



Q&A ON PAYMENT OF ALTAREA'S 2019 DIVIDEND

(Updated on 6 July 2020 on the date of detachment of the coupon)

Disclaimer

Shareholders' attention is drawn to the fact that the tax information below constitutes only a summary, provided for general information purposes, of certain tax consequences in France with regard to receiving dividends in respect of the Company's shares in accordance with applicable legislation. It does not constitute an exhaustive description of all of the tax effects that may apply to receiving dividends. The rules mentioned below may be affected by any legislative or regulatory changes, which may be combined with a retroactive effect or apply to the current year or financial year, or by a change in how they are interpreted by the French tax authorities. The persons concerned are invited to consult their own tax advisor about the dividend taxation rules applicable to their individual situation. Persons who are not tax resident in France must also comply with the tax legislation in force in their State of residence and, if applicable, the requirements of the tax agreement between France and their State of residence.

1. How much is the dividend per share this year?

The Annual General Meeting held behind closed doors on Tuesday 30 June 2020 approved the payment of a dividend of €9.00 per share in respect of the 2019 financial year.

You have the option of receiving this dividend in cash or in shares. Like last year, ***you have the right to opt for half of the dividend to be paid in shares.***

2. Do I have to choose between payment of the dividend in cash and payment of the dividend half in cash and half in shares?

As payment in shares is limited to half of the dividend, you will receive half of the amount in cash.

You do not have to contact us: shareholders who have not expressly opted for payment of the second half of the dividend in shares will be deemed to have

chosen payment of the full dividend in cash, both for the first half of the dividend – which is automatically paid in cash – and for the second half of the dividend, for which shareholders have the option.

Payment of the dividend in cash (if you have exercised the option) and delivery of shares in respect of half of the dividend will take place on 24 July 2020.

3. What happens if I do not do anything?

If you do not do anything, i.e. if you do not send any instructions to your financial intermediary (or to CACEIS CORPORATE TRUST if you have directly registered shares), the dividend will automatically be paid entirely in cash on 24 July 2020.

4. When do I have to choose between payment of the dividend in cash or payment in cash and shares?

You will be able to opt for payment of the dividend in cash or half in cash/half in new shares from 8 July 2020 to 20 July 2020 inclusive, by sending your request to your financial intermediary or returning the form sent to you by CACEIS CORPORATE TRUST if you have directly registered shares.

5. Is it possible to mix payment in full in cash and payment of the dividend half in cash and half in shares?

No. The choice you make will concern all of your shares.

You will receive the dividend in cash for all your ALTAREA shares or, if you have chosen this option, you will receive half in shares and half in cash for all of your shares.

However, you can receive a sum of money in addition to 50% of the amount of your dividend in shares if the number of shares to which you have a right does not correspond to a whole number of shares but to a number that has been rounded down.

In this scenario, you may – if you wish – pay an additional sum of money to obtain the immediately higher whole number of shares.

This information is provided on the forms that will be sent to you by CACEIS CORPORATE TRUST if your shares are held in directly registered form. If you hold bearer or administered registered shares, you will receive this information from your financial intermediary.

6. Will I be contacted individually?

If your shares are held in directly registered form, CACEIS CORPORATE TRUST will send you a form individually.

If you hold bearer or administered registered shares, you will be contacted by your financial intermediary. If you have not received any documentation around 13 July 2020, we recommend that you contact your financial intermediary.

All shareholders – for both bearer and (directly or administered) registered shares – will receive the following from their financial intermediary or CACEIS CORPORATE TRUST:

- a securities transaction of mandatory payment in cash for the first half of the dividend (i.e. €4.5 gross per share)
- a securities transaction of optional payment of the other half of the dividend (i.e. €4.5 gross per share), with the option of payment of this half of the dividend 100% in ALTAREA shares or 100% in cash.

7. Will the number of shares allotted to me be calculated before or after deducting mandatory social security charges?

To allow you to obtain – if you wish – the largest number of shares possible, you can choose your number of shares before deductions. In this case, you will have to pay the amount of deductions by cheque or bank transfer to CACEIS CORPORATE TRUST if you hold directly registered shares, or to your financial intermediary in accordance with the terms provided if you hold administered registered or bearer shares. If you hold administered registered or bearer shares, we advise you to contact your financial intermediary in order to check that this option is possible.

If not, you can choose your number of shares on after deductions.

If you hold directly registered shares, you will not have any calculation to make. All of the quantitative assumptions proposed to you will be shown on the form (under “amount to be paid”) that will be sent to you by CACEIS CORPORATE TRUST.

8. What is the ex-dividend date?

The ex-dividend date is Monday 6 July 2020 for balances of shares after the accounting date of Friday 3 July 2020.

The last trading session to buy Altarea shares and be able to benefit from payment of the dividend (in cash or in cash/shares) was Friday 3 July 2020, consistent with previous communications of the company.

9. Is the tax regime different if I opt for payment in shares?

No, the tax regime is the same. Your income tax is calculated on the basis of the gross dividend, as in previous years.

10. Is the dividend – in whole or in part – exempt from tax?

In terms of taxation, the dividend will be almost entirely exempt as 8,21 € per share corresponds to a repayment of issue premiums and 79 cents per share to distribution of income.

The tax breakdown of the dividend is detailed in a release available today on the company's Internet site.

The amount of €0.79 is deducted exclusively from taxable income (no amount is deducted from tax-exempt income).

The portion of the dividend corresponding to reimbursement of paid-in capital (i.e. €8.21 per share) is exempt from tax. For the calculation of subsequent capital gains, this portion is deemed to be deducted from the purchase price of the shares.

For individual shareholders resident in France, the portion of the dividend corresponding to distribution of income (i.e. €0.79 per share) shall be subject to:

- the single flat tax rate (*Prélèvement Forfaitaire Unique* or PFU) introduced under the 2018 Finance Act. The PFU consists of a 12.8% tax on income in addition to social security contributions of 17.2%, representing overall taxation of 30%. Note that the 40% allowance on dividends is not applicable and the CSG social security charge is not deductible for calculating the PFU; or
- as an express and irrevocable option exercised each year when the taxpayer submits their tax return, at the progressive scale of income tax in addition to social security contributions at a rate of 17.2%. A portion of the CSG social security charge (6.8%) is deductible for income tax purposes. The option for the progressive scale of income tax entitles the taxpayer to the 40% allowance. Note that, if the option for the progressive scale of income tax is exercised, this applies to all of the taxpayer's investment income falling within the scope of the PFU for the year in question.

For shareholders not resident in France, the portion of the dividend corresponding to a distribution of income (i.e. €0.79 per share) shall be subject to withholding tax on the distributed income (Article 119a of the French General Tax Code) at the rate of 12.8% for natural persons and 30% for legal persons (15% for not-for-profit organisations). These rates shall be increased to 75% if the dividends are paid into an account opened in a Non-Cooperative State or Territory (NCST).

If applicable, these rates of 12.8% and 30% may be reduced if the shareholder asks for the international tax agreement between their country of residence and France to be applied. To do this, the shareholder must send CACEIS Corporate Trust, no later than one (1) month before the dividend payment date, a certificate of residence duly completed and approved by the tax authority of their State of residence.

Sample certificates ("*Formulaire n°5000*") are available on the French tax authority's website (<https://www.impots.gouv.fr/portail/formulaire/5000-sd/attestation-de-residence-destinee-ladministration-etrangere>).

If an application is made for a reduced rate after the dividend is paid, the shareholder can send CACEIS Corporate Trust, no later than before the end of the second year following payment of the dividend, a tax residence certificate (forms 5000 and 5001), it being specified that there may be specific requirements concerning the time frame or documentation depending on the shareholder's country of residence or situation. Once the clawback request has been validated by the French tax authority, CACEIS Corporate Trust shall pay back to the shareholder the difference in withholding tax less a flat rate charge of €80 excluding VAT payable by the shareholder.

11. For shareholders subject to the single flat tax rate (PFU), what is the net unit amount of the dividend?

For individual shareholders tax resident in France who have not expressly opted for the progressive scale of income tax (in addition to social security contributions at the rate of 17.2%), **the net amount of the dividend is €8.76 per share eligible for the dividend.** This net unit amount is obtained as follows:

- **€8.21 net**, not taxable and not subject to social security contributions.
- €0.79 subject to the single flat tax rate (PFU) of 30%, broken down as 12.8% in respect of income tax and 17.2% in respect of social security contributions, or **€0.55 net**.

12. How will the capital gain on shares received as payment of the dividend be calculated if I resell these shares?

In general, the capital gain on the sale of shares is equal to the difference between the selling price and the purchase price of these shares. As regards Altarea shares received as payment of the dividend, their purchase price corresponds to the value for which these shares were allotted to shareholders.

We draw your attention to the fact that since 21 October 2011, it is no longer possible to register new shares in an SIIC company in a PEA savings plan (although shares registered before this date can continue to be so). Therefore, registration in a PEA savings plan of Altarea shares received as payment of the dividend may result in the PEA being closed. However, the tax authority acknowledges that the plan will not be closed if the shares received, within a period of two months after

they are registered with the plan, are sold, or transferred to an ordinary account and an amount corresponding to these shares is paid in cash into your PEA.

For more details, please read the Bulletin Officiel des Finances Publiques-Impôts (BOI-RPPM-RCM-40-50-20-20 n°350, 25-09-2017)

13. Do I have the right to receive the dividend in shares if my shares are in a PEA?

Yes, in this case, you can opt for payment of the dividend in the form of shares, but your PEA will be closed automatically if you do not do the following:

- either sell the shares received within two months;
- or transfer them to an ordinary securities account and at the same time make a cash payment of the amount corresponding to these shares into your PEA.

For more details, please read the Bulletin Officiel des Finances Publiques-Impôts (BOI-RPPM-RCM-40-50-20-20 n°350, 25-09-2017)

14. What is the basis of the number of shares allotted as payment of the dividend?

The issue price has been made available on the 1st July, 2020. It is set at €120,79 per share allocated in payment of the dividend.

It has been based on the average opening price for the 20 trading sessions preceding the date of the General Meeting, i.e. €144,21. A discount of 10% in a sum of €14,421 has been applied to the result of this average. Lastly, the amount of the dividend of €9,00 has been subtracted from the result of this average after discount. The final amount has been rounded off to the nearest cent above.

15. When will I receive these new shares?

Your new shares will be delivered to your financial intermediary if you hold bearer or administered registered shares.

They will be added directly to your securities account if your current shares are in directly registered form on the day of payment of the dividend in cash, i.e. 24 July 2020.

16. When will I be able to resell the shares received as a dividend?

You will be able to resell the shares received as payment of the dividend as of the delivery date.

17. Do Altarea shares received as a dividend fall within the scope of the new French wealth tax (“IFI”)? Will I be able to put them in my PEA?

Altarea shares are excluded from IFI tax provided that the shares held, directly or indirectly, alone, or jointly, represent less than 5% of Altarea’s share capital and voting rights.

As Altarea is subject to the tax regime for SIICs (French listed property investment companies), the shares received in respect of the dividend cannot be registered in your PEA. SIIC shares are no longer eligible for PEA plans as of 21 October 2011. Shares included in your PEA before this date may however remain so.
