

## Société de la Tour Eiffel successfully opens its capital and launches its dynamic development strategy.

Eight months after the successful takeover by SMA BTP of Société de la Tour Eiffel, the various objectives announced by the shareholder and the real estate company have been achieved.

### **Strengthening the company's capital base by € 180 million and maintaining its tax status as a listed real estate investment company (SIIC)**

At month-April 2015 STE issued share warrants. At the same time the SMA Group which held nearly 90% of the capital after the takeover sold shares or warrants to several leading European institutional investors: **AG Finance (AG Insurance), Crédit Mutuel Arkea (Suravenir), Humanis, Malakoff-Médéric and Mutuelle Générale.**

Since 28 April 2015, the SMA Group has held less than 60% of the company's capital.

After the current warrant issue, which should be completed no later than 31 July 2015, the equity capital of STE, which has maintained its tax status as a listed real estate investment company (SIIC), will be strengthened by just over € 180 million.

The company will thus have the means to finance its growth and reduce its debt ratios, with **LTV decreasing from 47.7% to 32.8%.**

To take into account the new investors, the General Assembly has accepted the Board's proposal to appoint three new directors: AG Real Estate (AG Insurance), represented by Ms Brigitte Gouder de Beauregard, MM Puccini (Malakoff Médéric) represented by Mr. Guy Charlot, and Suravenir (Crédit Mutuel Arkea) represented by Mr. Thomas Guyot.

### **Doubling the company's property portfolio from € 800 million to € 1.6 billion in the next 3 to 5 years**

The strategic roadmap for the Society of the Eiffel Tower team is to double its property portfolio in the next 3 to 5 years. The development will target investments in line with an approach focusing on business parks and service clusters, and closer management with tenant customers. For this reason, the company has decided to reorganize, in particular by internalizing all the rental management of its assets (administration, marketing, technical management) and by launching an active initiative to achieve ISO 9001 and ISO 14001 certification.

This growth strategy is based on the acquisition of secured assets and the development of land reserves.

**Four acquisitions have already been made since October 2014, representing a total of 36,300 sq. m for an investment of € 153 million and € 10.7 million of secure annual rental income**

Société de la Tour Eiffel confirmed its investment strategy in recent months by finalizing four property acquisitions in western Paris. The investments meet the company's criteria in every respect by being based on an approach combining quality buildings (in terms of operation and energy consumption), an ideal location both in terms of urban area as well as access to transport and services, with good yields and leased to quality tenants.

Regarding its land reserves, the company will give priority to the development of its sites in Massy (70,000 sq. m to be developed) and Orsay (15,000 sq. m which can be raised to 80,000 sq. m under the new local development plan).

Headed since October 2014 by Philippe Lemoine, Société de la Tour Eiffel has all the assets needed to implement its development plan and allow it in the longer term to become a major player in the Greater Paris office property market.

**About Societe de la Tour Eiffel**

*A listed real estate investment company (SIIC) on NYSE Euronext Paris, the company pursues a strategy focused on the ownership and the development of quality offices capable of attracting a wide range of quality tenants. The company's portfolio stood at 800 million Euros for 400 000 sq.m of assets mainly located in the Paris region as at 31 December 2014. Societe de la Tour Eiffel is listed on NYSE Euronext Paris (compartment B) – ISIN code: 0000036816 – Reuters: TEIF.PA – Bloomberg EIFF.F. Indexes: IEIF Foncières, IEIF Immobilier France.*

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