

# 2010 ANNUAL RESULTS

## 3 March 2011

PRESS RELEASE



SOCIÉTÉ DE LA  
TOUR EIFFEL

## Stable operating performance and financial result

The board of directors at its meeting of the 2nd March 2011 chaired by Mark Inch adopted the 2010 year end accounts.

### Consolidated figures

M€	2010	2009
Rent	72.2	75.7
Net operating income	56.5	59.3
Net recurring profit	31.5	34.9
Net profit / loss (Group share)	42.5	-60.1
Recurring cash flow	33.4	33.3
Portfolio value (net of transfer costs)	1 022.1	1 044.7
€/ share *		
Recurring cash flow	6.0	6.1
Liquidation NAV	73.0	70.0
Distribution	4.2**	4

\* number of shares as at 31 December 2010 : 5.592.284 and as at 31 December 2009 : 5.433.036

\*\* € 2 interim dividend paid in October 2010 and € 2.2 subject to the approval of the AGM on 18 May 2011

### Robust operating performance

Société de la Tour Eiffel continued to reap the combined benefits of its stringent management approach and quality portfolio (moderate rents, and secure, long-term leases on average until mid 2016) completing 165 000 m<sup>2</sup> of lease renewals and new lettings (€ 13M of annual rent). The 4.6% decline in rents between 2009 and 2010 (from € 75.7M to 72.2M) was principally the result of disposals during the year and, to a lesser extent, negative indexation. **Newly delivered developments, currently being marketed, represent a potential annual rent of € 5M.**

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### A recent portfolio

The delivery of 38 000 m<sup>2</sup> of developments in 2010 boosted **portfolio rejuvenation, 62 % of buildings being therefore recent, of which 30 % are green labelled.**

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**The net value of the portfolio amounts to € 1 022M**, compared to € 1 045M in 2009. This 2.2% reduction stems essentially from some € 51M of sales completed in 2010, offset by value increases in the core portfolio on a like-for-like basis and uplift from development completions.

### Increase in NAV

**The liquidation NAV equates to € 73 per share**, compared to € 70 per share at the end of 2009 (+4.3 %); without the dilution resulting from the issue of nearly 3% new shares in the wake of the partial scrip interim dividend payment, the liquidation NAV would have been € 75.2 per share (+7.4 %).

### Financial structure bolstered

2010 improvements include:

- i) partial scrip issue relative to the interim dividend 2010
- ii) 7% debt reduction (€ 48M).

Taking advantage of low prevailing interest rates during the first half of the year, the company extended its hedging arrangements by € 200M on a favorable basis; **the average cost of debt is consequently reduced from 3.9 % to 3.5 %.**

### Dividend increase

Following the € 2 per share interim dividend paid last October, **a final dividend of € 2.20 per share** will be proposed to the AGM on 18 May next, **an increase of 5% on the 2009 distribution.** This € 4.20 per share dividend represents 70% of the net recurring cash flow.

### Outlook

The company will continue to seek to perpetuate and secure its income stream, so as to **sustain its policy of regular distributions to shareholders, in accordance with cash flow.**

With a constantly evolving quality property portfolio, the company possesses intrinsic growth potential; astute disposals will continue and organic growth on its land reserves located in the business parks and in the prime development site of Massy Ampère will be pursued.

From a corporate aspect, negotiations are close to finalization for the refinancing of the only debt maturing in 2011. In addition discussions have been initiated with a view to extending, breaking down and staggering the 2013 debt maturities.

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### AGENDA :

- 12<sup>th</sup> May 2011: First quarter turnover
- 18<sup>th</sup> May 2011: Annual General Meeting, Automobile Club de France, Place de la Concorde, 75008 Paris

*Audit procedures on 2010 accounts have been performed. The statutory report is pending.*

### **About Société de la Tour Eiffel**

A « SIIC » quoted on the Euronext Paris Exchange, the company pursues a strategy focused on the ownership and the development of quality office and business space capable of attracting a wide range of tenants in both established and emerging locations. The company's portfolio stands over 1 billion Euros of assets spread evenly between the Paris area and the regions.

Société de la Tour Eiffel is listed on NYSE Euronext Paris (compartment B) – ISIN code: 0000036816 – Reuters: TEIF.PA – Bloomberg EIFF.FP

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