

PRESS RELEASE

Antony, 27 October 2010

Q3 2010 rental income

- **Rental income in line with targets announced for 2010**
- **New investment opportunities seized, taking firm commitments to €147m at the end of September**

I – Rental income for the first nine months in line with 2010 targets

TERREÏS reports rental income of €14.85m for the first nine months of 2010, up 62.5% on the same period in 2009. Excluding the effect of acquisitions over the last 12 months, the group's rental income grew by 0.6%. TERREÏS has once again outperformed its benchmark for organic growth: the French construction cost index, which is the reference for most of TERREÏS' rental contracts, effectively saw an average year-on-year decrease of 2.7%.

Rental income* <i>(in € thousands)</i>	9 months			Q3		
	2010	2009	Change	2010	2009	Change
Offices	8,291	5,382	+54%	3,328	1,830	+82%
Commercial	3,713	1,782	+108%	1,242	818	+52%
Mixed Offices & Commercial	1,690	1,675	+1%	561	562	0%
Housing	1,107	273	ns	363	160	ns
Other	49	25	ns	16	10	ns
Total	14,850	9,136	+62.5%	5,510	3,380	+63.0%

**Rent excluding operating, maintenance and repair costs, including major repairs covered by Art 606 of the French civil Code.*

Q3 2010 had a similar dynamic to Q3 2009, with growth in rental income, restated to exclude the impact of acquisitions over the past twelve months, of +0.4%.

This performance is also due to the financial occupancy rate, which at the end of September 2010 remained high at 98.2%.

II – New investment opportunities seized during this quarter

TERREÏS took advantage this quarter of new investment opportunities for an amount of €92m, taking total spending commitments since January to €147 million. The main opportunities this quarter were:

- two office buildings in Avenue George V (8th arrondissement) and Rue de la Paix (1st arrondissement) in central Paris, by acquiring the holding company which owns these multi-tenant buildings, with beneficial ownership commencing on 30 November,
- an office building in Antony, leased to a public administration for six years fixed and integrated in TERREÏS portfolio on 29 September,
- a portfolio of seven Paris multi-tenant shops acquired by TERREÏS on 20 October.

Overall, total commitments signed in the first nine months will generate an immediate return of 6.74% on a full year basis.

III – Outlook

The recent acquisitions, particularly the properties on Avenue George V and Rue de la Paix in Paris, are only expected to make a marginal contribution to rental income and TERREÏS group results in 2010, taking into account their acquisition date.

Therefore, TERREÏS has confirmed the 2010 full year targets announced when it published its H1 2010 results:

- rental income of over €21m,
- an acceleration in cash flow growth in H2.

TERREÏS intends to continue leveraging its proven ability to purchase premium assets, particularly in the current climate of attractive financing costs, in order to build a first-class portfolio in accordance with its strict criteria of profitability and quality.

IV – Other information

- In keeping with its twice-yearly dividend policy, TERREÏS will pay an interim dividend of €0.23 per share on 24 November.
- At its meeting on 24 August, the Scientific Advisory Board decided to add TERREÏS to the SBF 250 Index.

Next periodic publication: FY 2010 rental revenues, 27 January 2010.

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About TERREÏS (www.terreis.fr)

TERREÏS is a property company with a portfolio of small and medium-sized offices and commercial premises, mainly in central locations in Paris and major cities throughout France. TERREÏS has been listed in Compartment C of the NYSE Euronext market in Paris since December 2006, and adopted listed property company status (*régime des sociétés d'investissement immobilier cotées*, or SIIC) from 1 January 2007. The stock was added to the SBF 250 Index in September 2010.

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