



“Société anonyme” (public limited company) with capital of 31,136,090 euros  
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## **2013 HALF-YEAR FINANCIAL REPORT**

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## I - HALF-YEAR BUSINESS REPORT

### 1.1 - GROUP BUSINESS AND HIGHLIGHTS DURING THE FIRST HALF OF 2013

The implementation of the second phase of the strategic plan rolled out in 2012 was the dominant factor during the first half of 2013.

The plan includes three aspects:

- a) 2012: risk reduction, particularly achieved by (i) debt refinancing, effective end-2012, (ii) reducing the loan-to-value ratio ("LTV") from 60% to 56% by selling 70 million euros in non-Paris assets (hereafter called "non-core" assets) during the 2012 financial year, and (iii) introducing new governance with the arrival of Renaud Haberkorn as Chief Executive Officer on 1 September 2012;
- b) 2013 / 2014: balance sheet restructuring;
- c) post 2014: portfolio rotation and growth.

Against this backdrop, the 2013 financial year focus is on the following five objectives:

- a) Securing rental income;
- b) Disposing of non-strategic assets;
- c) Reducing debt, with an LTV ratio lower than 50%;
- d) Acquisition and development sourcing;
- e) Reducing operating costs.

#### **a) Securing rental income**

During the first half, significant leases were signed with premium covenants. The following table provides the details, demonstrating the long-term tenant commitments in the portfolio held and managed by the Group.

## SOCIETE DE LA TOUR EIFFEL

| Tenant                    | Asset                   | Fixed term   | Floor area sq.m. | Rent €M    |
|---------------------------|-------------------------|--------------|------------------|------------|
| New Poste Immo lease      | Montrouge               | 6 years      | 5,300            | 1.8        |
| Atos lease extension      | Aubervilliers           | 7 years      | 21,100           | 2.0        |
| La Poste lease extensions | Les Solhemes and Vannes | 6 years      | 18,100           | 0.8        |
| PTC new lease             | Parc Eiffel Aix         | 6 years      | 1,700            | 0.2        |
| Veritas lease extension   | Parc Eiffel Aix         | 4 years      | 2,200            | 0.3        |
| Euromédia lease extension | Saint-Cloud             | 1.5 years    | 4,100            | 1.0        |
| ARS lease extension       | Parc Eiffel Montpellier | 6 years      | 6,500            | 1.2        |
| Other leases / extensions |                         | N/A          | 19,400           | 1.9        |
|                           |                         | <b>Total</b> | <b>78,400</b>    | <b>9.2</b> |

This successful operating performance during the first half of 2013 slightly improved the EPRA vacancy rate at 30 June 2013, being 8.25% compared to 8.38% on 31 December 2012.

The Group also posted a rental improvement of 5.2% on a like-for-like basis, demonstrating its ability to optimise returns on its assets.

### b) Disposing of non-strategic assets

As part of active property management, and pursuant to the strategy of refocusing investment on new, economic office buildings in the Paris region, Société de la Tour Eiffel made €86 million in divestments over the first half of 2013, outlined below:

- 11 January, Parc de l'Espace in Le Bourget;
- 18 and 31 January, two properties from the La Poste portfolio (located in Vitrolles and Orléans respectively);
- 21 March, the Amiens property;
- 28 March, the Ludres property;
- 13 May, the Reception building on the NXP campus in Caen Colombelles;
- 15 May, the Parc du Millénaire in Montpellier (except for buildings 8 and 29);
- 17 May, buildings C, E, F, G, H and I in Parc Cadéra Sud;

## **SOCIETE DE LA TOUR EIFFEL**

- 30 May, the property from the La Poste portfolio located in Caen Mondeville;
- 25 June, building 8 of the Parc du Millénaire in Montpellier.

### **c) Reducing debt to an LTV ratio below 50%**

The Group has a determined approach to actively reducing its debt ratios, particularly LTV, to vie with the best practices in its sector.

This ratio stood at 56% at 31 December 2012, against 60% one year earlier, and constantly improved during the last six months to reach 52% on 30 June 2013. This change is a direct result of the selective disposals policy implemented by the Group since 2012.

Taking into account the completion of transactions under contract valid on 30 June 2013, amounting to €58 million, the LTV equates to 49% on a pro forma basis.

### **d) Acquisition and development sourcing**

During the first half of 2013, the Group studied several investment opportunities involving new, economic office buildings, in the Paris region.

Additionally, Eiffel O<sup>2</sup>, Montrouge, a forward purchase made in March 2011, was delivered on 2 May 2013. The property comprises some 5,100 sq. m. of offices certified LEB and BREEAM Very Good, as well as 114 parking spaces. It was pre-leased to a sole tenant (Poste Immo, 6-year lease) prior to delivery, which confirms its attraction, the property's quality and successful asset management accomplished by the Group.

Finally, studies and sales prospecting continued for the redevelopment of land reserves in Massy. In particular, a request for planning permission was submitted in June 2013; however construction will only start after pre-leasing.

### **e) Reducing operating costs**

An exhaustive analysis of operating costs was carried out to mirror phases 1 and 2 of the strategic plan, which result in a temporary contraction of the assets portfolio and consequently of rental income.

A number of possibilities for significant economies were identified and are being widely implemented, with full impact expected around mid-2014 due to notice periods required to cancel current contracts or agreements.

## 1.2 - ECONOMIC AND FINANCIAL RESULTS

### 1.21. Accounting Standards – Scope of Consolidation

The Group's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union and applicable on 30 June 2013.

The accounting methods and rules applied are the same as those implemented to produce the annual financial statements closed on 31 December 2012.

The scope of consolidation included 18 companies, consolidated using the method of global consolidation. There were no changes to the consolidation scope during this half.

### 1.22. Consolidated Balance Sheet and Income Statement

#### a) Consolidated income statement

Consolidated turnover (comprising rental and service charge income from properties) fell between H1 2012 and H1 2013, from €41.4 million to €39.2 million, of which rents alone accounted for €35 million and €32.8 million respectively.

This net €2.2 million decrease in rental income is mainly due to the impact of divestments made in the second half of 2012 and the first half of 2013 (- €4.3 million), partially offset by the delivery of the Montrouge property (+ €0.5 million); positive indexing (+ €1.1 million); and positive net relettings (+ €0.5 million).

Other rental income, namely property charges invoiced to tenants, increased slightly between the first halves of 2012 and 2013 (€6.4 million at 30 June 2013 against €6.3 million at 30 June 2012).

Operating expenses, which amounted to €15.1 million at end June 2013 against €14.8 million at end June 2012, increased overall during the period (+ 2%). These include:

- property expenses (€11.9 million against €12.5 million at end June 2012);
- corporate operating costs (€3.2 million against €2.3 million at end June 2012).

The net value adjustment balance (- €24.5 million) corresponds to the change in fair value of property assets in the first half of 2013, after taking into account the costs of upgrading work (CAPEX) undertaken during the first half (€5.1 million).

After inclusion of a net capital gain on the sale of assets (+€0.9 million) and of other running income and expenses, operating income on ordinary activities stood at €0.5 million at 30 June 2013 compared with €27.2 million at 30 June 2012.

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The change in financial result during the period, from €-10.9 million to €-1.1 million was mainly due to:

- the considerable increase in other financial income and expenses (+€9.6 million at end June 2013 against -€0.3 million at end June 2012), mainly due to the revaluation of hedging instruments against a backdrop of increasing interest rates;
- the slight 1.1% increase in gross cost of financial debt (from €10.6 million to €10.8 million), resulting mainly from a rise in the average financing rate (3.8% in the first half of 2013 against 3.2% in the first half of 2012), partially offset by loan reduction following disposals and early repayments over the half year.

Given these factors, the Group's consolidated net income (group share) came to -€0.7 million at 30 June 2013 as against €16.3 million on 30 June 2012.

### Analysis of consolidated income by recurring and non-recurring business activities

The consolidated income statement below highlights the revenues, expenses and intermediate results distinguishing the recurrent business involved in operating the property portfolio from the non-recurring items affecting consolidated income, such as value adjustments to assets and liabilities, capital gains and losses, as well as non-operating and/or non-recurring income and expenses.

## SOCIETE DE LA TOUR EIFFEL

| in €m  | 30/06/2013    |                                 |                   | 30/06/2012    |                                 |                   |
|--|---------------|---------------------------------|-------------------|---------------|---------------------------------|-------------------|
|  | EPRA earnings | Non-recurring business activity | Net profit (loss) | EPRA earnings | Non-recurring business activity | Net profit (loss) |
| Gross rental income                            | 32.8          |                                 | 32.8              | 35.0          |                                 | 35.0              |
| Property operating expenses                    | -5.1          | -0.4                            | -5.5              | -5.5          | -0.6                            | -6.1              |
| Operating expenses                             | -2.2          | -1.0                            | -3.2              | -2.3          |                                 | -2.3              |
| <b>Current operating profit</b>                | <b>25.4</b>   | <b>-1.3</b>                     | <b>24.1</b>       | <b>27.2</b>   | <b>-0.6</b>                     | <b>26.6</b>       |
| <b>% rental income</b>                         | <b>77.6%</b>  |                                 | <b>73.5%</b>      | <b>77.8%</b>  |                                 | <b>76.0%</b>      |
| Income from disposals                          |               | 0.9                             | 0.9               |               | 2.5                             | 2.5               |
| Change in fair value of buildings              |               | -24.5                           | -24.5             |               | -1.7                            | -1.7              |
| Other operating income and expenses            | 0.1           | -0.1                            | 0.0               |               | -0.2                            | -0.2              |
| <b>Net operating profit</b>                    | <b>25.5</b>   | <b>-25.0</b>                    | <b>0.5</b>        | <b>27.2</b>   | <b>0.1</b>                      | <b>27.2</b>       |
| <b>% rental income</b>                         | <b>77.9%</b>  |                                 | <b>1.6%</b>       | <b>77.8%</b>  |                                 | <b>77.8%</b>      |
| Net cost of indebtedness                       | -10.8         |                                 | -10.8             | -10.6         |                                 | -10.6             |
| Other financial income and expenses            |               | 9.6                             | 9.6               |               | -0.3                            | -0.3              |
| <b>Net financial profit (loss)</b>             | <b>-10.0</b>  | <b>9.6</b>                      | <b>-1.1</b>       | <b>-10.6</b>  | <b>-0.3</b>                     | <b>-10.9</b>      |
| <b>Net pre-tax earnings</b>                    |               |                                 |                   |               |                                 |                   |
| Tax  | -0.1          |                                 | -0.1              | 0.0           |                                 | 0.0               |
| <b>Net profit</b>                              | <b>14.7</b>   | <b>-15.4</b>                    | <b>-0.7</b>       | <b>16.6</b>   | <b>-0.2</b>                     | <b>16.3</b>       |
| <b>% rental income</b>                         | <b>44.7%</b>  |                                 | <b>-2.1%</b>      | <b>47.5%</b>  |                                 | <b>46.6%</b>      |
| Minority interests                             | 0.0           | 0.0                             | 0.0               | 0.0           | 0.0                             | 0.0               |
| <b>Net profit (loss) (Group share)</b>         | <b>14.7</b>   | <b>-15.4</b>                    | <b>-0.7</b>       | <b>16.6</b>   | <b>-0.2</b>                     | <b>16.3</b>       |
| <b>Net profit (Group share) per share (*):</b> | <b>2.4</b>    | <b>-2.5</b>                     | <b>-0.1</b>       | <b>2.8</b>    | <b>0.0</b>                      | <b>2.8</b>        |

(\* ) Number of shares: 6,227,218 at 30/06/2013 against 5,919,688 at 30/06/2012

After adjusting for the valuation of assets and liabilities as well as the divestment of assets and non-recurring items, operating income on ordinary activities stood at €25.5 million for H1 2013 and EPRA earnings profit at €14.7 million, compared with €27.2 million and €16.6 million respectively in H1 2012.

Current operating margin is stable, at 77.9% of rental income, against 77.8% during H1 2012.

### b) Consolidated Balance Sheet

The total balance sheet of Société de la Tour Eiffel at 30 June 2013 amounted to €870.1 million versus €954.7 million at 31 December 2012.

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The main changes are summarised below:

### ▪ **Assets:**

- The net decrease of €106.8 million in investment properties and assets for disposal (down from €915.4 million to €808.6 million) is due to:

|   |       |     |
|---|-------|-----|
| Fair value of assets at 31/12/2012                    | 915.4 |     |
| investment property                                   | 872.8 |     |
| assets for disposal                                   | 42.6  |     |
| <hr/>   |       |     |
| Acquisitions and expenditures pursuant to acquisition | 5.1   | (1) |
| Divestments   | -87.4 | (2) |
| Abandoned projects                                    | 0.0   |     |
| Fair value effect                                     | -24.4 |     |
| <hr/>   |       |     |
| Fair value of assets at 30/06/2013                    | 808.6 |     |
| investment property                                   | 750.9 |     |
| assets for disposal                                   | 57.6  |     |

- (1) - including €2.5 million in construction on the Montrouge office development
- including €0.5 million in CAPEX made in H1 2013 on the Parc du Moulin à Vent in Vénissieux

(2) Parcs Eiffel (SAS Locafimo), La Poste warehouses (SCI Nowa), assets in Amiens (STE), Ludres (Arman F02) and Caen (Caen Colombelles)

- The €19.1 million net increase in cash flow is recorded in the balance sheet assets.

### ▪ **Liabilities:**

- The €7.7 million decrease in equity is mainly due to:
  - ✓ The €18.7 million decrease in consolidated reserves (appropriation of net consolidated 2012 result (loss of €6.1 million), half-year loss (-€0.7 million) and dividends paid (-12.6 million))
  - ✓ in part offset by the capital increase of 24 June 2013 subsequent to the partial distribution of the final 2012 dividend in shares and the increase of the share premiums due to the issue premium (+€5.4 million);
- The reduction in net bank borrowing (-€73 million) related in particular to the disposals;



- The €3.8 million increase in other operating liabilities is mainly due to:
  - ✓ the increase in tax and social liabilities (€16.9 million at end June 2013 against €9.1 million at end-December 2012) mainly due to reimbursable VAT, principally that triggered by the completion of the Montrouge development, representing €4.7 million;
  - ✓ the decrease in trade payables and other payables (€26.1 million at 30 June 2013 against €28.5 million at 31 December 2012), mainly because of the decrease in costs remaining to be committed on buildings under construction (-€2.4 million) and a reduction in prepaid rents from the previous quarter (-€1.1 million).

**c) Cash flow statement**

The Group cash flow statement includes three categories:

- Cash flow from operations improved from €27 million at end June 2012 to €28.7 million at end June 2013. This increase is mainly due to:
  - (i) decreased rental income;
  - (ii) on-going operating costs;
  - (iii) the change in operating working capital requirement (up €7.3 million).
- Cash flow linked to investment transactions: the change between June 2012 and June 2013 (+€41.6 million), from €40.4 million to €82 million is mainly due to the increase in disposals of property (+€43.9 million) as part of the refocusing policy implemented by the company;
- Cash flow linked to financing transactions: this cash flow stood at -€92.3 million at 30 June 2013 against -€66.2 million at 30 June 2012, mainly due to the increase in loan reimbursements in 2013 (€24.7 million of additional reimbursements) and the increase in dividends paid out in cash to the shareholders (from €6.1 million to €7.2 million at end June 2013).

The Group's net cash position thus went from €3.1m at 1 January 2013 to €21.5m at 30 June, an increase of €18.3m over the period.

**d) Recurring cash flow**

| <b>in €m</b>                | <b>30/06/2013</b> | <b>30/06/2012</b> | <b>Variation</b> |
|-----------------------------|-------------------|-------------------|------------------|
| Gross rental income         | 32.8              | 35.0              | -6.4%            |
| Property operating expenses | -5.1              | -5.5              | -7.2%            |
| Overheads                   | -2.2              | -2.2              | 1.8%             |
| Net financial interest paid | -11.4             | -10.6             | 7.7%             |
| <b>Recurring cash flow</b>  | <b>14.0</b>       | <b>16.7</b>       | <b>-16.2%</b>    |

**Per share in €**

|  |            |            |               |
|--|------------|------------|---------------|
| <b>Recurring cash flow after dilution(*)</b>   | <b>2.3</b> | <b>2.8</b> | <b>-20.3%</b> |
| <b>Recurring cash flow before dilution (*)</b> | <b>2.4</b> | <b>2.9</b> | <b>-16.2%</b> |

(\*) Dilution further to the capital increases as a result of the partial distribution of the interim dividend and the remaining dividend for 2012 (creation of 307,530 new shares)

Recurring cash flow amounted to €14.0 million at year-end 2013 against €16.7 million at year-end 2012, representing a 16.2% decrease under the combined effect of lower gross rental income (asset disposals), partially offset by lower property charges.

**1.23 – Group property assets**

All the property assets of the Société de la Tour Eiffel Group were appraised at 30 June 2013 by one of the following independent valuers: BNP Paribas Real Estate Valuation, Savills, Cushman & Wakefield Expertise and Crédit Foncier Expertise.

During the first half, the Group rotated valuers for eight of its property assets, or 18.8% of its assets by value. Attributions between firms are determined by the geographical location and nature of the properties appraised.

The Group's property assets stand at €808.6 million, excluding transfer duties and expenses, of which €750.9 million represent investment properties and €57.6 million represent assets earmarked for disposal.

In compliance with the recommendations of the Autorité des Marchés Financiers (France's Financial Markets Regulator), these appraisals are undertaken annually in a uniform manner based on net selling prices, i.e. excluding transfer costs.

**Assets changes at 30 June 2013**

| Euros, in millions   | 30/06/2013   | 31/12/2012   | Variation H1 2013/2012 | In %          |
|----------------------|--------------|--------------|------------------------|---------------|
| Paris region offices | 451.6        | 458.7        | -7.1                   | -1.5%         |
| <b>Core</b>          | <b>451.6</b> | <b>458.7</b> | <b>-7.1</b>            | <b>-1.5%</b>  |
| Provincial offices   | 235.6        | 308.6        | -72.9                  | -23.6%        |
| Other assets         | 121.3        | 148.2        | -26.8                  | -18.1%        |
| <b>Non-Core</b>      | <b>357.0</b> | <b>456.7</b> | <b>-99.7</b>           | <b>-21.8%</b> |
| <b>Total assets</b>  | <b>808.6</b> | <b>915.4</b> | <b>-106.8</b>          | <b>-11.7%</b> |

| Euros, in millions                  | 30/06/2013   | 31/12/2012   | Variation H1 2013/2012 | In %          |
|-------------------------------------|--------------|--------------|------------------------|---------------|
| <b>Offices</b>                      | 479.2        | 495.8        | -16.6                  | -3.3%         |
| <b>Warehouses / Sorting centres</b> | 67.2         | 93.2         | -26.1                  | -28.0%        |
| <b>Light industrial</b>             | 39.8         | 40.5         | -0.7                   | -1.8%         |
| <b>Parcs Eiffel</b>                 | 222.4        | 285.9        | -63.4                  | -22.2%        |
| <b>Nursing homes</b>                | 0.0          | 0.0          | 0.0                    | 0.0%          |
| <b>Total assets</b>                 | <b>808.6</b> | <b>915.4</b> | <b>-106.8</b>          | <b>-11.7%</b> |

### **Methodology retained by the valuers**

The general principle of valuation retained by the valuers is based on the application of two methods: the capitalisation method, cross-checked with the comparison method. The value is estimated by the valuers on the basis of the values resulting from both methodologies.

The results obtained are also cross-checked with the initial yield and capital market values per sq. m.

The capitalisation method consists in capitalising a net passing income or a market rent at a suitable rate of return taking into account variances between actual rents and income through discounted adjustments for future rental increments or shortfalls.

This method is based on the rental value (market rent) of the assets, compared with the passing rent. When the net rent is close to the rental value, the rent is capitalised on the basis of a market rate of return, reflecting in particular the quality of the building, its location, the tenant, and the remaining fixed lease term.

The adopted rate of return (net income [\*] of the building over gross market value, including transfer costs) is determined by comparing the rates of return arising on other market transactions. If the rent is appreciably higher or lower than the value, the difference is capitalised on a discounted basis up until the next lease break date and added or subtracted from the core result.

*(\*) For properties subject to rental vacancy, net income is increased by the market rental value of vacant space.*

For space which is vacant at the time of the valuation, the rental value is capitalised at a market rate of return plus an allowance for risk, and then the loss of rent for the estimated marketing period deducted. Vacant premises are valued on a weighted basis by the valuers using market rental values, after deducting the carrying costs related to the lead-time for marketing the premises as assessed by the valuers, and after deducting any commercial incentives that may be granted to potential tenants.

Within the framework of the appraisals at 30 June 2013, the rates of return chosen by the property experts range from 6% to 9.25%. These are determined by the valuers according to the risk posed by a particular asset class, and comprise the impact of vacant premises.

For assets with residual land, valuers give a separate value. For assets with no residual, the overall property value includes the site.

### **Net Asset Value**

- EPRA Triple Net Asset Value

EPRA Triple Net Asset Value corresponds to the consolidated shareholders' equity at 30 June 2013, plus the unrealised gains on goodwill corresponding to the value of SNC Tour Eiffel Asset Management.

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The EPRA triple net NAV stood at €59.5 per share at 30 June 2013, against €62.2 at 31 December 2012, a decrease of 4.3%. Excluding the dilution effect (see the definition of the number of diluted shares in the glossary, section 1.6), NAV stands at €60.60 per share at 30 June 2013, a decrease of 2.6% compared with 31 December 2012.

### - EPRA Net Asset Value

The EPRA NAV in turn corresponds to the Group's consolidated equity at 30 June 2013:

- o plus the unrealised gains on goodwill corresponding to the value of SNC Tour Eiffel Asset Management;
- o excluding the fair value of the financial instruments;
- o excluding assets and liabilities deferred tax.

The EPRA Net Asset Value stood at €61.10 per share at 30 June 2013, against €65.40 at 31 December 2012, a decrease of 6.6%.

### Calculation of EPRA Triple Net Asset Value based on taxes from consolidated shareholders' equity

| Euros, in millions  | 30/06/2013       | 31/12/2012       | VAR en %     |
|---|------------------|------------------|--------------|
| Shareholders' equity (group share)                              | 363.0            | 370.7            | -2.1%        |
| Unrealised gains on goodwill                                    | 5.6              | 5.6              |              |
| Restatement of the fair value of financial instruments;         | 10.1             | 20.0             |              |
| <i>assets</i> -   | 0.5              | 0.2              |              |
| <i>liabilities</i>  | 10.6             | 20.2             |              |
| Restatement deferred taxes                                      | - 0.3            | 0.3              |              |
| Restatement of transfer costs deducted from assets for disposal | -                | 1.8              |              |
| <b>EPRA NAV</b>   | <b>378.4</b>     | <b>397.8</b>     | <b>-4.9%</b> |
| Restatement of the fair value of financial instruments; -       | 10.1             | 20.0             |              |
| Restatement Deferred taxes                                      | 0.3              | 0.3              |              |
| <b>EPRA NNAV</b>  | <b>368.57</b>    | <b>378.10</b>    | <b>-2.5%</b> |
| <i>Number of diluted shares at end of period</i>                | <i>6 194 776</i> | <i>6 079 909</i> | <i>1.9%</i>  |
| <b>Per share (€) (*)</b>  |                  |                  |              |
| <b>EPRA NAV per share after dilution</b>                        | <b>61.1</b>      | <b>65.4</b>      | <b>-6.6%</b> |
| <b>EPRA NAV per share before dilution</b>                       | <b>62.2</b>      | <b>70.1</b>      | <b>-4.9%</b> |
| <b>EPRA Triple Net NAV per share after dilution</b>             | <b>59.5</b>      | <b>62.2</b>      | <b>-4.3%</b> |
| <b>EPRA Triple Net NAV per share before dilution</b>            | <b>60.6</b>      | <b>66.6</b>      | <b>-2.5%</b> |

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(\*) Number of diluted shares: 6,194,776 at 30 June 2013 against 6,079,909 at 31 December 2012

### Change in EPRA Triple Net NAV from 31/12/2012 to 30/06/2013

|   | in €m        | Per share in € |
|---|--------------|----------------|
| <b>EPRA Triple Net NAV as at 31/12/2012</b>             | <b>378.1</b> | <b>62.2</b>    |
| Impact of the change in numbers of shares               |              | -1.2           |
| Recurring net income                                    | 15.1         | 2.4            |
| 2013 distribution                                       | -7.2         | -1.2           |
| Capital gains & losses from disposals                   | 0.9          | 0.1            |
| Valuation of property assets                            | -24.5        | -3.9           |
| Valuation of hedging instruments                        | 9.8          | 1.6            |
| Other   | -3.6         | -0.6           |
| <b>EPRA Triple Net NAV as at 30/06/2013</b>             | <b>368.6</b> | <b>59.5</b>    |
|   |              |                |
| <i>Number of diluted shares as at 30 June 2013:</i>     | 6 194 776    |                |
| <i>Number of diluted shares as at 31 December 2012:</i> | 6 079 909    |                |

## 1.24 – Group financing

Overall gross debt as at 30 June 2013 stood at €442.8m, as against €514.6m at 31 December 2012.

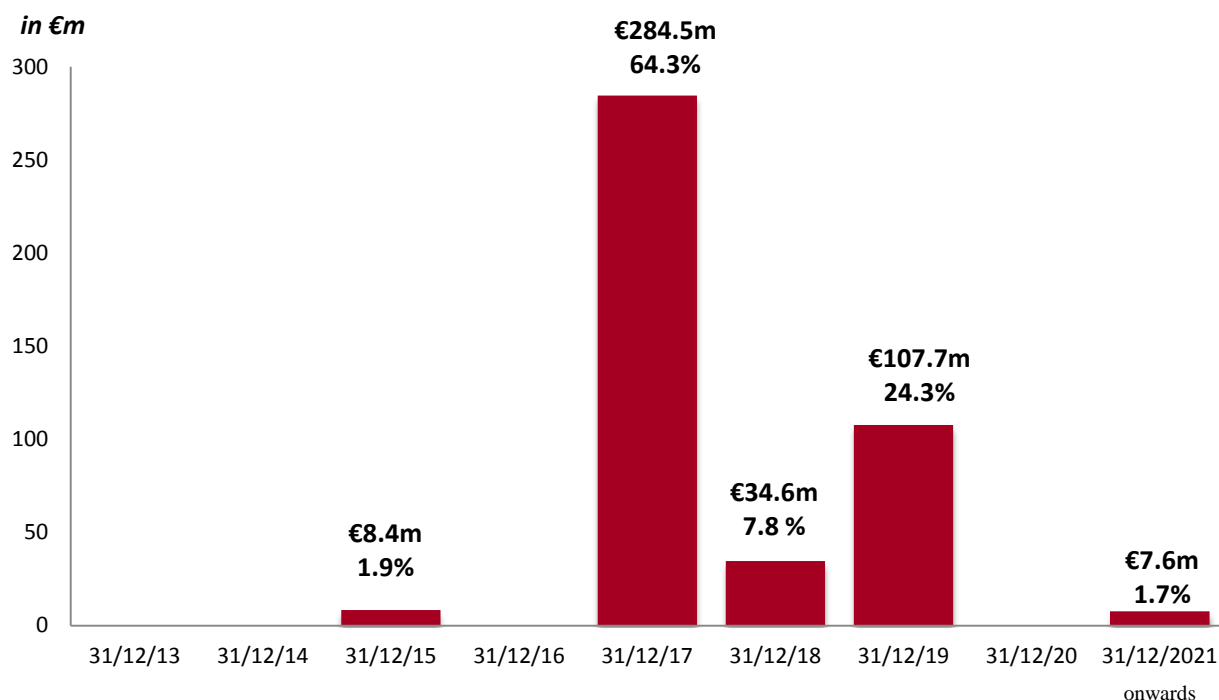
Net debt recorded on the balance sheet, obtained by deducting from the overall debt all invested cash reserves, and the available assets of the Group's subsidiaries, amounted to €421.3m at the end of H1 2013 versus €511.5m at year-end 2012.

| in €m                            | 30/06/2013   | 31/12/2012   |
|----------------------------------|--------------|--------------|
| Gross bank debt                  | 442.8        | 514.6        |
| Invested cash reserves           | - 5.7        | - 0.0        |
| Cash and cash equivalents        | - 15.8       | - 3.1        |
| <b>Net debt on balance sheet</b> | <b>421.3</b> | <b>511.5</b> |

Thus, the LTV ratio at 30 June 2013 represents 52.1% of property assets, valued at €808.6m, against 55.2% at 30 June 2012.

The bank financing drawn by Société de la Tour Eiffel at 30 June 2013 of €442.8m is detailed, by maturity date, in the chart below:

## SOCIETE DE LA TOUR EIFFEL



Further to last year's refinancing, the average term of the Group's debt as at 30 June 2013 stood at 4.8 years, compared with 5.3 years at year-end 2012.

The average cost of Group financing was 3.8% during H1 2013, to be compared with 3.2% at year-end 2012.

The debt ratios are summarized in the following table:

| Indebtedness ratios                          |       | H1 2013   | 2012      |
|--|-------|-----------|-----------|
| Consolidated equity (€m)                     | 363.0 | 370.7     |           |
| Net financial debt (€m)                      |       | 421.3     | 511.5     |
| Net financial debt (/) Consolidated equity   |       | 116 %     | 138 %     |
| Net financial debt (/) Portfolio Total (LTV) |       | 52.1 %    | 55.9 %    |
| Financing ratios                             |       | H1 2013   | 2012      |
| Average cost of debt                         |       | 3.8 %     | 3.2 %     |
| Fixed or capped rate borrowings              |       | 100 %     | 99 %      |
| Debt maturity                                |       | 4.8 years | 5.3 years |
| Hedging of financing costs by GOP(*)         |       | 2.2       | 2.7       |

(\*) GOP: Gross Operating Profit = Operating income before adjustment of value, net allocation or recapture of amortisation and provisions, and other operating income and expenses

### Loan covenant ratios:

The prevailing financial ratios to which the Group is committed in respect of its bank financing are set out in the table below, for amounts posted at 30 June 2013.

The table sets out the last LTV and ICR ratios communicated to the banks for the first half of the year compared to those the Group has pledged to respect for the main financing contracts in question.

**Banking financing and main covenants at 30/06/2013**

|   | 30/06/2013                        | Bank covenants |             | Latest ratios communicated to banks |        | Maturity date         | Building financed          |
|---|-----------------------------------|----------------|-------------|-------------------------------------|--------|-----------------------|----------------------------|
|   | Consolidated financial debt in €m | Maximum LTV    | Minimum ICR | LTV                                 | ICR    |                       |                            |
| Société Générale / BECM                       | 22.1                              | 65%            | 145%        | 50.1%                               | 186%   | 15/04/2018            | "La Poste" portfolio       |
| Société Générale (50%) - Crédit Foncier (50%) | 45.4                              | 65%            | 110%        | 46%                                 | 159%   | 28/03/2017            | Massy Ampère & Montpellier |
| Société Générale                              | 8.4                               | NA             | 110%        | NA                                  | 138%   | 14/01/2015            | St-Cloud                   |
| PBB-CFF-SG-CACIB pool                         | 239.1                             | 62.5%          | 120%        | 61.1%                               | 132%   | 13/11/2017            | Locafimo                   |
| SAAR LB                                       | 8.7                               | 72%            | 176%        | 66%                                 | 274%   | 26/06/2019            | Berges de l'Ourcq          |
|   | 20.2                              | 53%            | 192%        | 48%                                 | 316%   | 26/06/2019            | Comète-Plessis             |
|   | 20.0                              | 63%            | 159%        | 56%                                 | 248%   | 26/06/2019            | Champigny Carnot           |
|   | 12.2                              | 58%            | 178%        | 47%                                 | 277%   | 26/06/2019            | Jean Jaurès                |
|   | 12.7                              | 52%            | 233%        | 44%                                 | 365%   | 26/06/2019            | Caen Colombelles           |
|   | 9.9                               | 70%            | 148%        | 64%                                 | 238%   | 26/06/2019            | Etupes de l'Allan          |
|   | 4.7                               | 60%            | 159%        | 47%                                 | 261%   | 26/06/2019            | Grenoble Polytech          |
|   | 19.3                              | 56%            | 150%        | 51%                                 | 241%   | 26/06/2019            | Rueil National             |
| Crédit Agricole IdF                           | 7.6                               | 70%            | 115%        | 60%                                 | 115%   | 29/06/2022-29/06/2027 | Vélizy Energy II           |
| Crédit Foncier                                | 12.5                              | 65%            | 110%        | NA (*)                              | NA (*) | 30/06/2018            | Montrouge Arnoux           |
| <b>TOTAL</b>                                  | <b>442.8</b>                      |                |             |                                     |        |                       |                            |

(\*) Not Applicable – no ratio communicated as at 30 June 2013 –property completed on 2 May 2013

As at 30 June 2013, the Group is in compliance with all commitments relating to its finance agreements.

**1.25 EPRA PERFORMANCE INDICATORS**

**EPRA earnings**

EPRA earnings are defined as recurring net income from current operations.



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|                         |                | 30/06/2013 | 30/06/2012 | Variation | variation % |
|-------------------------|----------------|------------|------------|-----------|-------------|
| EPRA earnings           | in €m          | 14.7       | 16.6       | -1.9      | -11.9%      |
| EPRA earnings/share (*) | Per share in € | 2.4        | 2.8        | -0.4      | -16.3%      |

(\*) Dilution further to the capital increases as a result of the partial distribution of the interim dividend and the final dividend for 2012 (creation of 307,530 new shares)

The decrease in EPRA earnings is principally due to the reduction in rental income (€32.8m against €35m) following asset disposals and the slight rise in net debt costs (€10.8m during the first half of 2013 against €10.6m during the first half of 2012).

### EPRA NAV and EPRA Triple Net NAV

|                                     |                | 30/06/2013 | 2012 | Variation | variation % |
|-------------------------------------|----------------|------------|------|-----------|-------------|
| ERPA NAV after dilution             | in €m          | 61.1       | 65.4 | -4.3      | -6.6%       |
| ERPA NAV before dilution            | in €m          | 62.2       | 70.1 | -7.8      | -4.9%       |
| EPRA Triple Net NAV after dilution  | Per share in € | 59.5       | 62.2 | -2.7      | -4.3%       |
| EPRA Triple Net NAV before dilution | Per share in € | 60.6       | 66.6 | -6.0      | -2.5%       |

NAV as at 30 June 2013 was affected by the variation of fair value of real estate assets (-€24.5m), partially offset by the revaluation of fair value of derivative instruments (+€9.8m).

### EPRA rate of return

|                                   |      | 30/06/2013 | 30/06/2012 | Variation | variation % |
|-----------------------------------|------|------------|------------|-----------|-------------|
| Topped-up EPRA rate of return (*) | In % | 7.32%      | 6.96%      | +36 bp    | +5.2%       |
| EPRA rate of return (**)          | In % | 6.94%      | 6.57%      | +37 bp    | +5.7%       |

(\*) Annualised rental income as at 30 June, excluding rental concessions, net of property charges, divided by the evaluation of assets, including taxes

(\*\*) Annualised rental income as at 30 June, including rental concessions, net of property charges, divided by the evaluation of assets, including taxes

### EPRA vacancy rate

The EPRA vacancy rate is defined as the ratio between the market rental value of vacant space and the market rental value of total floor area (rented and vacant).

| In %                 | 30/06/2013   | 31/12/2012   | Variation     | Variation en % |
|----------------------|--------------|--------------|---------------|----------------|
| Paris region offices | 3.60%        | 4.09%        | -0.49%        | -12%           |
| Regional Offices     | 19.06%       | 17.21%       | +1.85%        | +10.7%         |
| Other assets         | 0.41%        | 0.39%        | +0.02%        | +5.1%          |
| <b>Total assets</b>  | <b>8.25%</b> | <b>8.38%</b> | <b>-0.13%</b> | <b>-1.5%</b>   |

### **1.3 – GOVERNANCE**

Mr Richard Nottage was appointed a member of the Appointment and Remuneration Committee on 25 April 2013.

The appointments of Messes Mark Inch, Robert Waterland and Philippe Prouillac as administrators which were due to expire, were renewed for three years at the Ordinary General Meeting of 30 May 2013. The Chairman of the Board of Directors was also re-appointed to coincide with his term as an administrator.

Mr Philippe de Trémiolles joined Société de la Tour Eiffel as its Chief Financial Officer on 2 April 2013.

### **1.4 - FUTURE PROSPECTS AND RISK MANAGEMENT**

#### **a) Subsequent events**

- signature on 12 July of a sales agreement for the building 29 of the Parc du Millénaire in Montpellier;
- sale on 19 July of the property at 12 rue Paul Langevin in Herblay.

#### **b) Foreseeable corporate developments and outlook**

In the second half of 2013, Société de la Tour Eiffel will continue implementing the second stage of the strategic plan rolled out in 2012, notably pursuing restructuring of the company to reduce its debt and refocus the portfolio on office buildings in the greater Paris region.

This step will be followed by a third phase returning to investments and growth based on a deleveraged financial structure.

#### **c) Risk factors**

Société de la Tour Eiffel's risk factors are detailed in its Reference Document, the latest version of which is available on the website.

With regard to finance, Société de la Tour Eiffel is only concerned by the market risk resulting from the change in interest rates relating to loans contracted to finance its investment strategy and maintain requisite financial liquidity.

The aim of the interest rate risk policy of Société de la Tour Eiffel is to limit the impact of changes in interest rates on results, and to keep the global cost of debt as low as possible.

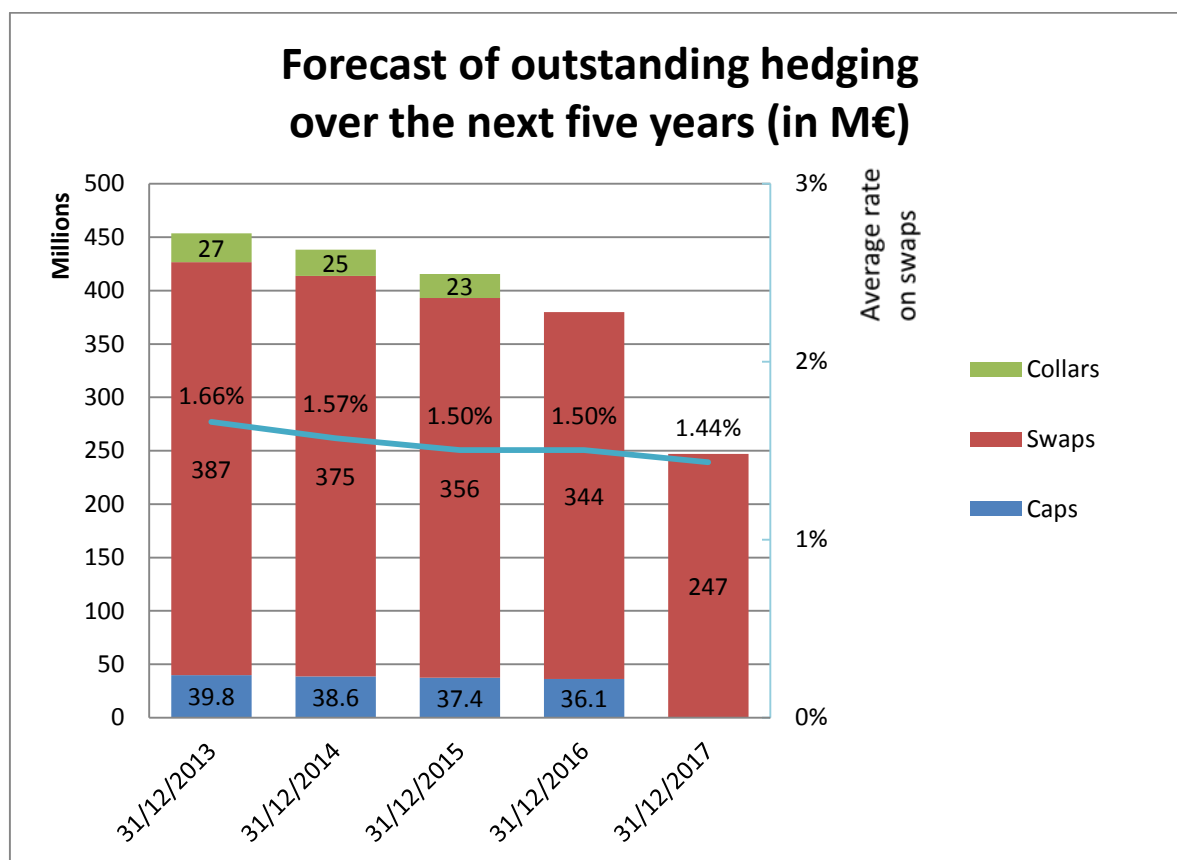
## SOCIETE DE LA TOUR EIFFEL

To meet these objectives, the Company usually borrows at a variable rate and uses derivative products (caps, swaps and collars) to hedge the rate risk. It does not carry out operations in the market with any other purpose than to hedge its rate risks and all operations performed are centralised and managed by the Company itself, according to the recommendations of the banks with which it regularly works.

When new financing or refinancing lines are set up, they are systematically backed with a suitable rate hedging instrument, chosen as a result of consultation with several competing banks in terms of maturity and cost according to market conditions and the nature of the underlying asset to be financed.

Taking out derivatives to limit the interest rate risks exposes the Company to the possible failure of a counterparty. To limit the counterparty risk, Société de la Tour Eiffel carries out hedging operations only with first-rate financial institutions.

To optimise this management of interest rate risk, and given the asset disposals and early debt repayments made, the Group has totally or partially closed out some hedging instruments during the half year, for a notional amount of €13m.



### Evaluation of interest rate risk

At 30 June 2013, the group's consolidated gross indebtedness to banks was €442.8m, comprising €410.8m of fixed rate debt (effectively €410.8m hedged with swaps) and €32m of variable rate debt, entirely hedged by interest rate caps. Thus at 30 June 2013, debt was entirely hedged.

On the basis of the outstanding debt as at 30 June 2013, an average rise in the Euribor 3-

## **SOCIETE DE LA TOUR EIFFEL**

month interest rates of 100 basis points would have after hedging effect a negative impact (on an annual basis) on recurring net income, estimated at €0.2 million.

Conversely, a drop in interest rates to reach a 0% Euribor 3-month rate would reduce the financing cost by an estimated €0.05m, resulting after hedging effect in an equivalent positive impact on the recurring net income.

### **1.5 – COMPANY AND ITS SHAREHOLDERS**

#### **1.51 - Dividends**

The General Meeting of 30 May 2013 moved to distribute a final dividend of €2.10 per share. Shareholders chose between payment in cash or in shares. This dividend was paid out on 27 June 2013, resulting in (i) a capital increase (see paragraph 1.52 below) and (ii) a cash payment of €7.2 million.

#### **1.52 - Capital increase**

Shareholders' equity increased by €583,035 on 24 June 2013 (116,607 shares at €5), thus going from €30,553,055 divided into 6,110,611 €5 shares, to €31,136,090 divided into 6,227,218 €5 shares. The capital increase was due to certain shareholders exercising the option to receive the dividend in shares, which distribution having been decided by the Ordinary General Meeting of 30 May 2013.

#### **1.53 - Share buyback programme - liquidity contract**

The Board of Directors, by reason of the authority granted it by the General Meeting of 30 May 2013, in its tenth resolution, moved on 24 July 2013 to implement a new share buyback programme under the conditions set by the General Meeting for a maximum term of eighteen months counting from the date of the General Meeting. The purpose is to:

- stimulate the market or share liquidity through a liquidity agreement with an investment services firm;
- cancel the shares bought back, wholly or in part, in accordance with the conditions laid out in Article L. 225-209 of the French Commercial Code, and subject to approval of the share capital reduction authorised by the General Shareholders' Meeting;
- have shares on hand which it may issue to its corporate officers and employees as well as to the corporate officers and employees of companies with ties to Société de la Tour Eiffel, under the terms and conditions allowed for by law, especially as regards stock option plans, the free attribution of existing shares, and corporate or inter-company savings plans (*plan d'épargne d'entreprise ou interentreprises*);
- hold and subsequently remit shares as payment or exchange as part of external growth, merger, demerger or contribution operations within the limit of 5% of the capital,
- to acquire and hold shares for financial and asset management purposes.

## **SOCIETE DE LA TOUR EIFFEL**

The maximum purchase price is set at €80 per share. The maximum number of shares for which buyback is authorised is equivalent to 10% of the capital of Société de la Tour Eiffel. This authorisation may not be used during a period of takeover bid or exchange.

At 30 June 2013, Société de la Tour Eiffel held 92,594 treasury shares acquired through the share buyback programme and 7,975 treasury shares acquired through the liquidity contract.

The liquidity contract associated with the share buy-back programme continued in 2013. It was entrusted to Natixis until 15 April 2013, then to Rothschild & Cie Banque from 16 April 2013 onwards.

### **1.54 - Thresholds exceeded**

On 12 April 2013, Compagnie MI 29 and Eiffel Holding Limited entered into a call option agreement to the benefit of Compagnie MI 29, involving 530,000 Société de la Tour Eiffel shares accounting for 8.67% of shareholders' equity. This option could be exercised at any time from 10 June 2013 until 30 September 2013.

Following the signing of the contract, Compagnie MI 29 declared that on 12 April 2013, directly and indirectly through controlled entities Eurobail and Foncière Wilson, it had exceeded the thresholds of 5% and 10% of shareholders' equity and voting rights of Société de la Tour Eiffel and held 10.77% of shareholders' equity (including 530,000 assimilated shares as defined by article L. 233-9 of the French Commercial Code).

Mr Chuc Hoang next declared that on 12 June 2013, directly and indirectly through controlled entities Compagnie MI 29, Eurobail SA and Foncière Wilson Sarl, he had exceeded the 15% thresholds on shareholders' equity and voting rights for Société de la Tour Eiffel and that he held, directly and indirectly, 15.4% of shareholders' equity. On this occasion, Compagnie MI 29 individually exceeded the 10% threshold of Société de la Tour Eiffel shareholders' equity (including 530,000 assimilated shares as defined by article L. 233-9 of the French Commercial Code).

In these declarations of exceeding the threshold, Compagnie MI 29 has not yet exercised its above-mentioned call option on 530,000 shares.

### **1.55 - Stock options**

Under delegated authority conferred by the Extraordinary General Meeting on 24 May 2012, in its sixteenth resolution the Board of Directors attributed 14,862 stock options to an employee of Tour Eiffel Asset Management on 11 April 2013.

The performance criteria authorising exercise of the stock options are the following:

- quality criteria: two thirds of share subscription options would be allocated on the condition that the company's equity has been reinforced;
- quantity criteria: one third of share subscription options would be allocated on the condition that the consolidated operating cash flow on a like-for-like

## **SOCIETE DE LA TOUR EIFFEL**

basis, adjusted to capital gains or losses on sales of the last fiscal year closed before strike-date, is at least 5% higher than the average of the three previous financial years .

The beneficiary is also subject to an obligation to purchase shares in order to receive all shares to which he has the right. As an executive (*cadre dirigeant*) as defined by article L S111-2 of the Labour Code, the beneficiary is obligated to keep one third of the shares acquired through the exercise of the option as registered shares until leaving his functions.

Consequently, all the stock option plans exercisable at 30 June 2013 now represent 171,349 options, i.e. 2.75% of capital (instead of 2.56% at 31 December 2012).

### **1.56 –Bonus shares**

Using a delegation of power conferred by the Extraordinary General Meeting on 18 May 2011, in its nineteenth resolution the Board of Directors attributed 1,900 shares to an employee of Tour Eiffel Asset Management on 11 April 2013.

The definitive allocation of these shares is subject to attaining the following performance conditions after a period of 2 years:

- quality criteria: one third of the bonus shares would be allocated on the condition that the company's equity has been reinforced.
- quantity criteria: two thirds of shares would be allocated on the condition that the consolidated operating cash flow on a like-for-like basis adjusted for capital gains or losses on sales of the last fiscal year closed before final attribution, is at least 5% higher than the average of the three previous financial years.

The beneficiary is also subject to an obligation to purchase shares in order to receive all the shares he would be entitled to. As an executive (*cadre dirigeant*) as defined by article L S111-2 of the Labour Code, the beneficiary is obligated to keep one third of the shares he will have received as registered shares until leaving his functions.

The purchase period is two years, as is the holding period.

## **1.6 GLOSSARY**

### **Assets in service**

Leased assets or assets available for rent.

### **EPRA NAV and Triple Net EPRA NAV**

They are calculated from consolidated shareholders' equity. Their calculation is described in section 1.23, "Net Asset Value", of the management report.

### **Recurring cash flow**

Recurring cash flow represents operating cash flow after the impact of financial costs and corporate income tax. Operating cash flow refers to net rental income of the property company, after deduction of net corporate expenses. Recurring cash flow does not include non-recurring income.

The details of recurring cash flow are included in section 1.22.d of the management report.

### **Covenant**

The usual boilerplate prepayment by acceleration clauses provided for in financing agreements between the Group companies and banks include non-compliance with certain financial ratios, called covenants.

The consequences of non-compliance with these covenants are detailed in each contract and can result in outstanding loans being declared immediately due and payable.

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

- LTV ratio: commonly defined as the amount of committed financings over that of the fixed assets financed;
- ICR ratio: commonly defined as the cover of finance costs by net rentals.

### **Debt rate**

- Average rate = (Financial expenses of bank debt for the period + Net financial expenses for hedging of the period) / Average outstanding bank debt for the period;
- Spot rate: definition comparable to the average rate over a period reduced to the last day of the period.

### **Gross financial debt**

Outstanding balances at end of period of bank loans (excluding accrued interest).

### **Net financial debt**

Gross debt minus cash in hand and equivalents.

### **Rental income**

- Rental income recorded corresponds to gross rental income over the period, taking into account, in accordance with IFRS, the spread of any concessions granted to tenants;
- Rents LFL growth provides information comparable from one year to the next. The scope corresponds to existing assets over the entire duration of the two periods, which therefore excludes certain assets acquired, sold, delivered or demolished during these two periods.
- Annualised rental income corresponds to the gross income from existing rents for a full year, based on existing assets at the end of the period.
- Secured rental income corresponds to gross rental income applicable at the end of the period (annualised rental income) plus rental income from leases signed at the closing date and applicable thereafter.

### **Loan To Value (LTV)**

The LTV is the ratio between net financial debt and the valuation of assets (investment properties + assets for disposal + other property, plant & equipment).

Mortgages include covenants based on an LTV ratio. The method for calculating this ratio in this case is specific to the loan agreement and may possibly differ from the “group” method of calculation defined above.

### **Number of diluted shares**

The number of diluted shares at the end of the period taken into account in the calculation of EPRA NAV is calculated by increasing the number of shares outstanding at the end of the period by the number of shares resulting from the conversion of securities giving access to capital, with a potentially dilutive effect. The potential dilution from these securities (options to purchase or subscribe for shares) was calculated when any such instruments were exercisable on the cut-off date.

The number of fully diluted shares included in the calculation of EPRA NAV at 30 June 2013 amounted to 6,194,776. A calculation is shown in note 25 to the consolidated financial statements.

### **Development projects**

These are projects under construction at the balance sheet date, including properties being repositioned.



### **Yields**

- The rate of return is the ratio between the overall potential income (\*) and the gross market value, transfer tax included (assets excluding developments and land reserves);  
(\* ) For properties subject to vacancies, the recorded net revenue is increased by the potential rent of vacant space.
- Net Initial Yield EPRA: annualized rent at end of period, including running rental concessions, net of expenses, divided by the gross property asset value.
- Net Initial Yield EPRA topped-up: annualized rent at end of period, after reintegration of running rental concessions, net of expenses, divided by the gross property asset value.

### **EPRA Earnings**

EPRA recurring net income is defined as recurring net income from current operations.

### **Vacancy**

- EPRA vacancy rate: corresponds to a period-end spot rate as the ratio between the market rent of vacant premises and the market rent of the entire operating assets (excluding developments and redevelopments).
- Financial occupancy rate of buildings in service: corresponds to a period-end spot rate on operating assets and is calculated using the following formula:  $\text{secured annualised rental income} / (\text{secured annualised rental income} + \text{potential rental income})$ .

(potential rental income corresponds to the product of the market rental value of vacant space in sq. m. (excluding strategic vacancy)).

### **LFL growth**

This indication provides information comparable from one year to the next. The scope corresponds to the existing assets over the entire duration of the two periods, which therefore excludes a number of assets acquired, sold, delivered or demolished during these two periods.

## II - CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

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**BALANCE SHEET – ASSETS**

| Euros, in thousands                        | Notes | 30.06.2013     | 31.12.2012     |
|--|-------|----------------|----------------|
| <b>NON CURRENT ASSETS</b>                  |       |                |                |
| Tangible fixed assets                      | 1     | 323            | 356            |
| Investment properties                      | 2     | 750 938        | 872 789        |
| Goodwill on acquisitions                   | 3     | -              | -              |
| Intangible fixed assets                    | 4     | 16             | 24             |
| Financial assets                           | 5     | 2 788          | 1 678          |
| Deferred taxes                             | 14    | 322            | 322            |
| <b>TOTAL NON-CURRENT ASSETS</b>            |       | <b>754 386</b> | <b>875 169</b> |
| <b>CURRENT ASSETS</b>                      |       |                |                |
| Trade and related receivables              | 7     | 22 337         | 23 642         |
| Other receivables and accrual accounts     | 8     | 13 425         | 10 166         |
| Cash and cash equivalents                  | 9     | 22 276         | 3 157          |
| <b>TOTAL CURRENT ASSETS</b>                |       | <b>58 038</b>  | <b>36 965</b>  |
| No -current assets and assets for disposal | 6     | 57 630         | 42 600         |
| <b>TOTAL</b>                               |       | <b>870 054</b> | <b>954 734</b> |

**BALANCE SHEET – LIABILITIES**

| Euros, in thousands                                | Notes | 30.06.2013     | 31.12.2012     |
|--|-------|----------------|----------------|
| <b>SHAREHOLDERS' EQUITY</b>                        |       |                |                |
| Share capital                                      | 10    | 31 136         | 30 553         |
| Premiums linked to capital                         | 10    | 57 694         | 52 877         |
| Legal reserve                                      |       | 3 055          | 2 868          |
| Consolidated reserves                              |       | 271 786        | 290 466        |
| Consolidated income for the financial year         |       | (696)          | (6 071)        |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>                  |       | <b>362 976</b> | <b>370 693</b> |
| <b>NON-CURRENT LIABILITIES</b>                     |       |                |                |
| Borrowings and financial debts                     | 11    | 429 322        | 500 106        |
| Other financial liabilities                        | 11    | 18 165         | 28 070         |
| Long-term provisions                               | 12    | 204            | 309            |
| Other long-term liabilities                        |       | 291            | 291            |
| <b>TOTAL NON-CURRENT LIABILITIES</b>               |       | <b>447 982</b> | <b>528 776</b> |
| <b>CURRENT LIABILITIES</b>                         |       |                |                |
| Borrowings and financial debt (less than one year) | 11    | 15 338         | 16 752         |
| Other current financial liabilities                | 11    | 815            | 860            |
| Tax and social security liabilities                | 13    | 16 893         | 9 146          |
| Trade accounts payable and other debts             | 15    | 26 050         | 28 507         |
| <b>TOTAL CURRENT LIABILITIES</b>                   |       | <b>59 096</b>  | <b>55 265</b>  |
| <b>TOTAL</b>                                       |       | <b>870 054</b> | <b>954 734</b> |

**Consolidated Income Statement**

| <b>Euros, in thousands</b>                                 | <b>Notes</b> | <b>30.06.2013</b> | <b>30.06.2012</b> |
|--|--------------|-------------------|-------------------|
| Turnover   | 16           | 39 196            | 41 352            |
| Consumed purchases   | 17           | (20)              | (17)              |
| Staff expenses   | 18           | (3 199)           | (2 158)           |
| External expenses  | 18           | (7 270)           | (7 738)           |
| Taxes and duties   | 18           | (4 640)           | (4 868)           |
| Net allowances for depreciation                            | 19           | (49)              | (46)              |
| Net allowances for provisions                              | 19           | 197               | (88)              |
| Net value adjustment balance                               | 20           | (24 450)          | (1 717)           |
| Other operating income                                     | 21           | 92 286            | 51 538            |
| Other operating expenses                                   | 21           | (91 512)          | (49 029)          |
| <b>Operating profit</b>                                    |              | <b>539</b>        | <b>27 229</b>     |
| Income from cash and cash equivalents                      |              | 4                 | 58                |
| Gross cost of financial indebtedness                       |              | (10 756)          | (10 637)          |
| <b>Net financial costs</b>                                 | <b>22</b>    | <b>(10 752)</b>   | <b>(10 579)</b>   |
| Other financial income and expenses                        | 23           | 9 627             | (310)             |
| Corporate income tax                                       | 24           | (111)             | (9)               |
| <b>NET PROFIT (LOSS)</b>                                   |              | <b>(696)</b>      | <b>16 331</b>     |
| Minority interests   |              | -                 | -                 |
| <b>NET PROFIT (LOSS) (GROUP SHARE)</b>                     |              | <b>(696)</b>      | <b>16 331</b>     |
| Profit (loss) per share                                    | 25           | (0,12)            | 2.89              |
| Diluted profit (loss) per share                            | 25           | (0,11)            | 2.87              |
| <b>NET PROFIT (LOSS)</b>                                   |              | <b>(696)</b>      | <b>16 331</b>     |
| Gains and losses recorded directly in shareholder's equity |              | -                 | -                 |
| <b>COMPREHENSIVE PROFIT (LOSS) (GROUP SHARE)</b>           |              | <b>(696)</b>      | <b>16 331</b>     |

**Cash flow statement**

| Euros, in thousands  | 30.06.2013      | 30.06.2012      |
|--|-----------------|-----------------|
| <b>CASH FLOW FROM OPERATIONS</b>   |                 |                 |
| <b>Consolidated net profit</b>   | <b>(696)</b>    | <b>16 331</b>   |
| Restatement:   |                 |                 |
| Net financial allowances for depreciation and provisions                                 | (55)            | 110             |
| Net balance from value adjustments of investment properties                              | 24 450          | 1 717           |
| Profits/losses on value adjustments on the other assets and liabilities                  | (9 000)         | 433             |
| Capital gains & losses from disposals  | (4 653)         | (2 571)         |
| Calculated charges and income from payments in shares                                    | 489             | -               |
| <b>Cash flow from operations after net cost of financial indebtedness and income tax</b> | <b>10 535</b>   | <b>16 020</b>   |
| Income tax expense   | 111             | 9               |
| Net financial costs  | 10 748          | 10 579          |
| <b>Cash flow from operations before net cost of financial debt and income tax</b>        | <b>21 394</b>   | <b>26 608</b>   |
| Taxes paid   | (270)           | 100             |
| Change in working capital requirement linked to operations                               | 7 547           | 282             |
| <b>Net cash flow from (for) operations</b>   | <b>28 671</b>   | <b>26 990</b>   |
| <b>CASH FLOW LINKED TO INVESTMENT TRANSACTIONS</b>                                       |                 |                 |
| Acquisition of fixed assets  |                 |                 |
| Intangible and tangible  | (12 235)        | (10 946)        |
| Financial  | -               | -               |
| Disposal of fixed assets   | 95 203          | 51 338          |
| Change in loans and financial receivables agreed   | (973)           | -               |
| Impact of changes in the consolidation scope   | -               | -               |
| <b>Net cash flow linked to investment transactions</b>                                   | <b>81 995</b>   | <b>40 392</b>   |
| <b>CASH FLOW LINKED TO FINANCING TRANSACTIONS</b>  |                 |                 |
| Dividends paid to parent company shareholders  | (7 234)         | (6 120)         |
| Dividends paid to minority interests   | -               | -               |
| Capital increase   | -               | -               |
| (Purchase) / sale of treasury shares   | (278)           | (59)            |
| Borrowings issued  | 2 719           | 127 718         |
| Repayment of borrowings  | (75 668)        | (175 936)       |
| Net financial interest paid  | (11 858)        | (11 767)        |
| Change in other financial debt   | -               | -               |
| <b>Net cash flow from financing activities</b>   | <b>(92 319)</b> | <b>(66 164)</b> |
| <b>CASH FLOW</b>   | <b>18 346</b>   | <b>1 218</b>    |
| Cash flow at opening   | 3 138           | 16 362          |
| Cash flow at closing   | 21 484          | 17 580          |
| <b>Cash flow variation</b>   | <b>18 346</b>   | <b>1 218</b>    |

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

| Euros, in thousands              | Share capital | Premiums      | Legal reserve | Consolidated reserves | Year-end net profit (loss) | Total Group share | Minority interests | Total Shareholders' Equity |
|----------------------------------|---------------|---------------|---------------|-----------------------|----------------------------|-------------------|--------------------|----------------------------|
| <b>Balance at 31.12.2011</b>     | <b>28 681</b> | <b>41 947</b> | <b>2 796</b>  | <b>284 437</b>        | <b>29 350</b>              | <b>387 211</b>    | -                  | <b>387 211</b>             |
| Appropriation of net profit/loss | -             | -             | 72            | 29 278                | (29 350)                   | -                 | -                  | -                          |
| Dividends paid                   | -             | -             | -             | (24 082)              | -                          | (24 082)          | -                  | (24 082)                   |
| Capital increase                 | 1 872         | 10 930        | -             | -                     | -                          | 12 802            | -                  | 12 802                     |
| Cost of capital increase         | -             | -             | -             | -                     | -                          | -                 | -                  | -                          |
| Profit/loss for current period   | -             | -             | -             | -                     | (6 071)                    | (6 071)           | -                  | (6 071)                    |
| Share subscription warrants      | -             | -             | -             | -                     | -                          | -                 | -                  | -                          |
| Stock option plans               | -             | -             | -             | 871                   | -                          | 871               | -                  | 871                        |
| Other movements                  | -             | -             | -             | -                     | -                          | -                 | -                  | -                          |
| Share buy-back                   | -             | -             | -             | (38)                  | -                          | (38)              | -                  | (38)                       |
| <b>Balance at 31.12.2012</b>     | <b>30 553</b> | <b>52 877</b> | <b>2 868</b>  | <b>290 466</b>        | <b>(6 071)</b>             | <b>370 693</b>    | -                  | <b>370 693</b>             |
| Appropriation of net profit/loss | -             | -             | 187           | (6 258)               | 6 071                      | -                 | -                  | -                          |
| Dividends paid                   | -             | -             | -             | (12 634)              | -                          | (12 634)          | -                  | (12 634)                   |
| Capital increase                 | 583           | 4 817         | -             | -                     | -                          | 5 400             | -                  | 5 400                      |
| Cost of capital increase         | -             | -             | -             | -                     | -                          | -                 | -                  | -                          |
| Profit/loss for current period   | -             | -             | -             | -                     | (696)                      | (696)             | -                  | (696)                      |
| Share subscription warrants      | -             | -             | -             | -                     | -                          | -                 | -                  | -                          |
| Stock option plans               | -             | -             | -             | 489                   | -                          | 489               | -                  | 489                        |
| Other movements                  | -             | -             | -             | -                     | -                          | -                 | -                  | -                          |
| Share buy-back                   | -             | -             | -             | (276)                 | -                          | (276)             | -                  | (276)                      |
| <b>Balance at 30.06.2013</b>     | <b>31 136</b> | <b>57 694</b> | <b>3 055</b>  | <b>271 787</b>        | <b>(696)</b>               | <b>362 976</b>    | -                  | <b>362 976</b>             |

**APPENDIX TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**1. General information**

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

Société de la Tour Eiffel is a limited company registered and domiciled in France. Its registered office is at 20-22 rue de la Ville l'Evêque, Paris.

The shares of Société de la Tour Eiffel are listed on NYSE Euronext Paris (Compartment B).

The publication of the financial statements for the accounts closed on 30 June 2013 was approved by the Board of Directors on 24 July 2013. They are presented in thousands of euros unless otherwise indicated.

**2. Accounting methods**

The H1 2013 summary of the consolidated financial statements for Société de la Tour Eiffel and its subsidiaries (the Group) has been prepared following standard IAS 34 on "Interim Financial Reporting". Since this is a summary of financial statements, these do not include all information required by the IFRS and must be read in conjunction with the Group's annual consolidated financial statement published during the financial year closing 31 December 2012. The main accounting principles applied in the preparation of the summary of the intermediate consolidated financial statements are in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union and applicable on 30 June 2013.

The accounting principles applied for the consolidated financial statements at 30 June 2013 are identical to those used in the consolidated financial statements at 31 December 2012, with the exception of adopting the following new standards and interpretations which must be applied by the Group:

|                     |   |   |
|---------------------|---|---|
| Amendment to IAS 1  | : | Presentation of Financial Statements – Presentation of other comprehensive income items |
| Amendment to IAS 12 | : | Deferred Tax: Recovery of Underlying Assets   |
| Amendment to IAS 19 | : | Defined benefit plans   |
| Amendment to IFRS 7 | : | Disclosures - Offsetting Financial Assets and Financial Liabilities                     |
| Amendment to IFRS 1 | : | Severe hyperinflation and elimination of firm implementation dates for early adopters   |
| IFRS 13             | : | Fair Value Measurement  |



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These standards had no significant impact on the Group's consolidated financial statements at 30 June 2013.

The following texts are published by the IASB but not yet compulsory:

|                               |   |   |
|-------------------------------|---|---|
| Amendments to IFRS 10, 11, 12 | : | Transition guidance                                   |
| Amendment to IAS 27           | : | Separate Financial Statements                         |
| Amendment to IAS 28           | : | Investments in associates and joint ventures          |
| Amendment to IAS 32           | : | Offsetting Financial Assets and Financial Liabilities |
| IFRS 9                        | : | Financial Instruments                                 |
| IFRS 10                       | : | Consolidated Financial Statements                     |
| IFRS 11                       | : | Joint Arrangements                                    |
| IFRS 12                       | : | Disclosure of Interests in Other Entities             |

The Group did not apply any standard or interpretation in advance.

The main estimations and judgements for the establishment of the half-yearly financial statements are identical to those outlined in note 5 of the 2012 Appendix to the consolidated financial statements.

**2. Scope of consolidation – List of consolidated companies**

| <b>Companies</b>              | <b>SIREN ID</b> | <b>Consolidation method</b> | <b>% of equity stake June 2013</b> | <b>% of equity stake December 2012</b> | <b>Date company joined Group's scope</b> |
|-------------------------------|-----------------|-----------------------------|------------------------------------|--|--|
| SOCIÉTÉ DE LA TOUR EIFFEL     | 572 182 269     | Parent company              |                                    |  |  |
| SCI DU 153 AVENUE JEAN JAURÈS | 419 127 287     | F.C.*                       | 100%                               | 100%                                   | December 2003                            |
| SCI NOWA                      | 443 080 379     | F.C.*                       | 100%                               | 100%                                   | April 2004                               |
| SCI Arman F02                 | 444 978 076     | F.C.*                       | 100%                               | 100%                                   | April 2004                               |
| SCI DES BERGES DE L'OURCQ     | 478 726 565     | F.C.*                       | 100%                               | 100%                                   | September 2004                           |
| SCI CHAMPIGNY CARNOT          | 479 586 893     | F.C.*                       | 100%                               | 100%                                   | November 2004                            |
| SCI COMETE                    | 479 576 761     | F.C.*                       | 100%                               | 100%                                   | December 2004                            |
| SCI ETUPES DE L'ALLAN         | 480 601 038     | F.C.*                       | 100%                               | 100%                                   | January 2005                             |
| SCI CAEN COLOMBELLES          | 482 598 133     | F.C.*                       | 100%                               | 100%                                   | May 2005                                 |
| SAS Locafimo                  | 692 031 149     | F.C.*                       | 100%                               | 100%                                   | December 2005                            |
| Tour Eiffel Asset Management  | 380 757 807     | I.G*                        | 100%                               | 100%                                   | May 2006                                 |
| SCI DE BROU                   | 351 819 966     | F.C.**                      | 100%                               | 100%                                   | June 2006                                |
| SCI GRENOBLE PONT D'OXFORD    | 490 034 063     | F.C.*                       | 100%                               | 100%                                   | May 2006                                 |
| SCI RUEIL NATIONAL            | 489 900 498     | F.C.*                       | 100%                               | 100%                                   | May 2006                                 |
| SCI PORTE DES LILAS           | 490 989 803     | F.C.*                       | 100%                               | 100%                                   | July 2006                                |
| SCI VELIZY TOPAZ              | 328 223 706     | F.C.**                      | 100%                               | 100%                                   | December 2006                            |
| SCI ARMAN AMPERE              | 509 498 523     | F.C.*                       | 100%                               | 100%                                   | December 2008                            |
| SCI MONTRouGE ARNOUX          | 530 651 181     | F.C.*                       | 100%                               | 100%                                   | February 2011                            |

\*: Fully consolidated

\*\* : Acquisitions considered to be acquisitions of assets

All companies in the Group are registered in France and have a common address: 20-22, Rue de la Ville l'Evêque, 75008 Paris

There was no change to the consolidation scope during the half year.

**3. Management of financial risks**

**Market risks**

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

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The Group's policy for managing interest rate risk aims to restrict the impact of a change in interest rates on its income and cash flow, and to keep the total costs of its debt as low as possible. To achieve these objectives, the Group's companies generally borrow at a variable rate and use derivatives (caps and swaps) to cover their risk of exposure to rate changes. They do not perform market transactions for any purpose other than to hedge their interest rate risk, and they personally centralise and manage all transactions performed.

Société de la Tour Eiffel did not record any losses on its open-end fund investments, including after the sub-prime crisis. Indeed, these investment vehicles are liquid, secure and hardly volatile. This enables them to be classified as Cash and cash equivalents.

At 30 June 2013, the group's consolidated gross indebtedness to banks was €442.8m, comprising €410.8m of fixed rate debt (of which €410.8m were hedged with fixed-rate swaps) and €32m of variable rate debt, entirely hedged by interest rate caps. Thus at 30 June 2013, debt was entirely hedged.

On the basis of the outstanding debt as at 30 June 2013, an average rise in the Euribor 3-month interest rates of 100 basis points would have after hedging effect a negative impact (on an annual basis) on recurring net income, estimated at €0.2 million.

Conversely, a drop in interest rates to reach a 0% Euribor 3-month rate would reduce the financing cost by an estimated €0.05m, resulting after hedging effect in an equivalent positive impact on the recurring net income.

### ***Risks on treasury shares***

As part of the share buyback programme authorised by the General Shareholders' Meeting of 24 May 2012, the company is subject to a risk on the value of the shares it is liable to hold.

Based on the number of shares held at 30 June 2013, or 100,569 shares, the inherent risk of a 10% drop in the Société de la Tour Eiffel share price is estimated to be €0.5m.

### ***Counterparty risk***

The company only enters into hedging agreements with world-class banking institutions.

### ***Currency risk***

Since the Group conducts its activities only in France, it is not exposed to any currency risk.

### ***Liquidity risk***

The Company and its subsidiaries have entered into master agreements with banks of international repute, the purpose of which is to finance and refinance the group's real estate portfolio; these agreements have been amended by riders to keep pace with the expansion of its asset base by external growth.

These bank financing agreements contain boilerplate prepayment clauses covering various cases and, in each case, under certain precisely defined conditions.

Among others, these cases include default in payment of an amount payable, non-compliance with certain financial ratios, breach of the various commitments taken by the Company or its subsidiaries, inaccuracy of various statements and guarantees taken out; the occurrence of an event that has a

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material adverse effect on the Group's business, or its financial, legal or tax situation, or on the property owned by the Group; the lack of validity and of enforceable nature of the commitments, the lack of registration of a mortgage lien at the agreed rank, the realisation of guarantees by a creditor of the Company over assets financed by amounts drawn on the framework agreement; the existence of class action suits; dissolution of the Company; merger not authorised by the lender; the sale of a portion of the securities of a subsidiary whose real estate asset had been financed via the master agreement; the existence of a requisition / expropriation proceeding over a property financed by the master agreement once the compensation is inadequate to make it possible to repay the financed share, the recovery of a tax following a non-disputed tax revision that has a material adverse effect; loss of eligibility for the tax status as a SIIC not as a result of a change to legislation; reservations of the auditors when they have a material adverse effect or the entire loss of a property financed using the master agreement.

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

The company has conducted a specific review of its liquidity risk and considers it is capable of meeting its future payments.

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

- LTV ratio: amount of committed financings over that of the fixed assets financed;
- ICR ratio: commonly defined as the hedging of financing expenses by net rentals.

The average maturity of our debt is now 4.8 years, particularly subsequent to the 2012 refinancing of the Group's two main credit lines.

The LTV ratio went from 55.9% at 31/12/2012 to 52.1% at 30/06/2013, in line with the debt reduction strategy adopted by the Group and with current market expectations.

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### Bank financing and main covenants at 30 June 2013

| in €M  | 30/06/2013        | Bank covenants |                  | Latest ratios communicated to banks |          | Maturity date | Buildings financed            |
|--|-------------------|----------------|------------------|-------------------------------------|----------|---------------|-------------------------------|
|  | Consolidated debt | Maximum LTV    | Minimum ICR/DSCR | LTV                                 | ICR/DSCR |               |                               |
| Société Générale / BECM                          | 22.1              | 65%            | 145%             | 50.1%                               | 186%     | 15/04/2018    | "La Poste" portfolio          |
| PBB-CFF-CACIB-SG pool                            | 239.1             | 62.5%          | 120%             | 61.1%                               | 132.0%   | 13/11/2017    | Locafimo                      |
| Société Générale                                 | 8.4               | NA             | 110%             | NA                                  | 138%     | 14/01/2015    | Saint-Cloud                   |
| Société Générale (50%) -<br>Crédit Foncier (50%) | 45.4              | 65%            | 110%             | #VALEUR!                            | 159%     | 28/03/2017    | Massy Ampère &<br>Montpellier |
| Crédit Foncier                                   | 12.5              | 65%            | 110%             | N/A (*)                             | N/A (*)  | 30/06/2018    | Montrouge Arnoux              |
| SAAR LB  | 8.7               | 72%            | 176%             | #VALEUR!                            | 274%     | 26/06/2019    | Berges de l'Ourcq             |
|  | 20.2              | 53%            | 192%             | #VALEUR!                            | 316%     | 26/06/2019    | Comète - Plessis              |
|  | 20.0              | 63%            | 159%             | #VALEUR!                            | 248%     | 26/06/2019    | Champigny Carnot              |
|  | 12.2              | 58%            | 178%             | #VALEUR!                            | 277%     | 26/06/2019    | Jean Jaurès                   |
|  | 12.7              | 52%            | 233%             | #VALEUR!                            | 365%     | 26/06/2019    | Caen Colombelles              |
|  | 9.9               | 70%            | 148%             | #VALEUR!                            | 238%     | 26/06/2019    | Etupes de l'Allan             |
|  | 4.7               | 60%            | 159%             | #VALEUR!                            | 261%     | 26/06/2019    | Grenoble Polytec              |
| Crédit Agricole IdF                              | 19.3              | 56%            | 150%             | #VALEUR!                            | 241%     | 26/06/2019    | Rueil National                |
| Crédit Agricole IdF                              | 7.6               | 70%            | 115%             | 60%                                 | 115%     | 29/06/2027    | Vélizy Energy 2               |
| <b>TOTAL</b>                                     | <b>442.8</b>      |                |                  |                                     |          |               |                               |

The level of ratios under loan covenants at 30 June 2013 complies with all of the Group's commitments contained in its financing agreements.

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

**NOTE 1: Tangible fixed assets**

**Variance by type**

| Euros, in thousands            | Property under<br>construction | Office and<br>computer<br>equipment | TOTAL      |
|--------------------------------|--------------------------------|-------------------------------------|------------|
| <b>Year ended 31.12.12</b>     | -                              | -                                   | -          |
| Net opening balance            | -                              | 410                                 | 410        |
| Changes in consolidation scope | -                              | -                                   | -          |
| Acquisitions                   | -                              | 30                                  | 30         |
| Divestments                    | -                              | -                                   | -          |
| Reclassification               | -                              | -                                   | -          |
| Other movements                | -                              | -                                   | -          |
| Amortisation                   | -                              | (84)                                | (84)       |
| <b>Net balance at close</b>    | -                              | <b>356</b>                          | <b>356</b> |
| <b>at 31.12.12</b>             | -                              | -                                   | -          |
| Gross                          | -                              | 886                                 | 886        |
| Total amortisation             | -                              | (530)                               | (530)      |
| <b>Net book value</b>          | -                              | <b>356</b>                          | <b>356</b> |
| <b>Closed at 30.06.13</b>      | -                              | -                                   | -          |
| Net opening balance            | -                              | 356                                 | 356        |
| Changes in consolidation scope | -                              | -                                   | -          |
| Acquisitions                   | -                              | 12                                  | 12         |
| Divestments                    | -                              | -                                   | -          |
| Reclassification               | -                              | -                                   | -          |
| Other movements                | -                              | -                                   | -          |
| Amortisation                   | -                              | (44)                                | (44)       |
| <b>Net balance at close</b>    | -                              | <b>324</b>                          | <b>324</b> |
| <b>at 30.06.13</b>             | -                              | -                                   | -          |
| Gross                          | -                              | 897                                 | 897        |
| Total amortisation             | -                              | (574)                               | (574)      |
| <b>Net book value</b>          | -                              | <b>323</b>                          | <b>323</b> |

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### NOTE 2: Investment properties

Variance by type

| <b>Euros, in thousands</b>                  | <b>Investment property</b> |
|---|----------------------------|
| <b>Close at 31.12.2012</b>                  | -                          |
| Net opening balance                         | 990 296                    |
| Acquisitions                                | 11 794                     |
| Expenditures from completed buildings       | 5 526                      |
| Divestments                                 | (66 905)                   |
| Reclassification                            | (106)                      |
| Net transfer to buildings destined for sale | (38 025)                   |
| Changes in consolidation scope              | -                          |
| Fair value effect (profit and loss)         | (29 791)                   |
| <b>Net balance at close</b>                 | <b>872 789</b>             |
| <b>Close at 30.06.2013</b>                  | -                          |
| Net opening balance                         | 872 789                    |
| Acquisitions                                | 2 472                      |
| Expenditures from completed buildings       | 1 235                      |
| Divestments (*)                             | (47 320)                   |
| Reclassification                            | -                          |
| Net transfer to buildings destined for sale | (53 700)                   |
| Changes in consolidation scope              | -                          |
| Fair value effect (profit and loss)         | (24 538)                   |
| <b>Net balance at close</b>                 | <b>750 938</b>             |

(\*) The divestments were as follows:

- €38,550,000: SAS Locafimo's Parc du Millénaire in Montpellier; sale of the entire Parc except for buildings 8 and 29 on 15 May 2013 and sale of building 8 on 25 June 2013;
- €8,770,000: sale of SCI Nowa's Caen Mondeville building on 30 May 2013.

### **Restrictions relating to the possibility of disposing of an investment property or the recovery of the proceeds from their sale**

There has been no such restriction placed on any investment property.

NOTE 3: Goodwill on acquisitions

| <i>(in thousands of €)</i>  | Comète  | Arman<br>F02 | Jean<br>Jaurès | Locafimo | Porte des<br>Lilas | Total goodwill  |
|-----------------------------|---------|--------------|----------------|----------|--------------------|-----------------|
| <b>Year ended 31/12/12</b>  |         |              |                |          |                    |                 |
| Net opening balance         | -       | -            | -              | -        | -                  | -               |
| Acquisitions                | -       | -            | -              | -        | -                  | -               |
| Divestments                 | -       | -            | -              | -        | -                  | -               |
| Provisions                  | -       | -            | -              | -        | -                  | -               |
| <b>Net balance at close</b> | -       | -            | -              | -        | -                  | -               |
| <b>at 31.12.12</b>          |         |              |                |          |                    |                 |
| Gross                       | 2 350   | 1 873        | 262            | 16 500   | 121                | <b>21 106</b>   |
| Total provisions            | (2 350) | (1 873)      | (262)          | (16 500) | (121)              | <b>(21 106)</b> |
| <b>Net book value</b>       | -       | -            | -              | -        | -                  | -               |
| <b>Close at 30/06/13</b>    |         |              |                |          |                    |                 |
| Net opening balance         | -       | -            | -              | -        | -                  | -               |
| Acquisitions                | -       | -            | -              | -        | -                  | -               |
| Divestments                 | -       | -            | -              | -        | -                  | -               |
| Provisions                  | -       | -            | -              | -        | -                  | -               |
| <b>Net balance at close</b> | -       | -            | -              | -        | -                  | -               |
| <b>at 30.06.13</b>          |         |              |                |          |                    |                 |
| Gross                       | 2.350   | 1.873        | 262            | 16.500   | 121                | <b>21.106</b>   |
| Total provisions            | (2 350) | (1 873)      | (262)          | (16 500) | (121)              | <b>(21 106)</b> |
| <b>Net book value</b>       | -       | -            | -              | -        | -                  | -               |



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### NOTE 4: Intangible fixed assets

Variance by type

| Euros, in thousands                | Internally<br>generated<br>intangible<br>assets | Acquired<br>intangible<br>assets | Total intangible<br>assets |
|------------------------------------|---|----------------------------------|----------------------------|
| <b>Year ended 31.12.2012</b>       | -   | -                                | -                          |
| Net opening balance                | -   | 19                               | 19                         |
| Acquisitions                       | -   | 18                               | 18                         |
| Divestments                        | -   | -                                | -                          |
| Amortisation                       | -   | -                                | -                          |
| Reclassification                   | -   | (13)                             | (13)                       |
| New consolidations                 | -   | -                                | -                          |
| <b>Net balance at close</b>        | -   | <b>24</b>                        | <b>24</b>                  |
| <b>at 31.12.2012</b>               | -   | -                                | -                          |
| Gross                              | -   | 4 244                            | 4 244                      |
| Total amortisation                 | -   | (4 220)                          | (4 220)                    |
| <b>Net book value</b>              | -   | <b>24</b>                        | <b>24</b>                  |
| <b>Year ended 30.06.2013</b>       | -   | -                                | -                          |
| Net opening balance                | -   | 24                               | 24                         |
| Acquisitions                       | -   | -                                | -                          |
| Divestments                        | -   | -                                | -                          |
| Amortisation reversal on disposals | -   | -                                | -                          |
| Amortisation                       | -   | (8)                              | (8)                        |
| Reclassification                   | -   | -                                | -                          |
| <b>Net balance at close</b>        | -   | <b>16</b>                        | <b>16</b>                  |
| <b>at 30.06.2013</b>               | -   | -                                | -                          |
| Gross                              | -   | 4 244                            | 4 244                      |
| Total amortisation                 | -   | (4 228)                          | (4 228)                    |
| <b>Net book value</b>              | -   | <b>16</b>                        | <b>16</b>                  |

The intangible assets have been acquired and have not been revalued.

At closing, intangible assets are comprised of the net worth of concessions, patents and similar rights held by Tour Eiffel Asset Management and Société de la Tour Eiffel.

The Asset Management contract recorded when Awon Asset Management, renamed Tour Eiffel Asset Management on 1 September 2010, entered the scope of consolidation (in 2006) was fully amortised at 31 December 2011.

**NOTE 5: Financial assets**

**Non-current financial assets - Type**

| Euros, in thousands                 | Fixed securities | Long-term investments | Valuation of CAPS and SWAPS | Deposits and sureties paid | Loans and other long-term receivables | Total Financial assets |
|-------------------------------------|------------------|-----------------------|-----------------------------|----------------------------|---------------------------------------|------------------------|
| <b>Year ended 31.12.2012</b>        | -                | -                     | -                           | -                          | -                                     | -                      |
| Net opening balance                 | -                | -                     | 44                          | 422                        | -                                     | 466                    |
| Increases                           | -                | -                     | -                           | 21                         | 1 001                                 | 1 021                  |
| Reclassification                    | -                | -                     | (44)                        | -                          | -                                     | 44                     |
| Decreases                           | -                | -                     | -                           | (6)                        | -                                     | (6)                    |
| Redemptions                         | -                | -                     | -                           | -                          | -                                     | -                      |
| Fair value effect (profit and loss) | -                | -                     | 240                         | -                          | -                                     | 240                    |
| <b>Net balance at close</b>         | -                | -                     | <b>240</b>                  | <b>437</b>                 | <b>1 001</b>                          | <b>1 678</b>           |
| <b>Close at 30.06.2013</b>          | -                | -                     | -                           | -                          | -                                     | -                      |
| Net opening balance                 | -                | -                     | 240                         | 437                        | 1 001                                 | 1 678                  |
| Increases                           | -                | -                     | -                           | 369                        | 720                                   | 1 089                  |
| Reclassification                    | -                | -                     | -                           | -                          | -                                     | -                      |
| Decreases                           | -                | -                     | -                           | (37)                       | (77)                                  | (114)                  |
| Redemptions                         | -                | -                     | -                           | -                          | -                                     | -                      |
| Fair value effect (profit and loss) | -                | -                     | 135                         | -                          | -                                     | 135                    |
| <b>Net balance at close</b>         | -                | -                     | <b>375</b>                  | <b>769</b>                 | <b>1 644</b>                          | <b>2 788</b>           |

**Loans and other long-term receivables:**

The variation in this item stems from cash transferred into a cash deposit account as collateral for the new SAAR LB line of financing.

**Derivative instruments:**

The Tour Eiffel Group has contracted financial instruments (caps and swaps) which have not been considered as hedge instruments in accounting terms.

The fair values are provided by the issuing financial institutions.

Any changes in the value of financial instruments from one year-end to another were recorded under financial result.

The adjustment to fair value at 30 June 2013 results in an overall positive financial impact in other financial income and charges of €9,772K.

The fair value of derivative instruments was determined by way of a recognized valuation model using observable data (second level of the fair value hierarchy).

**Main characteristics of financial instruments held at 30 June 2013**

| Type of contract | Subscription date | Expiration date | Notional amount in thousands of € | Benchmark rate  | Guaranteed rate | Fair value in thousands of € |
|------------------|-------------------|-----------------|-----------------------------------|-----------------|-----------------|------------------------------|
| CAP              | 14-11-2012        | 13-11-2017      | 40,309                            | 3-month Euribor | 2%              | 375                          |
| <b>TOTAL</b>     |                   |                 |                                   |                 |                 | <b>375</b>                   |

**NOTE 6: Assets for disposal**

| Euros, in thousands                     | Properties selected for disposal |
|---|----------------------------------|
| <b>Close at 31.12.12</b>                |                                  |
| Net opening balance                     | 8 916                            |
| Net transfer from investment properties | 38 025                           |
| Acquisitions                            | -                                |
| Divestments                             | (4 106)                          |
| Fair value effect (profit and loss)     | (235)                            |
| <b>Net balance at close</b>             | <b>42 600</b>                    |
| <b>Close at 30.06.2013</b>              |                                  |
| Net opening balance                     | 42 600                           |
| Net transfer from investment properties | 53 700                           |
| Acquisitions                            | 1 347                            |
| Divestments                             | (40 105)                         |
| Fair value effect (profit and loss)     | 88                               |
| <b>Net balance at close</b>             | <b>57 630</b>                    |

The H1 2013 disposals are:

- €3.225K for Société de la Tour Eiffel's building in Amiens,
- €2,390K for the Reception building of Caen Colombelles company,
- €2,795K for the Ludres building of Arman F02 company,
- €12,922K for the Vitrolles building of de Nowa company,
- €7,210K for the Orléans Université building of Nowa
- €8,623K for the Le Bourget building of Locafimo company,
- €2,940K for buildings C, E, F, G, H and I of Parc Cadéra Sud of Locafimo company

The balance corresponds to:

- building E at Locafimo's Tanneries complex in Strasbourg,
- Locafimo's Parc du Moulin à Vent located in Venissieux,
- the property at 12 rue Paul Langevin in Herblay owned by Locafimo,
- Locafimo's Parc Cadéra in Mérignac.

**NOTE 7: Trade and related receivables**

| <b>Euros, in thousands</b>                              | <b>30.06.2013</b> | <b>31.12.2012</b> |
|---|-------------------|-------------------|
| Gross   | 23 056            | 24 454            |
| Provisions  | (719)             | (812)             |
| <b>Total net trade receivables and related accounts</b> | <b>22 337</b>     | <b>23 642</b>     |

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

| <b>Euros, in thousands</b>        | <b>30.06.2013</b> | <b>31.12.2012</b> |
|-----------------------------------|-------------------|-------------------|
| - Advances and deposits paid      | 53                | 47                |
| - Personnel and related accounts  | -                 | 8                 |
| - State receivables               | 8 446             | 3 949             |
| - Current accounts (assets)       | -                 | -                 |
| - Accounts receivable             | 74                | 55                |
| - Prepaid expenses                | 1 361             | 901               |
| - Other receivables               | 5 507             | 7 222             |
| <b>Total gross value</b>          | <b>15 441</b>     | <b>12 182</b>     |
| - Provisions on other receivables | (2 016)           | (2 016)           |
| <b>TOTAL</b>                      | <b>13 425</b>     | <b>10 166</b>     |

State receivables mainly correspond to forthcoming VAT refunds and credits.

Other receivables are mainly:

- in 2012: €2,016,000 corresponding to the Locafimo bank claims with the Pallas Stern bank, €652,000 in calls for funds at Locafimo, Ourcq and Porte des Lilas, €1,195,000 in legal fees related to refinancing, and €3,125,000 in credit for the sale of the Shared Service Centre in Caen Colombelles.
- at 30 June 2013: €2,016,000 corresponding to the Locafimo bank claims with the Pallas Stern bank, and €1,551,000 in calls for funds at Locafimo.

**NOTE 9: Cash and cash equivalents**

The marketable securities mainly consist of monetary UCITs evaluated at their closing price.

| <b>Euros, in thousands</b>  | <b>30.06.2013</b> | <b>31.12.2012</b> |
|---|-------------------|-------------------|
| Marketable securities   | 5 671             | 2                 |
| Cash and cash equivalents   | 16 605            | 3 155             |
| <b>Total cash assets</b>  | <b>22 276</b>     | <b>3 157</b>      |
| Bank credit balance   | (792)             | (17)              |
| <b>Net cash and cash equivalents as reported in the statement of cash flows</b> | <b>21 484</b>     | <b>3 140</b>      |

**NOTE 10: Capital and premiums linked to capital**

**1) Composition of share capital**

|                                    | <b>Number<br/>of<br/>ordinary<br/>shares</b> | <b>Nominal<br/>value of the<br/>share</b> | <b>Total capital</b>           | <b>Issue<br/>premium</b>           | <b>TOTAL</b>                   |
|------------------------------------|--|---|--------------------------------|------------------------------------|--------------------------------|
|                                    |  | <i>(in euros)</i>                         | <i>(in thousands<br/>of €)</i> | <i>(in<br/>thousands<br/>of €)</i> | <i>(in thousands<br/>of €)</i> |
| <b>As at 31 December 2011</b>      | <b>5 736 272</b>                             | <b>5</b>                                  | <b>28 681</b>                  | <b>41 947</b>                      | <b>70 628</b>                  |
| Capital increase                   | 374 339                                      | 5   | 1 872                          | 10 930                             | 12 802                         |
| Reduction in capital               | -  | -   | -                              | -                                  | -                              |
| Issue costs                        | -  | -   | -                              | -                                  | -                              |
| Dividends paid                     | -  | -   | -                              | -                                  | -                              |
| Appropriation to retained earnings | -  | -   | -                              | -                                  | -                              |
| <b>As at 31 December 2012</b>      | <b>6 110 611</b>                             | <b>5</b>                                  | <b>30 553</b>                  | <b>52 877</b>                      | <b>83 430</b>                  |
| Capital increase                   | 116 607                                      | 5   | 583                            | 4 817                              | 5 400                          |
| Reduction in capital               | -  | -   | -                              | -                                  | -                              |
| Issue costs                        | -  | -   | -                              | -                                  | -                              |
| Dividends paid                     | -  | -   | -                              | -                                  | -                              |
| Appropriation to retained earnings | -  | -   | -                              | -                                  | -                              |
| <b>As at 30 June 2013</b>          | <b>6 227 218</b>                             | <b>5</b>                                  | <b>31 136</b>                  | <b>57 694</b>                      | <b>88 830</b>                  |

All the issued shares have been fully paid up.

(1) The capital increase is further to the exercising of the following:

- the shareholders exercising the option to receive the final dividend in shares, their distribution being decided by the Ordinary General Meeting of 30 May 2013 and recorded by the Board of Directors on 30 May 2013 to the amount of €583,000.

**2) Issue of stock options**

**The Conditions**

There are performance conditions and obligations to purchase shares for the stock options of plans allocated in 2012.

- two thirds of stock options may be exercised if the company's equity capital has been reinforced, bank debt has been refinanced under favourable conditions, and the management team has presented a strategic plan for the company following this refinancing;

- one third of stock options may be exercised on the condition that the consolidated operating cash flow on a like-for-like basis, adjusted to capital gains or losses on sales of the last financial year closed on the strike date, is at least 5% higher than the three previous financial years on the date of acquisition.

- The beneficiaries of these stock options will receive only one quarter of the options allocated if they do not purchase directly and/or indirectly on the market, within the six months preceding or following the allocation of bonus shares decided upon on 4 September 2012 and 11 October 2012.

## **SOCIETE DE LA TOUR EIFFEL**

### **Allocated in 2008**

28,198 share subscription options were granted to the company's officers and top executives during the financial period.

The strike price is €32.87.

All of the options may be exercised as of the date of their allocation, i.e. starting 11 December 2008. The options have a contractual term of five years.

### **Allocated in 2009**

28,427 share subscription options were granted to the company's officers and top executives during the financial period.

The strike price is €45.95.

All of the options may be exercised as of the date of their allocation, i.e. starting 15 October 2009. The options have a contractual term of five years.

On 15 October 2009, the Board of Directors voted to adjust the number of stock subscription or purchase options previously granted to the company officers and employees to factor in the distribution of a portion of the issue premium voted by the Ordinary General Meeting of 15 October 2009.

On 10 March 2010, holders of stock subscription or purchase options allocated in 2006 and 2007 agreed to forego the following plans:

- plan 2: 29,594 options granted on 22 March 2006
- plan 3: 9,603 options granted on 15 May 2006
- plan 4: 135,064 options granted on 14 September 2006
- plan 5: 24,182 options granted on 29 March 2007
- plan 6: 26,931 options granted on 16 October 2007

On 20 May 2010, the Board of Directors voted to adjust the number of stock subscription or purchase options previously granted to the company officers and employees to factor in the distribution of a portion of the issue premium voted by the Ordinary General Meeting of 20 May 2010.

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 option was €41,805.

### **Allocated in 2012**

85,000 share subscription options were granted to the company's officers and top executives.

The strike price is €43.49.

All of the options may be exercised at the earliest two years after their allocation, i.e. starting 4 September 2014. The options have a contractual term of five years.

14,862 share subscription options were granted to one executive.

The strike price is €41.54.

All of the options may be exercised at the earliest two years after their allocation, i.e. starting 11 October 2014. The options have a contractual term of five years.

## SOCIETE DE LA TOUR EIFFEL

### Allocated in 2013

During the first half of 2013, 14,862 subscription options were allocated to one employee.  
The strike price is €44.56.

All of the options may be exercised at the earliest two years after their allocation, i.e. starting 11 April 2015. The options have a contractual term of five years.

### Estimation of option value

The number of options in circulation and their strike price are presented below:

| <i>(in thousands of €)</i>       | 30 June 2013                             |                       | 31 December 2012                         |                       |
|----------------------------------|--|-----------------------|--|-----------------------|
|                                  | Average strike price<br>(in € per share) | Options<br>(in units) | Average strike price<br>(in € per share) | Options<br>(in units) |
| <b>At 1 January</b>              | 40.96                                    | 154,987               | 40.71                                    | 55,941                |
| Granted                          | -  | 14,862                | -  | 99,862                |
| Null and void                    | -  | -                     | -  | -                     |
| Exercised                        | -  | -                     | -  | -                     |
| Adjustment after<br>distribution | -  | -                     | -  | -                     |
| Due                              | -  | -                     | -  | (816)                 |
| <b>At year end</b>               | <b>41.68</b>                             | <b>169,849</b>        | <b>40.96</b>                             | <b>154,987</b>        |

Out of the 169,849 options in circulation on 30 June 2013, 55,125 options may be exercised.

The principal assumptions of the model are as follows:

| Date granted | Status | Strike     | Adjusted option<br>strike price | Underlying price | Standard<br>deviation of<br>the anticipated<br>yield | Annual risk-free<br>interest rate |
|--------------|--------|------------|---------------------------------|------------------|--|-----------------------------------|
| 11/12/2008   | Valid  | 11/12/2013 | 32.87€                          | 14.90€           | 69%  | 3.00%                             |
| 15/10/2009   | Valid  | 15/10/2014 | 45.95€                          | 36.44€           | 60%  | 2.60%                             |
| 04/09/2012   | Valid  | 04/09/2014 | 43.49€                          | 27.35€           | 32.62%   | 0.96%                             |
| 11/10/2012   | Valid  | 04/09/2014 | 41.54€                          | 25.58€           | 32.62%   | 0.91%                             |
| 11/04/2013   | Valid  | 11/04/2015 | 44.56€                          | 30.63€           | 31.08%   | 0.596%                            |

### 3) Allocation of Bonus Shares

#### The Conditions

#### Allocated in 2011

A total of 18,000 and 2,000 bonus shares were granted respectively to corporate officers and employees on 8 December 2011.

## **SOCIETE DE LA TOUR EIFFEL**

The allocation of shares will be final at the end of two years, i.e. as of 8 December 2013. The beneficiaries must keep the shares for a minimum period of two years following the definitive allocation of these shares, i.e. until 8 December 2015.

There are no attendance or performance conditions for the beneficiaries of shares granted to employees.

For those granted to corporate officers, two non-cumulative performance conditions must be met:

- Two-thirds of the shares will be definitively allocated on the condition that the Company's equity is first reinforced and that banking debt has been refinanced under conditions that are favourable to the Company

- One third of the shares will be definitively allocated on the condition that the consolidated operating cash flow on a like-for-like basis is higher by at least 5% of the average of the three previous financial years on the date of acquisition.

### **Share allocation plan of December 2011**

The fair value of bonus shares granted during fiscal 2011 stood at 540,770 euros.

The principal assumptions of the model are as follows: fair value of the share of €30.04.

On 30 June 2013, rights acquired were recorded on the profit and loss account as personnel charges as a contra account to the shareholders' equity for a total amount of €127,000.

### **Allocated in 2012**

During the period, bonus shares were allocated to executives and employees, namely, 31,900 and 2,100 shares respectively. The three bonus share allocation plans are:

- 4 September 2012, 30,000 bonus shares to executives,
- 11 October 2012, 1,900 bonus shares to executives,
- 5 December 2012, 2,100 bonus shares to employees.

### **Plan of 4 September 2012:**

On 4 September 2012, 30,000 bonus shares were allocated to executives.

The allocation of shares will be final at the end of two years, i.e. as of 4 September 2014. The beneficiaries must keep the shares for a minimum period of two years following the definitive allocation of these shares, i.e. until 4 September 2016.

Two performance conditions must be fulfilled:

- One third of the shares will be definitively allocated on the condition that the Company's equity is first reinforced and that banking debt has been refinanced under conditions that are favourable to the Company

- two thirds of shares will be definitely allocated on the condition that the consolidated operating cash flow on a like-for-like basis is at least 5% higher than the average of the three previous financial years.

The beneficiaries of these shares will receive only one quarter of the bonus shares in the event that they do not purchase directly and/or indirectly on the market, within the six months preceding or following the allocation of bonus shares.



## **SOCIETE DE LA TOUR EIFFEL**

The fair value of bonus shares granted by this plans stands at €1,095,525.

The principal assumptions of the model are as follows: fair value of the share of €36.52.

As at 30 June 2013, the rights acquired are recorded on the income statement (staff charges) and the contra item posted to shareholders' equity in the amount of €274,000.

### **Plan of 11 October 2012:**

On 11 October 2012, 1,900 bonus shares were allocated to executives.

The allocation of shares will be final at the end of two years, i.e. as of 11 October 2014. The beneficiaries must keep the shares for a minimum period of two years following the definitive allocation of these shares, i.e. until 11 October 2016.

Two performance conditions must be fulfilled:

- One third of the shares will be definitively allocated on the condition that the Company's equity is first reinforced and that banking debt has been refinanced under conditions that are favourable to the Company
- two thirds of shares will be definitely allocated on the condition that the consolidated operating cash flow on a like-for-like basis is at least 5% higher than the average of the three previous financial years.

The beneficiaries of these shares will receive only one quarter of the bonus shares in the event that they do not purchase directly and/or indirectly on the market, within the six months preceding or following the allocation of bonus shares.

The fair value of bonus shares granted by this plan stands at €66,061.

The principal assumptions of the model are as follows: fair value of the share of €34.77.

As at 30 June 2013, the rights acquired are recorded on the income statement (staff charges) and the contra item posted to shareholders' equity in the amount of €17,000.

### **Plan of 5 December 2012:**

On 5 December 2012, 2,100 bonus shares were allocated to employees.

The allocation of shares will be final at the end of two years, i.e. as of 5 December 2014. The beneficiaries must keep the shares for a minimum period of two years following the definitive allocation of these shares, i.e. until 5 December 2016.

There is one attendance condition for the beneficiaries, but no performance conditions for shares granted to employees.

The fair value of bonus shares granted by this plan stands at €80,162.

The principal assumptions of the model are as follows: fair value of the share of €38.17.

As at 30 June 2013, the rights acquired are recorded on the income statement (staff charges) and the contra item posted to shareholders' equity in the amount of €20,000.

## **SOCIETE DE LA TOUR EIFFEL**

### **Plan of 11 April 2013:**

On 11 April 2013, 1,900 bonus shares were allocated to employees.

The allocation of shares will be final at the end of two years, i.e. as of 11 April 2015. The beneficiaries must keep the shares for a minimum period of two years following the definitive allocation of these shares, i.e. until 11 April 2017.

There is one attendance condition for the beneficiaries, but no performance conditions for shares granted to employees.

The fair value of bonus shares granted by this plan stands at €75,927.

The principal assumptions of the model are as follows: fair value of the share of €39.96.

As at 30 June 2013, the rights acquired are recorded on the income statement (staff charges) and the contra item posted to shareholders' equity in the amount of €8,000.

**NOTE 11: Borrowings and financial debts**

**Borrowings and financial debts – Variance by type**

| Euros, in thousands                                    | Balance at<br>31.12.2012 | Increases    | Decreases       | Fair value     | Reclas-<br>sification | Balance at<br>30.06.2013 |
|--|--------------------------|--------------|-----------------|----------------|-----------------------|--------------------------|
| Bank loans   | 500 106                  | 2 355        | (65 377)        | -              | (7 762)               | 429 322                  |
| - CAP and SWAP liabilities                             | 19 456                   | -            | (773)           | (8 818)        | -                     | 9 865                    |
| - Deposits and sureties received                       | 8 614                    | 364          | (678)           | -              | -                     | 8 300                    |
| Total other financial liabilities                      | 28 070                   | 364          | (1 451)         | (8 818)        | -                     | 18 165                   |
| <b>Total non-current debts</b>                         | <b>528 176</b>           | <b>2 719</b> | <b>(66 828)</b> | <b>(8 818)</b> | <b>(7 762)</b>        | <b>447 487</b>           |
| - Bank loans   | 14 525                   | -            | (8 841)         | -              | 7 762                 | 13 446                   |
| - Accrued interest                                     | 2 210                    | 977          | (2 086)         | -              | -                     | 1 101                    |
| - Bank credit lines                                    | 17                       | 775          | -               | -              | -                     | 792                      |
| Borrowings and financial debts<br>(less than one year) | 16 752                   | 1 752        | (10 927)        | -              | 7 762                 | 15 339                   |
| - CAP and SWAP liabilities                             | 819                      | 2            | -               | (46)           | -                     | 775                      |
| - Deposits and sureties received                       | 41                       | -            | (1)             | -              | -                     | 40                       |
| Total other financial liabilities                      | 860                      | 2            | (1)             | (46)           | -                     | 815                      |
| <b>Total current debts</b>                             | <b>17 612</b>            | <b>1 754</b> | <b>(10 928)</b> | <b>(46)</b>    | <b>7 762</b>          | <b>16 154</b>            |
| <b>TOTAL BORROWINGS AND<br/>FINANCIAL DEBTS</b>        | <b>545 788</b>           | <b>4 473</b> | <b>(77 756)</b> | <b>(8 864)</b> | <b>-</b>              | <b>463 641</b>           |

**Borrowings from credit institutions – Fixed rate / Variable rate**

| <i>(in millions of euros)</i>        | Fixed rate | Variable rate | TOTAL        |
|--------------------------------------|------------|---------------|--------------|
| Borrowings from lending institutions | 410.8      | 32.0          | <b>442.8</b> |

The Group's average interest rate for financing was 3.8% at 30 June 2013.

After consideration of the fixed-rate SWAP instruments, the total fixed-rate debt comes to €410.8 million. Furthermore, variable rate debt, totalling €32 million, was entirely hedged by CAP instruments.

**Maturity dates of non-current bank loans**

| <i>(in thousands of €)</i> | 30 June 2013   | 31 December 2012 |
|----------------------------|----------------|------------------|
| From 1 to 5 years          | 313,723        | 351,889          |
| Over 5 years               | 115,599        | 148,217          |
| <b>TOTAL</b>               | <b>429,322</b> | <b>500,106</b>   |

**Schedule of the extinction of total bank debt and of interest owing:**

| <i>(in thousands of €)</i> | <b>Nominal value</b> | <b>Interest</b> | <b>TOTAL</b>   |
|----------------------------|----------------------|-----------------|----------------|
| 30 June 2014               | 13,446               | 11,523          | <b>24,969</b>  |
| 30 June 2015               | 20,930               | 11,098          | <b>32,028</b>  |
| 30 June 2016               | 13,772               | 10,583          | <b>24,355</b>  |
| 30 June 2017               | 50,305               | 10,047          | <b>60,352</b>  |
| 30 June 2018               | 228,716              | 6,077           | <b>234,793</b> |
| 30 June 2019               | 109,811              | 2,174           | <b>111,985</b> |
| 30 June 2020               | 337                  | 150             | <b>488</b>     |
| 30 June 2021               | 347                  | 141             | <b>488</b>     |
| 30 June 2022               | 5,104                | 282             | <b>5,386</b>   |
| <b>TOTAL</b>               | <b>442,768</b>       | <b>52,075</b>   | <b>494,843</b> |

## SOCIETE DE LA TOUR EIFFEL

### CAP and SWAP liabilities

The Tour Eiffel Group has contracted financial instruments (caps and swaps) which have not been considered as hedge instruments in accounting terms.

Principal characteristics of the liability-side financial instruments held at 30 June 2013:

| Type of contract | Subscription date | Effective date | Maturity date | Notional amount in thousands of € | Benchmark rate  | Guaranteed rate | Fair value (thousands of euros) |
|------------------|-------------------|----------------|---------------|-----------------------------------|-----------------|-----------------|---------------------------------|
| SWAP             | 28-06-2012        | 28-03-2008     | 28-06-2017    | 46 876                            | 3-month Euribor | 2.46%           | (2,797)                         |
| SWAP             | 26-06-2012        | 26-06-2012     | 26-06-2019    | 8 820                             | 3-month Euribor | 2.15%           | (449)                           |
| SWAP             | 26-06-2012        | 26-06-2012     | 26-06-2019    | 20 465                            | 3-month Euribor | 2.15%           | (1,041)                         |
| SWAP             | 26-06-2012        | 26-06-2012     | 26-06-2019    | 20 237                            | 3-month Euribor | 2.15%           | (1,030)                         |
| SWAP             | 26-06-2012        | 26-06-2012     | 26-06-2019    | 12 397                            | 3-month Euribor | 2.15%           | (631)                           |
| SWAP             | 26-06-2012        | 26-06-2012     | 26-06-2019    | 12 862                            | 3-month Euribor | 2.15%           | (652)                           |
| SWAP             | 26-06-2012        | 26-06-2012     | 26-06-2019    | 10 117                            | 3-month Euribor | 2.15%           | (514)                           |
| SWAP             | 26-06-2012        | 26-06-2012     | 26-06-2019    | 4 778                             | 3-month Euribor | 2.15%           | (241)                           |
| SWAP             | 26-06-2012        | 26-06-2012     | 26-06-2019    | 19 502                            | 3-month Euribor | 2.15%           | (992)                           |
| SWAP             | 28-03-2012        | 28-06-2013     | 30-06-2018    | 13 340                            | 3-month Euribor | 1.91%           | (524)                           |
| SWAP             | 10-04-2012        | 28-09-2012     | 29-09-2017    | 7 850                             | 3-month Euribor | 1.50%           | (192)                           |
| SWAP             | 14-11-2012        | 28-06-2013     | 13-11-2017    | 26 195                            | 3-month Euribor | 0.94%           | (21)                            |
| SWAP             | 14-11-2012        | 14-11-2012     | 13-11-2017    | 21 813                            | 3-month Euribor | 0.75%           | 142                             |
| SWAP             | 14-11-2012        | 28-06-2013     | 13-11-2017    | 163 175                           | 3-month Euribor | 0.94%           | (155)                           |
| SWAP             | 01-08-2012        | 01-08-2012     | 02-02-2015    | 8 392                             | 3-month Euribor | 4.61%           | (610)                           |
| Collar/Tunnel    | 26-04-2011        | 28-04-2011     | 15-04-2016    | 13 988                            | 3-month Euribor | 2%/3%           | (468)                           |
| Collar/Tunnel    | 26-04-2011        | 02-05-2011     | 15-04-2016    | 13 988                            | 3-month Euribor | 2%/3%           | (462)                           |
| <b>TOTAL</b>     |                   |                |               |                                   |                 |                 | <b>(10,637)</b>                 |

## SOCIETE DE LA TOUR EIFFEL

### NOTE 12: Long-term and current (less than one year) provisions

| Euros, in thousands                | Provision for the risk of insurance policies failing to pay out | Provisions for retirement benefits | Other provisions for expenses | TOTAL      |
|------------------------------------|---|------------------------------------|-------------------------------|------------|
| <b>Balance at 31.12.2012</b>       | <b>138</b>  | <b>171</b>                         | -                             | <b>309</b> |
| Allocations                        | -   | 9                                  | 18                            | 27         |
| Reversals not used                 | -   | -                                  | -                             | -          |
| Reversals used                     | (132)   | -                                  | -                             | (132)      |
| <b>Balance at close 30.06.2013</b> | <b>6</b>  | <b>180</b>                         | <b>18</b>                     | <b>204</b> |

As at 30 June 2013, only those provisions for severance and retirement benefits are long-term.

### NOTE 13: Tax and social security owed (current and non-current)

| Euros, in thousands  | 30.06.2013    | 31.12.2012   |
|--|---------------|--------------|
| Taxes owed (exit tax)                                      | -             | -            |
| Other tax indebtedness                                     | -             | -            |
| <b>TOTAL non-current tax debts</b>                         | -             | -            |
| Social security owed                                       | 1 263         | 1 660        |
| Taxes owed (exit tax – current portion owed)               | -             | -            |
| Other tax liabilities (VAT collected and taxes owed)       | 15 630        | 7 486        |
| <b>TOTAL current tax and social security related debts</b> | <b>16 893</b> | <b>9 146</b> |
| <b>TOTAL</b>   | <b>16 893</b> | <b>9 146</b> |

### NOTE 14: Deferred taxes

There is no reason to recognise deferred taxes since the great majority of the group's sales are subject to the SIIC tax regime.

During the 2009 financial year, Arman F02 incurred a €300,000 tax expense related to the capital gains made from the disposal of the Massy land reserves to SCI Arman Ampère. The cancellation of these capital gains generated a differed tax asset of €300,000.

## SOCIETE DE LA TOUR EIFFEL

### NOTE 15: Trade accounts payable and other debts

| <b>Euros, in thousands</b>                                  | <b>30.06.2013</b> | <b>31.12.2012</b> |
|---|-------------------|-------------------|
| Trade accounts payable                                      | 6 418             | 5 999             |
| Debts associated with acquisitions of tangible fixed assets | 110               | 2 552             |
| Current account liabilities                                 | -                 | -                 |
| Attendance fees   | -                 | 120               |
| Advances and deposits received                              | 502               | 484               |
| Due to clients  | 266               | 346               |
| Other operating debts                                       | 1 176             | 323               |
| Prepaid income  | 17 578            | 18 683            |
| <b>TOTAL</b>  | <b>26 050</b>     | <b>28 507</b>     |
| <b>Other long-term liabilities</b>                          |                   |                   |
| Prepaid income  | 291               | 291               |
| Other operating debts                                       | -                 | -                 |
| <b>TOTAL</b>  | <b>291</b>        | <b>291</b>        |

This item is made up chiefly on 30 June 2013 of deferred income on the rents of the third quarter of 2013.

### NOTE 16: Turnover

#### Comparative analysis by type

| <b>Euros, in thousands</b> | <b>30.06.2013</b> | <b>30.06.2012</b> |
|----------------------------|-------------------|-------------------|
| Rental income              | 32 759            | 35 017            |
| Other Rental income        | 6 437             | 6 335             |
| <b>Total turnover</b>      | <b>39 196</b>     | <b>41 352</b>     |

Other rental income consists mainly of levies for property taxes and office taxes passed through to tenants.

Future payments were down during the 2012 financial year, mainly pursuant to the sale of various properties.

### NOTE 17: Consumed purchases

| <b>Euros, in thousands</b>                     | <b>30.06.2013</b> | <b>30.06.2012</b> |
|--|-------------------|-------------------|
| Non-stocked purchases of material and supplies | (20)              | (17)              |
| <b>Total purchases consumed</b>                | <b>(20)</b>       | <b>(17)</b>       |

### NOTE 18: Staff expenses, external expenses, taxes and duties

## SOCIETE DE LA TOUR EIFFEL

### Staff expenses

| <b>Euros, in thousands</b>           | <b>30.06.2013</b> | <b>30.06.2012</b> |
|--------------------------------------|-------------------|-------------------|
| Staff remuneration                   | (1 744)           | (1 382)           |
| Social security withholding payments | (966)             | (641)             |
| Charges on payments in shares        | (489)             | (135)             |
| <b>Total Staff Expense</b>           | <b>(3 199)</b>    | <b>(2 158)</b>    |

### External expenses

| <b>Euros, in thousands</b>                     | <b>30.06.2013</b> | <b>30.06.2012</b> |
|--|-------------------|-------------------|
| - Rentals and rental expenses                  | (3 440)           | (3 223)           |
| - Maintenance and repairs                      | (125)             | (259)             |
| - Insurance premiums                           | (482)             | (591)             |
| - Miscellaneous documentation, seminars        | (41)              | (26)              |
| - Remuneration of intermediaries and fees (1)  | (2 597)           | (2 999)           |
| - Advertising, publishing and public relations | (88)              | (204)             |
| - Goods transport, collective staff transport  | (3)               | (4)               |
| - Travel, assignments and receptions           | (81)              | (102)             |
| - Postal and telecommunications costs          | (29)              | (28)              |
| - Banking and related services                 | (344)             | (194)             |
| - Other external services                      | (40)              | (108)             |
| <b>Total external expenses</b>                 | <b>(7 270)</b>    | <b>(7 738)</b>    |

(1) These amounts correspond mainly to costs incurred while seeking and managing assets and properties.

### Taxes and duties

| <b>Euros, in thousands</b>    | <b>30.06.2013</b> | <b>30.06.2012</b> |
|-------------------------------|-------------------|-------------------|
| Property taxes                | (3 070)           | (3 269)           |
| Other duties and taxes        | (1 570)           | (1 599)           |
| <b>Total duties and taxes</b> | <b>(4 640)</b>    | <b>(4 868)</b>    |

### NOTE 19: Net depreciation and provisions

| <b>Euros, in thousands</b>  | <b>30.06.2013</b> | <b>30.06.2012</b> |
|---|-------------------|-------------------|
| - Allocations / Reversals of intangible assets amortisation               | (7)               | (4)               |
| - Allocations / Reversals of tangible assets amortisation                 | (42)              | (42)              |
| <b>TOTAL Amortisation allowances/reversals</b>                            | <b>(49)</b>       | <b>(46)</b>       |
| - Allocations / Reversals for current assets provisions                   | 92                | (24)              |
| - Allocations / Reversals for operating liabilities & expenses provisions | 105               | (64)              |
| - Allocations / Reversals for operating receivables provisions            | -                 | -                 |
| <b>TOTAL Provisions Allowances / Reversals</b>                            | <b>197</b>        | <b>(88)</b>       |



**NOTE 20: Net value adjustment balance**

| <b>Euros, in thousands</b> | <b>30.06.2013</b> | <b>30.06.2012</b> |
|----------------------------|-------------------|-------------------|
| - Investment property      | (24 538)          | (1 482)           |
| - Assets for disposal      | 88                | (235)             |
| <b>TOTAL</b>               | <b>(24 450)</b>   | <b>(1 717)</b>    |

**NOTE 21: Other operating income and expenses**

| <b>Euros, in thousands</b>                       | <b>30.06.2013</b> | <b>30.06.2012</b> |
|--|-------------------|-------------------|
| - Miscellaneous current operating income         | 178               | 200               |
| - Proceeds from disposals of investment property | 50 600            | 46 963            |
| - Proceeds from transfers of assets for disposal | 41 478            | 4 375             |
| - Other extraordinary income                     | 30                | -                 |
| <b>Other operating income</b>                    | <b>92 286</b>     | <b>51 538</b>     |
| - Miscellaneous current operating expenses       | (100)             | (259)             |
| - Value of investment property                   | (47 320)          | (44 660)          |
| - Properties selected for disposal               | (40 105)          | (4 106)           |
| - Building divestment expenses                   | (3 775)           | -                 |
| - Other extraordinary expenses                   | (90)              | (4)               |
| - Irrecoverable receivables losses               | (122)             | -                 |
| <b>Other operating expenses</b>                  | <b>(91 512)</b>   | <b>(49 029)</b>   |

Disposals concern the following properties: Locafimo's Parc du Millénaire, Parc de l'Espace, and Cadéra Sud; SCI Nowa's Caen Mondeville, Vitrolles and Orléans; SCI Caen Colombelles' Reception building; Société de la Tour Eiffel's property in Amiens; and SCI F02 Arman's property in Ludres.

**NOTE 22: Net financial debt costs**

| <b>Euros, in thousands</b>                  | <b>30.06.2013</b> | <b>30.06.2012</b> |
|---|-------------------|-------------------|
| - Marketable securities income              | 4                 | 58                |
| - Loan income                               | -                 | -                 |
| <b>Total income from cash and near cash</b> | <b>4</b>          | <b>58</b>         |
| - Interest on financing deals               | (10 756)          | (10 637)          |
| <b>Total gross financial debt costs</b>     | <b>(10 756)</b>   | <b>(10 637)</b>   |
| <b>TOTAL NET FINANCIAL COSTS</b>            | <b>(10 752)</b>   | <b>(10 579)</b>   |

## SOCIETE DE LA TOUR EIFFEL

### NOTE 23: Other financial income and expenses

| Euros, in thousands                        | 30.06.2013   | 30.06.2012     |
|--|--------------|----------------|
| - Other financial income (1)               | 9 790        | 5 580          |
| - Income from securities transfers         | -            | -              |
| <b>Total other financial income</b>        | <b>9 790</b> | <b>5 580</b>   |
| - Other financial expenses                 | (163)        | (5 890)        |
| - Net book value of transferred securities | -            | -              |
| <b>Total other financial expenses</b>      | <b>(163)</b> | <b>(5 890)</b> |
| <b>TOTAL</b>                               | <b>9 627</b> | <b>(310)</b>   |

(1) Of which €9,772,000 for adjustment in the value of financial instruments at 30/06/13 against €(296,000) at 30/06/12.

### NOTE 24: Corporate income tax

| Euros, in thousands | 30.06.2013   | 30.06.2012 |
|---------------------|--------------|------------|
| Current tax         | (111)        | (9)        |
| Deferred taxes      | -            | -          |
| <b>TOTAL</b>        | <b>(111)</b> | <b>(9)</b> |

### NOTE 25: Basic earnings per share

#### Basic earnings

The basic earnings per share is calculated by dividing the net profit paid to Company shareholders by the average weighted number of ordinary shares outstanding during the financial year.

| <i>(in thousands of €)</i>             | 30 June 2013 | 30 June 2012 |
|--|--------------|--------------|
| Year-end net profit(loss)              | (696)        | 16,331       |
| Average weighted outstanding shares    | 6,020,078    | 5,651,501    |
| Basic earnings per share (€ per share) | (0.12)       | 2.89         |

#### Diluted Earnings

The diluted earnings per share is calculated by increasing the weighted average number of shares in circulation by the number of shares that would result if all the share warrants and stock options that potentially have a dilutive effect were converted. For stock options, a calculation is made in order to determine the number of shares which could have been acquired at their fair value (namely, the average annual market price of the company's shares) on the basis of the monetary value of the stock options in circulation. The number of shares calculated in this way is compared with the number of shares which could have been issued if the options had been exercised.

## SOCIETE DE LA TOUR EIFFEL

| <i>(in thousands of €)</i>  | 30 June 2013 | 30 June 2012 |
|---|--------------|--------------|
| Period-end net profit(loss)   | (696)        | 16,331       |
| Average weighted number of ordinary shares used to calculate the diluted earnings per share | 6,084,836    | 5,686,993    |
| Diluted earnings per share (€ per share)  | (0.11)       | 2.87         |

### Dilutive instruments

The number of shares at 30 June 2013 which can give access to the share capital is as follows:

|                 | Number of securities | Giving right to number of securities |
|-----------------|----------------------|--------------------------------------|
| Shares          | 6,227,218            | 6,227,218                            |
| Stock options   | 12,227               | 12,227                               |
| Bonus shares    | 55,900               | 55,900                               |
| Treasury shares | (100,569)            | (100,569)                            |
| <b>TOTAL</b>    | <b>6,194,776</b>     | <b>6,194,776</b>                     |

### NOTE 26: Distribution

The General Meeting of 30 May 2013 voted to distribute a final dividend of €2.10 per share for a total amount of €12,634,000, of which €5,400,000 by scrip issue.

### NOTE 27: Transactions with related parties

€147,000 in fees were paid to Bluebird Investissements, a related party, during the first half of 2013.

**NOTE 28: Off-balance-sheet commitments**

**1) Off-balance sheet commitments related to the scope of the consolidated group**

***Commitments given:***

No commitment was given.

***Commitments received:***

No commitment was received.

2) Off-balance sheet commitments related to the financing of the company

**Commitments given:**

| <i>(in thousands of €)</i>       | Starting date | Expiration date | 30-June-13     | 31-Dec-12      |
|----------------------------------|---------------|-----------------|----------------|----------------|
| Unused credit lines              | -             | -               | -              | -              |
| Securities pledged               |               |                 |                |                |
| SCI Nowa shares                  | 15/04/2011    | 15/04/2018      | 22 687         | 41 877         |
| SCI Champigny Carnot shares      | 26/06/2012    | 25/06/2019      | 20 237         | 20 444         |
| SCI Jean Jaurès shares           | 26/06/2012    | 25/06/2019      | 12 397         | 12 524         |
| SCI Caen Colombelles shares      | 26/06/2012    | 25/06/2019      | 12 862         | 16 088         |
| SCI Etupes de l'Allan shares     | 26/06/2012    | 25/06/2019      | 10 062         | 10 890         |
| SAS Locafimo shares              | 27/12/2005    | 30/06/2013      | 243 620        | 287 537        |
| Grenoble Pont d'Oxford shares    | 26/06/2012    | 25/06/2019      | 4 778          | 5 990          |
| SCI Rueil National shares        | 26/06/2012    | 25/06/2019      | 19 276         | 19 701         |
| SCI Comète shares                | 26/06/2012    | 25/06/2019      | 20 465         | 21 186         |
| SCI des Berges de l'Ourcq shares | 26/06/2012    | 25/06/2019      | 8 820          | 8 910          |
|                                  |               |                 | <b>375 204</b> | <b>445 147</b> |
| Money lender's lien              | -             | -               | <b>144 823</b> | <b>60 877</b>  |
| Sureties                         | -             | -               | <b>14 131</b>  | <b>930</b>     |

**Commitments received:**

| <i>(in thousands of €)</i>                      | Starting date | Expiration date | 30-June-13   | 31-Dec-12    |
|---|---------------|-----------------|--------------|--------------|
| Tenants' guarantees in lieu of security deposit |               |                 | <b>3 222</b> | <b>3 222</b> |
| Joint guarantee                                 |               |                 |              |              |
| - Arman F02                                     | 22/01/2003    | -               | -            | -            |
| - Rueil   | 26/09/2008    | -               | 767          | 767          |
| - STE   | 03/02/2011    | -               | -            | -            |
| - other companies                               | -             | -               | 369          | 369          |
|   |               |                 | <b>1 136</b> | <b>1 136</b> |
| Pledge  | -             | -               | -            | -            |
| Performance bond                                |               |                 |              |              |
| - Montrouge                                     | 04/03/2011    | -               | -            | 3 290        |
| - other companies                               | -             | -               | 952          | 952          |
| <b>TOTAL</b>                                    |               |                 | <b>952</b>   | <b>4 242</b> |

3) Off-balance sheet commitments related to the operating activities of the issuer

*Commitments given:*

| <i>(in thousands of €)</i>                           | Starting date | Expiration date | 30-June-13     | 31-Dec-12      |
|--|---------------|-----------------|----------------|----------------|
| Mortgages  |               |                 |                |                |
| Property held by SCI Arman F02                       | 28/03/2008    | 28/03/2017      | 45 791         | 25 250         |
| Properties held by SCI Nowa                          | 15/04/2011    | 15/04/2018      | 22 687         | 41 877         |
| Property held by SCI Caen Colombelles                | 26/06/2012    | 25/06/2019      | 12 862         | 2 442          |
| Property held by SCI Champigny                       | 26/06/2012    | 25/06/2019      | 20 237         | 3 407          |
| Property held by SCI Comète                          | 26/06/2012    | 25/06/2019      | 20 465         | 3 531          |
| Property held by SCI Grenoble Pont d'Oxford          | 26/06/2012    | 25/06/2019      | 4 778          | 998            |
| Property held by SCI de l'Ourcq                      | 26/06/2012    | 25/06/2019      | 8 820          | 1 552          |
| Property held by SCI Rueil National                  | 26/06/2012    | 25/06/2019      | 19 276         | 3 283          |
| Energy II building held by STE                       | 29/06/2012    | 29/06/2027      | 7 717          | 7 859          |
| Property held by SCI Etupes                          | 26/06/2012    | 25/06/2019      | 10 062         | 1 815          |
| Property held by SCI Montrouge                       | 15/04/2011    | 30/06/2018      | 12 621         | 10 496         |
| Property held by SCI Jean Jaurès                     | 26/06/2012    | 25/06/2019      | 12 397         | 2 087          |
| Properties held by SAS Locafimo and its subsidiaries | 14/11/2012    | 13/11/2017      | 243 620        | 354 989        |
|  |               |                 | <b>441 333</b> | <b>459 586</b> |

**Commitments received:**

**APPENDIX TO THE CONSOLIDATED FINANCIAL STATEMENTS**

| <i>(In thousands €)</i>               | <b>Starting date</b> | <b>Expiration date</b> | <b>30-Jun-13</b> | <b>31-Dec-12</b> |
|---------------------------------------|----------------------|------------------------|------------------|------------------|
| <b>Building commitments to sell</b>   |                      |                        |                  |                  |
| Building E Parc des Tanneries         | 23/06/2011           | 05/07/2013             | 1 400            | 1 400            |
| 12 rue Paul Langevin in Herblay       | 29/05/2012           | 15/09/2014             | 2 530            | 2 530            |
| Marseilles- Vitrolles                 | 07/12/2012           | 18/01/2013             |                  | 12 965           |
| Orléans                               | 03/12/2012           | 31/01/2013             |                  | 7 375            |
| Le Bourget                            | 03/12/2012           | 11/01/2013             |                  | 8 783            |
| Parc Cadéra Sud                       | 18/10/2012           | 05/07/2013             |                  | 3 000            |
| Parc Cadéra                           | 02/05/2013           | 30/07/2013             | 12 300           |                  |
| Amiens                                | 03/02/2011           | 28/02/2013             |                  | 3 225            |
| Le Ludres                             | 11/12/2012           | 29/03/2013             |                  | 2 780            |
| Buildings A,B,C,D & Reception in Caen | 16/01/2013           | 31/05/2013             |                  | 2 350            |
| Vénissieux                            | 27/06/2013           | 30/09/2013             | 41 400           |                  |
| Vénissieux (land)                     | 27/06/2013           | 15/01/2014             | 1 200            |                  |
|                                       |                      |                        | <b>58 830</b>    | <b>44 408</b>    |

**NOTE 29: Subsequent events**

The following events happened after 30 June 2013:

- signature on 12 July of a commitment to sell building 29 of the Parc du Millénaire in Montpellier (SAS Locafimo);
- sale on 17 July of the property at 12 rue Paul Langevin in Herblay (SAS Locafimo).

### **III – ATTESTATION OF THE STATUTORY AUDITORS**

*Report by the statutory auditors on the interim financial statements — Period running from 1 January to 30 June 2013*

**Expertise & Audit SA**

3, rue Scheffer  
75016 Paris

**PricewaterhouseCoopers Audit**

63, rue de Villiers  
92200 Neuilly-sur-Seine

**REPORT BY THE STATUTORY AUDITORS  
ON THE INTERIM FINANCIAL STATEMENTS**

To the shareholders of:

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|  |                                |
|--|--------------------------------|
| <b>SOCIÉTÉ DE LA TOUR EIFFEL</b>                         | 20-22 rue de la Ville l'Evêque |
| A French joint stock company with capital of €31,136,090 | 75008 Paris                    |

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Period running from 1 January to 30 June 2013

In carrying out the mission entrusted to us by your General Shareholders' Meeting, under article L 451-1-2 III of the French Monetary and Financial Code we have:

- performed a limited examination of Société de la Tour Eiffel's consolidated half-yearly financial statements for the period from 1 January to 30 June 2013, as they are appended to this report;
- verified the information presented in this half-year business report.

These consolidated half-yearly financial statements were drawn up under the supervision of the Board of Directors. It is our responsibility, based on our limited examination, to provide our conclusion on these financial statements.

**Conclusion on the financial statements**

We performed our limited examination in accordance with the code of professional conduct applicable in France. A limited examination essentially consists in interviewing the directors in charge of accounting and financial matters and then performing analyses. A limited examination is less exhaustive than an audit performed in accordance with the code of professional conduct applicable in France and consequently offers only moderate assurance (less than an audit) that the financial statements contain no significant misstatements.



## SOCIETE DE LA TOUR EIFFEL

Report by the statutory auditors on the interim financial statements  
— Period running from 1 January to 30 June 2013

Based on our limited examination, and given the International Financial Reporting Standards as adopted by the European Union, we have found no significant misstatements that would call into question the consistency and trueness of the half-yearly accounts, nor the fair representation they make of the assets, financial position at the end of the half year, and overall result of the half year ended for all persons and entities included in the consolidation scope.

### Specific verifications

We have also verified the information presented in this half-year business report commenting on the consolidated half-year financial statements covered by our limited examination. We have no comments regarding their fairness and consistency with the consolidated financial statements.

Paris and Neuilly-sur-Seine, 25 July 2013

### The Statutory Auditors

|                                 |                                     |
|---------------------------------|-------------------------------------|
| <b>Expertise &amp; Audit SA</b> | <b>PricewaterhouseCoopers Audit</b> |
| Hélène Kermorgant               | Yves Nicolas                        |

## **IV - MANAGEMENT ENDORSEMENT OF THE FINANCIAL REPORT**

**I, the undersigned, Renaud Haberkorn, Managing Director,**

**certify, to the best of my knowledge, that the consolidated financial statements as at 30 June 2013 have been drawn up in accordance with the applicable financial standards and provide a fair representation of the asset portfolio, the financial situation and the net income of the Société de la Tour Eiffel and of all the companies included in its scope of consolidation, and that the half-year report presents a true picture of the major events that have occurred over the first six months of the financial year, their effects on the financial statements, the major transactions between related parties as well as a description of the major risks and prominent uncertainties envisaged in the six remaining months of the financial year.**

**Executed in Paris,  
On July 25, 2013**

20-22, rue de la Ville l'Eveque - 75008 Paris - France.

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