A French *société anonyme* (joint stock corporation) with share capital of EUR 160,470,000
Registered office: 21-25 rue Balzac, 75008 Paris
422 800 029 RCS Paris
SIRET No. 422 800 029 00023

Interim financial report

Six-month period ended June 30, 2013

(Article L.451-1-2 III of the French Monetary and Financial Code [*Code Monétaire et Financier*], Articles 222-4 *et seq.* of the General Regulations of the French financial markets authority [*Autorité des Marchés Financiers* – AMF])

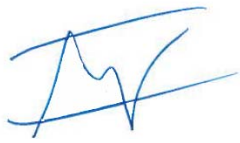
Interim financial report for the six-month period ended June 30, 2013 prepared in accordance with the provisions of Article L.451-1-2 III of the French Monetary and Financial Code and Articles 222-4 *et seq.* of the General Regulations of the AMF.

This report has been distributed in accordance with the provisions of Article 221-3 of the General Regulations of the AMF. It can also be consulted on the Company's website at www.cegereal.com

1. ATTESTATION BY THE PERSON RESPONSIBLE FOR THE 2013 INTERIM FINANCIAL REPORT

"We certify that to our knowledge, the full consolidated financial statements for the six-month period ended June 30, 2013 have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and all companies included in the consolidation scope, and that the attached interim activity report includes a fair review of the material events of the first six months of the year and their impact on the interim financial statements, the principal related-party transactions, as well as a description of the main risks and uncertainties for the remaining six months of the year."

Paris, July 24, 2013



Raphaël Tréguier
Managing Director

2. INTERIM ACTIVITY REPORT

2.1 COMMENTS ON ACTIVITY

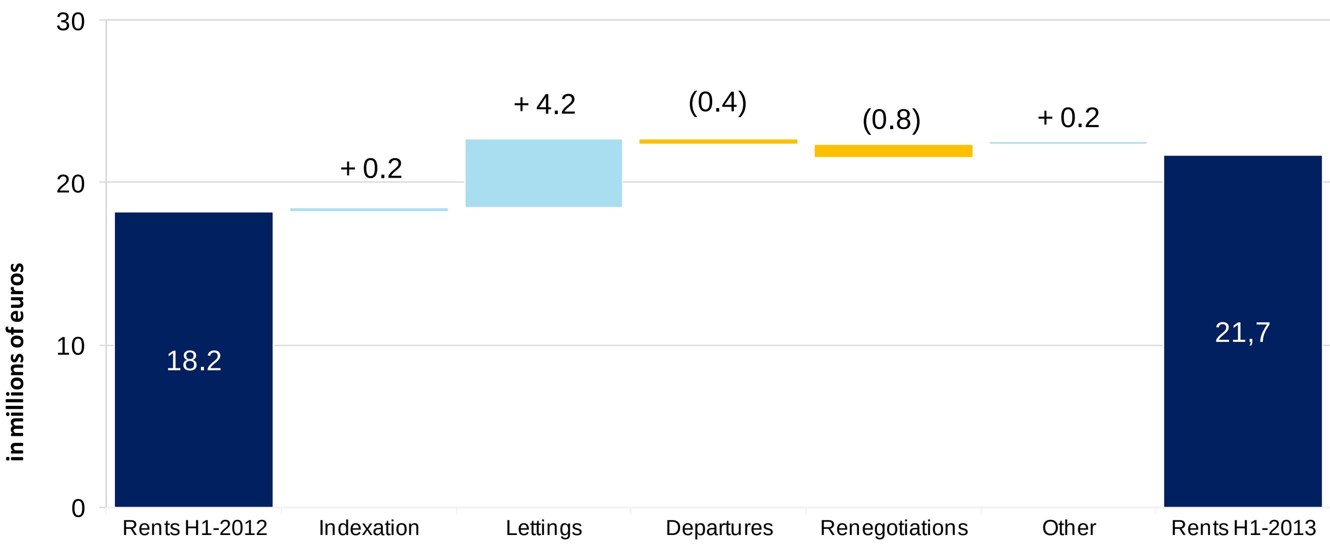
2.1.1 Rental activity

During the first half of 2013, the marketing of the Arcs de Seine building continued: a lease was entered into with Sagem for a total surface area of 4,956 sq.m, starting on April 1, 2013, and an additional lease with HP for 1,432 sq.m, starting on June 1, 2013.

On April 1, 2013, Cap Gemini left the 11th floor of Europlaza building (1,296 sq.m.)

Crédit Foncier, the sole lessee of the Rives de Bercy building, renegotiated its lease in advance of its expiration. It chose to extend the length of its rental agreement by seven years, until December 2021.

Change in operating income (June 30, 2012-June 30, 2013)



2.1.2 Net income by key indicator for the period

in thousands of euros

Statement of comprehensive income caption	Amount	Breakdown
Net rental income	18 146	Net rental income corresponds to rental income for the period (EUR 21,709k) and rental expenses rebilled to lessees (EUR 5,339k), less building-related costs (EUR 8,903k). During the first half of 2013, net rental income rose compared to net rental income for 2012 prorated over six months following the arrival of new lessees.
Administrative costs	(1 453)	Administrative costs chiefly comprise fees, insurance premiums and payroll costs.
Change in fair value of investment property	(4 322)	The value of the real estate portfolio decreased from EUR 865.4 million at December 31, 2012 to EUR 861 million at June 30, 2013.
Net operating income	**12 371**	
Net financial expense	(7 416)	Net financial expense is comprised entirely of financial expenses.
Corporate income tax	0	Due to the application of the SIIC tax regime with effect from April 1, 2006, and given that all of the Group's profits are derived from the rental of investment properties and the sale of real property rights, no income tax expense was recorded for the period. This tax exemption is, however, subject to certain criteria relating essentially to the payment of dividends.
Net income	**4 955**	

2.2 FINANCIAL RESOURCES

At June 30, 2013, shareholders' equity stood at EUR 489,611k compared with opening shareholders' equity of EUR 493,397k. This decrease is attributable to a net loss of EUR 4,955k for the period and dividend payments of EUR 8,692k.

Cash and cash equivalents totaled EUR 19,557k at June 30, 2013, representing a decrease of EUR 1,364k on the December 31, 2012 figure. This marginal change is due to cash flows from operations before tax and changes in working capital requirements (EUR 9,805k) which offset benefits granted to different lessees (EUR 10,409k).

2.3 CHANGES IN NET ASSET VALUE (NAV)

The indicators published by CeGeREAL are aligned with the recommendations of the European Public Real Estate Association (EPRA), of which CeGeREAL is a member. EPRA's role is to promote, develop and represent the publicly listed real estate sector.

EPRA notably publishes its "Best Practice Recommendations" (BPRs) whose purpose is to enhance transparency, uniformity and comparability of financial reporting by real estate companies.

2.3.1 EPRA earnings

in thousands of euros

	June 30, 2013	Dec. 31, 2012	June 30, 2012
Net income under IFRS	4,955	16,860	9,514
Restatement of the change in fair value of investment property	4,322	(9,385)	(4,607)
EPRA earnings	**9,277**	**7,476**	**4,907**

2.3.2 EPRA NAV & EPRA NNNAV

in thousands of euros, except per share data

	June 30, 2013	Dec. 31, 2012	June 30, 2012
Shareholders' equity under IFRS	489,611	493,397	485,986
Portion of rent-free periods	(24,628)	(14,220)	(11,437)
EPRA NAV	**464,983**	**479,177**	**474,549**
Market value of the loan*	(396,562)	(402,899)	(381,235)
Carrying amount of the loan*	400,000	400,000	376,400
EPRA NNNAV	**468,420**	**476,279**	**469,714**
Number of shares (excl. treasury shares)	13,344,733	13,346,851	13,343,111
NAV per share	**35.1**	**35.7**	**35.2**

** Excluding variable rate loans at June 30, 2012*

The floating-rate loan was not restated as its carrying amount is identical to its market value.

in euros per share

NNNAV per share at Dec. 31, 2012	**35.7**
Consolidated income before change in fair value of investment property	0.7
Change in the fair value of real estate assets	(0.3)
Change in the fair value of bank debt	0.5
Rent-free period	(0.8)
Dividends	(0.7)
NNNAV per share at June 30, 2013	**35.1**

2.4 SIGNIFICANT EVENTS BETWEEN THE DATE ON WHICH THE 2012 FINANCIAL STATEMENTS WERE APPROVED AND JUNE 30, 2013

The main significant events since the date on which the financial statements were approved are stated in Note 1.1 to the consolidated financial statements.

They relate to the rental activity.

During the first half of 2013, the marketing of the Arcs de Seine building continued: a lease was entered into with Sagem for a total surface area of 4,956 sq.m, starting on April 1, 2013, and an additional lease with HP for 1,432 sq.m, starting on June 1, 2013.

On April 1, 2013, Cap Gemini left the 11^{th} floor of Europlaza building (1,296 sq.m.)

Crédit Foncier, the sole lessee of the Rives de Bercy building, renegotiated its lease in advance of its expiration. It chose to extend the length of its rental agreement by seven years, until December 2021.

2.5 DESCRIPTION OF THE MAIN RISKS AND UNCERTAINTIES FOR THE REMAINING SIX MONTHS OF THE YEAR

There was no change in the Company's risk factors during the first six months of the year, with the exception of the impact of the partial leasing of the Arcs de Seine building.

Consequently, reference should be made to the Company's Registration Document filed with the AMF on February 20, 2013 under no. D.13-0071.

2.6 PRINCIPAL RELATED-PARTY TRANSACTIONS

Please refer to Note 5.25 to the IFRS financial statements for the six-month period ended June 30, 2013.

3. INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2013

Consolidated statement of comprehensive income for the six-month period ended June 30, 2013

in thousands of euros, except per share data

	Notes	June 30, 2013	Dec. 31, 2012	June 30, 2012
		6 months	*12 months*	*6 months*
Rental income	**5.17**	21,709	38,633	18,268
Income from other services	**5.18**	5,339	8,773	4,121
Building-related costs	**5.19**	(8,903)	(16,382)	(7,698)
Net rental income		**18,146**	**31,024**	**14,691**
Sale of building		0	0	0
Administrative costs	**5.20**	(1,453)	(2,845)	(1,454)
Other operating expenses		0	0	1
Other operating income		0	0	0
Increase in fair value of investment property		2,678	9,685	4,807
Decrease in fair value of investment property		(7,000)	(300)	(200)
Total change in fair value of investment property	**5.1**	*(4,322)*	*9,385*	*4,607*
Net operating income		**12,371**	**37,564**	**17,846**
Financial income		0	113	38
Financial expenses		(7,416)	(20,816)	(8,369)
Net financial expense	**5.21**	**(7,416)**	**(20,704)**	**(8,331)**
Corporate income tax	**5.22**	**0**	**0**	**0**
CONSOLIDATED NET INCOME		**4,955**	**16,860**	**9,514**
of which attributable to owners of the Company		***4,955***	***16,860***	***9,514***
of which attributable to non-controlling interests		***0***	***0***	***0***
Other comprehensive income		**0**	**0**	**0**
of which is subsequently reclassified to"net income for the period"		***0***	***0***	***0***
of which cannot be subsequently reclassified to "net income for the period"		***0***	***0***	***0***
TOTAL COMPREHENSIVE INCOME		**4,955**	**16,860**	**9,514**
of which attributable to owners of the Company		***4,955***	***16,860***	***9,514***
of which attributable to non-controlling interests		***0***	***0***	***0***
Basic and diluted earnings per share (in euros)		**0.37**	**1.26**	**0.71**

Consolidated statement of financial position at June 30, 2013

in thousands of euros

	Notes	June 30, 2013	December 31, 2012	June 30, 2012
Non-current assets				
Investment property	**5.1**	861,000	865,400	859,800
Non-current loans and receivables	**5.2**	23,366	14,401	10,138
Total non-current assets		**884,367**	**879,802**	**869,938**
Current assets				
Trade accounts receivable	**5.3**	11,647	12,024	7,464
Other operating receivables	**5.4**	1,749	1,899	2,872
Prepaid expenses	**5.16**	1,031	41	3,121
Total receivables		**14,428**	**13,965**	**13,457**
Cash and cash equivalents	**5.5**	19,557	20,921	22,383
Total cash and cash equivalents		**19,557**	**20,921**	**22,383**
Total current assets		**33,985**	**34,886**	**35,840**
TOTAL ASSETS		**918,352**	**914,688**	**905,779**
Shareholders' equity				
Share capital		160,470	160,470	160,470
Legal reserve and additional paid-in capital		31,465	40,157	49,333
Consolidated reserves and retained earnings		292,721	275,910	266,669
Net attributable income		4,955	16,860	9,514
Total shareholders' equity	**5.10**	**489,611**	**493,397**	**485,986**
Non-current liabilities				
Non-current borrowings	**5.11**	395,218	394,690	0
Other non-current borrowings and debt	**5.13**	3,489	2,672	2,354
Total non-current liabilities		**398,707**	**397,362**	**2,354**
Current liabilities				
Current borrowings		1,776	1,776	398,523
Trade accounts payable		873	3,101	1,552
Corporate income tax liability				
Other operating liabilities	**5.14**	13,494	5,438	6,079
Prepaid revenue	**5.16**	13,891	13,614	11,287
Total current liabilities		**30,034**	**23,928**	**417,440**
Total liabilities		**428,741**	**421,290**	**419,794**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**918,352**	**914,688**	**905,779**

Consolidated statement of cash flows for the six-month period ended June 30, 2013

in thousands of euros

	June 30, 2013	Dec. 31, 2012	June 30, 2012
OPERATING ACTIVITIES			
Consolidated net income	4,955	16,860	9,514
Elimination of items related to the valuation of buildings:			
Fair value adjustments to investment property	4,322	(9,385)	(4,607)
Indemnity received from lessees for the replacement of components	0	0	0
Elimination of other income/expense items with no cash impact:			
Adjustments for loans at amortized cost	528	823	306
Cash flows from operations before tax and changes in working capital requirements	**9,805**	**8,299**	**5,213**
Change in amounts due to owners	8,692	0	0
Other changes in working capital requirements	(11,294)	(525)	269
Change in working capital requirements	**(2,602)**	**(525)**	**269**
Net cash flows from operating activities	**7,203**	**7,774**	**5,482**
INVESTING ACTIVITIES			
Acquisition of fixed assets	0	(1,815)	(993)
Disposal of fixed assets	78	0	0
Net decrease in amounts due to fixed asset suppliers	(721)	(741)	0
Net cash flows used in investing activities	**(643)**	**(2,556)**	**(993)**
FINANCING ACTIVITIES			
Change in bank debt	0	1,108	0
Refinancing transaction costs	0	(5,458)	0
Net increase in current borrowings	0	1,776	0
Net increase in other non-current borrowings and debt	817	1,247	928
Net decrease in other non-current borrowings and debt	0	0	0
Purchases and sales of treasury shares	(50)	66	3
Dividends paid	(8,692)	0	0
Net cash flows from (used in) financing activities	**(7,925)**	**(1,262)**	**931**
Change in cash and cash equivalents	**(1,364)**	**3,957**	**5,420**
Cash and cash equivalents at beginning of the period*	20,921	16,963	16,963
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**19,557**	**20,921**	**22,383**

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

Consolidated statement of changes in equity for the six-month period ended June 30, 2013

in thousands of euros

	Share capital	Legal reserve and additional paid-in capital	Treasury shares	Consolidated reserves and retained earnings	Shareholders' equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
Shareholders' equity at Dec. 31, 2011	**160,470**	**49,333**	**(634)**	**267,302**	**476,471**	**0**	**476,471**
Comprehensive income	**0**	**0**	**0**	**9,514**	**9,514**	**0**	**9,514**
- Net income for the period	*0*	*0*	*0*	*9,514*	*9,514*	*0*	*9,514*
- Other comprehensive income	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Capital transactions with owners	**0**	**0**	**2**	**0**	**2**	**0**	**2**
- Dividends paid	*0*	*0*	*0*	*0*	*0*	*0*	*0*
- Change in treasury shares held	*0*	*0*	*2*	*0*	*2*	*0*	*2*
Shareholders' equity at June 30, 2012	**160,470**	**49,333**	**(632)**	**276,815**	**485,986**	**0**	**485,986**
Comprehensive income	**0**	**0**	**0**	**7,346**	**7,346**	**0**	**7,346**
- Net income for the period	*0*	*0*	*0*	*7,346*	*7,346*	*0*	*7,346*
- Other comprehensive income	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Capital transactions with owners	**0**	**(9,176)**	**64**	**9,176**	**64**	**0**	**64**
- Appropriation of net income for the previous period	*0*	*(9,176)*	*0*	*9,176*	*0*	*0*	*0*
- Change in treasury shares held	*0*	*0*	*64*	*0*	*64*	*0*	*64*
Shareholders' equity at Dec. 31, 2012	**160,470**	**40,157**	**(568)**	**293,338**	**493,397**	**0**	**493,397**
Comprehensive income	**0**	**0**	**0**	**4,955**	**4,955**	**0**	**4,955**
- Net income for the period	*0*	*0*	*0*	*4,955*	*4,955*	*0*	*4,955*
- Other comprehensive income	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Capital transactions with owners	**0**	**(8,692)**	**(49)**	**0**	**(8,741)**	**0**	**(8,741)**
- Dividends paid	*0*	*(8,692)*	*0*	*0*	*(8,692)*	*0*	*(8,692)*
- Change in treasury shares held	*0*	*0*	*(49)*	*0*	*(49)*	*0*	*(49)*
Shareholders' equity at June 30, 2013	**160,470**	**31,465**	**(617)**	**298,293**	**489,611**	**0**	**489,611**

Notes to the consolidated financial statements

1. Background and main assumptions used to prepare the consolidated financial statements for the six-month period ended June 30, 2013

1.1. Operational context

The Group, made up of CeGeREAL SA and its subsidiary Prothin SAS, did not experience any change in its operating environment during the six-month period ended June 30, 2013.
The Company did not acquire or dispose of any real estate assets during this period.

Rental activity

During the first half of 2013, the marketing of the Arcs de Seine building continued: a lease was entered into with Sagem for a total surface area of 4,956 sq.m, starting on April 1, 2013, and an additional lease with HP for 1,432 sq.m, starting on June 1, 2013.

On April 1, 2013, Cap Gemini left the 11th floor of Europlaza building (1,296 sq.m.)

Crédit Foncier, the sole lessee of the Rives de Bercy building, renegotiated its lease in advance of its expiration. It chose to extend the length of its rental agreement by seven years, until December 2021.

1.2. Presentation of comparative financial information

The financial information presented in the IFRS consolidated financial statements for the six-month period ended June 30, 2013 includes, for the purposes of comparison:

- the IFRS consolidated financial statements for the year ended December 31, 2012; and

- the IFRS consolidated financial statements for the six-month period ended June 30, 2012.

1.3. Regulatory context

The Group's consolidated financial statements for the six-month period ended June 30, 2013 were prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) applicable to accounting periods ended June 30, 2013, as adopted by the European Union (hereafter referred to as "IFRS").

Dividend payments are decided by the General Shareholders' Meeting on the basis of CeGeREAL SA's financial statements prepared in accordance with French GAAP and not on the basis of the IFRS financial statements.

The consolidated financial statements were adopted by the Board of Directors on July 24, 2013.

2. Significant accounting policies used to prepare the consolidated financial statements for the six-month period ended June 30, 2013

2.1. Presentation of the IFRS financial statements

Accounting standards

The Group's consolidated financial statements for the six-month period ended June 30, 2013 have been prepared in accordance with international accounting standards (IAS/IFRS) and with the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Union at June 30, 2013 and applicable at that date. For the purposes of comparison, the financial statements for the year ended December 31, 2012 have also been prepared according to the same standards.

For the fiscal years presented, the standards and interpretations adopted in the European Union and applicable to the Group are similar to the standards and interpretations effective for these periods as published by the International Accounting Standards Board (IASB). The Group's financial statements are therefore prepared in accordance with IFRS standards and IFRIC interpretations, as published by the IASB.

The consolidated financial statements have been prepared using the historical cost convention, except in the case of investment property, financial instruments and assets held for sale, which are carried at fair value in accordance with IAS 40, IAS 32, IAS 39 and IFRS 5.

This interim financial report was prepared in accordance with IAS 34 'Interim Financial Reporting'.

The new published standards, amendments and interpretations effective for accounting periods beginning on or after June 30, 2013 have no impact on the Company's first-half 2013 interim consolidated financial statements.

IFRS 13 'Fair Value Measurement', adopted by the European Commission on December 11, 2012, has been subject to mandatory application since January 1, 2013. IFRS 13 explains how to measure fair value but does not change the conditions of application of fair value, and is applied on a prospective basis.
The opening balance sheet position must provide comparable information. IFRS 13 categorizes the inputs taken into account to measure fair value through three different levels of the fair value hierarchy, depending on whether it concerns unadjusted quoted prices that the entity can access at the measurement date in active markets for identical assets or liabilities, inputs that are observable for the asset or liability, either directly or indirectly, or unobservable inputs.
The methods used by external valuers to define the fair value of the real estate assets held at June 30, 2013 are presented in Note 2.4. These assets are measured using inputs that are not directly observable. Previous valuations were carried out using the same methods.

IAS 19 (revised) 'Employee Benefits' has been applicable since January 1, 2013 on a retrospective basis (as of January 1, 2012). The revision of this standard did not have a significant impact on the Group's financial statements.

The amendment to IAS 1 'Presentation of Financial Statements', aimed at complimenting the financial information relating to the statement of comprehensive net income and gains and losses recognized directly in equity, is subject to mandatory application for fiscal years beginning on or after July 1, 2012. In accordance with this amendment, items in "Other comprehensive income" in the statement of comprehensive income may be grouped into sub-totals depending on whether or not they are subsequently reclassified.

The Group has elected not to early adopt any IFRS standards or IFRIC interpretations adopted by the European Union but only effective for subsequent accounting periods and which would have an impact on the Group's financial statements.

Basis of consolidation

The consolidated financial statements include all entities controlled or jointly controlled by the Group, or over which it exercises significant influence. In determining its ownership interest, the Group considers any potential voting rights giving access to additional voting rights, provided that these rights are currently exercisable or convertible.

Full consolidation
All entities controlled by the Group are fully consolidated. Control is presumed to exist when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

At June 30, 2013, no entities were jointly controlled or significantly influenced by the Group.

Scope of consolidation

At June 30, 2013, the scope of consolidation included the following entities:

	Siren no.	% control	% interest	Consolidation method	Period taken into account
CeGeREAL SA	422 800 029	100%	100%	Full consolidation	January 1 to June 30, 2013
Prothin SAS	533 212 445	100%	100%	Full consolidation	January 1 to June 30, 2013

All entities included in the scope of consolidation close their accounts on December 31.

Consolidation adjustments and eliminations

Business combinations are accounted for in accordance with IFRS 3. The cost of a business combination reflects the acquisition-date fair value of the assets acquired, liabilities assumed or incurred and equity instruments issued in exchange for the acquiree.

On the first-time consolidation of a company, the impact of consolidation, representing the difference between the acquisition cost of the shares and their share in the fair value of the assets and liabilities transferred, is recorded as:

- a fair value adjustment relating to certain identifiable assets and liabilities, amortized using the same rules as the assets and liabilities to which it relates;
- goodwill (where appropriate), recorded within assets on the consolidated statement of financial position in the case of a positive balance and tested for impairment each year, or within the statement of comprehensive income in the case of a negative balance.

No fair value adjustments or goodwill were recognized on the first-time consolidation of Prothin SAS as the company was created by CeGeREAL SA on June 22, 2011.

2.2. Segment reporting

Within the framework of IFRS 8, the Group has not identified different operating segments insofar as its assets solely comprise commercial real estate located in the Paris area.

IFRS 8 states that operating segments may be aggregated if they are similar in each of the following respects:
- the nature of the products and services;
- the nature of the production processes;
- the type or class of customer for their products and services;
- the methods used to distribute their products or provide their services;
- if applicable, the nature of the regulatory environment, for example, banking, insurance or public utilities.

Consequently, the Group did not have significant additional disclosure requirements as a result of applying IFRS 8.

2.3. Investment property

Property held under long-term operating leases to earn rentals or for capital appreciation or both, and not occupied by the Group, is classified as investment property. Investment property includes owned land and buildings.

Investment property is initially measured at cost, including transaction costs. After initial recognition, investment property is remeasured at fair value. As a result, no depreciation or impairment is recognized on investment property. Fair value is measured net of registration tax by an external real estate valuer at the end of each reporting period. The methodology used by the real estate valuer is described below (see Note 2.4).

Subsequent expenditure may only be allocated to the assets' carrying amount when it is probable that the future economic benefits associated with the property will flow to the Group, and the cost of the property can be measured reliably. All other repair and maintenance costs are recognized in the statement of comprehensive income during the period in which they are incurred. Changes in fair value of investment property are recognized in the statement of comprehensive income.

2.4. Estimates of the fair value of investment property

- ***Estimates and assumptions***

The fair value of property is measured by an external real estate valuer in accordance with the benchmark treatment in IAS 40.

In accordance with the recommendations of the Committee of European Securities Regulators (CESR) of July 2009, the Group appointed the real estate valuation firm DTZ Eurexi to appraise three commercial properties.

It is common practice to change real estate valuers every three years in order to obtain a new analysis of an asset's qualities and market value. During the first half of 2013, the Company commissioned DTZ Eurexi (who replaced BNP Paribas Real Estate Expertise as its real estate valuer) to assess the value of three investment properties.

When preparing the financial statements, management and the external real estate valuer are required to use certain estimates and assumptions that are likely to affect the amounts of assets, liabilities, income and expenses reported in the financial statements and in the accompanying notes. The Group and the real estate valuer are required to review these estimates and appraisals on an ongoing basis in light of past experience and other factors deemed of material importance with regard to economic conditions. The amounts reported in future financial statements may differ from these estimates as a result of changes in assumptions or circumstances.

The values of investment property measured by the real estate valuers represent the best estimates at June 30, 2013, based on recent market observations and valuation methods commonly used within the profession. These estimates are not intended to anticipate any market changes.

- ***Valuation methods***

The valuer calculated the fair value of the real estate assets in accordance with the professional standards set out in the French Real Estate Valuation Charter.
The market value of the property is measured using its estimated rental value and the Discounted Cash Flow (DCF) and capitalization methods.

Estimated rental value

The rental value is determined by comparing the rental value per square meter of the most recent transactions involving properties of similar type and location, in order to determine a market value per square meter for the different types of premises (offices, staff cafeterias, car parks, etc.). This rental value is subject to a reversion rate to take account of the specific features of the real estate assets.

Market value

The results of applying two traditional methods (the DCF method and the capitalization method) are combined to estimate the market value.

A discount is applied to the gross value to take account of transfer duties and registration costs, which are estimated at the rate of 6.20%.

DCF method

This method consists of discounting the annual cash flows generated by the asset, including the assumed resale at the end of a defined ownership period. Cash flows are defined as the total amount of all of the asset's revenues, net of expenses not rebillable to lessees.

Capitalization approach

This method consists of capitalizing the annual income generated by an asset with a capitalization rate defined by reference to the market. The rate used reflects the quality of the financial covenants as well as the long-term risks related to the property.

2.5. Financial instruments – classification and measurement of non-derivative financial assets and liabilities

Financial assets and liabilities are recognized and measured in accordance with IAS 39.

- ***Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- those that the entity intends to sell immediately or in the near term, which shall be classified as held for trading, and those that the entity upon initial recognition designates as at fair value through profit or loss;

- those that the entity upon initial recognition designates as available for sale;

- those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration, which shall be classified as available for sale.

- ***Trade accounts receivable***

Trade accounts receivable consist of accrued amounts receivable from lessees. They are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method, less any provisions for impairment. A provision for impairment of trade accounts receivable is set aside when there is objective evidence that certain amounts are no longer recoverable. The amount of this provision corresponds to the difference between the carrying amount of the asset and the present value of future cash flows estimated using the effective interest method. Impairment provisions are recorded in the statement of comprehensive income.

Rent is usually billed in advance. As a result, trade accounts receivable consist of rent billed in respect of the following period.

This timing difference between the billing date and the end of the reporting period is eliminated by recognizing rent billed for future periods and not yet due under “Prepaid revenue”.

- ***Non-derivative financial liabilities***

After initial recognition, non-derivative financial liabilities are measured at amortized cost using the effective interest method.

2.6. Share capital

Ordinary shares are classified in shareholders' equity. Incremental costs directly attributable to new share issues are shown in shareholders' equity as a deduction, net of tax, from additional paid-in capital.

2.7. Treasury shares

On August 29, 2006, CeGeREAL entered into a liquidity agreement with Exane BNP Paribas. This agreement complies with the standard-type contract of the French Association of Investment Firms (*Association Française des Entreprises d'Investissement* – AFEI) and the AFEI code of ethics of March 14, 2005 which was approved by the AMF on March 22, 2005.

Under the terms of this agreement, Exane BNP Paribas may buy and sell CeGeREAL SA shares on behalf of CeGeREAL SA within the limits imposed by law and the authorizations granted by the Board of Directors.

On September 20, 2010, CeGeREAL SA entered into a second liquidity agreement with Exane BNP Paribas for an amount of EUR 200k invested in CeGeREAL SA shares.

Within the scope of these liquidity agreements, the Company owned 27,767 treasury shares (representing less than 0.21% of its total issued shares) for a total amount of EUR 637k at June 30, 2013.

In accordance with IAS 32, these treasury shares are shown as a deduction from consolidated equity based on their acquisition cost (net of directly attributable transaction costs) or their initial carrying amount in the consolidated statement of financial position. Any capital gains or losses arising on the disposal of these shares are eliminated in the statement of comprehensive income and recognized against consolidated equity.

Cash allocated to the liquidity agreement and not invested in CeGeREAL SA shares at the end of the reporting period is stated in "Other operating receivables".

2.8. Election for tax treatment as an SIIC

CeGeREAL SA has elected for the preferential tax treatment granted to listed real estate investment companies (*Sociétés d'Investissement Immobilières Cotées* – SIICs) in accordance with Article 208 C of the French Tax Code (*Code général des impôts*). This election took effect on April 1, 2006. Prothin SAS also benefits from this preferential tax treatment.

Owing to this tax treatment, no corporate income tax is payable directly or indirectly through income from subsidiaries in respect of the real estate leasing business and no deferred taxes were recognized at June 30, 2013. Similarly, no tax was payable on capital gains arising on disposals of real estate or equity interests in subsidiaries eligible for the same tax treatment.

Terms and conditions and impact of tax treatment as an SIIC

a) When a company elects for SIIC status, the ensuing change in tax treatment has a similar impact to that of a discontinuance of business (taxation of unrealized capital gains, income which is subject to tax deferral and as yet untaxed operating income).

b) SIICs that have elected for preferential tax treatment are exempted from paying corporate income tax on the portion of their income resulting from:

- the lease of buildings, provided that 85% of this income is distributed before the end of the fiscal year following the year in which the income is generated;

- capital gains generated on the sale of buildings, shareholdings in partnerships falling within the scope of Article 8 of the French Tax Code and having the same purpose as that of the SIIC, or shareholdings in subsidiaries having elected for preferential tax treatment, provided that 50% of these capital gains are distributed by the end of the second fiscal year following the year in which they were generated;

- dividends received from subsidiaries having elected for preferential tax treatment and resulting from exempt income or from capital gains provided that they are redistributed in full during the fiscal year following the year in which they were received.

  In the event that CeGeREAL SA opts out of the SIIC regime in the ten years following election, it will be subject to corporate income tax at the standard rate on the revaluation gains determined upon election for the SIIC regime, less exit tax already paid at the reduced 16.5% rate.

c) The Amending French Finance Act for 2006 stipulates that companies may not benefit from preferential tax treatment as an SIIC if 60% or more of their capital or voting rights are held by one or several persons acting in concert within the meaning of Article L.233-10 of the French Commercial Code (*Code de commerce*).

d) The Amending French Finance Act for 2006 also introduced a 20% withholding tax to be paid by SIICs on dividends distributed to shareholders, other than natural persons, that hold at least 10% of dividend entitlements in said SIICs, and that are not liable for corporate income tax or another equivalent tax on the dividends received. However, the withholding tax is not payable in the event the beneficiary is a company that has an obligation to distribute all dividends it receives.

2.9. Employee benefits

IAS 19 requires entities to recognize as expenses all current or future benefits or compensation granted by an entity to its employees or to third parties over the period during which the rights to such benefits or compensation vest.

The Group only has three employees and therefore considers that its employee benefit commitments in respect of defined benefit plans are not material. Consequently, the amount of its employee benefit commitments was not assessed at June 30, 2013.

2.10. Bank borrowings

On initial recognition, bank borrowings are measured at the fair value of the consideration received, less directly attributable transaction costs.

They are subsequently measured at amortized cost using the effective interest method. The long-term portion (due more than 12 months after the end of the reporting period) is classified in non-current borrowings and debt, while the short-term portion (due in less than 12 months) is classified in current borrowings and debt.

2.11. Rental income

The Group leases out its real estate under operating leases. Assets leased under operating leases are recognized in the consolidated statement of financial position within investment property.

Rental income is recognized over the lease term.

In accordance with IAS 17 and interpretation SIC 15, the financial impact of all of the provisions in the lease agreement is recognized on a straight-line basis over the shorter of the lease term or the period up to the date on which the lessee may terminate the lease without incurring any material financial consequences. Therefore, in order to accurately reflect the economic benefits of the lease, rent-free periods, rent discounts and lease premiums paid to lessees are recognized over the firm term of the lease.

Termination indemnities are recognized in "Income from other services" in operating income.

2.12. Rental expenses and rebilling of expenses to lessees

Rental expenses incurred by the lessor on behalf of lessees and expenses chargeable to the lessees under the terms of the lease are recorded in the statement of comprehensive income under “Other purchases and external charges” or “Taxes, duties and other levies”.

The rebilling of rental expenses and expenses chargeable to lessees under the terms of the lease are recorded in the statement of comprehensive income under “Income from other services”.

The portion of rental expenses concerning vacant premises is recorded directly in the statement of comprehensive income.

2.13. Discounting of deferred payments

Long-term payables and receivables are discounted when they have a material impact.

- Security deposits received from lessees are not discounted because they are indexed annually based on an index used for annual rent reviews;

- There are no provisions for material liabilities, as defined in IAS 37.

2.14. Earnings per share

Earnings per share is a key indicator used by the Group, and is calculated by dividing net attributable income by the weighted average number of shares outstanding during the period. As CeGeREAL SA has no dilutive instruments, basic and diluted earnings per share are the same.

2.15. Presentation of the financial statements

Assets and liabilities maturing within 12 months of the reporting date are classified as current assets and liabilities in the consolidated statement of financial position. All other assets and liabilities are treated as non-current.

Expenses in the statement of comprehensive income are shown according to their nature.

In the statement of cash flows, net operating cash flows are calculated using the indirect method, whereby the net amount is based on net income adjusted for non-cash transactions, items of income or expense associated with investing or financing cash flows and changes in working capital requirements.

3. Critical accounting estimates and judgments

To prepare the consolidated financial statements, the Group uses estimates and judgments which are updated on a regular basis and are based on past information and other factors, in particular assumptions of future events deemed reasonable in view of the circumstances.

Estimates that could lead to a significant adjustment in the carrying amount of assets and liabilities in the subsequent period mainly concern the determination of the fair value of the Group's real estate assets, which is measured on the basis of valuations carried out by an external real estate valuer using the methodology described in Note 2.4.

Financial market instability has led to a significant decrease in the number of representative transactions. Transactions which take place in this context may not reflect the estimates of external real estate valuers.

As these valuations are only estimates, there may be a significant difference between the amount obtained upon the sale of certain real estate assets and their estimated value, even when they are sold in the months following the end of the reporting period.

In this context, valuations of the Group's real estate assets by the external real estate valuer could vary significantly according to changes in the rate of return, based on observations of the real estate market.

in millions of euros

			Changes in potential rate of return								
Building	Market rental value	Potential rate of return	0.500%	0.375%	0.250%	0.125%	0.000%	(0.125)%	(0.250)%	(0.375)%	(0.500)%
Europlaza	28.0	6.97%	354.6	360.6	366.8	373.3	380.0	386.9	394.1	401.6	409.4
Rives de Bercy	21.4	6.50%	288.8	294.0	299.5	305.1	311.0	317.1	323.4	330.1	336.9
Arcs de Seine	11.8	6.54%	157.9	160.8	163.7	166.8	170.0	173.3	176.8	180.3	184.1
Total	**61.2**	**6.72%**	**801.3**	**815.4**	**830.1**	**845.2**	**861.0**	**877.4**	**894.3**	**912.0**	**930.4**
		Impact on portfolio value:	**(6.94)%**	**(5.29)%**	**(3.59)%**	**(1.83)%**	**0.00%**	**1.90%**	**3.87%**	**5.92%**	**8.06%**

Source: DTZ Eurexi

These data are linked to the market and could therefore change significantly in the current climate. This could have a significant positive or negative impact on the fair value of the Group's real estate assets.

4. Management of financial risks

4.1. Risk related to refinancing

The Group has a single bank loan which it took out with a pool of four banks comprising Aareal Bank AG, Deutsche Pfandbriefbank AG, Bayerische Landesbank and Landesbank Berlin AG. The loan is repayable at maturity on August 16, 2017.

4.2. Risk related to the valuation of real estate assets

The Group's real estate portfolio is valued by an external real estate valuer. The value of the portfolio depends on the ratio of supply to demand in the property market, a large number of substantially varying factors, and changes in the economic environment.
All of the Group's real estate assets are office buildings with a large surface area (above 30,000 sq.m) located in the inner suburbs of Paris. A fall in demand for this type of building could adversely affect the Group's earnings, business activities and financial position.

The current crisis has given rise to sharp volatility in real estate prices and values. Consequently, the price obtained if the assets are disposed of in the short term may not be in line with the valuation.

4.3. Risk related to changes in market rent levels for office premises

Market rent levels for office premises and the value of office buildings are strongly influenced by the ratio of supply to demand in the property market. A situation where supply outweighs demand is likely to adversely affect the Group's earnings, business activities, assets and liabilities, and financial position.

4.4. Risk related to the regulatory framework applicable to leases

Certain legal provisions applicable to commercial leases, such as public policy regulations governing lease terms and the indexing of rent, can restrict the capacity of property owners to increase rents. In the event of a change in the regulatory framework or the index used, the Group may be exposed to such risks.

4.5. Counterparty risk

Group procedures ensure that lease agreements are only entered into with lessees of suitable credit standing. The Group has developed policies that limit its exposure to credit risk.

At June 30, 2013, the Group was dependent on two lessees who collectively represented approximately 54% of total rental income during the first half of 2013 and individually more than 10%. Although the Group's real estate assets could be – and are – leased to many different lessees, financial difficulties experienced by one of these lessees, a request for more favorable lease terms upon renewal or a decision to terminate their lease, could adversely impact the Group's financial position, earnings and future performance.

4.6. Liquidity risk

Prudent liquidity risk management involves maintaining sufficient liquidity and short-term investment securities, being able to raise funds based on suitably adapted lines of credit and the ability to unwind market positions.

The Group receives financing in the form of a single bank loan taken out with a pool of four banks.

Notes 5.11 and 5.24 contain a description of the different credit facilities and the early repayment clauses contained in the loan agreements. At June 30, 2013, the Group complied with all financial covenants.

4.7. Interest rate risk

At June 30, 2013, the Group's financing consisted of a fixed-rate loan for EUR 400,000k maturing in August 2017. The interest rate is 3.40% when the occupancy rate is below 90% (as is the case at June 30, 2013) and 3.15% when the occupancy rate exceeds this threshold.

5. Notes to the consolidated statement of financial position at June 30, 2013 and to the consolidated statement of comprehensive income for the period then ended

5.1. Investment property

- ***Carrying amount of investment property***

Changes in the carrying amount of investment property can be broken down by building as follows:

in thousands of euros

	Rives de Bercy	Europlaza	Arcs de Seine	Total
Dec. 31, 2011	**168,700**	**385,500**	**300,000**	**854,200**
Indemnity received	0	0	0	0
Subsequent expenditure	0	0	993	993
Disposals	0	0	0	0
Change in fair value	(200)	800	4,007	4,607
June 30, 2012	**168,500**	**386,300**	**305,000**	**859,800**
Indemnity received	0	0	0	0
Subsequent expenditure	0	0	822	822
Disposals	0	0	0	0
Change in fair value	(100)	700	4,178	4,778
Dec. 31, 2012	**168,400**	**387,000**	**310,000**	**865,400**
Indemnity received	0	0	0	0
Subsequent expenditure	0	0	0	0
Disposals	0	0	(78)	(78)
Change in fair value	1,600	(7,000)	1,078	(4,322)
June 30, 2013	**170,000**	**380,000**	**311,000**	**861,000**

- ***Main fair value assumptions***

The real estate valuer's estimation of the fair value of the buildings at June 30, 2013 is indicated below, along with the supporting information:

Building	Estimated value at June 30, 2013 (net of taxes)		Rate of return	Gross leasable area[1] at June 30, 2013		Annual rent (net of taxes)[2]	
	in millions of euros	*%*	*%*	*sq.m.*	*%*	*in thousands of euros*	*%*
Europlaza (1999[3])	380	44	6.2	49,321	39	23,638	42
Arcs de Seine (2000[3])	311	36	6.0	45,152	36	21,563	38
Rives de Bercy (2003[3])	170	20	6.2	31,942	25	10,883	19
Total	**861**	**100**		**126,415**	**100**	**56,084**	**100**

[1] The gross leasable area includes the surface area of the offices, storage areas and a share of common areas.

[2] Annual rent includes rent billed to lessees for space occupied at June 30, 2013 and market rent, as estimated by valuers, in relation to vacant premises (EUR 2,604k for Europlaza and €4,203k for Arcs de Seine).

[3] Year of construction or restoration.

5.2. Loans and receivables

This item can be broken down as follows:

in thousands of euros

	June 30, 2013	Dec. 31, 2012	June 30, 2012
Benefits granted to lessees (non-current portion)	23,366	14,401	10,138
Non-current loans and receivables	**23,366**	**14,401**	**10,138**

"Benefits granted to lessees" offsets the amounts recorded in the consolidated statement of comprehensive income relating to the portion of benefits granted to lessees deferred for more than one year.

5.3. Trade accounts receivable

This item can be broken down as follows:

in thousands of euros

	June 30, 2013	Dec. 31, 2012	June 30, 2012
Trade accounts receivable	11,666	12,043	7,482
Provision for impairment of trade accounts receivable	(19)	(19)	(19)
Trade accounts receivable, net	**11,647**	**12,024**	**7,464**

5.4. Other operating receivables

This item can be broken down as follows:

in thousands of euros

	June 30, 2013	Dec. 31, 2012	June 30, 2012
Rental expenses	0	1,222	1,042
Benefits granted to lessees (current portion)	1,262	0	1,299
Input VAT	110	500	352
Supplier accounts in debit and other receivables	289	40	105
Liquidity account/treasury shares	88	138	73
Other operating receivables	**1,749**	**1,899**	**2,872**

"Benefits granted to lessees" corresponds to the current portion of these benefits.

5.5. Cash and cash equivalents

"Cash and cash equivalents" comprises either bank account balances or risk-free bank deposits that may be considered as cash equivalents.

This item is made up of checking account balances amounting to EUR 19,557k.

5.6. Ageing analysis of receivables

The ageing analysis of receivables at June 30, 2013 is as follows:

in thousands of euros

	Receivables (net of impairment) June 30, 2013	Receivables not yet due (net of impairment)	Receivables past due (net of impairment)	Receivables less than 6 months past due	Receivables more than 6 months and less than 1 year past	Receivables more than 1 year past due
Non-current receivables						
Non-current loans and receivables	23,366	23,366	0	0	0	0
Total non-current receivables	**23,366**	**23,366**	**0**	**0**	**0**	**0**
Current receivables						
Trade accounts receivable*	11,647	10,889	758	735	3	21
Other operating receivables	1,749	1,749	0	0	0	0
Prepaid expenses	1,031	1,031	0	0	0	0
Total current receivables	**14,428**	**13,670**	**758**	**735**	**3**	**21**
Total receivables	**37,794**	**37,037**	**758**	**735**	**3**	**21**

* The amount of trade accounts receivable pledged as collateral for loans and borrowings amounts to EUR 11,647k and is detailed in Note 5.24.

The ageing analysis of receivables at December 31, 2012 is as follows:

in thousands of euros

	Receivables (net of impairment) Dec. 31, 2012	Receivables not yet due (net of impairment)	Receivables past due (net of impairment)	Receivables less than 6 months past due	Receivables more than 6 months and less than 1 year past due	Receivables more than 1 year past due
Non-current receivables						
Non-current loans and receivables	14,401	14,401	0	0	0	0
Total non-current receivables	**14,401**	**14,401**	**0**	**0**	**0**	**0**
Current receivables						
Trade accounts receivable	12,024	10,032	1,992	1,986	0	6
Other operating receivables	1,899	1,899	0	0	0	0
Prepaid expenses	41	41	0	0	0	0
Total current receivables	**13,964**	**11,972**	**1,992**	**1,986**	**0**	**6**
Total receivables	**28,366**	**26,373**	**1,992**	**1,986**	**0**	**6**

5.7.Fair value of financial assets

The fair value of financial assets, which primarily comprise receivables, corresponds to their carrying amount.

5.8. Financial assets and liabilities

The table below presents a summary of financial assets and liabilities:

in thousands of euros

Summary of financial assets and liabilities	June 30, 2013	Dec. 31, 2012	June 30, 2012
Financial assets at fair value through profit or loss	0	0	0
Held-to-maturity investments	0	0	0
Loans and receivables			
Non-current loans and receivables	23,366	14,401	10,138
Current receivables	13,396	13,924	10,336
Available-for-sale financial assets	0	0	0
Cash and cash equivalents	19,557	20,921	22,383
Total financial assets	**56,319**	**49,247**	**42,858**
Financial liabilities at fair value through profit or loss	0	0	0
Financial liabilities measured at amortized cost			
Non-current liabilities	398,707	397,362	2,354
Current liabilities	16,143	10,315	406,153
Total financial liabilities	**414,850**	**407,677**	**408,507**

5.9. Changes in impairment of financial assets

Changes in impairment of financial assets can be analyzed as follows:

in thousands of euros

	Dec. 31, 2012	Additions	Reversals	June 30, 2013
Impairment				
On trade accounts receivable	19	0	0	19
Total impairment	**19**	**0**	**0**	**19**

5.10. Consolidated equity

Composition of and changes in shareholders' equity

	Number of shares	Nominal value of shares *in euros*	Share capital *in thousands of euros*	Legal reserve and additional paid-in capital *in thousands of euros*	Consolidated reserves and retained earnings *in thousands of euros*
Shareholders' equity at Dec. 31, 2012	**13,372,500**	**12**	**160,470**	**40,157**	**292,770**
Dividends paid	0	0	0	(8,692)	0
Net income for the period	0	0	0	0	4,955
Change in treasury shares held	0	0	0	0	(49)
Shareholders' equity at June 30, 2013	**13,372,500**	**12**	**160,470**	**31,465**	**297,676**

Consolidated reserves comprise CeGeREAL SA reserves for EUR (34,666k), IFRS adjustments (non-distributable items) of EUR 179,999k and the revaluation reserve in the amount of EUR 152,342k.

Treasury shares

in euros

	Amount at June 30, 2013	Amount at Dec. 31, 2012	Amount at June 30, 12
Acquisition cost	637,304	425,372	514,494
Number of treasury shares at reporting date	27,767	25,649	29,389

5.11. Non-current borrowings

On July 26, 2012, the Group took out a bank loan repayable at maturity on August 16, 2017. The loan was drawn on November 15, 2012 with a pool of four banks comprising Aareal Bank AG, Deutsche Pfandbriefbank AG, Bayerische Landesbank and Landesbank Berlin AG. The interest rate is 3.40% when the occupancy rate is below 90% (as is the case at June 30, 2013) and 3.15% when the occupancy rate exceeds this threshold.

At June 30, 2013, the bank loan, measured at the amortized cost of the consideration received less directly attributable transaction costs amounted to EUR 395,218k.

The gross interest expense totals EUR 6,838k for first-half 2013.

Guarantees granted in respect of the loans are recorded as off-balance sheet commitments (see Note 5.24).
Loan repayment dates are subject to compliance with the covenants or contractual clauses set out in Note 5.24. If the Group fails to comply with these ratios, it could be required to make a partial repayment of the loan in advance. At June 30, 2013, the Group complied with both of the ratios concerned (interest coverage, or ICR, and loan-to-value, or LTV), as described in Note 5.24.

5.12. Fair value of financial liabilities

The fair value of the bank loan at June 30, 2013 can be analyzed as follows:

in thousands of euros

	June 30, 2013		December 31, 2012		June 30, 2012	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Bank loan	395,218	396,562	394,690	402,899	398,523	403,727
Total	**395,218**	**396,562**	**394,690**	**402,899**	**398,523**	**403,727**

There was no difference between the carrying amounts and fair values of other financial instruments.

5.13. Other non-current borrowings and debt

This caption mainly consists of security deposits paid by lessees, which are recorded as non-current borrowings and debt based on the assumption that lessees will seek to renew their leases if they expire within the next 12 months.

5.14. Other operating liabilities

These can be broken down as follows:

in thousands of euros

	June 30, 2013	Dec. 31, 2012	June 30, 2012
Personnel	45	0	39
Accrued VAT, other taxes and social security charges	3,318	2,081	3,197
Accrued rental expenses rebilled to lessees	764	1,917	984
Advance payments by lessees - Miscellaneous	105	148	131
Shareholders	8,692	0	0
Other operating liabilities	**12,924**	**4,146**	**4,351**
Amounts due to fixed asset suppliers	570	1,291	1,728
Amounts due to fixed asset suppliers	**570**	**1,291**	**1,728**
Other liabilities	**13,494**	**5,438**	**6,079**

"Accrued rental expenses rebilled to lessees" includes an amount of EUR 764k corresponding to the balance of lessees' contributions to the financing of large items of shared equipment.

5.15. Maturity schedule for liabilities with undiscounted contractual values

The maturity schedule for liabilities with undiscounted contractual values is as follows:

in thousands of euros

	Carrying amount at June 30, 2013	Undiscounted contractual value	Undiscounted contractual value		Due in more than 5 years
			Due in 1 year or less	Due in more than 1 year but less than 5 years	
Non-current liabilities					
Non-current borrowings	395,218	400,000	0	400,000	0
Other non-current borrowings and debt	3,489	3,489	0	0	3,489
Non-current corporate income tax liability	0	0	0	0	0
Total non-current liabilities	**398,707**	**3,489**	**0**	**0**	**3,489**
Current liabilities					
Current borrowings	1,776	1,776	1,776	0	0
Other current borrowings and debt	0	0	0	0	0
Trade accounts payable	873	873	873	0	0
Corporate income tax liability	0	0	0	0	0
Other operating liabilities	13,494	13,494	13,494	0	0
Total current liabilities	**16,142**	**16,142**	**16,142**	**0**	**0**

Other non-current borrowings and debt corresponds to security deposits paid by lessees. Their maturity date is more than five years because it is the Group's policy to extend leases when they expire.

5.16. Prepaid expenses and revenue

At June 30, 2012, prepaid expenses consisted mainly of interest paid on the bank loan for the third quarter of 2012.
Interest on the new loan, taken out on November 15, 2012, is payable at its maturity.
At June 30 2013, prepaid expenses consisted mainly of 2013 building tax paid in February.

Prepaid revenue at June 30, 2013 consists of rents billed in advance for the third quarter of 2013

5.17. Rental income

Including the impact of rent-free periods granted, rental income can be broken down by building as follows:

in thousands of euros

	6 months ended June 30, 2013	12 months ended Dec. 31, 2012	6 months ended June 30, 2012
Europlaza	11,368	22,725	11,323
Arcs de Seine	5,488	4,691	1,356
Rives de Bercy	4,853	11,217	5,589
Total rental income	**21,709**	**38,633**	**18,268**

5.18. Income from other services

Income from other services can be analyzed as follows:

in thousands of euros

	6 months ended June 30, 2013	12 months ended Dec. 31, 2012	6 months ended June 30, 2012
Rental expenses rebilled to lessees	2,928	5,082	2,415
Real estate taxes rebilled to lessees	2,068	3,589	1,696
Other amounts rebilled to lessees and miscellaneous income	343	102	10
Income from other services	**5,339**	**8,773**	**4,121**

5.19. Building-related costs

These can be broken down as follows:

in thousands of euros

	6 months ended June 30, 2013	12 months ended Dec. 31, 2012	6 months ended June 30, 2012
Rental expenses	2,582	4,924	1,708
Taxes	2,419	4,697	2,340
Fees	1,964	4,052	1,988
Maintenance costs	873	431	372
Expenses on vacant premises	1,034	2,187	1,241
Other expenses	30	90	50
Building-related costs	**8,903**	**16,382**	**7,698**

Fees mainly comprise asset management fees with Commerz Real Investmentgesellschaft, which amounted to EUR 1,494k at June 30, 2013 and EUR 3,029k at December 31, 2012. These fees are based on the estimated value of the buildings owned.

Expenses on vacant premises relate to the Europlaza and Arcs de Seine buildings.

Rental expenses totaled EUR 6,035k of which EUR 4,996k were rebilled.

5.20. Administrative costs

Administrative costs mainly comprise professional fees and also include payroll expenses for EUR 356k.

5.21. Financial income and expenses

Financial income and expenses can be broken down as follows:

in thousands of euros

	6 months ended June 30, 2013	12 months ended Dec. 31, 2012	6 months ended June 30, 2012
Financial income	0	113	38
Financial expenses	(7,416)	(20,816)	(8,369)
Interest on bank borrowings	*(7,416)*	*(16,917)*	*(8,369)*
Breakage costs on previous loan	*0*	*(3,899)*	*0*
Financial income and expenses	**(7,416)**	**(20,704)**	**(8,331)**

5.22. Corporate income tax and tax proof

All consolidated entities contributing to consolidated income fall under the SIIC tax regime for listed real estate investment companies and are therefore not liable for corporate income tax.

5.23. Earnings per share

Earnings per share is calculated by dividing net income attributable to owners of CeGeREAL SA by the number of ordinary shares net of treasury shares at June 30, 2013, i.e., 27,767. Earnings per share data are provided below the statement of comprehensive income.

As CeGeREAL SA has no dilutive instruments, basic and diluted earnings per share are the same.

5.24. Off-balance sheet commitments and security provided

All material commitments are listed below. The Group had not entered into any complex commitments at the end of the reporting period.

Commitments given

Under the terms of the credit agreement, the main commitments given by the Group are as follows:

- registration of contractual mortgages on all of the Group's existing real estate assets;
- assignment of rent receivables under the Dailly Law mechanism on all of the Group's existing real estate assets;
- to ensure that the interest coverage ratio (ICR) (available income/[projected interest + agency fees]) remains above 150%. Non-compliance with this ratio (calculated quarterly on each interest payment date) results in an obligation to repay the outstanding loan in the amount required for the ratio to be complied with;
- to ensure that the loan-to-value ratio (LTV) (outstanding loan/market value of real estate assets) remains below 70%. Non-compliance with this ratio (calculated quarterly on each publication of the valuation reports) results in an obligation to repay the outstanding loan in the amount required for the ratio to be complied with;
- to provide the agency with accounting and financial documents, valuation reports, financial ratio calculations and other information relating to the buildings described in the credit agreement;
- to allow the agency to carry out audits and visits as set out in the credit agreement;
- to take out insurance as set out in the credit agreement;
- not to take out any other loans;
- not to grant any loans apart from those set out in the credit agreement;
- not to grant liens on these assets, rights or income other than security interests;
- not to acquire any new real estate assets (excluding financing using equity) or interests;
- to distribute dividends to the sole shareholder under the conditions set out in the credit agreement;
- to only acquire investments set out in the credit agreement for cash flow needs;
- in the event that the Group no longer benefits from the SIIC regime, to show that the Group has sufficient equity to pay all the taxes and indemnities for which it may be liable and that the fact of no longer benefiting from the regime will not lead to an effective payment of corporate income tax during the term of the loan resulting in a materially unfavorable event;
- repaying the loan in advance, which would give rise to breakage costs and an early repayment indemnity.

Following the partial asset transfer, CeGeREAL SA has undertaken to keep all Prothin SAS shares for a period of three years. In the same way, Prothin SAS has undertaken to keep the contribution premium (EUR 196,911k) under shareholders' equity for the same period, unless this restriction is waived in the event that the company has surplus cash.

Commitments received

Security deposits received from lessees amounted to EUR 14,645k at June 30, 2013.

A new lease was entered into with Sonepar on June 28, 2013 for a total surface area of 1,432 sq.m. Sonepar will enter the premises on January 1, 2014, though the premises will be made available to them from September 1, 2013.

Description of the main provisions and resulting commitments of the Group's operating leases:

All of CeGeREAL's business assets are located in France and are subject to the provisions of French law. The Group's business activities are governed by Articles L.145-1 to L.145-60 of the French Commercial Code. The lease term may not be less than nine years and only the lessee has the option of terminating the lease at the end of each three-year period following inception of the lease, subject to six months' notice. However, the parties may agree to contractually waive the option to terminate the lease at the end of each three-year period.

Rents are generally payable quarterly in advance and are indexed to changes in the INSEE (*Institut National de la Statistique et des Etudes Economiques*) building costs index. The lease may provide for a step-up arrangement or for constant rental payments, and it may include rent-free periods or temporary rent freezes, but in any event, the terms and conditions are fixed at the inception of the lease for the entire lease term. Charges, including real property tax and tax on office premises, are generally borne by the lessee unless otherwise stipulated in the lease.

Minimum guaranteed rental income from current operating leases:

At June 30, 2013, the minimum annual rental income (excluding VAT and rebilling of taxes and expenses) due to the Group through to the earliest possible termination dates of the different operating leases were as follows:

in thousands of euros

	Minimum annual rental income		
	June 30, 2013	Dec. 31, 2012	June 30, 2012
Second-half 2013	19,651		
2014	37,300	42,286	37,272
2015	37,519	28,651	23,622
2016	31,603	17,919	16,540
2017	28,525	13,721	13,572
2018	22,724	6,653	7,347
2019	20,319	4,701	5,010
2020	19,085	4,701	4,701
2021	17,294	3,516	3,516
2022	303		

These rents represent amounts to be invoiced, excluding the impact of the staggering of rent-free periods granted with respect to earlier periods.

5.25. Transactions with related parties

- ***Transactions with related companies***

The hausInvest property fund, CeGeREAL's majority shareholder, is managed by Commerz Real. Consequently, transactions with Commerz Real and other companies within the same group, in particular Eurohypo AG (renamed Hypothekenbank Frankfurt AG on October 9, 2012), are identified as related-party transactions.

The main transactions with related parties comprise the credit agreement entered into with Eurohypo AG (which was repaid in advance on November 15, 2012) and the asset management agreement (see Note 5.19).

in thousands of euros

	6 months ended June 30, 2013	12 months ended Dec. 31, 2012	6 months ended June 30, 2012
Impact on operating income			
Building-related costs: Asset management fees	1,494	3,029	1,496
Administrative costs: Fees	0	25	0
Impact on net financial expense			
Financial expenses	0	18,010	8,369
Total impact on statement of comprehensive income	**1,494**	**21,064**	**9,866**

	6 months ended June 30, 2013	12 months ended Dec. 31, 2012	6 months ended June 30, 2012
Impact on assets			
Prepaid expenses	0	0	2,014
Total impact on assets	**0**	**0**	**2,014**
Impact on liabilities			
Dividends	5,196	0	0
Non-current borrowings	0	0	0
Current borrowings	0	0	398,523
Trade accounts payable	748	779	751
Total impact on liabilities	**5,943**	**779**	**399,274**

- ***Transactions with key management personnel***

Compensation of the Chairman of the Board of Directors

The Chairman of the Board of Directors' gross compensation was set at EUR 25k for 2012 and EUR 25k for 2013.

Compensation of key management personnel

in thousands of euros

Categories of employee benefits	6 months ended June 30, 2013	12 months ended Dec. 31, 2012	6 months ended June 30, 2012
Short-term employee benefits	225	280	167
Post-employment benefits	0	0	0
Other long-term employment benefits	0	0	0
Termination benefits	0	0	0
Share-based payment	0	0	0
Total	**225**	**280**	**167**

Directors' fees

Directors' fees of EUR 68k were paid for the year ended December 31, 2012.

Directors' fees were set at EUR 120k for the year ending December 31, 2013.

Loans and securities granted to or on behalf of executives

None

Transactions entered into with executives

None

Entities having key management personnel in common with the Group

The Group has key management personnel in common with CRI, namely certain directors.

5.26. Personnel

The Group had three employees at June 30, 2013. The headcount did not change throughout the period from January 1 to June 30, 2013.

5.27. Statutory Auditors

The Statutory Auditors are:

KPMG Audit FS I
1 Cours Valmy
92923 Paris La Défense Cedex
Tenure renewed at the Ordinary and Extraordinary Shareholders' Meeting of June 29, 2011.

Denjean & Associés
34 rue Camille Pelletan
92300 Levallois Perret
First appointed at the Ordinary and Extraordinary Shareholders' Meeting of December 22, 2011.

Fees paid to the Statutory Auditors for the six-month period ended June 30, 2013 were as follows:

in thousands of euros

	Amount (net of taxes)			%		
	June 30, 2013	Dec. 31, 2012	June 30, 2012	June 30, 2013	Dec. 31, 2012	June 30, 2012
Statutory audit of the financial statements	117	272	108	100	100	100
Advisory services and services directly related to the statutory audit engagement	0	0	0	0	0	0
Total	**117**	**272**	**108**	**100**	**100**	**100**

5.28. Subsequent events

Cap Gemini renegociated its lease in advance of its expiration on 10 July 2013 for a part of its rented premises on Europlaza building (7,433 sqm).

KPMG AUDIT FS I
Immeuble Le Palatin
3 cours du Triangle
92939 Paris La Défense Cedex
France

Denjean & Associés
34, rue Camille Pelletan
92300 - Levallois-Perret
France

CeGeREAL S.A.

Rapport des commissaires aux comptes sur l'information financière semestrielle 2013

Période du 1er janvier 2013 au 30 juin 2013
CeGeREAL S.A.
21-25, rue Balzac - 75008 Paris
Ce rapport contient 29 pages
Référence : IG 13 3 03

KPMG

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Denjean & Associés

34, rue Camille Pelletan
92300 - Levallois-Perret
France

CeGeREAL S.A.

Siège social : 21-25, rue Balzac - 75008 Paris
Capital social : €.160 470 000

Rapport des commissaires aux comptes sur l'information financière semestrielle 2013

Période du 1er janvier 2013 au 30 juin 2013

Mesdames, Messieurs les Actionnaires,

En exécution de la mission qui nous a été confiée par votre assemblée générale et en application de l'article L.451-1-2 III du Code monétaire et financier, nous avons procédé à :

- l'examen limité des comptes semestriels consolidés de la société CeGeREAL S.A., relatifs à la période du 1er janvier 2013 au 30 juin 2013, tels qu'ils sont joints au présent rapport ;
- la vérification des informations données dans le rapport semestriel d'activité.

Ces comptes semestriels consolidés ont été établis sous la responsabilité du conseil d'administration. Il nous appartient, sur la base de notre examen limité, d'exprimer notre conclusion sur ces comptes.

1 Conclusion sur les comptes

Nous avons effectué notre examen limité selon les normes d'exercice professionnel applicables en France. Un examen limité consiste essentiellement à s'entretenir avec les membres de la direction en charge des aspects comptables et financiers et à mettre en œuvre des procédures analytiques. Ces travaux sont moins étendus que ceux requis pour un audit effectué selon les normes d'exercice professionnel applicables en France. En conséquence, l'assurance que les comptes, pris dans leur ensemble, ne comportent pas d'anomalies significatives obtenue dans le cadre d'un examen limité est une assurance modérée, moins élevée que celle obtenue dans le cadre d'un audit.

Sur la base de notre examen limité, nous n'avons pas relevé d'anomalies significatives de nature à remettre en cause, au regard du référentiel IFRS tel qu'adopté dans l'Union européenne, la régularité et la sincérité des comptes semestriels consolidés et l'image fidèle qu'ils donnent du patrimoine et de la situation financière à la fin du semestre ainsi que du résultat du semestre écoulé de l'ensemble constitué par les personnes et entités comprises dans la consolidation.

2 Vérification spécifique

Nous avons également procédé à la vérification des informations données dans le rapport semestriel d'activité commentant les comptes semestriels consolidés sur lesquels a porté notre examen limité. Nous n'avons pas d'observation à formuler sur leur sincérité et leur concordance avec les comptes semestriels consolidés.

Les commissaires aux comptes

Paris La Défense, le 25 juillet 2013	Levallois-Perret, le 25 juillet 2013
KPMG Audit FS I	Denjean & Associés
Isabelle Goalec *Associée*	Thierry Denjean *Associé*