

A PURE PLAYER
IN PROPERTY
DEVELOPMENT
IN FRANCE



ALTAREIT: A PURE PLAYER IN PROPERTY DEVELOPMENT IN FRANCE

Altareit, a 99.85% owned subsidiary of **Altarea Cogedim group**, has a **unique expertise** in Residential and Offices development and also in Retail, developing the convenience retail strand of Altarea Cogedim Group's large mixed-use projects. In Residential (residential units and serviced residences), projects are developed for resale to third parties. In Offices, the Group has also developed a line as a medium term investor (alone or in partnership), to capture a portion of emblematic property development projects and the associated value creation. Finally, Altareit has a financial investment in Semmaris, the operating company that runs the Rungis national wholesale market.

Altareit is listed in Compartment B of Euronext Paris (ISIN: FR0000039216 – Ticker: AREIT). The company refers to the Middlednext Code of corporate governance.

KEY DATES

2008

Listing in Compartment C of Euronext Paris (Cogedim's Offices and Residential business and diversification activities)

2011

Creation of AltaFund

2012

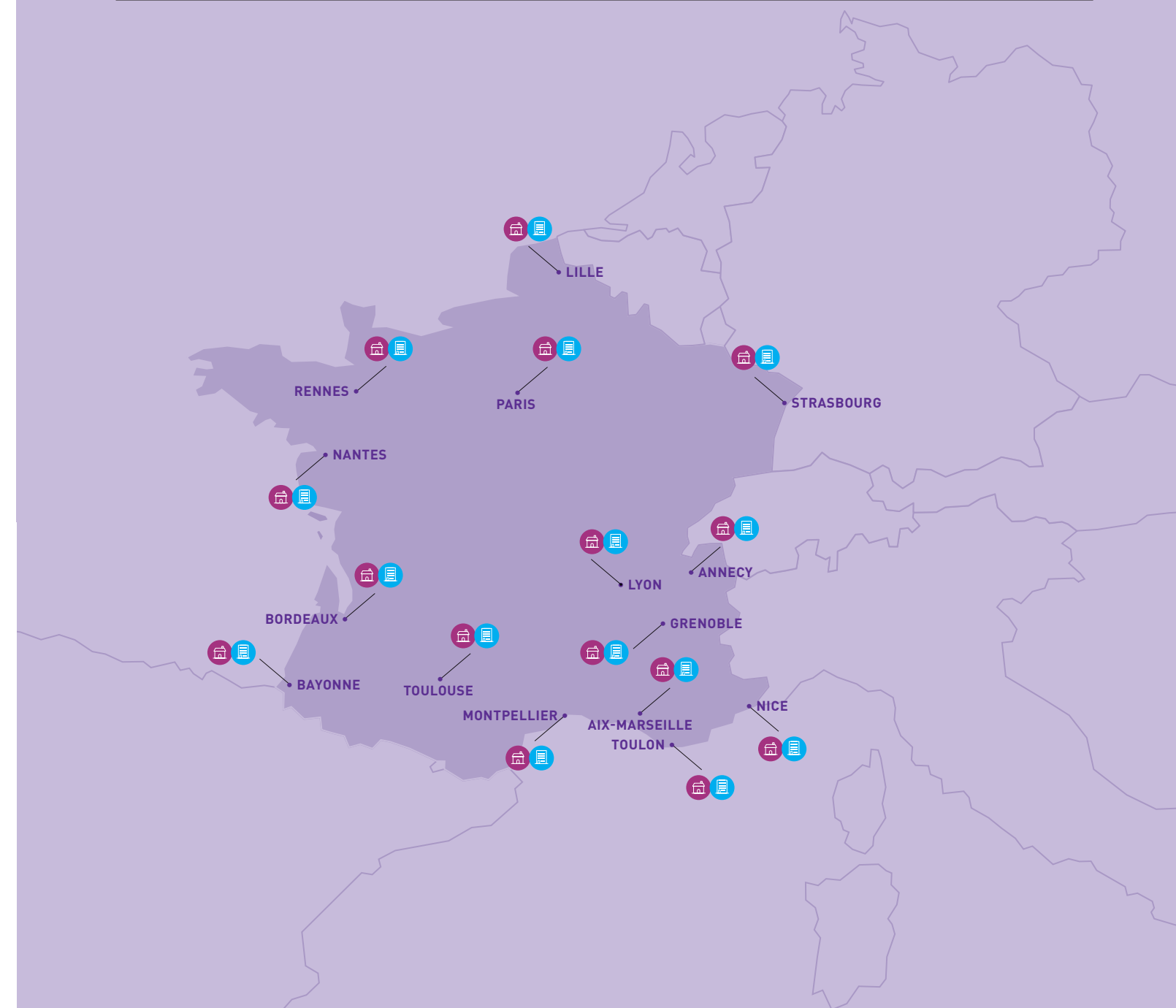
Transfer to Compartment B

2014

Acquisition of 55% of Histoire & Patrimoine

2016

Acquisition of 100% of Pitch Promotion



GROUP LOCATIONS

 **RESIDENTIAL**  **OFFICES**

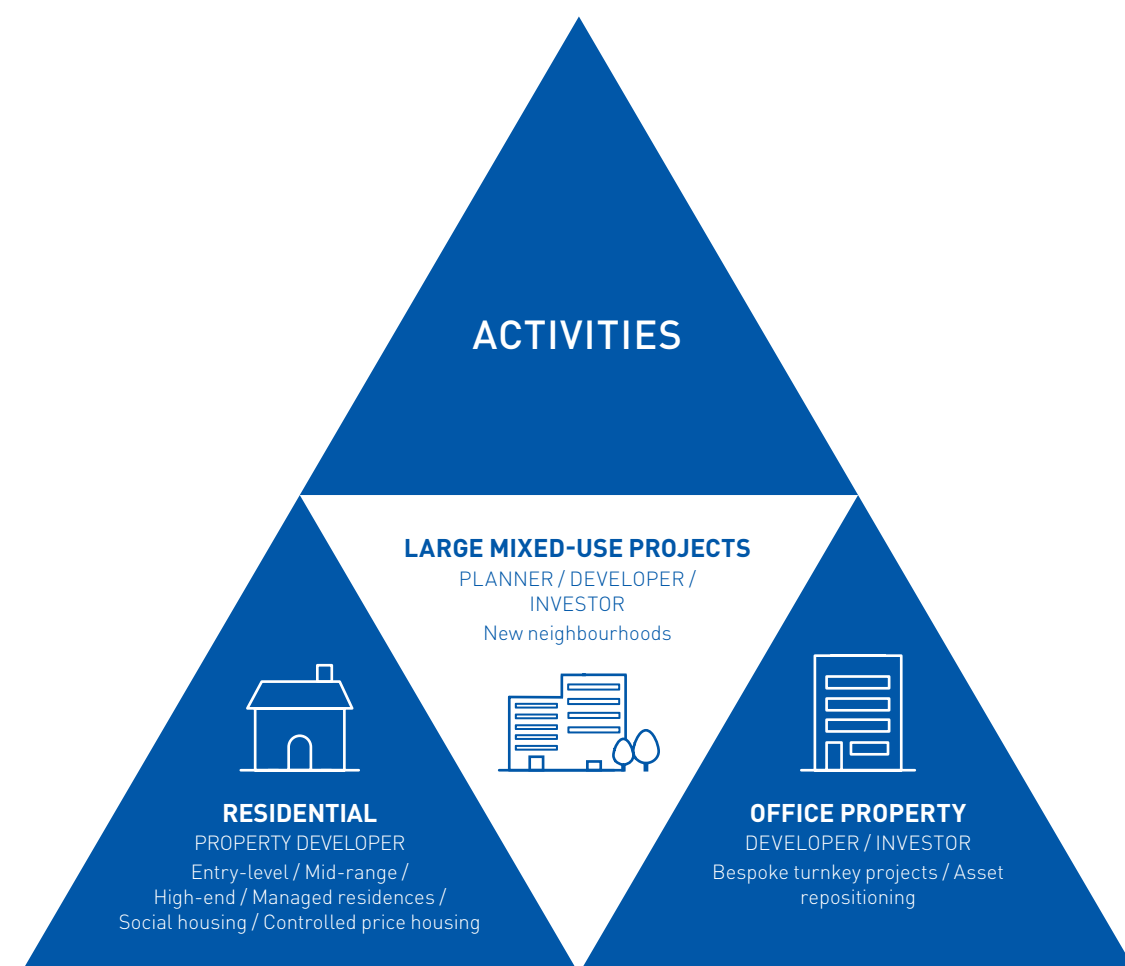
PARIS: Cogedim Paris Métropole
PARIS REGION: Cogedim Île-de-France

AIX-MARSEILLE-TOULON:

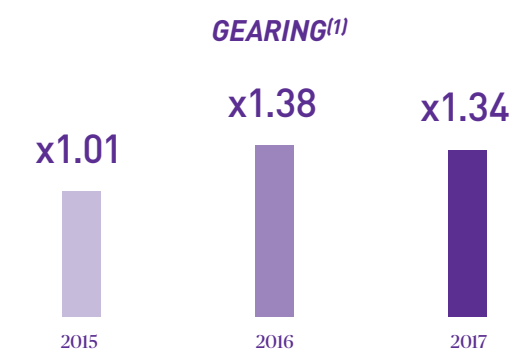
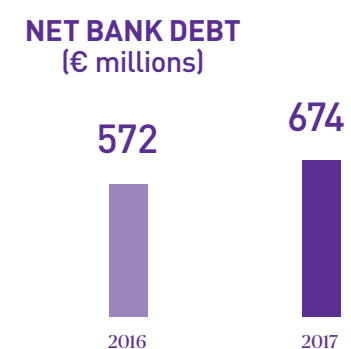
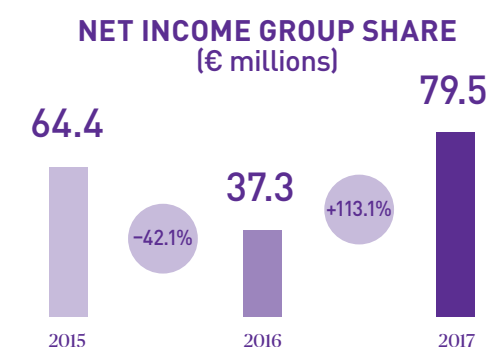
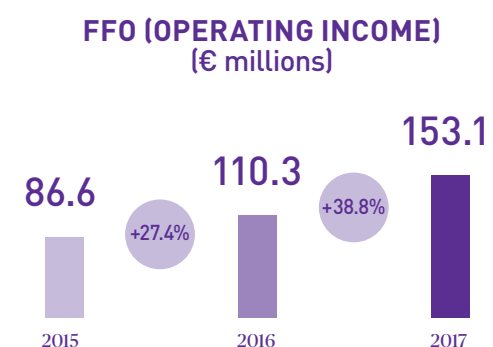
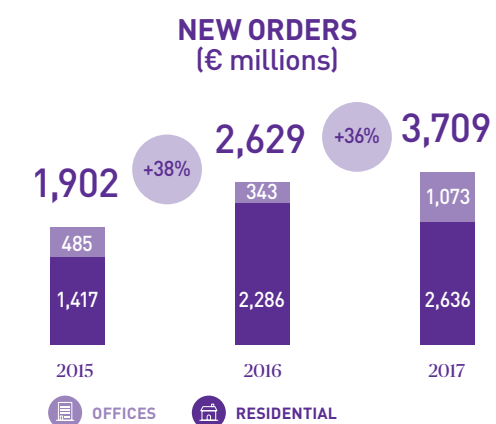
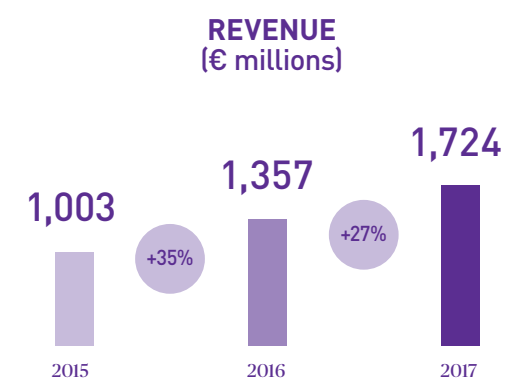
Cogedim Provence
BAYONNE: Cogedim Pays Basque
BORDEAUX: Cogedim Aquitaine
GRENOBLE-ANNECY:
Cogedim Savoies Léman
LILLE: Cogedim Hauts-de-France
LYON: Cogedim Grand Lyon

MONTPELLIER:

Cogedim Languedoc-Roussillon
NANTES: Cogedim Atlantique
NICE: Cogedim Méditerranée
RENNES: Cogedim Rennes Bretagne
STRASBOURG: Cogedim Est
TOULOUSE: Cogedim Midi-Pyrénées



FINANCIAL PERFORMANCE



(1) Net bank debt / consolidated equity.

Number 1
developer of large mixed-use projects

TOP 3
residential developer

Number 1
office developer

1 direct job
= **35** jobs supported
in the regions

Number 1
in GRESB
2017 rankings

100%
of residential projects certified
by NF Habitat

Number 1
Cogedim wins
“Customer Service of the Year 2018”



WITH ITS UNIQUE
MODEL, ALTAREIT
IS THE PURE PLAYER
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URBAN ENTREPRENEURSHIP

The world is changing, habits are evolving. To meet today's challenges, our model pursues a clear vision: we design living cityscapes that offer experiences of living. This is the core of our passionate commitment to stakeholders, customers and partners alike. **The strength of our model stems from our expertise in the property industry's core businesses – Residential and Offices.** The way one complements the other is key to the success of our mixed-use urban projects. It adds a new level to the excellence of our projects and gives us the agility and daring to anticipate new demands in our markets and create urban values for all. **Architectural value**, creating harmonious cities for citizens. **Practical value**, offering functional and flexible projects for users. **Economic value**, guaranteeing the profitability of every project for our investors. A pure player in French property development, **Altareit is the leading owner developer in France's regions today.**



ARCHITECTURAL VALUE



PRACTICAL VALUE



ECONOMIC VALUE



Large mixed-use projects

Altareit, a subsidiary of Altarea Cogedim group, combines expertise and services to design and build truly innovative city centres that blend altogether retail, residential, office and hotel space. These large projects (over 40,000 sq.m. surface area and at least 400 residential units) redefine the individual's place as part of an authentic, contemporary and connected city, where local scale, social ties and quality of life are all enhanced. Such large mixed-use projects are carried out in collaboration with local authorities, planners, private sector operators, investors and individuals allowing the Group to take part in public land development.



SUCCESSES IN 2017

PLACE DU GRAND OUEST | Massy

Project distinctive features:

UA 100,000 sq.m. mixed-use complex, delivered in a single tranche in October 2017 (under 30 months of work)

Residential project: 700 residential units, a Cogedim Club® Senior Residence 30 shops and services, a 2,500 sq.m. hypermarket

Leisure spaces: a multiplex cinema, conference centre and restaurants

A transport hub: instant connectivity to transport networks, a four-star hotel, car park, mobile app to create social link in the area and provide easy access to services

PERFORMANCE: LARGE MIXED-USE PROJECTS AT 5 MARCH 2018

9 projects

€2.9 billion
potential value

758,400 sq.m.
floor area
with 8,080 residential units

MARKET ANALYSIS



- Concentration of population and jobs in gateway cities
- Changing, increasingly complex lifestyles, increased blurring of boundaries between spheres of life
- New balance between personal, professional and family life
- Aspiration to easy access and proximity (access to public transport)
- Local authorities increasingly rethinking the local urban fabric
- Expectation of integrated urban solutions proposed by service providers with mixed-use expertises

COMPETITIVE ADVANTAGES



- Unique partner for local authorities able to handle all aspects of a project
- Triple expertise: Retail, Residential, Offices
- Financial solidity of a stable, established group with a national reputation
- Capacity to deliver large-scale projects in a single phase
- Anticipation and understanding of new uses (field research, etc.)
- Regional presence for first hand knowledge of regional and gateway cities' needs

STRATEGY



- Maintain leadership: Altareit, a subsidiary of Altarea Cogedim group, is the only French operator to cover all business lines in the property sector
- Identify and strengthen synergies in the property sector, as a multi-business and multi-activity group
- Support mixed-use projects – Retail, Residential, Offices – continuously refined to better reflect the uses, lifestyles and quality of the social environment
- Favour proximity with purpose-built applications, new services and neighbourhood retail stores

HIGHLIGHT



JOIA MÉRIDIA | Nice

In early 2018, Pitch Promotion won a tender to build a mixed-use district in the heart of Nice in cooperation with Eiffage Immobilier. This project will feature a striking Fujimoto building of residential units with shops at the ground floor. It will also include a shared rooftop space with swimming pool. Joia Méridia will cover more than 70,000 sq.m. The complex will create a new focus at the heart of Nice Méridia, the 24-hectare urban technopolis developed by the Nice Eco-Valley EPA (public urban development agency) on principles laid down by the business district's urbanist Christian Devilliers.



Residential

Lifestyles are changing fast, the urban habitat too. The personal, professional and family lives of home-buying customers and investors in Altareit, have become mobile, multiple and sometimes complex. Responding to these diverse needs, the Group offers its customers a wide choice of residential units, from entry-level to high-end, on private or social housing terms, sold individually or as a block. **The company develops property solutions for every kind of residential need, always at the same demanding quality standards.**



PERFORMANCE AT 31 DECEMBER 2017

11,189

residential units reserved
+12% vs 2016

€2.6 billion

in new orders
+15% vs 2016

Offer & portfolio

€9.2 billion

potential sales (incl. VAT)

99%

of pipeline located
in areas covered by the Pinel law

100%

of residential units certified by NF Habitat

98%

of residential units less than 500 m
from a public transport network⁽¹⁾

(1) Excluding Pitch Promotion.

MARKET ANALYSIS



- **Improving general economic conditions**, rising prices per square metre, mortgage rates remain low
- **Stable regulatory framework**, favourable tax terms (Pinel law extended, zero-interest loans)
- **Strong demand from property buyers**, high volumes of developer sales, institutional investors coming back to the market (via social housing for rent)

- **Healthy market for new housing** in a still rising market
- **Change in customer expectations**, accelerating cycles of production and innovation

COMPETITIVE ADVANTAGES



- **Top three residential developers in France**
- **Group's signature associated with quality**, innovation and environmental performance
- **Floorspace conceived to be multifunctional**, modular and adaptable
- **Digitally enhanced sales support**: virtual visits, mobile apps

STRATEGY



- **Involve the customer in a bespoke residential process with a full offer**: from entry-level to premium, first- and second-time buyers, serviced residences, block-buy investments, etc.
- **Continue to diversify products** to suit all customer types and all their needs, at all times of life
- **Further improve levels of customer satisfaction**: quality of the sales relationship, personalisation of the offer
- **Design residential projects and offers** that meet new customer expectations

HIGHLIGHTS



BASSINS À FLOT EMBLEM | Bordeaux

With the EmbleM residential project, the Group is contributing to Bordeaux's dynamic property scene, offering a new way to live in the city with a smart blend of technology, respect for the environment and massive volumes. This is an exceptional project – a complex ranging from studios to five-room flats – providing a full and complementary range of residential units. It exemplifies the Group's determination to put customer satisfaction at the heart of its design.



COGEDIM CLUB® | Suresnes

Altareit continues to develop its residences for active seniors. In 2017 it opened a Cogedim Club® residence in Suresnes. Located in the Carnot-Gambetta eco-district, the project's conceptual and aesthetic design creates a "living well" space accessible to all. All the services on offer are designed to encourage social interaction.



COGEDIM STORE | Toulouse

Two years after inaugurating the Paris store, Cogedim has opened its second 400 sq.m. concept store, in Toulouse. This is the first presence of the Group in the region featuring a full scale mock-up of an apartment, kitted out to the last detail and a gallery where customers can choose floors, wallpaper, paintings, etc. The store embodies the Cogedim difference and our determination to be Number 1 in customer personalisation!



Offices

Today, companies want to be in the city centre, offer their employees a high-quality environment, provide ever more facilities... these are the new demands of the corporate market. Companies are reinventing themselves to attract and keep talents by becoming ever better connected and attentive to the wellbeing of their workforce. Whether new-build or redeveloped, today's offices are open to the city and its retailers. As developer, investor or service provider, the Group anticipates the expectations of companies and their employees, offering bespoke projects with flexible, modular and accessible offices that can evolve to keep pace with corporate cultures. Altareit gives them office spaces conceived as assets: they build in tangible and intangible capital, so users can attract and retain key talents and accommodate sustainable growth in their business.



RICHELIEU | The future "Altarea Cogedim House"

Project distinctive features:

An exceptional location at the dynamic heart of the French Tech and Bourse-Opéra districts

A creative redevelopment of the old Allianz France head office

A sidestreet that encourages openness to the city and interaction

The ground floor space is designed to be open to the city, and revamped to incorporate reversible spaces

A separate conference centre and public venue lit by spacious patios in the basement

Remarkable planted terraces accessible from floor 6

A complex of separate offices with 1,500 sq.m. of floor space in a listed eighteenth-century mansion house

Well-lit, flexible and modular office spaces

PERFORMANCE AT 31 DECEMBER 2017

51 projects
€3.7 billion
potential value
835,900 sq.m.

€1,073 million
in orders (x3.1)
100%
of offices⁽¹⁾ certified
at least NF HQE™ “Excellent”
and BREEAM® “Very Good”

100%
of units less than
500 m from public transport
82%
of projects⁽¹⁾ in the Paris Region
on the way to Well certification
(1) Pitch Promotion not included.

MARKET
ANALYSIS



- **Background of economic recovery**, driven by strong demand and low interest rates
- **Job creation, changing activities**: major groups are moving offices
- **Competition from investors** faced with a shortage of prime and new-build supply
- **Strong rental demand** in new or redeveloped office buildings

COMPETITIVE
ADVANTAGES



- **Altareit**, the leading office developer in France
- **Major player in redevelopment**, recognised for its creative projects (which make up more than half its business)
- **An integrated global operator**: an investor for the medium term, either directly or through Altafund (which invests in prime assets in the Paris region), and property developer also taking on project management commissions
- **Modern offer**: flexible and collaborative spaces
- **Environmental and social excellence** in new-build and redevelopment projects

STRATEGY



- **Design and develop tertiary projects** for new styles of working, tailored to companies' needs
- **Position office property at the heart of markets where demand is strongest**: city centres, lively well-connected districts (with retail, facilities, transport hubs), regions undergoing urban renewal
- **Stimulate company performance** by helping employees to grow in a people-friendly working environment
- **Break away from the idea of a single-purpose building**
- **Raise quality per square metre of office space** through digital facilities

HIGHLIGHTS

LANDSCAPE | La Défense

AltaFund and Goldman Sachs breathe new life into the Pascal Towers with Landscape. This large-scale redevelopment will create a property complex offering unique naturally lit spaces. As well as a comprehensive and unusually ambitious redevelopment, done in cooperation with Dominique Perrault Architecture, Landscape is an opportunity to develop 10% of new space to complement the historic Pascal Towers, all exceptional buildings for their volumes, height and views. It will include a full range of innovative services (restaurant areas, sports hall, full-service concierge, wellbeing area) and meet the latest environmental standards (NF HQE™ “Exceptionnel”, BREEAM® “Very Good”, BBC-Effinergie Rénovation). The project was awarded with the WiredScore⁽¹⁾ label in November 2017, certifying its excellent connectivity.

(1) The WiredScore label rates office buildings so that owners can understand, improve and promote connectivity in their assets. **More than two thirds of office projects are now in the process of applying for this label.**



THALES | Labège

The Group won the Pyramide de Vermeil in the Office Property category, awarded by the Federation of Property Developers, for the Thales project, a Pitch Promotion development. The complex was delivered in 2016. It is located on a site near Toulouse covering more than 20,000 sq.m., on the shores of Lake Labège. With its rich vegetation the lake-shore is the “green lung” of the district. On a site where only 40% of the surface is built, the 600 Thales employees enjoy a pleasant working environment, close to a space left open for strolling and relaxation.

