

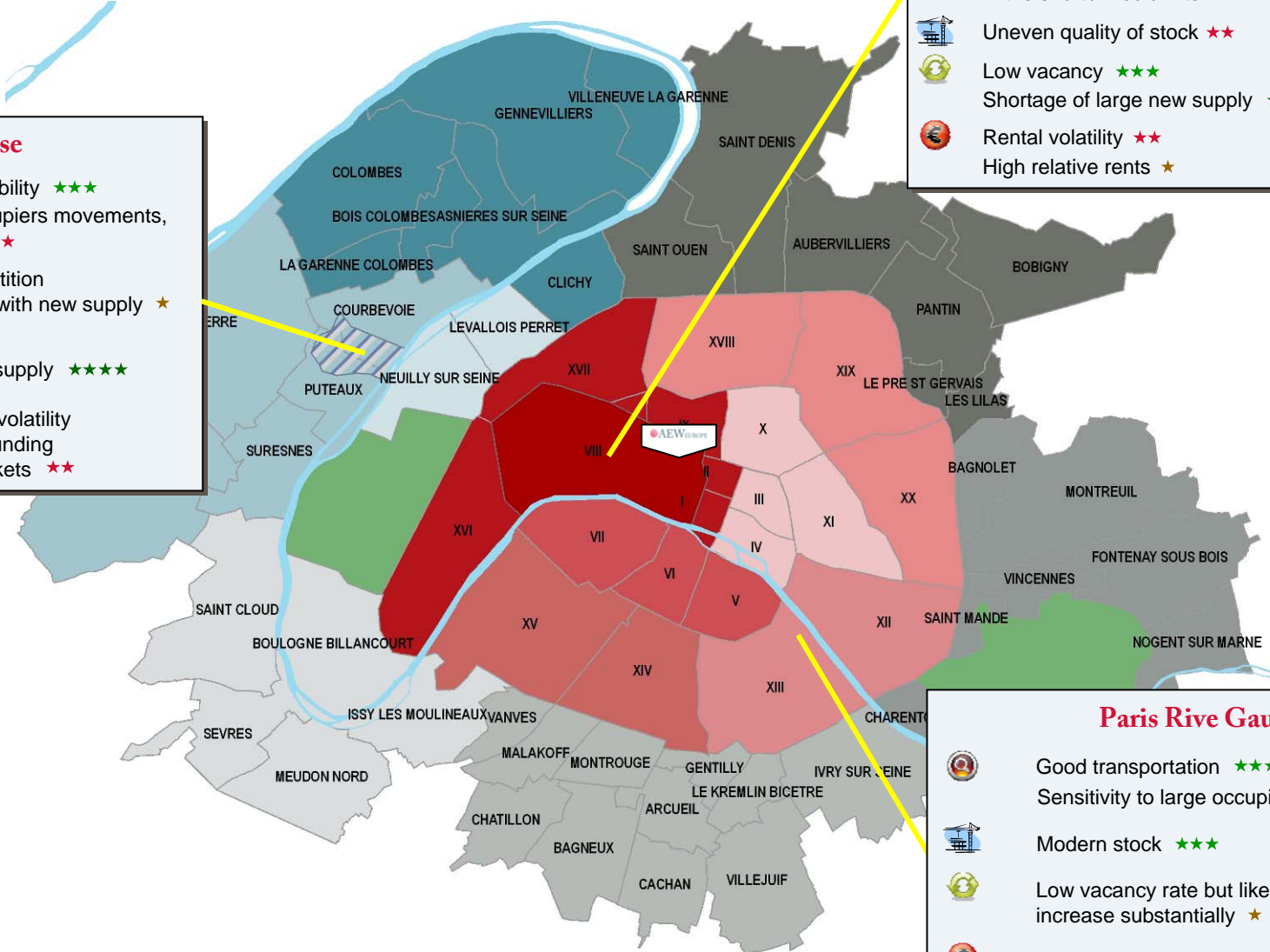
ULI Conference

Paris - February 2010



AEW EUROPE

Paris main office markets SWOT analysis



La Défense

- Fairly large market, visibility ★★★
- Sensitivity to large occupiers movements, transportation issues ★★
- Aging stock and competition of surrounding sectors with new supply ★
- Low vacancy ★★★
- Shortage of large new supply ★★★★★
- High rental and capital volatility
- Competition with surrounding cheaper emerging markets ★★

Paris Centre Ouest

- Largest market, strong image, multi-tenants ★★★
- Sensitivity to cyclical sectors ★★
- Return of large occupiers post-crisis ★★★★★
- Likelihood of major occupiers moving out in the short / medium term ★
- Uneven quality of stock ★★
- Low vacancy ★★★
- Shortage of large new supply ★★★★★
- Rental volatility ★★
- High relative rents ★

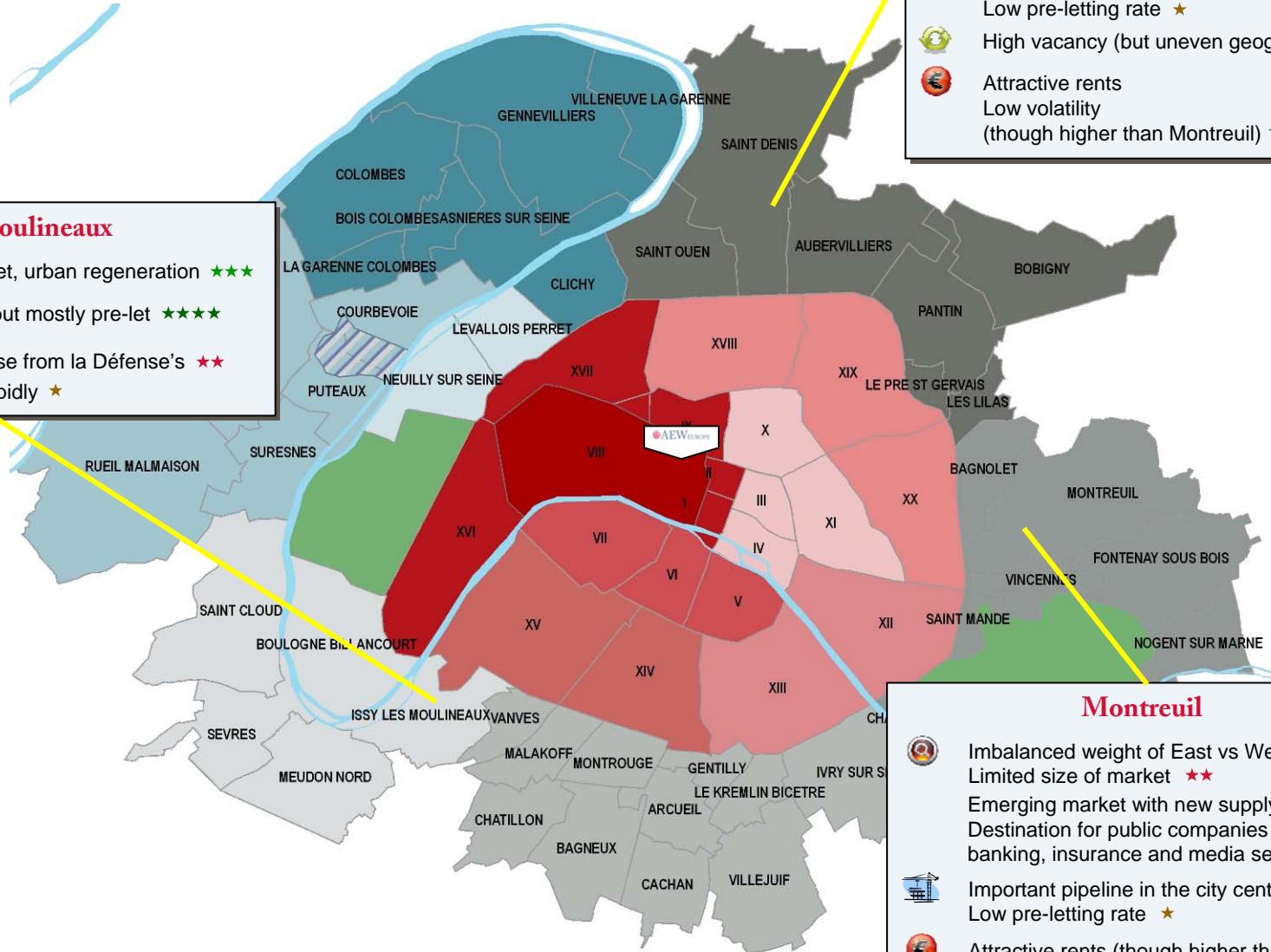
Paris Rive Gauche

- Good transportation ★★★
- Sensitivity to large occupiers movements ★
- Modern stock ★★★
- Low vacancy rate but likely to increase substantially ★
- High relative rents ★
- Renegotiation of leases ★

- Threats ★
- Weaknesses ★★
- Strengths ★★★
- Opportunities ★★★★★

- Demand
- Supply
- Vacancy
- Rents

Paris main office markets SWOT analysis



Saint Denis

- Good transportation ★★★
- Image deficit ★★
- Destination for cost minded occupiers (industrials) ★★★★★
- Important stock of new supply, Low pre-letting rate ★
- High vacancy (but uneven geographically) ★★
- Attractive rents Low volatility (though higher than Montreuil) ★★★

Issy-les-Moulineaux

- Large mature market, urban regeneration ★★★
- Important pipeline but mostly pre-let ★★★★★
- Rental level too close from la Défense's ★★ Rents increased rapidly ★

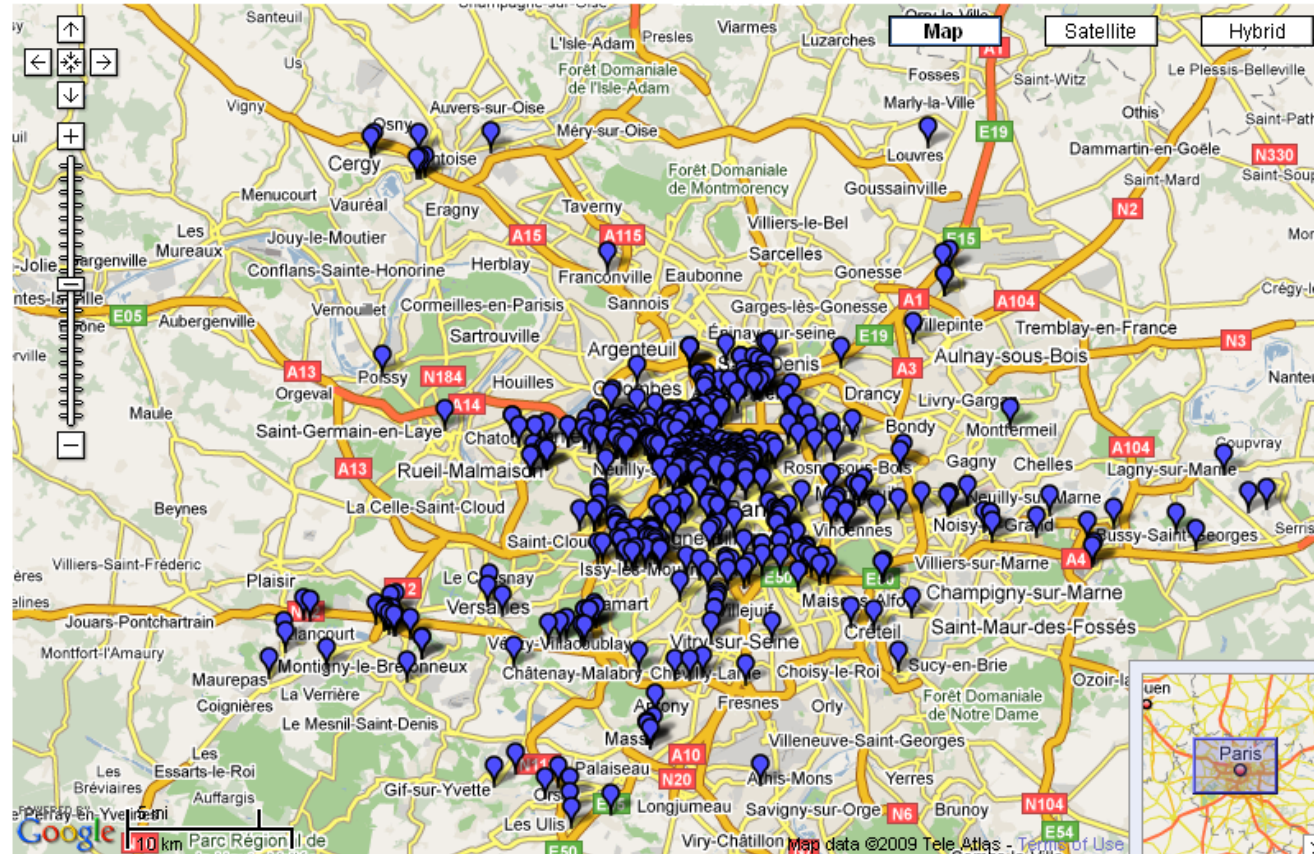
Montreuil

- Imbalanced weight of East vs West of Paris region, Limited size of market ★★
- Emerging market with new supply, Destination for public companies + banking, insurance and media sectors ★★★★★
- Important pipeline in the city center Low pre-letting rate ★
- Attractive rents (though higher than Saint Denis) Low volatility of rents ★★★

- Threats ★
- Weaknesses ★★
- Strengths ★★★
- Opportunities ★★★★★

- Demand
- Supply
- Vacancy
- Rents

Main office investment transactions in IdF since 2005





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