



'08 Annual Results Presentation

Paris, 18 February 2009

REAL ESTATE

Portfolio review

Large office market

Eurol plaza
Arcs de Seine
Rives de Bercy

Rental analysis

Trends in asset values

FINANCIAL

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French GAAP – IFRS
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REAL ESTATE

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A high-quality portfolio

Three recent HRO property complexes
In excellent locations

Financial occupancy rate of 100% at 31 December 2008

EUROPLAZA



1998
La Défense

ARCS de SEINE



2000
Boulogne - Point du Jour

RIVES de BERCY



2003
Charenton - Bercy

A strong market segment

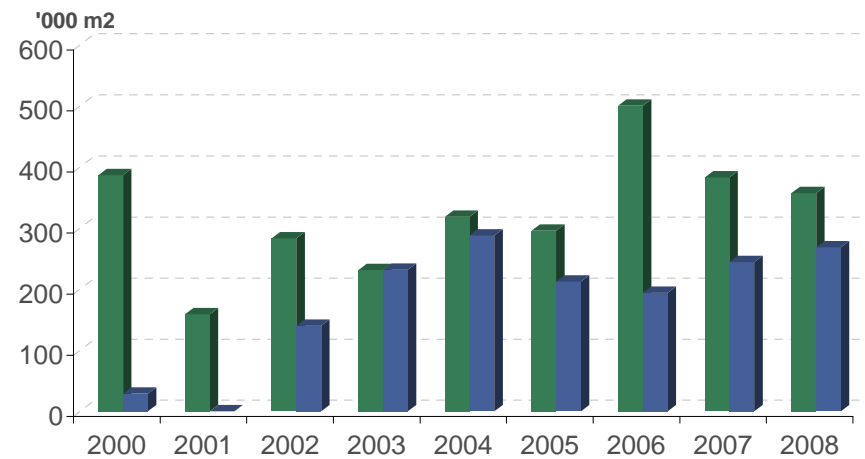
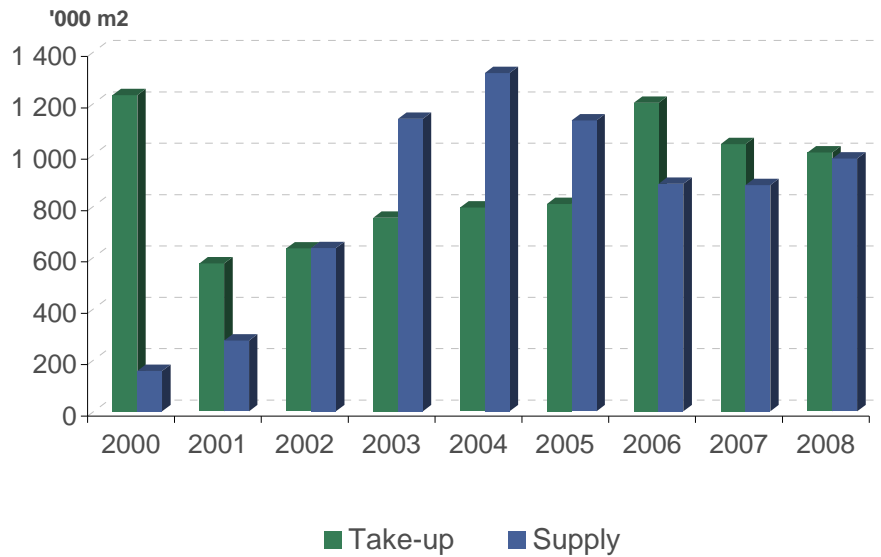
Large office properties (>20,000m²)
Take-up was up to double Supply in the past

Areas > 5,000 m²

Areas > 20,000 m²

Under-supply Over-supply Under-supply

Under-supply



Source: CBRE

A high-quality portfolio

EUROPLAZA

31-storey tower, 1300m² per floor, restructured by HRO in 1998



52% of areas renegotiated

- * GE Capital 9-year firm
- * Cap Gemini 4-year firm on 58% of the initial floor space
- * Galderma 6-year firm
- * Credit Agricole 6-year firm

€3.3m in improvement works

- * Refurbishment of lift lobbies
- * Extension of shared restaurant
- * Refurbishment of space vacated by Cap Gemini

A high-quality portfolio

ARCS de SEINE

3 independent buildings developed or fully refurbished by HRO in 1999-2000



Alignment of leases on 2011

Signature of an extension and alignment of two leases with Bouygues Telecom:

- Building A 25,000m² Jan 2010 -> March 2011
- Building C 10,000m² May 2009 -> March 2011

Signature of a partial transfer and extension of TF1 lease by Boursorama:

- Building B 2,200m² Jan 2010 -> Jan 2011

What will happen in 2011?

- 2 years to prepare
- Sales teams in place

A high-quality portfolio

RIVES de BERCY

Three buildings linked by a fourth forming a façade, completed by HRO in 2003



Credit Foncier

Single tenant since the building's completion

Renewal of the existing lease:

- 6 year firm
- triple-net lease
- from February 2009

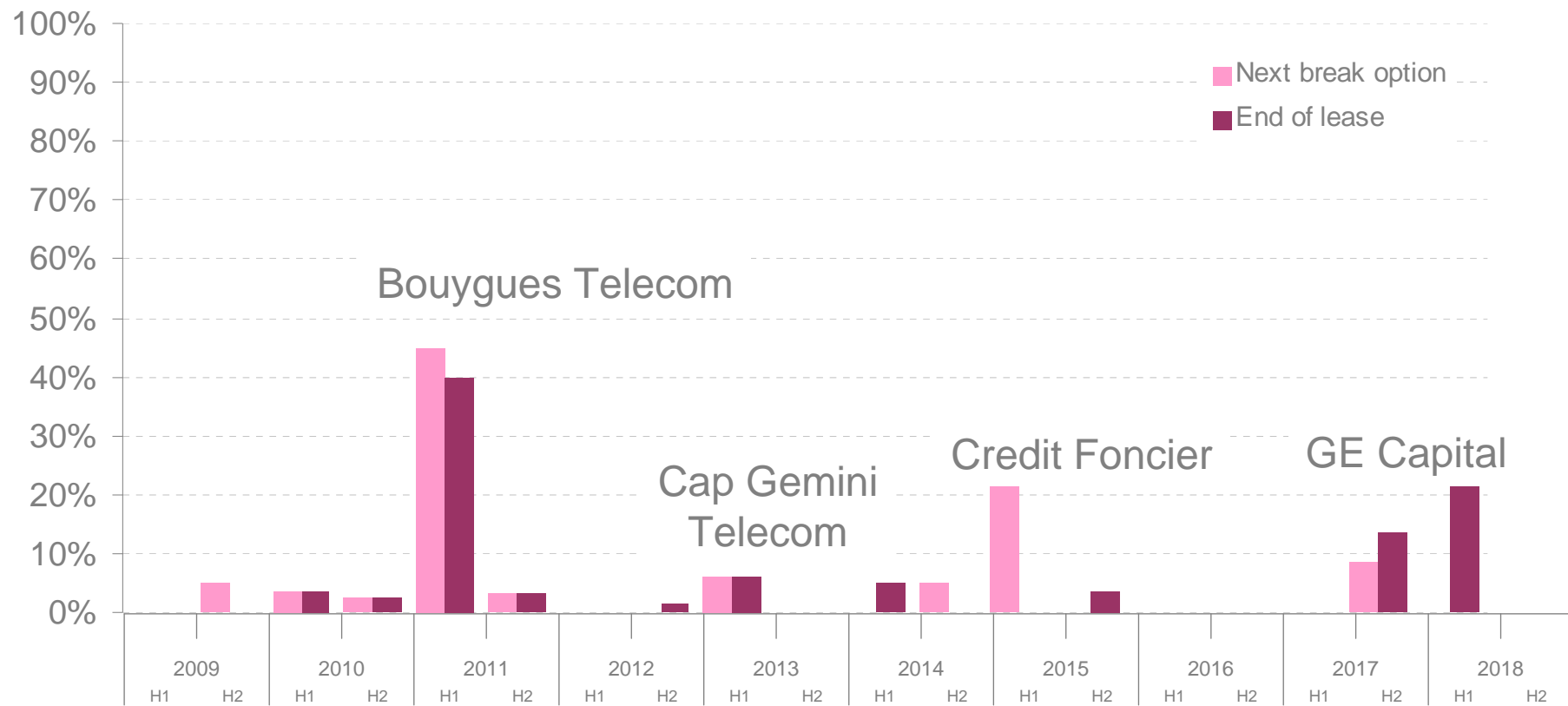
Rental analysis

Changes in lease book: 72% renegotiated in 2008

Tenant	Transaction	Area (m2)	Firm period	Gain/(Loss) of rent in %		
Sales						
Cap Gemini	Renewal	2 600	2 years	0%	43%	72%
Cap Gemini	Renewal	6 500	5 years	0%		
GE Capital	Renewal	9 300	9 years	0%		
Galderma	Renewal	4 000	6 years	(1%)		
Credit Foncier	Renewal	28 100	6 years	(10%)		
		<u>50 500</u>				
Credit Agricole	New lease	1 300	6 years	(2%)		
Average total 2008		51 800	6 years	(5%)		
Bouygues Telecom	Extension of 2 leases	35 000	1.5 years			
Departures						
Visteon (transferred to CA)	Date Sept 08	1 300				
Cap Gemini	Date Oct 08	6 500				
Lexmark	Date Nov 08	2 200				
		<u>10 000</u>				
Total portfolio		120 000	<u>Spot at 12/31/2008</u>			
Total financial vacancy rate		0	0%			
Total physical vacancy rate		8 700	7%			

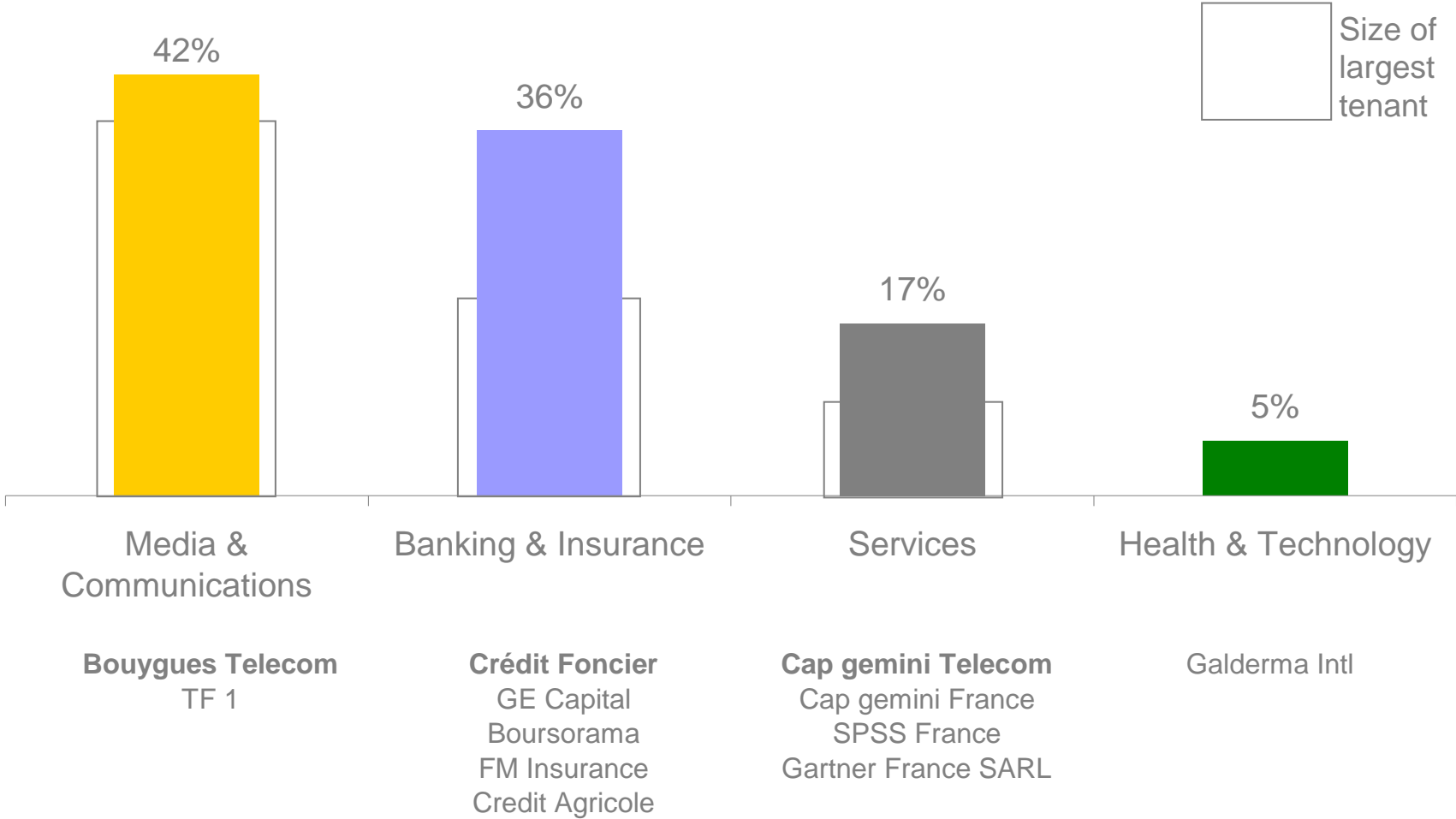
Rental analysis

Major tenancy terms



Rental analysis

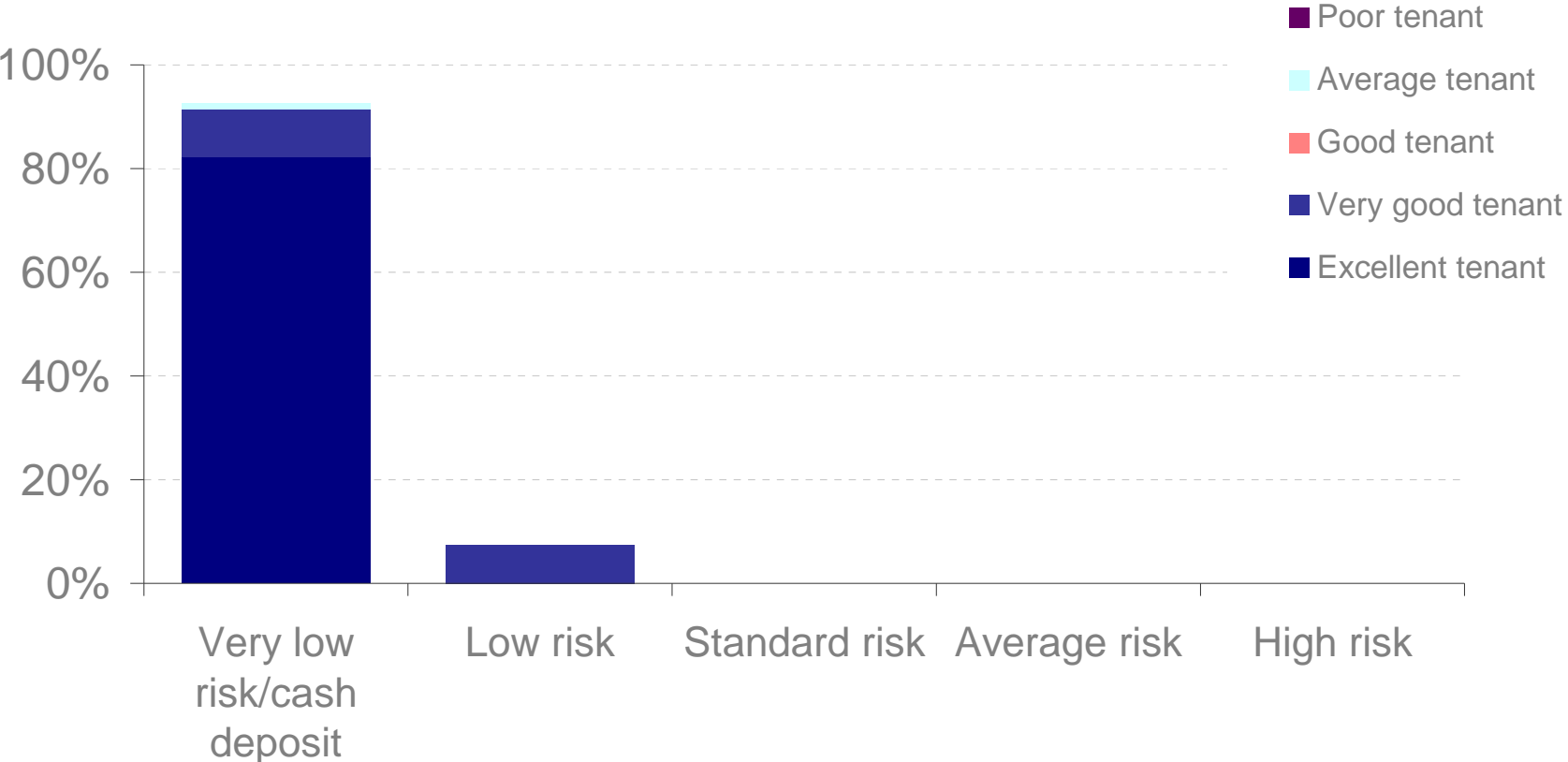
Sector exposure



Rental analysis

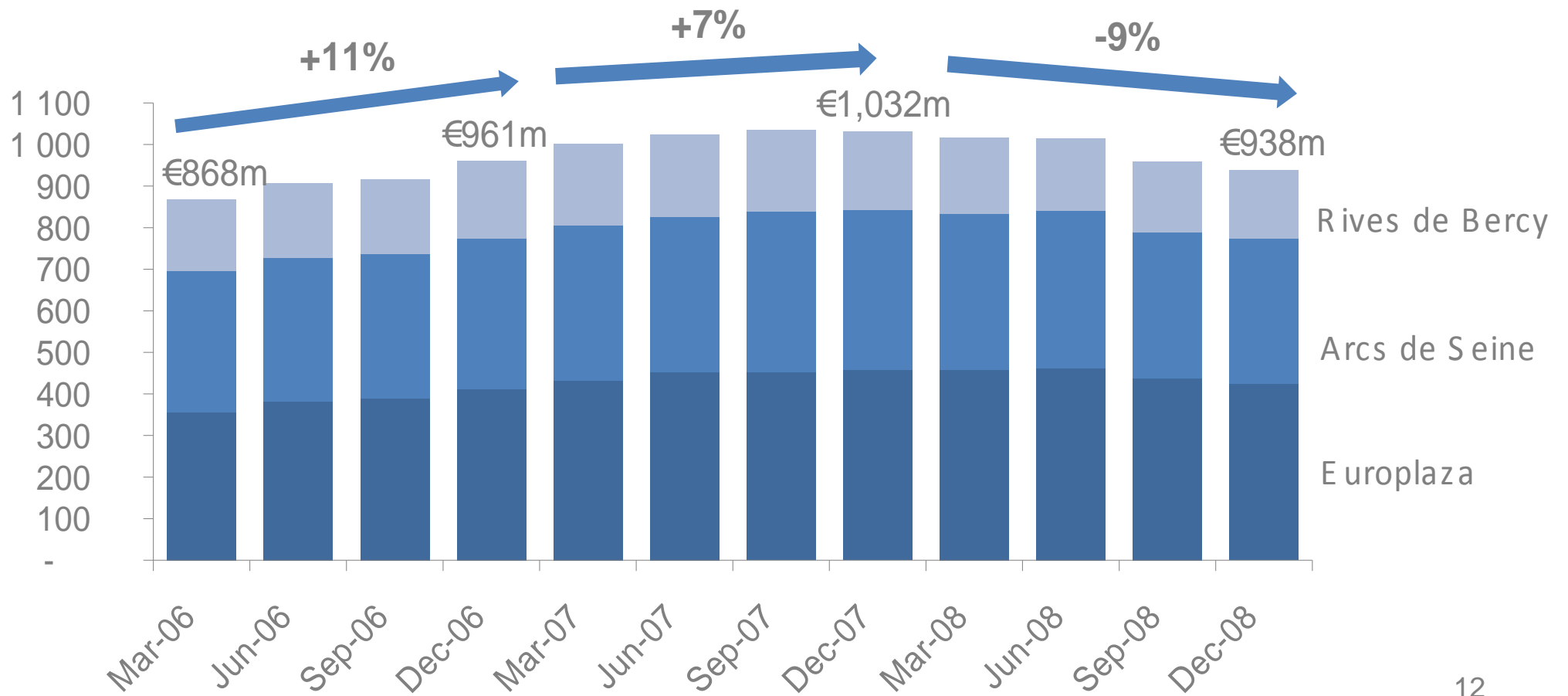
Blue-chip tenants with excellent guarantees

Dun & Bradstreet ratings of tenants and guarantors
(% of total rent)



A high-quality portfolio

Trends in Asset values (€m)



FINANCIAL

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French GAAP – IFRS reconciliation

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Balance sheet

- as at 31 December 2008-

IFRS - €m

IPO

	12/31/2008	12/31/2007	31/12/2006	31/03/2006
Assets				
Fixed assets	938	1,032	963	867
Current assets	26	36	34	33
Cash and equivalent	10	20	31	37
Total Assets	974	1,088	1,028	937
Liabilities				
Shareholders' equity	547	633	555	443
Bank debt	377	377	376	376
Exit Tax	22	44	63	83
Other liabilities	28	34	34	35
Total liabilities	974	1,088	1,028	937

Income statement

- as at 31 December 2008 -

(€m)	% value	12/31/2008	12/31/2007
Rents	6.17%	57.9	56.7
Break option penalties	0.25%	2.3	0,0
Recoverable real estate expenses	1.13%	10.6	10.5
Real estate expenses	(1.34%)	(12.5)	(10.6)
Net revenue	6.21%	58.25	56.52
Asset management costs	(0.35%)	(3.3)	-3.6
Other income and expenses	(0.20%)	(1.9)	-0.9
Interest costs	(1.70%)	(16.0)	-16.1
Cash Flow on recurring operations	3.95%	37.1	36.1
Depreciations	(2.79%)	(26.2)	(26,0)
Net Income (French GAAP)	1.16%	10.9	10.1

French GAAP / IFRS reconciliation

(€ '000s)	12/31/2008	12/31/2007	<i>Change</i>
Net profit under French GAAP	10.88	10.08	0.80
Reversal of depreciation, FMV in accordance with IAS 40	26.03	26.02	0.02
Mark-to-market of property assets in accordance with IAS 40	(93.75)	68.44	(162.18)
Mark-to-market of exit tax debt in accordance with IAS 39	(1.90)	(2.07)	0.17
Deferred tax liability on interest expense for the period, impact of adoption of SIIC status	0.17	0.17	0.00
Refinancing costs spread over the term of the loan in accordance with IAS 23	(0.78)	(0.46)	(0.32)
Cancellation of provision for impairment of treasury stock	0.13	0.00	0.13
Net profit under IFRS	(59.23)	102.16	(161.39)

Bank financing and Covenants

Bank debt €379.9m drawn down
 €22.5m available for Dec.2009 exit tax installment

Current LTV 40%
Term March 2013
Interest rate 4.15% fixed, 4.25% if LTV > 60%
No hedging instruments

Main covenants

	Contract	Current position
LTV	70%	40%
ICR	1.5	3.0

Solid and transparent yield

Net Asset Value as at 31 December 2008

	12/31/2008	12/31/2007	12/31/2006	IPO 3/31/2006
Net Asset Value (€m)	535	635	546	443
NAV per share (€)	40.0	47.5	40.9	33.1
Decrease in NAV since 2007		-16%		
Increase in NAV since IPO		21%		

Solid and transparent yield

Dividend for the year 2008

(€m)	12/31/2008	12/31/2007	12/31/2006
Dividend per share	1.95	1.95	1.84
Yield			
- On share price 2 day's prior to earnings release	9.70%	6.12%	5.10%
- On IPO share price (March 2006)	6.13%	6.13%	5.79%
Pay-out ratio on Recurring Cash Flow	70%	72%	

CORPORATE

Shareholders & Share price

Commerz Real

Internal structure

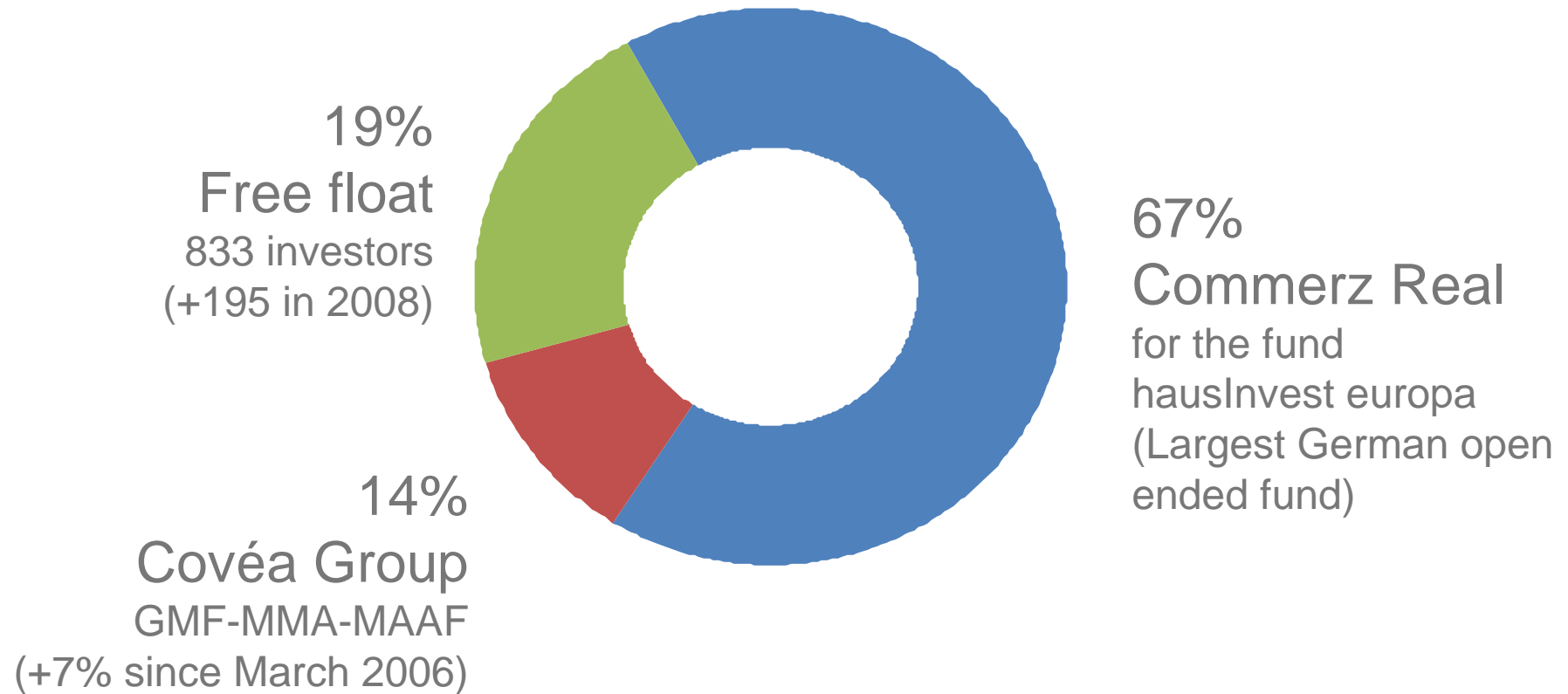
Changes under SIIC 5

Key points for 2008

Appendices

Stable shareholding

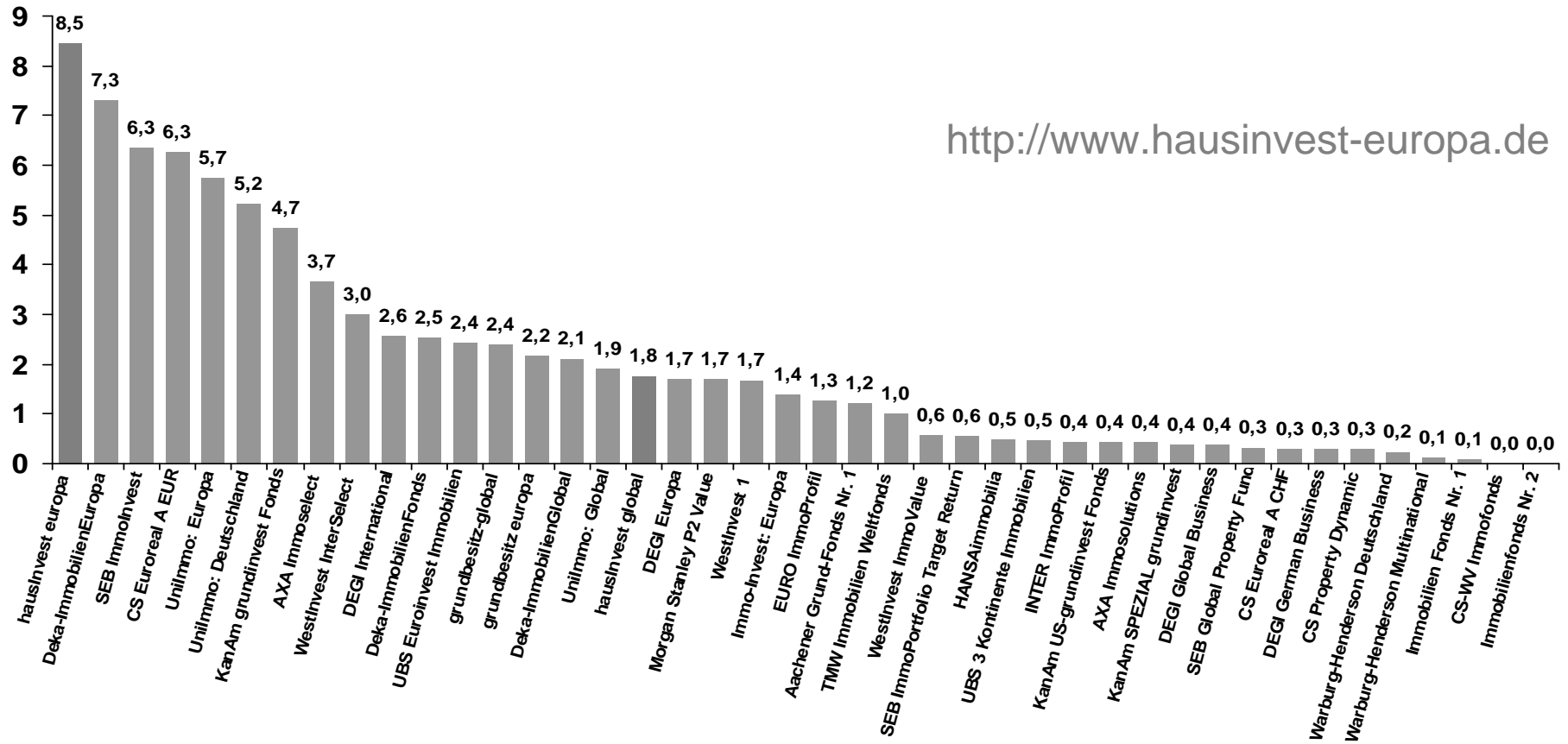
Leading institutions
Increasing granularity of the free float



German open funds

Net assets under management at 31 December 2008

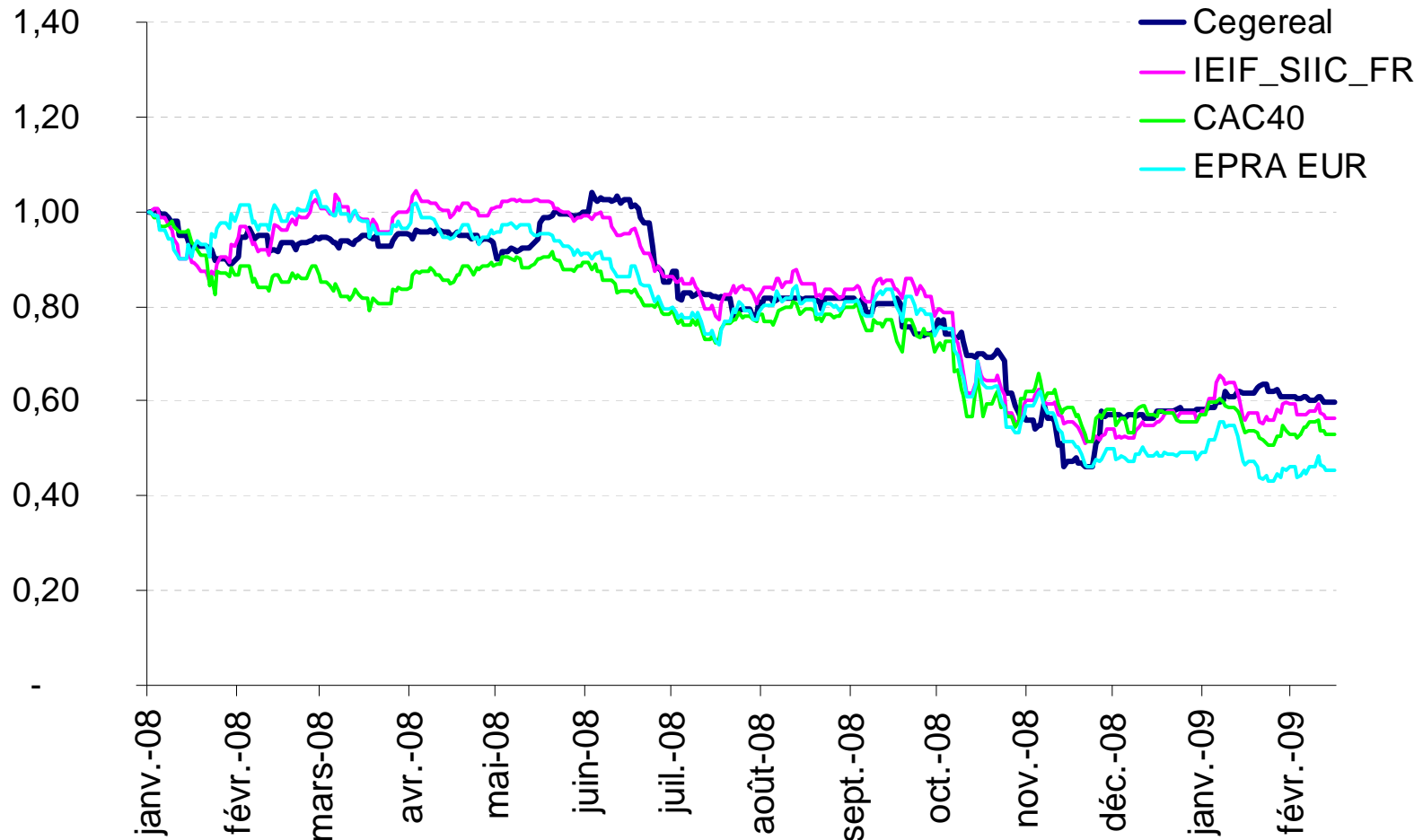
Total: €84.3bn



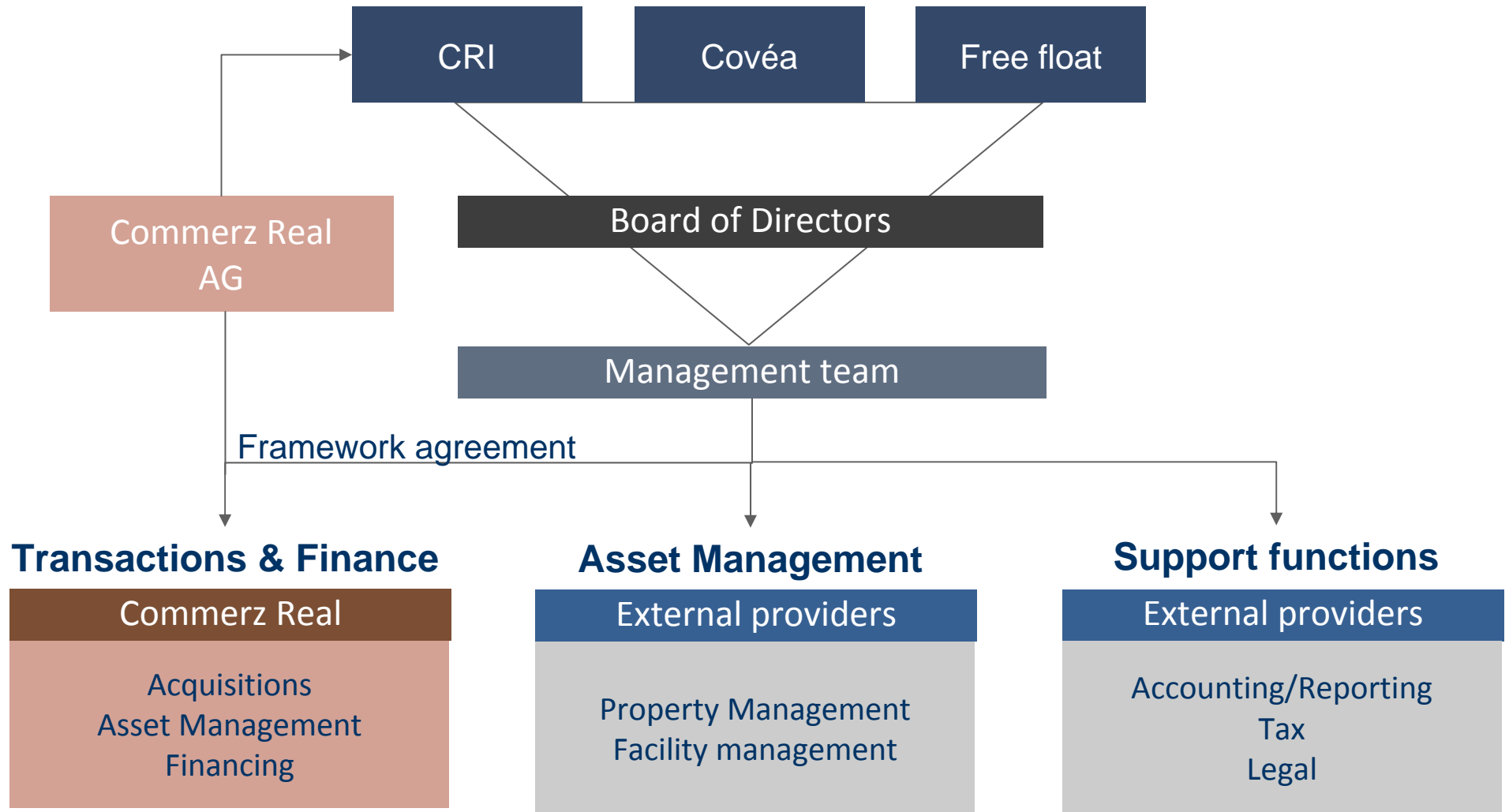
Source: BVI

Share price performance

In line with its market
Outperformed SIIC average since end-November 2008



CeGeREAL Structure



Changes under SIIC 5

Regulatory framework

Reminder of SIIC4

- Main shareholder or those acting in concert allowed to exceed 60% ownership threshold if this is temporary and regularised during the current year

SIIC 5

- 3-year prolongation (article 210^E of the General Tax Code)
- Conformity with 60% threshold
 - Carried forward by one year
 - Period of suspension with return to common law rules if threshold exceeded at 1/1/10
 - Definitive exclusion and payment of heavy fines if situation still not in conformity at 1/1/11

Amended Finance Act for 2009

- Possibility of lease financings with purchase option for one year under article 210^E

Changes under SIIC 5

Benefits for Cegereal

These changes in the SIIC rules are very beneficial as they will allow:

- An extra one year to bring Commerz Real's stake to below 60%;
- The maintenance for three years of vendor advantages from selling assets to SIIC companies (tax rate reduced to 19%);
- An alternative method of acquisition financing for SIIC companies, which can now use lease financing with purchase option.

Key points for 2008

Real estate

- 3 recent property complexes, which can be easily sub-divided
- 72% of leases renegotiated
- 93% of leases at very low risk of non-payment
- Asset value down by 9%

Corporate

- A solid major shareholder
- Covéa has increased its stake
- A marked increase in the number of individual investors
- SIIC 5: an extra year to meet shareholding threshold and vendor benefits extended for three years

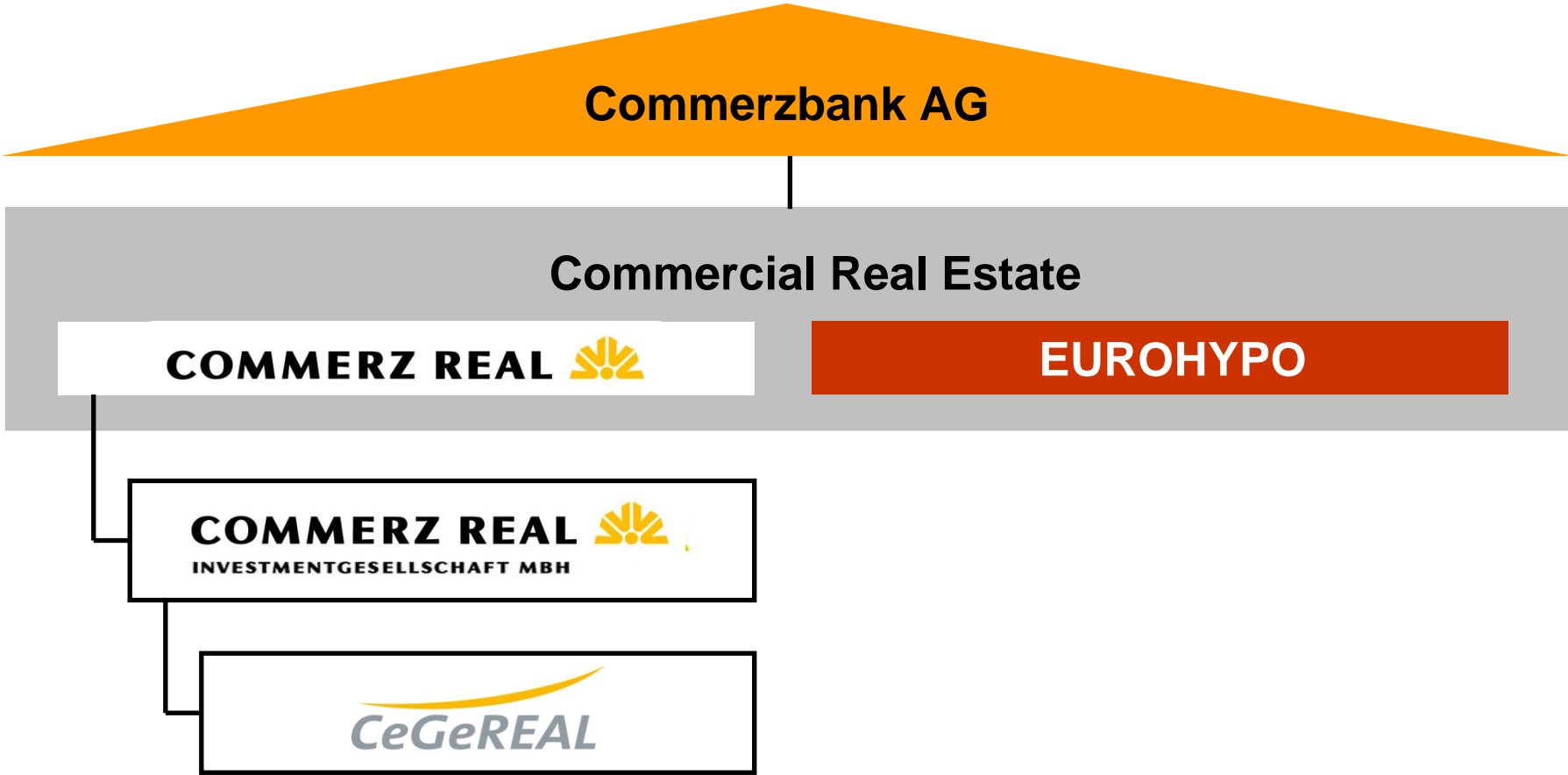
Financial

- Distributable earnings up 7.6%
- LTV of 40% at a fixed 4.15% to 2013
- Net asset value down by 16%
- Dividend maintained at €1.95 per share

Appendices

Commerz Real

Commerzbank's real estate division



Commerz Real

Organisation

