

FY09 Results



Presentation of March 9, 2010



Affine Group

Summary

Market overview

Refocusing strategy

Group's asset portfolios

Development of group companies

Analysis of 2009 annual accounts

A robust financial model

Affine on the stock market

Strategy and outlook



Market overview

Market overview

Investment picks up cautiously in Q4

Climate favourable, in theory, to real estate investment

- Low interest rates since 2009

Sharp drop (-40%) in investments in 2009 to 7.6 billion euros

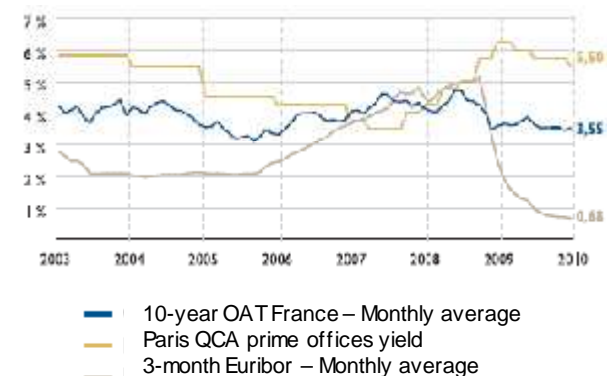
- Limited credit market
- Transactions blocked: reduced supply and wait-and-see demand
- Upturn in final quarter

The return of foreign institutional investors

- Volumes in Q4 09 back to pre-crisis level
- Higher competition in Paris

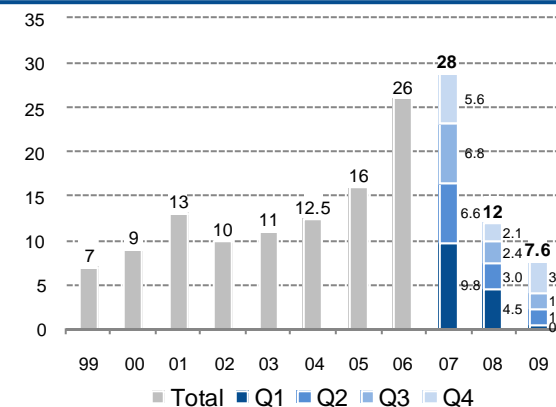


Financial risk-free rates and real estate yields



Source: BCE / France TRESOR / COLLIERS UFG PM

Volumes invested in corporate real estate in France (€M)



Source: COLLIERS UFG PM

Market overview

Rental market under pressure

Reduced demand for office space

- Market more competitive (rationalisation of space by tenants...)
- Rental values down
- Growth in inventories slowed down at year end
- Future supply down

A difficult market for warehouses and industrial properties

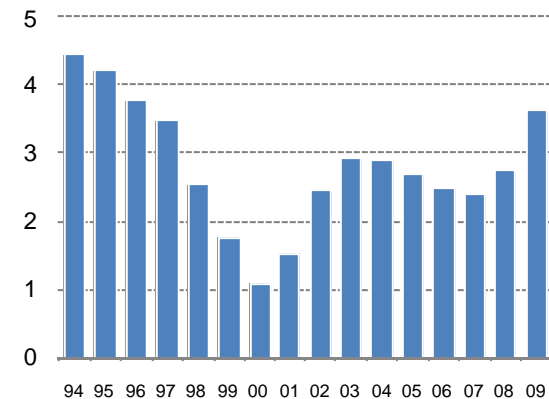
- Longer time to let
- Freeze on new building starts

Retail property holding up

- No major bankruptcies but a tricky year for retailers' turnover figures
- Major retailers cautious, but some are ambitious
- Long and difficult negotiations
- Preparing for post-crisis?

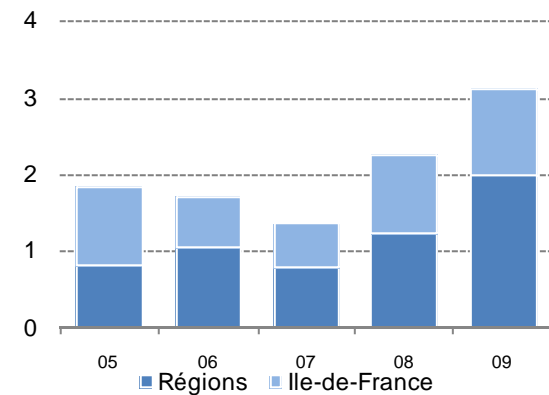


Trends in immediate supply in offices in IDF region (Millions sqm)



Sources : CB Richard Ellis and Immostat

Trends in immediate supply in warehouses in IDF region (Millions sqm)



Sources : CB Richard Ellis



Refocusing strategy

Refocusing strategy

Accelerated simplification in 2009

Focus on rental property business

- Affine (re-balancing of portfolios)
- AffiParis (improvement in rents)
- Banimmo (holding some buildings longer in view of current climate)

2009 saw continuation of business pruning

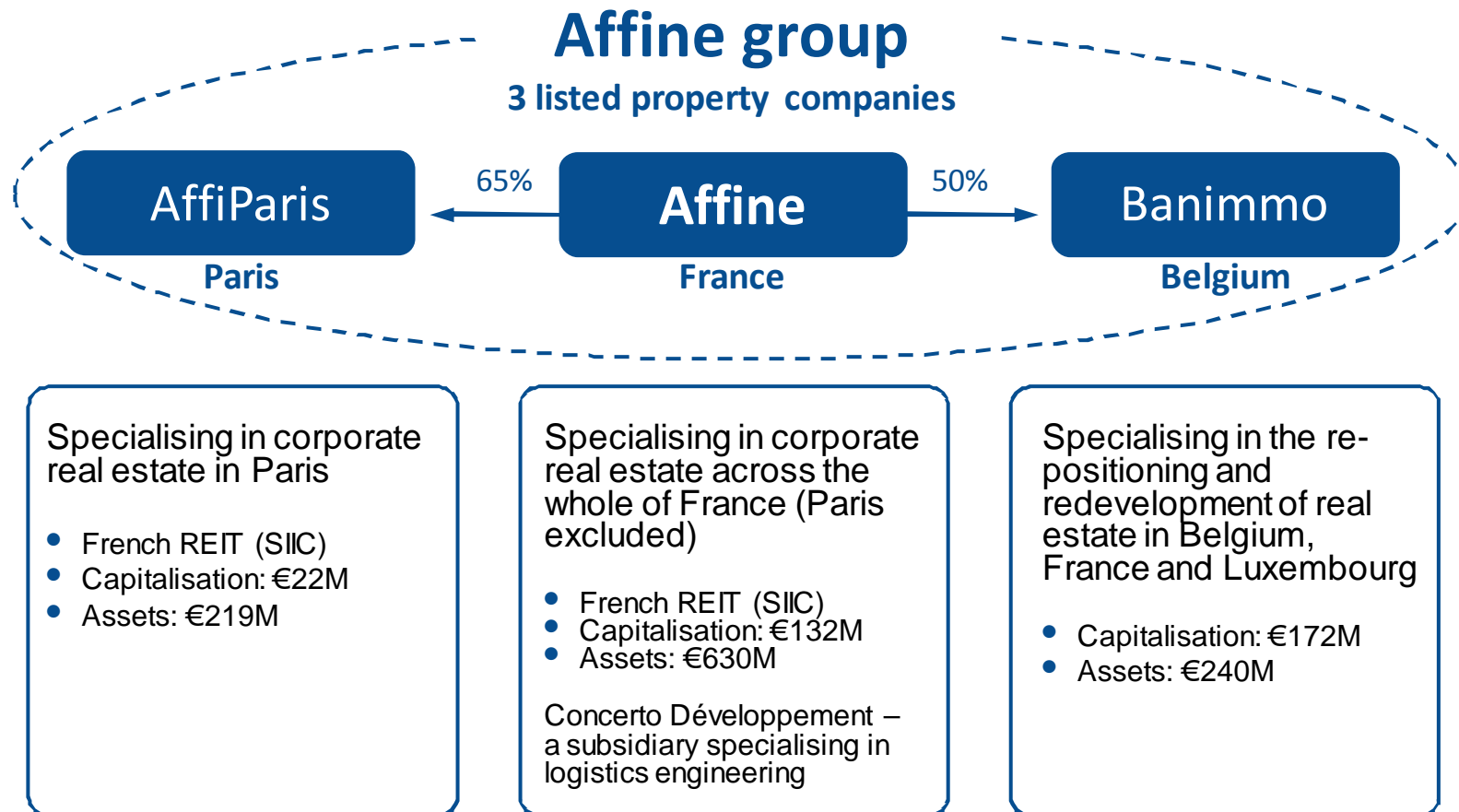
- Discontinuation of Promaffine
- Discontinuation of Concerto Développement Iberica
- Disposal of Business Facility International (BFI)
- Disposal of Altaréa stake



Group simplification give greater transparency for the market

Refocusing strategy

A group organised around 3 property companies



Simplification strategy

Strengthening ties with tenants

Moving closer to tenants

- Better knowledge of their needs and plans
- Improve their comfort
 - *One Affine manager dedicated to each building or site generating more than €2M in rents:
Baudry / Bordeaux / Saint Etienne / Nîmes*
- Control costs, including those invoiced to tenants
- Fully internalise the management of rents and expenses

A single technical “property” for all buildings

Active search for new tenants

- 59 new leases and 20 lease renewals (total: 132,000 sqm)



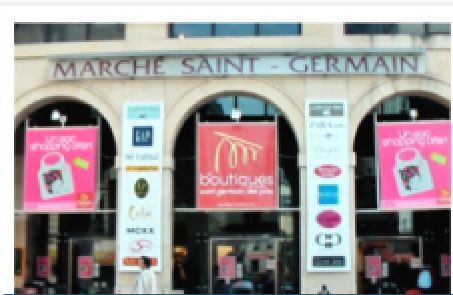
Improved asset management

Simplification strategy

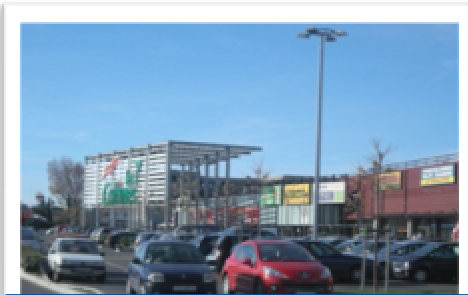
Portfolio rebalancing toward retail



Arcachon: €13.0M

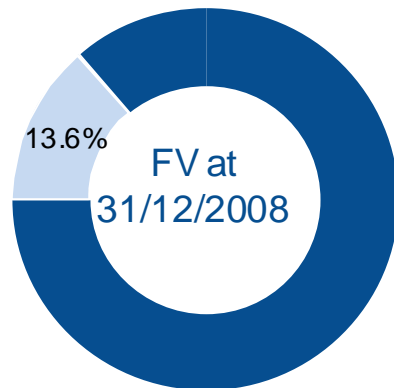


Paris Saint Germain des Près:
€29.6M



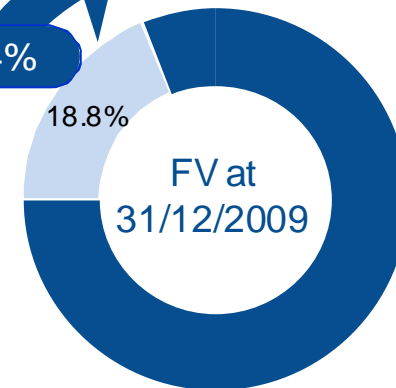
Nîmes: €36.3M

€78.9M in investments in City centre retail properties



Increase in retail property share

+44%



Improved portfolio diversification

Simplification strategy

Disposals aimed at rationalisation and arbitrage

€44M for Affine and AffiParis
rationalisation and arbitrage disposals



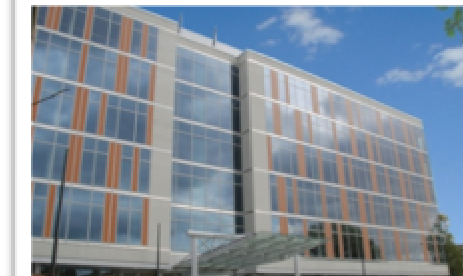
Simplification strategy

Disposals repositionned buildings

When added to the sales of Banimmco, makes a total of
€163m



Atlantic House
Antwerp, Belgium: €30.8M

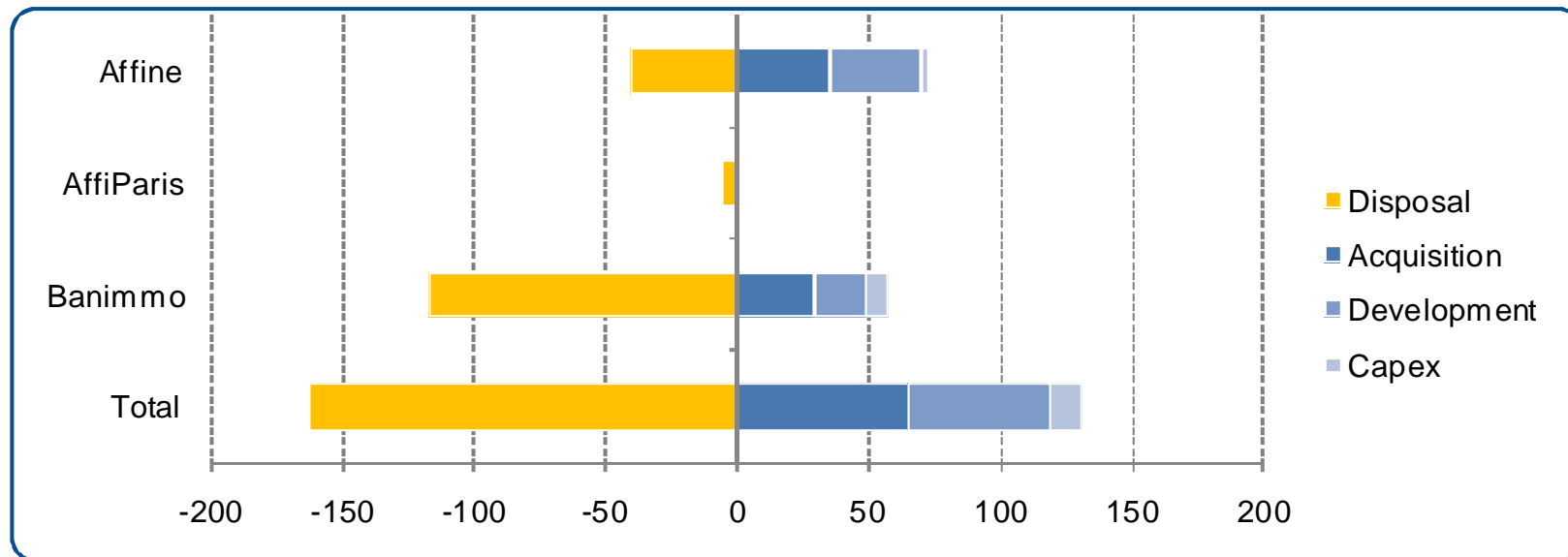


Sirius
Brussels, Belgium: €70.0M

Simplification strategy

Investments balance disposals

Balance between total investments and disposals (€ millions)



- High volume of acquisitions (€131M in total)
- Balance mainly due to two large Banimmo disposals: Sirius (€70.0M) and Atlantic House (€30.8M)



The group's properties

Group properties

Key figures

	31/12/07	31/12/08	31/12/09
Number of assets ⁽¹⁾	124	125	110
Total surface area	820,000 sqm	843,000 sqm	851,000 sqm
Investments ⁽²⁾	€164M	€194M	€131M
Disposals	€66M	€26M	€163M
Fair value (incl. TT)	€995M	€1,141M	€1,089M
Occupancy rate ⁽³⁾	94.5%	94.0%	92.1%
Gross rental invoices	€63.4M	€73.5M	€77.2M

(1) Including pre-sale contracts (VEFAs) under construction

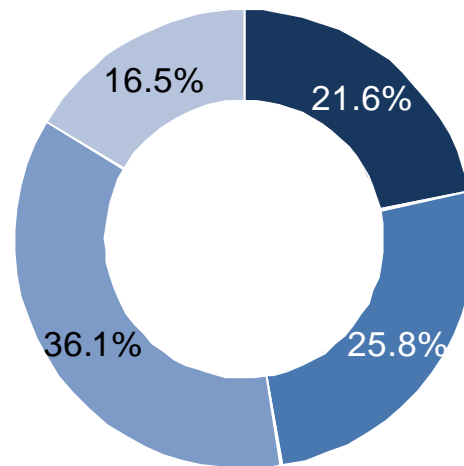
(2) Including external growth

(3) Except buildings being restructured and excluding Banimmco

Group properties

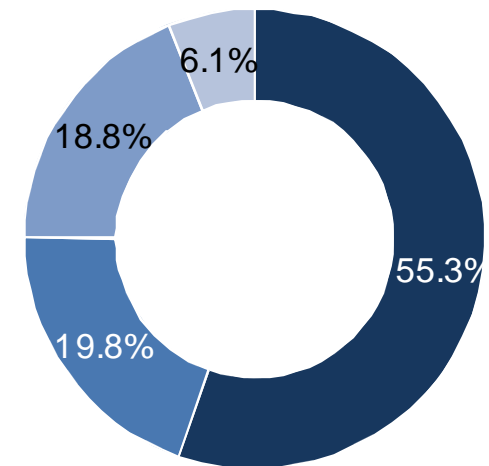
Diversified in value terms

By geographic split



- Paris
- Paris region excl. Paris
- Other regions in France
- Euro zone excl. France

By asset split



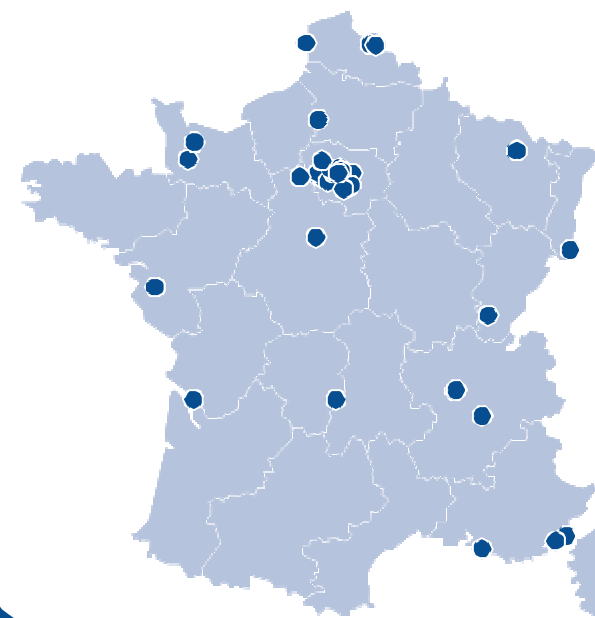
- Offices
- Warehouses
- Shopping centres
- Other

Group properties

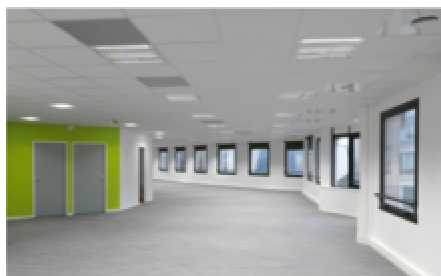
Office space

Figures

Value (€M)	574
Rents (€M)	42.6
Surface area (sqm)	302,000
Number of sites	66
Occupancy rate (%)	86.8
Current / potential return (%)	7.0 / 8.1
A selection of our tenants	Baker & McKenzie, TDF, Heidelberg, SNCF



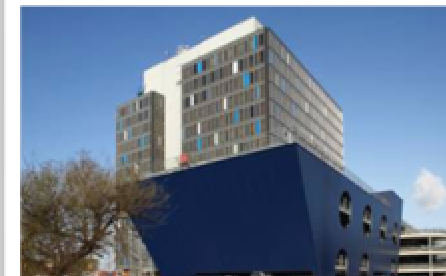
Important events



Renovation of an office building of 2,308 sqm in Issy-les-Moulineaux



Disposal of an office building of 29,600 sqm in Brussels Sirius: €70.0M



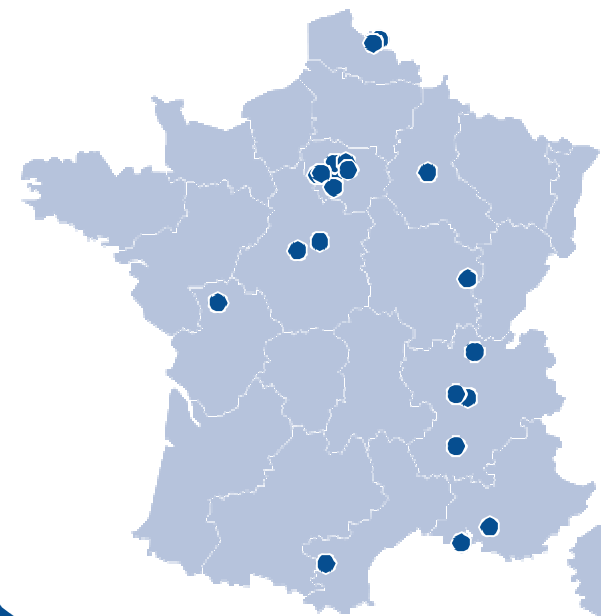
Disposal of an office building of 29,375 sqm in Antwerp, to the Atlantic House: €30.8M

Group properties

Warehouses and industrials

Figures

Value (€M)	206
Rents (€M)	17.6
Surface area (sqm)	414,000
Number of sites	25
Occupancy rate (%)	91.0
Current / potential return (%)	8.2 / 9.0
A selection of our tenants	BUT, EDIACAT, Carrefour, Wincanton, DHL, DSV



Important events



Delivering and leasing out of a logistics platform of 62,000 sqm in Mer on the outskirts of Blois



Delivery to Affine of a logistics platform of 10,500 sqm in Vilvorde on the outskirts of Brussels



New lease on a 30,000 sqm logistics site in Saint-Cyr-en-Val

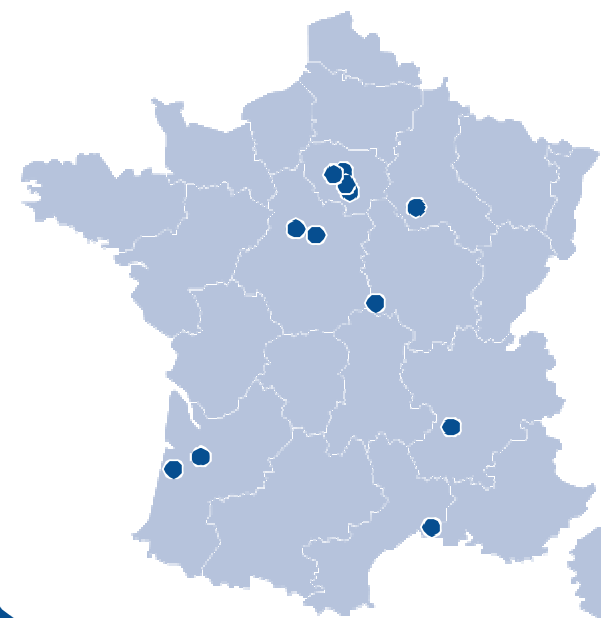


Group properties

Retail properties

Figures

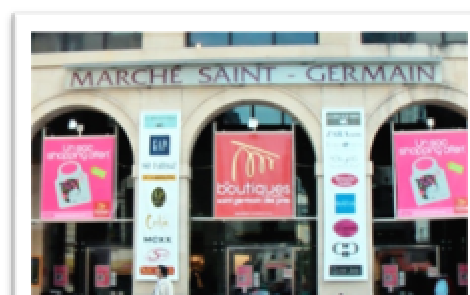
Value (€M)	155
Rents (€M)	10.4
Surface area (sqm)	104,000
Number of sites	14
Occupancy rate (%)	85.0
Current / potential return (%)	6.5 / 7.7
A selection of our tenants	Fnac, La Grande Récré, GAP, Nike, LCL



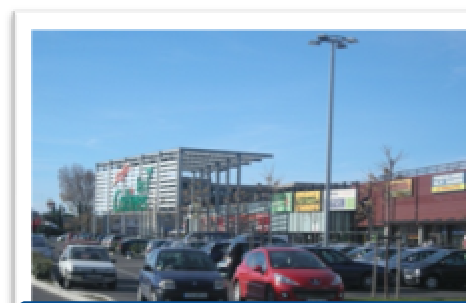
Important events



Acquisition through VEFA of 2,790 sqm of retail property in the centre of Arcachon
Delivery mid 2011



Acquisition of a retail gallery of 3,790 sqm in Paris in the Saint Germain des Prés quarter

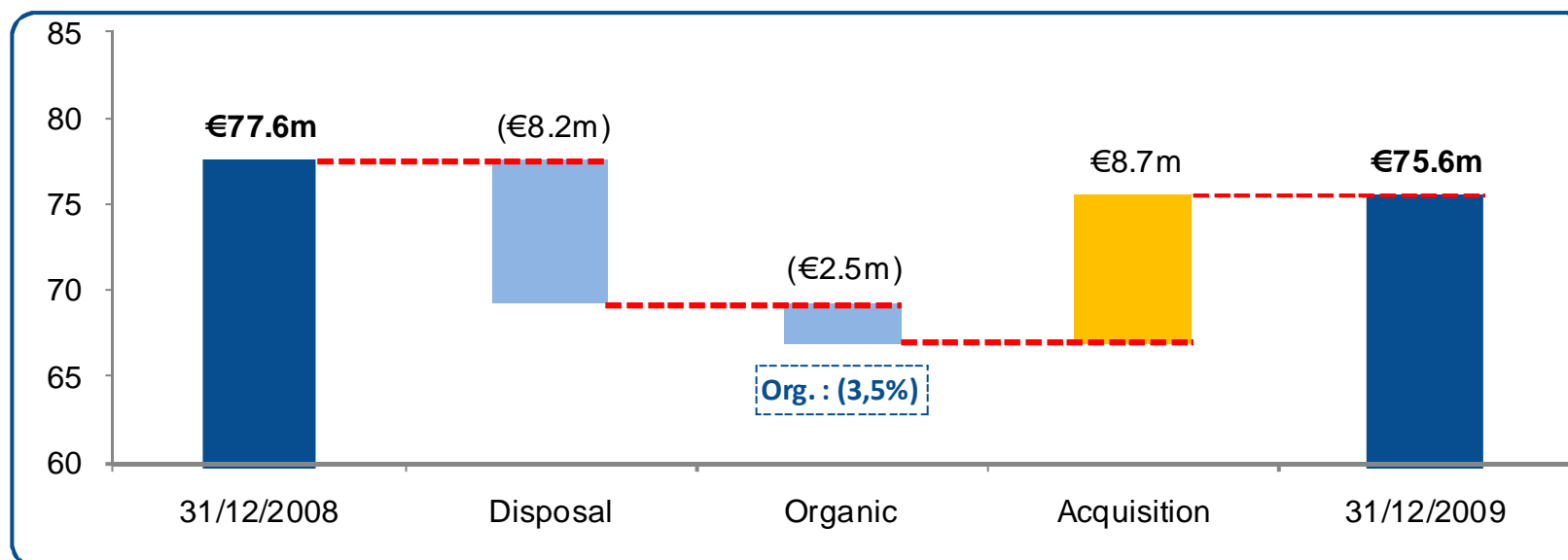


Acquisition of a retail mall of 17,500 sqm in the centre of Nîmes

Group properties

3.5% drop in rental income on a like-for-like basis

Trend in current rents



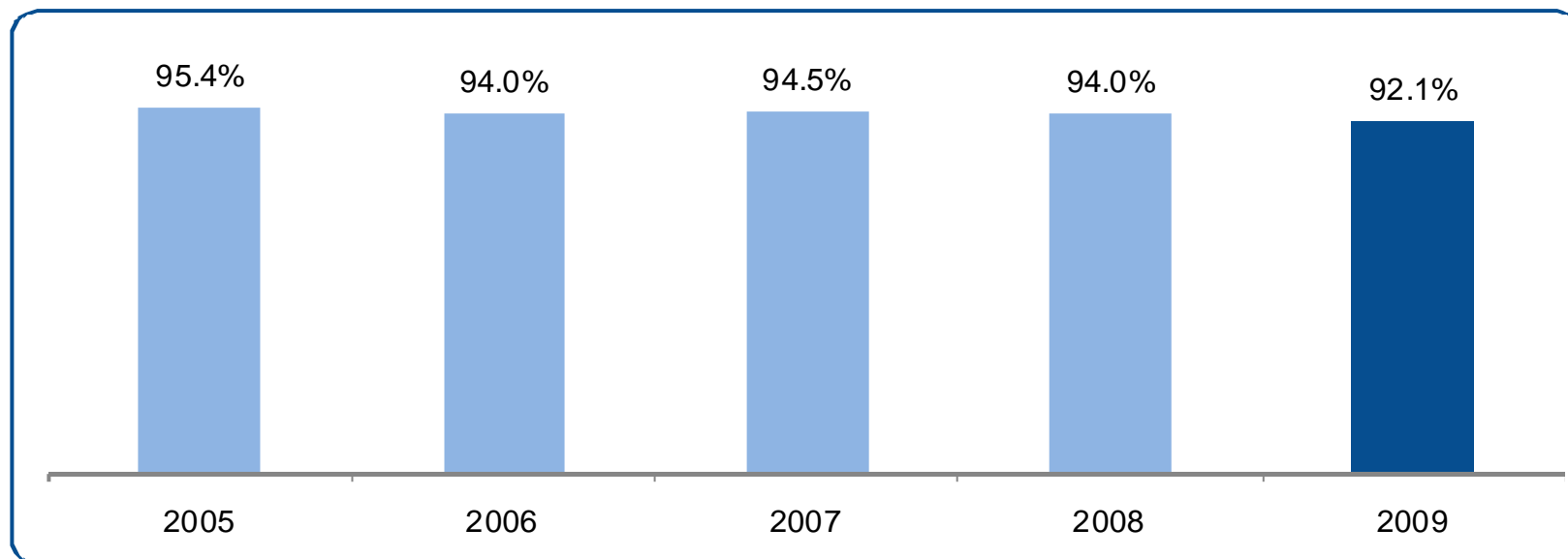
On a like-for-like basis factors were:

- Re-negotiations
- Application of index rises
- Occupancy rate decrease

Group properties

Limited increase in vacancy rate

Trend in occupancy rates (ex Banimmo)



- Rental activity is holding up well considering the average historical occupancy rate is between 94% and 95%

Group properties

Key figures

Leased

43,500 sqm; €4.9M

- 62,000 sqm in Mer (Logistics)
- 29,200 sqm in Saint-Cyr-en-Val (Logistics)
- 9,500 sqm in Leers (Logistics)
- 5,000 sqm in Saint Quentin Fallavier Logistics)
- 4,600 sqm in Zaventem, Belgium (Bureaux)
- 3,300 sqm in Brussels (Bureaux)
- 1,100 sqm in Paris, rue Chapon (Offices)

Renewals

88,400 sqm; €4.7M

- 32,000 sqm in Thouars (Logistics)
- 18,700 sqm in Vatry (Logistics)
- 5,900 sqm in Vitrolles (Logistics)
- 4,000 sqm in Saint Etienne (Retail)
- 3,550 sqm in Ulis (Offices)
- 3,200 sqm in Metz (Offices)

Cancellations

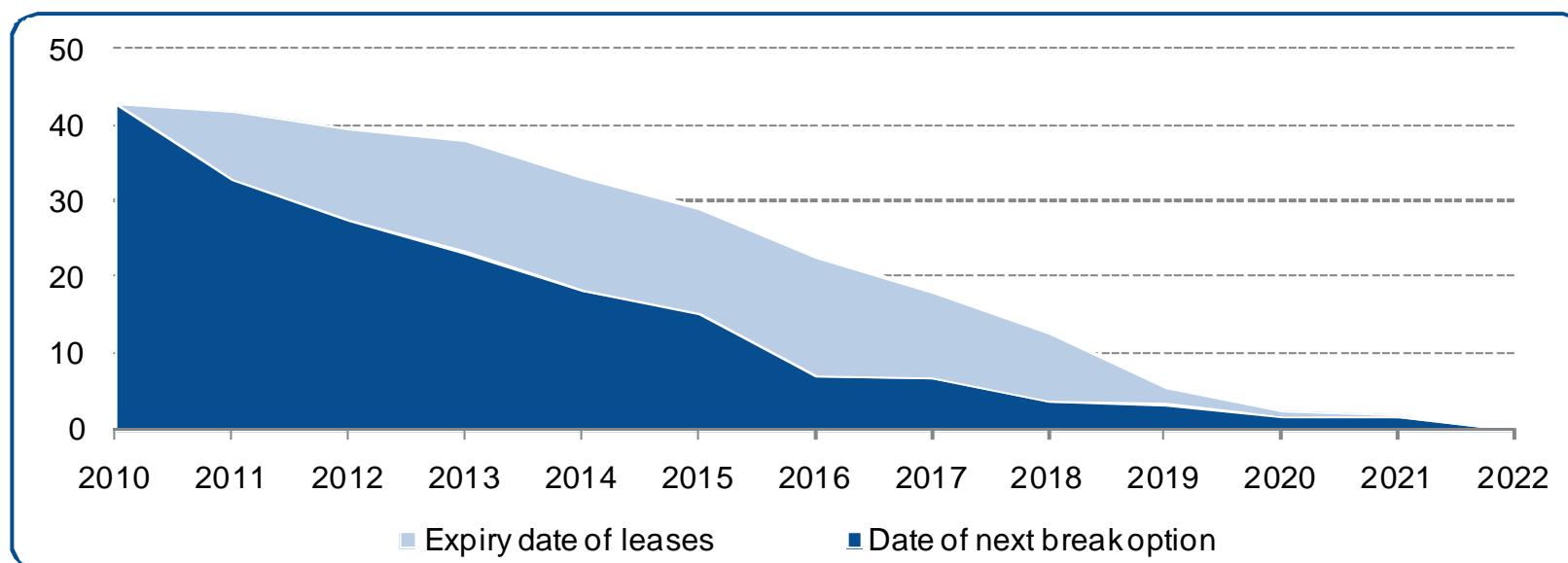
79,800 sqm; €8.0M

- 38,800 sqm in Saint-Cyr-en-Val (Logistics)
- 9,000 sqm in Mer (Logistics)
- 2,300 sqm in Issy-les-Moulineaux (Offices) being restructured
- 1,250 sqm in Lilles (Offices)
- 1,100 sqm in Paris, rue Chapon (Offices)

Group properties

Average rental duration 5.1 years

Trend in rent plotted against lease duration (ex Banimmo) (€M)

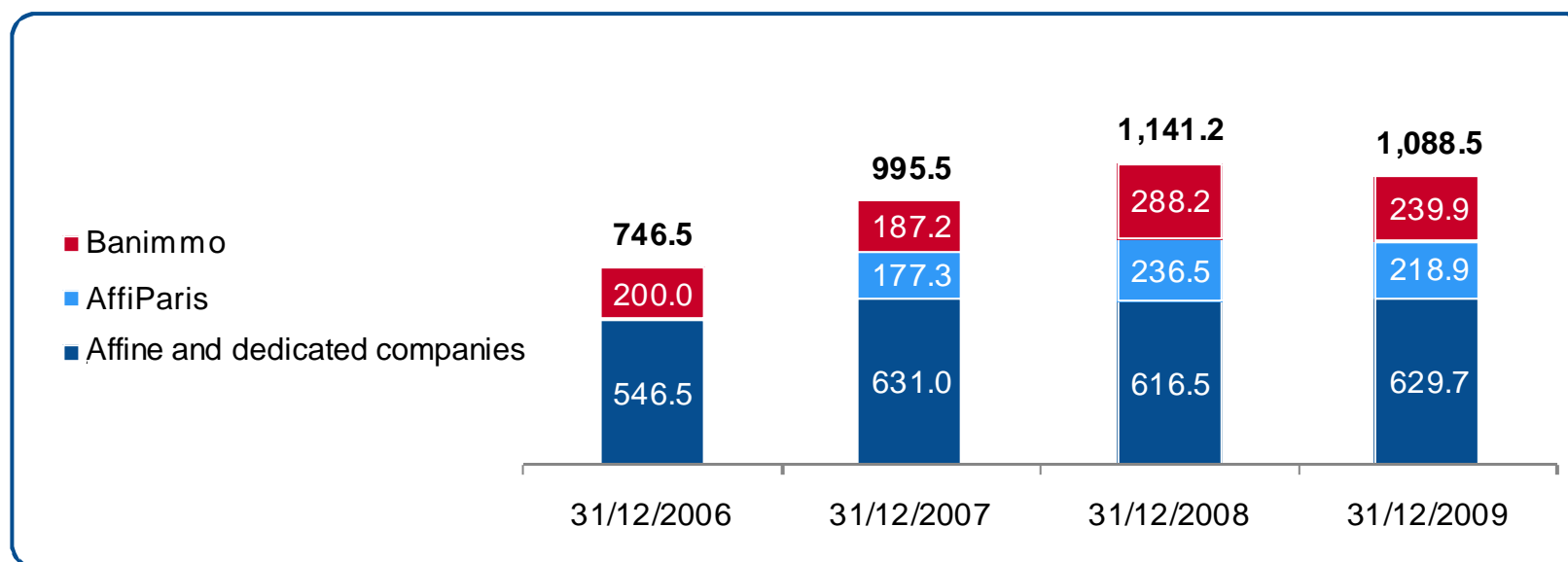


- Average time up to next break option: 2.9 years
- Average time up to lease expiry: 5.1 years

Group properties

Fair value down by 4.9%

Fair value including TT (in €M)

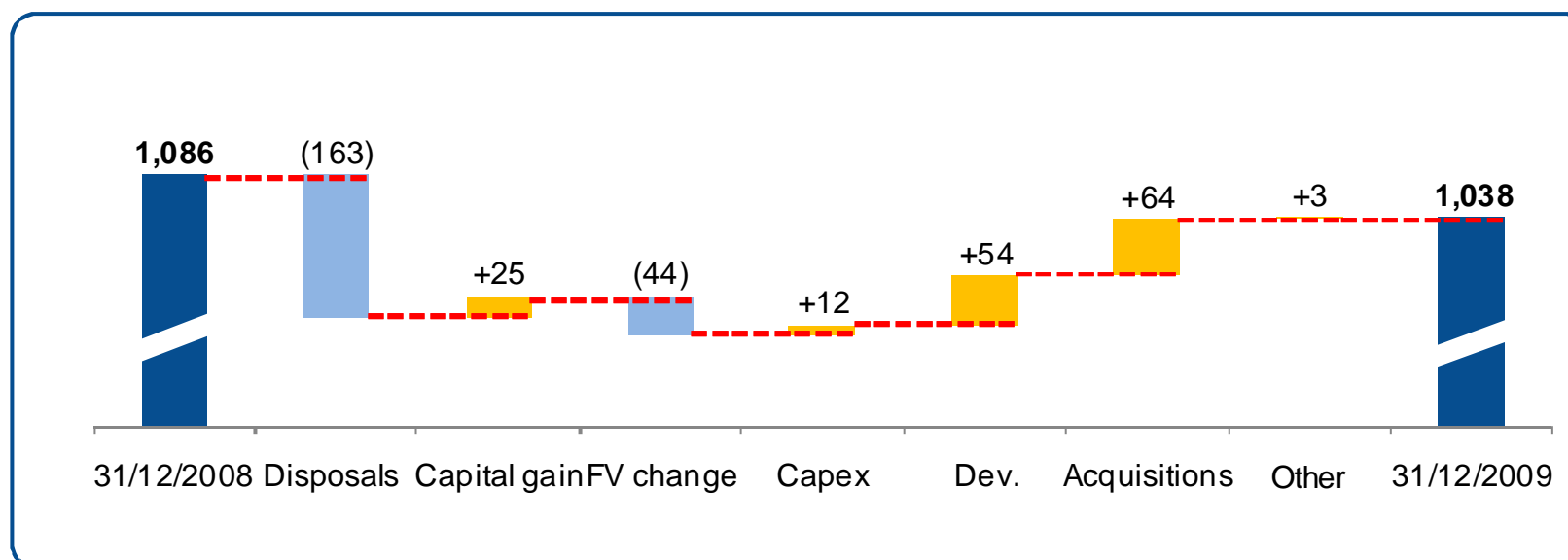


- 4.6% drop over 12 months
- Fair value down 4.9% on a like-for-like basis

Group properties

Unfavourable cap rate effect

Change in fair value excluding TT (in €M)



Breakdown of the 4.9% fall in fair value on a like-for-like basis

- Market rent effect: -1.1%
- Rate effect: -3.2%
- Other (including vacancy): -0.7%

Group properties

7.2% current yield

Return split by asset type, 31 December 2009

	Portfolio split	Current yield	Potential yield
Offices	55.3%	7.0%	8.1%
Warehouses	19.8%	8.2%	9.0%
Retail property	18.8%	6.5%	7.7%
Other	6.1%	7.7%	8.0%
Total	100.0%	7.2%	8.2%

Sensibility analysis of fair value to a 25bp change in yield

(€M)	Fair Value Excl. TT	Yield	Impact
Offices	574	7.3%	19.6
Warehouses	206	8.6%	5.9
Retail property	195	7.3%	5.7
Other	63	7.5%	1.3
Total	1,038	7.6%	32.5

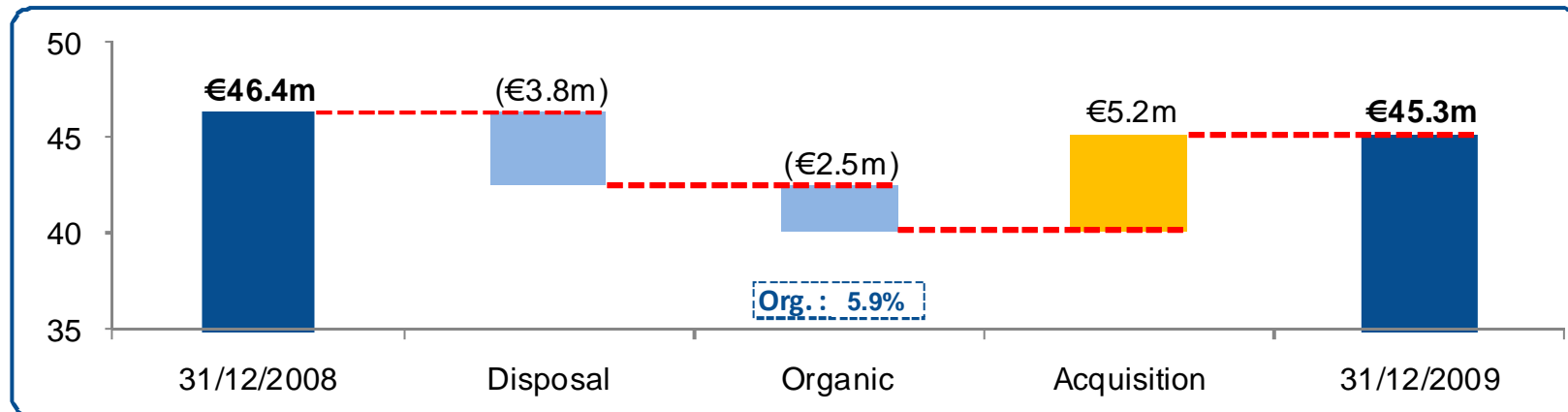


Development of group companies

Development of group companies

Affine | 7.7% yield

Trend in current rates



Return by type of assets

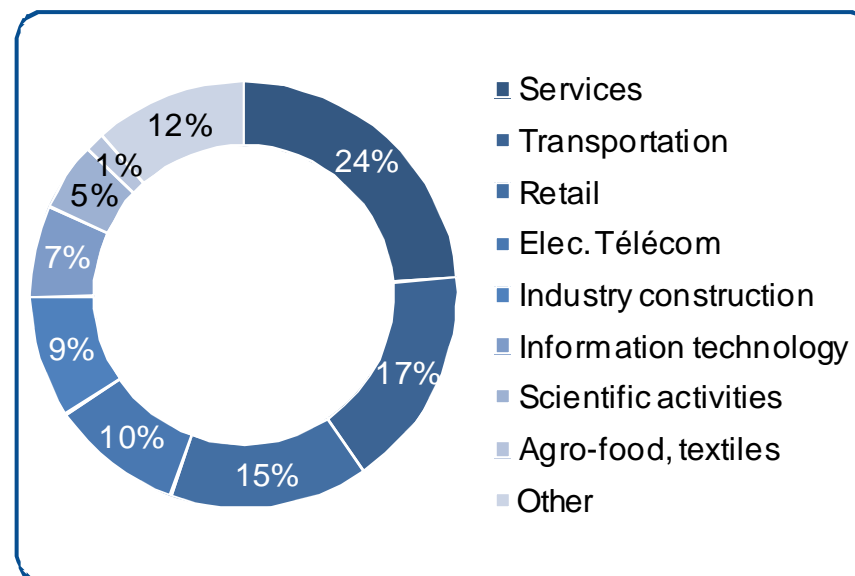
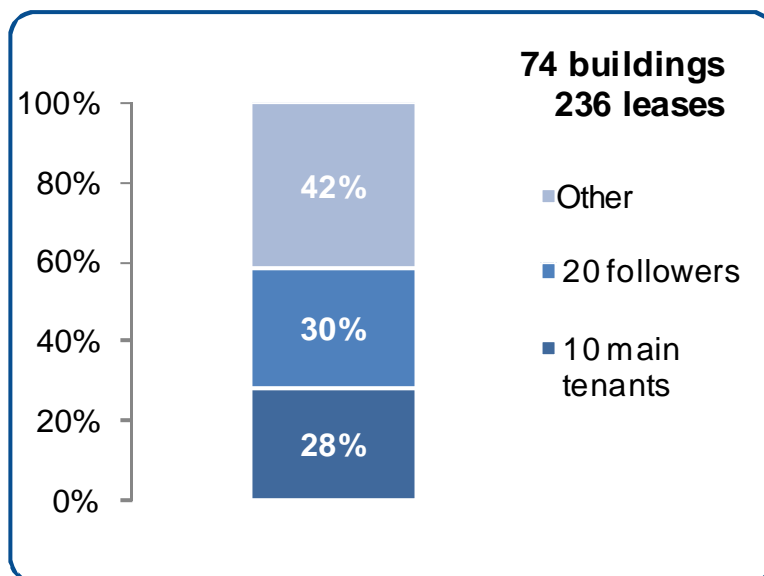
	Portfolio split	Current yield	Potential yield
Offices	37.4%	8.1%	9.0%
Warehousing	33.2%	8.1%	8.9%
Retail property	21.2%	6.4%	7.9%
Other	8.2%	6.6%	7.1%
Total	100.0%	7.7%	8.7%



Development of group companies

Affine | Tenants

Split of leases by tenant and type of occupancy

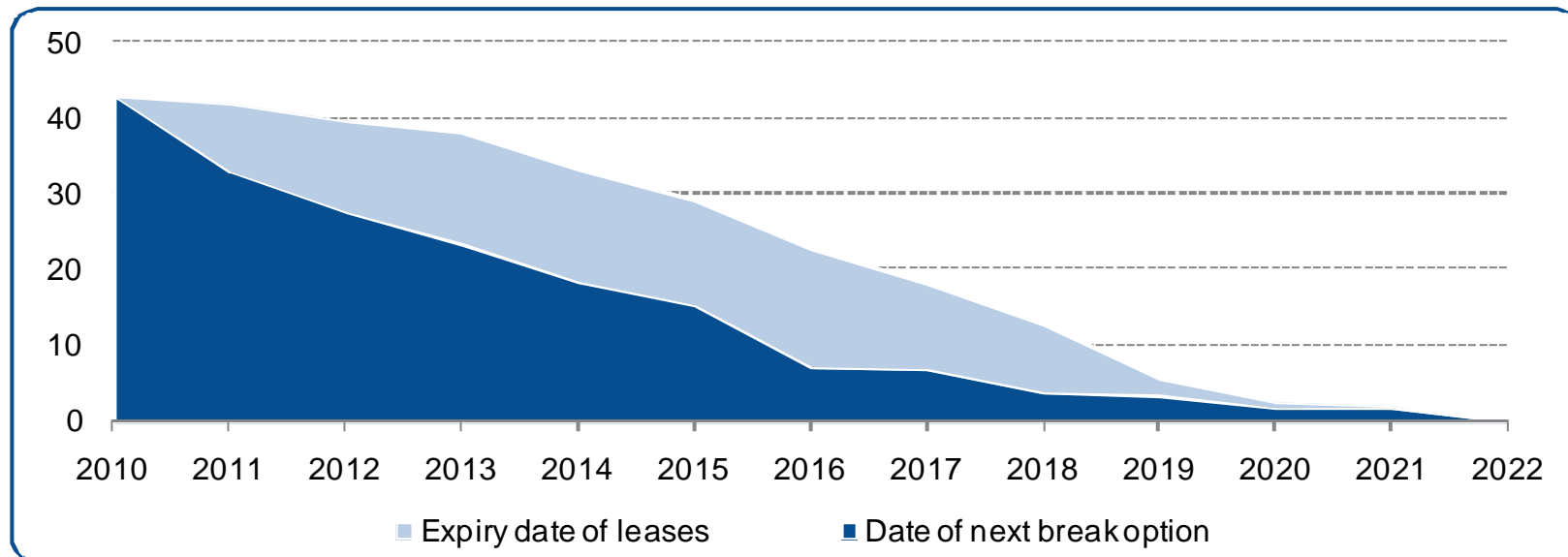


- 10 main tenants make up for 28% of rents (TDF, Corbeil-Essonnes town council, Heidelberg, French Armed Forces, ...)

Development of group companies

Affine | Average duration 5.8 years

Trend in rents plotted against lease duration



- Average time up to next break option: 3.3 years
- Average time up to lease expiry: 5.8 years
- 17 leases cancelled (55,600 sqm; €4.2M)
- 22 new leases signed and 17 renewals (110,000 sqm; €6.1M)

Development of group companies

Banimmo

Portfolio

- 17 buildings totalling 158,000 sqm and €17.2M in rent in full year
- Market value of portfolio: €240M including TT with a fall in fair value of 5.6% on a like-for-like basis

Results

- Rental income: favourable evolution of +6.5% reaching €16.2M, with an OR of 82% (in surface area terms)
- Recurrent operational result : €9,0m brought back to €6.6m after taking into account a €2.4m loss from the associates (mainly Montea)
- Current result after sales: €18.1M against €8.7M

Main disposals and acquisitions

- Disposal of two buildings for an overall amount of more than €100M
- Acquisition of Marché Saint Germain for €29.6M

Reinforcement of financial structure

- Signature of four new credit facilities totalling €99M
- Debt/ Total balance sheet < 50%

Development of group companies

AffiParis

Portfolio

- 18 buildings totalling 67,400 sqm and €12.6M in rent in a full year
- Market value of assets: €218.9M incl. TT
with a fall in fair value of 5.5% on a like-for-like basis

Results

- Rental income : strong progression in rents (+17.4%) resulting mainly from acquisitions made in H1 2008, with an overall OR of 96.5%
- Operating margin: €11.4 M up by 12%
- Operating cash flow: €7.9M, slightly down by 4.7%
- Profit (loss) from ordinary activities: up by 75% at €3.0M

More information on www.affiparis.fr



Analysis of 2009 annual accounts

Analysis of 2009 annual accounts

Operating margin

(€M)	31/12/07	31/12/08	31/12/09
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
Total	77.6	72.9	67.3

Analysis of 2009 annual accounts

Consolidated earnings

(€M) ⁽¹⁾	31/12/07 (5)	31/12/08 (5)	31/12/09
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
Operating income (loss)	13.3	8.8	16.7
Net capital gains on disposals	28.9	7.0	24.8
Operating income (loss) after disposals	42.2	15.8	41.5
Change in fair value of buildings	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 taxation net of Exit Tax	8.3	6.8	6.9
Net profit (loss)	91.6	(37.3)	(2.7)
Of which Group share	78.2	(37.5)	(5.7)
Net profit (loss) before change in FV	61.9	22.2	48.6

(1) Based on IFRS accounting standards for corporate accounting.

(2) Excluding change in fair value.

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

(4) Share in companies consolidated using the equity method, changes in goodwill, net profit from activities that have been discontinued or area being sold, in 2007 profit dilution coming from Banimmo IPO and in 2009 net capital gain of €9m for the sale of Altaréa shares.

(5) The profit of Abcd has been included until the date of its removal in 2008 from the scope of consolidation, and totalled €0.17m.

Analysis of 2009 annual accounts

Consolidated cash flow

(€M)	31/12/07	31/12/08	31/12/09
Cash flow (excluding cost of debt and taxes)	54.4	50.0	54.3
Change in working capital requirements	(11.6)	(1.4)	18.0
Tax	(10.3)	(3.6)	1.5
Miscellaneous (business to be sold)	2.9	2.7	0.3
Operating cash flow	35.5	47.7	74.1
Acquisitions	(80.9)	(223.4)	(109.4)
Disposals	55.6	56.5	178.2
Miscellaneous	(3.3)	(4.2)	0.4
Investment cash flow	29.0	(171.1)	69.2
New loans	42.2	272.8	153.0
Loan repayments	(93.7)	(107.8)	(234.2)
Interest	(33.0)	(41.6)	(31.0)
Miscellaneous	108.6	(21.5)	(26.0)
Financing cash flow	24.2	101.9	(138.2)
Increase (decrease) in cash	30.7	(21.5)	5.2

Analysis of 2009 annual accounts

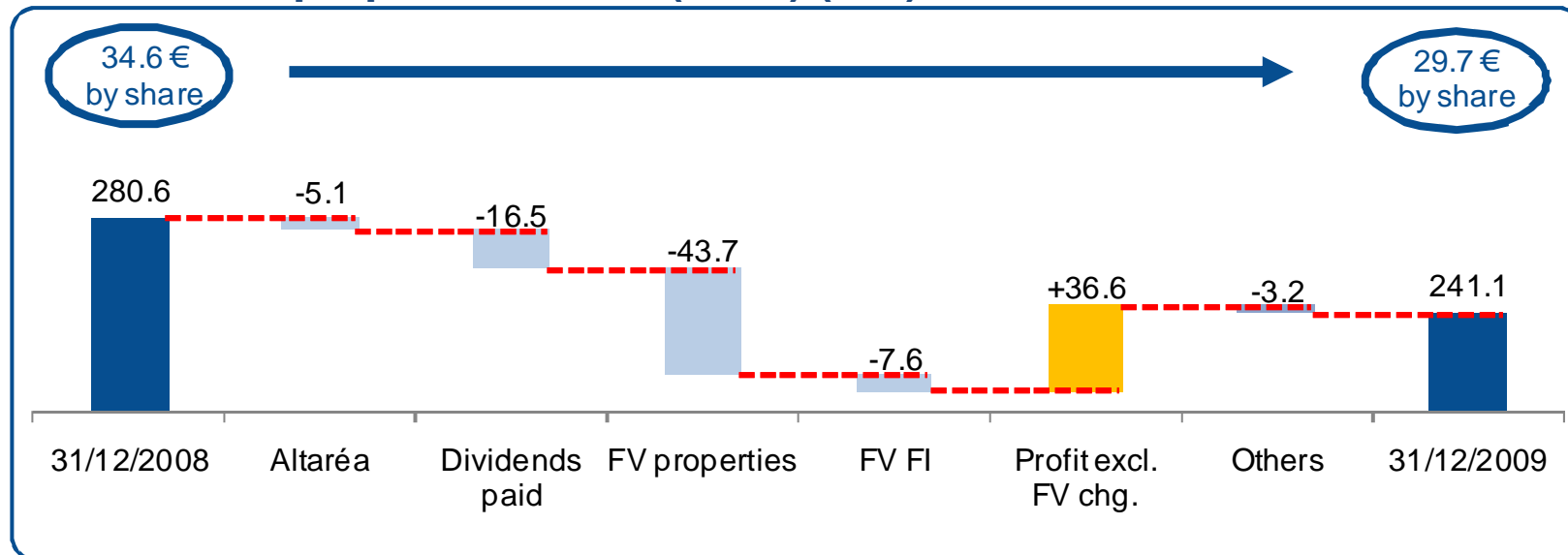
Consolidated balance sheet

(€M)	31/12/07	31/12/08	31/12/09
Properties	950.0	1.086.7	1.038.0
<i>Of which investment properties</i>	911.7	982.4	950.6
<i>Of which properties for sale</i>	38.3	104.2	87.4
Equity holdings	57.8	33.8	5.1
Equity affiliates	28.6	28.1	22.1
Cash	46.5	27.1	34.8
Other	276.5	217.8	182.3
Shareholders' equity (before allocation)	566.3	475.5	431.4
Financial debt	608.7	779.6	724.5
Other	184.4	138.3	126.4
Balance sheet total	1.359.4	1.393.4	1.282.3

Analysis of 2009 annual accounts

Net Asset Value (excl. TT)

Change in NAV (excl. TT) ex bonds redeemable in shares (ORA) and subordinated perpetual bonds (TSDI) (€M)





A robust financial model

Robust financial structure

Net debt to asset ratio apparently high...

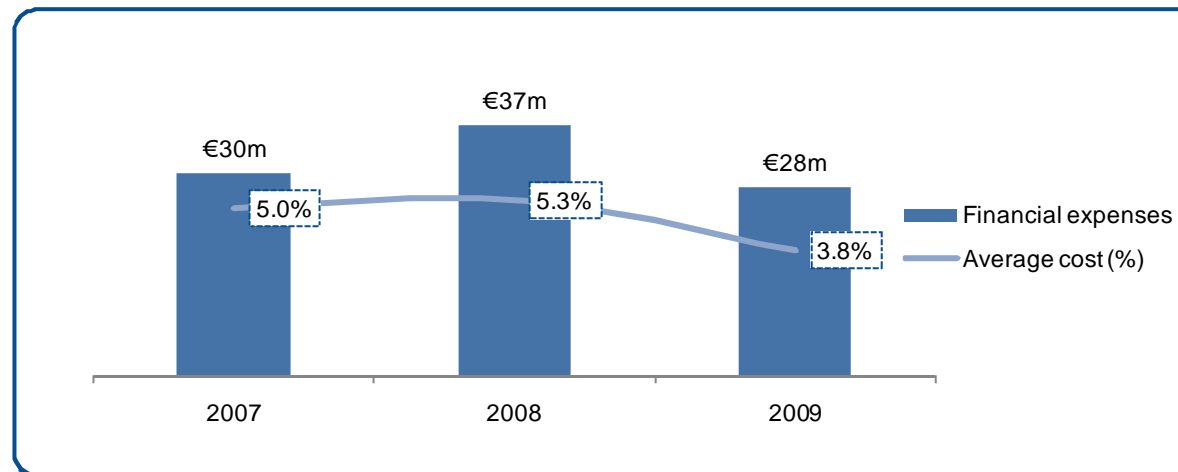
Context

- Faithfulness in our relationship with the group's banks
- Strict compliance with contractual repayment dates (no debt renegotiation)
- Mortgage financing on an individual asset basis
- Long term amortisable loans

Group LTV of 58.1%

- Affine and dedicated subsidiaries: 57.4%
- AffiParis: 63.4%
- Banimmo*: 50%

Increase in margins, fall in rates

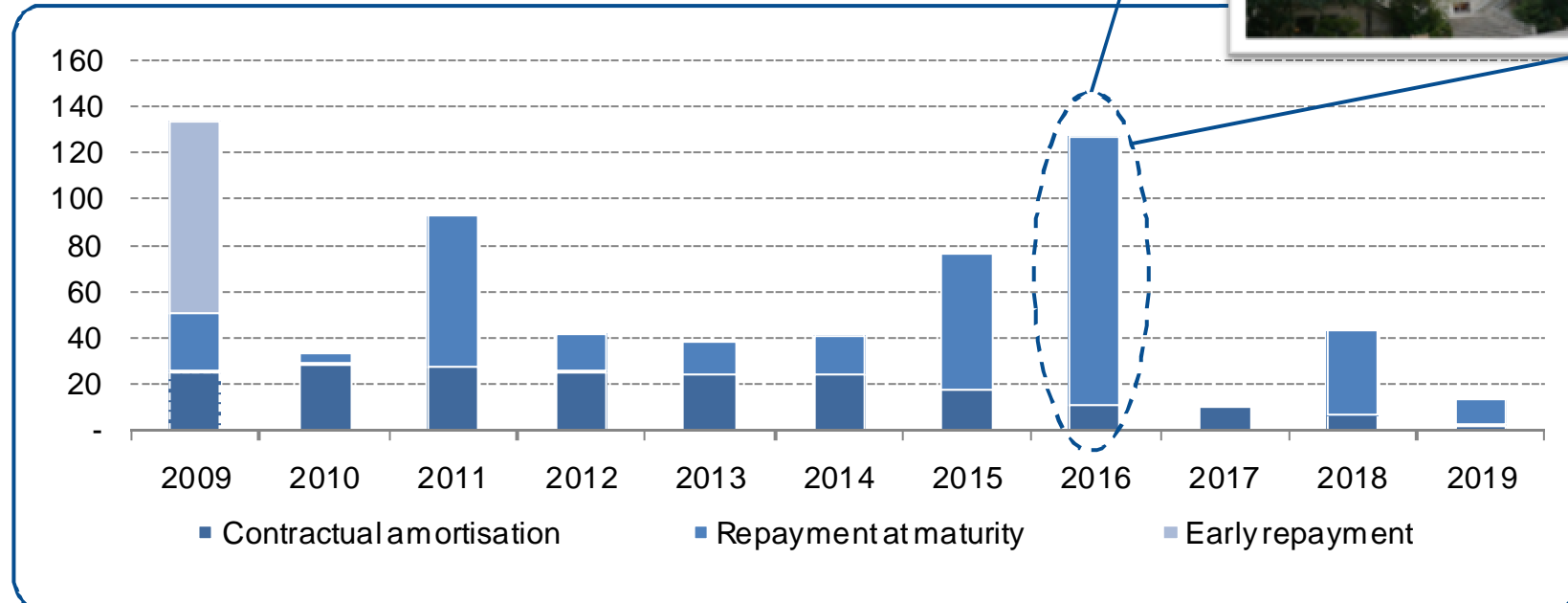


Robust financial structure

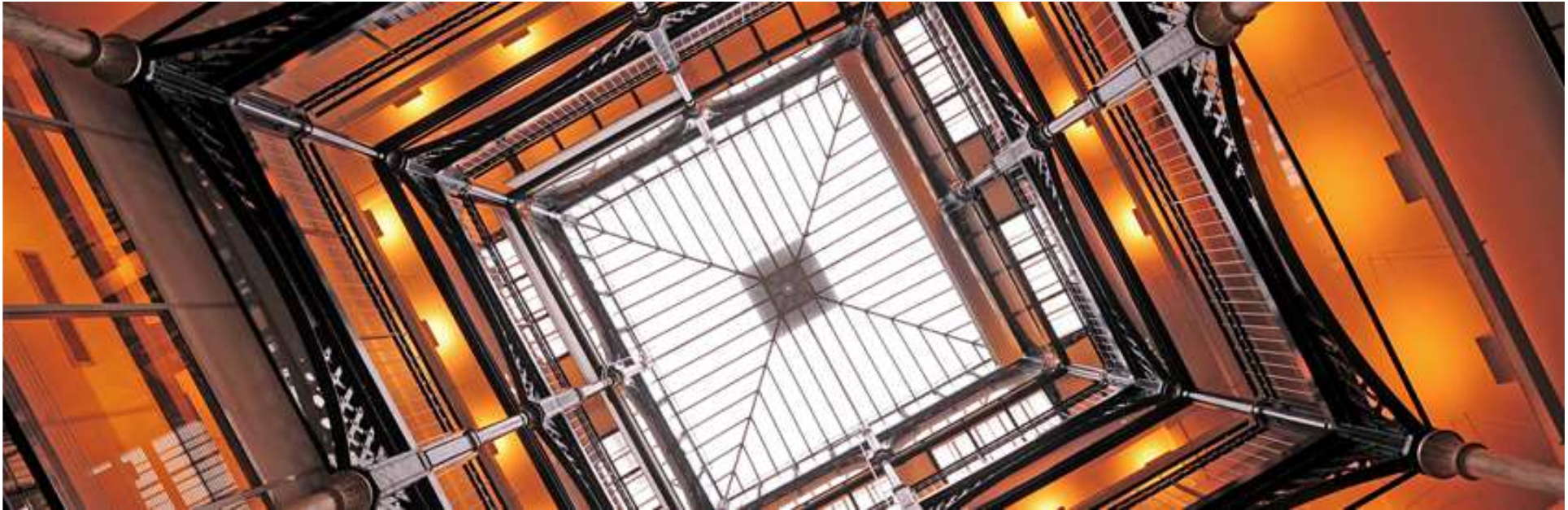
... but a secured debt profile



Amortisation of debt (ex Banimmo) (in €M)



- Secured for 2010
- Average duration: 6.3 years
- No major repayment date before 2016
- Amortisable: around €30Mp.a. on average

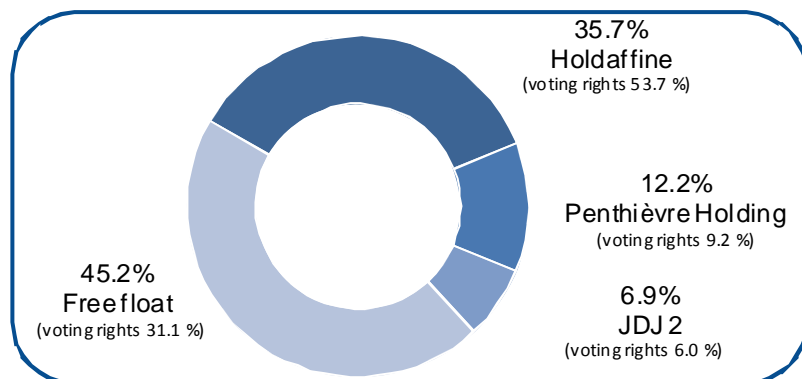


Affine on the stock market

Affine on the stock market

Shareholding

Shareholding



- Holdaffine is an unlisted company whose sole activity is to hold control of Affine
- It has no debt
- 85% of its capital is held by group executives

- 28.7% increase in liquidity
- Capital turnover rate 29%, annualised

Affine is listed on NYSE Euronext Paris

31 December 09

Number of shares	8,113,566
Share price at 31 December 2009	€16.25
Market capitalisation at 31 December 2009	€131.8M
Change in 2009	+25%
Consolidated operating income per share	€3.1
Operating cash flow per share	€9.1
Dividend per share (GM of 23 April)	€1.2
Net return (2009 dividend / share price at 31 December 2009)	7.4%



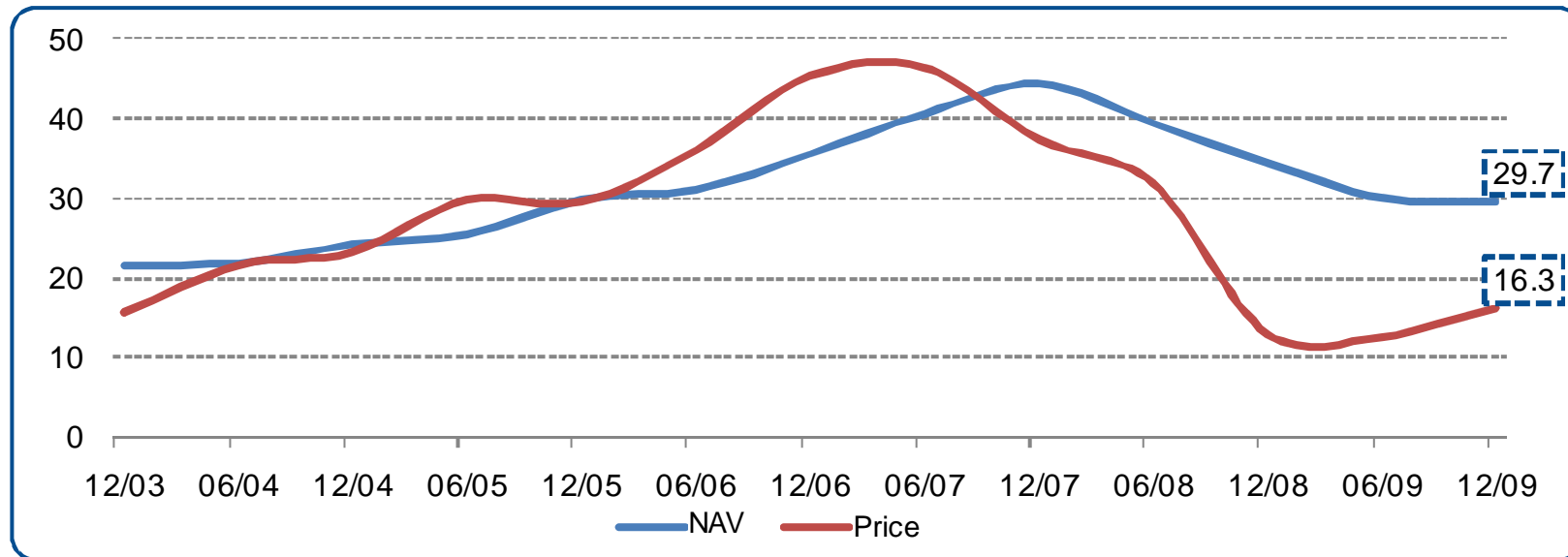
Ticker (Bloomberg / Reuters)

IML FP / BTPP.PA

Affine on the stock market

Discount on NAV

NAV* (excl. TT) per share and Share price (€)



- Discount of 45.3%

* Ex bonds redeemable in shares (ORA) and subordinated perpetual bonds (TSDI)



Strategy and outlook

Strategy and outlook

Reinforce the strategy as high yield property company in 2010

Secure cash flow

- Reinforcing ties with tenants
- Improving returns

Continue to make arbitrages to rationalise assets

Develop the portfolio

- Make acquisitions on basis of environmental criteria
- Significant Capex figure so as to improve existing assets
- Investment budget between €100M and €150M

Maintain dividend policy

- Distribution in May 2010 of a dividend of €1.20€ (including interim of €0.30 already paid in November 2009)

Contacts

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Société Générale

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Q&A

FY09 Results



Presentation of March 9, 2010





Appendix

Appendix

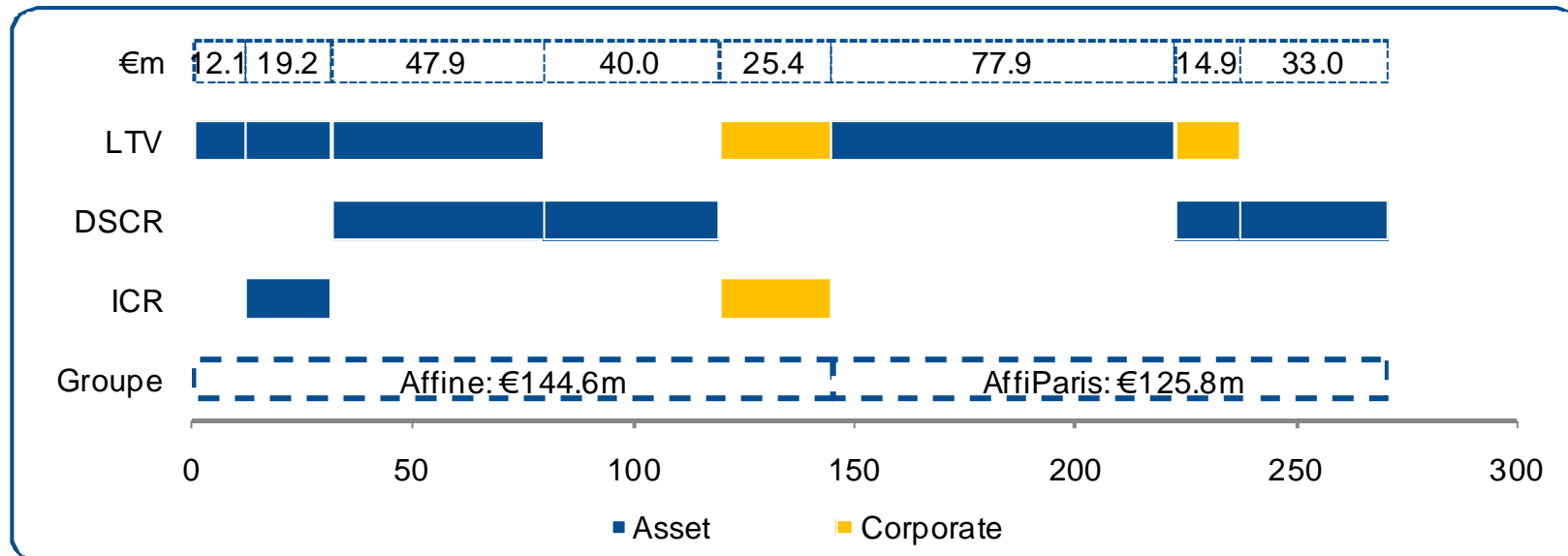
Calculation of net debt to asset value ratio (LTV)

(€M)	31/12/07	31/12/08	31/12/09
Net financial debt	563	754	693
Debt allocated to lease financing	59	45	51
Debt allocated to investment securities	29	29	
Debt allocated to development business	11	22	
Debt for investment properties	464	659	643
Value of properties (incl. TT)	996	1,141	1,108
Property companies on equity basis	29	28	22
VEFA & Fixed assets adjustments	0	(4)	(24)
LTV	45.3%	56.6%	58.1%

Appendix

Covenants

Breakdown of covenants (ex Banimmo)



Banimmo

- For syndicated loan: LTV ratio is 65%, and 2 DSCR ratios

All covenants had been complied with at 31 December

Appendix

Lease purchase

Key figures

(M€)	31/12/07	31/12/08	31/12/09
Number of buildings	136	115	100
New transactions (in €M)	8.5	-	0.3
Financial outstandings (in €M)	106	87	49
Operating margin	7.8	5.9	3.8

Lease purchase outstandings (at year-end) (€M)

