



SOCIÉTÉ DE LA
TOUR EIFFEL

Press Release 11th March 2010

2009 ANNUAL RESULTS

Strong progression in operating results and net cash flow

Key figures

The board of directors under the chairmanship of Mark INCH yesterday adopted the 2009 year end accounts.

In M€	2009	2008
Rents	75.7	70.6
Net operating income	59.3	50.6
Net recurring profit	34.9	17.6
Fair value adjustments and sales results	-95.8	-33.4
Group share net result	-60.1	-16.7
Portfolio value net of transfer costs	1 044.7	1 095.5
In €/ share*		
Net current cash flow	6.1	3.6
NAV net of transfer costs	70.0	88.5
Distribution	4**	5

* number of shares as at 31st December 2009: 5 433 036 and as at 31st December 2008 : 5 193 003

** 2€ distributed in October 2009, together with a final distribution of 2€ per share being agreed at the shareholders meeting on 20th May 2010.

Satisfactory operating performance, targets achieved

Despite the morose trading conditions, Société de la Tour Eiffel was able to take advantage of its defensive portfolio (moderate secure rents, long term leases on average until late 2015) including the leasing of some 20 000 m² of development deliveries, pragmatic negotiation of major standing leases and better than expected rental performance of the business parks (Parcs Eiffel).

Outcome of solid operational performance:

- **Rents increased by 7.2 % to 75.7 M€ in 2009** (+ 5.7 % on a like for like basis)
- **The physical and financial occupancy rates at year end increased respectively to 89.5 % and 91.1 %** (up from 88.2 % and 88.6 % end 2008), reflecting the leasing success of new developments in the face of the downturn.

Portfolio rejuvenation continues and N.A.V. reduction less marked in second half

Over 30 000 m² of pre-let development deliveries during 2009 further enhanced the **ratio of modern space in the portfolio** (670 000 m², 82% in value being offices) **which now represents 60% with 25% carrying a green label (HQE qualified)**.

Société de la Tour Eiffel's portfolio of manageable, liquid assets is valued at 1,044.7 M€ in the consolidated accounts compared to 1,095.5 M€, end 2008. The value reduction is attributable to the core portfolio (-7.7 % principally during first half) and disposals in 2009 (45 M€), offset by value uplift on certain assets.

The net N.A.V. amounts to 70 € per share as at 31st December 2009, compared to 72.5 € at 30th June and 88.5 € end 2008, reflecting a reduction in property values (-16.5 €) hedging instruments (-1.1 €), and the dilution occasioned by the 5 % of new shares created in the context of the final dividend payment of 2008 which was in cash and shares.

Rigorous financial control

Confronted by the credit crunch, the company carefully monitored its debt profile in 2009, off setting increased draw downs necessitated by its development program with reimbursements stemming from disposals.

The average cost of debt reduced significantly from 5.2 % to 3.9 %, reflecting the element of capped, floating rates applicable to 45% of the debt.

At 31st December 2009, the company had access to 102.6 M€ of available financial resources made up of 77.8 M€ unused credit lines and 24.8 M€ cash.

Distribution 2009

Following an interim payment of 2 € per share voted at the Ordinary General Meeting of 15th October 2009, the board will propose to the Annual General Meeting on 20th May next, **a final payment of 2€ per share**, payable exclusively in cash, from the share premium, on 28th May 2010.

Outlook

Operational objectives:

- Completion and marketing of remaining developments (Velizy and Chartres),
- Continued stabilisation of core revenues,
- Growth through development of land reserves (Massy, La Poste, Parcs Eiffel).

Selective disposals will be continued as market conditions permit with limited impact on the core portfolio.

Regular distributions to shareholders remains a long term key objective for the company in line with the progression of the recurring cash flow per share.

The company is currently refinancing a corporate credit line which matures 31st March 2010 and studying closely future hedging requirements in the light of prevailing and anticipated interest rates.

FURTHER DATES:

- **20th May 2010:** General Meeting , **Cercle National des Armées, 8, Place Saint Augustin, 75008 Paris**
- **28th May 2010:** Distribution of 2 € per share (subject to General Meeting approval).

Audit procedures on consolidated accounts have been performed and the statutory auditors report is pending.

About Société de la Tour Eiffel

A "SIIC" quoted on the Euronext Paris Exchange, the company pursues a strategy focused on the ownership and the development of quality office and business space capable of attracting a wide range of tenants in both established and emerging locations. The company's portfolio stands at 1 billion Euros of assets spread evenly between the Paris area and the regions.

Société de la Tour Eiffel is listed on the NYSE Euronext Paris (compartment B) – Code ISIN : 0000036816 – Reuters : EIFF.PA – Bloomberg : EIFF.FP – Indices member SBF 250, CAC Small 90, GPR 250, IEIF Foncières, IEIF Immobilier France

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