

## 2011 Half-Yearly Results

### Increase in Recurring Net Income and marked rise in occupancy rates

	H1 2011	Change (%) vs. 2010
Assets in € million	1 178	+ 0.5%
Epra NAV per share in €	4.37	+ 0.2%
Epra recurring net income in €m	19.7	+ 20.9%*
Rental income in €m	42.6	- 1.9%*

\* vs. H1 2010

### Strong rental activity in the first half of 2011

Foncière Europe Logistique signed leases representing a surface area of around 142,000 m<sup>2</sup> including 114,000 m<sup>2</sup> for new tenants and 27,000 m<sup>2</sup> renewals. These new leases include Schenker in Bingen (27,209 m<sup>2</sup>), La Plateforme du Bâtiment in Pantin (17,721 m<sup>2</sup>) and Kuehne & Nagel in Gennevilliers (14,512 m<sup>2</sup>), showing a distinct recovery of the rental business at Foncière Europe Logistique, which has allowed the company to post a financial vacancy rate of 8.1%, compared to 10.4% at 31 December 2010.

Following these new signings, the average remaining duration of leases in the Logistics portfolio is 2 years and 7 months.

### Slight contraction of rents on a like-for-like basis

As at 30 June 2011, the rental income totalled €42.6 million:

In euro thousand	H1 2010	H1 2011	Change (%)	Like-for-like change (%)
Logistics France	22 453	22 374	- 0.4%	- 0.6%
Logistics Germany	4 302	4 484	+ 4.2%	+ 4.2%
Light industrial	9 089	8 429	- 7.2%	- 7.2%
Garonor Aulnay	7 571	7 314	- 3.4%	- 3.4%
<b>TOTAL</b>	<b>43 416</b>	<b>42 601</b>	<b>- 1.9%</b>	<b>- 2.0%</b>

The improvement of the company's occupancy rates at 30 June 2011 will have a positive impact on rentals starting from the second half of 2011.

### **Increase in the recurring net income**

The EPRA net recurring income of the company totalled €19.7 million (€0.17/share) compared to €16.3 million (€0.14/share) at 30 June 2010, an increase of 20.9%. This rise may be explained by:

- The ongoing process of cost rationalisation (+€0.6 million)
- A significant adjustment of the rental charges over the financial periods before concerning Pantin (+€2.3 million)
- Active management of interest charges (+€1.2 million).

The net income totalled €32.2 million, i.e. €0.28 per share.

### **Asset value up by 0.5%**

At 30 June 2011, the assets of Foncière Europe Logistique were valued at €1,178 million excluding transfer duties, i.e. a 0.5% rise on a like-for-like basis compared to 31 December 2010. This slight increase is due to the stabilisation of capitalisation rates and market rentals since the end of 2010. The potential yield of the portfolio excluding transfer rights totals 8.4%.

The EPRA NAV (excluding financial instruments and deferred taxes) was €4.37/share, up 0.2% compared to 31 December 2010 (+€0.01/share).

### **Controlled debt**

Net debt at 30 June 2011 was €649 million, or 56.4% of the asset value, for banking covenants set at 65%.

The average debt rate was down significantly at 4.6% (versus 4.9% at the end of 2010), while the spot rate at the end of June 2011 was 4.4%. The entire debt is repayable in fine when due in 2014.

The debt is 83% hedged with an average maturity of 4.9 years.

The ICR was 2.3 at 30 June 2011, significantly up on its banking covenants (1.5).

### **Strategy and outlook**

The rebound in activity noted since the end of 2010 should allow the company to improve its occupancy rate and leasing revenue in 2011.

Furthermore, the company intends to accelerate the valuation of the various asset classes of its portfolio (logistic platforms in France and in Germany, urban logistics in the Paris region, business parks within central Paris) by focusing on the following areas:

- Ongoing asset management focused on increasing occupancy rates and the longevity of rental income by extending the duration of leases
- Adapting its assets to future logistics challenges, specifically by anticipating and assessing future environmental standards, particularly at the Garonor Aulnay and Pantin sites:

- Agreement in April 2011 of two leases in advance of future completion with Transports Vaquier (9,000 m<sup>2</sup>) and AFT Iftim (1,800 m<sup>2</sup>) at Garonor Aulnay
- Start of the refurbishment at Pantin with a budget of over €23 million.

**About Foncière Europe Logistique**

Foncière Europe Logistique, 81.7% owned by Foncière des Régions, is a listed property investment company under France's SIIC regime (Société d'Investissements Immobiliers Cotée) and specialises in investment in logistics and business park facilities. At 30 June 2011, Foncière Europe Logistique held an asset portfolio valued at 1.2 billion euros, with assets located in France and Germany.

The Chairman of the Supervisory Board of Foncière Europe Logistique is Olivier Estève. Foncière Europe Logistique is generally managed by François de La Rochefoucauld.

Foncière Europe Logistique is listed on Euronext Paris, compartment B (FR0000064305 - FEL)

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