

Results growth €390 million securitised assets sold

	30 June 2011	30 June 2010	Change (%)
Rental income in € million	103.1	100.5	+2.5%
EPRA recurring net income in € million	61.5	51.7	+18.9%
EPRA recurring net earnings per share	1.09	1.04	+4.8%*
Group share of net income	158.5	24.5	+547%

* increase in the average number of shares between 2010 and 2011 as a result of the capital increase in the second half of 2010.

	30 June 2011	31 December 2010	Change
EPRA NAV per share	25.9	25.0	+3.9%
EPRA NNAV per share	23.0	21.6	+6.2%
LTV	50.1%	54.3%	-420 bps
ICR	2.65	2.31	+0.34

Sustained activity

- Diversification of Foncière des Murs hotel partners

In the first half of 2011, Foncière des Murs finalised the acquisition of 18 B&B hotels in Germany, in accordance with the memorandum of understanding signed in July 2010. These hotels have a total value of €63 million. The rents are fixed and indexed.

During the first half of 2011, Foncière des Murs also completed the acquisition of a portfolio of 32 Campanile hotels in France from the Louvre Hôtels Group, at lease payments varying according to revenue.

The transaction was for a total amount of €170.4 million (including works), 80.1% of it carried by Predica and Pacifica and 19.9% by Foncière des Murs.

These transactions show an average return in excess of 7%.

- €390 million in sales and signed sale commitments

In the first half of 2011, Foncière des Murs decided to accelerate its disposals programme in order to optimise its financial structure and to reduce its exposure to variable rents:

- by selling 11 assets (including 9 hotels) during the first half of 2011 for a net sale value of €86 million, generating a margin of 3.8% over the appraised value at 31 December 2010;

- by signing memorandums of understanding on the sales of individual assets and portfolios in the total amount of €303.5 million, with an overall margin of 3.8%.

Sales and sale agreements of individual assets were completed on behalf of private investors as well as for franchises and operators.

Two portfolios of hotels operated by Accor were under agreement for sale. The sales were completed in the second half of 2011.

The first portfolio, consisting of 10 French assets with a total value of €142 million excluding transfer duties will be sold to subsidiaries that are 80.1% owned by Crédit Agricole Assurances and 19.9% by Foncière des Murs, the latter to remain the asset manager of these assets.

The second portfolio consists of 6 assets (4 in France and 2 in Belgium) with a total value of €132.9 million excluding transfer duties. The pool is made up of French institutions.

Once these sales have been completed, the value of Foncière des Murs' portfolio will present 52% of variable rents, close to the target of 50%.

Continuing results growth

- Net EPRA recurring income of €61.5 million, up 18.9%

On a like-for-like basis, Foncière des Murs rental income grew by 3.3% and includes a 5.3% increase in hotel revenue in the first half of the year.

EPRA recurring net income was **€61.5 million**, compared to €51.7 million at 30 June 2010, an increase of 18.9%. Based on the average number of shares over the semester, EPRA recurring net income per share was **€1.09 million** at 30 June 2011, compared to €1.04 million at 30 June 2010, an increase of 4.8%.

- NAV of €1,463.9 million, up +3.0%:

At 30 June 2011, Foncière des Murs wholly owned assets were valued at **€3,180 million** excluding transfer duties, up 1.8% over 31 December 2010, or +2.5% on a like-for-like basis. These assets returned 6.4% excluding transfer duties.

This increase is explained primarily by:

- the continuing growth in revenue from hotel operations in the first half of 2011 and the transactions completed;
- the acquisition of a portfolio of B&B hotels in Germany, valued at €63 million excluding transfer duties.

EPRA NAV was **€1,463.9 million** or **€25.9/share**, compared to €1,409.4 million or €25.0/share at 31 December 2010, an increase of 3.9%.

EPRA NNAV was **€1,297.4 million** or **€23.0/share**, compared to €1,221.5 million or €21.6/share at 31 December 2010, an increase of 6.2%.

- LTV of 50.1%, down sharply

The financial situation of Foncière des Murs was significantly strengthened, reflecting the impact of the increases in value and the disposals completed. After incorporating promised transactions, net debt represents **50.1%** of the value of assets, compared to 54.3% at 31 December 2010.

The average debt rate also declined to 4.22%, compared to 4.43% at 31 December 2010.

ICR was **2.65** at 30 June 2011, compared to 2.31 at 31 December 2010.

Confirmation of 2011 objectives

Foncière des Murs aims to complete its sales in the second half of 2011, to continue improving its financial situation, and to profit from opportunities for growth.

Besides, Foncière des Murs will continue to support its tenants in their development and asset expansion projects.

Foncière des Murs expects its recurring net income to increase favorably in 2011.

About Foncière des Murs

Foncière des Murs SCA, a subsidiary of Foncière des Régions, is an SIIC (société d'investissements immobiliers cotée) specialised in business premises, especially in the hotel, restaurant, healthcare and leisure sectors. At 30 June 2011, the company's assets were valued at €3.2 billion. The average length of leases was 8.5 years and the occupancy rate was 100% with top-tier tenants. The company's investment policy is focused on building partnerships with leading operators in each sector to provide its shareholders with a recurring return on their investment.

Foncière des Murs is a partnership limited by shares (société en commandite par actions) headed by Dominique Ozanne. Foncière des Murs is listed on Euronext Paris, Eurolist compartment A (FR0000060303 - FMU).

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See this press release at www.foncieredesmurs.fr.