Annual report

2012

3, rue Moncey - Paris 9th
A mansion rented to Multiposting and Ordipat

Cofitem - Cofimur

Annual report for financial year 2012

Cofitem-Cofimur

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www.cofitem-cofimur.fr

Société anonyme (French public limited company) with capital of €64,322,535
Paris Trade and Corporate Registry B 331 250 472
Financial corporation registered under no. 18000
Listed on Euronext Paris under ISIN code FR0000034431

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A real-estate specialist

4, rue de Lasteyrie - Paris 16

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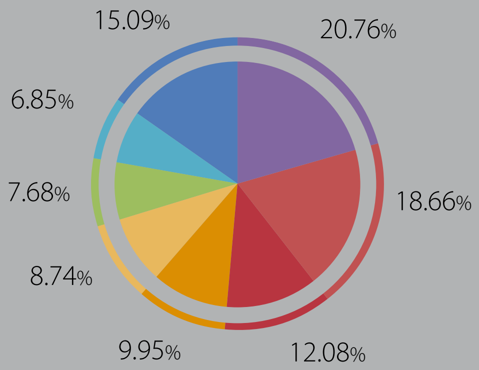
Main shareholders and shareholder structure



	31/12/2012	31/12/2011	31/12/2010
Allianz Group	20.76%	20.76%	20.29%
Covéa Group	18.66%	18.66%	18.24%
Zurich Group	12.08%	12.08%	12.41%
Foncière des 6e et 7e arrondissements de Paris (SIIC)	9.95%	9.95%	9.90%
Generali Group	8.74%	8.74%	9.04%
Jean-Paul Dumont (La Tricogne)	7.68%	7.16%	7.23%
Assurances Mutuelles Le Conservateur	6.85%	6.85%	6.69%
Free float	15.09%	15.58%	16.08%

Board of Directors

Directors	
Sophie Beuvaden	Chairwoman of the Board of Directors
Luc Guinefort	Honorary Chairman
Jean-Paul Dumont	Director
Philippe Lepargneur	Director
François Thomazeau	Director
Allianz Iard	Director represented by Juergen Gerke
Allianz Vie	Director represented by Peter Etzenbach
Les Assurances Mutuelles Le Conservateur	Director represented by Cyril Le Touzé
Foncière des 6e et 7e arrondissements de Paris	Director represented by Olivier Riché
GMF assurances	Director represented by Olivier Le Borgne
Generali France Assurances vie	Director represented by Eric Le Gentil
Zurich Versicherungs-Gesellschaft	Director represented by Cornel Widmer

Non-voting member
Michel Dufief

Audit Committee

Chairman	Philippe Lepargneur
Members	Michel Dufief, Olivier Le Borgne and Cyril Le Touzé

Commitments Committee

Sophie Beuvaden	Alain Le Véel	Olivier Riché
Guy de Soucy	Arnaud Pomel	François Thomazeau
Luc Guinefort		

Cofitem-Cofimur management team

Sophie Beuvaden	Chairwoman of the Board of Directors
Olivier Riché	Managing Director
Guy de Soucy	Deputy Managing Director
Alain Le Véel	Deputy Managing Director
Arnaud Pomel	Deputy Managing Director

- Guillaume Chaminade
- Anne-Sophie Dehay
- Séverine Farjon
- Stéphane Gardy
- Frédéric Guillet
- Patricia Lafon
- Solange Nataf
- Sophie Nham
- Stéphane Perez
- Isabelle Robert
- Laurence Robin

Statutory Auditors

Saint-Honoré Sereg
140, rue du Faubourg Saint-Honoré, 75008 Paris
Date of first appointment: 1997
Start date of current term: 2009
Expiration date of current term: 2015

Statutory Auditor, represented by Denis Van Strien
Member of the Compagnie Régionale de Paris

Mazars
61, rue Henri Regnault, 92400 Courbevoie
Date of first appointment: 2009
Start date of current term: 2009
Expiration date of current term: 2015

Statutory Auditor, represented by Anne Veaute
Member of the Compagnie Régionale de Versailles

Franck Boyer	Alternate Statutory Auditor
Tuillet Associés	Alternate Statutory Auditor

Cofitem-Cofimur's business

A real-estate specialist

Real-estate financial leasing has been one of Cofitem-Cofimur's principal activities since its creation in 1985. With the significant cash flow generated from financial leasing, Cofitem-Cofimur has also built up a portfolio of office properties. These assets are located mainly in Paris and its immediate outskirts. They provide the Company with fully indexed revenue and offer significant unrealised capital gains. In addition to these real-estate assets, the Company also holds investments in listed property companies.

The company's diversification, based on different real-estate cycles, has enabled it to deliver a sustained performance and limit the concentration of risk.

It thus benefits from the diversification of its exposure to markets that have experienced different trends:

- In 2012, the financial leasing activity generated €21.3 million in new outstandings, after particularly sustained production in 2011 of €105 million in new contracts. Average production for these two financial years thus stood at €63.2 million, in line with the average level of production in previous years. Production remains focused on the sectors Cofitem-Cofimur has traditionally financed (hotels, catering, offices and retail);
- The building on rue Saint-Fiacre (3,000 sq.m) was re-let in the first half of the year, after the renovation work was completed in September 2011. This transaction generated a €9.3 million after-tax capital gain on the sale for Cofitem-Cofimur;
- The dividends paid by property companies increased across the board, and the prices of the securities in which Cofitem-Cofimur has invested remained stable.

In its financial leasing activity, Cofitem-Cofimur continued to increase its presence in the most dynamic sectors of the economy. Its main commitments at 31 December 2012 are divided among hotels (56%), chain restaurants (13%), offices (20%) and retail (7%). Cofitem-Cofimur proved itself indispensable to both long-standing and new clients due to the quality of the service provided in conjunction with the financing transaction.

With respect to its direct real-estate investments, the company generally enters into transactions requiring major renovations located in neighbourhoods with strong value-creation potential but slightly outside of Paris's traditional business districts. This enables it to combine a higher return with the possibility of capital gains. Against that backdrop, Cofitem-Cofimur acquired the building at 5, rue de Dunkerque in Paris 10 (5,400 sq.m) in 2011: work to convert it into a youth hostel began in 2012 after the building permit was obtained. It should be completed by the end of 2013. Alongside traditional office buildings, the group has also been developing its hotel division for more than 10 years. Turnover in the hotel division (257 rooms) rose sharply in 2012, due mainly to the opening of the Courtyard Marriott Boulogne-Billancourt hotel in March 2012, following completion of the construction work. The group's two hotels (Holiday Inn Express Paris-Canal de La Villette and Courtyard Marriott Boulogne-Billancourt) generated turnover of €10.5 million, versus €6.1 million in 2011. Their performance was very satisfactory: an 80% occupancy rate and an average room rate of €112 pretax for the Holiday Inn hotel; a 66% occupancy rate and an average room rate of €137 pretax for the Courtyard Marriott from its first year of operation.

Lastly, in 2008 Cofitem-Cofimur began to build up a portfolio of securities of listed real-estate companies, which enhances its property company dimension. This portfolio now generates a return in the form of dividends, which strengthens the Company's earnings. The 2012 takeover with PHRV of Foncière Paris France, whose real-estate assets are close to or complement those of Cofitem-Cofimur, will create synergies between these companies and offer opportunities to develop and enhance the value of the portfolio assets.

Cofitem-Cofimur has been listed on the Euronext Paris market since 1987 (ISIN code: FR0000034431). It is considered a real-estate sector company under the FTSE industry classification benchmark.

The share's performance during the financial year was as follows:	
Share price at 31 December 2011	€84.99
Share price at 31 December 2012	€88.00
Low for the period	€78.92
High for the period	€90.70

Summary financial information

Cofitem-Cofimur financing structure at 31 December 2012

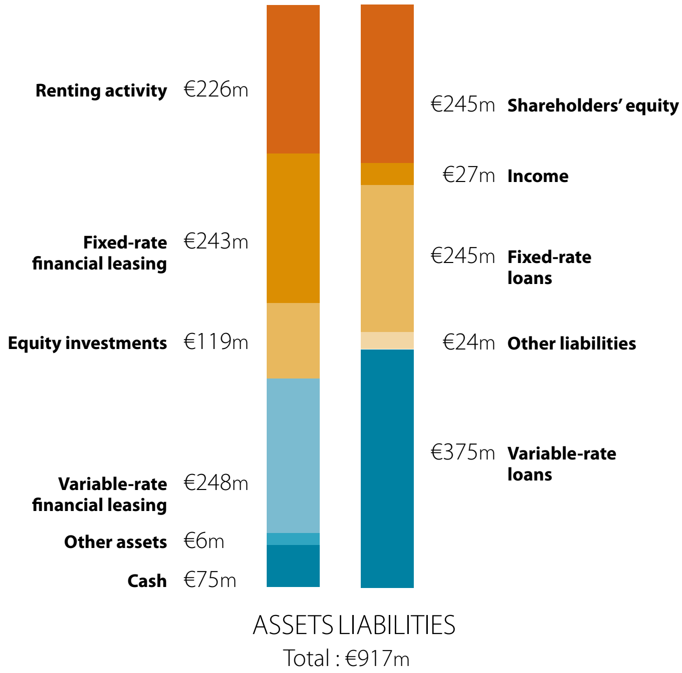
Financing of fixed-rate outstandings:

Renting activity outstandings (€226 million for rental income of €17.6 million), fixed-rate financial leasing outstandings (€243 million at an average rate of 7.1%) and equity investments (€119 million for €8.3 million in dividends), i.e., a total of €588 million in assets, are financed by €272 million in shareholders' equity and income, in addition to €245 million in loans at an average fixed rate of 3.3%, and €24 million in other fixed-rate liabilities.

The balance of the fixed-rate outstandings (€47 million) is financed by variable-rate loans. This difference is hedged by €161 million in active interest-rate caps (3-month Euribor at an average rate of 3.3%).

Financing of variable-rate outstandings:

Variable-rate financial leasing (€248 million) entered into at 3 month Euribor plus a 2% margin is financed through variable-rate loans entered into at 3-month Euribor at an average margin of 1.1%.



Capital and key ratios at 31 December 2012

In thousands of euros

CAPITAL	31/12/2012	31/12/2011	31/12/2010
Capital	244,698	244,791	232,442
Core capital (excl. redeemable subordinated notes)	244,654	244,597	232,172
Total risk-weighted assets	636,972	665,314	607,667

SOLVENCY RATIO	31/12/2012	31/12/2011	31/12/2010	Reminders of minimums
Solvency ratio (core capital, excl. redeemable subordinated notes)	38.42%	36.76%	38.21%	4%
New liquidity ratio sq.m	176%	150%	1,292%	100%

	31/12/2012	31/12/2011	31/12/2010	Reminders of minimums
Solvency ratio (Basel II)	28.00%	27.36%	26.90%	8%
Surplus capital	174,783	173,222	163,314	-

(1) Amounts may differ slightly from the corporate financial statements, as ACP (Autorité de contrôle prudentiel/French prudential supervisory authority) regulations may result in certain restatements.
(2) This ratio is met for each monthly period.

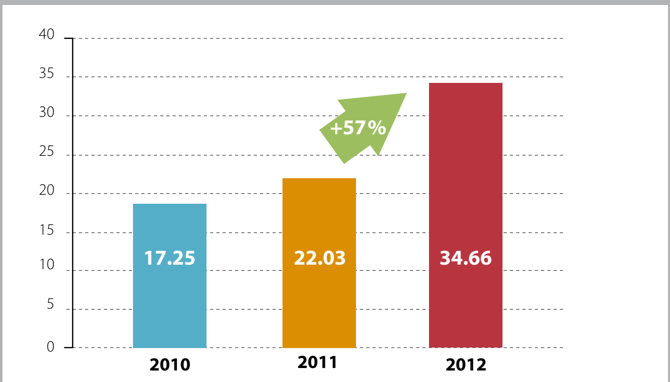
Profit and distribution

History of the Company's capital

The Company, which was created on 9 November 1984, had initial capital of FRF 30,000,000. This figure has been increased to €64,322,535 through a series of transactions. The equity capital is composed of 4,288,169 shares with a nominal value of €15 each.

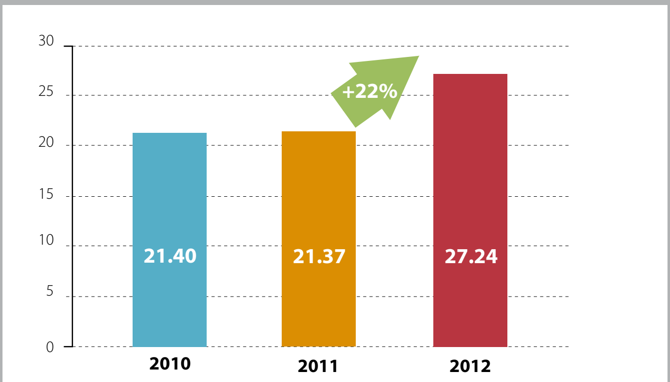
Change in consolidated profit

In millions of euros

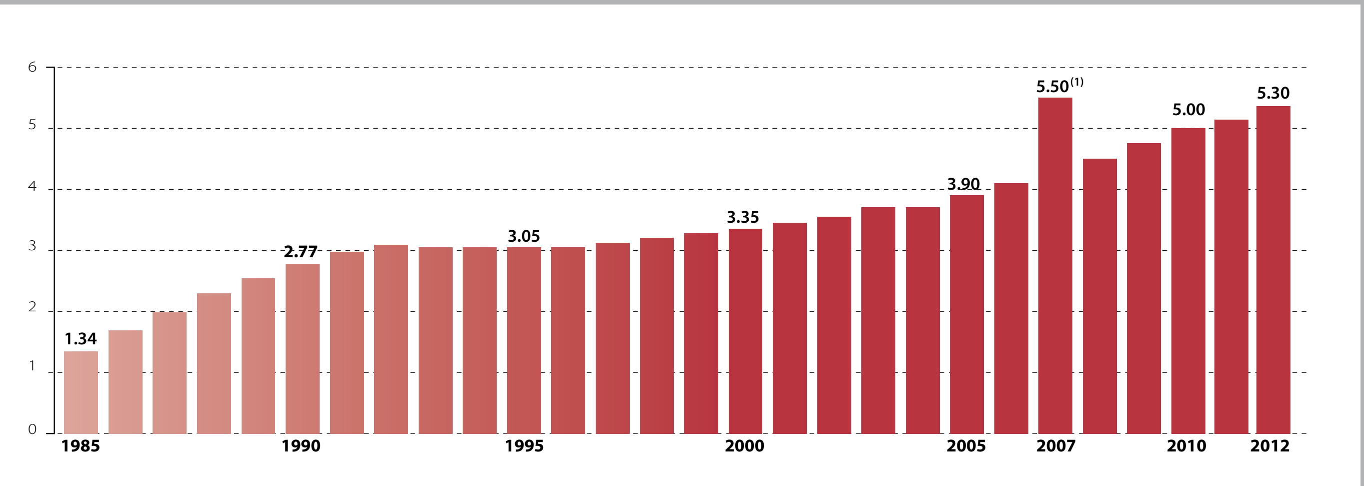


Change in corporate profit

In millions of euros

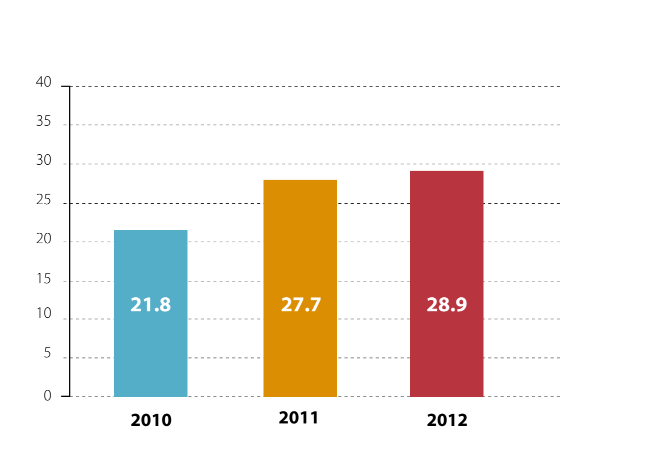


Change in total dividend per share (in €)

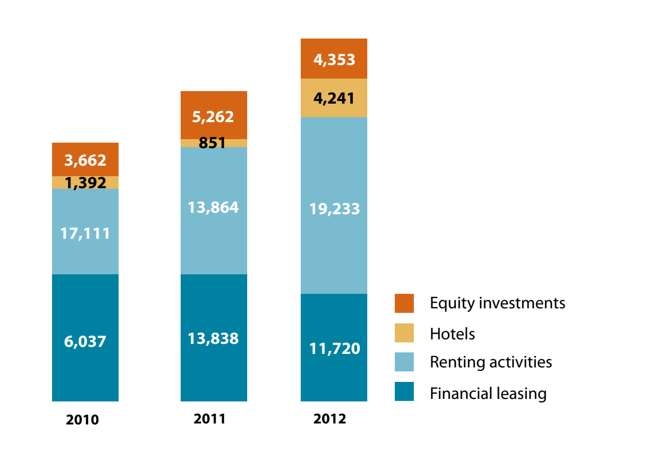


Distribution of profits has increased consistently from the outset.

Change in consolidated operating revenue (in €m)



Change in net banking revenue by activity (in €K)



(1) Including an additional exceptional dividend of €1.20 for financial year 2007.

Cofitem-Cofimur stock market data

The Cofitem-Cofimur share has been listed since 1987 on the Second Marché of the Bourse de Paris, now part of NYSE Euronext's Euronext Paris market (Eurolist compartment B).

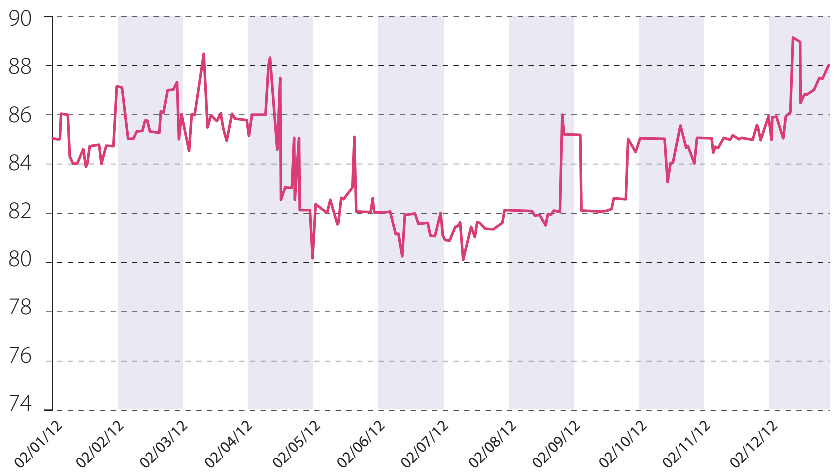
Trading volumes in number of shares and value for financial year 2012

For the 12-month period from January 2012 to December 2012:

- the average monthly trading volume was 8,393 shares,
- the total value traded was €8.4m.

Share price performance in 2012

	In Euros
At 31 December 2011	84.99
At 31 December 2012	88.00
Low in 2012	78.92
High in 2012	90.70



Share price performance over 18 months (September 2011- February 2013)

In Euros

Month	High	Low
September 2011	86.00	80.00
October 2011	86.90	83.66
November 2011	86.00	82.47
December 2011	85.50	83.80
January 2012	85.99	78.92
February 2012	87.29	84.52
March 2012	88.80	84.55
April 2012	90.00	80.90
May 2012	85.00	79.75

Month	High	Low
June 2012	82.00	80.20
July 2012	81.98	79.40
August 2012	85.90	81.10
September 2012	85.18	82.00
October 2012	85.55	82.50
November 2012	85.90	84.50
December 2012	90.70	85.00
January 2013	88.41	87.04
February 2013	89.20	85.11

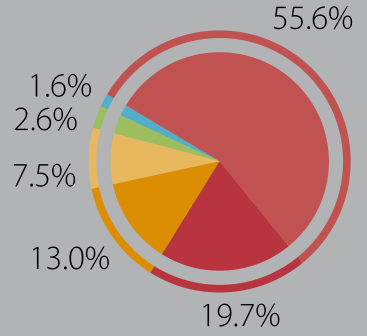
Real-estate financial leasing assets

Stable net outstandings

Cofitem-Cofimur's net financial leasing commitments stood at €488.9 million at 31 December 2012, compared with €509 million at 31 December 2011. They break down as follows:

Breakdown of outstandings by business sector

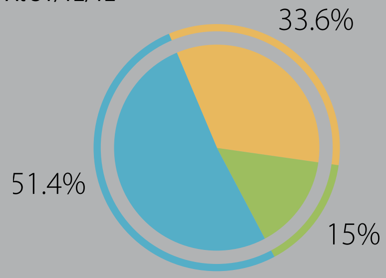
At 31/12/12



Business sector	2012		2011		2010	
	Amount	%	Amount	%	Amount	%
Hotels (primarily Paris region)	€271.6m	55.6	€271.6m	53.3	€251.4m	51.9
Offices (mainly Paris and Paris region)	€96.2m	19.7	€104.8m	20.6	€97.1m	20.0
Catering - Leisure	€63.7m	13.0	€69.1m	13.6	€70.2m	14.5
Retail space	€36.6m	7.5	€40.5m	8.0	€41.1m	8.5
Technical premises	€12.9m	2.6	€12.8m	2.5	€14.3m	2.9
Equipment	€7.8m	1.6	€10.6m	2.0	€9.1m	1.9
Other	-	-	-	-	€1.5m	0.3
TOTAL	**488.9**	**100**	**€509.4m**	**100**	**€484.7m**	**100**

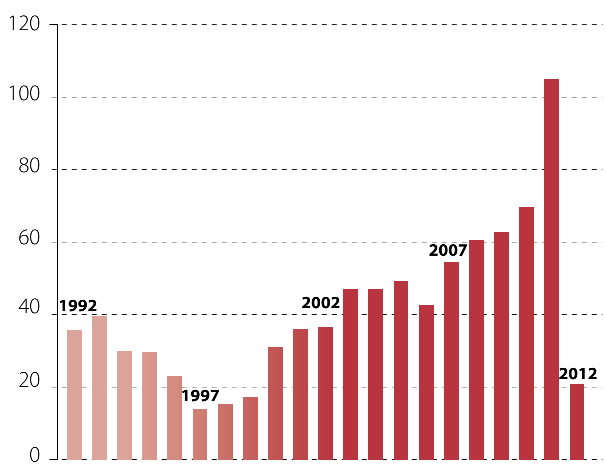
Breakdown of outstandings by geographic location

At 31/12/12



Sector	2012		2011		2010	
	Amount	%	Amount	%	Amount	%
Paris	€73.4m	15.0	€81.5m	16.0	€79.7m	16.4
Paris region	€251.3m	51.4	€262.5m	51.5	€222.9m	46.0
Provinces	€164.2m	33.6	€165.4m	32.5	€182.1m	37.6
TOTAL	**€488.9m**	**100**	**€509.4m**	**100**	**€484.7m**	**100**

New financial leasing commitments



Financial year	Amount of new out-standings	Number of new deals	Average amount of new deals
2012	€21.30m	13	€1.60m
2011	€104.89m	22	€4.77m
2010	€69.47m	22	€3.16m
2009	€62.69m	27	€2.32m
2008	€60.37m	17	€3.55m
2007	€54.46m	26	€2.09m
2006	€42.50m	20	€2.12m
2005	€49.12m	30	€1.64m
2004	€46.97m	37	€1.27m
2003	€46.95m	39	€1.20m
2002	€36.50m	18	€2.00m
2001	€36.00m	24	€1.50m
2000	€30.92m	22	€1.40m
1999	€17.23m	24	€0.72m
1998	€15.26m	25	€0.61m
1997	€13.86m	9	€1.54m
1996	€22.90m	11	€2.07m
1995	€29.49m	18	€1.63m
1994	€29.88m	24	€1.23m
1993	€39.41m	26	€1.51m
1992	€35.58m	18	€1.27m
1991	€31.44m	25	€1.25m

Investment properties

Value-creating assets

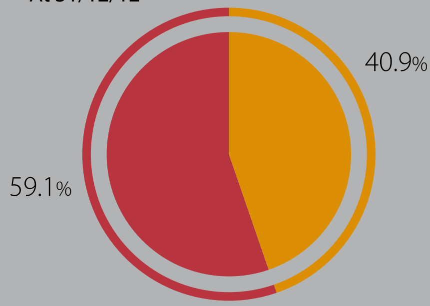
The net book value of Cofitem-Cofimur's investment properties (including buildings owned by subsidiaries) was €287.3 million at 31 December 2012, after the sale of the Berlin and rue Saint-Fiacre buildings, compared with €274.0 million at 31 December 2011. They break down as follows:

At 31 December 2012, the valuation of these assets shows an unrealised capital gain of €145.7 million.

Breakdown of assets by business sector

Sector	2012		2011		2010	
	Amount	%	Amount	%	Amount	%
Offices	€169.7m	59.1	€184.2m	67.2	€191.1m	72.6
Retail premises and other	€117.6m	40.9	€89.7m	32.8	€72.0m	27.4
TOTAL	**€287.3m**	**100**	**€274.0m**	**100**	**€263.1m**	**100**

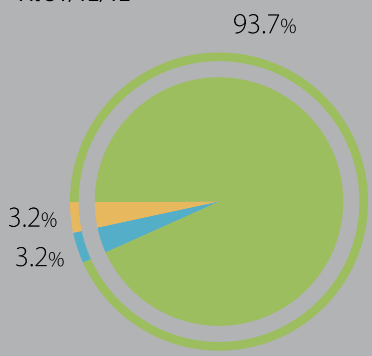
At 31/12/12



Breakdown of assets by geographic location

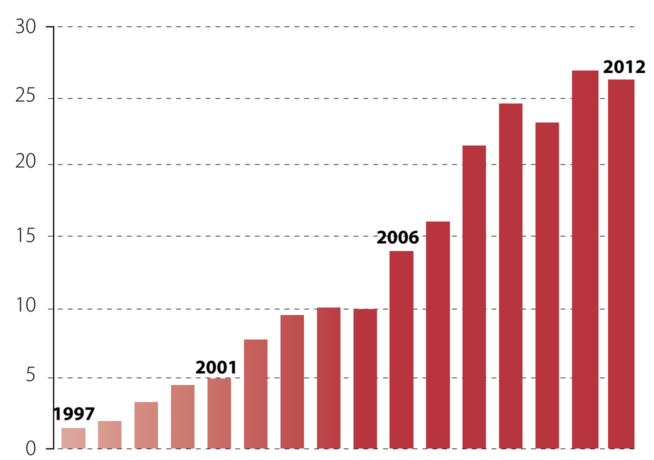
Sector	2012		2011		2010	
	Amount	%	Amount	%	Amount	%
Paris – Hauts-de-Seine	€269.0m	93.7	€247.9m	90.5	€222.3m	84.5
Paris region	€9.2m	3.2	€9.3m	3.4	€11.4m	4.3
Provinces	€9.1m	3.2	€8.0m	2.9	€8.5m	3.2
Berlin	-	-	€8.8m	3.2	€20.9m	7.9
TOTAL	**€287.3m**	**100**	**€274.0m**	**100**	**€263.1m**	**100**

At 31/12/12



Investment properties rental income(1) and dividends received from investments in property companies

	In millions of euros
Financial year 2012	25.94
Financial year 2011	26.85
Financial year 2010	23.16
Financial year 2009	24.51
Financial year 2008	21.53
Financial year 2007	16.10
Financial year 2006	14.01
Financial year 2005	9.88
Financial year 2004	9.99
Financial year 2003	9.47
Financial year 2002	7.72
Financial year 2001	4.95
Financial year 2000	4.49
Financial year 1999	3.29
Financial year 1998	1.94
Financial year 1997	1.45



The contribution has risen by more than 60% in 5 years.

(1) Including rental income received by subsidiaries.

Summary table of investment properties

		Surface area in sq.m	Parking spaces
Paris - Hauts-de-Seine	**Total amount[1]: €269.0m**		
80, rue Bonaparte – Paris 6	Retail premises	800	-
76 bis, rue des Saints-Pères – Paris 7	Offices	140	-
26-28, rue des Saints-Pères[2] – Paris 7	Offices and other	10,000	-
3, rue Moncey – Paris 9	Offices	1,843	55
52, rue de Dunkerque – Paris 9	Offices	1,700	-
5, rue de Dunkerque – Paris 10	Youth hostel	5,400	-
158-162, rue du Faubourg Saint-Martin – Paris 10	Offices	9,117	75
76-78, avenue du Général Leclerc[3] – Paris 14	Retail premises	1,475	-
82-84, rue de la Procession – Paris 15	Offices	950	3
91, boulevard Exelmans – Paris 16	Offices	1,238	11
4, rue de Lasteyrie – Paris 16	Offices	1,315	-
56, boulevard de Rochechouart[4] – Paris 18	Retail premises	2,158	20
249, rue de Crimée – Paris 19	Offices	5,500	200
6, quai de Seine – Paris 19	Offices	1,070	-
68, quai de Seine[5] – Paris 19	Hotel and restaurant	144 rooms	33
Rotonde de Ledoux[6] – Paris 19	Retail premises	1,020	-
21, rue Beffroy, Neuilly-sur-Seine (92)	Offices	947	26
Nanterre[3] (92)	Retail premises	500	40
Boulogne-Billancourt (92)	Hotel	113 rooms	30
Levallois-Perret (92)	Offices and retail premises	3,100	30
Paris Region	**Total amount[1]: €9.2m**		
Servon[3] (77)	Retail premises	500	80
Trappes[3] (78)	Retail premises	450	60
Montlhéry[3] (91)	Retail premises	450	70
Corbeil (91)	Industry and retail premises	820	25
Pierrefitte[3] (93)	Retail premises	450	30
Pierrefitte (93)	Retail premises	1,000	30
Saint-Denis (93)	Offices and retail premises	1,200	-
Vitry-sur-Seine (94)	Offices	1,500	27
Créteil (94)	Offices	2,983	68
Sarcelles[3] (95)	Retail premises	300	30
Provinces	**Total amount[1]: €9.1m**		
Marsannay La Côte (21)	Retail premises	2,625	70
Villenave d'Ornon[3] (33)	Retail premises	650	40
Pessac[3] (33)	Retail premises	550	50
Tours[3] (37)	Retail premises	670	40
St-Étienne[3] (42)	Retail premises	750	80
Reims[3] (51)	Retail premises	650	50
Nancy[3] (54)	Retail premises	670	70
Nancy[3] (54)	Retail premises	700	80
Lorient (56)	Retail premises	600	45
Clermont[3] (63)	Retail premises	700	70
Rouen[3] (76)	Retail premises	700	60
TOTAL INVESTMENT PROPERTIES[1]: €287.3m			

(1) Values after any depreciation and provisions at 31 December 2012. The amounts shown are higher than those on the balance sheet under the "investment properties" heading in the corporate financial statements, as several buildings are owned through subsidiaries.

(2) Owned by the Saints-Pères Fleury SCI (société civile immobilière/real estate investment company), a 32.5%-owned subsidiary of Cofitem-Cofimur.

(3) Catering assets resulting in particular from the merger with Restauration-investissement.

(4) Building also comprising 1,000 sq.m of housing owned by Foncière Cofitem, a 99.71%-owned subsidiary of Cofitem-Cofimur.

(5) Complex completed in early 2008, composed of a 144-room Holiday Inn Express hotel and a La Criée restaurant fully owned by Foncière Cofitem, as well as a youth hostel (St Christopher's Inn) that is lease financed.

(6) Long-term concession from the City of Paris

■ Equity portfolio

A SIGNIFICANT EARNINGS CONTRIBUTOR

Cofitem-Cofimur holds a portfolio of equity investments in listed property companies, which now generates a return in the form of dividends and makes a significant contribution to earnings.

Breakdown of the equity portfolio

The portfolio built up by Cofitem-Cofimur since 2008 has been refocused on its core holdings following the January 2012 sale of the Affine securities. Additionally, following the successful takeover bid by PHRV, the concert formed between Cofitem-Cofimur and PHRV, and joined by Foncière des 6e et 7e arrondissements de Paris (SIIC), now holds 58.2% of the capital of Foncière Paris France.
The equity portfolio represented a cost of €128.3 million at 31 December 2012 (including 31.1% of the capital of PHRV and excluding the Foncière Paris France OSRAs (*Obligations Subordonnées Remboursables en Actions*/subordinated bonds redeemable in shares). It comprised the following core listed holdings:

- 15.9% of the capital of Foncière Paris France,
- 8.4% of the capital of Foncière des 6e et 7e arrondissements de Paris (SIIC),
- 5.1% of the capital of Eurosic.

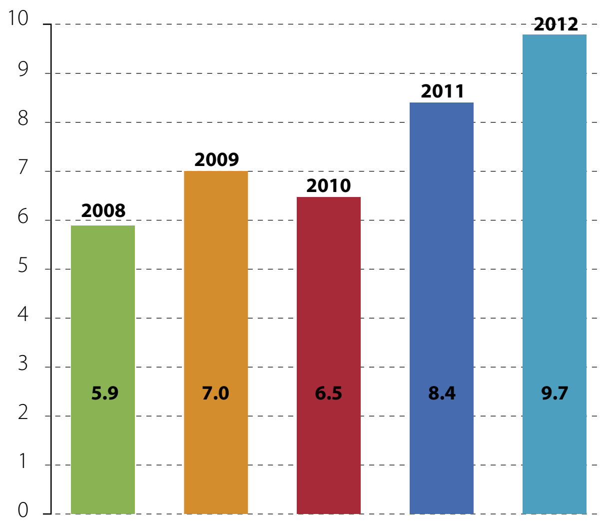
Cofitem-Cofimur also holds 90,909 Foncière Paris France 2010 OSRAs issued in December 2010.

Amount of dividends received from investments in property companies

The dividends earned from this portfolio contribute to earnings.

In millions of euros

Financial year 2012	9.7
Financial year 2011	8.4
Financial year 2010	6.5
Financial year 2009	7.0
Financial year 2008	5.9



The dividends received from the company's holdings (including subsidiaries) stood at €9.7 million in 2012, i.e., a 7.6% yield on cost.

Annual financial report for the financial year

3, rue Moncey - Paris 9

Report of the Board of Directors

Corporate income rose significantly, from €22.1 million in 2011 to €27.2 million in 2012.

Consolidated income also increased sharply, from €22.0 million in financial year 2011 to €34.7 million in financial year 2012. PHRV's successful takeover bid of Foncière Paris France, as well as the capital gains on property sales, had a very positive impact on consolidated earnings.

Consolidated turnover for the financial year ended 31 December 2012, which includes financial revenue and the share of revenue of associated undertakings, represented €96.0 million, compared with €100.3 million in financial year 2011.

This performance allows the Company to propose a dividend of €5.30, a nearly 3% increase compared with the €5.15 dividend per share paid for the previous year.

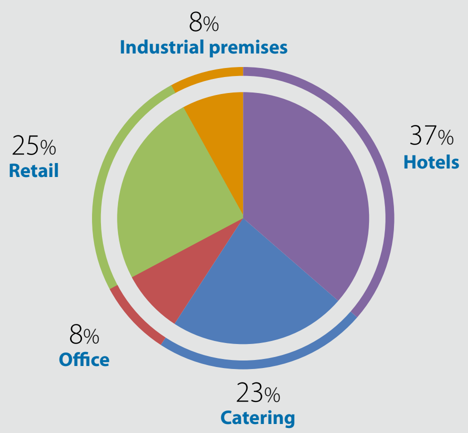
Real-estate financial leasing activity

In 2012, the financial leasing activity generated €21.3 million in new outstandings, after particularly sustained production in 2011 of €105 million in new contracts. Average production for these two financial years thus stood at €63.2 million, in line with the average level of production in previous years.

The Company entered into 13 new contracts, the average unit amount of which was €1.6 million. Fifty-six percent of this production was contracted at fixed rates. The breakdown between the Paris region and the provinces was substantially equal.

Financial leasing outstandings thus declined slightly in the corporate financial statements, from €515.9 million at 31 December 2011 to €493.0 million at 31 December 2012.

The breakdown of these contracts by business sector is as follows:



In 2012, 37% of financial leases signed related to hotel financing (€7.9 million), 25% to retail (€5.3 million), 23% to catering (€4.9 million), 8% to office financing (€1.6 million) and the balance (€1.7 million) to industrial premises.

No significant new litigations arose during the financial year; however, net allocations to doubtful accounts represented €0.5 million in 2012, compared with a net reversal of €1.8 million in 2011.

Renting activities

Net rental income from investment properties held by Cofitem-Cofimur was stable at €11.5 million in financial year 2012, compared with €11.2 million in financial year 2011, in the corporate financial statements. Consolidated rental income stood at €17.6 million in 2012, compared with €19.3 million in 2011, due in particular to the sale of the Berlin buildings.

The building on rue Saint-Fiacre (3,000 sq.m) was re-let in the first half of the year, after the renovation work was completed in September 2011. It was sold at the end of the year to Foncière Paris France, of which Cofitem-Cofimur holds 15% of the capital. This transaction generated a €9.3 million after-tax capital gain on the sale for Cofitem-Cofimur. This transaction, approved by both companies' Boards of Directors, was carried out based on the value indicated in the fairness opinion issued beforehand.

The fully renovated building on rue de Lasteyrie (1,300 sq.m) was delivered in May 2012. It is now being marketed.

The first rental income was received from the Marriott Boulogne-Billancourt, which opened in March 2012. It will represent €1.8 million for the full year.

Work to convert the building located between the Gare du Nord and the Gare de l'Est at 5, rue de Dunkerque in Paris 10 (5,400 sq.m) into a youth hostel began after the building permit was obtained. It should be completed by the end of 2013.

At 31 December 2012, excluding properties undergoing renovation, the assets' occupancy rate was 95.6% on net book value; the vacancy was related to the very recent delivery of the building on rue de Lasteyrie, which is now being marketed.

Lastly, the sale of three buildings in Berlin, initiated at the end of 2011 for €20 million, became effective in early 2012.

The appraisals conducted on Cofitem-Cofimur's investment properties led to an overall estimate of €388.7 million at 31 December 2012, showing unrealised capital gains of €145.7 million (including the building on rue des Saints-Pères, for which the share of direct ownership of 32.5% was used), an increase compared with the end of 2011 (€137 million) despite the property sales.

Hotel activity

Turnover in the hotel division (257 rooms) rose sharply in 2012, due mainly to the opening of the Courtyard Marriott Boulogne-Billancourt hotel in March 2012, following completion of the construction work. The group's two hotels (Holiday Inn Express Paris-Canal de La Villette and Courtyard Marriott Boulogne-Billancourt) generated turnover of €10.5 million, versus €6.1 million in 2011.

Their performance was very satisfactory: an 80% occupancy rate and an average room rate of €112 pretax for the Holiday Inn hotel; a 66% occupancy rate and an average room rate of €137 pretax for the Courtyard Marriott from its first year of operation.

Shareholdings

At 31 December 2012, the value of Cofitem-Cofimur's portfolio of securities of listed property companies was €105.3 million, for a cost of €103.5 million. Dividends received from these investments stood at €5.6 million in 2012, i.e., a 5.4% yield on cost.

In total, the Company received €9.7 million in dividends from its holdings (including dividends paid by group companies), compared with €8.5 million in financial year 2011.

After the January 2012 sale of the Affine shares for their net value after provisions, Cofitem-Cofimur now has holdings in Eurosic, Foncière des 6^{e} et 7^{e} arrondissements de Paris (SIIC) and Foncière Paris France.

Following the takeover bid launched by PHRV, the concert formed between Cofitem-Cofimur and PHRV, and joined by Foncière des 6^{e} et 7^{e} arrondissements de Paris (SIIC), now holds 58.2% of the capital of Foncière Paris France.

This transaction brings Foncière Paris France into Cofitem-Cofimur's scope of consolidation. It is accounted for by the equity method. As a result, badwill of €14.8 million (excluding the share in PHRV) was recorded at 31 December 2012, very significantly increasing the group's consolidated income.

Consolidated income

Given these very positive factors, consolidated income for financial year 2012 was €34.7 million, compared with €22.0 million at 31 December 2011.

The Group's scope includes 11 companies that are fully consolidated, as well as PHRV and Foncière Paris France, which are equity accounted (see appendix to the consolidated financial statements §1.2). Subsidiaries' earnings are indicated in the appendix to the corporate financial statements (see §7).

Corporate income

Net profit for financial year 2012 was €27.2 million, compared with €22.1 million in 2011. This includes €9.8 million in net after-tax capital gains on the sale of properties and an increase in corporate income tax to €9.8 million (compared with €8.1 million in 2011).

Distribution

The total amount available at 31 December 2012 was:

- Net profit for the financial year: €27,234,373
- Retained earnings 2012: €31,941,758
- **Total to be distributed: €59,176,131**

We propose the payment of a €5.30 dividend per share, compared with €5.15 for the previous financial year.

The dividend will be paid as from 22 April 2013 with an ex-dividend date of 17 April 2013.

The available amount would therefore be allocated as follows:

- Dividend to be paid: €22,727,296
- Allocation to legal reserve: € -
- Retained earnings: €36,448,835

The dividends paid in the three previous financial years are as follows:

In Euros

Financial year	2011	2010	2009
Total dividend	5.15	5.00	4.75

Shareholders'equity - Refinancing

At 31 December 2012, corporate shareholders' equity was stable at €245.2 million, before integration of income for the financial year.

Consolidated shareholders' equity increased to €324.3 million from €308.6 million at the end of 2011.

As part of its efforts to diversify its sources of funding, on 18 July 2012 Cofitem-Cofimur issued €50 million in five-year bonds bearing interest at an annual rate of 4.25%. This issue, subscribed under a private placement, will enable the Company to extend the average period of its funding. The bonds are listed on Euronext Paris under ISIN code FR0011287879. This bond issue was the subject of a prospectus authorised by the *Autorité des Marchés Financiers* (French financial markets authority) on 16 July 2012 under no. 12-349.

Consolidated net financial debt was down slightly to €627.8 million at 31 December 2012 compared with €638.1 million at 31 December 2011.

At 31 December 2012, Cofitem-Cofimur had €64.1 million in cash, as well as €62.2 million in undrawn confirmed credit lines.

At 31 December 2012, Cofitem-Cofimur had subscribed €191 million in caps (of which €30 million in deferred-start caps), entered into at an average rate of 3.36%, and €300 million in swaps (of which €105 million in deferred-start swaps), entered into at an average rate of 2.00%. The schedule and maturity of these hedging instruments are detailed in the appendix to the financial statements. At 31 December 2012, Cofitem-Cofimur's average refinancing rate was 2.06% (including the cost of the swaps).

The Company's exposure to market risks is presented in the report of the Chair of the Board of Directors as provided for in Article L. 225-37 of the French commercial code (*Code du commerce*).

Trade payables are due in less than 60 days.

Share price performance - Shareholder structure

As of 31 December 2012, equity capital stood at €64,322,535, divided into 4,288,169 shares with a face value of €15 each.

There are no securities that give access to the capital of the Company. There are no double voting rights, and the articles of association contain no restrictions on the exercise of voting rights and on share transfers. To the Company's knowledge, there are no shareholders' agreements and there is no concerted action among shareholders.

The share's performance during the financial year was as follows:

- Share price at 31 December 2011: €84.99
- Share price at 31 December 2012: €88.00
- Low for the period: €78.92
- High for the period: €90.70

Cofitem-Cofimur had approximately 470 shareholders at 31 December 2012.

The shareholder structure remained stable during the year and there were no significant changes. Shareholders holding more than 5% of the Company's capital at 31 December 2012 are as follows:

In %

	31/12/12	31/12/11	31/12/10
Allianz Group	20.76	20.76	20.29
Covéa Group	18.66	18.66	18.24
Zurich Group	12.08	12.08	12.41
Foncière des 6e et 7e arrondissements de Paris (SIIC)	9.95	9.95	9.90
Generali Group	8.74	8.74	9.04
Jean-Paul Dumont (La Tricogne)	7.68	7.16	7.23
Assurances Mutuelles Le Conservateur	6.85	6.85	6.69

During the year, the Company purchased 1,804 treasury shares at an average price of €83.67 and sold 1,693 treasury shares at an average price of €84.38. At the close of this financial year, it held 7,587 shares acquired for a net book value of €682 thousand, representing a stock market value of €668 thousand. These shares were acquired under a buyback programme authorised by the General Meeting to stabilise the Company's share price and encourage employee share ownership.

At 31 December 2012, employees and corporate officers held 13,636 shares under the Company savings plan (*Plan d'Épargne Entreprise*). During 2012, 600 shares were distributed freely to the Chair of the Board of Directors.

In accordance with the legal obligation, a resolution has been submitted to the General Meeting seeking to give employees access to the capital. The Board of Directors is in favour of employee share ownership, but believes that a capital increase reserved for employees is not appropriate given the measures already in place. It proposes that the General Meeting not adopt the eighth resolution in question.

Administration of the Company

The Company's Board of Directors had 12 members at the end of the financial year. It met three times. The list of the corporate officers' offices and positions is presented in the appendix.

The Audit Committee met three times during the financial year.

Additional information likely to influence a public tender offer

Except as described in the management report, in particular with respect to the description of the capital and the main risks to which the Company is exposed, there is no particular information likely to have an influence in the event of a public tender offer as considered in Article L. 225-100-3 of the French commercial code.

Social and environmental consequences of the Company's business

As a services Company, Cofitem-Cofimur is not exposed to direct environmental risk. Funding under financial leasing relates almost entirely to the services sector.

In these areas, where the Company's policy is to select its commitments based on location quality and creditworthiness, the purely real-estate risks are moreover limited by strict standards.

The Company's own assets are composed almost exclusively of offices located in Paris. Whenever the Company makes a new acquisition, it has its own experts conduct due diligence, in addition to the regulatory analyses, to verify the condition of the buildings, in particular with respect to asbestos and the buildings' networks and systems. The policy of the Company, which manages its real-estate assets with a view to long-term ownership, is to ensure regular maintenance of its assets and to gradually bring them up to the highest standards of safety and environmental quality. The major renovations and construction carried out by the Company, in particular on the building on rue de Lasteyrie and for the Courtyard Marriott Boulogne-Billancourt hotel, combine asset value-creation, integration into the urban environment, working and living comfort, system upgrades, insulation quality, and landscaping of outside spaces and terraces.

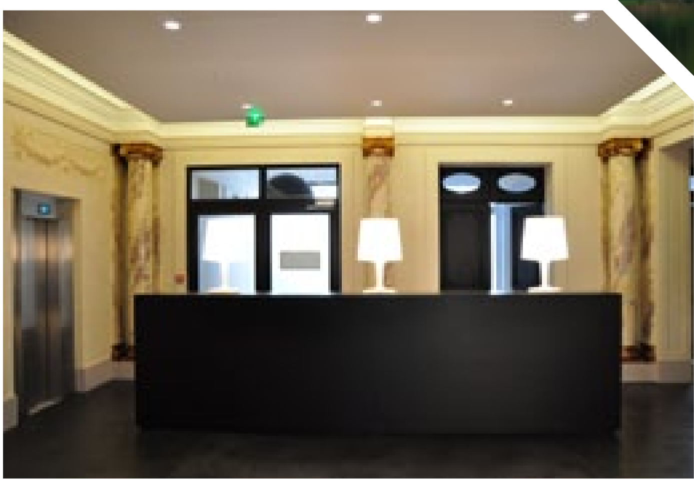
Outlook

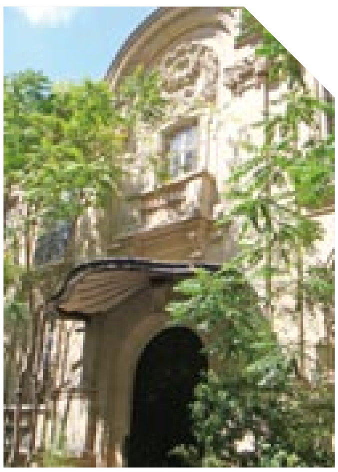
The 2012 takeover, with PHRV, of Foncière Paris France, whose real-estate assets are close to or complement those of Cofitem-Cofimur, will create synergies between these companies and offer opportunities to develop and enhance the value of the portfolio assets.

Cofitem-Cofimur will continue its development, taking into account the regulatory constraints affecting the financial leasing activity, the expected leasing of properties currently being marketed and any other prospect for earnings growth in the coming financial years, which will ensure the continuation of the Company's dividend distribution policy.

Les Mesnuls (78)

3, rue Moncey - Paris 9





4, rue de Lasteyrie - Paris 16

Resolutions submitted to the general meeting of 9 april 2013

RESOLUTIONS SUBJECT TO THE RULES APPLICABLE TO ORDINARY GENERAL MEETINGS

First resolution

After receiving and reviewing the reports of the Board of Directors and the Statutory Auditors, the General Meeting approves the corporate financial statements at 31 December 2012, as submitted, as well as all the transactions reflected therein or summarised in these reports.

Second resolution

After receiving and reviewing the reports of the Board of Directors and the Statutory Auditors, the General Meeting approves the consolidated financial statements at 31 December 2012, as submitted, as well as all the transactions reflected therein or summarised in these reports.

Third resolution

Pursuant to Articles L 225-38 et *seq.* of the French commercial code, the General Meeting, having reviewed the special report prepared by the Statutory Auditors and the report of the Board of Directors, approves the sale to Foncière Paris France of the building located at 8-10, rue Saint-Fiacre in Paris 2, for a net selling price of €21.5 million. The sale took place during financial year 2012.

Fourth resolution

The General Meeting fully and unconditionally discharges the members of the Board of Directors from liability for the financial year ended 31 December 2012. The General Meeting also discharges the Statutory Auditors from liability for the financial year ended.

Fifth resolution

The General Meeting, on the proposal of the Board of Directors, decides to allocate net income for the past year, which was €27,234,373, as follows:

• Net profit for the financial year:	€27,234,373
• Retained earnings 2012:	€31,941,758
Total to be distributed:	**€59,176,131**
• Dividend to be paid:	€22,727,296
• Allocation to legal reserve:	€ -
• Retained earnings:	€36,448,835

This allocation corresponds to a dividend of €5.30 per share, for the 4,288,169 shares comprising the equity capital. No allocation to the legal reserve is proposed, as it is fully funded.

The dividend will be paid as from 22 April 2013 with an ex-dividend date for coupon no. 28 of 17 April 2013. The share of the dividend relating to treasury shares held by the Company will be added to retained earnings for the financial year as set out above.

In accordance with legal requirements, it should be noted that distributions per fully redeemed share for the last three years are as follows:

In Euros

Financial year	2011	2010	2009
Total dividend	5.15	5.00	4.75

Sixth resolution

The General Meeting, deliberating pursuant to Articles L 225-209 et *seq.* of the French commercial code, having reviewed the report of the Board of Directors, authorises the Board of Directors, with the right to further delegate as provided by law, for a period of 18 months from the date of this General Meeting, to trade in its own shares, with the aim, in order of priority, of:

- making a market in the secondary market or ensuring the share's liquidity through an investment service provider acting independently by means of a liquidity agreement that complies with the principles of the Code of Ethics of the *Association Française des Marchés Financiers* (AMAFI, the French financial markets association) of 14 March 2005, recognised by the *Autorité des Marchés Financiers* (AMF),
- granting shares to employees or corporate officers under the conditions set by law and under any programmes seeking to encourage employee savings,
- enabling the delivery of shares by way of payment or exchange, in connection with financial or external growth transactions.

To implement this programme, the General Meeting resolves that:

- these shares may be purchased, sold and transferred at any time, including during a public tender offer, on one or more occasions, on the market or over the counter, by any means authorised, in accordance with applicable regulations and with the terms and conditions defined by the AMF.
- The maximum share of capital that may be transferred in the form of blocks of shares may represent the entire share buyback programme.
- The Company may purchase its shares only at a price of not more than €110, subject to adjustments related to any transactions involving the capital.
- The Company may not hold more than 5% of the equity capital under this authorisation, if applicable, through the acquisition of blocks.

To ensure the implementation of this resolution, the Board of Directors is granted full authority, with the right to further delegate as provided by law, in particular to:

- resolve to implement this authorisation;
- place all trades;
- enter into, with an investment services provider, a liquidity agreement that complies with the AMAFI's code of ethics recognised by the AMF;
- make all disclosures to and carry out all formalities with the AMF relating to the above-referenced buyback programme;
- carry out all other formalities or enter into all agreements to that end and, more generally, take all measures necessary to implement the above-referenced buyback programme.

This authorisation supersedes the previous authorisation.

Seventh resolution

The General Meeting, on the proposal of the Board of Directors, approves the renewal of Michel Dufief's term as non-voting member for a three-year period that will expire at the General Meeting called to approve the financial statements for financial year 2015.

Resolutions subject to the rules applicable to Extraordinary General Meetings

Eighth resolution

The General Meeting, having reviewed the report of the Board of Directors, in accordance with the provisions of Articles L 225-129-6 and L 225-129-2 of the French commercial code, delegates to the Board of Directors the authority necessary to carry out, on one or more occasions, a capital increase reserved for employees. The Board of Directors shall set the subscription price in accordance with the methods outlined in Article L 3332-19 of the French labour code (*Code du Travail*). It therefore resolves to cancel any shareholders' preferential subscription rights in favour of the employees. This delegation shall remain valid for a period of twenty-six months and for a maximum amount of 3% of the equity capital.

The General Meeting resolves that the Board of Directors shall have full authority to implement this delegation, in particular to set the dates and the terms and conditions of the issues; set the amounts to be issued, the dividend date of the securities to be issued, and the manner in which the shares will be paid up; charge the costs of this capital increase against the amount of the premium relating thereto; and, in general, take all necessary measures to complete the issue under consideration, record the capital increase(s) and amend the Company's articles of association accordingly.

Ninth resolution

Full powers are granted to the bearer of an original or a copy hereof to carry out the necessary formalities.

Financial performance for the last five financial years

NATURE OF THE INFORMATION	2012	2011	2010	2009	2008
Financial position at the end of the financial year					
Equity capital in €	64,322,535	64,322,535	62,250,705	62,250,705	62,250,705
Number of shares in issue	4,288,169	4,288,169	4,150,047	4,150,047	4,150,047
Number of bonds convertible into shares	-	-	-	-	-
Total income from operations in €					
Pretax turnover (including financial revenue)	97,840,895	104,855,553	109,679,013	119,746,003	135,785,074
Earnings before tax, amortisation, depreciation and provisions(1)	70,988,427	55,767,094	75,232,608	75,538,360	89,541,066
Income tax	9,793,166	8,083,337	6,660,185	5,126,268	1,950,303
Earnings after tax, amortisation, depreciation and provisions	27,234,373	22,088,093	21,372,382	20,606,031	15,009,123
Amount of distributed earnings	22,727,296	22,084,070	20,750,235	19,712,723	18,675,212
Income from operations per share (per fully redeemed share) in €					
Pretax earnings	8.63	7.04	6.75	6.20	4.09
Earnings after tax but before amortisation, depreciation and provisions(1)	14.27	11.12	16.52	16.97	21.11
Earnings after tax, amortisation, depreciation and provisions	6.35	5.15	5.15	4.97	3.62
Dividend per share	5.30	5.15	5.00	4.75	4.50
Personnel					
Number of employees	14	14	13	14	16
Payroll amount in €	1,795,170	1,543,593	1,522,786	1,535,017	1,490,411
Amount paid to social security bodies in €	973,832	825,152	769,740	770,126	791,906
Compulsory and discretionary profit-sharing/company savings plan payments in €	291,135	275,368	260,725	229,112	272,519

Subsidiaries and shareholdings

In thousands of euros

	Share held	Gross value	Net book value	Share-holders' equity (before income)	Income in last financial year (2011)	Off-balance-sheet commit-ments	Loans	Dividends received	Interest received
French subsidiaries									
Foncière Cofitem	99.7%	17,764	17,764	16,852	134	10,000	12,265	1,647	103
PHRV	31.1%	15,919	15,919	156,686	5,262	-	7,500	2,678	84
Hôtelière de La Villette	100%	150	150	102	(317)	-	2,800	-	27
Hôtelière de Boulogne	99.9%	1,150	1,150	1,281	587	-	12,858	345	146
SCI Cofitem Boulogne	99.9%	10	10	10	732	-	31,943	-	222
SCI Cofitem Levallois	99.9%	10	10	10	988	-	19,104	-	120
SCI Saints-Pères Fleury	32.5%	975	975	3,000	1,962	-	7,233	-	63
La Villette Food	50.0%	5	5	315	47	-	-	47	-
SAS La Rotonde	1%	1	1	100	(922)	16,196	-	-	-
SCI Cofitem Dunkerque	15.9%	34,912	34,912	209,953	10,257	-	-	2,014	650
German subsidiaries									
Cofitem Taubenstrasse 1 (which holds 100% of Cofitem TAUBENSTRASSE 2)	100%	27.50	-	(6)	607	-	350	-	-
Cofitem Bernburger 1 (which holds 94% of Cofitem Bernburger 2)	100%	27.50	27.50	(6)	825	-	175	-	-
Cofitem Jacobstrasse 1 (which holds 100% of Cofitem Jacobstrasse 2)	100%	27.50	27.50	25	(307)	-	953	-	-

(1) Excluding the impact of the exercise of options on financial leasing contracts (offset by the reversal of the article 64 provision specific to SICOMI status).

Social and Environmental Report

Type of so-called "Grenelle 2" information	Quantitative and/or qualitative information
Employment	
Total headcount and split of employees by sex, age and geographical areas	The consolidated headcount for the Company and its hotel subsidiaries as at 31 December 2012 was 58 (including 3 company officers), of which 44 in the hotel businesses. This consisted of 30 women and 28 men.
Hiring and termination	The Company made no hirings nor terminated any staff in 2012. In 2012 the hotel subsidiaries hired 29 staff, notably through the opening of the Courtyard Marriott hotel in Boulogne-Billancourt and terminated no staff.
Remuneration compared to previous year	The group payroll amounted to €4.721m in 2012 (including €1.208m for the hotel businesses), against €3.350m in 2011 (including €0.653m for the hotels).
Work arrangements	
Organisation of the working week	The organisation of the working week is compliant with the national collective bargaining agreement for financial companies as regards the parent company (35 hours) and the national collective bargaining agreement for hotels, cafés and restaurants as regards the hotel subsidiaries (39 hours with offsetting).
Absenteeism	In 2012, the Company has not been confronted with problems of significant absenteeism.
Industrial relations	
Organisation of the industrial relations dialogue, including procedures for informing and consulting staff and negotiating with staff.	The Company does not have any staff representative bodies.
Review of collective agreements	The employees of Cofitem-Cofimur benefit from a profit sharing agreement, on a voluntary basis, and a bonus arrangement in addition to profit sharing, with the money being invested in a legally-prescribed company employee savings plan (*Plan d'Épargne Entreprise*).
Health & Safety	
Conditions of health and safety at work	The Company is in compliance with the provisions of the Labour Code (*Code du Travail*) applicable to office buildings and the provisions applicable to the hotel and catering trades as regards the hotel subsidiaries. End 2009 the Company moved into the office building at 41-43, rue Saint-Dominique in Paris 7 , which had just been completely restructured and which benefits from working areas with the best comfort levels. The Holiday Inn Express hotel in La Villette was opened in May 2008 after construction of a new building (reconstruction of a general stores building). The Courtyard Marriott hotel in Boulogne-Billancourt was opened in March 2012 after reconstruction of the building as new (conversion of a former branch of the Bank of France).
Health and safety at work reviews signed off by the trade union organisations or staff representatives	Not applicable.
Accidents at work, frequency and severity, as well as occupational diseases	The Group has not been faced with the problems of work accidents or occupational diseases.

Type of so-called "Grenelle 2"information	Quantitative and/or qualitative information
Training	
Training policy	Vocational training courses are set up to keep pace with the growth of the total workforce and their needs in terms of skills and competencies.
Total number of training hours	Not provided.
Equal opportunities	
Measures taken in favour of equality between women and men	The Group workforce consists of 30 women and 28 men. The Group is particularly attentive to providing equal opportunity between men and women.
Measures taken in favour of the employment and induction of people with disabilities	In view of its headcount, Cofitem-Cofimur is not subject to any obligation as to employment of disabled staff. However, it takes advantage of each renovation or departure of a tenant to facilitate access to buildings for people with all types of disability. The hotel subsidiaries use suppliers who specialise in the employment of disabled worker (for example sheltered workshops) for some of their supplies.
Policy to combat discrimination	The Company has not adopted a charter or code of ethics, but it is careful not to find itself in a situation of being involved in discriminating practices.
Promotion of and respect for the stipulations of the basic ILO conventions concerning	
Respect for freedom of association and the right to collective bargaining	Not applicable.
The elimination of discrimination in employment and occupation	Cofitem-Cofimur is careful to avoid any practices which could give rise to possible discrimination in employment and training.
The elimination of forced or compulsory labour	Not applicable.
The effective abolition of child labour	Not applicable.
General Policy on environmental matters	
Organisation of the Company to take into account environmental issues and, where appropriate, any assessment and certification initiatives	First signings of environmental appendices to leases in 2012.
Staff training and information in environmental protection matters	No training in 2012. Training scheduled in 2013 due to regulatory developments, particularly in terms of energy performance in rehabilitated properties.
Resources devoted to the prevention of environmental risks and pollution	The Company remains particularly attentive to compliance with all regulations. Each asset has been the subject of diagnostics (asbestos, lead …).
Amount of provisions and guarantees for risks in relation to the environment	The Company has not set up any provisions nor guarantees for risks in relation to the environment.

Type of so-called "Grenelle 2" information	Quantitative and/or qualitative information
Pollution and waste management	
Measures for prevention, reduction or repair of discharges into the air, water and soil that seriously harm the environment	Not applicable: activity mainly financial, not subject to the requirements of Article L225-102 of the Commercial Code (*Code du Commerce*).
Measures for prevention, recycling and disposal of waste	Despite heavy rehabilitation work in dense urban areas, the Company has taken the option of applying "soft" management at all sites (sorting of waste, water decantation…).
Taking into account of noise and any other form of pollution specific to a business	When renovating and carrying out work on its buildings, the Company is particularly attentive to soundproofing for the comfort of users but also that of the surrounding neighbourhood.
Sustainable use of resources	
Consumption of water and water supply depending on local constraints	Each time the Company rehabilitates a property it provides for arrangements allowing for savings and better management of water. Examples: Recovery basin for rainwater.
Consumption of raw materials and measures taken to improve efficiency in their use	Use of recyclable paper and envelopes.
Energy consumption, measures taken to improve energy efficiency and the use of renewable energy	The Group's hotel subsidiaries use the "Equilibre + " plan from the electricity supplier EDF which imposes a share of renewable energy in the energy provided and funding of research in this area.
Land usage	Not applicable.
Climate Change	
Greenhouse gas emissions	The Company has established a policy of sustainable development aimed at optimising energy performance and reducing the carbon footprint of buildings, by controlling energy consumption (heating, air conditioning, energy, hot water, WCs, lighting).
Adapting to the impacts of climate change	Not applicable.
Protection of biodiversity	
Measures taken to preserve or develop biodiversity	Cofitem-Cofimur takes advantage of its renovations to enliven offices by providing wooded gardens and terraces, even in dense urban areas. Example: complete rehabilitation of the garden as part of the work of renovating a building on the rue Moncey in Paris 9.
Territorial, economic and social impact of the company's businesses	
As regards employment and regional development	The Company works with local government and associations and their common goal is to employ local people in its contracts with suppliers.
Impact on neighbouring or local population	The Company works with local government and associations and their common goal is to employ local people in its contracts with suppliers.

Type of so-called "Grenelle 2" information	Quantitative and/or qualitative information
Relations with the persons or organisations interested in the activity of the Company, including job-seeker associations, educational institutions, associations for the protection of the environment, consumer associations and neighbourhood residents	
Conditions for dialogue with these people or organisations	Contact mainly with neighbouring residents affected by the work (dialogue box at the site entrance, for example) and communication on the project.
Partnerships and sponsorship	The company participates in several sponsorships (publication or re-release of books on architectural heritage, cultural events, funding of work…) through the "City and Heritage Foundation" [Fondation Ville et Patrimoine] (a corporate foundation),
Sub-contractors and suppliers	
Taking social and environmental issues into account in procurement policy	Making construction companies and subcontractors aware of a responsible purchasing policy: recyclable packaging (pallets, etc.), products from recycled materials.
Importance of subcontracting and the taking into accounts of suppliers' and subcontractors' social and environmental responsibility in relations with them	Making construction companies and subcontractors aware of a responsible purchasing policy: recyclable packaging (pallets, etc.), products from recycled materials.
Loyal practices	
Actions taken to prevent corruption	The Group believes it is not subject to a risk of corruption.
Measures taken in favour of the health and safety of consumers	Arrangements when constructing or renovating: - Improve user comfort, in terms of quality of working conditions, acoustics, lighting, health and technical requirements. - Ensure the sanitary quality and the safety of buildings by prohibiting the use of materials and products harmful to health. All renovations undertaken by Cofitem-Cofimur have had as an objective to offer its tenant customers buildings that are the most efficient and secure for their occupants.
Other actions taken in favour of Human Rights	
Other actions taken in favour of Human Rights	Not applicable.

General information

4, rue de Lasteyrie - Paris 16

General information about the Issuer

Basic information

Name, head office

The corporate name is Cofitem-Cofimur.

After the merger by absorption of Restauration-Investissement, effective 1 January 2003, the Company took the business name "Restauration-Investissement".

The head office is located at: 43, rue Saint-Dominique - 75007 Paris - Tel.: 01 53 70 77 77 – Fax: 01 53 70 77 78 Website: www.cofitem-cofimur.fr

Form and nationality

French public limited company (*société anonyme*), registered with the Paris Trade and Corporate Registry under number 331 250 472.

Governing law

- French public limited company (*société anonyme*) governed by the 24 July 1966 act on trading companies.
- Financial corporation (*société financière*) registered under no. 18 000 and governed by the 24 January 1984 act relating to the activity and control of credit institutions.

Term

The term of the Company, created in its current form on 30 November 1984, will expire on 18 December 2083 except in the event of early dissolution or of an extension.

Publicly available documents

Documents concerning the Company, in particular its articles of association, its financial statements, and the reports presented to its General Meetings by the Board of Directors and the Statutory Auditors, may be accessed at the head office or on its website.

Corporate financial year

The financial year begins on 1 January and ends on 31 December.

Corporate purpose

The Company's purpose (article 2 of the articles of association) is:

- the leasing of industrial, commercial and professional buildings; ownership of these buildings may be transferred to users under a financial leasing contract,
- the leasing of industrial, commercial and professional equipment; ownership of this equipment may be transferred to users under a financial leasing contract,
- the rental activity of unfurnished industrial, commercial and professional buildings,
- all forms of investment in any existing or future company.

Organisation - Subsidiaries

Cofitem-Cofimur is part of a group of real-estate investment and financing companies that includes the PHRV group, created in 1994, whose subsidiary Restauration-Investissement it acquired and absorbed in July 2003.

The relationship between the two entities has not been formalised; they each therefore maintain their autonomy vis-à-vis the other. They are connected through a shareholder base which they have, in part, in common. It is composed of insurance companies that have owned capital in these companies since they were founded in 1984. In addition, Cofitem-Cofimur held 31.1% of the capital of PHRV at 31 December 2012, which it consolidates by the equity method.

Following PHRV's successful takeover bid of Foncière Paris France, the concert formed between Cofitem-Cofimur and PHRV, and joined by Foncière des 6^{e} et 7^{e} arrondissements de Paris (SIIC), now holds 58.2% of the capital of this property company. This transaction brought Foncière Paris France into Cofitem-Cofimur's scope of consolidation. It is accounted for by the equity method.

Common shareholders at 31 December 2012

In %

	PHRV	Cofitem-Cofimur	Foncière des 6^{e} et 7^{e} arrondissements de Paris (SIIC)	Foncière Paris France
Allianz Group	31.4%	20.8%	18.3%	-
Covéa Group	31.4%	18.7%	18.6%	29.6%
Cofitem-Cofimur Group	31.1%	-	8.7%	15.9%
PHRV Group	-	-	26.8%	34.9%
Foncière des 6^{e} et 7^{e} arrondissements de Paris (SIIC)	-	9.9%	-	7.3%

Common directors at 31 December 2012

	Cofitem-Cofimur	PHRV	Foncière des 6e et 7e arrondissements de Paris (SIIC)	Foncière Paris France
Sophie Beuvaden	Chairwoman of the Board of Directors	Director	Director	Director
Olivier Riché	Managing Director Permanent representative of Foncière des 6e et 7e arrondissements de Paris (SIIC)	Deputy Managing Director	Deputy Managing Director Permanent representative of Cofitem-Cofimur	Director Deputy Managing Director
Guy de Soucy	Deputy Managing Director	Deputy Managing Director	Deputy Managing Director	Deputy Managing Director Permanent representative of Cofitem-Cofimur
Alain Le Véel	Deputy Managing Director	Managing Director Permanent representative of Cofitem-Cofimur	Deputy Managing Director Permanent representative of PHRV	Deputy Managing Director Permanent representative of PHRV
Arnaud Pomel	Deputy Managing Director	Deputy Managing Director	Managing Director	Deputy Managing Director Permanent representative of Foncière des 6e et 7e arrondissements de Paris (SIIC)
François Thomazeau	Director	Chairman of the Board of Directors	Chairman of the Board of Directors	Chairman and Managing Director

In parallel with its direct ownership of properties, the Company develops its real-estate assets through its subsidiaries. The Group's scope includes 11 companies that are fully consolidated (see appendix to the consolidated financial statements §1.2).

Foncière Cofitem owns the building located at 56, boulevard de Rochechouart in Paris 18, which is let to Darty. Since 2007, it has owned the hotel complex at the Bassin de la Villette located at 68, quai de la Seine in Paris 19, comprising a La Criée restaurant (operated by SARL La Villette Food) and a 144-room hotel operated under franchise under the Holiday Inn Express banner by SAS Hôtelière de la Villette, which is also a Cofitem-Cofimur subsidiary. The office building at 43-45, rue Louise Michel and 20, rue Anatole France in Levallois-Perret is owned by the SCI Cofitem Levallois. The building that has been converted into a Courtyard Marriott hotel located at 114-116, route de la Reine in Boulogne-Billancourt is owned by the SCI Cofitem Boulogne and operated by the SAS Hôtelière de Boulogne, both of which are subsidiaries.

The German subsidiaries Cofitem Taubenstrasse 1 (which holds 100% of Cofitem Taubenstrasse 2), Cofitem Jacobstrasse 1 (which holds 100% of Cofitem Jacobstrasse 2) and Bernburger 1 (which holds 90% of Bernburger 2) have been maintained to ensure the completion of the sales, but each German sub-subsidiary has sold the building that it owned.

Allocation of earnings

Distributable earnings are determined by applicable laws and regulations.

The General Meeting may decide, in addition to allocating distributable earnings, to distribute amounts drawn from the reserves available to it, by expressly stating the reserve line items from which the amounts shall be drawn.

It should be specified that the net amount of capital gains on sales resulting from the early exercise of options, for buildings under financial leasing, may be allocated in the year in which they are realised and in the following two years.

Such allocation shall be made, in principle, in equal shares or such that the aggregate amount of the sums reincorporated into the basis of distributable earnings is, at the end of each of the three years, at least equal to as many thirds of the capital gain as there have been financial year-ends since the capital gain was realised.

After approving the financial statements and recognising the existence of any distributable amounts, the General Meeting determines the share allocated to shareholders in the form of dividends.

In any event, the fraction of earnings likely to be subject to specific tax laws will have to be distributed in accordance with the legal provisions specific to said fraction.

Dividends

The period of limitation for dividends is that defined by law. On the proposal of the Board of Directors, the Ordinary General Meeting may propose that the dividend be paid in shares and shall establish the practical procedures therefore.

The total dividend per share paid for the last three financial years is as follows:

In Euros

Financial year	2011	2010	2009
Total dividend	5.15	5.00	4.75

The Company's policy is to ensure moderate but steady growth in the dividend.

Corporate governance and internal control

Chair's report on the functioning of the board of directors and on the internal control and risk management procedures (Article L 225-37 of the French Commercial Code)

Cofitem-Cofimur, a credit institution and listed Company for nearly 25 years, took the necessary measures years ago to comply with the corporate governance rules in force in France, adapting them to the specifics of its shareholder base and its modest size.

In 2010, the Board of Directors adopted the Corporate Governance Code for Smallcaps and Midcaps, published by MiddleNext in December 2009, as the set of standards for the Company's corporate governance policy. It believes that the recommendations and points to monitor set out in this Code, which it has reviewed, reflect this policy. Therefore, pursuant to the 3 July 2008 Act transposing community directive 2006/46/EC of 14 June 2006, the MiddleNext code is the one to which the Board of Directors now refers as the framework for preparing this report which is submitted for its approval.

Composition of the Board of Directors

At the end of financial year 2012, the Board of Directors had 13 members, including 12 directors and 1 non-voting member. The composition of the Board of Directors complies with Act no. 2011-103 of 27 January 2011 as men and women are both represented. The Company will ensure that it complies with the legal deadlines for achieving a balanced representation of men and women on boards of directors.

The Board of Directors is composed of representatives of shareholders owning more than 5% of the capital, in particular the Allianz, Covéa, Le Conservateur, Generali and Zurich groups, as well as of qualified individuals. The Board of Directors believes that the presence of both representatives of the large shareholders and experienced, qualified individuals contributes to the successful fulfilment of its duties.

The Company has no reference shareholder, and its shareholder structure is balanced among several institutional shareholders owning 5%-20% of the capital. The directors representing these major shareholders, as well as the qualified individuals selected for their experience and expertise, may be considered independent members. They in fact have no significant financial, contractual or family relationship likely to impair the independence of their judgement.

In addition to the MiddleNext code's independence criteria applied by the Company, directors holding more than 10% of the Company's capital are not considered independent. Therefore, the analysis shows that Philippe Lepargneur, Jean-Paul Dumont and Cyril Le Touzé may be considered independent; there are consequently three independent directors.

The context for this analysis is the representation on the Board of Directors of the five shareholders with the largest holdings in the capital (Allianz, Covéa, Zurich, Foncière des 6^{e} et 7^{e} arrondissements de Paris and Generali).

Each director must hold at least one Cofitem-Cofimur share.

The directorships and positions that the corporate officers held this year and in the last five years are as follows :

Name	Office and term	Other outside directorships and positions
Sophie Beuvaden 76, rue de Prony 75017 Paris	Chairwoman of the Board of Directors since 2010 Director since 1995 Expiration of current term: 2016	**Directorships:** Deputy Managing Director of Azur-GMF Mutuelles d'assurances, MAAF assurances and MAAF Assurances SA, Covéa Coopérations (SA), MMA IARD Assurances Mutuelles, MMA IARD SA, MMA Vie Assurances Mutuelles, MMA Vie SA. Foreign director of CSE ICO, CSE Insurance Services, CSE Safeguard, GMF Financial. Permanent representative of Covéa (SGAM) on the Supervisory Committee of Covéa Finance (SAS). Chairwoman of the Board of Directors of Cofitem-Cofimur. Director of PHRV, Foncière des 6^{e} et 7^{e} arrondissements de Paris (SIIC) and Foncière Paris France. Permanent representative of Assurances Mutuelles de France on the Board of Directors of Covéa Immobilier (GIE) (*Groupement d'Intérêt Économique*/economic interest group). Permanent representative of MAAF Assurances SA on the Board of Directors of Medica (SA).

Name	Office and term	Other outside directorships and positions
Sophie Beuvaden (continuation) 76, rue de Prony 75017 Paris	Chairwoman of the Board of Directors since 2010 Director since 1995 Expiration of current term: 2016	**Other directorships held in the last five years:** Chairwoman and Managing Director of Grands Millésimes de France. Member of the Management Committee of SC Du Château Beychevelle and SCE du Château Beaumont. Foreign director of AME Life Lux, AME Lux Sa. Permanent representative of Azur-GMF Mutuelles d'Assurances Associées on the Supervisory Committee of Covéa Finance. Permanent representative of Boissy Finances on the Board of Directors of GMF Vie SA. Foreign member of the Supervisory Board of LMIH. Permanent representative of MAAF Assurances to the Chair of Chauray Valeurs, on the Supervisory Board of OFI Reim, and on the Board of Directors of Ucar SA. Permanent representative of MAAF Assurances on the Supervisory Board of Ofivalmo Partenaires. Permanent representative of Covéa Finance on the Board of Directors of Assistance Protection Juridique. Chairwoman of Covéa Part. Vice-Chairwoman of Filassistance International. Member of the Management Board of MAAF Vie. Member of the Supervisory Board of Foncière LFPI 2. Foreign director of Credemassicurazioni S.P.A., Credemvita S.P.A. and Assurances Mutuelles d'Europe. Permanent representative of Assistance Protection Juridique on the Board of Directors of Foncière Malesherbes Courcelles. Permanent representative of Assurances Mutuelles de France on the Board of Directors of Azur Patrimoine. Permanent representative of Assistance Protection Juridique on the Board of Directors of Foncière Malesherbes Courcelles and Sécurité Pierre Investissement. Permanent representative of AZUR-GMF on the Board of Directors of Filassistance International. Permanent representative of AZUR Vie on the Board of Directors of GMF Vie. Permanent representative of Alsacienne Vie on the Board of Directors of Boissy Gestion. Permanent representative of GMF Vie on the Board of Directors of Cofitem-Cofimur and Foncière des 6e et 7e arrondissements de Paris (SIIC). Permanent representative of GMF Assurances on the Board of Directors of SIIC de Paris and PHRV. Permanent representative of MAAF Assurances to the Management of SCI Actimart Grenoble, SCI Compans Sebastopol, SCI Ivry Nord Picardie. Permanent representative of GMF Vie on the Board of Directors of Covéa Finances Actions Japonaise (formerly Boissy Actions Japonaises), Covéa Finances Actions Francaises (formerly Boissy Actions Françaises), Covéa Finances Moyen Terme (formerly Boissy Moyen Terme). Permanent representative of La Sauvegarde on the Board of Directors of Boissy Finances. Deputy Managing Director of Azur-GMF Mutuelles D'assurances Associées and MMA Coopérations.
Foncière des 6e et 7e Arrondissements de Paris represented by **Olivier Riché** 43, rue Saint-Dominique 75007 Paris	Managing Director since 2002 Expiration of current term: 2014 Director since 2012 Expiration of current term: 2018	**Directorships:** Managing Director of Cofitem-Cofimur and Foncière Cofitem. Deputy Managing Director of PHRV, Foncière Paris France and Foncière des 6e et 7e arrondissements de Paris (SIIC). Director of Foncière Paris France, Risque & Sérénité and Foncière Cofitem. Permanent representative of Cofitem-Cofimur on the Board of Directors of Foncière des 6e et 7e arrondissements de Paris (SIIC). Permanent representative of Foncière des 6e et 7e arrondissements de Paris (SIIC) on the Board of Directors of Cofitem-Cofimur. **Other directorships held in the last five years:** None.

Name	Office and term	Other outside directorships and positions
Guy de Soucy 43, rue Saint-Dominique 75007 Paris	Deputy Managing Director since 2003 Expiration of current term: 2015	**Directorships:** Chairman and Managing Director of Risque & Sérénité. Deputy Managing Director of Cofitem-Cofimur, PHRV, Foncière Paris France and Foncière des 6e et 7e arrondissements de Paris (SIIC). Director of Foncière Cofitem. Permanent representative of Cofitem-Cofimur on the Board of Directors of Foncière Paris France. **Other directorships held in the last five years:** Director of RMH.
Arnaud Pomel 43, rue Saint-Dominique 75007 Paris	Deputy Managing Director since 2009 Expiration of current term: 2015	**Directorships:** DManaging Director of Foncière des 6e et 7e arrondissements de Paris (SIIC). Deputy Managing Director of Cofitem-Cofimur, Foncière Paris France and PHRV. Director of Foncière Cofitem. Permanent representative of Foncière des 6e et 7e arrondissements de Paris (SIIC) on the Board of Directors of Foncière Paris France. Permanent representative of PHRV on the Board of Directors of Risque & Sérénité. **Other directorships held in the last five years:** None.
Alain Le Véel 43, rue Saint-Dominique 75007 Paris	Deputy Managing Director since 2009 Expiration of current term: 2015	**Directorships:** Managing Director of PHRV. Deputy Managing Director of Cofitem-Cofimur, Foncière Paris France and Foncière des 6e et 7e arrondissements de Paris (SIIC). Chairman of the Board of Directors of Foncière Cofitem. Director of Risque & Sérénité. Permanent representative of Cofitem-Cofimur on the Board of Directors of PHRV. Permanent representative of PHRV on the Board of Directors of Foncière des 6e et 7e arrondissements de Paris (SIIC) and Foncière Paris France. **Other directorships held in the last five years:** None.
Allianz IARD represented by **Juergen GERKE** 87, rue de Richelieu 75002 Paris	Director since 2012 Expiration of current term: 2018	**Directorships:** Member of the Executive Committee of Allianz France, in charge of the Finance Unit. Director of Arcalis, AVIP – Assurance Vie et Prévoyance and Martin Maurel Vie. Member of the Supervisory Board of GIE Allianz Informatique. Permanent representative of Allianz France on the Board of Directors of Allianz IARD and Allianz Vie. Permanent representative of Allianz Vie on the Board of Directors of Compagnie de Gestion et de Prévoyance and Génération Vie. Permanent representative of Allianz IARD on the Board of Directors of Cofitem-Cofimur. Non-voting member of Tinubu Square. **Other directorships held in the last five years:** Director of Allianz France International SA, AGF Brasil Seguros, Carene SA, AGF Holding SA, Coparc SA, W Finance SA, Allianz Investment Management Paris GIE. Member of the Supervisory Board of Allianz Nederland Groep. Alternate director of Colseguros Generales, Colseguros Vida, Colseguros Capi, Fiduciara Colseguros. Permanent representative of AGF Holding on the Board of Directors of Allianz IARD and Allianz Vie.

Name	Office and term	Other outside directorships and positions
Allianz Vie represented by **Peter Etzenbach** 87, rue de Richelieu 75002 Paris	Director since 2000 Expiration of current term: 2018	**Directorships:** Member of the Executive Committee of Allianz France, in charge of the Investment Unit Chairman of Allianz France Richelieu I SAS and Allianz Cash SAS. Director of Allianz IARD, Allianz Vie, Allianz Banque, Château Larose Trintaudon, Génération Vie and Immovalor Gestion. Permanent representative of Allianz Vie on the Board of Directors of Foncière des 6e et 7e arrondissements de Paris, Cofitem-Cofimur and Foncière Paris France Permanent representative of Allianz France on the Board of Directors of Sequana. Permanent representative of Allianz France, on the Supervisory Board of Oddo et Cie SCA and Idinvest Partners SA. **Other directorships held in the last five years:** Chairman and Managing Director of Allianz France Richelieu I SA (formerly Allianz France Infrastructure 1). Chairman of the Board of Directors of Allianz Investment Management Paris GIE. Director of AXA Suduiraut SAS, AXA Group Solutions, GIE AXA Group Solutions, GIE AXA, AXA Cessions, AXA Investment Managers, AXA REIM, AXA Investment Managers Private Equity, AXA Investment Managers Private Equity Europe, Alliance Bernstein Corporation (USA), AXA Rosenberg (USA), AXA Corporate Solutions Life Reinsurance Cie (USA), AXA Life Europe (Ireland), AXA Technology Services, Bharti AXA Investment Managers Private Limited (India), Saint-Georges RE and AXA Japan Holding. Permanent representative of AXA on the Board of Directors of AXA RE and AXA RE Finance Chairman of the Supervisory Board of AXA Liabilities Managers SAS Deputy General Manager/Director of AXA Life Japan
Jean-Paul Dumont 600, chemin du Bord de Mer 29470 Plougastel-Daoulas	Director since 2009 Expiration of current term: 2015	**Directorships:** Manager of SC La Tricogne. Director of Cofitem-Cofimur. **Other directorships held in the last five years:** Manager of Avenir & Investissement.
Luc Guinefort 4, rue Seveste 75018 Paris	Honorary Chairman Director since 1984 Expiration of current term: 2018	**Directorships:** Director of Cofitem-Cofimur, PHRV, Foncière des 6e et 7e arrondissements de Paris (SIIC), Foncière Paris France, Risque & Sérénité and Foncière Cofitem. **Other directorships held in the last five years:** Chairman of the Board of Directors of Cofitem-Cofimur, PHRV, Foncière des 6e et 7e arrondissements de Paris (SIIC) and Foncière Cofitem.

Hôtel Marriott, Boulogne-Billancourt (92)

Mello Princesse - Route de Clermont - Mello (60)

Name	Office and term	Other outside directorships and positions
GMF Vie represented by **Olivier Le Borgne** 76, rue de Prony 75017 Paris	Member of the Audit Committee Director since 2012 Expiration of current term: 2018	**Directorships:** Member of the Supervisory Board of GMF Inter Entreprise (FCPE) (*fonds commun de placement d'entreprise*/company mutual fund). Director of Univers Mutualité (mutual insurance company). Permanent representative of Assistance Protection Juridique on the Supervisory Committee of Covéa Finance (SAS). Permanent representative of Covéa Finance on the Board of Directors of Fidelia Services (SA). Permanent representative of GMF Vie on the Board of Directors of Foncière des 6e et 7e arrondissements de Paris (SIIC), Cégéreal, Cofitem-Cofimur and Foncière Paris France. Permanent representative of La Sauvegarde on the Board of Directors of Azur-GMF-BF (change of name from Boissy Finances). Foreign director of AME Life Lux Sa, CSE ICO, CSE Insurance Services, CSE Safeguard, GMF Financial. **Other directorships held in the last five years:** Member of the Management Committee of SCE Château Beaumont and SC Château Beychevelle. Permanent representative of GMF Vie on the Supervisory Board of Covéa Finance. Permanent representative of GMF Assurances on the Board of Directors of Foncière Malesherbes Courcelles. Permanent representative of GMF Vie on the Supervisory Board of Anthemis, on the Board of Directors of Barrière Frères. Permanent representative of La Sauvegarde on the Board of Directors of Grands Millèsimes de France. Permanent representative of GMF Assurances on the Board of Directors of Cofitem-Cofimur. Foreign director of Assurances Mutuelles d'Europe Lux SA.
Generali France Assurances Vie represented by **Eric Le Gentil** 7-9, boulevard Haussmann 75009 Paris	Director since 1999 Expiration of current term: 2018	**Directorships:** General Manager of Generali France Assurances (formerly Assurance France Generali). Chairman of the Board of Directors of Generali Reassurance Courtage and Generali Investments France. Vice Chairman of Europ Assistance Holding. Director of Generali France Assurances (formerly Assurance France Generali), Generali Vie, Generali IARD and Generali Reassurance Courtage. Permanent representative of Generali IARD on the Board of Directors of Europ Assistance Holding and GFA Caraibes. Permanent representative of Generali France Assurances on the Board of Directors of E-CIE Vie and Prudence Creole. Permanent representative of Europ Assistance Holding on the Board of Directors of Europ Assistance SA, Europ Assistance France, Europ Assistance Spain. Member and Chairman of the Executive Committee of Cofifo SAS. Representative of Generali Vie on the Board of Directors of Cofitem-Cofimur and Mercialys. Member of the Supervisory Board of ANF. Member of the Board of Directors of Generali Multinational Pension Solutions SICAV (open-ended fund) and Generali Fund Management. Member of the Board of Directors of Generali Real Estate SPA. Director of AMOC (Les Amis et Mécènes de l'Opéra Comique – friends and sponsors of light opera).

Name	Office and term	Other outside directorships and positions
Generali France Assurances Vie **represented by Eric Le Gentil** (continuation) 7-9, boulevard Haussmann 75009 Paris	Director since 1999 Expiration of current term: 2018	**Other directorships held in the last five years:** Director and Managing Director of Assurance France Generali. Director of GPA IARD, GPA Vie, La Fédération Continentale. Permanent representative of Generali France Assurances on the Board of Directors of Generali Investments France. Permanent representative of Generali Assurance IARD on the Board of Directors of Europ Assistance Holding, and of SICAV Generali Investissement. Permanent representative of Generali Assurances Vie on the Board of Directors of Generali Assurances IARD. Permanent representative of Generali France on the Board of Directors of Genrali Assurances Vie and Generali Finances. Permanent representative of Assurance France Generali on the Supervisory Board of Foncière des Murs. Member of the Policy Committee of Mantra. Member of the Supervisory Board of Fonds de Garantie des Assurés contre la défaillance des Sociétés d'Assurances de Personnes.
Philippe Lepargneur 7, rue Belgrand 92682 Levallois-Perret	Chairman of the Audit Committee Director since 2011 Expiration of current term: 2017	**Directorships:** Director of the Generali Euros Actions, Generali Euro 5/7 ans and Generali Investissement SICAVs. **Other directorships held in the last five years:** None.
Assurances Mutuelles Le Conservateur represented by **Cyril Le Touzé** 59, rue de la Faisanderie 75116 Paris	Member of the Audit Committee Director since 2002 Expiration of current term: 2014	**Directorships:** Permanent representative of Assurances Mutuelles Le Conservateur on the Board of Directors of Cofitem-Cofimur and Foncière Paris France. Non-voting member of SIIC de Paris. Chairman and Managing Director of Conservateur Finance. Non-voting member of the Union Plus SICAV. Director of Associations et Assurances Mutuelles Le Conservateur, and Conservateur Finance. **Other directorships held in the last five years:** Chairman of Associations Mutuelles Le Conservateur and Assurances Mutuelles Le Conservateur.
Zurich Versicherungs Gesellschaft 2 Mythenquai 8022 Zurich	Director since 2004 Expiration of current term: 2018	**Directorships:** - **Other directorships held in the last five years:** -
François Thomazeau 43, rue Saint-Dominique 75007 Paris	Director since 1996 Expiration of current term: 2018	**Directorships:** Chairman of the Board of Directors of Foncière des 6e et 7e arrondissements de Paris (SIIC) and PHRV. Chairman and Managing Director of Foncière Paris France. Vice-Chairman of the Board of Directors of Locindus. Member of the Supervisory Board of Idinvest Partners (ex AGF Private Equity), IDI and FCDE. Director of Cofitem-Cofimur, Risque & Sérénité and Bolloré. Non-voting member of Noam Europe expansion (SICAV). Permanent representative of PHRV on the Board of Directors of Eurosic. Chairman of the Board of Directors of Allianz Belgium. **Other directorships held in the last five years:** Deputy Managing Director and Director of Allianz France (ex AGF SA). Deputy Managing Director and Director of AGF Holding France SAS. Chairman and Managing Director of Allianz France International (formerly AGF International). Managing Director of Allianz Holding France SAS. Chairman of the Board of Directors of ACAR, Allianz Africa (formerly AGF Afrique), Château Larose Trintaudon. Chairman of the Supervisory Board of AGF Private Equity. Vice Chairman of the Supervisory Board of Euler Hermès. Director of Allianz Global Investors France, Allianz Vie (formerly AGF Vie), Allianz IARD (formerly AGF IART), Allianz Alternative Asset Management, SIIC de Paris, Carene, GIE Allianz Investment Management Paris, Protexia France, MAG SAS (formerly called Mondial Assistance AG).

Name	Office and term	Other outside directorships and positions
François THOMAZEAU (continuation) 43, rue Saint-Dominique 75007 Paris	Director since 1996 Expiration of current term: 2018	Member of the Supervisory Board of GIE Allianz Informatique (formerly GIE AGF Informatique). Permanent representative of Allianz France on the Board of Directors of Allianz Banque (formerly called Banque AGF). Permanent representative of AGF Vie, Director of Bolloré. Member of the Supervisory Board of Locindus, ARSA BV, W Finance. Chairman of the Board of Directors of Allianz Brasil Seguros, AGF Holdings UK, AGF Insurance, ALLIANZ Belgium and Compania Colombania de Inversion Colseguros. Chairman of the Board of Directors of AGF Brasil Seguros, Adriatico de Seguros, Inmobiliara Driavena, AGF Belgium Holding, AGF Bénélux, Caisse de retraite AGF, and Immobiara Driavena. Vice Chairman of the Board of Directors of AGF RAS Holding and AGF Brasil Seguros. Deputy Vice Chairman of Mondial Assistance AG. Foreign Director of Thompson Clive (Jersey no. 3) Ltd and Allianz Seguros y Reaseguros. Member of the Supervisory Board of Allianz Nederland Groep. Managing Director of AGF IART. Director of AGF Assurances Financières. Member of the Management Board of Holland Beleggingsgroep. Member of the Supervisory Board of ZA Leven, ZA Schade. Director of Europe Expansion, Restauration Investissement. Foreign Director of AZ Mena Holding (Bermuda) Ltd.

There are no other corporate officers.

Functioning of the Board of Directors

1 – Organisation of the Board of Directors

The Company is represented in its dealings with third parties by its executive corporate officers. In accordance with the provisions of the articles of association, there are no limitations on the legal powers of the Managing Director and the Deputy Managing Directors.

At its meeting of 22 October 2002, the Board of Directors opted for a dual management system for the Company, separating the roles of Chairman and Managing Director, as permitted by the articles of association. Thus, Olivier Riché has been the Company's Managing Director since that time. The Board also appointed Guy de Soucy, Alain Le Véel and Arnaud Pomel as Deputy Managing Directors.

At its meeting of 28 July 2010, the Board of Directors appointed Sophie Beuvaden Chairwoman of the company as from 1 August 2010, for the remainder of her term as Director.

The Board of Directors sets the company's business strategy and oversees its implementation. It has the powers granted to it by law and by the articles of association.

The Board has established three committees whose method of operation and duties are presented below. The purpose of these specialised committees is to assist the Board in its decision-making by providing opinions on certain subjects.

The relevant committee will have to consider any matters within their area of expertise before the Board of Directors deliberates on them. The Board may deliberate only after the relevant committee has presented its recommendations or proposals.

The purpose of the consultation with the committees may not be to delegate to them the powers granted to the Board of Directors by law or by the articles of association.

The Board of Directors, a collegial body, must at all times act in the best interests of the Company.

The members of the Board are regularly informed of the financial position, market conditions and outlook, asset acquisition projects and disputes regarding the Company's activities. Members are consulted on strategic development projects and significant transactions.

Before the Board meeting takes place, Board members receive key information on the matter that will come before them. Once a year, Directors are asked to express their opinion on the functioning of the Board during the year and on the quality of the preparation of its work, and to propose possible improvements.

The Board of Directors meets when necessary and at least twice a year, to review and approve the Company's annual and interim financial statements.

It met three times during the financial year, and the Directors' attendance rate averaged 82.4%. In addition to the points and decisions that by law come under this body's authority, the Board discussed all the important actions taken in 2012: financing and risk monitoring, financial leasing production, arbitrages and assets under development. The Board also deliberates annually on equal pay and gender equality in the workplace, with which it undertakes to comply.

Members of the Board of Directors are subject to internal rules and regulations which stipulate that they must perform their duties with loyalty and professionalism:

Loyalty and good faith

Members of the Board of Directors shall take no actions that would harm the interests of the Company and they shall act in good faith at all times. In addition to the duty of secrecy set out in Article L 225-37 of the French Commercial Code, each member of the Board of Directors shall consider him or herself as being bound by professional secrecy with respect to all non-public information obtained in the performance of his or her duties. Members personally undertake to preserve the full confidentiality of the information they receive, the discussions in which they participate and the decisions made.

Professionalism and dedication

Members of the Board of Directors:

- undertake to dedicate the necessary time and effort to their duties,
- must be diligent in attending and participating in, except when impossible, all meetings of the Board of Directors and of the committees on which they sit,
- shall keep each other informed of the Company's business lines and of the specifics of its activity, and of its challenges and values,
- shall endeavour to update the skills required to properly fulfill their duties,

- are required to request and make every effort to obtain in a timely manner the information they believe is essential to making informed decisions within the Board of Directors.

The General Meeting shall allocate an annual fixed amount in the form of directors' fees to the members of the Board of Directors to compensate them for their work.

In such a case, the Board of Directors shall freely allocate, after the relevant committee has provided its opinion, this compensation among its members, potentially taking into consideration members' participation in one of the committees.

The Board of Directors may allocate exceptional compensation for specific duties assigned to some of its members; in that case, the compensation is subject to the regulated agreement approval procedure.

Except in connection with a legally contracted employment agreement, no other compensation may be allocated to members of the Board of Directors.

2 – Compensation of the Board of Directors

The directors' fees allocated to members of the Board of Directors by the General Meeting total €198,000. They are traditionally divided equally among its members.

In addition, compensation for members of the Audit Committee is €3,000 per year (€6,000 for the Chairman). This compensation is added to the ordinary directors' fees paid to the Directors in question.

3 – Compensation Committee

The Compensation Committee is composed of two members of the Board of Directors (François Thomazeau and Michel Dufief) and the Chair of the Board of Directors, who attends its meetings, except when they concern her. It meets as often as required and at least once a year.

Compensation and benefits of any kind granted to corporate officers are subject to the principle of recognition of work performed and services rendered. They are determined on the basis of rules established by the Compensation Committee, by delegation from the Board of Directors, as the amounts and benefits are reviewed annually.

4 – Compensation of executive corporate officers

The Board of Directors has decided to adopt the recommendations of the MiddleNext code as its set of good governance standards. The Board of Directors thus ensures they are applied within the Company.

With respect to the recommendation that the Chairman of the Board of Directors and the Managing Director not simultaneously have an employment agreement and hold a corporate office, the Company states that Sophie Beuvaden, Chairwoman of the Board of Directors, does not have an employment agreement.

The Board of Directors, which reappointed Olivier Riché as Managing Director, due to his prior status as employee of the Company for nearly 25 years, confirmed the continuation of his employment agreement predating his corporate officer position and corresponding to active employment. In the light of the Company's shareholding structure, its executive compensation policy and the strict legal conditions for simultaneously having an employment agreement and holding a corporate office, the Board of Directors believed it was not appropriate to apply this recommendation, but wished to maintain the preexisting employment agreement for an employee who subsequently performed the duties of corporate officer concurrent with his initial duties.

Executive corporate officers do not have any personal supplemental social benefit or pension contracts.

The Board of Directors applies the other recommendations under the following conditions:

- Severance benefits: the Company has made no commitments to executive corporate officers with respect to compensation, payments or benefits payable or likely to be payable due to the termination of or a change in their duties or subsequent thereto, with the exception of the pension benefit, which is capped at one year's salary (excluding stock options and free shares) for ten years of employment. Executive corporate officers are entitled to this pension benefit provided by the Company in proportion to the ten-year period. This measure also concerns all employees.
- Supplemental pension plans: the Company has not set up any supplemental defined benefit pension plans. It has set up a supplemental defined contribution pension plan. This contribution amounts to 9% of gross salary, capped at eight times the annual social security ceiling. All employees and executive corporate officers are eligible for this plan.

- Definition and transparency of compensation: the Company complies with the standardised presentation of executive compensation proposed in the AMF's recommendation of 22 December 2008. The Board of Directors also complies with the principles of comprehensiveness, balance, benchmark, consistency, readability, measurement and transparency to determine the level of executive compensation.
- Stock options and free share grants: the Board of Directors has not implemented any stock option plans. In accordance with the compensation policy approved by the Board of Directors, the Chair was granted 600 free shares in 2012. The vesting of the shares is subject to performance criteria which reflect the Company's medium/long-term interest.

No corporate officer received a bonus or additional compensation for financial year 2012, excluding an exceptional bonus of €80,000 or €40,000 gross paid to three executive corporate officers, following the successful takeover bid of Foncière Paris France. The breakdown of corporate officer compensation is presented in the "Corporate officer compensation – Executives' interests – Stock option programmes" section of the annual report.

5 – Commitments Committee

The Commitments Committee is composed of the Chair, two Directors and members of Executive Management.

It is responsible for defining the general framework for investments and arbitrages, as well as for reviewing significant transactions presented by Executive Management. It had no occasion to meet in financial year 2012.

6 – Audit Committee

At its meeting of 25 September 2003, the Board of Directors decided to establish an Audit Committee. Its composition was modified to take into account the changes in governance that occurred in 2010 and the ACP's recommendations. It is now chaired by Philippe Lepargneur and composed of Michel Dufief, Olivier Le Borgne and Cyril Le Touzé.

The Audit Committee is appointed by the Board of Directors to assist it in monitoring and controlling the Company's business. More specifically, it monitors:

- the process of preparing the financial information,
- the effectiveness of the internal control and risk management systems,
- the statutory audit of the annual financial statements and the consolidated financial statements by the Statutory Auditors,
- the independence of the Statutory Auditors.

The Audit Committee has developed a Code that governs its duties and functioning, which has been approved by the Board of Directors.

Corporate officers disclose to the Audit Committee the number of shares they hold in the Company.

The Audit Committee met three times during the financial year. In 2012, the Audit Committee's work focused primarily on preparing the financial statements for financial year 2011, on the information provided to the ACP, on monitoring the takeover bid of Foncière Paris France carried out by PHRV, and on the replacement of Jean-Marie Touzet with Denis Van Strien, Statutory Auditor with the SEREG firm.

7 – Conflicts of interest – Service contracts – Convictions and sanctions

There are no potential conflicts of interest at the administrative, management, supervisory and Executive Management body level.

There are no service contracts binding the Company's corporate officers and executives to the issuer or to one of its subsidiaries.

The Company's executives have not been convicted of fraud, were not officers of a company in bankruptcy, receivership or liquidation, and have not been the subject of any public incrimination or sanction in the last five years.

Procedures for shareholder participation in General Meetings

The procedures for shareholder participation in General Meetings required by law and by the articles of association are presented in the "Shareholders' meetings and voting rights" section of the annual report.

Risk factors and internal control

As Cofitem-Cofimur is a financial corporation, its internal control system is structured in accordance with the principles and rules of CRBF (*Comité de la Réglementation bancaire et financière*/French banking and financial regulations committee) regulation no. 97-02. In preparing this report, the Company did not rely on the framework developed by the AMF, which it has nevertheless reviewed. During the financial year, the Company continued to strengthen its system with the help of the specialist company Audisoft, which assisted it in updating its manuals and procedures.

Cofitem-Cofimur's internal control system relies on the collegiality of the decision-making processes for strategic commitments, and on an organisation and set of procedures that optimise the Company's operations, while ensuring risk control and asset protection, the quality of the accounting and financial information, and compliance with laws and regulations. Second-level internal control is provided by an employee who attends the Audit Committee meetings. A company employee is also a Tracfin liaison. The internal control system cannot provide an absolute guarantee, but aims to offer reasonable assurance that these objectives will be met.

The Company has reviewed the risks that could have a significant adverse effect on its assets, activity, financial position or earnings and considers that there are no material risks other than those disclosed below.

1 – Risks relating to the Issuer

The following information presents the risk factors and the mechanisms the Issuer has put in place to manage them.

1-1 Risks relating to real-estate investment properties

With the cash flow generated from its primary financial leasing activity, the Issuer has built up a portfolio of real-estate assets to be let as office or retail space. These assets are located mainly in Paris and its immediate outskirts. They provide the Issuer with fully indexed revenue and offer significant unrealised capital gains.

The Issuer continues to develop this activity by acquiring new real-estate assets, depending on market opportunities.

General risks relating to real-estate investments in Paris

The Issuer's investment properties are located mainly in Paris or in its immediate outskirts. As the Île-De France real-estate market is the largest French market and one of the main European markets, it offers a good level of liquidity and risk diversification.

Nevertheless, over the last 150 years, the Parisian real-estate market has experienced several severe crises that led to declines in the price of real-estate assets, as well as in rental income. In general, operators and analysts did not foresee these crises.

Consequently, if the Parisian real-estate market were to experience another significant crisis, the Issuer's financial position, earnings and/or outlook could be negatively affected.

Risks relating to development transactions

In connection with the development of its investment properties, the Issuer acquires new real-estate assets designed mainly for office or retail use. They generally need to be renovated or restructured before being let or used by an operator. These real-estate transactions can result in value creation, but are subject to risks at acquisition, during work and when the properties are leased.

The Issuer is required to comply with numerous specific or general regulations governing, among others, commercial urban planning, building construction, public health, the environment and safety. Any substantial change in these regulations could have an impact on its operating income or its development or growth outlook.

The Issuer is also exposed to the risk that the price paid for a building may be too high, that the work will cost more or take longer than anticipated when the transaction was first made, or that the building will be let at a lower-than-expected rent. These risks relating to development transactions would affect the asset's rental return once the work has been completed and could have an adverse effect on the Issuer's earnings and/or outlook.

The asset acquisition and development projects undergo an economic, commercial, financial and legal analysis before being submitted to the Management Committee, in the context of the strategy set by the Commitments Committee. Technical due diligence is performed by the Company's network of experts, in addition to the mandatory regulatory appraisals.

Risks relating to the valuation of investment properties

Owning real-estate assets intended for leasing exposes the Issuer to the risk of fluctuations in their value. However, this exposure is mitigated as the assets are owned for the long term and remain valued in the financial statements at their historical cost. The Issuer's investment properties, which are not revalued, therefore offer unrealised capital gains.

As Cofitem-Cofimur owns its buildings for the long term, the Company's policy is to gradually bring its assets up to the highest standards of environmental quality and offer the greatest degree of comfort and safety sought by major users. This policy thus results in the best property valuation while ensuring a high level of rental income.

With respect to construction projects, the Company's teams have the experience and expertise to carry out major renovations by controlling the risks relating to them. For example, the construction of the Courtyard Marriott hotel in Boulogne-Billancourt and the renovation of the office building at 4, rue de Lasteyrie in Paris 16, projects completed in early and late 2012, were carried out on schedule.

Approximately 90% of the Issuer's real-estate portfolio is assessed each year by independent experts with recognised competence in real estate. Any change in this value is closely correlated with trends in the real-estate market. Another review of the value of the Issuer's real-estate assets was conducted by outside experts in 2012.

An increase in the economic value of its asset portfolio would have no impact on the Issuer's net equity or book profit or loss. However, this upward revision would result in an increase in the stock of unrealised capital gains on the Issuer's assets.

A decrease in the economic value of its assets would have an adverse effect on the Issuer's net equity, as well as on its book profit or loss, if the economic value were to fall below net book value. In fact, each property must be provisioned line by line by recording a specific provision if its market value or value in use, calculated in particular on the basis of external expert assessments, should fall below its net book value.

The external expert assessments conducted at the end of 2012 on investment properties in service (excluding properties under construction) showed an overall unrealised capital gain of €145.7 million.

Risks relating to rental management

Once the renovation work has been completed or when a lessee leaves, the Issuer seeks to let the investment properties it owns under a commercial lease consisting of a minimum fixed term of at least three years. Like all property operators, the Issuer may be confronted with changes in legislation, regulation or case law imposing new or more onerous restrictions on commercial leases, in particular regarding term, indexation, caps on rent, or the calculation of eviction compensation due to lessees; these changes may have an impact on the Issuer's financial position, earnings and/or outlook.

Rent levels in the services sector are strongly influenced by supply and demand, which depend on a number of factors. However, the Issuer's assets, consisting primarily of freestanding buildings, are best able to weather real-estate cycles. The Issuer is vigilant in maintaining a low level of counterparty risk relating to any outstanding payments due from lessees.

Before any leases are signed, the candidates' financial position is analysed in detail. Leases also have guarantees which may, as applicable, be strengthened, depending on the business sector or the risk posed by the user. All leases benefit from full annual indexation, based on different benchmark indices [CCI (construction cost index) or TARI (tertiary activities rent index)].

Given the quality of its buildings, they are intended primarily for prominent users and major companies, whose financial position is less sensitive to fluctuations in economic conditions. Rental income from major lessees broke down as follows at 31 December 2012: SNCF (20.2%), "Sciences Po" (17.9%), AOS Studley (6.9%), Weka Editions (3.8%), GrDF (3.3%), and Darty (3.1%).

With the exception of the mixed-use residential and retail building located on boulevard de Rochechouart in Paris 18, the Issuer does not own any residential properties. Cofitem-Cofimur is therefore not significantly exposed to regulations governing this sector.

At 31 December 2012, excluding properties undergoing renovation, the assets' occupancy rate was on the order of 95.6% on net book value; the vacancy was related to the very recent delivery of the building on rue de Lasteyrie, which is now being marketed.

To assess the risks relating to rental management, the Issuer has drawn up a scoreboard that shows the impact of acquisitions under consideration, the vacancy relating to renovation work, the effect of indexation, and the expected change in rental income for properties that are re-let, as well as the vacancy rate relating to the departure of lessees. This scorecard points to steady growth in rental income, which could nevertheless be affected by changes in rental values, in particular upon completion of renovation work or when properties are re-let after the departure of a lessee.

Procedures have been defined with respect to the organisation of and controls for the billing and collection of rent and charges, to ensure a swift response to any events that may arise. In addition, any amount more than three months past due is also fully provisioned.

1-2 Risks relating to financial leasing contracts

Risks relating to financial leasing commitments and counterparty risk

Real-estate financial leasing has been one of the Issuer's principal activities since its formation in 1985. The Issuer agrees to finance, for an amount defined when the contract is signed, the acquisition of or construction work on a building that will be offered to a lessee under a financial lease.

The Issuer is exposed to the risk that the investment made will be greater than the value of the asset financed. Therefore, if the lessee defaults, the Issuer would remain the owner of a building with a book value that is higher than its market value. It would have to record a provision for the potential loss expected if the asset is resold or due to a decline in return if it is re-let at a lower rent than was stipulated in the initial contract.

Credit (or counterparty) risk is the risk incurred in the event of default by a counterparty or counterparties considered as a single beneficiary. If the lessee defaults, the Issuer would have to record a provision for any unpaid amounts pending collection.

The higher the concentration, the greater the credit risk. Concentration risk is the direct or indirect risk resulting from granting credit to a single counterparty, to counterparties considered as a single beneficiary, to counterparties operating in the same economic sector or same geographic region, from granting credit for the same activity, or from the use of credit risk reduction techniques, in particular collateral issued by a single issuer.

Risks relating to financial leasing commitments and to counterparty risk are likely to weigh on the profitability of the Issuer's activities and on its earnings.

To limit the concentration and counterparty risks, regulation no 93-05 requires that the Issuer limit the amount of financing granted to a single counterparty to 15% of its shareholders' equity (approximately €37 million at 31 December 2012, i.e., 4% of the total on the balance sheet).

The Issuer's strategy is to operate on dynamic market segments (retail, hotels and catering, in particular), by targeting projects in strategic locations. This selectivity enables it, including in the event of default by lessees, to re-let or sell the real-estate assets on the basis of a market valuation that exceeds its commitments.

Commitment decisions are made by a Committee comprising the Company's Chair, Managing Director and Deputy Managing Directors or by the Commitments Committee, depending on the financing amount. There is no procedure for delegation, as the Managing Director or Deputy Managing Directors must sign the instruments directly.

Each project undergoes a real-estate and financial analysis, with the information compiled in a credit and counterparty report. Risk monitoring incudes an overall statistical ranking of outstandings by region and economic business sector. The Issuer has established a rating for its commitments, based on a multi-criteria analysis that breaks down its exposure to each creditor quantitatively and qualitatively. The Issuer complies with the risk diversification ratios pursuant to the prudential supervision applicable to credit institutions. Provisions are recorded for all unpaid amounts more than three months old.

Interest-rate and market risks

Overall interest-rate risk is the risk incurred in the event of changes in interest rates resulting from all balance sheet and off-balance sheet transactions.

For the Issuer, the overall interest-rate risk arises from the assets that provide fixed revenue (the level of which is not directly dependent on the interest-rate level) and that are financed by liabilities that result in a variable-rate expense (the level of which is directly dependent on the interest-rate level). For these assets, the Issuer is exposed to an increase in its expenses in the event of a rise in interest rates that is not offset by an increase in its revenue. This would have a negative impact on its earnings. Conversely, the Issuer would benefit from a decline in interest rates.

This risk of an interest-rate mismatch is hedged through the subscription of interest-rate hedging instruments, cap contracts and/or swap contracts, used to hedge variable-rate loans, which the Issuer renews depending on their maturity. Based on the position at 31 December 2012, after taking hedging instruments into account (€191 million in caps and €300 million in swaps), an average increase in interest rates of 100 basis points above 0.187% (three-month Euribor at 31 December 2012) would have a negative impact on cash flow of -€0.6 million.

The interest-rate risk is periodically analysed by Executive Management, which is thus able to update, if necessary, the financing and hedging rules to be implemented in light of the transactions under consideration.

The Issuer does not itself engage in any market activity. It does not buy or sell interest-rate hedging instruments with the aim of earning a speculative profit. It holds these hedging instruments until maturity and is therefore not subject to any market risk.

The Issuer also acquires, for investing purposes, securities of listed companies whose business is similar to its own. Provisions are recorded for any unrealised capital losses, based either on the share price or on published net asset value, or by a multicriteria method based on both the share price and net asset value potentially less a factor that takes risks into account.

Liquidity risk

Liquidity risk is the risk that the Issuer may not be able to meet its commitments or unwind or offset a position due to market conditions, within a specific period of time and at a reasonable cost.

For the Issuer, liquidity risk arises from its financial leasing activity, which involves a mismatch with respect to terms. This is characterised by the fact that the Issuer grants funding under financial leasing generally for a term of 12 to 15 years and refinances itself with banks under loan contracts generally for a term of 1 to 5 years.

Credit lines expiring each year are either renewed or covered by undrawn confirmed credit lines, by new loans, or by the Issuer's cash resulting from recurring cash flow from its operations.

Liquidity risk is managed by continuously monitoring the duration of the financings, the availability of its credit lines and its resource diversification. This risk is managed via a projected cash flow statement. Cofitem-Cofimur's liquidity risk has traditionally been low, given the structure of its sources and uses.

Additionally, as a credit institution, the Issuer is under the oversight of the *Autorité de Contrôle Prudentiel*. As such, it must comply with a monthly liquidity ratio of 100% calculated as the ratio of monthly liabilities to immediately available liquid assets.

Based on the position at 31 December 2012, the liquidity ratio shows a percentage much higher than the minimum threshold of 100%. A statement of maturities of receivables and debts to credit institutions is included in the appendix to the financial statements.

At 31 December 2012, the Issuer was in compliance with all relevant prudential ratios. These ratios are presented in the annual report in the "Capital and Key Ratios" section.

The Issuer conducted a specific review of its liquidity risk at the end of the financial year and believes it will be able to meet its future maturities.

1-3 Risks relating to the Issuer's operations

Legal and operational risks

Legal risk is the risk of any litigation with a counterparty resulting from any inaccuracies, omissions or deficiencies likely to be attributed to the Company on account of its operations.

Operational risk is the risk resulting from inadequate or failed internal processes, people and systems, or from external events, including low-probability but high-impact events. It includes the risks of internal and external fraud.

The operational risk mapping in place within the Issuer demonstrates that operational risk is high when transactions are carried out with great frequency or when the potential loss is greater than €2 million. Given the nature of the Issuer's activities and the very limited number of stakeholders, the probability that this risk will occur is particularly low. In accordance with the capital ratio calculation imposed by banking regulations, the operational risk capital requirement was €5.6 million at 31 December 2012. The Issuer's capital therefore provides broad coverage of this type of risk.

Property acquisitions and financial leasing contracts are systematically made by means of notarial instruments at which time the legal risks inherent in buildings are verified by professional experts.

Operational risks are reviewed on a regular basis in accordance with routine internal control procedures. In particular, the Issuer has developed an information systems security policy (ISSP) which defines its back-up and IT security procedures. They are reviewed regularly when the Company's manuals and procedures are updated.

Cofitem-Cofimur also has a business continuity plan in place, in accordance with CRBF regulation 2004-02, which aims to ensure that operations can continue in the event of a major accident.

The Issuer has also developed an anti-money laundering and counter-terrorism financing manual and has prepared a methodological note as part of its money laundering risk classification process. These risk assessment and management systems should enable it to better identify the risks resulting from its activities and to tailor its level of vigilance to its different business relationships. The guiding principles of its process are:

- Comply with regulatory requirements and, in particular, the principles reiterated in order no. 2009-104, and take into account the information and declarations circulated by FATF, the Minister for the Economy and Tracfin.

- Help make the anti-money laundering and counter-terrorism financing system in place within the company more reliable:
    - cover all clients likely to expose it to anti-money laundering and counter-terrorism financing (AML/CTF) risks;
    - assign a risk level to all clients, regardless of the purpose or nature of the business relationship, so that the appropriate level of vigilance is applied to them;
    - define and implement controls/due diligence (simplified, standard, enhanced) to correlate with the defined level of monitoring.
- Be able to submit proof to the supervisory authorities (*Autorité de Contrôle Prudentiel*) and to Tracfin of compliance with the risk classification obligation and of the adequacy of the procedures in light of the identified risks.

Compliance risk

Compliance risk is defined as the risk of legal, administrative or disciplinary sanctions, material financial loss or loss to reputation resulting from failure to comply with the prevailing laws and regulations and professional and ethical standards relating to banking and financial activities or with instructions from the executive body issued in particular pursuant to directives from the decision-making body.

Owing to its status as a credit institution, the Issuer is subject to compliance risk. However, given its very modest size in the sector (its financial leasing outstandings represent less than 1% of sector outstandings) and its production, which is limited to about twenty new deals per year in niche sectors (in particular hotels and catering), this risk of material financial loss or loss to reputation has a low probability of occurrence.

Foreign exchange risk

All of the Issuer's transactions are carried out in euros. It is not exposed to any foreign exchange risk.

2 – Accounting and financial information

The accounts are kept by a dedicated team as part of a uniform centralised information system. This facilitates the control of the accounting treatments in keeping with the audit trail and the accounting standards and principles defined by the Company and enables verification of their completeness, veracity and accuracy.

Each closing is subject to a second-level control based on an analysis of the differences between actual results and forecasts.

The consolidation process also relies on a specific IT tool whose reports are reconciled with the corporate book balances. Consolidation restatements are documented and are subject to a comprehensive audit by management control.

After validation by Company management, the accounting and financial information is analysed by the Audit Committee at each half-yearly and annual closing (see above). The verifications by the Statutory Auditors are therefore conducted in accordance with a work schedule that enables them to perform their checks within a reasonable period and before the financial statements and earnings are released to the market.

3 – Assessment of internal control and areas for improvement

Given the moderate size of its workforce and its centralised organisation, the Company does not assess its internal control system on an annual basis. It nevertheless continually strives for improvement. In particular, the employee in charge of internal control performs audit assignments, as part of the permanent control plan defined annually. He is supported in this by the management team, and reports on his audits to the Audit Committee. Ad hoc controls may be carried out as necessary.

The periodic control plan has been outsourced to Audisoft and, in 2012, concerned the key priorities identified in 2011, notably the information systems security policy and the review of the commitment files. The main assignments for the financial year concerned the risk management policy, implementation of the commitment procedure, preparation of regulatory filings and monitoring of credit files. Increasing the frequency of controls is another area of the internal control system identified for improvement.

4 – Insurance

Cofitem-Cofimur insures on its behalf each of the buildings in its own portfolio through a policy covering all damage, including storms, acts of terrorism and attacks, and claims by neighbours and third parties. The buildings are insured for their value as new on the day of the loss.

Owing to the geographic dispersion of its assets and because it has suitable insurance coverage, the total loss of one of its buildings would have little impact on the Company's financial position. The deductibles in the insurance programme also enable the Company to absorb routine claims, which are pooled among all of its properties.

The property insurance programme also includes policies taken out for construction and renovations, in accordance with act 78-12 of 4 January 1978.

Financial leasing outstandings, which represent the majority of the Company's commitments, are covered by an "All Damage" policy taken out contractually by the lessee on behalf of the lessor. Each year, the Company confirms that the lessee is in compliance with this obligation.

Bodily, property and indirect consequences arising from operational civil liability or professional misconduct are insured through a specific contract.

The company paid €183 thousand in insurance premiums in financial year 2012. This amount includes premiums paid to cover specific risks (contractors all risks or damage to works) and which are capitalised in the value of the produced assets.

5 – Issuer's dependence on external contracts and on the environment

No single client, supplier or counterparty is large enough to influence Cofitem-Cofimur's activity. The Issuer has not entered into any material contracts other than in the ordinary course of business.

Chairwoman of the Board of Directors

Sophie Beuvaden

Holiday Inn Express
68, quai de Seine - Paris 19

Restaurant « La Compagnie des Zincs » (51)

43-45, rue Louise Michel - Levallois-Perret (92)

Report of the statutory auditors prepared pursuant to Article L. 225-235 of the Commercial Code on the report of the Chair of the Board of Directors.

To shareholders,

In our capacity as statutory auditors of Cofitem-Cofimur S.A. and pursuant to the provisions of Article L.225-235 of the Commercial Code, we hereby present our report on the report prepared by the Chair of your Company, in accordance with the provisions of Article L.225-37 of the Commercial Code for the financial year ended 31 December 2012.

It is the Chair' responsibility to prepare and submit to the Board of Directors for approval a report on the internal control and risk management procedures in place within the Company. This report shall also include the other information required under Article L.225-37 of the Commercial Code relating, in particular, to its corporate governance measures.

It is our responsibility:

- to report to you on information set out in the chair's report concerning the internal control and risk management procedures related to the preparation and treatment of accounting and financial information, and
- to certify that the report covers the other information required under Article L.225-37 of the Commercial Code, it being understood that it is not our responsibility to verify the accuracy of such information.

We have conducted our audit in accordance with the professional standards applicable in France.

Information concerning the internal control and risk management procedures related to the preparation and treatment of the accounting and financial information

Professional standards require that we plan and perform the audit to assess the accuracy of the information concerning the internal control and risk management procedures related to the preparation and treatment of the accounting and financial information contained in the Chair's report.

This consists of the following:

- reviewing the internal control and risk management procedures relative to the preparation and treatment of the accounting and financial information presented in the Chair's report as well as any existing documentation;
- reviewing the work based on which such information was prepared and any existing documentation;
- determining whether any material internal control deficiencies we may have found in our audit in relation to the preparation and treatment of the accounting and financial information have been properly disclosed in the Chair's report.

Based on this audit, we have no comment to make on the information given concerning the Company's internal control and risk management procedures related to the preparation and treatment of the accounting and financial information contained in the report of the Chair of the Board of Directors, prepared pursuant to the provisions of Article L.225-37 of the Commercial Code.

Other information

We hereby certify that the report of the Chair of the Board of Directors contains the other information required under Article L.225-37 of the Commercial Code.

Executed in Paris and Courbevoie, on 1 March 2013

The Statutory Auditors

Mazars
Anne Veaute

Saint-Honoré Sereg
Denis Van Strien

Compensation of executive corporate officers and stock option programme

The corporate officers received the following compensation and benefits in kind during the financial year:

Directors' fees

Each of the Directors and Non-Voting Members received €12,857 in directors' fees for financial year 2012. In addition to this fixed share, members of the Audit Committee received €3,000 and its Chairman received €6,000.

Compensation

- Sophie Beuvaden, Chairwoman of the Board of Directors: €143,754 (including directors' fees)
- Olivier Riché, Managing Director: €475,731
- Guy de Soucy, Deputy Managing Director: €377,120
- Arnaud Pomel, Deputy Managing Director: €-
- Alain Le Véel, Deputy Managing Director: €3,000 (directors' fees)

These amounts correspond to gross fixed compensation and do not include any variable component. They include the value of benefits in kind (company cars) and an exceptional bonus of €80,000 or €40,000 paid following the successful takeover bid of Foncière Paris France.

Executives were also eligible for the benefits available to all employees:

- free share grants,
- Company savings plan (PEE—Plan d'Epargne Entreprise),
- compulsory and discretionary profit-sharing agreements.

Company management, including corporate officers, is not entitled to any compensation, payments or benefits payable or likely to be payable due to the termination of or a change in their duties or subsequent thereto, with the exception of the pension benefit, which is capped at one year's salary (excluding stock options and free shares) for ten years of employment. Executive corporate officers are entitled to this pension benefit provided by the Company in proportion to the ten-year period. This measure concerns anyone that has an employment agreement.

Executives receive no compensation payable by virtue of a non-compete clause.

The Company has not set up any supplemental defined benefit pension plans. However, all employees and executive corporate officers are offered a supplemental defined contribution pension plan, to which they may contribute 9% of gross salary, up to an established maximum.

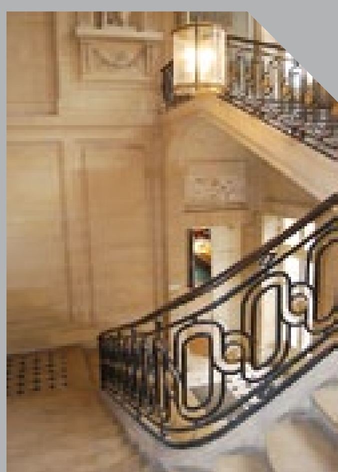
The executive corporate officer compensation policy is detailed in the "Chair's Report on the Functioning of the Board of Directors and on the Internal Control Procedures".

In Euros

SUMMARY OF COMPENSATION AND OF OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER		
	Financial year 2012	Financial year 2011
Sophie Beuvaden – Chairwoman of the Board of Directors		
Gross compensation payable for the financial year	143,754	63,754
Valuation of options granted during the financial year	-	-
Valuation of performance shares granted during the financial year	51,420	52,800
Total	**195,174**	**116,554**
Olivier Riché – Managing Director		
Gross compensation payable for the financial year	475,731	394,999
Valuation of options granted during the financial year	-	-
Valuation of performance shares granted during the financial year	-	-
TOTAL	**475,731**	**394,999**
Guy de Soucy – Deputy Managing Director		
Gross compensation payable for the financial year	377,120	336,875
Valuation of options granted during the financial year	-	-
Valuation of performance shares granted during the financial year	-	-
TOTAL	**377,120**	**336,875**
Alain Le Véel – Deputy Managing Director		
Gross compensation payable for the financial year	3,000	3,000
Valuation of options granted during the financial year	-	-
Valuation of performance shares granted during the financial year	-	-
TOTAL	**3,000**	**3,000**
Arnaud Pomel – Deputy Managing Director		
Gross compensation payable for the financial year	-	-
Valuation of options granted during the financial year	-	-
Valuation of performance shares granted during the financial year	-	-
TOTAL	**-**	**-**

68, quai de Seine - Paris 19

162, rue du Faubourg Saint-Martin - Paris 10



26/28, rue des Saints-Pères - Paris 7

In Euros

GROSS COMPENSATION OF EACH EXECUTIVE CORPORATE OFFICER				
Sophie Beuvaden	Financial year 2012		Financial year 2011	
Chairwoman of the Board of Directors	**Amount payable**	**Amount paid**	**Amount payable**	**Amount paid**
Fixed compensation	49,994	49,994	49,994	49,994
Variable compensation	-	-	-	-
Exceptional compensation	80,000	80,000	-	-
Directors' fees	10,786	10,786	10,786	10,786
Benefits in kind	2,974	2,974	2,974	2,974
Total	**143,754**	**143,754**	**63,754**	**63,754**
Olivier Riché	Financial year 2012		Financial year 2011	
Managing Director	**Amount payable**	**Amount paid**	**Amount payable**	**Amount paid**
Fixed compensation	389,368	389,368	389,368	389,368
Variable compensation	-	-	-	-
Exceptional compensation	80,000	80,000	-	-
Directors' fees	-	-	-	-
Benefits in kind	6,363	6,363	5,631	5,631
TOTAL	**475,731**	**475,731**	**394,999**	**394,999**
Guy de Soucy	Financial year 2012		Financial year 2011	
Deputy Managing Director	**Amount payable**	**Amount paid**	**Amount payable**	**Amount paid**
Fixed compensation	331,590	331,590	331,590	331,590
Variable compensation	-	-	-	-
Exceptional compensation	40,000	40,000	-	-
Directors' fees	-	-	-	-
Benefits in kind	5,530	5,530	5,285	5,285
TOTAL	**377,120**	**377,120**	**336,875**	**336,875**
Alain Le Véel	Financial year 2012		Financial year 2011	
Deputy Managing Director	**Amount payable**	**Amount paid**	**Amount payable**	**Amount paid**
Fixed compensation	-	-	-	-
Variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Directors' fees	3,000	3,000	3,000	3,000
Benefits in kind	-	-	-	-
TOTAL	**3,000**	**3,000**	**3,000**	**3,000**
Arnaud Pomel	Financial year 2012		Financial year 2011	
Deputy Managing Director	**Amount payable**	**Amount paid**	**Amount payable**	**Amount paid**
Fixed compensation	-	-	-	-
Variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Directors' fees	-	-	-	-
Benefits in kind	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**

In Euros

DIRECTORS' FEES AND OTHER COMPENSATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS				
Non-executive corporate officer	Financial year 2012		Financial year 2011	
	Directors' fees	Other compensation	Directors' fees	Other compensation
Jean-Paul Dumont	12,857	-	10,786	-
Matthieu Feffer	-	-	13,786	-
Luc Guinefort	12,857	-	10,786	-
Philippe Lepargneur	18,857	-	10,786	-
François Thomazeau	12,857	-	16,786	-
Allianz IARD represented by Juergen Gerke	12,857	-	-	-
Allianz Vie represented by Peter Etzenbach	12,857	-	10,786	-
Assurances Mutuelles Le Conservateur represented by Cyril Le Touzé	15,857	-	13,786	-
Generali France Assurances Vie represented by Eric Le Gentil	12,857	-	10,786	-
GMF Vie (GMF Assurances in 2011) represented by Olivier Le Borgne	15,857	-	13,786	-
Zurich Versicherungs-Gesellschaft represented by Barbara Stuber	12,857	-	10,786	-
TOTAL	**140,570**	**-**	**122,860**	**-**

STOCK SUBSCRIPTION OR PURCHASE OPTIONS GRANTED DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER BY THE ISSUER AND BY ANY GROUP COMPANY					
	Sophie Beuvaden	Olivier Riché	Guy de Soucy	Alain Le Véel	Arnaud Pomel
Date of plan	-	-	-	-	-
Type of option	-	-	-	-	-
Valuation of the options	-	-	-	-	-
Number of options granted during the financial year	-	-	-	-	-
Exercise price	-	-	-	-	-
Exercise period	-	-	-	-	-

STOCK SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING THE FINANCIAL YEAR BY EACH EXECUTIVE CORPORATE OFFICER					
	Sophie Beuvaden	Olivier Riché	Guy de Soucy	Alain Le Véel	Arnaud Pomel
Plan grant date	-	-	-	-	-
Number of options exercised during the financial year	-	-	-	-	-
Exercise price	-	-	-	-	-

PERFORMANCE SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER					
	Sophie Beuvaden	Olivier Riché	Guy de Soucy	Alain Le Véel	Arnaud Pomel
Date of the General Meeting	12 April 2012				
Free share grants authorised by the General Meeting	1 % of equity capital				
Number of shares granted during the financial year	600	-	-	-	-
Valuation of the shares	€51,420	-	-	-	-
Vest date	15 February 2014				
End of lock-up period	15 February 2016				
Performance criteria	• Dividend maintained and if possible increased • Average quality of the buildings maintained • Sufficient financing maintained and renewed to ensure the Company's operations				

PERFORMANCE SHARES THAT HAVE BECOME AVAILABLE FOR EACH EXECUTIVE CORPORATE OFFICER			
Date of plan	Shares that have become available for each corporate officer	Number of shares that have become available during the financial year	Vesting conditions
Sophie Beuvaden – Chairwoman of the Board of Directors			
-	-	-	-
Olivier Riché – Managing Director			
-	-	-	-
Guy de Soucy – Deputy Managing Director			
-	-	-	-
Alain Le Véel – Deputy Managing Director			
-	-	-	-
Arnaud Pomel – Deputy Managing Director			
-	-	-	-

HISTORY OF STOCK SUBSCRIPTION OR PURCHASE OPTION AWARDS	
	Plan no. 9
Date of the General Meeting	31 March 2010
Total number of stock purchase options in the plan	0.5% of capital
Date of the meeting of the Board of Directors	-
Total number of shares that could be purchased: • by corporate officers • by employees	 - -
Start of option exercise period	-
Term of plan	10 years
Acquisition price	95% of the average of the prices during the 20 trading sessions preceding the assignment date
Terms and conditions of exercise (if there are several tranches)	-
Total number of options exercised at 31 December 2012	-
Aggregate number of cancelled or expired options	-
Stock purchase options outstanding	-

The previous stock purchase option plans have expired.

STOCK SUBSCRIPTION OR PURCHASE OPTIONS AWARDED TO THE TEN HIGHEST-PAID NON-CORPORATE OFFICER RECIPIENTS, AND OPTIONS EXERCISED		
	Options awarded during the financial year	**Options exercised during the financial year**
Plan grant date	-	-
Total number of options	-	-
Weighted average price	-	-

IMPLEMENTATION OF RECOMMENDATIONS RELATING TO COMPENSATION OF EXECUTIVE CORPORATE OFFICERS						
Executive corporate officer		**Sophie Beuvaden**	**Olivier Riché**	**Guy de Soucy**	**Alain Le Véel**	**Arnaud Pomel**
Position		Chairwoman of the Board of Directors	Managing Director	Deputy Managing Director	Deputy Managing Director	Deputy Managing Director
Start of term		**2010**	**2008**	**2009**	**2009**	**2009**
End of term		**2016**	**2014**	**2015**	**2015**	**2015**
Employment agreement	Yes		X	X		
	No	X			X	X
Supplemental defined benefit pension plan	Yes					
	No	X	X	X	X	X
Payments or benefits payable or likely to be payable due to the termination of or a change in duties	Yes		X(1)	X(1)		
	No	X			X	X
Compensation relating to a non-compete clause	Yes					
	No	X	X	X	X	X

The reasons the Company is unlikely to implement some of the recommendations of the MiddleNext corporate governance code to which it has adhered are explained in the "Chair's Report on the Functioning of the Board of Directors and on the Internal Control Procedures".

Executives' interests

The number of shares held by executives was as follows on the date of this report:

- Sophie Beuvaden, Chairwoman of the Board of Directors: 1,248
- Olivier Riché, Managing Director: 10,181
- Guy de Soucy, Deputy Managing Director: 2,183
- Arnaud Pomel, Deputy Managing Director: 1,100
- Alain Le Véel, Deputy Managing Director: 3,876

Transactions carried out by executives during the financial year concerning the acquisition, subscription and sale of the Company's shares[2] were as follows:

	Acquisitions/Subscriptions	Sales
Number of shares	-	3,508
Amount	-	€300 K

(1) This payment corresponds only to the maximum retirement incentive bonus provided by the Company (i.e., one year of salary for 10 years of employment and beyond that in proportion to length of employment) to which all salaried employees are entitled.
(2) Excluding company savings plan.

Employee shareholding – Free shares

On 31 December 2012, the Company had 14 employees. Employees held 23,781 shares representing 0.55% of the capital on that date.

Employees benefit from a discretionary profit-sharing plan and from a compulsory profit-sharing plan, which supplements the discretionary plan.

A Company Savings Plan has also been implemented, with contributions matched by the Company. At 31 December 2012, employees and corporate officers held 13,636 shares in the Company under this plan.

The General Meeting of 12 April 2012 authorised the grant of free shares under the following conditions:

- beneficiaries: employees and corporate officers,
- maximum volume: 1% of equity capital,
- minimum vesting period: 2 years,
- minimum holding period: 2 years,
- period of the authorisation: 38 months.

During 2012, 600 shares were distributed freely to the Chair of the Board of Directors.

Executives must hold 25% of the free shares granted until the termination of their employment.

Vesting of the shares will be subject to the following performance criteria: the dividend must be maintained and if possible increased, the average quality of the buildings must be maintained, and sufficient financing must be maintained and renewed to ensure the company's operations.

This free share grant is not subject to continued employment in the Company.

During 2012	All employees including executives	Number and value of shares granted to the 10 highest-paid employees	Number and value of shares granted to executives and corporate officers	Unit value per share (price on the grant date)
Number	600	-	600	€85.70
Value	€51.4 K	-	€51.4 K	

Statutory Auditors' fees

The Company paid the following Statutory Auditors' fees:

In euros excluding taxes

	SEREG				MAZARS			
	Amount		Percentage		Amount		Percentage	
	2012	2011	2012	2011	2012	2011	2012	2011
Statutory Auditors	69,000	67,500	68%	100%	63,000	61,500	74%	100%
Cofitem-Cofimur	*63,000*	*61,500*	*62%*	*91%*	*63,000*	*61,500*	*74%*	*100%*
Fully consolidated subsidiaries	*6,000*	*6,000*	*6%*	*9%*	-	-	-	-
Ancillary assignments	32,000	-	32%	-	22,000	-	26%	-
Cofitem-Cofimur	*32,000*	-	*32%*	-	*22,000*	-	*26%*	-
Fully consolidated subsidiaries	-	-	-	-	-	-	-	-
Subtotal	**101,000**	**67,500**	**100%**	**100%**	**85,000**	**61,500**	**100%**	**100%**
Other services	-	-	-	-	-	-	-	-
TOTAL	**101,000**	**67,500**	**100%**	**100%**	**85,000**	**61,500**	**100%**	**100%**

General information about the capital

Composition of the capital

At 31 December 2012, the equity capital was composed of 4,288,169 shares with a nominal value of €15 each, all issued and fully paid. It stood at €64,322,535.

No shares have been issued that are not fully paid. No shares have been issued that do not represent the capital.

To the Company's knowledge, no portion of the capital was pledged at 31 December 2012.

Potential capital

There is no currently valid resolution, passed by the General Meeting of Shareholders, authorising the issue of securities giving access to the capital.

Change in capital over the last five financial years

Transactions having affected the capital in the last five financial years are presented below:

Year	Shares	Nominal Value	Issue premium or goodwill on consolidation	Capital after transactions	Number of shares after transactions
2008	None	-	-	-	-
2009	None	-	-	-	-
2010	None	-	-	-	-
2011	Creation of 138,122 shares resulting from the payment of the dividend in shares	€15	€72.52	€64,322,535	4,288,169
2012	None	-	-	-	-

Treasury shares

The General Meeting of 12 April 2012 authorised the implementation of a share buyback programme under the following conditions:

Securities concerned	Capital shares
Maximum percentage of capital that may be held under the General Meeting's authorisation	5% of capital
Maximum authorised unit purchase price	€110
Objectives in order of priority	• To make a market by means of a liquidity agreement that complies with the AMAFI's Code of Ethics, recognised by the AMF. • To cover employee stock purchase options previously authorised by prior general meetings or share grant programmes. • To hold shares and subsequently deliver them by way of payment or exchange, in connection with financial or external growth transactions.
TERM OF PROGRAMME	**Maximum of 18 months – 11 October 2013**

At 31 December 2012, implementation of the programme stood as follows:

- Number of shares held at 1 January 2012: 9,326
- Number of securities purchased: 1,804
- Number of securities sold: 1,693
- Number of securities transferred: 1,850
- Number of securities cancelled in the last 24 months: 0
- Number of securities held at 1 January 2013: 7,587
- Book value of the portfolio: €682 K
- Market value of the portfolio: €668 K

Movements by objective were as follows:

	Liquidity agreement	Coverage of grants	External growth	TOTAL
Number held at 1 January 2012	5,924	3,402	-	9,326
Number purchased	1,804	-	-	1,804
Value	€151 K	-	-	€151 K
Number sold	-1,693	-	-	-1,693
Value	-€143 K	-	-	-€143 K
Number transferred	-	-1,850	-	-1,850
Number held at 1 January 2013	6,035	1,552	-	7,587

Another buyback programme will be submitted to the General Meeting of 9 April 2013 under the following conditions:

Securities concerned	Capital shares
Maximum percentage of capital that may be held under the General Meeting's authorisation	5% of capital
Maximum authorised unit purchase price	€110
Objectives in order of priority	• To make a market by means of a liquidity agreement that complies with the AMAFI's Code of Ethics, recognised by the AMF. • To cover employee stock purchase options previously authorised by prior general meetings or share grant programmes. • To hold shares and subsequently deliver them by way of payment or exchange, in connection with financial or external growth transactions.
TERM OF PROGRAMME	**Maximum of 18 months – 8 October 2014**

Voting rights, disclosure thresholds

All shares are registered (pure registered (*nominatif pur*) or administered registered (*administré*) at the shareholder's option). There are no bearer shares.

There are no founders' shares and no double-voting rights.

The disclosures of thresholds concerning percentages of capital owned which must be reported are those specified by law.

There are no shareholders' agreements.

To the Company's knowledge, no agreement exists whose implementation could subsequently lead to a change of control.

Modification of shareholders' rights

Modifications of shareholders' rights must be decided under the conditions specified by law.

The Extraordinary General Meeting has sole authority to amend the articles of association. All other decisions may be made by the Ordinary General Meeting.

Any increase in shareholders' commitments must be decided unanimously under the conditions specified by law.

Clauses likely to have an impact on a change of control of the Company

The Company's articles of association contain no provisions that may delay, defer or prevent a change of control.

Specific provisions governing changes in equity capital

There are no specific provisions in the Company's articles of association governing changes in its capital under more stringent conditions than required by law.

Shareholder structure and voting rights

The Company had approximately 470 shareholders at 31 December 2012. The shareholder structure remained stable during the year and there were no significant changes. The Company's shareholder structure was therefore as follows at 31 December 2012, as there have been no material changes since then:

Shareholder	Number of shares	Capital	Voting rights
Allianz Group	890,258	20.76%	20.80%
Covéa Group	800,366	18.66%	18.70%
Zurich Group	517,822	12.08%	12.10%
Foncière des 6e et 7e ardts de Paris (SIIC)	426,838	9.95%	9.97%
Generali Group	375,000	8.74%	8.76%
Jean-Paul Dumont (La Tricogne)	329,500	7.68%	7.70%
Le Conservateur Group	293,550	6.85%	6.86%
Treasury shares	7,587	0.18%	-%
Free float	647,248	15.09%	15.12%
TOTAL NUMBER OF SHARES	**4,288,169**	**100%**	**100%**

No other shareholder owns more than 5% of the Company's capital.

Change in shareholder structure

There have been no material changes in the shareholder structure in the last three years. In March 2010, Avenir et Investissement sold all of its holdings, falling below the thresholds of 10% and 5% of capital and voting rights. At that time, Jean-Paul Dumont (La Tricogne) exceeded the threshold of 5% of the Company's capital and voting rights, and Foncière des 6ème et 7ème Arrondissements de Paris (SIIC) increased its holding to 9.9%. The shareholder structure then changed very slightly in May 2011 upon payment of the dividend in shares.

The change in the shareholder base in the last three years is as follows:

Shareholder	Share of capital in 2012	Share of capital in 2011	Share of capital in 2010	Share of capital in 2009
Allianz Group	20.76%	20.76%	20.29%	20.29%
Covéa Group	18.66%	18.66%	18.24%	18.24%
Zurich Group	12.08%	12.08%	12.41%	12.41%
Foncière des 6e et 7e ardts de Paris (SIIC)	9.95%	9.95%	9.90%	7.41%
Generali Group	8.74%	8.74%	9.04%	9.04%
Jean-Paul Dumont (La Tricogne)	7.68%	7.16%	7.23%	-
Le Conservateur Group	6.85%	6.85%	6.69%	6.69%
Avenir et Investissement	-	-	-	10.04%
Free float	15.09%	15.58%	16.08%	15.65%
Treasury shares	0.18%	0.22%	0.12%	0.24%

Shareholders' meetings and voting rights

General Meetings are convened, meet and deliberate under the conditions specified by law. Any holder of a share has the right to attend or be represented at the General Meetings and may exercise the right to vote by mail under the conditions specified by law.

Once a year, shareholders meet at an Ordinary General Meeting, at a location designated by the Board of Directors, to review the financial statements for the past year. Apart from this annual meeting, a General Meeting, regardless of its nature and purpose, may be convened by the Board of Directors or the Statutory Auditors under the conditions specified by law.

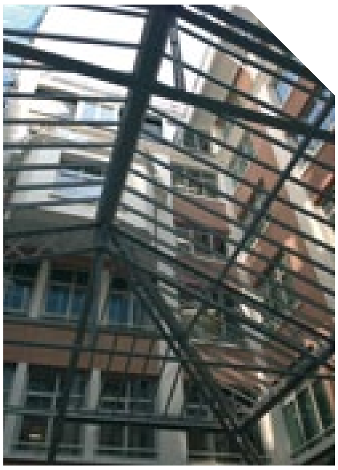
Shareholders shall have the right to participate in the General Meetings of companies whose securities are listed for trading on a regulated market provided their securities are recorded in their name on the 3rd business day prior to the Meeting at 12:00 a.m., Paris time, in the registered securities accounts kept by the Company.

Ordinary and Extraordinary General Meetings, deliberating under the quorum and majority conditions stipulated by the provisions respectively governing them, exercise the powers attributed to them by law.

The General Meeting, deliberating under the quorum and majority conditions applicable to extraordinary general meetings, has sole authority to amend the articles of association. All other decisions may be made by the Meeting deliberating under the quorum and majority conditions applicable to ordinary meetings.

Mello Princesse
Route de Clermont - Mello (60)

4, rue de Lasteyrie - Paris 16



5, rue de Dunkerque - Paris 10

Other information

Significant change in financial or trading position

There has been no significant change in the Company's financial or trading position since the end of the last financial year for which audited financial statements have been published.

Exceptional events and disputes – Legal and arbitration proceedings

As of the date of this Registration Document and for the last twelve months, there are not and there have not been any governmental, legal or arbitration proceedings that may have or have had significant effects on the financial position or profitability of the issuer or of the Group.

There are no exceptional events and no other disputes likely to significantly affect Cofitem-Cofimur's earnings and financial position (activity and assets).

Investment policy

Apart from the real-estate acquisitions that it makes as part of its financial leasing and rental activity, Cofitem-Cofimur's investments correspond to the acquisition, on an ancillary basis, of listed securities of companies whose business is analogous to its own.

The Company invests directly or through special purpose vehicles that are acquired or formed for the purpose of making these investments.

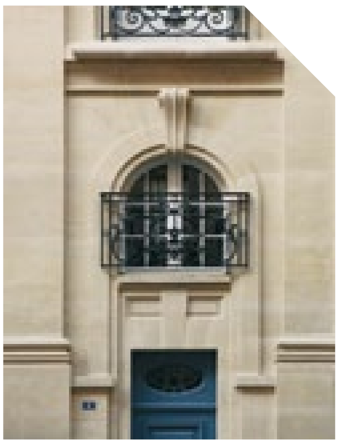
As the Company's investments are its core business, they are detailed in the section relating to its real-estate financial leasing assets and in the section relating to its investment properties, and are described in the Report of the Board of Directors.

The Company's principal investments are financed through bank indebtedness or bond issues, or are self-financed. Indebtedness and shareholders' equity are presented in the Report of the Board of Directors (see § "Shareholders' Equity – Refinancing").

As of the date of this Registration Document, there are no investments the Issuer intends to make and on which its management bodies have already made firm commitments.

7, rue du docteur Lancereaux - Paris 8

43 / 45, rue Louise Michel
20, rue Anatole France
Levallois-Perret (92)



4, rue de Lasteyrie - Paris 16

Restrictions on the use of capital

As of the date of this Registration Document, there are no restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the Issuer's operations.

Research and development, patents and licences

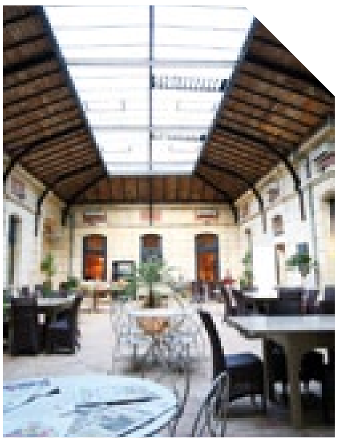
Cofitem-Cofimur has no research and development activities. It makes no investments in this area.
The company furthermore considers that it is not dependent on any brand, patent or licence for its activities or profitability.

Disclosure policy

All Cofitem-Cofimur securities are registered and securities services are handled internally. This enables the Company to distribute directly to its shareholders the documents necessary to keep them properly informed. The Company also ensures that Cofitem-Cofimur's stock price is published in several daily financial, business and general-interest newspapers, in which it also publishes its press releases, as necessary. The Company's quarterly statements, as well as the interim financial statements and report, are published in the BALO (French bulletin of mandatory legal notices), in accordance with applicable regulations. The Company has created a website, www.cofitem-cofimur.fr, where all its press releases can be viewed. In connection with the strengthening of the disclosure requirements applicable to listed companies, Cofitem-Cofimur has entered into an agreement with an information provider licensed by the AMF to ensure the dissemination of its press releases and business reports issued pursuant to the provisions regarding regulated information. In parallel with these ongoing disclosures, the Company will communicate on any significant transaction or any change in its environment or policy.

26/28, rue des Saint-Pères - Paris 7

3, rue de Mézières - Paris 6



Mello Princesse
Route de Clermont - Mello (60)

Recent events

Cofitem - Cofimur

Foncière Paris France

Press release

Cofitem-Cofimur / Foncière Paris France

- **Foncière Paris France to be merged into Cofitem-Cofimur before end of 2013[1].**
- **Creation of an SIIC [a French listed property management company] specialising in the office property market in Paris and nearby suburbs and which will have total consolidated assets, at market value, of approximately €1.9 bn.**
- **A rental portfolio of which close to two-thirds is located within inner Paris.**

Paris, 3 April 2013. The Boards of Directors of Cofitem-Cofimur and of Foncière Paris France met on Wednesday, 3 April 2013. Both boards approved the principle of merging Foncière Paris France into Cofitem-Cofimur.

This transaction is envisaged with the aim of enabling these two listed companies to achieve the following objectives:

- Form an SIIC with a Paris office portfolio of which nearly two-thirds is made up of existing office assets located in Paris, and of which almost 90% are assets located in Paris, Boulogne-Billancourt, Levallois-Perret, Saint-Denis and Rueil-Malmaison.
- Dispose of the necessary resources to ensure long-term development.
- Unify the legal structures of the two companies, whereby Cofitem-Cofimur is considering opting for SIIC status [2].
- Improve share liquidity.

The new entity, when created, will have total **consolidated assets, at net market value,** of approximately **€1.9 bn[3] on the basis of the latest valuations carried out as of 31 December 2012. The rental property portfolio,** with a market value of approximately **€1.1bn, has close to two-thirds of its assets located within inner Paris.** Property will be the main growth area of the new entity. The portfolio of outstanding lease-purchases (€0.5bn as at 31 December 2012), held by Cofitem-Cofimur, will be managed to extinction. This portfolio, on the basis of the latest valuation conducted in July 2012, and which will be updated in 2013, generated unrealised gains net of taxation in the order of 16 million euros. Cofitem-Cofimur will apply to the supervisory authority (*Autorité de Contrôle Prudentiel*) for withdrawal of approval as a credit institution.

A declaration will also be submitted to the competition authority (*Autorité de la Concurrence*). Finally, a request for dispensation from filing a public offer of withdrawal on Foncière Paris France will be submitted to the market regulator (AMF), pursuant to article 236-6 of the AMF general regulations.

This proposed merger represents an opportunity for the teams to share their experience and skills.

(1) Transaction subject to the decision of a shareholders' meeting of both companies to take place in December 2013 at the latest.
(2) Transaction subject to the decision of the shareholders' meeting of Cofitem-Cofimur on 30 May 2013.
(3) In addition to the €1.1 bn in rental property, the consolidated assets consist of outstanding lease-purchases (€0.5bn) and, for the balance, securities available for sale, current assets and cash.

In addition to the shareholders' meetings to approve the 2012 accounts already convened for 9 April 2013 for Cofitem-Cofimur and 11 April 2013 for Foncière Paris France, several extraordinary shareholders' meetings will be held:

- On 30 May 2013, an extraordinary shareholders' meeting of Cofitem-Cofimur will be held for the purpose of

  I - authorising the adoption of SIIC status

  II - modifying the Company articles (enlargement of the Company purpose) and to allow early closure of the financial year on 30 June 2013, a necessary prerequisite to opting for SIIC status in July 2013.
- During December 2013, the shareholders of Foncière Paris France and Cofitem-Cofimur will meet in order to take a decision on the draft merger agreement after having sight of the report of the merger auditors, who will have been appointed in the meantime. A proposal to change the governance of the new entity will be put to those meetings, providing for the establishment of a Supervisory Board and a Management Board.

The admission of the new shares to quotations should take place before the end of the year.

A multi-criteria approach will be used to estimate the merger parity value (portfolio and market criteria). Subject to the work of the merger auditors, who will need to be appointed, parity could be between 1.15 and 1.40 Cofitem-Cofimur shares for one Foncière Paris France share.

On completion of this transaction, the share capital of the new entity will not be subject to any shareholders' pact or agreement and will remain quite substantially in the majority ownership of those insurance companies who currently hold stakes, with no shareholder reaching the 30% threshold: Allianz, Covéa, Generali, Le Conservateur and Zurich.

For the future, the simplification of the organisation and pooling of the resources of these two entities should enable optimum creation of shareholder value and ensure the continuation of steady dividend growth, which has been Cofitem-Cofimur's trademark since its creation in 1985.

Contact persons

Olivier Riché / François Thomazeau

Financial Communications

Séverine Farjon - +33 (0)1 53 70 77 73


la criée

Corporate financial statements as of 31 December 2012

68, quai de Seine - Paris 19

Corporate balance sheet as of 31 December 2012

In thousands of euros

ASSETS	Notes	31/12/12	31/12/11	31/12/10
Cash transactions with clients		**60,799**	**29,771**	**32,329**
Cash in hand, banks, post-office accounts		**-**	**543**	**546**
Government securities and similar		**-**	**-**	**-**
Claims on lending institutions		**60,799**	**29,228**	**31,783**
Current		*60,799*	*29,228*	*31,783*
Forward		*-*	*-*	*-*
Transactions with clients	3-5	**14,028**	**10,788**	**5,643**
Trade receivables		-	-	-
Other lending to clients		14,028	10,788	5,643
Overdrafts		-	-	-
Securities transactions	3-6	**229,976**	**247,484**	**213,436**
Shares and other variable-income securities		1,632	1,611	2,257
Shareholdings and portfolio activity		228,344	245,873	211,179
Financial leasing transactions	3-3	**493,000**	**515,887**	**484,735**
Movable property financial-leasing transactions		***8,668***	***10,952***	***9,465***
Under construction		2,178	2,465	3,171
Leased		6,248	8,236	6,009
Non-leased capital assets		-	-	-
Related receivables	3-5	53	121	16
Doubtful accounts	3-5	189	130	269
Real estate financial leasing transactions		***484,332***	***504,935***	***475,270***
Under construction		27,925	41,650	58,911
Leased		441,791	448,281	399,452
Acquisition expenses		8,364	8,791	9,779
Capital assets not leased after termination		-	-	-
Related receivables	3-5	2,394	1,789	2,217
Doubtful accounts	3-5	3,858	4,424	4,911
Investment properties	3-3	**114,746**	**120,311**	**113,326**
Under construction		2,472	15,393	12,059
Leased		112,087	104,485	100,505
Related receivables	3-5	66	318	421
Doubtful accounts	3-5	121	115	341
Operating capital assets	3-3	**323**	**239**	**239**
Intangible assets		20	5	-
Property, plant and equipment		303	234	239
Treasury shares	3-7	**562**	**580**	**268**
Other assets	3-8	**503**	**845**	**1,802**
Adjustment account	3-8	**2,728**	**1,076**	**609**
TOTAL ASSETS		**916,665**	**926,981**	**852,387**

In thousands of euros

OFF-BALANCE-SHEET COMMITMENTS				
COMMITMENTS GIVEN	4			
Funding commitment		**11,893**	**17,642**	**24,555**
Commitments in favour of lending institutions		-	-	-
Commitments in favour of clients		11,893	17,642	24,555
Commitments for cover		**-**	**-**	**-**
Commitments to lending institutions		-	-	-
Commitments to clients		-	-	-
Commitment on forward financial instruments		**300,000**	**275,000**	**185,000**
Fixed rate / variable rate positions		300,000	275,000	185,000
Other commitments given		-	-	-

In thousands of euros

LIABILITIES	Notes	31/12/12	31/12/11	31/12/10
Cash and interbank transactions	3-9	**566,452**	**632,866**	**566,625**
Cash in hand, banks, post-office accounts		-	-	-
Debts to lending institutions		**566,452**	**632,866**	**566,625**
Current		*15*	*46*	*5*
Forward		*566,437*	*632,820*	*566,620*
Transactions with clients		**46**	**1,841**	**222**
Current debts		46	1,841	222
Forward debts		-	-	-
Debts represented by securities		**56,435**	**5,204**	**5,373**
Cash bonds		-	-	-
Interbank Market Securities		5,000	5,000	5,000
Negotiable Debt Securities		-	-	-
Bond issues		50,000	-	-
Other debts represented by securities		-	-	-
Related debts		1,435	204	373
Other liabilities	3 -10	**14,699**	**13,622**	**16,297**
Security deposits received		7,022	6,993	7,859
Current accounts in credit from clients		1,132	1,212	769
Miscellaneous creditors		6,545	5,417	7,669
Adjustment account		**2,519**	**2,966**	**7,069**
LIABILITIES BEFORE PROVISIONS AND SHAREHOLDERS' EQUITY		**640,151**	**656,499**	**595,586**
Provisions for contingencies and charges	3-11	**4,042**	**3,213**	**2,915**
Provisions for contingencies and charges		4,042	3,213	2,915
Provisions for renovations to assets		-	-	-
Funds for general and banking risks	3-11	**7,257**	**7,257**	**7,257**
Subordinated debts		-	-	-
Subscribed capital	3-12	**64,323**	**64,323**	**62,251**
Issue and merger premiums		**106,597**	**106,597**	**96,580**
Legal reserve		**6,432**	**6,225**	**6,225**
Miscellaneous reserves		**11,189**	**11,189**	**11,189**
Reserves for general risks		**17,497**	**17,497**	**17,497**
Regulated provisions and investment grants		-	-	**75**
Retained earnings		**31,942**	**32,093**	**31,440**
TOTAL SHAREHOLDERS' EQUITY AND SIMILAR		**245,237**	**245,181**	**232,514**
PROFIT FOR THE PERIOD		**27,235**	**22,088**	**21,372**
TOTAL LIABILITIES		**916,665**	**926,981**	**852,387**

In thousands of euros

OFF-BALANCE-SHEET COMMITMENTS				
COMMITMENTS RECEIVED	4			
Funding commitment		**62,294**	**19,000**	**77,701**
Commitments received from lending institutions		62,294	19,000	77,701
Commitments for cover		-	-	-
Commitments received from lending institutions		-	-	-
Commitment on forward financial instruments		**491,000**	**486,000**	**355,000**
Fixed rate / variable rate positions		300,000	275,000	185,000
Other commitments received		191,000	211,000	170,000

Corporate income statement as of 31 December 2012

In thousands of euros

	Notes	31/12/12	31/12/11	31/12/10
Interest, expenses and similar revenue		(14,806)	(15,264)	(11,277)
+ Interest and similar revenue		1,536	1,925	2,753
- Interest and similar expenses		16,342	17,189	14,030
Financial leasing activity		**25,270**	**28,717**	**20,822**
+ Revenue on financial leasing		88,593	126,829	128,870
- Expenses on financial leasing		63,323	98,112	108,048
Rental activity	5-3	**23,426**	**7,409**	**9,705**
+ Revenue from rental activity		30,532	14,506	16,571
- Rental activity expenses		7,106	7,097	6,866
Expenses and revenue on financial transactions		**10,394**	**13,864**	**10,292**
+ Revenue from variable-income securities		9,702	8,446	6,499
+ Commissions (income)		-	-	-
- Commissions (charges)		-	-	-
+/- Gains or losses on trading portfolio transactions		-	-	-
+/- Gains or losses on securities portfolio transactions and similar	5-1	692	5,418	3,793
+ Other revenue from bank operations		**1,105**	**523**	**358**
+ Other revenue from bank operations		1,105	523	358
- Other expenses from bank operations		**198**	**172**	**172**
- Other expenses from bank operations		198	172	172
- Doubtful accounts		-	-	-
Net banking revenue		**45,191**	**35,077**	**29,728**
- General operating expenses	5-4	6,475	5,362	5,683
- Depreciation and amortisation of tangible and intangible assets		140	103	123
Gross operating income		**38,576**	**29,612**	**23,922**
+/- Cost of risk		1,700	-	-
Operating income		**36,876**	**29,612**	**23,922**
+/- Proportionate share in the net income of associated undertakings		-	-	-
+/- Gains or losses on capital assets		6	227	4,020
Pre-tax result		**36,882**	**29,839**	**27,942**
+/- Exceptional income	5-5	146	332	90
- Corporation tax	5-6	9,793	8,083	6,660
+/- Allocation/recovery of reserves for general banking risks (RGBR) and regulated provisions		-	-	-
NET INCOME		**27,235**	**22,088**	**21,372**
Earnings per share (IN €)		**6.35**	**5.15**	**5.15**
Diluted earnings per share (IN €)		**6.35**	**5.15**	**5.15**

Appendix to corporate financial statements as of 31 December 2012

1- Legal framework and highlights of the financial year

1-1 Legal framework

Cofitem-Cofimur resulted from the merger between Cofitem, a Sicomi financial-leasing company, and Cofimur, a non-Sicomi financial-leasing company.

As part of its financial-leasing activity, Cofitem-Cofimur was exempt from corporate tax on the share of its net profits stemming from financial-leasing transactions signed before 31 December 1995 (Sicomi regime). In return for this exemption, the Company was required to distribute a dividend equal to at least 85% of the exempted profit made on these contracts. This revenue has now entirely disappeared from the Company's accounts because it is now amortised using the standard method and due to the exercise of options.

Pursuant to the regulations applicable since 1 January 1996, the profits stemming from new financial-leasing contracts signed after this date were no longer exempt from corporate tax and the amortisation of these contracts shall henceforth follow the rules of common law. A provision known as «Article 57» was therefore set forth to cover the end-of-contract exit of items that cannot be amortised.

As a former Sicomi having kept its status until 31 December 1995, Cofitem-Cofimur decided to opt for the possibility afforded by the applicable regulation to apply the same tax depreciation model used in financial depreciations, for contracts signed after 1 January 1996.

It also opted for the financial depreciation of contracts signed after 1 January 2000.

1-2 Highlights of the financial year

During the 2nd half of 2012, Cofitem-Cofimur sold the building located at 8-10, rue Saint-Fiacre in the 2nd district of Paris, generating gross capital gain of €13.9 million (sale price of €21.5 million for a net book value of €7.6 million - see §5-3). This capital gain was booked as revenue from rental activity.

The Board meeting of 28 July 2011 authorised a bond issue for a maximum amount of €70 million. To this end, on 18 July 2012, Cofitem-Cofimur issued €50 million in bonds subscribed under a private placement. This issue was the subject of a prospectus authorised by the French financial markets authority (AMF) on 16 July 2012. This new issue extended the average period of funding. The bonds were issued in the form of dematerialised bearer securities with a nominal value of €100,000 each. They bear interest from 18 July 2012 (inclusive) until 18 July 2017 (exclusive) at a rate of 4.25% per year.

2- Principles, rules and accounting methods

The annual financial statements were established and presented according to the rules laid down by regulation CRBF no. 91-01, applicable since 1 January 1993, modified by CRC no. 00-03.

Since 1 January 2010, Cofitem-Cofimur has applied regulation CRC 2009-03 dated 3 December 2009 relative to booking commissions received by a lending institution and marginal transaction costs when granting or acquiring financial assistance. This application had no impact on the results and net situation of Cofitem-Cofimur over the period.

2-1 Financial leasing transactions for real estate and movable property

The «financial leasing» item, the details of which are explained in points 3.1 *et seq.*, covers the following elements:

Capital assets

The gross value of the elements of the capitalised assets corresponds to the entry value of the assets into the capital.

The periods of tax depreciation are as follows:

- movable property assets: from 5 years to 15 years.
- real estate assets: from 20 years to 40 years.

The tax and accounting depreciation is calculated to obtain a constant yield outside the application of the planned indexing. To do this, the depreciation is applied according to the financial scale. For certain cases or for acquisition expenses, the tax depreciation sometimes exceeds the financial depreciation, thus generating a net latent reserve. On 31 December 2012 it reached €44 K.

To avoid a situation in which the absence of depreciation of land or the rate of tax depreciation causes net book values in the accounts of Cofitem-Cofimur that are too high in relation to the residual values or the repurchase option values, the provision known as «Article 64» is allocated for cases signed before 31 December 1995. For cases contracted thereafter, the tax depreciation is equal to the financial depreciation and we allocate the provision known as «Article 57» for assets that cannot be depreciated.

«Article 64» and «Article 57» provisions, as well as the provisions for the depreciation of buildings are deducted from the «financial leasing» item on the asset column of the balance sheet, according to the presentation established by regulation CRBF no. 91-01.

Cofitem-Cofimur has a policy for indexing its financial leasing contracts. The average indexing value is 10% of the value of the contracts. The reference is the INSEE construction cost index.

Capital assets under construction

The capital assets under construction correspond mainly to the funding of transactions that have not yet come into operation.

Related receivables

The related receivables correspond in particular to rents receivable.

Doubtful accounts

An account is considered doubtful when it remains unpaid for more than 3 months, including capital and outstanding interest. Rental amounts classified as doubtful are provisioned at 100% of their amount excluding taxes, and net of any security deposits or collateral.

Capital assets temporarily not leased

Non-leased buildings correspond to transactions in which the financial-leasing contract has been terminated and the premises returned. They are valued at their historical value (minus tax depreciation). They continue to be depreciated and are covered, where necessary, by a depreciation provision. These buildings are intended either to be financially leased again or sold.

2-2 Investment properties

Investment properties cover either buildings acquired and intended to be used for rental activity, or buildings for which the original financial lease has been terminated and is now operated under rental activity.

In matters of rental activity, Cofitem-Cofimur has a conventional policy of indexing its rents at 100%, based on changes to the INSEE construction cost index.

External appraisals have been carried out on more than 80% of the rental assets as of 31 December 2012. If no external appraisal has been performed, the buildings are valued based on the rental capitalisation rates below:

- 5.5% for buildings in Paris and Neuilly-Sur-Seine,
- 8.0% for the other buildings hosting a restaurant,
- 8.0% for all the other buildings.

Cofitem-Cofimur depreciates its buildings under rental activity according to the historical cost method. Since 1 January 2005, it has also applied the cost component method, in accordance with regulations CRC 2002-10 and 2004-06.

For each of the asset types, the gross construction values have been divided by components, determined according to any observed technical data, and based in particular on the estimate of the cost of new reconstruction. Other than the land, five components have been identified:

	Term of depreciation
● Land	Non-depreciable
● Main structure	30 or 60 years depending on the type of the buildinge
● Facades and roofs	15 or 35 years depending on the type of the building
● Service equipment	15 or 25 years depending on the type of the building
● Facelifts	15 years
● Fixtures and fittings	9 years
● Air conditioning	6 years

Acquisition fees

Building acquisition fees are entered as expenses in the year of acquisition.

Doubtful accounts

An account is considered doubtful when it remains unpaid for more than 3 months. Rental payments classified as doubtful are provisioned at 100% of their amount excluding taxes, and net of any security deposits or collateral.

2-3 Hedging instruments

Cofitem-Cofimur uses interest-rate instruments that are detailed in section 4-1.

Interest rate swaps

In accordance with regulations CRC 88-02 and 90-15 and instruction 94-04 of the French Banking Commission pertaining to booking transactions on forward interest-rate financial instruments, it should be noted that the contracts concluded by the Company are exclusively intended to manage the interest-rate risk related to the financial-leasing activity and corresponding refunding transactions. The charges and income accrued on a given contract are entered at their net amounts.

Within the meaning of the aforementioned regulations, the swaps concluded by the Company correspond to assigned hedging transactions and do not give rise to market valuations to be entered on the balance sheet. Nevertheless, for information purposes, the swaps had a negative value of €13,305 K on 31 December 2012, against a negative value of €7,764 K on 31 December 2011.

Caps

Cofitem-Cofimur uses cap transactions intended to protect itself against upward fluctuations in interest rates on loans and credit lines approved but not used and contracted against variable references. The premiums that constitute the purchase prices of caps are entirely entered as expenses for the financial year in which these transactions are concluded. Revenue shall only be entered when it is actually collected. In particular, this method avoids depreciating the amount of premiums to be spread out when rates drop.

The premium for the deferred-start cap concluded on 22 July 2011 has been spread out, as expenses, between the premium payment date and the effective date of the cap, namely 22 July 2013.

For information, the caps were valued at €19 K on 31 December 2012, against a valuation of €337 K on 31 December 2011.

2-4 Principal transactions between related parties

Certain corporate officer directors of Cofitem-Cofimur also have appointments in the companies PHRV, Foncière des 6e et 7e arrondissements de Paris (SIIC) and Foncière Paris France with whom they have capital relationships. On 31 December 2012, they were:

	Cofitem-Cofimur	PHRV	Foncière des 6e et 7e arrondissements de Paris (SIIC)	Foncière Paris France
Sophie Beuvaden	Chairwoman of the Board of Directors	Director	Director	Director
Olivier Riché	Managing Director Permanent representative of Foncière des 6e et 7e arrondissements de Paris (SIIC)	Deputy Managing Director	Deputy Managing Director Permanent representative of Cofitem-Cofimur	Director Deputy Managing Director
Guy De Soucy	Deputy Managing Director	Deputy Managing Director	Deputy Managing Director	Deputy Managing Director Permanent representative of Cofitem-Cofimur
Alain Le Véel	Deputy Managing Director	Managing Director Permanent representative of Cofitem-Cofimur	Deputy Managing Director Permanent representative of PHRV	Deputy Managing Director Permanent representative of PHRV
Arnaud Pomel	Deputy Managing Director	Deputy Managing Director	Managing Director	Deputy Managing Director Permanent representative of Foncière des 6e et 7e arrondissements de Paris (SIIC)
François Thomazeau	Director	Chairman of the Board of Directors	Chairman of the Board of Directors	Chairman and Managing Director

The Board of Directors of Cofitem-Cofimur approved the re-invoicing, at 25%, to Foncière Paris France, of the salary paid to Olivier Riché, Managing Director, to Guy de Soucy, Deputy Managing Director, and to two salaried executives, from 1 April 2012. This re-invoicing is done under a management agreement that also concerns Foncière des 6e et 7e arrondissements de Paris (SIIC) and PHRV. With the exception of this agreement, Cofitem-Cofimur, with the parties related to it, has concluded no service-provision contract and has carried out no transaction intended to transfer resources, services or obligations either free of charge or in return for payment. Also, the Company is totally independent and has its own management team. There is no other re-invoicing of payroll costs between the various companies having corporate officers in common, and no benefits are granted to any director pursuant to his/her functions in another company. Each company pays its corporate officers according to the work performed by them on their behalf.

3- Information concerning the items on the balance sheet

3-1 Change in the gross values of capital assets

In €K

	31/12/10	31/12/11	Increases	Reductions	Transfers	31/12/12
Financial leases on real-estate assets	716,681	683,949	23,469	53,073	(1,357)	652,988 (1)
Financial leases on movable assets	13,790	14,646	415	2,006	90	13,145 (2)
Renting properties	149,180	158,323	5,253	10,729	8,629	161,476 (3)
Own assets	1,360	1,377	225	42	-	1,560
TOTAL	**881,011**	**858,295**	**29,362**	**65,850**	**7,362**	**829,169**

Excluding related receivables

Financial leases on real-estate assets

The amounts of acquisitions correspond to the construction or purchase of buildings under new contracts.

Renting properties

The gross capital assets under rental activity come either from acquisitions or from the financial-leasing assets transferred into rental activity, in accordance with the Company's policy. The capital assets under construction mainly include one renovation operation.

(1) Of which capital assets under construction: €27,925 K and non-leased capital assets €1,630 K
(2) Of which capital assets under construction: €2,178 K and non-leased capital assets €0 K
(3) Of which capital assets under construction: €2,472 K

Own assets

The own assets are composed of equipments exclusively comprising property fixtures and fittings, office equipment, IT equipment, movable property and transport equipment used for exercising the Company's activities.

3-2 Variation in depreciation and provisions

In €K

	31/12/10	31/12/11	Increases	Reductions	Transfers	31/12/12
Financial leases on real-estate assets	248,539	185,226	31,792	41,720	(390)	174,908 (1)
Financial leases on movable assets	4,609	3,945	1,148	374	-	4,719
Renting properties	36,615	38,445	3,694	2,698	7,475	46,916 (2)
Own assets	1,121	1,138	141	42	-	1,237
TOTAL	**290,884**	**228,754**	**36,775**	**44,834**	**7,085**	**227,780**

Excluding provisions for doubtful clients and provisions of a financial character

3-3 Summary statement of capital assets as of 31 December 2012

In €K

Name	Gross values	Cumulative depreciation and/or provisions	Net book values
Financial leases on real-estate assets	652,988	174,908 (3)	478,080 (4)
Financial leases on movable assets	13,145	4,719 (5)	8,426 (6)
Renting properties	161,476	46,916 (7)	114,560 (8)
Own assets	1,560	1,237	323
TOTAL	**829,169**	**227,780**	**601,389**

Excluding related receivables and excluding provisions for doubtful clients and provisions of a financial character

3-4 Due dates of financial outstandings for financial leasing

In €K

	D<= 3 months	3 m<D<= 1 year	1 year<D<= 5 years	D> 5 years	Total
Financial-leasing and similar transactions	9,251	34,453	171,445	274,274	489,422

3-5 Receivables

The breakdown of receivables was as follows on 31 December 2012:

In €K

	Gross values	Provisions	Net values
Related receivables (financial leasing)			
Revenue receivable	434	-	434
Accounts receivable	2,014	-	2,014
Doubtful clients	9,846	5,800	4,046
TOTAL	**12,294**	**5,800**	**6,494**
Related receivables (rental activity)			
Revenue receivable	55	-	55
Accounts receivable	11	-	11
Doubtful clients	728	607	121
TOTAL	**794**	**607**	**187**
Client accounts (9)			
PHRV loan	7,500	-	7,500
Real-estate financial leasing loans	4,175	-	4,175
Real-estate financial leasing doubtful accounts	5,108	2,780	2,328
Rental activity doubtful accounts	162	138	24
TOTAL	**16,945**	**2,918**	**14,027**
Other assets	**503**	-	**503**

The breakdown of receivables, in net values according to their initial period, is as follows:

In €K

	D<= 3 months	3 months <D=1 year	1 year<D=5 years	D> 5 years	Total
Financial leasing client receivables	434	2,014	4,046	-	6,494
Rental activity client receivables	55	11	121	-	187
Clients' accounts	-	7,500	2,352	4,175	14,027
Other assets	9	2	198	294	503
TOTAL	**498**	**9,527**	**6,717**	**4,469**	**21,211**

(1) Of which provision for art. 64: €4,238 K and provision for art. 57: €2,116 K and provisions for depreciation: €655 K (of which €221 K on ITNL)
(2) Of which depreciation of buildings: €788 K
(3) Of which provisions for art. 64 and 57: €6,354 K and provisions for depreciation: €655 K (of which €221 K on ITNL)
(4) Of which capital assets under construction: €27,925 K and of which non-leased capital assets: €0 K
(5) Of which provision for depreciation: €70 K
(6) Of which capital assets under construction: €2,178 K
(7) Of which provisions for buildings: €788 K
(8) Of which capital assets under construction: €2,472 K
(9) In particular, this item includes current accounts with clients opened pursuant to real-estate financial leasing transactions. This current account functions within the framework of the normal execution of these contracts.

Doubtful accounts

In €K

	31/12/10	31/12/11	Increases	Reductions	31/12/12
Financial leasing (including doubtful revenue receivable)	23,387	15,400	25,667	26,112	14,955
Rental activity	1,838	635	2,425	2,170	890
Other debtors	-	-	-	-	-
TOTAL	**25,225**	**16,035**	**28,092**	**28,282**	**15,845**

Provisions for receivables

In €K

	31/12/10	31/12/11	Allocations	Recoveries/ Transfers	31/12/12
Financial leasing	16,165	8,099	2,542	2,062	8,579
Rental activity	1,447	485	338	78	745
Other debtors	-	-	-	-	-
TOTAL	**17,612**	**8,584**	**2,880**	**2,140**	**9,324**

Breakdown of doubtful accounts by activity sector

In %

	Catering	Retailing	Hotels	Offices	Technical premises	Equipment	Miscellaneous	TOTAL
Financial leasing	25.43	4.77	13.69	51.89	1.02	3.20	-	**100**
Investment properties	18.08	3.14	-	58.37	20.41	-	-	**100**

Breakdown of provisions for receivables by activity sector [(1)]

In %

	Catering	Retailing	Hotels	Offices	Technical premises	Equipment	Miscellaneous	TOTAL
Financial leasing	31.32	6.22	10.18	47.30	1.22	3.76	-	**100**
Investment properties	14.92	3.16	-	61.06	20.86	-	-	**100**

3-6 Securities portfolio

In €K

	Listed companies (Net book value)	Unlisted companies (Net book value)	TOTAL	Estimated value of long-term shareholdings in trading portfolio
Fixed-income securities (Bonds repayable in shares)	**10,000**	-	**10,000**	-
Fixed-income securities				
Equity investments	55,011	36,040	91,051	N/A
Fixed investments from portfolio activity	36,186	-	36,186	36,920
Investment securities	1,548	83	1,631	N/A
TOTAL	**92,745**	**36,123**	**128,868**	**-**
Related receivables	-	91,107	91,107	-
TOTAL	**102,745**	**127,230**	**229,975**	**-**

The valuation of listed investment securities is calculated according to the last known stock market price at closure of the financial year.

Equity investments and fixed investments from portfolio activity

The inventory value is determined for listed securities according to the stock market price on 31 December 2012 and, for unlisted companies, based on a multi-criterion approach.

When this inventory value is below the original value, a provision may be constituted.

(1) Given the accounting rules specific to lending institutions, the fully-provisioned contractual termination compensation can in some cases increase the share of provisions in some sectors.

Movements concerning equity investments and fixed investments from portfolio activity

	31/12/10	31/12/11	Increase or transfers	Sales or transfers	Capital loss on sale	Capital gain from sale	31/12/12
LISTED SECURITIES							
Equities	99,053	110,340	-	9,143	4,037	501	101,197
(Provisions)	(8,371)	(4,037)	4,037	-	-	-	-
Net book value listed securities	**90,682**	**106,303**	**4,037**	**9,143**	**-**	**-**	**101,197**
UNLISTED SECURITIES							
Equities	36,233	36,361	-	268	230	66	36,093
(Provisions)	-	(27)	(25)	-	-	-	(52)
Net book value unlisted securities	**36,233**	**36,334**	**(25)**	**268**	**-**	**-**	**36,041**
Net book value listed and unlisted securities	**126,915**	**142,637**	**-**	**-**	**-**	**-**	**137,238**

3-7 Treasury shares

The Treasury shares held by the Company represent shares held as part of the programme to buy back own shares approved by the general meeting of shareholders, in accordance with the objectives of this programme.

During the financial year, the Company acquired 1,804 Treasury shares and sold 1,693 Treasury shares. At closure of this financial year, it held 7,587 shares acquired for €662 K (of which 1,200 shares assigned freely to personnel and 100% provisioned for their value of €120 K). The stock market value of these 7,587 shares on 31 December 2012 was €668 K. These Treasury shares are entered in the Company's accounts at their market value, namely €562 K (excluding shares freely assigned and fully provisioned).

3-8 Other assets and accrual accounts

The item «Other assets» includes the following elements:

In €K

	GROSS	PROVISION	NET
Government	9	-	9
Partners	-	-	-
Other debtors	1	-	1
Personnel	83	-	83
Security deposits	408	-	408
Suppliers	2	-	2
TOTAL	**503**	**-**	**503**

The accrual accounts breakdown as follows:

● Revenue receivable	13
● Prepaid expenses	171
● Deferred tax assets	1,559
● Bond issue premium	982
● Miscellaneous outstanding assets	3
TOTAL	**2,728**

3-9 Loans and borrowing

Other loans

As of 31 December 2012, loans from financial institutions that were originally concluded for a period of more than one year stood at €460,730 K. The share of these loans repayable at more than five years stood at €6,150 K and the share repayable at less than one year stood at €51,445 K.

These loans are not guaranteed.

A bond issue of €50 million was made on 18 July 2012. It was the subject of a prospectus authorised by the French financial markets authority (AMF) on 16 July 2012. The bonds were issued in the form of dematerialised bearer securities with a face value of €100,000 each. They bear interest from 18 July 2012 (inclusive) until 18 July 2017 (exclusive) at a rate of 4.25% per year. Issue expenses were entered at €1,079 K and are amortised over 5 years.

As of 31 December 2012, the allocation relative to the issue premium stood at €97 K and interest charges stood at €966 K.

Summary table

In €K

	D<= 3 months	3m<D<=1 year	1 year<D< = 5 years	D> 5 years	Accrued interest	TOTAL	Of which total at variable rate
Time loans and accounts	130,649	67,252	361,679	6,150	707	566,437	565,730
Interbank market securities	-	-	-	5,000	469	5,469	5,000
Negotiable debt securities	-	-	-	-	-	-	-
Bonds	-	-	50,000	-	966	50,966	-

Representing (excluding related debt) a total of €460,730 K at variable rates, which is covered by hedging instruments.

3-10 Other liabilities and accrual accounts (€K)

The «other liabilities» item breaks down as follows:

● Security deposits received	7,022
● Current accounts in credit from clients	1,132
● Miscellaneous creditors	6,545
TOTAL	**14,699**

The accrual accounts include the following elements:

● Charges to be paid	1,347
● Supplier capital assets: invoices receivable	-
● Deferred revenue	1,160
● Deferred tax liabilities	-
● Miscellaneous	12
TOTAL	**2,519**

3-11 Provisions

In €K

	31/12/11	Allocation	Recovery	Transfers	31/12/12
Change in provisions on buildings and general risks					
Buildings depreciation	1,179	279	188	-	1,270
RGBR	7,257	-	-	-	7,257
TOTAL	**8,436**	**279**	**188**	**-**	**8,527**
Change in other provisions					
Depreciation of doubtful accounts	8,584	2,880	2,140	-	9,324
Depreciation of securities	5,736	527	4,412	-	1,851
Provisions for contingencies and charges (1)	3,213	2,740	1,912	-	4,041
Provision for tax on long-term capital gain	0	-	-	-	0
TOTAL	**17,533**	**6,147**	**8,464**	**0**	**15,216**
TOTAL GÉNÉRAL	**25,969**	**6,426**	**8,652**	**0**	**23,743**

The net amount not used and recovered during the financial year stood at €4,240 K and the amount used was €4,412 K.

3-12 Equity capital – Change in shareholders' equity

Equity capital

As of 31 December 2012, the equity capital stood at €64,322,535, composed of 4,288,169 shares with a face value of €15 each.

There was no change in equity capital over the 2012 financial year.

Change over the last 5 financial years

Year	Equities	Face value	Issue premium/goodwill on consolidation	Capital	Number of shares
2008/2009/2010	Nil	-	-	-	-
2011	138,122 created following payment of dividend in shares	€15	€72.52	€64,322,535	4,288,169
2012	Nil	-	-	-	-

Reserves

In €K

	31/12/10	31/12/11	31/12/12
Legal reserve	6,225	6,225	6,432
Optional reserve	1,814	1,814	1,814
Other reserves	9,375	9,375	9,375
Reserve for general risks	17,497	17,497	17,497
TOTAL	**34,911**	**34,911**	**35,118**

(1) This item was affected by provisions on financial leasing transactions (€1 million)

Variation in shareholders' equity (€K)

Shareholders' equity as of 1 January 2012 (including RGBR)	**245,181**
• Result 2011	22,088
• (Net dividends distributed)	(22,084)
• Dividend on Treasury shares	52
Shareholders' equity as of 31 December 2012 before result	**245,237**

Shareholders' equity after distribution of the result of the financial year* (€K)

• Capital	64,322
• Issue premium and goodwill on consolidation	106,597
• Reserves	35,118
• RGBR	7,257
• Retained earnings	36,449
TOTAL	**249,743**

** Subject to the approval, by the General Meeting of shareholders, of a dividend of €5.30 per share and the adjustment of the retained earnings related to the dividend on Treasury shares.*

Earnings per share – Dilution

The General Meeting of 31 March 2010 authorised the assignment of share purchase options under the following conditions:

- beneficiaries: employees and corporate officers
- maximum volume: 0.5% of equity capital
- minimum purchase price: 95% of the average of the prices quoted during the 20 trading sessions preceding the assignment date
- period of plan: 10 years maximum
- period of the authorisation: 38 months

As of 31 December 2012, no assignment of share purchase options had been made by the Board of Directors under this authorisation, for the benefit of corporate officers or employees of the Company.

3-13 Interest receivable and interest to be paid

In €K

	31/12/11	31/12/12
Interest receivable		
• receivables from on-demand lending institutions	33	64
• receivables from forward lending institutions	-	-
• from clients	37	13
Interest to be paid		
• on other liabilities	-	-
• on debts with on-demand credit institutions	46	15
• on debts with forward lending institutions	1,905	707
• on the interbank market and negotiable debt securities	204	469
• on bonds	-	966

4- Information on off-balance-sheet commitments

The off-balance-sheet commitments are composed of:

In €K

	RECEIVED	GIVEN
Fixed rate / variable rate positions	300,000	300,000
Caps	191,000	-
Funding commitments received from lending institutions	62,294	-
Funding commitments under financial leasing and rental activity	-	11,893
Guarantee commitments from lending institutions	-	-

4-1 Transactions on forward financial instruments

On 31 December 2012, the hedges used were as follows:

Rate swaps

In €K

Nature of the transaction	Date	Period (in years)	Amounts received	Amounts given
Euribor 3 M/3.805	10/2004	9	25,000	25,000
Euribor 3 M/3.505	12/2004	9	25,000	25,000
Euribor 3 M/2.0375	07/2010	5	25,000	25,000
Euribor 3 M/2.00	08/2010	5	25,000	25,000
Euribor 3 M/1.835	08/2010	5	25,000	25,000
Euribor 3 M/1.098	02/2012	4	30,000	30,000
Euribor 3 M/0.695	07/2012	4	20,000	20,000
Euribor 3 M/0.6475	08/2012	4	20,000	20,000
Euribor 3M/2.84 Deferred Start	07/2013	3	30,000	30,000
Euribor 3M/2.785 Deferred Start	07/2013	3	30,000	30,000
Euribor 3M/2.775 Deferred Start	07/2013	3	20,000	20,000
Euribor 3M/2.555 Deferred Start	08/2013	3	25,000	25,000

These transactions constitute received commitments of €300,000 K and awarded commitments of €300,000 K.

For information, the value of these swaps on 31 December 2012 was minus €13,305 K.

Caps

In €K

Nature of the transaction	Date	Period (in years)	Amounts received
Euribor 3 M /3.25	12/2008	5	10,000
Euribor 3 M /3.25	04/2009	5	30,000
Euribor 3 M /3.25	05/2009	5	20,000
Euribor 3 M /3.25	09/2009	4	30,000
Euribor 3 M /3.50	10/2009	4	20,000
Euribor 3 M /3.25	12/2009	4	20,000
Euribor 3 M /3.50	04/2010	4	20,000
Euribor 3 M /3.50	03/2011	5	11,000
Euribor 3M/3.50 Deferred Start	07/2013	3	30,000
TOTAL			**191,000**

These transactions constitute commitments received of €191,000 K. The cost of acquiring these caps is entirely entered as expenses for the financial year of acquisition, with the exception of the deferred-start cap, for which the cost of acquisition was divided over the period running from the date of subscription to the cap start date. For information, the value of these caps on 31 December 2012 was €19 K.

4-2 Funding commitments in favour of clients

This item covers the amounts remaining to be disbursed on financial-leasing contracts that have been signed but for which rental has not yet been received.

4-3 Guarantee commitments with lending institutions

The commitments awarded correspond to counter-guarantees supplied to a lending institution for compliance with the regulations concerning the division of risks.

The commitments received correspond to a counter-guarantee received from two lending institutions to comply with the regulations concerning the division of risks.

5- Information on the result

5-1 Result on securities transactions

In €K

	Expenses	Revenue
Result on treasury shares	209	225
Transactions on investment securities	51	375
Transactions in long-term shareholdings in trading portfolio	4,037	4,077
Result on equity investments	757	527
Bond interest	-	650
Miscellaneous	108	-
TOTAL	**5,162**	**5,854**
Gains on transactions in securities portfolio	-	**692**

5-2 Allocation and recovery of provisions

In €K

	Allocations	Recoveries
Depreciation of doubtful accounts	2,880	2,140
Buildings depreciation	279	188
Depreciation of securities	527	4,412
Other contingencies and charges (1)	2,740	1,912
TOTAL	**6,426**	**8,652**

5-3 Accounting effect of the assets under investment properties

The impact, on the Company's results, of the assets under investment properties stated below does not take into account any financial charges that may be related to their funding by debt. It may be considered that this activity is financed by assignment from shareholders' equity.

In €K

Expenses		Revenue	
Re-invoiced expenses on buildings	1,826	Reassigned charges	1,827
Expenses on buildings not re-invoiced	1,249	Rental	11,505
Allocations, depreciation, provisions	3,693	Recovery on provisions and depreciation	94
Allocations to doubtful accounts	338	Miscellaneous revenue	6
Other contingencies and charges	0	Recovery on provisions for receivables	78
Sale of buildings	-	Sale of buildings	14,674
TOTAL	**7,106**		**28,184**

5-4 Payroll and other administrative expenses

The breakdown of payroll expenses is as follows:

In €K

	31/12/10	31/12/11	31/12/12
Personnel remuneration	1,698	1,533	1,711 (2)
Tax and social-security contributions	1,370	1,104	1,474
TOTAL	**3,068**	**2,637**	**3,185**

The other administrative fees broke down as follows, in 2012 (€K):

External services and supplies (3)	1,775
Tax (4)	374
Transport and travel	97
Miscellaneous management expenses	198
Other provisions and charges	100
TOTAL	**2,544**

All of the payroll expenses and other administrative expenses, excluding taxes and exceptional charges, represent €5,729 K, which represents 0.62% of the assets managed, a percentage that is less than the average for companies in the sector.

5-5 Exceptional revenue

This item is composed of non-recurring elements of the activity in order not to distort comparability between financial years. This mainly concerns charges and revenue on previous financial years and elements of an exceptional character that do not relate to the institution's routine activity.

5-6 Taxation

The Company has two taxation sectors. The tax-exempt sector, for companies concerning financial-leasing transactions prior to 31 December 1995, and the sector subject to corporate tax for the other transactions.

In €K

	Tax result	Book profit/loss
Exempt sector	185	185
Sector subject to 33.33%	31,335	27,050
TOTAL	**31,520**	**27,235**

The Company books deferred tax, mainly resulting from temporary differences, to its corporate accounts. The total amount of deferred tax assets on 31/12/2012 was €1,559 K against €587 K on 31/12/2011. There is no significant deferred tax liability.

(1) This item was affected by provisions on financial leasing transactions (€+1 million) and cost of risk for €1.7 million.
The allocations and recoveries are assigned to the sections of the income statement to which they are assigned (rental activity, financial leasing, cost of risk, etc.)
(2) Net of salaries re-invoiced to Foncière Paris France: €268 K
(3) Net of re-invoicing rental for the head office: €676 K
(4) Net of reimbursement of company value-added contribution (CVAE) for previous financial year: €231 K

6- Other information

6-1 Workforce and remuneration

The average workforce of the Company was 14 employees on 31 December 2012 (3 directors, 4 executives, 7 employees), identical to that of the previous financial year.

Retirement benefits stood at €1,240 K on 31 December 2012 (of which €567 K for corporate officers), against €1,199 K on 31 December 2011 (of which €562 K for corporate officers). This allocation was adjusted to cope with the probable cost of retirement.

The employees of the Company benefit from a company savings scheme, and a voluntary profit-sharing and incentive-plan agreement.

During 2012, 600 shares were distributed freely to the Chairman of the Board of Directors. The amounts allocated to the Board of Directors and administrative bodies as of 31 December 2012 stood at €1,184 K (€198 K for attendance fees and €986 K for the remuneration of directors), against €957 K on 31 December 2011.

6-2 Fees for statutory auditorss

The amount of fees for statutory auditors paid during the 2012 financial year stood at €178 K.

7- Subsidiaries and associates

In €K

	Share held	Gross value in €K	Net Book Value in €K	Shareholders' equity (before result)	Result of last financial year (2012)	Off-balance-sheet commitments	Loans	Dividends received	Interest received
French subsidiaries									
Foncière Cofitem	99.7%	17,764	17,764	16,852	134	10,000	12,265	1,647	103
PHRV	31.1%	15,919	15,919	156,686	5,262	-	7,500	2,678	84
Hôtelière de Boulogne	100%	150	150	102	(317)	-	2,800	-	27
Hôtelière de La Villette	99.9%	1,150	1,150	1,281	587	-	12,858	345	146
SCI Cofitem Boulogne	99.9%	10	10	10	732	-	31,943	-	222
SCI Cofitem Levallois	99.9%	10	10	10	988	-	19,104	-	120
SCI Saints-Pères Fleury	32.5%	975	975	3,000	1,962	-	7,233	-	63
La Villette Food	50.0%	5	5	315	47	-	-	47	-
SCI Cofitem Dunkerque	1%	1	1	100	(922)	16,196	-	-	-
Foncière Paris France	15.9%	34,912	34,912	209,953	10,257	-	-	2,014	650
German subsidiaries									
Cofitem Taubenstrasse 1 (which holds 100% de Cofitem Taubenstrasse 2)	100%	27.50	-	(6)	607	-	795 (445) 350	-	-
Cofitem Bernburger 1 (which holds 94% de Cofitem Bernburger 2)	100%	27.50	27.50	(6)	825	-	175	-	-
Cofitem Jacobstrasse 1	100%	27.50	27.50	25	(307)	-	953	-	-

Report from the statutory auditors on the annual financial statements

To shareholders,

In execution of the assignment that was entrusted to us by your General Meeting of Shareholders, we hereby present our report relating to the financial year ended 31 December 2012, concerning:

- the audit of the annual financial statements of the company Cofitem-Cofimur SA, as attached to this report;
- the justification of our assessments;
- the specific verifications and information required by law.

The annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these annual financial statements based on our audit.

I – Opinion on the annual financial statements

We conducted our audit in accordance with the professional standards applicable in France. These standards require that we plan and perform the audit with due diligence in order to obtain reasonable assurance that the financial statements are free from material misstatements. An audit involves the verification, on a test basis or by other means of selection, of audit evidence justifying the amounts and disclosures in the annual financial statements. An audit also consists of assessment of the accounting principles applied, significant estimates made and the overall presentation of the financial statements. We believe that the audit evidence that we have obtained provides a sufficient and appropriate basis for our opinion.

We certify that, in accordance with French accounting rules and principles, the annual financial statements are in good order and true and present a fair picture of the operating results for the financial year just ended, as well as of the financial situation and assets of the Company at the end of the aforesaid financial year.

II - Justification of assessments

In accordance with the provisions of article L. 823-9 of the French Commercial Code relating to the justification of our assessments, we hereby bring the following elements to your attention:

- The rental assets have been the subject of assessment procedures by property surveyors, both independent and internal. We made sure that the level of depreciation constituted was sufficient based on the accounting principles applied by your Company described in note C.2-2 in the appendix, particularly with regard to external expert appraisals.
- The securities held by the Company may be depreciated according to their inventory value. We made sure that the level of depreciation constituted was sufficient based on the accounting principles of your Company described in paragraph C.3-6 of the appendix.

The assessments thus carried out are in line with our approach to the audit of annual financial statements, taken as a whole, and they therefore contributed to the formation of the opinion expressed in the first part of this report.

III - Specific verifications and information

We have also conducted the specific verifications required by law, in accordance with the professional standards applicable in France.

We have no matters to report regarding the fair presentation and conformity with the annual financial statements of the information given in the management report of the Board of Directors and in the documents addressed to the shareholders with respect to the financial position and the annual financial statements.

Concerning the information supplied in application of the provisions of article L. 225-102-1 of the French Commercial Code in relation to the remuneration and benefits paid to corporate officers and the commitments granted in their favour, we have checked their compliance with the accounts or with the data that was used to establish these accounts and, where necessary, with the elements collected by your Company from companies controlling your Company or controlled by it. Based on this work, we certify that this information is accurate and true.

In application of the law, we have made sure that the various items of information relative to the identity of the holders of the capital have been communicated to you in the management report.

Executed in Paris and Courbevoie, on 1 March 2013

The Statutory Auditors

Saint-Honoré Sereg
Denis Van Strien

Mazars
Anne Veaute

Special report of the statutory auditors on the regulated agreements

To shareholders,

In our capacity as statutory auditors of your Company, we hereby present our report on regulated agreements and commitments.

It is our responsibility to inform you, based on the information given to us, of the characteristics and essential terms and conditions of the agreements and commitments of which we have been advised or which we discovered during our assignment, without having to state our opinion on their usefulness or validity or to seek the existence of other agreements and commitments. Under the provisions of article R. 225-31 of the French Commercial Code, it is the responsibility of the shareholders to assess the potential benefit of the conclusion of these agreements and commitments with a view to their approval.

Also, it is our responsibility, where appropriate, to give you the information specified in article R225-31 of the French Commercial Code relative to the execution, during the elapsed year, of the agreements and commitments already approved by the general meeting.

We have made the checks that we considered necessary with regard to the professional doctrine of the French National Board of Statutory Auditors relative to this assignment. These checks consisted of verifying that the information given to us was consistent with the basic documents from which it was drawn.

Agreements and commitments subject to the approval of the general meeting

In application of article L. 225-40 of the French Commercial Code, we were advised of the following agreements and commitments, which were authorised beforehand by your Board of Directors.

Sale of the building at rue Saint-Fiacre to Foncière Paris France

Persons concerned

François Thomazeau, Chairman and Managing Director of Foncière Paris France and Director of Cofitem-Cofimur.
Sophie Beuvaden, Director of Foncière Paris France and Chairwoman of the Board of Directors of Cofitem-Cofimur.
Olivier Riché, Director of Foncière Paris France and Managing Director of Cofitem-Cofimur.
Luc Guinefort, Allianz Vie, Assurances Mutuelles Le Conservateur, Foncière 6^{e} & 7^{e} arrondissements de Paris (SIIC), GMF Vie, and directors of Foncière Paris France and Cofitem-Cofimur.
Guy de Soucy, Arnaud Pomel, Alain Le Véel, Deputy Managing Directors of Foncière Paris France and of Cofitem-Cofimur.

Nature and purpose

The board meeting of Cofitem-Cofimur on 31 July 2012 authorised the sale of the building at rue Saint-Fiacre to Foncière Paris France, which took place on 14 December 2012 for a price of €21,500,000.

Agreements and commitments already approved by the general meeting

We hereby inform you that we have received no notice of any agreement or commitment already approved by the general meeting for which execution took place during the elapsed year.

Executed in Paris and Courbevoie, on 1 March 2013

The Statutory Auditors

Saint-Honoré Sereg
Denis Van Strien

Mazars
Anne Veaute

Consolidated financial statements as of 31 December 2012

7, rue du docteur Lancereaux - Paris 18

Consolidated balance sheet as of 31 December 2012 (IFRS standards)(1)

In thousands of euros

ASSETS	Notes	31/12/12	31/12/11	31/12/10
Cash in hand, central banks, Post Office accounts		1,319	544	547
Financial assets at fair value through profit and loss		-	-	-
Hedging derivatives		23	495	1,946
Available-for-sale financial assets	2.5.2	76,411	126,719	110,995
Loans and receivables on lending institutions		64,060	30,976	32,684
Loans and receivables on clients	2.1	507,048	526,834	490,599
Transactions with clients	2.1.2	*14,003*	*8,006*	*3,553*
Financial leasing transactions	2.1	*486,550*	*509,617*	*477,592*
Related receivables	2.1.2	*6,495*	*9,211*	*9,454*
Revaluation difference of interest rate hedged portfolios		-	-	-
Held-to-maturity financial assets		-	-	-
Current tax assets		-	165	178
Deferred tax liabilities	2.7	6,930	5,727	3,989
Accrual accounts and miscellaneous assets	2.8	4,790	7,038	7,095
Non-current assets intended for sale		-	-	-
Shareholdings in associated undertakings	2.5.3	120,081	53,507	50,012
Investment properties	2.2	294,353	318,525	271,764
Capital assets for renting activities	2.2	*291,581*	*301,208*	*270,040*
Related receivables	2.4	*2,773*	*17,317*	*1,723*
Property, plant and equipment	2.3	355	1,482	1,366
Intangible assets	2.3	20	176	317
Goodwill	2.9	70	70	70
TOTAL ASSETS		**1,075,461**	**1,072,258**	**971,563**

LIABILITIES	Notes	31/12/12	31/12/11	31/12/10
Central banks, post office accounts		-	-	-
Financial liabilities at fair value through profit or loss		-	-	-
Hedging derivatives		14,922	8,763	4,193
Debts to lending institutions	2.10	635,303	705,681	623,970
Debts to clients		558	1,930	502
Other debts represented by securities	2.10	56,552	5,204	5,373
Revaluation difference of interest rate hedged portfolios		-	-	-
Current tax liabilities	2.11	2,947	1,887	1,790
Deferred tax liabilities	2.12	2,658	3,272	2,774
Accrual accounts and miscellaneous liabilities	2.13	31,775	31,106	35,886
Debts related to non-current assets intended to be sold		-	-	-
Provisions for contingencies and charges	2.14	4,053	3,213	2,914
Subordinated debts		-	-	-
RGBR		-	-	-
Shareholders' equity (Group share)	**2.15**	**324,255**	**308,581**	**291,070**
Capital and associated reserves		*170,920*	*170,920*	*158,832*
Consolidated reserves		*119,077*	*111,600*	*110,366*
Unrealised or deferred gains or losses		*(404)*	*4,028*	*4,619*
Earnings for the financial year		**34,662**	**22,033**	**17,253**
Minority interests		2,439	2,622	3,090
Share in consolidated reserves and others		*1,117*	*1,705*	*1,946*
Share in the earnings for the financial year		*1,322*	*917*	*1,145*
TOTAL LIABILITIES		**1,075,461**	**1,072,258**	**971,563**

OFF-BALANCE-SHEET COMMITMENTS(2)	Notes	31/12/12	31/12/11	31/12/10
COMMITMENTS GIVEN	3			
Funding commitments		**11,893**	**17,642**	**24,555**
Commitments in favour of lending institutions		-	-	-
Commitments in favour of clients	3.2	11,893	17,642	24,555
Guarantee commitments		-	-	-
Commitments to lending institutions	3.3	-	-	-
Commitments to clients		-	-	-
COMMITMENTS RECEIVED	3			
Funding commitments	**3.1**	**62,294**	**29,000**	**77,701**
Commitments received from lending institutions		**62,294**	**29,000**	**77,701**
Guarantee commitments		-	-	-
Commitments received from lending institutions	3.3	-	-	-

(1) The main items on the balance sheet are detailed in § 2 of the appendix to the consolidated financial statements.
(2) The main off-balance-sheet items are detailed in § 3 of the appendix to the consolidated financial statements.

Consolidated income statement as of 31 December 2012 (IFRS standards)[1]

In thousands of euros

	Notes	31/12/12	31/12/11	31/12/10
+ Interest and similar revenue		56,577	94,752	78,239
- Interest and similar expenses		44,857	80,914	72,201
+ Commissions (revenue)		-	-	-
- Commissions (expenses)		-	-	-
+/- Gains or losses on financial instruments at fair value through profit or loss		(4,070)	(1,359)	(1,688)
+/- Net gains or losses on financial assets available for sale		4,353	5,262	3,662
+ Revenue from other activities		43,924	32,503	36,160
- Expenses from other activities		16,380	16,429	15,969
Net banking revenue	**4.1**	**39,547**	**33,815**	**28,202**
- General operating expenses	4.4	8,810	6,005	6,242
- Depreciation and amortisation on tangible and intangible assets		155	116	135
Gross operating income		**30,583**	**27,695**	**21,826**
+/- Cost of risk	4.5	(1,700)	-	-
Operating income		**28,883**	**27,695**	**21,826**
+/- Proportionate share in the net income of associated undertakings		3,177	2,509	1,777
+/- Gains or losses on other assets		7	34	(33)
Pre-tax income		**32,066**	**30,238**	**23,569**
+/- Exceptional income		-	-	-
- Corporation tax	4.6	(10,905)	7,288	5,171
+/- Result, net of tax, of activities discontinued or in the process of sale		-	-	-
- Variation in the value of goodwill		14,823	-	-
Net income		**35,984**	**22,949**	**18,398**
+/- Minority interests		1,322	917	1,145
NET INCOME – GROUP SHARE		**34,662**	**22,033**	**17,253**
Earnings per share		€8.08	€5.14	€4.16
Diluted earnings per share		€8.08	€5.14	€4.16

Statement of comprehensive income (IFRS standards)[2]

In thousands of euros

	31/12/12	31/12/11	31/12/10
Result for the period/financial year	**35,984**	**22,950**	**18,398**
Other elements of comprehensive income			
• Movements on assets available for sale	215	3,468	3,415
• Movements on rates instruments	(6,882)	(4,059)	2,552
• Share of associated undertakings in the other elements of the comprehensive income	560	(32)	985
Comprehensive income for the period/financial year	**29,877**	**22,327**	**25,350**
Of which comprehensive income attributable:			
• to shareholders of the parent Company	28,606	21,410	24,331
• to minority interests	1,271	917	1,019

(1) The main items on the income statement are detailed in § 4 of the appendix to the consolidated financial statements.
(2) The main items on the statement of comprehensive income are detailed in § 5 of the appendix to the consolidated financial statements.

Cash flow table as of 31 December 2012

In thousands of euros

	31/12/12	31/12/11	31/12/10
PRE-TAX RESULT	**46,889**	**30,238**	**23,570**
+/- Net allocations to depreciation of tangible and intangible assets	154	4,555	5,119
+/- Net allocations to provisions	(5,677)	(39,796)	(22,595)
+/- Share of the earnings related to associated undertakings	(3,177)	(2,508)	(1,777)
+/- Net loss/net gain from investment activities	(11,389)	41,053	29,798
+/- Other movements	(14,823)	(2,481)	2,106
TOTAL NON-MONETARY ELEMENTS	**(34,912)**	**822**	**12,651**
+/- Flows related to transactions with lending institutions [1]	-	79,656	83,560
+/- Flows relating to transactions with clients	64,308	136,844	134,881
+/- Flows related to other transactions affecting financial assets or liabilities	(2,731)	3,262	1,046
+/- Flows relating to other transactions affecting non-financial assets or liabilities	(11,344)	(108,315)	(149,878)
- Tax paid	9,875	8,328	10,100
Net increase/reduction in assets and liabilities coming from operational activities	**40,358**	**103,118**	**59,509**
TOTAL NET CASH FLOW GENERATED BY THE OPERATIONAL ACTIVITY (A)	**52,335**	**134,178**	**95,730**
Flows related to financial assets and shareholdings	4,560	(11,347)	(12,112)
Flows related to investment properties	27,269	(46,282)	(13,326)
TOTAL CASH FLOW RELATED TO OPERATION	**84,164**	**76,549**	**70,292**
Flows related to tangible and intangible assets	(1,283)	(69,202)	(23,166)
TOTAL NET CASH FLOWS RELATED TO INVESTMENT TRANSACTIONS (B)	**30,546**	**(126,831)**	**(48,604)**
Related cash flows coming from or going to shareholders	(21,941)	(9,095)	(19,619)
+/- Flows related to transactions with lending institutions	(27,144)	-	-
TOTAL NET CASH FLOWS RELATED TO FUNDING TRANSACTIONS (C)	**(49,085)**	**(9,095)**	**(19,619)**
Net increase/reduction in cash and cash equivalents	**33,796**	**(1,748)**	**27,507**
Net cash flows generated by operational activity (A)	52,335	134,178	95,730
Net cash flows related to investment transactions (B)	30,546	(126,831)	(48,604)
Net cash flows related to funding transactions (C)	(49,085)	(9,095)	(19,620)
Cash and cash equivalents upon opening	**31,583**	**33,331**	**5,825**
Cash in hand, central banks, Post Office accounts (assets and liabilities)	544	547	537
Accounts (assets and liabilities) and on-demand loans/borrowing with lending institutions	31,039	32,784	5,288
Cash and cash equivalents upon closure	**65,379**	**31,583**	**33,331**
Cash in hand, central banks, Post Office accounts (assets and liabilities)	1,319	544	547
Accounts (assets and liabilities) and on-demand loans/borrowing with lending institutions	64,060	31,039	32,784
CHANGE IN NET CASH	**33,796**	**(1,748)**	**27,506**

Details relative to the cash flow table are given in § 2-17 of the appendix to the consolidated financial statements.

(1) In 2012, the flows related to transactions with lending institutions were brought under the heading of flows related to funding transactions.

Change in shareholders' equity as of 31 December 2012

Change in shareholders' equity during 2011

In thousands of euros

	31/12/10	Assignment of earnings	Dividends distributed by the parent Company	Variation in the value of financial instruments	Variation related to movements in treasury shares	Increase in capital	Variation in the value of securities intended for sale	Other non-monetary variations	Result of the 2011 financial year	31/12/11
Capital	**62,251**	-	-	-	-	**2,072**	-	-	-	**64,323**
Issue premium	**96,581**	-	-	-	-	**10,017**	-	-	-	**106,598**
Reserves	**116,931**	-	-	-	-	-	-	-	-	**117,333**
Consolidated reserves	110,366	17,253	(20,720)	-	(312)	-	-	5,013	-	111,600
Unrealised gains or losses	4,619	-	-	(4,059)	-	-	3,468	-	-	4,028
Minority reserves	1,946	1,145	-	(119)	-	-	-	(1,267)	-	1,705
Result	**18,398**	-	-	-	-	-	-	-	-	**22,950**
Group result	17,253	(17,253)	-	-	-	-	-	-	22,033	22,033
Minority result	1,145	(1,145)	-	-	-	-	-	-	917	917
TOTAL	**294,161**	**-**	**(20,720)**	**(4,178)**	**(312)**	**12,089**	**3,468**	**3,746**	**22,950**	**311,204**

Details relative to the table given above are supplied in § 5 of the appendix to the consolidated financial statements.

Change in shareholders' equity during 2012

In thousands of euros

	31/12/11	Assignment of earnings	Dividends distributed by the parent Company	Variation in the value of financial instruments	Variation related to movements in treasury shares	Increase in capital	Variation in the value of securities intended for sale	Other non-monetary variations	Result of the 2012 financial year	31/12/12
Capital	**64,323**	-	-	-	-	-	-	-	-	**64,323**
Issue premium	**106,598**	-	-	-	-	-	-	-	-	**106,598**
Reserves	**117,333**	-	-	-	-	-	-	-	-	**116,826**
Consolidated reserves	111,600	22,033	(21,940)	-	58	-	-	7,325	-	119,076
Unrealised gains or losses	4,028	-	-	(4,647)	-	-	215	-	-	(404)
Minority reserves	1,705	917	-	(256)	-	-	-	(1,249)	-	1,117
Result	**22,950**	-	-	-	-	-	-	-	-	**35,984**
Group result	22,033	(22,033)	-	-	-	-	-	-	34,662	34,662
Minority result	917	(917)	-	-	-	-	-	-	1,322	1,322
TOTAL	**311,204**	**-**	**(21,940)**	**(4,903)**	**58**	**-**	**215**	**6,076**	**35,984**	**326,694**

Appendix to the consolidated financial statements as of 31 December 2012

Significant events of the period

Foncière Paris France was consolidated for the first time on 30 June 2012 by the equity method at 16% (direct holding by Cofitem-Cofimur) and through the equity of PHRV, which itself held 35% of the capital of Foncière Paris France. The first consolidation generated negative goodwill of €14.8 million, booked to revenue pursuant to the direct shareholding of Cofitem-Cofimur and negative goodwill of €9.9 million booked in the proportionate share of the result consolidated by the equity method pursuant to the shareholding held by PHRV.

During the 2nd half of 2012, Cofitem-Cofimur sold the building located at 8-10, rue Saint-Fiacre in Paris 2nd district, generating consolidated capital gain of €11.1 million.

The Board meeting of 28 July 2011 authorised a bond issue for a maximum amount of €70 million. To this end, on 18 July 2012, Cofitem-Cofimur issued €50 million in bonds subscribed under a private placement. This issue was the subject of a prospectus authorised by the French financial markets authority (AMF) on 16 July 2012. This new issue extended the average period of funding. The bonds were issued in the form of dematerialised bearer securities with a face value of €100,000 each. They bear interest from 18 July 2012 (inclusive) until 18 July 2017 (exclusive) at a rate of 4.25% per year.

1. Accounting methods and principles

In application of European regulation 16/06/2002 of 19 July 2002 on the application of international accounting standards, Cofitem-Cofimur has established the consolidated financial statements pursuant to the financial year running from 01/01/2012 to 31/12/2012 in compliance with the IFRS reference framework as adopted in the European Union and applicable at that date.

This reference framework includes the IFRS (International Financial Reporting Standards), the IAS (International Accounting Standards), and their interpretations (SIC and IFRIC) published by the International Accounting Standards Board (IASB). These standards and interpretations are available in French on the site:

http://eurlex.europa.eu/JOHtml.do?uri=OJ%3AL%3A2008%3A320%3ASOM%3AFR%3AHTML<

The establishment of the consolidated financial statements in accordance with international accounting standards implies that the Company makes various estimates and uses certain realistic and reasonable assumptions, particularly when valuing financial instruments and the rental estate. The most important estimates are given in the appendix.

In particular, the investment properties are surveyed and the valuation of interest rate hedging instruments is assigned to counterparty banks.

Future final results may be different from these estimates.

These accounting principles are identical to those used for preparing the Group's consolidated financial statements as of 31 December 2011 published in the Registration Document D.12-0324 registered with the AMF, with the exception of the standards and interpretations newly adopted by the European Union and which became mandatory on 1 January 2012 (see paragraph 1.4.7 of the appendix).

1-1 Consolidation scope

The Consolidation scope covers:

- Cofitem-Cofimur,
- PHRV, of which Cofitem-Cofimur holds 31.07% of the capital,
- SA Foncière Cofitem (subsidiary owned at 99.71% by Cofitem-Cofimur), owner of a building in Paris 18th district and a building in Paris 19th district,
- SAS Hôteliere de La Villette (subsidiary owned at 99.99%),
- SAS Hôtelière de Boulogne (subsidiary owned at 100%),
- SCI Cofitem Boulogne (subsidiary owned at 99.99%) owner of a building in Boulogne,
- SCI Cofitem Levallois (subsidiary owned at 99.99%) owner of a building in Levallois,
- SCI Saints-Pères Fleury (subsidiary owned at 32.5%) owner of a building in Paris 7th district,
- as well as the German companies Cofitem Taubenstrasse 1 (which holds 100% of Cofitem Taubenstrasse 2), Cofitem Jacobstrasse 1 (the company Cofitem Jacobstrasse was sold during the first half of 2012) and Bernburger 1 (which holds 94% of Bernburger 2),
- SCI Cofitem Dunkerque 100% owned by the Group (via Foncière Cofitem),
- Foncière Paris France held at 15.94% by Cofitem-Cofimur and at 34.94% by PHRV.

With the exception of the entry of Foncière Paris France into the consolidation scope, the percentage holding of the other companies is the same as for the previous year.

1-2 Consolidation methods

The accounts of Cofitem-Cofimur, of SA Foncière Cofitem, of SCI Cofitem Boulogne, of SCI Cofitem Levallois, of SCI Saints-Pères Fleury, of SCI Cofitem Dunkerque, of SAS Hôtelière de la Villette and of SAS Hôtelière de Boulogne are fully consolidated, as are those of the companies Cofitem Taubenstrasse 1, Cofitem Jacobstrasse 1 and Bernburger 1 which were subject to full consolidation, after their subsidiaries were sub-consolidated by sub-group.

SARL La Villette Food was excluded from the consolidation scope, firstly because the other shareholder holds 50% of the shares and fully manages it and, secondly, because of its fairly insignificant character in shareholders' equity (€314 K) and in earnings (€47 K).

The accounts of PHRV and Foncière Paris France are consolidated by the equity method.

These companies close their accounts on 31 December.

1-3 Main restatements made in the consolidated financial statements

Goodwill or negative goodwill

When a company comes into scope, the goodwill or negative goodwill resulting from the difference between the cost of acquiring the shares and the proportion that they represent in the acquired shareholders' equity is treated either as:

- fair value adjustment relating to certain identifiable elements of the assets and liabilities, classified with the items on the balance sheets concerned and amortised according to the same rules as the assets to which they are attached;
- goodwill, if there is any, booked:
    - when it is positive, to the asset side of the balance sheet and subject, at each closure, to a value analysis,
    - when it is negative, it is shown in the income statement.

Financial leasing transactions: Loans to clients

Financial leasing transactions are mainly assigned to the category "Loans and receivables on clients". Thus, in accordance with the IAS 39 standard, they are valued initially at fair value and subsequently at cost amortised using the effective interest rate method. The effective interest rate is the rate that exactly discounts future cash flows to the original net outstandings. This rate includes the discounts and the revenue and transaction costs incorporated into the effective interest rate, where applicable.

Deferred taxes

At the tax level, Cofitem-Cofimur has two taxation sectors:

- Pursuant to Cofitem's former ex-Sicomi activity, it is exempt from corporate tax for the proportion of its net earnings coming from financial leases signed before 31 December 1995.
- The other transactions are governed by general law.

Restatement of unrecognised earnings gives rise to deferred taxes when they come from the taxable sector.

The deferred taxes cannot be converted to current value according to IFRS standards. This measure has no impact on the accounts of Cofitem-Cofimur.

Inter-company transactions

When consolidating the accounts, the receivables, debts, commitments and reciprocal transactions between integrated companies are eliminated. Likewise, intra-group revenue and expenses were neutralised. Revenue from intra-group shareholdings is deducted from consolidated income and booked to retained earnings.

1-4 Other methods of valuation and accounting principles

1.4.1. Financial leasing transactions

The "financial leasing transactions" item, the details of which are given in points 2.1 and following, covers the following elements:

Financial leasing contracts

In a financial leasing contract, the lessor transfers most of the risks and benefits of the asset to the lessee. It is treated as funding granted to the lessee for the purchase of an asset.

The current value of payments due pursuant to the contract, increased, if applicable, by the residual value, is entered as a receivable. The net income from the transaction for the lessor corresponds to the amount of interest on the loan and is entered on the income statement under the heading "Interest and similar revenue". The rent received is divided over the duration of the financial leasing contract, allocating it to capital amortisation and interest so that the net income represents a constant rate of return on the residual amount outstanding. The interest rate used is the implicit interest rate for the contract.

Capital assets under construction

The capital assets under construction correspond mainly to the funding of transactions that have not yet come into operation, as well as funding transactions already in operation but interrupted due to ongoing work.

Capital assets temporarily not leased

Non-leased buildings correspond to transactions where the financial-leasing contract has been terminated and the premises returned. They are valued at their historical value (with any tax depreciation deducted). They continue to be depreciated by amortisation and, if necessary, are subject to provisions for depreciation. These buildings are intended either to be financially leased again or to be sold.

Related receivables

The related receivables correspond in particular to rent receivable.

Provisioned receivables

A receivable is provisioned in the case of an unpaid amount more than 3 months old. Rental payments classified as doubtful are provisioned at 100% of their amount excluding taxes, with any security deposits or collateral obtained deducted.

1.4.2. Investment properties

Investment properties relate either to buildings acquired from the outset under renting activity in accordance with the Group's policy, or buildings for which the original financial lease has been terminated and which are now leased under a commercial lease, by decision of the Company.

Asset valuation

The IAS 40 standard defines the rules for recognising investment buildings. When valuing fully-owned buildings, this arrangement leads to a choice being made between the "fair value" method or the "depreciated historical cost" method.

In case the "fair value" method is chosen, the concept of depreciation becomes inapplicable. In case the historical cost method is chosen, the approach by components must be established to depreciate the buildings. This approach consists of distinguishing several elements that compose the value of a given building (land, main structure, fixtures and fittings, etc.), each depreciated over their own period of use.

When IFRS standards were first adopted in 2005, and since this date, Cofitem-Cofimur decided not to revalue its investment buildings. The Company opted to keep the historical cost method and continues to depreciate the buildings in the investment properties using the "components" method. This method allows a stock of unrealised capital gain to be retained on the property estate.

For each type of asset, the gross construction values have been broken down by components, determined according to current technical data (breakdown according to the estimated current cost of new reconstruction). Other than the land, five components have been identified:

Duration of depreciation

● Land	-
● Main structure	30 to 60 years depending on the nature of the building
● Facades and roofs	15 or 35 years depending on the nature of the building
● Technical installations	15 or 20 years depending on the nature of the building
● Facade rendering	15 years
● Fixtures and fittings	9 years
● Air conditioning	6 years
● Car park construction	20 years

Exceptionally, for buildings of very high quality, made of dressed stone, and either classified as historical monuments or located in immediate proximity to Paris historic monuments, the main structure is depreciated over a period of 90 years.

Acquisition fees

The acquisition fees, in accordance with IFRS standards, are incorporated in the gross values of the capital assets.

As regards renting activities, the Cofitem-Cofimur group has a conventional policy of indexing its rents at 100%, based on changes to the construction cost index.

Borrowing costs

Following the mandatory application of the IAS 23 standard on 1 January 2009, borrowing costs were incorporated in capital assets under construction.

Borrowing costs attributable to the acquisition and renovation of an asset are capitalised during the period of renovation of the asset. These borrowing costs form part of the total cost of this asset.

During the 2012 financial year, an amount of €470 K was incorporated, against an amount of €906 K on 31/12/2011.

These costs are calculated from the real rate for collateralised funding and from an average weighted rate for non-collateralised funding. These rates are before any effect of rate hedging instruments.

Only borrowing costs that may be associated with the funding of eligible assets are capitalised. The other borrowing costs are booked as expenses.

Leases

The IAS 17 standard specifies that the financial consequences of all of the provisions defined in the leasing contract must be divided over the firm period of the lease (any rent-free periods granted to lessees are divided over the first firm period of the lease).

If it appears that revenue receivable entered during a rent-free period presents a risk of non-recovery, a provision is constituted.

Depreciation

The IAS 36 standard imposes a check on whether an index exists that shows that an asset may have lost value. An impairment index may be:

- a significant drop in the market value of the asset,
- a change in the technological, economic or legal environment.

For this test, the capital assets are grouped into Cash Generating Units (CGU). For the Company, each building is considered as a CGU.

So, at each closure, Cofitem-Cofimur assesses the existence of indices showing that an asset might have lost value. In such a case, depreciation for impairment may be booked to profit/loss, as may recovery if applicable.

This depreciation, which constitutes the non-definitive and non-irreversible drop in the value of certain building assets in relation to their book value, is booked to assets, reducing them.

Provisioned receivables

A receivable is provisioned in the case of an unpaid amount more than 3 months old. Rental payments classified as doubtful are provisioned at 100% of their amount excluding taxes, with any security deposits or collateral obtained deducted.

1.4.3. Financial instruments

Cofitem-Cofimur has applied the IAS 32 and 39 standards since 1 January 2005.

Classification and valuation of financial assets and liabilities

The IFRS standards require financial instruments to be defined by category and valued at each closure according to the categories used.

Therefore, four categories of assets have been defined:

- financial assets, valued at fair value, with variations booked to the income statement,
- financial assets available for sale, valued at fair value, with variations booked to shareholders' equity,
- financial assets held until maturity, booked at amortised cost,
- loans and receivables, booked at amortised cost.

Non-consolidated securities held by Cofitem-Cofimur are classified in the category of assets available for sale, with the exception, if applicable, of marketable securities held for the short term, which are classified as trading assets.

After analysis, it was decided that when the market for listed securities (classified in the category of assets available for sale) held by Cofitem-Cofimur is inactive, the fair value of these securities would be determined by a multi-criteria approach based on the average between the last net published asset price (to which a discount is applied) and the market price upon closure of the security concerned.

In the case of an active market, the fair value is determined based on the market price of the security upon closure.

The March 2009 amendment to the IFRS 7 standard creates an obligation to provide information on the three levels of fair value depending on whether the instrument is quoted in an active market (level 1), whether it is valued using techniques based upon observable market data (level 2) or whether it is based on non-observable data (level 3).

It should be noted that the Company's assets available for sale come under level 1 for securities for which the market is active, level 2 for securities for which the market is inactive and level 3 for unlisted securities.

In €K

Available-for-sale assets	
Level 1: securities for which the market is active	76,259
Level 2: securities for which the market is inactive	-
Level 3: unlisted securities	152
TOTAL	**76,411**

The Company will have to recognise depreciation if one of two criteria is fulfilled.

Significant and sustainable depreciation criteria are determined as follows:

- a negative gap between the fair value and the purchase price greater than 50%
- a negative gap between the fair value and the purchase price of a period greater than 36 months

For investment properties, only a valuation at market value is given in the appendix, with financial leasing transactions remaining expressed at book value.

There are two categories of financial liabilities:

- trading liabilities, valued at fair value through the income statement,
- other liabilities, entered at amortised cost.

All financial liabilities are entered on the balance sheet at amortised historical cost.

As most loans were contracted at variable references as bullet loans and the issue fees were not significant, the impact of amortisation on effective interest rates is therefore not significant.

Market risk

The Company has no market activity in itself. When hedging its interest rate risk, it acquires hedging instruments (caps and swaps), the aim of which is to protect its variable-rate debt against an increase in interest rates. Its exposure to market risk is therefore very limited, as these transactions are only implemented to back clearly-identified real estate projects defined with the aim of managing overall interest-rate risk.

Also, the Company acquires, for investment purposes, securities in listed companies with an activity similar to its own. Therefore, most of the non-consolidated securities held by Cofitem-Cofimur with the aim of long-term holding are classified in the category of assets available for sale. Any unrealised capital loss will be fully provisioned using appropriate methods for analysing criteria for significant or sustainable depreciation.

On 31 December 2012, the Company held listed securities available for sale for a cost price of €76.4 million. A variation in value by +/- 5% of these securities would affect consolidated shareholders' equity (€290.4 million) by +/- 1.33%.

Treasury shares

The Board of Directors is authorised, for a period of 18 months, to carry out stock market transactions on the Company's shares in order to stabilise their market price under the conditions set by the law. The General Meeting of 12 April 2012 decided to renew this program.

On 31 December 2012, the Company held 7,587 treasury shares acquired for €662 K (of which 1,200 shares were assigned freely to personnel and provisioned for €120 K). At the same date, their market value stood at €562 K (excluding shares freely assigned and fully provisioned).

The application of IAS 32 and 39 standards involves presenting treasury shares deducted from shareholders' equity. The revenue from any sale of treasury shares is allocated directly as an increase in shareholders' equity, so that any capital gain or loss on sale does not affect the net result of the year.

Interest-rate hedging instruments

Cofitem-Cofimur uses derivative instruments as part of its policy to hedge interest-rate risk. These instruments, presented at their face value and off-balance-sheet under French standards, constitute, under IFRS standards, financial assets and liabilities and must be booked to the balance sheet for their fair value.

These instruments are valued according to valuation techniques based on observable market data (namely, the level 2 defined by the IFRS 7 standard).

Valuation of hedging instruments is based on assumptions on future interest rates, for which the level varies according to economic forecasts. So the level of rates actually observed may be different from those expected when they were valued. Nevertheless, this uncertainty causes a modest impact on the accounts of the Company because it retains its hedging instruments until maturity, in accordance with the hedging principle used under its policy on hedging interest-rate risk.

These instruments must be qualified as hedging or non-hedging transactions, for which the effectiveness must subsequently be checked.

When the hedging relationship is established (hedging future cash flow or hedging investment), the change in value of the instrument, corresponding solely to the effective part of the hedge, is entered into shareholders' equity.

In all other cases, the change in value is directly entered to profit/loss.

Cofitem-Cofimur has developed a strategy on covering its interest-rate risk by purchasing swap and cap contracts. To cover its maturity mismatch risk, the Company has contracts guaranteeing an upper rate limit of between 2.9% and 3.5% (caps) for notional outstandings of €226 million (of which €30 million at deferred start) and swaps for a total amount of €325 million (of which €105 million at deferred start). Based on the situation as of 31/12/2012, an average increase in interest rates by 100 basis points beyond 0.187% (Euribor 3-month rate on 31/12/2012) would have a negative impact on cash flow of minus €0.6 million.

All of the caps are currently out-of-the-money. According to the meaning of the IFRS, they therefore do not correspond to effective coverage, given the current configuration of rates. Their only value corresponds to time value, for which the variation is always entered to profit/loss according to IFRS standards. These caps had a positive value of €23 K on 31/12/2012 and €495 K on 31/12/2011.

The ineffective part, entered to profit/loss, stood at minus €324 K on 31 December 2012, against minus €1,313 K on 31 December 2011.

Concerning the swap contracts held by Cofitem-Cofimur, a hedging relationship was established according to the meaning of IFRS standards. This is because they are held in order to hedge the debt subscribed at variable rates, in order to protect the Company against an increase in interest rates. Valuation of swaps that are not hedged by loans are entered on the income statement.

The effective part of the variation in the value of swaps is therefore entered to shareholders' equity. The swaps had a negative value of €14,922 K on 31 December 2012, against a negative value of €8,763 K on 31 December 2011.

A deferred tax asset was recognised on 31 December 2012 on caps and swaps corresponding to effective hedging for an amount of €2,714 K.

The ineffective part of swaps, entered to profit/loss stood at minus €208 K on 31 December 2012, against a value of €66 K on 31 December 2011. The deferred tax liability on the ineffective part of swaps and caps stood at €6 K.

The revenue and expenses related to these instruments that is actually paid or received is recorded on the income statement under the headings "interest and similar revenue" and "interest and similar expenses" and under "gains or losses on financial instruments at fair value through profit/loss" for the unrealised part generated when valuing these instruments.

Liquidity risk

The liquidity risk is traditionally low, given the structure of employment and resources at Cofitem-Cofimur. Based on the situation on 31 December 2012, the liquidity ratio shows a percentage that is greatly superior to the minimum threshold of 100%. The maturities of the financial liabilities are presented in a summary table in § 2.10.

Liquidity risk is managed through constant monitoring of the period of funding, keeping permanent credit lines available and diversifying resources. A cash flow forecast table is used for this.

Also, Cofitem-Cofimur is a lending institution subject to the control of the prudential supervision authority (ACP). On 31/12/2012 the Company complied with all prudential ratios to which it was subject in this respect.

1.4.4. Payment in shares and other fringe benefits

In the accounts of Cofitem-Cofimur, the total cost, for the Company, of exercising share purchase options and assigning free shares is entered as expenses for the financial year of assignment of the said shares (see §7).

The IFRS 2 standard requires the income statement to show the effect of all transactions involving payment in shares.

Payments in shares are valued at their fair value (determined on the basis of the average acquisition value for the shares in question), which, for the year of acquisition, constitutes a personnel expense for which the counterpart increases shareholders' equity (meaning that it has no impact on the net situation of the Company).

The IAS 19 standard requires that all present and future commitments of the Company to its personnel in the form of remuneration or benefits be taken into account. Personnel costs and benefits must be entered to expenses over the period of acquisition of entitlements.

Short-term benefits (salaries, annual leave, incentive schemes, profit-sharing, employer's top-up contribution,…) are recognised as expenses for the financial year.

Concerning post-unemployment benefits, as far as the Company is concerned, the contributions paid to obligatory pension schemes are recorded in the profit/loss for the period (contributions defined and pensions paid by specialised external organisations).

Excluding provision for retirement, there is no other long-term or post-employment commitment to be provisioned for personnel benefits.

1.4.5. Operational sectors

The IFRS 8 standard specifies the presentation of information relative to operating segments which, for the Cofitem-Cofimur group, is grouped in the two most relevant forms in relation to the activity of the Company. This information is compliant with the indicators used by the management.

Cofitem-Cofimur has continued and enhanced the segment presentation already practised, which is detailed in § 6:

Level 1: by business segment (financial leasing activity, investment properties),

Level 2: by geographical zone (Paris, Paris region, the provinces).

1.4.6. Reserves for General Banking Risks (RGBR)

In accordance with IFRS standards, RGBR have been shown in reserves since the establishment of the opening balance sheet under IFRS standards on 1 January 2004.

1.4.7. Standards and interpretations applicable on 31 December 2012

Standards and interpretations that have not come into force and not been adopted by the European Union

- IFRS 9: financial instruments
- IAS 12: recovery of underlying assets
- IFRS 13: valuation at fair value
- IFRS 10: consolidated financial statements
- IFRS 11: partnerships
- IFRS 12: disclosure of interests in other entities
- IAS 27 revised: individual financial statements
- IAS 28 revised: investments in associates and joint ventures
- Amendments to IAS 1: presentation of items and other elements in comprehensive income, new breakdown of other capital
- Amendment IAS 19: retirement commitments
- Amendments IAS 32: offsetting financial assets and financial liabilities

These interpretations, which have not yet been adopted by the European Union, have not been applied in advance. The process of the Group determining the potential impact on the consolidated financial statements is in progress.

1-5 Principal transactions between related parties

Certain corporate officers of Cofitem-Cofimur also have appointments in the companies PHRV and Foncière des 6e et 7e arrondissements de Paris (SIIC), with which they have capital relationships. They were the following on 31 December 2012:

	Cofitem-Cofimur	PHRV	Foncière Des 6e et 7e arrondissements de Paris (SIIC)
Sophie Beuvaden	Chairwoman of the Board of Directors	Director	Director
Olivier Riché	Managing Director	Deputy Managing Director	Deputy Managing Director Permanent representative of Cofitem-Cofimur
Guy de Soucy	Deputy Managing Director	Deputy Managing Director	Deputy Managing Director
Alain Le Véel	Deputy Managing Director	Managing Director Permanent representative of Cofitem-Cofimur	Deputy Managing Director Permanent representative of PHRV
Arnaud Pomel	Deputy Managing Director	Deputy Managing Director	Managing Director
François Thomazeau	Director	Chairman of the Board of Directors	Chairman of the Board of Directors
Luc Guinefort	Director	Director	Director

The Board of Directors of Cofitem-Cofimur approved the re-invoicing, at 25%, to Foncière Paris France, of the salary paid to Olivier Riché, Managing Director, to Guy de Soucy, Deputy Managing Director, and to two salaried executives, from 1 April 2012. This re-invoicing is done under a management agreement that also concerns Foncière des 6e et 7e arrondissements de Paris (SIIC) and PHRV.

With the exception of this agreement, Cofitem-Cofimur, with the parties related to it, has concluded no service-provision contract and has carried out no transaction intended to transfer resources, services or obligations either free of charge or in return for payment. The Company is totally independent and has its own management team. There is no salary-charge re-invoicing between the various companies having corporate officers in common, and no benefits are granted to any director pursuant to his/her functions in another company. Each company pays its corporate officers according to the work performed by them for its benefit.

2- Information on the items on the balance sheet

2-1 Loans and receivables on clients

2.1.1. Financial leasing transactions (net outstandings in €K)

In €K

	31/12/12	31/12/11	31/12/10
Real estate financial leasing transactions	478,124	498,916	468,412
Movable property financial leasing transactions	8,426	10,701	9,181
TOTAL NET OUTSTANDINGS	**486,550**	**509,617**	**477,593**

2.1.2. Transactions with clients

In €K

	31/12/12	31/12/11	31/12/10
Clients' accounts	16,783	8,006	3,553
Related receivables	12,295	17,310	25,620
Depreciation clients' accounts	(2,780)	-	-
Depreciation related receivables	(5,800)	(8,099)	(16,166)
TOTAL NET CLIENTS	**14,003**	**8,006**	**3,553**
TOTAL NET RELATED RECEIVABLES	**6,495**	**9,211**	**9,454**

2.1.3. Maturities of financial outstandings for financial leasing transactions

In €K

	D<= 3 months	3m<D<=1year	1 year<D<=5 years	D> 5 years	Total
Financial-leasing and similar transactions	6,378	34,453	171,445	274,274	486,550

2-2 Investment properties

2.2.1. Variation in gross values

In €K

	31/12/10	31/12/11	Increases	Reductions	Transfers	31/12/12
Investment properties	311,024	345,068	10,154 (1)	11,016	1,328	345,534(2)
Clients' accounts	326	234	-	72	-	162
Related receivables	2,856	17,579	-	14,181	-	3,398
TOTAL	**314,206**	**362,881**	**10,154**	**25,269**	**1,328**	**349,094**

2.2.2. Variation in amortisation and depreciation

In €K

	31 /12/2010	31/12/2011	Increases	Reductions	Transfers	31/12/2012
Amortisation on investment properties	39,989	43,089	5,607	2,698	7,168	53,166
Depreciation on investment properties	995	771	111	95	-	787(3)
Clients' accounts	276	198	-	61	-	137
Related receivables	1,183	298	430	78	-	650
TOTAL	**42,443**	**44,356**	**6,148**	**2,932**	**7,168**	**54,740**

2.2.3. Summary statement of investment properties

In €K

Libellé	Gross values	Cumulative depreciation and/or provisions	Net values
Investment properties	345,534	53,953	291,581(4)
Sub-total buildings	**345,534**	**53,953**	**291,581**
Clients' accounts	162	137	25
Related receivables	3,398	650	2,748
Sub-total clients and related receivables	**3,560**	**787**	**2,773**
TOTAL	**349,094**	**54,740**	**294,354**

The net book value of investment properties stood at €291.6 million on 31/12/2012. External surveys had been carried out on more than 80% of the parent Company's assets on 31/12/2012.

If no external survey has been performed, the buildings are valued based on the rental capitalisation rates below:

- 5.50% for buildings in Paris and Neuilly-Sur-Seine,
- 8.00% for the other buildings hosting a restaurant,
- 8.00% for all the other buildings.

(1) Including renovation work entered: €10,154 K.
(2) Of which capital assets under construction: €31,350 K.
(3) The depreciation on investment properties, of an amount of €0.79 million "compared to a net book value of €291.5 million" was determined from a point of view of long-term retention, including a possible drop in rental values.
(4) Of which capital assets under construction: €31,350 K.

The unrealised capital gain on investment properties in operation thus stood at €145.7 million, including depreciation of an amount of €0.79 million (see § 2.2.2).

The valuations of chain restaurants and almost all of the Paris buildings were corroborated by external surveys carried out as of 31 December 2012.

Financial leasing transactions were not subject to valuations.

2-3 Own capital assets

In €K

	31/12/10	31/12/11	Increases	Reductions	Transfers	31/12/12
Own property, plant and equipment	2,394	2,617	225	20	(1,486)	1,336
Depreciation on own property, plant and equipment	1,029	1,135	148	20	(280)	983
Net book value of own property, plant and equipment	**1,365**	**1,482**	**77**	**-**	**(1,206)**	**355**
Own intangible assets	640	460	-	166	-	294
Depreciation on own intangible assets	323	283	12	21	-	274
Net book value of own intangible assets	**317**	**177**	**(12)**	**145**	**-**	**20**

The other own tangible assets (€355 K) are composed of property, plant and equipment exclusively comprising property fixtures and fittings, office equipment, IT equipment, movable property and transport equipment used for exercising the Company's activities.

2-4 Receivables

Receivables broke down as follows on 31/12/2012:

In €K

	Gross values	Provisions	Net values
Receivables (Financial leasing transaction)			
1/ Clients' accounts	**16,783**	**2,780**	**14,003**
Of which doubtful accounts	*5,108*	*2,780*	*2,328*
2/ Related receivables	**12,292**	**5,800**	**6,495**
Revenue receivable	434	-	434
Accounts receivable	2,015	-	2,015
Doubtful accounts (including doubtful revenue receivable)	9,845	5,800	4,046
TOTAL	**29,077**	**8,580**	**20,498**
Receivables (investment properties)			
1/ Clients' accounts	**162**	**137**	**25**
Of which doubtful accounts	*162*	*137*	*25*
2/ Related receivables	**3,398**	**650**	**2,748**
Revenue receivable	123	-	123
Accounts receivable	2,541	-	2,541
Doubtful clients (including doubtful revenue receivable)	734	650	84
TOTAL	**3,560**	**787**	**2,773**

The breakdown of receivables, in net values according to their initial period, is as follows:

In €K

	D<= 3 months	3 months <D=1 year	1 year<D=5 years	D> 5 years	Total
Client receivables – financial leasing transactions	434	9,514	6,374	4,175	20,498
Rental activity client receivables	1,001	395	1,341	36	2,773
TOTAL	**1,435**	**9,909**	**7,715**	**4,211**	**23,271**

Doubtful accounts more than three months old are fully provisioned for their amount excluding taxes, capital and interest due, with any deposit guarantees and collateral obtained deducted. Movements occurring during the financial year were as follows:

Doubtful accounts

In €K

	31/12/10	31/12/11	Increases	Reductions	31/12/12
Loans to clients (renting activities)	23,387	15,400	25,667	26,112	14,955
Investment properties	1,850	672	2,425	2,201	896
TOTAL	**25,237**	**16,072**	**28,092**	**28,313**	**15,851**

The segment breakdown of doubtful accounts is presented in § 6 below relative to operating segments.

Provisions for receivables

In €K

	31/12/10	31/12/11	Allocations	Recoveries/ Transfers	31/12/12
Financial leasing transaction	16,165	8,099	Transfers	2,062	8,580
Investment properties	1,459	496	338	47	787
TOTAL	**17,624**	**8,595**	**2,881**	**2,109**	**9,367**

The segment breakdown of provisions for receivables is presented in § 6 below relative to operating segments.

2-5 Financial instruments (assets) (€K)

On the asset side, financial instruments held broke down as follows on 31/12/2012:

2.5.1. Derivative hedging instruments

In €K

	31/12/10	31/12/11	Increases	Reductions	31/12/12
Interest-rate hedging instruments (Caps)	1,336	495	-	472	23
Interest-rate hedging instruments (Swaps)	610	-	-	-	-
TOTAL	**1,946**	**495**	**-**	**472**	**23**

2.5.2. Available-for-sale financial assets (€K)

Unlisted securities are valued based on their net book value.

The valuation of listed securities depends on market activity. The assessment of market activity is based on criteria covering volumes of securities exchanged, particularly in comparison with prior periods of the same duration and also in comparison with listed securities in the same business segment.

When the market was considered as active, the fair value was determined based on the last trading price on the date of closure.

When the market was considered inactive, the objectives of holding these securities were considered. Under these circumstances, a fair value was used that was determined according to the following criteria:

- either the net asset revalued on 31/12/N-1 (net asset at last published revaluation)
- or the net asset revalued on 30/06/N

The gap between the acquisition value and the fair value thus determined represents an impact on consolidated shareholders' equity of €637 K after tax.

On 31 December 2012, all of the securities were valued at the last trading price, with the total financial assets standing at €76,259 K.

In €K

	31/12/10	31/12/11	Increases	Reductions	31/12/12
Financial assets	117,779	129,094	-	52,837	76,259
TOTAL	**117,779**	**129,094**	**-**	**52,837**	**76,259**

The change in the valuation of financial assets available for sale is uncertain. It is based on assumptions on the level of the net revalued asset and the trading price established upon closure, which can vary upwards or downwards over the forthcoming financial years. Therefore, the valuation in the past is not necessarily the valuation in the future.

Category	Gross book value	Fair value	Value on the balance sheet
Listed securities	74,341	76,259	76,259
Unlisted securities	177	152	152
TOTAL	**74,518**	**76,411**	**76,411**

2.5.3. Shareholdings in associated undertakings

In €K

	31/12/10	31/12/11	Increases	Reductions	31/12/12
PHRV	50,012	53,507	7,837	-	61,344
Foncière Paris France	-	-	58,737	-	58,737
TOTAL	**50,012**	**53,507**	**66,574**	**-**	**120,081**

2-6 Securities in associated undertakings (€K)

2.6.1. Contribution of securities in associated undertakings

In €K

	% Holding	Values of securities in associated undertakings	Proportionate share in profit/loss	Contribution to profit/loss	Contributions to group consolidated reserves
PHRV	31.07	61,344	2,893	215	46,191
Foncière Paris France	15.97	58,737	284	(1,730)	619
TOTAL		**120,081**	**3,177**	**(1,515)**	**46,810**

The contributions to consolidated profit/loss and consolidated reserves take into account dividends received by Cofitem-Cofimur (€2,678 K paid by PHRV and €2,014 K paid by Foncière Paris France).

2.6.2. Financial information on associated undertakings - Figures taken from corporate accounts

In €K

	Result	Turnover Financial revenue	Fixed assets	Financial assets	Trade payables	Tax and social-security debts	Other Debts	Financial liabilities
PHRV	5,262	22,012	67	365,147	-	274	369	208,795
Foncière Paris France	10,257	49,367	255,130	268,532	2,842	870	602	204,313

2-7 Statement

	In €K
1) Current tax assets	**-**
2) Deferred tax assets	
● On organic provisions and shareholdings	175
● On retirement provisions	427
● On the other provisions	956
● On financial instruments	5,155
● On other restatements	216
TOTAL	**6,930**

2-8 Accrual accounts and miscellaneous assets

The accrual accounts broke down as follows on 31/12/2012:

	In €K
● Revenue receivable	13
● Accrued expenses	2,994
TOTAL	**3,007**

The item "Other assets" includes the following elements:

	Gross	Provision-Amortisation	Net
Government	1,190	-	1,190
Suppliers	2	-	2
Other debtors	33	-	33
Personnel	185	-	185
Security deposits	294	-	294
Stock and miscellaneous use	79	-	79
TOTAL	**1,783**	**-**	**1,783**

Summary:

	In €K
● Accrual accounts	3,007
● Other assets	1,783
TOTAL	**4,790**

2-9 Goodwill or fair-value adjustment

In €K

	Net
Asset goodwill	70

This "asset" goodwill, of a net value of €70 K since 31/12/04, comes from the first consolidation of Société Civile du Mont de Mars which became SA Foncière Cofitem in 2007.

2-10 Loans and borrowing (€K)

Loans and borrowing are entered at amortised historical cost and not at fair value.

Other loans

As of 31 December 2012, loans from financial institutions that were originally concluded for a period of more than one year stood at €433,784 K. The share of these loans repayable at more than five years stood at €49,989 K and the share repayable at less than one year stood at €202,434 K.

These loans are not guaranteed.

Summary table

In €K

	D<= 3 months	3m<D<=1year	1year<D<= 5 years	D> 5 years	Accrued interest	TOTAL	Of which total at variable rate
Hedging instruments (swaps)	-	1,727	13,195	-	-	14,922	-
TOTAL ON BALANCE SHEET	**-**	**1,727**	**13,195**	**-**	**-**	**14,922**	**14,922**
Time loans and accounts	131,345	69,362	383,795	49,989	797	635,288	634,491
Debts with on-demand lending institutions	-	-	-	-	15	15	-
TOTAL ON BALANCE SHEET	**131,345**	**69,362**	**383,795**	**49,989**	**812**	**635,303**	**634,491**
Interbank market securities	-	-	-	5,000	469	5,469	-
Negotiable Debt Securities	-	-	-	-	-	-	-
Bonds	-	-	-	50,000	966	50,966	-
Swap interest to be paid	-	-	-	-	117	117	-
TOTAL ON BALANCE SHEET	**-**	**-**	**-**	**55,000**	**1,552**	**56,552**	**-**
Total: debts represented by securities	-	-	-	55,000	1,435	56,435	-
TOTAL ON BALANCE SHEET	**131,345**	**71,089**	**396,990**	**104,989**	**2,364**	**706,777**	**649,413**

2-11 Current tax liabilities

- Statement (corporate tax): €2,947 K

€2,947 K

2-12 Deferred tax liabilities

In €K

	31/12/10	31/12/11	31/12/12
Pursuant to restatement of a financial lease subscribed by Cofitem-Cofimur	245	245	-
Pursuant to restatement of the unrealised reserve from the sector subject to corporate tax	12	12	-
Pursuant to the financial leasing contribution of a branch	1	1	-
Pursuant to the restatement of acquisition fees	249	249	216
Pursuant to the restatement of financial instruments	2,016	2,348	856
Pursuant to the restatement of the distribution of earnings	-	-	832
Pursuant to the restatement of the rent-free period granted to the renting activities sector	215	246	295
Pursuant to the restatement of interest to be capitalised (IAS 23)	-	171	459
TOTAL	**2,774**	**3,272**	**2,658**

2-13 Accrual accounts and miscellaneous liabilities (€K)

The accrual accounts include the following elements:

● Charges to be paid	1,163
● Deferred revenue	1,171
● Miscellaneous	3,219
Sub-total	**5,553**

The "miscellaneous liabilities" item breaks down as follows:

● Suppliers	-
● Government (VAT collected:3,570)	3,570
● Pool	-
● Social organisations/Personnel	438
● Miscellaneous (of which current accounts €14,052)	15,184
● Deposit guarantees	7,030
Sub-total	**26,222**

Summary:

● Accrual accounts	5,553
● Miscellaneous liabilities	26,222
TOTAL	**31,775**

2-14 Provisions for contingencies and charges

In €K

	31/12/10	31/12/11	Increases	Recoveries	31/12/12
Provisions for contingencies and charges	2,914	2,014	2,711	1,911	2,813
Provisions for pensions	-	1,199	40	-	1,240
TOTAL	**2,914**	**3,213**	**2,751**	**1,911**	**4,053**

2-15 Equity capital – Change in shareholders' equity

The equity capital of Cofitem-Cofimur is composed of 4,288,169 shares each of €15 face value, representing €64,322,535.

Group consolidated reserves (including retained earnings)

In €K

	31/12/10	31/12/11	31/12/12
Legal reserve	6,225	6,225	6,433
Optional reserve	1,814	1,814	1,814
Transferable reserves (1)	4,619	4,028	(404)
(Treasury shares)	439	(312)	(682)
Unrealised reserve	270	270	194
Other reserves (2)	70,178	71,510	79,376
Retained earnings	31,440	32,093	31,942
TOTAL	**114,985**	**115,628**	**118,673**

2-16 Maturity of caps and swaps (notional outstandings)

In €K

	A - 3 months	3 months - 1 year	1 year - 5 years	A +5 year
Interest rate swap contracts	-	50,000	275,000	-
Rate cap contracts	-	80,000	146,000	-
TOTAL	**-**	**130,000**	**421,000**	**-**

2-17 Connection between the cash flow statement and the balance sheet

In €K

	31/12/10	31/12/11	31/12/12
Cash and cash equivalents			
Cash / Banque de France	547	544	1,319
Lending institutions	32,659	30,920	63,991
UCITS	125	119	69
CASH FLOW STATEMENT	**33,331**	**31,583**	**65,379**
Balance sheet			
Cash / Banque de France	547	544	1,319
Lending institutions	32,659	30,920	63,991
Interest receivable	19	51	64
Forward loan	6	5	5
TOTAL CLAIMS ON LENDING INSTITUTIONS	**33,231**	**31,520**	**65,379**

3- Information on off-balance-sheet commitments (€K)

The off-balance-sheet commitments are composed of:

In €K

	31/12/10		31/12/11		31/12/12	
	Received	Given	Received	Given	Received	Given
Funding commitments received from lending institutions	77,701	-	29,000	-	62,294	-
Funding commitments under financial leasing and renting activity	-	24,555	-	17,642	-	11,893
Guarantee commitments from lending institutions	-	-	-	-	-	-

3-1 Funding commitments received from lending institutions

These commitments received correspond to the unused part of confirmed credit lines that the Company has. On the date of closure, these confirmed and unused credit lines stood at €62,294 K.

3-2 Funding commitments in favour of clients

This item covers the amounts remaining to be disbursed on financial-leasing contracts that have been signed but for which rental has not yet been received.

3-3 Guarantee commitments with lending institutions

The commitments given correspond to counter-guarantees supplied to a lending institution for compliance with the regulations concerning the division of risks.

The commitments received correspond to a counter-guarantee received from a financial institution to comply with the regulations on the division of risks.

(1) This heading mainly includes the change in value of financial instruments, net of deferred tax and included in shareholders' equity.
(2) Of which the impact of transition to components for the investment properties: €848 K, as well as RGBR: €7,257 K.

4 - Information on the profit/loss (€K)

4 -1 Net banking revenue

In €K

	Expenses	Revenue
Interest and similar revenue	14,305	1,162
Financial leasing activity	30,522	55,415
Sub-total financial transactions	**44,857**	**56,577**
Expenses and revenue on investment properties	7,920	31,223
Re-invoiced expenses on investment properties	2,139	2,139
Expenses and revenue on hotel activities	6,321	10,562
Sub-total of other activities	**16,380**	**43,924**
Income from variable-income securities	-	-
Financial instruments at fair value	4,070	-
Available-for-sale financial assets	-	4,353
Net gains or losses on financial assets	-	4,353
Expenses and revenue from other activities	-	-
Sub-total	**65,307**	**104,854**
NET BANKING REVENUE	**-**	**39,547**

The amount transferred from shareholders' equity stands at €0 K.

The heading "expenses and revenue on hotel activities" may be summarised as follows:

In €K

	Expenses	Revenue
Hotel products	-	10,562
Hotel operation expenses	5,901	-
Allocations to depreciation	420	-
TOTAL	**6,321**	**10,562**

4-2 Dividends, net revenue and expenses on non-consolidated securities

In €K

	31/12/12
OSRA dividends and interest	3,668
Provision for depreciation on securities and other expenses on securities	(457)
Net revenue or loss on sale and valuation of financial assets available for sale	1,145
Sub-total	**4,353**
Net gains or losses on financial instruments at fair value	(4,070)
Sub-total	**(4,070)**
TOTAL	**283**

4-3 Variation in the value of financial instruments

In €K

		31/12/10	31/12/11	31/12/11 Deferred tax	31/12/11	31/12/12	31/12/12 Deferred tax	31/12/12
Variation entered on the income statement		**(983)**	**(1,359)**	**264**	**(1,095)**	**(576)**	**192**	**(384)**
Financial assets available for sale (actual sale)	*Revenue*	110	-	-	-	-	-	-
	Expenses	-	-	-	-	-	-	-
Interest-rate instruments		1,093	(1,359)	264	(1,095)	(576)	192	(384)
Caps	*Revenue*	-	-	-	-	-	-	-
	Expenditure	1,103	1,425	(286)	1,139	(368)	122	(245)
Ineffective part of hedging swaps	*Expenses*	10	-	-	-	(221)	74	147
	Revenue	-	66	22	44	13	(4)	9

In €K

		Net transferable reserves 31/12/10	Net transferable reserves 31/12/11	Gross reserve 31/12/12	Taxes 31/12/12	Net transferable reserves 31/12/12	Variation In transferable reserves 31/12/12
Variation entered to shareholders' equity		**4,503**	**3,881**	**(4,632)**	**1,223**	**(3,409)**	**(7,290)**
Available-for-sale financial assets	*Assets*	5,434	8,902	3,103	(968)	2,135	6,767
Interest-rate instruments		(2,524)	(6,583)	(14,324)	4,775	(9,550)	(5,950)
Effective part of hedging swaps		(2,352)	(6,239)	(14,712)	4,904	(9,808)	(5,950)
Effective part of hedging caps		(172)	(344)	(388)	(129)	258	-
Variation on associated undertakings entered to shareholders' equity		-	-	-	-	-	-
Available-for-sale financial assets		1,594	1,603	(869)	-	(869)	2,472
Interest-rate instruments		-	(41)	(2,558)	903	(1,655)	(1,614)

4-4 General operating expenses

The breakdown is as follows:

In €K

	31/12/2010	31/12/2011	31/12/2012
Personnel remuneration	3,068	2,636	4,721
Other administrative expenses	2,165	2,339	3,286
Directors' attendance fees	172	172	198
Taxes	952	856	605
TOTAL	**6,357**	**6,003**	**8,810**

4-5 Cost of risk

This item includes allocations and recoveries to provisions for depreciation of receivables from clients, lending institutions, fixed-income investment securities (in case of any risk of recognised bankruptcy of the issuer), provisions for off-balance-sheet commitments (excluding off-balance-sheet financial instruments), as well as losses on non-recoverable receivables and recoveries on written-off debt, and other provision movements concerning counterpart risk and any liabilities related to these items.

Exceptionally, allocations and recoveries of provisions, losses on non-recoverable receivables or recoveries of written-off debt relative to interest on doubtful accounts, the share of doubtful rental on financial-leasing or rental activity transactions for which provisioning is mandatory, and on termination compensation on financial-leasing and similar contracts, are classified under the expense items for the corresponding activities on the income statement.

For trading securities, investment securities, portfolio activity and forward financial instruments, the cost of counterpart risk is allocated directly to the gains and losses on these portfolios.

4-6 Taxation

The tax on companies breaks down as follows as of 31/12/2012:

	In €K
● Corporate tax payable	11,230
● Variation in deferred tax	(325)
● Corporate tax	10,905

Cofitem-Cofimur has two taxation sectors: the sector free of corporate tax for financial-leasing transactions prior to 31 December 1995, carried out under the SICOMI regime, and the sector subject to corporate tax, which, other than the renting activities, includes financial-lease transactions signed from 1 January 1996, as well as the transactions resulting from the merger with Cofimur. The merged companies come under the general-law tax regime.

In €K

	Book profit/loss
Exempt sector	185
Sector subject to a reduced rate	-
Sector subject to the general law rate	35,799
TOTAL	**35,984**

A deferred tax asset of €6,930 K was recognised on expenses having a tax time-lag (organic, shareholdings, financial instruments; see § 2-7), and a deferred tax liability on financial-leasing and consolidation restatements: €2,658 K (see § 2-12).

Explanation of the tax charge

	In €K
● Net profit/loss	35,984
● Corporate tax	10,905
● Net profit/loss before corporate tax	46,889
● Theoretical tax	15,630
● Tax recognised	10,905
Difference recognised	**4,725**
Explanation for the difference	
● Goodwill not subject to corporate tax	4,941
● Profit/loss of associated undertakings	1,059
● Deficits on subsidiaries	(243)
● Entries relative to neutralising intra-group capital gain	(902)
● Variation related to the tax liability of financial instruments	(130)
TOTAL	**4,725**

5. Statement of overall profit/loss and shareholders' equity variation table (€K)

In application of the revised IAS 1 standard, the 2009 financial year was the first year for which the statement of comprehensive income was shown in the consolidated income statement. This table is intended to summarise the gain and loss components entered directly to shareholders' equity, under the heading on the liability side of the balance sheet "unrealised or deferred gains and losses".

In the shareholders' equity variation table, the "other non-monetary variations" column mainly includes:

- variations in minority interests;
- the proportionate share of the Group in changes to the shareholders' equity of companies consolidated by the equity method.

Taxes relative to other elements of the comprehensive income

In €K

	Gross	Tax	Net
Result for the period/financial year	46,889	(10,905)	35,984
Other elements of comprehensive income:			
• movements on assets available for sale	322	(107)	215
• movements on rates instruments	(10,323)	3,441	(6,882)
• share of associated undertakings in the other elements of the comprehensive income	560	-	560
Comprehensive income for the period/financial year	37,448	(7,571)	29,877
Of which overall earnings attributable to:			
• shareholders of the parent Company	-	-	28,606
• minority interests	-	-	1,271

6. Operating segments (€K)

6-1 Level 1: by business segment (€K)

Cofitem-Cofimur is a lending institution whose main activity consists of implementing property financial-leasing transactions reprocessed as loans to clients. The Company has no other dependency on its main clients.

At the same time, the Company has an ancillary business constituting an estate of investment properties for rental activity.

In €K

	Loans to clients (Financial leasing)	Investment properties
Operating revenue	**55,415**	**43,924**
Operating revenue	38,434	42,377
Other revenue	189	1,406
Recovery of depreciation and provisions	16,792	141
Operating expenses	**30,552**	**16,380**
Allocations to depreciation	15,267	5,656
Allocations to provisions	3,710	455
Other expenses	11,575	10,269
General operating expenses	**6,662**	**2,148**
Cost of debt	**9,281**	**5,562**
Operating profit/loss before depreciation of capital assets	**8,920**	**19,834**
Allocation to depreciation for property, plant and equipment	(154)	
Net revenue on financial instruments	(4,070)	
Net revenue on financial assets available for sale	4,353	
OPERATING PROFIT/LOSS ON THE INCOME STATEMENT	**28,883**	
Proportionate share in the income of associated undertakings	3,177	
Other gains on assets	7	
PRE-TAX INCOME	**32,066**	

The breakdown below corresponds to the presentation usually used by the Company.

Certain economic theories could lead to assigning a greater share of the financial expenses to the financial leasing business (as up to 96% of outstanding financial leases could be financed by debt). If such a breakdown was used, the result of the financial-leasing activity would be €1,859 K and that of the investment property activity would be €2,072 K.

6-2 Level 2: by geographical segment

In €K

	Financial leasing	Investment properties
Breakdown by net assets (Net Book Value)	**498,396**	**291,581**
Paris – Neuilly-Sur-Seine	71,099	271,669
Paris region	251,248	10,814
The provinces	164,203	9,098

6-3 Additional segment information (€K)

Segment assets and liabilities

In €K

	Financial leasing	Investment properties
Net book value of segment assets	498,396	291,581
Net book value of segment liabilities	448,558	186,745
Security deposits received	5,129	1,901
Increase in gross segment assets	10,162	10,154

In addition to § 2-4 above, the segment breakdown of receivables and provisions on receivables is presented below:

Breakdown of doubtful accounts by business segment (in %)(1)

In %

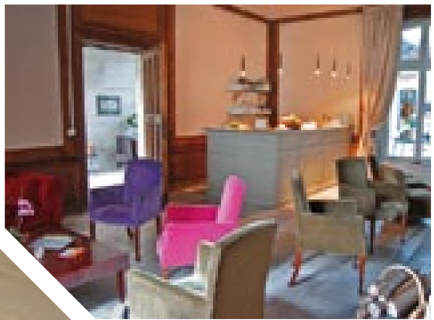
	Catering	Retailing	Hotels	Offices	Technical premises	Equipment	Miscellaneous	TOTAL
Financial leasing	25.43	4.77	13.69	51.89	1.02	3.20	-	100
Investment properties	18.08	3.14	-	58.37	20.41	-	-	100

Breakdown of provisions for receivables by business segment (in %)

In %

	Catering	Retailing	Hotels	Offices	Technical premises	Equipment	Miscellaneous	TOTAL
Financial leasing	31.32	6.22	10.18	47.30	1.22	3.76	-	100
Investment properties	14.92	3.16	-	61.06	20.86	-	-	100

Mello Princesse
Route de Clermont - Mello (60)



4, rue de Lasteyrie - Paris 16

3, rue Moncey - Paris 9

(1) Given the accounting rules specific to lending institutions, the fully-provisioned contractual termination compensation can in some cases increase the share of provisions in some sectors.

7. Other information

7-1 Workforce and remuneration

The Group's workforce (excluding the hotel business) was 14 persons on 31/12/2012 (3 directors, 4 managerial staff and 7 employees), identical to 31/12/2011.

The personnel relative to the hotel business (for whom the expense is recorded on the "expenses for other activities" item, see note 4.1) stood at 44 persons (4 managerial staff, 9 supervisory staff, 28 employees, 2 apprentices and 1 professional training contract).

The Company has put in place a retirement bonus for the benefit of employees of the parent Company and corporate officers holding an employment contract. The provision for retirement benefits stood at €1,240 K on 31/12/2012 (of which €567 K for corporate officers), social-security expenses included, against €1,199 K on 31/12/2011 (of which €562 K for corporate officers). The provision is adjusted each year, according to changes in salaries, under the following conditions:

- 1 year of salary for employees more than 50 years old and with 10 years of seniority, proportional to seniority;
- 6 months of salary for employees younger than 50 years old and with 10 years of seniority, proportional to seniority.

This provision is entered in a "provision for expenses" account.

There are no covering assets.

The amounts allocated to the parent Company's administration and management bodies stood at €957 K on 31 December 2011 (€172 K in directors' attendance fees and €785 K in directors' remuneration), against €1,184 K on 31/12/2012 (€198 K in directors' attendance fees and €986 K in directors' remuneration).

7-2 Remuneration based on shares

The personnel do not have any options to purchase the Company's shares.

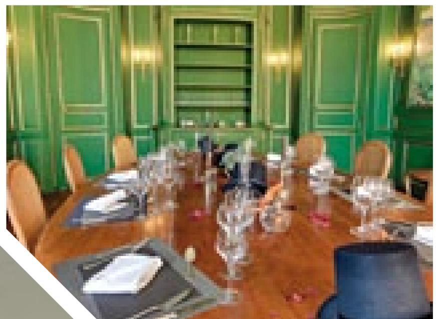
A Company savings plan has been established, together with a voluntary profit-sharing and incentive-plan agreement.

The Board of Directors freely assigned 600 shares during 2012.

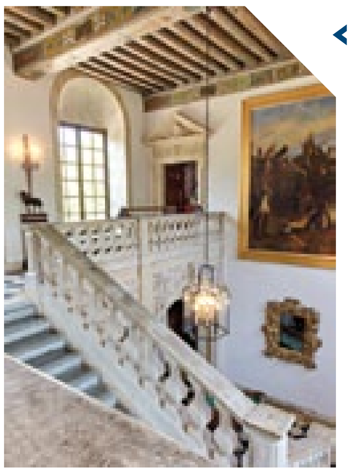
These payments in shares are valued at their fair value (determined based on the average acquisition value of the securities in question), which is entered as an expense during the financial year of assignment.

7-3 Non-consolidated equity investments

Société	% Direct and indirect holding	Last profit/loss financial year ended (€K)	Date of closure	Fair value
Villette Food	50.00%	47	31/12/2012	€5 K



7, rue de docteur Lancereaux - Paris 8



Les Mesnuls (78)

Report from the statutory auditors on the consolidated financial statements

To shareholders,

In execution of the assignment that was entrusted to us by your General Meeting of Shareholders, we hereby present our report relating to the financial year ended 31 December 2012, concerning:

- the audit of the consolidated financial statements of the company Cofitem-Cofimur SA, as attached to this report;
- the justification of our assessments;
- the specific verification specified by the law.

The consolidated financial statements were approved by the Board of Directors. Our role is to express an opinion on these annual financial statements based on our audit.

I - Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France. These standards require that we plan and perform the audit with due diligence in order to obtain reasonable assurance that the consolidated financial statements are free of significant anomalies. An audit involves the verification, on a test basis or by other means of selection, of audit evidence justifying the amounts and disclosures in the consolidated financial statements. An audit also consists of assessment of the accounting principles followed, significant estimates made and the overall presentation of the financial statements. We believe that the audit evidence that we have obtained provides a sufficient and appropriate basis for our opinion.

We certify that the consolidated accounts for the financial year are, with regard to the IFRS reference framework as adopted by the European Union, in good order and true and present a true picture of the assets, financial situation and earnings of the whole constituted by the personnel and entities included in the consolidation.

Without calling into question the conclusion expressed above, we draw your attention to the note "Significant events" in the appendix to the consolidated accounts relative to determining the goodwill concerning to the transaction carried out over the period from 1 January to 31 December 2012.

II - Justification of assessments

In accordance with the provisions of article L. 823-9 of the French Commercial Code relating to the justification of our assessments, we hereby bring the following elements to your attention:

- The rental assets have been the subject of assessment procedures by property surveyors, both independent and internal. We made sure that the level of depreciation constituted was sufficient based on the accounting principles described in notes 1.4.2 and 2.2.3 in the appendix, particularly with regard to these external surveys.

The assessments thus carried out are in line with our approach to the audit of the consolidated financial statements, taken as a whole, and they therefore contributed to the formation of the opinion expressed in the first part of this report.

III - Specific verification

In accordance with the professional standards applicable in France, we also made the specific verification specified by the law of the information given in the report on the management of the Group.

We have no comment to make about its honesty and consistency with the consolidated accounts.

Executed in Paris and Courbevoie, on 1 March 2013

The Statutory Auditors

Saint-Honoré Sereg
Denis Van Strien

Mazars
Anne Veaute

Concordance table with the annual financial report

Heading no. (1)	INFORMATION	ANNUAL REPORT Pages
I	ANNUAL FINANCIAL REPORT	-
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I-2	**Consolidated annual financial statements**	84-106
I-3	**Management report**	18-22
I-4	**Environmental and social report**	26-29
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I-6-1	Report of the statutory auditors on the unconsolidated annual financial statements	82
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II	REPORTS INCLUDED IN THE ANNUAL FINANCIAL REPORT	-
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Concordance table covering documents presented at the general meeting

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	Statutory auditors' report on the annual consolidated financial statements	107

(1) Article 222-3 of the general regulations of the Financial Markets Authority.

Concordance table for the Registration Document

(1) Appendix I of Regulation EC no. 809/2004 dated 29 April 2004.

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(1) Appendix I of Regulation EC no. 809/2004 dated 29 April 2004.
(2) In application of article 28 of Regulation (CE) no. 809/2004 from the European Commission, the following information is included by reference in the present Registration Document:
- The unconsolidated and consolidated financial statements, as well as the reports from the statutory auditors covering the financial year ending on 31 December 2010 shown on pages 24 to 31 and 66 to 82 of the Registration Document, including the annual financial report from the year 2010 that was registered with the AMF on 5 April 2011 under number D.11-0242.
- The unconsolidated and consolidated financial statements, as well as the reports from the statutory auditors covering the financial year ending on 31 December 2011 shown on pages 25 to 32 and 63 to 96 of the Registration Document, including the annual financial report from the year 2011 that was registered with the AMF on 11 April 2012 under number D.12-0324.

Statement by the person responsible for the Registration Document

Person responsible for the Registration Document

Sophie Beuvaden, Chairwoman of the Board of Directors

Statement by the person responsible for the Registration Document

"I certify, after having taken all reasonable measures for this purpose, that the information contained in the present registration document is, to the best of my knowledge, a reflection of reality and contains no omissions likely to alter its substance.

I certify, to the best of my knowledge, that the financial statements have been established in accordance with the applicable accounting standards and give a true picture of the assets, financial situation and earnings of the Company and all of the companies included in the consolidation, and that the attached management report gives a true picture of the development of business, the earnings and the financial situation of the Company and all companies included in the consolidation, together with a description of the main risks and uncertainties to which they are exposed.

I have obtained a certificate from the statutory auditors in which they state that they have checked the information on the financial situation and accounts that is given in the present document and that they have read the entire document.

The historical financial information presented in this document was the subject of a report by the statutory auditors shown on page 82 for the unconsolidated accounts and on page 107 for the consolidated accounts, which contains a comment.

The historical financial information presented in the Registration Document registered with the AMF on 5 April 2011 under number D.11-0242 relative to the financial year ending on 31 December 2010 was the subject of reports from the statutory auditors for which the general report shown on page 62 contains a comment.

The historical financial information presented in the Registration Document registered with the AMF on 11 April 2012 under number D.12-0324 relative to the financial year ending on 31 December 2011 was the subject of reports from the statutory auditors shown on pages 64 and 65."

Sophie Beuvaden

Dated 5 April 2013

AUTORITÉ DES MARCHÉS FINANCIERS

The present Registration Document was registered with the Financial Markets Authority on 5 April 2013, in accordance with article 212-13 of the general regulations of the Financial Markets Authority. It may be used in support of financial transactions if it is supplemented by a prospectus authorised by the Financial Markets Authority. This Registration Document has been prepared by the Issuer and implicates the liability of the signatories.

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