ALTAREA COGEDIM

HALF-YEAR RESULTS 2014

RETAIL | HOUSING | OFFICES AND HOTELS | CSR

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INTRODUCTION

HALF-YEAR HIGHLIGHTS

GOOD OPERATING PERFORMANCES	▪ **Increase in tenant revenue (+2,9% l-f-l growth in France)** ▪ **Growth in the pipeline - success in the development of new businesses** ▪ **Sound sales growth (+22% in value and +43% in volume [(1)]) driven by sales to institutional investors and the new entry-level and mid-range lines of products** ▪ **Strong operational activity, with the completion of many contracts**
ON-GOING TRANSFORMATION DYNAMIC IN ALL BUSINESS LINES	▪ **Focus on large and controlled assets (portfolio and pipeline)** ▪ **Growth in volume and increase in the market share** ▪ **Ramp-up of the model (investor, developer, project manager)**

FINANCIAL RESULTS

▪ **Diluted going concern NAV:**	**€1,596.3 million** *€127.6/share*	**+2.7%** *- 4.9%*
▪ **FFO (Group share):**	**€84.6 million** *€5.53/share*	**+3.1 %** *- 13.8%*

(1) +17% in value and +38% in volume like-for-like (excluding the acquisition of Histoire & Patrimoine).

A SUSTAINABLE GROWTH DYNAMIC

- Sound financial structure (LTV: 41.6%, cash available: 580 M€, no corporate repayment before 2017)
- A very strong pipeline of projects
- A roadmap for 2017/2018

A STRONG VALUE CREATION POTENTIAL

Retail pipeline: *Development spread >300 bps*	**€1.8 bil. of investments**
Residential properties for sale and future offering:	**€4.7 bil. of potential revenue tax incl.**
Offices project portfolio (1):	**€1,3 bil. of asset value**

GROUP ROADMAP

- **Massive deleveraging achieved: substantial reduction of the risk profile**
- **Short-term impact: limited dilution of the per-share indicators**
- **Capacity to finance an important pipeline of sizable (2 million m² (2)) and profitable projects**
- **Expected 2017-2018 impact: strong growth of the per-share indicators (NAV, FFO, dividend)**

(1) Pipeline of secured projects (i.e. excluding identified projects without a signed option on the land), value = rent capitalized at 6%.

HALF-YEAR 2014 ACHIEVEMENTS

RETAIL
STRATEGY

- Focus on large assets and projects
- Control on strategic assets optimised through partnerships
- Group equity reallocated to high added-value developments

CASE STUDIES (ASSETS)

Cap 3000

Partners: APG, Predica
694,300 GLA ft² (64,500 m²)
MGR: €31.6 million

Toulouse Gramont

Partner: Allianz
604,900 GLA ft² (56,200 m²)
MGR: €13.6 million

CASE STUDIES (PROJECTS)

Qwartz

Partner: Orion
462,600 GLA ft² (42,980 m²)
MGR: €18.9 million

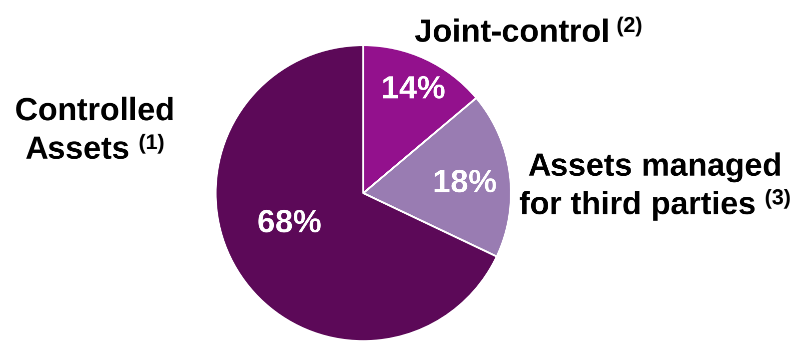
Toulon - La Valette

Partner: Allianz
548,900 GLA ft² (51,000 m²)
MGR: €11.1 million

RETAIL PORTFOLIO

- Strong operational performance of French assets (86% of the portfolio)
- Stabilization of rental values and tenant revenue in Spain and Italy (14% of the portfolio)

VALUE OF PORTFOLIO ASSETS (in € billion)



TOTAL VALUE: €4.3 billion
o/w Group share: €2.5 billion

OPERATIONAL PERFORMANCE - FRANCE (controlled assets)

Rental income (4) *(Jan.-May)* *CNCC*	**+2.6%** *-0.1%*
Like-for like change in net rental income France	**+2.9%**
Occupancy cost ratio (5)	**9.7%**
Bad debt (6)	**2.4%**
Financial vacancy rate (7)	**3.3%**
Number of assets	**36**
Average value	**€83 million** *+ 11%*

(1) Assets of which Altarea holds shares and for which Altarea exercises operational control. Fully consolidated in the consolidated financial statements.
(2) Assets of which Altarea is not the majority shareholder, but for which Altarea exercises joint operational control or substantial influence. Consolidated using the equity method in the consolidated financial statements.
(3) Assets held entirely by third parties who entrusted Altarea with a management mandate for an initial period of three to five years, renewable.
(4) Like-for-like revenue change for shopping center tenants over the five first months of 2014, at 100%.
(5) Calculated as rent and expenses charges to tenants (incl. taxes) over the past 6 months (including rent reductions), in proportion to sales over the same period (incl. taxes).
(6) Net amount of allocations to and reversals of provisions for bad debt plus any write-offs during the period as a percentage of total rent and expenses charged to tenants.
(7) Estimated rental value (ERV) of vacant lots as a percentage of total estimated rental value. Excluding property being redeveloped.

RETAIL
QWARTZ: THE 1ST CONNECTED SHOPPING CENTER

- A « digital » positioning as a competitive advantage
- Unique merchandising and entertainments: M&S, Primark, « Cité du e-commerce », Qwartz & Co…
- Very high number of visits

QWARTZ : A UNIQUE SHOPPING EXPERIENCE IN THE HEART OF GREATER PARIS

165 boutiques and restaurants

1 million+ visitors the first month

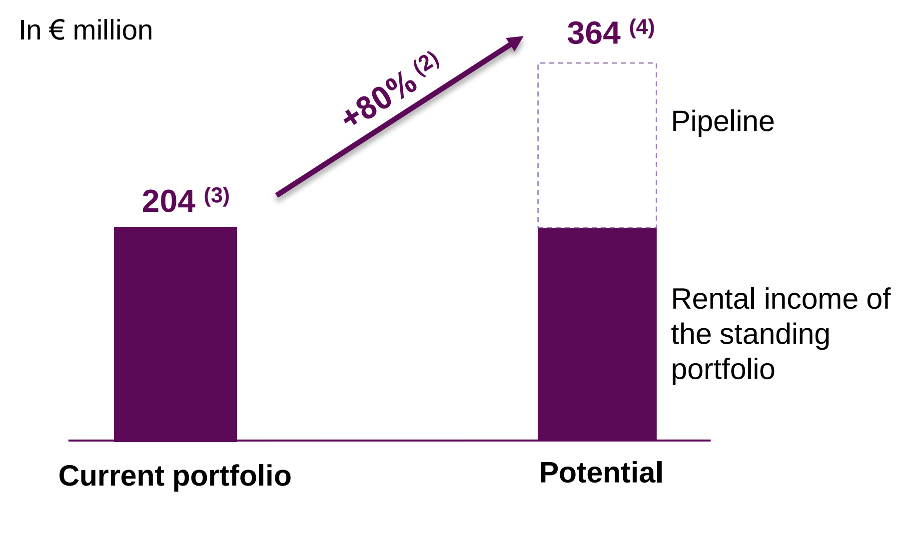
7 000 daily visits on the website

32 000+ Facebook fans

RETAIL
PIPELINE

- An average development spread of 300 bp [(1)]
- A pipeline of premium projects
- The pipeline potentially represents 80% of the standing portfolio [(2)]

EMBEDDED GROWTH DYNAMIC



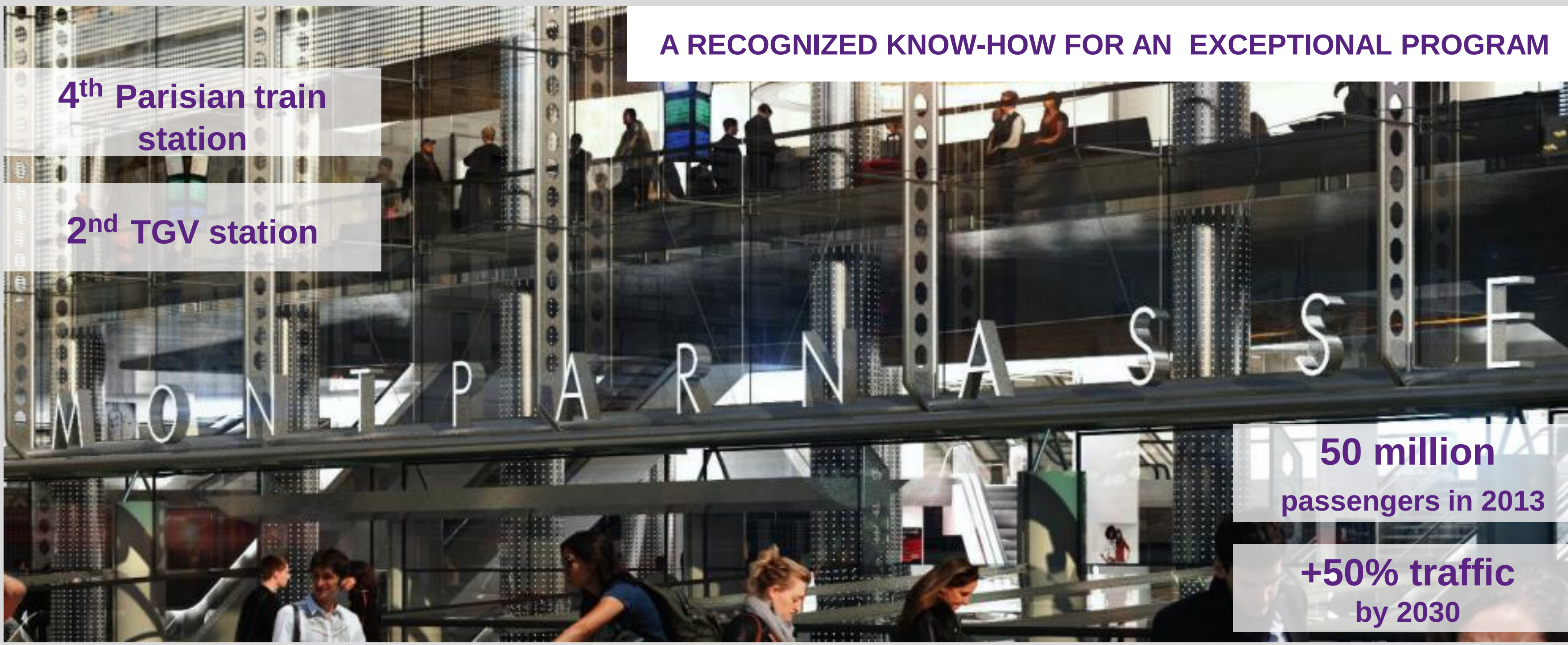
PIPELINE DETAILS

Surface area GLA	**5,026,746 ft²** **(467,000 m²)**
o/w refurbishments/ extensions	*1,819,101 ft²* *(169,000 m²)*
o/w creations	*3,207,645 ft²* *(298,000 m²)*
Net investments	**€1.815 bil.**
o/w Group share	€1.264 bil.
Provisional gross rental income	**€160 mil.**
o/w Group share	€109 mil.
Yield	**8.8%**

(1) Difference between the yield of the projects under development and the estimated capitalization rate at opening.
(2) Share of pipeline rents in proportion to share of rents of existing assets (80% in Group share and 78.4% at 100%).
(3) Group share: €138.5 million.
(4) Group share: €247.7 million.

RETAIL
PARIS-MONTPARNASSE TRAIN STATION

- An ambitious cross-canal program to modernise the Paris-Montparnasse train station, in line with the Group's strategy (large and premium location, "railway retail")
- Expertise of Altarea (3rd program after the Paris East Station and the Paris North Station)



RETAIL
HIGH-STREET RETAIL: A NEW PRODUCT LINE

- Deep market, strong expectations from local authorities
- Development synergies: Retail, Residential & Offices business lines
- “Lease and sell” business model and substantial contribution to FFO starting 2015 / 2016

VARIOUS ASSET FORMATS

Place du Grand Ouest
Massy

“New district”
(75,500 ft² - 7,000 m²)

Rue de Meaux
Paris 19ème

Ground-floor shops
(6,100 ft² - 570 m²)

ONGOING PROJECTS PIPELINE

Ongoing programs	**84**
o/w controlled [1]	36
o/w under development	48
Surface totale	**914,932 ft² (85,000 m²)**
o/w controlled	226,042 ft² (21,000 m²)
o/w under development	688,890 ft² (64,000 m²)

(1) Programs for which contracts have been signed.

E-COMMERCE
REPOSITIONING OF RUE DU COMMERCE

- Offer refocused on the “man universe” with more than 1,200 brands (“High-Tech - Home appliances - DIY”)
- Decrease in volumes in the other universes
- Higher commissions on reinforced universes

STRONGER MARKETING TARGETING

Advertising campaign launched in June 2014 targeting men

INDICATEURS OPÉRATIONNELS

Number of unique visitors (1)	**5 million**	
#8 general merchant website in France		
Business volume	**€172 mil.**	***-6%***
o/w Retail	€119 mil.	*-11%*
o/w Galerie	€53 mil.	*+6%*
Galerie commissions	**€5,1 mil.**	***+ 12%***

(1) Number of unique visitors (per month) from January to April 2014 (source Médiamétrie / NetRatings).

RESIDENTIAL
STRATEGY

- Increase in volumes and gain of market shares
- Strengthen the offer on entry-level and mid-level ranges of products
- Growth of sales to institutional investors

PRODUCTS IN LINE WITH INSTITUTIONAL INVESTORS' EXPECTATIONS

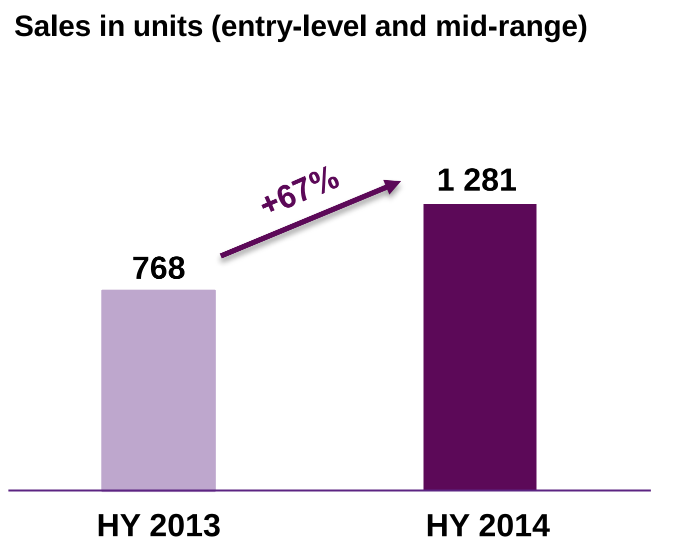
Romainville

175 units

Batignolles

83 units

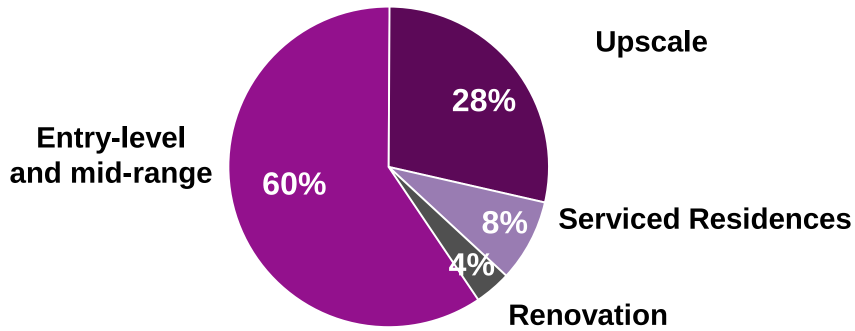
BREAKTROUGH IN ENTRY-LEVEL AND MID-RANGE



RESIDENTIAL
STRONG SALES GROWTH (+43%[1])

- Reservations driven by sales to institutionals and the success of the new offer
- HY margins reflect the current period of transition [2]
- Good performance of the operating cash-flow excluding the impact of Laënnec (2013)

RESERVATIONS: +43%[1]



2 152 units

OPERATIONAL KPI

Reservations [1]	**€535 mil.**	***+22%***
Reservations (no. of units)	***2,152***	***+43%***
Revenue	**€368 mil.**	***-19%***
	-4% excluding Laënnec	
Operating income	**€16.2 mil.**	***-46%***
	+22% excluding Laënnec	
Backlog [3]	**€1,395 bil.** *20 mois*	***+5%*** *+ 3 mois*
Offering and Portfolio[4]	**€4,677 bil.**	***+6%***

(1) +17% in value and +38% in volume l-f-l (excluding acquisition of Histoire & Patrimoine).
(2) Increase in volumes at lower margins in order to get back to the same level of net income, in absolute value, as seen in previous years.
(3) The backlog comprises revenues excluding tax from notarized sales to be recognized on a percentage-of-completion basis and individual and block reservations to be notarized.
(4) Properties for sale include units available for sale (expressed as revenue incl. tax), and the future offering is made up of programs at the development stage (through sales commitments, almost exclusively unilateral in nature) that have yet to be launched (expressed as revenue incl. tax).

RESIDENTIAL
EXAMPLE: FLORESCENCE

- Cluttered area close to Annecy and Lyon, strong attraction of the Swiss border, dynamic demography
- Mid-range program ideally located
- Strong interest from investors attesting the relevance of the new positioning of the Group

AN UNIQUE ADDRESS COMBINING NATURE AND COMFORT IN TOWN

310 units

Close to shops and services

Commercial launch 15 June 2014

RESIDENTIAL

ACQUISITION OF 55% OF HISTOIRE & PATRIMOINE (€15.5 MILLION)

- Leader in the renovation of urban heritage listed or classified as an historic monument
- A complementary expertise in favor of new business for the Group (sales synergies / development)
- Immediate contribution to 2014 revenue & earnings

CASE STUDIES

Mansion
Hôtel Voysin - Paris

Industrial heritage
Cité Meissonnier - Saint Denis

HISTOIRE & PATRIMOINE

- **Inception in 2004**
- **100 employees**
- **€ 100 million annual investment**
- **Present throughout the French territory**
- **A comprehensive real estate service offer for Cities willing to preserve their architectural heritage**

OFFICES
STRATEGY

- A comprehensive business model « investor, developer, project manager»
- Ability to provide a tailor-made solution for any type of demand
- A favorable market environment

INVESTMENT VIA ALTAFUND[1]

Neuilly-sur-Seine

272,327 ft² – 25,300m²

DEVELOPMENT (Off-plan sales / property development contracts)

Mutuelle des Motards Head Office
Montpellier

96,875 ft² – 9,000 m²

SERVICES (delegated project management)

Tour Blanche
La Défense

319,688 ft² – 29,700 m²

(1) AltaFund is a discretionary investment fund, funded with €600 million in equity (o/w 18% owned by Altarea Cogedim). Cogedim Entreprise acts as the exclusive operator.

OFFICES
LEVERAGING THE BUSINESS MODEL

- Strong activity: many deals completed this semester
- Operating cash-flow up +21% at €8.7 million

OPERATION DEVELOPED DURING THE SEMESTER

New project
Toulouse-Blagnac
(off-plan lease signed - Safran)

New project
Lyon - Gerland
(off-plan lease signed - Sanofi)

PORTFOLIO OF PROJECTS UNDE DEVELOPMENT AS OF 30 JUNE 2014

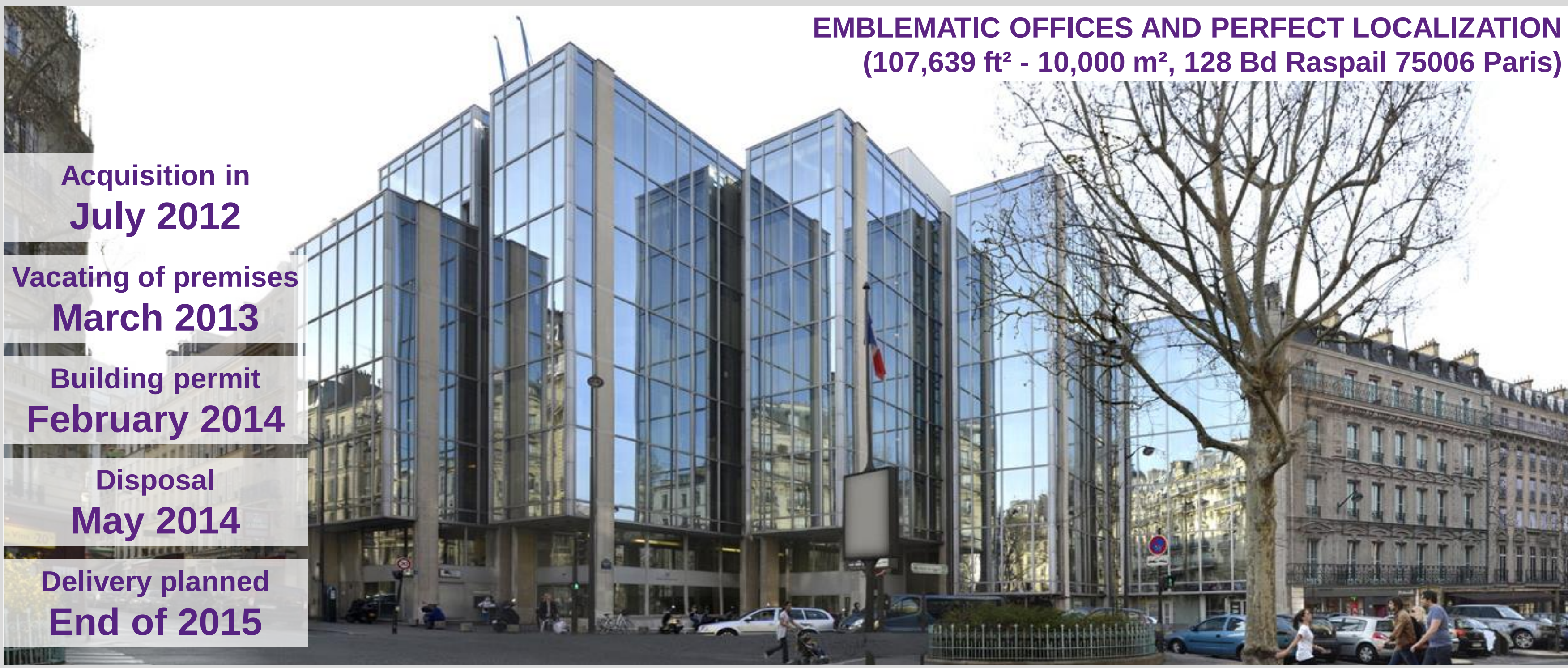
Project by nature	**Surface at 100%**	**Group share in value**
AltaFund(1)	430,556 ft² 40,000 m²	€347 mil.
Property development contracts/ off-plan sales(2)	3,552,090 ft² 330,000 m²	€825 mil.
Delegated project management(3)	586,633 ft² 54,500 m²	€122 mil.
Total	**4,569,280 ft² 424 500 m²**	**€1 294 mil.**

(1) Investment. Value = cost price at 100%.
(2) Contract signed, land controlled. Value = price at the signature.
(3) Contract signed. Value = capitalized fees.

OFFICES
RASPAIL, AN EXEMPLARY PROJECT

- Less than 2 years to execute the entire project (acquisition, restructuring, renting, disposal)
- La Française as tenant / investor
- Operator: Altafund / Promotor: Cogedim Entreprise (Property development contracts)

EMBLEMATIC OFFICES AND PERFECT LOCALIZATION
(107,639 ft² - 10,000 m², 128 Bd Raspail 75006 Paris)



Acquisition in
July 2012

Vacating of premises
March 2013

Building permit
February 2014

Disposal
May 2014

Delivery planned
End of 2015

FINANCE

FINANCE

DYNAMIC SEMESTER IN FINANCING	
	▪ €866 million of corporate financing signed this semester ▪ Evolution in the financing mix (mortgage / corporate banking loans / credit markets) ▪ An optimised structure

LIMITED DILUTION OF THE PER-SHARE INDICATORS			
	▪ **FFO consolidated (1) :**	**€84.6 million** *€5.53/share*	**+3.1 %** *- 13.8%*
	▪ **Diluted going concern NAV:**	**€1,596.3 million** *€127.6/share*	**+2.7%** *- 4.9%*

(1) Group share and non-Group.

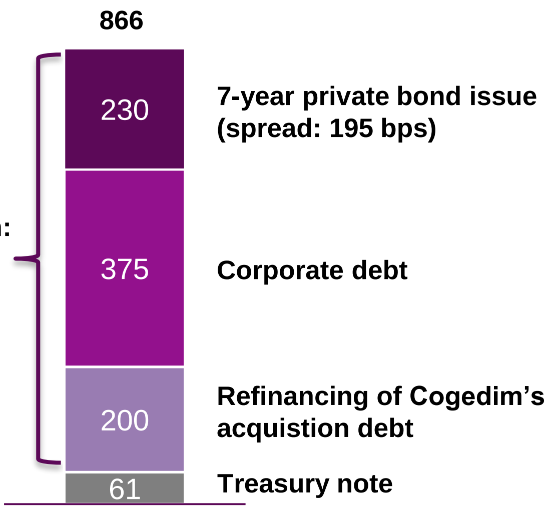
SUBSTANTIAL ACTIVITY IN FINANCING

- Increased access to credit markets (private bond issue and treasury note)
- An optimised average cost

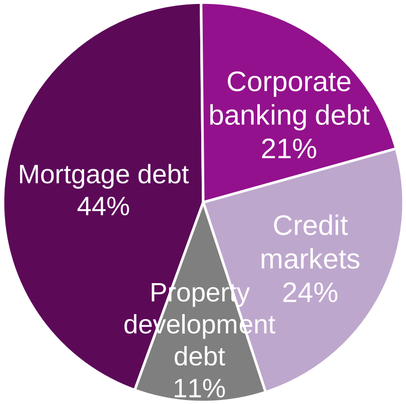
FINANCING AGREEMENTS SIGNED THIS SEMESTER

In € million

Average duration: 5.1 years
Spread: 185 bps



CONSOLIDATED DEBT AS OF 30 JUNE 2014



2006/2007 « vintage »[(1)]

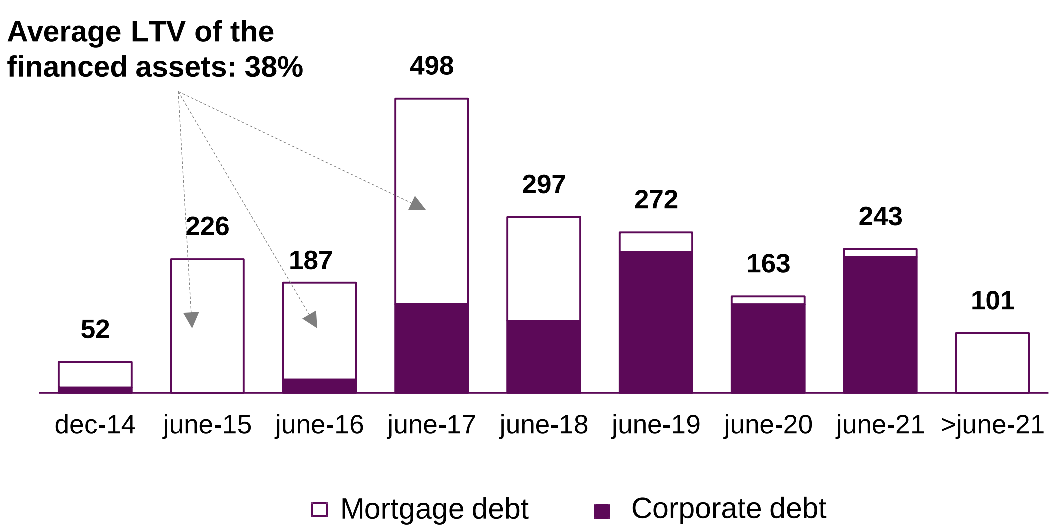
Net debt: €1,858 million
Average cost: 2.30%

(1) Most of the Group mortgage debt was issued in 2006/2007 at very favorable conditions, which still benefit to the Group (10-years debt, average spread: 50/60 bps).

AN OPTIMISED STRUCTURE

- Very solid ratios
- No issue for the coming mortgage reimbursements
- No corporate issue before 2017 (duration of corporate debt: 5.1 years)

DEBT MATURITY SCHEDULE



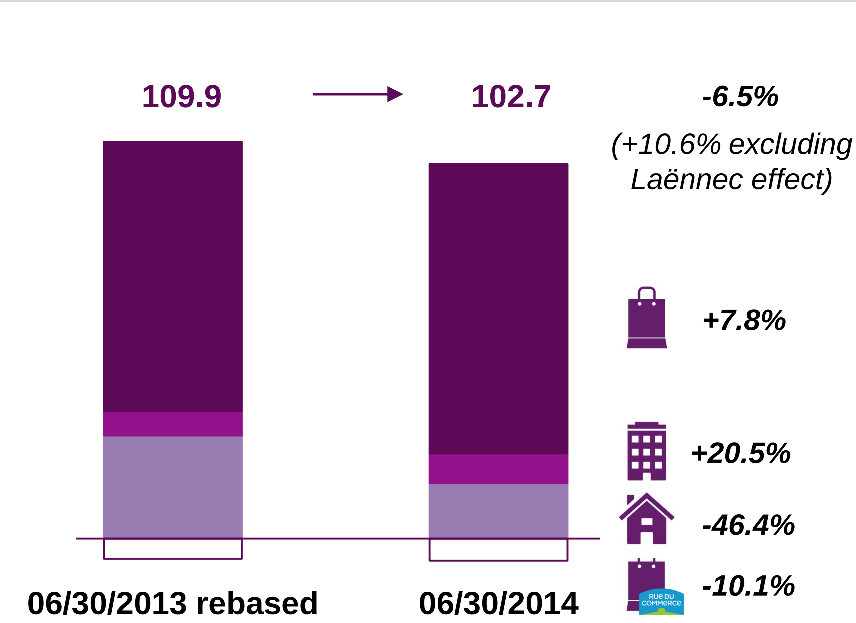
AN EXTREMELY SOUND FINANCIAL STRUCTURE

Net debt	**€1,858 mil.** *-€212 mil.*
LTV	**41.6%**
ICR	**6.2 x**
Cash available	**€580 m**

OPERATING CASH-FLOW

- Decline in the contribution from Residential (2013 perimeter includes Laënnec) and E-commerce
- Partially offset by strong performances in brick-and-mortar Retail and Office property

OPERATIONAL CASH-FLOW (in € million)



CHANGE IN CONTRIBUTION BY BUSINESS

+
- Qwartz opening
- Like-for-like growth in rentals
- Drop in the net structure costs

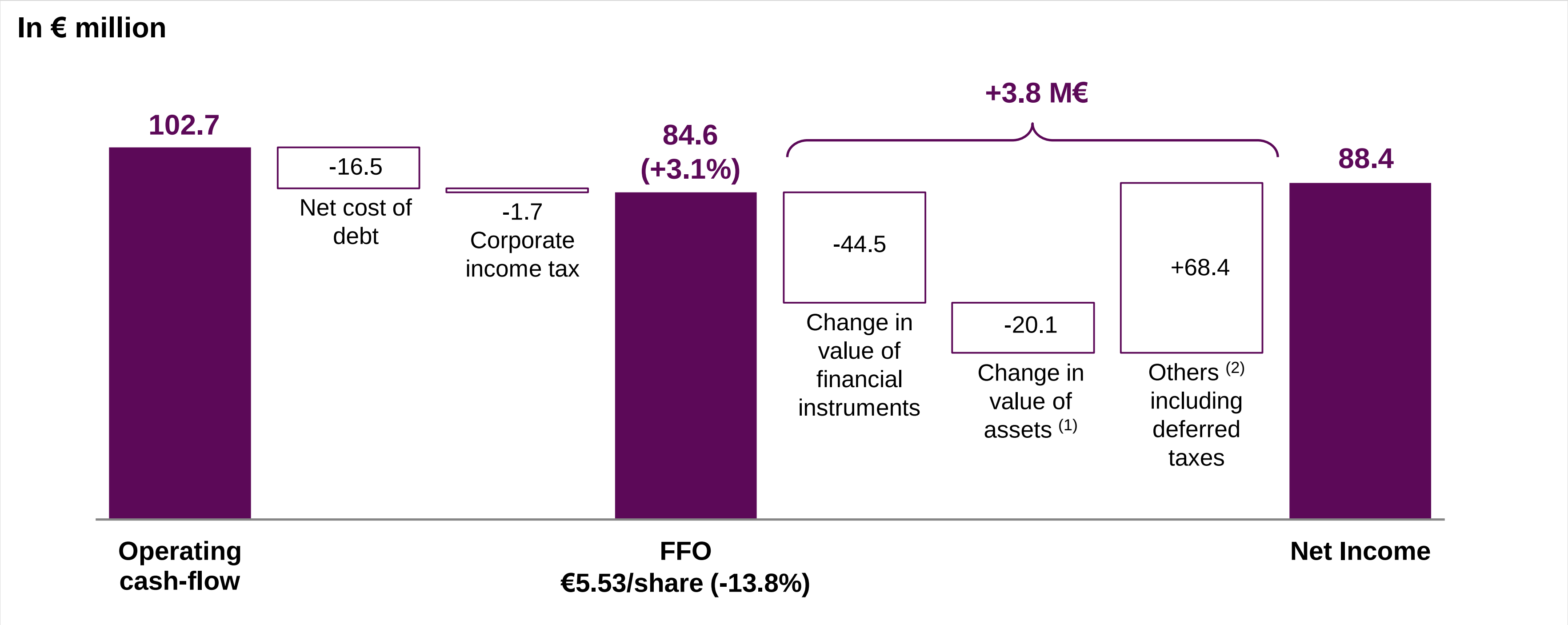
– –
- Laënnec base effect in 2013
- Ongoing transition to the new offer (entry-level and mid-range)

++
- Strong contribution of AltaFund

–
- Refocusing on the « male universe »
- Continued investments

FROM OPERATING CASH-FLOW TO CONSOLIDATED NET INCOME

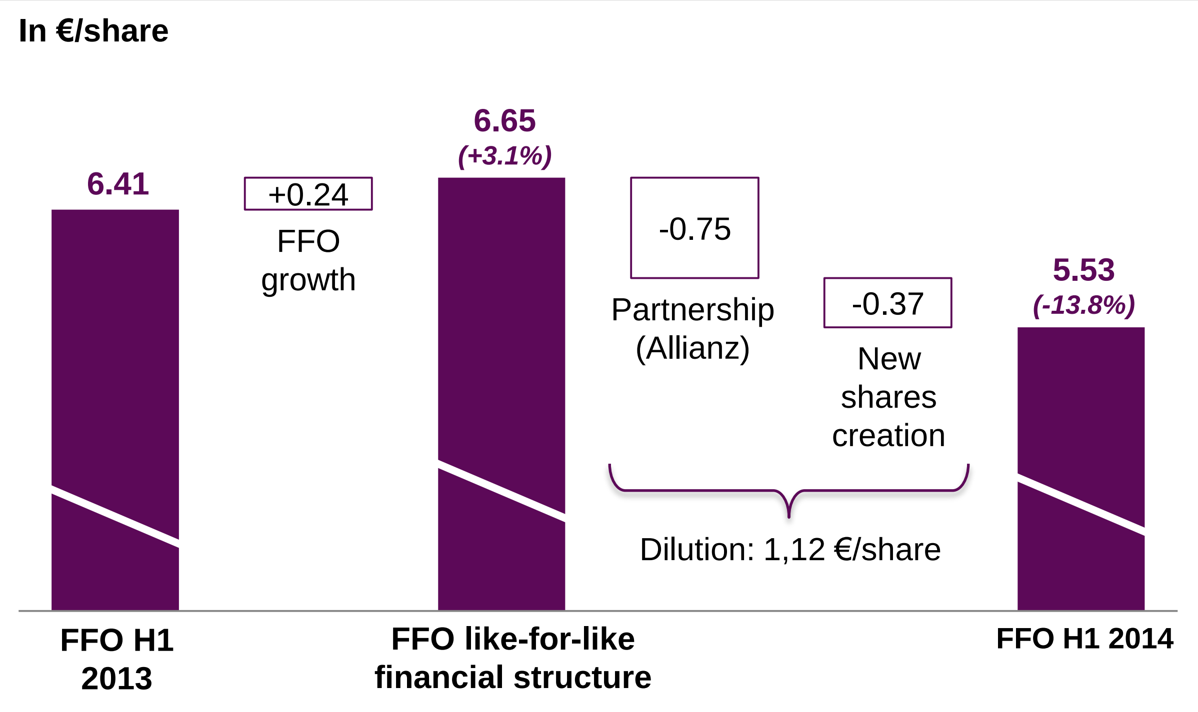
- Growth in consolidated FFO at €84.6 million (+3.1%)
- FFO/share: €5.53 (-13.8%)
- Significant impact of financial instruments income (swaps and fixed-rate debt) and taxes



(1) o/w change in rates (-€14,6 million).
(2) Asset disposal, deferred taxes (€59.2 million) and estimated expenses.

FFO PER SHARE DILUTION

- Equity raised over the past 12 months: 42% of the market capitalisation
- Limited dilution of FFO per share
- Substantially improved risk profile (LTV at 41.6%, vs. 47.6% as of 30 June 2013)



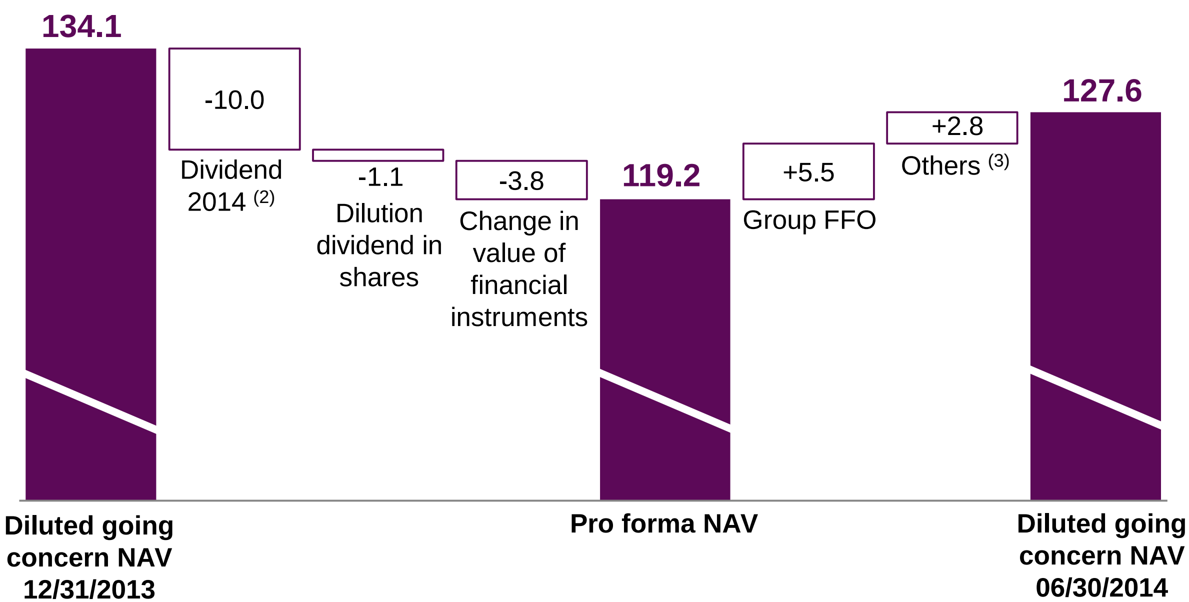
- €570 million of equity raised during the past 12 months
  - Allianz partnership: €395 mil.
  - Capital increases: €173 mil. [1]

(1) €156 million raised through the 2013 and 2014 subscription of script dividend and € 17 million resulting from the AREAL project. I.e. a total number of new shares created representing 14,9% of the number of shares in circulation as of 30 June 2013.

DILUTED GOING CONCERN NAV (1)

- Diluted going concern NAV up +2.7% at €1,596 million
- On a per-share basis, a 4.9% decline to €127.6/share

In €/share



- Dilutive impact of the script dividend in 2014 (4) (8% increase in the outstanding number of shares)
- Mark-to-market impact on the financial instruments and the fixed-rate debt

(1) Diluted going concern NAV: Market value of equity from the perspective of continuation, recognizing all shares subscribed in the payment of dividends in shares. // *EPRA NAV: €131.0/share (-2.9%) / EPRA NNNAV (liquidation NAV): €122.5 /share (-4.8%).*
(2) Accounting for the 2013 fiscal year.
(3) Change in value of assets, calculated expenses (depreciation and provisions…)as well as the recognition of deffered tax assets.
(4) 922,692 new shares issued at €108.3/share

GUIDANCE 2014

Expected dilution in the per-share FFO slightly above 10% in 2014, as a result of the recent operations which enabled to strongly enhance the balance sheet

Dividend of €10.00/share

APPENDICES



P&L

In € million	06/30/2014 Funds from operations (FFO)		06/30/2014 Changes in value, estimated expenses and transaction costs	06/30/2014 TOTAL	06/30/2013 restated Funds from operations (FFO)	06/30/2013 restated Changes in value, estimated expenses and transaction costs	06/30/2013 restated TOTAL	06/30/2013 published Funds from operations (FFO)
Shopping centers	84.9	*8%*	(27.1)	57.8	78.8	71.4	150.1	80.0
Online retail	(6.5)	*10%*	(0.5)	(7.0)	(5.9)	(3.8)	(9.7)	(5.9)
Residential	16.2	*(46)%*	(2.7)	13.5	30.2	(1.9)	28.3	30.2
Offices	8.7	*21%*	2.5	11.2	7.2	(1.7)	5.5	7.2
Other	(0.4)	*51%*	(3.5)	(3.9)	(0.3)	(1,3)	(1.6)	(0.3)
OPERATING INCOME	**102.7**	***(7)%***	**(31.3)**	**71.5**	**109.9**	**62.8**	**172.7**	**111.2**
Net borrowing costs	(16.5)	*(36)%*	(2.7)	(19.1)	(25.8)	(2.8)	(28.6)	(27.2)
Changes in value and profit / (loss) from disposal of financial instruments	-		(44.5)	(44.5)	-	27.1	27.1	-
Proceeds from the disposal of investments	-		0.0	0.0	-	(0.0)	(0.0)	-
Corporate income tax	(1.7)		82.3	80.6	(2.0)	(2.6)	(4.6)	(2.0)
NET PROFIT	**84.6**	***3%***	**3.8**	**88.4**	**82.0**	**84.5**	**166.5**	**82.0**
Income attributable to equity holders of the parent	*64.4*	*(8)%*	*2.6*	*67.0*	*69.9*	*65.4*	*135.3*	*69.9*
Average diluted number of shares (in mil.)	*11.645*				*10.904*			*10.904*
FFO (group share)/share	**€5.53**	***(14)%***			**€6.41**			**€6.41**

BALANCE SHEET (1/2)

In € million	06/30/2014	12/31/2013
NON-CURRENT ASSETS	**3,646.6**	**3,600.7**
Intangible assets	240.7	237.7
o/w goodwill	*128.7*	*128.7*
o/w brands	*97.7*	*98.6*
Other intangible assets	*14.3*	*10.4*
Property. plant and equipment	11.7	12.6
Investment properties	2,963.4	3,029.0
o/w investment properties in operation at fair value	*2,805.6*	*2,917.9*
o/w investment properties under development and under construction at cost	*157.8*	*111.1*
Securities and investments in equity affiliates and unconsolidated interests	305.0	278.6
Loans and receivables (non-current)	6.9	6.6
Deferred tax assets	115.0	36.2
CURRENT ASSETS	**1,439.8**	**1,292.2**
Non-current assets held for sale	80.2	1.7
Net inventories and work in progress	569.6	606.4
Trade and other receivables	398.4	428.2
Income tax credit	2.7	2.3
Loans and receivables (current)	18.3	18.1
Derivative financial instruments	0.7	0.8
Cash and cash equivalents	369.8	234.9
TOTAL ASSETS	**5,082.8**	**4,892.9**

BALANCE SHEET (2/2)

In € million	06/30/2014	12/31/2013
EQUITY	**1,880.8**	**1,832.9**
Equity attributable to Altarea SCA shareholders	**1,202.4**	**1,151.3**
Share capital	191.2	177.1
Other paid-in capital	518.7	437.0
Reserves	425.5	391.0
Income associated with Altarea SCA shareholders	67.0	146.2
Equity attributable to minority shareholders of subsidiaries	**678.4**	**681.6**
Reserves associated with minority shareholders of subsidiaries	547.9	498.8
Other equity components, subordinated perpetual notes	109.0	109.0
Income associated with minority shareholders of subsidiaries	21.5	73.8
NON-CURRENT LIABILITIES	**1,903.6**	**1,782.5**
Non-current borrowings and financial liabilities	1,846.6	1,722.7
o/w participating loans	*43.5*	*12.7*
o/w non-current bond issues	*476.9*	*248.5*
o/w borrowings from credit institutions	*1,325.9*	*1,432.3*
o/w other borrowings and debt	*0.4*	*29.2*
Other non-current provisions	19.5	21.1
Deposits received	27.6	26.8
Deferred tax liability	9.8	11.9
CURRENT LIABILITIES	**1,298.2**	**1,277.6**
Current borrowings and financial liabilities	493.2	436.2
o/w bonds	*1.6*	*0.2*
o/w borrowings from credit institutions (excluding overdrafts)	*353.5*	*323.4*
o/w treasury notes and accrued interest	*61.0*	*28.0*
o/w bank overdrafts	*8.4*	*39.7*
o/w other borrowings and debt	*68.6*	*44.9*
Derivative financial instruments	115.2	73.7
Accounts payable and other operating liabilities	663.4	739.5
Tax due	26.4	28.1
Amount due to shareholders	0.0	0.0
TOTAL LIABILITIES	**5,082.8**	**4,892.9**

NET ASSET VALUE

GROUP NAV	06/30/2014 In € million	*Change*	€/share	*Change /share*	12/31/2013 In € million	€/share
Consolidated equity, Group share	**1,202.4**		**96.1**		**1,151.3**	**99.3**
Other unrealized capital gains	299.0				317.6	
Restatement of financial instruments	114.8				71.5	
Deferred tax on the balance sheet for non-SIIC assets (international assets)	22.6				23.4	
EPRA NAV	**1,638.8**	***4.8%***	**131.0**	***(2.9)%***	**1,563.9**	**134.9**
Market value of financial instruments	(114.8)				(71.5)	
Fixed-rate market value of debt	(8.1)				(2.3)	
Effective tax for unrealized capital gains on non-SIIC assets*	(26.5)				(32.1)	
Optimization of transfer duties *	57.8				48.7	
Partners' share**	(14.7)				(15.4)	
EPRA NNNAV (liquidation NAV)	**1,532.5**	***2.8%***	**122.5**	***(4.8)%***	**1,491.2**	**128.7**
Estimated transfer duties and selling fees	64.3				63.6	
Partners' share**	(0.6)				(0.7)	
Diluted Going Concern NAV	**1,596.3**	***2.7%***	**127.6**	***(4.9)%***	**1,554.1**	**134.1**
**** Number of diluted shares.*	*12,513,889*				*11,590,807*	

** Varies according to the type of disposal, i.e. sale of asset or sale of securities.*

*** Maximum dilution of 120,000 shares.*