

**KPMG**

1, cours Valmy  
92923 Paris La Défense Cedex  
France

**Cailliau Dedouit et Associés**

19, rue Clément Marot  
75008 Paris  
France

**Affine S.A.**

**Statutory auditors' report on the  
consolidated financial statements**

Year ended December 31, 2007  
Affine S.A.  
4, square Edouard VII - 75009 Paris  
*This report contains 4 pages*

*This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated 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 financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

## **Affine S.A.**

Registered office: 4, square Edouard VII - 75009 Paris

Share capital: €47 700 000

## **Statutory auditors' report on the consolidated financial statements**

Year ended December 31, 2007

To the Shareholders,

Following our appointment as statutory auditors by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Affine S.A. for the year ended December 31, 2007.

The consolidated financial statements have been approved by your Board of Directors. Our role 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 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 consolidated financial statements for the period are regular and accurate and give a true and fair view of the financial position, the assets and liabilities and the results of all persons and entities within the scope of consolidation in accordance with the IFRSs as adopted in the European Union.

## **2 Justification of our assessments**

In accordance with the requirements of article L.823-9 of the French Commercial Law (Code de Commerce) relating to the justification of our assessments, we bring to your attention the following matters:

### Accounting principles

The note 2 to the financial statements « Principes et méthodes comptables – Comptabilisation des obligations remboursables en actions et des titres subordonnés à durée indéterminée » describes the accounting policies applied to these financial instruments and to the downpayments of the mandatory convertible bonds as well as the distributions related to the perpetual subordinated notes issue.

As part of our assessment of the accounting principles applied by your company, we verified the appropriateness of the above mentioned accounting policies and of the information given in the notes to the financial statements and their proper accordance.

### Accounting estimates

The estimates made by the Group relate more particularly to the collectable value of investments properties.

The note 2 to the financial statements « Principes et méthodes comptables – Méthode d'évaluation des immeubles en patrimoine » describes the accounting policies applied to value the investments properties. The investments properties are then accounted for up to their market value, which is more often than not determined by independent experts, who value the assets of the company. Our works consisted more particularly in examining the independent experts' reports, assessing the hypothesis made, and verifying that the information disclosed in the note 2 of the financial statements is appropriated.

As part of our assessments, we verified the reasonableness of these estimates.

These 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 in the group's management report. We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Paris La Défense, March 25, 2008

Paris, March 25, 2008

KPMG Audit  
*Department of KPMG S.A.*

Cailliau Dedouit et Associés

Isabelle Goalec  
*Partner*

Rémi Savournin  
*Partner*