

PRESS RELEASE

Paris, 21 January 2009

Excellent level of activity in 2008

- Rental income up 24.8%
- Investments: €33.2m

Solid outlook for 2009

I – Comments on quarterly and annual income

TERREÏS' rental income for the year 2008 came to €9.1m, up 24.8% compared to last year. Indexation and renegotiations of rent during the year represent close to 15% of this increase, the balance being due to acquisitions.

Rental income* (€000)	Q4		Year		Change	
	2008	2007	2008	2007	Q4 2008 /07	Year
Offices	1,548	1,078	4,809	4,238	43.5%	13.5%
Commercial	378	268	1,440	733	41.1%	96.3%
Mixed offices + commercial	705	632	2,725	2,233	11.6%	22.1%
Other	34	27	159	113	24.6%	40.1%
Total	2,665	2,005	9,133	7,318	32.9%	24.8%

* Rental income net of operating costs, maintenance and repairs including those under Article 606

Rental income for the fourth quarter of 2008 came to €2.66m, representing a sequential increase of 19.9% compared with the third quarter of 2008. Two main reasons for this increase:

- Accounting on a full quarter basis of the rental income from the Cité Paradis assets acquired on 25 September 2008, for an amount of €433k compared to €24k for the third quarter;
- Contractual indexation and rental renegotiations for 2.8%.

Organic growth of rental income amounted to 7% compared to fourth quarter of 2007.

II – A year of investments with the acquisition of Cité Paradis

In 2008, TERREÏS engaged €33.2m of investments, up 33% compared to the existing portfolio at the end of 2007. The break up is as follows:

- Completion of the acquisition of 12 new assets for an amount of €27.8m. Put aside the acquisition of Cite Paradis for €23.5m and a yield of 7.07%, the 11 others assets will carry a yield of more than 8%;
- Signature of 7 promises to purchase for an amount of €5.5m in places such as Paris, Angers, Biarritz and Agde.

All together, these acquisitions will generate an average gross yield of 7.5% on an annual basis, prior to any renegotiation.

III – Outlook for 2009

Accounting of all the assets acquired in 2008 should lead to rental income of €11.7m in 2009, an increase of more than 28% compared to 2008.

This dynamic is exceptional in the general context of wait and see attitude from banks and investors, which led to a significant drop in the real estate transactions at the end of 2008.

In 2009, TERREÏS will maintain its focused, selective and high yield investments strategy, capitalizing on FONCIA as a strong business provider and taking advantage of a market characterized by more opportunities than in 2008.

Next publication

2008 annual results: 9 march 2009.

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About Terreïs (www.terreis.fr)

Terreïs is a property company whose asset portfolio contains small and medium sized offices and commercial premises, mostly in central locations in Paris and the main French regional cities. Terreïs will grow by drawing on the considerable reservoir of commercial leases currently managed by branches of the Foncia group and through acquisitions facilitated by the network of business sources that these branches represent.

Terreïs has been listed in the C Compartment of Eurolist by Euronext Paris since December 2006, and adopted the listed property company regime (*régime des sociétés d'investissement immobilier cotées* or SIIC) from 1 January 2007.

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