

PRESS RELEASE

Paris, 31 August 2009

FIRST-HALF 2009 RESULTS

- **Rental income: €5.76m (+ 36%)**
- **Cash Flow: €3.6m (+ 28%)**
- **Investments engaged on 1st half: €1.4m (+ 270%)**
- **Interim dividend: €0.22 per share (+ 4.8%)**
- **Maintain of the growth dynamic for rental income and cash flows**

At its meeting on 31 August 2009, TERREÏS' Board of Directors approved the consolidated financial statements for the first half of the 2009 financial year.

- **Significant progression of cash flow in a context of high level of activity**

TERREÏS' rental income for the first half of 2009 came to €5.76 million, up 35.6% compared with the same period of last year (*See press release dated 21 July 2009*). Restated from acquisitions and cessions realized over the past 12 months, rental income was up 9.6%.

In a context of high level of growth, TERREÏS kept a good control of SG&A. The increase of these charges is mainly due to the impact of the allocation of bonus shares set up in the second half of 2008. Financial result amounted to (€1.53m), impacted by the cost of new borrowings to finance acquisitions over the past 12 months. Cash flow increased by 27.7% to €3.63m. Net profit (group share) was €1.43m, unchanged compared to last year. Restated of the allocation of bonus shares, the increase would have been +10%.

- **Sound balance sheet and solid LTV ratio**

At 30 June 2009, consolidated shareholders equity stood at €73.7m and net financial debt at €84.2m. LTV ratio (net financial debt to value of assets) amounted to 49.9% (40.1% at the end of 2008). The increase is due to the integration of the acquisitions realized over the 1st half 2009 for an amount of €29m. Note that these ratios have been calculated based on asset valuations at 31 December 2008, as TERREÏS did not arrange an external valuation of its assets at 30 June 2009.

- **TERREÏS accelerates the pace of its investment policy to take advantage of several market opportunities**

Due to the lack of buyers, the yield of real estate assets has become more attractive in absolute terms since the beginning of the year. At the same time, ECB policy of low interest rates led to the reconstitution of a favourable rate differential to buy assets, even in the city of Paris. As a result, TERREÏS seized buying opportunities and significantly accelerated the pace of investments policy over the 1st half of 2009. As mentioned on 21 July, TERREÏS signed a promise to purchase three haussmannian buildings rue Marbeuf (Paris VIII^{ème}) for €61.5m. This will generate a 7% yield on the only offices and commercials assets.

All put together, commitments signed over the 1st half amount to €91.4m, of which the €29m integrated as of 1st July 2009.

Promises will be debt-financed. After swaps, financing cost should be close to 4.5%, fixed over a 15 years period of time. Thanks to the instantaneous return on these assets, these investments will contribute positively to the cash flows from the first year of their acquisition.

- **Outlook: maintain of the growth dynamic for rental income and cash flows**

Recent acquisitions, either booked or on going, will reinforce the growth dynamic, both in terms of rental income and cash flows.

TERREÏS will keep maintaining its opportunistic acquisition policy during the crisis. Target will be high quality assets in the center of the city of Paris, prices and yield of which being attractive in the current context. Acquisitions will be made in the respect of its investments criteria.

Financing of future investments over the second half of 2009 will benefit from TERREÏS strong reference shareholder and from bank partners.

- **Interim dividend: €0.22 per share, payable on 20 november**

TERREÏS has adopted the custom of paying its dividend in two instalments, with an interim payment in November and a final payment in May. Given the quality of the 1st half 2009 results, the group's financial strength and the outlook presented by the new acquisitions, TERREÏS' Board of Directors has decided to pay a 2009 interim dividend of €0.22 per share, an increase of 4.8% compared with the previous year. It will be paid on 20 November.

Next publication: rental income for the 3rd quarter 2009: 20 October 2009

Contact: Emmanuel Pineau, General Manager OVALTO Investissement
Tel: +33(0)1 55 52 57 71

About TERREÏS (www.terreis.fr)

TERREÏS is a property company whose asset portfolio contains small and medium sized offices and commercial premises, mostly in central locations in Paris and the main French regional cities. TERREÏS will grow by drawing on the considerable reservoir of commercial leases currently managed by branches of the Foncia group and through acquisitions facilitated by the network of business sources that these branches represent.

TERREÏS has been listed in the C Compartment of Eurolist by Euronext Paris since December 2006, and adopted the listed property company regime (*régime des sociétés d'investissement immobilier cotées* or SIIC) from 1 January 2007.

ISIN Code: FR0010407049 – Mnemonic Code: TER