Press release **Paris, November 8th 2010**

9M 2010 REVENUES AND BUSINESS ACTIVITY

Shopping centres: increase in rental revenues and improvement in business indicators

- Rental revenues from shopping centres up +5.3% at €121.6m, driven by deliveries
- Significant improvement in retailers' revenue growth: +3.3% since the start of the year. Strong performance by retail parks (+7.2%)
- Slight fall in rental revenues on a like-for-like basis
- Improvement in tenants' occupancy cost ratio, returning to pre-crisis level of 9.0%

Residential property: Further growth in sales

- New home reservations: €1.0bn incl. tax over 9 months, up +66% relative to 2009 and +98% relative to 2007, the benchmark year before the financial crisis
- Backlog: €1.3bn excl. tax (30 months' revenues)
- Pipeline[1] worth €2.2bn incl. tax, equal to around 20 months' supply at the current disposal rate (+32% over 9 months despite the rapid rate of sales)

Office property: first encouraging signs in a still recovering market

- Moderate improvement in take-up under continuing difficult market conditions at €210m incl. tax
- Decline in revenues reflecting the delayed effect of the slowdown in business since 2008
- Increase in backlog to €156m excl. tax

According to Alain Taravella, Chairman and Founder:

"The operating indicators are gradually turning positive across all of our business lines, with an upturn in consumer spending at shopping centres, strong positions obtained in residential property development and tangible signs of recovery in office property. We have now laid the foundations for strong growth (subject to constant economic conditions) in our earnings and cash flow for the next two to three years. A more detailed outlook will be presented to the market on the publication of our full-year financial statements on 7 March next year. "

[1] Potential revenues incl. tax from development projects with land under option + potential revenues incl. tax from properties for sale

1. Shopping centres: increase in rental revenues and improvement in business indicators

Rental revenues rose by +5.3% over nine months as a result of:

	(€ m)	
Rental revenues as of Sept. 30, 2009	**115,4**	
Deliveries	13,1	*11,4%*
Remodelling	(1,9)	*-1,7%*
Disposals and acquisitions	(2,0)	*-1,7%*
Like-for-like change	(3,1)	*-2,7%*
Rental revenues as of Sept. 30, 2010	**121,6**	

● Deliveries

Since the start of the year, GLA of around 100,000 sqm[2] has been completed in France (Okabé in Kremlin Bicêtre, Family Village in Limoges) and Italy (Le Due Torri in Lombardy), representing total full-year rental revenues of €23.5 million[3]. The occupancy rate for these properties was 95% on opening.

● Standing portfolio

In parallel with creating new shopping centres, the Group has pursued an intense asset management policy across its entire portfolio, comprising the remodelling and extension of existing properties (seven projects in progress) and asset sales already carried out (Toulouse Saint-Georges, Paris Wagram) or under discussion relating to properties that have reached maturity. This should enable the Group to maintain its pace of growth in a business climate still in recovery, as demonstrated by the -2.7% fall in like-for-like rental revenues as a result of the combination of a number of factors (slightly negative indexation effect[4], decline in variable rental revenues, bad debt loans and frictional vacancy).

● Improvement in tenants' operating indicators

Retailers' revenues increased by 3.3%[5] relative to 2009. This relates to all retail formats, with retail parks confirming the brisk momentum seen over the last few quarters with growth of +7.2%. The performance of retail parks was achieved in a climate in which competitive pricing has become the decisive factor for consumers. Retail parks have therefore benefited fully from their mass market positioning, while also offering a carefully thought-out environment and pleasant shopping experience comparable to those offered by many shopping centres (in particular for the latest-generation Family Villages developed by the Group).

As a result of the combination of revenue growth and a slight drop in rental values, tenants' occupancy cost ratio returned to close to the pre-crisis level at 9.0% (compared with 9.5% in 2009).

2. Residential property: very sharp increase in residential reservations:

In a particularly buoyant market - with record low interest rates, support for first-time buyers, buy-to-let incentives and a shortage of new homes - the Group, via its subsidiary Cogedim, has achieved strong growth quarter after quarter, with net reservations of €1.0 billion including tax to 30 September 2010, representing a year-on-year increase of +66%.

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[2] On a 100% basis (78,500 sqm Group share)
[3] On a 100% basis (€18.2 million Group share)
[4] French retail rent index (ILC): +0.84%, CCI index: -4.10%
[5] Figures to end-August on a like-for-like basis (France)

Compared with 2007, which was the benchmark year before the financial crisis, the level of sales has almost doubled, while in the meantime the French market has not yet returned fully to its pre-crisis level[6]. This growth was achieved entirely on an organic basis.

Cogedim is the undisputed French leader in upscale residential development, managing prestigious projects as *Paris 7 Rive Gauche* on the former Laennec hospital site in the heart of Paris (7th arrondissement).

Individual investors have accounted for just 40% of sales since the start of the year. The Paris Region remains the most dynamic region with 63% of total sales since the beginning of the year.

	30/09/2010	**30/09/2009**	**30/09/2008**	**30/09/2007**
Net reservations (€m, incl. tax)	**1,000**	**601**	**455**	**504**
% chg yoy	***+66%***	***+32%***	***-9%***	
% chg vs. 2007	***+98%***	***+19%***	***-9%***	
Number of units sold[8]	**3,646**	**2,905**	**1,701**	**2,194**
Notarised revenues (€m, incl. tax)	**698**	**495**	**410**	**562**
Revenues (€m, incl. tax)	**382.3**	**385.1**	**437.8**	**355.4**
Backlog[9](€m, excl. tax)	**1,334**	**778**	**684**	**679**

In view of the sharp increase in residential reservations that began in 2009 and the backlog already built up, **very strong revenue growth** can be expected compared with current levels at the end of 2010 and for the next two to three years.

[6] 100,000-110,000 homes expected to be sold in 2010 compared with 127,000 in 2007 (source: French Ministry of Ecology)
[8] On a 100% basis
[9] The backlog comprises revenues excluding tax from notarised sales to be recognised according to the percentage-of-completion method and reservations to be notarised.

Pipeline:

(in €m)	**30/09/2010**	**31/12/2009**
Properties for sale	**458**	**368**
Properties in the portfolio	**1,748**	**1,301**
Pipeline[10]	**2,206**[11]	**1,669**

Cogedim's commercial success relates above all to the quality of its products, the dynamism of its staff and the attractiveness of its brand, as well as its ability to offer properties that meet current market needs in terms of quality and volume. Despite the very brisk rate of sales, the pipeline has grown significantly since the start of the year (+32%), representing around **20 months' supply at the current disposal rate**. Cogedim has therefore benefited fully from current market conditions while also maintaining rigorous management of its risks and commitments.

3. Office property: relative upturn in commercial activity in a still weak market

To 30 September 2010, Altarea Cogedim recorded **take-up of €210 million incl. tax** relating to various developments or delegated project management projects, an increase of 23.5% relative to the total in 2009. The backlog therefore grew in a market that is still weak but showing the first signs of recovery.

	30 Sept. 2010	**31 Dec. 2009**	**31 Dec. 2008**	**31 Dec. 2007**
Take-up (€m, incl. tax)	**210**	**170**	**409**	**448**
Backlog (€m, excl. tax)	**156**	**103**	**162**	**255**
Total revenues (€m, excl. tax)	**54.4**	**152.0**	**174.1**	**82.0**

4. Financial position

Net bank debt amounted to €2,229.5 million at 30 September 2010 compared with €2,098.6 million at 30 June 2010. This increase relates primarily to the dividend paid in July, investment in recently completed development projects and financing of the working capital requirement, as well as cash flow generated from operations.

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[10] Potential revenues incl. tax
[11] Number of units in the pipeline : 8,500

	2010				2009				Variation
(€ k)	Q1 2010	Q2 2010	Q3 2010	Total YTD	Q1 2009	Q2 2009	Q3 2009	Total YTD	2010 YTD - 2009 YTD
Shopping centres									
Rental revenues	40 585	40 283	40 700	121 567	35 543	41 040	38 866	115 448	5,3%
External fees	1 956	2 043	2 004	6 003	1 917	1 903	1 964	5 784	3,8%
Shopping centres	**42 540**	**42 325**	**42 705**	**127 570**	**37 460**	**42 942**	**40 830**	**121 231**	**5,2%**
Third-party development									
Revenues	143 972	140 095	145 637	429 704	166 297	177 775	155 813	499 885	-14,0%
External fees	2 343	4 443	3 089	9 874	4 442	5 251	2 698	12 391	-20,3%
Property development	**146 315**	**144 538**	**148 725**	**439 578**	**170 739**	**183 026**	**158 511**	**512 276**	**-14,2%**
O/w residential property									
Revenues	122 644	126 144	133 502	382 290	122 349	140 156	122 564	385 069	-0,7%
External fees	379	1 946	556	2 881	751	1 422	555	2 728	5,6%
Residential property	**123 023**	**128 089**	**134 058**	**385 170**	**123 100**	**141 577**	**123 119**	**387 796**	**-0,7%**
O/w office property									
Revenues	21 328	13 952	12 135	47 415	43 948	37 619	33 249	114 816	-58,7%
External fees	1 964	2 497	2 532	6 993	3 692	3 829	2 143	9 664	-27,6%
Office property	**23 292**	**16 449**	**14 667**	**54 408**	**47 640**	**41 449**	**35 392**	**124 480**	**-56,3%**
Recurring activities	**188 856**	**186 863**	**191 430**	**567 149**	**208 199**	**225 968**	**199 341**	**633 509**	**-10,5%**
Revenues (1)	11 758	4 586	2 973	19 316	4 962	19 256	34 848	59 066	-67,3%
External fees	901	1 108	256	2 265	314	467	647	1 428	58,6%
Non-recurring activities	**12 659**	**5 694**	**3 228**	**21 581**	**5 276**	**19 723**	**35 495**	**60 493**	**-64,3%**
Total revenues	**201 515**	**192 557**	**194 658**	**588 730**	**213 475**	**245 691**	**234 836**	**694 001**	**-15,2%**

(1) Non-recurring activities revenues are mainly consisting of off-plan sale agreements connected with shopping centres under development.