

Corporate financial statements

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1 – BALANCE SHEET - ASSETS

Euros	31/12/2010			31/12/2009	See notes
	Gross	Impairments	Net	Net	
Intangible fixed assets					
Concessions, patents, licences, software	12,005		12,005	12,005	A
Tangible fixed assets					
Land	10,966,696	1,479,970	9,486,726	10,966,696	A
Buildings	19,374,310	1,987,306	17,387,004	17,970,220	A
Other tangible fixed assets	11,603	9,902	1,701	6,049	A
Construction work in progress			0	28,458	A
Long-term investments⁽¹⁾					
Equity interests	256,588,432	4,485,967	252,102,465	245,308,437	A/H/I/FS 3
Dividends owed on equity interests	62,879,190		62,879,190	52,547,089	A/C/H
Other long-term investments	1,677		1,677		A
	349,833,912	7,963,145	341,870,768	326,838,953	
CIRCULATING ASSETS					
Inventories					
Advances and down payments on orders	25,939		25,939	74,694	
Receivables⁽²⁾					
Trade and related receivables	2,647,914	629,959	2,017,955	2,006,127	C/H
Other receivables	26,257,940		26,257,940	54,772,420	C/H
Marketable securities					
Treasury shares	7,514,635	1,969,227	5,545,408	5,048,444	FS 4/G
Other securities				1,113,561	G
Cash in hand and at bank	545,841		545,841	639,247	
Prepaid expenses ⁽²⁾	219,902		219,902	533,247	C/E
	37,212,172	2,599,186	34,612,985	64,187,740	
Expenses amortised over several years	254,956			123,528	
GRAND TOTAL	387,301,041	10,562,331	376,738,710	391,150,221	B/F

(1) Including those at less than one year (gross)

15,747,028

2,414,928

(2) Including those at more than one year (gross)

2 – BALANCE SHEET - LIABILITIES

Euros	31/12/2010	31/12/2009	See notes
	Net	Net	
SHAREHOLDERS' EQUITY			
Capital (of which 27,961,420 paid:)	27,961,420	27,165,180	J/FS 1
Issue, merger and contribution premiums	34,477,782	35,897,847	IC 3
Reserves:			
- Legal reserve	2,716,518	5,550,819	
- Other reserves	215,933,372	223,817,931	
Retained earnings		3,301,198	
Net result for the year (profit or loss)	36,739,798	(10,666,955)	
Interim dividends	(10,680,106)		
	307,148,784	285,066,019	O
OTHER EQUITY			
PROVISIONS FOR CONTINGENCIES AND LOSSES			
Provisions for losses			K
DEBTS⁽¹⁾			
Borrowings and debt owed to credit institutions ⁽²⁾	36,634,875	90,877,159	L
Borrowings and financial debts	30,088,299	12,117,155	L/N
Trade and related payables	1,924,498	1,792,332	L/N
Tax and social liabilities	534,207	431,518	L
Payables to fixed asset suppliers and related accounts	15,987	45,982	L
Other debts	101,834	419,495	L/N
Prepaid income	290,226	400,561	Q
	69,589,926	106,084,201	
GRAND TOTAL	376,738,710	391,150,221	
(1) Including those at more than one year (a)	12,634,251	12,841,426	
(1) Including those at less than one year (a)	56,955,675	93,264,775	
(2) Including current bank loans and bank credit balances		3,794	

(a) With the exception of down payments and advances on purchase orders.

3 – INCOME STATEMENT

Euros	31/12/2010			31/12/2009	See notes
	France	Abroad	Total	Total	
Operating income⁽¹⁾					
Production sold (services)	7,747,826		7,747,826	7,409,723	
Net turnover	7,747,826		7,747,826	7,409,723	R
Capitalised production			311		
Reversal of provisions and expense reclassifications			601,183	31,000	S
Other income			59	4	
			8,349,379	7,440,727	
Operating expenses⁽²⁾					
Other purchases and external expenses ^(a)			7,507,593	7,087,585	T/U
Taxes, duties and similar payments			415,530	287,341	
Wages and salaries			720,000	720,000	IC 2
Social security withholding payments			221,280	217,400	
Allocations to amortisation and provisions:					
- Amortisation of fixed assets			1,109,212	843,502	B
- Depreciation of fixed assets			1,479,970		K
- Depreciation of current assets			629,959		K
Other expenses			110,025	110,013	
			12,193,570	9,265,841	
OPERATING RESULT			(3,844,192)	(1,825,114)	
Financial income					
From equity interests ⁽³⁾			39,982,766	16,104,027	
From other marketable securities and fixed asset receivables ⁽³⁾					
Other interest and related income			748,201	439,878	
Recoveries on write-downs, provisions and expense transfer			14,415,329	4,157,935	
Realised gains on foreign exchange				6	
Net proceeds from the sale of marketable securities			48,818	165,792	
			55,195,114	20,867,639	
Financial expenses					
Allocations to amortisation, impairment and provisions			6,455,194	14,415,329	K
Interest and similar charges ⁽⁴⁾			8,282,886	10,924,371	
Realised losses on foreign exchange			206	13	
Net losses on the sale of marketable securities			71,541	314,206	
			14,809,827	25,653,920	
NET FINANCIAL INCOME			40,385,287	(4,786,281)	
CURRENT PRE-TAX EARNINGS			36,541,095	(6,611,395)	

Euros	31/12/2010	31/12/2009	See notes
	Total	Total	
Extraordinary income			
On management transactions	152,301		K
On capital transactions		9,350,000	
Reversal of amortisation, provisions and expense reclassifications			
	152,301	9,350,000	
Extraordinary expenses			
On management transactions	560	35	
On capital transactions	1,038	13,423,525	
Allocations to depreciation and provisions			
	1,598	13,423,560	
EXTRAORDINARY RESULT	150,704	(4,073,560)	
Income tax	(48,000)	(18,000)	IC 6.3
Total income	63,696,794	37,658,366	
Total expenses	26,956,996	48,325,321	
NET PROFIT (LOSS)	36,739,798	(10,666,955)	
(a) Including:			
- Equipment leasing instalments			
- Property leasing instalments			
(1) Including income relating to previous financial years			
(2) Including expenses relating to previous financial years			
(3) Including income relating to affiliated entities	39,982,766	16,104,027	
(4) Including interest relating to affiliated entities	1,046,552	4,056,988	

4 – APPENDIX

4.1 – GENERAL INFORMATION

The main corporate purpose of Société de la Tour Eiffel is to acquire or construct buildings to rent out, and to hold direct or indirect equity stakes in corporate bodies having the same purpose

Choice of status as a *Société d'Investissements Immobiliers Cotée* (SIIC)

On 15 April 2004, the company opted for the status of *Société d'Investissements Immobiliers Cotée* (SIIC) effective on 1 January 2004.

4.2 – IMPORTANT FACTS

4.2.1 – CAPITAL TRANSACTIONS

4.2.1.1 – 2010 INTERIM DIVIDEND AND OPTION FOR PAYMENT IN SHARES

On 28 July 2010, the Board of Directors moved to distribute an interim dividend of €10,680,106,

or €2 per share, in the light of the interim balance sheet closed at 30 June 2010, with an option of payment in shares or cash in accordance with the 3rd resolution adopted at the General Shareholders' Meeting of 20 May 2010.

An equity capital increase of €796,240 (159,248 shares) and a €5,898,546 increase in the issue premium were noted, in compliance with the decision of the Chief Executive Officer of 30 September 2010. New shares are issued at the price of €42.04, corresponding to 90% of the average market value of the 20 days of trading prior to the date on which the decision to distribute is made, minus the net amount of the interim dividend rounded up to the nearest centime.

To this end, the holders of 3,373,818 shares opted for payment of the interim dividend in shares and a cash payment of €52,850 was paid out to shareholders. The holders of remaining shares (totalling 1,966,235 shares) opted for payment in cash (€3,932,470).

4.2.2 – IMPAIRMENT OF SECURITIES

On 31 December 2010, Société de la Tour Eiffel recorded:

- a €322,989 impairment on the securities of SCI Marceau Bezons,
- a €4,162,978 impairment on the securities of SCI Malakoff Valette,
- and a reversal of impairment on securities totalling €11,276,000 for SAS Locafimo and €717,510 for SCI Duranne Sud.

4.2.3 – ACQUISITIONS AND DIVESTMENTS OF FIXED ASSETS

4.2.3.1 – Investment property

The Company carried out partial waterproofing work on the building at St Cloud at year-end 2009. This work was billed at €56,916. The work was completed on 27 January 2010.

4.2.3.2 – Securities portfolio

On 22 July 2010, Société de la Tour Eiffel acquired from SCI du 153 Avenue Jean Jaurès an additional €4,985 interest in the SNC Tour Eiffel Asset Management.

On 25 May 2010, Société de la Tour Eiffel moved to dissolve SCI Duranne Sud without liquidation, thereby transferring all of the business assets of Duranne Sud to the sole partner. A corresponding unfavourable variance of €739,175 was recorded in the income statement.

Following the transfer of all the business assets of SCI Duranne Sud, a €717,510 reversal of provision for amortisation was booked for these securities.

4.2.4 – SHARE PURCHASE OR SUBSCRIPTION PLANS AND BONUS SHARE PLANS

On 31 December 2010, Société de la Tour Eiffel held 92,594 unallocated treasury shares valued at €7,313,778. These were written down to the average market value for the month of December 2010, i.e. €57.74, for a total of €1,969,227.

4.2.5 – FINANCING

On 31 March 2010, Société de la Tour Eiffel fully repaid the “corporate” loan of €76,700,405 corresponding to the principal of €76,500,000 and interest of €200,405.

Financing costs staying under deferred expenses during the reimbursement of this loan were wholly amortised for a total of €34,152.

On 31 March 2010, Société de la Tour Eiffel took out a new €35,000,000 loan expiring 31 March 2011 with an option to extend it until 30 September 2011.

At the same time, Société de la Tour Eiffel hedged its interest rates with a 2% cap for a notional amount of €35,000,000.

Charges arising from this loan totalled €594,179 and were transferred to deferred expenses.

On 23 June 2010, Société de la Tour Eiffel transferred two caps to SAS LOCAFIMO, generating a financial profit of €57,028. The notional amounts transferred were €21,158,855 and €18,724,782, respectively.

4.2.6 – DIVIDENDS OWED ON EQUITY INTERESTS

Following the disposal of its real estate assets, during the 2010 financial year subsidiary SCI Lyon Genlis reimbursed the entire €3,000,000 loan it took out with Société de la Tour Eiffel on 23 March 2005.

4.3 – ACCOUNTING POLICIES

The Annual Accounts are established in accordance with the rules laid out by the general accounting system of 1999 and fundamental accounting principles (conservatism, consistent methods, independence of financial years, going concern).

The financial year spans a 12-month period running from 1 January to 31 December 2010.

Recognised items are valued by the historic costs method.

The main accounting methods used are as follows:

4.3.1 – INTANGIBLE FIXED ASSETS

4.3.1.1 – Land and buildings

General rules

Fixed assets are valued at their acquisition price as per the provisions of CRC Regulation no. 2004-06. The Company has opted to capitalise acquisition expenses and the costs of borrowings, where applicable.

In accordance with the CRC Regulation no. 2002-10, property assets have been accounted for using the components approach.

The gross value was split into 4 separate components on the basis of valuations carried out by the Technical Services of the asset management company, Tour Eiffel Asset Management.

Given the nature of the properties, a residual value was recorded under the main component (structural framing). Given the nature of the properties, the residual values recorded were as follows:

- 10% (Energy II building located in Vélizy, building located in Amiens)
- or 20% (building located in Saint-Cloud)

Amortisations are made following Rule no. 2002-10 with each component being amortised over its individual useful life on the following basis:

- Structural framing • Life: 35 to 60 years • Method: straight-line
- Water-proofing • Life: 15 to 20 years • Method: straight-line
- Equipment • Life: 20 to 50 years • Method: straight-line
- Fixtures and fittings • Life: 12 to 50 years • Method: straight-line

At 31 December 2010, the current state of the buildings does not require the allocation of provisions for major upkeep or refurbishing.

Valuation of Assets

The company has all its property assets valued by an independent appraiser every six months. An asset impairment is recorded if the appraised value has fallen considerably below the net book value.

In the financial period ended 31 December 2010, a €1,479,970 provision for the building located in Amiens was recorded in the accounts pursuant to these valuations.

4.3.1.2 – Other tangible fixed assets

Depreciation is calculated on the following basis:

- Office equipment • Life: 3 years • Method: straight-line
- Furniture • Life: 5 years • Method: straight-line

Fixed assets are recorded at their acquisition cost (purchase price and additional expenses).

4.3.2 – MARKETABLE SECURITIES AND TREASURY SHARES

4.3.2.1 – Marketable securities

The gross value is made up of the purchase cost excluding additional expenses. When the inventory value is lower than the gross value, the difference gives rise to an impairment loss provision. The inventory value of the treasury shares consists of the average market price during the last month before accounts closing.

4.3.2.2 – Unallocated treasury shares or those connected with the liquidity agreement

Those treasury shares which are not allocated to a bonus share allotment scheme or those connected with a liquidity agreement, are written down to their market value.

4.3.2.3 – Treasury shares allocated to share subscription or purchase options and plans for granting bonus shares

In accordance with CNC Regulation 2008-15 dated 4 December 2008 relating to the accounting treatment of share subscription or purchase plans and bonus share plans, the allocated shares held which will probably be awarded to employees carry a provision based on the shares' net book value at the start of the financial year for bonus share allocation plans, and based on the difference between this value and the purchase or subscription value for share purchase or subscription options. When the award is subordinated to a condition of working for the company, the purchase price is spread out over the acquisition period. Any allocations of provisions, reversals and charge-offs relating to awarding equity shares are disclosed as personnel expenses.

4.3.3 – EQUITY INTERESTS AND OTHER LONG-TERM INVESTMENTS

Equity interests are entered on the balance sheet at their acquisition cost as per the provisions of CRC Regulation no. 2004-06 pertaining to the definition, recognition and valuation of assets. The company has opted to include acquisition expenses in the value of securities.

If the inventory value of these shares proved to be lower than their purchase cost, an impairment provision would be made.

The inventory value is determined based on the equity interest's value in use and takes into account the market value of the owned company's assets, which are audited every half year.

4.3.4 – RECEIVABLES

Receivables are recorded at their nominal value. A write-down is recorded when the inventory value is lower than the book value.

At 31 December 2010, a €629,959 provision for a receivable of a lessee occupying the building located in Amiens was booked after it entered receivership.

4.3.5 – ONGOING AND EXTRAORDINARY RESULT

Extraordinary income corresponds to tax rebates.

4.3.6 – BOND ISSUE EXPENSES

Borrowing issuance expenses are transferred from operating expenses to expenses to be amortised over the term of these borrowings.

4.3.7 – FUTURE FINANCIAL INSTRUMENTS - INTEREST HEDGING OPERATIONS

Société de la Tour Eiffel took out interest rate hedging contracts (caps and swaps) for itself and its subsidiaries with bank loans. The effects of these contracts are booked at the Société de la Tour Eiffel level.

CAP

The initial premium paid and covering several periods is reported as an expense over the contract term.

Any eventual unrealised gains are not recorded at period end.

SWAP

At period end, the accrued interest differential on the Swaps is recorded.

Potential losses on the financial instruments do not carry a liabilities provision inasmuch as these instruments are used in a hedging transaction.

4.4 – ADDITIONAL INFORMATION

4.4.1 – STAFF

The company employs a Property Director.

4.4.2 – REMUNERATION OF MEMBERS OF MANAGEMENT AND GOVERNING BODIES

Board members' attendance fees paid in 2010 totalled €110,000. Gross remuneration paid to members of governing bodies for their director mandates totalled €220,000.

4.4.3 – APPROPRIATION OF 2009 EARNINGS

The Mixed General Meeting of 20 May 2010 voted to appropriate the loss of the 2009 financial year (€10,666,955) to retained earnings €3,301,198 and to the special reserve arising from the reduction of the nominal value of shares voted by the Mixed General Meeting of 14 May 2009 €7,365,757.

The Mixed General Meeting of 20 May 2010 voted to distribute the amount of €2 per share representing a total amount of €10,671,714. This sum was paid out on 28 May 2010. €518,802 of this amount was levied and deducted from the “Other reserves” item; €2,834,301 from the payable portion of the legal reserves arising from the reduction of share capital decided by the combined General Shareholders’ Meeting of 14 May 2009; and the rest €7,318,611 from the issue premium.

4.4.4 – 2010 DISTRIBUTION

On 28 July 2010, the Board of Directors voted to distribute an interim dividend of €10,680,106 (€2 per share) in light of the intermediate balance sheet closing 30 June 2010.

A proposal to distribute the amount of €2.20 per share will be submitted to the General Meeting for a vote.

4.4.5 – APPROPRIATION OF THE SUBSIDIARIES’ 2010 EARNINGS

Net financial income - up streaming the 2010 results

The articles of association of those subsidiaries organised as non-trading real estate investment companies or as partnerships contain a clause for appropriating the period-end earnings, unless the partners decide otherwise.

The subsidiaries all have the same account closing date of 31 December.

The decisions to appropriate the 2010 earnings by the various general shareholders’ meetings are taken prior to that of the Société de la Tour Eiffel Board of Directors’ meetings.

Consequently, as at 31 December 2010, the net financial income of Société de la Tour Eiffel includes the proportionate shares in the 2010 earnings of those subsidiaries organised as non-trading real estate investment companies or as partnerships.

4.4.6 – TAXABLE INCOME - TRACKING OF THE OBLIGATIONS UNDER THE SIIC REGIME

Société de la Tour Eiffel reported a €36,740K profit corresponding to a €22,341K profit for tax purposes.

4.4.6.1 – Tax exempt income and tracking of the distribution obligations

The 2010 tax exempt income came to €22,825K and breaks down as follows:

- €7,045K from property rentals subject to an 85% distribution rate,
- €2,814K from capital gains from property disposals,
- €14,966K from dividends received from subsidiaries which opted for and are subject to a 100% distribution rate.

The distribution rate therefore went from €22,361K in 2011 to €1,407K in 2012.

Because of insufficient pre-tax income during the 2009 financial year, there is a deferred obligation to distribute €1,224K which it would be fit to perform during the first eligible financial year after fulfilling the obligations related to this financial year.

4.4.6.2 – Income liable to corporation Tax

The income liable to corporation tax for 2010 totalled -€2,484K, mainly equalling 1) the portion of expenses which cannot be allocated to the exempted activity; 2) the fees for non-performed investments, and 3) the upstreaming of the taxable tax income of the non-REIT subsidiary, SNC Tour Eiffel Asset Management.



4.4.6.3 – Income tax

The €48,000 income tax benefit corresponds to the foundation tax credit the Company has received owing to payments made to the Société de la Tour Eiffel Foundation in 2010.

4.4.7 – SHARE SUBSCRIPTION OPTION PLANS

4.4.7.1 – Summary table of the share option plans issued, granted and expired

General Shareholders' Meeting date	Date granted by the Board of Directors	Exercise period	Subscription Price	No. of allocated options	No. of exercised options	No. of expired or cancelled options	Potential number of shares
12 May 2005	26/12/2005	from 26/12/2005 at 26/12/2010	65.95	115,689	1,250	114,439	0
	22/03/2006	from 22/03/2006 at 22/03/2011	80.73	29,594	-	29,594	0
	17/05/2006	from 17/05/2006 at 17/05/2011	80.84	11,103	1,500	6,960	2,643
17 May 2006	14/09/2006	from 14/09/2006 at 14/09/2011	92.13	137,314	-	135,844	1,470
	29/03/2007	from 29/03/2007 at 29/03/2012	114.64	24,182	-	23,366	816
29 March 2007	16/10/2007	from 16/10/2007 at 16/10/2012	111.15	26,931	-	26,931	0
	11/12/2008	from 11/12/2008 at 11/12/2013	32.87	28,198	-	-	28,198
	15/10/2009	from 15/10/2009 at 15/10/2014	45.95	28,427	-	-	28,427
TOTAL				401,438	2,750	337,134	61,554

4.4.8 – ALLOCATION OF BONUS SHARES

4.4.8.1 – Summary table of bonus shares issued and granted

General Shareholders' Meeting date	Date granted by the Board of Directors	Final granting date	Minimum holding period	No. of bonus shares allocated
17 May 2006 ^(a)	12/02/2007	12/02/2009	2 years	1,200
29 March 2007 ^(b)	16/10/2007	16/10/2009	2 years	8,550
TOTAL				9,750

(a) Authorisation to allocate 20,000 existing or yet-to-be issued shares.

(b) Authorisation to allocate 60,000 existing or yet-to-be issued shares.

All of the bonus shares allocated were delivered under the buyback scheme.

4.4.8.2 – Theoretical dilutive effect on earnings per share

The theoretical dilutive effect on 2010 earnings per share would be:

- 2010 net loss per share: €6.57
- Theoretical diluted net income per share for 2010: €6.51

The diluted net income per share stems from the effect of a possible delivery of the bonus shares granted by means of a capital increase and the probability that stock subscription plans will be exercised at financial year end.

4.4.9 – FINANCIAL COMMITMENTS

4.4.9.1 – Given commitments

Commitments made are as follows:

- A guarantee totalling €127,282K for all sums due by subsidiaries under the line of credit master agreement,
- Authorisation for a personal joint and several guarantee in favour of borrowing subsidiaries as part of the group's master financing agreement,
- Guarantee agreement issued in favour of the bank in respect of an interest rate hedging agreement concluded on 28 November 2002 with SCI NOWA and transferred to LOCAFIMO on 24 March 2006,
- Pledge of a securities account holding SAS Locafimo shares as collateral for the financing bank,
- The shares of the following non-trading property investment companies are pledged as collateral with the bank:
 - Nowa,
 - Arman F02
 - Comète,
 - Berges de l'Ourcq,
 - Champigny Carnot,
 - Marceau Bezons,
 - Grenoble Pont d'Oxford,
 - Rueil National,
 - Lyon Genlis,
 - Jean Jaurès,
 - Caen Colombelles,
 - Étupes de l'Allan,
- On 14 January 2008, a first lien mortgage was given to Société Générale when it extended a €4,000,000 loan to finance the building in Amiens,
 - On 16 January 2008, a first lien mortgage was given to Société Générale when it extended a €9,700K loan to finance the building in Saint-Cloud,
 - On 31 March 2010, in conjunction with the €35,000,000 loan granted by Natixis, a first mortgage worth €11.4 bn plus 10% of fees and accessories was given to the bank on the "Energy II" building located in Vélizy.
 - The "Energy II" building located in Vélizy, acquired on 20 December 2006, will be kept for a 5-year term in accordance with the requirements of Article 210 E of the General Tax Code under the "SIIC 3" tax scheme,
 - Saint Cloud building, acquired on 16 January 2008, will be kept for a 5-year term in accordance with the requirements of Article 210 E of the General Tax Code under the "SIIC 3" tax scheme,
 - The Amiens building, acquired on 14 January 2008, will be kept for a 5-year term in accordance with the requirements of Article 210 E of the General Tax Code under the "SIIC 3" tax scheme,
 - The equity stake in SCI Arman F02 is maintained with an agreement not to require repayment of the subordinated loans extended to it during the term of SCI Arman F02's credit agreement entered into with Société Générale and Crédit Foncier de France,
 - Keep its equity stake in SCI Arman Ampère and pledge it following amendment 1 dated 31 March 2009 as collateral for the loan extended to SCI Arman F02 on 28 March 2008 by Société Générale and Crédit Foncier de France,
 - On 11 December 2009 Société de la Tour Eiffel pledged to repay Calyon any amount up to €3,532,984 that Normandie Aménagement could claim of it as beneficiary of the joint and several guarantee issued by this bank to guarantee payment of the Property Development Agreement entered into between SCI Nowa and Normandie Aménagement. On 31 December 2010, the last payment of the CPI (€85,000) corresponding to the term of the defects liability insurance is outstanding to Normandie Aménagement.

- On 26 April 2010, the Company agreed to reimburse Crédit Agricole for any amount which may be claimed by the beneficiary (Cirmad Grand Sud) of the First Demand Guarantee issued 26 April 2010 by Crédit Agricole for SCI Nowa,
- Within the scope of founding the Société de la Tour Eiffel Foundation, Société de la Tour Eiffel as founder committed itself to pay €210,000. The initial action programme spanning several years was increased by €50,000 during 2010 following the amendment of 27 May 2010. The amount of this commitment is reduced each year by €30,000 under an instalment scheme spanning several years. The remaining balanced owed at 31 December 2010 is €30,000.

4.4.9.2 – Received commitments

The following commitments were received

Assignor's indemnity against any increase in liabilities or decrease in assets for the following companies:

SCI Nowa	10,000,000
SCI Malakoff Valette (ex-Engel)	3,000,000
SCI Marceau Bezons	10,000,000
TOTAL	23,000,000

The commitments received for cap contracts totalled €26,000,000.

4.4.10 – RECIPROCAL COMMITMENTS

The reciprocal commitments received for swap contracts totalled €130,895,118.

On 3 February 2011 the company signed a commitment to sell for its building located in Amiens, for a total amount of €3,225,000. The sale may not be finalised before 31 January 2013.

4.4.11 – FINANCING OF THE SUBSIDIARIES

4.4.11.1 – Treasury agreement

The subsidiaries of Société de la Tour Eiffel acceded to the treasury agreement signed on 2 April 2004 and to its amendment of 24 June 2004.

The interest rate applied within the group is 3-month Euribor plus 25 basis points.

4.4.11.2 – Subordinated loans

Société de la Tour Eiffel, as lender, lends money to its subsidiaries under subordinated loan agreements. These loans are extended at 3-month Euribor plus 100 basis points for a term identical to the line of credit master agreement, i.e. to 15 June 2013.

Repayment of these loans is subordinated to the creditors' agreement in accordance with the line of credit framework agreement signed with the bank.

4.4.12 – RETIREMENT BENEFITS

The Company did not set aside any retirement plan provision in the financial statements.

Management had an assessment of these commitments on 31 December 2010. The study factors in the various parameters that apply to the Société de la Tour Eiffel employee as well as the range of data that pertain to Société de la Tour Eiffel. The following parameters were chosen:

- discount rate: 4.68%
- wage increases: 3.92%
- employer social security contributions: 50%
- employer's contribution: 50%
- asset mobility: average
- voluntary retirement at age 65.

These commitments were assessed at €18,295 as of 31 December 2010.

4.4.13 – SEVERANCE PACKAGE

The total severance package which may be paid to the Real Estate Director in the event that the company requires his retirement is limited to 2 years' wages (fixed and variable).

4.4.14 – RIGHT TO PROFESSIONAL TRAINING

The company's commitment to the sole employee as part of the French "right to professional training" (DIF) scheme totalled 126 hours at the close of the financial year.

NOTES

4.5 – ASSETS

A – FIXED ASSETS

Framework A (euros)	Gross value		Increases	
	Beginning of year		Revaluations	Acquisitions
Intangible fixed assets				
Other intangible fixed assets	12,005			
Total I	12,005			
Tangible fixed assets				
Land	10,966,696			
Buildings on own land	19,314,374			59,935
Office equipment and furnishings	13,601			
Construction work in progress	28,458			
Total II	30,323,129			59,935
Financial fixed assets				
Equity interests	257,301,947			4,985
Receivables on equity interests	52,547,089			14,075,091
Other long-term investments				1,677
Total III	309,849,036			14,081,753
GRAND TOTAL (I + II + III)	340,184,170			14,141,688

Framework B (euros)	Decreases		Gross value at year end	Revaluations Value of origin
	Reclassifications	Disposals		
Intangible fixed assets				
Other intangible fixed assets			12,005	12,005
Total I			12,005	12,005
Tangible fixed assets				
Land			10,966,696	10,966,696
Buildings on own land			19,374,310	19,374,310
Office equipment and furnishings		1,998	11,603	11,603
Construction work in progress	28,458		0	0
Total II	28,458	1,998	30,352,609	30,352,609
Financial fixed assets				
Equity interests		718,500	256,588,432	256,588,432
Receivables on equity interests		3,742,990	62,879,190	62,879,190
Other long-term investments			1,677	1,677
Total III		4,461,490	319,469,298	319,469,298
GRAND TOTAL (I+II + III)	28,458	4,463,488	349,833,912	349,833,912

B – DEPRECIATION**Framework A (euros)**

Position and movements during the year

Depreciable fixed assets	Beginning value	Increases Allocations	Decreases Exits/Reversals	Value at period end
Tangible fixed assets				
Constructions on own land	1,344,154	643,151		1,987,306
Office and data processing equipment, furniture	7,553	3,310	960	9,902
Total	1,351,707	646,461	960	1,997,208
GRAND TOTAL	1,351,707	646,461	960	1,997,208
Cadre B				
Framework amortised movements of expenses over several years	Net amount at beginning of year	Increases	Amortisation expense	Net amount at year end
Expenses amortised over several years	123,528	594,179	462,751	254,956

C – RECEIVABLES AND DEBT STATEMENTS

Receivables and debt statements (euros)	Gross amount	Under 1 year	Over 1 year
Fixed assets			
Dividends owed on equity interests	62,879,190	15,747,028	47,132,162
Other long-term investments	1,677	1,677	
Current assets			
Clients with solvency difficulties or with whom litigation is underway	751,632	751,632	
Other trade receivables	1,896,282	1,896,282	
Personnel and related accounts	8,758	8,758	
Income tax	156,000	156,000	
Value-added tax	373,039	373,039	
Group and partners	25,562,152	25,562,152	
Non-trade receivables	157,991	157,991	
Prepaid expenses	219,902	219,902	
TOTAL	92,006,623	44,874,461	47,132,162

D – ACCRUED INCOME

Euros	31/12/2010	31/12/2009
Receivables on equity interests	266,459	266,726
Trade and related receivables	1,328,158	1,476,085
Other receivables	294,225	459,645
GRAND TOTAL	1,888,842	2,202,456

E – PREPAID EXPENSES

Euros	31/12/2010	31/12/2009
Various prepaid expenses	161,034	101,425
Public relations prepaid expenses	41,618	17,837
Cap premiums prepaid expenses	17,250	413,986
GRAND TOTAL	219,902	533,247

F – DEFERRED EXPENSES

Euros	31/12/2010	31/12/2009
DEBT ISSUANCE COSTS	254,956	123,528
GRAND TOTAL	254,956	123,528

G – INVENTORY OF THE MARKETABLE SECURITIES PORTFOLIO (FRENCH COMMERCIAL CODE ART. L 232-7 AND L 232-8)

Equity investments

The equity investments are only composed of the shares of non-trading real estate investment companies, shares of partnerships, and shares in simplified public limited liability companies.

Marketable securities Treasury shares

At 31 December 2010, Société de la Tour Eiffel held 3,447 treasury shares for a gross amount of €200,856 under the liquidity agreement.

At 31 December 2010, Société de la Tour Eiffel held 92,594 treasury shares for a gross amount of €7,313,778 under the share repurchase programme.

H – ITEMS RELATING TO SEVERAL BALANCE SHEET ITEMS (DECREE 83-1020 OF 29-11-1983 - ARTICLES 10 AND 24-15)

Euros	Amount concerning companies		Total debts or receivables represented by trade bills
	that are affiliates	with which the company is linked by equity	
Items relating to several balance sheet items			
Financial fixed assets			
Equity interests	252,102,465		
Dividends owed on equity interests	62,879,190		
TOTAL FIXED ASSETS	314,981,655		
Receivables			
Trade and related receivables	1,569,503		
Other receivables	25,562,152		
TOTAL RECEIVABLES	27,131,655		

I – TABLE OF SUBSIDIARIES AND EQUITY INTERESTS AT 31/12/10

Financial Subsidiaries Equity interests	Capital	Reserves and retained earnings before appropriation of net profit	Equity interest held as a%	Book value of the securities held		Loans and advances extended by the company which are not yet reimbursed
				Gross	Net	

I- DETAILED INFORMATION ON EACH SECURITY WHOSE GROSS VALUE EXCEEDS 1% OF THE CAPITAL OF THE COMPANY BOUND TO PUBLICATION

1 - Subsidiaries (over a 50% equity interest)						
SCI JEAN-JAURÈS	152		99.00	5,106,124	5,106,124	798,297
SCI NOWA	5,293,090	6	99.99	14,526,401	14,526,401	12,728,679
SCI BERGES DE L'OURCQ	1,000		99.00	990	990	5,427,631
SCI COMETE	1,000		99.00	16,375,070	16,375,070	1,091,048
SCI CHAMPIGNY CARNOT	1,000		99.00	990	990	11,524,510
SCI ETUPES DE L'ALLAN	1,000		99.00	990	990	6,326,085
SCI LYON GENLIS	1,000		99.00	990	990	15,044
SCI CAEN COLOMBELLES	1,000		99.00	990	990	10,587,387
SCI ARMAN FO2	11,192,100	5,735,836	99.99	20,254,699	20,254,699	15,432,912
SCI MALAKOFF VALETTE	1,000	700,000	100.00	4,863,978	701,000	6,682,221
SCI MARCEAU BEZONS	10,000		99.90	1,003,944	680,955	784,008
SAS LOCAFIMO	3,989,590	88,879,846	100.00	190,333,743	190,333,743	
SCI GRENOBLE PONT D'OXF.	1,000		99.00	990	990	3,872,187
SCI RUEIL NATIONAL	1,000		99.00	990	990	12,651,119
SNC TOUR EIFFEL ASSET MANAGEMENT	150,000		100	4,117,533	4,117,533	716,135
2 - Equity interests (from 10 to 50% of the capital held)						

II- GENERAL INFORMATION ON SECURITIES WHOSE GROSS VALUE DOES NOT EXCEED 1% OF THE CAPITAL OF THE COMPANY BOUND TO PUBLICATION

1 - Subsidiaries:						
a) French (all)						
b) Foreign (all)						
2 - Participating interests:						
a) French (all)	1,000		1,00	10	10	
b) Foreign (all)						

(cont'd)

Financial	Sureties and guarantees given by the Company	Turnover excluding tax from the previous financial year	Net profit or loss from the previous financial year	Dividends received by the Company during the financial year	Comments
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I- DETAILED INFORMATION ON EACH SECURITY WHOSE GROSS VALUE EXCEEDS 1% OF THE CAPITAL OF THE COMPANY BOUND TO PUBLICATION

1 - Subsidiaries (over a 50% equity interest)

SCI JEAN-JAURÈS	12,745,784	2,714,205	1,568,389	1,414,091	
SCI NOWA	36,392,715	9,791,076	5,180,155	3,787,593	
SCI BERGES DE L'OURCQ	7,860,668	1,385,856	593,369	645,267	
SCI COMETE	24,252,059	4,172,805	2,547,304	2,650,832	
SCI CHAMPIGNY CARNOT	17,674,038	3,279,824	1,505,160	1,618,481	
SCI ETUPES DE L'ALLAN	9,261,650	1,910,009	705,329	706,317	
SCI LYON GENLIS	0	176,860	277,043	375,320	
SCI CAEN COLOMBELLES	21,961,199	3,584,583	1,840,307	1,975,852	
SCI ARMAN FO2	2,000,000	6,878,024	5,363,682	5,461,947	
SCI MALAKOFF VALETTE	0	1,068,181	7,065,780	759,154	
SCI MARCEAU BEZONS	4,380,222	475,288	-76,545	12,205	
SAS LOCAFIMO		36,559,823	3,878,299	9,973,975	
SCI GRENOBLE PONT D'OXF.	6,929,233	1,027,419	265,472	294,253	
SCI RUEIL NATIONAL	22,597,713	2,903,658	1,321,790	1,313,365	
SNC TOUR EIFFEL ASSET MANAGEMENT		4,511,668	526,337	311,915	

2 - Equity interests (from 10 to 50% of the capital held)

II- GENERAL INFORMATION ON SECURITIES WHOSE GROSS VALUE DOES NOT EXCEED 1% OF THE CAPITAL OF THE COMPANY BOUND TO PUBLICATION

1 - Subsidiaries:

a) French (all)

b) Foreign (all)

2 - Participating interests:

a) French (all)

602,219

3,559,715

b) Foreign (all)

4.6 – LIABILITIES

J – COMPOSITION OF SHARE CAPITAL (DECREE 83-1020 OF 29-11-1983 - ARTICLE 24-12)

Euros

Different categories of securities	Value	Number of securities			At the financial year end
		At the financial year start	Created during the financial year	Repaid during the financial year	
ORDINARY SHARES	5	5,433,036	159,248		5,592,284

K – PROVISIONS AND IMPAIRMENTS RECORDED ON THE BALANCE SHEET

Euros

	Amount at beginning of the year	Increase Allocations for the year	Reductions: Reversals		Amount at end of the year
			Used	Not used	
Provisions for expenses					
Total I					
Impairments					
On tangible fixed assets		1,479,970			1,479,970
Long-term investments	11,993,510	4,485,967		11,993,510	4,485,967
On client accounts		629,959			629,959
Other impairments	2,421,819	1,969,227		2,421,819	1,969,227
Total II	14,415,329	8,565,123		14,415,329	8,565,123
GRAND TOTAL (I+II)	14,415,329	8,565,213		14,415,329	8,565,123
<i>Of which allocations and reversals:</i>					
- operations		2,109,929			
- financial		6,455,194			
- extraordinary				14,415,329	

L – INDEBTEDNESS STATEMENTS

Euros

Indebtedness statement	Gross amount	Under 1 year	From 1 to 5 years	Over 5 years
Bank borrowings:				
- under one year maximum at the start	677,158	677,158		
- over one year at the start	35,957,717	23,505,617	12,452,100	
Loans and various financial debts	182,151			182,151
Trade and related payables	1,924,498	1,924,498		
Personnel and related accounts	6,600	6,600		
Social security and other social welfare agencies	106,242	106,242		
Value-added tax	420,844	420,844		
Other duties, taxes and comparable payments	460	460		
Payables to fixed asset suppliers and related accounts	15,987	15,987		
Group and partners	29,906,149	29,906,149		
Other debts	101,834	101,834		
Prepaid income	290,226	290,226		
TOTAL	69,589,926	56,955,675	12,452,100	182,151

M – DETAIL OF ACCRUED EXPENSES

Euros

	31/12/2010	31/12/2009
Bank borrowings	714,526	1,183,715
Miscellaneous borrowings and financial debts	226,856	102,494
Trade notes and accounts payable	1,790,058	1,624,440
Tax and social liabilities	27,465	46,956
Payables to fixed asset suppliers and related accounts		
Other debts	71,354	359,361
GRAND TOTAL	2,830,259	3,316,966

N – ITEMS RELATING TO SEVERAL BALANCE SHEET ITEMS (DECREE 83-1020 OF 29-11-1983 - ARTICLES 10 AND 24-15)

Euros

Items relating to several balance sheet items	Amount concerning companies		Total debts or receivables represented by trade bills
	that are affiliates	with which the company is linked by equity	
Debts			
Miscellaneous borrowings and financial debts	29,796,148		
Trade notes and accounts payable	1,141,742		
Other debts	347		
TOTAL DEBTS	30,938,238		

O – CHANGE IN EQUITY CAPITAL (IN EUROS)

	Capital	Premiums	Legal reserve	Reserves	Special reserve	Retained earnings	Net profit (loss)	Dividends	Total
AT 31/12/2008	249,264,144	42,652,927	4,141,781	518,802		1,993,279	28,180,742	(17,820,390)	308,931,286
GSM of 14 May 2009									
Appropriation of net profit			1,409,038			1,161,809	(28,180,742)	25,609,894	
Balance of 2008 dvd payment						146,109		(7,789,505)	(7,643,396)
Board meeting at 10/06/2009									
Reduc. nominal value	(223,299,129)				223,299,129				
Capital increase	1,200,165	3,922,139							5,122,304
OSM at 15/10/2009									
Distribution		(10,677,220)							
2009 net loss							(10,666,955)		(10,666,955)
AT 31/12/2009	27,165,180	35,897,846	5,550,819	518,802	223,299,129	3,301,197	(10,666,955)	0	308 931,286
GSM of 20 May 2010									
Appropriation of net profit					(7,365,757)	(3,301,197)	10,666,955		
Distribution		(7,318,611)	(2,834,301)						(10,671,714)
Board meeting at 28/07/10									
2010 interim dividend	796,240	5,898,545						(10,680,106)	(3,985,321)
2010 net loss							36,739,798		36,739,798
AT 31/12/2010	27,961,420	34,477,781	2,716,518	0	215,933,372	0	36,739,798	(10,680,106)	307,148,784

P – SUMMARY OF INTEREST RATE HEDGING INSTRUMENTS (IN EUROS)

CAP

Period	Rate	Notional at 31/12/2010
29/03/2010 to 30/09/2011	2%	26,000,000

SWAP

Period	Rate	Notional at 31/12/2010
01/08/2006 to 07/06/2013	Variable rate 3-month Euribor as against a fixed rate of 4.1%	55,419,315
02/05/2007 to 07/06/2013	Variable rate 3-month Euribor as against a fixed rate of 4.1875%	62,634,378
01/02/2008 to 16/01/2015	Variable rate 3-month Euribor as against a fixed rate of 4.36%	9,120,425
14/01/2008 to 14/01/2015	Variable rate 3-month Euribor as against a fixed rate of 4.20%	3,721,000

Q – DETAIL OF PREPAID INCOME

	31/12/2010	31/12/2009
Operating revenues	290,226	400,561
GRAND TOTAL	290,226	400,561

4.7 – INCOME STATEMENT

R – TURNOVER

Société de la Tour Eiffel and its subsidiaries signed a rebilling contract to specify and confirm the terms for rebilling the subsidiaries for costs borne by Société de la Tour Eiffel (management expenses paid for technical functions, financing or refinancing costs, etc.).

The turnover of Société de la Tour Eiffel is mainly produced by rebilling Group subsidiaries for real estate, administration, asset management, financing and consulting services rendered, as well as by the rents and expenses rebilled to the tenants in the "Energy II", Saint-Cloud and Amiens properties.

S – TRANSFERS OF EXPENSES

During 2010, €594,179 in debt issuance expenses were transferred to operating expenses.

T – STATUTORY AUDITORS' FEES

During 2010, the statutory auditors' fees totalled €265,804 for the legal audit of the financial statements.

U – TRANSACTIONS PERFORMED WITH RELATED PARTIES

Société de la Tour Eiffel gave Bluebird Investissements the task of helping the top executives to manage both the existing property portfolio and subsequent acquisitions of new buildings. In relation to this contract, Bluebird Investissements receives an annual lump sum remuneration of €670,000. This contract took indefinite effect on 17 January 2007, with a 2-year notification period for cancellation. The contract was concluded under normal market condition between these companies with executives in common.



4.8 – OTHER

CASH FLOW STATEMENT

(Euro)	2010	2009
Net income	36,739,798	(10,666,955)
Elimination of income and expenses not affecting cash:		
+ Amortisation and provisions	7,701,798	12,837,013
- Reversal of amortisation and provisions	(11,993,510)	(969,695)
- Value of disposed assets	1,038	13,423,525
- Disposal of long-term investments		(9,350,000)
Change in WCR	(778,846)	(162,980)
Cash flow from operating activities	31,670,277	5,110,907
- Acquisition of fixed tangible and intangible assets	(27,130)	(707,362)
- Acquisition of long-term investments	14,708,750	(31,209,160)
- Deferred expenses	(594,179)	168,558
+ decrease in long-term investments and current account	22,431,597	21,354,194
+ decrease in tangible and intangible fixed assets		
Cash flow linked to investment transactions	36,519,038	(10,393,770)
- Distribution of dividends	(15,453,274)	(13,198,311)
- Capital variations	796,240	
- Net variation in financial debts	(54,242,284)	4,089,616
Cash flow linked to financing transactions	(68,899,317)	(9,108,695)
Cash flow at opening	6,801,252	21,192,809
Cash flow at closing	6,091,249	6,801,252
CASH FLOW VARIATION	(710,002)	(14,391,558)

The variation of the current accounts of the subsidiaries is henceforth presented in investment transactions.

5 – STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

(Financial year ended 31 December 2010)

To the shareholders of:

Société de la Tour Eiffel
"Société anonyme" (public limited company)
with capital of 27,961,420 euros

20-22 rue de la Ville-l'Évêque
75008 PARIS

In carrying out the mission entrusted to us by your General Shareholders' Meeting, we present our report for the year ended 31 December 2010 on:

- the audit of Société de la Tour Eiffel's financial statements as they are appended to this report,
- the justification for our assessments,
- the specific verifications and reports stipulated by law.

The year-end financial statements were closed by the Board of Directors. It is our responsibility, based on our audit, to provide our opinion on these financial statements.

5.1 – Opinion on the annual financial statements

We conducted our audit in accordance with the auditing standards applicable in France; these standards require performing the due diligence enabling us to confirm, with reasonable assurance, that the annual financial statements contain no significant misstatements. An audit consists in the examination, on a test basis or by means of other selection methods, of the elements justifying of the amounts and information appearing in the financial statements. It also consists in appraising the accounting principles applied, the significant estimates retained and the overall presentations of the accounts. We believe that the elements we have collected provide a sufficient and appropriate basis on which to formulate our opinion.

We certify that, with regard to the French accounting principles and standards, the consolidated financial statements are a true and fair representation of the results of the past year's operations and of the company's financial position and assets and liabilities at the financial year end.

5.2 – Basis of our appraisals

In application of Article L. 823-9 of the French Commercial Code, concerning the basis of appraisals, we should like to inform you that the appraisals we performed concerned the appropriateness of the accounting principles used as well as the reasonableness of the significant estimates used, particularly concerning:

- Paragraph 1.1.2 of the "Accounting Rules and Methods" in the Notes explains that the Company commissions an appraisal of its property portfolio by independent experts every six months to estimate any possible building impairments. Our work consists in examining the methodology used by the experts to determine that their assessments back the net book values of the real estate assets.
- Paragraph 3 of the "Accounting Rules and Methods" in the Notes describes the principles for assigning a value to equity securities and other long-term investment securities at period end. It states in particular that in the case of real estate investment companies, the going-concern value factors in the market value of the assets of the company held, assets which are subject to independent appraisal. Our duty consisted in assessing the methodology used by the experts and checking that any impairments required to bring the historical value of some securities down to their useful value had been booked.

Assessments made in this manner fall within the scope of our procedure for auditing the annual financial statements as a whole and have therefore contributed to our opinion provided in the first part of this report.

5.3 – Specific verifications and information

In accordance with the code of professional conduct applicable in France, we also performed the specific audits required by law.

We have no opinion regarding the fairness and consistency with the annual financial statements of the information provided in the Board of Directors' management report and in the documents sent to the shareholders on the financial position and the annual financial statements.

As for information given pursuant to Article L. 225-102-1 of the French Commercial Code, on the remuneration and benefits paid to the company officers and directors and on commitments made in their favour, we have checked their consistency with the financial statements or with data used to prepare these statements, as well as with data your company collected from companies with a stake in your company or in which your company has a stake, if applicable. On the basis of this work, we certify the accuracy and fairness of this information.

Pursuant to the law, we made sure that the various pieces of information relating to the identity of the equity holders were reported to you in the management report.

Paris and Neuilly-sur-Seine, 24 March 2011
The Statutory Auditors

Expertise & Audit SA
3, rue Scheffer
75016 Paris
Hélène Kermorgant

PricewaterhouseCoopers Audit
63, rue de Villiers
92200 Neuilly-sur-Seine
Catherine Thuret

6 – STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

(Financial year ending 31 December 2010)

To the shareholders of:

Société de la Tour Eiffel
"Société anonyme" (public limited company) with capital
of 27,961,420 euros

20-22 rue de la Ville-l'Évêque
75008 PARIS

In our capacity as your company's statutory auditors, we present our report on the regulated agreements and commitments.

We are responsible for reporting on the essential characteristics and terms and conditions of the possible agreements and commitments of which we are informed or which we may discover during the performance of our duties, without having either to render an opinion as to their utility and merit or to seek out the existence of other agreements and commitments. It is your responsibility under the terms of Article R. 225-31 of the French Commercial Code to assess the value gained from entering into these agreements and commitments so as to decide whether or not to approve them.

If applicable, we are also responsible for reporting information addressed under article R. 225-31 of the French Commercial Code relating to the performance during the previous financial year of agreements and commitments already approved by the General Meeting.

We performed the due diligence we deemed necessary under the professional standards of the Compagnie Nationale des Commissaires aux Comptes in respect of this mission. This due diligence consisted in verifying that the information given to us was consistent with that provided in the primary documents from which it came.

Agreements and commitments submitted to the General Meeting for approval

Agreements and commitments authorised during the ended financial year

Pursuant to Article L.225-40 of the French Commercial Code, we have been informed on the following agreements and commitments which were previously authorised by your Board of Directors.

- Amendment no. 4 to the contract committing the subsidiaries to the asset management master agreement entered into with Tour Eiffel Asset Management (Board Meeting of 14 October 2010)

On 25 October 2010, your company entered into a new amendment to the master agreement of 30 November 2006. Its purpose was to determine the fees covered by Article 8.3 of the aforesaid master agreement (amount paid for by Société de la Tour Eiffel).

The fees billed by Tour Eiffel Asset Management paid for by your company in 2010 under this contract came to €150,000.

Directors involved: Mark Inch, Robert Waterland and Jérôme Descamps

Agreements and commitments already approved by the General Meeting

Commitments and agreements approved during previous financial years which continued into the last financial year

In accordance with Article R. 225-30 of the French Commercial Code, we were informed that the following agreements and commitments already approved by the General Shareholders' Meetings during previous financial periods continued into the financial year.

- With Tour Eiffel Asset Management

The asset management master agreement entered into on 24 April 2004 and amended 30 November 2006 continued into the financial year.

The remuneration paid by Société de la Tour Eiffel to Tour Eiffel Asset Management during the 2010 financial year came to €4,455,127.

With the subsidiaries

- The contract committing the subsidiaries to the asset management master agreement (dated 30 November 2006) resulted in a rebilling to the subsidiaries of €3,858,019.
- The contract for rebilling the expenses borne by Société de la Tour Eiffel to the subsidiaries (dated 30 November 2006) resulted in a rebilling of €1,296,205 for management costs.
- The standardised contract forms entered into with RBS concerning certain subsidiaries continued.

The amounts committed as of 31 December 2010 were:

SCI DES BERGES DE L'OURCQ	€7,836,962
SCI COMÈTE	€24,180,924
SCI CHAMPIGNY CARNOT	€17,622,197,
SCI 153 AVENUE JEAN-JAURÈS	€12,708,398
SCI CAEN COLOMBELLES	€21,894,968
SCI ÉTUPES DE L'ALLAN	€9,233,719
SCI MARCEAU BEZONS	€4,367,374
SCI GRENOBLE PONT D'OXFORD	€6,908,336
SCI RUEIL NATIONAL	€22,529,563

- With BLUEBIRD INVESTISSEMENTS

This contract, which gives BLUEBIRD INVESTISSEMENTS the task of helping the top executives to manage the existing property portfolio and subsequent acquisitions of new buildings, resulted in the payment of €670,000 for the 2010 financial year.

- Amendment to Mr. Robert Waterland's employment contract

Mr. Robert Waterland received a gross remuneration of €500,000 for the 2010 financial year as Property Director responsible for the management and the growth of your company's property portfolio and those of its subsidiaries.

The total amount of compensation which would be paid at his departure is capped at two years of remuneration, both fixed and variable.

The performance condition required in case of a redundancy or breach of contract package is that the consolidated operating cash flow on a like-for-like basis, excluding capital gains from disposals, increases by more than 5% of the average of the three previous financial years. This condition would not apply to compensation in lieu of notice which may be paid if Mr Waterland is authorised not to work during his notice.

Commitments and agreements approved during previous financial years that were not performed during the ended financial year

We were also informed that the following agreements and commitments approved by the General Meeting during previous financial years, were not performed during the last financial year.

- With Fanar Investment Holding Limited

The deed signed in 2007, transferring the rights and obligations linked to the "Tour Eiffel" and "Burj Eiffel" trademarks held by Société de la Tour Eiffel in the United Arab Emirates, stipulates a variable remuneration fixed at 15% of any royalties on the trademark which FANAR may receive over a 5-year period with the understanding that the amount relinquished must not exceed 30% of Fanar Investment Holding Limited's profit.

Fanar Investment Holding Limited did not pay any amount under this contract in 2010.

Paris and Neuilly-sur-Seine, 24 March 2011
The Statutory Auditors

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