

PROSPECTUS SUMMARY



Compagnie Générale Immobilière

BOND ISSUE

OPERATION GLOBAL AMOUNT : 1 500 000 000 DIRHAMS

	Tranche A listed	Tranche B listed	Tranche C non-listed	Tranche D non-listed
Maximum Amount	1 500 000 000 MAD	1 500 000 000 MAD	1 500 000 000 MAD	1 500 000 000 MAD
Maximum Number of bonds	15 000	15 000	15 000	15 000
Unit Nominal value	100 000 MAD	100 000 MAD	100 000 MAD	100 000 MAD
Maturity	5 years	5 years	5 years	5 years
Issue Price	Investors I : par issue i.e 100 000 MAD Investors II : Issue price between 98.714% and 100.857% i.e between 98 714 MAD and 100 857 MAD	Investors I : par issue i.e 100 000 MAD Investors II : Issue price between 98.714% and 100.857% i.e between 98 714 MAD and 100 857 MAD	Investors I : par issue i.e 100 000 MAD Investors II : Issue price between 98.714% and 100.857% i.e between 98 714 MAD and 100 857 MAD	Investors I : par issue i.e 100 000 MAD Investors II : Issue price between 98.714% and 100.857% i.e between 98 714 MAD and 100 857 MAD
Nominal Risk premium	Between 140 and 160pbs	Between 140 and 160pbs	Between 140 and 160pbs	Between 140 and 160pbs
Nominal Coupon Rate	Between 4.60% and 4.80%, adjustable in reference to the full rate 52 weeks increased by a risk premium	Between 5.22% and 5.42%, adjustable in reference to 5-year treasury bonds rate increased by a risk premium	Between 4.60% and 4.80%, adjustable in reference to the full rate 52 weeks increased by a risk premium	Between 5.22% and 5.42%, adjustable in reference to 5-year treasury bonds rate increased by a risk premium
Negotiability of securities	Casablanca Stock Exchange	Casablanca Stock Exchange	Over the Counter	Over the Counter
Guarantee	None	None	None	None
Method of repayment	In fine	In fine	In fine	In fine

Subscription period : from June 23rd to June 27th 2014 inclusive

Issue reserved to two categories of investors:

Investors I : Qualified investors and legal persons under Moroccan and foreign law as defined in the prospectus

Investors II : Holders of CGI bonds issued in 2010 and falling due in December 2015 who wish to subscribe in the framework of an exchange operation.

Financial Advisor

Global Coordinator

Placement Agent



APPROVAL BY THE CONSEIL DÉONTOLOGIQUE DES VALEURS MOBILIÈRES (SECURITIES ETHICS COUNCIL)

In accordance with the provisions of the SEC's circular letter pursuant to Article 14 of the Dahir creating law n°1-93-212 dated 21 September 1993 concerning the Securities Ethics Council (CDVM) and the information required from legal persons appealing for savings deposits from the public (as modified and supplemented), the original of this prospectus was approved by the CDVM on June 13rd 2014, under reference VI/EM/015/2014

NOTICE

On June 13rd 2014 the Securities Ethics Council (CDVM) approved a prospectus relating to a bond issue by CGI.

This prospectus approved by the CDVM is available at all times at the head offices of CGI and its financial advisor CDG Capital. It is also available within 48 hours at the offices of order collectors.

The note is available to the public at the head office of the Casablanca Stock Exchange as well as on its website at www.casablanca-bourse.com. It is also available on the website of CDVM at www.cdvm.gov.ma.

I. OPERATION PRESENTATION

OBJECTIVES

As part of its development program, CGI has planned several important investments both on its own account and through its subsidiaries. Hence, by this bond issue for a maximum amount of 1.5 bn. DH as described in this prospectus, the company aims to :

- Finance part of its investment program over the period 2014-2016 ;
- Support the growth of its business ;
- Manage its liabilities proactively.

CGI's investment program for the period 2014-2016 can therefore be outlined as follows :

In DH (millions)	2013	2014p	2015p	2016p	Total 2014-2016
Investments by CGI alone	2 564	2 890	3 160	3 610	9 660
<i>% of total investments</i>	<i>66%</i>	<i>58%</i>	<i>68%</i>	<i>74%</i>	
Investments by subsidiaries	1 311	2 120	1 510	1 280	4 910
<i>% of total investments</i>	<i>34%</i>	<i>42%</i>	<i>32%</i>	<i>26%</i>	
Total investments	3 875	5 010	4 670	4 890	14 570

Source : CGI

Investments by CGI alone are made up of land purchases at an average annual rate of 910m DH together with non-land investments at an average annual rate of 2 308m DH over the period 2014-2016.

Investments by CGI subsidiaries over the period 2014-2016 are essentially influenced by an acceleration in low-income housing development by three subsidiaries, Dyar Al Mansour, SEPGB and Immolog, as well as by the maturity of the subsidiary Al Manar.

The substantial rate of investment undertaken by CGI has made it necessary to diversify and rationalize its sources of finance.

CGI's financial strategy is therefore based upon :

- Prioritizing bank financing (in real estate development loans) for all appropriate investments ;
- Optimizing access to capital markets ;
- Maintenance of a short-term financial cushion in order to adjust to financing requirements while awaiting the establishment of medium/long-term solutions.

STRUCTURE OF THE OPERATION

This operation consists of an overall amount of 1,500,000,000 (one billion five hundred million) dirhams maximum.

CGI plans to issue 15,000 security bonds with a nominal value of 100,000 dirhams each, both listed and non-listed at the Casablanca Stock Exchange.

There are four tranches :

- **Tranche A :** with an adjustable rate, listed at the Casablanca exchange, and a limit of 1,500,000,000 (one billion five hundred million) dirhams, at a nominal value of 100,000 (one hundred thousand) dirhams each ;
- **Tranche B :** with a fixed rate, listed at the Casablanca exchange, and a limit of 1,500,000,000 (one billion five hundred million) dirhams, at a nominal value of 100,000 (one hundred thousand) dirhams each ;
- **Tranche C :** with an adjustable rate, non-listed at the Casablanca exchange, and a limit of 1,500,000,000 (one billion five hundred million) dirhams, at a nominal value of 100,000 (one hundred thousand) dirhams each ;
- **Tranche D :** with a fixed rate, non-listed at the Casablanca exchange, and a limit of 1,500,000,000 (one billion five hundred million) dirhams, at a nominal value of 100,000 (one hundred thousand) dirhams each.

The total amount allotted for these four tranches shall in no case exceed the sum of 1,500,000,000 (one billion five hundred million) dirhams.

The operation shall be reserved for two categories of investor :

- **Investors I :** All qualified investors and legal persons under Moroccan and foreign common law that wish to subscribe under normal issue conditions.

The number of securities allotted to this category of investor is 7,500 bonds of 100,000 DH nominal, i.e. 750,000,000 (seven hundred and fifty million) dirhams total.

- **Investors II :** All CGI holders of bonds issued in 2010 falling due in December 2015 and with ISIN codes MA0000021461 (bonds listed) and MA0000091266 (bonds unlisted) who wish to subscribe as part of an exchange.

The number of securities allotted to this category of investor is 7,500 bonds of 100,000 DH nominal, i.e. 750,000,000 (seven hundred and fifty million) dirhams total.

If the number of subscriptions per category of investor (I or II) is lower than the corresponding offer, the difference is transferred to the other category of investor (I or II).

FEATURES OF THE OPERATION

	Tranche A listed	Tranche B listed	Tranche C non-listed	Tranche D non-listed
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Negotiability of securities	Casablanca Stock Exchange	Casablanca Stock Exchange	Over the Counter	Over the Counter
Guarantee	None	None	None	None
Method of repayment	In fine	In fine	In fine	In fine

Issue reserved only for qualified investors and legal persons under Moroccan and foreign law who wish to subscribe under normal issue conditions and holders of CGI bonds issued in 2010 falling due in December 2015 who wish to subscribe as part of an exchange.

OPERATION CALENDAR

Stages	Latest date
Reception of the additional documents application by the Casablanca Stock Exchange	13 juin 2014
<ul style="list-style-type: none"> ▪ Issue of acknowledgement by the Casablanca Exchange ▪ Receipt of approval by the CDVM 	13 juin 2014
Receipt by the Casablanca Exchange of the prospectus approved by the CDVM	13 juin 2014
Publication of the introductory notice of the bonds issued under tranches A	16 juin 2014

and B in the Listings Bulletin	
Publication of the abstract of the prospectus	17 juin 2014
Opening of the subscription period	23 juin 2014
Close of the subscription period	27 juin 2014
Receipt by the Casablanca Exchange of the results of the operation (subscription of new bonds and surrender of 2010 bonds).	30 juin 2014
<ul style="list-style-type: none"> ▪ Admission of new bonds ▪ Announcement of results of the operation in the Listings Bulletin ▪ Registration of stock exchange transactions : subscription of new bonds and surrender of 2010 bonds 	04 juillet 2014
<ul style="list-style-type: none"> ▪ Settlement for delivery of transactions ▪ 2010 bonds delisting in case of total takeover 	09 Juillet 2014

II. INFORMATION ABOUT CGI (THE ISSUER)

GENERAL INTRODUCTION TO CGI

Corporate name	Compagnie Générale Immobilière SA (CGI) (General Real Estate Corporation)
Head office	Caisse de Dépôt et de Gestion Building, Place My El Hassan, Rabat
Legal structure	Limited liability company with a board of directors
Purpose of the company	<p>Under Article 3 of the Articles of Association of CGI, the purpose of the company both in Morocco and abroad is to pursue:</p> <ul style="list-style-type: none"> ▪ Any land and property operations concerning undeveloped land or land occupied by buildings for demolition ; ▪ Any property developments either on its own account or for third parties ; ▪ Any form of participation, including investing in any company or enterprise or the creation of any company or enterprise having similar or connected business, or of a kind promoting development of the above activities ; ▪ And more generally, all commercial, financial, real estate or other transactions possibly connected directly or indirectly to the foregoing items.
Current capital	1,840,800,000,00 DH, divided into 18,408,000 shares with a nominal value of 100 DH each, all the same category.

Source : CGI

SHAREHOLDINGS

Shareholders	Dec. '11		Dec. '12		Dec. '13		May 2014	
	% capital	No. of shares	% capital	No. of shares	% capital	No. of shares	% capital	No. of shares
CDG Développement	79.1%	14 567 335	76.1%	14 015 095	76.1%	14 015 095	76.1%	14 015 095

RMA Watanya	8.5%	1 566 044	8.5%	1 566 051	8.5%	1 566 061	8.5%	1 566 061
Floating	12.4%	2 274 621	15.4%	2 826 854	15.4%	2 826 844	15.4%	2 826 844
Total	100%	18 408 000	100%	18 408 000	100%	18 408 000	100%	18 408 000

NB : Percentage of capital corresponds to the percentage of voting rights

Source : CGI

In 2007 CGI, as part of an introductory market operation, opened its capital to investors through an increase and sale of shares, thereby raising the participation of CDG Développement to 80%. This operation dealt with the sale of 1,473,600 shares and the creation of 208,000 new shares. The floating proportion has now risen to 20%, i.e. 3,681,600 shares.

In 2010, RMA Watanya took up 8% of CGI's capital, i.e. 1,481,844 shares.

At year-end 2013, CGI was controlled by CDG Développement with 76.1% of the capital and RMA Watanya with 8.5% of the capital. The float represents 15.4% of the capital.

COMPOSITION OF THE BOARD OF DIRECTORS

In accordance with Article 14 of the Articles of Association of CGI, the company is administered by a Board of Directors having at least three (3) and no more than fifteen (15) members drawn from the shareholders and appointed by a General Meeting.

Each director must own at least one (1) share in any of the existing categories during the whole period of his mandate. If on the day of his appointment a director does not own the required number of shares, or if in the course of his mandate he ceases to own any, he is considered to have resigned unless his situation is regularized within three months.

At 31 December 2013, the Board of Directors had the following members :

Full name	Position	Date appointed	End of mandate
Anass HOUIR-ALAMI	Chairman	16/06/2009	AGM ruling on accounts at close of 31/12/2014
Saïd LAFTIT	Director	16/06/2009	AGM ruling on accounts at close of 31/12/2014
Mohamed Amine BENHALIMA	Director	13/06/2011	AGM ruling on accounts at close of 31/12/2014
CDG Développement represented by Anass Hourir-Alami	Director	09/06/2014	AGM ruling on accounts at close of 31/12/2014

RMA Watanya represented by
Zouheir BENSAID

Director

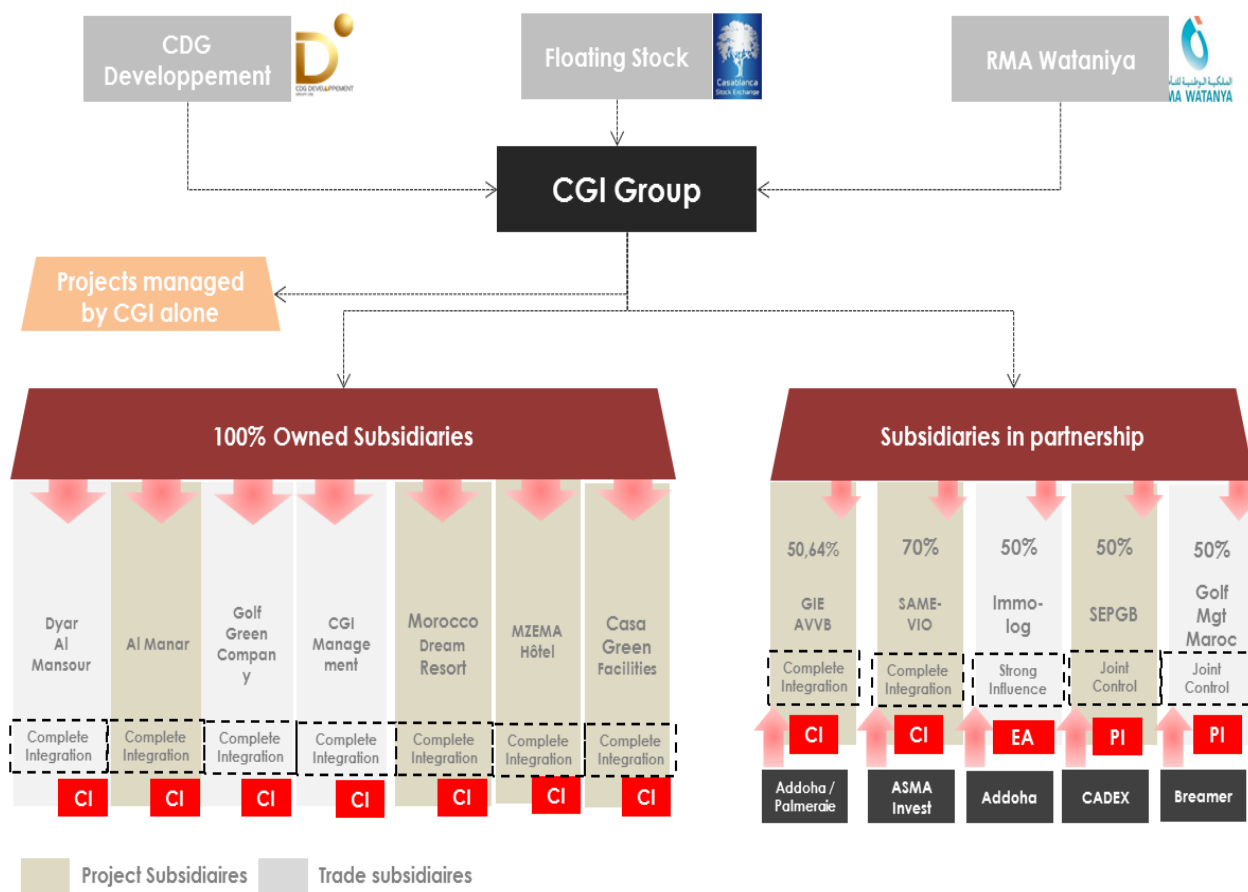
28/06/2010

AGM ruling on
accounts at close of
31/12/2015

Source : CGI

CGI'S LEGAL ORGANIZATIONAL STRUCTURE

The legal organizational structure of CGI on 31 December 2013 was as follows :



CI : Complete integration
 PI : Proportional integration
 EA: Equity affiliate
 Source : CGI

CGI'S ACTIVITIES

CGI is active at all levels of real estate, i.e. medium quality, luxury, social and low-income. CGI therefore now covers all branches of housing development, either as project owner (MO¹) or delegated project manager (MOD²).

As part of its development strategy CGI in 2012 also created a subsidiary, CGI Management, to specialize in the delegated management of various property projects on behalf of other developers.

The majority of projects completed by CGI are for its own account through working as project owner (MO). The remainder, i.e. those undertaken as delegated project manager (MOD) are for the account of public and private organizations which rely on the know-how of CGI and its subsidiary CGI Management to complete their projects successfully.

The table below shows the development and breakdown of the consolidated balance sheet by business for the period 2011-2013 :

'000 DH	2011	2012	Var	2013	Var
Turnover (Developer - MO)	2 621 030	2 967 679	13%	3 708 717	25%
Turnover (Delegated - MOD)	42 416	33 345	21%	20 076	40%
Other products	3 955	-	-100%	1 568	-
Consolidated turnover	2 667 401	3 001 024	13%	3 730 361	24%

Source : CGI

At year-end 2013, CGI Group turnover reached 3730m DH against 3001m DH at year-end 2012, i.e. a rise of 24% over the period. 99% of consolidated turnover comes from the business of the project owner (MO).

CGI appears in the low-income and social segment through its subsidiary Dyar Al Mansour as well as Immolog, a consolidated equity affiliate.

1. Project ownership (MO) :

CGI (the project owner - MO) supplies initiatives for real estate developments and assumes the responsibility for financing and coordinating operations. In fact the company has the responsibility for monitoring real estate operations from the design stage through to completion (choice of land, definition and survey of projects, signing work contracts, monitoring construction, sale of finished work and after-sales service). This business represents almost 81% of CGI's corporate turnover for 2013.

CGI also offers turnkey solutions as part of its delegated contracting services. In this way it takes over the entire project for an amount previously agreed with the prime contractor. CGI can then act with a free hand to manage its budget and its delivery arrangements and assumes all

¹ Maitrise d'ouvrage

² Maitrise d'ouvrage déléguée

financial risk. This activity represents almost 17% of CGI corporate turnover for 2013 ; nevertheless, for accounting purposes MOD turnkey is assimilated to the project owner (MO).

The table below shows the development and distribution of the consolidated turnover of Project Owner (MO) business by product over the period 2011-2013 :

'000 DH	2011	2012	Var	2013	Var
Housing units and plots	1 969 126	2 285 971	16%	3 248 299	42%
Sites	26 609	306 000	>100%	-	-
MOD (turnkey)	625 295	375 708	-40%	460 418	23%
MO Turnover	2 621 030	2 967 679	13%	3 708 717	25%

Source : CGI

Over the period 2012-2013, MO turnover rose 25%, reaching 3709m DH in 2013 against 2968m DH in 2012. This rise can be explained by :

2. Delegated Project Management (MOD) :

CDG Group often uses MOD as well as outside contractors, whether public or private, when working by mutual agreement or with limited open consultations (not when calling for tenders). This business represents almost 1% of CGI turnover for 2013.

As part of their MOD work CGI and CGI Management are involved in creating community developments such as administration buildings, central offices, clinics and hospitals, mosques, etc.

Moreover, and starting in 2012, CGI Management, a 100% owned subsidiary of CGI, is used exclusively for MOD on all contracts signed.

The table below shows the development and distribution of consolidated turnover of Delegated Project Management (MOD) business over the period 2011-2013 :

'000 DH	2011	2012	Var	2013	Var
CDG Group	31 490	24 808	-21%	9 739	-61%
Outside CDG Group	10 926	8 537	-22%	10 337	21%
MOD turnover	42 416	33 345	-21%	20 076	-40%

Source : CGI

At year-end 2013, consolidated MOD turnover reached 20m DH against 33m DH at year-end 2011, i.e. a drop of 40% over that period. This development can be explained mainly by a decrease of 61% in restated MOD turnover generated with the CDG Group.

III. FINANCIAL DATA

CONSOLIDATED BALANCE SHEETS

ASSETS	31.12.2013	31.12.2012	31.12.2011
Fixed assets	817 322	639 939	627 182
Acquisition goodwill	175 896	188 460	201 024
Intangible assets	18 303	13 650	8 696
Tangible assets	351 375	142 480	131 894
Equity affiliates	212 660	246 369	239 596
Other financial assets	59 089	48 979	45 971
Current assets	17 456 823	15 416 072	13 111 697
Stocks and receivables	11 184 822	10 113 312	8 442 169
Clients and trade receivables	2 451 811	1 729 761	1 318 974
Other receivables and accruals	3 443 848	2 920 552	2 442 658
Marketable securities			120 000
Cash and cash equivalents	376 342	652 447	787 895
TOTAL ASSETS	18 274 146	16 056 011	13 738 878

LIABILITIES	31.12.2013	31.12.2012	31.12.2011
Capital	1 840 800	1 840 800	1 840 800
Share premiums	1 881 216	1 881 216	1 881 216
Consolidated reserves	378 857	415 925	388 353
Net profit for the year (Group share)	366 935	315 823	375 542
Total shareholders' equity (Group share)	4 467 808	4 453 764	4 485 910
Minority interests	19 200	9 928	10 112
Total shareholders' equity	4 487 008	4 463 692	4 496 022
Investment subsidy	8 486	8 486	8 987
Bond issues	1 500 000	1 500 000	1 500 000
Other long-term debt	2 562 032	1 839 413	776 214
Provisions for contingencies and losses	26 029	75 182	72 425
Current liabilities	9 690 591	8 169 238	6 885 230
Suppliers and trade payables	3 577 990	2 541 645	2 357 753
Trade receivables, advances and downpayments	2 199 969	2 673 615	2 907 560
Other debts and accruals	2 151 918	1 831 664	1 091 072
Provisions for other liabilities and charges	40 383	83 559	61 549
Provisions in liabilities	1 720 331	1 038 756	467 296

TOTAL LIABILITIES	18 274 146	16 056 011	13 738 878
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CONSOLIDATED INCOME STATEMENT

CPC	31.12.2013	31.12.2012	31.12.2011
Turnover	3 730 361	3 001 024	2 667 401
Changes in inventories	784 353	1 622 594	1 311 049
Fixed assets produced in-house	161 692		
Other operating income	15 305	10 162	8 018
Operating write-backs; expense transfers	68 293	2 888	187 300
Purchases consumed, stored	-3 874 831	-3 947 018	-3 467 809
Purchases not stored; other external charges	-94 199	-66 362	-71 853
Personnel costs	-158 801	-142 435	-131 265
Other operating costs	-32 573	-110	-7 627
Taxes and charges	-7 286	-2 504	-6 923
Provisions for liabilities	-27 423	-36 183	-30 694
Operating profit	564 890	442 054	457 598
Financial income and expenses	-63 342	-30 152	-23 530
Net income of consolidated companies	501 548	411 902	434 068
Non-recurring income and expenses	-9 682	-23 340	-17 282
Company taxes	-141 550	-129 693	-139 689
Net profit of consolidated companies	350 316	258 869	277 097
Income share from equity affiliates	16 290	56 773	98 706
Consolidated net income	366 607	315 642	375 803
Minority interests	328	180	-261
Net profit (Group share)	366 935	315 823	375 542

CASH FLOW STATEMENT

	31.12.2013	31.12.2012	31.12.2011
Cash flows from operations			
Net income from consolidated companies	366 607	315 642	375 803
Elimination of income and expenses without impact on cash flow or unconnected to business activity	-54 368	-50 380	-107 554
Net allocations (1)	-16 502	30 510	14 457
- Change in deferred taxes	-21 576	-24 117	-23 305
- Capital gain – net of tax			
- Share in profits of equity affiliates	-16 290	-56 773	-98 706
Self-financing capacity of consolidated companies	312 239	265 262	268 249
Dividends received from consolidated companies	50 000	50 000	100 000
Change in activity-related working capital needs (2)	-1 455 502	-1 703 157	-259 458
Other		13	11
Net cash flow generated by the activity	-1 093 264	-1 387 882	108 802
Cash flow from investment transactions			
Capital acquisitions	-233 634	-31 232	-21 763
Increase in financial assets			-100 000
Disposal of fixed assets - net of tax			
Impact of variations of scope (3)	-3 139	1 766	-68 514
Cash flow from investment transactions	-236 773	-29 466	-190 277
Cash flow from financial transactions			
Dividends paid to shareholders of the parent company	-349 752	-349 752	-331 344
Dividends paid to minority interests in consolidated companies			
Cash capital increases	9 600		
Net external assets	-10 110	-3 008	-687
Loan issues	989 373	1 134 756	723 917
Loan repayments	-266 754	-71 556	-6 282
Net cash flow from financial transactions	372 357	710 440	385 605
Cash position variation	-957 680	-706 908	304 130
Cash position at opening	-386 309	320 599	16 469
Cash position at close	-1 343 989	-386 309	320 599
Difference	-957 680	-706 908	304 130

IV. RISK FACTORS

A. COMPETITION

The real estate market offers interesting opportunities for profits and income and has no restrictive barriers at the start. This provides encouragement to many local and foreign developers. A large number of developers can exacerbate competition and provoke the erosion of profit margins, especially if the price of land rises.

B. INTEREST RATES

A rise in deposit interest rates carries the risk of deflecting part of savings towards bank deposits and debt securities, which would have a negative effect on demand in the property market.

A rise in lending rates would cause an increase in the cost of loans, the principal source of property finance, and thence a drop in demand for property.

C. SUB-CONTRACTING

CGI uses sub-contractors to build the projects it markets. These sub-contractors are building companies that must fulfil the conditions for price, quality and services and time limits specified by CGI when tenders are submitted.

The small number of sub-contractors capable of fulfilling these conditions constitutes a risk factor likely to impact the costs of acquiring CGI's services, time limits for completion of projects and the quality of deliverables.

D. INCREASE IN THE PRICE OF LAND

The demand for sites in urban areas does not cease to rise. It is drawn by population growth and easy access to credit. Land prices are therefore most likely to follow the ascending curve they have known for several years. This situation represents a risk factor for CGI if it does not succeed in affecting the increasing value of sites on selling prices because of competition.

E. ACCESS TO FINANCING

In order to develop, the CGI Group is obliged to accept the need for external financing. The Group is financed from its own resources, bank lines of credit, bond issues and by customer advances. However, the company manages to anticipate its financing needs and studies many other financing paths in order to enable diversification of its resources as well as improvements in the cost of financing.

F. MARKET FLUCTUATIONS

Fluctuations in the property market lowering national or foreign demand would have a negative impact on the sector's health in general, and on the volume of the CGI Group.

Nevertheless, it should be noted that, in advance and before the launch of any sizable real estate projects, CGI and its subsidiaries carry out surveys upstream of the relevant market so as to guarantee the commercial success of the project as well as choose a suitable position.

Furthermore, the Group is positioning itself in various sectors of real estate (from social housing to luxury properties) and at different levels of business through project ownership (MO) and delegated project management (MOD) - with and without turnkey, thus enabling CGI to possess a diversified portfolio of real estate projects.

G. INVENTORIES

In order to insure against the risk of having inventories of finished products located in distant cities or affected by a drop in demand, the Group adopts marketing techniques such as promotions, price reductions, extra services and equipment that help to move them. Resizing the project or selling off sites supporting tranches of the project can also be implemented.

NOTICE

The foregoing information forms only part of the prospectus approved by the Securities Ethics Council (CDVM) under reference n° VI/EM/015/2014 dated June 13rd 2014. CDVM recommends reading the whole text of the prospectus that is available to the public in French.