



Altarea announces the success of its €350 million capital increase to partially finance the acquisition of Primonial

Total demand of €434 million, representing a subscription rate of 124%

Altarea (the “**Company**”) announces today the success of its capital increase with preferential subscription rights (“**PSR**”) for an amount of approximately €350 million (the “**Share Capital Increase**”).

“The success of this capital increase marks a new step in the process of acquiring Primonial, which will make Altarea an independent leader in real estate investment and development in Europe. The loyalty and confidence shown by our historical and recent shareholders, both institutional and individual, are a sign of support for our strategic and long-term growth plan », said Alain Taravella, Chairman and Founder of Altarea.

Rationale for the Share Capital Increase

The net proceeds of the offering of the new shares will be used by the Company as part of the financing of the acquisition of Primonial Securities, as announced on June 30, 2021¹. The final agreements on the acquisition of 100% of the share capital² for an enterprise value of €1.9 billion³ were signed on July 23, 2021 and Altarea confirmed the two-step acquisition planning⁴: the acquisition of a 60% controlling stake to be completed in Q1 2022 and the acquisition of the remaining 40% to be completed by the end of Q1 2024.

Through this transforming strategic transaction, Altarea steps up the implementation of its integrated model across the whole real estate value chain, by creating an unrivaled leader in Europe both in real estate investment and development.

Results of the Share Capital Increase

The gross proceeds of the Share Capital Increase (including the issue premium) amount to €350,058,562.50 and result in the issuance of 2,435,190 new shares (the “**New Shares**”) at a subscription price of €143.75 per New Share.

¹ See the press release issued on June 30, 2021: “Altarea enters into exclusive negotiations with the shareholders of Primonial Group to create an independent leader in real estate investment and property development”, available on altarea.com.

² The transaction perimeter includes real estate asset management (€31 billion in real estate assets managed from September 30, 2021) and Distribution, as well as a minority stake of 15% in La Financière de l’Echiquier.

³ This amount includes the €800 million secured syndicated bank loan and for which Altarea is 100% surety and guarantor. Excluding potential earn-out for a maximum amount of €255m, payable in 2024, depending on the achievement of the 2022-2023 business plan.

⁴ See the press release issued on November 8, 2021 concerning the quarterly information for the third quarter of 2021, available on altarea.com.

At the end of the subscription period ended December 2, 2021, **total demand amounted to approximately €434 million, representing a subscription rate of 124.1%:**

- 2,371,236 new shares have been subscribed on an irreducible basis and represent approximately 97.4% of the New Shares to be issued;
- demand on a reducible basis involved 649,995 new shares and will therefore only be partially allocated, in the amount of 63,954 new shares allocated⁵.

Impact of the Share Capital Increase on the allocation of the share capital

Following the settlement and delivery of the Share Capital Increase and to the Company's knowledge, Altarea's share capital will amount to €310,088,359.18 comprised of 20,293,271 shares, It will break down as follows:

Shareholder	Number of Shares and theoretical voting rights		Number of actual voting rights	
Concert Founders ^(a)	9,065,267	44.7%	9,065,267	45.1%
Concert Extended ^(b)	9,117,534	44.9%	9,117,534	45.3%
Crédit Agricole Assurances	5,003,929	24.7%	5,003,929	24.9%
ABP (APG)	1,438,606	7.1%	1,438,606	7.2%
Opus Investment et C. de Gournay	329,278	1.6%	329,278	1.6%
BPCE VIE	202,932	1.0%	202,932	1.0%
SOGECAP	204,543	1.0%	204,543	1.0%
Treasury Shares	175,201	0.9%	-	-
Public (incl. FCPE)	3,821,248	18.8%	3,821,248	19.0%
Total	20,293,271	100.0%	20,118,070	100.0%

(a) Alain Taravella and Jacques Nicolet, founders of the Group, acting in concert, as well as the members of their family (Gautier Taravella, Matthieu Taravella, Sabine Masquelier) and the companies they control (AltaGroupe, Altager, Alta patrimoine et Everspeed).

(b) Concert existing between the founders, defined above, and Jacques Ehrmann.

Indicative timetable of the share capital increase

Settlement and delivery of the new shares and commencement of trading on Euronext Paris are expected to take place on December 10, 2021.

The New Shares will entitle their holders to any dividends declared by Altarea as from the date of issuance. In particular, **the new shares will entitle their holders to a €9.75 dividend per share in respect of the current financial year⁶**. The new shares will be, as from their issuance date, fully fungible with Altarea's existing shares and will be traded under the same trading line and ISIN code as Altarea's existing shares (ISIN code FR0000033219).

The Capital Increase was conducted by a syndicate of banks including Natixis, Société Générale, along with BNP Paribas, Crédit Agricole Corporate and Investment Bank and Morgan Stanley Europe SE acting as Joint Global Coordinators, Lead Managers and Joint Bookrunners.

Lock-up undertakings

Altarea has agreed to a lock-up period starting on the signing date of the underwriting agreement and ending 90 calendar days after the settlement and delivery date of the share capital increase, subject to certain exceptions.

⁵ According to a coefficient of 0.010269482 calculated according to the number of rights submitted in support of irreducible subscriptions without resulting in an allocation of fractions of New Shares and without the allocation being greater than the number of New Shares requested on a reducible basis.

⁶ Subject to approval by the General Meeting called to approve the financial statements for 2021, shareholders will be asked to opt either (i) for 100% payment in cash or (ii) for 50% payment in shares and up to 50% in cash (with a 10% discount on the average opening price of the 20 trading days preceding the general meeting and after deduction of the dividend amount).

AltaGroupe, Alta Patrimoine, Altager, Predica, Crédit Agricole Assurances, Crédit Agricole Vita, Spirica, La Médicale, BPCE Vie, APG and SOGECAP have agreed to lock-up periods starting on the signing date of the underwriting agreement and ending 90 calendar days after the settlement and delivery of the Share Capital Increase, subject to certain exceptions. It is specified that in the event of termination of the underwriting agreement, lock-up commitments could be waived by the Company without the consent of the banks.

Availability of the Prospectus

The prospectus (the « **Prospectus** ») including (i) the 2020 universal registration document (*document d'enregistrement universel*) of Altaarea filed with the AMF on March, 19, 2021 under number D.21-0158, (ii) the amendment to the 2020 universal registration document filed with the AMF on November 17, 2021 under number D.21-0058-A01 and (iii) a securities note (*note d'opération*) (including the summary of the prospectus) which was filed with the AMF and received approval under number 21-492 dated November 17, 2021 is available on the website of the AMF (www.amf-france.org) and the Company (www.altarea.com). Copies of the Prospectus are available free of charge at Altaarea's registered office, 87, rue de Richelieu, 75002 Paris, France.

Risk factors

Among the information included in the Prospectus, Investors' attention is drawn to the risk factors included in chapter 5.2 "Risk factors and risk control systems" of the 2020 universal registration document, as supplemented by section 2 "Risk Factors" of the amendment to the 2020 universal registration document and in section 2 "Risk Factors" of the securities note. In particular, investors are invited to take into consideration the main risks related to the Acquisition. The materialization of all or part of these risks is likely to have an unfavorable effect on the business, reputation, results, financial situation or perspectives of the Group. In addition, other risks, not yet identified or considered insignificant by the Group at the date of approval of the Prospectus by the AMF, could also have an unfavorable effect and investors could lose all or part of their investment.

ABOUT ALTAREA - FR0000033219 - ALTA

Altaarea is the leading property developer in France and leader in the urban transformation market. As both developer and investor, the Group operates in the three main property markets (Retail, Residential and Business Property), making it the leading developer of large mixed-use urban renewal projects in France. The Group has the required expertise in each sector to design, develop, market and manage made-to-measure property products. Altaarea is listed in Compartment A of Euronext Paris

FINANCE CONTACTS

Eric Dumas, Chief Financial Officer
edumas@altarea.com | + 33 1 44 95 51 42

Pierre Perrodin, Deputy Chief Financial Officer
pperrodin@altarea.com | + 33 6 43 34 57 13

Agnès Villeret - KOMODO
agnes.villeret@agence-komodo.com | +33 6 83 28 04 15

PRESS CONTACTS

Nathalie Bardin
nbardin@altarea.com | + 33 6 85 26 15 29

Nicolas Leviaux
nleviaux@altarea.com | +33 7 60 75 17 14

Laétitia Baudon - AGENCE SHAN
Laetitia.bauon@shan.fr | +33 6 12 94 05 66

Disclaimer

This announcement is not being made in and copies of it may not be distributed or sent, directly or indirectly, into the United States of America, Australia, Canada or Japan.

It does not constitute an offer to sell nor a solicitation of an offer to purchase or to subscribe securities in the United States or in any other jurisdiction in which such an offer, solicitation or subscription would be unlawful.

The securities referred to herein have not been registered under the us. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States absent registration under the Securities Act or pursuant to an exemption from such registration. Altaarea does not intend to register all or any portion of the offering of the securities in the United States of America or to conduct a public offering of the securities in the United States of America.

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

This communication does not constitute an offer of the securities to the public in the United Kingdom. This communication is being distributed to and is directed only at (i) persons who are outside the United Kingdom or (ii) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") and (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (e) of the Order (all such persons together being referred to as "Relevant Persons"). Any investment activity to which this communication relates will only be available to and will only be engaged with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

*This announcement is an advertisement and not a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017 (the "**Prospectus Regulation**"). With respect to the Member States of the European Economic Area (other than France) (the "**Relevant States**"), no action has been or will be taken to permit an offer of securities to the public that would require the publication of a prospectus in any of the Relevant States. Accordingly, the securities may not be offered and will not be offered in any of the Relevant States, except in accordance with the exemptions provided for in Article 1 (4) of the Prospectus Regulation or in other cases not requiring the publication by the Company of a prospectus under Article 3 of the Prospectus Regulation and/or the regulations applicable in those Member States. These sales restrictions regarding the Member States are in addition to any other sales restrictions applicable in the Relevant States.*

*A prospectus including (i) the 2020 universal registration document (document d'enregistrement universel) of the Company filed with the AMF on March, 19, 2021 under number D.21-0158 (the "**Universal Registration Document**"), (ii) the amendment to the 2020 universal registration document (amendement au document d'enregistrement universel 2020 filed with the AMF on November 17, 2021 under number D.21-0058-A01) (the "**Amendment**"), (iii) the securities note (note d'opération) and (iv) the summary of the prospectus, was filed with the AMF and received approval under number 21-492 dated November 17, 2021 and is available on the website of the Company (www.altarea.com) and the AMF (www.amf-france.org). Copies of the Prospectus are available free of charge at Altarea's registered office, 87, rue de Richelieu, 75002 Paris, France.*

Certain information included in this press release does not constitute historical data but constitutes forward-looking statements. These forward-looking statements are based on current beliefs, expectations and assumptions, including, without limitation, assumptions regarding the Group's present and future business strategies and the economic environment in which the Group operates. They involve known and unknown risks, uncertainties and other factors, which may cause actual performance and results to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include those discussed and identified in chapter 5.2 "Risk factors and risk control systems" of the 2020 universal registration document, as supplemented by section 2 "Risk Factors" of the amendment to the 2020 universal registration document. These forward-looking information and statements are no guarantee of future performance.