

10 February 2011

## Income growing strongly Strengthened financial structure

	2010	2009	Change (%)
Consolidated turnover (€ millions)	203.5	196.8	+ 3.4%
Recurring net income (€ millions)	107.2	96.0	+ 11.6%
Recurring net income per share	€2.10	€1.92	+ 9.4%
EPRA NAV (€ millions)	1,409.4	1,113.3	+ 26.6%
EPRA NAV per share	25.0	22.3	+ 12.1%
Proposed dividend per share	1.45	1.40	+ 3.4%

### Income growing strongly

#### - Recurring net income of € 107.2 million, up 11.6%:

Foncière des Murs' consolidated turnover was **€ 203.5 million** at 31 December 2010, up 3.4% versus 2009.

Like-for-like, Foncière des Murs' revenue was up 4.4%, including an increase of 6.8% in hotel revenue during 2010, as well as the positive effect of lease indexation in the restaurant, health and leisure sectors.

Net recurring income of **€ 107.2 million**, versus € 96.0 million in 2009, reflected growth of 11.6%. Posted against average number of shares outstanding during the year, recurring net income was € 2.10 at 31 December 2010, compared to € 1.92 at 31 December 2009, up 9.4%.

Net income for the year totalled € 260.7 million, versus -€ 168.5 million in 2009. This included the positive impact of the increased asset value of € 187.3 million, as well as the negative impact of the change in value of financial hedging instruments, of € 26.4 million.

**- NAV of € 1,409.4 million, up 26.6%:**

At 31 December 2010, Foncière des Murs' assets were valued at € 3,124 million excluding duties, up 4.6% over the 2nd half of 2010 on a like-for-like basis. For 2010 as a whole, the value of outstanding assets was up 6.7% like-for-like.

This increase was due to Foncière des Murs' solid foundations: asset liquidity, an average firm lease duration of nearly nine years, an occupancy rate of 100% with top-tier tenants, and growth in turnover in the hotel segment in 2010.

EPRA NAV totalled **€ 1,409.4 million**, or € 25/share, at 31 December 2010, versus € 1,113.3 million, or € 22.3/share, at 30 June 2010, up 26.6%. This growth is due to the positive change in values and the capital increase.

EPRA Triple Net NAV totalled € 1,221.5 million, or € 21.6/share, versus € 936.9 million, or € 18.8/share at 31 December 2009.

## **Dynamic asset management**

**- Good liquidity of hotel assets: € 203.6 million in disposals and signed sale agreements**

Foncière des Murs sold 10 assets (including nine hotels) during fiscal year 2010, for a net sale price of € 90 million.

Since the beginning of the year, Foncière des Murs has also signed 16 agreements involving the sale of 14 hotels, one restaurant and one nursing home [EHPAD], for a total price of € 113.6 million.

Sales of hotels subject to variable leases, specifically to private investors, for prices higher than appraised values, confirm the liquidity of Foncière des Murs' assets.

**- Growth activities:**

During fiscal year 2010, Foncière des Murs completed 2 operations:

- An operation with Accor, in partnership with Predica, a subsidiary of Crédit Agricole Assurances, dealing with the acquisition of a portfolio of 49 hotels located in France, Germany and Belgium, for a total investment of € 378 million. Foncière des Murs' investment totalled 20% of the deal, i.e., approximately € 76 million. The lease payments on these hotels are proportional to their turnover,
- A operation with B&B, in July 2010, dealing with the acquisition of 19 hotels in France and Germany. Foncière des Murs' total investment was some € 85 million. For the hotel located at Porte des Lilas, France, Foncière des Murs signed a VEFA sale agreement for € 20 million. The 18 German assets will be acquired in the first quarter of 2011. Lease payments by B&B are indexed fixed lease payments.

These two deals had no impact on Foncière des Murs' income statement in 2010.

### **- Collaboration with tenants:**

Foncière des Murs continued its policy of collaborating with existing tenants, specifically by signing 22 new leases, securing € 12.9 million in annualised lease payments with firm periods from 9 to 12 years. The firm residual duration of the leases came out to 8.7 years.

### **A strengthened financial structure**

In October 2010, Foncière des Murs undertook a capital increase of € 97 million.

Thus, Foncière des Murs continued to strengthen its financial structure in the second half. Net debt represented 54.3% of asset value, versus 60.8% at 30 June 2010 and 61.7% at 31 December 2009, due to the positive change in values and a significant reduction in net debt during fiscal year 2010.

The average rate on the debt fell to 4.43%, compared to 4.57% at 31 December 2009, with an average maturity of 3.4 years. The spot rate of Foncière des Murs' debt at 31 December 2010 was 4.06%.

The ICR ratio, which is clearly improving, was 2.31 at 31 December 2010, versus 2.08 at 31 December 2009.

### **Dividend up, to € 1.45/share**

During fiscal year 2010, a proposal will be made to the General Shareholders' Meeting to pay a dividend of € 1.45/share, i.e., a total dividend of € 81.8 million, up 17% over the 2009 dividend of € 70 million, or € 1.40/share.

The total proposed dividend represents 76% of recurring net income.

### **Outlook**

In 2011, Foncière des Murs will seek to continue its ongoing policy of asset turnover and of dynamic asset management, based specifically on its privileged relationship with its tenants. Foncière des Murs is also seeking to strengthen its status as a European leader in business premises by implementing new partnerships.

Foncière des Murs expects its recurring net income to increase in 2011.

#### About Foncière des Murs

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

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

#### **Contacts: Foncière des Murs**

Dominique Ozanne – Deputy General Manager

Tel.: 01 58 97 54 20

[dominique.ozanne@fdr.fr](mailto:dominique.ozanne@fdr.fr)

Read this press release at [www.foncieredesmurs.fr](http://www.foncieredesmurs.fr)