



## **2009 REVENUES AND BUSINESS PERFORMANCE**

**Very robust business performance in all asset classes in 2009  
Revenues maintained at €940 million**

### **2009**

- **Very strong growth in rental income from shopping centres: +21%**
- **Very sharp increase in residential reservations, back above pre-crisis levels: +59% in value relative to 2008**
- **An active year in offices property: take-up of €140 million**

### **Outlook for 2010**

- **Retail property: continuation of the investment plan and arbitrage of mature properties**
- **Residential property: backlog at end-December up from 13 to 19 months' revenues, indicating strong revenue growth in 2010 and 2011**
- **Offices property: continuation of property development activities and strengthening operations by becoming a dedicated office property investment fund operator during the cyclical trough**

According to Alain Taravella, Chairman and Founder:

**"In 2009, Altarea Cogedim confirmed the relevance of its business model, relating to its presence in all property classes. Subject to constant economic conditions, Altarea Cogedim should see significant growth in its main indicators in 2010."**

Altarea Cogedim, a REIT focused in shopping centres and multi-product developer, has reported a very robust full-year performance in 2009 in each of its three markets (retail, offices and residential).

### **1. Shopping centres: strong growth in rental income, with acceleration in performance in the second half of 2009 (+21%)**

Rental income rose by +21.3%, mainly as a result of high-yield properties being brought into service in 2009 that were 100% let on opening (Wagram, Lyon-Carré de Soie and Crêches-sur-Saône). These openings represent GLA of 53,000 m<sup>2</sup> and will generate rental income of €14.2 million over the full year.

	2009	2008
Tenants' revenues <sup>1</sup>	-1.6%	-0.9%
Tenants' occupancy cost ratio <sup>2</sup>	9.5%	9.0%
Non-performing loans <sup>3</sup>	2.9%	3.5%
Rental income	153.5	126.6
<i>% change 2009 vs. 2008</i>	<i>+21.3%</i>	

On a like-for-like basis, rental income rose by +3.8% thanks to indexation and the Asset Management business.

Retail parks (Family Village) saw revenue growth of +4%, confirming their commercial positioning and concept that is particularly well suited to families and price-conscious customers.

### **2. Residential property development: very sharp increase in reservations (+59.3%)**

The Group's residential property business, with the Cogedim brand, saw significant acceleration with take-up of close to €890 million.

Cogedim's reservations rose by +59% in value relative to 2008 and notably by 33% relative to 2007, which was a record year for the industry. In terms of the number of lots, reservations rose by 80% relative to 2008 and 45% relative to 2007.

With coverage of all of France, focusing primarily on the Paris region and the eight largest regional cities (around 50% of the French population), Cogedim's market share in new homes has grown since it was acquired by Altarea, from around 2.4% in 2007 to 3% in 2008 and over 4% in 2009<sup>4</sup> (by number of lots). In value terms, the company's market share has increased even more significantly.

In 2009, the backlog rose from 13 months' revenues to 19 months.

On the basis of the sharp increase in residential reservations in 2009, Cogedim can be expected to see strong revenue growth in 2010 and particularly in 2011, with the start of building works on 4,400 homes by Cogedim in 2010, i.e. 50% more than in 2009.

<sup>1</sup> Percentage change like-for-like (same-store basis)

<sup>2</sup> Ratio of rents and costs charged to tenants to revenues generated by the retailer. Figures for properties in France only

<sup>3</sup> As a percentage of rental income

<sup>4</sup> Market volumes provided by FNPC (Quarterly reports). Total 2009 sales estimated at around 105,000 lots.

	2009	2008	% change	2007
Number of lots sold	4,345	2,417	+79.8%	2,996
Reservations (€m, incl. tax)	887	557	+59.3%	668
Notarised revenues (€m, incl. tax)	720	536	+34.3%	771
Percentage-of-completion revenues (€m,	546.1	504.7	-7.7%	506.85
Backlog <sup>6</sup> (€m, excl. tax)	872	623	+40.0%	727

### **3. Offices property development: an active year (take-up of €140 million excluding tax)**

In 2009, Altarea Cogedim recorded **take-up of €140 million excluding tax** for various development projects or as delegated project manager, despite the very severe decline in the investment market, in a market that remained flat relative to 2008. The Group also completed **eight office properties representing a total net floor area of 150,000 m<sup>2</sup>**.

	2009	2008	% change
Take-up (€m, excl. tax)	140	409	-58.4%
Completions (net floor area, m <sup>2</sup> )	150,000	68,000	+120.6%
Backlog (€m, excl. tax)	103.0	161.7	-19.6%
Total revenues (€m, excl. tax)	152.1	174.1	-12.6%

### **4. Stable accounting revenues in 2009**

Taking account of revenues generated as part of the proprietary property development business<sup>7</sup>, **the Group's accounting revenues remained stable at €940 million. Revenues recognised according to the percentage-of-completion method in 2009 reflected the decline in take-up in residential property in 2008.**

<sup>5</sup> Includes one year's contribution from Cogedim.

<sup>6</sup> The backlog comprises revenues excluding tax from notarised sales to be recognised according to the percentage-of-completion method and reservations to be notarised.

<sup>7</sup> Revenues from non-recurring activities constitute primarily off-plan sales attached to development projects.

(€m)	2009	2008	% change
Rental income	153.5	126.6	+21.3%
External fees	8.1	6.7	+21.2%
<b>Shopping centres</b>	<b>161.6</b>	<b>133.3</b>	<b>+21.3%</b>
Percentage-of-completion revenues	546.1	591.7	-7.7%
External fees	3.0	3.2	-8.5%
<b>Residential development</b>	<b>549.1</b>	<b>594.2</b>	<b>-7.7%</b>
Percentage-of-completion revenues	138.6	147.9	-6.3%
External fees	13.4	26.2	-48.6%
<b>Commercial property</b>	<b>152.1</b>	<b>174.1</b>	<b>-12.6%</b>
<b>Total recurring activities</b>	<b>862.8</b>	<b>902.3</b>	<b>-4.4%</b>
Percentage-of-completion revenues	75.4	39.3	+91.7%
External fees	1.4	3.9	-64.6%
<b>Non-recurring activities</b>	<b>76.8</b>	<b>43.3</b>	<b>+77.6%</b>
<b>Total Group revenues</b>	<b>939.6</b>	<b>945.5</b>	<b>-0.6%</b>

## **5. Investment and development**

In 2009, Altarea Cogedim invested €235 million in the development of new shopping centres and carried out arbitrage of €110 million of retail assets (including Espace Saint-Georges in Toulouse, the sale of which will be notarised in early 2010).

Altarea will continue with its investment plan in 2010, taking a dynamic and secure approach. New investment projects have been controlled, in particular the project of Villeneuve-la-Garenne in the north-west of Paris with net floor area of 86,000 m<sup>2</sup>. Other projects in the Altarea pipeline are making satisfactory progress in terms of both administrative approvals and pre-letting. As these new investments are made, mature standing assets could be sold in 2010 in order to maintain the Group's major balance sheet ratios and benefiting from investors' renewed interest in retail assets.

In residential property, Cogedim is continuing with its dynamic strategy while maintaining a secure approach, with definite lettings before committing to each development project. If economic conditions are maintained, the Group plans to launch 84 development projects representing around 4,700 units in 2010.

In Offices property, Altarea Cogedim is still the leading property developer for major institutional investors and is continuing with its policy of services in delegated project management, property development agreements and off-plan sales. In addition, the Group intends to strengthen its business model by operating investment vehicles built with major international investors with the aim of investing primarily in high value-added office property developments in the Paris region during the cyclical trough.

## **6. Outlook: controlled and secured growth**

In an uncertain climate due to the economic crisis and the risk of rising interest rates, Altarea Cogedim will continue with its policy of controlled and secured growth. On the basis of its business performance in 2009, Altarea Cogedim will see very strong revenue growth in 2010.

### About Altarea Cogedim

Altarea Cogedim is a REIT focused in shopping centres. The company develops property in all asset classes, including shopping centres, offices, housing and hotels. The strength of Altarea Cogedim's business model lies in its ability to offer local authorities global and innovative urban development solutions comprising shops, offices, hotels, housing and public amenities.

At the end of June 2009, Altarea Cogedim's shopping centre portfolio was worth €2.4 billion, representing annualised gross rental income of €156 million. The office and residential property development business, exercised under the Cogedim brand, enhances the total yield on property investment activities with a controlled level of risk.

### Next events

- **2009 full-year results** **15 March**
- **Launch of Okabe, in Kremlin-Bicêtre, Porte d'Italie** **24 March**  
First shopping centre offering a high level of environmental added value

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