2007
ANNUAL REPORT

gecina

GECINA, A VERY HIGH QUALITY ASSET PORTFOLIO

OFFICES I RESIDENTIAL I LOGISTICS I HEALTHCARE I HOTELS

Khapa
ZAC Séguin – 92100 Boulogne-Billancourt

Crystalys
Avenue Morane Saulnier – 78140 Vélizy

Les Portes de la Défense
15-55 boulevard Charles-de-Gaulle – 92700 Colombes

175 boulevard Jean Jaurès – 92100 Boulogne-Billancourt

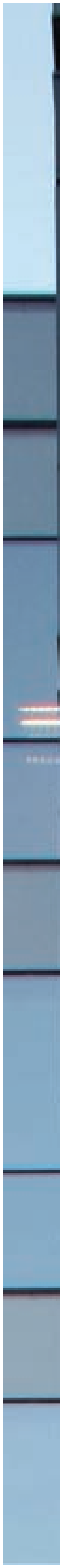

Clinique Saint-Martin Caen
18 rue des Roquemonts – 14050 Caen


ZAC du Tertre de Chérisy – 77000 Vaux-le-Pénil


136-140 rue Aristide Briand – 92300 Levallois-Perret


Village Club Med Opio – Domaine de la Tour
Chemin de la Tourreviste – 06650 Opio

Cover: Défense Ouest
420-426 rue d'Estienne d'Orves – 92700 Colombes



2007

A PROPERTY HOLDING OVER 13 BILLION EUROS

GECINA, ONE OF THE LEADING LISTED REAL ESTATE PLAYERS IN FRANCE

OFFICES

7,156 million euros

Leader in Paris office market

Over 1 million sq.m of asset portfolio in operation,
150 buildings, 15 projects

RESIDENTIAL

5,058 million euros

Benchmark residential operator in Europe

Over 17,400 apartments, 215 buildings

LOGISTICS

519 million euros

Top 5 player in France

0,8 million sq.m in operation,
0,4 million sq.m in projects

HEALTHCARE

233 million euros

32 hospitals, 5 projects

38% stake in Gecimed

HOTELS

283 million euros

8 hotels in operation, 1,700 rooms

Crystalys – Avenue Morane Saulnier – 78140 Vélizy

GECINA, ONE OF THE LEADING LISTED REAL ESTATE PLAYERS IN FRANCE

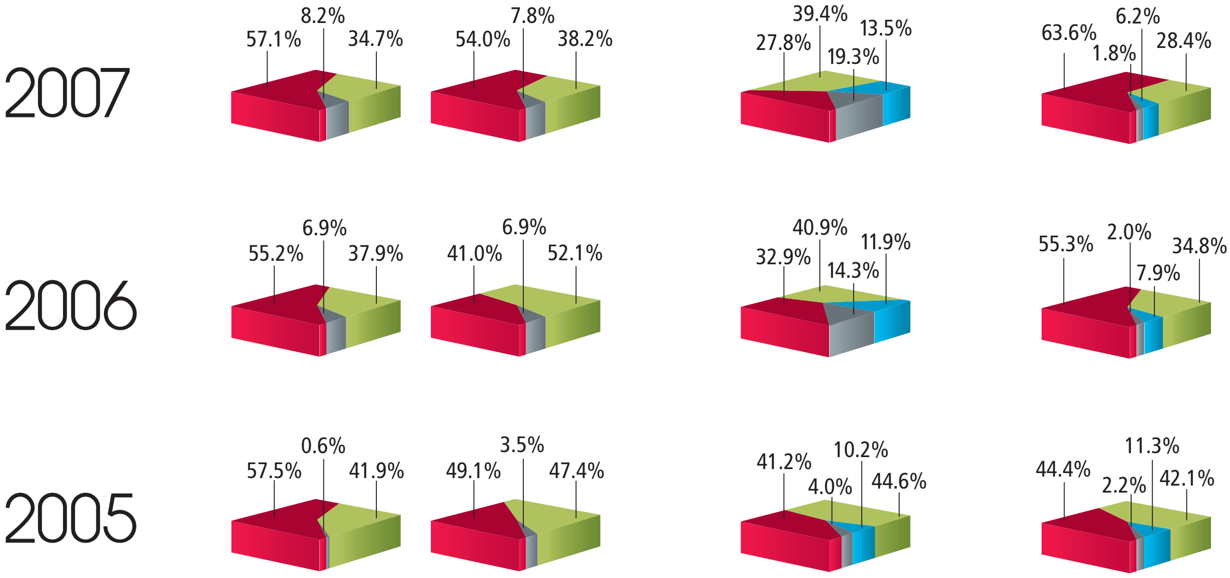
CONSOLIDATED DATA	2005	2006	2007
Rental income by segment (in million euros)	515.0	568.4	**591.8**
Offices	296.0	313.6	338.1
Residential	215.9	215.7	205.6
Other segments	3.0	39.1	48.2
Net asset value in unit values[1] for the property holding (in million euros)	9,515.0	12,047.5	**13,249.2**
Offices	4,667.2	6,278.0	7,156.1
Residential	4,512.7	4,942.4	5,058.1
Other segments	335.1	827.2	1,035.0
Gross yield on property holding	5.80%	5.16%	**5.12%**
Total surface area for property holding (sq.m)	2,578,193	3,142,152	**3,642,629**
Offices	1,065,278	1,161,413	1,187,572
Residential	1,289,159	1,219,247	1,180,827
Other segments	223,756	761,492	1,274,230
Number of apartments	17,991	17,187	**17,409**
Investments (in million euros)	894.0	1,923.9	**672.0**
Disposals (in million euros)	500.3	652.1	**508.9**

(1) Based on unit valuations for residential properties and block valuations for other assets, with GECINA's 38% stake in Gecimed

CHANGE IN BUSINESS

REGIONAL BREAKDOWN OF ASSETS

BREAKDOWN BY ASSET TYPE



% of rental income

% of net asset value (unit values) [1]

% of surface area

% of surface area

- Offices
- Residential
- Other segments

- Paris
- Greater Paris Region
- Lyons
- Other

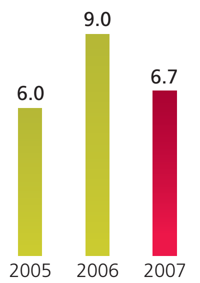
- Post 1975
- 1960-1975
- Haussmann-style
- Other

PERFORMANCES

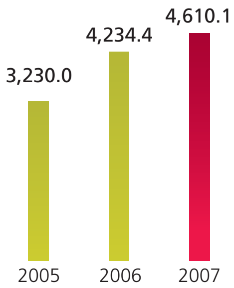
Condensed income statements (in million euros)	2005	2006	2007
Rental income	515.0	568.4	591.8
EBITDA before disposals	387.9	415.5	463.6
Operating income	803.9	1,912.7	1,530.8
Pre-tax current cash flow before disposals	265.8	275.9	292.6
Pre-tax income	678.0	1,828.1	1,351.8
Net income (Group share)	649.9	1,778.6	1,292.9
Data per share (€)			
Pre-tax current cash flow before disposals	4.06	4.59	4.85
Net income (Group share)	10.91	29.61	21.43
Diluted NAV (unit values) after tax[1-2]	96.92	124.93	142.55
Net dividend	3.90	4.20	5.01[3]
Number of shares			
Number of shares comprising share capital at Dec 31	62,210,448	62,269,670	62,424,545
Number of shares excluding treasury stock at Dec 31	59,961,814	60,127,800	60,363,721
Diluted number of shares excluding treasury stock[2] at Dec 31	60,325,062	60,990,887	61,406,474
Average number of shares excluding treasury stock[4]	59,569,203	60,061,265	60,331,680

(1) Based on unit valuations for residential properties and block valuations for other assets
(2) Based on the diluted number of shares (excluding treasury stock) at Dec 31, 2005, 2006 and 2007
(3) Subject to approval at the General Meeting on April 22nd, 2008
(4) Diluted to factor in stock options and warrants in 2005, 2006 and 2007

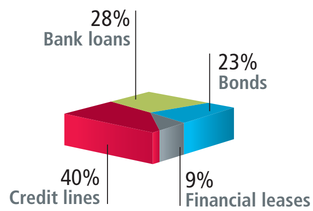
CHANGE
IN GECINA'S MARKET CAPITALIZATION
AT DEC 31 (billion euros)



NET FINANCIAL DEBT AT DEC 31
(million euros)

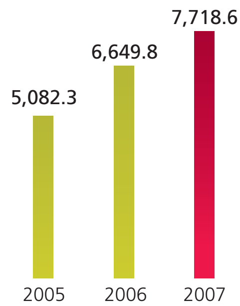


BREAKDOWN OF DEBT
AT DEC 31, 2007

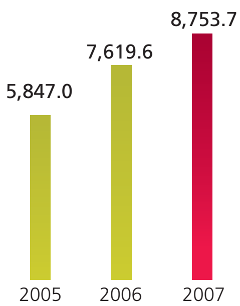


NET FINANCIAL DEBT / NET ASSET VALUE OF PROPERTY
HOLDING IN UNIT VALUES [1] AT DEC 31 (%)

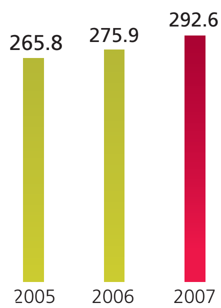
SHAREHOLDERS EQUITY AT DEC 31
(million euros)



DILUTED NET ASSET VALUE IN UNIT VALUES
AFTER TAX AT DEC 31 (million euros)

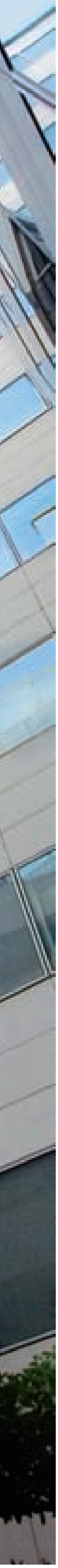


PRE-TAX CURRENT CASH FLOW BEFORE DISPOSALS
(BEFORE CHANGE IN FAIR VALUE) AT DEC 31 (million euros)



(1) Based on unit valuations for residential properties and block valuations for other assets, with GECINA's 38% stake in Gecimed


2-4 quai Michelet – 92 300 Levallois-Perret



"GECINA has the best assets to rise to the challenges of tomorrow"

Dear Shareholders,

After being appointed Chairman in 2005, I have focused all my efforts on making GECINA a leading Group on the real estate market in France and Europe. To achieve this, I have been able to draw on the expertise of our staff and the confidence that you, our Shareholders, have shown in me.

2007 enabled us to take the strategy launched three years ago even further forwards: a strategy that is based on growth, the diversification and strengthening of our asset portfolio thanks to investments in well located assets offering excellent yields, and the integration of major development projects.

Today, our business is larger and more profitable. At the end of the year, GECINA was Europe's third largest real estate company in terms of market capitalization. Our asset portfolio is one and a half time bigger than three years ago, since we have invested over 3.3 billion euros in new modern and high-quality buildings. We have also diversified our asset portfolio, leading the market in the office and residential sectors in the Greater Paris Region, while building up a growing presence on new segments such as logistics and hospitals. Over the last few years, our Shareholders have been rewarded with strong growth, particularly in terms of profits, net asset value and dividend per share.

The office business is still the most significant for GECINA. Over the last year, a number of major investments were made in new buildings, such as Défense Ouest or Pyramidion. These two projects, representing 58,189 sq.m and 9,363 sq.m respectively, are high quality and very well-designed. They have been well received by the market, attracting first-rate tenants.

The rental residential business represents a key source of stability for GECINA. In 2007, the gradual disposal of apartments continued, with 745 units sold off at far higher prices than their appraised values.

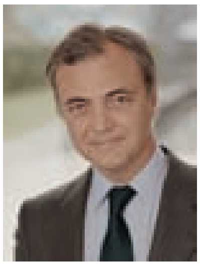
The diversification strategy has achieved excellent results. It is important to highlight the dynamic performance by the logistics segment over 2007, which has enabled us to already be ranked as one of the top five on this market. It is also important to note the creation and listing of Gecimed, the French healthcare real estate market leader, in which we own a stake. As far as the new elements for this year are concerned, GECINA has taken its first steps on the student residence segment, which offers far higher than average returns.

Last year, many new Shareholders joined GECINA, and I would like to offer them a warm welcome. They include the investors from Metrovacesa, who, like myself, decided to exchange their shares in order to bank on our strategy. Over the coming months, the separation between GECINA and Metrovacesa will become a reality. We will therefore be starting off on a new cycle of many challenges and opportunities, while benefiting from a shareholding structure that is more open and more committed to our business.

There are always opportunities to be capitalized on, even when the markets are beset by difficulties. Thanks to its current positioning, its strong portfolio of assets and projects, its excellent financial health and its formidable team of professionals, GECINA has the best assets to rise to the challenges of tomorrow.

Joaquín Rivero Valcarce,
Chairman and Chief Executive Officer

MANAGEMENT STRUCTURES




Joaquín Rivero Valcarce
Chairman and
Chief Executive Officer

Antonio Truan
Deputy Chief
Executive Officer

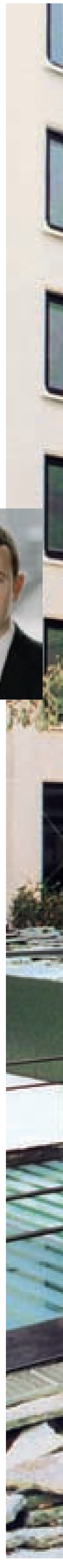
Enrique Gracia
Director of
Management Control,
Audit and Financial
Communication

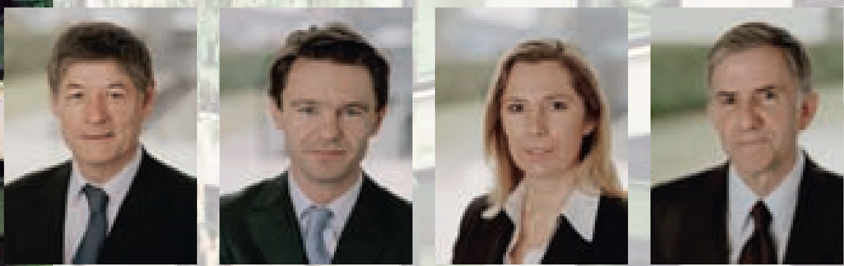
Michel Gay
Director of
Finance

Jean-Paul Deheeger
Director of
Logistics
Real Estate

Yves Dieulesaint
Director of
Strategic
Resources

Loïc Hervé
Director of
Residential
Real Estate





André Lajou
Director of Commercial Real Estate

Vincent Moulard
Director of Diversification Real Estate

Pascale Neyret
General Counsel

Philippe Valade
Director of Human Resources

14-16 rue des Capucines – 75002 Paris

BOARD OF DIRECTORS

Joaquín Rivero Valcarce, Chairman of the Board
Antonio Truan
Antoine Jeancourt-Galignani
Françoise Monod
Philippe Geslin
Bertrand de Feydeau
Patrick Arrosteguy
Santiago Fernández Valbuena
José Gracia Barba
Serafín Gonzales Morcillo
Michel Villatte
Joaquín Meseguer Torres
Prédica, represented by Jean-Yves Hocher
Victoria Soler Luján
Santiago de Ybarra y Churruca
Metrovacesa

APPOINTMENTS AND COMPENSATION COMMITTEE

Françoise Monod, Chairman
José Gracia Barba
Serafín Gonzales Morcillo
Michel Villatte
Antonio Truan

ACCOUNTING AND AUDIT COMMITTEE

Philippe Geslin, Chairman
Patrick Arrosteguy
Jean-Yves Hocher
Bertrand de Feydeau
Serafín Gonzales Morcillo

QUALITY AND SUSTAINABLE DEVELOPMENT COMMITTEE

Bertrand de Feydeau, Chairman
Jean-Yves Hocher
Patrick Arrosteguy
Antonio Truan
Philippe Geslin

GENERAL MANAGEMENT

Joaquín Rivero Valcarce, Chairman and Chief Executive Officer
Antonio Truan, Deputy Chief Executive Officer
Enrique Gracia, Director of Management Control, Audit and Financial Communication

INCUMBENT STATUTORY AUDITORS

Mazars & Guérard
Guy Isimat-Mirin
PricewaterhouseCoopers Audit
Éric Bulle

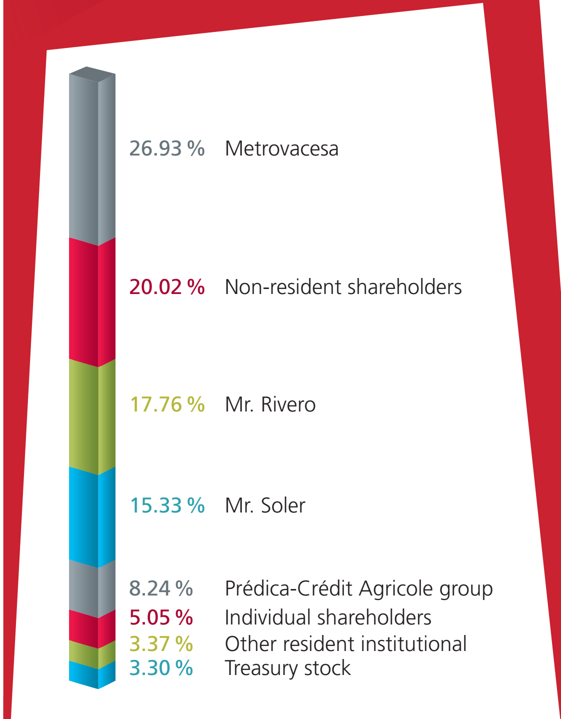
DEPUTY STATUTORY AUDITORS

Patrick de Cambourg
Pierre Coll

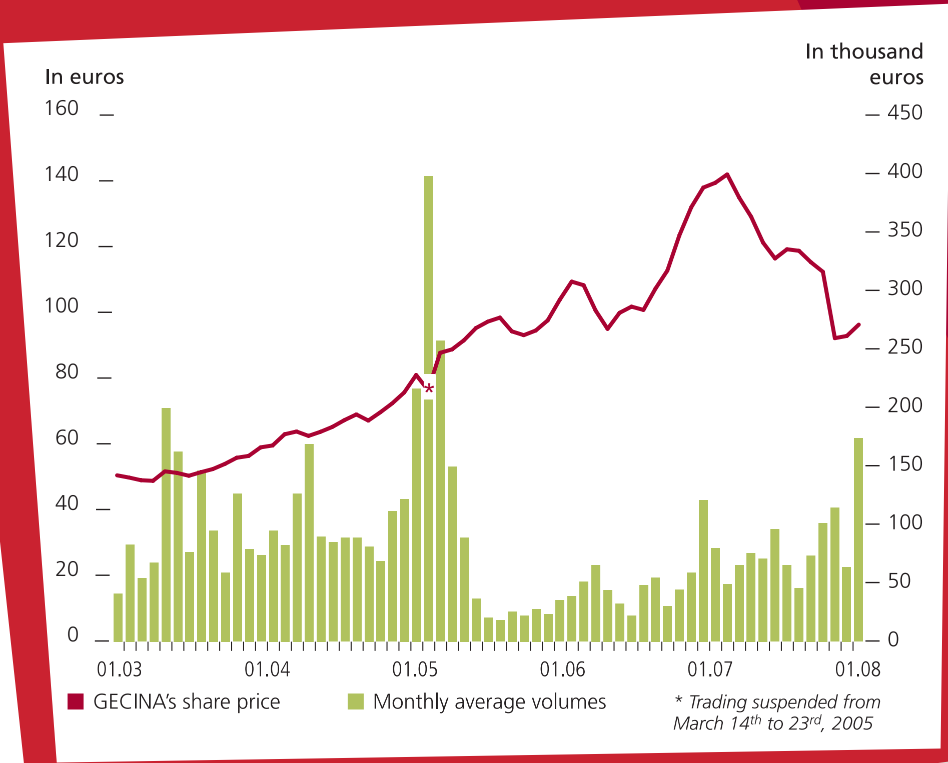
EXECUTIVE COMMITTEE

Joaquín Rivero Valcarce, Chairman and Chief Executive Officer
Antonio Truan, Deputy Chief Executive Officer
Michel Gay, Director of Finance
Jean-Paul Deheeger, Director of Logistics Real Estate
Yves Dieulesaint, Director of Strategic Resources
Loïc Hervé, Director of Residential Real Estate
André Lajou, Director of Commercial Real Estate
Vincent Moulard, Director of Diversification Real Estate
Pascale Neyret, General Counsel
Philippe Valade, Director of Human Resources

GECINA'S SHAREHOLDING STRUCTURE AT DECEMBER 31ST, 2007



CHANGE IN SHARE PRICE



KEY EVENTS FOR 2008

February 22nd
2007 annual results

April 22nd
General Meeting

April 28th
Dividend paid out

July
Earnings for H1 2008 (provisional date)

November 21st and 22nd
Actionaria Fair in Paris

December 1st
Individual shareholder meeting in Nantes

December 4th
Individual shareholder meeting in Cannes

GECINA'S SHARE

at December 31st, 2007

Shares outstanding: 62,290,401

ISIN : FR0010040865

Listing: Euronext Paris – Eurolist A

Admitted for deferred settlement service (SRD)

Par value: €7.50

Indexes: Cac Mid 100, SBF 120, FTSE4GOOD, EPRA, GPR 250

14-16 rue des Capucines – 75002 Paris

GECINA AND ITS SHAREHOLDERS

A profitable relationship

Throughout the year, GECINA maintains privileged contacts with its shareholders and the financial community through dedicated actions and means developed in order to guarantee high-quality, responsible and transparent communications. GECINA ensures that its financial information is widely distributed in order to enable all categories of shareholders to share in its development.

2007 saw various changes to GECINA's capital. At December 31st, the Company's main shareholders were: Metrovacesa (26.9%), Mr. Rivero (17.8%) and Mr. Soler (15.3%), and Prédica (8.2%).

An award-winning team

GECINA is committed to maintaining ongoing dialog with institutional and individual investors, as well as financial analysts and journalists from the economic and financial press.
In 2007, the quality of the work carried out by the Shareholder Relations team was once again rewarded in the Fils d'Or awards given out by La Vie Financière and Les Echos, with GECINA winning first prize for the best shareholder relations service in the CAC Mid 100 category. This represents the second year in a row that GECINA has received this award, with the Company winning second prize in 2006. Thanks to the marketing strategy implemented in relation to shareholders, which includes a large number of specific communication tools, GECINA is able to position itself as one of the best companies in its category.

Dynamic and effective financial communication

More specifically, GECINA ensures the quality of its financial information and its accessibility for all.
The Company's internet site, which can be widely accessed at any time, is regularly updated and contains extensive documentation for individual shareholders, institutional investors, financial analysts and journalists. In this way, internet users are able to download the annual reports, slideshows, press releases, prospectuses, and more, in addition to the Company's key indicators, strategy and profile, all easily accessible, as well as the share price, which is updated every 15 minutes, creating a genuine self-service interactive library.

GECINA also provides all of its individual shareholders with access to a toll-free number (0800 800 976, only available in France), with this free service enabling them to get directly in touch with the shareholder relations team. This system is supplemented with a dedicated email address (actionnaire@gecina.fr).

Increasingly closer to investors and the financial community

GECINA is tuned in to investors at all times and committed to offering them services that meet their expectations as closely as possible.
In addition to the usual meetings held for the publication of the Company's earnings, meetings are regularly organized with individual and institutional investors, as well as financial analysts and journalists.
For the fourth year in a row, GECINA was present at the 10th Actionaria Fair held in Paris on November 16th and 17th, welcoming a high number of visitors. This shareholding event during the fall period is particularly appreciated by individual investors, offering them a range of high-quality information and unrivalled contacts, in total transparency.
GECINA also heads out to meet shareholders, taking part in meetings organized by the French investor relations association (Association Française des Investor Relations, CLIFF) and the French investment club federation (Fédération Française des Clubs d'Investissements, FFCI). In 2007, GECINA went to Bordeaux and Strasbourg. This represents a unique opportunity to present the Company, while enabling investors to discover the Group's strategy and property holding.
One of the other proximity services offered by GECINA involves an account holding service for "pure registered" shareholders.

GECINA is constantly working to facilitate its exchanges with players from the financial community. In this respect, the Company will be able to offer a range of new interactive services, including a new design for its internet site.

Défense Ouest
420-426 rue d'Estienne d'Orves – 92700 Colombes

ASSET STRATEGY

One of the leading listed real estate players in France

With property holdings valued at over 13.2 billion euros, GECINA is one of the leading listed rental real estate firms in France. GECINA owns a diversified portfolio of assets, with office, residential, logistics, healthcare and hotel properties, representing a total of over 3.6 million sq.m. The office properties (1.19 million sq.m) and residential assets (1.18 million sq.m, 17,409 apartments) are located primarily in Paris and the Paris Region, positioning GECINA as the leading player in the Greater Paris Region. For their part, logistics assets (0.88 million sq.m) are located on the main routes throughout France. The healthcare premises (0.39 million sq.m) are spread throughout France. GECINA's property holding now has the following breakdown: 54% offices, 38% residential properties and 8% new products (logistics, healthcare, hotels).

Strategy maintained

In 2007, GECINA continued with its investments to grow and diversify its real estate portfolio, further strengthening its office business and its focus on new asset types (logistics, healthcare) while making its residential portfolio more dynamic, with the Group's arrival on the student residence segment.
The investments made in 2007 confirmed once again the strategic positionings taken up by the Group over the last two years. GECINA is continuing with its dynamic growth and portfolio management, constantly focused on identifying buoyant sectors and markets in order to further improve its profitability. Its real estate management is based on high value-added investments, consistently high-quality properties, excellent client relations and recognized project development know-how. The three core principles for GECINA's growth drivers are based on the turnover of its assets, the development of projects and the diversification of its portfolio. In this way, GECINA's arbitrage strategy is based on selling off mature, small-size, low-yield assets and properties not offering strategic locations. Investments, existing assets and development projects are carried out on leading or developing regional sectors, targeting high-quality, large-size assets equipped with leading-edge technologies.

Strong value-added investments

GECINA has continued rolling out its policy for ambitious growth in its asset portfolio thanks to strong value-added investments and the dynamic management of its property holding.
In 2007, investments totaled 672.0 million euros, focused primarily on the office, residential, logistics and healthcare sectors. Four office buildings (Défense Ouest, Crystalys, Pyramidion, Volney) have been added to GECINA's portfolio. On the residential business, GECINA has moved into the student residence sector, investing in a portfolio of four assets in Bordeaux (473 apartments, over 10,000 sq.m). GECINA has also acquired more than 222,600 sq.m of existing logistics space. In this way, it acquired a portfolio of 13 assets spread throughout France from the Mory group (90,300 sq.m). Four other investments have been made on this segment, with two logistics warehouses in Trappes and Chilly-Mazarin (80,560 sq.m), three primarily logistics assets representing 20,800 sq.m (Trappes, Villeneuve-la-Garenne, Morangis), and a 31,000 sq.m warehouse in Saint-Martin de Crau. For its part, the healthcare division has implemented an active investment policy, acquiring three dependent elderly facilities in July 2007 (including two assets that are currently being built). At the end of the year, this division was further strengthened with a new clinic.
GECINA has maintained a sustained rate of investment since the end of 2005, targeting assets offering high profitability and strong value added. Since then, the Group has carried out over 3.3 billion euros of new investments, representing close to 72% of the targets set for 2006-2010.

Dynamic portfolio management

In line with the dynamic management of its portfolio, GECINA sold off a total of nearly 509 million euros of assets, with these disposals focusing primarily on residential properties (67,057 sq.m) as well as offices (27,036 sq.m). The sales price for these disposals, which generated nearly 73 million euros in capital gains, was 14% higher than the book value at the end of December 2006. On residential assets, sales prices were 21% higher than the book values at the end of December 2006, and 7% higher than unit valuations.
In line with the Group's strategy, disposals over the period from 2005 to 2007 concerned assets that were mature or had become inefficient. They represented 1.7 billion euros and concerned over 70 buildings and 2,200 apartments.

GECINA IN BRIEF

1959
- Groupement pour le Financement de la Construction (GFC) founded

1998
- Groupement pour le Financement de la Construction (GFC) becomes GECINA

2002
- SIMCO real estate group acquired

2003
- French real estate investment trust (Sociétés d'Investissement Immobilier Cotées, SIIC) status adopted

2005
- 30% interest in GECINA's capital acquired by Metrovacesa
- Metrovacesa owns a 68.54% interest in GECINA's capital
- Joaquín Rivero Valcarce appointed Chairman of GECINA at the General Meeting
- First investments made in new types of assets, hotel buildings and logistics platforms
- "Immeuble de l'année 2005" building of the year award at the SIMI in the redeveloped building category

2006
- Development of 48,600 sq.m of office space in Boulogne-Billancourt, 58,189 sq.m in Colombes (Défense Ouest) and 25,806 sq.m in Vélizy (Crystalys)
- Valmy, Mazagran and Portes de la Défense office buildings acquired (87,200 sq.m)
- 78,000 sq.m office portfolio sold off to Inovalis
- 28 clinics acquired from Générale de Santé through Sofco
- 450,000 sq.m logistics portfolio acquired (Bleecker)
- 206,300 sq.m of logistics space developed

2007
- Sofco becomes Gecimed. Three dependent elderly facilities and one clinic acquired. Development projects carried out for a private hospital in Le Havre, a dependent elderly facility and a retirement home in La Roche-sur-Yon
- Défense Ouest, Crystalys and Pyramidion buildings delivered. 9,416 sq.m of offices acquired
- Development projects carried out for 90,000 sq.m of logistics space (Paris Region) and a 140,000 sq.m logistics park in Sablé-sur-Sarthe. Over 222,600 sq.m of logistics assets acquired
- Separation Agreement signed between Metrovacesa's shareholders
- Student residence portfolio developed (Le Bourget and Euralille), four student residences acquired in Bordeaux and 80 off-plan housing units acquired in Marseilles
- Eight floors of office space sold off in La Défense
- Société des Immeubles de France merged with GECINA

2008
- New 30,000 sq.m warehouse acquired in Saint-Martin de Crau

Défense Ouest
420-426 rue d'Estienne d'Orves – 92700 Colombes

Pipeline of development projects for future growth

In 2007, GECINA significantly strengthened its project development commitments, with over 700,000 sq.m of additional assets on the residential, logistics and healthcare real estate sectors.

GECINA has continued rolling out its portfolio diversification strategy, launching and confirming moves to build up a specific portfolio of student residences on this buoyant real estate segment. This new type of residential asset, offering excellent yields, will further increase the profitability of GECINA's residential portfolio, while making it even more dynamic. In this way, the Group has started work on developing two student residences: 238 apartments (6,980 sq.m) in Le Bourget, and 191 apartments (4,800 sq.m) in Euralille. These assets are scheduled to be delivered respectively at the end of Q3 2008 and the start of the 2009 university year.

In addition, a preliminary sales agreement has been signed for the acquisition of a 4.58 hectare plot in the Geneva region (Haute-Savoie). This investment is being accompanied by an 11,600 sq.m residential project, with delivery planned for 2010: 98 apartments in 8 buildings and 48 individual houses.

In 2007, GECINA also started work on developing 230,000 sq.m of logistics platforms. At the beginning of the year, the Group signed a preliminary sales agreement for the acquisition of a 26 hectare plot with a view to developing a 90,000 sq.m logistics park in Moussy-le-Neuf. Lastly, the delivery of another development project, covering a 140,000 sq.m logistics park in Louailles, close to Sablé-sur-Sarthe, is scheduled as of the end of 2009.

Work to redevelop the Beaugrenelle shopping center (Paris 75015) has continued, now that the demolition and building permits have been obtained. The delivery of this retail complex is scheduled for 2011.

At the end of 2007, GECINA and its partners, through Gecimed, a dedicated healthcare real estate structure, launched close to 50,000 sq.m of development projects for its future growth: three dependent elderly facilities, one private hospital in Le Havre, and one retirement home.

Over 2007, more than 93,000 sq.m of new office buildings (Défense Ouest, Crystalys and Pyramidion) were delivered, as well as 52,400 sq.m of logistics space (Lagny-le-Sec, Budapest and Corbas). These new assets represent a total investment of over 530 million euros.

Today, GECINA has a pipeline of development projects representing nearly 1.9 billion euros and an additional area of around 800,000 sq.m (office, residential, logistics, healthcare) for its future growth.

GROWTH DRIVERS

ASSET TURNOVER

DEVELOPMENT PROJECTS

DIVERSIFICATION

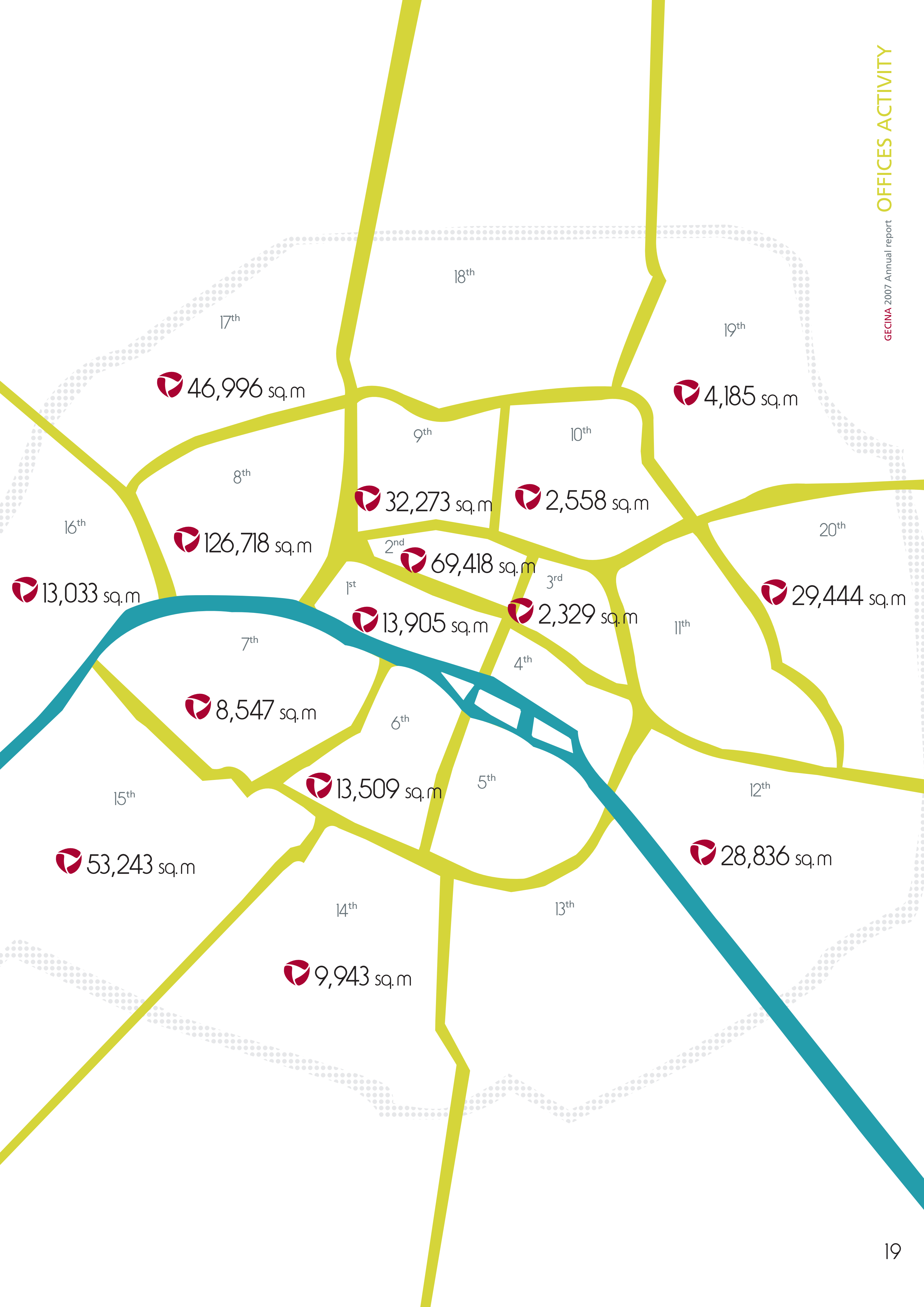
OFFICES ACTIVITY

454,937 sq.m
PARIS

614,784 sq.m
GREATER PARIS REGION

117,066 sq.m
LYONS

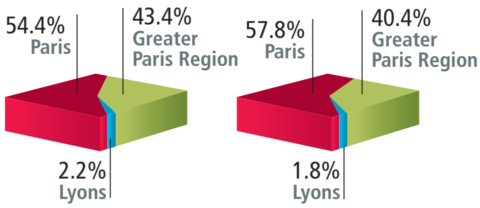
785 sq.m
REGIONS


18th
17th
19th
46,996 sq.m
4,185 sq.m
9th
10th
8th
32,273 sq.m
2,558 sq.m
16th
126,718 sq.m
2nd
69,418 sq.m
20th
13,033 sq.m
1st
3rd
29,444 sq.m
13,905 sq.m
2,329 sq.m
11th
7th
4th
8,547 sq.m
6th
15th
5th
13,509 sq.m
12th
53,243 sq.m
28,836 sq.m
14th
13th
9,943 sq.m

OFFICES KEY FIGURES

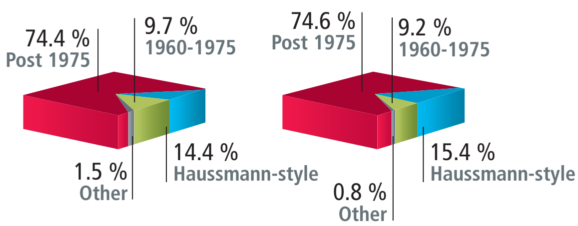
2007

REGIONAL
BREAKDOWN



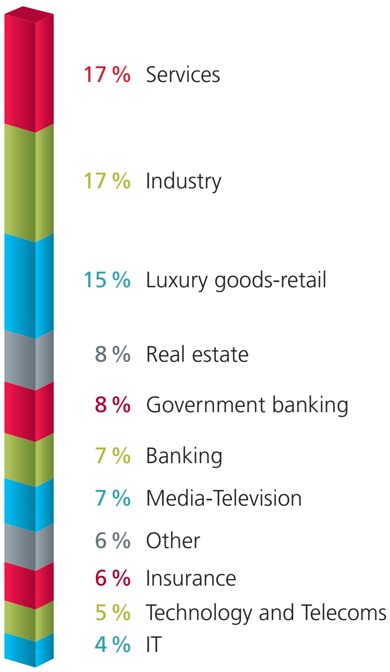
% of rental income *% of block value*

BREAKDOWN
BY ASSET TYPE



% of rental income *% of block value*

BREAKDOWN OF RENTAL INCOME
BY SECTOR IN 2007



COMMERCIAL LEASE SCHEDULE FOR PROPERTIES LOCATED IN PARIS AND THE GREATER PARIS REGION AT DECEMBER 31ST, 2007

Year	Rent (million euros)
2008	14.6
2009	9.0
2010	31.0
2011	53.8
2012	49.5
2013	36.0
2014	43.9
> 2015	69.4

BREAKDOWN OF GECINA'S COMMERCIAL PROPERTY HOLDING BY ASSET SIZE AT DECEMBER 31ST, 2007

	% of rent	% of surface area
Under 2,000 sq.m	5%	3%
Between 2,000 and 5,000 sq.m	18%	22%
Between 5,000 and 10,000 sq.m	28%	16%
Over 10,000 sq.m	49%	59%

YIELD RATE FOR GECINA COMMERCIAL PROPERTY APPRAISALS AT DECEMBER 31ST, 2007

Paris	3.75% – 7.25%
Greater Paris Region	4.75% – 10.25%
Lyons	5.50% – 8.75%

"PREMIUM" RENTS IN EUROPE (net of taxes and charges/sq.m/year)	2007
Paris	€750
London (West End)	€1,700
Frankfurt	€468
Madrid	€480

"PREMIUM" OFFICE RATES IN EUROPE	2007
Paris	4.00%
London (West End)	4.75%
Frankfurt	5.00%
Madrid	4.50%

Source: CB Richard Ellis

32-34 rue Guersant – 75017 Paris

OFFICE REAL ESTATE MARKET

Commercial property has resisted well, despite the financial crisis

In 2007, according to the latest estimate from INSEE, the French economy grew 1.9%, compared with 2.2% in 2006. For 2007, the financial unrest triggered by the subprime crisis has had only a limited impact on economic growth. This growth has continued to be sustained by household consumption and a good level of business investment.

Performances on the commercial property market over 2007 were supported by:

- abundant cash available for investment;
- arbitrages made, moving away from financial investments;
- favorable environment for the office market (demand supported by new focus on savings and rationalizing sites, growth in rent, controlled production of new buildings);
- appeal of the office market in the Greater Paris Region (liquidity, size of real estate facilities, diversity of the economic fabric, quality of infrastructures).

Still high take-up on office properties

Despite a disrupted economic context, with 2,713,100 sq.m of office space marketed in the Greater Paris Region (2,860,300 sq.m in 2006), 2007 confirmed this market excellent performance. Indeed, this represents the highest volume of transactions recorded in Europe.

However, Q4 2007 saw a slowdown in transactions as a result of cautious behavior by businesses, waiting to see how developments would pan out, reflected in longer timeframes for decisions.

The regional breakdown of this take-up has on the whole remained relatively stable.

47% of offices were let in the Western Crescent and Paris Center West sectors (42% in 2006), with these two sectors respectively making for 25% and 22% of transactions.

With 10% of the market in 2007 (9% in 2006), La Défense has maintained its position.

Out of the 3,540 transactions carried out (3,200 in 2006), the breakdown by surface area was as follows:

- over 5,000 sq.m: 76 transactions (84 in 2006), representing 998,000 sq.m and 37% of take-up, significantly lower than the previous year (42% in 2006);
- from 1,000 to 5,000 sq.m: 434 transactions (452 in 2006), representing 33% of take-up (32% for the previous year);
- under 1,000 sq.m: 3,030 transactions (2,664 in 2006), representing 30% of take-up (26% in 2006).

For 2007, this breakdown reveals the dynamic development of all market segments, and primarily small and medium-sized properties.

New or redeveloped buildings accounted for 36% of take-up, down slightly in relation to the previous year (40% in 2006), to some extent reflecting the relative shortage of supply (notably in the Paris Central Business District and La Défense).

This market has been driven by all sectors, and primarily information technologies, industry and the public sector. This diversity of users represents a strength, guaranteeing the dynamic development of the market in the Greater Paris Region.

Downturn in immediate supply for offices in the Greater Paris Region and consolidation of known future supply

The average occupancy rate continued to progress over 2007. At December 31st, 2007, it was 95.2% in the Greater Paris Region, representing an immediate stock of 2.4 million sq.m (compared with 94.8% at December 31st, 2006 for 2.5 million sq.m).

The occupancy rate comes out at 96.4% for Central Paris (96.7% in the Central Business District), 95.4% in La Défense, 92.8% in the Western Crescent, and 91% in the Northern Inner Suburbs.

The level of known supply beyond one year represented 3.8 million sq.m at December 31st, 2007, compared with 3.6 million sq.m at December 31st, 2006.

Moderate growth in rents

In the Greater Paris Region, the average rent for new or redeveloped buildings came to 327 euros net of tax and charges/sq.m/year at December 31st, 2007, up 7% over one year (307 euros at December 31st, 2006).
For old buildings, it represented 240 euros net of tax and charges/sq.m/year, growing at a quicker rate, up by around 9% in relation to December 31st, 2006.
The "prime" rent in the Paris Center West district came to 750 euros net of tax and charges/sq.m/year at December 31st, 2007, up 7.5% over the year (698 euros at December 31st, 2007).
In La Défense, "prime" rents increased by 7% over one year, coming out at 486 euros net of tax and charges/sq.m/year (455 euros at December 31st, 2006), with this growth reflecting the quality of the buildings marketed.
In the Western Crescent, "prime" rent followed the same trend as the Paris Center West sector, up over one year, climbing from 425 euros to 456 euros net of tax and charges/sq.m/year at December 31st, 2007, although it fell by 8% over the last three months of 2007.
The financial benefits offered by lessors, reflected in rent deductibles and/or participation in lessee improvment work, are a common part of negotiations today. These benefits represent around one month of rent for each year of firm commitments.

2007, an exceptional year for the Lyons market

287,000 sq.m of offices were placed in 2007, which represents a very significant increase in relation to the previous year (210,000 sq.m in 2006).
Out of the 579 transactions carried out (556 in 2006):

- 14 concerned properties of over 2,000 sq.m (40% of take-up);
- 88 concerned properties from 500 to 2,000 sq.m (28% of take-up);
- 477 (82% of transactions) concerned properties under 500 sq.m (32% of take-up).

New properties accounted for 60%, up from 40% in 2006.
Users represented 33% of buyers, significantly higher than the 23% recorded in 2006.
The occupancy rate, which was 94% in 2006, has continued to improve, climbing to 94.7% at December 31st, 2007.
Six-month available supply represents a total of 233,000 sq.m, including 69,000 sq.m on new properties.
The "prime" rent, with 250 euros net of tax and charges/sq.m/year in the Presqu'Ile, Cité Internationale, Part-Dieu and 6th district for exceptional properties, increased significantly over 2007. On these sectors, the average rent is also up, coming out at between 200 and 215 euros net of tax and charges/sq.m/year.

Record investments in 2007

In France, investment in commercial property (offices, retail outlets, warehouses and industrial facilities) was up 17% over 2007 in relation to 2006, setting a new record, with 27 billion euros in commitments (compared with 23.1 billion euros in 2006).
In addition, some 3.3 billion euros were invested in service real estate (hotels, clinics and nursing homes), a sector that has been developing at a strong rate over the last few years and that is attracting investors that had previously been focused solely on commercial property.
Out of the 27 billion committed on commercial property, offices represented 74%, with their level falling over 2007, after accounting for 84% of investments in 2006.
However, the level of commitments on retail outlets and parks on the one hand, and warehouses and industrial facilities on the other, has risen sharply, representing 14% and 12% respectively of commitments, compared with 8% on both of these segments over 2006.
As far as offices are concerned, the traditional business districts (Paris, La Défense, Western Crescent) have continued to account for the larger share of commitments (63%). Other French regions outside of Paris represented 15%.
Investor arbitrages have fuelled the investment market, even if they are considerably lower than in 2006, accounting for 60% of the amounts committed in 2007, compared with 74% the previous year.
Developer and off-plan sales have increased, representing 21% of commitments (17% in 2006).
The introduction of the SIIC 4 system (which makes it attractive for tax purposes to outsource property holdings to real estate companies governed by the SIIC tax system) has encouraged users to sell off their properties, which reached 5 billion euros, representing 19% of the investment market (compared with 9% in 2006).

Le Mazagran – 1 parvis Mazagran – 94250 Gentilly

Outlook for 2008

Continued financial uncertainties and the tightening up of leading conditions, combined with still insufficient export levels, are expected to slow French economic growth in 2008.
Furthermore, the deterioration in morale among consumers and the likely return of inflation, due to rising commodity prices, will represent unfavorable factors for consumption, despite the various measures that are being taken to support purchasing power.
In this way, the French economy is expected to see moderate growth over 2008, with the latest forecasts pointing to between 1.5 and 1.8%. Economic growth is expected to come out at 1.6% in the eurozone and 1.5% in the US.
In 2007, the financial crisis did not have any impact on commercial property investments, but a downturn in investments over 2008 is possible if the crisis continues or spreads.
On the investment market, we can expect to see a change among the various players, with institutional investors present once again, and speculative funds, which maximize the leverage effect, becoming less active.
Risk premiums are logically expected to be seen again. In this way, prices look set to fall on certain segments, as a result of an increase in yield rates.
In light of the economic slowdown over 2008, the number of job creations in the service sector is expected to fall, triggering a contraction in demand and transactions for offices.
The change in rents could vary quite significantly depending on the regional sector and the level – or shortfall - of supply for new and quality offices. This contrasting trend is therefore expected to be reflected in a stability or very slight increase in certain "prime" rents and a reduction in others.

GECINA'S ACTIVITY AND PERFORMANCE

GECINA's office property holding

At December 31st, 2007, GECINA's asset portfolio managed by the Commercial Real Estate Division was valued at 7.2 billion euros, up 14% on December 31st, 2006, representing 54% of the GECINA group's total property holding.
The value of assets in the Paris Center West district represented 42% of the value of the commercial real estate portfolio, while the Western Crescent amounted to 21%.
In light of the size and very high quality of its office portfolio, GECINA is able to meet the requirements of all businesses and accompany them as they develop.
GECINA has also put in place a policy for monitoring its key accounts, enabling it to build up genuine partnership-based ties with its main tenant companies.

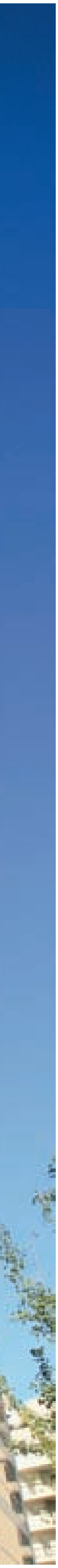
Rental income

In 2007, rental income on the office division totaled 338.1 million euros, up 7.8% on the previous year.
In this way, this sector accounted for 57% of the GECINA group's revenues.
On a constant structural basis and excluding properties for sale, revenues on properties in operation are up 5.6%.

Marketing

Over 2007, 85 leases were signed, representing a total surface area of 115,119 sq.m of office space marketed.
50,523 sq.m (75 transactions) concerned buildings from the portfolio in operation and 64,596 sq.m (10 transactions) concerned new programs.
Five of the largest leases concerned the Défense Ouest building in Colombes, covering some 40,000 sq.m.
The most significant concerns the Khapa building, part of the Ile Seguin-Rives de Seine operation in Boulogne, with all of the office space (around 18,000 sq.m) leased to the international pharmaceutical group Ipsen. This building is under construction and will be delivered in July 2008.


Pyramidion – 34 avenue Léonard de Vinci – 92400 Courbevoie



Four buildings, subject to major renovation programs, were relet before the end of this work. This concerns the building on boulevard Romain Rolland in Montrouge (10,500 sq.m), leased to Locaposte, the building at 66 avenue Marceau in Paris 75008 (4,900 sq.m), leased to the law firm Herbert Smith, the building at 55 rue Deguingand in Levallois-Perret (4,400 sq.m), leased to Relais H, and the building at 8 avenue Delcassé in Paris 75008, leased in full to the Cogedim-Altarea group.

The average price (excluding financial benefits) for offices relet over the year came to 447 euros net of tax and charges/sq.m/year, up 32.5% in relation to the previous rent.

At December 31st, 2007, the physical occupancy rate for the property holding was 93.7%.

Excluding new buildings delivered during the year (Le Crystalys in Vélizy, with 25,806 sq.m, Le Pyramidion in Courbevoie, with 9,363 sq.m, and the space still to be let in the Défense Ouest building in Colombes, representing 17,687 sq.m), the occupancy rate for the property holding was 98.5%.

Vacant office properties are marketed under exclusive or joint exclusive mandates granted to leading commercial real estate advisors for the various regions concerned. For the largest programs, agents are selected in most cases through a competitive tendering process. Regular meetings are held to monitor marketing activities. Clients already in the portfolio are handled directly by the in-house management teams and the sales team.

Work

A proactive policy to increase the value of the property holding in operation was continued over 2007. In this way, some 34.2 million euros of renovation work carried out over the year were capitalized, focused primarily on vacant properties, with renovations carried out before they were marketed again. These buildings have been relet with significantly higher rents, resulting in a considerable increase in their market value.

Acquisitions

In 2007, GECINA finalized the acquisition of four office properties and one retail outlet for a total of 200 million euros:

- Le Crystalys in Vélizy, with 25,806 sq.m;
- Vélizy Square, with 7,368 sq.m;
- Le Pyramidion in Courbevoie, with 9,363 sq.m;
- the building at 12 rue Volney in Paris 75002, with 2,048 sq.m;
- the retail outlet on Calle Velazquez in Madrid, with 174 sq.m.

Disposals

The arbitrage policy was reflected in the sale of five assets representing a total surface area of around 27,000 sq.m and a total sales price of 145 million euros:

- eight levels of the Tour Franklin tower in La Défense;
- 2 ter boulevard Saint-Martin in Paris 75010;
- 28 rue Dumont d'Urville in Paris 75016;
- 195 avenue Charles-de-Gaulle in Neuilly;
- 95 bis rue Manin in Paris 75019.

Outlook for development

Partnership with HINES

The partnership agreement signed with HINES in 2005, and further strengthened in 2006, has continued to be developed in a perfectly satisfactory way:

- the Le Pyramidion building (9,363 sq.m, architects: Pei Cobb Freed & Partners) in Courbevoie was delivered and acquired as planned over the first half of 2007;
- the L'Angle building (12,800 sq.m, architects: Jean-Paul Viguier SA) in Boulogne-Billancourt, which is currently being built and will be completed and definitively acquired in 2008, is currently being marketed;
- the Khapa building (20,800 sq.m, architects: agence Foster + Partners), leased to the Ipsen group, located, like the previous building, in the Ile Seguin-Rives de Seine joint development zone in Boulogne-Billancourt, will also be delivered and acquired in 2008.


140-146 rue Anatole France – 92300 Levallois-Perret

Construction work on a further two buildings, which will be located on this same site, has not yet started:
• the Anthos building (10,050 sq.m, architects: Élisabeth Naud and Luc Poux) will be delivered in 2009;
• the Horizons building (38,600 sq.m, architects: Ateliers Jean Nouvel) will be delivered in 2010.
These four buildings are located on the exceptional and historical site of the Renault former factories, which is going to represent the new Ile Seguin-Rives de Seine district in Boulogne-Billancourt. The marketing plan was launched in October 2007. This plan is based on the "Made for People" concept developed by GECINA.

Other projects under development

- 120-122 rue Réaumur in Paris 75002 (5,000 sq.m, agence LPA, Benoît Peaucelle). Work to redevelop this building, which is currently underway, will be completed in Q3 2008;
- 37 rue du Louvre in Paris 75002 (7,400 sq.m, architect: François Roux). This emblematic building, Figaro's former headquarters, is currently being worked on, and will be delivered at the end of 2008;
- 34-36 avenue de Friedland in Paris 75008 (5,000 sq.m, architect: Manuelle Gautrand). Demolition and building permits have been obtained and work was launched at the end of 2007, with the building to be completed in 2009.

The Beaugrenelle shopping center

This project, based on a 50-50 joint venture with Apsys, concerns 45,000 sq.m of retail space (GLA).
The administrative authorizations were obtained in 2006 and 2007 (demolition permit, building permit, commercial equipment authorization and cinematographic equipment authorization).
Work on the Charles Michels block began in 2007, with the first shells to be delivered to lessees in early 2008.
The three footbridges over Rue des Quatre Frères Peignot and Rue Linois were demolished during summer 2007.
Work on the other two blocks – Pegase and Verseau – either side of Rue Linois is expected to begin in Q2 2008.
The pre-marketing of the outlets is moving ahead at a satisfactory pace, with 50% of the outlets already marketed.
The shopping center is scheduled to open in early 2011.

Labuire in Lyons

This joint development zone represents a total surface area of 140,000 sq.m and is based on a partnership between GECINA (60%) and Société Lyonnaise de Banque (40%). This development operation is moving ahead as planned.
The public park developed in connection with this operation was delivered to the City of Lyons in 2007.

In 2008, GECINA will also be rolling out a selective asset arbitrage program, in line with market conditions, focused primarily on selling off assets with the weakest prospects. Similarly, GECINA will also be making various investments in line with market opportunities and its criteria for selection.

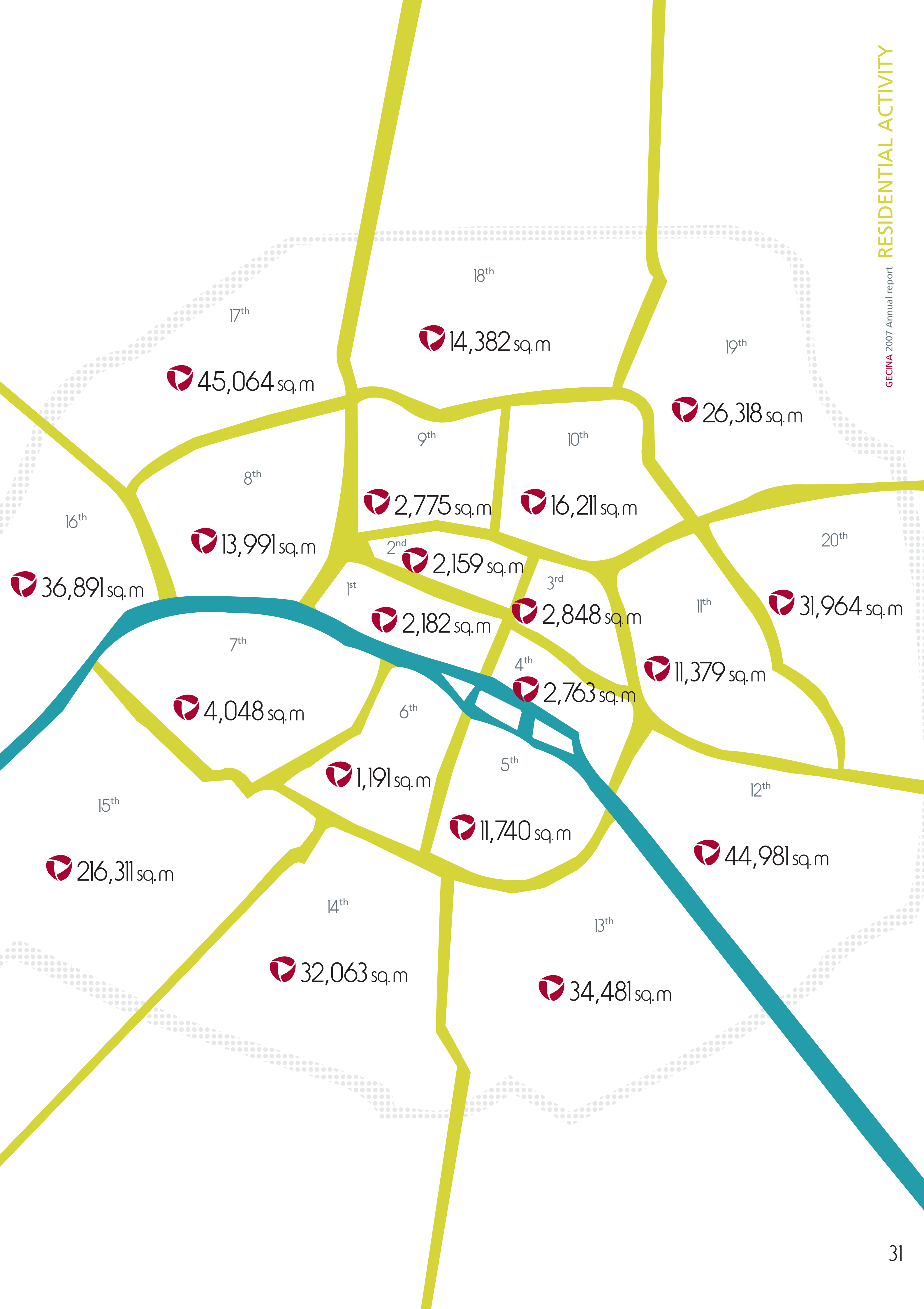
RESIDENTIAL ACTIVITY

8,135 apartments
553,742 sq.m
PARIS

6,480 apartments
452,880 sq.m
GREATER PARIS REGION

1,773 apartments
142,253 sq.m
LYONS

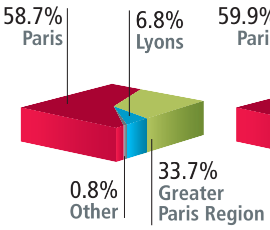
1,021 apartments
31,952 sq.m
REGIONS


18th
14,382 sq.m
17th
45,064 sq.m
19th
26,318 sq.m
9th
10th
8th
2,775 sq.m
16,211 sq.m
16th
13,991 sq.m
2nd
2,159 sq.m
20th
36,891 sq.m
1st
3rd
2,848 sq.m
11th
31,964 sq.m
2,182 sq.m
7th
4th
2,763 sq.m
11,379 sq.m
4,048 sq.m
6th
5th
1,191 sq.m
15th
12th
11,740 sq.m
44,981 sq.m
216,311 sq.m
14th
13th
32,063 sq.m
34,481 sq.m

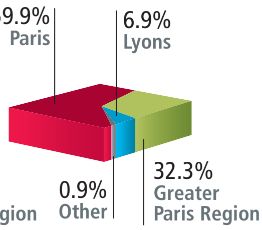
RESIDENTIAL KEY FIGURES

2007

REGIONAL
BREAKDOWN

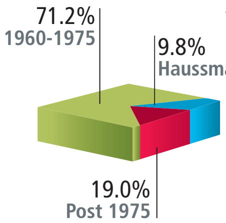


% of rental income

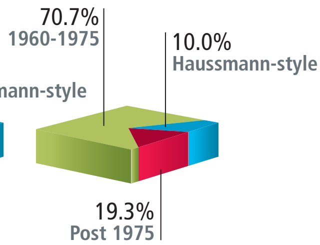


% of unit value

BREAKDOWN
BY ASSET TYPE

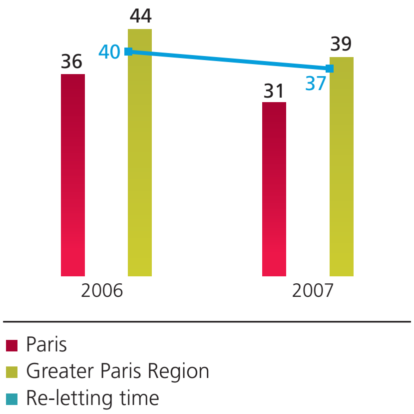


% of rental income



% of unit value

RE-LETTING TIME
FOR APARTMENTS
AT DECEMBER 31ST (DAYS)



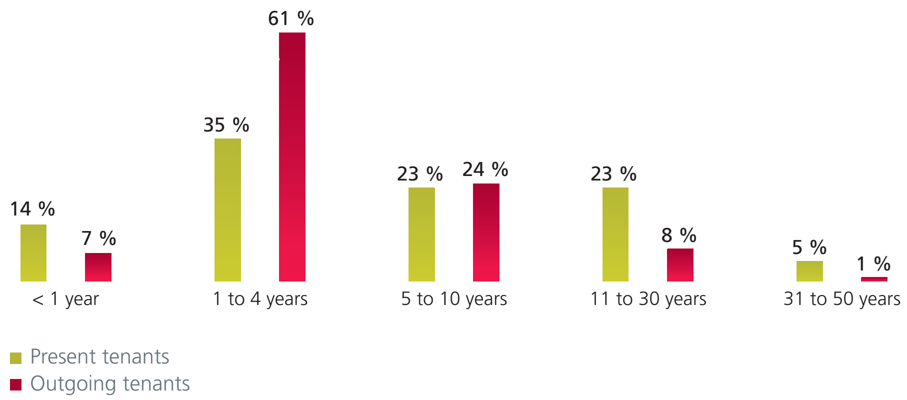
CHANGE IN TURNOVER RATE
FOR APARTMENTS
AT DECEMBER 31ST

17,409 **apartments**

1,180,827 **sq.m of residential space**

68 **sq.m for the average apartment size**

SENIORITY OF GECINA TENANTS



13-19 cité de Trévise – 75009 Paris

CAPITALIZATION RATE FOR GECINA RESIDENTIAL PROPERTY APPRAISALS AT DECEMBER 31ST, 2007

Paris	3.50% – 4.75%
Greater Paris Region	4.00% – 6.00%
Lyons	5.00% – 6.25%

RENT ON GECINA'S RESIDENTIAL HOLDING

	Average monthly rent on GECINA's residential properties at December 31st, 2007	Average monthly rate on new rentals in 2007
Paris	€16.9 sq.m	€19.4 sq.m
Greater Paris Region	€13.6 sq.m	€14.7 sq.m
Lyons	€8.3 sq.m	€9.7 sq.m

RESIDENTIAL REAL ESTATE MARKET

Moderate growth in rents

The residential rental real estate market saw further growth over 2007, with differences between the various regions. Set against a significant increase in supply, following the delivery of numerous "de Robien" programs in the various French regions outside of Paris, growth in rents has eased. However, on the Paris segment, where a very significant percentage of GECINA's residential portfolio is located, rents on reletting have continued to climb, up +2.9%, although at a slower rate than in the past (+6.2% over the last four years). On the Lyons market, rents increased by only 1.5% over 2007, compared with 3% in 2006, with the average rent coming out at 10.60 euros/sq.m, compared with 10.44 euros/sq.m the previous year. This trend is similar across all districts.
However, demand is still structurally higher than supply, particularly for well-located apartments in quality buildings in a very good state of upkeep.
Demands on candidates for renting are still higher than in the past. Furthermore, the main factors for changing apartments are still the residential mobility of households, divorces and separations, "reconstituted" or single-parent families, and young couples setting up on their own for the first time.

Still sustained transaction business

For transactions, 2007 was marked by the financial instability triggered by the subprime crisis, as well as the introduction of the tax credit promoting home-buying and a hike in interest rates.
Regional differences of price trends have been seen, both up and down. However, the transaction market for old properties in the Greater Paris Region, which GECINA's operations are focused on, has not been affected.
The volume of transactions for unlet old apartments in the Greater Paris Region represented 154,500 units over the first nine months of 2007, down slightly (-1.5%) in relation to the same period in 2006, although the third quarter saw a +3.50% increase, with 31,495 transactions.
The slowdown in price growth already seen on the real estate market in the Greater Paris Region continued over Q3 2007. In Q3 2007, the annual change came out at +8.7% for Paris, +6.2% for the inner suburbs, and +4.7% for the outer suburbs. As a result, the average prices for unlet old apartments came to 6,181 euros/sq.m in Q3 for Paris, 3,795 euros/sq.m for the inner suburbs, and 2,970 euros/sq.m for the outer suburbs.
On the Lyons market, following the increase seen in 2006 (+3% in relation to 2005), price growth was relatively limited over 2007, with an average price of 2,823 euros/sq.m, compared with 2,800 euros/sq.m in 2006. A downturn was even recorded for the 2nd et 8th districts (between -2.5% and -6.6%), while the other districts have stagnated or increased slightly, up +1.5%.

GECINA'S ACTIVITY AND PERFORMANCE

Good performances over 2007 on the entire residential portfolio

Rental income in the residential sector is down -4.7% in volume, coming in at 205.6 million euros, as a result of a reduction in the property holding further to the very good level of retail sales, with proceeds from disposals representing 319 million euros and making it possible to generate 47.7 millions euros in capital gains.
On a like for like basis and excluding properties for sale, rents are up +3.4%, higher than the increase in the benchmark rent revision index (Indice de Référence des Loyers, IRL). This reflects an active policy to renew leases and more specifically an increase in rents between incoming and outgoing clients, combined with optimized marketing times.
In 2007, the turnover rate came to 14.4%, compared with 14.3% in 2006. The residential portfolio's financial occupancy rate was very high, coming in at 98.6% at December 31st, 2007, without ever dropping below 98% for the Greater Paris Region during a period of high turnover.


10-18 passage Foubert – 75013 Paris

GECINA, in this context, relet 2,247 apartments, with a very significant increase in rents. Concerning Paris, rents are up +7.5%, with an average rent for incoming tenants of 19.4 euros/sq.m/month, compared with 18.1 euros/sq.m for outgoing tenants, with an average rent billed of 16.9 euros/sq.m. Concerning the inner suburbs, this growth came out at +4%, with an average incoming rent of 14.7 euros/sq.m, compared with an outgoing rent of 14.1 euros/sq.m, and an average rent billed of 13.6 euros/sq.m. The outer suburbs have seen a +3.2% growth, with an incoming rent of 11.2 euros/sq.m, an outgoing rent of 10.9 euros/sq.m and an average rent billed of 10.3 euros/sq.m. Lastly, rents are up +12.2% on the Lyons portfolio, with an incoming rent of 9.7 euros/sq.m, an outgoing rent of 8.6 euros/sq.m, and an average rent billed of 8.3 euros/sq.m.

Furthermore, the average time to market an apartment after it has been freed up and including work to refurbish the property, if necessary, improved further on the entire property holding over 2007, coming in at 37 days, down -9% in relation to 2006.

GECINA has continued to see a sustained rate of residential transaction business, with 700 apartments sold on a retail basis in the Greater Paris Region over 2007 for a total of 319 million euros.

Sustained action to renovate and increase the value of the residential property holding

In 2007, 34.1 million euros in capital expenditure were committed on the entire residential portfolio.

GECINA carries out regular actions to renovate and redevelop its apartments in order to ensure the long-term viability of its property holding and offer an excellent quality of life for its clients. The size of the property holding makes it possible to achieve significant economies of scale, while offering increasingly high-quality services.

Furthermore, regular investments to renovate buildings and their facilities and a constant focus on increasing the value of assets make it possible to optimize the appraised values of assets.

In addition, GECINA is constantly working to optimize its cost ratios, once again harnessing the size of its property holding to free up leeway for negotiations through its contractual policy with the various service providers operating on its buildings.

Innovative residential development policy

Alongside unit sales of assets that have reached maturity, GECINA is developing an ambitious investment strategy focused on the residential segment.

Investments, in Paris – Lyons and Geneva region – Marseilles, have focused on rapidly developing sectors with higher than market average growth potential and rental yields.

Since 2007, GECINA has also been developing a student residences business, offering high yield rates (average net yield of 6.5% for investments carried out in 2007) and diversifying factor for its clients in connection with their residential pathway.

In this way, 902 student housing units in six current or future residences have been acquired since 2007. This concerns:

- Le Bourget, 238 housing units acquired off-plan from SODEARIF for delivery at the start of the 2008 university year;
- Lille, 191 housing units acquired off-plan from Eiffage, with delivery scheduled for the start of the 2009 university year;
- Bordeaux, with four residences in operation, representing 473 housing units, acquired in October 2007.

Investments on all of these sectors represent a total of 211 million euros of assets acquired or subject to preliminary agreements in 2007.

All of these new assets are managed directly by GECINA's teams, which guarantees genuine professionalism when serving clients, as well as major economies of scale. In this way, a dedicated student residence management structure has been set up within the Residential Real Estate Division.

Outlook for 2008

In 2008, GECINA will continue renewing the assets in its residential portfolio through unit sales of mature assets, while also selling off buildings with the least favorable energy performance levels, and investing in new assets without any capital expenditure to be planned for over the short term, offering higher yields and margins.

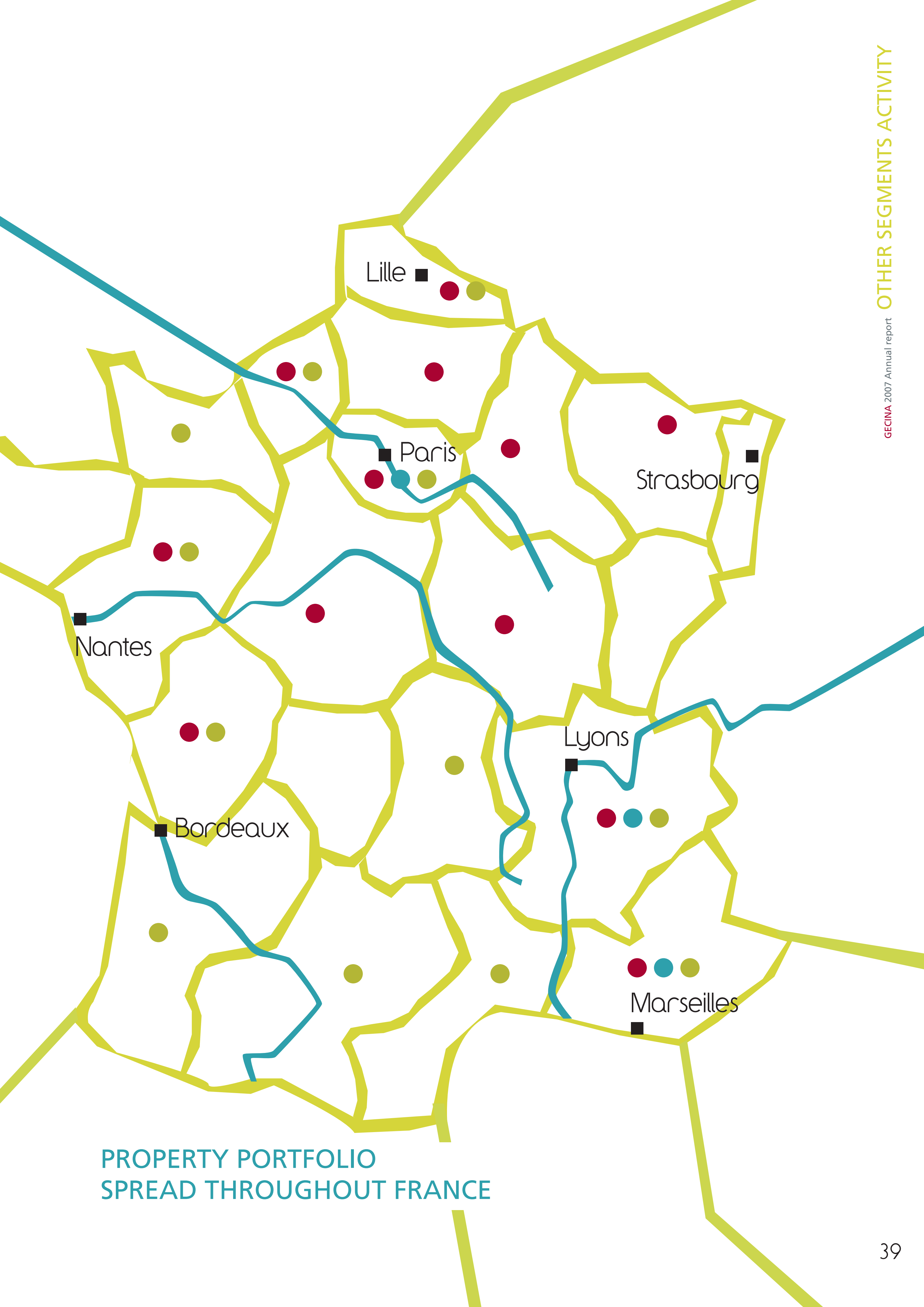
The student residence portfolio will continue to be developed in all the main French university cities, aiming to be the leading French real estate operator on this market segment. In this way, numerous development projects are currently being looked into.

OTHER SEGMENTS ACTIVITY

787,940 sq.m
LOGISTICS

394,059 sq.m
HEALTHCARE

92,231 sq.m
1,698 rooms
HOTELS

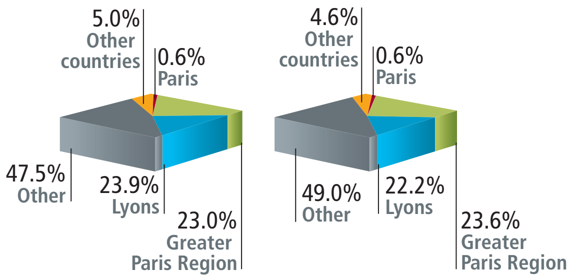


PROPERTY PORTFOLIO
SPREAD THROUGHOUT FRANCE

OTHER SEGMENTS KEY FIGURES

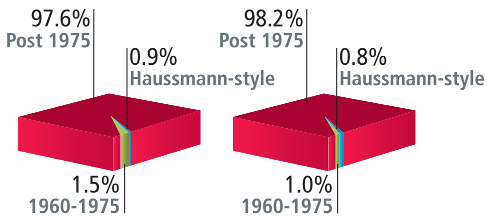
REGIONAL BREAKDOWN

2007

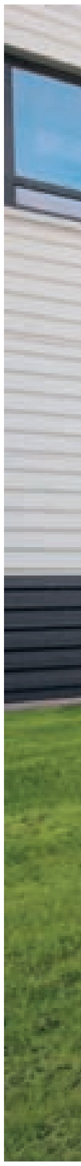


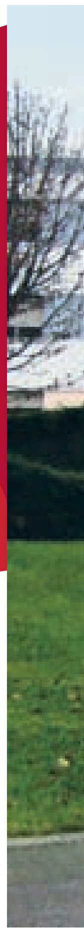
% of rental income *% of block value*

BREAKDOWN BY ASSET TYPE



% of rental income *% of block value*





PROPERTY HOLDING OTHER SEGMENTS AT DECEMBER 31ST, 2007

	LOGISTICS	HEALTHCARE	HOTELS
PARIS	-	-	3,471 sq.m
GREATER PARIS REGION	312,235 sq.m	53,732 sq.m	-
LYONS + GREATER LYONS REGION	120,657 sq.m	52,320 sq.m	59,271 sq.m
OTHER	258,939 sq.m	288,007 sq.m	29,489 sq.m
OTHER COUNTRIES	96,109 sq.m	-	-

ZAC des Grands-Champs
77680 Roissy-en-Brie

Clinique Sainte-Marie
4 allée Saint-Jean-des-Vignes – 71100 Chalon-sur-Saône

Village Club Med Le Legettaz
73150 Val d'Isère


Pointe de Baranfosse
60330 Lagny-le-Sec

LOGISTICS REAL ESTATE MARKET

2007, a record year

For logistics, 2007 was a record year in terms of marketing, with close to 2.5 million sq.m placed, coming in higher than the previous year's 2.4 million sq.m. Geographically, we have seen a consolidation of the main Lille-Paris-Lyons-Marseilles axis, as well as the development of regional sites, which have recorded a good business level.

Users have been giving priority to Class A warehouses, the most sought-after type of asset, representing close to three quarters of transactions and half of currently available supply, with 1.8 million sq.m at the end of 2007.

Size of operation is increasing. In this way, warehouses of over 50,000 sq.m accounted for close to one third of take-up this year, with the average transaction size climbing from 21,200 sq.m to 25,500 sq.m in 2007.

Rents have remained stable, reflecting the balance on the French market. Similarly, future supply is still limited, representing only one small year of marketing.

The logistics investment market set a new record in 2007, with nearly 2.5 billion euros invested in France, compared with 1.9 billion euros in 2006. The reduction in yield rates since 2004 has stabilized, with the average rate on Class A warehouses ranging from 6 to 6.5%.

The logistics sector's dynamic performance accounts for GECINA's continued focus on developing this market, launched at the end of November 2005 and since then actively continued.

GECINA'S ACTIVITY AND PERFORMANCE

GECINA's strong development

2007 was marked by a major strengthening of GECINA's position on the logistics market through the following operations:

- acquisition in March 2007, in connection with an outsourcing operation by the Mory group, of a 90,300 sq.m portfolio (13 freight sites);
- acquisition in March 2007 of a portfolio of around 80,560 sq.m (2 sites) from the institutional operator SCOR;
- acquisition in July 2007 of a portfolio of around 20,800 sq.m (3 sites) from the investor Foncière Europe Logistique;
- acquisition in October 2007 of a 30,913 sq.m warehouse in Saint-Martin de Crau in connection with an outsourcing operation, which made it possible to seal a further equivalent acquisition at the start of 2008.

In this way, GECINA's logistics portfolio represents 787,940 sq.m in operation, with an occupancy rate of nearly 97.5%. It is valued at 518 million euros (excluding duties), generating 31.3 million euros in effective annual rental income. GECINA's logistics portfolio also includes over 620,000 sq.m under development, commitment or agreement.

Lastly, 2007 saw the delivery and letting of the first development carried out by GECINA (around 16,000 sq.m in Lagny-Le-Sec, Oise), in line with the acquisition objectives.

Outlook for 2008

For 2008, GECINA aims to continue with its dual strategy:

- acquiring existing Class A assets, incorporating new leading tenants with strong capacity for development;
- creating and implementing new high-quality environmental (HQE) logistics parks on the best sites, combining communications, multi-modality and employment pools.

Assets that are not strategic on account of their location or size may be sold off.

Lastly, GECINA will be creating its dedicated Gecilog "brand" for the logistics sector in order to assert its presence on this highly specialized business.

Clinique Bran-de-Fer
Rue Velleda – 22310 Plancoët

HEALTHCARE REAL ESTATE MARKET

Consolidation of the sector

In light of the development of the healthcare and medico-social sectors, set against the gradual aging of the population and the resulting increase in requirements, GECINA has been looking into the healthcare sector and in 2006 acquired a portfolio of 28 clinics operated by Générale de Santé, through a dedicated structure, Gecimed (formerly Sofco), in which GECINA has a 38.12% stake at December 31st, 2007. Gecimed's other main shareholders at December 31st, 2007 were ISM (General Electric Real Estate France group) for 19.13%, RBS-CBFM Netherlands BV (Royal Bank of Scotland group) for 17.82%, and SCOR Global P&C (SCOR group) for 10.05%.
2007 confirmed the consolidation trend for healthcare and medico-social operators. In this way, the highly fragmented market for clinics and dependent elderly housing facilities is being driven by various operators, which are increasing the number of existing facilities acquisitions. This phenomenon reflects both their desire to develop synergies and the particularly restrictive legislative framework in terms of operating authorizations, as well as financing difficulties, which are encouraging the most dynamic operators to focus on external growth.
In this respect, the main private commercial operators seem particularly well positioned to participate in this consolidation movement, and Gecimed has naturally sought to set up real estate partnerships with the industry's leading operators in order to accompany their development.

GECINA'S ACTIVITY AND PERFORMANCE

Gecimed, one of the most active investors

Gecimed, the only real estate company focused exclusively on the healthcare sector, was one of the most active investors over 2007 through the following operations:

- acquisition from Médica France, one of the main private medico-social operators, of a portfolio with premises for three dependent elderly housing facilities and one retirement home under development, as well as one dependent elderly housing facility in operation;
- acquisition of the Montréal clinic property in Carcassonne (12,000 sq.m, 148 beds) operated by Médi-Partenaires, one of the leading private healthcare operators;
- acquisition of a plot in Le Havre with a view to building the Hôpital Privé de l'Estuaire clinic, operated by Générale de Santé and offering 34,000 sq.m and 356 beds.

In this way, Gecimed's property holding at December 31st, 2007 represented 32 assets in operation (all leased) and a pipeline of development projects (prelet in full) with three dependent elderly housing facilities, one retirement home and one hospital. The portfolio is valued at 577 million euros (excluding duties) for assets in operation, generating 33.2 million euros in annual rent. In addition, some 36 million euros were invested in construction projects over 2007.
Over 2007, Gecimed invested and committed nearly 145 million euros, giving an average net yield of 6.70%. All of these acquisitions have been carried out under long triple net leases, with tenants covering all the upkeep costs and expenses. Upon completion, the operations that are currently being developed will generate a further 8.2 million euros (excluding indexing) in annual rental income.
These investments have enabled Gecimed to continue building its strong ties with Générale de Santé, as well as to diversify its portfolio with new market-leading tenants (Médica France, Médi-Partenaires) and new asset types (dependent elderly housing facilities, retirement homes).

Outlook for 2008

In 2008, Gecimed aims to continue rolling out its dual strategy to accompany its tenants as they grow, while developing partnerships with new operators. In this way, Gecimed is continuing to look into outsourcing operations with healthcare and medico-social operators.


Village Club Med Plan Peisey
73 210 Peisey-Vallandry

HOTEL REAL ESTATE MARKET

Heightened competition

In light of the outlook for the French hotel market, GECINA launched its diversification strategy in the hotel and leisure sector as of 2005, acquiring the properties for four Club Med holiday villages.
In 2007, the French hotel sector confirmed its good health, with further growth in occupancy rates and average price per room. In this way, for the fourth year in a row, 2007 saw an increase in average revenue per room, all segments combined. These good hotel results have fuelled interest among many investors looking to diversify their operations. In this way, the investment market has remained at a very strong level in France, with close to 3.6 billion euros invested, compared with 1.8 billion euros the previous year.
This competition between investors has been reflected in continued pressure on yield rates and has led operators, in a relatively strong position as a result of these factors, to focus on management contracts rather than leases. In this way, only one quarter of the transactions carried out in Europe over 2007 concerned leasing contracts, and the last outsourcing operation carried out by Accor on a portfolio of 57 hotels was based on fully variable rent without any guaranted minimum.
As far as the holiday club sector is concerned, the main two operators – Club Med and VVF – have continued with their strategies to upgrade and renovate their facilities, financed in part by asset outsourcing programs.

GECINA'S ACTIVITY AND PERFORMANCE

Dynamic asset management

In light of the hotel market's confirmed dynamic development and in line with its diversification strategy, GECINA soughts to continue looking for opportunities for investments and further develop its relations with the main hotel groups and operators in the well-being, leisure and tourism property sectors.
In 2007, GECINA did not make any acquisitions in the hotel and leisure sector. Indeed, the operations considered were found as not involving assets that met GECINA's quality criteria, offered too low yields, or were not based on commercial leases (management contracts, etc.).
GECINA's hotel portfolio in 2007 comprised three assets in Paris and one in the Lyons Region, as well as four Club Med assets (La Plagne 2100, Peisey-Vallandry, Val d'Isère, Opio), with an appraised value of 283 million euros (excluding duties) and 16.8 million euros in annual rental income. Over 2007, GECINA continued rolling out and ramped up its policy to finance work to expand and renovate the various assets owned: in this way, the Opio Village (Provence) has benefited from a renovation program representing nearly 22 million euros, with 17.7 million euros paid out in 2007. Similarly, 9 million euros have been invested in renovation work for the La Plagne Village, with 1.6 million euros paid out in 2007, while one final round of improvments is planned for 2008.

Outlook for 2008

GECINA is continuing to look into investment opportunities that will meet its quality and yield criteria.

N.B.: the sources relating to activity on the various markets come from: Immostat, CB Richard Ellis, Atisreal, Jones Lang LaSalle, DTZ, Cushman & Wakefield

4. Financing and cash management

At December 31st, 2007, consolidated net financial debt totaled 4,610 million euros, compared with 4,234 million euros at December 31st, 2006. The Group's debt at year-end is presented in detail in the notes to the consolidated financial statements (Note 5.13).

1. Cash pooling

In order to optimize the Group's financing, virtually all of its debt is centralized within GECINA. A cash-pooling agreement has therefore been put in place with a view to reducing financing costs and flows.

2. Financing sources

In order to supplement its resources, GECINA set up a 315 million euros credit line in November 2007.

As shown in the following table, the percentage of resources obtained by GECINA from the financial markets (EMTN) represented 23% of the Group's financing at December 31st, 2007, compared with 37% at December 31st, 2006. Notably following the repayment of the 250 million euros EMTN line in October. In 2007, GECINA did not make use of any new bond resources in light of market conditions.

In million euros	Dec 31, 2007		Dec 31, 2006	
Bonds	1,099	23%	1,349	31%
Commercial paper	-	0%	250	6%
Bank financing	3,101	66%	2,277	51%
Financial leases	437	9%	444	10%
Overdrafts and interest	80	2%	87	2%
Gross financial debt	4,717	100%	4,407	100%

3. Financing security

In order to ensure a high level of responsiveness with regard to its investment policy, GECINA maintains a series of credit lines available with various banking institutions.

In this way, at December 31st, 2007, GECINA had 500 million euros in undrawn credit lines available, which are also used, when relevant, as backup lines for commercial paper. Furthermore, the Group's cash, invested in cash-based mutual funds, represented 56 million euros. The undertakings for collective investment in transferable securities (UCITS) concerned are included in the regular money-market category and their performances have not been affected by the subprime crisis.

4. Debt schedule

As shown by the debt schedule (after allocation of undrawn credit lines) presented below, 37% of GECINA's debt at December 31st, 2007 had a maturity of over five years.

	In million euros	%
Due < 1 year	396	8%
1 year <due < 2 years	210	4%
2 years <due < 3 years	636	12%
3 years <due < 4 years	1,078	20%
4 years <due < 5 years	977	19%
Due > 5 years	1,920	37%
Total	5,217	100%

The average duration of debt at December 31st, 2007 was 4.5 years, down from 5 years at the end of December 2006.

5. Average cost of debt and rate risk

GECINA's consolidated debt primarily comprises floating-rate bank financing facilities or debt issued at fixed rates transformed into floating-rates concomitantly to the issue. At December 31st, 2007, around 73% of floating-rate gross debt was hedged based on a portfolio of derivatives (swaps, swaptions, caps and floors). At December 31st, 2007, GECINA's portfolio also included 2,300 million euros of derivatives, with deferred impacts over several years (collars, caps and floors to come into force in October 2008 and swaptions that may be exercised at December 29th, 2009).

The consolidated fair value of the portfolio of derivatives represents 82.7 million euros, revealing a positive change in value of 37.8 million euros at December 31st, 2007 (including 36 million euros recorded as income and 1.8 million euros to equity), compared with a change of 67.1 million euros at December 31st, 2006. Changes in market interest rates explain this valuation of hedging facilities.

Based on the existing hedging portfolio and in light of the contractual conditions in force at December 31st, 2007, a 1% increase in interest rates would have a negative impact on the financial result representing 10 million euros. A 1% reduction in interest rates would have a positive impact on the financial result of 20 million euros.

For a 1% increase in rates, the change in the value of the derivative portfolio would represent 151.5 million euros recorded as income and 3.5 million euros to equity. The change in value for a 1% reduction in rates would represent -59 million euros, only affecting income.

In order to prevent any counterparty risk, GECINA only carries out hedging transactions with leading banks.

The average cost of debt over 2007 came out at 4.46%, compared with 4.20% in 2006. This cost does not take into consideration the change in the value of derivatives, nor derivative arbitrage profits, but does factor in all financing, including financing for projects for which interest is capitalized in the accounts.

Based on 4,409 million euros in average financing in 2007, compared with 3,709 million euros in 2006, the consolidated net interest expense for 2007 comes out at 178 million euros, compared with 143 million euros the previous year. Project financing-related interest is not included in these 178 million euros.

6. Guarantees given

The amount of consolidated debt guaranteed by real sureties (mortgages, lender's liens, unregistered mortgages) came to 792 million euros at the end of 2007 excluding financial leases, with the Group continuing with its policy to use this type of financing for 121 million euros in 2007, with a view to diversifying its resources and extending its duration by taking out 15-year contracts. Further to the acquisitions carried out over the year, the number of properties financed under financial leases increased from 20 to 22, representing a total liability of 437 million euros at December 31st, 2007.

In this way, at December 31st, 2007, the total amount of assets pledged for mortgages or financial leases came to 1,229 million euros, representing only 9.94% of the total portfolio value (block), with a ratio of 20% authorized under the various credit agreements.

7. Solvency

GECINA's financial position at December 31st, 2007 is very easily compliant with the various limits likely to affect the spread conditions or early repayment clauses provided for under the various credit agreements.

The following table summarizes the main financial ratios covered in such agreements:

	Benchmark standard	Position at Dec 31, 2007
Loan to value ratio (block appraisal)	Maximum 50%*	37.29%
EBITDA before disposals / net financial expenses	Minimum 2.25/2.50*	2.71
Outstanding secured debt / block value of property holding	Maximum 20%	9.94%
Minimum net asset value for the property holding (block)	Minimum 8,000 million euros	12,363 million euros

* Except for temporary exceptions

500 million euros of bonds (maturing on January 25th, 2012) are concerned by a change of control clause. A change of control followed by a non-investment grade rating, not raised to investment grade again within 270 days, may result in their early redemption.

With resources from various sources and a level of debt representing only 37% of the property holding, valued at 12.3 billion euros on a block basis, and 35.4% of its unit value (13 billion euros), GECINA has strong financial capabilities, enabling it to continue rolling out its development policy.

The various elements in the ratios can be defined as follows:

- "Net financial debt" refers, on a given date and on a consolidated basis, to the aggregate amount of borrowings and financial debt, net of cash and equivalents, as presented in the borrower's consolidated financial statements.
- "Secured debt" refers to the financial debt of members of the Group, guaranteed by a real security, in addition to the financial debt of Group members corresponding to real estate financial leases for which one of the Group's members is the lessee.
- "EBITDA" refers, for a given period and on a consolidated basis, to earnings before interest and tax, as presented in the borrower's consolidated financial statements, in addition to all net provisions, depreciation and amortization, as presented in the borrower's consolidated financial statements, it being understood that this definition excludes any change in the value of the Group's assets. Due to presentation changes, this concept covers operating income less the change in value of properties.
- "Net interest expenses" refer, for a given period and on a consolidated basis, to the aggregate amount of all interest and related expenses owed by the Group, as presented in the borrower's consolidated financial statements under "net interest expenses", net of interest and related income received, as presented in the borrower's consolidated financial statements under "interest and related income", it being understood that this definition excludes any change in the market value of debt and derivative operations carried out by the Group.
- "Net asset value of the property holding" refers, for a given subsidiary or for the consolidated Group, as relevant, to the sum of (i) the block market value (excluding duties) of completed real estate assets for this subsidiary or consolidated Group, as relevant, in addition to the value of operations currently under development recorded at their net asset value if an appraisal is possible or otherwise at their book value, as determined by leading appraisers, chosen by the borrower and identified in its annual or half-year report, as relevant, based on the valuation principles currently applied (which will need to be applied on a constant basis throughout the period covered by the credit facilities) and (ii) the value of equity interest securities consolidated on an equity basis and revalued in line with the same methods as for real estate assets.

8. Rating

On June 8th, 2006, following the double public takeover bid on Metrovacesa in Spain, Standard & Poor's placed the long-term rating of BBB- and the short-term A-3 on negative watch. On December 5th, 2006, these ratings were confirmed, but the agency stated in its press release that on a stand-alone basis, GECINA's risk was a "high BBB". It then reconfirmed its rating on February 21st, July 9th, August 7th, November 8th and December 21st, 2007 following the implementation of the first phases of the Separation Agreement.

On March 20th, 2008, Standard and Poor's decided to downgrade GECINA's rating to BB+ with negative outlook, while keeping the rating for non-guaranteed debt at BBB- negative watch. Standard and Poor's has confirmed that GECINA has a healthy and sound financial position, based on a high-quality property holding, with this change resulting from the uncertainties over the shareholding structure linked to the implementation of the Separation Agreement taking longer than planned.

5. Consolidated financial statements

1. REVIEW OF INCOME

The Group's consolidated income statement is presented in a format that is adapted to its real estate business and notably includes the following elements:

- The income recorded in the Group's income statement (gross rental income) primarily factors in rent paid by tenants for the Group's properties, straight-lined over the term of the lease under IFRS.
- EBITDA before disposals (total for gross rental income, income from services and other, less the total for net expenses on properties, services and other, as well as committed fixed costs - salaries and fringe benefits and net management costs) represents income from operations relating to properties and service activities.

The Company also uses recurrent income as an indicator (corresponding to EBITDA before disposals, less net interest expenses). This indicator makes it possible to assess growth in income from the Group's management before factoring in disposals, value adjustments and tax.

1.1. Rental activity

The development of rental income on residential assets notably depends on conditions on the rental market as well as the effectiveness of the Group's portfolio management.

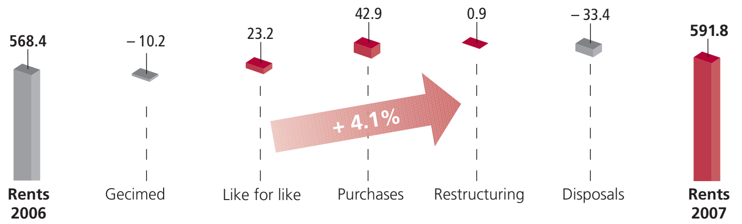
Rental income from offices and retail outlets depends on the level of average rents and the occupancy rate, as well as various specific criteria for these activities, including:

- As far as offices are concerned, the change in rents depends on conditions on the office market, the management teams' negotiations to renew leases and automatic annual revisions based on the cost of construction index for current leases. At the end of the lease, since rent on office properties is not subject to the capping rules applicable for leases on retail outlets, the Group's management teams negotiate with the tenant in order to set the rent for the new lease at the rental value.
- For retail outlets, the leases signed over the last few years include automatic annual rent revision clauses while the leases are underway, based on the cost of construction index. For rent when renewing leases, regulations are more restrictive than for offices insofar as these rents are, in principle, subject to the capping rule. Their amount therefore depends on the ability of the Group's management teams to capitalize on the legal exceptions to this rule.

The main factors affecting the amount of rent received by the Group for its residential assets are as follows:

- The *level of the average rent per square meter billed to tenants*. Its change depends primarily on changes in the benchmark indexes for current leases - cost of construction index and benchmark rent index and rental market conditions for relettings. The conditions on the rental market are presented in Section 3.
- The *financial occupancy rate for buildings*. The financial occupancy rate corresponds to the ratio of the amount of rent billed over a given period to the amount of rent that the Group would receive if all of its property holding was let (with vacant premises factored in based on the value of rent paid by the outgoing tenant). Vacancy periods are determined day by day during the calculation period. Properties for which the disposal process is underway are not included when calculating the financial occupancy rate since, as of this stage, the Group ceases to offer the vacant units in such properties for letting in order to be able to dispose of these units free from any letting. The structural maximum for the financial occupancy rate is less than 100% as a result of structural non-occupation periods for assets when changing tenants (notably due to the minimum timeframes required to carry out refurbishing or renovation work). Its level notably depends on the effectiveness of the rental management and marketing teams, with the Group aiming, in the current market context, to keep its financial occupancy rate close to the structural maximum.
- The financial occupancy rate is influenced by the *turnover rate*, which can be defined for a given period as the number of property units freed up during the period being considered divided by the number of the Group's property units at the start of the period, excluding any properties for which the disposal process is underway. Under current market conditions, a high turnover rate would be reflected in an increase in the overall level of the Group's rents per square meter, insofar as the rents billed by the Group are on average lower than market rents for new leases (which has been the case for several years). In principle, unless the units can be relet within a short timeframe, an increase in the turnover rate results in a lower financial occupancy rate.
- Acquisitions and disposals of real estate assets.

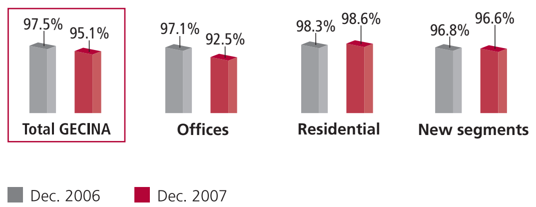
RENTAL INCOME



At December 31st, 2007, GECINA's *rental income* totaled 591.8 million euros (compared with 568.4 million euros in 2006), up 4.1%. The new assets incorporated into GECINA's property holding contributed 42.9 million euros to the Group's rental income growth. On a like for like basis and excluding properties for sale, this increase comes out at 5.0%: +5.4% for the office division, +3.5% for the residential division assets and +12.4% for new segments.

The *financial occupancy rate* for GECINA's portfolio comes out at 95.1% on average: 92.5% for offices, 98.6% for residential, and 96.6% for new segments. Excluding the new properties recently brought into operation (Défense Ouest, Crystalys and Pyramidion), the occupancy rate on offices is 98.1%.

FINANCIAL OCCUPANCY RATE



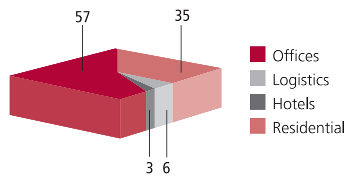
REVENUES FOR EACH SECTOR

Revenues from the *office sector* accounted for over 57% of the Group's rental income, up 8.0% to 338.1 million euros. Over the period, 49,691 sq.m were re-let, while 36,752 sq.m of offices were let for the first time.

For its part, the *residential sector* generated 35% of the Group's rental income, with 205.6 million euros. More than 2,247 apartments have been relet since the start of the year, representing around 136,296 sq.m of residential assets and a turnover rate of 14.4%. The average rent on reletting is up 6.3% to 15.54 euros/sq.m.

The *logistics and hotel sectors* now account for more than 8% of the Group's rental income, coming in at 48.2 million euros. On these segments, the financial occupancy rate for the logistics portfolio in operation (97.5%) is up 1%.

The *healthcare sector*, represented by the stake in Gecimed, is no longer included in rental income, since it is consolidated on an equity basis.



1.2. Expenses on properties

Expenses on properties correspond to the costs incurred in connection with property, and more specifically: upkeep costs, operating costs (primarily supplies of consumables, maintenance contracts and superintendent costs) and property taxes. Depending on the lease, a portion of such costs is billed back to tenants.

In addition to the upkeep costs that are included in expenses on properties, the Group incurs renovation costs, which are capitalized and therefore not included under expenses on properties. The capitalized amounts are not depreciated, but their amount is taken into account when determining the fair value of properties.

The change in the level of expenses on properties primarily depends on changes in superintendent wages, prices for electricity, gas, fuel oil and water, property taxes and more generally the rate of inflation for the various costs incurred by the Group in connection with property operations.

The Group's *net rental and service income* is up 4.9% to 536.7 million euros, thanks to the combination of higher rents and an increase in the margin rate on rents, up to 90.6%.

1.3. Committed fixed costs

Committed fixed costs primarily include staff and related management costs, as well as operating costs (premises, IT purchases, supplies) and fees.

The change in operating and committed fixed costs primarily depends on changes in the overall level of compensation for employees within the Group, as well as staffing levels and more generally wage growth.

In 2007, their downturn is primarily due to the non-recurrence of fees for the subsidiarization of the residential real estate business, with the provisions written back (10.4 million euros) comfortably covering the costs for the separation operation (7.9 million euros).

"Recurrent" net management costs are down 5%, notably in light of more recurrent fees (external personnel, maintenance, insurance, consulting, etc.), coming in at 2.9 million euros, while salaries and fringe benefits are up 27%, primarily reflecting the staggered cost of stock options and profit-sharing for staff (+6 million euros in total) and the higher level of payroll.

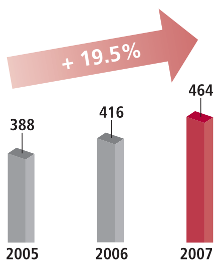
1.4. EBITDA

EBITDA before disposals, which reflects income from recurrent operations, is up 11.6%, notably thanks to the 23 million euro reduction in committed fixed costs.

Income from asset disposals represents the capital gains (or capital losses, if relevant) recorded when selling off buildings or units. The capital gains (and capital losses) correspond to the difference between income from disposals, net of costs for marketing and work to accompany the sale, and the net book values of the assets, which are recorded at their fair value on the opening date of the financial year in question (based on values appraised under the conditions set out in the portfolio valuation section hereafter). They are therefore not representative of the historical capital gains.

EBITDA is down as a result of the lower level of disposals than in 2006 (the volume of assets sold off represented 508.9 million euros, compared with 727.9 million euros in 2006), with 24.5 million euros in income from disposals of inventories and 48.4 million euros for investment properties.

EBITDA BEFORE DISPOSALS



1.5. Change in value of properties

The change in value of properties over a given period corresponds to the difference between (i) the appraised value of properties owned by the Group at the end of the period in question and (ii) the appraised value of properties owned by the Group at the start of the financial year in question, in addition to the amount of any costs capitalized for work over this period. The change in fair value of fixed assets is also adjusted, if applicable, in order to factor in acquisitions and disposals over the period in question.

For a period (year or half-year), the income statement therefore records the change in fair value for each property (adjusted for acquisitions and disposals), determined in the following way:

Change in fair value = market value at end of period N (market value at start of year N + amount of work capitalized for period N)

As a result, investment properties are not amortized or depreciated, and only the head office is amortized.

Change in value of properties represented 997.8 million euros in 2007, compared with 1,348.8 million euros in 2006. However, value growth came to 10.9%, with the second half of 2007 also seeing an increase (by around 0.5%).

1.6. Earnings

In light of the elements outlined above, *EBIT* came to 1,530.8 million euros over 2007, compared with 1,912.8 million euros in 2006.

The change in financial expenses depends primarily on the average level of debt, as well as changes in the interest rates at which the Group is able to finance its operations, and the cash generated by the business. *Net financial expenses* totaled 178.8 million euros, based on an average of 4,409 million euros in outstanding net debt, up 700 million euros in relation to December 31st, 2006. The cost of debt came out at 4.46%, compared with 4.20% at December 31st, 2006 (annual average) in light of the increase in short rates. At December 31st, 2007, the hedging rate for variable-rate debt represented 73%.

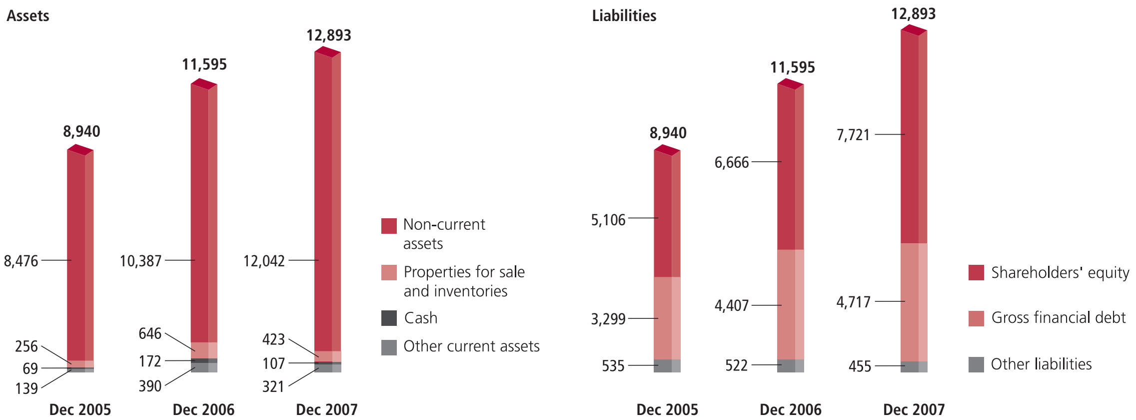
The change in the fair value of financial instruments primarily reflects income from the value adjustment for financial investments in marketable securities and income from the fair value adjustment for hedging instruments in relation to the Group's gross financial debt. The Group aims to continue with a global hedging policy on its financial risks, and primarily the rate risk. In this way, hedging instruments are revalued at each close of accounts in accordance with IAS 32 and 39, with the corresponding impact recorded primarily under income. The change in the fair value of financial instruments over 2007 comes out at -8.9 million euros, including -45.0 million euros linked to marketable securities and +36.1 million euros to derivatives (linked to the average increase in the rate curve).

The *share in income from the healthcare sector* (Gecimed, 38%-owned) represents 8.7 million euros, reflecting this sector's dynamic development.

As a result of the SIIC status, activities relating to the Group's properties in operation are exempt from tax. The tax expense recorded corresponds to tax on income for other activities that are not eligible to this system. Tax is primarily linked to capital gains generated on real estate trader operations (7.8 million euros) at Société des Immeubles de France (4.4 million euros before its merger with GECINA), the exit tax on companies that opted for the SIIC system in 2007 (8.1 million euros) and deferred tax (26 million euros).

Consolidated net income (Group share), after fair value adjustments for properties and financial instruments, totaled 1,292.9 million euros.

2. FINANCIAL POSITION



2007 confirms the implementation of the various objectives set out by the Group, with major investments on office assets as well as new products in the logistics and healthcare real estate sectors or in student residences, while various projects are currently being looked into in the hotel sector.

The *property holding*, recorded based on its block value, represents 12.1 billion euros (including properties for sale and in inventories), up 1.2 billion euros since December 31st, 2006:
- 416 million euros of acquisitions (primarily offices, logistics and student residences),
- 191 million euros of work on portfolio properties (including 151 million euros of redevelopment or property work),
- 427 million euros in disposals based on the book value (509 million euros in income from disposals, representing a net profit of 73 million euros), with two-thirds on unit sales,
- A 998 million euro increase in values.

Long-term financial investments comprise the loans to Beaugrenelle (26 million euros), Gecimed (69 million euros), bond securities (100 million euros) and advances on real estate acquisitions (69 million euros).

The 62 million euros in *equity-consolidated of securities* concern Gecimed, and the 8.8 million euro increase is linked to the share in income from Gecimed, which came to 22 million euros.

The 11 million euro increase in *trade receivables* reflects the combination of three factors: the increase in gross receivables for 2 million euros, the impact of deferred rent for 7 million euros, and the reduction in provisions for 2 million euros.

Other receivables (56 million euros, including 19 million euros for VAT and 8 million euros for tax) have been reduced by 235 million euros, with:
- 140 million euros in VAT receivables cashed in February in relation to properties acquired at the end of 2006 (Portes de La Défense, Mazagran and Défense Ouest),
- 91 million euros received in January following the arrival of various partners in Gecimed.

The 198 million euros recorded for *financial instruments* under assets include:
- 107 million euros for marketable securities, with a cost price of 150 million euros,
- Global payer fixed-rate hedging derivatives recorded as assets, with a fair value of 92 million euros and on which the value adjustment represents an unrealized profit of 23 million euros (not including the profit generated in 2007, with 21 million on instruments arbitraged over the year).

The 9 million euros recorded for financial instruments under liabilities include:
- Global floating-rate payer hedging derivatives recorded under current liabilities, with a fair value of 6 million euros and a negative value adjustment of 7 million euros,
- Strictly backed derivatives recorded under non-current liabilities for 2 million euros, with a value adjustment of 2 million euros recorded under shareholders' equity.

Cash and equivalents correspond to the debit cash balance at December 31st, 2007.

Shareholders' equity is up 1.1 billion euros, primarily reflecting:

- Earnings for the year: +1,293 million euros,
- Dividends paid out: -253 million euros,
- Acquisition of the Volney property, based partially on treasury stock for 8 million euros and generating 4 million euros in capital gains recorded under shareholders' equity,
- Merger with Société des Immeubles de France, creating 126,405 shares, representing -2.1 million euros (factoring in the costs incurred),
- Impact of the various options exercised, creating 28,470 shares, representing 1.7 million euros.

Gross financial debt is up 310 million euros to 4,717 million euros, while net financial debt is up 376 million euros to 4,610 million euros.

The 42 million euro increase in *provisions for contingencies and liabilities* is linked to the reclassification under liabilities of provisions for tax audits on previous financial years that are being disputed.

The other significant changes in *current liabilities* primarily concern the 120 million euro reduction in trade payables (reflecting payment of the debt for the acquisition of the Défense Ouest property).

3. APPRAISED PORTFOLIO VALUE

The GECINA group's entire property holding is appraised on June 30th and December 31st each year by four independent appraisers: CB Richard Ellis Bourdais, Atisreal Expertise, Foncier Expertise and Catella.

The Group's property holding is made up of commercial assets (offices and retail outlets), residential assets, logistics assets, hotels and healthcare facilities. To draw up its consolidated financial statements, the Group has opted for a fair valuation of its properties in accordance with IAS 40, with this fair value determined by independent appraisers twice a year. In accordance with this standard, the change in the fair value of properties (after factoring in capitalized work) over each accounting period is recorded on the income statement.

The appraisers estimate the value of the properties based on two approaches: the individual sale of units comprising the properties (appraised unit value) and the sale of entire properties (appraised block value). The methodology used by the appraisers is presented hereafter.

At December 31st, 2007, the Group decided to present the change in its overall portfolio based solely on unit values, which are the most representative of market transactions.

In line with the recommendations of the French securities regulator (AMF), these appraisals are carried out in accordance with recognized methods that are consistent from one year to the next, based on net sales prices, i.e. excluding costs and duties. Assets acquired within six months of the year-end date have not been appraised.

The following tables present the values of the Group's properties as determined by the appraisers:

OVERVIEW OF THE PROPERTY HOLDING(1)

In million euros	Dec 31, 2007	Dec 31, 2006	Change
Appraised portfolio value(2)	13,249.2	12,047.6	+10.0 %
Like-for-like appraised portfolio value(2)	11,308.1	10,208.1	+10.8 %

(1) The healthcare property holding, held by Gecimed, is incorporated for 38%, which corresponds to GECINA's stake in Gecimed.

(2) Based on the auditor's appraisal in block values for commercial properties and in unit values for residential assets.

At December 31st, 2007, the GECINA group's portfolio value was up 10.0% to 13,249.2 million euros. This increase factors in the changes in scope. Like-for-like, the value is up 10.8% to 11,308.1 million euros.

NET ASSET VALUE(1) FOR THE PORTFOLIO AT DECEMBER 31ST

	Dec 05	Dec 06	Dec 07	% 07/06
Offices	4,713.0	6,275.4	7,156.1	14.0%
Residential	4,512.7	4,945.0	5,058.1	2.3%
Hotels	200.4	232.7	282.9	21.6%
Logistics	89.0	391.2	519.1	32.7%
Healthcare(2)	0.0	203.3	233.0	14.7%
Total portfolio value	9,515.1	12,047.6	13,249.2	10.0%

(1) Based on a block valuation for all segments, except for residential (units).

(2) Valuation of the healthcare portfolio based on GECINA's interest in Gecimed (38%).

At December 31st, 2007, GECINA's portfolio was valued at 13.2 billion euros (net sales price), compared with 12.0 billion euros at year-end 2006, based on an independent appraisal in unit values for residential properties and block values for commercial assets. This change notably reflects the new acquisitions brought into the property holding. Like-for-like, asset valuations are up 10.8% in relation to December 31st, 2006: 13.5% for offices, 8.6% for residential assets and 4.5% for new products.

The increase in the Group's portfolio appraisal values over 2007 primarily reflects the growth seen in property prices over the first half of 2007 on the segments that the Group is present on.

The second half of the year was marked by a stability of commercial property values, with a return of risk premiums in the least favorable areas (the inner and outer Paris suburbs for GECINA).

For its part, residential real estate increased by around 2% over the second half of 2007.

3.1. Commercial real estate portfolio properties

Valuation methods

Buildings from the commercial portfolio are valued building-by-building on a block basis in line with the following three approaches:

- Direct comparison, based on comparing the asset against transactions seen on similar assets on the nearest possible date to the appraisal;
- Capitalization of net revenues, which corresponds to the methodology set out below in the section on residential assets, factoring in net revenues for commercial assets.
- Discounted cash-flow over a 10-year period. The discount rate factors in a risk and liquidity premium based on each asset's location, characteristics and occupancy.

An analysis for each lease is carried out for the last two approaches.

The appraisal value retained is based on the arithmetic average of the results achieved with these three different methods.

In the event of a difference of more than 10% between the results with these three methods, a case-by-case analysis is carried out before setting the valuation retained.

VALUATION OF COMMERCIAL PORTFOLIO BUILDINGS

In million euros	Dec 31, 2007	Dec 31, 2006	Change
Appraised commercial portfolio value(1)	7,156.1	6,275.4	+14.0%
Like-for-like appraised commercial portfolio value(1)	5,849.7	5,152.0	+13.5%

(1) Based on the auditor's appraisal in block values for commercial properties and in unit values for the residential portion of mixed-use properties.

In light of the acquisitions carried out over the year, the value of commercial properties came out at 7,156.1 million euros, up 14.0% on the value at December 31st, 2006. Like-for-like, the value of properties in the commercial portfolio increased by 13.5%, climbing from 5,152.0 million euros to 5,849.7 million euros at the end of 2007.

PROPERTIES IN OPERATION IN 2007 (EXCLUDING ACQUISITIONS)

	Appraised value in million euros	Value/sq.m in euros	2007 rent/ appraised value
Paris	3,540.4	9,447	5.05%
Paris Region	2,235.6	4,506	5.97%
Lyons	73.8	1,820	6.33%

By region, and in relation to rent recorded in 2007, the average gross yield on commercial properties in operation came to 5.05% for Paris, 5.97% for the Greater Paris Region, and 6.33% for the Lyons Region.

3.2. Residential real estate portfolio properties

Valuation methods

Properties from the residential portfolio are valued in line with two methods: a block valuation, defining a value for the entire property, and a unit valuation, corresponding to a valuation for each apartment.

The block value is determined directly based on the unit valuation of assets (value of the property based on the assumption for each apartment or unit to be sold off separately), notably for the direct comparison approach.

The appraised unit value of properties is determined in line with the following methodology:

- For residential units and parking facilities, the direct comparison methodology, which involves valuing the units in the property appraised compared with the sales price applied for transactions concerning similar assets. The appraisers value the units based on the market value for units with equivalent characteristics, assumed to be vacant and in good condition, before applying an occupancy discount.
- Offices and retail outlets are valued based on the capitalization of gross rent.

For block valuations, the real estate appraisers use two valuation approaches:

- The direct comparison method, which involves applying a discount to the appraised unit value of residential units and parking facilities obtained using the methodology outlined above, with this discount adapted according to whether the asset is in operation or to be put up for sale, in order to factor in a value determined for the entire asset. This value is then added without any discount to the appraised value as described above for any offices or retail outlets in the property concerned.
- The capitalization of gross rent, which involves valuing an asset by applying a capitalization rate corresponding to that expected by an investor for a given asset type to the gross rent (actual and potential for vacant premises).

When the results with these two methods are included within a range of under 10%, the appraisers retain the average of both results for the block valuation. If the results obtained with these two approaches vary by more than 10%, the appraisers retain one of the two values, justifying their choices.

VALUATION OF PROPERTIES FROM THE RESIDENTIAL PORTFOLIO

In million euros	Dec 31, 2007	Dec 31, 2006	Change
Appraised residential portfolio value(1)	5,058.1	4,945.0	+ 2.3%
Like-for-like appraised residential portfolio value(1)	4,644.8	4,277.6	+ 8.6%

(1) Based on the appraisal in unit values for residential properties and in block values for the commercial portion of mixed-use properties.

The change in the valuation of the residential property holding between 2006 and 2007 comes out at 2.3% in light of the disposals carried out. On a constant structural basis, this increase comes to 8.6%.

RESIDENTIAL PORTFOLIO PROPERTIES IN OPERATION

	Appraised value in million euros	Value / sq.m in euros	2007 rent / appraised value
Paris	2,934.8	5,471	3.95%
Paris Region	1,356.8	3,579	4.29%
Lyons	340.0	2,416	4.05%
Other regions	13.3	1,268	8.42%

3.3. Diversification real estate portfolio properties

Valuation methods

Buildings from the diversification property portfolio (grouping together in 2007, as in 2006, logistics, healthcare - factored in based on GECINA's 38% stake - and hotel properties) are valued property by property on a block basis in line with the following three approaches:

- Direct comparison, based on comparing the asset against transactions seen on similar assets on the nearest possible date to the appraisal;
- Capitalization of net revenues, which corresponds to the methodology set out below in the section on residential assets, factoring in net revenues for commercial assets;
- Discounted cashflow over a 10-year period. The discount rate factors in a risk and liquidity premium based on each asset's location, characteristics and occupancy.

An analysis for each lease is carried out for the last two approaches.

The appraisal value retained is based on the arithmetic average of the results achieved with these three different methods.

In the event of a difference of more than 10% between the results with these three methods, a case-by-case analysis is carried out before setting the valuation retained.

VALUATION OF PROPERTIES FROM THE DIVERSIFICATION PORTFOLIO

In million euros	Dec 31, 2007	Dec 31, 2006	Change
Appraised diversification portfolio value[1]	1,035.0	827.2	+25.1%
Like-for-like appraised diversification portfolio value[1]	813.6	778.5	+4.5%

(1) Based on the appraisal in block values for commercial properties and in unit values for residential assets.

The change in the valuation of the diversification property holding between 2006 and 2007 came to 25.1%. On a constant structural basis, this increase comes out at 4.5%.

DIVERSIFICATION PORTFOLIO PROPERTIES IN OPERATION

	Appraised value in million euros	Value / sq.m in euros	2007 rent / appraised value
Paris	8.3	2,394	5.73%
Paris Region	233.8	994	6.06%
Lyons	303.4	1,486	6.32%
Other regions	571.7	1,417	N/A
Other countries	43.2	661	N/A

3.4. Analysis of the Group's portfolio

As indicated in the notes to the consolidated financial statements, the Group has opted to record its properties based on their fair valuation in line with the following methodology:

Investment properties
Investment properties as per IAS 40 are, by convention, valued factoring in their appraised block value (excluding transfer duties) as determined by the independent appraisers under the conditions set out above.

Properties for sale
In accordance with IFRS 5, when the Group has undertaken to sell off an asset, it is recorded, as of the first actual sale of a unit, as a "property for sale" under current assets on the balance sheet. However, these assets are continuing to be valued in line with the fair value principle, based on a valuation procedure that takes into consideration the way in which the sale is being organized. In this way, the following cases must be differentiated:

- Properties put up for bulk sale are valued at their appraised block value, net of estimated disposal costs;
- Properties or units under promissory sales agreements signed before the year-end date are valued based on the value of the agreement to sell, after deducting any costs and commissions required for their sale;
- Properties put up for unit sale are valued as follows:
  - Properties put up for unit sale are valued by the independent appraisers if the remaining unit stock to be sold off is higher than 40% of the initial stock (in value).
  - If the remaining units to be sold represent less than 40% of the initial stock, the value is determined based on the sales price grid drawn up by the Group with the marketers, after factoring in a discount to notably reflect marketing costs.

Properties acquired less than six months before the year-end date
In general, they are not covered by an independent appraisal (except for in the event of any significant changes to the market environment) and are recorded on the balance sheet for a value equal to their acquisition price.

Properties under construction or redevelopment
Properties under construction or redevelopment are valued by an independent appraiser. These valuations are used when determining the net asset value. However, they are recorded in the accounts at their historical cost, in addition to any work and financial expenses capitalized through to completion of the work.

Company-used properties and inventory
The registered office is recorded at its cost price and amortized in line with the component-based method.
Properties in inventory (acquired under the real estate trader system) are recorded under inventories at their acquisition cost.

As a result of these differences, the portfolio value presented above is logically different from the values recorded in the consolidated financial statements.

3.5. Net asset value

Note 6.3 to the consolidated financial statements details the calculation of the net asset value (NAV) per share at December 31st, 2007, based on the appraised values for the property holding.

The unit-based net asset value is calculated in view of consolidated shareholders' equity, which incorporates the fair value of investment properties, properties intended for sale and derivatives. This calculation also factors in unit value supplements, unrealized capital gains on properties valued on the balance sheet at their historical cost, such as properties in operation, inventory properties, and properties under construction or redevelopment, calculated based on independently appraised unit values excluding duties, after taking into account the tax positions of companies not governed by the SIIC system. The fair value of financial liabilities is also taken into consideration.

Net asset value per share

The net asset value per share is calculated by comparing the NAV with the number of shares at the end of the period, excluding treasury stock.

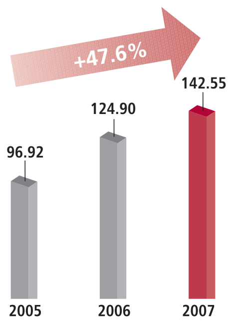
Diluted net asset value per share

The diluted net asset value per share factors in the impact of the dilution resulting from stock options or warrants. It is then compared against the potential number of shares likely to be created by the exercising of such options.

NAV (€ per share)

Diluted net asset value after tax represents 8.7 billion euros (unit) at December 31st, 2007. Per share, it comes out at 142.55 euros (unit), up 15.0% on December 31st, 2006.

NAV (€ PER SHARE)



4. CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT AT DECEMBER 31ST, 2007

(in thousand euros)	Notes	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Gross rental income	3.13 and 7	**591,835**	**568,359**	**514,963**
Expenses on properties	6.2	– 154,499	– 147,672	– 140,584
Expenses billed to tenants	6.2	94,774	87,607	74,908
Net rental income		**532,110**	**508,294**	**449,287**
Services and other income	6.3	6,519	5,309	10,722
Services and other expenses	6.3	– 1,949	– 2,046	– 3,111
Net rental and service income		**536,680**	**511,557**	**456,898**
Salaries and fringe benefits	6.4	– 51,050	– 40,238	– 42,912
Other management costs	6.4	– 22,078	– 55,796	– 26,087
EBITDA before disposals		**463,552**	**415,523**	**387,899**
Gains from inventory disposals	6.5	24,514	6,304	3,380
Gains from asset disposals	6.5	48,418	148,030	23,359
EBITDA		**536,484**	**569,857**	**414,638**
Change in fair value of properties	6.6	997,763	1,348,754	393,085
Depreciation		– 2,677	– 2,739	– 3,697
Net provisions and amortization		– 747	– 3,116	– 104
Operating income		**1,530,823**	**1,912,756**	**803,922**
Net financial expenses	6.7	– 178,832	– 143,381	– 123,087
Financial depreciation and provisions		0	43	87
Change in fair value of financial instruments	6.8	– 8,929	58,785	– 2,886
Net income from equity affiliates	5.3	8,725	0	0
Pre-tax income		**1,351,787**	**1,828,203**	**678,036**
Tax	6.9	– 51,168	– 46,806	– 18,296
Consolidated net income		**1,300,619**	**1,781,397**	**659,740**
Minority interests		– 7,695	– 2,768	– 9,840
Consolidated net income (Group share)		**1,292,924**	**1,778,629**	**649,900**
Consolidated net earnings per share (Group share)	6.10	21.43 euros	29.61 euros	10.91 euros
Diluted consolidated net earnings per share (Group share)	6.10	21.13 euros	29.24 euros	10.86 euros

BALANCE SHEET AT DECEMBER 31ST, 2007

(in thousand euros) ASSETS	Notes	Gross	Depreciation and amortization	Dec 31, 2007 Net	Dec 31, 2006 Net	Dec 31, 2005 Net
Non-current assets		12,069,098	27,270	12,041,828	10,387,392	8,476,013
Investment properties	5.1	11,207,855	0	11,207,855	9,590,084	8,233,846
Buildings under redevelopment	5.1	438,214	13,068	425,146	639,438	144,656
Properties in operation	5.1	76,145	4,058	72,087	73,452	74,095
Other tangible fixed assets	5.1	6,827	4,189	2,638	3,118	3,109
Intangible fixed assets	5.1	8,026	5,955	2,071	1,987	2,219
Long-term financial investments	5.2	269,648	0	269,648	23,775	10,140
Equity-consolidated securities	5.3	61,859	0	61,859	53,641	0
Deferred tax	5.4	524	0	524	1,897	7,948
Current assets		864,622	13,752	850,870	1,207,921	463,556
Properties for sale	5.5	397,037	0	397,037	598,307	220,569
Inventories	5.6	25,865	354	25,511	47,666	34,922
Rent due and related receivables	5.7	69,548	13,309	56,239	44,979	43,584
Other receivables	5.8	56,792	89	56,703	291,801	51,564
Prepaid expenses		9,887	0	9,887	7,241	3,094
Financial instruments	5.9	198,209	0	198,209	45,592	40,452
Cash and equivalents	5.10	107,284	0	107,284	172,335	69,371
TOTAL ASSETS		12,933,720	41,022	12,892,698	11,595,313	8,939,569

LIABILITIES	Notes	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Capital and reserves	5.11	7,721,204	6,666,042	5,105,764
Share capital		468,184	467,023	466,578
Issue, merger, and capital contribution premiums		1,862,896	1,856,883	1,854,018
Consolidated reserves		4,094,603	2,547,292	2,111,832
Consolidated net profit		1,292,924	1,778,629	649,900
Group shareholders' equity		7,718,607	6,649,827	5,082,328
Minority interests		2,597	16,215	23,436
Non-current liabilities		4,737,667	3,763,778	2,774,692
Financial debt	5.13.1	4,569,619	3,626,369	2,657,465
Derivatives	5.13.2	2,401	4,162	13,929
Deferred tax liabilities	5.12	70,802	73,912	59,969
Provisions for contingencies and liabilities	5.12	78,847	36,835	34,410
Taxes due and other employee-related liabilities	5.14	15,998	22,500	8,919
Current liabilities		433,827	1,165,493	1,059,113
Financial debt (short-term)	5.13.1	147,786	780,408	642,045
Derivatives	5.13.2	6,446	6,543	57,116
Security deposits	3.9	70,191	62,052	64,591
Trade payables		105,930	229,909	63,513
Taxes due and other employee-related liabilities	5.14	45,768	44,292	192,082
Other liabilities	5.15	57,706	42,289	39,766
TOTAL LIABILITIES		12,892,698	11,595,313	8,939,569

CHANGE IN SHAREHOLDERS' EQUITY AT DECEMBER 31ST, 2007

(in thousand euros, except for the number of shares)	Number of shares	Share capital	Consolidated reserves and premiums	Shareholders' equity (Group share)	Minority interests	TOTAL SHARE-HOLDERS' EQUITY
Balance at January 1st, 2005	62,101,841	465,764	4,136,112	4,601,876	30,632	4,632,508
Dividend paid in July 2005 (3.70 euros per share)			– 221,394	– 221,394		– 221,394
Dividend paid to minority interests				0	– 19,058	– 19,058
Value of treasury stock			39,130	39,130		39,130
Change in fair value of derivatives			6,774	6,774		6,774
Adjustments linked to stock options			1,144	1,144		1,144
SAS Labuire capital increase				0	2,015	2,015
Capital increase	108,607	814	4,084	4,898		4,898
Other changes				0	7	7
Earnings for 2005			**649,900**	**649,900**	**9,840**	**659,740**
Balance at December 31st, 2005	62,210,448	466,578	4,615,750	5,082,328	23,436	5,105,764
Dividend paid in June 2006 (3.90 euros per share)			– 234,079	– 234,079		– 234,079
Dividend paid to minority interests				0	– 2,047	– 2,047
Value of treasury stock			5,318	5,318		5,318
Change in fair value of derivatives			9,767	9,767		9,767
Adjustments linked to stock options			2,468	2,468		2,468
Translation gains or losses			2,043	2,043		2,043
Capital increase	59,222	445	2,908	3,353		3,353
Other changes				0	– 7,941	– 7,941
Earnings for 2006			**1,778,629**	**1,778,629**	**2,768**	**1,781,397**
Balance at December 31st, 2006	62,269,670	467,023	6,182,804	6,649,827	16,215	6,666,042
Dividend paid in June 2007 (4.20 euros per share)			– 252,900	– 252,900		– 252,900
Dividend paid to minority interests				0	– 8,715	– 8,715
Value of treasury stock			3,154	3,154		3,154
Change in fair value of derivatives			1,761	1,761		1,761
Adjustments linked to stock options			7,736	7,736		7,736
Translation gains or losses			626	626		626
Capital increase	28,470	214	1,474	1,688		1,688
Société des Immeubles de France merger	126,405	948	8,915	9,863	– 11,950	– 2,087
Other changes			3,928	3,928	– 648	3,280
Earnings at December 31st, 2007			**1,292,924**	**1,292,924**	**7,695**	**1,300,619**
Balance at December 31st, 2007	62,424,545	468,185	7,250,422	7,718,607	2,597	7,721,204

See Note 5.11.

NET CASH FLOW STATEMENT AT DECEMBER 31ST, 2007

(in thousand euros)	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
CONSOLIDATED NET INCOME (INCLUDING MINORITY INTERESTS)	**1,300,619**	**1,781,397**	**659,740**
Net income from equity affiliates	8,725		
Net depreciation and amortization	522	3,782	1,453
Change in fair value and discounting of liabilities and receivables	– 988,834	– 1,407,539	– 390,199
Income and expenses calculated on stock options	7,898	2,822	996
Tax expense (including deferred tax)	51,169	46,806	18,296
PRE-TAX CURRENT CASH FLOW	**362,649**	**427,268**	**290,286**
Capital gains and losses on disposals	– 48,418	– 148,030	– 23,359
Other income and expenses calculated	– 5,613	– 5,164	– 2,860
Cost of net financial debt	178,829	143,378	123,022
Cash flow from operations before cost of net financial debt and tax (A)	487,447	417,452	387,089
Taxes paid (B)	– 9,190	– 49,755	– 19,009
Change in working capital requirements linked to operations (C)	– 1,723	10,249	27,123
NET CASH FLOW FROM OPERATIONS (D) = (A+B+C)	476,534	377,946	395,204
Acquisitions of tangible and intangible fixed assets	– 398,044	– 1,112,278	– 417,112
Disposals of tangible and intangible fixed assets	452,137	626,500	483,860
Disbursements linked to acquisition of long-term financial investments (unconsolidated)	– 152	– 149,016	0
Collections linked to sale of long-term financial investments (unconsolidated)	116	0	0
Impact of changes in scope	– 71,058	– 115,073	– 57,465
Other cash flow from investment activities	– 395,346	– 13,481	493
Change in working capital requirements linked to investments	122,070	– 164,728	– 118,153
NET CASH FLOW FROM INVESTMENT ACTIVITIES (E)	– 290,276	– 928,076	– 108,376
Capital contributions from minority interests in consolidated companies	0	0	2,015
Amount received further to exercising of stock options	4,680	8,317	43,991
Treasury stock purchases and sales	0	0	0
Dividends paid to parent company shareholders	– 252,900	– 234,079	– 221,394
Dividends paid to minority shareholders in consolidated companies	– 8,715	– 2,047	– 19,058
New borrowings	968,043	1 676,689	242,202
Repayments of borrowings	– 760,146	– 669,923	– 259,260
Net financial interest paid	– 199,391	– 136,102	– 137,688
Other cash flow from financing activities	1,359	7,548	7,024
NET CASH FLOW FROM FINANCING ACTIVITIES (F)	– 247,070	650,403	– 342,169
CHANGE IN NET CASH POSITION (D+E+F)	– 60,812	100,273	– 55,341
Opening cash position	167,846	67,573	122,914
Closing cash position	107,034	167,846	67,573

See Notes 6.11 and 6.12

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31ST, 2007

1. OPERATING HIGHLIGHTS

1.1. Key events

2007

At the Board meeting on March 6th, 2007, GECINA's Directors decided to suspend the operation to subsidiarize and list the residential real estate business.

Effective October 1st, 2007, GECINA merged its subsidiary Société des Immeubles de France (SIF), in which it had a 99.32% stake. Since this subsidiary was fully consolidated, the impact is limited to the exchange of 0.68% of the SIF shares not held by GECINA for 126,405 GECINA shares created.

Following the AMF's decision on December 12th, 2007, to declare GECINA's proposed buy-back offer non-compliant, GECINA's implementation of the Separation Agreement has been suspended (see Note 8.1).

The Group has acquired logistics portfolios for 159,053 thousand euros, four commercial buildings for 217,353 thousand euros, and various student residences for 49,406 thousand euros.

Disposals represented 461,593 thousand euros.

2006

On June 13th, the Group acquired a 29,512 sq.m commercial building in Montreuil for 140,747 thousand euros.

On June 14th, 2006, the Group acquired a 90.52% stake in Sofco (which became Gecimed on March 30th, 2007). Over the second half of the year, Gecimed acquired 28 clinic properties from Générale de Santé for 538 million euros. Further to various agreements signed with a group of buyers on December 28th, 2006, the Group's interest in Gecimed was reduced to 37.99%. The company's assets and liabilities have been consolidated on an equity basis as at December 31st, 2006.

On June 20th, 2006, GECINA acquired a portfolio of companies from the Bleecker Group for 282 million euros including duties (including 8 million euros booked as inventories), representing a total of 450,000 square metres of logistics space spread over 30 operational assets.

In addition, GECINA acquired six commercial properties and one residential property for 931 million euros.

Over the year, the Group sold off 39 properties on a block basis for 415 million euros.

2005

Further to a public takeover bid in Q2 2005, the company Metrovacesa acquired a 68.42% interest in GECINA's capital, representing 70.99% of voting rights at December 31st, 2005.

In connection with this public takeover bid, GECINA incurred 15.6 million euros in non-recurring expenses corresponding to advisory fees, the implementation of warrants granted to staff and managers, and the change of management.

The Group acquired buildings representing a total of 582 million euros, including 89 million euros relative to a logistics portfolio and 192 million euros relative to a portfolio in the leisure-hotel sector. Since these acquisitions were carried out primarily over the last quarter of 2005, they only contributed 3,572 thousand euros to revenues for the year.

A number of buildings, primarily commercial assets, were sold off for a total of 500 million euros.

1.2. Changes in the presentation of the income statement

- The Group has decided to clarify the presentation of indicators for the income statement, recording net revenues on the one hand, and incorporating committed fixed costs into EBITDA on the other.
- The arbitrage of properties is inherent to the management of real estate companies. However, the Group wishes to record proceeds from disposals on a separate line, presenting a figure for EBITDA before disposals.
- Within this framework, EBITDA (after disposals) is now similar to operating income before value adjustments on properties.

These modifications have also been made to the financial statements presented for 2006 and 2005.

2. GENERAL CONSOLIDATION PRINCIPLES

2.1. Accounting standards

The consolidated financial statements of GECINA and its subsidiaries ("the Group") have been drawn up in accordance with IFRS, as adopted within the European Union. This frame of reference is available on the European Community internet site:

http://ec.europa.eu/internal2_market/accounting/ias2_fr.htm#adopted-commission.

Since the GECINA group is not concerned by the exclusion from IAS 39 for reporting on financial instruments, or by the standards that have not yet been adopted by the European Union, these accounts are also compliant with the IASB's IFRS.

The consolidated financial statements have been drawn up on a historical cost basis, notably with the exception of investment properties, assets available for sale, derivative instruments and marketable securities, valued on a fair value basis.

In order to draw up financial statements in accordance with IFRS, it is necessary to retain certain decisive accounting estimates. The Group is also required to exercise its judgment with regard to the application of accounting methods. The areas for which the stakes are highest in terms of judgment or complexity, or those for which assumptions and estimates are significant in view of the consolidated financial statements, are presented in Note 3.15.

The standards and official interpretations that may be applicable following the close of accounts have not been applied in advance and are not expected to have any significant impact on these accounts.

2.2. Consolidation methods

Companies over which the Group directly or indirectly has exclusive control are included in the basis for consolidation and fully consolidated. Companies over which the Group exercises joint control with another partner are proportionately consolidated. Companies over which GECINA exercises a significant influence are consolidated on an equity basis.

Certain companies that are not considered to be significant in accordance with the general provisions of IAS 27 and IAS 28 are not consolidated.

2.3. Basis for consolidation

At December 31st, 2007, the basis for consolidation comprised the following companies:

Companies	Registration SIREN	2007 % ownership	Consolidation method	2006 % ownership	2005 % ownership
GECINA	592 014 476	100.00%	Parent	100.00%	100.00%
AIC	351 054 432	100.00%	FC	100.00%	100.00%
55, rue d'Amsterdam	382 482 065	100.00%	FC	99.28%	99.28%
Capucines	332 867 001	100.00%	FC	99.28%	99.28%
Beaugrenelle	307 961 490	50.00%	PROP	50.00%	50.00%
Compagnie Foncière de Gestion	432 028 868	100.00%	FC	99.28%	99.28%
23-29, rue de Châteaudun	387 558 034	100.00%	FC	100.00%	100.00%
Foncigef	411 405 590	100.00%	FC	100.00%	100.00%
Fedim	440 363 513	100.00%	FC	100.00%	100.00%
Foncirente	403 282 353	100.00%	FC	99.28%	99.28%
Geciter	399 311 331	100.00%	FC	100.00%	100.00%
Gessi	409 790 276	100.00%	FC	100.00%	100.00%
Tour H15	309 362 044	100.00%	FC	100.00%	100.00%
Investibail Transactions	332 525 054	100.00%	FC	100.00%	100.00%
Locare	328 921 432	100.00%	FC	100.00%	100.00%
Michelet	419 355 854	100.00%	FC	100.00%	100.00%
5, rue Montmartre	380 045 773	100.00%	FC	99.28%	99.28%
Parigest	642 030 571	100.00%	FC	100.00%	100.00%
SPIPM	572 098 465	100.00%	FC	99.28%	99.28%
Paris Saint-Michel	344 296 710	100.00%	FC	100.00%	100.00%
Sadia	572 085 736	100.00%	FC	99.28%	99.28%

Companies	Registration SIREN	2007 % ownership	Consolidation method	2006 % ownership	2005 % ownership
Saint-Augustin-Marsollier	382 515 211	100.00%	FC	99.28 %	99.28%
SGIL	964 505 218	36.55%	PROP	36.55 %	36.55%
Société Hôtel d'Albe	542 091 806	100.00%	FC	99.28 %	99.28%
Parisienne Immobilière d'Investissement 1	434 021 200	100.00%	FC	100.00 %	100.00%
Parisienne Immobilière d'Investissement 2	434 021 309	100.00%	FC	100.00 %	100.00%
SPL	397 840 158	100.00%	FC	100.00 %	100.00%
Monttessuy	423 852 185	100.00%	FC	99.28 %	99.28%
77-81, Bd Saint-Germain	431 570 530	100.00%	FC	100.00 %	100.00%
Union Immobilière et de gestion	414 372 367	100.00%	FC	100.00 %	100.00%
16 VE Investissements	352 396 899	100.00%	FC	100.00 %	100.00%
Dassault Suresnes	434 744 736	100.00%	FC	100.00 %	100.00%
Rue de la Faisanderie	442 504 999	100.00%	FC	100.00 %	100.00%
Gec3	428 818 512	100.00%	FC	100.00 %	100.00%
Sté Immobilière et Commerciale de Banville	572 055 796	100.00%	FC	100.00 %	100.00%
First consolidated in 2005					
Labuire Aménagement	444 083 901	59.77%	FC	59,77 %	59,77%
GEC1 – Gecilog	428 819 130	100.00%	FC	100.00 %	100.00%
GEC2 – Geciotel	428 819 064	100.00%	FC	100.00 %	100.00%
PB Ilot 1-4	437 592 672	100.00%	FC	100.00 %	100.00%
First consolidated in 2006					
SARL NIKAD	433 877 669	100.00%	FC	100.00%	–
SNCI ARNAS	318 546 090	100.00%	FC	100.00%	–
SCI GRDS BOUESSAYS	309 660 629	100.00%	FC	100.00%	–
SNCI JOBA	392 418 216	100.00%	FC	100.00%	–
SCI SAINT GENIS IND	382 106 706	100.00%	FC	100.00%	–
SARL HARIS	428 583 611	100.00%	FC	100.00%	–
HARIS INWESTYCJE		100.00%	FC	100.00%	–
SARL BRAQUE	435 139 423	100.00%	FC	100.00%	–
BRAQUE INGATLAN	12 698 187	100.00%	FC	100.00%	–
SARL DENIS	439 986 100	100.00%	FC	100.00%	–
DENIS INVERSIONES SL	B63256457	100.00%	FC	100.00%	–
SARL ERNST	439 959 859	100.00%	FC	100.00%	–
ERNST BELGIE		100.00%	FC	100.00%	–
SARL CHAGALL DVP	423 542 133	100.00%	FC	100.00%	–
CHAGAL DESARROLO		100.00%	FC	100.00%	–
SCI VAL NOTRE DAME	343 752 903	100.00%	FC	100.00%	–
SAS GEC 4	490 526 829	100.00%	FC	100.00%	–
Groupe Gecimed (ex-Sofco)	320 649 841	38.12%	ME	37.99%	–
SAS Gec 5	490 742 657	100.00%	FC	100.00%	–
First consolidated in 2007					
SAS GEC 6	490 753 340	100.00 %	FC	–	–
SAS GEC 7	423 101 674	100.00%	FC	–	–
IMMOFAC	501 705 909	100.00%	FC	–	–
SAS LE PYRAMIDION COURBEVOIE	479 765 874	100.00%	FC	–	–
SARL COLVEL WINDSOR	477 893 366	100.00%	FC	–	–
Deconsolidated in 2006					
150, route de la Reine à Boulogne	399 945 153	Liquidated	FC	Liquidated	100.00%
La Rente Immobilière [1]	306 865 270	Liquidated	FC	Liquidated	70.26%
Restaurant du Banville	381 487 099	Merged	FC	Merged	100.00%

Companies	Registration SIREN	2007 % ownership	Consolidation method	2006 % ownership	2005 % ownership
Gianfar – SÉNART (1)	433 567 849	Merged	FC	Merged	100.00%
Ori Aquarius – ROISSY BRIE (1)	433 896 214	Merged	FC	Merged	100.00%
Ori Pollux – CERGY (1)	433 672 185	Merged	FC	Merged	100.00%
SAS MIP	424 973 279	Merged	FC	Merged	–
SAS FONCIÈRE DE LA SEINE	435 077 524	Merged	FC	Merged	–
SAS LIP	423 424 985	Merged	FC	Merged	–
SARL ALGOL	423 904 770	Merged	FC	Merged	–
SARL ALKAID	423 903 350	Merged	FC	Merged	–
SARL ALUDRA	423 903 962	Merged	FC	Merged	–
SARL ANDROMÈDE	423 992 726	Merged	FC	Merged	–
SA LANDY 164	327 410 965	Merged	FC	Merged	–
SARL BRAND SECLIN	382 994 515	Merged	FC	Merged	–
SARL AGENA	423 386 085	Merged	FC	Merged	–
SARL AFCLE	423 458 009	Merged	FC	Merged	–
SARL ACTURUS	423 903 806	Merged	FC	Merged	–
SARL BELLISSIMA	424 802 098	Merged	FC	Merged	–
SARL CANOPUS	424 627 685	Merged	FC	Merged	–
SARL DAUPHIN	424 626 000	Merged	FC	Merged	–
SAS DELACROIX DEVP	423 541 390	Merged	FC	Merged	–
SARL DENEB	424 626 331	Merged	FC	Merged	–
SARL DUBHE	428 583 702	Merged	FC	Merged	–
SA BEAUNE IMMOB	349 330 589	Merged	FC	Merged	–
SARL BOTTICELLI	423 542 026	Merged	FC	Merged	–
SARL KUMA	428 580 872	Merged	FC	Merged	–
SARL ORION	433 895 760	Merged	FC	Merged	–
SARL APPEL	435 133 350	Merged	FC	Merged	–
SARL BACON	435 157 334	Merged	FC	Merged	–
SAS BEETHOVEN	437 726 375	Merged	FC	Merged	–
SARL JONKING	439 985 573	Merged	FC	Merged	–
SARL DALI	435 373 220	Merged	FC	Merged	–
SARL MAGRITTE	439 985 516	Merged	FC	Merged	–
SCI DU MARAIS	382 345 502	Sold off	FC	Sold off	–
Deconsolidated in 2007					
Société des Immeubles de France	572 231 223	Merged	FC	99.28%	99.28%

FC: fully consolidated
PROP: proportionately consolidated
EC: equity consolidated

(1) As decided by its partners in 2006, SCPI La Rente Immobilière was liquidated after all its real estate assets were sold off.

2.4. Consolidation adjustments and eliminations

2.4.1. Consolidation adjustments and reclassifications

The rules and methods applied by companies included in the basis for consolidation are restated in order to make them consistent with those of the Group.

The year-end date for all consolidated companies is December 31st, 2007, with the exception of Colvel Windsor and Pyramidion, whose 18-month financial year will end on December 31st, 2008, but which have determined their position at December 31st, 2007.

2.4.2. Inter-company transactions

Inter-company transactions and any proceeds from disposals resulting from transactions between consolidated companies are eliminated.

2.4.3. Business combinations (IFRS 3)

The acquisition cost corresponds to the fair value as on the trade date for assets and liabilities transferred and shareholders' equity instruments issued in exchange for the entity acquired. Positive goodwill is booked as an asset relative to the surplus for the acquisition cost on the acquirer's interest in the fair value of assets and liabilities acquired, factoring in unrealized taxes, which are recorded under deferred taxes. Negative goodwill is recorded on the income statement.

When the acquisition concerns an entity comprising a group of assets and liabilities without any commercial activity as per IFRS 3, with this acquisition not considered to represent a business combination, it is recorded as an acquisition of assets and liabilities without recognizing any goodwill.

2.5. Conversion of foreign currencies

The Group's functional currency is the euro. Transactions carried out by subsidiaries located outside of the eurozone are converted at the year-end exchange rate for balance sheet items and the average exchange rate over the period for the income statement. Any exchange rate differences recorded on balance sheet items at the start of the financial year are recorded on a separate line under shareholders' equity.

3. ACCOUNTING METHODS

3.1. Property holding

3.1.1. Investment properties (IAS 40)

Properties held on a long-term basis that are intended to be leased under operating leases are considered to represent investment properties (IAS 40).

When acquired, investment properties are recorded on the balance sheet at their acquisition value, including costs and duties.

Financial expenses linked to construction operations, as well as compensation for lease terminations paid in connection with the restructuring of buildings, are capitalized.

Contracts for assets acquired under financial leases are analyzed as financial leasing contracts and are recorded under assets on the balance sheet, with the corresponding loans booked as liabilities under financial debt. Correlatively, related rental charges are cancelled and interest expenses linked to the financing and the fair value of the assets are recorded in accordance with the Group's accounting methods.

GECINA has chosen to value its investment properties on a fair value basis. By convention, the company has chosen to retain the block value of properties in its consolidated accounts. This block value is given net of transfer duties and determined by independent appraisers (CB Richard Ellis Bourdais, Atisreal Expertise, Foncier Expertise, Catella), which value the Group's property holding in line with a long-term ownership focus at June 30th and December 31st each year, factoring in any capitalized work. Appraisals are carried out in accordance with industry practices based on methods to determine the market value of each asset, in accordance with the real estate valuation appraisal charter. Any properties acquired less than six months ago are generally not subject to an independent appraisal on the closing date, insofar as there are not any significant changes in the market environment.

Changes in the fair value of investment properties are recorded on the income statement. As such, these properties are not subject to any amortization or depreciation. Over the year, the income statement records the change in the fair value of each property, determined as follows:

market value N - (market value N-1 + amount of work and expenditure capitalized for Year N).

Investment properties that are currently being redeveloped are recorded at their fair value.

Buildings under construction or acquired to be restructured with a view to their future use as investment properties are still valued at their historical cost, in addition to any work and financial expenses capitalized until the work has been completed and recorded under buildings under construction. When the independent valuation is lower than the cost, an impairment is recorded under fair value adjustments.

Investment properties being redeveloped are valued based on their value on the opening balance sheet for the year in which redevelopment work began, in addition to any work and financial expenses capitalized until the work has been completed and recorded under buildings under construction. When the independent valuation is lower than this value, an impairment is recorded under fair value adjustments.

Valuation methodology

a) Residential properties are valued on a block basis (value based on the assumption for the entire property to be sold off). This block valuation is determined based directly on the "unit" valuation of assets (value of the property based on the individual sale of each residential unit), notably for the direct comparison approach (see below).

The appraised unit value of properties is determined in line with the following methodology:

- For residential units and parking facilities, the direct comparison methodology, which involves valuing the units in the property appraised compared with the sales price applied for transactions concerning similar assets. The appraisers value the units based on the market value for units with equivalent characteristics, assumed to be vacant and in good condition, before applying an occupancy discount.
- Offices and retail outlets are valued based on the capitalization of gross rent.

For block valuations, the real estate appraisers use two valuation approaches:

- The direct comparison methodology, which involves applying a discount to the appraised unit value of residential units and parking facilities obtained using the methodology outlined above, with this discount adapted according to whether the asset is in operation or to be put up for sale, in order to factor in a value determined for the entire asset. This value is then added without any discount to the appraised value as described above for any offices or retail outlets in the property concerned.
- The capitalization of gross rent, which involves valuing an asset by applying a capitalization rate corresponding to that expected by an investor for a given asset type to the gross rent (actual and potential for vacant premises).

When the results with these two methods are included within a range of under 10%, the appraisers retain the average of both results for the block valuation. If the results obtained with these two approaches vary by more than 10%, the appraisers retain one of the two values, justifying their choices.

b) Commercial, logistics and hotel properties are valued on a property-by-property and block basis in line with the following three approaches:

- Direct comparison, based on comparing the asset against transactions seen on similar assets on the nearest possible date to the appraisal;
- Capitalization of net revenues, which corresponds to the methodology set out above for the section relative to residential assets, factoring in net revenues for commercial assets;
- Discounted cashflow over a 10-year period. The discount rate factors in a risk and liquidity premium based on each asset's location, characteristics and occupancy.

An analysis for each lease is carried out for the last two approaches.

The appraisal value retained is based on the arithmetic average of the results achieved with these three different methods.

In the event of a difference of more than 10% between the results with these three methods, a case-by-case analysis is carried out before setting the valuation retained.

3.1.2. Assets intended for sale (IFRS 5)

In accordance with IFRS 5, when the Group has undertaken to sell off an asset or group of assets, it records them as assets intended for sale under current assets on the balance sheet based on their last known fair value.

Properties recorded under this category are still valued based on the fair value model as follows:

- Properties put up for bulk sale: appraisal in block values, excluding duties, after deducting any costs and commissions required for their sale.
- Properties subject to an agreement to sell: sale value recorded in the agreement to sell, after deducting any costs and commissions required for their sale.
- Properties put up for unit sale: appraisal in unit values, after factoring in the various costs, delays and random elements to be covered in connection with their sale.

3.1.3. Properties in operation and other tangible fixed assets (IAS 16)

In accordance with IAS 16, the building housing the Company's registered office at 16 rue des Capucines is valued at its cost price. It is being amortized in line with the component-based method, with each component depreciated on a straight-line basis over its useful life (from 10 to 60 years).

Other tangible fixed assets are booked at their acquisition cost and depreciated on a straight-line basis over periods from 3 to 10 years.

The book value of an asset is immediately depreciated in order to take it down to its recoverable value, which is determined for properties in operation based on independent appraisal methods as described in Note 3.1.1.

3.1.4. Intangible fixed assets (IAS 38)

Intangible fixed assets primarily correspond to software products.

Costs linked to the acquisition of software licenses are recorded as assets based on the costs incurred for acquiring and commissioning the software concerned. These costs are amortized over the estimated useful life of the software (between three and five years).

3.2. Equity-consolidated securities and long-term financial investments

3.2.1. Equity-consolidated securities

Equity interests in companies over which the Group exercises a significant influence are recorded on the balance sheet based on their share in the net position at the year-end date. An impairment in value is recorded if the value in use of the equity interest falls below its net book value on a lasting basis.

3.2.2. Non-consolidated equity interests

Equity interest securities in non-consolidated companies are recorded at their fair value. Changes in their fair value are recorded under shareholders' equity up until the disposal date. When this concerns a lasting impairment, the unrealized capital losses recorded under shareholders' equity are booked on the income statement.

3.2.3. Other long-term financial investments

At each close of accounts, loans and receivables are valued at their amortized cost in line with the effective interest rate method.

3.3. Inventories

Properties acquired under the tax system governing properties held for rapid resale by real estate traders, legally designated as "marchands de biens", are booked under inventories at their acquisition cost. Provisions may be booked when the independent appraiser's valuation of the building is lower than its book value.

3.4. Operating receivables

Receivables are recorded for the initial amount invoiced, after deducting any depreciation based on the risk of non-collection.

Rent receivables billed are systematically depreciated in line with the age of the debt and the situation of the tenants.

A rate of depreciation is applied to the amount of the receivable (net of tax), after deducting the security deposit.

- Tenant has left the property: 100%
- Tenant still in the property:
  - Debt between 3 and 6 months: 25%
  - Debt between 6 and 9 months: 50%
  - Debt between 9 and 12 months: 75%
  - Debt over 12 months: 100%

The depreciation provisions recorded in this way are adjusted in order to factor in individual circumstances.

3.5. Cash and equivalents

Cash and cash-based UCITS are recorded on the balance sheet at their fair value.

3.6. Treasury stock (IAS 32)

Treasury shares held by the Group are deducted from consolidated shareholders' equity based on their acquisition cost.

3.7. Share-based compensation (IFRS 2)

GECINA has set up a compensation scheme that is based on shareholders' equity instruments (stock options or bonus share allocations). The impact of services provided by employees in return for the granting of options or bonus shares is booked as an expense. The total amount recorded under expenses over the period during which rights are vested is determined in line with the fair value of the equity instruments granted.

At each close of accounts, the number of options likely to become eligible for exercising is reexamined. As relevant, the impact of the revision of such estimates is recorded on the income statement, with a corresponding adjustment in shareholders' equity. Sums received when options are exercised are credited to shareholders' equity, net of any transaction costs that may be directly attributed.

3.8. Financial instruments (IAS 39)

IAS 39 differentiates between two types of interest-rate hedging:

- The hedging of balance sheet items whose fair value may vary due to a rate risk (fair value hedging),
- The hedging of a variability risk for future flows (cashflow hedging), which involves setting future flows for a floating-rate financial instrument.

Certain derivatives associated with specific means of financing are rated as cash flow hedging instruments under the accounting regulations in force. In accordance with IAS 39, only any change in the fair value of the effective portion of such derivatives, measured based on retrospective effectiveness tests, is recorded under shareholders' equity. Any change in the fair value of the ineffective portion of the hedging is booked on the income statement when it proves to be significant.

The fair value is determined using the valuation techniques put in place by the Group based on the forward flow method. Valuations are also confirmed by the banking institutions concerned.

GECINA's rate risk hedging is primarily covered by a portfolio of derivatives that have not been allocated in any specific way and that do not meet the effectiveness eligibility criteria for the recording of hedging facilities. In addition, certain derivatives, notably floating-floating swaps and options, cannot be qualified as hedging instruments for accounting purposes. Such derivatives are therefore recorded at their fair value on the balance sheet, with any changes in their fair value booked on the income statement.

Marketable securities are recorded under this heading for assets on the balance sheet at their fair value, with value adjustments booked on the income statement.

3.9. Financial liabilities (IAS 32 and 39)

Bank borrowings are primarily made up of depreciable loans and medium and long-term credit lines that may be drawn on over variable periods. The successive drawdowns are recorded in the financial statements based on their nominal amounts, with the remaining borrowing capacity representing an off-balance sheet commitment.

Financial liabilities are booked under their amortized cost (net of the transaction cost) in accordance with the effective interest rate method.

Security deposits are considered to represent short-term liabilities and are not subject to any discounting.

3.10. Long-term non-financial liabilities and provisions

IAS 37 requires long-term unpaid liabilities to be discounted.

The discounting of the exit tax liability, linked to the decision to adopt the SIIC system for French listed real estate investment trusts, is only recorded when it is considered to be significant.

3.11. Employee benefit commitments

IAS 19 specifies the rules for recording benefits granted to staff (with the exception of share-based compensation packages, which are governed by IFRS 2).

Short-term benefits (salaries, paid leave, social security contributions, profit-sharing, etc.) that are due within 12 months of the end of the financial year during which members of staff provided the corresponding services are recorded under "accrued expenses" as liabilities on the balance sheet under "taxes due and other employee-related liabilities".

Long-term benefits correspond to benefits due during the period of an employee's activity (length-of-service awards).

Post-employment benefits correspond to end-of-career compensation and supplementary pension liabilities for certain employees.

These commitments are valued based on the assumption for a voluntary departure by staff.

Such liabilities - this concerns the defined benefit system for supplementary pension schemes - are subject to payments to external organizations.

Actuarial differences are recorded on the income statement.

The net liability resulting from the difference between funds paid and the likely value of the benefits granted is calculated by an actuary in line with the "projected credit unit" method, with the cost of the benefit calculated based on services rendered as on the valuation date. The "corridor" methodology is applied. The calculation is based on a number of technical hypotheses, with an estimated inflation rate of 2% per annum and a discount rate of 5.25%.

3.12. Tax

3.12.1. Common law system

For companies not covered by the SIIC system for French listed real estate investment trusts, deferred taxes resulting from temporary timing differences or deductions are calculated using the liability (or accrual) method of tax allocation for all temporary timing differences that exist in company financial statements, that are due to consolidation reclassifications, or that result from the elimination of inter-company transactions. They appear whenever the book value of an asset or liability differs from its taxable value. A net deferred tax asset is not recorded for losses carried forward unless they are likely to be charged against future taxable income. Deferred taxes are determined based on the tax rates applicable under the finance laws enacted as at the close of accounts and likely to apply on the date on which such deferred assets are likely to be used. The same rule applies for assets owned outside of France.

3.12.2. SIIC system

By opting for the SIIC system for French listed real estate investment trusts, companies are immediately required to pay an exit tax at the reduced rate of 16.5% on unrealized capital gains relative to the properties and securities of partnerships not subject to corporate income tax.

Earnings governed by the SIIC system are exempt from tax subject to certain distribution conditions. However, for recently acquired companies, a deferred tax liability is calculated at a rate of 16.5% corresponding to the amount of the exit tax that such companies will be required to pay when they opt for the SIIC system, with this option included in the acquisition strategy.

3.13. Recognition of rental income (IAS 17)

Rental income is recorded on the income statement when billed. However, under IAS 17, benefits granted to tenants from the commercial real estate sector - primarily rent caps and deductibles - are straight-lined over the closed term of the lease.

As such, the figure for rental income recorded on the income statement is different from the amount of rent billed.

3.14. Earnings or operating data per share (before and after dilution)

These figures are calculated by comparing consolidated data with the average number of shares outstanding (excluding treasury stock) over the period in question.

3.15. Decisive accounting judgments and estimates

To draw up its consolidated financial statements, the Group uses estimates and makes judgments that are regularly updated and based on historical information as well as other factors, notably expectations for future events that are deemed to be reasonable in view of the circumstances.

The estimates likely to result in a significant adjustment in the book value of assets and liabilities over the following period are analyzed hereunder.

The fair value of the property holding, whether held on a long-term basis or intended for sale, is notably determined based on the independent appraisers' valuation of the property holding in accordance with the methods presented in Sections 3.1.1 and 3.1.2. However, on account of the estimated nature of such valuations, income from disposal of certain properties may differ significantly from the valuations carried out, even in cases when such sales take place within a few months of the close of accounts.

The fair value of financial instruments that are not traded on an active market, such as over-the-counter derivatives, is determined using various valuation techniques. The Group applies the methods and assumptions that it deems most appropriate, based primarily on the market conditions applicable at the close of accounts. The realizable value of such instruments may also prove to be significantly different from the fair value recorded for the close of accounts.

4. 4. FINANCIAL RISK MANAGEMENT

4.1. Market risks

The holding of real estate assets for rental exposes the Group to the risk of changes in the value of real estate assets and rents.

However, this exposure is mitigated since:

- Assets are held in line with a long-term strategy and valued in the accounts at their fair value, even if the latter is determined based on estimates as described in Section 3.15 above.
- Rents billed are based on leasing commitments whose duration and dispersal are likely to smooth out the impacts of fluctuations in the rental market.

Holding financial assets on a long-term basis or available for sale exposes the Group to the risk of fluctuations in the value of such assets.

4.2. Counterparty risk

With a client portfolio of over 2,000 commercial tenants, from a very wide range of sectors, and more than 20,000 individual tenants, the Group is not exposed to any significant concentration risks. In connection with its development, the Group focuses on acquiring assets whose rental portfolio is notably based on various tenant selection criteria as well as guarantees provided by tenants. When reletting, a detailed file must be provided by tenants and their financial soundness is analyzed. The tenant selection and collection procedures make it possible to maintain a very satisfactory rate of losses on rent due.

Financial transactions, notably with regard to rate risk hedging, are carried out with a selection of leading financial institutions. A competitive tendering process is systematically carried out for all significant financial transactions, and maintaining a diversification of resources and players represents one of the criteria for selection.

4.3. Liquidity risk

The liquidity risk is managed through a constant monitoring of the maturity of financing facilities, the maintenance of available credit lines and the diversification of resources. It is managed over the medium and long term in line with multi-year financing plans, and over the short term thanks to the use of confirmed credit lines that have not been drawn on. A description of the various limits likely to affect the spread conditions or early repayment clauses provided for under the various credit agreements is given in Note 5.13.3.

4.4. Interest rate risk

With borrowings based primarily on floating rates, the Group is subject to the risk of an increase in interest rates over time. This risk is limited by the rate risk management policy implemented based on derivatives (swaps, swaptions, caps, floors and collars). The rate risk is analyzed and quantified in Note 5.13.2, in addition to an analysis of rate risk sensitivity.

5. 5. NOTES TO THE CONSOLIDATED BALANCE SHEET

5.1. Tangible and intangible fixed assets

CHANGES IN FIXED ASSETS

Gross values (in thousand euros)	At Dec 31, 2005	At Dec 31, 2006	Acquisitions	Disposals	Change in fair value	Inter-item transfers	At Dec 31, 2007
Intangible fixed assets	7,588	7,805	295	−74	0	0	8,026
Investment properties	8,233,848	9,590,086	528,013	−159	1,003,501	86,414	11,207,855
Buildings under redevelopment	144,656	639,438	79,721	0	0	−280,945	438,214
Properties for sale (current assets)	220,570	598,307	428	−403,560	7,331	194,531	397,037
Properties in operation	75,347	76,087	58	0	0	0	76,145
Other tangible fixed assets	5,428	6,268	1,134	−556	0	−19	6,827
Tangible fixed assets under construction	5	−1	0	0	0	1	0
Total current and non-current fixed assets	8,687,442	10,917,990	609,649	−404,349	1,010,832	−18	12,134,104

Depreciation and impairment (in thousand euros)	At Dec 31, 2005	At Dec 31, 2006	Allowance for the period	Release for the period	Change in fair value	Inter-item transfers	At Dec 31, 2007
Intangible fixed assets	5,369	5,818	289	−74	0	−78	5,955
Buildings under redevelopment	0	0	0	0	13,069	0	13,069
Buildings in operation	1,252	2,634	1,424	0	0	0	4,058
Other tangible fixed assets	2,324	3,150	1,535	−556	0	60	4,189
Total	8,945	11,602	3,248	−630	13,069	−18	27,270
Net values (in thousand euros)	8,678,497	10,906,388	606,401	−403,719	997,763	0	12,106,834

ACQUISITIONS OF TANGIBLE FIXED ASSETS

Acquisitions of tangible fixed assets (including duties and expenses) can be broken down as follows:

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Acquisitions of buildings (1)	415,852	1,222,615	591,045
Work on buildings under redevelopment	48,502	23,100	35,116
Renovation work	143,809	106,099	86,552
Work on buildings in operation	57	739	3,380
Acquisitions of other fixed assets	1,429	1,131	2,915
Total acquisitions of tangible fixed assets	609,649	1,353,684	719,008

(1) The main acquisitions concerned:

2007		
Office sector	four properties (Le Pyramidion, Vélizy, 12 rue Volney, Velasquez)	207,393
Logistics sector	Mory, Scor and Ellipse portfolios	159,053
Residential sector	seven student residences	49,406
		415,852

2006		
Office sector	six properties (Le Mercure, Le Valmy, av. Friedland, Portes de La Défense, Défense Ouest, Gentilly)	920,758
Logistics sector	Bleecker portfolio (excluding 4 properties recorded under inventories for 7,709 thousand euros)	290,467
Residential sector	one property	11,390
		1,222,615

2005		
Office sector	four properties (Ilot 1-4 Levallois, av. Ch. De Gaulle/Neuilly, rue du Louvre, Tour Gamma floor)	306,600
Logistics sector	three warehouses	89,829
Hotel sector	four holiday villages	194,616
		591,045

PROCEEDS FROM DISPOSALS

Proceeds from disposals can be broken down as follows:

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Block sales	153,471	415,090	365,509
Units sales	308,122	221,595	134,810
Partial disposal of healthcare activity	0	91,246	0
Proceeds from disposals	461,593	727,931	500,319
Capital gains on disposals	48,418	148,030	23,360
Of which:			
Block sales	2,255	92,933	16,765
Units sales	46,163	47,166	6,595
Healthcare activity sale	0	7,931	0

INVESTMENT PROPERTIES HELD UNDER FINANCIAL LEASES

The Group has 24 financial leases, based on fixed or floating-rate contracts taken out for an average duration of 15 years with leading organizations.

Amount of lease charges due (in thousand euros)	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Under 1 year	46,353	49,342	40,285
Between 1 and 5 years	186,650	186,727	160,945
Over 5 years	308,698	343,658	352,795
Total	541,701	579,727	554,025

End-of-lease buyout options represent a total of 151,557 thousand euros.

5.2. Long-term financial investments

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Non-consolidated equity interests (net value)	151	171	0
Receivables from equity interests(1)	95,742	20,381	7,432
Loans(2)	100,890	755	1,010
Advances on real estate acquisitions	69,815	0	0
Other long-term financial assets(3)	3,050	2,467	1,698
Total	269,648	23,775	10,140
(1) Of which, advance to SCI Beaugrenelle (50%)	26,359	18,281	6,633
Of which, advance to SA Gecimed	69,383		
(2) Bond securities	100,866		
(3) Deposits and guarantees	1,693	1,937	1,958
SAGI indivision Lisbonne	480	480	480

5.3. Equity-consolidated securities

This item reflects the Group's 38.12% interest in the shareholders' equity of Gecimed, acquired in 2006. Since GECINA exercises a significant influence over the Gecimed Group, this interest is consolidated on an equity basis.

The main items from Gecimed's consolidated balance sheet and income statement are as follows:

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Investment properties	613,146	535,055	0
Other assets	18,980	28,043	3,817
Total assets	632,126	563,098	3,817
Shareholders' equity	159,188	139,077	– 5,196
External borrowings and borrowings from shareholders	461,164	419,658	8,087
Other liabilities	11,784	4,363	926
Total liabilities	632,126	563,098	3,817
Revenues	33,164	10,161	105
EBITDA	29,459	8,928	– 270
Net income	22,453	– 11,756	– 12

At December 31st, 2007, the GECINA group held 22,449,824 Gecimed shares, with a closing price of 2.00 euros, representing a fair value of 44,900 thousand euros.

5.4. Deferred tax

Deferred tax assets, totaling 524 thousand euros at December 31st, 2007 comprise tax losses that may be carried forward as well as temporary timing differences on tax assets for companies subject to corporate income tax.

5.5. Properties for sale

The changes recorded relative to properties for sale are included in the general table for changes in current and non-current fixed assets (see Section 5.1).

The amount of properties for sale can be broken down as follows:

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Properties for sale (block basis)	82,255	59,373	40,318
Properties for sale (units basis)	314,782	538,934	180,251
Total	397,037	598,307	220,569

5.6. Inventories

This concerns properties acquired under the French real estate trader tax system (marchand de biens):

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Avenue d'Eylau	3,167	12,179	18,278
La Buire	14,988	27,798	16,644
Bleecker	7,356	7,689	
Total	25,511	47,666	34,922

5.7. Rent due and related receivables

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Accounts receivable	48,550	46,803	48,712
Straight-lining of rent caps and steps (IAS 17)	20,998	13,587	9,585
Gross total	69,548	60,390	58,297
Depreciation of receivables	– 13,309	– 15,411	– 14,713
Total net accounts receivable	56,239	44,979	43,584

The breakdown of receivables by sector is given in Note 7.

At December 31st, 2007, the amount of non-depreciated rent due on which payments were late was not significant.

5.8. Other current receivables

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
VAT[1]	19,051	153,326	18,163
Corporate income tax	8,015	11,561	12,514
Other current receivables [2]	29,726	127,120	21,029
Gross values	56,792	292,007	51,705
Provisions for depreciation	– 89	– 206	– 142
Net values	56,703	291,801	51,564
(1) VAT recoverable on acquisitions		140,177	8,843
(2) Of which:			
Settlement of sales	5,442	14,059	4,799
Receivables on disposal of healthcare activities		91,246	
External management and property managers	8,149		

5.9. Financial instruments

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Derivatives	91,590	45,592	40,452
Marketable securities [1]	106,619		
Total	198,209	45,592	40,452

(1) 1,582,813 Eiffage shares with a value of 67.36 euros

5.10. Cash and equivalents

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Cash instruments	56,318	98,441	20,992
Bank current accounts	50,966	66,597	48,379
Marketable securities	0	7,297	0
Gross cash and equivalents	107,284	172,335	69,371
Bank overdrafts	– 250	– 3,070	– 1,797
Net cash and equivalents	107,034	169,265	67,574

Cash instruments primarily comprise money market mutual funds.

At December 31st, 2006, cash and equivalents included 1,419 thousand euros in unrealized capital gains. Excluding unrealized capital gains, net cash and equivalents came to a total of 167,846 thousand euros at December 31st, 2006.

5.11. Consolidated shareholders' equity

	Number of shares	Share capital	Consolidated reserves and premiums	Shareholders equity (Group share)	Minority interests	TOTAL SHAREHOLDERS' EQUITY
Balance at January 1st, 2005	**62,101,841**	**465,764**	**4,136,112**	**4,601,876**	**30,632**	**4,632,508**
Dividend paid in July 2005 (3.70 euros per share)			−221,394	−221,394		−221,394
Dividend paid to minority interests				0	−19,058	−19,058
Value of treasury stock (1)			39,130	39,130		39,130
Change in fair value of derivatives (2)			6,774	6,774		6,774
Adjustments linked to stock options (3)			1,144	1,144		1,144
SAS Labuire capital increase				0	2,015	2,015
Capital increase (4)	108,607	814	4,084	4,898		4,898
Other changes				0	7	7
Earnings for 2005			**649,900**	**649,900**	**9,840**	**659,740**
Balance at December 31st, 2005	**62,210,448**	**466,578**	**4,615,750**	**5,082,328**	**23,436**	**5,105,764**
Dividend paid in June 2006 (3.90 euros per share)			−234,079	−234,079		−234,079
Dividend paid to minority interests				0	−2,047	−2,047
Value of treasury stock (1)			5,318	5,318		5,318
Change in fair value of derivatives (2)			9,767	9,767		9,767
Adjustments linked to stock options (3)			2,468	2,468		2,468
Translation gains or losses			2,043	2,043		2,043
Capital increase (4)	59,222	445	2,908	3,353		3,353
Other changes (5)				0	−7,941	−7,941
Earnings for 2006			**1,778,629**	**1,778,629**	**2,768**	**1,781,397**
Balance at December 31st, 2006	**62,269,670**	**467,023**	**6,182,804**	**6,649,827**	**16,215**	**6,666,042**
Dividend paid in June 2007 (4.20 euros per share)			−252,900	−252,900		−252,900
Dividend paid to minority interests				0	−8,715	−8,715
Value of treasury stock (1)			3,154	3,154		3,154
Change in fair value of derivatives (2)			1,761	1,761		1,761
Transactions booked against equity:						
– Adjustments linked to stock options (3)			7,736	7,736		7,736
– Translation gains or losses			626	626		626
– Capital increase (4)	28,470	214	1,474	1,688		1,688
– Société des Immeubles de France merger (6)	126,405	948	8,915	9,863	−11,950	−2,087
Other changes (7)			3,928	3,928	−649	3,280
Earnings at December 31st, 2007			**1,292,924**	**1,292,924**	**7,695**	**1,300,619**
Balance at December 31st, 2007	**62,424,545**	**468,185**	**7,250,422**	**7,718,607**	**2,597**	**7,721,204**

(1) Treasury stock:	At Dec 31, 2007 Number of shares	At Dec 31, 2007 Net amount (in thousand euros)	At Dec 31, 2006 Number of shares	At Dec 31, 2006 Net amount (in thousand euros)	At Dec 31, 2005 Number of shares	At Dec 31, 2005 Net amount (in thousand euros)
Shares booked against shareholders' equity	2,060,824	133,743	2,141,870	136,897	2,248,634	141,521
Treasury stock (%)		3.30%		3.44%		3.60%

(2) Effective portion of the change in the fair value of cash-flow hedging derivatives booked under shareholders' equity (see Note 3.8.).

(3) Impact of benefits linked to share allocation schemes (IFRS 2).

The independent appraiser's calculations are based primarily on the following elements:

- Risk-free interest rate: for bonus shares, two-year French treasury bond (OAT), i.e. 4.125%, and for options on shares, 10-year French treasury bond (OAT), i.e. 4.398%;
- Estimated term: two years for bonus shares and 10 years for options on shares;
- Estimated volatility: 19.23% (based on the annualized standard deviation);
- Expected distribution rate: 5.30%;
- Fair value retained: 105.05 euros for bonus shares and 12.99 euros for options on shares.

(4) Creation of shares linked to the exercising of warrants by Group staff (20,819 shares in 2007, 37,447 in 2006, 108,607 in 2005) and creation of shares linked to the capital increase reserved for Group employees in connection with the launch of the mutual fund (7,651 shares in 2007 and 21,775 shares in 2006).

(5) Deconsolidation of SCPI La Rente Immobilière after being liquidated (see Note 2.3).

(6) Issue of 126,405 shares linked to the conversion of shares belonging to SIF minority interests. The 2,087 thousand euros represent merger costs booked against consolidated reserves.

(7) Reclassification under reserves of the profit recorded on the partial treasury stock payment for the acquisition of the Rue Volney property.

5.12. Deferred tax liabilities and provisions for contingencies and liabilities

The provisions for deferred tax relative to disputed tax audits recorded under deferred tax liabilities were reclassified in 2007 under provisions for contingencies and liabilities.

Deferred tax liabilities In thousand euros	Dec 31, 2005	Dec 31, 2006	Increase	Decrease	Reclassification	Dec 31, 2007
Tax audits	18,923	28,561	13,718		−42,279	
Value adjustment for properties of non-SIIC companies and other items	41,046	45,351	25,451			70,802
Total	59,969	73,912	39,169	0	−42,279	70,802

Provisions for contingencies and liabilities In thousand euros	Dec 31, 2005	Dec 31, 2006	Allowances	Releases	Reclassification	Dec 31, 2007
Tax audits	23,237	23,644	568		42,279	66,491
Employee benefit commitments	4,367	5,020	2,012			7,032
Other disputes	6,806	8,171		−2,847		5,324
Total	34,410	36,835	2,580	−2,847	42,279	78,847

Employee benefit commitments (cf. 3.11) concern supplementary pension schemes, end-of-career benefits and long-service bonuses. They are valued by the independent actuaries, factoring in a 5.25% discount rate, a 2% annual inflation rate and a 2.5% annual increase in payroll.

The 7,032 thousand euros provision covers the shortfall on coverage for the Group's commitment (18,130 thousand euros) with the valuation of payments made to external organizations (11,098 thousand euros).

5.13. Loans, financial debt and hedging instruments

5.13.1. Financial debt

In thousand euros	< 1 year	1 to 5 years	> 5 years	TOTAL Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Bonds excluding accrued interest [1]	0	1,099,448	0	1,099,448	1,348,966	1,348,332
Commercial paper	0	0	0	0	250,000	400,000
Bank borrowings and other financial debt	147,786	1,701,723	1,768,445	3,617,954	2,807,810	1,551,178
Total	147,786	2,801,171	1,768,445	4,717,402	4,406,776	3,299,510
Credit lines available	250,000	100,000	150,000	500,000		

(1) Bonds (recorded on balance sheet at amortized cost)

Issue date	Feb 19, 2003	Apr 17, 2003	Jun 1, 2004
Issue value	496,670,000 euros	99,049,000 euros	498,280,000 euros
Issue price	993.34 euros	990.49 euros	996.56 euros
Redemption price	1,000.00 euros	1,000.00 euros	1,000.00 euros
Number of bonds issued	500,000	100,000	500,000
Nominal rate	4.88%	4.88%	4.88%
Maturity date	Feb 19, 2010	Feb 19, 2010	Jan 25, 2012

5.13.2. Exposure to rate risks: derivatives

	OUTSTANDING Dec 31, 2007	Redemptions < 1 an	OUTSTANDING Dec 31, 2008	Redemptions 1 to 5 years	OUTSTANDING Dec 31, 2012	Redemptions > 5 years
Fixed-rate debt	**1,297,352**	**–63,118**	**1,234,234**	**–1,152,475**	**81,758**	**–81,758**
Bonds	1,099,448	0	1,099,448	–1,099,448	0	0
Bank borrowings	5,422	–954	4,468	–3,320	1,148	–1,148
Financial leases	112,008	–6,878	105,131	–24,520	80,611	–80,611
Interest covered by allowances and other debt	80,473	–55,286	25,187	–25,187	0	0
Floating-rate debt	**3,420,051**	**–84,668**	**3,335,383**	**–1,648,695**	**1,686,688**	**–1,686,688**
Commercial paper	0	0	0	0	0	0
Floating and revised-rate loans	1,234,119	–1,505	1,232,615	–384,301	848,313	–848,313
Credit lines	1,861,297	–60,297	1,801,000	–1,155,000	646,000	–646,000
Financial leases	324,385	–22,617	301,769	–109,394	192,375	–192,375
Bank overdrafts	250	–250	0	0	0	0
Gross debt	**4,717,403**	**–147,786**	**4,569,617**	**–2,801,171**	**1,768,446**	**–1,768,446**
Cash and equivalents (floating-rate)						
Mutual funds and investments	56,318	–56,318	0	0	0	0
Cash	50,966	–50,966	0	0	0	0
Total cash and equivalent	107,284	–107,284	0	0	0	0
Net debt						
Fixed-rate	1,297,352	–63,118	1,234,234	–1,152,475	81,758	–81,758
Floating-rate	3,312,767	22,616	3,335,383	–1,648,695	1,686,688	–1,686,688
Total net debt	4,610,119	–40,502	4,569,617	–2,801,171	1,768,446	–1,768,446

DERIVATIVES PORTFOLIO	OUTSTANDING Dec 31, 2007	Due or effective date < 1 year	OUTSTANDING Dec 31, 2008	Due or effective date 1 to 5 years	OUTSTANDING Dec 31, 2012	Due or effective date > 5 years
Portfolio of derivatives in force at Dec 31, 2007						
Fixed-floating rate swaps	1,656,140	–1,105,985	550,155	–29,297	520,858	–520,858
Caps, floors, collars	1,636,440	–86,440	1,550,000	–1,550,000	0	0
Swaptions						
Floating-fixed rate swaps	1,095,000	–497,000	598,000	–598,000	0	0
Total	4,387,580	–1,689,425	2,698,155	–2,177,297	520,858	–520,858
Portfolio of derivatives with deferred impact (1)						
Fixed-floating rate swap	0	0	0	0	0	0
Caps, floors, collars	0	1,300,000	1,300,000	0	1,300,000	–1,300,000
Swaptions		300,000	300,000	700,000	1,000,000	–1,000,000
Floating-fixed rate swaps	0	0	0	0	0	0
Total	0	1,600,000	1,600,000	700,000	2,300,000	–2,300,000
Total derivatives portfolio						
Fixed-floating rate swaps	1,656,140	–1,105,985	550,155	–29,297	520,858	–520,858
Caps, floors, collars	1,636,440	1,213,560	2,850,000	–1,550,000	1,300,000	–1,300,000
Swaptions	0	300,000	300,000	700,000	1,000,000	–1,000,000
Floating-fixed rate swaps	1,095,000	–497,000	598,000	–598,000	0	0
Total	4,387,580	–89,425	4,298,155	–1,477,297	2,820,858	–2,820,858

(1) The positive amounts in the "repayment" columns correspond to derivatives put in place.

HEDGING OF GROSS DEBT (in thousand euros)	Dec 31, 2007
Gross fixed-rate debt	1,297,352
Fixed-rate debt transformed into floating	– 1,095,000
Residual fixed-rate debt	202,352
Gross floating-rate debt	3,420,050
Fixed-rate debt transformed into floating	1,095,000
Gross floating-rate debt after transformation of fixed-rate debt into floating	4,515,050
Fixed-rate swaps	– 1,656,140
Gross floating-rate debt not swapped	2,858,911
Caps, floors, collars	– 1,636,440
Floating-rate debt not hedged	1,222,471

Based on the existing hedging portfolio, and in light of the contractual conditions in force at December 31st, 2007, a 1% increase in interest rates would have a negative impact of 10 million euros on earnings for 2008. A 1% reduction in interest rates would have a positive impact on earnings for 20 million euros. The impact on shareholders' equity (excluding earnings) would not be significant.

The fair value of gross debt represented 4,663 million euros at December 31st, 2007.

No financial instruments were restructured over the year and the Group does not hold any financial instrument traded on an active market that are valued on a mark-to-model basis.

The fair value of derivatives on the balance sheet can be broken down as follows:

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Current assets	91,590	45,592	40,452
Non-current liabilities	– 2,401	– 4,162	– 13,929
Current liabilities	– 6,446	– 6,544	– 57,117
Total	82,743	34,886	– 30,594

The 48 million euro increase in the value of the portfolio reflects a 38 million euro increase in instruments and 10 million euros in net inflows of new instruments into the portfolio.
Further information is available in the "Financing and cash management" and "Consolidated financial statements" sections of the management report.

5.13.3. Covenants

The Group's main credit facilities are accompanied by contractual provisions relating to compliance with certain financial ratios in determining spread conditions or early repayment clauses, the most significant of which are summarized below.

	Benchmark standard	Situation at Dec 31, 2007	Situation at Dec 31, 2006	Situation at Dec 31, 2005
Loan to value ratio (block appraisal)	Max.: 50% (1)	37.29 %	37.95%	36.74%
EBITDA before disposals / Net financial expenses	Min.: 2.25/2.50 (1)	2.71	2.93	3.16
Outstanding secured debt / block value of property holding	Min.: 20%	9.94 %	10.10%	5.06%
Minimum block value of property holding	Min.: 8 000 million euros	12,363 million euros	11,105 million euros	8,793 million euros

(1) Except for temporary exceptions

500 million euros of bonds (maturing on January 25th, 2012) are concerned by a change of control clause. A change of control followed by a non-investment grade rating, not raised to investment grade again within 270 days, may result in their early redemption.

5.14. Taxes due and employee-related liabilities

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Employee-related liabilities	19,559	16,766	17,343
Exit tax	28,553	38,777	159,066
Other tax liabilities (including VAT payable and local taxes)	13,654	11,249	24,592
Taxes due and other employee-related liabilities	61,766	66,792	201,001
Of which, non-current liabilities	15,998	22,500	8,919
Of which, current liabilities	45,768	44,292	192,082

5.15. Other liabilities

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Trade payables	31,186	25,001	26,158
Other payables (1)	25,428	16,033	12,191
Pre-booked income	1,093	1,254	1,417
Other liabilities	57,706	42,288	39,766
(1) Of which:			
Lyonnaise de Banque advance for SAS Labuire	4,308	7,245	6,747
External management and property managers	3,707		

5.16. Off-balance sheet commitments

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Commitments received			
Swaps	2,751,140	3,503,073	2,612,735
Caps	2,936,440	1,390,085	1,573,580
Swaptions	1,000,000	4,150,000	1,550,000
Unused credit lines	500,000	690,000	585,000
Commitments or options to acquire property	657,524	947,799	308,000
Other	6,530	6,530	6,530
Financial guarantees for management activities and transactions	2,110	2,110	2,110
Total commitments received	7,853,744	10,689,597	6,637,955
Commitments given			
Guarantees and deposits	93,260	186,165	18,889
Swaps	2,751,140	3,503,073	2,612,735
Floors	2,936,440	1,390,085	1,573,580
Swaptions	1,000,000	4,150,000	1,550,000
Debt guaranteed by collateral (1)	792,600	682,847	20,062
Exclusive or first refusal rights on sales	657,524	947,799	308,000
Total commitments given	8,230,964	10,859,969	6,083,266

(1) List of collateralized properties:
- 26 rue Linois, 75015 Paris.
- 17 rue Galilée and 12-12 bis, rue de Torricelli, 75017 Paris.
- 4-16 av Léon Gaumont, 93 Montreuil
- ZAC du Front de Seine, 136-140 rue Anatole France, 92 Levallois-Perret
- 418-432 rue Estienne d'Orves and 25-27 and 33 rue de Metz, 92 Colombes
- Zac Charles de Gaulle, 92 Colombes
- 3-5 rue Paul Dautier. 78 Vélizy
- ZAC Danton. 34 avenue Léonard-de-Vinci. 92 Courbevoie

Financial instruments (swaps, swaptions, caps, floors and collars) are given for their notional amount. Their fair value is recorded on the balance sheet.
In connection with the French individual training entitlement system (droit individuel à la formation, DIF), the Group's employees at December 31st, 2007 had acquired a combined total of 41,377 hours (after deducting time used since the DIF was put in place), representing an estimated maximum potential cost of 4,022 thousand euros.

5.17 Recognition of financial assets and liabilities

In thousand euros	Assets recorded at fair value through profit and loss	Assets/ liabilities held through to maturity	Assets available for sale	Loans and receivables	Liabilities at amortized cost	Historical cost	Fair value through equity	TOTAL
Long-term financial investments		73,040		196,608				269,648
Cash and cash equivalents	107,284							107,284
Financial instruments	198,209							198,209
Other assets						112,942		112,942
Total financial assets	305,493	73,040	0	196,608	0	112,942	0	688,083
Non-current financial liabilities		3,470,171			1,099,448			4,569,619
Derivative instruments	6,446						2,401	8,847
Current financial liabilities		147,786						147,786
Other liabilities					70,191	209,404		279,595
Total financial liabilities	6,446	3,617,957	0	0	1,169,639	209,404	2,401	5,005,847

6. NOTES TO THE CONSOLIDATED INCOME STATEMENT

6.1. Rental income

GECINA's revenues present the rental income for each type of lease, while the segment analysis (Note 7) is based on the Group's internal management organization.

The minimum future levels of rental income to be received through to the next possible termination date under operating leases for commercial properties and assets from the development portfolio (hotels and logistics) are as follows:

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Under 1 year	310,330	247,000	234,000
Between 1 and 5 years	769,964	646,000	372,000
Over 5 years	277,530	289,000	43,000
Total	1,357,824	1,182,000	649,000

6.2. Direct operating expenses

They can be broken down as follows:

- Rental expenses to be borne by the owner, costs relating to work, costs relating to possible disputes and real estate management-related costs,
- The share in rental expenses to be recovered from tenants that is still to be covered by the Group, primarily on vacant premises.

Expenses billed to tenants comprise rental proceeds linked to the costs concerning tenants being charged back to them.

6.3. Services and other income

They primarily include:

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Income from service activities	4,342	3,736	7,832
Compensation on claims	1,186	412	1,025
Reversals on investment subsidies	159	166	1,114
Other	832	995	751
Total	6,519	5,309	10,722

6.4. Committed fixed costs

Committed fixed costs totaled 73.1 million euros. They primarily comprise salaries and fringe benefits and other management costs, and factor in at December 31st, 2007, around 7.9 million euros in estimated costs to be covered in connection with the operation to reorganize GECINA's shareholding structure, as well as a provision write-back for 10.4 million euros in costs relative to the operation to subsidiarize and list the residential business, which was stopped in March 2007.

6.5. Income from disposals

Over the period, the amount of asset disposals came to 461,593 thousand euros. Income from these disposals, calculated in relation to the fair value of properties recorded on the balance sheet at December 31st, 2006, totaled 48,418 thousand euros. Inventory disposals represented a total of 47,327 thousand euros, generating 24,514 thousand euros in capital gains.

6.6. Change in value of properties

The change in the fair value of properties covers the change in fair value of investment properties and properties for sale. It is determined as follows:

In thousand euros	Dec 31, 2006	Dec 31, 2007	Change
Block appraisals	11,104,854	12,301,945	
Properties not recorded at their fair value on the balance sheet	– 277,022	– 271,908	
Investment properties recorded on the balance sheet	10,827,832	12,030,037	1,202,205
Changes in scope (acquisitions excluding duties in 2007)			– 396,379
Changes in scope (disposals in 2007)			403,719
Changes in value (like-for-like)			1,209,545
2007 items booked against fair value (capitalized work, acquisition costs, capitalized financial expenses)			– 211,782
Change in value recorded on the income statement for 2007			997,763

6.7. Net financial expenses

Net financial expenses include (i) interest, coupons or dividends received or paid on financial assets and liabilities and (ii) net profits and losses on assets held for trading (UCITS and other securities held with a short-term focus):

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Gain on assets held for trading	3,509	6,767	3,231
Loss on assets held for trading	0	0	0
Total	3,509	6,767	3,231

The average cost of debt came to 4.46% in 2007, compared with 4.20% in 2006.

6.8. Change in value of financial instruments

The negative change in the fair value of financial instruments at December 31st, 2007 reflects the 36,127 thousand euros positive change in value on global hedging derivatives and the 45,056 thousand euros negative change relating to marketable securities.

The change in the fair value of derivatives can be broken down as follows:
- A favorable change in the fair value of global fixed-rate payer hedging instruments for 22,737 thousand euros,
- An unfavorable change in the fair value of global floating-rate payer hedging instruments for 7,390 thousand euros,
- Profits on terminations came to 20,779 thousand euros.

The positive change in the fair value of future flow hedging derivatives is booked against equity for 1,761 thousand euros.

6.9. Tax

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Corporate income tax	–17,137	–17,709	–23,996
Exit tax	–8,070	–33,070	0
Deferred tax	–25,961	3,973	5,700
Total	–51,168	–46,806	–18,296

The exit tax represents the tax expense for companies that opted for the SIIC system on January 1st of the financial year.

A deferred tax expense has been recorded for changes in the fair value of investment properties and derivatives relating to companies not governed by the SIIC system.

In thousand euros	Dec 31, 2007
Pre-tax income	1,292,924
Tax	51,168
Pre-tax income	1,344,092
Theoretical tax at 34.43 %	462,811
Impact of rate differentials between France and other countries	3,231
Impact of permanent and temporary differences	543
Impact of SIIC system	–426,521
Tax audits	11,104
Total	–411,643
Effective tax expense recognized	51,168
Effective tax rate	3.81%

6.10. Earnings per share

Earnings per share are calculated by dividing the net income to be allocated to shareholders by the weighted average number of ordinary shares outstanding over the period. Diluted earnings per share are calculated by dividing the net income for the year to be allocated to shareholders by the weighted average number of ordinary shares outstanding over the year, adjusted for the impact of options on shares.

	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Net consolidated income, Group share (in thousand euros)	1,292,924	1,778,623	649,900
Weighted average number of shares before dilution	60,331,680	60,061,265	59,569,203
Undiluted net earnings per share (Group share)	21.43 euros	29.61 euros	10.91 euros
Consolidated net earnings per share (Group share) undiluted	1,296,555	1,781,324	650,733
Weighted average number of shares after dilution	61,374,433	60,924,352	59,919,834
Diluted consolidated net earnings per share (Group share)	21.13 euros	29.24 euros	10.86 euros

6.11. Current cash-flow excluding income from asset disposals

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
EBITDA	536,484	569,857	414,638
Gain from asset disposals	–48,418	–148,030	–23,359
Unrecoverable receivables (included in net depreciation)	–2,902	–2,030	–2,260
Income and expenses calculated on stocks options	7,898	2,822	996
Restated EBITDA	493,062	422,619	390,015
Net financial expenses	–178,832	–143,381	–123,087
Pre-tax current cash flow	314,230	279,238	266,928
Tax	–51,168	–46,806	–18,296
Current cash flow after tax	263,062	232,432	248,632

6.12. Note to the consolidated cash flow statement

Acquisitions and disposals of consolidated subsidiaries can be broken down as follows:

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Acquisition price of securities	72,222	111,134	59,439
Cash acquired	–1,165	–4,251	–1,974
Acquisitions net of cash acquired	71,057	106,883	57,465
Net sales price for securities			
Cash divested		8,190	0
Disposals net of cash divested	0	8,190	0
Impact of changes in scope	71,057	115,073	57,465

6.13. Unit net asset value

The net asset value is calculated based on consolidated shareholders' equity, which incorporates the fair value of investment properties, properties intended for sale and derivatives.

The following are also added:

- The unit value supplement for buildings recorded on a block value basis,
- Unrealized capital gains on properties valued on the balance sheet at their historical cost, such as company-used properties, inventory properties, and properties under construction or redevelopment, calculated based on the independently appraised values, on a unit basis excluding duties for residential properties and on a block basis excluding duties for commercial properties,
- Taking into account the tax positions of companies not governed by the SIIC system,
- The fair value of financial liabilities.

The net asset value per share is calculated by comparing the NAV with the number of shares at the end of the period, excluding treasury stock.

The diluted net asset value per share factors in the impact of the dilution resulting from stock options or warrants. It is then compared against the potential number of shares likely to be created by the exercising of such options.

In million euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Capital and consolidated reserves	7,718.6	6,649.8	5,082.3
+ Capital gains	899.7	888.3	806.9
– Minority interests	–1.8	–7.5	–6.8
+/– Tax / other	–1.3	–5.4	–4.3
+/– Debt	53.7	25.4	–50.1
= Undiluted NAV (units)	8,668.8	7,550.6	5,828.0
Number of shares (excluding treasury stock)	60,363,721	60,127,800	59,961,814
= Undiluted NAV per share (units)	143.61 euros	125.58 euros	97.20 euros
Undiluted NAV	8,668.8	7,550.6	5,828.0
+ Impact of stock options	84.9	66.9	18.5
= Diluted NAV (units)	8,753.7	7 617.5	5,846.5
Stock Options	1,042,753	863,087	363,248
Diluted number of shares (excluding treasury stock)	61,406,474	60,990,887	60,325,062
= Diluted NAV per share (units)	142.55 euros	124.90 euros	96.92 euros

7. SEGMENT INFORMATION (IAS 14)

The Group, which operates only in France (with the exception of a very low level of business in other European countries in the logistics sector), is organized around four main sectors and one additional sector:

- Commercial sector, comprising the properties holding of offices and retail outlets
- Residential sector, comprising the properties holding of apartments
- Logistics sector, comprising the holding of logistics properties
- Hotel sector, comprising the holding of hotel properties
- Real estate services sector (Locare and CFG)

EARNINGS AT DECEMBER 31ST, 2007

In thousand euros	Commercial	Residential	Logistics	Hotels	Subtotal: rental	Services	Total for various sectors	Structure	TOTAL
Operating income									
Rental income on commercial properties	333,191	15,137	0	0	348,328	0	348,328		348,328
Rental income on residential properties	4,907	189,831	0	0	194,738	0	194,738		194,738
Rental income on logistics properties	0	0	31,342	0	31,342	0	31,342		31,342
Rental income on hotel properties	0	0	0	16 836	16 836	0	16,836		16,836
Rental income on student residences	0	591	0	0	591	0	591		591
Gross rental income	338,098	205,559	31,342	16,836	591,835	0	591,35		591,835
Operating expenses									
External services	45,942	48,766	3,538	43	98,289	1,701	99,990		99,990
Tax	24,018	16,808	4,136	650	45,613	247	45,860		45,860
Salaries and fringe benefits	1,234	8,978	0	0	10,213	0	10,213		10,213
Other expenses	224	100	60	0	384	1	385		385
Expenses billed to tenants	–51,091	–37,496	–5,557	–632	–94,774	0	–94,774		–94,774
Total net direct operating expenses	20,328	37,157	2,177	62	59,725	1,949	61,674		61,674
Net rental income	317,771	168,403	29,165	16,774	532,110	–1,949	530,161		530,161
Other transferred expenses	0	0	0	0	0	0	0		0
Other income	570	980	553	74	2,177	4,342	6,519		6,519
Net rental and service income	318,340	169,382	29,718	16,848	534,287	2,393	536,680		536,680
Margin on rental income	94.16 %	82.40 %	94.82 %	100.07 %	90.28 %		90.68 %		90.68 %
Salaries and fringe benefits								–51 050	–51 050
Net management costs								–22 078	–22 078
EBITDA before disposals								–73 128	463 552
Gain from inventory disposals	22,663	1,851	0	0	24,514	0	24,514		24,514
Gain from property disposals	2,753	45,844	–185	0	48,412	6	48,418		48,418
EBITDA	343,756	217,077	29,533	16,848	607,212	2,399	609,611	–73,128	536,484
Change in fair value of properties	685,110	326,498	–42,336	28,490	997,762		997,762		997,762
Net provisions and amortization	–408	–34	–860	0	–1,302	101	–1,201	–2,222	–3,423
Operating income	1,028,458	543,541	–13,663	45,338	1,603,673	2,500	1,606,173	–75,350	1,530,823

ASSETS AND LIABILITIES FOR EACH SECTOR AT DECEMBER 31ST, 2007

	Commercial	Residential	Logistics	Hotels	Subtotal: rental	Services	Total for various sectors	Structure	TOTAL
Investment properties	6,896,208	4,339,428	511,491	282,910	12,030,037		12,030,037		12,030,037
Of which, acquisitions	220,209	47,773	154,670		422,652		422,652		422,652
Of which, properties for sale	82,255	314,782			397,037		397,037		397,037
Amounts owed by tenants	38,181	23,170	7,254	124	68,729	819	69,548		69,548
Security deposits received from tenants	37,230	27,075	5,662	180	70,148		70,148		70,148

In 2007, GECINA's share in the healthcare real estate sector is recorded under "net income from equity affiliates" (see Note 5.3).

EARNINGS AT DECEMBER 31st, 2006

In thousand euros	Commercial	Residential	Logistics	Hotels	Healthcare	Subtotal: rental	Services	Total for various sectors	Structure	TOTAL
Operating income										
Rental income on commercial properties	307,927	18,194	0	0	0	326,121		326,121		326,121
Rental income on residential properties	5,073	198,775	0	0	0	203,848		203,848		203,848
Rental income on logistics properties	0	0	14,429	0	0	14,429		14,429		14,429
Rental income on hotel properties	0	0	0	13,800	0	13,800		13,800		13,800
Rental income on healthcare	0	0	0	0	10,161	10,161		10,161		10,161
Gross rental income	313,000	216,969	14,429	13,800	10,161	568,359	0	568,359		568,359
Operating expenses										
External services	39,933	48,014	2,616	29	9	90,601	1,850	92,451		92,451
Tax	24,917	18,003	2,363	391	458	46,132	167	46,299		46,299
Salaries and fringe benefits	1,089	9,486	0	0	0	10,575	0	10,575		10,575
Other expenses	74	127	152	0	11	364	29	393		393
Expenses billed to tenants	−45,979	−37,034	−3 753	−384	−457	−87,607	0	−87,607		−87,607
Total net direct operating expenses	20,034	38,596	1,378	36	21	60,065	2,046	62,111		62,111
Net rental income	292,966	178,373	13,051	13,764	10,140	508,294	−2,046	506,248		506,248
Other transferred expenses	1	0	0	0	0	1	0	1		1
Other income	357	1,043	97	18	0	1,515	3,793	5,308		5,308
Net rental and service income	293,324	179,416	13,148	13,782	10,140	509,810	1,747	511,557		511,557
Margin on rental income	93.71 %	82.69 %	91.12 %	99.87 %	99.79 %	89.70 %		90.01 %		90.01 %
Salaries and fringe benefits									−40,238	−40,236
Net management costs									−55,796	−55,796
EBITDA before disposals									−96 034	415 523
Gain from inventory disposals	4,207	2,097	0	0	0	6,304	0	6,304	0	6,304
Gain from property disposals	79,740	60,359	0	0	7,931	148,030	0	148,030	0	148,030
EBITDA	377,271	241,872	13,148	13,782	18,071	664,144	1,747	665,891	−96,034	569,857
Property value adjustments	732,158	611,728	−1,079	20,539	−14,592	1,348,754		1,348,754		1,348,754
Net provisions and amortization	−1,466	−3,891	377	0	11	−4,969	22	−4,947	−908	−5,855
Operating income	1,107,963	849,709	12,446	34,321	3,490	2,007,929	1,769	2,009,698	−96,942	1,912,756

ASSETS AND LIABILITIES FOR EACH SECTOR AT DECEMBER 31ST, 2006

	Commercial	Residential	Logistics	Hotels	Healthcare	Subtotal: rental	Services	Total for various sectors	Structure	TOTAL
Investment properties	6,026,341	4,200,700	378,388	222,400	0	10,827,830		10,827,830		10,827,830
Of which, acquisitions	934,520	10,725	289,597			1,234,842		1,234,842		1,234,842
Of which, properties for sale	52,733	545,574				598,307		598,307		598,307
Amounts owed by tenants	35,618	16,001	5,754	189	0	57,561	2,829	60,390		60,390
Security deposits received from tenants	30,934	27,871	3,261	0	0	62,067		62,067		62,067

EARNINGS AT DECEMBER 31ST, 2005

In thousand euros	Commercial	Residential	Logistics	Hotel	Subtotal: rental	Services	Total for various sectors	Structure	TOTAL
Operating income									
Rental income on commercial properties	289,354	18,795	0	0	308,149		308,149		308,149
Rental income on residential properties	8,356	196,112	0	0	204,468		204,468		204,468
Rental income on logistics properties	0	0	334	0	334		334		334
Rental income on hotel properties	0	0	0	2,012	2,012		2,012		2,012
Gross rental income	297,710	214,907	334	2,012	514,963	0	514,963		514,963
Operating expenses									
External services	35,958	52,669	127	9	88,763	2,149	90,912		90,912
Tax	23,498	17,670	97	0	41,265	516	41,781		41,781
Salaries and fringe benefits	1,200	8,904	0	0	10,104	0	10,104		10,104
Other expenses	205	247	0	0	452	459	911		911
Expenses billed to tenant	– 39,913	– 34,908	– 87	0	– 74,908	– 13	– 74,921		– 74,921
Total net direct operating expenses	20,948	44,582	137	9	65,676	3,111	68,787		68,787
Net rental income	276,762	170,325	197	2,003	449,287	– 3,111	446,176		446,176
Other transferred expenses	0	0	0	0	0	0	0		0
Other income	955	1,739	196	0	2,890	7,832	10,722		10,722
Net rental and service income	277,717	172,064	393	2,003	452,177	4,721	456,898		456,898
Margin on rental income	93.28 %	80.06 %	117.66 %	99.55 %	87.81 %	88.72 %	88.72 %		88.72 %
Salaries and fringe benefits								– 42,912	– 42,912
Net management costs								– 26,087	– 26,087
EBITDA before disposals								– 68,999	387,899
Gain from inventory disposals	869	2,511	0	0	3,380	0	3,380	0	3,380
Gain from property disposals	16,898	6,439	0	0	23,337	22	23,359	0	23,359
EBITDA	295,484	181,014	393	2,003	478,894	4,743	483,637	–68,999	414,638
Property value adjustments	158,664	237,766	–829	–2,516	393,085	0	393,085	0	393,085
Net provisions and amortization	– 1,689	1,261	0	0	– 428	– 69	– 497	– 3,304	– 3,801
Operating income	452,459	420,041	– 436	– 513	871,551	4,674	876,225	– 72,303	803,922

ASSETS AND LIABILITIES FOR EACH SECTOR AT DECEMBER 31ST, 2005

	Commercial	Residential	Logistics	Hotel	Subtotal: rental	Services	Total for various sectors	Structure	TOTAL
Investment properties	4,552,390	3,765,582	89,000	192,100	8,599,072		8,599,072		8,599,072
Of which, acquisitions	300,850	89,000	89,000	192,100	581,950		581,950		581,950
Of which, properties for sale	40,318	180,251			220,569		220,569		220,569
Amounts owed by tenants	32,750	23,612		478	56,840	1,457	58,297		58,297
Security deposits received from tenants	34,111	29,232		1,248	64,591		64,591		64,591

8. OTHER RELEVANT INFORMATION

8.1. Reorganization of the shareholding structure

On February 19th, 2007, the Metrovacesa group announced that a protocol agreement had been signed between its two majority shareholding groups, namely the Sanahuja family on the one hand, and Mr. Rivero Valcarce and Mr. Soler Crespo on the other, covering a process to divide up the Metrovacesa group, enabling the interests of each one of the abovementioned shareholder groups to be separated. Under this protocol agreement, Metrovacesa, whose majority shareholder will be the Sanahuja family, is continuing to operate in the real estate sector, primarily in Spain, while also owning a rental portfolio in France (part of GECINA's current portfolio). Mr. Rivero Valcarce and Mr. Soler Crespo will be the leading shareholders in GECINA.

In October and November 2007, Metrovacesa carried out a public exchange offer on its own shares, paid for with GECINA shares. Further to this, Mr. Rivero Valcarce and Mr. Soler Crespo no longer own any Metrovacesa shares and their stake in GECINA has been increased to 17.76% and 15.33% respectively, while Metrovacesa still owns 26.93% of GECINA.

On December 13th, 2007, the French securities regulator (AMF) declared the public share buyback offer proposed by GECINA non-compliant. This represents the main stage in the Separation Agreement, enabling the GECINA shares to be exchanged against shares in Medea, a listed company to which GECINA would have contributed various commercial real estate assets.

At December 31st, 2007, following the AMF's decision, the implementation of the Separation Agreement was suspended. As such, these operations have not had any impact on the consolidated financial statements at December 31st, 2007.

8.2. Exceptional events and disputes

Certain consolidated companies have been subject to tax inspections that resulted in notifications being issued for tax adjustments. The majority of such adjustments are currently being disputed. The Group is also subject, either directly or indirectly, to various tort lawsuits or legal proceedings undertaken by third parties. According to the assessments of the Group and its advisors, to date there are no material risks that have not been provisioned for that might significantly affect the Group's financial position or earnings.

8.3. Adjustment of the SIIC system

The amended finance bill for 2006, adopted on December 30th, 2006 (SIIC 4 provisions), introduced a 20% deduction on dividends paid out to non-individual shareholders with at least a 10% stake in a French listed real estate investment trust (SIIC), exempt from tax on dividends received or liable for tax representing less than one third of the tax due under common law conditions in France. These provisions apply to dividends paid out as of July 1st, 2007.

The General Meeting on December 28th, 2007 voted to amend the by-laws in order to ensure that the amount of tax due relative to the 20% deduction is financially to be covered by the shareholders that generated this tax deduction. In this context, no effects have been recognized relating to this tax deduction in the consolidated financial statements at December 31st, 2007.

8.4. Consolidating parent company identity

At December 31st, 2007, the Spanish-law company Metrovacesa no longer consolidates GECINA, in which it holds only 26.93% of the capital and 27.85% of the voting rights.

8.5. Group shareholding structure

At December 31st, 2007, GECINA's shareholding structure was as follows:

	Number of shares	%
Metrovacesa	16,809,610	26.93 %
Mr. Rivero	11,086,813	17.76 %
Mr. Soler	9,567,937	15.33 %
Predica	5,143,499	8.24 %
Non-resident shareholders	12,498,811	20.02 %
Individual shareholders	3,151,390	5.05 %
Other resident institutional shareholders	2,105,661	3.37 %
Treasury stock	2,060,824	3.30 %
Total	62,424,545	100.00 %

8.6. Dividend paid out in 2007

Relative to 2006, the Group paid out a unit dividend of 4.20 euros, for a total amount of 252,900 thousand euros.

8.7. Joint ventures

The Group is working with its partner Apsys to redevelop the Beaugrenelle shopping centre in connection with a 50% - 50% joint venture in SCI Beaugrenelle, consolidated on a proportionate basis. SGIL is also consolidated in line with this method.

8.8. Related parties

There are no significant transactions to report with the main shareholders. Transactions with Gecimed, a listed company consolidated on an equity basis, are limited to invoices for services provided (1,644 thousand euros in 2007) and financing (see Note 5.2) governed by regulated agreements.

On April 26th, 2007, the Board of Directors awarded Mr. Antonio Truan a benefit based on an end-of-office compensation package equal to two years of his reference fixed compensation, plus any profit sharing or bonuses paid over the last 12 months prior to his departure or, if he leaves before receiving his bonus, based on his bonus entitlements for a full year of business. This benefit is not subject to any performance conditions. On the same day, the Board of Directors also granted Mr. Truan the right to the supplementary pension scheme for corporate officers in force within the Company, as adopted by the Board of Directors on January 17th, 2001.

Furthermore, on February 21st, 2008, the Board of Directors acknowledged GECINA's payment of 9,850 thousand euros on December 14th, 2007, corresponding to the payment of various costs relating to the auction of a plot in Madrid to Bami Newco (in which Mrs. Victoria Soler Lujan and Messrs Rivero Valcarce and Gracia Barba are also directors), initially the successful buyer on GECINA's behalf.

The attendance allowances paid to Directors are detailed in the management report section on "Directors and executives" and the Executive Committee section in Note 8.11.

8.9. Group workforce

Average headcount	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Managers	210	200	195
Employees	210	200	209
Building staff	255	313	334
Total	675	713	738

8.10. Stock options, warrants and bonus shares

Date of General Meeting	Start date for exercising options	Number of options granted	Subscription or purchase price	Number of shares subscribed for or purchased	Number of shares that may be exercised
Jun 7, 2000	Sep 27, 2000	127,356	40.13 euros	127,356	0
Jun 7, 2000	Sep 26, 2000	128,266	39.16 euros	116,414	11,852
Jun 6, 2001	Jun 6, 2001	55,591	47.87 euros	47,505	8,086
Jun 6, 2001	Sep 26, 2001	47,501	46.99 euros	47,501	0
Jun 6, 2001	Jun 5, 2002	123,329	47.20 euros	123,026	303
Jun 5, 2002	Sep 25, 2002	162,822	44.28 euros	154,681	8,141
Jun 6, 2001	Nov 25, 2003	275,974	51.82 euros	235,849	40,125
Jun 2, 2004	Oct 12, 2004	313,000	64.92 euros	245,250	67,750
Jun 2, 2004	Mar 14, 2006	237,000	102.64 euros	14,500	222,500
Jun 29, 2005	Mar 14, 2006	65,800	–	11,700	54,100
Jun 2, 2004	Dec 12, 2006	261,500	108.80 euros	18,600	242,900
Jun 29, 2005	Dec 12, 2006	79,750	–	6,900	72,850
Jun 19, 2007	Oct 23, 2007	18,610	–	614	17,996
Jun 19, 2007	Dec 13, 2007	74,650	–	0	74,650
Jun 19, 2007	Dec 13, 2007	221,500	109.51 euros	0	221,500

The start date for exercising options coincides with the date of the Board of Directors meeting that granted them.

8.11. Compensation for administrative and executive management bodies

Attendance allowances paid to members of GECINA's Board of Directors for 2007 came to 1,167 thousand euros, and to 68 thousand euros for members of the Board of Directors of SIF.

As a corporate officer, Mr. Joaquín Rivero Valcarce received the following compensation during 2007:
- Fixed compensation: 180 thousand euros;
- Variable compensation paid in 2007 relative to 2006: 200 thousand euros;
- Exceptional bonus decided on by the Board of Directors on December 13th, 2007: 290 thousand euros, with 145 thousand euros paid in 2007;
- Attendance allowances: 62 thousand euros, including 12 thousand euros for SIF;
- Number of stock options awarded: 30,000;
- Number of bonus shares awarded: 10,000.

At December 31st, 2007, Mr. Joaquín Rivero Valcarce had 86,000 stock options and warrants and 22,700 bonus shares.

In addition, a company car is made available to Mr. Joaquín Rivero Valcarce.

Mr. Joaquin Rivero Valcarce is potentially eligible for the supplementary pension scheme put in place with Cardif for corporate officers in 2001.

As a corporate officer, Mr. Antonio Truan received the following compensation during 2007:
- Fixed compensation as Deputy Chief Executive Officer: 473 thousand euros;
- Exceptional bonus decided on by the Board of Directors on December 13th, 2007: 290 thousand euros, with 145 thousand euros paid in 2007;
- Attendance allowances: 114 thousand euros, including 16 thousand euros for SIF;
- Number of stock options awarded: 30,000;
- Number of bonus shares awarded: 9,526.

At December 31st, 2007, Mr. Antonio Truan had 86,000 stock options and warrants and 22,126 bonus shares.

In addition, a company car is made available to Mr. Antonio Truan.

Mr. Antonio Truan is potentially eligible for the supplementary pension scheme put in place with Cardif for corporate officers in 2001. The end-of-office benefits for Mr. Truan are presented in Note 8.8.

For 2007, the total amount of gross compensation paid to Executive Committee members (excluding corporate officers) came to: 1,846 thousand euros.

There are not any specific pension schemes or retirement benefits for Executive Committee members.

Over 2007, 62,000 stock options and 16,164 bonus shares were awarded to Executive Committee members.

At December 31st, 2007, Executive Committee members had 214,362 stock options and warrants and 48,438 bonus shares.

8.12. Transactions carried out, loans and guarantees granted or set up in favor of members of administrative and executive management bodies

There are no such transactions to report.

8.13. Post-balance sheet events

NA.

6. Annual financial statements

1. BUSINESS AND EARNINGS

In 2007, rental income totaled 288 million euros, compared with 281 million euros in 2006, up 2.52%.

Capital gains on assets sold off over the year came to 156 million euros, compared with 165 million euros the previous year.

Operating income also factors in 55 million euros in expenses billed to tenants, with 22 million euros of inter-company services recorded under other income.

Operating expenses came to 241 million euros for 2007, down from 248 million euros the previous year. They reflect 8 million euros for costs incurred in connection with the operation to restructure GECINA's shareholding structure, as well as 10 million euros in provisions written back for the listing of the Group's residential real estate activities on the stock market.

In this way, operating income came to 286 million euros, compared with 277 million euros the previous year.

The financial result for the year represents 289 million euros in net income, compared with 59 million euros the previous year, reflecting:
- Interest expenses and related charges (net of financial revenues), totaling 91 million euros;
- Dividends received from subsidiaries and income from equity interests for a total of 394 million euros (including 240 million euros in exceptional SIF dividends);
- 22 million euros in provisions written back;
- 39 million euros in financial provisions, with 5 million euros concerning treasury stock held in view of stock option and bonus share allocation schemes and 34 million euros concerning subsidiaries.

After the impact of non-recurring income for 4 million euros (capital gains on security disposals), net income for the year came out at 579 million euros in 2007, compared with 322 million euros for 2006.

For its part, income from SIIC operations, determined in line with the French tax regulations applicable, came to 401 million euros for 2007, resulting in an obligation to distribute up to 301 million euros under the SIIC system, including 86 million euros to be paid out within two years.

2. FINANCIAL POSITION

The Company's balance sheet represented a total of 8,620 million euros at December 31st, 2007, compared with 8,376 million euros at December 31st, 2006.

On the balance sheet, fixed assets comprise intangible assets, primarily with 182 million euros in unrealized capital gains from merger on the property holding of Société des Immeubles de France (SIF) and its subsidiaries.

The property holding held directly by GECINA represented a total of 4,425 million euros at the end of 2007, compared with 4,142 million euros at the end of 2006, up +283 million euros.

The changes are as follows (in million euros):

• Contributions from SIF	517
• Acquisitions over the year (Volney, Le Bourget, Marseille)	34
• Capitalized expenditure	71
• Net book value of assets sold off	-279
• Depreciation and provisions	-60
Total	283

Subsidiary securities, equity interests and related receivables represented a total of 3,546 million euros at December 31st, 2007, compared with 3,625 million euros at the end of 2006.

The main changes are as follows (in million euros):

• Contributions from SIF	528
• Cancellation of SIF securities	- 1,300
• Acquisition of securities in three companies	70
• Capital increases for subsidiaries	288
• Disposal of securities (of which, Gecimed: 91 million euros)	- 94
• Increase in related receivables	461
• Net change in provisions	-32
Total	- 79

At December 31st, 2007, the most significant equity interests concerned: Geciter (597 million euros of securities and 607 million of receivables), Parigest (415 million euros of securities and 61 million of receivables), Gec 4 (173 million euros of securities and 266 million of receivables) and Hôtel d'Albe (115 million euros of securities and 86 million of receivables).

Other capitalized securities comprise the 1,258,823 shares held as treasury stock by the Company (81 million euros), in addition to the 802,001 shares recorded under marketable securities for 52 million euros, held in view of the schemes for stock options and bonus shares granted to employees and corporate officers. In total, treasury stock represents 3.30% of the share capital.

Current assets came to 309 million euros at December 31st, 2007, compared with 517 million euros at December 31st, 2006, comprising:

• "Other receivables" (130 million euros), primarily inter-company receivables (104 million euros) and receivables linked to property disposals (5 million euros).

• Cash and marketable securities for 110 million euros, including the 52 million euros in treasury stock mentioned above.

Asset accruals factor in 53 million euros in prepaid expenses, while liability accruals reflect 6 million euros in pre-booked income, primarily linked to premiums paid or received on derivative financial instruments.

Shareholders' equity is up by 334 million euros, reflecting the following changes (in million euros):

• Shareholders' equity at Dec 31, 2006	3,949
• Capital increase resulting from exercising of options and subscriptions for company savings scheme	2
• Dividends paid in 2007	- 253
• Earnings for 2007	580
• SIF merger	6
• Shareholders' equity at Dec 31, 2007	4,284

At December 31st, 2007, financial debt came to 4,109 million euros, compared with 4,067 million euros at the end of 2006, with 140 million euros represented by inter-company liabilities.

A 250 million euros bond issue was redeemed during the year.

Over the year, new credit lines were put in place for a total of 375 million euros.

Provisions for contingencies and liabilities came to 72 million euros, compared with 75 million euros the previous year. They primarily concern provisions for tax disputes (61 million euros) and provisions for pension commitments (7 million euros).

Debt on fixed assets totaled 27 million euros, compared with 126 million euros at December 31st, 2006, which included 97 million euros for the balance still to be paid for the acquisition of the Défense Ouest building.

3. FIVE-YEAR FINANCIAL SUMMARY

	2003	2004	2005	2006	2007
I - Capital at year-end					
Share capital (thousand euros)	435,287	465,764	466,578	467,023	468,184
Number of ordinary shares outstanding	58,038,246	62,101,841	62,210,448	62,269,670	62,424,545
Maximum number of shares to be created by converting bonds and exercising stock options	7,908,646	175,336	81,944	44,497	11,852
II - Operations and earnings for the year (thousand euros)					
Revenues (excluding taxes)	288,758	268,017	275,790	281,357	288,458
Income before tax, depreciation amortization, and provisions	115,179	287,043	210,525	369,419	677,149
Corporate income tax	75,512	– 1,536	– 3,645	6,290	–
Income after tax, depreciation, amortization and provisions	21,268	195,373	159,689	322,104	579,663
Distributed profits	140,453	229,777	242,621	261,533	312,477
III - Earnings per share (euros)					
Earnings per share after tax and before amortization and provisions	0.68	4.65	3.45	5.83	10.87
Earnings per share after tax, depreciation and provisions	0.37	3.15	2.57	5.17	9.31
Total net dividend per share	2.45	3.70	3.90	4.20	5.01
IV - Workforce					
Average headcount during the year	683	607	648	641	607
Annual payroll (thousand euros)	26,898	22,422	28,816	28,037	31,537
Annual employee benefits, including social security and other social charges (thousand euros)	11,144	11,061	16,620	13,366	15,137

4. ANNUAL FINANCIAL STATEMENTS

INCOME STATEMENT

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Operating income			
Rental income	288,458	281,356	275,790
Net income from property disposals	155,860	165,532	23,850
Miscellaneous subsidies	2	2	2
Releases of allowances for impairment of properties	726	2,677	6,306
Reversals of provisions and depreciation	4,120	7,922	5,395
Expenses billed to tenants	54,664	51,155	47,908
Other transferred expenses	229	2,654	559
Other income	22,594	14,376	13,978
TOTAL	526,653	525,674	373,788
Operating expenses			
Purchases	10,674	14,490	14,545
Other external expenses	74,933	96,575	69,469
Tax	28,917	27,275	30,007
Salaries and fringe benefits	46,674	41,404	45,436
Depreciation allowance	56,955	53,562	52,678
Allowance for impairment of properties	3,333	880	1,846
Allowance for depreciation of current assets	2,046	2,635	9,782
Provisions	14,705	8,634	1,922
Other charges	2,371	3,026	2,042
TOTAL	240,608	248,481	227,727
Operating income	286,045	277,193	146,061
Financial revenues			
Interest and related income	105,705	56,315	33,059
Net income on sale of marketable securities	2,588	1,411	1,182
Reversals of provisions, depreciation and transferred expenses	21,926	24,796	43,263
Income from marketable securities and receivables	394,602	130,870	112,874
Income from equity interests	1,289	1,221	11,499
TOTAL	526,110	214,613	201,877
Financial expenses			
Interest and related expenses	196,719	144,553	148,460
Net expenses on sale of marketable securities			
Depreciation allowance and provisions	40,411	10,709	42,821
TOTAL	237,130	155,262	191,281
Net financial result	288,980	59,351	10,596
Profit before tax and exceptional items	575,025	336,544	156,657
Exceptional items			
Capital gains on mergers, disposals, exchanges of securities	4,640	– 7,956	– 332
Subsidies	0	160	1,110
Exceptional provisions, depreciation and transferred expenses			– 395
Exceptional income and expenses	– 2	– 354	– 996
Exceptional profit/loss	4,638	– 8,150	– 613
Pre-tax profit	579,663	328,394	156,044
Corporate income tax	0	– 6,290	3,645
Employee profit-sharing			
Net profit	579,663	322,104	159,689

BALANCE SHEET

ASSETS		Dec 31, 2007		Dec 31, 2006	Dec 31, 2005
In thousand euros	Gross	Depreciation and amortization	Net	Net	Net
Fixed assets					
Intangible fixed assets					
Concessions, patents, licenses	1,851	198	1,653	1,662	1,724
Intangible asset	181,461	0	181,461		
Tangible fixed assets					
Land	2,879,977	975	2,879,002	2,419,896	2,301,223
Properties	1,686,281	233,048	1,453,233	1,327,321	1,294,817
Properties on third-party owned land	59,350	12,071	47,279	48,514	53,768
Other	1,180	719	461	523	595
Construction in progress	45,288	0	45,288	345,571	33,252
Advances and installments	97	0	97	97	97
Long-term financial investment					
Equity interests and related receivables	3,585,187	38,474	3,546,713	3,625,162	3,387,943
Other equity investments	81,216	0	81,216	85,375	139,310
Loans	895	0	895	875	961
Other long-term financial assets	1,607	153	1,454	1,393	1,597
Advances on real estate acquisitions	69,815	0	69,815		
TOTAL I	8,594,205	285,638	8,308,567	7,856,389	7,215,287
Current assets					
Advances and installments	258	0	258	97	49
Receivables					
Rents receivable	26,400	10,336	16,064	16,911	17,281
Other receivables	140,658	10,694	129,964	317,487	170,785
Marketable securities	76,705	15,325	61,380	123,679	7,114
Cash and equivalents	48,871	0	48,871	16,598	12,481
Assets accruals					
Prepaid expenses	52,815	0	52,815	42,251	28,908
TOTAL II	345,707	36,355	309,352	517,023	236,618
Bond redemption premiums	2,230	0	2,230	3,150	4,091
TOTAL III	2,230	0	2,230	3,150	4,091
GRAND TOTAL (I + II + III)	8,942,142	321,993	8,620,149	8,376,562	7,455,996

BALANCE SHEET

LIABILITIES & EQUITIY

In thousand euros	Dec 31, 2007	Before appropriation of earnings Dec 31, 2006	Dec 31, 2005
Shareholders' Equity			
Share capital	468,184	467,023	466,578
Issue, merger, contribution premiums	1,862,896	1,856,883	1,854,018
Revaluation gain	846,023	921,004	969,625
Reserves:			
Legal reserve	45,522	45,406	45,362
Legal reserve from long-term capital gains	1,296	1,296	1,296
Statutory reserves	24,220	24,220	24,220
Reserves eligible for distribution	385,294	310,313	366,965
Retained earnings	69,204		– 30,883
Earnings for the year	579,663	322,104	159,689
Investment subsidies	911	1,070	1,227
TOTAL I	4,283,213	3,949,319	3,858,097
Provisions			
Provisions for contingencies	46,631	46,273	58,350
Provisions for liabilities	25,276	28,228	24,811
TOTAL II	71,907	74,501	83,161
Debts			
Bonds	1,147,949	1,399,811	1,399,811
Borrowings and financial debt	2,960,796	2,667,660	1,856,419
Security deposits	42,875	37,844	41,063
Advances and installments received	13,359	11,265	8,238
Trade payables	31,739	47,711	20,220
Tax due and employee-related liabilities	20,458	16,306	17,620
Debt on fixed assets	27,135	126,337	22,702
Tax liabilities (corporate income tax-exit tax)	0	2,494	112,359
Other liabilities	14,329	5,714	3,999
Adjusment accounts			
Pre-booked income	6,389	37,600	32,307
TOTAL III	4,265,029	4,352,742	3,514,738
GRAND TOTAL (I + II + III)	8,620,149	8,376,562	7,455,996

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AT DECEMBER 31ST, 2007

1. OPERATING HIGHLIGHTS

2007

At the General Meetings of Société des Immeubles de France (SIF) and GECINA on December 28th, 2007, their shareholders decided to merge SIF with GECINA, effective retroactively to October 1st, 2007. As such, GECINA issued 126,405 new shares in return for the 0.68% interest in SIF's capital not owned as on this date.

GECINA then recorded an intangible asset for 181 million euros, comprising unrealized capital gains on the property holding of SIF and its subsidiaries.

At the Board meeting on March 6th, 2007, GECINA's Directors decided to suspend the operation to subsidiarize and list the residential real estate business.

Following the AMF's decision on December 12th, 2007 to declare GECINA's proposed buy-back offer non-compliant, GECINA's implementation of the Separation Agreement has been suspended (see Note 6.1).

During the year, GECINA acquired the securities of three companies, with Le Pyramidion Courbevoie and Colvel Windsor owning commercial properties for 50 million euros and Gec 7 owning student residences for 19 million euros.

2006

On June 14th, 2006, GECINA acquired a 90.52% stake in Sofco, which became Gecimed on March 30th, 2007. Over the second half of the year, this subsidiary acquired 28 clinic properties from Générale de Santé for 538 million euros.

The signature of various transfer agreements subject to suspensive conditions on December 28th, 2006 made it possible to place close to 60% of Gecimed's capital with financial investors. The transfer of ownership took place on January 30th, 2007, taking GECINA's interest in Gecimed down to 37.99%.

Over the year, GECINA acquired four commercial properties for 776 million euros and also signed a new partnership agreement with Hines for the acquisition of a 38,600 sq.m building in connection with the project to redevelop Renault plots in Boulogne-Billancourt.

A new GECINA subsidiary acquired a portfolio of companies from the Bleecker Group for 282 million euros, representing a total of 450,000 sq.m of logistics space spread over 30 operational assets.

Over the year, GECINA sold off 29 properties on a block basis for 311 million euros.

2005

Further to a public takeover bid in Q2 2005, the company Metrovacesa acquired a 68.42% interest in GECINA's capital, representing 70.99% of voting rights.

In connection with this public takeover bid, GECINA incurred 15,580 thousand euros in non-recurring expenses corresponding to advisory fees, the implementation of stock options granted to staff and managers, and the change of management.

With GECINA's subsidiaries acquiring buildings representing a total of 581,950 thousand euros (excluding duties), including 89,000 thousand euros relative to a logistics portfolio and 192,100 thousand euros relative to a portfolio in the leisure hotel sector, the parent company GECINA increased the amount of long-term cash advances granted to some of its subsidiaries for the financing of these transactions.

GECINA primarily acquired securities issued by a company owning an office property in Levallois-Perret for 51,050 thousand euros.

2. ACCOUNTING METHODS AND RULES

The financial statements are drawn up in accordance with the provisions of the French general accounting plan (Plan Comptable Général) and in line with the principle of continuous operations.

Since the arbitrage of properties is inherent to the management of real estate companies, the Company decided to record proceeds from disposals as well as provisions and write-backs relative to impairments in the value of the property holding on separate lines under operating income and expenses, so as to more effectively reflect the various components of its activities.

3. VALUATION METHODS

For accounting purposes, assets and liabilities are valued on an historical cost basis.

The balance sheet was subject to a free revaluation as at January 1st, 2003, further to GECINA's decision to opt for the tax system for French listed real estate investment trusts (SIIC).

3.1. Fixed assets

3.1.1. Gross value of fixed assets and depreciation

In accordance with CRC regulation 2002-10, GECINA set up a component-based approach as of January 1st, 2005.

This method, validated by the independent auditors, involves determining the gross value of each component for each property, applying a depreciation coefficient to its cost of replacement as new.

The method was applied on a retroactive basis as at January 1st, 2003, the date on which GECINA opted for the SIIC tax system, or as on the acquisition date for properties brought into the holding after January 1st, 2003.

The value of the land was determined based on the difference between the value of the property on this date and the gross value of the various components.

The following table presents:

• A breakdown of the value of buildings between their four main components:
– Large-scale work,
– Roofing, facade,
– Technical facilities,
– Fittings;

•The depreciation schedules for each component

	Component share		Amortization period (years)	
	Residential	Commercial	Residential	Commercial
Large-scale work	60%	50%	80	60
Roofing, facade	20%	20%	40	30
Technical facilities	15%	25%	25	20
Fittings	5%	5%	15	10

3.1.2. Impairment of properties and correction of values

Any impairment in the value of properties may be calculated as follows:

• Long-term real estate assets: depreciation is recognized on a line-by-line basis when the appraised value (block) of a property by one of the independent appraisers (CB Richard Ellis Bourdais, Atisreal Expertise, Foncier Expertise), is lower than its net book value, minus a 15% deductible reflecting the lasting nature of the impairment.
This depreciation is booked in priority against items that may not be amortized, and is adjusted each year on the basis of new appraisals.

• Real estate assets up for sale or held for sale over the short term: properties for sale or intended to be sold off over the short term are valued with reference to their appraised value (block) or their market value, and are depreciated if this amount is lower than their net book value.
Appraisals are carried out in accordance with industry practices based on methods to determine the market value of each asset, in accordance with the real estate valuation appraisal charter.

3.2. Long-term financial investments

Equity securities are recorded on the balance sheet at their subscription or acquisition cost, with the exception of the interests held at January 1st, 2003 that were revalued.

Since the application of CRC regulation 2004-06, acquisition costs for securities previously booked under deferred expenses are now recorded under expenses and are not factored in to the acquisition cost for long-term financial investments.

This section notably includes GECINA's interests in companies holding rental real estate assets (interest in capital and non-capitalized advances).

The impairment of such securities or receivables is only recognized in the event of a lasting capital loss in relation to their value in use. This is determined in view of several factors: corrected net book value, profitability, strategic value for the Group.

Treasury stock held by the Company is recorded under other capitalized securities, with the exception of such shares specifically allocated for covering stock options or bonus shares granted to employees or corporate officers and recorded under marketable securities.

3.3. Operating receivables

Operating receivables are recorded based on their nominal value. Rent receivables are systematically depreciated in line with the age of the debt and the situation of the tenants.

A rate of depreciation is applied to the amount of the receivable (net of tax), after deducting the security deposit.

• Tenant has left the property: 100%;

• Tenant still in the property:
– Debt between 3 and 6 months: 25%;
– Debt between 6 and 9 months: 50%;
– Debt between 9 and 12 months: 75%;
– Debt over 12 months: 100%.

The depreciation recorded in this way is adjusted in order to factor in individual circumstances.

3.4. Marketable securities

Marketable securities are recorded on the balance sheet at their acquisition price. They are depreciated when their realizable value falls below their net book value.

Shares specifically allocated to cover stock options granted to employees and corporate officers are recorded under this item. As relevant, they may be depreciated in relation to the lowest of either the option exercise price or the average stock market price for the last month of the year.

3.5. Accruals

This item primarily comprises the following prepaid expenses:
• Restoration costs incurred on properties up for sale (in addition to disposal costs). They are written back when disposals have been carried out.
• Premiums paid on hedging derivatives, which are spread over the term of the contracts.
• Bond redemption or issue premiums, which are amortized over the term of the loans in line with the linear method.

3.6. Bonds

Bonds issued by the Company are recorded at their redemption value. The redemption premium is booked in conjunction with the asset on the balance sheet, and amortized on a straight-line basis over the term of the bonds.

3.7. Financial instruments

The Company uses interest rate swaps and conditional instruments (caps, swaptions and floors) to hedge its credit lines and loans. The corresponding income and expenses are recorded on a pro rata temporis basis on the income statement.

3.8. Employee benefit commitments

Retirement benefit commitments

Retirement benefit commitments resulting from national wage bargaining agreements (Conventions Collectives) or company-level agreements are covered by an insurance policy taken out or by provisions for the portion not covered by this policy in the event of a shortfall on funds paid out.

Supplementary retirement commitments with respect to certain employees

Commitments regarding supplementary retirement benefits for certain employees are valued in line with the actuarial method, factoring in mortality tables. They are managed by external organizations and covered by payments to these organizations. Additional provisions are recorded when commitments are insufficiently covered by the insurance fund.

These retirement commitments are valued based on the assumption of a staff voluntary departure.

Long-service awards (médailles du travail)

Provisions are recorded to cover commitments relating to long-service awards (médailles du travail) paid to staff based on an independent estimate at each close of accounts.

4. NOTES ON THE BALANCE SHEET

4.1 - Fixed assets

GROSS VALUES OF ASSETS

In thousand euros	Gross values at year-start	Merger	Inter-item transfers	Acquisitions	Reductions	Gross values at year-end
Intangible fixed assets	**1,776**	**181,536**	**0**	**0**	**0**	**183,312**
Concessions, licences	1,776	75				1,851
Intangible assets		181,461				181,461
Tangible fixed assets	**4,335,170**	**531,586**	**0**	**104,267**	**298,850**	**4,672,173**
Land	2,421,134	391,487	209,995	42,848	185,487	2,879,977
Properties	1,508,774	130,979	126,454	33,388	113,314	1,686,281
Properties on third-party owned land	58,413		92	845		59,350
Other tangible fixed assets	1,181			48	49	1,180
Buildings under construction	345,571	9,120	– 336,541	27,138		45,288
Advances and deposits	97					97
Long-term financial investments	**3,718,056**	**– 549,423**	**0**	**1,140,541**	**570,454**	**3,738,720**
Equity interests	2,721,020	– 987,540		358,502	93,493	1,998,489
Receivables linked to equity interests	909,240	216,396		712,092	251,030	1,586,698
Other capitalized securities (1)	85,375				4,159	81,216
Loans	875	220,041			220,021	895
Other long-term financial investments	1,546	1,680		132	1,751	1,607
Advances on fixed asset acquisitions				69,815		69,815
TOTAL	8,055,002	163,699	0	1,244,808	869,304	8,594,205

(1) Of which, treasury stock (see Note 4.4)

Further to the merger with the subsidiary SIF (see Note 1), an intangible asset has been recognized. It is depreciated when it falls below the amount of unrealized capital gains from the property holding contributed by SIF and its subsidiaries. In addition, the loans granted by SIF to GECINA and some of its subsidiaries have been cancelled.

The changes recorded on equity securities, other than those relating to the merger, primarily concern 69 million euros for the acquisition of securities in three companies (see Note 1), 288 million euros for GECINA's subscription for its subsidiaries' capital increases and 91 million euros for the sale of 60% of Gecimed securities.

The receivables booked relating to equity interests primarily concern the stable means of financing put in place by GECINA in relation to its subsidiaries, based on long-term advances.

The most significant advances concern Geciter for 607 million euros, SAS Gec 4 for 266 million euros and MICHELET for 106 million euros.

Only receivables resulting from centralized cash management are recorded under current account advances (operating receivables).

AMORTIZATION

In thousand euros	Values at year-start	Merger	Allowances	Releases	Values at year-end
Intangible fixed assets	**114**	**21**	**63**	**0**	**198**
Concessions, licences, intangible assets	114	21	63		198
Tangible fixed assets	**191,752**	**13,924**	**56,893**	**19,917**	**242,652**
Properties	181,195	13,924	54,614	19,871	229,862
Properties on third-party owned land	9,899		2,172		12,071
Other tangible fixed assets	658		107	46	719
TOTAL	191,866	13,945	56,956	19,917	242,850

DEPRECIATION

In thousand euros	Values at year-start	Merger	Allowances	Releases	Values at year-end
Intangible fixed assets	**0**	**0**	**0**	**0**	**0**
Concessions, licences, intangible assets					0
Tangible fixed assets	**1,496**	**57**	**3,333**	**725**	**4,161**
Land	1,238	57	164	484	975
Properties	258		3,169	241	3,186
Long-term financial investments	**5,251**	**2,509**	**33,987**	**3,120**	**38,627**
Equity interests	5,098	2,509	33,987	3,120	38,474
Receivables linked to equity interests	0				0
Other capitalized securities	0				0
Loans	0				0
Other long-term financial investments	153				153
Advances on fixed asset acquisitions	0				0
TOTAL	6,747	2,566	37,320	3,845	42,788

The depreciation of financial equity interests over the year primarily concerns Gec 4 securities for 31,610 thousand euros and Le Pyramidion Courbevoie securities for 2,124 thousand euros.

4.2. Operating receivables

NET RECEIVABLES

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Rent due	26,400	27,787	28,861
Depreciation of rent due	– 10,336	– 10,876	– 11,580
TOTAL RENT DUE AND RELATED RECEIVABLES	16,064	16,911	17,281
Receivables on fixed asset disposals	5,432	13,252	2,403
Group receivables (paid cash advances) (1)	104 268	166,756	159,804
Accrued income	6,701	3,944	4,511
Deposit on building acquisition	4,000		
French state - corporate income tax	8,249		6,290
French state - VAT credit (2)	266	131,503	
Other receivables	11,742	6,505	5,418
Impairment of Group receivables		– 561	– 3,700
Impairment of other receivables	– 10,694	– 3,912	– 3,941
TOTAL OTHER RECEIVABLES	129,964	317,487	170,785

(1) See Note 4.1 on receivables linked to equity interests.

(2) The VAT credit at December 31st, 2006 is linked to the acquisitions of commercial properties.

4.3. Marketable securities

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Marketable securities (money market mutual fund units) (1)	23,573	81,370	4,292
Purchases of partial shares in merged companies	604	606	611
Treasury stock reserved for employees (2)	52,528	51,524	2,264
TOTAL	76,705	133,500	7,167

(1) The portfolio of marketable securities comprises units in cash-based mutual funds.

(2) Treasury stock, representing a gross total of 52,528 thousand euros, comprises the 802,001 GECINA shares held relative to bonus shares and stock options granted to staff and corporate officers.

4.4. Changes in treasury stock

	Number of shares	In thousand euros
Balance at Jan 1, 2007	1,323,280	85,374
Shares transferred in return for the acquisition of a property	– 64,457	– 4,159
Balance at Dec 31, 2007 (1)	1,258,823	81,215

(1) These shares are recorded under "other capitalized securities".

4.5. Bond redemption premiums

At December 31st, 2007, this account recorded premiums relating to non-convertible bonds issued in 2003 and 2004 and amortized over the term of the bonds (920 thousand euros amortized in 2007).

4.6. Change in the share capital and shareholder's equity

At year-end 2007, the share capital comprised 62,424,545 shares with a par value of 7.50 euros:

In thousand euros	Capital	Additional paid-in capital	Reserves	Revaluation gain	Retained earnings	Net equity (excluding earnings for the year and subsidies)
Jan 1, 2005	**465,764**	**1,876,037**	**416,767**	**995,607**	**– 4,988**	**3,749,187**
Capital increase (employees)	815	4,002	82			4,899
Line item transfers			20,994	– 25,982	4,988	0
Impact of new accounting rules for assets:						
– Previous deferred expenses					– 3,325	– 3,325
– Component-based method					– 27,558	– 27,558
2004 income appropriation		– 26,021				–26,021
Dec 31, 2005	**466,579**	**1,854,018**	**437,843**	**969,625**	**–30,883**	**3,697,182**
Capital increase (employees)	444	2,865	44			3,353
Line item transfers			48,621	– 48,621		
2005 income appropriation			– 105,273		30,883	– 74,390
Dec 31, 2006	**467,023**	**1,856,883**	**381,235**	**921,004**	**0**	**3,626,145**
Capital increase (employees)	213	1,453	21			1,687
SIF merger	948	4,560	95			5,603
Line item transfers			74,981	– 74,981		
2006 income appropriation					69,204	69,204
Dec 31, 2007	468,184	1,862,896	456,332	846,023	69,204	3,702,639

Main transactions in 2007:

The merger with SIF generated the creation of 126,405 shares. The exercising of stock options by Group employees resulted in the creation of 20,819 shares. In connection with the employee fund, the new equity issue reserved for employees generated the creation of 7,651 shares.

4.7. Provisions for liabilities and charges

In thousand euros	Values at Dec 31, 2005	Values at Dec 31, 2006	Merger	Allowances	Releases	Dec 31, 2007
Provisions for tax audits (1)	42,161	46,739	2,016	12,482	88	61,149
Provisions for interest expenses (2)	20,212	18,806			18,806	
Provision for risks on subsidiary SP2	14,474					
Other provisions for liabilities and charges (3)	6,314	8,956	57	2,223	478	10,758
TOTAL	83,161	74,501	2,073	14,705	19,372	71,907

(1) See Note 6.2

(2) These provisions represented the valuation difference resulting from the renegotiation of rate swaps in 2003, 2004 and 2005 covering the period from 2004 to 2011, the rates and terms of which remained identical. These provisions have been written back as of 2005 in line with changes in the renegotiated schedules in relation to the initial timeframes, and were written back in full in 2007 following the termination of these swaps.

(3) These provisions include 6,002 thousand euros for provisions recorded to supplement payments made to insurance companies relative to supplementary pension commitments, which represent 12,893 thousand euros, discounted at a rate of 5.25%

4.8. Borrowings and financial debt

In thousand euros

Outstanding term	Under one year	1 to 5 years	Over 5 years	Total at Dec 31, 2007	Total at Dec 31, 2006	Total at Dec 31, 2005
Other bonds	47,949	1,100,000		1,147,949	1,399,811	1,399,811
Borrowings and financial debt (excluding Group)	66,262	1,534,120	1,221,033	2,821,415	2,285,321	1,456,869
Group financial debt	139,380			139,380	382,339	399,550
TOTAL	253,591	2,634,120	1,221,033	4,108,744	4,067,471	3,256,230

The changes over 2007 primarily concern the new loans taken out and drawdowns on current credit lines or lines negotiated over the year, as well as the redemption of a 250 million euro bond issue upon maturity.

Bank covenants

The Company's main credit facilities are accompanied by contractual provisions relating to compliance with certain financial ratios - calculated based on consolidated figures - determining spread conditions or early repayment clauses, the most significant of which are summarized below:

	Benchmark standard	Situation at Dec 31, 2007	Situation at Dec 31, 2006	Situation at Dec 31, 2005
Loan to value ratio (block appraisal)	Max.: 50% (1)	37.29%	37.95%	36.74%
EBITDA before disposals / Net financial expenses	Min.: 2.25/2.50 (1)	2.71	2.93	3.16
Oustanding secured debt / block value of property holding	Max.: 20%	9.94%	10.10%	5.06%
Minimum block value of property holding	Min.: 8,000 million euros	12,363 million euros	11,105 million euros	8,793 million euros

(1) Except for temporary exceptions

500 million euros of bonds (maturing on January 25th, 2012) are concerned by a change of control clause. A change of control followed by a non-investment grade rating, not raised to investment grade again within 270 days, may result in their early redemption.

4.9. Rate risk exposure

In thousand euros	Debt before hedging at Dec 31, 2007	Impact of hedging at Dec 31, 2007		Debt after hedging at Dec 31, 2007	Debt after hedging at Dec 31, 2006	Debt after hedging at Dec 31, 2005
Floating-rate financing debt	2,812,901	– 3,055,082	1,095,000	852,819	975,011	465,800
Fixed-rate financing debt	1,104,058	3,055,082	– 1,095,000	3,064,140	2,646,623	2,331,753
Interest-bearing financing debt (1)	3,916,959	0	0	3,916,959	3,621,634	2,797,553

(1) Gross debt excluding accrued interest, bank overdrafts and Group debt.

DERIVATIVE PORTFOLIO

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Derivatives in force at year-end			
Fixed-floating rate swaps	1,505,082	1,328,762	1,055,429
Caps, floors et collars	1,550,000	1,300,000	1,180,000
Floating-fixed rate swaps	1,095,000	1,345,000	1,345,000
SUBTOTAL	4,150,082	3,973,762	3,580,429
Derivatives with deferred impact			
Fixed-floating rate swaps		670,000	1,000,000
Caps, floors and collars	1,300,000		300,000
Swaptions	1,000,000	4,150,000	1,550,000
SUBTOTAL	2,300,000	4,820,000	2,850,000
TOTAL	6,450,082	8,793,762	6,430,429

The fair value of the derivative portfolio at December 31st, 2007 shows an unrealized termination gain of 85.2 million euros.

No financial instruments were restructured over the year.

Based on the existing hedging portfolio, and in light of the contractual conditions in force at December 31st, 2007, a 1% increase in interest rates would have a negative impact of 4 million euros on earnings for 2008. A 1% reduction in interest rates would have a positive impact on earnings for 13 million euros

4.10. Accrued expenses and income, pre-booked income and expenses

These items are recorded under the following balance sheet headings:

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Bonds	47,949	49,811	49,811
Financial debt	4,205	13,685	9,267
Trade payables	27,596	42,629	16,457
Taxes due and employee-related liabilities	14,944	12,615	12,115
Debt on fixed assets	21,910	24,993	20,229
Other	545	469	462
Total accrued liabilities	**117,149**	**144,202**	**108,341**
Pre-booked income	**6,389**	**37,600**	**32,307**
TOTAL LIABILITIES	123,538	181,802	140,648
Trade receivables	10,051	11,084	11,050
Other receivables	6,778	3,944	4,511
Cash and equivalents	6,188	2,035	3,332
Total accrued income	**23,017**	**17,063**	**18,893**
Prepaid expenses	**52,815**	**42,251**	**28,908**
TOTAL ASSETS	75,832	59,314	47,801

The change in pre-booked income primarily concerns premiums received on seller swaptions for 19,928 thousand euros at December 31st, 2005 and 28,217 thousand euros at December 31st, 2006. These seller swaptions were all cleared at December 31st, 2007.

Prepaid expenses had increased at December 31st, 2006 following the payment of further premiums on buyer swaptions for 13,023 thousand euros.

The increase at December 31st, 2007 is also primarily due to the payment of further premiums on options for 13 million euros, net of disposals over the year.

4.11. Security deposits received

This item, totaling 42.9 million euros, primarily represents security deposits paid by lessees to guarantee their rental payments.

4.12. Other liabilities

All other liabilities are due within less than one year.

4.13. Off-balance sheet commitments

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Commitments received			
Unused credit lines	500,000	690,000	585,000
Swaps	2,600,082	3,343,762	3,400,429
Caps	2,850,000	1,300,000	1,480,000
Swaptions	1,000,000	4,150,000	1,550,000
Commitments or options to acquire properties	657,524	775,149	308,513
Other	6,530	6,530	6,530
TOTAL	7,614,136	10,265,441	7,330,472
Commitments given			
Guarantees and deposits granted (1)	599,347	435,512	274,734
Guarantees given on differentials for subsidiary swap transactions (notional amounts)	151,058	166,669	212,307
Swaps	2,600,082	3,343,762	3,400,429
Floors	2,850,000	1,300,000	1,480,000
Swaptions	1,000,000	4,150,000	1,550,000
Debt guaranteed by collateral	536,261	436,261	18,410
Exclusive or first refusal rights on property sales	657,524	775,149	308,513
TOTAL	8,394,272	10,607,353	7,244,393

(1) Of which, guarantees given by GECINA for Group companies as at Dec 31, 2007: 506,087 thousand euros

In connection with the French individual training entitlement system (droit individuel à la formation, DIF), the Group's employees had acquired a combined total of 37,076 hours at December 31st, 2007 (after deducting time used since the DIF was put in place), representing a maximum potential cost estimated at 3,603 thousand euros.

The Company believes that it has not omitted any significant commitments from those presented in this note.

5. NOTES ON THE INCOME STATEMENT

5.1. Operating income

The block sales of five properties over 2007 generated 35,447 thousand euros in net income from disposals, with the balance generated on unit sales.

The block sales of 29 properties over 2006 had on their own generated 98,243 thousand euros in net income from disposals.

Further to the free revaluation of fixed assets as at January 1st, 2003 (see Note 3), the disposals carried out in 2005 did not result in any significant capital gains.

In thousand euros	2007	2006	2005
Rental income:			
Rental income on residential properties	184,132	195,634	193,601
Rental income on commercial properties	104,326	85,722	82,189
TOTAL RENTAL INCOME	288,458	281,356	275,790
Net income from disposals	155,860	165,532	23,850
TOTAL	444,318	446,888	299,640

5.2. Operating expenses

Operating expenses (excluding depreciation and amortization) notably include property rental expenses billed back to tenants for 57,925 thousand euros.

At December 31st, 2007, these expenses also factor in an estimate for around 8 million euros in costs to be covered in connection with the operation to restructure GECINA's shareholding structure, as well as a 10 million euro write-back on provisions for costs linked to the operation to subsidiarize and list the residential business, which was stopped in March 2007.

5.3. Provisions and writebacks for depreciation and impairment

	2007		2006		2005	
In thousand euros	Allowances	Releases	Allowances	Releases	Allowances	Releases
Depreciation of fixed assets (1)	56,955		53,562		52,678	
Impairment of tangible fixed assets (1)	3,333	726	880	2,677	1,846	6,306
Impairment of long-term financial investments (1)	39,492	3,120	9,768	8,916	13,974	36,422
Depreciation of receivables (2)	8,853	3,553	2,635	6,508	9,782	5,261
Provisions for liabilities and charges (3)	14,705	19,373	8,634	17,294	30,224	6,975
Amortization of bond redemption premiums	920		941		941	
Other provisions						
TOTAL	124,258	26,772	76,420	35,395	109,445	54,964
Of which – operating	73,707	4,120	64,831	7,922	64,383	5,395
– financial	40,411	21,926	10,709	24,796	42,821	43,263
– non-recurring and tax	10,140	726	880	2,677	2,241	6,306

(1) See Note 4.1.
(2) See Note 4.2.
(3) See Note 4.7.

These changes primarily concern the depreciation of fixed assets and the impairment of properties in accordance with the principles presented in Notes 3.1.1 and 3.1.2, in addition to provisions for liabilities and charges and the impairment of securities.

5.4. Net financial result

In thousand euros	2007 Expense	2007 Income	2006 Expense	2006 Income	2005 Expense	2005 Income
Interest and related expenses or income	196,719	105,705	144,553	56,315	148,460	33,059
Net income on disposal of marketable securities		2,588		1,411		1,182
Income from equity interests and other long-term financial investments (1)		395,891		132,091		124,373
Depreciation and provisions allowance or releases:						
Amortization of redemption premiums for bond line items	920		941		941	
Provision on valuation spread for renegotiated swaps (2)		18,806		1,406	18,538	6,817
Impairment of subsidiary securities or treasury stock (3)	39,491	3,120	9,768	8,916	13,974	36,422
Provisions for risks on subsidiaries				14,474	9,368	24
TOTAL	237,130	526,110	155,262	214,613	191,281	201,877

(1) Of which, SIF: 248 million euros

(2) See Note 4.7.

(3) See Note 4.1.

5.5. Exceptional items

In thousand euros	2007	2006	2005
Capital gains/losses on disposal of securities	4,640	– 7,956	– 332
Other non-recurring income and expenses	– 2	– 194	– 281
NON-RECURRING INCOME/LOSS	4,638	– 8,150	– 613

The capital gains on disposals for the year are primarily linked to the disposal of GECINA shares for 3,841 thousand euros to pay for the acquisition of a building (see Note 4.4) and 696 thousand euros for the disposal of a 60% stake in Gecimed.

The capital losses on security disposals in 2006 were linked to the liquidation of SCI Route de la Reine for 8,228 thousand euros, offset by a writeback of provisions on securities for the same amount.

5.6. Operations with affiliated companies

In thousand euros	Assets	Liabilities		Financial result	
Long-term financial investments	3,585,100	Financial debt	139,227	Financial expenses	66,628
Trade receivables	0	Trade payables	904		
Other receivables	104,268	Other liabilities	0	Financial income	466,031
Guarantees and pledges given by GECINA on behalf of affiliated companies			657,145		

6. OTHER RELEVANT INFORMATION

6.1. Reorganization of the shareholding structure

On February 19th, 2007, the Metrovacesa group announced that a protocol agreement had been signed between its two majority shareholding groups, namely the Sanahuja family on the one hand, and Mr. Rivero Valcarce and Mr. Soler Crespo on the other, covering a process to divide up the Metrovacesa group, enabling the interests of each one of the abovementioned shareholder groups to be separated. Under this protocol agreement, Metrovacesa, whose majority shareholder will be the Sanahuja family, will continue to operate in the real estate sector, primarily in Spain, while also owning a rental property holding in France (part of GECINA's current portfolio). Also under this agreement, Mr. Rivero Valcarce and Mr. Soler Crespo will be the majority shareholders in GECINA.

In October and November 2007, Metrovacesa carried out a public exchange offer on its own shares, paid for with GECINA shares. Further to this public exchange offer, Mr. Rivero Valcarce and Mr. Soler Crespo no longer own any Metrovacesa shares and their interests in GECINA have been increased to 17.76% and 15.33% respectively, while Metrovacesa still had a 26.93% stake in GECINA.

On December 13th, 2007, the AMF declared the public share buyback offer proposed by GECINA non-compliant. This represents the main stage in the Separation Agreement, enabling GECINA shares to be exchanged for shares in Medea, the listed company that GECINA would have contributed various commercial real estate assets to.

On December 31st, 2007, following the AMF's decision, the implementation of the Separation Agreement was suspended. These operations have therefore not had any impact on the annual financial statements at December 31st, 2007.

6.2. Exceptional events and disputes

GECINA has been subject to tax inspections that resulted in notifications being issued for tax adjustments. The majority of such adjustments are currently being disputed. The Company is also subject, either directly or indirectly, to various tort lawsuits or legal proceedings undertaken by third parties. According to the assessments of the Company and its advisors, to date there are no risks that have not been provisioned for that might significantly affect GECINA's financial position or earnings.

6.3. Adjustment for the SIIC system

The amended finance bill for 2006, adopted on December 30th, 2006 (SIIC 4 provisions), introduced a 20% deduction on dividends paid out to non-individual shareholders with at least a 10% stake in a French listed real estate investment trust (SIIC), exempt from tax on dividends received or liable for tax representing less than one third of the tax due under common law conditions in France. These provisions apply to dividends paid out as of July 1st, 2007.

At the General Meeting on December 28th, 2007, shareholders voted to amend the bylaws with a view to getting the shareholders behind the consequences of this 20% deduction to cover the amount of tax due relative to this tax provision. Within this context, the accounts at December 31st, 2007 do not reflect any impact relating to this tax position.

6.4. Workforce

Average headcount	2007	2006	2005
Managers	190	178	163
Employees	194	185	185
Operatives and building staff	223	278	300
TOTAL	607	641	648

6.5. Compensation for administrative and executive management bodies

Attendance allowances paid to members of GECINA's Board of Directors for 2007 came to 1,167 thousand euros.

6.6. Loans and guarantees granted or set up in favor of members of administrative and executive management bodies

There are no such transactions to report.

6.7. Consolidating company

At December 31st, the Spanish-law company Metrovacesa no longer consolidates GECINA, in which it no longer holds only 26.93% of the capital and 27.85% of the voting rights.

6.8. Stock options, warrants and bonus shares

(Data adjusted for GECINA's two-for-one stock split on January 2nd, 2004)

	(1) (2)	(1) (2)		Bonus shares	Bonus shares	Bonus shares	Bonus shares
Date of General Meeting	June 7, 2000	June 7, 2000	Date of General Meeting	June 29, 2005	June 29, 2005	June 19, 2007	June 19, 2007
Date of Board of Directors' meeting	September 27, 2000	September 26, 2001	Date of Board of Directors' meeting	March 14, 2006	December 12, 2006	October 23, 2007	December 13, 2007
Start date for exercising options	September 27, 2000	September 26, 2001	Start date for exercising options				
End date	September 27, 2010	September 26, 2011	End date				
Number of rights	127,356	128,266	Number of rights	65,800	79,750	18,610	74,650
Withdrawal of rights	11,826		Withdrawal of rights	11,300	6,900	454	0
Subscription or purchase price	40.13 euros	39.16 euros	Share price on allocation date	105.90 euros	118.70 euros	117.20 euros	
Number of shares subscribed for or purchased	115,530	116,414	Number of shares recorded	0	0	0	0
Number of shares that may be exercised	0	11,852	Number of shares allocated	54,500	72,850	18,156	74,650

				(1)					
Date of General Meeting	June 6, 2001	June 6, 2001	June 6, 2001	June 5, 2002	June 6, 2001	June 2, 2004	June 2, 2004	June 2, 2004	June 19, 2007
Date of Board of Directors' meeting	June 6, 2001	Sept 26, 2001	June 5, 2002	Sept 25, 2002	Nov 25, 2003	Oct 12, 2004	March 14, 2006	Dec 12, 2006	Dec 13, 2007
Start date for exercising options	June 6, 2001	Sept 26, 2001	June 5, 2002	Sept 25, 2002	Nov 25, 2003	Oct 12, 2004	March 14, 2006	Dec 12, 2006	Dec 13, 2007
End date	June 5, 2009	Sept 25, 2009	June 4, 2010	Sept 25, 2012	Nov 24, 2011	Oct 11, 2014	March 15, 2016	Dec 13, 2016	Dec 14, 2017
Number of rights	55,591	47,501	123,329	162,822	275,974	313,000	237,000	261,500	221,500
Withdrawal of rights							14,500	18,600	0
Subscription or purchase price	47.87 euros	46.99 euros	47.20 euros	44.28 euros	51.82 euros	64.92 euros	102.64 euros	108.80 euros	109.51 euros
Number of shares subscribed for or purchased	47,505	47,501	123,026	154,681	235,849	245,250	0	0	0
Number of shares that may be exercised	8,086	0	303	8,141	40,125	67,750	222,500	242,900	221,500

(1) In connection with the transfer of commitments relating to stock options and warrants granted by Simco
(2) Stock warrant schemes

6.9. Post-balance sheet events

NA.

6.10. Cash-flow statement

In thousand euros	Dec 31, 2007	Dec 31, 2006	Dec 31, 2005
Cash flow from operations			
Net income	579,663		
Elimination of expenses and income with no material impact on cash flow			
Depreciation, amortization and provisions	86,681		
Investment subsidies in relation to earnings	– 159		
Capital gains on disposals	– 173,547		
Gross cash flow	492,638		
Change in working capital requirements			
Operating receivables	109,148		
Trade payables (excluding SIIC-option liabilities)	61,824		
Net cash flow from operations	663,610	79,231	206,913
Cash flow from investment activities			
Acquisitions of fixed assets	– 1,352,555		
Disposals of fixed assets	555,376		
Reduction in long-term financial investments	475,708		
Net cash flow from investment activities	– 321,471	– 528,944	– 385,567
Cash flow from financing activities			
Dividends paid	– 252,901		
Cash-based new equity issue	1,688		
Debt issues	2,368,126		
Debt redemptions	– 2,182,868		
Merger costs	–2,000		
Net cash flow from financing activities	– 67,955	594,554	– 35,802
Change in cash flow	**274,184**	**144,841**	**– 214,456**
Opening cash position	**– 199,294**		
CLOSING CASH POSITION	74,890		

6.11 – Subsidiaries and equity interests

FINANCIAL INFORMATION / SUBSIDIARIES AND EQUITY INTERESTS	Share capital	Shareholders' equity other than share capital	% equity ownership	Book value of
				Gross
A - Detailed information on subsidiaries and equity interests:				
SAS Geciter	13,959	607,117	100.00%	596,645
SA Parigest	96,462	239,441	100.00%	414,800
SAS Gec 4	191,819	-23,723	86.04%	173,045
SAS Hotel D'Albe	2,029	124,836	100.00%	115,367
SCI Capucines	93,818	2,391	100.00%	101,032
SNC Michelet	50,000	26,998	99.00%	70,965
SA Gecimed	58,897	84,090	38.12%	58,327
SAS Geciotel	50,038	-13,983	100.00%	50,038
SAS PB Ilot 1-4	5,373	41,497	100.00%	48,200
SCI Montessuy	19,508	1,937	100.00%	39,844
SCI 55 rue d'Amsterdam	18,015	1,121	100.00%	32,165
SCI du 77/81 Bld Saint Germain	24,038	-26,469	100.00%	28,511
SARL Colvel Windsor	2,000	19,415	100.00%	28,016
SAS SPL	22,898	1,796	100.00%	25,435
SAS Parisienne Immobilière d'Investissement 2	23,127	-17,538	100.00%	23,127
SCI Paris Saint-Michel (*)	18,103	1,136	100.00%	22,955
SAS SPIPM	1,225	25,939	100.00%	22,815
SAS Le Pyramidion Courbevoie	37	16,637	100.00%	22,363
SAS Sadia	90	22,257	100.00%	19,058
SAS GEC 7	541	662	100.00%	19,038
SCI St Augustin Marsolier	10,515	638	100.00%	18,667
SAS Investibail Transactions	16,515	2,362	100.00%	15,900
SCI 5 Bd Montmartre	10,515	5,322	100.00%	15,235
SA CFG	763	3,458	100.00%	6,715
SAS Parisienne Immobilière d'Investissement 1	1,000	316	100.00%	6,146
SCI Beaugrenelle (*)	22	-20,236	50.00%	5,608
B - General information on other subsidiaries or equity interests whose gross value is less than 1% of GECINA's capital				
a. French subsidiaries (all)				18,385
b. Foreign subsidiaries (all)				-
c. Equity interests in French companies (all)				-
d. Equity interests in foreign companies (all)				-

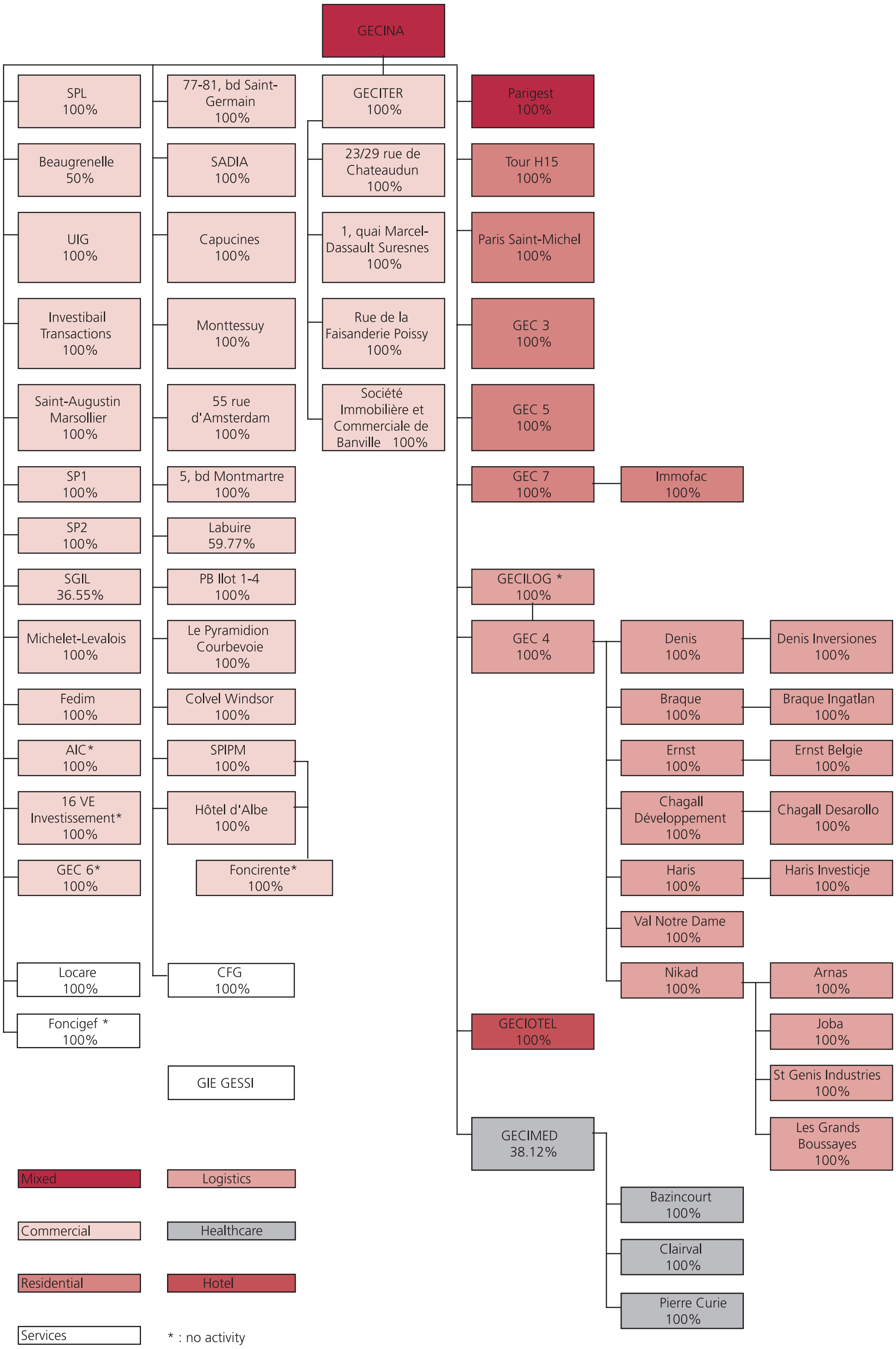
(*) Fiscally transparent companies

(1) Fiscal year date for the subsidiary

securities owned Net	Outstanding loans and advances granted by the Company	Guarantees and sureties given by the Company	Revenues (net of tax) for the most recent year ended	Earnings (profit or loss) for the most recent year ended	Dividends booked by the Company over the year	Comments (1)
596,645	612,042		62,110	-3,991	34,123	
414,800	61,679		33,674	15,085	21,101	
141,435	271,123		25,525	-8,266		
115,367	86,300		14,357	2,311		
101,032			3,992	2,391		
70,965	106,449		12,483	2,381	2,475	
58,327	70,844		20,980	-2,353		
50,038	61,155		16,209	-7,136		
48,200	203		12,679	240		
39,844	30,983		5,997	1,937		
32,165	28,440		4,578	1,121		
28,511	190	94,171	9,467	-3,874		
28,016	5,363		501	-1,749		From July 1st, 2007 to Dec 31st, 2008
25,435			3,899	1,154	992	
23,127	81,593	40,000	5,371	-5,655		
22,955	5		3,005	573		
22,815			2,141	1,617		
20,239				-1,175		From July 1st, 2007 to Dec 31st, 2008
19,058	10,112		2,650	1,687		
19,038	34		402	113		
18,667	16,556		2,521	638		
15,900	183		224	587	759	
15,235	23,595		2,762	490		
4,205			891	186		
6,146	8	102,417	11,144	397		
5,608	49,404		1,679	-20,237		
16,154	22,222	-	90,417	15,880	14,911	-
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	

7. Group and subsidiaries

1. GROUP ORGANIZATION CHART AT DECEMBER 31ST, 2007



1.1. Group structure

Preliminary note:

- Readers are reminded that GECINA operates on various segments of the real estate market: the letting of its offices portfolio (also referred to as its commercial property holding or commercial real estate), its residential real estate portfolio and its diversification portfolio (or new products), made up of logistics, hotel and healthcare real estate assets.
- Since the end of 2006, GECINA's healthcare real estate portfolio has been held by its subsidiary Gecimed, in which GECINA has a 38% stake and which is consolidated on an equity basis. As a result, consolidated rental income does not include the rental income for Gecimed, only the 38% share in Gecimed's consolidated net income is recorded on GECINA's consolidated income statement and only the 38% share in Gecimed's consolidated shareholders' equity is recorded on GECINA's consolidated balance sheet.
- GECINA also owns four service companies, which make up an additional sector, with their services intended primarily for the GECINA group's asset management companies or holding companies.

In this way, the GECINA group was made up of 65 separate legal entities at December 31st, 2007, with 56 real estate companies, holding properties or real estate rights, three service companies and one economic interest group (GIE Gessi), intended to develop cooperation between all or part of its members relative to the management of IT facilities, general facilities and real estate assets.

The organization chart presented here shows that most of the subsidiaries are fully-owned by the Group, with the exception of:

- SCI Beaugrenelle, in which GECINA owns 50% of the capital,
- SGIL, in which GECINA owns 36.55% of the capital,
- SAS Labuire, in which GECINA owns 59.77% of the capital,
- SA Gecimed, in which GECINA owned 38.12% of the capital at December 31st, 2007.

GECINA holds 55% of the Group's assets directly in terms of value, with nearly 90% of the residential property holding and 39% of commercial properties.

1.2. Change in the Group's structure over the year

Subsidiaries created and acquired

With a view to consolidating its logistics real estate activities within one dedicated organization under the Gecilog brand, GECINA plans to merge its subsidiary Gecilog in Q1 2008: in this way, its subsidiary GEC 4 will now be focused exclusively on the Group's logistics business under the Gecilog name.

A company was acquired in 2007 and renamed Gec 7, grouping together the student residence real estate activities, with Immofac, its subsidiary, a student residence management company in Bordeaux.

In addition, GECINA acquired two companies – Le Pyramidion Courbevoie and Colvel Windsor – when acquiring various office properties.

In line with moves to streamline the GECINA group's holding structure and rationalize its resources, the merger of Société des Immeubles de France with GECINA was decided by the two companies' shareholders at their General Meetings on December 28th, 2007. Furthermore, since Société des Immeubles de France owned a primarily commercial property holding located in the Paris central business district but with limited possibilities for development, the merger has made it possible to broaden this to a more diversified portfolio. Lastly, by becoming shareholders in GECINA, the Société des Immeubles de France shareholders are now able to benefit from better liquidity on their securities thanks to access to a broader stock market, within a company offering a diversified asset base.

Since GECINA controlled 99.32% of Société des Immeubles de France, the merger was carried out based on the net book value of the assets and liabilities at September 30th, 2007, effective retroactively to October 1st, 2007. In light of the valuation methods and criteria retained, the exchange ratio was set at 9 GECINA shares for 20 Société des Immeubles de France shares. In this way, GECINA's capital was increased by 948,037.50 euros through the creation of 126,405 new shares with a par value of 7.50 euros awarded to the shareholders in Société des Immeubles de France other than GECINA.

1.3. Events occurring after December 31st, 2007 and relating to the Group's organization

At the start of February 2008, GECINA acquired SCI Camargue, which owns and operates a logistics real estate asset representing around 30,000 sq.m in Saint-Martin-de-Crau.

2. BUSINESS AND EARNINGS FOR THE MAIN SUBSIDIARIES

The characteristics of the Group's main subsidiaries based on the individual financial statements are as follows:

Consolidation values (excluding dividends)	Geciter	Parigest	GEC 4	Other subsidiaries	GECINA	Consolidated total
Fixed assets (including acquisition goodwill)	1,314,228	645,871	444,721	3,092,449	6,609,565	12,106,834
Non-Group financial debt	0	0	58,301	689,737	3,969,367	4,717,405
Balance sheet cash position	0	0	1,769	32,466	73,049	107,284
Cash flow from operations	45,374	17,545	34,334	208,024	171,257	476,534
Dividends paid out over the year and attributable to the parent company	34,122	21,101	0	339,379		394,602

PARIGEST

Parigest, fully-owned by GECINA, owns a mixed holding of 17 properties in Paris and the Greater Paris Region, with an appraised block value (excluding duties) of 645.9 million euros for properties in operation at December 31st, 2007.

The amount of rent billed in 2007 came to 33.7 million euros, compared with 33.0 million euros in 2006. In 2006, net income totaled 15.1 million euros, down from 23.5 million euros in 2006.

In 2007, Parigest paid out an ordinary dividend of 3.50 euros per share.

GECITER

This subsidiary, fully-owned by GECINA, owns 41 commercial properties with an appraised block value (excluding duties) of 1,373.6 million euros at December 31st, 2007.

Over the year, Geciter notably continued restructuring two commercial assets located respectively on Rue du Louvre in Paris and Avenue Charles-de-Gaulle in Neuilly, both acquired in 2005.

The amount of rent billed in 2007 totaled 62.1 million euros, compared with 64.5 million euros in 2006. Net income for the year shows a loss of 4.0 million euros, compared with a profit of 67.8 million euros in 2006, with this significant reduction in income due to the -44.9 million euro financial result linked to provisions on securities, whereas income in 2006 had benefited from the high level of non-recurring income generated by disposals. In 2007, Geciter paid out a net dividend of 1.10 euros per share.

LOCARE

Locare is a real estate service provider and a fully-owned subsidiary of GECINA. This subsidiary's marketing activities are focused primarily on residential real estate, with both retail sales and rentals for apartments. It also offers corporate real estate consulting services.

Fees billed in 2007 came to 10.7 million euros, compared with 10.5 million euros in 2006. Inter-company activities accounted for 66.5% of the total.

In 2007, net income totaled 2.4 million euros, compared with 2.8 million euros in 2006. Locare paid out a net dividend per share of 1,200 euros in 2007.

GEC 4

In line with GECINA's strategic diversification, the Group has developed a logistics business. In this way, Gec 4 was created on June 8th, 2006 (its first financial year therefore covered a seven-month period).

This fully-owned subsidiary of GECINA owns 44 logistics assets with an appraised block value (excluding duties) of 444.7 million euros at December 31st, 2007.

The Group's logistics real estate business, carried out through Gecilog, Gec 4 and its subsidiaries, is presented in Section 3.5.

In 2007, revenues totaled 25.5 million euros, compared with 4.6 million euros in 2006, with net income for the year showing a loss of 8.3 million euros (due to financial expenses), compared with a 23.8 million euro loss in 2006 (due to the recording of an exit tax expense for 18 million euros and 9 million euros for asset acquisition costs).

GECIMED

Gecimed's business over 2007 is presented in Section 3.6.

Gecimed opted for the system for French real estate investment trusts (SIIC) on April 1st, 2007 following a three-month financial year ended March 31st, 2007. In this way, 2007 saw two accounting years, with the nine-month financial year ended December 31st, 2007.

This subsidiary, 38.12%-owned by GECINA at December 31st, 2007, owns 29 dedicated healthcare real estate structures with an appraised block value (excluding duties) of 613.1 million euros at December 31st, 2007.

In 2007, 21.0 million euros were billed as rent, compared with 6.3 million euros in 2006, with the Company only starting up its healthcare real estate business as of mid-September 2006. Net income for the nine-month financial year ended December 31st, 2007 represents a loss of 2.4 million euros (due to financial expenses), compared with a profit of 0.3 million euros at March 31st, 2007 and a loss of 5.5 million euros in 2006. In 2007, the Board of Directors proposed to carry forward the entire amount of income under retained earnings.

GECIOTEL

This company owns the properties for four Club Méditerranée holiday villages acquired in 2005, located in Peisey-Vallandry, La Plagne, Val d'Isère and Opio. 2007 was therefore marked by the dynamic development and renovation of this property holding.

Geciotel, fully-owned by GECINA, had a portfolio with an appraised value (excluding duties) of 271.8 million euros at December 31st, 2007.

In this way, rental income rose from 13.8 million euros in 2006 to 16.2 million euros. In 2007, net income for the year shows a loss of 7.1 million euros, compared with a loss of 5.6 million euros in 2006.

3. OPERATIONS WITH RELATED PARTIES

3.1. Operations between the GECINA group and its shareholders

There are no significant transactions to report with the Company's main shareholders. However, on February 21st, 2008, the Board of Directors acknowledged GECINA's payment of 9,850 thousand euros on December 14th, 2007, corresponding to the payment of various costs relating to the auction of a plot in Madrid to Bami Newco (in which Mrs. Soler Lujan and Messrs Rivero Valcarce and Gracia Barba are also directors), initially the successful buyer on GECINA's behalf.

3.2. Operations between Group companies

The Group's organization is centralized to a great extent. GECINA represents the direct employer for the majority of administrative staff, with the exception of the Locare commercial teams and building staff, primarily superintendents, who remain employees of the various owner companies.

The financing of the entire Group's requirements is organized by GECINA (with the exception of a few specific financing facilities for certain assets held by subsidiaries).

Cash-pooling agreements and various partner and shareholder loan agreements enable cash flow management to be optimized in line with surpluses and requirements between the various subsidiaries.

The following table presents GECINA's operations with affiliates:

In thousand euros	Assets	Liabilities		Financial result	
Long-term financial investments	3,585,100	Financial debt	139,227	Financial expenses	66,628
Trade receivables	0	Trade payables	904	Financial income	466,031
Other receivables	104,268	Other liabilities	0		
Commitments given by GECINA on behalf of affiliated companies			657,145		

8. Distribution – Resolutions

DISTRIBUTION AND APPROPRIATION OF EARNINGS

In 2003, GECINA opted for the SIIC system for French listed real estate investment trusts (Sociétés d'Investissements Immobiliers Cotées). This option entails an obligation over the year to pay out at least 85% of earnings from real estate rental operations and 100% of dividends received from subsidiaries having adopted the SIIC system, as well as within two years, 50% of capital gains generated on disposals.

In accordance with these provisions, a proposal has been made for a dividend of 5.01 euros per share to be paid out in 2008 under the SIIC system.

For individual shareholders, this 5.01 euro dividend is eligible for the 40% tax rebate provided for under Article 158, 3-2 of the general French tax code (Code général des impôts). However, under Article 117 iv of the general French tax code, such beneficiaries may prefer to opt to be taxed based on an 18% tax rate.

As such, a proposal is submitted at the General Meeting for the following appropriation of earnings for 2007:

• Profit for the year totaling	579,662,862.63 euros
• Plus retained earnings for	69,203,825.64 euros
• Representing earnings available for distribution for	648,866,688.27 euros
• Dividend per share of 5.01 euros to be paid out under the SIIC system, representing a maximum of	312,746,970.45 euros
• Balance to be carried forward under retained earnings for	336,119,717.82 euros

In order to factor in treasury stock held by the Company, which are not entitled to such payments under French law, at the time of paying out the dividend, the total amount of dividends paid out will be adjusted accordingly.

In accordance with the legal provisions in force, dividend payments over the last three financial years were as follows:

Year	Total dividend	Dividend per share
2004	229,776,812 euros	3.70 euros (1)
2005	242,620,747 euros	3.90 euros (1)
2006	261,532,614 euros	4.20 euros (1)

(1) Dividends eligible for the tax rebate available to individual shareholders (50% for 2004 and 40% for 2005 and 2006).

The dividend will be paid out on April 28th, 2008.

A proposal will also be submitted at the General Meeting to approve the transfer of the revaluation gain on assets sold off over the year and the further amortization charge resulting from this revaluation over to a specific reserve item, totaling 100,330,919.10 euros.

1.1. Statutory distribution of profits (Article 23 of the by-laws)

Net profits for the fiscal year are determined in accordance with the legal provisions in force and allocated by the General Shareholders' Meeting.

Distributable profit comprises profits for the fiscal year and any retained earnings, less any prior losses and amounts allocated to reserves pursuant to the legal provisions in force.

After having approved the financial statements and duly noted the amount of distributable sums, the General Meeting decides on the proportion to be distributed to shareholders as a dividend.

The General Meeting convened to approve the financial statements for the year may offer each shareholder an option to receive all or part of their dividends or interim dividends paid out in cash or in ordinary shares issued by the Company, in accordance with the legal and regulatory provisions in force.

Any non-individual shareholder:

- Directly or indirectly holding at least 10% of the Company's dividend rights at the time of payments for any dividends, reserves, premiums or revenues deemed to be distributed as per the general French tax code (a “Distribution”), and
- For which its specific situation or that of its partners directly or indirectly holding, at the time of any distribution, 10% or more of this shareholder's dividend rights, making the Company liable for the 20% deduction as per Article 208 C II iii of the general French tax code (the “Deduction”), with such a shareholder referred to hereafter as a “Deduction Shareholder”, will be required to pay the Company at the time of any Distribution a sum determined with a view to fully offsetting the cost of the Deduction due by the Company relative to this Distribution.

If the Company was to directly or indirectly own 10% or more of one or more SIIC trusts as per Article 208 C of the general French tax code (a "Daughter SIIC Trust"), the Deduction Shareholder will also be required to pay the Company, on the date of any Company Distribution, an amount (the "Daughter SIIC Trust Deduction") equal, as relevant, to:

- Either the amount that the Company owes relative to the Daughter SIIC Trust, since the latest Company Distribution, with regard to the Deduction that the Daughter SIIC Trust is liable for due to the Company's interest,
- Or, in the absence of any payment to the Daughter SIIC Trust by the Company, the Deduction that the Daughter SIIC Trust is liable for, since the latest Company Distribution, due to a Distribution to the Company multiplied by the percentage of the Company's dividend rights in the Daughter SIIC Trust, in such a way that the other shareholders do not have to cover any percentage of the Deduction paid by any of the SIIC trusts in the chain of equity interests as a result of the Deduction Shareholder.

If there are several Deduction Shareholders, each Deduction Shareholder will be required to pay the Company the percentage of the Deduction and Daughter SIIC Trust Deduction resulting from its direct or indirect interest. The Deduction Shareholder status is determined on the date when the Distribution is made.

Subject to the information provided in accordance with Article 9 of the by-laws, any non-individual shareholder directly or indirectly holding at present or in the future at least 10% of the Company's dividend rights will be presumed to be a Deduction Shareholder.

The amount of any liability due by a Deduction Shareholder will be calculated in such a way that the Company is put, after its payment and in light of the tax position applicable, in the same situation as if the Deduction had not been required.

The payment of any Distribution to a Deduction Shareholder will be made based on an entry in this shareholder's individual current account (without this account generating any interest), with the current account paid back within five working days of this entry after compensation with the sums due by the Deduction Shareholder to the Company as provided for above. In the event of a non-cash Distribution, such amounts will need to be paid by the Deduction Shareholder before the said Distribution is made.

If :

- It comes to light, further to a Distribution by the Company or a Daughter SIIC Trust, that a shareholder was a Deduction Shareholder on the Distribution date, and
- The Company or the Daughter SIIC Trust should have paid the Deduction relative to the Distribution made in this way to this shareholder, without such sums being subject to the compensation provided for in the previous paragraph, this Deduction Shareholder will be required to pay the Company not only the sum owed to the Company under the provisions of this article, but also an amount equal to any penalties and interest for late payment incurred, if applicable, by the Company or a Daughter SIIC Trust as a result of the late payment of the Deduction.

As relevant, the Company will be entitled to compensation, for the relevant amount, between its debt in this respect and any sums that may be paid out subsequently to this Deduction Shareholder.

The Shareholders' Meeting decides on the appropriation of the remaining balance, which may be carried forward as retained earnings or allocated to one or more reserve accounts. The date, method and place for dividends to be paid out are set by the Annual General Meeting or, failing that, by the Board of Directors.

1.2. Dividends

Dividends are paid out on the dates and at the places set by shareholders at the General Meeting or, failing that, by the Board of Directors, within nine months of the financial year-end. In the event of shareholders being offered dividend payments in the form of Company shares, such offers must be made within three months of the date of the General Meeting.

Year		Distribution	Number of shares	Dividend	Earnings per share: Avoir fiscal tax credit	Earnings per share: Total earnings
2002	Dividend under the common law system	108,185,504 euros	54,092,752	2.00 euros	1.00 euros	3.00 euros
2003	Dividend under the SIIC system	37,724,860 euros	58,038,246	0.65 euros		0.65 euros
2003	Dividend under the common law system	104,468,843 euros	58,038,246	1.80 euros	0.90 euros	2.70 euros
TOTAL 2003	Dividend under the SIIC and common law systems	142,193,703 euros	58,038,246	2.45 euros		3.35 euros
2004	Dividend under the SIIC system	124,203,682 euros	62,101,841	2.00 euros		2.00 euros
2004	Dividend under the common law system	105,573,130 euros	62,101,841	1.70 euros		1.70 euros
TOTAL 2004	Dividend under the SIIC and common law systems	229,776,812 euros	62,101,841	3.70 euros		3.70 euros
2005	Dividend under the SIIC system	161,747,165 euros	62,210,448	2.60 euros		2.60 euros
2005	Dividend under the common law system	80,873,582 euros	62,210,448	1.30 euros		1.30 euros
TOTAL 2005	Dividend under the SIIC and common law systems	242,620,747 euros	62,210,448	3.90 euros		3.90 euros
TOTAL 2006	Dividend under the SIIC system	261,532,614 euros	62,269,670	4.20 euros		4.20 euros
2007 (1)		312,746,970 euros	62,424,545	5.01 euros		5.01 euros

Data adjusted for GECINA's two-for-one share split on January 2nd, 2004

(1) Proposal to be submitted for approval at the General Meeting convened to approve the financial statements for 2007 (governed by the SIIC system)

Dividends not claimed within five years are subject to a limitation by a lapse of time and paid over to the French tax office (Direction Générale des Impôts).

2. RESOLUTIONS SUBMITTED AT THE GENERAL MEETING

At the Ordinary General Meeting, GECINA's shareholders will notably vote on the resolutions set out and reviewed hereafter.

A full copy of the draft resolutions put forward for approval at GECINA's Ordinary General Meeting is given in Section 17.

Parent company and consolidated annual financial statements (first and second resolutions)

GECINA's annual financial statements and the Group's consolidated financial statements are presented in the report on 2007.

The presentation of the financial position, business and earnings of the Company and its Group over the past year, as well as the various information required under the legal and regulatory provisions in force, can also be found in this report.

You are asked to approve GECINA's annual financial statements (first resolution) and the Group's consolidated financial statements (second resolution) for the year ended December 31st, 2007.

Transfer to a reserve account (third resolution) and appropriation of earnings (fourth resolution)

You are asked to transfer all of the revaluation gains on assets sold off and to appropriate earnings for the year as presented in Section 8.1.

Regulated agreements (fifth and sixth resolutions)

In accordance with Article L. 225-40 of the French commercial code, you are asked to rule on the special Statutory Auditors' report concerning regulated agreements and undertakings. The regulated agreements that were entered into or continued to apply over the year ended December 31st, 2007 were as follows:

The following two agreements were authorized by the Board of Directors on February 15th, 2007. However, at the Board meeting on March 6th, 2007, GECINA's Directors decided to suspend the Resico project and these agreements have not had any impact over the year.

- Protocol agreement signed on February 15th, 2007 between GECINA and Predica governing their relations, relative to the contributions made to Resico;
- Service agreements between GECINA and Resico on the one hand, and GECINA and Locare on the other, signed on February 15th, 2007

At the Board meeting on April 26th, 2007, the Directors awarded Mr. Antonio Truan:

- An end-of-office compensation package equal to two years of his reference fixed compensation, plus any profit sharing or bonuses paid over the last 12 months prior to his departure or, if he leaves before receiving his bonus, based on his bonus entitlements for a full year of business.
- The supplementary pension scheme for corporate officers in force within the Company, as adopted by the Board of Directors on January 17th, 2001.

On February 21st, 2008, the Board of Directors acknowledged GECINA's payment of 9,850 thousand euros on December 14th, 2007, corresponding to the payment of various costs relating to the auction of a plot in Madrid to Bami Newco, initially the successful buyer on GECINA's behalf.

No other agreements governed by these regulations were entered into or continued to apply over 2007.

Structure of the Board of Directors (seventh to twenty-second resolutions)

At the Board meeting on December 28th, 2007, GECINA's Directors coopted Mr. Antonio Truan as a Director to replace Jaime Febrer Rovira further to his resignation for the period left to run on his predecessor's term of office, i.e. through to this General Meeting.

You are therefore asked to ratify Mr. Truan's appointment. You are also asked to renew his term of office.

Since the terms of office of Messrs Joaquín Rivero Valcarce, Patrick Arrosteguy, Santiago Fernandez Valbuena, José Gracia Barba, Philippe Geslin, Serafin Gonzalez Morcillo and the company PREDICA as Directors are also due to end, you are asked to renew their terms of office.

The terms of office of Messrs Bertrand de Feydeau, Michel Villate, Joaquín Meseguer Torres and Mrs. Françoise Monod as Directors are also ending. You are asked to acknowledge this.

We also recommend that you increase the number of Board members by appointing the following new Directors for a three-year term of office: Messrs Jose Luis Alonso Iglesia, Aldo Cardoso, Jean-Jacques Duchamp, Vicente Fons Carrion, Pierre-Marie Meynadier and Emilio Zurrutuza

Amount of attendance allowances (twenty-third and twenty-fourth resolutions)

Since the Board of Directors met on many occasions over 2007, and an ad hoc committee was set up, it is necessary to increase the budget for attendance allowances corresponding to this financial year. This amount is to be set at 1,300,000 euros.

As of 2008, in light of the higher number of members on the Board of Directors, you are asked to rule on an increase in the total amount of attendance allowances awarded to members of the Board of Directors and its various committees. You are asked to set this amount at 2,000,000 euros.

End of offices for an incumbent Statutory Auditor and a deputy Statutory Auditor (twenty-fifth resolution)

The terms of office of Société Mazars & Guérard Turquin, formerly Cabinet Bau et Associés, as incumbent Statutory Auditor and Société PCA Pierre Caney et Associés as deputy Statutory Auditor had ended at the end of 2002. However, since the General Meeting did not acknowledge this, they are still indicated on Extract kbis for the Company.

That is why we are submitting a resolution for your approval making it possible to carry out the formalities required.

Authorization for the Board of Directors to trade in the Company's shares (twenty-sixth resolution)

In accordance with Articles L. 225-209 et seq of the French commercial code, you are asked to renew the authorization granted to the Board of Directors, with an option to subdelegate such powers, to purchase the Company's shares either directly or through other parties.

This authorization would enable your Board of Directors to acquire GECINA shares representing up to 10% of the company's share capital, with this percentage applying to the capital adjusted in order to factor in transactions coming into effect further to the General Meeting on April 22nd, 2008. For reference, the share capital comprised 62,424,545 shares at December 31st, 2007.

It is specified that:

- The Company may not at any time hold a number of shares representing more than 10% of its share capital;
- The number of shares acquired with a view to being retained or made available subsequently in connection with a merger, spin-off or contribution transaction may not exceed 5% of the capital.

The maximum purchase price would be 250 euros per share (or the equivalent of this amount on the same date in any other currency), with this price able to be adjusted in order to factor in the impact of certain operations on the share's value. The total amount allocated for the share buy-back program may not exceed 1,560,613,500 euros.

This authorization will be given for an 18-month period.

9. Information on the capital and share

1. INFORMATION ON THE CAPITAL

The share capital, comprising 62,424,545 shares with a par value of 7.50 euros, represented a total of 468,184,087.50 euros at year-end.

1.1. Breakdown of the share capital ad voting rights

At present, there are no shares entitled to double voting rights. However, the number of voting rights must be adjusted in order to factor in treasury stock, which are not entitled to voting rights. To the best of the Company's knowledge, the following table presents a breakdown of its share capital and voting rights at December 31st, 2007:

	Number of shares	% of capital	% of voting rights
Metrovacesa	16,809,610	26.93%	27.85%
Mr. Rivero	11,086,813	17.76%	18.37%
Mr. Soler	9,567,937	15.33%	15.85%
Predica	5,143,499	8.24%	8.52%
Non-resident shareholders	12,498,811	20.02%	20.71%
Individual shareholders	3,151,390	5.05%	5.22%
Resident institutional shareholders	2,105,661	3.37%	3.49%
Treasury stock	2,060,824	3.30%	
TOTAL	62,424,545	100.00%	100.00%

To the best of the Company's knowledge, no other shareholders own more than 5% of the share capital or voting rights and no shareholders' agreements have been put in place.

The percentages of capital and voting rights held by all the members of the Company's management and executive bodies come to 52.95% and 54.76% respectively.

At December 31st, 2007, Group company employees held 81,771 GECINA shares on a direct basis and 50,113 GECINA shares on an indirect basis in connection with the GECINA shareholding mutual fund (FCPE GECINA Actionnariat), representing a total of 0.21% of the capital.

To the best of the Company's knowledge, no significant collateral pledges have been made on pure registered GECINA shares.

The Company has not made any pledges on its treasury stock.

1.2. Change in the capital since January 1st, 2003

Year	Operations	Number of shares	Capital (in euros)	Issue or merger premium (in euros)
2003	Position at January 1st, 2003	27,046,376	405,695,640	
	Merger with Simco	671,148	10,067,220	67,015,561
	Conversion of 1,299,315 ex-GFC 3.25% bonds	1,299,315	19,489,725	99,357,852
	Conversion of 2,539 November 2002 3.25% bonds	2,284	34,260	188,850
	Position at December 31st, 2003	29,019,123	435,286,845	
2004	Position at January 1st, 2004 (1)	58,038,246	435,286,845	
	Conversion of 7,821 ex-GFC 3.25% bonds	15,642	117,315	586,340
	Conversion of 3,647,014 November 2002 3.25% bonds	6,564,697	49,235,228	265,520,311
	Conversion of 146,338 ex-Simco July 2007 3.25% bonds	263,425	1,975,688	8,885,874
	Adjustment to conversion parity for November 2002 3.25% bonds	51,719	387,893	386,854
	Adjustment to conversion parity for ex-Simco July 2007 3.25% bonds	331	2,483	2,259
	Options and warrants exercised	130,861	981,458	4,342,025
	Subscription in connection with company savings scheme	36,920	276,900	1,624,111
	Cancellation of shares	– 3 000,000	– 22,500,000	– 147,480,000
	Position at December 31st, 2004	62,101,841	465,763,808	
2005	Position at January 1st, 2005	62,101,841	465,763,808	
	Subscription in connection with company savings scheme	15,215	114,113	1,083,004
	Options and warrants exercised	93,392	700,440	3,000,319
	Position at December 31st, 2005	62,210,448	466,578,360	
2006	Position at January 1st, 2006	62,210,448	466,578,360	
	Subscription in connection with company savings scheme	21,775	163,313	1,718,701
	Options and warrants exercised	37,447	280,853	1,190,451
	Position at December 31st, 2006	62,269,670	467,022,525	
2007	Position at January 1st, 2007	62,269,670	467,022,525	
	Subscription in connection with company savings scheme	7,651	57,383	811,618
	Options and warrants exercised	20,819	156,143	662,588
	Merger of Société des Immeubles de France	126,405	948,038	4,560,294
	Position at December 31st, 2007	62,424,545	468,184,087.50	

(1) After the two-for-one stock split.

In 2007, 154,875 Company shares were created entitling holders to dividends as of January 1st, 2007, resulting from:

• Conversion of shares following the merger of Société des Immeubles de France shares	126,405 shares
• Options and warrants exercised	20,819 shares
• Subscription for new shares under the company savings scheme	7,651 shares
Representing a total of	154,875 shares

1.3. Conditions for modifying the share capital and rights associated with the various categories of shares

The Extraordinary General Meeting may grant the Board of Directors the powers or remit required to modify the share capital and the number of shares, notably in the event of a capital increase or reduction.

1.4. Amount of capital authorized and not issued

1. At the Combined General Meeting on June 19th, 2007, shareholders voted to authorize the Board of Directors to issue on one or more occasions, in the proportions and at the times that it deems relevant, in France or abroad, either in euros or in other currencies, Company shares or marketable securities in any form entitling holders immediately and/or in the future, at any time or at a given date, to shares in the Company. Marketable securities issued in this way may notably comprise bonds or be associated with the issuing of such securities, or enable them to be issued as intermediate securities. The total amount of share capital increases that may be carried out immediately and/or in the future under the abovementioned delegation may not exceed 200 million euros (nominal), an amount that will be looked at in addition to the nominal amount of additional shares to be issued in order to maintain, as required under French law, the rights of holders of marketable securities entitling them to shares.

Such issues may be carried out with preferential subscription rights maintained or waived.

These authorizations, which are valid for a period of 26 months as of the General Meeting on June 19th, 2007, have not been used.

2. The same General Meeting delegated its authorization for the Board of Directors to increase the capital:
• In return for contributions in kind, representing up to 10% of the share capital;
• Through the incorporation of premiums, reserves or profits, for up to 500 million euros;
• Through the issue of shares, at free prices, representing up to 10% of the share capital per year;
• For company savings scheme members, representing up to 15 million euros.

3. At the General Meeting on June 19th, 2007, shareholders voted to authorize the Board of Directors to grant employees and directors of the Company and Group companies stock options and warrants for up to a total number of shares that may not exceed 3% of the share capital.

4. At this same Meeting, shareholders voted to authorize the Board of Directors to allocate bonus shares - existing shares or shares to be issued - to the Group's salaried members of staff or corporate officers for up to 3% of the share capital.

At the Board meeting on October 23rd, 2007, the Directors decided to implement a bonus share allocation scheme for the employees or corporate officers of the company and its subsidiaries in line with the company agreement dated July 23rd, 2007 further to the Separation Agreement, as authorized at the Combined General Shareholders' Meeting on June 19th, 2007.

The main characteristics of this program are as follows:
• Free allocation of 18,610 ordinary shares (existing or to be issued) to employees or corporate officers of the company and its subsidiaries based on 26 bonus shares when they have under 10 years seniority and 30 bonus shares when they have over 10 years seniority within the Group on the date on which the shares are awarded;
• Two-year vesting period, provided that their employment contract or corporate office is still in force at the end of this period, subject to certain exceptions;
• Once awarded, two-year holding period as of the effective allocation date.

1.5. Summary of financial authorizations

Securities concerned General Meeting date (term of authorization and end date)	Restrictions	Use of authorizations
1. Issues with preferential rights maintained		
Capital increase through issue of shares and/or marketable securities entitling holders to access the capital and/or marketable securities entitling holders to the allocation of debt securities (A) General Meeting on June 19th, 2007 - 9th resolution (up to 26 months, ending August 18th, 2009)	**Maximum amount capital increase** (A)+(C) capped at 200 million euros (A)+ (B) + (C) + (D) + (E) + (F) + (G) + (H) +(I) capped at 550 million euros	NA
Capital increase through incorporation reserves, profits or premiums (B) General Meeting on June 19th, 2007 - 13th resolution (up to 26 months, ending August 18th, 2009)	**Maximum amount capital increase** 500 million euros (A)+ (B) + (C) + (D) + (E) + (F) + (G) + (H) + (I) capped at 550 million euros	NA
2. Issues with preferential rights waived		
Capital increase through issue of shares and/or marketable securities entitling holders to access the capital and/or marketable securities entitling holders to the allocation allocation of debt securities (C) General Meeting on June 19th, 2007 - 10th resolution (up to 26 months, ending August 18th, 2009)	**Maximum amount of capital increase** (A)+(C) capped at 200 million euros (A)+ (B) + (C) + (D) + (E) + (F) + (G) + (H) +(I) capped at 550 million euros	NA
Capital increase in return contributions in kind (D) General Meeting on June 19th, 2007 - 12th resolution (up to 26 months, ending August 18th, 2009)	**Maximum amount of capital increase** 10% of adjusted share capital (A)+ (B) + (C) + (D) + (E) + (F) + (G) + (H) + (I) capped at 550 million euros	NA
Free price share issue (E) General Meeting on June 19th, 2007 - 14th resolution (up to 26 months, ending August 18th, 2009)	**Maximum amount of capital increase** 10% of adjusted share capital per year (A)+ (B) + (C) + (D) + (E) + (F) + (G) + (H) + (I) capped at 550 million euros	NA
Capital increase through issues reserved for company savings scheme members (F) General Meeting on June 19th, 2007 - 15th resolution (up to 26 months, ending August 18th, 2009)	**Maximum amount of capital increase** 15 million euros (A)+ (B) + (C) + (D) + (E) + (F) + (G) + (H) + (I) capped at 550 million euros	7,651 shares issued
Stock options (G) **• Stock warrants (G1)** General Meeting on June 19th, 2007 - 16th resolution (up to 26 months, ending August 18th, 2009)	**Maximum number of shares resulting from exercising of options** 3% of share capital on the day of Board of Directors' decision (G1) + (G2) capped at 3% of share capital on the day of the Board of Directors' decision	NA
• Stock options (G2) General Meeting on June 19th, 2007 - 16th resolution (up to 26 months, ending August 18th, 2009)	**Maximum number of shares resulting exercising of options** 3% of share capital on the day of the Board Directors' decision (G1) + (G2) capped at 3% of share capital on the day of the Board of Directors' decision **Maximum amount of capital increase** (A)+ (B) + (C) + (D) + (E) + (F) + (G) + (H) + (I) capped at 550 million euros	221,500 stock options granted on December 13th, 2007
Bonus shares (H) General Meeting on June 19th, 2007 - 17th resolution (up to 26 months, ending August 18th, 2009)	**Maximum number of bonus shares existing or to be issued** 3% of share capital on the day of the Board of Directors' decision **Maximum amount of capital increase** (A)+ (B) + (C) + (D) + (E) + (F) + (G) + (H) + (I) capped at 550 million euros	18,610 bonus shares (existing or to be issued) granted on October 23rd, 2007 74,650 bonus shares (existing shares) granted on December 13th, 2007

Securities concerned General Meeting date (term of authorization and end date)	Restrictions	Use of authorizations
3. Issues with preferential rights maintained or waived		
Increase in number of securities to be issued in the event of a capital increase (I) General Meeting on June 19th, 2007 - 11th resolution (up to 26 months, ending August 18th, 2009)	**Maximum amount of capital increase** 15% of initial issue (A)+ (B) + (C) + (D) + (E) + (F) + (G) + (H) + (I) capped at 550 million euros	NA
4. Share buy-backs		
Share buy-back operations General Meeting on June 19th, 2007 - 7th resolution (up to 18 months, ending December 18th, 2008)	**Maximum number of shares that may be bought back** 10% of adjusted share capital or 5% for share buy-backs with a view to external growth operations **Maximum number of shares that may be held by the Company** 10% of share capital Overall maximum amount of the share buy-back program 1,556,741,750 euros	33,546 shares acquired at an average price of 106.07 euros
Capital reduction through cancellation of treasury stock General Meeting on June 19th, 2007 - (up to 26 months, ending August 18th, 2009)	**Maximum number of shares that may be cancelled over a 24 month period** 10% of adjusted share capital	NA

1.6. Special report on stock warrants awarded to corporate officers and employees

Dear Shareholders,

In accordance with the provisions of Article L. 225-184 of the French commercial code, this report sets out to inform you about the allocation of stock options or warrants in 2007 to members of staff from the Company or affiliated companies or groups as provided for under Articles L. 225-177 to L. 225-186 of the French commercial code.

GENERAL INFORMATION: BREAKDOWN OF OPTIONS PER PLAN

Date of Board of Directors' meeting	Sep 27, 2000	Sep 26, 2001	Jun 6, 2001	Jun 5, 2002	Sep 25, 2002	Nov 25, 2003	Oct 12, 2004	Mar 14, 2006	Dec 12, 2006	Dec 13, 2007
Start date for exercising options	Sep 27, 2000	Sep 26, 2001	Jun 6, 2003	Jun 5, 2004	Sep 25, 2004	Nov 25, 2005	Oct 12, 2006	Mar 14, 2008	Dec 12, 2008	Dec 13, 2009
Maturing	Sep 27, 2010	Sep 26, 2011	Jun 5, 2009	Jun 4, 2010	Sep 25, 2012	Nov 24, 20111	Oct 11, 2014	Mar 15, 2016	Dec 13, 2016	Dec 14, 2017
Number of options granted	127,356	128,266	55,591	123,329	162,822	275,974	313,000	237,000	261,500	221,500
Subscription or purchase price (euros)	40.13	39.16	47.87	47.20	44.28	51.82	64.92	102.64	108.80	109.51
Number of shares subscribed for or purchased	115,530	116,414	47,505	123,026	154,681	235,849	245,250	0	0	0
Number of shares that may be exercised	0	11,852	8,086	303	8,141	40,125	67,750	222,500	242,900	221,500

Options granted and exercised in 2007

At the Combined General Meeting on June 19th, 2007, shareholders authorized the Board of Directors, in connection with Articles L.225-177 et seq of the French commercial code, to grant to beneficiaries that it identifies among members of staff or managers from the Company or affiliated companies under the conditions defined in Article L.225-180 of the French commercial code, on one or more occasions and for the maximum legal timeframe as of this date, options entitling holders to subscribe for new company shares to be issued relative to an increase in its capital or to purchase existing Company shares.

At the Board meeting on December 13th, 2007, as authorized by the Combined General Shareholders' Meeting on June 19th, 2007 (sixteenth resolution) and as recommended by the Compensation Committee, the Directors voted to award 221,500 stock options at a price of 109.51 euros to two of GECINA's corporate officers (mentioned below) as well as to various GECINA group employees.

GECINA STOCK OPTIONS WERE AWARDED TO 40 BENEFICIARIES.

Date awarded	Number of options awarded	Option exercise price
December 13th, 2007	221,500	109.51 euros

The exercise price for stock options is set in relation to the average share price for the 20 trading days preceding the Board of Directors' decision, with a 5% discount. For the options awarded on December 13th, 2007, it represents 109.51 euros.

These options may be exercised over a 10-year period as of their allocation date.

OPTIONS AWARDED TO GECINA'S CORPORATE OFFICERS

Corporate officers, salaried directors	Company granting the options	Allocation date	Number of options	Option exercise price
Joaquin Rivero Valcarce	GECINA	Dec 13, 2007	30,000	109.51 euros
Antonio Truan	GECINA	Dec 13, 2007	30,000	109.51 euros

OPTIONS AWARDED TO THE 10 GECINA EMPLOYEES (NON-CORPORATE OFFICERS) WHO RECEIVED THE HIGHEST NUMBER OF OPTIONS OVER 2007.

On December 13th, 2007, the Board of Directors awarded 110,500 stock options at a price of 109.51 euros.

OPTIONS EXERCISED BY GECINA'S CORPORATE OFFICERS AND EMPLOYEES OVER 2007

The options exercised by all of the GECINA group's staff in 2007 can be broken down as follows:

Plans	Option exercise price	Number of options exercised in 2007
ex-Simco 2000 stock warrants	40.13 euros	3,565
ex-Simco 2001 stock warrants	39.16 euros	17,254
ex-Simco 2002 stock options	44.28 euros	28,234
June 5th, 2002 stock options	47.20 euros	2,759
November 25th, 2003 stock options	51.82 euros	17,642
2004 stock options	64.92 euros	1,500
TOTAL		70,954

INFORMATION ON THE OPTIONS EXERCISED BY THE 10 SALARIED BENEFICIARIES WHO EXERCISED THE MOST OPTIONS OVER 2007

Plans	Option exercise price	Number of options exercised in 2007
ex-Simco 2002 stock options	44.28 euros	5,667
June 5th, 2002 stock options	47.20 euros	2,759
November 25th, 2003 stock options	51.82 euros	4,033
2004 stock options	64.92 euros	1,500
TOTAL		13,959

GECINA's corporate officers and salaried directors did not exercise any options over 2007.

The Board of Directors

1.7. Special report on bonus shares awarded to corporate officers and employees

Dear Shareholders,

In accordance with the provisions of Article L. 225-197-4 of the French commercial code, this report sets out to inform you about the allocation of bonus shares (existing shares or shares to be issued) in 2007 to members of staff from the Company or affiliated companies or groups as provided for under Articles L. 225-197-2 of the French commercial code, and corporate officers as per Article L. 225-197-1, II, of the French commercial code.

Bonus share scheme awarded at the Board of Directors on October 23rd, 2007

As authorized under the seventeenth resolution from the Combined General Meeting on June 19th, 2007 and further to the agreement following the Separation Agreement between Metrovacesa and GECINA dated July 23rd, 2007, on October 23rd, 2007, the Board of Directors awarded a total of 18,610 bonus Company shares with a value of 117.201 (1) euros each to all of the GECINA group's managers or employees on fixed-term or permanent contracts on the allocation date.

26 bonus shares were awarded to all members of staff with less than 10 years seniority on the allocation date and 30 bonus shares to those with a seniority of greater than or equal to 10 years.

In accordance with Article L. 225-197-1 of the French commercial code and the conditions set out in the GECINA October 2007 bonus share scheme, the abovementioned shares awarded by the Board of Directors will be definitively vested at the end of a two-year period following their allocation date (the "Vesting Date"), provided that the beneficiary still has an employment contract or corporate office with a GECINA group company. The bonus shares awarded to each beneficiary are not subject to compliance with performance criteria linked to any change in GECINA's share price or earnings.

As of the Vesting Date and subject to compliance with the abovementioned conditions, the beneficiaries will own the bonus shares awarded to them and will have full shareholder rights. However, they will not be able to sell off the bonus shares that have been definitively awarded to them for two years as of the Vesting Date.

BONUS SHARES AWARDED TO GECINA'S CORPORATE OFFICERS

Corporate officers, salaried directors	Company awarding the shares	Allocation date	Number of shares
Antonio Truan	GECINA	Oct 23, 2007	26

Bonus share scheme awarded at the Board of Directors on December 13th, 2007

As authorized under the seventeenth resolution from the Combined General Meeting on June 19th, 2007, on December 13th, 2007, the Board of Directors awarded a total of 74,650 bonus Company shares with a value of 118.99 euros each to the designated beneficiaries from among the staff and corporate officers concerned most directly by the Group's development.

In accordance with Article L. 225-197-1 of the French commercial code and under the conditions set in the GECINA December 2007 bonus share scheme, the abovementioned shares awarded by the Board of Directors will be definitively vested at the end of a two-year period following their allocation date (the "Vesting Date"), (i) provided that the beneficiaries still have an employment contract or corporate office with a GECINA group company on this date, (ii) for 50% of the bonus shares awarded to each beneficiary, subject to compliance with a performance criterion linked to the performance of GECINA's share compared with the Euronext IEIF "SIIC France" index, and (iii) for 50% of the bonus shares awarded to each beneficiary, subject to compliance with performance criteria linked to changes in GECINA's consolidated income from ordinary operations.

As of the Vesting Date and subject to compliance with the abovementioned conditions, the beneficiaries will own the bonus shares awarded to them and will have full shareholder rights. However, they will not be able to sell the bonus shares that have been definitively awarded to them for two years as of the Vesting Date.

(1) This value represents GECINA's share price on the day of the free allocation by the Board of Directors, i.e. October 23rd, 2007.

BONUS SHARES AWARDED TO GECINA'S CORPORATE OFFICERS

Corporate officers, salaried directors	Company awarding the shares	Allocation date	Number of shares
Joaquin Rivero Valcarce	GECINA	Dec. 13, 2007	10,000
Antonio Truan	GECINA	Dec. 13, 2007	9,500

BONUS SHARES AWARDED TO THE 10 GECINA EMPLOYEES (NON-CORPORATE OFFICERS) WHO RECEIVED THE HIGHEST NUMBER OF SHARES OVER 2007.

On December 13th, 2007, the Board of Directors awarded 35,600 bonus shares.

The Board of Directors

1.8. Securities entitling holders to access the share capital

- Convertible bonds: the Company has not issued any bonds that may be converted into securities entitling holders to access the share capital.
- Stock warrants: at December 31st, 2007: the number of potential shares to be created further to the exercising of stock warrants was 11,852.
- Bonus shares: at December 31st, 2007: the number of bonus shares not yet allocated represented 220,156.
- The Company has not issued any founder's shares or voting right certificates.
- The Company has not issued any other securities entitling holders to access its share capital.

1.9. Change in the breakdown of the share capital and voting rights

At present, there are no shares entitled to double voting rights. However, the number of voting rights must be adjusted in order to factor in treasury stock, which are not entitled to voting rights. To the best of the Company's knowledge, the following table presents a breakdown of its share capital and voting rights at December 31st, 2007:

THREE-YEAR SUMMARY OF CHANGES IN THE SHAREHOLDING STRUCTURE

	Number of shares	% of capital	% of voting rights
Metrovacesa	16,809,610	26.93%	27.85%
Mr Rivero	11,086,813	17.76%	18.37%
Mr Soler	9,567,937	15.33%	15.85%
Predica	5,143,499	8.24%	8.52%
Non-resident shareholders	12,498,811	20.02%	20.71%
Individual shareholders	3,151,390	5.05%	5.22%
Resident institutional shareholders	2,105,661	3.37%	3.49%
Treasury stock	2,060,824	3.30%	
Total	62,424,545	100.00%	100.00%

1.10. Agreement relative to the change of control (Separation Agreement)

On February 19th, 2007, the Metrovacesa group announced that a protocol agreement (the "Separation Agreement") had been signed between its two majority shareholding groups, namely the Sanahuja family on the one hand, and Mr. Rivero Valcarce and Mr. Soler Crespo on the other, covering a process to divide up the Metrovacesa group, enabling the interests of each one of the abovementioned shareholder groups to be separated. Under this protocol agreement, Metrovacesa, whose majority shareholder will be the Sanahuja family, is continuing to operate in the real estate sector, primarily in Spain, while also owning a rental portfolio in France (part of GECINA's current portfolio). Mr. Rivero Valcarce and Mr. Soler Crespo will become the majority shareholders in GECINA.

In October and November 2007, Metrovacesa carried out a public exchange offer on its own shares, paid for with GECINA shares. Further to this, Mr. Rivero Valcarce and Mr. Soler Crespo no longer own any Metrovacesa shares and their interests in GECINA have been raised to 17.76% and 15.33% respectively, while Metrovacesa still had a 26.93% stake in GECINA.

On December 13th, 2007, the French securities regulator (AMF) declared non-compliant the public share buy-back offer proposed by GECINA. This represents the main stage in the Separation Agreement, enabling the GECINA shares to be exchanged against shares in Medea, a listed company to which GECINA would have contributed various commercial real estate assets.

On December 31st, 2007, following the AMF's decision, the implementation of the Separation Agreement was suspended. These operations have therefore not had any impact on the consolidated financial statements at December 31st, 2007.

The resumption of the Separation Agreement is likely to result in a change of control for GECINA.

1.11. Company transactions on its own shares and buy-back program

At the Meeting on June 19th, 2007, shareholders voted to renew the authorization granted to the Company to purchase its own shares on the stock market for a period of 18 months. The maximum purchase price was set at 250 euros. The maximum number of shares that may be held was capped at 10% of the total share capital and 5% with regard to share buybacks for external growth operations at the time of the transaction.

In 2007, GECINA used the authorization given to the Board of Directors at the General Meeting on June 19th, 2007 to buy back its own shares.

In this way, 33,546 shares were acquired over the year at an average purchase price of 106.07 euros.

The number of treasury stock at December 31st, 2007 came to 2,060,824 shares, i.e. 3.3% of the share capital. They represent a total investment of 133.7 million euros, with an average unit cost price of 64.90 euros per share.

Since the authorization given by the previous General Meeting was for 18 months, a proposal will be submitted for its renewal at this General Meeting.

The conditions for implementing the authorized share buy-back program are covered in a description of the program and are notably governed by the provisions of Articles L. 225-209 et seq of the French commercial code, as well as by European Regulation 2273/2003 dated December 22nd, 2003, applied as per Directive 2003/6/EC of January 28th, 2003 (the so-called "Market Abuse" Directive), which came into force on October 13th, 2004. These conditions were amended by Law 2005-842 of July 26th, 2005.

(2) This value represents GECINA's share price on the day of the free allocation by the Board of Directors, i.e. October 23rd, 2007.

1.12. Transactions carried out by managers, executives or parties that they are closely related to on Company securities

In 2007, the declarations made by managers and the parties covered in Article L. 621-18-2 of the French monetary and financial code (Code monétaire et financier) with the AMF as per Articles 222-23 et seq of the AMF's general regulations are as follows:

Filer	Financial instruments	Transaction type	Transaction date	Filing receipt date	Transaction location	Unit price	Transaction amount
Victoria Soler, Director	Shares	Acquisition further to a public buy-back offer	November 27th, 2007	November 29th, 2007	Euronext Paris	129.36 euros	12,419 euros
Joaquín Rivero Valcarce, Chairman and CEO	Shares	Acquisition further to a public buy-back offer	November 27th, 2007	November 29th, 2007	Euronext Paris	129.36 euros	5,602,840 euros
Quimafa Investment SA, corporate entity linked to Joaquín Rivero Valcarce, Chairman and CEO	Shares	Acquisition further to a public buy-back offer	November 27th, 2007	November 29th, 2007	Euronext Paris	129.36 euros	183,417,086 euros
Stenenberg holding BV, corporate entity linked to Joaquín Rivero Valcarce Chairman and CEO	Shares	Acquisition further to a public buy-back offer	November 27th, 2007	November 29th, 2007	Euronext Paris	129.36 euros	160,716,217 euros
Inmopark 92 Alicante, SL, corporate entity linked to Joaquín Rivero Valcarce, Chairman and CEO	Shares	Acquisition further to a public buy-back offer	November 27th, 2007	November 29th, 2007	Euronext Paris	129.36 euros	65,541,667 euros
Gramano Franchise Developpement Europe, BV, corporate entity linked to Joaquín Rivero Valcarce, Chairman and CEO	Shares	Acquisition further to a public buy-back offer	November 27th, 2007	November 29th, 2007	Euronext Paris	129.36 euros	88,200,365 euros
Alteco Gestion y Promoción de Marcas, SL, corporate entity linked to Joaquín Rivero Chairman and CEO	Shares	Acquisition further to a public buy-back offer	November 27th, 2007	November 29th, 2007	Euronext Paris	129.36 euros	903,469,256 euros
Joaquín Rivero Valcarce, Chairman and CEO	Shares	Acquisition further to a public buy-back offer	November 27th, 2007	November 29th, 2007	Euronext Paris	129.36 euros	184,985 euros
Antonio Truan, Deputy CEO	Shares	Acquisition	November 26th, 2007	November 30th, 2007	Euronext Paris	113.60 euros	1,136 euros
Joaquín Rivero Valcarce, Chairman and CEO	Shares	Acquisition further to a public buy-back offer	November 27th, 2007	December 5th, 2007	Euronext Paris	129.36 euros	3,424,935 euros
Stenenberg holding BV, corporate entity linked to Joaquín Rivero Valcarce, Chairman and CEO	Shares	Acquisition further to a public buy-back offer	November 27th, 2007	December 5th, 2007	Euronext Paris	129.36 euros	15,640,659 euros

1.13. Elements likely to have an influence in the event of a public takeover bid for the Company

Under Article L.225-100-3 of the French commercial code, the Company must identify any elements likely to have an influence in the event of a public takeover bid. These include agreements entered into by the Company that are to be amended or terminated in the event of a change of control within the Company. In this way, the Company has mentioned the change of control clauses included in the various financing contracts (cf. the section on Financing and Cash Management in this report).

2. INFORMATION ON GECINA'S SHARE

2.1. Share price in 2007

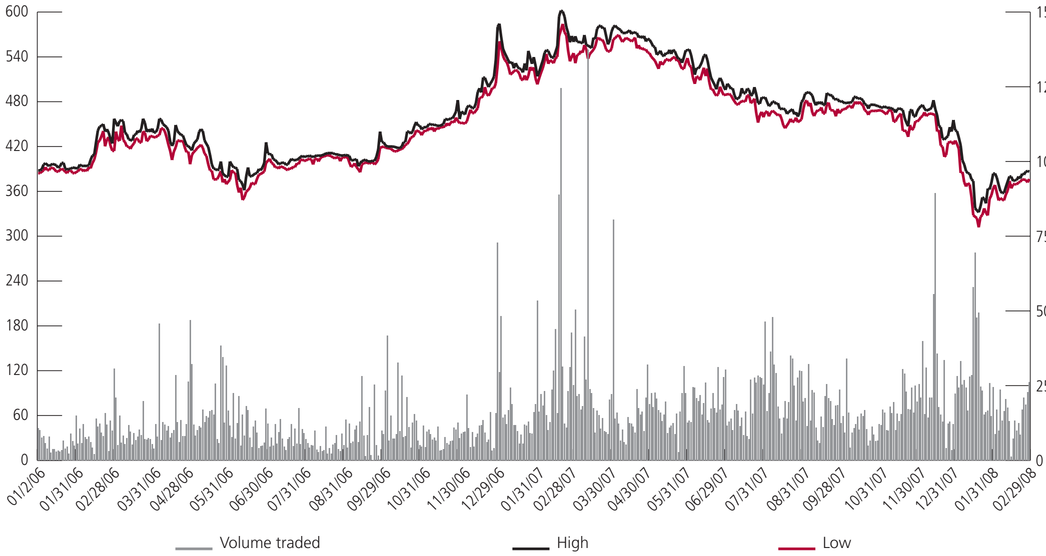
GECINA's share price came to 107.32 euros on December 31st, 2007, compared with 145.00 euros on December 29th, 2006.

This price ranged from a low of 101.56 euros on December 21st, 2007 to a high of 150.50 euros on February 21st, 2007.

The table presented in the section focusing on the market for GECINA's share presents a synopsis of statistics relating to its performance on the stock market over the 18-month period from August 2006 to January 2008. In total, 20,524,026 shares were traded over 2007, representing a total capital of 2,610.52 million euros.

At year-end 2007, the Company's market capitalization was 6,685 million euros.

GECINA HIGH AND LOW SHARE PRICES 2006 - 2007 (EUROS)



2.2. Market for company securities

Listed market

GECINA's share is listed on Euronext Paris - Eurolist Compartment A (blue chips) under ISIN FR 0010040865. Its shares are eligible for the deferred settlement system and are included in the CACMid100, SBF120 and SBF80 indexes.

Industry Classification Benchmark (ICB): 8737 - Real Estate Investment Trusts.

Other listed markets (bonds)

Issue date	February 19th, 2003	October 17th, 2003	June 25th, 2004
Total issue	600 million euros	250 million euros	500 million euros
Issue price	99.334% up to 500 million euros 99.049% up to 100 million euros	99.835%	99.656% up to 500 million euros
Maturing	February 19th, 2010	October 17th, 2007	January 25th, 2012
Annual interest	4.875%	3.625%	4.875%
ISIN	FR0000472441	FR0010021220	FR0010095422
Listing	Luxembourg Stock Exchange	Luxembourg Stock Exchange	Luxembourg Stock Exchange

2.3. Trading volume in number of shares and amount of equity traded

Shares (ISIN: FR0010040865)

TRADING VOLUME AND PRICE TRENDS

Month	Number of securities traded per month	Average amount of equity traded per month (in million euros)	High price (in euros)	Low price (in euros)
August 2006	515,912	52.46	102.80	99.00
September 2006	1,028,155	103.95	110.00	96.40
October 2006	1,210,797	128.94	113.20	103.40
November 2006	710,247	80.19	120.50	110.00
December 2006	1,004,254	128.47	145.00	112.70
January 2007	1,501,955	200.12	146.10	125.80
February 2007	2,215,805	311.48	150.50	127.90
March 2007	2,324,768	321.56	145.49	132.90
April 2007	1,263,400	179.21	145.50	137.30
May 2007	1,512,122	204.50	141.10	131.00
June 2007	1,827,966	235.34	137.50	122.02
July 2007	1,619,041	195.87	126.00	113.00
August 2007	2,319,076	270.43	121.49	111.14
September 2007	1,387,818	165.72	123.19	115.13
October 2007	1,097,518	130.47	121.73	115.61
November 2007	1,562,801	179.78	118.49	108.25
December 2007	1,891,756	216.04	120.50	101.56
January 2008	2,634,789	238.54	113.87	78.00
February 2008	1,352,372	125.51	96.80	86.95

Source: Euronext.

TRADING VOLUME AND PRICE TRENDS OVER THE LAST FIVE YEARS

(Historical data adjusted for GECINA's two-for-one stock split on January 2nd, 2004)

Year	Number of securities traded	Number of trading days	High price	Low price	Last closing
2003	31,682,926	255	58.90	48.25	58.30
2004	28,287,199	259	73.95	58.00	72.90
2005	28,012,125	250	101.60	71.10	97.00
2006	10,934,518	255	145.00	87.05	145.00
2007	20,524,026	251	150.50	101.56	107.32

Source: Euronext.

10. Directors and Executive Management Team

1. DIRECTORS AND EXECUTIVE MANAGERS

At December 31st, 2007, the structure of the Board of Directors was as follows:
- Chairman and Chief Executive Officer: Joaquín Rivero Valcarce;
- Deputy Chief Executive Officer, Director: Antonio Truan (coopted as a Director by the Board of Directors on December 28th, 2007);
- Director: Antoine Jeancourt-Galignani;
- Director: Françoise Monod;
- Director: Philippe Geslin;
- Director: Bertrand de Feydeau;
- Director: Patrick Arrosteguy;
- Director: Santiago Fernandez Valbuena;
- Director: José Gracia Barba;
- Director: Serafin Gonzales Morcillo;
- Director: Michel Villatte;
- Director: Joaquín Meseguer Torres;
- Director: Predica, represented by Jean-Yves Hocher;
- Director: Victoria Soler Lujan;
- Director: Santiago de Ybarra y Churruca;
- Director: Metrovacesa.

The Board of Directors saw the following changes over 2007:
- Coopting of Jaime Febrer Rovira by the Board of Directors on April 26th, 2007;
- Resignation of Roman Sanahuja Pons on December 4th, 2007;
- Resignation of Javier Sanahuja Escoffet on December 4th, 2007;
- Resignation of Jaime Febrer Rovira on December 13th, 2007, replaced by Antonio Truan, who was coopted by the Board of Directors on December 28th, 2007 for the period left to run on his predecessor's term of office, i.e. through to the General Shareholders' Meeting convened to approve the annual results for 2007.

In 2007, the Board of Directors met 10 times and the various committees held a total of 25 meetings, attesting to the importance of the work carried out and the subjects covered.

At the General Meeting on June 19th, 2007, the decision was taken to raise the total amount of attendance allowances granted to Board members to 1,100,000 euros. Attendance allowances represent the only compensation paid to Directors. Details on the compensation packages for corporate officers (Joaquín Rivero Valcarce and Antonio Truan) are presented below.

2. EXECUTIVE COMPENSATION

Joaquín Rivero Valcarce

The Board, as recommended by the Compensation Committee, approved the principles for determining the compensation and benefits of any kind granted to the Chairman and Chief Executive Officer.

Fixed compensation

Joaquín Rivero Valcarce's fixed compensation (gross) for 2007 came to 180,400 euros.

Variable compensation

In 2007, Joaquín Rivero Valcarce received 200,000 euros in variable compensation.

Exceptional bonus

As recommended by the Compensation Committee, the Board of Directors decided on December 13th, 2007 to award Mr. Rivero Valcarce an exceptional bonus for 290,000 euros, of which he received 145,000 euros in 2007.

Provision of a company car

A company car is made available to Mr. Rivero Valcarce for his trips when in Paris.

Attendance allowances

In 2007, Joaquín Rivero Valcarce received 50,000 euros (gross) in attendance allowances as a Director of GECINA, and 12,000 euros as a Director of Société des Immeubles de France.

Stock options

- At the Board meeting on December 13th, 2007, as authorized under the sixteenth resolution adopted at the General Meeting on June 19th, 2007 and as recommended by the Compensation Committee, the Directors voted to award Joaquín Rivero Valcarce 30,000 stock options at a price of 109.51 euros.
- The conditions for exercising the stock options granted in this way are set out in the stock option or warrant scheme regulations approved by the Board of Directors on December 13th, 2007.
- In 2007, Joaquín Rivero Valcarce did not exercise any options granted during previous years.

Free allocation of shares

- At the Board meeting on December 13th, 2007, as authorized under the seventeenth resolution approved at the General Meeting on June 19th, 2007 and as recommended by the Compensation Committee, the Directors voted to award Joaquín Rivero Valcarce 10,000 bonus shares.
- The conditions for acquiring the shares granted in this way are set out in the bonus share scheme regulations approved by the Board of Directors on December 13th, 2007.
- In addition, Mr. Rivero Valcarce directly and indirectly owned 11,086,813 Company shares at December 31st, 2007.

Pension system

Joaquín Rivero Valcarce is potentially eligible for the supplementary pension scheme put in place with Cardif for corporate officers in 2001.

This system supplements the basic and existing supplementary systems (social security, ARRCO, AGIRC, etc.), enabling corporate officers to acquire a pension equal to a certain percentage of their salary at the end of their career, depending on their number of years seniority within the Group and after deducting any other form of pension received. The total amount paid under the Cardif system may not exceed 20% of the reference salary, based on the average fixed and variable wage over the last 36 months preceding retirement. To be activated, beneficiaries for this system must (i) have spent at least five years as a corporate officer for GECINA or other companies covered by the Cardif system, (ii) have reached the age of 60 by the time they leave the company, and (iii) be in a position to cash in their pensions under the general system.

In this way, a corporate officer with at least 10 years seniority within the GECINA group on retirement is entitled to the difference between 60% of their reference compensation on the one hand, and the external pensions systems on the other.

A corporate officer with a level of seniority greater than or equal to five years, but lower than 10 years on retirement, is entitled to the difference between 50% of their reference compensation on the one hand, and the external pensions systems on the other.

Antonio Truan

The compensation paid by GECINA to Antonio Truan is decided on by the Board of Directors, as recommended by the Compensation Committee.

Total compensation paid to Antonio Truan for his position as Deputy Chief Executive Officer

At the Board meeting on February 15th, 2007, the Directors set the compensation awarded to Mr. Truan as Deputy Chief Executive Officer at 540,000 euros. In relation to these functions, 472,500 euros were paid to Mr. Truan in 2007.

The other elements of Mr. Truan's compensation package were set by the Board of Directors on April 26th, 2007.

Variable compensation and exceptional bonus

As recommended by the Compensation Committee, the Board of Directors decided on December 13th, 2007 to award Mr. Truan an exceptional bonus for 290,000 euros, of which 145,000 euros were paid in 2007. For 2007, Mr. Truan's variable compensation will be set, as recommended by the Appointments and Compensation Committee, at a coming Board meeting.

Attendance allowances received by Antonio Truan

For his participation in meetings held by GECINA's Board of Directors and meetings of the Board's various committees (Audit Committee, Quality and Sustainable Development Committee, and Appointments and Compensation Committee) over 2007, Mr. Truan received 98,000 euros in attendance allowances (gross). As a Director of Société des Immeubles de France, Mr. Truan received 16,000 euros in attendance allowances (gross).

Stock options

At the Board meeting on December 13th, 2007, the Directors voted to award Mr. Antonio Truan 30,000 stock options.

No stock options or warrants were exercised by Antonio Truan over the past year.

Free allocation of shares

At the Board meeting on October 23rd, 2007, the Directors decided to award Mr. Antonio Truan 26 bonus shares. In addition, Directors decided at the Board meeting on December 13th, 2007 to award Mr. Truan 9,500 bonus shares. The conditions for the definitive allocation of such securities are set out in the bonus share scheme regulations approved by the Board of Directors on December 13th, 2007.

In addition, Mr. Truan directly and indirectly owned 11 Company shares at December 31st, 2007, and 429 shares at February 29th, 2008.

Provision of a company car

A company car is made available to Mr. Truan for his trips when in Paris.

Supplementary pension scheme

Antonio Truan is potentially eligible for the supplementary pension scheme put in place with Cardif for corporate officers in 2001.

This system supplements the basic and existing supplementary systems (social security, ARRCO, AGIRC, etc.), enabling corporate officers to acquire a pension equal to a certain percentage of their salary at the end of their career, depending on their number of years seniority within the Group and after deducting any other form of pension received. The total amount paid under the Cardif system may not exceed 20% of the reference salary, based on the average fixed and variable wage over the last 36 months preceding retirement. To be activated, beneficiaries for this system must (i) have spent at least five years as a corporate officer for GECINA or other companies covered by the Cardif system, (ii) have reached the age of 60 by the time they leave the company, and (iii) be in a position to cash in their pensions under the general system.

In this way, a corporate officer with at least 10 years seniority within the GECINA group on retirement is entitled to the difference between 60% of their reference compensation on the one hand, and the external pensions systems on the other.

A corporate officer with a level of seniority greater than or equal to five years, but lower than 10 years on retirement, is entitled to the difference between 50% of the reference compensation package on the one hand, and the external pensions systems on the other.

On April 26th, 2007, the Board of Directors awarded Antonio Truan a benefit based on an end-of-office compensation package equal to two years of his reference fixed compensation, plus any profit sharing or bonuses paid over the last 12 months prior to his departure or, if he leaves before receiving his bonus, based on his bonus entitlements for a full year of business. This benefit is not subject to any performance conditions.

Compensation and benefits: amount provisioned

The Company has not recorded any provisions corresponding to compensation and benefits paid to Directors.

The Company has recorded a 1,899,148 euro provision corresponding to compensation and benefits paid to executives.

3. DETAILED INFORMATION ON THE BOARD OF DIRECTORS

3.1 . List of offices for members of the Board of Directors over 2007

The following table presents the make-up of the Company's Board of Directors and the offices held by its members over 2007.

Director surname and first name	Age	Office within the Company	Term of office	Other offices outside of the Company on the filing date for this reference document	Professional address
Chairman					
Joaquin Rivero Valcarce	64	Chairman and Chief Executive Officer	Appointed at the General Meeting on June 29th, 2005 Term of office ending at the General Meeting convened to approve the accounts for 2007	• Chairman and Chief Executive Officer of Bami Newco SA • Sole Director of Alteco Gestion y Promocion de Marcas, SL • Chairman and Chief Executive Officer of Société des Immeubles de France (until December 28th, 2007) • Chairman of: Gecimed, Locare, Compagnie Foncière de Gestion • Legal representative of GECINA, Manager of: – SCI Beaugrenelle, – SCI du 77/81, bd Saint-Germain, – SCI 16 VE Investissement, – SCI Paris Saint-Michel, – SCI Immobilière du 5, boulevard Montmartre (since December 28th, 2007), – Immobilière Saint-Augustin-Marsollier (since December 28th, 2007), – Monttessuy 357 (since December 28th, 2007), – SCI du 55, rue d'Amsterdam (since December 28th, 2007), • Legal representative of GECINA, manager of SNC Michelet-Levallois • Legal representative of GECINA, Chairman of the following SAS: – SPL, – Tour H15, – Union Immobilière et de Gestion – UIG, – Geciter, – 23/29, rue de Chateaudun, – Gecilog, – Geciotel, – Gec 3, – Gec 4, – Gec 5, – Gec 6, – Investibail Transactions, – Aménagement Innovation et Construction (AIC), – Parigest, – Société Parisienne Immobilière d'Investissement 1, – Société Parisienne Immobilière d'Investissement 2, – SAS Fedim, – PB ILOT 1-4, – Hôtel d'Albe (from July 25th to October 10th, 2007), – Le Pyramidion Courbevoie (since May 30th, 2007), – Sadia (since December 28th, 2007),	14-16, rue des Capucines – 75002 Paris

Director surname and first name	Age	Office within the Company	Term of office	Other offices outside of the Company on the filing date for this reference document	Professional address
				– Société Parisienne Immobilière de la Place de la Madeleine (since December 28th, 2007) • Legal representative of GECINA, itself Deputy Chief Executive Officer of the following SAS: – Société Immobilière et Commerciale de Banville (since June 29th, 2007), – 1, quai M. Dassault Suresnes (since June 29th, 2007) • Manager of SARL Colvel Windsor (since April 5th, 2007) • Chairman of Gecimed, itself Manager of: – SCI Pierre Curie, – SCI de Bazincourt, – SCI Clairval • Chairman of Compagnie Foncière de Gestion, itself Manager of: – SCI SACCEF Champs-Élysées, – SCI SACCEF la Boétie	
Independent members					
Françoise Monod	69	Director	Appointed at the General Meeting on December 20th, 2002 Term of office ending at the General Meeting convened to approve the accounts for 2007	• Director of: – Siparex Associés, – Siparex Venture Gestion, – Réunion des Musées Nationaux (RMN), – Musée des Arts Plastiques – Musée Guimet	174, avenue Victor-Hugo – 75116 Paris
Patrick Arrosteguy	54	Director	Appointed at the General Meeting on June 29th, 2005 Term of office ending at the General Meeting convened to approve the accounts for 2007	• Director of Biarritz Olympique	Résidence Les Bleuets 33, rue Pinane – 64600 Anglet
Bertrand de Feydeau	59	Director	Appointed at the General Meeting on December 20th, 2002 Term of office ending at the General Meeting convened to approve the accounts for 2007	• Managing Director at the Association Diocésaine de Paris. • Chairman and Chief Executive Officer of AXA Immobilier SAS. • Director of: – Klépierre, – Foncière des Régions – Axa Aedificandi – Ahorro Familiar, – Société Beaujon SAS, – SITC SAS (KTO Télévision Catholique), – Klémurs • Auditor at: – Affine, – Sefri-Cime • Chairman of Association pour la Formation Supérieure aux Métiers de l'Immobilier (AFSMI). • Director of the Fédération des Sociétés Immobilières et Foncières (FSIF). • Director of Club de l'Immobilier. • Director and Treasurer of Fondation du Patrimoine. • Director of Vieilles Maisons Françaises. • Director of Radio Notre-Dame.	7, rue Saint-Vincent – 75018 Paris

Director surname and first name	Age	Office within the Company	Term of office	Other offices outside of the Company on the filing date for this reference document	Professional address
Philippe Geslin	67	Director	Appointed at the General Meeting on June 29th, 2005 Term of office ending at the General Meeting convened to approve the accounts for 2007	• Director of: – Calyon; – Crédit Foncier de Monaco; – Union Financière de France Banque. • Chairman of the Supervisory Board of Etam Développement. • Member of the Supervisory Board of Eurodisney. • Auditor at Invelios Capital. • Permanent representative of Invelios Capital: – on the Supervisory Board of Société Vermandoise de Services; – on the Board of Directors of Société Sucrières de Pithiviers-le-Vieil. • Manager of Gestion Financière Conseil.	19, rue Decamps – 75016 Paris
Serafin Gonzalez Morcillo	61	Director	Appointed at the General Meeting on June 29th, 2005 Term of office ending at the General Meeting convened to approve the accounts for 2007	• Chairman of TSI Ingeniería de Imagen and the Agora Research Center. • Advisor for ICC (Isolux Corsán Corviám), Ciudad Real Airport, SES Iberia Private Equity.	Calle Foronda, 6 pl. Baja, 28034 Madrid, Spain
Michel Villatte	62	Director	Appointed at the General Meeting on June 29th, 2005 Term of office ending at the General Meeting convened to approve the accounts for 2007	• Director of: – Banco Esperito Sancto (Portugal); • Vice-Chairman of Bes-Seguros General Meeting (Portugal). • Member of the Supervisory Board and ethics committee of Korian. • Vice-Chairman of the Board of Directors of Emporiki Life Insurance Company (Greece). • Director of: – Bancassurance Sal (Lebanon); – Ifcam; – Fondation du Crédit Agricole. • Chairman of the Board of Directors of the École Nationale d’Assurances group. • Chairman of the Enass Technical Commission, Institut du Cnam. • Honorary Chairman of Groupement Français des Bancassureurs.	14-16, rue des Capucines – 75002 Paris
Predica, represented by **Jean-Yves Hocher**	52	Director	Appointed at the General Meeting on December 20th, 2002 Term of office ending at the General Meeting convened to approve the accounts for 2007	Mr. Jean-Yves Hocher’s offices: • Chief Executive Officer of Predica, • Head of the Insurance Division for Crédit Agricole SA. • Director of: – Pacifica, Crédit Agricole’s life insurance subsidiary; – La Médicale de France; – BGPI. • Member of the Supervisory Board of KORIAN. • Chairman of the Supervisory Board of Unipierre Assurance. • Permanent representative of Predica, Auditor at Siparex. • Director of Camca. • Member of the Board and Executive Committee of FFSA.	50-56, rue de la Procession – 75015 Paris

Director surname and first name	Age	Office within the Company	Term of office	Other offices outside of the Company on the filing date for this reference document	Professional address
Other members					
Victoria Soler Lujan	48	Director	Appointed at the General Meeting on May 23rd, 2006 Term of office ending at the General Meeting convened to approve the accounts for 2008	• Director of: – Metrovacesa; – Ensanche Urbano SA; – Kalité Desarrollo. – Bami Newco (since December 2007).	14-16, rue des Capucines – 75002 Paris
Antoine Jeancourt-Galignani	70	Director	Appointed at the General Meeting on May 23rd, 2000 Term of office ending at the General Meeting convened to approve the accounts for 2008	• Chairman of the Supervisory Board of Euro Disney SCA. • Member of the Supervisory Board of: – Oddo & Cie SCA; – HYPO Real Estate Holdings (Germany). • Director of: – Société Générale; – AGF; – Total; – Kaufman et Broad; – SNA SAL (Lebanon); – SNA-RE LTD (Bermuda). • Chairman of the Board of Directors of SNA Holding LTD (Bermuda).	14-16, rue des Capucines – 75002 Paris
José Gracia Barba	59	Director	Appointed at the General Meeting on June 29th, 2005 Term of office ending at the General Meeting convened to approve the accounts for 2007	• Chairman of: – Megasigma; – Alusigma. • Member of the Board of Directors of Metrovacesa and Metrovacesa's Compensation and Appointments Committee	Calle Zurbano, 91, 28003 Madrid, Spain
Antonio Truan	47	Director	Appointed by the Board of Directors on December 28th, 2007, to be ratified at the General Meeting convened to approve the accounts for 2007 and ending at to this same meeting	• Deputy Chief Executive Officer of GECINA since February 15th, 2007 • Director of Gecimed • Chief Executive Officer of Gecimed • Chairman of the following SAS: – Hôtel d'Albe (since October 10th, 2007), – Haris (since June 13th, 2007), – Gec 7 (since October 10th, 2007), – Immofac (since December 27th, 2007), – Rue de la Faisanderie Poissy (since December 4th, 2007), – Société Immobilière et Commerciale de Banville (since December 4th, 2007), – 1, quai M. Dassault Suresnes (since December 4th, 2007) • Manager of: – SCI Capucines (since December 28th, 2007), – SARL Braque (since June 13th, 2007), – SARL Chagall Développement (since June 13th, 2007), – SARL Denis (since June 14th, 2007), – SARL Ernst (since June 13th, 2007), – SARL Nikad (since June 13th, 2007), – SCI Saint Genis Industries (since June 18th, 2007), – SNC Arnas (since June 18th, 2007), – SNC Joba (since June 18th, 2007), – SCI les Grands Bouessays (since June 18th, 2007), – SCI Val Notre Dame (since June 13th, 2007)	14/16, rue des Capucines – 75002 Paris

Director surname and first name	Age	Office within the Company	Term of office	Other offices outside of the Company on the filing date for this reference document	Professional address
				• Liquidator of SARL Foncigef, (since December 19th, 2007) • Permanent representative of Geciter, Director of – Locare, – Compagnie Foncière de Gestion • Legal representative of GECINA (since February 15th, 2007), itself Chairman of the following SAS: – Tour H 15, – 23/29, rue de Châteaudun, – Aménagement Innovation et Construction (AIC), – Gec 3, – Gec 5, – Gec 6, – Gecilog, – Geciotel, – Parigest, – Fedim, – Geciter, – Investibail Transactions, – Le Pyramidion Courbevoie (since May 30th, 2007), – PB Îlot 1-4, – Sadia (since December 28th, 2007), – SPL, – Société Parisienne Immobilière d'Investissement 1, – Société Pairsienne Immobilière d'Investissement 2, – Société Parisienne Immobilière de la Place de la Madeleine, (since December 28th, 2007), – Union Immobilière et de Gestion (UIG) • Legal representative of GECINA (since February 15th, 2007), itself Manager of the following SCIs: – 5 boulevard Montmartre (since December 28th, 2007), – Immobilière Saint-Augustin-Marsollier (since December 28th, 2007), – Monttessuy 357 (since December 28th, 2007), – Paris Saint-Michel, – Immobilière du 55, rue d'Amsterdam (since December 28th, 2007), – 16 VE Investissement, – Beaugrenelle, – 77/81, Bd Saint-Germain • Legal representative of GECINA (since February 15th, 2007), itself Manager of SNC Michelet Levallois • Legal representative of GECINA, itself Deputy Chief Executive Officer of the following SAS: – Société Immobilière et Commerciale de Banville (since June 29th, 2007), – 1, quai M. Dassault Suresnes (since June 29th, 2007) • Legal representative of Gecimed, itself Manager of: – SCI Pierre Curie, – SCI de Bazincourt, – SCI Clairval	

Director surname and first name	Age	Office within the Company	Term of office	Other offices outside of the Company on the filing date for this reference document	Professional address
Joaquín Meseguer Torres	53	Director	Appointed at the General Meeting on June 29th, 2005 Term of office ending at the General Meeting convened to approve the accounts for 2007	• Member of the Executive Committee and Board of Directors of CAM • Member of the Board of Directors of: – Metrovacesa; – Gestión Financiera del Mediterráneo-Gesfinmed S.L; – Cam-Aegon Holding Financiero S.L; – Mediterráneo Vida S.A. de Seguros y Reaseguros; – Camge Financiera E.F.C. S.A; – Media Planning Levante S.L; – Compana Transmediterranea SA; – Concessia, Cartera de Gestion e Infraestructuras SA.	14-16, rue des Capucines – 75002 Paris
Santiago de Ybarra y Churruca	72	Director	Appointed at the General Meeting on May 23rd, 2006 Term of office ending at the General Meeting convened to approve the accounts for 2008	• Chairman of Grupo Vocento	14-16, rue des Capucines – 75002 Paris
Santiago Fernandez Valbuena	49	Director	Appointed at the General Meeting on June 29th, 2005 Term of office ending at the General Meeting convened to approve the accounts for 2007	• Chief Financial Officer and Chief Development Officer for the Telefonica Group. • Vice-Chairman of the Board of Directors of Metrovacesa and Chairman of the Appointments and Compensation Committee of Metrovacesa.	Distrio C Edificio Central, La Planta 3, Ronda de la communication, S/M 28050 Madrid, Spain
Metrovacesa		Director	Appointed at the General Meeting on May 23rd, 2006 Term of office ending at the General Meeting convened to approve the accounts for 2008		
Roman Sanahuja Pons	68	Vice-chairman	Appointed at the General Meeting on June 29th, 2005 Resigned on December 4th, 2007	• Chairman of the Sacresa Group (Spain). • Director of Metrovacesa.	AV Pearson n° 70 CP 08034 Barcelona, Spain
Javier Sanahuja Escofet	39	Director	Appointed at the General Meeting on June 29th, 2005 Resigned on December 4th, 2007	• Chief Finance and Administration Officer of Sacresa Terrenos Promocion. • Member of the Board of Directors of Metrovacesa.	14-16,rue des Capucines 75002 Paris

Director surname and first name	Age	Office within the Company	Term of office	Other offices outside of the Company on the filing date for this reference document	Professional address
Jaime Febrer Rovira	52	Director	Appointed at the General Meeting on June 19th, 2007 Resigned on December 13th, 2007	• Director, Chief Executive Officer and Founder of Construcciones Valencia Constitución SL (CVC). • Advisor for Acinelav Inversiones 2006, SL. • Managing Director and Chief Executive Officer of Nou Biourbanisme SA. • Director of: – Teos S.L; – Golf Castell del Moro S.L; – Bofilla Ressort S.L; – L'Horta Golf S.L; – Actuaciones Rusticas S.L; – Espacios Urbanos de Jijonas S.L; – L'Illa del Hydra S.L; – Comercio y Promociones Costa Blanca S.L; – Comercio Promociones Mar Azul S.L; – Promociones Denia 2002 S.L; – Edificio las Artes S.L; – Montemar la Nucia S.L; – Residencial Golf Orxeta S.L; – Amarres y Gestion S.L; – Costa Azahar Programas Immobiliarios S.L; – Denia Parc S.L; – L'Illa de Naxos; – Valges de L'Horta S.L; – Promover Valencia S.L; – Baldesur xxi S.L; – Jafre Gestion S.L. • Managing Director of: – Renova Energias Renovables de Levante S.L; – Desarrollos Urbanisticos de Nuevos Espacios S.L; – Spiros Residencial S.L; – Actuaciones Urbanisticas Valencianas al Mar S.L; – Programas Immobiliarios S.L; – Valencia al Norte S.L. • Member of Valencia's regional association for real estate and urban development agents. • Member of Club Encuentro Manuel Broseta. • Member of Rotary Club Valencia Centro. • Member of the Comunidad Valenciana environment foundation.	14-16, rue des Capucines – 75002 Paris

Mr. Javier Sanahuja Escofet is the son of Mr. Roman Sanahuja Pons.

Over the last five years, none of the Directors or corporate officers have been convicted of fraud, associated with a bankruptcy, sequestration or liquidation, incriminated or officially sanctioned, or forbidden from managing.

3.2 Summary of offices held in all companies over the last five years

The following table presents all of the companies within which members of the Company's Board of Directors have been members of an administrative, management or supervisory body or have been a general partner at any time over the last five years, with positions not still held on the filing date for this reference document (other than those held within the Group).

Director surname and first name	Other offices held in any company over the last five years and not still held on the filing date for this reference document (other than those held within the Group)
Joaquín Rivero Valcarce	Chairman of Bami Legal representative of Société des Immeubles de France, Chairman of Compagnie Foncière de Gestion, until December 11th, 2006 Chairman of the Board of Directors and Executive Committee of Metrovacesa (until December 4th, 2007) Chairman and Chief Executive Officer of Société des Immeubles de France (until December 2nd, 2007) Legal representative (until December 28th, 2007) of Société des Immeubles de France, Manager of the following Sociétés Civiles Immobilières: – Capucines, – Monttessuy 357, – Société Immobilière du 55, rue d'Amsterdam, – Immobilière du 5, boulevard Montmartre, – Immobilière Saint-Augustin Marsollier Legal representative (until December 28th, 2007) of Société des Immeubles de France, Chairman of the following SAS: – Société Parisienne Immobilière de la Place de la Madeleine, – Sadia
Françoise Monod	Director of Caixabank France
Predica, represented by Jean-Yves Hocher	Mr. Jean-Yves Hocher's offices: Chief Executive Officer of Caisse Régionale Charente Maritime Director of Calyon Permanent representative of CR Charente Maritime, Director of COFISA Director of Holding Eurocard Member of the Executive Committee of Santeffi Permanent representative of CR Charente Maritime, Director of Uni-Expansion Ouest Permanent representative of Predica, Director of CA Grands Crus
Victoria Soler Lujan	Director of Promociones Valencianas Provasa, SL, Mercado de Construcciones SA, Inmobiliaria Lasho SA, Promofein SL and Peñiscola Resort SL
Antonio Truan	Chief Executive Officer of Intercaixa Valores Permanent representative of Metrovacesa (until December 28th, 2007), Director of GECINA Deputy Chief Executive Officer supporting the Chairman of Metrovacesa (until December 31st, 2007) Director of Société des Immeubles de France (until December 28th, 2007) Permanent representative of GECINA, Director of Société Hôtel d'Albe (until July 25th, 2007) Director of Société des Immeubles de France (until December 28th, 2007)
Antonio Jeancourt-Galignari	Director of Société des Immeubles de France (until December 28th, 2007)
Michel Villate	Director of: – Bes Vida (Portugal) (until February 27th, 2007) – Wafa assurance (Morocco) – Apri Prévoyance

3.3 Management experience and expertise of Board members

Joaquín Rivero Valcarce

Founder of the construction company Riobra, partner in Edinco and Patron Inmobiliario, and shareholder in other real estate development firms in the United States, Costa Rica, Belgium, the Netherlands and Germany, developing over 25,000 housing units.

Since 1997, after becoming the majority shareholder in the real estate company Bami, he has focused on stock market takeovers, acquiring various regional companies. In just a few years, and with the acquisition of Zabalburu, Bami has grown to become Spain's fourth-largest listed real estate company.

In 2002, Mr. Rivero Valcarce also became Chairman of Metrovacesa, which, after its merger with Bami, is now Spain's leading real estate firm and one of the ten largest in Europe.

Mr. Rivero Valcarce's compensation package is described in Section 10.1.

Françoise Monod

Françoise Monod owns 400 GECINA shares at December 31st, 2007.

Françoise Monod received 69,000 euros for attendance allowances within the Group.

Patrick Arrosteguy

Patrick Arrosteguy graduated as an engineer from the Institut National des Sciences Appliquées in Lyons in 1976, specializing in civil engineering and town planning.

He began his career at Screg, and then worked with Autoroutes du Sud de la France.

After graduating with an MBA from HEC in 1982, he set up various companies in the real estate, tourism and healthcare sectors.

In 1996, he expanded his business activities to Spain, and is a director of several companies both there and in France.

Patrick Arrosteguy owns 500 GECINA shares at December 31st, 2007.

Patrick Arrosteguy received 117,000 euros for attendance allowances within the Group.

Bertrand de Feydeau

Bertrand de Feydeau owns 400 GECINA shares at December 31st, 2007.

Bertrand de Feydeau received 126,000 euros for attendance allowances within the Group.

Philippe Geslin

Philippe Geslin owns 400 GECINA shares at December 31st, 2007.

Philippe Geslin received 126,000 euros for attendance allowances within the Group.

Serafin Gonzalez Morcillo

Industrial engineer, graduate from the industrial engineering school.

He has participated in various buy-out operations: acquisition of Crédit y Docks from Banco Central Hispano in 1996 and sale in 1998, Iso lux from Banesto (2001), TSI Ingeniería de Imagen (1991), and Cualladó SA.

He was the founder and Managing Director of Bancoval (1990-1991). Chief Executive Officer of Caja de Ahorros de Cuenca y Ciudad Real (1986-1990). He set up the life insurance company Castima (1987). Chief Executive Officer of the stockbroker association (Aguilar Y Fernández Flores, 1986). Regional Manager of Caja de Zaragoza, Aragón y Rioja (now Ibercaja, 1982-1985).

Professor at Saragossa University's industrial engineering school.

Serafin Gonzalez Morcillo owns 400 GECINA shares at December 31st, 2007.

Serafin Gonzalez Morcillo received 98,000 euros (gross) for attendance allowances within the Group.

Michel Villatte

Michel Villatte owns 400 GECINA shares at December 31st, 2007.

Michel Villatte received 65,000 euros for attendance allowances within the Group.

Prédica – represented by Jean-Yves Hocher

Prédica owns 5,143,499 GECINA shares at December 31st, 2007.

Jean-Yves Hocher received 113,000 euros for attendance allowances within the Group.

Victoria Soler Lujan

Graduated in law from the University of Valencia.

Member of the Valencian College of Lawyers.

Over the last five years, she has served as a legal advisor with the following businesses:

- EUSA SA;
- EMVI SA;
- Filmofondo SA.

Victoria Soler Lujan owns 400 GECINA shares at December 31st, 2007.

Victoria Soler Lujan received 50,000 euros (gross) for attendance allowances within the Group.

Antoine Jeancourt-Galignani

Antoine Jeancourt-Galignani owns 11,363 GECINA shares at December 31st, 2007.

Antoine Jeancourt-Galignani received 50,000 euros for attendance allowances within the Group, including 10,000 euros for Société des Immeubles de France.

José Gracia Barba

Polytechnique industrial engineer and a graduate from Barcelona's industrial engineering school.

In line with his training, he began his career on technical services with Control y Aplicaciones SA and Empresa Nacional del Aluminio (Endasa), where he later held various management positions, becoming Head of Exports until his departure in 1987, setting up his own business for aluminum, stock market and metal trading activities.

Consultant on corporate operations and projects and investment stock market projects. He has been a Director at Fastibex, Bami and Zabalburu.

José Gracia Barba owns 400 GECINA shares at December 31st, 2007.

José Gracia Barba received 70,000 euros (gross) for attendance allowances within the Group.

Antonio Truan

Leading graduate in law from the University of Deusto (Bilbao, Spain), IESE PDG.

In 1998, he was Head of Supervision and Legal Affairs for the Bilbao stock exchange, a Director of Bilbao Plaza Financiera SAAV, and a member of the technical committee of Sibe, Renta Variable y Renta Fija (Sociedad de Bolsas Española, SA).

After developing his career within the Argentaria Group as Secretary General for the Investment Bank and Secretary of the Board of Directors of Banco de Negocios Argentaria SA, he served on the Board of Directors at Argentaria Valores (Avsa), Argentaria International Securities (USA), Astilleros Españoles, NCO Dealer (Portugal) and Aceria Compacta de Vizcaya (Spain).

He was Chief Executive Officer of Banco de Inversion (HyppoVereins Bank Group) and Chairman of Bl Capital AV.

He then served as Chief Executive Officer at Invercaixa Valores, within the La Caixa Group, for five years.

Mr. Truan's compensation package is described in detail in Section 10.1.

Joaquín Meseguer Torres

Graduated in Economic Sciences and Business Administration from Icade, Pontificial University of Comillas.

Mr. Joaquín Meseguer began his career as a customer account manager at Caja de Ahorros del Mediterraneo, where he built up his professional career, contributing to the bank's strong expansion, first in the Levante region and then in the rest of Spain.

In 1998, he was appointed Managing Director of Banco Sanpaolo, SAE.

He became Head of Resources in 1992, and then Regional Manager in Alicante in 1994. Since 2001, he has been Managing Director in charge of Retail Business.

Joaquín Meseguer Torres owns 400 GECINA shares at December 31st, 2007.

Joaquín Meseguer Torres received 20,000 euros (gross) for attendance allowances within the Group.

Santiago Fernandez Valbuena

Graduated in Economic Sciences from Complutense University, then took a PhD in Economics and Finance at Northeastern University in Boston.

A professor at Manchester Business School, the Institut de Empresa and Complutense University, he has been President of the Research and Training Commission at the Spanish Financial Analysts Institute and Head of Portfolio Management on the AFI course.

In the corporate world, he has been Head of Analysis and the Stock Market at Beta Capital, Chief Executive Officer of Société Générale Valores, Vice-Chairman and Managing Director of Fonditel, Chief Executive Officer of Telefonica Capital and Chief Finance Officer at Telefonica.

Santiago Fernandez Valbuena owns 400 GECINA shares at December 31st, 2007.

Santiago Fernandez Valbuena received 20,000 euros (gross) for attendance allowances within the Group.

Santiago de Ybarra y Churruca

Extraordinary academic excellence award in the University of Valladolid's baccalaureat examination. PhD in industrial engineering. University of Bilbao and Madrid.

He began his career in the copper industry at Secem (with French interest in Tréfimétaux). A few years later, he was appointed Chief Executive Officer of Oxígeno del Norte (Oxinorte), part of the multinational Air Liquide and Praxair groups.

In 1989, he was appointed Chairman of the multimedia group Grupo Correo de Communicación and Prensa Española (ABC), Vocento, where he has served as Chairman through to today (15 newspapers in Spain, two in Argentina, radio channels, press agencies, etc.).

He is currently part of or has previously served on the executive management teams or boards of various companies in the chemicals, communication and real estate sectors.

Other culture-related activities: former president of Hispania Nostra, board member at Europa Nostra, IPI (International Press Institute) and SIP (Inter American Press Association). Member of several patronage committees (Príncipe de Asturias, Guggenheim Museum in Bilbao, Fundación Nacional del Vidrio) and several cultural juries.

Santiago de Ybarra y Churruca owns 400 GECINA shares at December 31st, 2007.

Santiago de Ybarra y Churruca received 35,000 euros (gross) for attendance allowances within the Group.

Metrovacesa – represented by Antonio Truan until December 28th, 2007

Metrovacesa owns 16,809,610 GECINA shares at December 31st, 2007.

The offices held by Mr. Truan and the attendance allowances he has received are presented at the start of this section.

11. Sustainable Development

The sustainable development section's integration into the annual report for 2007 and its close links with the Risks section reflects, in relation to third parties, GECINA's commitment to make sustainable development a transversal focus underpinning its development strategy. On a strictly formal level, this integration avoids any unnecessary repetitions that would be required insofar as the sustainable development report would be based on generally recognized international frames of reference (such as the Global Reporting Initiative) and must necessarily comply with the legal obligations of the French new economic regulations (NRE) law and its implementing decree.

1. GECINA'S SUSTAINABLE DEVELOPMENT AMBITION: 2007, A DECISIVE YEAR

GECINA's commitment to sustainable development really dates back to 2002, when the risk function was set up. The creation of a Quality and Sustainable Development Committee, a specialized Board of Directors' committee, reflects the integration of these issues at the highest level of the Company.

Through successive efforts, the building blocks for the Group Sustainable Development policy have been put in place, supported by committed staff.

In light of the tightening up of environmental restrictions – technical inspection file, energy performance assessment, findings from the French environment roundtable (Grenelle de l'Environnement) and the work carried out by its Operational Committees – and the growing importance of climate change issues in the real estate sector as well as an increase in pressures from investors for sustainable real estate, 2007 was a decisive year for the Group's sustainable development policy.

2007, a year of convergence and progress for GECINA

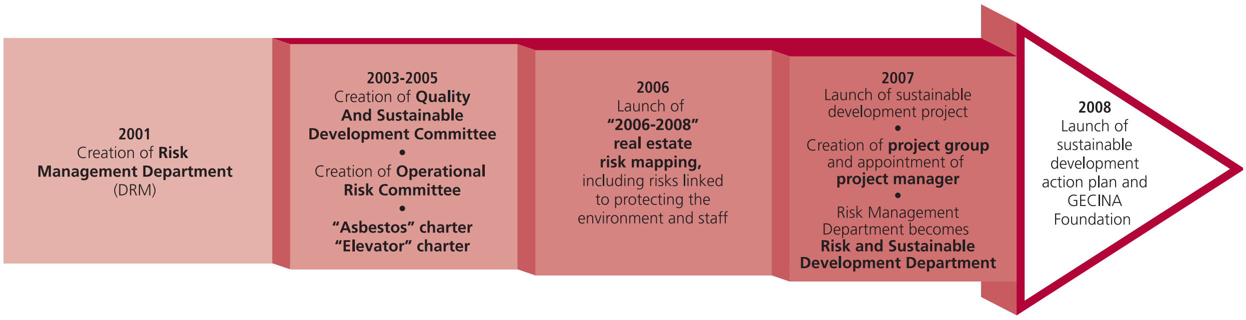
The highlights of 2007 were as follows:

1. the executive management team decided to ensure the consistency of the various actions relating to sustainable development through an action plan;
2. with the increase in the scope covered, the former Risk Management Department is now called the Risk and Sustainable Development Department;
3. a Sustainable Development project manager was appointed, tasked to organize and formalize the Group's sustainable development policy.

As proposed by the executive management team, the Board of Directors voted in October 2007 to validate the launch of an ambitious project for the Group's commitments in response to the sustainable development issues concerning its sectors, focusing on five key areas:

1. the fight against the effects of climate change (Bilan Carbone® carbon balance, water management, etc.);
2. responsible investment (by the end of 2008, the properties being invested in will need to offer a higher level of performance than average for GECINA's property holding);
3. responsible actions (guarantee the transparency of risks and sustainable development performance in relation to clients);
4. strong sustainable development commitments in relation to GECINA's main stakeholders;
5. lastly, the allocation of 1% of annual rental income for sustainable development and solidarity actions (through a GECINA foundation and "remarkable" sustainable development actions, implemented by GECINA's operational branches).

KEY DATES FOR SUSTAINABLE DEVELOPMENT AT GECINA



2. OUR KEY SUSTAINABLE DEVELOPMENT CHALLENGES

2.1. The major challenges facing the real estate sector

In terms of environmental impacts, the building sector accounts for over 45% of energy consumption, over 20% of greenhouse gas emissions, and over 40% of waste, with, all things being equal, 30% growth expected within the next 10 years.

In this way, the environmental footprint of buildings is unanimously recognized as a key issue for the sector. It is now accepted that the buildings of the future – near – will be "clean" positive energy production centers, with the core issue still concerning the sector's capacity to produce, on an industrial basis, "facilities at a socially acceptable cost".

These energy and climatic issues have been central to the Grenelle de l'Environnement, from which one of the key measures for new buildings has seen Factor 4 (50 kWh/sq.m/year) brought forward from 2015 to 2012. The 2005 thermal regulations, already rendered obsolete by the future 2012 thermal regulations, the energy performance assessment, which has been compulsory for real estate transactions since November 2006 and for rental transactions since July 1st, 2007, represent just some of the tools from the legislative arsenal put in place to reduce the sector's environmental impacts.

The building sector is scheduled to be integrated into the national CO_2 quota allocation plan very shortly. Real estate therefore lies at the heart of the "green revolution" announced by the Grenelle de l'Environnement, with a strong focus on rental property.

Looking beyond these issues, other environmental factors must also be taken into consideration: reduced water consumption, biodiversity, ground pollution, selection of "clean" materials, their means of transport and waste management (linked to the use of buildings, as well as construction sites), the fight against noise (biggest source of pollution according to people in the Greater Paris Region), etc.

As far as social impacts are concerned, compliance with the strictest security and safety standards represents a key issue for the sector, particularly with regard to outsourcing (notably on construction and redevelopment sites), the growing appeal of the sector's professions (including the greater prestige of the building superintendent profession) and, the suitability of training in relation to the requirements for environmental issues represent three key social challenges.

Lastly, the society-related issues of building accessibility (disability), social mix, quality transport, urban regeneration and the preservation of historical heritage are all taken into consideration by GECINA.

2.2 Ten keys to responsible real estate investment

The main findings from the UNEP (UN) real estate investment taskforce represent a first international frame of reference:
• Energy savings (energy efficiency, etc.).
• Environmental protection (safeguarding water resources, recycling waste, etc.).
• Voluntary certification (use of certified wood from sustainably managed forests, etc.).
• Developments facilitating and promoting use of public transport (functional mix, pedestrianized streets, etc.).
• Urban renovation and adaptability (modular interiors, extensions, etc.).
• Health and safety (site safety, first aid accessibility, etc.).
• Worker well-being (quality of air inside buildings, etc.).
• Corporate citizenship (adoption of voluntary codes of ethical conduct, involvement of stakeholders, etc.).
• Social equity and local development (public housing, fair labor practices, etc.).
• Local citizenship (minimizing impacts for local residents, quality architecture, local employment, etc.).

2.3 Real estate's specific sustainable development issues for GECINA

As an owner of rental properties, sustainable development lies at the heart of our activities, with assets acquired and managed in line with a long-term focus.

GECINA is convinced that the quality of its properties represents a major differentiating factor, particularly since the expectations being expressed today in terms of sustainable development performances are becoming widespread. GECINA's projects, primarily on office and logistics assets, are based on today's best standards in which the sustainable development approach is present at all times.

Sustainable development issues are at the forefront for the Group's management of its existing property holding, combined with the commitment to providing clients with quality services incorporating the objectives of comfort, safety and security.

Aware of the key issues and challenges for the sector, set against a growing focus on sustainable development aspects, and looking to respond to them by factoring in the specific features of its real estate business and property holding, GECINA has in this way chosen to invest even more on two levels for its entire portfolio:
1. Reductions in CO_2, a greenhouse gas, and energy consumption levels,
2. All the issues relating to accessibility (disability), since it profoundly modifies the person's relationship with the building and the community.

The importance of this commitment can clearly be seen on assets built before 1975.

3. HUMAN RESOURCES

3.1 The specific features linked to our businesses

With 686 members of staff, GECINA has a high number of managers, requiring a strategy to be put in place in order to build loyalty among the various teams. Furthermore, in light of the large number of building superintendents, who represent the first contacts for clients in relation to GECINA, it is necessary to promote criteria for excellence in this profession.

Breakdown of the Group's workforce by socio-professional category at December 31st, 2007

Category	Men	Women	Total
Managers	116	96	212
Supervisors	27	138	165
Administrative staff	23	27	50
Building staff and superintendents	107	152	259
TOTAL	273	413	686

Changes in the Group's workforce between December 31st, 2006 and December 31st, 2007

			PERMANENT CONTRACTS				FIXED-TERM CONTRACTS				
	Gender	Headcount at Dec 31, 2006	Arrivals	Departures	Promotions +	Promotions –	Arrivals	Departures	Promotions +	Promotions –	Headcount at Dec 31, 2007
Managers	H	107	18	9	1		3	4			116
	F	104	6	10			5	9			96
Supervisors	H	24	2		1	1	2	1			27
	F	132	4	6	5		13	10			138
Administrative staff	H	21		1		1	26	22			23
	F	34	2	4		5	30	30			27
Building staff and superintendents	H	115	6	17	1	1	175	172			107
	F	177	4	32			178	175			152
TOTAUX		714	42	79	8	8	432	423	0	0	686

The use of fixed-term contracts is essential in order to guarantee quality and continuity of service for building superintendents.

The Group guarantees the quality and continuity of services for its tenants. The high number of arrivals and departures on fixed-term contracts reflects the systematic replacement of building superintendents during any period of absence.

Our guiding values and principles

GECINA's employees represent an important element for our development and long-term viability thanks to their expertise, their innovation, their constant focus on our clients' needs, and lastly, their contribution to the Group's reputation.

The four main points from our human resources policy

1. Personalized approach for skills as a motivating factor;
2. Specific training efforts, focused on improving business and safety skills;
3. Integration of new talents;
4. Working conditions and security.

3.2 Our Human Resources policy four priorities

• Personalized approach for skills as a motivating factor

The key skills expected for each profession are defined with a view to offering appropriate career opportunities, combined with relevant training.

The internal mobility charter or the career management and classification agreement signed in September 2007 notably guarantee fair treatment for all members of staff looking to develop their careers.

The attentive monitoring of annual performance appraisals by the HR department is directly in line with the efforts made to guarantee effective career management while paying attention to employees' development goals.

• Specific training efforts

GECINA banks on training

In 2007, 2.18% of the payroll was set aside for the training plan, compared with a legal minimum of 0.9%.

In this way, 2007 saw a high level of professional training, with around 1,075 days training for 465 beneficiaries, representing close to two out of every three members of staff, with an average of two days training per trainee.

At the same time, GECINA is rolling out a dynamic individual training entitlement (DIF) policy, thanks notably to the creation of a "training entitlement catalog" this year, made available to all staff. The number of hours granted under the DIF system increased from 29 hours in 2006 to 605 hours in 2007.

Specific training efforts focused on improving "business" and safety skills

40% of the actions from the training plan concern "business" training programs, enabling employees to develop their skills and expertise in their sectors.

The recognition of the key role of our superintendents in relation to clients led to the launch of a targeted action in 2007, focused on "marketing apartments", with 94 people trained up on this action.

Ongoing moves to set up computer facilities in superintendent lodges, and GECINA's focus on safety (notably with preparations for our superintendents to be HO/BO electrical certified) also represented two of the key components for the 2007 training plan.

Type of training actions	Number of trainees
Computer facilities in lodges	48
Marketing of rental properties	94
Preparation for Ho/Bo electrical authorization	82
Occupational first aid and rescue + retraining on fire safety and assistance (SSIAP, Level 2)	4
TOTAL	228

• Integration of new talents

When it comes to recruitment, GECINA systematically looks into possibilities for internal transfers through an active HR management approach, as well as through communication on internal positions available for employees on the intranet. After employees have taken up their new roles, all in-house transfers are carefully monitored by the HR department.

In-house staff transfers within the GECINA group over 2007 reflect the dynamic career management policy implemented by the Group.

However, the development of new actions or projects requiring additional capabilities (new IT technologies, development of business lines, etc.), as well as the departure of certain members of staff with specific skills, have led to the use of external recruitments.

GECINA is incorporating more and more employees from all backgrounds thanks to a recruitment process that is founded on non-discrimination.

• Working conditions and security

The health and safety committee, in addition to its permanent members, includes six members representing staff: four administrative members and two members representing building staff.

An awareness campaign was carried out in 2007 for employees who were looking to stop smoking.

In addition, the assessment of professional risks for all staff has been incorporated into GECINA's risk mapping process.

Preventative actions are being rolled out based on the identification of risky operations for each workstation and their assessment in relation to target indicators for the frame of reference.

By the end of 2007, professional risk assessments had already been carried out and only six sites acquired at the end of 2007 still needed to be updated.

Accidents are monitored by the risk and sustainable development department. As relevant, any corrective or preventative actions that may be carried out are determined. For instance, a compulsory individual protection kit is provided to each building superintendent.

	2005	2006	2007
Number of occupational accidents	44 (including 11 travelling to and from work)	31 (including 11 travelling to and from work)	35 (including 7 travelling to and from work)
Number of accidents having resulted in a work stoppage	17 (including 4 travelling to and from work)	15 (including 2 travelling to and from work)	12 (including 1 travelling to and from work)

3.3 Employment

The developments and figures that follow represent systematic reporting elements in relation to the requirements of the new French economic regulations law.

STAFF DEPARTURES

	Gender	Resignation	L. 122-12 transfer	Economic redundancies	Other redundancies	Departure during permanent contract trial period	Fixed-term contract resignation	End of fixed-term contract	Departure during fixed-term contract period	Voluntary retirement and early retirement	Compulsory retirement and early retirement	Death
Managers	M	4			3			4			2	
	F	2		1	6			9			1	
Supervisors	M							1				
	F	3			2			10			1	
Administrative staff	M			1				22				
	F	2						30		2		
Building staff and	M	3	5		1			172		6		
superintendents	F	1	20	1	6			175		3	2	1
Subtotal		15	25	3	18	0	0	423	0	11	6	1
TOTAL		502										

The GECINA group worked with 29 temporary staff over 2007, four of whom were hired on permanent contracts.

Building staff transfers under Article L 122-12 Paragraph 1 of the French labor code were carried out in connection with the launch of a plan to sell off various buildings, with these members of staff transferred to the building syndicate or the new buyer.

3.4. Working time organization

	% work time	Number people at Dec 31, 2007
Executive managers	100%	12
Annual basis (hours)	100%	16
Annual basis (days)	80%	3
	90%	2
	100%	192
Superintendents (housed)	100%	208
Staff on variable timetables	Less than or equal to 50%	9
	Over 50 % to 80%	24
	Over 80 % to 99%	5
	100%	215
TOTAL		686

The agreement relating to work time and the organization of working time defines the various systems for organizing working time depending on staff categories. With the exception of executive managers not subject to working time regulations, management-status staff are, on account of their responsibilities and independence, subject to a day-based annual package. Certain management-status employees are however subject to variable working times.

Non-management staff are subject to either a collective variable timetable or an annual hourly-based system, when their assignments require them to frequently travel outside of the company's head office.

Based on an average of 35 hours over the year, the agreement sets a weekly variable working time of 37 hours and 30 minutes, giving an annual rate of 1,567 hours and 30 minutes, and an annual day-based formula of 207 days, with the allocation of days off in lieu (15 or 17 days depending on the working time formula adopted). Working time is checked based on an automated time management system, overseen by the management and the Human Resources Department.

In 2007, the level of overtime worked represented a total of 2,057.38 hours.

BREAKDOWN OF THE VARIOUS REASONS FOR ADMINISTRATIVE AND BUILDING STAFF BEING ABSENT OVER 2007 (HOURS ABSENCE)

Reason	Administrative staff	Building staff	Total
Sick leave	3,422	3,054	6,476
Maternity and paternity leave	857	301	1,158
Leave due to work related accidents or accidents on way to or from work	170	406	576
Leave due to family events	400	101	501
Parental leave	423	21	444
Unpaid leave	309	106	415
Other leave	695	26	721
TOTAL	6,276	4,015	10,291

Days recorded for sick leave, maternity leave and leave in relation to work-related accidents or accidents traveling to or from work are expressed in calendar days, while those for other categories are given in weekdays for administrative staff and business days for building staff.

3.5. No restructuring, workforce cutting or job safeguard plans

Over the year, GECINA has not had to roll out any workforce reduction programs. The net employment balance comes out positive on all administrative staff, for all categories and permanent and fixed term contracts combined. The disposal plans launched on the residential and commercial property holdings have on the whole required additional resources, without any impact on the residual level of employment at this stage. The same will have been true for the numerous projects launched within the Group over the same period.

3.6 Group compensation policy

The Group's compensation policy is based on an annual budgetary process. As such, the overall capacity for pay rises is determined by the Group's ability to increase its wealth in at least an equivalent way. This framework is presented for information to the Board of Directors' Appointments and Compensation Committee every fall.

The general level of pay rises is negotiated with union representatives during the round of mandatory annual negotiations.

The population taken into account for calculating the average wage comprises staff on permanent contracts, including corporate officers, present from January 1st to December 31st, 2007 on a full-time basis over the year, factoring in the actual annual basic wage divided by 13 and excluding any commercial variables.

Average monthly wage in euros	Administrative staff	Building staff
Exercice 2007	3,531.82	1,685.16

29 people were promoted in 2007, representing 4.22% of the total workforce at December 31st, 2007.

Bonuses are awarded each year based on assessments of the individual results achieved, capped as a percentage of the gross salary, in line with each member of staff's level of responsibility.

BONUSES PAID IN 2007

Social security and tax expenses increased from 16.1 million euros in 2004 to 21.6 million euros in 2005 and 15.7 million euros in 2006 and 18.2 million euros in 2007.

Data in euros	Administrative staff	Building staff	Group
Amount of bonuses paid	2,363,200	100,171	2,463,371
Payroll	22,683,457	6,182,640	28,866,097
% of payroll	10.42%	1.62%	8.53%

3.7 Social cohesion plan

At December 31st, 2007, staff from GECINA group companies held 131,884 GECINA shares directly and 50,113 indirectly under the company mutual fund (FCPE GECINA Actionnariat), representing a combined total of 0.21% of the capital.

In terms of economic and social unity, a mandatory profit-sharing agreement and voluntary performance-related bonus agreement have been put in place. A special profit-sharing reserve is calculated for each one of the Group's companies and pooled for all staff. Performance-related bonuses are calculated after deducting the special profit-sharing reserve.

A Group savings scheme may be used to invest the savings built up by staff, based on three diversified mutual funds (monetary, balanced and European equities) and a mutual fund based on the company's shares: indeed, a new equity issue reserved for the company's staff is carried out each year when performance-related bonuses are paid out. Employees are entitled to a 20% discount calculated based on the average share price for the 20 days trading preceding the Board of Directors' decision setting the subscription start date for members of the Group savings scheme.

On October 23rd, 2007, the Board of Directors awarded 18,610 bonus shares to Group staff. These shares will be definitively vested after the end of a two-year period following the allocation date. Beneficiaries will be able to convert these shares to the bearer system or transfer ownership of them after the end of a two-year period following their vesting date.

The following tables present the amounts paid by GECINA to its staff in 2007 under the profit-sharing and performance-related bonus systems, as well as the amount of the company contribution for staff in 2007.

In euros	Gross amount paid in 2007	Payroll in 2006	% in relation to payroll
2006 performance-related bonus	2,678,220	26,782,197	10.00%
2006 exceptional performance-related bonus	1,402,438	26,782,197	5.24%
TOTAL	4,080,658	26,782,197	15.24%

Total Company contribution in 2007 for the Group savings scheme and collective pension savings scheme	Amount in euros
Administrative staff	728,297
Building staff	315,255
TOTAL	1,043,552

3.8. Gender equality in the workplace

60% of the GECINA group's employees are women, and 40% men, with the following breakdown in the Group's female staff:

		Administrative staff	Building staff
Number of women hired in 2007	Permanent contract	12	4
	Fixed-term contract	48	178

Managers (permanent + fixed-term)	Number of women	% of total headcount
2005	91	46.67%
TOTAL FOR 2005	195	
2006	104	49.29%
TOTAL FOR 2006	211	
2007	96	45.28%
TOTAL FOR 2007	212	

3.9 Labor relations, review of collective agreements and social cohesion policy

On June 30th, 2003, the GECINA group concluded a collective agreement relating to labor relations and staff representation, setting up an economic and social unit covering all Group company staff. Under this economic and social unit, the collective agreements in force are as follows:

- agreement relative to the status of administrative staff;
- agreement relative to the status of building staff;
- agreement relative to profit-sharing;
- agreement relative to the performance-related bonus scheme;
- agreement relative to the Group savings scheme;
- agreement relative to the collective pension savings scheme (PERCO);
- agreement relative to the organization and duration of working time;
- agreement relative to supplementary pension systems;
- agreement relative to supplementary benefits;
- agreement relative to labor relations and staff representation within the GECINA group;
- agreement relative to security duty hours;
- agreement relative to the performance-related bonus supplement for 2006;
- agreement relative to the Separation Agreement of Metrovacesa-GECINA;
- agreement relative to the extension of the scope for GECINA's economic and social unit;
- agreement relative to free time for building staff;
- agreement relative to career management and classifications for administrative staff.

3.10 Employment and integration of disabled workers

The Group has eight disabled employees.

In connection with its recruitment, the Human Resources department is committed to promoting the employment of disabled workers, both directly by listing its job offers on specialized sites such as Agefiph, and indirectly by promoting this practice among its service providers (recruitment firms, temping agencies, etc.). In light of the difficulties in this area, in order to succeed with the specialized recruitment of disabled staff, the HR departments of many leading companies have set up dedicated functions focusing on this mission.

3.11 Social programs

In line with the interests of both the business and its staff, the Group's management team has always been committed to developing quality dialog and a genuine social policy, as reflected in the company agreement aimed at facilitating labor relations and staff representation.

Each year, the Group sets aside 1.5% of its payroll for financing the budget for the economic and social unit works council's social program and operations. In 2007, the total works council budget came to 432,991 euros.

3.12 Outsourcing

GECINA works with various types of subcontractors, notably for security guard services, as well as in the building sector for refurbishing properties.

Aware of the fact that these sectors represent risks from a social perspective, the GECINA group incorporates this aspect into the referencing of its suppliers. The creation of a supplier account notably includes a certificate confirming that the work will be carried out with properly employed staff. This procedure has been put in place in order to:
- eliminate or reduce the risk of them employing undeclared workers;
- verify the qualifications of businesses for the assignments that they are working on;
- guarantee their insurance cover;
- check administrative compliance for security firms;
- verify that their quality of service is recognized by the insurers.

More specifically, for the use of subcontractors for work carried out on the property holding, the set of administrative clauses appended to all contracts explicitly indicates that the GECINA group is pursuing four main objectives through its subcontractors.
- offering building users premises that are modern, rational in terms of their use and economical in terms of their operations;
- meeting deadlines for work so as not to delay users from taking possession of the premises;
- completing work with a sufficient state of finishing in order to minimize, insofar as possible, any work required after delivery;
- promoting sustainable development, and more specifically:
  - protecting the environment: reducing pollutants, protecting natural resources and promoting renewable energies, limiting any disturbance caused by the work, making it possible to maintain operating conditions for the tenants in place under the best possible conditions;
  - safeguarding social ties: improving working conditions, fighting against exploitation and undeclared workers.

3.13 Retirement benefits

Retirement benefit commitments

Insurance policies are taken out to cover retirement benefit commitments resulting from the application of national wage bargaining agreements and company-level agreements.

The amount of such commitments is adjusted each year based on actuarial methods, notably factoring in the retirement age, mortality, seniority and turnover of staff.

An assumption is retained for the annual appreciation of salaries. Since such benefits are only paid at the time when staff effectively retire, they are discounted.

Supplementary pension commitments relative to certain employees and corporate officers

• Commitments to certain employees

In connection with the various external growth operations carried out since 1998, three supplementary defined benefit pension schemes, in place in three merged companies, have been taken on by GECINA. The schemes for Recogan, reserved for administrative staff who originally worked for Union Immobilière de France, Fonds intérieur de Retraite, reserved for administrative staff from Sefimeg, and AXA, reserved for all Simco employees, were respectively discontinued in 1998, 1986 and 2003. At December 31st, 2007, the number of beneficiaries for these schemes was as follows: 16, 55 and 127 respectively.

• Supplementary pension scheme for corporate officers

In 2001, a supplementary pension scheme was put in place with Cardif for corporate officers, supplementing the basic and existing supplementary systems (social security, ARRCO, AGIRC, etc). In this way, it enables corporate officers to acquire a pension equal to a certain percentage of their salary at the end of their career, depending on their number of years seniority within the Group and after deducting any other form of pension received. The total amount paid under the Cardif system may not exceed 20% of the reference salary, based on the average fixed and variable wage over the last 36 months preceding retirement. To be activated, beneficiaries for this system must (i) have spent at least five years as a corporate officer for GECINA or other companies covered by the Cardiff system, (ii) have reached the age of 60 by the time they leave the company, and (iii) be in a position to cash in their pensions under the general system.

In this way, a corporate officer with at least 10 years seniority within the Group on retirement is entitled to the difference between 60% of their reference compensation on the one hand, and the external pensions systems on the other.

A corporate officer with a level of seniority greater than or equal to five years, but lower than 10 years on retirement, is entitled to the difference between 50% of the reference compensation package on the one hand, and the external pensions systems on the other.

At December 31st, 2007, two corporate officers were covered by this scheme.

3.14 Agreement for employee profit-sharing in the issuer's capital

Profit-sharing agreement

A profit sharing agreement has been put in place with the various companies making up the Group's economic and social unit.

The calculation method used in this agreement is identical to that provided for under the French labor code.

Performance-related bonus agreement

Since the previous performance-related bonus agreement ended on December 31st, 2006, a new performance-related bonus agreement has been set up for the Group's economic and social unit, effective January 1st, 2007, for a three-year period, covering 2007, 2008 and 2009.

Performance is evaluated in relation to the change in consolidated pre-tax current cash flow excluding capital gains or losses on disposals. The overall performance-related bonus budget is capped at 10% of total gross payroll (annual HR data filings) for the Group's economic and social unit, after deducting profit-sharing as defined in the previous paragraph.

Stock options and warrants

The Company has set up various stock option and warrant schemes that are reserved for the managers or employees of the Company and related companies as per Article L. 225-180 of the French commercial code. Some of the Group's employees and corporate officers have been awarded stock options or bonus shares under the stock option or warrant schemes put in place by GECINA and the bonus share allocation scheme adopted by GECINA's Board of Directors on December 13th, 2007.

THE FOLLOWING TABLE PRESENTS THE NUMBER AND MAIN CHARACTERISTICS OF THE STOCK OPTIONS AWARDED BY GECINA TO ITS STAFF BETWEEN 2000 AND 2007:

Date of General Meeting	June 07, 2000 (1) (2)	June 07, 2000 (1) (2)	June 06, 2001	June 06, 2001	June 06, 2001	June 05, 2002 (1)	June 06, 2001	June 02, 2004	June 02, 2004	June 02, 2004	June 19, 2007
Date of Board of Directors' meeting	Sept 27, 2000	Sept 26, 2001	June 06, 2001	Sept 26, 2001	June 05, 2002	Sept 25, 2002	Nov 25, 2003	Oct 12, 2004	March 14, 2006	Dec 12, 2006	Dec 13, 2007
Start date for exercising options	Sept 27, 2000	Sept 26, 2001	June 06, 2001	Sept 26, 2001	June 05, 2002	Sept 25, 2002	Nov 25, 2003	Oct 12, 2004	March 14, 2006	Dec 12, 2006	Dec 13, 2007
End date	Sept 27, 2010	Sept 26, 2011	June 05, 2009	Sept 25, 2009	June 04, 2010	Sept 25, 2012	Nov 24, 2011	Oct 11, 2014	March 15, 2016	Dec 13, 2016	Dec 14, 2017
Number of options awarded	127,356	128,266	55,591	47,501	123,329	162,822	275,974	313,000	237,000	261,500	221,500
Of which, number of options awarded to corporate officers	54,580	47,302	0	40,426	48,520	54,574	60,650	66,000	54,000	58,000	60,000
Of which, number of options awarded to the 10 main salaried beneficiaries	72,776	77,324	55,591	7,075	74,809	99,148	127,368	141,500	132,000	156,000	110,500
Subscription or purchase price (euros)	40.13	39.16	47.87	46.99	47.20	44.28	51.82	64.92	102.64	108.80	109.51
Number of shares subscribed for or purchased to date	127,356	116,414	47,505	47,501	123,026	154,681	235,849	245,250	14,500	18,600	0
Of which, number of options awarded to corporate officers	54,580	38,651	0	40,426	48,520	54,574	60,650	53,000	0	0	0
Of which, number of options awarded to the 10 main salaried beneficiaries	72,776	74,123	47,505	7,075	74,506	91,007	97,363	106,500	14,500	18,000	0
Number of shares that may be exercised	0	11,852	8,086	0	303	8,141	40,125	67,750	222,500	242,900	221,500
Of which, number of options awarded to corporate officers	0	8,651	0	0	0	0	0	13,000	54,000	58,000	60,000
Of which, number of options awarded to the 10 main salaried beneficiaries	0	3,201	8,086	0	303	8,141	30,005	35,000	118,000	138,000	110,500

(1) In connection with the transfer of commitments relating to stock options and warrants granted by Simco.
(2) Stock warrant schemes.

Stock options and free allocations

At the Board meeting on October 23rd, 2007, the Directors voted to award 26 bonus shares to all managers and members of staff with less than 10 years seniority on the allocation date and 30 bonus shares for other staff. Under the scheme regulations, the vesting period for the bonus shares is set for two years as of GECINA's Board meeting when Directors decided to award such shares.

At the end of a two-year period following the Board meeting when GECINA's Directors decided to award such shares, the beneficiaries will own the bonus shares that have been freely awarded to them and will have full shareholder rights. However, they will not be able to sell off their bonus shares for a two-year period as of their vesting date.

As authorized under the 17th resolution from GECINA's Ordinary General Meeting on June 19th, 2007, GECINA's Board of Directors adopted the regulations for GECINA's bonus share scheme on December 13th, 2007. This scheme makes it possible to award bonus GECINA shares to designated beneficiaries chosen from among the employees and corporate officers concerned most directly by the GECINA group's development, for up to 3% of the share capital.

The vesting period for bonus shares has been set under the scheme regulations for two years as of the Board meeting when GECINA's Directors decided to award such shares (i) provided that the beneficiary still has an employment contract or corporate office with a GECINA group company on this date, (ii) for 50% of the bonus shares awarded to each beneficiary, subject to compliance with a performance criterion linked to the performance of GECINA's share compared with a given index, and (iii) for 50% of the bonus shares awarded to each beneficiary, subject to compliance with performance criteria linked to changes in GECINA's consolidated income from ordinary operations.

At the end of a two-year period following the Board meeting when GECINA's Directors decided to award such shares, and subject to compliance with the abovementioned conditions, the beneficiaries will own the bonus shares awarded to them and will have full shareholder rights. However, they will not be able to sell off their bonus shares for a two-year period as of their vesting date.

THE FOLLOWING TABLE PRESENTS THE NUMBER AND MAIN CHARACTERISTICS OF BONUS SHARES AWARDED UNDER THE ABOVEMENTIONED AUTHORIZATIONS:

	Free share allocations by GECINA	
Date of Board of Directors' meeting	October 23rd, 2007	December 13th, 2007
Start date for vesting period	October 23rd, 2007	December 13th, 2007
Vesting date	October 23rd, 2009	December 13th, 2009
Number of shares awarded	18,610	74,650
Of which, number of shares awarded to corporate officers	26	19,500
Of which, number of shares awarded to the 10 main salaried beneficiaries	232	35,600
Number of shares subscribed, purchased or cancelled	454	0
Of which, number of shares subscribed, purchased or cancelled by corporate officers	0	0
Of which, number of shares subscribed, purchased or cancelled by the 10 main salaried beneficiaries	0	0
Number of shares that may be awarded	18,156	74,650
Of which, number of shares that may be awarded to corporate officers	26	19,500
Of which, number of shares that may be awarded to the 10 main salaried beneficiaries	232	35,600

10 non-executive beneficiaries having received the most stock options or warrants over 2007

Information concerning the 10 non-executive beneficiaries who received the most stock options or warrants over 2007 is given in the tables presented in the sections above.

The GECINA options exercised by the 10 Group employees who exercised the most options over 2007 can be broken down as follows:

Plan	Option exercise price	Number of options exercised in 2007
Ex-Simco 2000 stock warrants	40.13 euros	3,565
Ex-Simco 2001 stock warrants	39.16 euros	17,254
June 6th, 2001 stock options	44.28 euros	28,234
2002 stock options	47.20 euros	2,759
June 5th, 2002 stock options	51.82 euros	17,642
2004 stock options	64.92 euros	1,500
TOTAL		70,954

4. ECONOMY AND CLIENT RELATIONS

GECINA aims to provide quality services and comfort for its clients across its entire property holding (residential, office, hotel, healthcare and logistics). In this way, GECINA is constantly focused on meeting the expectations of its individual and corporate clients and ensuring their satisfaction.

Anticipating expectations through targeted marketing

GECINA's objective is to better understand its clients' expectations and adapt its operations accordingly.

More specifically, with its individual clients, GECINA has carried out a consultation process with groups of tenants in order to guide the marketing of its products and services.

GECINA is designing and renovating its property holding in order to adapt as effectively as possible to the requirements of its clients' employees. For instance, the Crystalys building, completed in 2006, the Défense Ouest building, delivered in 2007, and the Ile Seguin-Rives de Seine projects are all in line with this focus on client and user satisfaction, providing a pleasant working and living environment.

Accompanying clients when they move in and throughout their rental

GECINA is committed to welcoming its clients under the best possible conditions, for instance providing welcome handbooks tailored to the various clients and the managers in charge of facilities for tenant companies.

Furthermore, GECINA guarantees the continuity of its services for clients thanks to the building superintendents and follow-up by the portfolio management teams. For example, GECINA has adopted a "service provider" policy, notably including a commitment for a target elevator availability rate of over 99% (unavailability includes elevator downtimes for all maintenance operations and breakdowns, with the exception of comprehensive renovation work on facilities). Furthermore, during extended stoppages on elevators in residential buildings, a range of assistance services are provided for tenants: carrying shopping, mail, help for the elderly, etc.

GECINA has also put in place a new procedure for exchanging apartments within a given building under preferential financial conditions in order to adapt the supply of apartments to changes in their requirements.

For commercial properties, client expectations are monitored on a case-by-case basis with the tenant companies.

In order to guarantee transparency, GECINA provides tenants with access to the asbestos assessment reports for their buildings on the internet, and is gradually rolling out more information for them concerning their buildings, going further than required under the regulations in force.

Measuring client satisfaction, the barometer for proximity management

For the fourth year in a row, the Residential Operational Division has been committed to its quality approach, notably carrying out satisfaction surveys. The latest survey was carried out at the end of 2006 on 36 of its buildings, focusing on the following areas: the building and its environment, communal areas, apartments, work and relations with GECINA. Looking to further strengthen the obvious interest of tenants in this type of approach (rate of return of around 78%), and consolidate the client relationship with a focus on transparency and reciprocity, GECINA sends each one of the people concerned a summary review of the findings.

Feedback in the questionnaires reveals a good level of satisfaction: in certain properties, around 98% of tenants said that they would like to stay within GECINA's property holding if they were to change apartments, while around 96% would be willing to recommend renting a GECINA apartment to their friends and families.

The major investments launched on the building superintendent profession (deployment of computer facilities in lodges in 2006) also seem to be paying off, with more than 90% of tenants praising the superintendent's role as a "dedicated contact", as well as their welcome and willingness to listen, which are essential for quality relations.

5. CONSOLIDATING OUR ENVIRONMENTAL POLICY AND ACTIONS

5.1. Global environment management

GECINA's businesses faced with their environmental issues

GECINA aims to be a sustainable partner for its investors and its clients.

As a building owner and real estate professional, the Group is also committed to respecting the environment throughout the three main stages in asset life cycles (acquisition/renovation, management, sale), in line with its possibilities for action and the specific features linked to the various types of properties.

In this way, GECINA has launched various initiatives aimed at better environmental protection, which the Group has tied in closely with its risk management, covering not only new development projects when GECINA is the project manager, but also existing properties.

TEAMS TRAINED UP AND MADE AWARE

In connection with its reviews looking into the integration of sustainable development criteria into its businesses, various actions have been launched to raise awareness and inform staff. In this way, staff from the Commercial Real Estate Division were able to attend a presentation of the high-quality environment approach by external experts in December 2007. In addition, a review seminar was organized for all the members of the Residential Real Estate Division in order to look into ways to factor in environmental, social and community aspects more effectively for the Group's businesses, not only in terms of development, operations and renovation for the property holding, but also the team's general and day-to-day operations.

The fight against climate change, a key priority...

Faced with the scale of the stake, GECINA has made a commitment, over and above its regulatory constraints, to measure and reduce the impacts of its properties in these areas. The fight against climate change represents one of the five key areas for action in the sustainable development project launched by the executive management team in 2007.

Energy management is incorporated into the frame of reference for risks (see the section on risks) and is specifically tracked.

...in line with global approaches

While GECINA has already carried out a number of actions to improve energy performance on its properties, other environmental aspects are also being taken into consideration, notably as part of the high-quality environmental certification approach and processes for the development of new properties.

ENVIRONMENTAL MANAGEMENT FOR THE HEAD OFFICE

Managing energy consumption levels more effectively

GECINA is managing its own energy consumption levels and greenhouse gas emissions effectively, while maintaining a high-quality and welcoming working environment thanks to a centralized technical management system in order to optimize energy consumption, notably thanks to a system for automatically switching off lighting and IT terminals in the evening.

Modern means of communication are now making it easier to cut consumption levels for paper. For instance, leases and invoices are scanned so that they can be transferred in-house with a paper-free process.

In 2007, the destruction of obsolete paper archives by a paper reclamation and recycling company made it possible to recycle more than 7,000 boxes. In 2008, a system for sorting waste and recycling paper will be rolled out for the entire head office.

High-quality environmental certification objectives for new properties

OVERVIEW OF THE 14 TARGETS FOR THE HIGH-QUALITY ENVIRONMENTAL APPROACH

Effectively managing impacts on the outside environment

Eco-construction

1. Harmonious relationship for buildings with their immediate environment
2. Integrated selection of building products and techniques
3. Work sites with low nuisance levels

Eco-management

4. Energy management
5. Water management
6. Activity waste management
7. Upkeep and maintenance management

Creating a satisfactory internal environment

Comfort

8. Hygrothermal comfort
9. Acoustic comfort
10. Visual comfort
11. Odor comfort

Health

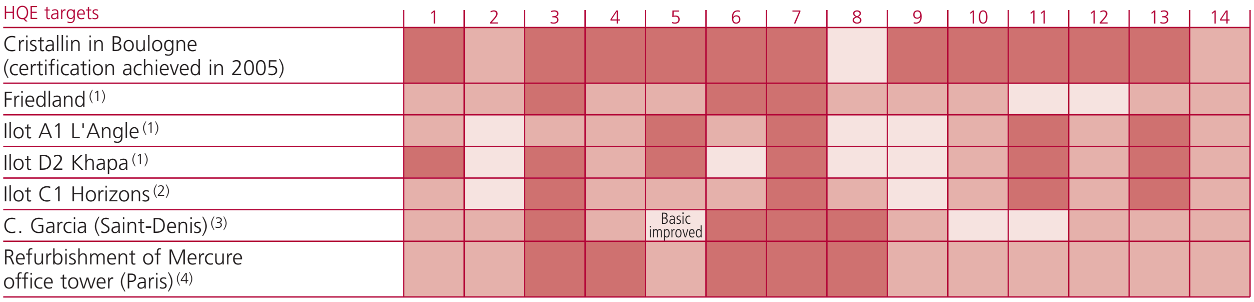
12. Health quality of facilities
13. Health quality of air
14. Health quality of water

HIGH-QUALITY ENVIRONMENT PERFORMANCE TARGETS FOR SIX PROPERTIES
MOST OF THE TARGETS ARE HIGHER THAN THE BASIC OBJECTIVES FOR THE HQE STANDARD

Basic (corresponding to the regulatory level or standard practices, if higher than the regulations)

Good (corresponding to performances going further than the regulatory level or standard practices)

Very good (corresponding to maximum performances recorded recently on high-quality environmental operations, while ensuring that they are still achievable)



(1) Currently being completed, the Program and Design phases have already been evaluated for "NF Commercial Buildings – HQE® approach" certification.

(2) Environmental profile planned for meeting the target for "NF Commercial Buildings – HQE® approach" certification, with only the Program phase having been evaluated.

(3) Environmental profile planned for meeting the target for dual "NF Commercial Buildings – HQE® approach" certification for offices (Certivéa) and "Habitat and Environment" certification for housing (Qualitel).

(4) Environmental profile planned for meeting the target for "NF Commercial Buildings – HQE® approach" certification.

All the construction projects launched for new buildings are now aiming to be high-quality environment certified. Offices accounted for the majority of GECINA's developments over 2007. The level of performance on the 14 targets is defined on a case-by-case basis with the experts. Six examples of projects whose minimum targets have already been defined in this way are presented below.

To understand the level of GECINA's commitment, it is important to note that high-quality environment certification can only be achieved once three targets have been rated as "very good", four targets as "good" and the last seven targets as "basic".

On operations carried out by GECINA, an average of 12 targets are rated "good" or "very good". The target levels and the levels achieved for the following projects are considerably higher than usual standards.

BUILDINGS AIMING FOR HQE® CERTIFICATION

	Delivery
Le Cristallin in Boulogne (certification achieved in 2005)	2006
Tour Mercure in Paris 75015	2010
34, avenue de Friedland, Paris 75008	2009
96, avenue Charles-de-Gaulle, Neuilly	2009
Saint-Denis (CPI Kaufman & Broad)	2009
A1 l'Angle in Boulogne (CPI Hines)	2008
D2 Khapa in Boulogne (CPI Hines)	2008
B3 Anthos in Boulogne (CPI Hines)	2009
C1 Horizons in Boulogne (CPI Hines)	2010

The projects underway for four logistics parks (Lille, Moussy-le-Neuf, Sablé-sur-Sarthe and Reims) are also being looked into in line with an environmental quality approach for this type of asset, which the GECINA group is actively involved in drawing up as part of the French logistics real estate association (AFILOG) risk and sustainable development commissions. In this way, GECINA wants its projects to set the standard in this field. GECINA, through its 40-hectare Logistiparc Nord de Lauwin-Planque facility, with delivery schedule for mid-2009, has therefore been chosen as a pilot operation with a view to rolling out the future high-quality environment certification process for logistics buildings in conjunction with CERTIVEA.

Renovation projects incorporating environmental quality criteria

Looking beyond the objectives for compliance with the regulations in force, the Group's refurbishments and renovations of its office and residential properties factor in these various environmental criteria, notably guided by the different targets for the HQE approach.

GECINA is focusing more particularly on water management and health issues. They have also been incorporated into the frame of reference for mapping out risks (see the information on health risks in the dedicated risk section).

Since it operates its property holding directly, GECINA is able to benefit from and act directly on its investments in order to get properties built or renovated while facilitating their optimum and effective maintenance and upkeep.

GECINA, alongside its actions on the design and renovation of the buildings themselves, has incorporated environmental protection objectives into its relations with its service providers. In its specifications, the Group therefore requires a reduction in pollutants, as well as the protection of natural resources and the promotion of renewable energies.

Furthermore, each pilot action is intended to enable GECINA to distribute best practices throughout its existing property holding as well as its various assets that are under development.

5.2 GECINA's key environmental impacts and issues linked to its property holding

Greenhouse gas emission and energy issues: a priority for GECINA

Energy management for GECINA's real estate portfolio

In line with the risk mapping process, a frame of reference has been "mapped out" for more effective control over the property holding's energy management. The approach defined by the Operational Risk Committee (see information on risks) is designed to better determine the energy performance levels of buildings and their facilities, in order to control the corresponding spending and be able to commit to clients on levels of consumption and costs.

GECINA has rolled out an "energy policy" in order to guide and monitor decisions relating to the various businesses and services within the Group.

First energy performance reviews for buildings

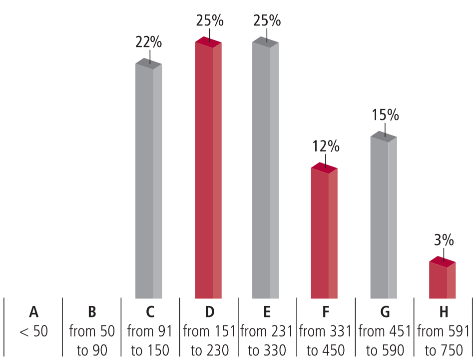
Close to 13,000 energy performance reviews were carried out in 2006 and 2007 for apartments in GECINA's portfolio, as well as around 60 office buildings in order to comply with the new regulations in force. These reviews have made it possible to confirm a correlation between the economic cost of consumption levels per sq.m in energy and the level of greenhouse gas emissions. In this way, this analysis shows that the most polluting heating systems are also the most expensive. Sustainable development comes into its own here, reconciling the interests of all stakeholders, and more specifically the owners and their tenants.

The following charts present a breakdown of energy consumption by "energy" category for assets in GECINA's portfolio, based on findings from the energy performance reviews carried out for these units

ENERGY CONSUMPTION (KWhep/sq.m/year AND % OF THE SELECTION)

Office sector

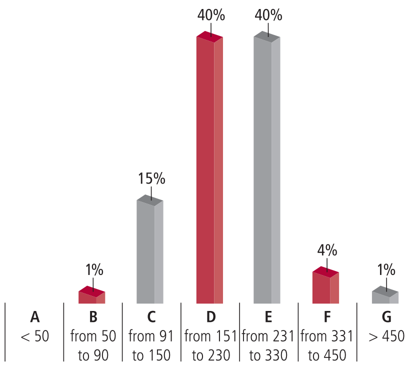
(Property holding of
Commercial real estate division)



The results are given for a selection of 33 buildings.

Residential sector

(Property holding of
Residential real estate division)



The results are given for the 134 assets making up the Residential real estate division

This indicator, used for environmental communications (energy performance reviews, RT/RT, etc.), is representative of the energy cost for the community.

Moving from one criterion to another makes it possible to obtain further indicators, and more specifically an indicator that is more representative of the energy bill for GECINA and its clients.

Systematically integrating energy performance into the Group's arbitrages (acquisition, development, renovation, maintenance)

The GECINA group wants to go further with its knowledge of energy performance levels on its assets. Within this framework, an "energy manager" has been recruited and is working to support the operational divisions for arbitrage with choices for work carried out on the property holding.

Energy performance targets are already incorporated into construction and renovation projects:

- A renovation operation, completed in 2007, on the Pont de Sèvres building in Boulogne-Billancourt has made it possible to obtain energy savings certificates, evaluated at 22,600 MWh (discounted aggregate).
- A construction project is going to be launched in 2008 in a building on Rue Thiphaine in Paris (75015) with an equivalent very high energy performance target, representing a level of conventional energy consumption that is 20% lower than the benchmark consumption level under the regulations.

In general, all of the work carried out by GECINA, both on its development activities, when it has control over them, and on its analyses looking into the refurbishment or renovation of its portfolio, incorporates reviews aimed at improving energy performance levels.

The targets for energy performance levels and the limitation of greenhouse gas emissions are reflected in various types of actions for building and renovating assets:

1 – WINTER AND SUMMER COMFORT: A DECISIVE FACTOR FOR GECINA

Heating and air conditioning represent two of the main sources of energy consumption in buildings. The system selected has variable impacts in terms of greenhouse gas emissions.
For instance, air conditioning is behind emissions of HFCs, the second most widely emitted greenhouse gas in the building sector after CO_2.
Limiting these consumption levels and greenhouse gas emissions represents one of the challenges that GECINA is rising to.

Property holding under development

– Centralized technical management systems are installed in office buildings, making it possible to optimize energy consumption.
– In this way, the Rue Simon Fryd project in Lyons is incorporating bioclimatic design targets by optimizing which way the site faces and including solar protection facilities.
– Two of the office buildings for the Made for People project have planned to fit external blinds and use vegetation in order to limit cooling requirements.

Existing property holding (under management)

– Work to overhaul the boilers continued in 2007.
– In this way, fuel oil-based boilers are systematically being replaced in residential buildings.
– On the Boulogne Pont de Sèvres building, which was renovated in 2007, two heating oil-based boilers were therefore replaced with low-temperature natural-gas boilers, providing heating and domestic hot water for 423 apartments.
– The fuel oil heating system for an office building was also replaced this year with an urban heating system (CPCU).
– GECINA also chose to change the boiler for a renovation project planned for 2008 in Paris’ 15th district.
– In order to limit levels of energy consumption, and notably electrical energy, the GECINA group issued a call for tenders in 2007 to change all of its convector heaters within the residential portfolio.

2 – BUILDING INSULATION

Effective insulation makes it possible to limit levels of energy consumption by reducing use of air conditioning or heating.

Property holding under development

– In 2007, an external insulation system was selected on several development projects (university residence and 80 apartments, Rue Simon Fryd in Lyons).
– Double glazing is systematically used on all new projects.
For logistics properties, GECINA is continuing with its objectives for suitable thermal insulation for warehouses in which heating, even at low temperatures (12°C), is required for the activity carried out.

Existing property holding (under management)

– External insulation work was carried out in 2007 in connection with programs to renovate the facades of residential properties.
– For renovation work on buildings, “traditional“ window frames are systematically being replaced with double-glazed windows.
– In 2008, this work will continue: greater insulation for terraces, external insulation, replacement of door and window frames and fitting of argon strip-based reinforced thermal insulation double glazing (already planned for the Rue Tiphaine building in Paris 75015).

3 – PRIORITY FOR LOW CONSUMPTION FACILITIES AND LIGHTING

GECINA Is giving priority to the use of energy-efficient equipment: low consumption lighting, presence detectors, etc.

Property holding under development

– This type of equipment is being fitted in the communal and private areas for all constructions of residential or office properties.
– For the logistics portfolio, GECINA is giving priority to natural lighting in working areas.

Existing property holding (under management)

– In 2007, for the residential and office portfolio, traditional lighting systems in communal areas have systematically been replaced during renovation or maintenance work with low consumption lighting systems.
– In connection with the planned renovation of two office platforms in 2008, representing 2,300 sq.m in Paris 75015, low-consumption lighting has been selected.

4 – USE OF ALTERNATIVE ENERGIES: ACTIONS PLANNED

GECINA is attentive to technological developments that enable these new technologies to be used more widely, such as the use of geothermal power and photovoltaic panels.

Property holding under development

– The Rue Simon Fryd project in Lyons is incorporating roof-mounted solar panels for domestic hot water.
– Solar energy will also be used for preheating water for the kitchens in the "L'angle" office building in Boulogne – Ile Seguin.

Existing property holding (under management)

Various reviews are looking into the possibility of incorporating photovoltaic panels on existing assets through a targeted approach (roofs for logistics platforms, with their surface area allowing such panels to be fitted, etc.)

Water management: facilities that are safe, efficient and effective for people and their environment

Water resource and quality management represents an integral part of the risk management approach at GECINA, targeting respect for the environment, compliance with the regulations in force, guaranteed water quality at points of demand, transparency and effective control over the risks for the owner.

Water quality: three approaches for regulatory compliance on health risks

Water quality is regulated. Looking beyond its compliance objectives, GECINA anticipates changes in regulations.

- on lead, French regulations have set a maximum level of 25 µg/l of water at all points of demand since 2003, with this maximum limit to drop to 10 µg/L in 2013,
- in light of the increase in outbreaks of legionnaire's disease, new obligations can be expected, strengthening analysis systems over the years to come – for information on GECINA's actions in these areas, see the section on risks.
- lastly, regulations are strengthening obligations to ensure the technical and sanitary compliance of private facilities, notably with regard to the changeover to individual charges for water services.

Drinking water in all buildings is provided by the municipal water network and each site is connected up to the public wastewater treatment network.

In 2007, various preventative actions were carried out on GECINA's residential property holding following a water quality testing campaign, In order to anticipate obligations for 2013.

When renovating the private sections of its residential properties, GECINA gets any lead piping removed and in its specifications, forbids the use of lead and tin soldering on its networks.

Analyses were also carried out this year on the commercial property holding. A water quality risk was identified on only one building. This risk has been able to be ruled out thanks to a change of plumbing fixtures.

Water resources

GECINA cannot control its clients' consumption levels, but tries to provide them with the equipment needed in order to manage them effectively. To limit any impact on the biological balance and reduce water consumption levels, the Group:

- has put in place contracts for the upkeep of plumbing fixtures for its residential properties on a case-by-case basis. These represent collective contracts for each building, providing for an annual inspection of the various apartments, as well as the possibility for inspections on request. These inspections represent above all an opportunity to carry out maintenance work: changing washers and seals, fitting waste water economizers.
- is also promoting the introduction of individual water meters in existing properties and systematically incorporating them into new buildings. In light of the clear water savings achieved, the Group is looking into the possibility of ramping up this type of operation to cover its entire residential property holding.
- launched a campaign in 2007 to renew hot water counters, making it easier to monitor them remotely.
- is also monitoring water consumption levels for each building.
- on all major renovation work, is fitting a range of water-efficient systems (toilet flush + showerhead + aerator taps) in order to limit the risk of leaks and achieve water savings. This type of system is also being given priority on new builds.
- is planting species that consume low levels of water for ornaments in its gardens and setting up rainwater recovery systems. One of the Ile Seguin construction projects has plans for such a system for watering the garden areas.

Ensuring user comfort for optimum quality of service

GECINA is firmly focused on the comfort of tenants and users within its property holding. In this way, the Group seeks to limit any disturbances that might inconvenience its users as well as local residents. However, the Group's nuisances are relatively limited.

Sound nuisances

The noise generated by the GECINA group may be due to the running of combustion or air-conditioning facilities, the circulation of vehicles associated with its parking facilities, or the equipment and devices used for the upkeep of its parks, gardens and buildings.

- Systematically fitting double glazing when renovating buildings makes it possible to guarantee a better level of soundproofing In relation to the outside world.
- Within the Charrière Blanche residential building in Lyons, GECINA also set up a sound trap in the communal areas in 2007 with a view to limiting sound nuisances between the various apartments.
- The entire Défense Ouest office building, which was completed in 2007, has been fitted with soundproofing underlay and carpet.

The impacts of the logistics property holding are linked more to traffic, on account of the transport vehicles involved (noise and light). For instance, on the project that is underway to develop the Moussy-le-Neuf logistics platform, the choice was made by GECINA, the developers and the designers to move the access to the logistics area, despite the additional structures that this requires, and to keep lorry flows between the buildings in order to limit any inconvenience for local residents. This type of review is carried out on all new projects.

Odor nuisances

Olfactory emissions likely to come from the GECINA group's buildings may be linked to the storage of household waste, exhaust fumes from vehicles and building upkeep activities.

Air quality

The species planted for the various buildings in line with the Made for People project will all be non-allergenic species. The three planted levels on the Horizons building, which is part of this same project, also represent a natural filter against pollution.

Effective management of regulated environmental protection facilities (ICPE)

In light of the characteristics of its assets, GECINA had nearly 180 regulated environmental protection facilities in 2007, primarily including combustion facilities (fuel-oil/gas heating, power generators, cogeneration), fuel storage facilities (fuel oil tanks), refrigeration facilities (refrigeration units, air conditioning, cooling facilities based on water dispersion in air flows, independent water-based air-cooling systems, covered warehouses, etc.

Faced with the environmental, sanitary, legal and security risks associated with this type of facility, which is still necessary for the services provided, GECINA scrupulously complies with the regulations in force and monitors the quality of waste and discharges from regulated environment protection facilities (in the air, sewers, etc.).

For office and residential buildings, administrative filings with regional offices for industry, research and the environment (DRIRE) and the technical aspects of ICPE files are all compliant.

ICPE files linked to the acquisition or fitting of new facilities are systematically prepared and updated.

Regular maintenance of such facilities is entrusted to selected service providers and audits are planned for in GECINA's risk management approach in order to ensure the administrative and above all technical compliance of regulated environmental protection facilities.

For commercial properties with a single tenant, the ICPE filing and/or prefectoral authorization is in most cases the tenant's responsibility in relation to the authorities and third parties for the duration of their lease. Each year, the single tenant then sends GECINA a report on the compliance of the facilities concerned.

Lastly, controls to ensure the administrative and technical compliance of facilities that are the responsibility of the owner at logistics sites have been entrusted to external managers, over which GECINA exercises its normal control.

Landscape and urban integration for buildings and respect for surrounding ecosystems

In connection with its renovation work, GECINA seeks to effectively incorporate its construction sites into the city. This represents an even more important issue since more than 50% of GECINA's property holding is located in Paris and is therefore subject to regular facade renovation work as required by the city hall. In addition, some of the properties are listed as historical monuments. In this way, the partnership with the Musée du Luxembourg to "dress up" the museum's facades with the masterpieces from its exhibitions was continued over 2007. Furthermore, other buildings undergoing work are subject to various animations, with special lighting for the facades making it possible to improve the visual comfort for local residents.

In connection with development projects launched in 2007, GECINA has focused on the greater integration of logistics spaces through the aesthetics and design of the buildings, but above all the development of garden areas around these buildings. By selecting developments that are easy to upkeep for the site managers, landscaped parks are planned for all the projects that are underway in order to preserve a pleasant living environment for local residents.

- On the Lauwin-Planque Logistiparc Nord project, 20% of the site will be set aside for gardens, green areas and pond features. With a view to preserving and promoting the biological balance in the surrounding ecosystem, the logistics parks that are under development will all be covered by a specific rainwater treatment system in order to ensure that no runoff is polluted.
- In this way, an innovative water treatment system will be set up at the heart of the Moussy-le-Neuf site. This system enables the effective and natural treatment of hydrocarbon discharges using planted ponds set up on a gradual slope in order to filter the water.

Ground pollution cleanup for the development of a district

In light of its property holding, location and real estate activities, primarily on residential and commercial properties, GECINA is not faced any with significant ground pollution risk.

In order to make it possible for the La Buire joint development zone to be developed as residential and commercial space and in accordance with the regulations in force, GECINA, which is the majority co-developer on this operation and owns part of the plot, is getting any ground pollution cleaned up before transferring any land charges. The pollution cleanup work that began in 2005 will continue in 2008. It has carried out various excavation operations with inspections of search bases and walls, backfilled with clean soil. Changes in the water table will also be monitored for several years after the treatments for each block.

Waste processing: developing sorting in buildings

Domestic and office waste is collected by municipal trash collection services. The Group's buildings are adapted on a case-by-case basis in line with the selective waste sorting measures required by municipalities.

- For the residential property holding, a multi-year program will be launched in 2008 in order to close off the garbage shoots in buildings, notably for safety reasons (fire and accident risks for staff). This also aims to further strengthen sorting practices and systems, which are often still insufficient in buildings with garbage shoots. This program will of course be carried out with the approval of and in conjunction with tenant associations. GECINA is also providing tenants, when the infrastructures allow it, with access to sorting equipment, aiming to set up the selective sorting system in all of its buildings. The tenant handbook, which will be given out to new arrivals, incorporates a section to raise tenant awareness with explanations on this subject.
- For its commercial buildings, insofar as possible, GECINA provides its clients with access to the facilities required to sort their waste, and will be rolling out waste reclamation facilities in 2008.
  For Défense Ouest, a 58,000 sq.m office complex that can accommodate up to 4,350 people, delivery areas with specific sections have already been planned for in order to enable waste to be sorted and recyclable materials recovered. The reclamation potential for white paper represents 130 tons per year, based on full use of this complex.

6. COMMUNITY, SOLIDARITY AND CORPORATE CITIZENSHIP: GECINA CREATES ITS COMPANY FOUNDATION

GECINA's programs span a wide range of areas, from covers for buildings that are being renovated to its contributions to institutional "real estate" research groups, with many already clearly illustrating how a community approach can be developed based on the Group's real estate activity.

GECINA partnering with the Musée du Luxembourg

This partnership concerns protective tarpaulins for properties that are undergoing work and that often find a second use, as a medium for communicating on the museum's activities.

Community approach developed with a client focus

The strong ties that GECINA builds with its clients provide a suitable environment for the development of community practices. For instance, GECINA is making rooms available to leading associations in Lyons for the organization of their events, which have been a resounding success with tenants. As presented previously, the tenant assistance service for when elevators break down represents another example of this.

Other partnerships are based on the payment of an annual financial contribution to various organizations, such as UNICEF.

By making apartments available that meet the conditions required to set up mini-creches and making it possible to adapt the premises for this specific use, GECINA is combining family services and a community approach through a partnership with the Lyons social security office and the Rhône regional council.

Driving force for proposals

GECINA's community commitment may also be based on a business approach.

GECINA is an active member of AFILOG

Among other things, the French logistics real estate association aims to promote responsible behavior for the protection of people, goods, the environment and safety through its Sustainable Development and Risk Prevention committees.

GECINA is taking part in the Sustainable Development committee's work on means of transport in France and Europe and the progress that can be achieved with operations for logistics platforms.

GECINA is represented on various professional and non-professional bodies (FSIF, APOGEE, AGREPI, etc.).

GECINA and the French environment roundtable (Grenelle de l'Environnement)

Whether through working groups set up by the French federation for real estate companies (Fédération des Sociétés Immobilières et Foncières) representing the sector in the roundtable's Commercial and Retail Property group or its participation in the work carried out by the operational committee for the renovation of existing buildings, GECINA has actively participated in the Grenelle de l'Environnement's work.

Solidarity and corporate citizenship: GECINA creates its company foundation

The Group has decided to set aside 1% of rental income for "outstanding" solidarity and sustainable development actions (promoting environmental protection and accessibility for disabled people). Some of these resources will be distributed to a company foundation set up by GECINA.

Fondation d'entreprise gecina

This company foundation, launched in 2008, will represent a major focus for GECINA's community policy, making it possible to further strengthen or extend the Group's commitment.

Corporate citizenship, dovetailing with corporate social responsibility, also represents a key factor for motivating staff.

ARTICLES FROM THE IMPLEMENTING DECREE FOR ARTICLE 116 OF THE FRENCH NEW ECONOMIC REGULATIONS LAW (2001)

		Pages in the report
Art. 1-1.a	Total company headcount, including fixed-term contracts	161
	New hires, differentiating between fixed-term and non-fixed term contracts	161
	Possible recruitment difficulties	167
	Dismissals and their reasons	161
	Overtime	166
	External workforce	164
Art. 1-1.b	As relevant, information on workforce cutting or job safeguard plans, reclassifications, rehires and support measures	164
Art. 1-2	Organization of working time	163
	Working time for full-time staff	164
	Working time for part-time staff	163
	Absenteeism and reasons	164
Art. 1-3	Compensation	164
	Change in compensation	164
	Payroll taxes	165
	Application of the provisions of Section IV of Book IV of the French labor code (profit-sharing, performance-related bonuses and employee savings schemes)	168
	Gender equality in the workplace	166
Art. 1-4	Professional relations and review of collective agreements	166
Art. 1-5	Health and safety conditions	162
Art. 1-6	Training	162
Art. 1-7	Employment and integration of disabled workers	167
Art. 1-8	Social programs	167
Art. 1-9	Importance of outsourcing – methods under which the company promotes the provisions of fundamental ILO agreements with its subcontractors	167
	Company relations with integration associations, educational institutions, environment protection associations, consumer associations and associations for local populations	–
	Methods under which the company factors in the regional impact of its activities in terms of employment and regional development	NA
	Methods under which the company ensures that its subsidiaries comply with the provisions of fundamental ILO agreements	NA
	Methods under which the company's foreign subsidiaries factor in the impacts of their activities on regional development and local populations	NA
Art. 2-1	Consumption of water resources	177
	Consumption of raw materials	174
	Consumption of energy	174
	Measures taken to improve energy efficiency	175
	Use of renewable energies	176
	Ground use conditions	176
	Air, water and ground pollution	176
	Sound or odor nuisances	178
	Treatment of waste	179
Art. 2-2	Measures taken to limit the impacts on the biological balance, natural environments, animal species and protected plants	179
Art. 2-3	Evaluation of certification processes relating to the environment	173
Art. 2-4	Measures taken, as relevant, to ensure the company's compliance with the legislative and regulatory provisions in force in this respect	159
Art. 2-5	Spending to prevent the consequences of the company's activity on the environment	158

		Pages in the report
Art. 2-6	Existence of internal environment management services within the company	158
	Employee information and training	158
	Means for reducing environmental risks	158
	Organization put in place to deal with pollution accidents with consequences beyond the company's facilities	159
Art. 2-7	Amount of provisions and guarantees for risks in terms of the environment, unless this information is likely to cause serious damages to the company in connection with a current dispute	NA
Art. 2-8	Amount of damages paid over the year further to a judicial ruling concerning the environment and actions carried out as redress for the damages caused	NA
Art. 2-9	Information and objectives that the company sets for its foreign subsidiaries	NA

12. Information on risks

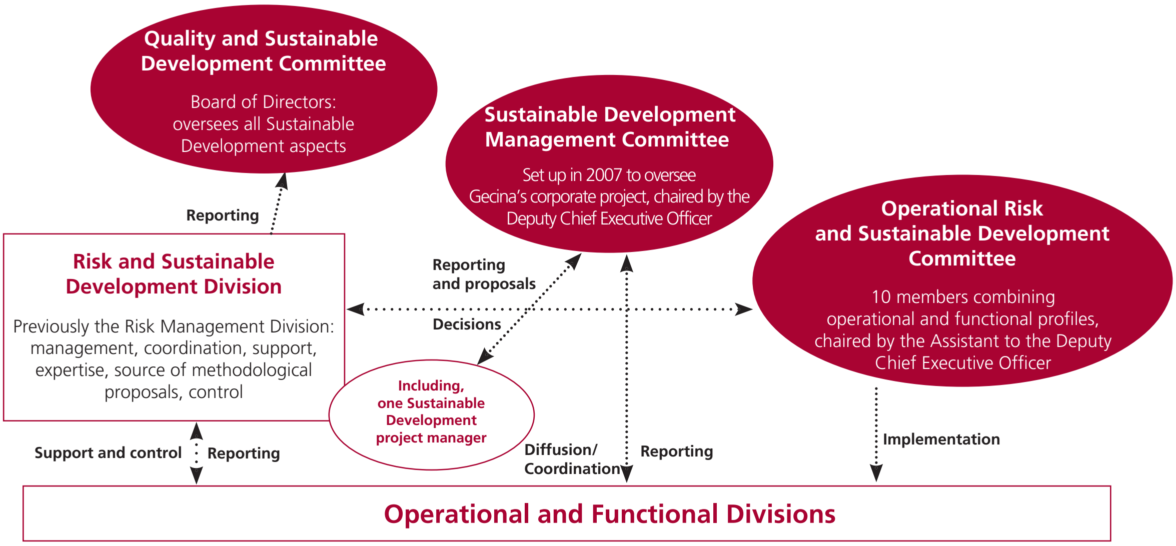
1. RISK EXPOSURE

GECINA is committed to implementing a targeted policy for preventing and managing its property holding risks.

1.1. Risk governance at GECINA

It comprises four levels of control for operational managers on the Board of Directors:
- Operational divisions
- Risk and Sustainable Development Division
- Operational Risk Committee
- Quality and Sustainable Development Committee, the Board of Directors' specialized committee.

THE INTERNAL SUSTAINABLE DEVELOPMENT ORGANIZATION IN 2008



Effective risk management for the operational divisions and asset management divisions

For GECINA, risk management represents an essential component for effective management.

Today, Operational Managers are able to count on a complete tool – risk mapping (see below) – and are supported by the Risk and Sustainable Development Division.

For the specific case of assets whose management can be entrusted to Property Managers, the contracts for the latter also provide for a mandatory level of control over the risks.

Risk and Sustainable Development Division

Created in 2001 as the Risk Management Department in order to oversee, coordinate and control the management of risks for GECINA's property holding, it is also responsible for managing insurance policies and claims.

In June 2007, the Department changed its name to become the Risk and Sustainable Development Division, reporting directly to the executive management team over the first six months of its ramp-up in its new responsibilities (cf. Sustainable Development section). By being connected to the highest level within the business, the aim is to facilitate the integration of sustainable development issues into the performance of its extended transversal mission.

More than a simple change of terminology, its new name reflects a new way of looking at risks and their management within GECINA.

Made up of five experts in 2007, The Risk and Sustainable Development Division provides support, defines the Group's risk management policy and reports on performance levels for the various risk control systems to the executive management team. As required, it provides information for the Board of Directors' Quality and Sustainable Development Committee.

In line with its role, the Risk and Sustainable Development Division launched the real estate risk mapping process in 2006.

Operational Risk Committee

The committee is made up of 10 members, combining operational and functional profiles, selected for their experience, their sensitivity and their commitment to managing risks.

Within the framework of the policy set out by the Risk and Sustainable Development Division, the Operational Risk Committee defines the risk management priorities and more specifically the acceptable levels of risks.

It analyzes changes in the management of risks and determines the measures to be taken on risks, notably by validating or rejecting the proposals put forward by the Risk and Sustainable Development Division.

Board of Directors' Quality and Sustainable Development Committee

The Committee acts in line with the delegation given to it by the Board, and its main missions are to:

- monitor the indicators for the main risks threatening GECINA, the program of actions defined in relation to them, and the Group's insurance program;
- assess the quality of service offered to residential clients and monitor the main conflicts in this area with the company, as well as the actions launched by GECINA to improve this quality;
- examine in which areas and to what extent the company must set itself objectives to contribute to sustainable development subjects.

1.2. Effective management of real estate risks based on three main tools: risk mapping, operational risk prevention plans and warning system

The list of risks presented here is not intended to be exhaustive. Other risks that are currently unknown or that if they were to occur would not be likely to have an unfavorable impact on the company, its business, its financial position or its earnings may exist.

Risk mapping: complete individualized identification for 18 target risk areas

The launch of the systematic risk mapping process was initially focused on "asbestos" and "elevator safety" issues. More generally, it then involved standardizing the various management practices that may have existed alongside one another as well as their corresponding tools.

In its current form, which started up in 2006 with the Board of Directors' backing, the mapping project aims to identify and determine the frames of reference and policies for each one of the major risks linked to the holding of real estate assets. It covers 18 risk, hazard or environmental protection areas.

Carefully monitored by the Operational Risk Committee, this project is being led by the Risk and Sustainable Development Division, which is responsible for federating all of the work to draw up this map with a view to setting up an overall risk management system for the Group's real estate risks and facilitating their prevention.

The objective for 2007 was to evaluate 50% of the indicators on the 18 frames of reference, with the overall level of performance on risk control to be evaluated by the end of 2008.

Definition of frames of reference, validated by the Operational Risk Committee, for each one of the 18 major risks identified

Frames of reference validated by the Operational Risk Committee	In 2006 and earlier	In 2007
Health protection	"Asbestos" charter "air-cooling system and legionnaire's" disease risk management policy Policy for managing risks linked to "cellphone masts"	Policy for managing the "lead in coverings risk"
Effective client safety management	"General safety" policy "Elevator and goods lift" charter "Fire safety" policy "Flooding risk management" policy "Security for technical facilities" policy	"Natural risk management" policy "Industrial risk management" policy
Environmental protection	Policy for "managing regulated environmental protection facilities (ICPE) " "Water management" policy	"Energy management for the property holding" policy "Termite and xylophagous organism" policy "Subsurface pollution risk management" policy
Protection of service provider staff and employees		"Professional risk prevention" policy
Responsibility in leases and supplier contracts	"Operational liability risk management" policy in supplier contracts and leases	"Professional risk prevention" policy

A mixed evaluation (in-house and by independent third parties) determines the level of compliance for assets held in relation to GECINA's frames of reference

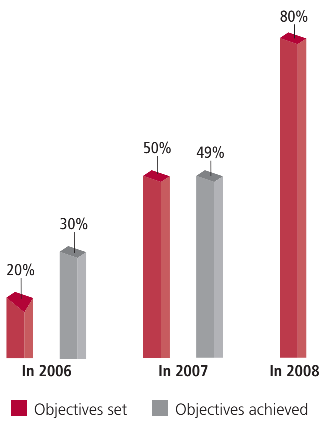
These frames of reference have been defined to assess the level of compliance of the various assets and therefore the actual level of risk management on each site. This system includes a self-assessment section based on a standardized approach. Since risk management represents an ongoing process, the map will be updated based on regular assessments.

In light of the workload represented by this assessment and any bias that may be introduced, qualified and independent third parties assessments are also requested.

In this way, an external company was given a mandate at the end of 2007 to audit the results from the risk mapping system.

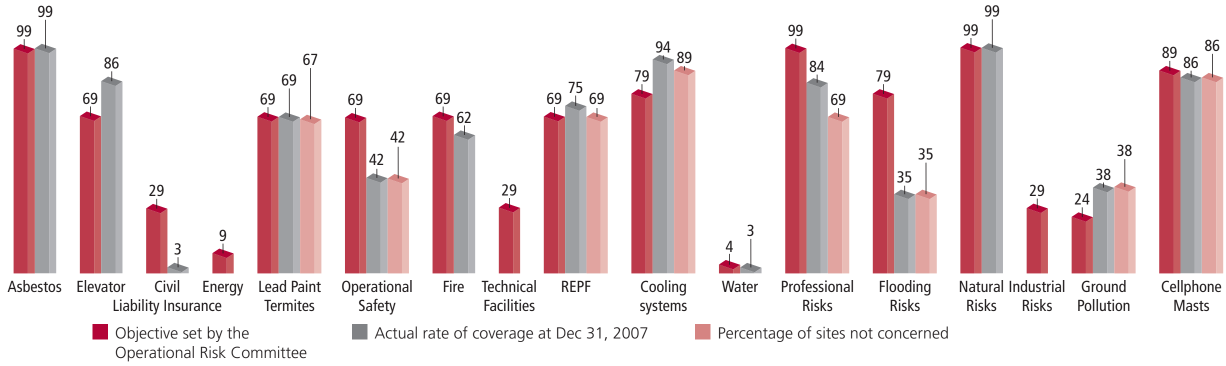
According to the auditor, the target evaluation rate at December 31st, 2007 was met.

% OF PROPERTY HOLDING INCORPORATED INTO THE MAPPING



80% of the property holding must be incorporated into this mapping approach, while assets that are too small for instance or have highly specific features have been ruled out.

% OF THE PROPERTY HOLDING INCORPORATED INTO THE MAPPING PROCESS, FOR EACH TYPE OF RISK COVERED BY A FRAME OF REFERENCE



Looking beyond GECINA's current property holding, the frames of reference are used as a basis for analyzing assets on acquisition projects. The Risk and Sustainable Development Division is called on by the development teams to take part in various studies and assess the level of compliance in relation to the frames of reference concerned.

Operational risk prevention

Ongoing maintenance of risk mapping

The mapping process is designed to help the Group's various players to factor risks in to their daily management more effectively. The corresponding IT tool facilitates the global and consolidated vision and control in order to ensure its continuous improvement. It also makes it possible to guarantee transparency in relation to clients on risks. Indeed, clients already have the possibility to check out the information concerning their buildings on the internet.

Positive impact on insurance

In 2006, the Risk and Sustainable Development Division presented this approach to the Group's insurers in order to ensure the market's confidence, set against a backdrop in which the number of operators is tending to shrink, as well as to maintain the Group's good pricing and coverage conditions. Progress made on this project is scheduled to be presented again to the same insurers over the first half of 2008.

Warning system put in place and evaluated by an independent third party

In order to guarantee responsiveness and efficiency in the event of an incident of accident, a round-the-clock emergency and crisis management structure has been put in place. This system is based on three successive triggering levels:
- Call center;
- Management staff on call;
- Crisis management office.

The actual level of use for this service for minor incidents (e.g. flood damage, various breakdowns, etc.) outside of office hours can be broken down as follows:

	2007	2006	2005
No. of calls to the telephone platform	584	552	481

No serious accidents required the crisis management office to be activated in 2007.

Each year, the Group ensures that the procedures and approach are updated in line with the changes and developments for GECINA.

1.3. Review of GECINA's risk exposure

GECINA's assets are exposed to a range of risks. These risks may depend on the age of the assets, their location, their nature (residential, office, logistics, healthcare, etc.). By managing its risks effectively, GECINA is therefore committed to protecting its clients, assets, staff and business.

The risks are classified below based on their main target. However, some may concern several targets (protection of assets and/or people, environment, etc.).

More specifically, health risks are subject to legal and regulatory prescriptions that are specific to real estate activities, notably with regard to asbestos, lead paint and legionnaire's disease, for which GECINA has adopted a policy of prevention.

For each one of the following risks, now that the first objective of the mapping process has been achieved, the second stage to evaluate the level of compliance with the frames of reference is underway.

GECINA's global commitments in relation to its risks are presented in the Sustainable Development section. Only a summary of the specific commitments for each risk is presented below.

A. Health protection

Asbestos

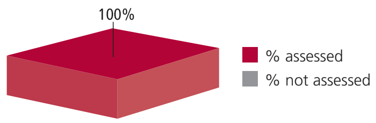
Risks faced

Asbestos represents a health risk for the people exposed: clients/tenants, as well as employees and staff from firms called in to carry out maintenance or other work.

All of GECINA's property holding has been covered by an diagnosis for all materials and the drafting of a technical asbestos file (Dossier Technique Amiante). Deteriorated asbestos was identified in only six buildings, resulting in major work for a total of around 5 million euros.

Evaluation rate at December 31st, 2007: 100%

Evaluation target for December 31st, 2007: 100%



GECINA's commitments

Since 2003, GECINA has continued to roll out a particularly proactive policy on this risk, in line with the charter that it has adopted, under the terms of which GECINA is committed to:

- adopting a general policy of anticipating risks and regulations;
- ensuring total transparency with regard to the presence of asbestos in its buildings;
- doing everything possible to eliminate asbestos-related risks for occupiers, both businesses and any other parties, or giving them all the information required to implement preventative measures;
- removing asbestos identified as susceptible to deterioration (even when not deteriorated) wherever possible.

When not possible, GECINA is committed to encasing such materials.

Actions implemented and results

GECINA is involved during the three stages of a building's life to deal with the asbestos risk:

- its acquisition, when GECINA requires the sellers to supply exhaustive analyses in line with the French public health code (Code de la Santé Publique), possibly going beyond the mandatory analysis for the sale, supplemented with an analysis before any work on demolition;
- the management period, when all precautions must be taken to eliminate exposure for clients/tenants, employees and building staff, with full asbestos removal work carried out for apartments in buildings containing asbestos. In 2007, around 20 apartments in a building in Lyons were subject to asbestos removal work, notably on their floor areas, during work carried out between changing tenants. Work was also carried out in four office buildings;
- the sale, when GECINA supplies an exhaustive analysis enabling its exoneration for hidden defects. Furthermore, none of the properties put up for sale on a unit basis contain any crumbly asbestos materials.

To reduce the risk and ensure that the property holding is compliant with its Charter, the GECINA group has called on an independent service provider, which is responsible for conducting detailed checks to ensure the suitability of situations for each asset and the commitments set out in the Charter.

To fulfill its communication and transparency objectives in relation to tenants and businesses operating on properties for maintenance and other work, the same service provider has put in place an internet-based service enabling stakeholders to easily view changes for properties in real time faced with the possible presence of asbestos materials.

Furthermore, in order to safeguard the environment for future generations, GECINA processes all its asbestos waste into end waste in order to render such products inert.

Legionnaire's disease

Risks faced

Legionnaire's disease risks represent a major health problem. In this way, the number of cases declared in France is estimated at close to 1,500 each year (1,527 cases declared in 2005, 1,443 in 2006), while the mortality rate for this disease can reach 15%.

Water-based or "evaporative" independent air-cooling systems represent one of the environments where the legionella bacteria behind epidemics or isolated cases of legionnaire's disease can proliferate. Looking beyond the health risks, these facilities represent a legal risk and an image risk in the event of any incidents.

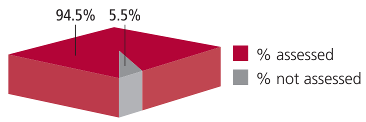
Risk mapping for GECINA's property holding

At the end of 2007, GECINA had around 40 independent air-cooling systems spread over close to 25 sites (including a dozen such systems managed directly by single tenants).

In line with its risk mapping process, 94.5% of the sites have been assessed based on the analysis frame of reference developed by GECINA.

Evaluation rate at December 31st, 2007: 94.5%

Evaluation target for December 31st, 2007: 80%



GECINA's commitments

Faced with this risk, GECINA undertakes to:

- respect the environment and the regulations in force, by implementing stringent controls and the necessary maintenance of water, heating and air conditioning systems with selected service providers;
- guarantee the quality of discharges from independent air-cooling systems (in the air, drains, etc.);
- be transparent, making available all documents relating to the management of independent air-cooling systems.

Actions implemented and results

Risky assets are subject to specific water analyses. For the four cases when analysis thresholds were exceeded on the property holding in 2007, the planned procedures were implemented in order to return the situation to normal.

In addition, GECINA seeks to limit its risks by carrying out a range of work on this type of asset. In 2007, this notably resulted in work being carried out on seven buildings, such as the removal of any oxbows in the pipes, further to analyses highlighting the risks concerned. For the commercial portfolio, two independent air-cooling systems were removed from two buildings, while a third system has been replaced. A further independent air-cooling system is scheduled to be removed in 2008.

Electromagnetic waves

Risks faced

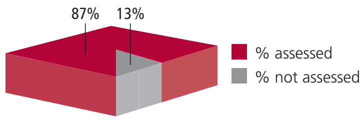
Faced with the controversial issue of waves emitted by cellphone masts, the risks for GECINA are legal, media and health-related.

GECINA's property holding

There are around 50 installations on building roofs. Their compliance is ensured by the operators.

Evaluation rate at December 31st, 2007: 87%

Evaluation target for December 31st, 2007: 90%



In line with the risk mapping process, the 87% evaluation rate corresponds to Operational Residential Division sites covered by a specialized research office, as well as "zero risk" sites.

GECINA's commitments

GECINA:

- undertakes to not actively or passively contribute to any increase in the ambient level of radiation in apartments located below such facilities, given that it is demonstrated that the presence of a mast on a building reduces the radiation exposure of its residents in absolute terms;
- preserves or even improves the living and working environment, which is and must remain a priority for GECINA. A mast's installation must now be discreet or even invisible. It must not reduce the building's potential appeal;
- undertakes to ensure that the presence of such facilities will not result in constant comings and goings;
- contractually limits its responsibility to an obligation of "means";
- remains permanently abreast of the key issues for this activity;
- is able to provide accurate and transparent answers to any questions from its tenants/clients;
- is focused on a program to modernize its facilities in order to ensure their safety, quality and continuity of service;
- ensures compliance with the regulations governing non-ionizing radiation, notably through the organization of campaigns to measure fields and check the compliance of facilities.

Actions implemented and results

GECINA is committed to guaranteeing optimum security by ensuring that all of its facilities are fully compliant. In order to guarantee a negligible and non-significant risk for local residents, all the regulatory obligations as well as the circulars relating to electromagnetic fields, and more specifically the Decree of May 3rd, 2002 and the Circular of October 16th, 2001, all the obligations and constraints mentioned in the mobile telephony charter signed with the City of Paris (including for facilities located in any other districts) are strictly respected.

To supplement its ongoing monitoring, GECINA has called on a specialized research office, under the responsibility of the various technical managers, to track and ensure compliance with the conditions mentioned in the contracts with operators. Every two years, the research office must take specific measurements or get the operators to take measurements in line with the ANFR protocol, on behalf of GECINA, in order to check the operator's compliance with the contract, regulations governing non-ionizing radiation, including field measurements if necessary, and this frame of reference.

Furthermore, all the technical managers and superintendents concerned have received or are going to receive safety training linked to cellphone facilities.

The tenants or their representatives have access to their information and technical documents concerning cellphone facilities, and more specifically those relating to security. They are informed of any programs for planned work or modifications on such facilities. Potential candidates are informed, by the latest before the lease is signed, about the presence of a mast on the building and the existence of the various technical documents available to them.

In addition, GECINA has not agreed to any new installations being put in place since 2002.

Lead and volatile organic compounds in coverings

Risks faced

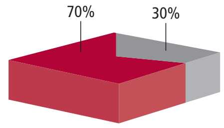
Although banned in France since 1948, lead paint is present in most buildings constructed before this date. These buildings now account for only 31% of GECINA's property holding.

Risk mapping for GECINA's property holding

No materials in a poor state of repair were identified by the experts brought in by the Group and no tenants reported a significant deterioration in their properties.

Evaluation rate at December 31st, 2007: 70%

Evaluation target for December 31st, 2007: 70%



70% of sites have been evaluated based on the frame of reference drawn up by GECINA in line with its risk mapping process. 69% of sites present zero risk, while 1% are covered by a pilot operation carried out in the Operational Residential Division.

GECINA's commitments

In addition to its general commitments to respect the environment, the regulations in force, transparency and suitable expertise, GECINA undertakes to guarantee the quality of interventions and work (under its responsibility) on materials containing lead.

Actions implemented and results

The areas of paint still concerned in the Group's property holding are in a good state, with work carried out on a one-off basis to eliminate exposure risks for people.

When work is carried out to renovate sites, diagnoses are conducted in addition to any treatments required.

As for previous years, no cases of lead poisoning or any complaints were reported in 2007.

In order to protect the environment, and in accordance with regulations, when work is carried out to remove lead paint, waste materials are tagged and sent to special waste facilities.

Furthermore, as early as 2004, GECINA anticipated the provisions applicable under the European directive to reduce volatile organic compounds (VOC) in paint, effective as of 2010. As such, a quality charter was drawn up in order to determine mutual commitments for GECINA and its service providers: use of NF environment-certified aqueous phase paint, guarantees for the performance of work, lead-times and quality of service for tenants. Companies signing this charter must be Qualibat-certified.

B. Effective management of client safety

Elevators

Risks faced

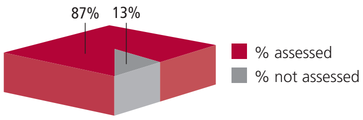
Elevators, which represent the most used means of transport in terms of the total distance covered in France, are also the safest, coming in ahead of planes, trains and cars. However, further to the accidents that have occurred, regulations have been adopted to strengthen safety on such facilities, with high levels of liability in the event of an accident.

The dangers linked to elevators for all types of users or operators (elevator repair firms, etc.) are now well known. GECINA, through its commitment to guaranteeing quality and safety for its residents, has decided on a preventative and proactive approach.

Risk mapping for GECINA's property holding

Evaluation rate at December 31st, 2007: 87%

Evaluation target for December 31st, 2007: 70%



The evaluation based on the risk mapping process corresponds to operations carried out on the residential and office portfolios. It does not yet factor in sites from other operational units.

GECINA's commitments

In line with an Elevator Charter, adopted in 2005, GECINA is committed to:

1. contributing to the safety of tenants:
    - by applying more rapidly the constraints for technical control and maintenance contained in the Decree of September 10th, 2004;
    - by training up its technical managers and superintendents;
    - by monitoring the services provided by elevator repair firms, notably through a weekly inspection of facilities by building superintendents;
    - by entrusting deincarceration to elevator repair firms in order to maintain sole responsibility;
    - by setting an objective to bring all of its facilities into line by the end of 2010, i.e. within a six-year period, compared with the authorized timeframe of 18 years, while respecting the intermediate deadline of 2008.
2. guaranteeing an effective service and compensating for any inconvenience linked to breakdowns.
3. being transparent on such matters in relation to tenants or their representatives.

Actions implemented and results

GECINA is involved during the three stages of a building's life to eliminate risks of elevator-related accidents for users:

1. its acquisition, when GECINA pays particular attention to elevator upkeep and compliance,
2. the management period, when all precautions must be taken with a view to minimizing the risk for users and operators:
    - all elevator cars are checked each year by technical assistance offices under a standardized contract;
    - these facilities are covered by a comprehensive maintenance contract with an elevator repair firm, which has been adapted to reflect the latest changes to regulations;
    - when required by the regulations in force, technical inspections are carried out by independent inspection offices, notably in very high buildings (Immeubles de Grande Hauteur), and after each operation to bring the facilities into line with new standards;
    - the abovementioned programs to secure and modernize facilities are underway. For instance, the Office Real Estate Division has decided to replace swing doors with automatic doors when possible in view of the elevator's configuration;
    - work was also carried out in 2007 to anticipate current and future elevator standards in 12 buildings from the residential portfolio. This work covered 81 elevators, making it possible for 44 of them to already be compliant with the regulations required for 2018 and 37 of them with the regulations for 2013. The average cost of this work represents 29,000 euros per elevator;
    - for the commercial property holding, work has been carried out on eight elevators concerning three buildings, for a total cost of 580,000 euros.

The other facilities did not require any further work to secure them.

3. the sale, when GECINA seeks to sell facilities in a perfect state of upkeep, equipped with all security systems.
    - For all the modernization programs, the portfolio of residential properties up for sale is also covered by a 3.2 million euros renovation and compliance plan launched in 2006.

No accidents affected GECINA or its residents/users in 2007.

General safety

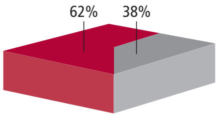
Risks faced

Set against GECINA's growing responsibility, the various security and safety analyses make it possible to target and prioritize the actions to be implemented in order to reduce the risks on real estate assets. The analyses carried out cover risks linked to fires, explosions, falls and traffic accidents, accidents and falls from a height, intrusions, accidents due to electrical causes, leaks, flooding, regulated environmental protection facilities and other risks.

Risk mapping for GECINA's property holding

Evaluation rate at December 31st, 2007: 62%

Evaluation target for December 31st, 2007: 70%



Actions implemented and results

Since 2001, GECINA has been carrying out security checks on its entire property holding with a few to classifying the properties under three categories (low-risk properties, medium-risk properties with urgent issues identified during inspections, high-risk properties requiring a further in-depth review). These analyses are provided to the managers in charge of the asset management entities, making it possible to assess the vulnerability of the assets and implement preventative actions and measures aimed at reducing their risks.

Around 70 security checks were carried out in 2007, with 380 already carried out since 2002. These checks are performed by independent consultants or by the Risk Management Division, working with the technical managers. In this way, around 75% of the property holding had been reviewed by the end of 2007, with 90% found to have a low or acceptable level of risk. For the other cases, the divisions concerned are carrying out corrective actions.

Fire

Risks faced

Alongside the various security checks, GECINA has set up a genuine fire risk management policy tailored to each one of its specific markets: offices, residential, hotels, warehouses, etc. While fires represent a risk of significant damages for assets as well as a bodily risk for the people concerned, they also represent a major legal risk within a highly regulated context.

Risk mapping for GECINA's property holding

Since the fire risk represents a normal and long-standing concern in the real estate sector, it is covered as part of the general safety frame of reference. For this reason, the mapping project did not incorporate the specific evaluations for this frame of reference in 2007. The evaluations to be carried out are incorporated into the objectives for the end of 2008.

GECINA's commitments

GECINA is committed to ensuring a good level of fire safety for residents within its property holding and eliminating any defects that could represent a source of danger for the people and assets.

As a real estate professional, GECINA is committed to:

- taking advantage of renovation work on all or part of an asset to improve fire safety and go further than required under the regulations if necessary;
- moving ahead with the widespread deployment of round-the-clock fire surveillance on each building within the property holding;
- Communicating with tenants about the vulnerability of their assets and the measures taken.

Actions implemented and results

GECINA systematically fits all the necessary and regulatory safety facilities on new builds or redevelopments for its entire property holding. For instance, work was carried out to set up or improve fire safety systems on five office buildings in 2007.

Technical equipments

Risks faced

The GECINA group is subject to strict regulations governing the technical facilities that the safety, security and quality of service delivered to tenants primarily depend on (fire safety, electricity, lifting resources, elevators, escalators, lifting devices, lightning rods, heating systems, gas-based mechanical ventilation facilities, etc.).

Risk mapping for GECINA's property holding

The evaluations carried out in 2007 (concerning more than 150 residential and logistics sites) are currently being reviewed in order to be consolidated within the overall mapping system.

GECINA's commitments

GECINA's level of demands requires all of its property holding to be compliant, equipped with operational security systems and technical facilities. That is why GECINA has chosen to carry out an annual inspection of all sensitive equipment in relation to its own objectives as well as those of its suppliers.

GECINA highlights the fact that the inspections, checks and technical controls must not be considered solely as regulatory administrative processes. They represent an opportunity to take stock of facilities and highlight any defects that could represent a source of danger for people or assets. It is therefore highly important to very rapidly implement the recommendations made during such operations.

Natural events or phenomena and industrial risks (including flooding risks)

Risks faced

Faced with events or accidents due to natural or industrial causes, French law provides for natural risk prevention plans and technological risk prevention plans to be drawn up, and requires better information for the public.

In order to comply with regulatory requirements to provide a report on natural and technological risks in connection with real estate transactions (rental, sale), GECINA has put in place a process guaranteeing the production of systematically validated natural and technological risk reports.

The main natural risks that may exist are as follows: flooding, torrential downpour, rise in the water table, avalanche, ground movement, drought, earthquake, cyclone, volcano, forest fire, quarries, etc.

More specifically, floods entail several risks, concerning not only the safety of people (legal risk and factoring in of regulatory requirements) and damage to assets, but also the market risk (reduction in the asset's value) and image risk.

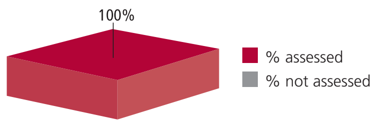
There are three types of industrial risk:
- thermal flows: impacts of a fire, with for instance effects on people and structures;
- high-pressure waves: impacts of an explosion (spread of shock waves), affecting people and structures;
- toxic cloud: impacts of the dispersion of toxic gas following the loss of confinement or a fire (smoke), affecting people.

Risk mapping for GECINA's property holding

FLOODING RISKS

Evaluation rate at December 31st, 2007: 100%

Evaluation target for December 31st, 2007: 80%



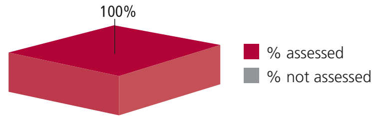
Risk exposure maps have been drawn up with the support of an expert for all the sites in Paris, the Paris region and the South-East region, making it possible to determine whether or not sites are exposed to a risk of flooding, as well as their levels of vulnerability.

Flood risk analyses have been carried out on the 45 most vulnerable buildings, including 30 in 2007. These evaluations have not yet been consolidated within the mapping system.

NATURAL RISKS

Evaluation rate at December 31st, 2007: 100%

Evaluation target for December 31st, 2007: 80%

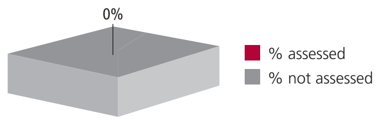


The evaluations have been carried out based on information provided by the natural and technological risk reports.

INDUSTRIAL RISKS

Evaluation rate at December 31st, 2007: 0%

Evaluation target for December 31st, 2007: 30%



The evaluations should be carried out based on information provided by the natural and technological risk reports and a French mapping of all "Seveso" category sites provided by the prefecture offices.

However, the technological risk prevention plans, which must make it possible to evaluate and rate the level of risk for facilities for public use (authorization threshold), in other words high-threshold SEVESO category facilities, have not yet been drawn up. After being approved by the prefects, these plans will make it possible to analyze the risks on any assets that may be concerned.

GECINA's commitments

GECINA is committed to:

- complying with the regulations in force;
- identifying risky assets, assessing their vulnerability, implementing preventative actions and measures aimed at reducing any vulnerabilities identified;
- being transparent: communicating with the tenants concerned about the vulnerability of their assets and the measures put in place;
- setting up a crisis management system;
- ensuring the reliability of service providers on each vulnerable site in the event of a crisis;
- taking on expert services.

Actions implemented and results

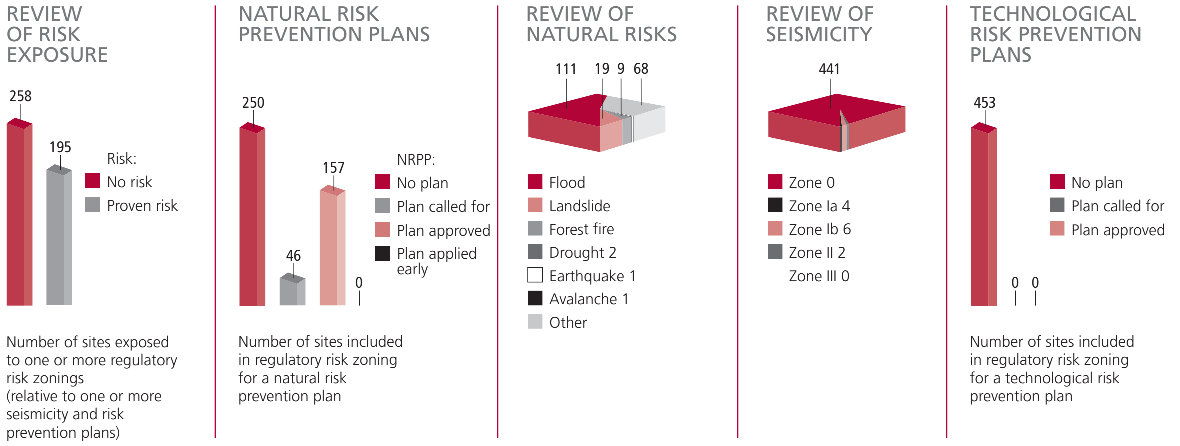
In addition to this information duty, the mapping out of the natural and technological risks for an asset represents a key tool, enabling the asset manager, based on their location, to estimate the potential hazards for the properties and the resulting risk once the vulnerability has also been estimated.

More than simply better knowledge of the various risks, GECINA is looking:

- on a technical level, to limit the vulnerability and reduce potential damages;
- guarantee the comfort and long-term viability of activities for tenants;
- consolidate the information required on an economic and strategic level;
- and above all, guarantee the safety and security of tenants.

For buildings that might have been built above underground cavities, quarry areas or land exposed to risks from natural causes, the areas concerned were in all cases filled in. No buildings are under special surveillance for a possible risk of collapsing.

Overview of natural and industrial risks at the end of 2007



C. Environmental protection

The environmental protection measures taken are presented in further detail in the Sustainable Development section.

Termites and other parasites

Risks faced

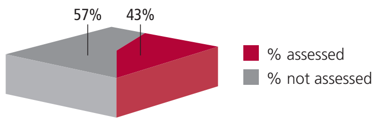
The presence of termites, xylophagous insects or fungi in buildings can have serious consequences, such as:

- affecting the building's structure (weakening or destruction), translating into often significant material damages and refurbishment costs, with a risk of contaminating neighboring buildings;
- affecting the safety or security of tenants;
- reducing the value of the property holding.

Risk mapping for GECINA's property holding

Evaluation rate at December 31st, 2007: 43%

This corresponds to the buildings identified with a "zero risk". They are not concerned by any prefectoral orders and do not have any wooden structures.



GECINA's commitments

Faced with this risk, GECINA is committed to:

- adopting a general policy of anticipating risks and regulations;
- ensuring total transparency with regard to the presence of termites, xylophagous insects and fungi in its buildings;
- doing everything possible to limit the risks linked to these biological agents, taking preventative measures and putting in place protective barriers when possible;
- regularly inspecting its buildings;
- treating and decontaminating any buildings that may be infested.

Actions implemented and results

In 2007, none of the properties were concerned by the possible presence of termites. With regard to other measures relating to hygiene, accredited companies are responsible for pest control and the disinfection of garbage shoots.

Subsurface pollution

Risks faced

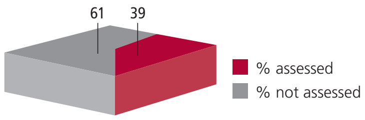
The presence of pollutants in the ground, looking beyond its actual pollution and the potential risk of polluting water tables, may represent a risk for the health of the people spending time at a site. In light of these assessments and the regulations in force, there is a legal, market and image risk for GECINA.

Risk mapping for GECINA's property holding

In light of the broad dispersal of its property holding, an assessment of risks linked to subsurface pollution is not likely to have a significant impact on the Group. Research on sites or subsoil areas that might be polluted did not reveal any need for major work to be carried out.

Evaluation rate at December 31st, 2007: 39%

Evaluation target for December 31st, 2007: 25%



GECINA also has historical and documentary research and/or ground analyses for close to 80 sites that have not yet been consolidated within the IT mapping system. For these assets, and depending on the results and the activities performed there, the Operational Divisions initially checked to ensure that there were not any risks for tenants and the environment.

GECINA's commitments

In its policy, GECINA has defined four key areas for action for existing assets, new builds, renovations and sales/acquisitions:
- identifying (or recreating the memory) any polluted or potentially polluted sites;
- maintaining the records so that, over time, the actions that have been performed there are kept and above all their use is known (any pollution cleanup work is based on their use);
- preventing, so that the sites in operation or in the land bank do not represent any source of subsurface pollution;
- treating/managing (if necessary) any sites that have been identified as polluted, depending on their use, guaranteeing protection for people and the environment.

Actions implemented and results

In addition to its objectives to map out this risk (which is still minor), a ground pollution cleanup action – relatively exceptional for GECINA – was carried out in 2007, as presented in the Environment section of the Sustainable Development chapter.

Water management

Risks faced

Water management involves several key issues for GECINA:

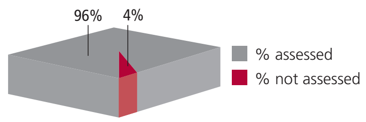
- on the one hand, from a health and legal viewpoint in terms of water quality (presence of lead, particles or bacteria, etc. higher than the regulated levels);
- on the other hand, from an environmental viewpoint, water resource management.

Risk mapping for GECINA's property holding

The sites are currently being evaluated in line with the frame of reference drawn up by GECINA in this area. To date, these evaluations have concerned 24 office assets, representing 6.5% of the total assets.

Evaluation rate at December 31st, 2007: 4%

Evaluation target for December 31st, 2007: 5%



GECINA's commitments

GECINA is committed to:

- respecting the environment and complying with the regulations in force;
- guaranteeing the drinking quality of water at points of demand;
- being transparent concerning water quality on the entire property holding;
- strengthening its teams' technical and human capabilities and/or taking on expert services.

Actions implemented and results

Looking beyond its objective to harmonize site evaluations, various actions have already been carried out by GECINA in this area. They are presented in the Environment section of the dedicated Sustainable Development chapter in this report.

Energy management

Risks faced

The fight against global warming represents a global challenge, with a very widespread level of awareness at present. France is continuing to work towards its target to cut greenhouse gas emissions by four by 2050, representing an average reduction of 3% a year. Managing energy demand more effectively for the existing property holding represents one of the most important actions to be carried out in this area. In light of the low renewal rate for the real estate portfolio, coming in at around 1% a year, more than half of the buildings that will be in use in 2050 already exist. The developed sites that we can see today will account for at least three quarters of energy consumption for buildings in 2050.

During the Grenelle de l'environnement initiative in September 2007, the importance of these issues was highlighted. Part of the report drawn up by the Group 1, responsible for "the fight against climate change and effective energy management", focused on the issue of the buildings and the city. The commitment to ensuring the general deployment of new low-consumption or even "positive-energy" buildings was set out again, together with the objective to cut consumption on old facilities by 12% by 2012 and 38% by 2020.

Furthermore, energy price trends are strengthening the benefits of voluntary actions in this field.

For GECINA, energy management therefore represents a financial risk linked to a risk of an increase in operating costs for the property holding, on top of a commercial risk and/or a risk of its products becoming obsolete. Consumers (tenants, buyers), whether they are individuals or businesses, for cost reasons (charges, etc.) and in line with an eco-responsibility approach, are increasingly factoring in the "energy performance" aspect when taking their decisions (high energy quality buildings, complying with the 2005 thermal regulations (RT 2005). Consumers will also increasingly tend to buy or rent buildings with the relevant labels.

Risk mapping for GECINA's property holding

The indicators for this frame of reference have not yet been validated. For the time being, we are therefore unable to provide information concerning the formal evaluation of sites in relation to the frame of reference mapped out by GECINA.

GECINA's commitments

With the increase in the property holding's surface area, the complexity of building energy systems and energy supplier invoicing methods, it is essential to draw up a policy for tracking, managing and optimizing building energy costs and consumption levels. In line with moves to draw up the frame of reference for analyzing risks, the Operational Risk Committee has reconfirmed that:

- GECINA benefits from rolling out "energy" strategies (notably making it possible to manage the energy-climate risk in the same way as any other risk is managed);
- this strategy, applied not only in terms of investments, but also the actual running of buildings, covers the building's entire lifecycle;
- the implementation of this strategy is being supported by a suitable organization for handling it.
- GECINA Is supporting its tenants in their energy management (private areas): going further than energy management for communal areas, GECINA maintains privileged relations with its clients.

Actions implemented and results

The actions already carried out by GECINA are presented in the environment section of the dedicated Sustainable Development chapter in this report.

Regulated environmental protection facilities

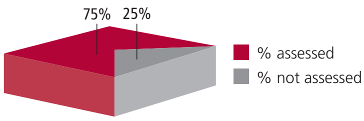
Risks faced

In light of the existence and running of regulated environmental protection facilities, GECINA is exposed to a nuisance or pollution risk that may concern: air, water, ground, waste, etc. This risk may also concern the health and safety of tenants, their employees and, as relevant, local residents. Legal and image issues are linked to these risks. The owners and administrative operators of regulated environmental protection facilities are primarily liable in relation to third parties.

Risk mapping for GECINA's property holding

Evaluation rate at December 31st, 2007: 75%

Evaluation target for December 31st, 2007: 70%



The evaluation rate corresponds to all Commercial Real Estate Division sites as well as "zero risk" sites.

GECINA's commitments

GECINA undertakes to respect environment and comply with the regulations in force, guaranteeing the quality of discharges for regulated environmental protection facilities (discharges in the air, sewers, etc.) and transparency concerning the management of such facilities.

Actions implemented and results

The actions already carried out by GECINA are presented in the environment section of the dedicated Sustainable Development chapter in this report.

D. Employee protection

Risks faced

In this area, GECINA is faced with legal risks and risks concerning the health of its staff, resulting in possible accidental or chronic damages, which may have reversible or irreversible effects.

Risk mapping for GECINA's property holding

99% of assets have been evaluated in line with the frame of reference drawn up by GECINA in this area. The remaining 1% of assets to be evaluated concerns the last six sites acquired at the end of 2007, which will be looked at in 2008.

GECINA's commitments

In line with its risk management policy, GECINA assesses the professional risks for all of its members of staff with a view to identifying risky operations for each workstation and implementing curative and preventative actions aimed at reducing such risks.

Actions implemented and results

The measures taken faced with risks mapped out and analyzed by GECINA concerning staff and professional risks are presented in the Human Resources section of the Sustainable Development chapter.

E. Responsibility in leases and supplier contracts

Risks faced

Since 1998, French laws governing liability have become considerably stronger and more complex with the integration of the various European directives, bringing provisions in the various Member States closer together. In order to guarantee compensation for victims, the source of civil liability is no longer based on actual misconduct, but increasingly on the duties and capabilities required of professionals ("deep pocket" principle).

The danger with the liability risk is linked to its complexity and its growing importance in light of changes to laws and regulations. This risk is hard to forecast. It materializes in the event of any claims filed by one or more third parties with the courts, without it being possible to judge the validity of their grounds beforehand.

In addition to judicial costs, internal defense costs and spending, such proceedings may also, in order to respond to the courts' injunctions, have significant indirect effects on the company's performances and economy. Lastly, in any case, they may adversely affect GECINA's image.

Like any professional, the GECINA group is subject to four forms of obligations, which must all be respected:
• its technical commitments;
• their control;
• its duty of information and advice;
• its contractual obligations.

On top of each one of these obligations, it is necessary to add the concept of safety and security, which is increasingly based on a quasi obligation of results.

Risk mapping for GECINA's property holding

At March 31st, 2008, the evaluations correspond to two specific operations carried out within the Office and Residential Real Estate Divisions, covering 25% of the property holding.

GECINA's commitments

The GECINA group is permanently committed to meeting demanding objectives in terms of development and quality. Protecting its resources and fulfilling its technical, safety and security obligations for clients represent, in accordance with the various laws, essential conditions for its success.

GECINA :
• undertakes in total transparency to comply with its legal and regulatory obligations;
• ensures the continuous improvement of its contractual documents and more specifically, in line with the practices and standards for its business, the definition of its limits and transfers for responsibilities;
• declares its commitment to preventing, insofar as possible, the frequency and scope of any relevant claims by its clients by:
- maintaining a quality service,
- clearly defining and regularly reviewing its technical and advisory obligations,
- checking their insurance cover;
• makes every effort to ensure and improve its possibilities for proceedings against its suppliers by:
- maintaining, through its calls for tenders, regular relations with quality subcontractors,
- taking the greatest care when drawing up specifications concerning them,
- checking or calling on other parties to regularly check their services,
- ensuring their solvency and insurance cover;
• accordingly, takes out and maintains all the insurance cover needed with manifestly solvent companies.

Actions implemented

For instance, in its commercial leases, GECINA accepts a mutual termination and fair appeal clause with its tenants and the insurers concerned. However, the specific regulations for residential leases require tenants to take out insurance for damages incurred by the lessor that they may be liable for. Nevertheless, while regulations authorize lessors to request a waiving of tenant appeals for damages that may be incurred due to the owner, and unlike the practices adopted by certain lessors, GECINA has not sought to incorporate such a clause into its leases in order to ensure fair treatment for its clients.

2. INSURANCE

The insurance policy implemented notably aims to protect the property holding and the Company itself against liabilities.

This insurance program is intended to guarantee the Group's long-term viability faced with various risks, while reducing costs linked to risks occurring, optimizing coverage and the management of compensation flows, and providing a quality service for tenants.

The main risks for which GECINA has put in place insurance cover are as follows: property and casualty for the property holding and the resulting loss of rental income, construction risks, civil liability for building owners or real estate professionals.

The insurance program is based on four separate sections:
- insurance for real estate assets built, including building owner liability;
- construction insurance;
- civil liability (excluding building owner liability);
- other policies (automobile, staff on assignments, etc.).

To ensure that its main risks are covered and managed effectively, the Group has focused primarily on high coverage amounts with excesses making it possible to limit its insurance costs. Cover for damage to assets, loss of business and building owner civil liability accounts for the lion's share of the premiums paid, on account of the strategic importance of this coverage for the Group in terms of the capital insured and the risks faced.

These risks are insured in line with a program based on set of caps that make it possible to:
- minimize management costs for frequent claims;
- make the operational divisions more accountable, while encouraging them to implement preventative actions;
- transfer serious risks over to insurers.

GECINA and all of its subsidiaries or partnerships are covered with leading insurance firms.

There are no captive insurance companies within the Group.

GECINA primarily uses services offered by the Siaci Saint-Honoré insurance broker. The main participants in its pool of insurers are Ace Europe, AXA, AGF and Covea Risk.

For insurance on commercial properties, GECINA's leases generally include a two-way clause renouncing any right to appeal in order to facilitate the management of any claims and reduce the frequency risk for both itself and its insurers.

As requested by the Quality and Sustainable Development Committee, the insurance program was audited midway through 2006 by an independent brokerage and insurance auditor, specializing in insurance.

The auditor concluded that "GECINA's current insurance program is on the whole very well suited, in terms of both quantitative and qualitative aspects. The same is true for the brokerage agreement. There are a limited number of insurance policies, but they are sufficient and correspond to the risks faced”.

However, the auditor also identified seven points on which it recommended improving cover, all of which were adjusted in 2006 or 2007.

The other minor recommendations resulting from the insurance audit have all been implemented as relevant.

Furthermore, the office policy has been totally overhauled in order to fully respond to the queries raised in the insurance audit (e.g. "paper" archive recreation costs, additional costs, etc.). This policy has been supplemented with a comprehensive IT policy, specially adapted to GECINA's issues.

2.1. Damages and liability cover linked to buildings

On account of the strong geographical dispersion of the Group's assets, with an adapted level of insurance cover, a major incident affecting one of its properties would have little impact on its financial position. Indeed, the amounts of cover have been assessed in order to provide comprehensive coverage for any major incident affecting the Group's largest property.

The levels of deductibles applicable under the insurance program enable the Group to cope with frequent claims without any impact, mutualizing them in this way between all of its properties. Above these levels, risks are transferred over to the traditional insurance market.

GECINA has taken out a Group insurance program covering any damages to its property holding, including that caused by storms, acts of terrorism, claims by neighbors and third parties, loss of rent (three years) and the subsequent losses and indemnities. Buildings are insured for their new reconstruction value as on the day of the incident. 80% of the property holding is covered without any limits. For other assets, further to a prior appraisal to determine the maximum possible and reasonably expected claims, the following specific contractual compensation caps have been chosen:

- 30 million euros for new logistics assets;
- 6.5 million euros for small warehouses;
- 84 million euros for certain office or residential buildings;
- 150 million euros for the largest office buildings.

The program was renewed for a two-year period from July 1st, 2007 to June 30th, 2009.

The program includes an automatic guarantee for risks added during the year, with settlement at term.

Civil liability cover for building owners and environmental risks is included under the property and casualty policies.

General exclusions seen on the insurance market as a whole (war damages, damages resulting from the presence of any asbestos, etc.) also normally apply to GECINA.

In addition, the building insurance program includes policies taken out at the time of construction operations, on a case-by-case basis.

A works damage insurance policy is taken out whenever necessary in accordance with French law 78-12 of January 4th, 1978. The Group has defined a subscription policy aimed at managing its costs and covering its risks effectively.

The Company takes out works damage cover or a single work site policy in the following cases:

- work exceeding 300,000 euros (gross), including:
  - a risk of impropriety relative to the structure, or
  - a risk linked to the solidity of the structure, or
  - a major risk on inseparable equipment elements (purpose of the work site);
- work for lower amounts with a high risk, in light of the techniques applied, on existing assets (building shell, framework, waterproofing, etc.), or resulting immaterial damages.

Standard technical work sites representing less than 4 million euros are covered under the SIACI/AXA agreement. In other cases, policies are negotiated and taken out on a case-by-case basis.

2.2. General and professional civil liability

The bodily, material and immaterial civil liability consequences resulting from employee malpractice or operations are insured under a Group policy. Set against a backdrop in which insurance offerings are being revised and contracted, GECINA was able to maintain its cover at January 1st, 2008 without any difficulty.

The mandatory professional civil liability cover taken out by subsidiaries whose activities are governed by the French Hoguet Law is incorporated into the Group's civil liability program.

2.3. Environmental civil liability

This innovative coverage in the real estate sector was put in place in 2007 (see below) in order to cover the consequences of GECINA's civil liability for damages incurred by third parties, as well as damages to biodiversity, when they result from environmental impacts that are attributable to the Group's activities, as well as any costs incurred for pollution cleanup operations on sites to neutralize or eliminate a risk of impacts on the environment.

2.4 Claims

In 2007, GECINA filed 97 claims. The largest claim over the year was covered by the insurance policy and has been estimated at less than 0.12 million euros. The total amount of indemnities received or provisioned comes out at 1.1 million euros. The total cost of claims subject to deductibles or caps is 0.7 million euros.

Furthermore, in order to assess the quality of risks, it is important to note that the main insurer for the property and casualty program granted a significant discount on premiums after reviewing the claims-premiums ratio for the period from July 1st, 2004 to June 30th, 2007.

3 OTHER RISKS RELATING TO THE COMPANY

3.1. Risks linked to changes on the real estate market

GECINA operates in various real estate sectors: residential, commercial (notably offices and logistics assets), hotel and healthcare.

Looking beyond the specific factors for each asset, business is subject to a number of specific risks and hazards, including the cyclical nature of the sector. By their very nature, rent levels and prices for real estate assets are cyclical, with the duration of cycles varying, although generally always long term. Prices follow the cycle in different ways and with different levels of intensity depending on the location and category of the assets concerned. Fluctuations notably depend on the balance between supply and demand, available alternatives for investments (financial assets, level of interest rates), and the general economic environment.

GECINA's investment policy makes it possible to minimize the impact of the various stages in the cycle, selecting investments that are:

- based on long-term leases and quality tenants, making it possible to reduce the impact of market rent cuts and the resulting drop in property prices;
- with strong occupancy rates in order to avoid the risk of having to relet vacant spaces in an environment when demand may be limited;
- diversified In order to benefit from differences in cycles between the various real estate segments.

It is difficult to forecast economic and real estate market cycles. As a result, GECINA might not always be able to carry out its investments and disposals at the times when market conditions are most favorable. The market context could also encourage or oblige GECINA to postpone certain investments or disposals. It is also possible that leases may come to an end during periods of downturns and may not realize the upside rental potential evaluated previously. On the whole, an unfavorable situation on the property market could have a negative impact on the valuation of GECINA's portfolio as well as the operating income it generates.

For instance, a downturn in the property market resulting in a 50 basis point (0.5%) reduction in capitalization rates could cut the valuation by around 10% on GECINA's entire property holding (if such a downturn concerned all of GECINA's various real estate segments), representing approximately 1.3 billion euros based on the valuation of assets at December 31st, 2007, and would have an unfavorable impact of GECINA's earnings for around 1.0 billion euros (since certain assets, as indicated in the notes to the consolidated financial statements, are not recorded in the consolidated accounts at their fair value).

The Group's rental income and EBITDA are not expected to be impacted by such a reduction in valuations. However, a lasting economic crisis affecting the sectors of the economy that GECINA's tenants operate on could have unfavorable consequences, which are difficult to quantify, on GECINA's rental income and margins.

3.2. Risk linked to competition on the various real estate markets

GECINA is present on five real estate market segments, and must face up to a strong level of competition on each one of them. In this way, GECINA is competing with numerous international, national or local players. These players may notably be able to acquire assets under conditions, such as prices, that do not meet the investment criteria and objectives that GECINA has set itself.

This competition can be seen in particular for the acquisition of land and available assets, on which GECINA believes that its positioning as a major player represents a competitive advantage. If GECINA is not in a position to implement its investment and arbitrage policy and maintain or further strengthen its levels of rental income and margins, its strategy, activities and earnings could be negatively affected.

Competitive environment

Among European real estate firms, GECINA's weighting represented 4.55% of the IEIF European Real Estate index at the end of December 2007, behind Unibail-Rodamco (8.33%), Land Securities (6.57%) and British Land (4.57%).

With a portfolio representing some 13.2 billion euros at December 31st, 2007, GECINA is the second largest real estate company in France behind Unibail-Rodamco.

3.3 Risks linked to constraints stemming from the SIIC tax system

GECINA is subject to the French tax system governing listed real estate investment trusts (Sociétés d'Investissements Immobiliers Cotées, SIIC) as provided for under Article 208 C of the French general tax code, enabling it to be exempt from corporate income tax on the portion of its profits generated through the rental of its properties, as well as capital gains recorded on disposals of properties or certain equity interests in real estate companies.

Although the SIIC system offers a number of major benefits, it is complex and involves a certain number of risks for GECINA and its shareholders, as set out in this section.

To maintain the benefits of the SIIC system, GECINA must pay out a significant percentage of its profits, which could affect its financial capabilities and liquidity

The tax exemption benefit under the SIIC system is subject to compliance with an obligation to distribute a significant percentage of GECINA's profits and could be called into question if this obligation is not fulfilled. The requirement to make distributions could limit the resources available with a view to financing new investments and oblige the Group to borrow more or call on the market to finance its development.

GECINA's activities will be restricted by the constraints of the SIIC system

Under the SIIC system, GECINA is not subject to any rules in terms of the exclusivity of its corporate purpose. However, it may carry out various activities that are incidental to its main purpose, such as real estate trader, marketing and development activities, provided that the value of any assets used for and linked to such incidental activities does not exceed 20% of the gross value of GECINA's assets; failing that, the benefits of the SIIC system could be called into question. In any case, profits generated through such incidental activities are subject to corporate income tax based on the common law rate.

The 20% deduction to be covered by the Company under the amended finance bill for 2006, applicable for distributions made by SIIC trusts to a non-individual shareholder not taxed or taxed at a very low rate and with at least 10% of the capital ("Deduction Shareholder") does not affect GECINA, insofar as this deduction must be paid back to GECINA by the Deduction Shareholder. In practice, this repayment is based on compensation with the dividend payable to such a Deduction Shareholder.

A similar mechanism is provided for if a GECINA subsidiary with SIIC status is subject to the 20% deduction due to the presence of a Deduction Shareholder in GECINA's capital.

GECINA is subject to risks linked to future changes in the SIIC system

The eligibility criteria for the SIIC system and the tax exemption conditions linked to this system may be amended by the legislator or in view of interpretations by the tax authorities. For instance, the amended finance bill for 2006 introduced certain changes to the system, and notably the abovementioned provisions relating to a shareholder's 60% stake in the capital or the 20% deduction. Such amendments could result in one or more directives being issued by the tax authorities, the content of which is not known on the date of the present document. Future changes to the SIIC system could have a significant unfavorable impact on the Group's business, financial position and earnings.

3.4. Tenant insolvency risks

In light of the makeup of its rental property base, with over 22,000 tenants in the residential sector and more than 2,000 in the commercial sector, tenant insolvency-related risks are very spread out.

In connection with its development, the Group is vigilant in terms of acquiring assets whose rental portfolio is notably based on various tenant selection criteria, as well as guarantees provided by tenants.

At December 31st, 2007, the Group's dependency in relation to its two main clients was as follows:
- Thales: 2.5%;
- Club Med: 2.4%.

The net amount covered over the year for losses on receivables comes out at less than 0.12% of rent billed, compared with 0.22% in 2005.

3.5. Risks linked to outsourcing

The Group works with external service providers and is therefore exposed to a risk of them failing to fulfill their obligations correctly and insolvency risks concerning them

In connection with its rental business, the Group works with certain external service providers and suppliers, notably for the upkeep of elevators, the cleaning of communal areas or the performance of work to refresh, renovate or reface properties.

In the event of certain external service providers or suppliers ceasing to trade, becoming bankrupt or failing to fulfill their obligations correctly, this could notably result in a reduction in the quality of services provided by the Group and an increase in the corresponding costs.

Furthermore, the insolvency of external service providers or suppliers could also affect the implementation of guarantees covering the Group. More specifically, in connection with renovation projects, the Group could find it impossible to obtain compensation for any damages resulting from such a situation. A poor performance by the Group's external service providers or their insolvency would be likely to have a significant unfavorable impact on the Group's business, financial position, earnings and reputation.

3.6. Legal and financial risks

The Group is required to comply with numerous general or specific regulations governing, among other things, town planning, operational permits, construction, public health, the environment and security. In order to reduce the risks associated with ensuring compliance with such obligations, and the impact that changes in regulations could have on the Group's operating results or its prospects for development or growth, the Group regularly sets itself targets that go further than required under the regulations in force.

Specific regulations

Sales and marketing activities (rental, unit-based sales and third-party management) are governed by the Hoguet law. The subsidiaries concerned by these activities - primarily Locare and CFG - must have received a permit granted by the Paris Préfecture de Police for the performance of their activities.

Since January 1st, 2006, this permit is now valid for 10 years (and no longer one year as was previously the case).

Up until then, due to delays with the processing of renewal requests by the Préfecture, the new permit was often granted once the previous permit had ended. The policy adopted by LOCARE and CFG, in the same way as many other players subject to these regulations, involved continuing their activities while their renewal requests were being processed, even after their old permits had expired. There could therefore be a risk of complaints in relation to this permit. The significant increase in its validity period has considerably reduced this risk.

Lease management

Leases for new tenants are all drawn up based on standards studied by the management services, in conjunction with the Group's legal experts and the Risk Management team.

In the event of any exceptional wordings specific to certain operations on commercial leases, the clauses of the contracts, and more specifically the insurance, liability and safety clauses, may be amended with the approval of these legal experts and Risk Management teams.

As far as residential leases are concerned, annual changes in rent are regulated, and on current leases, may not exceed the annual change in the benchmark rent index. Insofar as the annual turnover rate on the Group's residential properties in operation is low, the change in the benchmark rent index represents the main factor behind changes in rent on the majority of residential leases concluded by the Group, and therefore its residential rental income. More specifically, during a period of strong demand for rental accommodation, the Group would not be free to raise the rents on its current leases by any more than the actual change in the benchmark rent index, and would therefore be unable to apply the level of rents seen on recently concluded leases.

With regard to commercial real estate, an annual indexing clause is generally included in the lease to ensure that the rent is indexed based on changes in the quarterly cost of construction index. Failing that, rents may only be revised every three years in order to correspond to the rental value of the premises, although this may not exceed the change seen in the quarterly cost of construction index since the last rent was set, unless a material change is recorded in terms of the elements factored in when setting the rent.

GECINA's exposure to specific risks linked to its office and retail real estate activities

In connection with its office and retail real estate activities, the Group is faced with specific risks that could adversely affect the valuation of the Group's property holding, as well as its earnings, business and financial position, notably linked to the following:

- the office or retail real estate business is more sensitive to the economic environment in France and the Greater Paris Region than residential real estate;
- the regulations governing commercial or office leases, although less complex than those applicable for residential leases, are still highly restrictive for the lessor;
- the level of work required to refresh vacant premises before they may be re-let is often higher for commercial or office properties than residential real estate;
- the risks of tenant insolvency and their impact on the Group's earnings are higher on commercial or office properties due to the relative importance of each tenant.

3.7. Disputes

If necessary, the provisions deemed necessary have been recorded to cover the risks estimated in connection with each one of the known disputes concerning GECINA or Group companies, and any such disputes were reviewed at the close of accounts.

3.8. Financial risks

As indicated in the table in Note 5.13.3 to the consolidated financial statements, GECINA's financial position at December 31st, 2007 was quite easily compliant with the various contractual limits set concerning financial ratios, as provided for under the different credit agreements. One of GECINA's bond issue contracts and various bank financing contracts contain clauses that allow creditors to ask for early repayment, notably in the event of failure to comply with these financial ratios, a change of control, cross default or significant deterioration in GECINA's rating by rating agencies.

Financial risks are presented in the section on financing.

Market risks

The holding of real estate assets for rental exposes the Group to the risk of changes in the value of real estate assets and rents.

However, this exposure is mitigated by the fact that:

- assets are held in line with a long-term strategy and valued in the accounts at their fair value;
- rents billed are based on leasing commitments whose duration and dispersal smooth out the impacts of fluctuations in the rental market.

Counterparty risk

With a client portfolio of over 2,000 commercial tenants from a very wide range of sectors and some 22,000 individual tenants, the Group is not exposed to any significant concentration risks.

Financial transactions, notably with regard to rate risk hedging, are carried out with leading financial institutions.

Liquidity risk

The liquidity risk is managed through a constant monitoring of the maturity of financing facilities, the maintenance of available credit lines and the diversification of resources. It is managed over the medium and long term in line with multi-year plans, and over the short term thanks to the use of confirmed credit lines that have not been drawn on. The various limits likely to affect the conditions for repayment or early repayment clauses provided for under the various credit agreements are presented in the section on financing.

Interest rate risk

With borrowings based primarily on variable rates, the Group is subject to the risk of an increase in interest rates over time. This risk is limited by the rate risk management policy implemented based on derivatives (swaps and caps). The debt schedule and average cost of debt are presented in the section on financing.

At December 31st, 2007, 73% of variable-rate debt was hedged based on a portfolio of derivatives (swaps, swaptions and collars). Within this framework, GECINA had a 2,300 million euro position on derivatives with deferred impacts over several years (1,000 million euros of swaptions and 1,300 million euros of collars). This amount enables GECINA to be forward hedged for periods of up to seven years and levels less than or equal to 4.10%.

The valuation of the consolidated derivatives portfolio at December 31st shows a fair value of 83 million euros, compared with 34.8 million euros at December 31st, 2006.

Available credit lines represented 500 million euros, none of which were specifically allocated for backing up commercial paper, with zero paper outstanding at December 31st, 2007.

A 1% increase in rates would be reflected in a 10 million euro increase in net financial expenses over 2008, while a 1% reduction in rates would translate into a 20 million euro reduction in net financial expenses.

On December 21st, 2007, Standard and Poor's confirmed GECINA's rating (BBB- with negative watch), indicating that this negative watch reflected the separation process that was underway.

Foreign exchange risk

On the date of this reference document, the Group carried out the majority of its activities within the eurozone and virtually all of its revenues, operating expenses, investments, assets and liabilities are denominated in euros. As such, the Group has only very marginal exposure to a foreign exchange risk on its two logistics sector subsidiaries located in Poland and Hungary.

Risk linked to changes in share prices

GECINA may be subject to changes in share prices through its financial investments as well as shares held as treasury stock. Indeed, in line with its share buyback program, GECINA holds a certain number of its own shares. The cost price for treasury stock represents around 64.90 euros per share. Only a reduction by nearly 40% in the share price since December 31st, 2007 could result in GECINA depreciating the shares held as treasury stock in its annual accounts.

13. Legal information

1. REGISTERED OFFICE, CORPORATE NAME AND GOVERNING LEGISLATION

Corporate name	GECINA
Registered office	14-16, rue des Capucines, Paris 75002, France
Legal form	French limited company (Société Anonyme), governed by Articles L.225-1 et seq and R.210-1 et seq of the French commercial code (Code de commerce) and all subsequent legislation.
Governing law	French law
Incorporation and life of the company	The Company was incorporated on February 23rd, 1959 for a period of 99 years, ending February 22nd, 2058.
Trade and company register	Paris - 592 014 476
Identification number	SIRET - 592 014 476 00150
APE code	702 A. As of January 1st, 2008, and following the revision of the names for French activities by INSEE, the APE code is now 6820A.
Documents relating to the Company are available for consultation at:	The registered office (Tel: +33 1 40 40 50 50)
Fiscal year	The fiscal year runs for 12 months from January 1st through to December 31st.

System for French listed real estate investment trusts (SIIC)

The Company chose to adopt the tax system introduced by the 2003 finance law of December 30th, 2002, applicable as of January 1st, 2003, providing for the creation of listed real estate investment trusts (SIIC). It allows companies opting for this system to benefit from an exemption from tax on income and capital gains generated in connection with their activity as a real estate company, subject to payment of an exit tax calculated at a rate of 16.5% of unrealized capital gains existing as at January 1st of the year in which the system is opted for, with payment to be spread out over four years. In return for this tax exemption, SIICs are required to distribute 85% of their exempt rental income and 50% of their exempt capital gains within two years, and 100% of profits paid by subsidiaries.

2. ARTICLES OF INCORPORATION AND EXTRACTS FROM THE BY-LAWS

2.1. Corporate purpose

Corporate purpose (Article 3 of the by-laws)

The Company's purpose is to operate individual rental properties or groups of properties located in France or abroad.

To this end, the Company may:

- acquire undeveloped or previously developed land through purchases, exchanges, payments in kind or other types of payment;
- build individual properties or groups of properties;
- acquire built properties or groups of properties through purchases, exchanges, payments in kind or other types of payment;
- finance the acquisition and construction of properties;
- rent, administer and manage properties, either on its own behalf or on behalf of third parties;
- dispose of any real estate assets or rights;
- acquire equity interests in any company or organization involved in activities related to its corporate purpose, through any authorized means, including capital contributions and the subscription, purchase or exchange of securities or corporate rights;
- and more generally, engage in all types of financial, real estate and investment transactions directly or indirectly relating to this corporate purpose or in the furtherance thereof.

2.2. Organization of the Board and executive management

Chairman and Executive management

At the Board meeting on October 7th, 2005, the Company's Directors voted to entrust the Chairman of the Board of Directors with the role of the Company's Chief Executive Officer.

Furthermore, at the Board meeting on February 15th, 2007, the Company's Directors decided to appoint Antonio Truan as the Deputy Chief Executive Officer.

Board of Directors (Article 12 of the by-laws)

The Company's administration is handled by a Board of Directors made up of a minimum of three (3) and a maximum of eighteen (18) members, subject to the dispensations provided for under French law.

Directors are appointed for a three-year term of office, and may be reappointed. They may be dismissed at any time by the Ordinary General Meeting.

No one over the age of 75 may be appointed as a Director. If a Director exceeds this age limit, they will be deemed to have resigned as of right further to the General Meeting convened to approve the financial statements for the year during which they reached the age limit.

For the duration of their term of office, each Director must own at least one share.

However, under the by-laws for the Board of Directors, the number of shares to be owned by each Director is set at 400.

Board office (Article 13 of the by-laws)

From among its members, the Board of Directors elects a Chairman, who must be an individual, as well as a Co-Chairman and one or more Vice-Chairmen as relevant.

If the Board of Directors decides to appoint a Co-Chairman, this title will also be given to the Chairman, although such an appointment may not restrict the powers granted solely to the Chairman under French law or these by-laws.

The Board of Directors sets the term of office for the Chairman and, as relevant, the Co-Chairman and/or Vice-Chairmen, which may not exceed their directorships.

The Chairman of the Board of Directors and, as relevant, the Co-Chairman or Vice-Chairmen may be dismissed at a time by the Board of Directors.

No one over the age of 70 may be appointed Chairman, Co-Chairman or Vice-Chairman. If the Chairman, Co-Chairman or Vice-Chairman exceeds this age limit, they will be deemed to have resigned as of right further to the General Meeting convened to approve the financial statements for the year during which they reached the age limit.

The Board's sessions are chaired by the Chairman. If the Chairman is absent, the meeting is chaired by the Co-Chairman or by one of the Vice-Chairmen present, as designated by the Board for each session. If the Chairman, Co-Chairman and Vice-Chairmen are absent, the Board appoints one of the members present to chair the meeting for each session.

The Board elects the person to serve as Secretary.

Deliberations of the Board of Directors (Article 14 of the by-laws)

The Board of Directors meets as often as necessary in the Company's interests, either at the registered office or any other venue, even outside of France.

The Chairman sets the agenda for each Board meeting and convenes the Directors using all appropriate means.

Directors representing at least one third of the total number of Board members may convene the Board at any time, indicating the agenda for the session.

As relevant, the Chief Executive Officer may also ask the Chairman to convene the Board of Directors on a given agenda.

The Chairman is bound by requests submitted to him under the previous two paragraphs.

For deliberations to be valid, at least half of the Board members must be effectively present.

Directors may authorize another Director to represent them during a Board meeting in accordance with the legal and regulatory provisions in force.

The provisions of the previous paragraphs are applicable for the permanent representatives of a corporate Director.

The Board of Directors may meet and deliberate using videoconferencing or telecommunications facilities or any other means provided for under French law, in accordance with the terms and conditions set forth in its by-laws.

In this respect, within the limits applicable under French law and in accordance with the Board by-laws, any Directors participating in Board meetings using videoconferencing or telecommunications facilities or any other means, the nature and conditions of which are determined by the regulatory provisions in force, shall be deemed to be present when calculating the quorum and majority.

Decisions are subject to a majority of votes for members present or represented, with any Director representing one of his or her colleagues entitled to two votes. In the event of a tied vote, the session's Chairman has the casting vote.

Powers of the Board of Directors (Article 15 of the by-laws)

The Board of Directors sets the strategies for the Company's business and oversees their implementation. Subject to the powers expressly attributed to General Meetings and within the limits of the corporate purpose, it addresses any issues that are deemed to be interesting for the Company's effective performance, and through its deliberations, resolves any issues concerning it.

In dealings with third parties, the Company is committed by actions taken by the Board of Directors that do not fall within the corporate purpose, unless it is able to prove that the third parties in question knew that the actions surpassed this purpose or that they could not be unaware of it on account of the circumstances, excluding the fact that the simple publication of the by-laws is enough to constitute such proof.

The Board of Directors carries out the controls and verifications that it deems necessary.

The Board of Directors may entrust one or more of its members or third parties, whether or not they are shareholders, with special mandates for one or more given purposes.

It may also decide to set up committees tasked to review issues that the Board or its Chairman have submitted to them for their opinion. These Committees, whose makeup and remits are set in the by-laws, perform their activities under the responsibility of the Board of Directors.

Powers of the Chairman of the Board of Directors (Article 16 of the by-laws)

In accordance with Article L. 225-51 of the French commercial code, the Chairman of the Board of Directors represents the Board of Directors. Subject to the legal and regulatory provisions in force, he organizes and oversees its work, which he reports on at the General Meeting. He ensures that the Company's various bodies operate effectively and more specifically ensures that the Directors are able to perform their missions.

In accordance with Article 17 of these by-laws, the Chairman may also be responsible for the Company's executive management.

Executive management (Article 17 of the by-laws)

The Company's executive management is performed, as selected by the Board of Directors, either by the Chairman of the Board of Directors or by any other individual appointed by the Board, serving as the Chief Executive Officer.

The Board of Directors chooses between the two options for the performance of executive management as set out in the previous paragraph.

The Board of Directors makes this choice subject to a majority of the votes for the Directors present or represented.

Shareholders and third parties are informed of this choice in accordance with the regulatory provisions in force.

When executive management is performed by the Chairman of the Board of Directors, he serves as the Chairman and Chief Executive Officer. The Board of Directors determines the terms of office for the Chairman and Chief Executive Officer, which may not exceed the term of their directorships. The Chairman and Chief Executive Officer may be dismissed any time by the Board of Directors.

If executive management functions are not performed by the Chairman of the Board of Directors, a Chief Executive Officer is appointed by the Board of Directors.

The term of office of the Chief Executive Officer is freely set by the Board of Directors.

The Chief Executive Officer or, as relevant, the Chairman and Chief Executive Officer are invested with the broadest powers to act in the Company's name under all circumstances, and more specifically with a view to buying or selling any real estate assets or rights. They exercise their powers within the limits of the corporate purpose and subject to the powers expressly applicable for General Meetings and the Board of Directors under French law.

They represent the Company in their dealings with third parties. The Company is committed by the actions of the Chief Executive Officer or, as relevant, the Chairman and Chief Executive Officer when not covered by the corporate purpose, unless it is able to prove that the third parties in question knew that the actions surpassed this purpose or that they could not be unaware of it on account of the circumstances, excluding the fact that the simple publication of the by-laws is enough to constitute such proof.

In connection with the Company's internal organization, the Board of Directors may limit the powers of the Chief Executive Officer or, as relevant, the Chairman and Chief Executive Officer, but any such restrictions on their powers are unenforceable against third parties.

As proposed by the Chief Executive Officer or, as relevant, the Chairman and Chief Executive Officer, the Board of Directors may appoint one or more individuals to support the Chief Executive Officer or, as relevant, the Chairman and Chief Executive Officer, serving as Deputy Chief Executive Officers.

Up to five Deputy Chief Executive Officers may be appointed.

As agreed on with the Chief Executive Officer or, as relevant, the Chairman and Chief Executive Officer, the Board of Directors determines the scope and term of any powers granted to the Deputy Chief Executive Officers.

When the Chief Executive Officer or, as relevant, the Chairman and Chief Executive Officer cease or are prevented from performing their functions, the Deputy Chief Executive Officers retain, unless decided otherwise by the Board, their functions and remits up until the appointment of the new Chief Executive Officer or, as relevant, the new Chairman and Chief Executive Officer.

In relation to third parties, the Deputy Chief Executive Officers have the same powers as the Chief Executive Officer or, as relevant, the Chairman and Chief Executive Officer.

The Chief Executive Officer may be dismissed with reasonable grounds by the Board of Directors at any time. The same is true for Deputy Chief Executive Officers, as proposed by the Chief Executive Officer or, as relevant, the Chairman and Chief Executive Officer.

No one over the age of 65 may be appointed as a Chief Executive Officer or Deputy Chief Executive Officer. If a Chief Executive Officer or Deputy Chief Executive Officer exceeds this age limit, they will be deemed to have resigned as of right further to the General Meeting convened to approve the financial statements for the year during which they reached the age limit.

Auditors (Article 18 of the by-laws)

The Annual General Meeting may appoint up to three Auditors for the Company, selected from among the shareholders. The Auditors may also be appointed by the Company's Board of Directors subject to this appointment being ratified at the next General Meeting.

No one over the age of 75 may be appointed as an auditor. If an auditor exceeds this age limit, they will be deemed to have resigned as of right further to the General Meeting convened to approve the financial statements for the year during which they reached the age limit.

Auditors are appointed for a three-year term of office and may be reappointed. They are convened to Board meetings and take part in its deliberations, with a consultative vote.

Auditors may be granted specific missions.

Compensation for the Directors, Auditors, Chairman, Chief Executive Officer and Deputy Chief Executive Officers (Article 19 of the by-laws)

For their activities, Directors receive a fixed amount of annual compensation, based on attendance allowances, the amount of which is determined by the Ordinary General Meeting.

The Board of Directors freely shares out the amount of such attendance allowances between its members and the Auditors.

It may also grant exceptional compensation for missions or offices entrusted to Directors or Auditors. Such agreements are subject to the legal provisions in force relative to agreements requiring prior authorization from the Board of Directors.

The Board of Directors determines the compensation for the Chairman, Chief Executive Officer and Deputy Chief Executive Officers.

By-laws for the Board of Directors

The by-laws for GECINA's Board of Directors, which it adopted on June 5th, 2002, and updated on January 15th, 2003, April 20th, 2004, June 29th, 2005, October 24th, 2005 and July 27th, 2007, specify and supplement the Board operating principles provided for under the Company by-laws.

2.3. Rights and obligations associated with shares

Rights and obligations associated with each share (Article 10 of the by-laws)

In addition to the voting right that it is entitled to under French law, each share entitles the holder to a share, proportional to the number and minimum value of existing shares, in the company's assets, profits or liquidating dividend.

Shareholders are only liable for the company's liabilities for up to the nominal amount of any shares that they own.

The rights and obligations associated with the share follow the share if it is transferred between holders.

If they own a share, shareholders must as of right adhere to the decisions of the General Meeting and the Company's by-laws.

Dual voting rights

NA

Restrictions on voting rights

NA

2.4. Changes to the capital and voting rights for shares

Changes to the capital and voting rights for shares

GECINA's by-laws do not provide for any measures relative to changes to the capital and the voting rights associated with shares. Such decisions are subject to the legal and regulatory provisions in force.

2.5. General Meeting

General Meetings (Article 20 of the by-laws)

1. Notice to attend

Shareholders are invited to attend meetings and deliberate on issues under the conditions required under the legal and regulatory provisions in force.

Meetings are held at the registered office or any other venue stated in the notice to attend.

2. Access rights

Ordinary and Extraordinary General Meetings may be attended by all shareholders holding, in line with the conditions set forth below, at least one share. Special Meetings may be attended by all holders of shares from the category concerned with, in line with the conditions set out below, at least one share from this category.

Shares on which payments are due but have not been paid lose their entitlement to attend General Meetings and are deducted when calculating the quorum.

Subject to the conditions outlined above, all shareholders are entitled, subject to providing proof of their identity, to attend General Meetings as provided for under French law. This right is subject to their shares being held on a registered basis, duly recorded under their account in the Company register.

3. Office - attendance sheet

General Meetings are chaired by the Chairman of the Board of Directors or, in his absence, by the Vice-Chairman or, in the absence of the latter, by a Director specially appointed to this effect by the Board. Failing that, the General Meeting may elect its own Chairman.

Voting supervisor functions are performed by the two members attending the meeting with the highest number of votes, in accordance with the legal and regulatory provisions in force. Voting supervisor functions are performed by the two members attending the meeting with the highest number of votes, in accordance with the legal and regulatory provisions in force.

The office for the meeting appoints the secretary, who may be chosen from outside of the shareholders.

4. Voting rights

Each member of the meeting is entitled to one voting right for each share owned or represented.

General and Special Meetings deliberate under the quorum and majority conditions provided for under the legal and regulatory provisions in force.

Shareholders participating in meetings using videoconferencing or telecommunications facilities, which make it possible to identify them and the nature and conditions for use of which are decreed by the French council of state (Conseil d'État), are deemed to be present or represented when calculating the quorum and majority. Shareholders participating in meetings using videoconferencing or telecommunications facilities, which make it possible to identify them and the nature and conditions for use of which are decreed by the French council of state, are deemed to be present or represented when calculating the quorum and majority.

Minutes of meetings are drawn up and their copies certified and distributed as required under French law.

Shareholder identification (Article 7 of the by-laws)

Shares must be held on a registered basis. They are registered in an account under the conditions provided for under the legislative and regulatory provisions in force.

2.6. Disclosure of shareholding thresholds (Article 9 of the by-laws)

Disclosure of shareholding thresholds (Article 9 of the by-laws)

In addition to the legal obligation to inform the Company about the holding of certain fractions of the capital and to make any declarations of intent accordingly, any individual or corporate shareholders, acting alone or in concert, that acquire or sell off a fraction equal to 2% of the share capital or voting rights or any multiple thereof, must inform the Company about the total number of shares and voting rights held in a letter sent recorded delivery with delivery receipt to the registered office within fifteen days of having exceeded one of these thresholds.

This disclosure requirement applies in any case when the abovementioned thresholds are passed, including over and above the thresholds provided for under French law. In the event of failure to have disclosed the required information under the conditions set out above, any shares exceeding the fraction that should have been disclosed will forfeit their voting rights, as provided for under French law, if requested by one or more shareholders owning at least 5% of the share capital, as recorded in the minutes for the General Meeting.

Any non-individual shareholder that directly or indirectly comes to hold 10% of the Company's dividend rights will be required to indicate in their disclosure threshold declaration whether or not they are a Deduction Shareholder as defined in Article 23 of the by-laws. Any non-individual shareholders directly or indirectly holding 10% of the Company's voting rights on the date when this paragraph comes into force will be required to indicate whether or not they are a Deduction Shareholder as per Article 23 of the by-laws at least ten (10) working days before the payouts are to be made. If shareholders declare that they are not Deduction Shareholders, they will be required to justify this if requested by the Company. Any non-individual shareholders having disclosed that they have directly or indirectly exceeded the threshold for 10% of dividend rights or directly or indirectly holding 10% of the Company's dividend rights on the date when the present paragraph comes into force will be required to notify the Company as quickly as possible and, in any case, at least ten (10) working days before the payouts are to be made, of any change in their tax status that would cause them to acquire or lose their status as a Deduction Shareholder.

If shareholders fail to make such declarations in accordance with the conditions set out in the first paragraph of this article, the shares in excess of the fraction that should have been disclosed will forfeit their voting rights at General Meetings, where the non-declaration has been acknowledged and where one or more shareholders representing a combined total of at least 2% of the share capital make a request to this effect during this Meeting. This forfeiture of voting rights applies for all General Meetings held for a two-year period following the date on which the declaration situation was resolved.

3. RESEARCH AND PATENTS

NA.

14. Developments, outlook and trends

GECINA has continued rolling out and asserted its strategy that was launched at the end of 2005 with a view to further strengthening, boosting and diversifying its asset portfolio, building a stronger office business and acquiring new types of products in the residential sector (student residences), as well as on logistics, healthcare and hotels. In this way, these new assets are contributing to high yields, while continuing to improve the quality of the Group's holding and strengthen its performance.

At the same time, the property holding has continued to be optimized, with the disposal of primarily residential assets, and to a lesser extent, commercial properties. The rules governing the property holding arbitrage strategy are based on the turnover of mature, small-size, low-yield assets and properties not offering strategic locations. For their part, reinvestments are being carried out on leading or developing geographical sectors, targeting high-quality, modern and large-size assets.

1. RECENT EVENTS

In February 2008, GECINA's logistics division sealed a further acquisition, covering a second 30,000 sq. m logistics warehouse in Saint-Martin de Crau. This investment, based on a sale and lease-back operation with Maisons du Monde, is also combined with a long-term lease. It follows on from a first similar transaction carried out with Maisons du Monde in October 2007 for a comparable building.

In Q1 2008, a 3,904 sq. m office building in Lyon (La Part-Dieu) was sold off to CAAM Real Estate for SCPI SLIVIMO.

Over this same period, GECINA has put a new organization in place, based on an Executive Committee that is now made up of 10 members and new appointments, in addition to the creation of a Strategic Resources Division.

Strengthening GECINA's brand awareness, rising to the challenge of an innovative and environmentally-friendly architecture, and developing the "digital" real estate model represent the missions for this new Division, which covers three functions: marketing and communications, architecture and construction, digital technologies and information management.

2. OUTLOOK AND TRENDS

On February 19th, 2007, a separation was announced between the three main shareholders in Metrovacesa, namely Mr. Sanahuja, Mr. Rivero and Mr. Soler, in order to put an end to the dispute between them, and as a result clarify the shareholding structure for Metrovacesa and GECINA.

The first stage of the Separation Agreement was carried out in Spain over the period from September 24th to October 24th, 2007. The second stage for the implementation of the separation process, initiated by GECINA, has been temporarily postponed following the decision by the French securities regulator (AMF) to declare the proposed public share buy-back offer filed by the Company non-compliant. This decision has been challenged by GECINA, Mr. Soler and Mr. Rivero with the Paris appeals court. GECINA aims to continue implementing the Separation Agreement as soon as possible. The Paris appeals court's decision to intervene on the appeals lodged against the AMF's non-compliance decision could have a significant impact on the conditions for this implementation.

At the end of 2007, GECINA's by-laws were amended with a view to getting the shareholders that could be behind the consequences of the 20% deduction introduced by the SIIC IV reform on sums paid out to them to be borne by these shareholders.

The development projects that will be delivered over the period (more than 71,000 sq. m), as well as further new leases and re-lettings will also contribute to the Group's rental revenue growth and further strengthen GECINA's performance. In order to drive its growth forward, the GECINA group also has a pipeline of projects representing close to 800,000 sq. m (offices, residential, logistics, healthcare).

GECINA is still confident on its markets about future growth in its rental income and earnings, thanks to the still strong level of demand, faced with less abundant supply, as well as its portfolio of very high quality assets. For 2008, the GECINA group is forecasting sustained growth, while continuing with the dynamic management of its portfolio. In order to maximize its profitability, GECINA aims to scale back its exposure to the residential sector and is looking into opportunities for international expansion in other European countries.

15. Chairman's report on corporate governance and internal control

Dear Shareholders,

In accordance with the French financial security law (Loi de Sécurité Financière) of August 1st, 2003, amended by the Law of July 26th, 2005 governing economic modernization and confidence, the Chairman must report to the shareholders each year, in a report appended to that of the Board of Directors, on the conditions for the preparation and organization of its work as well as on the internal control procedures put in place by the Company. Drawn up within this framework, the present report therefore addresses each of the two points required under French law. It has been prepared with support from the Internal Audit Department, the Legal Department and the Board Secretary's Office, further to a series of meetings with managers from the Group's various divisions.

1. CONDITIONS FOR THE PREPARATION AND ORGANIZATION OF THE BOARD'S WORK

The governance rules defined by GECINA's Board of Directors are in line with the recommendations set forth in the Afep and Medef report published in October 2003.

1.1. Board operating principles and organization

At December 31st, 2007, GECINA's Board of Directors comprised 16 members.

Its internal regulations, adopted by the Board on June 5th, 2002, and updated on January 15th, 2003, April 20th, 2004, June 29th, 2005, October 24th, 2005 and July 27th, 2006, specify and supplement the Board operating principles provided for under the Company by-laws.

Board meetings

Under the by-laws, the Board of Directors must be made up of a minimum of three and maximum of 18 members.

The Board meets at least four times a year, and whenever necessary, with meetings convened by the Chairman of the Board of Directors. Directors representing at least one third of the total number of Board members may convene the Board at any time, indicating the agenda for the session. Decisions are subject to a majority of votes for members present or represented. In the event of a tied vote, the session's Chairman has the casting vote.

Shares held

For the duration of their term of office, each Director must own 400 shares, with a par value of 7.50 euros, pursuant to the internal regulations for the Board of Directors.

Directors must declare any transactions on the Company's securities, carried out directly or through a third party, for their own behalf or on behalf of any other third party under a mandate not exercised in connection with the third-party management service, to GECINA within five trading days. This also concerns transactions carried out on behalf of Directors by their spouses, provided that they are not legally separated, or by any other party holding such an authorization.

Director compensation

Attendance allowances are awarded to each Director as follows:

- 5,000 euros of compensation paid to each Director for each Board meeting attended;
- for the specialized committees, each Chairman receives an annual flat fee of 4,000 euros in attendance allowances, with 4,000 euros paid to each member for each session attended.

At the Board meeting on December 13th, 2007, Directors decided that meetings of the ad hoc committee based on conference calls will be entitled to compensation in the same way as its physical meetings and that on account of the important role played by its Chairman for the implementation of the Separation Agreement, he will be awarded a further 30,000 euros in compensation.

At the same Board meeting, it was also decided that as of 2008, Audit Committee meetings will be entitled to compensation in the same way as meetings of the Board of Directors and that the compensation for its Chairman will be 25% higher than for other Committee members.

Board structure

At December 31st, 2007, the structure of the Board of Directors was as follows:

- Chairman and Chief Executive Officer: Joaquín Rivero Valcarce;
- Deputy Chief Executive Officer, Director: Antonio Truan;
- Director: Antoine Jeancourt-Galignani;
- Director: Françoise Monod;
- Director: Philippe Geslin;
- Director: Bertrand de Feydeau;
- Director: Patrick Arrosteguy;
- Director: Santiago Fernandez Valbuena;
- Director: José Gracia Barba;
- Director: Serafin Gonzales Morcillo;
- Director: Michel Villatte;
- Director: Joaquín Meseguer Torres;
- Director: Predica, represented by Jean-Yves Hocher;
- Director: Victoria Soler Lujan;
- Director: Santiago de Ybarra y Churruca;
- Director: Metrovacesa.

Jaime Febrer Rovira was coopted as a Director by the Board of Directors on April 26th, 2007, replacing Bancaja, further to its resignation on January 9th, 2007. This coopting was ratified at the General Meeting on June 19th, 2007.

Further to his resignation on December 13th, 2007, he was replaced by Antonio Truan, coopted by the Board on December 28th, for the period left to run on his predecessor's term of office, i.e. through to the General Meeting convened to approve the annual financial statements for 2007. The coopting of Mr. Truan will be submitted for ratification at this Meeting, which will also need to give its opinion on the renewal of his term of office.

Furthermore, Mr. Truan has resigned from his position as the permanent representative for Metrovacesa.

Lastly, Roman Sanahuja Pons and Javier Sanahuja Escofet resigned from their positions as Directors on December 4th, 2007.

Independent Directors

With regard to the qualification of independent Directors, the Board of Directors, as proposed by the Appointments and Compensation Committee, returned on December 12th, 2006 to the criteria for independence set out in the corporate governance recommendations report published by the Medef and Afep in October 2003.

In this way, under the independence principles, Directors:

(i) may not be an employee or corporate officer of the Company, an employee or Director of its parent company or any consolidated company, and must not have been so at any point over the last five years;

(ii) may not be a corporate officer of a company in which the Company directly or indirectly holds any directorship, or in which an employee who has been appointed as a corporate officer of the Company (currently or at any point over the last five years) has a directorship;

(iii) may not be a client, supplier, investment banker or commercial banker:
– having material relationships with the Company or its Group,
– or for which the Company or its Group represents a significant percentage of their business;

(iv) may not have any close family ties with a corporate officer;

(v) may not have served as an Auditor for the Company at any point over the last five years;

(vi) may not serve as a Director for the Company for more than 12 years;

(vii) for Directors representing major Company shareholders, they are deemed to be independent when they do not participate in the control of the Company and their shareholding percentage is lower than 10%; above this threshold, the Board, acting on the basis of a report drawn up by the Appointments and Compensation Committee, must decide on such cases factoring in the make-up of the share capital and the existence of any potential conflicts of interest.

In accordance with these recommendations, at December 31st, 2007, the Board of Directors determined that seven out of its 16 Directors were independent, in accordance with the criterion set out in the abovementioned report for one third of Directors to be independent.

The independent Directors still serving are as follows:

- Françoise Monod, Patrick Arrosteguy, Bertrand de Feydeau, Philippe Geslin, Serafin Gonzales Morcillo and Michel Villate;
- the company Predica, represented by Jean-Yves Hocher.

Jaime Febrer Rovira, coopted as a Director on April 26th, 2007, was qualified as an independent Director. As indicated above, he resigned on December 13th, 2007.

The Board, as recommended by the Compensation Committee, approved the principles for determining the compensation and benefits of any kind granted to the Chairman and Chief Executive Officer.

At its meeting on February 21st, 2008 the Board, as recommended by the Appointments and Compensation Committee, decided that Santiago Fernandez Valbuena and Santiago de Ybarra y Churruca, at 31st, 2007, were independent Directors, since the loss of control over GECINA by Metrovacesa, in which they had also ceased to be Directors.

GECINA's other Directors are as follows: Victoria Soler Lujan, Joaquín Rivero Valcarce, Antonio Truan, Antoine Jeancourt Galignani, José Gracia Barba, Joaquín Meseguer Torres, and Metrovacesa.

Director participation in the Board's deliberations

Article 14 of the by-laws and Article 7 of the Board by-laws allow Directors to meet and take part in the Board's deliberations using videoconferencing or telecommunications facilities or any other means provided for under French law.

With regard to calculating the quorum and majority, they are deemed to be present, except for the adoption of decisions governed by Articles L.225-47, L.225-53, L.225-55, L.232-1 and L.233-16 of the French commercial code, namely the election of the Board Chairman, the Board's appointment of Deputy Chief Executive Officers, the Board's dismissal of Chief Executive Officers and Deputy Chief Executive Officers, the drawing up of the annual financial statements and the management report, and the drawing up of the consolidated financial statements and Group management report respectively. However, at least one quarter of the Directors must be physically present in the same location.

The abovementioned restrictions will however not prevent any Directors excluded from quorum and majority calculations from taking part in meetings and giving their opinion on a consultative basis.

Role of the Board (Article 3 of the Board by-laws)

The Board of Directors is responsible for setting the strategic directions for the Company's business. It may address any issue that is deemed to be interesting for the Company's effective performance. It is regularly informed about changes in the Group's activities and property holding as well as its financial position and cash flow. It is also informed of any material commitments made by the Group.

In connection with the authorizations granted by the General Shareholders' Meeting, the Board of Directors decides on any transaction bringing about a change in the share capital or the creation of new Company shares.

1.2. Organization of preparatory work for Board meetings

In order to improve the quality of its work and help the Board in the performance of its duties, GECINA's Board of Directors, at its meeting on January 15th, 2003, set up three specialized committees to improve the Board's operations and help effectively prepare for its decisions: the Appointments and Compensation Committee, the Audit and Accounting Committee, and the Quality and Sustainable Development Committee.

The by-laws of each one of these Committees specify their operating principles and roles. The by-laws of the Audit and Accounting Committee and the Quality and Sustainable Development Committee were amended on February 21st, 2006. The by-laws of the Appointments and Compensation Committee were amended at the Board meeting on October 24th, 2005.

In its meeting on April 26th, 2007, the Board decided to set up a committee of independent Directors, the ad hoc Committee, to oversee the implementation of the Separation Agreement, in order to enable total transparency.

Audit and Accounting Committee

This Committee includes five members: Philippe Geslin, Chairman, Patrick Arrosteguy, Jean-Yves Hocher, Bertrand de Feydeau and Serafin Gonzales Morcillo. Antonio Truan, a member of this Committee in 2006, resigned on April 26th, 2007 and Serafin Gonzales Morcillo was appointed to this Committee at the Board meeting on April 26th, 2007.

The by-laws for the Audit and Accounting Committee specify that at least two thirds of its members must be independent Directors. Its structure is compliant with this requirement, since all of its members are independent Directors. The by-laws also state that its Chairman must be chosen from among the independent Directors.

The Audit and Accounting Committee is responsible for:
- analyzing the financial statements, working directly with the Company's finance managers and the Statutory Auditors;
- advising on any issues concerning the Statutory Auditors;
- reviewing the Group's internal control operations.

The Committee met 10 times over 2007, with an attendance rate of 96%.

During these meetings, the Committee notably reviewed the consolidated and annual financial statements for 2006, the consolidated financial statements at March 31st, June 30th and September 30th, 2007. It also reviewed the property appraisals carried out on GECINA's property holding, the various audit reports and the study into the Resico project. It reviewed the conditions for the Separation Agreement and recommended setting up an ad hoc committee in order to oversee the implementation of this Agreement.

The Audit Committee's work was in line with the objectives set.

Appointments and Compensation Committee

This Committee is made up of five members: Françoise Monod, Chairman, José Gracia Barba, Serafin Gonzalez Morcillo, Michel Villatte and Antonio Truan. It has a majority of independent members. Mr. Truan only participates in this Committee's deliberations when they fall within the remit of the Appointments Committee.

This Committee is responsible for making proposals or submitting recommendations to the Board relative to the election of corporate officers. It is also tasked to identify the independent Directors, with the majority of its own members required to be independent, while organizing preparatory work for assessing the organization of the Board of Directors' work.

When meeting to review compensation issues only, the Committee is responsible for making proposals to the Board with regard to the compensation of corporate officers, putting forward recommendations on the means of compensation for Executive Committee members, and submitting any proposals relative to stock option schemes.

The Chairman of the Board of Directors, while a member, does not participate in meetings or parts of meetings when the Committee meets as the Compensation Committee.

This Committee met four times in 2007, with an attendance rate of 92%, notably:
- reviewing the compensation proposals for Mr. Truan;
- reviewing the proposed free allocation of shares to staff in connection with the company agreement further to the Separation Agreement;
- putting forward recommendations concerning compensation for members of the Audit and Ad Hoc Committees, as well as exceptional compensation for the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer.

Quality and Sustainable Development Committee

This committee is made up of five Directors: Bertrand de Feydeau, Chairman, Jean-Yves Hocher, Patrick Arrosteguy, Antonio Truan and Philippe Geslin. Mr. Geslin was appointed at the Board meeting on February 15th, 2007.
This Committee is responsible for drawing up an inventory of the main risk categories faced by GECINA and for monitoring the program of actions drawn up in order to address these risks, assessing the quality of service provided to tenants and reviewing the Group's contribution to sustainable development. It is also responsible for reviewing the Group's insurance programs.
Depending on the issues reviewed, the Committee may call on the Risk Management team or any other of the Group's operational managers.

The Committee met five times in 2007, with an attendance rate of 96%, notably:

• examining the various management indicators, including the billing ratio;
• reviewing the risks inherent to the Group's new activities;
• checking the implementation of measures making it possible to issue the energy performance analysis, and apply the high-quality environmental standard;
• determining the most effective indicator for managing energy savings;
• approving the Group's project for sustainable development.

Ad hoc Committee

In order to enable total transparency for the process linked to the Separation Agreement, the Audit Committee proposed to set up an ad hoc committee made up of independent Directors. At the Board meeting on April 26th, 2007, the Directors adopted this proposal and appointed the following members for this committee: Philippe Geslin, Chairman, Patrick Arrosteguy, Jean-Yves Hocher, Bertrand de Feydeau and Serafin Gonzales Morcillo.

They met seven times in 2007, with an attendance rate of 100%.

1.3. Board activities over the year

The Board of Directors met ten times in 2007, with an attendance rate of 94.8%. Whenever necessary or when reviewing the financial statements, the Group's business, and more specifically its financing, investments, disposals and rental operations, was presented.

In 2007, the Board of Directors notably: reviewed the annual financial statements and the Group's consolidated financial statements for 2007/2006, as well as GECINA's quarterly and half-year financial statements, reviewed the management forecasts and budget for 2008, reviewed the Resico project. It also looked at the various aspects of the implementation of the Separation Agreement between Metrovacesa's main shareholders, as well as the merger of Société des Immeubles de France with GECINA. It reviewed reports on the activities of its various committees, acknowledged the capital increases resulting from stock options and warrants being exercised by members of the GECINA Relais 2007 company mutual fund, renewed the authorization given to the Chairman and Chief Executive Officer to issue bonds (in connection with or outside of the EMTN program) and awarded stock options and bonus shares to employees and corporate officers.

1.4. Regulated agreements

On February 15th, 2007, the Board of Directors authorized the signature of a protocol agreement with Predica governing relations between the parties for the contributions made to Resico.

At the same Board meeting, Directors approved the service level agreements between GECINA and Resico on the one hand, and GECINA and Locare on the other, focusing on human resources, IT, accounting, management control, legal assistance, dispute and risk management services.

These agreements did not have any effect over 2007.

On April 26th, 2007, the Board of Directors awarded Antonio Truan, appointed as a GECINA Director on December 28th, 2007, a benefit based on an end-of-office compensation package equal to two years of his reference fixed compensation, plus any profit sharing or bonuses paid over the last 12 months prior to his departure or, if he leaves before receiving his bonus, based on his bonus entitlements for a full year of business. This benefit is not subject to any performance conditions.

At the same Board meeting, the Directors also voted to entitle Mr. Truan to the supplementary pension scheme for corporate officers in force within GECINA, as adopted by the Board of Directors on January 17th, 2001. GECINA paid nine million eight hundred and fifty thousand euros (9,850,000 euros) on December 14th, 2007, corresponding to the payment of various costs relating to the auction of a plot in Madrid to Bami Newco, initially the successful buyer on GECINA's behalf. GECINA and Bami Newco have the following, Directors: Victoria Soler Lujan, Joaquín Rivero Valcarce and José Gracia Barba. Since it had not authorized it beforehand, your Board of Directors decided to authorize this commitment at its meeting on February 21st, 2008.

No other regulated agreements were entered into during the year ended December 31st, 2007.

1.5. Delegations relative to guarantees and deposits - Art. L.225-35 of the French commercial code

On July 24th, 2007, the Board of Directors authorized the Chairman and Chief Executive Officer, with an option to sub-delegate such powers, to issue guarantees and deposits in the Company's name (i) for up to 1 billion euros on behalf of its subsidiaries, (ii) up to any amount for guarantees relative to tax and customs authorities, (iii) up to 50 million euros on behalf of a third party, and to continue with any guarantees and deposits granted previously.

This authorization is given for a 12-month period ending July 24th, 2008. In 2007, the commitments taken on by GECINA totaled 158,986,154 euros. The commitments taken on by GECINA during previous years and that were still in force in 2007 represented a total of 631,753,378 euros.

1.6. Evaluation of the Board's work

The rules for evaluating the Board's work are defined in its by-laws:
- annual discussion of its operating principles and those of its Committees;
- possible discussion every two years, excluding corporate officers and chaired by the Chairman of the Appointments and Compensation Committee, relative to the quality of the Company's management, its relations with the Board and the recommendations that it would like to make to management;
- every three years, evaluation of its makeup, organization and operating principles.

1.7. Powers of the Chairman and Chief Executive Officer

The Chairman of the Board of Directors is responsible for the Company's executive management.

The Chairman and Chief Executive Officer, appointed by the Board of Directors to represent it, has the broadest powers to act under any circumstances on behalf of the Company. He exercises these powers within the limits of the corporate purpose and subject to the powers expressly applicable for General Meetings and the Board of Directors under French law. He represents the Company in its dealings with third parties.

On February 15th, 2007, the Board of Directors appointed Antonio Truan as Deputy Chief Executive Officer, with the same powers as the Chairman and Chief Executive Officer.

1.8. Compensation for the Chairman and Chief Executive Officer

The Board, as recommended by the Compensation Committee, approved the principles for determining the compensation and benefits of any kind awarded to the Chairman and Chief Executive Officer.

Fixed compensation

Joaquín Rivero Valcarce's fixed compensation (gross) for 2007 came to 180,400 euros.

Variable compensation

In 2007, Joaquín Rivero Valcarce received 200,000 euros in variable compensation relative to 2006.

Exceptional bonus

On December 13th, 2007, the Board of Directors, as recommended by the Compensation Committee, awarded Mr. Rivero Valcarce an exceptional bonus of 290,000 euros, of which he received 145,000 euros in 2007.

Company car

A company car is made available to Joaquín Rivero Valcarce for his trips when in Paris.

Attendance allowances

In 2007, Joaquín Rivero Valcarce received 50,000 euros (gross) in attendance allowances as a Director of GECINA, and 12,000 euros as a Director of Société des Immeubles de France.

Stock options

At the Board meeting on December 13th, 2007, as authorized under the sixteenth resolution adopted at the General Meeting on June 19th, 2007 and as recommended by the Compensation Committee, the Directors voted to award Joaquín Rivero Valcarce 30,000 stock options at a price of 109.51 euros.
The conditions for exercising the stock options granted in this way are set out in the stock option or warrant scheme regulations approved by the Board of Directors on December 13th, 2007.
In 2006, Joaquín Rivero Valcarce did not exercise any options granted during previous years.

Free allocation of shares

On December 13th, 2007, the Board of Directors, as authorized under the seventeenth resolution adopted at the General Meeting on June 19th, 2007 and as recommended by the Compensation Committee, awarded 10,000 bonus shares to Joaquín Rivero Valcarce.

The conditions for acquiring the shares awarded in this way are set out in the bonus share scheme regulations approved by the Board of Directors on December 13th, 2007.

Furthermore, Mr. Rivero Valcarce directly and indirectly held 11,086,813 Company shares at December 31st, 2007.

Pension system

Joaquín Rivero Valcarce is potentially eligible for the supplementary pension scheme put in place with Cardif for corporate officers in 2001.

This system supplements the basic and existing supplementary systems (social security, ARRCO, AGIRC, etc.), enabling corporate officers to acquire a pension equal to a certain percentage of their salary at the end of their career, depending on their number of years seniority within the Group and after deducting any other form of pension received. The total amount paid under the Cardif system may not exceed 20% of the reference salary, based on the average fixed and variable wage over the last 36 months preceding retirement. To be activated, beneficiaries for this system must (i) have spent at least five years as a corporate officer for GECINA or other companies covered by the Cardif system, (ii) have reached the age of 60 by the time they leave the company, and (iii) be in a position to cash in their pensions under the general system.

In this way, a corporate officer with at least 10 years seniority within the GECINA group on retirement is entitled to the difference between 60% of their reference compensation on the one hand, and the external pensions systems on the other.

A corporate officer with a level of seniority greater than or equal to five years, but lower than 10 years on retirement, is entitled to the difference between 50% of their reference compensation on the one hand, and the external pensions systems on the other.

1.9. Compensation for the Deputy Chief Executive Officer

The compensation paid by GECINA to Antonio Truan is decided on by the Board of Directors, as recommended by the Compensation Committee.

Total compensation paid to Antonio Truan for his position as Deputy Chief Executive Officer

At the Board meeting on February 15th, 2007, the Directors set the compensation paid to Mr. Truan as Deputy Chief Executive Officer at 540,000 euros. Relative to this position, Mr. Truan was paid 472,500 euros during 2007.

The other elements for Mr. Truan's compensation were set by the Board of Directors on April 26th, 2007.

Variable compensation and exceptional bonus

At its meeting on December 13th, 2007, the Board, as recommended by the Compensation Committee, awarded an exceptional bonus to Mr. Truan for 290,000 euros, of which he received 145,000 euros in 2007.

For 2007, Mr. Truan's variable compensation will be set, as recommended by the Appointments and Compensation Committee, at a coming Board meeting.

Attendance allowances received by Antonio Truan

For his participation in meetings held by GECINA's Board of Directors and its various committees (Audit Committee, Quality and Sustainable Development Committee and Appointments and Compensation Committee) over 2007, Antonio Truan received 98,000 euros (gross) in attendance allowances. As a Director of Société des Immeubles de France, he received 16,000 euros (gross) in attendance allowances.

Stock options

At the Board meeting on December 13th, 2007, Antonio Truan was awarded 30,000 stock options.

No stock options or warrants were exercised over the past year by Antonio Truan.

Free allocation of shares

At the Board meeting on October 23rd, 2007, the Directors voted to award Antonio Truan 26 bonus shares. In addition, Directors voted at the Board meeting on December 13th, 2007 to award Mr. Truan 9,500 bonus shares. The conditions for the definitive allocation of such securities are set out in the bonus share scheme regulations approved by the Board of Directors on December 13th, 2007.

In addition, Mr. Truan directly and indirectly owned 11 Company shares at December 31st, 2007, and 429 shares at February 29th, 2008.

Provision of a company car

A company car is made available to Antonio Truan for his trips when in Paris.

Supplementary pension system

Antonio Truan is potentially eligible for the supplementary pension scheme put in place with Cardif for corporate officers in 2001.This system supplements the basic and existing supplementary systems (social security, ARRCO, AGIRC, etc.), enabling corporate officers to acquire a pension equal to a certain percentage of their salary at the end of their career, depending on their number of years seniority within the Group and after deducting any other form of pension received. The total amount paid under the Cardif system may not exceed 20% of the reference salary, based on the average fixed and variable wage over the last 36 months preceding retirement. To be activated, beneficiaries for this system must (i) have spent at least five years as a corporate officer for GECINA or other companies covered by the Cardif system, (ii) have reached the age of 60 by the time they leave the company, and (iii) be in a position to cash in their pensions under the general system.

In this way, a corporate officer with at least 10 years seniority within the GECINA group on retirement is entitled to the difference between 60% of their reference compensation on the one hand, and the external pensions systems on the other.

A corporate officer with a level of seniority greater than or equal to five years, but lower than 10 years on retirement, is entitled to the difference between 50% of their reference compensation on the one hand, and the external pensions systems on the other.

On April 26th, 2007, the Board of Directors awarded Antonio Truan a benefit based on an end-of-office compensation package equal to two years of his reference fixed compensation, plus any profit sharing or bonuses paid over the last 12 months prior to his departure or, if he leaves before receiving his bonus, based on his bonus entitlements for a full year of business. This benefit is not subject to any performance conditions.

2. INTERNAL CONTROL

GECINA's internal control structure is intended to:

- Ensure that management decisions or operations are carried out within the framework defined for the Company's activities by corporate bodies, in accordance with the laws and regulations applicable, and the Company's internal regulations.
- Ensure that assets are protected, and more generally, prevent and effectively manage any risks resulting from the Company's activities.
- Ensure that accounting, financial and management information faithfully reflects the Company's activities and position.

This structure, in the same way as any control system, cannot provide an absolute guarantee that all risks will be eliminated.

This system follows the mapping proposed in the "internal control frame of reference" published in January 2007 and drawn up by the Market Taskforce overseen by the AMF.

2.1. Company management and organization

Company management

The Company's Executive Management is performed by the Chairman of the Board of Directors, acting as the Chairman and Chief Executive Officer. The Chairman is supported in his functions by a Deputy Chairman who is responsible for the integration of the Group and the coordination of actions by the various divisions. Lastly, the Management Control, Internal Audit and Investor Relations functions have been grouped together within one department, reporting directly to the Chairman in order to optimize the management of the Company.

Company organization

GECINA's organization is based on the following principles, contributing to the company's dynamic development and flexibility:

- Business line-based organization.
- Independent Operational Divisions, incorporating arbitrage, development and marketing functions.
- Strategic Development structure, dedicated to research on product diversification, and incorporating the new logistics, healthcare, hotel and leisure activities.

GECINA's operational structure for residential and commercial real estate activities is based on the creation of asset management entities grouping together properties by region, organized into profit centers, covering all the functions necessary for property management (customer relations, administrative, technical and accounting management). This integrated organization, structured around the property, makes it possible to define responsibilities more closely and increase responsiveness to events.

The Regional Lyon Division works with the other Operational Divisions on each one of the business lines.

The Group's divisions responsible for Human Resources Management and Administrative and Financial Management functions, as well as the Legal Department, are organized in line with the conventional approach specific to these structures.

In order to respond to the Group's strategic issues as effectively as possible, the organization will be adapted in 2008. More specifically, a Strategic Resources Division will be set up, grouping the information and digital technologies management, architecture and construction, and marketing functions together. In addition to a better level of consistency for the Group's actions in the various fields concerned, this Division will make it possible to further strengthen the Group's tools and processes based on new digital technologies.

Management committees

The GECINA group's management structure is supplemented by the Executive Committee, which includes the managers of the various divisions and the Chairman and Deputy Chief Executive Officer. It represents a collegial body responsible for implementing strategic decisions and ensuring that the main management decisions are consistent. It is supported by various specialized committees, which are responsible for overseeing the Group's various actions in the areas concerned:

- The Investment Committee meets as and when necessary to decide on acquisition or disposal projects that are underway, presented by the Operational Divisions.

- The Finance Committee is informed on a regular basis of the Company's financial position and cash flow forecasts, as well as financing, hedging and investment proposals or facilities put in place by the Cash Management and Financing Division.
- The Results Committee meets each quarter to review the Group's various activity indicators and budget tracking. Based on the explanations provided with the support of Management Control, this Committee identifies risks and factors that can be leveraged to improve results.

Group organization

The Group is made up of the parent company and the various subsidiaries included in the basis for consolidation. Its management is organized on a centralized basis, with common teams and departments applying the same methods and procedures for all companies.

Definition of responsibilities and powers

The responsibilities given to people are formalized in job descriptions and delegations of powers, in line with the Group's management procedures. In addition, detailed organization charts can be accessed freely thanks to various internal communications tools.

Human resources management

The Group's employees are recruited based on specific rules and guidelines, notably including a validation of the profile for the position, various tests and interviews, and, as relevant, the checking of candidates' references. The decisions taken are subject to a collegial review. Depending on the profiles for positions, the Group may if necessary call on leading external firms. All members of staff are subject to annual performance appraisals, centralized by the Human Resources Division. Any training actions required are taken into account in the annual training plan, broken down into collective and individual needs.

Information systems

The Group's information systems are based primarily on real estate and transaction management applications, connected up to the various functional applications. Business applications are developed in line with user requirements and tailored to the new business lines (logistics, healthcare, hotel). These tools and their architecture are subject to specific documentation.

The various systems are protected by a series of tools and procedures, notably including access right management rules, logical security applications and formalized procedures for regularly backing up data. Two copies of back-up resources are created and kept at specialized service providers. IT facilities are grouped together in a protected room, with secure access. Their operational continuity is guaranteed based on formalized contingency plans. In addition, a back-up contract with an external service provider makes it possible to guarantee the Company's business continuity in the event of its information systems being unavailable following a major incident.

Management procedures

The Group's management procedures incorporate best practices while making it possible to strengthen security for operations by putting in place the controls required, and can be accessed via the internal communications IT tools.

The coordination and support required in line with changes in procedures are provided by the internal audit team and monitored by a steering committee. The Audit Committee is provided with regular reports on progress made with any such work.

Quality indicators

GECINA has rolled out a tool for measuring in-house quality, based on a reporting chart with summary indicators. This reporting system has been developed further to a review process carried out with all of the various divisions, and then the selection of the most relevant indicators. Indeed, the current indicators concern both functional and operational aspects, making it possible to monitor the quality of the processes retained over time, while supporting internal control. They are regularly presented to the members of the Quality and Sustainable Development Committee by the internal audit team.

2.2. Conditions for the internal distribution of relevant information

The internal processes for communicating relevant, reliable and timely information to the players concerned are based primarily on the "business" and "finance" production applications. These provide their users with the tracking reports and access modules required to carry out their activities. On a second level, decision-support IT, which is based on the Group's datawarehouse and analysis tools, makes it possible to draw up the various dashboards and budgetary control reports required for steering activities.

Lastly, collaborative tools (intranet, email, internet, etc.) ensure rapid access and sharing for information. More specifically, the intranet tool makes it possible to share organization charts and Group procedures, documentation, archives, as well as relevant information on buildings. Shared network spaces also make it possible to distribute control reports or templates, notably within the various Operational Divisions.

2.3. Risk management and analysis systems

Risk management and analysis systems have been implemented by the Risk and Sustainable Development Department for operational risks linked to buildings, and by internal audit for general risks.

The inventory of operational risks linked to buildings is regularly reviewed and validated by the Group's Operational Risk Committee. They are evaluated based on a management frame of reference defined for each risk, with indicators making it possible to measure the level of compliance for the various buildings in relation to this framework. For certain subjects that are deemed to be more important or linked to regulatory obligations, an external evaluation of the level of compliance has been given priority. Further to each evaluation, action plans are rolled out depending on the objectives to be achieved. The evaluation of these risks is underway, with 50% of the property holding and/or frames of reference covered to date, aiming to have finalized this review by the end of 2008.

At the end of this process, the mapping will be consolidated for each risk and building based on criteria for their frequency and severity. The evaluations will be covered by multi-year update plans. In addition, buildings for investments will need to offer higher performance levels faced with the various risks than the average performance measured for GECINA's property holding.

With regard to general risks, this year internal audit finalized the updating of their risk map, as well as their evaluation based on frequency and severity parameters. This work has been carried out in line with a self-assessment approach, whose implementation incorporates an assessment of the various control mechanisms. This evaluation has been carried out using evaluation interviews with the Group's various divisions, based on analytical resources and scorecards defined beforehand. Thanks to this new tool, an action plan has been drawn up for the priority areas in which management processes need to be improved. It has also been used as a basis for setting the load plan for internal audit concerning critical areas that are relatively well managed, but whose management and control must be regularly checked.

2.4. Control activities

Internal control procedures, intended to manage the risks associated with the Company's operations effectively, are described here in view of four major processes: property holding valuation, rental management, production and processing of accounting and financial information, and transversal functions.

1. Property holding valuation

Main risks covered in this process: the risks associated with the authorization and tracking of investments, divestments and work, as well as risks linked to building maintenance and security.

Investments

The effective management of risks associated with authorizations for investments (portfolios of assets and development projects) is ensured through an acquisition process based on their technical, legal and financial analysis. This process is carried out by the Operational Divisions for each business line, backed by the support functions, notably including the Legal and Financial Departments. It also incorporates assistance from external advisors (lawyers, tax experts, auditors, etc.) and real estate experts.

Investment projects proposed by the Operational Divisions are validated by the Investment Committee, which notably comprises the Chairman, the Deputy Chief Executive Officer and Operational Managers. This committee meets as and when relevant and at each significant stage throughout the process. In addition, the investment cases presented to the Committee are drawn up in line with specific and formalized rules and parameters.

Deeds relating to acquisitions are also secured through the involvement of notaries and/or legal advisers.

Divestments

In line with the asset turnover strategy, a disposal plan is drawn up each year, covering any assets that do not meet the criteria for being kept in the Group's property holding. This plan, prepared by the Operational Divisions for each business line, covers assumptions for block or unit-based disposals.

The arbitrage proposals defined in this way are validated by Management Control: planned sales prices are compared against appraised values, in order to ensure - except for in the event of any duly justified specific situations - that prices are in line with market conditions.

The disposal plan is submitted to the Investment Committee for approval, as well as the final choice of buyers and the conditions for sales.

In the same way as for investments, the implementation of the disposal plan is led by the Operational Divisions, which will be able to call on the support teams and any external parties required as relevant (marketers, lawyers, tax experts, notaries, surveyors, appraisers.).

The actual completion of transactions is then secured through the specific diligence procedures required for the preparation of notarial deeds or deeds of conveyance validated by law firms.

Unit-based sales

In line with the property holding strategy, and in order to optimize the disposal of residential assets, a dedicated divestment unit has been set up within the Residential Real Estate Division. This unit is structured around subprojects within which an asset manager, in charge of the programs, coordinates the in-house and external players concerned (notaries, surveyors, property managers, marketers, etc.).

For each building concerned, unit-based sales are subject to a specific procedure, with a detailed file drawn up covering both legal and technical aspects.

Unit sales are handled by the teams at LOCARE or by external sellers, as selected further to a competitive tendering process for each program. Such sales are carried out strictly in accordance with the regulations in force, which notably require tenants to be provided with complete documentation including information on the preferential conditions and protections available to them, as well as the state of the property. In addition to these regulatory provisions, GECINA has drawn up an in-house "behavioral" charter setting out a framework for commercial practices for unit-based sales. This charter has been provided to the various in-house players concerned and represents an integral part of mandates for sellers.

Security, maintenance and improvement of the property holding

For the entire property holding, GECINA's Operational Divisions play an active role in the management of physical risks linked to properties, and are notably involved in reviewing the security audits carried out under the supervision of the Risk Management Department, while handling or supervising the implementation of the resulting preventative or corrective measures.

For both commercial and residential real estate, control over spending on work has been strengthened thanks to the existence of work programs, drawn up for each property by the technical divisions concerned. Budget tracking is then carried out by the Operational Divisions relative to commitments and actual achievements. The profitability of improvement work is also measured for any commitments exceeding the predefined limits.

Risks associated with the authorization of work are also covered by the following processes:

- Suppliers are selected based on a review of estimates submitted for projects valued at under 45,000 euros, and a tendering procedure with strictly defined rules for projects over 45,000 euros.
- Work orders and invoices are validated based on authorization thresholds, determined in line with the level of responsibility of employees and recorded in the information system.
- More specifically for residential assets, price statements define standard services for each category of buildings that suppliers are required to comply with. Requests for proposals, and certain tenders, are also validated by a monthly Commitment Committee.

For the logistics portfolio, building security and work are managed by a leading service provider, authorized and overseen by the Operational Division concerned, covered by a range of reporting tools and regular follow-up meetings.

Lastly, for the healthcare and hotel property holdings, the management of building security and work is still the responsibility of the operator, providing the Operational Division with regular updates. For its part, the Operational Division ensures the compliance of any work being considered and, as relevant, any building owner representative contracts.

2. Rental management

Main risks covered in this process: the risks associated with the setting of rents, vacancy and tenant solvency.

Setting of rents

The risks linked to poorly adapted rent levels are prevented through ongoing efforts to monitor the market combined with a second level of controls.

For residential assets, rents for new leases are determined based on a comparison of market rent levels with in-house data (unit characteristics, work undertaken, etc.). The rents set in this way are based on a series of specific criteria and are regularly reviewed during the marketing process in joint weekly meetings with the teams from LOCARE.

On commercial and logistics assets, rents are also set in relation to market data (published prices, statistics, etc.) and, for larger properties, further to a specific market analysis carried out with the sales teams. The rents and lease conditions set in this way are systematically subject to a hierarchical control process, and are regularly reviewed during the marketing process in joint meetings with the sales teams.

For all buildings in operation, leases being renewed are systematically monitored and any new rental conditions put forward are reviewed in line with a specific procedure. More specifically, for certain large-scale retail outlets, specific-use properties or atypical office units, the conditions for renewal are determined after consulting with a recognized external expert. The monitoring of the Real Estate Division's commercial lease renewals is also covered by a quarterly committee.

Marketing (re-letting)

For commercial real estate, marketing is performed by dedicated in-house teams, working in conjunction with leading external marketers and/or independent consultants, appointed in light of their presence and their level of performance on the regional sectors concerned. For logistics assets, marketing is handled by external teams, supervised by an in-house manager (asset manager from the Operational Division). Lastly, for residential properties, marketing is carried out exclusively by the teams at LOCARE.

Marketing actions are monitored in joint meetings between the management and marketing teams from the Operational Divisions.

Lastly, a building-by-building reporting system enables the regular monitoring of new rentals, re-letting times and vacant properties.

Vacancy monitoring

A register of properties that are vacant or expected to become vacant since tenants have given their notice or have expressed their intention to leave is updated on a regular basis. This register makes it possible to monitor vacancy trends and measure the occupancy rate for each building and for all properties in operation.

In order to minimize the financial costs associated with property vacancies, planning for refurbishing or renovation work and the sales and marketing actions required to secure new tenants begins as soon as possible after notice has been given, based notably on drawing up pre-inventories within the timeframes set for each business line.

All of this information relating to the management of the property holding is automatically transferred to the information system used to support commercial actions.

Tenant selection

New tenants for residential properties are selected by a committee that meets on a daily basis, made up of lessor and marketer representatives, with a comprehensive analysis of the insolvency risk for each candidacy submitted, paying particular attention to the regulations in force, including non-discrimination regulations.

New tenants for commercial and logistics properties are selected after a creditworthiness review, carried out with a financial adviser, and subject to a hierarchical control process.

Collection

For the entire property holding, delays in payment are regularly monitored, with systematic reminders issued. Outstanding payments are treated with the department responsible for disputes, made up of employees specializing in this field.

Customer relations

GECINA's residential business has a department responsible for quality and client satisfaction. This team has notably put in place a satisfaction survey.

The actions carried out over 2007 saw the finalization of satisfaction surveys for "new", "existing" and "leaving" customers on virtually all of the properties in operation. All of these surveys are extended through specific studies and action plans communicated to clients and regularly monitored and updated.

In addition to the ongoing actions set out above, 2008 will see the organization of round tables for each customer segment, based on panels selected by specialized external organizations. This initiative will make it possible to fine-tune our knowledge of client expectations and perceptions concerning the quality of current or proposed services.

3. Production and processing of accounting and financial information

Accounting work for the Group's companies is performed within the same division and based on the same information system. This centralization enables better control over accounting treatments and consolidation, in accordance with the principles and standards defined at consolidated level.

In general, the reliability of accounting information is guaranteed through an organization based on the separation of duties and on the control measures carried out by the Group's various structures. Billing and collection for rent and charges are handled by the Operational Divisions, in line with specific procedures incorporating a series of detailed controls. The recording of major transactions in the accounting information system is automated.

This close of accounts process is based on a specific schedule, distributed to all the players concerned and incorporating the centralization, reconciliation and analysis tasks required for the accuracy of the financial and accounting information. This process incorporates a hierarchical review of work on the close of accounts for all Group companies. In addition, the budgetary tracking system based on the Group's code of accounts and the comparative analyses developed by Management Control provide a second level of additional control.

The reliability of the consolidation process is notably checked by way of a detailed reconciliation of the accounting balances based on the parent company financial statements with those taken from the consolidation tool, in addition to documented justifications for consolidation restatements.

Lastly, the various processes guaranteeing the reliability of the property holding's valuation in connection with the production of accounting and financial information must differentiate between the half-yearly property appraisals and the quarterly in-house estimates:

- Property appraisals: Management Control is responsible for coordinating and supervising property appraisals, carried out at least twice a year, in connection with the half-year close of accounts, by independent appraisers. In this way, this function is centralized and separated from the responsibility for property arbitrage, which is handled by the operational departments, in order to guarantee the reliability and objectivity of property appraisal-related data.

  In line with the recommendations of the French securities regulator (AMF), these appraisals are carried out based on recognized methods that are consistent from one year to the next and from one appraiser to the next.

  The half-yearly property appraisal process is covered by a dedicated procedure that notably defines the principles for selecting and changing appraisers and sets out how appraisal campaigns should be carried out. Under this procedure, the Audit Committee is provided with regular information on progress made with the property appraisal process. Further to each campaign, this committee holds a meeting dedicated exclusively to reviewing property appraisals, if necessary, getting counter-appraisals carried out on certain buildings.

- Quarterly in-house estimates: a methodology has been drawn up this year for updating the value of the property holding. This methodology has been reviewed by the Audit Committee, while its implementation is being overseen by Management Control, in line with the principles for the separation of functions as indicated earlier. It is notably based on in-house information (rent trends, specific events over the period) and data provided by the independent auditors (change in capitalization rates over the quarter for the various segments in the property holding). Lastly, the findings from these quarterly in-house estimates are presented to the Audit Committee.

4. Transversal functions

Through the functions concerned, this section will focus more specifically on the risks of failures with IT data processing, the risks of unreliable financial and accounting information, as well as the legal, tax and financial risks.

IT

The development of business applications is overseen by the IT function in line with project management best practices, including the formalization of the various stages, testing, user validation and the development of operational methods and training resources.

Application maintenance is supported by a process based on regular meetings with representatives from each "user" Division. Furthermore, a dedicated application enables the inventorying and shared tracking of user requests.

Effective IT system operations are monitored by a dedicated team, in line with specific procedures and schedules. Within this framework, a full analysis of system operations is carried out each week.

An IT Committee meets every quarter in order to monitor the various activities and projects linked to this function and their compliance with user expectations and needs. Furthermore, the quality of the IT function is covered by an internal service level agreement, with performance levels tracked using monthly indicators.

Over the year, the IT function's actions included the implementation of electronic document management for Operational Divisions, as well as the deployment of computer facilities in superintendent lodges, with a specific application developed.

Legal

Operations to acquire or sell off properties are carried out through notarial offices that have been carefully selected in light of their reliability and expertise and systematically supervised by the in-house legal experts, supported by specialized lawyers as relevant. Other legal risks are monitored in-house, regularly working with leading law firms.

With regard to rental management operations, leases for new tenants and marketing mandates are all drawn up based on standards defined by the legal department, in conjunction with the various management departments.

Lastly, the legal department handles all legal follow-up with the Group's subsidiaries. For its part, the parent company's legal follow-up is carried out in-house, working with specialized legal advisors.

Tax

Compliance with tax regulations, and more specifically the various obligations resulting from the French listed real estate investment trust (SIIC) system, is supervised by an experienced in-house manager, who conducts regular reviews, calling in external advisors as and when necessary. In addition, the tax manager systematically provides support in connection with the management of any tax risks relating to asset acquisitions or disposals.

Financial management

Financial risks are managed by the Cash Management and Financing Department, which regularly monitors market trends, the Group's financial ratios, cash flow forecasts and the provisional financing plan, updated on an ongoing basis. The rate risk is managed using hedging instruments in line with a policy designed to protect the Company against market changes and optimize the cost of debt. The liquidity risk is managed through a constant monitoring of the maturity of financing facilities, the maintenance of available credit lines and the diversification of resources.

Financial flows are secured by the procedure for the organization of banking signatures, which entrusts a limited number of people, strictly in accordance with the separation of responsibilities and precisely defined limits, with the delegations required for running the bank accounts.

In addition, the general supervision of financial flows will be further strengthened in 2008 with the creation of an Investment and Divestment Supervisory Committee. This Committee's role will notably be to understand the flows generated by investment and divestment transactions in light of the various operational and financial constraints, in order to adjust financing-related strategies as effectively as possible.

2.5. Supervision of the approach

GECINA has three structures supervising its internal control and risks: the risk and sustainable development department, management control and internal audit. The risk and sustainable development department reports to the Finance Division, while management control and internal audit report to the Chairman. More specifically, they report on their activities to the Chairman and the Board's specialized Committees, notably the Audit and Accounting Committee for internal audit work and the Quality and Sustainable Development Committee for the risk and sustainable development department's work.

Risk and sustainable development department

Supporting the operational and functional divisions, the risk and sustainable development department is responsible for identifying and addressing risks linked to the security of assets and people, the effective management of responsibilities, and respect for the environment. It represents an expert function responsible for steering, coordinating and supervising the management of risks, and is made up of five people.

This department, which is responsible for providing guidance and support in its area of expertise for the various Group divisions, may also carry out inspections and issue recommendations.

More specifically, it is responsible for:
- assessing risks on properties through direct inspections and the definition of technical recommendations, thanks to its expertise, maintained through the analysis of emerging technological and regulatory issues;
- providing operational managers with support on their acquisition operations and with monitoring and managing risks linked to the buildings that they are responsible for;
- centralizing and controlling the monitoring of risks, and to this end, overseeing the risk mapping process carried out in relation to the Group's real estate assets, and monitoring the corresponding action plans;
- keeping the executive management team informed and submitting appropriate proposals;
- carrying out awareness-building and training actions.

The risk and sustainable development department also supervises the drafting of technical asbestos files (Dossiers Techniques Amiante) for the entire property holding, in addition to them being made available (online) to tenants and external service providers working on the buildings in question.

A round-the-clock emergency and crisis management structure has been put in place, designed to be activated in the event of a major incident, notably based on an outsourced platform made available to tenants and rules for duty staff.

The risk and sustainable development department's activities are also supported by an Operational Risk Committee, which is responsible for defining in-house standards and organizing collegial decision-making processes on risks. In 2007, the Operational Risk Committee notably saw work undertaken previously on the issues of energy management, ground pollution and natural risks come to fruition, with the validation of the frames of reference concerned.

Lastly, in addition to these functions, the risk Management and sustainable development department is also responsible for managing the Company's insurance policies and claims. As and when necessary, it also provides operational departments with assistance on negotiating specific insurance clauses included in leases.

Management control

Through its budgetary activities and analyses, Group management control significantly contributes to the effective management and supervision of risks, notably with regard to the valuation of the property holding, rental management and the production of accounting and financial information.

In order to track operations more effectively, GECINA's management control is carried out on two levels: on an operational level within each department, and on a centralized level, by the Management Control Department. The latter is therefore based on a network of management controllers within Operational Divisions.

The Management Control Department is currently made up of six people, working closely with the business plan function.

More specifically, the Management Control Department is responsible for drawing up and monitoring budgets, tracking key activity indicators, analyzing the profitability of properties and conducting property appraisals. It produces detailed quarterly reports on each business line for Results Committee.

Budget preparation and control

A provisional budget is drawn up for each building, including rent, work and other property-related expenses. Assumptions are made for each building for the vacancy rate, turnover rate, new letting trends and re-letting times. For the commercial sector, the budget is drawn up based on a review of each lease on the rental statement.

Budget tracking for properties is carried out on a monthly basis for rent and work, and quarterly for other property-related expenses. Any differences between forecasts and actual figures are identified, analyzed and justified in conjunction with the operational departments concerned.

As far as operating costs are concerned, budgets are drawn up on a monthly basis. Payroll expenses are tracked each month, while other expenses are monitored on a quarterly basis.

Monitoring of management indicators

Activity indicators have been put in place for each sector in order to measure performance on the rental activity. These indicators primarily concern notices received, exits, re-letting and new leases. Management control, liaising with the various operational departments concerned, regularly analyzes the vacancy rate, prices and re-letting times, as well as turnover rates.

Property profitability analysis

The profitability of properties is assessed in relation to the last known appraisals. Properties are classified for each category (by asset type and region). Buildings with an abnormally low level of profitability are specifically monitored in order to optimize their results or decide on their future status within the property holding.

Internal audit

The internal audit department, which is made up of four people, carries out audits and general risk assessments for the company and supports the formalization of procedures and frames of reference.

The internal audit department's main missions, and the responsibilities of the various operational and functional divisions in terms of internal control, are defined in the Group audit charter.

An annual audit program is drawn up by the Audit Department and validated by the Chairman. Audit reports are submitted to the Chairman, the Deputy Chief Executive Officer and the members of the divisions concerned. The annual audit plan and mission reports are also submitted to the Audit and Accounting Committee.

For operational aspects, the audits carried out in 2007 notably concerned commercial property lease renewals, investments and unit-based sales. Audits were also carried out on the compliance of the system for holding shareholder securities accounts. In addition, the internal audit team has regularly monitored the implementation of its recommendations.

16. STATUTORY AUDITORS

1. PARTIES RESPONSIBLE FOR AUDITING THE ACCOUNTS

Incumbent Statutory Auditors

Mazars & Guérard

Member of the Compagnie Régionale de Versailles
Represented by Guy Isimat-Mirin
Exaltis - 61, rue Henri-Regnault
92400 Courbevoie, France

Mazars & Guérard was appointed at the Combined General Meeting on June 2nd, 2004 for a six-year term of office, ending further to the Ordinary General Meeting convened to approve the financial statements for the year ending December 31st, 2009.

PricewaterhouseCoopers Audit

Member of the Compagnie Régionale de Versailles
Represented by Éric Bulle
63, rue de Villiers
92200 Neuilly-sur-Seine 208 cedex, France

PricewaterhouseCoopers Audit was appointed at the Combined General Meeting on June 2nd, 2004 for a six-year term of office, ending further to the Ordinary General Meeting convened to approve the financial statements for the year ending December 31st, 2009.

Deputy statutory auditors

Patrick de Cambourg

Member of the Compagnie Régionale de Paris
Exaltis - 61, rue Henri-Regnault
92400 Courbevoie, France

Patrick de Cambourg was appointed at the Combined General Meeting on June 2nd, 2004 for a six-year term of office, ending further to the Ordinary General Meeting convened to approve the financial statements for the year ending December 31st, 2009.

Pierre Coll

Member of the Compagnie Régionale de Versailles
63, rue de Villiers
93200 Neuilly-sur-Seine 208 cedex, France

Pierre Coll was appointed at the Combined General Meeting on June 2nd, 2004 for a six-year term of office, ending further to the Ordinary General Meeting convened to approve the financial statements for the year ending December 31st, 2009.

2. FEES

The statutory auditors fees recognized on the income statement for 2007 relative to the certification and review of the individual and consolidated financial statements in addition to the various related missions came to:

Mazars & Guérard: 1,266 thousand euros

PricewaterhouseCoopers Audit: 1,416 thousand euros

	PricewaterhouseCoopers Audit				Mazars & Guérard				TOTAL			
	Amount (net of tax)		%		Amount (net of tax)		%		Amount (net of tax)		%	
In thousand euros	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Auditing												
• Statutory auditing [1], certification and review of individual and consolidated accounts												
Issuer	1,222	1,068	86%	81%	1,081	1,075	85%	83%	2,303	2,143	86%	82%
Subsidiaries	139	172	10%	13%	158	175	12%	13%	297	347	11%	13%
SUBTOTAL	1,361	1,240	96%	94%	1,239	1,250	97%	96%	2,600	2,490	97%	95%
• Other audits and services linked directly to statutory auditing assignment												
Issuer	55	80	4%	6%	27	50	3%	4%	82	130	3%	5%
Consolidated subsidiaries												
SUBTOTAL	55	80	4%	6%	27	50	3%	4%	82	130	3%	5%
Other services												
Legal, tax, social,												
Other												
SUBTOTAL	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	1,416	1,320	100%	100%	1,266	1,300	100%	100%	2,682	2,620	100%	100%

(1) Including the audits relating to two projects (i) subsidiarization and listing of the residential property holding and (ii) the separation of GECINA and Metrovacesa, with 1,465 thousand euros in fees over 2007 (PricewaterhouseCoopers Audit: 776 thousand euros, Mazars & Guérard: 689 thousand euros) and 1,344 thousand euros for 2006 (project (i) only) (672 thousand euros per firm).

3. STATUTORY AUDITORS'REPORTS

These reports are free translations into English of the Statutory Auditors'reports issued in French and are provided solely for the convenience of English speaking users. The Statutory Auditors'reports includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated (resp. annual) financial statements and includes an explanatory paragraph discussing the auditors'assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated (resp. annual) financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated (resp. annual) financial statements.

These reports should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

3.1. Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2007

To the Shareholders,

In compliance with the assignment entrusted to us by the Shareholders'Meeting, we have audited the accompanying consolidated financial statements of GECINA for the year ended December 31, 2007.

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

1. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets, liabilities and of the financial position and results of the consolidated group of companies in accordance with IFRSs as adopted in the EU.

Without qualifying our opinion, we draw attention to Note 1.2 to the consolidated financial statements which set out the change in presentation of the income statement.

2. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code (Code de Commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- Real estate assets are subject, at each closing, to appraisal procedures by independent real estate experts in accordance with methods described in Note 3.1.1 to the consolidated financial statements. We have reviewed the appropriateness of these methods and their proper application. We have also verified that the determination of the fair value of the investment property and property for sale as presented in the consolidated balance sheet and Notes 5.1 and 5.5 to the consolidated financial statements was carried out on the basis of these appraisals. In addition, we have verified that, for the real estate assets valued at historical cost in the consolidated financial statements, the level of impairment was sufficient based on these external appraisals. As indicated in Note 3.15 to the consolidated financial statements, the appraisals carried out by the independent real estate experts are based on estimates and it is therefore possible that the price to which the real estate assets could be sold differs from the appraisals carried out at year-end.
- As indicated in Note 3.8 to the consolidated financial statements, the Group uses financial derivative instruments recorded at fair value in the consolidated balance sheet. To determine this fair value, the Group uses valuation techniques based on market parameters. We have reviewed the data and the assumptions on which these estimates are based, and the calculations carried out by the Group. As indicated in Note 3.15 to the consolidated financial statements, the valuations carried out by the Group are based on estimates and it is therefore possible that the price at which these financial derivative instruments could be sold differs from the valuation carried out at year-end.

The assessments were made in the context of our audit of the consolidated financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

3. Specific verification

In accordance with professional standards applicable in France, we have also verified the information given on the Group in the management report. We have no matters to report regarding its fair presentation and consistency with the consolidated financial statements.

Neuilly-sur-Seine and Courbevoie, March 31, 2008

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars & Guérard
Éric Bulle	Guy Isimat-Mirin
Partner	Partner

3.2. Statutory auditors' report on the annual financial statements

For the year ended December 31, 2007

To the Shareholders,

In compliance with the assignment entrusted to us by the Shareholders' Meeting, we hereby report to you, for the year ended December 31, 2007, on:

- the audit of the accompanying annual financial statements of GECINA;
- the justification of our assessments;
- the specific verifications and information required by law.

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

1. Opinion on the annual financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the annual financial statements give a true and fair view of the Company's financial position and its assets and liabilities, as of December 31, 2007, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

2. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code (Code de Commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- The accounting rules and methods applicable to the determination of the real estate property value are described in Note 3.1.2 to the financial statements. We have reviewed the appropriateness of the estimation terms of the real estate property value and their proper application.

The assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of the opinion expressed in the first part of this report.

3. Specific verifications and information

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

We have no matters to report as to:

- the fair presentation and consistency with the 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 financial statements.
- the fair presentation of the information given in the management report regarding the remuneration and benefits paid to corporate officers and any other commitments made in their favor in connection with, or subsequent to, their appointment, termination or change in function.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the names and voting rights of the shareholders, have been properly disclosed in the management report.

Neuilly-sur-Seine and Courbevoie, March 31, 2008

The Statutory Auditors

PricewaterhouseCoopers Audit
Éric Bulle
Partner

Mazars & Guérard
Guy Isimat-Mirin
Partner

3.3. Special statutory auditors' report on regulated agreements and commitments with third parties

Year ended December 31, 2007

To the Shareholders,

In our capacity as Statutory Auditors' of your Company, we hereby report to you on regulated agreements and commitments with third parties.

Agreements and commitments authorized during the year

Pursuant to article L. 225-40 of the French Commercial Code (Code de commerce), we were informed of agreements and commitments which received the prior approval of your Board of Directors.

Our responsibility does not include identifying any undisclosed agreements or commitments. We are required to report to the Shareholders, based on the information provided, on the main terms and conditions of the agreements and commitments that have been disclosed to us, without commenting on their relevance or substance. Under the provisions of article R.225-31 of the French Commercial Code, it is the responsibility of the Shareholders to determine whether the agreements and commitments are appropriate and should be approved.

We carried out our work in accordance with French professional standards. Those standards require that we perform procedures to verify that the information given agrees with the underlying documents.

- Memorandum of agreement with Predica on contributions made to Resico (Project to list the residential property activity):

On February 15, 2007, the Board of Directors authorized GECINA to sign with Predica, board member of GECINA represented by Mr Jean Yves Hocher, a memorandum of agreement governing the relationship between the parties in relation to contributions to Resico. The memorandum was signed on February 15, 2007.

However, on March 6, 2007, the Board decided to suspend the project Resico and this agreement had no impact on the period.

- Contracts for services between the companies GECINA and Resico:

On February 15, 2007, the Board of Directors authorized the signing of two service contracts between GECINA and Resico on the one hand and GECINA and Locare on the other hand. They were also signed on February 15, 2007.

However, on March 6, 2007, the Board decided to suspend the project Resico and these conventions had no impact on the period.

- Compensation for termination and benefit of the retirement plan complements for executive directors attributed to Mr. Antonio Truan:

On April 26, 2007, the Board of Directors granted to Mr. Antonio Truan, appointed as Director of GECINA on December 28, 2007, the benefit of a termination compensation equal to two years of his fixed reference retribution, plus the incentive or bonus paid over the last twelve months prior to departure or, if terminated before the perception of his bonus, based on his rights to bonus for a full year of activity. This compensation is not subject to performance targets.

On April 26, 2007, the Board of Directors also granted to Mr. Truan the benefit of the retirement plan complements of the executive Directors in force within GECINA, as adopted by the Board on January 17, 2001. This plan completes the current and complementary existing plans. It allows the executive Directors to obtain a pension equal to a certain percentage of their last salary on retirement, depending on their number of years of seniority in the group and after deduction of any other form of retirement perceived. The total amount paid under the Cardif plan can not exceed 20% of the reference salary, defined as the average of fixed and variable salaries of the 36 months preceding retirement. To be implemented, the beneficiary of this scheme must (i) have acquired a minimum seniority of 5 years as an executive Director of GECINA or in any other member companies of the Cardif plan, (ii) have reached the age of 60 at the date of retirement from the company, and (iii) be in a position to liquidate the social security pension scheme.

Agreements and commitments with third parties authorized in previous years which remained in force in 2007

We informed the shareholders that we were not advised of any agreement and commitment authorized in prior years which remained in force in 2007.

Agreements and commitments not previously authorized

We also present our report on agreements and commitments pursuant to article L. 225-402 of the French Commercial Code.

Pursuant to article L. 823-12 of the French Commercial Code, we informed you that an agreement has not been previously authorized by the board of directors.

We are required to report to the Shareholders, based on the information provided, the main terms and conditions of the agreements and commitments, and the reasons why the acceptance procedure has not been respected.

- **Payment by GECINA of an amount of nine million eight hundred fifty thousand euros to the company Bami Newco**

GECINA paid an amount of nine million eight hundred fifty thousand euros (€9,850,000) on December 14, 2007, corresponding to the settlement of various costs relating to the auction of a land located in Madrid to the company Bami Newco, initially contractor on behalf of GECINA. GECINA and Bami Newco have the following Directors in common: Ms. Victoria Soler Lujan and Mrs. Joaquin Rivero Valcarce and José Gracia Barba.

We informed you that, having omitted to previously authorize this commitment, the Board of Directors decided to authorize this commitment at its meeting on February 21, 2008.

Neuilly-sur-Seine and Courbevoie, March 31, 2008

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars & Guérard
Éric Bulle	Guy Isimat-Mirin
Partner	Partner

3.4. Statutory Auditors' report, prepared in accordance with article L. 225-235 of the French Commercial Code (Code de Commerce), on the report prepared by the President of the Board of Directors, on the internal control procedures relating to the preparation and processing of financial and accounting information.

Year ended December 31, 2007

To the Shareholders,

In our capacity as Statutory Auditors of GECINA, and in accordance with article L. 225-235 of the French Commercial Code, we hereby report to you on the report prepared by the President of your company in accordance with article L. 225-37 of the French Commercial Code for the year ended December 31, 2007.

It is the President's responsibility to describe in his report the preparation and organization of the Board's work and the internal control procedures implemented by the company.

It is our responsibility to report to you our observations on the information set out in the President's report on the internal control procedures relating to the preparation and processing of financial and accounting information.

We performed procedures in accordance with French professional standards. These standards require that we perform procedures to assess the fairness of the information set out in the President's report on internal control procedures relating to the preparation and processing of financial and accounting information. These procedures mainly consisted of:

- obtaining an understanding of the internal control procedures relating to the preparation and processing of financial and accounting information on which the information presented in the Chairman's report and existing documentation are based;
- obtaining an understanding of the work performed to support the information given in the report and of the existing documentation.
- determining if any material weaknesses in the internal control relating to the preparation and processing of financial and accounting information that we may have identified in the course of our work are properly described in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on internal control procedures relating to the preparation and processing of financial and accounting information, set out in the President of the board's report, prepared in accordance with article L.225-37 of the French Commercial Code.

Neuilly-sur-Seine and Courbevoie, March 31, 2008

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars & Guérard
Éric Bulle	Guy Isimat-Mirin
Partner	Partner

17. DRAFT RESOLUTIONS

First resolution (Approval of the corporate financial statements and reports for the 2007 financial year)

The General Meeting, having reviewed the reports drawn up by the Board of Directors, the Chairman and the statutory auditors, approves the corporate financial statements for the year ended December 31st, 2007, showing a net profit of 579,662,862.63 euros, as presented, together with the transactions reflected in these accounts and described in these reports.

Second resolution (Approval of the consolidated financial statements and reports for the 2007 financial year)

The General Meeting, having reviewed the reports drawn up by the Board of Directors, the Chairman and the statutory auditors, approves the consolidated financial statements for the year ended December 31st, 2007, showing a net profit of 1,292,924,000 euros, as presented, together with the transactions reflected in these accounts and described in these reports.

Third resolution (Transfer to a reserve account)

The General Meeting decides to transfer to a specific reserve account the revaluation gain on assets sold off over the financial year and the additional amortization resulting from the revaluation for a total of 100,330,919.10 euros.

Fourth resolution (Allocation of income)

The General Meeting approves the proposals made by the Board of Directors, after factoring in:

Income for the year	579,662,862.63 euros
Plus retained earnings	69,203,825.64 euros
Comprising earnings available for distribution	648,866,688.27 euros
Resolves to pay out a dividend of 5.01 euros per share under the SIIC regime, representing a maximum amount of	312,746,970.45 euros
And to carry forward as retained earnings	336,119,717.82 euros

The total amount of the dividend paid out and any retained earnings shall be adjusted in order to factor in the number of treasury shares held by the Company, which are not entitled to distributions under French law, on the dividend payment date.

The dividend will be paid out on April 28th, 2008.

The General Meeting, pursuant to Article 243 *bis* of the French General Tax Code *(Code général des impôts)*, reminds that earnings paid out in connection with this resolution are eligible for a 40% tax relief for individual shareholders as provided for by Article 158, 3-2° of the French General Tax Code. However, under Article 117 *quater* of the French General Tax Code, they may opt for a flat-rate withholding tax of 18%.

In accordance with applicable legal provisions, dividends paid out in respect of the three preceding fiscal years are set forth in the table below:

Year	Total dividend (euros)	Dividend per share (euros)
2004	229,776,812	3.70
2005	242,620,747	3.90
2006	261,532,614	4.20

Fifth resolution (Approval of regulated agreements)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, and having reviewed the special statutory auditors' report on the agreements provided for under Articles L.225-38 *et seq.* of the French Commercial Code, approves this report and the agreements mentioned therein.

Sixth resolution (Ratification of a regulated agreement)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, and having reviewed the special statutory auditors' report drawn up in accordance with Article L.225-42 of the French Commercial Code, approves and expressly ratifies the payment of a nine million eight hundred and fifty thousand euros (9,850,000 euros) deposit to Bami Newco in connection with the acquisition of a land in Madrid (Spain), acknowledging the fact that this acquisition was approved by the Company's Board of Directors at a meeting held on February 21st, 2008.

Seventh resolution (Ratification of the appointment of Antonio Truan to serve as a Director)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, ratifies the decision taken by the Board of Directors on December 28th, 2007 to appoint Mr. Antonio Truan, residing at 16, rue des Capucines, 75002 Paris, France, as a new Director for the Company, replacing Mr. Jaime Febrer Rovira who resigned on December 13th, 2007, for the period left to run on his predecessor's term of office, i.e., through to this General Meeting.

Eighth resolution (Renewal of a Director's term of office)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, reappoints Mr. Joaquín Rivero Valcarce, residing at 16, rue des Capucines, 75002 Paris, France, as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Ninth resolution (Renewal of a Director's term of office)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, reappoints Mr. Antonio Truan, residing at 16, rue des Capucines, 75002 Paris, France, as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Tenth resolution (Renewal of a Director's term of office)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, reappoints Mr. Patrick Arrosteguy, residing at Résidence les Bleuets, 33, rue Pinane, 64600 Anglet, France as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Eleventh resolution (Renewal of a Director's term of office)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, reappoints Mr. Santiago Fernandez Valbuena, residing at Distrio C Edificio Central, la Planta 3, Ronda de la Comunicación, s/n 28050 Madrid, Spain as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Twelfth resolution (Renewal of a Director's term of office)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, reappoints Mr. Jose Gracia Barba, residing at Calle Zurbano, 91 28003 Madrid, Spain as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Thirteenth resolution (Renewal of a Director's term of office)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, reappoints Mr. Philippe Geslin, residing at 19, rue Decamps, 75116 Paris, France as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Fourteenth resolution (Renewal of a Director's term of office)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, reappoints Mr. Serafin Gonzalez Morcillo, residing at Calle Foronda, 6 pl. Baja, 28034 Madrid, Spain as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Fifteenth resolution (Renewal of a Director's term of office)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, reappoints Predica, a French limited company *(société anonyme)* with a share capital of 915,874,005 euros, having its statutory seat at 50/56, rue de la Procession, 75015 Paris, France and registered in the Paris Trade and Company Register under number 334 028 123, for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Sixteenth resolution (End of term of office for four Directors)

The General Meeting acknowledges the end of the terms of office of Messrs. Bertrand de Feydeau, Michel Villatte, Joaquín Meseguer Torres and Mrs. Françoise Monod as Directors.

Seventeenth resolution (Appointment of a Director)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, appoints Mr. Jose Luis Alonso Iglesias, residing at Calle Principe de Vergara, 31 28001 Madrid, Spain as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Eighteenth resolution (Appointment of a Director)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, appoints Mr. Aldo Cardoso, residing at 45, boulevard de Beauséjour, 75016 Paris, France as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Nineteenth resolution (Appointment of a Director)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, appoints Mr. Jean-Jacques Duchamp, residing at 10/17, rue Brancion, 75015 Paris, France as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Twentieth resolution Appointment of a Director)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, appoints Mr. Vicente Fons Carrión, residing at Calle Colon, 23-3a, 46004 Valencia, Spain as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Twenty-first resolution (Appointment of a Director)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, appoints Mr. Pierre-Marie Meynadier, residing at Parc du Triangle - Bâtiment 1, 150, route de Nîmes, 30132 Caissargues, France as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Twenty-second resolution (Appointment of a Director)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, appoints Mr. Emilio Zurutuza Reigosa, residing at Calle Pan de Azúcar, 41 B 28034 Madrid, Spain as a Director for a three-year term of office, ending upon the adjournment of the General Meeting convened to approve the financial statements for the year ending December 31st, 2010.

Twenty-third resolution (Setting the amount of attendance fees allocated to Directors forth the financial year 2007)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, sets the total annual amount of attendance fees for the financial year 2007 to be allocated between members of the Board of Directors and of its various committees at 1,300,000 euros.

Twenty-fourth resolution (Setting the amount of attendance fees allocated to Directors)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, sets the total annual amount of attendance fees for members of the Board of Directors and its various committees at 2,000,000 euros as of the financial year started January 1st, 2008.

Twenty-fifth resolution (End of terms of offices of an incumbent Statutory Auditor and deputy Statutory Auditor)

The General Meeting acknowledges that the terms of office for Mazars & Guérard Turquin, formerly Cabinet Bau et Associés, as incumbent statutory auditor and for P.C.A. Pierre Caney et Associés as deputy statutory auditor ended further to the General Meeting held on June 3rd, 2003 to approve the annual financial statements for 2002.

Twenty-sixth resolution (Authorization for the Board of Directors to trade in the Company's shares)

The General Meeting, acting in accordance with the quorum and majority criteria required for Ordinary General Meetings, having reviewed the Board of Directors' report, authorizes the Board of Directors, with the ability to sub-delegate such powers as provided for under French law, in accordance with the provisions of Articles L. 225-209 *et seq.* of the French Commercial Code, to purchase or have a third party purchase the Company's shares with a view to:

- implementing any of the Company's stock option schemes in accordance with the provisions of Articles L. 225-177 *et seq.* of the French Commercial Code; or
- awarding or transferring shares to employees in order to allow them to participate in the Company's expansion and in connection with any of the Company's savings plan established under applicable law, in particular Articles L. 443-1 *et seq.* of the French Labor Code; or
- awarding free shares in accordance with the provisions of Articles L. 225-197-1 *et seq* of the French Commercial Code; or
- delivering shares to third parties upon exercise of rights attached to securities that give access to share capital through repayment, conversion, exchange, presentation of a warrant or by any other means; or
- canceling all or a portion of securities repurchased pursuant hereto; or
- delivering shares (as exchange, payment or otherwise) in connection with transactions involving external growth, mergers, spin-off or contributions; or
- developing the secondary market or liquidity of GECINA shares through an investment services provider, in connection with a liquidity contract signed with such provider conforming to the Charter of Deontology approved by the Autorité des marchés financiers; or
- completing purchases, sales or transfers by any means through an investment services provider, in particular off-market transactions.

This program would also allow the Company to proceed with any other objective currently authorized under existing laws and regulations, or which may in the future be authorized by said laws and regulations. In such a case, the Company would inform shareholders by way of press release.

The number of shares to be repurchased will be subject to the following conditions:

- the number of shares purchased by the Company during the share buy-back program may not exceed 10% of the shares making the Company's share capital at any time, with this percentage applying to the share capital as adjusted in order to take into account the effect of any transaction that may occur following this General Meeting, i.e., tentatively 62,424,545 shares at December 31st, 2007, it being understood that the number of shares acquired with a view to being held and subsequently used in connection with a merger, spin-off or contribution transaction may not exceed 5% of the Company's share capital;
- the number of shares held by the Company at any time may not exceed 10% of the shares making the Company's share capital at any date.

Shares may be acquired, sold or transferred at any time within the limits authorized by applicable legal and regulatory provisions (including during a public offer period) and by any means, on the market or over-the-counter, including by block trades (without limiting the percentage of the share buy-back program that may be carried out by such means), through a public offer to buy, sale or exchange, or through the use of options or other financial derivatives traded on a regulated market or over-the-counter, or through delivery of shares following the issuance of securities entitled through conversion, exchange, redemption, exercise of a warrant or otherwise to shares in the common stock of the Company. Transactions may be effected directly or indirectly through an investment services provider.

The maximum purchase price for shares in connection with this resolution shall be set at 250 euros per share (or the equivalent of this amount on the same date in any other currency).

The total amount allocated to the share repurchase program authorized above may not exceed 1,560,613,500 euros.

This authorization is given for an 18-month period as of this day.

The General Meeting grants to the Board of Directors, in case of modification of the par value of the share, increase in capital through incorporation of reserves, granting of free shares, split-off or grouping of securities, distribution of reserves or any other assets, amortization of share capital or any other transaction affecting the shareholder's equity, the authority to adjust the aforementioned maximum purchase price to take into account the effect the foregoing transactions may have had on share value.

The General Meeting grants all powers to the Board of Directors, including the ability to sub-delegate its powers pursuant to applicable law, to decide upon and implement this authorization, to specify the terms thereof, if necessary, and to decide the conditions for effecting the share repurchase program and, in particular, to make any stock exchange trade, to enter into any agreement, with a view to maintaining share purchase and sale registers, to make all declarations to the *Autorité des marchés financiers* and any other governmental authority that may take its place, to perform all formalities and, generally, to take all necessary actions.

Twenty-seventh resolution (Powers to carry out all formalities)

The General Meeting grants full powers to the bearer of a copy of or extract from the minutes presenting its deliberations to carry out all the filings and formalities required under French law.

18. List of properties

Défense Ouest
420-426 rue d'Estienne d'Orves – 92700 Colombes

OFFICES

75	Year	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Activities surface area (sq.m)	TOTAL SURFACE AREA (SQ.M)	Company
Paris 1st								
55, boulevard de Sébastopol	1880	8	577	563	200	0	1,340	GECINA
10/12, place Vendôme	1750	0	0	7,821	1,002	0	8,823	GECINA
8/10, rue Villedo	1970	0	0	1,366	0	0	1,366	GECITER
1, boulevard de la Madeleine	1996	6	548	1,144	684	0	2,376	GECINA
Paris 2nd								
35, avenue de l'Opéra – 6, rue Danielle-Casanova	1878	10	545	1,739	0	0	2,284	GECITER
14/16, rue des Capucines	1970/2005	0	0	10,570	0	0	10,570	GECITER
64, rue Tiquetonne – 48, rue Montmartre	1850	52	4,484	5,719	0	0	10,203	GECINA
26/28, rue Danielle-Casanova	1800	3	252	822	308	0	1,382	GECITER
10, rue du Quatre-Septembre – 79, rue de Richelieu – 1, rue Ménars	1870	1	105	1,835	720	0	2,660	GECITER
4, rue de la Bourse	1750	10	823	3,570	382	0	4,775	GECITER
3, place de l'Opéra	1870	0	0	3,872	719	0	4,591	GECITER
12, rue de Volney	1850	0	0	2,048	0	0	2,048	GECINA
14, rue de Volney	1850	0	0	0	0	0	0	GECINA
31/35, boulevard des Capucines	1992	0	0	4,136	1,617	0	5,753	SCI Capucines
5, boulevard Montmartre	1995	17	1,342	3,648	2,487	0	7,477	SCI du 5, bd Montmartre
29/31, rue Saint-Augustin	1996	6	445	4,531	274	0	5,250	SCI St-Augustin
Paris 3rd								
4, rue Beaubourg	1928	0	0	2,329	0	0	2,329	GECITER
Paris 6th								
77/81, boulevard Saint-Germain	2002	0	0	5,001	8,508	0	13,509	SCI 77, 81 bd St-Germain
Paris 7th								
3/7, rue Monttessuy	1994	1	97	8,058	392	0	8,547	SCI de Monttessuy
Paris 8th								
151, boulevard Haussmann	1880	16	1,271	2,085	0	0	3,356	GECITER
153, boulevard Haussmann	1880	17	666	4,021	0	0	4,687	GECITER
155, boulevard Haussmann	1880	11	449	3,676	0	0	4,125	GECITER
22, rue du Général-Foy	1894	4	300	2,312	0	0	2,612	GECITER
43, avenue de Friedland – rue Arsène-Houssaye	1867	0	0	1,672	0	0	1,672	GECITER
31, rue d'Amsterdam	1895	9	760	790	545	0	2,095	GECINA
57, avenue Franklin-D-Roosevelt – 24, rue du Colisée	1890	4	127	1,491	217	0	1,835	GECITER
169, boulevard Haussmann	1880	8	661	730	339	0	1,730	GECINA
Parkings Haussmann	1880	0	0	0	0	0	0	GECINA
41, avenue Montaigne – 2, rue de Marignan	1924	2	106	1,375	583	0	2,064	GECITER
59/61, rue du Rocher	1964	0	0	3,657	0	0	3,657	GECINA
44, avenue des Champs-Élysées	1925	0	0	2,781	2,242	0	5,023	GECINA
30, place de la Madeleine	1900	2	279	790	1,101	0	2,170	GECINA
5, rue Tronchet	1890	8	242	1,000	222	0	1,464	GECINA
18/20, place de la Madeleine	1930	0	0	2,609	595	0	3,204	SA SPIPM
75, rue du Faubourg Saint-Honoré	1800	1	15	95	179	0	289	SA Hôtel d'Albe
5, rue Royale	1850	1	128	1,968	181	0	2,277	GECITER
26, rue de Berri	1971	0	0	1,836	1,004	0	2,840	GECITER
38, avenue George V – 53, rue François 1er	1961	0	0	496	856	0	1,352	GECITER
50, rue de Londres	1993	0	0	1,280	0	200	1,480	GECITER
31, rue Bassano – 1/5, rue Euler		0	0	0	0	0	0	GECINA
45, rue Galilée		0	0	0	0	0	0	GECINA
Parc Haussmann-Berry	1990	0	0	0	0	0	0	GECINA
9/15, avenue Matignon	1997	35	2,585	5,333	4,144	0	12,062	GECINA
24, rue Royale	1996	0	0	1,609	1,287	0	2,896	GECINA
101, avenue des Champs-Élysées	1995/2006	0	0	6,363	2,212	0	8,575	SA Hôtel d'Albe
Parking George-V	1977	0	0	0	0	0	0	SA Hôtel d'Albe
8, avenue Delcassé	1988	0	0	8,096	1,687	0	9,783	SA Hôtel d'Albe
55, rue d'Amsterdam	1996	0	0	10,824	539	0	11,363	SCI du 55, rue d'Amsterdam

	Year	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Activities surface area (sq.m)	TOTAL SURFACE AREA (SQ.M)	Company
162, rue du Faubourg Saint-Honoré	1953	0	0	1,808	133	0	1,941	GECITER
89/91, rue du Faubourg Saint-Honoré	1972	0	0	758	0	0	758	GECINA
17, rue du Docteur-Lancereaux	1972	0	0	5,428	0	0	5,428	GECINA
20, rue de la Ville-l'Évêque	1967	0	0	5,450	0	0	5,450	GECINA
27, rue de la Ville-l'Évêque	1962	0	0	3,169	0	0	3,169	GECINA
7, rue de Bucarest	1972	0	0	2,749	0	0	2,749	GECINA
Paris 9th								
21, rue Auber – 24, rue des Mathurins	1866	6	300	799	428	0	1,527	GECITER
44, rue Blanche	1890	12	957	1,158	0	0	2,115	GECITER
21, rue Drouot – 12, rue de Provence	1861	5	140	355	502	0	997	GECITER
1/3, rue de Caumartin	1780	4	266	1,558	1,050	0	2,874	GECINA
6, rue d'Amsterdam (Le Vermeer)	1990	0	0	994	658	0	1,652	GECINA
23/29, rue de Châteaudun, 26/28, rue Saint-Georges	1995	0	0	15,351	0	0	15,351	SAS 23/29, rue de Châteaudun
32, boulevard Haussmann	2002	0	0	2,513	537	0	3,050	GECINA
Paris 10th								
21, rue d'Hauteville	1850	11	769	1,191	598	0	2,558	GECINA
Paris 12th								
2/12, rue des Pirogues	1998	0	0	5,461	0	0	5,461	GECITER
2/12, rue des Pirogues	1998	0	0	7,103	0	0	7,103	GECITER
193, rue de Bercy	1972	0	0	15,291	981	0	16,272	GECINA
58/62, quai de la Rapée (parkings)	1990	0	0	0	0	0	0	S.P.L.
Paris 14th								
11, boulevard Brune	1973	0	0	2,544	237	0	2,781	GECINA
37/39, rue Dareau	1988	0	0	0	0	4,857	4,857	GECINA
69/73, boulevard Brune – 10/18, rue des Mariniers	1970	0	0	0	2,305	0	2,305	GECINA
Paris 15th								
33, avenue du Maine (Tour Maine-Montparnasse – 50e étage)	1991	0	0	1,822	0	0	1,822	GECINA
7/11, place des Cinq-Martyrs-du-Lycée-Buffon	1992	0	0	8,355	0	0	8,355	GECITER
28/28 bis, rue du Docteur-Finlay – 5, rue Sextius-Michel	1960	0	0	3,444	0	0	3,444	GECITER
34, rue de la Fédération	1973	0	0	6,579	0	0	6,579	GECINA
Paris 16th								
43, avenue Marceau – 14, rue Bassano	1928	0	0	1,314	0	0	1,314	GECITER
40, rue Lauriston	1900	0	0	0	0	0	0	SA SADIA
100, avenue Paul-Doumer	1920	0	0	0	294	0	294	GECINA
58/60, avenue Kléber	1992	0	0	4,201	588	0	4,789	SA SADIA
24, rue Erlanger	1965	0	0	5,956	0	0	5,956	GECITER
17, rue Galilée	1960	0	0	680	0	0	680	GECITER
Paris 17th								
63, avenue de Villiers	1880	8	406	2,912	0	0	3,318	GECITER
12/12 bis, rue Torricelli	1800/2003	0	0	2,620	0	0	2,620	GECITER
45, avenue de Clichy – 2/4, rue Hélène	1991	0	0	3,900	0	0	3,900	GECINA
153, rue de Courcelles	1991	0	0	18,716	1,138	0	19,853	SICB 153, rue de Courcelles
32/34, rue Guersant	1992	0	0	13,175	0	0	13,175	SP2
16, rue Médéric	1970	0	0	1,338	0	0	1,338	GECINA
251, boulevard Pereire	1973	0	0	2,792	0	0	2,792	GECINA
Paris 19th								
96/100, rue Petit	1977	0	0	4,185	0	0	4,185	SAS PARIGEST
Paris 20th								
4/16, avenue Léon-Gaumont	2006	0	0	29,444	0	0	29,444	GECINA
SUBTOTAL BUILDINGS IN OPERATION: PARIS		**278**	**19,645**	**320,774**	**44,675**	**5,057**	**390,150**	

OFFICES

	Address		Year	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Activities surface area (sq.m)	TOTAL SURFACE AREA (SQ.M)	Company
78	**78140 Vélizy-Villacoublay**									
	8/10, avenue Morane Saulnier – Le Square		1979/1980	0	0	7,368	0	0	7,368	Colvel Windsor
	6, avenue Morane Saulnier – 3, rue Paul Dautier – Le Crystalys		2007	0	0	25,806	0	0	25,806	Colvel Windsor
	78180 Montigny-le-Bretonneux									
	1, avenue Niepce		1984	0	0	4,050	0	0	4,050	GECINA
	5/9, avenue Ampère		1986	0	0	5,534	0	0	5,534	GECINA
	4, avenue Newton		1978	0	0	4,398	0	0	4,398	GECINA
	6, avenue Ampère		1981	0	0	3,204	0	0	3,204	GECINA
	78280 Guyancourt									
	3/9, rue Hélène-Boucher		1990	0	0	10,242	0	0	10,242	GECINA
	78280 St-Quentin-en-Yvelines									
	2, avenue Gay Lussac		1985/1988	0	0	85,054	0	0	85,054	SAS PARIGEST
	78300 Poissy									
	16 et 26 rue de la Faisanderie		2002	0	0	45,723	2,675	0	48,398	SAS Rue de La Faisanderie Poissy
91	**91220 Brétigny-sur-Orge**									
	ZI Les Bordes		1975	0	0	17,139	0	0	17,139	SAS PARIGEST
92	**92052 Courbevoie (Paris-La Défense)**									
	Le Lavoisier – 4, place des Vosges		1989	0	0	8,473	0	0	8,473	GECITER
	92100 Boulogne-Billancourt									
	37/39, rue Marcel-Dassault		1993	0	0	1,343	0	0	1,343	GECINA
	73/77, rue de Sèvres		1973	0	0	5,790	0	0	5,790	GECINA
	122, avenue du Général-Leclerc		1968/2006	0	0	18,071	6,004	0	24,075	SAS PARIGEST
	92120 Montrouge									
	35, boulevard Romain-Rolland		1999	0	0	9,358	0	1,071	10,429	GECITER
	25/31, boulevard Romain-Rolland		2000	0	0	6,709	0	0	6,709	GECITER
	92130 Issy-les-Moulineaux									
	12, boulevard des Îles		1991	0	0	5,015	355	0	5,370	GECINA
	1, quai Marcel Dassault		2003	0	0	12,692	0	0	12,692	SAS 1, Quai M. Dassault Suresnes
	92200 Neuilly-sur-Seine									
	159/161, avenue Achille-Peretti – 17, rue des Huissiers		1914	0	0	3,830	0	0	3,830	GECITER
	12/16, boulevard du Général-Leclerc		1973	8	541	15,867	0	0	16,408	GECINA
	157, avenue Charles-de-Gaulle		1959	0	0	5,779	265	0	6,044	GECITER
	159, avenue Charles-de-Gaulle		1970	0	0	3,864	0	0	3,864	GECITER
	6 bis/8, rue des Graviers		1959	0	0	4,544	0	0	4,544	GECINA
	163/165, avenue Achille-Peretti		1970	0	0	2,536	0	0	2,536	GECINA
	92215 La Défense									
	47, rue Louis-Blanc		1992	0	0	7,609	0	0	7,609	GECINA
	92300 Levallois-Perret									
	140/146, rue Anatole-France		1991	0	0	27,031	400	0	27,431	PB ÎLOT 1-4
	97, rue Anatole-France		1986	0	0	1,379	0	0	1,379	GECINA
	109/113, rue Victor-Hugo		1992	0	0	4,459	0	0	4,459	GECINA
	16, rue Paul-Vaillant-Couturier		1982	0	0	2,078	0	0	2,078	GECINA
	2/4, quai Michelet		1996	0	0	32,960	0	0	32,960	SNC MICHELET
	55, rue Deguingand		1974	0	0	4,525	0	0	4,525	SAS PARIGEST
	92400 Courbevoie									
	ZAC Danton 16, 16 bis, 18 à 28, avenue de l'Arche – 34, avenue Léonard de Vinci		2007	0	0	9,363	0	0	9,363	Le Pyramidion
	92500 Rueil-Malmaison									
	8, rue Henri-Becquerel – 6, rue E. et A. Peugeot		1987	0	0	4,500	0	0	4,500	GECINA
	55/57, avenue de Colmar – 97/101, avenue Victor-Hugo		1988	0	0	2,950	0	0	2,950	GECINA

	Year	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Activities surface area (sq.m)	TOTAL SURFACE AREA (SQ.M)	Company
Cours Ferdinand-de-Lesseps (VINCI 1)	1992	0	0	24,312	1,351	0	25,663	SP1
Place de l'Europe (VINCI 2)	1993	0	0	8,870	916	0	9,786	SP1
92700 Colombes								
15/55, boulevard Charles-de-Gaulle	2001	0	0	42,788	0	0	42,788	GECINA
420/426, rue d'Estienne-d'Orves	2006	0	0	58,189	0	0	58,189	GECINA
93								
93170 Bagnolet								
59, rue Charles-Delescluze	1972	0	0	0	0	850	850	GECINA
94								
94000 Créteil								
9/11, rue Georges-Enesco	1975	0	0	9,054	0	0	9,054	GECINA
94250 Gentilly								
1 parvis Mazagran	2004	0	0	13,765	578	0	14,343	GECINA
94300 Vincennes								
5/7, avenue de Paris	1988	0	0	3,579	0	0	3,579	GECINA
9, avenue de Paris	1971/2003	0	0	1,967	0	0	1,967	GECINA
94550 Chevilly-Larue								
25, rue du Pont de Halles	1977/1996	0	0	15,442	0	0	15,442	SAS PARIGEST
SUBTOTAL BUILDINGS IN OPERATION: GREATER PARIS REGION		**8**	**541**	**587,209**	**12,544**	**1,921**	**602,215**	
SUBTOTAL BUILDINGS IN OPERATION: PARIS + GREATER PARIS REGION		**286**	**20,186**	**907,984**	**57,218**	**6,978**	**992,365**	
69								
Lyons 2nd								
27, quai Saint-Antoine	1650	0	0	0	350	0	350	GECINA
28, quai Saint-Antoine	1650	0	0	0	45	0	45	GECINA
29/30, quai Saint-Antoine	1650	6	460	0	2,373	0	2,833	GECINA
Lyons 3rd								
19/21, cours de la Liberté	1850	14	549	0	1,773	0	2,322	GECINA
74, rue de Bonnel	1986	0	0	1,950	0	0	1,950	GECINA
21, rue François-Garcin	1989	0	0	1,848	0	0	1,848	GECINA
19, rue de la Villette	1986	0	0	3,903	0	0	3,903	GECINA
74/78 et 82, rue de la Villette (Part-Dieu)	2004	0	0	13,087	0	0	13,087	GECITER
69100 Villeurbanne								
63, avenue Roger-Salengro	1981	0	0	2,136	0	0	2,136	GECINA
69740 Génas								
Rue de Genève	1991	0	0	0	0	5,565	5,565	GECINA
69540 Irigny								
Le BROTEAU	1980	0	0	0	0	10,400	10,400	GECINA
SUBTOTAL BUILDINGS IN OPERATION: LYONS + LYONS REGION		**20**	**1,009**	**22,924**	**4,541**	**15,965**	**44,439**	
Other countries								
Spain (Madrid)								
61 calle Velazquez	1950	0	0	0	174	0	174	GECINA
GENERAL TOTAL BUILDINGS IN OPERATION		**306**	**21,195**	**930,908**	**61,933**	**22,943**	**1,036,978**	
VARIOUS SALES PROGRAMS								
62								
62004 Arras								
37, rue Saint-Aubert (SAINT-JEAN)	1970	0	0	610	0	0	610	GECINA
TOTAL VARIOUS SALES PROGRAMS		**0**	**0**	**610**	**0**	**0**	**610**	

OFFICES

	Year	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Activities surface area (sq.m)	TOTAL SURFACE AREA (SQ.M)	Company
LAND RESERVES								
69 **Lyons 3rd**								
72/86, avenue Félix-Faure – 106, boulevard Vivier-Merle - ZAC Buire	1880	0	0	0	0	27,554	27,554	SAS Buire Aménagement
Lyons 7th								
174/188, avenue Jean-Jaurès – 42, rue Pré-Gaudry	1950/70/94	0	0	4,133	0	7,945	12,078	GECINA
75, rue de Gerland	1850/1980/97	0	0	8,163	0	13,671	21,834	GECINA
81/85, rue de Gerland	1850/1980/97	0	0	1,635	0	0	1,635	GECINA
174, avenue Jean-Jaurès	1950/70/94	0	0	3,783	0	0	3,783	GECINA
69100 Villeurbanne								
1, avenue Paul-Kruger – 51, rue Émile-Decorps	1981	0	0	0	0	2,440	2,440	GECINA
TOTAL LAND RESERVES		**0**	**0**	**17,714**	**0**	**51,610**	**69,324**	
UNDER REFURBISHMENT								
75 **Paris 2nd**								
120/122, rue Réaumur – 7/9, rue Saint-Joseph	1890/1880	0	0	5,025	0	0	5,025	GECITER
37, rue du Louvre – 25, rue d'Aboukir	1935	0	0	7,400	0	0	7,400	GECITER
Paris 8th								
34-36, avenue de Friedland	1973	0	0	5,056	0	0	5,056	GECINA
66, avenue Marceau	1997/2007	0	0	4,856	0	0	4,856	GECINA
64, rue de Lisbonne – rue Murillo	1987	0	0	4,700	0	0	4,700	GECINA
Paris 9th								
16, boulevard Montmartre	1820	36	1,457	2,314	936	0	4,707	GECINA
Paris 15th								
31, quai de Grenelle (Mercure)	1973	0	0	8,250	0	0	8,250	GECINA
31, quai de Grenelle (Semea XV)	1973	0	0	0	0	0	0	GECINA
16, rue Linois (Centre Commercial Beaugrenelle)	1979	0	0	0	22,500	0	22,500	SCI Beaugrenelle
16, rue Linois (Centre Commercial Beaugrenelle – parkings)	1979	0	0	0	0	0	0	SCI Beaugrenelle
51 à 53, quai de Grenelle (Mercure 2)	1975	0	0	1,643	0	0	16,343	SCI Beaugrenelle
21, quai Gaston Cavaillet	1973	0	0	0	0	650	650	SCI Beaugrenelle
92 **92200 Neuilly-sur-Seine**								
96/104, avenue Charles-de-Gaulle	1964	0	0	12,569	0	0	12,569	GECITER
69 **Lyons 3rd**								
19/20, quai Augagneur	1860/1890	25	1,748	30	1,525	0	3,303	GECINA
TOTAL BUILDINGS UNDER REFURBISHMENT		**61**	**3,205**	**51,843**	**24,961**	**650**	**80,659**	
GECINA GROUP TOTAL		**367**	**24,400**	**1,001,075**	**86,894**	**75,203**	**1,187,572**	

SUMMARY OF OFFICE PROPERTY HOLDING

	Office surface area (sq.m)	Retail surface area (sq.m)
PARIS	**337,960**	**75,831**
COMMERCIAL SECTION OF PRIMARILY RESIDENTIAL ASSETS	17,185	31,157
COMMERCIAL SECTION OF PRIMARILY COMMERCIAL ASSETS	320,774	44,675
GREATER PARIS REGION	**591,742**	**15,421**
COMMERCIAL SECTION OF PRIMARILY RESIDENTIAL ASSETS	4,533	2,877
COMMERCIAL SECTION OF PRIMARILY COMMERCIAL ASSETS	587,209	12,544
LYONS	**26,655**	**7,612**
COMMERCIAL SECTION OF PRIMARILY RESIDENTIAL ASSETS	3,731	3,071
COMMERCIAL SECTION OF PRIMARILY COMMERCIAL ASSETS	22,924	4,541
OTHER REGIONS	**933**	**174**
COMMERCIAL SECTION OF PRIMARILY RESIDENTIAL ASSETS	933	0
COMMERCIAL SECTION OF PRIMARILY COMMERCIAL ASSETS	0	174
COMMERCIAL PROPERTY HOLDING IN OPERATION AT DEC 31, 2007	**957,290**	**99,038**
VARIOUS SALES PROGRAMS AT DEC 31, 2007	**3,248**	**538**
COMMERCIAL SECTION OF PRIMARILY RESIDENTIAL ASSETS	2,638	538
COMMERCIAL SECTION OF PRIMARILY COMMERCIAL ASSETS	610	0
PROGRAMS UNDER CONSTRUCTION AND LAND RESERVES	**69,916**	**24,961**
TOTAL COMMERCIAL PROPERTY HOLDING AT DEC 31, 2007	**1,030,455**	**124,537**
COMMERCIAL SECTION OF PRIMARILY RESIDENTIAL ASSETS	29,380	37,643
COMMERCIAL SECTION OF PRIMARILY COMMERCIAL ASSETS	1,001,075	86,894

RESIDENTIAL

75

	Year	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	TOTAL SURFACE AREA (SQ.M)	Company
Paris 1st							
184, rue de Rivoli – 2, rue de l'Échelle	1880	12	1,264	257	661	2,182	GECINA
Paris 2nd							
6 bis, rue Bachaumont	1905	13	1,000	695	464	2,159	GECINA
Paris 3rd							
7/7 bis, rue Saint-Gilles	1987	42	2,713	0	135	2,848	GECINA
Paris 4th							
2, rue Crillon	1969	36	2,160	390	213	2,763	GECINA
Paris 5th							
7, rue Nicolas-Houël	1972	195	11,740	0	0	11,740	GECINA
Paris 6th							
1, carrefour Croix-Rouge	1876	14	982	0	209	1,191	GECINA
Paris 7th							
262, boulevard Saint-Germain	1880	9	705	410	146	1,261	GECINA
266, boulevard Saint-Germain	1880	9	963	0	141	1,104	GECINA
Paris 8th							
44, rue Bassano – 11, rue Magellan	1907	34	4,335	590	0	4,925	GECINA
165, boulevard Haussmann	1866	12	1,042	556	196	1,794	GECINA
80, rue du Rocher	1903	17	1,990	0	179	2,169	GECINA
51, rue de Rome	1865	13	1,211	138	363	1,712	GECINA
3, rue Treilhard	1866	11	802	296	314	1,412	GECINA
21, rue Clément-Marot	1880	6	1,330	649	0	1,979	GECINA
Paris 9th							
13/17, cité de Trévise	1998	44	2,773	0	0	2,773	GECINA
Paris 10th							
141, rue La Fayette	1898	9	1,060	0	635	1,695	GECINA
166/172, quai de Jemmapes	1982	139	8,753	0	0	8,753	GECINA
41/47, rue de la Grange-aux-Belles	1967	86	4,971	326	466	5,763	GECINA
Paris 11th							
45/53, avenue Philippe-Auguste	1970	71	4,564	1,121	295	5,980	GECINA
8, rue du Chemin-Vert	1969	42	2,200	0	713	2,913	GECINA
8 bis, rue Lacharrière	1967	42	2,486	0	0	2,486	GECINA
Paris 12th							
25/27, rue de Fécamp – 45, rue de Fécamp	1988	32	2,590	0	181	2,771	GECINA
18/20 bis, rue Sibuet	1992	63	4,423	73	0	4,496	GECINA
9/11, avenue Ledru-Rollin	1997	62	3,047	0	177	3,224	GECINA
25, avenue de Saint-Mandé	1964	83	3,619	0	161	3,780	GECINA
12/14, boulevard de Picpus	1966	22	1,628	0	52	1,680	GECINA
46, boulevard de Reuilly – 38, rue Taine	1972	159	8,541	0	2,655	11,196	GECINA
220, rue du Faubourg Saint-Antoine	1969	127	6,535	0	1,019	7,554	GECINA
24/26, rue Sibuet	1970	159	9,760	85	0	9,845	GECINA
Paris 13th							
22/24, rue Wurtz	1988	68	4,471	0	248	4,719	GECINA
10/18, passage Foubert	1989	92	6,233	0	0	6,233	GECINA
49/53, rue Auguste-Lançon – 26, rue de Rungis – 55/57, rue Brillat Savarin	1971	40	3,413	1,800	0	5,213	GECINA
2/12, rue Charbonnel – 53, rue de l'Amiral-Mouchez – 65/67, rue Brillat Savarin	1966	181	12,007	0	490	12,497	GECINA
20, rue du Champ-de-l'Alouette	1965	53	3,886	570	369	4,825	GECINA
53, rue de la Glacière	1970	53	646	0	99	745	GECINA
Paris 14th							
149/153, rue Raymond-Losserand – 1/5, rue Pauly	1979	67	3,564	0	599	4,163	GECINA
83/85, rue de l'Ouest	1978	31	1,981	0	112	2,093	GECINA
26, rue du Commandant René-Mouchotte	1966	316	21,076	0	0	21,076	GECINA
3, villa Brune	1970	108	4,689	0	0	4,689	GECINA
Paris 15th							
22/24, rue Edgar-Faure	1996	85	6,774	0	301	7,075	SAS PARIGEST
26, rue Linois (Tour H15)	1979	192	11,634	0	0	11,634	SCI H15

	Year	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	TOTAL SURFACE AREA (SQ.M)	Company
89, rue de Lourmel	1988	23	1,487	0	245	1,732	GECINA
39, rue de Vouillé	1999	84	6,291	0	135	6,426	SAS PARIGEST
75/77, rue Saint-Charles	1979	40	2,764	0	0	2,764	GECINA
27, rue Balard	1995	64	5,798	0	0	5,798	SAS PARIGEST
199, rue Saint-Charles	1967	59	3,253	0	0	3,253	GECINA
159/169, rue Blomet – 334/342, rue de Vaugirard	1971	320	21,524	0	5,310	26,834	GECINA
191, rue Saint-Charles – 17, rue Varet	1960	208	12,319	0	0	12,319	GECINA
76/82, rue Lecourbe – rue François Bonvin (Bonvin-Lecourbe)	1971	247	13,875	0	6,581	20,456	GECINA
10, rue du Docteur-Roux – 189/191, rue de Vaugirard	1967	228	13,015	2,739	0	15,754	GECINA
74, rue Lecourbe	1971	93	8,042	0	0	8,042	GECINA
148, rue de Lourmel – 74/86, rue des Cévennes – 49, rue Lacordaire	1965	316	21,979	190	612	22,781	GECINA
85/89, boulevard Pasteur	1965	261	16,451	0	0	16,451	GECINA
44/50, rue Sébastien-Mercier	1971	40	2,464	0	703	3,167	GECINA
18/20, rue Tiphaine	1972	79	4,862	1,949	177	6,988	GECINA
37/39, rue des Morillons	1966	37	2,212	212	312	2,736	GECINA
12, rue Chambéry	1968	30	890	0	0	890	GECINA
6, rue de Vouillé	1969	588	28,215	804	1,157	30,176	GECINA
168/170, rue de Javel	1962	85	5,817	135	0	5,952	GECINA
20, rue de Cronstadt	1967	59	3,750	910	0	4,660	GECINA
Paris 16th							
6/14, rue de Rémusat – square Henri-Paté	1962	187	15,987	1,023	0	17,010	GECINA
17/19, rue Mesnil – 48, rue Saint-Didier	1963	220	12,822	143	0	12,965	GECINA
46 bis, rue Saint-Didier	1969	42	2,071	0	670	2,741	GECINA
Paris 17th							
121, rue de Courcelles	1908	13	960	0	218	1,178	GECINA
169, boulevard Péreire (parkings)	1882	0	0	0	0	0	GECINA
169/183, boulevard Péreire – 7/21, rue Faraday – 49, rue Laugier	1882	236	20,661	547	1,166	22,374	GECINA
7, rue Montenotte	1800	11	1,032	0	186	1,218	GECINA
28, avenue Carnot	1882	24	2,367	0	0	2,367	SAS PARIGEST
30, avenue Carnot	1882	13	1,220	0	0	1,220	SAS PARIGEST
32, avenue Carnot	1882	9	1,034	0	161	1,195	SAS PARIGEST
10, rue Nicolas-Chuquet	1995	54	3,159	0	455	3,614	GECINA
38/40, rue de Lévis	1966	22	1,304	0	466	1,770	GECINA
Paris 18th							
40, rue des Abbesses	1907	33	1,951	0	188	2,139	GECINA
234, rue Championnet	1980	208	12,243	0	0	12,243	GECINA
Paris 19th							
29/33, rue des Ardennes	1984	69	5,084	0	0	5,084	GECINA
25/31, rue Pradier – 63, rue Fessart	1965	202	14,526	0	358	14,884	GECINA
8/10, rue Manin	1967	113	6,213	0	0	6,213	GECINA
Paris 20th							
19/21, rue d'Annam	1981	57	2,907	0	0	2,907	GECINA
59/61, rue de Bagnolet	1979	57	3,227	0	101	3,328	GECINA
44/57, rue de Bagnolet	1992	30	1,926	0	308	2,234	GECINA
162, rue de Bagnolet	1992	32	2,305	79	55	2,439	GECINA
42/52 et 58/60, rue de la Py – 15/21, rue des Montiboeufs	1967	141	7,967	498	0	8,465	GECINA
20/24, rue de la Plaine – 15/17, rue de Lagny	1965	218	12,591	0	0	12,591	GECINA
SUBTOTAL BUILDINGS IN OPERATION: PARIS		**7,701**	**488,126**	**17,185**	**31,157**	**536,468**	
78000 Versailles							
79, rue des Chantiers	1965	63	4,128	156	0	4,284	GECINA
Petite place – 7/9, rue Sainte-Anne – 6, rue Madame – 20, rue du Peintre Le Brun	1968	192	13,899	2,675	0	16,574	GECINA
7, rue de l'Amiral-Serre	1974	75	5,577	0	0	5,577	GECINA
78100 Saint-Germain-en-Laye							
33/61, rue Rouget-de-L'Isle – 40/41, rue Jeanne d'Albret	1987	17	2,228	0	0	2,228	GECINA
31, avenue Saint-Fiacre – 10/28, rue Marie-Stuart	1987	19	2,568	0	0	2,568	GECINA
17, rue Félicien-David	1966	41	2,996	0	0	2,996	GECINA

RESIDENTIAL

	Year	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	TOTAL SURFACE AREA (SQ.M)	Company
78150 Le Chesnay							
16/20, rue Pottier	1980	147	8,147	0	443	8,590	SAS PARIGEST
78170 La Celle-Saint-Cloud							
1, allée du Béarn	1961	245	16,091	0	0	16,091	GECINA
78400 Chatou							
3, avenue de la Faisanderie	1972	27	1,723	0	0	1,723	GECINA
78600 Maisons-Laffitte							
21/31, rue des Côtes	1982	47	3,854	0	0	3,854	GECINA
56, avenue de Saint-Germain	1981	64	5,046	0	0	5,046	GECINA
91							
91240 Saint-Michel-sur-Orge							
Rue Berlioz	1972	294	20,098	0	632	20,730	GECINA
Rue Chabrier	1972	511	38,348	0	0	38,348	SCI Paris-Saint-Michel
92							
92000 Courbevoie (Paris-La Défense)							
3/6, square Henri-Regnault	1974	224	12,626	0	0	12,626	GECINA
92100 Boulogne-Billancourt							
59 bis/59 ter, rue des Peupliers – 35 bis, rue Marcel-Dassault	1993	33	2,740	292	0	3,032	GECINA
175, boulevard Jean-Jaurès	1994	49	3,001	0	0	3,001	SAS PARIGEST
94/98, rue de Bellevue	1974	63	4,474	0	0	4,474	GECINA
108, rue de Bellevue – 99, rue de Sèvres	1968	106	5,402	0	0	5,402	GEC 3
108, rue de Bellevue – 99, rue de Sèvres	1968	318	24,564	0	0	24,564	SAS PARIGEST
92160 Antony							
254/278, rue Adolphe-Pajeaud	1972	112	5,622	0	0	5,622	GECINA
92170 Vanves							
2/6, rue Ernest-Laval	1978	62	3,406	0	1,070	4,476	SAS PARIGEST
5 bis, rue Larmeroux	1970	117	7,497	0	0	7,497	GECINA
92190 Meudon							
7, rue du Parc – 85, rue de la République	1966	206	16,322	0	0	16,322	GECINA
92200 Neuilly-sur-Seine							
47/49, rue Perronet	1976	46	3,503	0	0	3,503	GECINA
77, rue Perronet	1963	32	1,497	0	0	1,497	GECINA
92290 Chatenay-Malabry							
148, rue d'Aulnay	1973	113	6,400	0	0	6,400	GECINA
97, avenue Roger-Salengro	1972	102	6,084	0	0	6,084	GECINA
92300 Levallois-Perret							
136/140, rue Aristide-Briand	1992	73	4,699	0	0	4,699	GECINA
92350 Le Plessis-Robinson							
25, rue Paul-Rivet	1997	132	11,265	250	0	11,515	GECINA
92400 Courbevoie							
8/12, rue Pierre-Lhomme	1996	96	5,344	0	0	5,344	GECINA
43, rue Jules-Ferry – 25, rue Cayla	1996	58	3,574	0	0	3,574	GECINA
3, place Charras	1985	67	4,807	0	0	4,807	GECINA
190, boulevard Saint-Denis	1965	30	2,281	0	0	2,281	GECINA
161/165, rue Jean-Baptiste-Charcot	1965	89	6,314	0	0	6,314	GECINA
9/15, rue Adélaïde	1969	38	2,407	152	0	2,559	GECINA
4/6/8, rue Victor-Hugo – 8/12, rue de l'Abreuvoir – 11, rue de L'industrie	1966	202	13,977	0	732	14,709	GECINA
6, rue des Vieilles-Vignes	1962	54	2,716	0	0	2,716	GECINA
92410 Ville-d'Avray							
1 à 33, avenue des Cèdres – 3/5 allée Forestière – 1, rue du Belvédère de la Ronce	1966	584	40,157	1,008	0	41,165	GECINA
6, Chemin Desvallières	1965	81	6,234	0	0	6,234	GECINA
14/18, rue de la Ronce	1963	159	15,902	0	0	15,902	GECINA
92600 Asnières							
46, rue de la Sablière	1994	87	6,130	0	0	6,130	SAS PARIGEST

	Year	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	TOTAL SURFACE AREA (SQ.M)	Company
94							
94160 Saint-Mandé							
7, rue de l'Amiral-Courbet	1975	63	4,524	0	0	4,524	GECINA
94410 Saint-Maurice							
1/5, allée des Bateaux-Lavoirs – 4, promenade du Canal	1994	87	6,382	0	0	6,382	GECINA
94700 Maisons-Alfort							
58/60, avenue Georges-Clemenceau	1967	124	7,168	0	0	7,168	GECINA
SUBTOTAL BUILDINGS IN OPERATION: GREATER PARIS REGION		**5,349**	**371,722**	**4,533**	**2,877**	**379,132**	
SUBTOTAL BUILDINGS IN OPERATION: PARIS + GREATER PARIS REGION		**13,050**	**859,848**	**21,718**	**34,034**	**915,600**	
69							
Lyons 2nd							
26, quai Saint-Antoine	1650	4	362	0	91	453	GECINA
Lyons 3rd							
100, cours La Fayette	1965	218	17,683	1,884	0	19,567	GECINA
15/33, rue Desaix	1963	280	17,164	1,077	0	18,241	GECINA
113/119, cours Gambetta – 17, rue Dunoir (SGIL)	1970	37	3,464	46	0	3,511	SGIL (quote-part 36,5455 %)
Lyons 4th							
104/110, rue Hénon	1966	93	7,899	283	0	8,182	GECINA
Lyons 5th							
85/92, quai Pierre-Scize	1890	101	7,900	0	1,638	9,538	GECINA
Lyons 7th							
Le Fleuve Sud – 9/11, rue Commandant Ayasse	1969	16	1,303	279	0	1,582	GECINA
Le Fleuve Quai – 39, avenue Leclerc	1969	23	1,511	162	0	1,673	GECINA
Le Fleuve – 40/43, avenue Leclerc	1969	87	7,392	0	0	7,392	GECINA
Lyons 9th							
La Clairière – 176, rue de Saint-Cyr	1972	120	9,987	0	0	9,987	GECINA
69100 Villeurbanne							
83, cours de la République	1967	98	5,652	0	473	6,125	GECINA
69130 Ecully							
20/24, chemin de Charrière-Blanche	1968	426	35,718	0	380	36,098	GECINA
69300 Caluire-et-Cuire							
Bissardon – 23/29, rue de l'Oratoire	1962	211	17,876	0	489	18,365	GECINA
SUBTOTAL BUILDINGS IN OPERATION: LYONS + LYONS REGIONS		**1,714**	**133,912**	**3,731**	**3,071**	**140,714**	
13							
13778 Fos-sur-Mer							
Les JARDINS	1966	36	2,967	0	0	2,967	GECINA
33							
33000 Bordeaux							
26/32, rue des Belles Îles	1994	99	2,011	0	0	2,011	GEC 7
33170 Gradignan							
Chemin du Naudet	1974	240	7,560	0	0	7,560	GECINA
33400 Talence							
11, avenue du Maréchal de Tassigny	2000	150	3,246	933	0	4,179	GEC 7
36, rue Marc Sangnier	1994	132	2,664	0	0	2,664	GEC 7
33600 Pessac							
80, avenue du Docteur Schweitzer	1995	92	1,819	0	0	1,819	GEC 7
SUBTOTAL BUILDINGS IN OPERATION: OTHER REGIONS		**749**	**20,267**	**933**	**0**	**21,200**	
GENERAL TOTAL BUILDINGS IN OPERATION		**15,513**	**1,014,027**	**26,383**	**37,105**	**1,077,514**	

RESIDENTIAL

VARIOUS SALES PROGRAMS

	Year	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	TOTAL SURFACE AREA (SQ.M)	Company
75 **Paris 7th**							
61, avenue de Suffren	1909	24	1,572	0	111	1,683	GEC 5
Paris 8th							
40, rue d'Artois	1900	0	0	0	0	0	SAS PARIGEST
Paris 9th							
6 bis, rue de Châteaudun	1905	0	2	0	0	2	GECINA
Paris 12th							
173 bis, rue de Charenton (Saint-Éloi II)	1965	0	0	235	90	325	GECINA
26/36, rue Claude-Decaen – 42/46, rue de Fécamp	1965	1	110	0	0	110	GECINA
Paris 13th							
84, boulevard Massena (Tour Bologne)	1972	0	0	249	0	249	GECINA
Paris 14th							
8/20, rue du Commandant-René-Mouchotte	1967	1	42	0	0	42	GECINA
Paris 15th							
22, rue de Cherbourg – 25, rue de Chambéry	1965	1	40	0	0	40	GECINA
3, rue Jobbé-Duval	1900	8	383	0	0	383	GECINA
Paris 16th							
4, rue Poussin	1880	1	128	0	0	128	GECINA
4, avenue d'Eylau	1880	3	512	0	0	512	SAS FEDIM
10, avenue d'Eylau	1880	1	239	0	0	239	SAS FEDIM
60, avenue Paul-Doumer – 7, rue Vital	1934	6	2,098	0	0	2,098	GECINA
8/9, avenue Saint-Honoré-d'Eylau	1880	1	148	0	0	148	GECINA
72, avenue Mozart	1862	2	203	0	0	203	GECINA
7, rue Georges-Ville	1911	4	581	0	0	581	GECINA
11, rue du Conseiller-Collignon	1933	1	260	0	0	260	GECINA/SAS PARIGEST
14, rue Raynouard	1913	0	6	0	0	6	GECINA
Paris 17th							
25, rue du Colonel-Moll – 11, rue Saint-Ferdinand	1906	1	136	0	0	136	GECINA
15, villa Aublet	–	0	0	0	0	0	Investibail Transactions
7, rue Saint-Senoch	1909	1	128	0	0	128	GECINA
79, rue Jouffroy-d'Abbans	1880	8	1,122	0	0	1,122	GECINA
81, rue Jouffroy-d'Abbans	1880	7	1,234	0	0	1,234	GECINA
3, rue Meissonnier	1885	5	786	0	0	786	GECINA
4, rue Meissonnier	1885	10	1,392	182	0	1,574	GECINA
54, rue de Prony	1885	6	1,476	0	0	1,476	GECINA
80, rue de Prony	1885	5	330	0	0	330	GECINA
6/8, rue Meissonnier	1885	21	3,342	0	0	3,342	GECINA
Paris 19th							
25/29, rue des Lilas	1970	0	0	0	0	0	GECINA
104/106, rue Petit – 16, allée de Fontainebleau	1977	2	137	0	0	137	SAS PARIGEST
TOTAL VARIOUS SALES PROGRAMS: PARIS		**120**	**16,407**	**666**	**201**	**17,274**	
78 **78000 Versailles**							
6, boulevard du Roi	1966	10	750	0	0	750	GECINA
48, rue Albert-Joly	1966	12	1,052	174	0	1,227	GECINA
13, avenue du Général-Pershing	1972	92	7,912	0	0	7,912	GECINA
33 bis, rue Saint-Antoine	2000	0	0	0	0	0	GECINA
78170 La Celle-Saint-Cloud							
16/22 bis, avenue de Circourt	1966	15	1,649	0	0	1,649	GECINA
78380 Bougival							
12/18, côte de la Jonchère	1982	41	3,341	0	0	3,341	GECINA

	Year	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	TOTAL SURFACE AREA (SQ.M)	Company
78390 Bois-d'Arcy							
2, rue Toulouse-Lautrec	1966	0	0	0	0	0	GECINA
1/17, rue René-Laennec (Croix-Bois-d'Arcy)	1969	0	0	0	0	0	GECINA
91 **91380 Chilly-Mazarin**							
5, rue des Dalhias	1972	1	97	0	0	97	GECINA
92 **92130 Issy-les-Moulineaux**							
20/22, rue Hoche	1984	10	672	0	0	672	GECINA
30/32, rue Diderot – 35, rue Danton	1985	9	556	0	0	556	GECINA
92160 Antony							
17/25, avenue Jeanne-d'Arc	1973	108	6,673	0	0	6,673	GECINA
92200 Neuilly-sur-Seine							
41, boulevard du Commandant-Charcot	1950	2	322	0	0	322	GECINA
54/56, boulevard du Général-Leclerc – 70/72, rue Édouard-Nortier	1961	29	2,028	0	0	2,028	GECINA
1/2/3/5/7/9, rue Théophile-Gautier – 2, rue Casimir Pinel	1930	10	1,127	0	0	1,127	GECINA
7 bis, rue Jacques-Dulud	1989	2	231	0	0	231	GECINA
163/165, avenue Charles-de-Gaulle	1967	1	0	1,582	0	1,582	GECINA
92210 Saint-Cloud							
165/185, boulevard de la République	1966	76	5,759	116	0	5,875	GECINA
9/11, rue Pasteur	1964	38	4,055	0	0	4,055	GECINA
92310 Sèvres							
Allée des Acacias – 15/17, route de Gallardon	1973	165	10,336	47	53	10,436	GECINA
92380 Garches							
17/21, rue Jean-Mermoz	1974	17	1,091	0	0	1,091	GECINA
12, rue Sylvain-Vigneras	1972	70	4,857	0	0	4,857	GECINA
92400 Courbevoie							
9, rue Kilford	1966	4	427	0	0	427	GECINA
102/110, avenue Marceau – 175/181, rue Jean-Pierre-Timbaud	1966	87	7,058	0	0	7,058	GECINA
94 **94000 Créteil**							
1/15, passage Saillenfait	1971	66	5,163	53	0	5,216	GECINA
94100 Saint-Maur-des-Fossés							
4, quai du Parc – 69, rue Gabriel-Péri	1966	19	1,723	0	0	1,723	GECINA
94360 Bry-sur-Marne							
106/108, avenue du Général-Leclerc – quai Louis-Ferber	1982	1	97	0	0	97	GECINA
TOTAL VARIOUS SALES PROGRAMS: GREATER PARIS REGION		**885**	**66,976**	**1,972**	**53**	**69,002**	
69 **Lyons 2nd**							
1/3 et 12/22, cours Bayard – 44, rue Quivogne	1895	1	51	0	0	51	GECINA
Lyons 6th							
47, avenue de Saxe	1932	12	1,204	0	284	1,488	GECINA
TOTAL VARIOUS SALES PROGRAMS: LYONS		**13**	**1,255**	**0**	**284**	**1,539**	

RESIDENTIAL

	Year	Number of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	TOTAL SURFACE AREA (SQ.M)	Company
13 **Marseilles 13th** Avenue Merlaud-Ponty	1961	0	0	0	0	0	GECINA
34 **34000 Montpellier** Avenue Saint-Clément – 2/13, square Murillo	1967	1	78	0	0	78	GECINA
45 **45000 Olivet** Source 2107	0	0	0	0	0	0	GECINA
74 **74600 Seynod** 3/8, avenue de Baal	–	0	0	0	0	0	GECINA
83 **83000 Toulon** 2, rue Guiol – 7, boulevard de Strasbourg	1910	1	71	0	0	71	GECINA
TOTAL VARIOUS SALES PROGRAMS: OTHER REGIONS		**2**	**149**	**0**	**0**	**149**	
TOTAL VARIOUS SALES PROGRAMS		**1,020**	**84,787**	**2,638**	**538**	**87,964**	
UNDER CONSTRUCTION							
13 **Marseilles 8th** Avenue Cantini – Quartier le Rouet	underway	80	5,490	359	0	5,849	GECINA
59 **59000 Lille** Tour V Euralille – avenue Willy-Brandt	underway	191	4,754	0	0	4,754	GEC 7
93 **93350 Le Bourget** 5, rue Rigaud	underway	238	4,746	0	0	4,746	GECINA
TOTAL BUILDINGS UNDER CONSTRUCTION		**509**	**14,990**	**359**	**0**	**15,349**	
LAND RESERVES							
69 **Lyons 7th** 168/172, rue de Gerland (GERLYON) – rue Simon-Fryd (R. FONCIÈRE)	–	0	0	0	0	0	A.I.C
TOTAL LAND RESERVES		**0**	**0**	**0**	**0**	**0**	
GECINA GROUP TOTAL		**17,042**	**1,113,804**	**29,380**	**37,643**	**1,180,827**	

SUMMARY OF RESIDENTIAL PROPERTY HOLDING

	Number of housing units	Residential surface area (sq.m)
PARIS	**7,979**	**507,771**
RESIDENTIAL SECTION OF PRIMARILY RESIDENTIAL ASSETS	7,701	488,126
RESIDENTIAL SECTION OF PRIMARILY COMMERCIAL ASSETS	278	19,645
GREATER PARIS REGION	**5,357**	**372,263**
RESIDENTIAL SECTION OF PRIMARILY RESIDENTIAL ASSETS	5,349	371,722
RESIDENTIAL SECTION OF PRIMARILY COMMERCIAL ASSETS	8	541
LYONS	**1,734**	**134,921**
RESIDENTIAL SECTION OF PRIMARILY RESIDENTIAL ASSETS	1,714	133,912
RESIDENTIAL SECTION OF PRIMARILY COMMERCIAL ASSETS	20	1 009
OTHER REGIONS	**749**	**20,267**
RESIDENTIAL SECTION OF PRIMARILY RESIDENTIAL ASSETS	749	20,267
RESIDENTIAL SECTION OF PRIMARILY COMMERCIAL ASSETS	0	0
RESIDENTIAL PROPERTY HOLDING IN OPERATION AT DEC 31, 2007	**15,819**	**1,035,221**
VARIOUS SALES PROGRAMS AT DEC 31, 2007	**1,020**	**84,787**
RESIDENTIAL SECTION OF PRIMARILY RESIDENTIAL ASSETS	1,020	84,787
RESIDENTIAL SECTION OF PRIMARILY COMMERCIAL ASSETS	0	0
PROGRAMS UNDER CONSTRUCTION AND LAND RESERVES	**570**	**18,195**
TOTAL RESIDENTIAL PROPERTY HOLDING AT DEC 31, 2007	**17,409**	**1,138,204**
RESIDENTIAL SECTION OF PRIMARILY RESIDENTIAL ASSETS	17,042	1,113,804
RESIDENTIAL SECTION OF PRIMARILY COMMERCIAL ASSETS	367	24,400

OTHER SEGMENTS

Logistics

	Year	Hotel surface area (sq.m)	Number of rooms	Logistics surface area (sq.m)	Healthcare surface area (sq.m)	Number of beds	TOTAL SURFACE AREA (SQ.M)	Company
02								
02103 Saint-Quentin								
ZI de Morcourt – BP 146	1968/1980	0		7,920	0		7,920	GEC 4
06								
06510 Carros le Broc								
ZI départementale n° 4 Îlot W (3e casier)	1975	0		2,535	0		2,535	GEC 4
13								
13310 Saint-Martin-de-Crau								
Pont des Morts	2004	0		30,913	0		30,913	GEC 4
21								
21200 Vignoles								
Les Gobeureres – Z.I. Beaune Vignoles	1990	0		8,916	0		8,916	GEC 4
21600 Longvic								
3, rue Colbert	1974	0		3,100	0		3,100	GEC 4
27								
27100 Val-de-Reuil								
Pharmaparc – Chaussée du Parc Route des Falaises	2002	0		10,084	0		10,084	GEC 4
37								
37521 La Riche								
2, rue Jules Vernes – ZI Saint-Come	1971	0		14,400	0		14,400	GEC 4
41								
41018 Blois								
133, avenue de Vendôme	1966	0		12,742	0		12,742	GEC 4
44								
44000 Nantes								
2, impasse du Belem	1984	0		4,091	0		4,091	GEC 4
45								
45140 Ormes								
Rue Passée la Balance	2000	0		12,243	0		12,243	GEC 4
Rue des Sablons – Appel (ORMES I)	1990	0		18,600	0		18,600	GEC 4
Rue des Sablons – Bacon (ORMES II)	1992	0		20,300	0		20,300	GEC 4
Rue des Sablons – Ormes (ORMES III)	1987	0		18,686	0		18,686	GEC 4
51								
51520 Saint-Martin-sur-le-Pré								
Rue Charles Marie Ravel	1981	0		2,578	0		2,578	GEC 4
53								
53960 Bonchamp-lès-Laval								
Les Grands Bouessays – Route du Mans/RN 157	–	0		3,062	0		3,062	GRAND BOUESSAYS
57								
57000 Metz								
10/12, rue des Intendants Joba	–	0		6,790	0		6,790	JOBA
59								
59813 Lesquin								
Rue de la Haie Plouvier	1974	0		8,375	0		8,375	GEC 4
60								
60330 Lagny-le-Sec								
Pointe de Baranfosse – 1, carrefour du Monay	2007	0		16,313	0		16,313	GEC 4
62								
62232 Annezin								
553, boulevard de la République	1972	0		5,250	0		5,250	GEC 4

	Year	Hotel surface area (sq.m)	Number of rooms	Logistics surface area (sq.m)	Healthcare surface area (sq.m)	Number of beds	TOTAL SURFACE AREA (SQ.M)	Company
69								
69230 Saint-Genis-Laval								
49, rue Jules-Guesde	1992	0		3,362	0		3,362	ST GENIS INDUSTRIE
68, chemin de la Mouche	1975	0		5,485	0		5,485	GEC 4
69330 Meyzieu								
Parc d'activités Les Portes de Meyzieu – 15, avenue des Pays-Bas – Bâtiment A	2001	0		16,177	0		16,177	GEC 4
Parc d'activités Les Portes de Meyzieu – 17, avenue des Pays-Bas – Bâtiment B	2001	0		15,334	0		15,334	GEC 4
69400 Arnas								
1, avenue de Beaujeu – Z.I. Nord de Villefranche-sur-Saône	1980	0		8,100	0		8,100	ARNAS
69740 Genas								
16, chemin des Muriers	1980	0		8,704	0		8,704	GEC 4
69960 Corbas								
19, avenue de Montmartin	–	0		10,500	0		10,500	GEC 4
1, avenue du 24-Août-1944	2000	0		24,890	0		24,890	GEC 4
9, avenue du 24-Août-1944	1970/2007	0		17,640	0		17,640	GEC 4
76								
76320 Caudebec-les-Elbeuf								
7, rue des Chennevières	1960	0		39,140	0		39,140	GEC 4
76800 Saint-Étienne-du-Rouvray								
Rue Michel-Poulmarch	1988	0		6,564	0		6,564	GEC 4
77								
77000 Vaux le Pénil								
Zac du Tertre Chérisy	2002	0		70,607	0		70,607	GEC 4
77680 Roissy-en-Brie								
Zac des Grands Champs	2002	0		36,019	0		36,019	GEC 4
78								
78190 Trappes								
Rue Enrico-Fermi	1966	0		56,804	0		56,804	GEC 4
6, avenue Georges Politzer	2006	0		8,045	0		8,045	GEC 4
84								
84091 Avignon								
63, rue du Petit Mas – ZI de Courtine	1978	0		3,722	0		3,722	GEC 4
86								
86060 Poitiers								
ZI de la République Centre de Gros	1969	0		2,615	0		2,615	GEC 4
91								
91180 Saint-Germain-lès-Arpajon								
Rue des Cochets (ARCTURUS)	2000	0		19,592	0		19,592	GEC 4
Rue des Cochets (BEETHOVEN)	2002	0		29,868	0		29,868	GEC 4
91380 Chilly-Mazarin								
27/35, rue Hélène Boucher	2003	0		23,757	0		23,757	GEC 4
91420 Morangis								
3/5, rue Louis Braille	2007	0		7,440	0		7,440	GEC 4
91470 Forges-les-Bains								
ZA Bajolet	1991	0		4,586	0		4,586	GEC 4
92								
92390 Villeneuve-la-Garenne								
50/58, rue du Vieux Chemin	1989	0		5,329	0		5,329	GEC 4
93								
93123 La Courneuve								
1/5, avenue Louis Blériot	1968	0		12,142	0		12,142	GEC 4

OTHER SEGMENTS

		Year	Hotel surface area (sq.m)	Number of rooms	Logistics surface area (sq.m)	Healthcare surface area (sq.m)	Number of beds	TOTAL SURFACE AREA (SQ.M)	Company
93	**93200 Saint-Denis**								
	164, rue du Landy et 41/43, rue Pleyel	1971	0		6,372	0		6,372	GEC 4
95	**95100 Argenteuil**								
	5, rue de Chanteloup – Val Notre-Dame	1990	0		3,000	0		3,000	VAL NOTRE DAME
	95310 Saint-Ouen-l'Aumône								
	7-9, rue du Compas – ZI Les Béthunes	1984	0		4,642	0		4,642	GEC 4
	Zac des Béthunes	2002	0		16,567	0		16,567	GEC 4
	95946 Roissy-en-France								
	16, rue de Lièvres – Paris Nord 2	1986	0		7,465	0		7,465	GEC 4
	SUBTOTAL LOGISTICS: FRANCE		**0**	**0**	**681,366**	**0**	**0**	**681,366**	
Other countries	**Kampenhout (Belgium)**								
	Ernst Belgie	–	0		21,678	0		21,678	ERNST BELGIUM
	Pamplona (Spain)								
	Chagall Desarollo – C/Olite 40 4° Derecha	2004	0		18,956	0		18,956	CHAGALL DESAROLLO
	Denis Inversiones (Plaza Euskadi Edificio Zaisa)		0		114	0		114	DENIS INVERSIONES
	Budapest (Hungary)								
	Leshegyi str. 12276/5, Leshegyi Industrial Park	2003/2007	0		30,708	0		30,708	BRAQUE INGATLAN
	Varsovie (Poland)								
	Ksiecia Ziemowita Street No. 59 – Warsaw	2000	0		24,653	0		24,653	HARIS INVES
	SUBTOTAL LOGISTICS: OTHER COUNTRIES		**0**	**0**	**96,109**	**0**	**0**	**96,109**	
	SUBTOTAL LOGISTICS IN OPERATION		**0**	**0**	**777,475**	**0**	**0**	**777,475**	
	UNDER CONSTRUCTION								
69	**69960 Corbas**								
	9, avenue du 24 août 1944	underway	0		10,465	0		10,465	GEC 4
	SUBTOTAL LOGISTICS UNDER CONSTRUCTION		**0**	**0**	**10,465**	**0**	**0**	**10,465**	
	SUBTOTAL LOGISTICS		**0**	**0**	**787,940**	**0**	**0**	**787,940**	
	Healthcare								
01	**01000 Bourg-en-Bresse**								
	Clinique Convert – 62, route de Jasseron	1974/2003	0		0	17,550	164	17,550	GECIMED
07	**07500 Guilherand-Granges**								
	Clinique Pasteur Valence – 294, boulevard du Général-de-Gaulle	1968/1998	0		0	17,276	199	17,276	GECIMED
09	**09270 Mazères**								
	Faubourg du Cardinal d'Este	1987	0		0	3,306	80	3,306	GECIMED
11	**11000 Carcassonne**								
	84, route de Montréal	1953/2006	0		0	12,000	148	12,000	GECIMED

Dept.	Property	Year	Hotel surface area (sq.m)	Number of rooms	Logistics surface area (sq.m)	Healthcare surface area (sq.m)	Number of beds	TOTAL SURFACE AREA (SQ.M)	Company
13	**Marseilles 8th**								
	Clinique Monticelli – 88, rue du Commandant Rolland	1950/1996	0		0	4,069	42	4,069	GECIMED
	Clinique Rosemont – 61/67, avenue des Goumiers	1964/2000	0		0	6,702	117	6,702	GECIMED
	Marseilles 9th								
	CHP Clairval – 317, boulevard du Redon	1990	0		0	31,035	289	31,035	GECIMED
	Marseilles 12th								
	Provence Santé (Beauregard) – 12, impasse du Lido	1950/1991	0		0	20,698	326	20,698	GECIMED
	13651 Salon-de-Provence								
	Clinique Vignoli – 114, avenue Paul Bourret	1900	0		0	4,850	54	4,850	GECIMED
	13781 Aubagne								
	Clinique La Bourbonne	1968/1972	0		0	9,249	120	9,249	GECIMED
14	**14050 Caen**								
	CHP Saint-Martin Caen – 18, rue des Roquemonts	1993	0		0	36,631	167	36,631	GECIMED
22	**22310 Plancoët**								
	Clinique Bran de Fer – rue Velleda	1971	0		0	5,970	105	5,970	GECIMED
26	**26200 Montélimar**								
	Clinique Kennedy – Avenue Kennedy	1975	0		0	12,466	116	12,466	GECIMED
33	**33000 Bordeaux**								
	Clinique Tourny – 54, rue Huguerie	19th century /1980	0		0	6,277	55	6,277	GECIMED
	33608 Pessac								
	Clinique Saint-Martin-Pessac – Allée des Tulipes	1976/1995	0		0	16,527	185	16,527	GECIMED
34	**34094 Montpellier**								
	Clinique Rech – 10, rue Hyppolyte Rech	mid 19th century /2003	0		0	13,930	182	13,930	GECIMED
35	**35171 Bruz**								
	Clinique du Moulin – Carcé	19th century /1995	0		0	5,147	72	5,147	GECIMED
44	**44046 Nantes**								
	Clinique Sourdille – 3, place Anatole France	1928/2000	0		0	7,057	50	7,057	GECIMED
53	**53810 Changé**								
	Clinique Notre Dame de Pritz – Route de Niafles	1965/1996	0		0	1,978	50	1,978	GECIMED
59	**59552 Lambres-lez-Douai**								
	Clinique Saint-Amé – Rue Georges Clemenceau	1998/2001	0		0	15,713	145	15,713	GECIMED
	59553 Esquerchin								
	Clinique de l'Escrebieux – 984, rue de Quiery	1997	0		0	3,405	75	3,405	GECIMED
60	**60350 Pierrefonds**								
	Clinique Eugénie – 1, sente des Demoiselles	1998	0		0	2,161	42	2,161	GECIMED
62	**62320 Rouvroy**								
	Clinique du Bois Bernard – Route de Neuvireuil	1974/1998	0		0	22,170	186	22,170	GECIMED
63	**63670 La Roche-Blanche**								
	Clinique de l'Auzon	1970	0		0	5,172	100	5,172	GECIMED

OTHER SEGMENTS

		Year	Hotel surface area (sq.m)	Number of rooms	Logistics surface area (sq.m)	Healthcare surface area (sq.m)	Number of beds	TOTAL SURFACE AREA (SQ.M)	Company
69	**69134 Écully**								
	Clinique Mon Repos – 11, chemin de la Vernique	19th century /1991	0		0	5,028	98	5,028	GECIMED
71	**71100 Chalon-sur-Saône**								
	Clinique Sainte-Marie – 4, allée Saint-Jean-des-Vignes	1988	0		0	9,539	197	9,539	GECIMED
77	**77640 Jouarre**								
	Clinique du Château de Perreuse	1873	0		0	5,139	96	5,139	GECIMED
78	**78125 Vieille-Église-en-Yvelines**								
	Clinique d'Yvelines – Route de Rambouillet	1939/1997	0		0	6,042	120	6,042	GECIMED
	78130 Chapet								
	Clinique Bazincourt – Route de Verneuil	20th century /1984	0		0	5,092	60	5,092	GECIMED
91	**91480 Quincy-sous-Sénart**								
	CHP Claude Galien – 20, route de Boussy	1996	0		0	20,481	235	20,481	GECIMED
92	**92130 Issy-les-Moulineaux**								
	LABO DIDEROT 30/32, rue Diderot	1985	0		0	211		211	GECIMED
93	**93604 Aulnay-sous-Bois**								
	Clinique Aulnay – 11, avenue de la République	1934/1998	0		0	11,567	191	11,567	GECIMED
	SUBTOTAL HEALTHCARE IN OPERATION		**0**	**0**	**0**	**344,438**	**4,066**	**344,438**	

UNDER CONSTRUCTION

		Year	Hotel surface area (sq.m)	Number of rooms	Logistics surface area (sq.m)	Healthcare surface area (sq.m)	Number of beds	TOTAL SURFACE AREA (SQ.M)	Company
32	**32410 Castera Verduzan**								
	"Lieux-dit au Conte"	underway	0		0	4,661	84	4,661	GECIMED
76	**76000 Le Havre**								
	505, rue Irène-Joliot-Curie	underway	0		0	33,900	356	33,900	GECIMED
85	**85000 La Roche-sur-Yon**								
	96, boulevard des Belges et 32, rue Abbé-Billaud	underway	0		0	3,629	75	3,629	GECIMED
	96, boulevard des Belges et 32, rue Abbé-Billaud	underway	0		0	2,231	35	2,231	GECIMED
93	**93250 Villemomble**								
	36, rue de la Montagne Savart	underway	0		0	5,200	116	5,200	GECIMED
	SUBTOTAL HEALTHCARE UNDER CONSTRUCTION		**0**	**0**	**0**	**49,621**	**666**	**49,621**	
	SUBTOTAL HEALTHCARE		**0**	**0**	**0**	**394,059**	**4,732**	**394,059**	

Hotels

	Year	Hotel surface area (sq.m)	Number of rooms	Logistics surface area (sq.m)	Healthcare surface area (sq.m)	Number of beds	TOTAL SURFACE AREA (SQ.M)	Company
06								
06650 Opio								
Village Club Med Opio Domaine de la Tour – Chemin de la Tourreviste	1989	29,489	502	0	0		29,489	GECIOTEL
26								
26790 Rochegude								
Château de Rochegude	1750	1,916	25	0	0		1,916	INVESTIBAIL TRANSACTIONS
73								
73150 Val d'Isère								
Village Club Med le Legettaz	1990	13,997	351	0	0		13,997	GECIOTEL
73210 Peisey Vallandry								
Village Club Med Plan Peisey	2005	25,367	280	0	0		25,367	GECIOTEL
73214 Aime La Plagne								
Village Club Med La Plagne	1990	17,991	436	0	0		17,991	GECIOTEL
75								
Paris 2nd								
5, rue de Marivaux	1790	1,420	37	0	0		1,420	GECITER
Paris 8th								
50, rue des Mathurins	1840	913	38	0	0		913	GECITER
Paris 9th								
32, boulevard Poissonnière 2, rue du Faubourg Montmartre	1900	1,138	29	0	0		1,138	GECITER
SUBTOTAL HOTELS		**92,231**	**1,698**	**0**	**0**	**0**	**92,231**	
TOTAL PROPERTY HOLDING OTHER SEGMENTS		**92,231**	**1,698**	**787,940**	**394,059**	**4,732**	**1,274,230**	

19. Documentation

ANNUAL DISCLOSURE DOCUMENT 2007/2008

(Article 221-1-1 of the AMF's general regulations),

Information published	Publication/filing date	Media for publication and/or place of filing	Information available at
FINANCIAL INFORMATION PUBLISHED IN THE FRENCH OFFICIAL GAZETTE (BALO)			
Quarterly revenues and positions – revenues – – Q4 2006	February 14th, 2007	BALO 20 file number 1387	http://balo.journal-officiel.gouv.fr
Annual financial statements – balance sheet at June 31th Annual accounting documents Corporate financial statements Consolidated financial statements Appropriation of income Statutory Auditors' certifications	April 25th, 2007	BALO 50 file number 0704402	http://balo.journal-officiel.gouv.fr
Quarterly revenues and positions – revenues – Q1 2007–	May 14th, 2007	BALO 58 file number 0706245	http://balo.journal-officiel.gouv.fr
Annual financial statements – Financial year from January 1st, 2006 to December 31st, 2006	August 6th, 2007	BALO 94 file number 0712375	http://balo.journal-officiel.gouv.fr
Quarterly revenues and positions – revenues – Q2 2007	August 13th, 2007	BALO 97 file number 0713002	http://balo.journal-officiel.gouv.fr
Interim financial statements A) Consolidated financial statements B) Activity report for H1 2007 C) Statutory Auditors' report	August 29th, 2007	BALO 104 file number 0713655	http://balo.journal-officiel.gouv.fr
Quarterly revenues and positions – revenues – Q3 2007	November 14th, 2007	BALO 137 file number 0717245	http://balo.journal-officiel.gouv.fr
Quarterly revenues and positions – revenues – Q3 2007 (cancels and replaces)	November 26th, 2007	BALO 142 file number 0717839	http://balo.journal-officiel.gouv.fr
Quarterly revenues and positions – revenues – Q4 2007	February 15th, 2008	BALO 20 file number 0801324	http://balo.journal-officiel.gouv.fr

GENERAL MEETINGS – VOTING RIGHTS			
Monthly disclosure on the total number of voting rights and shares	January 17th, 2007 January 18th, 2007	Autorité des Marchés Financiers GECINA	www.gecina.fr www.amf-france.fr
Meetings for shareholders and unitholders – Notice of meeting serving as invitation to attend the Combined General Meeting on March 29th, 2007	February 21st, 2007 February 22nd, 2007	BALO 23 file number 1879 French legal gazette (Les Petites Affiches) 39	http://balo.journal-officiel.gouv.fr
Meetings for bondholders or holders of debt securities – Notice to attend for 2007 bondholders on March 13th, 2007	February 23rd, 2007	BALO 24 file number 1984	http://balo.journal-officiel.gouv.fr
Meetings for bondholders or holders of debt securities – Notice to attend for 2010 bondholders on March 13th, 2007	February 23rd, 2007	BALO 24 file number 1982	http://balo.journal-officiel.gouv.fr

Meetings for bondholders or holders of debt securities – Notice to attend for 2012 bondholders on March 13th, 2007	February 23rd, 2007	BALO 24 file number 1983	http://balo.journal-officiel.gouv.fr
Notices to attend – Meetings for shareholders and unitholders	February 28th, 2007	BALO 26 file number 02079	http://balo.journal-officiel.gouv.fr
Revised meeting notice serving as a notice to attend the General Meeting on March 29th, 2007	March 7th, 2007	BALO 29 file number 2319	http://balo.journal-officiel.gouv.fr
Notices to attend - Meetings for bondholders or holders of debt securities – Notice of cancellation of the meeting for 2007 bondholders on March 13th, 2007	March 12th, 2007	BALO 31 file number 0702602	http://balo.journal-officiel.gouv.fr
Notices to attend – Meetings for bondholders or holders of debt securities – Notice of cancellation of the meeting for 2010 bondholders on March 13th, 2007	March 12th, 2007	BALO 31 file number 0702603	http://balo.journal-officiel.gouv.fr
Notices to attend - Meetings for bondholders or holders of debt securities - Notice of cancellation of the meeting for 2012 bondholders on March 13th, 2007	March 12th, 2007	BALO 31 file number 0702604	http://balo.journal-officiel.gouv.fr
Notices to attend – Meetings for shareholders and unitholders – Postponement of the Ordinary and Extraordinary General Meeting on March 29th, 2007	March 14th, 2007 March 14th, 2007	BALO 32 file number 0702740 Law 53	http://balo.journal-officiel.gouv.fr
Notices to attend – Meetings for shareholders and unitholders – Meeting notice serving as the notice to attend the Combined General Meeting on June 19th, 2007	May 14th, 2007	BALO 28 file number 02630	http://balo.journal-officiel.gouv.fr
Notices to attend – Meetings for shareholders and unitholders – Amendment to the meeting notice serving as the notice to attend the Combined General Meeting on June 19th, 2007 published in the French official gazette on May 14th, 2007	May 23rd, 2007	BALO 62 file number 0707275	http://balo.journal-officiel.gouv.fr
Notice to attend the Combined General Meeting on June 19th, 2007	June 1st, 2007	Law 110	
Various notices: GECINA - voting rights			
Notices to attend – Meetings for shareholders and unitholders – Meeting notice serving as the notice to attend the Extraordinary General Meeting on December 28tth, 2007	June 29th, 2007 November 23rd, 2007	BALO 78 file number 09781 BALO 141 file number 0717786	http://balo.journal-officiel.gouv.fr http://balo.journal-officiel.gouv.fr
Notice to attend the Extraordinary General Meeting on December 28th, 2007	December 11th and 12th, 2007	French legal announcement journal (Le Publicateur Légal) 143	

VARIOUS NOTICES

Appointment of a Deputy Chief Executive Officer	February 24th, 25th and 26th, 2007	French legal announcement journal 24	
Other operations – Mergers and spin-offs – GECINA / RESICO Notice of the proposed partial asset contribution	February 26th, 2007	BALO 25 file number 0702059	http://balo.journal-officiel.gouv.fr
Capital increase – By-law amendment	March 13th and 14th, 2007	French legal announcement journal 31	
Coopting of a Director	July 14th, 15th and 16th, 2007	French legal announcement journal 82	
Capital increase – By-law amendment	July 28th, 29th and 30th, 2007	French legal announcement journal 88	
Capital increase – By-law amendment	November 1st and 2nd, 2007	French legal announcement journal 126	
Merger – GECINA/SOCIETE DES IMMEUBLES DE FRANCE	January 26th, 27th and 28th, 2008	French legal announcement journal 12	
Other operations – GECINA / SOCIÉTÉ DES IMMEUBLES DE FRANCE merger and spin-offs	February 6th, 2008	BALO 16 file number 0800776	http://balo.journal-officiel.gouv.fr
Resignation of Directors Change of Directors	February 12th and 13th, 2008	French legal announcement journal 19	

INFORMATION FILED WITH THE TRADE COURT CLERK

Agreement - Proposed partial contribution of RESICO assets on February 15th, 2007	Filing 16603 on February 16th, 2007	Office of the Paris trade court clerk	www.infogreffe.fr
Amendment dated February 20th, 2007 – Proposed partial asset contribution	Filing 18258 on February 21st, 2007	Office of the Paris trade court clerk	www.infogreffe.fr
Extract from the minutes of the Board meeting on February 15th, 2007 – Appointment of a Deputy Chief Executive Officer	Filing 20568 on February 28th, 2007	Office of the Paris trade court clerk	www.infogreffe.fr
Minutes from the Extraordinary General Meeting on December 17th, 2003 – Capital increase decision – Ratification of the head office transfer	Filing 27150 on March 21st, 2007	Office of the Paris trade court clerk	www.infogreffe.fr
Capital increase Extract from the minutes of the Board meeting on February 15th, 2007 By-laws updated	Filing 64586 on March 21st, 2007	Office of the Paris trade court clerk	www.infogreffe.fr
Extract from the minutes of the Board meeting on April 26th, 2007 – Change of Directors	Filing 64586 on July 20th, 2007	Office of the Paris trade court clerk	www.infogreffe.fr
Amendments to the by-laws Ratification of appointment of Directors Extract from the minutes of the General Meeting on June 19th, 2007 By-laws updated	Filing 70513 on August 2nd, 2007	Office of the Paris trade court clerk	www.infogreffe.fr
Capital increase Extract from the minutes of the Board meeting on July 24th, 2007 By-laws updated	Filing 70513 on August 2nd, 2007	Office of the Paris trade court clerk www.infogreffe.fr	

Ruling dated September 13th, 2007 –Appointment of merger auditors	Filing 81949 on September 17th, 2007	Office of the Paris trade court clerk	www.infogreffe.fr
Capital increase Extract from the minutes of the Board meeting on October 23rd, 2007 By-laws updated	Filing 102839 on November 21st, 2007	Office of the Paris trade court clerk	www.infogreffe.fr
Agreement – Proposed SIF/GECINA merger on November 21st, 2007	Filing 103442 on November 22nd, 2007	Office of the Paris trade court clerk	www.infogreffe.fr
Deed – Delegation of power on October 16th, 2007	Filing 104034 on November 23rd, 2007		
Merger auditors' report on November 27th, 2007	Filing 111961 on December 12th, 2007	Office of the Paris trade court clerk	www.infogreffe.fr
SIF/GECINA merger – Amendments to the by-laws Extract from the minutes of the General Meeting on December 28th, 2007 – Extract from the minutes of the Board meeting on November 21st, 2007 By-laws updated – Declaration of compliance and legality (Art 374 I of July 24th, 1996) on December 28th, 2007	Filing 8954 on January 30th, 2008	Office of the Paris trade court clerk	www.infogreffe.fr
Extract from the minutes of the Board meeting on December 13th, 2007 Resignation of Directors	Filing 14666 on February 15th, 2008	Office of the Paris trade court clerk	www.infogreffe.fr
Extract from the minutes on December 28th, 2007 – Change of Directors	Filing 14666 on February 15th, 2008	Office of the Paris trade court clerk	www.infogreffe.fr

PRESS AND OTHER RELEASES

Monthly disclosure document – Total number of voting rights and shares	January 18th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
New development project: 90,000 m² logistics park (Press release)	January 18th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
2006 annual results (press release)	February 15th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Press release: convening of the Board of Directors	February 21stt, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Official translation of the Separation Agreement (replacing the free translation published on February 22nd, 2007)	February 22nd, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Press release: Board meeting	February 22nd, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Press release: convening of the Board of Directors	March 6th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Amended press release: Board meeting on March 6th, 2007	March 7th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr

GECINA continuing to develop its logistics business Acquisition of a 90,000 m² portfolio (Press release)	April 4th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
New investment in the logistics sector – 55,000 m² warehouse acquired in Trappes (Press release)	April 5th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
First student residence acquired in the greater Paris region (Press release)	April 16th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Results for Q1 2007 (Press release)	April 27th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
2006/2007 annual disclosure document	May 16th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Strategy Auditor fees in 2006	May 16th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Meeting notice serving as the notice to attend the Combined General Meeting on June 19th, 2007	May 16th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Monthly disclosure document – Total number of voting rights and shares	June 4th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Conditions for accessing the 2006 reference document	June 6th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
New project in the logistics sector: 140,000 m² in Louailles close to Sablé-sur-Sarthe (Press release)	June 13th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Combined General Meeting on June 19th, 2007 (Press release)	June 20th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Acquisition of a logistics platform in the Paris region: 24,000 m² (Press release)	July 2nd, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Monthly disclosure document – Total number of voting rights and shares	July 6th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
General Meeting on June 19th, 2007 – Total number of voting rights	July 17th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
2007 half-year results	July 25th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Further investment for the Logistics Division in the Paris region (Press release)	July 26th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Monthly disclosure document – Total number of voting rights and shares	August 1st, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Notice of publication in the French official gazette (BALO)	August 6th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
2007 second quarter revenues	August 9th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Separation Agreement: first stage in the separation process (Press release)	September 26th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr

Investment in the residential sector: 80 housing units in Marseille (Press release)	October 3rd, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Acquisition of a logistics warehouse in the south of France: 31,000 m² (Press release)	October 16th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Further investments in the student residence segment: 473 housing units in Bordeaux (Press release)	October 22nd, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Results at September 30th, 2007	October 24th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Total number of voting rights and shares	November 5th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
2007 third-quarter revenues	November 14th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Press release: Board meeting on November 21st, 2007	November 22nd, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Filing of a proposed public share buy-back offer by GECINA on GECINA shares in exchange for MEDEA shares	November 22nd, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Meeting notice serving as the notice to attend – Extraordinary General Meeting on December 28th, 2007	November 23rd, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Meeting notice serving as the notice to attend – Extraordinary General Meeting on December 28th, 2007	November 28th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Total number of voting rights and shares	December 4th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Conditions for accessing or consulting the update to the 2006 reference document	December 11th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Further commitment by GECINA on the student residence segment (Press release)	December 11th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Declaration by Mr. Joaquin Rivero Valcarce (Press release)	December 12th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Company press release further to the AMF press release (Press release)	December 13th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Mr. Joaquin Rivero Valcarce's press release further to the AMF press release (Press release)	December 13th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Merger of Société des Immeubles de France with GECINA	December 19th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Extraordinary General Meeting on December 28th, 2007	December 19th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Extraordinary General Meeting on December 28th, 2007 (Press release)	December 28th, 2007	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Declaration of transactions on treasury stock	January 2nd, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Total number of voting rights and shares	January 9th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr

Declaration of transactions on treasury stock	January 9th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Disposal of 8 floors of office space in the Tour Franklin building – La Défense (Press release)	January 9th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Declaration of transactions on treasury stock	January 10th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
GECINA press release	January 16th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Declaration of transactions on treasury stock	January 18th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Declaration of transactions on treasury stock	January 30th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Total number of voting rights and shares	February 4th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Acquisition of a new logistics warehouse in the south of France: 30,000 m^2 (Press release)	February 5th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Declaration of transactions on treasury stock	February 11th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
GECINA: reinforced Executive Committee with 10 members – Appointments and new strategic resources division (Press release)	February 11th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Press release for implementation of a liquidity agreement	February 14th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
2007 fourth-quarter revenues	February 15th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
GECINA – 2007 annual results	February 22nd, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Declaration of transactions on treasury stock	March 4th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr
Total number of voting rights and shares	March 4th, 2008	French securities regulator (AMF)	www.gecina.fr www.amf-france.fr

AMF RELEASE
REFERENCE DOCUMENT

Filing of a reference document	May 30th, 2007	Filing D07-0525	www.amf-france.fr
Update to the reference document	December 10th, 2007	Update form D.07-0525.A01	www.amf-france.fr

AMF RELEASE
OPERATION

Filing of a proposed public share buy-back offer by the company on its own shares – Maintaining the suspension of listing for GECINA and Medea shares	November 22nd, 2007	AMF filing 207c2600	www.amf-france.fr

AMF RELEASE
PUBLIC OFFERING

Filing of a proposed public share buy-back offer by the company on its own shares Maintaining the suspension of listing for GECINA and Medea shares	November 22nd, 2007	AMF filing 207C2600	www.amf-france.fr

Resumption of listing for GECINA and Medea shares	November 23rd, 2007	AMF filing 207C2607	www.amf-france.fr
Release on two declarations of disclosure thresholds at GECINA	December 5th, 2007	AMF filing 207C2744	www.amf-france.fr
Decision on the proposed public share buy-back offer by the company on its own shares. Resumption of listing for GECINA and Medea shares	December 13th, 2007	AMF filing 207C2792	www.amf-france.fr

AMF RELEASE THRESHOLD			
Declaration of disclosure thresholds	February 13th, 2007	Decision and information 207C0299	www.amf-france.fr
Declaration of disclosure thresholds and declaration of intent	December 5th, 2007	Decision and information 207C2743	www.amf-france.fr
Declaration of disclosure thresholds and declaration of intent	December 5th, 2007	Decision and information 207C2742	www.amf-france.fr
Declaration of disclosure thresholds	December 7th, 2007	Decision and information 207C2764	www.amf-france.fr
Declaration of disclosure thresholds and declaration of intent	December 7th, 2007	Decision and information 207C2763	www.amf-france.fr
Declaration of disclosure thresholds and declaration of intent	December 28th, 2007	Decision and information 207C2902	www.amf-france.fr

AMF RELEASE DECLARATION			
Individual declaration relative to transactions for parties mentioned in Article L.621-18-2 of the French monetary and financial code on the company's securities	December 4th, 2007	Decision and information 207D7417	
Individual declaration relative to transactions for parties mentioned in Article L.621-18-2 of the French monetary and financial code on the company's securities	December 4th, 2007	Decision and information 207D7416	
Individual declaration relative to transactions for parties mentioned in Article L.621-18-2 of the French monetary and financial code on the company's securities	December 4th, 2007	Decision and information 207D7415	
Individual declaration relative to transactions for parties mentioned in Article L.621-18-2 of the French monetary and financial code on the company's securities	December 4th, 2007	Decision and information 207D7414	
Individual declaration relative to transactions for parties mentioned in Article L.621-18-2 of the French monetary and financial code on the company's securities	December 4th, 2007	Decision and information 207D7413	
Individual declaration relative to transactions for parties mentioned in Article L.621-18-2 of the French monetary and financial code on the company's securities	December 4th, 2007	Decision and information 207D7412	

Individual declaration relative to transactions for parties mentioned in Article L.621-18-2 of the French monetary and financial code on the company's securities	December 4th, 2007	Decision and information 207D7411
Individual declaration relative to transactions for parties mentioned in Article L.621-18-2 of the French monetary and financial code on the company's securities	December 4th, 2007	Decision and information 207D7410
Individual declaration relative to transactions for parties mentioned in Article L.621-18-2 of the French monetary and financial code on the company's securities	December 6th, 2007	Decision and information 207D7462
Individual declaration relative to transactions for parties mentioned in Article L.621-18-2 of the French monetary and financial code on the company's securities	December 6th, 2007	Decision and information 207D7462
Individual declaration relative to transactions for parties mentioned in Article L.621-18-2 of the French monetary and financial code on the company's securities	December 11th, 2007	Decision and information 207D7603
Individual declaration relative to transactions for parties mentioned in Article L.621-18-2 of the French monetary and financial code on the company's securities	December 11th, 2007	Decision and information 207D4602

MAP OF THE GECINA SITE (WWW.GECINA.FR)

GECINA group:
– Overview
– Dynamic of optimization
– History
– Rental activities
– Profile of growth
– Expertise
– Team
Property portfolio:
– Positioning
– Rental stock
– Assets

Financial & Stock market data:
– Summary
– Key data
– Financial statements
— About GECINA
– Letters to shareholders
– Filings
– Slideshows
– Press releases
– Calendar
– Annual report
– Latest news
– Latest slideshow

News:
– Spotlight on GECINA's latest news

20. Reference document containing an annual financial report

AMF

In accordance with Articles 211-1 to 211-42 of the AMF's general regulations, this reference document has been filed with the AMF on April 9th, 2008.
This document may only be used in support of a financial transaction if supplemented with a transaction memorandum that has been approved by the AMF.
This reference document has been drawn up by the issuer and is the responsibility of its signatories.

1. PUBLIC DOCUMENTS

Copies of this reference document are available free of charge from GECINA, 14-16, rue des Capucines, 75002 Paris, France, and may also be downloaded from the internet sites of GECINA (www.GECINA.fr) and the AMF (www.amf-france.org).

Availability of articles of incorporation and bylaws (Note 1. 24)

Person responsible for the reference document

Joaquín Rivero Valcarce, Chairman and Chief Executive Officer of GECINA (hereafter the "Company" or "GECINA").

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2. HISTORICAL FINANCIAL INFORMATION

In accordance with Article 28 of European Regulation 809/2004 of April 29th, 2004, this reference document incorporates the following information, which readers are invited to refer to:

- For the year ended December 31st, 2005: the consolidated financial statements and the related Statutory Auditors' report included on Pages 153 to 200 of the reference document filed with the AMF on June 14th, 2006 under reference D.06-0570.
- For the year ended December 31st, 2006: the consolidated financial statements and the related Statutory Auditors' report included on Pages 182 to 221 of the reference document filed with the AMF on May 30th, 2007 under reference D.07-0525.

These documents are available on the AMF and GECINA sites at:
www.gecina.fr
www.amf-france.org

3. STATEMENT BY THE PERSON RESPONSIBLE FOR THE REFERENCE DOCUMENT CONTAINING AN ANNUAL FINANCIAL REPORT

"I certify that, having taken all reasonable measures to this effect, the information contained in the present reference document is, to the best of my knowledge, fair and accurate in all material respects and free from any omissions that could alter its substance.

I certify that, to the best of my knowledge, the financial statements have been drawn up in accordance with the accounting standards applicable and faithfully reflect the assets, liabilities, financial position and earnings of the company and all of the companies included in the basis for consolidation, and the information from the management report and provided in chapter 20.5 hereafter presents an accurate image of changes in the business, earnings and financial position of the company and all of the companies included in the basis for consolidation, as well as a description of the main risks and uncertainties facing them.

I have received a completion letter from the Statutory Auditors in which they indicate that they have verified the information relating to the financial position and financial statements given in this reference document and that they have reviewed the entire document.

The historical financial information presented in the reference document has been reported on by the Statutory Auditors, presented in Section 16.3.1 of this document, containing an observation. The consolidated financial statements for the year ended December 31st, 2006 as presented in the reference document filed with the AMF under number D. 07-0525 on May 30th, 2007 have been reported on by the Statutory Auditors, presented on Pages 220-221 of this document, containing an observation."

Joaquín Rivero Valcarce

Chairman and Chief Executive Officer

4. CORRESPONDENCE TABLE FOR THE REFERENCE DOCUMENT

5. CORRESPONDENCE TABLE WITH INFORMATION REQUIRED IN THE ANNUAL FINANCIAL REPORT

Since the reference document also contains the annual financial report, the statement by the person responsible refers to information from the management report. In the document's current form, this information can be found in various sections.

Information required by the annual financial report	Section in this document	Page in this document
Statement by the person responsible for the document	20.3	275
Management report		
- Analysis of earnings, financial position, risks and list of authorizations to increase the capital of the parent company and consolidated group (Art. L.225-100 and L.225-100-2 of the French commercial code)	5.1, 12, 9.1.5	51, 183, 135
- Information required by Article L.225-100-3 of the French commercial code relative to elements that are likely to have an impact in the event of a public offering	9.1.13	141
- Information relative to share buy-backs (Art. L.225-211, Paragraph 2, of the French commercial code)	9.1.11	140
Financial statements		
- Annual financial statements	6.4	101 to 121
- Statutory Auditors' report on the annual financial statements	16.3.2	234
- Consolidated financial statements	5.4	62 to 97
- Statutory Auditors' report on the consolidated financial statements	16.3.1	233

Contents

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