"Société anonyme" (public limited company) with capital of 27,165,180 euros
Registered Office located at 20-22 rue de la Ville l'Evêque - 75008 PARIS - FRANCE
Registration number: 572 182 269 RCS PARIS

2009 HALF-YEAR FINANCIAL REPORT

HALF-YEAR BUSINESS REPORT:

I) CONSOLIDATED FINANCIAL STATEMENTS AS AT 30/06/2009

BALANCE SHEET – ASSETS

In thousands of euros	Notes	30 June 2009 Net	31 December 2008 Net
NON CURRENT ASSETS			
Property, plant & equipment	1	465	8,771
Investment properties	2	1,017,567	1,077,158
Goodwill on acquisitions	3	-	-
Intangible fixed assets	4	1,899	2,286
Long-term investments	5	1,419	2,311
Deferred tax assets	15	322	-
Total Non-current Assets (I)		**1,021,672**	**1,090,526**
CURRENT ASSETS			
Assets for disposal	6	21,400	18,300
Trade receivables	7	18,244	22,062
Other accounts receivable and accrual accounts	8	25,849	30,325
Cash and cash equivalents	9	55,840	28,335
Total current assets (II)		**121,333**	**99,022**
TOTAL ASSETS (I + II)		**1,143,005**	**1,189,548**

BALANCE SHEET – LIABILITIES

In thousands of euros	Notes	30 June 2009	31 December 2008
SHAREHOLDERS' EQUITY (group share)			
Capital	10	27,165	249,264
Share premiums	10	46,575	42,653
Legally required reserve		5,551	4,142
Consolidated reserves		336,436	139,002
Period consolidated income (loss)		(57,905)	(16,748)
SHAREHOLDERS' EQUITY (group share) (A)		**357,822**	**418,313**
Minority interests (B)	11	(177)	362
SHAREHOLDERS' EQUITY (I) = (A + B)		**357,645**	**418,675**
NON-CURRENT LIABILITIES			
Long-term borrowings	12	590,535	678,056
Other financial liabilities	12	32,776	25,992
Long-term provisions	13	621	621
Tax liabilities	14	1,466	1,386
Deferred taxation liabilities	15	-	-
Other long-term liabilities	16	300	299
Total non-current liabilities (II)		**625,698**	**706,354**
CURRENT LIABILITIES			
Borrowings and financial debt (less than 1 year)	12	88,927	11,914
Other financial liabilities	12	301	317
Provisions (less than one year)	13	-	-
Tax and social liabilities	14	20,880	16,128
Trade payables and other debts	16	49,554	36,160
Total current liabilities (III)		**159,662**	**64,519**
TOTAL LIABILITIES (I + II + III)		**1,143,005**	**1,189,548**

STATEMENT OF COMPREHENSIVE INCOME

In thousands of euros	**Notes**	**30 June 2009**	**30 June 2008**
Turnover	17	47,283	42,734
Purchases consumed	18	(28)	(33)
Staff expenses	19	(1,875)	(2,564)
External expenses	19	(10,561)	(9,016)
Property taxes	19	(4,413)	(4,075)
Net allowances for depreciation	20	(431)	(421)
Net allowances for provisions	20	(222)	(436)
Net value adjustment balance	21	(65,902)	3,848
Other operating revenues and expenses	22	(969)	(326)
Operating income on ordinary activities		**(37,118)**	**29,711**
Other operating income and expenses		-	-
Operating profit		**(37,118)**	**29,711**
Revenues from cash and cash equivalents		246	695
Gross cost of financial debt		(14,401)	(18,105)
Net cost of financial debt	23	**(14,155)**	**(17,410)**
Other financial income and charges	24	(7,080)	9,460
Corporate income tax	25	(68)	(529)
NET PROFIT (LOSS)		**(58,421)**	**21,232**
Minority interests		(516)	(12)
NET PROFIT (LOSS) (GROUP SHARE)		**(57,905)**	**21,244**
Earnings per share	26	(11.32)	4.09
Diluted earnings per share	26	(11.30)	4.14

Net profit (loss)		**(58,421)**	**21,232**
Gains and losses recorded directly in shareholder's equity		-	-
Comprehensive income		**(58,421)**	**21,232**
Of which: - group share		(57,905)	21,244
- minority interest share		(516)	(12)

CASH FLOW STATEMENT

In thousands of euros	30 June 2009	30 June 2008
CASH FLOW FROM OPERATING ACTIVITIES		
Consolidated net profit	**(58,421)**	**21,232**
Restatement:		
Net financial allowances for depreciation and provisions	431	478
Net balance from value adjustments of investment properties	65,902	(3,848)
Profits / losses on value adjustments on the other assets and liabilities	7,387	(7,633)
Calculated charges and income from payments in shares	-	-
Changes in deferred taxes and Exit Tax debts	-	-
Capital gains & losses from disposals	565	352
= **Cash flow from operations after net cost of financial debt and income tax**	**15,864**	**10,581**
Income Tax expense	68	529
Net cost of financial debt	14,155	17,410
= **Cash flow from operations before net cost of financial debt and income tax**	**30,087**	**28,520**
Taxes paid	(662)	(103)
Change in working capital requirement linked to operations	10,073	8,140
= **Net cash flow from operations**	**39,498**	**36,557**
CASH FLOW FROM INVESTMENT ACTIVITIES		
Acquisition of fixed assets		
Intangible and tangible	(19,821)	(65,920)
Financial	-	-
Disposal of fixed assets	34,421	83,888
Change in loans and financial receivables agreed	661	9,495
Impact of changes in the consolidation scope	-	(724)
= **Net cash flow from investment activities**	**15,261**	**26,739**
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid to shareholders of the parent company	(7,643)	(15,251)
Dividends paid to minority interests	-	-
Increase in capital	5,122	-
Increase in own shares	(159)	(3,984)
Borrowings issues	15,810	100,352
Borrowings repaid	(25,022)	(78,695)
Net financial interest paid	(15,244)	(16,112)
Changes in other financial debts	-	-
= **Cash flow from financing activities**	**(27,136)**	**(13,690)**
CASH FLOW	**27,623**	**49,606**
Cash position at opening	28,197	26,957
Cash position at closing	55,820	76,563
Cash flow variation	27,623	49,606

II - GROUP BUSINESS AND HIGHLIGHTS DURING THE FIRST HALF OF 2009

Commercial real estate suffered the consequences of the crises (credit, financial and economic), particularly falling rents and market values, an increase in vacancies and a lack of financing. However, the long-term real estate fundamentals remain sound, balanced rental markets (no overproduction), durable and identifiable revenues, indexed rents (resistant to inflation) and attractive yields.

1) Real estate highlights

In this particularly difficult market environment, Société de la Tour Eiffel benefited from the advantages of a defensive portfolio, encompassing modern, uniform assets; moderate rents (resistant to the crisis); high, stable occupancy rates; solid cash flow and properties with a limited lot size.

1-a) Investment policy

During the first half of 2009, Société de la Tour Eiffel, reacting to the impact of the economic situation on the real estate market both in terms of the rental sector and the decreased asset values, focused its investment activity on operations involving in-house land reserves, particularly business parks.

With regard to investment initiated during the previous years, the 2,745 sq. m. office building (with parkings) located in the integrated development zone of La Duranne in Aix-en-Provence, was delivered on 20 February 2009. A 7/9 year closed lease was signed for the complex.

1-b) Valuation of the group's land reserves

At the Massy Ampère development site, an agreement was concluded on 31 March 2009 whereby part of the land to be redeveloped was assigned by SCI Arman F02 to its subsidiary SCI Arman Ampère. The assignment was carried out in order to facilitate eventual future development schemes and partnerships.

The overall redevelopment progressed with SCI Arman F02 entering into a sale agreement on 4 December 2007 (renewed on 28 February 2009) on a designated residential development site to a specialist developer. A new sale agreement was concluded on 9 March 2009 to bring the price in line with the market and set up a payment schedule more favourable to SCI Arman F02. This latest agreement included a profit sharing clause. The act of sale is scheduled to be signed in September 2009.

In addition, an office building of 18,000 sq. m. let on a nine-year closed lease to Alstom, designed by architect Jean-Michel Wilmotte, will be HEQ certified and delivered in late 2009.

1-c) Business parks

The Group continued to renovate its business parks and construct new buildings tailored to user requirements.

The following buildings were delivered during the first half of 2009:

- In Marseille – Parc des Aygalades: at the "La Mazarade" complex, two new buildings with floor space of 2,300 sq. m. and 1,500 sq. m. were delivered on 9 February 2009. The first building was completely pre-rented (6/9 year lease from 1 May 2009); the second building is over 95% rented.

- In Nantes - Parc du Perray: a 2,000 sq. m. office building under a 6/9 year fixed-term lease was delivered on 5 January 2009. However, the sales agreement signed in September 2008 for the acquisition of an office building comprising 1,253 sq. m. of floor space at a price of €1.2m was not completed.

The following buildings are under construction:

- In Strasbourg – Parc des Tanneries:

  - office building of approximately 1,500 sq. m., under a 9-year closed lease, scheduled for delivery in late 2009.

  - on 30 April 2009, ground was broken on a 1,600 sq. m. office building, 25% of which has been pre-leased. Delivery is scheduled for March 2010.

- In Aix en Provence – Parc du Golf: building of 2,000 sq. m., pre-leased, delivery being scheduled for August 2009.

- In Chartres – Business Park, Jardin d'Entreprises integrated development zone: two 5,700 sq. m. office/light industrial buildings and warehouses will be delivered in late 2009 in the heart of Cosmetic Valley adjacent to the A11 motorway. €13.5m have been invested for an anticipated yield of 7.5%, with the benefit of a rental guarantee equivalent to six months' rent as from the delivery date.

1-d) Non-business park development

Construction is underway of the Vélizy Topaz building (former head office of Cogéma), a 15,000 sq. m. building scheduled for delivery in the first half of 2010, representing a (pre-financed) investment of €35M. Over half the construction work has now been completed.

58% of the Group's property assets, valued at €1039M in the consolidated accounts dated 30 June 2009 compared with €1104M, end 2008, are either recent or renovated properties.

1-e) Business activity

The company maintained a sustained level of activity throughout the first half of 2009 in terms of lease renewals on its existing portfolio and the marketing of developments, representing €5.3M in annual rent for total floor space of nearly 30,000 sq. m., including the renegotiation of a one-year extension on a major 16,600 sq. m. lease.

The overall tenancy situation at 30 June 2009 is similar to that of 31 December 2008. 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 stems from multi-let properties (400 leases), with the benefit of a wide geographical distribution and competitive, moderate rents.

As of 30 June 2009, the physical occupancy rate of properties in service stands at 89.1% (compared with 88.2% at 31 December 2008). The financial occupancy rate showed a very slight increase as of 30 June 2009, standing at 88.7% (compared with 88.6% in late 2008). Excluding buildings delivered in 2008 (currently being marketed), the financial occupancy rates are 92.9% and 93.1%, respectively.

1-f) Disposal policy

The Company has continued to pursue a policy of selective disposals.

Four sales have been completed since the start of 2009:

- Rue Dumont d'Urville - Paris (sale completed 8 January 2009),
- part of a building located in the freight zone at Roissy Charles de Gaulle Airport (sale completed 17 March 2009),
- Parc du Connemara in Nantes (sale completed 29 April 2009),
- Parc de la Duranne in Aix en Provence (sale completed 18 June 2009).

The total sale price of these four assets is €25.5M, less than 2% below the appraisal dated 31 December 2008.

The €21.4M in buildings designated for sale, appearing in the consolidated accounts dated 30 June 2009, comprise a building from Parc des Tanneries in Strasbourg, a building on Rue de Courcelles in Paris, and several lots in the Massy Ampère development complex.

Following these events, the value of the portfolio of commitments at 30 June 2009 stands at €1,080M, made up as follows :

- investment property (including the buildings under construction since the 1 January 2009) recorded in the consolidated accounts dated 30 June 2009 (€1,017.6M),
- buildings under construction whose figures are not yet final (€41M required to complete),
- assets designated for disposal (€21.4M under sale agreements).

2) Highlights relating to the financing of the Company and Group

No significant events occurred during the first half of 2009 with regard to the group's bank financing.

Following the assignment of development land by SCI Arman F02 to its subsidiary SCI Arman Ampère, SCI Arman F02 signed on 31 March 2009covenant no. 1 to the loan concluded with two banks on 28 March 2008, the main stipulations of which are as follows:

- imperfect delegation in accordance with article 1275 of the French Code Civil regarding the earn out payment after disposal,
- retention of mortgage securities
- commitment to retain SCI Arman Ampère shares and pledge on the same.

With regard to Locafimo, the proceeds from the disposal of the Rue Dumont d'Urville sale were partially used to acquire the buildings located in Parc d'activités des Aygalades, Marseille - 35 Boulevard Frédéric Sauvage and 44 avenue des Aygalades, to finance investment expenses, and reimburse the bank. On 20 February 2009, the company agreed to additional mortgages on assets acquired subsequent to the renegotiation of its financing facility on 21 July 2008.

Lastly, the proceeds from the Parc de la Duranne - Aix en Provence sale enabled the repayment of a €5.5M loan taken out on 18 June 2008 by SCI DURANNE SUD.

3) Other highlights

3-a capital

The general shareholders' meeting held on 14 May 2009 authorised the reduction in share capital of the Company from 249,264,144 euros to 25,965,015 euros by way of a reduction of the nominal value of each share from 48 euros to 5 euros, the 223,299,129 reduction in capital being allocated to reserves that can only be used for purposes of offsetting losses or recapitalization; the meeting conferred all related powers to the Board of Directors, which carried out the reduction in share capital on 10 June 2009.

The reduction in capital was followed by an increase in capital further to the decision made by the general assembly on 14 May 2009 to offer each shareholder the option of receiving payment of the €1.50 final dividend in either cash or shares for the 2008 financial period.

The board of directors meeting of 10 June 2009 noted that the number of options exercised by the shareholders required the creation of 240,033 shares to pay the dividend. It was therefore decided to increase share capital by a sum of 1,200,165 euros, raising the capital from 25,965,015 euros divided into 5,193,003 shares to 27,165,180 euros divided into 5,433,036 shares each of 5 euros each.

3-b governance

The board of directors increased with the nomination at the 14 May 2009 shareholders' meeting of a new independent director in the person of Mr. Renaud Haberkorn, who had previously been a Company director between 2003 and 2006.

3-c share buyback programme – liquidity contract

On 10 June 2009 the company renewed, for a period of 18 months as from the General Shareholders' Meeting held 14 May 2009, its share buyback programme. The purpose of the programme is to:

- meet requirements as to stock options, the allocation of free shares and convertible debts
- carry out external growth operations
- proceed, under the terms of a liquidity agreement, to stimulate the market for the company's shares,
- or alternatively to cancel them.

The maximum purchase price is set at €90 per share. The maximum number of shares for which buyback is authorised is equivalent to 10% of the capital of Société de la Tour Eiffel.

The Group redeemed 6,251 treasury shares between 8 and 10 June 2009. As of 30 June 2009, Société de la Tour Eiffel holds 101,144 treasury shares acquired through the share buyback programme and 6,092 treasury shares acquired through the liquidity contract.

The implementation of the liquidity contract, entered into with Natixis Securities and linked to the share buyback programme, continued during the first half of 2009.

III - COMMENTS ON THE HALF-YEAR EARNINGS, EVENTS AFTER 30 JUNE 2009 AND OUTLOOK

a) Accounting Standards – Scope of Consolidation

The Group's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union on 30 June 2009.

The accounting methods applied are strictly identical to those adopted for the production of the annual financial statements to 31 December 2008, excepting the standards required as from January 1st: IAS 1 R (presentation of financial statements), IFRS 8 (operating segments), amendments to IFRS 2 (vesting conditions and cancellations), amendments to IAS 32 (puttable financial instruments and obligations arising on liquidation), IAS 23R (borrowing costs), IFRIC 11 (group and treasury share transactions) and the revised version of IAS 40 (recognition of construction work in progress at fair value).

As at 30 June 2009, the scope of consolidation included 28 fully consolidated companies (100% ownership, except for one, which is 90% owned), being unchanged since 31 December 2008.

b) Consolidated Balance Sheet and Income Statement

Balance Sheet: The changes in the balance sheet between 31 December 2008 and 30 June 2009 can be explained largely by:

➔ on the assets side:
  - the net reduction of non-current assets by more than de €68.8M, due to (a) the €24M increase

through investments made during the first half of the year in the buildings under construction in Vélizy, Massy and several business parks, and (b) the decline of €26.1M due to properties sold, as well as the €65.9M decline in the fair value of investment properties and the cancellation of construction schemes in progress recorded as tangible fixed assets (following the revision of IAS 40).

- the increase of over €27M in cash.

➔ on the liabilities side, the reduction in share capital (- €60M mainly comprising the loss at 30 June 2009) and the net increase in current and non-current liabilities, despite the reduction in net bank borrowing (€10M).

Income statement: Between 2008 and 2009, the consolidated turnover for the first half showed an increase of over 10%, rising from €42.7M to €47.3M. It includes solely the rents (€37.1M compared with €36.0M) and reinvoiced service charges (€10.1M compared with €6.7M) of property subsidiaries.

The net increase in rents of 3.2% primarily results from the delivery of pre-leased new buildings (+ €2.4M) and the indexation of rents that occurred during this half year (+ €2.0M) after allowance for loss of rents pertaining to properties sold in 2008 and in the first half of 2009 (- €2.9M) as well as those related to net re-lettings (- €0.4M on renegotiated leases). On a like-for-like basis (excluding the impact of disposals), the increase in half-year rents amounts to 11%.

Staff charges, which include the Awon Asset Management payroll costs and the management of the holding company, decreased from €2.6M to €1.9M between 2008 and 2009 due to the adjustment of the market value of the stock option plans and free share allocation plans.

External charges mainly comprise operating charges of the properties, property management costs, general overheads and operating costs of the Société de la Tour Eiffel group's companies. Taxes relate solely to properties. A parallel can be drawn between the increase in external charges and taxes (from €13.1M to €15.0M) and that of reinvoiced service charges (included in turnover), as both correspond to operating charges of the properties paid by the companies which own the buildings.

The net balance of the value adjustments (- €65.9M) corresponds to the decrease in property valuations between 31 December 2008 and 30 June 2009 (compared with + €3.8M during the first half of 2008).

The current operating earnings as at 30 June 2009 included a negative figure of €1M in other net operating charges, made up largely of losses on property disposals (- €0.6M).

Given these factors, the operating earnings come to € -37.1M as at 30 June 2009 as against €29.7M on 30 June 2008.

The marked reduction in the financial result for the first half of 2009 (- €14.2M) compared with that of the first half of 2008 (- €17.4M) is directly associated with the fall in interest rates and outstanding bank finance: 95% of the 20.5% reduction in the net cost of borrowing (from €18.1M to €14.4M between the first half of 2008 and that of 2009) can be attributed to the drop in interest rates and 5% to the level of outstanding bank debt.

The other financial debits (- €7.1M at 30 June 2009 compared with €9.5M at 30 June 2008) mainly result from the reduction in value of the hedging instruments in a context of falling interest rates.

Given the foregoing and a tax of €0.1M and €0.5M in minority interests, the net consolidated result (group share) as at 30 June 2009 stands at - €57.9M, as against + €21.2M at 30 June 2008.

After adjusting the valuation of assets and liabilities as well as the disposal of assets, income from operating activities totalled €30.5M at 30 June 2009 and net profit came to €16.4M, against €27.8M and €11.1M respectively on 30 June 2008. Cash flow after income tax and the net debt service stood at €15.9M for the first half of 2009 (against €10.6M in 2008), up 50% thanks to the combined effect of sustained net rents and reduced financing costs.

c) Parent Company Earnings

As at 30 June 2009, interim accounts were established for each of the STE subsidiaries and the earnings at 30 June 2009 of the profit-making companies consolidated 100%, with the parent company.

The turnover of the parent company (Société de la Tour Eiffel) came to €3.5 million, comprising reinvoicing subsidiaries various investment, financing and administrative costs, and asset management services (according to the terms of the asset management master agreement entered into with Awon Asset Management) as well as rental income from the Saint-Cloud and Amiens.

Operating revenues also came to €3.5 million as at 30 June 2009. Operating charges (€4.4M) are made up of the costs relating to the asset management master agreement entered into with Awon Asset Management, certain financing and investment charges, allocations to depreciation of buildings, and Société de la Tour Eiffel’s general overheads.

The operating loss came to - €0.9M in the first half of 2009, compared with the previous year's loss of - €1.5M.

The financial loss, which stood at - €10.2M as at 30 June 2009 against €30.5M as at 30 June 2008, mainly comprises subsidiary’s dividend income and related receivables, net cash reserve income and financial charges on intra-group debt and corporate bank financing, as well as provision for depreciation of own held shares. As at 30 June 2008, the results included in particular the appropriation of 80% of the €19.4M profit of SCI Massy Campus (capital gains on the sale of its property) and €11.1 attribution of Locafimo's profits (from prior capital gains and recurring income). As at 30 June 2009, the Group suffered financial losses not only because of the lack of capital gains, but also due to the €16.5M depreciation in the share value of certain subsidiaries as a result of a decreased market value of their property.

In light of extraordinary profits of €0.1M, the net result is a loss of €11M as at 30 June 2009 compared to a profit of €28.1M as at 30 June 2008.

d) Events occurring after 30 June 2009

Locafimo:

The signing of additional mortgage charges on certain properties of the Locafimo group was completed on 2 July 2009 in order to enable the bank financing security to attain 100% coverage.

e) Outlook

The identified and secured rental income of Société de la Tour Eiffel, for the property assets held at 30 June 2009, will be at least €75 million in 2009.

In the second half of 2009, Société de la Tour Eiffel will continue the development of properties (pre-financed) scheduled for delivery in 2009 – 2010.

The Group will also seek to ensure that its existing rental income is secure and durable, optimising revenue by marketing buildings that were recently delivered or are under construction.

The development of the land reserves of the Massy Ampère site (65,000 sq. m.) will only move forward in the event of pre-leasing.

The Company intends to carry out further targeted disposals of certain properties in 2009, according to market conditions.

Société de la Tour Eiffel stands by its long-term objective of providing shareholders with recurring revenue that remains in line with the recurring cash flow per share.

f) Main risks and uncertainties

The main risks and uncertainties as assessed by the company are described in section 2.1 of the management report (paragraph 4.3) of the 2008 disclosure document at the Autorité des Marchés Financiers (AMF) on 30 April 2009 under the reference D09-0362.

The company does not anticipate any significant changes in these risk levels in the next six months of the year.

g) Transactions between related parties

This information can be found in note 28 of the appendix to the half-year consolidated accounts.

IV - Valuation of property assets and Net Asset Value

1 Group property assets

The company's entire property portfolio was valued as at 30 June 2009 by a panel of independent valuers: Atisreal Expertise, Savills Expertises, Cushman & Wakefield and Ad Valorem. The Group rotated certain valuers, according to geographical location and the nature of the properties to be revalued.

The Group's property assets stand at €1,039M, excluding transfer duties and expenses, of which €1,017.6M represent investment properties and €21.4M represent assets intended for sale.

Pursuant to the recommendations of the AMF (French markets regulator), these appraisals were undertaken according to recognised established methods on the basis of the net contract price, i.e. exclusive of transfer costs.

Valuation of property assets

	30/06/2009		31/12/2008		31/12/2007	
	in €M	in %	in €M	in %	in €M	in %
Offices	540.1	52.0%	579.7	52.9%	535.1	53.1%
Parcs Eiffel	305.4	29.4%	311.1	28.4%	272.8	27.1%
Warehouses	101.8	9.8%	107.7	9.8%	103.5	10.3%
Light industrial space	55.3	5.3%	60.2	5.5%	60.5	6.0%
Nursing homes	36.4	3.5%	36.8	3.4%	35.9	3.6%
Total	**1 039.0**	**100.0%**	**1 095.5**	**100.0%**	**1 007.9**	**100.0%**

	Change: 30/06/2009 vs 31/12/2008	
	in M€	in %
Offices	-39.6	-7%
Parcs Eiffel	-5.7	-2%
Warehouses	-5.9	-5%
Light industrial space	-4.9	-8%
Nursing homes	-0.4	-1%
Total	**-56.5**	**-5%**

2 – Net Asset Value

Net Asset Value, inclusive of 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 at cost in the consolidated financial statements as at 31 December 2008, in accordance with IFRS standards. For the record, the potential capital gains on buildings under construction, based on their appraisal value excluding taxes (upon delivery) determined by independent valuers, less the cost of works remaining to complete, were null at 31 December 2008 with respect to the calculation of NAV. As from 1 January 2009, in accordance with the revision of standard IAS 40, buildings under construction are recorded at fair value in the "investment properties" category.

The Net Asset Value corresponds to the consolidated shareholders' equity at 30 June 2009, plus the unrealised gains on goodwill (value of Awon Asset Management as estimated by Deloitte at 31 December 2008 and retained at 30 June 2009).

The Net Asset Value including taxes (replacement NAV) stands at €76.4 per share at 30 June 2009 compared with €93.3 per share at 31 December 2008, a reduction of 18%.

Net Asset Value excluding taxes

A second calculation provides Net Asset Value excluding taxes. Transfer charges are estimated at 5% of the revised 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.

As at 30 June 2009, the transfer taxes and other disposal expenses estimated by the Company, compared with the taxes already deducted from the value of the assets, issued by independent property experts and represented in the consolidated balance sheet (pursuant to IFRS standards), result in an adjustment of €25.4M.

The Net Asset Value excluding taxes (liquidation NAV) stands at €72.5 per share at 30 June 2009 versus €88.5 per share at 31 December 2008, an overall decrease of 18%.

The dilution arising from the creation of 240,033 new shares issued at €21.34 as part of the payment of the remainder of the 2008 dividend in shares, accounts for nearly €4 of the decrease in NAV per share excluding taxes. The NAV before dilution stands at €76.5, a moderate decline of 13.5%.

SOCIÉTÉ DE LA TOUR EIFFEL

In K€	31/12/2008
Consolidated shareholders' equity	**418,675**
Appreciation on intangible assets	2,729
Appreciation on buildings under construction	0
Net adjustment of the transfer taxes:	**28,714**
+ Taxes deducted from the value of assets on the balance sheet	*53,212*
- Estimated disposal taxes and fees	*24,498*
NAV excluding taxes	**450,118**
Number of shares (excluding treasury shares)	5,085,145
NAV excluding taxes by share in €	**88.5**
Change compared with 31/12/2008	

	In M€	**Per share in €**
NAV excluding taxes at 31/12/2008	**450.6**	**88.5**
Impact of the change in number of shares		-3.9
Recurring net income	16.4	3.1
Distribution of 2009 dividends	-7.6	-1.5
Capital gains on disposals	-0.6	-0.1
Valuation of property assets	-65.9	-12.4
Valuation of hedging instruments	-7.1	-1.3
Other	0.3	0.1
NAV excluding taxes at 30/06/2009	**386.1**	**72.5**

Number of shares (excluding treasury shares) at 30 June 2009: *5,325,800*
Number of shares (excluding treasury shares) at 31 December 2008: *5,085,145*

V – GROUP FINANCING

As in 2008, the first six month period 2009 was a difficult one for the financial markets in terms of bank liquidity, credit spread and the volatility of interest rates.

1) Liquidity

During the first half of 2009, the Group adjusted its financing needs. New resources were obtained (+ €15.8M) for the development schemes in progress (all pre-financed), and debts were diminished (- €25 M) by repayments made to banks following asset disposals carried out during the first half of the year and a deferred payment sale completed in 2008. At 30 June 2009, the Group had €47.2M in undrawn credit lines (excluding the new €56M liquidity line granted in 2008).

2) Debt structure at 30 June 2009

Global gross debt as at 30 June 2009 stands at €673.1M, as against €682.5M at 31 December 2008.

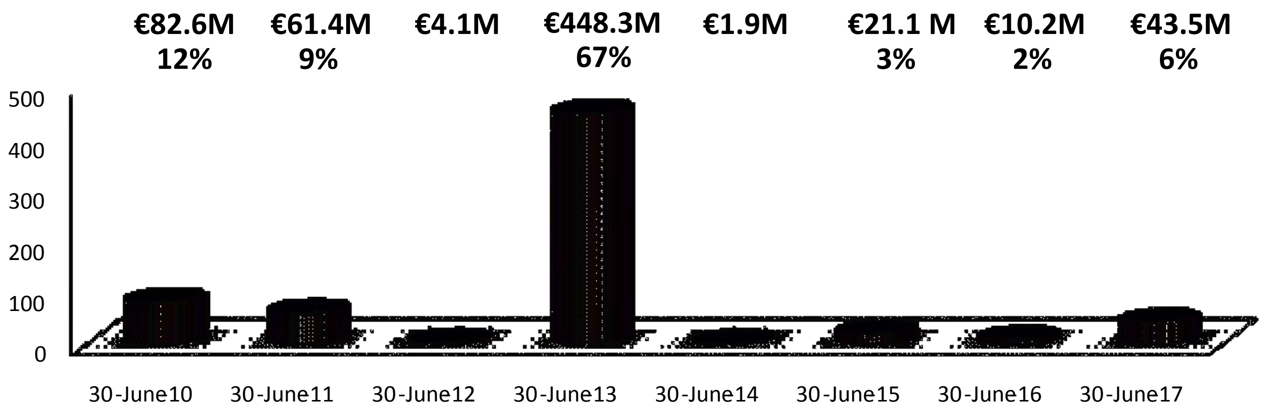
Debt recorded on the balance sheet, obtained by deducting from the global debt all financial investments in the form of cash securities held by the bank financing property assets currently under construction, liquid asset investments, and available assets of the Group's subsidiaries, amounted to €617.3M at mid-year 2009, versus €654M at year-end 2008.

In M€	**31/12/2008**	**30/06/2009**
Gross bank debt	**682.5**	**673.1**
Invested cash reserves	-17.4	37.4
Liquidity	-10.8	18.4
Financial investments (pledged cash)	-0.3	0
Net debt	**654.0**	**617.3**

Thus, the LTV ratio at 30 June 2009 represents 59.4% of property assets, valued at €1,039M.

Debt by maturity date

The €673.1M in bank financing of Société de la Tour Eiffel drawn at 30 June 2009, represented by maturity date:



The Company's average term of debt stood at 3.8 years as at 30 June 2009 against 4.3 years at 31 December 2008.

67% of total debt has a residual term of 4 years and 11% has a term of between 4 and 8 years.

Average cost of debt:

The average cost for Group refinancing was 4.2% during the first half of 2009 (5.2% in 2008). This change in the average cost of the debt is explained by the significant drop in interest rates since October 2008, applied to the portion of variable rate debt.

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.

The aim of the interest rate risk policy of Société de la Tour Eiffel is to limit the impact of changes in interest rates on results, and to keep the global cost of debt as low as possible. To meet these objectives, the Company usually borrows at a variable rate coupled with hedging instruments (CAPs and SWAPs).

Evaluation of interest rate risk:

At 30 June 2009, bank financial debt amounted to €673.1M€, of which €614.4M is at variable rates and €58.7M at fixed rates. After taking into account the fixed-rate SWAP instruments, the total debt at fixed rate stands at €330.9M, i.e. 49% of the total debt. . In addition, the debt at variable rate was hedged for a total of €306.2M by CAP instruments which would allow the Group to profit from the fall in the interest rates since late 2008 and which explains the over 20% reduction in the net cost of financing between half-year 2008 and half-year 2009. In this way, at 30 June 2009, the debt was hedged overall to a total ratio of 95%.

On the basis of the outstanding debt as at 30 June 2009, a rise in the Euribor 3-month interest rates of 100 base points in 2009 would have a negative impact (on an annual basis) on recurring net income, estimated at €3.4M.
Conversely, a drop in the interest rates of 100 basis points would reduce the finance cost by an estimated €3.4m, resulting in an equivalent positive impact on the recurring net income for 2009.

For the record, between 1st October 2008 and the beginning of July 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 less than 1%.

4 Financial structure ratios

Indebtedness ratios	30/06/2009	31/12/2008	31/12/2007
Consolidated equity (€M) 358.3	418.7		471.6
Net financial debt (€M) 617.3	654.0		567.7
Net financial debt / Consolidated equity	172%	156%	120%
Net financial debt /Total property assets (Loan To Value)	59.4%	59.2%	52.4%
Financing ratios		2008	2007
Average cost of debt	4.2%	5.2%	5%
Fixed-rate or capped date 95%	91%	99%	
Maturity of debt	3.8 years	4.3 years	4 years
Hedging of financial costs by GOP*	2.1	1.5	1.9

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

Loan covenant ratios:

The status relative to 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 30 June 2009 per bank. The table compares the latest ratios communicated to the banks at 30 June 2009 to the company's contractual obligations (LTV, i.e. amount of financings compared with that of financed properties ; ICR, i.e. coverage of finance costs incurred during the second quarter of 2009 and projected over the last two quarters of 2009 and the first quarter of 2010 by the net rents of the second quarter of 2009 and those projected the last two quarters of 2009 and the first quarter of 2010 with those the Group committed to respect in accordance with its main financing contracts.

BANKING FINANCING AND MAIN COVENANTS AT 30/06/2009

	30/06/2009	Contractual thresholds		Ratios at 30/06/2009		
in millions of euros	**Debt drawn**	**Maximum LTV**	**Minimum ICR**	**LTV**	**ICR**	**Term**
RBS / AXA / Calyon	142.2	75.0%	170%	51.7%	341%	15/06/2013
RBS / Calyon / Crédit Foncier / AXA	76.7	75.0%	180%	65.5%	277%	31/03/2010
Calyon	59.6	80.0%	125%	55.0%	361%	15/04/2011
Société Générale (50%) - Crédit Foncier (50%)	45.0	65.0%	110%	NA	NA	27/03/2017
Hypo Real Estate	336.7	72.5%	140%	63.7%	294%	30/06/2013

The company is in compliance with all its Group loan commitments as at 30 June 2009 relative to its various financing contracts.

VI - DISTRIBUTION OUT OF SHARE PREMIUM (IN LIEU OF DIVIDEND)

Income from recurring business and the strong progression of the current cash flow have enabled the Group to pursue its distribution policy. However, for technical reasons, distribution will be made out of share premium in lieu of dividend. An Ordinary General Meeting will be held 15 October 2009 on an extraordinary basis to vote on the distribution of €2 per share to be paid (subject to approval at the General Meeting), exclusively in cash on 27 October 2009.

TOUR EIFFEL

CONSOLIDATED FINANCIAL STATEMENTS AS AT 30/06/2009

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BALANCE SHEET – ASSETS

In thousands of euros	Notes	30 June 2009 Net	31 December 2008 Net
NON-CURRENT ASSETS			
Property, plant & equipment	1	465	8,771
Investment properties	2	1,017,567	1,077,158
Goodwill on acquisitions	3	-	-
Intangible fixed assets	4	1,899	2,286
Financial assets	5	1,419	2,311
Deferred tax debit	15	322	-
Total Non-Current Assets (I)		**1,021,672**	**1,090,526**
CURRENT ASSETS			
Assets for disposal	6	21,400	18,300
Trade receivables	7	18,244	22,062
Other accounts receivable and adjustment accounts	8	25,849	30,325
Cash and cash equivalents	9	55,840	28,335
Total current assets (II)		**121,333**	**99,022**
TOTAL ASSETS (I + II)		**1,143,005**	**1,189,548**

TOUR EIFFEL

BALANCE SHEET – LIABILITIES

In thousands of euros	Notes	30 June 2009	31 December 2008
SHAREHOLDERS' EQUITY (group share)			
Capital	10	27,165	249,264
Share premiums	10	46,575	42,653
Legally required reserve		5,551	4,142
Consolidated reserves		336,436	139,002
Current period consolidated income (loss)		(57,905)	(16,748)
SHAREHOLDERS' EQUITY (group share) (A)		**357,822**	**418,313**
Minority interests (B)	11	(177)	362
SHAREHOLDERS' EQUITY (I) = (A + B)		**357,645**	**418,675**
NON CURRENT LIABILITIES			
Long-term borrowings	12	590,535	678,056
Other financial liabilities	12	32,776	25,992
Long-term provisions	13	621	621
Tax liabilities	14	1,466	1,386
Deferred tax credit	15	-	-
Other long-term liabilities	16	300	299
Total non-current liabilities (II)		**625,698**	**706,354**
CURRENT LIABILITIES			
Borrowings and financial debt (less than 1 year)	12	88,927	11,914
Other financial liabilities	12	301	317
Provisions (less than one year)	13	-	-
Tax and social liabilities	14	20,880	16,128
Trade payables and other debts	16	49,554	36,160
Total current liabilities (III)		**159,662**	**64,519**
TOTAL LIABILITIES (I + II + III)		**1,143,005**	**1,189,548**

CONSOLIDATED INCOME STATEMENT

In thousands of euros	**Notes**	**30 June 2009**	**30 June 2008**
Turnover	17	47,283	42,734
Purchases consumed	18	(28)	(33)
Staff expenses	19	(1,875)	(2,564)
External expenses	19	(10,561)	(9,016)
Property taxes	19	(4,413)	(4,075)
Net allowances for depreciation	20	(431)	(421)
Net allowances for provisions	20	(222)	(436)
Net value adjustment balance	21	(65,902)	3,848
Other operating revenues and expenses	22	(969)	(326)
Operating income on ordinary activities		**(37,118)**	**29,711**
Other operating income and expenses		-	-
Operating profit (loss)		**(37,118)**	**29,711**
Revenues from cash and cash equivalents		246	695
Gross cost of financial debt		(14,401)	(18,105)
Net cost of financial debt	23	**(14,155)**	**(17,410)**
Other financial income and expenses	24	(7,080)	9,460
Corporate income tax	25	(68)	(529)
NET PROFIT (loss)		**(58,421)**	**21,232**
Minority interests		(516)	(12)
NET PROFIT (loss), GROUP SHARE		**(57,905)**	**21,244**
Earnings per share	26	(11.32)	4.09
Diluted earnings per share	26	(11.30)	4.14

Net profit (loss)		**(58,421)**	**21,232**
Profits and losses recorded directly as shareholders' equity		-	-
Comprehensive income		**(58,421)**	**21,232**
Of which: - group share		(57,905)	21,244
- minority interest share		(516)	(12)

CASH FLOW STATEMENT

In thousands of euros	**30 June 2009**	**30 June 2008**
CASH FLOW FROM OPERATING ACTIVITIES		
Consolidated net profit	**(58,421)**	**21,232**
Restatement:		
Net allowances to depreciation and provisions	431	478
Net balance from value adjustments of investment properties	65,902	(3,848)
Profit / loss on value adjustments on the other assets and liabilities	7,387	(7,633)
Calculated charges and income from payments in shares	-	-
Changes in deferred taxes and Exit Tax debts	-	-
Capital gains & losses from disposals	565	352
= Cash flow from operations after net cost of financial debt and income tax	**15,864**	**10,581**
Income tax expense	68	529
Net cost of financial debt	14,155	17,410
= Cash flow from operations before net cost of financial debt and income tax	**30,087**	**28,520**
Taxes paid	(662)	(103)
Change in working capital requirement linked to operations	10,073	8,140
= Net cash flow from operations	**39,498**	**36,557**
CASH FLOW FROM INVESTMENT ACTIVITIES		
Acquisition of capital assets		
Intangible and tangible	(19,821)	(65,920)
Financial	-	-
Disposal of capital assets	34,421	83,888
Change in loans and financial receivables agreed	661	9,495
Impact of changes in the consolidation scope	-	(724)
= Net cash flow for investment activities	**15,261**	**26,739**
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid to shareholders of the parent company	(7,643)	(15,251)
Dividends paid to minority interests	-	-
Increase in capital	5,122	-
Increase of own shares	(159)	(3,984)
Borrowings issued	15,810	100,352
Borrowings repaid	(25,022)	(78,695)
Net financial interest paid	(15,244)	(16,112)
Changes in other financial debts	-	-
= Net Cash flow from financing activities	**(27,136)**	**(13,690)**
CASH FLOW	**27,623**	**49,606**
Cash position at opening	28,197	26,957
Cash position at closing	55,820	76,563
Cash flow variation	27,623	49,606

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In thousands of euros	**Capital**	**Premiums**	**Legally required reserve**	**Consolidated reserves**	**Current-year net income**	**Total Group share**	**Min. interests**	**Total Shareholder' equity**
Position at 01.01.2008	**249,264**	**42,653**	**2563**	**85,424**	**91,595**	**471,499**	**69**	**471,568**
Appropriation of earnings	-	-	1,579	90,016	(91,595)	-	-	-
Dividends paid	-	-	-	(33,072)	-	**(33,072)**	-	**(33,072)**
Increase in capital	-	-	-	-	-	-	-	-
Costs of capital increase	-	-	-	-	-	-	-	-
Income for the period	-	-	-	-	(16,748)	**(16,748)**	79	**(16,669)**
Share subscription warrants	-	-	-	-	-	-	-	-
Stock option plans	-	-	-	996	-	**996**	-	**996**
Other movements	-	-	-	-	-	-	214	**214**
Share buy-back	-	-	-	(4,362)	-	**(4,362)**	-	**(4,362)**
Position at 31.12.2008	**249,264**	**42,653**	**4,142**	**139,002**	**(16,748)**	**418,313**	**362**	**418,675**
Appropriation of earnings	-	-	1,409	(18,157)	16,748	-	-	-
Dividends paid	-	-	-	(7,643)	-	**(7,643)**	-	**(7,643)**
Increase in capital	1,200	3,922	-	-	-	**5,122**	-	**5,122**
Reduction in capital	(223,299)	-	-	223,299	-	-	-	-
Income for the period	-	-	-	-	(57,905)	**(57,905)**	(516)	**(58,421)**
Share subscription warrants	-	-	-	-	-	-	-	-
Stock option plans	-	-	-	94	-	**94**	-	**94**
Other movements	-	-	-	-	-	-	(23)	**(23)**
Share buy-back	-	-	-	(159)	-	**(159)**	-	**(159)**
Position at 30.06.2009	**27,165**	**46,575**	**5,551**	**336,436**	**(57,905)**	**357,822**	**(177)**	**357,645**

SOCIÉTÉ DE LA TOUR EIFFEL

APPENDIX TO THE CONSOLIDATED FINANCIAL STATEMENTS

1.1 General information

Société de la Tour Eiffel and its subsidiaries specialise in the holding and management of commercial property.

Société de la Tour Eiffel is a *"société anonyme"* [type of public limited company] registered and domiciled in France. Its registered office is at 20-22 rue de la Ville l'Evêque, Paris.

The Company is listed on the Eurolist section (compartment B) of Euronext Paris (France).

The consolidated financial statements as at 30 June 2009 were adopted on 29 July 2009 by the Board of Directors. They are presented in thousands of euros, unless stated otherwise.

1.2 Accounting methods

The main accounting methods used in preparing the consolidated financial statements are set out below. Unless stated otherwise, these same methods have been applied consistently to all financial periods presented.

2.1 Basis for preparation of the financial statements

The consolidated financial statements of the Société de la Tour Eiffel Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted within the European Union.

The preparation of financial statements in accordance with the IFRS requires that certain pertinent accounting estimates be applied. Management must also exercise its judgment in respect of the application of the Company's accounting methods. The areas for which the stakes are the highest in terms of judgment or complexity or those for which the assumptions and the estimates are significant in relation to the consolidated financial statements are discussed in paragraph 5.

The following mandatory standards came into effect on 1 January 2009:

- IAS 1 R, Presentation of financial statements: new presentation of the income statement comprising a comprehensive income statement with the variations in items related to shareholders' equity (see 2.6),
- IFRS 8, Operating segments are now defined in management reporting (see 2.4),
- Amendment to IFRS 2– Vesting conditions and cancellations,
- Amendments to IAS 32 – Puttable financial instruments and obligations arising on liquidation,
- IAS 23 R, Borrowing costs (See 2.6),
- IFRIC 11, Group and treasury share transactions
- Revision of IAS 40: recognition of construction work in progress at fair value

The closing date of year-end accounts of all the Group's companies is 31 December.
The consolidated financial statements are drawn up on that basis.

22.2 Method of consolidation

Subsidiaries

Subsidiaries are all entities over which the Company has the power to exert significant influence over the financial and operational policies, generally combined with a shareholding of more than half the voting rights. Potential voting rights are taken into account in assessing the control exercised by the Group over another entity where these rights derive from instruments that can be exercised or converted at the time that assessment is made. The subsidiaries are consolidated comprehensively as of the date on which the control is transferred to the Group. They cease to be consolidated as of the date on which that control ceases to be exercised.

The purchase method is used in accounting for the acquisition of subsidiaries by the Group. The cost of an acquisition is equal to the fair value of the assets transferred, the equity instruments issued and the liabilities incurred or assumed as at the date of the exchange, plus any costs directly attributable to the acquisition. In the case of a combination of companies, the identifiable assets that have been acquired, the identifiable liabilities and any liabilities assumed are initially valued at their fair value at the date of acquisition, regardless of the value of the minority interests.

The excess of the cost of acquisition over the fair value of the pro-rata share to the Group in the net identifiable assets acquired shall be recorded as goodwill. When the cost of acquisition is less than the fair value of the pro-rata share in the net assets of the subsidiary acquired, the gap is posted directly to the income statement (cf. Note 2.6).

2.3 Grouping of companies and asset acquisitions

2.3.1 Grouping of companies

When the company acquires an economic activity as the term is used in IFRS 3, such acquisition is treated as the formation of a group of companies, also as the term is used in that standard.
In this circumstance, deferred tax and goodwill are likely to be recorded.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share in the identifiable assets and liabilities, and any losses, of the subsidiary as at the acquisition date. (cf. Note 2.2).

Goodwill recorded separately is subjected to an annual impairment tests as per IAS 36, and is also tested prior to the end of the financial year in which the acquisition occurred. It is recorded at its cost, minus the aggregation of the losses of value. Losses of value of goodwill may not be reversed. The income achieved upon disposal of an entity takes account of the book value of the goodwill of the entity sold.

For impairment testing, goodwill is allocated to cash generating units (CGU), which are expected to gain some benefit from the group being formed. Impairment is recorded at the rate of the excess of the cash generating unit's book value over its recoverable value. A CGU's recoverable value is the higher amount of its fair value minus sale costs or its utility value.
The treatment of these acquisitions as the formation of groups of companies has the effect of recording deferred tax liabilities on the difference between the tax value and the fair value of the property at the acquisition date, and the later adjustments to fair value, to be done when the fair value is exercised (cf. Note 2.17). Similarly, the acquisition costs are included in the acquisition cost of the securities. The accounting treatment applicable to these two factors mechanically increases goodwill.

This valuation of property assets also has a mechanical effect when the impairment tests are carried out on the cash generating units to which the goodwill is allocated, an effect that leads to full impairment of the goodwill in the year during which the acquisition took place. The cash generating units, at the level of which the goodwill is tested, are most particularly buildings owned by the property companies. These CGUs' recoverable values, determined on the basis of the discounted future cash flows, generally correspond to the appraisal values (i.e. the new reappraised values of the property), and so they cannot justify the associated goodwill that must be impaired.

As a result, application of IAS 36 requires a comprehensive statement of the goodwill as an expense from the year of acquisition; in the present case, the impairment is recorded in the "net value adjustments balance" account.

Pursuant to IFRS 3, negative goodwill is posted to profit and loss in the “net value adjustments balance” account.

2.3.2 Asset acquisitions

When the Group acquires an entity that represents a group of assets and liabilities, but without any economic activity, as the term is defined in IFRS 3, these acquisitions are not included under formation of a group of companies as the term is defined in the same standard, and are booked as an acquisition of assets and liabilities, making no statement of goodwill.
Any difference between the cost of acquisition and the fair value of the assets and liabilities acquired is allocated on the basis of the fair values with regard to the identifiable group assets and liabilities as at the acquisition date.

Pursuant to IAS 12 (15) (b) for the acquired entities that are subject to taxation, no deferred tax is recorded upon the acquisition of assets and liabilities.

2.4 Information per sector

As part of the group's management reporting responsibilities, properties are monitored individually and none represent over 10% of the aggregates provided for in the IFRS 8 standard.

2.5 Property, plant and equipment

These assets include chiefly office equipment, information technology equipment and means of transportation, as well as office fitting. They are depreciated on a straight-line basis over their useful lives. Depreciation is calculated as per the following schedules:

- vehicles: 3 years
- office equipment & information technology equipment: 3 years
- Facilities, fixtures, fittings: 10 years

2.6 Investment properties

Property that is being constructed or developed for future use as investment property

Pursuant to the revised version of the IAS 40 standard, these holdings are recorded as "Investment property" and are valuated at fair value (the method selected by the Group).

Pursuant to the IAS 23 standard, the Group incorporates borrowing costs into the cost of the corresponding created assets, essentially assets requiring a long construction period. The included financial costs are solely those related to interest accrued on short-term and long-term borrowings during the construction period until the definitive delivery date of the asset. The rate complies with the financing methods employed by the Group.

An investment property is a property asset (land or a building - or part of a building - or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both.

Pursuant to the method put forth by IAS 40 and in accordance with the recommendations of EPRA, the group has opted for the fair value method as the permanent method and appraises the investment properties at their fair value. These properties are not amortised.

The market value used for all the group's investment properties is the value, excluding transfer costs, determined by independent experts who appraise the group's assets on 30 June and 31 December each year.

The group has appointed a variety of independent experts, as shown below, to appraise its assets:

Atisreal Expertise
Savills
Cushman & Wakefield
Ad Valorem

The experts' practice is in line with their professional benchmarks (TEGOVA and RICS standards, charter of real estate appraisal, COB report dated February 2000).

In their valuation, the experts used the net income capitalisation method, involving the capitalisation of the properties' net rents using the rental statements supplied by the group and taking into account the non-recoverable charges (management fees, fixed or capped charges, stewardship fees, current remodelling expenses, etc.).

These rental revenues take into account a vacancy rate, and reductions or increases in rents that must be applied when renewals occur according to the market rental values and the likelihoods that leases will be renewed.

The instantaneous rates of return calculated arising out of these appraisals have been reconciled with the comparable values of the market to adjust the values as a result.

The investment properties subject to restructuring are appraised on the basis of an evaluation of the building after restructuring, to the extent that the company has reasonable assurance that the plan will be carried through, taking account of the lack of significant threats when it comes to administrate authorisations (e.g., planning permit, "CDEC" [local commercial infrastructure board permit], conditions precedent of technical and commercial implementation).

Work remaining to be done is then deducted from that appraisal on the basis of the promotion budget or the contracts entered into with builders and service providers.

Investment properties that do not fulfil these conditions are appraised at their status at the close.

The income statement records the change in value of each building over the year, in the following way:
Market value N - (market value N-1 + value of work and capitalisable expenditure of year N).

The net capital gain from sale of an investment property is calculated with reference to the last fair value recorded on the previous end-of-year balance sheet.

2.7 Intangible fixed assets

Pursuant to IAS 38, intangible fixed assets are appraised at the historic cost less the cumulative total of amortisation and possible loss in value.

The major component of the intangible fixed assets is the contract between Awon Asset Management and Société Tour Eiffel valued in connection with the acquisition of Awon Asset Management on 16 May 2006.
This contract is amortised over its fixed term, i.e. until 31 December 2011.
An impairment test will be made if any loss in value is suspected.

The other intangible fixed assets consist of software. The software packages are valued at cost and depreciated on a straight-line basis over their useful lifetimes, usually between 1 and 3 years.

2.8 Financial assets

The Group classifies its financial assets according to the following categories: at their fair value with the corresponding entry taken to the income statement, loans and accounts receivable. The classification depends on the reasons behind the acquisition of the financial assets in question. The management determines the classification of its financial assets on their initial recognition in the accounts and subsequently reconsiders it at each annual or interim closing date, in keeping with the conditions set forth by IAS 39.

Financial assets at fair value through the income statement

This category contains financial assets shown at their fair value with the corresponding entry in the income statement when they are first recorded. A financial asset is classified in this category if it has been designated as such by the management (assets appraised at fair value through the income statement), pursuant to IAS 39. The assets in this category are classified as current assets when they are held for trading purposes or if they are expected to be sold or reach maturity in the twelve months after the accounting close. They are then subsequently re-measured at their fair value at each closing.

For the Group this involves the valuation of caps and swaps.

Loans, deposits, guarantees and other long-term receivables

These are non-derivative financial assets with payments that are determined or determinable, that are not listed on an active market. They are included among the current assets, apart from those reaching maturity more than twelve months after closing. Those longer-dated maturities are classified as non-current assets.

These assets are accounted for at cost.

2.9 Trade receivables and related accounts

Trade receivables are initially accounted for at their fair value, less provision for impairment.
Impairment is booked for trade receivables when there is an objective indicator that the Group is unable to recover all the amounts due under the conditions initially stated at the time of the transaction. Major financial difficulties encountered by the debtor, the likelihood of a bankruptcy or financial restructuring of the debtor or a failure to pay or payment default are indicators of impairment of a receivable.

The amount of the provision is accounted for on the income statement as net allowances to provisions.

2.10 Cash and cash equivalents

The “cash and cash equivalents” item includes cash at hand, sight deposits in banks, other highly liquid short-term investments with initial maturities of less than or equal to three months, and bank overdrafts. Bank overdrafts are stated among the current liabilities of the balance sheet, under “borrowings.”

Marketable securities are classified into cash equivalent when they fulfil the conditions of maturity, liquidity and absence of volatility.

They are measured at fair value with the corresponding entry taken to profit or loss.

2.11 Non-current assets and asset groups for disposal

IFRS 5 proposes classifying among “assets for disposal” the assets which the company has decided to sell.

A non-current asset is classified as “asset for disposal” if the management with authority to approve the sale decided upon this classification.

For the sale to be highly likely, a plan to sell the asset must have been commenced, and an active programme to find a purchaser must have been launched.

The Company expects that the sale will occur within twelve (12) months.

The investment property listed in this category continues to be measured according to the fair value principle.

2.12 Shareholders' equity

The fair value of the subscription forms for shares and stock options is appraised according to the mathematical models at the allocation date. This fair value is stated in profit or loss during the acquisition of the rights with the corresponding entry taken to equity.

The additional costs directly attributable to the issuance of new shares or options are booked under equity after deduction of the revenues from issuance, and net of taxes.

Acquisitions of the company's own shares to regulate its market price cause the shareholders' equity to be reduced by their purchase price.

2.13 Borrowings and other financial liabilities

Borrowings

Borrowings are initially recorded at their fair value, net of any transaction costs incurred, and then at their depreciated cost.
The amortisation of the costs of issuance over the lifetime of the existing borrowings is done by the straight-line method, since the variance compared with an actuarial method is of little significance.

Borrowings are classified as current liabilities, unless the Group has an unconditional right to postpone settlement of the debt at least twelve months after the closing date, in which case such borrowings are classified as non-current liabilities.

Hedging instruments

Société Tour Eiffel uses financial instruments (SWAPS and CAPS) to hedge itself against the risk of increasing interest rates on its debt and did not opt for hedging accounting as the term is meant under IFRS.

The financial assets are appraised at their fair values and the changes in fair value from one period to the next are posted to profit or loss.

Other financial liabilities

The other financial liabilities include chiefly the outstanding premiums remaining on the caps and swaps and the bonds and suretyships received.

These financial liabilities are recorded at their depreciated cost.

2.14 Provisions

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to discharge the obligation, and a reliable estimate can be made of the amount of the obligation.

2.15 Staff benefits

Retirement obligations

IAS 19 requires that the company – over the period of vesting of commitments – incur all of the benefits or payments, present or future, granted by the company to its staff or to a third party.

As at 30 June 2009 the Group had a total staff of 24, 23 of whom were in Awon Asset Management and one of whom was in Société de la Tour Eiffel.

The Group decided to keep in force the treatment of the actuarial gains and losses involving recording them in profit or loss.

As at 30 June 2009, the Group did not perform the appraisal of the value of the pension commitments representing defined benefits.

The valuation criteria (identical to that of 31 December 2008) are as follows:

- actuarial appraisals (discount rate and net annual re-measurement of the fund of 4.51%);
- mortality assumptions (source: INSEE);
- staff turnover;
- 4% salary increase;
- retirement at age 65.

This provision for pension compensation was recorded at the value of €94,000.

Payments based on shares

The Group has introduced a compensation plan that is settled in equity instruments (share options and free shares). The fair value of the services rendered in exchange for the grant of options is booked as charges and taken to the reserves on the basis of the value of the options at the time they were allocated.

The company does not recognise any commitment when the awarding of these instruments is subject, on the awarding date, to any condition other than a market condition that will not be fulfilled.
At each closing date, the entity re-examines the number of options that are likely to become exercisable.

The amounts received when the options are exercised are credited to the "shareholders' equity" (nominal value) and "issue premium, net of directly attributable transaction costs" accounts.

2.16 Deferred payment debts

The values of these debts are discounted and a financial charge or revenue is recorded in the income statement for the deferred payment period.

The only payment deferrals recorded relate to: the exit tax with respect to entry into the "SIIC" system and the guarantee deposits of tenants. The major restatement performed relates to the discounting of the exit tax.

2.17 Current and deferred taxes

The group's tax regime

The choice to opt for the status of "Société d'Investissements Immobiliers Cotée" ("SIIC") by Société de la Tour Eiffel was filed during the first quarter of 2004.

Deferred taxation

The deferred taxes are recorded for businesses and companies subject to corporate income tax according to the method of variable postponement up to the amount of the temporary differences between the tax basis of the assets and liabilities and the book value in the consolidated financial statements. The deferred taxes are determined using the tax rates (and the rates of the taxation regulations) that were adopted or semi-adopted as at the closing date and which it is planned will apply when the deferred tax asset in question will be realised or the deferred tax liability will be paid.

The deferred tax assets are recognised only if the realisation of a future taxable profit, which will make it possible to impute temporary differences, is likely.

Deferred taxes are recorded in respect of temporary differences connected with equity stakes in subsidiaries and affiliates, except when the timetable for reversing these temporary differences is controlled by the Group and when it is likely that such reversal will not occur in the near future.

Société de la Tour Eiffel opted for the status of a "*Société d'Investissements Immobiliers Cotée*" ("*SIIC*"). A major feature of this system is an exemption from corporate income tax arising out of property rentals.

As a result of this choice, no corporate income tax is payable in respect of the real property rental business, directly or indirectly via the revenues received from subsidiaries. Similarly, capital gains from the sale of property or of subsidiaries' securities subject to the same system are exempted. The Group is still liable for corporate income tax for performance of transactions that are not covered by the SIIC system.

After Locafimo's option in 2006 to become a SIIC, the scope of application is proving extremely reduced.

Changes to the SIIC tax system

2006 amendments to France's Loi de Finances, promulgated on 30 December 2006, specifies that SIICs pay a levy of 20% on the dividends paid as of 1st July 2007 to shareholders (apart from individuals and SIICs) that own at least ten per cent (10%), directly or indirectly, of the capital of company and that are not taxed as dividends received.

Pursuant to the IFRS rule stating that the tax consequences of dividends are accounted for when the dividends payable are recorded in the liabilities (IAS 12.52B), the levy is recorded for the period in which the distribution is decided.

On the basis of the shareholding base as at 30 June 2009, the company should not be forced to pay any levy on its distributions.

2.18 Recognition of income

Pursuant to IAS 18 "Revenue," the revenue from ordinary business activities are gross inputs of economic benefits from which the company benefits during the period and which lead to increases in shareholders' equity other than those arising out of the contributions made by the partners and shareholders.

The revenue from ordinary activities for the Group chiefly constitutes revenue from the rental of investment properties.

The leases currently signed by the Group, including construction leases, comply with the definition of operating lease, as defined by IAS 17.
Application of IAS 17 has the effect of spreading out over the firm term of the lease the financial consequences of all the clauses specified in the lease agreement. The same applies to exemptions, stages and entry fees.

Revenues from ordinary operations are measured at the fair value of the proceeds received.
Revenues from the rents for investment properties are booked as they are received.

2.19 Other operating income and expenses

"Other operating income and expenses" arise out of the kind of atypical, abnormal and rare events specified in paragraph 28 of the "IASB Framework," such as, for example:

- A capital gain or loss on disposal of tangible or intangible non-current assets;
- Depreciation of tangible or intangible non-current assets;
- Certain restructuring charges;
- A provision for a major litigation for the company.

2.20 Lease-Financing agreements

In these finance leases, the Group (lessor) transferred to the lessee the risks and advantages associated with the asset; the lessor retains the right of receivable given to it by the financing granted to the lessee.

The lessor accounts for its receivable by an amount equal to the sum of the minimum payments for the finance lease.
The payments are broken down between repayment of the receivable and the financial revenue.

The information concerning future payments is not provided due to their intangible nature.

2.21 Distribution of dividends

Distribution of dividends to the Company's shareholders are accounted for as a debt in the Group's financial statements during the period in which the dividends are approved by the Company's shareholders.

3 - Scope of consolidation

3.1 List of the consolidated companies

Companies	SIREN ID	Method of consolidation	% of interest June 2009	% of interest Dec. 2008	Date company joined Group's scope
SA SOCIETE DE LA TOUR EIFFEL	572 182 269	Parent company	100%	100%	
SCI DU 153 AVENUE JEAN JAURES	419 127 287	FC**	100%	100%	December 2003
SCI NOWA	443 080 379	FC**	100%	100%	April 2004
SCI MARCEAU BEZONS	429 665 672	FC**	100%	100%	June 2004
SCI ARMAN F02	444 978 076	FC**	100%	100%	April 2004
SCI DES BERGES DE L'OURCQ	478 726 565	FC**	100%	100%	September 2004
SCI CHAMPIGNY CARNOT	479 586 893	FC**	100%	100%	November 2004
SCI COMETE	479 576 761	FC**	100%	100%	December 2004
SCI LYON GENLIS	480 351 576	FC**	100%	100%	January 2005
SCI ETUPES DE L'ALLAN	480 601 038	FC**	100%	100%	January 2005
SCI CAEN COLOMBELLES	482 598 133	FC**	100%	100%	May 2005
SCI MALAKOFF VALETTE	552 138 448	FC**	100%	100%	May 2004
SCI MASSY CAMPUS 2	483 575 635	FC**	100%	100%	August 2005
SAS LOCAFIMO *	692 031 149	FC**	100%	100%	December 2005
SCI AIX GOLF *	403 092 471	FC**	100%	100%	December 2005
SCI LA RIVIERE GIRAUDIERE*	388 323 909	FC**	100%	100%	December 2005
SCI BOTARDIERE *	397 968 207	FC**	100%	100%	December 2005
SCI PARIS CHARONNE *	403 104 458	FC**	100%	100%	December 2005
AWON ASSET MANAGEMENT	380 757 807	FC**	100%	100%	May 2006
SCI DE BROU	351 819 966	FC***	100%	100%	June 2006
SCI COGOLIN GAOU	442 525 382	FC***	100%	100%	June 2006
SCI DE LA CRAU	447 913 278	FC***	100%	100%	June 2006

Companies	SIREN ID #	Method of consolidation	% of equity stake June 2009	% of equity stake Dec. 2008	Date company joined Group's scope
SCI GRENOBLE PONT D'OXFORD	490 034 063	FC**	100%	100%	May 2006
SCI RUEIL NATIONAL	489 900 498	FC**	100%	100%	May 2006
SCI PORTE DES LILAS	490 989 803	FC**	90%	90%	July 2006
SCI VELIZY TOPAZ	328 223 706	FC***	100%	100%	December 2006
SCI DURANNE SUD	498 033 869	FC***	100%	100%	March 2008
SCI ARMAN AMPERE	509 498 523	FC**	100%	100%	December 2008

*: companies incorporated upon the acquisition of Locafimo
**: Fully consolidated
***: acquisitions considered to be acquisitions of assets pursuant to paragraph 2.6.2.

All the companies of the Group are registered in France.

Address common to all of the group companies:
20-22 rue de la Ville l'Evêque, 75008 PARIS

3.2 Changes in the consolidation scope

No change in the consolidation scope occurred during the first half of 2009.

4. Management of financial risks

Management of market risks

The changes in interest rates have a direct impact on the borrowing collected to finance the Group's investment policy and when the rates go up, they are likely to lead to a rise in the cost of financing the investments. Similarly, a rise in the interest rates is likely to have an effect on the Group's ability to maintain its necessary financial liquidity.

In a global context of stress on the financial markets (due to the subprime crisis), the Group's policy for managing interest rate risk aims to restrict the impact of a change in interest rates on its income and cash flow, and to keep the total costs of its debt as low as possible. To attain these goals, the Group's companies generally borrow at a variable rate and use derivatives (a cap and swaps) to hedge its risk of exposure to the changes in rates. They do not perform market transactions for any other purpose than to hedge their rates risk, and they personally centralise and manage all transactions performed.

For investments made by Société de la Tour Eiffel, the company has not recorded any loss on its investments in SICAVs, particularly as a result of the subprime crisis. This is due to the fact that the investment vehicles used are liquid, secure and lacking in volatility. This enables them to be classified as Cash and cash equivalents.

As at 30 June 2009, the Group's consolidated gross financing debt came to € 673.1 thousand, made up of €330.9M at fixed rate (of which €272.2M hedged by swaps), and €342.2M at variable rate, this latter portion being hedged at €306.2 M by cap contracts. Hence, at 30 June 2009, the debt was hedged overall to a total ratio of 95%.

On the basis of the outstanding debt as at 30 June 2009, a rise in the Euribor 3-month interest rates of 100 base points in 2009 would have a negative impact (on an annual basis) on recurring net income, estimated at €3.4M.
Conversely, a drop in the interest rates of 100 basis points would reduce the finance cost by an estimated €3.4m, resulting in an equivalent positive impact on the recurring net income for 2009.

For the record, 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 less than 1%.

Counterparty risk

To limit the counterparty risk, the Company performs hedging operations only with banks with international reputations.

Currency risk

Since the Group's activities are performed only in France, the Group considers that it is not exposed to any currency risk.

Liquidity risk

The Company and its subsidiaries have entered into master agreements with banks of international repute, the purpose of which is to finance and refinance the group's real estate portfolio; these agreements have been amended by riders to keep pace with the expansion of its asset base by external growth.
One of the major events in 2008 involved refinancing the mortgage loan extended to Locafimo under the framework agreement dated 1 June 2001, a refinancing representing nearly 60% of the group's total bank indebtedness. The term of this €357m loan, originally fixed for July 2010, was extended to July 2013 for an increased amount of €368m on the same terms.
In addition, a new €56m working capital line of credit was offered with certain conditions. It has not yet been drawn down, and over 80% was already available as at 30 June 2009.

These bank financing contracts contain typical early repayment clauses for various circumstances and, each time, under certain specifically defined conditions.
Among others, these cases include default in payment of an amount payable, non-compliance with certain financial ratios, breach of the various commitments taken by the Company or its subsidiaries, inaccuracy of various statements and guarantees taken out; the occurrence of an event that has a material adverse effect on the Group's business, or its financial, legal or tax situation, or on the property owned by the Group; the lack of validity and of enforceable nature of the commitments, the lack of registration of a mortgage lien at the agreed rank, the realisation of guarantees by a creditor of the Company over assets financed by amounts drawn on the framework agreement; the existence of class action suits; dissolution of the Company; merger not authorised by the lender; the sale of a portion of the securities of a subsidiary whose real estate asset had been financed via the master agreement; the existence of a requisition / expropriation proceeding over a property financed by the master agreement once the compensation is inadequate to make it possible to repay the financed share, the recovery of a tax following a non-disputed tax revision that has a material adverse effect; loss of eligibility for the tax status as a SIIC not as a result of a change to legislation; reservations of

the auditors when they have a material adverse effect or the entire loss of a property financed using the master agreement.

As a result of the occurrence of one of the events listed above, and if it is not cured by the deadlines specified by the framework agreements, the lender banks may cancel their commitments in respect of credit openings, declare the credit outstanding and their related costs to be immediately payable, and realise all or part of the guarantees granted in the context of these contracts.

The two main financial ratios which the group is committed to maintain under its bank financing agreements are:

- LTV ratio: amount of committed financings over that of the fixed assets financed;
- ICR ratio: interest coverage for the 2nd quarter of 2009 and projections of interest expense over the following 3 quarters by net rentals for the 2nd quarter of 2009 and those projected over the next 3 quarters.

FINANCING AND MAIN LOAN COVENANTS AS AT 30/06/2009

	30/06/2009	Main covenants		Covenants as at 30/06/2009		
in M€	**Debt drawn**	**Maximum LTV**	**Minimum ICR**	**LTV**	**ICR**	**Term**
RBS / AXA / Calyon	142.2	75.0%	170%	51.7%	341%	15/06/2013
RBS / Calyon / Crédit Foncier / AXA	76.7	75.0%	180%	65.5%	277%	31/03/2010
Calyon	59.6	80.0%	125%	55.0%	361%	15/04/2011
Société Générale (50%) - Crédit Foncier (50%)	45.0	65.0%	110%	NA	NA	27/03/2017
Hypo Real Estate	336.7	72.5%	140%	63.7%	294%	30/06/2013

The level of the loan covenants at 30 June 2009 complies with all the commitments of the Group as established by each of its financing contracts.

5. Key accounting estimates and judgments

The estimates and judgments that are continually updated are based on historical information and on other factors, including in particular anticipations of future events deemed to be reasonable in light of the circumstances.

Accounting estimations and assumptions

The accounting estimates that stem from them are, by definition, rarely equivalent to the actual results that subsequently occur. The estimates and assumptions that risk seriously leading to a material adjustment of the book value of the assets and liabilities during the following period are analysed below.

Appraisal of the properties

The Group has its asset base appraised by independent experts, who use assumptions as to future flows and rates that have a direct impact on the values.

Since these valuations are necessarily estimations, in the event of a future transfer, the sales price may differ from the aforesaid valuations.
Due to a market backdrop characterised by a noticeable decline in real estate transactions and a certain difficulty in assessing the economic and financial prospects, independent valuers recorded a decrease in rental market values and an increase in capitalisation.
A decline in the expert values would result in a lowering of the income.

Evaluation of intangible assets

The contract between Awon Asset Management and Société Tour Eiffel is subject to an annual impairment test.

Fair value of derivatives and other financial instruments

The fair value of the financial instruments, that are not negotiated on an asset market (such as derivatives traded over the counter), has been provided by the issuing institution.

6. Notes on the balance sheet, the income statement, and the cash flow statement

NOTE 1: Property, plant & equipment

Variance by type

(in thousands of euros)	Property under construction	Office and computer Equipment	Total
Financial year ending 3 1.12.08			
Net balance at opening	74,838	100	74,938
Changes in consolidation scope	1,331	-	1,331
Acquisitions	19,730	475	20,205
Disposals	-	-	-
Reclassification	(87,431)	-	(87,431)
Other movements	(207)	3	(204)
Depreciation	-	(68)	(68)
Net balance at year end	**8,261**	**510**	**8,771**
As at 3 1.12.08			
Gross	8,261	673	8,934
Aggregated depreciation	-	(163)	(163)
Net book value	**8,261**	**510**	**8,771**
Closing on 30.06.09			
Net balance at opening	8,261	510	8,771
Changes in consolidation scope	-		-
Acquisitions	-	8	8
Disposals	-	-	-
Reclassification	(8,261)	(12)	(8,273)
Other transfers	-	-	-
Depreciation	-	(41)	(41)
Net balance at period end	**-**	**465**	**465**
As at 30.06.09			
Gross	-	884	884
Aggregated depreciation	-	(419)	(419)
Net book value	**-**	**465**	**465**

(1) The Duranne Sud property located in Aix en Provence was delivered during the first half of 2009 and was therefore reclassified as an investment property.

The Locafimo property located in Chartres was reclassified as an investment property in compliance with the revised IAS 40 standard.

As at 30 June 2009, Société Tour Eiffel thus no longer possesses any property assets recorded as “property asset under construction”.

NOTE 2: Investment properties

Variance by type

(in thousands of euros)	**Investment properties**
Close as at 31.12.2008	
Net balance at opening	1,007,908
Acquisitions	17,218
Further expenditure	89,087
Disposals	(93,113)
Reclassification	87,431
Net transfer in favour of properties for disposal	(18,300)
Changes in consolidation scope	-
Other transfers	-
Fair value effect (profit or loss)	(13,073)
Net balance at year end	**1,077,158**
Close as at 30.06.2009	
Net balance at opening	1,077,158
Acquisitions	25,955
Further expenditure	1,507
Disposals	(11,390)
Reclassification	8,261
Net transfer in favour of properties for disposal	(17,800)
Changes in consolidation scope	-
Other transfers	(222)
Fair value effect (profit or loss)	(65,902)
Net balance at period end	**1,017,567**

Restrictions on the disposal of an investment property or the recovery of the proceeds upon their sale.

No investment property is subject to such a restriction.

NOTE 3: Goodwill on acquisitions

(in thousands of euros)	Comète	Malakoff Valette	Arman F02	Jean Jaurès	Locafimo	Total consolidated goodwill
Close as at 31.12.2008						
Net balance at opening	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-
Disposals	-	-	-	-	(2,361)	-
Provisions	-	-	-	-	2,361	-
Net balance at year end	-	-	-	-	-	-
As at 3 1.12.08						
Gross	2,350	1,895	1,873	262	23,524	**29,904**
Aggregated provisions	(2,350)	(1,895)	(1,873)	(262)	(23,524)	**(29,904)**
Net book value	-	-	-	-	-	-
Close as at 30.06.09						
Net balance at opening	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-
Disposals	-	-	-	-	(1,143)	-
Provisions	-	-	-	-	1,143	-
Net balance at period end	-	-	-	-	-	-
As at 30.06.09						
Gross (1)	2,350	1,895	1,873	262	22,381	**28,761**
Aggregated provisions (1)	(2,350)	(1,895)	(1,873)	(262)	(22,381)	**(28,761)**
Net book value	-	-	-	-	-	-

(1) The goodwill and the corresponding provision of Locafimo declined in 2009, standing at €1,143 K following the disposal of the Dumont d'Urville building completed during the first quarter.

NOTE 4: Intangible fixed assets

Variance by type

(in thousands of euros)	Internally generated intangible assets	Acquired intangible assets	Total intangible assets
Close as at 31.12.2008			
Net balance at opening	-	3,043	3,043
Acquisitions	-	26	26
Disposals	-	-	-
Depreciation	-	(782)	(782)
Reclassification	-	-	-
Entry into the scope	-	-	-
Net balance at year end	**-**	**2,286**	**2,286**
As at 31.12.2008			
Gross	-	4,540	4,540
Aggregated depreciation	-	(2,254)	(2,254)
Net book value	**-**	**2,286**	**2,286**
Close as at 30.06.2009			
Net balance at opening	-	2,286	2,286
Acquisitions	-	4	4
Disposals	-	-	-
Depreciation	-	(391)	(391)
Reclassification	-	-	-
Entry into the scope	-	-	-
Net balance at period end	**-**	**1,899**	**1,899**
As at 30.06.2009			
Gross	-	4,371	4,371
Aggregated depreciation	-	(2,472)	(2,472)
Net book value	**-**	**1,899**	**1,899**

All of the intangible assets have been acquired and have not been revalued.

€1,852,000 of the value of the intangible assets derives from the net value of the Asset Management contract recorded when Awon Asset Management entered the scope of consolidation (in 2006).

NOTE 5: Financial assets

Financial assets – Type

(in thousands of euros)	Fixed securities	Equity interests	Valuation of Caps and Swaps	Deposits and sureties paid	Loans and other capitalised receivables	Total financial assets
Close as at 31.12.2008						
Net balance at opening	**2**	**-**	**7,371**	**12,190**	**128**	**19,691**
Increases	-	-	-	31	-	**31**
Entry into the scope	-	-	-	5	-	**5**
Reclassification	-	-	-	-	-	**-**
Reductions	-	-	-	(11,523)	(103)	**(11,626)**
Repayment	-	-	-	-	-	**-**
Fair value effect (profit or loss)	-	-	(6,175)	-	-	**(6,175)**
Provisions	-	-	-	-	385	**385**
Net balance at year end	**2**	**-**	**1,196**	**703**	**410**	**2,311**
Close as at 30.06.2009						
Net balance at opening	**2**	**-**	**1,196**	**703**	**410**	**2,311**
Increases	-	-	-	8,645	-	**8,645**
Reclassification	-	-	-	-	-	**-**
Reductions	-	-	-	(8,917)	(410)	**(9,327)**
Repayment	-	-	-	-	-	**-**
Fair value effect (profit or loss)	-	-	(210)	-	-	**(210)**
Provisions	-	-	-	-	-	**-**
Net balance at period end	**2**	**-**	**986**	**431**	**-**	**1,419**

<u>Deposits and sureties paid:</u>
The variations observed over the period concern the cash pledges allocated to SAS Locafimo as part of the Group's financing operations.
As at 31 December 2008, the cash pledges amounted to €272K and were been fully repaid during the first half of 2009.
The cash pledges are paid interest and will be repaid according to the conditions set forth in the master agreement set up at the end of 2004 and its addendum dated June 2006.

<u>Derivative instruments</u>:
The Tour Eiffel group contracted financial instruments (caps and swaps) that were not considered in accounting terms as hedging instruments.
These instruments were originally posted to the assets at their fair value, with a contra account of a financial debt corresponding to the premiums to be paid discounted over the term of the instruments.
The fair values are supplied by the issuing institutions.
The differences in value of the financial differences between each closing of accounts are posted to the financial income.
The adjustment in fair value as at 30 June 2009 is reflected by an overall negative financial impact of €7,292K, including €210K in financial assets and €7,082K in financial debts (cf. Note 11).

The main characteristics of the financial instruments held as of 30 June 2009

Contract type	Subscription date	Effective Date	Maturity date	Notional amount, in 1,000s of €	Reference index rate	Guaranteed rate	Fair value in 1,000s of €
CAP	28-11-2002	02-09-2003	03-12-2012	87,700	3-month Euribor	5.00%	750
CAP	06-06-2006	02-06-2006	27-12-2010	32,495	3-month Euribor	4.50%	3
CAP	09-05-2006	02-06-2006	27-12-2010	2,753	3-month Euribor	5.00%	0
CAP	03-04-2006	20-04-2006	27-12-2010	54,213	3-month Euribor	5.00%	6
CAP	07-07-2006	04-06-2007	27-12-2010	658	3-month Euribor	5.00%	0
CAP	30-03-2007	30-03-2007	27-12-2010	37,513	3-month Euribor	5.00%	3
CAP	30-06-2006	01-08-2006	07-06-2013	19,228	3-month Euribor	4.50%	105
CAP	30-06-2006	01-08-2006	07-06-2009	17,000	3-month Euribor	4.50%	0
CAP	30-06-2006	02-05-2007	07-06-2013	21,720	3-month Euribor	4.50%	119
TOTAL							**986**

NOTE 6: Assets selected for disposal

(in thousands of euros)	**Properties selected for disposal**
Close at 31.12.08	
Net opening balance	-
Net transfer from investment buildings	18,300
Acquisitions	-
Disposals	-
Net balance at close	**18,300**
Close at 30.06.09	
Net opening balance	18,300
Net transfer from investment buildings	17,800
Acquisitions	-
Disposals	(14,700)
Net balance at close	**21,400**

The Locafimo property located in Paris, Rue Dumont d'Urville was sold during the first quarter of 2009.

The balance corresponds to:

- Building A at Parc des Tanneries in Strasbourg, held by Locafimo;
- The Paris Courcelles building held by Locafimo;
- Blocks F, K1 and K2 of the Massy/Ampère property belonging to Arman F02.

NOTE 7: Trade receivables and related accounts

(in thousands of euros)	**30 June 2009**	**31 Dec. 2008**
Gross	22,665	26,260
Provisions	(4,421)	(4,198)
Net total trade receivables	**18,244**	**22,062**

NOTE 8: ***Other receivables and accrual accounts***

(in thousands of euros)	**30 June 2009 Net**	**31 Dec. 2008 Net**
- Advances and deposits paid	312	485
- Staff and staff-related items	19	16
- State receivables (1)	13,247	15,109
- Current accounts (assets)	-	293
- Accounts receivable	48	132
- Prepaid expenses	1,409	890
- Other receivables (2)	10,814	13,400
Total gross value	**25,849**	**30,325**
- Provisions for other claims	**-**	**-**
TOTAL	**25,849**	**30,325**

(1) This amount mainly concerns:
- the balance of an extraordinary levy, recoverable from the State, on the 2005 dividend payments in the amount of € 2,814 thousand found in the Locafimo Group; this amount has been discounted,
- forthcoming VAT refunds totalling €3,172 K,
- VAT credits.

(2) This amount mainly concerns:
- €1,352 K in securities obtained from a real estate appraisal firm by Locafimo,
- €6,764K in calls for funds at Locafimo.

NOTE 9: Cash and cash equivalents

The marketable securities are composed chiefly of money-market UCITs evaluated at their closing price.

(in thousands of euros)	30 June 2009	31 Dec. 2008
Marketable securities	39,927	19,867
Cash in hand and at bank	18,360	10,915
Total gross value	**58,287**	**30,782**
Provision on current accounts (1)	(2,447)	(2,447)
Total	**55,840**	**28,335**

(1) : Provision of the marketable securities with the bank Pallas Stern at Locafimo in 2006.

In the consolidated cash flow statement, the cash and bank overdrafts include the following items:

(in thousands of euros)	30 June 2009	31 Dec. 2008
Cash and cash equivalents	**55,840**	**28,335**
Bank credit balance (Note 11)	(20)	(138)
Net total cash	**55,820**	**28,197**

NOTE 10: Capital and premiums linked to capital

1) Composition of share capital

	Number of ordinary shares	**Nominal value per share** *(in €)*	**Total capital** *(in thousands of euros)*	**Value of the share issue premium** *(in thousands of euros)*	**TOTAL** *(in thousands of euros)*
As at 31 December 2007	**5,193,003**	**48**	**249,264**	**42,653**	**291,917**
Increase in capital	-	-	-	-	-
Issue costs	-	-	-	*	-
Appropriation to 2006 retained earnings	-	-	-	-	-
As at 31 December 2008	**5,193,003**	**48**	**249,264**	**42,653**	**291,917**
Increase in capital	240,033	21.34	1,200	3,922	5,122
Reduction in capital	-	-	(223,299)	-	(223,299)
Issue costs	-	-	-	-	-
Appropriation to 2007 retained earnings	-	-	-	-	-
As at 30 June 2009	**5,433,036**	**5**	**27,165**	**46,575**	**73,740**

All the issued shares are fully paid in.

2) Issue of share purchase options

The conditions

Allocated in 2005

Stock options were allocated during FY 2005 to the managers. The strike price of the options granted is equal to the average of the initial prices quoted between 28 November and 23 December 2005, inclusive, minus 5%, coming to € 68.44 per share. Some options may be exercised as of their grant date and other options may be exercised by 25% tranche per year as of the first anniversary of the grant date, i.e. as of 26 December 2006. The contractual term of the options is five years.

One of the major reasons behind the granting of options is to make the company's managers loyal and to grant them supplementary compensation linked to the company's performance; some managers will lose their grant right if they are no longer officers or employees of the company or of one of the company's subsidiaries.

Allocated in 2006

During the first half, 39,266 stock options were allocated to staff members.
The exercise price is set at € 87.78 for 10,750 shares; the exercise price of the 28,516 other shares is € 83.77.
34,266 options may be exercised as of their grant date and 5,000 options may be exercised by 25% tranche per year as of the first anniversary of the grant date, i.e. as of 22 March 2007. The contractual term of the options is five years. During the second half, 132,400 stock options were granted to staff members.
The strike price is set at € 100.04.
103,900 options may be exercised as of their grant date and 28,500 options may be exercised by 25% tranche per year as of the first anniversary of the grant date, i.e. as of 14 September 2007. The contractual term of the options is five years.

Allocated in 2007

During the first half, 23,300 stock options were allocated to staff members.
The strike price is set at € 124.48 per share.
14,580 options may be exercised as of their grant date and 8,720 options may be exercised by 25% tranche per year as of the first anniversary of the grant date, i.e. as of 29 March 2008. The contractual term of the options is five years.

During the second half, 25,951 stock options were allocated to officers of the company.
The strike price is set at € 115.34.
All the options may be exercised as of their grant date, i.e. as of 16 October 2007. The contractual term of the options is five years.

Allocated in 2008

During the financial period, 25,965 stock options were allocated to company officers.
The strike price is set at €33.25 per share.
All the options may be exercised as of their grant date, i.e. as of 11 December 2008. The contractual term of the options is five years.

Estimation of option value:

The number of options in circulation and their exercise prices are detailed below:

(in thousands of euros)	30 June 2009		31 December 2008	
	Exercise price (in euros per share)	Options (in units)	Exercise price (in euros per share)	Options (in units)
As at 1st January	86.46	355,662	90.65	329,697
Allocated			33.25	25,965
Expired				
Exercised				
Due				
At the year end	**86.46**	**355,662**	**86.46**	**355,662**

Out of the 355,662 options in circulation on 30 June 2009, 333,302 options could be exercised.

The principal assumptions of the model are as follows:

Grant date	Maturity date	Option exercise price	Underlying price	Standard deviation of the anticipated yield	No-risk annual interest rate
26/12/2005	26/12/2010	€68.44	€74.00	14%	3.0%
22/03/2006	22/03/2011	€83.77	€73.64	36%	3.5%
17/05/2006	17/05/2011	€87.78	€74.16	35%	3.7%
14/09/2006	14/09/2011	€100.04	€84.35	38%	3.6%
29/03/2007	29/03/2012	€124.48	€108.91	47%	3.9%
16/10/2007	16/10/2012	€115.34	€95.13	51%	4.2%
11/12/2008	11/12/2013	€35.69	€14.90	69%	3%

As at 30 June 2009, the rights acquired according to the exercisable options are recorded on the income statement (staff charges) and the contra item posted to shareholders' equity in the amount of €94K.

4) Allocation of free shares

The conditions

Managers were allocated free shares: 18,800 shares in 2006 and 9,750 shares in 2007. The allocation of the shares will be definitive at the expiration of two years, i.e. as of 14 June 2008 for 10,800 shares, as of 29 November 2008 for 8,000 shares, as of 12 February 2009 for 1,200 shares and as of 16 October 2009 for 8,550 shares.
The beneficiaries are required to keep the shares for a minimum period of two years as of the final allocation, i.e. until 14 June 2010 for 10,800 shares, until 29 November 2010 for 8,000 shares, until 12 February 2011 for 1,200 shares, and until 16 October 2011 for 8,550 shares.

During the 2008 financial period, 18,800 free shares were definitively allocated to recipients of the 2006 plan.

During the first half of 2009, 1,200 free shares were definitively allocated to recipients of the February 2007 plan.

The number of free shares in circulation is detailed below:

(In €)	**30 June 2009**		**31 December 2008**	
	Exercise price (in euros per share)	**Free shares (in units)**	**Exercise price (in euros per share)**	**Free shares (in units)**
As at 1st January	-	9,750	-	28,550
Granted	-	-	-	-
Allocated	-	1,200	-	18,800
At the period end	**-**	**8,550**	**-**	**9,750**

NOTE 11: Minority interests

(in thousands of euros)	Minority interests
As at 31 December 2007	**69**
Period result	79
Other movements	214
As at 31 December 2008	**362**
Period result	(516)
Other movements	(23)
As at 30 June 2009	**(177)**

As at 30 June 2009, minority interests stand at negative €177K.
The minority shareholders in an SCI are responsible for losses proportional to their capital interest.

NOTE 12: Borrowings and financial debts

Borrowings and financial debts – Variance by type

(in thousands of euros)	Borrowing from credit institutions	Other borrowings and related debts	Current bank support	CAP and SWAP premiums owed	Deposits and sureties received	Total
Situation as at 01.01.08	**606.112**	**10.386**	**69**	**1.979**	**9.684**	**628.230**
Increases	155,855	4,693	-	-	2,725	**163,273**
Reductions	(79,548)	(6,587)	-	(327)	(2,095)	**(88,557)**
Fair value	-	-	-	13,074	-	**13,074**
Entry into the scope	-	-	69	-	-	**69**
Other	-	-	-	132	-	**132**
Reclassification	58	-	-	-	-	**58**
Balance at 31.12.2008	**682,477**	**8,492**	**138**	**14,858**	**10,314**	**716,279**
Increases	14,912	3,489	-	-	897	**19,298**
Reductions	(24,271)	(4,578)	-	(160)	(751)	**(29,760)**
Fair value	-	57	-	7,083	-	**7,140**
Entry into the scope	-	-	-	-	-	**-**
Other	-	-	(118)	(300)	-	**(418)**
Reclassification	-	-	-	-	-	**-**
Balance at 30 June 2009	**673,118**	**7,460**	**20**	**21,481**	**10,460**	**712,539**

Borrowing from credit institutions – Fixed rate / Variable rate

(in thousands of euros)	**Fixed rate**	**Variable rate**	**TOTAL**
Borrowings from lending institutions	330.9	342.2	**673.1**

The Group's average financing interest rate is 4.2% as at 30 June 2009.
After consideration of the fixed-rate swap instruments, the total fixed-rate debt comes to €330.9 million.
Furthermore, the variable-rate debt, totalling €342.2 million hedged by Cap instruments for €306.2M.

Borrowings and financial debts

(in thousands of euros)	**30 June 2009**	**31 December 2008**
Non-current		
Bank loans	590,535	678,056
Other financial liabilities	32,776	25,992
Total	**623,311**	**704,048**
Current		
Bank loans	82,583	4,421
Accrued interest	3,509	4,599
Bank overdrafts	20	138
Other financial debts	2,815	2,756
Other financial liabilities	301	317
Total	**89,228**	**12,231**
Total borrowings and financial debts	**712,539**	**716,279**

The maturities of non-current bank debts are shown below:

(in thousands of euros)	30 June 2009	31 December 2008
From 1 to 5 years	422,525	628,410
Over 5 years	168,010	49,646
Total	**590,535**	**678,056**

Comment: "Current" borrowings refer to debts maturing in less than one year.

Schedule of the extinction of total bank debt (in thousands of euros):

- 30 June 2010:	82,583 (1)
- 30 June 2011:	61,434
- 30 June 2012:	4,086
- 30 June 2013:	448,291
- 30 June 2014:	1,905
- 30 June 2015:	21,162
- 30 June 2016:	10,168
- 30 June 2017:	43,489
	673,118

(1) Of which €76,500K to be repaid on 31 March 2010 to the RBS/AXA/Calyon/Crédit Foncier pool

CAP and SWAP debts

The Tour Eiffel group has contracted financial instruments (CAPs and SWAPs) which have not been considered as hedge instruments in accounting terms.

The main characteristics of liability financial instruments as at 30 June 2009

Type of contract	Subscription date	Effective date	Maturity date	Notional amount in thousands of euros	Reference index rate	Guaranteed rate	Fair value in thousands of euros
SWAP / CAP - Alternative SWAP - CAP	28-02-2006	28-02-2008	15-04-2011	 62,400 15,600	 3-month Euribor 3-month Euribor	 3.45% 7.00%	(2,205)
SWAP	05-09-2006	02-12-2006	27-12-2010	2,474	3-month Euribor	3.77%	(1,462)
SWAP	28-03-2008	28-03-2008	28-03-2013	2,890	3-month Euribor	4.53%	(104)
SWAP	28-03-2008	31-03-2008	28-03-2013	9,855	3-month Euribor	4.57%	(449)
SWAP	28-03-2008	01-04-2008	02-05-2014	40,000	3-month Euribor	4.34%	(2,475)
SWAP	25-07-2007	01-11-2007	01-05-2010	48,800	3-month Euribor	4.78%	(1,681)
SWAP	29-06-2006	01-08-2006	07-06-2013	57,684	3-month Euribor	4.10%	(3,779)
SWAP	29-06-2006	01-05-2007	07-06-2013	65,161	3-month Euribor	4.19%	(4,487)
SWAP	16-01-2008	01-02-2008	16-01-2015	9,462	3-month Euribor	4 .36%	(729)
SWAP	14-01-2008	14-01-2008	14-01-2015	4,000	3-month Euribor	4.20%	(281)
SWAP	02-12-2005	29-06-2007	30-06-2011	12,634	3-month Euribor	3.215%	(375)
SWAP	13-07-2006	13-07-2006	03-06-2011	8,652	3-month Euribor	3.965%	(371)
SWAP	21-06-2004		30-06-2011	47,021	3-month Euribor	4.035%	(2,162)
TOTAL							**(20,560)**

NOTE 13: Long-term and current provisions (less than one year)

(in thousands of euros)	Provision for employee litigation	Provision for risk of insurance policies failing to pay out	Provisions for retirement benefits	Other provisions for expenses	Total
Position as at 31.12.2008	**-**	**527**	**94**	**-**	**621**
Allocations	-	-	-	-	-
Unused write-backs	-	-	-	-	-
Used write-backs	-	-	-	-	-
Change in consolidation scope	-	-		-	
Balance at close 30.06.2009	**-**	**527**	**94**	**-**	**621**

(in thousands of euros)	30 June 2009		31 December 2008	
	Long term	Less than one year	Long term	Less than one year
Provision for employee litigation	-	-	-	-
Provision for risk on Locafimo tenants	527	-	527	-
Provisions for retirement benefits	94	-	94	-
Other provisions for expenses	-	-	-	-
Net balance at close	621	-	621	-
Total per period	**621**		**621**	

NOTE 14: Tax and social security liabilities (current and non-current)

Kind *(in thousands of euros)*	**30 June 2009**	**31 December 2008**
Tax debts (Exit Tax)	1,386	1,385
Other tax debts	80	
TOTAL non-current tax debts	**1,466**	**1,385**
Social security related liabilities	1,097	1,172
Tax debts (Exit Tax - the portion at less than one year)	7,172	7,172
Other tax debts	12,611	7,784
TOTAL current tax and social security related debts	**20,880**	**16,128**
TOTAL	**22,346**	**17,513**

NOTE 15: Deferred taxes

Since the majority of the group's business comes under the SIIC treatment, there is no need to state deferred tax.

During the first half of 2009, Arman F02 incurred a €0.3M tax expense related to the capital gains made from the disposal of the K3, L, O and P blocks of the Massy building to Arman Ampère. The cancellation of these capital gains generated a differed tax asset of €0.3M.

NOTE 16: Trade payables and other debts

Type ***(in thousands of euros)***	**30 June 2009**	**31 December 2008**
Trade accounts payable	10,524	8,086
Liabilities upon acquisition of tangible fixed assets (1)	14,269	6,791
Liabilities current account	41	230
Advance and deposits received	1,034	2,003
Credits from clients	5,466	3,462
Other operating debts (2)	8,694	7,320
Other non-operating debts	-	70
Deferred income (3)	9,526	8,198
TOTAL	**49,554**	**36,160**
Other long-term liabilities		
Deferred income (4)	300	299
TOTAL	**300**	**299**

(1) : Settlement to be made on the Porte des Lilas and Locafimo properties.

(2): This item is made up chiefly of provisions for expenses:

	2009	2008
- Locafimo	€5,685K	€3,902K

(3): This item is made up chiefly on 30 June 2009 of deferred income on the rents of the third quarter of 2009.

(4): This item relates to the reclassification of the net subsidy received by:

- Jaurès €49K
- Rueil €260K

NOTE 17: Turnover

Turnover – Comparative analysis by type

(in thousands of euros)	30 June 2009	30 June 2008
Rental income	37,149	36,002
Other Rental income (1)	10,134	6,732
Total turnover	**47,283**	**42,734**

(1): chiefly from levies of real estate taxes and office taxes passed through to tenants.

Sector-based analysis: (with reference to Note 3.12)
The Tour Eiffel group operates in a single industry sector: office property, industrial and light industrial premises in France.

Rents to be received in respect of firm leases in the portfolio

(in thousands of euros)	30 June 2009	30 June 2008
Total of minimum future payments		
Less than one year	57,823	66,650
Between 1 and 5 years	240,268	226,895
More than 5 years	57,321	92,073
Total future payments	**355,412**	**385,618**
Amount of rental income recorded at close	**37,149**	**36,002**

NOTE 18: Purchases consumed

(in thousands of euros)	30 June 2009	30 June 2008
Non-stocked purchases of equipment & supplies	(28)	(33)
Total consumed purchases	**(28)**	**(33)**

NOTE 19: Staff expenses, external charges, duties and taxes

Personnel expenses

(in thousands of euros)	30 June 2009	30 June 2008
Staff compensation	(1,260)	(1,256)
Social security and other benefits	(521)	(651)
Charges on payments in shares	(94)	(657)
Total Staff Expenses	**(1,875)**	**(2,564)**

External expenses

(in thousands of euros)	30 June 2009	30 June 2008
- General outsourcing	(49)	-
- Rentals and rental expenses	(5,591)	(4,095)
- Maintenance and repairs	(433)	(462)
- Insurance premiums	(648)	(693)
- Misc. documentation, seminars	(30)	(147)
- Non-company staff	(6)	(67)
- Payments to intermediaries and fees for service	(3,333)	(2,857)
- Advertising, publicity, public relations	(115)	(213)
- Goods transport, collective staff transport	(4)	(10)
- Travel, assignments and receptions	(106)	(162)
- Postal and telecommunications costs	(38)	(33)
- Banking services	(154)	(233)
- Other external services	(54)	(44)
Total External Expenses	**(10,561)**	**(9,016)**

(1) These amounts correspond chiefly to costs involved in finding assets, asset management and property management.

Taxes and duties

(in thousands of euros)	30 June 2009	30 June 2008
Property taxes	(3,038)	(3,000)
Other duties and taxes	(1,375)	(1,075)
Total Taxes and duties	**(4,413)**	**(4,075)**

NOTE 20: Net amortisation and provisions

(in thousands of euros)	30 June 2009	30 June 2008
- Allocations / Reversals of intangible assets	(391)	(394)
- Allocations / Reversals of tangible assets	(40)	(27)
TOTAL amortisation allowances/reversals	**(431)**	**(421)**
- Allocations / Reversals for current assets	(222)	(379)
- Allocations / Reversals for operating liabilities & expenses	-	(57)
- Allocations / Reversals for operating receivables	-	-
TOTAL Carry forward / Provisions	**(222)**	**(436)**

NOTE 21: Net balance of value adjustments

(in thousands of euros)	30 June 2009	30 June 2008
- Investment properties	(65,902)	3,848
- Goodwill on acquisitions.		-
TOTAL	**(65,902)**	**3,848**

NOTE 22: Other operating income and expenses

(in thousands of euros)	30 June 2009	30 June 2008
- Misc. revenues from ongoing business management	141	195
- Other reversals on depreciations and provisions	-	-
- Losses on provisioned bad debts	-	-
- Misc. charges from ongoing business management	(545)	(169)
- Other allocations on depreciations and provisions	-	-
- Revenues from disposal of investment properties*	25,525	92,723
- Net book value of properties disposed of*	(26,090)	(93,075)
TOTAL	**(969)**	**(326)**

* During the first half of 2009, SAS Locafimo sold the Connemara building, as well as part of the Roissy Fret building. The Duranne Sud property located in Aix en Provence was delivered in the first quarter of 2009 and also sold during the period.

Rental income and direct operating expenses linked to investment properties:

(in thousands of euros)	Investment properties producing rental revenues	Investment properties not producing rental revenues
Rental income	37,149	-
Direct operating expenses (1)	(6,327)	(2,615)

(1) : chiefly property administration costs and property tax.

NOTE 23: Net financial debt costs

(in thousands of euros)	30 June 2009	30 June 2008
- Net income on sale of marketable securities	-	-
- Net expenses on sales of marketable securities	-	-
- Revenues from marketable securities	246	695
- Revenues from loans	-	-
Total revenues from cash and equivalents	**246**	**695**
- Interest on financing deals	(14,401)	(18,105)
Total gross financial debt costs	**(14,401)**	**(18,105)**
TOTAL NET FINANCIAL DEBT COST	**(14,155)**	**(17,410)**

NOTE 24: Other financial income and expenses

(in thousands of euros)	**30 June 2009**	**30 June 2008**
- Other financial revenues	606	9,891
- Revenues from sales of securities	-	-
Total other financial revenues	**606**	**9,891**
- Forgiveness of debts granted	-	-
- Other financial expenses	(7,686)	(431)
- Net book value of transferred securities		
Total of other financial expenses	**(7,686)**	**(431)**
TOTAL	**(7,080)**	**9,460**

**Of which €(7,292)K adjustment in the value of financial instruments*

NOTE 25: Company income tax

(in thousands of euros)	**30 June 2009**	**30 June 2008**
Current tax	(390)	(529)
Deferred taxes (1)	322	-
Total	**(68)**	**(529)**

(1) Cf Note 14.

NOTE 26: Basic earnings per share

Basic earnings

The basic earnings per share are obtained by dividing the net profit paid to the Company's shareholders by the average weighted number of shares in circulation during the financial year.

(in thousands of euros)	**30 June 2009**	**30 June 2008**
Profit paid to the Company's shareholders	(57,905)	21,244
Weighted average number of shares in circulation	5,115,691	5,193,003
Basic earnings per share (€ per share)	(11,32)	4,09

Diluted earnings

The diluted earnings per share is calculated by increasing the weighted average number of shares in circulation by the number of shares that would result if all the share warrants and stock options that potentially have a dilutive effect were converted. For stock options, a calculation is made to determine the number of shares that would have been able to be acquired at their fair value (i.e. the average annual stock market price of the Company's share) on the basis of the monetary value of the subscription rights associated with the outstanding stock options. The number of shares deriving from this calculation is compared with the number of shares that would have been issued if the options had been exercised.

(in thousands of euros)	**30 June 2009**	**30 June 2008**
Profit paid to the Company’s shareholders	(57,905)	21,244
Weighted average number of ordinary shares used for calculating the diluted earnings per share	5,125,441	5,130,034
Diluted earnings per share (€ per share)	(11,30)	4,14

Dilutive instruments

The average weighted number of shares in circulation as at 30 June 2009 capable of providing entitlement to capital:

	Number of shares	**Entitlement to number of shares**
Shares	5,433,036	5,433,036
Free shares	8,550	8,550
Treasury shares	(110,313)	(110,313)
TOTAL	**5,331,273**	**5,331,273**

NOTE 27: Dividends

The balance of the 2008 dividend, representing €1.5 per share, was paid on 12 June 2009 in the amount of €7,643,395 in the form of shares and cash.

NOTE 28: Related parties

- **Compensation of the key management personnel**

The following information with respect to the annual amount of gross compensation granted is provided as an overall figure for the members of the Board of Directors and the management team of the company that consolidates Tour Eiffel, i.e.:

(in thousands of euros)	30 June 2009	30 June 2008
Salaries and other short-term benefits	360	360
Attendance fees	50	70
Payments based on shares (stock options)	94	657
TOTAL	**504**	**1,087**

The compensation for dismissal of one of the deputy general managers shall not be less than € 250,000.

- **Related parties**

€335K in fees were paid to Bluebird, a related party, during the first half of 2009. This amount is identical to that paid during the first half of 2008.

NOTE 29: Off-balance-sheet commitments

Commitments given:

(in thousands of euros)	30 June 2009	31 December 2008
Mortgages: (1)	757,626	163,181
Securities pledged: (2)	309,169	309,169
Money lender's lien	112,052	112,052
Surety	7,060	7,000
Framework agreement	194,052	194,052
Commitment made to a builder	41,881	46,591

(1): Net book value
(2): Acquisition price of securities pledged

Commitments received:

(in thousands of euros)	30 June 2009	31 December 2008
Tenant's security deposit	1,949	725
Joint surety pledge	82,708	82,708
Pledge	200	200
Liability guarantee	30,187	30,187
Rent guarantee	4,709	1,869
Financial guarantee of completion	105,205	109,915

Off balance sheet commitments pledging the group's assets at 30 June 2009:

	Starting date	Expiration date	Amount of assets pledged	Total balance sheet items	%
Mortgage on the Arman F02 building	28/03/08	28/03/17	50,312	64,646	78%
Mortgage on the 15 Nowa buildings	28/02/06	15/04/11	78,000	107,972	72%
Mortgage on the Caen building	21/06/05	15/06/13	3,519	37,800	9%
Mortgage on the principal building of the Champigny property	14/12/04	15/06/13	581	25,540	2%
Mortgage on buildings A and B of the Champigny property	12/01/05	15/06/13	570	12,280	5%
Mortgage on the Etupes building	12/07/05	15/06/13	10,750	17,398	62%
Mortgage on the Jaurès building	07/04/05	15/06/13	11,250	23,400	48%
Mortgage on Locafimo's building at 6 rue Paul Langevin	30/03/07	27/12/10	909	2,244	41%
Mortgage on the Bourget building of Locafimo	30/03/07	27/12/10	1,735	10,290	17%
Mortgage on Locafimo's building	17/02/09	30/06/14	600,000		
Sub-total Mortgages			**757,626**		
Collateralised Nowa shares	28/02/06	15/04/11	14,528	-	-
Collateralised Champigny Carnot shares	12/01/05	15/06/13	1	-	-
Collateralised Lyon Genlis shares	24/03/05	15/06/13	1	-	-
Collateralised Jaurès shares	07/04/05	15/06/13	5,146	-	-
Collateralised Caen shares	21/06/05	15/06/13	1	-	-
Collateralised Etupes shares	12/07/05	15/06/13	1	-	-
Collateralised Locafimo shares	27/12/05	15/04/11	180,984	-	
Collateralised Bezons, Grenoble and Rueil shares	15/06/06	15/06/13	3	-	-
Collateralised Malakoff shares	14/02/07	15/06/13	6,500	-	-
Collateralisation of various shares held by STE	25/07/07	31/03/10	100,000	-	-
Collateralised Berges de l'Ourcq shares	14/12/04	15/06/13	1	-	-
Collateralised shares held by Jaurès	24/01/07	15/06/13	2,003	-	-
Sub-total Collateralisations			**309,169**	**-**	**-**

Expertise & Audit SA
3 rue Scheffer
75016 Paris

PricewaterhouseCoopers Audit
63 rue de Villiers
92200 Neuilly-sur-Seine

AUDITORS' REPORT

ON THE 2009 HALF-YEAR FINANCIAL INFORMATION

To the Shareholders of:

Société de la Tour Eiffel
"*Société anonyme*" (public limited company) with capital of € 23,125,980
20-22 rue de la Ville l'Evêque - 75008 PARIS

In accordance with the assignment given us by your General Shareholders' Meeting and pursuant to Article L.451-1-2(III) of the Monetary and Finance Code, we performed:

- a limited examination of the consolidated half-year accounts of Societe de la Tour Eiffel, in respect of the period from 1 January 2009 to 30 June 2009, as attached hereto;
- the check of the information provided in the half-year business report.

These consolidated half-year accounts have been approved by the Board of Directors, under market conditions described in note 5 of the appendix, characterised by a continued decrease in property transactions and some difficulty in apprehending the economic and financial outlooks. Our role, on the basis of our limited examination, is to express our opinion on these financial statements.

1 - Opinion on the financial statements

We conducted our limited examination in accordance with professional standards applicable in France. A limited examination involves talking with the members of the management responsible for the accounting and financial aspects and to carry out analytical procedures. This work is less extensive than that required for an audit performed in accordance with generally accepted accounting practices in France. Consequently, the assurance we provide that the accounts, taken in their entirety, do not contain any great anomalies, which is made in the scope of a limited examination is a moderated assurance, of a lower level than that obtained in the scope of an audit.

On the basis of our limited examination, we did not find any significant anomalies that might jeopardise the lawfulness and truthfulness of the consolidated half-year accounts with respect to the IFRS benchmark as adopted in the European Union.

Without casting any doubt upon the conclusion drawn above, we should like to call your attention to note 2.1 of the appendix to the consolidated accounts, which describes the new standards and interpretations that the company applied as from 1 January 2009.

2. Specific verification

We also made a check of the information provided in the half-year business report providing comment on the consolidated half-year account on which our limited examination bore. We have no observations to make as to their fairness and consistency with the consolidated financial statements.

Paris and Neuilly-sur-Seine, 29 July, 2009

The Statutory Auditors

Expertise & Audit SA	PricewaterhouseCoopers Audit
/s/	/s/
Pascal Fleury	Catherine Thuret

I, the undersigned, Mark Inch, Chairman and Managing Director,

Certify, to the best of my knowledge, that the consolidated financial statements as at 30 June 2009 have been drawn up in accordance with the applicable financial standards and provide a fair representation of the asset portfolio, the financial situation and the net income of the Société de la Tour Eiffel and of all the companies included in its scope of consolidation, and the half-year report presents a true chart of the major events that have occurred over the six months of the financial year, their effects on the financial statements, the major transactions between related parties and a description of the major risks and prominent uncertainties envisaged in the six remaining months of the financial year.

Executed in Paris,
On 29 July 2009