

# 2022 HALF-YEAR RESULTS



# DISCLAIMER

*This presentation has been prepared for information purposes only and is intended to supplement other information published by Altarea, to which readers are encouraged to refer. It is not, and must not be interpreted as a solicitation, recommendation or offer to purchase, sell, exchange or subscribe for altarea securities or financial instruments.*

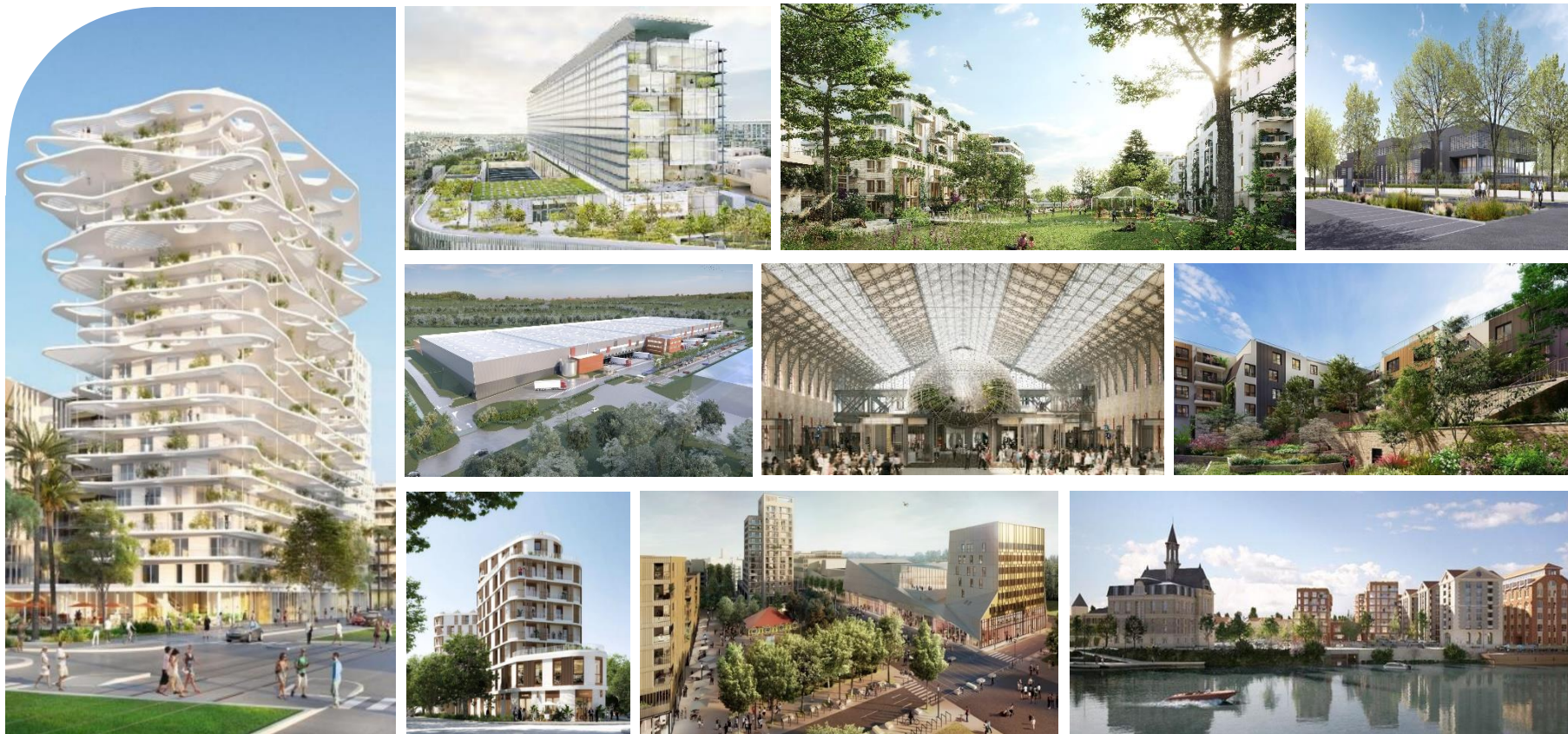
*Circulation of this document may be restricted in certain countries by law or regulations. Therefore, readers in possession of this presentation must make their own enquiries and adhere to these restrictions. Within the limits permitted by applicable law, Altarea accepts no liability or commitment in the event of failure by any person to obey these restrictions.*

*Certain information included in this press release does not constitute historical data but constitutes forward-looking statements. These forward-looking statements are based on current beliefs, expectations and assumptions, including, without limitation, assumptions regarding present and future business strategies and the environment in which the group operates, and involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements, or industry results or other events, to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include those discussed or identified under section 5.2 “risk factors” in the 2021 universal registration document. These forward-looking information and statements are not guarantees of future performances.*

*This presentation is accompanied by a press release, the business review and the consolidated financial statements, available for download on the finance page of Altarea’s website [altarea.com](https://altarea.com), heading finance.*



# ALTAREA, LEADER IN URBAN TRANSFORMATION



Consolidated pipeline <sup>(1)</sup>

**€20.2 bn**  
potential value

**830** projects  
**4.3** millions m<sup>2</sup>

# STRONG PERFORMANCE IN AN EVOLVING ENVIRONMENT



## Residential

Effective sourcing resulting in growing offer and sales  
Optimized pricing policy in an undersupplied market  
Rising construction costs offset by price increases



## Retail

Rolling the asset management strategy  
Normalization of operations



## Business property

Diversified expertises and multi-brand organisation  
Recurring flow of value-creating operations



**FFO Group share: €130.1m (+10.2%)**  
**6.31€/share (-4.0%)**

Dilution due to Retail partnerships and capital increase nearly offset



# STRONG OPERATIONAL PERFORMANCE



Cœur de Ville – Bobigny (93)



Sangnier (Villeneuve-La-Garègne)



Onna (Rochetaillée-sur-Saône)



Carré Rabelais (Tours)

## RESIDENTIAL: GROWING OFFER DUE TO INTENSIFIED SOURCING

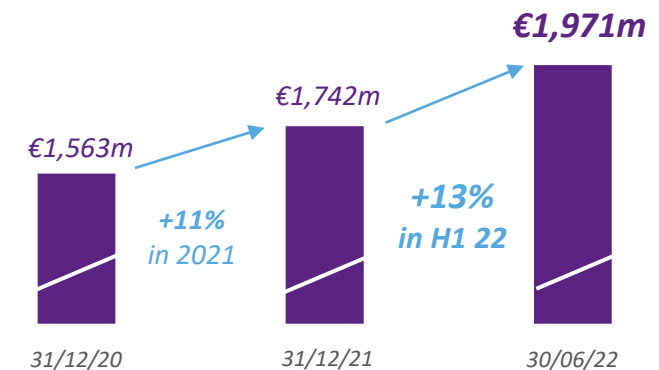
Successful  
deployment  
in **new territories**<sup>(1)</sup>

Strong residential dynamics  
Affordable prices  
20 to 25% of supplies in 2022

Spectacular growth  
across the  
**production cycle**

Supply: **+27%**  
Building permits granted: **+16%**  
Commercial launches: **+17%**

**Strong dynamic in  
offering for sale  
+13%**



(1) Offices recently opened in Tours, Rouen, Caen, Angers, Rennes, Dijon, Clermont-Ferrand, Metz, activity reinforced in Amiens, Lille, Strasbourg, La Rochelle.

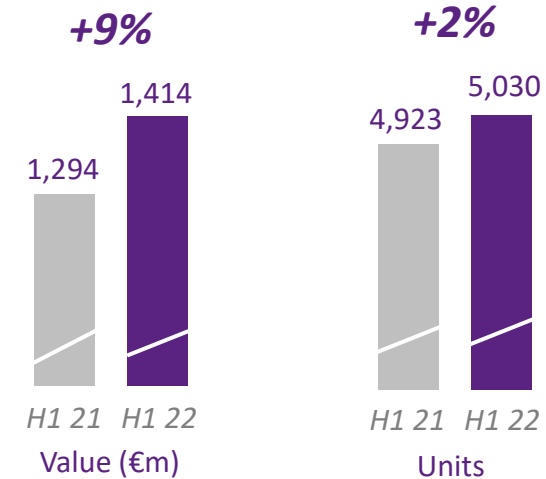




## STRONG NEW ORDER INCREASE IN AN UNDERSUPPLIED MARKET

### New order increase

€1,414m, +9%  
5,030 units, +2%



Priority given to  
**Individual customers**  
(70% of sales)

*Institutional demands  
remaining strong*

Retail take-up rate > 12%  
Individual investors: +13%  
Individual home buyers: +31%



# SUCCESS ACCROSS ALL THE RESIDENTIAL BRANDS

A full range of products, for all types of customers,  
covering all territories, serving various investment strategies



Healthy homes for  
healthy people



Closer  
to go further



Historical places for  
your stories

Woodeum

100% committed to the  
planet and your well-being



Osmose (Combs-la-Ville)



Entre dunes et Pinède (Quend)



Hana – Joia Meridia (Nice)



Studcampus (Roubaix)



Les Célestins (Avignon)



Domaine des Bas Buissons (Dreux)





La fabrique (Romainville)



Seaside (St-Laurent du Var)



Neuilly sur Marne

# CONSTRUCTION COSTS INCREASE OFFSET BY AGILE PRICE STRATEGY

**Construction costs**  
(40% to 60% of the cost price)

+5% to +7% on average  
Depending on territories  
The peak seems to have been reached

**An agile  
Price  
strategy**

**Focus on individuals (vs. block)**  
Individual customers: 70% of sales  
(63% in H1 2021 and 36% in H1 2020)  
Pricing optimisation

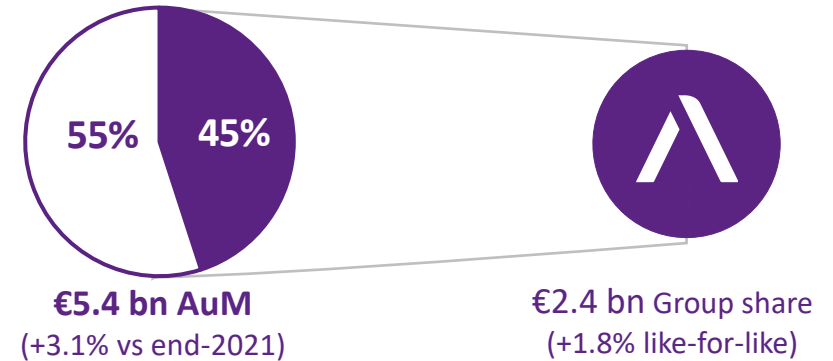
**Stablised  
operating margin**

Operating margin: 7.1% <sup>(1)</sup>  
Adequate margin confirmed by recent launches

(1) Operating income as a percentage of sales.

# RETAIL: ROLLING THE ASSET MANAGEMENT STRATEGY

Growth in  
assets under  
management



NICETOILE contract won,  
reinforced partnership  
with **Allianz**

12 million visitors per year  
17,300 m<sup>2</sup> GLA - 100 retailers  
Being repositioned as a department store

**Altarea, MRM and SCOR**  
signed in July an agreement  
to accelerate MRM's  
strategic development

Contribution to MRM<sup>(1)</sup> of the last 2 galleries held  
Remuneration mainly in cash  
and in MRM's shares for approximately 16% of MRM  
at the end of the transactions planned for the 2nd  
half of 2022

(1) Galeries de Flins and Ollioules contributed for €90.4m.





# OPERATIONS BACK TO NORMAL

## Back to normal for retailers

Tenants' sales: +31% vs H1 2021  
**+3% vs H1 2019**

Higher average shopping basket

## Sustained demand from retailers

201 new leases signed in H1 2022

+€17.6m in rents

**Vacancy: 2.7%**

-0.9 pt vs H1 2021

## Lower bad debts, strong growth in net rental income

**Normalised collection rate:** 93.5% in H1 2022

Net rental income (€94.8m): +33.5% of which  
+25.8% due to normalization of operations (relief, bad debts),  
+4.1% due to scope effect and +3.7% due to other (indexation, etc.)



Bercy Village fête le printemps

# BUSINESS PROPERTY: SUCCESS IN ALL PRODUCT RANGES AND TERRITORIES



1-3 Valhubert – former headquarters of CACEIS (Paris 13th)



Vernet - future CNP headquarters (Issy Cœur de Ville)



Porte Est

Erilia

Porte Est (Marseille)

## Emblematic transactions in Greater Paris



Disposal of the remaining 10% of Bridge



Delivery of 1 of 3 office buildings in Issy Cœur de Ville



New win: rehabilitation of CACEIS former headquarters

## Ramp-up in the Regions

**2 sales** (10,500 m<sup>2</sup>)

*including Erilia's head office in Marseille*

**5 new projects** (85,000 m<sup>2</sup>)

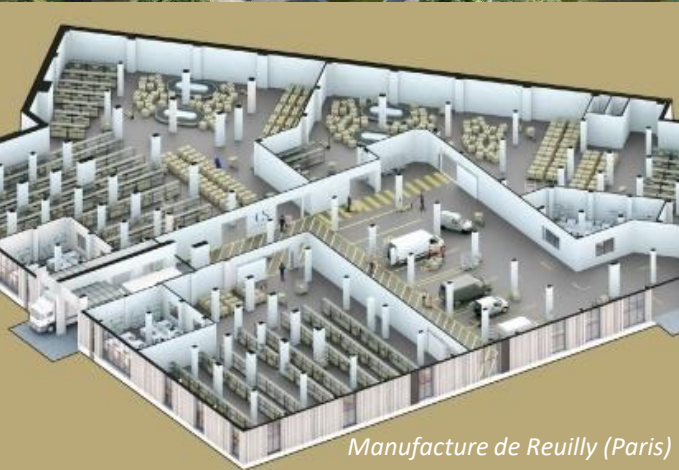
**3 deliveries** (25,000 m<sup>2</sup>)

*including #Community the Groupama campus in Mérignac*





Ecoparc Côtère (Lyon)



Manufacture de Reuilly (Paris)



Hub logistique (Bollène)

# LOGISTICS: A COMPREHENSIVE SET-UP

## Large-scale logistics

XXL platforms, multi-user hubs

Ecoparc Côtère new project (50,000 m<sup>2</sup>)  
Pipeline of 10 operations  
800,000 m<sup>2</sup>

## Urban logistics

a first operation completed  
a pipeline under construction

Manufacture de Reuilly (Paris 12<sup>th</sup>)  
Lease to La Belle Vie and sale to AEW in June  
A highly value-creating transaction



## An organisation fully at-work



Large-scale logistics



Urban logistics

(1) Start-up funded by Altarea.



# ON GOING DELIVERY OF THE LARGEST PRIVATE BUILDING SITE IN ÎLE DE FRANCE



105,500 m<sup>2</sup>

 630 units  17,300 m<sup>2</sup>  40,900 m<sup>2</sup>

Digital center,  
schools, nursery,  
senior residence

100%  
let or sold

70% use  
of geothermal energy





# FINANCIAL PERFORMANCE



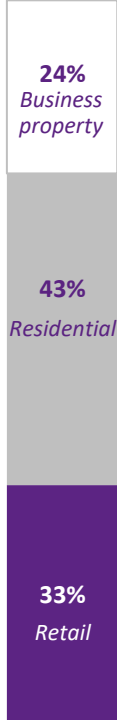
*Les Lucioles – Savigny le Temple (77)*



# STRONG GROWTH IN OPERATING INCOME: +17.5%

In €m

191.1



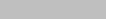
H1 2021

+24.8



Retail

-5.2



Residential

+14.2



Business property

-0.8

Other corporate

223.3 +€33.2m (+17.5%)



H1 2022

## Retail

NRI (€94,8m) up +33.5%  
Strong decrease in bad debts and reliefs

## Residential

Revenue: -5.2%  
Operating margin<sup>(1)</sup> maintained at 7.1%

## Business property

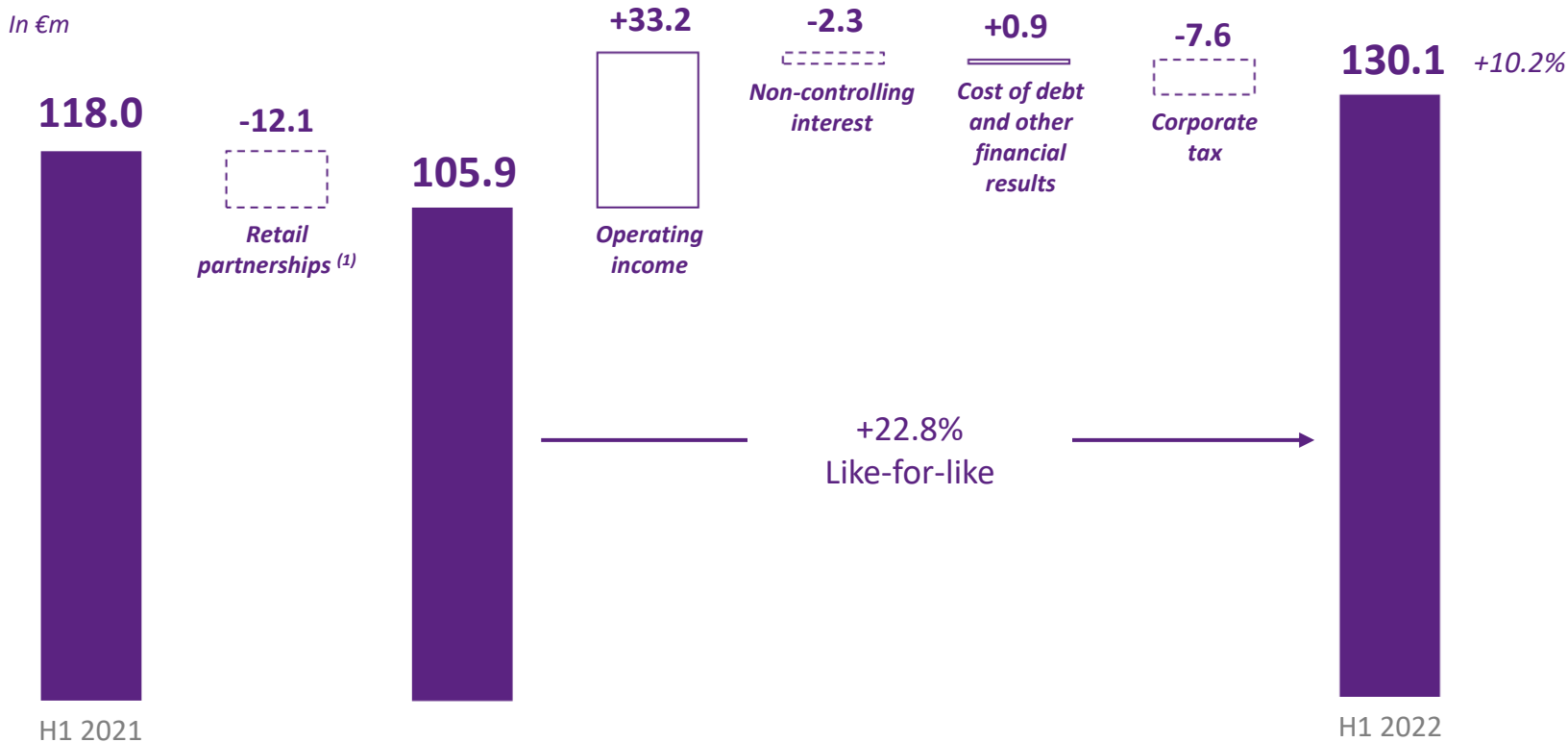
Disposal of Bridge  
Ramp-up in the Regions and in Urban logistics

(1) Operating income / Revenue





# FFO GROUP SHARE: +10.2% (+22.8% like-for-like) DILUTION NEARLY OFFSET



**FFO/share: €6.31 (-4.0%)**  
Dilution due to Retail partnerships <sup>(1)</sup> and capital increase <sup>(2)</sup> nearly offset

(1) 51% (Altarea)/49% (CAA) partnership on a €1bn portfolio of retail assets (railway stations and retail parks). Impact of around €25m on a full year basis.  
(2) 14.8% increase in the average number of diluted shares compared to 31/12/21.

# A SOUND FINANCIAL STRUCTURE



30/06/2022

## Equity at fair value <sup>(1)</sup>

- **€169.5/share** (+7.7%) including fixed rate debt <sup>(2)</sup>
- **€158.0/share** (-0.7%) excluding fixed rate debt

## Equity attributable to minority shareholders at fair value mainly related to Retail partnerships *+238m over the first six months (railway stations partnerships)*

## Net bond and bank debt

- LTV: **24.2%** (+0.1 pt)
- Net debt/EBITDA: **3.8x** (-0.3x)
- ICR: **12.6x** (+4.4x)
- BBB-, negative outlook

*Change vs 31/12/2021*

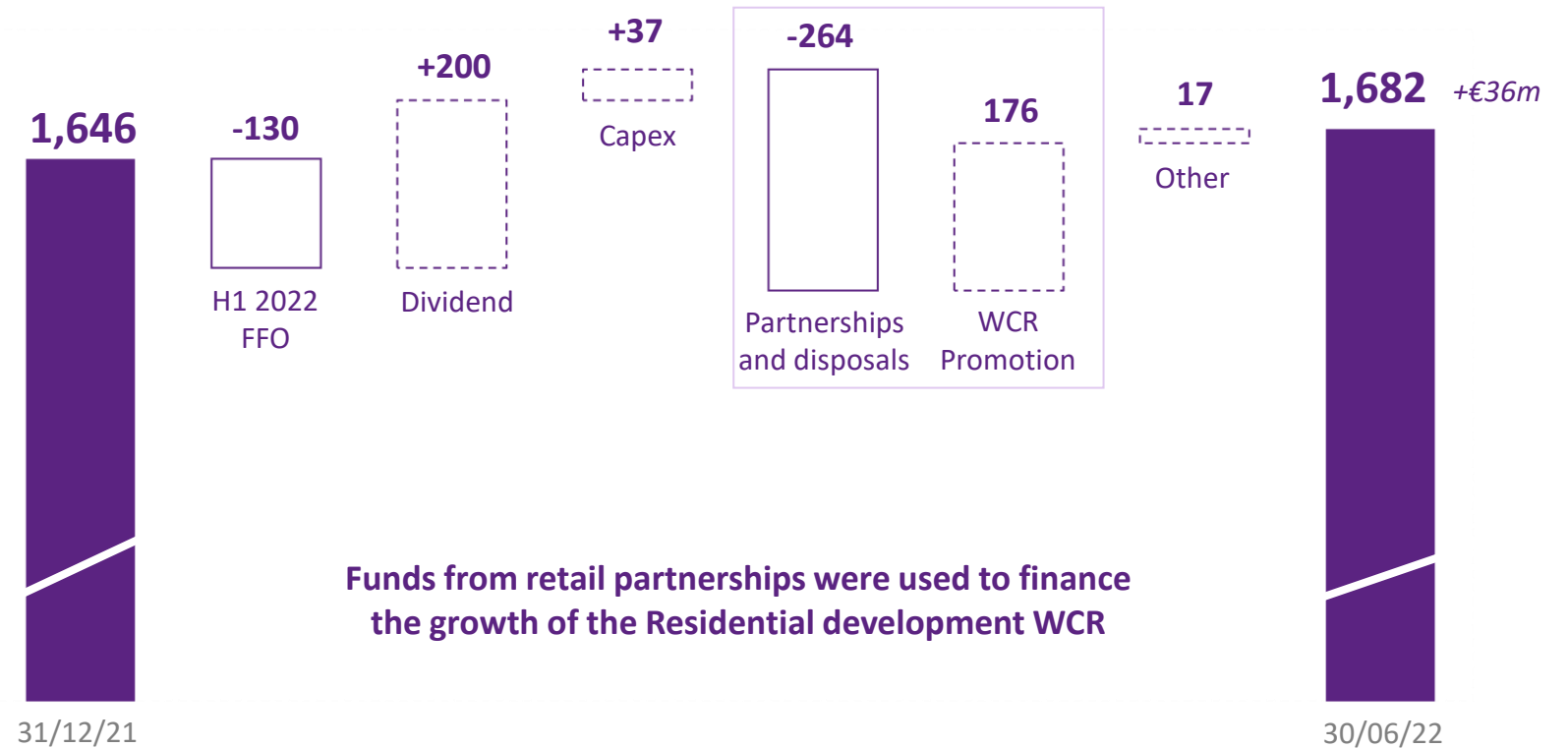
(1) Diluted going concern NAV.  
(2) A +€234m impact.





## NET DEBT <sup>(1)</sup> STABILITY

In €m



Funds from retail partnerships were used to finance the growth of the Residential development WCR

(1) Bound and bank debt.



# AGILE LIABILITY MANAGEMENT

## LONG-TERM COST OF DEBT OPTIMISED AND SECURED

### Optimisation of available liquidity

- Partial buyback of 3 bond issues (€270m nominal amount bought back for €251.1m)
- Early redemption of a €80m term loan

### Available liquidity: **€2,970m** vs. €3,429m at end-2021

- No RCF drawn
- Reduction in the cost of liquidity

### Secured cost of debt in the long-term

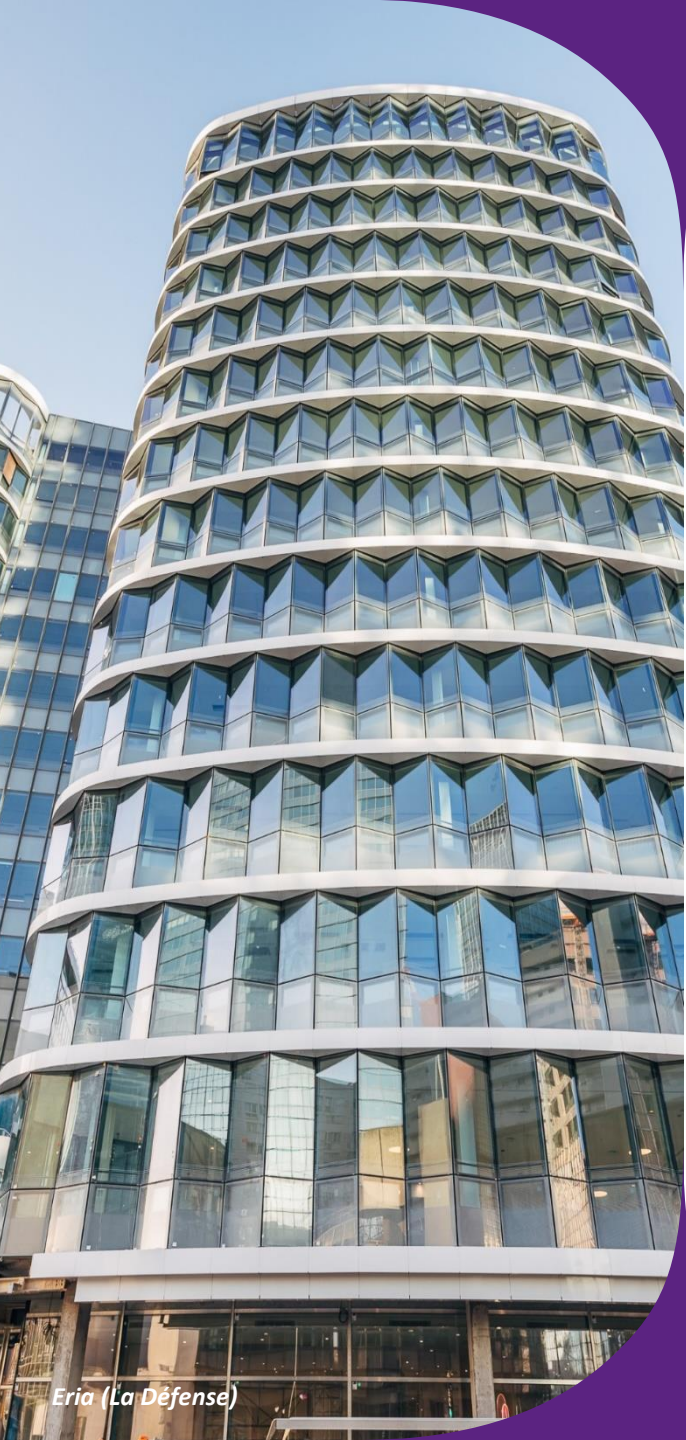
- **1.66%** at 30/06/2022 (-14 bps vs end 2021)
- **Rate frozen for roughly the next 5 years** (bond debt and hedging instruments)



# 2022 GUIDANCE



*Les Madriers – Montreuil (93)*



Eria (La Défense)

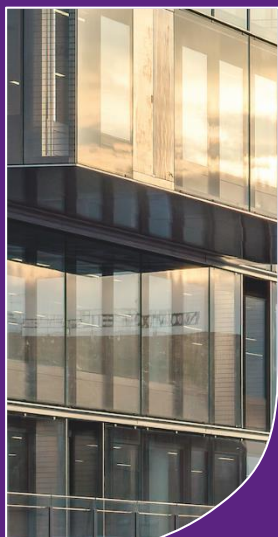
## 2022 GUIDANCE

**For 2022, Altarea expects significant growth in FFO <sup>(1)</sup> provided that the environment does not deteriorate**

*(1) Funds Funds from operations (FFO): net profit excluding changes in value, estimated expenses, transaction fees and changes in differed tax. Group share.*



# APPENDICES & GLOSSARY



*Bridge – Issy-les-Moulineaux (92)*



# INCOME STATEMENT



**CAP3000**  
(St Laurent du Var)

In €m	Retail	Residential	Business Property	Other Corporate	Funds from operations (FFO)	Changes in value, estimated expenses and transaction costs	TOTAL
<b>Revenue</b>	<b>110.5</b>	<b>1,147.4</b>	<b>164.6</b>	<b>0.1</b>	<b>1,422.5</b>	<b>–</b>	<b>1,422.5</b>
<i>Change vs. 30/06/2021</i>	<i>+14.2%</i>	<i>-5.1%</i>	<i>38.9%</i>	<i>n.a.</i>	<i>-0.1%</i>		<i>-0.1%</i>
Net rental income	94.8	–	–	–	94.8	–	94.8
Net property income	–	88.2	29.2	(0.0)	117.4	(0.4)	117.0
External services	9.1	7.1	4.9	0.1	21.1	–	21.1
<b>Net revenue</b>	<b>103.9</b>	<b>95.2</b>	<b>34.1</b>	<b>0.0</b>	<b>233.3</b>	<b>(0.4)</b>	<b>232.9</b>
<i>Change vs. 30/06/2021</i>	<i>+29.4%</i>	<i>-3.8%</i>	<i>x2.4</i>	<i>n.a.</i>	<i>20.6%</i>		
Own work capitalised and production held in inventory	4.9	89.0	5.3	–	99.2	–	99.2
Operating expenses	(21.3)	(108.1)	(11.1)	(8.5)	(149.0)	(13.4)	(162.4)
<b>Net overhead expenses</b>	<b>(16.3)</b>	<b>(19.2)</b>	<b>(5.8)</b>	<b>(8.5)</b>	<b>(49.8)</b>	<b>(13.4)</b>	<b>(63.2)</b>
Share of equity-method affiliates	2.1	4.3	33.4	<i>n.a.</i>	39.8	1.1	40.9
Income/loss on sale of assets Retail						0.0	0.0
Change in value, estimated expenses and transaction costs – Retail						48.2	48.2
Calculated expenses and transaction costs – Residential						(8.4)	(8.4)
Calculated expenses and transaction costs - Business Property						(0.8)	(0.8)
Other provisions Corporate						(16.4)	(16.4)
<b>Operating income</b>	<b>89.6</b>	<b>80.4</b>	<b>61.7</b>	<b>(8.5)</b>	<b>223.3</b>	<b>10.0</b>	<b>233.3</b>
<i>Change vs. 30/06/2021</i>	<i>+38.4%</i>	<i>(6.0)%</i>	<i>+30.0%</i>	<i>n.a.</i>	<i>+17.5%</i>		
Net borrowing costs	(8.5)	(4.5)	(4.7)	–	(17.7)	7.9	(9.8)
Gains/losses in the value of financial instruments	(10.3)	(2.7)	(2.3)	–	(15.4)	–	(15.4)
Proceeds from the disposal of investments	–	–	–	–	–	73.8	73.8
Other	–	–	–	–	–	8.8	8.8
Corporate income tax	(2.1)	(8.1)	(12.1)	–	(22.2)	(13.3)	(35.5)
<b>Net income</b>	<b>68.7</b>	<b>65.1</b>	<b>42.7</b>	<b>(8.5)</b>	<b>168.0</b>	<b>87.1</b>	<b>255.2</b>
Non-controlling interests	(28.7)	(9.3)	0.0	–	(38.0)	(18.6)	(56.6)
<b>NET INCOME, Group share</b>	<b>40.1</b>	<b>55.8</b>	<b>42.7</b>	<b>(8.5)</b>	<b>130.1</b>	<b>68.5</b>	<b>198.6</b>
<i>Change vs. 30/06/2021</i>	<i>36.5%</i>	<i>(9.9)%</i>	<i>23.9%</i>	<i>n.a.</i>	<i>+10.2%</i>		
<i>Diluted average number of shares</i>					<i>20,605,953</i>		
<b>Net income, Group share per share</b>					<b>6.31</b>		
<i>Change vs. 30/06/2021 (a)</i>					<i>(4.0)%</i>		

(a) After retrospective adjustment for the average number of shares in accordance with IAS 33 at 30 June 2021. The average number of shares reported at 30 June 2021 (17,479,992) has been adjusted to 17,946,437, equivalent to FFO per share at 30 June 2021 of €6.58 rather than the reported figure of €6.75.



# NET ASSET VALUE (NAV)



Sylvia  
(Meudon)

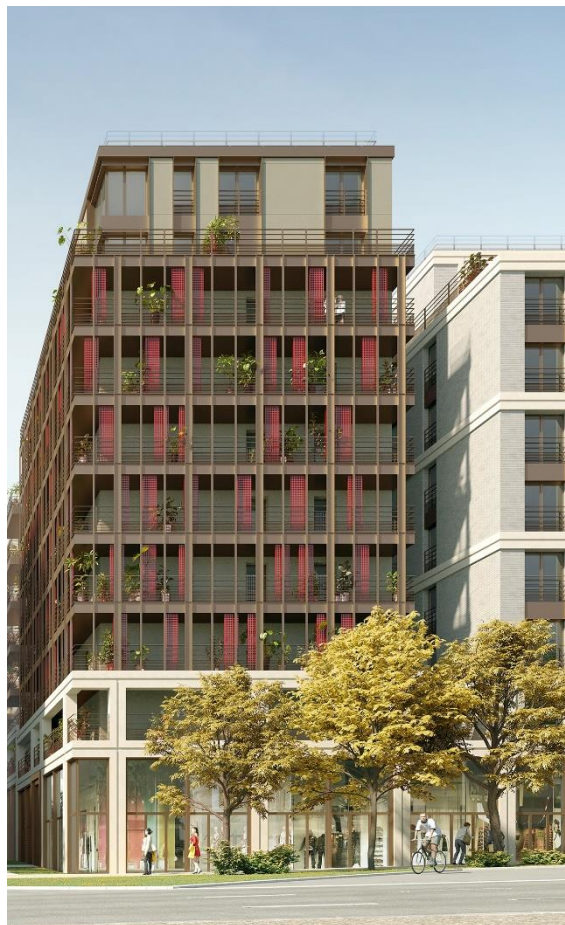
	30/06/2022				31/12/2021	
	In €m	Change	€/share	Change	In €m	
<b>Consolidated equity, Group share</b>	<b>2,239.5</b>		<b>110.4</b>		<b>2,236.2</b>	<b>110.2</b>
Other unrealized capital gains	852.3				874.3	
Deferred tax on the balance sheet for non-SIIC assets <sup>(a)</sup>	21.2				19.4	
Fixed-rate market value of debt	235.4				(34.7)	
Effective tax for unrealised capital gains on non-SIIC assets <sup>(b)</sup>	(25.1)				(26.6)	
Optimisation of transfert duties <sup>(b)</sup>	71.1				83.1	
Partners' share <sup>(c)</sup>	(20.0)				(18.5)	
<b>NNNAV (NAV liquidation)</b>	<b>3,374.5</b>	<b>+7.7%</b>	<b>166.3</b>	<b>+7.7%</b>	<b>3,133.5</b>	<b>154.4</b>
Estimated transfert duties and selling fees	66.4				62.4	
Partners' share <sup>(c)</sup>	(0.4)				(0.4)	
<b>Going concern NAV (fully diluted)</b>	<b>3,440.4</b>	<b>+7.7%</b>	<b>169.5</b>	<b>+7.7%</b>	<b>3,195.2</b>	<b>157.4</b>
<i>Number of diluted shares:</i>	20,293,271				20,293,271	

(a) International assets.

(b) Depending on disposal structuring (asset deal or securities deal)

(c) Maximum dilution of 120.000 shares.

# LOAN TO VALUE



En Scène  
(Bagneux)

In €m	30/06/2022	31/12/2021
Gross debt	2,704	3,271
Cash and cash equivalents	(1,023)	(1,626)
<b>Consolidated net debt</b>	<b>1,682</b>	<b>1,646</b>
Retail at value (FC) <sup>(a)</sup>	4,119	4,064
Retail at value (EM securities), other <sup>(b)</sup>	197	193
Investment properties valued at cost <sup>(c)</sup>	202	205
Business Property investments <sup>(d)</sup>	172	220
Enterprise value of Property Development	2,257	2,135
<b>Market value of assets</b>	<b>6,947</b>	<b>6,816</b>
<b>LTV Ratio</b>	<b>24.2%</b>	<b>24.1%</b>

(a) Market value (including transfer taxes) of shopping centres in operation recognised 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 shares in equity method affiliates holding investments and other Office Property assets.



# BALANCE SHEET (1/2)



**Vertuose  
(Annecy)**

	30/06/2022	31/12/2021
<b>In €m</b>	<b>5,094.0</b>	<b>5,170.8</b>
Intangible assets	331,8	332.5
o/w Goodwill	209,4	209.4
o/w Brands	105,4	105.4
o/w Other intangible assets	17,1	17.7
Property plant and equipment	26,2	27.8
Right-of-use on tangible and intangible fixed assets	127,8	128.4
Investment properties	4,140.1	4,176.8
o/w Investment properties in operation at fair value	3,782.8	3,814.5
o/w Investment properties under development and under construction at cost	187.5	192.8
o/w Right-of use on Investment properties	169.8	169.6
Securities and investments in equity affiliates	423.5	459.4
Non-current financial assets	27.8	22.0
Deferred taxes assets	16.7	24.1
<b>CURRENT ASSETS</b>	<b>3,793.0</b>	<b>4,188.5</b>
Net inventories and work in progress	1,046.8	922.6
Contract assets	676.8	714.1
Trade and other receivables	850.1	858.2
Income credit	10.2	19.5
Current assets	16.5	28.3
Derivative financial instruments	77.7	12.0
Cash and cash equivalents	1,022.8	1,625.5
Assets held for sale	92.0	8.3
<b>TOTAL ASSETS</b>	<b>8,887.0</b>	<b>9,359.2</b>

# BALANCE SHEET (2/2)



*Les madriers  
(Montreuil)*

In €m	30/06/2022	31/12/2021
<b>EQUITY</b>	<b>3,784.5</b>	<b>3,543.6</b>
Equity attributable to Altarea SCA shareholders	2,239.5	2,236.2
<i>Capital</i>	310.1	310.1
<i>Other paid-in capital</i>	387.0	513.9
<i>Reserves</i>	1,343.8	1,200.5
<i>Income associated with Altarea SCA shareholders</i>	198.6	211.6
Equity attributable to minority shareholders of subsidiaries	1,545.1	1,307.4
<i>Reserves associated with minority shareholders of subsidiaries</i>	1,265.0	1,033.4
<i>Other equity components. Subordinated Perpetual Notes</i>	223.5	223.5
<i>Income associated with minority shareholders of subsidiaries</i>	56.6	50.5
<b>NON-CURRENT LIABILITIES</b>	<b>2,631.2</b>	<b>3,036.5</b>
Non-current borrowings and financial liabilities	2,494.2	2,891.7
<i>o/w Participating loans and advances from associates</i>	57.5	59.3
<i>o/w Bond issues</i>	1,456.3	1,723.2
<i>o/w Borrowings from lending establishments</i>	590.8	681.7
<i>o/w Negotiable European Medium-Term Note</i>	85.0	122.0
<i>o/w Lease liabilities</i>	137.0	138.2
<i>o/w Contractual fees on investment properties</i>	167.6	167.2
Long-term provisions	32.9	36.8
Deposits and security interests received	38.4	38.7
Deferred tax liability	65.8	69.4
<b>CURRENT LIABILITIES</b>	<b>2,471.2</b>	<b>2,779.2</b>
Current borrowings and financial liabilities	661.8	838.5
<i>o/w Bond issues</i>	24.6	26.2
<i>o/w Borrowings from lending establishments</i>	90.1	67.4
<i>o/w Negotiable European Commercial Paper</i>	446.0	637.0
<i>o/w Bank overdrafts</i>	11.6	13.6
<i>o/w Advances from Group shareholders and partners</i>	70.3	75.6
<i>o/w Lease liabilities</i>	16.6	16.1
<i>o/w Contractual fees on investment properties</i>	2.6	2.6
Derivative financial instruments	0.5	16.7
Contract liabilities	219.1	168.1
Trade and other payables	1,580.5	1,740.6
Tax due	9.2	15.2
<b>TOTAL LIABILITIES</b>	<b>8,887.0</b>	<b>9,359.4</b>



# GLOSSARY

- **Appraisal value – Retail:** Value of portfolio assets including transfer duties (at 100% or Group Share)
- **Average total cost of the debt:** Average total cost including related fees (commitment fees, CNU, etc.)
- **Backlog - Residential Development:** Revenue (excl. tax) from notarised sales to be recognised on a percentage-of-completion basis and individual and block reservations to be notarised
- **Backlog Business property Development:** Notarised sales not yet recognised on a percentage-of-completion basis, new orders not yet notarised (signed PDAs) and fees to be received from third parties on signed contracts
- **FFO (Funds From Operations):** Operating income after the impact of the net borrowing costs. corporate income tax paid and minority interests. for all Group activities. Group share
- **Financial vacancy:** Estimated rental value (ERV) of vacant units as a percentage of total estimated rental value. France and International
- **Going Concern NAV (Net asset value):** market value of equity with a view to continuing the business taking into account the potential dilution from its status as an SCA (partnership limited by shares). NAV = Going Concern NAV unless otherwise specified
- **ICR (Interest-Coverage-Ratio):** Operating income/Net borrowing costs ("Funds from operations" column)
- **Liquidity:** cash and cash-equivalent (marketable securities. certificates of deposit, credit balances) plus drawing rights on bank credits (RCF, overdraft facility)
- **LTV (Loan to Value):** Net bond and bank debt/Restated value of assets including transfer duties
- **Net debt:** Bond and bank debt, net of cash and cash equivalents
- **Net debt / EBITDA:** Net bond and bank debt / FFO operating income
- **Net rental income:** The Group now reports net rents charged including the contribution to the marketing fund, the rebilling of work and investments as lessor
- **New orders Business Property:** New orders incl. VAT at 100%. with the exception of jointly controlled operations (equity accounted) for which new orders are shown in Group share
- **New orders (reservations) Residential:** New orders net of withdrawals at 100%, with the exception of jointly controlled operations (Group share), € incl. tax
- **Pipeline (in potential value): Residential:** Properties for sale + future offering including VAT. **Business property:** potential market value excluding duties at date of sale for investment projects (at 100%), excluding VAT on off-plan/PDC signed or estimated for other development projects (at 100% or pro rata for co-developments) and capitalised delegated management contracts
- **Tenant sales:** Change in merchant sales on the basis of the period stated
- **The exit rate** (or “capitalisation rate”): used by appraisers to capitalise rents in the terminal period of their DCF models It reflects the fundamental medium to long term quality of assets

