on sales.

### **Stability in the appraisal value of the asset portfolio: €3.4 billion as at 30 June 2009.**

As at 30 June 2009, the assets of Foncière Développement Logements were valued at a block value of €3.4 billion excluding transfer duty. On a constant scope, the appraisal value of the assets was stable over the half year (- 0.5%), demonstrating a resilient performance both in France (-1.7%) and Germany (- 0.1%) against a backdrop of falling real estate prices.

The company's net debt<sup>4</sup> amounted to €2,042 million as at 30 June 2009 versus €2,125 million as at 30 June 2008, a reduction of some €83 million. The ratio of net debt to block value of assets<sup>5</sup> was stable at 58.5%.

Triple net NAV per share amounted to €19.2; it decreased by 7.5% over six months. This evolution was notably the result of the increase in value of financial instruments over the period.

### **Disposals and agreements increased by +21% versus the 2008 first half.**

Disposals for the half year amounted to €65 million. Including sale commitments and agreements, this figure was €131 million. The disposals were realised at margins some 6% higher than the end-2008 appraisal values, i.e. 1% for disposals realised 'in block' and + 16% for disposals realised 'at retail'.

Proceeds on these disposals enabled the company to contain its debt, the priority objective for 2009.

### **Disposals and agreements as at 30 June 2009**

In € million	Disposals	Agreements	Total
France	34.9	44.5	79.4
Germany <sup>6</sup>	30.2	21.8	52.0
<b>TOTAL</b>	<b>65.1</b>	<b>66.3</b>	<b>131.4</b>
<b>Margin over end-2008 appraisal values</b>	<b>6%</b>		

### **A more integrated organisation.**

Having integrated some 29 employees from GFR Property (Foncière des Régions' property management company) on 1 January 2009, Foncière Développement Logements is pursuing organisational changes aimed at containing its costs and improving its performance.

On 1 May 2009, the company implemented the integration of the accounting and asset management functions enabling it to continue its reorganisation: 14 Foncière des Régions employees thus joined FDL.

<sup>4</sup> Long-term debt + short-term debt - cash

<sup>5</sup> Restated for the assets under sale commitments as at 30 June 2009 and debt on disposals in Germany

<sup>6</sup> Including 'Evonik' sale : €21m in Germany

## Outlook

Through its ongoing policy of measured arbitrage and the optimisation of financial and operating expenses, FDL intends to pursue its strategy of being a key player in the residential market in participating in the sector consolidation in France and Germany.

2009 outlooks concerning the growth in Net Recurring Result are in line with the 2009 first half.

### About Foncière Développement Logements

Foncière Développement Logements, which is 38.2 % held by Foncière des Régions, is a French listed real estate investment company specialising in the holding of residential assets. Active in France and Germany, its holdings are valued at € 3.4 billion (30.06.2009).

Foncière Développement Logements, chaired by Bertrand de Feydeau, is managed by Thierry Beaudemoulin. Foncière Développement Logements is listed on the Euronext Paris, ISIN: FR0000030181, MR-Compartiment B

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This press release can also be found at [www.fdllogements.fr](http://www.fdllogements.fr)