Press release **Paris, 12 May 2010**

REVENUES AND BUSINESS PERFORMANCE FOR THE FIRST QUARTER OF 2010

- **Very strong growth in rental income from shopping centres: +14% and improvement in business indicators**
- **Sharp rise in residential reservations (+20%) following an already high level of reservations in 2009**
- **Increase in office property take-ups but decline in revenues relating to poor business performance in 2009**

Altarea Cogedim, a REIT focused on shopping centres and multi-product developer, has reported a very robust performance for the first quarter of 2010 in each of its two main markets (retail and residential).

1. Shopping centres: Strong growth in rental income: +14% and improvement in business indicators

Rental income increased by +14.2% as a result of the completion of shops at Okabé in Kremlin Bicêtre in March 2010 and completions in 2009 (Wagram, Lyon–Carré de Soie, Toulouse Gramont extension). Okabé is the largest "green" shopping centre in France. With an area of 45,000 sqm, it has NF Bâtiments Tertiaires - Démarches HQE® - Commerces certification (environmental certification for commercial buildings).

On a like-for-like basis, **rental income remained stable**.

In the first quarter of 2010, **revenue from retailers rose by 2.2% relative to the first quarter of 2009**. Retail parks (Family Village) confirmed their performance of the last few quarters, with growth of 6.7%. As a sign of recovery, shopping centres saw a return to slight growth of +0.2%.

Tenants' occupancy cost ratio fell slightly to 9.3% from 9.5% in 2009.

2. Residential property : further increase in residential reservations: +20%

Following a record year in 2009 in terms of take-up, the Group's residential property business - under the Cogedim brand - saw further growth, with **take-up of €244 million** (equal to a Group share of **1,059 homes**).

The backlog of new homes built up further to 21 months' revenues compared with 19 months at end-2009 and 13 months at end-2008.

Notarised sales saw a rebound relative to the first quarter of 2009 (3x increase in notarised sales), after notarised sales were severely impacted at the start of 2009 by the poor business performance of late 2008.

In view of the significant increase in residential reservations since 2009, Cogedim can be expected to achieve **strong revenue growth** over the next few quarters.

	Q1 2010	Q1 2009	% change
Number of lots sold	1,216	1,076	+13%
Reservations (€m, incl. tax)	244	204	+20%
Notarised sales (€m, incl. tax)	206	69	x3
Percentage-of-completion revenues (€m, excl. tax)	123	122	+1%
Backlog[1] (€m, excl. tax)	954	875[2]	+9%

3. Office property: upturn in business performance in a continuing "wait-and-see" market

During the first quarter of 2010, Altarea Cogedim achieved take-up of €117 million including tax in various development projects or as delegated project manager. The office property backlog therefore increased although without returning to pre-crisis levels due to the market's "wait-and-see" stance, reaching €159 million at 31 March 2010 compared with €103 million at 31 December 2009, an increase of 54%.

	Q1 2010	Q1 2009	% change
Take-up (€m, incl. tax)	117	33	x3.5
Completions (net floor area, m²)	10.2	39.3	-74%
Backlog (€m, excl. tax)	159	103[3]	+54%
Total revenues (€m, excl. tax)	23.3	47.6	-51%

[1] The backlog comprises revenues excluding tax from notarised sales to be recognised according to the percentage-of-completion method and reservations to be notarised.
[2] Backlog at 31 December 2009
[3] Backlog at 31 December 2009

4. Slight drop in Altarea Cogedim's accounting revenues in the first quarter of 2010

Taking account of revenues generated as part of the proprietary property development business[4], **the Group's accounting revenues came to €201.5 million at 31 March 2010 compared with €213.5 million at 31 March 2009 (-5.6%).**

While shopping centres saw further growth in rental income (+14%), the Group's revenues declined due to lacklustre conditions in the office property market, which should be offset over the next few months by the very robust business activity of the past year. As regards residential property, in the first quarter of 2010, revenues recognised under the percentage-of-completion method ceased to take account of the decline in take-up volumes at end-2008 and were impacted by the severe winter in 2010, which impacted the completion of developments under construction.

(€m)	Q1 2010	Q1 2009	% change
Rental income	40.6	33.5	+14.2%
External fees	2.0	1.9	+20.0%
Shopping centres	42 .5	37.5	+13.6%
Percentage-of-completion revenues	122.6	122.3	0.2%
External fees	0.4	0.8	-490.5%
Residential property	123.0	123.1	-0.1%
Percentage-of-completion revenues	21.3	43.9	-51.5%
External fees	2.0	3.7	-46.8%
Office property	23.3	47.6	-51.1%
Total recurring activities	**188.9**	**208.2**	**-9.3%**
Percentage-of-completion revenues	11.8	5.0	+137.0%
External fees	0.9	0.3	+186.9%
Non-recurring activities	12.7	5.3	+140.0%
Total Group revenues	**201.5**	**213.5**	**-50.6%**

5. Financial position

Net bank debt[5] at 31 March 2010 amounted to €2,196.7 million compared with €2,063.7 million at 31 December 2009, an increase of €133 million. This increase was mainly due to the continuing development of shopping centres on a proprietary basis, with the completion of two major centres in March (Okabé in Kremlin-Bicêtre) and April 2010 (Le Due Torri in the north of Milan, Italy, GLA of 42,000 sqm), as well as the financing of the residential property business.

6. Outlook

According to Alain Taravella, Chairman and Founder: "Altarea is continuing with its balanced expansion in all of its business lines. The investment in Cap 3000 in partnership with ABP and Predica offers considerable potential but with a limited financial risk. The increase in residential reservations is also a very positive factor for the Group's business performance. Altarea also confirms that it should see strong growth in recurring net income in 2010 and even more so in 2011."

[4] Revenues from non-recurring activities constitute primarily off-plan sales attached to development projects.
[5] Excluding bank loans backed by VAT receivables of €5.8 million compared with €7.8 million at 31 December 2009.

(€m)	Q1 2010	Q4 2009	Q3 2009	Q2 2009	Q1 2009
Shopping centres					
Rental income	40 585	38 069	38 866	41 040	35 543
External fees	1 956	2 298	1 964	1 903	1 917
Shopping centres	**42 540**	**40 366**	**40 830**	**42 942**	**37 460**
Third-party development					
Revenues	143 972	184 897	155 813	177 775	166 297
External fees	2 343	3 998	2 698	5 251	4 442
Third-party development	**146 315**	**188 895**	**158 511**	**183 026**	**170 739**
O/w residential property					
Revenues	122 644	161 068	122 564	140 156	122 349
External fees	379	226	555	1 422	751
Residential development	**123 023**	**161 294**	**123 119**	**141 577**	**123 100**
O/w office property					
Revenues	21 328	23 829	33 249	37 619	43 948
External fees	1 964	3 772	2 143	3 829	3 692
Office property	**23 292**	**27 601**	**35 392**	**41 449**	**47 640**
Recurring activities	**188 856**	**229 261**	**199 341**	**225 968**	**208 199**
Revenues	11 758	16 362	34 848	19 256	4 962
External fees	901	-39	647	467	314
Non-recurring activities	12 659	16 323	35 495	19 723	5 276
Total revenues	201 515	245 584	234 836	245 691	213 475