

2009 Annual Results

Solid results in a difficult context

	2009	2008	Change (%)
Consolidated revenues in €m	92.4	97.6	- 5.4%
Consolidated net recurring income in €m	38.4	40.4	- 5.0%
Consolidated net recurring earnings per share *	€0.37	€0.45	- 17.8%

* calculated on the average number of shares

Safeguarding rental income by sharply increasing lease durations

Foncière Europe Logistique signed leases for close to 558,000 m² surface area including 381,000 m² of renewals and 177,000 m² for new tenants. In the Logistics sector, these leases represent 43% of assets in France and demonstrate the company's intention to provide greater certainty with regard to future revenues.

The average residual lease term in Logistics was 3.5 years, against 2.7 at the end of 2008.

Slight contraction of rents on a like-for-like basis

Rental income for the financial year came to €92.2m.

EUR '000s	2009	2008	Change (%)	Like-for-like change (%)
Logistics France	49,540	51,397	- 3.6%	- 5.2%
Logistics Germany	8,302	11,530	- 28.0%	- 7.3%
Business parks	18,260	18,058	+ 1.1%	+ 1.1%
Garonor Aulnay	16,066	16,433	- 2.2%	- 1.4%
TOTAL	92,168	97,418	- 5.4%	- 3.5%

In a difficult context, rents received came to €92.2m, down 5.4% from the previous year. In Germany, the drop in revenue is principally attributable to termination compensation relating to the asset located in Bingen and recognised in the accounts at €2.3m at 31 December 2008.

On a like-for-like basis, this represented a 3.5% drop, principally attributable to:

- an increase in vacancies (impact: -€2.6m), amounting to 12.3% at 31 December 2009, against 11% at the end of June 2009, almost entirely linked to the expiry of the lease guarantee on two warehouses in Bollène and Dunkirk.
- lease extensions at rents between current rents and market rents (impact: -€2.7m)
- positive indexation of rents (impact: +€2.6m).

The occupancy rate for the portfolio was 87.7% at 31 December 2009.

Net recurring income withstands a difficult economic climate

The commitment to rationalising costs and the reduction of interest expenses allowed Foncière Europe Logistique to post a net recurring income of €38.4m, a slight fall of 5%.

Net recurring earnings per share for Foncière Europe Logistique, however, slid more significantly (-17.8%) to €0.37 from €0.45 at the end of 2008, due to the increase in share capital in June 2009.

Asset value stabilised in the second half

The value of Foncière Europe Logistique's assets at 31 December 2009 totalled €1,140m excluding transfer duties, representing a limited decline of 1.9% from 30 June 2009, spread between logistics assets (-2.2%), rental activities (-2.5%), and with the value of Garonor Aulnay remaining stable. The company's asset value fell by 11.7% year-on-year.

The capitalisation rate rose nearly 100 bps during 2009 and the potential yield of the portfolio excluding transfer duties was 9.0%.

This change had a negative impact on consolidated net results, which amounted to -€118.8m.

The triple net NAV excluding financial instruments was €3.6 per share, steady compared to 30 June 2009 (-€0.1/share).

Reinforced financial structure

Net debt at 31 December 2009 was €694m, or 60.6% of asset value, for banking covenants set at 65%. This debt level was stable compared to 31 December 2008 (60.3%) despite the adjustment in values seen in the year.

This stability is due partly to the €50m increase in share capital in June 2009 and partly to disposals realised in the amount of €35m.

Average cost of debt was 4.8%, against 5.1% at 31 December 2008. The entire debt is for bullet repayment in 2014.

The debt is 91% hedged with an average maturity of 6.2 years.

The ICR was 2.1 at 31 December 2009 against 2.0 the previous year, substantially up on its banking covenants (1.5).

Strategy and outlook

Given the general market context and the company's determination to reduce its debt to below 60% of the value of its assets, Foncière Europe Logistique will not distribute a dividend for the 2009 financial year.

Foncière Europe Logistique anticipates a stable net recurring income in 2010 and now intends to focus on the following lines:

- Continuous asset management to increase the occupancy rate and safeguard future cash-flows by increasing leases duration
- Adapt its assets to future challenges in logistics, in particular at the Garonor and Pantin sites :
 - Redevelop Garonor Aulnay, anticipating and capitalising on future environmental standards
 - Rehabilitate the Citrail warehouse at Pantin to turn it into an exemplary urban logistics site in France.

About Foncière Europe Logistique

Foncière Europe Logistique, 67.1% owned by Foncière des Régions, is a listed property investment company under France's SIIC regime (*Société d'Investissements Immobiliers Cotée*) and specialises in investment in logistics and business park facilities. At 31 December 2009, Foncière Europe Logistique held assets in France and Germany valued at 1.1 billion euros.

The Chairman of the Supervisory Board of Foncière Europe Logistique is Yan Perchet.

Foncière Europe Logistique has been managed by François de La Rochefoucauld.

Foncière Europe Logistique is listed on Euronext Paris, compartment B (FR0000064305 - FEL)

Contact:

Alexis Guetin, CFO

Tel: +33 (0)1 58 97 54 45

alexis.guetin@fdr.fr

See this press release at www.fonciere-europe-logistique.fr