

July 15th, 2010

Increasing net recurring income Strengthened financial structure

	H1 2010	H1 2009	Change (%)	Var. on a like-for-like basis (%)
Consolidated turnover (€m)	100.5	100.9	- 0.4%	+ 4.1%
Net recurring income (€m)	51.7	51.1	+ 1.1%	
Net recurring income per share	1.04 €	1.02 €	+ 1.1%	

Upward trend of profits

The consolidated turnover of Foncière des Murs stood at € 100.5 million for the first half of 2010, virtually unchanged compared to 2009.

On a like-for-like basis, the **+ 4.1%** increase in the revenues of Foncière de Murs includes the + 5.7% rise in hotel revenues over the half-year period, as well as the positive effect of the indexing of rents in the restaurant, health and leisure sectors.

The net recurring income of **€51.7 million**, compared to €51.1 million in 2009, has risen by 1.1% during the first half of 2010.

The net income for the period, amounting to €24.5 million on June 30th, 2010 includes the positive impact of the fair value adjustment on real estate assets (+ €58 million) and the negative impact of the fair value adjustment on hedging instruments (- €80 million).

Good liquidity in hotel assets: €72 million in sales and signed agreements

During the first half of 2010, Foncière des Murs sold four hotels, negotiated in 2009, for a total of €24.1 million.

Foncière des Murs has also signed several agreements relating to the sale of six hotels and a restaurant, for an overall price of €47.9 million, in line with the latest appraisal values.

These sales of variable-rent hotels to private investors indicate the liquidity of hotel assets owned by Foncière des Murs.

NAV excluding hedging instruments up +3.1% during the first six months, sustained by assets value up +2%

On June 30th, 2010, the value of the assets of Foncière des Murs was €3,026 million, excluding transfer duties, up 2.0% in the first half of 2010, on a like-for-like basis.

This increase is due to the fundamental strengths of Foncière des Murs: liquid assets, firm leases with an average term of nine years and a 100% occupancy rate with first-rate tenants.

The NAV, excluding hedging instruments, stood at €1,129 million, that is €22.6 per share, a 3.1% increase compared to December 31st, 2009. The impact of hedging instruments on the NAV is - €4.5 per share. Including hedging instruments, the NAV was €905 million, that is €18.1 per share, a 4.7% drop over the six-month period.

A strengthened financial structure

Foncière des Murs continued to strengthen its financial structure during the six-month period, with net debt representing 60.8% of the asset value, compared to 61.7% on December 31st, 2009 and 63.4% on June 30th, 2009.

The average debt rate dropped to 4.48% compared to 4.57% on December 31st, 2009, with an average maturity of 3.9 years. The debt is hedged with a firm hedging rate of 85.3% and a residual term of 6.1 years.

The Interest Coverage Ratio (ICR) amounted to 2.21 on June 30th, 2010, compared to 2.08 on December 31st, 2009.

Outlook

Foncière des Murs intends to continue rationalising its assets portfolio, in particular by continuing its assets disposal programme, and is aiming to take advantage of market opportunities in the sector of outsourced property assets.

As positive trends are expected, notably in the hotel business, Foncière des Murs is forecasting an increase in net recurring income in 2010.

About Foncière des Murs

Foncière des Murs SCA, a subsidiary of Foncière des Régions, is a French listed real estate investment trust (SIIC) specialising in business premises, especially in the hotel, restaurant, health and leisure sectors. The company's investment policy is focused on building partnerships with leading operators in their sectors in order to provide its shareholders with a recurring return on their investment.

Foncière des Murs is listed on Euronext Paris, Eurolist Compartment B (FR0000060303 - FMU).

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