

ACTIVITY AND RESULTS AS AT 31 DECEMBER
2013

Paris, 17 February 2014. The Board of Directors met on 13 February 2014 to review the activity and approve the financial statements for 2013.

Commercial real estate market still difficult but opening up

Real estate investment volumes showed further strength in 2013 despite continuing weakness in overall economic conditions and a significant deterioration in the rental market. There is still an imbalance towards "core" assets although this has been tempered by a degree of recovery in "value-added" transactions.

The Company focused on the management of its cinema property portfolio operated by UGC.

Deconsolidation of the Bordeaux-Image SCI subsidiary pursuant to IAS 27

Since 1 January 2013, and for the same reason as sister company CFI-Image in 2012(1), Bordeaux-Image SCI has been deconsolidated. The presentation of key figures was adapted since 30 June 2012 so as to provide appropriate information on a constant and therefore comparable basis.

3% increase in rental income

In 2013, rental income contributed by subsidiaries benefited from the indexation to the ILC retail rental index (+3.07% as at 1 January for CFI-Image) and amounted to €15,187 thousand versus €14,744 thousand in 2012.

NAV per share: € 83.91

According to CBRE's appraisal valuation based on the discounted cash flow method, the market value of the property portfolio comes to €220,990 thousand as of 31 December 2013, net of costs and transfer taxes, down 7.9% from €239,710 thousand on 31 December 2012 (and down 3.2% compared with 30 June 2013). This latest appraisal reflects the prospect of reduced rent indexation in the current unfavourable economic environment and incorporates the impact of a residual lease term now half way between 9 and 6 years.

Accordingly, Net Asset Value, net of costs and transfer taxes, stands at €83.91 per share, down 7.5% compared with 31 December 2012 and down 2.7% compared with 30 June 2013.

(1) Being the date when the call option granted to UGC for the CFI-Image shares held by CFI became exercisable (see Press Release of 19 February 2013)

Total comprehensive income, a significant financial aggregate which incorporates both the items recognised in the income statement and those posted directly to equity, was a negative figure of €2,902 thousand for the Group share (compared with a positive amount of €9,959 thousand on 31 December 2012).

Key figures

<i>(in thousands of euro)</i>	2013	2012
Subsidiaries' key indicators		
. Net rental income	15,187	14,744
. Fair value of property portfolio as of 31/12	220,990	239,710
. Change in fair value of properties	(18,720)	6,870
Consolidated data		
Total comprehensive income, Group share <i>i.e. per share (€)</i>	(2,902) (3.40)	9,959 11.67
Net Asset Value, Group share as of 31/12 <i>i.e. per share (€)</i>	71,643 83.91	77,398 90.72

Proposed dividend: €3.51 per share up 17.8%. Remaining €2.11 per share to be paid on 30 July 2014

The Ordinary General Meeting of Shareholders to be held on 28 March 2014 will be asked to approve a dividend of €3.51 per share. After taking into account the interim dividend of €1.40 per share paid on 1 August 2013, the final dividend for 2013 will be €2.11, payable on 30 July 2014.

12-month extension of bank loan negotiated by CFI-Image

The Board of Directors has been informed that the Company's subsidiary CFI-Image signed an agreement on 25 July 2013 with its financing banks, led by Crédit Agricole-CIB, to extend by 12 months the five-year financing arranged on 13 February 2009 for the acquisition of the property portfolio of UGC cinemas. This financing will now mature on 13 February 2015.

The change in interest rate hedging instrument from a swap at 2.95% to a cap with effect from 13 February 2014 will allow CFI-Image to benefit from the positive effect of low interest rates environment.

Outlook

In connection with (a) the expiry on 30 June 2014 of the call option granted to UGC on the shares of subsidiaries owning the portfolio of cinema properties and (b) the new maturity date of the debt, the Board of Directors began a review of the different options regarding the prospects for the portfolio.

The next Board of Directors meeting will be held on 28 March 2014, at the close of the Ordinary General Meeting of Shareholders.

In the meantime, the Company will continue to manage and enhance the value of its existing portfolio over the medium term.