

A PURE PLAYER IN PROPERTY DEVELOPMENT IN FRANCE



2017 ANNUAL RESULTS



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The operation presented on the cover is Place du Grand Ouest in Massy

01. A pure player in property development in France



La Place - Bobigny



Altareit in a nutshell



Number 1
developer of large
mixed-use projects



TOP 3
residential
developer



Number 1
office
developer

Number 1
in GRESB
2017 rankings



100%
of residential
projects
certified
by NF Habitat

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



A PURE PLAYER
IN PROPERTY
DEVELOPMENT
IN FRANCE

02. Creating top of the art real estate

Wacken Europe Sky Place - Strasbourg



LARGE MIXED-USE PROJECTS

Cœur de Ville - Bezons



The City Factory

LARGE

MIXED-USE

PROJECTS

RISING NEEDS



**> to 40,000 m²
of floor area
> to 400 units
(residential)**

**Multi-product
Multi-use**

**Development
Production
Leasing**

**Complex / Integrated / Structuring
projects**

Leader in large mixed-use projects in France

9
projects
ongoing

758,400 m²
total surface area

8,080
residential

€2,9 bn
potential value

2017: delivery of the largest project in the Paris region



PLACE DU GRAND OUEST - Massy - 100,000 m²

Two new major mixed-use projects won



QUARTIER GUILLAUMET - Toulouse

101,000 m²



1,200 units



7,500 m²



5,800 m²

10,000 m² of equipment



JOIA MERIDIA - Nice

73,500 m²



800 units



2,900 m²



4,700 m²

8,000 m² of hotels

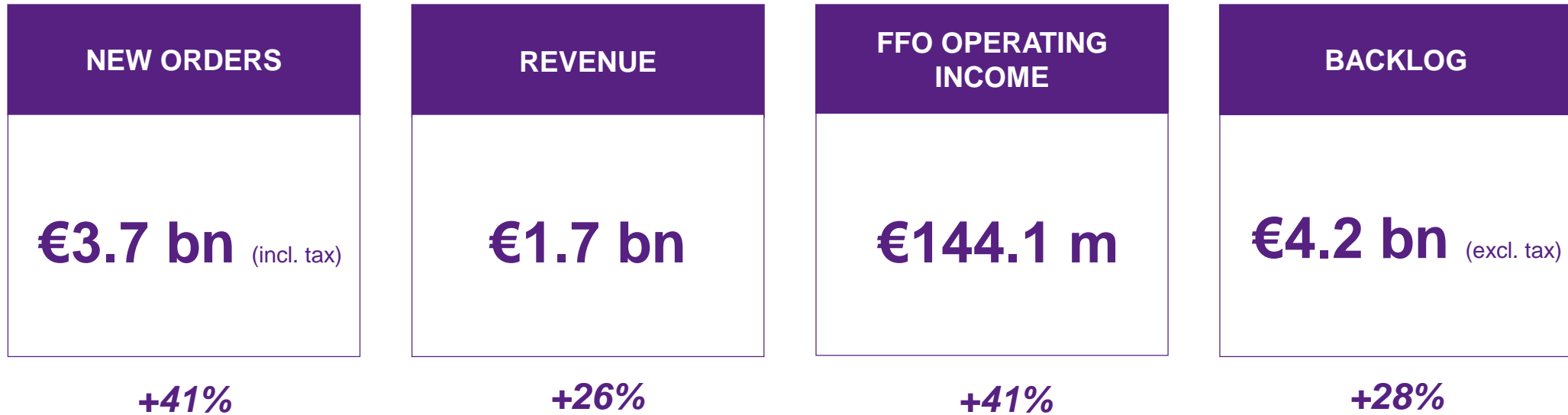
PROPERTY DEVELOPMENT



Place Centrale - Toulouse

Property Development (Residential and Office)

Very strong growth across all performance indicators

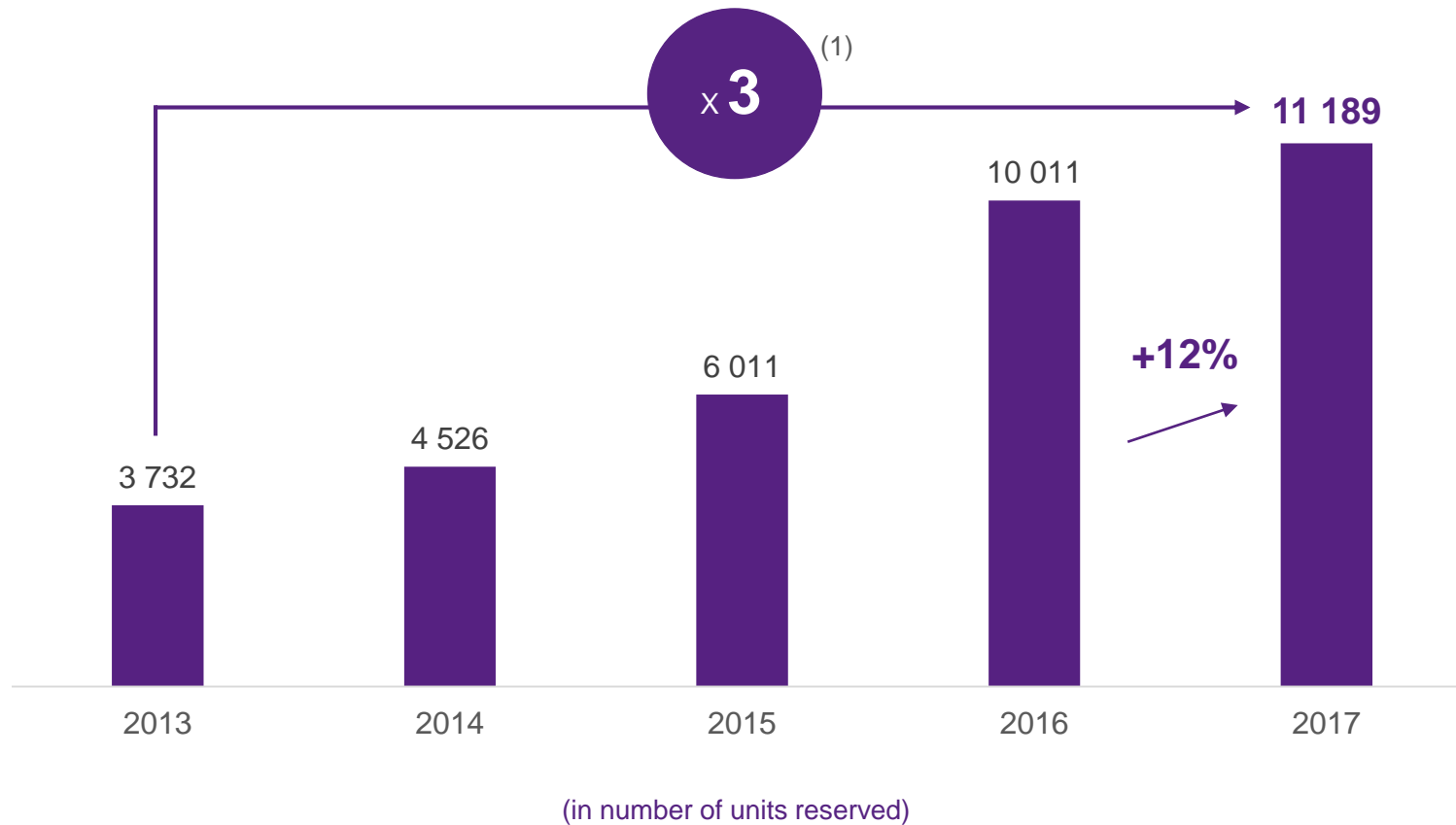


RESIDENTIAL



Inspirations - Nantes

The strongest momentum among French developers



€2.6 bn
in new orders

+15% vs 2016

8.6%
market share

+4.2 points since 2013

(1) Vs 1.5 x for the market for the same period – Source: French Ministry for Regional Cohesion

Outperformance fundamentals

CUSTOMER	BRANDS	QUALITY	INNOVATION
<p>CUSTOMER RELATIONS</p> <p>2018</p> <p><i>Les Echos / HCG</i></p>  <p>developper</p> 	   	<p>LOCATION</p> <p>HABITABILITY</p> <p>ARCHITECTURE</p> 	 <p>mon-cogedim.com customer website dedicated to project tracking</p>  <p>3D housing configurator</p>  <p>Application for neighbourhood services</p>

Optimising the offer thanks to customer knowledge

FROM CUSTOMER KNOWLEDGE...

- Understanding Customer profiles
- Managing a prospective customer base
- Monitoring the repeat-purchase rate

Segments



Young professionals



Prudent households




Silvers



VIPs



Pragmatic opportunists



Informed optimisers



Portfolio managers

...TO MANAGING THE OFFER

- Housing format
 - Geolocation of potential demand
 - Distribution channels
- 

⇒ **CONTINUOUS ADAPTATION OF THE SALES OFFERING AND THE LAND OPTIONS**

Strong operational growth

SUPPLY



L'HOSPITALITÉ - Kremlin Bicêtre

€4.0 bn
(incl. tax)

+4%

COMMERCIAL LAUNCHES



MAISON D'ARRÊT - Nantes

€2.9 bn

+9%

PROJECTS UNDER CONSTRUCTION



EMBLEM - Bordeaux

210

+43 projects

REVENUE



COGEDIM CLUB - Suresnes

€1.4 bn
(excl. tax)

+33%

Continued pipeline enhancement

€9.2 bn (incl. tax)
potential value

42 months of visibility

38,985 units

99%
in high-demand areas eligible for
Pinel Act tax scheme

at 100%

Sustainable neighbourhood development (2,000 housing) – Neuilly-sur-Marne



**130,000 m² floor
area**

1,650
new family housing

200
renovated family housing

150
social student accommodation

4
housing for childminders

OFFICE

Kosmo – Neuilly-sur-Seine



Tailor-made products on prime locations

Remarkable architecture



Open towards the city

Mixed-use spaces

Tailor-made uses



Flexibility and adaptability

Convenient offices to foster creativity/productivity

Image driver



Embodiment of brands/businesses

Sustainable, low-energy buildings

A unique business model

THE MODEL

MEDIUM-TERM INVESTOR

Assets redevelopment on high-potential locations

In partnership or via AltaFund

To be sold back in the medium-term

DEVELOPER

**VEFA / BEFA / CPI / MOD
(building contracts)**

For external investors / users

**And for 100% of the Group's
investment projects**

MEDIUM-TERM INVESTOR



LANDSCAPE – La Défense

DEVELOPER



BELVEDERE – Bordeaux



Strong operational growth

PLACEMENTS (VEFA / CPI)



ORANGE - Lyon

LANCEMENT DE CHANTIERS



TOUR ERIA - La Défense

LIVRAISONS



RUE DES ARCHIVES - Paris

LOCATIONS



KOSMO – Neuilly/Seine

€1.1 bn
(incl. tax)

x3,1

15
projects

264,000 m²

20 buildings

221,700 m²

2 signatures

Leading Office developer in France

51

secured projects

€3.7 bn (excl. tax)
potential value

835,900 m²

at 100%

Investment



Richelieu – Paris

5 projects

159,900 m²

€1.9 bn potential value

Development (CPI / VEFA / MOD)



BASSINS A FLOTS – Bordeaux

42 projects / **597,500 m²**

4 MOD projects / **78,500 m²**

€1.8 bn in revenue (excl. tax)



SEMMARIS

*(Société d'Economie Mixte
d'aménagement et de gestion
du Marché d'Intérêt National de
la Région Parisienne)*

Marché de Rungis



SEMMARIS

RUNGIS NATIONAL INTEREST MARKET (MIN)



The world's largest food wholesale market

1,200 operators

2016 revenue: €8.8 billion

SEMMARIS

Mission: to develop, operate and manage the MIN facilities

234 hectares near Paris, concession until 2049

2017 revenue : €111.3 million (+3.0%)

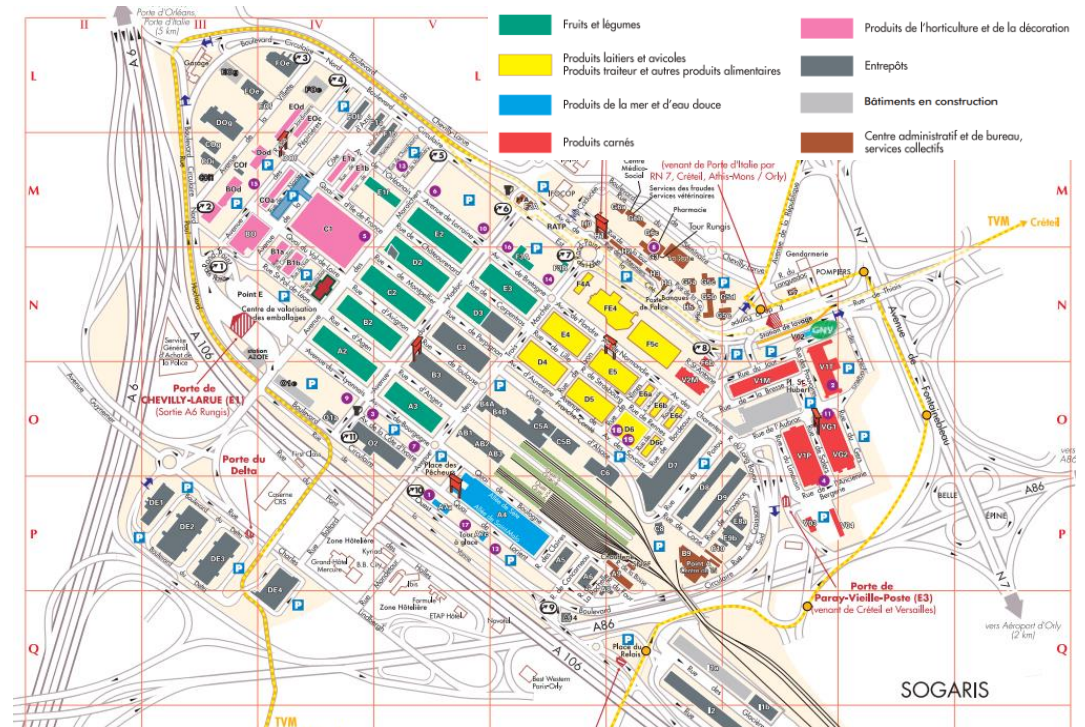
2016 EBITDA: €47.2 million

2016 cash-flow: €40.7 million

Altareit, first shareholder with a 33.34% stake in Semmaris (on equal terms with the French State)

RUNGIS 2025

**A €1.0 billion investment plan
(on equal terms between Semmaris and market operators)**



03.

Financial performance

Joia Meridia - Nice



Another year of remarkable growth

**Consolidated
revenue**

1,723.6
€ million

+26.9%

**Recurring
net result
(FFO)**

129.8
€ million

+34.6%

74.25
€/share

+34.6%

**Recurring
operating
income**

153.1
€ million

+38.8%

**Net income,
Group share**

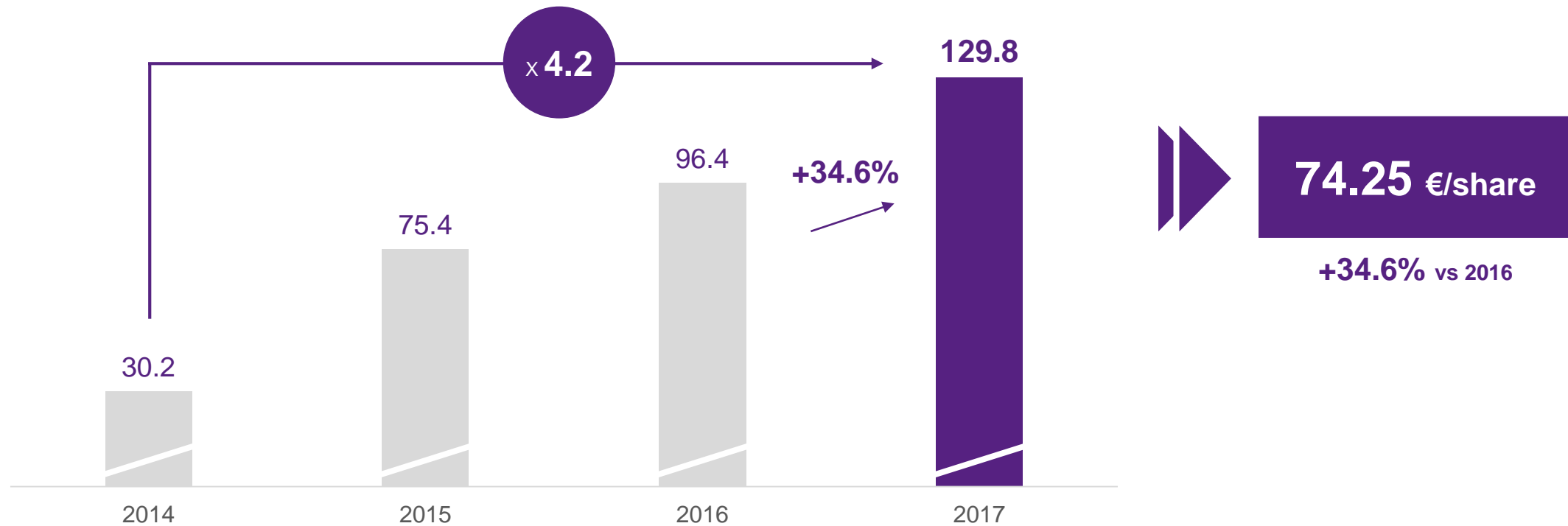
79,5
€ million

+113.0%

45,45
€/share

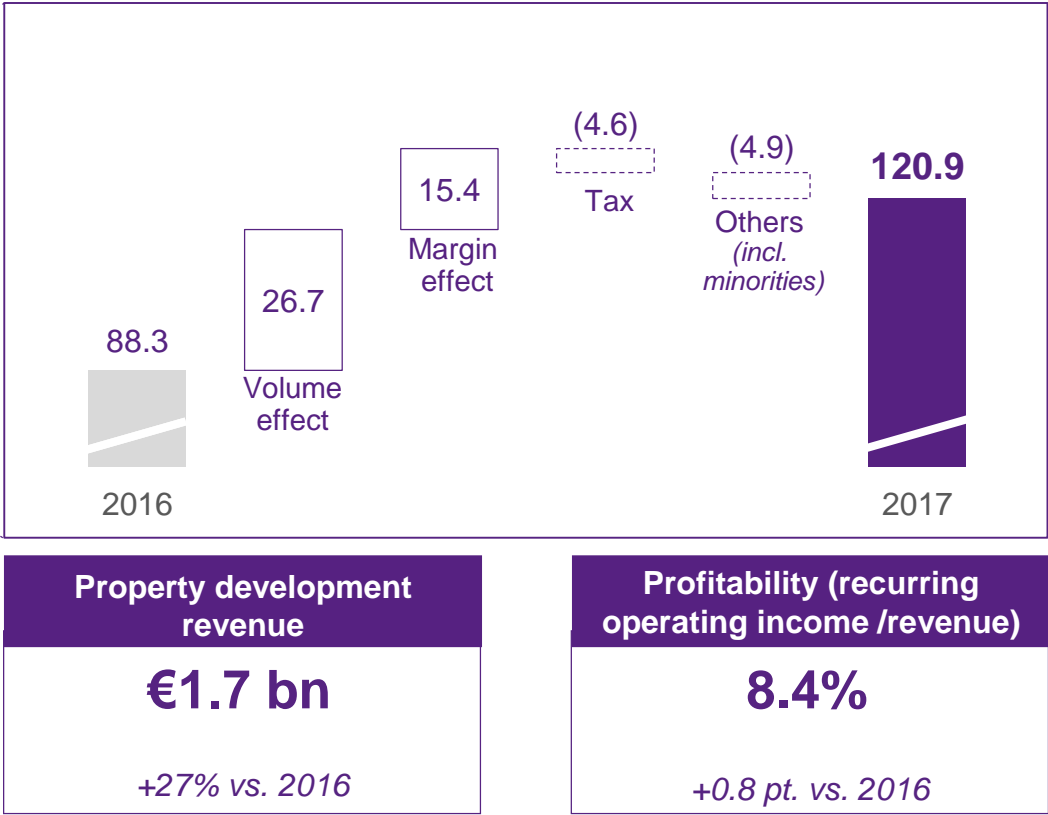
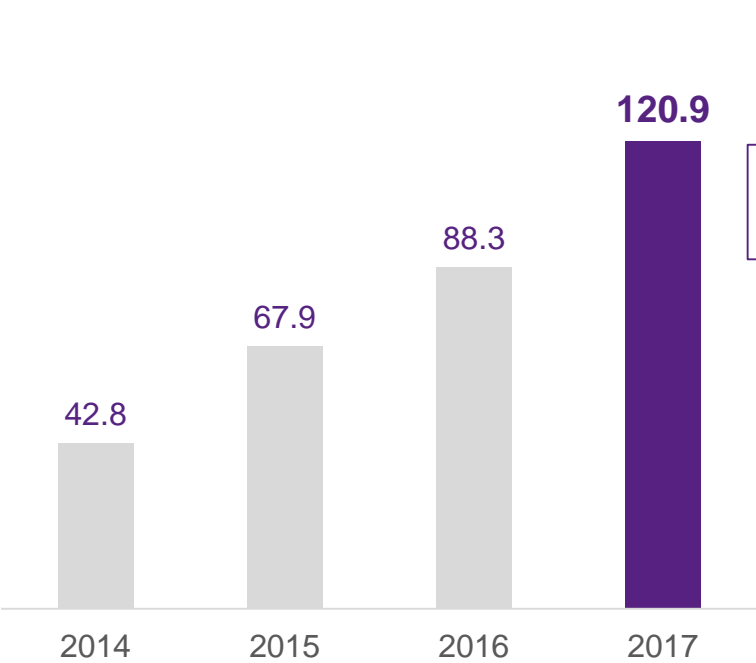
+113.0%

FFO: fourfold increase in the past three years



Profitability driven by Residential

FFO Residential & Office (€ million)

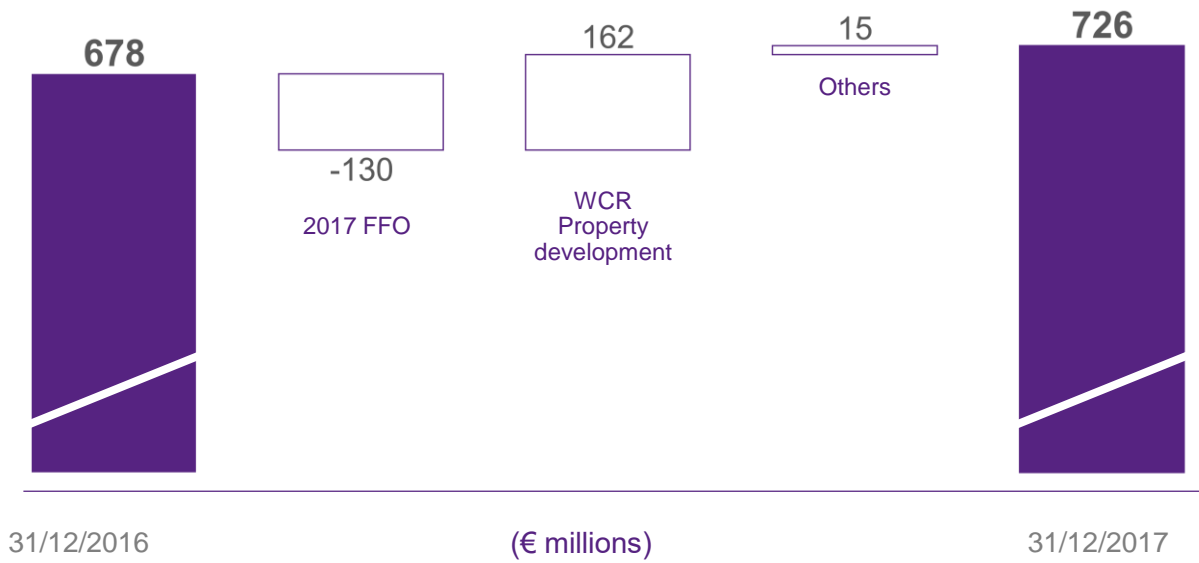


Consolidated results

€ millions	Residential	Office	Diversification	Operating cash flow from operations (FFO)	Changes in value, estimated expenses and transaction costs	Total
Revenue	1,421.0	300.7	2.0	1,723.6	-	1,723.6
	+33.1%	+3.9%	na	+26.9%	-	+26.9%
Net propriety income	129.7	25.1	0.4	15.3	(5.5)	149.7
Recurring operating income	116.2	27.9	9.1	153.1	(25.4)	127.7
	+68.3%	-15.5%	+9.6%	+38.8%	-	+50.8%
Net borrowing costs	(5,9)	(3,3)	(0,2)	(9,3)	(0,9)	(10,3)
Gains/losses in the value of financial instruments	-	-	-	-	(2,9)	(2,9)
Corporate income tax	(5,2)	(0,4)	-	(5,6)	(21,5)	(27,1)
Other	0,2	-	-	0,2	(0,1)	0,2
Net result Group share	96.6	24.3	8.9	129.8	(50.3)	79.5
	+66.8%	-20.1%	+10.0%	+34.6%	-	+113.0%

Debt

Financial net debt



Gearing

1.34x

Vs 1.38x

04. Glossary

Wacken Europe Sky Place - Strasbourg



Glossary 1/2

AltaFund: A discretionary investment fund, created in 2011, with €650 million in equity of which Altarea Cogedim is one of the contributors alongside leading institutional investors.

Commercial Launches: in revenue excl. tax.

Cost price: Total development budget including interest expenses for the transaction and capitalised internal costs (including land price) in the case of VEFA/BEFA investment and development projects.

"Customer relations 2018": Ranking by The Human Consulting Group and Evertest for les Echos, published on 29 January 2018. The survey tests the customer services of the 200 biggest companies in France to assess the overall quality of their customer approach. Each company received ten phone calls, a letter, three e-mails, a message via the website and five messages via social media.

"Customer Services of the Year" Award: The French Customer Service of the Year Award, which was created in 2007 by Viséo Customer Insight, uses mystery shoppers to annually test the customer service quality of French companies in 42 different economic sectors. It is the benchmark ranking for customer relationships in France. Property developers were included for the first time this year.

Developer - Offices: The Group operates in the form of VEFA (sales off-plan), BEFA (lease off-plan) and CPI (real estate development contract), with a particularly strong position in the turnkey market, and as a Service provider in the case of MODs ((delegated project management).

FFO (Funds from operations) or recurring net result: Net result excluding changes in value, calculated expenses, transaction fees and changes in deferred tax. Group share.

Future offering Residential: Future offering consisting of controlled projects (through an option on the land, almost exclusively in unilateral form) whose launch has not yet taken place. (value including taxes when stated in euros).

Going Concern NAV: Equity market value assuming a continuation in business, taking into account the potential dilution related to the SCA status.

GRESB: Global Real Estate Sustainability Benchmark. International reference ranking which evaluates the annual CSR performance of property companies worldwide (823 companies and funds ranked in 2017, including 194 listed companies).

IFRS 15: Starting 1st of January 2018, the Group has applied IFRS 15 (Revenue from contracts with customers) which impacts revenues from property development projects.

Large mixed-use projects: Complex real estate programmes of at least 40,000 m² of floor area, offering a mix of residential (minimum 400 units), retail, offices and also including public and leisure facilities (hotel complexes, cultural and sports venues...).

Margin (property development): Operating income (FFO) / revenue.



Glossary 2/2

Market share Residential: number of reservations (in units), as a percentage of the 129,817 units reserved in France in 2017 (+2.1% vs. 2016 - Source French Ministry for Regional Cohesion)

NAV: Net asset value

New Orders (Residential and Offices): value (incl. tax) of residential reservations and office orders.

New Orders - Residential: New orders net of withdrawals in € including tax when expressed as a value. New Orders at 100%, with the exception of jointly controlled operations (New Orders In Group share). Histoire & Patrimoine at the Group share of 55%.

New Orders - Offices: New Orders at 100%, with the exception of jointly controlled operations (New Orders In Group share). .

Offices Backlog: Consists of revenue (excl. tax) from notarised sales not yet recognised according to percentage of completion, new orders pending notarised deeds (signed PDCs) and fees pending receipt from third parties under signed contracts.

Operating income: Recurring operating cash flow (FFO column in the consolidated P&L account).

Pipeline (in surface area): Office: floor area or usable surface area. Residential: surface area (properties for sale and future offering).

Pipeline (in potential value): Estimated market value at delivery date. Residential: property for sale and portfolio (incl. taxes). Office: potential market value excluding transfer duties on the date of disposal for investment projects (at 100%), amount (excl. tax) of VEFA/CPI contracts signed or estimated for the other development programmes (at 100%, or Group share for jointly owned projects), and delegated project management fees capitalised.

Property for sale: Units available for sale (incl. taxes value, or number count).

Recurring net income or FFO (Funds From Operations): Net result excluding changes in value, calculated expenses, transaction fees and changes in deferred tax. Group share.

Residential Backlog: Residential backlog consists of revenues (excluding tax) from notarised sales to be recognised on a percentage-of-completion basis and individual and block reservations to be notarised.

Revenue - Residential (excl. tax): Revenues recognised according to the percentage-of-completion method in accordance with IAS 18. The percentage of completion is calculated according to the stage of construction not including land.

Supply Residential: Sale agreements for land signed and valued as potential residential orders (incl. taxes).



05. Appendices



A pure player in property development in France

Large mixed-use projects at the publication date

	Residential (units)	Retail (m ²)	Office (m ²)	Total (m ²) ^(a)
Belvédère (Bordeaux)	1,230	11,200	53,500	141,100
La Place (Bobigny)	1,450	13,600	9,500	107,000
Cœur de Ville (Issy les M.)	630	17,000	40,850	100,000
Quartier Guillaumet (Toulouse)	1,200	5,800	7,500	101,000
Aerospace (Toulouse)	640	11,800	19,400	75,000
Joia Meridia (Nice)	800	4,700	2,900	73,500
Coeur de Ville (Bezons)	730	18,300		66,900
Gif sur Yvette	820	5,800		52,500
Fischer (Strasbourg)	580	3,300		41,400
Total	8,080	91,500	133,650	758,400

^(a) Floor area.

Office: a unique business model

At 31 December 2017	No.	Surface areas at 100% (m ²)	Potential value at 100% (€m excl. tax)
Investments ^(a)	5	159,900	1,956
Property developer (property development or off-plan sales contracts) ^(b)	42	597,500	1,578
Delegated project management ^(c)	4	78,500	213
Total	51	835,900	3,747

(a) Potential value: market value excluding project rights at the date of sale, held directly or via AltaFund.

(b) Projects intended for "100% external" customers only. Potential value: revenue (excl. tax) from signed or estimated property development or off-plan sale contracts, at 100%.

(c) Potential value: capitalised fees for delegated projects.

Project	Group share	Surface area (m ²)	Estimated rental income (€m) ^(a)	Cost price (€m) ^(b)	Potential value (€m) ^(c)	Progress ^(d)
Kosmo (Neuilly-sur-Seine)	17%	26 200				Under construction/leased
Richelieu (Paris)	8%	31 800				Under construction/leased
Landscape (La Défense)	15%	67 400				Under construction
Tour Eria (La Défense)	30%	25 000				Under construction
La Place (Bobigny)	100%	9 500				Secured
TOTAL at 100%	19%^(e)	159 900	81.6	1,355	1,956	
o/w Group share			14.9	251	342	

(a) Gross rent before supporting measures.

(b) Including acquisition of land.

(c) Potential market value excluding project rights at the date of sale, held directly or via AltaFund.

(d) Secured projects: projects either fully or partly authorised, where the land has been acquired or for which contracts have been exchanged, but on which construction has not yet begun.

(e) % in Group share: weighted average of Group share.

	Type	Surface area (m ²)	Revenue (€m) ^(a)	Progress ^(b)
Group investment projects (8 developments)		159,900	533	
Bridge (Issy-les-Moulineaux)	PDA	56 800		Under construction
Belvédère (Bordeaux)	Off-plan	53 500		Secured
Issy Coeur de Ville (Issy-les-Moulineaux)	PDA	41 200		Secured
Bassins à Flot (Bordeaux)	Off-plan	37 100		Secured
Orange (Lyon)	PDA	25 850		Under construction
Le Lumière (Reuil Malmaison)	Off-plan	25 050		Secured
Campus Orange (Balma, Toulouse)	Off-plan	19 100		Secured
Autres (35 opérations)	PDA / Off-plan	338 900		
Other "100% external" projects (42 developments)		597,500	1,578	
Total off-plan, property development contracts portfolio (47 projects)		757,400	2,110	
42 Vaugirard (Paris)	MOD	29,000		Under construction
52 Champs-Élysées (Paris)	MOD	24,000		Under construction
16 Matignon (Paris)	MOD	13,000		Under construction
Tour Paris-Lyon (Paris)	MOD	12,500		Under construction
Delegated project management portfolio (4 developments)		78,500	213	
Total development portfolio (51 projects)		835,900	2,324	

(a) Property development or off-plan sales contracts: revenue (excl. tax) from signed or estimated contracts, at 100%. Delegated project management: fees capitalised.

(b) Secured projects: projects either fully or partly authorised, where the land has been acquired or for which contracts have been exchanged, but on which construction has not yet begun.

P&L

€ millions	Residential	Office	Diversification	Funds from operations (FFO)	Changes in value, estimated expenses and transaction costs	Total
Revenue	1 421,0	300,7	2,0	1 723,6	–	1 723,6
<i>Change vs 31/12/2016</i>	<i>+33,1%</i>	<i>+3,9%</i>	<i>na</i>	<i>+26,9%</i>		<i>+26,9%</i>
Net property income	129,7	25,1	0,4	155,3	(5,5)	149,7
External services	2,0	15,0	–	17,0	–	17,0
Net revenue	131,7	40,1	0,4	172,3	(5,5)	166,8
<i>Change vs 31/12/2016</i>	<i>+52,4%</i>	<i>+21,3%</i>	<i>na</i>	<i>+44,1%</i>		
Own work capitalised and production held in inventory	138,0	22,0	–	160,0	–	160,0
Operating expenses	(174,8)	(38,9)	(0,9)	(214,7)	–	(214,7)
Net overhead expenses	(36,8)	(16,9)	(0,9)	(54,7)	–	(54,7)
Share of equity-method affiliates	21,2	4,7	9,6	35,5	(1,0)	34,5
Calculated expenses and Residential transaction costs				–	(12,4)	(12,4)
Calculated expenses and Office transaction costs				–	(2,2)	(2,2)
Calculated expenses and Diversification transaction costs				–	(4,4)	(4,4)
Recurring operating income	116,2	27,9	9,1	153,1	(25,4)	127,7
<i>Change vs 31/12/2016</i>	<i>+68,3%</i>	<i>(15,5)%</i>	<i>+9,0%</i>	<i>+38,8%</i>		<i>+50,8%</i>
Net borrowing costs	(5,9)	(3,3)	(0,2)	(9,3)	(0,9)	(10,3)
Gains/losses in the value of financial instruments				–	(2,9)	(2,9)
Other	0,2			0,2	(0,1)	0,2
Corporate Income Tax	(5,2)	(0,4)	–	(5,6)	(21,5)	(27,1)
Net income	105,3	24,2	8,9	138,4	(50,8)	87,6
Non-controlling interests	(8,7)	0,1		(8,6)	0,5	(8,1)
Net income, Group share	96,6	24,3	8,9	129,8	(50,3)	79,5
<i>Change vs 31/12/2016</i>	<i>+66,8%</i>	<i>(20,1)%</i>	<i>+10,0%</i>	<i>+31,6%</i>		<i>+53,3%</i>
<i>Diluted average number of shares</i>				<i>1 748 486</i>		<i>1 748 486</i>
Net income, Group share per share				74,25		45,45
<i>Change vs 31/12/2016</i>				<i>+31,6%</i>		<i>+53,3%</i>

Balance sheet (1/2)

€ millions	31/12/2017	31/12/2016
NON-CURRENT ASSETS	693,8	628,2
Intangible assets	233,7	238,7
<i>o/w goodwill</i>	139,6	139,6
<i>o/w brands</i>	89,9	89,9
<i>o/w client relations</i>	–	5,5
<i>o/w other intangible assets</i>	4,2	3,6
Property, plant and equipment	15,6	13,1
Investment properties	38,3	38,3
Securities and investments in equity affiliates and unconsolidated interests	338,0	246,6
Loans and receivables (non-current)	6,8	6,7
Deferred tax assets	61,3	84,9
CURRENT ASSETS	2 260,0	1 624,9
Net inventories and work in progress	1 275,4	959,6
Trade and other receivables	510,6	386,0
Income tax credit	8,2	6,5
Loans and receivables (current)	13,0	12,7
Derivative financial instruments	–	7,0
Cash and cash equivalents	452,8	253,1
TOTAL ASSETS	2 953,8	2 253,2

Balance sheet (2/2)

€ millions

	31/12/2017	31/12/2016
EQUITY	502,3	415,5
Equity attributable to Altarea SCA shareholders	487,8	407,1
Capital	2,6	2,6
Other paid-in capital	76,3	76,3
Reserves	329,4	288,7
Income associated with Altarea SCA shareholders	79,5	39,5
Equity attributable to minority shareholders of subsidiaries	14,5	8,4
Reserves associated with minority shareholders of subsidiaries	6,4	5,9
Income associated with minority shareholders of subsidiaries	8,1	2,5
NON-CURRENT LIABILITIES	585,4	496,5
Non-current borrowings and financial liabilities	569,6	480,5
<i>o/w borrowings from lending establishments</i>	569,2	480,3
<i>o/w participating loans and advances from associates</i>	0,5	0,2
Long-term provisions	14,6	15,0
Deposits and security interests received	1,0	1,0
Deferred tax liability	0,2	0,0
CURRENT LIABILITIES	1 866,2	1 341,2
Current borrowings and financial liabilities	609,4	450,7
<i>o/w borrowings from lending establishments</i>	87,9	204,7
<i>o/w treasury notes</i>	468,9	138,3
<i>o/w bank overdrafts</i>	0,8	2,0
<i>o/w advances from Group shareholders and partners</i>	51,8	105,6
Derivative financial instruments	0,0	0,0
Accounts payable and other operating liabilities	1 249,8	890,4
Tax due	7,0	0,0
TOTAL LIABILITIES	2 953,8	2 253,2