FONCIÈRE DES RÉGIONS

A BUOYANT FIRST SEMESTER

27 July 2011

Significant leasing activity - solid and long-term leasing revenue

- Continuing Office high occupancy rate of over 95%
- Slight increase in leasing revenue on a like-for-like basis
- Improvement in firm residual lease terms, to 6.2 years

A policy of continuous conversion of assets, oriented toward value creation

- €178 million in acquisitions, including four office buildings in Ile-de-France
- €1,2 billion in the pipeline of wich €330 million commited pre-leased at 80%
- €351 million in mature or non-strategic assets sold at 4% above appraised values

Diversification of financial resources and €1 billion of new financing

- Issuance of a €550 million ORNANE (convertible bond)
- €225 million in corporate financing
- Improvement in average debt rate to 4.16%, versus 4.39% in 2010

Improving results

- EPRA Recurring Net Income: €143.6 million (+3%)
- Net income : €315 million (+€214 million)

EPRA NAV/share: €81.5 +7,1% on a 12 months basis

- Appraisal value: €8.9 billion +1.3% like for like vs end 2010
- NNNAV/share: €74.8 +3.5% vs end 2010

Perspectives of growth

- Slight increase in the 2011 EPRA RNI– Growth of 3 to 5%/year as of 2012
- Continuing value creation in the 2nd half
- Proposed combination with Foncière Paris France

"*This 1st half has been very active. We can now envision a slight increase in our EPRA Recurring Net Income for 2011. The proposed combination merger with Foncière Paris France is an attractive deal for Foncière des Régions, which is continuing its policy of investing in Offices and is strengthening itself in key markets. This deal will also allow us to consolidate our status as the leading Office real estate firm in Europe*," said Foncière des Régions' Chief Executive Officer Christophe Kullman.

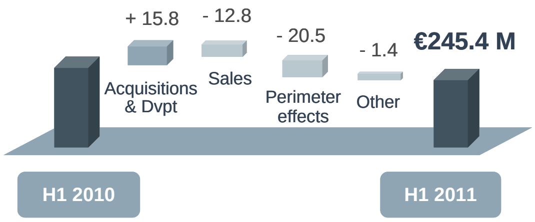
Foncière des Régions
FONCIÈRE PARTENAIRE

Significant leasing activity generating solid and long-term leasing revenue

Foncière des Régions' considerable leasing activity in the 1st half (30,300 m² in leases/re-lettings, including the leasing of the entire Carré Suffren property, 52,200 m² in renewals) allowed it to maintain a high Office occupancy rate at over 95%, as well as stable leasing revenue on a like-for-like basis, with a group share of €245.4 million.

Firm residual lease terms, which were already high, increased further to 6.2 years, counting only the group share, and nearly 7 years for Office assets.

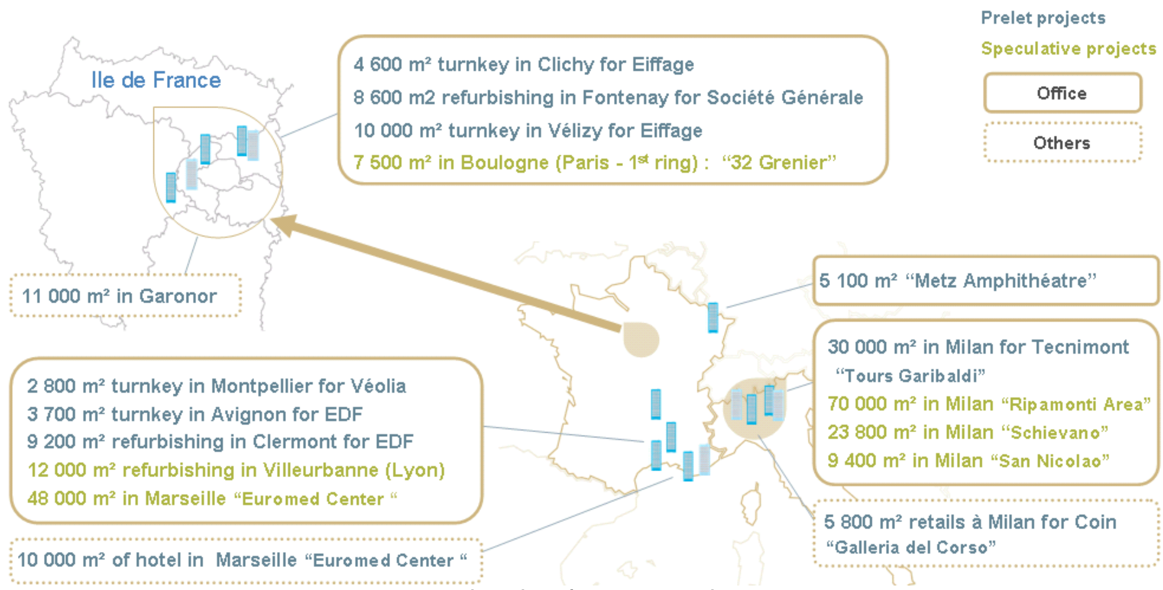
(M€) Group share	H1 2010	H1 2011	Var (%)	Var (%) like for like	% of leasing revenue
France Offices	135.5	133.5	-1.5%	0.4%	54%
Italy Offices	74.7	55.8	-25.2%	-0.5%	23%
Total Offices	**210.2**	**189.4**	**-9.9%**	**-0.1%**	**77%**
Service sector	25.2	25.8	2.5%	3.3%	11%
Logistics and Light Industrials	29.1	30.3	4.0%	-2.0%	12%
Total	**264.5**	**245.4**	**-7.2%**	**0.2%**	**100%**



A continuing policy of asset conversion, oriented toward value creation

Based on its strategy of partnership with major users, during this half, Foncière des Régions undertook €178 million in acquisitions, generating an average return of 7.5%. These acquisitions correspond particularly to four properties (two of which were off-plan) located in Ile-de-France (Rueil-Malmaison, Issy-les-Moulineaux, Clichy and Velizy) leased to major companies (Degrémont, Eiffage Construction, etc.) for a firm average term of 10 years.

Foncière des Régions also has a significant project pipeline, mostly offices, of new assets (turnkey) or assets to be renovated, partially preleased to major tenants (Véolia, Société Générale, EDF, etc.).



Mains development projects

In total, development projects account for some €1.2 billion, group share, of including €330 millions, 80% pre-leased.

At the same time, €351 million in mature or non-strategic assets were sold at 4% above the appraised values at end-2010, yielding an average return of 6.0%.

All these sales illustrate Foncière des Régions’ value-creation strategy, which is also aimed at consolidating its position as a leading player in office real estate for large users in Ile-de-France, Large Regional Cities and northern Italy.

Diversification of financial resources and improved cost of debt to 4.16% (vs. 4.39% in 2010)

Foncière des Régions successfully issued an ORNANE[1] maturing on 1st January 2017, totalling 550 million euros. This issuance was at an annual interest rate of 3.34%. At the same time, €190 million in new mortgage financing and €225 million in corporate financing were implemented. In total, nearly €1 billion in new financing that have been negotiated since early 2011.

These transactions allowed it to diversify its financial resources, the average rate of which during the period improved to 4.16%, compared to 4.39% in 2010.

Given the dividend distribution which occurred during May 2011, the LTV debt ratio rose to 50.4%, up slightly from the end of 2010 (49.0%), but a clear improvement over the LTV at the end of June 2010 (53.4%).

EPRA Net Recurring Income: €143.6 million +3%

EPRA Net Recurring Income rose 3% to €143.6 million due to rental revenues increase in like-for-like (+0.2%), acquisitions and, decline in the average cost of debt, but despite disposals and the lower level of holdings in Beni Stabili.
Per share, this totals €2.61 for the period, down 5% versus the first half of 2010, due to the exercice of BSAs[2] at the end of 2010.

Net IFRS income rose from €214 million to €315 million, benefiting specifically from the increase in the appraised value of our assets, and the change in fair value of financial instruments.

EPRA NAV: €81.5 +7,1% on a 12 months basis

EPRA NNNAV grew 3.6% to €4.122, largely due to appreciation in asset value (+1.3% like-for-like) and the RNI contribution, and despite the distribution of €4.20 per share during the half year. By share, triple net NAV grew 3.5% to €74.8.

For its part, EPRA NAV per share was stable at €81.5, up slightly from the end of 2010 but up 7.1% over the end of June 2010.

[1] Bonds with the option to be redeemed in Cash and/or New Shares and/or Existing Shares
[2] Bons de souscription d’actions - Equity warrants

Perspectives of growth: Slight increase in 2011 EPRA RNI and continuing value creation in the 2nd half

Based on its position as a leading player in office real estate for large users, Foncière des Régions seeks to continue its value-creating real estate strategy by:

- continuously adapting its assets through acquisitions, repositioning and development, especially in Ile-de-France, Large Regional Cities and northern Italy (pipeline of €1 billion);
- dynamic asset management based on specialised local teams
- measured diversification in key markets: Service Sector and local Logistics.

At the same time, the company also seeks to pursue a gradual diversification of its financial resources.

In terms of results, successful transactions this past 1st semester lead us to anticipate a slight increase in 2011 EPRA NRI and ongoing value creation in the second half of 2011. Finally, Foncière des Régions' target as of 2012 is an increase in the order of 3 to 5% per year in its EPRA NRI.

In July 2011, Foncière des Régions has signed contribution agreements with Covéa, Predica, Holding Wilson 250 and FPF management, as equities holders of Foncière Paris France, for their shares, OSRA[3] and BSA[4].

This proposed combination will, in time, allows Foncière des Régions to increase the size of its assets by around €700 million and increase its exposure to the office markets of Paris and its inner suburbs. Foncière Paris France also has value-creating development projects and an experienced team, on which Foncière des Régions intends to rely to continue its growth.

A conference call for analysts and investors will take place today at 2:30 pm (Paris time)

The presentation corresponding to the conference call will be available on the Foncière des Régions website at: www.foncieredesregions.fr/finance

Financial schedule:

Q3 2011 Revenue: Wednesday, 9 November 2011

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[3] *Obligations Subordonnées Remboursables en Actions* - Subordinated bonds redeemable in shares
[4] *Bons de souscription d'actions* - Equity warrants

Foncière des Régions, real estate partner

A leading player in the office real estate market with €8.9 billion in properties, consisting of high-quality assets meeting the needs of users and located primarily in Ile-de-France, Major Regional Cities and northern Italy, Foncière des Régions is rolling out a value-creating strategy based on:

• Long-term partnerships with large tenants: EDF, Eiffage, France Télécom, IBM, Suez Environnement, Telecom Italia,etc.

• Continuous adaptation of properties through renovations or repositioning of assets and a real estate development pipeline that meets market expectations.

Foncière des Régions shares are listed in *compartiment* A of the Euronext Paris (FR0000064578 - FDR), listed on the SRD and, and form part of the MSCI indices, SBF120, Euronext IEIF "SIIC France," CAC Mid100, the European real estate benchmark indices "EPRA" and "GPR 250" as well as under the "FTSE4 Good" ethics index.
www.foncieredesregions.fr

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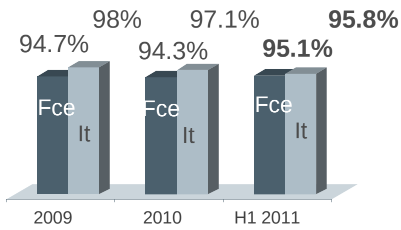
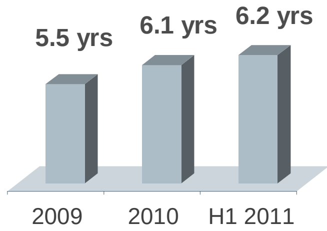
1. KEY FIGURES FOR REAL ESTATE AND FINANCE

- Key real estate indicators:

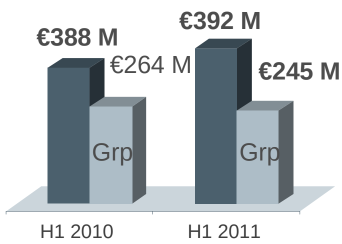
Offices occupancy rate > 95%



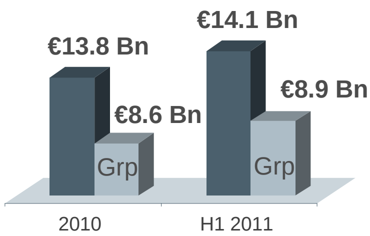
Residual firm lease term > 6 years



Rental income slight increase:
+ 0.2% in like-for-like

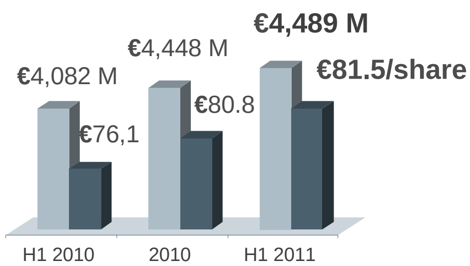


Change in values: + 1.3%
like-for-like

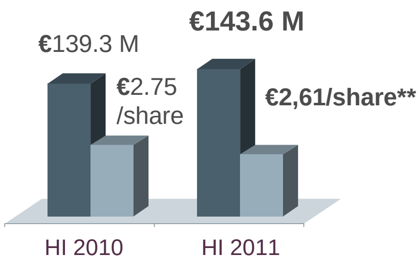


- Key financial indicators:

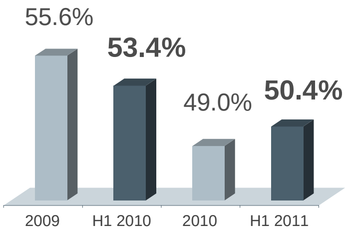
EPRA NAV: €81.5 /share
+ 7.1% over 12 months



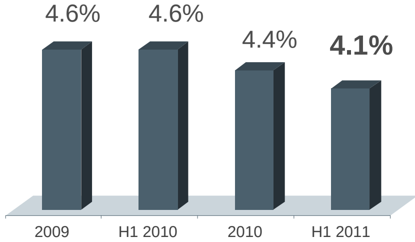
EPRA RNI: + 3%



LTV in line with our target



Cost of debt Improvement



2. MAJOR TRANSACTIONS DURING THE YEAR

Strengthening of shareholders' equity by some €200 million following the exercise of almost all share purchase warrants (BSAs) outstanding (subscription period activated 31 December 2010)

Foncière des Régions strengthened its shareholders' equity by €199.7 million following the exercise of 98.8% of these warrants (FR0010827378) for which the subscription period started 1 January 2010 and ended 31 December 2010.

In December 2009, Foncière des Régions made a free distribution of these warrants to holders of Foncière des Régions shares (1 warrant per FdR share). This distribution accompanied the purchase of a portfolio of 5 properties held by Groupama and Prédica, paid for in new Foncière des Régions shares.

As a result, 3,106,584 new shares were created following the transaction.

Leasing of 23,000 m² of Carré Suffren to AON, the Ministry of National Education and the French Institute

Foncière des Régions leased the Carré Suffren building, located at the foot of the Eiffel Tower in Paris, 15th arrondissement, to the insurance and reinsurance broker AON (15,000 m²), departments of the National Education Ministry (5,000 m²), and the French Institute (3,000 m²). All the remaining space was leased in H1 2011.

The building, which was acquired in partnership with Predica (40%) from the Atomic Energy Commission in November 2004 and delivered at end-2009, was completely renovated under the architect FS Braun & Associés. CBRE, Cushman & Wakefield and BNP Paribas Immobilier were lead managers of the deal.

Adoption of the new governance announced on 15 November 2010 at the General Shareholders' Meeting

The General Shareholders' Meeting of Foncière des Régions, held 31 January 2011, and the Board of Directors meeting that followed, adopted the new governance announced on 15 November 2010. The principal characteristics of this governance are the following:

- adoption of the structure of société à Conseil d'Administration [French corporation with board of directors]
- separation of the duties of the Chairman of the Board of Directors and Chief Executive Officer, which correspond to Jean Laurent and Christophe Kullmann, respectively.
- strengthening of the weight of the independent directors, who will henceforth represent 40% of the Board of Directors. 10 of the members will be the following:
    - Jean Laurent*
    - ACM Vie, represented by Catherine Allonas Barthe
    - Aterno, represented by Romolo Bardin
    - Jean-Luc Biamonti*
    - GMF Vie, represented by Lionel Calvez
    - Bertrand de Feydeau*
    - Leonardo Del Vecchio
    - Sergio Erede
    - Predica, represented by Jérôme Grivet
    - Pierre Vaquier*

* Independent directors

The bylaws of Foncière des Régions as well as the composition of the various committees of the Board of Directors were therefore amended and may be consulted on the Foncière des Régions website (http://www.foncieredesregions.fr/Profil/Gouvernance).
Finally the Board appointed Olivier Estève and Aldo Mazzocco as managing directors, and Yan Perchet as Advisor to the Chairman.

Continuation of the partnership with Suez Environnement by acquiring the Degrémont headquarters at Rueil Malmaison for €43 million

Foncière des Régions acquired for €43 million, including TD, a property of 13,800 m2 located at Rueil Malmaison, in the growing market of Paris' western crescent. As the headquarters of Degrémont, a subsidiary of Suez Environnement, this property is leased in its entirety for 12 years firm, yielding an immediate net return of 8% excluding transfer duties (7.5% including transfer duties) and lease payments of €235/m²/year.

Increase in the holding of Foncière Europe Logistique's share capital to a total of 82% by acquiring the 14.6% held by a Morgan Stanley fund, for €47 million

On 11 May 2011, Foncière des Régions increased its interest in Foncière Europe Logistique to 82% by acquiring the 14.6% interest held by a Morgan Stanley fund (i.e., €2.8 per share), for €47 million.
This deal was an initial step toward ultimately holding 100% of this Logistics and Light Industry portfolio, and follows upon a strategic review of these assets.
The medium-term goal is to accelerate the valuation of the various categories of assets in the portfolio (logistics platforms in France and Germany, urban logistics in the Paris region, Light Industry in Paris intra-muros), by:

- executing a programme of sales of logistics platforms
- redeveloping sites in the Paris region

This acquisition will have an immediate positive impact in terms of NAV and recurring net income.

Issuance of an ORNANE* on 16 May 2011

On 16 May 2011 Foncière des Régions issued an ORNANE maturing 1 January 2017 with priority period, for a par value of approximately €480 million, capable of being increased to a maximum par value of approximately €550 million in the event of complete application of the Extension Clause.

After exercising the extension clause on 18 May 2011, bringing the total issuance to approximately €550 million, on 19 May 2011 Foncière des Régions announced the success of this issuance, which took place at an annual interest rate of 3.34% and a unit par value for the bonds of €85.86, yielding an issuance premium of 20% over the benchmark price of the Foncière des Régions share of €71.5468.

The purpose of this bond issuance was to diversify Foncière des Régions' sources of financing, and lengthen debt maturity. The proceeds of this issuance were dedicated primarily to refinancing existing lines of credit and, on a residual basis, financing the Company's general needs.

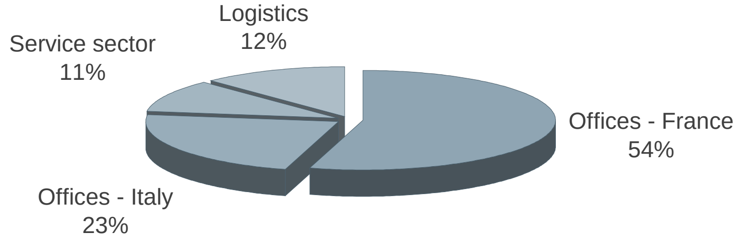
The company's largest shareholder, Delfin, holding 28.92% of the Company's share capital as of the Prospectus date, participated in this issuance within the framework of the priority period and the public offering in the amount of €150 million, representing 27.27% of the total issuance amount.
French Bond with the Option of Redemption in Cash and/or New Shares and/or Existing Shares

3. BUSINESS ANALYSIS

Unless otherwise specified, all valuation items in this section are shown at fair value.

A. LEASING REVENUE

(€ million)	Consolidated			Group Share			
	H1 2010	H1 2011	Change (%)	H1 2010	H1 2011	Change (%)	Like-for-like change (%)
Offices - France	**135.5**	**136.3**	**0.6%**	**135.5**	**133.5**	**-1.5%**	**0.8%**
Paris	37.8	39.4	4.3%	37.8	39.3	4.0%	10.3%
Paris Region	48.9	53.2	8.8%	48.9	50.5	3.3%	-3.6%
Other French regions	48.8	43.7	-10.5%	48.8	43.7	-10.5%	-2.9%
Offices - Italy	**108.5**	**109.7**	**1.1%**	**74.7**	**55.8**	**-25.2%**	**-0.5%**
Core portfolio	91.1	100.8	10.6%	62.7	51.3	-18.2%	-0.2%
Dynamic portfolio	17.4	6.4	-63.5%	12.0	3.2	-73.0%	-4.4%
Development portfolio	0.1	2.5	3191.8%	0.1	1.3	2333.0%	0.0%
Total Offices	**244.0**	**246.0**	**0.8%**	**210.2**	**189.4**	**-9.9%**	**0.1%**
Service sector	**100.5**	**103.1**	**2.5%**	**25.2**	**25.8**	**2.5%**	**3.3%**
Hotels	58.2	60.0	3.1%	14.6	15.0	3.1%	5.3%
Healthcare	12.9	13.5	4.6%	3.2	3.4	4.6%	6.1%
Restaurants	13.5	13.5	0.2%	3.4	3.4	0.2%	-1.2%
Leisure facilities	16.0	16.1	0.7%	4.0	4.0	0.7%	0.7%
Logistics	**43.4**	**42.6**	**-1.9%**	**29.1**	**30.3**	**4.0%**	**-2.0%**
Logistics - France	22.5	22.4	-0.4%	15.1	15.9	5.7%	-0.6%
Logistics - Germany	4.3	4.5	4.2%	2.9	3.2	10.6%	4.2%
Business parks	9.1	8.4	-7.2%	6.1	6.0	-1.6%	-7.2%
Garonor	7.6	7.3	-3.4%	5.1	5.2	2.5%	-3.4%
Total rental income	**388.0**	**391.7**	**1.0%**	**264.5**	**245.4**	**-7.2%**	**0.2%**



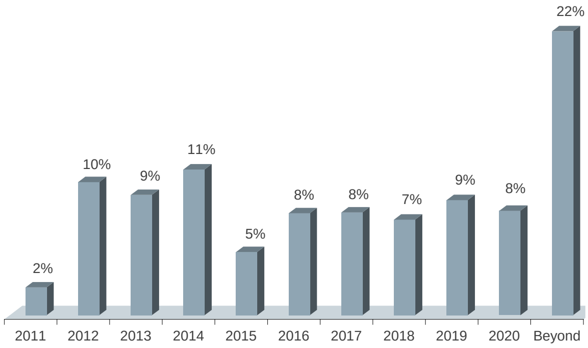
Compared to H1 2010, at H1 2011:

- consolidated leasing revenue was up 1%, due primarily to acquisitions in Italy Offices and the increase in Accor revenue from Business Premises.
- the group share of leasing revenue was down 7.2% due to the combined effect of sales and the decline in the percentage held in Beni Stabili, limited by the increase in the rate of holding in Foncière Europe Logistique.
- on a like-for-like basis, lease payments were stable in the Offices sector, while the increase in Business Premises was offset by the decline in Logistics and Light Industrials
- finally, as group share, leasing revenue was stable on a like-for-like basis.

B. LEASE PAYMENTS SCHEDULE: 6.2 years firm residual lease term

(€ million) Group share	By lease end date	% of total
2011	11.0	2%
2012	52.7	10%
2013	47.6	9%
2014	57.7	11%
2015	25.0	5%
2016	40.4	8%
2017	40.7	8%
2018	37.8	7%
2019	45.6	9%
2020	41.3	8%
Beyond	112.4	22%
Total	**512.2**	**100%**

* Based on annualised rental income at 30 june 2011

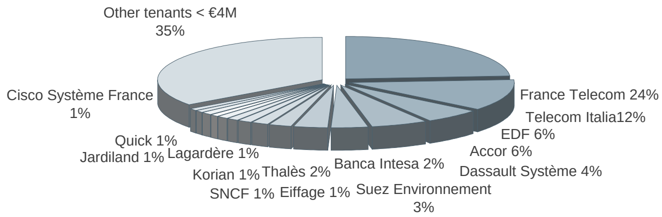


The average residual lease term at 30 June 2011 was 6.2 years, compared to 6.1 years at 31 December 2010. This increase of 0.1 year is largely due to the increase from 7.7 years to 8.1 years of Beni Stabili's leases maturity, following the renewal of the Banca Intesa lease in San Paolo up to 2017.

C. DISTRIBUTION OF LEASE PAYMENTS

■ Breakdown by principal tenants: broadly diversified rental incomes

(€ million)	Annualised rental income		Area (sq.m)	
Group share	**H1 2011**	**%**	**H1 2011**	**%**
France Telecom	122.6	24%	836 091	11%
Telecom Italia	60.3	12%	1 251 231	17%
EDF	28.6	6%	258 649	4%
Accor	28.3	6%	880 464	12%
Dassault Système	19.1	4%	56 192	1%
Suez Environnement	16.7	3%	44 389	1%
Banca Intesa	11.3	2%	0	0%
Thalès	8.4	2%	71 705	1%
SNCF	7.1	1%	13 207	0%
Eiffage	5.9	1%	138 093	2%
Korian	5.7	1%	196 111	3%
Lagardère	5.0	1%	11 481	0%
Quick	4.8	1%	47 141	1%
Cisco Système France	4.4	1%	11 291	0%
Jardiland	4.1	1%	186 072	3%
Other tenants < €4M	179.8	35%	2 113 865	29%
Total rental income	**512.2**	**100%**	**7 333 290**	**100%**



- Regional breakdown IDF, Milan, Rome and Major Regional Cities (MRC) accounted for 67% of rental income

(€ million)	Annualised rental income		Area (sq.m)		Number of assets	
Group share	**H1 2011**	**%**	**H1 2011**	**%**	**H1 2011**	**%**
Paris CBD*	34.0	7%	71 793	1%	12	1%
Paris excl. CBD	47.5	9%	152 275	2%	21	2%
Inner suburbs	55.5	11%	271 678	4%	33	2%
Outer suburbs	54.8	11%	391 162	5%	100	7%
Total Paris Region	**191.9**	**37%**	**886 908**	**12%**	**166**	**12%**
Other French regions - GMR**	34.3	7%	382 834	5%	71	5%
Other French regions - Other	53.2	10%	708 564	10%	274	20%
Offices - France	**279.4**	**55%**	**1 978 306**	**27%**	**511**	**38%**
Milan	34.6	7%	426 905	6%	39	3%
Rome	11.4	2%	176 204	2%	39	3%
Other	63.8	12%	1 397 732	19%	220	16%
Offices - Italy	**109.8**	**21%**	**2 000 841**	**27%**	**298**	**22%**
Paris CBD*	0.0	0%	0	0%	0	0%
Paris excl. CBD	6.0	1%	103 974	1%	15	1%
Inner suburbs	6.4	1%	156 060	2%	33	2%
Outer suburbs	3.9	1%	103 211	1%	47	4%
Total Paris Region	**16.4**	**3%**	**363 244**	**5%**	**95**	**7%**
Other French regions - GMR	9.8	2%	301 824	4%	101	8%
Other French regions - Other	17.3	3%	578 825	8%	259	19%
International	7.5	1%	294 637	4%	35	3%
Service sector	**51.0**	**10%**	**1 538 530**	**21%**	**490**	**37%**
Paris	8.8	2%	85 421	1%	3	0%
Inner suburbs	8.6	2%	213 503	3%	2	0%
Outer suburbs	30.2	6%	751 553	10%	12	1%
Total Paris Region	**47.7**	**9%**	**1 050 477**	**14%**	**17**	**1%**
North West	2.9	1%	69 513	1%	4	0%
Rhône-Alpes	8.7	2%	323 910	4%	9	1%
PACA***	5.2	1%	167 543	2%	3	0%
Germany	7.5	1%	204 170	3%	7	1%
Logistics	**71.9**	**14%**	**1 815 613**	**25%**	**40**	**3%**
Total rental income	**512.2**	**100%**	**7 333 290**	**100%**	**1 339**	**100%**

* Central Business District
** Major Regional Cities
*** Provence Alpes Côte d'Azur

D. DISPOSALS AND DISPOSAL AGREEMENTS: €350.9 million earned at 3.7%, above 2010 figures

(€ million)		Disposals	Sales agreements	Total	Margin vs appraised values at 2010	Yield rate
Offices - France	100 %	87.5	118.6	206.1	4.2%	6.4%
Offices - Italy	100 %	21.4	42.2	63.6	1.8%	4.7%
	Group share	10.9	21.4	32.3	0.0%	0.0%
Total Offices	100 %	108.9	160.8	269.7	3.7%	6.0%
	Group share	**98.4**	**140.1**	**238.4**	**3.9%**	**6.2%**
Service sector	100 %	86.1	303.5	389.5	3.8%	6.5%
	Group share	21.6	76.1	97.6	0.0%	0.0%
Logistics	100 %	8.7	9.5	18.2	0.0%	0.0%
	Group share	7.1	7.8	14.9	0.0%	0.0%
Total	100 %	203.7	473.8	677.4	3.6%	6.1%
	Group share	**127.1**	**223.9**	**350.9**	**3.7%**	**6.0%**

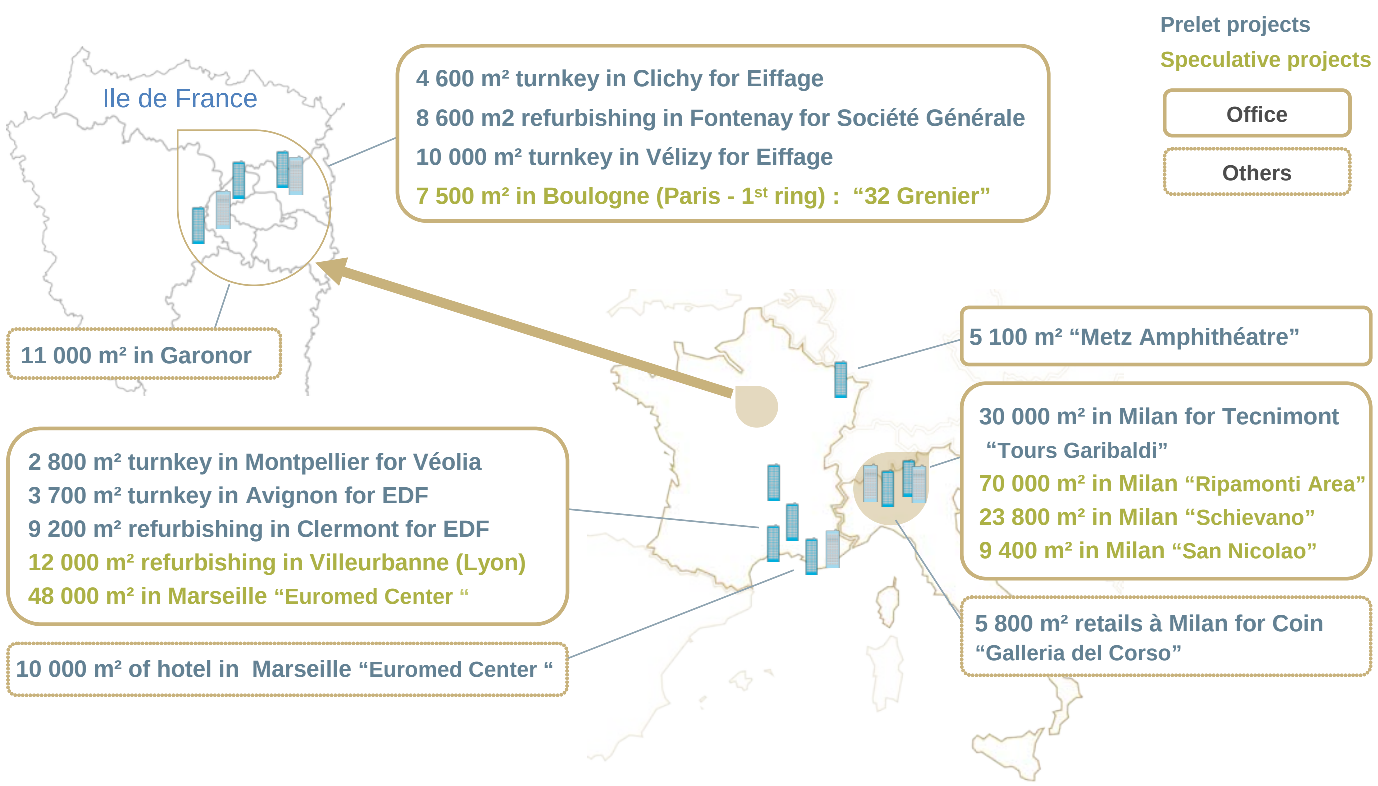
Foncière des Régions ended with €350.9 million in sales and sale agreements at an average margin of 3.7% compared to appraisal values at 31 December 2010. The return on sales was below the return on assets of Foncière des Régions.

E. ACQUISITIONS: €178 million

(€ million)		Total	Yield rate
Offices - France	100%	41	8.0%
Offices - Italy	100%	25	5.5%
	Group share	13	0.0
Total Offices	**100%**	**66**	**7.0%**
	Group share	**53**	**7.4%**
Logistics	100%	**0**	0.0%
	Group share	**0**	0.0%
Service sector	100%	**96**	7.6%
	Group share	**24**	0.0%
Total	**100%**	**162**	**7.3%**
	Group share	**77**	**7.5%**

The level of acquisitions totalled €178 million at 30 June 2011, taking into account acquisition agreements (France Offices), which are to be completed by the end of July. .

F. DEVELOPMENT PROJECTS



G. PORTFOLIO

Portfolio valuation and change + 1.3% in 6 months

(€ million)	Value 2010	Value H1 2011	H1 2011 value Group share	Like-for-like change 6 months	Yield excl. duties 2010	Yield excl. duties H1 2011	% of Commercial portfolio	% of Commercial portfolio (incl. equity affiliates)
Offices - France	**4 365**	**4 457**	**4 212**	**1.9%**	**6.9%**	**6.6%**	**50%**	**47%**
Total in operation	4 325	4 365	4 120	1.6%	7.0%	6.8%	49%	46%
Developments	40	92	92	19.6%	0.0%	0.0%	1%	1%
Offices - Italy	**4 332**	**4 378**	**2 227**	**0.2%**	**5.1%**	**5.0%**	**27%**	**25%**
Total in operation	4 062	4 008	2 039	0.4%	5.6%	5.4%	24%	23%
Developments	269	370	188	-1.3%	0.0%	0.0%	2%	2%
Total Bureaux	**8 697**	**8 835**	**6 440**	**1.3%**	**6.5%**	**6.3%**	77%	72%
Service sector	**3 124**	**3 180**	**797**	**2.5%**	**6.4%**	**6.4%**	**10%**	**9%**
Logistics	**1 181**	**1 178**	**962**	**0.5%**	**7.6%**	**7.6%**	**12%**	**11%**
Parking facilities	**243**	**257**	**153**	**0.7%**	**0.0%**	**0.0%**	**2%**	**2%**
Commercial portfolio	**13 245**	**13 450**	**8 352**	**1.3%**	**6.8%**	**6.5%**	**100%**	93%
Equity affiliates *	557	618	582	0.0%				7%
Total - Consolidated	**13 802**	**14 068**	**8 934**	**1.3%**				**100%**
Total - Group share	**8 604**	**8 934**						

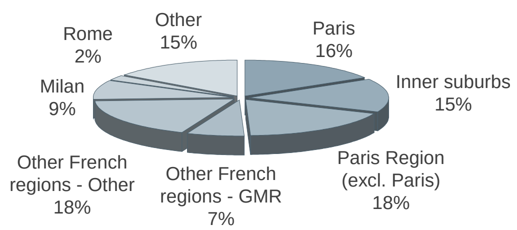
* Under equity methode of Foncière Développement Logements (452 € million)

Foncière des Régions' assets at 30 June 2011 totalled €8,934 million, compared to €8,640 million at 31 December 2010. The like-for-like change was 1.3% during the period. This increase in value derives largely from a slight compression in capitalisation rates among France Offices and an increase in Accor revenue from Business Premises.

Regional breakdown IDF, Milan, Rome and the MRC account for 67% of portfolio Group share

(€ million)	H1 2011
Paris	1 514
Inner suburbs	1 402
Paris Region (excl. Paris)	1 677
Other French regions - GMR	612
Other French regions - Other	1 671
Milan	809
Rome	215
Other	1 385
Total portfolio (Group share)*	**9 285**

* Excluding parking facilities



Other portfolio features

Group share	Occupancy rate* (%) 2010	Occupancy rate* (%) S1 2011	Firm residual term on leases (years) 2010	Firm residual term on leases (years) S1 2011
Offices France	94.3%	95.1%	5.7379	5.9
Offices Italy	97.1%	95.8%	7.7	8.1
Total Offices	**95.1%**	**95.3%**	**6.3**	**6.6**
Service sector	100.0%	100.0%	8.7	8.5
Logistics	88.1%	91.9%	2.4	2.3
Total	**94.8%**	**95.4%**	**6.1**	**6.2**

* Occupancy rate at end of period

4. ANALYSIS OF OPERATIONS BY BUSINESS SEGMENT

A. FRANCE OFFICES

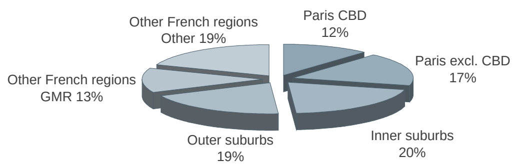
Foncière des Régions initiated its growth phase by undertaking major outsourcing activities, such as purchases of the France Télécom and EDF portfolios. It was on this basis that it developed its partnership strategy with major users, who are now finding other sources of growth and value creation through, on the one hand, the completion of turn-key projects for top-tier companies who are historic tenants of Foncière des Régions (EDF at Clermont-Ferrand and Avignon) or new partners (Dassault Systèmes, Suez Environnement, etc.), and on the other hand, acquisitions to assist these large companies in their real estate strategy (Eiffage Construction headquarters at Vélizy, Veolia regional headquarters in Languedoc-Roussillon, and the headquarters of Degrémont, a Suez Environnement subsidiary, at Rueil-Malmaison).
Foncière des Régions is also developing new or renovated office assets at well-known tertiary locations with very good public transportation services.

1. RECEIPTED RENT

- Regional breakdown strategic locations (Ile-de-France and Major Regional Cities - MRC - represent 81% of rental income

(€ million)	Area (sq.m)	Number of assets	H1 2010 rental income	H1 2011 rental income	Change (%)	Like-for-like change (%)	% of total rental income
Paris CBD*	71 793	12	17.0	15.9	-6.3%	1.9%	12%
Paris excl. CBD	152 275	21	20.8	23.5	12.9%	16.8%	17%
Inner suburbs	271 678	33	21.8	27.3	24.8%	-8.2%	20%
Outer suburbs	391 162	100	27.1	26.0	-4.1%	-0.2%	19%
Total Paris Region	**886 908**	**166**	**86.7**	**92.7**	**6.8%**	**2.6%**	**68%**
Other French regions - GMR**	382 834	71	18.2	17.6	-3.5%	-4.9%	13%
Other French regions - Other	708 564	274	30.6	26.1	-14.7%	-1.7%	19%
Total	**1 978 306**	**511**	**135.5**	**136.3**	**0.6%**	**0.8%**	**100%**

* Central Business District (CBD) comprising the 1st, 2th, 8th, 9th, 16th and 17th arrondissements
** GMR comprising Bordeaux, Grenoble, Lille, Lyon, Aix/Marseille, Metz, Montpellier, Nantes, Nice, Rennes, Strasbourg, Toulouse



The change in rental income between H1 2010 and H1 2011 was +€0.8 million, i.e., +0.6%. This change was due to the combined result of:

- sales of assets occurring since 30 June 2010 (impact: -€10.6 million
- acquisitions and additions to the scope of consolidation: +€2.8 million in assets of Degrémont, Véolia and the IBM portfolio, and +€9.6 million upon the start of the Suez Environnement lease for the CB 21 tower
- releases of assets for purposes of sale: asset at Saint Mandé under sale agreement, and the Levallois Jules Guesde asset during the course of sale (impact: -€1.9 million
- slightly positive like-for-like growth (+€1 million)

This constant like-for-like change of 0.8% must be analysed within the context of a stagnant leasing environment.
It is the result of a rather insignificant indexation effect (+€0.7 million) and the cumulative effect of vacancies / re-lettings of +€0.3 million, primarily due to:

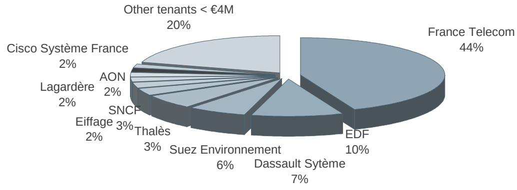
- significant vacancies, the major ones of which will now be subject to renovation or sale:
  - asset at Saint-Mandé (€2.8 million/year) in Q4 2010, under a sale agreement
  - asset at Lille (€0.9 million/year) released in Q1 2011
  - asset at Levallois, released in Q1 2011 (€0.2 million/year) for purposes of sale
  - asset at Issy-les-Moulineaux, of which the sale of the three released floors is in the process of completion (€1.4 million/year)
- individual negotiations with our major tenants, specifically the award of lease exemptions to EDF and ERDF within the context of the lengthening of their leases (impact of -€1 million)
- leases of certain assets: marketing of the entire Carré Suffren building and re-letting of all vacant space at the Percier asset (Paris, 8th arrondissement). Most of these re-lettings had only a minimal effect in the first half of 2011 and will apply fully in the second half of 2011.

2. ANNUALISED RENTAL INCOME

Breakdown by main tenants

(€ million)	Area (sq.m)	H1 2010 annualised rental income*	H1 2011 annualised rental income*	Change (%)	Average rental value	Reversionary potential
France Telecom	836 091	141.7	122.6	-13.5%		
EDF	258 649	33.3	28.6	-14.3%		
Dassault Sytème	56 192	19.3	19.1	-1.1%		
Suez Environnement	44 389	21.7	16.7	-22.8%		
Thalès	71 705	7.7	8.4	9.4%		
SNCF	13 207	7.0	7.1	1.3%		
Eiffage	138 093	6.2	5.9	-5.4%		
Lagardère	11 481	5.0	5.0	0.3%		
AON	15 042	.0	5.0	ND		
Cisco Système France	11 291	4.4	4.4	0.3%		
Other tenants < €4M	522 166	54.2	56.5	4.3%		
Total	**1 978 306**	**300.6**	**279.4**	**-7.0%**	**259.9**	**-7.0%**

* Annualised rental income at end of period



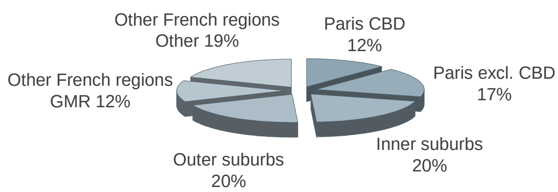
The concentration of Foncière des Régions' rental income among major users illustrates the continuation of our strategy. Currently, the ten largest tenants represent 80% of our annualised rental income.
The change in distribution by tenant is also reflective of our growth focus: the inclusion of a new user among the group's largest tenants (AON at Carré Suffren), a reduction in rental income from France Télécom and EDF, primarily due to sales of mature assets from these two portfolios, the sharing of our major individual operations (sale of 25% of the CB 21 Tower, which explains the lower rental income from Suez Environnement).

The change of -7% in the value of our annualised rental income was due to the automatic effect of these sales (-€28 million in rental income).

Regional breakdown

(€ million)	Area (sq.m)	H1 2010 annualised rental income*	H1 2011 annualised rental income*	Change (%)	Average rental value	Reversionary potential
Paris CBD	71 793	34.4	34.0	-1%		
Paris excl. CBD	152 275	42.0	47.5	13%		
Inner suburbs	271 678	66.0	55.5	-16%		
Outer suburbs	391 162	56.7	54.8	-3%		
Total Paris Region	**886 908**	**199.1**	**191.9**	**-4%**		
Other French regions - GMR	382 834	36.1	34.3	-5%		
Other French regions - Other	708 564	65.4	53.2	-19%		
Total	**1 978 306**	**300.6**	**279.4**	**-7.0%**	**259.9**	**-7.0%**

* Annualised rental income at end of period



The distribution of rental income by geographic region is very close to the distribution of our receipted rental income within 2011 first semester. Further, the major changes in rental income by region may be explained by leasing activity over the half-year period. We also note:

- the slight decrease in our annualised rental income in Paris CBD, due primarily to the sale of an asset located in Paris, 16th arrondissement, (7,519 m²) at the end of last year, offset in part by re-lettings of the Percier asset (Paris CBD) and an asset located in Paris, 9th arrondissement.
- acquisition of the Degrémont asset at Rueil-Malmaison, offsetting the targeted vacancies of 1st-ring assets, as well as the sale of 25% of the CB 21 Tower assets.
- the cumulative impact of sales and vacancies outside Ile-de-France.

3. INDEXATION

The indexation effect is +€0.7 million over six months. Rental income subject to indexation floors (between 0% and 1%) represents 58% of annualised rental income, 8% of which is indexed to the ICC and 50% to a mix of 50% ICC and 50% IPC.
A joint analysis is currently underway concerning the conversion to the ILAT* of leases signed with our major users.
*Tertiary Activities Rental Income Index

4. RENTAL BUSINESS

(€ million)	Area (sq.m)	Annualised rental income	Annualised rental income in €/sq.m
Vacating	36 948	5.2	141
Reletting	20 048	6.5	322
Renewal	46 176	7.4	160

According to the policy of partnership and assistance for our major users, most of the vacancies that have occurred have been anticipated, and repositioning strategies have now been implemented:

- an asset in Villeurbanne released by EDF (€2.3 million/year): starting July 2011, this asset will be subject to complete renovation to allow for the delivery of an HQE-Breeam and BBC labelled asset at end-2012
- an asset in Lille Madeleine released by EDF (€0.8 million/year): the asset is in the process of renovation
- Carnot in Fontenay released by BNP (€0.7 million/year)
- an asset in Paris, 11th arrondissement, partially released by France Télécom in accordance with our approved agreements (€0.4 million/year) for which a renovation plan is in the process of completion
- E0-category assets, released by France Télécom in accordance with our agreements (€0.4 million/year)
- an asset in Levallois Guesde released entirely (€0.2 million/year), in the process of sale
- an asset in Pantin, partially released by France Télécom in accordance with our approved agreements (€0.1 million/year) and for which a sale plan by instalments is in progress
- six other assets in the regions or the 2nd ring, partially released (€0.3 million/year)

Asset management work carried out in recent months allows us to present a sum of “new leases” totalling €6.5 million, applying to lease terms greater than the average residual term of Foncière des Régions. Specifically, the following have been finalised:

- the signing of three additional leases at the Carré Suffren asset, completing its placement on the market (French Institute, AIE and Ministry of National Education for €2.8 million in rental income as the Foncière des Régions share)
- the renewed lease for released space in the asset located street Percier (Paris CBD) (€1.5 million)
- the renewed lease at Thalès for vacant space at a building at Meudon (€0.7 million)
- the renewed lease for the entire vacant balance of a property totalling 4,117 m² at Saint-Ouen, to Alstom, Bompard and Urbis Park (€0.2 million)

Re-lettings involved 11 assets for total rental income of €7.4 million, following upon individual negotiations with our major tenants such as France Télécom (€5.7 million).

Moreover, following the Routers 3 negotiations with France Télécom (which occurred in 2010), 129 new leases took effect on 1 January 2011, totalling €40.3 million, for a firm average term of 8.7 years of rental income.

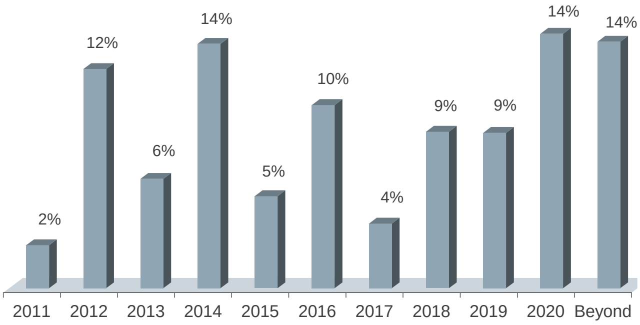
5. EXPIRY SCHEDULE AND VACANCIES

Lease expiry schedule: 5.9 years firm residual lease term

France Office rental income by expiry date of firm leases in progress is broken down as follows:

(€ million)	By lease end date*	% of total
2011	6.8	2%
2012	34.6	12%
2013	17.3	6%
2014	38.6	14%
2015	14.5	5%
2016	28.9	10%
2017	10.2	4%
2018	24.7	9%
2019	24.5	9%
2020	40.2	14%
Beyond	38.9	14%
Total	**279.4**	**100%**

* Based on annualised rental income for H1 2011



The firm residual term of the leases was 5.9 years, up 0.2 years versus end-2010. This increase is largely due to the complete lease of Carré Suffren with leases of 7 to 12 years firm, and the acquisition of Degrémont asset in Rueil-Malmaison, accompanying a lease of 12 years firm. The €6.8 million in rental income due in 2011 is concentrated largely on three assets, two of them subject to secure development projects (located at Le Chesnay, and in Paris, 16th arrondissement, i.e. - €4 million in rental income), with one asset in Puteaux soon to be released by Havas (i.e. -€1.5 million in rental income).

With less than a third of its rental income expiring in 2012-2014, Foncière des Régions continues to present a very secure lease base.

Vacancy rate and type: vacancies <5% at 30 June 2011

(%)	2010	H1 2011
Paris Region	6.7%	6.0%
Other French regions - GMR	4.2%	1.5%
Other French regions - Other	3.3%	2.9%
Total	**5.7%**	**4.9%**

The financial vacancy rate is at 4.9%, compared to 5.7% at 31 December 2010. With the asset management work described above, for the first time since 2008, Foncière des Régions encountered a level of financial vacancies below 5%. Specifically, all vacant space in Paris has been subject to re-lettings, at lease levels higher than or equal to previous lease levels.

Outside of these re-lettings, Foncière des Régions has also sold some 19,000 vacant m2 since the start of 2011.

At this time, the major vacant spaces include:

- the Tour CB 21 asset, which accounts for 60% of total financial vacancies (for space of approximately 24,000 m²)
- an asset located at Issy-les-Moulineaux accounting for 7% of total vacancies (3,200 m²).

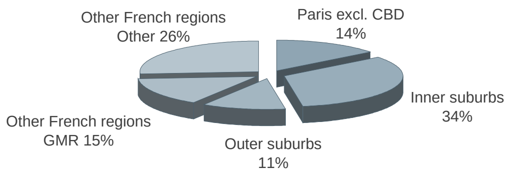
6. UNPAID RENT

(€ million)	H1 2010	H2 2011
As % of annualised rental income	0.74%	0.97%
In value	2.0	2.7

Unpaid rent was slightly up versus 2010, but remains below 1%.

7. SALE AGREEMENTS AND SALES: over €200 million at an average margin of 4.2%

(€ million)	Disposals	Sales agreements	Total	Margin vs appraised values at 2010	Yield
Paris excl. CBD	29.5	.0	29.5	3.1%	7.5%
Inner suburbs	26.2	42.3	68.5		
Outer suburbs	2.0	21.2	23.2		
Total Paris Region	**57.8**	**63.4**	**121.2**		
Other French regions - GMR	15.9	15.4	31.2		
Other French regions - Other	13.8	39.8	53.7		
Total	**87.5**	**118.6**	**206.1**	**4.2%**	**6.4%**



As at the first half of 2011, Foncière des Régions entered into sale agreements for over €200 million in assets, all while yielding a significant margin of 4.2% over the appraised values of 31 December 2010. According to its targets, Foncière des Regions specifically sold assets located in the intermediate tertiary markets, as well as smaller assets (average size of assets sold: €4.5 million).

8. AGREEMENTS - ACQUISITIONS

During this semester, Foncière des Régions positioned itself in several individual asset acquisitions:

- the off-plan purchase of the future headquarters of Eiffage Construction at Vélizy-Villacoublay. With the building in the process of construction, its value in the financial statements at 30 June 2011 reflects total accumulated disbursements on the asset. This asset of 10,000 m² will be released in October 2011, at which time Eiffage will become the tenant under a firm, 12-year lease. For Eiffage and Foncière des Régions, this building will be an environmental showcase, since for the 1st time in Ile-de-France for a tertiary property, it will benefit from the BBC/Effinergie label.*
- the outsourced acquisition of the headquarters of Degrémont, a subsidiary of Suez Environnement, at Rueil-Malmaison. The acquisition is subject to the signing of a firm, 12-year lease.

* BBC/Effinergie is a label identifying new buildings or new parts of buildings whose low-energy profiles contribute to achieve 2050 goals: dividing greenhouse gas emissions by 4.

(€ million)	Acquisition price	Yield rate excl. duties
Degrémont	40.5	8.0%
Total	**40.5**	**8.0%**

Moreover, agreements have been entered into for a total of €58 million to acquire a single-tenant property of approximately 7,000 m², near the Issy-les-Moulineaux RER train station, and the off-plan purchase of a new property at Clichy, leased to Eiffage. The final agreements will be signed in H2.

Area (sq.m)	Localization	Tenants	Acquisition price	Yield rate excl. duties
7 350	Issy Les Moulineaux	nc	34.8	7.9%
5 000	Clichy la Garenne	Eiffage Construction	22.8	6.8%
12 350			**57.6**	**7.5%**

9. DEVELOPMENT PROJECTS

Development projects are in the process of being completed for the following:

- New operations:
  - Metz Amphitheatre: construction of 5,100 m² of offices located across from the Metz TGV train station. These offices will be partially leased to Foncière des Régions upon delivery in Q2 2012.
  - Véolia Montpellier: Construction of a new building of 2,800 m² for the Véolia teams, delivered in Q1 2012.
- Restructuring operations:
  - 32 Grenier, 7,500 m² office space in Boulogne-Billancourt, benefiting from a very attractive location and from market-adapted services.
  - other EDF building restructuring activities have now been launched: the turnkey renovation of the historic EDF property at Clermont Ferrand (9,189 m²), the launch of the renovation of the asset in Lille Madeleine, released by EDF (approximately 5,000 m²).

Some other development projects engaged by Foncière des Régions will begin in H2 2011.

- New major urban operations or turnkey projects:
  - Euromed Center in Marseille, developed in partnership with Prédica, which is composed of offices (4,800 m²), hotel, retail space and leisure activities. The first office buildings and common facilities will be delivered end 2013.
  - completion of a turnkey project for EDF at Avignon (3,700 m², approximately €7.5 million in investment for delivery in 2014)
- Operations involving the restructuring of the existing assets:
  - turnkey renovation of a BBC property at Fontenay-sous-Bois on behalf of Société Générale (8,600 m² for a total of €33 million, delivery at end-2012)
  - restructuring of a property in Villeurbanne, formerly occupied by EDF: 12,000 m² for a value of €33 million, delivery at end-2013.

All these developments will improve both the residual term of our leases, and the average quality of our portfolio. In effect, new properties, as well as renovations, show excellent environmental quality and will be subject to construction certifications and operating labels.

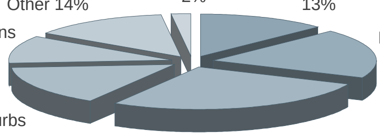
10. PORTFOLIO VALUATION

Change in assets

(€ million)	2010 value excl. duties	2010 yield excl. duties	Value adjustment	Acquisitions	Disposals	Investments	Transfer	H1 2011 value excl. duties
Assets in operation	4 324.9	6.9%	79.6	40.5	-85.2	11.4	-6.5	**4 364.7**
Assets under development	40.3	0%	8.7	.0	.0	36.4	6.5	**91.9**
Total	**4 365.2**	**6.9%**	**88.4**	**40.5**	**-85.2**	**47.8**	**.0**	**4 456.6**

Like-for-like change + 1.9%

(€ million)	2010 consolidated value excl. duties	H1 2011 consolidated value excl. duties	H1 2011 value excl. duties (Group share)	Like-for-like change 6 months	Yield excl. duties 2010	Yield excl. duties H1 2011
Paris CBD	549.9	563.3	563.3	2.4%	6.1%	6.0%
Paris excl. CBD	835.2	844.0	748.5	2.6%	6.6%	6.3%
Inner suburbs	1 154.0	1 199.0	1 050.3	1.2%	5.3%	5.3%
Outer suburbs	700.9	691.8	691.8	1.4%	8.1%	7.9%
Total Paris Region	**3 240.0**	**3 298.2**	**3 053.9**	**1.8%**	**6.4%**	**6.3%**
Other French regions - GMR	474.0	459.4	459.4	0.8%	8.1%	7.4%
Other French regions - Other	610.9	607.2	607.2	1.4%	8.8%	8.8%
Total in operation	**4 324.9**	**4 364.7**	**4 120.5**	**1.6%**	**7.0%**	**6.8%**
Assets under development	40.3	91.9	91.9	19.6%	n.a.	n.a.
Total	**4 365.2**	**4 456.6**	**4 212.4**	**1.9%**	**6.9%**	**6.6%**



H1 2011 was marked by value appreciation of 1.9% on a like-for-like basis. This growth is largely due to:

- the asset management work and specifically re-lettings for large Paris assets (Carré Suffren, Percier asset in Paris Central Business District)
- compression in the capitalisation rates that benefited assets such as Dassault Systèmes at Vélizy-Villacoublay, as well as most of the Paris assets
- implementation of value-creating real-estate strategies on assets worked on a case-by-case basis with France Télécom (€15 million in value creation for 22 assets)
- appreciation in the value of our assets in development (+20%), due primarily to the high-quality development, which is almost completed, of the asset 32 Grenier in Boulogne-Billancourt, the purchase agreement signed for the asset at Bagnolet, and the early valuation of Metz Amphithéâtre..

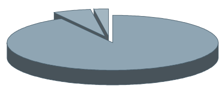
B. ITALY OFFICES

Founded in 1904 and listed on the Milan Stock Exchange since 1999, Beni Stabili is the largest listed Italian real estate company. Its portfolio consists mainly of offices located in cities in North and Central Italy, in particular Milan and Rome. Beni Stabili has been part of Foncière des Régions Group since July 2007.
In January 2011, Beni Stabili opted for SIIQ status (the Italian version of a REIT). The company posted a €79 million profit for the year 2011, with €4.3 billion assets under management at 31 December 2010.

Through Beni Stabili Gestioni SGR, the company manages a total of 11 real estate funds with a total of €1.6 billion assets under management at year-end 2010.

1. RECEIPTED RENTAL INCOME 0.5% LIKE-FOR-LIKE

(€ millions)	Surface area (sq.m)	Number of assets	H1 2010 rental income	H1 2011 rental income	Change (%)	Like-for-like change (%)
Core portfolio	1 806.9	238	91.1	100.8	10.6%	
Dynamic portfolio	193.9	60	17.4	6.4	-63.5%	
Subtotal	**2 000.8**	**298**	**108.5**	**107.2**	**-1.3%**	
Development portfolio	39.3	7	0.1	2.5	3191.8%	
Total	**2 040.1**	**305**	**108.5**	**109.7**	**1.1%**	**-0.5%**



The change in rental income between 30 June 2010 and 30 June 2011 of +€1.2 million is primarily due to:

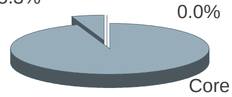
- rentals and re-rentals: +€4 million
- acquisitions: +€5.3 million
- disposals: -€2.8 million
- vacant assets for sale or in renovation: -€2.2 million
- vacancies: -€3.3 million

2. ANNUALISED RENTAL INCOME

Breakdown by portfolio

(€ millions)	Surface area* (sq.m)	Number of assets	H1 2010 annualised rental income	H1 2011 annualised rental income*	Change (%)	Reversion potential
Core portfolio	1 806.9	238	185.7	204.4	10.0%	11.5%
Dynamic portfolio	193.9	60	34.0	11.5	-66.2%	48.2%
Subtotal	**2 000.8**	**298**	**219.7**	**215.8**	**-1.8%**	**14.7%**
Development portfolio	39.3	7	0.1	0.1	-33.3%	n.a.
Total	**2 040.1**	**305**	**219.9**	**215.9**	**-1.8%**	**--**

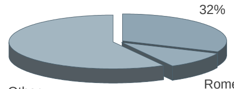
* Annualised rental income at year-end



Geographic breakdown

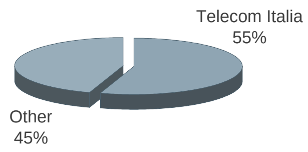
(€ millions)	Surface area* (sq.m)	Number of assets	H1 2010 annualised rental income	H1 2011 annualised rental income*	Change (%)	Reversion potential
Milan	426.9	39	71.9	68.1	-5.3%	26.6%
Rome	176.2	39	23.8	22.4	-5.6%	12.3%
Other	1 397.7	220	124.1	125.3	1.0%	7.0%
Total	**2 000.8**	**298**	**219.7**	**215.8**	**-1.8%**	**14.7%**

* Annualised rental income at year-end excluding developments



Breakdown by tenant

(€ millions)	Surface area* (sq.m)	Number of assets	H1 2010 annualised rental income	H1 2011 annualised rental income*	Change (%)	Reversion potential
Telecom Italia	1 251.2	191	118.6	118.9	0.2%	0.0%
Other	749.6	107	101.1	97.0	-4.1%	27.7%
Total	**2 000.8**	**298**	**219.7**	**215.8**	**-1.8%**	**14.7%**



3. INDEXATION

The annual adjustment of rents due to indexing is calculated by taking 75% of the increase in the Consumer Price Index (CPI) applied on each anniversary of the contract signing date. In June 2011, the average CPI was 2.7% (1).
(1) Source: ISTAT

4. RENTAL BUSINESS

In 2010, the following asset management activities were carried out:

(€ millions)	Surface area (sq.m)	Annualised rental income
New leases	10 277	4.0
Lease renewals	6 011	0.1
Total	**16 288**	**4.1**

(€ millions)	Surface area (sq.m)	Annualised rental income
Milan	5 516	2.6
Turin	3 776	0.3
Others	6 996	1.2
Total	**16 288**	**4.1**

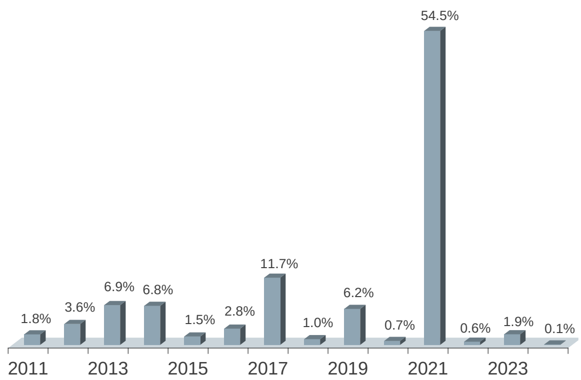
5. EXPIRY SCHEDULE AND VACANCIES

Lease expiry schedule: 8.1 years firm residual lease term

Breakdown of Italy Offices rental income by expiry date of ongoing firm leases:

(€ millions)	By lease end date	% of total
2011	4.0	1.8%
2012	7.8	3.6%
2013	14.9	6.9%
2014	14.6	6.8%
2015	3.2	1.5%
2016	6.1	2.8%
2017	25.2	11.7%
2018	2.2	1.0%
2019	13.5	6.2%
2020	1.5	0.7%
2021	117.6	54.5%
2022	1.2	0.6%
2023	4.0	1.9%
Beyond	0.2	0.1%
	215.9	**100.0%**

Based on H1 2011 annualised rental income



The leases expiring after 2020 mainly relate to Telecom Italia. The residual term of leases was 8.1 years at 30 June 2011.

Vacancy rate and type: 4.2%

The spot financial vacancy at 30 June 2011 was 4.2% for the core portfolio versus 2.9% at 31 December 2010.

6. UNPAID RENT

(€ millions)	H1 2010	2010	H1 2011
% of annualised rental	0.0%	1.7%	1.3%
In value	0.0	3.7	1.4

7. DISPOSALS: €64 million, 1.8% above appraised values

Limited amount of sales but in line with the level of purchases:

- + 1.8% above appraised values
- 4.7% yield on acquisitions and promises,
- 50% of sales and sale agreements relate to Telecom Italia assets and contribute to the reduction in the Italian telecoms operator's share as largest tenant.

(€ millions)	Disposals*	Sales agreement*	Total	Margin vs accounting values H1 2011 (disposals+sales agreement)	Yield excl. TD** (disposals+sales agreement)
Milano	0.5	30.9	31.4	0.1%	4.8%
Roma	0.0	4.3	4.3	0.9%	5.0%
Others	21.0	7.0	27.9	4.1%	4.6%
Total	**21.4**	**42.2**	**63.6**	**1.8%**	**4.7%**

* Gross selling price

** Gross yield on sellig price

8. ACQUISITIONS: €25 million

During the first semester, Beni Stabili completed the acquisition of a multi-tenant asset located on Via Pergolesi in Milan for a price of €25 million excluding transfer fees and duties.

9. DEVELOPMENT PROJECTS

Deliveries of assets

In H1 2011, the Galleria del Corso development project was delivered to Coin, complying with the commitments on which both partners agreed upon previously. The work expenses at 30 June 2011 were €40 million.

Assets under development

(M€)	Typologie d'actifs	Localisation	Surface (m²)	% de preloués	Date de livraison
GARIBALDI COMPLEX *	Office	Milan	23 194	100%	1-déc.-12
GALLERIA DEL CORSO - EXCELSIOR	Retail	Milan	5 750	100%	1-sept.-11
SCHIEVANO	Office	Milan	23 737	0%	1-déc.-14
RIPAMONTI AREA	Office	Milan	69 466	0%	1-déc.-14
SAN NICOLAO	Office	Milan	TBD	0%	1-mars-13
Total			**122 147**		

10. PORTFOLIO VALUATION

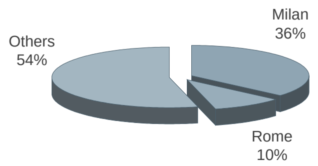
Change in assets

(€ millions)	2010* Value excl. TD	Change in value	Acquisitions	Disposals	Investments	Reclassification	H1 2011 Value excl. TD*
Core portfolio	3 709.5	9.1	25.1	0.0	10.1	-84.6	3 669.3
Dynamic portfolio	353.0	5.4	0.0	-20.0	0.4	0.0	338.8
Total excluding developments	**4 062.5**	**14.5**	**25.1**	**-20.0**	**10.5**	**-84.6**	**4 008.1**
Development portfolio	269.0	-4.8	0.0	-0.5	21.7	84.6	370.1
Total	**4 331.5**	**9.8**	**25.2**	**-20.4**	**32.1**	**0.0**	**4 378.2**

* Transfert duties

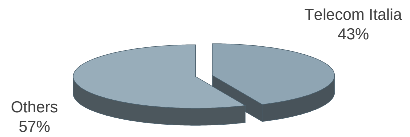
Geographic breakdown

(€ million)	Total	%
Milan	1 590.9	36.3%
Rome	423.6	9.7%
Others	2 363.7	54.0%
Total	**4 378.2**	**100.0%**



Breakdown by tenant

(€ million)	Total	%
Telecom Italia	1 892.0	43.2%
Others	2 486.2	56.8%
Total	**4 378.2**	**100.0%**



Like-for-like change: + 0.2%

The value of the Beni Stabili portfolio increased by + 0.23%, like for like, over H1 2011.

(€ millions)	2010 consolidated value excl. duties	H1 2011 consolidated value excl. Duties	H1 2011 value excl. duties (Group share)	Like-for-like change 6 months	Yield excl. duties 2010	Yield excl. duties H1 2011	% of total value
Core portfolio	3 709.5	3 669.3	1 866.6	0.3%	5.8%	5.6%	83.8%
Dynamic portfolio	353.0	338.8	172.3	1.6%	3.5%	3.4%	7.7%
Total excl. developments	**4 062.5**	**4 008.1**	**2 038.9**	**0.4%**	**5.6%**	**5.4%**	**91.5%**
Development portfolio	269.0	370.1	188.3	-1.3%	0.0%	0.0%	8.5%
Total	**4 331.5**	**4 378.2**	**2 227.2**	**0.2%**	**5.1%**	**5.0%**	**100.0%**

(€ millions)	2010 consolidated value excl. duties	H1 2011 consolidated value excl. Duties	H1 2011 value excl. duties (Group share)	Like-for-like change 6 months	Yield excl. duties 2010	Yield excl. duties H1 2011	% of total value
Milan	1 913.2	1 590.9	809.3	-0.2%	4.4%	4.3%	36.3%
Rome	421.3	423.6	215.5	0.5%	5.3%	5.3%	9.7%
Other	1 728.0	1 993.6	1 014.1	0.8%	6.6%	6.3%	45.5%
Total excl. developments	**4 062.5**	**4 008.1**	**2 038.9**	**0.4%**	**5.6%**	**5.4%**	**91.5%**
Development portfolio	269.0	370.1	188.3	-1.3%	0.0%	0.0%	8.5%
Total	**4 331.5**	**4 378.2**	**2 227.2**	**0.2%**	**5.1%**	**5.0%**	**100.0%**

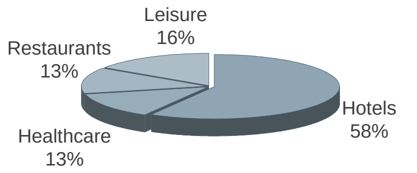
C. SERVICE SECTOR

Foncière des Murs, 25.1%-owned by Foncière des Régions, is a Listed Real Estate Investment Company (Société d'Investissements Immobiliers Cotée, SIIC) specialised in business premises especially in the hotel, restaurant, health and leisure sectors. The company's investment policy promotes partnerships with operators that are leaders in their business sector, with the aim of offering secure yields to its shareholders..

1. RECEIPTED RENT

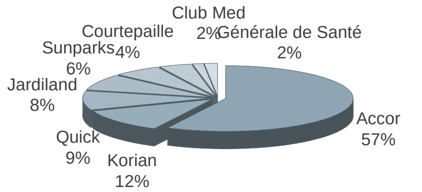
Breakdown by business segment

(€ million)	Area (sq.m)	Number of assets	H1 2010 rental income	H1 2011 rental income	Change (%)	Like-for-like change (%)
Hotels	1 032 761	196	58.2	60.0	3.1%	5.3%
Healthcare	233 213	54	12.9	13.5	4.6%	6.1%
Restaurants	160 598	177	13.5	13.5	0.2%	-1.2%
Leisure	64 776	63	16.0	16.1	0.7%	0.7%
Total	**1 491 348**	**490**	**100.5**	**103.1**	**2.5%**	**3.3%**



Breakdown by tenant

(€ million)	Area (sq.m)	Number of assets	H1 2010 rental income	H1 2011 rental income	Change (%)	Like-for-like change (%)
Accor	839 556	178	58.2	58.5	0.6%	5.3%
Korian	193 205	50	11.3	11.9	4.7%	6.4%
Quick	47 141	106	9.4	9.5	0.9%	-1.2%
Jardiland	186 072	58	8.2	8.2	-0.8%	-0.8%
Sunparks	133 558	4	6.3	6.4	2.2%	2.2%
Courtepaille	27 040	71	4.1	4.0	-1.2%	-1.2%
Club Med	45 813	1	1.6	1.6	3.2%	3.2%
Générale de Santé	18 963	4	1.5	1.6	3.9%	3.9%
B&B	47 182	18	0.0	1.5	0.0%	0.0%
Total	**1 538 530**	**490**	**100.5**	**103.1**	**2.5%**	**3.3%**

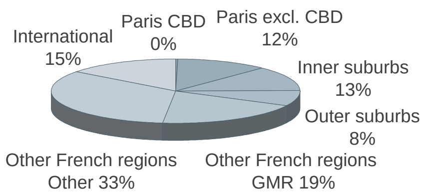


Geographic breakdown

(€ million)	Area (sq.m)	Number of assets	H1 2010 rental income	H1 2011 rental income	Change (%)	Like-for-like change (%)
Paris CBD*	0***	0***	0.3	0.3	7.8%	0.0%
Paris excl. CBD	103 974	15	12.2	12.2	0.1%	0.0%
Inner suburbs	156 060	33	12.6	13.0	2.5%	0.0%
Outer suburbs	103 211	47	7.8	8.0	2.3%	0.0%
Total Paris Region	**363 244**	**95**	**32.9**	**33.5**	**1.6%**	0.0%
Other French regions - GMR**	301 824	101	19.9	19.8	-0.6%	0.0%
Other French regions - Other	578 825	259	34.2	34.6	1.2%	0.0%
International	294 637	35	13.5	15.2	12.9%	0.0%
Total	**1 538 530**	**490**	**100.5**	**103.1**	**2.5%**	**3.3%**

* CBD comprising the 1st, 2nd, 8th, 9th, 16th and 17th arrondissements

** GMR: Bordeaux, Grenoble, Lille, Lyon, Aix/Marseille, Metz, Montpellier, Nantes, Nice, Rennes, Strasbourg, Toulouse



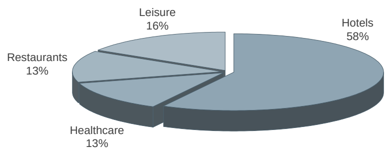
Foncière des Murs consolidated revenue in H1 2011 was €103.1 million, up 2.5% on H1 2010. This increase (+ €2.6 million) was due to:

- the increase in rental income in the hotel sector linked to increased revenue by Accor hotels: (+ €3.3 million)
- the impact of acquisitions (in particular a portfolio of 18 B&B hotels): + €1.7 million
- the impact of indexation of rents in the health, restaurant and leisure segments: + €0.7 million
- the impact of disposals in 2010 and 2011: - €3.1 million

2. ANNUALISED RENTAL INCOME

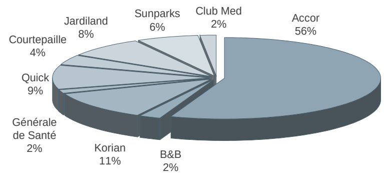
Breakdown by business segment

(€ million)	Area (sq.m)	Number of assets	H1 2010 rental income	H1 2011 annualised rental income*	Change (%)
Hotels	1 032 761	196	112.8	117.6	4.3%
Healthcare	233 213	54	25.9	26.1	0.9%
Restaurants	160 598	177	27.0	27.3	1.0%
Leisure	64 776	63	32.0	32.6	1.8%
Total	**1 491 348**	**490**	**197.7**	**203.6**	**3.0%**



Breakdown by tenant

(€ million)	Area (sq.m)	Number of assets	H1 2010 rental income	H1 2011 annualised rental income*	Var (%)
Accor	839 556	178	112.8	113.0	0.2%
B&B	193 205	18	0.0	4.7	0.0%
Korian	47 141	106	22.8	22.9	0.5%
Générale de Santé	186 072	58	3.1	3.2	3.2%
Quick	133 558	4	18.8	19.2	2.2%
Courtepaille	27 040	71	8.2	8.1	-1.7%
Jardiland	45 813	58	16.3	16.3	0.0%
Sunparks	18 963	4	12.5	13.0	3.8%
Club Med	47 182	1	3.1	3.3	5.8%
Total	**1 538 530**	**498**	**197.7**	**203.6**	**3.0%**

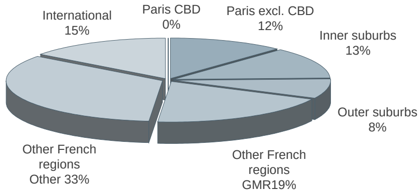


Geographic breakdown

(€ million)	Area (sq.m)	Number of assets	H1 2010 rental income	H1 2011 annualised rental income*	Change (%)
Paris CBD*	0***	0	0.6	0.0	-100.0%
Paris excl. CBD	103 974	15	24.4	24.1	-1.0%
Inner suburbs	156 060	33	25.3	25.6	1.4%
Outer suburbs	103 211	47	15.7	15.7	0.5%
Total Paris Region	**363 244**	**95**	**65.8**	**65.4**	**-0.5%**
Other French regions - GMR**	301 824	101	39.8	39.2	-1.6%
Other French regions - Other	578 825	259	68.4	68.9	0.7%
International	294 637	35	23.7	30.1	26.9%
Total	**1 538 530**	**490**	**197.7**	**203.6**	**3.0%**

* Central Business District (CBD) comprising the 1st, 2nd, 8th, 9th, 16th and 17th arrondissements

** GMR comprising Bordeaux, Grenoble, Lille, Lyon, Aix/Marseille, Metz, Montpellier, Nantes, Nice, Rennes.



3. INDEXATION

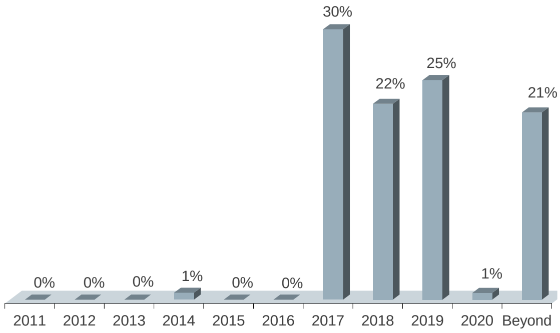
Only the Korian portfolio was impacted by indexation. This was in January 2011 based on the rental reference index IRL, with an impact of €0.6 million compared to 30 June 2010.

The indexation of Jardiland, a third of which was based on the commercial rents index ILC and two-thirds on the IRL (lease reference index) will occur in July 2011. The next annual indexation of the Quick and Courtepaille portfolios, based on the ILC, will occur in October 2011.

4. LEASE EXPIRY SCHEDULE AND VACANCIES

€ milion	By lease end date*	% of total
2011	0.0	0%
2012	0.0	0%
2013	0.0	0%
2014	1.6	1%
2015	0.0	0%
2016	0.0	0%
2017	62.1	30%
2018	45.0	22%
2019	50.4	25%
2020	1.6	1%
Beyond	43.0	21%
Total	**203.6**	**100%**

* Based on annualised rental income for 30 june 2011



The residual length of leases was 8.5 years at 30 June 2011 versus 8.7 years at 31 December 2010. The mechanical decline in the duration was partially offset by the signing of new leases, particularly in the acquired portfolios.
Vacancy in the portfolio at 30 June 2011 was zero, as was the case at 31 December 2010.

5. UNPAID RENT

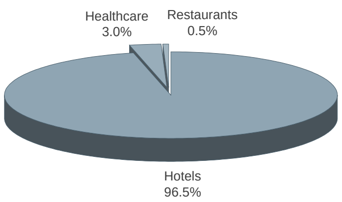
The portfolio was not impacted by unpaid rent in H1 2011, as was the case in 2010.

6. DISPOSALS

In H1 20011, Foncière des Murs sold 9 Accor hotels and 2 retirement homes for €86.1 million.
It also signed sale agreements for 22 Accor hotels for a total of approximately €300 million with private and institutional investors, including two portfolios that should be sold during H2:

- €132.9 million Accor assets under preliminary sales agreement (in France and Belgium)
- €142 million Accor assets under preliminary sales agreement were sold, 80.1% of them to Prédica and 19.9% to Foncière des Murs

(€ million)	Disposals	Sales agreements	Total	Margin vs v alues at 2010	Yield rate excl. duties
Hotels	74.2	301.7	375.9	3.9%	0.0%
Healthcare	11.8	0.0	11.8	1.6%	0.0%
Restaurants	0.0	1.8	1.8	0.0%	0.0%
Leisure	0.0	0.0	0.0	0.0%	-
Total	**86.1**	**303.5**	**389.5**	**3.8%**	**6.5%**



7. ACQUISITIONS

In H1 2011, Foncière des Murs acquired 18 hotels operated by B&B in Germany, for €61.9 million excluding duties with a yield of 7.6%. This portfolio is wholly owned by Foncière des Murs.

During H1 2011, Foncière des Murs also completed the acquisition of a portfolio of 32 Campanile hotels located in France, from the Louvre Hotels Group, with rents varying depending on revenue.

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

(€ million)	Acquisition price	Yield rate excl. duties
Hotels	62.0	7.6%
Group share FdM* (20%) portfolio Campanile	34.0	7.5%
Total	**96.0**	**7.5%**

* Foncière des Murs

8. DEVELOPMENT PROJECTS

Foncière des Murs financed €2.6 million in investment for works in H1 2011, mainly on Accor assets.

9. PORTFOLIO VALUATION

Change in assets

(€ million)	2010 value excl. duties	Yield excl. duties 2009	Value adjustment	Acquisitions	Disposals	Investments	H1 2011 value excl. duties
Assets in operation	3124.2	0.1	73.4	62.0	-82.9	3.6	**3180.2**
Assets under development	0.0	0.0	0.0	0.0	0.0	0.0	**0.0**
Total	**3124.2**	**0.0**	**73.4**	**62.0**	**-82.9**	**3.6**	**3180.2**

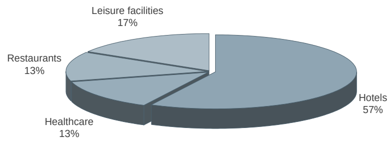
At 30 June 2011, Foncière des Murs assets were valued at €3,180 excluding duties, up 2.5% over the half year on a like-for-like basis.
The increase in value is mainly due to the increase in Accor hotels revenues (+5.3%) and the indexations for fixed-rent assets.

Change in Assets on a like-for-like basis:

In the hotels sector, values rose by €58 million, up 3.4% on 31 December 2010 on a like-for-like basis. This change was mainly due to the 4.8% increase in variable rents over six months, in line with increase in Accor revenues.

The health sector improved by 2.4% over the six months, under the combined impact of the 1.1% rise in rents due to indexation in the period and the decline in yield rates.

(€ million)	2010 consolidated value excl. duties	H1 2011 consolidated value excl. duties	H1 2011 value excl. duties (Group share)	Like-for-like change 6 months	Yield excl. duties 2010	Yield excl. duties H1 2011
Hotels	1783	1833	459	3.4%	6.3%	6.4%
Healthcare	418	416	104	2.4%	6.5%	6.4%
Restaurants	406	406	102	0.1%	6.7%	6.7%
Leisure facilities	518	525	132	1.6%	6.2%	6.2%
Total	**3124**	**3180**	**797**	**2.5%**	**6.4%**	**6.4%**



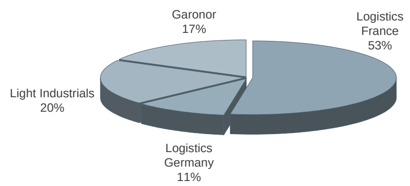
D. LOGISTICS

Foncière Europe Logistique, which is 81.7%, owned by Foncière des Régions, is a listed real estate investment company (SIIC) that specialises in logistics assets and business parks.

1. RECEIPTED RENT

Breakdown by business segment

(€ million)	Area (sq.m)	Number of assets	H1 2010 rental income	H1 2011 rental income	Change (%)	Like-for-like change (%)
Logistics - France	1 031 546	28	22.5	22.4	-0.4%	-0.6%
Logistics - Germany	204 170	7	4.3	4.5	4.2%	4.2%
Light Industrials	234 212	4	9.1	8.4	-7.2%	-7.2%
Garonor	345 685	1	7.6	7.3	-3.4%	-3.4%
Total	**1 815 613**	**40**	**43.4**	**42.6**	**-1.9%**	**-2.0%**



Rental income at 30 June 2011 was €42.6 million, down 1.9% from 30 June 2010. This is due to:

- a decline in rental income of €0.9 million, a like-for-like basis.

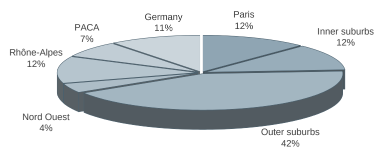
The change in rental income on a like-for-like basis is explained mainly by:

- the impact of re-letting and exits in 2010 and 2011: - €0.7 million
- renewals in 2010: - €0.3 million
- indexation: +€0.1 million.

Geographic breakdown

(€ million)	Area (sq.m)	Number of assets	H1 2010 rental income	H1 2011 rental income	Change (%)	Like-for-like change (%)
Paris	85 421	3	5.3	5.2	-2.1%	-2.1%
Inner suburbs	213 503	2	5.6	4.9	-12.3%	-12.3%
Outer suburbs	751 553	12	18.5	18.0	-2.4%	-2.7%
Total Paris Region	**1 050 477**	**17**	**29.5**	**28.2**	**-4.3%**	**-4.4%**
Nord Ouest	69 513	4	1.6	1.7	10.0%	10.0%
Rhône-Alpes	323 910	9	5.3	5.1	-4.9%	-4.9%
PACA*	167 543	3	2.8	3.1	13.2%	13.2%
Germany	204 170	7	4.3	4.5	4.2%	4.2%
Total	**1 815 613**	**40**	**43.4**	**42.6**	**-1.9%**	**-2.0%**

* Provence Alpes Côte d'Azur

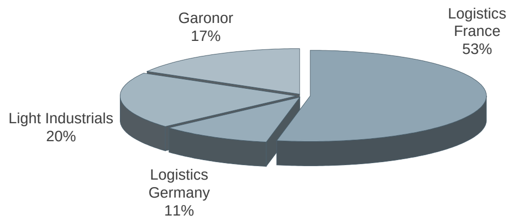


2. ANNUALISED RENTAL INCOME

Breakdown by business sector

(€ million)	Area (sq.m)	Number of assets	H1 2011 annualised rental income *	Reversionary potential
Logistics - France	1 031 546	28	46.6	
Logistics - Germany	204 170	7	9.3	
Light Industrials	234 212	4	17.5	
Garonor	345 685	1	14.7	
Total	**1 815 613**	**40**	**88.1**	**1.2%**

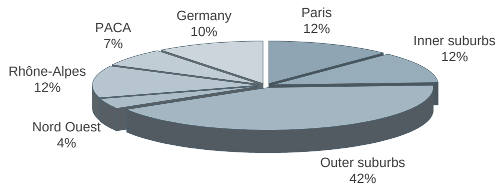
* Annualised rental income at end of period



Geographic breakdown: IDF represents 66% of rental income

(€ million)	Area (sq.m)	Number of assets	H1 2011 annualised rental income *	Reversionary potential
Paris	85 421	3	10.8	
Inner suburbs	213 503	2	10.5	
Outer suburbs	751 553	12	37.0	
Total Paris Region	**1 050 477**	**17**	**58.4**	
Nord Ouest	69 513	4	3.5	
Rhône-Alpes	323 910	9	10.7	
PACA**	167 543	3	6.3	
Germany	204 170	7	9.2	
Total	**1 815 613**	**40**	**88.1**	**1.2%**

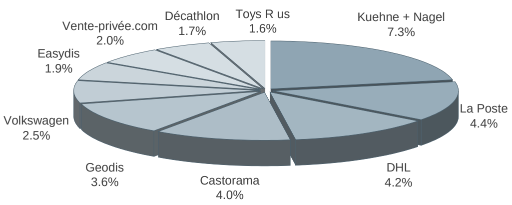
* Annualised rental income at end of period
** Provence Alpes Côte d'Azur



Breakdown by tenant: the 10 largest accounts represent 33% of rental income

(€ million)	Area (sq.m)	Number of assets	2010 annualised rental income *
Kuehne + Nagel	127 443	5	6.4
La Poste	66 366	5	3.9
DHL	49 091	5	3.7
Castorama	69 209	5	3.5
Geodis	86 824	1	3.2
Volkswagen	45 033	1	2.2
Vente-privée.com	40 846	1	1.8
Easydis	32 500	1	1.7
Décathlon	24 939	1	1.5
Toys R us	27 282	1	1.4
Total	**569 533**	**26**	**29.3**

* Annualised rental income at end of period



3. INDEXATION

The indices used for calculating rent indexation are the Construction Cost Index in France and the Consumer Price Index in Germany. On all of the assets, about fifteen tenants have a structured indexation that varies mainly between 1.5% and 3.5%.

4. RENTAL BUSINESS

Rental business in H1 2011 was strong with nearly 141,000 m² leases signed for €6 million rental income, broken down as follows:

(sq.m)	Logistics France	Logistics Germany	Business parks	Garonor	Total
Renewals	14 729	0	9 411	3 303	27 443
New lettings	81 996	0	21 564	10 569	114 129
Total H1 2010	**96 725**	**0**	**30 975**	**13 872**	**141 572**

The main transactions were:

Renouvellements	Locataires	Surfaces (m²)
Corbas 24 août	Walter Mauffrey	14 729
Pantin	Vetsoca	9 411
Aulnay	Central Consulting	3 198

Nouvelles locations	Locataires	Surfaces (m²)
Pantin	La Plateforme	17 721
Gennevilliers	Kuehne & Nagel	14 512
Saint Quentin Fallavier	Mory	13 275
Bollène	ID Logistic	11 983
Saint-Ouen l'Aumône	Geodis	9 753
Genas	Auchan	8 840
Sénart	Schenker Joyau	7 448

During H1 2011, by portfolio:

- 7.9% of Logistics France rents were renegotiated or renewed, for €3.7 million in annual rental income
- 10% of Business Premises rents were renegotiated or renewed, for €1.8 million in annual rental income
- 3.5% of rents at Garonor Aulnay were renegotiated or renewed, for €0.5 million in annual rental income

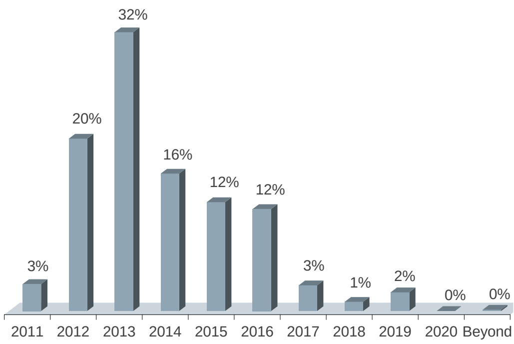
5. EXPIRY SCHEDULE AND VACANCIES

■ Lease expiry schedule: 2 years, 4 months of firm residual lease term

Firm residual term of current leases is 2 years, 4 months (2 years, 7 months for Logistics; 1 year, 2 months for Business Premises; and 1 year, 9 months at Garonor Aulnay) as at 30 June 2011, with the following profile:

€ milion	By lease end date	% of total
2011	2.7	3%
2012	17.2	20%
2013	27.9	32%
2014	13.7	16%
2015	10.9	12%
2016	10.2	12%
2017	2.6	3%
2018	0.9	1%
2019	1.9	2%
2020	0.0	0%
Beyond	0.1	0%
Total	**88.1**	**100%**

* Based on annualised rental income for 30 june 2011



The signing of new leases stabilised the total residual duration of the portfolio compared to 31 December 2010 (2 years, 5 months).

Vacancy rate and type: improvement in occupancy rates to 89.4%

The financial vacancy rate on operating property was 8.1% at 30 June 2011 versus 10.4% at 31 December 2010. This improvement is correlated to the signing of new leases mainly in Pantin, Saint Quentin Fallavier and Bollène. The financial vacancy rate on operating property, per segment, is as follows:

Financial operating vacancy

(%)	2010	H1 2011
Logistics - France	11.5%	8.3%
Logistics - Germany	0.6%	0.8%
Light Industrials	12.6%	9.8%
Garonor	9.9%	10.0%
Total	**10.4%**	**8.1%**

6. UNPAID RENT

(M€)	À fin 2010	À fin juin 2011
En % du loyer annualisé	6,1%	6,2%
En valeur	5,4	5,4

Unpaid rent at 30 June 2011 was €5.4 million, up slightly on 31 December 2010.

7. DISPOSALS

(€ million)	Disposals	Sales agreements	Total	Margin vs values at 2010	Yield rate
Tri-Postal	8.7	0.0	8.7	0.0%	0
La Halle Sernam	0.0	9.5	9.5	0.0%	0
Total	**8.7**	**9.5**	**18.22**	**0**	**0**

Foncière Europe Logistique sold the Tri-Postal asset on 7 March 2011 for €8.7 million. Note that, in 2010, Foncière Europe Logistique signed a preliminary sale agreement on the Halle Sernam asset with the intended date the end of 2011.

8. DEVELOPMENT PROJECTS

Foncière Europe Logistique launched two major sites in H1 2011:

- Garonor redevelopment: two BEFA signed in H1 2011 with Transport Vaquier (9,200 m²) and AFT Iftim (1,750 m²), marking the start of the redevelopment of the south part of the site for a total budget of €9 million and projected delivery at the end of 2012.
- It also holds two properties in Bollène and Dunkirk, including two future buildings that will start construction as and when they are marketed and sold.

9. PORTFOLIO VALUATION

■ Change in assets

(€ million)	2010 value excl. duties	Value adjustment	Acquisitions	Disposals	Investments	H1 2011 value excl. duties
Logistics - France	622.4	5.0	0.0	0.0	0.4	627.8
Logistics - Germany	107.8	-0.3	0.0	0.0	0.0	107.5
Light Industrials	232.3	-1.5	0.0	0.0	2.0	232.8
Garonor	200.2	-0.5	0.0	0.0	0.7	200.4
Assets in operation	**1 162.7**	**2.7**	**0.0**	**0.0**	**3.2**	**1 168.6**
Triname (not in operation)	18.2	0.0	0.0	-8.7	0.0	9.5
Total	**1 180.9**	**2.7**	**0.0**	**-8.7**	**3.2**	**1 178.1**

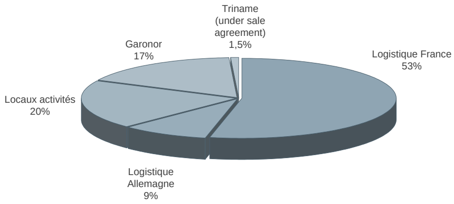
■ Change in Assets on a like-for-like basis:

The total change in appraisal values on a like-for-like basis over 6 months was 0.5% for the portfolio. This slight change was mainly due to a steady capitalisation rate in H1 (after a tightening in the region of 50 bps in 2010) and stable rental values.

The total operating portfolio was valued on the basis of annualised yield on rents of 7.6% at 30 June 2011, steady as compared to 31 December 2010.

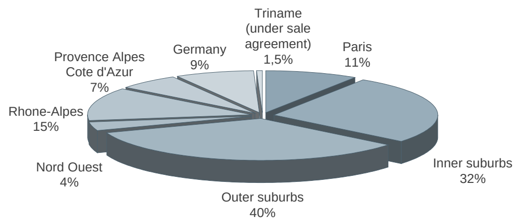
(€ million)	2010 consolidated value excl. duties	H1 2011 consolidated value excl. duties	H1 2011 value excl. duties (Group share)	Like-for-like change 6 months	Yield excl. duties 2010*	Yield excl. duties H1 2011*
Logistics - France	622.4	627.8	512.8	0.9%	7.4%	7.4%
Logistics - Germany	107.8	107.5	87.8	-0.3%	8.5%	8.6%
Light Industrials	232.3	232.8	190.1	0.2%	7.4%	7.6%
Garonor	200.2	200.4	163.7	0.1%	7.5%	7.5%
Total in operation	**1162.7**	**1168.6**	**954.5**	**0.5%**	**7.6%**	**7.6%**
Triname (under sale agreement)	18.2	9.5	7.8	0.0%	0.0%	0.0%
Total	**1180.9**	**1178.1**	**962.2**	**0.5%**	**7.6%**	**7.6%**

* Based on annualised rent
For information, yields disclosed end of 2010 were based on potential rent (8,5%)



(€ million)	2010 consolidated value excl. duties	H1 2011 consolidated value excl. duties	H1 2011 value excl. duties (Group share)	Like-for-like change 6 months	Yield excl. duties 2010*	Yield excl. duties H1 2011*
Paris	127.3	127.8	104.4	0.4%	8.5%	8.5%
Inner suburbs	150.0	150.0	122.5	0.0%	6.8%	6.9%
Outer suburbs	471.5	474.1	387.2	0.6%	7.8%	7.8%
Total Paris Region	**748.8**	**751.9**	**614.1**	**0.4%**	**7.8%**	**7.7%**
Nord Ouest	45.0	45.7	37.3	1.6%	7.8%	7.7%
Rhone-Alpes	176.8	178.2	145.6	0.8%	6.0%	6.1%
Provence Alpes Cote d'Azur	84.3	85.2	69.6	1.1%	7.5%	8.0%
Germany	107.8	107.5	87.8	-0.3%	8.5%	8.6%
Total in operation	**1162.7**	**1168.6**	**954.5**	**0.5%**	**7.6%**	**7.6%**
Triname (under sale agreement)	18.2	9.5	7.8	0.0%	0.0%	0.0%
Total	**1180.9**	**1178.1**	**962.2**	**0.5%**	**7.6%**	**7.6%**

* Based on annualised rent



5. FINANCIAL ELEMENTS AND COMMENTS

The activity of Foncière des Régions consists in the acquisition, ownership, administration and leasing of properties, developed or otherwise, and specifically of offices, logistics warehouses, service sector facilities and car parks.

Incorporated in France, Foncière des Régions is a limited liability company with a Board of Directors since the Shareholders' Meeting of 31 January 2011 which modified its corporate governance structure, previously composed of a Supervisory Board and a Management Board.
It is consolidated by Delfin as an equity associate.

A. SCOPE OF CONSOLIDATION

As at 30 June 2011, the scope of consolidation of Foncière des Régions included companies located in France and five other European countries (Offices segment in Italy, Logistics in Germany, Business Premises in Portugal and Belgium, and Luxembourg. The main changes in percentage holdings during the year were as follows:

Subsidiaries	2010	H1 2011
Foncière Développement Logements	34.1%	33.7%
Foncière des Murs	25.1%	25.1%
Foncière Europe Logistique	67.1%	81.7%
Beni Stabili	50.9%	50.9%
CB 21	75.0%	75.0%
Urbis Park	59.5%	59.5%
IBM	100.0%	100.0%

Foncière des Régions' average stake in Beni Stabili at 30 June 2011 was 50.90% versus 68.88% at 30 June 2011. Foncière des Régions' stake in Beni Stabili dropped from 73.1% at 31 December 2009 to 50.9% at 31 December 2010 after FdR sold some of Beni Stabili shares and paid out a dividend partially in the form of Beni Stabili shares.

In May 2011, Foncière des Régions bought an additional 14.59% in Foncière Europe Logistique, increasing its holdings in the company to 81.67% as at 30 June 2011. Its average stake during the period was 71.15%.

On 28 December 2010, Foncière des Régions sold 25% of the CB 21 Tower holding company. The holding company's stake at 30 June 2011 was 75% versus 100% at 30 June 2010.

B. ACCOUNTING PRINCIPLES

The consolidated financial statements are prepared in accordance with the international accounting standards issued by the IASB (International Accounting Standards Board) and adopted by the European Union as at the closing date. These standards include IFRS (International Financial Reporting Standards) and IAS (International Accounting Standards) principles as well as their interpretations. They were approved by the Board of Directors on 26 July 2011.

The semi-annual short-form consolidated financial statements were prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union.

C. EPRA INCOME STATEMENT

(€ million)	Consolidated data		Group share data		Group share change
	H1 2010	H1 2011	H1 2010	H1 2011	%
Rental income	388.0	391.7	264.5	245.4	-7.2%
Unrecovered rental costs	-11.5	-10.1	-7.7	-6.4	-17%
Expenses on properties	-5.7	-4.7	-3.8	-2.9	-25%
Net expenses on unrecoverable receivables	-2.8	-2.1	-2.1	-1.2	-41%
Net rental income	**368.0**	**374.8**	**250.9**	**235.0**	**-6%**
	0.0	0.0	0.0	0.0	*-4.3%*
Management and administration revenues	10.1	11.8	12.6	11.6	-8%
Activity-related costs	-1.9	-2.2	-1.4	-1.8	28%
Committed fixed costs	-39.1	-37.1	-30.2	-28.7	-5%
Development costs	0.0	-0.1	0.0	0.0	n.a.
Net cost of operations	**-30.9**	**-27.6**	**-19.0**	**-18.8**	**-1%**
Income from other activities	6.7	9.3	4.0	6.1	54%
Depreciation of operating assets	-4.5	-7.5	-3.1	-5.1	66%
Net change in provisions and other	28.9	-1.4	17.6	-0.2	n.a.
Current operating income	**368.2**	**347.5**	**250.5**	**216.9**	**-13%**
Net income from inventory properties	-4.7	0.0	-3.2	0.0	n.a.
Income from asset disposals	-0.1	8.6	0.1	6.1	n.a.
Income from value adjustments	163.3	162.2	117.3	91.4	n.a.
Income from disposal of securities	0.0	0.0	0.0	0.0	n.a.
Income from changes in scope	12.3	-0.2	12.4	-0.1	n.a.
Operating income	**539.0**	**518.0**	**377.0**	**314.3**	**-17%**
Income from non-consolidated companies	0.0	-0.3	0.0	-0.3	n.a.
Cost of net financial debt	-173.6	-149.0	-117.0	-91.2	-22%
Value adjustment on derivatives	-207.6	53.9	-132.9	34.4	-126%
Discounting of liabilities and receivables	-0.6	-0.9	-0.4	-0.8	98%
Net change in financial and other provisions	-11.4	-11.3	-8.1	-6.8	-16%
Share in earnings of affiliates	9.1	52.1	8.1	50.7	n.a.
Pre-tax income	**154.9**	**462.6**	**126.7**	**300.3**	**n.a.**
Deferred tax	-13.7	13.5	-12.5	18.2	-245%
Corporate income tax	-19.2	-5.7	-13.5	-3.3	-75%
Net income for the period	**122.0**	**470.3**	**100.7**	**315.1**	**n.a.**
Minority interests	-21.3	-155.2	0.0	0.0	0%
Net income for the period (Group share)	**100.7**	**315.1**	**100.7**	**315.1**	**n.a.**

■ Rental income

Group share of rental income declined by 7.2% to €245 million (vs €264 million) mainly due to its lower stake in Beni Stabili. The holding company's stake fell from 68.88% (average rate) to 50.9% (€74.7 million rental income in June 2010 versus €55.8 million in June 2011, an 18.8% decline in the Group's share of rental income.

The commissioning of the CB 21 Tower in the second half of 2010 (+€9.6 million) and the full consolidation of IBM (+€2.3 million) were mainly offset by the impact of sales and vacancies.
The increased stake in Foncière Europe Logistique in May 2011 also had an impact of €1.2 million during the half-year. Rental income from Business Premises increased by 2.5% (+€0.6 million) due to strongly rising rents in the hotel sector.

On a consolidated basis, rental income rose by 1% (+€3.7 million):

- Business Premises: +€2.5 million (+2.5%)
- Italy Offices: +€1.2 million (1.1%)
- France Offices: +€0.8 million (0.6%)
- Logistics and Business Parks: -€0.8 million (1.9 %)

Operating costs

€ million	H1 2010		H1 2011		Change (%)	
	Group share	Total	Group share	Total	Group share	Total
Management and administration revenues	12.6	10.1	11.6	11.8	-7.8%	16.4%
Activity-related costs	-1.4	-1.9	-1.8	-2.2	27.5%	12.6%
Committed fixed costs	-30.2	-39.1	-28.7	-37.1	-5.1%	-5.1%
Development costs	0.0	0.0	0.0	-0.1	0.0%	0.0%
TOTAL NET OPERATING COSTS	**-19.0**	**-30.9**	**-18.8**	**-27.6**	**-0.8%**	**-10.7%**

Group share of net operating costs was €18.8 million at 30 June 2011 (€27.6 million on consolidated basis), versus €19 million at 30 June 2010 (€30.9 consolidated), down 0.8%.

Group share of management and administration income mainly includes services billed to subsidiaries (in proportion to non-controlling interests), property management fees and the services of the fund management company, Beni Stabili Gestioni SGR.

Structural costs, down 5.1% (Group share and consolidated) reflecting good cost control, consist mainly of payroll expenses, consultancy fees, auditors' fees, and premises, communication and IT costs.

Income from other activities

Income from other activities concern car parks and finance leasing. Car parks generated additional net income following the acquisition of the SPF Group in December 2010 and an additional 8% in revenue.

Depreciation and provisions

Allowance for depreciation and provisions over the period consist mainly of depreciation on operating buildings and car parks.

Change in fair value of assets

The income statement shows the value adjustments for assets based on appraisals carried out on the portfolio. For H1 2011, the fair value adjustment on investment assets was positive, with €91.4 million Group share (€162.2 million consolidated).

Operating income, Group share, was €314.3 million.

Financial aggregates

Financial expenses were €91.2 million (vs €117 million) and €149 million (vs €173.6 million) consolidated. This sharp drop mainly results from debt reduction and from the improvement in the cost of debt.

The change in fair value of financial instruments was +€34.4 million Group share (+€53.9 million consolidated) at 30 June 2011 versus -€132.9 million Group share (-€207.6 million consolidated) at 30 June 2010. The change was the result of the increase in long rates between the two periods.

Share of earnings of associated companies

Companies	% interest	Value H1 2011	Contribution to earnings	Value 2010	Change
FDL	33.67%	452.1	35.7	419.2	32.9
Altarea	12.09%	110.8	15.0	107.6	3.2
OPCI IRIS INVEST	4.97%	46.3	1.9	21.1	25.2
Other equity interests	0.00%	8.9	-0.5	8.7	0.2
Total	0.00%	**618.1**	**52.1**	**556.6**	**61.5**

Taxation

The tax recognised corresponds to tax for

- Foreign companies not covered by any specific tax system for real estate activities
- French subsidiaries that have not opted for the SIIC real estate trust system
- French SIIC-status subsidiaries with a taxable business (provision of services, etc.)

Recurring net EPRA income

(€ million) Group share	H1 2010	H1 2011	Change	%
Net rental income	250.9	235.0	-16.0	-6.4%
Net operating costs	-18.9	-19.1	-0.2	1.0%
Income from other activities	4.0	6.1	2.2	54.3%
Cost of net financial debt	-101.9	-95.0	6.9	-6.8%
Recurrent net income from equity affiliates	18.3	18.4	0.1	0.4%
Recurrent tax	-13.2	-1.8	11.3	-86.1%
EPRA recurrent net income	**139.3**	**143.6**	**4.3**	**3.1%**
EPRA recurrent net earnings per share	**2.75**	**2.61**	**-0.1**	**-5.1%**
Fair value adjustment on real estate assets	117.2	91.4	-25.8	n.a.
Other asset value adjustments	-17.9	32.3	50.2	n.a.
Fair value adjustment on financial instruments	-132.9	34.4	167.3	n.a.
Other	7.2	-3.3	-10.5	n.a.
Non-recurrent tax	-12.2	16.7	28.9	n.a.
Net income	**100.7**	**315.1**	**214.4**	**n.a.**

	Net income Group share	Restatements		EPRA recurrent net income
Net rental income	**235.0**	**0.0**		**235.0**
Operating costs	**-18.8**	**-0.3**		**-19.1**
Income from other activities	6.1	0.0		6.1
Depreciation of operating assets	-5.1	5.1		0.0
Net change in provisions and other	-0.2	0.2		0.0
Current operating income	**216.9**	**5.1**		**222.0**
Net income from inventory properties	0.0	0.0		0.0
Income from asset disposals	6.1	-6.1		0.0
Income from value adjustments	91.4	-91.4		0.0
Income from disposal of securities	0.0	0.0		0.0
Income from changes in scope	-0.1	0.1		0.0
Operating income	**314.3**	**-92.3**		**222.0**
Income from non-consolidated companies	-0.3	0.3		0.0
Cost of net financial debt	**-91.2**	**-3.8**		**-95.0**
Value adjustment on derivatives	34.4	-34.4		0.0
Discounting of liabilities and receivables	-0.8	0.8		0.0
Net change in financial provisions	-6.8	6.8		0.0
Share in earnings of affiliates	**50.70**	**-32.3**	**(a)**	**18.4**
Pre-tax net income	**300.3**	**-154.9**		**145.4**
Deferred tax	18.2	-18.2		0.0
Corporate income tax	**-3.3**	**1.5**		**-1.8**
Net income for the period	**315.1**	**-171.6**		**143.6**

Recurring net income (old format)

(€ million) Group share	H1 2010	H1 2011	Change	%
Net rental income	248.8	233.8	-15.1	-6.1%
Net operating costs	-10.6	-15.1	-4.5	42.4%
Income from other activities	4.0	6.1	2.2	54.3%
Cost of net financial debt	-101.9	-95.0	6.9	-6.8%
Recurrent net income from equity affiliates	18.3	18.4	0.1	0.4%
Margins on residential sales	7.9	12.8	4.9	62.0%
Recurrent tax	-13.2	-1.8	11.3	-86.1%
Recurrent net income	**153.4**	**159.2**	**5.8**	**3.8%**
Recurrent net earnings per share	**3.0**	**2.9**	**-0.1**	**-3.3%**
Fair value adjustment on real estate assets	117.2	91.4	-25.8	n.a.
Other asset value adjustments	-17.9	32.3	50.2	n.a.
Fair value adjustment on financial instruments	-132.9	34.4	167.3	n.a.
Other	-6.9	-18.9	-12.0	n.a.
Non-recurrent tax	-12.2	16.7	28.9	n.a.
Net income	**100.7**	**315.1**	**214.4**	**n.a.**

	Net income Group share	Restatements	Recurrent net income
Net rental income	**235.0**	**-1.2**	**233.8**
Operating costs	**-18.8**	**3.7**	**-15.1**
Income from other activities	6.1	0.0	6.1
Depreciation of operating assets	-5.1	5.1	0.0
Net change in provisions and other	-0.2	0.2	0.0
Current operating income	**216.9**	**7.9**	**224.8**
Net income from inventory properties	0.0	0.0	0.0
Income from asset disposals	6.1	-6.1	0.0
Income from value adjustments	91.4	-91.4	0.0
Income from disposal of securities	0.0	0.0	0.0
Income from changes in scope	-0.1	0.1	0.0
Operating income	**314.3**	**-89.5**	**224.8**
Income from non-consolidated companies	-0.3	0.3	0.0
Cost of net financial debt	**-91.2**	**-3.8**	**-95.0**
Value adjustment on derivatives	34.4	-34.4	0.0
Discounting of liabilities and receivables	-0.8	0.8	0.0
Net change in financial provisions	-6.8	6.8	0.0
Share in earnings of affiliates	**50.7**	**-32.3**	**18.4**
Margins on residential sales	**0.0**	**12.8**	**12.8**
Pre-tax net income	**300.3**	**-139.3**	**161.0**
Deferred tax	18.2	-18.2	0.0
Corporate income tax	**-3.3**	**1.5**	**-1.8**
Net income for the period	**315.1**	**-156.0**	**159.2**

D. Balance Sheet

Consolidated balance sheet (EPRA format)

(€ million)	2010	H1 2011		2010	H1 2011
Non-current assets	0	0	Shareholders' equity	0.0	0.0
	0.0	0.0	Capital	164.8	164.8
Intangible assets	165.0	161.6	Additional paid-in capital	2 261.9	2 144.2
	0.0	0.0	Treasury stock	-4.8	-2.9
Tangible assets	157.2	155.7	Consolidated reserves	815.1	1 344.9
Investment properties	11 801.6	11 774.2	Earnings	627.2	315.1
	0.0	0.0	**Total shareholders' equity Group share**	**3 864.3**	**3 966.1**
Financial assets	87.6	94.7	Minority interests	2 163.4	2 187.9
Equity affiliates	556.6	618.1	**Total shareholders' equity (I)**	**6 027.7**	**6 154.0**
Deferred tax assets	29.2	23.2		0.0	0.0
Financial instruments	34.8	28.3	Non-current liabilities	0.0	0.0
	0.0	0.0	Long-term borrowings	6 893.0	6 978.3
	0.0	0.0	Financial instruments	563.7	435.9
Total non-current assets (I)	**12 832.1**	**12 855.8**	Deferred tax liabilities	144.2	123.5
Current assets	0.0	0.0	Pension and other liabilities	2.9	2.9
Assets held for sale	999.2	1214.245	Other long-term debt	11.5	11.5
Loans and finance lease receivables	8.1	6.1	**Total non-current liabilities (III)**	**7 615.4**	**7 552.1**
Inventories and work-in-progress	98.6	97.9	Current liabilities	0.0	0.0
Trade receivables	150.3	210.9	Liabilities held for sale	0.0	14.9
Current tax	3.1	8.7	Trade payables	94.2	81.5
Other receivables	183.1	185.0	Short-term borrowings	589.2	1 091.9
Accrued expenses	11.9	21.3	Tenant security deposits	9.6	8.5
Cash and cash equivalents	414.7	699.1	Advances and deposits received on current	46.5	56.2
	0.0	0.0	Short-term provisions	56.8	56.8
	0.0	0.0	Current tax	8.7	4.3
	0	0	Other debt	209.2	231.8
Total current assets (II)	**1 869.1**	**2 443.3**	Accruals	44.0	46.9
	0.0	0.0	**Total current liabilities (IV)**	**1 058.1**	**1 592.9**
Total assets (I+II+III)	**14 701.2**	**15 299.1**	**Total liabilities (I+II+III+IV)**	**14 701.2**	**15 299.1**

Simplified Consolidated Balance Sheet

Assets	H1 2011	Liabilities	H1 2011
Fixed assets	12 856	Shareholders' equity	3 966
Current assets	530	Minority interests	2 188
Cash	699	**Shareholders' equity**	**6 154**
Non-current assets held for sale	1 214	Borrowings	8 070
	0	Other liabilities	1 075
Total	**15 299**	**Total**	**15 299**

Simplified Group Share Balance Sheet

Assets	H1 2011	Liabilities	H1 2011
Fixed assets	8 363	Shareholders' equity	3 966
Equity affiliates	582	Borrowings	5 198
Deferred tax assets	12	Financial instruments	259
Financial instruments	21	Deferred tax liabilities	63
Cash	498	Other	107
Other	116		0
Total	**9 592**	**Total**	**9 592**

Shareholders' equity

Consolidated shareholders' equity (Group share) rose from €3,864 million at 31 December 2010 to €3,966 million at 30 June 2011, up €102 million, due primarily to:

- Net income for the year: +€315 million
- Impact of the 2010 dividend distribution: -€231 million
- Financial instruments in shareholders' equity +€10 million
- Impact of the increased stake in FEL +€10 million

Net debt

Foncière des Régions total financial debt was €8,070 million on a consolidated basis, with €5,198 million Group share. Net debt at 30 June 2011 was €7,371 million, with a Group share of €4,700 million versus €4,558 Group share at 31 December 2010.

Other debt

Other current and non-current debt mainly includes financial instrument liabilities (€436 million, or €259 million Group share) and deferred tax liability on non-French and non-SIIC companies (€146 million, or €51 million Group share).

Financial indicators of the principal subsidiaries

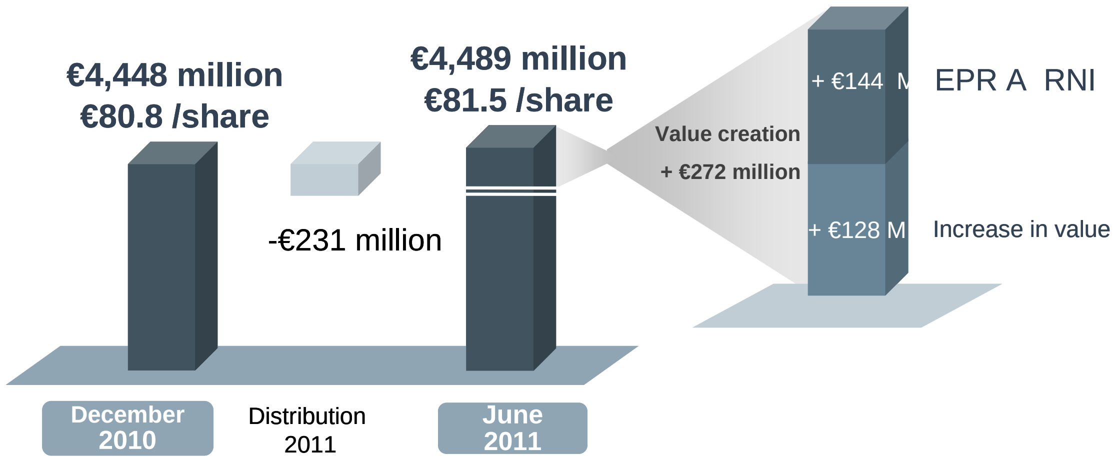
	Foncière des Murs				Fonciere Europe Logistique			
	H1 2010		H1 2011	Change (%)	H1 2010		H1 2011	Change (%)
Recurrent net income (€ million)	51.7		61.5	19%	16.3		19.7	21%
Recurrent net income (€/share)	**1.04**		**1.09**	**5%**	**0.14**		**0.17**	**21%**
EPRA NAV (€/share)	25.0	*	25.9	3.6%	4.36	*	4.37	0%
EPRA triple net NAV (€ million)	**21.6**	*	**23.0**	**6.5%**	**3.52**	*	**3.63**	**3%**
% of capital held by FDR	25.1%	*	25.1%	0%	67.1%	*	81.7%	0.00%
LTV	54.3%	*	50.1%	-9%	57.0%	*	54.7%	-4%
ICR	2.21		2.65	20%	2.05		2.29	12%

	Beni Stabili				Foncière Développement Logements			
	H1 2010		H1 2011	Change (%)	H1 2010		H1 2011	Change (%)
Recurrent net income (€ million)	23.8		44.4	87%	54.9	**	70.8	29%
Recurrent net income (€/share)	**0.0124**		**0.0203**	**64%**	**0.85**		**1.08**	**27%**
EPRA NAV (€/share)	1.144	*	1.123	-1.8%	22.9	*	22.8	0%
EPRA triple net NAV (€ million)	**0.997**	*	**1.011**	**1.4%**	**19.0**	*	**19.4**	**2%**
% of capital held by FDR	50.9%	*	50.9%	0.0%	34.1%	*	33.7%	0.00%
LTV	48.9%	*	51.1%	4%	52.0%	*	49.3%	-5%
ICR	1.73		1.85	0.069	1.85		1.98	7%

* Value at 31 december 2010
** Including margins on sales

6. ADJUSTED NET ASSET VALUE (NAV)

	2010	H1 2011	Change vs 2010	Change vs 2010 (%)
EPRA NAV (€ million)	**4 447.8**	**4 489.3**	**41.5**	**0.9%**
EPRA NAV / share (€)	80.8	81.5	0.7	0.9%
EPRA triple net NAV (€ million)	**3 974.8**	**4 122.0**	**147.2**	**3.6%**
EPRA triple net NAV / share (€)	72.2	74.8	2.6	3.5%



The calculations are performed in accordance with IFRS rules based on the number of shares in issue as at 30 June 2011 adjusted for the effect of any dilution. Potential dilution results from the exercise of options and free (bonus) shares.

	(€ million)	€/share
Shareholders' equity	**3966.1**	**72.0**
Fair value assessment of buildings (operation + inventory)	12.2	0.2
Fair value assessment of parking facilities	24.1	0.4
Fair value assessment of goodwill	11.9	0.2
BS inflation swap	8.2	0.1
Altaréa NAV	59.9	1.1
Restatement of value excl.duties	39.6	0.7
EPRA triple net NAV	**4122.0**	**74.8**
Financial instruments	263.0	4.8
Deferred tax	104.4	1.9
EPRA NAV	**4489.3**	**81.5**

A. CALCULATION OF EPRA TRIPLE NET NAV

1. BASE – SHAREHOLDERS' EQUITY:

The real estate portfolio held directly by the Group was fully appraised at 30 June 2011 by appraisers that are members of AFREXIM - DTZ Eurexi, CBRE, JLL, Atis Real - based on standard specifications drawn up by the Company in accordance with professional practice.

Assets are estimated at their value excluding and/or including duties, with rental income at market value. Estimates are arrived at using the comparison method, the rental income capitalisation method and the discounted cash flow method.

Car parks are valued by capitalising the EBITDA generated by the business.

Other assets and liabilities are valued based on the IFRS values from the consolidated financial statements; the fair value method is applied mainly to the valuation of hedges on debt. The level of exit tax is known and incorporated into the financial statements for all the companies that have opted for the fiscal transparency system.

Only the Group share of companies held jointly with other investors has been taken into account.

2. PRINCIPAL ADJUSTMENTS MADE

■ Fair valuation adjustments on buildings and goodwill

Under the IFRS standard, operating buildings, buildings under development (except those governed by IAS 40 as revised) and buildings in stock are valued at historical cost. A value adjustment of €12.2 million was applied to the NAV to take into account the appraised value.

Since goodwill is not valued in the consolidated financial statements, a restatement is made to the NAV to recognise its fair value (as calculated by the appraisers) in the amount of €11.9 million at 30 June 2011.

■ Fair value adjustments on car parks

Car parks are valued at historical cost in the consolidated financial statements. The NAV is adjusted to take into account the appraisal value of these assets and the effect of transfers and grants received in advance. The impact on the NAV at 30 June 2011 was €24.1 million.

■ Recalculation of the base for certain assets (excluding duties)

When a company, rather than the assets it holds, can be sold off, transfer duties are recalculated on the basis of the company's adjusted net asset value. The difference between the recalculated transfer duties and the transfer duties already deducted from the value of the assets led to a €39.6 million restatement at 30 June 2011.

7. FINANCIAL RESOURCES

A. MAIN CHARACTERISTICS OF DEBT

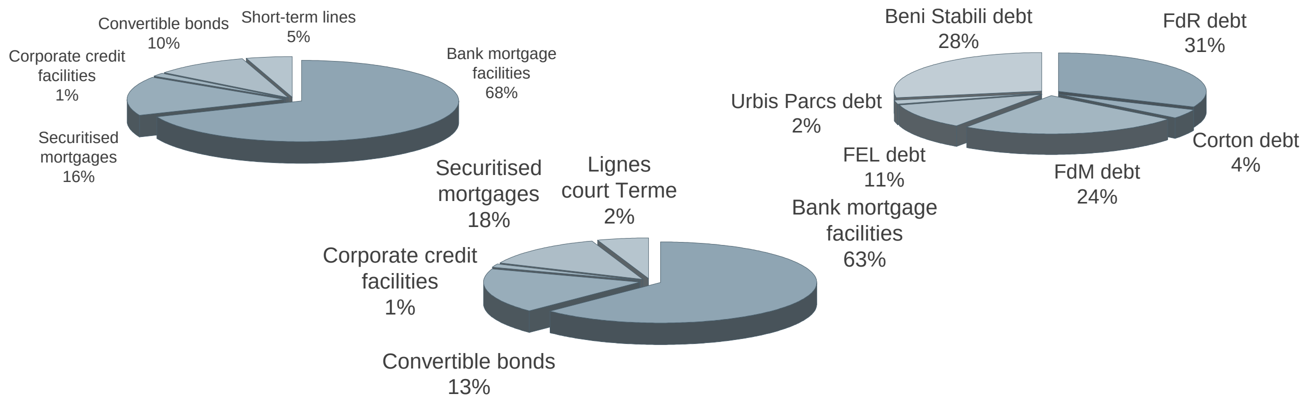
	2009	2010	H1 2011
Net debt, Group share (€ million)	5 334	4 358	4 700
Average annual rate of debt (Group share)	4.60%	4.39%	4.16%
Spot rate at 31 December	4.63%	4.23%	4.10%
Average maturity of debt, Group share (in years)	4	3.4	3.5
Debt hedging rate, Group share (swap + fixed rate)	87%	85%	90%
Average maturity of hedging	4.8	5.3	4.9
LTV (Group share)	**55.6%**	**49.0%**	**50.4%**
ICR (Group share)	**2.06**	**2.28**	**2.79**

1. DEBT BY TYPE

Foncière des Régions Group share of gross debt at 30 June 2011 was €5.19 billion (€8.07 billion consolidated)
Most of Foncière des Régions debt consists of various secured loans taken out as and when for purchases of portfolios or property assets.

The bonds component of debt (until 2010 concentrated on Beni Stabili) increased significantly over H1 with the issue by Foncière des Régions of a first ORNANE (€550 million) in May 2011.

At 30 June 2011, the component consisting of bonds and similar instruments (negotiable debt securities, medium term negotiable bills) was €785 million Group share or 15% of consolidated debt Group share.



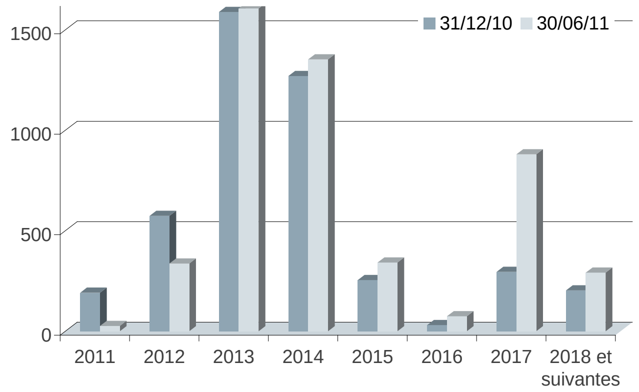
2. DEBT MATURITIES

The average duration of Foncière des Régions debt was 3.5 years as at 30 June 2011 (Group share). The main deadlines for repaying debts fall in 2013 and 2014.

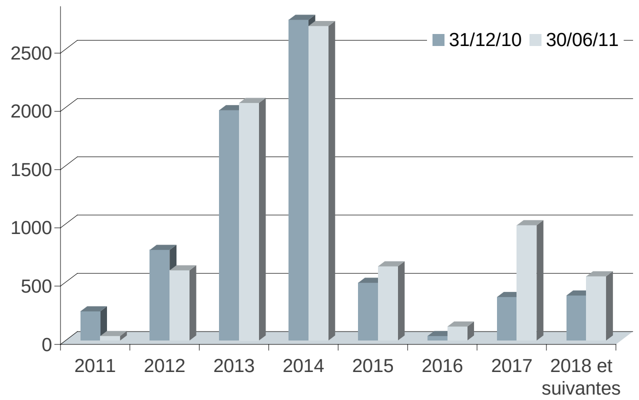
Medium- and long-term debt repayments falling due in the second half of 2011 and during 2012 are, respectively, €26.1 million Group share (€38.3 million consolidated) and €336.8 million Group share (€602.4 million consolidated), with those maturing in 2012 concentrated on Beni Stabili in the amount of €256.4 million Group share (€504 million consolidated).

(*) excluding the convertible bond in the amount of €263 million maturing in the second half 2011 refinanced in the first half of 2010 (before falling due) by the issue of a new 5-year convertible bond in the amount of €225 million.

The chart below summarises the main debt repayment deadlines (Group share) and reflects the total liability.



The chart below summarises the main consolidated debt repayment deadlines and reflects the total liability.



3. PRINCIPAL CHANGES DURING THE PERIOD

New borrowings

- Financing of the B&B purchase by Foncière des Murs

In January 2011, Foncière des Murs arranged a 10-year debt in the amount of €8.3 million Group share (€33 million consolidated) for the purchase of 18 B&B hotels in Germany.

- Issue of the Foncière des Régions ORNANE

In May 2011, Foncière des Régions issued a Convertible Bond maturing January 2017 in the amount of €550 million. The long-term debt (5.5 years), in addition to diversifying the Group's financial resources, offers the possibility of reducing the total cost of refinancing (3.34% coupon). This issue allowed it to repay more than €450 million of debt maturing 2011-2012.

- Refinancing of the Carré Suffren building

In early July 2011, the Carré Suffren debt (€120.5 million falling due at the end of 2011, €72.3 million Group share) was refinanced by a new 7-year debt in the amount of €84 million Group share (€140 million consolidated).

- Corporate financing

In late July, Foncière des Régions entered into various corporate borrowing arrangements in the total amount of €225 million, not backed by guarantees.

Change in scope / Repayments

- IBM

IBM borrowing based on the portfolio acquired at the end of 2004 was repaid in April 2011 (before falling due) without refinancing. The residual debt was €25.8 million. This repayment allowed all the sureties (nearly €60 million at 30 June 2011) on these assets to be lifted.

- Early repayment of two revolving lines of credit on Foncière des Régions:

During H1 2011, Foncière des Régions repaid (and/or cancelled) €445 million in credit lines before falling due.

These early repayments allowed Foncière des Régions to free up all the securities held in Beni Stabili and Altarea and to meet, before falling due, the Group's only significant deadlines for the period 2011-2012 (outside the Beni Stabili scope).

Cancellation of part of the commitments on Foncière Europe Logistique:

On 30 June 2011, a €127 million commitment on the Roma debt (maturing 2014) was cancelled, reducing the maximum credit to €445.5 million.

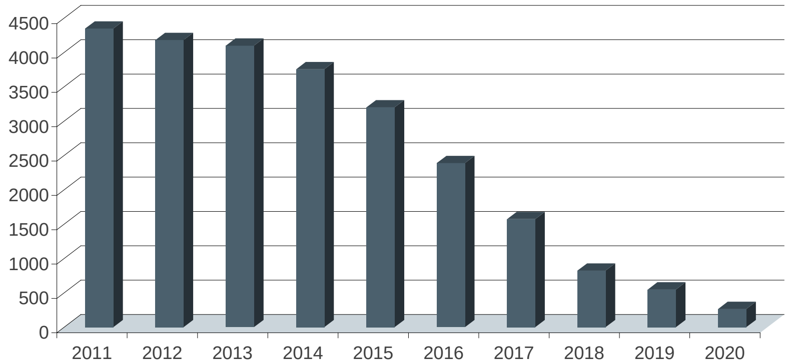
B. HEDGING INTEREST RATE RISK AND COST OF DEBT

1. HEDGING PROFILE

The framework for the hedging policy remained unchanged in the first half of 2011, with 100% of debt hedged, including at least 75% based on firm hedges, all with longer maturities than the debt itself.

Based on net debt at 30 June 2011, Foncière des Régions was 90% firm hedged (Group share), versus 85% at the end of 2010, and 98% in total (88% actively hedged), versus 100% at year-end 2010 (88% actively hedged).

The average term of hedging is 4.9 years Group share (and also 4.9 years consolidated), 1.4 years longer than the average term of debt, in line with the Group's targets.



2. AVERAGE BORROWING COST AND SENSITIVITY

The average rate of Foncière des Régions bank debt was 4.16% Group share, versus 4.39% in 2010. This reduction was mainly due to the hedge restructuring we carried out in late 2010, taking advantage of low interest rates (the 3-month Euribor averaging 1.2% in the first half of 2011), the issuance of the ORNANE at 3.34% as well as the decline in our average margin (0.86% in the first half of 2011 versus 0.96% in 2010).

For reference, a 50 bp drop in the 3-month EURIBOR rate would have a €0.9 million positive impact on 2011 recurring net income, while a 50 bp rise would have a €1.0 million negative impact, representing approximately 0.4% of recurring net income.

C. FINANCIAL STRUCTURE

Excluding borrowing arrangement not covered by Group assets, the debt of Foncière des Régions and its subsidiaries is generally combined with bank covenants (ICR and LTV) that refer to the consolidated accounts which, if breached, could constitute grounds for early debt repayment. These covenants are prepared on a Group share basis for Foncière des Régions, and on a consolidated basis for its subsidiaries.

The most restrictive LTV covenant amounts to 70% for Foncière des Régions and Foncière des Murs and to 65% for Foncière Europe Logistique at 30 June 2011. Beni Stabili borrowing arrangements are only exceptionally combined with a consolidated LTV covenant (only 4 debts representing less than 10% of Beni Stabili consolidated debt is affected by such a covenant with a threshold that varies between 60% - for the smallest at €32.6 million - and 75%).

The thresholds for consolidated ICR covenants vary from company to company, mainly depending on the nature of their assets but are the same within each company (except for Foncière des Murs whose two earliest maturing debts (in 2013) have a 200% threshold and for Foncière Europe Logistique whose €78.45 million residual maturing debt (in 2014) has a 150% threshold).

- for Foncière des Régions: 190%
- for Foncière des Murs: 165% and 200%
- for Foncière Europe Logistique: 125% and 150%
- for Beni Stabili: 130%, although this covenant applies only to a very marginal volume of borrowing (less than 2.9%).

All of the financial covenants had been complied with as at 30 June 2011. The consolidate ratios of Foncière des Régions at 30 June 2011 was 50.4% for LTV Group Share and 2.79% for the ICR Group share (versus 49% and 2.28%, respectively, at 31 December 2010).

Details of the LTV calculation

(€ million) Group share	2010	H1 2011
Net book debt (Group share)	4 357	4 700
Preliminary sale agreements	0	-10
Receivables on disposals	-187	-220
Security deposits received	-7	-9
Finance lease-backed debt	-17	-11
Net debt (Group share)	**4 146**	**4 450**
Appraised value of real estate assets	8 042	8 357
Preliminary sale agreements	-187	-220
Financial assets	42	43
Goodwill	13	12
Share of equity affiliates	557	642
Value of assets (Group share)	**8 466**	**8 833**
LTV	**49.0%**	**50.4%**

These covenants, analysed by accounting type and consolidated, are also usually combined with specific covenants for the segments financed (most of the group's debt being backed by portfolios). These "segment" covenants (more specifically "segment LTV") are based on thresholds that are usually less restrictive for companies of the Group than the thresholds used in the consolidated covenants.

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