HALF-YEAR FINANCIAL REPORT
JUNE 30, 2024

AGENDA

1 BUSINESS REVIEW

CONTENTS

1.1 ALTAREA, AN UNRIVALLED PLATFORM OF SKILLS DEDICATED TO LOW-CARBON URBAN TRANSFORMATION

Altarea, a unique business model

The strength of Altarea's model sits fundamentally on the immense market of urban transformation driven by changes in usage, fundamental housing needs, urban design recast and low carbon evolution.

To address this huge market, the Group has developed an operating system that is unique in France, enabling it to act with the most comprehensive real estate offering, the expertise in highly specialised stills and recognised brands. Above all, Altarea can count on the commitment of its employees who embrace "Altarea's values" of high standards, innovation, and performance. The Company's business plan is based on a strong corporate commitment around the content of work, the sense of common social benefits as well as the value creation and sharing.

Urban transformation, the engine of growth

The urban transformation market, in which Altarea holds a leading position, is more than ever an immense market, for which the technical, administrative, financial, and environmental entry barriers are high and are becoming stricter (Net Zero Artificialization, Energy Performance Diagnosis, Tertiary Decree, RE 2020, Taxonomy, etc.).

The successive crises of recent years (health, environmental, social) have highlighted the need to thoroughly rethink the organisation and functioning of our cities. Many real estate infrastructures have become obsolete and have to be transformed to adapt to both the changes in use that now affect almost all real estate products, and to climate change (energy efficiency).

A strategic roadmap embedded in the new real estate cycle

The real estate crisis triggered by the rise in interest rates in 2022 marks the end of a cycle that lasted nearly 15 years. This crisis is particularly severe, and no sector of the real estate market is spared.

At the beginning of 2023, Altarea set itself a strategic roadmap that includes two years of adaptation to the change in the property cycle (2023 and 2024) and three years of ramp-up, both in its historical businesses and in new businesses (photovoltaics, data centres and real estate asset management).

At the end of the adaptation period to cycle change, Altarea anticipates a ramp-up of its FFO[1], which should, within a four-year timeframe, exceed the high point reached in the previous cycle, but on a new basis.

Throughout the life of its roadmap, Altarea intends to rely on its solid financial structure, largely owing to the recurring nature of its retail REIT.

Progress of the roadmap & outlook

At the end of June 2024, the strategic roadmap is being implemented on schedule. After a year 2023 dedicated to reducing risks and to clearing the impact of the previous cycle, the first half of 2024 was committed to laying the foundations for the new cycle in both the historic businesses and the new activities.

In the second half of 2024, Altarea will pursue the same policy:

- building on the quality and performance of its Retail portfolio;
- maintaining a high level of operational and financial discipline in property development ;
- continuing to invest in new generation Residential offer and New businesses.

The Group confirms its FFO growth target for 2024, the quantum of which will depend on changes in the macroeconomic and political environment.

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(1) Unless there is further deterioration in the macroeconomic, geopolitical, sanitory, or regulatory environment.

1.2 OPERATIONAL PERFORMANCE

1.2.1 Retail

Retail, Altarea's historical business, accounts for the vast majority of the Group's capital employed, with assets under management of €5.2 billion at the end of June 2024, generating €323 million in recurring revenues(2).

In recent years, shopping centres have undergone a profound transformation of their model, which has enabled them to emerge stronger from sanitary crisis and to return to an excellent operational performance.

1.2.1.1 A RELEVANT ASSET MANAGEMENT STRATÉGY

Altarea has pursued a strategy of selecting the most promising formats (large shopping centres, travel retail, retail parks, convenience stores) and currently manages a portfolio of 43 particularly high-performancing shopping centres.

At 100% (€ millions)	30/06/2024		31/12/2023	
Regional shopping centres	3,072	*59%*	3,094	*59%*
Travel retail	532	*10%*	537	*10%*
Retail parks	1,001	*19%*	997	*19%*
Convenience stores	602	*12%*	605	*12%*
Total assets under	**5,208**	*100%*	**5,233**	*100%*
o/w Third-party share	*2,241*	*43%*	*2,240*	*43%*
o/w Group share	*2,967*	*57%*	*2,992*	*57%*

These assets are mainly held in partnerships with leading institutional investors. This strategy allows it to extend the value of its operational expertise on the number of assets under management, while optimising return on capital employed.

1.2.1.2 EXCELLENT OPERATING PERFORMANCE

Tenant's revenue(3) and footfall(4)

At end June 2024 (6 months)	Chg. vs H1 2023
Revenue (incl. Tax)	+5.7%
Footfall	-0.3%

All retail types recorded excellent operational performance, notably with solid growth in tenant's revenue, due to both the attractiveness of the sites and the quality of the tenants commercial offering.

Financial vacancy

At 100%	30/06/2024	31/12/2023	31/12/2022
Financial vacancy	2.7%	2.7%	2.7%

Financial vacancy rate is at a level considered optimal.

Rental activity

At 100%	No. of leases	Annual contracted rent
France and International	196	€20.0 million

Rental activity remained dynamic in the first half of 2024, driven by demand from leading brands attracted by the quality of the Group's assets, including:

• at CAP3000 notable events such as the arrival of Pull&Bear, the transfer of Intersport, the extension of the successful Greek restaurant Yamas in the Corso wing or the expansion, at the beginning of June 2024, of Mango over 1,000 m² with an expanded offering for men/women/children;

• the contineous development of the leisure offering at Bercy Village with Ocean 12, an immersive family mini golf course;

• the deployment of the catering offer at Qwartz with the signatures of Starbucks and Brendy's. The center also welcomes the return to France of Wycon, a Beauté Santé brand;

• in retail parks, numerous renewals signed in personal equipment (Orchestra) or leisure, notably the King Jouets brand on several sites.

The first half of 2024 was also marked by the deployment of new ephemeral concepts such as the pop up stores imagined at CAP3000 (Lipault) or at Bercy Village with the Heinz or Sodastream event operations.

Consolidated net rental income

France and International	In €m	*Chge*
Net rental income at 30 June 2023	**98.0**	
Change in scope of consolidation	0.7	*+0.7%*
Like-for-like change	6.9	*+7.0%*
o/w indexation	*5.3*	*+5.4%*
Net rental income at 30 June 2024	**105.6**	**+ 7.7%**

Net rental income at end-June 2024 (6 months) was up 7.7% (7.0% on a like-for-like basis).

The collection rate(5) stood at 97.0%, equivalent to pre-sanitary crisis levels.

Value of assets under management (AuM)

Against a general drop in real estate values, retail assets remained virtually stable, with a slight fall in property exit rates(6) to 6.03% on average (+11 bps).

At 100%	30/06/2024	31/12/2023
Regional shopping centres	5.85%	5.76%
Retail parks	6.46%	6.31%
Convenience stores	6.28%	6.18%
Weighted average	**6.03%**	**5.92%**

(2) Figures at 100% (€2.2 billion in assets for €139.8 million in gross rental income, Group share).
(3) Cumulative change in tenants revenue incl. VAT in France and Spain.
(4) Cumulative change in the number of visitors, measured by Quantaflow for equipped shopping centres, and by counting cars for retail parks (excluding travel retail), in France and Spain.

(5) Rents and charges collected compared to rents and charges due at the publication date.
(6) The exit rate (or "capitalisation rate") is used by appraisers to capitalise rents in the terminal period of their DCF models. It reflects the fundamental quality of the asset over the medium and long term.

1.2.1.3 DEVELOPMENT

Paris-Austerlitz station

After the successful transformation of the Paris-Montparnasse station, Altarea started work on a major project to restructure the retail spaces at Paris-Austerlitz station in H1, which will eventually include nearly 25,000 m² of shops directly connected to the station. The marketing phase should begin in 2025.

Bobigny Cœur de Ville

On the site of the former Bobigny2 shopping centre built on a slab in 1974, Altarea is developing a new disctrict comprising 1,200 residential units, an office building, a cinema and around thirty shops and service.

The 14,000 m² commercial programme includes an medium-sized food court (2,500 m²), food shops, services (La Poste, hairstylist, optician, pharmacy, laundromat, etc.), a fitness room and three Social and Solidarity Economy (SSE) brands, as well as restaurants around a central landscaped square.

Work is nearing completion, with delivery scheduled for the 2nd half of 2024 and inauguration for early 2025.

Enox 2 (Gennevilliers)

Work for Enox 2 food park, an off-plan sale project developed for BNP Paribas REIM France is on-going. Entirely let to the Bertrand Franchise group, the 4 units (1,600 m²) are due to be delivered at the end of 2024 to Burger King, Au Bureau, Volfoni and Pitaya. The centre is aiming for BREEAM Very Good certification.

Installation of electric charging stations

As part of the partnership signed in early 2022 with Electra, the French specialist in ultra-fast recharging (50-300 kW), Altarea is continuing the deployment of recharging stations in car parks at its retail sites.

In the first half of 2024, the Limoges and Villeparisis sites were equipped, bringing to 7 the number of sites equipped out of the 19 planned. Brest Guipavas and L'Avenue83 are currently undergoing work.

Over the first half of the year, more than 17,000 recharging sessions were sold, saving 410 teqCO_2.

Assets under management at end-June 2024

Asset and type	No.	GLA (in m²)	Gross rents (€m)	Value (€m)	Group share	GS Value (€m)
CAP3000 (Nice)		105,600			33%	
Espace Gramont (Toulouse)		56,700			51%	
Avenue 83 (Toulon-La Valette)		53,500			51%	
Qwartz (Villeneuve-la-Garenne)		43,300			100%	
Sant Cugat (Barcelona, Spain)		43,000			100%	
Bercy Village (Paris)		23,500			51%	
Le Due Torri (Bergamo – Stezzano, Italy)		44,300			25%	
La Corte Lombarda (Bellinzago, Italy)		21,200			25%	
Espace St Quentin (St Quentin en Yvelines)		34,800			0%	
NicEtoile (Nice)		17,300			0%	
Regional shopping centres	**10**	**443,200**	**170**	**3,072**		**1,375**
Montparnasse station (Paris)		18,200			51%	
Gare de l'Est (Paris)		7,300			51%	
Italian railway stations (5 assets)		13,500			51%	
Oxygen (Belvédère 92)		2,900			100%	
Travel retail	**8**	**41,900**	**55**	**532**		**274**
Family Village (Le Mans-Ruaudin)		30,500			51%	
Family Village (Limoges)		29,000			51%	
Family Village (Nîmes)		28,800			51%	
Les Portes de Brest Guipavas (Brest)		28,600			51%	
Family Village (Aubergenville)		27,800			51%	
Espace Chanteraines (Gennevilliers)		23,700			51%	
Thiais Village (Thiais)		22,800			51%	
Les Portes d'Ambresis (Villeparisis)		20,300			51%	
La Vigie (Strasbourg)		27,100			100%	
Marques Avenue (Aubergenville)		12,900			51%	
Pierrelaye		10,000			51%	
Carré de Soie (Lyon) – RP		51,000			50%	
Chamboucy		34,900			0%	
Retail parks	**13**	**347,400**	**59**	**1,001**		**489**
-X% (Massy)		18,400			100%	
Les Essarts-Le-Roi		11,000			100%	
Grand Place (Lille)		8,300			100%	
Le Parks (Paris)		33,300			25%	
Reflets Compans (Toulouse)		14,000			25%	
Jas de Bouffan (Aix-en-Provence)		9,800			18%	
Grand'Tour (Bordeaux)		25,000			0%	
Issy Cœur de Ville		24,200			0%	
Bezons Cœur de Ville		14,500			0%	
Toulouse Aérospace		15,100			0%	
Place du Grand Ouest (Massy)		16,900			0%	
Toulon Grand Ciel		3,000			0%	
Convenience stores	**12**	**194,900**	**39**	**602**		**102**
Total assets under management	**43**	**1 027 400**	**323**	**5,208**	**43%**	**2,241**

1.2.2 Residential

Altarea is the second-largest residential developer in France[7]. The Group has a country-wide presence and has rolled out a comprehensive multi-product offering[8] based on brands with complementary positions to meet the structurally immense needs of the French market:

• **Cogedim** is the Group's leading brand in terms of geographical coverage, product range depth and reputation. In 2024, for the second year running, Cogedim was ranked number one among the Top 200 customer relations by consulting firm The Human Consulting Group for Les Echos, all sectors combined;

• **Woodeum x Pitch Immo** is the French specialist in low-carbon real estate development due to its know-how on CLT (cross-laminated timber) timber frame technology but also to other low-carbon solutions that outperform current standards (RE2020/Level 2022);

• **Histoire & Patrimoine** is the expert brand in real estate renovation and rehabilitation, offering a range of products in Historical Monuments, Malraux Law properties and Real Estate Tax schemes;

• **Nohée** specialises in developing managed residences for active seniors. With 33 residences in operation at the end of June, including the last two inaugurated at the start of the year in Avignon and Villefranche-sur-Saône, Nohée aims to operate 50 residences by 2026, and 10 residences are currently under construction;

• **Altarea Solutions & Services** is the service platform supporting the Group's customers and partners throughout their real estate project (sales promotion, financing, rental management, trustee services, etc.).

The brands have operational independance (customers, products) but are supported by the power of the Group under Altarea umbrella brand (strategy, commitments, finances, support functions).

1.2.2.1 HIGHLIGHTS OF THE FIRST HALF

New orders[9]

In the first half of 2024, new orders fell sharply and mainly concerned the remaining offer from the previous cycle, which is now almost entirely sold out.

New orders	H1 2024	%	H1 2023	%	Chge
Individuals - Residential buyers	198	20%	359	27%	-45%
Individuals - Investment	243	25%	391	30%	-38%
Block sales	545	55%	562	43%	-3%
Total in value (€m incl. VAT)	**986**		**1,311**		**-25%**
Individuals - Residential buyers	663	17%	1,060	24%	-37%
Individuals - Investment	906	23%	1,439	33%	-37%
Block sales	2,404	60%	1,916	43%	25%
Total in volume (units)	**3,973**		**4,415**		**-10%**

The average booking rate[10] was 10.4%, and the fall in new orders was mainly due to the historically low level of offer for sale.

Offer

Offer represented 3,055 units at the end of June 2024, including 1,787 units under construction, half the level recorded at the start of 2023[11].

The Group has voluntarily implemented a policy giving priority to selling off the offer from the previous cycle, by regularising sales, slowing commercial launches and reducing land acquisitions.

Notarised sales

€m incl. VAT	H1 2024	%	H1 2023	%	Chge
Individuals	341	43%	590	64%	-42%
Block sales	453	57%	326	36%	39%
Total	**794**		**915**		**-13%**

Commercial launches

	H1 2024	H1 2023	Chge
In units	1,522	2,754	-45%
In number of programmes	42	73	-42%

Land acquisitions

	H1 2024	H1 2023	Chge
In plots	23	20	+15%
In units	2,420	1,756	+38%

(7) Source: Classement des Promoteurs (developers ranking) published in June 2024 by Innovapresse.
(8) New housing all ranges (home ownership and investment, free, social, Intermediate rental housing), serviced residences, Malraux, historical monuments, land deficits, condominium, timber-frame housing CLT, renovation.
(9) New orders net of withdrawals, in euros, including VAT when expressed in value. Data at 100%, except for operations under joint control which are reported in Group share.

(10) Average monthly new orders compared with the average monthly offer (retail offer of new homes) over the first 6 months of the year. The offer for sale is sold out in less than 12 months when the rate is over 8%.
(11) Offer of around 6,000 units, including 3,500 units under construction (figures from early 2023). At 30 June 2024, the amount of finished products inventory is virtually nil (14 units).

1.2.2.3 OUTLOOK

Land options[12]

	H1 2024	H1 2023	Chge
In €m incl. VAT	974	1 277	-24%
In units	4,840	4,130	+17%

Land options signed during the first half of the year corresponded to projects in the market that are compatible with the Group's new commitment criteria, in particular those for the new generation offering, which already represents around 1,300 units for first-time buyers.

The "Nouveau Neuf", Altarea's response to the property purchasing power crisis

Individual buyers are the core target of Group's strategy. Altarea has developed a new generation offering aligned to the purchasing power of the French, to enable first-time buyers to become homeowners. This offer is adressed to clients (with incomes barely over the minimum wage) who are currently renting in the private or social sectors and who never imagined they would be able to become the owners of their residence.

The idea is to take the customer's purchasing power as a starting point and offer them a product tailored to their capacity. The design and all the cost components have been completely reworked to come up with a product that is affordable, low-carbon and profitable.

This new product is proposed along with a new and highly attractive range of financing options, with loans at subsidised rates, no deposit, no down payment, no notary fees and no interest. The buyer only starts paying when the keys are handed over, and the monthly payments offered are close to, or even equivalent to, the price of a rent.

This offering, known as "Le Nouveau neuf", represents a new approach to residential property development that is set to permeate the entire Group, with operational and commercial organisation, development and commitment criteria reflecting this new approach.

May 2024 : Market launch of the 1rst Le Nouveau Neuf programme (Rive Nature, Villeneuve-la-Garenne)

Located face to the Seine, this residence is built around a 7,600 m² urban forest with 110 tall trees and a friendly square with two shops at the foot of the building and a 30-bed crèche. With its 2,800 m² of green roof and its green corridor, this project is fully in line with an ecological and responsible approach.

This ambitious project is characterised by its commitment to sustainable development and the well-being of its residents. Comprising 10 RE 2020 buildings with NF Habitat HQE® certification, it includes 640 apartments ranging from studios to 5-room duplexes. The design of all these apartments has been optimised to provide pleasant, ergonomic living spaces at affordable prices.

The architecture, designed by international architects Valode & Pistre, combines modernity and aesthetics, helping to enhance this new urban development, which will form the new gateway to Villeneuve-la-Garenne.

Prices are particularly attractive, with a two-bedroom for €831 per month and a three-bedroom for €1,078 per month (no deposit, no pre-delivery costs).

Backlog

The backlog[13] at 30 June 2024 was €2.5 billion excl. tax, (vs €2.7 billion excl. tax at end-December 2023).

12 Signature of new land options.

(13) Revenue (excl. tax) from notarised sales to be recognised on a percentage-of-completion basis and individual and block new orders to be notarised.

1.2.3 Business property (BP)

Altarea manages Business Property projects with limited risk and in various manner due to its highly diversified skill set.

1.2.3.1 MULTIPLE AREAS OF EXPERTISE

In Offices, the Group operates nationwide[(14)]:

• as developer in off-plan sales, off-plan leases and PDCs, with a particularly strong position in the "turnkey" user market and DPM contracts[(15)];

• as developer/investor or co-investor for certain assets to be repositioned (before disposal);

• on a wide range of products: head offices, multi-occupant buildings, high-rise buildings, business and industrial premises, hotels, schools and campuses.

In Logistics, the Group operates:

• as a land and property developer and sometimes investor, to develop projects that meet increasingly demanding technical, regulatory and environmental challenges;

• both for the development of large platforms or hubs for distributors or e-commerce players, and in the urban logistics market for the last mile.

1.2.3.2 ACTIVITY OF THE HALF-YEAR

Offices/Grand Paris

The Group is concentrating on developing its services activity, with two PDC signed in Paris in the first half of the year for the Madeleine (21,000 m²) and Louis Le Grand (3,000 m²) projects. It also delivered 26 Champs-Elysées (14,000 m²) at the end of April, a completely refurbished complex combining offices and retail units.

One of the major events of the first half of the year was the obtention of the final building permit for the renovation of the former CNP headquarters above Paris-Montparnasse station. This 55,000 m² project, developed in a 50/50 partnership with Caisse des Dépôts, will undergo a complete restructuringl over the next few years.

The Group's other projects have made good operational progress, particularly in terms of commercial discussions.

Offices / Regional cities

In the regions, the Group delivered three office buildings in Toulouse this semester, totalling 12,000 m² (rue Laurencin, Hill Side in Jolimont and Urbanclay).

Two new projects were provisioned in Nice and Nantes, totalling 13,000 m².

Logistics

In large-scale logistics, the Group is involved in 835,000 m² projects at various stages of completion:

• 55,000 m² in Béziers (34) and Collégien (77) have already been sold off and are in the process of being completed;

• 285,000 m² are under construction at various stages, fully let to leading tenants and are monetisable by the Group[(16)];

• 495,000 m² is under development at various stages, including 156,000 m² for which building permits has been obtained and cleared.

In the first half of 2024, work progressed on several warehouses in Bollène[(17)] and La Boisse.

In **urban logistics**, the Group is developing a pipeline of small-scale projects, mainly in the Paris region, such as the project to renovate the DHL platform at Vitry-sur-Seine (7,600 m²), acquired in 2023.

The backlog at 30 June 2024 was worth €311 million excluding VAT (compared with €282 million excluding VAT at end-2023).

(14) Central Business District (CBD) of Paris, the Paris Region and major regional cities.
(15) PDC (property development contract) and DPM (delegated project management).

16 Puceul (44) for 38,000 m², Ecoparc Côtière in La Boisse (01) for 56,000 m² and Bollène (84) for 191000 m².
17 260,000 m² developed in 5 phases aiming for BREEAM certification.

1.2.4 New businesses

As part of its strategic roadmap, Altarea has decided to invest in new activities: photovoltaics, data centres and property asset management.

These new markets are driven by immense needs, with high barriers to entry linked to the mastery of complex know-how.

For each of these new activities, Altarea's strategy is to control the operational value chain (investing in skills) while systematically adopting an optimised capital model.

1.2.4.1 PHOTOVOLTAICS

Decarbonisation of the French Economy should significantly increase demand for photovoltaic. This demand should be around 100 peak gigawatts (GWp[(18)]) by 2050[(19)], which means doubling the current rate of new generation development to 7 GWp annually.

Altarea believes it can take a significant market share in a ‘developer/asset manager/operator’ model, with a full range of photovoltaic infrastructure adapted to sites in operation, under development or being refurbished, for the Group's own property projects or those of major landowners:

• car park shading systems (including on its portfolio of managed shopping centres) ;

• photovoltaic roofs on its property projects (particularly logistics warehouses);

• ground-mounted solar power plants on brownfield sites (quarries, wasteland, landfill sites, etc.);

• agrivoltaics as a complement to agricultural activity, on the ground or integrated into buildings (barns, sheds, greenhouses, etc.).

Altarea has set up a dedicated team operating under the Altarea EnR brand, enabling it to master the entire operational value chain:

• studies, feasibility, design, land management;

• administrative authorisations (construction, connection) and financing;

• marketing of the energy produced;

• installation and commissioning;

• operation, monitoring, maintenance and recycling.

The Group's teams are working on a pipeline of projects at various stages of completion, mainly in France but also in Italy: more than 1,000 MWp are under study, including more than 400 MWp of controlled projects at 30 June.

Infrastructure integrated into the Group's property projects

Altarea now systematically integrates photovoltaic power stations into its property developments wherever possible.

Photovoltaic shading systems are currently being deployed at our retail properties. In particular, the first two projects, each with a capacity of 500 kWpat the La Vigie retail park near Strasbourg and the Nîmes Family Village. Today, Altarea has obtained authorisations for the deployment of around 20 MWp at ten sites.

In the logistics sector, the Bollène platform will also be equipped with a rooftop photovoltaic plants with a total capacity of around 20 MWp.

All in all, Altarea is in control of several dozen megawatt-peak units linked to its property projects, providing an interesting complement both for the Group (creation of additional value) and for users (comfort, self-consumption, environmental responsability).

Man-made sites and agrivoltaics

The bulk of the Group's pipeline concerns ground-mounted power plants on man-made sites or accompanying agricultural activities (agrivoltaics).

At the beginning of 2024, an initial partnership agreement was signed with Terrena, a major agricultural cooperative based in the west of France and comprising almost 19,000 farms. This partnership, which will initially focus on sheep farmers before opening up to other types of production (cattle, poultry, wine production, etc), ultimately represents the completion of several dozen projects from 2026.

Altarea has expertise in several hundred megawatt-peak projects of all sizes at various stages of development.

Altarea also supports major property owners (retail, industrial, hospitals, logistics) in third-party investment in connection with their CSR policies and the necessary adaptations to regulations.

Acquisition of Prejeance Industrial

At the beginning of July 2024, Altarea acquired French company Prejeance Industrial from Spanish group Repsol. Prejeance Industrial specialises in developing small and medium-sized rooftop photovoltaic projects (between 100 and 500 kWp), mainly on agricultural sheds. Its experienced team (18 employees) is involved at every stage in the life of solar power plant projects: development, construction, asset management, financing/refinancing. These facilities offer genuine renewable energy solutions, while providing farmers with additional income and farm equipment at no extra cost to the farmer.

At the end of June 2024, the company owned and operated a portfolio with a total installed capacity of 42 MWp, located entirely in France, and was developing a pipeline of controlled projects totalling almost 400 MWp, including 41 MWp currently under construction.

The investment amounts to around €140 million (€25 million in goodwill and €115 million in solar power plants in operation, under construction and being

(18)Watt-peak: theoretical maximum power reached at peak production by a solar panel.

(19) Report on energy futures 2050 by RTE. At 31 March 2024, the capacity of France's solar photovoltaic installations stood at 21.1 GW, including 20.3 GW in mainland France. Source: Ministry for Ecological Transition and Territorial Cohesion.

assembled). Prejeance Industrial will be consolidated in the Group's accounts from the 2nd half of 2024.

Through this transaction, Altarea is completing the development of photovoltaic installations that will be implemented from 2023 with the creation of Altarea EnR, and is increasing its capacity to develop low-carbon energy.

1.2.4.2 DATA CENTERS

Demand for data centers is growing strongly in France, driven by the digitisation of the economy, the rise of artificial intelligence and the desire of many players to relocate their data storage within the country. The current installed base suffers particularly from a structural undersizing that is particularly acute for eco-responsible data centres (self-generation and energy recovery, connection to urban heating networks, etc.).

Altarea's ambition is to develop two types of product: medium-sized colocation data centres and single-user hyperscale data centres.

Altarea can draw on its internal network, which covers the whole of France, to identify the most suitable property opportunities for this activity.

Eco-responsible colocation data centres

Local data centres are designed for corporate customers (private or public), providing connectivity, high performance, high security and high availability.

The Group intends to develop eco-responsible data centres with heat recovery and reinjection into urban heating and cooling networks. Altarea has set up a team operating under the brand name NDC (Nation Data Center) French hosting company promoting responsible digital practices and working on around fifteen potential sites in the main French cities (Paris, Lyon, Marseille, Toulouse and Nantes).

In the first half of 2024, the Group continued work on its first two data centres, launched in 2023:

• 6,500 m² at Val-de-Reuil near Rouen, with assets adapted to the needs arising from the emergence of AI;

• 3,000 m² at Noyal-sur-Vilaine near Rennes, with a target capacity of 3 MW, scheduled to open in early 2025.

The aim is to develop and operate a network of co-located data centres using a ‘developer - asset manager’ financial model.

Hyperscale data centres

Depending on the opportunities and specific situations, particularly in relation to the development of Artificial Intelligence, the Group could be led to develop hyperscale storage or computing data centres in partnership with major players in the digital industry, based on a ‘developer/business provider’ model, in a context where this type of product is both rare and highly complex from an administrative point of view.

1.2.4.3 ASSET MANAGEMENT

Altarea Investment Managers: first acquisitions and SRI label for the SCPI Alta convictions

Altarea Investment Managers, which was accredited by the Autorité des Marchés Financiers in 2023, now has a full management and investment team. Its aim is to gradually extend its distribution agreements to the general public, particularly through external networks and wealth management advisers (WMA), and to develop a comprehensive range of property investment vehicles.

The Alta Convictions SCPI, its first retail fund launched at the end of 2023, sits on the theme of the ‘new property cycle’, with no inventory or pre-crisis financing. Fund collection is ramping up, as do investments, with the aim of diversifying both sectorally and geographically. Following several acquisitions in the retail sector (Paris, Annecy), the latest signature in July 2024 marks the diversification of the portfolio towards business premises (Orléans). In June, the SCPI was awarded the SRI label, underlining its commitment to responsible and sustainable management.

ATREC: real estate debt platform in partnership with Tikehau Capital

In 2023, Altarea has launched of a real estate debt platform in partnership with Tikehau Capital through a first fund, called ATREC (Altarea Tikehau Real Estate Credit), is targeting €1 billion in capital, including a commitment of €200 million from its sponsors (€100 million each) with a view to welcoming third-party partners.

This platform capitalises on Tikehau Capital and Altarea’s complementary expertise in private debt and real estate assets, and will provide investors with privileged access to the combined pipeline of the two groups and their respective networks to seize the most attractive investment opportunities.

The fund will offer a huge range of flexible solutions, primarily targeting the financing of assets (offices, retail, industrial assets, residential, logistics and hotels) or traditional real estate companies through junior, mezzanine or single-tranche debt instruments. A first deal was closed by the end of 2023 and a significant pipeline of opportunities is currently under review, confirming the relevance of this strategy.

1.3 TAXONOMY: NEW STANDARD FOR ENVIRONMENTAL PERFORMANCE REPORTING

The Taxonomy Regulation is a classification system for economic sectors to identify environmentally sustainable activities. It defines uniform criteria for each sector in the EU to assess their contribution to the six environmental objectives defined by the European Commission.

Non-financial companies have to publish indicators taken directly from their accounts (revenue, Capex and Opex) attributing for each the proportion eligible under the taxonomy **(eligibility rate**) as well as the proportion that meets the European environmental criteria (**alignment rate**) and social criteria (minimum social guarantees).

From 2024, financial companies have to publish the share of their investments that finance sustainable economic activities aligned with the taxonomy (Green Asset Ratio or GAR). Financial institutions with a high GAR should eventually benefit from a more favourable framework for their activities, as the goal pursued by the European Union is to drive funding towards the ecological transition.

1.3.1 A key indicator for Altarea

Altarea is a pioneer in measuring environmental performance. The Group was one of the first French real estate companies to include a **predominantly taxonomy-aligned revenue target into its strategic roadmap**[(20)]. Similarly, since 2023, taxonomy alignment objectives have been integrated into employee remuneration and management compensation[(21)].

Significant resources have been deployed to deliver digitised collection, control and standardised referencing of more than 5,000 documents to justify the alignment of the programmes concerned and create a reliable audit trail.

Thus, starting from the 2023 financial year, the methodology for calculating taxonomy alignment and its result has been subject of a **report** issued by E&Y[(22)], the Group's auditors, one year ahead of the regulatory requirement.

Published quarterly according to the same schedule as regulated information, revenue alignment has become a key performance indicator for the Group. Altarea considers it a **decisive asset for access to financial resources on favorable terms** in the current context (real estate crisis and credit scarcity). For instance, after signing in July 2023 the first corporate bank loan integrating a revenue alignment clause with the Taxonomy, the Group has introduced this clause into all its corporate loans.

1.3.2 Taxonomy results

97.6% of consolidated revenue eligible

In the first half of 2024, 97.6% of Altarea's consolidated revenue[23] was eligible under the European taxonomy for activities related to "Construction of new buildings" (Property Development), "Renovation of existing buildings," and "Acquisition and ownership of buildings" (mainly Retail REIT).

59.6% of consolidated revenue aligned

The alignment rate[(24)] reached 59.6% of consolidated revenue in the first half of 2024, showing consistent progress (44.0% for the 2022 financial year, 48.1% for 2023, and 55.6% in Q1 2024).

	Construction	Renovation	Ownership	Group
Aligned revenue (€m)	590.3	16.5	107.4	714.2
% of revenue	*58.2%*	*43.0%*	*78.3%*	***59.6%***

(20) In 2023, Altarea was one of the nine French companies to submit a "Say on Climate" resolution at its General Assembly. Source: 2023 French "Say on Climate" report published by the Forum for Responsible Investment.
(21) This was achieved notably through the Group Profit-Sharing Agreement and in the variable remuneration criteria for management (Say on Pay).
(22)The 2023 Taxonomy Report (limited insurance) is available on altarea.com, under the Finance/Publications section, and the detailed methodology is available in the DPEF chapter of the 2023 Reference Document.

(23) Out of total revenue of €1,197.3m as of June 30, 2024, €28.2m (2.4%) were not eligible under the taxonomy (such as activities of property management, Cogedim Résidences Services, Altarea Solutions and Services).
(24) The calculation of the alignment rate for H1 2024 does not take into account the 2nd paragraph of sub-criterion f of DNSH 5a 'products hazardous to health', as there is no consensus on how this sub-criterion should be applied.

1.4 FINANCIAL PERFORMANCE

1.4.1 2024 half-yeart results

At 30 June 2024, consolidated sales totalled €1,197.3m, down 4.2% compared with the first half of 2023, mainly due to the decline in property development, both Residential (-4.3%) and Business Property (-21.9%). The contribution from Retail is increasing with a sharp rise in revenue (+9.7%).

Operating profit rose by 31.6% to €121.6m. It includes :

• 106.0m in Retail (up 13.1% on H1 2023), with net rental income up 7.7% and good level of fees;

• 23.8m in Residential (vs. €5.5m in H1 2023), representing 2.5% of sales. These results come from transactions from the previous cycle, with the contribution from new generation transactions only expected from the end of the year;

• 7.5m in Business property, or 8.3% of sales. This contribution is exclusively related to Office (services in Ile-de-France and development in the Regions);
• overhead costs associated with the development of New businesses are fully expensed.

The cost of net debt fell sharply in the first half. It took advantage of substantial income from cash investments and of the positive impact of the Group's interest rate hedging position.

Overall, net recurring result (FFO)[25], Group share reached €57.9m (vs. €21.7m in H1 2023). Consolidated net profit (Group share) came to €26.8m at end-June (vs. €-17.8m in H1 2023).

In €m	Retail	Residential	Business Property	New businesses	Other (corporate)	Funds from operations (FFO)	Changes in value, estimated expenses and transaction costs	TOTAL
Revenue	**136.4**	**966.0**	**90.8**	**4.1**	**0.1**	**1,197.3**	**–**	**1,197.3**
Change vs. 30/06/2023	*+9.7%*	*(4.3)%*	*(21.9)%*		*–*	*(4.2)%*		*(4.2)%*
Net rental income	105.6	–	–	–	–	105.6	–	105.6
Net property income	0.4	53.0	10.4	(0.3)	(0.0)	63.4	(4.4)	59.0
External services	14.1	13.2	1.9	–	0.1	29.3	–	29.3
Net income	**120.1**	**66.2**	**12.3**	**(0.3)**	**0.0**	**198.3**	**(4.4)**	**193.9**
Change vs. 30/06/2023	*+8.3%*	*+60.5%*	*(33.3)%*			*+16.2%*		*+14.9%*
Production held in inventory	3.9	58.3	5.2	–	–	67.5	–	67.5
Operating expenses	(21.0)	(98.7)	(9.6)	(6.7)	(8.9)	(144.9)	(13.6)	(158.6)
Net overhead expenses	**(17.0)**	**(40.4)**	**(4.4)**	**(6.7)**	**(8.9)**	**(77.4)**	**(13.6)**	**(91.0)**
Share of equity-method affiliates	2.9	(2.0)	(0.4)	0.2	–	0.7	(3.9)	(3.2)
Gains/losses on disposal of assets - Retail							(0.4)	(0.4)
Change in values, calculated expenses and transaction costs - Retail							(14.3)	(14.3)
Calculated expenses and transaction costs - Residential							(2.3)	(2.3)
Calculated expenses and transaction costs - Business property							(0.2)	(0.2)
Other				(0.5)	0.5	–	(4.9)	(4.9)
Operating income	**106.0**	**23.8**	**7.5**	**(7.3)**	**(8.4)**	**121.6**	**(44.1)**	**77.4**
Change vs. 30/06/2023	*+13.1%*	*+334%*	*(32.3)%*	*-*	*-*	*+31.6%*	*-*	*+53.2%*
Net borrowing costs	(3.6)	(1.1)	(0.3)	–	–	(5.0)	(3.4)	(8.5)
Other financial results	(8.9)	(6.5)	(0.2)	–	–	(15.6)	(1.7)	(17.3)
Gains/losses in the value of fin. instruments	–	–	–	–	–	–	13.0	13.0
Gains or losses on disposals of equity interests		–	–	–	–	–	0.2	0.2
Corporate income tax	(2.0)	(0.4)	0.0	–	–	(2.3)	3.4	1.0
Net result	**91.6**	**15.8**	**7.0**	**(7.3)**	**(8.4)**	**98.6**	**(32.7)**	**65.9**
Non-controlling interests	(35.7)	(6.1)	1.2	–	–	(40.6)	1.5	(39.1)
Net income, Group share	**55.9**	**9.7**	**8.1**	**(7.3)**	**(8.4)**	**57.9**	**(31.2)**	**26.8**
Change vs. 30/06/2023	*+27.9%*	*na*	*x2.8*	*x2.4*		*x2.7*		
Diluted average number of shares			*x2.7*	*x2.7*		*21,180,827*		
Net income, Group share per share						**2.74**		
Change vs. 30/06/2023						*X2.7%*		

(25) *Funds from operations (FFO): net income excluding changes in value, estimated expenses, transaction costs and changes in deferred tax. Group share.*

1.4.2 Net asset value (NAV)

1.4.2.1 GOING CONCERN NAV FULLY DILUTED(26) AT €106.2/SHARE

NAV – GROUP	30/06/2024				31/12/2023	
	In €m	Chge	€/share	Chge	In €m	€/share
Consolidated equity, Group share	**1,618.1**	(7.4)%	**77.8**	(7.7)%	**1,747.5**	**84.3**
Other unrealised capital gains	355.4				355.4	
Deferred tax on the balance sheet for non-SIIC assets[a]	20.4				22.4	
Fixed-rate market value of debt	108.9				167.6	
Effective tax for unrealised capital gains on non-SIIC	(11.7)				(11.7)	
Optimisation of transfer duties[b]	68.2				68.6	
General partners' share[c]	(12,4)				(13.5)	
NNNAV (NAV liquidation)	**2,146.9**	(8.1)%	**103.2**	(8.4)%	**2,336.3**	**112.7**
Estimated transfer duties and selling fees	63.9				63.4	
General partners' share[c]	(0.4)				(0.4)	
Going concern NAV (fully diluted)	**2,210.4**	(7.9)%	**106.2**	(8.2)%	**2,399.3**	**115.7**
Number of diluted shares:	*20,804,017*				*20,736,822*	

(a) International assets.
(b) Depending on disposal method (asset deal or securities deal)
(c) Maximum dilution of 120,000 shares.

1.4.2.2 CHANGE IN NAV

Going concern NAV (fully diluted)	in € m	€/share
NAV 31 December 2023	**2,399.3**	**115.7**
Dividend	(168.8)	(8.0)
NAV 31 December 2023 (post dividend)	**2,231.0**	**107.7**
FFO Group share HY2024	57.9	2.74
Investment properties	(12.3)	(0.6)
Financial instruments and fixed-rate debt	(53.9)	(2.6)
IFRS 16	(9.5)	(0.5)
Other and transaction costs[a]	(2.3)	(0.5)
NAV 30 June 2024	**2,210.4**	**106.2**
Vs NAV 31 December 2023 (post dividend)	*(0.9)%*	*(1.4)%*
vs. 31 December 2023	*(7.9)%*	*(8.2)%*

(a) Including free shares, depreciation and amortisation, share of equity-method affiliates at market value, General Partners' share

The unrealised capital gain on property development remained stable compared with 31/12/2023.

As a reminder, over the last two years the value of Property Development in the NAV value has been adjusted downwards by €-826.7 million (€-458.5 million in 2023 and €-368.2 million in 2022).

(26) Market value of equity view of maintaining the Group's activity and considering the potential dilutive effect resulting from the partnership limited by shares (SCA) status.

1.4.2.3 CALCULATION PRINCIPLES

Asset valuation

Investment properties

Property assets are represented at their appraised value in the Group's IFRS statements (Investment properties).

Retail assets are valued by multiple appraisers. The breakdown of the valuation of the assets by experts is detailed below:

Appraiser	Portfolio	% of value, incl. transfer duties
Jones Lang LaSalle	France	31%
Cushman & Wakefield	France & International	34%
CBRE	France & International	33%
Others	France & International	2%

The appraisers use two methods:

• discounted cash flow (DCF method), including exit value at the end of the period;

• capitalisation of net rental income, based on a yield rate that takes into account the site's characteristics and rental income (including variable rent and market rent of vacant premises, adjusted for all charges borne by the owner).

These valuations are conducted in line with the criteria set out in the Red Book – Appraisal and Valuation Standards, published by the Royal Institution of Chartered Surveyors. The surveyors' assignments were all carried out in accordance with the recommendations of the COB/AMF Barthès de Ruyter Report and fully comply with the instructions of the Appraisal Charter of Real Estate Valuation (Charte de l'Expertise en Évaluation Immobilière) updated in 2017. Experts are paid at lump-sum fee based on the size and complexity of the appraised properties. Fee is therefore totally independent of the results of the appraisal.

Other assets

The unrealised capital gains on other assets consist of:

• the Residential and Business Property Development divisions (Cogedim, Woodeum x Pitch Immo, Histoire & Patrimoine);

• the Retail Asset Management (Altarea France) and Business Property (Altarea Entreprise Management) divisions.

These assets are appraised once a year by external appraisers on annual closing: Retail Asset Management (Altarea France), the Property Development division (Residential and Business property) and the Business Property Asset management division are valued by appraisers Accuracy.

The method used by Accuracy is the discounted cash flow method (DCF) in conjunction with a terminal value based on normalised cash flow. Accuracy provides a range of values calculated using different scenarios. In addition to its DCF valuation, Accuracy also provides a valuation based on listed peer group comparable.

Tax

Because of its SIIC status, most of Altarea's assets are not subject to capital gains tax, with the exception of a limited number of assets which are not SIIC-eligible due to their ownership structure, and of assets owned outside France. For these assets, capital gains taxes on disposals are deducted directly from the consolidated financial statements at the standard tax rate in the host country, based on the difference between the market value and taxes value of the property assets.

Altarea took into account the ownership structure of non-SIIC assets to determine Going Concern NAV after tax, since the tax considered in Going Concern NAV 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 taxes

In the IFRS consolidated financial statements, investment properties are recognised at fair value excluding transfer taxes. To calculate Going Concern NAV, however, transfer duties were added back in the same amount. In Altarea's NNNAV, duties are deducted either based on a transfer of shares or on a building by building basis depending on the legal structure that holds the asset.

General partners' share

The share of general partners represents the maximum dilution provided for under the Group's Articles of Association in the event of liquidation of the limited partnership (where the general partner would be granted 120,000 shares).

1.4.3 Financial resources

1.4.3.1 MAJOR EVENTS

During the first half, the Group finalised the signature of several bank loans that had been renegotiated in 2023:

• corporate loans of €476 million maturing in 2029, including a clause aligning them with the European Taxonomy[(27)];

• a €90 million, 7-year mortgage[(28)] on the Sant Cugat shopping centre in Spain.

On 5 July, the Group strengthened its consolidated shareholders' equity by €92.0 million, of which :

• €91.3 million due to the partial payment of the dividend in shares, resulting in the creation of 1,080,657 new shares;

• €0.7 million from a capital increase reserved for the employees' FCPE, resulting in the creation of 8,930 new shares.

1.4.3.2 AVAILABLE CASH

At 30 June 2024, Altarea had available cash of €2,286 million (€2,410 million at 31 December 2023).

Available (€ millions)	Cash	Unused credit lines	Total
At Corporate level	476	1,575	2,073
At project level	154	81	213
Total	**630**	**1,656**	**2,286**

The unused credit lines at corporate level correspond to RCF lines amounting to €1,296m, none of which were drawn down at 30 June 2024.

On 5 July, available liquidity was used to redeem €255 million of bonds.

Short and medium-term financing

The Group has two NEU CP programmes[(29)] (maturity less than or equal to one year) and two NEU MTN[(30)] programmes (maturity greater than one year) for Altarea and Altareit. At 30 June 2024, the outstanding amount of these programmes was nil.

1.4.3.3 NET DEBT[(31)]

Change in net debt in the first half of 2024

Net debt stands at €1,849 million, compared with €1,647 million at the end of 2023.

In €m	
Net debt at 31 December 2023	**1,647**
FFO HY2024	(57.9)
New Residential	21
Capex Retail	40
Capex Business Property (Offices, Logistics)	87
Decarbonisation (Woodeum, renovation)	56
New businesses	55
Net debt at 30 June 2024	**1,849**

The €202 million increase in net debt is directly linked to investments in the Group's high value-added projects: retail (notably Gare de Paris-Austerlitz), Business property (large-scale logistics, etc.), decarbonisation activities and new businesses (data centres, asset management, etc.).

New Residential working capital was virtually stable during the first half, after being reduced by around €350 million in 2023.

Net debt structure and maturity

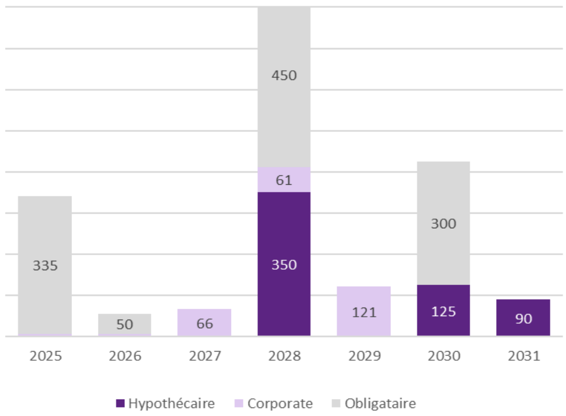
In €m	30/06/2024	31/12/2023
Corporate and bank debt	256	247
Credit markets	1,406	1,496
Mortgage debt	561	473
Debt on property development	157	144
Total gross debt	**2,380**	**2,360**
Cash and cash equivalents	(531)	(713)
Total net debt	**1,849**	**1,647**

After redemption of the bond issue on 5 July for €255 million, the average gross debt maturity[(32)] is 3 years and 9 months, compared with 3 years and 6 months at 31 December 2023. After taking into account available cash, the effective maturity of the debt is 4 years and 5 months.

(27) These loans now include an EU Taxonomy linked loan clause.
(28) This mortgage loan is also 'Green' in the sense of the 'Green Loan Principals' laid down by the Loan Market Association, as the San Cugat shopping centre is aligned with the European Taxonomy
(29) NEU CP (Negotiable European Commercial Paper).
(30) NEU MTN (Negotiable European Medium Term Note).
(31) Net bank and bond debt.
(32) Excluding Property Development debt.

Long-term debt by maturity

The chart below (in €m) presents the Group's long-term debt by maturity[33].



The Altareit 2025 bond issue is already covered by available liquidity, mainly in the form of invested cash.

The 2028 mortgage is backed by the CAP3000 shopping centre (St-Laurent du Var), the 2030 mortgage by the Qwartz shopping centre (Villeneuve-la-Garenne) and the 2031 mortgage by the Sant Cugat shopping centre (Barcelona). All the Group's other consolidated assets are mortgage-free.

Hedging: nominal and average rate

Altarea benefits from a significant interest rate hedging position reflexting the Group's overall risk management policy.

Outstanding at year-end (€m)	Fixed-rate debt	Fixed rate hedges[a]	Fixed-rate position (€m)[b]	Average hedge ratio[c]
2024	1,135	1,778	2,913	0,46%
2025	1,135	2,203	3,338	0,73%
2026	800	1,928	2,728	0,80%
2027	750	1,928	2,678	0,80%
2028	300	940	1,240	1,60%
2029	300	940	1,240	1,60%

(a) Interest rate swaps and caps.
(b) After hedging, prorata consolidation.
(c) Average hedging rate and average swap rate on fixed-rate debt (mid-swap rate at the pricing date of each bond, excluding credit spreads).

Average cost of debt: 1.59% (-56 bps)

The average cost of gross debt fell in the first half of 2024 due to the positive impact of the Group's hedging position.

1.4.3.4 RATIOS AND COVENANTS

Loan to Value (LTV)

The LTV ratio compares consolidated net bond and bank debt to the consolidated market value of Group assets.

In €m	30/06/2024	31/12/2023
Gross debt	2,380	2,360
Cash and cash equivalents	(531)	(713)
Consolidated net debt	**1,849**	**1,647**
Retail at value (FC)[a]	3,854	3,861
Retail at value (EM securities), other[b]	219	185
Investment properties valued at cost[c]	114	110
Business Property investments[d]	154	121
Enterprise value of Property Development[e]	1,508	1,466
New businesses	55	-
Market value of assets	**5,903**	**5,744**
LTV Ratio	**31.3%**	**28.7%**

(a) Market value (including transfer taxes) of shopping centres in operation recognised according to the fully consolidated method.
(b) Market value (including transfer taxes) of shares of equity-method affiliates carrying shopping centres and other retail assets.
(c) Net carrying amount of investment properties in development valued at cost.
(d) Market value (including transfer taxes) of shares in equity affiliates holding investments and other Business Property assets.
(e) Including Residential and Business Property (offices and Logistics).

Credit ratios

At 30 June 2024, the Net Debt to EBITDA[34] ratio stood at 6.7x, compared with 6.6x at 31 December 2023.

The Net Debt/Net Debt + Equity ratio was 37.6% (compared to 33.8% at 31 December 2023).

Neither of these two ratios constitutes a bank covenant for the Group.

The only two banking covenants included in all credit documentation are LTV and ICR.

	Covenant	30/06/2024	31/12/2023	Delta
LTV [a]	≤ 60%	31.3%	28.7%	+2.6 pt
ICR [b]	≥ 2.0 x	24.2x	7.5x	+16.7x

(a) LTV (Loan to Value) = Net bond and bank debt/Restated value of assets including transfer duties.
(b) ICR (Interest Coverage Ratio) = Operating income /Net borrowing costs (column "Funds from operations").

At 30 June 2024, the financial position of the Group largely satisfied all of the covenants of its various credit contracts.

1.4.3.5 DEBT RATING

On 24 May 2024, S&P Global reiterated Altarea's BBB- investment grade rating, but lowered its outlook from "stable" to "negative", mainly due to the market environment. The linked rating of its development subsidiary Altareit was also confirmed.

(33) At date of publication and excluding short-term Property development financing.

(34) Net bond and bank debt/12-month rolling FFO operating income.

Consolidated income statement by segment

	30/06/2024			30/06/2023		
(€ millions)	**Funds from operations (FFO)**	**Changes in value, estimated expenses and transaction costs**	**Total**	**Funds from operations (FFO)**	**Changes in value, estimated expenses and transaction costs**	**Total**
Rental income	120.5	–	120.5	111.4	-	111.4
Other expenses	(14.9)	–	(14.9)	(13.4)	-	(13.4)
Net rental income	**105.6**	**–**	**105.6**	**98.0**	**-**	**98.0**
External services	14.1	–	14.1	12.9	-	12.9
Own work capitalised and production held in inventory	3.9	–	3.9	0.9	-	0.9
Operating expenses	(21.0)	(2.7)	(23.7)	(20.3)	(3.2)	(23.5)
Net overhead expenses	**(2.9)**	**(2.7)**	**(5.7)**	**(6.4)**	**(3.2)**	**(9.7)**
Share of equity-method affiliates	**2.9**	**2.3**	**5.2**	**2.1**	**(2.9)**	**(0.8)**
Net depreciation, amortisation and provision	**–**	**(0.8)**	**(0.8)**	**-**	**3.5**	**3.5**
Income/loss on sale of assets	**0.4**	**0.9**	**1.3**	**-**	**(4.1)**	**(4.1)**
Income/loss in the value of investment property	**–**	**(13.5)**	**(13.5)**	**-**	**(5.6)**	**(5.6)**
Transaction costs	**–**	**–**	**–**	**-**	**-**	**-**
OPERATING INCOME - RETAIL	**106.0**	**(13.8)**	**92.1**	**93.7**	**(12.4)**	**81.3**
Revenue	952.8	–	952.8	1,001.4	-	1,001.4
Cost of sales and other expenses	(899.8)	(5.7)	(905.6)	(968.2)	(1.5)	(969.7)
Net property income	**53.0**	**(5.7)**	**47.2**	**33.2**	**(1.5)**	**31.7**
External services	13.2	–	13.2	8.0	-	8.0
Production held in inventory	58.3	–	58.3	62.8	-	62.8
Operating expenses	(98.7)	(8.8)	(107.6)	(98.3)	(6.3)	(104.6)
Net overhead expenses	**(27.2)**	**(8.8)**	**(36.0)**	**(27.5)**	**(6.3)**	**(33.8)**
Share of equity-method affiliates	**(2.0)**	**(4.1)**	**(6.1)**	**(0.2)**	**(2.6)**	**(2.8)**
Net depreciation, amortisation and provision	**–**	**(2.3)**	**(2.3)**	**-**	**(8.6)**	**(8.6)**
Transaction costs	**–**	**–**	**–**	**-**	**(0.0)**	**(0.0)**
OPERATING INCOME - RESIDENTIAL	**23.8**	**(20.9)**	**2.8**	**5.5**	**(19.1)**	**(13.6)**
Revenue	88.9	–	88.9	110.2	-	110.2
Cost of sales and other expenses	(78.5)	–	(78.5)	(97.8)	-	(97.8)
Net property income	**10.4**	**–**	**10.4**	**12.5**	**-**	**12.4**
External services	1.9	–	1.9	6.0	-	6.0
Production held in inventory	5.2	–	5.2	4.4	-	4.4
Operating expenses	(9.6)	(1.6)	(11.2)	(7,8)	(1,7)	(9,4)
Net overhead expenses	**(2.4)**	**(1.6)**	**(4.1)**	**2,7**	**(1,7)**	**1,0**
Share of equity-method affiliates	**(0.4)**	**(2.1)**	**(2.5)**	**(4.0)**	**(0.0)**	**(4.1)**
Net depreciation, amortisation and provision	**–**	**1.3**	**1.3**	**-**	**(0.3)**	**(0.3)**
Income/loss in the value of investment property	**–**	**(1.5)**	**(1.5)**	**-**	**-**	**-**
Transaction costs	**–**	**–**	**–**	**-**	**-**	**-**
OPERATING INCOME - BUSINESS PROPERTY	**7.5**	**(3.9)**	**3.6**	**11,1**	**(2,0)**	**9,1**
New businesses	(7.3)	(0.2)	(7.5)	(3,0)	(0,1)	(3,2)
Other (corporate)	(8.4)	(5.2)	(13.6)	(14,9)	(8,2)	(23.1)
OPERATING INCOME	**121.6**	**(44.1)**	**77.4**	**92.4**	**(41.8)**	**50.5**
Net borrowing costs	(5.0)	(3.4)	(8.5)	(20.0)	(2.3)	(22.3)
Other financial results	(15.6)	(1.7)	(17.3)	(14.9)	(1.3)	(16.2)
Discounting of debts and receivables	–	–	–	–	–	–
Change in value and gains/losses on disposal of financial	–	13.0	13.0	-	(10.1)	(10.1)
Net gain/(loss) on disposal of investments	–	0.2	0.2	-	(4.5)	(4.5)
PROFIT BEFORE TAX	**100.9**	**(36.0)**	**64.9**	**57.5**	**(60.2)**	**(2.7)**
Corporate income tax	(2.3)	3.4	1.0	0.3	21.2	21.5
NET INCOME	**98.6**	**(32.7)**	**65.9**	**57.8**	**(39.0)**	**18.8**
Non-controlling interests	(40.6)	1.5	(39.1)	(36.1)	(0.5)	(36.6)
NET INCOME, GROUP SHARE	**57.9**	**(31.2)**	**26.8**	**21.7**	**(39.5)**	**(17.8)**
Diluted average number of shares	*21,180,827*	*21,180,827*	*21,180,827*	*20,811,061*	*20,811,061*	*20,811,061*
NET EARNING PER SHARE (€/SHARE), GROUP SHARE	**2.74**	**(1.47)**	**1.26**	**1,04**	**(1,9)**	**(0,85)**

Consolidated balance sheet

(€ millions)	30/06/2024	31/12/2023
Non-current assets	**4,883.4**	**4,865.2**
Intangible assets	365.5	369.5
o/w Goodwill	*235.8*	*235.8*
o/w Brands	*115.0*	*115.0*
o/w Customer relationships	*1.9*	*3.6*
o/w Other intangible assets	*12.9*	*15.1*
Property plant and equipment	24.3	26.5
Right-of-use on tangible and intangible fixed assets	119.5	120.6
Investment properties	3,946.0	3,948.6
o/w Investment properties in operation at fair value	*3,610.5*	*3,617.2*
o/w Investment properties under development and under construction at cost	*118.3*	*114.7*
o/w Right-of use on Investment properties	*217.2*	*216.7*
Securities and investments in equity affiliates	350.8	327.1
Non-current financial assets	37.2	35.6
Deferred taxes assets	40.0	37.3
Current assets	**3,323.7**	**3,471.9**
Net inventories and work in progress	1,217.0	1,140.6
Contract assets	459.1	536.0
Trade and other receivables	953.5	930.2
Income credit	22.5	23.8
Current financial assets	25.9	25.8
Derivative financial instruments	114.3	101.7
Cash and cash equivalents	531.4	713.1
Assets held for sale	0.0	0.8
TOTAL ASSETS	**8,207.1**	**8,337.1**

Equity	**3,069.5**	**3,219.6**
Equity attributable to Altarea SCA shareholders	**1,618.6**	**1,747.5**
Share capital	317.9	316.9
Other paid-in capital	255.9	420.4
Reserves	1,018.1	1,483.2
Income associated with Altarea SCA shareholders	26.8	(472.9)
Equity attributable to non-controlling interests in subsidiaries	**1,450.9**	**1,472.1**
Reserves associated with non-controlling interests in subsidiaries	1,188.2	1.284.2
Other equity components. Subordinated Perpetual Notes	223.5	223.5
Income associated with non-controlling interests in subsidiaries	39.1	(35.7)
Non-current liabilities	**2,512.5**	**2,375.6**
Non-current borrowings and financial liabilities	2 399.1	2,254.8
o/w Participating loans and advances from associates	*81.6*	*60.4*
o/w Bond issues	*1,129.8*	*1,128.7*
o/w Borrowings from credit establishments	*850.9*	*726.5*
o/w Lease liabilities	*123.6*	*126.3*
o/w Contractual fees on investment properties	*213.2*	*212.9*
Long-term provisions	*57.4*	68.7
Deposits and security interests received	49.7	44.6
Deferred tax liability	6.3	7.5
Current liabilities	**2,625.1**	**2,742.0**
Current borrowings and financial liabilities	556.3	637.7
o/w Bond issues	*276.9*	*275.5*
o/w Borrowings from credit establishments	*69.0*	*89.6*
o/w Negotiable European Commercial Paper	*–*	*92.2*
o/w Bank overdrafts	*53.7*	*47.7*
o/w Advances from Group shareholders and partners	*131.4*	*108.7*
o/w Lease liabilities	*20.7*	*19.6*
o/w Contractual fees on investment properties	*4.6*	*4.4*
Derivative financial instruments	0.6	32.0
Contract liabilities	140.7	257.0
Trade and other payables	1,731.9	1,814.7
Tax due	1.0	0.6
Liabilities to Altarea SCA shareholders and minority shareholders of subsidiaries	194.5	0.0
TOTAL LIABILITIES	**8,207.1**	**8,337.1**

2 CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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1 Financial statements

Consolidated balance sheet

(€ millions)	Note	30/06/2024	31/12/2023
Non-current assets		**4,883.4**	**4,865.2**
Intangible assets	7.2	365.5	369.5
o/w Goodwill		*235.8*	*235.8*
o/w Brands		*115.0*	*115.0*
o/w Customer relationships		*1.9*	*3.6*
o/w Other intangible assets		*12.9*	*15.1*
Property, plant and equipment		24.3	26.5
Right-of-use on tangible and intangible fixed assets	7.3	119.5	120.6
Investment properties	7.1	3,946.0	3,948.6
o/w Investment properties in operation at fair value		*3,610.5*	*3,617.2*
o/w Investment properties under development and under construction at cost		*118.3*	*114.7*
o/w Right-of-use on Investment properties		*217.2*	*216.7*
Securities and investments in equity affiliates	4.5	350.8	327.1
Non-current financial assets	4.6	37.2	35.6
Deferred taxes assets	5.3	40.0	37.3
Current assets		**3,323.7**	**3,471.9**
Net inventories and work in progress	7.4	1,217.0	1,140.6
Contract assets	7.4	459.1	536.0
Trade and other receivables	7.4	953.5	930.2
Income credit		22.5	23.8
Current financial assets	4.6	25.9	25.8
Derivative financial instruments	8	114.3	101.7
Cash and cash equivalents	6.2	531.4	713.1
Assets held for sale	7.1	0.0	0.8
TOTAL ASSETS		**8,207.1**	**8,337.1**
Equity		**3,069.0**	**3,219.6**
Equity attributable to Altarea SCA shareholders		**1,618.1**	**1,747.5**
Share capital	6.1	317.9	316.9
Other paid-in capital		255.4	420.4
Reserves		1,018.1	1,483.2
Income associated with Altarea SCA shareholders		26.8	(472.9)
Equity attributable to non-controlling interests in subsidiaries		**1,450.9**	**1,472.1**
Reserves associated with non-controlling interests in subsidiaries		1,188.2	1,284.2
Other equity components, Subordinated Perpetual Notes		223.5	223.5
Income associated with non-controlling interests in subsidiaries		39.1	(35.7)
Non-current liabilities		**2,512.5**	**2,375.6**
Non-current borrowings and financial liabilities	6.2	2,399.1	2,254.8
o/w Participating loans and advances from associates		*81.6*	*60.4*
o/w Bond issues		*1,129.8*	*1,128.7*
o/w Borrowings from credit establishments		*850.9*	*726.5*
o/w Lease liabilities		*123.6*	*126.3*
o/w Contractual fees on investment properties		*213.2*	*212.9*
Long-term provisions	6.3	57.4	68.7
Deposits and security interests received		49.7	44.6
Deferred tax liability	5.3	6.3	7.5
Current liabilities		**2,625.6**	**2,742.0**
Current borrowings and financial liabilities	6.2	556.3	637.7
o/w Bond issues		*276.9*	*275.5*
o/w Borrowings from credit establishments		*69.0*	*89.6*
o/w Negotiable European Commercial Paper		*–*	*92.2*
o/w Bank overdrafts		*53.7*	*47.7*
o/w Advances from Group shareholders and partners		*131.4*	*108.7*
o/w Lease liabilities		*20.7*	*19.6*
o/w Contractual fees on investment properties		*4.6*	*4.4*
Derivative financial instruments	8	0.6	32.0
Contract liabilities	7.4	140.7	257.0
Trade and other payables	7.4	1,731.9	1,814.7
Tax due		1.0	0.6
Amounts due to Altarea SCA shareholders and minority shareholders of subsidiaries	6.1	195.0	0.0
TOTAL LIABILITIES		**8,207.1**	**8,337.1**

Statement of consolidated comprehensive income

(€ millions)	Note	30/06/2024	31/12/2023	30/06/2023
Rental income		120.5	231.8	111.4
Property expenses		(5.2)	(6.5)	(2.4)
Unrecoverable rental expenses		(4.9)	(10.3)	(5.5)
Expenses re-invoiced to tenants		*33.0*	*63.8*	*31.1*
Rental expenses		*(37.8)*	*(74.0)*	*(36.6)*
Other expenses		0.8	0.7	0.3
Net charge to provisions for current assets		(5.6)	(11.0)	(5.9)
Net rental income	5.1	**105.6**	**204.8**	**98.0**
Revenue		1,047.5	2,418.5	1,111.6
Cost of sales		(954.3)	(2,253.2)	(1,010.8)
Other income		(36.0)	(89.3)	(47.8)
Net charge to provisions for current assets		3.5	(242.6)	(7.8)
Amortisation of customer relationships		(1.7)	(5.9)	(1.5)
Net property income	5.1	**59.0**	**(172.6)**	**43.7**
External services		29.3	62.0	27.0
Own work capitalised and production held in inventory		67.5	154.4	67.9
Personnel costs		(118.6)	(241.2)	(109.4)
Other overhead expenses		(37.9)	(91.8)	(43.2)
Depreciation expenses on operating assets		(15.6)	(30.6)	(14.5)
Net overhead expenses		**(75.2)**	**(147.1)**	**(72.1)**
Other income and expenses		(2.1)	(8.1)	(4.3)
Depreciation expenses		(0.5)	(1.3)	(0.3)
Transaction costs		(0.2)	(1.9)	(2.1)
Others		**(2.8)**	**(11.3)**	**(6.7)**
Proceeds from disposal of investment assets		0.3	(2.9)	(2.9)
Carrying amount of assets sold		(0.8)	(0.8)	(0.8)
Net gain/(loss) on disposal of investment assets		**(0.4)**	**(3.7)**	**(3.7)**
Change in value of investment properties	7.1	(15.0)	(189.8)	(5.6)
Net impairment losses on investment properties measured at cost		–	(0.6)	–
Net impairment losses on other non-current assets		(1.2)	(54.6)	(0.1)
Net charge to provisions for risks and contingencies		10.7	(31.9)	4.7
Impairment of goodwill		–	(0.6)	–
OPERATING INCOME BEFORE THE SHARE OF NET INCOME OF EQUITY-METHOD AFFILIATES		**80.7**	**(407.3)**	**58.2**
Share in earnings of equity-method affiliates	4.5	(3.2)	(68.8)	(7.7)
OPERATING INCOME AFTER THE SHARE OF NET INCOME OF EQUITY-METHOD AFFILIATES		**77.4**	**(476.0)**	**50.5**
Net borrowing costs	5.2	(8.5)	(38.2)	(22.3)
Financial expenses		*(55.7)*	*(78.1)*	*(36.1)*
Financial income		*47.3*	*39.9*	*13.8*
Other financial results	5.2	(17.3)	(33.5)	(16.2)
Discounting of payables and receivables		–	*0.4*	
Change in value and income from disposal of financial instruments	5.2	13.0	(72.8)	(10.1)
Net gain/(loss) on disposal of investments		0.2	(2.8)	(4.5)
Profit before tax		**64.9**	**(622.9)**	**(2.7)**
Corporate income tax	5.3	1.0	114.4	21.5
NET INCOME		**65.9**	**(508.6)**	**18.8**
o/w Attributable to shareholders of Altarea SCA		**26.8**	**(472.9)**	**(17.8)**
o/w Attributable to non-controlling interests in subsidiaries		39.1	(35.7)	36.6
Average number of non-diluted shares		20,733,505	20,487,350	20,293,875
Net earnings per share attributable to shareholders of Altarea SCA (€)	5.4	**1.29**	**(23.08)**	**(0.88)**
Diluted average number of shares		21,180,827	21,017,349	20,811,061
Diluted net earnings per share attributable to shareholders of Altarea SCA (€)	5.4	**1.26**	**(22.50)**	**(0.85)**

.

Other comprehensive income

(€ millions)	30/06/2024	31/12/2023	30/06/2023
NET INCOME	**65.9**	**(508.6)**	**18.8**
Actuarial differences on defined-benefit pension plans	1.6	1.1	1.1
o/w Taxes	*(0.3)*	*(0.3)*	*(0.3)*
Subtotal of comprehensive income items that may not be reclassified to profit	**1.6**	**1.1**	**1.1**
OTHER COMPREHENSIVE INCOME	**1.6**	**1.1**	**1.1**
CONSOLIDATED COMPREHENSIVE INCOME	**67.5**	**(507.5)**	**19.9**
o/w Net comprehensive income attributable to Altarea SCA shareholders	28.4	(471.8)	(16.7)
o/w Net comprehensive income attributable to non-controlling interests in subsidiaries	39.1	(35.7)	36.6

Consolidated cash flows statement

(€ millions)	Note	30/06/2024	31/12/2023	30/06/2023
Cash flow from operating activities				
Total consolidated net income		**65.9**	**(508.6)**	**18.8**
Elimination of income tax expense (income)	5.3	(1.0)	(114.4)	(21.5)
Elimination of net interest expense (income) and dividends	5.2	25.6	71.6	38.5
Net income before tax and before net interest expense (income)		**90.5**	**(551.3)**	**35.8**
Elimination of share in earnings of equity-method affiliates	4.5	3.2	68.8	7.7
Elimination of depreciation and impairment		13.1	126.4	12.2
Elimination of value adjustments	7.1/5.2	2.0	262.9	15.7
Elimination of net gains/(losses) on disposals[1]		0.1	6.6	8.2
Estimated income and expenses associated with share-based payments	6.1	9.9	21.6	12.1
Net cash flow		**118.8**	**(65.0)**	**91.8**
Tax paid		(0.6)	(25.6)	(19.4)
Impact of change in operational working capital requirement (WCR)	7.4	(208.1)	421.2	41.4
CASH FLOW FROM OPERATIONS		**(90.0)**	**330.5**	**113.8**
Cash flow from investment activities				
Net acquisitions of assets and capitalised expenditures	7.1	(28.0)	(38.2)	(20.9)
Gross investments in equity affiliates	4.5	(45.3)	(127.5)	(77.7)
Acquisitions of consolidated companies, net of cash acquired	4.3	(2.6)	3.1	5.4
Other changes in Group structure		(0.0)	0.2	(3.3)
Increase in loans and advances		(9.7)	(29.0)	(18.2)
Sale of non-current assets and reimbursement of advances and down payments[1]		1.7	(2.3)	(2.8)
Disposals of equity affiliates	4.5	17.7	60.5	10.7
Disposals of consolidated companies, net of cash transferred		0.6	(0.0)	0.2
Reduction in loans and other financial investments		9.3	22.7	21.7
Net change in investments and derivative financial instruments	5.2	(28.2)	67.1	37.4
Dividends received		0.3	46.4	34.1
Interest income on loans		43.6	45.6	19.9
CASH FLOW FROM INVESTMENT ACTIVITIES		**(40.7)**	**48.6**	**6.5**
Cash flow from financing activities				
Capital increase[2]		(0.0)	34.3	(0.0)
Share of non-controlling interests in the capital increase of subsidiaries[3]		14.6	–	–
Dividends paid to Altarea SCA shareholders	6.1	0.0	(206.0)	(0.0)
Dividends paid to minority shareholders of subsidiaries		(0.4)	(71.4)	(40.3)
Issuance of borrowings and other financial liabilities	6.2	249.3	408.2	163.0
Repayment of borrowings and other financial liabilities	6.2	(246.5)	(677.3)	(537.7)
Repayment of lease liabilities	6.2	(10.5)	(19.3)	(8.8)
Net sales (purchases) of treasury shares	6.1	(0.9)	(5.5)	(1.7)
Net change in security deposits and guarantees received		5.2	5.2	1.8
Interest paid on financial debts		(67.8)	(110.0)	(47.5)
CASH FLOW FROM FINANCING ACTIVITIES		**(57.1)**	**(641.8)**	**(471.4)**
CHANGE IN CASH BALANCE		**(187.7)**	**(262.7)**	**(351.0)**
Cash balance at the beginning of the year	**6.2**	**665.4**	**928.1**	**928.1**
Cash and cash equivalents		713.1	952.3	952.3
Bank overdrafts		(47.7)	(24.2)	(24.2)
Cash balance at period-end	**6.2**	**477.7**	**665.4**	**577.1**
Cash and cash equivalents		531.4	713.1	625.1
Bank overdrafts		(53.7)	(47.7)	(48.1)

(1) Proceeds on disposals included in the calculation of net cash flow are presented net of transaction costs. Likewise, disposals of property assets are presented net of transaction costs in the cash flow from investment activities.

(2) Capital increase related to the Employee Savings Fund (FCPE) and scrip dividend option as of 31 December 2023.

(3) Dilution of the share capital of Alta Convictions, entry of subscribers.

Changes in consolidated equity

(€ millions)	Share capital	Other paid-in capital	Elimination of treasury shares	Reserves and retained earnings	Equity attributable to Altarea SCA shareholders	Equity attributable to non-controlling interests in subsidiaries	Equity
At 1 January 2023	**311.4**	**395.0**	**(30.5)**	**1,699.3**	**2,375.2**	**1,584.4**	**3,959.5**
Net Income	–	–	–	(17.8)	(17.8)	36.6	18.8
Actuarial difference relating to pension obligations	–	–	–	1.1	1.1	0.0	1.1
Comprehensive income	–	–	–	(16.7)	(16.7)	36.6	19.9
Dividend distribution	–	(3.3)	–	(202.7)	(206.0)	(61.8)	(267.8)
Capital increase	–	–	–	0.0	0.0	0.0	0.0
Subordinated Perpetual Notes	–	–	–	–	–	–	–
Measurement of share-based payments	–	–	–	9.1	9.1	(0.0)	9.1
Elimination of treasury shares	–	–	18.9	(15.3)	3.6	–	3.6
Transactions with shareholders	–	(3.3)	18.9	(208.9)	(193.3)	(61.8)	(255.1)
Changes in ownership interests without taking or losing control of subsidiaries	–	–	–	–	–	–	–
Changes in ownership interests associated with taking or losing control of subsidiaries	–	–	–	(0.1)	(0.1)	(0.1)	(0.2)
Others	–	–	–	0.3	0.3	(0.0)	0.2
At 30 June 2023	**311.4**	**391.7**	**(11.6)**	**1,473.9**	**2,165.3**	**1,559.1**	**3,724.4**
Net Income	–	–	–	(455.2)	(455.2)	(72.3)	(527.4)
Actuarial difference relating to pension obligations	–	–	–	(0.2)	(0.2)	(0.0)	(0.2)
Comprehensive income	–	–	–	(455.3)	(455.3)	(72.3)	(527.6)
Dividend distribution	–	–	–	0.0	0.0	(13.4)	(13.4)
Capital increase	5.5	28.7	–	0.0	34.3(a)	0.0	34.3
Measurement of share-based payments	–	–	–	6.9	6.9	0.0	6.9
Elimination of treasury shares	–	–	(3.3)	(0.4)	(3.7)	–	(3.7)
Transactions with shareholders	5.5	28.7	(3.3)	6.6	37.5	(13.4)	24.1
Changes in ownership interests without taking or losing control of subsidiaries	–	–	–	–	–	–	–
Changes in ownership interests associated with taking or losing control of subsidiaries	–	–	–	0.2	0.2	(1.4)	(1.1)
Others	–	–	–	(0.2)	(0.2)	(0.0)	(0.2)
As of 31 December 2023	**316.9**	**420.4**	**(14.9)**	**1,025.2**	**1,747.5**	**1,472.1**	**3,219.6**
Net Income	–	–	–	26.8	26.8	39.1	65.9
Actuarial difference relating to pension obligations	–	–	–	1.6	1.6	0.0	1.6
Comprehensive income	–	–	–	28.4	28.4	39.1	67.5
Dividend distribution	–	(164.0)	–	(4.9)	(168.8)	(74.9)	(243.7)
Capital increase	1.0	(1.0)	–	(0.0)	(0.0)	14.5	14.5
Subordinated Perpetual Notes	–	–	–	–	–	–	–
Measurement of share-based payments	–	–	–	7.4	7.4	(0.0)	7.4
Elimination of treasury shares	–	–	14.4	(11.3)	3.1	–	3.1
Transactions with shareholders	1.0	(165.0)	14.4	(8.9)	(158.4)	(60.4)	(218.8)
Changes in ownership interests without taking or losing control of subsidiaries	–	–	–	0.5	0.5	(0.0)	0.5
Changes in ownership interests associated with taking or losing control of subsidiaries	–	–	–	–	–	–	–
Others	–	–	–	0.2	0.2	0.1	0.3
At 30 June 2024	**317.9**	**255.4**	**(0.5)**	**1,045.3**	**1,618.1**	**1,450.9**	**3,069.0**

(a) Capital increase related to the employee savings fund (FCPE) and scrip dividend option.

The notes constitute an integral part of the consolidated financial statements.

2 Notes – Consolidated income statement by segment

(€ millions)	30/06/2024 Funds from operations (FFO)	30/06/2024 Changes in value, estimated expenses and transaction costs	30/06/2024 Total	31/12/2023 Funds from operations (FFO)	31/12/2023 Changes in value, estimated expenses and transaction costs	31/12/2023 Total	30/06/2023 Funds from operations (FFO)	30/06/2023 Changes in value, estimated expenses and transaction costs	30/06/2023 Total
Rental income	120.5	–	120.5	231.8	–	231.8	111.4	–	111.4
Other expenses	(14.9)	–	(14.9)	(27.0)	–	(27.0)	(13.4)	–	(13.4)
Net rental income	**105.6**	**–**	**105.6**	**204.8**	**–**	**204.8**	**98.0**	**–**	**98.0**
External services	14.1	–	14.1	25.0	–	25.0	12.9	–	12.9
Own work capitalised and production held in inventory	3.9	–	3.9	1.8	–	1.8	0.9	–	0.9
Operating expenses	(21.0)	(2.7)	(23.7)	(42.0)	(5.7)	(47.7)	(20.3)	(3.2)	(23.5)
Net overhead expenses	**(2.9)**	**(2.7)**	**(5.7)**	**(15.3)**	**(5.7)**	**(20.9)**	**(6.4)**	**(3.2)**	**(9.7)**
Share of equity-method affiliates	**2.9**	**2.3**	**5.2**	**5.4**	**(19.2)**	**(13.8)**	**2.1**	**(2.9)**	**(0.8)**
Net depreciation, amortisation and provision	**–**	**(0.8)**	**(0.8)**	**–**	**1.2**	**1.2**	**–**	**3.5**	**3.5**
Income/loss on sale of assets	**0.4**	**0.9**	**1.3**	**0.5**	**(3.7)**	**(3.2)**	**–**	**(4.1)**	**(4.1)**
Income/loss in the value of investment property	**–**	**(13.5)**	**(13.5)**	**–**	**(190.4)**	**(190.4)**	**–**	**(5.6)**	**(5.6)**
Transaction costs	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
OPERATING INCOME - RETAIL	**106.0**	**(13.8)**	**92.1**	**195.5**	**(217.7)**	**(22.3)**	**93.7**	**(12.4)**	**81.3**
Revenue	952.8	–	952.8	2,218.1	–	2,218.1	1001.4	–	1001.4
Cost of sales and other expenses	(899.8)	(5.7)	(905.6)	(2,093.3)	(300.2)	(2,393.6)	(968.2)	(1.5)	(969.7)
Net property income	**53.0**	**(5.7)**	**47.2**	**124.8**	**(300.2)**	**(175.4)**	**33.2**	**(1.5)**	**31.7**
External services	13.2	–	13.2	29.0	–	29.0	8.0	–	8.0
Production held in inventory	58.3	–	58.3	142.0	–	142.0	62.8	–	62.8
Operating expenses	(98.7)	(8.8)	(107.6)	(238.9)	(19.8)	(258.7)	(98.3)	(6.3)	(104.6)
Net overhead expenses	**(27.2)**	**(8.8)**	**(36.0)**	**(67.9)**	**(19.8)**	**(87.7)**	**(27.5)**	**(6.3)**	**(33.8)**
Share of equity-method affiliates	**(2.0)**	**(4.1)**	**(6.1)**	**(0.0)**	**(3.7)**	**(3.7)**	**(0.2)**	**(2.6)**	**(2.8)**
Net depreciation, amortisation and provision	**–**	**(2.3)**	**(2.3)**	**–**	**(63.2)**	**(63.2)**	**–**	**(8.6)**	**(8.6)**
Transaction costs	**–**	**–**	**–**	**–**	**(0.0)**	**(0.0)**	**–**	**(0.0)**	**(0.0)**
OPERATING INCOME - RESIDENTIAL	**23.8**	**(20.9)**	**2.8**	**56.8**	**(386.9)**	**(330.1)**	**5.5**	**(19.1)**	**(13.6)**
Revenue	88.9	–	88.9	196.0	–	196.0	110.2	–	110.2
Cost of sales and other expenses	(78.5)	–	(78.5)	(175.4)	(17.9)	(193.3)	(97.8)	–	(97.8)
Net property income	**10.4**	**–**	**10.4**	**20.6**	**(17.9)**	**2.7**	**12.5**	**–**	**12.4**
External services	1.9	–	1.9	8.0	–	8.0	6.0	–	6.0
Production held in inventory	5.2	–	5.2	10.8	–	10.8	4.4	–	4.4
Operating expenses	(9.6)	(1.6)	(11.2)	(20.0)	(3.6)	(23.6)	(7.8)	(1.7)	(9.4)
Net overhead expenses	**(2.4)**	**(1.6)**	**(4.1)**	**(1.2)**	**(3.6)**	**(4.8)**	**2.7**	**(1.7)**	**1.0**
Share of equity-method affiliates	**(0.4)**	**(2.1)**	**(2.5)**	**(8.9)**	**(42.0)**	**(50.9)**	**(4.0)**	**(0.0)**	**(4.1)**
Net depreciation, amortisation and provision	**–**	**1.3**	**1.3**	**–**	**(47.3)**	**(47.3)**	**–**	**(0.3)**	**(0.3)**
Income/loss in the value of investment property	**–**	**(1.5)**	**(1.5)**	**–**	**–**	**–**	**–**	**–**	**–**
Transaction costs	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
OPERATING INCOME - BUSINESS PROPERTY	**7.5**	**(3.9)**	**3.6**	**10.5**	**(110.8)**	**(100.3)**	**11.1**	**(2.0)**	**9.1**
New businesses (New B)	**(7.3)**	**(0.2)**	**(7.5)**	**(10.4)**	**(0.3)**	**(10.7)**	**(3.0)**	**(0.1)**	**(3.2)**
Others (Corporate)	**(8.4)**	**(5.2)**	**(13.6)**	**(4.3)**	**(8.4)**	**(12.7)**	**(14.9)**	**(8.2)**	**(23.1)**
OPERATING INCOME	**121.6**	**(44.1)**	**77.4**	**248.1**	**(724.1)**	**(476.0)**	**92.4**	**(41.8)**	**50.5**
Net borrowing costs	**(5.0)**	**(3.4)**	**(8.5)**	**(33.0)**	**(5.1)**	**(38.2)**	**(20.0)**	**(2.3)**	**(22.3)**
Other financial results	**(15.6)**	**(1.7)**	**(17.3)**	**(30.8)**	**(2.8)**	**(33.5)**	**(14.9)**	**(1.3)**	**(16.2)**
Discounting of payables and receivables	**–**	**–**	**–**	**–**	**0.4**	**0.4**	**–**	**–**	**–**
Change in value and income from disposal of financial instruments	**–**	**13.0**	**13.0**	**–**	**(72.8)**	**(72.8)**	**–**	**(10.1)**	**(10.1)**
Net gain/(loss) on disposal of investments	**–**	**0.2**	**0.2**	**–**	**(2.8)**	**(2.8)**	**–**	**(4.5)**	**(4.5)**
PROFIT BEFORE TAX	**100.9**	**(36.0)**	**64.9**	**184.3**	**(807.2)**	**(622.9)**	**57.5**	**(60.2)**	**(2.7)**
Corporate income tax	**(2.3)**	**3.4**	**1.0**	**0.1**	**114.3**	**114.4**	**0.3**	**21.2**	**21.5**
NET INCOME	**98.6**	**(32.7)**	**65.9**	**184.4**	**(692.9)**	**(508.6)**	**57.8**	**(39.0)**	**18.8**
Non-controlling interests	**(40.6)**	**1.5**	**(39.1)**	**(83.1)**	**118.8**	**35.7**	**(36.1)**	**(0.5)**	**(36.6)**
NET INCOME, GROUP SHARE	**57.9**	**(31.2)**	**26.8**	**101.2**	**(574.1)**	**(472.9)**	**21.7**	**(39.5)**	**(17.8)**
Diluted average number of shares (a)	*21,180,827*	*21,180,827*	*21,180,827*	*21,017,349*	*21,017,349*	*21,017,349*	*20,811,061*	*20,811,061*	*20,811,061*
NET EARNINGS PER SHARE (€/SHARE), GROUP SHARE	**2.74**	**(1.47)**	**1.26**	**4.82**	**(27.32)**	**(22.50)**	**1.04**	**(1.90)**	**(0.85)**

(a) Pursuant to IAS 33, the weighted average number of shares (diluted and non-diluted) is adjusted retrospectively to take into account the capital increases that took place in April 2024 to serve the delivery of free shares.

3 Other information attached to the interim consolidated financial statements

Detailed summary of the notes to the interim consolidated financial statements

NOTE 1 COMPANY INFORMATION

Altarea is a Société en Commandite par Actions (a French partnership limited by shares), the shares of which are traded on the Euronext Paris regulated market, Compartment A. The registered office is located at 87 rue de Richelieu in Paris (France).

Altarea chose the SIIC corporate form (Société d'Investissement Immobilier Cotée) as of 1 January 2005.

Altarea is the French leader in low-carbon urban transformation, with the most comprehensive real estate offering to serve the City and its stakeholders. The Group has the required expertise and recognised brands in each sector to design, develop, market and manage made-to-measure property products.

The Altarea Group operates mainly in France, Italy and Spain.

Altarea controls the company Altareit, whose shares are admitted to trading on the regulated market Euronext Paris, Compartment A.

Altarea controls the company NR21, whose shares are admitted to trading on the regulated market Euronext Paris, Compartment C.

The consolidated financial statements for the period ended 30 June 2024 were approved by the Management on 30 July 2024 having been examined by the Audit Committee and the Supervisory Board.

NOTE 2 ACCOUNTING PRINCIPLES AND METHODS

2.1 The Company's accounting framework and presentation of the financial statements

2.1.1 Accounting standards

The Altarea Group's consolidated half-yearly financial statements to 30 June 2024 were prepared in compliance with IAS 34 "Interim financial reporting". The condensed financial statements do not include all of the information required by the IFRS guidelines for annual financial statements and should be read in conjunction with the Altarea Group's consolidated financial statements for the financial year ended 31 December 2023.

The accounting principles used in the preparation of the consolidated half-yearly financial statements are compliant with the IASB's (International Accounting Standards Board) *IFRS standards and interpretations* as adopted by the European Union as at 30 June 2024 and available on the website of the European Commission.

Accounting standards, interpretations and amendments applicable as from the financial year beginning on 1 January 2024:

- Amendment to IAS 1 – Classification of liabilities as current or non-current. Non-current liabilities with covenants ("covenants");
- Amendments to IAS 7 and IFRS 7 – Supplier finance arrangements;
- Amendments to IFRS 16 – Lease liability in a sale and leaseback.

These amendments have no significant impact for the Group.

- Amendment to IAS 12 – International Tax Reform – Pillar 2 Model Rules.

The Altarea Group falls within the scope of application of the new GloBE rules and the global minimum tax of 15% (Pillar 2) transposed, via a European Union directive (2022/2523) of 14 December 2022, into French law in the French General Tax Code by Article 33 of the Finance Act for 2024. These new rules came into force on 1 January 2024.

However, uncertainties remain as to its application methods, which are dealt with through the regular publication of administrative instructions by the OECD. These are intended to be transposed into domestic law by way of an order, as the instructions of July 2023 and December 2023 are not currently covered by the Finance Act for 2024.

Transitional simplification measures have been introduced for the 2024 to 2026 financial years. They make it possible to gradually comply with GloBE obligations, by authorising not to carry out all of the calculations leading to the determination of the GloBE tax from the outset, in countries where the Group's presence is not significant or which have high taxation.

The Group has applied the amendment to IAS 12 providing for a mandatory temporary exception to the recognition of deferred taxes associated with the additional tax resulting from the rules of Pillar 2.

As of 30 June 2024, the Group has not identified any impact to be recognised relating to the entry into force of the Pillar 2 system.

Accounting standards and interpretations adopted early at 30 June 2024, whose application is mandatory for financial years starting on or after 1 July 2024:

None.

Published accounting standards and interpretations whose application was mandatory after 30 June 2024:

None.

Other essential standards and interpretations, published by the IASB, approved in 2024 or not yet approved by the European Union:

- Amendments to IAS 21 – Effects of changes in foreign exchange rates;

In the absence of foreign currency transactions within the Group, this amendment will have no impact on the Group.

- Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments;

- IFRS 18 – Presentation and disclosure in financial statements.

These amendments are currently being analysed.

2.1.2 Other principles for presenting the financial statements

Altarea presents its financial statements and accompanying notes in millions of euros, to one decimal point.

Transactions eliminated in the consolidated financial statements

Balance sheet balances and income and expenses arising from intragroup transactions are eliminated when the consolidated financial statements are prepared.

Balance sheet classification

In accordance with IAS 1, the Company presents its assets and liabilities by distinguishing between current and non-current items.

Assets which must be realised, consumed or disposed of within the scope of the normal operating cycle or within 12 months following closure, are classed as "current assets", as well as the assets held with a view to disposal and cash or cash equivalents. All other assets are classified as "non-current assets".

Liabilities which have to be paid within the scope of the normal operating cycle or within 12 months following closure are classified as "current liabilities", as well as the share of provisions arising from the normal operating cycle of the activity concerned due in less than one year.

Deferred taxes are always shown as non-current assets or liabilities.

2.2 Main estimations and judgements

The preparation of the consolidated financial statements requires the use of estimates and assumptions by the Group's management to determine the value of certain assets and liabilities, and of certain income and expenses, as well as concerning the information given in the notes to the financial statements.

Management reviews its estimates and assumptions on a regular basis using its past experience and various other factors deemed reasonable in the circumstances.

The actual results may differ significantly from these estimates depending on changes in the various assumptions and performance conditions.

The accounting estimates made by the Group were made in the context of the real estate crisis. This crisis triggered by the rise in interest rates marks the end of a cycle that lasted nearly 15 years.

The main estimates made by the Group concerned the following measurements:

- measurement of investment properties (see Notes 2.3.5 "Investment properties" and 7.1 "Investment properties").

The methodologies used by the appraisers are identical to those used for the previous financial year and take into account changes in market data, in a complex economic environment marked by persistent inflation, and rising interest rates.

- measurement of trade receivables (see Notes 2.3.10 "Financial assets and liabilities" and 7.4.2 "Trade and other operating receivables"),
- measurement of net property income and services using the percentage-of-completion method (see Note 2.3.17 "Revenue and revenue-related expenses"),
- the valuation of inventories and work-in-progress (see notes 2.3.8 "Inventories" and 7.4.1 "Inventories and work-in-progress").

Since the beginning of the crisis, the Group has implemented a risk mitigation policy prioritising the selling of the offer from the previous cycle before any new products are launched on the market.

- measurement of goodwill and brands (see Note 2.3.7 "Monitoring the value of non-current assets (excluding financial assets and investment property) and losses of value" and 7.2 "Intangible assets and goodwill").

And less significantly:

- measurement of share-based payments (see Notes 2.3.12 "Share-based payments" and 6.1 "Equity"),
- measurement of financial instruments (see Note 8 "Financial risk management").

In addition to the use of estimates, the Group's management has applied its judgement in the following cases:

- measurement of rights of use, lease liabilities and contractual fees on investment property (see Notes 2.3.18 "Leases", 7.3 "Right-of-use on tangible and intangible fixed assets" and 7.1 "Investment properties"),
- measurement and use of deferred tax assets (see Notes 2.3.16 "Taxes" and 5.3 "Corporate income tax"), and their activation,
- measurement of provisions (see Note 2.3.15 "Provisions and contingent liabilities" and see Note 6.3 "Provisions"),
- whether or not the criteria to identify an asset or group of assets as held for sale or whether an operation is intended to be discontinued in accordance with IFRS 5 (see Note 2.3.6 "Non-current assets held for sale and discontinued operations" and 7.1 "Investment properties").

The notes listed above and numbered 2.3.xx refer to the notes to the consolidated financial statements for the financial year ended 31 December 2023.

The Group's financial statements also take into account, based on current knowledge and practices, **the issues of climate change and Sustainable development.**

The Group is continuing its actions as described at 31 December 2023.

As such, at 30 June 2024, the effects of climate change had had no significant impact on the judgements and estimates required to prepare the financial statements.

NOTE 3 INFORMATION ON OPERATING SEGMENTS

3.1 Balance sheet items by operating segment

At 30 June 2024

(€ millions)	Retail	Residential	Business Property	New businesses	Others	TOTAL
Operating assets and liabilities						
Intangible assets	17.5	313.0	21.1	3.4	10.4	**365.5**
Property, plant and equipment	4.2	17.3	0.0	1.3	1.5	**24.3**
Right-of-use on tangible and intangible fixed assets	0.2	119.0	0.1	0.1	0.1	**119.5**
Investment properties	3,933.3	–	12.7	–	–	**3,946.0**
Securities and investments in equity affiliates	152.5	84.9	113.6	(0.2)	–	**350.8**
Operational working capital requirement	23.9	404.7	292.0	91.4	29.4	**841.4**
Total operating assets and liabilities	**4,131.7**	**938.9**	**439.6**	**95.9**	**41.5**	**5,647.6**

As of 31 December 2023

(€ millions)	Retail	Residential	Business Property	New businesses	Others	TOTAL
Operating assets and liabilities						
Intangible assets	17.5	314.9	21.5	3.4	12.1	369.5
Property, plant and equipment	4.9	18.9	0.0	0.9	1.8	26.5
Right-of-use on tangible and intangible fixed assets	0.2	120.2	0.1	0.0	0.1	120.6
Investment properties	3,936.1	–	12.5	–	–	3,948.6
Securities and investments in equity affiliates	135.7	90.0	101.7	(0.3)	–	327.1
Operational working capital requirement	(24.7)	349.4	240.3	34.7	32.9	632.6
Total operating assets and liabilities	**4,069.8**	**893.5**	**376.0**	**38.7**	**46.9**	**5,424.9**

3.2 Consolidated income statement by operating segment

See consolidated income statement by segment in the notes to the financial statements.

3.3 Reconciliation of the statement of consolidated comprehensive income and of the consolidated income statement by segment

3.3.1 Statement of comprehensive income with the same breakdown as the income statement by segment

(€ millions)	30/06/2024 Funds from operations (FFO)	30/06/2024 Changes in value, estimated expenses and transaction costs (chg. val.)	30/06/2024 Total	31/12/2023 Funds from operations (FFO)	31/12/2023 Changes in value, estimated expenses and transaction costs (chg. val.)	31/12/2023 Total	30/06/2023 Funds from operations (FFO)	30/06/2023 Changes in value, estimated expenses and transaction costs (chg. val.)	30/06/2023 Total
Rental income	120.5	–	120.5	231.8	–	231.8	111.4	–	111.4
Property expenses	(5.2)	–	(5.2)	(6.5)	–	(6.5)	(2.4)	–	(2.4)
Unrecoverable rental expenses	(4.9)	–	(4.9)	(10.3)	–	(10.3)	(5.5)	–	(5.5)
Expenses re-invoiced to tenants	*33.0*	–	*33.0*	*63.8*	–	*63.8*	*31.1*	–	*31.1*
Rental expenses	*(37.8)*	–	*(37.8)*	*(74.0)*	–	*(74.0)*	*(36.6)*	–	*(36.6)*
Other expenses	0.8	–	0.8	0.7	–	0.7	0.3	–	0.3
Net charge to provisions for current assets	(5.6)	–	(5.6)	(11.0)	–	(11.0)	(5.9)	–	(5.9)
Net rental income	**105.6**	**–**	**105.6**	**204.8**	**–**	**204.8**	**98.0**	**–**	**98.0**
Revenue	1,047.5	–	1,047.5	2,418.5	–	2,418.5	1,111.6	–	1,111.6
Cost of sales	(956.0)	1.6	(954.3)	(2,133.8)	(119.4)	(2,253.2)	(1,010.7)	(0.1)	(1,010.8)
Other income	(36.0)	–	(36.0)	(89.3)	0.0	(89.3)	(47.8)	(0.0)	(47.8)
Net charge to provisions for current assets	7.9	(4.4)	3.5	(49.9)	(192.8)	(242.6)	(7.5)	(0.3)	(7.8)
Amortisation of customer relationships	–	(1.7)	(1.7)	–	(5.9)	(5.9)	–	(1.5)	(1.5)
Net property income	**63.4**	**(4.4)**	**59.0**	**145.5**	**(318.1)**	**(172.6)**	**45.6**	**(1.9)**	**43.7**
External services	29.3	–	29.3	62.0	–	62.0	27.0	–	27.0
Own work capitalised and production held in inventory	67.5	–	67.5	154.4	–	154.4	67.9	–	67.9
Personnel costs	(104.9)	(13.7)	(118.6)	(215.5)	(25.7)	(241.2)	(97.0)	(12.5)	(109.4)
Other overhead expenses	(37.9)	0.0	(37.9)	(92.0)	0.2	(91.8)	(43.4)	0.2	(43.2)
Depreciation expenses on operating assets	–	(15.6)	(15.6)	–	(30.6)	(30.6)	–	(14.5)	(14.5)
Net overhead expenses	**(46.0)**	**(29.2)**	**(75.2)**	**(91.0)**	**(56.0)**	**(147.1)**	**(45.4)**	**(26.7)**	**(72.1)**
Other income and expenses	(2.1)	(0.0)	(2.1)	(7.4)	(0.7)	(8.1)	(3.7)	(0.6)	(4.3)
Depreciation expenses	–	(0.5)	(0.5)	–	(1.3)	(1.3)	–	(0.3)	(0.3)
Transaction costs	–	(0.2)	(0.2)	–	(1.9)	(1.9)	(0.0)	(2.1)	(2.1)
Others	**(2.1)**	**(0.7)**	**(2.8)**	**(7,4)**	**(3.9)**	**(11.3)**	**(3.7)**	**(3.0)**	**(6,7)**
Proceeds from disposal of investment assets	–	0.3	0.3	–	(2.9)	(2.9)	–	(2.9)	(2.9)
Carrying amount of assets sold	–	(0.8)	(0.8)	–	(0.8)	(0.8)	–	(0.8)	(0.8)
Net gain/(loss) on disposal of investment assets	**–**	**(0.4)**	**(0.4)**	**–**	**(3.7)**	**(3.7)**	**–**	**(3.7)**	**(3.7)**
Change in value of investment properties	–	(15.0)	(15.0)	–	(189.8)	(189.8)	–	(5.6)	(5.6)
Net impairment losses on investment properties measured at cost	–	–	–	–	(0.6)	(0.6)	–	–	–
Net impairment losses on other non-current assets	–	(1.2)	(1.2)	–	(54.6)	(54.6)	–	(0.1)	(0.1)
Net charge to provisions for risks and contingencies	–	10.7	10.7	–	(31.9)	(31.9)	–	4.7	4.7
Impairment of goodwill	–	–	–	–	(0.6)	(0.6)	–	–	–
OPERATING INCOME BEFORE THE SHARE OF NET INCOME OF EQUITY-METHOD AFFILIATES	**120.9**	**(40.2)**	**80.7**	**251.9**	**(659.2)**	**(407.3)**	**94.5**	**(36.3)**	**58.2**
Share in earnings of equity-method affiliates	0.7	(3.9)	(3.2)	(3.8)	(64.9)	(68.8)	(2.1)	(5.6)	(7.7)
OPERATING INCOME AFTER THE SHARE OF NET INCOME OF EQUITY-METHOD AFFILIATES	**121.6**	**(44.1)**	**77.4**	**248.1**	**(724.1)**	**(476.0)**	**92.4**	**(41.8)**	**50.5**
Net borrowing costs	(5.0)	(3.4)	(8.5)	(33,0)	(5.1)	(38.2)	(20.0)	(2.3)	(22.3)
Financial expenses	*(52.3)*	*(3.4)*	*(55.7)*	*(73.0)*	*(5.1)*	*(78.1)*	*(33.8)*	*(2.3)*	*(36.1)*
Financial income	*47.3*	–	*47.3*	*39.9*	–	*39.9*	*13.8*	–	*13.8*
Other financial results	(15.6)	(1.7)	(17.3)	(30.8)	(2.8)	(33.5)	(14.9)	(1.3)	(16.2)
Discounting of payables and receivables	–	–	–	–	0.4	0.4	–	–	–
Change in value and income from disposal of financial instruments	–	13.0	13.0	–	(72.8)	(72.8)	–	(10.1)	(10.1)
Gains or losses on disposals of equity interests[a]	–	0.2	0.2	–	(2.8)	(2.8)	–	(4.5)	(4.5)
Profit before tax	**100.9**	**(36.0)**	**64.9**	**184.3**	**(807.2)**	**(622.9)**	**57.5**	**(60.2)**	**(2.7)**
Corporate income tax	(2.3)	3.4	1.0	0.1	114.3	114.4	0.3	21.2	21.5
NET INCOME	**98.6**	**(32.7)**	**65.9**	**184.4**	**(692.9)**	**(508.6)**	**57.8**	**(39.0)**	**18.8**
o/w Attributable to Altarea SCA shareholders	**57.9**	**(31.2)**	**26.8**	**101.2**	**(574.1)**	**(472.9)**	**21.7**	**(39.5)**	**(17.8)**
o/w Attributable to non-controlling interests in subsidiaries	(40.6)	1.5	(39.1)	(83.1)	118.8	35.7	(36.1)	(0.5)	(36.6)
Average number of non-diluted shares	20,733,505	20,733,505	20,733,505	20,487,350	20,487,350	20,487,350	20,293,875	20,293,875	20,293,875
Net earnings per share attributable to shareholders of Altarea SCA (€)	**2.79**	**(1.50)**	**1.29**	**4.94**	**(28.02)**	**(23.08)**	**1.07**	**(1.95)**	**(0.88)**
Diluted average number of shares	21,180,827	21,180,827	21,180,827	21,017,349	21,017,349	21,017,349	20,811,061	20,811,061	20,811,061
Diluted net earnings per share attributable to shareholders of Altarea SCA (€)	**2.74**	**(1.47)**	**1.26**	**4.82**	**(27.32)**	**(22.50)**	**1.04**	**(1.90)**	**(0.85)**

(a) Gains or losses on disposals of equity interests have been reallocated to each of the activities concerned by the gains or losses when it relates to an investment previously fully consolidated or a share of the equity affiliates when the equity disposed of was previously in an equity-method company.

3.3.2 Reconciliation of operating income between the two income statements

(€ millions)	30/06/2024						31/12/2023						30/06/2023					
	Retail	Resi-dential	BP [1]	New B [1]	Others	TOTAL	Retail	Residential	BP [1]	New B [1]	Others	TOTAL	Retail	Resi-dential	BP [1]	New B [1]	Others	TOTAL
Net rental income	105.6	–	–	–	–	105.6	204.8	–	–	–	–	204.8	98.0	–	–	–	–	98.0
Net property income	1.7	47.2	10.4	(0.3)	(0.0)	59.0	0.5	(175.4)	2.7	(0.3)	(0.0)	(172.6)	(0.4)	31.7	12.5	(0.0)	(0.0)	43.7
Net overhead expenses	(6.5)	(46.6)	(5.0)	(3.7)	(13.3)	(75.2)	(20.6)	(104,9)	(5.9)	(6.6)	(9.0)	(147.1)	(8.0)	(41.6)	0.7	(2.8)	(20.4)	(72.1)
Others	(2.8)	1.2	0.6	(1.4)	(0.4)	(2.8)	(5.9)	(1.5)	0.5	(0.7)	(3.6)	(11.3)	(2.7)	(1.0)	(0.0)	(0.3)	(2.6)	(6.7)
Net gain/(loss) on disposal of investment assets	(0.4)	–	–	–	–	(0.4)	(3.7)	–	–	–	–	(3.7)	(3.7)	–	–	–	–	(3.7)
Value adjustments	(13.5)	(0.8)	(1.9)	–	–	(16.2)	(190.4)	(11.8)	(42.7)	–	(0.1)	(245.0)	(5.6)	0.0	–	–	(0.1)	(5.7)
Net charge to provisions for risks and contingencies	2.8	7.9	2.1	(2.2)	0.1	10.7	6.8	(32.7)	(3.9)	(2.6)	(0.0)	(32.4)	4.5	0.2	0.1	–	(0.0)	4.7
Share in earnings of equity-method affiliates	5.2	(6.1)	(2.5)	0.1	–	(3.2)	(13.8)	(3.7)	(50.9)	(0.4)	–	(68.8)	(0.8)	(2.8)	(4.1)	(0.0)	–	(7.7)
OPERATING INCOME (Statement of consolidated comprehensive income)	**92.1**	**2.8**	**3.6**	**(7.5)**	**(13.6)**	**77.4**	**(22.3)**	**(330.1)**	**(100.3)**	**(10.7)**	**(12.7)**	**(476.0)**	**81.3**	**(13.6)**	**9.1**	**(3.2)**	**(23.1)**	**50.5**
Reclassification of net gain/(loss) on disposal of investments						–			–			–			–	–		–
OPERATING INCOME (Income statement by segment)	**92.1**	**2.8**	**3.6**	**(7.5)**	**(13.6)**	**77.4**	**(22.3)**	**(330.1)**	**(100.3)**	**(10.7)**	**(12.7)**	**(476.0)**	**81.3**	**(13.6)**	**9.1**	**(3.2)**	**(23.1)**	**50.5**

(1) BP: Business property – New B: New businesses

3.4 Revenue by geographical region and operating segment

By geographical region

(€ millions)	30/06/2024					31/12/2023					30/06/2023				
	France	Italy	Spain	Others	Total	France	Italy	Spain	Others	Total	France	Italy	Spain	Others	Total
Rental income	109.8	4.0	6.7	–	120.5	210.9	7.8	13.1	–	231.8	100.7	3.9	6.8	–	111.4
External services	13.2	0.7	0.2	–	14.1	23.3	1.4	0.3	–	25.0	11.7	1.0	0.1	–	12.9
Property development	1.8	–	–	–	1.8	2.2	–	–	–	2.2	–	–	–	–	–
Retail	**124.8**	**4.7**	**6.9**	**–**	**136.4**	**236.4**	**9.2**	**13.4**	**–**	**259.0**	**112.5**	**5.0**	**6.9**	**–**	**124.3**
Revenue	952.8	–	–	–	952.8	2,218.1	–	–	–	2,218.1	1,001.4	–	–	–	1,001.4
External services	13.2	–	–	–	13.2	29.0	–	–	–	29.0	8.0	–	–	–	8.0
Residential	**966.0**	**–**	**–**	**–**	**966.0**	**2,247.1**	**–**	**–**	**–**	**2,247.1**	**1,009.4**	**–**	**–**	**–**	**1,009.4**
Revenue	88.9	–	–	–	88.9	196.0	–	–	–	196.0	110.2	–	–	–	110.2
External services	1.9	–	–	–	1.9	8.0	–	–	–	8.0	5.8	–	–	0.3	6.0
Business Property	**90.7**	**–**	**–**	**–**	**90.8**	**204.0**	**–**	**–**	**–**	**204.0**	**116.0**	**–**	**–**	**0.3**	**116.2**
New businesses	4.1	–	–	–	4.1	2.1	–	–	–	2,1					
Others (Corporate)	0.1	–	–	–	0.1	0.1	–	–	–	0.1	0.0	–	–	–	0.0
TOTAL	**1,185.6**	**4.7**	**6.9**	**–**	**1,197.3**	**2,689.8**	**9.2**	**13.4**	**–**	**2,712.4**	**1,237.9**	**5.0**	**6.9**	**0.3**	**1,250.1**

The Altarea Group operates mainly in France, Italy and Spain in 2024, as in 2023.

One client accounted for more than 10% of the Group's revenue in the residential sector, i.e. €154.1 million (compared with €166.6 million in the first half of 2023).

NOTE 4 MAJOR EVENTS AND CHANGES IN THE CONSOLIDATION SCOPE

4.1 Major events

At the end of June 2024, the roadmap is progressing according to schedule.

After a year in 2023 dedicated to risk mitigation and clearing the previous cycle, the first half of 2024 was devoted to laying the foundations for the new cycle:

• launch of an affordable, low-carbon and profitable new generation residential offer to ultimately restore the profitability of property development;

• structuring and implementing the first investments in the new business lines.

During the half-year, the Group's results were driven by Retail, which posted an excellent performance.

Retail

The Group has pursued a strategy of selecting the most promising formats (large shopping centres, travel retail, retail parks, convenience stores) and currently manages a portfolio of 43 particularly high-performing shopping centres. These assets are mainly held in partnerships with leading institutional investors.

All types of retail recorded an excellent operational performance, with solid growth in retailer revenue, testifying to the attractiveness of the sites and the quality of their commercial offering.

Rental activity remained dynamic during the first half of 2024, driven by demand from leading brands attracted by the quality of the Group's assets.

Projects under development continued during the half-year in accordance with their schedule (Paris-Austerlitz, Bobigny Coeur de Ville and Enox2 in Gennevilliers).

Residential

Altarea is the second-largest residential developer in France.[35] Present throughout the country, the Group has rolled out a comprehensive multi-product offering[36] based on brands with complementary positions to meet the structurally immense needs of the French market: Cogedim, Woodeum x Pitch Immo, Histoire & Patrimoine, Nohée, Altarea Solutions and Services.

In the first half of 2024, new orders were down. Investments mainly concerned the remainder of the offer from the previous cycle, which is now almost entirely sold.

The Group has voluntarily implemented a policy prioritising the sale of the offer resulting from the previous cycle: regularisation of sales, slowdown of commercial launches and reduction of land acquisitions.

The supplies for the half-year correspond to projects in the market, compatible with the Group's new commitment criteria and in particular those of the new generation offer, which already represents around 1,300 units intended for a customer base of first-time buyers.

Launch of Access, the affordable, low-carbon and profitable offer for first-time buyers:

The principle consists of starting from the customer's purchasing power to propose an adapted offer. The design and all items constituting the cost price have been completely reviewed in order to achieve an affordable, low-carbon and profitable product.

The new generation offer for first-time buyers (called Access) is adressed to tenants currently renting in the private or social sector, who could not envisage being able to own property. In particular, Access incorporates new and very attractive financing methods that allow the buyer to start paying only when the keys are handed over with a monthly payment close to or even equivalent to the rental price.

The launch of the first *Access* project took place in May 2024 with the Rive Nature programme in Villeneuve-la-Garenne.

Business Property

The Group is focusing on the development of its services business with the signing, this half year, of two real estate development contracts in Paris for the *Madeleine* and *Louis Le Grand projects*. It also delivered the *26 Champs-Elysées* project at the end of April, a fully renovated complex combining offices and shops.

A major event of the half-year, Altarea obtained the final building permit for the renovation of the former CNP headquarters located above the Paris-Montparnasse station. This project, developed in a 50/50 partnership with Caisse des Dépôts, will undergo a complete restructuring over the coming years.

The Group's other projects achieved favourable operational progress, particularly in terms of commercial discussions.

New businesses

As part of its strategic roadmap, Altarea has decided to invest in new activities: photovoltaics , data centers and real estate asset management.

Primonial

On March 2, 2022, Altarea informed the public that the acquisition of the Primonial group could not be completed under the conditions provided in the agreement. Altarea considers that the Sellers did not comply with the provisions of the acquisition protocol executed in July 2021, which has now lapsed.

Following the non-completion of the acquisition of Primonial, the Sellers of Primonial - various groups of shareholders (investment funds and managers) – initiated a lawsuit against the Company and its indirect subsidiary Alta Percier before

(35) Source: Classement des Promoteurs (developers ranking) published in July 2024 by Innovapresse.

(36) New housing all ranges (home ownership and investment, free, social, Intermediate rental housing), serviced residences, Malraux, historical monuments, land deficits, condominium, timber-frame housing CLT, renovation.

the Paris Commercial Court, claiming compensation for the loss they claim they have suffered. The Sellers successively alleged a loss of €228 million in 2022 and €707 million in 2023. During the proceedings, the Sellers made a request for investigative measure, which was dismissed by a judgment of May 7, 2024. Following this judgment, the Sellers filed new briefs and now allege a loss of €1 173 million in their latest briefs.

Having reviewed all the adverse argumentation, Altarea maintains its position that it is not liable for the failure to complete the transaction which is, in its view, attributable to the Sellers. Altarea therefore objects to the claims, which it considers meritless. To the contrary, Altarea considers that it is the Sellers who are liable for the failure of the transaction, and that they cannot claim damages that are meritless and unjustified, both in principle and in their assessment, with respect to the facts and the law.

For their part, Altarea and Alta Percier claim that the Group has suffered losses and have therefore requested, in their submissions filed in June 2022 and July 2023, that the Sellers be ordered to pay damages of €330 million.

At a forthcoming hearing of the Paris Commercial Court, Altarea and Alta Percier will file their brief in response, supported by the report of their financial expert, to maintain their position that the Sellers' claims are meritless and to detail their own compensation claims.

To date, the proceedings are ongoing and, as agreed with its counsels, no provision has been recognised in the Group’s accounts.

4.2 Scope

The main companies within the scope of consolidation, selected by revenue and total assets criteria, are as follows:

COMPANY	LEGAL FORM	Siren		30/06/2024 Method	30/06/2024 Interest	30/06/2024 Integration	31/12/2023 Method	31/12/2023 Interest	31/12/2023 Integration
ALTAREA	SCA	335480877	parent company	FC	100.0%	100.0%	FC	100.0%	100.0%
Retail France									
ALTAREA FRANCE	SCA	324814219		FC	100.0%	100.0%	FC	100.0%	100.0%
NR 21	SCA	389065152		FC	96.8%	100.0%	FC	96,8%	100.0%
FONDS PROXIMITÉ	SNC	878954593	affiliate	EM	25.0%	25.0%	EM	25.0%	25.0%
MRM	SA	544502206	joint venture	EM	15.9%	15,9%	EM	15,9%	15,9%
ALDETA	SASU	311765762		FC	33.3%	100.0%	FC	33,3%	100.0%
ALTA BLUE	SAS	522193796		FC	33,3%	100.0%	FC	33,3%	100.0%
ALTA CRP AUBERGENVILLE	SNC	451226328		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA AUSTERLITZ	SNC	812196616		FC	100.0%	100.0%	FC	100.0%	100.0%
BERCY VILLAGE	SNC	384987517		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA CARRÉ DE SOIE	SCI	449231463	joint venture	EM	50.0%	50.0%	EM	50.0%	50.0%
FONCIERE CEZANNE MATIGNON	SNC	348024050		FC	100.0%	100.0%	FC	100.0%	100.0%
FONCIERE ALTAREA	SASU	353900699		FC	100.0%	100.0%	FC	100.0%	100.0%
SOCIETE D'AMENAGEMENT DE LA GARE DE L'EST	SNC	481104420		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA CRP GENNEVILLIERS	SNC	488541228		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA GRAMONT	SAS	795254952		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA CRP GUIPAVAS	SNC	451282628		FC	51.0%	100.0%	FC	51.0%	100.0%
LIMOGES INVEST	SCI	488237546		FC	50.9%	100.0%	FC	50.9%	100.0%
SNC MACDONALD COMMERCES	SNC	524049244	affiliate	EM	25.0%	25.0%	EM	25.0%	25.0%
ALTAREA MANAGEMENT	SNC	509105375		FC	100.0%	100.0%	FC	100.0%	100.0%
ALTA-MONTPARNASSE	SNC	804896439		FC	51.0%	100.0%	FC	51.0%	100.0%
LES VIGNOLES RETAIL PARK	SNC	512086117		FC	51.0%	100.0%	FC	51.0%	100.0%
OPCI ALTA COMMERCE EUROPE	SPPICAV	485047328	joint venture	EM	29.9%	29,9%	EM	29,9%	29,9%
ALTA QWARTZ	SNC	433806726		FC	100.0%	100.0%	FC	100.0%	100.0%
THIAIS SHOPPING CENTRE	SNC	479873234		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA CRP LA VALETTE	SNC	494539687		FC	51.0%	100.0%	FC	51.0%	100.0%
Retail Italy									
ALTAGARES	SRL	N/A		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTAREA ITALIA	SRL	N/A		FC	100.0%	100.0%	FC	100.0%	100.0%
Retail Spain									
ALTAREA ESPANA	SRL	N/A		FC	100.0%	100.0%	FC	100.0%	100.0%
ALTAREA PATRIMAE	SRL	N/A		FC	100.0%	100.0%	FC	100.0%	100.0%
Residential									
ALTAREIT	SCA	552091050		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM RESIDENCES SERVICES	SNC	394648455	joint venture	EM	64.9%	65.0%	EM	64,9%	65,0%
ALTAREA COGEDIM IDF GRANDE METROPOLE	SNC	810928135		FC	99.9%	100.0%	FC	99.9%	100.0%
ALTAREA COGEDIM GRANDS PROJETS	SNC	810926519		FC	99.9%	100.0%	FC	99.9%	100.0%
ALTAREA COGEDIM REGIONS	SNC	810847905		FC	99.9%	100.0%	FC	99.9%	100.0%
SEVERINI	SNC	848899977		FC	99.9%	100.0%	FC	99.9%	100.0%
XF INVESTMENT	SAS	507488815		FC	99.9%	100.0%	FC	99.9%	100.0%
ALTA FAUBOURG	SASU	444560874		FC	99.9%	100.0%	FC	99.9%	100.0%
W-PI PROMOTION	SAS	450042338		FC	99.9%	100.0%	FC	99.9%	100.0%
WATT	SNC	812030302		FC	99.9%	100.0%	FC	99.9%	100.0%
MARSEILLE MICHELET	SNC	792774382		FC	99.9%	100.0%	FC	99.9%	100.0%
ISSY COEUR DE VILLE	SNC	830181079		FC	99.9%	100.0%	FC	99.9%	100.0%
BORDEAUX EB1b	SCCV	837627454	joint venture	EM	49.9%	50.0%	EM	49,9%	50.0%
HP	SAS	480309731		FC	99.9%	100.0%	FC	99.9%	100.0%
HISTOIRE ET PATRIMOINE DEVELOPPEMENT	SAS	480110931		FC	99.9%	100.0%	FC	99.9%	100.0%
MERIMEE	SNC	849367016		FC	99.9%	100.0%	FC	99.9%	100.0%
HISTOIRE ET PATRIMOINE PROMOTION	SASU	792751992		FC	99.9%	100.0%	FC	99.9%	100.0%
BEZONS A3	SNC	880172317		FC	100.0%	100.0%	FC	100.0%	100.0%
ARGENTEUIL 111	SCCV	901744623	joint venture	FC	50.9%	100.0%	FC	50.9%	100.0%
BOBIGNY COEUR DE VILLE	SNC	838941011		FC	99.9%	100.0%	FC	99.9%	100.0%
PITCH IMMO	SNC	422989715		FC	99.9%	100.0%	FC	99.9%	100.0%
RUEIL HIGH GARDEN	SCCV	887670115	joint venture	FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM HAUTS DE FRANCE	SNC	420810475		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM GESTION	SNC	380375097		FC	99.9%	100.0%	FC	99.9%	100.0%
COVALENS	SNC	309021277		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM PARIS METROPOLE	SNC	319293916		FC	99.9%	100.0%	FC	99.9%	100.0%
ASNIERES AULAGNIER	SARL	487631996	joint venture	EM	49,9%	50.0%	EM	49,9%	50.0%
COGEDIM GRAND LYON	SNC	300795358		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM MEDITERRANEE	SNC	312347784		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM PROVENCE	SNC	442739413		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM MIDI-PYRÉNÉES	SNC	447553207		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM GRENOBLE	SNC	418868584		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM SAVOIES-LEMAN	SNC	348145541		FC	99.9%	100.0%	FC	99.9%	100.0%

COMPANY	LEGAL FORM	Siren		30/06/2024 Method	30/06/2024 Interest	30/06/2024 Integration	31/12/2023 Method	31/12/2023 Interest	31/12/2023 Integration
COGEDIM AQUITAINE	SNC	388620015		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM ATLANTIQUE	SNC	501734669		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM LANGUEDOC ROUSSILLON	SNC	532818085		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM EST	SNC	419461546		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM	SASU	54500814		FC	99.9%	100.0%	FC	99.9%	100.0%
CLICHY 33 LANDY	SAS	898926308		FC	50.0%	100.0%	FC	50.0%	100.0%
MEYLAN PLM 1	SCCV	879562213	joint venture	FC	54.9%	100.0%	FC	54,9%	100.0%
SUD PROMOTION	SCCV	891502437	joint venture	FC	69.9%	100.0%	FC	69,9%	100.0%
OLLIOULES SAINT ROCH 1	SCCV	901760520	joint venture	FC	50.9%	100.0%	FC	50.9%	100.0%
HORLOGE GASTON ROUSSEL	SCCV	832294664	joint venture	FC	50.9%	100.0%	FC	50.9%	100.0%
JOINVILLE CLUB	SCCV	837493998	joint venture	FC	59.9%	100.0%	FC	59,9%	100.0%
MONTREUIL D'ALEMBERT	SNC	841085210		FC	99.9%	100.0%	FC	99.9%	100.0%
ROMAINVILLE ROUSSEAU	SCCV	852604909	joint venture	FC	50.9%	100.0%	FC	50.9%	100.0%
ISSY GUYNEMER	SNC	891166209		FC	50.9%	100.0%	FC	50.9%	100.0%
CLICHY 132 BD JEAN JAURES	SCCV	890252513	joint venture	FC	50.0%	100.0%	FC	50.0%	100.0%
IVRY VERDUN 113	SCCV	920923893	joint venture	FC	79.9%	100.0%	FC	79,9%	100.0%
Business Property									
ALTAREA COGEDIM ENTREPRISE PROMOTION	SNC	535056378		FC	99.9%	100.0%	FC	99.9%	100.0%
PRD MONTPARNASSE 2	SCI	852712439	joint venture	EM	50.0%	50.0%	EM	50.0%	50.0%
PRD MONTPARNASSE 3	SCI	852712587	joint venture	EM	50.0%	50.0%	EM	50.0%	50.0%
AF INVESTCO 7	SNC	798601936	affiliate	EM	30.1%	30.1%	EM	30.1%	30.1%
B2 B3	SCCV	852921899	joint venture	EM	50.0%	50.0%	EM	50.0%	50.0%
ALTA VAI HOLDCO A	SAS	424007425		FC	99.9%	100.0%	FC	99.9%	100.0%
SNC PROPCO ALTA PYRAMIDES	SNC	949047005		FC	99.9%	100.0%	FC	99.9%	100.0%
FONCIÈRE ALTAREA MONTPARNASSE	SNC	847726650		FC	100.0%	100.0%	FC	100.0%	100.0%
PASCALHOLDCO	SPPICAV	809845951	affiliate	EM	30.1%	30.1%	EM	30.1%	30.1%
PASCALPROPCO	SASU	437929813	affiliate	EM	30.1%	30.1%	EM	30.1%	30.1%
PRD MONTPARNASSE	SCI	844634758	joint venture	EM	50.0%	50.0%	EM	50.0%	50.0%
SAS 42 DERUELLE	SAS	920333127	joint venture	EM	49,9%	50.0%	EM	49,9%	50.0%
FLF BEZIERS	SNC	835282922		FC	99.9%	100.0%	FC	99.9%	100.0%
BOLLENE LOGISTICS	SNC	815193065		FC	99.9%	100.0%	FC	99.9%	100.0%

4.3 Changes in consolidation scope

In number of companies	31/12/2023	Acquisition	Creation	Sale	Absorption, dissolution, deconsolidation	Change in consolidation method	30/06/2024
Fully consolidated subsidiaries	551	–	10	–	(20)	–	541
Joint ventures[a]	100	–	2	–	(3)	–	99
Affiliates[a]	72	–	–	–	(1)	–	71
Total	**723**	**–**	**12**	**–**	**(24)**	**-**	**711**

(a) Consolidated companies accounted for using the equity method.

4.3.1 Detail of net acquisitions of consolidated companies, net of cash

(€ millions)	30/06/2024	31/12/2023	30/06/2023
Investments in consolidated securities	(0.0)	(23.3)	(12.2)
Liabilities on acquisition of consolidated participating interests	(2.6)	0.6	0.0
Cash of acquired companies	–	25.9	17.6
Total	**(2.6)**	**3.1**	**5.4**

During the half-year, the Group did not make any significant acquisitions.

4.3.2 Detail of disposals of consolidated companies, net of cash disposed of

During the half-year, the Group did not make any significant disposals.

4.4 Business combinations

The Group did not carry out any business combinations during the half-year.

4.5 Securities and investments in equity affiliates

In application of IFRS 10, 11 and 12, the following are recognised under securities and receivables on equity affiliates, investments in joint ventures and affiliates, including receivables from these holdings.

4.5.1 Equity-accounting value of joint ventures and affiliates and related receivables

(€ millions)	30/06/2024	31/12/2023
Equity-accounting value of joint ventures	**36.3**	39.4
Equity-accounting value of affiliates	**42.2**	43.0
Value of stake in equity-method affiliates	**78.5**	**82.4**
Receivables from joint ventures	**199.8**	167.5
Receivables from affiliates	**72.5**	77.2
Receivables from equity-method subsidiaries	**272.3**	**244.7**
Total securities and receivables in equity affiliates	**350.8**	**327.1**

At 30 June 2024, the increase in securities and receivables on equity-method investments is mainly due to changes in Property Development transactions, particularly in commercial real estate.

4.5.2 Main balance sheet and income statement items of joint ventures and affiliates

(€ millions)	*Joint ventures*	*Affiliates*	30/06/2024	*Joint ventures*	*Affiliates*	31/12/2023	*Joint ventures*	*Affiliates*	30/06/2023
Balance sheet items, Group share:									
Non-current assets	250.8	28.8	279.5	249.0	28.8	277.8	265.2	81.0	346.2
Current assets	442.5	315.0	757.5	446.5	352.1	798.6	496.0	297.2	793.2
Total Assets	**693.3**	**343.8**	**1,037.1**	**695.5**	**381.0**	**1,076.4**	**761.2**	**378.3**	**1,139.5**
Non-current liabilities	181.7	136.9	318.7	178.5	135.7	314.1	164.0	123.0	286.9
Current liabilities	475.2	164.6	639.9	477.6	202.3	679.9	509.6	197.7	707.3
Total Liabilities	**657.0**	**301.6**	**958.5**	**656.1**	**337.9**	**994.0**	**673.5**	**320.7**	**994.2**
Net assets (equity-accounting basis)	**36.3**	**42.2**	**78.5**	**39.4**	**43.0**	**82.4**	**87.7**	**57.5**	**145.2**
Share of income statement items, Group share:									
Operating income	**2.7**	**1.5**	**4.2**	**(60.0)**	**11.8**	**(48.2)**	**1.8**	**(1.7)**	**0.2**
Net borrowing costs	(1.6)	(3.7)	(5.3)	(4.9)	(10.4)	(15.3)	(2.3)	(3.2)	(5.5)
Other financial results	(2.1)	0.0	(2.1)	(3.3)	0.0	(3.3)	(1.6)	(0.0)	(1.6)
Change in value of hedging instruments	(0.1)	(0.4)	(0.5)	(0.8)	(1.2)	(1.9)	(0.0)	(0.1)	(0.1)
Proceeds from the disposal of investments	–	0.1	0.1	–	(0.0)	(0.0)	–	–	–
Net income before tax	**(1.1)**	**(2.5)**	**(3.6)**	**(69.0)**	**0.2**	**(68.9)**	**(2.2)**	**(5.0)**	**(7.2)**
Corporate income tax	(0.1)	0.5	0.4	0.7	(0.6)	0.1	(0.3)	(0.2)	(0.5)
Net income by equity method (after tax)	**(1.2)**	**(2.0)**	**(3.2)**	**(68.4)**	**(0.4)**	**(68.8)**	**(2.5)**	**(5.2)**	**(7.7)**
Non-Group net income	–	–	–	–	–	–	0.0	0.0	0.0
Net income, Group share	(1.2)	(2.0)	(3.2)	(68.4)	(0.4)	(68.8)	(2.5)	(5.2)	(7.7)

Joint ventures and affiliates are not individually significant for the purposes of presenting the financial information on an aggregate basis.

Group revenue from joint ventures amounted to €2.3 million, compared with €2.4 million at 30 June 2023 and €5.8 million at 31 December 2023.

Revenue from Group affiliates amounted to €2.5 million at 30 June 2023, compared with €2.4 million at 30 June 2023 and €6.4 million at 31 December 2022.

4.5.3 Commitments given or received in connection with joint ventures (in Group share)

Commitments given

Cogedim Résidences Services undertook to pay rent in connection with the leasing of the Résidences Services Nohée®. In the context of the application of IFRS 16, these contracts have been restated in the financial statements of the companies.

In exchange, Cogedim Résidences Services receives the lease payments of the sub-lessees, these continuing to be commitments.

Financial guarantees for the completion of works were given as part of the property development activity, and amounted to a share of €9.1 million at 30 June 2024.

Commitments received

As of 30 June 2024, the main commitments received by the joint ventures relate to security deposits received from tenants in the amount of €3.0 million.

4.6 Current and non-current financial assets

At 30 June 2024, current and non-current financial assets amounted to €63.0 million, compared with €61.4 million at 31 December 2023, and consist mainly of:

- non-consolidated securities (mainly “non-current”): €21.0 million;
- deposits and guarantees paid on projects: €12.5 million, compared with €10.7 million in 2023;
- loans and receivables, recognised at amortised cost: €28.5 million, compared with €29.0 million for 2023.

NOTE 5 RESULT

5.1 Operating income

5.1.1 Net rental income

Net rental income amounted to €105.6 million in 2024, compared to €98.0 million in the first half of 2023, i.e. an increase of 7.8%.

5.1.2 Net property income

The Group's net property income stood at €59.0 million at 30 June 2024 compared to €43.7 million at June 2023.

The Residential backlog of the fully-consolidated companies stands at €2,430 million at 30 June 2024.

The Business Property Development backlog of the fully-consolidated companies is €311 million at 30 June 2024.

5.2 Cost of net financial debt and other financial items

5.2.1 Cost of net financial debt

(€ millions)	30/06/2024	31/12/2023	30/06/2023
Bond and bank interest expenses	(43.7)	(71.4)	(32.8)
Interest on partners' advances	1.7	5.1	3.2
Interest rate on hedging instruments	31.5	27.0	6.6
Other financial income and expenses	5.6	6,3	3.1
FFO financial income and expenses	**(5.0)**	**(33.0)**	**(20.0)**
Spreading of bond issue costs and other estimated expenses[a]	(3.4)	(5.1)	(2.3)
Net borrowing costs	**(8.5)**	**(38.2)**	**(22.3)**

(a) Corresponds in particular to the spreading according to the amortised cost method of bond issue costs and bond issue premiums in accordance with IFRS 9 for €-3.4 million.

The average cost of debt is the ratio of the total financial costs of short- and long-term financial instruments including related fees (commitment fees, non-use fees, etc.) to the average debt for the period. The Group's average cost of debt (excluding the impact of IFRS 16) was 1.59% at 30 June 2024, compared to 2.15% at 31 December 2023.

5.2.2 Other financial results

Other financial results correspond in particular to interest expenses on rental obligations or royalties on investment properties.

5.2.3 Impact of result of financial instruments

This item consists of a net income of +€13.0 million, (compared to +€10,1 million at 30 June 2023 and +€72.8 million at 31 December 2023) mainly related to +€9.2 million in changes in the value of interest rate hedging instruments.

5.3 Corporate income tax

Analysis of tax expense

Tax expense is analysed as follows:

(€ millions)	30/06/2024	31/12/2023	30/06/2023
Tax due	**(2.3)**	**0.1**	**0.3**
Tax loss carry forwards and/or use of deferred losses	4.8	33.5	(0.3)
Valuation differences	0.4	4.6	0.4
Fair value of investment properties	1.6	(1.7)	(0.8)
Fair value of hedging instruments	(7.8)	1.0	1.5
Income by percentage of completion	(0.4)	32.4	19.9
Other timing differences	4.8	44.5	0.6
Deferred tax	**3.4**	**114.3**	**21.2**
Total tax income (expense)	**1.0**	**114.4**	**21.5**

Effective tax rate

(€ millions)	30/06/2024	31/12/2023	30/06/2023
Pre-tax profit of consolidated companies	**68.1**	**(554.2)**	**5.0**
Group tax savings (expense)	**1.0**	**114.4**	**21.5**
Effective tax rate	**1.52%**	**(20.64)%**	**426.75%**
Tax rate in France	25.83%	25.83%	25.83%
Theoretical tax charge	**(17.6)**	**143.1**	**(1.3)**
Difference between theoretical and effective tax charge	**18.6**	**(28.8)**	**22.8**
Differences related to entities' SIIC status	15.3	(36.1)	0.6
Differences related to treatment of losses	3.4	5.5	(1.0)
Other permanent differences and rate differences	(0.1)	1.9	23.2

Deferred tax assets and liabilities

(€ millions)	30/06/2024	31/12/2023
Tax loss carry forwards	76.1	71.3
Valuation differences	(30.2)	(30.6)
Fair value of investment properties	(23.5)	(25.0)
Fair value of financial instruments	(7.7)	0.2
Income by percentage of completion	(37.1)	(36.7)
Other timing differences	56.1	50.7
Net deferred tax on the balance sheet	**33.7**	**29.8**

As at 30 June 2024, the Group had unrecognised tax loss carry-forwards of €383.7 million (basis), as compared with €400.9 million for the year ending 31 December 2023.

Deferred taxes relating to valuation differences correspond primarily to the brands held by the Group.

Deferred taxes relating to the activation of tax losses mainly relate to losses recognised in the tax consolidation group Altareit and losses partially activated in the taxable sector of some retail REITs.

Deferred taxes are calculated (for French companies, which make up most of the Group's scope) at the rate of 25.83%, the rate set by the French Finance Act.

5.4 Earnings per share

Non-diluted net earnings per share (basic earnings per share) is the net income (Group share) compared to the weighted average number of shares in issue during the period, less the weighted average number of treasury shares.

To calculate the diluted net earnings per share, the weighted average number of shares in issue is adjusted to take into account the potentially dilutive effect of all equity instruments issued by the Company.

In 2024, as in 2023, the dilution arose only from the granting of rights to free shares in Altarea SCA to Group employees.

In accordance with IAS 33, the average number of 2023 shares has been adjusted over the periods presented in order to take into account the capital increases carried out in April 2024 to serve the free share plans. This fully dilutive issue is taken into account in the calculation of the denominator.

(€ millions)	30/06/2024	31/12/2023	30/06/2023
Numerator			
Net income, Group share	26.8	(472.9)	(17.8)
Denominator			
Weighted average number of shares before dilution	20,733,505	20,487,350	20,293,875
Effect of potentially dilutive shares			
Stock options	*0*	*0*	*0*
Rights to free share grants	*447,322*	*529,999*	*517,186*
Total potential dilutive effect	447,322	529,999	517,186
Weighted diluted average number of shares	21,180,827	21,017,349	20,811,061
NET INCOME, GROUP SHARE, UNDILUTED PER SHARE (€)	**1.29**	**(23.08)**	**(0.88)**
NET INCOME, GROUP SHARE, DILUTED PER SHARE (€)	**1.26**	**(22.50)**	**(0.85)**

NOTE 6 **LIABILITIES**

6.1 Equity

6.1.1 Share capital, share-based payments and treasury shares

CAPITAL

Altarea SCA share capital (in euros)

In number of shares and in €	Number of shares	Nominal	Share Capital
Number of shares outstanding at 31 December 2022	**20,375,804**	**15.28**	**311 350 463**
Share capital increase reserved for Mutual Funds	25,684	15.28	392,452
Share capital increase via the part-conversion of dividends into shares	335,334	15.28	5,123,904
Number of shares outstanding at 31 December 2023	**20,736,822**	**15.28**	**316,866,818**
Capital increase to pay for free share plans	64,670	15.28	988,158
Capital increase to pay for free share plans	2,525	15.28	38,582
Number of shares outstanding at 30 June 2024	**20,804,017**	**15.28**	**317,893,558**

Capital management

The aim of the Group's capital management is to ensure liquidity and optimise its capital structure.

SHARE-BASED PAYMENTS

The gross expense recognised on the income statement for share-based payments is €9,9 million at 30 June 2024, compared with €12.1 million at 30 June 2023.

No stock option plan is underway as at 30 June 2024.

Free share grants

Award date	Number of rights awarded	Vesting date	Rights in circulation as at 31/12/2023	Tasks and responsibilities	Deliveries	Amendments to rights (a)	Rights in circulation as at 30/06/2024
Share grant plans on Altarea shares							
30 April 2021	73,050 (b)	31 March 2024	35,858		(36,161)	303	–
4 June 2021	32,000 (b)	31 March 2025	32,000			95	32,095
4 June 2021	27,500 (b)	31 March 2025	8,250			1,486	9,736
4 June 2021	45,500 (b)	31 March 2025	12,150			36	12,186
4 June 2021	14,000 (b)	31 March 2025	12,750			36	12,786
4 June 2021	23,700 (b)	31 March 2025	5,910			14	5,924
4 June 2021	30,000 (b)	31 March 2025	14,250			195	14,445
1 September 2021	600	1 September 2024	600			1	601
1 March 2022	14,000	31 March 2025	3,975			(101)	3,874
31 March 2022	31,872	1 April 2024	31,002		(30,738)	(264)	–
31 March 2022	73,725 (b)	1 April 2024	38,933		(39,594)	661	–
30 April 2022	3,250 (b)	31 March 2025	975			3	978
30 April 2022	1,250 (b)	31 March 2025	1,250			3	1,253
25 July 2022	150	24 July 2024	150			–	150
12 September 2022	6,000 (b)	31 March 2027	6,000			18	6,018
12 September 2022	40,000 (b)	31 March 2029	40,000			124	40,124
1 October 2022	1,500 (b)	31 March 2025	450			1	451
5 January 2023	1,500 (b)	31 March 2029	1,500			4	1,504
31 March 2023	106,277	1 April 2024	105,089		(103,976)	(1,113)	–
31 March 2023	30,668	1 April 2025	30,404			(468)	29,936
31 March 2023	73,240 (b)	1 April 2025	54,206			(1,534)	52,672
30 April 2023	2,525	30 April 2024	2,525		(2,525)		–
30 April 2023	41,000 (b)	31 March 2028	41,000			(13,940)	27,060
30 April 2023	41,000 (b)	31 March 2033	41,000				41,000
1 September 2023	6600 (b)	30 June 2029 (c)	6,600				6,600
1 September 2023	250	1 September 2024	250				250
1 September 2023	250	1 September 2025	250				250
19 October 2023	2,230	19 October 2024	2 230				2 230
16 January 2024	500	16 January 2026		500			500
15 May 2024	26,034	15 May 2025		26,034			26,034
22 May 2024	169,150	31 July 2026		169,150			169,150
Total	**919,321**		**529,557**	**195,684**	**(212,994)**	**(14,440)**	**497,807**

(a) Rights cancelled for reasons of departure, transfer, lack of certainty that performance criteria have been met or changes in plan terms and capital increases.
(b) Plans subject to performance criteria.
(c) Allocated in four

Valuation parameters for new free share grants

	30/06/2024
Dividend rate	8.0%
Risk-free interest rate	2.7% to 3.5%

TREASURY SHARES

The acquisition cost of treasury shares was €0.8 million at 30 June 2024 for 8,756 shares (fully allocated to a liquidity contract), compared with €14.9 million at 31 December 2023 for 137,729 shares (including 131,197 shares intended for allotment to employees under free share grant or stock option plans and 6,532 shares allocated to a liquidity contract). Treasury shares are eliminated and offset directly in equity.

In addition, a net loss on disposal and/or free share grants of treasury shares to Company employees was recognised directly in equity in the amount of €-14.9 million before tax at 30 June 2024 (€-11.3 million after tax) compared with €- 20.2 million at 30 June 2023 (€-15.3 million after tax).

The negative impact on cash flow from purchases and disposals over the period comes to €-0.9 million at 30 June 2024 compared with €-5.5 million at 31 December 2023.

6.1.2 Dividends proposed and paid

Dividends paid

(€ millions)	30/06/2024	31/12/2023
Paid in current year in respect of previous year:		
Dividend per share (€)	*8.00*	*10.00*
Payment to shareholders of the Altarea Group	166.4	203.0
Proportional payment to the general partner (1.5%)	2.5	3.0
Total	**168.9**	**206.0**
Offer to convert dividends into shares:		
Subscription price (€)		*95.81*
Total amount of conversion into shares	**–**	**32.1**
Rate of conversion of dividends into shares on the possible option	*0.00%*	*31.66%*

The payment of a dividend of €8.0 per share was approved at the Shareholders' Meeting of 5 June 2024, for the 2023 financial year.

A partial conversion option of the dividend into shares was also offered to shareholders. They had the choice between:

- a 100% payment in cash;

- a 75% payment in shares, and 25% in cash.

The results of the option period were approved on 4 July 2024, and constitute a post-closing event.

The dividend was paid to shareholders on 5 July, in cash and by the delivery of new shares that were created (creation of 1,080,657 shares) for an amount of €91.3 million.

6.2 Net financial debt and guarantees

Current and non-current borrowings and financial liabilities, and net cash

(€ millions)	31/12/2023	Cash flow	"Non-cash" change					30/06/2024
			Spreading of issue costs	Change in scope of consolidation	Present value adjustment	Change in method	Reclassification	
Bond issues (excluding accrued interest)	1,383.4	0.5	0.6	–	–	–	–	1,384.5
Short- and medium-term negotiable securities	92.2	(92.2)	–	–	–	–	–	–
Bank borrowings, excluding accrued interest and overdrafts	808.4	100.7	2.9	–	0.0	–	–	912.0
Net bond and bank debt, excluding accrued interest and overdrafts	**2,284.0**	**9.0**	**3.4**	**–**	**0.0**	**–**	**–**	**2,296.5**
Accrued interest on bond and bank borrowings	28.5	1.6	–	(0.0)	–	–	–	30.1
Bond and bank debt, excluding overdrafts	**2,312.5**	**10.6**	**3.4**	**(0.0)**	**0.0**	**–**	**–**	**2,326.6**
Cash and cash equivalents	(713.1)	181.7	–	–	–	–	–	(531.4)
Bank overdrafts	47.7	6.0	–	–	–	–	–	53.7
Net cash	**(665.4)**	**187.7**	**–**	**–**	**–**	**–**	**–**	**(477.7)**
Net bond and bank debt	**1,647.1**	**198.3**	**3.4**	**(0.0)**	**0.0**	**–**	**–**	**1,848.9**
Equity loans and Group and partners' advances (*)	168.0	42.1	–	2.3	–	(0.4)	(0.0)	211.9
Accrued interest on shareholders' advances	1.1	(0.0)	–	(0.0)	–	(0.0)	(0.0)	1.1
Lease liabilities	145.9	(11.1)	–	(0.0)	–	–	9.5	144.3
Contractual fees on investment properties	217.3	0.5	–	–	–	–	0.0	217.8
Net financial debt	**2,179.4**	**229.9**	**3.4**	**2.2**	**0.0**	**(0.4)**	**9.5**	**2,424.0**

(*) of which allocation of income to related current accounts for €48.3 million

6.2.1 Net financial bond and bank debt

Group net financial bond and bank debt amounts to €1,848.9 million at 30 June 2024, compared with €1,647.1 million at 31 December 2023.

During the half-year, the Group has:

- reduced the outstanding amount of its issues of medium- and short-term negotiable securities at zero (i.e. €- 92.2 million). The Group retains its two NEU CP programmes[37] (maturity less than or equal to 1 year) and its two NEU MTN programmes[38] (maturity greater than 1 year);
- set up a seven-year €90 million mortgage loan on one of these assets.

At 30 June 2024, no revolving loan had been drawn down.

Borrowing costs are analysed in the note on earnings.

Net cash

Net cash amounted to €477.7 million, including cash equivalents (mainly term accounts – for €70,4 million) which are recorded at their fair value at each reporting date.

Breakdown of bank and bond debt by maturity

(€ millions)	30/06/2024	31/12/2023
< 3 months	338.9	144.7
3 to 6 months	10.7	74.8
6 to 9 months	12.2	263.3
9 to 12 months	37.8	22.1
At less than 1 year	**399.6**	**505.0**
At 2 years	402.9	418.8
At 3 years	61.0	113.4
At 4 years	530.4	60.0
At 5 years	436.0	855.0
1 to 5 years	**1,430.4**	**1,447.1**
More than 5 years	**564.7**	**422.6**
Issuance cost to be amortised	(14.4)	(14.5)
Total gross bond and bank debt	**2,380.2**	**2,360.2**

The portion at less than three months corresponds mainly to a bond issue for €255 million (nominal) which was redeemed on 5 July 2024. The increase in the portion at more than five years is mainly related to the new mortgage loan.

Schedule of future interest expenses

(€ millions)	30/06/2024	31/12/2023
< 3 months	2.0	2.3
3 to 6 months	(10.1)	(9.6)
6 to 9 months	4.7	8.3
9 to 12 months	(8.2)	(2.9)
At less than 1 year	**(11.5)**	**(1.8)**
At 2 years	27.6	24.4
At 3 years	28.8	18.0
At 4 years	32.0	22.1
At 5 years	14.6	18.1
1 to 5 years	**103.0**	**82.6**

(37) NEU CP (Negotiable European Commercial Paper).

(38) NEU MTN (Negotiable European Medium Term Note).

These future interest expenses concern borrowings and financial instruments and are presented exclusive of accrued interest not payable.

Breakdown of bank and bond debt by guarantee

(€ millions)	30/06/2024	31/12/2023
Mortgages	561.3	475.0
Mortgage commitments	88.7	82.8
Moneylender lien	–	3.3
Altarea SCA security deposit	225.0	223.0
Not guaranteed	1,519.7	1,590.6
Total	**2,394.7**	**2,374.7**
Issuance cost to be amortised	(14.4)	(14.5)
Total gross bond and bank debt	**2,380.2**	**2,360.2**

Mortgages are given as collateral for the financing or refinancing of investment properties. Mortgage commitments and the lender's lien mainly concern Property Development activities.

Breakdown of bank and bond debt by interest rate

	Gross bond and bank debt		
(€ millions)	Variable rate	Fixed rate	Total
At 30 June 2024	972.1	1,408.1	2,380.2
At 31 December 2023	954.6	1,405.6	2,360.2

The market value of fixed-rate debt stands at €1,312.5 million at 30 June 2024, compared with €1,233.7 million at 31 December 2023.

6.2.2 Lease liabilities

Lease liabilities are debts mainly relating to real estate leases and vehicle leases (respectively for the premises occupied and the vehicles used by Group employees).
The sum of these liabilities totals €144.3 million at 30 June 2024, compared with €145.9 million at 31 December 2023. They are to be seen in light of the right-of-use assets on tangible and intangible assets.

6.2.3 Contractual fees on Investment properties

Contractual fees on investment properties, which are economically different in nature from rental obligations, concern debts relating to temporary occupancy authorisations and construction leases on retail assets (mainly stations).
The value of these fees amounts to €217.8 million at 30 June 2024, compared to €217.3 million at 31 December 2023, with regard to the rights-of-use relating to investment properties (income-generating assets).

6.2.4 Breakdown by due date for lease liabilities and contractual fees on investment properties

(€ millions)	30/06/2024	31/12/2023
< 3 months	8.0	10.0
3 to 6 months	6.1	4.5
6 to 9 months	5.7	4.6
9 to 12 months	5.6	4.9
At less than 1 year	**25.3**	**24.0**
At 2 years	12.3	12.4
At 3 years	18.2	16.8
At 4 years	18.0	17.0
At 5 years	18.4	17.0
1 to 5 years	**67.0**	**63.1**
More than 5 years	**269.8**	**276.1**
Total lease liabilities and contractual fees on investment properties	**362.2**	**363.2**

6.2.5 Elements of net debt set out in the cash flow table (CFT)

(€ millions)	Cash flow
Issuance of borrowings and other financial liabilities	249.3
Repayment of borrowings and other financial liabilities	(246.5)
Change in borrowing and other financial liabilities	**2.8**
Repayment of lease liabilities	(10.5)
Change in cash balance	(187.7)
Total change in net financial debt (CFT)	**(195.5)**
Net bond and bank debt, excluding accrued interest and overdrafts	9.0
Net cash	(187.7)
Equity loans and Group and partners' advances	42.1
Lease liabilities	(11.1)
Contractual fees on investment properties	0.5
Allocation of income to shareholder current accounts	(48.3)
Total change in net financial debt	**(195.5)**

6.3 Provisions

(€ millions)	30/06/2024	31/12/2023
Provision for benefits payable at retirement	13.1	14.3
Other provisions	44.3	54.4
Total provisions	**57.4**	**68.7**

The provision for post-employment benefits was valued by an external actuary. The valuation and accounting principles are detailed in the Company's accounting principles and methods. The main assumptions used to assess the commitment are the staff turnover rate, the discount rate and the salary increase rate: a variation of +/- 0.25% of these last two criteria would not result in no significant impact.

Other provisions primarily cover:

- repayment risk on rental guarantees granted upon the disposal (in part or in whole) of non-current assets;
- the risk of disputes arising from construction operations;
- the risk of the failure of certain co-developer;
- as well as estimates of residual risks involving completed programmes (litigation, ten-year guarantee, definitive general statement, etc.).

NOTE 7 ASSETS AND IMPAIRMENT TESTS

7.1 Investment properties

(€ millions)	Investment properties measured at fair value	Investment properties measured at cost	Investment properties right-of-use	Assets held for sale	Total Investment properties
As of 31 December 2023	**3,617.2**	**114.7**	**216.7**	**0.8**	**3,949.3**
Subsequent investments and expenditures	11.5	6.0	–	–	17.5
Change in spread of incentives to buyers	(2.7)	–	–	–	(2.7)
Disposals/repayment of down payments made	–	–	–	(0.8)	(0.8)
Net impairment/project discontinuation	–	0.1	–	–	0.1
Transfers to assets held for sale or to or from other categories	–	(2.5)	0.0	0.1	(2.4)
New right-of-use assets and indexation	–	–	–	–	–
Change in fair value	(15.5)	–	0.5	–	(15.0)
Change in scope of consolidation	–	–	–	–	–
At 30 June 2024	**3,610.5**	**118.3**	**217.2**	**0.0**	**3,946.0**

At 30 June 2024, no interest expenses had been capitalised for projects under development and construction.

Investment properties at fair value

The main movements concerned changes in the value of shopping centres in operation.

In a general context of decreasing real estate values, assets were virtually stable with a slight decompression of real estate exit rates (capitalisation rates).

Investment properties valued at cost

The assets under development and under construction recognised at cost mainly concern the development and redevelopment projects of shopping centres in France.

There were no major events during the financial year.

Rights of use on Investment properties

The right-of-use assets on investment properties correspond to the valuation under IFRS 16 of the temporary occupancy authorisation contracts for investment properties. They meet the definition of investment properties and are measured using the fair value model. Subsequently, they are valued at the amount equal to the debt presented on the line of the balance-sheet “Contractual fees on investment properties”.

Value Measurement – IFRS 13

In accordance with IFRS 13 – “Fair Value Measurement” and the EPRA’s recommendation on IFRS 13, “EPRA Position Paper on IFRS 13 – *Fair Value Measurement and Illustrative Disclosures*, February 2013”, the Group chose to present additional parameters used to determine the fair value of its property portfolio.

The Group considered that classifying its assets in level 3 was most appropriate. This treatment reflects the primarily unobservable nature of the data used in the assessments, such as rents from rental statements, capitalisation rates and average annual growth rate of rents. The tables below thus present a number of quantitative parameters used to determine the fair value of the property portfolio. These parameters apply only to shopping centres controlled exclusively by the Group (and therefore do not include assets accounted for under the equity method) and which are measured at fair value by the expert appraisers.

		Initial capitalisation rate	Rent in € per m²	Discount rate	Capitalisation rate at exit	AAGR of net rental income
		a	b	c	d	e
France	Maximum	10.0%	1,458	8.0%	6.5%	5.3%
	Minimum	4.6%	67	5.0%	4.2%	1.9%
	Weighted average	**5.8%**	**408**	**7.1%**	**5.8%**	**3.0%**

a - The initial capitalisation rate is the net rental income relative to the appraisal value excluding transfer duties.
b - Annual average rent (minimum guaranteed rent plus variable rent) per asset and m².
c - Rate used to discount the future cash flows.
d - Rate used to capitalise the revenue in the exit year in order to calculate the asset's exit value.
e - Average Annual Growth Rate of net rental income.

Based on a Group weighted average capitalisation rate, a +0.25% increase in capitalisation rates would lead to a reduction of €-106.4 million in the value of investment properties (-3.60%), while a -0.25% decrease in capitalisation rates would increase the value of investment properties by €116.4 million (+3.95%).

Breakdown of the portfolio measured at fair value by asset type

(€ millions)	30/06/2024	31/12/2023
Regional shopping centres	2,362.8	2,362.1
Travel retail	500.7	505.1
Retail parks	697.2	697.7
Others	49.9	52.3
TOTAL	**3,610.5**	**3,617.2**

Investment working capital requirement

(€ millions)	Receivables on fixed assets	Amounts due on non-current assets	Investment WCR
As of 31 December 2023	**2.9**	**(100.3)**	**(97.5)**
Variations	(0.4)	13.7	13.3
Present value adjustment	–	–	–
Transfers	–	(0.1)	(0.1)
Change in scope of consolidation	–	0.0	0.0
At 30 June 2024	**2.5**	**(86.8)**	**(84.3)**
Change in WCR at 30 June 2024	**(0.4)**	**13.7**	**13.3**

Net acquisitions of assets and capitalised expenditures

(€ millions)	30/06/2024	31/12/2023	30/06/2023
Type of non-current assets acquired:			
Intangible assets	(1.3)	(5.0)	(2.1)
Property, plant and equipment	(0.8)	(8.0)	(6.4)
Investment properties	(25.9)	(25.2)	(12.5)
Total	**(28.0)**	**(38.2)**	**(20.9)**

7.2 Goodwill and other intangible assets

(€ millions)	Gross values	Amortisation and/or impairment	30/06/2024	31/12/2023
Goodwill	**476.9**	**(241.1)**	**235.8**	**235.8**
Brands	**127.0**	**(12.0)**	**115.0**	**115.0**
Customer relationships	**203.9**	**(201.9)**	**1.9**	**3.6**
Software applications, patents and similar rights	75.7	(63.2)	12.4	14.7
Leasehold right	0.3	(0.0)	0.3	0.3
Others	0.2	(0.1)	0.1	0.1
Other intangible assets	**76.2**	**(63.3)**	**12.9**	**15.1**
TOTAL	**884.0**	**(518.4)**	**365.5**	**369.5**

(€ millions)	30/06/2024	31/12/2023
Net values at beginning of the period	**369.5**	**344.3**
Acquisitions of intangible assets	1.3	5.0
Disposals and write-offs	–	(0.0)
Changes in scope of consolidation and other	–	46.0
Net allowances for depreciation	(5.2)	(25.8)
Net values at the end of the period	**365.5**	**369.5**

Goodwill generated by the Property Development business

Goodwill relates to the various acquisitions made by the Group.

The economic crisis affecting the real estate sector continues but did not reveal a more complex situation for the Group over the half-year.

The business plan determined as of 31 December 2023 takes into account a sharp cycle change linked to the ongoing real estate crisis (demand crisis coupled with inflation in construction costs).

The Group is in the adjustment phase and is undergoing a profound transformation of its industrial model (offer and model) and is working to source and structure new generation.

The situation at 30 June was in line with the BP used to establish the valuation of the various CGUs at 31 December 2023. In this context, the Group has updated its impairment tests. This update did not result in the recognition of impairment at 30 June 2024.

Brands

The Group owns several brands measured at a total value of €115.0 million.

The performance of the brands in the first half of the year is still in line with the Group's projections. In this context, the Group updated its tests and no impairment needed to be recognised at 30 June 2024.

7.3 Right-of-use on tangible and intangible fixed assets

(€ millions)	Land and Constructions	Vehicles	Others	Gross rights of use	Amortisation on Land and Constructions	Amortisation Vehicles	Amortisation Others	Amortisation	Net rights of use
As of 31 December 2023	**171.5**	**6.7**	**0.0**	**178.1**	**(54.4)**	**(3.1)**	**(0.0)**	**(57.5)**	**120.6**
New contracts/Increases	8.1	1.4	–	9.5	(8.5)	(1.1)	(0.0)	(9.5)	(0.1)
Contract terminations/Reversals	(3.0)	(0.9)	(0.0)	(3.9)	2.2	0.7	0.0	2.9	(1.0)
At 30 June 2024	**176.5**	**7.2**	**(0.0)**	**183.7**	**(60.6)**	**(3.5)**	**–**	**(64.2)**	**119.5**

The assets recognised in respect of right-of-use property leases mainly concern the leases of premises occupied by the Group's employees, and vehicle leases.

These assets are initially measured at cost with a corresponding lease liability (see Note 6.2). They are amortised on a straight-line basis over the reasonably certain lease term.

The lease term used for each contract corresponds to the reasonably certain lease term, i.e. the non-cancellable period adjusted for early termination options that the Group is reasonably certain not to exercise and extension options the Group is reasonably certain to exercise.

The changes are related to the signing of new property leases and/or the revision of contracts such as:

- changes to the rental contract,
- increase or decrease in the lease term or the amount of rents indexed to an index or rate.

7.4 Operational working capital requirement (WCR)

Summary of components of operational working capital requirement

(€ millions)	30/06/2024	31/12/2023	Flows		
			Created by the business	Changes in consolidation scope and transfer	Change in consolidation method
Net inventories and work in progress	**1,217.0**	**1,140.6**	**74.7**	**1.7**	**–**
Contract assets	**459.1**	**536.0**	**(76.9)**	**–**	**–**
Net trade receivables	329.9	326.5	3.1	0.3	–
Other operating receivables net	621.1	600.8	19.8	0.5	0.0
Trade and other receivables net	**951.0**	**927.4**	**22.9**	**0.8**	**0.0**
Contract liabilities	**(140.7)**	**(257.0)**	**116.3**	**–**	**–**
Trade payables	(1,098.9)	(1,121.4)	23.3	(0.8)	–
Other operating payables	(546.2)	(592.9)	47.8	(1.0)	0.0
Trade payables and other operating liabilities	**(1,645.1)**	**(1,714.4)**	**71.1**	**(1.8)**	**0.0**
Operational WCR	**841.4**	**632.6**	**208.1**	**0.7**	**0.0**

The Group's operational working capital requirement (excluding receivables and payables on the sale or acquisition of fixed assets) is essentially linked to the Property Development business.

Changes in consolidation scope and transfers are mainly related to movements within the Retail business (transfers of assets from investment properties to inventories made following changes in the nature of projects) and changes in scope within the Property Development business.

7.4.1 Inventories and pipeline products

(€ millions)	Gross inventories	Impairment	Net inventories
As of 31 December 2023	**1,260.2**	**(119.6)**	**1,140.6**
Change	70.1	0.4	70.5
Increases	–	(3.9)	(3.9)
Reversals	–	8.1	8.1
Transfers to or from other categories	2.8	(0.4)	2.4
Change in scope of consolidation	(1.7)	1.0	(0.7)
At 30 June 2024	**1,331.3**	**(114.3)**	**1,217.0**

The change in inventories is mainly due to changes in the Group's Property Development business.

Changes in consolidation scope and transfers are mainly related to movements within the Retail business (transfers of assets from investment properties to inventories made following changes in the nature of projects) and changes in scope within the Property Development business.

7.4.2 Trade and other receivables

(€ millions)	30/06/2024	31/12/2023
Gross trade receivables	**381.4**	**374.9**
Opening impairment	**(48.4)**	**(43.0)**
Increases	(9.6)	(17.5)
Change in scope of consolidation	–	(0.0)
Reclassification	0.1	0.2
Reversals	6.5	11.9
Closing impairment	**(51.5)**	**(48.4)**
Net trade receivables	**329.9**	**326.5**
Advances and down payments paid	74.4	49.4
VAT receivables	388.5	390.2
Sundry debtors	56.9	48.4
Prepaid expenses	60.7	68.6
Principal accounts in debit	50.3	55.1
Total other operating receivables gross	**630.7**	**611.7**
Opening impairment	**(10.8)**	**(1.6)**
Increases	(0.6)	(9.5)
Reversals	1.9	0.2
Closing impairment	**(9.6)**	**(10.8)**
Net operating receivables	**621.1**	**600.8**
Trade receivables and other operating receivables	**951.0**	**927.4**
Receivables on sale of assets	2.5	2.9
Trade and other receivables	**953.5**	**930.2**

Trade receivables

The Group carries out a case-by-case analysis to assess the credit risk of its tenants in centres in operation, and to write down, if necessary, the receivables of tenants where there is evidence that the Company will not be able to collect all amounts due.
Trade receivables related to the Property Development business result from the transformation of contract assets (into receivables) as funds are called from customers under the Group's unconditional right to receive cash.

Advances and down payments paid

Advances and down payments correspond primarily to compensation for loss of use paid by the Group to the sellers of land when preliminary sales agreements are signed (for those not covered by guarantees) as part of its Property development business. They are offset against the price to be paid on completion of the purchase.

Principal accounts in debit

As part of its property management business and real estate transactions, the Group presents the cash balance it manages for third parties on its balance sheet.

7.4.3 Trade and other payables

(€ millions)	30/06/2024	31/12/2023
Trade payables and related accounts	**1,098.9**	**1,121.4**
Advances and down payments received from clients	13.2	10.9
VAT collected	260.2	284.1
Other tax and social security payables	59.9	53.0
Prepaid income	18.5	27.3
Other payables	144.4	163.6
Principal accounts in credit	50.0	54.0
Other operating payables	**546.2**	**592.9**
Amounts due on non-current assets	86.8	100.3
Trade and other payables	**1,731.9**	**1,814.7**

Payables on acquisition of assets

Payables on acquisition of assets correspond mainly to debts to suppliers for shopping centres just completed or under development.

NOTE 8 FINANCIAL RISK MANAGEMENT

In the context of its operational and financial activities, the Group is exposed to the following risks as part of its operational and financing activities: interest rate risk, liquidity risk, counterparty risk and currency risk.

As the Group does not carry out any transactions in foreign currencies, it is not subject to currency risk.

8.1 Carrying amount of financial instruments by category

At 30 June 2024

			Financial assets and liabilities carried at amortised cost		Financial assets and liabilities carried at fair value				
(€ millions)	Total carrying amount	Non-financial assets	Loans Receivables	Liabilities at amortised cost	Equity instruments	Assets and liabilities at fair value through profit and loss	*Level [(a)]*	*Level 2[(b)]*	*Level 3[(c)]*
NON-CURRENT ASSETS	**388.0**	**78.5**	**288.4**	**–**	**0.6**	**20.4**	**–**	**20.4**	**–**
Securities and investments in equity affiliates	350.8	78.5	272.3	–	–	–	–	–	–
Non-current financial assets	37.2	–	16.1	–	0.6	20.4	–	20.4	–
CURRENT ASSETS	**1,625.0**	**–**	**1,440.3**	**–**	**–**	**184.7**	**–**	**184.7**	**–**
Trade and other receivables	953.5	–	953.5	–	–	–	–	–	–
Current financial assets	25.9	–	25.9	–	–	–	–	–	–
Derivative financial instruments	114.3	–	–	–	–	114.3	–	114.3	–
Cash and cash equivalents	531.4	–	460.9	–	–	70.4	–	70.4	–
NON-CURRENT LIABILITIES	**2,448.8**	**–**	**–**	**2,448.8**	**–**	**–**	**–**	**–**	**–**
Borrowings and financial liabilities	2,399.1	–	–	2,399.1	–	–	–	–	–
Deposits and security interests received	49.7	–	–	49.7	–	–	–	–	–
CURRENT LIABILITIES	**2,483.9**	**–**	**–**	**2,483.3**	**–**	**0.6**	**–**	**0.6**	**–**
Borrowings and financial liabilities	556.3	–	–	556.3	–	–	–	–	–
Derivative financial instruments	0.6	–	–	–	–	0.6	–	0.6	–
Trade and other payables	1,731.9	–	–	1,731.9	–	–	–	–	–
Amounts due to Altarea SCA shareholders and minority shareholders of subsidiaries	195.0	–	–	195.0	–	–	–	–	–

(a) Financial instruments listed on an active market.
(b) Financial instruments whose fair value is determined using valuation techniques based on observable market inputs.
(c) Financial instruments whose fair value (in whole or in part) is based on non-observable inputs.

Equity instruments mainly comprise equity securities of non-consolidated companies. At each acquisition, an analysis is carried out to determine the Group's management intention, and therefore its accounting method (change in value through income or by OCI).
Cash and cash equivalents breakdown between cash presented under receivables and marketable securities presented as financial assets within Level 1 of the fair value hierarchy.

8.2 Interest rate risk

The Group is exposed to market risk, particularly with regard to interest rate risk. The Group uses a number of financial instruments to cope with this risk.

The Group holds a portfolio of swaps and caps designed to hedge against interest rate risk on its financial debts.

At 30 June, the Group had a significant interest-rate hedging position. This situation is the result of the Group's global risk management policy.

The objective is to reduce, where it seems appropriate, fluctuations in cash flows linked to changes in interest rates.

Derivative instruments are measured and recognised at fair value in the balance sheet based on external valuations. Changes in the fair value of derivative instruments are always recognised in income. The Group has not opted for hedge accounting.

The Group mainly uses credit markets.

Position in derivative financial instruments

(€ millions)	30/06/2024	31/12/2023
Interest-rate swaps	89.3	81.5
Interest-rate caps	18.4	17.0
Accrued interest not yet due	6.0	2.5
Premiums and balances remaining to be paid	–	(31.3)
Total	**113.7**	**69.7**

Derivatives are valued by discounting future cash flows estimated according to interest rate curves at 30 June 2024.

Maturity schedule of derivative financial instruments (notional amounts)

At 30 June 2024

(€ millions)	30/06/2024	30/06/2025	30/06/2026	30/06/2027	30/06/2028	30/06/2029
ALTAREA – pay fixed – swap	1,515.0	1,865.0	1,590.0	1,590.0	865.0	865.0
ALTAREA – pay floating rate – swap	–	–	–	–	–	–
ALTAREA paying a fixed rate – swaption	–	75.0	75.0	75.0	75.0	75.0
ALTAREA – cap	262.5	262.5	262.5	262.5	–	–
Total	**1,777.5**	**2,202.5**	**1,927.5**	**1,927.5**	**940.0**	**940.0**
Average hedge ratio	0.46%	0.73%	0.80%	0.80%	1.60%	1.60%

Management position

At 30 June 2024

(€ millions)	30/06/2024	30/06/2025	30/06/2026	30/06/2027	30/06/2028	30/06/2029
Fixed-rate bond and bank loans	(1,408.1)	(1,130.7)	(795.5)	(745.3)	(295.3)	(295.3)
Floating-rate bank loans	(972.1)	(850.0)	(782.3)	(771.4)	(691.0)	(255.0)
Cash and cash equivalents (assets)	531.4	–	–	–	–	–
Net position before hedging	**(1,848.9)**	**(1,980.7)**	**(1,577.8)**	**(1,516.7)**	**(986.3)**	**(550.3)**
Swap	1,515.0	1,865.0	1,590.0	1,590.0	865.0	865.0
Swaption	–	75.0	75.0	75.0	75.0	75.0
Cap	262.5	262.5	262.5	262.5	–	–
Total derivative financial instruments	**1,777.5**	**2,202.5**	**1,927.5**	**1,927.5**	**940.0**	**940.0**
Net position after hedging	**(71.4)**	**221.8**	**349.7**	**410.8**	**(46.3)**	**389.7**

Analysis of interest-rate sensitivity:

The following table shows the interest-rate sensitivity (including the effect of hedging instruments) of the entire portfolio of floating-rate borrowings from credit establishments and derivative instruments.

	Increase/decrease in interest rates	Impact of the gain (-) or loss (+) on pre-tax	Impact on the value of the portfolio of the financial instruments
30/06/2024	+50 bps -50 bps	€+2.5 million €-2.5 million	€+39.8 million €-40.9 million
31/12/2023	+50 bps -50 bps	€+0.9 million €-0.2 million	€+31.7 million €-32.6 million

8.3 Liquidity risk

CASH

The Group maintained significant access to liquidity, accompanied by good conditions.

The Group had a positive cash position of €531.4 million at 30 June 2024, compared to €713.1 million at 31 December 2023. This represents its main tool for managing liquidity risk (see Note 6.2.1 “Net financial bond and bank debt”).

Since 2023, an automated Group cash-pooling scheme has been in place for almost the entire consolidation scope (including partner companies). Thus, almost all of the cash on the balance sheet is available for the Group’s operations.

At 30 June 2024, the Group can also draw down an additional €1,286 million (in the form of unused confirmed corporate credit lines not allocated to development projects or operations), to use without restriction.

FINANCIAL COVENANTS AND RATIOS

The Group is also required to comply with a certain number of financial covenants that contribute to the monitoring and management of the Group’s financial risks.

The covenants with which the Group must comply concern the corporate bank loans and listed bonds and certain mortgage bank loans, for €1,439 million.

The bond issue subscribed for by Altareit SCA (€334.5 million) is subject to leverage covenants.

They are listed below:

	Altarea Group covenants	30/06/2024	Consolidated Altareit covenants	30/06/2024
Loan To Value (LTV)				
Net bond and bank financial debt/re-assessed value of the Company’s assets	< 60%	31.3%		
Interest Cover Ratio (ICR)				
Operating income (FFO column or cash flow from operations)/Company’s net borrowing costs (FFO column)	> 2	24.2		
Leverage				
Gearing: Net financial debt/Equity			≤ 3.25	0.4
ICR: EBITDA/Net interest expenses			≥ 2	20.2

At 30 June 2024, the Company is meeting all its covenants.

COUNTERPARTY RISK

In the course of its business, the Group is exposed to two main categories of counterparty: financial institutions and tenants.

With regard to financial institutions, credit and/or counterparty risks relate to cash and cash equivalents, derivatives arranged to hedge interest rate risk, and the banking institutions with which these products are arranged.

To limit this risk, the Group only arranges hedging with leading financial institutions. The selected vehicles have a very limited risk profile and are monitored.

With regard to tenants, the Group believes it has no significant exposure to credit risk due to its diversified portfolio of tenants. In the Retail business, tenants also provide financial guarantees, mainly in the form of security deposits, on signing lease agreements.

NOTE 9 RELATED PARTY TRANSACTIONS

Ownership structure of Altarea SCA

As a percentage	30/06/2024		31/12/2023	
	% share capital and theoretical voting rights	% actual voting rights	% share capital and theoretical voting rights	% actual voting rights
Extended concert[(a)]	45.44	45.46	45.51	45.82
Crédit Agricole Assurances group	24.03	24.04	24.11	24.27
APG (ABP)	6.63	6.63	6.65	6.69
Opus Investment BV[(b)]	1.58	1.58	1.59	1.60
Treasury Shares	0.04	–	0.66	–
FCPE	1.15	1.15	1.20	1.21
Public	21.13	21.14	20.28	20.42
Total	**100.00**	**100.00**	**100.00**	**100.00**

(a) The controlling group of Alain Taravella (comprising the companies he controls and the members of his family), Jacques Nicolet (including the company he controls) and Jacques Ehrmann, acting in concert.

(b) Directed and controlled by Christian de Gournay, and the shares held by him.

Related party transactions

The Group's main related parties are the companies controlled by Alain Taravella, founding Chairman of the Group, and his family, which hold stakes in Altarea: AltaGroupe, AltaPatrimoine and Altager.

The Company is managed by Altafi 2, the sole General Partner, whose Chairman is Mr Alain Taravella, and the Chief Executive Officers are Mr Jacques Ehrmann, Mr Matthieu Taravella and Mr Gautier Taravella. The share capital of Altafi 2 is wholly owned by AltaGroupe.

Transactions with these related parties mainly relate to services rendered by the aforementioned Management and to a lesser extent, services and rebillings by the Company to AltaGroupe and its subsidiaries.

Coordinating services provided to the Company

In order to formalise the services habitually provided to Altarea by AltaGroupe, the coordinating holding Company, and to spell out the services provided by the latter, a coordination agreement was signed in 2017, in which the previously applied conditions were unchanged. A new coordination agreement, which replaces the previous one, was signed in 2022 between AltaGroupe, on the one hand, and Altarea, inter alii, *on* the other.

Assistance services and rebilling by the Company and its subsidiaries

Assistance services and rebilling of rents and other items are recognised as a deduction from other company overhead costs in the amount of €0,2 million. Services invoiced to related parties by the Altarea Group are invoiced on an arm's length basis.

Assets and liabilities toward related parties

	Altafi 2 SAS		
(€ millions)	30/06/2024	31/12/2023	30/06/2023
Trade and other receivables	0.1	0.2	0.2
TOTAL ASSETS	**0.1**	**0.2**	**0.2**
Trade and other payables[(a)]	0.0	0.6	0.4
TOTAL LIABILITIES	**0.0**	**0.6**	**0.4**

(a) Corresponds to Management's variable compensation.

In addition, management fee agreements have been put in place to remunerate the services provided by Altarea, Altareit and Altarea Management for the benefit of Group companies. The remuneration of these management fees has been defined by mutual agreement according to the cost of the services provided and is in line with the market price.

Compensations of the Management

Management compensation is received entirely by Altafi 2 in the form of fees[(39)].

No share-based compensation or other short-term or long-term or other forms of compensation were paid by Altarea or its subsidiaries to the Management.

The fixed compensation of the Management in respect of Altarea and Altareit is €0.6 million excluding tax for the half-year, as no annual variable compensation is liable to be due to the Management by Altarea or Altareit for the half-year, taking into account the ab initio waiver by the Management of one-third of its annual fixed compensation and all annual variable compensation.

(39) Mr Alain Taravella did not receive any compensation from Altarea or its subsidiaries during the past financial year or the current financial year. He receives compensation from a holding company that holds a stake in Altarea and that he controls with his family.

Compensation of the Group's senior executives

(€ millions)	30/06/2024	31/12/2023	30/06/2023
Gross wages[(a)]	2.2	4.2	2.5
Social security contributions	0.9	1.8	1.0
Share-based payments[(b)]	5.2	8.5	3.9
Number of shares delivered during the period	*41,066*	*22,391*	*22,391*
Post-employment benefits[(c)]	0.0	0.0	0.0
Other short - or long-term benefits or compensation[(d)]	0.0	0.0	0.0
Termination indemnities[(e)]	–	–	–
Employer contribution on free shares delivered	0.5	0.5	0.5
Post-employment benefit commitment	0.7	0.8	0.7

(a) Fixed and variable compensation.

(b) Charge calculated in accordance with IFRS 2.

(c) Pension service cost according to IAS 19, life insurance and medical care.

(d) Benefits in kind, directors' fees and other compensation vested but payable in the future (short- or long-term).

(e) Post-employment benefits, including social security costs.

In number of rights on equity in circulation	30/06/2024	31/12/2023	30/06/2023
Rights to Altarea SCA's free shares grants	175,315	153,406	153,406

The information presented relates to the compensation and benefits granted (i) to executive corporate officers for offices held in subsidiaries and (ii) to the Group's main salaried executives.

NOTE 10 GROUP COMMITMENTS AND CONTINGENT LIABILITIES

10.1 Off-balance sheet commitments

The main commitments given by the Group are mortgages and mortgage commitments made to secure loans or lines of credit from credit establishments.

Pledges of securities and undertakings not to sell or assign ownership units are also made by the Company to secure certain loans.

These commitments appear in Note 6.2 “Net financial debt and guarantees”.

In addition, the Company has received commitments from banks for unused credit lines, which are described in Note 8.3 “Liquidity risk”.

All other material commitments are set out below:

(€ millions)	31/12/2023	30/06/2024	Less than 1 year	From one to five years	More than five years
Commitments received					
Commitments received relating to financing (excl. borrowings)	**–**	**–**	**–**	**–**	**–**
Commitments received relating to Company acquisitions	**11.5**	**10.5**	**2.0**	**8.5**	**–**
Commitments received relating to operating activities	**129.2**	**140.6**	**120.2**	**6.4**	**14.0**
Security deposits received in the context of the Hoguet Act (France)	101.3	113.9	113.9	–	–
Security deposits received from tenants	25.1	23.9	5.1	6.4	12.5
Payment guarantees received from customers	1.5	1.5	–	–	1.5
Other commitments received relating to operating activities	1.3	1.3	1.3	–	–
Total	**140.7**	**151.1**	**122.2**	**14.9**	**14.0**
Commitments given					
Commitments given relating to financing (excl. borrowings)	**11.0**	**11.0**	**5.0**	**6.0**	**–**
Commitments given relating to Company acquisitions	**38.5**	**38.5**	**35.3**	**3.2**	**–**
Commitments given relating to operating activities	**2,120.5**	**1,769.4**	**1,040.5**	**681.3**	**47.5**
Construction work completion guarantees (given)	1,805.5	1,520.7	931.4	589.3	–
Guarantees given on forward payments for assets	189.1	158.8	62.5	74.3	22.0
Guarantees for loss of use	81.0	40.3	26.4	13.4	0.5
Other sureties and guarantees granted	44.9	49.5	20.2	4.3	25.0
Total	**2,170.0**	**1,818.9**	**1,080.8**	**690.5**	**47.5**

Commitments received

COMMITMENTS RECEIVED RELATING TO ACQUISITIONS/DISPOSALS

As part of its acquisition of the developer Severini, the Group received a commitment from the sellers to guarantee it until 31 January 2025 against any damage or loss up to €2 million, incurred by the Group as a result of the business activities, with a cause or origin predating 31 March 2018.

As part of its acquisition of the developer XF, the Group received a liability guarantee from the sellers in the amount of €2.3 million expiring at the end of July 2025.

COMMITMENTS RECEIVED RELATING TO OPERATING ACTIVITIES

- **Security deposits**

Under France’s “Hoguet Act”, the Group holds security deposits received from specialist bodies in an amount of €113.9 million as a guarantee covering its real estate management and trading activities.

The Group also receives security deposits from its tenants to guarantee that they will pay their rent.

- **Payment guarantees received from customers**

The Group receives customer payment guarantees issued by financial institutions to guarantee sums payable by the customer. They mainly relate to Retail and Office property development projects.

- **Other commitments received**

In its Property Development business, the Group receives deposits on construction contracts from contractors to cover holdbacks (up to 5% of the amount of the contract – non-costed commitment).

Commitments given

COMMITMENTS GIVEN RELATING TO FINANCING ACTIVITIES

The Group makes representations and warranties or contingent consideration when disposing of shares in subsidiaries and affiliates. When the Group considers that it is probable that there will be a cash outlay under the terms of these guarantees, it sets aside allowances to provisions and their amount is reassessed at each closing date.

The main commitments concern:

- undertaking to subscribe for the capital of companies comprising the AltaFund investment fund in the amount of €3.5 million (firm commitment for identified projects);
- liability guarantees of €35 million given following the disposal of miscellaneous assets.

As part of the Crédit Agricole Assurances agreements, the Group has signed a certain number of legal undertakings that restrict the liquidity of its shareholding under certain conditions.

COMMITMENTS GIVEN RELATING TO OPERATING ACTIVITIES

- **Construction work completion guarantees**

Completion guarantees are given to customers as part of off-plan sales and are provided on behalf of Group companies by financial institutions, mutual guarantee organisations or insurance companies. They are reported in the amount of risk borne by the financial institution that issued the guarantee.

In return, Group companies give financial institutions a promise of mortgage security and an undertaking not to sell ownership units.

- **Guarantees on forward payments for assets**

These guarantees mainly cover purchases of land or buildings for the Property Development business.

- **Guarantees for loss of use**

As part of its Property Development activities, the Group signs preliminary sales agreements with landowners, the execution of which is subject to conditions precedent, including conditions relating to obtaining administrative authorisations. In return for their undertakings, landowners receive compensation for loss of use, which takes the form of an advance (carried on the asset side of the balance sheet) or a surety (an off-balance sheet commitment). The Group undertakes to pay the compensation for loss of use if it decides not to buy the land when the conditions precedent are met.

- **Other sureties and guarantees granted**

The other sureties and guarantees given mainly relate to the Group's involvement in AltaFund, its Business Property real estate investment fund, and guarantees given as part of its development activity.

Reciprocal commitments

Notably in the ordinary course of its Property Development business, the Group enters into reciprocal commitments to ensure the REIT control of future projects. The Group signs bilateral sales agreements with landowners: the owner undertakes to sell its land and the Group commits to buy it if all conditions precedent (administrative and/ or marketing) are met.

Other commitments

In the conduct of its proprietary shopping centre development business, Altarea has made commitments to invest in projects initiated and controlled by the Company.

Moreover, in the conduct of its Residential property development, the Group signs new orders (or preliminary sales agreements) with its customers, the execution of which depends on whether the customers meet the conditions precedent, particularly with respect to their ability to secure financing.

As part of its Property Development business, the Group has a future offering consisting of unilateral preliminary sales agreements.

The amount of these commitments is shown in the business review.

Minimum future rents to be received

The total of minimum future rents to be received under non-cancellable rental agreements over the period amounted to:

(€ millions)	30/06/2024	31/12/2023
Less than 1 year	275.1	200.0
Between one and five years	383.2	433.5
More than 5 years	170.7	186.6
Guaranteed minimum rent	**829.0**	**820.1**

Rents receivable relate mainly to shopping centres owned by the Group.

10.2 Contingent liabilities

The Group is not subject to any significant proposed adjustments as of 30 June 2024.

No other new litigation or governmental, legal, or arbitration proceedings that are likely to have significant effects on the Company's financial position or profitability arose in the period, other than those for which a provision has been recognised (see Note 6.3 "Provisions") or for which the case is ongoing.

Regarding the Primonial litigation, in agreement with its advisors, no provision has been recorded by the Group (see Note 4.1 "Major events").

NOTE 11 POST-CLOSING EVENTS

Préjeance Industrial

In early July 2024, Altarea acquired the French company Prejeance Industrial from the Spanish group Repsol. It specialises in the development of photovoltaic projects on small and medium-sized roofs (between 100 and 500 kWp), mainly on agricultural sheds. Its experienced team (18 employees) is involved in all stages of the life of solar power plant projects: development, construction, asset management, financing/refinancing.

These facilities are true renewable energy solutions, while offering farmers additional income and agricultural equipment without any liability for the operator.

At the end of June 2024, the company owns and operates a park with a total installed capacity of more than 42 MWp located entirely in France and is developing a pipeline of secured projects of nearly 400 MWp, including 41 MWp under construction.

The investment amounted to approximately €140 million. Prejeance Industrial will be consolidated in the Group's financial statements from the 2nd half of 2024.

Others

On 5 July, the Group redeemed a bond issue for €255 million (nominal) and paid the dividend to shareholders, in cash and through the delivery of the new shares that were created (creation of 1,080,657 shares) for an amount of €91.3 million.

3 STATUTORY AUDITORS' REPORT

FORVIS MAZARS
Tour Exaltis
61, rue Henri Regnault
92075 Paris-La Défense cedex
S.A. à directoire et conseil de surveillance au capital de € 8 320 000
784 824 153 R.C.S. Nanterre

Statutory Auditor
Member of the Compagnie
of Versailles and Centre

ERNST & YOUNG et Autres
Tour First
TSA 14444
92037 Paris-La Défense
S.A.S à capital variable
438 476 913 R.C.S Nanterre

Statutory Auditor
Member of the Compagnie
of Versailles and Centre

Altarea

Period from 1 January to 30 June 2024

Statutory auditors' report on the half-year financial information

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code (Code monétaire et financier), we hereby report to you on

- the review of the accompanying condensed half-year consolidated financial statements of Altarea for the period from 1 January to 30 June 2024;
- the verification of information contained in the interim management report.

These condensed interim consolidated financial statements are the responsibility of the Executive Management. Our responsibility is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists principally of making inquiries of persons responsible for financial and accounting matters and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France. Consequently, the assurance that the financial statements, taken as a whole, are free from material misstatement obtained in the context of a limited review is a moderate assurance, lower than that obtained in the context of an audit.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - Interim Financial Reporting, as adopted by the European Union.

2. Specific verification

We have also verified the information given in the half-year management report commenting on the condensed half-year consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-year consolidated financial statements.

Paris - La Défense, 30 July 2024

The Statutory Auditors

FORVIS MAZARS | **ERNST & YOUNG et Autres**

Gilles Magnan | **Johanna Darmon** | **Jean-Roch Varon** | **Soraya Ghannem**

4 STATEMENT BY THE PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

I certify that, to the best of my knowledge, the condensed consolidated financial statements for the past half-year have been drawn up in accordance with applicable accounting standards, and give a true and fair view of the assets and liabilities, financial position, and profits and losses of the Company, and of all the companies included in its scope of consolidation; and that the attached half-year management report presents a true and fair view of the major events that took place in the first half of the year, their impact on the financial statements, the main related-party transactions, and a description of the main risks and uncertainties for the remaining six months of the year.

Paris, July 30th, 2024,

ALTAFI 2
Manager
Represented by its Chairman
Alain TARAVELLA