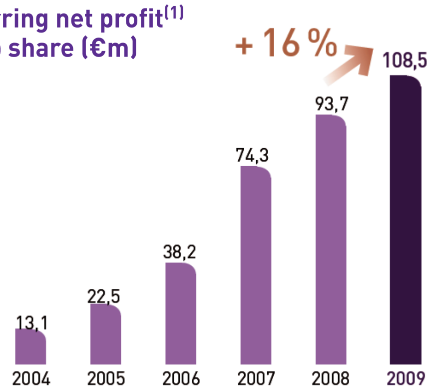
2009 RESULTS

Recurring net profit up +16%
Solid business model

Recurring net profit[1]
Group share (€m)



Recurring net profit[1] per share: €10.57, +2.8%

NAV[2] per share: €113.3
-8.8% compared with 31 December 2008
+3.0% compared with 30 June 2009

Net rental income from shopping centres: €140.8m
+20% (+4% on a like-for-like basis)

Residential reservations: €887m
+59% compared with 2008 **+33%** compared with 2007

Combining an extremely strong position in three markets with different cycles, while still maintaining shopping centre as its predominant activity, Altarea Cogedim benefits from a number of growth opportunities depending on economic conditions in each of its products.

Altarea Cogedim's business model as both a REIT specialising in shopping centres and a multi-product developer has shown itself to be particularly solid, with a 16% increase in recurring net profit (+2.8% per share).

In retail property, the Group achieved its targets in terms of rents received and the rate of vacancies (excluding redevelopments) across the portfolio is extremely low. Shopping centres constitute the basis of Altarea Cogedim's business model - representing 71% of recurring operating profit (3) - and help to enhance visibility on the Group's earnings.

In residential property, the Group managed to capitalise on the market upturn. Residential sales - representing 20% of recurring operating profit - were 33% above the pre-crisis level of 2007. The order backlog at end-2009 points to strong growth in the contribution to consolidated cash flow.

In office property - representing 9% of recurring operating profit - although business activity remained weak due to economic conditions, 2009 was a year of intense operating activity with eight developments delivered to investors representing a total of 150,000 sqm.

« With economic conditions remaining constant, Altarea Cogedim is particularly confident about 2010. The Group will open four new shopping centres in 2010, which are currently almost 90% let. In residential property, the Group will continue to benefit from intense commercial activity relating to tax benefits for home buyers and begin to see the results of its excellent commercial performance in 2009. Lastly, in office property, the Group will remain ready to seize opportunities, in particular those relating to the need for investors to transform their portfolios to meet new environmental standards.

In view of this outlook and expected stability in capitalisation rates, all of Altarea Cogedim's financial indicators - in particular recurring net profit - should see improve significantly in 2010.

At the next general shareholders' meeting, a dividend will be proposed in line with the increase in recurring earnings per share of €7.20 per share, representing a yield of around 7% relative to the share price. »

Alain Taravella, Chairman and Founder

(1) Recurring net profit = rental income + property margins – recurring net overhead costs – recurring net cost of debt – tax. (2) Going concern NAV (3) Recurring operating profit = recurring net profit before tax and before cost of recurring net debt.
Audited financial statements as of 31 December 2009. The statutory auditors are in the process of preparing their report on the financial statements.

As a specialist REIT, Altarea Cogedim builds shopping centres on a proprietary basis. This category delivers the strongest long-term performance and generates regular cash flow growth for the group.

The Group is the only multi-product developer with full operational and development know-how in the three main types of property: retail, offices and residential. It is also market leader in France in the development of mixed urban projects. With development of operations at source and secure cash flow, Altarea Cogedim's unique profile allows it to achieve an optimum risk/reward profile.

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See the full press release on:
www.altarea-cogedim.com

BUSINESS REVIEW
2009

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I Business review

Altarea Cogedim is a REIT focused on shopping centres. The company is also a multi-product developer active in the three major property markets (retail, housing, offices). By combining its extremely strong positions in three markets with very different business cycles while retaining a primary focus on shopping centres, Altarea Cogedim is able to seize multiple growth opportunities according to trends in each of its products from a position of strength. Overall, its consolidated profile is better than that of each business considered separately.

1. Highlights of 2009

1.1 Very strong growth in rental income from shopping centres

Net rental income from the portfolio of shopping centres rose by 20.1% in 2009 owing to the combined effect of completions during 2009 (53,000 sqm GLA, 99% let), the full-year impact of the 2008 completions (58,700 sqm GLA, 97% let) and its like-for-like performance (up 4.0%).

1.2 Strong recovery in new housing sales

Cogedim's residential sales recorded a sharp acceleration, with sales surging 59% to €887 million compared with 2008 and 33% compared with 2007, a record year for the industry. In terms of the number of lots, the increase came to 80% relative to 2008 and 45% relative to 2007, with a total of 4,345 lots sold. Sales qualifying for Scellier tax incentives accounted for 50% of 2009 reservations.

With coverage extending across all of France but primarily focused on the Paris region and the eight largest regional cities (around 50% of the French population), Cogedim has increased its market share since it was acquired by Altarea from around 2.4% in 2007 to 3% in 2008 and over 4% in 2009[1] in terms of the number of residential units. Given the average price per lot sold (€240,000), its market share would be even higher in value terms.

The backlog at end-2009 represents 19 months of revenues (€872 million), including around €524 million set to be recognised in 2010, on a par with the level of revenues recorded in 2009. Thanks to this backlog, revenues are likely to post a significant increase in 2010 and an even larger one in 2011. During 2010, construction of 4,400 residential units is due to be started up, representing an increase of 50% compared with 2009.

1.3 An active year in commercial property

The Group completed eight office properties representing a total net floor area of 150,000 sqm and recorded sales of €140 million excluding tax for various development projects or as delegated project manager, despite the very severe decline in the investment market.

The recovery in the office property market is not expected to kick in until late 2010/early 2011. In the meantime, the Group is getting ready to make the most of the rebound in the cycle and has decided to launch an investment vehicle in partnership with international investors, with Altarea Cogedim as the project developer.

1.4 Investment and development

During 2009, Altarea-Cogedim invested €235 million and sold €110 million in assets (including Espace St Georges, with the sale due to be notarised in early 2010).

New development projects are underway, in particular the Villeneuve-la-Garenne project with net floor area of 86,000 sqm. The Group's pipeline represents €1.5 billion in investment with potential annualised gross rental income of €135 million and an average return of 8.8%.

To execute this investment plan while controlling its debt, the Group will be able to sell off mature assets that do not fit with its asset management strategy.

At 31 December 2009, the Group's consolidated LTV ratio was 55.7%. Altarea Cogedim's long-term objective is to maintain a LTV ratio of close to 55%, which would help it to protect the Group's room for manoeuvre (timing of asset sales and purchase opportunities).

[1] Market share based on the number of lots, Market volumes provided by FNPC (Quarterly reports). 2009 sales estimated at around 105,000 lots.

2. Shopping centre development

2.1 Summary

2.2 Proprietary shopping centres

2.3 Shopping centres under development

2. Shopping centre development

2.1 Summary

At 31 December 2009, the portfolio of shopping centres in operation was valued at €2.3 billion including transfer duties, generating annualised rental income of €150 million. Current investment in shopping centre projects represents potential GLA of 547,900 sqm and projected gross rental income of €135 million (representing a yield of 8.8%).

Key figures for the asset base and project portfolio at 31 December 2009

31-Dec-09	GLA in sqm	Current gross rental income	Appraisal value	Provisional gross rental income	Net investment: Total	Net investment: Already invested	Net investment: Committed investments still to be made	Net investment: Remaining investments not committed	Yield
Shopping centres in operation	623,796	150.4	2,305.8	N/A	N/A	N/A	N/A	N/A	N/A
Shopping centres under construction	90,900	N/A	N/A	24.8	358.0	269.2	88.8	-	6.9%
Development projects and signed development projects	457,000	N/A	N/A	110.5	1,179.0	117.8	61.5	999.7	9.4%
Total assets	**1,171,696**	**150.4**	**2,305.8**	**135.3**	**1,536.9**	**387.0**	**150.2**	**999.7**	**8.8%**

2.2 Proprietary shopping centres

2.2.1 Analysis of economic conditions

The consumer climate

Consumer spending picked up during mid-2009, owing notably to the stimulus plans introduced by the French government. Overall, it advanced by 1.0% in France during the year, having declined by 0.4% during the first six months compared with the first half of 2008. This said, a relative decline in households' purchasing power is likely to keep consumer spending flat during 2010[2].

Altarea's shopping centres

During 2009, tenant revenues fell back 1.6% compared with the same period of 2008. Retail tenants' revenues moved higher again in relative terms during the second half of 2009, having dropped 3.8% during the first half of 2009. Retail parks (Family Village) posted revenue growth of 4%, confirming their commercial positioning and concept that is particularly well suited to families and price-conscious customers.

This overall decline in activity did not have an immediate impact on the Altarea Group's rental income. The variable portion of its rental income represents less than 1% of total rental income (€1.3 million in 2009, stable compared with 2008).

On a like-for-like basis, tenants' occupancy cost ratio[3] increased automatically over the year to reach 9.5% compared with 9.0% in 2008, but declined compared with the first half of 2009 when it stood at 9.9%.

2.2.2 Rental income from shopping centres

The Group's net rental income grew by 20.1% over the year (up 4.0% on a like-for-like basis) owing primarily to the opening of shopping centres developed on a proprietary basis during both 2008 and 2009.

(€m)	31-Dec-09		31-Dec-08
Rental income	307.0		126.6
Land expense	(4.4)		(2.1)
Unrecoverable rental expenses	(3.7)		(2.7)
Management expenses	(0.3)		(0.2)
Net provisions for non-performing loans	(4.3)		(4.3)
NET RENTAL INCOME	**140.8**	+20.1%	**117.3**
% of rental income	*45.9%*		*92.6%*
Net overhead expenses	(9.8)		(9.5)
Miscellaneous	(4.1)		(3.9)
OPERATING PROFIT	**127.0**	+22.3%	**103.8**
% of rental income	*41.4%*		*82.0%*

By source, the growth in net rental income breaks down as follows:

	(€m)	
2008 net rental income	**117.3**	
2009 completions	9.7	+8.3%
Full-year impact (2008 completions)	10.5	+9.0%
Acquisitions and disposals in 2008 and 2009	(0.9)	-0.8%
Variation on a like-for-like basis	4.3	+4.0%
Total change in net rental income	**23.6**	**+20.1%**
2009 net rental income	**140.8**	

The increase in the cost of land was attributable to the occupancy fee paid to SNCF concerning the stores at the Gare de l'Est station in Paris (completed in 2008). Non-performing loans[4] accounted for 2.9% of rental income (compared with 3.5% in 2008 and 3.8% in the first half of 2009).

[2] Insee: Insee's Note de conjoncture dated December 2009, January 2010 economic indicators

[3] Ratio of rent and expenses charged to tenants to revenues generated by the retailer. Data available for properties in France only

[4] Net amount of charges to and reversals of provisions for non-performing loans, as well as definitive losses over the period by comparison with rent charged.

2.2.3 Growth of operating shopping centres

At 31 December 2009, the value of operating properties[5] (on a Group's share basis) was €2,305.8 million, an increase of 1.6% compared with 31 December 2008 (down 5.5% like-for-like).

Growth of operating shopping centres

	GLA Group share	Gross rental income (€m) (1) Group share	Value (€m) Group share
TOTAL at 31 December 2008	**589 092**	**142,2**	**2 270,4**
Shopping centres opened	53 000	14,2	246,6
Disposals (2)	(27 063)	(7,4)	(76,4)
Acquisitions and other	8 767	2,3	(16,0)
Asset management	-	3,3	(118,8)
Departures		(4,2)	
Sub-total	**34 704**	**8,1**	**35,4**
TOTAL at 31 December 2009	**623 796**	**150,4**	**2 305,8**
o/w France	*540 892*	*123,7*	*1 901,6*
o/w International	*82 904*	*26,6*	*404,2*

Shopping centres opened, acquisitions and disposals

Four new shopping centres/extensions developed on a proprietary basis were opened in 2009:

Centres	GLA in sqm	Gross rental income	Occupancy rate	Appraisal value * (€m)
Wagram**	11,000	6.0	100%	
Carré de Soie (50%)	30,400	5.2	99%	
Crèches	11,600	1.3	99%	
Occitania extension	-	1.7	100%	
Total completions	**53,000**	**14.2**	**99%**	**246.6**

*Gross value, including transfer duties, Group share
**Hotel and stores

Thanks to the work of the Group's letting teams, all of the properties completed during the year had an occupancy rate of close to 100%.

In 2009, the Altarea Group sold €110 million in assets, chiefly comprising the Espace St-Georges in Toulouse for €90 million. This sale will be completed at the beginning of 2010. In addition, the Group sold €20 million in small non-core properties during 2009. Depending on the market opportunities and the new commitments entered into as part of its property development activities, the Group may sell off other assets with reversionary potential or of a type no longer meeting its profitability criteria.

Growth in rental values on like-for-like basis

	No. of leases concerned	Increase in rent (€m)	Basic rent (€m)	% growth
Letting	120	1,7	3,5	+49,5%
Renewal	22	0,1	1,2	+7,4%
Enforced vacancy	18	(1,7)	1,7	-100,0%
Departures	38	(2,5)	2,5	-100,0%
Indexation		1,5	125,9	+1,2%
Total 2009	**198**	**(1,0)**	**134,8**	**-0,7%**
Reminder 2008	*154*	*7,0*	*114,8*	*+6,2%*

- Even though the crisis dragged down retail tenants' revenues, the Group's shopping centres still boast positive reversionary potential that its asset management teams continue to harness (increase in rental income of €1.7 million over the year)
- In addition, certain centres were gradually emptied of their tenants ahead of restructuring, leading to a fall in rental income of €1.7 million during the year.
- Departures were recorded primarily through the vacation of properties in centres with very strong commercial appeal, which do not pose any particular reletting problems.

The Group's financial vacancy rate stood at 3.2% of the portfolio compared with 2.4% in 2008.

Lease expiry schedule

Leases are broken down according to expiry date and the next three-year termination option in the following schedule:

In €m	Group share		Group share	
Year	Rental income reaching lease expiry date	% of total	Rental income reaching three-year termination option	% of total
Past years	6.1	4.1%	6.3	4.2%
2010	6.9	4.6%	19.4	12.9%
2011	7.7	5.1%	31.5	21.0%
2012	10.3	6.8%	26.8	17.8%
2013	9.2	6.1%	26.1	17.3%
2014	22.1	14.7%	23.3	15.5%
2015	9.5	6.3%	5.8	3.9%
2016	10.2	6.8%	0.4	0.3%
2017	22.1	14.7%	2.5	1.6%
2018	24.9	16.6%	0.3	0.2%
2019	15.1	10.1%	5.4	3.6%
2020	3.8	2.5%	1.1	0.7%
> 2020	2.5	1.6%	1.5	1.0%
Total	**150.4**	**100.0%**	**150.4**	**100.0%**

- **Growth in property values on like-for-like basis**

The weighted average capitalisation rate[6] went up from 6.09% to 6.58% (up 50 basis points) during 2009, leading to a reduction in the value of the portfolio's assets, which was offset in part by rent indexation and asset management. Overall, the value of the portfolio fell by 5.5% on a like-for-like basis.

	31-déc-09 Average net cap. rate	30-juin-09 Average net cap. rate	31-déc-08 Average net cap. rate
France	6,53%	6,59%	6,02%
International (Italy, Spain)	6,77%	6,75%	6,40%
Average	**6,58%**	**6,62%**	**6,09%**
City centre/Urban leisure centre	*6,62%*	*6,59%*	*5,99%*
Retail Park	*6,91%*	*7,02%*	*6,38%*
City Outskirts	*6,30%*	*6,35%*	*5,97%*

In line with trends in the second half of 2008, 2009 was marked by a very low number of transactions in the shopping centre sector. The few transactions that did take place primarily involved shopping

[5]Including transfer duties

[6]The capitalisation rate is the rental yield relative to the appraisal value excluding transfer duties. To present data equivalent to that of the principal listed REITs, the Group now uses capitalisation rates rather than the rate of return (value inclusive of transfer duties, rate used in previous financial reports).

malls attached to hypermarkets, as well as some city-centre malls, in provincial areas. Against this backdrop, appraisal firms revised up the Group's average capitalisation rate, which stood at 6.58% compared with 6.09% at 31 December 2008 (up 50 basis points). Over 18 months, the average capitalisation rate grew by 110 basis points.

- **Appraisal values**

Since 30 June 2009, the Altarea Group's property portfolio valuation has been based on appraisals by DTZ Eurexi and Icade Expertise (for shopping centre properties in France and Spain), CBRE (for other properties such as Hotel Wagram) and Savills (for properties in Italy). They use two methods:

- A method based on discounting projected cash flows over 10 years, taking into account the resale value at the end of the period determined by capitalising net rental income. Amid the inefficient market conditions prevailing, appraisers have opted to use the results obtained using this method in many instances.
- A method based on the capitalisation of net rental income: the appraiser applies a rate of return based on the site's characteristics (surface area, competition, rental potential etc.) to rental income including guaranteed minimum rent, variable rent and the market rent of vacant premises, adjusted for all charges incurred by the owner. The second method is used to validate the results obtained with the first method.

Rental income includes:
- Rent increases to be applied on lease renewals;
- The normative vacancy rate;
- The impact of future rental capital gains resulting from the letting of vacant premises;

These valuations are conducted in accordance with the criteria set out in the Red Book - Appraisal and Valuation Standards published by the Royal Institute of Chartered Surveyors in May 2003. The surveyors' assignments were all carried out in accordance with the recommendations of the COB/CNC "Barthes de Ruyter working group" and comply fully with the instructions of the Appraisal Charter of Real Estate Valuation ("*Charte de l'Expertise en Evaluation Immobilière*") updated in June 2006. Surveyors are paid lump-sum compensation determined in advance and based on the size and complexity of the appraised properties. Compensation is therefore totally independent of the results of the valuation assessment.

Breakdown of operating shopping centres at 31 December 2009 (Group share)

Centre	Opening Renovation	Driver brand	Area Group share	(1) Group share	Value (€m) (2) Group share
Lille - Les Tanneurs & Grand' Place	2004 (R)	Fnac, Monoprix, C&A	22 200		
Paris - Bercy Village	2001 (O)	UGC Ciné Cité	19 400		
Toulouse Saint Georges	2006 (R)	Casino, Sephora	15 150		
Vichy	2003 (O)	Darty, La Grande Récré	14 203		
Brest Jean Jaurès	2002 (O)	Fnac, Go Sport, H&M	12 800		
Reims - Espace d'Erlon	2002 (O)	Monoprix, Fnac	7 100		
Brest - Coat ar Gueven		Sephora	6 339		
Roubaix - Espace Grand' Rue	2002 (O)	Géant, Le Furet du Nord	4 400		
Châlons - Hôtel de Ville	2005 (O)	Atac	2 100		
Paris - Les Boutiques Gare du Nord	2002 (O)	Monoprix	1 500		
Rome-Casetta Mattei	2005 (O)	Conad-Leclerc	14 800		
Aix en Provence	1982 (O)	Géant, Casino	3 729		
Nantes - Espace Océan	1998 (R)	Auchan, Camif	11 200		
Thiais Village	2007 (O)	Ikea, Fnac, Decathlon, etc.	22 324		
Gare de l'Est		Virgin	5 500		
Strasbourg - L'Aubette		Zara, Marionnaud	3 800		
Other			750		
Sub-total city centre/ULC			**167 295**	**58,2**	**870,8**
Toulouse - Occitania	2005 (R)	Auchan, Go Sport	47 850		
Massy - -X%	1986 (O)	La Halle, Boulanger	18 200		
Bordeaux - Grand' Tour	2004 (R)	Leclerc	11 200		
Strasbourg-La Vigie	1988 (O)	Decathlon, Castorama	8 768		
Flins		Carrefour	6 999		
Toulon - Grand' Var		Go Sport, Planet Saturn	6 336		
Montgeron - Valdoly	1984 (O)	Auchan, Castorama	5 600		
Grenoble - Viallex	1970 (O)	Gifi	4 237		
Chalon sur Saone	1989 (O)	Carrefour	4 001		
Miscellaneous - City outskirts			18 266		
Barcelona - San Cugat	1996 (O)	Eroski, Media Market	20 488		
Ragusa	2007 (O)	Coop, Euronics, Upim	12 130		
Casale Montferrato	2007 (O)	Coop, Unieuro	7 973		
Bellinzago	2007 (O)	Gigante, H&M	19 713		
Sub-total City outskirts			**191 761**	**47,4**	**819,3**
Villeparisis	2006 (O)	La Grande Recré, Alinea	18 623		
Herblay - XIV Avenue	2002 (O)	Alinéa, Go Sport	14 200		
Pierrelaye	2005 (O)	Castorama	9 750		
Bordeaux - St Eulalie		Tendance, Picard, Gemo	13 400		
Gennevilliers	2006 (O)	Decathlon, Boulanger	18 863		
Family Village Le Mans Ruaudin	2007 (O)	Darty	23 800		
Family Village Aubergenville	2007 (O)	King Jouet, Go Sport	38 620		
Brest Guipavas		Ikea, Décathlon, Boulanger	28 000		
Mulhouse - Porte Jeune		Monoprix	9 600		
Montpellier - St Aunes		Leroy Merlin	4 000		
Pinerolo		Ipercoop	7 800		
Other			43 381		
Sub-total Retail parks			**230 036**	**36,6**	**580,3**
Total at 31 December 2008			**589 092**	**142,2**	**2 270,4**
Disposal of Toulouse Saint Georges			(15 150)		
Other disposals			(11 913)		
Acquisitions and other changes in scope			8 767		
Sub-total acquisitions/disposals/other			**(18 296)**	**(5,1)**	**(92,4)**
Wagram (hotel and concert hall)		Marriott	11 000		
Carré de Soie (50%)		Castorama	30 400		
Extension to Occitania Sud					
Crèches		Grand Frais	11 600		
Sub-total Centres opened			**53 000**	**14,2**	**246,6**
Growth (like-for-like)				**(1,0)**	**(118,8)**
Total at 31 December 2009			**623 796**	**150,4**	**2 305,8**
o/w France			*540 892*	*123,7*	*1 901,6*
o/w International			*82 904*	*26,6*	*404,2*

CC: city centre - ULC: urban leisure centre - CO: city outskirts - RP: retail park - S: Spain

O: Opening - R: Renovation

(1) Rental values on signed leases at 1 January 2009

(2) Including transfer duties

2.3 Shopping centres under development[7]

At 31 December 2009, the volume of development projects (shopping centres under construction/with authorisation, centres under management/signed) managed by Altarea represented projected net investment of around €1.5 billion and potential rental income of €135.3 million, representing a projected return on investment of 8.8%.

Trends by comparison with 31 December 2008

	Group share of shopping centres			
Centres	**GLA in sqm**	**Gross rental income (€m)**	**Net investment (€m)**	**Yield**
Total portfolio at 31 December 2008	**705,600**	**170.6**	**1,941.1**	**8.8%**
Removed from the portfolio	(191,400)	(35.9)	(408.9)	8.8%
New projects managed/signed	110,900	24.0	258.6	9.3%
Completions	(53,000)	(14.2)	(179.1)	7.9%
Sub-total	**(133,500)**	**(26.1)**	**(329.4)**	
Change in budgets	(24,200)	(9.2)	(74.8)	
Total portfolio at 31 December 2009	**547,900**	**135.3**	**1,536.9**	**8.8%**
o/w under construction	90,900	24.8	358.0	
o/w managed	457,000	110.5	1,179.0	

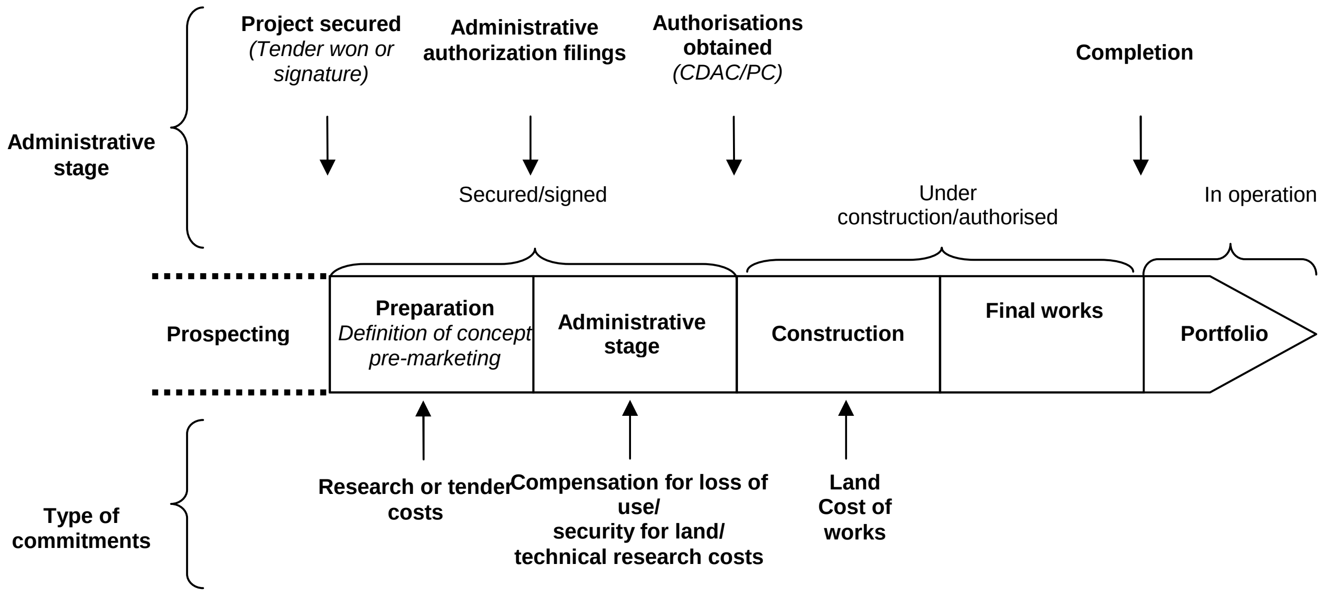
During the year, the size of the portfolio decreased by 157,700 sqm:

- GLA of 53,000 sqm was completed during 2009 (see 2.2.3)
- GLA of 191,400 sqm was taken out of the portfolio to be overhauled, for an improvement either in terms of its profitability or risk (including 93,900 sqm in Spanish projects)
- GLA of 110,900 sqm was managed during 2009, notably the Villeneuve-la-Garenne centre with net floor area of 86,000 sqm developed in a partnership with Orion (50%).
- The projects retained underwent an in-depth review, which generally led to a scaling down of their size and an improvement in their profitability

Overall, the projected average rate of return on the projects retained remained stable at 8.8%. To take into account the rise in capitalisation rates and to keep a development spread permanently above 250-300 basis points on average, the Group raised its targets for new projects, which must now generate a rate of return of over 9% on average.

Development cycle/commitments

Thanks to its integrated development teams, Altarea has the operating capacity to put together and design new shopping centres generating high yields and making a significant contribution to its NAV. New development projects should generate a minimum spread of 250 to 300 basis points relative to the capitalisation rate for similar properties and be financed at the time of their launch. The entire process can take five to ten years.



[7] Group share.

The property agreement is generally signed subject to obtaining administrative authorisations. Without exception, total costs incurred before construction works begin represent less than 10% of the total cost. The risk profile for the redevelopment of existing properties (extensions, renovations) is very different, as the site is generally managed and already generates rental income.

2.3.1 Breakdown of commitments by type

	Net investment (€m)
Already invested (1)	387.0
Committed investments still to be made (2)	150.2
Remaining investments not committed (3)	999.7
Projects under development at 31 December 2009	**1,536.9**

The portfolio of shopping centres under development broke down as follows at 31 December 2009:

1. **Already invested:** all investment costs recognised at the accounting date.
2. **Committed investments still to be made:**
   - Developments under construction: all of the remaining amount to be paid on completion
   - Developments at the preparation stage: payment commitments (bilateral sale and purchase agreements, signed contracts etc.)
3. **Remaining investments not committed:** amounts still to be invested in developments at the preparation stage, with Altarea deciding whether to make a commitment (unilateral sales agreements, unsigned contracts etc.)

2.3.2 Valuation of assets under development in the consolidated financial statements

During 2009, the Group invested €235 million, with €123 million being devoted to projects in the pipeline, €93 million in centres completed in 2008 and 2009 (outstanding investments), €10 million in acquisitions, €6 million in centres in operation and €3 million in other assets.

The amendment to IAS 40 on investment properties under construction requires these[8] to be recognised at fair value wherever this may be determined reliably. Where this is not the case, the properties continue to be carried at cost. This rule applies prospectively, with changes in value being recognised in income. At 31 December 2009, independent appraisers had carried out valuations of four assets under construction: Okabé (Kremlin-Bicêtre), Dalmine (Italy), Limoges and Thionville. In addition, impairment tests were conducted on the Tourcoing and Mantes properties by internal teams. Independent appraisers also appraised two land holdings at Valdemoro and Puerto Real (Spain). A total provision of €36.2 million was recognised in 2009 in respect of all the Group's property development projects, most of which related to the Group's two land holdings in Spain.

1.3.3 Breakdown of commitments by type of development project

	Group share of shopping centres							
Centres	GLA in sqm	Gross rental income (€m)	Year of completion	Already invested (€m)	Committed investments still to be made (€m)	Remaining investments not committed (€m)	Net investment (€m)	Yield
Dalmine (Italy)	32,400							
Kremlin Bicêtre	25,000							
Tourcoing	3,600							
Mantes	3,200							
Limoges	21,000							
Thionville	5,700							
Sub-total projects under construction	**90,900**	**24.8**	**2009-2011**	**269.2**	**88.8**	**-**	**358.0**	**6.9%**
Sub-total preparing to begin works	**229,900**	**65.3**	**2011-2015**	**90.1**	**41.5**	**557.5**	**689.1**	
Sub-total development projects at advanced stage of review	**227,100**	**45.1**	**2011-2015**	**27.7**	**20.0**	**442.2**	**489.9**	
Sub-total development projects	**457,000**	**110.5**		**117.8**	**61.5**	**999.7**	**1,179.0**	**9.4%**
Total	**547,900**	**135.3**		**387.0**	**150.2**	**999.7**	**1,536.9**	**8.8%**

[8] The Altarea Group has laid down three criteria that projects under development must satisfy for the uncertainties concerning their valuation to be eliminated:

- Administrative authorisations obtained
- Construction launched
- Uncertainty surrounding future rental income eliminated

Projects under construction

At 31 December 2009, six projects were under construction. All these assets are wholly financed either by the structure that owns them or on a corporate level.

Development projects (partly committed, construction works not started)

In addition to development projects under construction, Altarea has a portfolio of projects representing total investment of around €1.2 billion and projected rental income of €111 million. These projects, due to be completed between 2011 and 2015, are at various stages of advancement and only partly committed. For each project, Altarea holds the deeds to the property (sales agreement signed or tender won) but the decision to begin works definitively still rests with the Group and may be deferred on the basis of a variety of criteria such as the administrative and commercial status of the project, economic conditions or availability of financing. To this end, Altarea has set up a classification system for projects according to their priority, reflecting its risk management policy:

- **Preparing for works to begin (50% of development projects)**

This concerns development projects for which the decision to begin works should mostly be made in 2010/2011 but which still have room for improvement in their risk/return profile. They will potentially generate a high rate of return but the legal, commercial, administrative and financial situation needs to be stabilised in order to reduce the level of risk. Depending on how financing conditions develop between now and 2010/2011, these projects could join the above category.

- **Development projects under review (50% of development projects)**

This category concerns development projects for which the start of construction works is not an immediate problem. Progress still needs to be made in their operating situation (administrative authorisations, pre-marketing, research etc.) in order to comply with the Group's rules of commitment when the time comes.

3. Property development for third parties

3.1 Introduction

3.2 Revenues and operating profit

3.3 Operating review by product line

3. Property development for third parties

3.1 Introduction

Through its Cogedim subsidiary, the Altarea Group is one of the market leaders in property development for third parties, with a business volume at 31 December 2009 of €1,137 million[9].

3.1.1 Areas of activity

In terms of products:
- Residential property
- Office property
- Large mixed urban developments;

In terms of business lines:
- Developer
- Service provider (delegated project management, marketing)
- Planner/developer

3.1.2 Geographical presence

In addition to the Paris region, which constitutes its historic market, Altarea Cogedim also operates in regional areas in large cities offering the strongest growth prospects from both an economic and a demographic standpoint:

- Provence-Alpes-Côte d'Azur region: Nice, Marseille
- Rhône-Alpes region: Lyon, Grenoble, Savoies-Léman
- Grand-Ouest region: Toulouse, Bordeaux and Nantes

3.1.3 Commitment policy

In residential property, the Group continues to pursue its policy of satisfying prudential criteria, the main aim of which is to prioritise the signature of a unilateral preliminary sales agreement over bilateral sale and purchase agreements, to set out conditions for the acquisition of the site and the start of works with a high level of pre-marketing, and to abandon developments that would not profitable enough or would lead to disappointing letting results. During 2009, the impact of the Scellier tax incentives on the pace of sales and the effective management of properties for sale helped to control the level of unsold properties, with no completed lots for sale at 31 December 2009.

In office property, a segment in which the Group acts as developer signing off-plan sale agreements or property development contracts under which it makes a commitment to build a property, this commitment is subject to the property being sold in advance or the signature of a contract ensuring financing of the build. Where it acts as delegated project manager, the Group provides development services for the owner of a property in exchange for fees. In 2009, provision of these services accounted for nearly 56% of the Group's office property business volume. As a result, the Group did not hold any office properties in its portfolio at 31 December 2009.

3.2 Percentage-of-completion revenues and operating profit

(€m)	31-Dec-09		31-Dec-08
Property revenues	**684.8**	-7.4%	**739.6**
o/w office property	138.6	-6.3%	147.9
o/w residential property	546.1	-7.7%	591.7
Services to third parties	**16.4**	-44.2%	**29.4**
o/w office property	13.4		26.2
o/w residential property	3.0		3.2
Total revenues	**701.2**	-8.8%	**769.0**
Cost of sales	(618.6)		(664.0)
Production held in inventory	44.8		38.2
Net overhead expenses	(72.6)	-11.1%	(81.7)
Other	(3.0)		(3.6)
RECURRING OPERATING PROFIT	**51.8**	-10.6%	**57.9**
% of revenues	*7.4%*		*7.5%*

Given the time difference between the reservation date and the recognition date of revenues on a percentage-of-completion basis, 2009 revenues declined by 8.8%, thereby reflecting with a time lag of one year the trough in commercial activity recorded during the second half of 2008. In addition, 2008 provided a relatively high base of comparison in office property owing to two major projects, the likes of which were not seen in 2009.

The drive to strip out net overhead expense helped to mitigate the effects of the business contraction to some extent. All in all, operating profit decreased by 10.6%. The operating margin remained stable as a percentage of revenues.

[9] Business volume including tax, breaking down into €967 million in residential property (o/w €887 million in new housing, €15 million in delegated project management of new housing and €65 million in existing housing) and €170 million in office property.

3.3 Operating review by product line

3.3.1 Residential property

The residential property range covered by the Group comprises:

- **Upscale properties**, defined by their positioning in terms of architecture, quality and location. In this segment, Cogedim enjoys undisputed leadership in France. Prices range from €4,950 to €11,000 per sqm in the Paris region and €3,600 to €7,300 per sqm in regional areas. Upscale properties accounted for €341 million in reservations (individual and block transactions) during 2009, representing 38% of the Group's investments in value terms.
- **Midscale properties**, sold under the Citalis brand and designed to meet the needs of new buyers and investors. High potential sites are favoured for this range in order to carry out quality developments. Prices range from €2,300 to €4,400 per sqm. Midscale properties accounted for €353 million in reservations (individual and block transactions) during 2009, representing 40% of the Group's investments in value terms.
- **New District properties**, a new range designed to meet the high expectations of officials and residents. Prices for this range vary between €3,700 and €6,000 per sqm. The Cogedim programmes launched during 2009 in this range were highly successful as soon as they went on sale. The performance of the Promenade Sisley programme in Suresnes set a new record, with take-up reaching €120 million over the year. What's more, take-up of the Massy-Domaine de Coulanges programmes (first eco-district in the town encompassing new retail units, businesses, public infrastructure, offices and housing) totalled €50 million since they were launched during the second half of 2009. At 31 December 2009, the New Districts range accounted for 19% of the Group's take-up.
- The recently developed **Service Residences** (seniors, business, students, leisure) benefit from Cogedim's strong reputation. During 2009, letting began of two Student Residence programmes in the Lyon region, one programme in Toulouse and one programme in Nantes. Development of this range will also be underpinned by that of the new Résidences Cogedim Club concept of service residences for seniors to be managed by the Altarea-Cogedim Group, which combine a prime location with high-quality services (video-surveillance, extensive concierge services, etc.).

NF Logement – Démarche HQE® certification

Cogedim, the leading player in high-quality residential property, received NF Logement – Démarche HQE® certification (reflecting its high environmental quality). This certification, which was issued by an independent body, was gained after a very strict procedure and specifications were met, chiefly concerning the emphasis on energy savings, the use of sustainable materials that are not harmful to the environment, efficient management of water consumption and appropriate waste management.

<u>Economic conditions in 2009</u>

The pick-up in business trends during the first half of 2009 gained pace during the second half, with the market for new housing recording an increase in sales of 30%[10] compared with 2008.
The principal factor fuelling this momentum was the success of the Scellier tax incentives for private investors, which provide for a reduction in tax of 25% of the acquisition cost spread over nine years up to €300,000, with Scellier regime sales accounting for over 60% of the total during 2009[11].
Government subsidies were also directed at first-time buyers, with the doubling in zero-rate loans and the development of the *pass foncier* enabling buyers to qualify for a reduced rate of VAT. These support measures were complemented by easier access to loans, with lower long-term interest rates helping to improve the solvency of buyers.
The effects of this rebound have not yet fed through into the administrative authorisation figures and into the number of building starts, which declined by 18% and 19% respectively compared with 2008.[12]

<u>Outlook for 2010</u>

2010 is expected to be another year supported by residential construction subsidies, notably for private investors.
The future trend in solvent demand from households remains uncertain given the still fragile economic conditions. The rental investment subsidy remains the main source of support provided by the economic stimulus policy: the Scellier tax incentives were renewed for a year in their current form (25% tax reduction for all housing), with the greener version being rolled out in 2011. Property developers will then have to adapt their production in order to increase the range of "Low Consumption Building" housing.

Reservations

In a market that regained momentum thanks to the measures supporting investment in rental properties and to those helping first-time buyers, the Group's reservations reached a record volume of €887 million, or a 59%

[10] Source: FPC – estimated base: 105,000 sales in 2009 vs. 79,359 in 2008)
[11] Source: Les Echos of 6 January 2010
[12] Data from the French ministry of the environment, energy, sustainable development and sea published in December 2008 (change from Dec. 2008 to Nov. 2009)

increase compared with year-end 2008 and a rise of 33% compared with year-end 2007, the reference year for the industry.

(€m including tax)	Upscale	Midscale	New District	Service Resid.	Total	
Paris region	152	148	166		466	53%
PACA	59	79			138	16%
Rhône-Alpes region	111	76		17	203	23%
Grand-Ouest region	19	50		10	80	9%
Total	**341**	**353**	**166**	**27**	**887**	**100%**
	38%	*40%*	*19%*	*3%*		
31/12/2008	*50%*	*50%*			*557*	
%chg. 2009 vs. 2008					***+59%***	
31/12/2007	*51%*	*49%*			*668*	
%chg. 2009 vs. 2007					***+33%***	

The Group's reservations reached 4,345 lots in 2009, up 80% from 2,417 lots reserved in 2008 and up 45% from 2,996 lots in 2007.

(number of lots)	Upscale	Midscale	New District	Service Resid.	Total
Paris region	697	627	664	0	1 988
PACA	174	462	0	0	636
Rhône-Alpes region	503	514	0	173	1 190
Grand-Ouest region	91	321	0	119	531
Total	**1 465**	**1 924**	**664**	**292**	**4 345**
	34%	*44%*	*15%*	*7%*	
31/12/2008					*2417*
% chg. 2009 vs. 2008					***+80%***
31/12/2007					*2 996*
% chg. 2009 vs. 2007					***+45%***

The growth in reservations during 2009 was achieved through the launch of 63 operations during the year (compared with 38 operations in 2008 and 54 operations in 2007) for €854 million.

Most of the reservations were made in the individual segment (79% of the total, compared with 64% at year-end 2008 and 77% at year-end 2007): this significant proportion was notably attributable to the impact of the Scellier tax incentives. The proportion accounted for by private investors came to around 50% of total sales in value terms during 2009.

The average price of lots sold in 2009 was €240,000, down from €254,000 in 2008.
This reduction was driven by:
- more compact lots, the average surface area of which was 56 sqm (vs. 60 sqm in 2008), better suited to demand from private investors;
- the development of the New District and Service Residences ranges, which cut the proportion of the total accounted for by Upscale Properties (38% in 2009 vs. 50% in 2008);
- a reduction in selling prices.

The rate of pull-outs posted a steep decline. It stood at 17% (average for the past 12 months) compared with 33% in 2008 (reflection of the severe economic crisis) and 21% in 2007.
The rate of disposals stood at 25% at year-end 2009.

<u>Notarised contracts</u>

Sales notarised during 2009 amounted to €720 million incl. VAT, representing an increase of 34% compared with 2008.

(€m including tax)	Upscale	Midscale	New District	Service Resid.	Total		Stock of non-notarised reserv.
Paris region	134	91	37		262	36%	
PACA	81	70			151	21%	
Rhône-Alpes region	115	86		12	213	30%	
Grand-Ouest region	25	69			94	13%	
Total	**355**	**316**	**37**	**12**	**720**	**100%**	**442**
	49%	*44%*	*5%*	*2%*			
31/12/2008					*536*		*262*
% chg. 2009 vs. 2008					***+34%***		***+69%***
31/12/2007					*771*		*206*
% chg. 2009 vs. 2007					***-7%***		***+114%***

This growth was driven by the Scellier tax incentives, which prompted customers to notarise their purchases in the run-up to the end of the year, and by improved customer follow-up (support with applications for bank loans, centralisation of signatures with notaries, forward planning for possible timing risks, etc.).

The stock of non-notarised reservations amounted to €442 million at year-end 2009 (vs. €262 million at year-end 2008 and €206 million at year-end 2007), giving the Group very good future visibility.

<u>Revenues[13] and net property income</u>

2009 revenues

(€m including tax)	Upscale	Midscale	Service Resid.	Total
Paris region	122	102	0	224
PACA	46	57	0	102
Rhône-Alpes region	95	50	4	149
Grand-Ouest region	6	65	0	71
Total	**268**	**274**	**4**	**546**
31/12/2008				*592*
%chg. 2009 vs. 2008				***-8%***
31/12/2007				*507*
%chg. 2009 vs. 2007				***+8%***

Revenues came to €546 million in 2009, down from €592 million in 2008, reflecting with a time lag the business contraction during the second half of 2008 linked to recognition on a percentage-of-completion basis. **Compared with year-end 2007, residential revenues rose by 8%.**

Net property income

(€m)	31-Dec-09		31-Dec-08
Revenue	546.1		591.7
NET PROPERTY INCOME	**50.8**	-20.1%	**63.6**
% of revenues	*9.3%*		*10.8%*
FEES	**3.0**	-8.5%	**3.2**

The reduction in net property income compared with year-end 2008, which had been anticipated, was mainly due to lower selling prices, to higher block sales to institutional investors during the second half of 2008 and to a larger proportion of sales of Midscale Properties and Service Residences (51% at year-end 2009 compared with 46% in 2008), which generate lower margins.

[13]Revenues recognised according to the percentage of completion method in accordance with IFRS. The percentage of completion is calculated according to the stage of construction not including land.

Backlog[14]

At 31 December 2009, the residential property backlog was €872 million (19 months of revenues), representing an increase of 40% compared with €623 million (13 months of revenues) at 31 December 2008.

(€m excl. tax)	Notarised revenues not recognised on a percentage of completion basis	Revenues reserved but not notarised	Total	
Paris region	196	267	463	53%
PACA	97	60	157	18%
Rhône-Alpes region	146	27	173	20%
Grand-Ouest region	53	26	79	9%
Total	**492**	**380**	**872**	**100%**
	56%	*44%*		
in numbers of months			*19*	
Reminder 31/12/2008	*62%*	*38%*	*623*	
%chg. 2009 vs. 2008			***+40%***	
in numbers of months			*13*	

The backlog breaks down as follows:
- €492 million of notarised sales with revenues to be recognised according to the percentage of completion method, with €378 million expected in 2010;
- €380 million of reservations of sales to be notarised, which should contribute €146 million to revenues in 2010.

All in all, the backlog should help to generate €524 million in 2010, which represents almost the entire amount of 2009 revenues. In addition, commercial activity during 2010 should bolster revenues, paving the way for top-line growth during 2010.

[14] The backlog comprises revenues excluding tax from notarised sales to be recognised on a percentage of completion basis and individual and block reservations to be notarised.

Analysis of properties for sale

Properties for sale at 31 December 2009 had a value of €368 million, down 17% compared with 31 December 2008. No completed lots were among the properties for sale.

The policy implemented by the Group of not continuing property developments with no demonstrable letting prospects, helped to control properties for sale at year-end 2008 in an uncertain climate. This tight grip on properties for sale combined with the first-class commercial performance of 2009 led to a contraction in properties for sale of 17% compared with at year-end 2008.

Breakdown of properties for sale (€368 million including tax) at 31 December 2009 by stage of advancement

	-	Risk		+
Operating phases	**Preparation** (land not acquired)	**Land acquired/project not yet started**	**Land acquired/project in progress**	**Stock of completed residential units**
Expenses incurred *(€m excluding tax)*	12	29		
Cost price of properties for sale *(€m excluding tax)*			100	2
Properties for sale *(€368 million including tax)*	179	51	135	2
(%)	*49%*	*14%*	*37%*	-
		o/w due for completion in 2010:	*€45 million*	
		o/w due for completion in 2011:	*€76 million*	
		o/w due for completion in 2012:	*€14 million*	
N.B. properties for sale at 31 December 2008				
Properties for sale *(€443 million including tax)*	174	28	235	5
(%)	*39%*	*6%*	*53%*	*1%*
		o/w completed in 2009:	*€84 million*	
		o/w due for completion in 2010:	*€139 million*	
		o/w due for completion in 2011:	*€12 million*	

Analysis of properties for sale: €368 million including tax

- 63% of properties for sale concern developments for which construction had not yet begun and for which the amounts committed correspond primarily to research costs and land order fees (or guarantees) paid upon the signature of preliminary land sales agreements with the possibility of retraction.
- 37% of properties are currently under construction, with €45 million representing lots due for completion by year-end 2010.
- There are virtually no finished properties (€2 million), merely representing car parks or cellars.

The breakdown of developments by stage of advancement reflects the encouraging level of commercial activity during the past year and the Group's stringent prudential criteria. These criteria are primarily geared towards:
- prioritising the signature of unilateral preliminary sales agreements rather than bilateral sale and purchase agreements, which are confined to highly profitable developments;
- a high level of pre-marketing is also required at the time the site is acquired and when construction works begin;
- expanding the responsibilities of the Commitments Committee, whose agreement is required at all stages of the development, including signature of the sales agreement, start of marketing, acquisition of the site and start of works;
- abandoning developments that would not be profitable enough or the marketing of which would be disappointing.

3.3.2 Office property

At 31 December 2009, the Group was in charge of 26 office property developments representing a total net floor area of 546,000 sqm, comprising mainly offices (19 developments), as well as seven hotels.

(Net floor area, 000 sqm, 100%)	Delegated project management	Property development	Total
Offices	162	285	447
Hotels	28	53	81
Miscellaneous (research centres, multimedia etc.)	-	19	19
Total development projects	**190**	**356**	**546**

Economic conditions in 2009[15]

Investment in office property:

During 2009, the French market experienced a significant contraction in investment in office property to €7.6 billion, representing a decline of around 40% in a year. This trend was attributable to the tightening in borrowing conditions and the hesitancy among investors following the adjustment in market prices.

Capitalisation rates appear to have stabilised with prime rates at between 5.5% and 6.5% for Paris CBD and between 6.4% and 8.5% for provincial regions. Conversely, the rental downturn has continued. At 1 January 2010, the average rent in the Paris region stood at €303 for new space.

Office property take-up

Take-up during 2009 came to 1.8 million sqm, down by around 24% compared with 2008. Users were again primarily looking to harness savings by pooling offices or finding units with lower rent.

With an increase of 32% since 1 January 2009, (new and existing) office space available immediately stood at 3.6 million sqm. This situation was attributable to a reduction in completions and negative net take-up.
At the same time, it is worth noting the substantial fall in future new space, which is set to continue going forward given the modest number of building starts on development operations. As a result, the new space becoming available in 2012 is likely to be very low indeed.

Transactions by the Altarea Cogedim Group in 2009

The Group completed five major transactions in 2009.

- ST DENIS LANDY: Altarea Cogedim and Icade signed a property development contract worth €58 million excluding tax with a REIT focused on commercial properties. This transaction represents the first sale on an unlet basis since the beginning of the crisis. Located in the ZAC Landy Pleyel 2 (integrated development zone) and HQE-certified, the project will have net floor area of 21,000 sqm. Works are due to begin in mid-2010.

- AIX EN PROVENCE: During the first half of 2009, the Group signed a property development contract worth €54.9 million excluding tax with a major regional bank to build its future headquarters (net floor area of 22,000 sqm). Works are under way and are scheduled for completion in the first quarter of 2011.

- ISSY LES MOULINEAUX – Block 1: Altarea Cogedim is to handle the delegated project management together with Sogeprom of the construction of a 128-room hotel on behalf of a major hotel group in the Forum Seine ZAC (integrated development zone) in Issy les Moulineaux. This project will be one of the first HQE-certified hotels (hotel reference framework). Work is due to start at the beginning of 2010.

- ST CLOUD: A major investor decided to entrust Altarea-Cogedim with a delegated project management assignment concerning the restructuring of an office building with net floor area of 5,200 sqm in Saint Cloud. Works are under way and are scheduled for completion in the first quarter of 2011.

- LYON: Signature of a delegated project management agreement to build an office building with 7,966 sqm in net floor area in Lyon on behalf of a major event management group based in the provinces. Works are due to begin during the third quarter of 2010.

Another highlight of 2009:

- PARIS 18 – Pajol: Altarea-Cogedim signed a firm 9-year, off-plan lease priced at €300/excluding tax and service charges per sqm for an HQE-certified office building with 5,200 sqm in net floor area. Works may begin during the third quarter of 2010.

2009 completions

The Altarea-Cogedim Group completed eight office properties representing a total net floor area of around 150,000 sqm.

- PARIS 20 – Porte des Lilas (Cinetic): Completion of the Cinetic building with 22,000 sqm in net floor area. This HQE-certified programme is fully let.

- CLICHY – Berges de Seine T4 (Onyx): In a joint development operation with Nexity, Cogedim Enterprise completed the Onyx building with net floor area of 17,000 sqm in office space and 300 sqm in mixed space. This

[15] *Market View*, 4th quarter 2009

project, which belongs to a German fund, is 57%-let.

- LYON – La Buire (Anthémis): Cogedim completed the Anthémis building in Lyon (Part-Dieu district), which is owned by a US fund and has 20,300 sqm in net floor area that is 75% let.

- ISSY LES MOULINEAUX – Block 11.3 (Sereinis): This building with 13,000 sqm in net floor area was built under a property development contract for a French REIT. It is an HQE-certified building designed by architects Anthony Bechu and Tom Sheehan.

- PARIS 09 – Rue de Châteaudun: This major delegated project management contract to restructure a Haussmann-era building with 7,000 sqm in net floor area was signed with a major institutional investor, and the project was fully let to a public-sector organisation.

- PUTEAUX – Tour Anjou (Quai 33): The handover to Cogedim Entreprise of the Tour Anjou with 24,000 sqm in net floor area took place during the second half. As delegated project manager, Altarea Cogedim handled the complete restructuring to bring this building into line with users' expectations.

- PARIS 15 – Carré Suffren: This building, the former head office of the French atomic energy commission with 27,750 sqm in net floor area, was handed over at the beginning of July 2009. As delegated project manager, Cogedim handled the complete restructuring to bring it into line with users' expectations.

- BAGNEUX – Porte Sud (Aristide): Cogedim Enterprise completed the Aristide office building in Bagneux with 21,150 sqm in net floor area during November 2009. This project designed by architect Paul Chemetov was HQE-certified.

Net property income and fees

(€m)	31-Dec-09		31-Dec-09
Revenue	138.6	*-6.3%*	147.9
NET PROPERTY INCOME	**15.4**	*+28%*	**12.0**
% of revenues	*11.1%*		*8.1%*
SERVICES TO THIRD PARTIES	**13.4**	*-48.6%*	**26.2**

Net property income on a percentage of completion basis

Net property income at 31 December 2009 came to €15.4 million, compared with €12.0 million in the previous year, representing an increase of 28%. This strong growth was attributable to the major completions in 2009. The margin stood at 11.1% of revenues thanks to the recovery in rental guarantees of certain completed operations.

Off-plan, property development contracts and delegated project management backlog[16]

The backlog of off-plan and property development contracts represented €89.5 million at the end of 2009 compared with €141.9 million at the end of 2008. At 31 December 2009, the Group also had a backlog of delegated project management fees representing €13.5 million.

3.3.3 Large mixed urban developments

The Altarea Cogedim Group has positioned itself as an urban consultancy, able to offer complete solutions including all property classes, with integrated operating expertise (offices, housing, hotels, shops).

At 31 December 2009, the Group managed five large mixed urban developments representing a total net floor area of 372,000 sqm. These developments comprise predominantly office space but also include 107,000 sqm of shops.

(Net floor area, 000 sqm)	Shops (1)	Offices (2)	Hotels	Residential	Total
Nice Meridia (06)	-	29	-	20	49
Kremlin-Bicêtre (94)	45	27	-	1	73
Euromediterannée (13)	-	53	10	-	64
Cœur d'Orly (94)	27	108	17	-	152
Nanterre (92)	35	-	-	-	35
Total	**107**	**217**	**28**	**21**	**372**

(1) Part of which is to be retained in the portfolio (25,600 sqm GLA Group share), included in shopping centre development projects managed at 31 December 2009 in part 2.3.
(2) Part of which is to be retained in the portfolio (37,800 sqm GLA Group share), included in shopping centre development projects managed at 31 December 2009 in part 2.3.

The Kremlin Bicêtre project is the only one currently under construction. This retail-oriented project will include a 19,300 sqm Auchan hypermarket, a 25,900 sqm shopping mall and office space in the superstructure.

[16] Revenues excluding tax on notarised sales to be recognised according to the percentage of completion method, take-ups not yet subject to a notarised deed and fees owed by third parties on contracts signed.

II Consolidated results

1. Results

1.1 Net profit

During 2009, recurring net profit (Group share) totalled €108.5 million, an increase of 16%. Including shares created during the capital increase[17], recurring net profit came to €10.6 per share, up 3% compared with 2008.

(€m)	31-déc-09					31-déc-08				
	Recurring		Total recurring	Non-recurring	Total	Recurring		Total recurring	Non-recurring	Total
	Shopping centres	Property development				Shopping centres	Property development			
OPERATING PROFIT	127,0 +22%	51,8	**178,7** +10%	(165,4)	**13,3**	103,8	57,9	**161,8**	(502,0)	**(340,2)**
Net cost of debt	(55,4)	(17,5)	**(72,9)**	(6,2)	**(79,1)**	(43,6)	(24,1)	**(67,7)**	(7,4)	**(75,2)**
Change in fair value of financial instruments	-	-	**-**	(53,3)	**(53,3)**	(0,0)	-	**(0,0)**	(110,4)	**(110,4)**
using the equity method	7,1	(1,4)	**5,7**	(4,8)	**1,0**	4,4	0,6	**5,0**	(31,3)	**(26,3)**
receivables	-	-	**-**	(0,1)	**(0,1)**	-	-	**-**	(3,5)	**(3,5)**
PRE-TAX PROFIT	78,7	33,0	**111,7**	(230,6)	**(118,9)**	64,6	34,4	**99,0**	(654,8)	**(555,7)**
Tax	(0,2)	0,0	**(0,2)**	2,4	**2,2**	0,3	(1,1)	**(0,8)**	172,9	**172,2**
NET PROFIT	78,5	33,0	**111,5**	(228,2)	**(116,7)**	64,9	33,4	**98,3**	(481,8)	**(383,5)**
NET PROFIT, GROUP SHARE	76,9 +23%	31,7	108,5 +16%	(217,0)	(108,5)	62,4	31,3	93,7	(490,8)	(397,1)
Average diluted number of shares (thousands)			**10,271**					**9,118**		
NET PROFIT, GROUP SHARE PER SHARE (€ per share)			**10,57**	**+2,8%**				**10,28**		

1.1.1 Recurring net profit: €108.5 million

Recurring operating profit

In 2009, recurring operating profit moved up by 10% compared with 2008 owing to a strong increase in the shopping centre business (up €23.1 million or 22%) owing to the centres opened during 2008 and 2009, with property development operating profit falling back 11%, while maintaining a high margin level in spite of the crisis.

Cost of recurring net debt

The recurring portion of debt concerns net financial expenses incurred relating to loans secured against the portfolio of shopping centres and the cost of debt on the Cogedim acquisition. The increase in net financial expenses was weaker than that in revenues owing to the €375 million capital increase that took place in July 2008.

1.1.2 Non-recurring net loss: €217.0 million

This item includes all adjustments made to carrying amounts over the year:

Amortisation of customer relationships (Cogedim)	€13.3 million
Impairment of assets in progress	€36.2 million
Impairment loss on properties (like-for-like, excluding transfer duties, portion attributable to the Group)	€138.3 million
Completion of properties	€36.5 million
Non-capitalised development costs	€10.4 million
Impairment in hedging instruments	€53.3 million
Other	€2.0 million
Total	**€217.0 million**

Average number of shares

The average number of shares is the average number of outstanding shares diluted for stock option and stock grant plans at 31 December 2009. The change relative to 31 December 2008 was mainly attributable to the capital increase that took place at the start of the second half of 2008.

[17] 22% of share capital after the capital increase

2. Net asset value (NAV)

At 31 December 2009, Altarea's fully diluted, going concern NAV amounted to €113.3 per share following the dividend payout of €7.0 per share, representing a fall of 9%.

	31-déc-09		31-déc-08		
	€m	€ per share	€m	€ per share	
Consolidated equity, Group share	**938,6**	**91,0**	**1 109,3**	**108,1**	
Restated tax					
Deferred tax on the balance sheet for non-SIIC assets (international assets)	27,3		18,3		
Effective tax for unrealised capital gains on non-SIIC assets*	(27,9)		(3,5)		
Restated transfer duties					
Transfer duties deducted from balance sheet asset values	139,4		126,1		
Estimated transfer duties and selling fees*	(82,0)		(65,8)		
Other unrealised capital gains or losses	104,3		37,7		
Impact of securities offering access to share capital	-		0,6		
Partners' share (1)	(12,7)		(14,1)		
DILUTED LIQUIDATION NAV	**1 087,1**	**105,4**	**1 208,5**	**117,8**	**-11%**
Estimated transfer duties and selling fees	82,0		65,8		
Partners' share	(0,9)		(0,8)		
DILUTED GOING CONCERN NAV	**1 168,1**	**113,3**	**1 273,6**	**124,2**	**-9%**
Number of diluted shares	10 311 852		10 257 854		

* Varies according to the type of disposal carried out, i.e. sale of asset or sale of shares
(1) Maximum dilution of 120,000 shares

<u>Calculation basis</u>

Tax issues

Most of Altarea's property portfolio is not liable for capital gains tax under the SIIC regime. The exceptions are assets which are not SIIC-eligible due to their ownership method and assets owned outside France. For these foreign assets, capital gains tax on disposal is deducted directly from the consolidated financial statements at the standard tax rate in the host country, based on the difference between the open market value and the tax value of the property assets.

Altarea took into account the ownership methods of assets outside the SIIC scope to determine going concern NAV after tax, since the tax reflects the tax that would effectively be paid if the shares of the company were sold or if the assets were sold building by building.

Transfer duties

Investment properties were recognised in the IFRS-compliant consolidated financial statements at appraisal value, excluding transfer duties, by applying a transfer tax rate of 6.20%. To calculate going concern NAV, however, the transfer duties were added back in the same amount (€139.4 million at 31 December 2009).

For example, when calculating Altarea's liquidation NAV, excluding transfer duties, transfer duties were deducted on the basis of a sale of shares of the company or a sale on a building by building basis.

Impact of securities offering access to share capital

This concerns the impact of exercising "in the money" stock options, with a corresponding increase in the number of diluted shares.

Other unrealised capital gains or losses

Other unrealised capital gains or losses are determined by independent appraisals and comprise the following items:

- Businesses run by the Group in support of its principal business activity (Hôtel Wagram and Aubette hotel residence), valued by CBRE based on a single valuation
- Rental management and property development division (Altarea France) valued by Accuracy. The valuation adopted represents the average of two scenarios (optimistic and conservative scenario).
- Property development division (Cogedim) valued by Accuracy on a low-end figure.

Change in number of diluted shares

At 31 December 2009, the number of fully diluted shares came to 10,311,852. This figure is based outstanding shares (10,178,817) plus potential shares relating to “in the money” stock options and stock grants representing a total of 181,539 shares assumed to have been exercised with the corresponding capital contribution added to equity. Treasury shares totalling 48,504 shares at 31 December 2009 were then deducted to arrive at the number of fully diluted shares.

III Financial resources

1. Financial position

1.1 Introduction

The liquidity situation in the interbank market improved during 2009, resulting in easier access to credit. In this uncertain climate, the Altarea Group benefited from its considerable strengths:

- €319 million in cash and cash equivalents
- Debts with long maturities and no major repayments due until mid-2013;
- Robust consolidated bank covenants (LTV of less than 65% and ICR of over 2x), with significant leeway at 31 December 2009 (LTV of 55.7% and ICR of 2.6x)

These strengths are based primarily on a business model generating a high level of cash flow, even during times of crisis.

1.1 Cash and cash equivalents:€319 million

Available cash and cash equivalents amounted to €319 million at year-end 2009, comprising corporate resources of €238 million (cash and confirmed authorisations) and unused loan authorisations secured against specific developments of €81 million (mortgage financing).

1.2 Commitments and liquidity

The Group's cash and cash equivalents exceed its identified investment commitments.

Investment commitments in shopping centres

All the investment commitments identified representing a total of €150 million are financed using existing cash and cash equivalents to be paid out between 2010 and 2013. The Group's aim is to obtain *ad hoc* financing for all of its development projects when the time comes in order to maintain a high level of liquidity.

Financing of property developments

For development projects on behalf of third parties (offices and residential property), the prudential criteria to begin works require a proven level of pre-marketing allowing for financing under current market conditions without the allocation of additional equity.

1.2 Debt by type

Altarea's net debt stood at €2,064 million at 31 December 2009 compared with €1,908 million at 31 December 2008.

(€m)	Dec. 2009	Dec. 2008
Corporate debt	769	772
Mortgage debt	1,159	980
Debt relating to acquisition (	250	300
Property development debt	103	152
Total gross debt	2,281	2,204
Cash and cash equivalents	(217)	(296)
Total net debt	**2,064**	**1,908**

- Corporate debt is subject to consolidated bank covenants (LTV of less than 65% and ICR of over 2x).

- Mortgage debt is subject to covenants specific to the property financed in terms of LTV, ICR and DSCR.

- Property development debt secured against development projects is subject to covenants specific to each development project (pre-marketing).

- Debt relating to the acquisition of Cogedim is subject to corporate covenants (LTV of less than 65% and ICR of over 2x) and covenants specific to Cogedim (EBITDA leverage and ICR).

1.3 Financing obtained in 2009

During 2009, the Altarea Group obtained €164 million in mortgage financing for projects or to refinance projects in service.

As part of its property development business for third parties, the Group has access to short-term loans to finance its operations.

Despite the severe slowdown in lending activity, well designed development projects with a high level of pre-marketing were able to obtain financing under financially profitable terms for the Altarea Group.

1.3 Financial covenants

LTV ratio

The Group's consolidated LTV ratio was 55.7%[18] at 31 December 2009 compared with 53.4% at the end of 2008.

[18] After the impact of selling the Espace Saint-Georges project in Toulouse

With a covenant maximum of 65%, the Altarea Group believes that it has significant leeway to allow it to cope with any further deterioration in economic conditions.

Recurring EBITDA[19]/recurring net financing costs

The interest cover ratio (recurring net financing cost/EBITDA) stood at 2.6x at 31 December 2009, which was stable compared with 2008.

Other specific covenants

An exhaustive review of the specific covenants for each credit line was conducted.

All covenants relating to the shopping centres business are largely respected and should be able to hold up against any further erosion in values.

At 31 December 2009, all the covenants were observed. To this end, the repayment of €6.4 million in bank loans in Italy is planned.

Renegotiation of the Cogedim acquisition loan (€300 million)

Given the situation that prevailed in late 2008, the Group began a preventative renegotiation of the Cogedim acquisition loan in early 2009, even though all the covenants were respected very comfortably indeed at 31 December 2008[20]. The goal was to secure exemption for a period of three years from compliance with certain financial ratios related to Cogedim in return for an early repayment of €50 million (out of an initial amount of €300 million). In the intervening period, the residential property development market staged a very strong recovery, as illustrated by Cogedim's operating performance and ratios at 31 December 2009, which made this renegotiation less of a necessity.

Even so, the Group decided to sign in June 2009 the agreement it had negotiated at the beginning of the year in order to preclude once and for all the loan acceleration risk related to the acquisition loan.

2. Hedging and maturity

The hedging instruments held by the Group at 31 December 2009 allowed it to hedge a maximum nominal amount of €2.3 billion, equal to almost all of its consolidated gross debt. The portfolio of hedging instruments had the following profile:

Nominal amount (€m) and amount hedged

Maturity	Swap at 31/12/2009	Cap/Collar at 31/12/2009	Total hedging	Maximum Euribor hedged
2009	1,569	688	2,257	3.94%
2010	1,584	542	2,126	3.88%
2011	1,689	369	2,057	3.85%
2012	1,537	319	1,856	4.07%
2013	1,037	260	1,296	4.08%
2014	854	39	892	4.12%
2015	782	36	818	4.12%
2016	591	52	643	4.30%
2017	310	-	310	4.19%

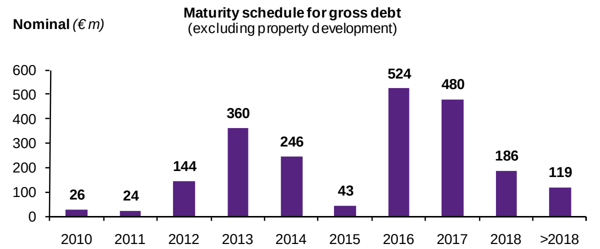
As a result of the fall in interest rates after the end of 2008, the Altarea Group reported an accounting net loss of €53 million on the value of its hedging portfolio (IAS 32 and 39).

Cost of debt

The Altarea Group's average financing cost including the credit spread was 4.21% in 2009 compared with 4.68% in 2008. The average spread paid by the Group during 2009 was below current market conditions. The credit spread component of existing debt was not stated at market value in the Group's NAV.

Debt maturity

No major debt repayments are due before mid-2013. The average debt maturity was 6.6 years at 31 December 2009 compared with 7.0 years in 2008. Most of the outstanding debt comprises mortgage loans backed by assets held for the long term, which explains this very long maturity.



[19] EBITDA is equal to recurring operating profit before depreciation, amortisation and provisions.
[20] At year-end 2008, EBITDA leverage stood at 3.1x vs. a covenant limit of 5.75x and the ICR ratio was at 3x vs. a covenant cap of 2x

Balance sheet at 31 December 2009

Assets

€ k	31/12/2009	31/12/2008
NON-CURRENT ASSETS	**3 099 794**	**3 137 487**
Intangible assets	216 332	229 615
o/w goodwill	*128 716*	*128 716*
o/w brands	*66 600*	*66 600*
o/w customer relationships	*16 161*	*29 507*
o/w other intangible assets	*4 855*	*4 792*
Property, plant and equipment	15 557	10 694
Investment properties	2 721 977	2 738 816
o/w Investment properties in operation at fair value	*2 523 032*	*2 221 875*
o/w Investment properties under development and under construction at cost	*198 945*	*516 940*
Investments in associated companies and other investments	68 296	68 863
Receivables and other short-term investments	14 841	25 817
Deferred tax assets	62 790	63 682
CURRENT ASSETS	**1 011 186**	**1 087 230**
Assets held for sale	87 238	1 582
Inventories and work in progress	364 118	396 220
Trade and other receivables	329 170	380 809
Tax receivables	1 833	5 728
Receivables and other short-term investments	8 062	1 595
Derivative financial instruments	3 930	5 404
Cash and cash equivalents	216 835	295 891
TOTAL ASSETS	**4 110 980**	**4 224 717**

Liabilities and equity

€ k	31/12/2009	31/12/2008
EQUITY	973 235	1 158 091
EQUITY, GROUP SHARE	938 557	1 109 275
Share capital	120 506	120 815
Other paid-in capital	609 051	606 772
Group reserves	317 454	778 744
Net profit for the period	(108 453)	(397 056)
EQUITY - MINORITY INTERESTS	34 677	48 816
Minority interests/equity	42 934	35 307
Minority interests/net profit	(8 256)	13 509
NON-CURRENT LIABILITIES	2 250 830	2 170 087
Borrowings and debt	2 183 995	2 097 195
o/w participating loan	*24 781*	*24 843*
o/w bank loans	*2 131 883*	*2 033 598*
o/w bank loans backed by VAT receivables	*5 593*	*10 957*
o/w other borrowings and debt	*21 738*	*27 796*
Provisions for retirement obligations	4 070	3 524
Other non-current provisions	16 222	15 871
Deposits received	25 273	22 989
Deferred tax liability	21 270	30 508
CURRENT LIABILITIES	886 915	896 540
Borrowings and debt	158 362	183 223
o/w borrowings from credit institutions (excluding overdrafts)	*141 263*	*165 478*
o/w bank loans backed by VAT receivables	*2 209*	*1 216*
o/w bank overdrafts	*7 369*	*4 778*
o/w other borrowings and debt	*7 522*	*11 751*
Derivative financial instruments	117 873	82 242
Current provisions	205	7 236
Accounts payable and other operating liabilities	606 882	621 947
Tax due	3 582	1 891
Amounts due to shareholders	10	-
TOTAL LIABILITIES	**4 110 980**	**4 224 717**

Costing-based income statement for 2009

€ k	Shopping centres and other assets	Property development for third parties	Recurring items	Non-recurring items	Total group
Rental income	153 517	-	153 517	-	153 517
Land charges	(4 357)	-	(4 357)	-	(4 357)
Unrecoverable rental expenses	(3 737)	-	(3 737)	-	(3 737)
Management expenses	(266)	-	(266)	-	(266)
Net provisions	(4 337)	-	(4 337)	-	(4 337)
NET RENTAL INCOME	**140 819**	**-**	**140 819**	**-**	**140 819**
Revenue	-	684 782	684 782	75 428	760 210
Cost of sales	-	(605 826)	(605 826)	(73 444)	(679 271)
Selling expenses	-	(12 406)	(12 406)	(836)	(13 242)
Net provisions	-	(344)	(344)	892	548
Amortisation of customer relationships	-	-	-	(7 760)	(7 760)
NET PROPERTY INCOME	**-**	**66 206**	**66 206**	**(5 721)**	**60 485**
External services	8 081	16 389	24 471	1 389	25 859
Own work capitalised and production held in inventory	(0)	44 768	44 768	27 228	71 996
Personnel expense	(10 796)	(49 470)	(60 267)	(24 318)	(84 584)
Other overhead expenses	(6 549)	(20 777)	(27 326)	(11 967)	(39 293)
Depreciation expense on operating assets	(510)	(2 317)	(2 827)	(817)	(3 644)
Net provisions	-	-	-	-	-
Amortisation of customer relationships	-	-	-	(5 586)	(5 586)
NET OVERHEAD EXPENSE	**(9 774)**	**(11 407)**	**(21 182)**	**(14 071)**	**(35 253)**
Other income	1 637	3 087	4 725	1 821	6 546
Other expenses	(4 679)	(5 556)	(10 235)	(9 921)	(20 156)
Depreciation expense	(1 041)	(4)	(1 044)	(100)	(1 145)
OTHER	**(4 082)**	**(2 472)**	**(6 554)**	**(8 200)**	**(14 755)**
Proceeds from disposal of investment assets	-	-	-	20 116	20 116
Book value of assets sold	-	-	-	(20 216)	(20 216)
INCOME ON DISPOSAL OF INVESTMENT PROPERTIES	**-**	**-**	**-**	**(100)**	**(100)**
Movement in value of investment properties	-	-	-	(101 863)	(101 863)
- Movement in value of investment properties delivered	-	-	-	*36 483*	*36 483*
- Other movements in value of investment properties	-	-	-	*(138 346)*	*(138 346)*
Net impairment of assets under development and under construction	-	-	-	(36 224)	(36 224)
Net impairment of other assets	-	(12)	(12)	(0)	(12)
Net charge to provisions for risks and contingencies	-	(536)	(536)	734	198
Amortisation of customer relationships	-	-	-	-	-
Goodwill impairment	-	-	-	-	-
OPERATING PROFIT	**126 963**	**51 778**	**178 741**	**(165 446)**	**13 295**
Net cost of debt	(55 374)	(17 478)	(72 852)	(6 230)	(79 082)
Movement in value and income from disposal of financial instruments	0	-	0	(53 295)	(53 295)
Proceeds from disposal of investments	-	-	-	(722)	(722)
Share in income of associated companies	7 089	(1 352)	5 737	(4 770)	967
Dividends	-	32	32	(1)	31
Debt and receivable discounting	-	-	-	(137)	(137)
PRE-TAX PROFIT	**78 677**	**32 980**	**111 658**	**(230 601)**	**(118 943)**
Tax	(193)	10	(183)	2 416	2 234
NET PROFIT	**78 485**	**32 991**	**111 475**	**(228 185)**	**(116 710)**
o/w Net profit attributable to equity holders	76 854	31 688	108 541	(216 995)	(108 453)
o/w Net profit attributable to minority interests	1 631	1 303	2 934	(11 190)	(8 256)
Weighted average number of shares before dilution			10 106 047		10 106 047
Attributable earnings per share (€)			**10,74**		**(10,73)**
Weighted fully-diluted average number of shares			10 271 359		10 271 359
Fully-diluted attributable earnings per share (€)			**10,57**		**(10,56)**

Costing-based income statement for 2008

€ k	Shopping centres and other assets	Property development for third parties	Recurring items	Non-recurring items	Total group
Rental income	126 606	-	126 606	-	126 606
Land charges	(2 060)	-	(2 060)	-	(2 060)
Unrecoverable rental expenses	(2 729)	-	(2 729)	-	(2 729)
Management expenses	(248)	-	(248)	-	(248)
Net provisions	(4 312)	-	(4 312)	-	(4 312)
NET RENTAL INCOME	**117 256**	**-**	**117 256**	**-**	**117 256**
Revenue	-	739 619	739 619	39 339	778 957
Cost of sales	-	(639 234)	(639 234)	(37 656)	(676 890)
Selling expenses	-	(14 027)	(14 027)	(481)	(14 508)
Net provisions	-	(10 755)	(10 755)	(23 908)	(34 663)
Amortisation of customer relationships	-	-	-	(21 298)	(21 298)
NET PROPERTY INCOME	**-**	**75 603**	**75 603**	**(44 005)**	**31 598**
External services	6 665	29 392	36 057	3 918	39 975
Own work capitalised and production held in inventory	0	38 182	38 182	32 060	70 243
Personnel expense	(9 213)	(56 808)	(66 021)	(24 082)	(90 103)
Other overhead expenses	(8 029)	(22 751)	(30 780)	(20 863)	(51 643)
Depreciation expense on operating assets	(391)	(2 150)	(2 541)	(695)	(3 237)
Net provisions	-	-	-	(81)	(81)
Amortisation of customer relationships	-	-	-	(14 593)	(14 593)
NET OVERHEAD EXPENSE	**(10 968)**	**(14 135)**	**(25 103)**	**(24 336)**	**(49 439)**
Other income	727	3 259	3 986	4 699	8 685
Other expenses	(3 177)	(6 895)	(10 072)	(7 997)	(18 069)
Depreciation expense	(6)	(4)	(10)	(252)	(262)
OTHER	**(2 456)**	**(3 639)**	**(6 095)**	**(3 550)**	**(9 646)**
Proceeds from disposal of investment assets	-	-	-	23 830	23 830
Book value of assets sold	-	-	-	(23 491)	(23 491)
INCOME ON DISPOSAL OF INVESTMENT PROPERTIES	**-**	**-**	**-**	**338**	**338**
Movement in value of investment properties	-	-	-	(86 306)	(86 306)
- Movement in value of investment properties delivered	-	-	-	*96 815*	*96 815*
- Other movements in value of investment properties	-	-	-	*(183 121)*	*(183 121)*
Net impairment of assets under development and under construction	-	-	-	(17 488)	(17 488)
Net impairment of other assets	-	-	-	654	654
Net provisions for risks and contingencies	-	96	96	(10 432)	(10 336)
Amortisation of customer relationships	-	-	-	(91 545)	(91 545)
Goodwill impairment	-	-	-	(225 290)	(225 290)
OPERATING PROFIT	**103 832**	**57 924**	**161 756**	**(501 961)**	**(340 204)**
Net cost of debt	(43 643)	(24 093)	(67 736)	(7 422)	(75 158)
Movement in value and income from disposal of financial instruments	-	-	-	(110 395)	(110 395)
Proceeds from disposal of investments	-	-	-	(157)	(157)
Share in income of associated companies	4 400	613	5 014	(31 303)	(26 290)
Dividends	-	-	-	0	0
Debt and receivable discounting	-	-	-	(3 519)	(3 519)
PRE-TAX PROFIT	**64 590**	**34 444**	**99 034**	**(654 757)**	**(555 723)**
Tax	297	(1 062)	(765)	172 941	172 176
NET PROFIT	**64 887**	**33 382**	**98 269**	**(481 816)**	**(383 547)**
o/w Net profit attributable to equity holders	62 422	31 308	93 730	(490 786)	(397 056)
o/w Net profit attributable to minority interests	2 465	2 074	4 538	8 970	13 509
Weighted average number of shares before dilution			8 989 981		8 989 981
Attributable earnings per share (€)			**10,43**		**(44,17)**
Weighted fully-diluted average number of shares			9 118 414		9 118 414
Fully-diluted attributable earnings per share (€)			**10,28**		**(43,54)**