SOCIÉTÉ DE LA TOUR EIFFEL

Public Limited Company with board of directors with capital of €27,165,180
Registered office: 20-22, rue de la Ville l'Evêque, 75008 Paris
572 182 269 Register of Trade and Companies Paris

Ordinary General Shareholders' Meeting to be held on 15th October 2009

2008 Summary management report

The present succinct presentation aims at summarizing the activity of the company in 2008, its economic and financial results concerning the aforesaid financial year while indicating, if necessary, the realized progress or the met difficulties as well as the future prospects.

This document summarizing the essential points of the management report of the board of directors to the General Shareholders' meeting of May 14th, 2009, it is recommended to the reader wishing to obtain additional information to refer to the said report available at the financial department at the following address: 20/22 rue de la Ville l'Evêque 75008 Paris - France, or on the web site of the company: www.societetoureiffel.com.

I- BUSINESS AND HIGHLIGHTS

1.1 – Highlights in the real estate business of the group

Business was sustained for Société de la Tour Eiffel in 2008 with regard to the marketing of existing assets and the development of new buildings, confirming the legitimacy of an investment strategy focusing on moderate rents with long-term security, a highly relevant approach in the current economic environment. Business activity outside Paris showed particularly encouraging results.

a) Investment policy

The Group continued its growth during the first half of 2008 following its selective investment criteria, acquiring several properties representing a total value of almost €40m in financial commitments, representing €3m in annual rents.

These acquisitions form part of the investment strategy of the company, focused on new or recently-constructed buildings offering secure, long-term yields and redevelopment potential.

During the second half of 2008, the company concentrated on acquisitions aimed at consolidating ownership in its business parks, as well as on developments carried out on its own land reserves.

b) Valuation of the group's land reserves

The redevelopment operation of the Massy Ampère site was initiated following the signature of a fixed-term lease of nine years with Alstom on 23 February 2008, for a first building of 18,000 sq. m., on which construction began in March 2008. This building was designed by architect Jean-Michel Wilmotte, will be HEQ certified and delivered in late 2009, complete with a staff cafeteria and a two-level basement car park.

Parallel to the construction of this building, in accordance with the Land Transfer Requirements contract signed with the semi-public company S.E.M. Massy in October 2007, Société de la Tour Eiffel carried out the following operations as part of the redevelopment scheme of the Ampère integrated development zone initiated by Massy town hall:

- Assignment in March 2008 of one small site to the S.E.M. Massy;
- Sale of a designated residential site (9,714 sq. m.) to a developer (commitment signed on 4 December 2007, extended until 29 February 2009);
- Assignment of land to S.E.M. Massy for the construction of public facilities and new roadwork (contract signed E on October 24, 2008);
- Sale of a residential site to a specialist developer as part of a social housing scheme (commitment signed in 2008).

These disposals will generate over €10m in revenue, thus reducing the residual site to 65,000 sq. m. of office potential which Société de la Tour Eiffel will develop according to rental demand. In the meantime, the Company continues land optimization in accordance with administrative requirements.

A further decision made regarding this large-scale real estate operation was to isolate a portion of the land to be developed in an ad hoc legal structure in order to facilitate, if required, construction projects and partnerships; the SCI Arman Ampère was formed for this purpose on 4 December 2008. A commitment to sell was signed between SCI Arman F02 and SCI Arman Ampère on 24 December 2008.

c) Business parks

The Société de la Tour Eiffel Group has become a leading player in the French business park market.

Accordingly, the continued renovation and upgrading of the Group's 12 business parks was a major consideration in 2008. The new and renovated buildings launched by the Company are tailored to user requirements. As a result, these parks will appeal to an upscale market, increasing their value. In 2008, the company pursued planning permissions and broke ground on new buildings, in Nantes, Aix, Strasbourg and Marseilles.

As it is now either majority owner and sometimes even the sole owner of these business parks, in 2008 the Company decided to launch the "Parc Eiffel" label. The idea is to create a chain effect by forging a shared identity for the parks by way of similar services and amenities. Renovation works in the common areas and vacant floor space and the construction of new buildings have contributed to this upgrading.

Over and above the considerable renovation works involved in the creation of the "Parc Eiffel" label, the entire approach taken by the Group with regard to these business parks has been reworked in order to improve their user-friendliness and visibility. Société de la Tour Eiffel intends to step up the development of on-site personal services – particularly catering.

The merger between Parcoval and Locafimo in July 2008 simplified the companies' internal legal structures, as they possess complimentary business park holdings, and has also initiated economies of scale at both the operational and functional levels.

Overall, the buildings completed and delivered in 2008 in the business parks of the Group represented a total investment of €24m for 20,000 sq. m. in floor space.

d) Non-business parks development

In addition to the on-going development carried out in the business parks, four property complexes were delivered in 2008 representing a total investment of €90m for over 30,000 sq.m. in floor space.

Further to the delivery of some 50,000 sq. m. of floor space in new buildings in 2008, 62% of the Group's assets are less than 10 years old, with a value of €1,104m as recorded in the consolidated financial statements dated 31/12/2008, against €1,083m at the end of 2007. This net rise in value is the combined result of:

- changes in the scope of consolidation (new acquisitions and value increment of new developments exceeding twice the value of the €93m of divestments carried out during the year),
- a limited decrease in the value of the portfolio on a like-for-like basis (active asset management on the strategic buildings and the indexation of rents partially compensating for yield expansion, less pronounced yield uplift outside Paris).

In addition, the company broke ground on the "Topaz" building (former head office of Cogema) in Vélizy, where 15,000 sq. m. are scheduled for delivery in mid-2010, for an investment (pre-financed) of €35m. The company launched the construction of a building of 2,745 sq.m. located Parc de la Duranne in Aix-en-Provence, subject to a 9-year lease closed for 7 years, scheduled for delivery in February 2009.

e) Business activity

Business activity was particularly encouraging in 2008 with regard to the existing portfolio, both in terms of lease renewals and signature of new leases.
The company signed leases for over 100,000 sq. m. (out of 713,000 sq. m. in total assets) over the course of 2008, including 76,000 sq. m. in secure lease renewals (€12.5m annual rent) with well-established tenants, mostly for 9-years fixed. Some two thirds of the total rents are secured with fifteen major tenants, whose average lease term extends to the first quarter of 2015.
The remaining rental income from these properties stems from multilet properties (400 leases), and all the assets benefit from a wide geographical distribution and competitive, moderate rents.

As of 31 December 2008, the physical occupancy rate of properties in service stands at 88.2%; after adjustment for the buildings delivered in 2008 (in the process of being rented), the physical occupancy rate remains stable at 91.4% in relation to the figure at 31 December 2007; the financial occupancy rates stand at 88.6% and 93.1% respectively (excluding buildings delivered in 2008) as of 31 December 2008, compared to 90% at 31 December 2007.

f) Disposal policy

Building upon actions carried out in 2006 and 2007, Société de la Tour Eiffel continued to deploy its business model in 2008, centered on the development of the new buildings in its portfolio and the selective divestment of certain assets considered non-strategic, non performing or mature.

During the first half of 2008, the Company concluded the sale of a portfolio of buildings valuated at nearly €92m as well as a plot of land on the Massy Ampère site.

In addition, a commitment to sell was signed in October 2008 on Rue Dumont d'Urville in Paris (75016) at a price of €15m, which should be confirmed in early 2009.

Following these events, the value of the portfolio of commitments at 31 December 2008 rose to €1,161.9m, including investment property recorded in the group accounts at 31 December 2008 (€1,077.2m), the buildings under construction at their fair value upon completion (€66.4m) and assets earmarked for disposal (€18.3m under commitment to sell, signed before 31 December 2008).

1.2 – Highlights relating to the financing of the Company and group

In 2008, the Group adjusted its financing requirements according to completed acquisitions, initiated and/or completed development operations and completed disposals, and renegotiated 60% of its total debt with one of the two main financial partners of the group in order to prolong debt maturity and simplify employment and operating conditions.

To this end, and in order to simplify its obligations to the bank which has ensured its financing since 2001, on 30 June 2008 Locafimo concluded a 2008 Consolidated and Modified Version of its June 2001 loan agreement, under the terms of which:

- the outstanding debt of the tranches successively set up during the financing of Locafimo operations have been consolidated into a single loan,
- the balance of the loan principal is extended to a maximum amount of €424m, including a newly granted credit line of up to €56m,
- the term of the Senior Credit agreement has been extended a further 3 years to 30 June 2013,

All of the new 2008 financing operations were completed with rate hedging instruments in the form of fixed-rate SWAP contracts.

1.3 – Other highlights

<u>Internal reorganization</u>

On 21 July 2008, Locafimo authorized the Parcoval and Lyon Lilas companies to transfer to the Locafimo Company all of their assets, rights, and obligations in the form of a merger, with the goal of standardizing business and management policy, creating economies of scale, searching for synergies and simplifying their internal legal structures, as Locafimo and Parcoval carry out similar activities and each hold a complementary portfolio of business parks.

In addition, the SCI Marne Haute Maison and SCI Marseille Sauvagère, which no longer held assets following divestments carried out in late 2007, were dissolved without liquidation.

Governance

Two new independent administrators, Mr. Philippe Prouillac and Mr. Marc Allez, were appointed to the Board of Directors in 2008.

In addition, the Board of Directors introduced two special committees: an audit and accounts committee and a remuneration committee.

Share buy-back programme – liquidity contract

On 29 July 2008, the company set up a new share buy-back programme similar to that previously implemented.

The maximum number of shares authorised for buy-back is 519,300 – representing 10% of the capital of Société de la Tour Eiffel.

The liquidity contract concluded on 28 June 2007 with Natixis Securities remained in effect during 2008.

2 – ECONOMIC AND FINANCIAL PERFORMANCE REPORT

2.1 – Consolidated financial statements

Analysis of consolidated results

Consolidated income statement

Consolidated turnover, which comprises rental and service charge income from investment properties, grew 0.8% between 2007 and 2008, from €83.9 to 84.6m, of which €72.4 and 70.6m, respectively was represented by rents. This net decrease in rental income is primarily due to the loss of rents from the properties divested (-€5.5 m) or turned over to redevelopment during 2007/2008 and net relettings (-€2.7m), partially offset by the delivery of new rented buildings (+€3.2m) and the indexation of rents on existing assets (+€3.2 m).

Operational charges, representing €34.8m in 2008 versus €32.6 m in 2007, reflected the company’s increased turnover.

The net balance of fair value adjustments is mainly due to a decrease in the fair value of investment properties in 2008 (- €13.1m).

After inclusion of a net loss on the sale of assets in the amount of €0.4m, the net operating profit stands at €36.2m in 2008 compared with €123.7m in 2007.

The net debt service cost (net cash finance charges) was €33.8m in 2008 versus €27.3m, under the combined effect of the appreciable increases in the property portfolio and interest rates.

Other financial income and charges (net financial charges in 2008 of €18.4m versus €2.0m in net financial result in 2007) mainly comprised the devaluation of derivative instruments due to falling interest rates at the end of 2008 on the one hand, and the discounting of the Group’s exit tax liability on the other.

Taking the above into account along with income tax in the amount of 0.7 million euros, the net consolidated result for 2008 stands at -€16.7m versus €91.6m in 2007, i.e. -€3.2 per share based on the average weighted number of shares outstanding during the year, i.e. 5,193,003 shares.

After adjusting the valuation of assets and liabilities as well as the divestment of assets, the operating results from regular activity stand at €52.1m for 2008 and net profit at €17.6m, compared to €56.8m and €28.9m respectively in 2007.

Cash flow after income tax and the net debt service cost debt is €18.4m in 2008 versus €23.5m 2007.

Consolidated balance sheet

At 31 December 2008 net non-current assets amount to €1,090.5m versus €1,105.6m at year-end 2007. This decrease during the year is mainly due to the acquisition of the property assets described above and new buildings deliveries (decrease in tangible assets and increase in investment properties), and, on the other hand, to property sales in 2008 (€93.1m in net book values from divested buildings, fair value adjustment of investment properties and financial instruments).

Current assets represent €99.0m at 31 December 2008, compared with €65.0m at the end of the preceding financial year, reflecting an increase in operating receivables, and two properties designated by IFRS as assets to be sold for the sum of €18.3m.

On the liabilities side, consolidated equity for the year stands at €418.3m versus €471.5m at year-end 2007, a change due in particular to the appropriation of 2007 earnings, the distribution of 2008 dividends and the 2008 net income.

The net increase in overall debt, which rose from €699m to €770.9 m between 31 December 2007 and 2008, can be explained by the increase in banking loans having financed acquisitions during the year, and to a lesser extent, by that of overall financing costs.

2.2 – Group financing

In many respects, 2008 was a difficult year for the financial markets in terms of bank liquidity, credit spread and the volatility of interest rates.

2.2.1 – Liquidity

In 2008, the Group adjusted its financing needs according to the acquisitions and development projects launched and adapted its interest rate hedging policy.

New resources were obtained, mainly during the first half of 2008, on the banking market from reputed financial institutions by setting up new credit lines and by extending existing master agreements, exclusively in the basis of mortgage security.

As described in the highlights relating to financing, in 2008 the Group financed and refinanced €92.6 m of its bank debt. One of the major events of the year was the renegotiation of the mortgage financing granted to Locafimo according to the loan agreement dated 1 June 2001, which represents nearly 60% of the total bank financing of the Group. The term of this €357m loan – initially July 2010 – has been extended to July 2013 for an increased amount of €368m under the same conditions. In addition, a new, undrawn credit line of €56m has been offered subject to conditions; about half of this facility was already available at year-end 2008.
At 31 December 2008, the Group has €60.7m of unused credit lines (excluding the €56m line granted in 2008).

2.2.2 – Debt structure at 31 December 2008

Global gross debt at 31 December 2008 stood at €682.5m, versus €606.1m at 31 December 2007.

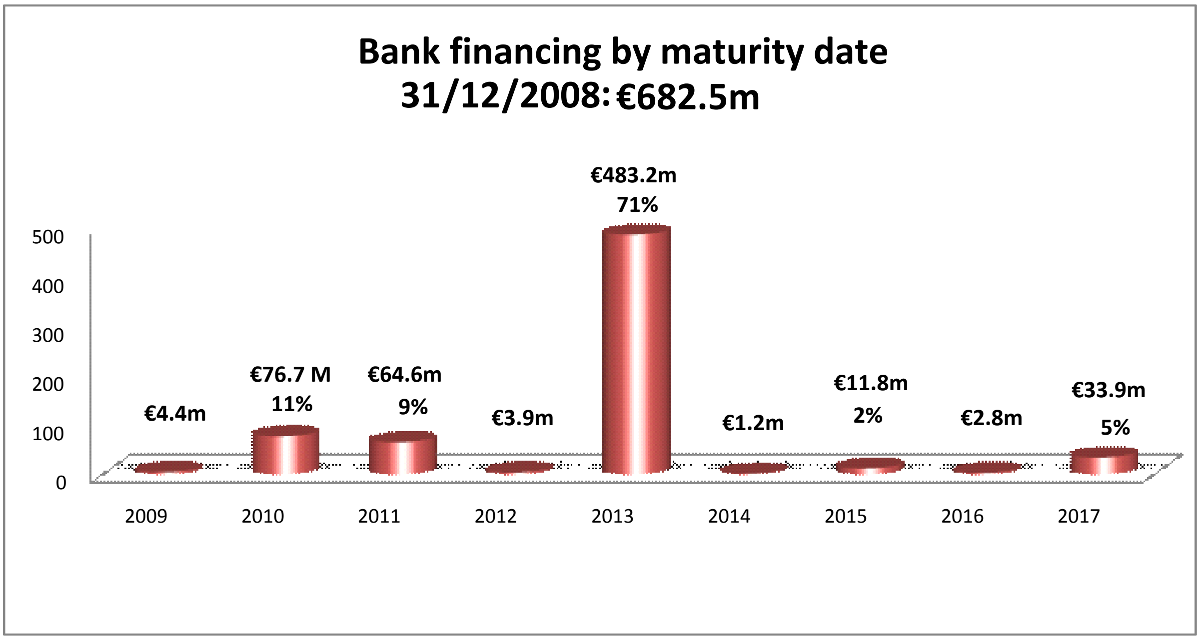
Net debt recorded on the balance sheet, obtained by deducting from the global debt all financial investments in the form of cash securities held by the bank financing property assets currently under construction, liquid asset investments, and available assets of the Group's subsidiaries, amounted to €654m at year-end 2008 versus €571.2 at year-end 2007.

In M€	31/12/2007	31/12/2008
Global debt	606.1	682.5
Invested cash reserves	-16.2	-17.4
Liquidity	-10.7	-10.8
Financial investments (pledged cash)	-11.5	-0.3
Net debt on balance sheet	**567.7**	**654.0**

Thus, with the financial resources set up and used this year mainly in the form of mortgages, the LTV ratio at 31 December 2008 represents 59,2% of property assets, valued at €1,104.3m.

Debt by maturity date

€682.5m in bank financing of Société de la Tour Eiffel drawn at 31 December 2008, represented by maturity date:



The average maturity of the Company's debt is 4.3 years at 31 December 2008, versus 4 at 31 December 2007.

71% of the global debt has a time to maturity of 4.5 years, and 8.5% from 5 to 9 years.

Average cost for Group refinancing

The average cost for Group refinancing was 5.2% in 2008 (5% in 2007). This change in the average cost of the debt is explained by the significant rise in interest rates between January and October 2008 of over 70 BP, applied to recently concluded finance agreements. Interest rates fell sharply at the very end of 2008 and the beginning of 2009.

2.2.3 – Management of market risks

Société de la Tour Eiffel is only concerned by the market risk resulting from the change in interest rates relating to loans contracted to finance its investment strategy and maintain requisite financial liquidity.

When new financing or refinancing lines are set up, they are systematically backed with a suitable rate hedging instrument, chosen as a result of consultation with several competing banks in terms of maturity and cost according to market conditions and the nature of the underlying asset to be financed subject.

Setting up derivative products to limit the risk of rate exposes the Company to the possible failure of a counterparty. To limit the counterparty risk, Société de la Tour Eiffel carries out hedging operations only with first-rate financial institutions.

Evaluation of interest rate risk:
At 31 December 2008, gross bank financial debt amounted to €682.5 m, of which €623.1m is at variable rates and €59.4m at fixed rates. After taking into account the fixed rate SWAP instruments, the total debt at fixed rate stands at €342.4m, i.e. 50% of the total debt. In addition, the debt at variable rate was hedged for a total of €279.5m by CAP instruments which would allow the Group to profit from the fall in the interest rates during the 2009 year. In this way, at 31 December 2008, the debt was hedged overall to a total ratio of 91%.

On the basis of the outstanding debt as at 31 December 2008 and the hedgings in place, a rise in the Euribor 3-month interest rates of 100 base points in 2009 would have a negative impact on recurring net income, estimated at €2.8m.
A contrario, in the event of drop in the interest rates of 100 basic points, a decrease in finance cost estimated at €2.8m would occur, resulting in an equivalent positive impact on the recurring net income for 2009.

As a reminder, between 1st October 2008 and the end of February 2009, the Euribor 3-month rates, the sole reference rate applied to the variable-rate bank financings of the Group, fell from 5.29% to 1.8%.

2.2.4 Financial structure ratios

Indebtedness ratios	2008	2007	2006
Consolidated equity €M	418.7	471.6	410.8
Net financial debt €M	654.0	567.7	430.3
Net financial debt/ Consolidated equity	156%	120%	110%
Net banking debt/Total property assets (Loan to Value)	59.2%	52.4%	49.6%
Financing ratios	**2008**	**2007**	**2006**
Average cost of debt	5.2%	5%	4%
Fixed-rate or capped debt	91%	99%	82%
Maturity of debt	4.3 years	4 years	4.8 years
Hedging of financial costs by GOP*	1.5	1.9	2.7

*GOP: Gross Operating Profit = Operating income before adjustment of value and other income and operating expenses

These financing ratios reflect a company which has heavily invested each year since its redeployment in 2004, and consequently required significant financial resources, either in the form of capital or bank financing (hedged by suitable derivative products). In particular, the capital increases carried out in 2003, 2004 and 2005 significantly affected debt ratios which since 2006 represent optimal use of leverage, appropriate to the yield profile of the property assets financed.

Loan covenant ratios

The financial ratios that the Group has committed to respect as part of its bank financings are summarised in the table below, for the highest amounts posted at 31 December 2008 per bank. The table compares the latest ratios communicated to the banks at 31 December 2008 to the company's contractual obligations (LTV and ICR i.e. coverage of finance costs incurred during the 4th quarter of 2008 and projected for the first three quarters of 2009 by the net rents of the 4th quarter 2008 and those projected over the first three quarters 2009) with those the Group committed to respect in accordance with its main financing contracts.

Banking financing and main covenants at 31/12/2008

	31/12/2008	Contractual Thresholds		Ratios at 31/12/2008		
in €m	**Debt drawn**	**maximum LTV**	**minimum ICR**	**LTV**	**ICR**	**Term**
RBS / AXA / Calyon	144.4	75%	170%	52%	318%	15/06/2013
RBS / Calyon / Crédit Foncier / AXA	72.5	75%	180%	66.2%	247%	31/03/2010
Calyon	60.6	80%	125%	52.0%	207%	15/04/2011
Société Générale / Crédit Foncier	38.6	-	110%	-	N/A	17/03/2017
Hypo Real Estate	349.3	72.5%	140%	62.6%	179%	30/06/2013

The level of the loan covenants at 31 December 2008 complies with all the commitments of the Group as established by each of its financing contracts.

2.3 – Asset appraisal and NAV

2.3.1 – Group property assets

All the property assets of the Société de la Tour Eiffel Group were appraised at 31 December 2008 by one or the other of the following independent valuers: Atisreal Expertises, Savills Expertises, Drivers Jonas, Cushman and Wakefield and Ad Valorem.

The property assets of the group stand at €1,104.3m, excluding transfer duties and expenses, of which €1,095.5m represent investment properties and €8.8m represent current plant, property, and equipment including buildings under construction, valued at cost depending on their state of progress at 31 December 2008.

In compliance with the recommendations of the Autorité des Marchés Financiers (France's Financial Markets Authority), these appraisals are undertaken annually on a uniform manner based on net selling prices, i.e. excluding transfer costs.

Evaluation of Property Assets

	31/12/2007		31/12/2008	
	in €m	**in %**	**in €m**	**in %**
Offices	535.1	53.1%	579.7	52.9%
Parcs Eiffel	272.8	27.1%	311.1	28.4%
Warehouses	103.5	10.3%	107.7	9.8%
Light Industrial space	60.5	6.0%	60.2	5.5%
Nursing homes	35.9	3.6%	36.8	3.4%
Total	**1,007.9**	**100.0%**	**1,095.5**	**100.0%**

Change	**in €m**	**in%**
Offices	44.5	8%
Parcs Eiffel	38.4	14%
Warehouses	4.1	4%
Light Industrial space	-0.3	-1%
Nursing homes	0.9	2%
Total	**87.5**	**9%**

2.3.2 – Net asset Value

Net asset Value including taxes
To calculate the net asset value including taxes, properties are first assessed for their tax-inclusive value according to appraisals made by independent valuers. Buildings under construction, however, although they represent potential capital gains, appear, in accordance with IFRS standards, in the consolidated financial statements, at cost.

The Net Asset Value corresponds to the consolidated shareholders' equity at 31 December 2008, plus the unrealised gains on goodwill (value of Awon Asset Management as estimated by Deloitte at 31 December 2008).

The net asset value including taxes (replacement NAV) stands at €93.3 per share at 31 December 2008 compared with €107.4 per share at 31 December 2007 representing a reduction of 13%.

Net asset value excluding taxes
A second calculation provides net asset value excluding taxes. Transfer charges are estimated at 5% of the new value of the company owning an asset. This same transfer tax calculation method has been used for every year since the Company began its property investment activities.

The net asset value excluding taxes (liquidation NAV) stands at 88.5 euros per share at 31 December 2008 versus 101.9 euros per share at 31 December 2007, representing a total decrease percentage of 13%.

Calculation of Net Asset Value excluding taxes from consolidated shareholders' equity

In €m	31/12/2007	31/12/2008
Consolidated shareholders' equity	**471.6**	**418.7**
Appreciation on intangible assets	1.9	2.7
Appreciation on buildings under construction	21.8	0
Net adjustment of the transfer taxes:	**27.4**	**28.7**
+ Taxes deducted from the value of assets on the balance-sheet	55.6	53.2
- Estimated divestment taxes and fees	28.2	24.5
NAV excluding taxes	**522.7**	**450.1**
Number of shares (excluding treasury shares)	5,130,878	5,085,145
NAV excluding taxes by share in €	**101.9**	**88.5**
Change compared with 31/12/2007		-13.1%

2.4 – Corporate financial statements

The total balance sheet of Société de la Tour Eiffel at 31 December 2008 amounted to €418.1m versus €380.3m at 31 December 2007.

Assets

Fixed assets include, on the one hand, the Vélizy buildings acquired at year-end 2006 and the Amiens and Saint-Cloud buildings (acquired in early 2008) (total net book value of €29.5m at 31 December 2008) and, on the other hand, the equity interests in subsidiaries and related receivables. The rise in the value of equity interests (from €260.6m to €261.3m) is due to the acquisition of the SCI Duranne Sud in March 2008.

The increase in current assets from 2007 to 2008 (€28.9 to €68.0m) is above all due to the increase in operating receivables of €27.2 m, the financing of subsidiaries' property investments by current shareholders accounts, and the Company's cash assets (€14.3m). Conversely, the marketable securities representing the treasury shares obtained through the currently applicable share buy-back programme and the liquidity contract (107,358 shares at 31 December 2008 versus 65,744 at 31 December 2007) posted a net decrease of €1.7m, under the combined effect of an increase in gross value related to acquisitions (€2.0 m) and an additional provision in 2008 of €3.7m (owing to the fall in the share price of Société de la Tour Eiffel).

Liabilities

Equity decreased from €313.8m at 31 December 2007 to €308.9m at year-end 2008, under the combined effect, on the one hand upwards due to the appropriation of 2007 earnings to legal reserves and retained earnings (€0.9m), and on the other hand downwards due to the decrease in net company earnings as impacted by the interim dividend distributed during the year (-€5.8m).

The increase in overall debt, from €66.5m at 31 December 2007 to €108.2m at year-end 2008, reflects in particular the increase in bank finance (including €30.8m drawn in 2008 from the corporate line of credit, €9.7m from the line allocated to the acquisition of the Saint-Cloud building and €3.9m from that of the Amiens building), and in addition, the reduction in operating debt and intra-group debts (€2.7m).

Income statement

Operating income (€7.4m in 2008 versus €6.4m in 2007) is mainly derived in 2008 from Société de la Tour Eiffel having re-invoiced its subsidiaries for administration and asset management expenses and investments charges and the rental income from its properties (€1.4m versus €0.7m, respectively). Operation expenses include costs in relation to the master asset management agreement with Awon Asset Management, certain financing and investment charges and Société de la Tour Eiffel overhead. The overall increase of €3.6m in 2008 is primarily due to the €1.0m in provisions, on the basis of purchase cost, of the own shares granted as free shares as well as the impact of the free share plans, for which the definitive issuance occurred in 2008 (€2.0m).

The operating loss is - €5.6m in 2008 versus -€3.0m in 2007.

The financial profit, which amounts to €33.7m in 2008 versus €34.9m in 2007, mainly comprises equity interest income and related receivables, net cash reserve income and financial charges on intra-group debt and corporate bank financing, as well as provisions for depreciation of own held shares (charges of €4.2 m and write-backs of €0.5m in 2008).

These aforementioned elements together with a small insignificant non-recurring profit, net profit stands at €28.2m in 2008 versus €31.6m in 2007.

Expenditure on luxuries and no tax deductible charges

In compliance with the terms of Articles 223 quater and 223 quinquies of the Tax Code, we specify that the accounts for the past financial year do not include expenses which are not tax deductible.

3- STOCK MARKET INFORMATION

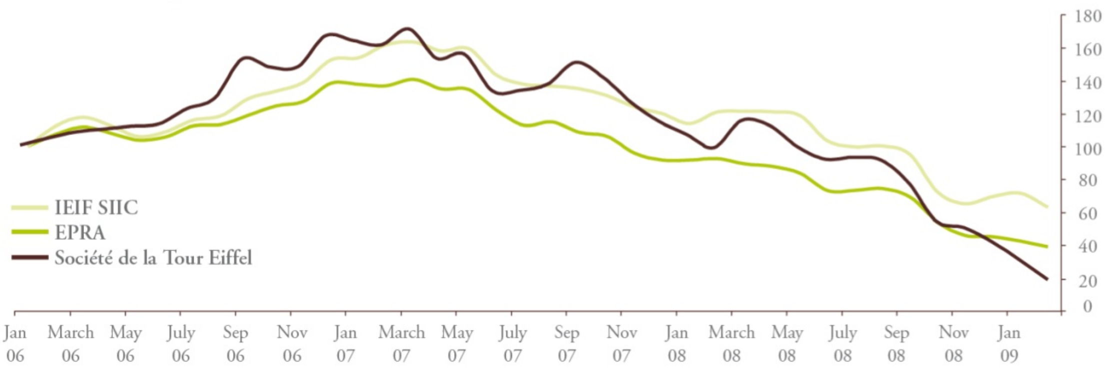
Ownership structure

Société de la Tour Eiffel has a free float of almost 90%. At 31 December 2008, 6 shareholders held more than 5% of the capital:

> companies holding directly or indirectly more than 5% of the capital or the voting rights:
ING Clarion, Nomura Asset Management Co. Ltd, DLIBJ Asset Management Co. Ltd, Sumitomo Mitsui Asset Management Co. Ltd

> companies holding directly or indirectly more than 10% of the capital or the voting rights:
Eiffel Holding Ltd, a company which holds the managers' equity stake (including shares held by companies or individuals acting jointly), Fortis Investment Management France.

Share price: comparable performance



	Unit	2005	2006	2007	2008
Consolidated net profit (Group share)	€m	15.8	117.9	91.6	-16.7
NAV (excluding rights) per share	€	63.8	83.5	101.9	88.5
Current cash flow per share	€	2.8	4.8	5.7	3.6
Share price at 31/12	€	74.5	136.5	93.9	33.6
Dividend per share	€	4.0	5.0	6.0	5.0
Market capitalisation at 31/12	€m	378.2	708.5	487.4	174.5

4 - FUTURE PROSPECTS AND RISK MANAGEMENT

Since 1 January 2009, two deliveries have been carried out: the Aix La Duranne property complex (Aix-en-Provence), as well as La Mazarade - Parc des Aygalades in Marseilles.

The sale of the building located at 17 rue Dumont d'Urville in Paris (75016) took place on 8 January 2009.

In addition, to the best of the Company's knowledge, there has been no significant change in the financial or commercial standing of the company since the end of the 2008 financial period.

The identified and secured rental income of Société de la Tour Eiffel, for the property assets held at 31 December 2008, will be at least €76m in 2009, €81m in 2010, €86m in 2011 and €89m in 2012 (before potential transfers).

In 2009, Société de la Tour Eiffel will pursue its prudent development strategy in new buildings, according to market conditions in real estate and financing. Indeed, in this period of financial and economic crisis, rental demand is exclusively generated by efforts to cut costs and streamline operations, and continues to focus on modern offices with moderate and competitive rents.

With regard to its existing property assets, Société de la Tour Eiffel will also continue the valuation of buildings under construction (pre-financed) scheduled for delivery in 2009/2010. For Locafimo in particular, the Company considers it can further optimise the occupancy levels of its business parks, and continue their renovation.

The Company will also endeavour to secure further long-term rental incomes, in particular for buildings delivered in 2008 by letting 13,500 sq. m. of latest-generation offices and 7,500 sq. m. of business premises.

The development of property reserves at the Massy Ampère site (65,000 sq. m.) will expand according to pre-rental agreements.

Marketing campaigns for properties currently under construction will increase rental income growth potential within a well-positioned market and reduce the rental risks of existing properties through firm and secure lease agreements, increasing our capacity to assume new property developments.

The Company intends in 2009 to carry out new targeted divestments of its property assets, according to market conditions.

The Company stands by its long-term objective of ensuring that the net income per share provides shareholders with a recurring source of significant revenues that will continue to increase over time.