



Q1 2016 revenue: €321 million (+16.2%)¹
Strong growth driven by Property Development
Intense level of commercial activity
Confirmed outlook

Commercial activity

- Sharp rise in Property Development new orders by +66% to €610 million²
- 35 new projects to feed the Property Development pipeline, representing more than €600 million in potential revenue
- Leases signed by the Retail REIT: strong increase (+29%³)

Retail REIT

- Property Portfolio: very solid performance in the first quarter:
 - Tenants turnover up by +3.2% like-for-like⁴
 - Rents up by +3.1% like-for-like
- Development pipeline: successful opening of the Avenue 83 shopping & leisure center in Toulon-La Valette

Property Development

- Sharp growth in Residential sales: +49% to nearly 1,900 units (and +46% in value, to €435 million)
- Offices: new orders soared +155% to €175 million
- Property Development revenue up +17.6%⁵

Consolidated indicator

- Consolidated revenue: €321 million (+16.2%)¹
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Unaudited figures at March 31, 2016

"The Group's businesses are still supported by the current environment of low interest rates and abundant liquidity, combined with government incentive schemes for Residential property.

This environment is favorable to both property investment for our property development clients (Residential and Office) as illustrated by the sharp increase in new orders during the quarter, as well as to the results of our shopping center tenants, whose robust operational results confirm the upturn in household consumption.

These robust business development results will have a visible impact on our financial results in the forthcoming months, thus confirming our growth outlook for 2016 FFO Group share, expected to be in the upper range of +15% to 20% announced with our annual results."

Alain Taravella, Chairman and Founder of Altarea Cogedim

¹ Including the revenue earned by Pitch Promotion since it was acquired on February 26, 2016, i.e., pro forma growth (including Pitch Promotion from January 1, 2016) of +27.7% and growth of +8.7% like-for-like (excluding Pitch Promotion).

² Including the new orders recorded by Pitch Promotion in Q1 2016.

³ 81 leases signed for a total of €10.8 million (+29% growth in signed rents compared to Q1 2015).

⁴ Change in tenants revenue on a like-for-like basis in Q1 2016, excluding assets under refurbishment or sale.

⁵ By including Pitch Promotion from February 26, 2016, i.e. pro forma growth (including Pitch Promotion from January 1, 2016) of +31.6% and +8.5% growth like-for-like (excluding Pitch Promotion).

I. OPERATIONAL BUSINESS

RETAIL REIT

- **Property Portfolio: very solid performance in the first quarter (rents up +3.1% like-for-like)**

2016 started with a sharp upturn for property portfolio assets, with a +3.0%⁶ increase in footfall and tenant revenue up +3.2% like-for-like⁷, against a backdrop of slight recovery in consumer spending (CNCC up +0.1%⁸).

	(€ millions)	
Q1 2015 rental income	42.6	
100% controlling interest in Quartz	3.3	
Disposals	(2.8)	
Refurbishments	(0.0)	
Leasehold rights like-for-like	(0.8)	
Change in invoiced rents like-for-like	1.1	+3.1%
<i>o/w France</i>	<i>1.2</i>	<i>+3.8%</i>
<i>o/w International</i>	<i>-0.1</i>	<i>-1.0%</i>
Total change in Rental income	0.8	+1.8%
Q1 2016 rental income	43.4	

Invoiced rents were up +3.1% on a like-for-like basis at end March 2016, with the intense asset management work offsetting the negative indexing of rents (-0.1 point impact). Overall, rental income rose +1.8% to €43.2 million, with the 100% controlling interest in Quartz shopping center offsetting the impact of the Italy-based assets portfolio disposal in 2015.

During the quarter, the Retail REIT signed 81 leases for a total of €10.8 million (+29% growth in signed rents compared to 2015). 39 leases concerned French properties in operation (for a reversion rate of +20.1%) and 42 leases concerned projects under development.

The Group's centers are proving their strong appeal by attracting top-tier brands. This summer, Bercy Village will house the 1st French restaurant of the American Five Guys chain, as well as the largest Va Piano restaurant in the world. In Strasbourg, the Aubette shopping center welcomed the first Starbucks coffee shop in Alsace.

- **Development pipeline**

On April 12, Altarea Cogedim inaugurated L'Avenue 83 in Toulon-La Valette, in the leading Grand Var retail area. Spread over 51,000 sqm, this open-air center features top retail brands (Primark, New Look, Pull & Bear, Nike, Habitat, etc.) and premium leisure offers including a 16-screen Pathé cinema (including the 1st Laser IMAX screen in France) and a Pirate's Adventure park for children.

The first results of this center, 100% leased at opening, are exceeding forecasts, and supporting a target footfall of more than 7 million visitors. The huge success of the loyalty program is also worth noting (more than 20,000 customers registered in the first week), supplying data into the Digital Factory⁹, which was successfully rolled out on the website. During this first week, the website had nearly 100,000 visits and the mobile application exceeded 50,000 visits.

⁶ Aggregate change in footfall in Q1 2016, for French assets at 100%, excluding assets under refurbishment or sale.

⁷ Change in tenants revenue on a like-for-like basis in Q1 2016, excluding assets under refurbishment or sale.

⁸ CNCC index for all shopping centers, on an aggregate comparable basis at the end of February 2016.

⁹ The Digital Factory is a unique tool for collecting and centralizing customer data and information from the Group's multiple channels, for the purpose of mining the data in real time (automated data analyses, reports, etc.) and drawing up targeted asset management plans.

- **Revenue: up +9.0%**

€ millions excl. tax	03/31/2016	03/31/2015	Change
Rental income	43.4	42.6	1.8%
Services and other ¹⁰	9.2	5.7	63.0%
Retail revenue	52.6	48.3	9.0%

The +9.0% increase in Retail revenue reflects the increase in operating portfolio rents, and the significant contribution of projects under development (partner fees and property development margins).

PROPERTY DEVELOPMENT

- **Highlights of the quarter**

Altarea Cogedim has developed a multi-product offer unrivaled among developers: in addition to its recognized know-how in residential property development, the Group relies on its expertise as a developer and Retail operator to add real value to key urban development structures such as convenience stores and leisure facilities (cinemas, etc.). Altarea Cogedim therefore has a strong competitive edge in helping metropolises successfully develop complete new districts, providing all the services expected by end-users.

Thanks to this advantage, Altarea Cogedim added 35 new operations to its Property Development pipeline this quarter, representing more than €600 million in potential revenue.

Altarea Cogedim also continues its development throughout France with a new location in Bayonne in April: "Cogedim Pays Basque".

- **Property Development New Orders: up sharply by +66% to €610 million¹¹**

The growth in Residential and Office new orders in Q1 2016 can be explained by the integration of Pitch Promotion and the market share gains strategy implemented by Cogedim.

New orders (incl. tax)	03/31/2016	03/31/2015	Change
Residential	€435 m	€298 m	+46%
<i>Nb units</i>	<i>1,881 units</i>	<i>1,262 units</i>	<i>+49%</i>
Offices	€175 m	€69 m	+155%
TOTAL	€610 m	€367 m	+66%

- **Property Development Revenue: up +17.6%¹² (+8.5% like-for-like)**

Q1 revenue includes Pitch Promotion as of February 26, 2016 (acquisition date). Pro forma (including Pitch Promotion from January 1, 2016), the Property Development revenue was up +31.6%.

€ millions excl. tax	03/31/2016	03/31/2015	Change
Residential	234.7	202,8	15.7%
Offices	33.9	25,3	34.0%
Property Development Revenue	268.6	228,1	17.6%
<i>o/w Pitch Promotion</i>	<i>21.0</i>	<i>-</i>	<i>-</i>

Housing development revenue is on the rise, in line with the increase in Group reservations recorded since 2013.

The increase in Property Development revenue will be even higher by year end 2016, since Pitch Promotion's contribution to the first quarter was limited to around 1 month (versus a full contribution in the forthcoming quarters).

¹⁰ Including the revenue generated by the property margins on property development contracts (€3.8 million in Q1 2016).

¹¹ Including the new orders recorded by Pitch Promotion in Q1 2016.

¹² By including Pitch Promotion from February 26, 2016.

- **Residential: Significant increase in reservations in volume (+49% to nearly 1,900 units) and in value (+46% to €435 million)**

The very sharp like-for-like increase in Cogedim sales (by +34% with 1,687 units signed, compared with 1,262 units in Q1 2015) is further strengthened by the contribution of Pitch Promotion.

Reservations incl. tax ¹³	03/31/2016		03/31/2015		Change
Sales to institutional investors	648 units	34%	514 units	41%	+26%.
Sales to individuals	1,233 units	66%	748 units	59%	+65%.
o/w individual investors	666 units	36%	418 units	33%	+59%
o/w homebuyers	567 units	30%	330 units	26%	+72%
TOTAL reservations	1,881 units		1,262 units		+49%
€ millions incl. tax	€435 m		€298 m		+46%
o/w Pitch Promotion	194 units		-		-
	€60 m				

These reservations were particularly driven by sales to individuals (+65%), for both homebuyers and individual investors. These results confirm the excellent results of the French Government incentive schemes, Pinel Act (extended until the end of 2017) and interest-free "PTZ+" loans notably.

- **Residential: very strong visibility thanks to the backlog and the pipeline**

€ millions	03/31/2016	12/31/2015	Change
Notarized revenues not recognized	1,013	959	+5.6%
Revenues reserved but not notarized	1,095	780	+40.4%
=> Backlog¹⁴	2,108	1,739	+21.2%
Number of months of sales	22 months	21 months	+1 month
Property for sale	713	717	
Future offering	5,515	5,195	
=> Pipeline¹⁵	6,228	5,912	+5.3%

Residential backlog's contribution to the capacity to generate revenue in 2016, added to Q1 2016 revenue, already exceeds the 2015 revenue, which means that the Group has excellent visibility over the year.

- **Offices: new orders soared +155% to €175 million**

€ millions incl. tax	03/31/2016	03/31/2015	Change
New orders (incl. tax)	175	69	+155%

New orders mainly derive from two operations based in Paris (Ilot des Mariniers and Rue de Tocqueville) brought by Pitch Promotion.

At March 31, 2016, the Office backlog totaled €496 million for off-plan and property development contracts¹⁶, and €4 million for delegated project fees.

¹³ Including share of reservations recorded by Pitch Promotion for Q1 2016.

¹⁴ The residential backlog comprises revenues excluding tax from notarized sales to be recognized on a percentage-of-completion basis and reservations to be notarized. Including the Pitch Promotion backlog (€302 million).

¹⁵ The pipeline consists of tax-inclusive revenues from properties for sale and the land bank, which includes all plots on which preliminary sale agreements have been signed. Excluding Histoire & Patrimoine, retail and Pitch Promotion operations

¹⁶ The office property off-plan/property development contract backlog comprises revenues excluding tax from notarized sales to be recognized on a percentage-of-completion basis. Including the Pitch Promotion backlog (€204 million).

II. FINANCIAL BUSINESS

ALTAREA COGEDIM Q1 2016 REVENUE¹⁷

€ millions	Q1 2016	Q1 2015	2016/2015
Rental income	43.4	42.6	1.8%
Services and other	9.2	5.7	63.0%
Shopping centers	52.6	48.3	9.0%
Revenue	234.6	203.2	15.5%
Services	0.1	(0.3)	n/a
Residential	234.7	202.8	15.7%
Revenue	32.9	24.1	36.4%
Services	0.9	1.1	n/a
Offices	33.9	25.3	34.0%
Revenue¹⁷	321.2	276.3	16.2%
<i>o/w Pitch Promotion¹⁸</i>	<i>21.0</i>	-	-

FINANCIAL POSITION

Net borrowing (bank and bonds) amounted to €2,641 million at March 31, 2016, versus €2,442 million at December 31, 2015. The change can be primarily explained by the acquisition of Pitch Promotion (financing for the acquisition and integration of the debt).

2015 DIVIDEND

On April 15, 2016, the General Meeting of shareholders approved a dividend payment of €11.00 per share for 2015, with the possibility of opting for payment in new shares¹⁹. The option began on April 19, 2016 and will end on Tuesday April 26, inclusive.

¹⁷ Including the revenue earned by Pitch Promotion since it was acquired on February 26, 2016, i.e., pro forma growth (including Pitch Promotion from January 2016) of +27.7% and growth of +8.7% like-for-like (excluding Pitch Promotion).

¹⁸ Pitch Promotion revenue from February 26, 2016.

¹⁹ Based on a subscription price of €154.51 per share (i.e. a 10% discount on the average price in the last 20 trading days prior to the GSM).

III. OUTLOOK

In addition to the projects secured during the quarter to feed the Property Development pipeline (see above), Altarea Cogedim notably entered into exclusive negotiations concerning two major mixed-use property development projects, one in the Paris region and the other in a major regional metropolis, representing a total surface area of 240,000 m², for approximately €800 million in potential revenue (Group share). As a result, the Group expects a very sharp growth in its pipeline of property development projects during Q2 2016.

Furthermore, Altarea Cogedim submitted, together with its partners Predica and APG, a bid to acquire the train station retail portfolio of "Grandi Stazioni", currently under sale. The bid has been shortlisted after the first round, and the consortium continues to work on the transaction and monitor the ongoing process. Should Altarea Cogedim's consortium be successful, the operation would be a unique opportunity for the Group to spur its growth on the travel retail format, in which the Group is already the leader in France²⁰.

The operational and financial results of this quarter confirm our growth guidance for 2016 FFO Group share, which should be at the upper end of the +15 to +20% range. Our business development successes further confirm our medium term prospects: FFO Group share should continue to grow by around +5% to +10% per year after 2016.

Lastly, Altarea Cogedim confirms its objectives to maintain a minimum dividend distribution of €11 per share, while continuing to strengthen its equity base to finance the growth of its activities, with a target Loan-To-Value of approximately 40%. The strengthening of its financial structure could be combined with an increase in the free float of the Group, assuming favorable market conditions and in accordance with the objectives of the Group's major shareholders.

ABOUT ALTAREA COGEDIM - FR0000033219 - ALTA

Altarea Cogedim is a leading property group. As both a commercial land owner and developer, it operates in all three classes of property assets: retail, residential and offices. It has the know-how in each sector required to design, develop, commercialize and manage made-to-measure property products. With operations in France, Spain and Italy, Altarea Cogedim manages a shopping center property portfolio of €4.4 billion. Listed in compartment A of Euronext Paris, Altarea had a market capitalization of €2.3 billion at March 31, 2016.

ALTAREA COGEDIM CONTACTS

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

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

CITIGATE DEWE ROGERSON CONTACTS

Nicolas Castex, Press Relations
Nicolas.castex@citigate.fr, Tel: + 33 1 53 32 78 94

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

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

²⁰ In addition to the retail outlets of Gare de l'Est and Gare du Nord (in operation), the Group is developing retail areas in the Paris-Montparnasse and Paris-Austerlitz train stations.