

CORPORATE FINANCIAL STATEMENTS

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*This text is a free translation from the French language and is provided solely for information purposes.
Only the original version in the French language has legal force.*

1 – BALANCE SHEET – ASSETS

(In euros)	31/12/2011			31/12/2010	See notes
	Gross	Impairments	Net	Net	
FIXED ASSETS					
Intangible fixed assets					
Concessions, patents, licences, software	12,005		12,005	12,005	A
Tangible fixed assets					
Land	10,966,696	1,682,481	9,284,215	9,486,726	A
Building	19,403,755	2,630,560	16,773,195	17,387,004	A
Other tangible fixed assets	11,672	7,862	3,810	1,701	A
Tangible fixed assets under development					
Long-term investments ⁽¹⁾					
Equity interests	251,764,214	993,944	250,770,270	252,102,465	A / G / H / FS 3
Receivables linked to equity interests	54,187,387		54,187,387	62,879,190	A / B / G
Other long-term investments				1,677	A
	336,345,729	5,314,847	331,030,882	341,870,768	
CURRENT ASSETS					
Inventories					
Advances and down payments on orders	80,499		80,499	25,939	
Receivables ⁽²⁾					
Trade and related receivables	2,614,318	629,959	1,984,359	2,017,955	B / G
Other receivables	31,672,001		31,672,001	26,257,940	B / G
Marketable securities					
Treasury shares	7,350,639	3,908,037	3,442,602	5,545,408	FS 4 / F
Other securities					
Cash and cash equivalents	1,133,062		1,133,062	545,841	
Prepaid expenses ⁽²⁾	158,915		158,915	219,902	B / D
	43,009,434	4,537,996	38,471,438	34,612,985	
Expenses amortised over several years	306,703		306,703	254,956	E / R
GRAND TOTAL	379,661,866	9,852,843	369,809,023	376,738,710	
<i>(1) Including those at less than one year (gross)</i>			7,055,226	15,747,028	
<i>(2) Including those at more than one year (gross)</i>					

2 – BALANCE SHEET – LIABILITIES

(In euros)	31/12/2011 Net	31/12/2010 Net	See notes
SHAREHOLDERS' EQUITY			
Share capital (Paid in: 28,681,360)	28,681,360	27,961,420	I / FS 1
Issue, merger and contribution premiums	41,947,031	34,477,782	FS 1
Reserves:			
- Legal reserve	2,796,142	2,716,518	
- Other reserves	215,933,372	215,933,372	
Retained earnings	13,879,824		IC 3
Net result for the year (profit or loss)	11,557,457	36,739,798	
Interim dividends	-11,832,988	-10,680,106	
	302,962,198	307,148,784	N
OTHER EQUITY			
PROVISIONS FOR CONTINGENCIES AND LOSSES			
Provisions for losses	762,400		J
	762,400		
DEBTS ⁽¹⁾			
Borrowings and debt owed to credit institutions ⁽²⁾	26,181,934	36,634,875	K
Borrowings and financial debts	36,808,750	30,088,299	K / M
Trade and related payables	2,069,163	1,924,498	K / M
Tax and social security liabilities	656,837	534,207	K
Payables to fixed asset suppliers and related accounts	10,066	15,987	K
Other debts	21,013	101,834	K / M
Prepaid income	336,662	290,226	P
	66,084,425	69,589,926	
GRAND TOTAL	369,809,023	376,738,710	
<i>(1) Including those at more than one year (a)</i>	<i>12,299,765</i>	<i>12,634,251</i>	
<i>(1) Including those at less than one year (a)</i>	<i>53,784,660</i>	<i>56,955,675</i>	
<i>(2) Including current bank loans and bank credit balances</i>			

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

3 – INCOME STATEMENT

(In euros)	31/12/2011			31/12/2010	See notes
	France	Abroad	Total	Total	
Operating income ⁽¹⁾					
Production sold (services)	6,344,139		6,344,139	7,747,826	
Net turnover	6,344,139		6,344,139	7,747,826	Q
Capitalised production				311	
Operating subsidy			400		
Reversal of provisions and expense reclassification			256,631	601,183	S
Other income			1,731	59	
			6,602,901	8,349,379	
Operating expenses ⁽²⁾					
Other purchases and external expenses (a)			7,844,203	7,507,593	T / U
Taxes, duties and similar payments			348,080	415,530	
Wages and salaries			1,482,400	720,000	
Social security withholding payments			298,239	221,280	
Allocations to amortisation and provisions:					
- On fixed assets: Allowances for amortisation			851,310	1,109,212	R
- On fixed assets: Provisions for depreciation			202,511	1,479,970	J
- On current assets: Provisions for depreciation				629,959	J
Other expenses			153,438	110,025	
			11,180,181	12,193,570	
OPERATING RESULT			(4,577,280)	(3,844,192)	
Financial income					
From equity interests ⁽³⁾			26,402,007	39,982,766	
From other marketable securities and fixed asset receivables ⁽³⁾					
Other interest and related income			141,792	748,201	
Recoveries on write-downs, provisions and expense reclassification			1,969,227	14,415,329	
Realised gains on foreign exchange					
Net proceeds from the sale of marketable securities			48,445	48,818	
			28,561,471	55,195,114	
Financial expenses					
Allocations to amortisation, impairment and provision			4,578,992	6,455,194	J
Interest and similar charges ⁽⁴⁾			7,736,906	8,282,886	
Realised losses on foreign exchange				206	
Net losses on the sale of marketable securities			92,074	71,541	
			12,407,971	14,809,827	
NET FINANCIAL INCOME			16,153,500	40,385,287	

(In euros)	31/12/2011 Total	31/12/2010 Total	See notes
Extraordinary income			
On operations		152,301	
On equity			
Reversal of amortisation, provisions and expense reclassifications	762,400		J
	762,400	152,301	
Extraordinary expenses			
On operations	34,256	560	
On equity		1,038	
Allocations to depreciation and provisions	764,907		
	799,163	1,598	
EXTRAORDINARY RESULT	(36,763)	150,704	
Company income tax refund owed	(18,000)	(48,000)	IC 6.3
Total income	35,926,772	63,696,794	
Total expenses	24,369,315	26,956,996	
NET PROFIT (LOSS)	11,557,457	36,739,798	
<i>(a) Including:</i>			
- <i>Equipment leasing instalments</i>			
- <i>Property leasing instalments</i>			
<i>(1) Including income relating to previous financial years</i>			
<i>(2) Including expenses relating to previous financial years</i>			
<i>(3) Including income relating to affiliated entities</i>	26,402,007	39,982,766	
<i>(4) Including interest relating to affiliated entities</i>	2,851,489	1,046,552	

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 – Exercise of stock options

On 18 May 2011, the Board of Directors noted the completion of a capital increase of €7.5K resulting from the exercising of 1,500 stock options authorised by the Extraordinary General Meeting of 29 March 2007. The issue premium recognised in exercising the options is €41,805.

4.2.1.2 – Remainder of the 2010 dividend and option to pay out dividend in shares

A capital increase of €690,965 (138,193 shares) and a €7,215,057 increase in the issue premium were noted, following the allocation of earnings for fiscal 2010 and in compliance with the decision of the Chairman and Managing Director of 20 June 2011. New shares were issued at the price of €57.21, corresponding to 90% of the average market value of the 20 days of trading prior to the date on which the decision to distribute was made, minus the net amount of the interim dividend rounded up to the nearest centime. Shareholders holding 3,645,333 shares opted for receiving the interim dividend in stock and a cash payment of €113,711 was made to the shareholders. Shareholders holding the balance of 1,855,087 shares opted for a cash payment amounting to €4,081,191.

4.2.1.3 – 2011 interim dividend and option for payment in shares

On 27 July 2011, the Board of Directors moved to distribute an interim dividend of €11,832,988, or €2.10 per share, in the light of the interim balance sheet closed at 30 June 2011, with an option of payment in shares or cash in accordance with the 3rd resolution adopted at the General Shareholders' Meeting of 18 May 2011.

An equity capital increase of €21,475 (4,295 shares) and a €212,388 increase in the issue premium were noted, in compliance with the decision of the Chairman and Managing Director of 19 September 2011. The new shares were issued at a price of €54.45 corresponding to 90% of the average closing price of twenty trading days preceding the date of the decision to distribute, less the net amount of interim dividend and rounded to the next higher centime. Shareholders holding 118,197 shares opted to receive the remaining interim dividend in stock and a cash payment of €14,351 was made to the shareholders. Shareholders holding the balance of 5,516,559 shares opted for a cash payment amounting to €11,584,774.

4.2.2 – Impairment of securities

On 31 December 2011, Société de la Tour Eiffel recorded an impairment on securities issued by SCI Marceau Bezons of €993,944. The depreciation of €4,162,978 relating to the securities of SCI Malakoff Valette was eliminated after the full transfer of the company's assets and liabilities to Société de la Tour Eiffel.

4.2.3 – Acquisitions and divestments of fixed assets

4.2.3.1 – Securities portfolio

On 15 February 2011, Société de la Tour Eiffel subscribed to 99% of the capital of SCI Montrouge for a value of €990.

On 23 May 2011, Société de la Tour Eiffel decided to dissolve without liquidation SCI Lyon Genlis leading to the full transfer of the company's assets and liabilities to the sole associate, with effect as of 30 June 2011. The unfavourable variance noted in the financial result was €6,471.

On 21 July 2011, Société de la Tour Eiffel decided to dissolve without liquidation SCI Malakoff Valette leading to the full transfer of the company's assets and liabilities to the sole associate, with effect as of 30 September 2011. The unfavourable variance noted in the financial result was €689,769 and corresponds to a distribution of reserves made during the 2011 financial period. Following the dissolution of the SCI Malakoff Valette, Société de la Tour Eiffel acquired a share of the SCI du 153 avenue Jean-Jaurès for €39,760.

4.2.4 – Share purchase or subscription plans and bonus share plans

The 92,594 treasury shares held can be broken down as follows:

- 72,594 unallocated treasury shares held for €5,224,900 impaired according to marked to market at their average December 2011 price, i.e. €36.39, for a total of €2,581,637.
- 20,000 allocated treasury shares held, awarded by a decision of the Board on 8 December 2011, amounting to €2,088,879, impaired according to market at the average price during the month preceding their allocation for the sum of €1,326,400 and provisioned for their residual purchase cost as a provision for charges amounting to €762,400. This provision for charges relating to the issuance of bonus shares for definitive allocation in 2013, subject to meeting the performance conditions, was recognised as staff expenses.

4.2.5 – Financing

On 26 September 2011, Société de la Tour Eiffel signed an addendum to the loan agreement of 31 March 2010 extending by one year the maturity of the credit line for an initial amount of €35 million until 30 September 2012 and revising the margin applicable to the loan. At the date of this addendum, €20,078,923 had been drawn down. The costs associated with the addendum totalled €256,631 and were transferred as deferred expenses.

At the same time, Société de la Tour Eiffel hedged its interest rates with a 2% cap for a notional amount of €15,000,000.

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 2011.

Recognised items are valued by the historic costs method.

The main accounting methods used are as follows:

4.3.1 – Tangible 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. 200210, property assets have been accounted for using the components approach.

The gross value was split into 4 main 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).

Amortisation was booked in compliance with rule N°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 and 20 years | • Method:
straight-line |
| • Equipment | • Life:
20 and 50 years | • Method:
straight-line |
| • Fixtures and fittings | • Life:
12 to 50 years | • Method:
straight-line |

At 31 December 2011, 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 €1,682,481 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. 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 applicable upon their allocation date 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 regarding a real estate company 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.

The €629,959 impairment of the receivable booked in 2010 regarding the tenant of the building located in Amiens after he entered receivership was maintained at 31 December 2011. The receivable was admitted by the Amiens Commercial Court on 26 January 2012.

4.3.5 – Bond issue expenses

Bond issue expenses are transferred from operating expenses to expenses to be amortised over the term of these borrowings.

4.3.6 – 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 2011 totalled €120,000. Gross remuneration paid to members of governing bodies for their director mandates totalled €220,000.

4.4.3 – Appropriation of 2010 earnings

The Combined General Meeting of 18 May 2011 decided to allocate the profit for the 2010 financial year, i.e. €36,739,798 as follows:

- allocation of €79,624 to the statutory reserve,
- distribution of an interim dividend of €10,680,106 (€2.00 per share) as approved by the Board of Directors on 28 July 2010,
- distribution of €12,303,025 as the remaining dividend (€2.2 per share) and payment of same on 21 June 2011,
- appropriation of the remaining €13,677,043 to retained earnings

4.4.4 – 2011 distribution

On 27 July 2011, the Board of Directors voted to distribute an interim dividend in light of the intermediate balance sheet closed on 30 June 2011, representing €2.10 per share. This amounted to €11,832,988.

A proposal to distribute the amount of €2.10 per share will be submitted to the General Meeting for a vote.

4.4.5 – Appropriation of the subsidiaries' 2011 earnings

Net financial income – up streaming the 2011 results

The articles of association of those subsidiaries organised as non-trading real estate investment companies (SCI) or as partnerships (SNC) 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 2011 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 2011, the net financial income of Société de la Tour Eiffel includes the proportionate shares in the 2011 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 €11,557K profit corresponding to a €9,868K profit for tax purposes.

4.4.6.1 – Tax exempt income and tracking of the distribution obligations

The 2011 tax exempt income came to €14,177,000 and breaks down as follows:

- €9,248,000 from property rentals subject to an 85% distribution rate,
- €4,928,000 from dividends received from subsidiaries which opted for and are subject to a 100% distribution rate.

The distribution rate therefore stood at €12,790,000 in 2012 for the 2011 financial period. Besides, a fiscal distribution requirement remains outstanding in 2012 from a gain on property disposals in 2010 amounting to €804K.

4.4.6.2 – Income liable to corporation Tax

The income liable to corporation tax for 2011 totalled -€ 4,309,000, 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 fiscal income of the non-REIT subsidiary, SNC Tour Eiffel Asset Management, and 4) the charge related to the allocation of bonus shares.

On closing the 2011 accounts, loss carry-forwards for taxable activity amounted to €16,411K.

4.4.6.3 – Income tax

The €18,000 income tax benefit corresponds to the foundation tax credit the Company has benefited from owing to payments made to the Société de la Tour Eiffel Foundation in 2011.

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	22/03/2006	from 22/03/2006 to 22/03/2011	80.73	29,594	-	29,594	0
	17/05/2006	from 17/05/2006 to 17/05/2011	80.84	11,103	1,500	9,603	0
17 May 2006	14/09/2006	from 14/09/2006 to 14/09/2011	92.13	137,314	-	137,314	0
	29/03/2007	from 29/03/2007 to 29/03/2012	114.64	24,182	-	23,366	816
29 March 2007	16/10/2007	from 16/10/2007 to 16/10/2012	111.15	26,931	-	26,931	0
	11/12/2008	from 11/12/2008 to 11/12/2013	32.87	28,198	1,500	-	26,698
	15/10/2009	from 15/10/2009 to 15/10/2014	45.95	28,427	-	-	28,427
TOTAL				285,749	3,000	226,808	55,941

4.4.7.2 – Assigning a value to the social security contributions liability

In light of the €36.39 December 2011 average share price, management monitored a risk that €42,290 of employer social security contributions would be taxed at the 45% rate should all of the subscription stock option

beneficiaries sell their shares within the four-year period from the options that will probably be exercised, i.e. those plans whose average option price in December 2011 exceeded the exercise price.

4.4.8 – Allocation of bonus shares follow-up

4.4.8.1 – Summary table of bonus shares granted

General Shareholders' Meeting date	Date granted by the Board of Directors	Final granting date	Minimum holding period	No. of bonus shares allocated
18 May 2011 ⁽¹⁾	08/12/2011	08/12/2013	2 years	20,000
TOTAL				20,000

(1) Allocation of 20,000 existing or yet-to-be issued shares.

The company will deliver the free shares to the beneficiaries, subject to meeting the performance conditions, either within the framework of a share buy-back scheme, or a capital increase paid for by a withdrawal from a reserve account.

4.4.8.2 – Employer's contribution on the allocation of free Société de la Tour Eiffel shares

An employee benefit expense in the amount of €75,088 was recognised as the social security contribution for the allocation of bonus shares and for the establishment as of 16 October 2007 of an employer contribution on the shares of 10% or 14%, depending on whether the current value of the bonus shares per beneficiary is less than or greater than half the annual ceiling for Social Security contributions.

4.4.8.3 – Theoretical dilutive effect on earnings per share

The theoretical dilutive effect on 2011 earnings per share would be:

- 2011 net result per share: €2.01
- Theoretical diluted net income per share for 2011: €1.99

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 for all the sums due by subsidiaries under the line of credit master agreement in the amount of €123,758 K until 15 June 2013,
- 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 until 3 December 2012 in respect of an interest rate hedging agreement concluded on 28 November 2002 with SCI NOWA and transferred to LOCAFIMO on 24 March 2006 (for the notional amount of €55,689,500 at 31 December 2011),
- Pledge of a securities account holding SAS Locafimo shares as collateral for the financing bank, for an amount of €352,935 until 30 June 2013,
- The shares of the following nontrading property investment companies are pledged as collateral with the bank:
 - Jean-Jaurès,
 - Comète,
 - Berges de l'Ourcq,
 - Champigny Carnot,
 - Marceau Bezons,
 - Grenoble Pont d'Oxford,
 - Rueil National,
 - Caen Colombelles,
 - Étupes de l'Allan.

- On 14 January 2008, a first lien mortgage was given to the bank upon signing of a €4,000,000 loan extended by Société Générale to finance the building in Amiens,
- On 16 January 2008, a first lien mortgage was given to Société Générale when it extended a €9,700,000 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 was given to the bank on the "Energy II" building located in Vélizy until 30 September 2013. At 31 December 2011 €13,140K had been drawn down,
- The 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 to be kept 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 the share it holds 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,
- As part of the acquisition prior to completion (Fr. VEFA) concluded by SCI Montrouge Arnoux with the seller IDFIMM, Société de la Tour Eiffel issued a guarantee of payment on first request for a maximum amount of € 23.5m valid until the month following the attestation of completion and compliance of the building,
- As security for the loan granted on 15 April 2011 to SCI Nowa by Société Générale and the BECM, the shares held by Société de la Tour Eiffel in the latter were pledged until 15 April 2018,
- On 30 June 2011, as part of the loan granted to SCI Montrouge Arnoux, the Société de la Tour Eiffel pledged not to sell its shares in the aforementioned SCI and to provide it with the cash required until 30 June 2018,
- As part of the agreement to appoint a Managing Director signed on 17 October 2011, Société de la Tour Eiffel undertook to pay €1.2 m if, for reasons specific to the company, the contract could not be honoured.

4.4.9.2 – Received commitments

The following commitments were received:

- A surety bond was issued on 3 February 2011 in favour of Société de la Tour Eiffel by Linda Textile as security for the moneys owed by the tenant of the asset in Amiens (Lee Cooper) and for the whole duration of the lease and 6 months after the tenant leaves. The amount is capped at two years of rent incl. VAT as at 3 February 2011 i.e. €478,400,
- The commitments received for the cap contract totalled €13,000,000.

4.4.10 – Reciprocal commitments

- The reciprocal commitments relating to swap contracts totalled €127,311,356 at 31 December 2011,
- An indenture promise of sale relating to the Amiens building was signed on 3 February 2011. The sale price amounts to €3,225K and the sale will be effective no earlier than 31 January 2013 and no later than 28 February 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, loans 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 2011 carried out. The study factors in the various parameters that apply to the Société de la Tour Eiffel employee as well as a range of data that pertain to Société de la Tour Eiffel. The following parameters were chosen:

- discount rate: 4.6%,
- wage increases: 3.92%,
- employer social security contributions: 50%,
- employer's contribution: 50%,
- asset mobility: average,
- voluntary retirement on average at 63.

These commitments were assessed at €22,483 as of 31 December 2011.

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	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	19,374,309			34,567
Office equipment and furnishings	11,603			3,945
Tangible fixed assets under development				
Total II	30,352,609			38,512
Financial fixed assets				
Equity interests	256,588,432			40,750
Receivables linked to equity interests	62,879,190			2,404,605
Other long-term investments	1,677			
Total III	319,469,299			2,445,355
GRAND TOTAL (I + II + III)	349,833,912			2,483,867

Framework B	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	5,122		19,403,755	19,403,755
Office equipment and furnishings	3,876		11,672	11,672
Tangible fixed assets under development				
Total II	8,998		30,382,123	30,382,123
Financial fixed assets				
Equity interests		4,864,968	251,764,214	251,764,214
Receivables linked to equity interests		11,096,408	54,187,387	54,187,387
Other long-term investments	1,677			
Total III	1,677	15,961,376	305,951,601	305,951,601
GRAND TOTAL (I+II + III)	10,675	15,961,376	336,345,729	336,345,729

B. Receivables and debt statements

(In euros)	Gross amount	Under 1 year	Over 1 year
Fixed assets			
Receivables linked to equity interests	54,187,387	7,055,226	47,132,161
Other long-term investments			
Current assets			
Clients' bad or contested debts	751,632	751,632	
Other trade receivables	1,862,685	1,862,685	
Personnel and related accounts	1,174	1,174	
Company income tax refund owed	174,000	174,000	
Value-added tax	512,717	512,717	
Group and partners	30,880,311	30,880,311	
Non-trade receivables	103,799	103,799	
Prepaid expenses	158,915	158,915	
TOTAL	88,632,621	41,500,460	47,132,161

C. Accrued income

(In euros)	31/12/2011	31/12/2010
Receivables linked to equity interests	312,949	266,459
Trade and related receivables	1,071,792	1,328,158
Other receivables	452,720	294,225
GRAND TOTAL	1,837,461	1,888,842

D. Prepaid expenses

(In euros)	31/12/2011	31/12/2010
Various prepaid expenses	108,410	161,034
Public relations prepaid expenses	35,880	41,618
Cap premiums prepaid expenses	14,625	17,250
GRAND TOTAL	158,915	219,902

E. Deferred expenses

(In euros)	31/12/2011	31/12/2010
Debt issuance costs	306,703	254,956
GRAND TOTAL	306,703	254,956

F. 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 a partnership, and shares in a simplified public limited liability company.

Marketable securities

Treasury shares

At 31 December 2011, Société de la Tour Eiffel held 1,056 treasury shares for a gross amount of €36,861 under the liquidity agreement.

At 31 December 2011, Société de la Tour Eiffel held 92,594 treasury shares acquired through the share buyback programme:

- 72,594 unallocated shares for a gross amount of €5,224,901,
- 20,000 allocated shares for a gross amount of €2,088,879.

G. Items relating to several balance sheet items (Decree 83-1020 of 29-11-1983 – Articles 10 and 24-15)

Items relating to several balance sheet items (In euros)	Amount concerning companies		Total debts or receivables represented by trade bills
	that are affiliates	with which the company is linked by equity	
Financial fixed assets			
Equity interests		250,770,270	
Receivables linked to equity interests		54,187,387	
TOTAL FIXED ASSETS		304,957,657	
Receivables			
Trade and related receivables		1,409,018	
Other receivables		30,880,311	
TOTAL RECEIVABLES		32,289,329	

H. Table of subsidiaries and equity interests at 31/12/11

Subsidiaries Equity interests	Financial Information	Share 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 AFFILIATED COMPANY'S SHARE CAPITAL AT THE TIME OF PUBLICATION**1 - Subsidiaries****(over a 50% equity interest)**

SCI JEAN-JAURÈS		152		100.00	5,145,884	5,145,884	752,943
SCI NOWA		5,293,090	6	99.99	14,526,401	14,526,401	2,600,979
SCI BERGES DE L'OURCQ		1,000		99.00	990	990	5,404,598
SCI COMÈTE		1,000		99.00	16,375,070	16,375,070	0
SCI CHAMPIGNY CARNOT		1,000		99.00	990	990	10,833,807
SCI ÉTUPES DE L'ALLAN		1,000		99.00	990	990	6,277,818
SCI CAEN COLOMBELLES		1,000		99.00	990	990	9,720,214
SCI ARMAN F02		11,192,100	4,414,616	99.99	20,254,699	20,254,699	20,095,437
SCI MARCEAU BEZONS		10,000		99.90	1,003,944	10,000	937,330
SAS LOCAFIMO		3,989,590	83,069,141	100.00	190,333,743	190,333,743	
SCI GRENOBLE PONT D'OXF.		1,000		99.00	990	990	3,864,806
SCI RUEIL NATIONAL		1,000		99.00	990	990	12,631,270
SNC TOUR EIFFEL ASSET M.		150,000		100	4,117,533	4,117,533	656,763
SCI MONTRouGE ARNOUX		1,000		99.00	990	990	8,459,620

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 AFFILIATED COMPANY'S CAPITAL AT THE TIME OF PUBLICATION****1 - Subsidiaries:**

a) French (all)

b) Foreign (all)

2 - Participating interests:

a) French (all)

b) Foreign (all)

1,000

1.00

10

10

Subsidiaries Equity interests	Financial Information	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 AFFILIATED COMPANY'S SHARE CAPITAL AT THE TIME OF PUBLICATION

1 - Subsidiaries (over a 50% equity interest)

SCI JEAN-JAURÈS		12,402,048	2,710,770	1,551,763	1,590,723	
SCI NOWA		44,379,939	9,026,449	2,329,029	4,678,460	
SCI BERGES DE L'OURCQ		7,648,274	1,469,777	609,366	627,822	
SCI COMÈTE		23,597,396	4,378,796	2,246,809	2,255,925	
SCI CHAMPIGNY CARNOT		17,198,747	3,354,089	1,302,484	1,419,333	
SCI ÉTUPES DE L'ALLAN		9,011,354	1,907,302	602,723	654,847	
SCI CAEN COLOMBELLES		21,368,100	3,637,052	1,676,083	1,722,872	
SCI ARMAN F02			6,202,330	815,370		
SCI MARCEAU BEZONS		4,262,094	225,055	-1,487,843		
SAS LOCAFIMO			35,320,314	8,914,324	9,689,004	
SCI GRENOBLE PONT D'OXF.		6,742,201	1,027,966	218,670	225,869	
SCI RUEIL NATIONAL		22,009,289	2,900,757	1,055,805	1,158,689	
SNC TOUR EIFFEL ASSET MANAGEMENT			4,784,241	690,474	570,531	
SCI MONTROUGE ARNOUX		23,503,066		-179,188		

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 AFFILIATED COMPANY'S CAPITAL AT THE TIME OF PUBLICATION:

1 - Subsidiaries:

a) French (all)

b) Foreign (all)

2 - Participating interests:

a) French (all)

-1,786,304

b) Foreign (all)

4.6 – LIABILITIES

I. Composition of share capital (Decree 83-1020 of 29-11-1983 – Article 24-12)

Different categories of securities (In euros)	Nominal value	Number of securities			At the financial year end
		At the beginning of the financial year	Created during the financial year	Repaid during the financial year	
ORDINARY SHARES	5	5,592,284	143,988		5,736,272

J. Provisions and impairments recorded on the balance sheet

(In euros)	Amount at the beginning of the financial year	Increase Allocations for the year	Reductions: Reversals		Amount at the financial year end
			Used	Not used	
Provisions for losses					
Provisions for charges related to bonus shares		762,400			762,400
Total I		762,400			762,400
Impairments					
On tangible fixed assets	1,479,970	202,511			1,682,481
Long-term investments	4,485,967	670,955	4,162,978		993,944
On client accounts	629,959				629,959
Other impairments	1,969,227	3,908,037	1,969,227		3,908,037
Total II	8,565,123	4,781,503	6,132,205		7,214,421
GRAND TOTAL (I+II)	8,565,123	5,543,903	6,132,205		7,976,821
<i>Of which allocations and reversals:</i>					
- operations		202,511			
- financial		4,578,992	6,132,205		
- extraordinary		762,400			

K. Indebtedness statements

(In euros)	Gross amount	Under 1 year	From 1 to 5 years	Over 5 years
Bank borrowings:				
- under one year maximum initially	542,520	542,520		
- over one year initially	25,639,414	13,620,014	12,019,400	
Loans and various financial debts	280,365			280,365
Trade and related payables	2,069,163	2,069,163		
Personnel and related accounts	2,732	2,732		
Social security and other social welfare agencies	181,385	181,385		
Value-added tax	425,253	425,253		
Other duties, taxes and comparable payments	47,467	47,467		
Payables to fixed asset suppliers and related accounts	10,066	10,066		
Group and affiliates	36,528,385	36,528,385		
Other debts	21,013	21,013		
Prepaid income	336,662	336,662		
TOTAL	66,084,425	53,784,660	12,019,400	280,365

L. Detail of accrued expenses

(In euros)	31/12/2011	31/12/2010
Bank borrowings	589,942	714,526
Miscellaneous borrowings and financial debt	444,333	226,856
Trade notes and accounts payable	1,557,372	1,790,058
Tax and social security liabilities	95,800	27,465
Payables to fixed asset suppliers and related accounts		
Other debts	10,451	71,354
GRAND TOTAL	2,697,899	2,830,258

M . Items relating to several balance sheet items (Decree 83-1020 of 29-11-1983 – Articles 10 and 24-15)

Items relating to several balance sheet items (In euros)	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 debt	36,408,385		
Trade notes and accounts payable	1,063,587		
Other debts	10,222		
TOTAL DEBTS	37,482,194		

N. Change in equity capital (in Euros)

	Share capital	Premiums	Legal reserve	Reserves	Special reserve	Retained earnings	Net profit (loss)	Dividends	Total
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	285,066,019
GSM of 20 May 2010									
Appropriation of net profit/loss					-7,365,757	-3,301,197	10,666,955		0
Distribution		-7,318,611	-2,834,301	-518,802					-10,671,714
Board meeting at 28/07/10									
2010 interim dividend	796,240	5,898,545						-10,680,106	-3,985,321
2010 result							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
Options exercised	7,500	41,805							49,305
GSM of 18 May 2011									
Appropriation of net profit/loss			79,624			13,677,043	-36,739,798	22,983,131	
Balance of 2010 dvd payment	690,965	7,215,057				202,781		-12,303,025	-4,194,222
Board meeting at 27/07/2011									
2011 interim dividend	21,475	212,388						-11,832,988	-11,599,125
2011 result							11,557,457		11,557,457
AT 31/12/2011	28,681,360	41,947,031	2,796,142	0	215,933,372	13,879,824	11,557,457	-11,832,988	302,962,198

O. Summary of interest rate hedging instruments (In Euros)**0.1. CAP**

Period	Rate	Notional at 31/12/2011
30/09/2011 to 30/09/2012	2%	13,000,000

0.2. SWAP

Period	Rate	Notional at 31/12/2011
01/08/2006 to 07/06/2013	Variable rate 3-month Euribor as against a fixed rate of 4.1%	53,909,252
02/05/2007 to 07/06/2013	Variable rate 3-month Euribor as against a fixed rate of 4.1875%	60,950,004
01/02/2008 to 16/01/2015	Variable rate 3-month Euribor as against a fixed rate of 4.36%	8,856,100
14/01/2008 to 14/01/2015	Variable rate 3-month Euribor as against a fixed rate of 4.20%	3,596,000

P. Detail of prepaid income

(In euros)	31/12/2011	31/12/2010
Operating revenues	336,662	290,226
GRAND TOTAL	336,662	290,226

4.7 – Income statement

Q. 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.

R. Amortisation

POSITION AND MOVEMENTS DURING THE YEAR				
Framework A	Beginning value	Increases Allocations	Decreases Exits / Reversals	Value at period end
Fixed assets depreciable				
Tangible fixed assets				
Buildings on own land	1,987,306	643,877	623	2,630,560
Office equipment and furnishings	9,902	2,547	4,587	7,862
Total	1,997,208	646,425	5,211	2,638,422
GRAND TOTAL	1,997,208	646,425	5,211	2,638,422
FRAMEWORK B				
Movements of expenses amortised over several years	Net amount at beginning of year	Increases	Amortisation expense	Net amount at year end
Expenses amortised over several years	254,956	256,631	204,885	306,702

S. Reallocations of expenses

During 2011, €256,631 in debt issuance expenses were reallocated to operating expenses and €762,400 corresponding to the provision for charges related to bonus shares were reallocated to extraordinary expenses.

T. Statutory auditors' fees

During 2011, the statutory auditors' fees totalled €285,508 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 notably helping the top executives to manage both the existing property portfolio and subsequent acquisitions of new buildings and assisting with the debt restructuring. 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 termination notice. The contract was concluded under normal market conditions between these companies with executives in common.

4.8 – Other

Cash flow statement

(In euros)	31/12/2011	31/12/2010
Net profit (loss)	11,557,457	36,739,798
Elimination of income and expenses not affecting cash:		
+ Amortisation and provisions	2,019,214	7,701,798
- Reversal of amortisation and provisions	-4,162,978	-11,993,510
- Value of disposed assets		1,038
- Disposal of long-term investments		
Change in WCR	171,111	-778,846
Cash flow from operating activities	9,584,805	31,670,277
- Acquisition of fixed tangible and intangible assets	-29,514	-27,130
- Acquisition of long-term investments and current accounts	-7,763,514	14,708,750
- Deferred expenses	206,119	-594,179
+ decrease in long-term investments and current accounts	22,683,503	22,431,597
+ decrease in tangible and intangible fixed assets		
Cash flow linked to investment transactions	15,096,595	36,519,038
- Distribution of dividends	-16,463,983	-15,453,274
+ Capital variations	719,940	796,240
- Net variation in financial debts	-10,452,941	-54,242,284
Cash flow linked to financing transactions	-26,196,984	-68,899,317
Cash flow at opening	6,091,249	6,801,252
Cash flow at closing	4,575,665	6,091,249
CASH FLOW VARIATION	-1,515,584	-710,002

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 ending 31 December 2011)

To the shareholders of:

SOCIÉTÉ DE LA TOUR EIFFEL A French joint stock company with capital of €28,681,360	20-22 rue de la Ville l'Evêque 75008 PARIS
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In carrying out the mission entrusted to us at your General Shareholders' Meeting, we present our report for the year ended 31 December 2011 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 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 presentation 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 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. L.823-9 of the French Commercial Code concerning the basis of our appraisals, we would like to draw your attention to the following items:

- 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 establishing 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 comment to express 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 acquisition of equity interests and controlling stakes and to the identity of the equity holders were reported to you in the management report.

Paris and Neuilly-sur-Seine, 27th March 2012

The Statutory Auditors

Expertise & Audit SA
3, rue Scheffer
75016 Paris

Hélène Kermorgant

PricewaterhouseCoopers Audit
63, rue de Villiers
92000 Neuilly-sur-Seine

Yves Nicolas

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

(Financial year ending 31 December 2011)

To the shareholders of:

SOCIÉTÉ DE LA TOUR EIFFEL A French joint stock company with capital of €28,681,360	20-22 rue de la Ville l'Evêque 75008 PARIS
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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 have been 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 Shareholders' 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 of 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 Shareholders' Meeting for approval

Agreements and commitments authorised during the last financial year

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

Naming convention of the Managing Director (Approval of the appointment and the terms of same by the Board meeting of 27 July 2011, approval of the compensation for revocation and performance criteria by the Board meeting of 23 September 2011).

On 17 October 2011, your company signed an agreement specifying the procedures for exercising the mandate of Mr. Renaud Haberkorn as Managing Director of the company with effect from 1 September 2012 and provides:

- Compensation for revocation of 1.2 million euros in case of a forced departure unrelated to any fault of Mr. Renaud Haberkorn for the first two years of his term of office, subject to the following performance criteria:
 - In the event of a forced departure in 2012 or 2013: cash flow from operations before cost of debt and taxes adjusted for nonrecurring items of €52 million for 2012,
 - In the event of a forced departure in 2014: cash flow from operations before cost of debt and taxes adjusted for nonrecurring items of €54 million for 2013.
- Special compensation in case of non-compliance by the company to observe its commitment to appoint Mr. Renaud Haberkorn as Managing Director set at 1.2 million euros.

Director involved: Mr. Renaud Haberkorn

Amendment no. 5 to the contract committing the subsidiaries to the asset management master agreement entered into with Tour Eiffel Asset Management (Board Meeting of 8 December 2011)

On 13 December 2011, 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 2011 under this contract came to €150,000.

Directors involved: Mark Inch, Robert Waterland, and Jérôme Descamps

Agreements and commitments already approved by the General Shareholders' Meeting

Commitments and agreements approved during previous financial years which continued into the 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 on 30 November 2006 continued into the financial year.

The remuneration paid by Société de la Tour Eiffel to Tour Eiffel Asset Management during the 2011 financial year came to €4,735,089.

- 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 €3,413,644.

- 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 €1,299,906 for management costs.

- The standardised contract forms entered into with RBS concerning certain subsidiaries continued. The amounts committed as of 31 December 2011 were:

	Amounts committed as of 31 December 2011
SCI DES BERGES DE L'OURCQ	€7,618,220
SCI COMÈTE	€23,507,207
SCI CHAMPIGNY CARNOT	€17,131,165
SCI DU 153 AVENUE JEAAN-JAURÈS	€12,354,648
SCI CAEN COLOMBELLES	€21,284,134
SCI ÉTUPES DE L'ALLAN	€8,975,944
SCI MARCEAU BEZONS	€4,245,804
SCI GRENOBLE PONT D'OXFORD	€6,715,707
SCI RUEIL NATIONAL	€21,925,170

- With BLUEBIRD INVESTISSEMENT

This contract, which gives BLUEBIRD INVESTISSEMENTS the task of helping the top executives to manage the existing property portfolio and upon subsequent acquisitions of new buildings, searching new shareholders, negotiating with investors and advising on debt structuration, resulted in the payment of €670,000 for the 2011 financial year.

- Mr. Robert Waterland's employment contract

Mr. Robert Waterland received a gross remuneration of €500,000 for the 2011 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 is the increase of consolidated operating cash flow on a like-for-like basis, excluding capital gains from disposals, above 5% of the average of the three previous financial years. This condition would not apply to redundancy payments paid in the case of Mr. Waterland being exempted from giving notice.

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

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

- With Eiffel Holding Limited (formerly 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.

Eiffel Holding Limited did not pay any amount under this contract in 2011.

Paris and Neuilly-sur-Seine, 27th March 2012

The Statutory Auditors

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