

2009 Consolidated Income Statement

STRONG GROWTH IN CURRENT PROFIT

Net rents: €62.8m (-1.1%)
Current profit: €16.7m (+89.4%)
Net profit: -€2.7m (vs. -€37.3m)
Operating cash flow: €74.1m (+55.3%)
Value of property portfolio (transfer taxes included): €1,089m (-4.9% on a like-for-like basis)
Net asset value (excluding transfer taxes): €29.7 per share

Affine's Board of Directors, meeting on 5 March 2010, approved the audited financial statements for the fiscal year 2009.

Within a difficult economic situation, Affine continued its strategy of yield oriented property company, and privileged its strategy of refocusing through targeted disposals and investments.

1) STRONG GROWTH IN CONSOLIDATED CURRENT PROFIT (+89%)

Despite continuing growth in rents (+5.1%), rental revenues were slightly lower (-1.1%) due to highest marketing fees. The Group also continued to record reductions in the contribution from lease financing activities (€3.8m vs. €5.9m) and posted a near-zero margin for development transactions (vs. €2.2m in 2008). Consequently, operating margin was down 7.6%. The financial vacancy rate (excluding Banimmco and buildings under renovation) was 7.9% as at 31 December 2009, up from year-end 2008 (6.0%), reflecting the Group's expectations given the current economic conditions.

Current profit was nevertheless €16.7m, a strong increase (+89.4%). This gain was attributable to the marked improvement in financial income (+12.1%), which was driven by the fall in interest rates beginning in the summer of 2008 and a reduction in debt levels, a significant drop in operating expenses (-4.8%), and repayment of a tax carry-back (€5.1m).

An aggressive policy of property disposals (€163m, of which €117m for Banimmco) resulted in the recognition of capital gains that were 3.6 times greater than the prior year, bringing current income after disposals to €41.5m, up 163.0%.

Despite the additional negative impact of the change in fair value of buildings (-€43.7m) and financial instruments (-€7.6m), net profit accordingly improved strongly (-€2.7m versus -€37.3m in 2008).

2) SIGNIFICANT INCREASE IN OPERATING CASH FLOW (+55%)

Strengthened by this strong improvement in current profit, the Group's cash flow (excluding the cost of debt and income taxes) rose 8.6% to €54.3m. The strong improvement in WCR

(€18.0m vs. -€1.4m), primarily attributable to the disposal of the Azuqueca platform (€14.5m), resulted in a marked increase in operating cash flow (+55.3%) to €74.1m.

3) MODEST DECLINE IN THE VALUE OF THE PROPERTY PORTFOLIO (-4.9%)

The fair value of the property portfolio was €1.089 billion (transfer taxes included), down slightly (-4.6%) compared to year-end 2008, resulting primarily from the change in fair value on a like-for-like basis (-4.9%) in the first half. The significant disposals were to a large extent offset by €130.8m in investments: new transactions (centrally located retail premises in Arcachon, Nîmes and Paris) and capex on buildings in the portfolio.

As a result, Net Asset Value (excluding transfer taxes), after deducting quasi-equity, fell €39.5m (-14.1%) compared to year-end 2008, and reached an amount of €241.1m at year-end 2009, or €29.7 per share. Despite a 25% increase in 2009, Affine shares (at €16.25) were still priced at a 45.3% discount as at 31 December. Transfer taxes included, NAV per share was €35.9.

4) ROBUST FINANCIAL STRUCTURE

As at 31 December 2009, the Group's net financial debt was €693m (versus €754m at year-end 2008) and represented 1.7 times equity. For rental property activities in the strict sense of the word, the LTV ratio (net bank debt/market value of the buildings, transfer taxes included, excluding acquisitions in anticipation of completion and including companies accounted for by the equity method) was 58.1% (versus 56.6% at year-end 2008), due to the decline in value of the buildings and despite the significant reduction in financial debt.

This debt is well controlled due to:

- access to bank financing at a satisfactory cost. Over €150m in new credits were instituted during the year, to finance new investments and refinance assets in the portfolio;
- an average cost over the year of 3.8% in 2009 (hedging costs included);
- the Group's variable rate debt being almost completely hedged against rate risk;
- an average debt maturity of 6.3 years (excluding Banimm).

Finally, no loan was subject to mandatory partial or total early repayment as at 31 December due to a failure to comply with the financial ratios that were required to be reported at that date.

5) DIVIDEND INCREASED BY 20%

Given the Group's strong results, it will be proposed to the Annual General Meeting of 23 April 2010 that a total dividend of €1.2 per share be paid (i.e. a total de €9.7m) for the 2009 fiscal year, of which an interim payment of €0.3 was already paid in November 2009, versus €1.0 for the prior year. This dividend sets the return on an Affine share to 7.4% based on the share price as at 31 December 2009.

6) OUTLOOK

The commercial real estate market seems to have reached its final stage in terms of decline of transaction volumes and increase in capitalisation rates, which proved to be particularly high given the inflation and interest rates, prompting a recovery for the better locations. However, the economic crisis may continue to negatively impact the financial situation of tenants.

Given these conditions, the Group will continue its strategy focused on improving the quality and profitability of its portfolio, continuing to dispose of non-strategic assets, and making targeted acquisitions of buildings or portfolios offering relative high returns; the effects of these measures will largely be seen in the 2011 financial statements.

7) CALENDAR

- 23 April 2010: Annual General Meeting
- 14 May 2010: 1st quarter revenues
- 17 May 2010: Payment of the balance of the dividend (€0.90)
- 10 September 2010: Results for the first half of 2010

CONSOLIDATED INCOME STATEMENT

(€m) ⁽¹⁾	2007⁽⁵⁾⁽⁶⁾	2008⁽⁵⁾⁽⁶⁾	2009⁽⁶⁾
Investment properties	57.0	63.5	62.8
Lease finance	7.8	5.9	3.8
Property development	10.5	2.2	0.0
Miscellaneous	2.1	1.1	0.6
Operating margin ⁽²⁾	77.6	72.9	67.3
Financial income ⁽³⁾	(29.1)	(35.5)	(31.2)
Operating expenses and miscellaneous	(31.0)	(25.7)	(24.5)
Corporate income tax	(4.2)	(2.8)	5.1
Current profit	13.3	8.8	16.7
Net capital gains on disposals	28.9	7.0	24.8
Current income after disposals	42.2	15.8	41.5
Change in fair value of properties	27.8	(46.9)	(43.7)
Change in fair value of financial instruments	1.8	(12.6)	(7.6)
Miscellaneous ⁽⁴⁾	11.5	(0.4)	0.2
Deferred tax net of Exit Tax	8.3	6.8	6.9
Net income (loss)	91.6	(37.3)	(2.7)
Of which Group share	78.2	(37.5)	(5.7)

(1) Based on IFRS statements in a business presentation.

(2) Excluding change in fair value.

(3) Excluding profit from dilution and change in fair value.

(4) Share of companies consolidated using the equity method, change in goodwill, net profit from activities that have been discontinued or are being sold, in 2007 dilution profit related to the Banimmo IPO, and in 2009 a capital gain of €9.0m on the sale of Altaréa shares.

(5) Profit from Abcd was included until the date it was removed from the scope of consolidation in 2008 and totalled €0.17m.

(6) To more clearly reflect the components of net profit and its changes, BFI's contribution only appears under the heading "After- tax profit from businesses that have been discontinued or are being sold", i.e. "Miscellaneous" in this presentation.

Auditing of the consolidated financial statements has been completed. The certification report is under process.

About the Affine Group.

The Affine Group is structured around three property companies:

- *Affine, a property company with French REIT (SIIC) status, listed on NYSE Euronext Paris, acts as an investor (offices, warehouses, retail space) throughout France; it is also a credit institution due to its leasing activities. Affine shares are included in the SBF 250 (CAC Small 90), SIIC IEIF and EPRA indexes. As at 31 December 2009, its market capitalisation was approximately €132 million and its property portfolio was valued at €630 million, transfer taxes included.*
- *Banimmo, a Belgian real estate company listed on NYSE Euronext Brussels and Paris, is owned by Affine (50%) and the company's management (28.8%). It is primarily engaged in repositioning and renovating buildings in Belgium, France and Luxembourg. As at 31 December 2009, its market capitalisation was about €172 million and its assets were estimated at €340 million including transfer taxes, with rental properties representing €240 million.*
- *AffiParis, a French REIT (SIIC) listed on NYSE Euronext Paris, specialises in commercial property in Paris. As at 31 December 2009, its market capitalisation was €23 million and the value of its assets was €219 million including transfer taxes.*

The Group also has various subsidiaries, including Concerto Développement, which specialises in logistics engineering.

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