



SOCIETE DES BAINS DE MER ET DU CERCLE DES ETRANGERS A MONACO

Real estate development projects in the Carré d'Or at the heart of Monte Carlo

Monte Carlo, September 19, 2008.

At the Extraordinary and Ordinary General Meetings of Société des Bains de Mer held today, various real estate development projects to be undertaken by the Group over the next few years in the Carré d'Or district of Monte Carlo were presented. These projects fall under the Sovereign Order of August 1, 2008, which defines the new urban planning regulations applicable to the area concerned, the quartier des Spélugues.

Construction of a luxury residence with hotel services to replace the current Hôtel Balmoral

Due to the huge success of the Résidence du Sporting at the Monte-Carlo Bay Hotel & Resort site since its inauguration in early 2006, the Group wished to develop a similar concept in the heart of Monte Carlo at the site of the former Hôtel Balmoral acquired in 2005.

After demolishing the current building on account of its dilapidated state, more than 6,000 m² of available surface area will be created with the following breakdown:

- residence: 3,500 m² over seven levels;
- car parks and underground storage areas: 1,100 m² over two levels;
- common areas and premises intended for hotel services: 1,400 m².

The residence will comprise eight high-end apartments, including five duplex apartments. The penthouse will measure 800 m² on two levels, including a 200 m² roof garden with a private swimming pool.

Construction is to start in November 2008 and the building should be completed in December 2010.

The location at the center of Monte Carlo, the view over the Port Hercule and the Rocher, and the possibility of benefiting from the hotel services of the Hôtel Hermitage will contribute to the success of this exceptional project.

Elevation of the Midi wing at the Hôtel Hermitage and construction of a conference room

To match the appearance of the Hôtel Hermitage with the residence built on the Hôtel Balmoral site, the Group has decided to elevate the Midi wing over two levels. With a bird's eye view of the port Hercule and the Rocher de Monaco, this wing is a client favorite.

The elevation will result in the creation of three luxury duplex apartments each covering 500 m². These apartments will be offered for residential purposes with the services of the Hôtel Hermitage made available.

At the same time, work will commence on the construction of a large conference room, equipped with the latest communication technologies, and accommodating 500 people.

Work should begin in October 2008 and the room should be completed in December 2010.

In addition to these surface area extensions, the Eiffel Hall and the Costa Wing rooms at the Hôtel Hermitage will also be renovated.

Sporting d'Hiver – Place du Casino

The Group is planning a major project at the Sporting d'Hiver site in order to create more surface areas for international brand stores, offices and luxury apartments that will benefit from all the services of the neighboring Hôtel de Paris.

Whereas the Sporting d'Hiver currently comprises a total developed gross surface area of 19,000 m², the project which is currently being finalized will increase the total gross surface area to over 41,500 m² with the following breakdown:

- 13,500 m² of underground areas reserved for trade fairs and exhibitions, car parks and premises required for the provision of hotel services;
- 28,000 m² intended for the residence with hotel services, luxury stores and office premises.

To give the new building an outstanding architectural dimension, internationally renowned architecture firms were consulted and the initial outlines are expected at the end of the year.

Considering the significance of this project, work should only commence in early 2012.

The completion of these various projects will allow the Group to pursue its real estate development and increase its sources of recurring leasing revenue, while strengthening the loyalty of its prestigious international clients who may thus contribute to the growth of the Company's activities.

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