

2008 First Half Results

CeGeREAL confirms the relevance of its positioning

CeGeREAL Board of Directors convened to close the accounts for the 6-month period that ended on July 30, 2008.

Key figures are as follows:

2008 FIRST HALF RESULTS		
<i>In million of euros</i>	06/30/2008 (6 months)	06/30/2007 (6 months)
Property assets value*	1,015	1,024
Rental Income (IFRS)	29.6	28.2
Turnover	34.9	33.1
Net income (IFRS)	1.9	78.0
Net income (French standards)	6.6	5.1
Funds from operations	19.6	18.1
NAV* (excluding duties)	619.6	613.2
NAV per share* (excluding duties) in euros	46.38	45.88

* The comparison basis for figures as of June 30, 2008 is the update of the expertise completed in December 2007

« In the current real estate context, the soundness of 2008 first half results confirms once again CeGeREAL's relevant positioning. We also plan to develop our asset portfolio by the end of 2008 in the same market segment: large and high quality office spaces so as to maintain the same profile for investors », said Raphaël Tréguier, Deputy Managing Director of CeGeREAL.

- **Comments on results**

Turnover for first half of 2008 totalled 34.9 million euros, and was up by +5.4% compared with the same period in 2007. That increase essentially results from the revisions of the leases that expired during the period. Furthermore, the vacancy rate of the 3 buildings owned by CeGeREAL remained insignificant.

During the second quarter of 2008, CeGeREAL's turnover was €17.5 million, of which €1.5 million corresponded to the rebilled charges and about €1 million to re-invoicing lessees for insurance premiums and taxes. Those two elements are otherwise included in the operating charges.

<i>In thousands of euros (excluding VAT)</i>	2008	2007
<u>First quarter</u>		
Rents	14,880	14,127
Charges rebilled to lessees	1,606	1,499
Insurance premiums and taxes rebilled to lessees	873	858
Q1 Turnover	17,359	16,484
<u>Second quarter</u>		
Rents	15,059	14,256
Charges rebilled to lessees	1,494	1,441
Insurance premiums and taxes rebilled to lessees	985	928
Q2 Turnover	17,538	16,625
<u>First semester</u>		
Rents	29,939	28,383
Charges rebilled to lessees	3,100	2,940
Insurance premiums and taxes rebilled to lessees	1,858	1,786
Turnover for the period from January 1st, to June 30	34,897	33,109

Note: During the first half of the year, the company changed the accounting presentation of the charges invoiced to lessees. That change was made to improve the comparability of the financial information provided. The consequence of that change is to increase the turnover by the amount of charges invoiced to lessees, i.e., €3.1 million at June 30, 2008 and €2.9 million at June 30, 2007. Elements provided for the comparison were adjusted for the change in presentation.

- **Rental status analysis: positive news for the portfolio**

The occupancy rate of the 3 buildings owned by CeGeREAL remains at 100%.

- On the office property market in the business district of **La Défense**, the immediate supply at April 1, 2008 amounts to 149,000 sq. m, compared to 165,100 sq. m at January 1, 2007. Some 77% of this supply is composed of offers on areas over 5,000 sq. m. The vacancy rate amounts to 4.8%, which is lower than the average in Ile de France (4.9%). The highest asked rent being at €580/sq.m (Coeur Défense).

Regarding **Europlaza** Building, General Electric has renewed its lease for a firm 9-year period, Galderma for a firm 6-year period, Cap Gemini Telecom for a firm 5-year period for 50% of the surfaces.

- In **Boulogne-Billancourt**, the immediate supply at April 1, 2008 amounts to 63,600 sq.m. (compared to 76,050 sq.m at January 1, 2007). Some 61% of this supply is composed of offers on areas over 5,000 sq.m. The vacancy rate amounts to 3.8% for premises above 5,000 sq.m, with an average of 6.1% in the sector. Market rental value for refurbished area is circa €500/sqm.

There was no specific event to report about **Arcs-de-Seine** Building, owned by CeGeREAL.

- In **Charenton-le-Pont**, the immediate supply at April 1, 2008 amounts to 10,100 sq.m. Some 88% of this supply is composed of offers on areas over 5,000 sq.m. Market rental value for refurbished area is circa €300/sq.m.

There was no specific event to report about **Rives-de-Bercy** Building, owned by CeGeREAL and wholly rented to Crédit Foncier de France.

- **Analysis of the portfolio valuation: new limited impact of the financial crisis in the second quarter**

The Company's assets value¹ (excluding duties) at June 30, 2008 has slightly dropped by 0.2% to 1.015 billion euros, compared with 1.032 billion euros at December 31, 2007, and breaks down as follows:

- Rives de Bercy	€174 million
- Europlaza	€463 million
- Arcs de Seine	€378 million

The fair value of the properties slightly decreased by 16.5 million euros over the past six months. This drop remains negligible and confirms the solidity of its portfolio, despite a difficult market.

Capitalization rates, which are taken into account for the portfolio valuation, have increased and reflect the market trends despite the lack of transactions on similar assets. However, in the long term, good news on rentals balances out this conservative decision.

¹ Valuation by CBRE

- **Outlook**

Following the change in German legislation and the change in CeGeREAL's statutes adopted during the Annual General Meeting of Shareholders on June 18, 2008, CeGeREAL may now purchase additional properties thereby increasing its portfolio of upscale office properties.

About CeGeREAL

CeGeREAL, which opted for the French SIIC tax regime (Sociétés d'Investissements Immobiliers Cotées), is a real estate company that specialises in the management of premium office property assets. As of June 30, 2008, the Company's asset is estimated at €1.015 billion (CBRE).

On September 1, 2006, CeGeREAL's share was introduced in the Euronext index-IEIF "SIIC France" and joined the SBF 250 index on December 28, 2006.

www.cegereal.com



Arcs de Seine



Tour Europlaza



Rives de Bercy

Press Contact

Publicis Consultants
Aliénor Miens / +33 (0)1 44 43 75 10 /
alienor.miens@consultants.publicis.fr

Financial communications

Publicis Consultants
Antoine Denry / +33 (0)1 44 43 65 80 /
antoine.denry@consultants.publicis.fr