A PURE PLAYER IN PROPERTY DEVELOPMENT IN FRANCE
A record year in sales growth (+27%)

Pipeline

- Leadership in large mixed-use projects:	9 projects underway (above 750,000 m²)
- New orders (Residential & Offices):	€3.7 billion incl. tax (+41%)
- Backlog (Residential & Offices):	€4.2 billion excl. tax (+28%)

Residential

- New orders:	€2.6 billion (+15%) i.e. 11 189 units (+12%) New orders tripled in 4 years

Office

- New orders:	€1.1 billion (x3,1)
- Pipeline Investment[1]:	€1.9 billion (€0.3 billion in Group share)

Results

- Revenue:	€1,724 million (+27%)
- Recurring operating income	€153.1 million (+39%)
- Recurring net result (FFO)[2]:	€129.8 million (+35%), *i.e. €74.25 €/share (+35%)*
- Recurring net result, Group share:	€79.5 million (+113%), *i.e. €45.45 €/share (+113%)*
- Gearing[3]:	1,34x (vs 1,38x)

Paris, 5 March 2018, 5:45 pm. Following review by the Supervisory Board, Management approved the FY 2017 consolidated financial statements. Limited review procedures have been carried out. The Auditors' certification report is being issued with no reservations.

A presentation will be available on the Finance page of Altareit's site, in both French and English versions, on 6 March before market opening.

2018 financial calendar: 2018 HY results - 26 July (after closing)

ABOUT ALTAREIT - FR0000039216 - AREIT

A 99.85% subsidiary of the Altarea Cogedim Group, Altareit is a pure player in property development in France. Thanks to its unique multi-product expertise, Altareit is a leader in in mixed-use projects in french gateway cities. Altareit has the know-how in each sector required to design, develop, commercialise and manage made-to-measure property products. Altareit also holds a direct interest in Semmaris (Rungis MIN operating company). Altareit is listed in compartment B of Euronext Paris.

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1 Estimated market value at delivery date. Offices: 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. Residential: property for sale and portfolio (incl. taxes).
2 Funds From Operations (FFO): net profit excluding changes in value, calculated expenses, transaction fees and changes in differed tax. Group share.
3 Net debt / consolidated shareholders' equity.

BUSINESS REVIEW

31 DECEMBER 2017

CONTENTS

1.1 Introduction

1.1.1 A pure player in property development in France

A 99.85% subsidiary of the Altarea Cogedim Group, Altareit offers real estate solutions for the city across all asset classes. The Group has a unique expertise in Residential and Office property development also in Retail, within the framework of operations of large mixed projects of the Altarea Cogedim group.

Residential: Altareit is among the French "Top 3"[4] property developers, with 11,189 residential property sold, representing 8.6% of the domestic market in 2017[5].

Office: Altareit has developed a unique model that enables it to operate in a highly significant manner and with limited risk on the office property market. This model is based on two complementary activities:

• Medium-term investment in assets to be redeveloped pending sale (directly or via AltaFund[6]),

• Property Development[7] on behalf of external customers (investors and users) as well as on behalf of its own investment projects, under VEFA (off-plan sale)/CPI (property development contract) and more marginally as a service provider (MOD - delegated project management).

Altareit Group has a 33.34% economic stake in Semmaris, the company that holds the Rungis MIN concession, the world's largest food wholesale market.

Leader in large mixed-use projects

This segment of the property market is currently buoyed by very strong momentum that is being driven by local metropolisation. Communities once located on the outskirts of main built-up areas are being transformed into real urban centres with multiple needs for property equipment.

In response to these needs, the Group has emerged over the past several years as the largest urban designer in France. This leading position is due to the combination of several factors:

• the multi-product know-how that allows the Group to be the single point of contact for local authorities;

• the retail/leisure expertise that is often a distinguishing factor for a project;

• the power of the Group, both operationally and financially.

Complex real estate programmes with a floor area of at least 40,000 m^2 offer a mix of Residential (400 units minimum), Retail and Office and also include public and leisure facilities such as hotel resorts and cultural and sports venues.

At the publication date, Altareit currently manages 9 large mixed-use projects representing a potential market value of €2,9 billion.

Large projects at the publication date	Residential (units)	Retail m²	Office (m²)	Total (m²) [(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 Méridia (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.*

1.1.2 The year's highlights

Large mixed-use projects: first iconic delivery and new successes

In 2017 Altareit delivered "Place du Grand Ouest", the new heart of the town of Massy. This project is a perfect illustration of the Group's know-how in creating a coherent and sustainable urban complex combining shops, public facilities and services for users and local residents. The biggest development project in the Paris Region (100,000 m2) and built from scratch in two and a half years.

The Group has also confirmed its leading position in recent months by winning two major projects totalling 175,000 m^2 in surface area:

• in December, the "Quartier Guillaumet" project located at the former site of the CEAT (Centre d'Essais Aéronautiques de Toulouse), which will develop 1,200 residences, 7,500 m2 of office space, 5,800 m2 of shops and 10,000 m2 of facilities on land of 101,000 m2;

• in January 2018, the "Joia Méridia" project in Nice. This new quarter of 73,500 m2 will offer 800 housing units, 8,000 m2 of hotels and resort accommodation, 4,700 m2 of retail and local services, 2,900 m2 of tertiary space and a car-park with over 1,200 places.

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[4] Altareit is France's second biggest developer in terms of value (with €2,636 million in orders) and third biggest in terms of units
[5] 129,817 units reserved in France in 2017 (+2.1% vs 2016) – Source: Ministry of Territorial Cohesion.
[6] AltaFund is a discretionary investment fund, created in 2011, with €650 million in equity of which Altareit is one of the contributors alongside leading institutional investors.

[7] The Group's Property Development business does not carry any commercial risk: Altareit only carries a risk in terms of work. VEFA: property development/off-plan sales - CPI: real estate development contract - MOD: delegated project management.

Solide performance of property development

Property development (Residential and Office): €3.7 billion of reservations (+41%)

Reservations (€M incl. tax)	2017	2016	*Var.*
Residential	2 636	2 286	*+15%*
Number of units	*11 189 units*	*10 011 units*	*+12%*
Office	1 073	343	*x 3,1*
Total	**3 709**	**2 629**	***+41%***

Residential : 11,189 units sold (+12%)

The Group posted a new record number of reservations in 2017, with 11,189 units reserved (up by 12% on 2016), comfortably surpassing its objective of 10,000 residential units sold per year and confirming its positioning as one of France's top three residential property developers[8]. In value, reservations grew by +15%, to more than €2.6 billion.

In terms of development, the Residential pipeline (offering and land portfolio) amounted to €9.2 billion (+13%). The renewal of the Pinel Act in 2018 for a four-year period and its greater confinement to high-demand areas[9] confirms the Group's territorial strategy, with more than 99% of the pipeline being located in eligible areas.

Offices: big name business in a buoyant pipeline

Thanks to its mixed developer/medium-term investor model in Offices, the Group manages 51 projects including some of the most iconic schemes in greater Paris, reinforcing the Group's leadership status in this market.

During the year, the Group signed two significant lettings for the future global headquarters of Parfums Christian Dior (building Kosmo in Neuilly-sur-Seine.and for the future head office of Altarea Cogedim Group in the Richelieu building (Paris 2). These two major projects are included in the AltaFund perimeter owned by 17%.

In 2017, the Group launched four major projects: the Landscape and Eria towers in La Défense and the Richelieu and Bridge programmes.

Recognition of the quality of customer relationships

The Group continued its customer relations and satisfaction endeavours through a new organisational structure, new tools, single contacts, digitalisation, and Cogedim Stores.

In 2017, the Group launched the "mon-cogedim.com" website, a digital platform in which a single customer relationship manager provides dedicated follow-up for each customer for the duration of the real estate project.

The results of these endeavours speak for themselves:

The N°1 developer for customer hospitality

The Group is rated first among property brands in the rankings established by Les Echos/HCG/Evertest for Customer Hospitality and Experience[10].

"Customer Service of the Year" for Cogedim

The first real estate developer to be awarded "Customer Service of the Year in 2018[11]", Cogedim was rewarded for standards of service and quality of customer relations.

CSR approach: global number 2 ranking by GRESB

The Altarea Cogedim Group, the parent company of Altareit, is evaluated by GRESB[12] for the past two years. The Group has confirmed the excellence of its CSR approach by becoming the world's No. 1 listed property company (all products combined). Moreover, with a score of 96/100, the Group ranked second in the world, all categories combined (listed and unlisted companies).

The Group has rolled out environmental certification and 100% of new Office developments have received at least a NF HQE™ rating of "Excellent" and a BREEAM® rating of "Very good".

8 Altareit is France's second biggest developer in terms of value (with €2,636 million in orders) and third biggest in terms of units.

9 The "high-demand areas" correspond to areas A bis, A and B1. At the end of 2017, only 321 units (i.e., less than 1% of the Residential pipeline) are located in area B2, and half of those are in French Genevois, which has strong appeal.

10 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.

11 The "Elu service client de l'année" (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.

12 GRESB (Global Real Estate Sustainability Benchmark), a leading international ranking, annually assesses the CSR performance of real estate companies around the world. In 2017 it assessed 823 companies and funds, of which 194 were listed companies.

1.2 BUSINESS

1.2.1 Residential

A winning strategy

Ranked in the top 3 of French developers[13], with 8.6%[14] of the market in 2017 (11,189 units reserved), the Group recorded its highest growth in France for four years. New orders were multiplied by 3[15], representing the gain of 4.2 points of market share (of which 2.8 points resulting solely from organic growth).

This performance was the result of a targeted, multi-brand and multi-product geographic development strategy, based above all on attention to satisfying customer wants and needs.

Customers are at the core of the process

Altareit stands out in the market by virtue of its capacity to tune into the wants and needs of its customers. To develop appropriate and suitable products, the Group has focused its efforts on three main areas.

Comprehensive customer support

The Group adopts an approach to customer support, backed up by:

• customisation of the offer: four collections featuring turnkey packs ("ready to live", "ready to rent", "connected", "security"); a catalogue of technical and decorative options. Customers can now make their choices in a Cogedim Store: the stores, open in Paris, Toulouse and Bordeaux, include display apartments, a room devoted to the choice of materials, and immersive digital experiences;

• the launch in 2017 of "mon-cogedim.com". This digital platform allows buyers to receive personalised support throughout their residential experience; the customer relationship manager nurtures long-term dialogue with the buyer, who benefits from a single point of contact and dedicated follow-up, providing a service tailored to wants and needs;

• assistance in financing and rental management assistance for indivual investors.

These actions undertaken by the Group for the satisfaction of its customers have been rewarded: for instance, Cogedim became the first property developer "Customer Service of the Year" for the level of service and quality of its customer relations in 2018. The Group also made its entry into the Top 10 French companies in the nationwide Les Echos/HCG ranking of customer reception (8th place), ranking 1st among French property developers.

A signature, a pledge of quality

Almost all the Group's operations are certified NF Habitat, a true benchmark of quality and performance, guaranteeing enhanced comfort and energy savings.

Expert teams of architects and interior designers analyse, model and anticipate tomorrow's uses. The plans offer adjustable build-outs, tailored to family structures and lifestyles.

The Group innovates by offering "new ways of living". In the 13th arrondissement of Paris for instance, the Nudge programme will encourage residents to adopt more virtuous behaviour in terms of eco-responsibility, socialisation with neighbours and creativity in everyday life.

Programmes rooted in their city

The Group strives to develop projects that fit seamlessly into their environment and match the end-needs of customers as closely as possible: close to shops, public transport and schools.

A multi-brand and multi-product strategy

The Group operates across France through three complementary brands: Cogedim, Pitch Promotion et Histoire & Patrimoine.

The Group provides a well-judged response in all market segments for all customer types:

• High-end[16]: products defined by demanding requirements in terms of location, architecture and quality. In 2017, they accounted for 15% of the Group's orders by number of units, including three programmes currently on the market in Paris, where the Group is the leading developer[17];

• Entry level/mid-range[18]: these programmes, which accounted for 78% of the Group's new orders, are specifically designed to:

- meet the need for affordable housing suited to the creditworthiness of our customers,

- fulfill individual investors' desires to take advantage of the new Pinel scheme,

- take advantage of local authorities' eagerness to develop affordable housing operations,

- and meet the challenges faced by social housing providers, with which the Group is developing genuine partnerships to help them increase their rental stock and upgrade some ageing assets;

• Serviced residences: the Group develops an extended line (student residences, business tourism residences, exclusive residences, etc.). Under the Cogedim Club® brand, it also designs serviced residences for active seniors, combining locations in the heart of the city with a broad range of

[13] *Altareit is France's second biggest developer in terms of value (with €2,636 million in orders) and third biggest in terms of units.*
[14] *129,817 units reserved in France in 2017 (+2.1% vs 2016) – Source: Ministry of Territorial Cohesion.*
[15] *In 2013, 85 151 units were reserved in France and 3 732 for the Group. Source: Ministry of Territorial Cohesion.*

[16] *Programmes at over €5,000 per m² in the Paris Region and over €3,600 per m² in other regions.*
[17] *By value of new orders.*
[18] *Programmes under €5,000 per m² in the Paris Region and under €3,600 per m² in other regions, as well as exclusive programmes.*

bespoke services. In 2017, three Cogedim Club® residences were opened in Bordeaux (33), Suresnes (92) and Massy (91), bringing the number of residences in operation to 10;

• Sales in divided ownership: under the Cogedim Investissement brand, the Group develops programmes under a French government policy known as social rental usufruct. This additional offering, while meeting the need for low-cost housing in high-demand areas and thereby helping out local communities, provides an alternative investment product for private investors;

• Rehabilitation of existing buildings: Under the Histoire & Patrimoine brand, the Group has a range of products for Historical Monuments, Malraux Law properties and Real Estate Tax Losses.

Well-judged regional targeting

Operating in the largest and most dynamic regional gateway cities,the Group targets high-demand areas where the need for housing is the greatest.

The extension in 2018 of the Pinel tax scheme for a further four years and its strengthening in high-demand areas are welcome news for the Group in its regional strategy, as more than 99% of its pipeline (offering and future offering) is located in eligible areas[19].

The market and outlook in 2017

The housing market remained buoyant in 2017: with growth of 2.1%,[20] 2017 reservations beat the 2016 level, which marked a return to pre-crisis levels.

The residential market as a whole, including institutional investors, private investors and homeowners, enjoyed continued low interest rates and effective incentives in the Pinel programme and increased Zero Rate Loans (ZRLs).

This improvement in the market is also reflected in building permits (+8.2% in 2017) and housing project commissioning (+15.7%).[21]

The refocusing of the Pinel tax scheme since 1 January 2018 is unlikely to seriously undermine market conditions, which remain favourable given the extent of needs.

Confident in the market trends, the Group aims to continue its trans-regional and multi-product developments in high-demand areas.

Reservations up[22] 15% by value and 12% by volume

11,189 units sold in 2017

The Group exceeded its target for new housing reservations in 2017. With 11,189 units sold (+12%), reservations reached €2,6 billion (inclusive of tax), an increase of 15% year on year.

	2017		2016		Change
Retail sales	1,780	€m	1,598	€m	+11%
Block sales	857	€m	688	€m	+25%
Total in value terms	**2,636**	**€m**	**2,286**	**€m**	**+15%**
o/w equity-method (Group share)	*277*	*€m*	*241*	*€m*	*+15%*
Retail sales	6,692	unit	5,964	unit	+12%
Block sales	4,497	unit	4,047	unit	+11%
Total in units	**11,189**	**unit**	**10,011**	**unit**	**+12%**

Reservations were driven by:

• retail sales, which were up 12% by volume compared with 2016, benefiting fully from households' increased solvency (low interest rates, ZRLs, Pinel tax scheme, etc.);

• block sales, which were up 11% by volume: the Group is a preferred partner for investors in both social housing (which accounts for 25% of total new orders) and intermediate or market-rent housing. The increase in block sales by 25% in value resulted in particular from a large number of sales in the immediate Paris Region.

Reservations by product range

Number of units	2017	%	2016	%	Change
Entry-level / mid-range	8,703	78%	6,561	66%	
High-end	1,680	15%	2,275	23%	
Serviced Residences	537	5%	1,006	10%	
Renovation/Rehabilitation	269	2%	169	2%	
TOTAL	**11,189**		**10,011**		**+12%**

Notarised sales: +49%

€millions incl. tax	2017	%	2016	%	Change
Entry-level / mid-range	1,613	61%	1,080	61%	
High-end	855	32%	542	30%	
Serviced Residences	104	4%	101	6%	
Renovation/Rehabilitation	90	3%	60	3%	
TOTAL	**2,663**		**1,783**		**+49%**

The change in notarised sales reflects growth in the Group's business activity since 2015.

[19] The "high-demand areas" correspond to areas A bis, A and B1. Only 321 units (i.e. less than 1% of the Residential pipeline) are located in area B2, and a large part of them are in French Genevois, which has strong appeal.
[20] Source: Ministry of Territorial Cohesion.

[21] Source: Ministry of Ecological and Solidarity Transition data – Housing construction at the end of December 2017.
[22] Reservations net of withdrawals, in euros including tax when expressed in value. New orders at 100%, with the exception of projects under joint control (Group share of placements). Histoire & Patrimoine accounted for in proportion to the Group share (55%).

Revenue by % of completion: +33%[23]

€millions excl. tax	2017	%	2016	%	Change
Entry-level / mid-range	900	63%	659	62%	
High-end	441	31%	356	33%	
Serviced Residences	79	6%	52	5%	
TOTAL	1,419		1,067		+33%

Outlook

All the operational indicators reflecting the Group's outlook were up significantly.

Supply[24]: +4%

Supply	2017	2016	Change
In € millions (incl. tax)	4,016	3,853	+4%
Number of units	17,889	15,724	+14%

Commercial launches: +9%

Launches	2017	2016	Change
Number of units	12,841	11,147	+15%
Number of transactions	177	140	+26%
Revenue incl. tax (€m)	2,901	2,650	+9%

Residential backlog[25]: +24%

€millions excl. tax	2017	2016	Change
Notarised revenues not	1,956	1,307	
Revenues reserved but	1,317	1,333	
Backlog	3,273	2,640	+24%
o/w equity-method (Group share)	*281*	*232*	*+21%*
Number of months	*28*	*24*	

The €3.3 billion backlog also includes projects on which the Group exercises joint control (projects consolidated by the equity method). The corresponding revenue is therefore not included in the consolidated revenue of the Group's Residential business line.

Projects under construction: +43 projects

At the end of 2017, 210 projects were under construction, compared to 167 at the end of 2016.

Properties for sale[26] and future offering: 42 months of pipeline[27]

€millions incl. tax (potential revenue)	31/12/2017	No. of months	31/12/2016	Change
Property for sale	1,581	*7*	*1,337*	
Future offering	7,624	*35*	*6,809*	
Pipeline	9,205	42	8,146	+13%
In no.of units	*38,985*		*34,542*	*+13%*
In m².	*2,183,100*		*1,934,400*	*+13%*

[23] 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.
[24] Sale agreements for land signed and valued as potential residential orders (incl. taxes).

Risk management

Breakdown of the Group's properties for sale at end-2017 (€1.6 billion incl. tax, or seven months of business), by percentage of completion:

In € million	from lowest to highest risk				
		Project not yet started	Project under constructi on	In stock (a)	Total Portfolio
Already spent[b]		184			
Cost price[c]			554	14	
Properties for sale[d] [e]		839	700	18	1,557
In %		*54%*	*45%*	*1%*	
Histoire & Patrimoine products					*17*
Measurement products					*7*
Properties for sale[e]					1,581
o/w to be delivered	*in 2018*		*115*		
	in 2019		*387*		
	≥ 2020		*197*		

(a) Total value for sale on delivered programmes.
(b) Total amount already spent on operations in question, excl. tax.
(c) Cost price of properties for sale (excl. tax).
(d) Excl. Histoire & Patrimoine and Pitch Promotion renovation programmes.
(e) As revenue incl. tax.

Management of real estate commitments

54% of properties for sale (or €839 million) concerns programmes for which construction has not yet started (40% under preparation and 14% where the construction has not yet been launched) and for which the amounts committed essentially correspond to evaluation, advertising and land-sale fees (or guarantees) paid upon the signature of preliminary land acquisition agreements, and cost of property (if applicable).

45% of the offering (or €700 million) is currently under construction, including a limited share (16% or €115 million) representing units to be delivered by the end of 2018.

The stock amount of finished products is insignificant (1% of the total offer).

This breakdown of developments by stage of completion reflects the criteria implemented by the Group:

- the choice to prioritise unilateral preliminary sale agreements signings rather than bilateral sale and purchase agreements;
- requiring the consent of the Commitments Committee at all stages of the transaction: signature of the purchase agreement, marketing, land acquisition and launch of construction;
- strong pre-commercialisation required when acquiring land;
- abandonment or renegotiation of projects having generated inadequate take-up rates.

[25] 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.
[26] Units available for sale (incl. taxes value, or number count).
[27] Future offering consisting of secured projects (through an option on the land, mostly in unilateral form) whose launch has not yet occurred (value including taxes of potential revenue when expressed in euros).

1.2.2 Office

An investor developer model

Altareit has developed a unique model that enables it to operate on the office property market in a highly significant manner with limited risk:

• as a promoter[28] in the form of off-plan sales, off-plan leases and property development contracts, with a particularly strong position on the turnkey users market, or as a service provider under delegated project management contracts;

• as an investor directly or through AltaFund[29] as part of an investment strategy in assets with high potential (prime location) in view of their medium-term sale once redeveloppped[30].

The Group is systematically the developer of projects in which it acts as co-investor and manager[31]. It can operate throughout the value chain, with a diversified revenue model: PDC margins, rent, capital gains, fees, etc.

Business	Amount of placement	Recognition in accounts
Property Development	Amount (incl. tax) of the property development or off-plan sale contract	Revenue (excl. tax) by % of completion:
Investment	Sale price, net of property development or off-plan sales contracts already signed (if applicable)	Capital gain recognised in profit (a)

(a) As the Group generally holds a minority stake in investment projects, the associated capital gain is recognised in equity-accounted income.

In 2017, the Group recorded significant commercial success, with a record level of new orders of €1.1 billion including tax.

The market in 2017

After a record year in 2016[32], the amount of investments in office property reached €18.8 billion thanks notably to a very strong fourth quarter. The French market is very attractive for investors; transactions are focused primarily on the Paris region and the Lyon area, on premium assets of significant size[33].

This strength is also reflected in the rental market, with demand rising by 8% year on year in the Paris region to 2.6 million m². The Paris region vacancy rate accordingly edged down to 6.2%, and the scarcity of quality supply in the most sought-after business districts (CBD[34], La Défense, Western Crescent) is beginning to have an upward impact on headline rents.

€1,1 billion in new orders in 2017 (x 3,1)

New orders is an indicator of commercial activity, combining numbers for two types of events:

• signing of property development or off-plan sales contracts in the development business[35];

• sale of assets in the investment business.

€millions incl. tax	31/12/2017	31/12/2016	*Change*
Signing of property development or off-plan sales contracts	1,073	343	
o/w equity-method (Group share)	*75*	*29*	
Total	**1,073**	**343**	***x 3,1***

The main new orders related to the signature of the property development contracts for four projects: Bridge in Issy-les-Moulineaux, Landscape and Tour Eria in La Défense, and Richelieu in Paris. The impact of these orders on revenue will be seen in the coming years.

Pipeline: 51 projects underway

At 31 December 2017, the project portfolio comprised 51 developments, of which 5 are part of the Group's medium-term investment strategy and 4 represent delegated project management contracts.

At 31 December 2017	No.	Surface areas at 100% (m²)	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
(c) Potential value: capitalised fees for delegated projects.

[28] This development activity does not present any commercial risk: Altareit carries only a measured amount of technical risk.
[29] AltaFund is a discretionary investment fund, created in 2011, with €650 million in equity of which Altareit is one of the contributors alongside leading institutional investors.
[30] Resold rented or not.
[31] Through marketing, sale, asset and fund management contracts.
[32] €19.1 billion invested in 2016. Source: Cushman & Wakefield/Immostat.
[33] Transactions covering an area of more than 5,000 m². represent 43% of the surface market, an increase of 6 points year on year.
[34] Central Business District.
[35] New orders including tax at 100%, with the exception of projects under joint control (equity-accounted) for which placements are in Group share.

Commitments

For new developments, commitments are limited to the amount of studies for projects being arranged. For projects under construction, financial commitments are covered by calls for funds (except "blank" transactions).

On investment transactions, the Group's commitments correspond to the obligations of equity contributions in operations. For AltaFund projects, the equity that the Group was committed to contribute had already been handed over at 31 December 2017.

At the balance sheet date, the Group had accordingly committed a total of €115 million in Group share.

1.2.2.1 INVESTISSEMENT

Five investment projects at the end of 2017

At 31 December 2017, the Group was involved in 5 medium-term investment projects, which it shares with leading institutional investors.

These projects covered the development or restructuring of office buildings in exceptional locations (Paris and inner suburbs), offering high potential once delivered.

The cost price of these projects was €1.4 billion at 100% (€251 million in Group share), representing a potential value of more than €1.9 billion (estimated selling price).

The deliveries of these transactions will be staggered between 2018 and 2023.

Leasing activity

In 2017, the Group signed two significant lettings for the future global headquarters of Parfums Christian Dior (building Kosmo in Neuilly-sur-Seine.and for the future head office of Altarea Cogedim Group in the Richelieu building (Paris 2). Drawing on the Group's expertise in heavy redevelopment, the project will be delivered in the second quarter of 2019.

Group investment projects at 31 December 2017

Project	Group share	Surface area (m²)	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.

1.2.2.2 PROPERTY DEVELOPMENT

Property Development portfolio

In office development, the Group operates under off-plan and property development contracts, in two types of projects:

• projects in which the Group also acts as a medium-term investor (directly or via AltaFund), already presented above;

• "100% external" customer projects (investors, users).

	No.	Surface area (m²)	Revenue (€m) [a]
Group investments	5	159,900	533
100% external projects	42	597,500	1,578
Portfolio 31/12/2017	**47**	**757,400**	**2,110**
o/w under construction	*19*	*297,300*	*1,055*
o/w secured projects	*28*	*460,100*	*1,056*

(a) Revenue (excl. tax) from signed or estimated property development or off-plan sale contracts, at 100%.

Altareit is also acting as a delegated project manager on four developments, some of which are among the most iconic in progress in the French capital.

The year's highlights

Supply

Altareit took on 19 new projects representing a total of 222,000 m². The Group was notably selected for a 25,050 m² project in Rueil-Malmaison and for the future Orange regional headquarters in Balma near Toulouse (19,100 m²).

Deliveries

20 projects representing a total of 221,700 m² were delivered, including the Fhive building in Paris and the "Austerlitz" building in the 13th arrondissement of Paris.

Projects started

This year, work was started on 15 projects (representing a total of 264,000 m²), including the Richelieu building in Paris, Bridge in Issy-les-Moulineaux, Landscape and the Eria Tower in La Défense.

Backlog[36] (off-plan, PDA and DPM

In € millions	31/12/2017	31/12/2016	*Change*
Off-plan, property development contracts	906	626	
o/w equity-method (Group share)	*8*	*22*	
Fees (delegated project management)	3	4	
Total	**908**	**630**	***+44%***

Development portfolio at 31 December 2017

	Type	Surface area (m²)	Revenue (€m) [a]	Progress [b]
Group investment projects (5 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
Other (35 operations)	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-Elysées (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.

[36] Backlog is composed of notarized sales, excl. tax, not yet recorded per the percent of completion method, new orders excl. tax, not yet notarized (signed property development contracts), and fees to be received from third parties on signed contracts.

1.2.3 Diversification

1.2.3.1 RUNGIS « MARCHE D'INTERET NATIONAL » (MIN) MARKET

The world's largest food wholesale market

The Rungis Min market t is the world's largest food wholesale market, spanning 2,340,000 m², with more than 1,000,000 m² of leasable surface area. Located at the gateway of Paris, the market is a real ecosystem supplying French customers in fresh food, urban logistics, valorization of the terroirs and the French gastronomic heritage. It also ensures the maintenance of retail trade and animation of city centers.

The market hosts an exceptional variety of food (mostly fresh food), flowers, plants and decorative items.

The market's 1,200 operators employ nearly 12,000 people. Sales in 2016 stood at €8.8 billion.

Semmaris

Altareit Group hold a 33.34% stake in Semmaris (Société d'Exploitation du Marché International de Rungis), the company that holds the Rungis MIN concession, together with the French State (33.34%), several other public entities, and market operators (10%).

The Semmaris was created by decree in 1965 on the occasion of the transfer of the wholesale market of the Paris region from its historic site Les Halles in the heart of Paris. Its mission is to develop, operate and promote the MIN infrastructures, in exchange for royalties billed to wholesalers and market users.

The Macron Act, which was passed in 2015, extends the Semmaris concession until 2049 (compared to 2034 previously). This extension provides Semmaris with sufficient visibility so that it can implement its new investment plan by 2025. Semmaris plans to build 264,000 m², demolish 132,000 m², and redevelop 88,000 m², at a total cost of €1 billion, half of which will be invested by Semmaris, the other part by the operators.

Semmaris' revenue is composed of charges billed to the market's companies and of access rights, for a FY 2017 total of €111.3 million, up to 3.0%.

Cash flow from operations and EBITDA at 31 December 2017 are expected to be in line with 2016 (as a reminder, respectively €40.7 million and €47.2 million).

As the Group holds a 33.34% interest in Semmaris, the IFRS consolidated income appears on the line "Share of earnings of equity method associates".

1.2.3.2 HOTEL BUSINESS

Altareit, through its subsidiary "L'Empire" (Simplified Joint Stock Company), holds the business of the Hôtel **** Renaissance, located 39-41 avenue Wagram in Paris.

The Hotel Renaissance, designed by the architect Christian de Portzamparc, opened on May 4, 2009. It includes 118 rooms and hosts three furniture shops on the ground floor. A management contract was signed with the Marriott Group until May 31, 2029.

Operating income amounted to €(0.8) million at 31 December 2017.

1.3 CONSOLIDATED RESULTS

1.3.1.1 STRONG GROWTH IN REVENUE AND RECURRING OPERATING INCOME (+26.9% AND +38.8%)

Altareit revenue was €1.7 billion (+26.9%) and recurring operating income rose significantly to €153.1 million (+38.8%). This strong growth is mainly driven by very good Residential results: the significant investment levels achieved this year with Office have not yet had an impact on the 2017 financial year accounts. Net income, group share increased by +113% at €79.5 million (45.45 euros per share).

In € million	Residential	Office	Diversification	Funds from operations (FFO)	Changes in value, estimated and transaction costs	Total
Revenue	**1,421.0**	**300.7**	**2.0**	**1,723.6**	**–**	**1,723.6**
Change vs 31/12/2016	*+33.1%*	*+3.9%*	*na*	*+26.9%*		*+26.9%*
						–
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**
Change vs 31/12/2016	*+52.4%*	*+21.3%*	*na*	*+44.1%*		
Own work capitalised and production held	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**
Change vs 31/12/2016	*+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				–	(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**
Change vs 31/12/2016	*+66.8%*	*-20.1%*	*+10.0%*	*+34.6%*		*+113.0%*
Diluted average number of shares				*1 748 486*		*1 748 486*
Net income, Group share per share				**74.25**		**45.45**
Change vs 31/12/2016				*+34.6%*		*+113.0%*

FFO[37] Residential : €96.6 million, +66.8%

FFO Residential has followed the progress made by property operations: spending relating to each Transaction Under Development is held in inventory and then reversed under net property income according to the percentage of completion[38] and commercial progress of the transaction.

In € millions	2017	2016	
Revenue	1,419.0	1,066.5	
Cost of sales and other expenses	(1,289.3)	(981.1)	
Net property income	**129.7**	**85.4**	+51.9%
% of revenue	*+9.1%*	*+8.0%*	
Services	2.0	1.1	
Production held in inventory	138.0	98.2	
Operating expenses	(174.8)	(134.4)	
Contribution of EM associates	21.2	18.8	
Recurring operating income	**116.2**	**69.0**	+68.3%
% of (revenue + ext. serv. prov.)	*+8.2%*	*+6.5%*	
Net borrowing costs	(5.9)	(7.7)	
Other	0.2	0.1	
Corporate income tax	(5.2)	(0.8)	
Non-controlling interests	(8.7)	(2.7)	
FFO Residential	**96.6**	**57.9**	+66.8%

2017 revenue stems from progress in operations mostly marketed in 2014 and 2015. The significant development of revenue (and associated margin) reflects the strong growth of investments made in these years.

Due to this growth and the control of structural costs, the margin[39] rose 1.7 points to 8.2%.

FFO[37] Office : €24.3 million, (20.1)%

In € millions	2017	2016	
Revenue	285.6	282.9	
Cost of sales and other expenses	(260.5)	(256.3)	
Net property income	**25.1**	**26.6**	(5.7)%
% of revenue	*+8.8%*	*+9.4%*	
Services	15.0	6.4	
Production held in inventory	22.0	16.4	
Operating expenses	(38.9)	(26.1)	
Contribution of EM associates	4.7	9.5	
Recurring operating income	**27.9**	**33.0**	(15.5)%
% of (revenue + ext. serv. prov.)	*+9.3%*	*+11.4%*	
Net borrowing costs	(3.3)	(2.4)	
Corporate income tax	(0.4)	(0.2)	
Non-controlling interests	0.1	0.0	
FFO Office	**24.3**	**30.4**	(20.1)%

FFO Office, at €24.3 million, is mainly made up of margins on operations delivered (or close to delivery) in 2017. It does not yet reflect the significant volumes expected from new orders and the major construction projects begun this year, which will have a strong impact on results over the next two years.

The level of reservations reached this year (3 times higher than 2016 reservations in value terms) didn't have any impact in the consolidated results of 2017.

1.3.1.2 CHANGES IN ACCOUNTING STANDARDS

Starting 1st of January 2018, the Group has applied IFRS 15 (Revenue from contracts with customers) which impacts revenues from property development projects. The standard means swifter recognition of percentage-of-completion[40] revenue and of the resulting net property income.

[37] Funds from operations or operating cash flow from operations: net result excluding changes in value, calculated expenses, transaction fees and changes in deferred tax.
[38] At 31 December 2017, the Group applied IAS 18, percentage of completion calculated according to the stage of construction not including land.

[39] Operating income (FFO / revenue.
[40] However, the methods for measuring the transfer of control (percentage of completion) will change. The whole cost price will now be included in the calculation, including land-related costs.

1.4 FINANCIAL RESOURCES

€ millions	31/12/2017	31/12/2016
Corporate debt	811	534
Property development debt and other debt	316	291
Total gross debt	**1 127**	**825**
Cash and cash equivalents	(453)	(253)
Total net debt	**674**	**572**
Other borrowings	52	106
Financial net debt	**726**	**678**

At 31 December 2017, the Altareit Group's financial net debt stood at €726 million. It includes corporate debts as well as non-bank financial debts. At December 31, 2017, the group Altarea Cogedim endorsed €517 million of Altareit's corporate debt.

Financial covenants

Altareit's corporate debt is subject to Altarea Cogedim's consolidated convenants (LTV<60%, ICR>2). They are respected with significant room as at 31 December 2017 (LTV at 36.1% and ICR at 9.3x).

Property development debt, secured against development projects, is subject to covenants specific to each project.

	Covenant	31/12/2017	31/12/2016	Delta
LTV (a)	≤ 60%	36.1%	37.2%	(1.1) pt.
ICR (b)	≥ 2.0 x	9.3x	7.4x	+1.9x

(a) LTV (Loan to Value) = Net debt/Restated value of assets including transfer duties.
(b) ICR (Interest Coverage Ratio) = Operating income/Net borrowing costs (Funds from operations column).

Altareit's Gearing[41] was at 1,34x at the end of 2017 (vs 1,38x in 2016).

[41] *Net debt / consolidated shareholders' equity*

Consolidated income statement by segment at 31 décembre 2017

	31/12/2017			31/12/2016		
€millions	Funds from operations (FFO)	Changes in value, estimated expenses and transaction costs	TOTAL	Funds from operations (FFO)	Changes in value, estimated expenses and transaction costs	TOTAL
Revenue	1,419.0	–	1,419.0	1,066.5	–	1,066.5
Cost of sales and other expenses	(1,289.3)	(2.9)	(1,292.1)	(981.1)	(2.4)	(983.5)
Net property income	**129.7**	**(2.9)**	**126.9**	**85.4**	**(2.4)**	**83.0**
External services	2.0	–	2.0	1.1	–	1.1
Production held in inventory	138.0	–	138.0	98.2	–	98.2
Operating expenses	(174.8)	(9.9)	(184.7)	(134.4)	(6.9)	(141.3)
Net overhead expenses	**(34.8)**	**(9.9)**	**(44.7)**	**(35.2)**	**(6.9)**	**(42.1)**
Share of equity-method affiliates	**21.2**	**(0.2)**	**21.0**	**18.8**	**(2.0)**	**16.8**
Net allowances for depreciation and impairment	**–**	**(1.8)**	**(1.8)**	**–**	**(3.0)**	**(3.0)**
Transaction costs	**–**	**(0.6)**	**(0.6)**	**–**	**(0.3)**	**(0.3)**
NET RESIDENTIAL INCOME	**116.2**	**(15.5)**	**100.7**	**69.0**	**(14.6)**	**54.4**
Revenue	285.6	–	285.6	282.9	–	282.9
Cost of sales and other expenses	(260.5)	(2.7)	(263.2)	(256.3)	(2.2)	(258.5)
Other income	**25.1**	**(2.7)**	**22.5**	**26.6**	**(2.2)**	**24.4**
Net property income	15.0	–	15.0	6.4	–	6.4
External services	22.0	–	22.0	16.4	–	16.4
Production held in inventory	(38.9)	(1.8)	(40.8)	(26.1)	(2.3)	(28.4)
Operating expenses	**(1.9)**	**(1.8)**	**(3.8)**	**(3.2)**	**(2.3)**	**(5.5)**
Net overhead expenses	**4.7**	**2.2**	**6.9**	**9.5**	**(1.0)**	**8.6**
Share of equity-method affiliates	**–**	**(0.4)**	**(0.4)**	**–**	**(0.7)**	**(0.7)**
Net allowances for depreciation and impairment	**–**	**–**	**–**	**–**	**–**	**–**
NET OFFICE INCOME	**27.9**	**(2.6)**	**25.2**	**33.0**	**(6.2)**	**26.8**
Operating expenses	(0.9)	–	(0.9)	(1.2)	–	(1.2)
Net overhead expenses	**(0.9)**	**–**	**(0.9)**	**(1.2)**	**–**	**(1.2)**
Share of equity-method affiliates	**9.6**	**(3.0)**	**6.6**	**9.5**	**(3.5)**	**6.0**
Net allowances for depreciation and impairment	**–**	**(4.4)**	**(4.4)**	**–**	**(1.2)**	**(1.2)**
Income/loss on sale of assets	**0.4**	**–**	**0.4**	**–**	**–**	**–**
NET DIVERSIFICATION INCOME	**9.1**	**(7.3)**	**1.7**	**8.3**	**(4.7)**	**3.6**
Other	**–**	**–**	**–**	**–**	**(0.1)**	**(0.1)**
OPERATING INCOME	**153.1**	**(25.4)**	**127.7**	**110.3**	**(25.6)**	**84.7**
Net borrowing costs	**(9.3)**	**(0.9)**	**(10.3)**	**(10.3)**	**(1.5)**	**(11.8)**
Discounting of debt and receivables	**–**	**(0.2)**	**(0.2)**	**–**	**(0.2)**	**(0.2)**
Change in value and income from disposal of financial instruments	**–**	**(2.9)**	**(2.9)**	**–**	**(6.9)**	**(6.9)**
Proceeds from the disposal of investments	**–**	**0.1**	**0.1**	**–**	**0.0**	**0.0**
Dividend	**0.2**	**–**	**0.2**	**0.1**	**–**	**0.1**
PROFIT BEFORE TAX	**144.0**	**(29.4)**	**114.7**	**100.1**	**(34.1)**	**66.0**
Corporate income tax	(5.6)	(21.5)	(27.1)	(1.0)	(25.2)	(26.2)
NET INCOME FROM CONTINUING OPERATIONS	**138.4**	**(50.8)**	**87.6**	**99.1**	**(59.3)**	**39.8**
Minority shares in continued operations	**(8.6)**	**0.5**	**(8.1)**	**(2.7)**	**0.2**	**(2.5)**
NET INCOME FROM CONTINUING OPERATIONS, GROUP SHARE	**129.8**	**(50.3)**	**79.5**	**96.4**	**(59.1)**	**37.3**
NET RESULT FROM DISCONTINUED OPERATIONS	**–**	**–**	**–**	**–**	**2.2**	**2.2**
Minority shares in discontinued operations	**–**	**–**	**–**	**–**	**–**	**–**
NET INCOME FROM DISCONTINUED OPERATIONS, GROUP SHARE	**–**	**–**	**–**	**–**	**2.2**	**2.2**
NET INCOME	**138.4**	**(50.8)**	**87.6**	**99.1**	**(57.1)**	**42.0**
Non-controlling interests	**(8.6)**	**0.5**	**(8.1)**	**(2.7)**	**0.2**	**(2.5)**
NET INCOME, GROUP SHARE	**129.8**	**(50.3)**	**79.5**	**96.4**	**(56.9)**	**39.5**
Diluted average number of shares	*1 748 486*	*1 748 486*	*1 748 486*	*1 748 274*	*1 748 274*	*1 748 274*
NET INCOME PER SHARE FROM CONTINUING OPERATIONS, Group share	**74.25**	**(28.80)**	**45.45**	**55.14**	**(33.82)**	**21.32**
NET INCOME PER SHARE (€/share), GROUP SHARE	**74.25**	**(28.80)**	**45.45**	**55.14**	**(32.55)**	**22.58**

Balance sheet at 31 décembre 2017

In € millions	31/12/2017	31/12/2016
NON-CURRENT ASSETS	**693.8**	**628.2**
Intangible assets	233.7	238.7
o/w Goodwill	*139.6*	*139.6*
o/w Brands	*89.9*	*89.9*
o/w Client relations	*–*	*5.5*
o/w Other intangible assets	*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**
EQUITY	**502.3**	**415.5**
Equity attributable to Altareit 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 Altareit 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
o/w Borrowings from lending establishments	*569.2*	*480.3*
o/w Advances from Group and shareholders	*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
o/w Borrowings from lending establishments (excluding overdrafts)	*87.9*	*204.7*
o/w Treasury notes	*468.9*	*138.3*
o/w Bank overdrafts	*0.8*	*2.0*
o/w Advances from Group shareholders and partners	*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**