



This press release must not be published, distributed or diffused, directly or indirectly, in the territory of the United States of America, Canada, Australia or Japan

PRESS RELEASE

20 May 2016, 7.30am

Altarea Cogedim launches a share capital increase of €210 million, increasing to €369 million the total amount of equity raised since the beginning of 2016¹

Subscription ratio: 1 new share for 9 existing shares
Subscription price: €140 per new share
Subscription period: from 23 May 2016 to 3 June 2016 included

In line with the announcement made on 9 March 2016 with the publication of its 2015 annual results, Altarea Cogedim announces today the launch of a share capital increase with preferential subscription rights (“PSR”) for shareholders for a gross amount of approximately €210 million.

This share capital increase aims at strengthening the Group’s equity in order to allow it to finance its growth and investment strategy, while maintaining a solid financial structure.

The main shareholders and management will subscribe for most of their prorata share of the transaction.

In addition, Alain Taravella (through his various holding companies) and Predica intend to sell on the market a limited portion of their PSRs in order to increase the free float of the shares.

Main terms of the rights issue

The capital increase will be launched with PSRs and will result in the issuance of 1,503,028 new shares at a subscription price of €140 per share, representing gross proceeds, including the share premium, of €210,423,920.

Each shareholder of Altarea Cogedim will receive on 23 May 2016 one PSR per share recorded on its security account as of the close of trading on 20 May 2016. 9 PSRs will entitle shareholders to subscribe for 1 new share not subject to reduction (“à titre irréductible”).

Subscriptions subject to reduction (“à titre réductible”) will be authorized but will remain subject to reduction in the event of oversubscription. Any new shares not subscribed through irrevocable entitlement will be distributed and allocated to the holders having submitted additional subscription orders subject to reduction.

¹ Reserved share capital increase of €31.7 million as part of the purchase of Pitch Promotion, share capital increase of €126.9 million in connection with the option to pay the 2015 dividends in shares, and the share capital increase of €210.4 million announced today.



The subscription price for the new shares has been set at €140 per new share (nominal value of €15.28 and share premium of €124.72 per share).

The subscription price represents a 20.45% discount compared to Altarea Cogedim's stock price of €176 at closing on 18 May 2016 and an 18.79% discount compared to the theoretical ex-rights stock price.

The offer will be open to the public in France only.

Indicative timetable

The subscription period for the new shares will run from 23 May 2016 to the close of trading on 3 June 2016. During this period, the PSRs will be listed and traded on the regulated market of Euronext in Paris under ISIN code FR0013169760. PSRs that are not exercised before the end of the subscription period will lapse automatically.

The settlement-delivery as well as the admission to trading of the new shares on the regulated market of Euronext in Paris is due to take place on 15 June 2016. The new shares will carry full dividend rights and will be immediately assimilated to Altarea Cogedim's existing shares traded under the ISIN code FR0000033219.

Subscription undertakings of the main shareholders

Altarea Cogedim's main shareholders have irrevocably undertaken to exercise all or part of the PSRs attached to their shares, so that the irrevocable subscription undertakings represent 68.1% of the total amount of the capital increase:

- Alain Taravella, holding through his holding companies circa. 44.8% of the share capital of the company, has irrevocably undertaken to subscribe *à titre irréductible* for 568,505 new shares, by exercising 5,116,545 PSRs (excluding fractional shares), representing 37.8% of the total amount of the capital increase;
- Predica, holding 27.1% of the share capital of the company, has irrevocably undertaken to subscribe *à titre irréductible* for 285,714 new shares, by exercising 2,571,426 PSRs (excluding fractional shares), representing 19% of the total amount of the capital increase;
- ABP, holding 8.2% of the share capital of the company, has irrevocably undertaken to subscribe *à titre irréductible* for 123,150 new shares, by exercising all the PSRs attached to its Altarea Cogedim's shares;
- The main managers, Mr. Gilles Boissonnet, Mr. Christian de Gournay, Mr. Christian Terrassoux and Mr. Stéphane Theuriau, holding together, directly or indirectly, 3.1% of the share capital of the company, have irrevocably undertaken to subscribe for 45,609 new shares, by exercising 410,481 PSRs, representing 3.0% of the total amount of the capital increase.



Alain Taravella (through his holding companies), ABP, Predica, Christian de Gournay and Christian Terrassoux have agreed to lock-up commitments as from the announcement of the rights issue and for a period of 90 calendar days after settlement, subject to customary exceptions.

Altarea Cogedim is not aware of the intentions of other shareholders.

Underwriting

These irrevocable subscription undertakings and the underwriting agreement entered into on 19 May 2016 between Altarea Cogedim, Morgan Stanley and Société Générale Corporate & Investment Banking acting as Joint Global Coordinators, Lead Managers and Joint Bookrunners, represent 75% of the total amount of the capital increase.

Change in the share capital since the beginning of 2016

This transaction brings to approximately €369 million the total amount of equity raised in connection with the strengthening of Altarea Cogedim's equity since the beginning of 2016, which is distributed as follows:

- €31.7 million raised on 26 February 2016 through a reserved share capital increase for the Terrassoux Group, as a reinvestment of the sale price received by the latter in the context of the acquisition of Pitch Promotion. This transaction was implemented through the issuance of 190,000 new shares at an issue price of €166.66 per share;
- Strengthening of the Group's equity of €126.9 million in connection with the option to pay 2015 dividends in shares, subscribed at 91.69%. This transaction led to the issuance of 821,762 new shares on 6 May 2016, at an issue price of €154.41 per share; and
- €210.4 million as part of today's share capital increase, on the basis of the issuance of 1,503,028 new shares at an issue price of €140.00 per share.

This transaction allows the Company to improve its financial flexibility in connection with the implementation of its growth strategy, while maintaining a solid financial structure.



Financial perspectives

The 2016 perspectives of financial results are expected to show strong growth overall, with FFO² (Group share) which should be at the upper end of the + 15% to + 20% range announced with the annual results, i.e. a 2016 FFO (Group share) of approximately €13.5 per share, in growth of + 7%, taking into account the impact of the 2016 dividend paid in part in shares and the capital increase.

Beyond 2016, Altarea Cogedim announced an objective of growth of its FFO (Group share) of + 5% to + 10% per year on average, thanks to, on the one hand, the strong dynamic of its promotion activity and, on the other hand, by the on-going development of the shopping centers currently in the development phase. Taking into account the impact of the share capital increase on the financial expenses and on the new growth opportunities, the FFO (Group share) shall be of approximately €14.5 as from 2017, in growth of + 7% compared to the 2016 forecast and of + 14% compared to 2015.

The Group perspectives are also upheld by its stable pipeline of commercial projects to be delivered in the 5 coming years, which entail the creation of an estimated potential value of approximately €600 million (Group share), i.e. approximately €35 to €40 per share (including new shares).

Altarea Cogedim eventually aims at maintaining a minimum dividend distribution of €11 per share (including new shares) with a target to maintain a Loan-To-Value³ of approximately 40%.

Information available to the public

The prospectus was approved by the *Autorité des Marchés Financiers* (the “**AMF**”) on 19 May 2016 under visa n°16-185 and is comprised of: (i) Altarea Cogedim’s 2015 registration document filed with the AMF on 24 March 2016 under number D. 16-0201, (ii) the securities note dated 19 May 2016 and (iii) a summary of the prospectus, included in the securities note.

Copies of the prospectus may be obtained free of charge at the registered office of Altarea Cogedim, 8, avenue Delcassé – 75008 Paris, on the Company’s website (www.altareacogedim.com) as well as on the AMF’s website (www.amf-france.org).

Altarea Cogedim draws the public’s attention to the risk factors described on pages 256 *et seq.* of the 2015 registration document as well as the Chapter 2 of the securities note.

Financial timetable

Issuance of the PSRs: Monday 23 May 2016

Subscription and trading period of the PSRs: from Monday 23 May 2016 to Friday 3 June 2016 after market close

Settlement-delivery and admission to trading on Euronext Paris of the new shares: Wednesday 15 June 2016

² Funds From Operations: net income excluding variations in valuation, calculated costs, transaction costs and variations in deferred tax.

³ Loan-To-Value: net debt of the Group compared to the reassessed value of the assets rights included.



Date of publication of the half-year results: Thursday 28 July 2016 after market close

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 30 April 2016.

Contacts Altarea Cogedim

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

Contacts Citigate Dewe Rogerson

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

Disclaimer

This press release and the information contained herein do not constitute either an offer to sell or purchase or the solicitation of an offer to sell or purchase the Company's new shares or preferential subscription rights, in any country whatsoever. In France, these new shares or preferential subscription rights may not be offered absent a prospectus approved by the AMF.

The diffusion of this press release in some jurisdictions may constitute a violation of applicable laws and regulations. People physically present in these jurisdictions in which this press release is distributed shall get informed about such restrictions and comply with them.

With respect to each Member State of the European Economic Area other than France (the "**Member State**") which has implemented the directive 2003/71/EC, as amended, in particular by Directive 2010/73/EU and to the extent implemented in the Member State, (the "**Prospectus Directive**"), no action has been undertaken or will be undertaken to make an offer to the public of new shares or preferential subscription rights requiring a publication of a prospectus in any Member State. As a result, new shares or preferential subscription rights may only be offered in Member States pursuant to an exemption under the Prospectus Directive.

Securities mentioned in this press release may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Altarea Cogedim does not intend to register any portion of the planned offer in the United States of America or to conduct a public offering of securities in the United States of America.

This press release does not contain or constitute an invitation, inducement or solicitation to invest in the United Kingdom. This press release is directed only at and is for distribution only to persons who (i) are outside the United Kingdom, (ii) are "investment professionals" falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "**Order**"), (iii) are persons falling within Article 49(2)(a) to (d) ("**high net worth companies, unincorporated associations etc.**") of the Order or (iv) are other persons to whom an invitation or inducement to engage in investment activity (within the meaning of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons in (i), (ii), (iii) and (iv) together being referred to as "Relevant Persons"). Any investment or investment activity to which this press release relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

This press release may not be published, distributed or diffused, directly or indirectly, in the United States of America, Canada, Australia, or Japan.