

LEADING PROPERTY DEVELOPER IN FRANCE



2017 ANNUAL RESULTS



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



Altarea Cogedim

Outstanding successes in 2017

Leading property developer in France

A unique business model

Very favourable outlook





Quai 54 - Bordeaux

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02 Creating top-of-the art real estate

LARGE MIXED-USE PROJECTS / RESIDENTIAL / OFFICE / RETAIL

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01. Urban entrepreneur



La Place - Bobigny

Cities are facing growing complexity



A systematic real estate component



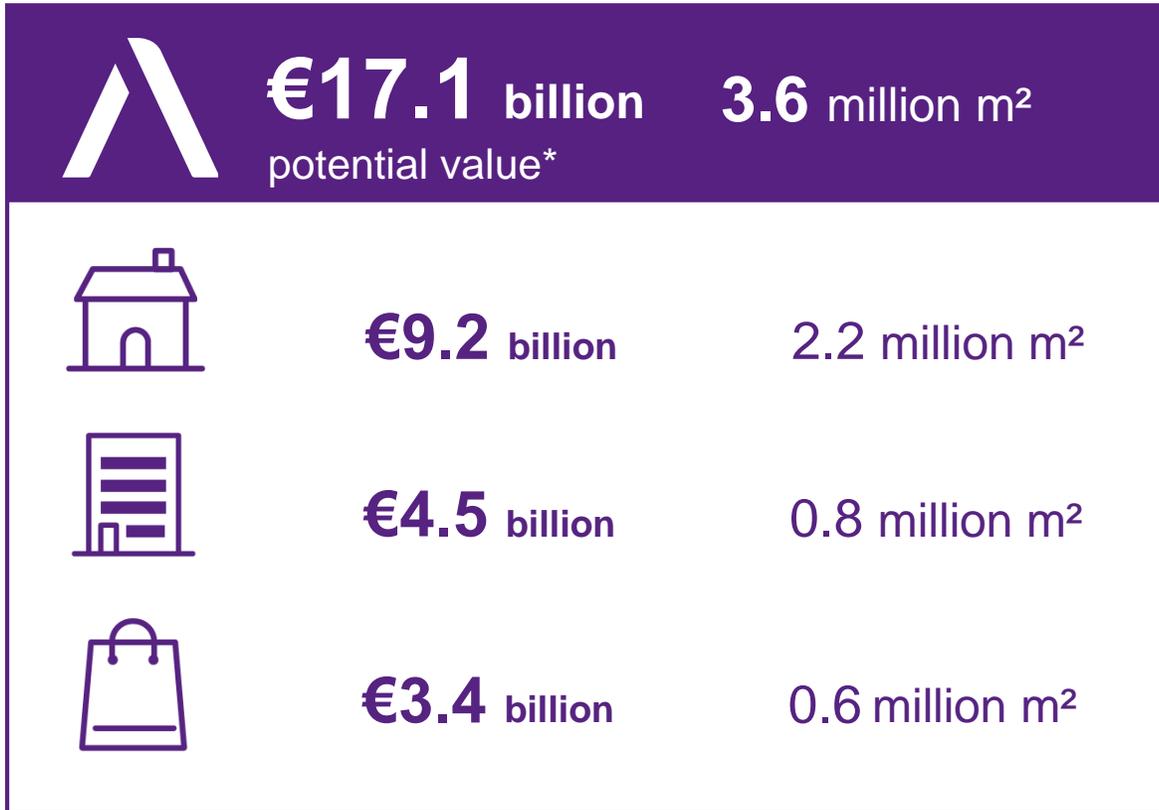
Altarea Cogedim, the sole urban player with development skills in all asset classes



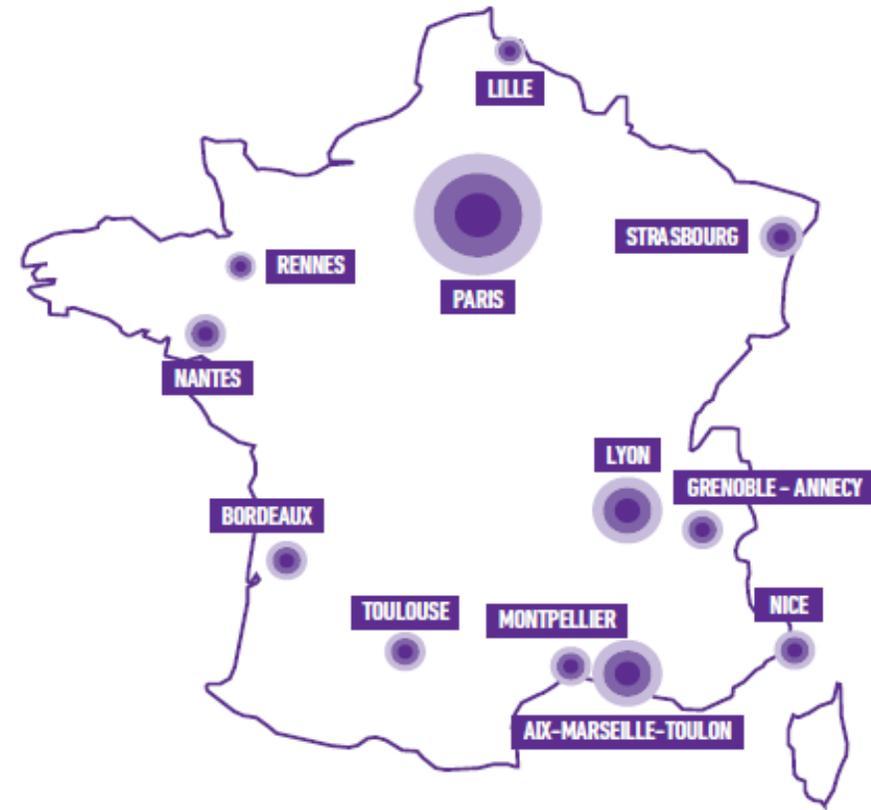
Altarea Cogedim
Leading property developer
in France



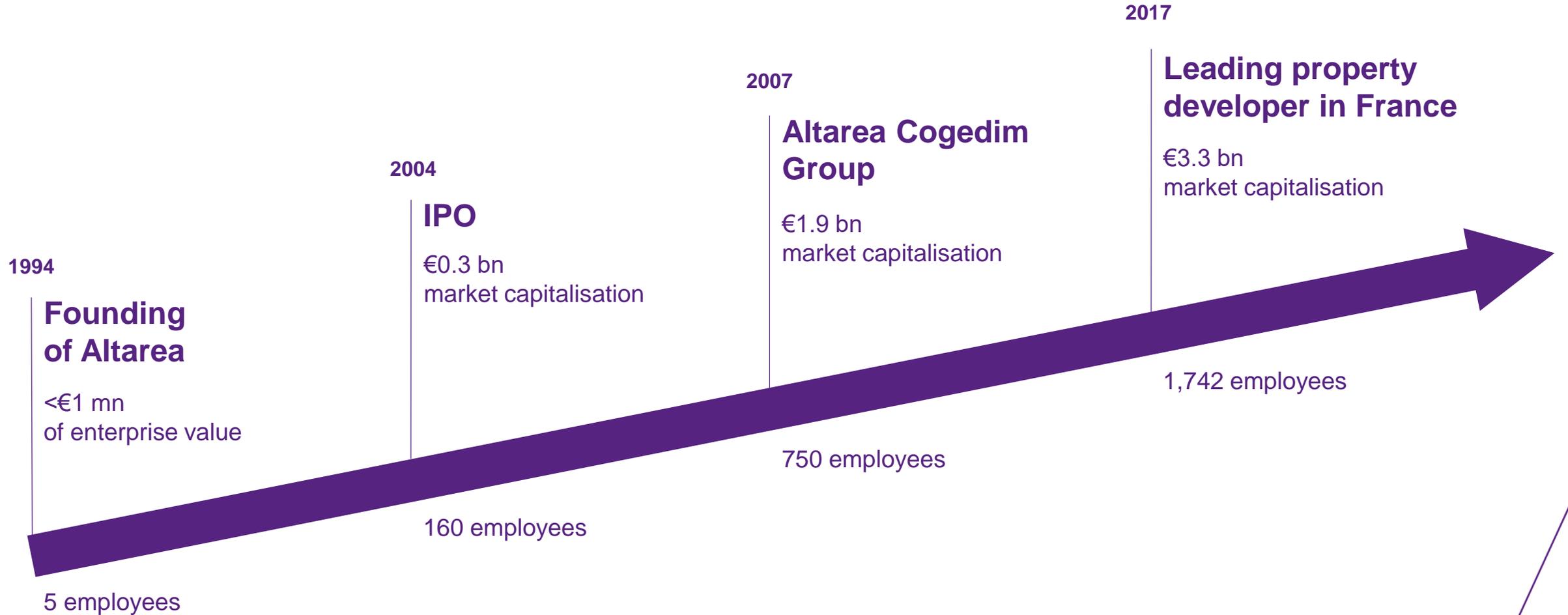
Leading property developer in France



*Essentially in the form of options



A growth story, an entrepreneurial culture



Urban entrepreneur

An ambitious vision

Reshaping the links
between the core of
large cities and their
outskirts

A major economic impact

52,700
direct, indirect
and induced jobs

Betting on talents

**Creativity, daring,
commitment**

**Accuracy, expertise,
hard work**

Long term targets

1st
place
worldwide
(of listed
companies)



100%



Altarea Cogedim, creating value(s) for the community

HUMAN

ARCHITECTURAL

USE

RETAIL

ECONOMIC

Nudge – Paris 13th Arrondissement



L'Hospitalité – Le Kremlin-Bicêtre



Bridge - Issy les Moulineaux



Ferney Voltaire



Tour Eria – La Défense



For inhabitants



For cities



For users



For brands



For investors



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-USED

PROJECTS

RISING NEEDS



> to 40,000 m² of floor area
> to 400 housing units

Multi-product
Multi-use

Development
Production
Leasing

Complex / Integrated / Structuring projects



Leader in large mixed-use projects in France

Key factors of success

**One-stop shop
for local authorities**

**A differentiating factor:
retail / leisure know-how**

A dedicated organisation

Strong Group credentials

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



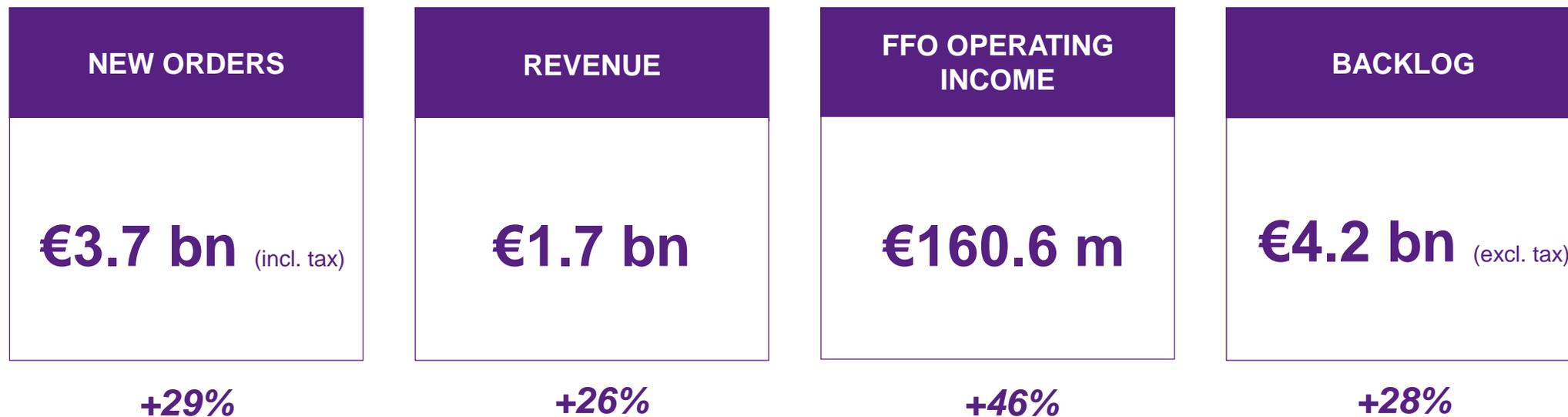
PROPERTY DEVELOPMENT



Place Centrale - Toulouse

Property Development (Residential and Office)

Very strong growth across all performance indicators

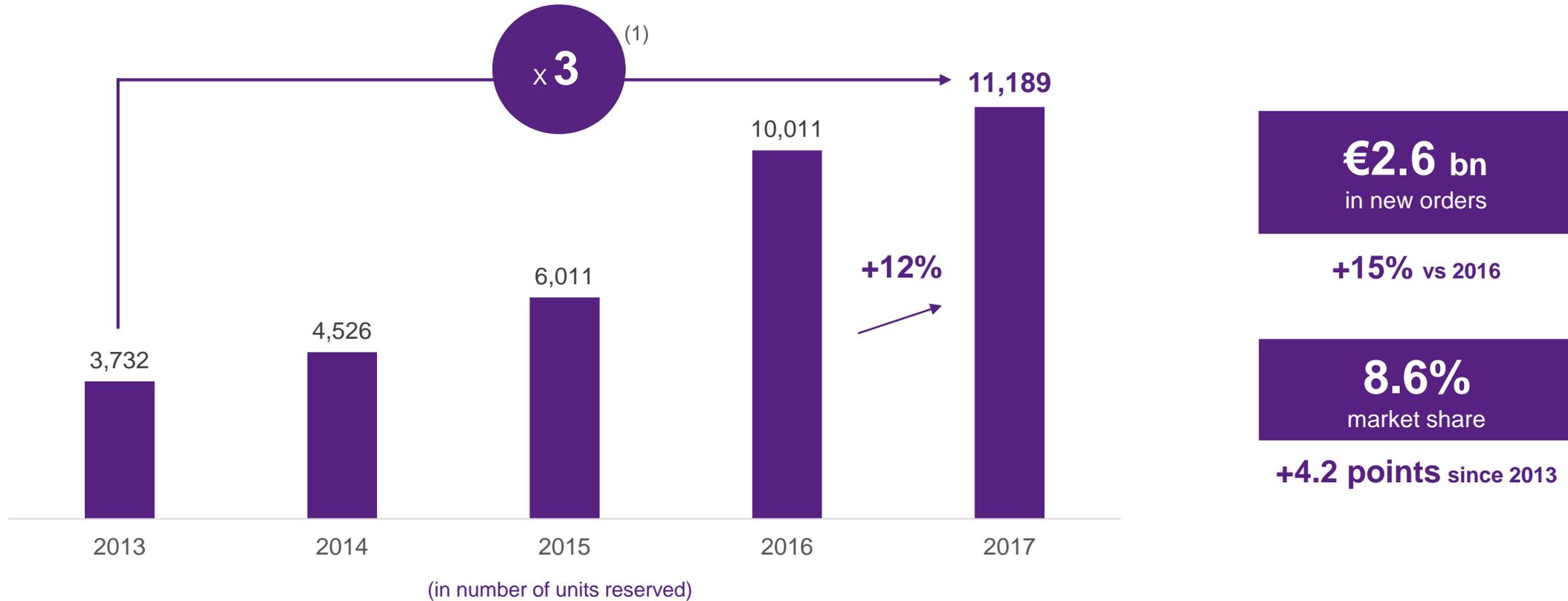


RESIDENTIAL



Inspirations - Nantes

The strongest momentum among French developers



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



Outperformance fundamentals

CUSTOMER

CUSTOMER RELATIONS

2018

Les Echos / HCG



developer



all sectors



BRANDS



QUALITY

LOCATION

HABITABILITY

ARCHITECTURE



INNOVATION



mon-cogedim.com
customer website
dedicated to project
tracking



3D housing
configurator



Application for
neighbourhood
services



Optimising the offer thanks to customer knowledge

FROM CUSTOMER KNOWLEDGE...

Understanding
Customer
profiles

Managing a
prospective
customer base

Monitoring the
repeat-
purchase rate



...TO MANAGING THE OFFER

Housing
format

Geolocation of
potential
demand

Distribution
channels



⇒ **CONTINUOUS ADAPTATION
OF THE SALES OFFERING
AND 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
child-care housing



OFFICE



Bridge - Issy-les-Moulineaux

Tailor-made products on prime locations

Remarkable architecture



Open towards the city

Designed for mixed-uses

Tailor-made uses



Flexibility and adaptability

**Convenient office 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

NEW ORDERS (CPI / VEFA)



ORANGE - Lyon

€1.1bn
(incl. tax)

+80%

CONSTRUCTION LAUNCHES



TOUR ERIA- La Défense

15
projects

264,000 m²

DELIVERIES



RUE DES ARCHIVES - Paris

21 buildings

236,850 m²

LEASING



KOSMO – Neuilly/Seine

3 signatures

> €60 million
rents



Leading office developer in France

51

secured projects

€4.5 bn (excl. tax)
potential value

835,900 m²

at 100%

Investment



BRIDGE – Issy-les-Moulineaux

8 projects

257,900 m²

€3.1 bn potential value

Development (CPI / VEFA / MOD)



EMBLEM BASSINS A FLOTS – Bordeaux

39 projects / **499,500 m²**

4 MOD projects / **78,500 m²**

€1.4 bn in revenue (excl. tax)



RETAIL



Ferney Voltaire

Developing high potential niche markets

TRAVEL RETAIL



GARE MONTPARNASSE - Paris



Existing flows

LARGE DOMINANT SHOPPING CENTRES



Cap 3000 - Nice



Strong attractiveness
and development
potential
(by extension / redevelopment)

LARGE RETAIL PARKS



PROMENADE DE FLANDRE - Roncq



Efficient
price/product mix to
counter the internet
retailing

CONVENIENCE PROXIMITY



LA PLACE – Bobigny



« Services »
dimension

INTEGRATION OF LEISURE / SERVICES / ENTERTAINEMENTS



Leading retail developer in France

A MIXED MODEL

PROPRIETARY DEVELOPMENT

For long term ownership
of the property,
alone or in partnership

DEVELOPMENT FOR THIRD PARTIES

To sell at delivery
to external investors



GARE MONTPARNASSE - Paris

€3.4 billion
potential value

614,750
m²

€192 million
potential rents



Iconic successes

Delivery



PROMENADE DE FLANDRE – Roncq

**A 60,000 m² retail park
100% sold to Auchan group before
delivery**

Tenders won



FERNEY VOLTAIRE - Genève

**A retail leisure centre within an
exceptional catchment area at the boarder
of France and Switzerland**



High performing portfolio



BERCY VILLAGE - Paris

40 assets

839,100 m²

€4.7 bn (incl. tax)
at 100%

appraisal value

€3.1 bn (incl. tax)
group share

appraisal value

**Like-for-like
net rental income**

+3.9%

vs. +1.5% in 2016

Tenant sales in France

+2.0%

vs. -1.2% CNCC

Bad debt

1.2%

vs. 2.3% in 2016

Financial vacancy

2.4%

vs. 2.7% in 2016



Cap 3000: final phase of the extension



CAP 3000 - Nice

2017: end of restructuring and start of extension works



End of 2019: Delivery

135,000 m² and 300 shops
Leading centre on the
French mediterranean area



2017 Openings



03. Delivering long term performance



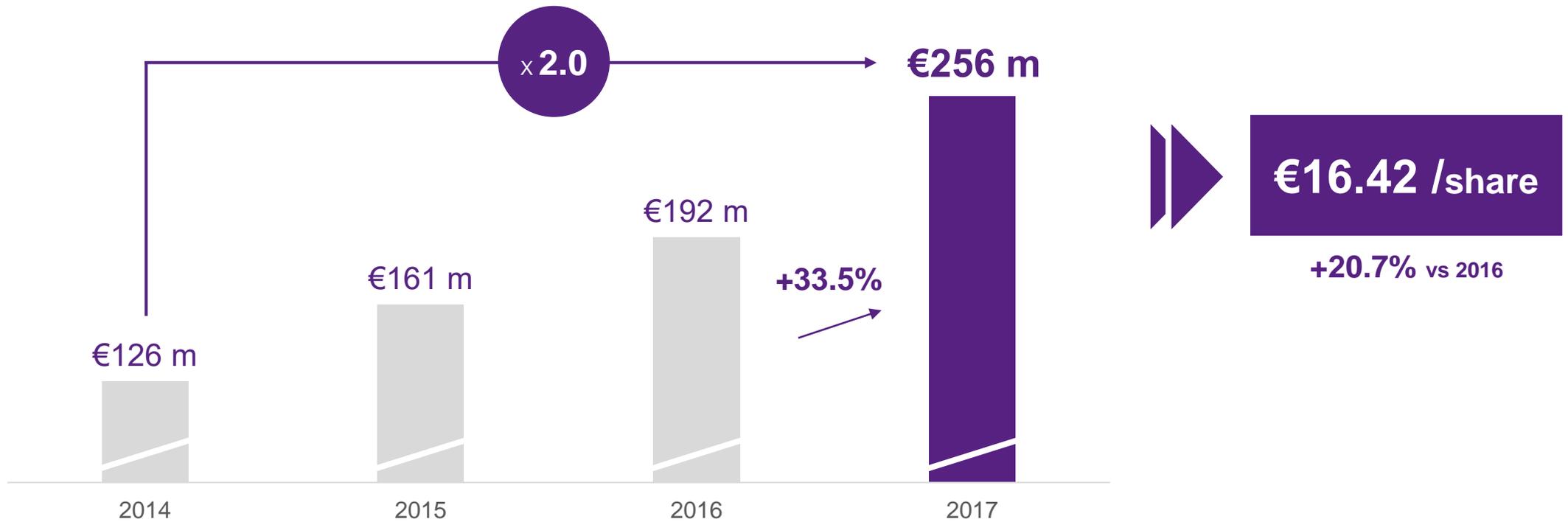
Cap 3000 - Nice



Another year of remarkable growth

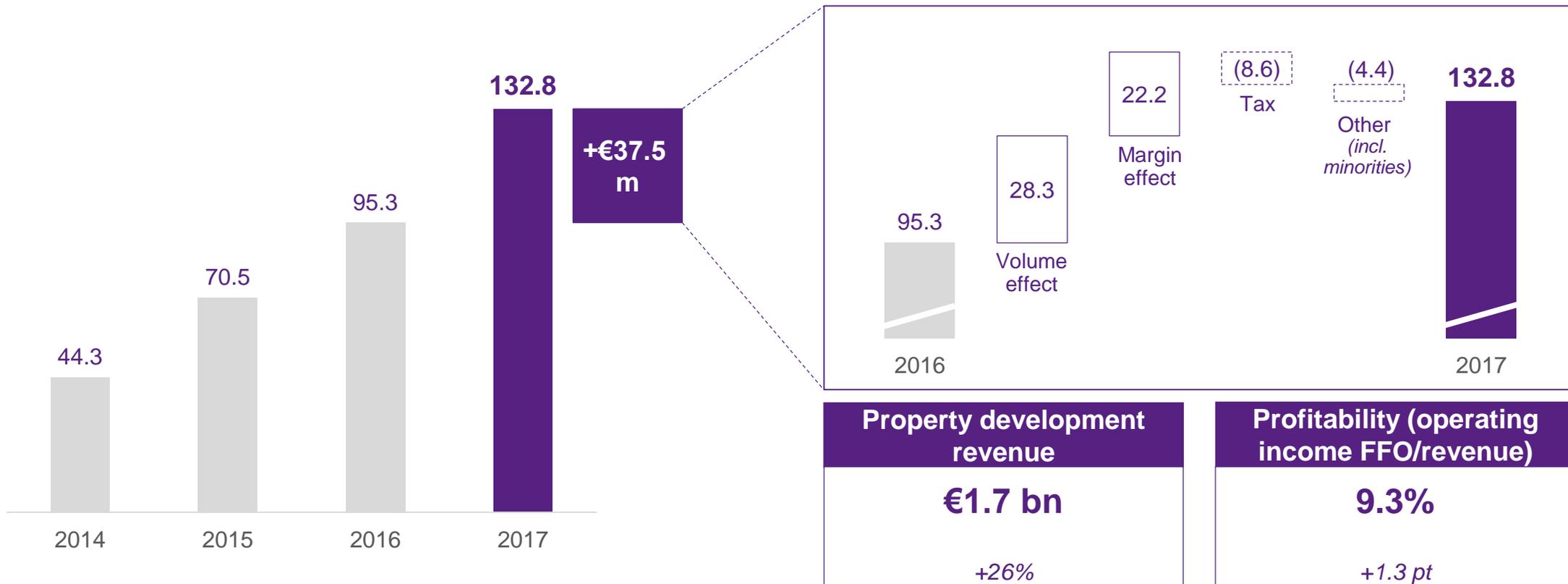


Doubling the FFO in three years



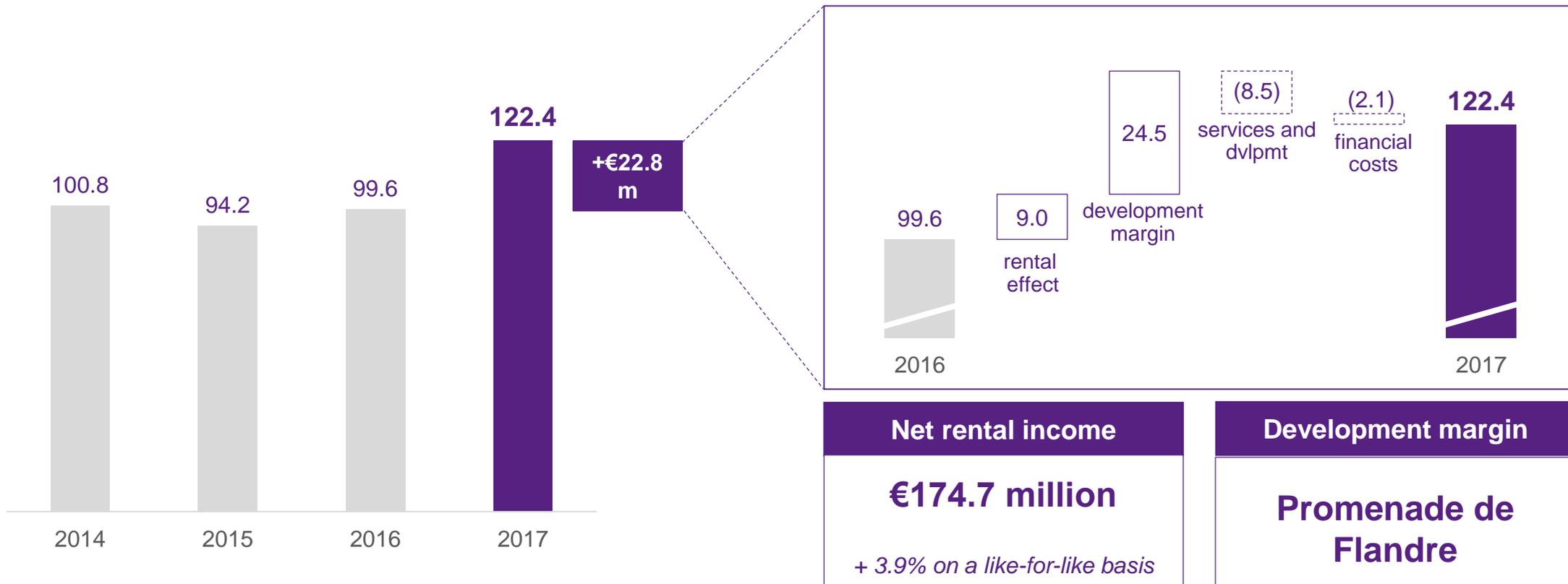
Profitability driven by Residential and Office...

FFO Residential & Office (€ million)



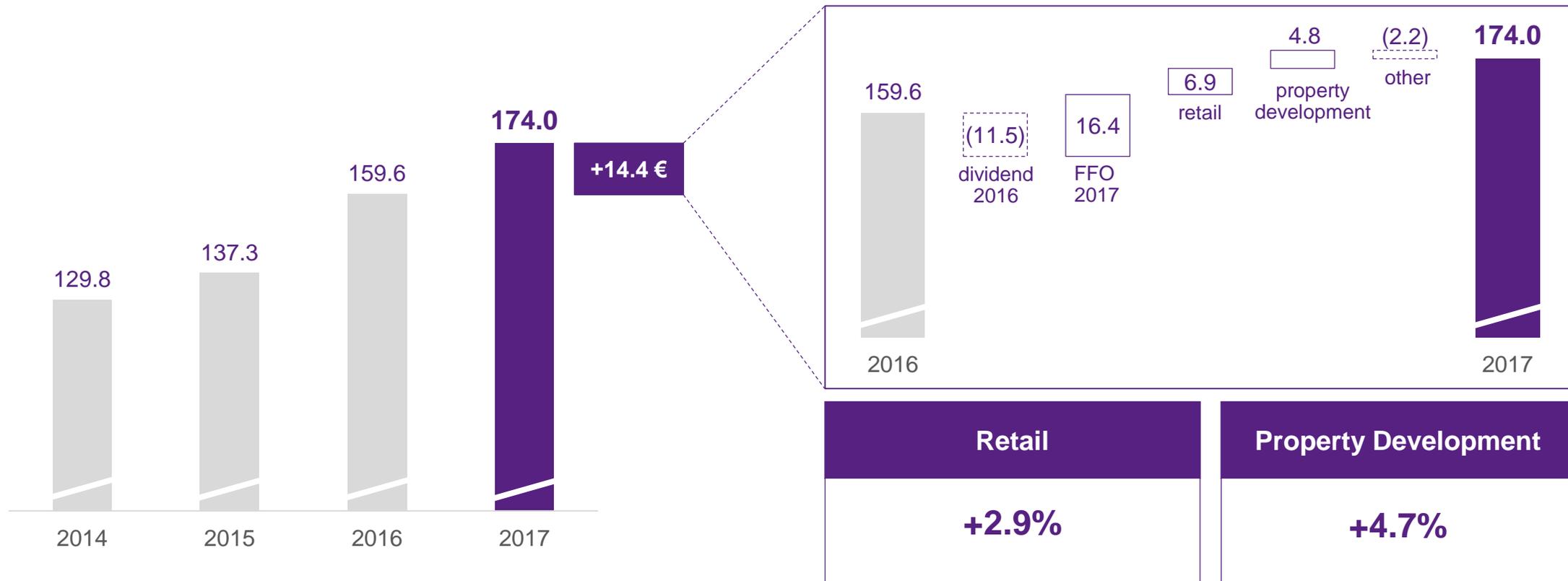
... but also by Retail

FFO Retail (€ million)

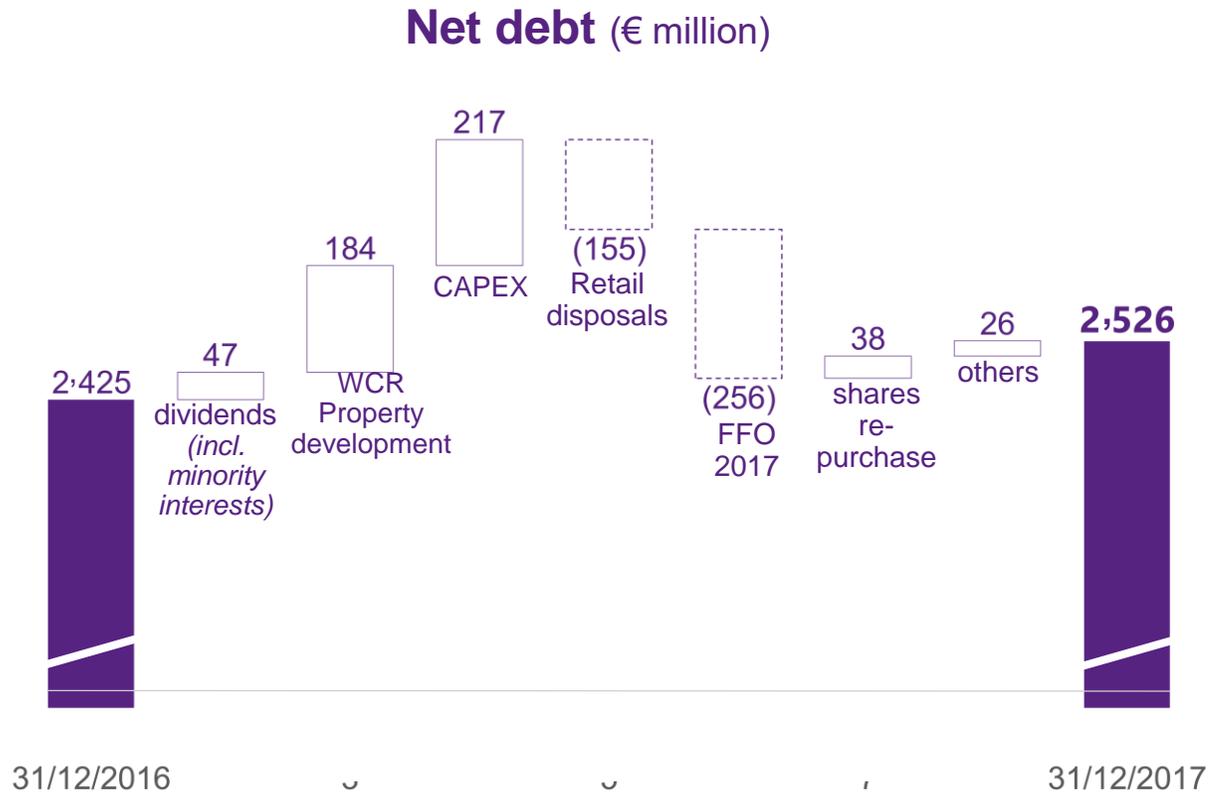


NAV: 174.0 €/share (+9.1%)

Diluted Going Concern NAV (€/share)



Net debt: €2.5 billion



LTV	ICR
36.1%	9.3x
-110 bps	+1.9x
Duration	Average cost
5 years 4 months	1.75%
	-17 bps



A Developer-Investor financial model

A DEVELOPER

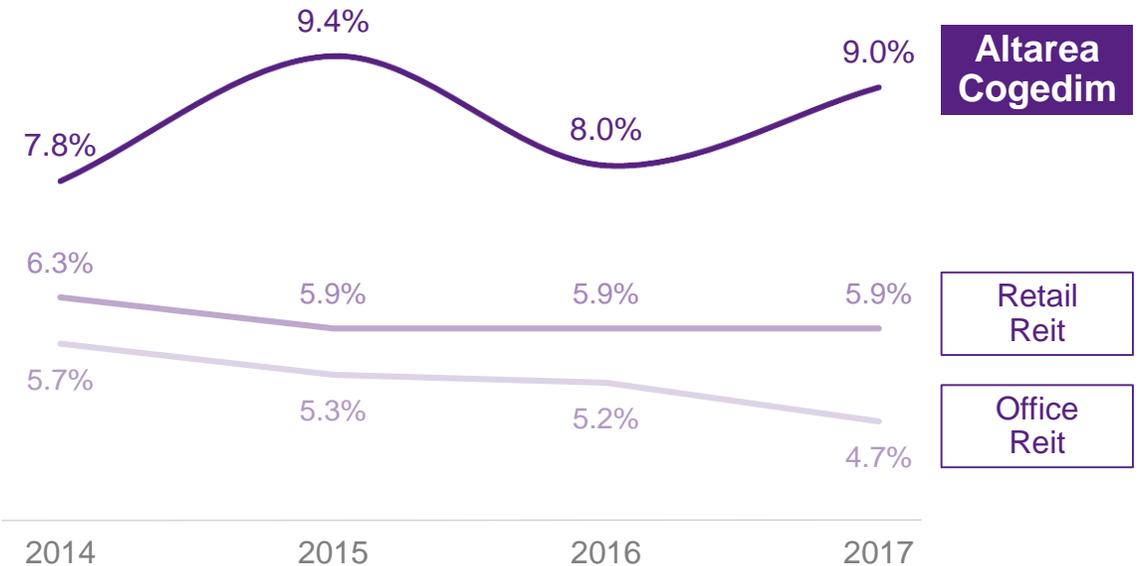
Strongly capitalised
(€3.2 billion of equity)

Low geared
(LTV: 36.1%)

Highly liquid
(Available cash: €0.8 billion⁽¹⁾)

(1) Excluding treasury notes

OUTPERFORMANCE OF THE INVESTED CAPITAL (FFO/NAV)



LTV

37.7%

44.5%

37.2%

36.1%



Shareholders return

SHARE PERFORMANCE (TSR)

18.5%
in 2017

98%
cumulative over 3 years

DIVIDEND

€12.5 per share ⁽¹⁾
(+8.7% vs. 2016)

Tax considerations

9.8€: Share-premium refund
1.7€: Distribution from taxable income
1.0€: Distribution from SIIC income

(1) Subject to shareholders' approval at the General Meeting of 15 May 2018.



04. Altarea Cogedim 2020



Joia Meridia - Nice



A business model adequately fitted to the current economic environment

Improving economy

Decreasing unemployment rate

Abundant liquidity

Slow increase in interest rates

Resurgence of inflation



VALUE CREATION IS BASED ON OUR PRODUCTS



The Group's potential has never been stronger

BACKLOG: €4.2 bn

**Significant visibility
on future benefits**

PIPELINE: €17.1 bn

**Large amount
of secured developments**

LTV: 36.1%

**Historically-low
debt ratio**

THE BEST OPERATING TEAMS



Our medium term objectives



Urban entrepreneur

Confirm our leader position

Capitalise on our unique know-how



Exceed 10% market share in France

Expand our geographical coverage

Leader in all our locations



Implement our twofold business strategy

Reinforce property development

Targeted investments



Deliver the pipeline

Travel retail and large shopping centres projects openings in 2020-2025

Opportunistic disposals of selected assets

Keep on investing on Talents to develop tomorrow's products



Guidance 2020

**A group ahead of its roadmap
Numerous growth opportunities**



FFO around €300 million
taking into account the growing tax impact on its non SIIC activity

LTV around 40%

A dividend policy ensuring continuity
with the last few years



05. Glossary



Glossary 1/4

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.

Average cost of debt: Average cost including related fees (commitment fees, CNU...).

Bad debt ratio / doubtful debtors: Net amount of allocations to and reversals of provisions for bad debt plus any write-offs during the period as a percentage of total rent and expenses charged to tenants, at 100%. France and International.

BREEAM In-use: BRE Environmental Assessment Method in-Use. Certification for environmental performance of building operation. Developed by the Building Research Establishment (BRE), it is now applicable throughout the world through the BREEAM in-Use International pilot standard.

CNCC: Conseil National des Centres Commerciaux, the French federation of shopping centres. French professional organisation of all shopping centre industry professionals, which publishes an index of revenue earned in the shopping centres of the member companies. Cumulative data from January to November 2017.

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.

CSR: Corporate Social Responsibility. All actions undertaken by companies, on a voluntary basis, to take into account the social and environmental concerns related to their activities and their interactions with other actors.

"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).



Glossary 2/4

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.

Financial vacancy: Estimated rental value (ERV) of vacant units as a percentage of total estimated rental value. France and International. Excluding property being redeveloped.

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).

Gateway cities: The Group operates in 12 regional gateway cities: Grand Paris, Métropole Nice Côte d'Azur, Marseille-Aix-Toulon, Toulouse Métropole, Grand Lyon, Grenoble-Annecy, Nantes Métropole, Bordeaux Métropole, Eurométropole de Strasbourg, Métropole européenne de Lille, Montpellier Méditerranée Métropole, Rennes Métropole.

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).

ICR (Interest Coverage Ratio): Operating income / Net borrowing costs.

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.

LTV (Loan-to-value): Net debt/Restated value of assets including transfer duties.

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.

Market capitalisation: Share price on 31st december of the designated year per the number of shares at this date.

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)



Glossary 3/4

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).

Occupancy cost ratio: Ratio of rents and expenses invoiced to tenants (including reductions) to revenue. Calculation (incl. tax) and at 100%, France and International. In 2016, the Group published an occupancy cost ratio for France only and excluding assets under redevelopment, of 9.9%. The same figure for end 2017 was 10.8% on a like-for-like basis.

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): Retail: retail area created in m². 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. Retail: potential market value including transfer duties for projects when delivered (net rental income capitalised at market rates) at 100% and revenue excl. tax for convenience retail development programme. 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.

Portfolio value - Retail: Potential market value including transfer duties for projects for delivery (net rental income capitalised at market rates) at 100% and revenue excluding tax for the neighbourhood retail property development programme.

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



Glossary 4/4

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.

Rental income on a like-for-like basis: Rental income excluding assets delivered, purchased or sold during the period or the previous period, and excluding assets being redeveloped.

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.

Retail pipeline rental income: Gross rent estimated at 100%.

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).

Tenants' revenue change: Change including tax to tenants' revenue from like-for-like sites over 12 months in France. Excluding property being redeveloped.



06. Appendices



Leading owner developer in France

Secured pipeline (by metropolitan area)

	Surface areas (m ²) ^(a)	Potential value (€m) ^(b)
Grand Paris	1,848,800	10,258
Métropole Nice-Côte d'Azur	238,800	1,471
Marseille-Aix-Toulon	377,500	1,405
Toulouse Métropole	253,800	810
Bordeaux Métropole	215,900	716
Grand Lyon	171,400	627
Grenoble-Annecy	148,000	883
Eurométropole de Strasbourg	71,700	258
Nantes Métropole	137,900	311
Métropole Européenne de Lille	5,200	20
Montpellier Méditerranée Métropole	83,700	130
Métropole de Rennes	4,000	16
Other ^(c)	77,100	202
TOTAL Portfolio	3,633,800	17,107

(a) Surface area Retail: in m² created, including neighbourhood convenience stores Residential surface area: living surface area (properties for sale and future offering). Surface area Office: floor area or usable area.

(b) Market value as of delivery date.

Retail value: potential market value including transfer duties for projects for delivery (net rental income capitalised at market rates) at 100% and revenue excl. tax for the retail property development programme. Residential value: property for sale + future offering incl. tax. Office value: potential market value excluding transfer duties on the date of disposal for investment projects (at 100%), amount excluding tax of VEFA/CPI contracts signed or estimated for the other development programmes (at 100%, or Group share for jointly owned projects), and capitalised delegated project management fees.

Portfolio of large mixed-use projects at the publication date

Large projects at the publication date ^(a)	Residential (units)	Retail (m ²)	Office (m ²)	Total (m ²) ^(b)
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) This portfolio includes the large project won in early 2018 "Joia Meridia" in Nice.

^(b) Floor area.



Office: a unique model

Pending operations and pipeline

At 31 December 2017	No.	Surface areas at 100% (m ²)	Potential value at 100% (€m excl. tax)
Investments ^(a)	8	257,900	3,088
Property developer (property development or off-plan sales contracts) ^(b)	39	499,500	1,190
Delegated project management ^(c)	4	78,500	213
TOTAL	51	835,900	4,491

(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
Richelieu (Paris)	58%	31,800				Under construction
Bridge (Issy-les-Moulineaux)	25%	56,800				Under construction
Landscape (La Défense)	15%	67,400				Under construction
Tour Eria, La Défense	30%	25,000				Under construction
Issy Coeur de ville – Hugo (Issy-les-Moulineaux)	26%	26,100				Secured
Issy CDV – Leclerc & Vernet (Issy-les-Moulineaux)	50%	15,100				Secured
La Place (Bobigny)	100%	9,500				Secured
TOTAL at 100%	30%^(e)	257,900	128.0	2,146	3,088	

o/w Group share 38.2 637 923

(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)	257,900	920	
Belvédère (Bordeaux)	53,500		Secured
Bassins à Flot (Bordeaux)	37,100		Secured
Orange (Lyon)	25,850		Under construction
Le Lumière (Reuil Malmaison)	25,050		Secured
Campus Orange (Balma, Toulouse)	19,100		Secured
Other (34 operations)	338,900		Property development agreements/Off-plan sales
Other "100% external" projects (39 developments)	499,500	1,190	
Total off-plan, property development contracts portfolio (47 projects)	757,400	2,110	
42 Vaugirard (Paris)	29,000		Under construction
52 Champs-Élysées (Paris)	24,000		Under construction
16 Matignon, Paris	13,000		Under construction
Tour Paris-Lyon (Paris)	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.

Retail REIT – Portfolio

Portfolio at 31 December 2017

Figures at 100%	No.	GLA (in m ²)	Current gross rent (€m) ^(d)	Value assessed by specialist (€m) ^(e)
Controlled assets ^(a)	33	724,600	187.6	4,260
Equity assets ^(b)	7	114,500	28.3	426
Total portfolio assets	40	839,100	215.9	4,686
<i>o/w Group share</i>	<i>N/A</i>	<i>624,670</i>	<i>145.9</i>	<i>3,086</i>
Management for third parties^(c)	7	150,700	30.3	
Total assets under management	47	989,800	246.2	

^(a) Assets in which Altarea Cogedim holds shares and over which the Group exercises operational control. Fully consolidated in the consolidated financial statements.

^(b) Assets in which Altarea Cogedim is not the majority shareholder, but for which Altarea Cogedim exercises joint operational control or a significant influence. Consolidated using the equity method in the consolidated financial statements.

^(c) Assets held entirely by third parties who entrusted Altarea Cogedim with a management mandate for an initial period of three to five years, renewable.

^(d) Rental value of leases signed as at 1st January 2018.

^(e) Appraisal value including transfer duties.

Change in net rental income

	€ million	Change
Net rental income 31 December 2016	168.3	
Acquisition and centres opened	1.6	
Sale	(1.7)	
Like-for-like change	6.4	+3.9%
Net rental income 31 December 2017	174.7	+3.7%

Occupancy cost ratio, bad debts and vacancy

	2017	2016
Occupancy cost ratio ⁽¹⁾	10.8%	10.3%
Bad debt ratio ⁽²⁾	1.2%	2.3%
Financial vacancy ⁽³⁾	2.4%	2.7%

⁽¹⁾ Ratio of billed rents and expenses to tenants (including reductions) to sales revenue. Calculated (incl. tax) and at 100%. France and International. In 2016, the Group published an occupancy cost ratio for France only and excluding assets under redevelopment of 9.9%. The end 2017 figure was 10.8% on a like-for-like basis.

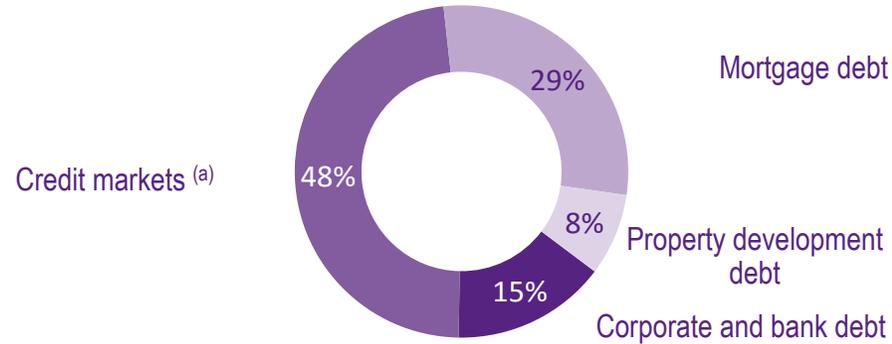
⁽²⁾ Net amount of allocations to and reversals of provisions for bad debt plus any write-offs during the period as a percentage of total rent and expenses charged to tenants, at 100%. France and International.

⁽³⁾ Estimated rental value (ERV) of vacant units as a percentage of total estimated rental value. France and International. Excluding property being redeveloped.



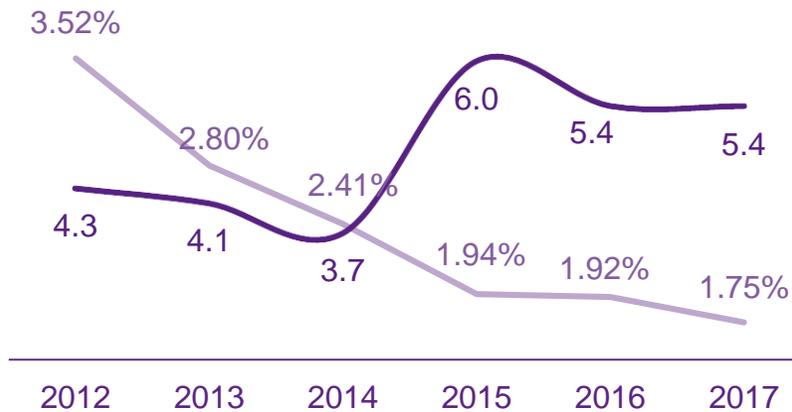
Group financial debt

Breakdown of gross debt at €3,696 million



(a) This figure includes €838 million in treasury notes.

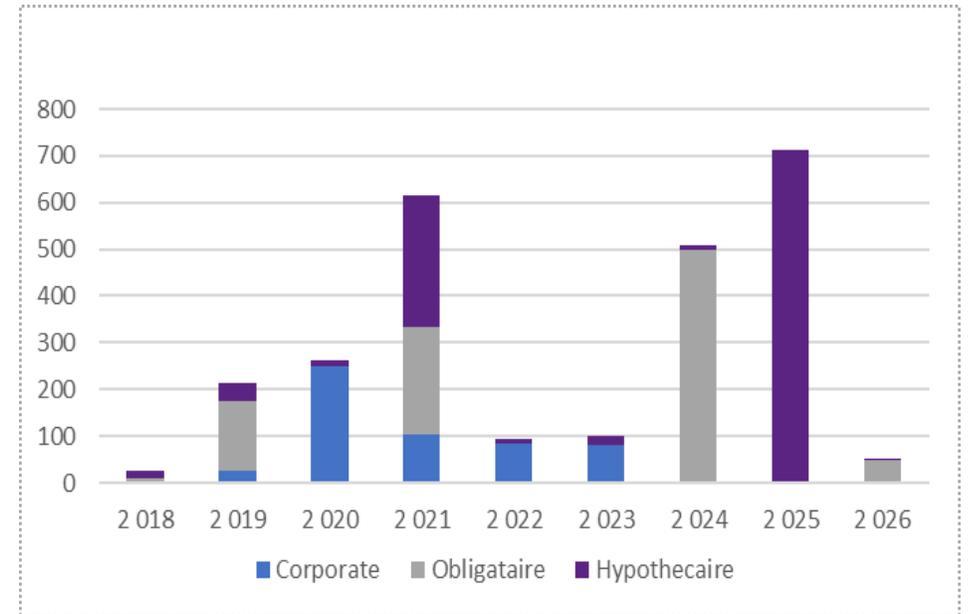
Duration and average cost



5 years 4 months
duration

1.75%
average cost

Maturity schedule for Group debt



Net asset value (NAV)

GROUP NAV	31/12/2017				31/12/2016	
	€ millions	Change	€/share	Change/share	€ millions	€/share
Consolidated equity, Group share	1,904.8		118.7		1,620.9	107.8
Other unrealised capital gains	722.1				636.5	
Restatement of financial instruments	26.2				68.7	
Deferred tax on the balance sheet for non-SIIC assets ^(a)	30.2				23.9	
EPRA NAV	2,683.3	+14.2%	167.2	6.9%	2,350.0	156.4
Market value of financial instruments	(26.2)				(68.7)	
Fixed-rate market value of debt	9.1				(14.4)	
Effective tax for unrealised capital gains on non- SIIC assets ^(b)	(29.5)				(27.2)	
Optimisation of transfer duties ^(b)	84.6				90.8	
Partners' share ^(c)	(20.2)				(18.5)	
EPRA NNAV (NAV liquidation)	2,701.2	+16.8%	168.3	9.4%	2,312.1	153.8
Estimated transfer duties and selling fees	92.8				86.7	
Partners' share ^(c)	(0.7)				(0.7)	
Diluted Going Concern NAV	2,793.3	+16.5%	174.0	9.1%	2,398.1	159.6
Number of diluted shares:	16,051,842				15,030,287	

(a) International assets.

(b) Depending on disposal structuring (asset deal or share deal).

(c) Maximum dilution of 120,000 shares.



Loan to Value (LTV)

At 31/12/2017	€ millions
Gross debt	3,696
Cash and cash equivalents	(1,169)
Consolidated net debt	2,526
Shopping centres at value (FC) ^(a)	4,261
Shopping centres at value (EM affiliates' securities) and Other ^(b)	370
Investment properties valued at cost ^(c)	526
Office Investments ^(d)	237
Enterprise value of Property Development ^(e)	1,610
Market value of assets	7,004

LTV Ratio **36.1%**

(a) Market value (including transfer taxes) of shopping centres in operation recorded according to the fully consolidated method.

(b) Market value (including transfer taxes) of shares of equity-method affiliates carrying shopping centres and other retail assets.

(c) Net book value of investment properties in development valued at cost.

(d) Market value (including transfer taxes) of share of equity-method affiliates carrying investments in Office and other Office assets.

(e) Value assessed by property development specialist (Enterprise value).



Income statement

€ millions	Retail	Residential	Office	Other Corporate	Funds from operations (FFO)	Changes in value, estimated expenses and transaction costs	TOTAL
Revenue	208.1	1,424.4	306.6	0.4	1,939.5	–	1,939.5
<i>Change vs 31/12/2016</i>	+1.2%	+33.4%	+1.4%	na	+23.0%		+22.6%*
Net rental income	174.7	–	–	–	174.7	–	174.7
Net property income	0.4	129.9	40.8	–	171.2	(5.5)	165.7
External services	17.8	2.0	15.0	0.4	35.2	–	35.2
Net revenue	192.9	131.9	55.9	0.4	381.0	(5.5)	375.5
<i>Change vs 31/12/2016</i>	+1.4%	+52.5%	+36.3%	na	+19.7%		
Own work capitalised and production held in inventory	6.4	138.0	22.0	–	166.4	–	166.4
Operating expenses	(54.3)	(174.2)	(38.9)	0.7	(266.8)	–	(266.8)
Net overhead expenses	(48.0)	(36.2)	(16.9)	0.7	(100.4)	–	(100.4)
Share of equity-method affiliates	49.4	21.5	4.4	–	75.3	1.3	76.6
Changes in value, calculated expenses and Retail transaction costs	–	–	–	–	–	202.5	202.5
Calculated expenses and Residential transaction costs	–	–	–	–	–	(12.3)	(12.3)
Calculated expenses and Office transaction costs	–	–	–	–	–	(2.2)	(2.2)
Other	–	–	–	–	–	(8.5)	(8.5)
OPERATING INCOME	194.3	117.2	43.4	1.1	355.9	175.2	531.1
<i>Change vs 31/12/2016</i>	+15.8%	+68.6%	+8.0%	na	+29.7%		+27.8%
Net borrowing costs	(29.1)	(6.0)	(3.3)	–	(38.4)	(5.9)	(44.3)
Other financial results	4.0	–	–	–	4.0	4.7	8.8
Gains/losses in the value of financial instruments	–	–	–	–	–	2.9	2.9
Other	–	0.2	–	–	0.2	(0.2)	0.0
Corporate Income Tax	(5.5)	(5.2)	(4.7)	–	(15.4)	(7.0)	(22.5)
Net income	163.8	106.2	35.3	1.1	306.4	169.7	476.1
Non-controlling interests	(41.4)	(8.8)	0.1	–	(50.1)	(102.9)	(153.1)
Net income, Group share	122.4	97.4	35.4	1.1	256.3	66.7	323.0
<i>Change vs 31/12/2016</i>	+22.9%	+65.3%	(2.8)%	na	+33.5%		+95.2%
<i>Diluted average number of shares</i>					15,608,950		15,608,950
Net income, Group share per share					16.42		20.69
<i>Change vs 31/12/2016</i>					+20.7%		+76.6%

*Calculated change on revenue at 31/12/2016, including changes in value, calculated expenses and transaction costs of €1,581.7 million.



DETAILED BALANCE SHEET (1/2)

€ millions	31/12/2017	31/12/2016
NON-CURRENT ASSETS	5,437.9	5,034.9
Intangible assets	258.5	257.9
<i>o/w goodwill</i>	155.3	155.3
<i>o/w brands</i>	89.9	89.9
<i>o/w client relations</i>	–	5.5
<i>o/w other intangible assets</i>	13.3	7.2
Property, plant and equipment	18.5	14.2
Investment properties	4,508.7	4,256.0
<i>o/w investment properties in operation at fair value</i>	3,983.8	3,797.0
<i>o/w investment properties under development and under construction at cost</i>	525.0	459.0
Securities and investments in equity affiliates and unconsolidated interests	564.0	412.0
Loans and receivables (non-current)	9.3	9.1
Deferred tax assets	79.0	85.7
CURRENT ASSETS	3,154.8	2,046.6
Net inventories and work in progress	1,288.8	978.1
Trade and other receivables	630.8	524.0
Income tax credit	8.6	9.4
Loans and receivables (current)	49.3	46.4
Derivative financial instruments	8.2	10.2
Cash and cash equivalents	1,169.1	478.4
TOTAL ASSETS	8,592.8	7,081.4



DETAILED BALANCE SHEET (2/2)

€ millions	31/12/2017	31/12/2016
EQUITY	3,164.7	2,758.3
Equity attributable to Altarea SCA shareholders	1,904.8	1,620.9
Capital	245.3	229.7
Other paid-in capital	563.2	588.3
Reserves	773.2	635.1
Income associated with Altarea SCA shareholders	323.0	167.8
Equity attributable to minority shareholders of subsidiaries	1,259.9	1,137.4
Reserves associated with minority shareholders of subsidiaries	911.8	840.5
Other equity components. subordinated perpetual notes	195.1	195.1
Income associated with minority shareholders of subsidiaries	153.1	101.8
NON-CURRENT LIABILITIES	2,886.9	2,337.6
Non-current borrowings and financial liabilities	2,826.1	2,280.7
<i>o/w participating loans and advances from associates</i>	82.6	82.3
<i>o/w bond issues</i>	920.7	428.0
<i>o/w borrowings from lending establishments</i>	1,822.9	1,770.3
Long-term provisions	20.1	20.0
Deposits and security interests received	32.2	31.7
Deferred tax liability	8.6	5.3
CURRENT LIABILITIES	2,541.1	1,985.5
Current borrowings and financial liabilities	1,032.2	799.9
<i>o/w bond issues</i>	9.9	104.4
<i>o/w borrowings from lending establishments</i>	103.3	240.0
<i>o/w treasury notes</i>	838.0	358.6
<i>o/w bank overdrafts</i>	0.8	2.5
<i>o/w advances from Group shareholders and partners</i>	80.2	94.3
Derivative financial instruments	34.9	75.3
Accounts payable and other operating liabilities	1,460.3	1,109.9
Tax due	13.8	0.4
TOTAL LIABILITIES	8,592.8	7,081.4

