gecina

Far more than square meters

Half year report

2011

CONTENTS

01

DECLARATION BY THE RESPONSIBLE PARTY

I certify that, having taken all reasonable measures to this effect, the information contained in this Reference Document is to the best of my knowledge fair and accurate, and free from any omission that could alter its substance.

I certify that to my knowledge the complete accounts for the half year ended have been drawn up in accordance with current accounting practice and give a fair picture of the assets, financial situation and profits of the company and all companies included in the consolidation, and that the attached half-yearly activity report gives a true picture of the important events occurring during the first six months of the year, their impact on the accounts, the principal transactions between associated parties and a description of the principal risks and uncertainties for the remaining six months of the year.

I have received a completion letter from the Statutory Auditors in which they indicate that they have verified the information relating to the financial situation and financial statements given in this update and that they have reviewed the entire document.

The historic financial data for the half year ended June 30, 2011 shown in this update have undergone a limited review by the Statutory Auditors, as shown in chapter 4.

Christophe Clamageran

Chief Executive Officer

02 KEY FIGURES

€ millions	Change	June 30, 2011	Dec 31, 2010	June 30, 2010
Gross rental income	**4.0%**	**322.0**	**616.8**	**309.6**
Economic division				
Offices	7.6%	181.9	335.0	169.1
Logistics	-12.6%	14.3	32.1	16.4
Hotels	1.1%	9.8	19.4	9.7
Demographic division				
Residential	-1.7%	90.6	183.3	92.2
Healthcare	14.2%	25.4	47.0	22.2
Recurring income (1)	-7.8%	162.8	327.4	176.5
Block value of property holding	9.2%	11,762	11,675	10,774
Economic division				
Offices	15.4%	6,752	6,575	5,853 (3)
Logistics	-46.4%	298	441	556
Hotels	2.6%	276	275	269
Demographic division				
Residential	8.8%	3,682	3,638	3,385
Healthcare	7.2%	747	737	697
Other (2)	-50.0%	7	7	14
Gross yield on property holding – new method		6.01%	6.24%	6.53%
Gross yield on property holding - historic method		5.91%	6.17%	6.46%

(1) EBITDA less net financial costs.
(2) "Other" cover equity-accounted companies with their related receivables.
(3) Including the entirety of the Beaugrenelle project at June 30, 2010.

In a concern for methodological transparency and harmonization with respect to the sector of listed real estate companies, the rates of return on Gecina's property holding are now calculated on the basis of the potential rent of assets, namely:

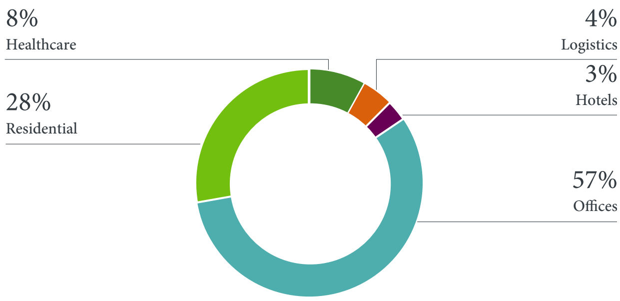
Potential rent = Annualized rent end of period + rental value of market of vacant lots

The historical methodology was based, apart from the annualized rent end of period, on a percentage of the potential rent for the vacant lots according to the vacancy percentage. The calculation of the gross yield on the property holding according to the historic method is nevertheless indicated on a comparable basis in the table above.

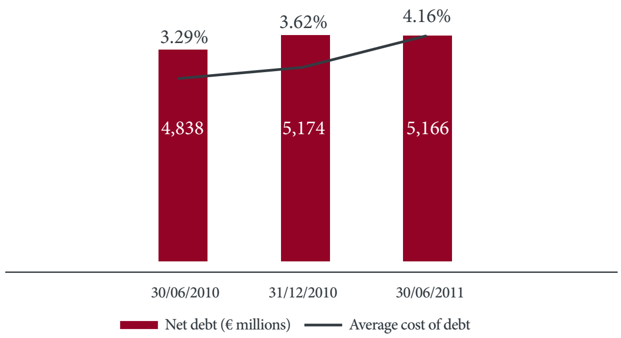
Data per share *(€)*	Change	June 30, 2011	Dec. 31, 2010	June 30, 2010
Recurring income(1)	-7.9%	2.67	5.38	2.90
Net income (Group share)	83.3%	6.60	16.39	3.60
Diluted block NAV	17.6%	102.16	99.67	86.84

Number of shares	Change	June 30, 2011	Dec. 31, 2010	June 30, 2010
Comprising share capital, end of period	0.1%	62,650,448	62,615,368	62,612,660
Excluding treasury stock, end of period	0.3%	61,066,889	60,988,537	60,912,271
Dilution excluding treasury stock, end of period	1.0%	62,054,700	61,558,926	61,431,052
Average number of shares excluding treasury stock	0.2%	61,045,825	60,911,312	60,898,618

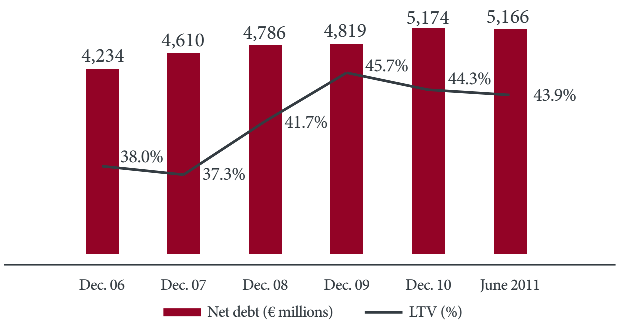
Breakdown of rental revenues by business



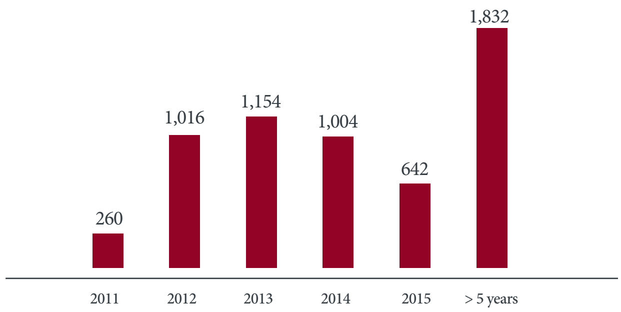
Cost of debt



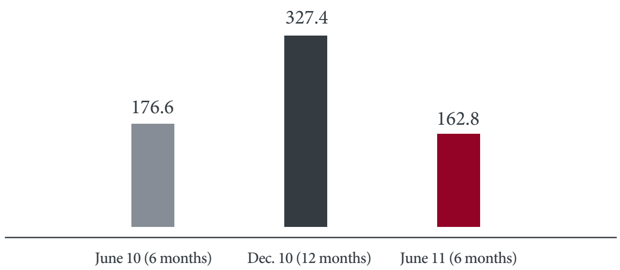
LTV ratio



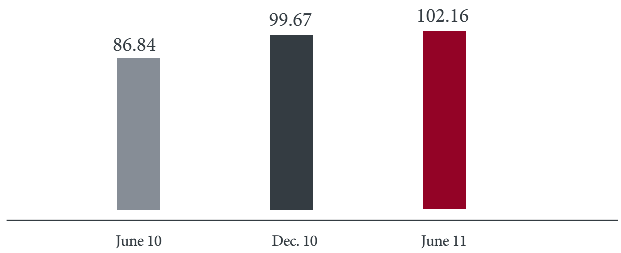
Debt maturity breakdown (€ millions)



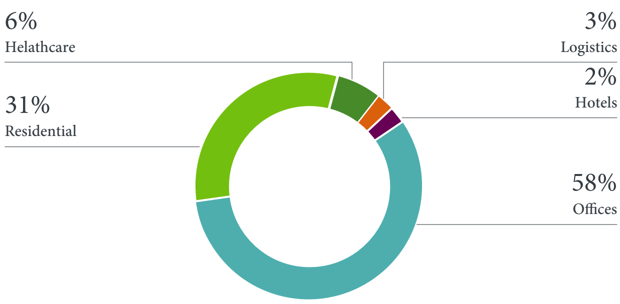
Recurring income (€ millions)



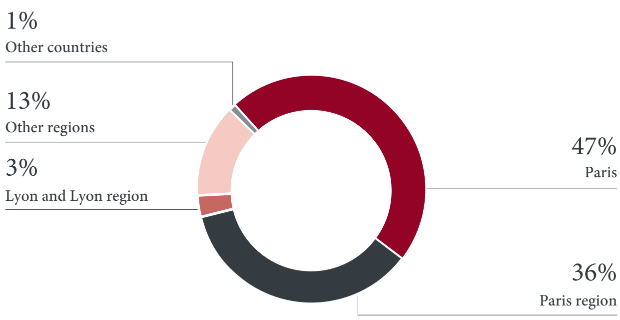
NAV per share, block (€)



Property holding appraisal by activity



Geographic breakdown of rental revenues



03 ACTIVITY REPORT

3.1. Activity: Stability of rents restated for extraordinary compensation

€ millions	06/30/2011	06/30/2010	Change (%)
Gross rental income	**322.0**	**309.6**	**4.0%**
Property expenses	-77.0	-75.3	
Recharges to tenants	49.6	48.0	
Net rental income	**294.6**	**282.3**	**4.4%**
Services and other expenses (net)	2.4	1.8	
Overheads	-39.2	-37.8	
EBITDA	**257.9**	**246.3**	**4.7%**
Net financial expenses	-95.1	-69.7	
Recurring income	162.8	176.6	-7.8%
CONSOLIDATED NET INCOME	**402.0**	**200.9**	**100.1%**

Gross rents increased +4% on a current basis, but were driven up by a settlement of €10.5 million net of IFRS reversal paid by AON in the context of a lease termination. Restated of this impact, gross rents at current scope jump by +0.6%. Furthermore, rental income from office property was boosted by the consolidation of Portes d'Arcueil property rented to Orange, included in the asset base in December 2010 and generating €16 million in rent on an annual basis. At the same time, the asset disposals made in 2010 and 2011 impacted rental income, making it drop by €14.4 million over the half year, of which €6.3 million on office real estate, €5.6 million on residential real estate and €2.3 million on logistics.

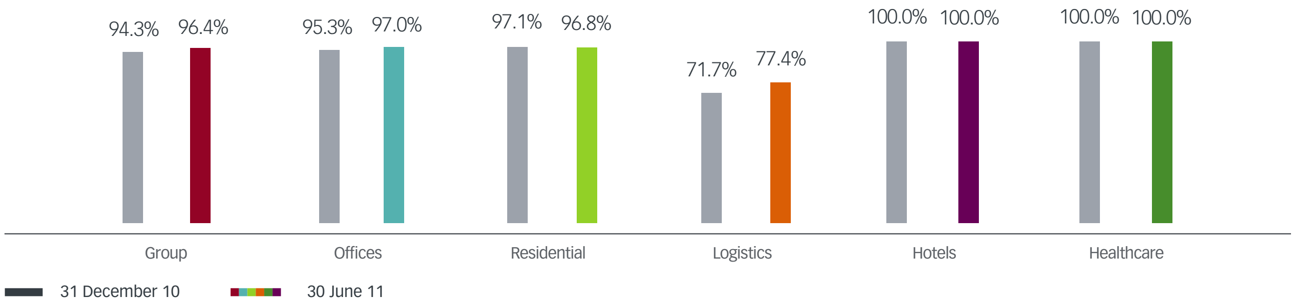
On a like-for-like basis, gross rents are up by +3.8% if we include the settlement paid by AON. Restated to reflect this impact, gross rents on a like-for-like basis are stable for the Group. Residential real-estate grew by +1.9% on a like-for-like basis thanks to the positive effect of indexing, and the 9.5% increase in incoming/outgoing rents recorded over the period. The hotel and healthcare segments were also boosted by the effect of indexations, as well as the additional rents generated by improvement or extension works. Gross rents fell by -1.7% on a like-for-like basis on logistics, as this segment was penalized by the increase in vacancy rate over the period due to the delivery of 3 new platforms during the first half of 2010, not rented during the half year. It must be noted that Gecina rented one of these new warehouses, representing 41,000 sqm. in July 2011, thereby reducing the vacancy rate of this segment to less than 16%.

The income gap between the 1st half 2011 and the 1st half 2010 reflects in particular the negative impact of disposals (- €14 million) and the change on a like-for-like basis (stable if we exclude the effect of the compensation paid by AON), set off by the rents generated by investments or acquisitions (€15.5 million).

€ millions	06/30/2011	06/30/2010	Change (%)	
			Current basis	Like-for-like[(1)]
Group total	322.0	309.6	4.0%	3.8%
Offices	181.9	169.1	7.6%	5.3%
Residential	90.6	92.2	-1.7%	1.9%
Healthcare	25.4	22.2	14.2%	2.1%
Logistics	14.3	16.4	-12.6%	-1.7%
Hotels	9.8	9.7	1.1%	3.0%

(1) Like-for-like includes buildings in operation during an identical period between the two comparison dates

The average financial occupancy rate (FOR) in the first half stood at 96.4% versus 94.6% at the same period last year. This improvement can be mostly explained by the drop in vacancy in the office property sector through the putting into operation of properties delivered and rented at the end of 2010. The vacancy rate rose slightly for residential property under the effect of the deliveries of new residences in 2010 and 2011 and currently in the process of marketing. The occupancy rate rose significantly for the logistics business to 77.4% following the exclusion of the portfolio recently sold to the Carval fund. Lastly, the occupancy rate remains stable at 100% on healthcare property and hotels.



The Group's rental margin (rents net of recharges to tenants/gross rents) surged slightly to 91.5% at June 30, 2011 versus 91.3% at June 30, 2010. This positive change mainly stems from the increase in the margin on office real estate, which was boosted by the €10.5 million settlement paid by AON following the termination of its lease, as well as the payment by AON of an additional compensation of €1.3 million for works. The rental of buildings delivered or acquired at the end of 2010 on the basis of triple net leases (Anthos and Portes d'Arcueil) also generated a positive effect on the margin. The rental margin above 100% observed on hotels comes from the adjustment of expenses.

In residential real estate, the rental margin dipped slightly from 84% to 82.6%, due to the dilutive effect of the disposals made in 2010 and 2011, combined with project deliveries in 2010 and 2011 currently in the process of marketing. Healthcare real estate also dropped to 97.5%, due to the transition period between the delivery of buildings and the lease taking on developments of Gien and Le Havre delivered in 2010. Lastly, the rental margin fell significantly on logistics to 71% during the first half of 2011 versus 81.7% in the first half of 2010, as the Group was primarily impacted by the weight of charges linked to the sale of a €114 million portfolio to the Carval fund, which are recognized in full year at June 30, 2011.

First half 2011	Group	Offices	Residential	Healthcare	Logistics	Hotels
Rental margin	**91.50%**	**96.21%**	**82.59%**	**97.49%**	**70.98%**	**100.98%**

Activity by segment

Offices

Change like-for-like in H1	Indices	Renegotiations & renewals	Vacancy	Other
5.3%	-0.2%	-0.7%	-2.1%	8.3%

At June 30, 2011, gross rental income totalled €181.9 million, up 4% on a current basis. This change primarily reflects the consolidation of the building at Portes d'Arcueil, included in the asset base in December 2010 and generating €16 million of rents on an annual basis, as well as the impact of the €10.5 million settlement paid by AON following the termination of its lease. Restated of this compensation, gross rents increased by 0.8% on a current basis. At the same time, the disposals carried out in 2010 and 2011 led to a loss of rents of €6.3 million during the half year.

On a like-for-like basis, rents are up 5.3% in the first half of 2011, but down 1.3% when we restate the compensation paid by AON. This trend stems from a persistently negative indexing, from the effect of renegotiations and renewal. Despite the upsurge in the financial occupancy rate over the half year, vacancy had a negative effect of -2.1% on changes in rent on a like-for-like basis. Indeed, the like-for-like basis does not include buildings delivered or acquired in 2010 which helped to boost the financial occupancy rate (Anthos especially). Furthermore, the financial vacancy rate also benefitted from the removal from the operating property holding, buildings scheduled for restructuirng (buildings on rue Erlanger in Paris with 5,956 sqm, 3 buildings in Montigny-le-Bretonneux with 13,982 sqm and a building in Vélizy with 7,368 sqm). Indexing is expected to be up from the 3rd quarter 2011 onwards.

Rental activity for the first half of 2011 concerned 40,609 sqm of which:

- 10,774 sqm of re-leased surfaces, with a new rent price increase of +1%, new rentals. Incentives on these relets were stable at 9.6% on average of nominal rents over the lease term ;
- 29,726 sqm subject to renewals or renegotiations with effect from the first half of 2011, with lower rents, resulting in a new rent price decline of 7.5%. Incentives amounted to 2% of nominal rents over the lease term, compared to 4.5% on average in 2010.

Residential

Change on like-for-like basis in H1	Indices	Renegotiations & renewals	Vacancy
1.9%	0.7%	1.4%	-0.2%

At June 30, 2011, gross rents amounted to €90.6 million, i.e., 1.7% decrease current compared to June 30, 2010. There again, the asset disposals carried out in 2010 and 2011 resulted in a loss of rental income (€5.6 million). In return, the investments made on this segment generated €2.4 million of additional rents over the period.

Growth like-for-like came off at 1.9%, for which the main drivers are first, a positive indexing and second, a turnover rate of 15.6% year to date at the end of the first half, as the rent price difference recorded a 9.5% increase. Re-renting periods remain short: 32 days on average.

Two residential properties were delivered in the 1st half in Marseille and Boulogne, and a student's residence in the 13th district of Paris.

Healthcare

Change like-for-like in H1	Indices	Renegotiations & renewals	Investments
2.1%	0.5%	0.0%	1.7%

At June 30, 2011, gross rental income totalled €25.4 million, up 14.2% on a current basis, and up 2.1% on a like-for-like basis. This activity was driven by a positive indexing, and boosted by additional rents generated by investments. This segment's profile will be clearly changed by the acquisition of a portfolio of 30 nursing homes, representing an investment of €230 million, finalized in July 2011. This transaction will specifically help to minimize the division's exposure to its primary tenant, Générale de Santé. In fact, with this transaction, Générale de Santé's weight in rental revenue from healthcare properties has been reduced to 69%, compared to 89% prior to this acquisition.

Logistics

Change like-for-like in H1	Indices	Renegotiations & renewals	Vacancy	Other
-1.7%	-0.8%	-0.7%	0.8%	-0.9%

At June 30, 2011, gross rental income totalled €14.3 million, down 12.4% on a current basis, and down 1.7% on a like-for-like basis. A negative indexing, as well as renegotiations for lower rents on certain leases more than offset the clear hike in the average financial occupancy rate. The significant improvement in the segment's occupancy rate is linked to the sale of an asset portfolio to the Carval fund, is not recorded in the change factors for rents on a like-for-like basis, as these assets are excluded. This positive trend for the occupancy rate should continue in the second half thanks to the rental of a 41,000 sqm warehouse in Lauwin, which has pushed the vacancy rate to below 16% for the logistics portfolio.

Hotels

Change like-for-like in H1	Indices	Investments	Other
3.0%	1.3%	0.4%	1.3%

At June 30, 2011, gross rental income totalled €9.8 million, up +1.1% on a current basis compared to June 30, 2010. Growth on a like-for-like basis was up by 3%. This segment mainly benefitted from the effects of positive indexing.

3.2. Results period ended June 30, 2011

Overheads (composed of staffing and management costs) increased by 3.5% primarily due to the impact of an exceptional item for an amount of €1.5m. This item correspond to the cost of shutting down the Lyon agency following the disposal of the residential property holding in this city. Restated of the payment of this non-recurring item, staffing costs are stable over the period.

Net financial expenses are up by €95.1 million versus €69.7 million at June 30, 2010. The average cost of the debt is 4.16% in the 1st half versus 3.29% in 2010, net debt is stable over the first half.

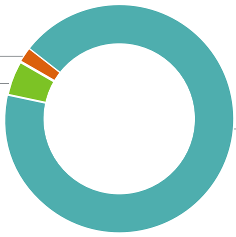
Net consolidated income (Group share) stands at €402.9 million versus €200.9 million at June 30, 2010. The hike is attributable to the change in the value of financial instruments (€2.9 million versus -€151.0 million at June 30, 2010). Net consolidated income (Group share) reflects the change in the value of the property holding for €192.4 million and a gain on sale of €7.3 million.

3.3. Property turnover: €559 million of disposals in the first half of 2011

Property investments stand at €432 million including:

- Projects delivered during the first half for €325 million, specifically the Horizons office property at Boulogne Billancourt for €308 million
- Investments in development projects for €81.3 million
- capex for €26 million

Breakdown by segment is as follows:

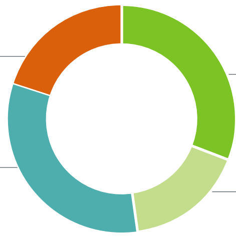


- **Offices:** capital expenditure concerned the acquisition of the Horizons property delivered in June, for €308 million, on the progression of several ongoing projects, especially the Newside building at La Garenne Colombes and the property at 96/104 avenue Charles de Gaulle in Neuilly, as well as the Beaugrenelle shopping centre in Paris.
- **Residential:** in addition to the three assets delivered in the 1st half (a building with 125 housing units in Marseille, a building of 68 housing units in Boulogne Billancourt and a student residence in Paris), three proprietary development projects are in progress, of which two are student residences in Paris and Boulogne, as well as a traditional residence program in the Paris area.
- **Healthcare:** the Group invested €5.1 million in healthcare real estate in a clinic construction project in Annemasse.

Gecina recorded a high gain on sales in the first half 2011 of €559 million. 48% of this amount stems from residential real estate disposals, which include the block sale of the Lyon property holding for €172 million. The average premium on asset sales reached +3% compared to appraisals at year end 2010, of which +16.4% on residential assets sold in units. This premium is less than the average level recognized over the last five years (+25%), as the residential assets to be disposed off were revalued at a level closer to their unit value during the last appraisals.

Lastly, €78 million of additional disposals were covered by sale commitments at the end of June 2011.

Breakdown by segment in value is as follows:



- **Offices (€179 million):** disposals concerned 9 assets with a total area of 32,581 sqm; they were completed at a price 4.6% over the valuation at end 2010 and resulted in a consolidated capital gain of 2.3%.
- **Residential (€266 million):** the disposals concerned 460 units, mainly through the block sale of the Lyon property holding for €172 million. The disposal was made on a value that was 2.3% less than the value at the end of 2010. Gecina also made unit sales of €93 million, which is 16.4% higher than the value at the end of 2010.
- **Logistics (€114 million):** Gecina sold a portfolio of 21 assets representing a total surface area of 395,000 sqm to the Carval fund (Cargill group). This portfolio represented 26% of the value of Gecina's logistics property holding at the end of 2010.

3.4. Property holding: valuation leveraged by residential assets

Gecina's property holdings are valued twice a year by independent appraisers. The assets are incorporated on a like-for-like basis insofar as they were in operation at December 31, 2010. Assets that came into operation during the half year are excluded from the like-for-like basis. Changes in the value of these assets according to the Group's accounting standards over the past 6 months are as follows:

Breakdown by segment	Block value		Δ Current basis		Δ Like-for-like
€ millions	H1 2011	2010	06/30/2011 vs. 12/30/2010	06/30/2011 vs. 06/30/2010	06/30/2011 vs. 12/31/2010
Offices	6,752	6,575	2.7%	15.4% (1)	-0.2%
Residential	3,682	3,639	1.2%	8.8%	9.0%
Healthcare	747	737	1.4%	7.2%	0.7%
Logistics	298	441	-32.4%	-46.4%	-7.8%
Hotels	276	275	0.4%	2.6%	0.4%
Subtotal	**11,755**	**11,667**	**0.8%**	**9.2%**	**2.6%**
Equity-accounted affiliates	7	7			
GROUP TOTAL	**11,762**	**11,675**	**0.7%**	**9.2%**	**2.6%**
TOTAL UNITS VALUE OF APPRAISALS	**12,523**	**12,423**	**0.8%**	**8.8%**	**2.7%**

(1) Including the entire Beaugrenelle project at June 30, 2010

The asset base stands at €11,755 million, up €88 million since December 31, 2010. The main impacts concerned:

- €437 million deliveries during first half 2011, including the Tour Mercure in May for €63 million and Horizons in June for €296 million, together with 2 residential assets in Marseille and Boulogne and a student residence in the 13th district of Paris,
- €81 million of development work,
- €27 million of improvements to existing assets,
- €542 million of disposals in book value (€559 gains on disposal, representing a capital gain expenses included of €7.3 million compared to the valuation of December 31, 2010).
- A fall in the value of equity consolidated companies of €0.6 million,
- An increase in fair value of €192 million.

The change in gross capitalization rates shows an average compression of 22 base points in the first half, particularly significant in residential property (-35 bps), and in logistics assets (-91 bps, principally due to disposal of part of the portfolio to Carval). Gross capitalization rates are detailed in the table below, which also recalls for comparison, the gross capitalization levels as calculated according to the historic methodology. The change of methodology is detailed in chapter 2 of this report.

	New methodology		Historic methodology	
(%)	Dec. 2010	June 2011	Dec. 2010	June 2011
Group	**6.22%**	**6.00%**	**6.12%**	**5.91%**
Offices	6.33%	6.28%	6.31%	6.18%
Residential	5.29%	4.94%	5.13%	4.86%
Healthcare	7.01%	6.97%	7.01%	6.97%
Logistics	10.23%	9.32%	9.45%	8.89%
Hotels	7.12%	7.12%	7.12%	7.12%

The block value of **property holdings** increased +2.6% like-for-like and by +0.8% or €258 million on a current basis over December 31, 2010.

This hike is due to the sharp increase in the values of the residential portfolio (+9.0% like-for-like, or +€286 million), the delivery of the Horizons office property (+€296 million) and the increase in the value of the current development pipeline (+€82 million of which €81 million of capex), offsetting the sale in the first half of 2011 of €542 million (corresponding to the value of these assets in Gecina's accounts at December 31, 2010).

On a like-for-like basis:

(i) This rise was driven by the **increase in residential values** (+9.1% for traditional residential and +6.6% for student residences). This is part of the general market trend. Indeed within Central Paris, Gecina's residential assets have increased by 9.9% over the half year, while market values were already up 5.6% at the end of Q1 2011 according to the Paris *Chambre des Notaires*. The retail value in this sector stands at €6,485 per sqm as of June 30, 2011 as against €5,950 per sqm as of December 31, 2010 (all floor spares combined).

The block retail value of this sector amounts to €5,354 per sqm as of June 30, 2011 vs. €4,874 per sqm as of December 31, 2010 (all floor spaces combined).

(ii) The value of the office property holding on a like-for-like basis dropped by 0.2%.

(iii) Like-for-like logistics assets reduced 7.8% (down €25 million), due to the rise in market returns in this sector and the fall in average rental values. The current portfolio excluding the assets leased to the Mory group changed in accordance with the market and dropped 7.1%. The capitalization rate of these assets has climbed 19bps during the half year, levelling off at 8.9% as of June 30, 2011. The assets leased to the Mory group (i.e., 13% of the logistics portfolio floor space) fell more sharply by 15% in the first half 2011. This decrease reflects the risks linked to the tenant in place, the risks of default and the difficulty in finding a tenant in the current economic context without granting a rent holiday and/or investing in upgrades.

On a current basis:

(i) 5 assets were delivered during the half year, with a total value of €437 million as of June 30, 2011, including the Tour Mercure in May (€63 million), and Horizons in June (€296 million), 2 residential properties in Marseille and Boulogne and 1 student residence in the 13th district of Paris (Château des Rentiers).

(ii) The independent valuation of the pipeline increased €82 million, of which €81 million in investments and €1 million in changes in valuation.

(iii) 37 assets were sold in block for a total sale price of €465 million and a valuation as of December 31, 2010 of €462 million, including €114 million logistics assets (Carval portfolio), €180 million office properties (including Origami with a sale price of €86 million and a valuation as of December 31, 2010 of €78 million) and €172 million of residential assets (5 properties in Lyon).

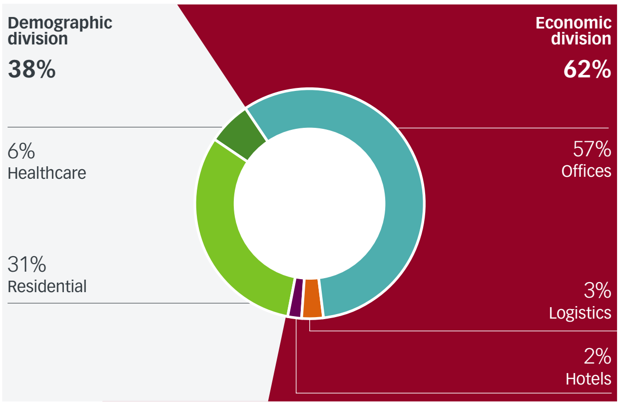
(iv) €93 million of apartments and car parks were sold on a unit by unit basis in first half 2011.

(v) In addition, €78 million of assets are currently covered by a promise of purchase.

Equity-accounted investments only concern the La Buire plot of land as of June 30, 2011; the slight negative change is linked to the disposal of certain units from this asset.

Value by segment as of June 30, 2011 is as follows:

Segments	H1 2011 (M€)	H1 2011 (%)
Offices	6,752	57%
inc. Beaugrenelle	398	3%
Logistics	298	3%
Hotels	276	2%
Total Economic division	7,326	62%
Residential	3,682	31%
Healthcare	747	6%
Total Demographic division	4,429	38%
TOTAL GECINA	11,755	100%

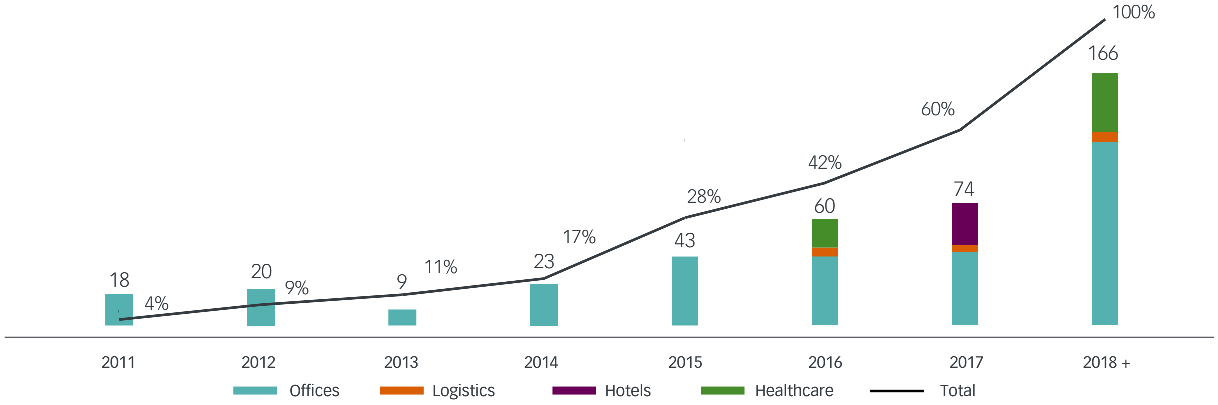


Financial investments (€10 million versus €9 million at the end of 2010) are stable for the period without any significant change.

Equity-accounted investments (€5 million versus €4 million end 2010) concern the company La Buire, given that the company Bami is no longer consolidated under the equity method since December 31, 2010.

Properties on sale (€339 million versus €650 million end 2010) dropped by €311 million. This decline can be primarily explained for €114 million by the sale during the half year of a portfolio of 21 logistics assets and for €172 million by the sale of the Lyon residential assets.

The lease schedule (excluding renewals at contractual three year maturities) is presented in the chart below.



Rent receivables climbed €3 million (by €7 million before accrual of provisions). The increase in impairments mainly stem from Logistics with the accrual of provisions during the half year for two new receivables.

Other receivables jumped €21 million, primarily because of the booking of a receivable in relation to the sale of a warehouse in Hungary (€11 million) and a VAT receivable of €4 million for the Horizons building in Boulogne acquired in June 2011.

Cash and cash equivalents totalled €16 million versus €25 million at the end of 2010.

3.5. Financial structure: continued diversification

Shareholders' equity climbed by €139 million under the effect of:

- Dividend payment: -€269 million after account for treasury stock
- The effect of stock-options and capital increase reserved for employees: +€4 million
- Results of first half 2011: +€403 million

In this first half year 2011, the Group's major financing or refinancing transactions were:

- A 5-year bond issue for €500 million maturing February 3, 2016, with a spread of 168 bps over the mid-swap rate, and offering a coupon of 4.25%.
- Redemption of €390 million of syndicated and non-syndicated corporate financing plans
- Cancellation of €150 million of unused bilateral corporate lines
- Increase of €50 million of a bilateral corporate line
- Deutsche Bank agreement concerning the set up of a 4-year corporate line of €75 million, to be set up in the second half of 2011.

At the same time, Gecina also updated:

- Its €2 billion EMTN program, created in July 2010, with the AMF.
- Its treasury bond program with Banque de France

Following the significant refinancing transactions of 2010, the Group's next significant schedule will be in January 2012 with the maturity of the 2004 bond issue for an amount of €495 million.

3.5.1. Debt structure

Net debt at the end of June 2011 amounts to €5,166 million, stable compared to end 2010 (€5,174 million).

The gross financial debt (€5,182 million) of Gecina at June 30, 2011 comprised:

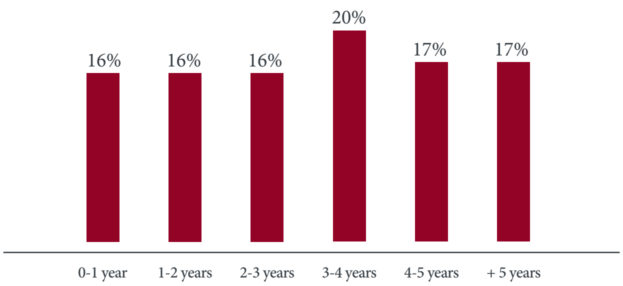
- €1,485 million of bond issues
- €358 million of Ornane bonds (market value)
- €2,836 million of bank credits of which €1,588 million of mortgage financing, €1,245 million of corporate financing and €3 million of bank overdrafts.
- €353 million of finance lease
- €66 million of treasury Bonds whose issues are covered by confirmed credit lines
- €84 million of other financial debts

Since December 31, 2010, gross financial borrowings decreased by €17 million to €5,182 million and net financial borrowings fell €8 million to €5,166 million.

3.5.2. Liquidity and maturity

The schedule below shows that 53% of confirmed lines (duration: 3.5 years at the end of June 2011 versus 3.9 years at year end 2010) mature in more than 3 years at June 30, 2011.

The Group had €885 million of undrawn credit lines at end June 2011.

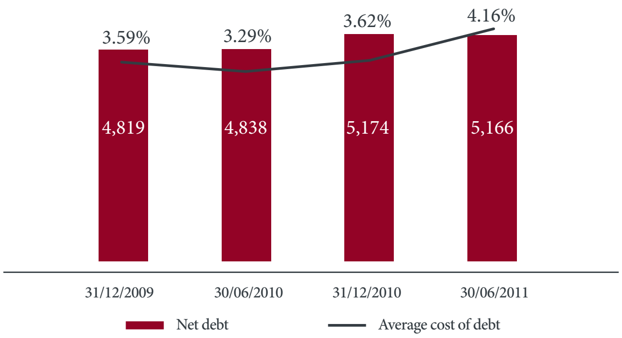


Thanks to the new bond issue of February 2011, the proportion of market resources represent 31% of Group authorizations. Bank financing comprise 63% of the total and finance lease 6%. The increase in resources from capital markets is still a priority goal with respect to financial policy.

Gecina relaunched its treasury bonds issue program at year end 2010. Outstanding debt at end of June 2011 totalled €66 million (€35 million at the end of 2010) with an average margin of 10 bps over the EURIBOR.

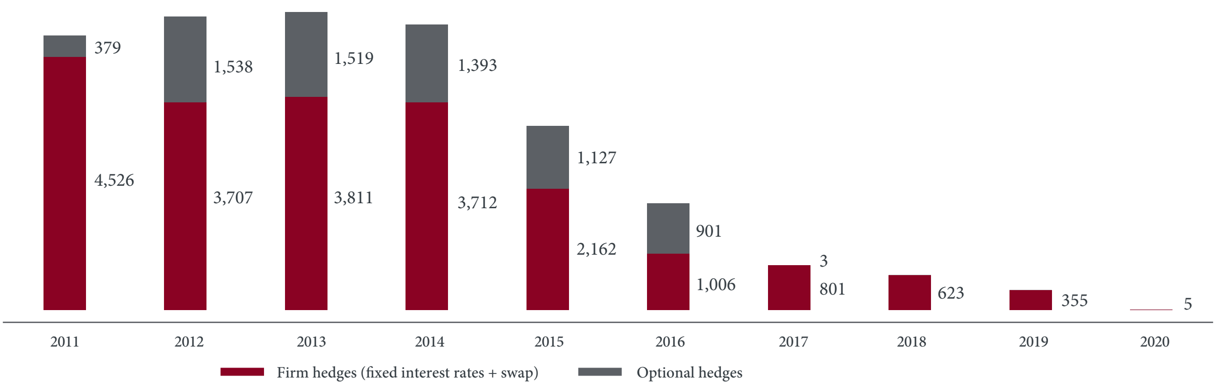
3.5.3. Cost of debt and interest rate hedging

The average cost of debt amounted to 4.16% in first half 2011.



95% of the Group's debt is hedged against an interest rate hike. Based on the existing portfolio of hedges and taking account of the contractual conditions at June 30, 2011, a 0.5% increase in the interest rate would generate an additional expense in 2011 of €4 million. A 0.5% fall in interest rates would result in a reduction in interest expense in 2011 of €1 million.

The chart below shows changes in the average outstanding hedge by type (firm and optional) at end June 2011.



3.5.4. Financial rating

Gecina is monitored by both Moody's and Standard & Poor's.

Standard & Poor's confirmed in April 2011 its rating of BBB- with stable outlook.

Moody's financial rating is Investment Grade Baa3 with stable outlook.

3.5.5. Financial structure and ratios

At June 30, 2011, Gecina was compliant with all its applicable bank covenants:

Ratios	Covenant	06/30/2011
Net financial debt/Block value	< 50% - 55%	43.87%
EBITDA excl. disposals/ Financial costs	> 2x -2.5x	2.70x
Pledged debt/Block value	< 20% - 25%	16.6%
Property holding value (block) in € million	> 6,000 – 8,000	11,695

3.5.6. Other liabilities

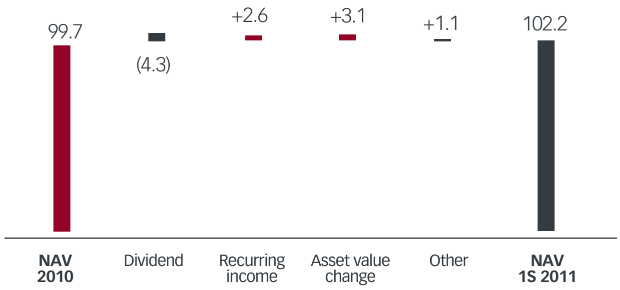
Provisions for risks and charges totalled €51m versus €49m at year end 2010. The nature and level of risks remaned unchanged from the disclosure in the 2010 annual report.

Social security liabilities are stable while **tax liabilities** surged €25 million mainly because of the provisions accrued at the end of June 2011 for the local taxes settled at the end of the year.

Other debts change primarily under the effect of client credit balances which fall by €5 million and correspond to rents paid by tenants before the due date.

3.6. Net Asset Value

Diluted NAV (block), whose calculation is shown in the notes to the financial statements, stands at €102.16 per share, up by €2.49 per share (+2.5%) compared to end 2010. This difference is principally due to the following impacts:



Excluding value changes in derivatives and Ornane, the NAV (reference EPRA) stands at €104.2 per share as of June 30, 2011 against €97.6 per share as of December 31, 2010, up 6.8%.

3.7. Strategy and Outlook

Continuation of the re-focusing strategy

In the first half year 2011, Gecina continued its efforts to re-focus its property holding on its strategic segments (offices, residential and healthcare), and optimization of its assets. This strategy was manifested by a significant acquisition in healthcare real estate (€230 million) which will be finalized in the second half of 2011 and at the same time a high level of disposals (€559 million), including 26% of the Group's logistics portfolio and 73% of the residential real estate portfolio in Lyon.

At the same time, progress in asset management was recorded through the rental of the Le Velum project in Lyon (13,340 sqm of offices, delivery end 2012) and the leasing of a 41,000 sqm warehouse in July, which will reduce the logistics segment's vacancy rate by 16%.

In the medium term, Gecina will continue its development through its projects pipeline, which will be financed by the available credit lines, asset disposals and through new financing, especially bonds.

Breakdown by segment	No. projects	Floor space (sqm.)	∑ Invest. (€m)	Invest. to be realized (€m)	Estim. net yield
Offices	7	94, 814	583	196	6.4%
Beaugrenelle (100%)	1	42, 264	454	179	7.5%
Residential	3	16, 225	56	50	6.3%
Healthcare	1	23, 662	54	34	6.3%
TOTAL	**12**	**176 ,965**	**1,147**	**460**	**6.8%**

04

REPORT OF THE STATUTORY AUDITORS ON THE HALF YEAR FINANCIAL INFORMATION FOR 2011

This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In accordance with the engagement decided by your General Meeting and in application of Articles L. 232-7 of the Code de Commerce and L. 451-1-2 III of the *Code monétaire et financier,* we have undertaken:

- A limited review of the consolidated half year financial statements of Gecina, covering the period from January 1 to June 30, 2011, as attached to this report;
- Verification of the information given in the half year activity report.

These half year consolidated financial statements have been established on the responsibility of the Board of Directors. Our role is to express an opinion on these financial statements based on our limited review.

1. Opinion on the consolidated financial statements

We conducted our work in accordance with the auditing standards applicable in France.

A limited review consists essentially in interviews with senior managers in charge of the accounting and financial aspects and the implementation of analytical procedures. This work is less extensive than that required for an audit carried out according to the professional standards applicable in France. As a result the assurance obtained through a limited review that the financial statements taken overall do not contain significant misstatements is a moderate assurance, which is lower than would be obtained by an audit.

On the basis of our limited review, we have found no significant misstatements likely to cast doubt on the fairness and sincerity of the half year consolidated financial statements in the light of the IFRS as adopted in the European Union, nor on the true and fair view they give of the assets, financial position at the end of the half year, and the earnings of the half year ended for the group constituted by the people and entities included in the consolidation.

2. Specific verification

We have also verified the information given in the half year activity report commenting on the consolidated half year financial statements covered by our limited review.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Courbevoie and Neuilly-sur-Seine, July 27, 2011

The Statutory Auditors

Mazars
Bernard España
Partner

PricewaterhouseCoopers Audit
Olivier Thibault
Partner

05

CONSOLIDATED FINANCIAL STATEMENTS

5.1. Consolidated balance sheet

5.1.1. Assets

(€ thousands)	Notes	06/30/2011			12/31/2010	06/30/2010
		Gross	Depreciation and provisions	Net	Net	Net
Non-current assets		**11,652,143**	**185,432**	**11,466,711**	**11,082,596**	**10,471,819**
Investment properties	5.1	10,553,749	0	10,553,749	10,116,219	9,765,414
Properties under reconstruction	5.1	795,196	0	795,196	832,892	441,512
Operating buildings	5.1	76,204	9,071	67,133	67,845	68,568
Other tangible fixed assets		8,785	4,624	4,161	4,089	3,881
Intangible fixed assets		7,048	2,757	4,291	3,886	3,422
Financial investments	5.2	178,916	168,980	9,936	9,212	107,341
Equity-accounted investments	5.3	4,520	0	4,520	3,867	57,976
Financial instruments	5.10.2	27,158	0	27,158	43,361	23,003
Deferred taxes	5.4	567	0	567	1,225	702
Current assets		**573,080**	**22,983**	**550,097**	**835,747**	**476,668**
Properties held for sale	5.5	338,613	0	338,613	650,184	180,242
Inventories	5.1	0	0	0	0	0
Trade receivables	5.6	86,622	17,867	68,755	65,587	75,906
Other receivables	5.7	97,599	5,116	92,483	71,374	77,256
Prepaid expenses		26,534	0	26,534	23,975	27,103
Financial instruments	5.10.2	7,285	0	7,285	0	59,777
Cash and equivalents	5.8	16,427	0	16,427	24,627	56,384
TOTAL ASSETS		**12,225,223**	**208,415**	**12,016,808**	**11,918,343**	**10,948,487**

5.1.2. Liabilities and equity

(€ thousands)	Notes	06/30/2011	12/31/2010	06/30/2010
Capital and reserves	**5.9**	**6,286,691**	**6,147,615**	**5,304,859**
Capital		469,878	469,615	469,595
Issue, merger and contribution premiums		1,870,443	1,868,106	1,868,029
Consolidated reserves		3,500,778	2,765,848	2,764,644
Group consolidated earnings		402,900	998,245	200,853
Group equity		**6,243,999**	**6,101,814**	**5,303,121**
Total minority interests		**42,692**	**45,801**	**1,738**
Non-current liabilities		**4,441,726**	**5,074,424**	**5,265,324**
Financial debt	5.10.1	4,237,785	4,825,008	4,803,507
Financial instruments	5.10.2	127,879	171,378	329,007
Deferred tax liabilities	5.4	21,222	23,134	37,148
Provisions for risks and charges	5.11	50,846	48,913	92,514
Tax and social security payables	5.12	3,994	5,991	3,148
Current liabilities		**1,288,391**	**696,304**	**378,304**
Short-term portion of debt	5.10.1	944,657	374,087	90,835
Financial instruments	5.10.2	1,290	4,984	3,348
Security deposits		65,477	65,979	67,237
Trade payables		144,811	140,089	102,560
Tax and social security payables	5.12	83,189	57,656	69,086
Other payables	5.13	48,967	53,509	45,238
TOTAL LIABILITIES		**12,016,808**	**11,918,343**	**10,948,487**

5.2. Consolidated income statement

(€ thousands)	Notes	06/30/2011	12/31/2010	06/30/2010
Gross rental income	**6.1**	**321,986**	**616,770**	**309,578**
Property expenses	6.2	-76,965	-155,470	-75,271
Recharges to tenants	6.2	49,608	94,671	47,974
Net rental income		**294,629**	**555,971**	**282,281**
Services and other income (net)	6.3	2,404	6,235	1,774
Overheads	6.4	-39,175	-79,817	-37,847
EBITDA		**257,858**	**482,389**	**246,208**
Gains or losses on disposals	6.5	7,282	43,820	20,872
Change in value of properties	6.6	192,376	763,178	186,122
Depreciation		-2,151	-4,148	-2,159
Net impairments and provisions		-7,067	4,206	1,145
Operating income		**448,298**	**1,289,445**	**452,188**
Net financial expenses	6.7	-95,074	-155,018	-69,716
Financial impairment and amortization	5.2	-219	-34,560	-9,475
Change in value of financial instruments	6.8	2,920	-104,226	-150,997
Net income from equity-accounted investments	5.3	654	-21,327	-21,476
Income before tax		**356,579**	**974,314**	**200,524**
Tax	6.9	45,441	41,520	452
Minority interests		880	-17,589	-123
Consolidated net income (Group share)		**402,900**	**998,245**	**200,853**
Consolidated net income per share	6.10	6.60 €	16.39 €	3.30 €
Consolidated diluted net income per share	6.10	6.53 €	16.25 €	3.27 €

Other comprehensive income items

(€ thousands)	06/30/2011	12/31/2010	06/30/2010
Consolidated net income (Group share)	**402,900**	**998,245**	**200,853**
Impact of share-based payments	1,891	3,400	1,488
Gains or losses from translation differentials	-151	255	123
Change in value of financial instruments	1,268	-4,703	-5,176
Comprehensive income (loss)	**405,908**	**997,197**	**197,288**
Recurring income	**162,784**	**327,371**	**176,492**

5.3. Statement of changes in consolidated shareholders' equity

€ thousands (except for number of shares)	Number of shares	Share capital	Consolidated premiums and reserves	Equity (Group share)	Minority interests	Total shareholders' equity
Balance at January 1, 2010	**62,582,240**	**469,367**	**4,901,712**	**5,371,080**	**1,670**	**5,372,749**
Dividend paid in May 2010 (€4.40 per share)			-267,860	-267,860		-267,860
Assigned value of treasury shares (1)			618	618		618
Change in value of financial instruments (2)			-5,176	-5,176		-5,176
Impact of share-based payments (3)			1,488	1,488		1,488
Gains or losses from translation differentials			123	123		123
Group capital increase (4)	30,420	228	1,718	1,946		1,946
Changes in consolidation (5)			55	55	-55	0
Other changes (6)						0
Net Income at June 30, 2010			**200,853**	**200,853**	**123**	**200,976**
Balance at June 30, 2010	**62,612,660**	**469,595**	**4,833,530**	**5,303,125**	**1,738**	**5,304,863**
Assigned value of treasury shares (1)			562	562		562
Change in value of financial instruments (2)			473	473		473
Impact of share-based payments (3)			1,912	1,912		1,912
Gains or losses from translation differentials			132	132		132
Group capital increase (4)	2,708	20	79	100		100
Changes in consolidation (5)			-1,882	-1,882	26,647	24,765
Other changes (6)					-50	-50
Net income at December 31, 2010			**797,392**	**797,392**	**17,466**	**814,858**
Balance at December 31, 2010	**62,615,368**	**469,616**	**5,632,198**	**6,101,814**	**45,801**	**6,147,615**
Dividend paid in May 2011 (€4.40 per share)			-268,515	-268,515		-268,515
Assigned value of treasury stock			1,949	1,949		1,949
Change in value of derivative instruments			1,268	1,268		1,268
Restatements linked to stock options			1,891	1,891		1,891
Gains or losses due to translation differentials			-151	-151		-151
Group capital increase (4)	35,080	263	2,363	2,626		2,626
Change in consolidation			218	218	-2,012	-1,794
Other changes (6)					-217	-217
Net Income at June 30, 2011			**402,900**	**402,900**	**-880**	**402,020**
BALANCE AT JUNE 30, 2011	**62,650,448**	**469,879**	**5,774,122**	**6,244,000**	**42,692**	**6,286,693**

(1) Treasury stock
(2) Recognition in shareholders' equity of the effective portion of the fair value change of derivatives in cash flow hedge (cf. Note 3.8), including as well those of equity-account companies.
(3) Impact of benefits related to stock allocation plans and bonus shares allotments (IFRS 2).
(4) Share issue for the exercise of stock options by Group employees (0 shares in 2011 and 2,708 shares in 2010) and share issue linked to the capital increase reserved for Group employees as part of the establishment of an employee mutual fund (35,080 shares in 2011, and 30,420 shares in 2010).
(5) Full consolidation of Gecimed for the first time.
(6) Acquisition of Gecimed shares in connection with the squeeze out and earn out on SCI Beaugrenelle

	At 06/30/2011		At 12/31/2010		At 06/30/2010	
€ thousands (except for number of shares)	Number of shares	Net amount	Number of shares	Net amount	Number of shares	Net amount
Shares recorded as a deduction from equity	1,583,559	115,438	1,626,831	118,119	1,700,389	112,407
Treasury stock in%		2.53%		2.60%		2.72%

5.4. Consolidated net statement of cash flows

(€ thousands)	06/30/2011	12/31/2010	06/30/2010
Consolidated net income (including minority interests)	**402,019**	**1,015,832**	**200,976**
Net income from equity-accounted investments	-654	21,326	21,476
Net depreciation, impairments and provisions	8,565	31,442	9,043
Changes in fair value and discounting of payables and receivables	-195,295	-658,953	-35,126
Calculated charges and proceeds from stock options	1,891	3,400	1,488
Tax charges (including deferred tax)	-45,440	-41,519	-452
Recurring cash flow before taxes	**171,085**	**371,528**	**197,405**
Capital gains and losses on disposal	-7,282	-43,821	-20,870
Other calculated income and expenses	-7,108	4,296	3,798
Cost of net debt	95,074	155,018	69,716
Net cash flow before cost of net debt and tax (A)	**251,769**	**487,021**	**250,049**
Tax paid (B)	43,923	-24,711	-8,091
Change in operating working capital (C)	12,854	-11,021	-31,376
Net cash flow from operating activities (D) = (A+B+C)	308,545	451,289	210,582
Acquisitions of tangible and intangible assets	-128,210	-576,488	-122,762
Sales of tangible and intangible assets	549,051	476,293	296,347
Disbursements for acquisitions of financial investments (non-consolidated investments)	0	0	0
Proceeds from disposals of financial investments (non-consolidated investments)	0	2,718	0
Impact of changes in consolidation	-66,745	-79,726	-17,841
Dividends received (equity-accounted investments, non-consolidated investments)	0	914	914
Other cash flows from investing activities	-952	55,094	-3,876
Change in working capital from investing activities	-34,381	-921	-11,732
Net cash flow from investing activities (E)	318,763	-122,116	141,050
Capital contribution from minority interests of consolidated companies	0	32	0
Amounts received on the exercise of stock options	4,536	3,135	2,510
Purchases and sales of treasury shares	39	90	53
Dividends paid to shareholders of the parent company	-268,042	-267,997	-267,773
Dividends paid to minority interests of consolidated companies	-217	-82	0
New borrowings	907,013	1,637,836	1,247,083
Repayment of borrowings	-1,184,753	-1,527,441	-1,276,171
Net interest paid	-90,611	-159,971	-104,277
Other cash flows from financing activities	0	-100,223	69
Net cash flow from financing activities (F)	-632,035	-414,621	-398,506
NET CHANGE IN CASH AND EQUIVALENTS (D+E+F)	**-4,726**	**-85,448**	**-46,874**
Opening cash and equivalents	17,811	103,258	103,258
Closing cash and cash equivalents	**13,085**	**17,810**	**56,384**

5.5. Notes to the consolidated financial statements

1. Highlights

Foreword

Gecina holds, manages and develops property assets worth €11.8 billion as of June 30, 2011 located 87% in the Paris region. Gecina's operations are organized around an Economic division comprising primarily France's leading office property holdings and a Demographic division of residential assets, student residences and healthcare facilities. Gecina has made sustainable development central to its strategy for creating value, staying a step ahead of its clients' expectations and investing while protecting the environment thanks to the involvement and expertise of its employees.

Gecina is a Real Estate Investment Trust *(Société d'Investment Immobilier Cotée, SIIC)* listed on Euronext Paris, and is included in FTSE4Good and Dow Jones Sustainability Index (DJSI) Stoxx. To cement its social commitments, Gecina has created a foundation dedicated to protecting the environment and supporting persons suffering from all forms of disability.

www.gecina.fr

First half of 2011

On January 25, 2011, Gecina successfully completed a 5-year bond issue for €500 million maturing February 3, 2016, with a spread of 168 bps over the mid-swap rate, and offering a coupon of 4.25%. The issue was launched on January 25, 2011, and was oversubscribed more than 6 times, reflecting renewed interest from European investors.

Gecimed, a healthcare property subsidiary of Gecina, signed a memorandum of understanding on March 29, 2011 with Foncière Sagesse Retraite (FSR) for the acquisition of 30 nursing homes (132,000 sqm for a capacity of 2,700 beds). These homes located throughout France are operated by the DVD (26 homes for elderly dependent persons) and Korian (4 homes for elderly dependent persons) groups, on the basis of firm triple net leases with an average residual term of 8.5 years. The transaction was finalized on July 5, 2011.

Gecina has sold a portfolio of 21 logistics assets based on a net sales price of €113.7 million to Carval (Cargill group), supported by Constructa Asset Management. The price gives a net exit return of 6.2%, excluding non-occupancy cost.

As part of its asset base optimization policy, Gecina has made significant asset sales. For example, the Group sold the Origami building (34-36 avenue de Friedland, Paris, 8th district) in June 2011. The building comprises 4,900 sqm of office floor space, for an amount of €86 million, generating a net rate of return of 4.7%. Furthermore, Gecina made a block sale of its residential assets in Lyon to a private equity fund for a total of €172 million. Parallel to this, the Group acquired the Tour Horizons in Boulogne Billancourt for a total of €308 million from the developer Hines. This building, designed by Jean Nouvel and built to HQE Construction standards, provides a usable area of 38,600 sqm of which 15,560 sqm have been let to Laboratoire Roche on a firm lease of 9 years. The net yield of this investment is around 5.9%.

AON, the company leasing the Défense Ouest building in Colombes (92), informed Gecina of its wish to leave the building before the end of its lease (March 2017). After agreeing to break the lease, and as AON vacated the premises on June 30, 2011, Gecina recognized in its rents for the first half of 2011 €10.5 million for the compensation paid by AON corresponding to the settlemet itself, representing two years of rent (€11.0 million), the operating compensation (€1.7 million) net of the reversal of the balance of the benefits granted to the tenant and depreciated on a straight line as allowed by IAS 17 (€2.2 million).

Gecina, which had 98.6% of Gecimed in June 2011, submitted to the AMF on May 31, 2011, a proposed buyout offer, followed by a squeeze out targeted at the shares of its subsidiary Gecimed. Gecina considers that it is no longer appropriate to retain Gecimed as a listed entity. Ricol Lasteyrie et Associés was appointed as an independent expert by the Board of Gecimed and has delivered an equitable price certificate for the offer, which was set at €2.06 ex-coupon per Gecimed share. The AMF compliance decision concerning the buyout and squeeze out bid was obtained on June 21, 2011. As this transaction ongoing on the reporting date was launched at the initiative of Gecina, it decided to fully consolidate Gecimed at June 30, 2011.

On June 28, 2011, Gecina also updated its EMTN program for €2 million, created in July 2010, with the AMF.

Gecina signed an agreement with former member of staff, related to the paiement of supplementary pensions, for a total amount of €3.6 million. The treatment of this protocol will be ensured by an insurance company, through methods remaining to determine during the second half of 2011.

Finally, as part of improvements in corporate governance, Gecina restructured its Board of directors, changing from 18 to 14 members, of whom 5 are independent. The Board of directors also organized the staggering of directors' terms of office to provide for seamless renewal of board members in future years, as recommended by AFEP-MEDEF. Both measures were approved by the shareholders' general meeting of May 24, 2011.

Fiscal year 2010

In 2010, Gecina acquired the shares of Anthos, owner of an office property located in Boulogne, and delivered in March 2010.

Gecina also raised its stake in Beaugrenelle from 50% to 75% on July 12, 2010 and acquired 10% of SNC Montbrossol, with a commitment to purchase the additional 90% on completion of the building, currently under construction in Montrouge resulting in Montbrossol becoming a wholly-owned subsidiary.

After repaying the two bonds totalling €533 million in February 2010, Gecina issued €320 million of Ornane bonds (redeemable in cash and/or in new and/or existing shares) in April 2010 and in September 2010, another €500 million bond.

Gecina has also considerably restructured its portfolio of financial instruments, terminating 11 transactions for a nominal total of €3,713 million with payment of a balance of €100.7 million. In return, new transactions were subscribed amounting to a nominal value of €1,350 million.

2. General principles of consolidation

2.1 Reporting standards

The consolidated financial statements of Gecina and its subsidiaries ("the Group") are prepared in accordance with IFRS as adopted by the European Union. The reporting standards can be viewed on the European Community's website: http://ec.europa.eu/internal_market/accounting/ias_fr.htm#iasb-adoption.

As Gecina Group is not concerned by the IAS 39 exclusion on the recognition of financial instruments, or by mandatory standards or interpretations for 2011 not yet adopted by the European Union, the financial statements are also compliant with the IFRS as defined by the IASB.

The standards and interpretations applicable for the Group since January 1, 2011 have no significant impact on its results and financial position. The standards and official interpretations that may be applicable after the balance sheet date have not been applied in advance and are not expected to have any material impact on the financial statements.

The preparation of the financial statements in accordance with IFRS requires certain key accounting estimates to be made. The Group is also required to exercise its judgment on the application of accounting principles. The areas where the issues are most important in terms of judgment or complexity or those for which the assumptions and estimates are significant with regard to the consolidated financial statements are described in Note 3.14. The disclosures required under IFRS 7 concerning the type and risk of financial instruments appear in Notes 3.8, 3.9, and 4.

Gecina does not apply the ethical code for French REITs as established by the *Fédération des Sociétés Immobilières et Foncières.*

2.2 Consolidation methods

All companies in which the Group holds direct or indirect exclusive control and companies in which Gecina exercises a notable or joint influence are included in the scope of consolidation. The first are fully consolidated and the second are consolidated under the equity method.

2.3 Scope of consolidation

As of June 30, 2011, the scope of consolidation included the following companies:

Companies	SIREN	06/30/2011 % interests	Method of consolidation	12/31/2010 % interests	06/30/2010 % interests
Gecina	592 014 476	100.00%	Parent company	100.00%	100.00%
23-29, rue de Châteaudun	387 558 034	100.00%	FC	100.00%	100.00%
5 rue Montmartre	380 045 773	100.00%	FC	100.00%	100.00%
55, Rue d'Amsterdam	382 482 065	100.00%	FC	100.00%	100.00%
A.I.C.	351 054 432	100.00%	FC	100.00%	100.00%
Aralog Inversiones		100.00%	FC	100.00%	100.00%
Aralog Inversiones y developpement	423 542 133	100.00%	FC	100.00%	100.00%
Arnas	318 546 090	100.00%	FC	100.00%	100.00%
Société Civile Immobilière Beaugrenelle	307 961 490	75.00%	FC	75.00%	50.00%
Braque	435 139 423	100.00%	FC	100.00%	100.00%
Braque Ingatlam	12 698 187	100.00%	FC	100.00%	100.00%
Camargues Logistique	482 439 087	100.00%	FC	100.00%	100.00%
Campusea (ex-Immofac)	501 705 909	100.00%	FC	100.00%	100.00%
Société Civile Immobilière Capucines	332 867 001	100.00%	FC	100.00%	100.00%
Clairval	489 924 035	100.00%	FC	98.59%	98.59%
Colvel Windsor	477 893 366	100.00%	FC	100.00%	100.00%
Compagnie Foncière de Gestion	432 028 868	100.00%	FC	100.00%	100.00%
Dassault Suresnes	434 744 736	100.00%	FC	100.00%	100.00%
Denis	439 986 100	100.00%	FC	100.00%	100.00%
Denis Inversiones	B63256457	100.00%	FC	100.00%	100.00%
Ernst	439 959 859	100.00%	FC	100.00%	100.00%
Ernst Belgie		100.00%	FC	100.00%	100.00%
Geciotel	428 819 064	100.00%	FC	100.00%	100.00%
Gec 4	490 526 829	100.00%	FC	100.00%	100.00%
Gec 7	423 101 674	100.00%	FC	100.00%	100.00%
Gec 8	508 052 149	100.00%	FC	100.00%	100.00%
Gec 9	508 052 008	100.00%	FC	100.00%	100.00%
Gecimed	320 649 841	100.00%	FC	98.59%	98.55%
Geciter	399 311 331	100.00%	FC	100.00%	100.00%
Grands Bouessays	309 660 629	100.00%	FC	100.00%	100.00%
Haris	428 583 611	100.00%	FC	100.00%	100.00%
Haris Investycje		100.00%	FC	100.00%	100.00%
Investibail transactions	332 525 054	100.00%	FC	100.00%	100.00%
Joba	392 418 216	100.00%	FC	100.00%	100.00%
Khapa	444 465 017	100.00%	FC	100.00%	100.00%
Labuire Aménagement	444 083 901	59.70%	EM	59.70%	59.70%
L'Angle	444 454 227	100.00%	FC	100.00%	100.00%
Le Pyramidion Courbevoie	479 765 874	100.00%	FC	100.00%	100.00%
Locare	328 921 432	100.00%	FC	100.00%	100.00%
S.N.C Michelet-Levallois	419 355 854	100.00%	FC	100.00%	100.00%
Monttessuy 357	423 852 185	100.00%	FC	100.00%	100.00%
Nikad	433 877 669	100.00%	FC	100.00%	100.00%
Parigest	642 030 571	100.00%	FC	100.00%	100.00%
Sadia	572 085 736	100.00%	FC	100.00%	100.00%
Saint Augustin Marsollier	382 515 211	100.00%	FC	100.00%	100.00%

FC: Fully consolidated
EM: Equity method
NC: Not consolidated

Companies	SIREN	06/30/2011 % interests	Method of consolidation	12/31/2010 % interests	06/30/2010 % interests
Saint Genis Industries	382 106 706	100.00%	FC	100.00%	100.00%
Société des Immeubles de France (Spain)		100,00%	FC	100,00%	100.00%
Société Hotel d'Albe	542 091 806	100.00%	FC	100.00%	100.00%
Société Immobilière et Commerciale de Banville	572 055 796	100.00%	FC	100.00%	100.00%
SPIPM	572 098 465	100.00%	FC	100.00%	100.00%
SPL	397 840 158	100.00%	FC	100.00%	100.00%
Tour H15	309 362 044	100.00%	FC	100.00%	100.00%
Val Notre Dame	343 752 903	100.00%	FC	100.00%	100.00%
FIRST CONSOLIDATED IN 2009					
Bami Newco		49.00%	EM		49.00%
FIRST CONSOLIDATED IN 2010					
Annemasse	528 229 917	100.00%	FC	100.00%	
Anthos	444 465 298	100.00%	FC	100.00%	100.00%
Montbrossol	380 249 326	100.00%	FC	100.00%	
FIRST CONSOLIDATED IN 2011					
Gec 10	529 783 649	100.00%	FC		
Gec 11	530 019 009	100.00%	FC		
SAS Horizons	444 454 128	100.00%	FC		
SCI Saulnier Square	530 843 663	100.00%	FC		
DECONSOLIDATED IN 2009					
16 VE Investments	352 396 899	Wound up	FC	Wound up	Wound up
77/81, Bld Saint-Germain	431 570 530	Merged	FC	Merged	Merged
Fedim	440 363 513	Merged	FC	Merged	Merged
Gessi	409 790 276	Wound up	FC	Wound up	Wound up
Parisienne Immobilière d'Investment 2	434 021 309	Merged	FC	Merged	Merged
PB Îot 1-4	437 592 672	Merged	FC	Merged	Merged
Rue de la Faisanderie	442 504 999	Merged	FC	Merged	Merged
Union Immobilière et de Gestion	414 372 367	Merged	FC	Merged	Merged
DECONSOLIDATED IN 2010					
Bami Newco		NC	EM	49.00%	49.00%
Foncigef	411 405 590	Wound up	FC	Wound up	100.00%
Foncirente	403 282 353	Wound up	FC	Wound up	100.00%
Gec 3	428 818 512	Merged	FC	Merged	100.00%
Gec 6	490 753 340	Merged	FC	Merged	Merged
Paris Saint Michel	344 296 710	Merged	FC	Merged	Merged
Parisienne Immobilière d'Investment 1	434 021 200	Merged	FC	Merged	100.00%
S.G.I.L.	964 505 218	Wound up	EM	Wound up	36.55%
SCI Bazincourt	449 212 562	Merged	FC	Merged	98.55%
SCI Pierre Curie	443 957 014	Merged	FC	Merged	98.55%

FC: Fully consolidated
EM: Equity method
NC: Not consolidated

2.4. Consolidation adjustments and eliminations

2.4.1. Adjustments for consistency of individual financial statements

The rules and methods applied by consolidated companies are subject to adjustments for the purpose of consistency with those of the Group.

All companies closed their accounts at June 30, 2011.

2.4.2. Intercompany transactions

Reciprocal transactions and any profits on disposal resulting from transactions between consolidated companies are eliminated.

2.4.3. Business combinations (IFRS 3)

The acquisition cost corresponds to the fair value on the date of exchange of the contributed assets and liabilities and the capital instruments issued in exchange for the acquired entity. Positive goodwill is recognized as an asset In respect of the surplus of the acquisition cost over the buyer's share of the fair value of the assets and liabilities acquired after underlying tax that is recorded under deferred tax. Negative goodwill is posted to the income statement.

When the acquisition relates to an entity constituted by a combination of assets and liabilities without a commercial activity as defined in IFRS 3, since this acquisition is not a business combination, it is recorded as an acquisition of assets and liabilities without recognizing goodwill.

2.5. Foreign currency translation

The Group's operating currency is the euro. Transactions conducted by subsidiaries situated outside the Eurozone are translated at the closing exchange rate for balance sheet items and at the average exchange rate over the period of the income statement. Exchange differentials recognized in the balance sheet at the beginning of the year and on net income for the year are recorded on a separate line under shareholders' equity.

3. Accounting principles

3.1. Property holding

3.1.1. Investment properties (IAS 40)

Properties held for the long term and intended to be leased under operating leases, and/or held for capital appreciation, are considered as investment properties.

On acquisition, investment properties are recorded on the balance sheet at cost inclusive of duties and taxes.

Interest expenses related to construction operations and eviction compensation paid in connection with building reconstructions are capitalized.

Contracts for leased assets are recognized as finance leases and recorded as assets on the balance sheet, and the corresponding borrowings are recorded as liabilities under debt. Accordingly, the fees are eliminated and the interest expense for financing and the fair value of the asset are recognized in accordance with the Group's accounting principles.

Gecina has opted for the valuation of investment properties at fair value. The company has elected, by convention, to retain the block value of properties in the consolidated financial statements. This block value excludes transfer duties and is determined by independent appraisers (at June 30, 2011: BNPP Real Estate, Catella, CB Richard Ellis Bourdais, Foncier Expertise and Jones Lang LaSalle), which value the Group's portfolio on the assumption of a long-term holding at June 30 and December 31 each year and which take into account capitalized construction work. Valuations are conducted in accordance with industry practices using valuation methods to establish market value for each asset, pursuant to the professional real estate valuation charter. All Gecina assets are now appraised by independent appraisers, including those acquired during the half year and which were previously not subject to specific appraisal. No asset was concerned by this change during the period under review.

The change in fair value of investment properties is recorded on the income statement. These properties are not therefore subject to depreciation or impairment. The income statement records the change in fair value of each property over the year as follows:

- current market value – (prior year market value +cost of construction work and expenditure capitalized in the period).

Investment properties under redevelopment are stated at fair value.

Properties under construction or acquired with the intention of reconstruction or in the process of being reconstructed are recognized at fair value where that value can be reliably measured. The fair value is determined by appraisers based on an evaluation of the property's realizable value less all direct and indirect future development costs.

The Group considers that a property in the process of construction can be reliably appraised at fair value when the foundations of the building are completed and its marketing is advanced. Whatever the case, the fair value appraisal will be performed when the asset is protected from the rain.

Nevertheless, when the asset is already leased and the signature of works contracts has sufficiently progressed to allow a reliable estimate of the construction cost, the asset under development may then be recognized at fair value. Such is the case over the half year for the Le Velum property in Lyon recognized at fair value on June 30, 2011: the impact of the fair value recognition amounts to €8 million.

Valuation procedure:

Each investment property is measured separately by an independent appraiser. The property is assessed at fair market value, which corresponds to the price at which it could be sold between informed consenting parties operating under normal market conditions without reference to the financing conditions as of the valuation date.

a) Office buildings

The fair market value of each asset is based on the results of the following three methods. In the event that a difference between the results of the three methods is 10% or more, the appraiser has the option of determining the most relevant value.

- Direct comparison method: this method consists of comparing the asset that is the object of the valuation and transactions made on assets equivalent in type and situation, on dates close to the date of valuation.
- Capitalization of net income method: this method consists of capitalizing recorded or potential income on the basis of a return expected by an investor for a similar type of asset. The income base is generally constituted either of net annual rent excluding taxes and rental charges, or the market rent value. For occupied premises, the appraiser conducts an analysis of the legal and financial conditions of each lease and of the rental market. For vacant premises, the market rent value is used as a reference, taking account of re-letting delays, renovation work and other miscellaneous expenditure.
- Discounted cash flow method (DCF): the value of the asset is equal to the discounted cash flow expected by the investor, including its assumed sale following a 10-year holding period. The sale price at the end of the period is determined on the basis of the net cash flow in year 11 capitalized at a rate of return. Discounted cash flow is determined on the basis of a risk-free interest rate (10-year government bond equivalent) plus an appropriate risk premium for the property determined in comparison with standard discounted rates on cash flow generated by similar assets.

b) Residential property

The block market value of each asset is determined from the results of the following two methods: direct comparison and income capitalization. In the event that a difference between the results of the two methods is 10% or more, the appraiser has the option of determining the more relevant valuation.

- Direct comparison method: this is identical to the method used for office property.
- Capitalization of income method: this is identical to the method used for office property applied to gross income pursuant to the recommendations of the French professional body of property appraisers, AFREXIM.

c) Unit value for residential and mixed property

The unit value is used for buildings on sale by apartments (see Note 3.1.2).

The unit value is based on the unit prices per sqm. on the market for vacant premises. The valuation includes discounts to reflect marketing periods, costs and the margin earned on the sale of all the units. These discounts are differentiated according to the size of the property and number of units included. Office units and commercial premises situated on the ground floor of buildings are then added for their estimated value based on both methods: direct comparison and income capitalization.

For properties where the process of sale by units is in process, the valuation follows the same method, adjusting the allowances applied to the property's actual marketing situation.

d) Logistics properties, healthcare facilities and hotels

The block market value of each asset is determined from the results of the following two methods: capitalization of income and discounted cash flow. In the event that a difference between the results of the two methods is 10% or more, the appraiser has the option of determining which of the two is most appropriate.

3.1.2. Assets held for sale (IFRS 5)

When the Group is engaged in selling an asset or group of assets, it classifies this as an asset held for sale, in current assets on the balance sheet at its latest known fair value.

Properties recorded in this category were valued as follows:

- Properties for sale in block: block valuation excluding transfer duties, subject to the deduction of expenses and fees necessary for their sale.
- Properties where a sale has been agreed: sale value recorded in the agreed sale, subject to the deduction of expenses and fees necessary for their sale.
- Properties for sale in units: unit valuation (see Note 3.1.1) after taking into account miscellaneous costs, periods and contingencies that are part of their marketing. If more than 60% of the property is sold, the asset is recognized at fair value of the last recorded transactions.

3.1.3. Operating properties and other property, plant and equipment (IAS 16)

The head office property at 16, rue des Capucines, Paris is valued at cost. It has been depreciated according to the component method, each component being depreciated on a straight line basis over its useful life (10 to 60 years).

Other property, plant and equipment are recorded at cost and depreciated under the straight-line method for periods of 3 to 10 years.

In the event of a sign of impairment, the accounting value of an asset is immediately written down to its recoverable value, which is determined by an independent valuation conducted under the methods described in 3.1.1.

3.1.4. Intangible assets (IAS 38)

Intangible assets correspond primarily to software.

The costs for the acquisition of software licenses are recorded as an asset based on the costs incurred in acquiring and commissioning the software concerned. These costs are amortized over the estimated useful life of the software (three to five years).

3.2. Equity interests

3.2.1. Equity-accounted investments

Equity interests in companies in which the Group exercises joint control or significant influence are recorded on the balance sheet at the group share of their net assets as of the balance sheet date adjusted to the Group's accounting principles. Loss of value is recorded if the value in use of the investment becomes less than its net book value over the long term.

In the event where the Group's share in the negative equity of an equity-account company were to exceed the book value of its investment, the Group considers its share to be nil and it ceases to recognize its share in upcoming losses, unless the Group is obliged or intends to financially support such investment.

3.2.2. Non-consolidated interests

Non-consolidated interests are stated at fair value. Changes in fair value are recorded under shareholders' equity until their disposal date. For long-term impairment, underlying capital losses recognized in shareholders' equity are recorded as expenses.

3.2.3. Other financial investments

Loans, receivables and other financial instruments are recognized based on the depreciated cost method at the effective interest rate. Where there is long-term impairment, this is accounted for under expenses.

3.3. Inventories

Properties acquired under the real estate agent tax treatment for rapid resale are recorded in inventories at cost. They may be subject to impairment if the property valuation determined by an independent expert is less than its net book value.

3.4. Operating receivables

Receivables are recorded for the initial amount of the invoice, after deduction for impairment valued on the basis of the risk of non-recoverability.

Receivables paid by tenants are systematically written-down according to the due date of the receivables and situation of the tenants.

An impairment rate is applied to the amount excluding tax of the receivable minus the security deposit:

Tenant has left the property: 100%

Tenant still on the property:

- receivable between 3 and 6 months: 25%
- receivable between 6 and 9 months: 50%
- receivable between 9 and 12 months: 75%
- over 12 months: 100%

Impairment thus determined is adjusted to take account of particular situations.

3.5. Cash and equivalents

Cash and money-market UCITS are recorded on the balance sheet at fair value.

3.6. Treasury shares (IAS 32)

Treasury shares held by the Group are deducted from consolidated shareholders' equity at cost.

3.7. Share-based payment (IFRS 2)

Gecina has instituted an equity-based remuneration plan (stock options and bonus shares). The impact of services rendered by employees in exchange for the award of options or the allocation of bonus shares is expensed against shareholders' equity. The total amount expensed over the year during which rights are vested is determined by reference to the fair value of equity instruments granted.

At each balance sheet date, the number of options that may be exercised is reviewed. Where applicable, the impact of revising estimates is posted to the income statement with a corresponding adjustment in shareholders' equity. Amounts received when options are exercised are credited to shareholders' equity, net of directly attributable transaction costs.

3.8. Financial instruments (IAS 39)

IAS 39 distinguishes between two types of interest rate hedge as follows:

- hedging of balance sheet items whose fair value fluctuates with interest rates ("fair value hedge");
- hedging of a risk of variability of future cash flows ("cash flow hedge"), which consists of fixing future cash flows of a variable-rate financial instrument.

Some derivative instruments attached to specific financing are classified as cash flow hedges pursuant to accounting regulations. Only the change in fair value of the effective portion of these derivatives, measured by prospective and retrospective effectiveness tests, is taken to shareholders' equity. The change in fair value of the ineffective portion of the hedge is posted to the income statement if material.

To a large extent, Gecina's interest rate hedging is covered by a portfolio of derivatives that are not specifically assigned and do not meet hedge accounting eligibility criteria. Furthermore, some derivatives cannot be classified as hedging instruments for accounting purposes. These derivative instruments can therefore be recorded at fair value on the balance sheet with recognition of changes in fair value on the income statement. The change in the value of derivatives is recognized for the recurring portion and where applicable (amortization of options premiums or periodic premiums) within financial expenses in the same capacity as interests paid or received for these instruments, and the non recurring portion (fair value excluding amortization of premium or periodic premiums) within value changes of financial instruments. Where applicable, terminations of derivative instruments are considered as non recurring, such that the gain or loss on disposal or termination is recognized in income within changes in value of financial instruments.

Fair value is determined from the implementation of valuation techniques established by the Group based on the discounted future cash flow method, and the Black & Scholes model for optional products. Valuations are also supplemented by confirmations from banks.

Marketable securities are recorded under this heading as assets at fair value and changes in value are posted to the income statement.

3.9. Financial liabilities (IAS 32 and 39)

Bank borrowings are mostly constituted of repayable borrowings and medium and long-term credit lines that can be used by variable term drawings. Successive drawings are recognized in the financial statements at face value, with the unused portion of the borrowing facility representing an off-balance sheet commitment.

Financial liabilities are stated at their outstanding balance (net of transaction costs) based on the effective interest rate, except for Ornane-type convertible bond borrowings, which are recognized at fair value based on the quoted market price.

Security deposits are considered as short-term liabilities and are not subject to discounting.

3.10. Long term non-financial provisions and liabilities

IAS 37 requires interest-free long-term liabilities to be discounted.

The discounting of the exit tax liability due to opting for the SIIC treatment is only recognized when considered material.

3.11. Employee benefit commitments

IAS 19 details accounting rules for benefits granted to employees (except for share-based payments, which come under IFRS 2).

Short-term benefits (i.e. salaries, paid holiday, social security contributions, profit sharing etc), which fall due within twelve months of the end of the year during which members of staff provided corresponding services, are recognized as "accrued expenses" under the heading "Tax and social security liabilities" under balance sheet liabilities.

Long-term benefits correspond to benefits payable during the employee's working life (anniversary premiums).

Post-employment benefits correspond to end-of-career payments and supplementary retirement commitments to some employees.

The valuation of these commitments is based on the assumption of the employee's voluntary departure.

These commitments that are related to the defined-benefit plans for supplementary pensions are paid to external organizations.

No post-employment benefits are granted to executive managers.

Actuarial differences are posted to the income statement.

The net commitment resulting from the difference between amounts paid and the probable value of the benefits granted is calculated by an actuary according to the method known as "projected unit credit method", the cost of the provision being calculated on the basis of services rendered at the valuation date.

3.12. Tax

3.12.1. Common law treatment

For companies not eligible to the SIIC regime, deferred taxes resulting from timing differences on taxation or deductions are calculated under the liability method on all timing differences existing in the individual accounts or deriving from consolidation adjustments or eliminations of internal profits and losses. This happens when the book value of an asset or liability is different from its tax value. A net deferred tax asset is only recognized on loss carry forwards provided that it is likely that it can be charged against future taxable income. Deferred tax is determined using the tax rates of the finance laws in effect at the balance sheet date that are likely to be applied when the various taxes involved crystallize. The same rule applies to assets held abroad.

3.12.2. Real-estate investment trust (SIIC) regime

Opting for the SIIC regime means an exit tax immediately falls due at the reduced rate of 19% (the rate was 16.5% before the amended finance law of December 28, 2008) on unrealized capital gains related to properties and investments in entities not subject to income tax.

Profits subject to the SIIC regime are tax-exempt subject to certain conditions, especially distribution. However for newly-acquired companies, we calculate a deferred tax liability of 19% corresponding to the exit tax amount that these companies are required to pay at the time of electing for the SIIC tax plan, as this election is part of the acquisition strategy.

3.13. Recognition of rental income (IAS 17)

Rent is recorded in the income statement when invoiced. However, pursuant to IAS 17, benefits granted to tenants in the corporate and healthcare property sector (mainly rent - free period and stepped rents) are amortized straight-line over the firm period of the lease. The adopted deferral reflects, if appropriate, the additional advantages beyond the first firm term of the lease.

Consequently, rents shown in the income statement differ from rents paid.

3.14. Estimates and key accounting judgments

To establish the consolidated financial statements, the Group uses estimates and formulates judgments, which are regularly updated and are based on historic data and other factors, especially forecasts of future events considered reasonable in the circumstances.

Estimates that carry a major risk of leading to a material adjustment in the net book value of assets and liabilities during the following period are analyzed below.

The fair value of financial instruments that are not traded on an organized market (such as over the counter derivatives) is determined using valuation techniques. The Group uses methods and assumptions that it believes are the most appropriate, based primarily on market conditions at the balance sheet date. The realizable value of these instruments may turn out to be significantly different from the fair value used for the accounting statement.

The fair value of the property portfolio, whether it is held for the long term or for sale, is specifically determined based on the valuation of the portfolio by independent experts according to the methods described in paragraphs 3.1.1 and 3.1.2. However, given the estimated nature inherent in these valuations, it is possible that the actual sales value of some properties will differ significantly from the valuation, even in the event of disposal within a few months following the balance sheet date.

The value in use and the fair value of equity investment securities is determined on the basis of estimates based on the various information available to the Group as of the balance sheet date. New information, obtained subsequent to the balance sheet date, may have a material influence on this valuation.

4. Management of financial and operational risks

4.1. Description of major risks and uncertainties

Chapter 11 of Gecina's 2010 Reference Document contains a detailed description of the risk factors to which the Group is exposed. No risks or uncertainties other than those presented in this document are anticipated.

4.2. Property market risks

Holding property assets for rent exposes the Group to the risk of fluctuation of the value of property assets and rents.

However, this exposure is limited given that:

- the assets are currently held with a long-term view and valued in the accounts at fair value, even though fair value is based on estimates described in paragraph 3.1.1 above.
- the invoiced rents come from rental commitments, the term and spread of which contribute to moderating the impact of fluctuations on the rental market.

With respect to development projects, the search for tenants begins once the investment decision is taken and results in the signing of pre-construction leases *[Baux en l'Etat Futur d'Achèvement* (BEFA)]. These leases contain clauses on the definition of completion, the completion time and late penalties.

This risk is quantified in Note 6.6.

4.3. Financial market risk

Holding financial assets for the long term or for sale exposes the Group to the risk of fluctuation in the value of these assets. The analysis and quantification of the risk on hedging financial instruments are stated under Note 6.8.

Furthermore, Gecina may be subject to changes in share prices for its financial investments and for its treasury shares. Gecina has set up a share buyback program and therefore holds a certain number of its own shares. A fall in the price of the Gecina share has no impact on the consolidated financial statements, only on the Individual financial statements: however a 5% fall in the share price of Gecina from the level of June 30, 2011 will not lead to the accrual of provisions in Gecina's Individual financial statements.

4.4. Counterparty risk

Having a portfolio of clients of over 2,000 tenant businesses, from a great variety of sectors, and around 16,000 individual tenants, the Group is not exposed to significant concentration risks. In the course of its development, the Group aims to acquire assets for which the rental portfolio is closely based on tenant selection criteria and the security provided by them. When a property is rented out, a detailed application is submitted by the tenant and an analysis of the tenant's financial soundness is conducted. Tenant selection and rent collection procedures help to maintain a satisfactory bad debt rate.

Financial transactions, especially hedging the interest rate risk, are carried out with a broad selection of leading financial institutions. Competitive tenders are conducted for all major financial transactions and the maintenance of a satisfactory diversification of sources of funds and counterparties is one of the selection criteria. Gecina has no material exposure to a single bank counterparty on its portfolio of derivatives.

4.5. Liquidity risk

Liquidity risk is managed by constantly monitoring the maturity of loans, maintaining available credit lines and diversifying finance sources. Liquidity is managed in the medium and long term as part of multi-annual financing plans and, in the short term, by using confirmed undrawn lines of credit, and asset disposal programs. Details of debt maturity dates are provided in Note 5.10.1 and a description of the various limits that might affect interest conditions or early repayment, as stipulated in the credit agreements.

4.6 Interest rate risk

Gecina's interest rate risk management policy, which includes the use of derivative instruments, is aimed at limiting the impact of a change in interest rates on the Group's earnings, where a significant portion of the Group's loans is at a floating rate. With respect to the foregoing, a management framework was presented and validated by the company's Audit Committee. This management framework defines in particular the management horizons, a percentage of coverage required on the time horizons, new hedging targets and the instruments enabling such management (mostly caps, floors and swaps).

The interest rate risk is analyzed and quantified in Notes 5.10.2 and 6.8, together with an analysis of interest rate sensitivity.

Gecina's interest rate hedging policy is primarily implemented on a comprehensive basis for all its loans (i.e. not specifically assigned to certain loans). As a result, it does not meet the accounting qualification of hedging instruments and the fair value change therefore appears in income, according to the procedures described in Note 3.8.

4.7. Exchange rate risk

The Group conducts the majority of its business in the Eurozone and almost all its revenues, operating expenses, investments, assets and liabilities are denominated in euros. The Group is therefore only very marginally exposed to an exchange rate risk through its two subsidiaries in the logistics sector in Poland and Hungary.

5. Notes to the consolidated balance sheet

5.1. Property holdings

5.1.1. Statement of changes in property holdings

Property holdings

(€ thousands)	At 06/30/2010	At 12/31/2010	Acquisitions	Disposals	Depreciation and impairment	Change in fair value	Change in scope	Account transfers	At 06/30/2011
Investment properties	9,765,414	10,116,219	338,600	-19	0	220,663	0	-121,716	10,553,747
Properties under reconstruction	441,513	832,892	98,239	0	0	-25,296	0	-110,639	795,196
Operating buildings	68,568	67,845	0	0	711	0	0	0	67,134
Properties for sale (current assets)	180,242	650,184	817	-541,751	0	-2,992	0	232,355	338,613
Properties in inventory (current assets)	0	0	0	0	0	0	0	0	0
PROPERTY HOLDINGS	**10,455,737**	**11,667,140**	**437,656**	**-541,770**	**711**	**192,375**	**0**	**0**	**11,754,690**

5.1.2. Analysis of acquisitions (duties and costs included)

The acquisitions concerned:

€ thousands	06/30/2011
Horizons in Boulogne-Billancourt (offices)	311,364
Property acquisitions	311,364
Reconstruction work	98,239
Renovation work	28,053
Works	126,292
TOTAL ACQUISITIONS	437,656

5.1.3. Breakdown of proceeds from disposal

See Note 6.5.

5.1.4. Investment properties held under financial lease

The Group holds 21 financial lease contracts. These are fixed-or floating-rate contracts for periods of 12 years on average with leading institutions.

The breakdown of final lease rents outstanding is as follows:

€ thousands	06/30/2011	12/31/2010	06/30/2010
Less than 1 year	58,679	57,616	53,420
1 to 5 years	198,860	205,133	214,033
Over 5 years	171,887	187,183	199,319
TOTAL	429,426	449,932	466,772

5.2. Financial investments

€ thousands	06/30/2011	12/31/2010	06/30/2010
Non-consolidated investments	109,421	109,421	34,942
Receivables related to equity investments securities	0	0	9,325
Advance to SCI Beaugrenelle	0	0	98,024
Advances on fixed asset acquisitions	66,586	65,569	65,519
Deposits and guarantees	2,164	2,213	2,242
Other financial investments	746	770	767
Total	178,916	177,973	210,819
Impairment [1]	-168,980	-168,761	-103,478
TOTAL NET	9,936	9,212	107,341
(1) Impairment:			
Equity investments and related receivables	*-109,341*	*-109,341*	*-44,175*
Advances on fixed asset acquisitions	*-59,639*	*-59,420*	*-59,303*
	-168,980	*-168,761*	*-103,478*

Provision for impairment is flat over the period at €169 million and relates to the 49% stake in the Spanish company, Bami, which is fully written back for impairment (€109 million) and the deposit on real estate acquisition granted to the Spanish company, Bamolo, written back for €60 million.

5.3. Equity-accounted investments

This item reflects the percentage held by the Group in the companies over which the Group exercises significant influence.

This post includes only the participation in the company, La Buire (unit disposals of plots of land held in Lyon) as of June 30, 2011 since Bami was no longer in equity consolidation as of December 31, 2010. Gecina no longer had any preponderant influence on the company after that date.

The contributing factors of La Buire to the balance sheet and to the consolidated income statement at June 30, 2011 are immaterial (respectively €4.5 million, corresponding to the equity held by the Group and €0.7 million as the share of net income attributable to the Group).

5.4. Deferred tax assets and liabilities

Deferred tax assets include loss carry-forwards and tax timing differences on assets of companies subject to income tax.

Net deferred taxes (in € thousand)	06/30/2010	12/31/2010	Increases	Decreases	06/30/2011
Fair value of buildings	-32,325	-18,595	-905	1,961	-15,729
Losses to be carried forward	1,996	301	0	0	301
Derivatives	0	0	0	0	0
Other	-6,117	-3,614	-1,613	0	-5,227
TOTAL	-36,446	-21,908	-2,518	1,961	-20,655

5.5. Properties held for sale

Movements on properties for sale are included in the overall statement of changes in property holdings (see Note 5.1.1).

The amount of properties for sale breaks down as follows:

€ thousands	06/30/2011	12/31/2010	06/30/2010
Properties for sale (block basis)	218,450	490,752	56,557
Properties for sale (unit basis)	120,163	159,432	123,685
TOTAL	**338,613**	**650,184**	**180,242**

5.6. Trade receivables

The breakdown of net receivables by sector is set out in Note 7. At June 30, 2011, the amount of unaccrued overdue trade receivables was not material.

The gross balance climbed over the period (+€7 million) taking into account the increase in unbilled expenses payable compared to end 2010, as these expenses are usually settled in the second half.

Impairments of receivables increased by €4 million and are mostly linked to the logistics sector with the accrual of provisions for new receivables from two customers whose total outstanding has been impaired by 75%.

€ thousands	06/30/2011	12/31/2010	06/30/2010
Billed clients	25,862	27,462	29,588
Unbilled expenses payable.	16,414	10,170	17,199
Balance of amortized rent - free periods and stepped rents (IAS 17)	44,346	41,558	43,786
Trade receivables (gross)	**86,622**	**79,190**	**90,573**
Impairment of receivables	-17,867	-13,603	-14,667
Trade receivables (net)	**68,755**	**65,587**	**75,906**

5.7. Other current asset receivables

Other receivables jumped €21 million, primarily because of the booking of a receivable in relation to the sale of a warehouse in Hungary (€11 million) and a VAT receivable of €4 million for the Horizons building in Boulogne acquired in June 2011.

€ thousands	06/30/2011	12/31/2010	06/30/2010
Value added tax (1)	32,260	26,597	39,493
Income tax (2)	5,131	6,149	5,315
Other current asset receivables (3)	60,208	44,475	34,888
GROSS AMOUNTS	**97,599**	**77,221**	**79,696**
Impairment	-5,116	-5,847	-2,439
NET AMOUNTS	**92,483**	**71,374**	**77,257**
(1) Including			
VAT on Gecimed	*1,054*	*1,802*	*16,086*
VAT on Annemasse clinic	*3,055*	*2,209*	
VAT on Beaugrenelle	*5,731*	*2,337*	
VAT on Horizons	*3,996*		
VAT on Montbrossol	*4,372*	*1,144*	
(2) Including income due from the State	*3,825*	*3,875*	*4,272*
(3) Of which:			
Cash advances to equity investments	*6,021*	*6,018*	*8,819*
Deposits on property acquisition	*0*	*221*	*1,770*
External agents and managers	*3,486*	*3,760*	*2,791*
Receivables on fixed asset disposals	*2,300*	*2,300*	*2,300*
Deposits on agreements to purchase	*716*	*779*	*1,100*
Debit balances of social security organizations	*2,280*	*364*	*2,171*

5.8 Cash and equivalents

€ thousands	06/30/2011	12/31/2010	06/30/2010
Money-market UCITS	14,478	16,329	35,991
Income receivable and other	8	0	7
Bank current accounts	1,942	8,298	20,386
Cash and equivalents (gross)	16,427	24,627	56,384
Bank overdrafts	-3,342	-6,816	0
Cash and equivalents (net)	13,085	17,811	56,384

5.9 Consolidated shareholders' equity

See the accounting statement preceding this note in chapter 5, section 3 "statement of changes in consolidated equity".

5.10 Loans, debt and financial instruments

5.10.1 Loans and debt

Outstanding debt *€ thousands*	Outstanding debt 06/30/2011	Repayments < 1 year	Outstanding debt 06/30/2012	Repayments 1 to 5 years	Outstanding debt 06/30/2016	Repayments more than 5 years
Fixed-rate debt	**2,030,612**	**-578,428**	**1,452,185**	**-1,396,930**	**55,255**	**-55,255**
Ornane	320,000	0	320,000	-320,000	0	0
Fair value impact of Ornane	37,835	0	37,835	-37,835	0	0
Bonds	1,484,311	-489,536	994,775	-994,775	0	0
Bank borrowings	1,072	-1,072	0	0	0	0
Finance leases	102,476	-12,186	90,290	-35,035	55,255	-55,255
Accrued interest and other liabilities	84,918	-75,634	9,284	-9,284	0	0
Floating-rate debt	**3,151,829**	**-366,229**	**2,785,600**	**-1,894,288**	**891,312**	**-891,312**
Treasury notes	66,000	-66,000	0	0	0	0
Floating-rate and variable-rate borrowings	1,755,841	-40,623	1,715,219	-982,603	732,616	-732,616
Credit lines	1,076,000	-225,000	851,000	-740,000	111,000	-111,000
Finance leases	250,646	-31,264	219,382	-171,685	47,696	-47,696
Bank overdrafts	3,342	-3,342	0	0	0	0
Gross debt	5,182,442	-944,657	4,237,785	-3,291,218	946,567	-946,567
Cash (floating rate)						
Open-end investment funds, deposits and income receivable	14,485	-14,485	0	0	0	0
Liquidities	1,942	-1,942	0	0	0	0
Total cash and equivalents	16,427	-16,427	0	0	0	0
Net debt						
Fixed rate	2,030,612	-578,428	1,452,185	-1,396,930	55,255	-55,255
Floating rate	3,135,402	-349,802	2,785,600	-1,894,288	891,312	-891,312
Total net debt	5,166,015	-928,230	4,237,785	-3,291,218	946,567	-946,567
Available credit lines	885,000	-100,000	785,000	-785,000	0	0
Future cash flows on debt	0	131,212	0	313,150	0	151,711

This statement highlights the outstanding notional amount of the Ornane-type convertible bond as well as the impact of its fair value recognition. Consequently, the convertible bond appears at its market value comprised of its nominal value (€320 million) and the impact of the fair value adjustment (€38 million). Furthermore, the debt is detailed at its balance sheet value.

Type of bond	EMTN	Ornane	EMTN	EMTN
Issue date	June 1, 2004	April 9, 2010	Sept. 17, 2010	Feb. 3, 2011
Issue amount (€ million)	498.3	320.0	500.0	500
Issue /conversion price	€996.56	€111.05	€49,803.5	€99,348
Redemption price	€1,000	N/A	€50,000	€100,000
Conversion rate	N/A	1.06	N/A	N/A
Number of bonds issued	500,000	2,881,586	10,000	5,000
Nominal rate	4.88%	2.125%	4.50%	4.25%
Maturity date	Jan. 25, 2012	Jan. 01, 2016	Sep. 19, 2014	Feb. 3, 2016

The interests that will be paid until maturity of the entire debt estimated on the basis of the interest rate curve at June 30, 2011, come to €596 million.

The breakdown of the €945 million repayment of gross debt at less than one year is as follows:

	3rd quarter 2011	4th quarter 2011	1st quarter 2012	2nd quarter 2012	Total
€ thousands	170,811	214,747	503,161	55,936	944,655

The fair value of the gross debt used for the calculation of the NAV is €5,182 million at June 30, 2011.

Covenants

The Group's principal loans are subject to contractual provisions requiring compliance with certain financial ratios determining the interest terms and early repayment clauses, the most significant of which are summarized below.

	Benchmark standard (1)	**Position at 06/30/2011**	Position at 12/31/2010	Position at 06/30/2010
Net debt/Revalued block value of property holding	maximum 50%	43.87%	44.35%	45.71%
EBITDA (excluding disposals) /Financial expenses	minimum 2.25 x/2.50 x	2.70	3.09	3.51
Value of guarantees/Block value of property holding	maximum 20%	16.60%	16.94%	18.42%
Minimum block value of property holding	minimum €8,000 million	11,695	11,662	10,638

(1) barring temporary exception

Change of control clauses

Bond issue of €494 million due in January 2012: a change of control leading to downrating to "Non investment grade", not raised to "Investment Grade", within 270 days can lead to the early repayment of the loan.

Bond debt of €500 million due in September 2014: a change of control leading to downrating to "Non investment grade", not raised to "Investment Grade", within 120 days can lead to the early repayment of the loan.

Bond debt of €500 million due in February 2016: a change of control leading to downrating to "Non investment grade", not raised to "Investment Grade", within 120 days can lead to the early repayment of the loan.

5.10.2. Financial instruments

The only financial instruments held by the Group are hedging instruments. The financial instruments held by the Group are traded on the over the counter market and valued on the basis of market data and valuation models.

Portfolio of derivatives € thousands	Outstanding 06/30/2011	Maturity or effective date < 1 year	Outstanding 06/30/2012	Maturity or effective date 1 to 5 years	Outstanding 06/30/2016	Maturity or effective date more than 5 years
Portfolio of outstanding derivatives at June 30, 2011						
Fixed-rate payer swaps	2,284,479	2,755	2,287,234	-1,387,234	900,000	-900,000
Caps, floors	1,679,200	-291,200	1,388,000	-488,000	900,000	-900,000
Fixed-rate receiver swaps	498,000	-498,000	0	0	0	0
Floating rate swaps versus floating rates	250,000	-250,000	0	0	0	0
Total	4,711,679	-1,036,445	3,675,234	-1,875,234	1,800,000	-1,800,000
Portfolio of derivatives with deferred effect (1)						
Fixed-rate payer swaps	0	0	0	0	0	0
Caps, floors	0	0	0	0	0	0
Buying/selling of puts and calls on fixed rate payer swaps	0	-100,000	-100,000	100,000	0	0
Buying/selling of collar puts and calls	0	-50,000	-50,000	50,000	0	0
Fixed-rate receiver swaps	0	0	0	0	0	0
Floating rate swaps versus floating rates	0	0	0	0	0	0
Total	0	-150,000	-150,000	150,000	0	0
Total portfolio of derivatives						
Fixed-rate payer swaps	2,284,479	2,755	2,287,234	-1,387,234	900,000	-900,000
Caps, floors	1,679,200	-291,200	1,388,000	-488,000	900,000	-900,000
Buying/selling of puts and calls on fixed rate payer swaps	0	-100,000	-100,000	100,000	0	0
Buying/selling of collar puts and calls	0	-50,000	-50,000	50,000	0	0
Fixed-rate receiver swaps	498,000	-498,000	0	0	0	0
Floating rate swaps versus floating rates	250,000	-250,000	0	0	0	0
TOTAL	4,711,679	-1,186,445	3,525,234	-1,725,234	1,800,000	-1,800,000
future interest cash flows on derivatives	0	46,791	0	46,353	0	1,944

(1) positive amounts in the "repayment" columns correspond to contracted derivatives.

Gross debt hedging (In euro thousands)	06/30/2011
Fixed-rate gross debt	2,030,612
Fixed-rate debt transformed to floating rate	-498,000
Residual debt at fixed rate	1,532,612
Gross debt at floating rate	3,151,829
Fixed-rate debt transformed to floating rate	498,000
Gross debt at floating rate after transformation of debt to floating rate	3,649,829
Fixed-rate payer swaps	-2,284,479
Gross debt at floating rate not swapped	1,365,350
Puts & calls	-1,679,200
Unhedged floating-rate debt	-313,850

The fair value, as recorded on the balance sheet, of derivative instruments breaks down as follows:

€ thousands	06/30/2011	02/31/2010	06/30/2010
Non-current assets	27,158	43,361	23,004
Current assets	7,285	0	2
Non-current liabilities	-127,879	-171,378	-329,010
Current liabilities	-1,290	-4,984	-3,348
TOTAL	-94,726	-133,001	-309,352

Changes in the value of derivatives can be explained by a positive change in value of €38.3 million linked to the interest rate developments from year end 2010 to date (versus €37.1 million with the depreciation premiums on option and the periodic premiums on options now booked under financial expenses.

5.11. Provisions for risks and charges

€ thousands	06/30/2010	12/31/2010	Allocations	Write-backs	Utilizations	**06/30/2011**
Tax reassessments	51,652	12,291	0	0	0	12,291
Employee benefit commitments	9,387	10,160	621	-34	0	10,747
Spain commitments	0	25,000	0	0	0	25,000
Other disputes	6,931	1,464	1,487	-50	-100	2,801
Acquisitions commitments	24,544	0	0	0	0	0
TOTAL	**92,514**	**48,915**	**2,108**	**-84**	**-100**	**50,839**

Within the consolidation, some companies have been the subject of tax audits leading to notifications of tax reassessments; the majority of which are contested. The Group has also, directly or indirectly, been the subject of liability actions and court proceedings instigated by third parties. Based on the assessments of the Group and its advisers, there are to date no unaccrued risks, the impact of which would be likely to significantly affect the Group's income or financial position.

Gecina's €20 million guarantee, which counter guarantees the €20 million guarantee provided by SIF Espagne in connection with the restructured loan (for which Eurohypo bank is the lead manager) for its 49% stake in Bami Newco, and the joint security of €5 million granted to FCC Construccion in connection with the development by Bami Newco of a head office in Madrid are still covered by provisions due to the financial situation of Bami Newco.

The other disputes mostly relate to disputes with various tenants.

The provision for acquisitions commitments included the risk of estimated loss on the firm purchase commitment for properties in Boulogne-Billancourt (92). There were no longer any commitments as of June 30, 2011, since the last asset had been delivered.

5.12. Tax and social security liabilities

Social security liabilities are stable while tax liabilities surged €25 million during the half year mainly because of the provisions accrued for local taxes settled at the end of the year. The €14 million increase over June 30, 2010 is the result of the recognition of the real estate VAT on residential assets delivered over the second half 2010.

€ thousands	**06/30/2011**	12/31/2010	06/30/2010
Social security liabilities	22,092	21,238	22,187
Exit tax	9,139	11,136	8,321
Other tax liabilities (representing VAT payable and local taxes)	55,952	31,273	41,725
Tax and social security payables	**87,183**	**63,647**	**72,233**
of which non-current liabilities	3,994	5,991	3,148
of which current liabilities	83,189	57,656	69,086

5.13. Other payables

Other payables change under the effect of client credit balances which have fallen by €5 million due to rents received in advance.

€ thousands	**06/30/2011**	12/31/2010	06/30/2010
Client credit balances	26,044	30,694	22,232
Other payables (1)	21,097	21,237	21,925
Deferred income	1,826	1,577	1,080
OTHER PAYABLES	**48,967**	**53,508**	**45,237**
(1) Of which:			
Dividends payable	*1,350*	*877*	*1,100*
Beaugrenelle advance			*2,124*
Payment received on work recharged to tenants		*125*	*523*
External agents and managers	*946*	*1,611*	*3,168*
Proceeds from losses	*3,259*	*3,259*	*3,259*
Blocked accounts of absorbed company	*3,848*	*3,848*	*4,534*
Escrow accounts	*2,438*	*2,438*	*2,452*
Tenant compensations (Beaugrenelle center)	*2,012*	*2,491*	*0*

5.14. Off balance sheet commitments

€ thousands	06/30/2011	12/31/2010	06/30/2010
Commitments given			
Off balance sheet commitments given linked to financing			
Swaps	3,431,479	3,853,963	1,658,517
Floors	1,716,200	2,269,400	3,422,600
Swaptions	150,000	150,000	1,550,000
Off balance sheet commitments given linked to operating activities			
Deposits and guarantees	51,590	52,495	58,499
Asset-backed liabilities (1)	1,587,936	1,592,956	1,563,727
Sale commitments or property acquisition options	810,663	877,407	609,559
Total commitments given	7,747,868	8,796,221	8,862,902
Commitments received			
Off balance sheet commitments received linked to financing			
Swaps	3,431,479	3,853,963	1,658,517
Caps	2,279,200	3,632,400	4,222,600
Swaptions	150,000	150,000	1,550,000
Unused lines of credit	885,000	850,000	511,000
Off balance sheet commitments received linked to operating activities			
Sale commitments or property acquisition options	810,663	877,407	609,559
Mortgage-backed receivable	5,880	6,098	6,216
Financial guarantees for management and transactions activities	7,030	7,030	7,030
Other	73,500	4,000	10,530
Total commitments received	7,642,752	9,380,898	8,575,452

(1) List of mortgaged properties:
4 cours de l'ile Seguin, Boulogne Billancourt
8 avenue Delcassé 75008 PARIS
3-5 rue Paul Dautier 78 Vélizy Villacoublay
148-152 rue de Lourmel, 75015
4-16, av Léon Gaumont. 93 Montreuil
334-342 rue Vaugirard, 159-169 rue Blomet. 75015
418-432 Rue Estienne d'Orves et 25-27 and 33 rue de Metz. 92 Colombes
ZAC Charles de Gaulle. 92 Colombes
ZAC Danton 16, 16 bis, 18 to 28, avenue de l'Arche 34, avenue Léonard-de-Vinci
2-4, quai Michelet, Levallois Perret
ZAC Seguin, Rives de Seine, 65, quai Georges Gorse, Boulogne Billancourt
101, avenue des champs-Elysées, 75008 Paris
30 clinics for the healthcare business

The face value of financial instruments (swaps, swaptions, caps, floors and collars) is disclosed. They are stated on the balance sheet at fair value.

In conjunction with the law on employees' entitlement to training (droit individuel à la formation – DIF), at June 30, 2011, the Group's employees earned 58,836 aggregate hours (after deduction of hours used since the establishment of the DIF), which is a potential maximum estimated cost of €5,883,000.

5.15. Accounting for financial assets and liabilities

€ thousands	Assets valued at fair value through the income statement	Assets/ liabilities held to maturity	Loans and receivables	Liabilities at amortized cost	Historic cost	Fair value through shareholders' equity	TOTAL	Fair value
Financial investments (1)		3,838	6,098				9,936	9,936
Equity-accounted investments					4,520		4,520	7,574
Liquid assets	16,427				0		16,427	16,427
Financial instruments (2)	34,443				0		34,443	34,443
Other assets (1)					161,238		161,238	161,238
Total financial assets	**50,870**	**3,838**	**6,098**	**0**	**165,758**	**0**	**226,564**	**229,618**
Non-current debt	357,836	2,885,174		994,775			4,237,785	4,237,785
Financial instruments (2)	127,901					1,268	129,169	129,169
Current debt		455,121		489,536			944,657	944,657
Other liabilities (1)					344,613		344,613	344,613
Total financial liabilities	**485,737**	**3,340,295**	**0**	**1,484,311**	**344,613**	**1,268**	**5,656,224**	**5,656,224**

(1) Due to the short term nature of these receivables and debts, the book value represents a good estimate of fair value, as the discount effect is immaterial.
(2) According to IFRS 7, the fair value of derivatives is level 2.

6. Notes to the consolidated income statement

6.1. Rental revenues

In its revenues, Gecina distinguishes rental revenues by nature while the analysis by sector (Note 7) is based on the Group's internal management.

Gross rental income increased by €12.4 million over the 2010 figure for the same period; an increase that can be almost entirely explained by the compensations received on the departure of AON (€10.5 million net of IAS 17 reversal).

Minimum future rents receivable until the next possible termination date under the operating leases of commercial and other properties (hotels and logistics) are as follows:

€ thousands	06/30/2011	12/31/2010	06/30/2010
Less than 1 year	365,673	387,744	336,854
1 to 5 years	1,254,055	1,337,689	926,051
Over 5 years	492,758	581,422	433,589
TOTAL	2,112,486	2,306,855	1,696,494

6.2. Direct operating expenses

These are composed of:

- rental charges that are payable by the owner, charges related to construction work, cost of disputes and property management fees;
- The portion of rechargeable rental charges by nature, which remains at the Group's expense, mainly on vacant premises.

Re-billed expenses comprise rental revenues linked to the rebilling to tenants of expenses attributable to them of which €1.3 million of compensation for renovations received after the departure of AON

6.3. Services and other income

These largely comprise the following items:

€ thousands	06/30/2011	12/31/2010	06/30/2010
Income from service activities	1,757	4,131	1,390
Insurance claims	241	1,235	368
Reversals of investment subsidies	63	201	60
Other	896	2,074	455
TOTAL GROSS	**2,957**	**7,641**	**2,273**
Expenses	-554	-1,406	-500
TOTAL NET	**2,403**	**6,235**	**1,773**

6.4. Overheads

Overheads (composed of staffing and management costs) rose by 3.5% over June 2010 primarily due to the cost of shutting dow the Lyon agency.

Overheads break down as follows:

€ thousands	06/30/2011	12/31/2010	06/30/2010
Salaries and fringe benefits	-26,087	-53,657	-25,934
Net management costs	-13,088	-26,160	-11,913
TOTAL	**-39,175**	**-79,817**	**-37,847**

6.5. Gains or losses on disposals

The proceeds represented

€ thousands	06/30/2011	12/31/2010	06/30/2010
Block sales	465,426	272,410	170,501
Units sales	93,360	209,531	129,054
Disposal of inventory			
Proceeds from disposal	**558,786**	**481,941**	**299,555**
Block sales	-461,597	-263,708	-165,871
Units sales	-80,172	-168,763	-109,605
Disposal of inventory			
Net book value	**-541,769**	**-432,471**	**-275,476**
Block sales	-8,346	-3,427	-1,843
Units sales	-1,389	-2,223	-1,364
Disposal of inventory			
Cost of sales	**-9,735**	**-5,650**	**-3,207**
Block sales	-4,517	5,275	2,787
Units sales	11,799	38,545	18,085
Disposal of inventory		0	0
Capital gains on disposal	**7,282**	**43,820**	**20,872**
Tax capital gains	18,548	151,436	100,300

6.6. Change in value of properties

Changes in the fair value of property holdings break down as follows:

€ millions	12/31/2010	06/30/2011	Change	%
Offices	5,327	5,318	-9	-0.2%
Logistics	317	292	-25	-7.9%
Hotels	275	276	1	0.4%
Residential	3,183	3,469	286	9.0%
Healthcare	726	731	5	0.7%
Investment properties	**9,828**	**10,086**	**258**	**2.6%**
Change in the value of projects delivered and 2011 acquisitions			-3.5	
Change in value of projects in progress			-21.8	
Change in the value of acquisition commitments			0.0	
Change in value of assets on sale			-3.0	
Change in value			**230**	
Capitalized works			-22.2	
Acquisition costs, goodwill and other			-15.4	
CHANGE IN VALUE RECORDED IN INCOME 2011			**192.4**	

An unfavorable situation on the real estate market could have a negative impact on the valuation of Gecina's property holdings, as well as its operating income. For instance, a downturn on the real estate market, resulting in an increase of 50 basis points (0.5%) in capitalization rates, could bring about a decrease of around 8.5% of the appraised value of the whole of Gecina's property holdings (on the assumption that such a downturn would affect all of the different segments of Gecina's real estate business), representing roughly €925 million based on the appraised block value of assets as of June 30, 2011 and would have an unfavorable impact of about the same amount on Gecina's consolidated earnings.

6.7. Net financial expenses

Net financial expenses specifically include (i) interest, coupons or dividends received or paid on financial assets and liabilities and (ii) net gains and losses on assets held for trading (UCITS and other securities held for the short term) and (iii) straight line depreciation of premiums on option and periodic premiums on option, and (iii) straight-line depreciation of premiums on options and regular premiums on options.

€ thousands	06/30/2011	12/31/2010	06/30/2010
Expense net of debt	-95,452	-157,872	-72,637
Gains (losses) from translation	875	-309	-560
Income from investments	267	2,010	2,025
Other income (expense)	-763	1,153	1,456
TOTAL	**-95,073**	**-155,018**	**-69,716**

The average cost of debt amounted to 4.16% in first half 2011.

Based on the existing portfolio of hedges and taking account of the contractual conditions at June 30, 2011, a 0.5% increase in the interest rate would generate an additional expense in 2011 of €4 million. A 0.5% fall in interest rates would result in a reduction in interest expense in 2011 of €1 million.

6.8. Change in value of financial instruments

The purpose of all these financial instruments is to hedge the Group's debt; none of them are held for speculative purposes.

The positive change in the fair value of financial instruments at June 30, 2011 includes the positive change of the fair value of €38 million, concerning the derivatives that are not strictly backed and the negative change of €35 million linked to the Ornane bond issue.

The change in fair value of derivative instruments (€38 million) mainly comprises:

- a favourable discrepancy in the fair value of comprehensive hedging instruments paying a fixed rate amounting to €47 million;
- an unfavourable discrepancy in the fair value of comprehensive hedging instruments paying a floating rate amounting to €9 million.

The increase in the fair value of asset-backed derivative instruments of €1 million is recorded in shareholders' equity, the same as for equity-method companies.

On the basis of the portfolios as of June 30, 2011, a 0.5% change increase in interest rates would lead to an increase of +€76 million posted to income and €0.2 million posted to shareholders' equity following a change in fair value of the derivatives portfolio. The change in fair value following a 0.5% interest rate reduction would be a €77 million loss posted to income and a €0.2 million loss posted to shareholders' equity.

6.9. Tax

€ thousands	06/30/2011	12/31/2010	06/30/2010
Income tax	44,207	28,390	4,031
Exit tax	0	-7,988	0
Deferred taxes	1,234	21,118	-3,579
TOTAL	**45,441**	**41,520**	**452**

Taxes (€45.4 million) include a tax income received from the tax administration of €44.5 million (of which €11.7 million of interests), as settlement for a dispute linked to provisions for impairment of properties.

A deferred tax income is recognized for changes in fair value of investment properties and derivative instruments for companies not subject to the SIIC regime.

The French 2010 Finance law voted on December 30, 2009 cancelled the French business tax as from 2010 and replaced it with a territorial economic levy (*Contribution Economique Territoriale* - CET) which comprises two new levies: The business real estate tax [*Cotisation Foncière des Entreprises* (CFE)] based on the real estate rental value of the business tax and the tax on wealth generated by businesses [*Cotisation sur la Valeur Ajoutée des Entreprises* (CVAE)], based on the wealth generated according to the annual financial statements. The Group recognizes business tax (mainly pertaining to head office) in operating charges and will continue to do so for the CFE. Concerning CVAE, the Group is considering it as income tax. Due to the CVAE's capping and sliding procedures, the deferred tax is not material as of the balance sheet date.

€ thousands	06/30/2011	12/31/2010	06/30/2010
Income before tax	**355,347**	**995,639**	**222,000**
Theoretical tax rate of 34.43%	122,357	342,828	76,441
Impact of tax rate differences between France and other countries	173	1,730	-981
Impact of permanent and timing differences	955	-9,728	-2,755
Companies accounted for by the equity method	225	-7,343	-1,144
Impact of the SIIC regime	-123,415	-337,703	75,764
Tax disputes	-46,313	-31,303	6,009
CVAE	577		
TOTAL	**-167,797**	**-384,347**	**76,893**
Actual tax income (expense) recognized	-45,440	-41,519	452
EFFECTIVE TAX RATE	**-12.79%**	**-4.17%**	**- 0.20%**

6.10. Earnings per share

Earnings per share are calculated by dividing net income attributable to shareholders by the weighted average number of ordinary shares in circulation during the period. Diluted earnings per share are calculated by dividing net income for the year attributable to shareholders by the weighted average number of ordinary shares in circulation during the year, adjusted for the impact of equity instruments to be issued when the issue conditions (or conversion in the case of Ornane bonds) are met and the dilutive effect of the benefits granted to employees through the allocation of stock options and bonus shares.

	06/30/2011	12/31/2010	06/30/2010
Net income Group share (€ thousands)	402,900	998,245	200,853
Weighted average number of shares before dilution	61,045,825	60,911,312	60,898,618
Undiluted earnings per share, group share (€)	6.60	16.39	3.30
Net income Group share after effect of dilutive securities (€000)	405,351	998,987	200,853
Weighted average number of shares after dilution	62,033,636	61,481,701	61,417,399
Diluted earnings per share (group share) (€)	6.53	16.25	3.27

6.11. Note on consolidated statement of cash flows

The cash impact of acquisitions and disposals of consolidated subsidiaries are broken down as follows. It primary includes the acquisition price for the securities of the company that owns Horizons in Boulogne (€67.1 million).

€ thousands	06/30/2011	12/31/2010	06/30/2010
Acquisition price of shares	68,899	78,154	17,902
Cash acquired	-2,154	1,572	-60
Net cash acquired	**66,745**	**79,726**	**17,842**
Net sales price of shares			
Cash transferred	0	0	0
Net disposals of transferred cash	**0**	**0**	**0**
Impact of changes in consolidation	**66,745**	**79,726**	**17,842**

6.12. Net Asset Value -block

The Net Asset Value is calculated from consolidated shareholders' equity, which includes the fair value by block of investment properties, properties under reconstruction and properties held for sale, as well as derivative instruments.

To this is added:

- unrealized capital gains on properties valued on the balance sheet at historic cost such as operating property, properties in inventory of equity-accounted companies calculated from the block valuations determined by independent appraisers;
- allowance for tax on companies not subject to the SIIC regime;
- the fair value of financial liabilities, including the EMTN whose valuation pertains to the rate component excluding the evaluation effect of the issuer's credit spread.

The Net Asset Value per share is calculated by dividing the NAV by the number of shares at the end of the period, excluding treasury stock.

The diluted Net Asset Value per share reflects the impact of the dilution resulting from equity instruments to be issued when the issue conditions are met. This is then applied to the potential number of shares that could be issued by the exercise of these instruments.

€ millions	06/30/2011	12/31/2010	06/30/2010
Share capital and consolidated reserves	6,244.0	6,101.8	5,303.1
Unrealized capital gains	31.5	32.7	26.6
Unrealised capital gains (losses) on liabilities	4.2	-9.4	-7
Taxes and other payables	-1.2	-1.9	-0.9
Undiluted NAV – Block	**6,278.4**	**6,123.2**	**5,321.8**
Number of shares (excluding treasury stock)	61,066,889	60,988,537	60,912,271
Undiluted NAV per share – Block (€)	**102.81**	**100.40**	**87.37**
NAV (undiluted)	6,278.4	6,123.2	5,321.8
+ Impact of stock options	61.4	37.4	17.1
Diluted NAV – Block	**6,339.8**	**6,160.6**	**5,338.9**
Stock options	987,811	822,302	567,656
Diluted number of shares (excluding treasury stock)	62,054,700	61,810,839	61,479,927
Diluted NAV per share – block (€)	**102.16**	**99.67**	**86.84**

Unlike the 2010 NAV, the NAV at June 30, 2011 diluted per share makes allowance for the depreciation of the advantage given to stock optionees. Without allowing for this factor, the 2011 NAV will be down to €102.05 per share or an effect of €-0.11 per share

7. Segment reporting

The Group only operates in France (except for minimal operations in other European countries). It is structured into two divisions (comprising six major segments) and one ancillary segment:

- Economic division comprising the commercial segment (offices and retail outlets), the portfolio of logistics properties and the portfolio of hotel buildings;
- Demographic division composed of traditional Residential property (housing assets), student residences and healthcare assets;
- ancillary segment of real estate services (Locare and CFG).

Income statement for business lines at June 30, 2011

	Economic division			Demographic division				
€ thousands	Commercial	Logistics	Hotels	Residential	Healthcare	Students residences	Services	**Segments total**
Operating revenues								
Rental revenues on commercial properties	179,461			7,514				186,975
Rental revenues on residential properties	2,452			79,756				82,208
Healthcare rents					25,350			25,350
Logistics rents		14,328						14,328
Hotels rents			9,808					9,808
Student residences rents						3,317		3,317
Revenues: rental income	**181,913**	**14,328**	**9,808**	**87,270**	**25,350**	**3,317**	**0**	**321,986**
Property expenses	35,565	7,422	281	28,956	3,460	1,282		76,965
Recharges to tenants	-28,677	-3,264	-377	-14,117	-2,823	-351		-49,608
Claims received								0
Rental margin	**175,025**	**10,170**	**9,905**	**72,431**	**24,713**	**2,386**	**0**	**294,629**
% rental margin/rents	**96.2%**	**71.0%**	**101.0%**	**83.0%**	**97.5%**	**71.9%**		**91.5%**
Services and other income (net)	386	162	0	135	402	116	1203	2,404
Claims received								0
Salaries and fringe benefits								-26,087
Net management costs								-13,088
EBITDA								**257,858**
Gains or losses on disposals	3,641	-4,448	1	8,087	0	1		7,282
Change in value of properties	-57,629	-28,757	199	268,324	3,491	6,748		192,376
Depreciation								-2,151
Net impairments								-7,067
Operating income								**448,298**
Net financial expenses								-95,074
Financial provisions and amortization								-219
Change in value of financial instruments								2,920
Net income from equity-accounted investments								654
Income before tax								**356,579**
Tax								45,441
Minority interests								880
Consolidated net income (Group share)								**402,900**
Assets and liabilities by segments as of June 30, 2011								
Investment properties	6,684,655	298,413	275,600	3,555,160	747,271	128,230	0	11,689,328
Of which acquisitions	311,364	0	0	0	0	0	0	311,364
Of which properties for sale	215,450	0	0	123,163	0	0	0	338,613
Amounts due from tenants	50,690	14,077	309	16,963	3,765	377	442	86,622
Security deposits received from tenants	42,679	2,744	0	19,302	13	738	0	65,477

Income statement for business lines at December 31, 2010

€ thousands	Economic division Commercial	Logistics	Hotels	Demographic division Residential	Healthcare	Students residences	Services	**Segments total**
Operating revenues								
Rental revenues on commercial properties	329,787			15,047				344,834
Rental revenues on residential properties	5,204			162,955				168,159
Healthcare rents					47,031			47,031
Logistics rents		32,055						32,055
Hotels rents			19,405					19,405
Student residences rents						5,286		5,286
Revenues: rental income	**334,991**	**32,055**	**19,405**	**178,002**	**47,031**	**5,286**	**0**	**616,770**
Property expenses	72,164	13,666	924	60,252	6,878	1,587	1,408	156,879
Recharges to tenants	-53,602	-5,988	-507	-27,922	-6,100	-553		-94,672
Claims received								0
Rental margin	**316,429**	**24,377**	**18,988**	**145,672**	**46,253**	**4,252**	**-1,408**	**554,563**
% rental margin	**94.5%**	**76.0%**	**97.9%**	**81.8%**	**98.3%**	**80.4%**		**89.9%**
Services and other income (net)	1388	720	254	740	128	280	4,133	7,643
Claims received								0
Salaries and fringe benefits								-53,657
Net management costs								-26,160
EBITDA								**482,389**
Gains or losses on disposals	4,817	-1526	570	39,530	-86			43,820
Change in value of properties	470,474	-136,141	10,228	372,800	38,914	6,903		763,178
Depreciation								-4,148
Net impairments								4,206
Operating income								**1,289,445**
Net financial expenses								-155,018
Financial provisions and amortization								-34,560
Change in value of financial instruments								-104,226
Net income from equity-accounted investments								-21,327
Income before tax								**974,314**
Tax								41,520
Minority interests								-17,589
Consolidated net income (Group share)								**998,245**
Assets and liabilities by segments as of December 31, 2010								
Investment properties	6,507,403	440,542	275,400	3,527,088	737,066	111,795		11,599,294
Of which acquisitions	423,734			2,399	11,379			437,512
Of which properties for sale	125,566	119,163		405,455	0			650,184
Amounts due from tenants	49,806	10,726	9	15,892	2,027	90	640	79,190
Security deposits received from tenants	41,453	4,224		19,646	13	644		65,979

Income statement for business lines at June 30, 2010

	Economic division			Demographic division				
€ thousands	Commercial	Logistics	Hotels	Residential	Healthcare	Students residences	Services	**Segments total**
Operating revenues								
Rental revenues on commercial properties	166,478			7,644				174,122
Rental revenues on residential properties	2,627			82,218				84,845
Healthcare rents					22,179			22,179
Logistics rents		16,414						16,414
Hotels rents			9,691					9,691
Student residences rents						2,327		2,327
Revenues: rental income	**169,105**	**16,414**	**9,691**	**89,862**	**22,179**	**2,327**	**0**	**309,578**
Property expenses	35,392	6,029	337	29,817	3,056	639		75,270
Recharges to tenants	-26,145	-3,022	-332	-15,341	-2,892	-242		-47,974
Claims received	-257	-3	0	-107	0	0		-367
Rental margin	**160,115**	**13,410**	**9,686**	**75,493**	**22,015**	**1,930**	**0**	**282,649**
% rental margin	**94.7%**	**81.7%**	**99.9%**	**84.0%**	**99.3%**	**82.9%**		**91.3%**
Services and other income (net)	295	179	0	351	0	58	891	1,774
Claims received	-257	-3	0	-107	0	0		-367
Salaries and fringe benefits								-25,934
Net management costs								-11,913
EBITDA								**246,209**
Gains or losses on disposals								20,871
Change in value of properties								186,122
Depreciation								-2,159
Net impairments								1,145
Operating income								**452,188**
Net financial expenses								-69,716
Financial provisions and amortization								-9,475
Change in value of financial instruments								-150,997
Net income from equity-accounted investments								-21,476
Income before tax								**200,524**
Tax								452
Minority interests								-123
Consolidated net income (Group share)								**200,853**
Assets and liabilities by segments as of June 30, 2010								
Investment properties	5,480,326	556,133	268,500	3,289,470	697,103	95,636		10,387,168
Of which acquisitions	113,464	27,351	19	47,676	1,907	9,831		200,248
Of which properties for sale	36,642	2,560	3,000	138,040				180,242
Amounts due from tenants	54,891	12,823	339	18,030	3,856	243	391	90,573
Security deposits received from tenants	41,954	4,180	37	20,598	13	455		67,237

8. Other information

8.1. Shareholding structure of the Group

At June 30, 2011, the shareholding structure of Gecina was as follows:

	Number of shares	%
Metrovacesa	16,809,610	26.83%
Mr Rivero	10,084,735	16.10%
Mr Soler	9,568,641	15.27%
Predica	5,145,738	8.21%
Non-resident shareholders	14,287,458	22.81%
Individual shareholders	3,036,511	4.85%
Other resident institutional shareholders	2,134,196	3.41%
Treasury shares	1,583,559	2.53%
TOTAL	**62,650,448**	**100.00%**

Since January 1, 2009, Metrovacesa, a company incorporated under Spanish law, has used the equity method to consolidate the financial statements of Gecina in which it holds 26.83% of the capital and 27.53% of the voting rights.

No share carries a double voting right nor restrictions on voting rights.

8.2. Dividends distributed over the period

For 2010, the Group distributed a single dividend of €4.40 for a total amount of €268,515,000 paid out on May 30, 2011.

8.3. Related parties

On December 14, 2007, Gecina advanced €9,850,000 to Bami, a Spanish company consolidated under the equity method, for Gecina's acquisition of a plot of land in Madrid. This agreement was approved by the Shareholders' General Meeting of April 22, 2008. Following repayments made, the balance of this loan was €2,685,000 as of June 30, 2011. Furthermore, Bami invoiced €26,000 for the first half-year of 2011 under the operational and administrative management contract for SIF Espagne, a subsidiary. Lastly, the Shareholders' General Meeting of May 24, 2011 approved the grant of a first demand guarantee of €20 million, (see Note 5.11 and 5.14).

Furthermore, a joint bond of €5 million involving SIF Espagne was granted to FCC Construccion in connection with the development by Bami Newco of a corporate office in Madrid (see Note 5.11).

The attendance allowances paid to directors and disclosures about the Executive Committee appear in Note 8.6.

8.4. Group employees

Average headcount	06/30/2011	12/31/2010	06/30/2010
Managers	202	201	204
Employees	196	184	190
Building staff	177	202	190
TOTAL	**575**	**587**	**584**

8.5. Stock options for new or existing shares and bonus shares

Options start date	Number of options granted	Subscription or purchase	Outstanding options at December 31 2010	Plan adjustments	Options granted	Options exercised	Canceled, expired or transferred options	Outstanding options at June 30, 2011	Outstanding residual term (years)
27/09/2005	129,460	36.81 €	0	0		0		0	0.2
25/11/2005	278,168	48.70 €	14,887	0		8,989		5,898	0.4
12/12/2006	316,763	61.02 €	52,420	0		8,210		44,210	3.3
14/03/2008	251,249	96.48 €	236,749	0		0		236,749	4.7
12/12/2008	272,608	104.04 €	254,008	0			1 569	252,439	5.5
13/12/2009	230,260	104.72 €	200,260	0			1 569	198,691	6.5
18/12/2010	331,875	37.23 €	329,457	0		26,073		303,384	7.5
16/04/2012	252,123	78.98 €	251,913	0	0		1 569	250,344	8.8
27/12/2012	210,650	84.51 €	210,650		0			210,650	9.5

Acquisition date	Number of shares granted	Price on grant date	Balance at December 31,2010	Acquired shares	Canceled shares	Balance at June 30, 2011
12/13/2009	74,650	118.99 €	17,400	0	400	17,000
12/18/2010	109,000	47.50 €	47,000	0	0	47,000
04/16/2012	48,875	83.17 €	48,775	0	300	48,475
12/28/2010	60,850	82.48 €	60,850	0	0	60,850

The start date for the exercise of options and bonus shares is the date on which they were granted by the Board of Directors.

8.6. Compensation for executive and management bodies

The Gecina Board of Directors of December 18, 2008, acting in accordance with the recommendations of its Appointments and Compensations Committee, acknowledged the AFEP/MEDEF guidelines of October 6, 2008 on the compensation of the officers and managers of listed companies. Gecina's Board of Directors considered that these guidelines are consistent with the Group's corporate governance process. As a result, the AFEP/MEDEF corporate governance code as amended has been used by Gecina as the reference for drafting the report stipulated by Article L. 225-37 of the French Commercial Code in application of the law of July 3, 2008 transposing the EU directive 2006/46/EC of June 14, 2006.

Mr. Bernard Michel has been chairman of the Board of Directors since February 16, 2010, when Mr. Joaquín Rivero resigned from his duties, having been Chairman and CEO from January 1, 2009 to May 5, 2009 then non executive Chairman from May 5, 2009 to February 16, 2010.

Mr. Christophe Clamageran has been CEO since November 16, 2009, when Mr. Antonio Truan resigned from his duties, having been Deputy CEO from January 1, 2009 to May 5, 2009 then CEO from May 5, 2009 to November 16, 2009.

Compensation

	B. Michel		C. Clamageran	
€ thousands	June 2011	Dec. 2010	June 2011	Dec. 2010
Fixed compensation	150	260	250	500
Fixed compensation (as a policy officer)	0	0	0	0
Variable compensation for 2010	0	0	475	See below
Contractual indemnity	0	0	0	0
Severance benefits	0	0	0	0
Attendance allowance	45	115	0	0
Value of benefits in kind (company car)	0	0	4	6
TOTAL	**195**	**375**	**729**	**506**

Variable compensations

The compensation of Mr. Bernard Michel does not include a variable portion. The performance criteria used to set the variable compensation of Mr. Christophe Clamageran were set on March 22, 2010 by the Board of Directors:

The variable compensation is capped at 100% of the fixed compensation. 35% of this compensation is subject to qualitative criteria and 65% to two quantitative criteria, namely:

- the increase in current cash flow in relation to the budget (up to 25% of the variable compensation likely to be paid to the CEO); and
- the increase in EBITDA in relation to the budget (up to 40% of the variable compensation likely to be paid to the CEO).

Current Cash Flow (actual/budget)	Variable compensation	EBITDA (actual/budget)	Variable compensation
> 105	25%	> 101	40%
> 100	20%	> 99	32%
> 95	15%	> 98	25%
> 90	10%	> 97	15%
< 90	0%	< 97	0%

It is noted that at its meeting of November 16, 2009 the Board of Directors had decided exceptionally that for 2010 the variable compensation would be guaranteed up to amount of €300,000.

Share-based compensation

Share-based compensation comprises stock options and bonus shares whose exercise is contingent on performance conditions fixed by the Board of Directors on recommendations from the corporate governance committee. Hedging transactions for these compensations are prohibited by the grant regulation.

The value at the end of the period is determined based on the Gecina closing share price.

	Bernard Michel		Christophe Clamageran	
€ thousands	June 2011	Dec. 2010	June 2011	Dec. 2010
Value of stock options at end of period	0	0	5,914	5,051
Value of free shares at end of period	0	0	1,156	988

Severance benefits

Mr. Bernard Michel, like his predecessor Mr. Rivero, will not receive any compensation for severance. In the event of severance of Mr. Christophe Clamageran, the conditions for compensation will be as follows:

- Between 1 and 2 years of service: the gross total compensation (fixed and variable) for his CEO functions, for the previous calendar year;
- More than 2 years of service: twice the gross total compensation (fixed and variable) for his CEO functions, for the previous calendar year.
- In the event of departure at the CEO's initiative: no severance benefit.

The benefit will only be paid if the operating income, excluding value changes in the previous fiscal year (N) closed prior to the severance, is greater than the average of the operating income of the 2 previous years (N-1 and N-2) excluding value change, prior to the severance. The comparison of operating incomes will take into account changes to property holdings during the years under review.

Performance criteria	Severance compensation
Operating income year N excluding change in value > average operating income of years N-1 and N-2	100%
Operating income year N excluding change in value < 4% of the average operating income (N-1+N-2)	80%
Operating income year N excluding change in value < 8% of the average operating income (N-1+N-2)	50%
Operating income year N excluding change in value < 12% of the average operating income (N-1+N-2)	No severance compensation

Messrs Bernard Michel and Christophe Clamageran, as their respective predecessors, do not benefit from a supplementary pension plan in the Group.

8.7 Legal Disputes

Each of the known legal disputes, in which Gecina or the Group's companies are involved, were reviewed at the balance sheet date and any required provisions have been accrued to cover the estimated risk (see also Note 5.11 of the notes to the Consolidated Financial Statements).

The Association de Défense des Actionnaires Minoritaires (minority shareholders association) and a former Gecina director lodged a complaint in 2009 with the Dean of examining magistrates. The complaint concerns certain transactions described in Section 4.1 of chapter 4 "Consolidated Financial Statements", which may concern the former Chairman of Gecina's Board of Directors, Mr. Joaquín Rivero, who resigned as Chairman at the Board Meeting of February 16, 2010 and was replaced by Mr. Bernard Michel. The Board of Directors has taken note of the termination of all the executive duties of Mr. Rivero in the Group.

A judicial inquiry, led by Mr. Van Ruymbeke, an examining magistrate in Paris, has been opened following this complaint. The company intends to fully assist the investigations and joined the proceedings as a civil party in 2010 to safeguard its interests.

To date, the company cannot assess any risks, in particular, regulatory, legal or financial risks, arising from the ongoing investigations. In particular, it cannot exclude the possibility that it may joined as a party in the future, together with the company's executives and representatives.

At the beginning of 2011, Gecina asked the French legal authorities to appoint a court expert to appraise the consequent damage to the Gecina Group resulting from the acquisition of a 49% stake in Bami Newco. The interim relief judge did not find Geciona's claim admissible. Gecina has appealed this decision.

There are no other government, judicial or arbitration proceedings, including all the proceedings which the Company is aware of, pending or threatened, which are likely to have a significant impact on the financial position or profitability of the company and/or Group over the next 12 months.

8.8. Other information

The amount of attendance allowances paid to members of the Board of Directors for H1 2011 amounted to €750,000.

Gross total compensation paid in H1 2011 to members of the Executive Committee, excluding company officers, amounted to €950,000. There is no specific pension for members of the Executive Committee. In 2011, no stock options or bonus shares were awarded to members of the Executive Committee. In H1 2011, the members of the Executive Committee received 305,454 stock options and 35,500 bonus shares.

No material transactions were entered into, no loans and guarantees granted or arranged for members of the executive or management boards.

8.9. Post-balance sheet events

In connection with the block sale of Gecina's Lyon residential assets, the Lyon agency was shut down in July 2011. The costs linked to this closure have been recognized in the financial statements reported on June 30, 2011.

The purchase of 30 nursing homes from Foncière Sagesse Retraite was completed on July 5, 2011.

The buyout offer for Gecimed shares closed on July 7, 2011. The AMF's opinion on the results of the buyout offer was published on July 8, 2011, following which the Gecimed share was delisted and the squeeze out launched.

The press release of July 6, 2011 concerning the rental of 41,000 sqm in logistics, and the presentation made on "Investors Day" on June 30, 2011, are available on Gecina's website (www.gecina.fr).

BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE

06

6.1. List of offices held by the CEO and members of the Board of Directors

The table below lists the members of the Company's Board of Directors and their offices and functions as of June 30, 2011.

Name and surname	Age	Position held in the company	Duration of term	Other offices and functions exercised outside the Company	Business address
Chairman					
Bernard Michel	63 years	Chairman of the Board of Directors	First appointed at the General Meeting of 5/10/2010 Term of office expiring at the General Meeting convened to approve the 2013 financial statements	• Chairman of: -CA Grands crus SAS • Vice-Chairman Emporiki Life Insurance • Chairman of the Provisional Management Commission of the Caisse Régionale de la Corse • Observer for SOPRA Group	14/16, rue des Capucines 75002 Paris
Chief Executive Officer					
Christophe Clamageran	47 years	Chief Executive Officer	First appointed at the General Meeting of Monday, November 16, 2009	• CEO of Gecina (*) • Chairman and CEO of Gecimed (*) • Chairman of the Gecina Corporate Foundation • Company officer in most Gecina subsidiaries • Director of: - Fédération des Sociétés Immobilières et Foncières - Director of Observatoire Régional de l'Immobilier d'Entreprise,	14/16, rue des Capucines 75002 Paris

(*): listed company

Name and surname	Age	Position held in the company	Duration of term	Other offices and functions exercised outside the Company	Business address
Directors					
Jean-Jacques Dayries	65 years	Director	First appointed at the General Meeting of June 15, 2009 Term of office expiring at the General Meeting convened to approve the 2011 financial statements	• Ombudsman (Centre de Médiation et d'Arbitrage de Paris) • Chairman of Supervisory Board de Rivoli Avenir Patrimoine • Chairman of Photofort 2009 SAS • Chairman of Photofort 2010 SAS • Chairman of Sylvofort GF	52, rue de Varenne 75007 Paris
Nicolas Diaz	48 years	Director	First appointed at the General Meeting of June 15, 2009 Term of office expiring at the General Meeting convened to approve the 2013 financial statements	• Chief Executive Officer of Metrovacesa France • Chief Executive Officer of Metrovacesa Méditerranée • Chief Executive Officer of Médéa • Chief Executive Officer of Metrovacesa Deutschland GMBH	9/15, avenue Matignon 75008 Paris
Philippe Donnet	50 years	Director	First appointed at the General Meeting of 5/10/2010 Term of office expiring at the General Meeting convened to approve the 2011 financial statements	• Member of the Supervisory Board of: - Vivendi (*), - Financière Miro, • Director of Pastel et Associés	164 Mount Pleasant Road 298355 Singapore
Vicente Fons	56 years	Director	First appointed at the General Meeting of 04/22/2008 Term of office expiring at the General Meeting convened to approve the 2014 financial statements	• Chairman of the Board of: - Peñiscola Resort, S.L. - Nuespri S.L. - Promofein S.L. • CEO of Planea Gestion de Suelo, S.L. • Director of: - Comercio de Amarres, S.L. - Acinelav Inversiones 2006, S.L. - Noubiourbanisme, S.A. - Bami Newco S.A.	Calle Colón, 23-3ª 46004 Valencia
Rafael Gonzalez de la Cueva	45 years	Director	First appointed at the General Meeting of 05/24/2011 Term of office expiring at the General Meeting convened to approve the 2012 financial statements	• Founder-Chairman of Nuevos Espacios de Arquitectura y Urbanismo, SL.	Calle Colón, 23-3ª 46004 Valencia
Sixto Jimenez	61 years	Director	First appointed at the General Meeting of 06/15/2009 Term of office expiring at the General Meeting convened to approve the 2014 financial statements	• • Director of: - Metrovacesa SA (independent) - Riberebro SA - Argenol SA - Interesa SA - Nestoria Spain SL. - Advanced Search SL. • Chairman of the Board of Directors of Tuttipasta SA • Vice-Chairman of Société des Etudes Basques in Navarre • Member of the modernization board of the Navarre region	P.E. Metrovacesa Vía Norte Quintanavides 13 -Edificio 1-Planta 1 y 2 -Las Tablas 28050 MADRID
Metrovacesa, represented by Eduardo Paraja	50 years	Director	First appointed at the General Meeting of 05/23/2006 Term of office expiring at the General Meeting convened to approve the 2011 financial statements	Offices and functions of Mr. Paraja: • Chief Executive Officer of Metrovacesa (*) • Director - Prosegur	P.E. Metrovacesa Vía Norte Quintanavides 13 -Edificio 1-Planta 1 y 2 -Las Tablas 28050 MADRID

(*): listed company

Name and surname	Age	Position held in the company	Duration of term	Other offices and functions exercised outside the Company	Business address
Jacques-Yves Nicol	60 years	Director	First appointed at the General Meeting of 05/10/2010 Term of office expiring at the General Meeting convened to approve the 2013 financial statements		17 rue Maréchal de Lattre de Tassigny 78150 Le Chesnay
Predica, represented by Jean-Jacques Duchamp;	56 years	Director	First appointed at the General Meeting of 12/20/2002 Term of office expiring at the General Meeting convened to approve the 2014 financial statements	Offices and functions of Mr. Duchamp: • Deputy CEO of Crédit Agricole Assurances, Executive Committee member • Director of: - SANEF (Highways in the North and East of France) (*) - Société Foncière Lyonnaise (*) - Korian (*) - CA-IMMO - CPR-AM - Dolcea Vie - BES VIDA - CA Vita - PACIFICA • Member of the office of the economic and Financial commission of FFSA	16-18, Boulevard de Vaugirard 75015 Paris
Helena Rivero	40 years	Director	First appointed at the General Meeting of 05/10/2010 Term of office expiring at the General Meeting convened to approve the 2013 financial statements	• Chairman of Bodegas Tradición • Director of Bami Newco S.A.	Orquiddea 34, casa4. 28109 Madrid
Joaquín Rivero	67 years	Director	First appointed at the General Meeting of 06/29/2005 Term of office expiring at the General Meeting convened to approve the 2014 financial statements	• Sole Director of Alteco Gestión y Promoción de Marcas, SL • Chairman of Bami Newco	Avda. de Manoteros, 20. Ed. B 6e Planta 28050 Madrid
Victoria Soler	51 years	Director	First appointed at the General Meeting of 05/23/2006 Term of office expiring at the General Meeting convened to approve the 2011 financial statements	• Director of: - Mag-Import, S.L. - Bami Newco	Plaza Ayuntamiento n° 27 6a 46002 Valencia
Antonio Trueba	68 years	Director	First appointed at the General Meeting of 05/10/2010 Term of office expiring at the General Meeting convened to approve the 2012 financial statements	• Chairman of: - Solaris 2006 - World Trade Centre Madrid - World Trade Centre Seville - Fundación Más Familia - EFYASA • Vice-Chairman of the International Committee of the World Trade Centres Association and Vice-Chairman of the WTCA Executive Committee • Vice-Chairman of the Applied Medicine Centre of the University of Navarra • Director of TINSA • Member of the NGO CODESPA	Calle Moscatelar, 1-N Edificio Edisa 28043 Madrid

(*): listed company

6.2. Summary of offices held in all companies over the last five years

The table below summarizes all companies in which members of the Company's Board of Directors have been members of an administrative, executive or supervisory body or a general partner at any time during the last five years:

Name and surname	Other offices and functions exercised in any company during the past five years and terminated (other than within the Group)
Christophe Clamageran	CEO for Continental Europe at Hammerson, Deputy CEO of BNP Paribas Immobilier in charge of the property development and asset management business lines Chairman – CEO of Meunier Immobilier d'Entreprise.
Jean-Jacques Dayries	CEO and Director of Ixis AEW Europe
Philippe Donnet	Chairman of the Board of AXA Japan. Director of: • Winvest Conseil International; • Wendel Japan KK; • AXA Asie Pacific Holding.
Vicente Fons	• Chairman of the Board of: - Residencial Golf Mar, S.L. - Spiros Residencial, S.L. - Ensanche Urbano S.A. • Director of: - Kalite Desarrollo SA - Arraimat Inversiones, S.L.
Rafael Gonzalez de la Cueva	• Director of: - Martinsa Fadesa - RTM Desarrollos Urbanísticos y Sociales, S.A. - Urbanizaciones y Promociones EDIMAR, S.L. - Urbanizadora Fuente de San Luis, S.L. - Residencial Golf Mar, S.L. - Iberinvest, Sp.zo.o. (Poland) - Desarrollo de Proyectos Martinsa-Grupo Norte - Empresarios Integrados, S.A. - Rundex, S.A. - Comercio de Amarres, S.L. - Eólica Martinsa Grupo Norte
Sixto Jimenez	Director of Caja Navarra Chairman of NGO Properú

(*): listed company

Name and surname	Other offices and functions exercised in any company during the past five years and terminated (other than within the Group)
Bernard Michel	Chairman of CA Assurances Italia Holding SpA Chairman of Dolcea Vie SA Member of Supervisory Board of Korian SA* Member of the Board of Directors of CALI Japan Ltd CEO of Predica Chairman of: GIE informatique Silca , OPCI Pasteur, AEPRIM SAS Chairman of the Board of Directors of: Crédit Agricole Immobilier, Unimo Chairman of the Supervisory Board of France Capital SAD Vice-Chairman of Pacifica Vice-Chairman of the Supervisory Board of CP Or Devise, Director of: Amundi Immobilier SA, Cholet Dupond SA, Crédit Agricole Reinsurance SA (Luxembourg), Crédit Agricole Risk Insurance SA (Luxembourg), Crédit Agricole Leasing SA, Litho Promotion, OPCI Pasteur Patrimoine, Attica GIE, Sopra Group Permanent representative of Crédit Agricole SA, member of the Supervisory Board of Systèmes Technologiques d'Echange et de Traitement (STET). Member of the Supervisory Board of Fonds de Garantie des Dépôts. CEO of Crédit Agricole Assurances: member of the Executive Committee of Crédit Agricole SA (*), member of Medef Director of: Predica, Pacifica, CAAGIS SAS Chairman of the Supervisory Board of SAS Système technologiques d'échange et de traitement (STET), permanent representative of Crédit Agricole Assurances, director of Crédit Agricole Creditor Insurance Permanent representative of Predica: member of the Supervisory Board of CAPE SA, director of Médicale de France SA, Moderator of Siparex (*) Member of the bureau of Fédération Française des Sociétés d'Assurance (FFSA) Vice-Chairman of la Fédération Française des Sociétés d'Assurance Mutuelle (FFSAM), Groupement Français de Bancassureurs
Jacques-Yves Nicol	Manager of Tishman Speyer Properties France Managing Director of Aberdeen Property Investors France CEO of the Association des Diplômés du Groupe ESSEC Member of Supervisory Board of ESSEC
Joaquín Rivero	Chairman of Board of Directors and the Executive Committee of Metrovacesa Chairman and CEO of Société des Immeubles de France Chairman of Gecimed (*) Chairman of Gecimed (*)
Eduardo Paraja	Director -Service Point Solutions
Victoria Soler	Chairman of Bami Newco Chairman of Kalité Desarrollo Director of Planea Gestion de Seyelo, S.L., Promociones Valencianas Provasa, S.L., Mercado de Construcciones S.A., Inmobiliaria Lasho S.A., Promofein S.L., Peñiscola Resort S.L., Metrovacesa (*) and Ensanche Urbano S.A.
Antonio Trueba	Chairman of Inmobiliaria Urbis (*) Director of Groupo San José Member of the executive committee of EPRA

(*): listed company

6.3. Board & CEO expertise and experience

Bernard Michel

Former student of the École nationale des Impôts and General Inspector of Finances, he began his career at the Direction Générale des Impôts (1970 - 1983) then joined the Inspection Générale des Finances to carry out audit and control engagements (1983-1987). He joined the GAN group in 1987 as Director. Then he was appointed Director of Life Assurance Management (1990 - 1993), Chairman of Socapi (GAN and CIC life assurance company) (1992 - 1996), Deputy-CEO and Executive Vice President of Assurances France (1993 - 1996). He was Chairman of the Banque Régionale de l'Ouest (CIC) from 1994 to 1996 and in parallel Chairman of the retirement fund of the CIC group. Mr. Michel joined the CNCA (now Crédit Agricole S.A.) in 1996 as Company Secretary, and was appointed Vice President in 1998, a function that he held until 2003. He was specifically in charge of the Technologies, Logistics and Banking Services centre, and was appointed Chairman of Crédit Agricole Immobilier. Since 2003, Bernard Michel has been deputy director of operations and logistics, director of operations and logistics of Crédit Agricole S.A., director of the Real Estate, Purchasing and Logistics centre, and Vice-Chairman of Predica before being appointed CEO of Predica, Director of the Crédit Agricole Assurance centre and member of the Crédit Agricole S.A. executive committee in 2009.

Christophe Clamageran

Mr. Clamageran graduated from ESLSCA in 1986 and began his career as sales executive with Auguste Thouard before becoming Associate Director of the offices department in the Paris area with DTZ Jean Thouard. In 1996 he joined the BNP Paribas Immobilier group where he occupied various functions before becoming in 2004 Chairman and CEO of Meunier Immobilier d'Entreprise then in 2007 Deputy CEO of BNP Paribas Immobilier in charge of property development and asset management business lines. In 2008, he joined Hammerson France as CEO then member of the Europe executive committee in charge of Continental Europe. He joined Gecina as CEO on November 16, 2009.

Jean-Jacques Dayries

Holder of an MBA from INSEAD and an Engineering Degree from the École Spéciale des Travaux-Publics, Jean-Jacques Dayries began his career in 1973 at AT Kearney as a consultant in their Paris office. He was Vice-Chairman of Pechiney Asia-Pacific from 1980 to 1988, then Director of Compagnie de Suez from 1988 to 1994, where he managed a portfolio of European equity investments in services and industry. From 1994 to 2003 he was CEO in charge of the real-estate financing and investment banking activities at Crédit Lyonnais before becoming the CEO and Director of IXIS AEW Europe, a real-estate management company affiliated to the Caisse des Depots et Consignations and the Caisses d'Epargne group. Jean-Jacques Dayries, now retired, is also the accredited Ombudsman of the Paris Mediation and Arbitration Centre (CCIP) and the correspondent of the Centre for Effective Dispute Resolution (London).

Nicolas Diaz

Graduate of the University of Prague in 1988 (Economics), the University of Madrid in 1991 (Doctorate in economics) and the London School of Economics (Master's in Finance) in 1992, Nicolas Diaz began his career in 1990 at the Institut des Etudes Economiques before becoming analysis director at Gestemar Securities from 1996 to 1997, at Argentaria Gestion in 1997-1998, then director of investments at Argentaria Gestion de Pensiones between 1998 and 2000. He later joined the BBVA group in 2000 before taking over the management, between 2003 and 2007 of the BBVA offices in Germany and the Benelux. He also taught at the Complutense University from 1994 to 2003. He has been CEO of Metrovacesa France since 2008, and CEO of Metrovacesa Méditerranée since 2009.

Philippe Donnet

Philippe Donnet is a graduate of the École polytechnique and a member of the Institut des Actuaires Français. In 1985, Mr. Philippe Donnet joined Axa in France. From 1997 to 1999, he was Deputy Managing Director of Axa Conseil (France), before becoming Managing Director of Axa Assicurazioni in Italy in 1999 then member of the Axa Executive Committee as Managing Director for the Mediterranean region, Latin America and Canada in 2001. In March 2002 he was also appointed Chairman and Managing Director of Axa Re and Chairman of Axa Corporate Solutions. In March 2003, M. Philippe Donnet was appointed Managing Director of Axa Japan. In October 2006, he was appointed Chairman of Axa Japan and Managing Director of the Asia-Pacific region. In April 2007, he joined Wendel as CEO for Asia-Pacific.

Vicente Fons

A graduate in General Management from IESE, he is a director of real estate, urban planning and tourism companies.

Rafael Gonzalez de la Cueva

Graduate of ETSA Madrid, Rafael Gonzalez de la Cueva began his career as architect for Ara Arquitectos. He was then appointed promotions manager for Ferrovial Immobiliaria before joining Vallehermoso, where he had several jobs including director of special projects. Thereafter he worked for Nozar as promotions director. In 2005, he joined Martinsa as director of investment, and then from 2007 to 2010, Martinsa Fadesa as director of strategy, assets and valuations. He is currently chairman-founder of Urbanea.

Sixto Jimenez

Graduate of the university of Deusto (Economics and an MBA), Sixto Jimenez began his career with Embutidos Mina in 1973, then joined Bildu Lan S. Coop in 1978 as Chief Executive Officer. He was later CEO of the Viscofan Group from 1983 to 1986, then Deputy Director of the same Group from 1986 to 2000. Between 1987 and 2000, he was also Deputy Director of the food group Ian (subsidiary of Viscofan). He was a member of the Board of Directors of Caja Navarra from 2004 to 2007. Since 2007, he has been Chairman of the Board of Directors of Tuttipasta, S.A. Since 2009, he has been a member of the Board of Directors of Metrovacesa SA (independent director). He is the author of the book “Cuestión de confianza”.

METROVACESA, represented by Eduardo Paraja

A law graduate from the University of Oviedo, with an MBA from the Madrid Business School (Houston University), Mr. Paraja began his career in 1991 in the Cobra group (energy sector) as Vice-President then as CEO of the subsidiary Intercop Ibérica. In 1995, he joined the Prosegur group as CEO of the subsidiary Protecsa, then became CEO of the subsidiary Umano ETT, Unica and finally of Prosegur. Since 2009, he has been CEO of Metrovacesa.

Jacques-Yves Nicol

Jacques-Yves Nicol, graduated from ESSEC and completed a third cycle in economic science. He is now Managing Director of the ESSEC Group Alumni Association, having risen to Managing Director (France) of Aberdeen Property Investors and Tishman Speyer Properties.

He has also held senior posts at Bank of America in France and internationally, at Bouygues (financial director and délégué général for Spain, then with the AXA Group as Managing Director of AXA Immobilier, then reponsible successively for overseeing life-insurance activities in Asia-Pacific and the European/Middle East area of AXA.

PREDICA, represented by Jean-Jacques Duchamp

Graduate of AGRO-INAPG and ENGREF. After a career abroad (India, Morocco, Colombia) in public works and hydraulics, and later infrastructure financing with the World Bank, Mr. Duchamp joined Groupe Crédit Agricole where he has held a variety of posts in the general inspectorate of finances and auditing at regional mutuals of Crédit Agricole, and later internationally on capital markets, before joining the Board of Finances of Groupe Crédit Agricole S.A. In 2001, he was part of the personal insurance division of Predica where he assumed the management of “Financing and Corporate” on the Executive Committee. In 2011, he became Deputy Managing Director of Crédit Agricole Assurances.

Helena Rivero

Ms. Helena Rivero, lawyer, graduated from Complutense University, Madrid, specialised in Anglo-Saxon law at Columbia (New-York), and is currently Chairman of Bodegas Tradición S.L.

Joaquín Rivero

Founder of the construction company Riobra, partner in Edinco and Patron Inmobiliario, and shareholder in other real estate development firms developing over 25,000 housing units in the United States, Costa Rica, Belgium, the Netherlands and Germany.

Since 1997, after becoming the majority shareholder in the real estate company Bami, he has focused on Bami’s real estate activities, acquiring various regional companies. In just a few years, and especially with the acquisition of Zabalburu, Bami has grown to become the fourth-largest real estate company listed on the Spanish stock exchange.

In 2002, Mr. Rivero also became Chairman of Metrovacesa, which, after its merger with Bami, is now Spain’s leading real estate firm and one of the ten largest in Europe.

In 2005, Metrovacesa was successful in its takeover bid for Gecina and the new group became one of the five largest listed real estate companies in Europe. In 2007, Gecina separated from Metrovacesa and Mr. Rivero elected to continue with the development of Gecina.

Victoria Soler

Holder of a degree in law from the University of Valence, Victoria Soler Lujan is a member of the Valencia Bar Association.

She began her professional activities in the sector of marketing and construction of housing. She later extended her activities to other sectors, such as setting up and operating cinemas, and the construction of offices and hotels; she has held the position of legal consultant with various big Spanish groups, including Sociedad Anónima Hispánica de Cine, Radio y Televisión S.A., Filmofono S.A. and Inmobiliaria Cruz Cubierta S.A.

Antonio Trueba

Holder of a doctorate in physics from Complutense University in Madrid and research fellow at the Ecole Supérieure de Chimie in Paris, Antonio Trueba then became Professor at Complutense University in Madrid and Associate Professor at the Autonomous University of Madrid before continuing his career in the real estate sector as CEO of Inmobiliaria Granadaban and Immobilier d’Union Explosivos Rio Tinto and later as Chairman (from 1994 to 2006) of Inmobiliaria Urbis. He has been Chairman of the World Trade Centres Association and is currently its Vice-Chairman and the Vice-Chairman of its Executive Committee.

6.4. Conflicts of interest in administrative or executive bodies or among senior managers

To the best of Gecina's knowledge, Mr. Joaquín Rivero has been interviewed under caution by Mr. Van Ruymbeke, an examining

magistrate in Paris, in connection with the judicial inquiry launched in 2010 further to the complaint filed with the senior examining

magistrate in 2009 by the minority shareholder defense group ADAM (Association de Défense des Actionnaires Minoritaires),

Gecina's works council and a former Gecina director.

In addition, Gecina is aware of Mr. Rivero being sentenced by the Spanish securities regulator (Comisiòn Nacional del Mercado de Valores) to pay a €180,000 fine for breaches of Spanish market regulations committed in 2007. Mr. Rivero has lodged an appeal against this ruling.

To the best of Gecina's knowledge, subject, as relevant, to the information given in the previous two paragraphs:

- none of the members of the Board of Directors have been convicted of fraud during the past five years;
- none of these members have been associated as an executive with a bankruptcy, sequestration or liquidation over the past five years, or incriminated and/or officially sanctioned by any statutory or regulatory authorities;
- none of these members have been prevented by a court from serving as a member of an issuer's administrative, management or supervisory body or from managing or supervising an issuer over the past five years.

To the best of Gecina's knowledge, (i) no arrangements or agreements have been entered into with the main shareholders, clients, suppliers or other parties, under which any of the Directors has been selected, (ii) corporate officers have not agreed to any restrictions concerning the sale of their interests in the share capital within a certain timeframe, (iii) there are no service agreements binding the members of the administrative bodies to Gecina or any of its subsidiaries and providing for benefits to be granted under such a contract.

To the best of the company's knowledge, there are no other family ties (i) between the members of the Board of Directors, (ii) between the company's corporate officers and (iii) between the persons referred to in (i) and (ii), with the exception of the following relations: Victoria Soler is the spouse of Vicente Fons and Helena Rivero is the daughter of Joaquín Rivero.

6.5. Board of Directors' Committees

The membership of the Board of Directors' Committees has been changed following the General Meeting of May 24, 2011 and is now as follows:

6.5.1. Strategic Committee

The Strategic Committee comprises six members of the Board of Directors: Mr. Bernard Michel, Chairman, Mrs. Victoria Soler, Messrs Nicolas Diaz, Jean-Jacques Duchamp, permanent representative of Predica (1), Eduardo Paraja, representative of Metrovacesa, and Joaquin Rivero.

6.5.2. Audit, Risks and Sustainable Development Committee

The Audit, Risks and Sustainable Development Committee comprises five members of the Board of Directors: Mr Jean-Jacques Dayries (1), Chairman, Messrs Jean-Jacques Duchamp, permanent representative of Predica (1), Jacques-Yves Nicol (1), Sixto Jimenez, and Joaquin Rivero.

6.5.3. Governance, Appointment and Compensation Committee

The Governance, Appointment and Compensation Committee comprises four members of the Board of Directors: Mr. Philippe Donnet, Chairman (1), Mrs. Victoria Soler, Messrs Nicolas Diaz, and Rafael Gonzalez de la Cueva (1).

(1) Independent director

INFORMATIONS

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Public documents

This half-year financial report 2011 is available free of charge on request from the Financial Communications department at Gecina at the following address: 16 rue des Capucines, 75002 Paris, or by telephone at 0 800 800 976, by fax +33 1 40 40 52 38 or by e-mail to actionnaire@gecina.fr. It is also available on Gecina internet site (www.gecina.fr).

Other documents accessible at Gecina's head office or on its website include:

- the company's bylaws;
- all reports, letters and other documents, historic financial reports, evaluations and statements compiled by an appraiser at the request of the company or mentioned in the reference document 2010;
- the historic financial reports of the company and its subsidiaries for the two years preceding the publication of the half-year financial report.

Person responsible for half-year financial report 2011

Mr. Christophe Clamageran, CEO of Gecina (hereinafter the "Company" or "Gecina").

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