SOCIÉTÉ DE LA
TOUR EIFFEL

presentation

Annual results 2010

3rd March 2011

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Summary

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A. Economical and financial context

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Economic and financial context

« Stop and go »

- Initial recovery of the early part of the year reversed by the sovereign debt crisis (Greece) in May
- Second half-year dominated by currency crisis and macro-economics
- Increased stability towards the end of the year but economic growth still fragile and uncertain (+1.5 % GNP and +5% unemployment)
- Interest rates remain at historically low levels

Economic and financial context (cont.)

- The commercial real estate market hesitant but performs better than expected:
  - gradual improvement in leasing market due to low development pipeline and rental reductions
  - active but polarised investment market (+30%):
    - ✓ few committed vendors
    - ✓ focus on core ; continued risk aversion

- Values stabilize and rental indexation returns to positive territory

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B. Highlights

CityZen, Rueil Malmaison

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STE status

Soft landing

- Operating results unchanged on a like-for-like basis in spite of the recession: stability of rents and cash-flow

In M€	2010	2009
Gross rental income	**72.2**	**75.7**
Net operating income	**56.5**	**59.3**
Net recurring result	**31.5**	**34.9**
Net consolidated result	**42.5**	**-60.1**

In € per share	2010	2009
Cash flow per share	6.0	6.1
Liquidation NAV	73.0	70.0
Distribution per share	**4.2 ***	**4.0**

NB : The interim dividend scrip issue resulted in a 3% dilution, equivalent to € +0.20 of recurring cash-flow per share

The leasing ofTopaz-Vélizy and Chartres would imply € +0.75 of recurring cash-flow courant per share

* € 2 as interim dividend and €2.20 as pay-out dividend subject to the approval of the annual general meeting of 18 May 2011

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Major operating factors

➢ Business as usual

- 165 000 m² leased or renewed (€ 13.1M of annual rent)
- 38 000 m² development completions ➔ € 5.8M of annual rent
- Disposals: 7 assets for € 51M ➔ € 4M of annual rent
- Refinancing Q1 of € 76.5M corporate loan
- € 207M of hedging via swaps and caps
- Tour Eiffel Asset Management rebranding
- Continued environmental audit of the portfolio

Financial structure

Work in progress

- Debt reduction (€ 47.9M) and LTV (60.4 % vs 62.3%)
- Average cost of debt: 3.5%
- Partial script issue in relation to 2010 interim dividend (€ 2/ per share), € 6.7M cash retention
- Disposals release € 12M of equity and permit € 41.1M of debt amortization

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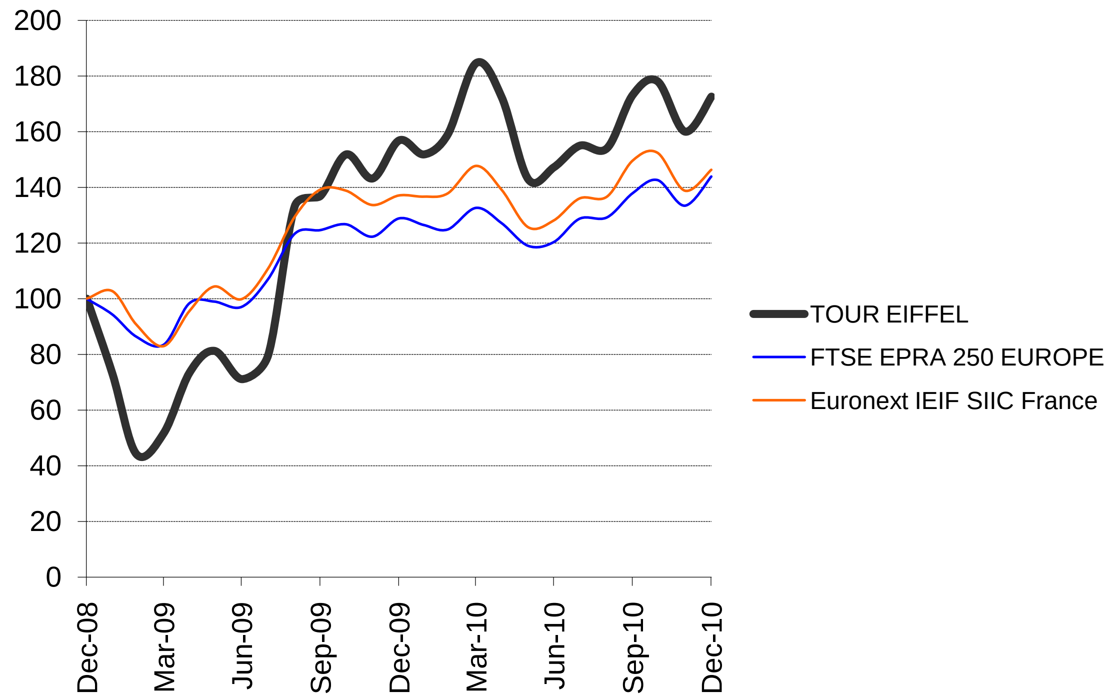
Stock market performance

➢ Onwards and upwards

Key facts as at 31/12/2010

Stock & sector-based indices trend from 2009 (100 basis as of 01/01/2009)



- Market capitalisation: € 324.2M (+ 13.2 %)
- Share price: € 58 (+ 10%)
  - ✓ EPRA Europe : + 11.7 %
  - ✓ IEIF SIIC France : + 6.7 %
  - ✓ CAC 40 : - 3.3 %
- Discount to NAV: 20.6 %
- Shares: 5 592 284
- Free float: 90%
- Annual turnover: 46 %
- Share price as at 28/02/2011 : € 63.25

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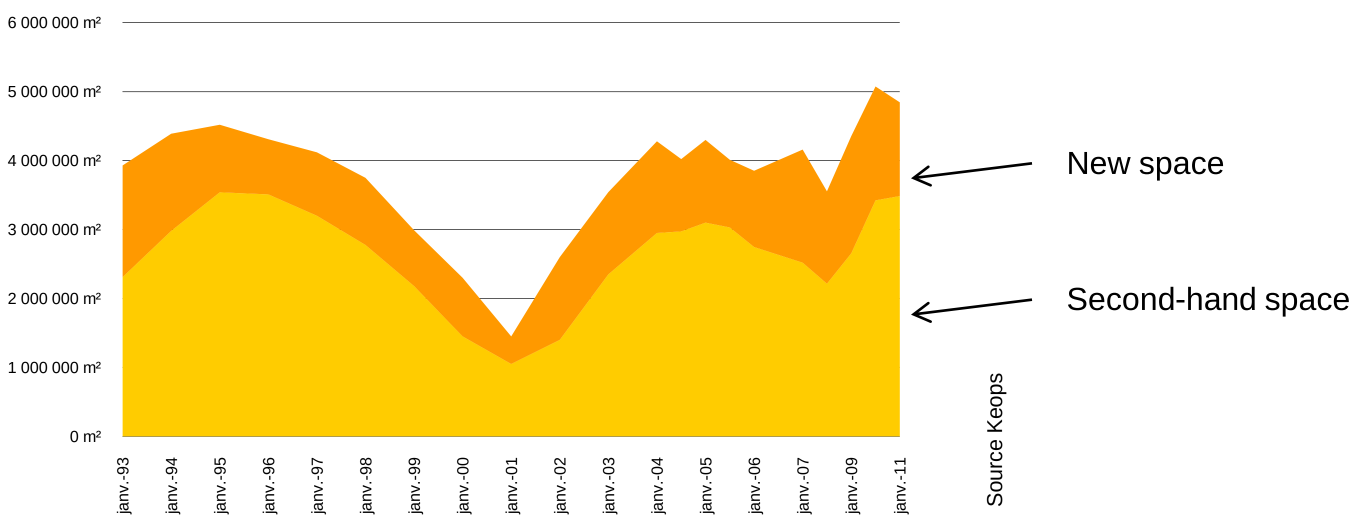
C. French office market

© PHOTEC

Leasing

➢ Somewhere over the rainbow

- Increase in supply arrested with 4.85 million m² available under one year in the Paris region, vacancy rate down from 7 to 6.9%
- Available new space under one year, down by 13% at 1.3 million m², considered insufficient to meet demand



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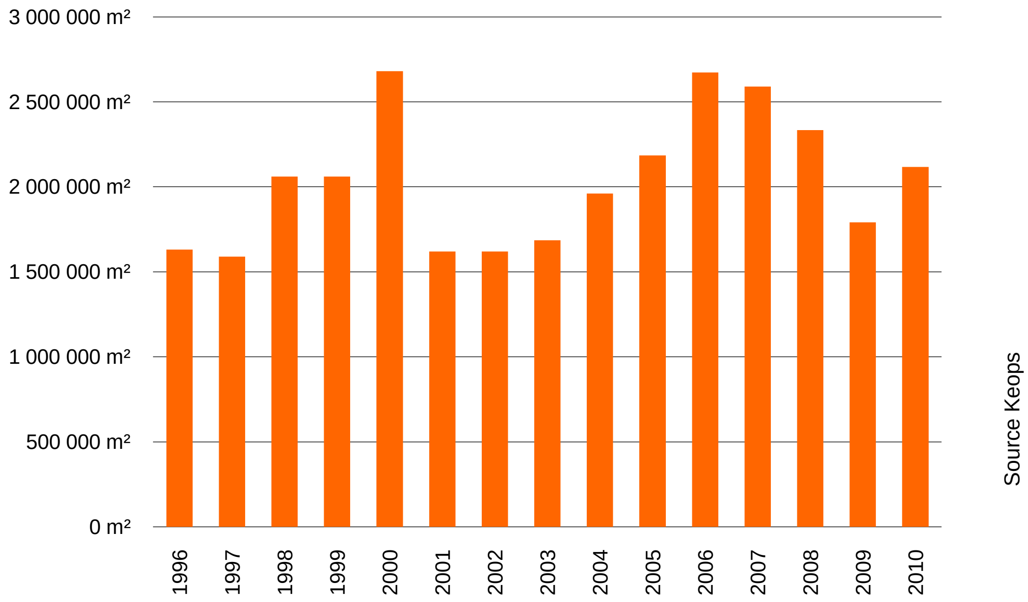
Leasing (cont.)

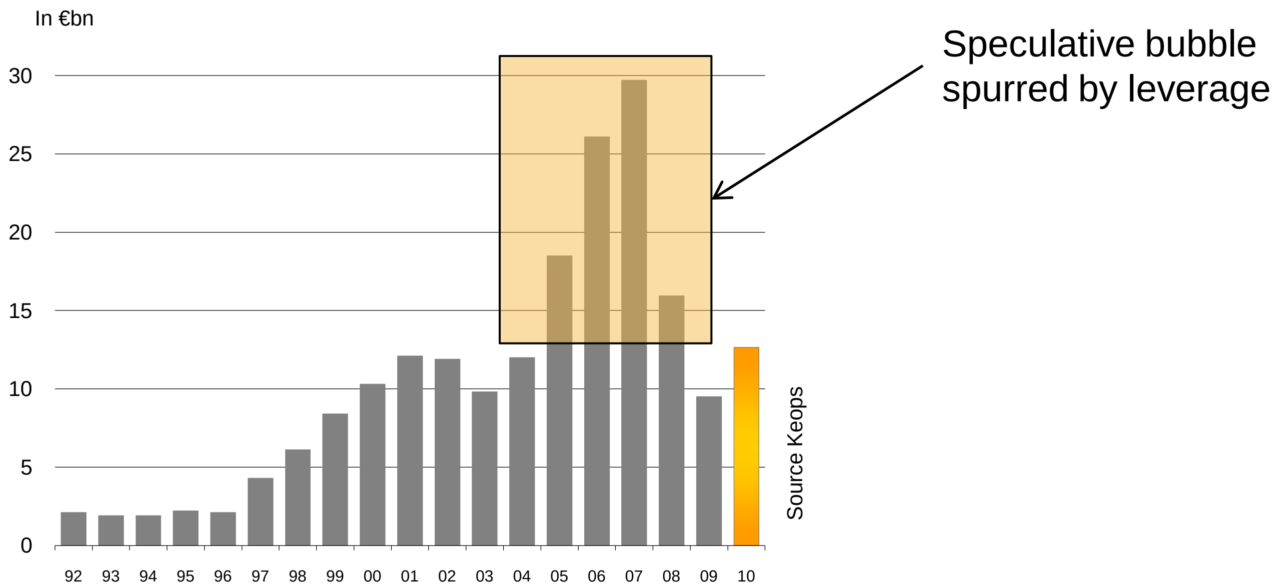
- Office take-up in the Paris region : 2.1 millions m², +17%



- Prime rents advance, overall rents stable but still substantial landlord concessions

Investment

- Core dominates recovery: + 30% at € 11bn of placing



- Timid revival of speculative development market
- Fire sales not in evidence but still anticipated

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D. Portfolio

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Profile

➢ Cruising speed

Our focus on modern buildings in improving locations with moderate rents is in tune with market

- **62% of new or recent buildings of which 30% green**
- Manageable capex liability
- Physical and financial occupancy rates stable (90%)
- Long-term leases, on average until mid 2016 for single tenant buildings
- Value (€ 1,025M) despite disposals (1% increase on a like-for-like basis)
- Average gross yield: 7.6%

Value and breakdown

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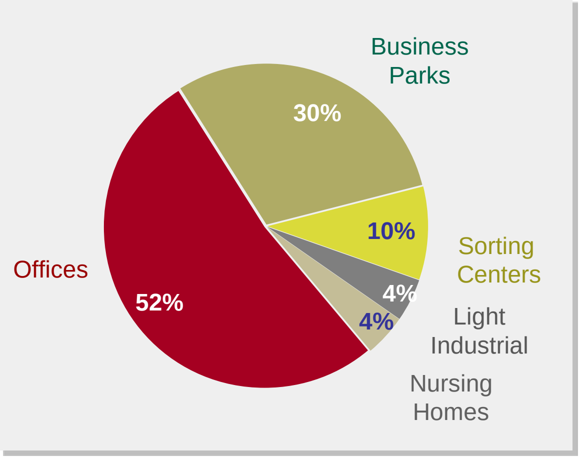
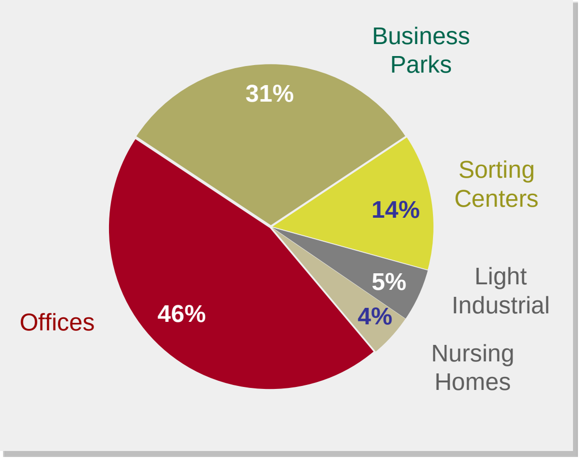
Portfolio of commitments as at 31 December 2010

By value



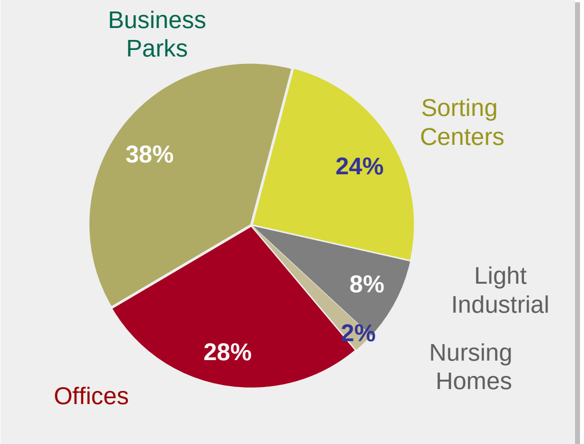
1 025 M€

By secure rent



70 M€

By m²



645 860 m²

	By value	By secure rent	By m²
Paris / IdF	540 M€ (53%)	37 M€ (53%)	219 216 m² (34%)
Regions	485 M€ (47%)	33 M€ (47%)	426 644 m² (66%)

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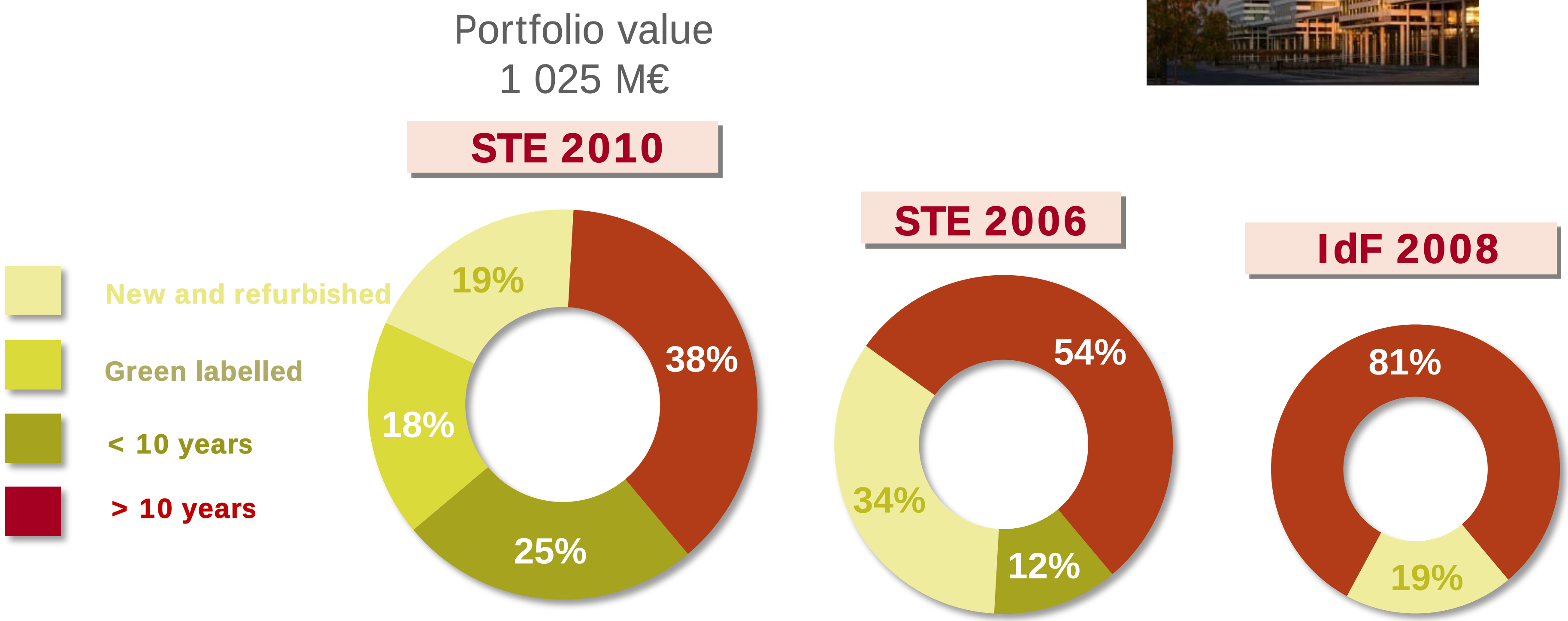
Recent portfolio

- **Portfolio corresponds to tenant demand**
  62% under 10 years (46% in 2006)



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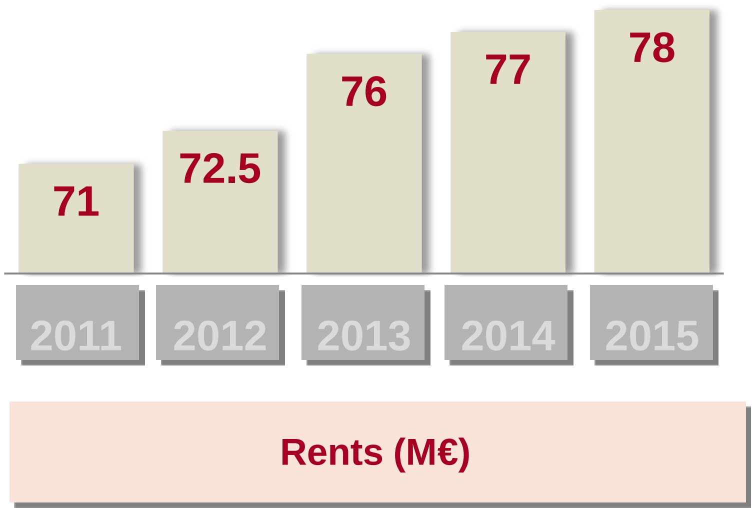
Rental projections

Stairway to heaven

- Rents generated by portfolio as at 31/12/2010, **on a like-for-like basis**:



- Indexation assumptions:
  - 2011 : + 0.3 %
  - 2012 : + 0.5%
  - 2013 : + 1%
  - 2014 : + 1%
  - 2015 : + 2%
- Excl. disposals, investment and external growth
- Rental flow Vélizy Topaz in 2013

Development potential

➢ **Down the yellow brick road**

- Offices: Massy – Ampère
  - Buildable area: 67 000 m²
  - Potential rent: 16 M€
  - Intrinsic value underpinned by alternative residential use!
- Parcs Eiffel and others:
  - Buildable area: 50 000 m²
  - Potential rent: € 6M notably:
    - ✓ Parc du Golf – Aix en Provence: 8 000 m²
    - ✓ Parc d'Orsay: 8 000 m²
    - ✓ Parc des Près – Lille: 5 500 m²

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E. Financial results

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Cash-flow

➢ Bridge over troubled waters

in M€	2010	2009
Gross rental income	**72.2**	75.7
Property operating expenses	10.9	10.6
Operating expenses	4.7	5.1
Net finance costs	23.2	26.7
Cash flow	**33.4**	**33.3**
in €/share		
Cash flow	**6.0**	**6.1**

* Number of shares: 5 592 284 as at 31/12/2010 and 5 433 036 as at 31/12/2009

Financing

Getting better all the time

- LTV trending downwards
  - Gross debt as at 31/12/2010 : € 627.7M
  - Net group LTV: 60.4 %
- Low average debt cost: 3.5 %
- Hedging: 99 %
  - fixed: 61%
  - capped: 39 %
- Average new cap rates: 2.25 %
- Average new swap rates: 1.6 %

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Consolidated result

in M€	2010 Recurring activity	2010 Non recurring activity	2010 Result	2009 Recurring activity	2009 Non recurring activity	2009 Result
Gross rental income	72.2		72.2	75.7		75.7
Property operating expenses	-10.9		-10.9	-10.6		-10.6
Net rental income	**61.3**	**0.0**	**61.3**	**65.1**	**0.0**	**65.1**
Corporate expenses	-4.7	-0.1	-4.8	-5.1	-0.7	-5.8
Current operating income	**56.6**	**-0.1**	**56.5**	**60.0**	**-0.7**	**59.3**
Proceeds from disposals		-1.7	-1.7		-0.4	-0.4
Property fair value adjustment		8.1	8.1		-88.1	-88.1
Other operating income and expenses		-0.4	-0.4		0.8	0.8
Net current operating income	**56.6**	**5.9**	**62.5**	**60.0**	**-88.4**	**-28.4**
Net finance costs	-24.8		-24.8	-25.4		-25.4
Other financial income and expenses		5.1	5.1		-6.6	-6.6
Net financial result	**-24.8**	**5.1**	**-19.7**	**-25.4**	**-6.6**	**-32.0**
Profit / loss before tax	**31.8**	**11.0**	**42.8**	**34.6**	**-95.0**	**-60.4**
Tax	-0.3		-0.3	-0.3		-0.3
Net profit / loss	**31.5**	**11.0**	**42.5**	**34.3**	**-95.0**	**-60.7**
Minority interests	0.0		0.0	-0.6		-0.6
Net profit / loss (Group share)	**31.5**	**11.0**	**42.5**	**34.9**	**-95.0**	**-60.1**

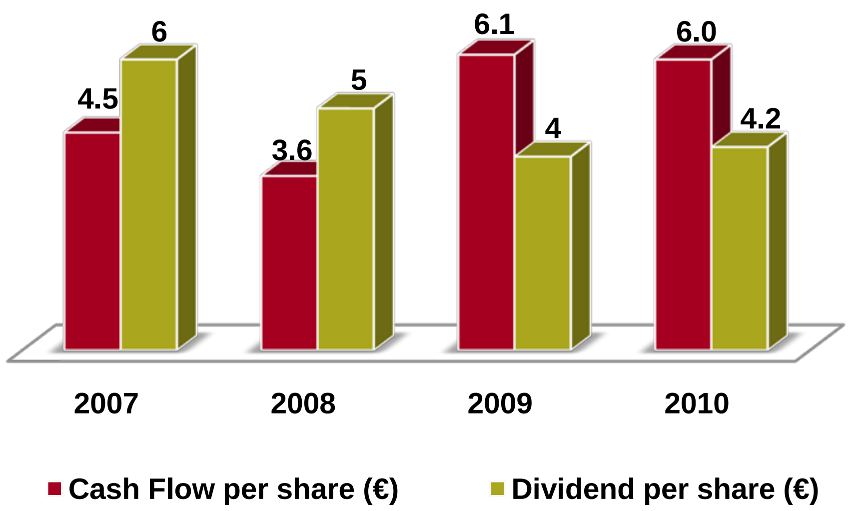
Balance sheet

Assets (in M€)	31/12/2010	31/12/2009
Investment properties	1 004.8	1 036.6
Assets earmarked for disposal	17.3	8.1
Other fixed assets	1.1	1.9
Receivables	31.8	46.1
Cash and equivalent	10.3	24.9
Total Assets	**1 065.3**	**1 117.6**

Liabilities (in M€)	31/12/2010	31/12/2009
Share capital and reserves	373.4	345.6
of which Result	***42.5***	***-60.1***
Long term debt	627.7	675.6
Other liabilities	64.2	96.4
Total Liabilities	**1 065.3**	**1 117.6**

Distribution

➢ **Ride my see-saw**



- 2010 Dividend : 4.20 € per share (+5%)
  - € 2interim dividend paid out in October 2010
  - € 2.20 proposed to AGM of 18/05/2011
- 70% of current cash flow
- Yield: 7.2% on 31/12/2010 share price

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F. Outlook

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Outlook

Operating environment

- Leasing market remains flat but improves gradually
- Return to positive indexation
- Yield compression on core property spreads to other market sectors
- Uplift in residential values
- Impact of fiscal and regulatory measures

STE initiatives

- Seek to launch some speculative or turn-key developments, principally on in-house land reserves
- Remain alert to investment opportunities corresponding to our current focus i.e. new offices in the Parisian suburbs
- Disposals / Portfolio turnover

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Outlook

Financing

- Capital increase: how much? when? how?
- Refinancing: prolongation, break-down, and staggering of 2013 maturities

Governance

- Board of directors modification

G. 2011 Calendar

12 May 2011	**2011 first quarter turnover**
18 May 2011	**Combined General Meeting**
21 June 2011	**Final 2010 pay out**
28 July 2011	**2011 half-year results**
October 2011	**2011 interim dividend**

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PRESENTATION

2010 annual results

- END -