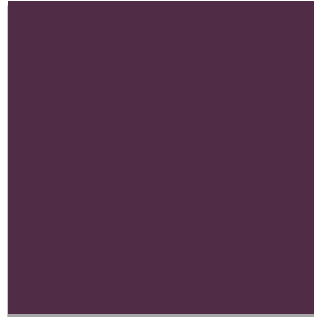


2014 9-month revenues



FONCIÈRE DES RÉGIONS

Successful reinvestments

6 November 2014

Major progress made since the start of the year

- €535 million investments - including €316 million of acquisitions during the 3rd quarter, in Offices France and German Residential
- 57,600 m² of Offices delivered: New Vélizy (46,400 m²) and San Nicolao - Milan (11,200 m²), fully let
- €890 million disposals and preliminary sales agreements on “non-core” assets, at appraisal values

11% rise in rents to €423 million

- Stable on a like-for-like basis (+0.2%)
- High occupancy rate of 96.7%

Secure financial policy

- Major refinancing in Italy
- €500 million 7-year bond issue with a 1.75% coupon

2014 guidance confirmed

- Growth in the EPRA recurring net income
- Stability per share

11% rise in rents

Foncière des Régions published rental income over nine months which was up by 11% and 0.2% on a like-for-like basis, driven primarily by the investments in German Residential.

	Rents 9M 2014 (€m)	Rents 9M 2013 (€m)	Change LFL	Occupancy rate	Firm residual term of leases (years)
Offices - France	178.5	193.7	0.5%	96.2%	5.4
Offices - Italy	87.6	88.7	-1.2%	95.3%	6.5
Offices	266.1	282.4	-0.1%	95.9%	5.7
German Residential	76.6	14.6	1.9%	97.9%	n.a.
Hotels/Service Sector	37.8	39.9	-0.4%	100.0%	7.1
Other	42.3	44.2	n.a.	n.a.	n.a.
Total	422.9	381.0	0.2%	96.7%	5.9

+11% vs 9M 2013	Indexation: +0.5% Renewals: +0.0% Occupancy rate: -0.3%
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In **Offices France**, rental income grew by 0.5% on a like-for-like basis. The work to extend 20% of leases in 2013 and rental successes this year have seen the occupancy rate increase to 96.2% (vs 95.8% at the end of 2013) and increased the firm duration of leases to 5.4 years. Since the start of the year, Foncière des Régions has rented 10,750 m² in the CB 21 Tower in La Défense, symbolising the return of major transactions in this market.

In **Offices Italy**, in a context which remains difficult, the 1.2% slump in rental income on a like-for-like basis is essentially due to the release of the Corso Ferrucci asset in Turin. Real estate indicators are solid with an occupancy rate of 95.3% and an average firm lease duration of 6.5 years.

In the first 9 months, the group continued its growth in **German Residential**, a market in which it has been involved since 2005. Growth in rental income on a like-for-like basis is solid, at 1.9%, and will continue in the coming quarters. The group will also benefit from increased exposure to the Berlin and Dresden markets (35% of the portfolio).

Leader in Hotels and Service Sector in Europe, Foncière des Régions has used its partnership strategy to maintain an occupancy rate of 100%, with a firm residual lease duration of 7.1 years. Rental income on a like-for-like basis is holding up (-0.4%) despite lease renegotiations on the Jardiland portfolio in return for new 12-year leases.

Success of acquisitions in the 3rd quarter

The 3rd quarter saw the successful acceleration of investments (€535 million including €316 million in acquisitions in just the last three months) which follows a record volume of disposals and preliminary sale agreements on non-strategic assets (€890 million including €680 million in the 1st half of the year). The qualitative rotation of the portfolio has made it possible to reduce Logistics exposure to less than 2%.

In Offices France, the group has concluded a new partnership by acquiring the “Liberté et Coupole” real estate complex from Natixis, covering 38,000 m² in Charenton-le-Pont, by the Liberté metro station in Paris (line 8). This €162 million investment was made based on an attractive yield of 6.5%. Natixis signed a new triple net firm 9-year lease, without exemptions.

Since the start of the year, Foncière des Régions has invested €147 million in its committed projects pipeline and has **delivered two key projects in France and Italy**, which have been fully rented: the New Vélizy campus (46,400 m²), in Vélizy-Meudon, rented for nine years firm to Thales; and the San Nicolao building (11,200 m²), in the very heart of Milan, rented for 7.5 years firm to the Luxottica group.

In German Residential, Foncière des Régions made acquisitions worth €347 million (€211 million GS) mainly in Berlin and Dresden, with an average yield of 6.2%. The €117 million (€70 million GS) preliminary sale agreement in the Ruhr reduces the non-core proportion of the portfolio and, as a consequence, is positive for the organic growth potential.

Foncière des Régions is also strengthening its position as leader in the Hotels segment, via its subsidiary, Foncière des Murs, which has launched a capital increase of approximately €200 million, followed by its main shareholders (representing 90.6% of the capital). This will allow it to finance the pipeline of acquisitions of Hotels in Europe and support Hotel partners in developing their strategy.

Financial policy: 2 major operations

In the first 9 months, Foncière des Régions has **continued to reduce the cost of its debt and improve its financial profile**.

Beni Stabili, the Italian subsidiary of Foncière des Régions, successfully refinanced the ImSer debt, for the €1.7 billion portfolio of Telecom Italia buildings (cost of the new borrowings 2.5%). This refinancing was also secured by way of a successful €150 million capital increase, followed by Foncière des Régions, which now holds 48.3% of the capital.

In September, Foncière des Régions also issued €500 million in 7-year bonds at the very attractive rate of 1.75%.

2014 outlook confirmed

The 2014 objective of growth in the EPRA recurring net income (stable per share) is confirmed, thanks to the successful reinvestments during Q3 and the dynamic debt management, and despite a record volume of disposals at the beginning of the year.

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Foncière des Régions, real estate partner

As a key player in real estate, Foncière des Régions has built its growth and its portfolio on the key and characteristic value of partnership. With a total portfolio valued at €16Bn (€10Bn in group share), located in the high-growth markets of France, Germany and Italy, Foncière des Régions is now the recognised partner of companies and territories which it supports with their real estate strategies with a twofold: adding value to existing urban property and designing buildings for the future.

Foncière des Régions mainly works alongside Key Accounts (Suez Environnement, Thales, Dassault Systèmes, Orange, EDF, IBM, and Eiffage, etc.) in the Offices market as well as being a pioneering and astute operator in the two other profitable sectors of Residential market in Germany and Hotels

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.

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