



Revenue for the first 9 months of 2018 up 20% **Sustained activity across all business lines**

Large mixed-use projects

- Major progress at Issy Cœur de Ville, Toulouse Aerospace and Bezons Cœur de Ville

Residential

- New orders: continued gain in market shares with €1,901 million (+12%) i.e. 7,423 units (+9%)
- Acquisition of the entire share capital of Histoire & Patrimoine, an expert in urban regeneration

Business Property

- Development: very strong operational activity (construction and deliveries)
- Sale to CNP Assurances of Altarea Cogedim Group's future head office (signing post closing)

Retail

- Rental income: €139 million (+ 1.9% on a like-for-like basis)
- Sound asset management: financial vacancy rate and bad debts in sharp decline

Corporate Social Responsibility (CSR)

- GRESB "Green Star" status confirmed

Financial indicators

- 9-month consolidated revenue: €1,573 million (+ 20%)
- Net financial debt: €2,703 million (vs. €2,801 million at 30 June 2018)

Unaudited figures at 30 September 2018

I. BUSINESS ACTIVITY AND NON-FINANCIAL PERFORMANCE

Large mixed-use projects: major progress

Issy Cœur de Ville: marketing of residential units launched in September

In September, Altarea Cogedim began marketing of residential units under the Issy Cœur de Ville project in Issy-les-Moulineaux. This mixed-use project of 100,000 sqm, aiming for the EcoQuartier label, notably combines 630 residential units, 40,000 sqm of office space, retail areas, and a cinema. Construction works will start in a single tranche in early 2019 with delivery scheduled for the end of 2021.

Toulouse Aerospace Place Centrale and Bezons Cœur de Ville: construction works begin

The Group has launched construction works on the future Toulouse Aerospace district, located on the iconic former Aéropostale site. This 75,000 sqm project combines 500 residential units, retail areas, a hotel, a cinema and office spaces, with delivery expected between 2019 and 2020.

Altarea Cogedim has also started construction works at Bezons Cœur de Ville, a 67,000 sqm project combining all asset types including 700 residential units, 18,000 sqm of retail areas, and a cinema. Delivery is set for 2020.

Residential: continued gain in market shares

New orders: €1.9 billion (+12%) i.e. 7,423 units (+9%)

Reservations incl. tax	30/09/2018		30/09/2017		Change
Institutional investors	€518m	27%	€413m	24%	+26%
Individuals - Residential buyers	€677m	36%	€531m	31%	+28%
Individuals - Investors	€706m	37%	€758m	45%	(7)%
TOTAL in value	€1,901m		€1,702m		+12%
Institutional investors	2,454 units	33%	1,981 units	29%	+24%
Individuals - Residential buyers	2,131 units	29%	1,550 units	23%	+37%
Individuals - Investors	2,838 units	38%	3,256 units	48%	(13)%
TOTAL in units	7,423 units		6,787 units		+9%
<i>Average price per unit</i>	€256K		€250K		+2%

Altarea Cogedim has recorded very high growth in reservations from institutional investors and individual residential buyers. The Group continues to gain market shares on the most resilient market segments, with an overall 9% growth in reservations and 12% growth in value.

Revenue and backlog

	30/09/2018	30/09/2017	Change
Revenue	€1,168m	€953m	+22%

	30/09/2018	30/06/2018	Change
Backlog	€2,929m	€2,831m	+3%

Taking into account the impacts of IFRS 15 accounting standards, Residential revenue exceeds €1.2 billion (+22%) at 30 September 2018, while the Residential backlog¹ amounts to €2.9 billion or 27 months of revenue.

Enhanced urban regeneration expertise with Histoire & Patrimoine

In July, the Group acquired the remaining share capital not owned yet in Histoire & Patrimoine², a specialist in the renovation and redevelopment of urban heritage.

¹ The application of IFRS 15 has resulted in a drop in Residential backlog, the corresponding margin of which has been recognised in the opening equity for an amount of + €51m (of which + €46m in Group share).

Business property

Altarea Cogedim has designed a unique model through which it is able to operate very prominently on the business property market with only limited risk. This model is based on two complementary activities:

- property development on behalf of external clients (investors and users) as well as on behalf of its own investment projects, under off-plan sale/off-plan lease/PDA and more marginally as a service provider (DPM)³,
- medium-term investment in assets to be redeveloped pending sale (directly or via AltaFund).

Property Development

	30/09/2018	30/09/2017	Change
New orders (incl. tax)	€351m	€707m	(50)%
Revenue	€248m	€200m	+24%

	30/09/2018	30/06/2018	Change
Backlog	€796m	€791m	+1%

Since the beginning of the year, the Group has recorded new orders worth €351 million, including a PDA for the redevelopment of Tour CB3 in Paris-La Défense, an off-plan sale for the Bassins à Flot project in Bordeaux (37,100 sqm), and during the 3rd quarter, a PDA for a public-private partnership project in Fréjus.

In September, Altarea Cogedim delivered the Courtyard Paris Gare de Lyon 4* hotel to Axa and Marriott, further to the redevelopment (under DPM) of a former office building of 12,400 sqm.

Of the 23 projects underway, 2 major operations will be delivered end-2018: the Kosmo building in Neuilly-sur-Seine (the future HQ of Parfums Christian Dior), and the mixed-used building at 52 Champs-Élysées (future home of Galeries Lafayette among others).

Major post-closing events

In early October, the Group has laid the foundation stone of the Bridge building, the future headquarters of the Orange group in Issy-les-Moulineaux, to be delivered in summer 2020.

Altarea Cogedim has also concluded in early October the off-plan sale of its future head office to CNP Assurances, a new-generation office building of 33,000 sqm on the rue de Richelieu (Paris 2nd arrondissement). This project has its sights set on several labels: HQE[®] Renovation Exceptional, BREEAM Excellent, BBC Effinergie Renovation and Well Silver certification. As forecasted, the off-plan sale will have a significant contribution on the Group results as from the 4th quarter of 2018 and up until delivery, scheduled for the 2nd half of 2019.

2 From the 2nd half year 2018, Histoire & Patrimoine will be fully consolidated (previously consolidated using the equity method). The Group acquired 55% of the share capital in June 2014.

3 PDA: property development agreement – DPM: delegated project management.

Retail

Altarea Cogedim has chosen to focus its development on four retail formats: travel retail, major destination shopping centres⁴, convenience stores and large retail parks.

Retail portfolio: very sound asset management

	30/09/2018	CNCC ⁵
Retailer sales ⁶	+2.0%	(0.8%)
Footfall ⁷	+1.0%	(2.3%)

	30/09/2018	Change
Rental income	€139.4m	+1.9% l.f.l
Bad debt ratio	1.2%	(0.3) pt
Financial vacancy rate	1.3%	(1.4) pt

On a like-for-like basis, rental income has grown by 1.9%. The strong performance of our standing assets (retailer sales and footfall), combined with a strict payment policy, have allowed a reduction of the bad debt ratio to 1.2%. The financial vacancy rate stands at 1.3%, the result of successful lease renewal campaigns.

Additionally, Altarea Cogedim will shortly be delivering the 1st phase of 8,000 sqm of retail space at Paris-Montparnasse train station. This exceptional site will feature a retail offering comprising 130 shops, restaurants and services over more than 19,000 sqm, creating a new hub of activity in the city and meeting the needs of the station's 70 million users each year (90 million by 2030).

Disposals

End of July, the Group has sold to Crédit Agricole Assurances the control of its 33.34% shareholding in Semmaris, the operator of the Rungis market. This shareholding constituted a significant investment of Altareit, the listed subsidiary of Altarea, which now becomes a pure player in real estate property development in France gathering the Group's activities in this field.

In addition, the Group reduced the number of its assets, with the disposal of retail units in Toulon at the end of September, and a portfolio of 4 small assets located in city-centers in early October⁸. The Group now owns 35 assets.

GRESB: Altarea Cogedim N°1 listed company in France and N°2 worldwide for listed Retail companies

In its 5th year of participating in the GRESB, Altarea Cogedim has reasserted its leader status and been ranked N°1 listed company in France (all sectors combined) and N°2 of all listed Retail companies worldwide. Moreover, Altarea Cogedim has obtained an A rating for transparency, a token of the quality of its institutional publications and the reliability and exhaustive scope of its CSR reporting.

4 Leading regional centres in their area.

5 Conseil National des Centres Commerciaux - Data from end-August 2018 for retailers' sales (12-month period) and end-September 2018 for footfall (12-month period).

6 Change in revenue (incl. tax) from retailers on a like-for-like basis (sites) over a 12-month period. Excluding assets being redeveloped.

7 Change like-for-like (sites) over 12 months in France as at end-September 2018. Excluding assets being redeveloped.

8 Les Tanneurs in Lille, Porte Jeune in Mulhouse, Espace Saint Christophe in Tourcoing and Espace Grand'Rue in Roubaix.

II. FINANCIAL PERFORMANCE AND NET DEBT

Very high growth in consolidated revenue⁹ (9 months): €1,572.6 million (+20%)

In €m	Q1 2018	Q2 2018	Q3 2018	TOTAL 9-mth 2018	Q1 2017	Q2 2017	Q3 2017	TOTAL 9-mth 2017	9-mth 2018/ 9-mth 2017
Rental income	46.5	47.1	45.8	139.4	46.6	47.9	49.6	144.1	(3)%
Services	4.6	4.1	5.3	13.9	4.4	4.2	4.6	13.2	+6%
Property development	-	3.1	-	3.1	2.0	-	-	2.0	+58%
Retail	51.0	54.3	51.1	156.4	52.9	52.2	54.1	159.2	(2%)
Revenue (% of completion)	339.5	458.3	368.6	1,166.4	280.0	360.1	312.6	952.8	+22%
Services	0.1	0.7	0.9	1.7	0.5	0.1	0.4	1.0	+61%
Residential	339.6	459.0	369.6	1,168.1	280.5	360.3	313.0	953.8	+22%
Revenue (% of completion)	42.0	127.5	54.2	223.7	69.9	92.2	27.3	189.4	+18%
Services	2.0	20.3	2.2	24.5	1.7	2.6	6.8	11.1	+120%
Business Property	44.0	147.8	56.3	248.1	71.6	94.8	34.1	200.6	+24%
Revenue	434.6	661.0	476.9	1,572.6	405.1	507.2	401.3	1,313.6	+20%

Since 1st January 2018, Altarea Cogedim records its revenue according to IFRS 15 (Revenue from Contracts with Customers). IFRS 15 impacts the percentage of completion used to recognise revenue from development operations. This percentage now includes the cost of land in its calculation, which accelerates the pace of revenue recognition.

The impact of the application of this accounting standard on consolidated revenue at 30 September is limited to € (36.9) million, i.e. less than 3% of total published revenue.

Financial position

Net financial debt (bank and bonds) stood at €2,703 million at 30 September 2018, down €98 million compared with 30 June 2018 (€2,801 million).

III. OUTLOOK

For the record, the Group has set itself a target FFO in the region of €300 million by the year 2020, taking into account the impact of IFRS 15 and 16, and the hike in tax on non-SIIC activity. The Group aims at a LTV (loan-to-value) ratio of around 40% and a dividend policy in line with that of recent years.

Financial calendar

2018 Annual Results: 26 February 2019 (post-closing) - Presentation meeting the morning of 27 February

ABOUT ALTAREA COGEDIM - FR0000033219 - ALTA

Altarea Cogedim is the leading property developer in France. As both a developer and an investor, the Group operates in the three main property markets (Retail, Residential and Offices) leading major mixed-use urban renewal projects in France. The Group has the required expertise in each sector to design, develop, market and manage made-to-measure property products. In Retail, Altarea Cogedim manages standing assets of €4.7 billion as at 30 June 2018. Listed in Compartment A of Euronext Paris, Altarea has a market capitalisation of €3.2 billion at 30 September 2018.

ALTAREA COGEDIM CONTACTS

Eric Dumas, Chief Financial Officer
Edumas@altareacogedim.com, Tel: +33 1 44 95 51 42

Catherine Leroy, Analyst and Investor Relations
Cleroy@altareacogedim.com, Tel: +33 1 56 26 24 87

COMMUNICATION CONTACTS

Agnès Villeret, Press Relations – KOMODO
agnes.villeret@agence-komodo.com, Tel: +33 6 83 28 04 15

⁹ Quarterly 2018 data take into account the application of IFRS 15 from 1 January 2018. Measured variations compare data from 30 September 2018, as per the new standard, with data published at 30 September 2017 using the former standard.

GLOSSARY

AltaFund: Discretionary investment fund created in 2011, with €650 million in equity of which Altaarea Cogedim is one of the contributors alongside leading institutional investors.

Office Property backlog (Office and Logistics): The Office Property backlog consists of notarised sales (excl. tax) not yet recognised on a percentage-of-completion basis, new orders (excl. tax) pending notarised deeds (signed PDAs) and fees pending receipt from third parties under signed contracts.

Residential backlog: Residential backlog consists of revenue (excl. tax) from notarised sales to be recognised on a percentage-of-completion basis, and individual and block reservations to be notarised (individual and institutional investors).

Retailer sales: Change in retailer revenue (incl. tax) on a like-for-like basis (sites) over a full 12-month period in France. Excluding assets being redeveloped.

Residential Revenue (in € excl. tax): Recognised on a percentage-of-completion basis in accordance with IFRS 15 (cost of land included) for data as at 30 September 2018 and recognised on a percentage-of-completion basis in accordance with IAS 18 (cost of land not included) for data as at 30 September 2017.

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.

Bad debts ratio: 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.

GRESB (Global Real Estate Sustainability Benchmark): Reference ranking which evaluates the annual CSR performance of property companies worldwide (874 companies and funds assessed in 2018, of which 37 listed Retail companies).

IFRS 15: Since 1 January 2018, Altaarea Cogedim has recognised revenue in accordance with IFRS 15 (Revenue from Contracts with Customers). The main change concerns the use of the percentage of **completion** method to recognise revenue from property development projects. This percentage now includes the land cost in the calculation, which is equivalent to the acceleration of revenue recognition. The Group has chosen to apply IFRS 15 according to the cumulative catch-up method, in its communications.

IFRS 16: IFRS 16 (Leases) will be applied from 1 January 2019.

Property Development New Orders (Residential and Office Property): Value (incl. tax) of Residential reservations and orders for Office Property (PDC and Off-Plan development contracts and capitalised DPM fees and AltaFund arbitrage items) signed over a given period.

Residential New orders: 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).

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

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 entities.

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

DISCLAIMER

This press release does not constitute an offer to sell or solicitation of an offer to purchase Altaarea shares. For more detailed information concerning Altaarea, please refer to the documents available on our website www.altareacogedim.com.

This press release may contain declarations in the nature of forecasts. While the Company believes such declarations are based on reasonable assumptions at the date of publication of this document, they are by nature subject to risks and uncertainties which may lead to differences between real figures and those indicated or inferred from such declarations.