

2012 RESULTS



“The year 2012 was marked by good resistance to the crisis and by the achievement of our objectives. The soundness of the Foncière des Régions model, the obtainment of a financial rating and the repeated support of our shareholders allow us to envision 2013 with confidence”

Christophe Kullmann, Chief Executive Officer

FONCIERE DES REGIONS

2012 objectives met – A sound position

The Foncière partnership model

- Strengthening partnerships
- High occupancy rate
- Strong visibility

Thales, SG, EDF, B&B, Citroën, Vinci, etc.
Greater than 95%
5.5 years firm residual lease term

Ongoing portfolio adaptation

- More than €300m in investments
- €900m in disposals
- €1.2bn real estate project pipeline
 - 7 new projects delivered and leased in 2012
 - 13 projects launched and more than 80% pre-leased

Achievement of 2012 objectives

- Rental income + 2.1% like-for-like at €502m
- LTV decreasing 45.2%
- Recurring Net Income + 1.3% at €292m (stable per share)

EPRA NAV: €78.8 per share

2012 dividend: Proposed at €4.2 per share

The “real estate partner” model

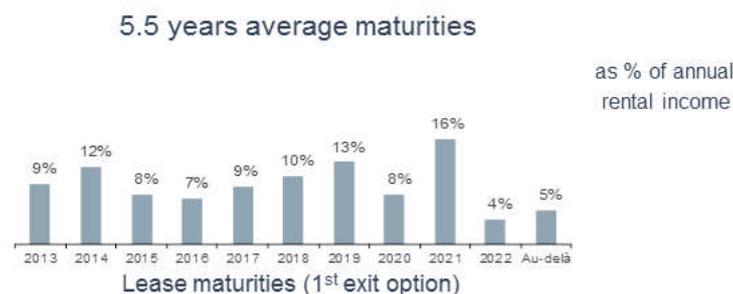
Strengthening partnerships: strong visibility of rental income

The year 2012 was marked by many real estate accomplishments. In fact, our model as real estate partner for Key Accounts was strengthened over the year 2012 with:

- the arrival of two new partners: Citroën and Vinci
 - Citroën: acquisition in early July of the historic headquarters of Citroën (Paris 17th) for €61m not including duties, comprising 16,700 sqm of offices and 4,300 sqm of showrooms (firm 6-year lease)
 - Vinci: €25m acquisition, not including duties, of a 6,700 sqm asset in the first-ring suburbs (firm 12-year lease) and turnkey launching of 11,100 sqm in Nanterre (Nanterre Respiro).
- the strengthening of the lease partnerships underway, specifically with Société Générale (delivery of a 9,200 sqm property in Fontenay), Thalès (turnkey launching of 45,000 sqm in Vélizy), B&B (acquisition of 158 B&B hotels from ANF) and EDF (lease renewal).

Rental income: + 2.1% like-for-like

This asset management effort has led to sound property indicators: an occupancy rate of 95.5% and a firm residual lease term of 5.5 years ensuring strong visibility for rental income, which grew in 2012 by 2.1% like-for-like despite a difficult economic context.



€m	2011	2012	Var. (%)	Var. LFL (%)	Occup. rate (vs 2011)	Firm residual term of leases (years)
Offices – France	271	262	-3.2%	+2.5%	95.7% - 30 bp	5.3
Offices – Italy	112	116	+3.8%	+4.1% ¹	97.1% +100 bp	7.1
Offices	383	378	-1.1%	+3.0%	96.1% +10 bp	5.8
Services Sector	52	51	-2.5%	+0.5%	100% =	7.3
Offices – Key Accounts	435	429	-1.3%	+2.7%	96.6% + 10 bp	6.0
Logistics	65	73	+11.4%	-2.1%	88.8% - 260 bp	2.4
Total	500	502	+0.3%	+2.1%	95.5% - 30 bp	5.5

The “Offices – Key Accounts”» segment, considered as “core.” in turn grew 2.7% like-for-like and has a firm residual lease term of 6 years, for an occupancy rate of close to 97%.

Continuation of ongoing portfolio adaptation

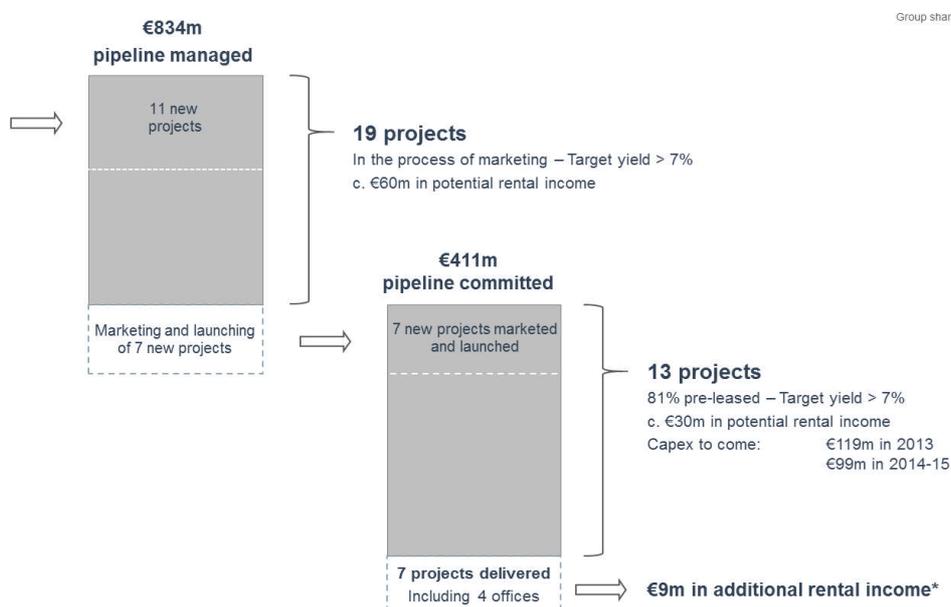
€900 m in new disposals and agreements since the start of 2012

Continuing its strategy of active asset rotation, Foncière des Régions completed almost €900m in new disposals and agreements since the start of the year, including more than €200m in logistics assets.

On average, these disposals were made in line with the appraisal values at the end of 2011 and based on an average yield of 7.3%. Taking into account carryovers from 2011, the total volume of disposals and agreements reached €1.2bn.

€1.2bn in real estate projects: €411m in projects committed and 81% pre-leased

At the same time, 7 real estate projects were delivered and leased, representing €9m in annual rental income, while 13 projects were launched 81% pre-leased.

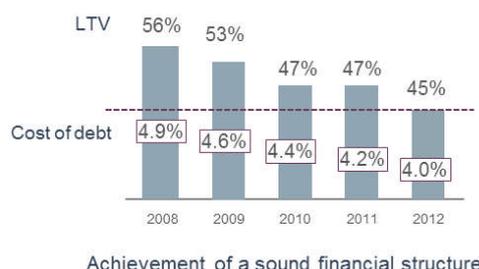


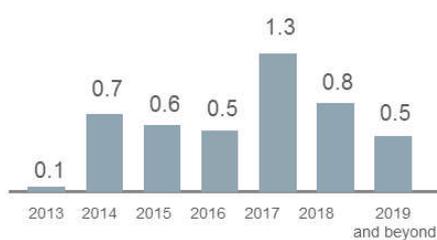
These projects for the most part concern property redevelopments and turnkey rental properties (offices, hotels, etc.) and target a yield in excess of 7%. They aid the progressive replenishment of the portfolio.

Sound financial structure: LTV at 45.2% and “Investment Grade” rating

The year 2012 was marked by the obtainment in late September 2012 of an “investment grade” BBB-rating / stable outlook from Standard & Poors, the refinancing of our 2012 and 2013 debt maturities with more than €2bn in new loans (including a €500m bond issue), and the achievement of a sound financial structure with an LTV of 45.2% at the end of 2012.

	2011	2012
Cost of debt	4.20%	4.04%
ICR	X2.5	X2.6
Hedging rate	91%	87%
Average maturity	3.3 yrs	4 yrs
LTV	47.1%	45.2%





Debt maturities (€bn Group share)

All of these new loans allowed for continuing the strategy of diversifying financing sources and extending debt maturity.

Recurring net income: + 1.3% at €292m

The year's real estate business, along with active management of our loans, allowed for delivering an EPRA Recurring Net Income that grew slightly (+ 1.3%) to €292m in line with the 2012 objective, and despite the pursuit of a decrease in LTV initiated since 2008.

This improvement was the result mainly of positive impacts in the change in rental income like-for-like (+ 2.1%), acquisitions and the decrease in the cost of debt, and despite the impact of disposals.

Per share, EPRA Recurring Net Income amounts to €5.2/share, unchanged compared to 2011 due to the impact of the option for payment in shares subscribed by our shareholders, and in line with the objective of stability for 2012.

Net Income, Group Share amounted to - €27m due to the negative impact of the fair value adjustment of financial instruments and the accounting of ORNANE, after the drop in rates.

EPRA NAV/share: €78.8/share sustained by stable assets value

The value of the consolidated group share of assets is almost unchanged like-for-like over the period (0.3%). The stability of the assets of the "Offices – Key Accounts" business, comprising Offices and the Services Sector, offset a 2.7% decrease in Logistics assets.

€m	2012 Value	2012 Value Group Share	Change LFL 12 mos.	Yield not inc. duty ¹ 2012
Offices France	4,450	4,032	+0.8%	6.9%
Offices Italy	4,273	2,174	-1.9%	6.0%
Offices	8,723	6,206	-0.2%	6.6%
Services sector	3,039	860	+1.8%	6.3%
Offices – Key Accounts	11,762	7,066	0%	6.6%
Logistics and Business Parks	929	929	-2.7%	7.6%
Car Parks	231	138	+0.2%	NA
Consolidated Portfolio	12,922	8,133	-0.3%	6.7%
Residential	3,211	1,015	+3.6%	6.1%
Other ²	131	131	NA	NA
Total	16,264	9,279	+0.1%	

¹ Excluding development – Long-term assets in Italy

² Altaréa (€103m)

Taking into account the share of our exposure to the residential sector, the change like-for-like proves slightly positive (+ 0.1%), for an asset value of €9.3bn.

In addition, the EPRA NAV proved stable over 12 months at €4,518m and €78.8/share taking into account payment of the dividend in new shares issued at €51.2.

Outlook

These good results demonstrate the relevance of the Foncière des Régions model, which is based, on the one hand, on assets of €9.3bn positioned on solid real estate markets and, on the other, on a strategy of partnerships with its major tenants, ensuring it strong visibility in terms of rental income.

Despite an economic environment that remains difficult, and considering its positioning as a real estate partner, along with all the accomplishments of the year 2012, the company is giving itself the objective of stable Recurring Net Income for 2013.

A conference call dedicated to analysts and investors will take place today at 2:30 p.m. (Paris time)

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

Financial calendar:

General Shareholders' Meeting: 24 April 2013
Q1 2013 Revenue: 14 May 2013
2013 Interim Results: 24 July 2013

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Investor Relations Department



Foncière des Régions, foncière partenaire

As a partner to companies' real estate strategy, Foncière des Régions designs simple and innovative real estate 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 €9 billion, which are primarily rented to key accounts who are the leading companies in their sector (Suez Environnement, Thales, Dassault Systèmes, France Telecom, EDF, IBM, and Eiffage, etc.). This responsible partnership culture is based on key values and know-how: namely vision, partnership, 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" ethics and ASPI Eurozone® indices.

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

www.foncieredesregions.com

Annexe

"A limited review has been performed on the half-yearly consolidated financial statements.
The limited review report is currently being prepared."

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1- MAJOR TRANSACTIONS DURING THE PERIOD

1 February 2013 – Foncière des Régions operations are attractive to users: successful leasing programme in Lyon and Metz

Following an initial signature of leases with three companies in November 2012, Opteven, Hankook and Pages Jaunes, three new leases were concluded for the le Patio building, covering a total area of 4,232 sq. m for an average term of five years and an average rent of €185/sq.m/year. The building underwent extensive redevelopment, resulting in an HEQ Renovation and BREEAM certification, as well as a BBC renovation certification that is in progress.

Le Divo building is situated near the Centre Pompidou and the Metz TGV station. It features 5,300 sq. m of surface area, an HQE and BBC-effinergie certification and has registered an occupancy rate of 80% as from early 2013. Tenants are the Banque Populaire Lorraine Champagne and the Lorraine staff of Foncière des Régions. Average rents are €185/sq.m/year.

The common assets of the two projects, including strategic locations, stringent environmental requirements, high quality facilities and services and focus on tenant comfort attracted occupants of the building.

30 January 2013 – Redevelopment of Garonor: a new turnkey signature for Samada

Samada, the logistics subsidiary of Monoprix, has signed a lease in advance of future completion for the construction of a 51,000 sq. m platform under a fixed 12-year lease at the Garonor site, the largest urban logistics site in France. The site will be handed over in the fourth quarter of 2013. This new project, the 4th turnkey operation of the site, is part of the development process of latest generation high performance buildings on the technical, regulatory and environmental levels. All buildings will be BREEAM certified.

La durée ferme moyenne des baux pour Garonor s'établit ainsi à plus de 5 ans. With this project, Foncière des Régions confirms its objective of enhancing the strategic sites in its Urban Logistics sphere with Garonor and Pantin Logistics.

17 January 2013 – €175 million Beni Stabili convertible bond insurance

Pursuing diversification of banking, Beni Stabili issued January 17th 2013 a convertible bond of €175 million with a January 2018 maturity and 3.375% coupon. Conversion price is 0.5991 euros

8 November 2012 – Delivery of the Floria building: strengthening the partnership with Société Générale

Foncière des Régions has strengthened its partnership with Société Générale with its September 2012 delivery of the Floria, a 9,200 sq. m at Fontenay, rented under a fixed 6-year lease. The Floria building has been completely renovated and is the first building in France to have been award the HQE certification at the "Exceptional" level.

This project illustrates the partnership strategy of Foncière des Régions, as well as the continuing portfolio adaptation process, whose objective is to meet market expectations and to ultimately hold a portfolio of assets in France that is 50% green.

9 October 2012 – A successful inaugural bond issue for €500 million

Foncière des Régions put out a €500 million bond issue to French and European investors with a maturity of January 2018 and a fixed interest rate of 3.875%. The issue was carried out after obtaining a BBB- /Stable rating from Standard & Poor on 28 September 2012.

This initial bond issue was a vehicle for continuing along the path of financing diversification sources and extending debt maturity over time.

20 September 2012 – Foncière Europe Logistique removed from trading

Foncière Europe Logistique was removed from the Euronext Paris listing at the end of September 2012. This occurred following:

- Foncière des Régions' increased stake in Foncière Europe Logistique to 98.9%
- the buyout-squeeze out transaction for the balance of that company's equity, in accordance with AMF General Regulations. The offer price amounted to €3.20 per share

28 June 2012 - Foncière des Régions received an IPD European Investment Award 2012 for the performance of its real estate portfolio

On 28 June 2012, Foncière des Régions received an IPD European Property Investment Award 2012, in the Specialist category (70% in the same asset class) for French operators. This prize, which was awarded at the annual IPD conference, held in Frankfurt, rewards the best long-term return for real estate investors.

Foncière des Régions, the only listed investment company to receive an award, was selected for delivering the highest annualised return over the past three years. The overall performance of Foncière des Régions' asset portfolio was 8.8%, a +4.5 point performance differential compared with the sample in this category.

26 June 2012 - Foncière des Régions topped the 2012 Novethic Barometer

Foncière des Régions achieved the best score in the Novethic 2012 Barometer, tied with Altarea-Cogedim.

This Barometer assesses the quality of listed real estate companies' reporting on their energy efficiency and CO2 emissions. The results of the 5th Novethic Barometer, which were published on 26 June, highlight a significant improvement in Foncière des Régions' rating, which rose from 47% in 2011 to an average performance of 78% in 2012. Specifically, Foncière des Régions obtained the highest rating (over 90%) for the "Building energy and CO2 efficiency" section, which is one of the three key benchmarks of the Novethic rating system.

5 June 2012 – Foncière des Régions purchased Sophia GE's interest in FEL - Plan to delist FEL

An agreement was signed between Foncière des Régions, Foncière Europe Logistique (FEL) and Sophia GE (an entity of GE Capital Real Estate France) for the acquisition by Foncière des Régions from Sophia GE of its 9.7% stake in FEL and for the sale of two logistic warehouses by FEL to Sophia GE.

Following these transactions, Foncière des Régions will own 98.9% of FEL and launched a public buy-out offer for the remainder of the shares, followed by their mandatory delisting.

24 May 2012 - Foncière des Régions boosted its shareholders' equity by €150 million by opting to pay the 2011 dividend in shares

Foncière des Régions announced a €150 million boost to its shareholders' equity through offering shareholders a share-based dividend payment option, which was 66% subscribed, for payment of the 2011 dividend, with an issue price of €51.20 per share.

As a result, 2,930,739 new shares were created, delivered, and admitted for trading on 29 May 2012. The amount of the cash dividend paid was restricted to €77.9 million. Following the transaction, there were 57,896,147 shares outstanding.

25 April 2012 - Two new directors appointed at Foncière des Régions

Foncière des Régions' General Meeting of Shareholders appointed two new directors to the Board of Directors: Micaela Le Divelec and Christophe Kullmann.

Micaela Le Divelec is Executive Vice-President and Chief Financial Officer of Gucci, a subsidiary of the PPR Group. She is primarily responsible for finance, legal affairs and human resources. Her appointment will strengthen and complement the Board of Directors' financial expertise.

Christophe Kullmann is Foncière des Régions' Chief Executive Officer. He has played a key role in the development of Foncière des Régions, which he has headed up since the Company was founded in 2001. His appointment as a director will mean that he will become even more closely involved in the Company's strategy.

Following these two appointments, 17% of the Board of Directors are women (2 of the 12 directors are female), and 42% of the Board members are independent directors.

19 April 2012 - Foncière des Régions is developing a 49,000 sq.m campus in Vélizy-Villacoublay for Thales, and is putting the DS Campus and New Vélizy transactions into a joint venture

Foncière des Régions and Thales have strengthened their partnership through the design of a new-generation 49,000 sq.m urban campus (45,000 sq. m usable area) to be located at Avenue Morane Saulnier in Vélizy-Villacoublay. This Campus, which is the logical next step in a partnership that began in 2003, will be delivered in 2014 and occupied by Thales under a 9-year lease. Both partners are thereby confirming their presence in this promising commercial market. The project represents an investment of €192 million, €110 million of which is being financed by two German banks over a period of 6 years.

With this new building developed for Thales, Vélizy aurait représenté ultimately account for around 8% of Foncière des Régions' overall portfolio (i.e. around €700 million). Therefore, in order to maintain an exposure to this market that is consistent with the size of its portfolio, Foncière des Régions entered into a draft 50/50 joint venture agreement with Crédit Agricole Assurances in May 2012, which involves two of the operations on this site:

- DS Campus: 60,000 sq.m leased to Dassault Systèmes under an agreement finalised in October 2012
- New Vélizy. Foncière des Régions will remain in charge of Asset and Property Management under an agreement finalised in February 2013

Foncière des Régions will be in charge of the asset and Property Management.

13 April 2012 – Foncière des Régions strengthened its Service Sector segment through its participation in the capital increase of Foncière des Murs

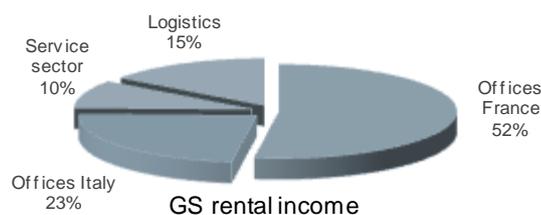
Foncière des Régions has subscribed to €56 million of Foncière des Murs' €125 million capital increase (at €16.00 per share). Following this transaction, Foncière des Régions has increased its interest in Foncière des Murs, and now holds 28.3% of the company, compared with 26.0% before the transaction.

2. BUSINESS ANALYSIS

Unless indicated otherwise, the valuation information given in this section is on a fair value basis.

A. RENTAL INCOME ACCOUNTED

(€million)				Group Share			Change (%) LFL	% of rent
	2011	2012	Change (%)	2011	2012	Change (%)		
Offices France	278,1	271,8	- 2,2%	270,8	262,0	- 3,2%	2,5%	52%
Paris	81,1	78,1	-3,8%	79,0	75,3	-5%		15%
Paris Region	111,0	112,2	1,1%	108,1	108,2	0%		22%
Other French regions	85,9	81,5	-5,1%	83,7	78,6	-6%		16%
Offices Italy	220,1	228,5	3,8%	112,0	116,3	3,8%	4,1%	23%
Core portfolio	210,1	223,8	6,5%	106,9	113,9	7%		23%
Dynamic portfolio	10,0	4,7	-52,6%	5,1	2,4	-53%		0%
Development portfolio	0,0	0,0	na	0,0	0,0	na		0%
Total Offices	498,1	500,4	0,4%	382,7	378,3	- 1,1%	3,0%	75%
Service sector	203,6	184,8	- 9,3%	51,9	50,6	- 2,5%	0,5%	10%
Hotels	133,3	116,6	-12,5%	34,0	31,8	-7%		6%
Healthcare	26,8	24,4	-8,9%	6,8	6,7	-1%		1%
Business premises	43,6	43,7	0,3%	11,1	12,1	9%		2%
Total "Office - Key Accounts "	701,8	685,1	- 2,4%	434,6	428,9	- 1,3%	2,7%	86%
Logistics	85,1	77,0	- 9,6%	65,1	72,5	11,4%	- 2,1%	15%
Logistics - France	45,0	39,9	-11,4%	34,4	37,6	9%		7%
Logistics - Germany	8,9	9,1	2,8%	6,8	8,6	26%		2%
Light Industrials	17,1	15,7	-8,2%	13,0	14,8	14%		3%
Garonor	14,2	12,3	-13,0%	10,9	11,6	7%		2%
Total rent	786,9	762,1	- 3,2%	499,7	501,5	0,3%	2,1%	100%

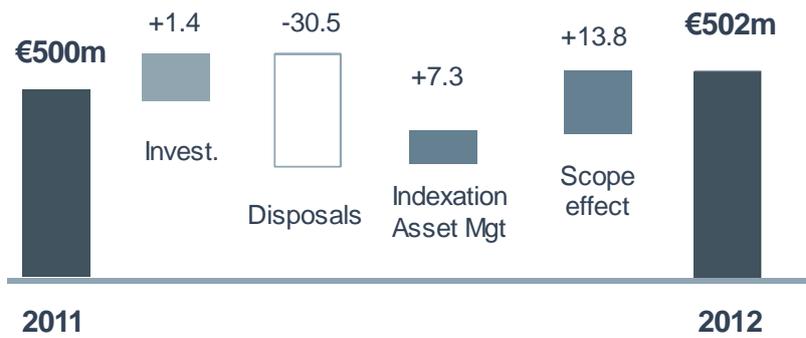


Rents from the "Offices – Key Accounts" segment have increased 2.7% on a like-for-like basis, underpinned by the Offices—France (+ 2.5%), Offices—Italy (+ 4.1%) and Service Sector (+ 0.5%). Rents increased by 2.1% after minority interests, in the light of the 2.1% drop in Logistics.

This advance can be explained by a favourable indexing in 2012 as well as by the continued strong occupancy rate for the entire period exceeding 95%.

Rental income of €502 million after minority interests was registered, up 0.3%, due primarily to:

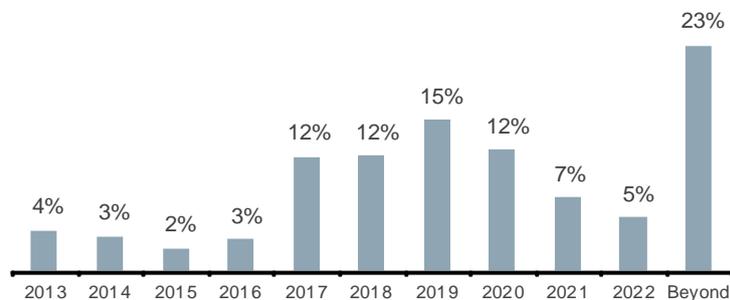
- capital expenditure (+ €11.4 million)
- disposals (- €30.5 million)
- rent indexation and asset management (+ €7.3 million)
- a + €13.8 million consolidation scope effect that was primarily related to the increased interest in Business Premises and Logistics



B. ANNUALISED LEASE EXPIRY SCHEDULE AND OCCUPANCY RATE GROUP SHARE

- Lease expirations: 7.9 residual term of leases (firm 5.5 year terms)

(€million)	By lease end date (1 st break)	% of total	By lease end date	% of total
GS				
2013	47,2	9%	21,0	4%
2014	60,2	12%	17,8	3%
2015	39,3	8%	12,1	2%
2016	36,2	7%	16,6	3%
2017	44,8	9%	59,4	12%
2018	53,3	10%	60,0	12%
2019	64,5	13%	79,1	15%
2020	39,2	8%	63,4	12%
2021	82,6	16%	38,2	7%
2022	19,2	4%	27,8	5%
Beyond	26,5	5%	117,4	23%
Total	512,9	100%	512,9	100%



The average residual term of leases after minority interests at the end of 2012 was 7.9 years (firm 5.5 years terms) compared to 8.2 years as at end of 2011 (firm 6 year terms). For the Offices – Key Accounts segment, this figure is 8.3 years (firm 6 year terms).

(Years)	Firm residual term leases		Residual term leases	
	2011	2012	2011	2012
GS				
Offices - France	5,7	5,3	7,1	6,6
Offices - Italy	7,8	7,1	13,3	12,7
Total Offices	6,3	5,8	8,8	8,5
Service sector	8,0	7,3	8,0	7,3
Offices - Key Accounts	6,5	6,0	8,7	8,3
Logistics	2,2	2,4	4,9	4,9
Total	6,0	5,5	8,2	7,9

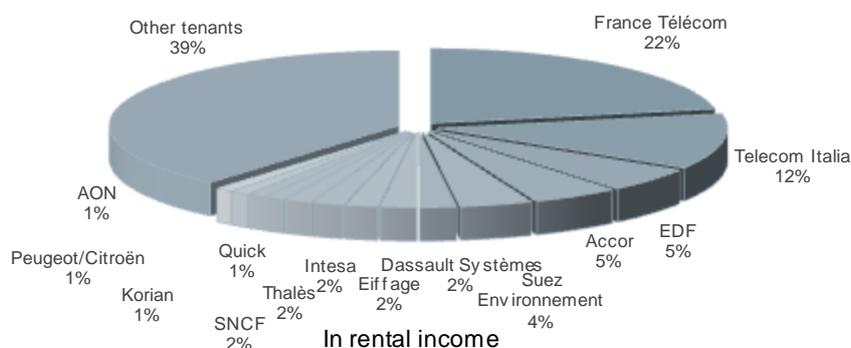
- Occupancy rate: 95.5%, in line with the objective of a rate exceeding 95%

(%)	Occupancy rate	
GS	2011	2012
Offices - France	96,0%	95,7%
Offices - Italy	96,1%	97,1%
Total Offices	96,0%	96,1%
Service sector	100,0%	100,0%
Office - Key Accounts	96,5%	96,6%
Logistics and Ligth Industrials	91,4%	88,8%
Total	95,8%	95,5%

C. BREAKDOWN OF RENTAL INCOME, GROUP SHARE

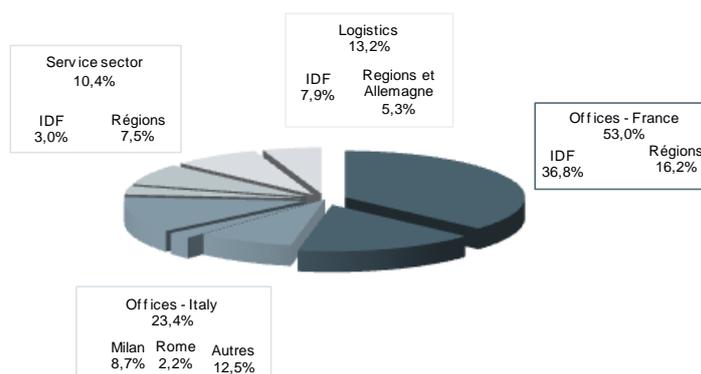
- Breakdown by major tenant: a solid tenant base

(€million)	Annualised rental income
GS	2011
France Télécom	112,3
Telecom Italia	61,3
EDF	26,7
Accor	25,0
Suez Environnement	20,6
Dassault Systèmes	10,4
Intesa	10,4
Eiffage	9,3
Thalès	8,8
SNCF	7,8
Korian	5,7
Peugeot/Citroën	5,4
AON	5,3
Quick	5,1
Other tenants	198,8
Total rental income	512,9



Geographical breakdown: The Ile-de-France region, Milan, Rome and the Major Regional Cities (MRCs) accounted for 2/3 of rental income

(€million)	Annualised rental income
GS	2012
Paris CBD	33,7
Paris excl. CBD	43,9
Inner suburbs	90,2
Outer suburbs	20,8
Total Paris Region	188,6
MRC	42,0
Other French regions	41,3
Offices - France	271,9
Milan	44,8
Rome	11,1
Other	63,9
Offices - Italy	119,8
Paris excl. CBD	5,5
Inner suburbs	5,2
Outer suburbs	4,5
Total Paris Region	15,2
MRC	10,4
Other French regions	19,8
International	8,1
Service sector	53,6
Paris excl. CBD	7,5
Inner suburbs	10,0
Outer suburbs	23,0
Total Paris Region	40,5
North West	3,4
Rhône- Alpes	7,4
PACA	6,9
Germany	9,4
Logistics	67,6
Total rental income	512,9



D. DISPOSALS: €896 million, GROUP SHARE

(€million)		Disposals (agreements as of end of 2011 closed)	Agreements as of end of 2011 closed	New disposals* 2012	New agreements** 2012	Total 2012	Margin vs 2011 value	Yield on new disposals and agreements	Total
Offices - France	100 %	167,3	87,3	274,6	154,2	428,8	0,0	0,1	683,4
Offices - Italy	100 %	22,0	4,6	65,5	96,3	161,8	0,0%	5,4%	188,5
	GS	11,2	2,4	33,3	49,0	82,3			95,9
Service sector	100 %	63,4	0,0	168,9	99,9	268,8	1,8%	6,3%	332,2
	GS	17,9	0,0	47,8	28,3	76,1			94,0
Logistics***	100 %	0,0	0,0	220,9	0,0	220,9	-3,9%	8,8%	220,9
Other	100 %	0,0	0,0	36,8	0,0	36,8	0,0%	5,5%	36,8
	GS	0,0	0,0	21,9	0,0	21,9			21,9
Total asset disposals	100 %	252,7	92,0	766,6	350,5	1117,1	-0,3%	7,0%	1461,7
	GS	196,4	89,7	598,4	231,5	829,9	-0,8%	7,3%	1116,1
Equity interests	100 %	0,0	0,0	66,5	0,0	66,5			66,5
Total disposals	100 %	252,7	92,0	833,1	350,5	1183,5			1528,2
	GS	196,4	89,7	664,9	231,5	896,4			1182,6

*net yield from building leases

** including agreements signed beginning of 2013

*** Net of leasehold

Foncière des Régions completed €896 million in new disposals and agreements de cessions in 2012. With the exception of the below par rating of Logistics, sales prices are all in line with appraisal values at end of 2011. These disposals mark a progressive reduction of exposure to Logistics (€221 million in assets, i.e. 20% of the Logistics portfolio at the end of 2011). In view of the agreements signed at the end of 2011, the total figure for disposals in 2012 is €861 and contracts signed amount to €321 million, i.e. a total of €1,183 million.

E. ASSET ACQUISITIONS: €137 million, GROUP SHARE

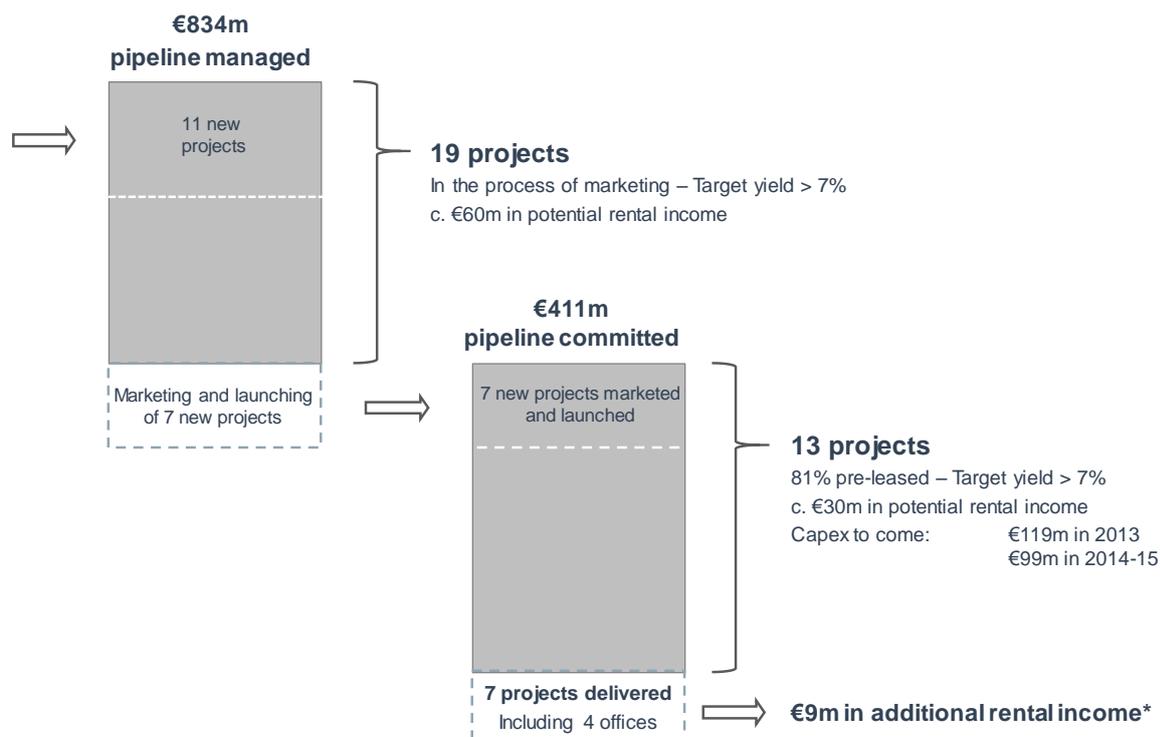
(€million)		Total ED
Offices - France	100%	61,0
Offices - Italy	100%	12,7
	GS	6,5
Total Offices	100%	73,7
	GS	67,5
Service sector	100%	239,3
	GS	67,7
Logistic	100%	2,0
Total	100%	315,0
	GS	137,2

The main acquisitions carried out in 2012 related to:

- the acquisition of the Citroën headquarters carried out on 12 July 2012 for €61 million, excluding duties
- Foncière des Murs' acquisition in partnership with Crédit Agricole Assurances and ACM (Foncière des Murs share: 50.2%) of the portfolio of 158 B&B hotels €513 million, including taxes and renovation work

In addition, Foncière des Régions acquired a 6,700 sq. m building from Vinci in early 2013. This building is located in the inner suburbs of Paris at Chevilly Larue and is leased to Vinci under a fixed 12-year lease.

F. DEVELOPMENT PROJECTS: €1.2 billion, GROUP SHARE



* Annualised

- Projects committed: €411 million on a Group share basis (of which 81% have been pre-leased)

Projects	Type	Location	Area	Surface** (sq.m)	Delivery	Target rent (€/sq.m/year)	Pre-leased (%)	Total Budget* (M€)
Eiffage Clichy	Offices - France	Clichy la Garenne	Paris Regions	4 600	2 013	340	100%	23
Paris Voltaire	Offices - France	Paris	MRC	1 800	2 013	264	na	11
Le Patio	Offices - France	Villeurbanne - Lyon	Paris	12 755	2 013	180	100%	31
B&B (Montpellier)	Offices - France	Montpellier	Paris Regions	2 133	2 014	149	100%	5
New Vélizy (GS FDR 50%)	Offices - France	Vélizy	Paris Regions	45 000	2 014	250	100%	182
Euromed center - Phase 1 (GS FDR 50%)	Offices - France	Marseille	MRC	24 000	2 014	250	66%	96
Egis	Offices - France	Montpellier	MRC	6 101	2 014	154	100%	14
Respiro	Offices - France	Nanterre	MRC	11 137	2 015	310	100%	47
San Nicolao (GS FDR 51%)	Offices - Italy	Milan	Italy	9 426	2 014	552	0%	97
Garibaldi - building C (GS FDR 51%)	Offices - Italy	Milan	Italy	6 390	2 013	nc	100%	46
B&B Porte des Lilas (GS FDR 28%)	Service Sector	Paris	Paris	5 562	2 014	270	100%	21
Extensions Accor (GS FDR 28%)	Service Sector	Aix en Provence + Yutz	Multi-site	1 579	2 013	190	100%	3
Garonor (N03)	Logistics	Aulnay-sous-Bois	Paris Regions	510 10	2013 - 2014	nc	100%	61
Total Consolidated				181 493			78%	638
Total - GS							81%	411

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

**surface 100%

The outstanding Capex on these projects represents €119 million (Group Share) in 2012 and €99 million in 2014-15.

- Controlled projects: €84 million, Group share

Projects	Type	Location	Area	Surface* (sq.m)	Delivery time frame
Green Comer	Offices - France	Saint-Denis	Paris Regions	20 500	2 014
Paris Passy	Offices - France	Paris	Paris	3 672	2 014
EDF Avignon	Offices - France	Avignon	Other French region	4 100	2 014
Cœur d'Orly Commerces (GS FDR 25%)	Offices - France	Orly	Paris Regions	30 000	2 015
Dassault Systemes Extension (GS FDR 50%)	Offices - France	Vélizy	Paris Regions	12 800	2 015
Silex (1ère tranche)	Offices - France	Lyon	MRC	10 700	2 015
Issy Grenelle	Offices - France	Issy	Paris Regions	7 350	2 015
Toulouse Marquette	Offices - France	Toulouse	MRC	8 100	2 015
Bordeaux	Offices - France	Bordeaux	MRC	20 000	2 016
Paris Ségur	Offices - France	Paris	Paris	4 607	2 016
Silex (2ème tranche)	Offices - France	Lyon	MRC	41 000	2 017
Euromed Center - tranche 2 (GS FDR 50%)	Offices - France	Marseille	MRC	33 500	2014 - 2016
Extension Thales (GS FDR 50%)	Offices - France	Vélizy	Paris Regions	15 000	2015 - 2016
Cœur d'Orly Bureaux (GS FDR 25%)	Offices - France	Orly	Paris Regions	70 000	2015 - 2017
Ripamonti (GS FDR 35%)	Offices - Italy	Milan	Italy	74 101	Depending Prelet Status
Schievano (GS FDR 51%)	Offices - Italy	Milan	Italy	26 478	Depending Prelet Status
Garonor (N02 Phase 2)	Logistics	Aulnay-sous-Bois	Paris Regions	18 000	2 015
Garonor (N06)	Logistics	Aulnay-sous-Bois	Paris Regions	6 000	2 014
Bollène	Logistics	Bollène	Other French region	70 000	N/A
Total Consolidated				475 908	

* surface 100%

G. PORTFOLIO

■ Valuation and change in assets: Stable over 2012

(€million)	Value 2011	Value 2012	Value 2012 GS	LFL change 12 months	Yield ED 2011	Yield ED 2012	% of portfolio	% of portfolio (incl. equity affiliates)
Offices - France*	4 539	4 450	4 032	0,8%	6,8%	6,9%	50%	46%
Offices - Italy*	4 347	4 273	2 174	- 1,9%	5,7%	6,0%	27%	25%
Total Office	8 886	8 723	6 206	- 0,2%	6,4%	6,6%	76%	71%
Service sector	2 949	3 039	860	1,8%	6,3%	6,3%	11%	10%
Logistics	1 147	929	929	- 2,7%	7,6%	7,6%	11%	11%
Parking facilities	260	231	138	0,2%	N/A	N/A	2%	2%
Portfolio	13 241	12 922	8 133	- 0,3%	6,6%	6,7%	100%	93%
Equity affiliates*	624	572	572					7%
Total - Consolidated	13 865	13 494	8 705					100%
Total - GS	8 984	8 705						

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

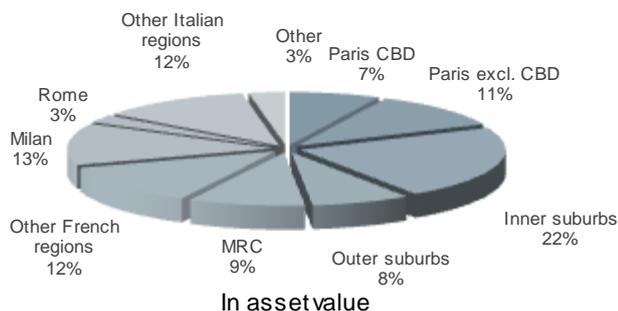
**FDL under the equity method for €41M and others equity method consolidation (€8 M) - Altarea valued at share price (€03 M)

The Foncière des Régions portfolio consolidé at the end of 2012 amounted to €8,705 million, compared to €8,984 as at end of 2011. The value of the portfolio after minority interests is very slightly lower for 2012 (- 0.3%) on a like-for-like basis. The drop in value of the Offices – Italy, (- 1.9%) and Logistics (- 2.7%) segments was offset by the advances in the Offices-France (+ 0.8%) and Service Sector (+ 1.8%) segments.

■ Geographical breakdown: Ile-de-France region, Milan, Rome and MRC represent 73% of the Group share of assets

(€million) GS*	2012
Paris CBD	572
Paris excl. CBD	884
Inner suburbs	1785
Outer suburbs	625
MRC	733
Other French regions	991
Milan	1018
Rome	195
Other Italian regions	961
Other	231
Total portfolio	7 995

*Excluding parking facilities



H. LIST OF TEN MAJOR ASSETS

Top 10 Assets	Location	Tenants	Surface (sq,m)	Share of affiliates
CB21Tower in la Defense	Courbevoie	Suez Environnement, Chartis	68 077	75%
Centro Direzionale SNC	Naples	Telecom Italia	63 477	50,9%
Via Marco Aurelio 24- 26	Milan	Telecom Italia	61400	50,9%
DS Campus	Vélizy Villacoublay	Dassault Systèmes	56 193	50%
Via Montebello 18	Milan	Intesa Group	25 802	50,9%
Carré Suffren	Paris 15ème	AON, Institut Français, Ministère Education	24 863	60,0%
Piazza Sigmund Freud (Torre A)	Milan	Tecnimont	16 031	5%
Piazza Sigmund Freud (Torre B)	Milan	Tecnimont	15 866	5%
Corso Matteotti Giacomo 4- 6	Milan	Boscolo	12 166	50,9%
Immeuble - 23 rue Médéric	Paris 17ème	France Télécom	11 159	100%

The Group share value of the ten main assets represents nearly 14% of the Group share of the assets.

3. BUSINESS ANALYSIS BY SEGMENT

A. FRANCE OFFICES

1. ACCOUNTED RENTAL INCOME: €262 million + 2.5% on a LFL basis

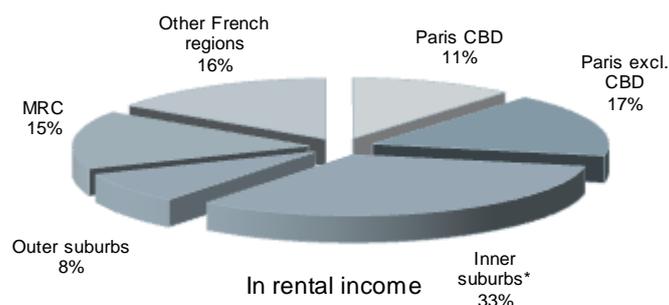
- Geographic breakdown: strategic locations (Ile-de-France region and major regional cities MRC represent 84% of rental income).

Rental income is presented as 100% of amounts and as Group share (GS). Assets held partially are the following:

- CB 21 75% owned
- Carré Suffren 60% owned
- DS Campus 50,1% since 20 October 2012 2012 (impact – €3.5 million for 2012)

(€ million)	Surface (sq.m)	Number of assets	Rental income 2011 100%	Rental income 2011 GS	Rental income 2012 100%	Rental income 2012 GS	Change (%)	Change (%) LFL
Paris CBD	70 927	11	33,2	33,3	29,1	29,2	-12,2%	
Paris excl. CBD	138 376	17	53,5	50,9	48,9	44,5	-12,6%	
Inner suburbs*	467 012	40	83,8	79,0	90,5	85,0	7,6%	
Outer suburbs	202 307	74	23,8	23,8	21,8	21,8	-8,5%	
Total Paris Region	878 622	142	194,3	187,0	190,3	180,5	-3,5%	
MRC	412 606	94	41,0	41,0	40,5	40,5	-1,3%	
Other French regions	578 825	221	42,8	42,8	41,1	41,1	-3,9%	
Total	1 870 053	457	278,1	270,8	271,8	262,0	-3,2%	2,5%

* Inner suburbs includes Vélizy



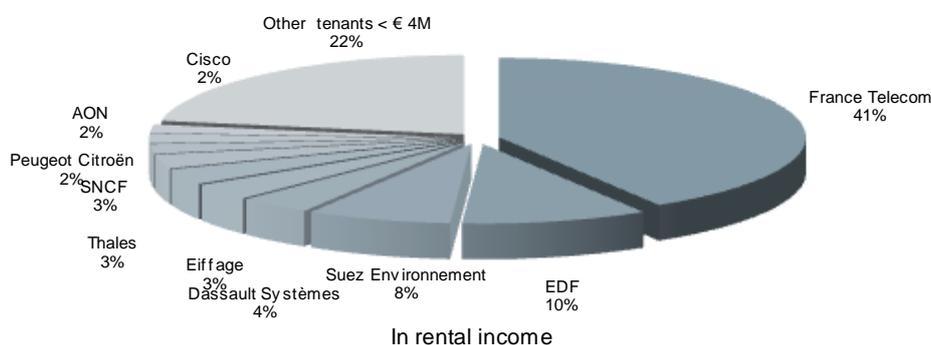
The Group's rental income is in a slight decline compared to 2011. This change is the combined result of the following:

- asset disposals during the year (- €17.2 million)
- vacating of assets for disposal or restructuring (- €5.3 million)
- acquisitions and new consolidations (+ €8 million): Headquarters of Eiffage Construction in Vélizy, Issy Grenelle in Issy-les-Moulineaux and let to Yves Rocher, headquarters of Degrémont in Rueil Malmaison, turnkey project for Véolia in Montpellier and Frontignan and Headquarters of Citroën in Paris.
- a like-for-like increase of + 2.5% linked to:
 - indexing (+ €5.4 million)
 - asset management (+ €0.4 million):
 - rental (+ €5.4 million)
 - vacancies (- €5.3 million)
 - renewals (+ €0.3 million)

2. ANNUALISED RENTAL INCOME: €272 MILLION

■ Breakdown by major tenants

(€ million)	Surface (sq.m)	Annualised rental income 2011	Annualised rental income 2012	Change (%)
GS				
France Telecom	730 893	122,8	112,3	-8,5%
EDF	228 855	26,5	26,7	0,5%
Suez Environnement	58 602	20,0	20,6	3,4%
Dassault Systèmes	56 192	19,4	10,4	-46,5%
Eiffage	147 233	9,1	9,3	2,7%
Thales	79 376	8,7	8,8	1,2%
SNCF	13 207	7,5	7,8	4,6%
Peugeot Citroën	15 939	0,0	5,4	NA
AON	15 042	5,0	5,3	5,0%
Cisco	11 291	4,6	4,8	4,1%
Other tenants < € 4M	513 423	65,2	60,6	-7,2%
Total	1 870 053	288,8	271,9	-5,8%



The concentration of rental income from large users at Foncière des Régions demonstrates the continued implementation of the strategy. Currently, the top ten tenants account for 78% of our annualised rental income, stable compared to the end of 2011.

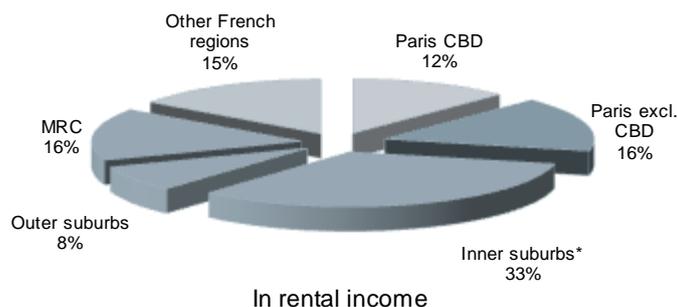
The – 5.8% drop between 2011 and 2012 is due to the impact of disposals and sharing of the DS Campus assets, which was partially offset by acquisitions over the year:

- disposal of loués à France Télécom assets
- sharing of the DS Campus in 2012, a site occupied by Dassault Systèmes
- acquisition of the Citroën headquarters building in the 2nd half of 2012 (20,000 sq. m)
- delivery of the Eiffage Construction building in Vélizy (10,000 sq. m)

■ Geographical breakdown: Ile de France accounts for 69% of rental income

(€ million)	Surface (sq.m)	Number of assets	Annualised rental income 2011	Annualised rental income 2012	Change (%)
GS					
Paris CBD	70 927	11	35,3	33,7	-4,8%
Paris excl. CBD	138 376	17	48,0	43,9	-8,5%
Inner suburbs*	467 012	40	96,1	90,2	-6,1%
Outer suburbs	202 307	74	22,0	20,8	-5,2%
Total Paris Region	878 622	142	201,4	188,6	-6,3%
MRC	412 606	94	40,7	42,0	3,2%
Other French regions	578 825	221	46,7	41,3	-11,5%
Total	1 870 053	457	288,8	271,9	-5,8%

*the inner suburbs include Vélizy and Meudon



The geographical breakdown of rental income is in line with that of the recognised rental income, confirming the prevalence of the Île-de-France share, with 69% of annualised rental income. The main changes in rental income per zone are explained by the rental activity since 1 January 2012:

- a decrease on annualised rental income within Paris (-6.8%) primarily stemming from disposal of France Télécom assets during the period
- withdrawal for the secondary areas in the regions (-11.5%) and in the outer suburbs (-5.2%) through disposal of non-strategic assets
- a drop in the inner suburbs (-6.1%), following the sharing agreement with the DS Campus in Vélizy (-€10.4 million) and several unit sales, partially offset by acquisitions over the year.

3. INDEXATION

The indexation effect is +€ 5.4 million over 12 months. 44% of our rental income is indexed to the ICC, 55% to the ILAT and the remainder is indexed to the ILC or the IRL in accordance with our partner-tenants, all the indexing in effect was replaced by indexing on the ILAT, in particular all outstanding France Télécom leases.

4. RENTAL BUSINESS IN 2012

(€ million)	Surface (sq.m)	Annualised rental income	Annualised rental income (€/m ²)
Vacating	42 670	8,3	195
Letting	37 649	6,4	171
Renewal	240 279	32,9	137

* including tacit renewals

Vacancies registered in 2012 involved 42,670 sq. m corresponding to €8.3 million in annualised rental income. These involve primarily the EDF assets in Nîmes (under contract), a building in Puteaux that was formerly leased to Havas (€1.5 million in rental income, yielded in November 2012), an EDF asset in Villers les Nancy (under contract) and vacancies with France Télécom assets under the terms of our agreements.

These vacancies were partially offset by leases in the amount of €6.4 million in annualised rental income involving the lease to Grass Valley of 882 sq. m in the 32 Grenier property in Boulogne, in addition to the renewal to Chloé of 565 sq. m vacated in the Percier building located in the Central Business District of Paris.

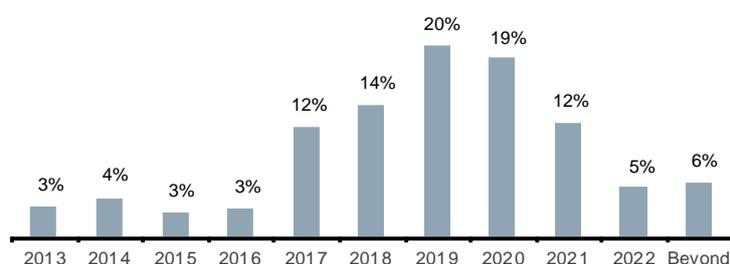
These also include deliveries, primarily a turnkey operation for Véolia in Montpellier, a turnkey of 9,400 sq. m for Société Générale in September 2012 in Fontenay and leasing of a part of the space in the Le Divo building (4,000 sq. m) in Metz that was delivered in 2012.

Lastly, lease renewals for 240,279 sq. m of space represent total revenue of €32.9 million. These are the result of pursuing the partnership strategy that keeps our tenants in place. This figure includes the leases ending at the end of 2012 that were not terminated, representing approximately €7.5 million.

5. EXPIRY SCHEDULE AND VACANCY

- Lease expirations: Firm residual lease duration of 6.6 years (5.3 years firm)

(€ million)	By lease end date (1 st break)	% of total	By lease end date	% of total
2013	23,6	9%	8,5	3%
2014	37,9	14%	11,1	4%
2015	18,4	7%	6,8	3%
2016	23,9	9%	7,8	3%
2017	14,2	5%	31,5	12%
2018	35,2	13%	37,8	14%
2019	31,8	12%	54,9	20%
2020	38,4	14%	51,3	19%
2021	20,3	7%	32,5	12%
2022	12,9	5%	14,2	5%
Beyond	15,2	6%	15,5	6%
Total	271,9	100%	271,9	100%



The firm residual term of the leases is 6.6 years (5.3 years firm), slightly lower compared to end of 2011 (7.1 years).

The mécanique drop of 12 months of residual term is offset largely by re-letting, the average duration of which is 5.9 years (excluding asset disposals) and extension of an average duration of 7.2 years (excluding renewals).

At the end of 2011, the Offices France segment had €24.9 million in leases expiring in 2012. Following an asset management effort carried out throughout the year, these leases expiring in 2012 were dealt with as follows:

- €3.7 million concerned assets that were sold
- €5.7 million concerned assets for which vacancies had been anticipated in 2011 and represent either re-development projects on high potential leasing markets, or sales to developers
- €15.5 million concerned assets for which the leases were extended, negotiations approaching agreement and renewals.

With less than 30% of its leases having an initial exit option between 2013 and 2015, Foncière des Régions continues to have a highly secured rental base.

■ Vacancy rates and types: 4.3% vacancy

(%)	2011	2012
Paris CBD	0,0%	0,0%
Paris excl. CBD	0,0%	0,1%
Inner suburbs*	8,3%	7,6%
Outer suburbs	2,8%	4,7%
Total Paris Region	4,4%	4,4%
MRC	2,5%	5,1%
Other French regions	3,5%	3,1%
Total	4,0%	4,3%

*the inner suburbs include Vélizy and Meudon

The vacancy rate of 4.3% has risen slightly since the end of 2011 (+30 basis points).

In the Ile-de-France region, the inner suburbs still have the highest vacancy rates for Foncière des Régions, at 7.6%, which is in line with the average market vacancy rate but concerns mainly CB 21 Tower, with a surface area of some 17,100 sq. m, which accounts for nearly half of the total vacancies of the Offices France segment, and three properties in Nice, Levallois Perret (Inner suburbs) and Lille.

6. UNPAID RENT

(€ million)	2011	2012
As % of annualised rental income	0,94%	0,6%
In value	2,7	1,6

7. DISPOSALS AND DISPOSAL AGREEMENTS: €429 MILLION

(€ million)	Disposals (agreements as of end of 2011 closed)	Agreements as of end of 2011 closed	New disposals 2012	New agreements 2012	Total 2012	Margin vs 2011 value	Yield on new disposals and agreements	Total
Paris CBD	28,6	11,5	1,7	0,0	1,7	0,0%	23,1%	41,8
Paris excl. CBD	91,8	10,8	1,3	36,9	38,3	0,0%	8,8%	140,9
Inner suburbs*	2,5	45,1	220,6	24,9	245,5	0,7%	5,8%	293,0
Outer suburbs	7,8	1,8	1,0	24,5	25,5	3,4%	10,1%	35,1
Total Paris Region	130,7	69,2	224,6	86,4	311,0	0,8%	6,7%	510,8
MRC	21,7	9,0	1,3	19,4	20,8	3,9%	7,7%	51,5
Other French regions	14,9	9,1	48,7	48,4	97,1	-2,8%	9,2%	121,1
Total	167,3	87,3	274,6	154,2	428,8	0,1%	7,2%	683,4

*Inner suburbs includes Vélizy and Meudon

Foncière des Régions continued its disposal operations for non-strategic assets and set up an investment partnership with Crédit Agricole Assurances concernant the sale of 49.9% of companies carrying DS Campus and New Vélizy properties.

8. ASSET ACQUISITIONS: €61 MILLION ED

Assets	Surface (sq.m)	Location	Tenants	Acquisition Price ED (€million)
	19 531	Inner suburbs	PSA	61,0
	0	0	0	0,0
Total	19 531			61,0

In 2012, Foncière des Régions acquired, (€61 million) the historic headquarters of Citroën, a property of around 20,000 sq. m located in the 17th arrondissement of Paris that is leased to PSA under a firm six-year lease.

9. DEVELOPMENT PROJECTS: an €870 million pipeline

■ Delivery of properties

The delivery (March 15) of a “green” building in Montpellier on behalf of Veolia Environnement comprising 3,100 sq. m in Montpellier. A firm 12-year lease will be signed with Véolia Environnement for the premises, thus strengthening our partnership with that company.

The conversion of the Le Floria building, featuring 8,600 net sq. m in Fontenay sous Bois, for Société Générale was also completed on 28 September 2012, marking the first “Exceptional” rating of an HQE certified renovation, in addition to receiving the BBC renovation label.

In the Q4 2012, delivery of the Divo building in Metz, with an overall area of 5,300 net sq. m, leased to Foncière des Régions and the Banque Populaire Lorraine Champagne. The building has obtained HQE certification and the BBC label and is located in the heart of the new Amphithéâtre district.

■ Committed projects: €271 million pre-leased at 90%

Projects	Location	Area	Surface** (sq.m)	Delivery	Target offices rent (€/sq.m/year)	Pre-leased (%)	Total Budget* (M€)
Eiffage Clichy	Clichy la Garenne	IDF	4 600	2013	340	100%	23
Paris Voltaire	Paris	Paris	1 800	2013	264	na	11
Le Patio	Villeurbanne - Lyon	MRC	12 755	2013	180	100%	31
B&B (Montpellier)	Montpellier	MRC	2 133	2014	149	100%	5
New Velizy (GS FDR - 50%)	Vélizy	IDF	45 000	2014	250	100%	91
Euromed Center - phase 1 (GS FDR - 50%)	Marseille	MRC	24 000	2014	250	66%	48
Egis	Montpellier	MRC	6 101	2014	154	100%	14
Respiro	Nanterre	IDF	11 137	2015	310	100%	47
Total			107 526			90%	271

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

**surface 100%

Work on the Thalès Campus in New Vélizy began in August with delivery scheduled for the second half of 2014.

Work continues in Marseille on the Euromed Center, namely with the 857 parking spaces car park and the 14,000 sq. m office building. The later phases of the project will be launched progressively as office space is leased.

The conversion of the Le Patio building in Villeurbanne will be completed in February 2013 and all space has already been leased.

■ Controlled projects: a €599 million pipeline (GS)

Foncière des Régions manages around 280,000 sq. m that may be committed:

Projects	Location	Area	Surface* (sq.m)	Delivery timeframe
Green Corner	Saint-Denis	Paris Regions	20 500	2 014
Paris Passy	Paris	Paris	3 672	2 014
EDF Avignon	Avignon	Régions	4 100	2 014
Cœur d'Orly Commerce (GS FDR 25%)	Orly	Paris Regions	30 000	2 015
Dassault Systemes Extension (GS FDR 50%)	Vélizy	Paris Regions	12 800	2 015
Silex (1 st tranche)	Lyon	MRC	10 700	2 015
Issy Grenelle	Issy	Paris Regions	7 350	2 015
Toulouse Marquette	Toulouse	MRC	8 100	2 015
Bordeaux	Bordeaux	MRC	20 000	2 016
Paris Ségur	Paris	Paris	4 607	2 016
Silex (2 nd tranche)	Lyon	MRC	41000	2017
Euromed Center - 2 nd tranche (GS FDR 50%)	Marseille	MRC	33 500	2014 - 2016
Extension Thalès (GS FDR 50%)	Vélizy	Paris Regions	15 000	2015 - 2016
Couer d'Orly Offices (GS FDR 25%)	Orly	Paris Regions	70 000	2015 - 2017
Total			281 329	

*surface 100%

An initial agreement was formalised at the end of 2012 for the addition to the Dassault Systèmes headquarters in Vélizy, and the current objective is to finalise a lease between now and the end of February 2013.

With regard to the Green Corner (20,500 sq. m) project in Saint Denis, discussions locatives are underway. As the construction permit has been approved the project could get underway as soon as a lease agreement has been formalised for the premises.

The construction permit has been approved for the Lyon Silex 1 building, and work on the plans is continuing with a view to beginning construction at the end of 2013 once the building has been vacated.

On delivery, these projects will enhance the residual duration of leases and the average quality of the portfolio, while contributing to the “greening” of the company’s asset base.

10. ASSET VALUATION

■ Change in asset values

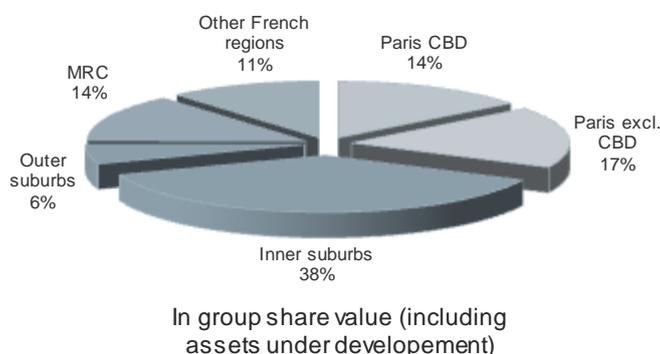
(€ million) Asset	Value ED 2011	Yield ED 2011	Value adjustment	Acquisitions	Disposals	Invest.	Transfer	Value ED 2012
Assets in operation	4 214,1		33,3	62,1	-441,9	41,8	24,0	3 933,5
Assets under development	77,5		2,5	0,0	0,0	42,9	-24,0	98,9
Total	4 291,6	6,7%	35,8	62,1	441,9	84,7	0,0	4 032,4

■ Like-for-like change: +0.8%

(€ million)	Consolidated value ED 2011	Consolidated value ED 2012	Value ED 2012 GS	LFL change 12 months	Yield ED 2011	Yield ED 2012	% of total value
Paris CBD	574	572	572	4,2%	6,2%	5,8%	14%
Paris excl. CBD	857	806	691	3,8%	6,3%	6,3%	17%
Inner suburbs*	1 750	1 772	1 469	-0,3%	5,9%	6,2%	36%
Outer suburbs	236	222	222	-2,4%	9,3%	9,2%	5%
Total Paris Region	3 417	3 372	2 954	1,4%	6,3%	6,4%	73%
MRC	525	535	535	0,3%	7,6%	7,8%	13%
Other French regions	520	445	445	-2,8%	9,0%	9,3%	11%
Total in operation	4 462	4 351	3 933	0,7%	6,8%	6,9%	98%
Assets under development	78	99	99	5,6%	na	NA	2%
Total	4 539	4 450	4 032	0,8%	6,7%	6,7%	100%

* Inner Suburbs included Vélizy and Meudon

The year 2012 was marked by a 0.8% increase in like-for-like assets. The Paris CBD, where the large-scale Paris assets that feature long-term leases are located, affichant la plus forte progression, with an advance of +4.2%. In contrast, assets located in the regions and in the Paris outer suburbs decrease slightly.



11. STRATEGIC ASSET SEGMENTATION

■ “Core” portfolio

The “core” portfolio is the strategic asset core, consisting of resilient assets seeking sustainable revenue. 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.

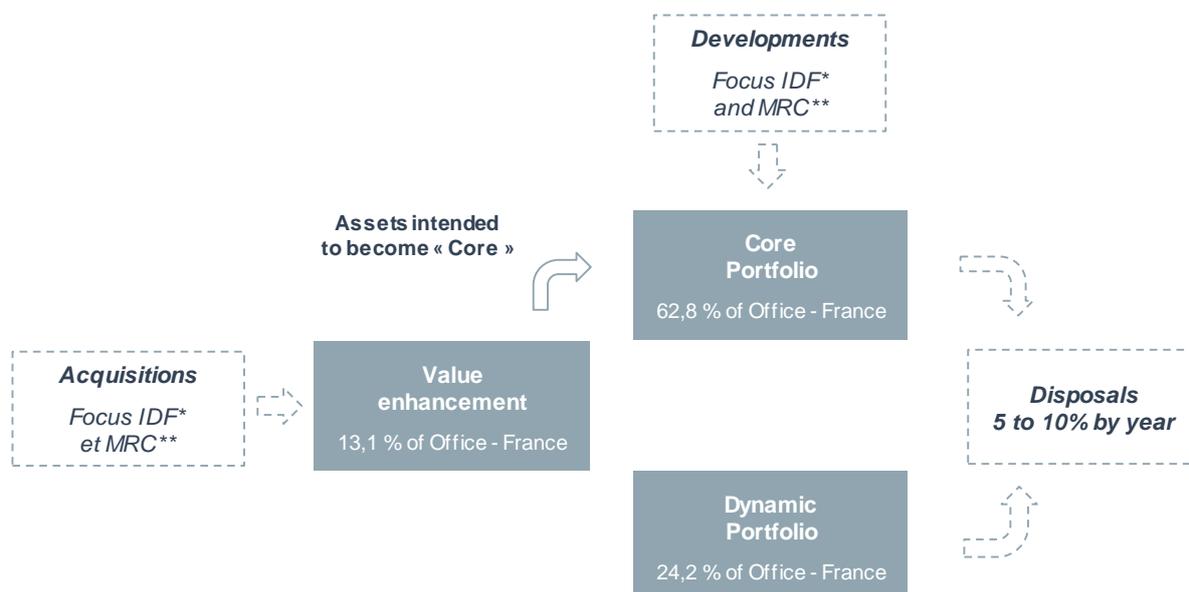
■ “Sale-and Leaseback” portfolio

The “sale-and-leaseback” 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 renovation or rental development actions. These assets are primed to become core assets once the asset management work has been achieved.

France Office – A strategy of continued portfolio enhancement



* Ile-de-France
** Major Regional Cities

	Core Portfolio	Value enhancement Portfolio	Dynamic Portfolio	Total
Number of assets	69	41	347	457
Value ED GS (€ million)	2 530,6	526,5	975,5	4 032
	62,8%	13,1%	24,2%	100%
Yield	6,1%	7,2%	8,0%	6,7%
Residual firm duration of leases (years)	6,3	2,6	4,7	5,3
Vacancy rate	4,2%	0,5%	6,1%	4,3%

The “Core” portfolio: the vacancy rate is represented primarily by the 17,100 sq. m to rent in the CB 21 building

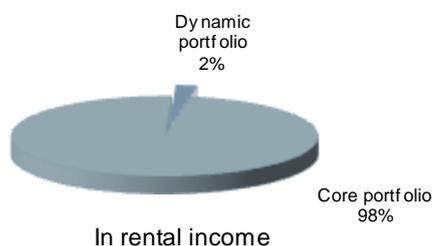
The “Core” portion of the portfolio remained stable at 63% of the France Office portfolio, despite the disposal of Core assets that have reached maturity and the significant impact of sharing the Dassault property located in Vélizy.

B. ITALY OFFICES

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. In January 2011, Beni Stabili chose the SIIQ regime (Italian version of the French SIIIC). The company had assets worth €4.3 billion as of end of 2012. Foncière des Régions owns 50.9% of the share equity of Beni Stabili.

1. ACCOUNTED RENTAL INCOME: + 4.1% like-for-like

(€ million)	Surface (sq.m)	Number of assets	Rental income 2011	Rental income 2012	Change (%)	Change (%) LFL	% of total
Core portfolio	1 825 014	231	210,1	223,8	6,5%	5,5%	97,9%
Dynamic portfolio	157 426	54	10,0	4,7	-52,6%	-35,1%	2,1%
Subtotal	1 982 440	285	220,1	228,5	3,8%	4,1%	100,0%
Development portfolio	18 558	4	0,0	0,0	na	na	0,0%
Total	2 000 999	289	220,1	228,5	3,8%	4,1%	100,0%



The variation in rental income between 31 December 2011 and 31 December 2012 is + €8.4 million, or + 3.8%. This increase is due primarily to:

- Acquisitions / Delivery of assets: + €5.0 million
- asset management and indexation (CPI): + €7.7 million
- Disposals: - €4.3 million

The like-for-like variation + 4.1% over the period.

2. ANNUALISED RENTAL INCOME

■ Breakdown by portfolio

(€ million)	Surface (sq.m)	Number of assets	Annualised rental income 2011	Annualised rental income 2012	Change (%)
Core portfolio	1 825 014	231	217,0	231,0	6,4%
Dynamic portfolio	157 426	54	4,9	4,4	-10,1%
Subtotal	1 982 440	285	221,9	235,4	6,1%
Development portfolio	18 558	4	0,0	0,0	na
Total	2 000 999	289	221,9	235,4	6,1%

■ Geographical breakdown

(€ million)	Surface (sq.m)	Number of assets	Annualised rental income 2011	Annualised rental income 2012	Change (%)
Milan	466 640	43	74,5	88,0	18,2%
Rome	165 901	36	22,0	21,7	-1,2%
Other	1 349 900	206	125,4	125,6	0,2%
Total	1 982 440	285	221,9	235,4	6,1%

Annualised rental income at year-end excluding development



■ Breakdown by tenant

(€ million)	Surface (sq.m)	Number of assets	Annualised rental income 2011	Annualised rental income 2012	Change (%)
Telecom Italia	1 212 042	177	120,6	120,5	-0,2%
Other	770 399	108	101,3	114,9	13,5%
Total	1 982 440	285	221,9	235,4	6,1%

Annualised rental income at year-end excluding development



3. INDEXATION

The annual indexation in rental income is usually calculated by taking 75% of the increase in the Consumer Price Index (CPI) applied on each anniversary of the signing date of the agreement. For 2012, the average CPI was 3% (Source: ISTAT).

4. RENTAL BUSINESS

In 2012, asset management activities yielded the following results:

(€ million)	Surface (sq.m)	Annualised rental income	Annualised rental income (€/sq.m)
Vacating	nc	7,2	nc
Letting	32 094	5,7	179
Renewal	33 873	3,4	100

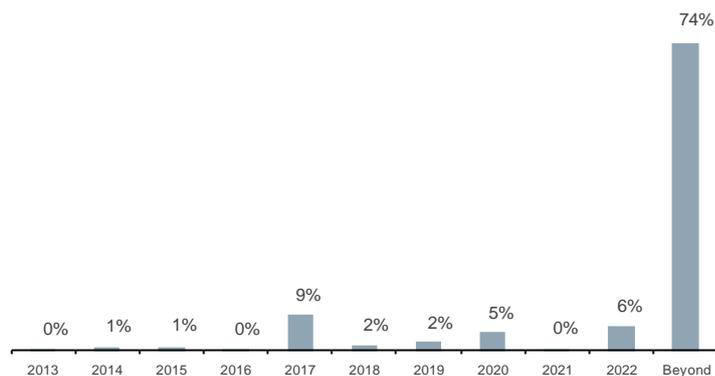
Major new leasing activities concern the Via Lugaro properties in Turin (€1.4 million), Via Cornaggia in Milan (€1.2 million) and Corso Marconi in Turin (€0.6 million). Lease renewals were concluded with Via Giordano Bruno in Turin, Via Rombon in Milan and Via Falcone in Turin.

5. EXPIRY SCHEDULE AND VACANCY

- Lease expirations: Firm residual lease duration of 12.7 years (firm 7.1 years)

Offices-Italy rental income by the expiry date of firm leases in progress is broken down as follows:

(€ million)	By lease end date (1 st break)	% of total	By lease end date	% of total
2013	12,5	5,3%	0,8	0%
2014	12,8	5,5%	2,3	1,0%
2015	3,6	1,5%	2,4	1,0%
2016	5,6	2,4%	1,0	0,4%
2017	32,2	13,7%	20,0	8,5%
2018	10,1	4,3%	3,5	1,5%
2019	30,7	13,1%	4,8	2,0%
2020	0,7	0,3%	10,7	4,5%
2021	121,2	51,5%	1,1	0,5%
2022	0,9	0,4%	13,6	5,8%
Beyond	4,8	2,1%	175,2	74,4%
Total	235,4	100,0%	235,4	100,0%



Leases expiring after 2022 are basically linked to Telecom Italia. The residual duration of the leases was 12.7 years as of end of 2012.

- Vacancy rates : vacancy rate of 2.9%

The spot financial vacancy rate as of end of 2012 was 2.9% for the core portfolio, compared to 3.9% as of end of 2011. La baisse de 1% du taux de vacance est principalement liée à la livraison de l'actif Via Lugaro à Turin (loué à La Stampa et Alpitour) ainsi qu'à la livraison de l'actif Tour A du complexe Garibaldi à Milan (loué au groupe Maire Tecnimont).

6. UNPAID RENT

(€ million)	2011	2012
As % of annualised rental income	1,0%	4,0%
In value	2,3	9,3

This increase to €9.3 million is due to two assets from which rents will be collated during 2013

- €4,2 million regarding Corso Matteotti asset in Milan (groupe Boscolo)
- €1,0 million regarding an asset let to an administration

7. DISPOSALS AND DISPOSAL AGREEMENTS: €161.8 MILLION

The amount of new commitments for 2012 came to €161.8 million, or a total €188.5 million including agreements for 2011. These new 2012 commitments:

- were in line with appraised values
- yielded 5.4% on disposals and commitments

(€ million)	Disposals (agreements as of end of 2011 closed)	Agreements as of end of 2011 closed	New disposals 2012	New agreements 2012	Total 2012	Margin vs 2011 value	Yield on new disposals and agreements	Total
Milan	0,0	0,0	0,0	9,1	9,1	15,4%	0,0%	9,1
Rome	0,0	0,0	15,8	40,6	56,3	-2,3%	5,3%	56,3
Other	22,0	4,6	49,7	46,7	96,4	0,1%	6,0%	123,0
Total	22,0	4,6	65,5	96,3	161,8	0,0%	5,4%	188,5



In value

8. ASSET ACQUISITIONS

Assets	Surface (sq.m)	Location	Use	Acquisition Price ED (€ million)
Via Verri	154	Milan	Retail	5,4
Corso Italia	804	Pisa	Retail	5,7
Corso Italia	1 092	Pisa	Office	1,6
Total	1 092			12,7

9. DEVELOPMENT PROJECTS

- Committed projects : €143 million, 32% pre-leased

Projects	Location	Area	Surface (sq.m)	Delivery	Target offices rent (€/sq.m/year)	Pre-leased (%)	Total Budget (M€)
San Nicolao	Milan	Italy	9 426	2014	551,7	0%	97
Garibaldi (building C)	Milan	Italy	6 390	2013	nc	100%	46
Total			15 816			32%	143

Building C of the Garibaldi complex will be delivered in February 2013. This operation follows on the delivery of Tower A of the Garibaldi complex in 2012. These two projects represent €15.5 million in annualised rental income.

■ Managed projects

Projects	Location	Area	Surface (sq.m)	Delivery timeframe
Milan, Ripamonti	Milan	Italy	74 101	ON HOLD until pre-let is found
Milan, Schievano	Milan	Italy	26 478	ON HOLD until pre-let is found
Total			100 579	

10. ASSET VALUATION

■ Change in asset values

(€ million)	Value ED 2011	Change in value	Acquisitions	Disposals	Invest.	Reclass.	Value ED 2012
Core portfolio	3 826,1	-62,6	11,0	-80,2	32,4	110,5	3 837,2
Dynamic portfolio	214,9	-12,6	1,6	-10,5	1,7	-0,3	194,7
Subtotal	4 041,0	-75,1	12,6	-90,7	34,0	110,2	4 032,0
Development portfolio	305,5	-7,6	-1,2	0,0	54,0	-110,2	240,5
Total	4 346,5	-82,7	11,4	-90,7	88,0	0,0	4 272,5

■ Like-for-like change: -1.9%

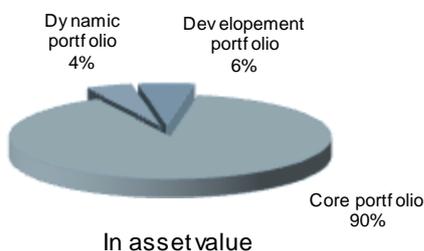
Beni Stabili's asset values decreased 1.9% like-for-like in 2012.

The introduction of the IMU tax had a negative - 2.4% impact on the like-for-like figures. This drop was offset by an increase in the occupancy tax and value creation related to capital expenditure projects that were completed.

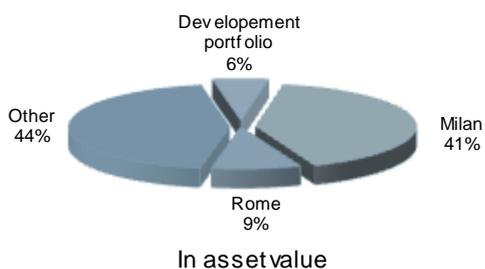
The value of the Telecom Italia (42% of Beni Stabili assets) portfolio fell by - 0.8 % like-for-like, occurring partly under the impact of increased local taxes and through an indexation that was more favourable than expected (2.4% compared to 2.8% in previous evaluations).

Rental values fell by - 1.5% like-for-like (baisse en grande partie due aux centres commerciaux du sud de l'Italie).

(€ million)	Consolidated value ED 2011	Consolidated value ED 2012	Value ED 2012 GS	LFL change 12 months	Yield ED 2011	Yield ED 2012
Core portfolio	3 826,1	3 837,2	1 952,4	-1,6%	5,7%	6,0%
Dynamic portfolio	214,9	194,7	99,1	-6,2%	2,3%	2,3%
Subtotal	4 041,0	4 032,0	2 051,5	-1,8%	5,5%	5,8%
Development portfolio	305,5	240,5	122,4	-3,9%	0,0%	0,0%
Total	4 346,5	4 272,5	2 173,9	-1,9%	5,1%	5,5%



(€ million)	Consolidated value ED 2011	Consolidated value ED 2012	Value ED 2012 GS	LFL change 12 months	Yield ED 2011	Yield ED 2012
Milan	1 664,4	1 759,8	895,4	-1,6%	4,5%	5,0%
Rome	403,5	383,8	195,3	-0,7%	5,5%	5,7%
Other	1 973,1	1 888,3	960,8	-2,3%	6,4%	6,7%
Subtotal	4 041,0	4 032,0	2 051,5	-1,8%	5,5%	5,8%
Development portfolio	305,5	240,5	122,4	-3,9%	0,0%	0,0%
Total	4 346,5	4 272,5	2 173,9	-1,9%	5,1%	5,5%



C. SERVICE SECTOR

Foncière des Murs, which is 28.3% owned by Foncière des Régions, is a listed real estate investment company (SIIC) specialising in service sector, especially in the hotel, healthcare, and retail sectors.

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

Accounted rental income is recognised to 100% and group share for service sector. Assets held in partnerships correspond to the acquisition of a 50.2% stake in 158 B&B hotels, completed in the second half of 2012.

■ Breakdown by activity sector

(€ million)	Surface (sq.m)	Number of assets	Rental income 2011	Rental income 2012 100%	Rental income 2012 in GS	Change (%)	Change (%) LFL	% of rental income
Hotels	1 142 630	325	133,2	116,6	114,5	-14,0%	-0,9%	63%
Healthcare	174 280	44	26,8	24,3	24,3	-9,3%	2,6%	13%
Retail Premises	206 328	203	43,6	43,7	43,7	0,3%	3,5%	24%
Total	1 523 238	572	203,6	184,8	182,5	-10,4%	0,5%	100%

Consolidated rental income excluding minority interests amounted to €182.5 million in 2012, a 10.4% drop compared to 31 December 2011. This is primarily due to:

- the impact of the sales made in 2011 and 2012 (- €26 million)
- The decrease in Accor hotels turnover of 1.5% like-for-like, which was partially offset by the increase in indexation of fixed hotel income (- €0.4 million).

These negative effects were partially offset by the impact of the B&B hotels acquisition (+ €3.3 million) and the effect of rent indexing (+ €1.7 million) on the fixed-rent portfolios.

■ Geographic breakdown

(€ million)	Surface (sq.m)	Number of assets	Rental income 2011	Rental income 2012 in GS	Change (%)	Change (%) LFL	% of rental income
Paris CBD	0	0	0,3	0,0	na		0%
Paris excl. CBD	83 346	14	24,3	21,6	-11,2%		12%
Inner suburbs	112 537	29	25,2	17,7	-29,7%		10%
Outer suburbs	117 947	59	15,8	14,0	-11,2%		8%
Total Paris Region	313 830	102	65,5	53,3	-18,6%		29%
MRC	304 059	118	39,4	33,8	-14,2%		19%
Other French regions	621 752	319	68,5	66,7	-2,7%		37%
International	283 598	33	30,2	28,7	-4,9%		16%
Total	1 523 238	572	203,6	182,5	-10,4%	0,5%	100%

2. ANNUALISED RENTAL INCOME

■ Breakdown by activity sector

(€ million)	Surface (sq.m)	Number of assets	Annualised rental income 2011	Annualised rental income 2012	Change (%)	% of rental income
Hotels	1 142 630	325	114,1	126,5	11%	67%
Healthcare	174 280	44	27,1	22,6	-17%	12%
Retail Premises	206 328	203	44,2	40,3	-9%	21%
Total	1 523 238	572	185,4	189,4	2%	100%

■ Breakdown by tenant

(€ million)	Surface (sq.m)	Number of assets	Annualised rental income 2011	Annualised rental income 2012	Change (%)	% of rental income
Accor	656 725	144	92,8	88,3	-5%	47%
Korian	158 156	41	23,9	20,0	-16%	11%
Quick	41 384	93	19,4	18,2	-6%	10%
Jardiland	155 684	50	16,6	14,8	-10%	8%
Sunparks	133 558	4	13,2	13,5	2%	7%
Courtepaille	9 260	60	8,2	7,2	-12%	4%
Club Med	45 813	1	3,3	3,4	3%	2%
Générale de Santé	16 124	3	3,2	2,6	-19%	1%
B&B	306 534	176	4,7	21,3	356%	11%
Total	1 523 238	572	185,4	189,4	2%	100%

■ Geographic breakdown

(€ million)	Surface (sq.m)	Number of assets	Annualised rental income 2011	Annualised rental income 2012	Change (%)	% of rental income
Paris CBD	0	0	0,0	0,0	0%	0%
Paris excl. CBD	83 346	14	20,4	19,5	-4%	10%
Inner suburbs	112 537	29	17,7	18,3	4%	10%
Outer suburbs	117 947	59	14,4	15,9	10%	8%
Total Paris Region	313 830	102	52,5	53,7	2%	28%
MRC	304 059	118	36,1	36,8	2%	19%
Other French regions	621 752	319	68,5	70,1	2%	37%
International	283 598	33	28,3	28,7	1%	15%
Total	1 523 238	572	185,4	189,4	2%	100%

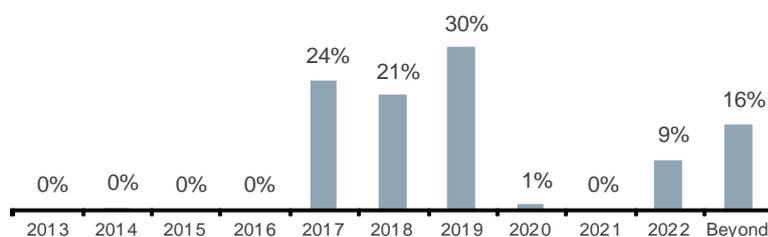
3. INDEXATION

53% of the annualised rental income is indexed on benchmark indices. The portfolios generating fixed rental income were indexed:

- only the Korian portfolio was indexed to the Q4 2011 Rental Reference Index (IRL) in January 2012, which had a positive impact of €0.9 million.
- the indexation of Jardiland, one-third of which was based on the construction cost index (ILC) and two-thirds on the portfolio, took place in July of 2012, 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 July of 2012, generating a positive impact of €0.6 million.

4. LEASE EXPIRATIONS AND VACANCIES

(€ million)	By lease end date (1 st break)	% of total	By lease end date	% of total
2013	0,0	0%	0,0	0%
2014	0,4	0%	0,4	0%
2015	0,0	0%	0,0	0%
2016	0,0	0%	0,0	0%
2017	44,7	24%	44,7	24%
2018	39,6	21%	39,6	21%
2019	56,6	30%	56,6	30%
2020	1,6	1%	1,6	1%
2021	0,0	0%	0,0	0%
2022	17,0	9%	17,0	9%
Beyond	29,5	16%	29,5	16%
Total	189,4	100%	189,4	100%



The residual term of the leases was 7.3 years as at the end of 2012, compared with 8 years at the end of 2011. The reduction in the term was partially offset by the signing of new leases, notably for 22 Korian assets with an average residual term of 9.6 years. The vacancy rate for this portfolio remained at zero at the end of 2012.

5. UNPAID RENT

The portfolio had no bad debts during 2012, just as in 2011.

6. DISPOSALS AND DISPOSAL AGREEMENTS: €269 million

Foncière des Murs sold 58 assets in 2012, including 10 Healthcare assets (nine nursing homes and one clinic), 16 Accor hotels and 32 retail assets for a total price of €232 million. In addition, disposal agreements relating to 22 assets were signed, for a total amount of €100 million.

(€ million)	Disposals (agreements as of end of 2011 closed)	Agreements as of end of 2011 closed	New disposals 2012	New agreements 2012	Total 2012	Margin vs 2011 value	Yield on new disposals and agreements	Total
Hotels	48,1	0,0	24,9	67,2	92,1	0,8%	6,3%	140,2
Healthcare	12,5	0,0	63,9	3,5	67,4	1,3%	6,6%	79,9
Retail Premises	2,8	0,0	80,1	29,2	109,2	2,8%	6,2%	112,0
Total	63,4	0,0	168,9	99,9	268,8	1,8%	6,3%	332,2

7. ASSET ACQUISITIONS

Assets	Surface (sq.m)	Location	Tenants	Acquisition Price* ED (€ million)	Yield ED**	Value 2012
B&B (Angel)	259 352	France	B&B	239,3	6,9%	261,4

*In GS of Foncière des Murs

**At acquisition date

Foncière des Murs acquired 158 B&B hotels in November 2012, in partnership with Crédit Agricole Assurances and Assurances du Crédit Mutuel, for a total amount of €513 million including duties, costs and renovation work, or €257 million held by Foncière des Murs (50.2%).

8. DEVELOPMENT PROJECTS

- Projects committed: €25 million, of which 100% have been pre-rented

Projects	Location	Area	Surface (sq.m)	Delivery	Target rent (€/sq.m/year)	Pre-leased (%)	Total Budget (M€)
B&B Porte des Lilas	Paris	Paris	5 562	2014	269,7	100,0%	21,3
Extensions Accor	Aix en Provence + Yutz	Different location	1 579	2013	190,0	100,0%	3,5
Total			7 141			100,0%	24,8

On 30 May 2012, Foncière des Murs purchased a 2* 265-room hotel in the Portes des Lilas area in Paris (19th arrondissement) from Vinci Immobilier, with the sale being subject to the property's future completion. The property will be operated under the B&B brand. This transaction is part of the partnership that was launched by Foncière des Murs and B&B Hôtels in 2010, and reflects Foncière des Murs' desire to support its hotel partners in their development. The hotel will be delivered in the second quarter of 2014.

9. ASSET VALUATION

- Change in asset values

(€ million)	Value ED 2011	Yield ED 2011	Value adjustment	Acquisitions	Disposals	Invest.	Value ED 2012
Assets in operation	2949,0	6,3%	40,1	257,7	-231,9	11,7	3 027
Assets under development	0	n/a	3,6			9,3	13
Total	2949,0	6,3%	43,7	257,7	-231,9	21,0	3 039

The asset value of Foncière des Murs amounted to €3,039 million as at the end of 2012, up on a like-for-like basis by 1.8% on the year. The increase in asset values is primarily due to the indexing of fixed-rent assets, and to a decrease in capitalisation rates, which is consistent with the disposals made and the sale commitments signed.

- Like-for-like change: 1.8%

A like-for-like increase of 1.1% compared with 31 December 2011 was recorded in the hotel sector. The healthcare sector gained 2.3% over 12 months, under the effect of the 2.3% increase in rental income linked to indexation for the period. The like-for-like increase of + 3.6% in the retail sector was due to the combined effect of indexation and an increase in yields, which was consistent with the yields on disposals and sale commitments made for this asset class in 2012.

(€ million)	Consolidated value ED 2011	Consolidated value ED 2012	Value ED 2012 GS	LFL change 12 months	Yield ED 2011	Yield ED 2012	% of total value
Hotels	1 834	2 040	577	1,1%	6,2%	6,1%	67%
Healthcare	423	356	101	2,3%	6,4%	6,4%	12%
Retail Premises	692	630	178	3,6%	6,5%	6,4%	21%
Total in operation	2 949	3 026	856	1,8%	6,4%	6,3%	100%
Assets under development		13	4		6,4%	5,7%	0%
Total	2 949	3 039	860	1,8%	6,3%	6,3%	100%

D. LOGISTICS

Foncière Europe Logistique, which is 100% held by Foncière des Régions, specialises in logistics-assets and light industrials holdings.

1. ACCOUNTED RENTAL INCOME

■ Breakdown by activity sector

(€ million)	Surface (sq.m)	Number of assets	Rental income 2011	Rental income 2012	Change (%)	Change (%) LFL	% of rental income
Logistics - France	735 190	18	45,0	39,9	-11,4%	-4,7%	52%
Logistics - Germany	204 170	7	8,9	9,1	2,8%	1,8%	12%
Light Industrials	210 686	2	17,1	15,7	-8,2%	-3,0%	20%
Garonor	328 581	1	14,2	12,3	-13,0%	3,4%	16%
Total	1 478 627	28	85,1	77,0	-9,6%	-2,1%	100%

Rental income as at 31 December 2012 reached €77 million, a - 9.6% decline from 31 December 2011. This change was due to the following:

- disposals carried out in 2011 and during the 2nd half of 2012 (- €5.9 million)
- vacancies of commercial space for the development of Garonor-Aulnay (- €1.0 million)
- indexing (+ €1.2 million)
- arriving and departing tenants and lease renewals (- €2.5 million)

Rental income has receded - 2.1% on a like-to-like basis.

■ Geographical breakdown

(€ million)	Surface (sq.m)	Number of assets	Rental income 2011	Rental income 2012	Change (%)	Change (%) LFL	% of rental income
Paris excl. CBD	61 895	1	10,4	9,6	-7,5%		13%
Inner suburbs	213 747	2	9,9	9,4	-4,5%		12%
Outer suburbs	526 456	6	35,7	30,3	-15,2%		39%
Total Paris Region	802 098	9	56,0	49,3	-11,9%		64%
Nord Ouest	69 609	4	3,4	3,3	-5,5%		4%
Rhône-Alpes	235 174	5	10,4	8,7	-16,4%		11%
PACA	167 576	3	6,4	6,6	4,1%		9%
Germany	204 170	7	8,9	9,1	1,8%		12%
Total	1 478 627	28	85,1	77,0	-9,6%	-2,1%	100%

2. ANNUALISED RENTAL INCOME

■ Breakdown by activity sector

(€ million)	Surface (sq.m)	Number of assets	Annualised rental income 2011	Annualised rental income 2012	Change (%)	% of rental income
Logistics - France	735 190	18	47,1	31,7	-32,6%	47%
Logistics - Germany	204 170	7	9,2	9,4	2,3%	14%
Light Industrials	210 686	2	17,8	13,5	-24,2%	20%
Garonor	328 581	1	12,9	12,9	0,3%	19%
Total	1 478 627	28	87,0	67,6	-22,3%	100%

- Geographical breakdown: the Île-de-France region represents 60% of rental income

(€ million)	Surface (sq.m)	Number of assets	Annualised rental income 2011	Annualised rental income 2012	Change (%)	% of rental income
Paris excl. CBD	61 895	1	10,9	7,5	-31,1%	11%
Inner suburbs	213 747	2	10,4	10,0	-3,9%	15%
Outer suburbs	526 456	6	35,4	23,0	-35,1%	34%
Total Paris Region	802 098	9	56,7	40,5	-28,6%	60%
Nord Ouest	69 609	4	3,5	3,4	-3,0%	5%
Rhône-Alpes	235 174	5	10,8	7,4	-31,6%	11%
PACA	167 576	3	6,8	6,9	1,8%	10%
Germany	204 170	7	9,2	9,4	2,3%	14%
Total	1 478 627	28	87,0	67,6	-22,3%	100%

3. INDEXATION

The indices used in calculating indexation are the CCI in France and the CPI in Germany. Across all assets, some 15 tenants are subject to restricted indexation, generally ranging between 1.5% and 3.5%.

4. RENTAL BUSINESS

Leasing activity was intense in 2012 with the signing of new leases covering some 304,000 sq. m for €14.9 million of rental income, distributed as follows:

(€ million)	Surface (sq.m)	Annualised rental income	Annualised rental income (€/sq.m)
Vacating	122 482	7,3	59
Letting	141 936	6,9	48
Renewal	161 780	8,0	49

In 2012, by portfolio:

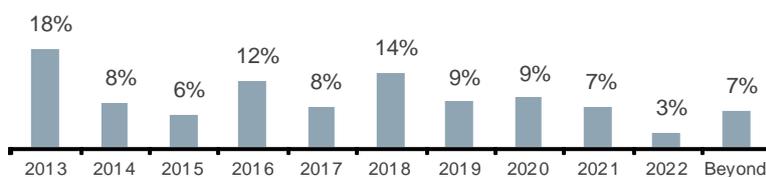
- 30.0% of Logistics leases were renegotiated or renewed, *i.e.* €9.5 million in annual rental income
- 11.0% of leases in Light Industrials were renegotiated or renewed, *i.e.* €1.5 million in annual rental income
- 29.8% of leases at Garonor Aulnay were renegotiated or renewed, *i.e.* €3.9 million in annual rental income

5. EXPIRY SCHEDULE AND VACANCY

- Lease expirations: 4.9 years of firm residual lease (2.4 years firm)

The firm residual duration of existing leases was 4.9 years (firm 2.4 years), slight increase compared to end of 2011 (fixed 2.2 years) as at end of 2011, with the following profile:

(€ million)	By lease end date 1 st break	% of total	By lease end date	% of total
2013	17,2	25%	12,1	18%
2014	15,6	23%	5,4	8%
2015	19,1	28%	4,0	6%
2016	9,5	14%	8,2	12%
2017	1,5	2%	5,1	8%
2018	1,7	2%	9,2	14%
2019	1,0	1%	5,8	9%
2020	0,0	0%	6,1	9%
2021	0,6	1%	5,1	7%
2022	1,0	2%	1,9	3%
Beyond	0,5	1%	4,5	7%
Total	67,6	100%	67,6	100%



Taking into account the lease in advance of future completion accord concluded with Samada, firm residual duration of existing leases was 2.9 years (see paragraph 8 – Development Projects).

■ Vacancy rates and types: Vacancy rate of 11.2%

The financial vacancy rate on operating assets was 11.2% as at end of 2012 compared to 8.6% as at end of 2011. By segments, the financial vacancy of assets in operation was:

(%)	2011	2012
Logistics - France	8,5%	9,5%
Logistics - Germany	1,0%	0,9%
Light Industrials	9,9%	21,5%
Garonor	11,9%	9,7%
Total	8,6%	11,2%

Sur les locaux d'activité, la vacance a augmenté sur l'actif de Pantin suite aux importants travaux de réhabilitation qui ont eu lieu en 2012 alors que l'actif était toujours en exploitation. Une nouvelle signature a été négociée en 2013 pour 9 000 m².

6. UNPAID RENT

(€ million)	2011	2012
As % of annualised rental income	3,7%	5,0%
In value	3,2	3,4

Accounts in default as at end of 2012 were worth €3.4 million, stable compared to end of 2011.

7. DISPOSALS AND DISPOSAL AGREEMENTS: €220.9 million

(€ million)	Disposals (agreements as of end of 2011 closed)	Agreements as of end of 2011 closed	New disposals 2012	New agreements 2012	Total 2012	Margin vs 2011 value	Yield on new disposals and agreements*	Total
Logistics France	0,0	0,0	183,9	0,0	183,9			183,9
Logistics Germany	0,0	0,0	0,0	0,0	0,0			0,0
Light Industrials	0,0	0,0	37,0	0,0	37,0			37,0
Garonor	0,0	0,0	0,0	0,0	0,0			0,0
Total	0,0	0,0	220,9	0,0	220,9	-3,9%	8,8%	220,9

*net yield from building leases

In the 2nd half of 2012, Foncière Europe Logistique continued its policy of asset rotation by concluding sales in 12 locations for total proceeds of €221 million.

8. DEVELOPMENT PROJECTS

■ Deliveries

Foncière Europe Logistique launched two major projects in 2011, delivered in 2012:

- restoration of the Citrail in Pantin (149,000 sq. m) for a total budget of €23.7 million and delivery scheduled for late 2012.
- redevelopment of Garonor: three leases in advance of future completion signed in 2011 marking the start of redevelopment of the southern section of the site for a total budget of €19 million and ont été livrésdelivery scheduled for late 2012 :
 - Transport Vaquier (9,190 sq. m)
 - AFT IFTIM (1,750 sq. m)
 - and Agora (16,385 sq. m)

■ Committed projects

Projects	Location	Area	Surface (sq.m)	Delivery	Pre-leased (%)	Total Budget (M€)
Garonor N03	Aulnay sous bois	Paris Regions	51 010	2013 - 2014	100%	60,9
Total			51 010			60,9

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 sq. m.

■ Controlled projects

Projects	Location	Area	Surface (sq.m)	Delivery timeframe
Garonor N02 Phase 2	Aulnay sous bois	Paris Regions	18 000	2015
Garonor N06	Aulnay sous bois	Paris Regions	6 000	2014
Bollène	Bollène	Regions	70 000	N/A
Total			94 000	

The Garonor N02 phase 2 and N06 projects are part of the redevelopment project of the southern section of the site that were initiated with the development projects underway. At Bollène, Foncière Europe Logistique owns land on which future buildings will be constructed progressively as leases are signed.

9. ASSET VALUATION

■ Change in asset values

(€ million)	Value ED 2011	Value adjustment	Acquisitions	Disposals	Invest.	Value ED 2012
Logistics - France	619,8	-19,1	1,7	-192,1	7,2	417,5
Logistics - Germany	107,2	-3,3	0,0	0,0	0,8	104,8
Light Industrials	236,9	-5,1	0,0	-37,7	10,7	204,8
Garonor	183,5	-2,4	0,0	0,0	20,9	202,0
Total	1 147,4	-29,9	1,7	-229,8	39,7	929,1

■ Like-for-like change

The overall change in appraised values on a like-for-like basis over one year declined 2.7%. This change is primarily related to a receding rental market that has been impacted by the unfavourable economic environment.

All operating assets were valued based on a yield on annualised rent of 7.6% as at end of 2012, which remained stable compared to end of 2011.

(€ million)	Consolidated value ED 2011	Consolidated value ED 2012	Value ED 2012 GS	LFL change 12 months	Yield ED 2011	Yield ED 2012	% of total value
Logistics - France	619,8	417,5	417,5	-4,2%	7,6%	7,6%	45%
Logistics - Germany	107,2	104,8	104,8	-2,3%	8,6%	9,0%	11%
Light Industrials	236,9	204,8	204,8	-2,2%	7,5%	6,8%	22%
Garonor	183,5	202,0	202,0	0,0%	7,4%	7,5%	22%
Total	1 147,4	929,1	929,1	-2,7%	7,6%	7,6%	100%

(€ million)	Consolidated value ED 2011	Consolidated value ED 2012	Value ED 2012 GS	LFL change 12 months	Yield ED 2011	Yield ED 2012	% of total value
Paris CBD	0,0	0,0	0,0	0,0%	0,0%	0,0%	0%
Paris excl. CBD	127,9	90,6	90,6	0,5%	8,5%	8,8%	10%
Inner suburbs	156,6	162,4	162,4	-3,8%	6,7%	6,2%	17%
Outer suburbs	453,0	330,5	330,5	-2,0%	8,0%	7,6%	36%
Total Paris Region	737,5	583,5	583,5	-2,1%	7,7%	7,4%	63%
Nord Ouest	46,1	44,7	44,7	-3,2%	7,6%	7,6%	5%
Rhône-Alpes	171,4	108,7	108,7	-8,7%	6,3%	6,8%	12%
PACA	85,1	87,4	87,4	0,7%	8,0%	7,9%	9%
Germany	107,2	104,8	104,8	-2,7%	8,6%	9,0%	11%
Total	1 147,4	929,1	929,1	-2,7%	7,6%	7,6%	100%

4. FINANCIAL RESULTS AND COMMENTS

The business of Foncière des Régions consists in the acquisition, ownership, administration and leasing of properties, developed or otherwise, specifically of offices, operating facilities, logistical warehouses, business premises and parking facilities.

Registered in France, Foncière des Régions is a French limited liability company with a Board of Directors (Société Anonyme à Conseil d'Administration).

A. SCOPE OF CONSOLIDATION

As at 31 December 2012, Foncière des Régions' consolidation scope includes companies based in France and in five other European countries (Italy for Offices, Germany for Logistics and Business Premises, Portugal, Belgium and Luxembourg for Business Premises). The main holdings during the first half of the year were as follows:

Subsidiaries	2011	2012
Foncière Développement Logements	33,6%	31,6%
Foncière des Murs	26,0%	28,3%
Foncière Europe Logistique	81,7%	100,0%
Beni Stabili	50,9%	50,9%
TourCB 21(OPCIB 21)	75,0%	75,0%
Urbis Park	59,5%	59,5%
Carré Suffren (Fédérismo)	60,0%	60,0%
Dassault Campus (SNC Latécoère)	100,0%	50,1%

In May 2012, Foncière des Régions exchanged avec CARDIF, Foncière Développement Logement securities for Foncière Europe Logistique securities on the basis of Triple Net NAV parity . Its stake in Foncière Développement Logements was thus decreased to 33.6% from 31.6% and its ownership of Foncière Europe Logistique rose to 89.2%. Foncière des Régions acquired the General Electric stake in Foncière Europe Logistique (9.7%) in the second half of 2012, then proceeded with a buyout-squeeze out operation on 20 September 2012. Subsequent to the buyout-squeeze out process, its stake in Foncière Europe Logistique has increased to 100% compared to 81.7% at the end of 2011.

Following the capital increase performed by its subsidiary, Foncière des Régions significantly increased its interest in Foncière des Murs, raising its stake to 28.3% at 31 December 2012, compared with 26.0% at 31 December 2011.

Foncière des Régions signed the share agreement for the DS Campus with Credit Agricole Assurances on 19 October 2012. The company now owning the asset is consolidated using the equity method beginning on that date.

B. ACCOUNTING PRINCIPLES

The consolidated financial statements are prepared in accordance with IAS 34 – Interim Financial Reporting. They were prepared by the Board of Directors on 20 February 2013.

The consolidated financial statements as at and end of 2012 were prepared in compliance with international accounting standards and interpretations, as issued by the International Accounting Standards Board (IASB), and adopted by the European Union as at the date the accounts were approved.

C. EPRA INCOME STATEMENT

(€million)	Consolidated		GS		Change GS
	2011	2012	2011	2012	%
Rental income	786,9	762,1	499,7	501,5	0,3%
Unrecovered rental costs	-21,8	-33,5	-14,6	-22,2	52,1%
Expenses on properties	-8,5	-10,8	-5,9	-7,5	27,1%
Net expenses on unrecoverable receivables	-5,1	-4,9	-3,3	-2,6	-21,2%
Net rental income	751,5	712,8	475,8	469,1	-1,4%
<i>ratio of costs to revenues</i>	<i>4,7%</i>	<i>6,9%</i>	<i>5,0%</i>	<i>6,9%</i>	<i>n.a</i>
Management and administration revenues	27,5	23,8	26,3	21,2	-19%
Activity-related costs	-4,4	-4,6	-3,5	-3,7	6%
Committed fixed costs	-76,3	-68,4	-59,9	-53,5	-11%
Development costs	-1,2	-0,3	-0,9	-0,1	-89%
Net cost of operations	-54,4	-49,5	-38,0	-36,0	-5,3%
Income from other activities	18,6	17,6	12,0	11,3	-6%
Depreciation of operating assets	-16,4	-13,4	-10,8	-8,9	-18%
Net change in provisions and other	30,2	-11,2	13,7	-9,9	n.a
Current operating income	729,4	656,3	452,8	425,7	-6%
Net income from inventory properties	-5,3	-2,4	-2,9	-1,4	n.a
Income from asset disposals	16,0	-10,6	6,0	-13,0	n.a
Income from value adjustments	102,4	-33,1	66,8	-39,4	n.a
Income from disposal of securities	0,6	-1,4	0,2	-2,3	n.a
Income from changes in scope	-0,2	-15,9	-0,1	-15,9	n.a
Operating income	842,9	592,9	522,7	353,7	-32%
Income from non-consolidated companies	23,7	8,1	23,7	8,1	-66%
Cost of net financial debt	-312,1	-292,4	-191,9	-185,8	-3%
Value adjustment on derivatives	-117,8	-284,8	-52,8	-231,9	339%
Discounting of liabilities and receivables	-2,8	-3,4	-2,8	-2,4	-14%
Net change in financial and other provisions	-29,3	-26,1	-19,6	-16,8	-14%
Share in earnings of affiliates	62,1	49,0	61,3	42,0	-31%
Pre-tax income	466,7	43,2	340,6	-33,1	-110%
Deferred tax	26,7	20,2	22,0	9,6	n.a
Corporate income tax	-24,4	-4,5	-13,2	-3,0	n.a
Net income for the period	468,9	58,9	349,5	-26,5	-108%
Minority interests	-119,4	-85,4	0,0	0,0	n.a
Net income for the period	349,5	-26,5	349,5	-26,5	n.a

■ Rental income

Rental income increased by 0.3% to €502 million (vs. €500 million) on a Group share basis, due mainly to the Company increasing its interest in Foncière Europe Logistique, and to the impact of the office asset acquisitions made in 2011 over the full year.

The impact on the year of rental income from Carré Suffren (+ €2.7 million), the headquarters of Degrémont (Rueil Malmaison), Issy Grenelle (+ €3 million), the headquarters of Eiffage Construction in Vélizy (+ €2.9 million) and the acquisition of the Citroën headquarters in Paris in July 2012 (+ €1.1 million) all offset the effect of the sales of the Offices France business.

The increased stake in Foncière Europe Logistique in 2012 had a + €12.9 million impact on rental income in terms of Group share for the financial year. Rental income from the Business Premises business fell by €1.3 million, despite the increase in the interest held in Foncière des Murs, due to the impact of the substantial sales plans made in 2011 and 2012.

Beni Stabili's rental income increased by €4.3 million on a Group share basis, due mainly to the commissioning of assets, and especially the "Galeria del Corso" asset, during 2011.

On a consolidated basis, rental income was down 3.2% (- €24.8 million):

- France - Offices: - €6.2 million (- 2.2%)
- Italy - Offices: + €8.5 million (+ 3.8%)
- Business premises: - €18.9 million (- 9.3%)
- Logistics and Business Parks - €8.2 million (- 9.6%)

■ Net operating costs

Net operating costs amounted to €36.0 million after minority interests at the end of 2012 (€49.5 million on a consolidated basis) compared to €38.0 million at the end of 2011 (€54.4 million on a consolidated basis), down by 5%.

The drop in net operating costs is primarily due to lower structural costs, résultat de la politique de maîtrise des coûts. Decreased by 11% (on a Group share basis), ces frais de structures reflecting our cost control policy, consisted mainly of payroll expenses, advisors' fees, the Statutory Auditors' fees, and the cost of premises, communications, and IT.

■ Income from other activities

Income from other activities concerns primarily the car park business, i.e. parking lots that are either company owned or concessions. Income from this business dropped slightly in 2012 due to the sale of two car parks during the first half of 2012. Income from other activities amounted to €11.3 million at the end of 2012 (after minority interests) compared to €12 million at the end of 2011.

■ Depreciation and provisions

Depreciation and provisions for the period consist largely of depreciation on operating properties and car parks.

■ Change in the fair value of assets

The income statement shows changes in asset values based on appraisals of the asset portfolio. For 2012, the change in the fair value of investment assets was a negative €39.4 million after minority interests (- €33.1 million consolidated), compared to + €66.8 million after minority interests at the end of 2011 (+ €102.4 million on a fully consolidated basis).

In this way, income from ordinary operations (after minority interests) was €353.7 million versus €522.7 million in 2011.

■ Financial aggregates

Financial expenses amounted to €185.8 million on a Group share basis (compared with €191.9 million in 2011), and to €292.4 million on a consolidated basis (compared with €312.1 million in 2011). Capitalised interest regarding assets under development amounts €11.7 million for 2012. Others current and non current debts include liabilities financial instruments (€745m and €479m in group share) and the deferred tax coming from the non-SIIC and foreign company (€140m and €88m in group share).

The change in the fair value of financial instruments was - €231.9 million after minority interests (- €284.8 million consolidated), versus - €52.8 million after minority interests (- €117.8 million consolidated) as at en of 2011. This occurred subsequent to a new decline in long-term rates between the two periods and to the adjustment to fair value of Ornané between 2011 and 2012 (€118.3 million).

■ Share in earnings of associates

Consolidated data	% interest	Value 2012	Contribution to earnings	Value 2011	Change (%)
Foncière Développement Logements	31,62%	440,9	39,4	452,9	-2,6%
OPCI Foncière des Murs	4,99%	70,2	9,6	61,1	14,9%
Latécoère (DS Campus)	50,10%	94,5	0,2	0,0	n.a
Other equity interests	na	10,0	-0,1	9,4	6,4%
Total		615,6	49,0	523,4	17,6%

■ Income from changes in consolidation scope

Income from changes in the scope of consolidation corresponds to the impact of en consolidation du passage d'intégration globale à mise en équivalence de Latécoère following the DS Campus sharing procedure with Credit Agricole Assurances.

■ Net gains on deconsolidation

Income from non-consolidated companies corresponds to €8.1 million in Altarea dividends.

■ Tax regime

The tax regime corresponded to that of:

- on foreign companies that are not covered, or only partially covered by a specific scheme for real estate businesses
- on French subsidiaries that have not opted for the SIIC real estate trust scheme
- on French or Italian SIIC subsidiaries with a taxable business

■ EPRA recurring net income

(€million) Group share	2011	2012	Change	%
Net rental income	475,8	469,1	-6,7	-1,4%
Net operating costs	-36,4	-34,7	1,7	-4,7%
Income from other activities	12,0	11,7	-0,3	-2,5%
Net change in provisions and other	-0,3	-0,3	0,0	n.a
Cost of net financial debt	-192,5	-184,2	8,3	-4,3%
Recurrent net income from equity affiliates	33,7	24,9	-8,8	-26,1%
Income from non consolidated affiliates	0,0	8,1	8,1	n.a
Recurrent tax	-4,2	-2,7	1,5	-35,7%
EPRA recurrent net income	288,2	291,9	3,8	1,3%
EPRA recurrent net income per share	5,23	5,20	0,0	-0,7%
Fair value adjustment on real estate assets	66,8	-39,4	-106,2	-159,0%
Other asset value adjustments	27,6	-32,6	-60,2	n.a
Fair value adjustment on financial instruments	-52,8	-231,9	-179,1	339,2%
Other	6,8	-23,7	-30,5	-448,5%
Non-recurrent tax	13,0	9,2	-3,8	-29,2%
Net income	349,5	-26,5	-376,0	-107,6%
Diluted average number of shares	55 125 475	56 182 919	1057 444	1,9%

	Net income GS	Restatements	EPRA RNI
Net rental income	469,1	0,0	469,1
Operating costs	-36,0	1,4	-34,7
Income from other activities	11,3	0,4	11,7
Depreciation of operating assets	-8,9	8,9	0,0
Net change in provisions and other	-9,9	9,6	-0,3
Current operating income	425,7	20,1	445,8
Net income from inventory properties	-1,4	1,4	0,0
Income from asset disposals	-13,0	13,0	0,0
Income from value adjustments	-39,4	39,4	0,0
Income from disposal of securities	-2,3	2,3	0,0
Income from changes in scope	-15,9	15,9	0,0
Operating income	353,7	92,1	445,8
Income from non-consolidated companies	8,1	0,0	8,1
Cost of net financial debt	-185,8	1,6	-184,2
Value adjustment on derivatives	-231,9	231,9	0,0
Discounting of liabilities and receivables	-2,4	2,4	0,0
Net change in financial provisions	-16,8	16,8	0,0
Share in earnings of affiliates	42,0	-17,1 (a)	24,9
Pre-tax net income	-33,1	327,8	294,7
Deferred tax	9,6	-9,6	0,0
Corporate income tax	-3,0	0,3	-2,7
Net income for the period	-26,5	318,4	291,9

(a) Non cash amount from the result of affiliates

D. EPRA BALANCE SHEET

■ Consolidated balance sheet

(€million)	2011	2012		2011	2012
Non-current assets	0,0	0,0	Shareholders' equity	0,0	0,0
	0,0	0,0	Capital	165	174
Intangible assets	161	155	Additional paid-in capital	2 145	2 173
	0	0	Treasury stock	-33	-31
Tangible assets	128	99	Consolidated reserves	1306	1529
Investment properties	11518	11381	Earnings	350	-27
	0	0	Total shareholders' equity Group share	3 933	3 818
Financial assets	229	174	Minority interests	2 107	2 244
Equity affiliates	523	616	Total shareholders' equity (I)	6 040	6 062
Deferred tax assets	47	70		0	0
Financial instruments	14	17	Non-current liabilities	0	0
	0	0	Long-term borrowings	6 431	5 847
	0	0	Financial instruments	715	745
Total non-current assets (I)	12 618	12 511	Deferred tax liabilities	135	140
Current assets	0	0	Pension and other liabilities	3	3
	0	0	Other long-term debt	79	53
Assets held for sale	1283	1065	Total non-current liabilities (III)	7 363	6 788
Loans and finance lease receivables	4	3	Current liabilities	0	0
Inventories and work-in-progress	93	91	Liabilities held for sale	0	0
Trade receivables	202	183	Trade payables	89	93
Current tax	1	1	Short-term borrowings	845	950
Other receivables	204	142	Tenant security deposits	3	3
Accrued expenses	14	19	Advances and deposits received on current orders	97	42
Cash and cash equivalents	222	101	Short-term provisions	18	20
	0	0	Current tax	10	2
	0	0	Other debt	132	119
	0	0	Accruals	45	41
Total current assets (II)	2 024	1 606	Total current liabilities (IV)	1 240	1 268
Total assets (I+II+III)	14 642	14 117	Total liabilities (I+II+III+IV)	14 642	14 117

■ Simplified balance sheet, consolidated

Assets	2012	Liabilities	2012
Fixed assets	12 511	Shareholders' equity	3 818
Current assets	440	Minority interests	2 244
Cash	101	Shareholders' equity	6 062
Non-current assets held for sale	1065	Borrowings	6 797
		Financial instruments	745
		Deferred tax liabilities	140
		Other liabilities	374
Total	14 117	Total	14 117

■ Simplified balance sheet, Group share

Assets	2012	Liabilities	2012
Fixed assets	7 278	Shareholders' equity	3 818
Equity affiliates	564	Borrowings	4 367
Deferred tax assets	35	Financial instruments	479
Financial instruments	10	Deferred tax liabilities	88
Cash	62	Other	266
Other	1069		0
Total	9 018	Total	9 018

■ Shareholders' equity

Consolidated shareholders' equity (after minority interests) fell from €3,933 million as at end of 2011 to €3,818 million as at end of 2012, i.e. a decrease of €114 million, which is mainly explained by:

- | | |
|--|---------------|
| • net income for the period | - €27 million |
| • impact of the cash dividend payment | - €77 million |
| • financial instruments included in shareholders' equity | - €17 million |
| • impact of changes in stakes in FDL, FDM and FEL | + €4 million |

■ Net debt

Foncière des Régions' financial debt amounted to €4,366 million on a Group share basis, or €6,797 million on a consolidated basis. Net debt at at end of 2012 amounted to €4,304 million on a Group share basis (€6,696 million on a consolidated basis), compared with €4,571 million on a Group share basis at end of 2011 (€7,054 million on a consolidated basis as at end of 2011).

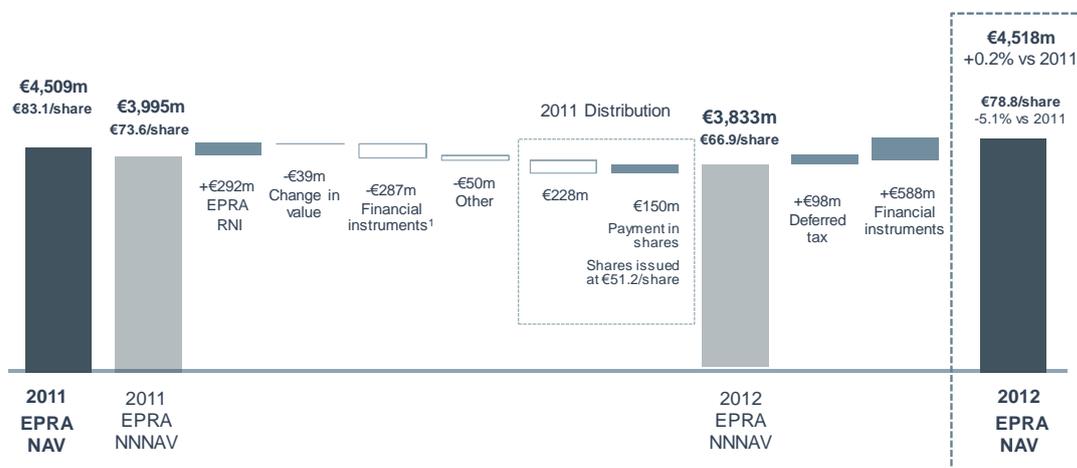
Retraitée de l'ORNANE comptabilisée en juste valeur, la dette nette passe de 4 650 M€ en part du groupe à fin 2011 à 4 264 M€ à fin 2012 en part du groupe.

■ Other debt

Other current and non-current debt specifically includes financial liability instruments (€745 million, i.e. €479 million Group share) and unrealised tax liabilities of foreign and non-SIIC companies (€140 million, €88 million Group share).

5. Net Asset Value (NAV)

	2011	2012	Var. vs 2011	Var. (%) vs 2011
EPRA NAV (€million)	4 508,8	4 518,4	9,6	0,2%
EPRA NAV / share (€)	83,1	78,8	-4,3	-5,1%
EPRA triple net NAV (€million)	3 995,1	3 832,5	-162,6	-4,1%
EPRA triple net NAV / share (€)	73,6	66,9	-6,7	-9,1%
Number of shares	54 285 157	57 315 048		



	(€million)	€/share
Shareholders' equity	3 818,1	66,62
Fair value assessment of buildings (operation + inventory)	15,8	0,28
Fair value assessment of parking facilities	27,7	0,48
Fair value assessment of goodwill	9,5	0,17
BENI STABIL inflation swap and fixed debt	-58,9	-1,03
Restatement of value ED	20,2	0,35
EPRA triple net NAV	3 832,5	66,87
Financial instruments and fix rate debt	548,4	9,57
Deferred tax	97,8	1,71
ORNANE	39,7	0,69
EPRA NAV	4 518,4	78,83
IFRS NAV	3 818,1	66,62

The real estate portfolio held directly by the Group was fully appraised at end of 2012 by appraisers that are members of AFREXIM, including DTZ Eurexi, CBRE, JLL and BNP Paribas Real Estate based on a common set of specifications prepared by Foncière des Régions in line with industry practices.

Assets are estimated at their value excluding and/or including duties, while rental income is estimated at market value. The estimates are performed based on the comparison method, the rental income capitalisation method, and the discounted cash flow method.

The parking facilities were valued by capitalising the gross operating surplus generated by the business.

Other assets and liabilities were valued based on the IFRS values of the consolidated financial statements. The application of fair value primarily relates to the valuation of hedging instruments on the debt and Ornane. The level of exit tax is known and incorporated into the financial statements for all the companies that have opted for the fiscal transparency system.

For companies shared with other investors, only the Group's portion has been included.

Principal adjustments made:

- Fair value adjustments for buildings and goodwill

Pursuant to IFRS standards, properties in operation, in development (except those governed by revised IAS 40) and in inventory are valued at the historical cost. An adjustment to value in order to take into account the appraisal value is made in the NAV for a total amount of €15.8 million.

Since goodwill is not valued in the consolidated financial statements, a restatement is made to NAV to recognise its fair value (as calculated by the appraisers) for a total of €9.5 million at end of 2012.

- Fair value adjustment for car parks

Parking facilities are valued at historical cost in the consolidated financial statements. A restatement is made in the NAV in order to take into account the appraisal value of these assets and the effect of the farm-outs and subsidies received in advance. The impact on NAV at end of 2012 represents €27.7 million.

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

When the Company, rather than the assets it holds, can be sold off, transfer duties are recalculated based on the Company's net asset value. The difference between the recalculated transfer duties and the transfer duties already deducted from the value of the assets led to a €20.2 million restatement at end of 2012.

- Fair value adjustment to fixed-rate liabilities

The Group has contracted fixed-rate loans,. In accordance with the principles published by the EPRA, the triple net NAV was adjusted for the fair value of the fixed-rate debt, which amounted to - €58.9 million as at end of 2012.

6. FINANCIAL RESOURCES

A. MAIN DEBT CHARACTERISTICS

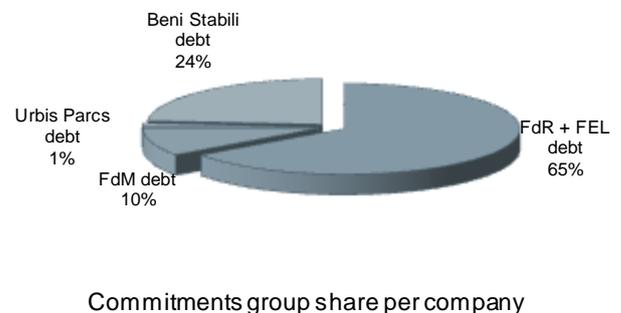
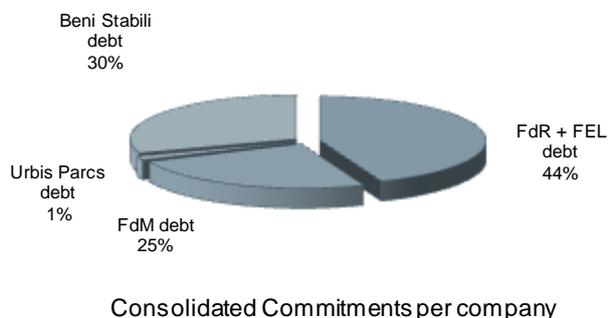
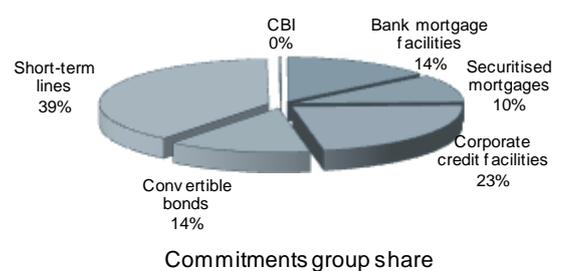
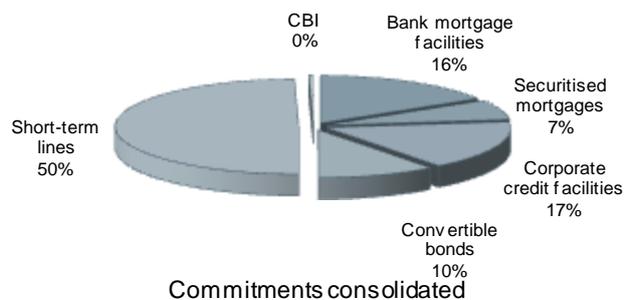
GS	2011	2012
Net debt, Group share (€million)	4 571	4 304
Average annual rate of debt	4,20%	4,04%
Average maturity of debt (in years)	3,3	4,0
Debt active hedging spot rate	91%	87%
Average maturity of hedging	5,3	4,9
LTV Including D*	47,1%	45,2%
ICR	2,48	2,59

*LTV excluding D: 47,2%

1. DEBT BY TYPE

Foncière des Régions' net debt, Group share, amounted to €4.3 billion (€6.7 billion on a consolidated basis) impact de la juste valeur de l'ORNANE est de - 39,7 M€ à fin 2012.

Foncière des Régions' commitments, Group share, including off balance sheet commitments amounted to €4.9 billion as at end of 2012 (€7.5 billion on a consolidated basis). The hypothécaire portion of debt increased from 22% to 46% following the Foncière des Régions inaugural bond issue and subsequent payback of secured debt.



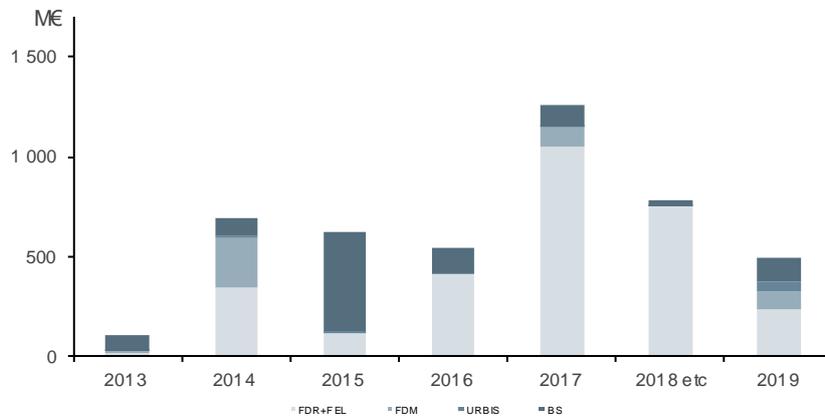
Foncière des Régions' cash and undrawn facilities totalled nearly €630 million Group share, or €819 million on a consolidated basis. These amounts do not include the unused portion of loans allocated to development projects underway.

2. DEBT MATURITIES

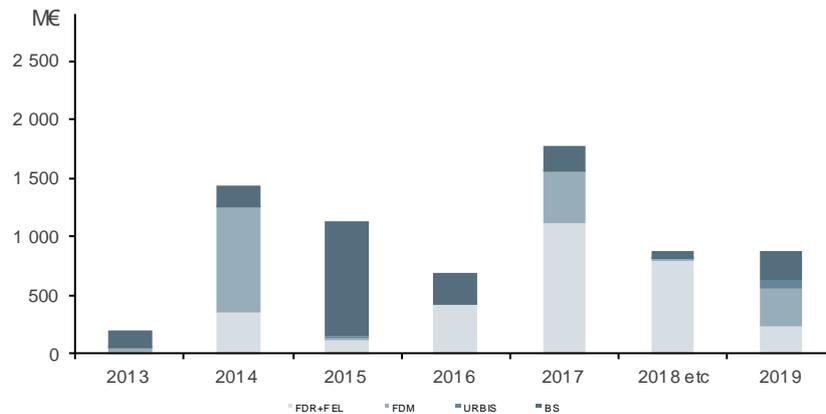
The average term of Foncière des Régions' debt was 4.0 years as at end of 2012, a longer term than as at the end of 2011 (+ 0.7 years).

The 2013 maturities amount €m 110 group share (€ 206 consolidated). In 2014, the maturities amount €m 694, essentially from logistics (€m 345) and Service Sector (€m 254 group share - €m 900 consolidated).

The diagram below shows the maturity schedule for financing commitments on a Group share basis



The diagram below shows consolidated debt maturities (as total commitment).



Foncière des Murs put out a €255 million bond issue secured by hotel assets leased to Accor Group with a 7 year maturity and paying an interest rate of 3.682%.

- Beni Stabili: €345 million on GS (€695 million on a consolidated basis)

Beni Stabili negotiated/renegotiated loans for a total amount of €695, as follows:

- €308 million in the Intesa et Prada portfolio assets let, maturing in 2015
- €150 million in a real estate portfolio maturing in 2017 to institutional investors
- Extension of a financing agreement for €163 million over 3 years, due in 2015

After the year's end, Beni Stabili also carried out a convertible bond issue for €175 million over five years at an annual interest rate of 3.375% in January 2013.

■ Repayment of €1 billion of loans in October 2012

Foncière des Régions repaid secured loans undertaken in 2006 and 2007 in the amount of €1.8 billion and a residual amount of €1 billion.

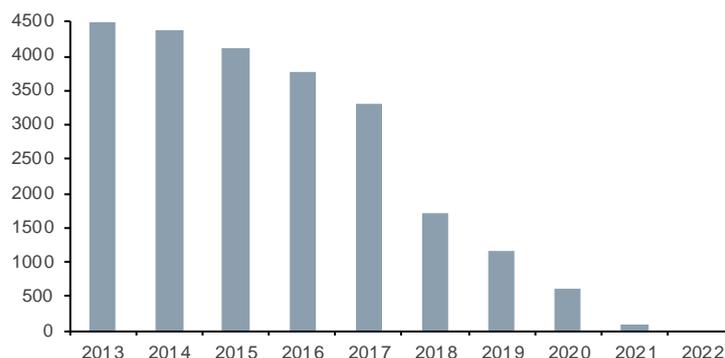
- €482 million in loans secured by office property assets and by FDL securities, representing 26.7% of equity, and FDM securities, for 15.05% of equity, with an initial maturity of October 2013.
- €134 million in financing secured by EDF assets, with an initial maturity in August 2013
- €309 million of in loans secured by logistics and French business assets, with a maturity of April 2014.
- €78 million in financing secured by French and German logistics assets, with an initial maturity date of November 2014

Thanks to these changes in the Foncière des Régions debt structure, ratio secured debt to portfolio (owned at 100%) is below 20%.

4. HEDGING PROFILE

In 2012, our hedge management policy remained unchanged with all debts hedged, i.e. 100% of debt covered, at least 75% of which was in short-term hedges and overall maturity exceeding the debt maturity.

On the basis of net debt as at end of 2012, Foncière des Régions is covered in terms of Group share, up to 87% in short term hedges, compared to 91% at the end of 2011. The average term of the hedges is 4.9 years for both Group share and consolidated debt.



5. AVERAGE INTEREST RATE ON THE DEBT AND SENSITIVITY

The average rate of Foncière des Régions bank debt was 4.04% for the Group share, compared to 4.2% in 2011. This decrease in rates is primarily due to end-of-2011 and second half 2012 hedge restructuring, implemented to take advantage of lower Euribor interest rates of 0.76% on the average for 2012, to the full year impact of the 3.34% ORNANE issue and to the new bond issues of 3.875% and 3.682%.

For information purposes, a 50 bps drop in the 3-month Euribor rate would have a positive impact of €1.2 million on 2012 recurring net income. In the event of a 50 bps rise in interest rates, there would be a negative impact of €3.8 million.

B. FINANCIAL STRUCTURE

Except for debt that has been raised with no recourse against the Group's property companies, Foncière des Régions' debt and that of its subsidiaries usually include bank covenants (based on ICR and LTV) on the consolidated financial statements. In case of breach of covenants, loans might become due before maturity. Covenants are set at group share level for Foncière des Régions and at a consolidated level for Foncière des Régions subsidiaries.

As at end of 2012, the most restrictive consolidated LTV covenants amounted to 60% for Foncière des Régions' and Foncière des Murs overall funding, and to 65% for Foncière Europe Logistique's funding. Only 40% of Beni Stabili financing is subject to an LTV covenant applicable to Beni Stabili's scope of consolidation, of which the most restrictive rate is 60%.

The consolidated ICR covenant threshold varies from one real estate company to another, primarily in terms of the type of asset held, and may vary from one loan to another for the same real estate company, depending on the precedence of the loans. Only 33% of Beni Stabili's financing is subject to an ICR covenant for the scope of consolidation. The most restrictive covenants applicable are the following:

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

These LTV and ICR covenants were largely met at the end of 2012.

With regard to Foncière des Régions, consolidated ratios as at end of 2012 were 47.2% for Group share LTV and 259% for the Group share ICR ratio, compared to 49.3% and 248% respectively as at end of 2011.

New covenants under the framework of corporate loans subscribed by Foncière des Régions were added to the LTV and ICR consolidated covenants for the Group share portion of Foncière des Régions. There are two types:

- Primarily, there is "Secured Debt on Total Portfolio" covenant, with a ceiling of 30%, which assesses the ratio of mortgage debt — or secured debt of any type — on a fully consolidated basis.
- On a secondary level, there is an *Unsecured Debt to Unencumbered Assets* covenant for the same consolidation scope for which the ceiling is set at 50%, or an *LTV Real Estate* covenant with a 65% and 65% ceiling, which measures the ratio between Foncière des Régions consolidated debt and that of its 100% subsidiaries to total asset value.

These covenants were also met at end of 2012.

No loan is subject to a redemption clause contingent upon Foncière des Régions ratings.

■ Detail of LTV calculation

(€million)	2011	2012
GS		
Net book debt *	4 650	4 264
Receivables on disposals	- 334	- 316
Security deposits received	- 22	- 4
Finance lease- backed debt	- 8	- 5
Net debt	4 286	3 939
Appraised value of real estate assets	8 753	8 321
Preliminary sale agreements	- 334	- 309
Financial assets	188	139
Goodwill	10	10
Share of equity affiliates	477	564
Value of assets	9 094	8 724
LTV ID	47,1%	45,2%

*Adjusted from from variation of ORNANE fair value (- €9,7 million) and dividends to receive (- €0,4 million)

7. FINANCIAL INDICATORS FOR MAIN SUBSIDIARIES

	Foncière des Murs			Beni Stabili		
	2011	2012	Var. (%)	2011	2012	Var. (%)
EPRA Recurrent net income (€ million)	120,8	112,8	-6,6%	87,2	82,704	-5,2%
EPRA Recurrent net income (€/share)	2,14	1,82	-14,9%	0,05	0,04	-4,0%
EPRA NAV (€/share)	27,0	25,9	-3,9%	1,150	1,10	-4,5%
EPRA triple net NAV (€ million)	22,6	22,0	-2,7%	0,989	0,947	-4,2%
% of capital held by FDR	26,0%	28,3%		50,9%	50,9%	
LTV ID	45,8%	42,4%		49,2%	49,0%	
ICR	2,58	2,6		1,81	1,65	

	Foncière Développement Logements		
	2011	2012	Var. (%)
EPRA Recurrent net income (€ million)	67,1	70,1	4,5%
EPRA Recurrent net income (€/share)	0,99	1,01	2,0%
EPRA NAV (€/share)	23,0	22,9	-0,4%
EPRA triple net NAV (€ million)	19,4	19,2	-1,0%
% of capital held by FDR	33,6%	31,6%	
LTV ID	44,8%	44,4%	
ICR	2,05	2,12	

8. DEFINITIONS, ACRONYMS AND ABBREVIATIONS USED

- 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 30 June 2012 (excluding treasury shares)

- Operating assets

Properties leased or available for rent and actively marketed.

- Cost of development projects

This indicator is calculated excluding interest costs. It includes the costs of the property (at appraised value before construction) and costs of construction.

- 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: Ile-de-France
 - PACA: Provence-Alpes-Cote-d'Azur
 - LFLB: Like-for-Like
 - GS: Group Share
 - CBD: Central Business District
 - Rtn: Yield
 - Chg: Change
 - MRV: Market Rental Value
 - ILAT : New French office Index
 - ICC : Construction Cost Index
 - CPI : Consumer Price Index

- Unpaid rent

$$\% \text{ arrears} = \frac{(\text{arrears} + \text{disputes} + \text{collective proceedings})}{\text{annualised rent (excluding charges)}}$$

■ Loan To Value

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

■ 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.
- 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, renovations, building works, and development deliveries, etc.) into account.
- 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.

■ 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.

■ Yields/return

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

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

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

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

■ 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 (H1 2012) and adjusted for the effect of dilution.

■ Surface

SHON : Gross surface
SUB : Gross used surface

■ 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.

- Vacant property

The vacancies listed correspond to spot financial vacancies at the year end concerning operating assets adjusted for available assets under pre-sale agreements, calculated in accordance with the following formula:

$$\frac{\text{Total vacant space x MRV}}{\text{Gross annualised rent + Total vacant space x MRV}}$$

- Like-for-like change in value

This indicator is calculated on the basis of the operating portfolio at the end of the period, restated for acquisitions, disposals, building works, development deliveries, etc.