2013 RESULTS


Steel – Paris 16

€16bn
portfolio


Anatole France Levallois-Perret

"The Foncière des Régions transformation process, emphasizing high-quality properties and attractive markets, offers a sound basis for the ongoing growth of our activities and our results"

Christophe Kullmann – Chief Executive Officer

FONCIERE DES REGIONS

A sound basis for ongoing growth

Strategic positioning

- A €16 billion portfolio[1] on attractive markets
- A partnership strategy tailored to Key Accounts

A transformation process

- France Offices: €2 billion in asset disposals and more than 400,000 m^2 in projects launched since 2008
- 80% of Offices located in strategic locations
- 40% "green" properties already
- Target of 100% core assets by 2016

2013 property activity: quality and visibility of rental income

- Lease renewals account for 23% of rental income
- Occupancy rate maintained at over 95%
- Residual lease term improved to 5.7 years
- Rental revenue: +1.2% like-for-like
- Close to €800 million in disposals (3% above appraised values)
- Delivery of 3 new leased assets and launch of 8 new property projects

Good results in 2013 for an attractive dividend

- EPRA NAV of €77.7 per share (values: + 0.5% like-for-like)
- EPRA Triple Net NAV at €69.2 per share (+ 3.5%)
- EPRA Net Recurring Income of €297 million (+ 1.7%)
- Dividend of €4.20 per share[2]

2014 Outlook

- EPRA Recurring Net Income stable per share

[1] €16 billion portfolio at 100% (€10 billion in group share)
[2] shall be voted on at General Shareholders Meeting on 28/4/14

A transformation process

Foncière des Régions currently has a €16 billion portfolio (€10 billion in group share) focused on the Offices sector leased to major companies and including 2 diversifications into sound attractive markets, which are Hotels/Service Sector, as well as German Residential.

Relying on its transformation process, Foncière des Régions now has a sound basis for ongoing growth:

- **a quality portfolio largely revamped** thanks to a very active policy of secondary asset disposals and the development of new assets. In fact, although close to €2 billion in assets have been disposed since 2007, more than 400,000 m^2 of offices in France have been developed during the period, i.e. 25 high-quality property projects. This momentum has helped accelerate the greening of the portfolio (with 40% of assets already green at the end of 2013) and refocusing on strategic growth locations. Thus, more than 80% of the Office assets are located in Paris / inner suburbs, Milan / North Italy and in major Regional Cities.
- **a partnership strategy for a big-name tenant base** including EDF, Orange, IBM, Telecom Italia, Suez Environnement, Eiffage, AON, Thales, Dassault Systèmes, Nokia, etc. This unique positioning gives Foncière des Régions significant visibility on its rental income, with an average firm lease maturity on the order of 6 years and an occupancy rate in excess of 95%

2013 property activity: quality and visibility of rental income

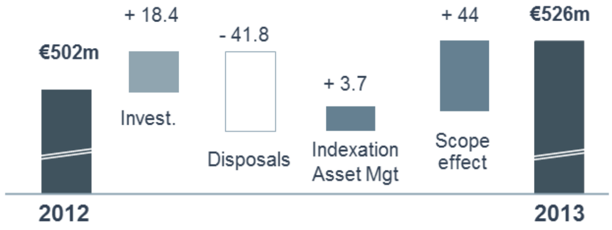
- **+ 1.2% growth in like-for-like rental income**
- **96.0% occupancy rate**
- **5.8 years firm lease maturity**
- **+ 0.5 growth in values like-for-like**

Despite the impact of disposals, group share rental income, which amounted to €526 million, increased by 4.8% on a current consolidation basis. On a like-for-like basis, it grew 1.2%.

Relevance of the partnership strategy ⇨

Solid growth in the German Residential sector ⇨

	Rental income (€m)	Change % LFL	Occupancy rate	Firm residual lease term
Offices - France	255	+ 2.2%	95.8%	5.7 years
Offices - Italy	118	+ 0.4%	97.7%*	6.9 years
Offices	**373**	**+ 1.6%**	**96.4%**	**6.1 years**
Hotels/Service Sector	53	+ 1.7%	100%	7.1 years
Residential	46	+ 1.8%	98.7%	n/a
Logistics	54	- 3.9%	85.5%	3.1 years
Total	**526**	**+ 1.2%**	**96.0%**	**5,8 years**



*Only core portfolio

Offices France *(€4.7 billion in assets at 100% - €4.1 billion in Group Share)*

- + 2.2% growth in rental income like-for-like
- 95.8% occupancy rate
- 5.7 years firm lease maturity
- + 1.0% growth in values like-for-like

Overall rental activity in 2013 allowed for extending close to 30% of the leases in the Offices France portfolio, where the occupancy rate stands at 95.8%. Thus, Foncière des Régions strengthened significant lease partnerships, including:

- Eiffage: signing of a 3rd turn-key rental with the launch of the construction of the Group's 23,000 m^2 headquarters building in Vélizy, and the renewal until 2027 of the lease on the Eiffage Construction site (11,000 m^2 in Vélizy)
- Orange: 20% of Orange assets leases were renewed until 2022
- EDF: signing of a 4,100 m^2 turn-key rental in Avignon
- Vinci: Launch of a 3rd turn-key rental with Vinci with the 9,700 m^2 Le Quatour property in Lille-Roubaix (71% pre-leased)
- Dassault Systèmes: renewal until 2025 of the lease on the DS Campus asset and launch of a 12,900 m^2 expansion
- Suez Environnement: renewal of the lease at the Tour CB 21 until 2025

It is to be noted that with the renewal of the Suez Environnement lease, the leases signed during the 2nd half of 2013 (Informatica for 1,380 m^2 and Nokia for 2,150 m^2), as well as 3,600 m^2 in new leases signed in early 2014, the Tour CB 21 occupancy rate now stands at 85%.

At the same time, 2 assets, Le Patio (12,755 m^2 in Lyon-Villeurbanne) and Pégase (4,580 m^2 in Clichy) were delivered 100% leased in February and April 2013, respectively, whilst 8 new projects representing more than 100,000 m^2 and mostly pre-leased, were launched. These projects include: Cœur d'Orly (18,500 m^2 at Orly 50% pre-leased), Green Corner (20,500 m^2 in Saint Denis 70% pre-leased), Steel (3,700 m^2 in Paris, 16th arrondissement), Quatuor (9,700 m^2 in Lille-Roubaix 70% pre-leased), Silex (10,600 m^2 in the La Part-Dieu district of Lyon), expansion of the DS Campus site (12,900 m^2 in Vélizy 100% pre-leased).

The Offices France project pipeline volume thus reaches €1.1 billion, of which €610 million is already committed and represents approximately €36 million in annualised rental income (i.e. a yield in excess of 7%). These projects mainly involve property redevelopments and turn-key rentals. They boast a pre-leasing rate of over 70%

The 2013 disposals reached €269 million with 87% involving non-strategic assets (small properties mainly in regions). They were made at 3.5% above the appraised value.

This dynamic portfolio rotation furthers the quality improvement of the Offices France portfolio.

Offices Italy *(€4.2 billion portfolio at 100% - €2.1 billion Group Share)*

- + 0.4% growth in rental income like-for-like (+ 0.9% in the core portfolio)
- 97.7% occupancy rate
- 6.9 years in firm lease maturity
- - 1.5% growth in values like-for-like (- 1.1% in the core portfolio)

After having made close to €300 million in disposals (Groupe Share) and just as much in investments in the last 5 years, the geographic breakdown of the Italian portfolio saw strengthening around Milan (46% of the Italian portfolio) and North Italy (76% of the Italian portfolio), thus for the most part meeting the demand for office space in the Italian market.

Accordingly, property indicators for the Offices Italy activity remain very sound despite a still difficult context in 2013. The occupancy rate remained at a very high level at 97.7%, whilst firm lease maturity reached almost 7 years.

Rental income in turn rose 0.4% like-for-like over the period, whilst values edged down slightly (- 1.5%) as a result of the change in the risk premium for Italy in 2013.

Hotels/Service Sector *(€3.2 billion portfolio at 100% - €0.8 billion in Group Share)*

- + 1.7% growth in rental income like-for-like
- 100% occupancy rate
- 7.1 years in firm lease maturity
- + 1.5% growth in values like-for-like

Boasting a leadership position in Europe and long term partnerships with 3 major players in the hotel sector (Accor, Louvre Hôtels and B&B), the Hotels and Service Sector activity generated good property indicators in 2013.

Besides the renewal of close to one quarter of its leases, for a firm 12-year term, bringing the firm residual lease term to 7.1 years at the end of December 2013, the occupancy rate remained at 100%, whilst rental income and values advanced by 1.7% and 1.5% like-for-like, respectively.

Noteworthy is the signing in January 2014 with B&B of a partnership agreement concerning the development over the next 3 years of 9 new hotels (900 rooms) in the centre of major German cities. This development represents an investment of approximately €50 million and reinforces the partnership begun in 2010 with B&B.

German Residential (*€2.5 billion portfolio at 100% - €1.4 billion in Group Share)*

- + 1.8% growth in rental income like-for-like
- 98.7% occupancy rate
- + 1.8% growth in values like-for-like

Present in Germany since 2005, Foncière des Régions increased its exposure to the German Residential market during 2013 through a successful public exchange offer on FDL. The group's portfolio now boasts a 15% exposure to German Residential assets, an exposure for which the 2013 property indicators are very good with 1.8% growth in like-for-like rental income and values and an occupancy rate at close to 99%.

The year 2013 was also marked by significant portfolio rotation with the €351 million acquisition of 4,000 high-quality residential units in Germany, located in cities with growth potential (Berlin and Dresden) and with €216 million in disposals.

Good results in 2013 for an attractive dividend

EPRA Recurring Net Income: €297 million + 1.7%

Good property activity, along with active management of our property portfolio and our financing, allowed for achieving 2013 EPRA Recurring Net Income up 1.7% at €297 million.

This improvement was due mainly to positive impacts from the change in like-for-like rental income (+ 1.5%), the strengthening in Germany, the drop in the cost of debt (3.9% for 2013) and contained overhead costs (-2% like-for-like), despite the change in property tax in Italy and the diminished contribution by the Logistics activity, impacted by the economic context.

Per share, EPRA Recurring Net Income stands at €5.0/share, down 4.3% compared to 2012 due to the mechanical dilution effect of the share issue carried out in the 2nd half in connection with the successful public exchange offer on FDL.

As a result of such good performance and the positive impact of the fair value adjustment of financial instruments, Net Profit (Group share) stood at €340 million versus a €26 million loss in 2012.

Considering these sound results, the company will propose that the General Shareholders Meeting on this coming 28 April vote on a dividend of €4.20 per share (stable vs 2012), representing a distribution rate of 84% and a yield of 6.3% based on the closing price on 25 February 2014.

EPRA NAV/share: €77.7/share

EPRA NAV rose 8% to stand at €4,871 million and €77.7/share, buoyed by:

- the sound contribution of Recurring Net Income
- the creation of value achieved on the assets in operation (+ 0.5% like-for-like) and through the public exchange offer on FDL.

The triple net NAV in turn was up 13% to €4,342 million, or €69.2/share (+ 3.5%).

2014 Outlook

These good results demonstrate the relevance of the Foncière des Régions model, which is based on:

- a focus on Offices and 2 diversifications into sound attractive property markets
- a strategy of partnerships with key tenants, ensuring strong visibility of rental income and opportunities for development
- an active policy of continually upgrading the quality of the portfolio to allow creating value over the long term.

Wishing to complete its transformation process already largely undertaken, Foncière des Régions intends to continue strengthening its strategic activities (Offices, Hotels/Service Sector, and German Residential), already largely predominant, and to progressively dispose of non-strategic property assets, such as Logistics or even Secondary office assets.

All while hoping to intensify the portfolio transformation process, for 2014 Foncière des Régions anticipates a stable EPRA Recurring Net Income per share.

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

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

Financial calendar:

Q1 2014:: May 6th 2014

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Foncière des Régions, Real Estate Partner

As a partner to companies' real estate strategy, Foncière des Régions designs simple and innovative solutions alongside them. The aim of these strategies is twofold: of adding value to existing urban property and designing buildings for the future.

Foncière des Régions owns and manages real estate assets of €10 bn group share (€16 bn total share), which are primarily rented to key accounts who are the leading companies in their sector (Suez Environnement, Thales, Dassault Systèmes, Orange, EDF, IBM, and Eiffage, etc.). This responsible partnership culture is based on key values and know-how: namely vision and expertise.

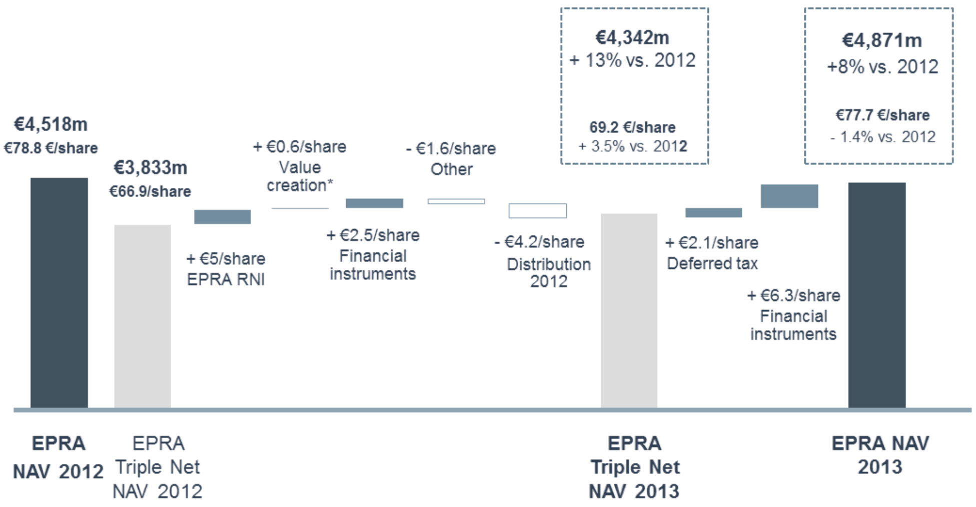
Foncière des Régions shares are listed in the Euronext Paris A compartment (FR0000064578 - FDR), are admitted for trading on the SRD, and are included in the composition of the MSCI, SBF 120, Euronext IEIF "SIIC France" and CAC Mid100 indices, in the "EPRA" and "GPR 250" benchmark European real estate indices, and in the FTSE4 Good, DJSI World and NYSE Euronext Vigeo (World 120, Eurozone 120, Europe 120 et France 20) ethics indices.

Foncière des Régions is rated BBB-/Stable by Standard and Poor's.

www.foncieredesregions.fr

Appendix:

€m	Value Total share for 2013	Value 2013 GS	LFL change in 12 months	Yield ED 2013 GS
Offices France	4,664	4,117	**+ 1.0%**	6.8%
Offices Italy	4,157	2,115	**- 1.5%**	6.1%*
Offices	**8,821**	**6,232**	**+ 0.1%**	**6.6%**
Hotels/Service Sector	3,232	839	**+ 1.5%**	6.2%
Residential	3,317	1,981	**+ 3.2%**	5.9%
Logistics	791	791	**- 3.7%**	7.4%
Other	264	166	na	na
Total	**16,425**	**10,010**	**+ 0.5%**	**6,5%**



Group share data

€m	2012	2013	%
Rental income	501.5	525.7	
o/w net rental income	**469.1**	**483.8**	**+ 3.1%**
Net operating costs	- 34.7	- 42.7	
Result from other activities	11.7	**14.4**	
Net change in provisions and other	- 0.3	**0.2**	
Net cost of financial debt	- 184.2	- **190.4**	
Recurring net income of MEE companies	24.9	**23.4**	
Income from non-consolidated companies	8.1	**10.1**	
Recurring tax	- 2.7	**- 2.2**	
EPRA Recurring Net Income	**291.9**	**296.7**	**+ 1.7%**
EPRA Recurring Net Income / share	**5.2**	**5.0**	**- 4.3%**
Change in the fair value of real estate assets	- 39.4	**- 40.2**	
Other changes in asset values	- 32.6	**- 34.2**	
Changes in the fair value of financial instruments	-231.9	**71.7**	
Other	- 23.7	**48.8**	
Non-recurring taxes	9.2	**- 2.7**	
Net Income	**- 26.5**	**340.1**	
Average number of fully diluted shares	*56,182,919*	*59,632,22*	

1. MAJOR TRANSACTIONS DURING THE PERIOD

3 February 2014
Post closure

Support of B&B in its European expansion effort

Foncière des Régions, through its 28% stake in the company's FDM subsidiary, and B&B have signed a partnership agreement for the financing of nine new hotels in Germany over the next three years. The investment will amount to around € 50 million, strengthening the partnership that was initiated between the two groups in 2010.

The protocol concerns the development of nine new B&B hotels, representing 900 rooms located in town centres of major German cities. This new partnership involves an investment of around €50 million. The new hotels, set to open between 2014 and 2016, will be let on 20-year leases with a net triple base rent.

With this project, Foncière des Régions and B&B consolidate their partnership and continue to pursue their development policy in Germany, a strategic country for both entities.

16 January 2014
Post closure

Acquisition of the Eiffage Group's future Campus at Vélizy-Villacoublay by Foncière des Régions and Crédit Agricole Assurances

Foncière des Régions and Crédit Agricole Assurances acquired the future Eiffage Campus through a VEFA off plan sale from the Eiffage subsidiary and project developer Eiffage Immobilier. The 19 December 2013 deal gives the two investors ownership of the property where Eiffage Construction already has its headquarters.

During the 2nd quarter of 2015, the Eiffage Campus will bring together the Eiffage Group's five divisions, namely Construction, Public Building Works, Energy, Metals, and Concessions, together with the holding company, i.e. 1,600 employees in total.

The Eiffage Campus will include three new buildings designed by Jean-Michel Wilmotte on six levels including a basement, ground floor and four floors, and two underground car parking levels with 600 spaces covering a usable area of 23,000 sq. m, together with an existing 11,000 sqm building and 270 parking spaces, which is Eiffage Construction's current Head Office, designed by Jean-Paul Viguier.

The employees gathered on this single site will have collaborative working areas, areas to relax and exchange ideas, and a wide range of integrated services (auditorium, restaurants, a sports room, a library, and a concierge service, etc.) as well as a huge garden.

The project intends to be exemplary from an environmental standpoint and is aiming for NF Commercial Buildings – Exception HEQ Level Approach Certification, Effinergie+ certification, and BREEAM certification. The project was designed in accordance with the Eiffage Phosphore Laboratory HQVie® principles. The gardens will account for over half of the outside space, and 50% of the roof will be vegetated. The buildings will also be equipped with solar panels, rainwater catchment systems, high-performance water-saving appliances, and reversible heated/cooled ceilings.

The acquisition of the Eiffage Campus enables Foncière des Régions and Crédit Agricole Assurances to boost their operations in this major commercial sector that is popular with key accounts.

14 January 2014
Post closure

Beni Stabili launches a €350 million bond issue

As part of the diversification of its sources of financing, Beni Stabili launched a €350 million bond issue on 14 January 2014 maturing in 2018.

27 November 2013

Start of the high-profile Cœur d'Orly urban project for Greater Paris

The trio of Aéroports de Paris, Altarea Cogedim and Foncière des Régions officially kicked off the high-profile Cœur d'Orly urban project for Greater Paris, with the beginning of construction of the first building featuring 18,500 sq. m of offices.

Coeur d'Orly is a vast urban development project located 12 kilometres to the South of Paris in the largest economic hub of the greater South Paris region and in the immediate proximity of the Paris-Orly airport. The complex will consist of a business eco-quarter and services areas, combining offices, retail stores, hotels and various services.

The first tranche of this project will involve the construction of 160,000 sqm of buildings on a 13.5 hectare area and will include 70,000 sqm of office space in three different buildings, 41,000 sqm of retail and services area and a 35,000 sq. m hotel complex.

Aéroports de Paris is the lead developer of the programme and co-investor for half of the offices and retail projects with the Altarea Cogedim / Foncière des Régions tandem. Altarea Cogedim and Foncière des Régions are also involved as co-developers of the project in equal shares.

The three partners concluded a leasing agreement for nine years with a key account for 50% of the surface area of the Askia office building, the total surface of which amounts to 19,500 sqm, with 1,000 sqm of retail space on the ground floor. Construction on this building began in mid-October and delivery is set for the third quarter of 2015.

12 November 2013

A €345 million issue of new ORNANE securities and buyback of 1,151,832 existing ORNANE shares

Foncière des Régions successfully launched an issue of bonds redeemable in cash and/or in new and/or existing shares (“ORNANE”), maturing on 1 April 2019, for a nominal amount of approximately €345 million after fully exercising the extension clause.

The annual interest rate of the Bonds was set at 0.875%, payable half-yearly in arrears on 1 April and 1 October of each year.

The unit face value for the Bonds was set at €84.73 each, with additional paid-in capital of 32.5% with relation to the benchmark price of €63.9503 for the Company's share.

Foncière des Régions, concurrent to the ORNANE issue with maturity on 1 April 2019, used a reverse book building process to solicit selling interest for ORNANE securities with maturity on 1 January 2017 and issued on 24 May 2011 outside of the United States.
Under this request, the Company received indications of sellers interest from holders of 1,151,832 ORNANE securities, representing 18.0% of the number of ORNANE 2011 securities in circulation at the unit price of €95.5 per ORNANE

2011 and an aggregate amount of €110 million.

At the close of the repurchase proposal, 5,253,944 ORNANE 2011 securities, representing 82.0% of the number of ORNANE 2011 securities initially issued, will remain in circulation. The repurchased ORNANE 2011 securities will be cancelled according to their terms and conditions and in accordance with law.

17 October 2013

Beni Stabili issues a €270 million convertible bond offer

As part of the diversification of its sources of financing, Beni Stabili launched a €270 million bond issue on 17 October 2013 at 2.625%, maturing in 2019. The initial conversion price was set at €0.6591.

3 October 2013

Acquisitions in Berlin and Dresden for €351 million

Foncière des Régions continued to acquire assets in Germany through its 59.7% owned Foncière Développement Logements subsidiary in the amount of €351 million spread over several residential building portfolios in Berlin and Dresden.

The buildings acquired in Germany represent over 4,000 housing units, 78% (in value) of which are located in Berlin and 21% in Dresden. The properties were acquired on the basis of an average gross yield of 6.5% and have strong potential for value creation, with an average reversion rate of over 20%.

These transactions are a stepping stone for entering a new phase in the geographic diversification strategy in Germany.

Foncière des Régions, through FDL, has been operating actively on the German real estate market since 2005 and has a high- quality team to manage real estate assets dynamically and to deploy its asset rotation strategy, both aimed at creating value.

6 September 2013

Two EPRA Awards earned for quality in financial and non-financial reporting

Foncière des Régions was awarded two EPRA Awards at the annual EPRA Conference held on 5 September 2013 for the quality of its financial and non-financial reporting.

Foncière des Régions won an EPRA Gold Award for its 2012 Reference Document, one of only two French property companies to distinguish itself in this category. The second prize, an EPRA Silver Award, compensated the company for its 2012 Sustainable Development report. Last year, these two publications earned a Silver and Bronze Award respectively.

3 September 2013

Sale of the entire stake in Altarea Cogedim

Foncière des Régions sold its entire stake of 7.65% in Altarea Cogedim to Crédit Agricole Assurances for €115 million.

This sale is an illustration of Foncière des Régions' strategy of focus on the Offices / Key Accounts positioning and the continuation of its policy of simplification of structures.

June 2013 to September 2013

Consolidation in Germany through the Public Exchange offer on Foncière Développement Logements

The Board of Directors of Foncière des Régions on 10 June approved a proposed

Public Exchange Offer for shares by Foncière des Régions on Foncière Développement Logements (FDL), which will enable Foncière des Régions to increase its presence in Germany. When the transaction is complete, Foncière des Regions should increase its stake in the capital of its residential subsidiary from 58.2% to 62.4%, compared to 31.6% at end of December 2012, on the basis of an exchange ratio of 6 new Foncière des Régions shares for 23 FDL shares.

At the close of the Public Exchange Offer (OPE) on its subsidiary FDL in September 2013, FDL, Foncière des Régions held 59.7% of FDL, in line with its objectives and with its contribution and non contribution commitments to the OPE as announced in June 2013. As from 6 September, a total of 62,997,111 shares of Foncière des Régions will be admitted for listing, representing a capital increase of 8.8% of Foncière des Régions' shareholders' equity with relation to June 2013.

Foncière des Régions will use this market transaction to bolster its German operations through a real estate investment transaction of nearly €1 billion.

17 May 2013

Launch of the Green Corner operation in Saint-Denis

Foncière des Régions has signed a firm 10-year lease with the French National Authority for Health, an independent government agency, for 70% of the office space in the Green Corner property located in Saint Denis. This marks the launch of the operation located at the foot of the RER B La Plaine Stade de France train station on land managed by Foncière des Régions since 2010.

29 April 2013

Euromed Center: Foncière des Régions and Crédit Agricole Assurances sign with Louvre Hôtels Group

Foncière des Régions and Crédit Agricole Assurances have signed a final agreement with Louvre Hôtels Group aimed at the operation of a 4-star hotel under the Golden Tulip brand. This establishment will be at the heart of the Euromed Center project, undertaken by Foncière des Régions and Crédit Agricole Assurances, as co-investors, and Euroméditerranée, a government town-planning establishment.

A key component of the future district, the 210-rooms hotel will be 9 storeys with some 10,000 sqm in surface area. The 4-star Golden Tulip establishment will offer a 600 sqm modular meeting space, a 200-seat restaurant, two bars, an open terrace, as well as an indoor swimming pool and a fitness space.

This hotel, designed by Massimiliano Fuksas, International d'Architecture and Studio Desseins for decor, will welcome business customers and Euromed Center tourists, as well as the people of Marseille in general.

The result of a common effort by the co-investors, the town planner and the hotel group, this agreement confirms the attractiveness of Euroméditerranée and of Euromed Center as Marseille’s premier office park.

This new establishment, for which delivery is scheduled in the 1st half of 2016, will also bolster hotel offerings in the business district.

12 March 2013

A €180 million private placement completed

Following its €500 million inaugural bond issue in October 2012, Foncière des Régions has completed an €180 million private placement bond, maturing in April 2020 (7 years) and offering a 3.30% coupon (margin of 197 bps above the swap rate).
This issue will permit Foncière des Régions to pursue debt diversification and to lengthen debt maturity.

30 January 2013 — Pursuing the Garonor redevelopment project with a new turnkey signature for Samada

A lease in advance of future completion has been signed with Samada, the logistics subsidiary of the Monoprix Group, for the construction of a platform in Garonor. This project marks a new phase in the redevelopment of the largest urban logistics site in France and is confirmation that the location is highly attractive. The SAMADA building will ultimately comprise a total surface area of 51,000 sqm.

The Garonor site is ideally located on the outskirts of Paris at the junction of the A1 and A3 motorways, providing it with a strategic position and domestic and international repute. This new logistics platform will be occupied under a firm 12-year lease. The turnkey delivery is set for the fourth quarter of 2013.

A redevelopment plan was prepared in 2009 and initiated on the southern section of the site in 2012, with the objective of developing large-scale turnkey projects featuring latest generation buildings that meet the new technical, regulatory and environmental standards.

17 January 2013 — Beni Stabili issues a €175 million convertible bond offer

As part of the diversification of its sources of financing, Beni Stabili on 17 January 2013 issued a convertible bond of €175 million at 3.375%, maturing on 17 January 2018 (5-year maturity). The initial conversion price was set at €0.5991. This issue was increased by €50 million on 7 March 2013 (3,375% coupon, 5-year maturity).

2. GROUP SHARE ELEMENTS OF BUSINESS ANALYSIS

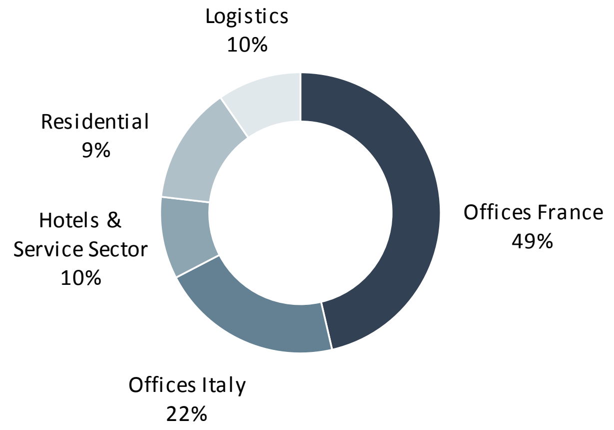
Foncière des Régions has increase its stake in Foncière Développement Logements following the Public Exchange offer in August 2013. At the close of the OPE, Foncière des Régions held 59.7% of Foncière Développement Logements, which as from 1 August 2013 is fully consolidated.

It should be noted additionally CAP 18 has been classified in Offices France instead of Logistics previously.

A. RECOGNISED RENTAL INCOME: +4.8%

(€million)	100%			Group Share				
	2012	2013	Change (%)	2012	2013	Change (%)	Change (%) LFL	% of rent
Offices France	**271,8**	**265,2**	**-2,4%**	**262,0**	**255,0**	**-2,7%**	**2,2%**	**49%**
Paris	76,3	84,3	10,5%	72,0	79,8	11%		15%
Paris Region	112,8	102,5	-9,1%	107,4	96,8	-10%		18%
Other French regions	82,8	78,5	-5,2%	82,6	78,4	-5%		15%
Offices Italy	**228,5**	**231,7**	**1,4%**	**116,3**	**117,9**	**1,4%**	**0,4%**	**22%**
Core portfolio	223,8	228,4	2,0%	113,9	116,2	2%		22%
Dynamic portfolio	4,7	3,3	-29,6%	2,4	1,7	-30%		0%
Development portfolio	0,0	0,0	na	0,0	0,0	na		0%
Total Offices	**500,4**	**496,9**	**-0,7%**	**378,3**	**372,9**	**-1,4%**	**1,6%**	**71%**
Hotels & Service sector	**184,8**	**204,0**	**10,4%**	**50,6**	**53,0**	**4,8%**	**1,7%**	**10%**
Hotels	116,6	143,1	22,8%	31,8	35,8	13%		7%
Healthcare	24,4	22,2	-9,1%	6,7	6,3	-6%		1%
Business premises	43,7	38,7	-11,5%	12,1	10,9	-10%		2%
Total "Office - Key Accounts "	**685,1**	**700,9**	**2,3%**	**428,9**	**425,9**	**-0,7%**	**1,6%**	**81%**
Residential	**41,3**	**75,8**	**83,6%**	**104,0**	**75,8**	**-27,1%**	**-2,4%**	**14%**
Germany	30,7	16,9	-44,9%	27,4	16,9	-38%		3%
France	4,5	4,6	2,3%	4,0	4,6	15%		1%
Logistics	**77,0**	**54,2**	**-29,6%**	**72,5**	**54,2**	**-25,2%**	**-3,9%**	**10%**
Total rent	**762,1**	**832,0**	**9,2%**	**501,5**	**525,7**	**4,8%**	**1,2%**	**100%**

**Restatment of the DS Campus rents contribution: asset consolidated under the equity method since October 2012*

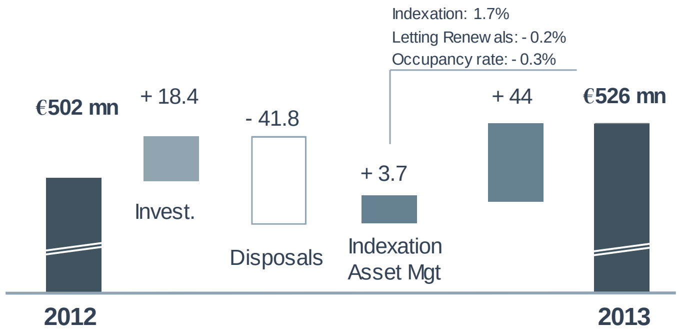


Like-for-like, rental income in the “Offices – Key Accounts” segment grew by 1.6%, as follows: Offices France by 2.2%, Offices Italy by 0.4% and Hotels and Services Sector by 1.7%.

As group share, rental income grew by 1.2% considering the 3.9% drop in rental income from Logistics. This advance can be explained by indexation, which remained favourable in H1 2013, as well as by the fact that the occupancy rate continued at 96% throughout the period.

Group share rental income amounted to € 526 million, an increase of 4.8% over the period. This increase can be explained primarily through the consolidation of the residential business adding € 46 million, as well as the following:

- investments (+€ 18 million)
- disposals (-€ 42 million, of which -€ 7.2 million due to the DS Campus asset sharing agreement)
- indexation and Asset Management (+€ 3.7 million)
- A residual scope effect of -€ 2.3 million, of which -€ 7.2 million relates to accounting for the DS Campus in 2012 by the equity method and € 5 million relating to the increase in the stakes held in FDM and FEL.



Cost to revenue by business:

	Offices France	Office Italy	Hotels & Service Sector	Résidential	Logistics	Total	
	2013	2013	2013	2013	2013	2012	2013
Rental Income	255,0	117,9	53,0	45,6	54,2	501,5	**525,7**
Unrecovered property operating coats	-6,4	-12,1	-0,1	-2,0	-6,1	-22,2	**-26,6**
Expenses on properties	-2,0	-4,4	-0,0	-3,3	-1,7	-7,5	**-11,4**
Net losses on unrecoverable receivable	0,3	-2,9	0,0	-1,0	-1,7	-2,6	**-5,3**
Net rental income	**247,0**	**98,4**	**52,9**	**39,4**	**44,6**	**469,1**	**482,4**
Cost to revenue ratio	**3,1%**	**16,5%**	**0,2%**	**13,5%**	**17,7%**	**6,4%**	**8,3%**

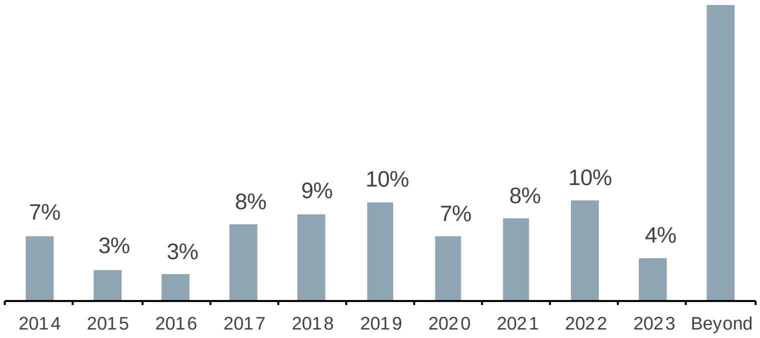
The cost to revenue ratio rose from 6.4% in 2012 to 8.3% in 2013 following the inclusion of the residential business, for which the 13.5% cost to revenue ratio is higher than the average for the Group.

B. Lease expirations and occupancy rates

Lease expirations: 8.0 years firm residual lease term (5.8 years firm)

€m*	By lease end date (1st break)	% of total	By lease end date	% of total
2014	53,3	11%	32,3	7%
2015	42,8	9%	15,4	3%
2016	43,1	9%	12,8	3%
2017	41,6	8%	37,9	8%
2018	51,1	10%	43,4	9%
2019	54,2	11%	49,2	10%
2020	15,6	3%	32,4	7%
2021	79,2	16%	41,3	8%
2022	36,4	7%	49,9	10%
2023	18,1	4%	21,0	4%
Beyond	59,3	12%	159,1	32%
Total	**494,7**	**100%**	**494,7**	**100%**

Residential excluded



The average residual lease term, group share, at the end of December 2013 was 8.0 years (5.8 years firm) as opposed to 7.9 years at the end of 2012 (5.5 years firm). In the Offices segment, it stood at 8.5 years (6.1 years firm).

(year)	By lease end date (1st break)		By lease end date	
GS	**2012**	**2013**	**2012**	**2013**
France	5,3	5,7	6,6	6,8
Italy	7,1	6,9	12,7	12,6
Offices	**5,8**	**6,1**	**8,5**	**8,5**
Hotels & Service sector	7,3	7,1	7,3	7,1
Office - Key Accounts	**6,0**	**6,2**	**8,3**	**8,4**
Logistics	2,4	3,1	4,9	5,5
Total	**5,5**	**5,8**	**7,9**	**8,0**

Following major rental activity as well as the strengthening of several leasing partnerships, the residual term of our leases rose slightly from an already high level.

Occupancy rate: 96%

(%)	Occupancy rate	
GS	**2012**	**2013**
Offices - France		
France	95,7%	95,8%
Italy	97,1%	97,7%
Hotels & Service sector	100,0%	100,0%
Office - Key Accounts	**96,6%**	**96,8%**
Residential*		98,7%
Germany		98,7%
France		na
Logistics	88,8%	85,5%
Total	**95,5%**	**96,0%**

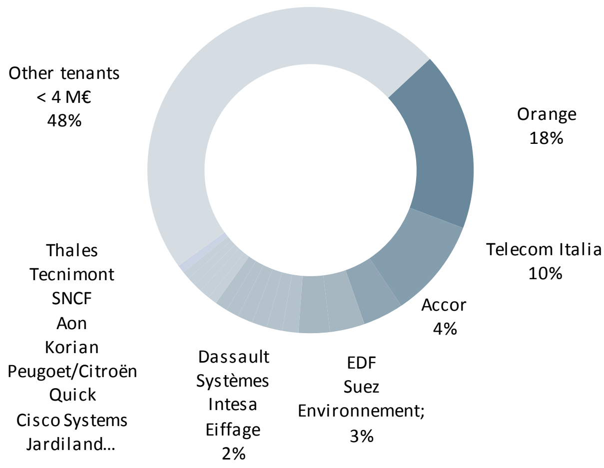
** Only in Germany*

The occupancy rate stands at 96%, up in contrast to 2012 by +0.5%. In Offices – Key Accounts, the rate rose by 0.2% to settle at 96.8%.

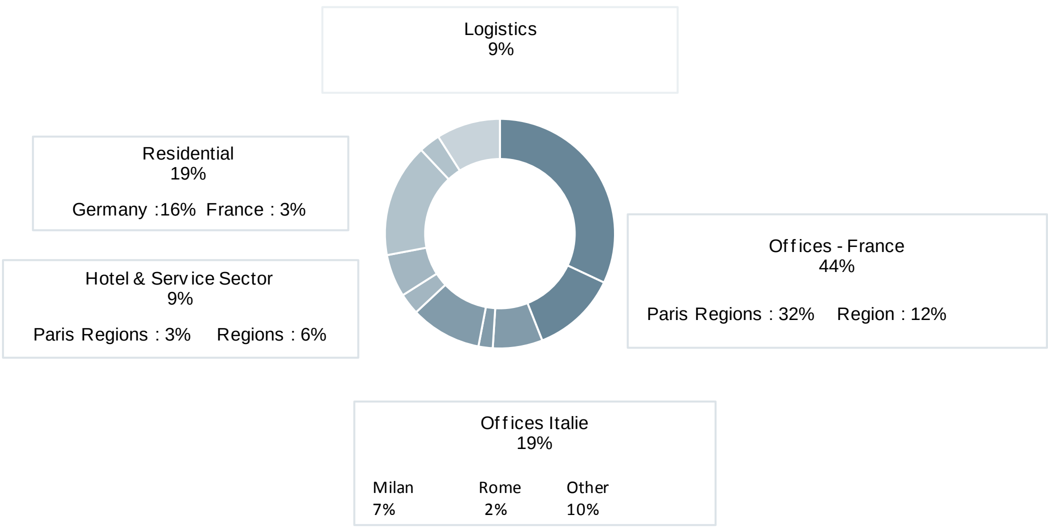
C. Breakdown of Group share rental revenue

Breakdown by major tenants: a strong rental income base

(€million)	Annualised rental income
GS	**2013**
Orange	108,4
Telecom Italia	60,3
EDF	19,0
Accor	24,6
Suez Environnement	21,1
Dassault Systèmes	9,8
Intesa	9,3
Eiffage	9,2
Thales	9,1
SNCF	7,7
Tecnimont	7,8
Korian	6,2
AON	5,5
Peugeot/Citroën	5,1
Cisco Systems	4,8
Quick	5,1
Jardiland	4,8
Other tenants <4€M	293,8
Total rental income	**611,7**



Geographical breakdown: the Ile-de-France region, Milan and Rome accounted for more than 50% of rental income



D. Disposals and disposal agreements: € 782 million, Group share

(€million)		Disposals (agreements as of end of 2012 closed*)	Agreements as of end of 2012 to close	New disposals 2013	New agrements* 2013	Total 2013	Margin vs 2012 value	Yield	Total
Offices - France	100 %	115,8	116,8	95,5	173,1	268,6	3,5%	7,5%	501,2
Offices - Italy	100 %	75,8	9,1	58,2	28,7	86,9	3,5%	5,6%	171,9
	GS	38,6	4,6	29,6	14,6	44,2			87,5
Hotels & Service sector	100 %	66,4	1,7	62,9	97,5	160,4	4,5%	6,4%	228,4
	GS	18,8	0,5	17,8	27,6	45,4			64,6
Residential	100%								
	GS								
Logistics**	100 %	0,0	0,0	45,3	0,0	45,3	- 6,1%	8,9%	45,3
Total asset disposals	100 %	332,7	127,5	567,1	435,8	1002,8	3,4%	6,6%	1463,0
	GS	**217,8**	**121,9**	**370,4**	**296,8**	**667,1**	**3,1%**	**6,9%**	**1006,7**
Equity interests	100 %	0,0	0,0	115,3	0,0	115,3			115,3
Total disposals	100 %	332,7	127,5	682,4	435,8	1118,1			1578,3
	GS	**217,8**	**121,9**	**485,7**	**296,8**	**782,4**			**1122,0**

** Including New Velizy and Eiffage sharing for €48m*

During 2013, Foncière des Régions concluded € 782.4 million in new disposals (€ 485.7 million) and disposal agreements (€ 296.8 million). Considering agreements signed at the end of 2012 and closed (€ 217.8 million), as well as agreements signed in 2012 and yet to be closed (€ 121.9 million), the total amount of disposals and agreements reached €1,122 million at the end of December 2013.

New disposals in 2013 were carried out with a positive margin of 3% over appraisal values at the end of 2012.Of these new disposals, 88% concerned high energy niche areas, primarily in the Offices France and Residential businesses, as well as businesses in which Foncière des Régions seeks to reduce exposure, such as Logistics and Retail, as illustrated by the sale of Foncière des Régions' stake in Altarea in September 2013.

E. Asset acquisitions: € 303 million, Group share

(€million)		Total ED 2013
Offices - France	100%	53,6
Offices - Italy	100%	47,0
	GS	23,9
Hotels & Service sector	100%	0,0
	GS	0,0
Residential	100%	377,6
	GS	225,6
Logistic	100%	0,0
Total	100%	478,2
	GS	**303,1**

The main acquisitions made during 2013 involved:

- the acquisition of a 6,700 sqm property from Vinci (Sicra headquarters). Located in the inner suburbs (Chevilly Larue), this property is leased to a Vinci subsidiary under a firm 12-year lease
- the purchase by Beni Stabili of the remaining stake in Sviluppo Ripamonti for € 24 million, Group share
- Investments in residential assets in the amount of € 226 million, Group share, located primarily in Germany (€205 million), with 78% of assets located in Berlin and 21% in Dresden

F. DEVELOPMENT PROJECTS: € 1.5 billion, Group share

Commited Pipeline	Controlled Pipeline
19 targeted project	15 project under marketing
Budget: €631 m	Budget: c. €895 m
68% pre-leased	Launched if prelet statut
c. €40 m of additional rents	c. €65 m de additional rents
Targeted yield >7%	Targeted yield >7%
Value creation c. 10%	Value creation c. 10%

Committed Projects: € 631 million, Group share (of which 68% pre-let)

Projects	Type	Location	Area	Surface** (sq.m)	Delivery	Target rent (€/sq.m/year)	Pre-leased (%)	Total Budget* (M€)
Steel	Offices - France	Paris	MRC	3 700	2014	600	0%	36
Egis (Montpellier)	Offices - France	Montpellier	MRC	6 100	2014	155	100%	15
New Velizy (QP FdR - 50%)	Offices - France	Vélizy	Paris Regions	45 600	2014	250	100%	191
B&B (Montpellier)	Offices - France	Montpellier	Paris	2 150	2014	150	100%	5
Green Corner	Offices - France	Saint-Denis	Paris Regions	20 500	2015	310	70%	87
EDF Avignon	Offices - France	Avignon	MRC	4 100	2015	160	100%	9
Campus Eiffage (QP FdR: 50%)	Offices - France	Vélizy	Paris Regions	23 000	2015	270	100%	106
Euromed Center - Phase 1 (QP FdR - 50%)	Offices - France	Marseille	MRC	24 000	2015	250	66%	107
Respiro	Offices - France	Nanterre	MRC	11 150	2015	310	100%	51
Cœur d'Orly A3 (QP FdR 25%)	Offices - France	Orly	MRC	18 500	2015	250	50%	62
Quatuor	Offices - France	Lille	MRC	9 700	2015	160	71%	23
Cœur d'Orly A3 (QP FdR 25%)	Offices - France	Orly	Paris Regions	10 600	2016	280	0%	47
Dassault Extension 1 (QP FdR - 50%)	Offices - France	Vélizy	Paris Regions	12 900	2016	290	100%	62
San Nicolao	Offices - Italy	Milano	Italy	9 500	2014	550	0%	112
Roma via dell'Arte	Offices - Italy	Roma	Italy	6 700	2014	350	75%	32
B&B Porte des Lilas	Service Sector	Paris	Paris	5 500	2014	277	100%	21
B&B Porte de Choisy	Service Sector	Paris	Paris	4 000	2015	256	100%	16
Garonor (N06)	Logistics	Aulnay sous bois	Paris Regions	2 500	2014	nc	100%	4
Garonor (N03)	Logistics	Aulnay sous bois	Paris Regions	25 000	2014	nc	100%	23
Total Consolidated				**245 200**			**70%**	**1 009**
Total - GS				**163 266**			**68%**	**631**

**100% budget, including land cost and financial cost*

***surface 100%*

Capex yet to be disbursed for these projects represents € 179 million Group share in 2014 and € 212 million in 2015 and the following years.

Managed projects: € 895 million, Group share

Projects	Type	Location	Area	Surface* (sq.m)	Delivery timeframe
Montpellier	Offices - France	Montpellier	MRC	3 000	2015
Toulouse Marquette	Offices - France	Toulouse	MRC	8 400	2016
Nancy Grand Cœur	Offices - France	Nancy	MRC	6 500	2016
Euromed Center - tranche 2 (QP FdR 50%)	Offices - France	Marseille	MRC	33 500	2 016
Levallois Anatole France	Offices - France	Levallois	Paris Regions	5 500	2016
Issy Grenelle	Offices - France	Issy	Paris Regions	8 600	2016
Extension Thales (QP FdR 50%)	Offices - France	Vélizy	Paris Regions	14 000	2016
Cœur d'Orly Commerces (QP FdR 25%)	Offices - France	Orly	Paris Regions	31 000	2016
Meudon	Offices - France	Meudon	Paris Regions	30 000	2016
Cœur d'Orly Bureaux (QP FdR 25%)	Offices - France	Orly	Paris Regions	50 000	2016-2017
Lyon Silex (2ème tranche)	Offices - France	Lyon	MRC	30 000	2017
DS Campus Extension 2 (QP FdR 50%)	Offices - France	Vélizy	Paris Regions	11 000	2018
Milan, Symbiosis (Ripamonti)	Offices - Italy	Milano	Italy	74 100	Depending Prelet Status
Garonor N02 Phase 2	Logistics	Aulnay sous bois	Paris Regions	18 000	N/A
Bollène	Logistics	Bollène	MRC	90 000	N/A
Total Consolidated				**413 600**	

** surface 100%*

G. Assets

Valuation and change in assets: up by € 0.7 billion GS over 2013

(€ million)	Value 2012	Value 2013	Value 2013 GS	LFL change 12 months **	Yield ED 2012	Yield ED 2013	% of portfolio
Offices - France*	**4 450**	**4 664**	**4 117**	**1,0%**	**6,9%**	**6,8%**	**41%**
Offices - Italy*	**4 273**	**4 157**	**2 115**	**-1,5%**	**6,0%**	**6,1%**	**21%**
Total Office	**8 723**	**8 821**	**6 232**	**0,1%**	**6,6%**	**6,6%**	62%
Hotels & Service sector*	**3 299**	**3 232**	**839**	**1,5%**	**6,3%**	**6,2%**	**8%**
Residential							
Logistics	**929**	**791**	**791**	**-3,7%**	**7,6%**	**7,4%**	**8%**
Parking facilities	**231**	**241**	**143**	**0,1%**	**N/A**	**N/A**	**1%**
Portfolio	**13 182**	**16 402**	**9 987**	**0,5%**	**6,7%**	**6,5%**	**100%**
Equity affiliates	572	23	23				
Total - Consolidated	**13 754**	**16 425**	**10 010**				
Total - GS	**8 705**	**10 010**					

** In operation assets yield (Offices - France) / Core assets (Offices -Italy)*

*** LFL change 12 months including capex is -0,2%*

**** yield in Germany only*

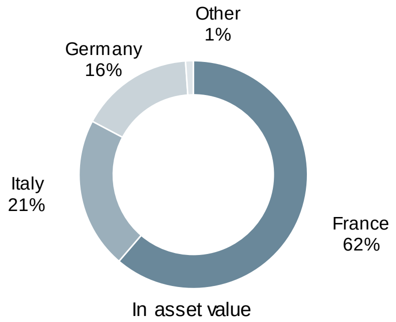
The total Group share portfolio of assets of Foncière des Régions amounted to € 10 billion (€ 16.2 billion in consolidated data) compared to € 9,3 billion at end 2012 (€ 8,7 billion excluding Residential), a slight like-for-like increase of + 0.5% in contrast with end 2012.

The drop in value of the Offices – Italy (-1.5%) and Logistics (-3.7%) segments was offset by the advances in the Offices – France (1.0%) and Hotels & Service Sector (+1.5%) segments.

Geographical breakdown

(€ million) GS*	2013
France	6 032
Italy	2 115
Germany	1 590
Other	107
Total portfolio	**9 844**

**Excluding parking facilities*



H. List of major assets

Top 10 Assets	Location	Tenants	Surface (sq,m)	Share of affiliates
Tour CB 21 à la Défense	Courbevoie	Suez Environnement, Chartis, Nokia	68 077	75%
Carré Suffren	Paris 15ème	AON, Institut Français, Ministère Education	24 863	60%
DS Campus	Vélizy Villacoublay	Dassault Systèmes	56 193	50,1%
Complexe Garibaldi	Milan	Maire Tecnimont	44 650	50,9%
Immeuble - 23 rue Médéric	Paris 17ème	Orange	11 159	100,0%
Percier	Paris 8ème	Chloe		100,0%
Traversiere	Paris 13ème	SNCF		100,0%
Via Montebello 18	Milan	Intesa Group	25 802	50,9%
Immeuble - 11 rue d'Anjou	Paris 8ème	Orange		100,0%
Centro Direzionale SNC	Naples	Telecom Italia	63 477	50,9%

The Group share value of the ten main assets represents nearly 15% of the Group share of the assets.

3. ELEMENTS OF BUSINESS ANALYSIS BY SEGMENT

The Offices France indicators are presented at 100% and as group share (GS). Assets held partially are the following:

- the CB 21 Tower is 75% owned
- Carré Suffren 60% owned
- Eiffage assets in Vélizy, both Europe and Campus owned 50.1% and fully consolidated
- the DS Campus assets in New Vélizy owned 50.1% and accounted for by the equity method
- Euromed Center 50%-owned and consolidated by the equity method

The asset CAP 18 has been classified in Offices France instead of Logistics previously.

A. OFFICES FRANCE

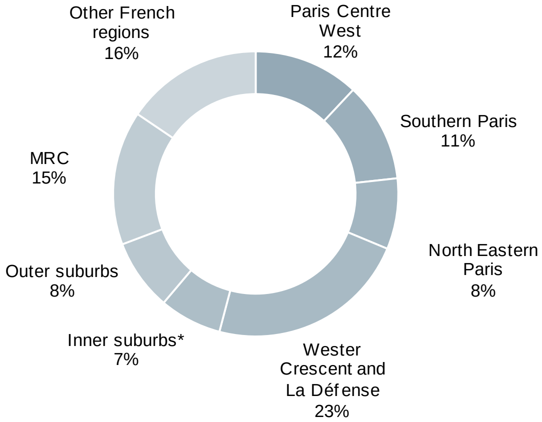
1. Accounted rental income: € 255 million, +2.2% on a LFL basis

Geographical breakdown: strategic leases (Ile-de-France and Regional Cities) generate 76% of rental income

Rental income recognised in 2013 does not take into account the rental income from the DS Campus asset, consolidated by the equity method since October 2012.

(€million)	Surface (sq.m)	Number of assets	Rental income 2012 100%	Rental income 2012 GS	Rental income 2013 100%	Rental income 2013 GS	Change (%)	Change (%) LFL
Paris Centre West	64 010	11	29,0	29,3	30,3	30,5	4,2%	
Southern Paris	78 251	12	34,1	29,6	33,5	28,7	-2,9%	
North Eastern Paris	109 032	6	13,1	13,1	20,5	20,5	55,9%	
Wester Crescent and La Défense	194 381	26	61,1	55,6	63,9	58,2	4,6%	
Inner suburbs*	184 761	16	29,8	29,8	17,9	18,0	15,4%	
Outer suburbs	161462	70	21,9	21,9	20,6	20,6	-6,0%	
Total Paris Region	791895	141	189,0	179,4	186,8	176,6	6,9%	
MRC	292 720	85	40,7	40,6	38,9	38,8	-4,4%	
Other French regions	468 031	206	42,1	42,1	39,6	39,6	-5,8%	
Total	**1 552 646**	**432**	**271,8**	**262,0**	265,2	255,0	**2,7%**	**2,2%**

Average cost to revenue is only 3.1% of rental income.



In rental income

Group share rental income fell from € 262 million to € 255 million Group share, a drop of € 7 million over one year. This change is the combined result of:

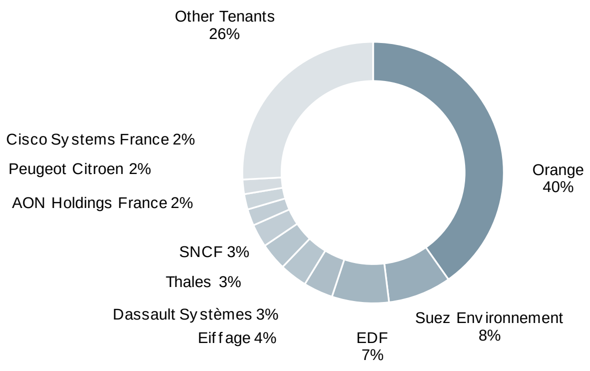
- asset disposals and sharing agreements occurring during the period (-€ 21.3 million), due primarily to disposals in the outer suburbs and in the Regions, along with the sharing of the DS Campus
- asset acquisitions and deliveries (+€ 10 million):
  - acquisitions:
    - the Citroën headquarters in Paris in H2 2012
    - the SICRA headquarters in Chevilly Larue in March 2013
  - delivery pre-leased assets to include:
    - the Le Divo asset in Metz, delivered in H2 2012
    - the turn-key Le Floria property leased to Société Générale in Fontenay, delivered in September 2012
    - the Le Patio property in Lyon-Villeurbanne, delivered in February 2013 and fully leased
    - the turn-key Pégase property leased to Eiffage in Clichy, delivered in April 2013
- a like-for-like increase of 2.2% (€ 4.3 million) linked to:
  - the positive effect of indexation (+€ 4.5 million)
  - rental activity (-€ 0.2 million):
    - rentals (+€ 2.4 million)
    - vacancies (-€ 1.9 million)
    - renewals/ renegotiations (-€ 0.7 million).
- a mild scope effect associated mainly with the equity consolidation of the DS Campus asset and the reclassification of the Cap 18 asset under the Offices France scope

2. Annualised rental income: € 269 million

Breakdown by major tenants

(€million) GS*	Surface (sq.m)	Nb of assets	Annualised rental income 2012	Annualised rental income 2013	Change (%)
Orange	644478	222	112,3	108,4	-3,5%
Suez Environnement	58689,02	2	20,6	21,1	2,0%
EDF	164729,4	28	26,7	19,0	-28,9%
Dassault Systèmes	56192,4	1	10,4	9,8	-5,5%
Eiffage	146169,8	82	9,3	9,2	-1,1%
Thales	78358	3	8,8	9,1	3,4%
SNCF	13699	1	7,8	7,7	-1,7%
AON	15591,7	1	5,3	5,5	4,6%
Peugeot Citroën	19530,93	1	5,4	5,1	-4,2%
Cisco System	11291	1	4,8	4,8	1,8%
Other tenants < €4M	343 917	90	60,6	69,6	15,0%
Total	**1 552 646**	**432**	**271,9**	**269,3**	**-0,9%**

** including DS Campus in GS 50%*



In rental income

To date, the ten most important tenants account for 75% of annualised rental income, down slightly compared to end 2012 (78%).

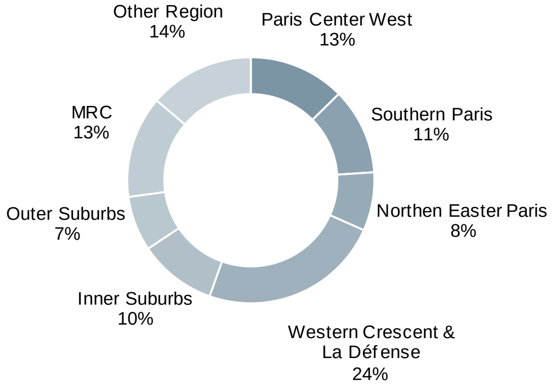
The -0.9 % change between 2012 and 2013 is due mainly to the impact of disposals and to the sharing of 50% of the DS Campus asset, offset by the entry of the following within the scope:

- disposals of assets leased to Orange, EDF and Eiffage
- sharing of the DS Campus in October 2012, a site occupied by Dassault Systèmes
- acquisition in H2 2012 of the Citroën headquarters in Paris (approximately 20,000 sqm) and in H1 2013 of the Sicra headquarters in Chevilly-Larue (6,700 sqm)
- delivery of 2 assets during the year (Pégase in Clichy and Le Patio in Lyon-Villeurbanne)
- the reclassification of the Cap 18 asset (Paris 18th) under offices

Geographical breakdown: Ile-de-France accounts for 73% of rental income

(€million) GS*	Surface (sq.m)	Number of assets	Annualised rental income 2012	Annualised rental income 2013	Change (%)
Paris Centre West	64 010	11	33,7	34,0	1,0%
Southern Paris	78 251	12	30,5	30,6	0,3%
North Eastern Paris	109 032	6	13,4	20,7	54,3%
Wester Crescent and La Défense	194 381	26	61,0	64,0	4,9%
Inner suburbs*	184 761	16	29,2	27,5	-5,8%
Outer suburbs	161462	70	20,8	19,4	-6,8%
Total Paris Region	791895	141	188,6	196,2	4,0%
MRC	292 720	85	42,0	36,1	-14,1%
Other French regions	468 031	206	41,3	37,1	-10,2%
Total	**1 552 646**	**432**	**271,9**	**269,3**	**-0,9%**

** including DS Campus in GS 50%*



The geographical breakdown of rental income is in line with that of the accounted rental income, confirming the prevalence of the Île-de-France share, with 73% of annualised rental income. The main changes in rental income per zone are explained by the rental activity since 1 January 2013:

- withdrawal in non-strategic zones in the Regions (- 10.2%) and in the outer suburbs (- 6.8%) by assets disposals (specifically two assets in Chessy leased to Euro Disney)
- decrease in the inner suburbs (-5.8%), due to sharing of the DS Campus asset in Vélizy (-€ 4.5 million) and some unit sales, including an asset in Issy-les-Moulineaux, partially offset by deliveries and acquisitions like the delivery of the Pégase asset leased to Eiffage in Clichy and the acquisition of the Citroën headquarters in St-Ouen
- Paris excluding CBD increased due mainly to the reclassification of the Cap 18 (Paris 18th) asset under offices

3. Indexation

The indexation effect is +€ 4.5 million over 12 months. 26% of rental income is indexed to the ICC, 73% to the ILAT, while the balance is indexed to the ILC or IRL.

Leases with an indexation cap (1%) account for 40% of annualised rental income and are indexed to the ILAT

4. Rental activity

(€million)	Surface (sq.m)	Annualised rental income	Annualised rental income (€/sq.m)
Vacating	45 607	8,5	186
Letting	83 134	18,6	223
Renewal*	452 635	79,4	175

**included renewed tacitly*

The end of 2013 was highlighted by vacancies:

- assets leased to EDF in Lyon Part-Dieu representing 22,250 sqm and € 6 million in rental income: these assets are part of the Silex 1 and Silex 2 redevelopment projects
- assets leased to Orange representing 14,250 sqm and € 0.9 million in rental income located primarily in the Regions and to be sold to developers
- the rest mainly concern an asset vacated by PSA in St-Ouen (1,413 sqm) and spaces vacated in the Cap 18 asset in Paris 18th (4,093 sqm).

These vacancies were extensively offset by leases, representing € 18.6 million in annualised rental income for 83,134 sqm, of which € 8.4 million (41,400 sqm) and mainly concern the following:

- Marketing of assets under development
  - the 100% pre-leasing of the Le Patio property in Lyon-Villeurbanne of approximately 11,800 sqm and delivered in February 2013
  - the leasing of 2,900 sqm to BPLC in the Le Divo asset in Metz (€ 0.5 million)
  - the leasing of 3,528 sqm in the CB21 Tower to Informatica, who took up 1,386 sqm and Nokia, who leased 2,142 sqm
  - the wrap-up of leasing of the Boulogne Grenier to Assoun involving 2,158 sqm
- Continued Key Accounts partnership agreements for turnkey leases:
  - three leases concluded with the Vinci Group for over 24,000 sqm, two of which are for the Nanterre Respiro and Vinci Lille-Roubaix redevelopment projects
  - conclusion of a new acquisition with the Eiffage group and the signature of an advance on future completion project in Vélizy concerning the Group's future head office of over 23,000 sqm
- Continued vigorous asset management work on multi-tenant assets in Sophia, Lille and Fontenay-sous-Bois

The year 2013 was also underscored by the renewal of nearly 30% of the leases in the portfolio as a result of the continuation of our partnership strategy, which is proving effective in keeping our tenants in properties:

- Conclusion of a new agreement with Orange resulting in the renewal of 61 leases. These concern 191,000 sqm and extended terms by 6.1 years on the average, representing annualised rental income of € 26 million
- Extension of leases with:
  - Dassault Systèmes through 2015 regarding the DS Campus and as part of the umbrella agreement for the construction of a 12,800 sqm addition to the current property
  - Eiffage Construction concerning its 11,000 sqm head office in Vélizy and as part of the umbrella agreement for the construction of the Eiffage Group head office of 23,000 sqm

- Suez Environnement extended its lease concerning 44,000 sqm in the CB 21 Tower for five years with expiry in 2025

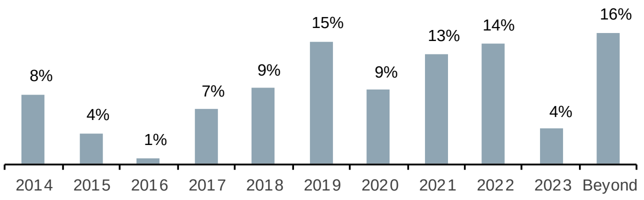
To this may be added lease renewals for nearly 142,000 sqm of assets, especially the renegotiation of almost the entire contingent of leases on the Lille Arcuriale 18,050 sqm property, the maintaining by EDF of five sites totalling 35,000 sqm and the leasing work on multi-tenant sites in St-Ouen, Issy-les-Moulineaux and Paris.

5. Expirations and vacancies

■ Lease expirations: 6.8 years residual lease term (5.7 years firm)

(€million)*	By lease end date (1st break)	% of total	By lease end date	% of total
2014	34,9	13%	22,5	8%
2015	24,5	9%	10,0	4%
2016	27,0	10%	2,2	1%
2017	16,4	6%	17,7	7%
2018	33,1	12%	24,6	9%
2019	27,6	10%	39,8	15%
2020	14,7	5%	24,1	9%
2021	17,8	7%	35,8	13%
2022	20,8	8%	39,0	14%
2023	13,4	5%	11,4	4%
Beyond	39,1	15%	42,3	16%
Total	**269,3**	**100%**	**269,3**	**100%**

** including DS Campus in GS 50%*



The firm residual lease terms rose sharply to 5.7 years compared to 5.3 years at the end of 2012. By date of end of lease, the residual term of leases was 6.8 years, compared to 6.6 years in 2012.

The mechanical loss of 12 months of residual term was offset to a great extent by lease extensions (due specifically to the agreement reached with Orange, Suez Environnement and Dassault Systèmes).

■ Occupancy rates and types: a 95.8% occupancy rate

(%)	2012*	2013**
Paris Centre West	100,0%	100,0%
Southern Paris	99,9%	99,2%
North Eastern Paris	100,0%	96,1%
Wester Crescent and La Défense	89,5%	92,5%
Inner suburbs	98,6%	98,5%
Outer suburbs	95,4%	95,4%
Total Paris Region	**95,6%**	**96,3%**
MRC	94,9%	95,4%
Other French regions	96,9%	93,8%
Total	**95,7%**	**95,8%**

** including DS Campus in GS 50%*
*** including Vélizy et Meudon*

In Ile-de-France, La Défense continued to be the leading zone in vacancies for Foncière des Régions, with a 7.5% rate in the inner suburbs. This was due mainly to vacancy in the CB 21 Building (approximately 12,000 sqm), accounting for close to 38% of total vacancies in the Offices France segment.

Other vacant spaces mainly concerned 3 assets located in Paris (currently being marketed), Nîmes, and Lille. These assets are in the process of being sold.

6. Unpaid rent

(€million)	2012	2013
As % of rental income	0,15%	0,1%
In value *	0,4	0,3

** net provision / reversals of provison*

7. Disposals and disposal agreements: € 269 million

(€million)	Disposals (agreements as of end of 2012 closed)	Agreements as of end of 2012 closed	New disposals 2013	New agrements 2013	Total 2013	Margin vs 2012 value	Yield	Total
Paris Centre West	-	11,5	-	-	-	-	-	11,5
Southern Paris	-	6,5	-	-	-	-	-	6,5
North Eastern Paris	10,1	31,7	-	-	-	-	-	41,8
Wester Crescent and La Défense	6,7	4,0	0,2	36,0	36,2	10,2%	6,5%	46,9
Inner suburbs*	28,9	31,7	26,6	2,5	29,1	7,4%	6,8%	89,7
Outer suburbs	7,2	15,5	28,7	41,1	69,8	0,2%	7,9%	92,5
Total Paris Region	**53,0**	**100,7**	**55,5**	**79,6**	**135,1**	**5,9%**	**7,3%**	**288,8**
MRC	25,2	3,5	28,5	62,2	90,7	0,6%	7,8%	119,3
Other French regions	37,6	12,6	11,5	31,3	42,8	2,2%	7,4%	93,0
Total	**115,8**	**116,8**	**95,5**	**173,1**	**268,6**	**3,5%**	**7,5%**	**501,2**

**Inner suburbs includes Velizy and Meudon*

The volume of negotiations by Foncière des Régions in 2013 highlight a dual strategy involving both the rapid disposal of secondary assets concerning 35 properties that represent over 80% of disposals carried out, and the setting up of investment partnerships targeting large-scale assets. An example of this is the Crédit Agricole Assurances collaboration via the sale of 49.9% of companies holding the New Vélizy and Eiffage Campus properties.

8. Acquisitions: € 54 million excluding duties

Assets	Surface (sq.m)	Location	Tenants	Acquisition Price ED (€million)
SICRA Chevilly	6 700	Inner suburbs	SICRA	25,0
Land acquisition : projects Green Corner and Respiro	na	Inner suburbs		25,8
Others				2,8
Total	**6 700**			**53,6**

Foncière des Régions has clinched a partnership with the Vinci Group thanks to the acquisition of a 6,700 sqm turnkey property leased to Sicra under a firm 12-year lease and delivered in May 2012. The property has the HPE label and HQE certification.

9. Development projects: A pipeline of over € 1 billion

The development policy of Foncière des Régions aims mainly at continuing the asset enhancement work undertaken (improvement of asset quality and creation of value), supporting Key Accounts partners over the long term in the deployment of their real estate strategy, and managing new operations in strategic locations.

This strategy takes shape, in Ile-de-France, with locations with good mass transport and/or in established services districts, and in the major Regional cities, where annual take-up exceeds 50,000 sqm per annum, with “prime” locations (e.g. TGV train stations in Bordeaux, Nancy or Metz, the Part-Dieu district in Lyon).

Delivery of properties

Over the year, the following properties were delivered:

- the Le Patio building in Lyon, restructured after the departure of EDF and 100% leased to several tenants: OPTEVEN, PagesJaunes, EDF, RTE and Hankook, who took up an aggregate usable area of 12,765 sqm, HQE, Breeam and BBC renovation certified.
- the Pégase property, a 4,580 sqm turnkey rental for Eiffage, located in Clichy and leased under a firm 10-year lease, also HQE and BBC certified.
- the Paris Voltaire property, converted in to a 50-unit student residence and certified BBC Renovation and PH&E Habitat et Environnement.

Committed projects

Projects	Location	Area	Surface** (sq.m)	Delivery	Target offices rent (€/sq.m/year)	Pre-let (%)	Total Budget* (€m)
Steel	Paris	MRC	3 700	2014	600	0%	36
Egis (Montpellier)	Montpellier	MRC	6 100	2014	155	100%	15
New Velizy (QP FdR - 50%)	Vélizy	Paris Regions	45 600	2014	250	100%	96
B&B (Montpellier)	Montpellier	Paris	2 150	2014	150	100%	5
Green Corner	Saint-Denis	Paris Regions	20 500	2015	310	70%	87
ERDF Avignon	Avignon	MRC	4 100	2015	160	100%	9
Euromed Center - Phase 1 (QP FdR - 50%)	Marseille	MRC	24 000	2015	250	66%	54
Respiro	Nanterre	Paris Regions	11 150	2015	310	100%	51
Quatuor	Lille	MRC	9 700	2015	160	71%	23
Askia - Cœur d'Orly A3 (QP FdR 25%)	Orly	Paris Regions	18 500	2015	250	50%	15
Campus Eiffage (QP FdR: 50%)	Vélizy	Paris Regions	23 000	2015	270	100%	53
DS Campus Extension 1 (QP FdR - 50%)	Vélizy	Paris Regions	12 900	2016	290	100%	31
Lyon Silex 1	Lyon	MRC	10 600	2016	280	0%	47
Total			**192 000**			**73%**	**522**

*Surface 100%

**In Group share, including land cost and financial cost

Several projects were launched and begun during the year:

- the Green Corner project in Saint-Denis following the signing of a firm 10-year lease with the Haute Autorité for 70% of the surface area.
- the first Cœur d'Orly building, Askia, in the wake of the signing of a Key Accounts lease for 50% of its surface area
- Steel, a property previously occupied by Orange in the rue des Sablons, Paris 16th, a restructuring project
- Respiro, a turnkey job for 11,150 sqm for the Vinci Group in Nanterre
- Quatuor, a 9,700 sqm building pre-leased to 71% with a firm 12-year lease concluded with SOGEA of the Vinci Group, in the middle of the Union business park in Lille-Roubaix
- Eiffage Campus, a turnkey project for the head office of the Eiffage Group in 23,000 sqm at Vélizy, under a firm 12-year lease
- launching of work on the Silex 1 project, a 10,600 sqm building in the immediate area of the Lyon Part-Dieu station, once RTE leaves the existing building in early 2014

Apart from the above projects, two other advance of future completion projects were signed during the year:

- one with Dassault Systèmes for the completion of an addition to the Vélizy campus, the DS Campus, on 12,900 sqm. The building permit has now been finalised and modifications are being made to the project in accordance with changing Dassault Systèmes requirements
- another, as a continuation of the EDF partnership, concerning a turnkey job of 4,100 sqm for ERDF in Avignon

Lastly, concerning the development of the Euromed Center in Marseille, work continues on the 857-space car park and the initial 14,000-sqm office building, Astrolabe. Work on the hotel has begun following the signing of a firm 12-year lease with Louvre Hôtels for the Golden Tulip brand.

Managed projects

Foncière des Régions manages around 230,000 sqm:

Projects	Location	Area	Surface* (sq.m)	Delivery timeframe
Montpellier	Montpellier	MRC	3 000	2015
Toulouse Marquette	Toulouse	MRC	8 400	2016
Nancy Grand Cœur	Nancy	MRC	6 500	2016
Euromed Center - tranche 2 (QP FdR 50%)	Marseille	MRC	33 500	2016
Levallois Anatole France	Levallois	Paris Regions	5 500	2016
Issy Grenelle	Issy	Paris Regions	8 600	2016
Extension Thales (QP FdR 50%)	Vélizy	Paris Regions	14 000	2016
Cœur d'Orly Commerces (QP FdR 25%)	Orly	Paris Regions	31 000	2016
Meudon	Meudon	Paris Regions	30 000	2016
Cœur d'Orly Bureaux (QP FdR 25%)	Orly	Paris Regions	50 000	2016 - 2017
Lyon Silex (2ème tranche)	Lyon	MRC	30 000	2017
DS Campus Extension 2 (QP FdR 50%)	Vélizy	Paris Regions	11 000	2018
Total			**231 500**	

**surface 100%*

Building permits have been obtained for the following projects:

- a 5,500 sqm building in the heart of Levallois at the foot of the Anatole France Metro stop, which is currently occupied by Orange and will be vacated in mid-2014.
- a 30,000 sqm campus in Meudon on the site currently occupied by Thales that is to be vacated at the end of 2014
- two buildings in Meudon, at the beginning of the Avenue Morane Saulnier with extremely good visibility over N118, concerning 30,000 sqm. This project stems from an expression of extreme interest by a Key Accounts user with whom discussions are presently underway
- a 6,500 sqm in the Grand Cœur business park of Nancy, next to the TGV station

These projects are currently in the pre-leasing phase and are likely to be committed depending on the lease agreements that may be concluded.

A building permit application has also been submitted for the addition to the New Vélizy campus, for which the initial phase of 45,600 sqm is to be delivered in October 2014. Discussions with Thales are currently underway regarding this 14,000-sqm project.

It was also decided to launch a building permit review process for the following:

- the Silex 2 project: restructuring – addition of the tower vacated by EDF in the Part-Dieu district of Lyon
- an approximately 8,400 sqm building in the town centre of Toulouse on a site partially leased by EDF
- in Issy Grenelle, an approximately 8,600 sqm property to be vacated by Yves Rocher at the end of 2014 that will be restructured and receive an addition.

10. Asset values

Change in asset values

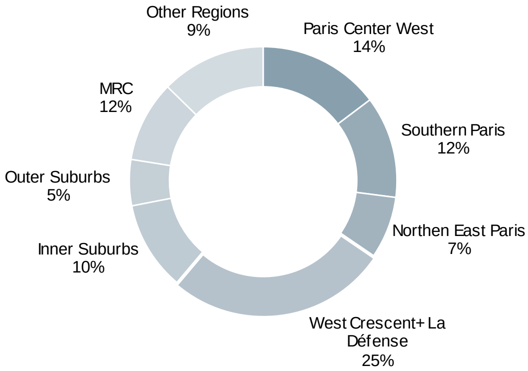
(€million) Asset	Value ED 2012	Value adjustment	Acquisitions	Disposals	Invest.	Transfer	Value ED 2013
Assets in operation	3 933,5	56,4	- 163,5	69,9	3,2	0,4	3 990,8
Assets under developement	98,9	3,6	0,0	47,2	6,5	- 48,7	126,4
Total	**4 032,4**	**60,0**	**- 163,5**	**117,1**	**9,7**	**- 48,3**	**4 117,2**

** including DS Campus in GS 50%*

Like-for-like change

(€million)	100% value ED 2012	100% value ED 2013	Value ED 2013 GS*	LFL change 12 months	Yield ED 2012	Yield ED 2013	% of total value
Paris Centre West	572,2	575,5	575,5	4,6%	5,8%	5,9%	14%
Southern Paris	601,3	594,5	482,6	- 1,2%	6,3%	6,3%	12%
North Eastern Paris	204,5	293,0	293,0	2,0%	6,5%	6,4%	7%
Wester Crescent and La Défense	1 167,6	1 188,3	1 041,3	0,4%	6,0%	6,2%	25%
Inner suburbs*	604,5	621,2	422,3	- 0,3%	6,6%	6,5%	10%
Outer suburbs	221,8	218,2	218,2	3,2%	9,2%	8,6%	5%
Total Paris Region	**3 371,9**	**3 490,6**	**3 032,8**	**1,2%**	**6,4%**	**6,1%**	**33%**
MRC	444,9	384,3	384,3	- 1,7%	7,8%	7,3%	12%
Other French regions	534,6	495,3	495,3	- 1,6%	9,3%	9,2%	9%
Total in operation	**4 351,4**	**4 370,2**	**3 912,4**	**0,5%**	**6,9%**	**6,8%**	**95%**
Assets under developement	98,9	294,3	204,8	13,0%	0,0%	0,3%	5%
Total	**4 450,3**	**4 664,5**	**4 117,2**	**1,0%**	**6,7%**	**6,5%**	**100%**

** Including DS Campus, New Velizy and Euromed in GS*
*** included Velizy and Meudon*



Value GS
(yc assets under developments)

The year 2013 was marked by a 1.0% increase in like-for-like assets.

- Paris Centre-West is the zone showing the strongest increase (+4.6%). This is due basically to the contraction in capitalisation rates on Parisian assets with long leases, reflecting a market trend during the year.
- The drop in like-for-like values in Paris South, the inner suburbs and MRCs is explained principally by the vacancy effect

Strategic asset segmentation

- The “Core” portfolio: The “core” portfolio is the strategic asset core, consisting of resilient assets that provide sustainable revenues. Mature buildings can be disposed of in timely fashion in managed proportions, freeing up resources that can be reinvested in value-creating operations, either by shoring up our asset base or by new investments.

- “Secondary asset” portfolio: The “Secondary asset” portfolio involves sale-and-leaseback operations with our major partner-tenants. This portfolio provides a pocket yielding higher than the offices portfolio average, with an historically high lease renewal rate. The small size of these individual assets and their liquidity on the local markets make them apt candidates for progressive disposal.

- "Under Development" portfolio: The "under development" portfolio consists of assets targeted for specific restructuring or rental development actions. These assets are primed to become core assets once the asset management work has been achieved.

	Core Portfolio	Value enhancement Portfolio	Secondary asset	Total
Number of assets	69	50	313	**432**
Value ED GS (€million)	2 589	726	802	**4 117**
Yield	6,3%	5,4%	8,1%	**6,5%**
Residual firm duration of leases (years)	6,8	1,8	5,3	**5,7**
Occupancy rate	96,6%	97,7%	97,7%	**95,8%**

The percentage of core assets was stable over the half at 63% of the Offices France portfolio, whereas the "Secondary asset" niche fell significantly over the year, due to the sale of 34 assets worth € 121 million, a result of the implementation of a targeted disposals strategy.

Considering disposal agreements, the volume of secondary assets is limited to € 589 million and accounts for less than 6% of the Group share assets of Foncière des Régions (Foncière des Régions Group share value amounts to € 10 billion).

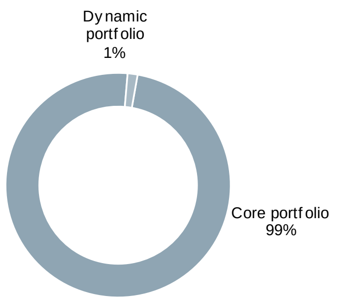
OFFICES ITALY

Listed on the Milan stock exchange since 1999, Beni Stabili is the largest listed Italian property firm. Its assets consist largely of offices located in cities in northern and central Italy, particularly Milan and Rome. The company's assets totalled € 4.2 billion at the end of December 2013.

Foncière des Régions holds 50.9% of the capital of Beni Stabili.

1. Accounted rental income: +0.4% like-for-like

(€million)	Surface (sq.m)	Number of assets	Rental income 2012	Rental income 2013	Change (%)	Change (%) LFL	% of total
Core portfolio	1 757 384	222	223,8	228,4	2,0%		98,6%
Dynamic portfolio	132 134	39	4,7	3,3	-29,6%		1,4%
Subtotal	**1 889 518**	**261**	**228,5**	**231,7**	**1,4%**		**100,0%**
Developement portfolio	20 009	4	0,0	0,0	na		0,0%
Total	**1 909 527**	**265**	**228,5**	**231,7**	**1,4%**	**0,4%**	**100,0%**



In rental income

The variation in rental income between 31 December 2012 and 31 December 2013 is +€ 3.2 million, or +1.4%. This change is due primarily to:

- to asset management and indexation: +€ 0.8 million
- to disposals: - € 5.5 million
- to deliveries and vacancies of assets under development, particularly the Garibaldi Tower in Milan +€ 7.0 million

The like-for-like change is +0.4% over the period.

2. Annualised rental income: € 229 million

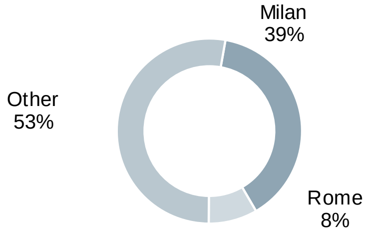
Breakdown by portfolio

(€million)	Surface (sq.m)	Number of assets	Annualised rental income 2012	Annualised rental income 2013	Change (%)	% of total
Core portfolio	1 757 384	222	231,0	227,2	-1,7%	99,0%
Dynamic portfolio	132 134	39	4,4	2,2	-49,6%	1,0%
Subtotal	**1 889 518**	**261**	**235,4**	**229,4**	**-2,6%**	**100,0%**
Developement portfolio	20 009	4	0,0	0,0	na	0,0%
Total	**1 909 527**	**265**	**235,4**	**229,4**	**-2,6%**	**100,0%**

Geographic breakdown

(€million)	Surface (sq.m)	Number of assets	Annualised rental income 2012	Annualised rental income 2013	Change (%)	% of total
Milan	468 425	42	88,0	89,1	1,2%	38,8%
Rome	152 337	32	21,7	19,5	-10,0%	8,5%
Other	1 268 756	187	125,6	120,8	-3,8%	52,7%
Total	**1 889 518**	**261**	**235,4**	**229,4**	**-2,6%**	**100,0%**

Annualised rental income at year-end excluding developement



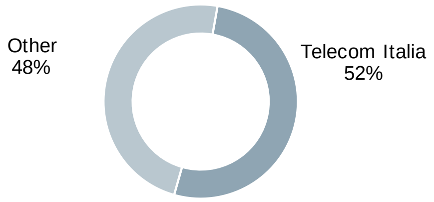
In rental income

The increase in revenues in Milan is due to the delivery of the Garibaldi Building leased to Maire Tecnimont that was offset by sales realised.

Breakdown by tenant

(€million)	Surface (sq.m)	Number of assets	Annualised rental income 2012	Annualised rental income 2013	Change (%)	% of total
Telecom Italia	1 182 690	168	120,5	118,4	-1,7%	51,6%
Other	706 828	93	*114,9*	110,9	-3,5%	48,4%
Total	**1 889 518**	**261**	**235,4**	**229,4**	**-2,6%**	**100,0%**

Annualised rental income at year-end excluding developement



In rental income

3. Indexation

The annual indexation of rental income is usually calculated by taking 75% of the increase in the Consumer Price Index (CPI) and is applied on each anniversary of the signing date of the agreement. For 2013, average increase of the IPC index was 1.2%.

4. Rental activity

During 2013, rental activity can be summarised as follows:

(€million)	Surface (sq.m)	Annualised rental income	Annualised rental income (€/sq.m)
Vacating	14 077	2,5	180
Letting	12 729	4,0	315
Renewal	61082	18,7	306

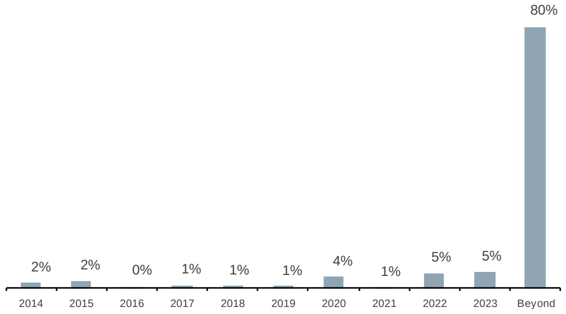
The primary new leases signed concerned the Piazza San Fedele property in Milan for € 1.1 million, the Via Arte in Rome for € 1.1 million and the Milan Via Cornaggia for € 0.5 million. Renewals include automatic renewals of leases expiring in 2013.

Lease renewals included primarily the renewal of two assets of 58,000 sqm located in Milan and leased to Intesa, with an increase of the firm term to five-year leases.

5. Expirations and occupancy rate

- Lease expirations: 12.6 years residual lease term (6.9 years firm)

(€million)	By lease end date (1st break)	% of total	By lease end date	% of total
2014	11,6	5%	3,7	2%
2015	6,2	3%	5,0	2%
2016	3,1	1%	0,9	0%
2017	13,5	6%	2,2	1%
2018	8,7	4%	1,7	1%
2019	35,5	15%	1,8	1%
2020	1,5	1%	8,4	4%
2021	119,4	52%	1,3	1%
2022	25,2	11%	10,6	5%
2023	4,3	2%	11,3	5%
Beyond	0,6	0%	182,5	80%
Total	**229,4**	**100%**	**229,4**	**100%**



Leases expiring after 2023 are basically linked to Telecom Italia. The residual duration of the leases was 12.6 years as of end 2013.

■ Occupancy rate and type: Occupancy rate of 97.7%

The spot financial occupancy rate at the end of December 2013 was 97.7% for the core portfolio, up slightly compared with end 2012, at 97.1%.

6. Unpaid rent

(€million)	2012	2013
As % of rental income	2,0%	2,5%
In value *	4,7	5,8

** net provision / reversals of provison*

Unpaid rent corresponds to net charges, reversals or provisions and losses, which amount to 2.5% of rental income in 2013, up slightly with relation to 2012.

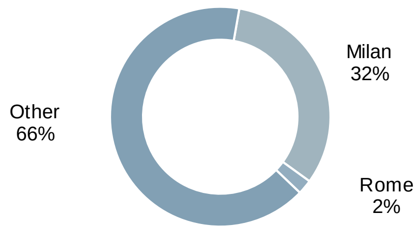
7. Disposals and disposal agreements: € 87 million

The value of disposals and disposal agreements in 2013 stood at € 86.9 million, i.e. a total of € 171.9 million, including 2012 agreements closed in 2013 and 2012 agreement yet to close.

These new 2013 commitments were made with a slight rise in appraisal values compared to 2012 (+3.5%) and on the basis of a 5.6% return.

Beni Stabili demonstrated its ability to sell assets under favourable conditions despite the difficult economic backdrop.

(€million)	Disposals (agreements as of end of 2012 closed)	Agreements as of end of 2012 closed	New disposals 2013	New agreements 2013	Total 2013	Margin vs 2012 value	Yield	Total
Milan	0,0	9,1	28,0	0,0	28,0	15,8%	5,0%	37,1
Rome	40,6	0,0	1,9	0,0	1,9	- 10,8%	4,3%	42,4
Other	35,3	0,0	28,3	28,7	57,1	- 1,1%	5,9%	92,3
Total	**75,8**	**9,1**	**58,2**	**28,7**	**86,9**	**3,5%**	**5,6%**	**171,9**



In value

8. Acquisitions: € 47 million excluding duties

Assets	Surface (sq.m)	Location	Use	Acquisition Price ED (€million)
Sviluppo Ripamonti	na	Milan	Office / Retail	47,0
Total				**47,0**

This acquisition concerns the purchase of the stake not held until then by Beni Stabili in the Milan Symbioses development project.

9. Development projects

Projects delivered

Building C of the Garibaldi complex was delivered in February 2013. This operation completes the execution of the Garibaldi complex.

Committed projects

Projects	Location	Area	Surface (sq.m)	Delivery	Target offices rent (€/sq.m/year)	Pre-let (%)	Total Budget (€m)
San Nicolao	Milano	Italy	9 500	2014	550	0%	112
Roma via dell'Arte	Roma	Italy	6 700	2014	350	75%	32
Total			**16 200**			**17%**	**143**

Managed projects

Projects	Location	Area	Surface (sq.m)	Delivery timeframe
Milan, Symbiosis (Ripamonti)	Milano	Italy	74 100	Depending Prelet Status
Total			**74 100**	

10. Asset values

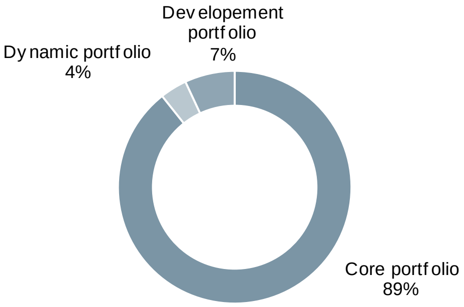
Change in asset values

(€million)	Value ED 2012	Change in value	Acquisitions	Disposals	Invest.	Reclass.	Value ED 2013
Core portfolio	3 837,2	-59,2	-0,5	-109,8	18,1	27,7	3 713,4
Dynamic portfolio	194,7	-11,6	0,0	-16,6	1,3	-12,5	155,3
Subtotal	**4 032,0**	**-70,8**	**-0,5**	**-126,5**	**19,4**	**15,2**	**3 868,8**
Developement portfolio	240,5	-11,5	47,0	0,0	27,3	-15,2	288,2
Total	**4 272,5**	**-82,3**	**46,5**	**-126,5**	**46,7**	**0,0**	**4 157,0**

Like-for-like change: -1.5%

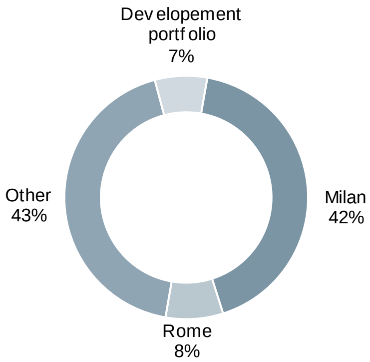
(€million)	Value ED 2012 100%	Value ED 2013 100%	LFL change 12 months	Yield ED 2012	Yield ED 2013	% of total value
Core portfolio	3 837,2	3 713,4	-1,1%	6,0%	6,1%	89,3%
Dynamic portfolio	194,7	155,3	-6,2%	2,3%	1,4%	3,7%
Subtotal	**4 032,0**	**3 868,8**	**-1,3%**	**5,5%**	**5,9%**	**93,1%**
Developement portfolio	240,5	288,2	-3,4%	na	na	6,9%
Total	**4 272,5**	**4 157,0**	**-1,5%**	**5,5%**	**5,5%**	**100,0%**

The value of Beni Stabili's assets decreased by -1.5% on a like-for-like basis during 2013. The Telecom Italia portfolio (42% of the assets) decreased by 1.5% during the period.



In asset value

(€million)	Value ED 2012 100%	Value ED 2013 100%	LFL change 12 months	Yield ED 2012	Yield ED 2013	% of total value
Milan	1759,8	1759,6	-0,9%	5,0%	5,1%	42,3%
Rome	383,8	316,9	0,3%	5,7%	6,2%	7,6%
Other	1888,3	1792,2	-2,0%	6,7%	6,7%	43,1%
Subtotal	**4 032,0**	**3 868,8**	**-1,3%**	**5,8%**	**5,9%**	**93,1%**
Developement portfolio	240,5	288,2	-3,4%	na	na	6,9%
Total	**4 272,5**	**4 157,0**	**-1,5%**	**5,5%**	**5,5%**	**100,0%**



In asset value

Asset locations remain primarily in Milan and Rome (50%).

C. HOTELS AND SERVICES SECTOR

Foncière des Murs (FDM), which is 28.3% owned by Foncière des Régions, is a listed real estate investment company (SIIC) specialising in the service sector, especially in hotels, healthcare, and retail. The Company's investment policy favours partnerships with the leading operators in their business sector, in order to offer secure returns to its shareholders.

1. Accounted rental income: +1.7% like-for-like

Recognised rental income is presented at 100% and in FDM share. Assets held in FDM share correspond to 158 B&B Hotels acquired during H2 2012, 50.2% owned.

Breakdown by activity sector

(€million)	Number of assets	Rental income 2012	Rental income 2012 in GS	Rental income 2013 100%	Rental income 2013 in GS	Change (%) 100%	Change (%) in GS	Change (%) LFL
Hotels	318	116,6	114,5	143,1	126,5	22,8%	10,5%	1,3%
Healthcare	38	24,3	24,3	22,2	22,2	-8,7%	-8,7%	2,2%
Retail Premises	186	43,7	43,7	38,7	38,7	-11,5%	-11,6%	2,8%
Total	**542**	**184,8**	**182,5**	**204,0**	**187,4**	**10,4%**	**2,6%**	**1,7%**

Consolidated rental income stood at € 204 million as at end 2013, up 10.5% compared to end 2012. This was due mainly to:

- the impact of the acquisition of 158 B&B hotels in 2012 (+€ 29.3 million)
- the like-for-like increase in rental income of +1.7% (+€ 2.8 million)

These positive effects were partially offset by the impact of asset disposals made in 2012 and 2013 (-€ 12.5 million).

The average cost to revenue ratio is negligible at 0.2% of rental income.

Geographic breakdown

(€million)	Surface (sq.m)	Number of assets	Rental income 2012 in GS	Rental income 2013 in GS	Change (%)	% of rental income
Paris CBD	0	0	0,0	0,0	0,0%	0%
Paris excl. CBD	81843	11	21,6	21,6	0,1%	12%
Inner suburbs	106 666	28	17,7	18,8	6,0%	10%
Outer suburbs	117 644	56	14,0	15,5	10,7%	8%
Total Paris Region	**306 153**	**95**	**53,3**	55,9	4,8%	30%
MRC	281280	113	33,8	35,6	5,3%	19%
Other French regions	580 000	301	66,7	66,7	0,1%	36%
International	283 598	33	28,7	29,1	1,5%	16%
Total	**1 495 334**	**542**	**182,5**	**187,4**	**2,6%**	**100%**

2. Annualised rental income: € 185 million

Breakdown by activity sector

(€million)	Surface (sq.m)	Number of assets	Annualised rental income 2012	Annualised rental income 2013	Change (%)	% of rental income
Hotels	1 101 006	317	126,5	125,8	-0,5%	68%
Healthcare	152 073	38	22,6	20,9	-7,5%	11%
Retail Premises	197 952	186	40,3	38,6	-4,1%	21%
Total	**1 451 031**	**541**	**189,4**	**185,4**	**-2,1%**	**100%**

Annualised rental income is expressed as Group share.

Breakdown by tenant

(€million)	Surface (sq.m)	Number of assets	Annualised rental income 2012	Annualised rental income 2013	Change (%)	% of rental income
Accor	614 951	135	88,3	86,9	-1,6%	47%
B&B	306 684	177	21,3	21,9	2,8%	12%
Korian	135 949	35	20,0	18,2	-9,1%	10%
Quick	37 866	82	18,2	17,1	-6,0%	9%
Jardiland	151 681	49	14,8	15,0	1,0%	8%
Sunparks	133 558	4	13,5	13,6	0,9%	7%
Courtepaille	8 405	55	7,2	6,6	-8,6%	4%
Club Med	45 813	1	3,4	3,4	0,4%	2%
Générale de Santé	16 124	3	2,6	2,7	4,1%	1%
Total	**1 451 031**	**541**	**189,4**	**185,4**	**-2,1%**	**100%**

Geographic breakdown

(€million)	Surface (sq.m)	Number of assets	Annualised rental income 2012	Annualised rental income 2013	Change (%)	% of rental income
Paris CBD	0	0	0,0	0,0	0,0%	0%
Paris excl. CBD	81 843	10	19,5	21,4	9,8%	12%
Inner suburbs	106 666	28	18,3	18,3	-0,2%	10%
Outer suburbs	117 644	56	15,9	15,6	-1,9%	8%
Total Paris Region	**306 153**	**94**	**53,7**	**55,3**	**2,9%**	**30%**
MRC	281 280	113	36,8	34,7	-5,7%	19%
Other French regions	580 000	301	70,1	66,1	-5,7%	36%
International	283 598	33	28,7	29,3	2,0%	16%
Total	**1 451 031**	**541**	**189,4**	**185,4**	**-2,1%**	**100%**

3. Indexation

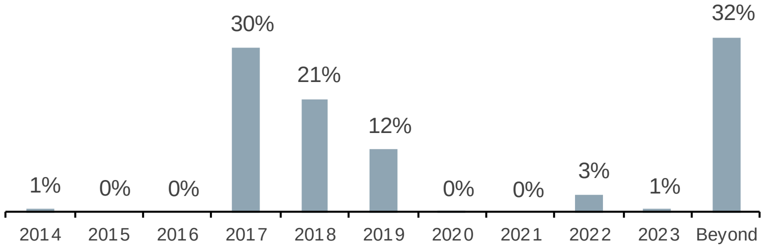
53% of the rental income is indexed to benchmark indices. All of the portfolios generating fixed rental income were indexed:

- the Korian portfolio was indexed in January 2013 based on the Q4 2012 Rental Reference Index (IRL), which had a positive impact of € 0.4 million
- the indexation of Jardiland, of which one-third of the portfolio was based on the construction cost index (ILC) and two-thirds on the rental reference index (IRL), took place in July of 2013, generating a positive impact of € 0.4 million
- the indexation of Quick and Courtepaille, which was based on the construction cost index (ILC), took place in October 2013, generating a total impact of € 0.7 million.

A total of 47% of rental income was indexed on Accor revenue, which rose 1% on the year.

4. Lease expirations and occupancy rates

(€million)	By lease end date (1st break)	% of total	By lease end date	% of total
2014	1,0	1%	1,0	1%
2015	0,0	0%	0,0	0%
2016	0,0	0%	0,0	0%
2017	56,4	30%	56,4	30%
2018	39,0	21%	39,0	21%
2019	21,6	12%	21,6	12%
2020	0,3	0%	0,3	0%
2021	0,0	0%	0,0	0%
2022	6,2	3%	6,2	3%
2023	1,0	1%	1,0	1%
Beyond	59,9	32%	59,9	32%
Total	**185,4**	**100%**	**185,4**	**100%**



The firm residual lease term was 7.1 years at end 2013, compared to 7.3 years at end 2012. The occupancy rate was 100% at end 2013.

5. Unpaid rent

The portfolio had no reserves for bad debts during 2013, just as in 2012.

6. Disposals and disposal agreements: € 160 million

Sixteen properties were sold during 2013, for a value of € 62.9 million. These disposals, in the portfolio or individual sales, related to Accor hotels and Quick or Courtepaille properties, as well as retirement homes. In addition, disposal agreements relating to 16 assets were signed, for a total amount of € 97.5 million.

(€million)	Disposals (agreements as of end of 2012 closed)	Agreements as of end of 2012 to close	New disposals 2013	New agrements 2013	Total 2013	Margin vs 2012 value	Yield	Total
Hotels	35,3	0,0	15,4	56,3	71,7	4,2%	6,2%	107,0
Healthcare	3,5	0,0	28,1	37,5	65,6	4,9%	6,6%	69,1
Retail Premises	27,5	1,7	19,4	3,7	23,1	4,5%	6,4%	52,3
Total	**66,3**	**1,7**	**62,9**	**97,5**	**160,4**	**4,5%**	**6,4%**	**228,4**

7. Acquisitions

A partnership contract was signed to support the development of nine new B&B hotels in Germany in January 2014. This investment totals around € 50 million and will reinforce the partnership initiated between the two groups in 2010. The new hotels, set to open between 2014 and 2016, will be let on 20-year leases with a net triple base rent.

8. Development projects: a € 38 million pipeline

Committed projects: € 38 million, 100% pre-let

Projects	Location	Area	Surface (sq.m)	Delivery	Target rent (€sq.m/year)	Pre-let (%)	Total Budget (€m)
B&B Porte des Lilas	Paris	IDF	5 500	2014	277	100,0%	21
B&B Porte de Choisy	Paris	IDF	4 000	2015	256	100,0%	16
Total			**9 500**			**100,0%**	**38**

On 30 May 2012, Foncière des Murs purchased a 2-star 265-room hotel in the Portes des Lilas area in Paris (19th arrondissement) from Vinci Immobilier, under a lease in advance of future completion. The property will be operated under the B&B brand. This transaction is part of the partnership begun by Foncière des Murs and B&B Hôtels in 2010 and is proof of the willingness of Foncière des Murs to support its hotel partners in their development. The hotel will be delivered in the second quarter of 2014.

Foncière des Murs also owns a building under construction with a forecasted delivery date of 30 October 2015. It is a six-storey hotel with 182 rooms located at the Porte de Choisy in Ivry sur Seine. This building will also be leased to B&B Hôtels.

9. Asset values

Change in asset values

(€million)	Value ED 2012 GS	Value adjustment	Acquisitions	Disposals	Invest.	Value ED 2013 GS FDM
Assets in operation	3026,0	26,8	14,1	- 126,9	0,0	**2 940,0**
Assets under developement	13,0	1,2			0,0	**26,3**
Total	**3 039,0**	**28,0**	**26,2**	**- 126,9**	**0,0**	**2 966,3**

The asset value of Foncière des Murs amounted to € 2,966 million as at end 2013, up on a like-for-like basis by 1.5% on the year. The increase in asset values is primarily due to increased turnover for Accor, the indexing of fixed-rent assets, and to a decrease in capitalisation rates, which is consistent with the disposals and the disposal agreements signed.

Like-for-like change + 1.5%

(€million)	100% value ED 2012 GS	100% value ED 2013	Value ED 2013 GS	LFL change 12 months	Yield ED 2012	Yield ED 2013	% of total value
Hotels	2 040,0	2 273,4	2 011,1	1,1%	6,3%	6,3%	70%
Healthcare	356,0	331,8	331,8	1,9%	6,3%	6,3%	10%
Retail Premises	630,0	597,8	597,6	2,2%	6,5%	6,5%	18%
Total in operation	**3 026,0**	**3 202,9**	**2 940,6**	**1,4%**	**6,3%**	**6,3%**	**99%**
Assets under developement		29,2	25,7	6,7%	5,7%	0,0%	1%
Total	**3 039**	**3 232,1**	**2 966,3**	**1,5%**	**6,2%**	**6,2%**	**100%**

In the hotel sector, a like-for-like advance of 1.1% is noted, compared to the end of 2012. The healthcare sector advanced 1.9%, as a result of the indexing-related increase in rental income during the period. The like-for-like increase of 2.2% in the retail sector was due to the effect of the drop in rates of return, which was consistent with the rates of return on disposals and sale commitments made for this asset class in 2012 and early 2013.

D. RESIDENTIAL

Foncière Développement Logements, a subsidiary of Foncière des Régions, specialises in holding residential assets. It holds a portfolio valued at € 3.3 billion (end of 2013), of which 3/4 are located in Germany, the balance being in France.

It is to be noted furthermore that Foncière des Régions increased its stake in Foncière Développement Logements following the Public Exchange Offer initiated in August 2013. As a result of this offer, Foncière des Régions holds 59.7% of Foncière Développement Logements, which is fully consolidated starting 1 August (versus being equity consolidated previously)

1. Accounted rental income: +1.8% like-for-like

■ Geographic breakdown

(€million)	Rental income 2012	Rental income 2013	Change (%)	Change (%) LFL	% of rental income
Paris and Neuilly	17,0	**16,0**	-6,0%	na	50%
IDF Excl. Paris and Neuilly	7,6	**6,0**	-20,8%	na	19%
Rhones Alpes	4,0	**3,4**	-15,6%	na	10%
PACA	4,4	**4,2**	-3,1%	na	13%
Large Ouest	2,9	**1,9**	-34,8%	na	6%
East	,5	**,4**	-16,2%	na	1%
Total France	**36,4**	**31,9**	**-12,2%**	**na**	**17%**
Berlin	10,8	**18,2**	67,8%	5,6%	12%
Datteln	7,0	**7,3**	4,4%	1,2%	5%
Dresde	,0	**1,4**	na	0,0%	1%
Duisburg	56,9	**47,9**	-15,8%	1,6%	31%
Dusseldorf	3,4	**2,0**	-40,2%	0,4%	1%
Essen	37,2	**32,6**	-12,2%	1,1%	21%
Mulheim	12,4	**12,5**	0,6%	1,2%	8%
Oberhausen	9,8	**9,9**	1,7%	1,7%	6%
Autre	22,8	**22,3**	-2,2%	2,2%	14%
Total Germany	**160,2**	**154,1**	**-3,8%**	**1,8%**	**83%**
Total	**196,6**	**186,0**	**-5,4%**	**na**	**100%**

** Including an office building in Luxembourg*

Rental income stood at € 186.0 million in 2013 compared to € 196.6 million in 2012. This change was due mainly to:

- the impact of disposals (-€ 21.1 million)
- the impact of acquisitions (+€ 8.4 million)
- the change in like-for-like rental income, mainly in Germany (+€ 2.1million)

2. Annualised rental income: € 196 million

■ Geographic breakdown

(€million)	Number of units	Annualised rental income 2012	Annualised rental income 2013	Change (%)	% of rental income
Paris and Neuilly	640	15,9	**15,3**	-4%	50%
IDF Exclud. Paris et Neuilly	408	6,6	**5,7**	-13%	19%
Rhones Alpes	300	3,8	**3,1**	-18%	10%
PACA	730	4,6	**4,3**	-6%	14%
Large West	215	2,3	**1,8**	-24%	6%
East	42	0,5	**0,4**	-16%	1%
Total France	**2 335**	33,6	**30,6**	**-8,9%**	**16%**
Berlin	5 494	14,4	**31,2**	116,0%	19%
Datteln	2 088	7,2	**7,2**	1,0%	4%
Dresde	944	0,0	**4,6**	0,0%	3%
Duisburg	11 519	56,7	**41,5**	-26,7%	25%
Dusseldorf	265	2,6	**1,8**	-30,1%	1%
Essen	7 180	36,0	**32,7**	-9,3%	20%
Mulheim	3 076	12,5	**12,5**	0,0%	8%
Oberhausen	2 585	9,9	**10,0**	1,5%	6%
Other	5 463	23,2	**23,7**	2,1%	14%
Total Germany	**38 614**	162,5	**165,3**	**1,7%**	**84%**
Total	**40 949**	196,1	**195,9**	**-0,1%**	**100%**

** Including an office building in Luxembourg*

3. Indexation

The index used in calculating indexation in France is the Rental Reference Index (IRL). In Germany rental rates are regulated by the Mietspiegel.

4. Occupancy rate (in Germany)

(%)	2012	2013
Germany		
Berlin	99,5%	99,1%
Datteln	97,7%	99,2%
Dresde	100,0%	98,7%
Duisburg	97,3%	97,4%
Dusseldorf	98,1%	100,0%
Essen	99,0%	99,2%
Mulheim	99,2%	99,1%
Oberhausen	96,7%	97,2%
Other	98,7%	99,6%
Total	**98,2%**	**98,7%**

The occupancy rate for assets in operation stood at 98.7% at 31 December 2013 compared to 98.2% at 31 December 2012, an increase of 0.5%

5. Unpaid rent

(€million)	2012	2013
As % of rental income	1,49%	1,8%
In value *	2,9	3,3

** net provision / reversals of provison*

The increase in unpaid rent in Germany in 2013 was mainly the result of taking over the management of the portfolios acquired during the course of the year.

6. Disposals and disposal agreements: € 442 million

(€ million)	Disposals (agreements as of end of 2012 closed)	Agreements as of end of 2012 to close	New disposals 2013	New agrements 2013	Total 2013	Margin vs 2012 value	Yield	Total
France	22,7	-	62,6	18,0	80,7	10,0%	0,6%	103,4
Germany	52,0	-	242,5	118,4	361,0	2,9%	7,3%	413,0
Total	**74,7**	**-**	**305,2**	**136,4**	**441,6**	**4,1%**	**6,1%**	**516,3**

In France, disposals mainly concerned assets located in Ile de France excluding Paris (53%). In Germany, disposals were made mainly in Duisburg (71%) and Essen (19%).

7. Acquisitions: € 378 million, mainly in Germany

Assets	Surface (sq.m)	Location	Acquisition Price ED (€million)	Yield ED*
France	16 762	Marseille	34,6	4,7%
Germany	303 182	Berlin / Dresden	343,0	6,5%
Total	**319 944**	**0**	**377,6**	**6,3%**

**Yield on potential rent*

In France, an acquisition was made in Marseille in the amount of € 34.6 million excluding duties. In Germany, the properties acquired represented 4,000 dwellings, of which 78% (in value) were located in Berlin and 21% in Dresden. They were acquired based on an average gross yield of 6.5% and offer high potential for the creation of value.

8. Asset valuation

■ Change in assets

(€million)	Value ED 2012	Value adjustment	Acquisitions	Disposals	Invest.	Transfer	Value ED 2013
France	849,6	53,6	36,5	- 78,7	0,0	0,0	861,0
Germany	2 361,8	36,8	345,2	- 288,0	0,0	0,0	2 455,7
Total	**3 211,3**	**90,4**	**381,7**	**- 366,7**	**0,0**	**0,0**	**3 316,7**

At the end of 2013, the assets of Foncière Développement Logements were valued at € 3,316.7 million, a like-for-like increase of + 3.2% over the year.

This growth was due mainly to the growth in like-for-like annualised rental income in Germany (+ 1.7%), the acceleration of the sale plan, and the compression of capitalisation rates on exceptional Paris assets in France.

Like-or-like change: 3.2%

(€million)	100% value ED 2012	100% value ED 2013	LFL change 12 months	Yield ED 2012	Yield ED 2013	% of total value
Paris and Neuilly	370	455	11,8%	4,3%	3,4%	53%
IDF (Excl. Paris and Neuilly)	227	153	2,5%	2,9%	3,7%	18%
Rhones Alpes	95	79	- 0,1%	4,0%	4,0%	9%
PACA	97	129	3,6%	4,7%	3,3%	15%
Large West	50	37	- 2,8%	4,7%	4,8%	4%
East	11	8	- 4,7%	4,3%	5,3%	1%
Total France	**850**	**861**	**7,0%**	**4,0%**	**3,6%**	**26%**
Berlin	230	509	6,1%	6,3%	6,1%	21%
Datteln	105	106	6,9%	6,9%	6,9%	4%
Dresde	0	73	6,3%	0,0%	6,3%	3%
Duisburg	768	569	7,3%	7,4%	7,3%	23%
Dusseldorf	52	39	4,8%	5,1%	4,8%	2%
Essen	554	508	6,4%	6,5%	6,4%	21%
Mulheim	183	182	6,9%	6,8%	6,9%	7%
Oberhausen	139	141	7,1%	7,1%	7,1%	6%
Other*	330	329	7,0%	7,0%	7,0%	13%
Total Germany	**2 362**	**2 456**	**1,8%**	**6,9%**	**6,7%**	**74%**
Total	**3 211**	**3 317**	**3,2%**	**6,1%**	**5,9%**	**100%**

E. LOGISTICS

1. Accounted rental income: -3.9% like-for-like

(€million)	Surface (sq.m)	Number of assets	Rental income 2012	Rental income 2013	Change (%)	Change (%) LFL	% of rental income
Total	1 301 895	26	77,0	54,2	-29,5%	-3,9%	100%

Rental income in 2013 amounted to € 54.2 million, i.e. a decrease of -29.5% compared to the end of 2012. This change was due to:

- the disposals made in H2 2012 and H1 2013 (-€ 14.2 million)
- the vacancy of surface areas due to the development of Garonor-Aulnay, offset by the delivery of 4 logistics assets in late 2012 and in 2013 (+€ 0.8 million)
- the reclassification of the Cap 18 asset under Offices (-€ 7.3 million)
- indexation and common area rent (+€ 1.1 million)
- arriving and departing tenants and lease renewals (-€ 3.1 million)

Rental income was down -3.9% on a like-for-like basis.

The average ratio of costs to revenues in 2013 was 21%, up from 2012, mainly due to the change in vacancies and the forced liquidation of Télémarket.

2. Annualised rental income: € 56 million

(€million)	Surface (sq.m)	Number of assets	Annualised rental income 2012	Annualised rental income 2013	Change (%)	% of rental income
Total	1 301 895	26	67,6	56,2	-16,9%	100%

Following disposals made in 2013 and the reclassification of the Cap 18 asset under Offices, annualised rental income declined by 16.9%.

3. Indexation

The indices used in calculating indexation are the Construction Cost Index and the Office Rental Index in France and the Consumer Price Index in Germany. Collar rents account for 20% of annualised rental income.

4. Rental business

The rental business in 2013 was marked by the signing of approximately 93,000 sqm in new leases accounting for € 4.3 million in annualised rental income.

During 2013, due to the difficult rental market, vacancies exceeded lettings, causing a drop in the occupancy rate.

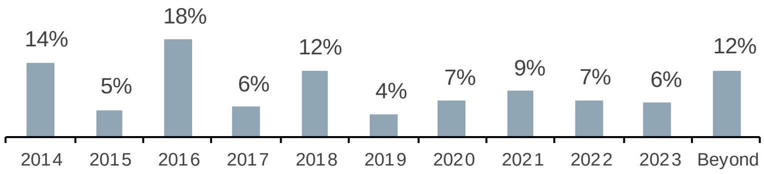
(€million)	Surface (sq.m)	Annualised rental income	Annualised rental income (€/sq.m)
Vacating	143 504	7,2	50
Letting	93 239	4,3	46
Renewal	173 512	9,2	53

5. Lease expiration and occupancy rate

Lease expirations: 5.5 years firm residual lease term (3.1 years firm)

The residual duration of existing leases was 5.5 years (3.1 years firm), up from the end of 2012 (4.9 years), with the following profile.

(€million)	By lease end date (1st break)	% of total	By lease end date	% of total
2014	12,2	22%	7,7	14%
2015	15,1	27%	2,8	5%
2016	14,5	26%	10,2	18%
2017	2,4	4%	3,1	6%
2018	2,6	5%	6,9	12%
2019	2,5	4%	2,4	4%
2020	0,0	0%	3,9	7%
2021	0,6	1%	4,8	9%
2022	1,0	2%	3,8	7%
2023	2,2	4%	3,6	6%
Beyond	2,9	5%	7,0	12%
Total	**56,2**	**100%**	**56,2**	**100%**



Taking into account the delivery in 2014 of buildings under development at Garonor-Aulnay, the firm residual term of existing leases amounts to 3.4 years.

Occupancy rate and type: an occupancy rate of 85.5%

In France Logistics, vacancies increased mainly as a result of tenant departures from the sites in Bussy-Saint-Georges (24,000 sqm), Pantin (20,000 sqm), Corbas (16,000 sqm) and Cergy (11,000 sqm).

Occupancy rate (%)	2012	2013
Total	**88,8%**	**85,5%**

6. Unpaid rent

(€million)	2012	2013
As % of rental income	0,8%	3,2%
In value *	0,6	1,7

** net provision / reversals of provison*

The impact of unpaid rent on the company's financial statements for 2013 was € 1.7 million, up from the end of 2012, mainly due to the forced liquidation of Télémarket.

7. Disposals and disposal agreements: € 45 million

(€million)	Disposals (agreements as of end of 2012 closed)	Agreements as of end of 2012 to close	New disposals 2013	New agrements 2013	Total 2013	Margin vs 2012 value	Yield	Total
Total	**0,0**	**0,0**	**45,3**	**0,0**	**45,3**	**-6,1%**	**8,9%**	**45,3**

In 2013, Foncière des Régions continued its asset rotation policy in a total amount of € 45.3 million.

8. Development projects

Committed projects: € 27 million

Projects	Location	Area	Surface (sq.m)	Delivery	Pre-let (%)	Total Budget (€m)
Garonor N03	Aulnay sous bois	Paris Regions	25 000	2014	100%	23,2
Garonor N06	Aulnay sous bois	Paris Regions	2 500	2014	100%	4,2
Total			**27 500**			**27,4**

Following the signing of a lease in advance of completion in late 2012 with Samada, a logistics subsidiary of the Monoprix Group, Foncière des Régions delivered the 1st tranche of the platform to Samada (26,000sqm). Foncière des Régions is continuing the construction of tranche 2 (25,000 sqm), with delivery expected in 2014.

In addition, Foncière des Régions signed a lease in advance of completion in 2013 for the construction of a 2,507 sqm operations building with delivery scheduled in early 2014.

Controlled projects:

Projects	Location	Area	Surface (sq.m)	Delivery timeframe
Garonor N02 Phase 2	Aulnay sous bois	Paris Regions	18 000	N/A
Bollène	Bollène	Regions	90 000	N/A
Total			**108 000**	

The Garonor N02 phase 2 projects is part of the redevelopment project for the southern portion of the site.

9. Asset valuation

Change in assets

(€million)	Value ED 2012	Value adjustment	Acquisitions	Disposals	Invest.	Transfert	Value ED 2013
Total	929,1	-38,3	0,0	-48,2	40,9	-92,6	790,9

Change on a like-for-like basis

Appraised values on a like-for-like basis over 1 year declined 3.7%. This change is primarily related to a receding rental market that has been impacted by the deteriorated economic environment.

Overall assets in operation are valued based on a 7.4% yield on annualised rental income at the end of 2013.

(€million)	Value ED 2012 100%	Value ED 2013 100%	Value ED 2013 GS	LFL change 12 months	Yield ED 2012	Yield ED 2013	% of total value
Total	929,1	791	791	-3,7%	7,6%	7,4%	100%

4. FINANCIAL INFORMATION AND COMMENTS

The activity of Foncière des Régions consists of the acquisition, ownership, management and leasing of properties, both built and unbuilt, including offices, Hotels and the Service Sector, logistics sites, residential and car parks.

Registered in France, Foncière des Régions is a limited company (société anonyme) with a Board of Directors.

A. Scope of consolidation

At 31 December 2013, the scope of consolidation of Foncière des Régions included companies located in France and in five European countries (in Italy for Offices, in Germany for logistics, Hotels and the Service Sector, and residential, in Portugal, Belgium and Luxembourg for the Service Sector). The main percentages of control during the year were as follows:

Subsidairies	2012	2013
Foncière Développement Logements	31,6%	59,7%
Foncière des Murs	28,3%	28,3%
Beni Stabili	50,9%	50,9%
OPCI CB 21 (Tour CB 21)	75,0%	75,0%
Urbis Park	59,5%	59,5%
Fédérimmo (Carré Suffren)	60,0%	60,0%
SCI Latécoëre (DS Campus)	50,1%	50,1%
SCI 11, Place de l'Europe (Campus Eiffage)	100,0%	50,1%
Lenovilla (New Velizy)	100,0%	50,1%

Foncière des Régions increased its stake in Foncière Développement Logements following the Public Exchange Offer initiated in August 2013. As a result of the offer, Foncière des Régions holds 59.7% of Foncière Développement Logements, which has been fully consolidated since 1 August.

Foncière des Régions signed a sharing agreement in February 2013 on the New Vélizy asset with Crédit Agricole Assurances. The company that owns the asset (SCI Lenovilla) is consolidated by the equity method since that date.

Foncière des Régions signed a sharing agreement in December 2013 on the Eiffage Campus asset with Crédit Agricole Assurances. The company SCI 11, Place de l’Europe thus remains fully consolidated.

B. Accounting principles

The consolidated financial statements have been prepared in accordance with the international accounting standards issued by the IASB (International Accounting Standards Board) and adopted by the European Union on the date of preparation. These standards include the IFRS (International Financial Reporting Standards), as well as their interpretations. The financial statements were approved by the Board of Directors on 26 February 2014.

C. EPRA Income Statements

(€million)	Consolidated		GS		Change GS
	2012	2013	2012	2013	%
Rental income	762,1	832,0	501,5	525,7	4,8%
Unrecovered rental costs	-33,5	-40,0	-22,2	-26,6	19,8%
Expenses on properties	-10,8	-18,3	-7,5	-11,4	52,0%
Net expenses on unrecoverable receivables	-4,9	-8,8	-2,6	-5,3	103,8%
Net rental income	**712,8**	**764,8**	**469,1**	**482,4**	**2,8%**
ratio of costs to revenues	*6,9%*	*8,1%*	*6,9%*	*8,2%*	*n.a*
Management and administration revenues	23,8	22,2	21,2	21,2	0%
Activity-related costs	-4,6	-4,9	-3,7	-3,7	0%
Committed fixed costs	-68,4	-82,7	-53,5	-61,5	15%
Development costs	-0,3	-0,5	-0,1	-0,4	n.a
Net cost of operations	**-49,5**	**-65,9**	**-36,0**	**-44,4**	23%
Income from other activities	17,6	19,5	11,3	13,8	22%
Depreciation of operating assets	-13,4	-15,0	-8,9	-10,1	13%
Net change in provisions and other	-11,2	2,1	-9,9	1,9	n.a
Current operating income	**656,3**	**705,5**	**425,7**	**443,6**	4%
Net income from inventory properties	-2,4	-5,2	-1,4	-2,5	n.a
Income from asset disposals	-10,6	3,7	-13,0	-1,3	n.a
Income from value adjustments	-33,1	-37,7	-39,4	-40,2	n.a
Income from disposal of securities	-1,4	3,8	-2,3	3,8	n.a
Income from changes in scope	-15,9	48,8	-15,9	48,8	n.a
Operating income	**592,9**	**719,0**	**353,7**	**452,1**	**28%**
Income from non-consolidated companies	8,1	10,1	8,1	10,1	25%
Cost of net financial debt	-292,4	-307,4	-185,8	-192,0	3%
Value adjustment on derivatives	-284,8	110,0	-231,9	71,7	-131%
Discounting of liabilities and receivables	-3,4	-2,9	-2,4	-2,8	17%
Net change in financial and other provisions	-26,1	-47,7	-16,8	-25,0	49%
Share in earnings of affiliates	49,0	32,5	42,0	29,3	-30%
Pre-tax income	**43,2**	**513,6**	**-33,1**	**343,5**	**n.a**
Deferred tax	20,2	6,2	9,6	1,4	n.a
Corporate income tax	-4,5	-7,6	-3,0	-4,8	n.a
Net income for the period	**58,9**	**512,1**	**-26,5**	**340,1**	**n.a**
Minority interests	-85,4	-172,0	0,0	0,0	n.a
Net income for the period - GS	**-26,5**	**340,1**	**-26,5**	**340,1**	**n.a**

■ Rental income

Rental income, Group Share, grew by 4.8% to € 525.7 million (vs € 501.5 million), mainly due to the consolidation starting on 1 August of five months of rental income from the Residential business (€ 46 million). This increase in rental income was offset by the effect of asset disposals and by the effect of the equity consolidation since late 2012 of the DS Campus asset (- € 18 million) following the sharing agreement.

Other changes include:

- the increase of € 1.6 million, group share, in the rental income of Beni Stabili, following the delivery of the Garibaldi towers
- the increase in rental income in the Hotels and Service Sector activity (€ 2.4 million, Group share) associated with the acquisition at the end of 2012 of 158 B&B hotels
- the decrease in rental income in the Logistics activity by € 11.4 million, group share, due to the disposals made in 2012 and the increase in vacancies

In consolidated figures, rental income increased by 9.2% (+ € 70 million):

- Offices France - € 6.6 million (- 2.4%)
- Offices Italy + € 3.2 million (+ 1.4%)
- Hotels and Service Sector + € 19.2 million (+ 10.4%)
- Logistics - € 22.8 million (- 29.6%)
- Residential + € 76.8 million (n.a.)

Net operating costs

Net operating costs amounted to € 44.4 million, group share, at 31 December 2013 (€ 65.9 million on a consolidated basis) compared to € 36 million at December 2012 (€ 49.5 million on a consolidated basis), i.e. an increase of 23%.

The increase in net operating costs was due mainly to the consolidation since 1 August of 5 months of operating costs from the Residential activity. Excluding the impact of Residential, net operating costs decreased slightly over 2013. These overhead costs mainly included payroll, attorneys' fees, auditors' fees, and office, communications and IT costs.

Other business income

Other business income mainly concerned the "parking" activity, i.e. car parks owned or under concession, as well as real estate development activities.

Income from these activities increased slightly during 2013. Other business income stood at € 13.8 million at 31 December 2013 (group share) compared to € 11.3 million at 31 December 2012.

Depreciation and provisions

Allowances for depreciation and provisions during the period consisted largely of depreciation on operating properties and car parks.

Change in the fair value of assets

The income statement recognises changes in the fair value of assets based on appraisals conducted on the portfolio. For 2013, the change in fair value of investment assets was negative by € 40.2 million, group share (- € 37.7 million on a consolidated basis) compared to - € 39.4 million, Group Share, at 31 December 2012 (- € 33.1 million at 100%).

Operating income, Group Share, thus amounted to € 452.1 million at 31 December 2013 compared to € 353.7 million at 31 December 2012.

Financial aggregates

Financial expenses stood at € 192 million, group share (vs € 185.8 million at 31 December 2012) and at € 307.4 million on a consolidated basis (vs € 292.4 million at 31 December 2012). The amount of interest capitalised on assets under development amounted to € 12.9 million (Group Share) for 2013.

Furthermore, financial instruments, both assets and liabilities, represent a net balance sheet amount of € 570.6 million (i.e. € 373.8 million, group share) and deferred taxes for foreign and non-SIIC companies a net amount of € 204.8 million (i.e. € 134 million, group share).

The change in fair value of financial instruments was + € 71.7 million, Group Share, at 31 December 2013 (+ € 109 million on a consolidated basis) compared to - € 231.9 million, Group Share (-€ 284.8 million on a consolidated basis) at 31 December 2012. This was after a hike in long-term rates between the two periods and a change in the fair value of the ORNANE between 2012 and 2013 (+€ 10.6 million, Group share).

Share of income of associates

Consolidated data	% interest	Value 2013	Contribution to earnings	Value 2012	Change (%)
Foncière Développement Logements	0,00%	0,0	15,8	440,9	-100,0%
OPCI Foncière des Murs	4,99%	71,8	5,2	70,2	2,3%
SCI Latécoëre (Dassault Campus)	50,10%	95,3	7,5	94,5	0,8%
Lénovilla (New Velizy)	50,10%	6,9	4,7	0,0	n.a
Other equity interests	0,00%	10,8	-0,7	10,0	8,0%
Total		**184,8**	**32,5**	**615,6**	-70,0%

Income from changes in the scope of consolidation

Income from changes in the scope of consolidation corresponds to the earnings impact of the takeover of Foncière Développement Logements by Foncière des Régions (badwill +€ 45.6 million). It also includes the earnings impact of the switch from full to equity consolidation of Lénovilla following the sharing agreement on the New Vélizy asset with Crédit Agricole Assurances (+€ 3.2 million).

Income from non-consolidated companies

Income from non-consolidated companies corresponds to dividends from Altarea of € 8.9 million and dividends from OPCI Technical Fund of € 1.2 million.

Taxes

Taxes determined are for:

- Foreign companies not covered or only partially covered by a specific scheme for real estate businesses
- French subsidiaries not having chosen the SIIC regime
- French SIIC or Italian subsidiaries with taxable activity

EPRA Net Recurring Income

(€million) Group share	2012	2013	Change	%
Net rental income	469,1	483,8	14,7	3,1%
Net operating costs	-34,7	-42,7	-8,0	23,1%
Income from other activities	11,7	14,4	2,7	23,1%
Net change in provisions and other	-0,3	0,2	0,5	n.a
Cost of net financial debt	-184,2	-190,4	-6,2	3,4%
Recurrent net income from equity affiliates	24,9	23,4	-1,5	-5,9%
Income from non consolidated affiliates	8,1	10,1	2,0	n.a
Recurrent tax	-2,7	-2,2	0,5	-18,5%
EPRA recurrent net income	**291,9**	**296,7**	**4,8**	**1,7%**
EPRA recurrent net income per share	**5,2**	**5,00**	**-0,2**	**-4,3%**
Fair value adjustment on real estate assets	-39,4	-40,2	-0,8	2,0%
Other asset value adjustments	-32,6	-34,2	-1,6	n.a
Fair value adjustment on financial instruments	-231,9	71,7	303,6	n.a
Other	-23,7	48,8	72,5	n.a
Non-recurrent tax	9,2	-2,7	-11,9	n.a
Net income	**-26,5**	**340,1**	**366,6**	**n.a**
Diluted average number of shares	56 182 919	59 632 122	3 449 203	6,1%

	Net income GS	Restatements		EPRA RNI
Net rental income	**482,4**	**1,4**		**483,8**
Operating costs	-44,4	1,7		-42,7
Income from other activities	13,8	0,6		14,4
Depreciation of operating assets	-10,1	10,1		0,0
Net change in provisions and other	1,9	-1,7		0,2
Current operating income	**443,6**	**12,1**		**455,8**
Net income from inventory properties	-2,5	2,5		0,0
Income from asset disposals	-1,3	1,3		0,0
Income from value adjustments	-40,2	40,2		0,0
Income from disposal of securities	3,8	-3,8		0,0
Income from changes in scope	48,8	-48,8		0,0
Operating income	**452,1**	**3,6**		**455,8**
Income from non-consolidated companies	10,1	0,0		**10,1**
Cost of net financial debt	**-192,0**	**1,7**		**-190,4**
Value adjustment on derivatives	71,7	-71,7		0,0
Discounting of liabilities and receivables	-2,8	2,8		0,0
Net change in financial provisions	-25,0	25,0		0,0
Share in earnings of affiliates	29,3	-5,9	(a)	23,4
Pre-tax net income	**343,5**	**-44,6**		**298,9**
Deferred tax	1,5	-1,5		0,0
Corporate income tax	-4,8	2,7		-2,2
Net income for the period	**340,1**	**-43,4**		**296,7**

D. Balance sheet

Consolidated balance sheet

(€million)	**2012**	**2013**		**2012**	**2013**
Non-current assets			**Shareholders' equity**		
			Capital	174	188
Intangible assets	155	154	Additional paid-in capital	2 173	2 371
			Treasury stock	-31	-11
Tangible assets	99	108	Consolidated reserves	1529	1402
Investment properties	11381	14 298	Earnings	-27	340
	0	0	**Total shareholders' equity Group share**	**3 818**	**4 290**
Financial assets	174	156	Minority interests	2 244	2 925
Equity affiliates	616	185	**Total shareholders' equity (I)**	**6 062**	**7 215**
Deferred tax assets	69	90	**Non-current liabilities**		
Long-term financial instruments	11	12			
			Long-term borrowings	5 806	7 520
			Long-term financial instruments	630	476
Total non-current assets (I)	**12 504**	**15 002**	Deferred tax liabilities	139	295
Current assets			Pension and other liabilities	3	41
			Other long-term debt	53	38
Assets held for sale	1065	1197	**Total non-current liabilities (III)**	**6 631**	**8 369**
Loans and finance lease receivables	3	10	**Current liabilities**		
Inventories and work-in-progress	91	80	Liabilities held for sale		
Short-term financial instruments	7	11	Trade payables	93	110
Trade receivables	183	283	Short-term borrowings	951	979
Current tax	1	3	Short-term financial instruments	155	95
Other receivables	142	202	Tenant security deposits	3	6
Accrued expenses	19	12	Advances and deposits received on current orders	42	134
Cash and cash equivalents	101	382	Short-term provisions	20	17
			Current tax	2	
			Other debt	2	5
			Accruals	41	47
Total current assets (II)	**1 613**	**2 179**	**Total current liabilities (IV)**	**1 424**	**1 597**
Total assets (I+II+III)	**14 117**	**17 181**	**Total liabilities (I+II+III+IV)**	**14 117**	**17 181**

Simplified consolidated balance sheet

Assets	2013	Liabilities	2013
Fixed assets	14 560	Shareholders' equity	4 290
Equity affiliates	185	Minority interests	2 925
Financial assets	156	**Shareholders' equity**	**7 215**
Deferred tax assets	90	Borrowings	8 499
Financial instruments	23	Financial instruments	571
Actifs destinés à la vente	1 196	Deferred tax liabilities	295
Cash	382	Other liabilities	602
Other	589		
Total	**17 181**	**Total**	**17 181**

Simplified balance sheet, Group share

Assets	2013	Liabilities	2013
Fixed assets	8 791		
Equity affiliates	131		
Financial assets	145	**Shareholders' equity**	**4 290**
Deferred tax assets	46	Borrowings	5 344
Financial instruments	12	Financial instruments	374
Assets held for slale	843	Deferred tax liabilities	180
Cash	245	Other	400
Other	373		
Total	**10 587**	**Total**	**10 587**

Shareholders' equity

Consolidated shareholders' equity, Group Share, rose from € 3,818 million at the end of 2012 to € 4,290 million at 31 December 2013, i.e. an increase of € 472 million due mainly to:

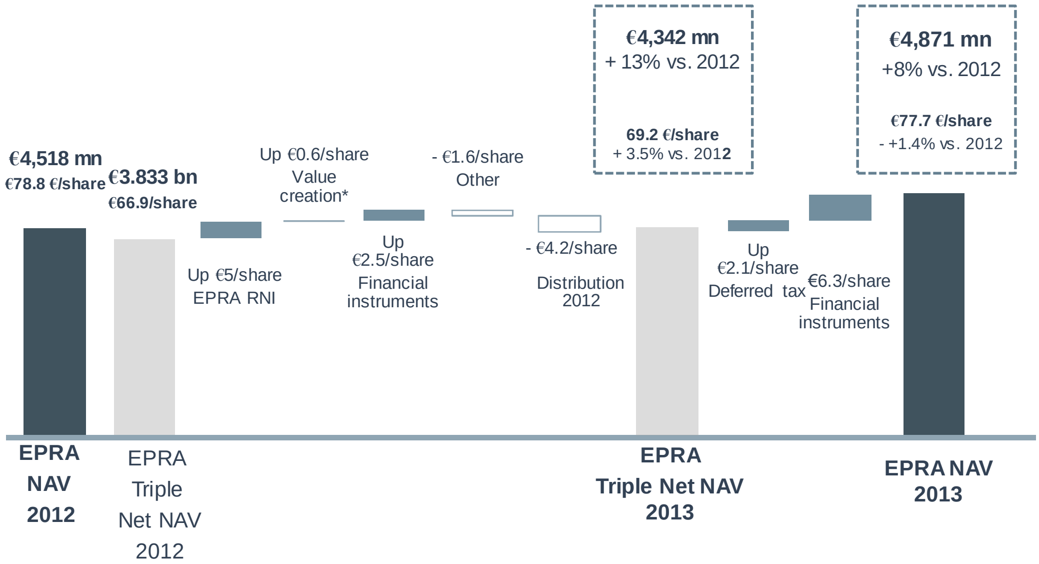
- the capital increase following the public exchange offer on FDL +€ 317.9 million
- Income for the period +€ 340.1 million
- impact of the cash dividend distribution -€ 241 million
- financial instruments included in shareholders' equity +€ 54 million

Net debt

The financial debt of Foncière des Régions amounted to € 5,267 million in Group Share, i.e. € 8,428 million on a consolidated basis. Net debt at 31 December 2013 was € 5,098 million in Group Share (€ 8,117 million on a consolidated basis) compared to € 4,264 million in Group Share at the end of 2012 (€ 6,657 million on a consolidated basis at the end of 2012). It increased by € 834 million in Group Share, of which € 983 million was due to the full consolidation of Foncière Développement Logements. Excluding the effect of the full consolidation of Foncière Développement Logements, net debt, Group Share, dropped to € 149 million.

5. NET ASSET VALUE (NAV)

	2012	2013	Var. vs 2012	Var. (%) vs 2012
EPRA NAV (€million)	4 518,4	**4 871,1**	352,7	7,8%
EPRA NAV / share (€)	78,8	**77,7**	- 1,1	- 1,4%
EPRA triple net NAV (€million)	3 832,5	**4 342,1**	509,6	13,3%
EPRA triple net NAV / share (€)	66,9	**69,2**	2,3	3,5%
Number of shares	57 315 048	**62 708 431**	5 393 383	9,4%



*of which €0.3 / share as part of the Public Exchange Offer for FDL

Number of shares used in calculating NAV/share: 62,708,431 shares for end 2013 vs. 57,315,048 in 2012

	(€million)	€/share
Shareholders' equity	**4 290,1**	**68,41**
Fair value assessment of buildings (operation + inventory)	19,9	0,00
Fair value assessment of parking facilities	32,8	0,00
Fair value assessment of goodwill	3,1	0,00
BENI STABILI inflation swap and fixed debt	- 21,5	0,00
Restatement of value ED	17,6	0,00
EPRA triple net NAV	**4 342,1**	**69,24**
Financial instruments and fix rate debt	- 369,4	0,00
Deferred tax	- 134,1	0,00
ORNANE	- 25,5	0,00
EPRA NAV	**4 871,1**	**77,68**
IFRS NAV	**4 290,1**	**68,41**

The real estate assets held directly by the group were appraised in full at 31. December 2013 by real estate appraisers REAG and belonging to AFREXIM: DTZ Eurexi, CBRE, JLL, Cushman and BNP Paribas Real Estate, based on common specifications prepared by the company observing professional practices.

Assets were estimated at values excluding and/or including duties, and rents at market value. Estimates were made using the comparative method, the rent capitalisation method and the discounted future cash flows method.

Car parks were valued by capitalising the gross operating surplus generated by the business.

Other assets and liabilities were valued based on the IFRS values on the consolidated financial statements. The application of fair value mainly concerns the valuation of hedges on the debt and the ORNANES. The level of exit tax is known and included in the financial statements for all of the companies that have opted for the fiscal transparency system.

For companies shared with other investors, only the Group share was taken into account.

Fair value adjustments for properties and goodwill

In accordance with IFRS standards, properties in operation (except for those governed by revised IAS 40) and in inventory are valued at historical cost. An adjustment to value, in order to take into account the appraisal value, is made in the NAV in a total amount of € 19.9 million.

Since goodwill is not valued in the consolidated financial statements, a restatement to recognise its fair value (as calculated by the appraisers) is made in NAV in the amount of € 3.1 million at 31 December 2013.

Fair value adjustment for car parks

Car parks are valued at historical cost in the consolidated financial statements. A restatement is made in the NAV to take into account the appraisal value of these assets, as well as the effect of the farm-outs and subsidies received in advance. The impact on NAV is € 32.8 million at 31 December 2013.

Recalculation of the base for certain assets excluding duties

When a company, rather than the asset that it holds, can be sold off, transfer duties are recalculated based on the company's net asset value. The difference between thee recalculated duties and the transfer duties already deducted from the value of the assets generates a restatement of € 17.6 million at 31 December 2013.

Fair value adjustment for fixed-rate debts

The group has taken out fixed-rate loans. In accordance with EPRA principles, triple NAV is adjusted by the fair value of fixed-rate debts, with an impact of - € 21.5 million at 31 December 2013.

6. FINANCIAL RESOURCES

A. Main debt characteristics

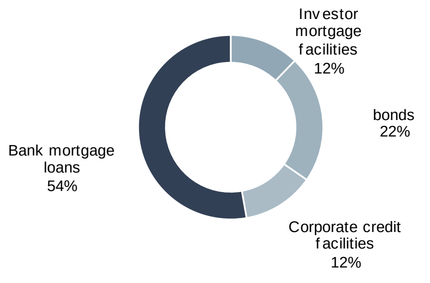
GS	2012	2013
Net debt, Group share (€million)*	4 264	**5 098**
Average annual rate of debt	4,04	**3,90%**
Average maturity of debt (in years)	4,0	**4,5**
Debt active hedging spot rate	88%	**80%**
Average maturity of hedging	4,9	**4,9**
LTV Including Duties**	45,2%	**46,5%**
ICR	2,59	**2,49**

**Ajusted from from variation of ORNANE fair value*
***LTV E D : 48,9%*

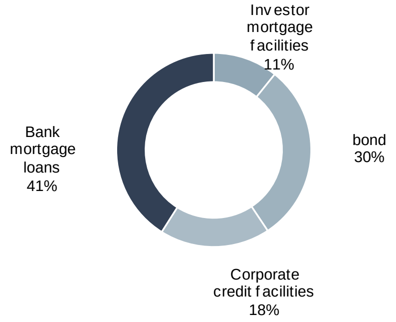
1. Debt by type

The net debt, Group Share, of Foncière des Régions amounted at 31 December 2013 to € 5.1 billion (€ 8.2 billion on a consolidated basis).

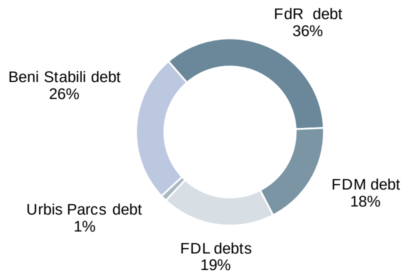
As a share of total commitment, non-mortgage debt rose from 39% at 31 December 2012 (including the FDL commitment at 100%) to 48% at 31 December 2013, mainly as a result of the implementation of € 1 billion in new bond debts during the year.



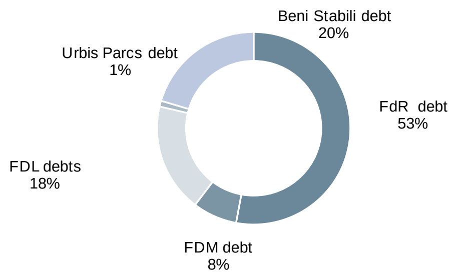
Commitments (100%)



Commitments (group share)



Consolidated Commitments per company (100%)



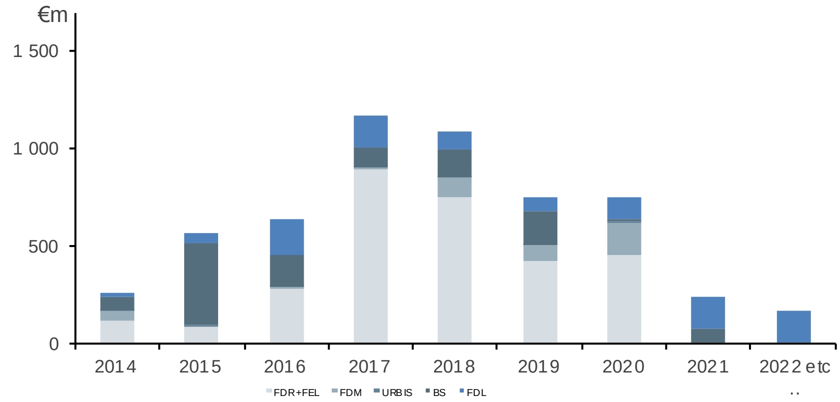
Commitments per company (Groupe share)

Furthermore, at 31 December 2013, cash and cash equivalents at Foncière des Régions amounted to close to € 1 billion in group share (€ 1.4 billion on a consolidated basis). These amounts do not include the unused portion of loans allocated to development projects under way.

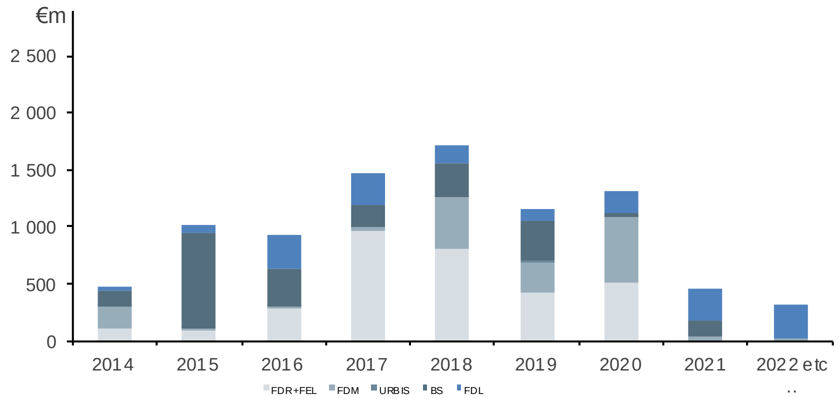
2. Debt maturities

The average debt maturity of Foncière des Régions stood at 4.5 years at December 2013 end, up from the end of 2012 (+ 0.5 year).

The 2013 and 2014 maturities are covered entirely by existing cash. The 2014 maturities primarily concern Foncière des Régions (€ 114 million), Beni Stabili (€ 69 million, Group Share, and € 136 million on a consolidated basis), and FDM (€ 52 million, group share, and € 185 million on a consolidated basis).



Debt maturity commitments, group share



Debt maturity commitments at 100%

3. Main changes during the period

- New debt issues: € 3,228 million at 100% (€ 2,014 million, Group Share)
  - Foncière des régions: € 1,396 million (€ 1,348 million, Group Share)
    - further to its inaugural bond issue (€ 500 million) in October 2012, Foncière des Régions on 28 March 2013 made a € 180 million private placement for a 7-year bond (maturing in April 2020), with a 3.30% coupon, thus continuing to diversify its sources of financing whilst lengthening its debt maturity

- the majority (€ 425 million) of the corporate loans raised in 2012 were renegotiated in the second half of 2013 in order to optimise their financial terms and lengthen the maturity. In addition, € 90 million in new corporate debts were taken out.
- during the second half, a € 260 million mortgage loan was also extended for one additional year (new maturity 7 years), in addition to which its conditions were improved
- Foncière des Régions also issued a new € 345 million ORNANE maturing in April 2019, allocating € 99 million of it to partial repayment of the 2011 ORNANE. This new issue offered a yearly coupon of 0.875%. At this time, approximately € 170 million in mortgage loans originally taken out by Foncière des Régions were paid off. In addition to lowering the cost of the debt of Foncière des Régions, this new issue allowed it to increase its average maturity and to further significantly reduce the portion of secured debt on the total balance sheet of Foncière des Régions.
- lastly, a new credit facility (€ 95 million only partially drawn in 2013) was taken out at yearend to finance the development of the new Eiffage Campus in Vélizy, an acquisition conducted in partnership with the Crédit Agricole Assurances group

- Beni Stabili: € 587 million raised in 2013 (€ 299 million, Group Share)

  - as part of the diversification of its sources of financing, Beni Stabili on 17 January 2013 issued a € 175 million convertible bond, with a 3.375% coupon, maturing in January 2018 (5-year maturity), which was increased to € 225 million in March 2013
  - furthermore, Beni Stabili extended a € 67 million (amortisable) loan with BNP Paribas for three years, thus bringing the maturity to April 2016, and it set up a new € 25 million loan (also maturing in 2016)
  - a second convertible bond was finally issued in October 2013 in the amount of € 270 million, offering a 2.625% coupon and a 7 April 2019 maturity (5 ½-year maturity); this issue is earmarked in part (€ 120 million) to repayment of the 3.875% bond maturing in 2015

  Post-balance sheet events:

  - In mid-January 2014, Beni Stabili made an inaugural bond issue in the amount of € 350 million, offering a yearly coupon of 4.125% and maturing in January 2018 (4-year maturity).

- Hotels and Service Sector: € 1,092 million raised in 2013 (€ 276 million, Group Share)

  - during 2013, Foncière des Murs refinanced the majority of its 2014 residual maturities and refinanced € 190 million in mortgage loans taken out in 2012 (the latter to improve financial conditions and maturities):
    - May 2013: setting up of a € 60.2 million 7-year mortgage loan, collateralised with a diversified asset portfolio.
    - July 2013: signing of a € 350 million 7-year mortgage loan collateralised with a diversified asset portfolio.
    - October 2013: signing of a € 447 million 7-year mortgage loan (partially amortizable in 5 years) collateralised with diversified assets in France and Belgium.
  - at the end of 2013, the entirety of the debt for the acquisition of the B&B hotel portfolio (held in partnership under OPCI B2 Hotel Invest) was refinanced by Foncière de Murs at 5 years for € 235 million so as to lengthen the term and improve the conditions.

- Residential: € 153 million raised in 2013 (€ 91 million, Group Share)

  - during 2013, Foncière Développement Logements raised € 153 million in new financing in Germany in connection with its German acquisitions, of which:
    - € 108 million at 5 years intended to finance the acquisition of a residential portfolio in Berlin

- € 45 million at 5 years intended to finance the acquisition of a residential portfolio located mainly in Dresden

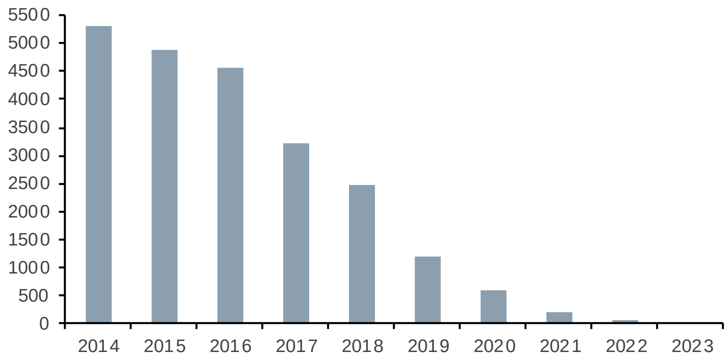
Post-balance sheet events:

- Foncière Développement Logements also refinanced almost all of its French debt through a 5-year € 350 million loan signed in mid-January 2014. This loan will refinance the balance of the historical debt, all of the debt taken out at the end of 2012 (both in order to improve financial conditions and lengthen the maturity), whilst gaining some room to manoeuvre in support of new acquisitions.

4. Hedging profile

During 2013, the hedge management policy remained unchanged, with debt hedged at 90% to 100%, at least 75% of which had short-term hedges and all of which had maturities exceeding debt maturity.

Based on net debt at the end of December 2013, Foncière des Régions is covered (in group share) up to 94% in short-term hedges compared to 87% at the end of 2012. The average hedge duration is 4.9 years in group share.



5. Average interest rate on the debt and sensitivity

The average rate on the debt of Foncière des Régions stood at 3.9% in group share, compared to 4% in 2012. This decrease is due mainly to the change in short-term rates between 2012 and 2013 (3-month Euribor at 0.22% on average during 2013), as well as the full-year effect of fixed-rate debt and bond issues with hedge restructurings, including:

- a Foncières des Régions € 200 million 7-year debt with a 4% coupon (3.3% starting September 2013)
- the Foncière des Régions € 500 million bond issue at 3.875% for 5 years and 3 months
- and the € 255 million 7-year Foncière des Murs corporate secured issue at 3.68%

For information purposes, a 50 bps drop in the 3-month Euribor rate would have a positive impact of € 1.7 million on net recurring income for 2014. A 50 bps rate hike would have a negative impact of € 2.9 million.

B. Financial structure

Excluding debts raised without recourse to the group's property companies, the debts of Foncière des Régions and its subsidiaries generally include bank covenants (ICR and LTV) applying to the borrower's consolidated financial statements. If these covenants are breached, early debt repayment may be required. These covenants are established in group share for Foncière des Régions and for

Foncière des Murs and on a consolidated basis for the subsidiaries of Foncière des Régions (if their debts include them).

- the most restrictive consolidated LTV covenants at 31 December 2013 amounted to 60% for Foncière des Régions, Foncière des Murs, Foncière Développement Logements and Beni Stabili.

- the consolidated ICR covenant threshold varies from one property company to another, depending primarily on the type of assets, and may vary from one debt to another for one same property company depending on debt seniority.

The most restrictive consolidated ICR covenants applicable to the property companies are as follows:

  - for Foncière des Régions: 200%
  - for Foncière des Murs: 200%
  - for Foncière Développement Logements: 150%
  - for Beni Stabili: 140%

- furthermore, in some scopes financed using dedicated debt, there are specific covenants which may be added to or replace the consolidated covenants.

- lastly, concerning FDR, corporate credits have been amended following 2013 renegotiations. In particular, for some they include the following ratios:
-

Ratio	Covenant	31/12/2013
LTV	60,0%	51,0%
ICR	200,0%	249,0%
LTV IAssets	65,0%	58,0%
Secural debt ratio	22,5%	9,8%

All covenants were fully met at the end of 2013. No loan includes a clause with a required Foncière des Régions rating level.

LTV calculation details

(€million) GS	2012	2013
Net book debt *	4 264	5 098
Receivables on disposals	- 316	- 413
Security deposits received	- 4	- 11
Finance lease- backed debt	- 5	- 3
Net debt	**3 939**	**4 671**
Appraised value of real estate assets	7 955	9 721
Preliminary sale agreements	- 316	- 413
Financial assets	139	40
Goodwill	10	3
Receivables linked to associates	0	79
Share of equity affiliates	564	132
Value of assets	**8 352**	**9 562**
LTV ED	**47,2%**	**48,9%**
LTV ID	**45,2%**	**46,5%**

**Ajusted from from variation of ORNANE fair value (- €25,6 million) and dividends to receive (- €9,2 million)*

7. FINANCIAL INDICATORS OF THE MAIN ACTIVITIES

	2012	2013	Var. (%)	2012	2013	Var. (%)
EPRA Recurrent net income (€million)	112,754	**123,9**	9,9%	82,7	**74,0**	-10,6%
EPRA Recurrent net income (€share)	1,82	**1,93**	6,0%	0,04	**0,04**	-10,6%
EPRA NAV (€share)	25,9	**26,2**	1,1%	1,098	**1,063**	-3,2%
EPRA triple net NAV (€million)	22,0	**23,3**	6,0%	0,947	**0,961**	1,5%
% of capital held by FDR	28,3%	**28,3%**		50,9%	**50,9%**	
LTV ID	42,4%	**40,9%**		49,0%	**49,9%**	
ICR	2,6	**3,21**		1,7	**1,55**	

Foncière Développement Logements

	2012	2013	Var. (%)
EPRA Recurrent net income (€million)	70,1	**67,6**	-3,6%
EPRA Recurrent net income (€share)	1,01	**0,97**	-3,6%
EPRA NAV (€share)	22,90	**22,95**	0,2%
EPRA triple net NAV (€million)	19,20	**19,97**	4,0%
% of capital held by FDR	31,6%	**59,7%**	
LTV ID	44,4%	**44,6%**	
ICR	2,11	**2,17**	

8. FINANCIAL INDICATORS OF THE MAIN ACTIVITIES

- Cost of development projects

  This indicator is calculated including interest costs. It includes the costs of the property and costs of construction.

- Debt interest rate

  - Average cost:

$$\frac{\text{Financial Cost of Bank Debt for the period} + \text{Financial Cost of Hedges for the period}}{\text{Average bank debt outstanding in the year}}$$

  - Spot rate: Definition equivalent to average interest rate over a period of time restricted to the last day of the period.

- Definition of the acronyms and abbreviations used:

  - MR: Major Regional Cities, i.e. Bordeaux, Grenoble, Lille, Lyon, Metz, Aix-Marseille, Montpellier, Nantes, Nice, Rennes, Strasbourg and Toulouse
  - ED: Excluding Duties
  - ID: Including Duties
  - IDF: Paris region (Île-de-France)
  - ILAT: French office rental index
  - CCI: Construction Cost Index
  - CPI: Consumer Price Index
  - RRI: Rental Reference Index
  - PACA: Provence-Alpes-Côte-d'Azur
  - LFL: Like-for-Like
  - GS: Group share
  - CBD: Central Business District

- Rtn: Yield
- Chg: Change
- MRV: Market Rental Value

- Firm residual term of leases

  Average outstanding period remaining of a lease calculated from the date a tenant first takes up an exit option.

- Like-for-like change in value

  This indicator is used to compare asset values from one financial year to another without accounting for changes in scope, such as acquisitions, disposals, development projects, etc.

  Change in value as shown in the portfolio table is a figure that includes work carried out on existing assets. The restated like-for-like change in value of this work is cited in the comments section.

- Loan To Value (LTV)

  The LTV calculation is detailed in Part 7 “Financial Resources”.

- Net asset value per share (NAV/share), and Triple Net NAV per share

  NAV per share (Triple Net NAV per share) is calculated pursuant to the EPRA recommendations, based on the shares outstanding as at year-end (excluding treasury shares) and adjusted for the effect of dilution.

- Occupancy rate

  The occupancy rate corresponds to the spot financial occupancy rate at the end of the period and is calculated using the following formula:

$$1 - \frac{\text{Loss of rental income through vacancies (calculated at MRV)}}{\text{rental income of occupied assets + loss of rental income}}$$

  This indicator is calculated solely for properties on which asset management work has been done and therefore does not include assets available under pre-leasing agreements.

- Operating assets

Properties leased or available for rent and actively marketed.

- Portfolio

The portfolio presented includes investment properties, properties under development, as well as operating properties and properties in inventory for each of the entities, stated at their fair value. For offices in France, the portfolio includes asset valuations of DS Campus, Euromed and New Velizy, which are consolidated under the equity method.

- Projects

  - Committed project: these are projects for which promotion or built contracts, work has begun and has not yet been completed at the closing date. They might pertain to VEFA (pre-construction) projects or to the repositioning of existing assets.

  - Controlled project: These are projects that might be undertaken. In other words, projects for which the decision to launch operations has not been finalized.

- Recurring Net Income EPRA per share (RNI/share)

Recurring Net Income per share is calculated pursuant to the EPRA recommendations, based on the average number of shares outstanding (excluding treasury shares) over the period under consideration and adjusted for the effect of dilution

.

- Rental Income

  - Recorded rent corresponds to gross rental income accounted for over the year by taking into account deferment of any relief granted to tenants, in accordance with IFRS standards.

  - The like-for-like rental income posted allows comparisons to be made between rental income from one year to the next, before taking changes to the portfolio (e.g. acquisitions, disposals, building works and development deliveries) into account. This indicator is based on assets in operation, i.e. properties leased or available for rent and actively marketed.

  - Annualised rental income corresponds to the gross amount of guaranteed rent for the full year based on existing assets at the period end, excluding any relief.

- Surface

  SHON: Gross surface

  SUB: Gross used surface

- Unpaid rent (%)

  Unpaid rent corresponds to the net difference between charges, reversals and unrecoverable loss of income divided by rent invoiced. These appear directly in the income statement under net cost of unrecoverable income.

- Yields/return

  - The portfolio returns are calculated according to the following formula:

$$\frac{\text{Gross annualised rent (not corrected for vacancy)}}{\text{Value excl. duties for the relevant scope (operating or development)}}$$

  - The returns on asset disposals or acquisitions are calculated according to the following formula:

$$\frac{\text{Gross annualised rent (not corrected for vacancy)}}{\text{Acquisition or disposal value excl. duties}}$$