

2011 Half Year Results in line with forecast

Net income (IFRS) of €5.2 million

EPRA NAV up +10.5% over one year rolling

CeGeREAL is a listed REIT specialising in the acquisition and management of premium office property in the outskirts of Paris, offering strong value added services and rented to first class tenants. Its pure player positioning, along with a moderate leverage, forms a high yield profile (2006-2010 average: 6.6% on the stock price) for a mutual access, unique in France, to the exclusive Prime Office market.

IFRS Net income	5.2M€
Funds from operations	4.8M€
Loan to value ratio	46%

- Main events**

The CeGeREAL Board of Directors convened on July 22, 2011 to close the accounts for the 6 month period that ended on June 30, 2011.

The value of property assets, appraised by BNP Paribas Real Estate, was set at 861 million euros, stable over the past 6 months (i.e. +0.1%) due to the anticipated vacancy of the Arcs de Seine site necessary in order to complete its renovation project.

Thanks to the exceptional intrinsic qualities of the Arcs de Seine site and the work done on the premises, the site is very likely to become one of the first properties in the area to be granted the rigorous "HQE Exploitation" label for existing buildings of high environmental quality (expected in Q4 2011).

Due to the vacancy of the Arcs de Seine site, rents as of June 30, 2011 are down 35% compared to the same period in 2010. This decrease was nevertheless accompanied by another 6% drop in management fees.

Income as of June 30, 2011 according to IFRS financial statements came to €5.2 million.

Following the approval of the Combined General Meeting of June 29, 2011, a dividend of €1.10 per share was paid on July 21, 2011.

Key figures (EPRA) are as follows:

Half Year results 2011 in M€	06/30/2011 (6 months)	06/30/2010 (6 months)
Rental Income IFRS	17.2	27.4
Turnover	20.8	32.1
Net Income IFRS	5.2	23.0
Net Income French GAAP	-8.0	2.4
FFO	4.8	15.3
NNNAV excluding duties	463.2	419.0
NNNAV per share excluding duties in euros	34.6	31.3
NNNAV per share excluding duties in euros increased by the dividend remaining to be paid (a)	35.7	33.0
<i>(a) This NNNAV increased by the dividend is comparable to the stock price at the same date as the dividend will be paid post closing (after June 30)</i>		

- **Turnover of the 1st semester 2011**

During the first half of 2011, CeGeREAL's turnover totaled €20.8 million, of which €2 million represented rebilled charges and €1.5 million re-invoicing lessees for insurance premiums and taxes. These two items are included in operating expenses.

This €11.3 million decrease in turnover is essentially the result of the vacancy of the Arcs de Seine site during the renovation work, following the departure of the tenant Bouygues Telecom at the end of 2010.

<i>In thousand euros (excluding VAT)</i>	2011	2010
<u>First Quarter</u>		
Rents	8,543	13,865
Charges rebilled to the tenants	975	1,460
Insurance premiums and taxes rebilled to the tenants	708	859
Q1 Turnover from 1st January to 31st March	10,226	16,183
<u>Second Quarter</u>		
Rents	8,671	13,567
Charges rebilled to the tenants	1,074	1,352
Insurance premiums and taxes rebilled to the tenants	813	967
Q2 Turnover from 1st April to 30th June	10,558	15,886
<u>First Half</u>		
Rents	17,214	27,432
Charges rebilled to the tenants	2,049	2,812
Insurance premiums and taxes rebilled to the tenants	1,521	1,826
Turnover for the period from 1st January to 30th June	20,784	32,069

- **Rental status analysis**

On the market of the business district of **La Défense**, supply of new or recent properties is likely to remain tight until 2012-2013. Take-up amounted to 59,000m² for the first half of 2011, well below the ten-year average (approximately 100,000m² for the first 6 months – Source: BNPP Real Estate).

In this wait-and-see context, CeGeReal attracted additional tenants in the **Europiazza** property: 1,600m² were signed in May and June of 2011 bringing the occupancy rate of the tower to 94%.

In **Boulogne Billancourt**, the supply available within one year represents 178,000m², of which 40% are new buildings mainly in the 5,000 to 15,000m² segment. This will help to revive a mature market in a sought after but disparate location.

Following the effective departure of the former tenant, visits and expressions of interest in the **Arcs de Seine** site have multiplied for all surface areas, including for the entire available 40,000m².

In the **East periphery market**, Charenton is facing a short immediate supply over 5,000m². The only recorded transaction is a sale to an occupier (Natixis, one of the BPCE affiliates with Credit Foncier) on a building of 10,500m² located in Quai de Bercy in February 2011. The market's vacancy rate is 1.7%. The only alternatives are at Ivry-sur-Seine where a few new buildings are currently available.

The **Rives de Bercy** building, which is entirely occupied by Crédit Foncier, saw no significant change.

- **Analysis of portfolio valuation: stabilisation of NAV**

The valuation of the property portfolio (excluding transfer duties) as of June 30, 2011, is nearly stable at €61 million euros compared to December 31, 2010 (i.e. +0.1%), and breaks down as follows:

Europiazza	€384 million
Arcs de Seine	€308 million
Rives de Bercy	€169 million

- **Outlook**

CeGeREAL's priorities for the second half of 2011 are:

- Lease-up of Arcs de Seine
- Obtaining the HQE Exploitation label for the Arcs de Seine site
- Acquisition opportunities

*“CeGeREAL's performance in the first half of 2011 is in line with forecast. As previously announced during the 2010 annual results, **CeGeREAL's business model is robust, and the short-term decrease in turnover does not reflect upon the structural financial solidity of the company.** Indeed, the Arcs de Seine property has received several serious expressions of interest these past months. Moreover, CeGeREAL has looked at several acquisition projects, targeting quality sites consistent with its high value added position.”* **declared Deputy CEO Raphaël Tréguier.**

About CeGeREAL

CeGeREAL, which opted for the French SIIC tax regime (Société d'Investissement Immobilier Cotée), is a real estate company specialising in the management of premium large-size office property assets.

The Company's assets consist of three important properties located in the inner suburbs of Paris. As of June 30, 2011, their estimated total value, as determined by the independent appraiser BNP Paribas Real Estate, is approximately €861 million (excluding duties).

NYSE	Euronext Paris
ISIN	FR0010309096
Mnemo	CGR
CFI	ESVUFB
Type	SIIC
Compartment	Eurolist - B
Indices	CAC Mid Small 190 Euronext IEIF SIIC France
Securities service	BNPP Securities Services

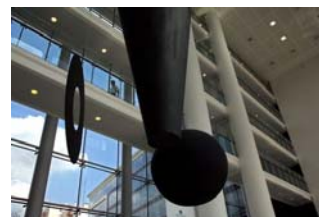
www.cegereal.com



Arcs de Seine



Tour Europlaza



Rives de Bercy

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**Interim financial statements
in IFRS and French GAAP
Six-month period ended June 30, 2011**

Extracts from the interim financial report
approved by the Board of Directors of 22nd July 2011

1. INTERIM FINANCIAL STATEMENTS IN IFRS - SIX-MONTH PERIOD ENDED JUNE 30, 2011

Balance sheet at June 30, 2011

in thousands of euros

	June 30, 2011	Dec. 31, 2010	June 30, 2010
<u>Non-current assets</u>			
Investment property	861 500	860 700	835 500
Equity investments	920		
Non-current loans and receivables	10 186	11 597	12 437
Total non-current assets	872 606	872 297	847 937
<u>Current assets</u>			
Accounts receivable	6 028	6 137	13 826
Other operating receivables	4 428	4 560	3 446
Prepaid expenses	3 090	2 183	2 795
Total receivables	13 546	12 880	20 067
Cash and cash equivalents	29 705	25 544	27 690
Total cash and cash equivalents	29 705	25 544	27 690
Total current assets	43 252	38 423	47 757
TOTAL ASSETS	915 858	910 721	895 694
<u>Shareholders' equity</u>			
Share capital	160 470	160 470	160 470
Legal reserve	16 047	16 047	16 047
Merger premium	33 286	34 222	34 222
Retained earnings	266 721	216 753	217 018
Net income for the period	5 206	63 313	22 971
Total shareholders' equity	481 729	490 805	450 728
<u>Non-current liabilities</u>			
Non-current borrowings	397 971	397 624	397 381
Other non-current financial debt	1 176	1 905	1 577
Non-current corporate income tax liability			
Total non-current liabilities	399 147	399 529	398 958
<u>Current liabilities</u>			
Other current financial debt			317
Accounts payable	3 711	3 609	2 333
Corporate income tax liability			
Other operating liabilities	21 327	6 871	27 537
Prepaid revenue	9 945	9 907	15 821
Total current liabilities	34 983	20 388	46 009
Total liabilities	434 130	419 917	444 967
TOTAL EQUITY AND LIABILITIES	915 858	910 721	895 694

Income statement for the 6 months period ended June 30, 2011 - IFRS

in thousands of euros, except for per share data

	<i>6 months ended</i>	<i>12 months ended</i>	<i>6 months ended</i>
	June 30, 2011	Dec. 31, 2010	June 30, 2010
Rental income	17 214	54 687	27 431
Income from other services	3 583	10 236	4 663
Building-related costs	(6 747)	(15 124)	(7 058)
Net rental income	14 049	49 799	25 036
Sales of building			
Administrative costs	(1 361)	(2 828)	(1 581)
Other operating expenses		1	48
Other operating income			
Increase in fair value of investment property	1 300	35 200	15 000
Decrease in fair value of investment property	(500)	(2 000)	(7 000)
<i>Total change in fair value of investment property</i>	<i>800</i>	<i>33 200</i>	<i>8 000</i>
Net operating income	13 487	80 173	31 503
Financial income	40	70	24
Financial expenses	(8 322)	(16 931)	(8 557)
Net financial expense	(8 282)	(16 861)	(8 533)
Corporate income tax			
NET INCOME	5 206	63 313	22 971
Other comprehensive income			
TOTAL COMPREHENSIVE INCOME	5 206	63 313	22 971
<i>Basic and diluted earnings per share (in euros)</i>	<i>0,39</i>	<i>4,75</i>	<i>1,72</i>

Statement of cash flows for the 6 months period ended June 30, 2011 - IFRS
in thousands of euros

	6 months ended June 30, 2011	12 months ended Dec. 31, 2010	6 months ended June 30, 2010
OPERATING ACTIVITIES			
Net income for the period	5 206	63 313	22 971
<i>Elimination of items related to the valuation of buildings:</i>			
Fair value adjustments to investment property	(800)	(33 200)	(8 000)
Indemnity received from tenants for the replacement of components		4 068	
<i>Elimination of other income/expense items with no cash impact:</i>			
Additions to depreciation, amortisation and provisions for impairment			
Reversals of depreciation, amortisation and provisions for impairment			(3)
Deduction of merger expenses from merger premium			
Change in provision for deferred taxation			
Discounting of exit tax liability			
Cash flows from operations before tax and changes in working capital requirements	4 405	34 181	14 967
Change in amounts due to owners	14 710		22 733
Change in exit tax liability			
Other changes in working capital requirements	780	4 655	(649)
Change in working capital requirements	15 490	4 655	22 084
Cash flows from operating activities	19 895	38 836	37 051
INVESTING ACTIVITIES			
Acquisition of fixed assets	(920)	(4 068)	
Cash flows used in investing activities	(920)	(4 068)	
FINANCING ACTIVITIES			
Change in bank debt		(3 500)	(3 500)
Net increase in other non-current financial debt		337	327
Net decrease in other non-current financial debt	(728)		
Purchases and sales of treasury shares	277	(153)	(6)
Dividends paid	(14 710)	(22 703)	(22 733)
<i>Elimination of income/expense items related to financing activities with no cash impact:</i>			
Adjustments for loans at amortised cost	347	597	353
Cash flows used in financing activities	(14 814)	(25 423)	(25 559)
Change in cash and cash equivalents	4 161	9 344	11 492
Cash and cash equivalents at beginning of period*	25 544	16 200	16 200
CASH AND CASH EQUIVALENTS AT END OF PERIOD	29 705	25 544	27 690

* There were no cash liabilities for any of the periods presented above.

Statement of changes in equity for the six-month period ended June 30, 2011 – IFRS

in thousands of euros

	Share capital	Additional paid-in capital	Undistributed reserves and retained earnings	Total shareholders' equity
December 31, 2009	160 470	35 292	254 779	450 541
Total comprehensive income for the period			22 971	22 971
- Net income for the period			22 971	22 971
- Other comprehensive income				
Capital transactions with owners		(1 070)	(21 713)	(22 783)
- Dividends paid (€1.70 per share)		(1 070)	(21 663)	(22 733)
- Change in treasury shares held			(50)	(50)
June 30, 2010	160 470	34 222	256 036	450 728
Total comprehensive income for the period			40 342	40 342
- Net income for the period			40 432	40 432
- Other comprehensive income				
Capital transactions with owners			(265)	(265)
- Dividends paid			30	30
- Change in treasury shares held			(295)	(295)
December 31, 2010	160 470	34 222	296 113	490 805
Total comprehensive income for the period			5 206	5 206
- Net income for the period			5 206	5 206
- Other comprehensive income				
Capital transactions with owners		(936)	(13 346)	(14 282)
- Dividends paid (€1.10 per share)		(936)	(13 774)	(14 710)
- Change in treasury shares held			428	428
June 30, 2011	160 470	33 286	287 973	481 729

2. INTERIM FINANCIAL STATEMENTS IN FRENCH GAAP – 6 MONTH PERIOD ENDED JUNE 30, 2011

Balance sheet at June 30, 2011 – French GAAP

in euros

ASSETS	Gross amount	Depr., amort. & prov.	June 30, 2011	Dec. 31, 2010	June 30, 2010
Uncalled subscribed capital					
Intangible fixed assets					
Start-up costs					
Research and development costs					
Licenses, patents and similar concessions					
Goodwill					
Other intangible fixed assets					
Advances/down payments on intangible assets					
Property, plant and equipment					
Land	365 072 706		365 072 706	365 072 706	365 072 706
Buildings	607 962 126	242 882 904	365 079 223	377 803 516	392 266 103
Technical plant, equipment and industrial machinery	1 028 652	834 651	194 001	245 160	297 168
Other property, plant and equipment	535 727	213 078	322 649	324 071	328 134
Property, plant and equipment in progress	4 068 465		4 068 465	4 068 465	
Advances and down payments					
Financial fixed assets					
Investments	920 000		920 000		
Receivables from controlled entities					
Long-term portfolio investments					
Other long-term investments					
Loans					
Other financial fixed assets	784 591		784 591	1 008 553	851 206
FIXED ASSETS	980 372 268	243 930 633	736 441 634	748 522 472	758 815 317
Inventories and work in progress					
Raw materials and other supplies					
Manufactured products in progress					
Services in progress					
Semi-finished and finished goods					
Goods held for resale					
Advances/down payments on orders					
Receivables					
Trade accounts receivable	6 046 417	18 683	6 027 734	6 250 316	13 898 758
Other receivables	14 195 821		14 195 821	15 921 187	15 561 803
Subscribed capital, called up but not paid					
Short-term investment securities					
Cash and cash equivalents	29 705 247		29 705 247	25 543 830	27 689 698
CURRENT ASSETS	49 947 485	18 683	49 928 802	47 715 333	57 150 259
Prepaid expenses	2 956 267		2 956 267	2 048 529	2 660 860
Adjustment accounts					
TOTAL ASSETS	1 033 276 020	243 949 316	789 326 704	798 286 334	818 626 435

in euros

EQUITY AND LIABILITIES	juin 30, 2011	déc. 31, 2010	juin 30, 2010
Capital			
Share capital (including paid-up capital: 160,470,000)	160 470 000	160 470 000	160 470 000
Additional paid in capital	33 285 900	34 221 976	34 221 976
Revaluation reserve	152 359 152	158 777 952	158 777 952
Reserves			
Legal reserve	16 047 000	16 047 000	16 047 000
Statutory or contractual reserves			
Regulated reserves			
Other reserves	8 423	8 423	8 423
Income			
Retained earnings	76 721	102 099	71 711
Net income/(loss) for the period	(7 971 331)	7 329 497	2 394 528
Investment subsidies			
Regulated provisions			
SHAREHOLDERS' EQUITY	354 275 866	376 956 947	371 991 590
Income from the issue of equity instruments			
Contingent advances			
OTHER EQUITY	-	-	-
Contingency provisions			
Provision for losses			
LOSS AND CONTINGENCY PROVISIONS	-	-	-
Non-current borrowings			
Convertible bonds			
Other bonds			
Bank borrowings	398 891 840	398 891 840	398 891 840
Miscellaneous borrowings and financial debt	15 886 245	1 904 537	24 668 385
Accounts payable and other current liabilities			
Advances/down payments received on orders in progress			
Trade accounts payable	3 711 230	3 616 665	2 387 459
Tax and social liabilities	3 307 810	1 715 340	4 007 980
Amounts owed to fixed asset suppliers	1 949 609	4 333 620	
Other liabilities	1 359 601	959 892	857 939
Prepaid revenue	9 944 502	9 907 494	15 821 243
LIABILITIES	435 050 838	421 329 387	446 634 845
Adjustment accounts			
TOTAL EQUITY AND LIABILITIES	789 326 704	798 286 334	818 626 435

Income statement for the 6 months period ended June 30, 2011 – French GAAP
in euros

	France	Exports	6 months ended juin 30, 2011	12 months ended déc. 31, 2010	6 months ended juin 30, 2010
			Total	Total	Total
Sales of goods for resale					
Sales of manufactured products					
Sales of services	20 784 100		20 784 100	63 956 378	32 069 048
NET REVENUE	20 784 100		20 784 100	63 956 378	32 069 048
Change in finished goods and in-progress inventory					
In-house production					
Operating subsidies					
Release of amortization and depreciation charges, provisions for impairment and expense transfers			12 643	969 699	27 983
Other revenue			1	17	18
Total operating revenue			20 796 744	64 926 094	32 097 049
Purchases of goods					
Changes in inventories of goods held for resale					
Purchases of raw materials and other supplies					
Changes in inventories (raw materials and other supplies)					
Other purchases and external charges			5 320 701	13 463 198	6 397 171
Taxes, duties and other levies			2 402 369	3 971 528	1 936 068
Wages and salaries			246 753	336 332	191 113
Social security charges			101 528	140 920	76 778
On fixed assets: depreciation, amortization			12 776 876	26 048 435	12 917 351
On fixed assets: provisions for impairment					
On current assets: provisions for impairment					
Loss and contingency provisions					
Other expenses			38 723	44 242	37 500
Total operating expenses			20 886 950	44 004 655	21 555 981
OPERATING INCOME/(LOSS)			(90 207)	20 921 438	10 541 068
Allocated income or transferred loss					
Loss incurred or transferred income					
Financial income from controlled entities					
Income from other securities and receivables					
Other interest income			106 303	70 044	24 156
Release of provisions for impairment, other provisions and expense transfers			15 258	42 501	
Foreign exchange gains					
Net income on sale of short-term investment securities					
Total financial income			121 561	112 545	24 156
Financial amortization charges, provisions for impairment and other provisions			2 675	55 084	
Interest expenses			8 041 560	16 333 601	8 215 490
Foreign exchange losses					
Net expenses on sales of short-term investment securities					
Total financial expenses			8 044 236	16 388 685	8 215 490
NET FINANCIAL EXPENSE			(7 922 675)	(16 276 140)	(8 191 334)
RECURRING INCOME/(LOSS) BEFORE TAX			(8 012 882)	4 645 298	2 349 734

in euros

	6 months ended juin 30, 2011	12 months ended déc. 31, 2010	6 months ended juin 30, 2010
Non-recurring income on management transactions			
Non-recurring income on capital transactions	46 126	51 778	49 353
Release of provisions for impairment, other provisions and expense transfers		4 068 465	
Total non-recurring income	46 126	4 120 243	49 353
Non-recurring expenses on management transactions			
Non-recurring expenses on capital transactions	4 575	48 472	4 559
Depreciation, amortization and provisions for impairment		1 387 573	
Total non-recurring expenses	4 575	1 436 045	4 559
NET NON-RECURRING INCOME	41 551	2 684 198	44 794
Employee profit sharing			
Corporate income tax			
TOTAL INCOME	20 964 431	69 158 882	32 170 558
TOTAL EXPENSES	28 935 761	61 829 385	29 776 030
NET INCOME/(LOSS)	(7 971 331)	7 329 497	2 394 528