



PRESS RELEASE

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2011 Activity

Another year with significant growth

- Rental income up by 96%
- €345 million invested in commercial sector properties
- Estimated value of the property portfolio at the end of December 2011: €1Bn

- **2011: an important year for Terreïs' development**

2011 was a key year for Terreïs' development, and was particularly marked by three major events: the merger with Avenir & Investissement, an increase in capital at the start of the year of €96m and an active acquisitions policy of €345m.

- **A 2011 turnover of €41.5m, exceeding initial objectives**

Terreïs' rental income for 2011 was €41.5 million, up 96% compared with the previous year. This data includes the revenues from the Avenir & Investissement assets, which were merged with Terreïs. This income contributed €6.9 million to the turnover for the period.

Excluding the *Anjou* and *Volney* assets, acquired free of tenants and whose marketing was launched in late December 2011, the occupancy rate for the commercial property portfolio was 96%.

Rental income (in € thousand)	Full Year				4 th quarter		
	2011	2010 pro forma ¹	2010	Change % 2011/2010	2011	2010	Change % 2011/2010
Offices	25,899	14,461	12,335	+110%	8,274	4,052	+104%
Commercial	7,059	5,000	5,093	+39%	1,984	1,382	+44%
Mixed (offices + Commercial)	2,238	2,248	2,263	-1%	583	570	+2%
Residential / other	6,344	7,168	1,548	+310%	1,552	386	+303%
Total	41,540	28,877	21,240	+96%	12,393	6,390	+94%

¹ 2010 pro forma: Avenir & Investissement rental income taken into account

- **Property portfolio : €1bn target achieved**

- ✓ **2011 acquisitions: €345m of high quality investments recorded in 2011, at a rate of return of 6.64%**

By the end of September, Terreïs had already invested €275m in new real estate, and an additional €70m of new investment opportunities were acquired during the 4th quarter.

These acquisitions mainly relate to two assets located in Paris:

- The first asset, « Ilot Sébastopol », has a surface area of 9,693m², and is located at 31-39 boulevard de Sébastopol, in the 1st arrondissement (at the corner of rues Berger, Saint-Denis and boulevard Sébastopol). This property, bought for €64.8m, is composed of 3,597m² of commercial premises (Séphora, Saint Maclou, KFC, and Café Rive Droite, among others) acquired on the basis of a 6% rate of return, and 6,093m² of offices with a return of 6.6% , of which 4,480m² rented to Sytcom (City of Paris) on a fixed-term lease until 31 December 2020;
- The second asset relates to joint-ownership units (commercial and offices), located at 14 rue des Capucines in the 2nd arrondissement, acquired for €3.6m on the basis of a return of 6%.

The total 2011 acquisitions will generate, over a full year, a return after development of 6.64%, representing an additional rental income of €23m.

Of this €345m of acquisitions:

- 76.5% are in the Paris central business district or close to the CBD,
- 23.2 % are in the Parisian inner suburbs,
- 0.3% are located in the provinces (La Rochelle and Toulouse).

Two assets, 16 rue Volney and 51 rue d'Anjou, were acquired when vacant for €38.1m and renovated at a cost of approximately €3.1m. The renovation is due to be completed in March 2012.

- ✓ **2011 disposals : €33.8m**

TERREÏS has been continuing to expand its portfolio by gradually disposing of its residential assets. Since the beginning of 2011, sales have accounted for €33.8m, generating capital gains of close to €23m.

- **Outlook**

The €1bn portfolio target, announced by TERREÏS at the time of the capital increase in January 2011, has been achieved one year ahead of schedule.

2012 will be dedicated to the consolidation of the intensive growth of the past two years. At the same time, TERREÏS will remain on the lookout for opportunities arising on the Parisian market.

In addition, Terreïs will continue with the gradual sell-off of its residential portfolio, and will look at the possibility of giving up its provincial assets in order to fully concentrate on Paris and the Ile-de-France region.

The company will therefore pursue its objective of gradually refocusing its capital towards high quality Parisian commercial real estate (more than 80% of the company's assets are already in Paris).

In the short term, based on the group's new scope, the rent collected by Terreïs should exceed €56 million for the full year, and therefore marks a significant level of progress in relation to 2011 levels.

Next periodic information publication: Full Year 2011 results on 26 March 2012

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About Terreïs (www.terreis.fr) The new Terreïs website is now online

Terreïs is a property company whose asset portfolio consists of office premises as well as the bricks and mortar of retail property located mainly in Paris. Terreïs has been listed on the NYSE Euronext regulated market in Paris since December 2006 and joined the "Compartiment B" in January 2012. Terreïs opted for the status of listed property investment companies ("SIIC"), from 1 January 2007. Its stock has been incorporated in the SBF 250 reference index (now the CAC-All Tradable index) since September 2010.

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