2012 RESULTS

Paris, March 19, 2013

A new growth strategy for ANF Immobilier
First stage: three investments announced

In 2012, after six years of active asset management work, ANF Immobilier sold its mature real estate assets in Lyon, under excellent financial terms, for €311.5 million, excluding transfer duties, as well as almost its entire hotels portfolio (acquired in 2007) for €476.7 million, excluding transfer duties. These disposals facilitated a shareholder pay-out of €494.7 million (€17.9 per share).

The skills demonstrated by its teams in redeveloping urban city-centers and its low debt ratios are two of the main advantages enabling the Company to pursue this growth strategy, adding value for its shareholders. ANF Immobilier will prioritize investments in French regional cities with strong potential.

In 2013, ANF Immobilier is forecasting a 14% growth in its rents to €35 million.

2012 results

Revenues for 2012 stood at €71.5 million, up 2.1% on 2011 (after pro forma adjustments for the effects of disposals of the Lyon properties and the B&B portfolio in November 2012 and not including the impact of the retroactive rent received from Printemps in 2011). On a like-for-like basis, rents grew by 3.7% and by 4.6% on city-centers properties. Based on 2012 end-of-year sales (Lyon and B&B portfolio), 2012 rents – after pro forma adjustments for the effect of disposals – would amount to €30.6 million, mainly divided into 40% from retail, 24% from residential, 22% from offices and 9% from hotels.

Cash flow stood at €40.4 million, i.e. €1.47 per share. It was up 2.9% on 2011 pro forma cash flow.

The **consolidated net income** of -€65.1 million was due to disposals, also reflected in the €191.3 million capital gain in the Company financial statements and the shareholder pay-out of €494.7 million.

The **appraisal value** determined by two independent appraisers stood at €884 million, excluding transfer duties. It breaks down into €703 million for Marseille, €136 million for Lyon, €16 million for Bordeaux and €29 million for B&B hotel properties.

ANF Immobilier remains one of the least indebted French real estate companies. The Loan-To-Value ratio stood at 33% at December 31, 2012. To a very large extent, the Company has stuck to its banking covenants (LTV and ICR). ANF Immobilier's net debt totaled €291.8 million at an average cost of 4.09% and with an average maturity of 2 years. The Company has €98.5 in unused credit lines and €22.3 million in cash.

At December 31, 2012, the **NNNAV** stood at €30.7 per share and at €30.5 per share, using the EPRA method.

2013 – 2017 Strategic plan: an ambitious program

A €240 million acquisitions plan has been launched, supplemented by €170 million worth of investments in renovations and ongoing projects in Marseille and Lyon. At the same time, the Company is continuing with its asset disposal and reinvestment policy, in particular, by reinvesting over €200 million in residential properties.

ANF Immobilier will continue to invest in provincial, regional cities where it already has a presence, such as Lyon, Bordeaux and Marseille, but does not exclude the possibility of setting up in other cities, with a view to establishing a long-term presence there. Acquisitions will mainly relate to commercial property (offices, retail premises or hotels).

The deployment of this strategic plan between 2013 and 2017 will raise annual rents to approximately €67 million, i.e. 17% annual growth based on 2012 pro forma rents.

First stage: three investments announced

ANF Immobilier's development in the Bassins à Flots area of Bordeaux is ongoing. After acquiring an initial 13,000 m² of office space, occupied by C Discount, ANF Immobilier is to become the owner of another office premises purchased off-plan (VEFA). Located near the new Cité des Civilisations du Vin, 3,732 m² of useful office space will be developed over six floors. The €10 million construction project will commence in July 2013 and will be completed in November 2014. The property will comply with HQE (High Environmental Quality) standards.

Again in **Bordeaux, the Bordeaux-Euratlantique Urban Development Agency and ANF Immobilier have signed an agreement to conduct research into a real estate development of around 54,200 m²**. This block, sited in a particularly good location within the Operation of National Interest in Bordeaux, is in the immediate vicinity of the new HSL station. The planned development would, in particular, comprise three office premises (30,400 m²), two 3 and 4 star hotels (11,600 m²), retail premises (4,000 m²), residential premises (7, 200 m²) and parking lots. These investments would aim to achieve a high environmental performance. This operation, which could be put into practice by summer 2013, would be developed in partnership with Vinci Immobilier.

In Marseille, ANF Immobilier is involved in the purchase of two hotels, located within the bounds of the Arema-Vélodrome project (over 100,000 m² around the stadium renovation), which is set to create an events and retail center, as well as offices, dwellings and a sports clinic in this new green district. The first hotel will be 4 star and will offer 126 rooms. The second economy class hotel will have a 162-room capacity. The two establishments, like the other facilities, will be delivered in time for Euro 2016. Total investment for the two hotels is estimated at €24 million.

The Company is also looking into several investment opportunities in **Lyon**.

Shareholders' Meeting: dividend and appointment of a member of the Supervisory Board

At the Shareholders' Meeting to be called on May 6, 2013, a proposal will be made for the payment of a final dividend of €1 per share. Based on the share price on March 19, 2013, this dividend represents a return of 4.6% and will be in addition to the 2012 end-of-year pay-outs, (for information: €17.9 per share), following the hotels and Lyon real estate portfolio disposals.

A proposal will also be made to the shareholders to appoint Mr. Sébastien Didier, a member of the Executive Board of Caisse d’Epargne Provence Alpes Corse, to replace Mr. Jean-Luc Bret as a member of the Supervisory Board.

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M€ Consolidated Accounts (IFRS)	2012 FY	2011* ProForma	Change	2011 FY	2010 FY
Gross Rental Income	**71.47**	**69.98**	*2.1%*	**83.58**	**69.13**
B&B	29.66	29.14		33.10	32.70
City-center	41.82	40.84		50.50	36.40
Recurring GRI	**71.47**	**69.98**	*2.1%*	**75.75**	**69.13**
EBITDA	**56.26**	**56.08**	***0.3%***	**69.56**	**56.55**
% margin	78.7%	80.1%	***0.2***	83%	82%
Recurring EBITDA	**56.26**	**56.08**	***0.3%***	**61.73**	**56.55**
% margin	78.7%	80.1%	***0.0***	81.5%	81.8%
Cash Flow	**40.43**	**39.29**	***2.9%***	**51.77**	**38.91**
Recurring cash flow	**40.43**	**39.29**	***2.9%***	**43.94**	**38.91**
RCF per share	**1.47**			**1.60**	**1.43**
Average # of shares	27.43			27.39	27.30
Capex	**97.14**			**73.32**	**64.86**
Change in fair value (incl KG on disp) (1)	**-69.63**			**44.04**	**35.95**
Net Income	**-65.14**			**95.81**	**74.86**

€M	Reported 31/12/2012	Reported 31/12/2011	Reported 31/12/2010
Real Estate portfolio	**884**	**1,650**	**1,573**
Centre-ville	855	1,137	1,081
Hôtels	29	513	492
Net Debt	**292**	**482**	**460**
NAV per share (2)	**31.7**	**42.2**	**40.3**
Triple Net NAV (2)	**30.7**	**40.8**	**39.0**
LTV	***33.0%***	***29.2%***	***29.2%***

** 2011 pro forma financial statements, restated for disposals occurring in November 2012 and for the impact of the retroactive rent received from Printemps in 2011.*
1) The change in fair value includes disposal losses of -€53.9 million
2 Adjusted for the bonus shares (one share for every 20 held) granted in 2010
The financial statements were subject to audit procedures. The certification report will be issued once the necessary procedures for registration document requirements have been finalized.

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2013 Financial agenda

2012 results	March 19, 2013 (before the market opens)
Presentation of 2012 results	March 20, 2013 (14.30 Paris time + telephone conference and webcast)
2013 first quarter revenues	May 06, 2013 (before the market opens)
2013 half-yearly results	August 28, 2013 (before the market opens)
Presentation of 2013 half-yearly results	August 28, 2013 (14.30 Paris time + telephone conference and webcast)

With regard to ANF Immobilier

ANF Immobilier (ISIN FR0000063091) is the owner and manager of a real estate portfolio worth nearly €900 million in downtown Marseille, Lyon and Bordeaux. It is a leading real estate company with SIIC status, targeting residential and commercial property rentals. Listed on Euronext Paris (Eurolist B), ANF Immobilier is a company belonging to the Eurazeo Group.
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A N F IMMOBILIER

CONSOLIDATED

FINANCIAL STATEMENTS

AS OF

DECEMBER 31, 2012

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
CONSOLIDATED BALANCE SHEET (ASSETS)

In thousands of euros	note	12/31/2012	12/31/2011	12/31/2010
NON-CURRENT ASSETS	note			
Investment property	1	848,385	1,641,492	1,534,423
Operating property	1	1,602	2,540	2,691
Intangible assets	1	267	384	450
Property, plant and equipment	1	1,190	571	253
Non-current financial assets	1	8,891	440	132
Investments accounted for by the equity method		246	0	0
TOTAL NON-CURRENT ASSETS		860,580	1,645,428	1,537,949
CURRENT ASSETS				
Trade receivables	2	1,792	1,364	958
Other receivables	2	3,481	5,973	2,532
Prepaid expenses	5	55	63	134
Financial derivatives	9	0	0	0
Cash and cash equivalents	4	22,257	37,718	28,325
TOTAL CURRENT ASSETS		27,585	45,119	31,949
Property held for sale	1	33,064	5,591	35,863
TOTAL ASSETS		921,229	1,696,137	1,605,761

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
CONSOLIDATED BALANCE SHEET (LIABILITIES AND EQUITY)

In thousands of euros	note	12/31/2012	12/31/2011	12/31/2010
SHAREHOLDERS' EQUITY				
Capital stock	12	17,731	27,775	27,454
Other paid-in capital		12,486	323,075	321,863
Treasury shares	8	(11,098)	(10,697)	(4,281)
Hedging reserve on financial instruments		(17,712)	(38,632)	(35,354)
Company reserves		90,289	286,497	304,334
Consolidated reserves		506,987	434,800	375,980
Net income for the year		(65,145)	95,813	74,863
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO EQUIT		533,538	1,118,631	1,064,859
Minority interests		0	0	0
TOTAL SHAREHOLDERS' EQUITY		533,538	1,118,631	1,064,859
NON-CURRENT LIABILITIES				
Financial liabilities	3	286,378	518,520	483,136
Provisions for pensions	7	57	57	57
TOTAL NON-CURRENT LIABILITIES		286,434	518,577	483,193
CURRENT LIABILITIES				
Suppliers and related accounts	3	13,863	10,979	9,259
Short-term portion of financial payables	3	27,677	1,458	5,012
Financial derivatives	9	39,434	38,449	34,982
Security deposits	3	2,972	4,154	3,526
Short-term provisions	7	1,577	330	208
Tax and corporate liabilities	3	14,242	2,554	2,174
Other debts	3	1,276	678	2,071
Prepaid income	6	215	325	478
TOTAL CURRENT LIABILITIES		101,256	58,929	57,710
Liabilities on properties held for sale		0	0	0
TOTAL LIABILITIES		921,229	1,696,137	1,605,761

CONSOLIDATED INCOME STATEMENT

In thousands of euros	12/31/2012	12/31/2011	12/31/2010
Revenues: rental income	71 472	83 576	69 133
Other operating income	7 091	6 585	6 895
TOTAL OPERATING INCOME	78 562	90 161	76 029
Property expenses	(9 901)	(10 112)	(9 952)
Other operating expenses	(757)	(709)	(729)
TOTAL OPERATING EXPENSES	(10 658)	(10 821)	(10 681)
GROSS OPERATING MARGIN FROM PROPERTY	67 904	79 340	65 348
Capital gains (losses) from disposal of assets	(53 929)	2 240	1 621
GROSS OPERATING MARGIN FROM PROPERTY AFTER DISPOSALS	13 975	81 579	66 968
Employee benefits expenses	(9 830)	(7 941)	(7 395)
Other management expenses	(3 574)	(3 505)	(3 306)
Other income and transfers of expenses	1 723	1 754	1 695
Other expenses	(1 030)	(532)	(103)
Depreciation & amortization	(508)	(454)	(386)
Other operating provisions (net of reversals)	40	(224)	(406)
NET OPERATING INCOME (BEFORE CHANGES IN FAIR VALUE OF PROPERTY)	797	70 677	57 068
Changes in fair value of property	(15 705)	42 709	35 523
NET OPERATING INCOME (AFTER CHANGES IN FAIR VALUE OF PROPERTY)	(14 908)	113 386	92 591
Net financial expense	(15 822)	(17 785)	(17 641)
Financial amortization and provisions	(19)	(1)	38
Gains (losses) on financial instruments	(23 066)	(189)	(3)
Share of income from entities accounted for by the equity method	5	457	(121)
INCOME BEFORE TAX	(53 809)	95 868	74 863
Current taxes	(11 336)	(55)	0
Deferred taxes	0	0	0
NET CONSOLIDATED INCOME	(65 145)	95 813	74 863
Of which minority interests	0	0	0
Of which net income after minority interests	(65 145)	95 813	74 863
Net consolidated income after minority interests per share	(2.38)	3.50	2.74
Diluted net consolidated income after minority interests per share	(2.38)	3.50	2.74

Basic earning per share is calculated on the basis of the average weighted number of common shares

CONSOLIDATED COMPREHENSIVE INCOME

In thousands of euros	12/31/2012	12/31/2011	12/31/2010
NET CONSOLIDATED INCOME	**(65,145)**	**95,813**	**74,863**
Impact from financial instruments	20,920	**(3,278)**	**(5,709)**
TOTAL GAINS AND LOSSES RECOGNIZED DIRECTLY IN EQUITY	**20,920**	**(3,278)**	**(5,709)**
CONSOLIDATED COMPREHENSIVE INCOME	**(44,225)**	**92,535**	**69,154**
Of which minority interests	**0**	0	0
Of which net income after minority interests	**(44,225)**	92,535	69,154

CHANGES IN SHAREHOLDERS' EQUITY

Changes in shareholders' equity	Capital stock	Other paid-in capital	Treasury shares	Consolidated reserves	Company reserves	Financial instrument reserves	Consolidated net income	Total
Shareholders' equity as at December 31, 2011	**27 775**	**323 075**	**(10 697)**	**434 800**	**286 497**	**(38 632)**	**95 813**	**1 118 631**
Appropriation of net income	0	0	0	71 668	24 145	0	(95 813)	0
Dividends	0	(8 257)	0	0	(38 075)	0	0	(46 332)
Shares buy back	(10 044)	(302 331)	0	0	0	0	0	(312 375)
Dividend paid in advance and distribution of reserves	0	0	0	0	(182 278)	0	0	(182 278)
Treasury shares	0	0	(402)	0	0	0	0	(402)
Changes in fair value of hedging instruments	0	0	0	0	0	20 920	0	20 920
Stock options, warrants, bonus shares	0	0	0	518	0	0	0	518
Other accruals	0	(1)	1	1	0	0	0	1
Net income for the year (excl. appropriation to reserves)	0	0	0	0	0	0	(65 145)	(65 145)
Shareholders' equity as at December 31, 2012	**17 731**	**12 486**	**(11 098)**	**506 987**	**90 289**	**(17 712)**	**(65 145)**	**533 538**

Changes in shareholders' equity	Capital stock	Other paid-in capital	Treasury shares	Consolidated reserves	Company reserves	Financial instrument reserves	Consolidated net income	Total
Shareholders' equity as at December 31, 2010	**27 454**	**321 863**	**(4 281)**	**375 980**	**304 334**	**(35 354)**	**74 863**	**1 064 859**
Appropriation of net income	0	0	0	58 147	16 716	0	(74 863)	0
Dividends	0	(7 570)	0	0	(34 553)	0	0	(42 123)
Shares in lieu of dividends	0	0	0	0	0	0	0	0
Capital increase	321	8 782		0	0	0	0	9 103
Treasury shares	0	0	(6 416)	0	0	0	0	(6 416)
Changes in fair value of hedging instruments	0	0	0	0	0	(3 278)	0	(3 278)
Stock options, warrants, bonus shares	0	0	0	666	0	0	0	666
Other accruals	0	0	0	7	0	0	0	7
Net income for the year (excl. appropriation to reserves)	0	0	0	0	0	0	95 813	95 813
Shareholders' equity as at December 31, 2011	**27 775**	**323 075**	**(10 697)**	**434 800**	**286 497**	**(38 632)**	**95 813**	**1 118 631**

CASH FLOW STATEMENT

In thousands of euros	12/31/2012	12/31/2011	12/31/2010
Cash flow from operations			
Net income	**(65 145)**	**95 813**	**74 863**
Depreciation allowances & provisions	1 927	577	513
Capital gains (losses) from disposals	53 929	(2 240)	(1 621)
Changes in value of properties	15 705	(42 709)	(35 523)
Changes in value of financial instruments	23 066	189	3
Expenses recognised on stock options	518	666	722
Taxes and expenses related to distribution	11 626	0	0
Cash flow	**41 626**	**52 297**	**38 958**
Changes in operating working capital requirements			
Operating receivables	(836)	(1 449)	4 315
Operating liabilities excluding SIIC option liabilities	9 416	277	(10)
Cash flow from operations	**50 205**	**51 125**	**43 263**
Cash flow from investment activities			
Acquisition of non current assets	(91 547)	(75 258)	(69 984)
Disposal of property	793 526	41 437	37 055
Payment of exit tax	0	0	(14 112)
Changes in non-current financial assets	(8 709)	(306)	893
Cash flow from investment activities	**693 270**	**(34 127)**	**(46 148)**
Cash flows from financing activities			
Dividends paid	(228 610)	(42 123)	(34 599)
Changes in share capital	(312 375)	9 103	0
Taxes and expenses related to distribution	(11 626)		
Purchase of treasury shares	(402)	(6 416)	(20)
Loans and debt taken out	48 834	39 927	37 888
Loans and debt redeemed	(254 709)	(6 993)	(3 366)
Cash flows from financing activities	**(758 888)**	**(6 502)**	**(97)**
Net increase (decrease) in cash and cash equivalent	**(15 413)**	**10 496**	**(2 981)**
Opening cash	**37 385**	**26 889**	**29 869**
Closing cash	**21 972**	**37 385**	**26 889**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

HIGHLIGHTS OF THE FISCAL YEAR

Investments

Works performed on, and investments in, the city-center real estate assets were €25.8 million in Lyon and €59.2 million in Marseille.
In 2011, a 4,366 sq.m. office building was purchased in Lyon off-plan for the sum of €16.8 million net of taxes. It is expected to be delivered in January 2013. €8.7 million was spent on this project in 2012.
In 2011, the ANF Immobilier Group acquired a 13,000 sq.m. property in Bordeaux to be used primarily for office space for the sum of €27.4 million net of taxes. This property is to be delivered in several tranches. The first tranche was delivered in September 2012. In 2012, €10.1 million was spent on this investment.

Work on the mixed-use block 34 project in Marseille continued, and the first stage is scheduled to be completed in August 2013.

Disposals

In November 2012, the Company sold part of its Lyon real estate assets to Grosvenor-managed funds, for a net selling price of €309.6 million. In December, car parks in Lyon were sold to the same fund for a price of €1.9 million.
After deducting all transaction-related costs, the disposal loss stood at -€41.9 million.
Several apartments in Lyon were also sold in the first half for €3.2 million.

In November 2012, 158 hotels operated under the B&B brand name were sold to a consortium led by Foncière des Murs for a net selling price of €476.6 million. After deducting all transaction-related costs, the disposal loss stood at -€12.1 million. This same consortium was also granted options to purchase for seven hotels.

Five properties and several apartments were sold in Marseille for a total of €16.8 million, generating a gain of €0.1 million on the most recent appraisal values.

Operations

Rents stood at €71.5 million.

On a like-for-like basis, restating for the impact of the back rent for prior years billed to Printemps in 2011, rent increased 3.7% over December 2011, 4.6% on city-center real estate assets.

EBITDA for the period was €56.2 million.
After deducting net financing costs, current cash flow was €40.4 million.

Property appraisal

The Marseille property market faced a number of challenges with a rise in vacancy rates and a slight drop in rental values. This was reflected by a €12.5 million drop in the value of real estate.

Financing

The amount of credit lines not drawn down was €99 million.

The average debt cost was 4.09%. Gross indebtedness was €314 million; no significant repayments are due before June 2014. The LTV ratio was held down at 33%.

Income from disposals was used to pay down €253 in debt.
The bulk of secured debt was repaid. As of December 31, 2012, mortgage debt stood at €12.8 million.

Distributions

The Shareholders' Meeting of November 21, 2012, decided:

- to make a distribution from the reserves of €3.06 per share;
- to implement a capital reduction of 10,044,224 shares by means of the buyback, and subsequent cancellation, of Company shares. The shares were bought back at €31.10 per share.

On the same day, the Executive Board decided to distribute an interim dividend of €3.58 per share.

The Company will, therefore, have distributed a total of €494.7 million to its shareholders.

EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

No significant events have occurred since December 31, 2012.

CHANGE IN METHOD

The accounting policies and methods used for the fiscal year are identical to those used for the two previous years.
The new standards and interpretations applicable from January 1, 2012 did not have a material impact on ANF Immobilier's consolidated financial statements and are described in the note entitled "Consolidation principles and methods".

CONSOLIDATION PRINCIPLES AND METHODS

ACCOUNTING BASIS

In line with the provisions of European Regulation (EC) No. 1606/2002 of July 19, 2002, on the application of international accounting standards, the ANF Immobilier Group's consolidated financial statements for the fiscal year ended December 31, 2012, were prepared in accordance with the IFRS accounting basis as adopted by the European Union.

The consolidated financial statements concern the period from January 1, 2012 to December 31, 2012. They were approved by the Executive Board on January 29, 2013.

The ANF Immobilier Group applies the international accounting standards comprising IFRS, IAS and their interpretations as adopted by the European Union and which are mandatory for the fiscal year beginning January 1, 2012.

Official standards and interpretations that may be applicable subsequent to the closing date have not been applied early.

With the exception of investment property and certain financial instruments that are recognized using the fair value convention, the financial statements have been prepared using the historical cost convention. In accordance with the IFRS conceptual framework, certain estimates and assumptions have been used in drawing up these financial statements. These assumptions have an impact on some of the amounts presented in these financial statements. Material estimates made by the Group when preparing the financial statements mainly relate to the following:

- fair value measurement of investment properties and financial instruments;
- measurement of provisions.

Because of the uncertainty inherent in any measurement process, the Group revises its estimates based on regularly updated information. Future results of the operations in question may differ from these estimates.
In addition to making estimates, Group senior management makes judgments regarding the appropriate accounting treatment for certain activities and transactions when applicable IFRS standards and interpretations do not specify how the accounting issues should be handled.

NEW STANDARDS AND INTERPRETATIONS APPLICABLE FROM JANUARY 1, 2011 AND JANUARY 1, 2012

The standards and interpretations applied for the consolidated financial statements at December 31, 2011 are identical to those used for the consolidated financial statements at December 31, 2010.

The new mandatory standards, revisions and interpretations applicable as of January 1, 2011 have no significant impact on the consolidated financial statements at December 31, 2011:

- All standards amended in the context of IFRS improvements adopted by the European Union on February 18, 2011, which have no impact on the accounts;
- The amendment to IAS 32, “Classification of Rights Issues”, mandatory from February 1, 2010, which has no impact on the accounts;
- The amendment to IFRIC 14 “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction”, applicable to fiscal years starting on or after January 1, 2011, which has no impact on the accounts;
- IAS 24 revised, relating to the information to be disclosed on related party transactions, mandatory from January 1, 2011;
- IFRIC 19 “Extinguishing Financial Liabilities with Equity Instruments”, applicable to fiscal years starting on or after June 30, 2010, which has no impact on the accounts.

The standards and interpretations applied for the consolidated financial statements at, December 31, 2012 are identical to those used for the consolidated financial statements at December 31, 2011.

The new mandatory standards, revisions and interpretations applicable as of January 1, 2012 have no significant impact on the consolidated financial statements at December 31, 2012:

- IFRS 7, “Disclosures of Transfers of Financial Assets”, mandatory from July 1, 2011, which has no impact on the accounts.

Moreover, ANF Immobilier has not applied prospectively the most recent standards and interpretations for which application is only mandatory for fiscal years starting after January 1, 2012. These standards and interpretations are:

- The amendment to IAS 12 “Recovery of Underlying Assets”, applicable from January 1, 2012;
- IFRS 10 “Consolidated Financial Statements”, mandatory from January 1, 2014;
- IFRS 11 “Joint Arrangements”, mandatory from January 1, 2014;
- IFRS 12, “Disclosure of Interests in Other Entities”, mandatory from January 1, 2014;

- IAS 27R, "Separate financial statements", mandatory from January 1, 2014;
- IAS 28R, “Investments in Associates and Joint Ventures”, mandatory from January 1, 2014;
- Amendments to IFRS 1, severe hyperinflation, applicable from July 1, 2011,
- Amendments to IAS 1, presentation of other comprehensive income, applicable from July 1, 2012;
- Amendments to IAS 19, employee benefits, applicable from July 1, 2013;
- Amendments to IFRS 1, public subsidies, applicable from January 1, 2013, which have not yet been adopted by the European Union;
- Amendments to IFRS 7, disclosures, offsetting financial assets and financial liabilities, applicable from January 1, 2013;
- Amendments to IAS 32, offsetting financial assets and financial liabilities, applicable from January 1, 2012.

CONSOLIDATION PRINCIPLES

The consolidation methods used by the Group are full consolidation, proportional consolidation and the equity method:

- subsidiaries (companies in which the Group has the power to direct financial and operating policies to obtain economic benefits) are fully consolidated;
- companies in which the Group exerts joint control are proportionally consolidated;
- the equity method is used for associates over which the Group has significant influence, which is assumed to be the case where the percentage of owned voting rights is 20% or more. Under this method, the Group recognizes its “share of income from entities accounted for by the equity method” on a separate line in the consolidated income statement.

During the period, the ANF Immobilier Group consolidated its wholly-owned subsidiaries ANF République and SNC les Bassins à Flots.

These two companies are fully consolidated.

On February 28, 2012, ANF Immobilier acquired a 35% interest in JDML, the owner of a real estate complex in Marseille. This company was consolidated on December 31, 2012 using the equity method.

To successfully complete the Fauchier project for the construction and sale of residential units, ANF Immobilier brought on Board a number of partners to establish SCCV 1-3, rue d’Hozier, in which it holds a 45% interest. As it does not control this company, it has not been consolidated but instead accounted for by the equity method.

All internal transactions and balances were eliminated upon consolidation in proportion to ANF Immobilier Group’s interest in its subsidiaries.

SEGMENT REPORTING

IFRS 8 requires entities whose equity or debt securities are traded on an organized market or issued on a public securities market to present information by business segment and geographical sector.

Segment reporting is prepared on the basis of criteria relating to business activities and geographic regions. Primary segment reporting is business-related, insofar as it represents the Group's management structure and is presented on the basis of the following business segments:

- Operating activity for city-center properties;
- Hotel operations.

The second level of information to be provided is by geographical area. It is applied to city-center properties only (since the hotels are dispersed throughout France, a geographical distribution is irrelevant):

- Lyon region;
- Marseille region;
- Bordeaux region.

IFRS 8 "Operating segments" requires that the information published by an entity enable users of its financial statements to evaluate the nature and financial impact of the type of business activities in which it engages and the economic environment in which it operates.
The Company has decided to continue presenting its segment reporting as in previous years with a breakdown of business segments into Hotels and city-center properties and a geographical breakdown of its city-center properties into three areas, Lyon, Marseille and Bordeaux.

REAL ESTATE ASSETS

INVESTMENT PROPERTY (IAS 40)

IAS 40 defines investment property as property held by the owner or lessee (under a finance lease) to earn rental income or for capital appreciation, or both, as opposed to:

- using this property for the production or supply of goods or services or for administrative purposes;
- selling it in the normal course of a trading business (property dealing).

Assets acquired under credit-leases correspond to finance lease contracts and are recognized as assets in the balance sheet, and the corresponding loans are recognized as liabilities under financial debt. Correspondingly, the lease payments are canceled and the financial expense stemming from the financing along with the fair value of the asset are recognized in accordance with the Group's accounting methods.

The ANF Immobilier Group has opted to assess its investment property at fair value. This option does not apply to operating property, which is measured at historical cost less accumulated depreciation and any value impairments.

The fair value of the real estate assets is determined at each financial statement closing date by two independent real estate experts (Jones Lang LaSalle and BNP Paribas Real Estate Expertise), which appraise the properties of the Group in a context of sustainable ownership. The fair value is the appraisal value excluding transfer taxes.

Their appraisals are performed according to the specifications set forth by the French Association of Property Appraisers (Afrexim) and the working group chaired by Mr. Barthès de Ruyter, in its February 2000 report on appraisal of real estate assets for listed companies.

The change in the fair value of investment property is recognized in the income statement.

These properties are not therefore subject to depreciation or value impairment. Any change in fair value for each property is recognized in the income statement for the period and is determined as follows:

Change in fair value = Market value N - [market value N-1 + capitalized work and expenses for period N].

Investment properties, including rebuilding projects, are recognized at fair value. Virtually all of the real estate assets of ANF Immobilier are recognized as investment properties. Properties under construction and intended to be subsequently re-let are also kept in the investment property category.

Gains (or losses) on disposals of investment properties are calculated with reference to the most recent fair value recognized at the previous balance sheet date.

ASSETS HELD FOR SALE (IFRS 5)

In accordance with IFRS 5, when the Group has undertaken to sell an asset or group of assets, it classifies them as assets held for sale under current assets in the balance sheet at their most recent known fair value.

Properties included in this category continue to be measured using the fair value approach.

To be classified as an "asset held for sale", a property must meet all the following criteria:

- the asset must be immediately available for sale in its current condition;
- a sale must be highly likely, formalized through the notification of the Properties Committee, a decision of the Executive Board or Supervisory Board and an offer to buy.

Properties meeting these criteria are presented on a separate line in the balance sheet.

As of December 31, 2012, 11 properties, valued at €33 million, were held for sale.

Depreciation of operating properties valued at amortized cost ceases from the date on which these properties are classified as held for sale.

OPERATING PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT (IAS 16)

The Group's operating property is measured at historical cost less accumulated depreciation and any value impairment.

Moreover, other property, plant and equipment includes computer equipment and furniture.

The following depreciation periods were thus used:

– Structures:	50 to 75 years;
– Facades & waterproofing:	20 years;
– General technical plant (including lifts):	15 to 20 years;
– Fittings:	10 years;
– Asbestos, lead and energy diagnostics:	5 to 9 years;
– Furniture, office, and computer equipment:	3 to 10 years.

INTANGIBLE ASSETS (IAS 38) AND IMPAIRMENT OF ASSETS (IAS 36)

An intangible asset is a non-monetary item with no physical substance that must be both identifiable and controlled by the Company by virtue of past events and from which future economic benefits are expected.

An intangible asset is identifiable if it can be separated from the entity acquired or it is the consequence of legal or contractual rights. Intangible assets whose useful life can be determined are amortized linearly over periods that correspond to their projected useful life.

The following amortization periods were thus used:

– Concessions, patents and rights: one to ten years

IAS 36: "Impairment of Assets" applies to tangible and intangible assets, financial assets and unallocated goodwill.

At each balance sheet date, the Group assesses whether there are any indications that an asset has lost value. If an indication of impairment is identified, the asset's recoverable amount is compared to its net carrying amount and an impairment loss may accordingly be recognized.

An indication of impairment may be either a change in the asset's economic or technical environment or a decline in the asset's market value. The appraisals carried out make it possible to measure any impairment losses.

Expenses related to the acquisition of software licenses are recognized as assets on the basis of the costs incurred to acquire and get the relevant software operational. These costs are amortized over the estimated useful life of the software (between three and five years).

OPERATING LEASE RECEIVABLES

Operating lease receivables is valuated at the amortized cost and is subject to an impairment test when there is an indication that the asset could have lost value.

An individual analysis is conducted on the closing date of each financial period in order to assess as fairly as possible the non-recovery risk of any receivable and any requisite provisions.

LIQUID ASSETS AND MARKETABLE SECURITIES

Marketable securities are generally comprised of money market funds and are listed at their fair value on the balance sheet. All these marketable securities have been deemed cash equivalents.

TREASURY SHARES (IAS 32)

Treasury shares held by the Group are deducted from the consolidated shareholders' equity at their acquisition value.

As of December 31, 2012, the Company held 323,312 treasury shares. 43,547 treasury shares were acquired over the fiscal year and 36,227 shares were sold after stock options were exercised.

FINANCIAL DEBT (IAS 32-39)

Financial debt consists of loans and other interest-bearing liabilities. It is recognized at amortized cost using the effective interest rate method.

Loan issue costs are recognized under IFRS as a deduction from the nominal amount of the loan. The portion of debt due in less than a year is classified as current debt.

In the case of debt resulting from the recognition of finance leases, the debt recognized to offset the item of property, plant and equipment is initially recognized at the fair value of the leased asset or, if lower, the present value of minimum lease payments.

Security deposits are deemed to be short-term liabilities and are not discounted.

DERIVATIVE INSTRUMENTS (IAS 39)

IAS 39 distinguishes between two types of interest rate hedging:

- hedging of balance sheet items, the fair value of which fluctuates as a result of interest rate risk ("fair value hedge");
- hedging the risk of future cash flow variability ("cash flow hedge"), which consists of fixing the future cash flows of a variable-rate financial instrument.

Certain derivatives associated with specific financings qualify as cash flow hedges under accounting regulations. In accordance with IAS 39, only changes in the fair value of the effective portion of these derivatives, as measured by prospective and retrospective effectiveness tests, are recognized in shareholders' equity. Any changes in the fair value of the ineffective portion of the hedge are recognized in income.

The ANF Immobilier Group uses cash flow hedge-type financial derivatives (swaps) to hedge its exposure to risk stemming from interest rate fluctuations.

DISCOUNTING OF DEFERRED PAYMENTS

The Group's long-term payables and receivables are discounted where the impact is material:

- security deposits received are not discounted, since the discounting effect is not material and there is no reliable discounting schedule;
- Long-term liability provisions under IAS 37 are discounted over the estimated length of the disputes to which they relate.

CURRENT AND DEFERRED TAX (IAS 12)

SIIC TAX REGIME

The switch to the SIIC tax regime results in a complete exemption from income tax.However, an exit tax at a reduced rate of 16.5% on unrealized gains from properties and interests in entities not subject to income tax becomes immediately due. This tax was fully paid as of Monday, December 31, 2012.

COMMON LAW AND THE DEFERRED TAX REGIME

Deferred tax is recognized where there are temporary differences between the carrying amounts of assets and liabilities in the balance sheet and their tax bases, where these give rise to taxable sums in the future.

A deferred tax asset is recognized where tax losses may be carried forward on the assumption that the relevant entity is likely in the future to generate taxable profits, against which these tax losses may be charged. Deferred tax assets and liabilities are measured using the liability method at the tax rate assumed to apply in the period in which the asset will be realized or the liability settled, on the basis of the tax rate and tax regulations that have been or will be adopted prior to the balance sheet date. Measurement of deferred tax assets and liabilities must reflect the tax consequences that would result from the manner in which the Company expects to recover or settle the carrying amount of its assets and liabilities at the balance sheet date.

Current and deferred tax is recognized as tax income or expenses in the income statement, except for deferred tax that is recognized or settled upon the acquisition or disposal of a subsidiary or interest, unrealized gains and losses on assets held for sale. In these cases, the corresponding deferred tax is charged to equity.

All property held by ANF was included in the scope of the SIIC regime. ANF Immobilier's rental business is thus wholly exempted from income tax, and no deferred tax is recognized.

LEASE CONTRACTS (IAS 17)

Under IAS 17, a lease is an agreement under which the lessor transfers to the lessee the right to use an asset for a fixed period in return for a payment or series of payments. IAS 17 distinguishes between two kinds of leases:

- a finance lease is a lease that effectively transfers to the lessee virtually all the risks and benefits inherent in ownership of an asset. Transfer of title may or may not occur at the end. For the lessee, the assets are recognized as non-current assets offset by a debt. The asset is recognized at the fair value of the leased asset at the lease start date or, if lower, at the present value of minimum payments;
- an operating lease is any lease other than a finance lease.

TREATMENT OF STEP RENTS AND RENT-FREE PERIODS

Rental income from operating leases is recognized on a straight line basis over the term of the lease. Step rents and rent-free periods granted are recognized by staggering, reducing or increasing rental income for the period. The reference period used is the initial minimum period of the lease.

FRONT-END FEES

Front-end fees received by the lessor are deemed to be additional rent. The front-end fee forms part of the net sum transferred from the lessee to lessor under the lease. In this regard, the accounting periods during which this net amount is recognized should not be affected by the form of the agreement and payment schedules. These fees are staggered over the initial minimum period of the lease.

CANCELLATION FEES AND EVICTION COMPENSATION

Cancellation fees are received from tenants when they cancel the lease before its contractual term. Such fees relate to the old lease and are recognized as income in the period recorded. Where the lessor cancels a lease in progress, it pays eviction compensation to the sitting tenant.

- replacement of a tenant: if payment of eviction compensation makes it possible to alter the level of the asset's performance (a rent increase and hence an increase in the value of the asset), under the revised IAS 16, this expense may be capitalized in the cost of the asset subject to this increase in value being confirmed by appraisers. Should this not be the case, the cost is recognized as an expense;
- refurbishment of a building that requires the tenants to be displaced: if the payment of an eviction penalty is part of major refurbishment or reconstruction works for a building for which it is mandatory for the tenants to depart beforehand, this cost is

considered to be a preliminary expense that is included as an additional component following the refurbishment operation.

We have estimated the impact of the restatement of stage payments, rent-free periods and front-end fees identified in the rental base in 2010, 2011, and 2012, according to IAS 17. The estimate arrived at is not significant and therefore no recording entry has been accounted for in the 2010, 2011, and 2012 financial statements.

Residential leases may be terminated by the tenant at any time, with a notice period of one or three months. Leases on retail or office premises may generally be terminated by the lessee after each three-year period, with a notice period of six months. Leasing agreements with B&B on hotels have a firm duration of 12 years, expiring in 2019.

EMPLOYEE BENEFITS (IAS 19)

For defined contribution schemes, Group payments are expensed in the period to which they relate.

For defined benefit schemes involving post-employment benefits, the cost of the benefits is estimated using the projected unit credit method.

Under this method, rights to benefits are allocated to periods of service on the basis of the scheme rights vesting formula, allowing for a linearization effect when the pace at which rights vest is not uniform over subsequent periods of service.

The amounts of future payments in respect of employee benefits are measured on the basis of assumptions regarding salary increases, retirement age and mortality rates, and then discounted to their present value using the interest rate on long-term bonds from top quality issuers. Actuarial differences for the period are directly recognized in consolidated equity.

The ANF Immobilier Group has established a defined benefit scheme. Pension commitments relating to this scheme are managed by an insurance company. A €1 million charge was recognized over the fiscal year to cover, in particular, estimated commitments at December 31, 2012.

SHARE-BASED PAYMENT (IFRS 2)

IFRS 2 requires that the income statement reflect the effects of all transactions involving share-based payments. All payments in shares or linked to shares must accordingly be expensed when the goods or services provided in return for these payments are consumed. There was no transaction involving share-based payment during the period.

Stock option plans

Acting pursuant to the authorizations conferred by the shareholders at the Shareholders' Meeting, the Executive Board awarded stock options to members of the Executive Board as well as qualifying personnel, as defined by the resolutions of the Shareholders' Meeting.
In order to factor in the distribution of reserves that took place pursuant to the second resolution of the Ordinary and Extraordinary Shareholders' Meeting of May 3, 2012, the Executive Board adjusted the exercise terms of the stock option plans for 2007-2011 at its meeting on May 21, 2012.
In order to factor in the distribution of reserves and the public buyback offer that took place pursuant to the decisions taken by the Ordinary and Extraordinary Shareholders' Meeting of November 21, 2012, the Executive Board, at its January 21, 2013 meeting, adjusted the exercise terms of the 2007 to 2011 stock options plans.

The terms of the stock option plans granted during recent fiscal years, amended by the adjustments, are as follows:

terms of the stock option plans	2007 plan	2008 plan	2009 plan	2010 plan	2011 plan
date of the Extraordinary Shareholder's Meeting	5/4/2005	5/14/2008	5/14/2008	5/14/2008	5/17/2011
date of the Executive Board's decision	12/17/2007	12/19/2008	12/14/2009	12/15/2010	12/22/2011
total number of options granted	159,159	179,840	224,659	219,323	216,075
of which corporate officers	125,560	143,613	185,642	176,010	173,412
of which ten top employee recipients	33,599	36,227	36,175	38,969	39,473
number of shares that may be purchased	159,159	179,840	224,659	219,323	216,075
of which corporate officers	125,560	143,613	185,642	176,010	173,412
of which ten top employee recipients	33,599	0	36,175	38,969	39,473
exercise date of options	the options may be exercised once vested				
expiration date	12/17/2017	12/19/2018	12/14/2019	12/15/2020	12/22/2021
purchase price per share	29.73	19.42	22.55	23.72	21.53
terms of exercise	Final vesting of options in phases:				
1st third after a period of two years, i.e.	12/17/2009	12/19/2010	12/14/2011	12/15/2012	12/22/2013
2nd third after a period of three years, i.e.	12/17/2010	12/19/2011	12/14/2012	12/15/2013	12/22/2014
3rd third after a period of four years, i.e.	12/17/2011	12/19/2012	12/14/2013	12/15/2014	12/22/2015
exercise subject to future performance	No	Yes	Yes	Yes	Yes
number of shares purchased on December 31, 201	0	36,227	0	0	0
number of shares cancelled on December 31, 201:	0	0	0	0	0
total number of options remaining to be exercised	159,159	143,613	224,659	219,323	216,075

Please note that where beneficiaries of stock options do not have four years' service by the expiration date of one of the vesting periods referred to above, the options corresponding to such period will be subject to a vesting period until such time as said beneficiary has four years' service with the Company.

Accordingly, on the basis of the above adjustments, the number of options allocated to each beneficiary is as follows:

	2007 Stock Options Plan	2008 Stock Options Plan	2009 Stock Options Plan	2010 Stock Options Plan	2011 Stock Options Plan
Bruno Keller	83,825	91,384	113,364	110,725	109,092
Xavier de Lacoste Lareymondie	37,575	45,182	54,559	53,381	52,592
Brigitte Perinetti	4,160	0	5,671	0	0
Ghislaine Seguin	0	7,047	12,048	11,904	11,728
Corporate officers	125,560	143,613	185,642	176,010	173,412
Staff	33,599	0	39,017	43,313	42,663
Total	**159,159**	**143,613**	**224,659**	**219,323**	**216,075**

BASIC EARNING PER SHARE (IAS 33)

Basic earning per share equates to net income after minority interests attributable to ordinary shares, divided by the weighted average number of shares outstanding during the period. The average number of shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted for the number of ordinary shares bought back or issued during the period.

To calculate diluted earning per share, the average number of shares outstanding is adjusted to reflect the effect of dilution from equity instruments issued by the Company that might increase the number of shares outstanding.

MARKET RISK MANAGEMENT

MARKET RISKS

Owning rental properties exposes the Group to the risk of fluctuations in the value of property assets and rents. However, this exposure is mitigated because:

- the assets are mainly held for the long term and are recognized in the financial statements at their fair value, even if this value is determined on the basis of estimates;
- rental income stems from leasing arrangements, the term and dispersion of which are likely to lessen the impact of fluctuations in the rental market.

COUNTERPARTY RISK

With a client portfolio of over 300 tenant companies, a high degree of sector diversification, and 900 individual tenants, the Group is not exposed to significant concentration risk.

Financial transactions, particularly the hedging of interest rate risk, are carried out with leading financial institutions.

LIQUIDITY RISK

Medium and long-term liquidity risk is managed via multi-year financing plans.Short-term risk is managed via confirmed but undrawn credit facilities.

INTEREST RATE RISK

The ANF Immobilier Group is exposed to interest rate risk. Management actively manages this risk exposure. The Group uses a number of financial derivatives to address this. The goal is to reduce, wherever deemed appropriate, fluctuations in cash flows as a result of changes in interest rates. The Group does not enter into financial transactions if it entails a risk that cannot be quantified.

To this end, the ANF Immobilier Group arranged 16 interest rate hedging contracts to swap three-month Euribor variable rates for fixed rates.

By the end of the year, €253 million in debt had been repaid and a decision had been taken to repay an additional €25 million in January 2013.

These loans were hedged by 15 interest rate hedging contracts to swap three-month Euribor variable rates for fixed rates. These contracts, which involve total amounts outstanding of €275.6 million maturing, for the most part, on December 31, 2014, were not canceled and, consequently, have been reclassified as trading instruments.

ADDITIONAL INFORMATION (in thousands of euros)

NOTE 1 – NON-CURRENT ASSETS

INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT, AND OPERATING PROPERTY

GROSS VALUE	Balance as at 12/31/2012	Increase	Decrease	Balance as at 12/31/2011	Increase	Decrease	Balance as at 12/31/2012
Intangible assets	1,134	128	0	1,262	144	(82)	1,324
Operating property	3,209	0	(129)	3,080	0	(688)	2,392
Furniture, office & computer equipment	1,122	457	(67)	1,512	1,223	(716)	2,019
TOTAL	**5,465**	**585**	**(196)**	**5,854**	**1,367**	**(1,486)**	**5,735**

DEPRECIATION & AMORTIZATION	Balance as at 12/31/2012	Increase	Decrease	Balance as at 12/31/2011	Increase	Decrease	Balance as at 12/31/2012
Intangible assets	684	194	0	878	179	0	1,057
Operating property	518	147	(125)	540	134	116	790
Furniture, office & computer equipment	869	113	(41)	941	184	(296)	829
TOTAL	**2,071**	**454**	**(166)**	**2,359**	**497**	**(180)**	**2,676**
Net values	**3,394**	**131**	**(30)**	**3,495**	**870**	**(1,306)**	**3,059**

INVESTMENT PROPERTY

Valuation of properties	Lyon	Marseille	Bordeaux	B&B Hotels	Balance as at 12/31/2012
Investment property	136,155	691,418	15,501	5,310	848,384
Property held for sale	0	9,564	0	23,500	33,064
Investment property and property held for sale	**136,155**	**700,982**	**15,501**	**28,810**	**881,448**
Operating property	0	2,470	0	0	2,470
Valuation of properties	**136,155**	**703,452**	**15,501**	**28,810**	**883,918**

Investment property and property held for sale	Lyon	Marseille	Bordeaux	B&B Hotels	Total
Balance as at 12/31/2010	**434,077**	**643,969**	**0**	**492,240**	**1,570,286**
Investments	24,925	42,556	5,089	751	73,321
Income from disposals	(22,739)	(18,761)	0	0	(41,500)
Change in value	21,909	3,196	0	19,869	44,974
Balance as at 12/31/2011	**458,172**	**670,960**	**5,089**	**512,860**	**1,647,081**
Investments	25,775	59,166	10,070	2,125	97,136
Income from disposals	(306,916)	(16,770)	0	(469,448)	(793,134)
Change in value	(40,897)	(12,375)	343	(16,705)	(69,634)
Balance as at 12/31/2012	**136,134**	**700,981**	**15,502**	**28,832**	**881,449**

The change in value includes a capital loss on a disposal of -€53,929,000 and a drop in value of properties of -€15,705,000.

Details of investments	Lyon	Marseille	Bordeaux	B&B Hotels	Total
Acquisitions	8,342	0	5,089	445	13,876
Works	16,583	42,556	0	306	59,445
2011 total	**24,925**	**42,556**	**5,089**	**751**	**73,321**
Acquisitions	0	0	0	0	0
Works	25,775	59,166	10,070	2,125	97,136
2012 total	**25,775**	**59,166**	**10,070**	**2,125**	**97,136**

Apart from buildings subject to a sales promise, the Company's city-center real estate assets were appraised by Jones Lang LaSalle and BNP Real Estate Expertise using a number of different approaches:

- the rental income capitalization method for the Lyon and Marseille properties;
- the comparison method for the Lyon and Marseille properties;
- the developer balance sheet method for land;
- the income method for hotel properties.

- <u>Rental income capitalization method</u>

The appraisers used two different methodologies to capitalize rental income:

1) Current rental income is capitalized up to the end of the existing lease. The capitalized current rent to expiry or revision is added to the capitalized renewal rent to perpetuity. The latter is discounted to the appraisal date on the basis of the date of commencement of capitalization to perpetuity. An average ratio was used between "vacancies" and "renewals" on the basis of historic tenant changes.

Recognition of market rent may be deferred for a variable vacancy period for any rent-free period, renovation work or marketing period, etc. following the departure of the sitting tenant;

2) For each premises appraised, a rental ratio is calculated, expressed in € per sq.m. per annum, making it possible to calculate the annual market rent (ratio x weighted floor space).

An "imputed rent" is estimated and used for the purposes of calculating the income method (capitalized rent). It is determined on the basis of the nature and occupancy level of the premises, and is capitalized at a yield approaching market levels, though where appropriate this includes upward potential.

The low yields in question include upward rental potential either where a sitting tenant leaves or where rent caps are lifted due to changes in local marketability factors.

Different yields have been applied by use and also between current rental income and rent on renewal. Appraisals also take account of expenditure required to maintain real estate properties (renovation of facades, stairwells, etc.).

Change in the yields used in appraisals is given below:

Yield	12/31/2012	12/31/2011	12/31/2010
Lyon			
Retail	5.00% to 5.75%	5.00% to 5.75%	5.10% to 6.00%
Offices	6.00% to 6.75%	6.00% to 6.75%	6.25% to 6.75%
Residential (excl. Law 48)	4.00% to 4.30%	4.00% to 4.30%	4.25% to 4.65%
Marseille			
Retail	5.00% to 5.75%	5.50% to 7.45%	5.50% to 7.35%
Offices	6.25% to 7.50%	6.25% to 7.50%	6.25% to 7.25%
Residential (excl. Law 48)	4.00% to 4.30%	4.15% to 4.75%	4.25% to 5.15%

- Comparison method:

In the case of residential premises, an average price per sq.m. vacant and excluding transfer taxes is ascribed to each premises appraised, based on examples of market transactions for similar assets.

For commercial property, and in particular retail premises (where rent caps cannot be lifted), the ratio of the average price per sq.m. is closely linked to rental terms.

With regard to city-center properties, a value after work, a value after work on private areas, a value after work on communal areas and a current condition value are presented for each of the two methods for each property appraised.

The value applied for each premises in its current condition is the average of the two methods, unless the appraiser indicates otherwise. The final value excluding transfer taxes is converted into a value including transfer taxes (by applying transfer taxes at 6.20% for old buildings and 1.80% for new buildings), giving the effective yield for each premises (ratio between actual gross income and the value including transfer taxes).

- Developer balance sheet method for redevelopment land:

For land available for construction, the appraiser distinguishes between land with planning approval and/or an identified and likely project, and land for which there is no clearly defined project with advanced plans.

In the first instance, the appraiser looks at the project from a development perspective.

For ordinary land reserves, the approach is based on the value per sq.m. of land available for construction having regard to market prices.

- Income method for hotel properties:

For each asset, net rent is capitalized on the basis of a weighted yield specific to each hotel based on its characteristics.

The result is a freehold market value for the asset including "transfer taxes" (i.e. total cost of the property including all fees).

Capitalization rates range from 5.65% to 6.87% and were determined on the basis of:

- the nature of the property rights to be assessed, and the asset's profile;
- the investment climate, particularly for this asset class;
- specific characteristics of each asset via a capitalization rate that reflects its characteristics in terms of location, site and quality.

Sensitivity analysis

The market value of the real estate assets was calculated by varying yields by 0.1 points for city-center and hotel properties.

The sensitivity of the market value of the real estate assets assessed using the income method is as follows:

change in yield	-0.20%	-0.10%	0.10%	0.20%
Impact on value				
City-center portfolio	4.78%	2.32%	-2.32%	-4.51%

NON-CURRENT FINANCIAL ASSETS

Non-current financial assets	Balance as at 1/0/1900	Increase	Decrease	Balance as at 12/31/2011	Increase	Decrease	Balance as at 12/31/2012
Liquidity contract	0	298	0	298	0	(73)	225
Other loans	122	11	0	133	8,546	-3	8,676
Deposits & guarantees	16	0	0	16	0	(7)	9
Gross total	**138**	**309**	**0**	**447**	**8,546**	**(83)**	**8,910**
Provisions for the liquidity contract	0	(1)	0	(1)	(11)	0	(12)
Provisions for other loans	0	0	0	0	0	0	0
Provisions for deposits and guarantees	(6)	0	0	(6)	(7)	6	(7)
Net total	**132**	**308**	**0**	**440**	**8,528**	**(77)**	**8,891**

Current account loans granted to JDML stood at €8.6 million.

In 2005, a liquidity contract was arranged for ANF Immobilier stock. This contract is managed by Rothschild bank.

NOTE 2 - RECEIVABLES MATURITY SCHEDULE

(In thousands of euros)	Amount 12/31/12	Less than one year	one to five years	More than five years
Trade receivables	**3,734**	3,734	0	0
Other receivables	**3,481**	3,481	0	0
GROSS TOTAL	**7,215**	**7,215**	**0**	**0**
Provisions	**1,942**	1,942	0	0
NET TOTAL	**5,273**	**5,273**	**0**	**0**

NOTE 3 - DEBT MATURITY SCHEDULE AT END OF PERIOD

(In thousands of euros)	Amount 12/31/12	Less than one year	one to five years	More than five years
Bank debts and liabilities	314,055	27,677	272,516	13,862
Payables to fixed-asset suppliers	11,554	11,554	0	0
Trade payables	2,309	2,309	0	0
Tax and corporate liabilities	14,242	14,242	0	0
Rental security deposits	2,972	2,972	0	0
Other payables	1,276	1,276	0	0
TOTAL	**346,408**	**60,031**	**272,516**	**13,862**

NOTE 4 - CASH AND CASH EQUIVALENTS

(In thousands of euros)	12/31/12	12/31/12	31/12/2010
Money market funds and marketable securities	1,978	36,082	27,820
Current bank accounts	20,279	1,636	505
Cash and cash equivalents	**22,257**	**37,718**	**28,325**
Bank overdrafts	(7)	0	(1,250)
Outstanding bank interest	(278)	(333)	(186)
Net cash and cash equivalents	**21,972**	**37,385**	**26,889**

NOTE 5 - ACCRUAL ACCOUNTS - ASSETS

Prepaid expenses include subscriptions, insurance, finance lease payments, fees, and other expenses involving future periods.

NOTE 6 - ACCRUAL ACCOUNTS - LIABILITIES

Prepaid income includes €215,000 in rental and service charge payments for the coming months.

NOTE 7 - CONTINGENCY AND LOSS PROVISIONS

GROSS VALUE (In thousands of euros)	Balance as at 12/31/10	Increase	Decrease	Balance as at 12/31/11	Increase	Decrease	Balance as at 12/31/12
Provision for long-service awards	12	0	0	12	0	0	12
Provision for supplementary post-employment benefits	45	0	0	45	0	0	45
Other contingency provisions	208	228	(106)	330	1,477	(230)	1,577
TOTAL	**265**	**228**	**(106)**	**387**	**1,477**	**(230)**	**1,634**
Current liabilities	208	228	(106)	330	1,477	(230)	1,577
Non-current liabilities	57	0	0	57	0	0	57

Reversals of provisions are for provisions used or that no longer serve any purpose.

The most significant ongoing disputes are as follows:

1) Chief Operating Officer and Real Estate Director:

Legal action is currently underway following the removal and dismissal in April 2006 of ANF Immobilier's Chief Operating Officer and Real Estate Director:

- the dismissed employees have filed claims with the Paris Employment Tribunal for €3.4 million in the case of the former Chief Operating Officer and €1.0 million in the case of the former Real Estate Director;
- Similarly, a commercial suit has been lodged against ANF Immobilier with the Paris Commercial Court by the former Chief Operating Officer as a former Company officer;
- A suit has also been lodged with the same court by a former supplier.

Prior to the bringing of these employment and commercial suits, ANF Immobilier had, in connection with criminal proceedings, brought a civil action for damages before an investigating magistrate in Marseille regarding alleged acts committed by the aforementioned former supplier, and by its two former officers and other parties.

A criminal investigation is underway and letters rogatory have been provided to the Marseille Criminal Investigation Bureau. ANF Immobilier's former Chief Operating Officer and Real Estate Director have been charged and placed under judicial supervision. Likewise for the former supplier, who was held on remand for a number of months.

The Examining Chamber of the Aix en Provence Appeal Court handed down a ruling on March 4, 2009 confirming the charges laid against ANF Immobilier's former Chief Operating Officer and hence the existence of serious and corroborating evidence against him with regard to the claimed misuse of corporate assets to the detriment of ANF Immobilier.

On account of the close link between the criminal and labor aspects of this case, the Paris Employment Tribunal upheld the application for a stay of proceedings.

2) TPH proceedings – Toti:

Representing Eurazeo, ANF Immobilier entered into an agreement with Philippe TOTI, a private entrepreneur (TPH), with regard to the refurbishment of part of its real estate assets in Marseille.
At the same time as filing criminal proceedings with a Marseille investigating magistrate, directed in particular against the former supplier for receiving stolen goods and aiding and abetting, ANF Immobilier established that the latter was not employing the material and human resources required to meet its contractual obligations.
At ANF Immobilier's request, a bailiff confirmed that work has been abandoned.

On June 19, 2006, following the bailiff's confirmation, ANF Immobilier canceled the works contracts entered into with the former supplier.

The liquidator of the former supplier and the former supplier also issued a writ against ANF Immobilier before the Paris Commercial Court on February 16, 2007.

ANF Immobilier sought a stay of proceedings or an adjourning of the case pending a final decision on the criminal proceedings (Marseille District Court), on the basis of the civil suit for damages brought by ANF Immobilier for misuse of corporate assets and receiving stolen goods.

In a decision handed down on November 26, 2009, the President of the Paris Commercial Court granted the stay of proceedings pending a decision in the criminal case.

Accordingly, the Paris Commercial Court shall not be called upon to examine the admissibility and grounds for the claim lodged by Mr. Toti and the liquidator of TPH until the final criminal decision has been handed down on the events surrounding ANF Immobilier's suit.

3) Expropriation procedure

On December 6, 2011, the Euroméditerranée Urban Development Agency notified ANF Immobilier of an expropriation procedure concerning a 2,366 sq.m. plot in Marseille, offering compensation of €1,450,600.
ANF Immobilier has contested this offer.
In a decision handed down on June 14, 2012, the Marseille Administrative Court set the compensation due to ANF Immobilier for the expropriation of said land at €2,228,082. The Euroméditerranée Urban Development Agency lodged an appeal against this decision before the Aix en Provence Appeal Court.

No provision has been recorded in the Company's financial statements for these disputes.

To the best of the Company's knowledge, there are no other government, court or arbitration proceedings pending or threatened that might have or over the past six months have had a material effect on the Company's financial position or profitability.

NOTE 8 – TREASURY SHARES

(In thousands of euros)	12/31/2012	12/31/2011	12/31/2009
Shares registered minus shareholders' equity	11,098	10,697	4,281
Number of shares	323,312	315,992	115,992
TOTAL NUMBER OF SHARES	**17,730,570**	**27,774,794**	**27,453,778**
Treasury shares as a %	1.82%	1.14%	0.42%

NOTE 9 – FINANCIAL INSTRUMENTS

The ANF Immobilier Group is exposed to interest rate risk. Management actively manages this risk exposure. The Group uses a number of financial derivatives to address this. The goal is to reduce, wherever deemed appropriate, fluctuations in cash flows as a result of changes in interest rates. The Group does not enter into financial transactions if it entails a risk that cannot be quantified.

ANF Immobilier has undertaken to comply with the following hedging requirements:

- Crédit Agricole CIB: 50 % of the debt hedged at fixed rates.
- Société Générale: 100 % of the debt hedged at fixed rates.

To this end, the ANF Immobilier Group arranged 16 interest rate hedging contracts to swap three-month Euribor variable rates for fixed rates.

By the end of the year, €253 million in debt had been repaid and a decision had been taken to repay an additional €25 million in January 2013.

These loans were hedged by 15 interest rate hedging contracts to swap three-month Euribor variable rates for fixed rates. These contracts, which involve total amounts outstanding of €275.6 million maturing, for the most part, on December 31, 2014, were not canceled and, consequently, have been reclassified as trading instruments.

Their value, estimated at -€21.8 million at December 31, 2012, was recognized through consolidated profit or loss.

The table below sets out the impact of interest rate derivatives on ANF Immobilier's consolidated financial statements:

Effective date	Maturity date	Fixed rate paid	(In thousand of euros)	Nominal	Fair value assets 12/31/2012	Fair value liabilities 12/31/2012	Changes in fair value over the year	Impact on financial income	Impact on equity
7/24/2006	7/24/2012	3.9450%	Three-month Euribor swap/3.945%, nominal 22,000	due		0	338		338
12/15/2006	12/15/2012	3.9800%	Three-month Euribor swap/3.980%, nominal 28,000	due		0	781		781
8/11/2008	6/30/2014	4.5100%	Three-month Euribor swap/4.51%	28 000	0	(1 818)	565	-	565
8/11/2008	6/30/2014	4.5100%	Three-month Euribor swap/4.51%	10 000	0	(649)	202	(2)	204
10/8/2008	6/30/2014	4.2000%	Three-month Euribor swap/4.2%	9 500	0	(573)	164	(3)	167
10/10/2008	6/30/2014	4.1000%	Three-month Euribor swap/4.1%	12 800	0	(752)	208	(16)	224
11/14/2008	6/30/2014	3.6000%	Three-month Euribor swap/3.6%	5 700	0	(292)	64	(5)	69
12/24/2008	6/30/2014	3.1900%	Three-month Euribor swap/3.19%	6 350	0	(286)	47	-	47
3/13/2009	6/30/2014	2.6800%	Three-month Euribor swap/2.68%	11 700	0	(436)	26	(6)	31
1/4/2010	6/30/2014	2.3580%	Three-month Euribor swap/2,358%	23 900	0	(774)	(19)	(27)	8
1/3/2011	6/30/2014	2.5000%	Three-month Euribor swap/2.50%	64 000	0	(2 212)	40	-	40
12/17/2012	6/30/2014	3.1590%	Three-month Euribor swap/3.159%	50 000	0	(2 226)	(656)	-	(656)
6/30/2014	6/30/2017	2.6030%	Three-month Euribor swap/2.603%	40 000	0	(2 285)	(1 643)	(5)	(1 638)
6/30/2014	6/30/2016	2.4050%	Three-month Euribor swap/2.405%	40 000	0	(1 509)	(1 074)	(2)	(1 071)
6/30/2014	6/30/2016	2.2400%	Three-month Euribor swap/2.24%	20 000	0	(688)	(534)	(1)	(534)
6/30/2014	6/30/2018	2.5400%	Three-month Euribor swap/2.54%	20 000	0	(1 311)	(1 079)	(3)	(1 077)
6/30/2014	6/29/2017	2.0000%	Three-month Euribor swap/2.00%	20 000	0	(779)	(779)	33	(812)
7/1/2014	6/30/2018	2.1800%	Three-month Euribor swap/2.18%	20 000	0	(1 023)	(1 023)	(47)	(976)
			Financial hedging instruments	**381 950**	**0**	**(17 613)**	**(4 375)**	**(83)**	**(4 291)**
10/31/2007	12/31/2014	4.4625%	Three-month Euribor swap/4.4625%	65 000	0	(5 555)	901	(5 555)	6 456
4/11/2008	3/31/2015	4.2775%	Three-month Euribor swap/4.2775%	11 000	0	(1 003)	95	(1 003)	1 097
8/20/2007	6/30/2014	4.4550%	Three-month Euribor swap/4.455%	18 000	0	(1 154)	352	(1 154)	1 506
9/28/2007	12/31/2014	4.5450%	Three-month Euribor swap/4.5450%	65 000	0	(5 668)	972	(5 668)	6 640
10/31/2007	12/30/2014	4.3490%	Three-month Euribor swap/4.3490%	14 000	0	(1 163)	179	(1 163)	1 342
6/16/2008	12/31/2014	4.8350%	Three-month Euribor swap/4.8350%	6 700	0	(623)	118	(623)	741
8/4/2008	6/30/2014	4.7200%	Three-month Euribor swap/4.72%	10 000	0	(681)	222	(681)	903
7/1/2008	12/31/2014	4.8075%	Three-month Euribor swap/4.8075%	2 300	0	(213)	40	(213)	253
8/11/2008	12/30/2014	4.5090%	Three-month Euribor swap/4.509%	28 000	0	(2 416)	404	(2 416)	2 820
8/11/2008	12/30/2014	4.5040%	Three-month Euribor swap/4.504%	10 167	0	(876)	146	(876)	1 022
10/6/2008	12/31/2014	4.3500%	Three-month Euribor swap/4.35%	5 046	0	(420)	66	(420)	486
12/23/2008	12/31/2014	3.2500%	Three-month Euribor swap/3.25%	5 821	0	(355)	13	(355)	369
2/6/2009	12/31/2014	2.9700%	One-month Euribor swap/2.97%	3 300	0	(182)	(2)	(182)	180
6/26/2009	12/31/2014	2.8800%	Three-month Euribor swap/2.88%	11 435	0	(612)	(14)	(612)	598
1/4/2010	12/31/2014	2.4750%	Three-month Euribor swap/2.475%	19 861	0	(900)	(102)	(900)	798
			Financial trading instruments	**275 629**	**0**	**(21 821)**	**3 391**	**(21 821)**	**25 212**
			Total from financial instruments	**657 579**	**0**	**(39 434)**	**(984)**	**(21 904)**	**20 921**

The financial derivatives were measured by discounting the estimated future cash flows on the basis of the yield curve as of Monday, December 31, 2012.

NOTE 10 DEFAULT CLAUSES ("COVENANTS")

With respect to loans and credit lines, ANF has given certain undertakings including that of compliance with the following Financial Ratios:

<u>Interest Cover Ratio</u>

The Interest Cover Ratio must be two (2) or above from the first Test Date, and for as long as sums remain due under the Agreement.

The Interest Cover Ratio is calculated quarterly at each Test Date, (i) for Interest Cover Ratios at December 31 each year, on the basis of the certified annual financial statements (consolidated, if the Borrower is required to prepare consolidated financial statements), (ii) for Interest Cover Ratios at June 30 each year, on the basis of the Borrower's unaudited interim financial statements (consolidated, if the Borrower is required to prepare consolidated financial statements), and, (iii) for Interest Cover Ratios at March 31 and September 30 each year, on the basis of a provisional quarterly accounting close.

"**Interest Cover Ratio**" denotes the ratio of Gross Operating Income to Net Financial Expense for an Interest Period.

Loan to Value Ratio

The Loan to Value Ratio must be 50% (fifty percent) or lower from the first Test Date, and for as long as sums remain due under the Agreement.

The Loan to Value Ratio is calculated every six months on each Test Date, on the basis of the certified annual financial statements or unaudited interim financial statements.

"Loan to Value Ratio" denotes the ratio of Net Debt to the Appraisal Value of Real Estate Assets.

For the loan provided by Crédit Agricole CIB, this ratio is also calculated on the Haussmann-style properties, excluding the B&B hotel properties.

	Reference standard	Test frequency	Ratios as at 12/31/2012	Ratios as at 12/31/2011	Ratios as at 12/31/2010
ICR ratio (EBITDA/net financial expenses)	minimum 2	quarterly	3.5	3.9	3.2
LTV ratio (net financial debt/appraisal value of property)	maximum 50%	half-year	33.0%	29.2%	29.2%

ANF Immobilier is also committed to retaining real estate assets worth in excess of €700 million and to paying down some of its loans in the event of a change of control.
ANF Immobilier is in compliance with all of the undertakings agreed to with respect to its loan agreements.

NOTE 11 - OFF-BALANCE SHEET COMMITMENTS

COMMITMENTS RECEIVED

Current off-balance sheet commitments received by ANF Immobilier relate to credit facilities that remained undrawn at the balance sheet date and can be summarized as follows:

Commitments received (in thousands of euros)	12/31/2012	12/31/2011	12/31/2010
Guarantees and deposits received	6,294	6,564	2,753
Other commitments received	106,228	172,164	99,542
Total	**112,522**	**178,728**	**102,295**

The main commitments are the following:

- ANF Immobilier has accepted a number of credit facilities. Unused credit facilities amounted to €98 million.

COMMITMENTS GIVEN

Current off-balance sheet commitments made by ANF Immobilier can be summarized as follows:

Commitments given (in thousands of euros)	12/31/2012	12/31/2011	12/31/2010
Pledges, mortgages and collateral	15,965	261,568	263,132
Guarantees and deposits given	21,826	22,044	0
Agreements to sell	31,508	6,147	0
Other commitments given	5,024	6,267	9,007
Total	**74,323**	**296,026**	**272,139**

The main commitments are the following:

- the following guarantees have been given in return for the €250 million seven-year loan from a bank syndicate led by Crédit Agricole CIB:
    - a pledge over bank current accounts;
    - assignment of property insurance premiums under the “Dailly” law.

In respect of loans, ANF Immobilier has undertaken to comply with the Financial Ratios described in Note 10.

Bank guarantees were furnished in the amount of €22 million to secure the payment of the acquisition price for the Milky Way property in Lyon and to secure the payments due on the works contract on block 34 in Marseille.
Promises of sale were signed for seven B&B hotels and several properties in Marseille.

NOTE 12 – MOVEMENT IN SHARE CAPITAL AND SHAREHOLDERS' EQUITY

Under Article 6 of the Articles of Association, the share capital is set at seventeen million seven hundred and thirty thousand five hundred and seventy euros (17,730,570). It is divided into seventeen million seven hundred and thirty thousand five hundred and seventy (17,730,570) shares with a par value of one euro each, fully paid up and all of the same class.

The Shareholders' Meeting of November 21, 2012, decided to implement a capital reduction of 10,044,224 shares by means of the buyback and subsequent cancellation of Company shares. The shares were bought back at €31.10 per share.
This capital reduction was recorded by the Executive Board on December 27, 2012, once the Public Buyback Offer was complete.

NOTE 13 – DEFERRED TAX ASSETS AND LIABILITIES

There are no deferred tax assets or liabilities.

NOTE 14 – RELATED PARTIES

(In thousands of euros)	Eurazeo	SCCV 1-3 rue d'Hozier	SAS JDML
Other receivables	0	394	8,421
Suppliers and related accounts	464	0	0
Other debts	3	0	0
Net financial expense	0	0	208
Employee benefits expenses	236	0	0
Other management expenses	350	0	0
Income from entities accounted for by the ec	0	0	5

The compensation owing to members of the Executive Board is set out below.

Compensation paid to members of the Executive Board		12/31/2012	12/31/2011
Bruno Keller			
	Fixed Compensation	309 000	
	Variable Compensation	295 324	
	Extraordinary premium	151 081	
	Benefits in kind	0	
Xavier de Lacoste Lareymondie			
	Fixed Compensation	247 200	247 200
	Variable Compensation	124 663	136 860
	Extraordinary premium	124 216	
	Benefits in kind	6 125	4 002
Ghislaine Seguin			
	Fixed Compensation	154 500	154 500
	Variable Compensation	77 914	82 613
	Extraordinary premium	262 414	
	Benefits in kind	3 683	1 107

The payment of extraordinary bonuses, which were awarded following the completion of end-of-year disposals, will be spread over a three-year period for the Chairman and the Chief Operating Officer.

NOTE 15 – INCOME STATEMENT AND SEGMENT REPORTING

Primary segment reporting is business-related, insofar as it represents the Group's management structure and is presented on the basis of the following business segments:

- Operating activity for city-center properties;
- Hotel operations.

Secondary segment reporting is by geographic region:

- Lyon region;
- Marseille region;
- Bordeaux region.

(In thousands of euros)	12/31/2012	Unallocated	B&B Hotels	Total of City-center portfolio	Marseille	Lyon	Bordeaux
Revenues: rental income	71 472	0	29 657	41 815	23 592	17 921	302
Other operating income	7 091	0	2 751	4 340	2 856	1 480	4
TOTAL OPERATING INCOME	78 562	0	32 408	46 155	26 448	19 401	306
Property expenses	(9 901)	0	(2 453)	(7 448)	(5 398)	(2 020)	(30)
Other operating expenses	(757)	0	0	(757)	(630)	(127)	0
TOTAL OPERATING EXPENSE	(10 658)	0	(2 453)	(8 205)	(6 027)	(2 148)	(30)
GROSS OPERATING MARGIN FROM PROPERTY	67 904	0	29 955	37 950	20 420	17 254	276
Capital gains (losses) from disposal of assets	(53 929)	0	(12 143)	(41 786)	100	(41 886)	0
GROSS OPERATING MARGIN FROM PROPERTY AFTER DISPOSALS	13 975	0	17 812	(3 836)	20 520	(24 632)	276
Employee benefits expenses	(9 830)	0	(1 966)	(7 864)	(4 915)	(2 458)	(492)
Other management expenses	(3 574)	0	(715)	(2 860)	(1 787)	(894)	(179)
Other income and transfers of expenses	1 723	0	345	1 379	862	431	86
Other expenses	(1 030)	(503)	(49)	(478)	(367)	(99)	(12)
Depreciation & amortization	(508)	0	(102)	(407)	(254)	(127)	(25)
Other operating provisions (net of reversals)	40	0	32	8	(130)	130	8
NET OPERATING INCOME (BEFORE CHANGES IN FAIR VALUE OF PROPERTY)	797	(503)	15 357	(14 057)	13 929	(27 649)	(338)
Changes in fair value of property	(15 705)	0	(4 562)	(11 143)	(12 475)	989	343
NET OPERATING INCOME (AFTER CHANGES IN FAIR VALUE OF PROPERTY)	(14 908)	(503)	10 795	(25 200)	1 454	(26 660)	5
Net financial expense	(15 822)	0	(9 457)	(6 365)	(4 186)	(2 132)	(47)
Financial amortization and provisions	(19)	(19)	0	0	0	0	0
Gains (losses) on financial instruments	(23 066)	(1 161)	(19 986)	(1 919)	(84)	(1 835)	0
Share of income from entities accounted for by the equity method	5	0	0	5	5	0	0
INCOME BEFORE TAX	(53 809)	(1 683)	(18 648)	(33 479)	(2 811)	(30 627)	(42)
Current taxes	(11 336)	(11 336)	0	0	0	0	0
Deferred taxes	0	0	0	0			0
NET CONSOLIDATED INCOME	(65 145)	(13 019)	(18 648)	(33 479)	(2 811)	(30 627)	(42)

NOTE 16 – EARNING PER SHARE

	12/31/2012	12/31/2011	12/31/2010
(In thousands of euros)			
Net income for basic earnings per share calculation	(65,145)	95,813	74,863
Net income for diluted earnings per share calculation	(65,145)	95,813	74,863
Number of ordinary shares for base earnings per share at the balance sheet date*	17,407,258	27,458,802	27,337,786
Average weighted number of ordinary shares for base earnings per share*	27,428,008	27,387,175	27,300,388
Stock options for diluted earnings per share	0	0	0
Diluted number of ordinary shares*	17,407,258	27,458,802	27,337,786
Diluted average weighted number of ordinary shares*	27,428,008	27,387,175	27,300,388
(in euros)			
Net earnings per share	- 3.74	3.49	2.74
Diluted earnings per share	- 3.74	3.49	2.74
Weighted net earnings per share	- 2.38	3.50	2.74
Diluted weighted earnings per share	- 2.38	3.50	2.74

* number of shares in 2010 after taking into account bonus shares (1 for 20) granted in 2010.

The number of shares does not include treasury shares.

NOTE 17 – NAV PER SHARE

The NAV is calculated by dividing the Company's consolidated shareholders' equity by the number of shares, excluding treasury stock.

(In thousands of euros)	12/31/2012	12/31/2011	12/31/2010
Capital and consolidated reserves	**533 538**	**1 118 631**	**1 064 859**
Fair value adjustment of operating property	**868**	**587**	**447**
NNNAV	**534 406**	**1 119 218**	**1 065 306**
Elimination of the fair value adjustment of swaps	**17 712**	**38 632**	**35 354**
Net Asset Value	**552 118**	**1 157 850**	**1 100 660**
Total number of shares*	**17 730 570**	**27 774 794**	**27 453 778**
Treasury shares	**- 323 312**	**- 315 992**	**- 115 992**
Shares excluding treasury shares	**17 407 258**	**27 458 802**	**27 337 786**
NAV per share (euros)	**31.7**	**42.2**	**40.3**
NNNAV per share (euros)	**30.7**	**40.8**	**39.0**
Valuation of treasury shares	6 641		
NNNAV EPRA (euros)	**30.5**		

*Adjusted for the 2010 bonus shares issued of one share for every 20 held.

NOTE 18 – CASH FLOW PER SHARE

(€ thousands)	12/31/12	12/31/11	Change	12/31/10	Change
Operating income before changes in fair value of property	797	70 677		57 068	
Depreciation & amortization	508	454		386	
Capital gains (losses) from disposal of assets	53 929	(2 240)		(1 621)	
Operating income before depreciation & amortization and income from disposals	**55 234**	**68 892**		**55 833**	
Cancellation of impact of IFRS 2 (stock options, recorded as employee expenses)	518	666		722	
Expenses related to special dividends	503				
EBITDA	**56 255**	**69 558**	**-19.1%**	**56 555**	**23.0%**
Net financial expense	(15 822)	(17 785)		(17 641)	
Current cash flow before tax	**40 433**	**51 773**	**-21.9%**	**38 913**	**33.0%**
Average number of shares during fiscal year	27 428 008	27 387 175		27 300 388	
Current cash flow per share	**1.47**	**1.89**	**-22.0%**	**1.43**	**32.6%**

Number of shares in 2010 adjusted to reflect the bonus shares (one share per 20 held) granted in 2010.

2011 operating income includes the back payments for previous years' rent invoiced to the company Le Printemps, amounting to €7,829,000.
Stripping out this non-recurring item, real estate asset disposals in Lyon and sales of B&B which tool place at the end of 2012, recurrent pro forma EBITDA for 2011 stood at €56,081,000 and recurrent cash flow for 2011 at €36,290,000.
EBITDA was up 0.3% on 2011 pro forma EBIDTA and current cash flow was up 2.9% on 2011 current pro forma cash flow.

NOTE 19 – TAX CALCULATION

(In thousands of euros)	12/31/12	12/31/11	12/31/10
Current taxes	(11 336)	(55)	0
Deferred taxes	0	(0)	(0)
TOTAL	**(11 336)**	**(55)**	**(0)**
Net income after minority interests	(65 145)	95 813	74 863
Income tax/CVAE correction and distribution tax	11 336	55	0
Income before tax	**(53 809)**	**95 868**	**74 863**
SIIC regime income (exempt)	(38 104)	53 159	39 340
SIIC regime fair value adjustment	(15 705)	42 709	35 523
Capital gains taxed at a reduced rate	0	0	0
TAX BASE	**0**	**(0)**	**0**
Current tax rate in France	34.43%	34.43%	34.43%
Reduced rate	19.63%	19.63%	19.63%
CVAE and distribution tax	11 336	55	0
Expected theoretical tax	**11 336**	**55**	**0**
TAX EXPENSE FOR THE FISCAL YEAR	**11 336**	**55**	**0**

NOTE 20 – INTEREST RATE RISK EXPOSURE

(In thousands of euros)	Balance 12/31/12	Repayments < one year	Balance 12/31/2013	Repayments one to five years	Balance 12/31/2017	Repayments more than five years
Fixed rate debt	**0**	**0**	**0**	**0**	**0**	**0**
Bank Loans	0	0	0	0	0	
Finance leases	0	0	0		0	
Variable rate debt	**314 055**	**(27 678)**	**286 377**	**(272 515)**	**13 862**	**(13 862)**
Loans at variable and revisable rates	313 770	(27 393)	286 377	(272 515)	13 862	(13 862)
Finance leases	0	0	0	0	0	
Bank overdrafts	7	(7)	0		0	
Accrued interest	278	(278)	0		0	
Gross debt	**314 055**	**(27 678)**	**286 377**	**(272 515)**	**13 862**	**(13 862)**
Cash & equivalents	**22 257**	**(22 257)**	**0**	**0**	**0**	**0**
Mutual funds and investments	1 978	(1 978)	0		0	
Liquid assets	20 279	(20 279)	0		0	
NET LIABILITIES	**291 798**	**(5 421)**	**286 377**	**(272 515)**	**13 862**	**(13 862)**
Fixed rate	0	0	0	0	0	0
Variable rate	291 798	(5 421)	286 377	(272 515)	13 862	(13 862)
Derivatives portfolio as at December 31, 2012	**497 579**					
Fixed for variable rate swaps	497 579					
Forward start derivatives portfolio	**160 000**					
Fixed for variable rate swaps	160 000					
Total derivatives portfolio	**657 579**					

NOTE 21 – CREDIT RISK

(In millions of euros)	12/31/2012		12/31/2011		12/31/2010	
Counterparty	Credit limit balance	drawn down	Credit limit balance	drawn down	Credit limit balance	drawn down
Crédit Agricole CIB, BECM, Société Générale, HSB	250	250	250	250	250	211
BNP Paribas	80	0	80	0	0	0
Groupe Crédit Mutuel CIC	41	23	41	0	41	0
Groupe Crédit Agricole	25	25	25	0	10	0
Other banks	0	0	18	0	6	5

NOTE 22 – EMPLOYEES

Headcount as at December 31, 2012	Male	Female	Total
Executives	19	11	30
Employees	8	12	20
Total	**27**	**23**	**50**