EUROSIC
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Press release

Paris, July 18th, 2011

2011 FIRST-HALF EARNINGS

- **Diluted triple net NAV per share stable at €36.13 (EPRA NNNAV)**
- **Occupancy rate close to 100% with the letting of Quai 33 (Puteaux, 92)**
- **Average residual maturity on leases extended to 8.4 years (+ 1.9 year)**
- **Net debt ratio kept close to 50% (LTV = 51.4%)**
- **Average maturity of bank debt extended to 4.5 years (+ 6 months)**
- **Outlook for 2011**
  - **Confirmation of current cash flow growth of more than 5%**
  - **Opportunity to acquire an office property portfolio in France from GE Capital Real Estate France for a value of €346 million (including duties)**

"The first half of 2011 will go down as a particular moment in the company's life, with the realignment of its shareholding structure, paving the way for a new phase of development. This is illustrated by a first operation which is currently being negotiated, looking to increase the portfolio by over 25%. The initial foundations are extremely sound, with quality office properties which are all fully let following the lease signed for Quai 33 (Puteaux, 92) and benefit from long leases. In an uncertain market context, the NAV has remained stable at just over €36 per share", confirms Jean-Eric Vimont, Eurosic's Chairman and Chief Executive Officer.

2011 half-year highlights

Realignment of the capital for 52%, followed by a public takeover bid by Monroe
Eurosic has been informed that Nexity Participations and Banque Palatine sold off their stakes in the company's capital, representing 32.1% and 20.1% respectively, on June 15th, 2011. These interests have been acquired by Monroe, a wholly-owned subsidiary of Batipart, as well as Predica, ACM Vie and Covea for 19.4%, 13.1%, 13.1% and 6.6% respectively, at a price of €34.30 per share, corresponding to the company's triple net NAV at December 31st, 2010, restated for the 2010 coupon (€1.80) detached on April 19th, 2011.
On July 4th, 2011, Monroe filed a draft voluntary public takeover bid for Eurosic's capital at the same price of €34.30 per share. The number of securities that may be put forward for the offer represents 25% of the capital.

Partial refinancing of the €580 million syndicated loan
With the realignment of its capital, Eurosic has partially refinanced the €580 million syndicated loan in order to get the syndicate banks' approval for the amendment of the change of control clause.

The syndicated loan has been subject to an early repayment for €215 million, and a new five-year bullet mortgage loan for the same amount, backed with the Avant Seine building (Paris 13), has been granted by Natixis. When putting this in place, Eurosic partially restructured its portfolio of interest rate hedging instruments in order to cover the new loan.

Letting of Quai 33 (Puteaux – 92)
A firm 12-year commercial lease, effective April 1st, 2012, has been signed with the insurance broker GRAS SAVOYE. It covers around 18,000 sq.m of office space, representing 80% of the building.
The remaining 20% of the building was let on July 8th to Havas, for a firm nine-year period commencing September 1st, 2011.

New lease signed for Avant Seine (Paris 13)
Eurosic has signed a new commercial lease with BPCE for a firm nine-year period, covering all of the office space currently let and taking effect on January 1st, 2012.

Deliveries and new leases coming into force
Construction work on the 52 Hoche (Paris 8) and LP3 (Lille Seclin 59) office buildings was delivered during the first quarter of 2011. The leases for these buildings, with the international law firm Allen & Overy LPP and Atos Worldline respectively, have come into effect.

Consolidated income statement

At Eurosic's Board meeting on July 18th, 2011, the Directors approved the consolidated half-year financial statements. The statutory auditors issued their report on the limited review following the Board meeting.

€'000,000	**Jun 30, 2011**	**Jun 30, 2010**
Rental income	**39.8**	**39.7**
Non-transferred expenses on properties	- 1.8	- 1.4
Net rents	**38.0**	**38.3**
Net rents / rental income	**95.5%**	**96.5%**
Operating costs	-4.0	- 2.8
EBITDA	**34.0**	**35.5**
Current operating margin rate	85.3%	92.7%
Depreciation, amortization and reversals	+ 8.3	+ 25.9
Operating income	**42.3**	**61.4**
Financial result	**- 31.7**	**- 17.1**
Tax	0.0	0.0
Consolidated net income	**10.6**	**44.3**
Net income (Group share)	**10.6**	**44.3**

With a revaluation of the real estate assets, reflected in €28.0 million in provisions being written back, compared with €45.3 million in June 2010, and €14.3 million factored in for non-recurring expenses resulting from the restructuring of the syndicated loan and the derivatives, including €6.5 million cashed out, consolidated net income is down to €10.6 million at June 30th, 2011, compared with €44.3 million at June 30th, 2010.

2011 first-half revenues

Asset category	Jun 30, 2011	Jun 30, 2010	Change	Like-for-like change
Offices	28.6	26.7	+7.0%	+8.8%
Diversification assets	11.2	13.0	-13.6%	0.4%
Total	**39.8**	**39.7**	**+0.2%**	**+6.3%**

Over the first half of 2011, Eurosic's rental income was stable at €39.8 million (+0.2%), with like-for-like growth representing +6.3%. On the whole, indexation over the period remained positive, coming in at +0.2%.

The +7.0% increase in rents on Offices reflects the new leases coming into force on the Jazz (Boulogne Billancourt, 92), 52 Hoche (Paris 8) and LP3 (Lille Seclin, 59) buildings.

Revenues from diversification assets (leisure resorts and logistics assets) are down -13.6% following the partial Center Parcs divestment in October 2010.

With the Quai 33 tower (Puteaux 92) fully let, the portfolio's occupancy rate is close to 100%. The residual term on the leases, calculated through to the first possible break option date, is up to 8.4 years (1.9 years).

Current cash flow

	Jun 30, 2011	Jun 30, 2010	Change (%)
Current cash flow (€'000,000)	16.8	18.7	-10.3%
Current cash flow per share (€)	0.94	1.05	-10.3%

*17,777,728 shares including dilutive instruments

Current cash flow is calculated based on consolidated net income restated for depreciation and amortization, financial expenses relating to operations which are under development and have not been delivered, as well as non-recurring costs, including those linked to the restructuring of the syndicated loan.

It represents €16.8 million, giving a diluted figure of €0.94 per share at June 30th, 2011, down 10.3% in relation to June 30th, 2010. This change primarily reflects the sale of the Cicobail securities, on which the dividends represented €1.5 million for the first half of 2010.

Portfolio

At June 30th, 2011, the portfolio value excluding duties came to €1,413.3 million[1], up +1.2% like-for-like. The increase in values is linked primarily to the letting of Quai 33 (92) and the renegotiation of the Avant-Seine lease (Paris 13).

The gross rental yield rate excluding duties at June 30th, 2011 shows an average of 6.6% across the portfolio, coming in 20 basis points lower than at December 31st, 2010. For Offices, it comes out at 6.4%.

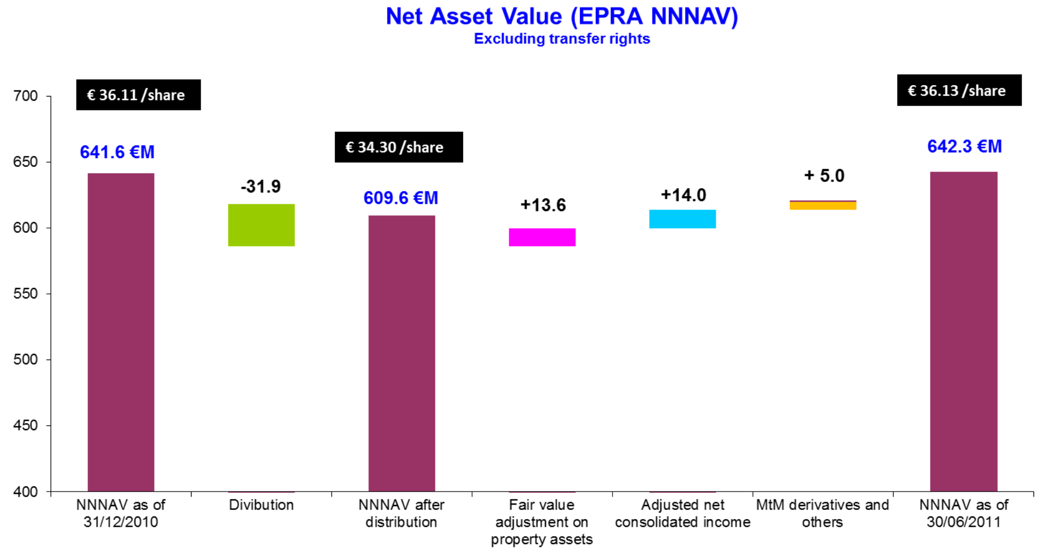
Asset category	Value excl. duties at Jun 30, 11	Value excl. duties at Dec 31, 10	Like-for-like change	Yield rate excl. duties at Jun 30, 11	Yield rate excl. duties at Dec 31, 10
Offices	1,119.2	1,092.8	+1.5%	6.4%	6.5%
Diversification	294.1	294.7	-0.2%	7.7%	7.6%
Total	**1,413.3**	**1,387.5**	**+1.2%**	**6.6%**	**6.8%**

Green assets represent 35% of the portfolio of offices in Paris and the First Rim offices reach at June 30th, 2011.

Triple net asset value (EPRA NNNAV)

Triple net asset value (NNNAV), calculated based on the value of buildings excluding duties, came to €642.3 million, representing €36.13 per share on a diluted basis at June 30th, 2011.

In relation to December 31st, 2010, it factors in the following changes:
- Detachment of the coupon on April 19th, 2011 (-€31.9 million);
- Fair value adjustment on assets corrected for the IFRS impact of rent deductibles (+€13.6 million);
- Consolidated net income for the period excluding depreciation and amortization and excluding costs for the restructuring costs of the rate hedging instruments (+€14.0 million);
- Other changes: fair value adjustments on (i) rate hedging instruments, including restructuring costs (+€5.4 million), (ii) fixed-rate debt (-€0.9 million), and (iii) treasury stock (+€0.5 million).



[1] Based on the real estate valuations entrusted to the appraisers Catella Valuations and DTZ at June 30th, 2011.

Financial indicators and debt

At June 30th, 2011, consolidated financial debt remained unchanged at €786 million. Following the partial refinancing of the €580 million syndicated loan, the average cost of debt came to 4.80% at June 30th, slightly higher than for the full-year in 2010 (4.58%).

The average maturity of debt represents 4.5 years, an increase of six months following the partial refinancing outlined above. No repayments are scheduled before mid-2014.

The bank ratios at June 30th, 2011 meet the covenants for the credit agreements. The loan to value ratio (LTV) is up slightly to 51.4% (+1 point in relation to December 31st, 2010), while the EBITDA interest coverage ratio (ICR) is down slightly to 1.87x:

Covenants	June 30, 2011	December 31, 2010	Covenant
Loan To Value ratio	51,4%	50,3%	65,0%
Interest Coverage ratio	1,87x	1,93x	1,50x

Outlook

Eurosic is embarking on a new phase in its development following the arrival of new investors in its capital. The strategy will continue to focus on building up a portfolio of quality office properties, which are significant on their markets, recent and/or "greenable". The markets targeted are in Paris/Inner Rim and France's other major cities.

On July 4th, 2011, Eurosic opened exclusive talks through to July 31st, 2011 with GE Capital Real Estate France to acquire an office portfolio valued at €346 million including duties. This portfolio is made up primarily of recent significant-sized office buildings, notably located in Toulouse, Nantes, Lyon and Paris (Inner Rim). This acquisition would be financed for half of the total amount through a capital increase with preferential subscription rights maintained and a subscription price that will be no lower than the price for the voluntary public offer announced by Monroe, the Batipart subsidiary, i.e. €34.30 per share, with bank financing covering the balance.

Eurosic is able to confirm current cash flow growth of more than 5% for 2011.

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Financial schedule

Quarterly disclosure - Q3 2011: October 20th, 2011

About Eurosic

Eurosic is a listed real estate investment trust (SIIC) which owns and manages a portfolio valued at €1.4 billion at June 30th, 2011, focused primarily on recent large offices in Paris and the Inner Rim. Eurosic trades continuously on Euronext Paris Eurolist, Compartment B, and has been part of the SBF 250 and CAC Mid 100 indexes since December 18th, 2009.

Ticker: ERSC - ISIN: FR0000038200.

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