



2014 Annual Results

6 March 2015

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I // Take-over bid

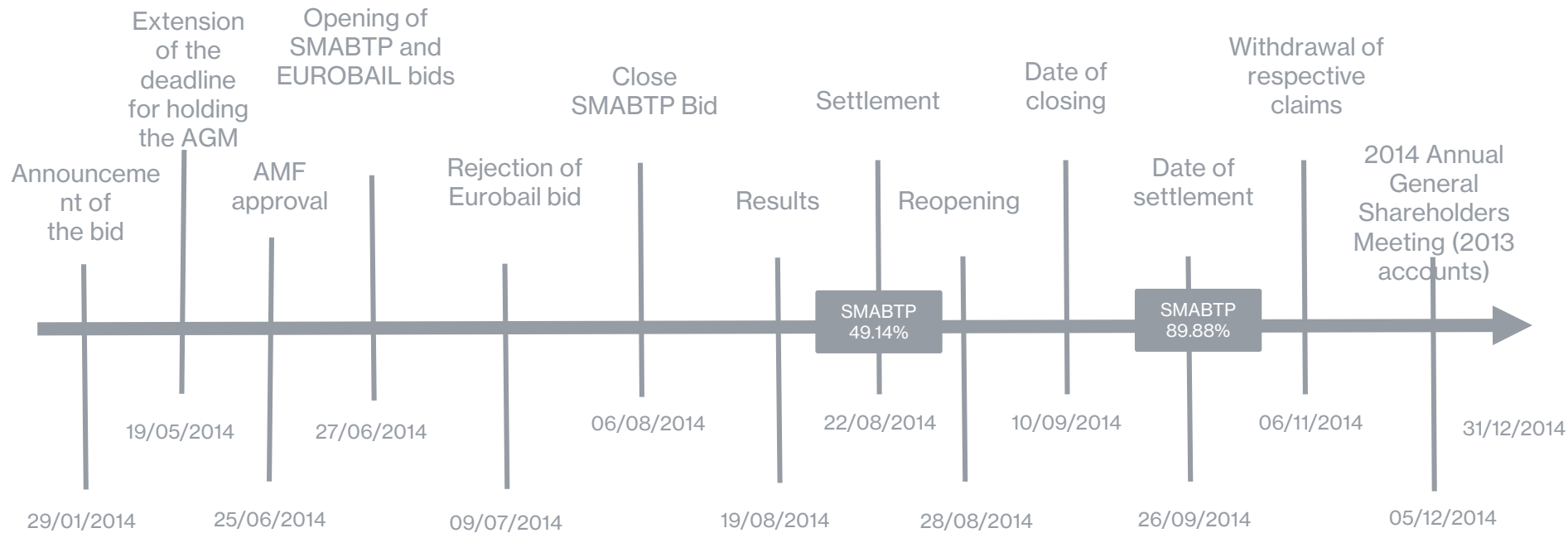


SMABTP Take-over bid

	SMABTP
Share price	<ul style="list-style-type: none"> ▪ 58 Euros per share, coupon included - 89.88% of securities tendered
Conditions	<ul style="list-style-type: none"> ▪ Voluntary bid ▪ Covers all shares ▪ No minimum tender condition
Company	<ul style="list-style-type: none"> ▪ Continuation of the growth strategy and restructuring of the balance sheet ▪ Strengthening of the company's capital base through a capital increase and reduction in the Loan to Value ("LTV") to around 30/35% ▪ Aim to double the portfolio within the next 3/5 years
Employees	<ul style="list-style-type: none"> ▪ No impact on the current employment policy.
Opinion of the Board of Directors	<p>The Board recommended the bid from SMABTP:</p> <ul style="list-style-type: none"> ▪ Price 5.5% higher than the Eurobail bid ▪ Price = NAV at 31 December 2013 ▪ Best offer to continue to develop the Company



Take-over bid






Resumption of the usual schedule of Annual General Meetings to close the accounts from 2015



II // Property Market

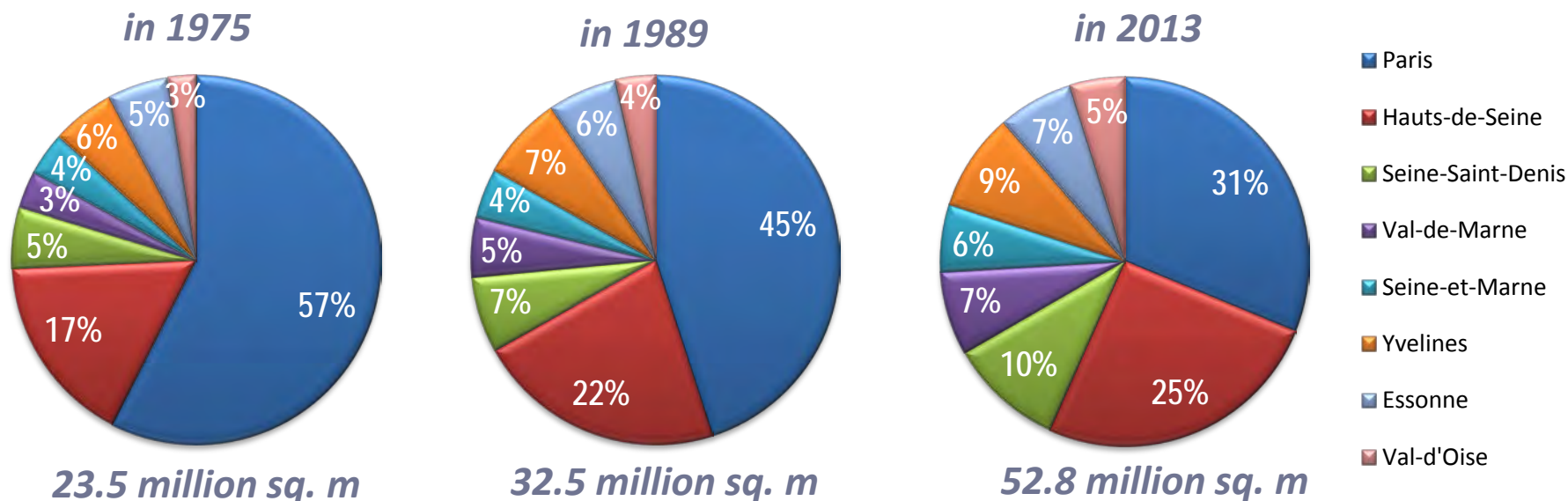


The Property Market: opportunities & outlooks

<ul style="list-style-type: none">❑ Competition in the investment market❑ Low cost of money		<ul style="list-style-type: none">❑ Pressure on rates of returns❑ Good performance of asset values
<ul style="list-style-type: none">❑ Stabilization of the vacancy rate in the Paris-IdF region (7.4%)❑ Limited launch of new projects		<ul style="list-style-type: none">❑ Stabilization / improvement in the rental market
<ul style="list-style-type: none">❑ Economic factors (decline of the Euro, declining oil prices)❑ Search for attractive yields and rents		<ul style="list-style-type: none">❑ Upswing in real estate projects by tenants



Development of the office portfolio by department in the Paris-IdF region

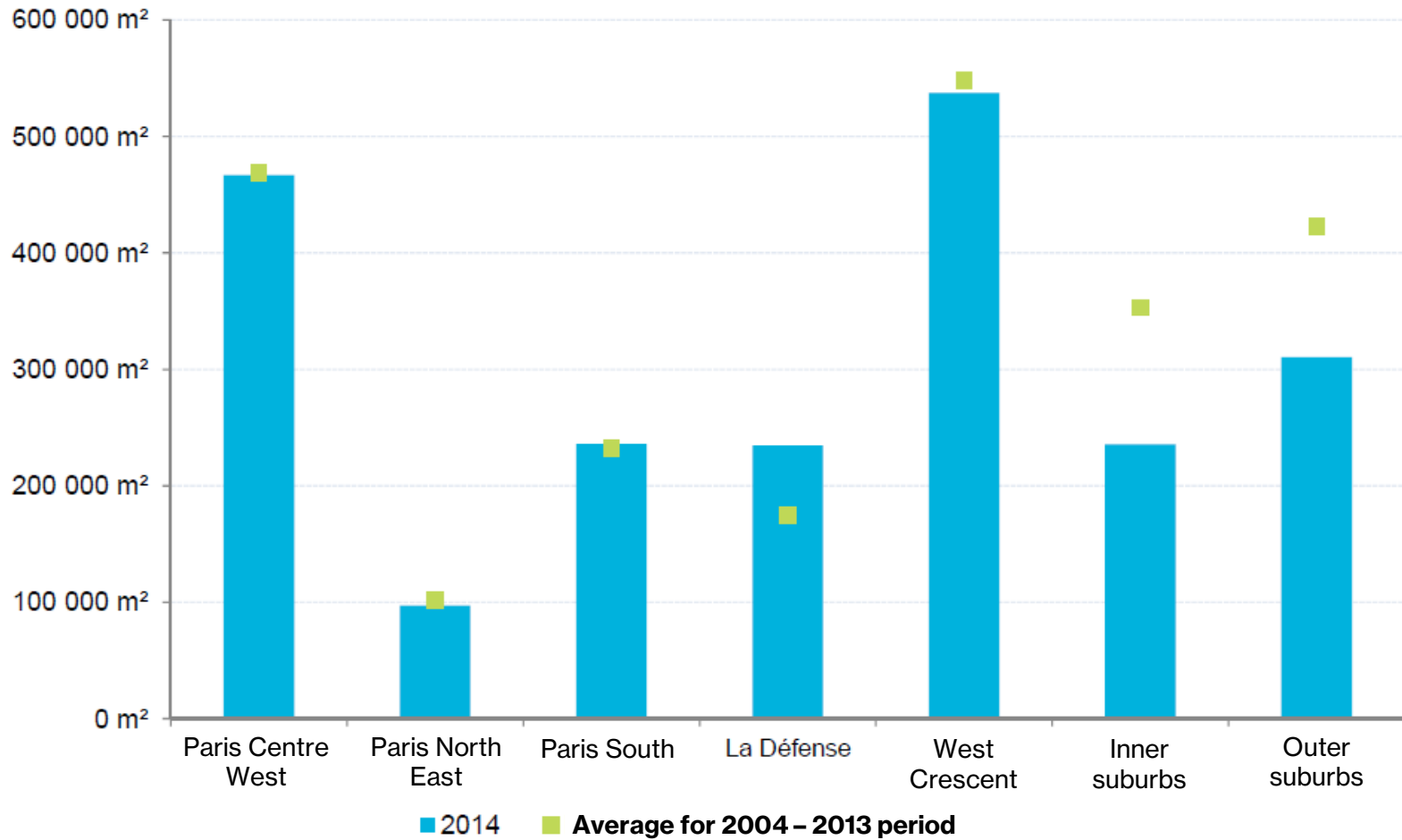


Département	1975	1989	2013	TMCA 1975-2013
75	13 530 987	14 642 309	16 480 083	0.5%
77	893 020	1 415 657	3 153 358	3.4%
78	1 301 317	2 399 206	4 527 325	-3.3%
91	1 233 244	1 958 684	3 475 456	2.8%
92	3 941 431	7 103 184	13 490 193	3.3%
93	1 261 203	2 168 770	5 290 455	3.8%
94	769 599	1 711 688	3 887 774	4.4%
95	596 118	1 137 092	2 548 824	3.9%
Total Ile-de-France	23 526 919	32 536 590	52 853 466	2.2%

Source ORIE



Take-up by geographic area



Source CBRE / Immostat January 2015

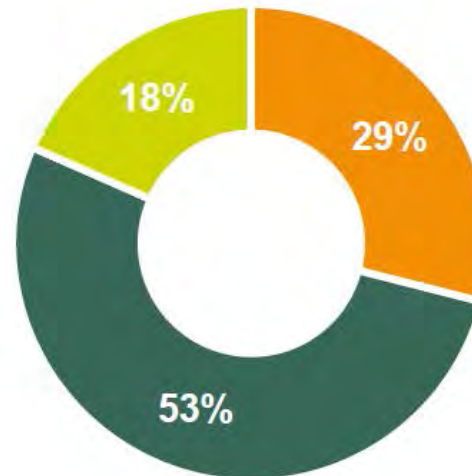


Motivation of major tenants in the Paris Ile-de-France region

Extension / Growth



Downsizing / consolidation

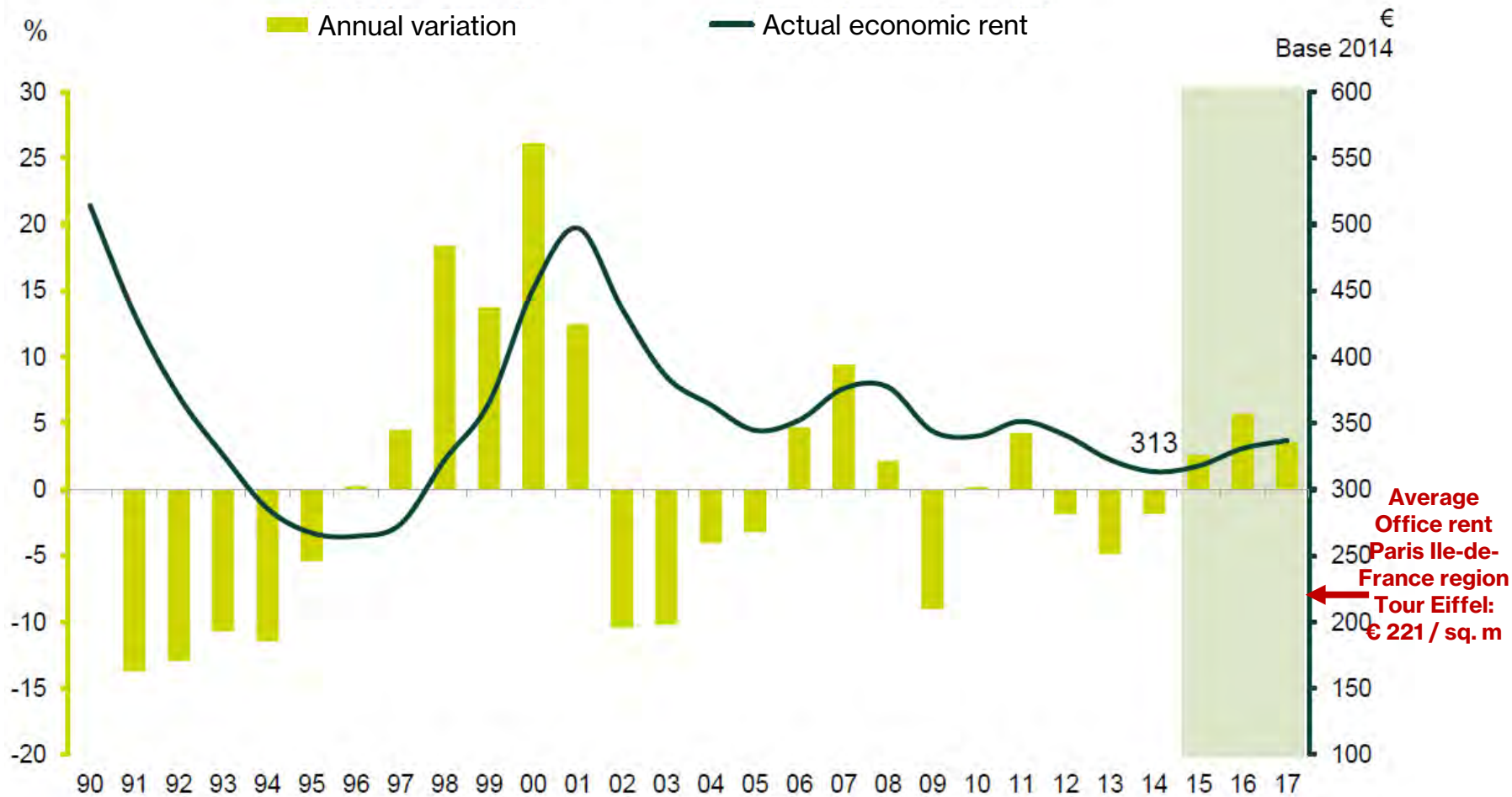


Obsolescence



Source BNP PARIBAS November 2014

Average office rent in the Paris Ile-de-France region



Source BNP PARIBAS January 2015



III // 2014 Summary



2014 Constructions

Growth of property portfolio	<ul style="list-style-type: none"> ■ Increase of property portfolio in value (+ 9%) <ul style="list-style-type: none"> ▪ Acquisition of secure assets (€ 99.5 million excl. transfer duties) ▪ Disposals of non-strategic assets (€ 38.6 million excl. transfer duties)
Securing rents	<ul style="list-style-type: none"> ■ Increase in the average fixed rental period (4.3 years) for the property portfolio excluding business parks * ■ High granularity of rents on business parks **
Debt control	<ul style="list-style-type: none"> ■ Stabilisation of the LTV ratio (47.7% vs. 46.2%)
Cost reduction	<ul style="list-style-type: none"> ■ Decrease in property charges: - 16.3% ■ Reduced corporate costs: - 9.4% ■ Lower financial expenses: - 23 %

*Property portfolio excluding business parks 85% of rental income

**Business parks: 15% of rental income



IV // Strategic plan



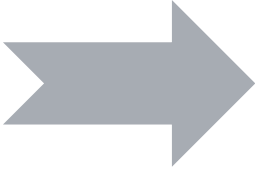
A new strategic plan

Objective: to double the value of the property portfolio in the next 3 to 5 years

☐ **Three growth areas:**

- ☐ Direct acquisition of secure assets
- ☐ Development of new buildings on existing property or to be acquired
- ☐ External growth compatible with the existing locations and property portfolio

☐ **Targeted development in established centres (transport, economic areas) in particular within Greater Paris:**

- | | | |
|--|--|---|
| <input type="checkbox"/> Creation of business parks providing suitable services on request |  | <input type="checkbox"/> Critical size |
| <input type="checkbox"/> Investments based on a service centre approach | | <input type="checkbox"/> High rental dynamic |
| | | <input type="checkbox"/> Support for tenants' needs |

☐ **Closer management with tenant customers:**

- ☐ Internalization of property management (rental, commercial, technical and administrative)
- ☐ ISO 9001 and 14001 certification initiative
- ☐ High level of environmental commitment



Suresnes – Seine Etoile

© David Cousin-Marsy



Marseille – Parc des Aygalades

© Gérard Manavella




Vélizy – Topaz

© Tristan Deschamps



V// 2014 Annual Results

- 
1. Operational performance
 2. Financial results
 3. Outlook



V.1 Operational performance

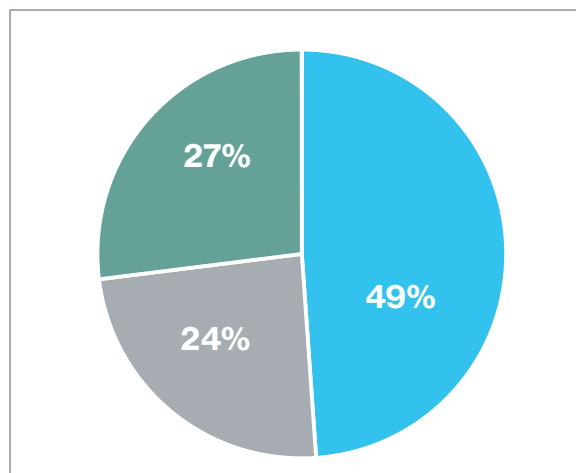
Development in property portfolio

Property disposals	Acquisitions
<p>Sales: € 38.6 million*</p> <ul style="list-style-type: none"> • La Roche s/Yon, "La Poste" sorting centre: 6.000 sq. m / annual rent 360 k€ • Les Souhemes, "La Poste" warehouses: 9,900 sq. m / annual rent 362 k€ • Nantes, Parc Eiffel: 14,500 sq. m / annual rent 1,270 k€ • Herblay, multi-purpose premises: 2,200 sq. m / annual rent 220 k€ • Chartres, multi-purpose premises: 11,500 sq. m / annual rent 735 k€ <p>Signed pledges: € 10.5 million</p> <ul style="list-style-type: none"> • Massy, K3 building site (housing) + Strasbourg building site (housing) and Orsay (public) <p>(*) at appraisal value</p>	<p>Acquisitions: € 99.5 million (excl. transfer duties)</p> <ul style="list-style-type: none"> • Bagneux, offices leased to Orange: 8,300 sq. m / annual rent 1,903 k€ • Suresnes, offices leased to Cap Gemini: 14,700 sq. m / annual rent 5,200 k€ <p>Promise signed since the end of the year: € 25.6 million (excl. transfer duties)</p> <ul style="list-style-type: none"> • Vélizy, offices rented for a 6-year fixed term 7.000 sq. m / annual rent 1,800 k€



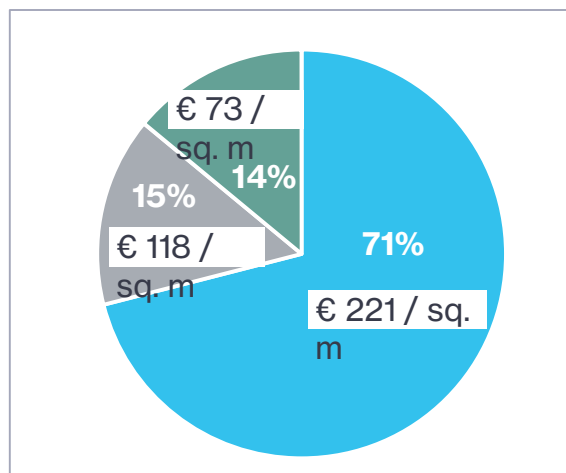
Portfolio Overview as at 31 December 2014

In sq. m



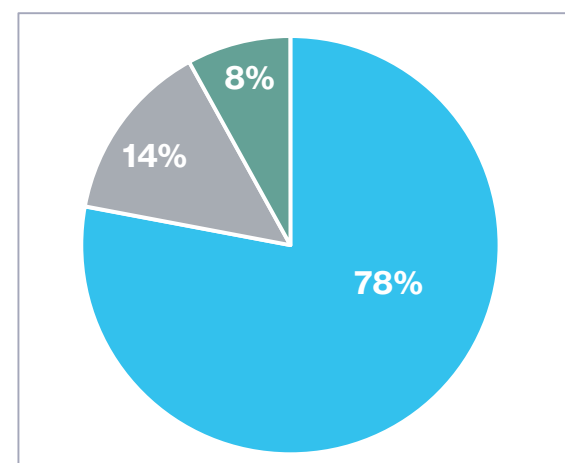
371,363 sq. m

In rental income



€ 52 million

In value



€ 765 million

Number of assets: 28

Average rent: € 157 / sq. m

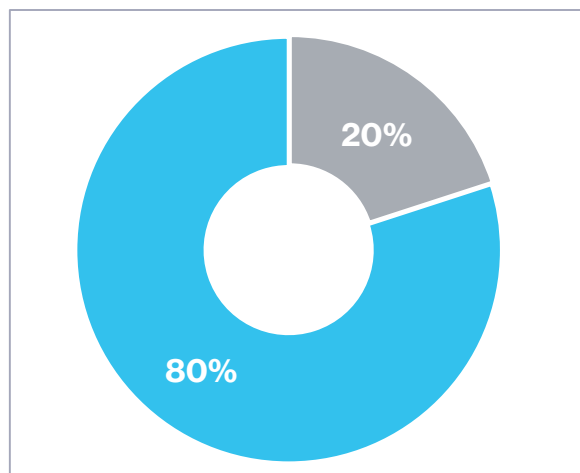
Share of offices: 92%

- **Offices in the Paris /IdF region**
- **Offices in other régions**
- **Other assets**



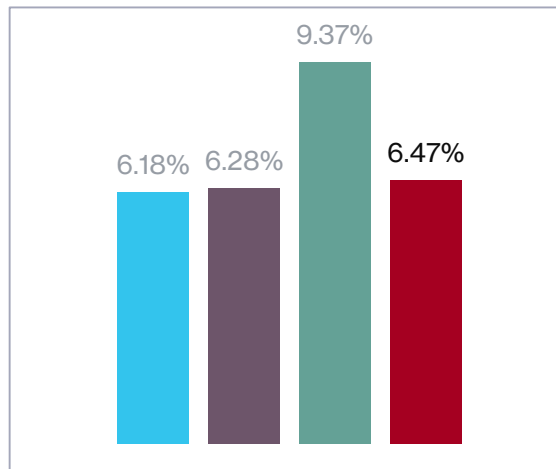
A high-performance portfolio refocused on the Paris Ile-de-France region

Geographical breakdown (value)



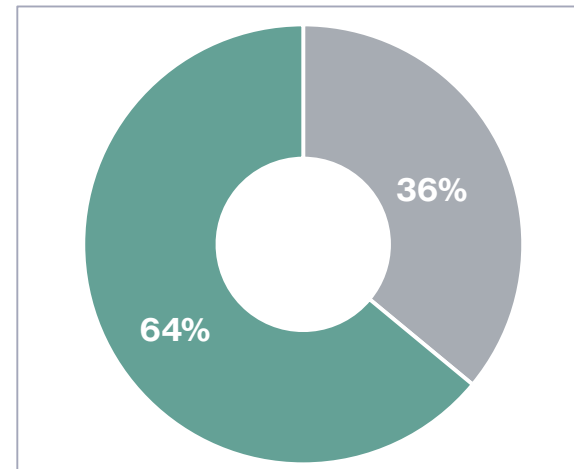
- Buildings in the Paris Ile-de-France region
- Buildings in other regions

EPRA Topped-up Net Initial Yield



- Offices in the Paris Ile-de-France region
- Offices in other regions
- Other assets
- Portfolio average

Average age of portfolio (value)



- Buildings less than ten years old, new or renovated
- Buildings more than ten years old



Acquisition of secure assets in the Paris Ile-de-France region: Bagneux



- Building with 7,881 sq. m of offices **100% leased to Orange** located at 196, rue Henri Ravera in Bagneux
- Purchase price: € 23.3 million i.e. € 25 million including transfer duties
- Annual rent charged: € 1.9 million i.e. **an immediate yield of 7.6%**
- Fixed rental period as of 29/07/14: **10.5 years**



Acquisition of secure assets in the Paris Ile-de-France region: Suresnes



- Building with **14,735 sq. m of offices renovated** in 2009 located 9 quai Marcel Dassault Suresnes and 100% leased to Cap Gemini
- Purchase price: € 76.2 million i.e. € 81.4 million including transfer duties
- Annual rent charged: € 5.2 million i.e. **an immediate yield of 6.4%**
- Fixed rental period: 4.5 years

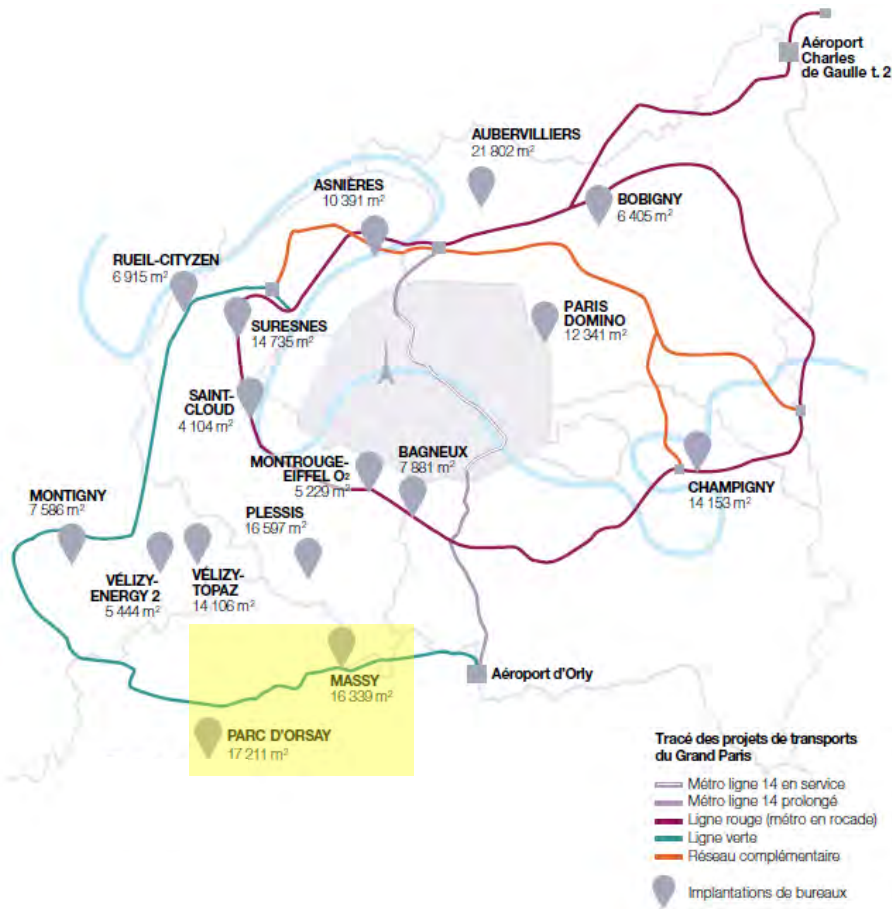


Development (Massy -Power Park)

© Lan



Developments on land reserves of the group



- ❑ **In Massy** within the Ampère Atlantis integrated development zone (ZAC) with access to the largest transport hub in the outskirts south of Paris:

2 regional express railway lines (RER), one high-speed train station, Orly Airport

- ❑ **In Orsay** within the Parc Eiffel d'Orsay, 17,500 sq. m of office space on 16 buildings in the heart of one of the flagship projects in Greater Paris: the Paris-Saclay science campus (Ecole Normale Sup, Paris Sud University, Polytechnique, etc.)



Massy: 70.000 sq. m under valorisation



HOUSING
13,500 sq. m
Commitment signed
with
ALTAREA COGEDIM

**Building leased
to ALSTOM**
16,700 sq. m

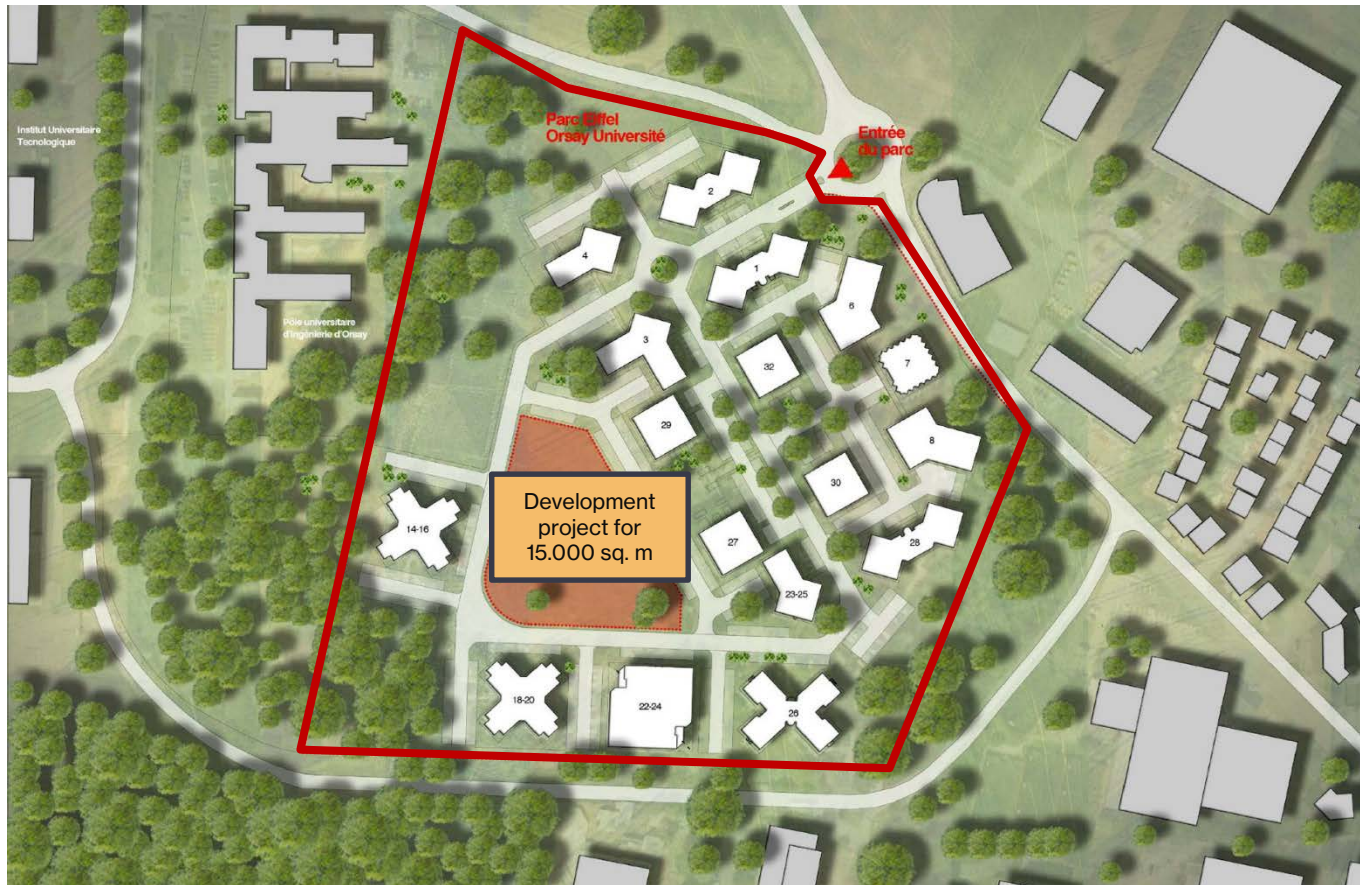
CAMPUS Project
23.000 sq. m of
offices
Building permit in
progress

POWER PARK
Building permit
obtained
32,425 sq. m of offices



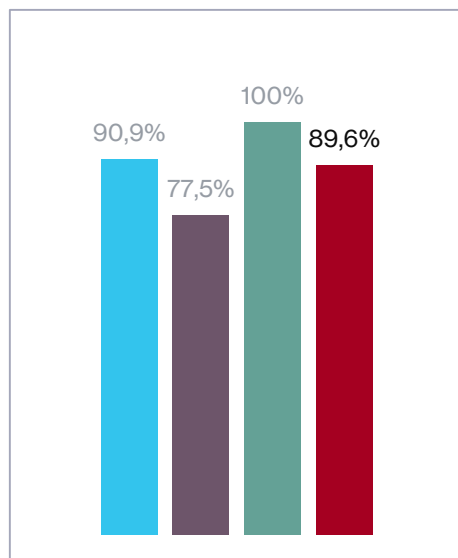
Orsay: planned: 15.000 sq. m local development plan (PLU) potential: 80.000 sq. m

The Parc Eiffel d'Orsay is located 300 m from the future Greater Paris train station (scheduled for 2023) within the Le Moulon integrated development zone, for which the local development plan (PLU) has been adapted to the science campus development project.



Solid and secure long-term rental income

EPRA occupancy rate

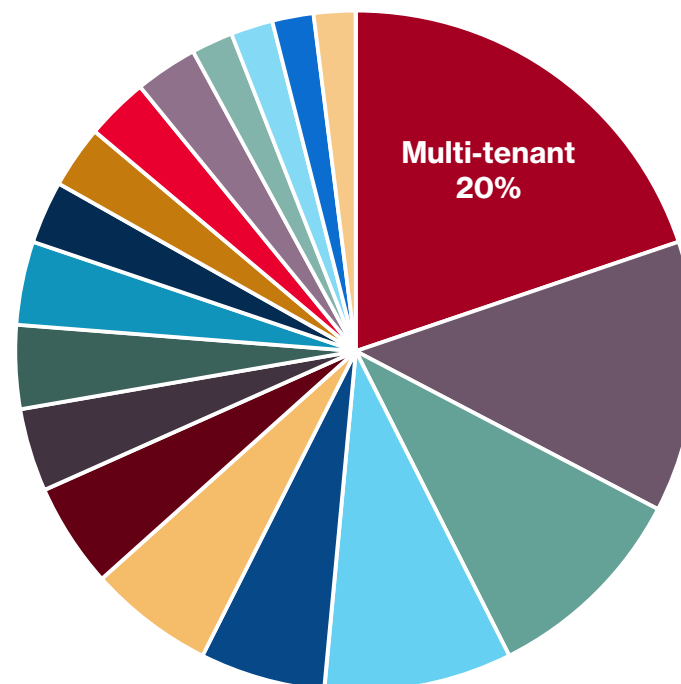


- Offices in the Paris Ile-de-France region
- Offices in other regions
- Other assets
- Portfolio average

Tenant profiles

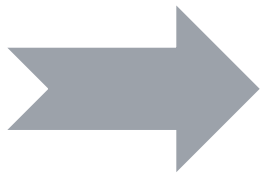
80% of rents are from first-rate companies

La Poste	13%
CapGemini	10%
Alstom	9%
Ministère de l'Intérieur	6%
Altran	6%
Air Liquide	5%
C&S	4%
Atos	4%
Orange	4%
NXP	3%
Gefco	3%
Conseil Général 93	3%
Centre des Monuments Nationaux	3%
Pôle Emploi	2%
Antalis	2%
France Télévisions	2%
Schneider Electric	2%
80%	



Securing rents

- ❑ **New leases:** France Télévisions – Saint-Cloud (+ 7 years)
- ❑ **Lease renewals:** € 13.1 million - 63,695 sq. m
 - ❑ CS Communications – Plessis (+ 8 years)
 - ❑ Air Liquide - Champigny (+ 7 years)
 - ❑ Ministry of the Interior - Asnieres (+9 years)
 - ❑ Multi-tenants - Porte des Lilas (from +2 to +6 years)
 - ❑ NXP – Caen Colombelles (+5 years) and subtenant + 2 years



Average fixed rental period extended by more than one year to 4.3 years on assets outside business parks (85% of rents)





V.2 Financial results

Montrouge – Eiffel O₂

© PlanaSphère



Key figures

Securing rents and operational performance

	2014	2013
Value of property portfolio excl. taxes	€ 765 million	€ 701 million
Net financial debt	€ 370 million	€ 327 million
Net LTV	47.7%	46.2%
EPRA Triple Net NAV (in €/share)	58.2	58.1
Rental income	€ 51.9 million	€ 61.5 million
<i>Variation in rental income on a like-for-like basis</i>	<i>-3.8%</i>	<i>-3.3%</i>
<i>EPRA financial occupancy rate</i>	<i>89.6%</i>	<i>93.7%</i>
EPRA operating income on ordinary activities	€ 40 million	€ 47.3 million
<i>% Rent</i>	<i>77%</i>	<i>77%</i>
EPRA recurring net income	€ 24.6 million	€ 28.0 million
<i>IFRS Net Profit (Group Share)</i>	<i>€ -1.0 million</i>	<i>€ -1.9 million</i>
Current cash-flow	€ 27.0 million	€ 29.5 million
<i>in €/share</i>	<i>4.3</i>	<i>4.7</i>

- ☐ Termination of the asset disposals programme
- ☐ Resumption of investments
- ☐ Proactive work on lease renewals
- ☐ Liberation of the building in Rueil
- ☐ Stable current operating margin (EPRA)



EPRA indicators

Resilient operating performance in a year of transition

	31/12/2014	31/12/2013
EPRA recurring net income	€ 24.6 million	€ 28.0 million
EPRA yield	6.14 %	6.95 %
EPRA topped-up yield	6.47 %	7.44 %
	31/12/2014	31/12/2013
EPRA vacancy rate	10.4 %	6.3 %
EPRA NAV per share	€ 60.4	€ 59.6
EPRA Triple Net NAV per share	€ 58.2	€ 58.1



IFRS and EPRA consolidated income statements

End of portfolio restructuring. the impact of non-recurring costs

In MC	2014			2013			Var. EPRA (%)
	EPRA recurring net income	Non-Recurring business activities	IFRS income statement	EPRA recurring net income	Non-recurring business activities	IFRS income statement	
Gross rental income	51.9		51,9	61.5		61.5	-15.6%
Property operating expenses (*)	-8.5	-1.0	-9,5	-9.6	-1.8	-11.4	
Operating expenses	-3,4	-2.4	-5.8	-4.6	-1,8	-6.4	
Current operating profit (loss)	40.0	-3.4	36.6	47,3	-3.6	43.7	-15.6%
% Rent	77.0%		70.5%	77.0%		71.1%	
Income from disposals		-0.9	-0.9		0,5	0.5	
Change in fair value of buildings		-16.1	-16.1		-35.0	-35.0	
Other operating income and expenses	-0,5		-0.5	0.0	0.2	0.2	
Net operating profit (loss)	39,4	-20.3	19.1	47.4	-38.0	9,3	-16.7%
% Rent	76.0%		36.8%	77.1%		15.2%	
Net cost of financial indebtedness	-14.8		-14.8	-19.3		-19,3	
Other financial income and expenses		-5.2	-5.2		8.2	8.2	
Net financial profit (loss)	-14,8	-5.2	-20.0	-19.3	8.2	-11,1	-23.0%
Net pre-tax earnings	24.6	-25.5	-1.0	28.1	-29,9	-1.8	-12.5%
Taxes	0.0		0.0	-0.1		-0.1	
Net Profit (loss) (Group Share)	24,6	-25.5	-1.0	28.0	-29.9	-1.9	-12.1%
% Rent	47.4%		-1.8%	45.5%		-3.1%	
Net Profit (loss) (Group Share) per share (**)	3,9	-4.0	-0.2	4.5	-4.8	-0,3	-13.2%

(*) Tour Eiffel Asset Management costs included

(**) number of shares: 6.328,181 as at 31 December 2014 and 6.253,916 as at 31 December 2013



Consolidated Balance Sheet

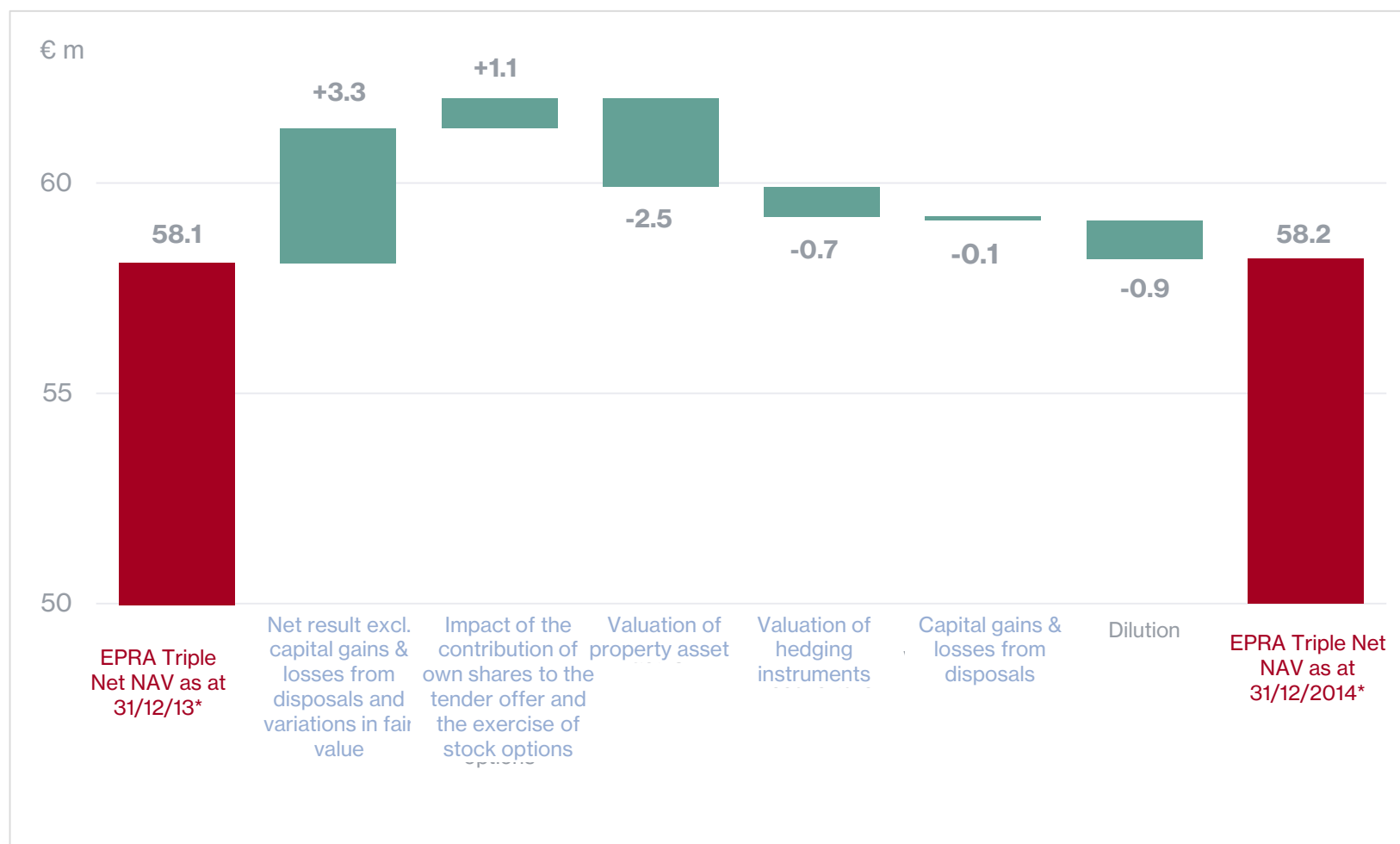
Upswing in investments

<i>In M€</i>	31/12/2014	31/12/2013
ASSETS		
Investment properties	754.9	692.4
Assets earmarked for disposal	10.2	8.6
Tangible fixed assets	0.0	0.0
Intangible fixed assets	0.0	0.0
Receivables	30.5	35.8
Cash	14.8	21.7
Total ASSETS	810.4	758.5
LIABILITIES		
Shareholder's equity	362.7	356.2
<i>including income</i>	-1.0	-1.9
Bank loans and cash advances	384.1	348.5
Other debts	63.6	53.8
Total LIABILITIES	810.4	758.5



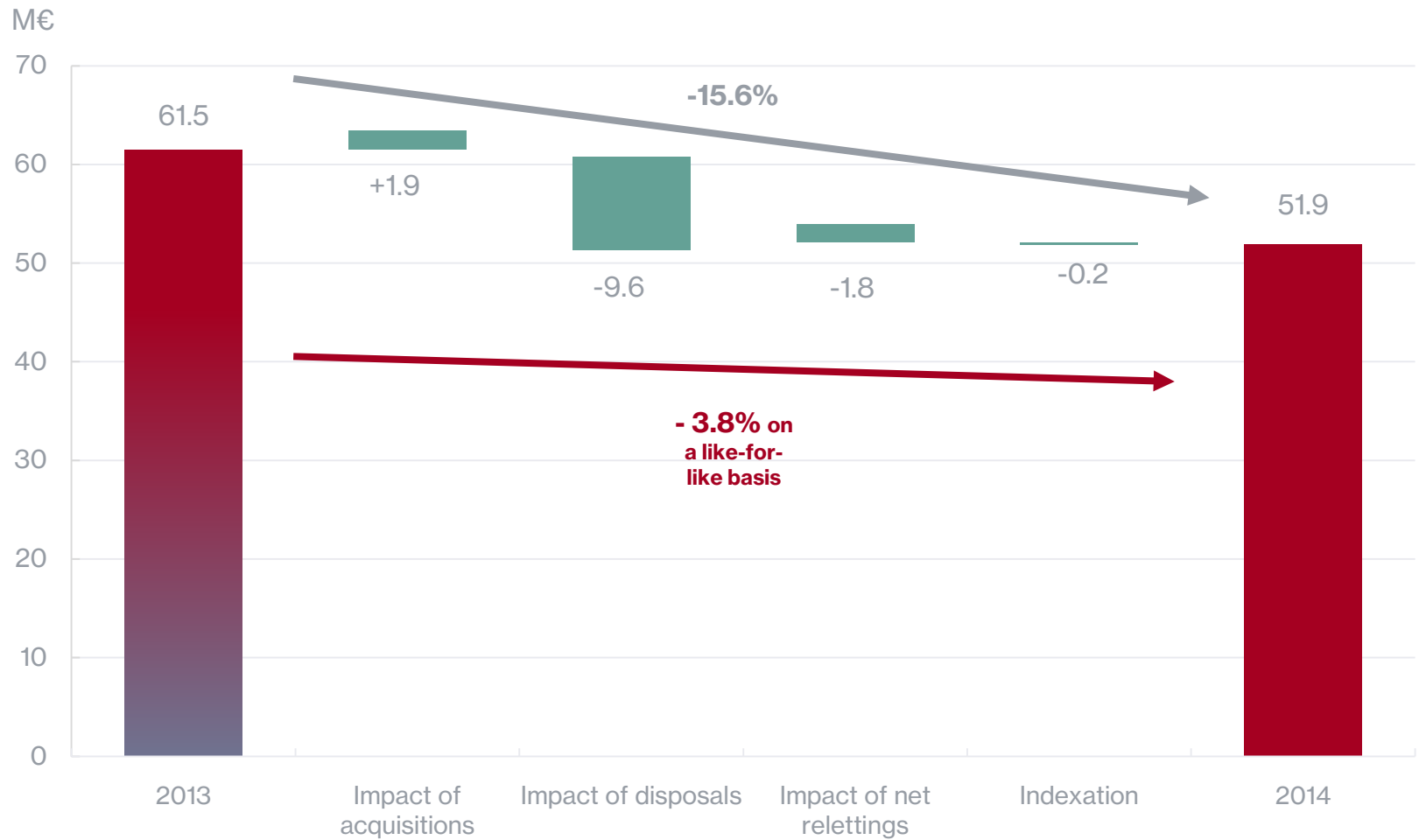
EPRA Triple Net NAV variation per share (in €)

Stable NAV



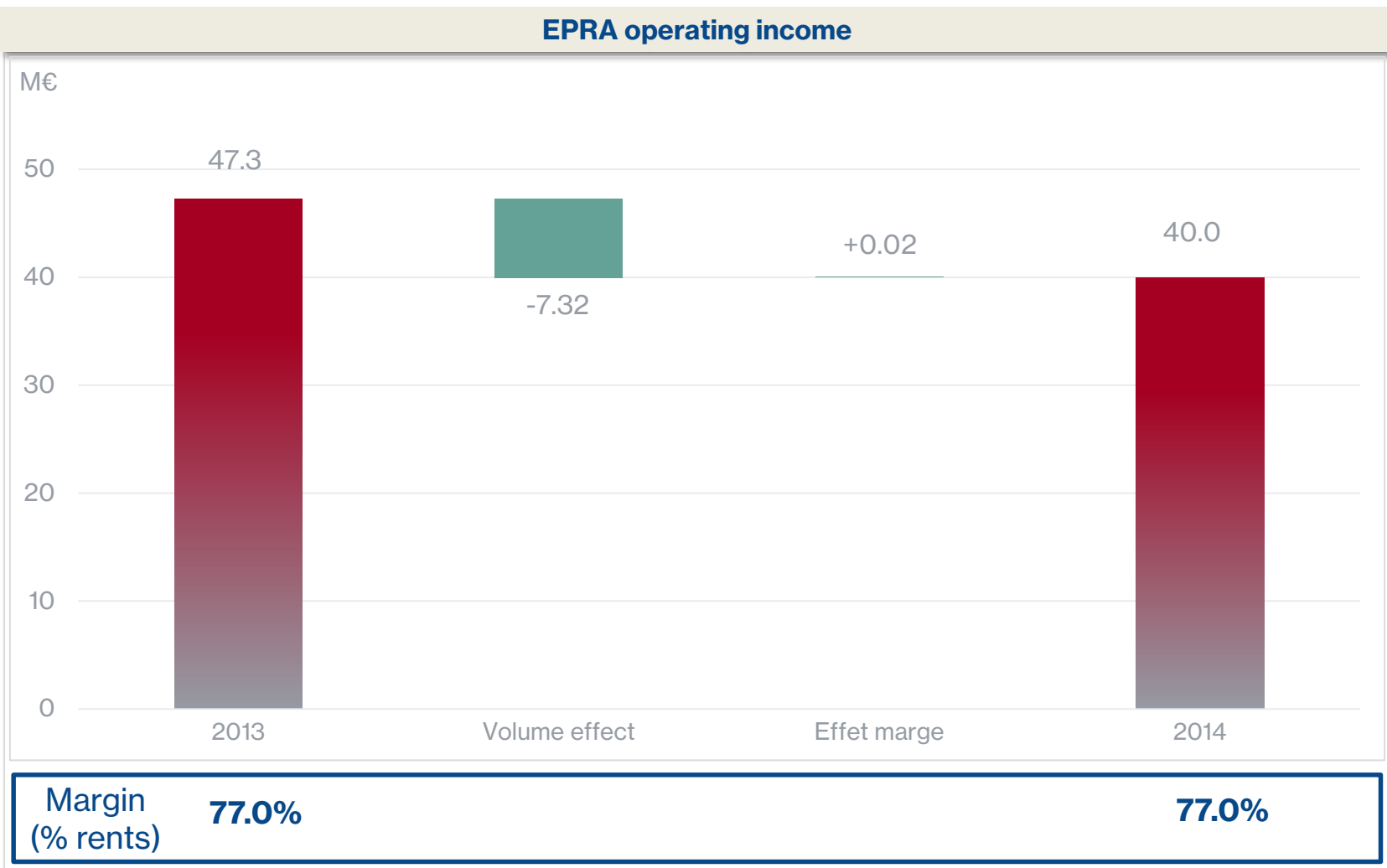
* Number of diluted shares: 6,330,337 as at 31/12/2014 and 6,227,986 as at 31/12/2013

Rental income



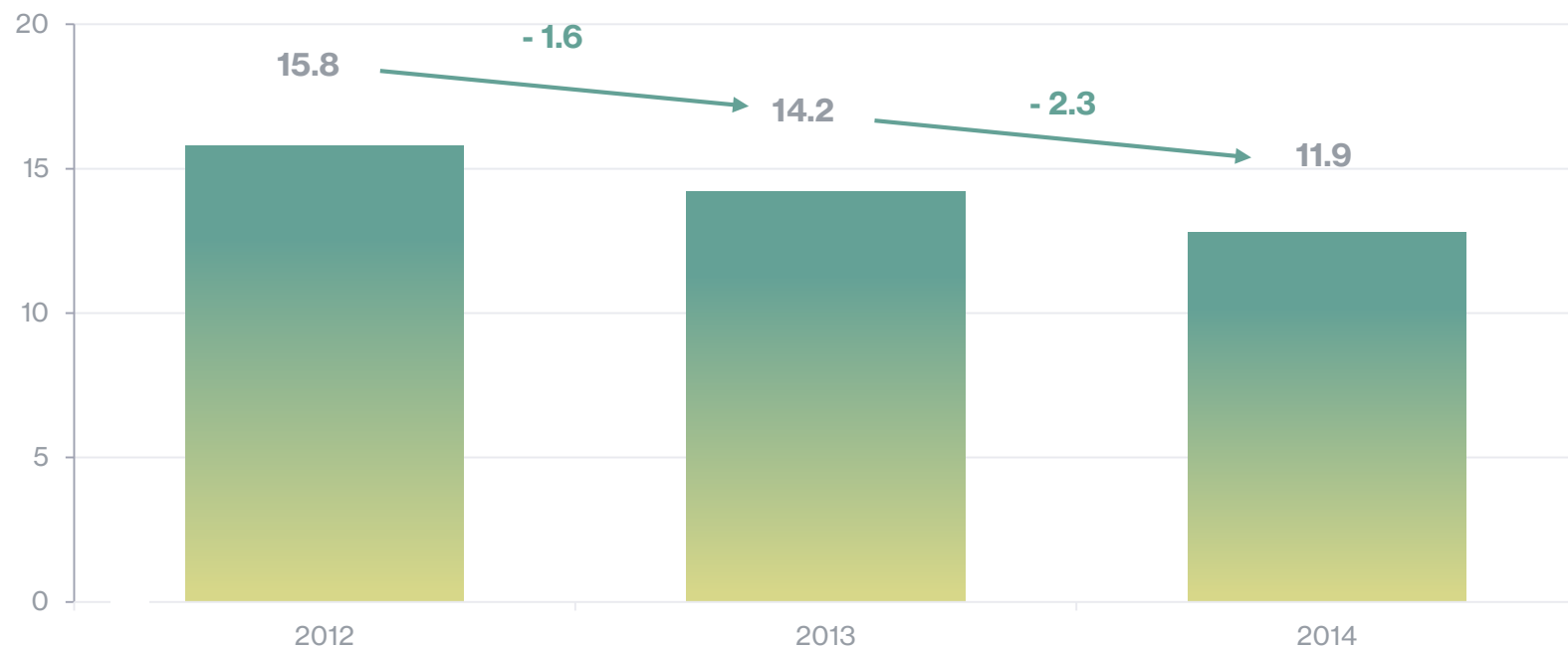
EPRA recurring operating income

Stable margin



Operational costs: significant reduction programme

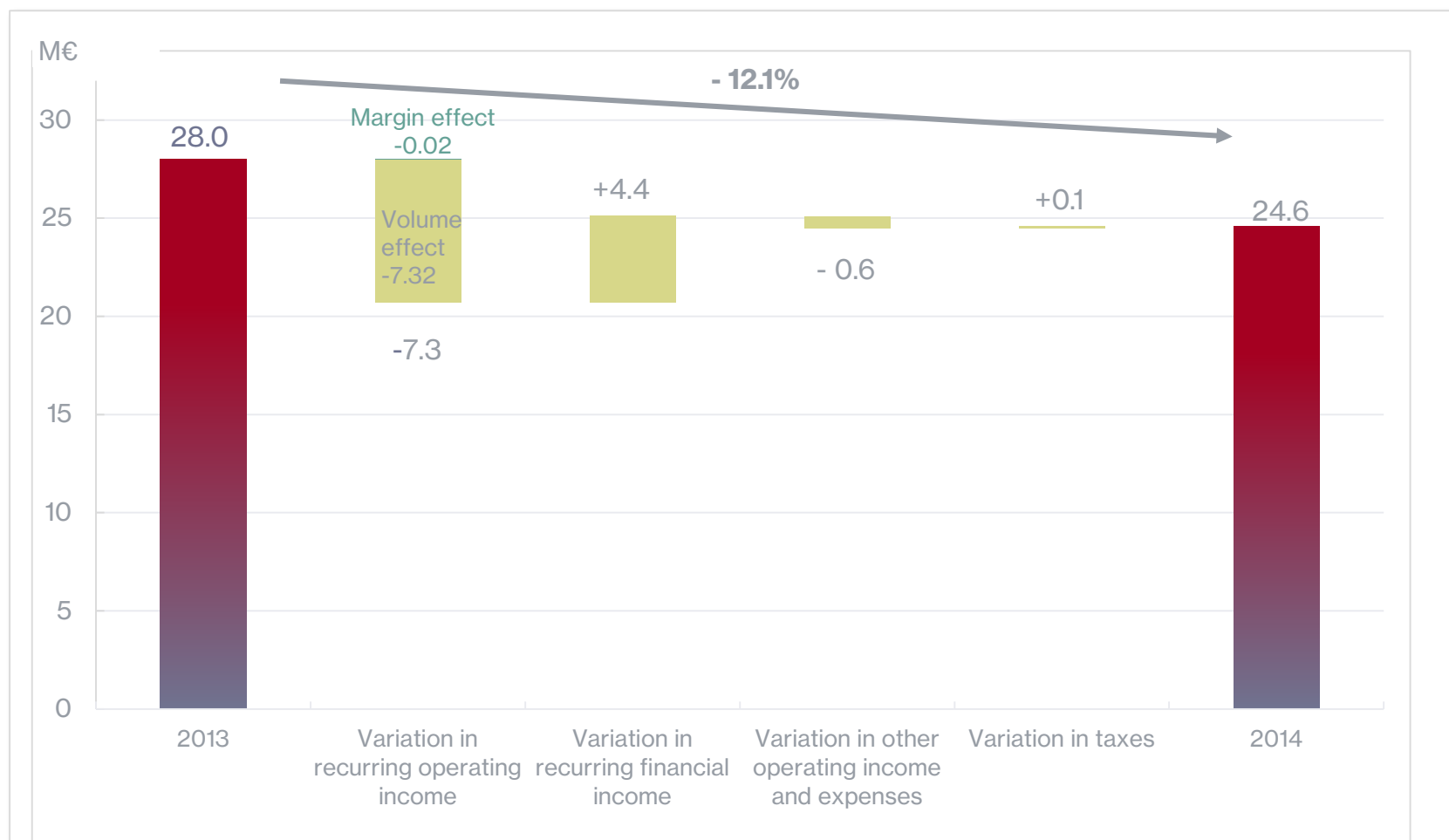
EPRA costs* in € million



*excluding non-recurring costs



EPRA recurring net income

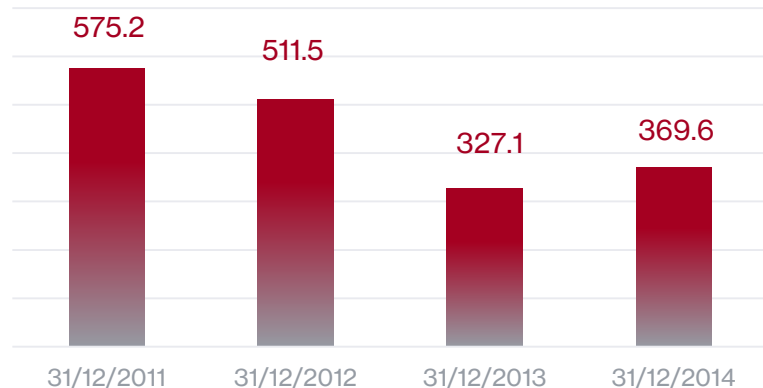


Net financial debt

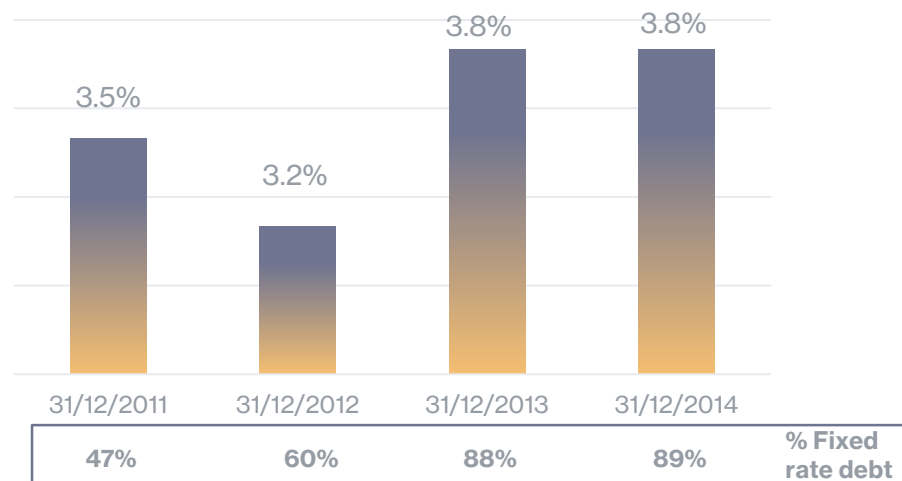
Key characteristics

Net financial debt

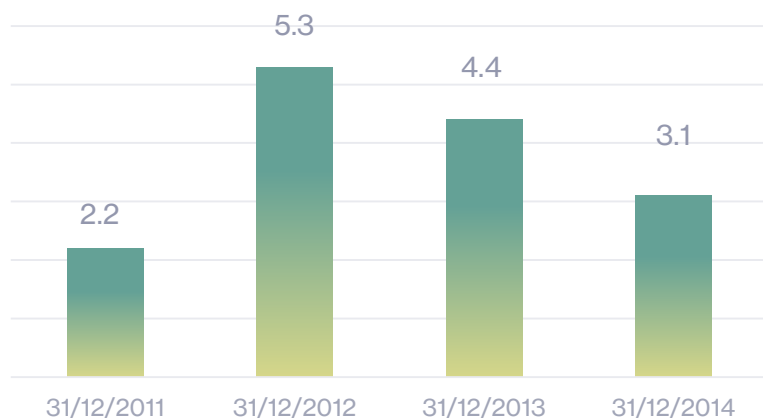
En M€



Rate

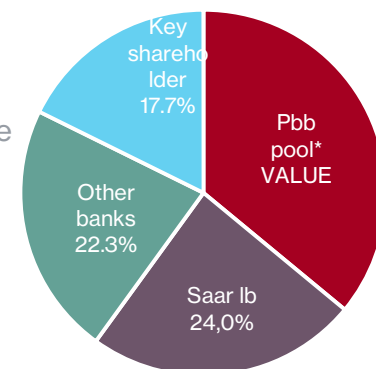


Maturity (years)



Type

- ❑ 82.3% Mortgage bank debt
- ❑ 17.7% cash advance from the shareholder
- ❑ Hedging ratio: 100%
- ❑ 15 lines for a total of € 384.1 million (IFRS)

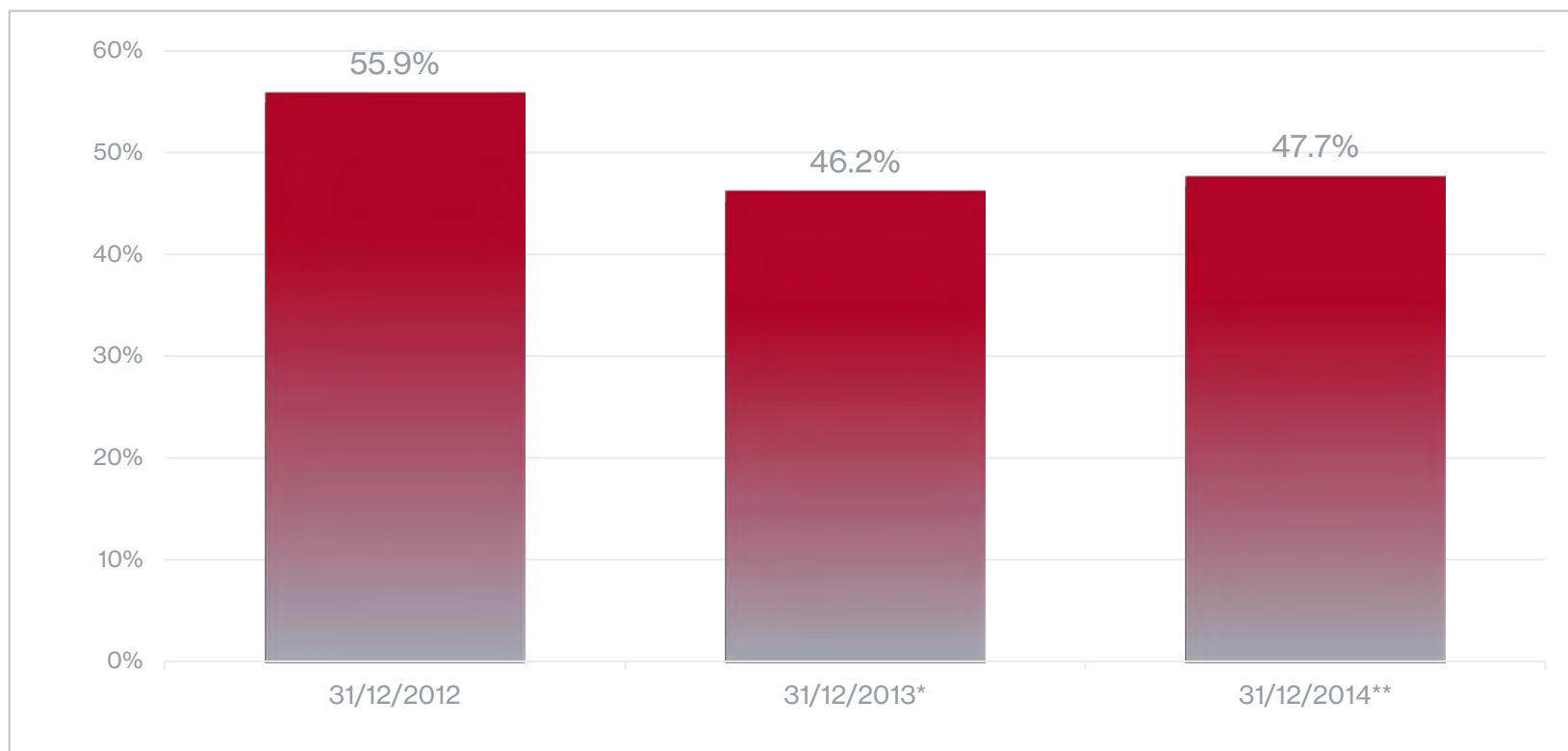


* also including Crédit Foncier, CA CIB, Société Générale and SCOR



Net financial debt

Change in LTV ratio



* Includes restatement of Saar LB cash deposit

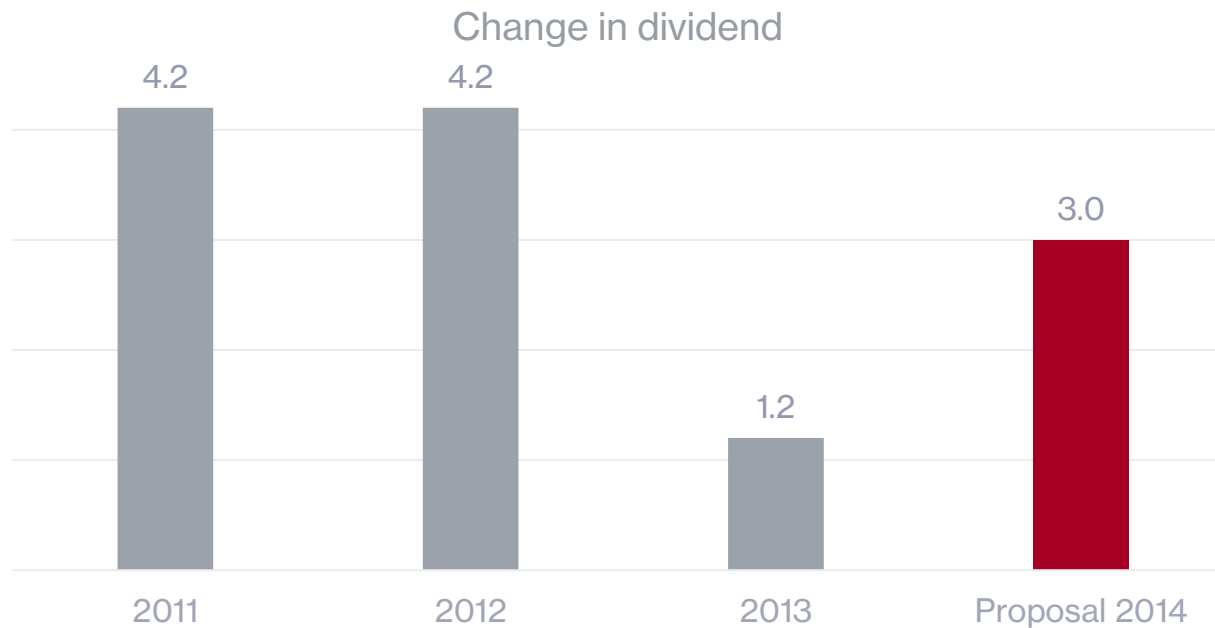
** Includes restatement of Saar LB cash deposit / Increase in ratio in the 2nd half - finance the acquisition of the building in Suresnes



Dividend for 2014 fiscal year

2014 dividend (proposed to the Annual General Meeting): **€ 3.0 / per share**

Cash payment





V.3 Outlook

Outlook

- ❑ An economic context which calls for caution
- ❑ Portfolio scheduled to double in value in the coming 3 to 5 years
- ❑ An ambitious but realistic 2015
 - ❑ Acquisition of secure assets
 - ❑ Developments on property available and acquired
 - ❑ External growth

For 2015, Société de la Tour Eiffel is in line with a growth trend in its cash-flow



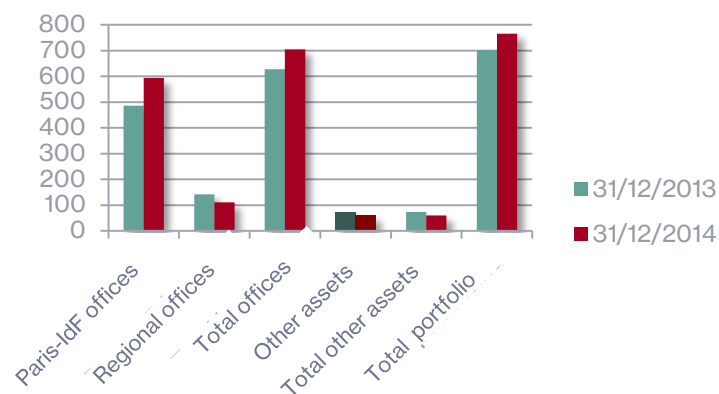
VI // Appendices



Growth in property portfolio – Distribution of Offices / Other assets

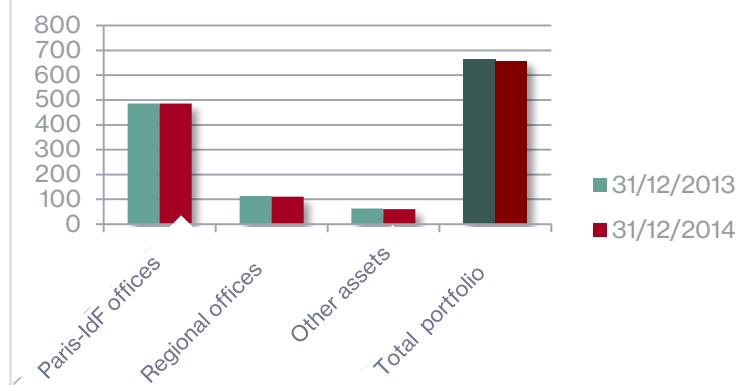
IFRS valuation of property portfolio

Euros. in millions	31/12/2014	31/12/2013	Variation 2014/2013	Var in %
Offices in the Paris-IdF region	594.5	485.7	108,8	22.4%
Offices in other regions	110.5	141.6	-31.1	-22.0%
Total Offices	704,9	627.2	77.7	12.4%
Other assets	60.2	73,8	-13.6	-18.4%
Total other assets	60.2	73.8	-13.6	-18.4%
Total property portfolio	765.1	701.0	64,1	9.1%



IFRS valuation of property portfolio on a like-for-like basis 2014 - 2013

Euros. in millions	31/12/2014	31/12/2013	Variation 2014/2013	Var in %
Offices in the Paris-IdF region	486.4	485.7	0,8	0.2%
Offices in other regions	110.5	113.0	-2.5	-2.3%
Total Offices	596.9	598,7	-1.8	-0.3%
Other assets	60.2	63.1	-2,9	-4.6%
Total other assets	60.2	63.1	-2.9	-4.6%
Total property portfolio	657,1	661.8	-4.7	-0.7%



Change in portfolio value on a like-for-like basis – -0.7 %.

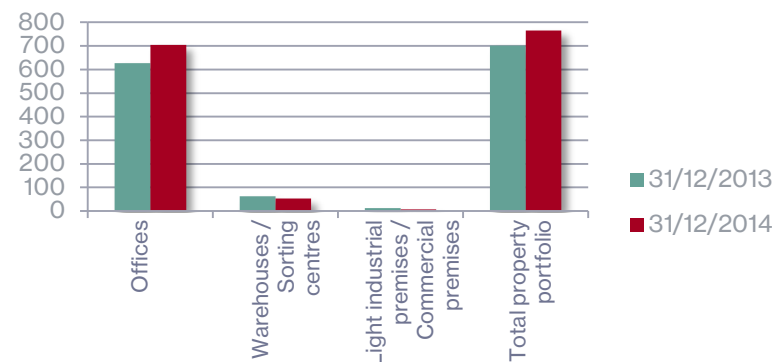
Amount in 2014 of disposals (incl. tax): € 108 million. and of acquisitions: € 39.2 million



Change in property portfolio per type of asset

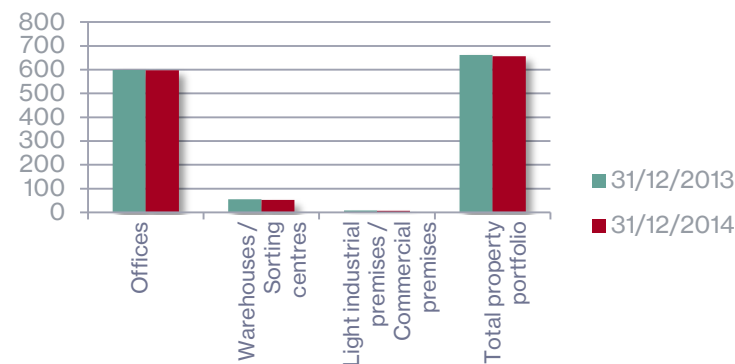
IFRS valuation of property portfolio

Euros. in millions	31/12/2014	31/12/2013	Variation 2014/2013	Var in %
Offices	704,9	627.2	77,7	12.4%
Warehouses / Sorting centres	53.1	62,1	-9.0	-14.5%
Light industrial premises/ Commercial premises	7.1	11,6	-4.5	-39.0%
Total property portfolio	765,1	701.0	64.1	9.1%



IFRS valuation of property portfolio on a like-for-like basis 2014 - 2013

Euros, in millions	31/12/2014	31/12/2013	Variation 2014/2013	Var in %
Offices	596.9	598.7	-1,8	-0.3%
Warehouses / Sorting centres	53.1	54,9	-1.8	-3.3%
Light industrial premises/ commercial premises	7,1	8.2	-1,1	-13.4%
Total property portfolio	657.1	661,8	-4.7	-0.7%

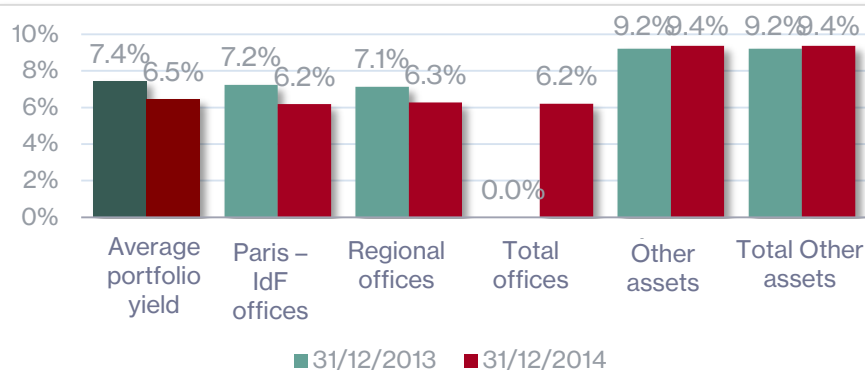


Change in portfolio value on a like-for-like basis = -0.7%. Amount in 2014 of disposals (incl. tax): € 108 million, and of acquisitions: € 39.2 million

EPRA yield for Office / Other assets property portfolio

EPRA "Topped-up" Net Initial Yield*

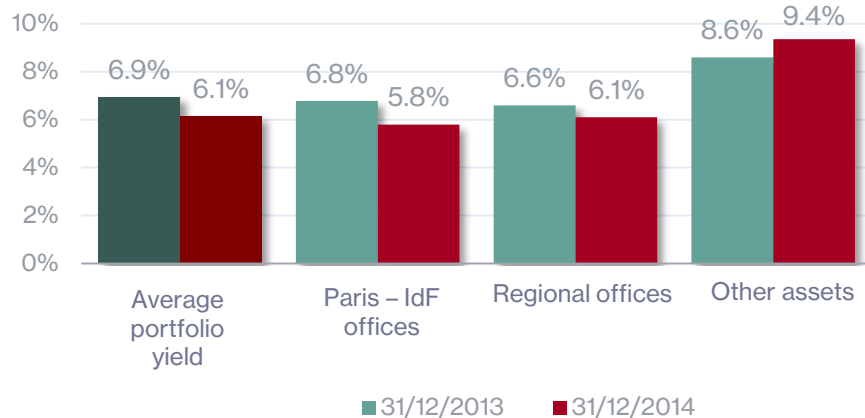
EPRA topped-up yield	31/12/2014	31/12/2013
Average portfolio yield	6.5%	7.4%
Offices in the Paris-IdF region	6.2%	7.2%
Offices in other regions	6.3%	7.1%
Total Offices	6.2%	0.0%
Other assets	9.4%	9.2%
Total other assets	9.4%	9.2%



(*) Net Initial Yield EPRA topped-up: annualized rent as at 31 December, including running rental concessions, net of expenses, divided by the gross property asset value

Net Initial Yield EPRA**

EPRA Yield	31/12/2014	31/12/2013
Average portfolio yield	6.1%	6.9%
Offices in the Paris-IdF region	5.8%	6.8%
Offices in other regions	6.1%	6.6%
Total Offices	5.8%	0.0%
Other assets	9.4%	8.6%
Total other assets	9.4%	8.6%



(**) Net Initial Yield EPRA: annualized rent as at 31 December, including running rental concessions, net of expenses, divided by the gross property asset value

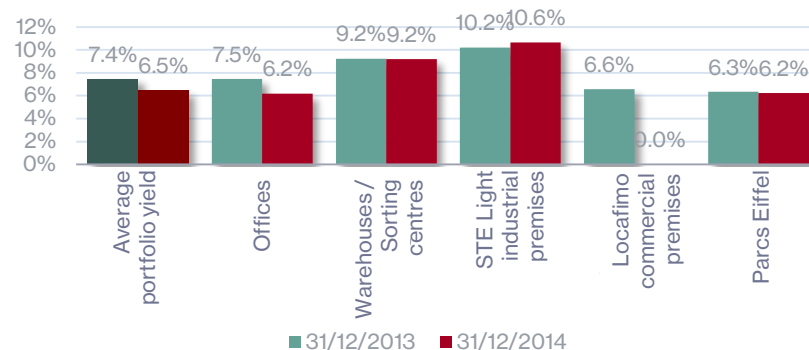


EPRA yield for property portfolio per type of asset

EPRA topped-up yield*

EPRA topped-up yield

	31/12/2014	31/12/2013
Average portfolio yield	6.5%	7.4%
Offices	6.2%	7.5%
Warehouses / Sorting centres	9.2%	9.2%
STE Light industrial premises	10.6%	10.2%
Locafimo commercial premises	N/A	6.6%
Parcs Eiffel	6.2%	6.3%

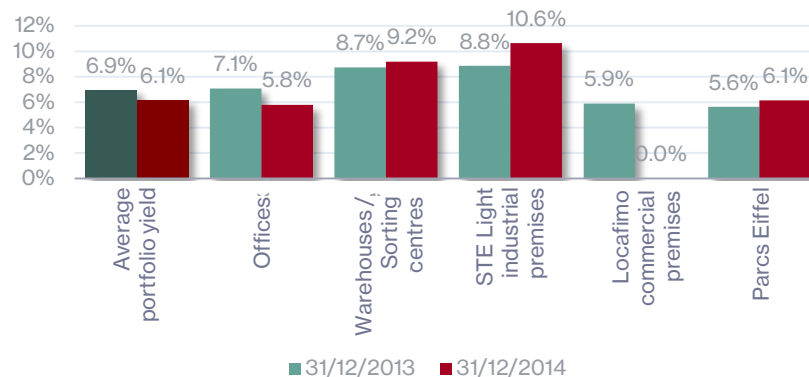


(*) Net Initial Yield EPRA topped-up: annualized rent as at 31 December, including running rental concessions, net of expenses, divided by the gross property asset value

Net Initial Yield EPRA**

EPRA Yield

	31/12/2014	31/12/2013
Average portfolio yield	6.1%	6.9%
Offices	5.8%	7.1%
Warehouses / Sorting centres	9.2%	8.7%
STE Light industrial premises	10.6%	8.8%
Locafimo commercial premises	N/A	5.9%
Parcs Eiffel	6.1%	5.6%



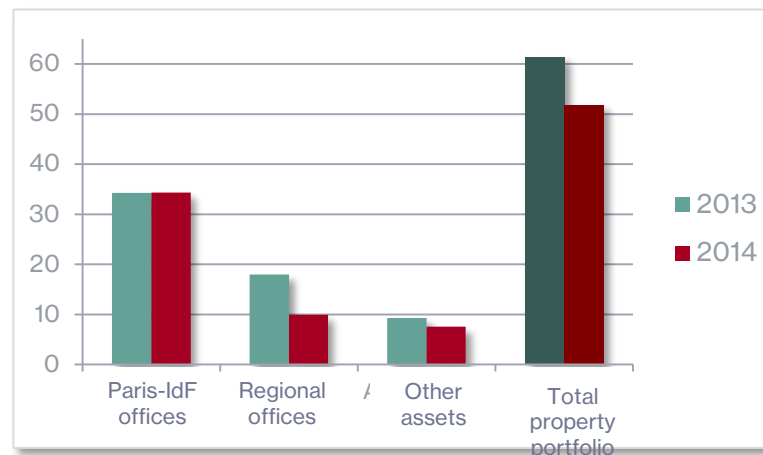
(**) Net Initial Yield EPRA: annualized rent as at 31 December, including running rental concessions, net of expenses, divided by the gross property asset value



Growth in rental income broken down as per Offices / Other assets

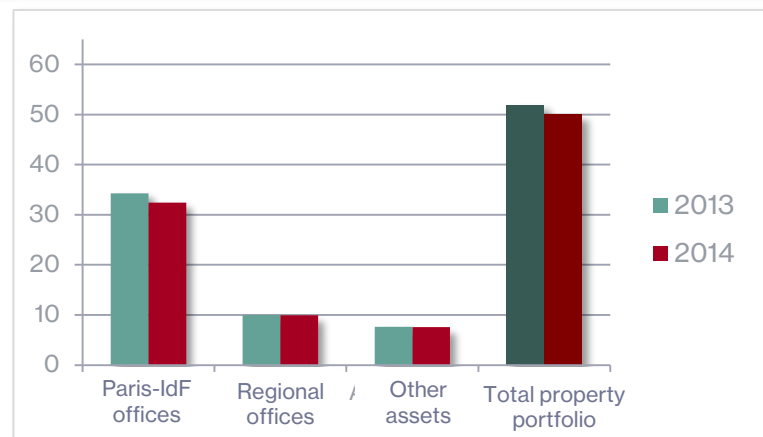
Change in IFRS rental income

Euros, in millions	2014	2013	Variation 2014/2013	In %
Offices in the Paris-IdF region	34.3	34.2	0.1	0.2%
Offices in other regions	10.0	18.0	-8.0	-44.6%
Total Offices	44.3	52.2	-7.9	-15.2%
Other assets	7.6	9.3	-1.7	-18.0%
Total other assets	7.6	9.3	-1.7	-18.0%
Total property portfolio	51.9	61.5	-9.6	-15.6%



Change in IFRS rental income on a like-for-like basis 2014 - 2013

Euros, in millions	2014	2013	Variation 2014/2013	In %
Offices in the Paris-IdF region	32.4	34.2	-1.8	-5.4%
Offices in other regions	10.0	10.0	-0.1	-0.7%
Total Offices	42.4	44.3	-1.9	-4.3%
Other assets	7.6	7.6	-0.1	-0.7%
Total other assets	7.6	7.6	-0.1	-0.7%
Total property portfolio	50.0	51.9	-2.0	-3.8%



Change in rental income on a like-for-like basis = -3.8% Impact on variation in rental income of disposals: - € 9.6 million, and of acquisitions: + € 1.9 million