A value-generating business model
Robust fundamentals

• **Recurring net profit[1]:**	**€11.7/share**	**+11%**
• **Going-concern net asset value (NAV)[2]:**	**€139.3/share**	**+23%**
• **Lower loan-to-value ratio:**	**53.2%**	
• **Proposed dividend:**	**€8.0/share**	**+11%**

- **Growth target for 2011 and 2012 recurring net profit and dividend: Over 10%**

Paris, 7 March 2011, 8:00pm*. The Altarea Cogedim Supervisory Board met today to review the Group's FY2010 consolidated financial statements presented by the management team. The statutory auditors have completed an audit of these financial statements and their report will be issued after the required procedures for publishing the Group's FY2010 financial report have been followed.*

Altarea Cogedim combines the recurring revenue stream of a retail property investor with the added value of a property developer active in all three main property markets: retail, office, and residential.
Thanks to these complementary businesses, all of the Group's financial indicators improved in 2010—including the recurring net profit, which grew for the fourth year in a row since the acquisition of Cogedim—despite the challenging economic climate.

"In 2010 we leveraged our unique positioning in the market to deliver consolidated results that are sharply higher than the previous year. Despite the recent crisis, our Group is stronger than ever and well-equipped to face the new property cycle that is just beginning—substantiating our strategic decision to acquire Cogedim in 2007. We approach 2011 and beyond with a great deal of confidence and visibility, thanks to our complementary property investment and property development portfolios, our operations in retail, residential, and office property, our capacity to innovate and take measured risks, and the excellent work of our employees. We expect to be able to grow our recurring net profit and dividend by at least 10% a year for the next two years."

Alain Taravella, Chairman and Founder of Altarea Cogedim

[1] Recurring operating profit after interest and taxes
[2] Diluted going-concern net asset value after financial instruments and non-SIIC taxes

2010 BUSINESS REVIEW AND 2011 TRENDS

RETAIL PROPERTY: A solid base of rental income and a restructuring of the property portfolio

(million €)	2010	2009	Change
Property portfolio	2,602	2,306	+12.7%
Capitalisation rate[3]	6.35%	6.58%	-23 bp
Net rental income	152.1	140.8	+8%

The value of Altarea Cogedim's retail property portfolio jumped 12.7% to €2.6 billion in 2010, and generated €152.1 million of rental income during the year (up 8.0% from 2009). The Group is France's third-largest retail property listed company and continually expands its portfolio by developing its own property assets as well as seizing attractive opportunities to acquire other assets.

Changes in the retail property portfolio	Surface GLA Group share	Value (million €) Group share
TOTAL at 31 December 2009	**623,796**	**2,306**
Shopping centre openings	78,500	325
Acquisitions	21,500	154
Disposals	-52,920	-247
Constant scope		65
Subtotal	47,080	297
TOTAL at 31 December 2010	**670,876**	**2,602**
In France	*555,573*	*2,068*
Outside France	*115,303*	*534*

Tenant's turnover grew 4.6% at current scope, compared with a 0.8% rise in the French national index at current scope (source: CNCC). Retail parks owned and managed by Altarea Cogedim were the best-performing shopping centre format again in 2010 with a 6.7% increase (at current scope). This healthy growth demonstrates that the concept is well-suited to current consumer trends, especially buyers' increasing price sensitivity as a result of the expanding use of internet and online purchasing.

Altarea Cogedim opened three shopping centres in 2010: two in France (the Okabé shopping centre located just outside Paris and the Limoges Family Village) and one in Italy (the Due Torri shopping centre near Milan). The Group also joined forces with large institutional investors to acquire the Cap 3000 shopping centre near Nice, which is France's eighth-largest shopping centre and which will undergo major renovation and expansion work over the next few years. The Group spent a total of €328 million on retail property investments in 2010.

Altarea Cogedim sold €247 million of retail property assets in 2010 including the Wagram complex in Paris and two shopping centres in Brest. The Group will continue to sell small and mature assets over the coming years while attempting to retain management over the shopping centres that it sells.

The Group's investment pipeline totalled €881 million[4] at end-2010 with a forecast return of 9%. Around 85% of the assets in this pipeline are located in regions with favourable demographics (The Ile-de-France, Southeastern regions of France and Northern Italy as well). The Group will focus on two shopping centre formats that are in line with current consumer trends: large shopping centres and retail parks, with the Family Village concept. Altarea Cogedim's will restructure its retail property portfolio over the next few years as a result of new property developments, redevelopment projects, and asset disposals all designed to concentrate the portfolio on assets with a larger per-unit size.

[3] Net rental yield divided by appraisal value excluding transfer duties
[4] Forecasted Group share including carrying fees and internal expenses

RESIDENTIAL PROPERTY: A change in scale

(million €)	2010	2009	Change
New developments launched	1,311	854	+54%
Reservations	1,289	887	+45%
Backlog[5]	1,395	872	+60%
Pipeline	2,498	1,669	+50%

Cogedim sold 4,100 homes representing total reservations of €1,289 million in 2010, doubling its market share to 5% (in value) since 2007 and taking on a new scale. Cogedim is now France's fourth-largest property developer—and the largest in Paris and Lyon—in a market with solid fundamentals.

The Company's revenue jumped 6% in 2010 to €577 million and its operating margin[6] rose to 8.5%, from 6.5% in 2009.

The Company's backlog surged 60% to €1,395 million, which corresponds to 29 months' revenue[7].

Cogedim should be able to anchor its strong market position thanks to its high-quality property programmes, solid brand name, expanded range of property developments, and broader regional coverage, substantiating Altarea's strategic decision to acquire the Company in 2007. Cogedim expects to double its revenue in 2012 thanks to its robust backlog and pipeline, with an even bigger rise in its operating profit due to the higher margins on projects in its backlog. The Company aims to attain on a sustainable basis an over 6% share (in value) of the French residential property market by 2015.

OFFICE PROPERTY: A pause in 2010 with a promising outlook

	2010	2009	Change
Deliveries (m² of net floor area)	71,000	150,000	-53%
Take-up (million €, incl. VAT)	332	170	+95%
Backlog (million €, excl. VAT)	194	103	+88%

Altarea Cogedim is a major office property developer operating through off-plan sale agreements, property development contracts, and delegated project management agreements. The Group also develops high-end hotel property. Its growth strategy is based on employing some of the most advanced technology in the market.

Investors largely adopted a wait-and-see approach in 2010, which shrank the Group's office property revenue in half to €65.2 million. However the operating margin[8] in this business held steady at 10.8%, as the Group delivered four office property complexes outside Paris totalling 71,000 m².

2010 was a buoyant year in terms of take-up, as the Group closed nine transactions for a total of €332 million (including VAT)[9]. These transactions included the conversions of two historic French buildings—the *Palais de Justice* in Nantes and the *Hotel Dieu* in Marseille—into luxury hotels, as well as the construction in the Ile-de-France region of seven office buildings with France's high environmental quality (HQE®) certification.

Altarea Cogedim will deliver seven office complexes in 2011 totalling 171,000 m², including France's highest office building, *Tour First*, in the La Défense business district of Paris. The other complexes include innovative buildings like GreenOne (in Paris), Club House (in Saint-Cloud), and the headquarters of *Caisse Régionale du Crédit Agricole Alpes Provence* (in Aix-en-Provence).

[5] Comprises revenue from notarised sales (excluding VAT) to be recognised on a percentage-of-completion basis and individual and block reservations to be notarised
[6] Operating profit divided by revenue
[7] Including €775 million to be recognised in 2011
[8] Operating profit divided by revenue
[9] Reservations for the period (incl. VAT) from off-plan agreements, property development contracts, and delegated project management agreements

Although many office property projects were delayed because of the crisis, the need for new space or to redevelop existing space remains strong. In order to be able to seize new opportunities when the office property market picks up, Altarea Cogedim has enhanced its investment capacity by creating a new investment vehicle in which the Group will be the operating partner and biggest investor with a 20% stake. By its first closing in February 2011, this vehicle had raised €350 million of capital from French and international institutional partners, and could reach up to €500 million. The funds will be used to acquire property mainly in Paris and the surrounding region. The Group will then use its strong skills and technological know-how to turn these properties into core assets with excellent environmental performance, before selling them on to long-term institutional investors.

CONSOLIDATED PROFIT AND FINANCIAL POSITION

(million €)	2010	2009	Change
Office property	7.1	16	-56%
Residential property	49.3	35.7	+38%
Retail property	133.4	127	+5%
Recurring operating profit[10]	189.8	178.7	+6%
Recurring net profit[11]	120.3	108.5	+11%
Recurring net profit per share	€11.7	€10.6	+11%
IFRS net profit	147	-108.5	N/A
Net asset value	1,417.4	1,168.1	+21%
Net asset value per share [12]	€139.3	€113.3	+23%
Loan-to-value ratio	53.2%	55.7%	-2.5 pts

Growing contribution from residential property and an 11% jump in recurring net profit per share

Altarea Cogedim's recurring operating profit totalled €189.8 million in 2010, up 6% from the prior year.

Profit from retail property grew 5% to €133.4 million in 2010 and accounted for 70% of the Group's recurring operating profit. Office property contributed €7.1 million, down from €16 million in 2009 due to a low volume of projects in 2010. Profit from residential property surged 38% to €49.3 million and should climb even more sharply in the next two years.

The Group benefited from favourable changes in interest rates thanks to a higher proportion of options-based hedges, which limited the level of financial expenses despite the volume of investments made.

Altarea Cogedim's recurring net profit (Group share) leapt 11% to €120.3 million, or €11.7 per share, in 2010.

23% growth in net asset value (NAV)[13] to €139.3 per share

Change in going-concern net asset value	€/share
Going-concern NAV at 31 December 2009	**113.3**
Dividend	-7.2
Recurring net profit	11.7
Change in value of shopping centres	4.8
Restatement of Cogedim at full value	16.1
Other	0.6
Going-concern NAV at 31 December 2010	**139.3**

Altarea Cogedim's fully-diluted, going-concern net asset value grew 23.0% to €139.3 per share at 31 December 2010, after a dividend payout of €7.2 per share.

[10] Rental income + fees + margins after net overhead costs
[11] Recurring operating profit after interest and taxes
[12] Diluted going-concern net asset value after financial instruments and non-SIIC taxes
[13] Diluted going-concern net asset value after financial instruments and non-SIIC taxes

The growth in the NAV was fuelled by an increase in the value of retail property (with a 23 bp decline in the capitalisation rate) and the value of Cogedim.
An independent firm values Cogedim each year using a multi-criteria approach based on:

- A range of values (according to different assumptions) obtained from discounted cash flows; and
- A comparison with the Company's stock market peers.

The Cogedim value used in the calculation of the Group's 2010 NAV is at the low of the range obtained using the discounted cash flow approach. This value is significantly below that determined for Cogedim's stock market peers, underscoring the figure's conservative nature.

A solid financial position

Altarea Cogedim had €267 million of cash and cash equivalents at end-2010 while its net debt remained unchanged at €2,055 million. The Group's average cost of debt fell to 3.69% in 2010 from 4.21% in 2009.

The Group's consolidated loan-to-value ratio dropped to 53.2% at 31 December 2010 from 55.7% a year earlier, while its interest cover ratio[14] improved slightly to x2.7.

11% INCREASE IN THE 2011 DIVIDEND TO €8 PER SHARE

Given the Group's excellent performance in 2010, it will propose a dividend of €8 per share—up 11% from last year—at the next Annual General Meeting on 17 June 2011.

2011-2012 OUTLOOK

Thanks to its sound business model comprised of complementary businesses (property investment and development) operating in complementary markets (retail, residential, and office property), Altarea Cogedim has good visibility on future earnings.

Over the next two years the Group expects its recurring net profit and dividend to grow by over 10% a year.

2011 Investor relations calendar

Q1 2011 update (January−March): 11 May 2011
Annual General Meeting: 17 June 2011

Financial press releases are issued after market close.

The full Altarea Cogedim 2010 Business Review is available on the Group's website,
www.altarea-cogedim.com

About Altarea Cogedim - FR0000033219 - ALTA
Altarea Cogedim is a leading property investment and development group active in all three main property markets: retail, office, and residential. It has the skills and experience to effectively design, develop, sell, and manage customised property assets in each of these markets. The Group's risk exposure is aligned with its long-term vision, and it creates value by designing and building attractive assets and by seizing profitable opportunities in the property sector. Altarea Cogedim operates in France and Italy and had a property portfolio worth €2.6 billion at 31 December 2010. Altarea is listed in Compartment A of NYSE Euronext Paris with a market capitalisation of €1.3 billion at end-2010

[14] Recurring EBITDA/recurring cost of debt

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