



PRESS RELEASE

Paris, 23 July 2013

Activity for 1st half-year 2013

Revenues up almost 7%

Organic growth rate of 5.9%

Financial occupancy rate of 96%

**Acquisition of three high-quality assets in the Paris Central Business District
at a total investment cost of €86 million**

- The business activity level was in line with expectations**

TERREÏS' rental income amounted to €30.5 million in the 1st half of 2013, up almost 7% compared with the 1st half of 2012.

After restatement for the acquisitions and disposals made in 2012, the Group's organic growth rate amounted to almost 6%.

The commercial portfolio occupancy rate amounted to over 96%.

| Rent (€ thousand) | 1st half | | | 2nd quarter | | |
|--------------------------|----------------------------|-------------|---------------|-------------------------------|-------------|---------------|
| | 2013 | 2012 | Change | 2013 | 2012 | Change |
| Office / Retail | 27,419 | 25,318 | +8.2 % | 13,802 | 13,025 | +6.0% |
| Residential | 3,055 | 3,189 | -4.2 % | 1,511 | 1,611 | -6.2 % |
| Total | 30,474 | 28,507 | +6.9 % | 15,313 | 14,636 | +4.6 % |

The slight fall in residential rental income was due to the implementation of the policy to sell residential assets as and when opportunities arise.

- **Continuation of the policy to refocus on commercial assets in the Paris Central Business District, including disposals of assets in the French regions and of residential assets that amounted to €39.2 million, and investments in office buildings amounting to €86 million**

- **Refocusing policy**

TERREÏS has continued to dispose of its regional properties, in order to focus on Paris. These asset disposals amounted to €16.5 million for the 1st half, €15 million of which had been completed as at 30 June 2013. The disposals were made at prices above the assets' appraisal values.

Sales of residential assets were also ongoing. They amounted to €22.7 million in the 1st half, of which €14.4 million were completed as at the end of June 2013. The transactions were performed at an average price of €9,784 per m², which was markedly higher than the appraisal values.

- **New acquisitions**

At the same time as these disposals, TERREÏS continued its targeted acquisition policy, with three acquisitions in the Paris Central Business District:

- An exceptional asset located at 10-12 avenue de Messine (8th District), which consists of 4,000 m² of office space (immediate 5.60% yield) and 1,500 m² of residential space. The purchase price was €55.5 million, including the parking areas.
- An asset located in the Place de l'Etoile on the 7th and top floor of the building at 32, rue de Tilsitt & 4, avenue de la Grande Armée. The building extends over 1,737 m², along with two panoramic terraces of around 500 m². Most of the offices have exceptional views of Paris and its monuments. The asset was acquired for €17.8 million, i.e., an immediate return of 5.60%, although it has additional rental potential.
- An asset under sale agreement located at 6 boulevard Maiesherbes (8th District), which needs to be redeveloped. The surface area is 1,874 m² (of which 1,487 m² is office and retail space, and 387 m² is residential). The purchase price is €12.7 million. Once the works have been completed and the residential space has been sold, the expected yield will be 6.25%.

- **Outlook: ongoing refocusing on high-quality Paris office real estate**

TERREÏS will continue the disposal programme for its regional assets, which is already well underway, as well as the disposals of its residential assets. At the same time, TERREÏS will remain on the look-out for new market opportunities, especially in Central Paris.

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Next publication: 1st half results on 29 August 2013

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About TERREÏS (www.terreis.fr)

TERREÏS is a real estate company where the assets consist of offices and retail premises that are primarily located in Paris. TERREÏS has been listed on the NYSE Euronext regulated market in Paris since December 2006, and has been included in Compartment B since January 2012. The Group has opted for the status of listed property investment company ("SIIC") since 1 January 2007. Its shares have been included in the SBF Index (now the CAC-All Tradable Index) since September 2010.

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