



FONCIÈRE DES RÉGIONS

FUNDAMENTALS FURTHER STRENGTHENED AND DEVELOPMENT PROJECTS TO MOVE FORWARD IN 2011

+0.6%
in a like-for-like basis

€ **521** million

Strong rental income

2010 OBJECTIVES ACHIEVED

Strong rental income: + 0.6% like-for-like

2010 was a very active year in terms of rental activity for both real estate partnerships (major agreements with France Telecom and EDF, acquisition of Eiffage Construction's headquarters) and the marketing of projects (23,500 sq.m let in the Carré Suffren building, 30,000 sq.m in the Garibaldi Towers in Milan, etc.) This sustained real estate activity has made it possible to:

- Ensure the sustainability of rental income, with a residual firm term on leases of 6.1 years,
- Maintain a high occupancy rate on offices, coming in at over 95%.

+1.3%

€ **308** million

Recurrent net income

Stronger financial structure and reduction in the cost of debt

The financial structure has improved with net debt reduced by €1 billion, notably linked to the €300 million in additional equity resulting from the dividend being paid in shares and the warrants exercised.

In this way, the loan to value (LTV) ratio group share represents 49%, compared with 55.6% at the end of 2009, coming in ahead of schedule to meet our target for 2011 of an LTV below 50%.

Despite a context of rising interest rates, the average rate on debt improved to 4.4% versus 4.6% in 2009, while the spot rate came to 4.2% at the end of 2010.

Recurrent net income up slightly to €308 million

Recurrent net income is up 1.3% to €308 million, in line with the target set for 2010. Per share, it comes out at €5.92, compared with €6.86 in 2009, reflecting the capital increases carried out. Net income totalled €627 million in 2010, compared with a €262 million loss in

2009, benefiting more specifically from the increase in the appraised values. A dividend of €4.20 per share for 2010 will be proposed at the general meeting on 6 May 2011. This payout represents 75% of recurrent net income for 2010, in line with Foncière des Régions' policy to distribute between 70 and 85%.

NAV GROWTH DESPITE AN EXCEPTIONAL DISTRIBUTION IN 2010

EPRA NAV is up 7.3% to €4,448 million, driven by 5.3% growth in the portfolio like-for-like and despite the exceptional distribution representing €472 million (six Beni Stabili shares and €3.30 per share). This exceptional distribution enabled Beni Stabili to obtain the Italian fiscal transparency regime (SIQ) at the end of 2010. EPRA NAV per share represents €80.8, mechanically lower than at the end of 2009 as a result of this distribution and the capital increases carried out in 2010 at €65 per new share. Since 30 June 2010, EPRA NAV per share has climbed 6.2%. In 2010, EPRA triple net NAV is up 18% to €3,975 million, representing €72.2 per share.

OUTLOOK

With a new governance structure, adopted at the general meeting on 31 January 2011, as well as a stronger financial structure and a pipeline for €1 billion of real estate projects, Foncière des Régions is well positioned to move forward in 2011 and expects its recurrent net income to be stable for 2011. Set against an upturn in the office market, the Group is able to offer innovative real estate solutions for large companies.

Data in group share basis

A major player for office real estate with an €8.6 billion portfolio, based for 74% on offices in sound markets, Foncière des Régions is rolling out a strategy for:

- Establishing partnerships with major tenants, ensuring lasting revenues,
- Continuously improving the portfolio through a strategy for asset rotation and property developments in line with market expectations.

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CONTENTS

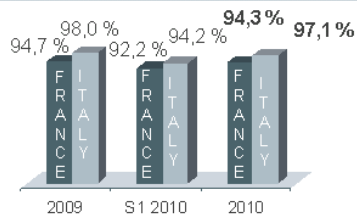
"The audit of the consolidated accounts has been performed.
The certification report will be issued after the specific verifications have been completed."

1. REAL ESTATE AND FINANCE KEY FIGURES	1
2. MAJOR OPERATIONS DURING AND AFTER THE YEAR	2
3. BUSINESS ANALYSIS	6
A. RENTAL INCOME	
B. RENTAL INCOME SCHEDULE	
C. BREAKDOWN OF RENTAL INCOME	
D. SALES	
E. ACQUISITIONS	
F. DEVELOPMENT PROJECTS	
E. CHANGE IN PORTFOLIO	
F. PORTFOLIO BREAKDOWN AND OTHER CHARACTERISTICS	
4. BREAKDOWN BY BUSINESS	11
A. FRANCE AND ITALIAN OFFICE MARKET	
B. FRANCE OFFICES	
C. ITALY OFFICES	
D. SERVICE SECTOR	
E. LOGISTICS AND LIGHT INDUSTRIALS	
5. FINANCIAL ITEMS AND COMMENTS	33
A. SCOPE OF CONSOLIDATION	
B. ACCOUNTING PRINCIPLES	
C. INCOME STATEMENT	
D. BALANCE SHEET	
6. NET ASSET VALUE	41
A. CALCULATION OF EPRA TRIPLE NET NAV	
7. FINANCIAL RESOURCES	43
A. MAIN CHARACTERISTICS OF DEBT	
B. COST OF DEBT AND RATE RISKS HEDGING	
C. FINANCIAL STRUCTURE	

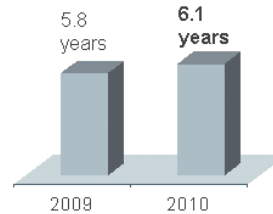
1. KEY FIGURES FOR REAL ESTATE AND FINANCE

- Key indicators: Sound real estate market Sustained real estate activity

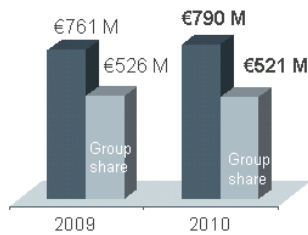
Office occupancy rate > 95%



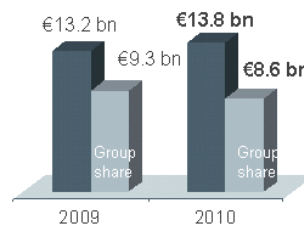
Firm residual term* on leases kept at over 6 years



Rental income: + 0.6% like-for-like

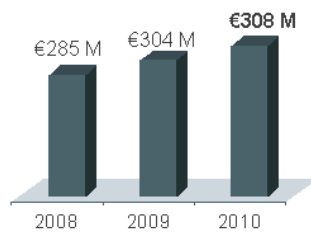


Portfolio: + 5,3% like-for-like

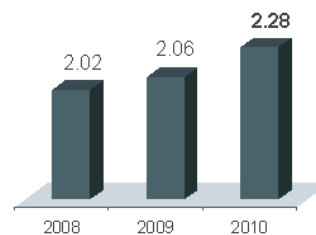


- Key financial indicators: A strengthened financial position entering 2011

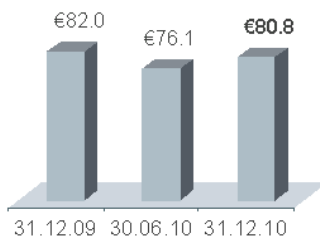
Recurrent net income: + 1.3% in 2010



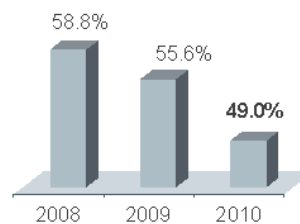
Significant increase in ICR



EPRA NAV virtually stable despite the exceptional payout in 2010



Reduction in LTV



2. MAJOR OPERATIONS DURING AND AFTER THE YEAR

Purchase during the first quarter of Morgan Stanley's 75% equity stake in the MSREF/FdR Joint Venture, which has an office portfolio of 115,000 m².

During the first quarter 2010, Foncière des Régions purchased the 25% MSREF stake in the Joint Venture (75%/25%), which held a portfolio valued at €59 million net of charges of 115,000 m² of office space in Bordeaux, Orleans and Montpellier, 75% leased to IBM.

In 2004, MSREF and Foncière des Régions had acquired this portfolio (7 buildings representing 127,500 m²) from IBM through a 75%/25% joint venture as part of an outsourcing transaction.

Sale of Beni Stabili treasury shares and issue of convertible bonds

In April 2010, Beni Stabili sold 134.8 million treasury shares, or 7.04% of its equity, at €0.66/share for a total of €89 million.

Simultaneously, in April 2010, Beni Stabili issued convertible bonds for a total value of €225 million. These convertible bonds have a 5-year maturity and a coupon of 3.875% per annum. The conversion price is €0.858 per share.

Payment of the 2009 dividend: creating value for both FdR shareholders and Beni Stabili

The following arrangements for dividend payment were voted at the Shareholders' General meeting on May 28, 2010:

- A dividend per share of:
 - €3.30 in cash + 6 Beni Stabili shares for ordinary FdR shares held at June 9, 2010, for a total of €6.90 per share
 - 3 Beni Stabili shares for FdR shares with dividend entitlement from January 1, 2010, acquired through Share Warrants [BSAs] exercised prior to June 9, 2010.

This distribution of Beni Stabili shares reduced FdR's direct interest in the equity of the Italian property company to 52%, in order to get closer to meeting the SIIQ eligibility requirements (principal shareholder may not hold more than 51% of the equity).

It should be noted that to facilitate management of Beni Stabili shares distributed to individual FdR shareholders, Beni Stabili shares were listed on the Euronext Paris European Market on June 10, 2010 after approval by the Admissions Committee of NYSE Euronext Paris on May 27, 2010.

At that time, a summary presentation of Beni Stabili was filed with the AMF (Autorité des marchés financiers) and can be accessed on the AMF website (www.amf-france.org) or the Beni Stabili website (www.benistabili.it).

- An option for the cash portion of the dividend (€3.30 per share), to be paid in new Foncière des Régions shares at €65 per share.

This approach has enabled Foncière des Régions to build up its shareholders' equity to €98.8 million following exercise of 62.3% of the option. As a result, 1,521,192 new shares were created, delivered and accepted for trading on July 13, 2010.

The amount of dividend paid in cash was limited to €61 million. Following the transaction, the capital consisted of 53,503,541 shares.

Delivery of Tower CB 21 (La Défense) in July 2010

Tower CB 21 was delivered on July 1, 2010. Foncière des Régions and Suez Environnement signed a lease on February 6, 2009 for 42,000 m² of the tower. The term of the lease was 10 years, 3 months from delivery and was increased to cover 44,500 m² following the leasing of 2 additional floors (with effect from June 30, 2010) to Suez Environnement.

Major agreement with France Télécom in July 2010

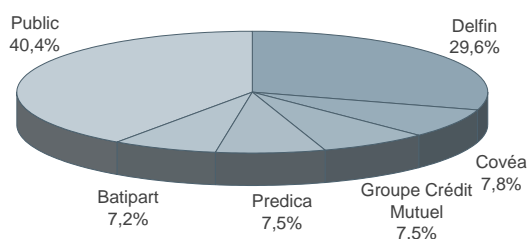
After agreements were signed with France Télécom in March 2008 and June 2009 intended primarily to maintain this tenancy, a new protocol was signed in July 2010 on identical bases to those of June 2009.

All the France Télécom leases initially signed were renegotiated with extensions (6.9 and 12 years firm), for 70% of the properties involved, representing €35.2 in annual rent.

This agreement concerns €510 million in properties on 194 sites, 50% of which are in the regions, 25% in Paris and 25% in Ile de France, and includes the sale of €78.2 million of properties. Leases will be renewed at the existing rents with an impact of 5 additional years on the residual term of leases of equivalent scope, equal to an additional 2 years on the France Télécom portfolio.

Changes in shareholders and corporate governance

At its November 15, 2010 meeting, Batipart informed the Supervisory Board of the sale of a large proportion of its shares in Foncière des Régions to Delfin, Predica and Assurances du Crédit Mutuel Vie (ACM Vie). The shareholdings in Foncière des Régions are now as follows:



Parallel to this, Charles Ruggieri, CEO of Batipart, announced his decision to resign from his position as chairman of the Supervisory Board of Foncière des Régions.

Jean Laurent was co-opted and appointed chairman of the Supervisory Board of Foncière des Régions to succeed Charles Ruggieri.

The Supervisory Board confirmed the strategic direction of Foncière des Régions: a real estate company dedicated to office properties, number 1 in its market in Europe, a partner to large companies, and backed by critical mass and a leading stock-market status. The Board intends to encourage this positioning focused on offices. Its objective is to continue rationalising the Foncière des Régions structure.

It also decided to recommend to an extraordinary general meeting of shareholders, to be held on January 31, 2011, that the current dual governance structure (Supervisory Board and Management Board) be abandoned in favour of a Board of Directors, pursuant to the work performed in recent months by a sub-committee of the Supervisory Board.

At that meeting, the Company's corporate governance will be restructured in line with the principles of the AFEP MEDEF Code, specifically by separating the functions of Chairman of the Board and CEO, and increasing the number of independent directors on the Board.

Foncière des Régions Sharing Tower CB 21

In November 2010, Foncière des Régions signed an agreement with a French institutional investor for the sale of 25% of CB 21 Tower.

This transaction addresses the strategy for sharing the building, which Foncière des Régions had planned since the 2007 acquisition.

The transaction values the building at €588 million, for an annualised rent estimated at €34 million.

The CB 21 building, delivered in July 2010 and two-thirds rented by Suez Environnement on a 10-year lease covering 44,000 m², is the first tower block in France to receive BREEAM certification, (a British-based system for evaluating the environmental quality of buildings. Since September, the spaces currently being marketed are divisible from a minimum of 5,000 m. This is high-quality office space in a completely renovated building next to the Esplanade de La Défense metro station.

This transaction was completed at the end of 2010 and is one of the year's largest single investments in the office market in the Paris region. It marks the return of large-scale transactions.

Signing new financing for the CB 21 Tower

In third quarter 2010, FdR signed a new €270 million financing agreement for the CB 21 Tower over 7 years at an annual cost of less than 3.50% with a pool of 3 German banks (Bayern LB, DG Hyp and LBB).

Foncière des Régions strengthens shareholder equity by nearly €200 million by exercising nearly all BSAs (share warrants) in circulation

Foncière des Régions strengthened shareholder equity by €199.7 million after exercising 98.8% of the share warrants (FR0010827378) whose subscription period began on January 1, 2010, and closed on December 31, 2010.

In December 2009, Foncière des Régions had made a free distribution of these warrants to holders of Foncière des Régions shares (1 warrant per FdR share). This distribution accompanied the purchase of a portfolio of 5 properties held by Groupama and Prédica, paid for in new Foncière des Régions shares.

As a result, 3,106,584 new shares were issued following the transaction, bringing the total number of shares in circulation to 54,924,973.

Leasing of 23,000 m² of the Carré Suffren building to AON, the Ministry of National Education and the Institut Français

In late December 2010 and early January 2011, Foncière des Régions signed an agreement with the insurance and reinsurance broker AON (15,000 m²), the Ministry of National Education (5,000 m²) and the Institut Français (3,000 m²) for leases in the Carré Suffren building in the 15th *arrondissement*.

The average firm term of the leases is close to 10 years (12 years for AON and 7 years for the Ministry of National Education and the Institut Français. In full-year terms, rents total €13.1 million, or an average rental cost of €527/m²/year.

The property, which was acquired in partnership with Prédica (40 %) from the Atomic Energy Commission in November 2004 and delivered late 2009, was completely redeveloped by the architectural firm, FS Braun & Associates.

Located at the foot of the Eiffel Tower, 150 meters from the quays of the Seine and close to public transport, Carré Suffren is very accessible, including to the city's principal business districts. A free-standing building, it includes three wings built around a private landscaped garden with two separate entries (31/35 rue de la Fédération and 8 rue du Capitaine Scott). The large, light-filled floors, the quality of the management and the extensive services offer users a particularly comfortable working environment. HQE (High Quality Environment) Exploitation certification for the building is in progress.

The January 31 Foncière des Régions Shareholders General Meeting adopts the new form of corporate governance announced on November 15, 2010

The Foncière des Régions General Meeting of Shareholders held on that date and the meeting of the Board of Directors that followed adopted the new form of corporate governance announced on November 15, 2010.

The principal features of the new form of corporate governance are as follows:

- Adoption of a company structure based on a Board of Directors,
- Separation of the functions of Chairman of the Board and CEO, positions to be held by Jean Laurent and Christophe Kullmann, respectively.
- Increasing the proportion of independent directors, now at 40% of the Board of Directors, whose 10 members include:
 - Jean Laurent*
 - ACM Vie, represented by Catherine Allonas Barthe
 - Aterno, represented by Romolo Bardin
 - Jean-Luc Biamonti*
 - GMF Vie, represented by Lionel Calvez
 - Bertrand de Feydeau*
 - Leonardo Del Vecchio
 - Sergio Erede
 - Predica, represented by Jérôme Grivet
 - Pierre Vaquier*
 - * Independent directors
 - Appointment of a censor, Nicolas Ruggieri

The bylaws of Foncière des Régions and the composition of the Board's various committees have been modified accordingly and may be viewed on FdR's website (<http://www.Foncièredesregions.fr/Profil/Gouvernance>).

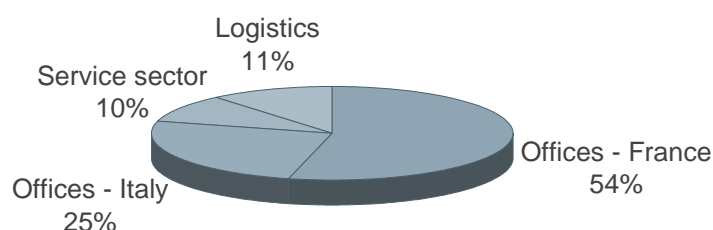
Finally the Board appointed Olivier Estève and Aldo Mazzocco as managing directors, and Yan Perchet as Advisor to the Chairman.

3. BUSINESS ANALYSIS

Unless indicated otherwise, all the valuation information provided in this section is based on fair value.

A. RENTAL INCOME

(€ million)	Consolidated			Group share				
	2009	2010	Change (%)	2009	2010	Change (%)	Like-for-like change (%)	% of rental income
Offices - France	259,3	281,3	8,5%	259,2	281,3	8,5%	-1,0%	54%
Paris	66,9	74,1	10,7%	66,8	74,1	11%	0,5%	14%
Paris Region	83,9	106,6	27,0%	83,9	106,6	27%	-3,3%	20%
Other French regions	108,5	100,6	-7,2%	108,5	100,6	-7%	-0,2%	19%
Offices - Italy	212,9	218,3	2,5%	155,6	130,9	-16%	4,3%	25%
Core portfolio	173,9	200,0	15,0%	127,1	120,0	-6%	5,2%	23%
Dynamic portfolio	38,0	13,7	-64,1%	27,8	8,2	-71%	-5,7%	2%
Development portfolio	1,0	4,6	342,9%	0,8	2,7	263%	0,7%	1%
Total Offices	472,3	499,6	5,8%	414,9	412,2	-0,6%	0,7%	79%
Service sector	196,8	203,5	3,4%	52,3	51,0	-2,5%	4,4%	10%
Hotels	113,3	118,6	4,6%	30,1	29,7	-1%	6,8%	6%
Healthcare	26,4	25,8	-2,0%	7,0	6,5	-8%	3,2%	1%
Restaurants	26,5	27,0	2,0%	7,0	6,8	-4%	1,6%	1%
Leisure facilities	30,6	32,1	4,8%	8,1	8,0	-1%	-0,7%	2%
Logistics	92,1	86,5	-6,1%	58,7	58,1	-1,1%	-3,0%	11%
Logistics - France	49,5	45,0	-9,1%	31,5	30,2	-4%	-4,4%	6%
Logistics - Germany	8,3	8,7	5,1%	5,3	5,9	11%	6,3%	1%
Business parks	18,3	17,7	-3,0%	11,6	11,9	2%	-3,0%	2%
Garonor	16,1	15,1	-6,1%	10,2	10,1	-1%	-3,6%	2%
Total rental income	761,1	789,6	3,7%	526,0	521,3	-0,9%	0,6%	100%



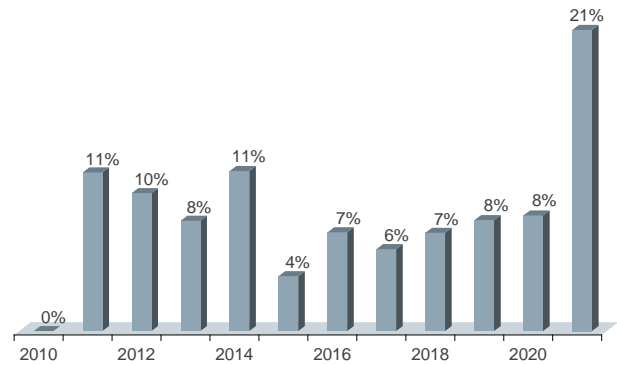
Compared to 2009, rental incomes are :

- Up 3.7% on a consolidated basis, due mainly to French Office acquisitions and increased revenues in the Accor Services sector
- Down 0.9% in Group share through the combined effect of sales and the lower equity interest in Beni Stabili over the year
- Up 0.6% like for like :
 - Offices - France: -1% due to vacancies (including the delivery of CB 21, rental income rose by 2.9%)
 - Offices - Italy: 4.3% due to renewals and the letting of Matteoti
 - Service sector premises: 4.4% due to a 7% increase in Accor revenues
 - Logistics: -3% due to indexations and renegotiated rent

B. RENTAL INCOME SCHEDULE (GROUP SHARE): 6.1 years firm residual lease term

(€ million)	By lease end date	% of total
2010	0,0	0%
2011	55,9	11%
2012	48,6	10%
2013	38,8	8%
2014	56,3	11%
2015	19,3	4%
2016	34,8	7%
2017	28,9	6%
2018	34,6	7%
2019	39,1	8%
2020	40,7	8%
Beyond	106,1	21%
Total	503,1	100%

* Based on annualised rental income at 31 Dec 10

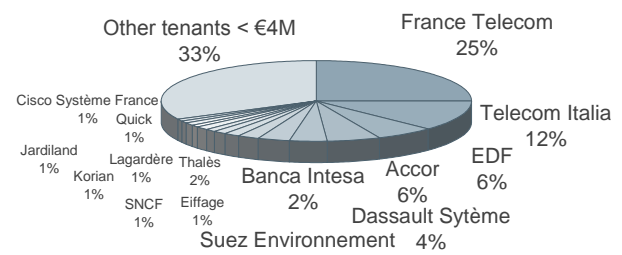


On average, residual lease term stood at 6.1 years as of December 31, 2010 against 6.1 years at December 31, 2009. The lower level of holdings in Beni Stabili during 2010 had a negative impact, which was compensated by renegotiation of the France Télécom leases during the 2nd half, largely stabilizing residual terms.

C. BREAKDOWN OF RENTAL INCOME (GROUP SHARE)

- Breakdown by principal tenants: broadly diversified rental incomes

(€ million)	Annualised rental income Group share		Area (sq.m)		Number of assets	
	2010	%	2010	%	2010	%
France Telecom	126,4	25%	839 545	11%	286	21%
Telecom Italia	60,9	12%	1 261 748	17%	197	15%
EDF	30,7	6%	272 545	4%	32	2%
Accor	28,2	6%	880 464	12%	190	14%
Dassault Sytème	19,1	4%	56 192	1%	1	0%
Suez Environnement	16,2	3%	44 389	1%	1	0%
Banca Intesa	11,8	2%				
Thalès	8,3	2%	71 705	1%	3	0%
SNCF	7,0	1%	13 207	0%	1	0%
Eiffage	6,2	1%	146 527	2%	87	6%
Korian	6,0	1%	196 111	3%	52	4%
Lagardère	5,0	1%	11 481	0%	2	0%
Quick	4,8	1%	47 141	1%	106	8%
Cisco Système France	4,4	1%	11 291	0%	1	0%
Jardiland	4,1	1%	186 072	3%	58	4%
Other tenants < €4M	163,9	33%	3 321 693	45%	341	25%
Total rental income	503,1	100%	7 360 111	100%	1 358	100%



- Geographic breakdown: IDF, Milan, Rome and Major Regional Towns (GMR) accounted for 67% of rental income

(€ million)	Annualised rental income Group share		Area (sq.m)		Number of assets	
	2010	%	2010	%	2010	%
Paris CBD*	33,9	7%	69 281	1%	12	1%
Paris excl. CBD	41,5	8%	148 413	2%	22	2%
Inner suburbs	53,9	11%	249 504	3%	30	2%
Outer suburbs	57,1	11%	391 780	5%	103	8%
Total Paris Region	186,3	37%	858 978	12%	167	12%
Other French regions - GMR**	38,5	8%	366 806	5%	75	6%
Other French regions - Other	53,8	11%	765 051	10%	280	21%
Offices - France	278,6	55%	1 990 836	27%	522	38%
Milan	37,6	7%	415 605	6%	49	4%
Rome	11,4	2%	176 204	2%	39	3%
Other	66,4	13%	1 424 292	19%	222	16%
Offices - Italy	115,4	23%	2 016 100	27%	310	23%
Paris CBD*	0,1	0%	1 736	0%	1	0%
Paris excl. CBD	6,3	1%	117 837	2%	17	1%
Inner suburbs	6,2	1%	159 743	2%	34	3%
Outer suburbs	4,0	1%	107 603	1%	49	4%
Total Paris Region	16,6	3%	386 919	5%	101	7%
Other French regions - GMR	9,8	2%	310 789	4%	104	8%
Other French regions - Other	17,3	3%	589 999	8%	264	19%
International	6,1	1%	247 455	3%	17	1%
Service sector	49,9	10%	1 535 162	21%	486	36%
Paris	7,3	1%	85 421	1%	3	0%
Inner suburbs	7,1	1%	213 503	3%	2	0%
Outer suburbs	24,8	5%	751 553	10%	12	1%
Total Paris Region	39,2	8%	1 050 477	14%	17	1%
North West	2,4	0%	69 513	1%	4	0%
Rhône-Alpes	7,1	1%	323 910	4%	9	1%
Provence Alpes C ^o te d'Azur	4,3	1%	169 943	2%	3	0%
Germany	6,2	1%	204 170	3%	7	1%
Logistics	59,1	12%	1 818 013	25%	40	3%
Total rental income	503,1	100%	7 360 111	100%	1 358	100%

*CBD : Central Business District

**GMR : Grandes Métropoles Régionales (Mains important provincial cities)

D. DISPOSALS AND DISPOSAL AGREEMENTS: €626 million, averaging 4.4% above 2009 values

(€ million)		Disposals	Sales agreements	Total	Margin vs	Yield rate
					appraised values at 31 Dec 09	
Offices - France	100%	345,2	139,5	484,7	4,3%	5,8%
Offices - Italy	100%	140,9	13,1	154,0	6,2%	3,6%
	Group share	71,7	6,7	78,3	6,2%	3,6%
Total Offices	100%	486,1	152,6	638,7	4,8%	5,2%
	Group share	416,9	146,2	563,0	4,6%	5,5%
Service sector	100%	90,0	113,6	203,6	1,5%	6,6%
	Group share	22,5	28,5	51,0	1,5%	6,6%
Logistics	100%	0,0	18,2	18,2	6,4%	0,0%
	Group share	0,0	12,2	12,2	6,4%	0,0%
Total	100%	576,0	284,4	860,5	4,0%	5,5%
	Group share	439,4	186,9	626,3	4,4%	5,5%

E. ACQUISITIONS

(€ million)		Total	Yield rate
Offices - France	100%	51	10,8%
Offices - Italy	100%	180	5,7%
	Pdg	91	0,0
Total Offices	100%	231	6,8%
	Group share	143	7,5%
Service sector	100%	24	7,1%
	Group share	6	0,0%
Total	100%	255	6,9%
	Group share	149	7,5%

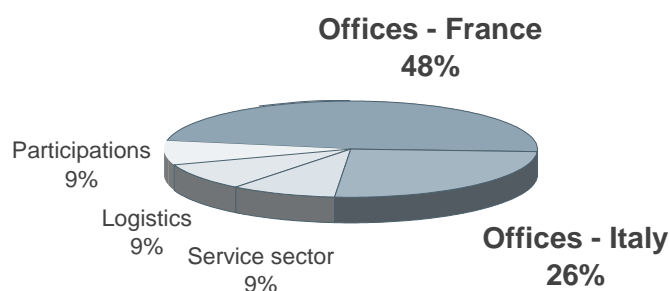
F. DEVELOPMENT PROJECTS: 1 billion of development projects, in line with the corporate real estate needs, of which the following for 2011 - 2012

	Type of assets	Location	Area	Prelet	Delivery
32 Grenier Boulogne	Offices	Boulogne	7,500 sq.m		Q2 2011
Eiffage Construction HQ	Offices	Vélizy	10,000 sq.m	100%	2011
Galleria Del Corso*	Retail	Milan	5,750 sq.m	100%	Q3 2011
Garibaldi Complex*	Offices	Milan	30,000 sq.m	100%	Q4 2012
Villeurbanne	Offices	Villeurbanne	12,000 sq.m		Q4 2012
Metz Amphithéâtre	Offices	Metz	4,500 sq.m	50%	2012

G. PORTFOLIO

- Portfolio valuation and change + 5.3% over 1 year

(€ million)	Value 31 Dec 09	Value 31 Dec 10	2010 value Group share	Like-for-like change in portfolio				Yield excl. duties 31 Dec 09	Yield excl. duties 31 Dec 10	% of Office portfolio	% of Commercial portfolio	% of Commercial portfolio (incl. equity affiliates)
				Change 6 months	Change 12 months	Rent effect 12 months	Rate effect 12 months					
Offices - France	4 076	4 365	4 133	5,0%	8,0%	1,0%	7,0%	7,4%	65%	51%	48%	
Total in operation	3 432	4 325	4 093	5,1%	8,1%	1,0%	7,1%	7,4%	65%	51%	48%	
Developments	644	40	40	-3,4%	1,8%	0,0%	0,0%	0	1%	1%	0%	
Offices - Italy	4 220	4 332	2 203	0,5%	0,9%	4,5%	-3,6%	5,1%	35%	27%	26%	
Total in operation	3 915	4 062	2 067	0,4%	0,7%	4,6%	-3,9%	5,3%	33%	26%	24%	
Developments	305	269	137	2,6%	5,8%	-0,2%	6,0%	2,0%	2%	2%	2%	
Total Offices	8 296	8 697	6 337	3,5%	5,5%	1,9%	3,6%	6,6%	100%	79%	74%	
Service sector	2 990	3 124	784	4,6%	6,7%	4,0%	2,7%	6,5%		10%	9%	
Logistics	1 144	1 181	792	2,0%	3,6%	-3,1%	6,6%	9,2%		10%	9%	
Parking facilities	238	243	145	1,1%	1,6%	0,0%	0,0%	0,0%		2%	2%	
Commercial portfolio	12 669	13 245	8 058	3,4%	5,3%	1,5%	3,8%	6,7%		100%	94%	
Equity affiliates *	541	557	557								6%	
Total	13 210	13 802	8 615								100%	
Total - Consolidated	13 210	13 802	8 615									
Total - Group share	9 286	8 614										



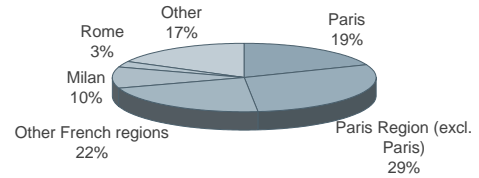
The portfolio held by Foncière des Régions at December 31, 2010 stood at €8,615 million against €9,286 million as of December 31, 2009. Like-for-like variation was 5.3% over the year, with a more noticeable rise in the second half of

2010. This improvement in valuations came mainly from the French Offices and Services sectors, thanks to reduced capitalisation rates resulting from successful asset management and increased Accor revenues.

- Geographic breakdown IDF, Milan, Rome and the MRT account for 64% of portfolio Group share

(€ million)	2010	%
Paris	1 497	19%
Paris Region (excl. Paris)	2 334	29%
Other French regions	1 711	22%
Milan	788	10%
Rome	214	3%
Other	1 369	17%
Total portfolio (Group share)*	7 913	100%

* Excluding parking facilities



- Other portfolio characteristics

	Occupancy rate *		Firm residual term on leases (years)		Avg. 2010 rent/sq.m	Avg. 2010 value/sq.m
	2009	2010	2009	2010	(€)	(€)
Offices - France	94,7%	94,3%	4,8	5,7	140	2 193
Offices - Italy	98,0%	97,1%	8,5	7,7	113	1 795
Total Offices	95,9%	95,1%	6,2	6,3	126	1 992
Service sector	100,0%	100,0%	9,3	8,7	130	2 035
Logistics	87,7%	88,1%	3,0	2,4	48	650
Total Group share	95,4%	94,8%	6,1	6,1	108	1 670

* Occupancy rate at end of period

4. BUSINESS BREAKDOWN BY SEGMENT

A. OFFICE MARKET IN FRANCE AND ITALY (CBRE)

1. OFFICE MARKET IN FRANCE

■ Office market in Ile-de-France

Considering the prospects early in the year, 2010 was a pleasant surprise. Nearly 2.2 million m² were rented or sold to end users, up 15% over 2009. Paris, in particular, had a good run, with a 50% increase over the previous year. Activity was spread across all market segments, showing the revival of business confidence and the influence of opportunity in the city centre.

For the rest of Ile-de-France, the recovery was more restrained and varied based on market segment. Despite a slow first half, the market in the inner suburbs picked up, largely thanks to the finalisation of several large deals. The western edge suffered, as large transactions struggled to get off the ground. The outer suburbs remained on the sidelines, often because their products do not match users' needs.

Supply remained surprisingly stable throughout the year at 3.6 million m², a vacancy rate of 6.8%. There was thus a balance among consumption, deliveries and vacated properties. In 2010 however, users had a choice of location building type. For certain products, this choice is tightening gradually, particularly for quality spaces in good locations. The result of halting speculative start-ups is beginning to be felt in certain markets and the pressure on quality stock will become more marked as new spaces are used up.

Rental valuations varied according to geographical location and the types of product concerned. Rents climbed considerably for prime space and locations, in particular in the central business district of Paris. Average prime rents reached €734 excluding tax and charges/m²/year, up 11% in 12 months. Other sectors posted increases too, but these were one-off occurrences and not representative of the market average, which is generally stable. Declining rents were still found in certain secondary areas and/or products. Average rents for new, restructured or renovated spaces reached €308 and €227 for second-hand surfaces.

Commercial advantages continued to be significant both for prime transactions (which enables owners to profit from their properties) and for second-level products. On average, they constitute between 1.5 and 2 months' of deductions per year of commitment.

The La Défense market got off to a poor start since only 154,200 m² were placed, 11% less than in 2009, which was already a slow year. Seven major transactions took place in this area, but only for more than 20,000 m² (Ernst & Young for the First Tower). Despite that pulling back, the average prime rent is rising, reflecting the leading-edge transactions completed there. The stock available is up compared to the previous year because of the delivery of the First Tower and the CB 21 Tower (spaces remain to be sold), and a number of vacancies. Nevertheless, the vacancy level has not taken off, standing at 6%.

■ The regional office market

In 2010, €7.5 billion were exchanged on the French office investment market, an increase of 45% in a year. Even if these volumes remain far below those recorded prior to the crisis, the rally appears significant. The 4th quarter in particular benefitted fully from the traditional pressure as year-end negotiations were concluded.

While 2009 was dominated throughout by small and medium-size transactions because of lack of financing for large unit volumes, the market recovered greater depth in 2010. Liquidity has come back to the segment between €100 million and €200 million. Now, provided that the underlying asset is guaranteed, credit will be available again, with more relaxed requirements in terms of equity contribution and offered at attractive financial conditions, thanks to the weakness of short-term rates.

This market improvement is explained by a renewed interest in business property, in particular by institutional investors. Faced with a particularly unsteady and uncertain financial environment, real and tangible assets such as real estate, once more appear to be long-term safe haven investments. As a corollary to this "safe haven" status,

purchasers have focused on secured properties and long-term leases signed with stable tenants at market rents. The result is a persistent stagnation in the market for secondary properties, where values have still not fallen.

Investors' desire for security is logically coupled with a search for quality in their acquisition targets. In 2010 nearly 55% of committed office volumes involved new, recent or restructured properties, thanks, in particular, to the recovery during the second half of the year in off-plan purchases, with even a few significant speculative transactions. In the face of demand pressure, the quality offer remains manifestly inadequate. Thus, the yields of prime properties have continued their strong downward trend.

This lack of quality properties in traditionally desirable sectors has led investors to expand their target areas of interest. So, while more than 60% of transactions at the start of the year focused on west central Paris, buyers later turned largely to locations offering recent or new products. Insofar as the properties offer security for the long term, the quality of the building now trumps the prestige of its location, provided access to public transport is satisfactory. Thus, the western edge of Paris and the inner suburbs pulled in 45% of commitments in the second half. The regions, where the market has been particularly weak since the beginning of the year, have also benefitted from the return to off-plan acquisitions in Q4. Here we should also note the thaw of the market in La Défense, which benefitted from improved liquidity for large-scale assets.

In spite of easier financing conditions, own account investors dominated throughout the year, led by the institutionals. Insurers were busy, as were property investment companies (SCPIs) which were boosted by their excellent levels of collection. Finally, 2010 confirmed the arrival of OPCIs (mutual property funds), which are taking their place as preferred syndication vehicles for diversified capital. More opportunistic investors were unsatisfied again as distressed sales were, in the end, few and far between. As a result, investment funds were more often sellers than buyers in 2010, similar to SIIC property companies, even if the latter made a marked come-back at the end of the year, particularly in the off-plan niche.

2. ITALY OFFICE MARKET

Italian growth slowed during Q3, with a rise of 0.3%. The landing at year's end should therefore be around 1% and prospects for 2011 and 2012 have been revised downwards. Household consumption has improved, but is expected to grow more slowly in 2011. Economic uncertainty, in particular as regards the fragile labour market, still weighs on morale of households, which remain cautious.

The uncertain political context no longer seems to be perceived as a risk for the country's economic health and Italy should be able to achieve its goal of keeping the deficit at 5% of GDP.

■ Milan rental market

The market for office space in Milan improved markedly over 2009, with 274,000 m² placed in 2010 (+29% over the year. The search for savings among large groups -- particularly banks -- has driven demand. Inner ring, but not central, locations continue to be favoured by large international groups, which find good value for money there.

Overall, inventory increased over the year, but stabilised during the last quarter because of the lack of speculative building and deliveries reduced by pre-sales (half the space). However, the volume available should increase again when premises vacated by businesses that pre-rented for 2010 and will depart in 2011 return to the market.

Prime rents kept steady at €520 while prices continued to fall in secondary markets. In general, commercial breaks remained high.

■ Rome rental market

With 130,000 m², demand for offices in Rome rose slightly in 2010 with the public sector as the leading (and traditional) actor, accounting for nearly half the volume. In spite of this improvement, the office market in Rome was less active than in Milan. The low level of new demand does not seem to predict that 2011 will be better than 2010.

At 8.3%, the vacancy rate remained steady overall compared to the previous year because of the small number of deliveries and low level of departures.

Prime rents have not changed since 2009 and remain at €420. The prime Rome market remains limited because of the scarcity of available product.

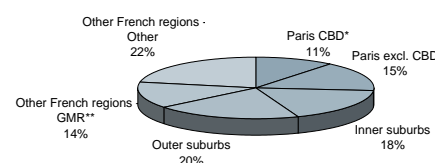
B. OFFICES - FRANCE

The French office properties held by Foncière des Régions were acquired through a strategy focusing on partnerships with key accounts and based on a facilities management approach. Those accounts include France Télécom, EDF and Eiffage. This approach also involves developing new buildings and acquiring new properties. The projects thus offered meet the requirements of these major users (including Thalès, Dassault Systèmes, Suez Environnement and AON).

1. BILLED RENTAL INCOME

- Regional breakdown: Ile-de-France (IDF) and Major Regional Towns (MRT) account for 78% of rental income

(€ million)	Area (sq.m)	Number of assets	2009 rental income	2010 rental income	Change (%)	Like-for-like change (%)	% of total rental income
Paris CBD*	69 281	12	28,1	30,8	9,5%		11%
Paris excl. CBD	148 413	22	38,8	43,3	11,6%		15%
Inner suburbs	249 504	30	39,1	50,4	28,7%		18%
Outer suburbs	391 780	103	44,8	56,2	25,5%		20%
Total Paris Region	858 978	167	150,9	180,7	19,8%		64%
Other French regions - GMR**	366 806	75	42,5	39,2	-7,7%		14%
Other French regions - Other	765 051	280	66,0	61,4	-7,0%		22%
Total	1 990 836	522	259,3	281,3	8,5%	-1,0%	100%



* Central Business District (CBD) comprising the 1st, 2nd, 8th, 9th, 16th and 17th arrondissements

** GMR comprising Bordeaux, Grenoble, Lille, Lyon, Aix/Marseille, Metz, Montpellier, Nantes, Nice, Rennes, Strasbourg, Toulouse

The significant variation in rental income between 2009 and 2010 (+ €21.6 million) is due primarily to:

- the following acquisitions:
 - portfolio of 5 properties contributed at the end of 2009: +€17.5 million
 - 50% of Vélizy Campus in July 2009: +€13.2 million
 - IBM portfolio at Q1 2010: +€2.4 million
- like-for-like increase in rental income:
 - +€10 million due to Suez Environnement lease in Tower CB21
 - +€1.2 million due to indexation
 - €3.8 million due to cumulative effect of vacating/re-renting
- sale of properties in 2009/2010, including major sales to France Télécom (30% in 2010): -€18.9 million

The like-for-like variation in rental income is 2.9%, or -1% after adjusting for the leasing of Tower CB 21, primarily as a result of:

- a slight indexation impact of +0.4%
- an effort to re-lease vacant space in 2010, and specifically:
 - lease signed with the Ministry of Defense in Issy les Moulineaux, €0.8 million/ year
 - lease signed with New Yorker in Nancy, €0.6 million/year
- major lease terminations:
 - Alstom terminated Meudon Saulnier mid-2009 (€1 million annualised)
 - EDF terminated Saint Mandé in Q4 2010 (€2.8 million annual rental income)
 - GDI terminated Issy les Moulineaux (€1.4 million/year)
 - rent reduction on one property (€0.9 million annualised impact)

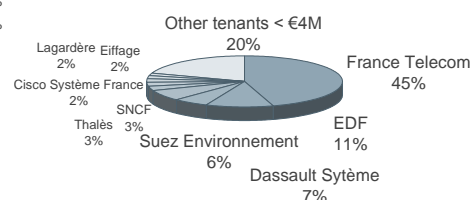
Most of the new 2010 leases will only come into full effect in 2011.

2. ANNUALISED RENTAL INCOME

■ Breakdown by principal tenants

(€ million)	Area (sq.m)	Number of assets	2009 annualised rental income*	2010 annualised rental income*	Change (%)	Average rental value	Reversionary potential	% of total rental income
France Telecom	839 545	286	140,3	126,4	-9,9%			45%
EDF	272 545	32	33,4	30,7	-8,1%			11%
Suez Environnement	44 389	1	,0	16,2	-			6%
Dassault Système	56 192	1	18,7	19,1	2,2%			7%
Thalès	71 705	3	7,4	8,3	11,9%			3%
SNCF	13 207	1	7,0	7,0	0,0%			3%
Eiffage	146 527	87	5,6	6,2	10,1%			2%
Lagardère	11 481	2	5,0	5,0	0,4%			2%
Cisco Système France	11 291	1	4,4	4,4	0,0%			2%
Other tenants < €4M	523 954	108	49,2	55,2	12,2%			20%
Total	1 990 836	522	271,1	278,6	2,8%	253,7	-8,8%	100,0%

* Annualised rental income at end of period

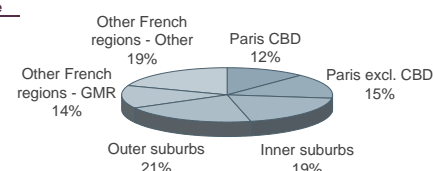


Major tenants, whose rental payments exceed €4 million, represent 80% of the group's total annualised rental income, reflecting FdR's partnership strategy with major user accounts. The continuity of these tenants translates – for 75% of them – into a residual lease term of more than 5 years. Last, they present no risk of default as they are major listed companies or public entities.

■ Geographic distribution: IDF accounts for 67% of rental income

(€ million)	Area (sq.m)	Number of assets	2009 annualised rental income*	2010 annualised rental income*	Change (%)	Average rental value	Reversionary potential	% of total rental income
Paris CBD	69 281	12	33,4	33,9	1%			12%
Paris excl. CBD	148 413	22	41,1	41,5	1%			15%
Inner suburbs	249 504	30	42,2	53,9	28%			19%
Outer suburbs	391 780	103	57,6	57,1	-1%			20%
Total Paris Region	858 978	167	174,2	186,3	7%			67%
Other French regions - GMR	366 806	75	34,8	38,5	11%			14%
Other French regions - Other	765 051	280	62,0	53,8	-13%			19%
Total	1 990 836	522	271,1	278,6	2,8%	253,7	-8,8%	100,0%

* Annualised rental income at end of period



Sixty percent of rental income is derived from properties in Paris, in the inner suburbs and major regional centres, compared to 51% as at June 30, 2010. This is due to the leasing of properties located in these geographical areas (primarily Tower CB 21), and to the sale of properties located in commercial areas of poorer quality (in particular, certain France Télécom properties in the regions).

3. INDEXATION

The effect of indexation is +€1.2 million. Office rents barely registered the negative indexations of Q2 and Q3 2009 (-4.1% and -5.8%, respectively) because many of the leases signed with key accounts include an indexation floor protecting Foncière des Régions from negative indexations (floors between 0% and 1%). Rents protected by indexation floors account for 60% of annualised rental income.

The remaining 40% are fully covered by cost-of-construction (ICC) indexation.

4. RENTAL ACTIVITIES

(€ million)	Area (sq.m)	Annualised rental income	Annualised rental income in €/sq.m
Vacating	43 079	8,9	206
Reletting*	29 137	10,9	375
Renewal	473 069	56,8	120

Vacated properties were more than compensated, in terms of rental income, by re-renting during the period. Indeed, the annualised rents generated by re-renting (including the leasing of 23,270 m² of Carré Suffren, based on FDR's, or 60%) will generate, over a full year, €10.9 million in rental income, while lease terminations represented €8.9 million annually. Asset management measures have given priority to making significant improvements in financial vacancy via the re-renting of properties that produce high levels of rental income (average rent of re-rented property is €375/sq.m.). It has also ensured the renewal of 473,069 m², for rental income of €56.8 million, principally with key accounts. Rents renegotiated with France Telecom and EDF total €45.2 and €10.6 million, respectively.

■ France Télécom partnership Signing of a 3rd major agreement

In 2010, after signing two successive agreements with France Télécom in March 2008 and June 2009 aimed at maintaining its presence in a significant portion of the properties it occupies, Foncière des Régions finalised the renegotiation of all France Telecom leases.

A major agreement was signed on 28 July 2010, including the balance of those properties that were not covered under the previous agreements, concerning 194 properties representing €510 million in value. The agreement included the sale of properties for €78.2 million at the end of 2010 and the extension of firm long-term leases (6, 9 and 12 years) over 70% of the scope. Leases were renewed effective from January 1, 2011, at the existing rent and without deduction.

In addition to this agreement, extensions of firm leases of 6 and 8 years from the end of existing leases (2012) were signed during the second half for 11 properties representing a value of €42 million.

With these signings, the residual term of leases in the France Telecom portfolio is 7.2 years.

■ EDF partnership: 21 properties renewed of which 2 in renovation

The leases signed with EDF when they outsourced their portfolio expired at the end of October 2010. Foncière des Régions has been in joint and individual negotiations with EDF for months (and with ERDF, the tenant occupying various sites) in anticipation of this expiry and to optimise property management on a property-by-property basis.

To date, numerous agreements have been reached, reconciling the goals of maximizing asset values and meeting the tenant's needs. Lease extensions (usually for 6 years) in exchange for deductions were negotiated for 19 properties and two additional renewed properties will be renovated so that they meet the latest environmental standards.

Negotiations are still under way for the renewal of 7 additional properties.

Finally, EDF has or will vacate four properties, which will be sold for development or remarketed as offices after improvements are made.

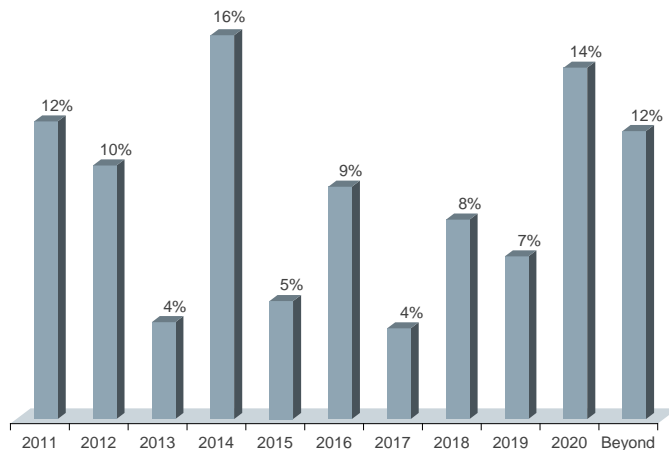
5. EXPIRY SCHEDULE AND VACANCIES

■ Lease expiry schedule 5.7 years firm residual term of the leases

Rental income for Offices in France may be broken down as follows based on the end date for current firm leases:

(€ million)	By lease end date *	% of total
2011	33,5	12%
2012	28,6	10%
2013	10,9	4%
2014	43,2	16%
2015	13,3	5%
2016	26,2	9%
2017	10,2	4%
2018	22,5	8%
2019	18,3	7%
2020	39,6	14%
Beyond	32,4	12%
Total	278,6	100%

nualised rental income for 2010



Residual term of firm leases (excluding leases signed for Carré Suffren) is at 5.7 years, as against 4.8 years at end 2009.

This rise is due primarily to the renegotiation of the France Telecom and EDF leases, Suez Environnement's entry into Tower CB 21, compensated by the loss of 12 months' firm term of non-renegotiated leases.

With the signing of three leases of seven to 12 years firm at Carré Suffren will increase the residual term of the leases by 0.2 years, bringing it to 5.9 years.

■ Vacancy rate and type Vacancy rate stable overall at 5.7%

(%)	2009	S1 2010	2010
Paris Region*	6,1%	9,7%	6,7%
Other French regions - GMR	2,9%	3,0%	4,2%
Other French regions - Other	4,5%	4,1%	3,3%
Total	5,3%	7,8%	5,7%

* Incl. 23,500 sq.m for Carré Suffren assumed to be relet at 31 Dec 2010

Financial vacancy stands at 5.7% as of December 31, 2010 against 7.8% as of June 30, 2010 and 5.3% as of December 31, 2009.

The rise in vacancy during the first half is explained primarily by the coming online of vacant floors (lower levels) of Tower CB 21 (23,500 sq.m.).

In 2010, the rental business enjoyed a number of major successes, including:

- the leasing of 23,272 sq.m. at the Carré Suffren site as of December 31, 2010, including 15,042 sq.m. leased to AON for 12 years firm and an additional 550 sq.m. at the start of 2011, and 4,870 sq.m. and 3,360 sq.m., respectively, to the Ministry of Education and Culture France for 7 years firm. Advanced negotiations are underway on the remainder of the building (1,040 sq.m.) for a lease to be taken up in the first half of 2011.
- in addition to this rental, 15,174 sq.m. of offices were also re-rented this year, at an average rent of €235/sq.m.. Note, in particular, 2,177 sq.m. rented for 6 years firm to the Ministry of Defense at Issy les Moulineaux (€800,000/year), 2,478 sq.m. for 6 years firm to New-Yorker at Nancy (€600,000/year) and 3,107 sq.m. to Thalès at the Meudon site (€62,000/year).

In addition, Foncière des Régions Bureaux sold more than 11,000 sq.m. of vacant space over the year.

At December 31, 2010, the main vacant properties were as follows:

- 23,500 sq.m. of vacant space in Tower CB21 (held at 75%)
- 6,000 sq.m. of vacant space in Meudon
- 3,200 sq.m. of vacant space in Issy les Moulineaux

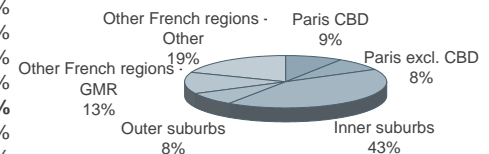
6. UNPAID RENT

(M€)	À fin 2009	À fin 2010
En % du loyer annualisé	0,69%	0,74%
En valeur	1,9	2,0

Arrears have remained steady as compared to December 31, 2009. The primary outstanding rent payment of €0.5 million concerns a single tenant.

7. DISPOSALS AND DISPOSAL AGREEMENTS: €485 million, 4.3% above 2009 values

(€ million)	Disposals	Sales agreement s	Total	Margin vs appraised values at 31 Dec 09	Yield
Paris CBD	44,6	,0	44,6	0,0%	6,1%
Paris excl. CBD	5,8	33,0	38,8	-0,4%	4,1%
Inner suburbs	151,1	53,7	204,9	11,6%	3,7%
Outer suburbs	16,4	22,4	38,8	5,3%	5,4%
Total Paris Region	217,8	109,2	327,0	7,6%	4,3%
Other French regions - GMR	52,9	12,1	64,9	0,6%	7,6%
Other French regions - Other	74,5	18,3	92,8	-3,6%	9,7%
Total	345,2	139,5	484,7	4,3%	5,8%



During 2010, Foncière des Régions signed an agreement to sell €485 million of office properties, including €220 million as part of the agreement with France Telecom.

Sales and sales agreements produced an overall capital gain of €20 million, or +4.3% over valuations as of December 31, 2009, and average yield of 5.8%.

The major disposals involved:

- 25% of Tower CB21 based on an asset price of €588 million
- a building leased to France Télécom in Paris (rue Jasmin, 16th arrondissement) for €45 million
- ground rent in Saint Mandé for €29 million
- a building leased to Bourjois in Puteaux for €25 million

8. ACQUISITIONS: €51 million (excluding Eiffage Construction Headquarters)

During the first half of 2010, Foncière des Régions bought the MSREF's holdings in the 75%/25% MSREF/FdR joint venture, which holds a 115,000 sq.m. portfolio of office space in Bordeaux, Orleans and Montpellier and which is leased at 75% to IBM. This portfolio benefit of rents in line with the market, a residual lease terms of 3.8 years, and a value creation potential, reflected in the leasing of vacant space and large landholdings partially subject to sales agreements. MSREF and Foncière des Régions had acquired this portfolio from IBM through a Joint Venture (75%/25%) in 2004 (7 buildings representing 127,500 sq. m.) as part of a spin-off operation.

At the end of 2010, Foncière des Régions bought two properties in Montpellier and Frontignan, leased to Véolia under firm 12-year leases. In addition, Foncières des Régions is building an extension to the existing building in Montpellier (additional 3,000 sq.m.).

Finally, at the end of the year, Foncière des Régions concluded the purchase off-plan of the future head office of Eiffage Construction in Vélizy. This 10,000 sq.m. building will be delivered in October 2011, when Eiffage Construction will take tenancy under a 12-year firm lease. As the first tertiary building in Ile-de-France to receive BBC/Effinergie certification, it will serve as an environmental showcase for Eiffage and Foncière des Régions.

Excluding Eiffage Constracution Head Quarters, total acquisitions amounts to 51 M€ for a average yield of 10%.

9. DEVELOPMENT PROJECTS

■ Delivery of properties

Tower CB 21: this 68,000 sq.m. tower in La Défense was completed and delivered on June 30, 2010, allowing Suez Environnement to take possession of all the rented space. The remainder of the space (23,500 sq.m.) is currently being marketed.

The sale of 25% of the Tower during the second half reflects the quality of this property and the strong appeal, to investor, of the La Défense market.

■ Properties under development

Properties currently under construction are located in Boulogne and Bagnole, valued at €40.3 million as of December 31, 2010. Outstanding construction work on these properties stands at 10.5 M€.

The Boulogne property, now being marketed, will be certifiable HQE Exploitation and will provide 7,600 sq.m. .

10. ASSET VALUATION

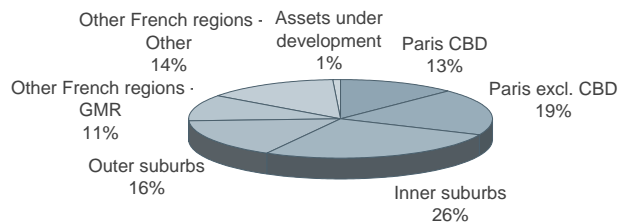
■ Changes in assets

(€ million)	2009 value excl. duties	2009 yield excl. duties	Value adjustment	Acquisitions	Disposals	Investments	Transfer	2010 value excl. duties
Assets in operation	3 617,9	8,3%	331,7	65,5	-197,7	79,4	428,0	4 324,9
Assets under development	458,5	0%	,7	,0	,0	9,1	-428,0	40,3
Total	4 076,4	7,4%	332,5	65,5	-197,7	88,5	,0	4 365,2

■ Like-for-like change +8%

On a like-for-like basis, the value of Foncière des Régions' Office assets rose 8% in 2010. This increase is due to the Office teams' asset management measures (renewal of leases, re-renting, increasing asset values through works or the development of available building land), which has enabled us to benefit fully from favourable market conditions, with capitalisation rates compressed, principally for properties with secure long-term leases.

(€ million)	2009 consolidated value excl. duties	2010 consolidated value excl. duties	2010 value excl. duties (Group share)	Like-for-like change			Yield excl. duties 31 Dec 09	Yield excl. duties 31 Dec 10	% of total value
				Change 12 months	Rent effect 12 months	Rate effect 12 months			
Paris CBD	565,8	549,9	549,9	5,5%	-1,0%	6,5%	6,5%	6,1%	13%
Paris excl. CBD	768,7	835,2	750,5	8,7%	0,8%	8,0%	6,0%	6,6%	19%
Inner suburbs	529,6	1 154,0	1 007,0	11,4%	0,6%	10,8%	6,4%	5,3%	26%
Outer suburbs	683,4	700,9	700,9	5,2%	0,8%	4,4%	8,5%	8,1%	16%
Total Paris Region	2 547,5	3 240,0	3 008,3	8,1%	0,4%	7,7%	6,8%	6,4%	74%
Other French regions - GMR	445,6	474,0	474,0	6,2%	-0,5%	6,7%	8,5%	8,0%	11%
Other French regions - Other	624,8	610,9	610,9	9,0%	0,3%	8,7%	9,7%	8,9%	14%
Total in operation	3 617,9	4 324,9	4 093,1	8,1%	0,3%	7,8%	7,4%	6,9%	99%
Assets under development	458,5	40,3	40,3	1,8%	N/A	N/A	N/A	N/A	1%
Total	4 076,4	4 365,2	4 133,4	8,0%	0,3%	7,7%	7,4%	6,9%	100%



The 8% increase in like-for-like values over the year is due primarily to:

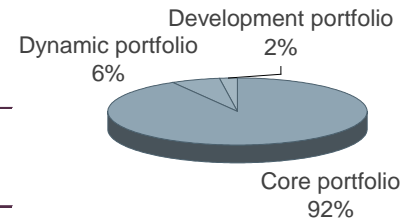
- signing of a framework agreement with France Télécom and negotiations underway with EDF, demonstrating the lasting nature of our major tenancies and the quality of our partnership relations with key accounts (renegotiation of leases, re-renting, etc.)
- the partial renting of Carré Suffren (8,000 sq.m. out of 25,000 sq.m.), demonstrating the quality of this asset to users.
- sale of 25% of Tower CB 21, based on an asset value of €588 million

C. ITALY OFFICES

Founded in 1904 and listed on the Milan stock exchange since 1999, Beni Stabili is one of Italy's top listed real estate companies. Beni Stabili's portfolio includes primarily offices located in cities in northern and central Italy, especially Milan and Rome.

1. BILLED RENTAL INCOME: 4.3% like for like

(€ million)	Area (sq.m)	Number of assets	2009 rental income	2010 rental income	Change (%)	Like-for-like change (%)	% of total
Core portfolio	1 811,6	238	173,9	200,0	15,0%	5,2%	91,6%
Dynamic portfolio	204,5	66	38,0	13,7	-64,1%	-5,7%	6,3%
Subtotal	2 016,1	304	211,9	213,7	0,8%	4,4%	97,9%
Development portfolio	27,1	6	1,0	4,6	n.a.	0,7%	2,1%
Total	2 043,2	310	212,9	218,3	2,5%	4,3%	100,0%



The +€5.3 million change in rental income between 2009 and 2010 is due primarily to

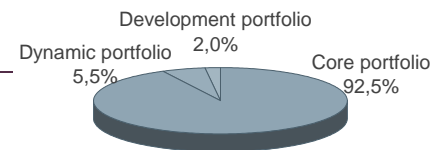
- indexation (CPI)*: +€5.1 million
 - rentals and re-rentals: +€5.3 million
 - acquisitions: +€2.8 million
 - disposals: -€5.8 million
 - vacant assets for sale or in renovation: -€0.6 million
 - renegotiations: -€1.5 million
- *including indemnity

2. ANNUALISED RENTAL INCOME

■ Breakdown by portfolio

(€ million)	Area (sq.m)	Number of assets	2009 annualised rental income *	2010 annualised rental income *	Change (%)	Reversionary potential	% of total
Core portfolio	1 811,6	238	178,2	209,8	17,8%		92,5%
Dynamic portfolio	204,5	66	34,3	12,6	-63,3%		5,5%
Subtotal	2 016,1	304	212,5	222,4	4,7%	13,8%	98,0%
Development portfolio	27,1	6	0,8	4,5	435,6%		2,0%
Total	2 043,2	310	213,3	226,9	6,4%	--	100,0%

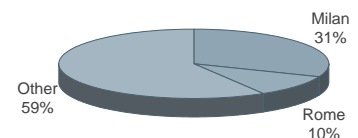
* Annualised rental income at end of period



■ Geographic breakdown

(€ million)	Area (sq.m)	Number of assets	2009 annualised rental income *	2010 annualised rental income *	Change (%)	Reversionary potential	% of total
Milan	415,6	43	65,7	69,3	5,5%	22,5%	31,2%
Rome	176,2	39	23,7	22,5	-4,9%	11,9%	10,1%
Other	1 424,3	222	123,1	130,6	6,0%	8,8%	58,7%
Total	2 016,1	304	212,5	222,4	4,7%	13,8%	100,0%

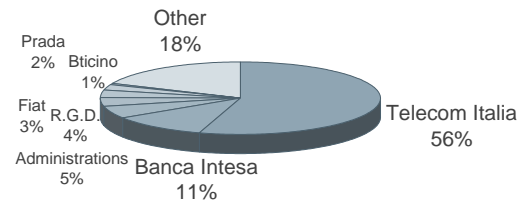
* Annualised rental income at end of period excluding developments



■ Breakdown by tenant

(€ million)	2010 annualised rental income *	% of total
Telecom Italia	115,0	54,8%
Banca Intesa	23,1	11,0%
Administrations	11,5	5,5%
R.G.D.	8,2	3,9%
Fiat	7,3	3,5%
Prada	4,8	2,3%
Bticino	1,6	0,8%
Other	38,2	18,2%
Total	209,8	100,0%

*Annualised rental income on core portfolio at end of period excluding developments



3. INDEXATION

The annual rent adjustment for indexation is calculated by taking 75% of the increase in the Consumer Price Index (CPI) applied on each anniversary of the date on which the contract was signed. For 2010, the CPI was 1.55%.

4. RENTAL BUSINESS

In 2010 the following asset management activities were undertaken:

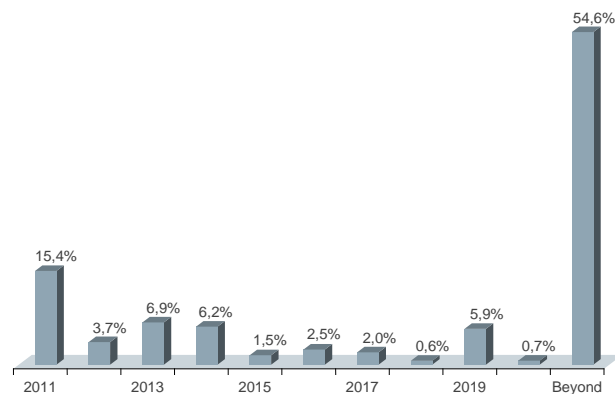
(€ million)	Number of leases	Area (sq.m/000)	Annualised rental income
New leases	37	49,4	8,9
Relettings	10	7,8	6,7
Total	47	57,3	15,6

5. LEASE SCHEDULE AND VACANCY

■ Lease schedule 7.7 years residual term of firm leases

Rental income for Offices in Italy can be broken down as follows based on the end date for current firm leases:

€ million	By lease end date	% of total
2011	34,9	15,4%
2012	8,4	3,7%
2013	15,7	6,9%
2014	14,1	6,2%
2015	3,5	1,5%
2016	5,6	2,5%
2017	4,6	2,0%
2018	1,4	0,6%
2019	13,3	5,9%
2020	1,5	0,7%
Beyond	123,8	54,6%
Total	226,9	100,0%



* Based on annualised rental income for 2010

Leases expiring after 2020 are mostly linked to Telecom Italia. The residual term of leases was 7.7 years as of December 31, 2010.

■ **Vacancy rate and type: Only 2.9% vacancy**

Spot financial vacancy at December 31, 2010 stood at 2.9% for the core portfolio as against 2.0% at December 31, 2009.

6. UNPAID RENT

(€ million)	At end 2009	At end 2010
As % of annualised rental	3,0%	1,7%
In value	6,4	3,7

7. DISPOSALS AND DISPOSAL AGREEMENTS: €154 million, 6.2% above 2009 value

In 2010 Beni Stabili sold 19 properties, for a total of €140.9 million and an average yield of 3.7%. The sales margin compared to estimated valuations at December 31 2009 was 6.2%. As of December 31, 2010, sales agreements had been signed for €13 million.

8. ACQUISITIONS: €180 MILLION

In 2010, Beni Stabili acquired the following:

- Q1: Marconi property in Turin for €31 million, and a yield at full occupancy of 7%,
- Q4: Beni Stabili acquired the 50% equity stake of Italian real estate company Grande Distribution (IGD) in two of the three shopping malls owned by RGD (Beinasco and Nerviano) for €51 million (yield 6.1%).
- Q4: 3 office properties in northern Italy for €90 million with an average yield of 6.4%, including the head office of Auchan in Italy, located in Rozzani-Mirafiori, for €65 million.

9. DEVELOPMENT PROJECTS

■ **Delivery of properties**

In 2010, Beni Stabili pre-rented 2 of its 4 development projects to 2 large companies (Tecnimont and Coin): the Garibaldi Tower and the Galleria del Corso in Milan.

During 2010, Beni Stabili also delivered 2 developed properties: Tower B, part of the Garibaldi complex, and Rozzano, a multi-tenant property now being marketed.

■ **Assets under development**

(€ million)	Asset type	Total budget	Beni Stabili interest	Area (sq.m)	Delivery
GARIBALDI COMPLEX *	Offices	70,1	100,0%	23 194	Dec-12
GALLERIA DEL CORSO - EXCELSIOR	Retail	20,9	100,0%	5 750	Sep-11
SCHIEVANO	Offices	62,0	100,0%	23 737	Dec-14
RIPAMONTI AREA	Offices	191,6	68,2%	69 466	Dec-14
Total	-	344,6	-	122 147	-

* Excluding Tower B

10. PORTFOLIO VALUATION

■ Change in portfolio

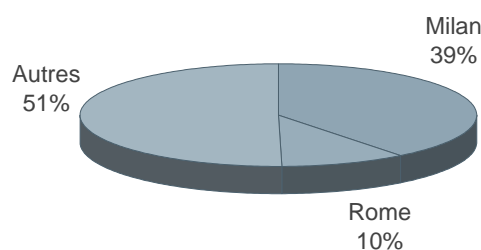
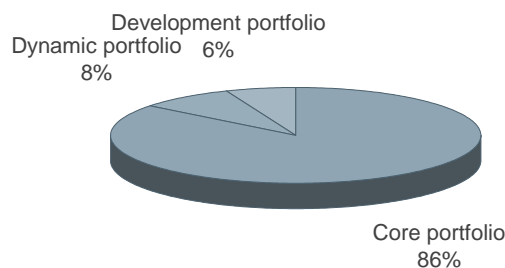
(€ million)	Value excl. duties at 31 Dec 2009 *	Value adjustment	Acquisitions	Disposals	Investments	Reclassifications	Value excl. duties at 31 Dec 2010 *
Core portfolio	2 981,6	12,0	168,6	-53,6	36,1	564,8	3 709,5
Dynamic portfolio	933,5	-3,7	0,1	-90,3	1,5	-488,3	353,0
Total excl. developments	3 915,1	8,3	168,7	-143,8	37,6	76,6	4 062,5
Development portfolio	304,9	13,2	8,0	-0,2	19,7	-76,6	269,0
Total	4 220,0	21,5	176,7	-144,0	57,3	0,0	4 331,5

* Based on appraised values

■ Like-for-like change: + 0.9%

The value of the Beni Stabili portfolio increased by + 0.9%, like for like, over 2010.

(€ million)	2009 consolidated value excl. duties	2010 consolidated value excl. duties	2010 value excl. duties (Group share)	Like-for-like change in portfolio			Yield excl. duties 31 Dec 09	Yield excl. duties 31 Dec 10	% of total
				Change 12 months	Rent effect 12 months	Rate effect 12 months			
Core portfolio	2 981,6	3 709,5	1 887,0	0,8%	5,6%	-4,8%	5,4%	5,7%	85,6%
Dynamic portfolio	933,5	353,0	179,6	-0,9%	-9,5%	8,6%	3,9%	3,6%	8,1%
Total excl. developments	3 915,1	4 062,5	2 066,6	0,7%	4,6%	-3,9%	5,3%	5,5%	93,8%
Development portfolio	304,9	269,0	136,9	5,8%	-0,2%	6,0%	2,0%	1,9%	6,2%
Total	4 220,0	4 331,5	2 203,4	0,9%	4,5%	-3,6%	5,1%	5,3%	100,0%



(€ million)	2009 consolidated value excl. duties	2010 consolidated value excl. duties	2010 value excl. duties (Group share)	Like-for-like change in portfolio			Yield excl. duties 31 Dec 09	Yield excl. duties 31 Dec 10	% of total
				Change 12 months	Rent effect 12 months	Rate effect 12 months			
Milan	1 496,2	1 598,4	813,1	0,4%	12,4%	-11,9%	3,9%	4,4%	39,3%
Rome	409,5	421,3	214,3	2,5%	-4,9%	7,5%	5,8%	5,4%	10,4%
Other	2 009,4	2 042,9	1 039,2	0,5%	2,5%	-2,0%	6,4%	6,5%	50,3%
Total excl. developments	3 915,1	4 062,5	2 066,6	0,7%	4,6%	-3,9%	5,3%	5,5%	100,0%
Development portfolio	304,9	269,0	136,9	5,8%	-0,2%	6,0%	2,0%	1,9%	0,0%
Total	4 220,0	4 331,5	2 203,4	0,9%	4,5%	-3,6%	5,1%	5,3%	100,0%

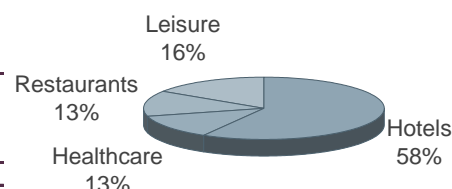
D. SERVICE SECTOR

Foncière des Murs, which is 25.1% owned by Foncière des Régions, is a listed real estate investment company (SIIC) specialising in service sector assets, primarily in the hotel, restaurant, healthcare and leisure sectors. The company's investment policy focuses on partnerships with operators that are leaders in their business sector, with a view to offering its shareholders a regular yield.

1. BILLED RENT

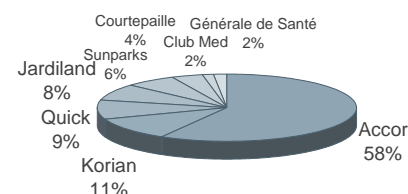
■ Breakdown by business sector

(€ million)	Area (sq.m)	Number of assets	2009 rental income	2010 rental income	Change (%)	Like-for-like change (%)	% of total rental income
Hotels	880 464	190	113,3	118,6	4,6%	6,8%	58%
Healthcare	215 074	56	26,4	25,8	-2,0%	3,2%	13%
Restaurants	74 181	177	26,5	27,0	2,0%	1,6%	13%
Leisure	365 443	63	30,6	32,1	4,8%	-0,7%	16%
Total	1 535 162	486	196,8	203,5	3,4%	4,4%	100%



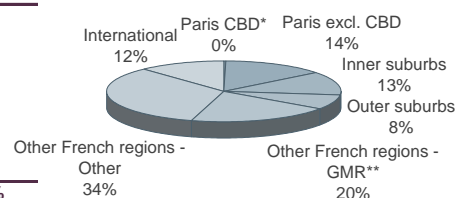
■ Breakdown by tenant

(€ million)	Area (sq.m)	Number of assets	2009 rental income	2010 rental income	Change (%)	Like-for-like change (%)	% of total rental income
Accor	880 464	190	112,7	118,6	5,2%		58%
Korian	196 111	52	23,5	22,7	-3,5%		11%
Quick	47 141	106	18,5	18,9	2,1%		9%
Jardiland	186 072	58	16,4	16,4	-0,1%		8%
Sunparks	133 558	4	11,3	12,6	11,1%		6%
Courtepaille	27 040	71	8,0	8,1	1,8%		4%
Club Med	45 813	1	2,9	3,1	7,8%		2%
Générale de Santé	18 963	4	2,6	3,1	19,3%		2%
Other	NS	0	0,9	0,0	-100,0%		0%
Total	1 535 162	486	196,8	203,5	3,4%	4,4%	100%



■ Geographic breakdown

(€ million)	Area (sq.m)	Number of assets	2009 rental income	2010 rental income	Change (%)	Like-for-like change (%)	% of total rental income
Paris CBD*	1 736	1	0,5	0,6	9,7%		0%
Paris excl. CBD	117 837	17	26,1	28,9	10,5%		14%
Inner suburbs	159 743	34	24,8	25,5	2,9%		13%
Outer suburbs	107 603	49	15,0	15,9	5,7%		8%
Total Paris Region	386 919	101	66,4	70,8	6,6%		35%
Other French regions -	310 789	104	40,4	40,1	-0,6%		20%
Other French regions - Other	589 999	264	67,1	68,4	1,9%		34%
International	247 455	17	22,9	24,2	5,7%		12%
Total	1 535 162	486	196,8	203,5	3,4%	4,4%	100%



* QCA comprising the 1st, 2nd, 8th, 9th, 16th and 17th arrondissements

** GMR: Bordeaux, Grenoble, Lille, Lyon, Aix/Marseille, Metz, Montpellier, Nantes, Nice, Rennes, Strasbourg, Toulouse

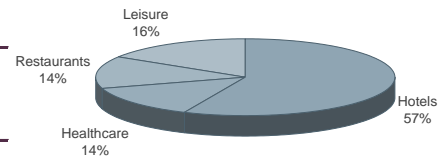
In 2010, Foncière des Murs consolidated revenue totalled €203.5 million, up 3.4% over 2009. This €6.7 million increase is due to:

- increased rents in the hotel sector linked to increased business for the Accor hotel chain (+€7.2 million)
- higher rents resulting from works carried out on Sunparks properties (and the acquisition of an extension to a Sunparks village) and Club Med, which generated rents of +€1.7 million
- indexation of rents in the healthcare, restaurant and leisure portfolios, for +€0.5 million
- renegotiation of a lease with Générale de Santé in early 2010 with rental ceilings, for +€0.5 million
- disposals in 2009 and 2010 (-€3.4 million)

2. ANNUALISED RENTAL INCOME

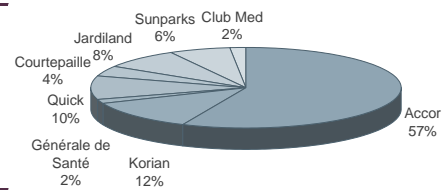
■ Breakdown by business sector

(€ million)	Area (sq.m)	Number of assets	2009 rental income	2010 annualised rental income *	Change (%)	% of total rental income
Hotels	880 464	190	111,7	112,7	0,9%	57%
Healthcare	215 074	56	25,5	27,2	6,4%	14%
Restaurants	74 181	177	27,0	27,0	0,2%	14%
Leisure	365 443	63	31,9	32,3	1,3%	16%
Total	1 535 162	486	196,2	199,3	1,6%	100%



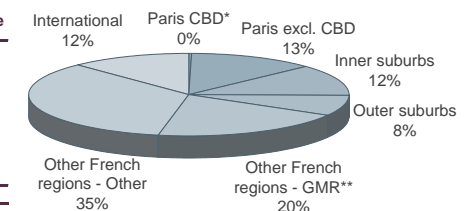
■ Breakdown by tenant

(€ million)	Area (sq.m)	Number of assets	2009 rental income	2010 annualised rental income *	Change (%)	% of total rental income
Accor	880 464	190	111,7	112,7	0,9%	57%
Korian	196 111	52	22,7	24,0	5,5%	12%
Générale de Santé	18 963	4	2,8	3,2	13,4%	2%
Quick	47 141	106	18,8	19,0	0,9%	10%
Courtepaille	27 040	71	8,2	8,1	-1,3%	4%
Jardiland	186 072	58	16,4	16,3	-0,8%	8%
Sunparks	133 558	4	12,4	12,8	3,6%	6%
Club Med	45 813	1	3,1	3,2	2,8%	2%
Total	1 535 162	486	196,2	199,3	1,6%	100%



■ Geographic breakdown

(€ million)	Area (sq.m)	Number of assets	2009 rental income	2010 annualised rental income *	Change (%)	% of total rental income
Paris CBD*	1 736	1	0,5	0,6	9,2%	0%
Paris excl. CBD	117 837	17	26,3	25,3	-3,9%	13%
Inner suburbs	159 743	34	23,6	24,8	4,9%	12%
Outer suburbs	107 603	49	14,9	15,8	6,3%	8%
Total Paris Region	386 919	101	65,3	66,4	1,7%	33%
Other French regions - GMR**	310 789	104	40,1	39,3	-2,0%	20%
Other French regions - Other	589 999	264	67,6	69,1	2,2%	35%
International	247 455	17	23,2	24,5	5,5%	12%
Total	1 535 162	486	196,2	199,3	1,6%	100%



* Central Business District (CBD) comprising the 1st, 2nd, 8th, 9th, 16th and 17th arrondissements

** GMR comprising Bordeaux, Grenoble, Lille, Lyon, Aix/Marseille, Metz, Montpellier, Nantes, Nice, Rennes, Strasbourg, Toulouse

3. INDEXATION

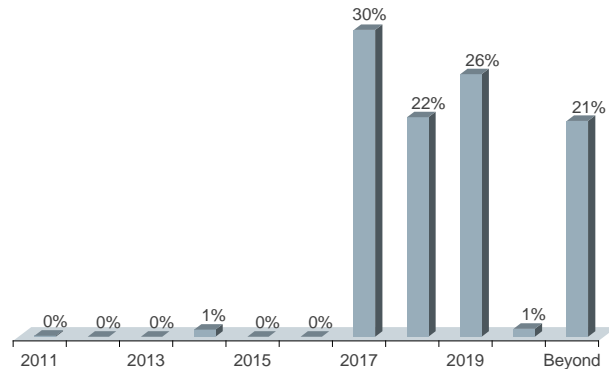
The Korian portfolio was not indexed in 2010, as the IRL (French rental index) had fallen (the leases allow for index floors). The Jardiland portfolio showed an average negative indexation of -0.8% in July 2010, linked to the fall in the ILC (French business rental index).

The Quick and Courtepaille portfolios showed negative indexation of -1.2% for 2010, based on the ILC.

4. LEASE EXPIRY SCHEDULE AND VACANCIES

€ million	By lease end date *	% of total
2011	0,2	0%
2012	0,0	0%
2013	0,0	0%
2014	1,4	1%
2015	0,0	0%
2016	0,0	0%
2017	59,9	30%
2018	42,9	22%
2019	51,2	26%
2020	1,6	1%
Beyond	42,1	21%
Total	199,3	100%

* Based on annualised rental income for 2010



The residual term of the leases is 8.7 years as of December 31, 2010 against 9.3 years at December 31, 2009. The automatic reduction in terms is partially compensated by renegotiation of leases with Générale de Santé and Korian, and by new leases signed with Accor.

Vacancy in the portfolio at December 31, 2010 was zero, as was the case at December 31, 2009.

5. UNPAID RENTS

The portfolio had no unpaid rent during 2010, just as in 2009.

6. DISPOSALS AND DISPOSAL AGREEMENTS

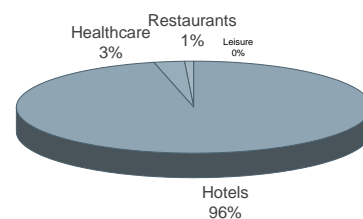
In 2010 Foncière des Murs sold 9 Accor hotels for €88.6 million.

Disposal agreements were signed for an additional 14 Accor hotels for €107.4 million.

A retirement home in the Korian portfolio was sold for €1.3 million.

Finally, protocols for the disposal of a Courtepaille restaurant and a Korian retirement home were signed in 2010 for €4.4 and €1.8 million, respectively.

(€ million)	Disposals	Sales agreements	Total	Margin vs values at 31 Dec 09	Yield rate excl. duties
Hotels	88,6	107,4	196,0	1,5%	6,6%
Healthcare	1,3	4,4	5,7	3,9%	7,0%
Restaurants	0,0	1,8	1,8	3,4%	6,4%
Leisure	0,0	0,0	0,0	0,0%	-
Total	90,0	113,6	203,6	1,5%	6,6%



7. ACQUISITIONS

In 2010, Foncière des Murs acquired 3 Quick restaurants and 6 retirement home extensions from the Korian portfolio. Total acquisitions represents 24 M€ and an average yield of 7,1%.

8. DEVELOPMENT PROJECTS

Foncière des Murs financed €11.8 million of investment in works during 2010, including €8.9 million on Accor assets, €0.7 million with Club Méditerranée and €2.2 million for Sunparks holiday villages.

9. PORTFOLIO VALUATION

Change in portfolio

(€ million)	2009 value excl. duties	Value adjustment	Acquisitions	Disposals	Investments	2010 value excl. duties
Assets in operation	2 989,8	187,3	24,4	-	89,1	3 124,2
Assets under development	-	-	-	-	-	-
Total	2 989,8	187,3	24,4	-	89,1	3 124,2

At December 31, 2010, the Foncière des Murs portfolio was valued at €3,124 million excluding tax, a like-for-like increase of 6.7% for 2010. On a like-for-like basis, the portfolio value rose 4.6% during the second half. The increased value was largely due to increased revenues at Accor hotels (+ 7.0%), and the fall in yield of fixed-rent properties.

Like-for-like change

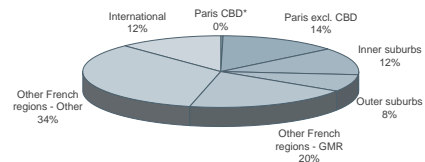
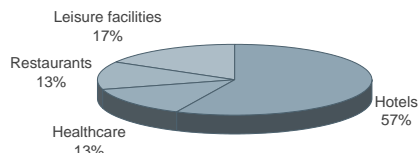
The hotel sector saw increased value of €124 million, a rise of 7.5% like-for-like over December 31, 2009. This change was due to the 6.7% rise in variable rents, in line with the increase in Accor revenues, whereas yields remained stable throughout the year.

The health sector advanced 4.7% over the year. Yields estimated by valuers were down 16 bps from those estimated at December 31, 2009. The 2.3% increase in rents is mainly due to the renegotiation of a lease with Générale de Santé and rental ceilings.

In the restaurant sector the 5.6% like-for-like increase is explained by the falling yield (-46 bps).

Finally the 6.6% increase over 12 months in the leisure sector is also linked to the fall in yields (-37 bps).

(€ million)	2009 consolidated value excl. duties	2010 consolidated value excl. duties	2010 value excl. duties (Group share)	Like-for-like change			Yield excl. duties 31 Dec 09	Yield excl. duties 31 Dec 10	% of total value
				Change 12 months	Rent effect 12 months	Rate effect 12 months			
Hotels	1 747	1 783	447	7,5%	6,7%	0,7%	6,4%	6,3%	57%
Healthcare	382	418	105	4,7%	2,3%	2,5%	6,6%	6,5%	13%
Restaurants	378	406	102	5,6%	-1,2%	6,9%	7,1%	6,7%	13%
Leisure facilities	483	518	130	6,6%	0,7%	5,9%	6,6%	6,2%	17%
Total	2 990	3 124	783	6,7%	4,0%	2,7%	6,5%	6,4%	100%



(€ million)	2009 consolidated value excl. duties	2010 consolidated value excl. duties	2010 value excl. duties (Group share)	Like-for-like change			Yield excl. duties 31 Dec 09	Yield excl. duties 31 Dec 10	% of total value
				Change 12 months	Rent effect 12 months	Rate effect 12 months			
Paris CBD*	8	8	2	9,3%	9,2%	0,1%	6,8%	6,8%	0%
Paris excl. CBD	439	435	109	8,3%	6,8%	1,5%	5,9%	5,8%	14%
Inner suburbs	373	386	97	7,3%	9,6%	-2,3%	6,3%	6,4%	12%
Outer suburbs	220	239	60	7,9%	5,5%	2,4%	6,8%	6,6%	8%
Total Paris Region	1 040	1 067	268	7,9%	7,5%	0,3%	6,2%	6,2%	34%
Other French regions - GMR	600	609	153	6,8%	3,6%	3,2%	6,6%	6,4%	20%
Other French regions - Other	988	1 067	267	6,4%	0,7%	5,7%	6,8%	6,5%	34%
International	362	380	95	4,3%	4,6%	-0,4%	6,4%	6,4%	12%
Total in operation	2 990	3 124	783	6,7%	4,0%	2,7%	6,5%	6,4%	100%
Assets under development*	-	-	-	0	0	0	0	0	0%
Total	2 990	3 124	783	6,7%	4,0%	2,7%	6,5%	6,4%	100%

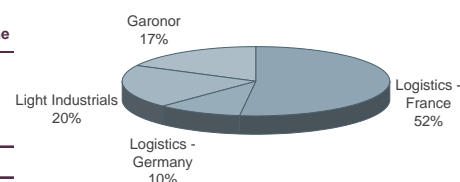
E. LOGISTICS

Foncière Europe Logistique, which is 67.1% owned by Foncière des Régions, is a listed real estate investment company (SIIC) that specialises in logistics assets and business parks.

1. BILLED RENT

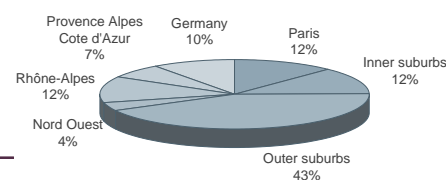
■ Breakdown by business sector

(€ million)	Area (sq.m)	Number of assets	2009 rental income	2010 rental income	Change (%)	Like-for-like change (%)	% of total rental income
Logistics - France	1 033 946	28	49,5	45,1	-9,0%	-4,4%	52%
Logistics - Germany	204 170	7	8,3	8,7	5,1%	6,3%	10%
Light Industrials	234 212	4	18,3	17,7	-3,0%	-3,0%	20%
Garonor	345 685	1	16,1	15,1	-6,1%	-3,6%	17%
Total	1 818 013	40	92,2	86,6	-6,1%	-3,0%	100%



■ Regional breakdown

(€ million)	Area (sq.m)	Number of assets	2009 rental income	2010 rental income	Change (%)	Like-for-like change (%)	% of total rental income
Paris	85 421	3	10,6	10,7	0,7%		12%
Inner suburbs	213 503	2	11,5	10,8	-5,6%		12%
Outer suburbs	751 553	12	39,6	36,8	-7,1%		43%
Total Paris Region	1 050 477	17	61,7	58,3	-5,5%		67%
Nord Ouest	69 513	4	3,4	3,3	-2,3%		4%
Rhône-Alpes	323 910	9	11,0	10,6	-3,6%		12%
Provence Alpes Cote d'Azur	169 943	3	7,8	5,7	-27,3%		7%
Germany	204 170	7	8,3	8,7	5,1%		10%
Total	1 818 013	40	92,2	86,6	-6,1%	-3,0%	100%



Under difficult market conditions, the change in rental income between December 31, 2009 and December 31, 2010 was -€5.6 million. This decrease was due to:

- a 3.0% drop in rental income on a like-for-like basis: -€2.7 million
- disposals during 2009: -€1.5 million
- termination of rent guarantees made in 2009: -€1.1 million
- demolition of 2 buildings on the Garonor Aulnay site in preparation for site redevelopment: -€0.3 million

The change in rental income on a like-for-like basis may be attributed primarily to:

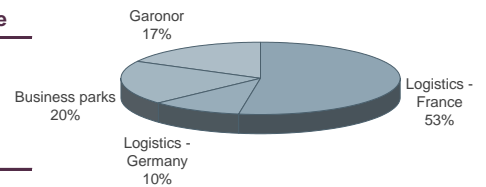
- the policy of continuing to reduce volatility in rental income by extending leases at rents between current and market rents (impact: -€2.4 million)
- a rise in average vacancy in 2010 and entry level rents slightly lower than the exit rents of departing tenants (impact: -€0.2 million)
- indexation of rents (impact: -€0.1 million)

2. ANNUALISED RENTAL INCOME

■ Breakdown by business sector

(€ million)	Area (sq.m)	Number of assets	2010 annualised rental income *	Reversionary potential	% of total rental income
Logistics - France	1 033 946	28	46,2		53%
Logistics - Germany	204 170	7	9,2		10%
Light Industrials	234 212	4	17,5		20%
Garonor	345 685	1	15,1		17%
Total	1 818 013	40	88,1	-0,5%	100%

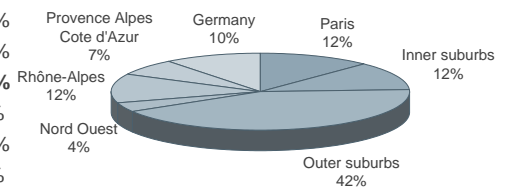
* Annualised rental income at end of period



■ Regional breakdown: IDF accounts for over 66% of rental income

(€ million)	Area (sq.m)	Number of assets	2010 annualised rental income *	Reversionary potential	% of total rental income
Paris	85 421	3	10,83		12%
Inner suburbs	213 503	2	10,53		12%
Outer suburbs	751 553	12	37,01		42%
Total Paris Region	1 050 477	17	58,37		66%
Nord Ouest	69 513	4	3,52		4%
Rhône-Alpes	323 910	9	10,65		12%
Provence Alpes Cote d'Azur	169 943	3	6,34		7%
Germany	204 170	7	9,19		10%
Total	1 818 013	40	88,1	-0,5%	100%

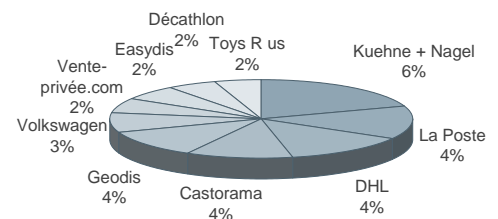
* Annualised rental income at end of period



■ Breakdown by tenant: the 10 biggest users account for 32% of rental income

(€ million)	Area (sq.m)	Number of assets	2010 annualised rental income *	% of total rental income
Kuehne + Nagel	112 931	4	5,5	6%
La Poste	66 366	5	3,8	4%
DHL	73 735	6	3,8	4%
Castorama	86 824	1	3,2	4%
Geodis	38 705	5	3,2	4%
Volkswagen	45 033	1	2,2	3%
Vente-privée.com	40 846	1	1,8	2%
Easydis	32 500	1	1,7	2%
Décathlon	24 939	1	1,5	2%
Toys R us	27 282	1	1,4	2%
Total	549 161	26	28,1	32%

* Annualised rental income at end of period



3. INDEXATION

The indices used for calculating rent indexation are the Cost of Construction in France and the Consumer Price Index in Germany. Of the total portfolio, some 15 tenants have a restricted indexation, which varies, for the most part, between 1.5% and 3.5%.

4. RENTAL BUSINESS

The rental business was steady in the first half of 2010, with leases signed for around 471,000 m² as follows:

(sq.m)	Logistics - France	Logistics - Germany	Business parks	Garonor	Total
Renewals	206 535	47 048	42 752	16 148	312 483
New lettings	61 110	11 130	21 266	65 084	158 590
Total entrées 2010	267 645	58 178	64 018	81 232	471 073

The primary transactions were as follows:

Renewals	Tenants	Area (sq.m)	New lettings	Tenants	Area (sq.m)
St Martin de crau	Castorama	86 274	Bollene	Vaucluse diffusion	17 960
Saint Ouen l'aumone	SCP	20 663	Dunkerque	DHL	17 161
Pantin	Telemarket	20 003	Bingen	NSM Löwen	11 130
Bussy St George	Houra	17 443	Aulnay	Imel	6 750
Nuremberg	Kuehne & Nagel	16 687	Salon de provence	Celio	6 549
Bingen	NSM Lowen	16 079	Pantin	ID Logistic	5 538
St Witz bât F	CSP	15 704			
Compans	CFM- Affaires	15 410			
Wuppertal	Gefco	14 282			
Genas	MGF	12 042			
Pantin	DHL	11 761			
Cergy bât 1	DHL	11 370			
St Witz bât E	Soflog	10 443			

All of these 2010 signings concerned negotiations in the following portfolios:

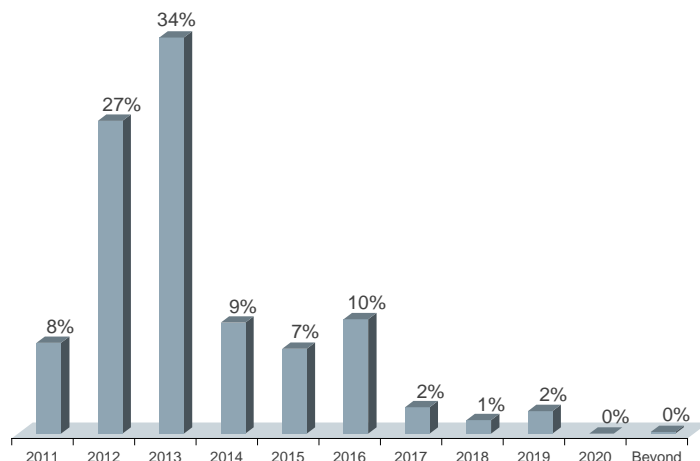
- 26% of logistics rents were renegotiated or renewed, for €14.5 million in annual rental income
- 23% of business rents were renegotiated or renewed, for €4.1 million in annual rental income
- 22% of rents at Garonor Aulnay were renegotiated or renewed, for €3.4 million in annual rental income

5. EXPIRY SCHEDULE AND VACANCIES

■ Lease expiry schedule 2 years, 5 months of firm residual lease term

Firm residual term of current leases is 2 years, 5 months (2 years, 10 months for Logistics, 1 year, 8 months for Business Premises and 1 year, 9 months at Garonor Aulnay) as of December 31, 2010, with the following profile:

€ million	By lease end date	% of total
2011	6,8	8%
2012	23,5	27%
2013	29,7	34%
2014	8,3	9%
2015	6,4	7%
2016	8,6	10%
2017	2,0	2%
2018	1,0	1%
2019	1,7	2%
2020	0,0	0%
Beyond	0,1	0%
Total	88,1	100%



* Based on annualised rental income for 2010

■ Vacancy rate and type: improvement in occupancy rates to 88.1%

(%)	2009	2010
Logistics - France	12,3%	11,5%
Logistics - Germany	6,6%	0,6%
Light Industrials	9,6%	12,6%
Garonor	17,6%	18,0%
Total	12,3%	11,9%

Like for like, vacancies as of December 31, 2010 stood at 11.9%, against 12.3% in 2009. Like-for-like vacancies have decreased by 22,000 m², primarily through the signing of leases in Bollène, Dunkirk and Bingen.

6. UNPAID RENT

(€ million)	At end 2009	At end 2010
As % of annualised rental income	6,5%	6,1%
In value	6,0	5,4

Arrears in 2010 fell compared to 2009.

7. DISPOSALS AND DISPOSAL AGREEMENTS

Foncière Europe Logistique made the following disposals:

- sold the Halle Sernam property for €9.5M, for a margin on values, at the end of 2009, of nearly 13%
- signed a sales agreement in 2010 for the Halle Sernam property, with disposal scheduled for the end of 2011

8. DEVELOPMENT PROJECTS

Foncière Europe Logistique did not launch any developments in 2010. However, it owns two building sites in Bollène and Dunkirk, where building construction will begin as existing warehouses are leased.

9. PORTFOLIO VALUATION

■ Changes in portfolio

(€ million)	2009 value excl. duties	Value adjustment	Acquisitions	Disposals	Investments	2010 value excl. duties
Logistics - France	599,1	19,4	0,5	0,0	3,3	622,4
Logistics - Germany	107,2	0,3	0,0	0,0	0,3	107,8
Light Industrials	211,3	17,8	0,0	0,0	3,2	232,3
Garonor	205,0	-8,2	0,0	0,0	3,3	200,2
Assets in operation	1 122,7	29,3	0,5	0,0	10,2	1 162,7
Triname (not in operation) *	17,2	1,1	0,0	0,0	0,0	18,2
Total	1 139,8	30,3	0,5	0,0	10,2	1 180,9

* Halle Sernam at its historical value in the accounts at 31 Dec 2009

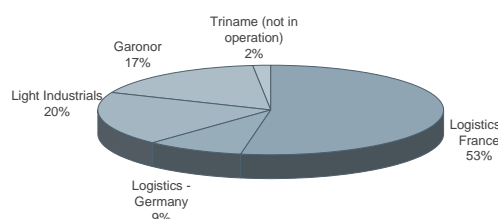
■ Like-for-like change

The total change in appraisal values on a like-for-like basis over 1 year was +3.6% for the portfolio. This change is due primarily to a contraction in capitalisation rates during the year and the revaluation of the Citrail site in Pantin, begun at the end of 2010.

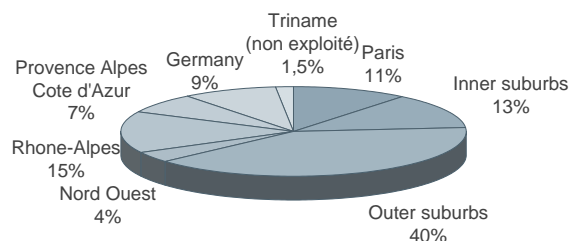
The overall operating portfolio is valued on the basis of a yield of 8.5% as of December 31, 2010.

(€ million)	2009 consolidated value excl. duties	2010 consolidated value excl. duties	2010 value excl. duties (Group share)	Like-for-like change			Yield excl. duties 31 Dec 09	Yield excl. duties 31 Dec 10	% of total value
				Change 12 months	Rent effect 12 months	Rate effect 12 months			
Logistics - France	599,1	622,4	417,6	3,8%	-4,0%	7,8%	9,2%	8,4%	53%
Logistics - Germany	107,2	107,8	72,4	0,6%	4,7%	-4,1%	8,8%	8,6%	9%
Light Industrials	211,3	232,3	155,9	9,9%	-6,7%	16,7%	9,7%	8,6%	20%
Garonor	205,0	200,2	134,3	-2,3%	0,3%	-2,6%	9,0%	8,9%	17%
Total in operation	1 122,7	1 162,7	780,2	3,5%	-3,1%	6,6%	9,2%	8,5%	98%
Triname (not in operation)	17,2	18,2	12,2	6,2%	0,0%	0,0%	0	0	2%
Total	1 139,8	1 180,9	792,4	3,6%	-3,1%	6,6%	9,2%	8,5%	100%

* On Logistics France, Germany and business parks, yields are calculated on potential rental income, and for Garonor on potential net rental income.



(€ million)	2009 consolidated value excl. duties	2010 consolidated value excl. duties	2010 value excl. duties (Group share)	Like-for-like change			Yield excl. duties 31 Dec 09	Yield excl. duties 31 Dec 10	% of total value
				Change 12 months	Rent effect 12 months	Rate effect 12 months			
Paris	120,7	127,3	85,4	5,5%	0,6%	4,9%	9,7%	8,9%	11%
Inner suburbs	132,3	150,0	100,7	13,4%	-12,4%	25,7%	9,7%	8,5%	13%
Outer suburbs	467,1	471,5	316,4	0,9%	-4,8%	5,7%	9,2%	8,6%	40%
Total Paris Region	720,1	748,8	502,4	4,0%	-5,3%	9,3%	9,4%	8,6%	63%
Nord Ouest	42,7	45,0	30,2	5,4%	21,0%	-15,6%	9,0%	8,3%	4%
Rhone-Alpes	170,9	176,8	118,6	3,4%	-5,8%	9,2%	8,9%	8,4%	15%
Provence Alpes Cote d'Azur	81,7	84,3	56,6	2,5%	1,7%	0,8%	9,2%	8,2%	7%
Germany	107,2	107,8	72,4	0,6%	4,7%	-4,1%	8,8%	8,6%	9%
Total in operation	1 122,7	1 162,7	780,2	3,5%	-3,1%	6,6%	9,2%	8,5%	98%
Triname (not in operation)	17,2	18,2	12,2	6,2%	0,0%	0,0%	0,0%	0,0%	2%
Total	1 139,8	1 180,9	792,4	3,6%	-3,1%	6,6%	9,2%	8,5%	100%



5. FINANCIAL ITEMS AND COMMENTS

Foncière des Régions' business involves the acquisition, ownership, administration and leasing of developed and undeveloped properties, specifically offices and service sector properties.

Registered in France, Foncière des Régions is a limited liability company with a Board of Directors as of the General Shareholders' Meeting of January 31, when its former corporate governance structure, comprising a Supervisory Board and a Management Committee, was modified.

It is consolidated by Delfin by the equity consolidation method.

A. SCOPE OF CONSOLIDATION

The main changes in percentage of holdings over the course of the year were as follows:

Subsidiaries	31 Dec 09	31 Dec 10
Foncière Développement Logements	35,4%	34,1%
Foncière des Murs	25,1%	25,1%
Foncière Europe Logistique	67,1%	67,1%
Beni Stabili	73,1%	50,9%
CB 21	100,0%	75,0%
Urbis Park	59,5%	59,5%
IBM	25,0%	100,0%

As a result of Foncière Développement Logements' adoption of limited liability company status at the November 10, 2009 extraordinary general meeting, Foncière des Régions no longer controls over Foncière Développement Logements and, as a result, the consolidation method was changed.

Foncière des Régions' 2009 consolidated income statement therefore includes all items from Foncière Développement Logements' income statement, fully consolidated for 10 months, while all items from Foncière Développement Logements' income statements were consolidated under the equity consolidation method for the year ended December 31, 2010. To provide a consistent analysis, the accounts presented hereafter are "pro forma", as if Foncière Développement Logements had been consolidated under the equity consolidation method for the year ended December 31, 2009.

Foncière des Régions' retention rate in Beni Stabili fell from 73.1% at 31 December 2009 to 50.9% at December 31, 2010 following the sale of some of the company's shares and the distribution of a Foncière des Régions dividend in Beni Stabili shares. Given the schedule of these transactions, the average first-half consolidation rate of Beni Stabili in the income statement was 59.98%.

B. ACCOUNTING PRINCIPLES

The consolidated financial statements were prepared in compliance with the international accounting standards issued by the International Accounting Standards Board (IASB) and adopted by the European Union as of the date the accounts were closed. These standards include International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) and their interpretations. They were closed by the Board of Directors on February 21, 2011.

The annual consolidated financial statements were prepared in compliance with the IAS 1 international standard, "Presentation of Financial Statements," as adopted by the European Union.

After the update of the Best Practice Recommendations of the EPRA 2010, Régions decided to publish its financial statement under EPRA format. This format essentially changes the presentation of the results in order to enhance readability: distinction of property charges and administration, introduction of the aggregate "net rent" showing pure rental income activities, effects IFRS and results on disposals insulated. This new presentation has no impact on the accounting principles used by Régions

C. EPRA INCOME STATEMENT

(€ million)	Consolidated data		Group share data		Group share change		
	2009	Proforma	2010	2009	Proforma	2010	%
Rental income	761,1		789,6	526,0		521,3	-0,9%
Unrecovered rental costs	-22,2		-23,5	-17,2		-17,2	0%
Expenses on properties	-11,7		-9,1	-9,0		-6,0	-33%
Net expenses on unrecoverable receivables	-2,9		-5,9	-2,3		-4,2	85%
Net rental income	724,3		751,1	497,5		493,9	-1%
Management and administration revenues	20,9		24,2	29,7		27,0	-9%
Activity-related costs	-6,8		-5,8	-5,4		-4,5	-17%
Committed fixed costs	-79,0		-76,3	-68,0		-62,4	-8%
Development costs	-0,4		0,0	-0,4		0,0	-92%
Net cost of operations	-65,3		-57,9	-44,1		-39,9	-9%
Income from other activities	14,7		16,0	10,6		10,4	-1%
Depreciation of operating assets	-8,4		-3,2	-7,2		-2,2	-70%
Net change in provisions and other	-12,7		33,8	-4,1		26,3	n.a.
Current operating income	652,6		739,8	452,7		488,5	8%
Net income from inventory properties	0,6		-5,4	0,5		-3,2	n.a.
Income from asset disposals	-27,4		4,4	-22,5		2,8	n.a.
Income from value adjustments	-559,0		537,4	-324,2		378,1	n.a.
Income from disposal of securities	-9,1		0,0	-3,8		0,2	n.a.
Income from changes in scope	-17,0		11,9	-17,0		12,1	n.a.
Operating income	40,7		1288,1	85,7		878,5	925%
Income from non-consolidated companies	-0,3		3,6	-0,2		1,8	-868%
Cost of net financial debt	-301,5		-341,3	-198,6		-219,4	10%
Value adjustment on derivatives	-143,8		-76,2	-98,8		-52,0	-47%
Discounting of liabilities and receivables	-12,6		-6,9	-7,1		-4,3	-39%
Net change in financial and other provisions	-12,6		-23,7	-12,1		-15,4	27%
Share in earnings of affiliates	-68,9		41,7	-50,6		40,1	n.a.
Pre-tax income	-499,0		885,2	-281,7		629,2	n.a.
Deferred tax	64,6		32,8	43,5		25,8	-41%
Corporate income tax	-30,1		-46,4	-23,9		-27,8	16%
Net income for the period	-464,5		871,4	-262,1		627,2	n.a.
Minority interests	202,4		-244,2				
Net income for the period (Group share)	-262,1		627,2	-262,1		627,2	n.a.

■ Rental income

Consolidated rental income amounted to €790 million as against €761 million in 2009, with Group share of €521 million compared to €526 million, down 0.9%.

In Group share, rental income fell by 0.9%. The acquisition, paid in shares, of the portfolio of 5 properties at end 2009, bringing Tower CB21 online and the full consolidation of the Vélizy Campus and IBM portfolios largely compensate for the decrease in Beni Stabili ownership and the 2009 and 2010 sales.

On a consolidated basis, rental income rose by 3.7%. In Group share, the decline in rental income in Italy is linked to the decrease in Beni Stabili holdings and is largely compensated by increased rental income from the French Offices business and by increased Service Sector rental income from the hotel and leisure industries

■ Net rental income and rate property expenses

€ million	31 Dec 10		31 Dec 09 Pro-forma		Change (%)	
	Group share	Total	Group share	Total	Group share	Total
Rental income	521,3	789,6	526,0	761,1	-0,9%	3,7%
Unrecovered rental costs	-17,2	-23,5	-17,2	-22,2	0,0%	5,9%
Expenses on properties	-6,0	-9,1	-9,0	-11,7	-33,3%	-22,2%
Net expenses on unrecoverable receivables	-4,2	-5,9	-2,3	-2,9	n.a.	n.a.
Total Net Rental income	493,9	751,1	497,5	724,3	-0,7%	3,7%
Rate for expenses on properties	5,3%	4,9%	5,4%	4,8%		

Group share of net rental income fell by €3.6 million, or -0.7%, for a 0.09% decrease in rental income boosted by improvement in the rate of expenses, which fell from 5.4% to 5.3%.

■ Operating costs

€ million	31 Dec 10		31 Dec 09 Pro-forma		Change (%)	
	Group share	Total	Group share	Total	Group share	Total
Management and administration revenues	27,0	24,2	29,7	20,9	-9,0%	15,7%
Activity-related costs	-4,5	-5,8	-5,4	-6,8	-17,4%	-15,2%
Committed fixed costs	-62,4	-76,3	-68,0	-79,0	-8,2%	-3,4%
Development costs	0,0	0,0	-0,4	-0,4	n.a.	n.a.
TOTAL NET OPERATING COSTS	-39,9	-57,9	-44,1	-65,3	-9,6%	-11,3%

Group share net operating costs stood at €39.9 million at December 31, 2010 (€57.9 million consolidated total), compared to €44.1 million at December 31, 2009 (€65.3 million consolidated total), down 11.3%.

Group share of management and administration income includes primarily services invoiced to subsidiaries, property management fees, and the services of the fund management company, Beni Stabili Gestioni SGR.

Business-related expenses, down 15.2% on a consolidated basis (17.4% in Group share) consist primarily of valuers' fees and maintenance on our operating buildings.

Overhead costs fell 3.4% (8.2% Group share), demonstrating control of our costs. These consist mainly of payroll (€39.6 million consolidated), legal fees, auditors' fees, costs for premises, communications and IT.

■ Income from other activities

Income from other activities concern car parks and finance leasing.

■ Depreciation and provisions

Allowance for depreciation and other provisions over the period consist primarily of depreciation on operating buildings and car parks.

■ Adjustment in fair value of assets

The income statement shows adjustments in asset value based on appraisals performed on the portfolio. For 2010, the adjustment in fair value of investment assets was positive, with €378.1 million Group share (€537.4 million in total).

The Group share of operating results thus rose from €40.7 million at December 31, 2009 to €1288.1 million at December 31, 2010.

■ Result of changes in scope

The result corresponds mainly to the negative goodwill on the purchase of the IBM portfolio.

■ Financial aggregates

Net cost of financial debt for the year rose from -€301.5 million to -€341.3 million consolidated.

In 2009, this calculation included non-recurring income from Beni Stabili's purchase of IMSER bonds for €41 million; adjusting for this amount, the cost of financial debt was -€342.5 million, an improvement of 0.3% in 2010.

The 2010 fair value adjustment on financial instruments came to -€76.2 million (-€52 million Group share) at December 31, 2010 compared to -€143.8 million (-€98.8 million Group share) at December 31, 2009 as a result of the continuing fall in interest rates between end 2009 and end 2010.

■ Share of earnings of associated companies

Companies	% interest	Value 31 Dec 2010	Contribution to earnings	Value 31 Dec 2009	Change
FDL	34,09%	419,20	41,2	414,5	4,7
Altarea	12,06%	107,60	-0,1	115,6	-8,0
OPCI IRIS INVEST	4,97%	21,10	2,0	0,0	21,1
Other equity interests		8,70	-1,5	11,3	-2,6
Total		557	41,6	541,3	15,3

■ Tax

The tax recorded corresponds to:

- Non-French companies not subject to a specific system for real estate activities
- French subsidiaries that have not opted for the SIIC real estate trust system,
- French SIIC subsidiaries with a taxable activity (provision of services, etc.)

■ Net recurring income and restatements

Group share (€ million)	2009	2010	Change	%
Net rental income	499,8	498,1	-1,7	-0,3%
Net operating costs	-24,2	-26,6	-2,4	9,9%
Income from other activities	10,6	10,4	-0,2	-1,9%
Cost of net financial debt	-203,9	-202,7	1,2	-0,6%
Recurrent net income from equity affiliates	39,1	37,2	-1,9	-4,9%
Margins on residential sales	10,8	14,8	4,0	37,0%
Recurrent tax	-27,9	-23,0	4,9	-17,6%
Recurrent net income	304,3	308,2	3,9	1,3%
Recurrent net earnings per share	6,86	5,92	-0,9	-13,7%
Fair value adjustment on real estate assets	-324,2	378,1	702,3	na
Other asset value adjustments	-79,2	2,9	82,1	na
Fair value adjustment on financial instruments	-98,8	-52,0	46,8	na
Other	-112,4	-33,9	78,5	na
Non-recurrent tax	48,2	21,0	-27,2	na
Net income	-262,1	627,2	889,3	na

	Net income Group share	Restatements	Recurrent net income
Net rental income	493,9	4,2	498,1
Operating costs	-39,9	13,2	-26,7
Income from other activities	10,4	0,0	10,4
Depreciation of operating assets	-2,2	2,2	0,0
Net change in provisions and other	26,3	-26,3	0,0
Current operating income	488,5	-6,6	481,9
Net income from inventory properties	-3,2	3,2	0,0
Income from asset disposals	2,8	-2,8	0,0
Income from value adjustments	378,1	-378,1	0,0
Income from disposal of securities	0,2	-0,2	0,0
Income from changes in scope	12,1	-12,1	0,0
Operating income	878,5	-396,6	481,9
Income from non-consolidated companies	1,8	-1,8	0,0
Cost of net financial debt	-219,4	16,7	-202,7
Value adjustment on derivatives	-52,0	52,0	0,0
Discounting of liabilities and receivables	-4,3	4,3	0,0
Net change in financial provisions	-15,4	15,4	0,0
Share in earnings of affiliates	40,1	-2,9	37,2
Margins on residential sales	0,0	14,8	14,8
Pre-tax net income	629,3	-298,1	331,2
Deferred tax	25,8	-25,8	0,0
Corporate income tax	-27,8	4,8	-23,0
Net income for the period	627,2	-319,0	308,2

■ Net recurring EPRA income and restatements

Group share (€ million)	2009	2010	Change	%
Net rental income	497,5	493,9	-3,6	-0,7%
Net operating costs	-44,8	-37,9	6,9	-15,4%
Income from other activities	10,6	10,4	-0,25	-2,4%
Cost of net financial debt	-203,9	-202,7	1,2	-0,6%
Recurrent net income from equity affiliates	39,1	37,2	-1,95	-5,0%
Recurrent tax	-27,9	-23,0	4,9	-17,6%
EPRA recurrent net income	270,6	277,8	7,2	2,7%
EPRA recurrent net earnings per share	6,11	5,33	-0,78	-12,8%
Fair value adjustment on real estate assets	-324,2	378,1	702,3	n.a.
Other asset value adjustments	-79,2	2,9	82,1	n.a.
Fair value adjustment on financial instruments	-98,8	-52,0	46,8	n.a.
Other	0,5	-3,5	-4	n.a.
Non-recurrent tax	48,2	21,0	-27,2	n.a.
Net income	-262,1	627,2	889,3	n.a.

	Net income Group share	Restatements	EPRA recurrent net income	
Net rental income	493,9	0,0	493,9	
Operating costs	-39,9	2,0	-37,9	(1)
Income from other activities	10,4	0,0	10,4	
Depreciation of operating assets	-2,2	2,2	0,0	
Net change in provisions and other	26,3	-26,3	0,0	
Current operating income	488,5	-22,1	466,4	
Net income from inventory properties	-3,2	3,2	0,0	
Income from asset disposals	2,8	-2,8	0,0	
Income from value adjustments	378,1	-378,1	0,0	
Income from disposal of securities	0,2	-0,2	0,0	
Income from changes in scope	12,1	-12,1	0,0	
Operating income	878,5	-412,1	481,9	
Income from non-consolidated companies	1,8	-1,8	0,0	
Cost of net financial debt	-219,4	16,7	-202,7	
Value adjustment on derivatives	-52,0	52,0	0,0	
Discounting of liabilities and receivables	-4,3	4,3	0,0	(2)
Net change in financial provisions	-15,4	15,4	0,0	
Share in earnings of affiliates	40,1	-2,9	37,2	
Pre-tax net income	629,3	-328,5	300,7	(3)
Deferred tax	25,8	-25,8	0,0	
Corporate income tax	-27,8	4,8	-23,0	
Net income for the period	627,2	-349,5	277,8	

- (1) Costs related to Beni Stabili migration to SIQ
(2) Financial costs allocated to development
(3) Non-cash share of earnings of companies under the equity consolidation method

D. BALANCE SHEET

■ Consolidated balance sheet (EPRA format)

(€ million)	2009	2010	2009	2010
Non-current assets	0	0	Shareholders' equity	0
	0,0	0,0	Capital	151,9
Intangible assets	156,4	165,0	Additional paid-in capital	2454,7
	0,0	0,0	Treasury stock	-31,5
Tangible assets	158,4	157,2	Consolidated reserves	1104,5
Investment properties	11 262,7	11 801,6	Earnings	-262,1
	0,0	0,0	Total shareholders' equity Group share	3 417,4
Financial assets	94,7	87,6	Minority interests	1390,1
Equity affiliates	541,3	556,6	Total shareholders' equity (I)	4 807,4
Deferred tax assets	122,3	29,2		0
Financial instruments	1,1	34,8	Non-current liabilities	0
	0,0	0,0	Long-term borrowings	7125,4
	0,0	0,0	Financial instruments	599,1
Total non-current assets (I)	12 336,9	12 832,1	Deferred tax liabilities	315,1
Current assets	0,0	0,0	Pension and other liabilities	2,8
Assets held for sale	950,7	999,2	Other long-term debt	13,0
Loans and finance lease receivables	14,8	8,1	Total non-current liabilities (III)	8 055,4
Inventories and work-in-progress	117,3	98,6	Current liabilities	0
Trade receivables	95,7	150,4	Trade payables	69,4
Current tax	12,5	3,1	Short-term borrowings	681,4
Other receivables	223,9	183,1	Tenant security deposits	11,7
Accrued expenses	9,2	11,9	Advances and deposits received on current	98
Cash and cash equivalents	191,6	414,7	Short-term provisions	57,7
	0,0	0,0	Current tax	4,3
	0,0	0,0	Other debt	122,6
Total current assets (II)	1 615,7	1 869,2	Accruals	44,7
Non-current assets available for sale (III)	0,0	0,0	Total current liabilities (IV)	1 089,8
Total assets (I+II+III)	13 952,6	14 701,3	Total liabilities (I+II+III+IV)	13 952,6
				14 701,3

■ Simplified Group Share Balance Sheet

Assets	2010	Liabilities	2010
Fixed assets	8 042	Shareholders' equity	3 864
Equity affiliates	557	Borrowings	4 612
Deferred tax assets	21	Financial instruments	327
Financial instruments	26	Deferred tax liabilities	85
Cash	254	Other	309
Other	297		0
Total	9 197	Total	9 197

■ Simplified Consolidated Balance Sheet

Assets	2010	Liabilities	2010
Fixed assets	12 832	Shareholders' equity	3 864
Current assets	455	Minority interests	2 163
Cash	415	Shareholders' equity	6 028
Non-current assets held for sale	999	Borrowings	7 482
	0	Other liabilities	1 191
Total	14 701	Total	14 701

■ Shareholders' equity

Consolidated shareholders' equity (Group share) rose from €3,417 million at December 31, 2009 to €3,864 million at December 31, 2010, up €447 million, due primarily to:

- Capital increase during the year:
 - exercise of share purchase warrants (BSAs) and stock options : +€205 million
 - payment of the Foncière des Régions share dividend: +€99 million

• Impact of the 2009 dividend distribution:	-€472 million
o payment in Beni Stabili shares:	-€181 million
o payment in Foncière des Régions shares at €65	-€99 million
o payment in cash :	-€60 million
o loss on distribution of Beni Stabili shares:	-€132 million
• Loss on sale of Beni Stabili shares	-€40 million
• Net income for the year:	+€627 million

■ Net debt

The Group's total financial debt stood at €7,482 million on a consolidated basis, with €4,971 million Group share. Net debt at December 31, 2010 totalled €7,067 million, with a Group share of €4,358 million. Group share fell by 18% since 31 December 2009 due to disposals, capital increases, cash flow and a reduction in Beni Stabili holdings.

■ Provisions for contingencies and liabilities

Provisions for contingencies and liabilities of €56.8 million correspond primarily to a provision for tax litigation set aside in 2009 for the Italian Offices business (€42.4 million, Group share €22 million).

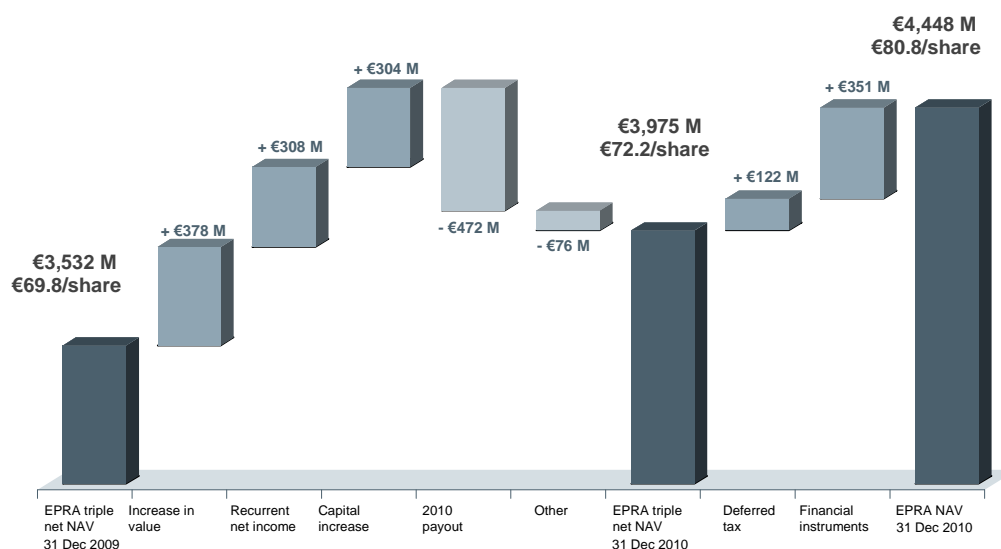
■ Other debt

Other current and non-current debt includes €564 million for financial instrument liabilities and €144 million in deferred tax liability on non-French and non-SIIC companies. Deferred tax fell sharply after Beni Stabili shifted to a SIIQ tax system.

6. NET ASSET VALUE (NAV)

A. CALCULATION OF EPRA TRIPLE NET NAV

	2009	2010	Change vs 2009	Change vs 2009 %
EPRA NAV (€ million)	4 146,2	4 447,8	301,6	7,3%
EPRA NAV per share (€)	82,0	80,8	-1,2	-1,5%
EPRA triple net NAV (€ million)	3 532,5	3 974,8	442,3	12,5%
EPRA triple net NAV per share (€)	69,8	72,2	2,4	3,4%



	2009	2010	Change vs 2009	Change vs 2009 (%)
NAV (€ million)	3 612,2	4 011,6	399,4	11,1%
NAV per share (€)	71,4	72,9	1,5	2,1%
NAV (€ million) excl. financial instruments	4 005,9	4 362,2	356,3	8,9%
instruments	79,2	79,2	0,0	0,1%

These calculations were made in accordance with IFRS rules, based on the number of shares outstanding at December 31, 2010, corrected for the dilution effect. Potential dilution results from the exercise of options and free shares.

	(€ million)	€/share
Shareholders' equity	3 864,3	70,2
Restatements	0	0
Fair value assessment of buildings (operation + inventory)	11,5	0,2
Fair value assessment of parking facilities	24,1	0,4
Fair value assessment of goodwill	12,6	0,2
BS inflation swap	4,0	0,1
Altaréa NAV	28,6	0,5
Restatement of value excl.duties	29,7	0,5
EPRA triple net NAV	3 974,8	72,2
Financial instruments	350,6	6,4
Deferred tax	122,3	2,2
EPRA NAV	4 447,7	80,8

1. BASIS OF NET ASSET VALUATION – SHAREHOLDERS' EQUITY:

The real estate portfolio held directly by the Foncière des Régions Group was fully appraised at December 31, 2010 by appraisers that are members of AFREXIM – including DTZ Eurexi, CBRE, JLL, Atis Real and others -- based on common specifications developed by the company in line with industry practices.

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

Car parks are valued based on a capitalisation of the EBITDA generated by the business.

Other assets and liabilities are valued based on IFRS values from the consolidated financial statements; the application of fair value related primarily to the valuation of hedges on the debt. The level of exit tax is known and incorporated into the financial statements for all the companies that have opted for the tax transparency system.

For companies owned jointly with other investors, only the Group share has been taken into account.

2. PRINCIPAL ADJUSTMENTS MADE

■ Fair valuation of buildings and goodwill

In accordance with IFRS, operating buildings, buildings under development -- except those covered by IAS 40 (revised) - and buildings in inventory are valued at their historical cost. To take the appraisal value into consideration, a value adjustment has been made to the NAV for a total of €11.5 million.

Since goodwill is not valued in the consolidated financial statements, a restatement is made to the NAV to recognise its fair value (as calculated by the appraisers) for a total of €12.6 million at December 31, 2010.

■ Fair valuation of car parks

Car parks are valued at historical cost in the consolidated financial statements. In the NAV, a restatement is applied to factor in the appraised value of these properties, as well as the impact of land leases and subsidies received in advance. The impact on NAV at December 31, 2010 represents €24.6 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 €31 million restatement at December 31, 2010.

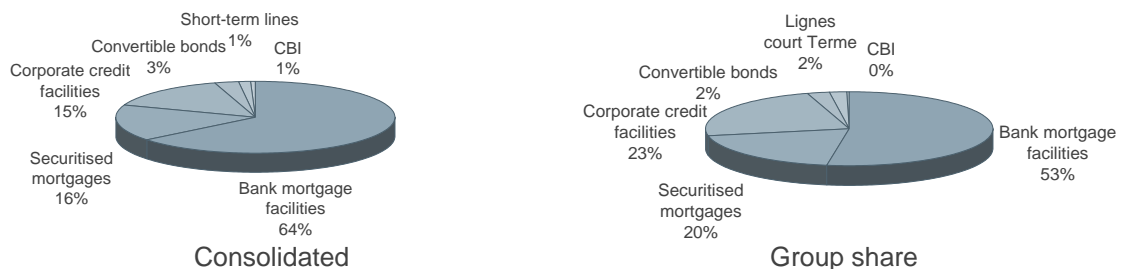
7. FINANCIAL RESOURCES

A. MAIN CHARACTERISTICS OF DEBT

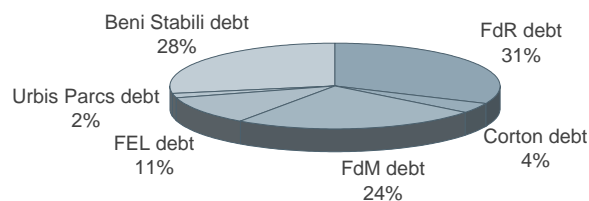
	2009	2010
Net debt, Group share (€ million)	5 334	4 358
Average annual rate of debt (Group share)	4,60%	4,39%
Spot rate at 31 December	4,63%	4,23%
Average maturity of debt, Group share (in years)	4,1	3,4
Debt hedging rate, Group share (swap + fixed rate)	87%	85%
Average maturity of hedging	4,8	5,3
LTV (Group share)	55,6%	49,0%
ICR (Group share)	2,06	2,28

1. DEBT BY TYPE

At December 31, 2010, gross debt on Foncière des Régions' balance sheet totalled €7.5 billion, with €5.3 billion Group share.



The majority of Foncière des Régions' debt is based on mortgages raised as the portfolios were acquired. Its subsidiary Beni Stabili also has 2 convertible bond issues, maturing in 2011 and 2015.



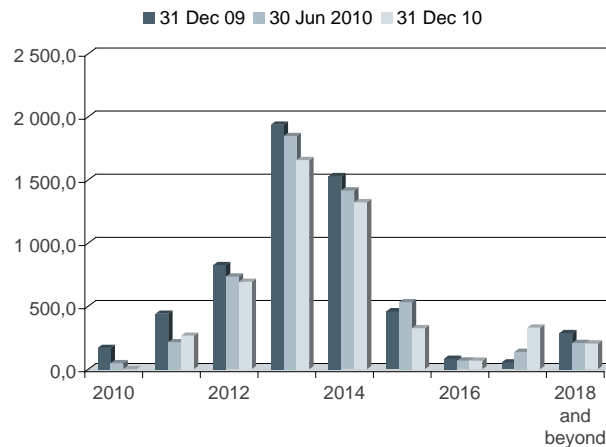
2. DEBT MATURITY

The average term of Foncière des Régions' debt was 3.4 years at December 31, 2010 (Group share). The main debt maturities are in 2013 and 2014.

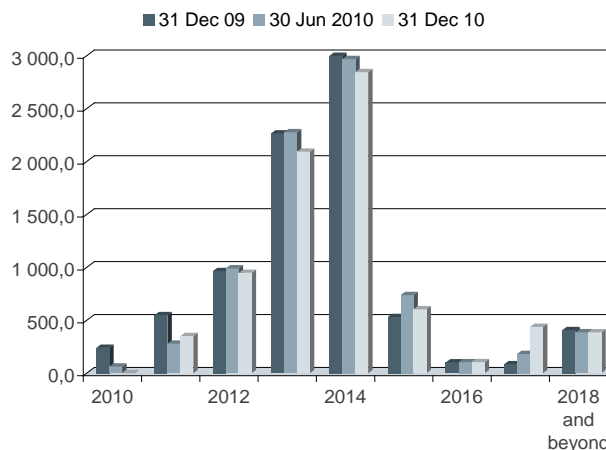
The 2011 and 2012 maturities involve primarily:

- contractual debt repayments of €74 and €118 million, respectively (Group share);
- various maturities on credit facilities for Foncière des Régions for €232 million (Group share)
- maturity of a mortgage loan (in 2012 for €157 million Group share)

The following chart summarises the due dates for debt on a Group share basis (amount of the total commitment).



The following chart summarises the due dates for consolidated debt (amount of total commitment).



3. PRINCIPAL CHANGES OVER THE PERIOD

■ New debt

- Refinancing of properties in the Eiffage and ETDE portfolios

In January 2010, Foncière des Régions refinanced the properties leased to Eiffage and ETDE, which had been purchased in 2008. This €50 million debt, with a 6-year term, refinanced the acquisition, which had been carried out entirely with shareholder equity.

- New financing

At the end of May 2010, debt finance of €107.5 million was raised. With a 7-year maturity, it was secured by 3 of the 5 properties that Foncière des Régions acquired in December 2009.

- Refinancing of the Beni Stabili convertible bonds

During the first half of 2010, Beni Stabili issued a new convertible bond with a 6-year term for €225 million, intended to refinance the convertible bond maturing at the end of 2011.

- Refinancing Tower CB21

In early October 2010, following the leasing of Tower CB 21 to Suez Environnement, a 7-year debt of €270 million was raised to refinance the debt secured by this asset.

■ Change in scope/Repayments

- IBM

In June 2010, Foncière des Régions acquired 75% of the assets of a real estate portfolio occupied primarily by IBM. This portfolio is financed by an existing mortgage facility in a nominal amount of €27 million.

- Repayments (Group share) - first half 2010

In 2010, Foncière des Régions cancelled or repaid around €861 million in debt, of which €446 million is part of the refinancing of existing exposure.

B. COST OF THE DEBT AND RATE RISK HEDGING

■ Hedging profile

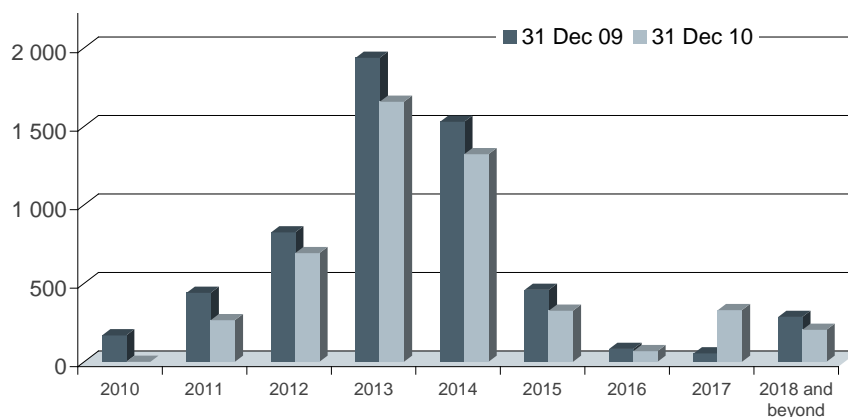
The framework for the hedging policy did not change in the first half of 2010, with 100% of debt hedged, including at least 75% based on firm hedges, all maturing after the maturity of the debt.

Further to the debt reduction program launched in 2008, Foncière des Régions continued to optimise its hedging portfolio during 2010.

To benefit from low interest rates, the company decided to cancel its short-term swaps as well as floor purchases. In addition, the company took advantage of the reduction in long-term rates to extend the maturity of certain hedging instruments, while reducing their notional and strike prices.

Based on net debt at December 31, 2010, Foncière des Régions is 85% firm hedged (Group share), compared with 87% at the end of 2009, and 100% in total (88% on the basis of active hedging), versus 108% at year-end 2009 (98% on the basis of active hedging).

The average term of hedging is 5.3 years in Group share (and also 5.3 years consolidated), 1.9 years longer than the average term of debt, in line with the Group's objectives.



■ Average debt rate and sensitivity

The average rate of Foncière des Régions' bank debt came to 4.39% on a Group share basis, compared with 4.60% in 2009. This decrease primarily reflects the hedge restructuring and allowed us to profit from the drop in interest rates (3-month EURIBOR at an average 1.22% over 2009, compared with an average 0.82% for 2010), impacting our debt that is not hedged with swaps but slightly offset by the increase in our average margin and the cost of short-term debt.

For reference, a further 50 bp drop in the 3-month EURIBOR rate would have a €3.8 million positive impact on 2011 recurring net income, with a €3.9 million negative impact in the event of a 50 bp increase in rates, representing around 1.4% of recurring net income.

C. FINANCIAL STRUCTURE

Except for the debt facility covered by securitisations, the debt of Foncière des Régions and its subsidiaries is combined with bank covenants (ICR and LTV) relating to the consolidated accounts which, in the event of non-compliance, could constitute a case for early repayment of the debt. These covenants are determined on a Group share basis for Foncière des Régions and consolidated for covenants applying to Foncière des Régions' subsidiaries.

At December 31, 2010, the LTV covenant represented 70% for Foncière des Régions and Foncière des Murs, and 65% for Foncière Europe Logistique.

The consolidated ICR covenant threshold varies considerably from one real estate company to another, depending on the type of assets held, although they are consistent from one debt facility to another for the same real estate firm:

- For Foncière des Régions: 190% 190%
- For Foncière des Murs: between 165% and 200%.
- For Foncière Europe Logistique: 150% 150%

All of these financial covenants were met at December 31, 2010.

Foncière des Régions' consolidated ratios were 49.0% for the LTV and 228% for the ICR at December 31, 2010, compared with 55.6% and 206%, respectively, at December 31, 2009.

■ LTV calculation details

Group share (€ million)	2009	2010
Net book debt (Group share)	5 334	4 358
Preliminary sale agreements	-160	-187
Receivables on disposals	-34	-7
Security deposits received	15	0
Finance lease-backed debt	-35	-17
Net debt (Group share)	5 121	4 147
Appraised value of real estate assets	8 763	8 042
Preliminary sale agreements	-160	-187
Financial assets	51	42
Goodwill	16	13
Share of equity affiliates	541	557
Value of assets (Group share)	9 211	8 466
LTV	55,6%	49,0%

In most cases, these covenants, broken down by accounting type and consolidated, are also combined with specific covenants for the scope of the financing (most of the Group's debt is backed by portfolios). These "Scope" covenants (more specifically, "Scope LTV") are based on thresholds that are usually less restrictive for Group companies than the thresholds for consolidated covenants.



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