



## **PRESS RELEASE**

Paris, 13 January 2017

### **Foncière des Régions announces the success of its € 400 million capital increase**

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Foncière des Régions (the « **Company** ») announces the successful outcome of its capital increase without shareholders' preferential subscription rights and with a priority subscription period granted to existing shareholders, launched on 10 January 2017 for up to € 348 million, and increased to € 400 million following the full exercise of the increase option announced on 10 January 2017. The capital increase will result in the issuance of 5 076 786 new shares. The subscription price was set at € 78.79 per new share, a level close to the NAVs as of end June 2016 (€70.7 EPRA NNAV and €82.4 EPRA NAV) and corresponding to a 4.7% discount to Foncière des Régions' closing share price on 9 January 2017.

This capital increase underpins Foncière des Régions' positioning as a leading European operator with a strong local expertise in the French and Italian office real estate as well as German residential and hotel real estate segments.

2016 proved to be a particularly active year with investments totalling €1.4 billion and €800 million of disposals Group Share as of September 30, 2016, which sustains Foncière des Régions' ambition for 2017 to pursue its growth in its different markets. This transaction will principally be used to finance the group's general cash requirements, including its potential acquisition projects, in particular the portfolio of hotels in Spain (for an amount of €270 million Group Share), and its development pipeline, of which c. €700 million were already engaged as of end June 2016.

Through the priority offer, the public offer and the private placement taken as a whole, the capital increase attracted strong investor demand, and was multiple times covered.

In the context of the priority subscription period Foncière des Régions' existing shareholders subscribed for 2,703,140 new shares, representing 53.2% of the total capital increase. In the context of the priority subscription period and/or the private placement, out of the group's main shareholders Delfin SARL, ACM Vie and PREDICA subscribed for €187 million and 1,784,375, 253,839 and 339,552 new shares respectively.

Following the 2015 capital increase (€255 million) and strengthening of its position in the hotel segment via the successful completion of the Public Exchange Offer for Foncière des Murs (€113 million of equity), Foncière des Régions can once again rely on the support of its shareholders to finance its growth and to continue to enhance the quality of its assets, in addition to regular disposals. This offering enhances Foncière des Régions' ability to support its partners in their real estate strategy, while adapting its assets to the needs of its clients and the market.

Following the completion of the capital increase, the company's share capital will increase to € 221,503,914 divided in 73,834,638 shares, each with a nominal value of 3 euros, split as follows:

	Number of shares	% of capital	% of theoretical voting rights <sup>(1)</sup>	% of voting rights exercisable in general meetings <sup>(2)</sup>
Public	32,808,564	44.44%	44.44%	44.49%
Delfin Group <sup>(3)</sup>	20,878,375	28.28%	28.28%	28.31%
Covéa Group	8,516,275	11.53%	11.53%	11.55%
Crédit Mutuel Insurances	6,269,881	8.49%	8.49%	8.50%
Crédit Agricole Group	5,264,734	7.13%	7.13%	7.14%
Treasury shares	96,809	0.13%	0.13%	-
TOTAL	73,834,638	100.00%	100.00%	100.00%

(1) These percentages are calculated on the basis of all shares with voting rights attached, including shares temporarily stripped of voting rights.

(2) These percentages are calculated by excluding treasury shares; treasury shares do not have voting rights.

(3) Delfin SARL is a holding company that belongs to the Del Vecchio family. Delfin SARL is primarily involved in financial investments and holds interests in various companies and controls the companies Aterno and DFR Investment. It also controls Luxottica Group, the world leader in the manufacturing, wholesale distribution and retail sale of corrective eyewear and sunglasses.

The settlement and delivery and the listing on the regulated market of Euronext in Paris of the new shares are expected to take place on 17 January 2017.

BofA Merrill Lynch, Crédit Agricole Corporate and Investment Bank, Morgan Stanley and Natixis are acting as Joint Global Coordinators, Joint Lead-Managers and Joint Bookrunners of the Private Placement and UniCredit Corporate & Investment Banking is acting as Passive Bookrunner.

Unless stated otherwise, terms and expressions used in this announcement shall have the same meanings as given to them in the Company's press release regarding the capital increase dated 10 January 2017.

### **Availability of the prospectus**

The Company has published a prospectus, which has received AMF visa n° 17-007 on 9 January 2017, comprising (i) the registration document of the Company filed with the AMF on March 23, 2016 under number D.16-0192, (ii) an update to the registration document of the Company filed with the AMF on 9 January 2017 under number D.16-192-A01 and (iii) a securities note (including a summary of the prospectus).

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Hard copies of the prospectus are available free of charge at the Company's headquarters, located at 18, avenue François Mitterrand, 57000 Metz. The prospectus is also available on the Company's website ([www.fonciereledesregions.fr](http://www.fonciereledesregions.fr)) and on the AMF's website ([www.amf-france.org](http://www.amf-france.org)).

Potential investors are advised to read the entire prospectus and to consider carefully the risk factors described in section 1.10 of the Company's registration document, as updated in the update of the Company's registration document, as well as on section 2 of the securities note before deciding whether to invest in the new shares. Should all or any part of these risk factors materialize, the Company's and the group's businesses, financials, results of abilities to reach guidance may be negatively affected.

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## **Foncière des Régions, co-author of real estate stories**

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 €18Bn (€12Bn 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 its two-fold real estate strategy: adding value to existing urban property and designing buildings for the future.

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

Foncière des Régions shares are listed in the Euronext Paris A compartment (FR0000064578 - FDR), are admitted to 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, Euronext Vigeo (World 120, Eurozone 120, Europe 120 et France 20), Oekom, Ethibel and Gaïa ethical indices.

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

[www.en.fonciere-des-regions.fr](http://www.en.fonciere-des-regions.fr)

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*This press release is an advertisement and not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4<sup>th</sup>, 2003, as amended, in particular by Directive 2010/73/EU to the extent such Directive has been transposed in the relevant member State of the European Economic Area (together, the “**Prospectus Directive**”).*

*The offer of Securities was opened to the public only in France. With respect to member states of the European Economic Area (“**EEA**”) which have implemented the Prospectus Directive other than France (each, a “**Member State**”), no action has been undertaken or will be undertaken to make an offer to the public of the Securities requiring a publication of a prospectus in any Member State. As a result, the Securities were only offered in Member States:*

- a) to legal entities which are qualified investors, as defined in the Prospectus Directive;*
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined by the Prospectus Directive) in each Member State; or*
- c) in circumstances falling within Article 3(2) of the Prospectus Directive,*

*and provided that no such offer of Securities referred to in (a) to (b) above shall require the Company or the Joint Global Coordinators, Joint Lead-Managers and Joint Bookrunners to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.*

*For these purposes, as defined in the Prospectus Directive, the expression an “offer to the public of the Securities” in a relevant Member State, which has implemented the Prospectus Directive (as defined below), means any communication in any form and by any means of sufficient information on the terms of the offer of the Securities to be offered, so as to enable an investor to decide, as the case may be, to purchase or subscribe the Securities, as the same may be varied in that Member State.*

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### **United Kingdom**

*In the United Kingdom this press release is directed exclusively at Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”) or (ii) who fall within Article 49(2)(A) to (D) of the Order, and (iii) to whom it may otherwise lawfully be communicated and any investment activity to which it relates will only be engaged in with such persons and it should not be relied on by anyone other than such persons.*

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