



Paris, 1 July 2025

SFL – Real estate excellence, the key to market appeal

10,300 sq.m. let since the start of the year, at record rents

Since the start of the year, SFL's volume of completed lettings has remained high in a market shaped by relatively lower take-up rates. In all, nine leases were signed during the period, including four rollovers, on some 10,300 sq.m. of office space at record rents.

The average nominal rent for these leases topped €1,000/sq.m. for a non-cancellable period of 7.2 years and a below-market incentive rate of 14.1%. Aude Grant, SFL's Chief Executive Officer, commented: *"These rental performances reflect the level of quality and rigour that goes into each of our renovation and redevelopment projects, to ensure that they meet the highest technical, design and environmental standards sought by companies committed to offering their employees the best possible working environment. Companies understand the essential role of the office as a worklife environment that fosters social interaction and collective intelligence. Homeworking may well be here to stay, but it is generally limited to around two days a week, disproving earlier claims that the office was becoming a thing of the past! Employees enjoy being able to work from home for part of the week, but what they really want is greater freedom and a more meaningful work experience. Today, one manager in two considers the office to be a decisive criterion in their choice of employer. In light of these changing expectations, the choice of office property has become a strategic decision no longer dominated by technical considerations"*.

As a general rule, prospective tenants looking for high quality office space also expect very high quality amenities. Virginie Krafft, SFL's Commercial Director, explained: *"Our expertise in planning critical service areas where employees can meet and exchange ideas involves working closely with interior designers to create spaces that are both pleasant and functional, inspired by the timeless design codes used in hotels. Beauty is no longer a superfluous luxury, but a demonstration of commitment. Our data – taken from our ParisWorkplace survey – shows a clear correlation between employees' perception of their offices' attractiveness and their level of well-being. Employees who appreciate their office's aesthetic appeal give their well-being at work a score of 8.7, compared with 5.8 for those who do not like their offices. Today, the office needs to be more attractive than the home: it has to be appealing, embody an identity and reflect values. That's why hotel industry codes – volumes, design, services – are making a remarkable entry into the office world"*.

The latest transactions illustrate this ongoing drive to maintain high standards:

Louvre Saint-Honoré: this iconic asset is home to the Cartier Foundation for Contemporary Art, which is due to open to the public by October 2025. After five years of major redevelopment work, it was time for the offices to undergo a makeover. Firstly, by creating a full service centre that is both warm and elegant, made possible through the talent of interior designer Ana Moussinet. Then, by extensively modernising the office space, not only from a technical point of view, but also from an environmental and, of course, aesthetic perspective. Repositioning the offices in the prime segment of the market has



not just benefited the current occupants, but also attracted new tenants from a wide variety of business sectors. The most recent lease concerns 1,600 sq.m., let for a 9-year non-cancellable period at a rent of €1,125/sq.m.

Haussmann Saint-Augustin: After negotiating the early departure of WeWork from the entire 12,000 sq.m. of office space, SFL launched a renovation programme designed by Studios Architecture. The reception area, the office floors and the service areas have been redesigned in line with SFL standards to bring out the full potential of the asset, with the creation of a café opening onto a landscaped courtyard, an auditorium, a public access reception area, shared meeting rooms, as well as a gym and a bike park. Each of these spaces are popular among companies and their employees.

The first new tenant to be won over by this new setting was a law firm, signing a 9-year non-cancellable lease on around 2,000 sq.m. at a rent of €1,050/sq.m.

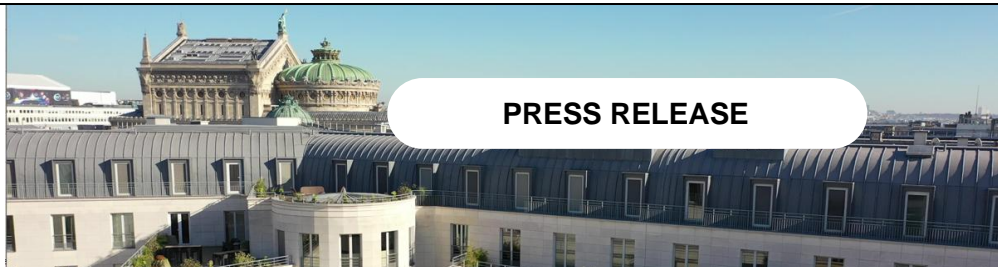
103 Grenelle: as the only business centre on the Left Bank, 103 Grenelle attracts a varied clientele from sectors as diverse as fashion, finance, consultancy and ICT. Here again, the quality of services has guaranteed the satisfaction of existing tenants (as reflected in the decisions of Amiral Gestion and Atalante to roll over their leases on a total of some 2,000 sq.m.) and attracted new companies such as BPRI, which has signed a 6-year non-cancellable lease on almost 700 sq.m.

The same is true of our other major business centres, such as **Washington Plaza**, where available space has once again been pre-let with Citadel's take-up of some 1,900 sq.m. under a 6-year non-cancellable lease, and the rollover of 3i Gestion's lease on over 700 sq.m. for a further 6 years.

In the **Edouard VII** complex, Stream has rolled over its lease on over 700 sq.m., and AFG has taken up 1,100 sq.m. under a 9-year non-cancellable lease, confirming the complex's alignment with market demand.



Louvre Saint-Honoré © Benoit Linero



Haussmann Saint-Augustin (perspective) © Studios



103 Grenelle © Paul Maurer

About SFL

Leader in the prime segment of the Parisian commercial real estate market, Société Foncière Lyonnaise stands out for the quality of its property portfolio, which is valued at €7.6 billion and is focused on the Central Business District of Paris (#cloud.paris, Edouard VII, Washington Plaza, etc.), and for the quality of its client portfolio, which is composed of prestigious companies. As France's oldest property company, SFL demonstrates year after year an unwavering commitment to its strategy focused on creating a high value in use for users and, ultimately, substantial appraisal values for its properties. With its sights firmly set on the future, SFL is committed to sustainable real estate with the aim of building the city of tomorrow and helping to reduce carbon emissions in its sector.

Stock market: Euronext Paris Compartment A – Euronext Paris ISIN FR0000033409 – Bloomberg: FLY FP – Reuters: FLYP PA

S&P rating: BBB+ stable outlook