



Groupe ActionLogement

(incorporated as a *société anonyme* in France)

€500,000,000 1.125 per cent. Notes due 2 July 2029

Issue price: 99.690 per cent.

The €500,000,000 1.125 per cent. Notes due 2 July 2029 (the “Notes”) are to be issued by in’li (the “Issuer” or “in’li”) on 2 July 2019 (the “Issue Date”).

The Issuer may, at its option, (i) on any date from, and including, the date falling three months before the Maturity Date (as defined below), redeem the Notes outstanding on any such date, in whole (but not some only), at their outstanding principal amount together with interest accrued to, but excluding, the date fixed for redemption, as described under “Terms and Conditions of the Notes - Redemption and Purchase – Residual Maturity Call Option”, (ii) at any time or from time to time redeem the Notes outstanding, in whole or in part, prior to the date falling three months before the Maturity Date and in accordance with the provisions set out in “Terms and Conditions of the Notes - Redemption and Purchase – Make-whole Redemption” and (iii) if 80 per cent. or more of the initial aggregate amount of the Notes have been redeemed, to the extent it does not result, in whole or in part, from the exercise of a partial make-whole redemption, or purchased and subsequently cancelled, redeem all (but not some only) of the outstanding Notes at their principal amount together with any accrued interest as described under “Terms and Conditions of the Notes - Redemption and Purchase – Squeeze-Out Redemption”. The Issuer may also, at its option, and in certain circumstances shall, redeem all, but not some only, of the Notes at any time at their outstanding principal amount together with interest accrued to the date fixed for redemption as more fully described under “Terms and Conditions of the Notes - Redemption and Purchase – Redemption for Taxation Reasons”. Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at their principal amount on 2 July 2029 (the “Maturity Date”).

Each holder of each Note will have the option, following a Change of Control (as defined herein), to require the Issuer to redeem the Notes at their outstanding principal amount together with interest accrued to but excluding the date fixed for redemption as more fully described under “Terms and Conditions of the Notes – Redemption and Purchase – Early Redemption of the Notes at the option of the Noteholders following a Change of Control”.

This prospectus (including the documents incorporated by reference) constitutes a prospectus (the “Prospectus”) for the purposes of Article 5.3 of Directive 2003/71/EC of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading, as amended or superseded (the “Prospectus Directive”). References in this Prospectus to the “Prospectus Directive” shall include the amendments made thereto and any relevant implementing measure in the relevant Member State of the European Economic Area. This Prospectus has been approved by the *Autorité des marchés financiers* (the “AMF”) in France, in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive. Application has been made to admit the Notes to trading on the regulated market of Euronext Paris (“Euronext Paris”). Euronext Paris is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended from time to time.

The Notes have been accepted for clearance through Euroclear France, Clearstream Banking S.A. (“Clearstream”) and Euroclear Bank S.A./N.V. (“Euroclear”). The Notes will on the Issue Date be inscribed (*inscription en compte*) in the books of Euroclear France which shall credit the accounts of the Account Holders (as defined in “Terms and Conditions of the Notes – Form, Denomination and Title” herein) including Euroclear and the depositary bank for Clearstream.

The Notes will be issued in dematerialised bearer form in the denomination of €100,000 each. The Notes will at all times be represented in book entry form (*dématérialisé*) in the books of the Account Holders in compliance with Articles L.211-3 and R. 211-1 of the French *Code monétaire et financier*. No physical document of title (including *certificats représentatifs* pursuant to Article R. 211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes.

The Issuer has been assigned a rating of BBB+ (positive outlook) by S&P Global Ratings Europe Limited (“S&P”). The Notes have been assigned a rating of BBB+ by S&P. A rating is not a recommendation to buy, sell or hold Notes and may be subject to revision, suspension, reduction or withdrawal at any time by the relevant rating agency. The credit ratings included or referred to in this Prospectus have been issued by S&P, which is established in the European Union and registered under Regulation (EC) No. 1060/2009 on credit ratings agencies, as amended (the “CRA Regulation”), and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) as of the date of this Prospectus.

Prospective investors should have regard to the factors described under the section headed “Risk Factors” in this Prospectus.

Copies of this Prospectus and the documents incorporated by reference will be published on the website of the Issuer (<https://corporate.inli.fr>) and the Prospectus will be published on the website of the AMF (www.amf-france.org).

Joint Global Coordinators and Joint Bookrunners

CREDIT AGRICOLE CIB

SOCIETE GENERALE

Joint Bookrunners

HSBC

NATIXIS

This Prospectus comprises a prospectus for the purposes of Article 5.3 of the Prospectus Directive and for the purpose of giving information with regard to the Issuer and the Notes which according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer or the Joint Bookrunners (as defined in “Subscription and Sale” herein) to subscribe or purchase any of the Notes.

The distribution of this Prospectus and the offering or the sale of the Notes in certain jurisdictions may be restricted by law or regulation. The Issuer and the Joint Bookrunners do not represent that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered or sold, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution, offering or sale. Accordingly, no Note may be offered or sold, directly or indirectly, and neither this Prospectus nor any offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restrictions.

For a description of further restrictions on offers and sales of Notes and the distribution of this Prospectus, see “Subscription and Sale” herein.

No person is or has been authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by, or on behalf of, the Issuer or the Joint Bookrunners. The delivery of this Prospectus or any offering or sale of Notes at any time does not imply (i) that there has been no change with respect to the Issuer since the date hereof and (ii) that the information contained or incorporated by reference in it is correct as at any time subsequent to its date.

Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Joint Bookrunners have not separately verified the information contained herein. Accordingly, the Joint Bookrunners do not make any representation, express or implied, or accept any responsibility with respect to the accuracy or completeness of any of the information contained or incorporated by reference in this Prospectus. To the fullest extent permitted by law, the Joint Bookrunners accept no responsibility whatsoever for the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer in connection with the Notes or their distribution or for any other statement, made or purported to be made by the Joint Bookrunners or on their behalf in connection with the Issuer or the issue and offering of the Notes.

Neither this Prospectus nor any other information supplied in connection with the Notes or their distribution is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation by the Issuer or the Joint Bookrunners that any recipient of this Prospectus or any other information supplied in connection with the Notes or their distribution should purchase any of the Notes. Each investor contemplating subscribing or purchasing Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer or the Issuer’s group.

So far as the Issuer is aware, save as disclosed in this Prospectus, no person involved in the issue of the Notes has an interest material to the offer.

IMPORTANT - EEA RETAIL INVESTORS – *The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European*

Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (“MiFID II”); or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended (“IMD”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II product governance / Professional investors and eligible counterparties only target market – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes, taking into account the five (5) categories referred to in item 18 of the Guidelines published by the European Securities and Markets Authority (“ESMA”) on 5 February 2018, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”). Subject to certain exceptions, the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, both as defined in Regulation S. For a further description of certain restrictions on the offering and sale of the Notes and on distribution of this document, see “Subscription and Sale” herein.

This Prospectus may not be used for any purposes other than those for which it has been published.

This Prospectus is to be read in conjunction with all the documents which are incorporated herein by reference (see “Documents Incorporated by Reference” herein).

All references in this document to “euro”, “EUR” and “€” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

TABLE OF CONTENTS

	Page
RISK FACTORS	5
DOCUMENTS INCORPORATED BY REFERENCE.....	23
TERMS AND CONDITIONS OF THE NOTES.....	25
USE OF PROCEEDS.....	36
DESCRIPTION OF THE ISSUER	37
TAXATION	54
SUBSCRIPTION AND SALE.....	56
GENERAL INFORMATION	58
PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS	61

RISK FACTORS

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes are also described below.

Prior to making an investment decision, prospective investors in the Notes should consider carefully, in the light of the circumstances and their investment objectives, the information contained and/or incorporated by reference in this entire Prospectus. Prospective investors should consider, among other things, the risk factors set out below. Prospective investors should make their own independent evaluations of all risk factors and should also read the detailed information set out elsewhere in this Prospectus.

Terms used but not defined in this section shall have the same meaning as that set out in the other sections of this Prospectus.

I. Risks relating to the Issuer and its business

Risks Relating to the Issuer's Industry

The Issuer is subject to risks relating to unfavourable changes in macroeconomic conditions in France.

As of 31 December 2018, the Issuer's properties comprise 42,277 intermediary housing (*logement intermédiaire*) residential units located in France, mostly in Ile-de-France.

The Issuer's business development and asset valuations could be significantly affected by a changing political environment or by unfavourable changes in the principal macroeconomic factors in France, including the following:

- demographic changes;
- employment and growth rates;
- inflation, purchasing power and consumer spending;
- decreases in the indices used as the basis for rent adjustments (in particular, the French rent reference index (*indice de référence des loyers*, or "IRL"));
- development of intermediary housing may confront with housing policies defined by local authorities;
- increased interest rates and access to financing by potential real estate buyers; and
- rates and changes in real estate taxation.

These factors may have a significant effect on vacancy rates, the Issuer's revenues, its development prospects and the value of its properties. Consequently, this may in turn have a material adverse effect on the Issuer's business, financial condition, profitability and future prospects.

A downturn in the residential real estate market could have a negative impact on the valuation of the Issuer's real estate assets and rental income.

The Issuer's portfolio of real estate assets is periodically valued by an independent expert. In principle, variations in the value of a portfolio of real estate assets depend on a number of factors, in particular the evolution of the property market and numerous parameters (economic climate, levels of interest rates, business environment of the assets, etc.) which are likely to affect the valuation determined by an expert.

Over longer periods, the French property market has experienced several decreases in the price of real estate assets and rents, notably between 1991 and 1997, and since 2007, with a price adjustment commencing from 2008. Notwithstanding the fact that such episodes are recurrent, they are difficult to predict, and they are not systematically anticipated by operators and analysts.

- Unfavourable market conditions could lead to a decrease in the appraised value of the Issuer's real estate assets. Appraisals take into account, among other factors, the values of comparable real estate transactions and a generalised decrease in prices paid in such transactions would affect the appraised value of the Issuer's real estate assets.
- In addition, unfavourable market conditions could lead to a decrease in rents, which could negatively affect the Issuer's new and renewed leases and would also make it more difficult for the Issuer to obtain legal rent increases from its existing tenants on the basis of movements in the IRL if the rent payable under continuing leases is greater than that payable under new or renewed leases.

In addition, an extended downturn in the residential real estate market could reduce liquidity and make potential asset disposals difficult, which could result in the Issuer being unable to meet its obligations under the terms of its indebtedness or to dispose of its residential properties on financial terms satisfactory to it and in the desired timeframe, should such disposals become necessary. In addition, the valuation of the assets may not be strictly equivalent to the realisable value in the event of a sale, in particular in the context of an unfavourable market. There can be no assurance that the Issuer will be able to dispose of its residential properties on terms that are at least as favourable as those on which it acquired them. The occurrence of any such negative developments in the real estate market could materially negatively impact the valuation of the Issuer's real estate assets or rent levels it can obtain, which would negatively impact its business, financial condition, profitability and future prospects.

The Issuer is subject to interest rate risk, particularly rising interest rates.

The level of interest rates influences the general economic climate and in particular gross domestic product, economic growth and inflation. It also has an influence on the valuation of real estate assets and on the evolution of indices such as the IRL. An increase in interest rates, which are currently at historically low levels, could have a negative impact on the Issuer's business, financial condition, profitability and future prospects. In addition, an increase in interest rates would result in an increase in the cost of investment finance and would consequently make the implementation of the Issuer's strategy more costly.

Specifically, an increase in interest rates could lead to a decrease in the appraised value of the Issuer's assets by affecting the discount rates applied to rents for purposes of determining the present value of rental income. In addition, if interest rates increase or borrowing terms become less favourable the Issuer could be forced to enter into new loans or hedge agreements with higher financial costs than its current ones when they expire.

Furthermore, an increase in interest rates would result in an increase in the cost of investment finance and would consequently make the implementation of the Issuer's strategy more costly and could reduce its capacity to finance acquisitions or pursue its development projects.

Conversely, a decrease in interest rates could lead to an increase in real estate prices and increase property acquisition costs, which could have an unfavourable effect on the Issuer's results of operations, financial condition, investment strategy and future prospects.

The Issuer's business is sensitive to changes in the competitive environment.

The Issuer operates in a competitive environment, which may intensify with existing actors or new entrants, including the Social Housing Providers (*Entreprises Sociales pour l'Habitat*), foreign companies and institutional investors. Accordingly, the Issuer could be unable to complete the development and acquisition projects that it would like to undertake, which could slow its growth and the implementation of its strategy, and could have an adverse effect on its business, potential growth and future results. All of these factors could have a material adverse effect on the revenues of the Issuer, its portfolio, its development prospects and its results of operations and, as a consequence, on the Issuer's financial condition and future prospects.

The strategy of acquiring residential real estate assets on attractive terms may be affected by certain events.

As part of its strategy, the Issuer seeks to acquire a significant number of assets (19,100 over the period 2018-2023).

The supply of real estate assets might be limited, for example, due to fewer sales of real estate assets by public and private owners. As a consequence, the Issuer could be forced to pay higher prices or to acquire fewer (if any) real estate assets.

Moreover, the demand of real estate assets may increase in the future, in particular because of an intensification of the competition (see above "*The Issuer's business is sensitive to changes in the competition environment*"). The Issuer may not be able to acquire real estate assets it planned to acquire, for instance because it is not offering the best price. In particular, when the Issuer acquires new housing units under the French forward sale agreement legal framework (*Vente en l'Etat Futur d'Achèvement (VEFA)*), the Issuer makes block purchases characterized by a discount for the property developer who may prefer to sell to other purchasers unit by unit.

Any inability of the Issuer to acquire real estate assets could not only impair its ability to develop its strategy but could also jeopardise its capacity to reach its developments target. Any inability of the Issuer to acquire suitable real estate assets on attractive terms could limit its growth and could have material adverse effects on its business, cash flow and results of operations.

Risks relating to the Issuer's Business

Rental activities

The Issuer is subject to the risk of decreased occupancy rates of its residential units.

The Issuer defines its occupancy rate as one minus the ratio between the number of marketed units which are vacant and the aggregate number of units managed by the Issuer. The occupancy rate of the Issuer's residential units stands at 96% as of 31 December 2018.

The Issuer's occupancy rate could decline, causing a material adverse effect on its results of operations and future prospects, for a number of reasons, including the following:

- if market conditions deteriorate, particularly in Ile-de-France (see below, "*The Issuer's real estate assets are highly concentrated in Ile-de-France*");
- if the Issuer were to become less effective at marketing its vacant units due to an inability to keep up with the rapidly changing environment in the residential real estate market and changing demand from clients;

- in the event of non-renewals of expiring leases, if the Issuer were unable to re-let its assets rapidly (resulting in a loss of revenue from the vacant units in addition to the related fixed charges that would be paid by the Issuer) or were unable to re-let them on satisfactory terms; and
- at the time of lease renewals, if the Issuer were faced with an unfavourable market for lessors or with regulatory changes imposing new restrictions or constraints with respect to the redetermination of rents.

The Issuer's profitability is subject to the risk of tenant insolvency.

The Issuer's ability to collect rent depends on the solvency of its tenants. While a tenant's ability to pay is taken into account before entering into a lease, tenants may nevertheless fail to pay their rent on time or may cease to make payments, in particular during difficult economic periods.

The Issuer has a high collection rate with only 0.7% of uncollected rents as of 31 December 2018. Nevertheless, in the event of a deterioration at the macroeconomic level, more tenants may fail to pay their rent on time or cease to make payments, which could have a material adverse effect on the Issuer's business, results of operations, financial condition and future prospects.

The Issuer is subject to risks relating to the online platform used to distribute the residential units under the in'li brand

The Issuer markets the assets operated under the in'li brand directly to consumers through an online platform, which may not function correctly due to software problems over which the Issuer has no control. If such online platform system were to be destroyed or damaged, the Issuer's activity could be disrupted as a result and, given that this platform is the only distribution method used for the in'li residential units, representing the bulk of the Issuer's assets, any problem preventing consumers from accessing the platform, applying for such units and/or receiving any news, notifications or any other information with respect to the housing units, their application or the general offer on the platform, would hamper the allocation of housing units to applicants, resulting in a potential loss of rental income for the Issuer and a negative impact on its business and reputation.

The Issuer is subject to risks relating to the distribution of the Qwacio residential units by ALS

The Issuer's assets marketed under the Qwacio brand are distributed by ALS during an exclusive period of 60 days, after which they are distributed directly by in'li. Qwacio residential units are therefore subject to distribution processes that the Issuer does not monitor. Such processes may take longer than expected due to the operations and workload of ALS. This could cause a delay in the distribution of the residential units that the Issuer expected to rent under the Qwacio brand, resulting in inefficient allocation and difficulties in managing the Issuer's portfolio, as well as a potential loss of rental income for the Issuer.

The Issuer is subject to risks relating to the tenant selection process for the residential units operated under the in'li brand

The Issuer has implemented a specific application process to select tenants for its in'li residential units according to defined criteria, which take into account, among other things, applicable legal and regulatory restrictions. The appropriateness of the selection criteria may be questioned by unsatisfied applicants (which may lead to potential litigation), which could damage the Issuer's reputation and its rental business. In addition, the selection process requires assessing the application forms and supporting ancillary documents submitted through the online platform. The application form (including the supporting documents) may not reflect the real profile of applicants, which could result in the allocation of a residential unit to a tenant who would otherwise be deemed ineligible for intermediary housing based, for example, on its revenues and/or its solvency. This, in turn, could result in potential litigation proceedings with such ineligible tenants, leading to a potential loss of rental income for the Issuer and adversely affecting its business and reputation.

Damage to the Issuer's reputation and inadequate customer satisfaction may result in reduced demand for the Issuer's residential units and may make it more difficult for the Issuer to raise capital or debt on favourable terms or at all.

If the Issuer is unable to maintain its reputation and high level of customer service, including during the selection process, customer satisfaction and demand for its services and properties could suffer. In particular, harm to the Issuer's reputation could make it more difficult for the Issuer to rent its residential units and could lead to delays in rental payments or the termination of rental agreements by its tenants. Any reputational damage due to the Issuer's inability to meet customer service expectations could limit its ability to retain existing customers and attract new ones. Furthermore, any such harm could impair the Issuer's ability to raise capital or debt on favourable terms or at all, including for the development of its activities through off-balance sheet real estate investment vehicles or funds. The occurrence of any such risk could have a material adverse effect on the Issuer's business, financial condition, cash flows and results of operations.

Portfolio Risks

The Issuer's real estate assets are highly concentrated in Ile-de-France.

As of 31 December 2018, 98% of the Issuer's real estate assets by number and 99% by appraised value were located in Ile-de-France. The concentration of the Issuer's assets in Ile-de-France means that a significant deterioration in the legal environment and/or economic conditions in Ile-de-France would have a larger impact on the Issuer's results and financial condition than on those of a real estate company whose assets are more widely distributed in France, Europe or internationally. In particular, a decrease in market rents in Ile-de-France would lead to a significant decrease in the Issuer's rental revenues.

As of the date of this document, growth remains limited in France, and the International Monetary Fund's growth forecasts for France are modest (1.5% for 2019 and 1.6% for 2020)¹. A deterioration of the economic environment in France could lead to an increase in unpaid rents and, as a consequence, have a material adverse effect on the Issuer's profitability.

The Issuer's strategy focuses on one specific segment of the real estate industry, which is regulated.

The Issuer is a pure player in the intermediary housing market. Its strategy is to focus specifically on residential units that would be eligible to be considered intermediary housing, which is a segment that is subject to legal restrictions with respect to the profiles of, and the rents applied to, tenants. In periods when the value of real estate assets increases, leading to higher rents, such pure player strategy could result in a loss of opportunity and profitability for the Issuer, as it would not be able to increase rents of its intermediary housing units, if it has reached the legally mandated rent. In addition, the real estate assets that the Issuer may develop, acquire and/or operate are limited to residential units that may not be rented at high prices, in comparison to the free housing market.

Development risk

In connection with the Issuer's development plans, 80% of the planned new housing units are intended to be acquired by the Issuer under the French forward sale agreement framework (*Vente en l'Etat Futur d'Achèvement (VEFA)*) and 20% of the new units are expected to be developed directly by the Issuer through project management (*maîtrise d'ouvrage directe*).

Under the VEFA framework, the Issuer is exposed to potential defaults by property developers, delays in project completion leading to delayed marketing of the housing units and inadequate designing of the properties.

¹ Source: IMF, World Economic Outlook, January, 2019.

As a property developer, the Issuer is exposed to a number of administrative, technical or financial risks related in particular to:

- acquiring land at an adequate price level;
- obtaining financing for its projects on satisfactory terms;
- rental income being lower than initially anticipated;
- the inability to obtain administrative permits and/or authorizations and whether such permits and/or authorizations are irrevocable;
- its technical ability to undertake the projects (construction standards and uncertainties, construction costs, adequate design of property);
- third party recourse; and
- compliance with schedules and anticipated costs.

In addition, property construction and operation may expose building site personnel and employees to health and safety hazards.

The occurrence of any of these risks could result in delayed or cancelled projects or in projects completed with lower profitability than anticipated, which would adversely affect the economic return on the residential units.

The Issuer is subject to risks in carrying out transformation, renovation, restructuring and expansion projects of its residential properties.

In connection with its strategy to develop and increase the value of its real estate assets, the Issuer conducts renovation, restructuring and expansion projects of its residential properties.

These projects are subject to a number of risks, including the following:

- the administrative authorizations requested by the Issuer or its partners that are required for renovations and expansions may be delayed or refused altogether;
- the Issuer could be unable to obtain financing for its projects on satisfactory terms;
- the Issuer's projects could require third-party consents, such as from other property owners, creditors or its development partners, and these consents might not be granted;
- initial project costs, such as the cost of conducting studies, generally cannot be deferred or cancelled in the event of a delay or cancellation of projects;
- rental income may be lower than initially budgeted or expected; and
- the cost of renovating assets could turn out to be greater than initially estimated, either because the renovation takes longer than planned or because of technical difficulties or delays on complex projects.

These risks could lead to delays or cancellations of investments or their completion at a higher cost than initially anticipated, or lower profitability than initially hoped (or losses). Any or all of these events could slow the Issuer's growth and the implementation of its strategy and could have a material adverse effect on its results of operations, business, financial condition and future prospects.

The Issuer is exposed to risks related to the condition of its properties and their modernisation and maintenance.

In connection with the valuation of its portfolio of real estate assets, the Issuer will have to incur expenses, which may be significant, in connection with regular maintenance and renovation of the assets in the Issuer's real estate portfolio to a standard that satisfies technical requirements and meets market demand in order to ensure the safety of a rental property's inhabitants, sustain demand for a given property and generate adequate revenue over the long term. Failure to maintain a building in such condition may pose a risk to the health and safety of the Issuer's tenants and employees.

Typically, the costs associated with maintaining a rental property at market standards are borne primarily by the property owner. As a result of changing legal or market requirements (e.g. with regard to energy efficiency or health and safety requirements), the property owner may be burdened with substantial additional expenses for maintenance and modernisation. The Issuer may not be able to increase rents to the extent legally permissible as a result of prevailing market conditions or the inability of tenants to afford the increased rents.

The Issuer may be unable to sell its assets on favourable terms.

The real estate market in which the Issuer invests and operates is characterised by limited liquidity. As part of its strategy, the Issuer intends to finance its growth by selling a significant portion of its existing assets (e.g., approximately 11,000 units over the 2019-2023 period). The Issuer's ability to sell its real estate assets depends on the state of the real estate investment market, market liquidity and applicable laws and regulations. When the Issuer seeks to sell one or more of its real estate assets, including for purposes of raising cash to support its operations, there can be no assurance that it will be able to sell such assets on favourable terms or at all. In the case of a forced sale of all or part of the Issuer's real estate assets (e.g., if certain of the Issuer's creditors realise collateral), the Issuer faces the risk that there will be a significant shortfall between the price obtained and the carrying amount of the real estate assets sold. The occurrence of any such event could have a material adverse effect on the Issuer's business, financial condition and results of operations.

Moreover, in the case of new intermediary housing residential units produced since 2014, tax benefits are subject to continued ownership during a period of 15 years, it being specified that intermediary housing providers may partially sell these residential units without a tax penalty from the 11th year onwards, up to a maximum of 50% of the relevant property. In the event that the Issuer were forced to sell these residential units before the 11th anniversary date or, if after this date and until the 15th anniversary date, in excess of 50% of the relevant property, the Issuer could lose the tax benefits and be obliged to pay a tax penalty.

Such events could have material adverse effects on the Issuer's business, financial condition and results of operations.

Appraisals of the Issuer's portfolio may not reflect the actual amount that the Issuer would receive if it sold the properties, and the valuation of its assets may vary from one period to the next.

The Issuer's real estate portfolio is valued by an independent appraiser.

The valuations determined by the independent appraiser rely on several assumptions that may not prove to be correct and may vary significantly, in particular in the event of poor performance by the residential properties. These valuations depend on changes in the residential real estate market, interest rates and the economic environment, including supply and demand. As a result, the valuation of the Issuer's assets might not be the same as the valuation that could be obtained in a sale. The valuation may vary depending on increases or decreases in certain criteria assessed by the independent appraiser.

Operational risks

The Issuer is subject to risks relating to information systems.

The Issuer uses a number of information tools and communications and information systems that play an essential role in the conduct of its business, such as for the invoicing of rent and for financial and accounting management. Any failure, disruption or hacking of these information systems, or any loss of data, could lead to failures or disruptions in the Issuer's activities, and could result in significant costs relating to the recovery and verification of the information, as well as to a potential loss of business and reputational harm.

The Issuer's information systems could also be subject to cyber-criminal attacks resulting in the theft or embezzlement of confidential data, the extortion of funds or a temporary interruption in the Issuer's activities. The consequences could be financial (termination of contracts, penalties, etc.), reputational (disclosure of operational data or non-public financial data) or legal (liability to the legal entities or individuals with respect to whom the Issuer holds confidential or sensitive information).

Any failure, interruption or compromise of the Issuer's information systems could have a material adverse effect on its image, reputation, business, results of operations, financial condition or future prospects.

The Issuer may be unable to retain the members of its management team or to attract and retain qualified employees.

The Issuer depends on the involvement and expertise of its management. The Issuer's management is composed of experienced executives and employees chosen for their proven skills and their expertise in managing real estate assets. The Issuer's management team has significant experience in its industry, and the Issuer's success depends in part on the contributions of this team. The loss of one or more members of the Issuer's management could adversely affect its ability to prepare and implement an effective business plan, and the Issuer could be unable to find satisfactory new employees to replace those who have departed. The loss of key employees of the Issuer could also lead to a loss in technical or specific skills, which could slow or alter certain businesses or projects. In the event of a loss of such employees, the Issuer would need to recruit new qualified employees in order to develop its business and may need to train them in order to familiarize them with the issues and constraints that are specific to the Issuer. Any inability on the part of the Issuer to retain highly qualified staff or to attract new employees and to train them adequately could reduce the efficiency of its organization and its capacity to execute its business plan and its growth strategy.

The Issuer relies on its employees and third parties for necessary support functions in relation to facility management

As of 31 December 2018, the Issuer had 340 employees who worked directly in the residential housing facilities. In addition, for some properties, facility management is outsourced to external contractors. Such outsourcing could result in the Issuer being held liable for any third party mismanagement of the properties or non-compliance with applicable regulations, authorisations and standards. Any such failure to comply with applicable regulations or standards with regard to the works or services performed by third parties on behalf of the Issuer could have a material adverse effect on the Issuer, its activity, financial position, results or prospects as the Issuer is liable for the services performed by its service providers and by their subcontractors or contracting parties.

Despite existing quality control procedures, the quality of services rendered by the Issuer's own employees could fall below the level of the services performed by third-party contractors and reduce the attractiveness of the Issuer's properties. Moreover, if services rendered by the Issuer's organisation are not performed as scheduled or if the quality of work falls below applicable standards, the Issuer may face claims from its tenants or may not be in a position to re-let vacant units that require maintenance and modernisation before new tenants can move in. Since these tasks are performed by the Issuer, the Issuer will not be in a position to claim compensation for damages from third parties resulting from non-performance or improper performance by the Issuer's craftsmen organisation.

The occurrence of any of the risks described above could have material adverse effects on the Issuer's business, financial condition, cash flow and results of operations.

The Issuer could sustain substantial losses from damage not covered by, or exceeding the coverage limits of, its insurance policies.

With regard to all insurances, the Issuer generally assumes that both its insurance coverage, including the maximum coverage and the exclusions and limitations of liability, and the general terms and conditions applicable to its insurance contracts are appropriate and customary for the industry in which it operates. However, the Issuer can give no assurance that it will not incur any damage or face any claims exceeding the relevant insurance coverage.

The Issuer's properties are all insured against losses due to fire, natural hazards and specified other risks. However, its insurance policies may not provide adequate coverage as they are subject to exclusions and limitations of liability, including with respect to losses resulting from damages from mining, nuclear power or war. In addition, the general acceptance conditions of insurance providers may result in the Issuer being unable to insure all properties against all risks. The Issuer may, therefore, have limited or no coverage for losses that are excluded, exceed the respective coverage limitations or cannot be insured. In addition, the Issuer's insurance providers could become insolvent. Should an uninsured loss or a loss in excess of the Issuer's insurance limits occur, the Issuer could lose capital invested in the affected property as well as anticipated income and capital appreciation from that property. Moreover, the Issuer may incur further costs to repair damage caused by uninsured risks. The Issuer could also be held liable for any debt or other financial obligation related to such a property. Thus, the Issuer may experience material losses in excess of insurance proceeds, which could have material adverse effects on the Issuer's business, financial condition, cash flow and results of operations.

Risks relating to the financial condition and financing policy of the Issuer

The Issuer's increasing indebtedness could affect its ability to pay its debts and conduct its business.

The Issuer has an increasing amount of debt outstanding. As of 31 December 2018, the Issuer's gross financial debt amounted to €1.666 million and its total cash and equivalents amounted to €380 million, resulting in net debt of €1.286 million.

The Issuer's increasing indebtedness could have the following consequences:

- increased difficulty in satisfying its obligations with respect to its indebtedness and other liabilities;
- the allocation of a substantial portion of its cash flows from operational activities to repay its debt, which would reduce available cash for financing growth and investment, as well as other needs;
- greater vulnerability to a slowdown in its business, in the economy or in industry conditions;
- a competitive disadvantage as compared with competitors carrying less debt;
- limited flexibility in planning and adapting to changes in its business and industry;
- limited capacity to carry out acquisitions or expansion projects; and
- limitations on, among other things, its ability and the ability of its subsidiaries to borrow additional funds in the future and an increase in costs relating to these additional financings.

All of these risks could have a material adverse effect on the Issuer's capacity to repay its debts as well as on its activity, operating results and financial position.

The Issuer's ability to repay its debt will depend on its future performance, which will be affected by economic conditions and financial, commercial, regulatory and other factors. Some of those factors are outside the Issuer's control. If the Issuer were unable to repay its debt and to comply with its other obligations

and commitments, it could be forced to refinance its debt or to sell certain assets in order to obtain the necessary funds. The Issuer cannot guarantee that such refinancings or asset disposals would be completed in a timely fashion or on satisfactory terms, that it would succeed in completing them at all, or that such refinancings or asset disposals would be permitted under the terms of its current financing arrangements.

The Issuer is subject to restrictive covenants under its Credit Agreement and under the Terms and Conditions of the Notes, which could impair its ability to conduct its business.

The Issuer is subject to restrictive covenants under its credit agreement entered into on 19 July 2018 with several banks (the “**Credit Agreement**”), which could impair its ability to conduct its business. If the Issuer were to fail to comply with these covenants, including as a result of events outside its control such as prevailing economic conditions or financial, commercial, regulatory or other factors, this could lead to an event of default, which could have a material adverse effect on its financial condition and results of operations.

The Issuer’s Credit Agreement includes negative covenants that will restrict, in particular, the Issuer’s ability to:

- conduct mergers, spinoffs or reorganizations that involve terminating the Issuer’s existence;
- significantly modify its main business activity; and
- grant security or guarantees.

Moreover, the Credit Agreement contains financial covenants including:

- *Interest Coverage*: the ratio of EBITDA to the cost of net financial indebtedness must be greater or equal than 1.50 on any test date (December 31 of each year, tested by reference to the Issuer’s most recent year-end financial statements). As of 31 December 2017 and 2018, this ratio was respectively 5.6 and 5.4.
- *Loan-to-Value*: the ratio of net financial debt to the adjusted asset value must not exceed 65% on any test date (December 31 of each year, tested by reference to the Issuer’s most recent year-end financial statements). This threshold is calculated with a denominator equal to the adjusted asset value as valued by an external reputable expert, *i.e.* Crédit Foncier Expertise, in December of each year. As of 31 December 2017 and 2018, this ratio was respectively 15.8 % and 16.3%.

Furthermore, the Terms and Conditions of the Notes require that the Issuer complies with a secured debt ratio, defined as the ratio between the Debt Secured by Mortgage and the Real Estate Portfolio Value (each as defined in the Terms and Conditions of the Notes), which must not exceed 30% at any time.

The restrictions imposed in the Credit Agreement and in the Terms and Conditions of the Notes could affect the Issuer’s ability to conduct its business and limit its ability to adapt to market conditions or to seize new potential opportunities that arise in its sector. For example, these restrictions could significantly limit its ability to finance its transactions or its working capital needs, to carry out acquisitions or investments, or to restructure its corporate organization. In addition, its ability to comply with these covenants and restrictions could be affected by events outside its control.

If an event of default were to occur under its financing agreement or the Terms and Conditions of the Notes and is not cured, or the condition is not waived, the lending banks under the Credit Agreement or the holders of the Notes could terminate their commitments under the agreement or this issue and accelerate the outstanding debt. This could in turn lead to cross-defaults under other financing arrangements, which could ultimately result in the Issuer’s failure or commencement of liquidation proceedings.

The Issuer is subject to risks relating to a downgrade in its credit ratings.

The Issuer's debt is rated by BBB+ by S&P and could in the future be rated by other rating agencies. As of the date of this Prospectus, the Issuer's long-term debt is rated BBB+ by S&P. This rating is based on the Issuer's capacity to meet its repayment obligations, its liquidity, certain financial ratios, its operational profile and its financial condition, as well as other factors that are considered significant for its industry and, more generally, for its economic outlook.

Any downgrading of the Issuer's debt could increase the cost of refinancing its existing financing agreements and could have a negative effect on the Issuer's capacity to finance acquisitions or to develop future projects on acceptable terms. Any increase in financing costs could negatively impact the Issuer's operational results and the return it achieves on its development projects. To the extent that financing becomes unavailable on satisfactory terms, the Issuer's capacity to grow its business through acquisitions and development would be reduced, which could have a material adverse effect on the Issuer, its activity, financial position, results or prospects.

The Issuer's ability to raise funds could be limited.

In the future, the Issuer may need to raise additional capital or debt through public, private or other sources of financing in order to finance its growth strategy, its acquisitions or other needs. As a result, the Issuer relies to a large extent on indebtedness to finance its growth. This means of financing may not be available on satisfactory terms, in particular in the event of a crisis in the capital markets or debt markets, events affecting the real estate industry, an increase in interest rates, a downgrading of the Issuer's debt rating, or any changes in the Issuer's business, financial condition or shareholder structure that could have an effect on investors' or lenders' perception of its creditworthiness or the attractiveness of an investment in the debt of the Issuer, and/or because of restrictions imposed by covenants in its financing agreement or banks' existing exposure to the Issuer or Action Logement group. Any inability to raise necessary capital could limit the Issuer's ability to acquire new assets and to finance renovation and expansion of its residential properties or to react to competitive pressures, and could thus have a material adverse effect on its activity, its financial condition, its results of operations and its future prospects.

Regulatory, legal and tax risks

The Issuer's business is subject to numerous regulations that could change in the future.

When carrying out its activities of asset ownership and management, the Issuer is obliged to comply with numerous regulations on, among other things, town planning, construction, business licenses, health and hygiene, the environment and safety, the law on leases, company law and tax laws. Any amendment to the regulations which apply to the Issuer's activities, and to their interpretation and application by the relevant authorities, could result in additional expenses which could negatively impact its operating results or its prospects for development or growth.

Changes in the regulatory or legislative framework or the loss of benefits related to a status or authorization could force the Issuer to adapt or to downsize its business, its assets or its strategy, and could lead to additional constraints or costs that could have a material adverse effect on the value of its real estate portfolio, on its business and on its results of operations, either through an increase in its expenses or by a slowdown or stoppage in the development of certain investments or leasing activities.

The Issuer is subject to regulations governing intermediary housing that could change in the future.

The Issuer operates in a regulated environment related to the intermediary housing market. This environment could evolve unfavourably way for the Issuer and in particular:

- rent ceilings fixed by decree could decrease; and
- tax incentives provided to lessors, such as the Issuer, could be reduced or even eliminated.

Such changes could have a material adverse effect on the Issuer's operating results, financial condition and future prospects.

Moreover, the French legal regime governing intermediary housing that has been introduced by Ordinance n°2014-159 dated 20 February 2014 (*Ordonnance n° 2014-159 du 20 février 2014 relative au logement intermédiaire*) is relatively recent and it could be materially amended or even repealed in the future. In this case, the Issuer could lose all or part of the benefits provided by the current legal regime governing intermediary housing. Accordingly, this could have significant consequences on the Issuer's profitability, financial condition and future prospects.

More generally, the terms of the *convention quinquennale* (five-year convention) entered into between the French state and Action Logement Groupe for the period 2018-2022 (the "**Convention Quinquennale**") may be renewed on terms less favourable than those applying today or the *Convention Quinquennale* may be terminated. The Issuer could thus lose all or part of the benefits provided by the *Convention Quinquennale*, including financing facilities through capital injections and loans.

The Issuer is subject to environmental and public health regulations and is subject to related liability risk.

As an owner and manager of residential properties, the Issuer must comply with French environmental and health regulations. Failure to comply with these environmental and health regulations, or the need to comply with new regulations in these areas, could give rise to fines or increased expenses or impede the development of the Issuer's business, and could have repercussions on the Issuer's results of operations and financial condition or subject it to civil liability.

In particular, the Issuer owns and manages residential properties which could be or could have been the source of environmental and public health impacts, such as exposure to asbestos. This could subject the Issuer to sanctions, fines and civil liability, and damage its reputation.

The Issuer is subject to regulations relating to the security and use of personal data.

The Issuer collects and uses personal data concerning the applicants on the online platform, the tenants of its residential units, its employees, its suppliers and subcontractors (the "**Personal Data Subjects**"). Such data is subject to EU and French regulations on personal data, in particular the General Data Protection Regulation (GDPR) (2016/679/EU). The Issuer cannot guarantee that the relevant authorities or a Personal Data Subject will not seek to challenge the terms for processing personal data. Furthermore, the Issuer cannot guarantee that there will not be a failure in its security system, which could lead to fraudulent use of Personal Data Subjects' personal data or confidential information.

The Issuer cannot guarantee that it will not be held liable for actions committed by subcontractors managing a portion of the processing of personal data or in connection with the sharing of personal data by the Issuer with its partners or with the use of the shared data by its partners, in accordance with applicable regulations.

The occurrence of such events could lead to liability for the Issuer and thus have an adverse effect on the Issuer's reputation, business, results of operations or financial condition.

In addition, if for regulatory reasons the Issuer were no longer able to use the personal data of its applicants, such restrictions could slow and/or limit the development of its digital strategy, which is designed to address applicants' and tenants' needs and is part of its business strategy. The occurrence of such an event could have a material adverse effect on the Issuer's business, results of operations, financial condition and future prospects.

The Issuer is subject risks relating to business ethics and corporate and social responsibility

The Issuer's activity implies discussing with the various stakeholders of the real estate market regarding the creation of intermediary housing buildings in some areas of Ile-de-France. Should the Issuer be involved in a

case of corruption or money laundering, it may lead to legal, judicial and reputational damages that would harm the Issuer's activity and its ability to conduct its business.

The Issuer could be unable to protect the intellectual property necessary to conduct its business.

The Issuer relies on intellectual property laws (in particular with respect to trade names, trademarks, databases and copyrights) as well as on laws relating to business secrets and unfair competition, to protect its rights to its products and services. However, trademark applications do not always result in registration, and registered trademarks may be ineffective in responding to competition or may be invalidated in the event of a later objection. Moreover, the measures that the Issuer takes to protect its intellectual property rights could prove inadequate, which could lead to violations and infringements of its intellectual property rights with respect to its products and services. The Issuer's business secrets could be made known to its competitors, and the Issuer could be unable to effectively protect its rights to its confidential information. Furthermore, other companies could assert rights to the Issuer's intellectual property or could contest the Issuer's claim to those rights.

Litigation risks

In the normal operation of its business, the Issuer may be involved in legal proceedings or subject to audits by tax or regulatory authorities. Such events may entail a financial risk and a risk to its reputation and/or to its image.

Market risks

Interest rate risk

The Issuer is subject to the risk of changes in interest rates on its variable-rate debt. As of 31 December, 2018, the Issuer's gross financial debt was €1.666 million, of which €884 million was at variable rate and €782 million was fixed-rate (of which €54m following hedging transactions).

Regarding the €884m at variable rate, €627m is indexed on the Livret A, a popular tax free savings account currently yielding only 0.75% (the purpose of the Livret A is to finance social housing).

Net debt was €1.286 million as of the same date.

Liquidity risk

As of 31 December, 2018, the Issuer's gross financial debt was €1.666 million, and its net debt was €1.286 million. The Issuer's Credit Agreement contains restrictive covenants, including change of control and financial ratio covenants, in particular a requirement to maintain a ratio of EBITDA to the cost of net financial indebtedness of at least 1.50 on any test date (December 31 of each year, tested by reference to the Issuer's most recent year-end financial statements) (as of 31 December 2017 and 2018, this ratio was respectively 5.6 and 5.4). Failure to comply with these covenants or ratios could enable the Issuer's creditors to accelerate the amounts due under the Credit Agreement. In that event, the Issuer could be unable to repay those amounts or could be forced to resort to refinancing solutions on less favourable terms. Moreover, such a situation would make it difficult to raise new financing or could lead to a significant increase in the cost of new financing, which would be an obstacle to the Issuer's growth strategy and to financing its investments.

II. Risks relating to the Notes

A. General risks relating to the Notes

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets;
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks;
- (vi) consult their legal advisers in relation to possible legal, tax, accounting, regulatory and related aspects of any investment in the Notes.

Modification

The Terms and Conditions of the Notes contain provisions for calling meetings of the holders of Notes (the “**Noteholders**”) or for passing Written Resolutions of Noteholders in relation to matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting, Noteholders who voted in a manner contrary to the majority and Noteholders who did not respond to, or rejected, the relevant Written Resolution.

Change of law

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in French law or official application or interpretation of French law after the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to laws or administrative practices after the date of this Prospectus.

French insolvency law

Under French insolvency law holders of debt securities are automatically grouped into a single assembly of holders (the “**Assembly**”) in order to defend their common interests if a safeguard procedure (*procédure de sauvegarde*), accelerated safeguard procedure (*procédure de sauvegarde accélérée*), accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer. The Assembly comprises holders of all debt securities issued by the Issuer regardless of their governing law. The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), the proposed accelerated safeguard plan (*projet de plan de sauvegarde accélérée*), accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Noteholders) by rescheduling due payments and/or partially or totally writing off receivables in form of debt securities;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or

- decide to convert debt securities into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-thirds majority (calculated as a proportion of the amount of debt securities held by the holders who voted during such Assembly; notwithstanding any clause to the contrary and the law governing the issuance agreement). No quorum is required for the Assembly to be validly held.

Stipulations relating to the representation of holders of the Notes will not be applicable if they depart from any imperative provisions of French insolvency law that may be applicable.

The procedures, as described above or as they may be amended, could have an adverse impact on holders of the Notes seeking repayment in the event that the Issuer or its subsidiaries were to become insolvent.

Market value of the Notes

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors.

The value of the Notes depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which such Notes are traded. The price at which a holder of such Notes will be able to sell such Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

Credit Rating

The Issuer is assigned a rating of BBB+ by S&P. The Notes have been assigned a rating of BBB+ by S&P. The rating assigned to the Notes by the rating agency is based on the Issuer's financial situation, but takes into account other relevant structural features of the transaction, including, *inter alia*, the terms of the Notes, and reflects only the views of the rating agency. A rating may be revised or withdrawn by the rating agency at any time. A credit rating and/or a corporate rating are not a recommendation to buy, sell or hold securities. Any negative change in an applicable credit rating could negatively affect the Issuer, in particular its ability to obtain financing and/or its cost of financing, and/or the trading price for the Notes.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase, sale or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

B. Risks related to the market generally

The secondary market generally

An established trading market in the Notes may never develop or, if a secondary market does develop, it may not be very liquid. Although the Notes are expected to be admitted to trading on Euronext Paris, there is no assurance that the Notes will be so admitted or that an active market will develop.

The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors such as general economic conditions, the financial condition, the creditworthiness of the Issuer and/or the Issuer's group, the outstanding amount of the Notes, any redemption features of the Notes and the level, direction and volatility of interest rates generally. Such factors also will affect the market value of the Notes.

Therefore, investors may not be able to sell their Notes in the secondary market (in which case the market or trading price and liquidity may be adversely affected) or may not be able to sell their Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Credit Risk of the Issuer

An investment in the Notes involves taking credit risk on the Issuer. If the creditworthiness of the Issuer deteriorates, it may not be able to fulfil all or part of its payment obligations under the Notes, and investors may lose all or part of their investment.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than euro. These include the risk that exchange rates may change significantly (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the euro would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

Potential conflicts of interest

Certain of the Joint Bookrunners and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Joint Bookrunners and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Joint Bookrunners or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Joint Bookrunners and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Joint Bookrunners and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments

C. Risks relating to the particular structure of the Notes

The Notes may be redeemed prior to maturity

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of France or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer

may, and in certain circumstances shall be required to, redeem all outstanding Notes in accordance with the Terms and Conditions of the Notes.

In addition, the Issuer has the option to redeem all or any of the outstanding Notes, as provided in Conditions 4.3, 4.4 and 4.6 of the Terms and Conditions of the Notes. During the period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

In the event the Issuer redeems the Notes as provided in Condition 4 of the Terms and Conditions of the Notes an investor generally may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

If the Issuer exercises its option pursuant the Terms and Conditions of the Notes to redeem less than all the outstanding Notes on any day such redemption shall be effected by reducing the principal amount of all of the Notes in proportion to the aggregate principal amount of the Notes so redeemed on such day and any trading market in respect of these Notes which have not been redeemed may become illiquid.

Furthermore, if 80 per cent. or more in principal amount of the Notes (including any notes assimilated to the Notes issued pursuant to Condition 11 of the Terms and Conditions of the Notes) have been redeemed or purchased and cancelled, to the extent it does not result from an exercise of a partial make-whole redemption, the Issuer will have the option to redeem all (but not some only) of the remaining Notes outstanding at their outstanding principal amount together with any accrued interest as provided in Condition 4.6.

Exercise of put option in respect of certain Notes may affect the liquidity of the Notes in respect of which such put option is not exercised

Depending on the number of Notes in respect of which the put option provided in Condition 4.5 of the Terms and Conditions of the Notes is exercised, any trading market in respect of those Notes in respect of which such put option is not exercised may become illiquid.

Purchases by the Issuer in the open market or otherwise (including by tender offer) in respect of certain Notes may affect the liquidity of the Notes which have not been so purchased

Depending on the number of Notes purchased by the Issuer as provided in Condition 4.7 of the Terms and Conditions of the Notes, any trading market in respect of those Notes that have not been so purchased may become illiquid.

Limited restrictive covenants

The Notes do not restrict the Issuer from incurring additional debt. The Terms and Conditions of the Notes contain a negative pledge that prohibits the Issuer and its Principal Subsidiaries (as defined in Condition 2 of the Terms and Conditions of the Notes) in certain circumstances from creating security over assets, but only to the extent that such is used to secure other notes or similar listed (or capable of being listed) on a regulated market or another assimilated market and there are certain exceptions to the negative pledge.

The Terms and Conditions also provide that the Issuer shall comply with a secured debt ratio, defined as the ratio between the Debt Secured by Mortgage and the Real Estate Portfolio Value (each as defined in the Terms and Conditions of the Notes), which must not exceed 30% at any time.

The Terms and Conditions of the Notes do not contain any other covenants restricting the operations of the Issuer, or its ability to distribute dividends or buy back shares. The Issuer's Subsidiaries are not bound by obligations of the Issuer under the Notes and are not guarantors of the Notes.

D. Risks relating to taxation

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or documentary charges or duties in accordance with the laws and practices of the jurisdiction where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, disposal and redemption of the Notes. Only these advisers are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in conjunction with the taxation sections of this Prospectus.

The proposed financial transactions tax (FTT)

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). However, Estonia has since stated that it will no longer participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

However, the FTT proposal remains subject to negotiation between the Participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or participating Member States may decide to withdraw.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

11.2	<u>Financial statements</u> If the issuer prepares both own and consolidated financial statements, include at least the consolidated financial statements in the registration document.	N/A	N/A
11.3	<u>Auditing of historical annual financial information</u>		
11.3.1	A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers, must be reproduced in full and the reasons given.	1 of the 2018 Statutory Auditor's Report	1 of the 2017 Statutory Auditor's Report
11.3.2	An indication of other information in the registration document which has been audited by the auditors.	N/A	N/A
11.3.3	Where financial data in the registration document is not extracted from the issuer's audited financial statements, state the source of the data and state that the data is unaudited.	N/A	N/A
11.4	<u>Age of latest financial information</u>		
11.4.1	The last year of audited financial information may not be older than 18 months from the date of the registration document.	1 of the 2018 Annual Financial Statements	1 of the 2017 Annual Financial Statements

TERMS AND CONDITIONS OF THE NOTES

The terms and conditions of the Notes (the “Conditions”) will be as follows:

The issue of € 500,000,000 1.125 per cent. Notes due 2 July 2029 (the “Notes”) by In’li (the “Issuer”) was authorised by the Supervisory Board (*Conseil de surveillance*) of the Issuer on 11 April 2019 and the Management Board (*Directoire*) of the Issuer on 6 June 2019, and decided by the Chairman of the Management Board (*Président du Directoire*) of the Issuer on 24 June 2019.

The Issuer entered into an agency agreement dated 28 June 2019 (the “Agency Agreement”) with Société Générale as fiscal agent, principal paying agent and calculation agent. The fiscal agent, principal paying agent, paying agent and calculation agent for the time being are referred to in these Conditions as the “Fiscal Agent”, the “Principal Paying Agent” and the “Paying Agents” and the “Calculation Agent”, respectively. Each of such expressions shall include the successors from time to time of the relevant persons, in such capacities, under the Agency Agreement, and are collectively referred to as the “Agents”. Copies of the Agency Agreement are available for inspection during normal business hours at the specified offices of the Paying Agents. References below to “Conditions” are, unless the context otherwise requires, to the numbered paragraphs contained in the terms and conditions set forth herein. In these Conditions, “holder of Notes”, “holder of any Note” or “Noteholder” means the person whose name appears in the account of the relevant Account Holder as being entitled to such Notes.

1. FORM, DENOMINATION AND TITLE

The Notes will be issued on 2 July 2019 (the “Issue Date”) in dematerialised bearer form (*au porteur*) in the denomination of €100,000 per Note. Title to the Notes will be established and evidenced in accordance with Articles L.211-3 *et seq.* and R.211-1 *et seq.* of the French *Code monétaire et financier* by book-entries (*inscription en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes.

The Notes will, upon issue, be inscribed in the books of Euroclear France (“Euroclear France”) which shall credit the accounts of the Account Holders. For the purposes of these Conditions, “Account Holder” shall mean any authorised financial intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France and includes Euroclear Bank SA/NV (“Euroclear”) and the depositary bank for Clearstream Banking S.A. (“Clearstream”).

Title to the Notes shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of Notes may only be effected through, registration of the transfer in such books. The Issuer may require the identification of the Noteholders in accordance with French laws.

2. STATUS, NEGATIVE PLEDGE AND SECURED DEBT RATIO UNDERTAKING

2.1 Status of the Notes

The obligations of the Issuer in respect of the Notes constitute direct, general, unconditional, unsecured (except as provided in “Negative Pledge” below) and unsubordinated obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as from time to time mandatory under French law) equally and rateably with all other present or future direct, general, unsecured and unsubordinated obligations of the Issuer.

2.2 Negative Pledge

So long as any of the Notes remain outstanding (as defined below), the Issuer will not, and will ensure that none of its Principal Subsidiaries will, create or permit to subsist any Security Interest (other than Security Interests arising by operation of law) upon any of their respective Assets to secure any Relevant Indebtedness incurred by the Issuer or any of its Principal Subsidiaries unless, at

the same time or prior thereto, the Issuer's obligations under the Notes are equally and rateably secured therewith.

For the purpose of these Conditions:

“**Asset(s)**” includes present and future properties, revenues and rights.

“**outstanding**” means, in relation to the Notes, all the Notes issued other than: (a) those which have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable under Condition 3 after such date) have been duly paid to the relevant Account Holders on behalf of the Noteholders as provided in Condition 5, (c) those which have been purchased and cancelled as provided in Condition 4.8 and (d) those in respect of which claims have become prescribed under Condition 10.

“**Principal Subsidiary**” means, at any time, a Subsidiary of the Issuer for so long as it directly or indirectly owns real estate properties or rights and which has revenues representing 10 per cent. or more of the revenues of the Issuer.

“**Relevant Indebtedness**” means (i) any present or future indebtedness for borrowed money in the form of, or represented by, bonds (*obligations*), notes or other securities which are, or are capable of being, quoted, admitted to trading, listed or ordinarily dealt in any stock exchange, multilateral trading facility, over-the-counter or other securities market and (ii) any guarantee or indemnity of such indebtedness.

“**Security Interest**” means any mortgage, lien, charge, pledge or other security interest which would constitute a *sûreté réelle* or its equivalent under any applicable legislation.

“**Subsidiary**” means, in relation to any company, any other company which is controlled by it within the meaning of Article L.233-3 of the French *Code de commerce*.

2.3 Secured Debt Ratio undertaking

The Issuer undertakes to the Noteholders that, so long as any of the Notes remains outstanding and except with the prior approval of Noteholders pursuant to Condition 8, the Secured Debt Ratio (as defined below) shall not exceed 30% at any time.

For the purposes of this Condition 2.3:

“**Debt Secured by Mortgage**” means the amount of the financial indebtedness secured by mortgage (*emprunts hypothécaires*) of the Issuer as shown in its latest audited financial statements;

“**Property Valuers**” means the or those independent property valuer(s) of the Issuer referred to in its most recent annual management report or (in the event that the Issuer publishes semi-annual financial information) semi-annual management report, or any other recognised independent property valuer of comparable repute, in each case as selected by the Issuer;

“**Real Estate Portfolio Value**” means the fair market value (excluding transfer duties and latent taxes (*hors fiscalité latente et droits de mutation*)) of the real estate assets owned or held directly or indirectly by the Issuer as provided by the Property Valuers and published by the Issuer in its annual management report or, in respect of the financial year 2018, in this Prospectus; and

“**Secured Debt Ratio**” means the Debt Secured by Mortgage divided by the Real Estate Portfolio Value.

3. INTEREST

The Notes will bear interest from, and including, 2 July 2019 (the “**Interest Commencement Date**”) to, but excluding, the Maturity Date (as defined in Condition 4.1), payable annually in arrear on 2 July of each year (each an “**Interest Payment Date**”), commencing on 2 July 2020, at the rate of 1.125 per cent. *per annum* (the “**Rate of Interest**”).

Where interest is to be calculated in respect of a period which is shorter than an Interest Period (as defined below), the day-count fraction used will be the Actual/Actual-ICMA method, being the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last). The period beginning on the Interest Commencement Date (included) and ending on the first Interest Payment Date (excluded) and each successive period beginning on an Interest Payment Date (or the Interest Commencement Date) (included) and ending on the next succeeding Interest Payment Date (excluded) is called an “**Interest Period**”.

Each Note will cease to bear interest from the date on which it is to be redeemed, unless payment of the full amount due in respect of the Note is improperly withheld or refused on such due date. In such event, such Note shall continue to accrue on the outstanding principal amount of such Notes at the Rate of Interest in accordance with this Condition (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day after the Fiscal Agent has notified Noteholders in accordance with Condition 9 of receipt of all sums due in respect of all Notes up to that day (except if and to the extent the subsequent payment to the relevant Noteholders is not made in accordance with these Conditions).

Interest payments will be made subject to, and in accordance with, the provisions of Condition 5.

4. REDEMPTION AND PURCHASE

The Notes may not be redeemed otherwise than in accordance with this Condition 4 or Condition 7.

4.1 Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, the Notes will be redeemed at their outstanding principal amount on 2 July 2029 (the “**Maturity Date**”).

4.2 Redemption for Taxation Reasons

- (i) If, by reason of change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 6, the Issuer may, on any date, subject to having given not more than 60 nor less than 30 calendar days’ prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 9, redeem all, but, not some only, of the Notes at their outstanding principal amount together with accrued interest (if any) to the date set for redemption, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding or deduction for French taxes.
- (ii) If the Issuer would on the next payment of principal or interest in respect of the Notes, notwithstanding the undertaking to pay additional amounts contained in Condition 6, be prevented by French law from making payment to the Noteholders of the full amount then due and payable, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven calendar days’ prior notice to the Noteholders in accordance with Condition 9, redeem all, but not some only, of the Notes then outstanding at their outstanding principal amount plus any accrued interest to the date set for redemption provided that the due date for redemption

shall be a date on which the Issuer could make payment of the full amount of principal and interest payable without withholding or deduction for French taxes or if such date has passed, as soon as practicable thereafter.

4.3 **Make-whole Redemption**

- (i) The Issuer may on giving not less than 15 nor more than 30 calendar days' notice in accordance with Condition 9 to the Noteholders, redeem the Notes, in whole or in part, at any time or from time to time, prior to the date falling 3 months before the Maturity Date (a "**Make-Whole Redemption Date**"). Any such redemption of Notes shall be made on the Make-Whole Redemption Date at their Make-Whole Redemption Amount (as defined below).
- (ii) In the case of a partial redemption of Notes pursuant to this Condition 4.3, the redemption will be effected by reducing the nominal amount of the Notes in proportion to the aggregate nominal amount redeemed and references to the "principal amount" in the definition of the Make-Whole Redemption Amount (as defined below) shall be construed as references to such proportion of the nominal amount that is reduced.
- (iii) So long as the Notes are admitted to trading on any stock exchange and the rules of that stock exchange so require, the Issuer shall, each year in which there has been a partial redemption of the Notes, cause to be published in accordance with the relevant rules of such stock exchange, a notice specifying the aggregate nominal amount of Notes outstanding and, as the case may be, the nominal amount of each Note outstanding.
- (iv) For the purposes of this Condition 4.3:

"Make-Whole Redemption Amount" means an amount in Euro determined by the Calculation Agent, equal to the greater of (x) 100% of the principal amount of such Note and (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Note (excluding any interest accrued on such Note to, but excluding, the relevant Make-Whole Redemption Date) discounted to such Make-Whole Redemption Date on an annual basis at the Make-Whole Redemption Rate plus a Make-Whole Redemption Margin, plus, in each case, any interest accrued on such Note to, but excluding, such Make-Whole Redemption Date.

"Make-Whole Redemption Margin" means 0.25 per cent.

"Make-Whole Redemption Rate" means, in respect of any redemption of Notes pursuant to Condition 4.3, the average, calculated by the Calculation Agent, of the four (4) quotations obtained by the Calculation Agent from the Reference Banks of the mid-market annual yield to maturity of the Reference Bund on the fourth business day in Paris preceding the relevant Make-Whole Redemption Date at 11:00 a.m. (Central European time (CET)). If the Reference Bund is no longer outstanding, a Similar Security will be chosen by the Calculation Agent in its reasonable judgment, at 11:00 a.m. (Central European time (CET)) on the fourth business day in Paris preceding the relevant Make-Whole Redemption Date, quoted in writing by the Calculation Agent to the Issuer and notified in accordance with Condition 9. The Make-Whole Redemption Rate will be notified by the Issuer in accordance with Condition 9.

"Reference Bund" means the 0.25 per cent. German Federal Government Note of the Bundesrepublik Deutschland due February 2029 with ISIN DE0001102465.

"Reference Bank" means each of the four banks that may have been selected by the Calculation Agent (excluding the Calculation Agent and any of its affiliates) which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues.

“**Similar Security**” means a reference bond or reference bonds issued by the German Federal Government having an actual or interpolated maturity comparable with the remaining term of the Notes that would be used, at the time of financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes.

4.4 **Squeeze-Out Redemption**

In the event 80 per cent. or more of the initial aggregate amount of the Notes have been redeemed, to the extent it does not result, in whole or in part, from the exercise of a partial make-whole redemption, or purchased (and subsequently cancelled) by or on behalf of the Issuer, the Issuer may, at its option, but subject to having given not more than 60 nor less than 30 calendar days' notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 9, redeem all, but not some only, of the outstanding Notes at their principal amount together with any interest accrued to, but excluding, the date set for redemption.

4.5 **Early Redemption of the Notes at the option of the Noteholders following a Change of Control**

If at any time while any of the Notes remains outstanding (A) a Change of Control occurs and (B) within the Restructuring Period, a Rating Downgrade in respect of that Change of Control occurs (such rating(s) concerned by a Rating Downgrade not having been subsequently upgraded (in the case of a downgrade) or reinstated (in the case of a withdrawal) prior to the expiry of the Restructuring Period, together called a “**Put Event**”), each Noteholder will have the option (the “**Put Option**”) (unless, prior to the giving of the Put Event Notice referred to below, the Issuer has given notice of any early redemption in respect of the Notes) to require the Issuer to redeem or, at the Issuer's option, procure the purchase of that Note on the Optional Redemption Date (as defined below). Each Note shall be redeemed or purchased at its outstanding principal amount together with (or where purchased, together with an amount equal to) interest accrued to (but excluding) the Optional Redemption Date.

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a “**Put Event Notice**”) to the Noteholders in accordance with Condition 9, with a copy to the Fiscal Agent, specifying the nature of the Put Event and the procedure for exercising the Put Option.

To exercise the Put Option, a Noteholder must give notice to its relevant Account Holder, with a copy to the Fiscal Agent in or substantially in the form set out in the Agency Agreement, duly completed and signed on its behalf (the “**Put Notice**”), on any Business Day falling within the period of forty-five (45) calendar days after a Put Event Notice is given (the “**Put Period**”). The Put Notice shall include instructions for the transfer of such Noteholders' Notes to the specified account of the Fiscal Agent for the redemption or purchase of such Notes.

The form of the Put Notice shall be available from the Fiscal Agent. Payment in respect of such Notes will be made on the Optional Redemption Date by transfer to the bank account specified in the Put Notice. A Put Notice once given shall be irrevocable. The Issuer shall redeem or, at its option, procure the purchase of the relevant Notes on the Optional Redemption Date unless previously redeemed or purchased. For the avoidance of doubt, the Issuer shall have no responsibility for any breakage costs which the Noteholder may incur as a result of or in connection with such Noteholder's exercise or purported exercise of, or otherwise in connection with, any Put Option (whether as a result of any purchase or redemption arising there from or otherwise). The Issuer shall be responsible for any administrative costs e.g. notices etc. arising as a result of in connection with any Noteholder's exercise or purported exercise of, or otherwise in connection with, any Put Option.

“**Change of Control**” shall be deemed to have occurred if the Existing Shareholder ceases to control directly or indirectly the Issuer within the meaning of Article L.233-3 of the French *Code de commerce*.

“**Existing Shareholder**” means Action Logement Groupe, an *association déclarée* incorporated under the laws of France and having its registered office at 19 quai d'Austerlitz, 75013 Paris, France.

“**Optional Redemption Date**” means the fifth (5th) Business Day after the expiry of the Put Period.

“**Rating Agency**” means S&P Global Ratings Europe Limited or any other rating agency of equivalent standing notified by the Issuer to the Noteholders in accordance with Condition 9.

“**Rating Downgrade**” shall be deemed to have occurred in respect of a Change of Control if (within the Restructuring Period) (A) the rating previously assigned to the Notes or to the Issuer by any Rating Agency solicited by the Issuer is (x) withdrawn or (y) changed from an investment grade rating (BBB- or its equivalent for the time being, or better) to a non-investment grade rating (BB+ or its equivalent for the time being, or worse) or (z) if the rating previously assigned to the Notes or to the Issuer by any Rating Agency solicited by the Issuer was below an investment grade rating (as described above), lowered by at least one full rating notch (for example, from BB+ to BB, or their respective equivalents) and (B) such rating is not within the Restructuring Period subsequently upgraded (in the case of a downgrade) or reinstated (in the case of a withdrawal) either to an investment grade credit rating (in the case of (x) and (y)) or to its earlier credit rating or better (in the case of (z)) by such Rating Agency, provided that the Rating Agency making the reduction in rating announces or publicly confirms or, having been so requested by the Issuer, informs the Issuer and the Fiscal Agent in writing that the lowering was the result, in whole or in part, of the applicable Change of Control.

“**Restructuring Period**” means the period beginning one hundred and twenty (120) calendar days prior to, and ending one hundred and twenty (120) calendar days after, the date of the public announcement by the entity concerned of the completion of the relevant Change of Control, (or such longer period for which the solicited rating of the Issuer is under consideration (such consideration having been announced publicly within the period ending 120 calendar days after the Change of Control) for rating review or, as the case may be, rating by a Rating Agency).

4.6 Residual Maturity Call Option

The Issuer may, on giving not less than 15 nor more than 30 calendar days’ irrevocable notice in accordance with Condition 9 to the Noteholders redeem, at any time as from and including the date falling 3 months before the Maturity Date to but excluding the Maturity Date, the Notes, in whole (but not some only), at their outstanding principal amount together with interest accrued to, but excluding, the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

4.7 Purchases

The Issuer may at any time purchase Notes together with rights to interest relating thereto in the open market or otherwise at any price. Notes so purchased by or on behalf of the Issuer may be cancelled or held and resold in accordance with applicable regulation.

4.8 Cancellation

All Notes which are redeemed (including upon exchange) or purchased by the Issuer for cancellation will be promptly cancelled and accordingly may not be reissued or resold.

5. PAYMENTS

5.1 Method of Payment

Payments of principal or interest in respect of the Notes will be made in Euros by credit or transfer to a Euro-denominated account (or any other account to which Euros may be credited or transferred). Such payments shall be made for the benefit of the Noteholders to the Account Holders and all such payments so made to the relevant Account Holders shall discharge the liability of the Issuer and any Paying Agents, as the case may be, under the Notes to the extent of the sums so paid.

Payments of principal or interest on the Notes will, in all cases, be made subject to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions

of Condition 6. No commission or expenses shall be charged by the Issuer or the Agents to the Noteholders in respect of such payments.

5.2 **Payments on Business Days**

If any due date for payment of principal, interest or any other amount in respect of any Note is not a TARGET business day, then the Noteholder shall not be entitled to payment of the amount due until the next following day which is a TARGET business day and the Noteholder shall not be entitled to any interest or other sums in respect of such postponed payment.

“**TARGET business day**” means a day (other than a Saturday or a Sunday) on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System (TARGET 2) is operating.

5.3 **Fiscal Agent, Paying Agents and Calculation Agent**

The names of the initial Agents and their specified offices are set forth below.

FISCAL AGENT, PRINCIPAL PAYING AGENT AND CALCULATION AGENT

Société Générale
32, rue du Champ de Tir – CS 30812
44308 Nantes Cedex 3
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent and/or appoint other Paying Agents or approve any change in the office through which any such Agent acts, provided that there will at all times be a Paying Agent having a specified office in Paris. Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than 45 nor less than 30 calendar days' notice thereof shall have been given to the Noteholders by the Issuer in accordance with Condition 9.

6. **TAXATION**

All payments of principal or interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

If any French law should require that any payment of principal or interest in respect of the Notes be subject to withholding or deduction with respect to any present or future taxes, duties, assessments or other governmental charges of whatever nature, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the Noteholders, after such withholding or deduction, receive the full amount provided in such Notes to be then due and payable; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Note to, or a third party on behalf of, a holder (or beneficial owner (*ayant droit*)) who is subject to such taxes, duties, assessments or other governmental charges, in respect of such Note (i) by reason of his having some connection with France other than the mere holding of such Note or (ii) if the Notes do not benefit from any exception provided in the *Bulletins Officiels des Finances Publiques-Impôts* (BOI-RPPM-RCM-30-10-20-40-20140211, BOI-IR-DOMIC-10-20-20-60-2015320 and BOI-INT-DG-20-50-20140211 or any successor thereof) where such withholding or deduction is required to be made by reason of that interest being paid to an account held in, or paid or accrued to a person domiciled or established in, a non-cooperative State or territory (*Etat ou territoire non-coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts*.

Any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition 6.

7. EVENTS OF DEFAULT

If any of the following events (each an “**Event of Default**”) occurs, any Noteholder may, upon written notice given to the Fiscal Agent (copy to the Issuer) cause all the Notes held by such Noteholder to become due and payable, at their principal amount together with accrued interest thereon, as of the date on which such demand for payment is received by the Fiscal Agent:

- (i) *Non-payment*: the Issuer defaults in any payment when due on any amount on any Note (including any additional amounts as specified in Condition 6), if such default continues for a period of more than 15 calendar days from such due date; or
- (ii) *Breach of other obligations*: the Issuer defaults in the performance of, or compliance with, any other provision of the Conditions, if such default shall not have been cured within 30 calendar days after receipt by the Fiscal Agent of written notice of such default; or
- (iii) *Cross default*: (a) any other present or future indebtedness for borrowed monies or guarantee thereof of the Issuer or any Principal Subsidiary (other than an indebtedness for borrowed monies incurred towards another member of the Issuer’s group) is due and payable prior to its stated maturity as a result of a default thereunder, or (b) any other present or future indebtedness for borrowed monies or guarantee thereof of the Issuer or any Principal Subsidiary is not paid when due or within any original grace period, provided that an Event of Default will only occur under this Condition 7(iii) if at the relevant time the aggregate amount of indebtedness for borrowed monies or guarantee thereof falling within paragraph (a) or (b) above (without double counting) is more than €30,000,000 or its equivalent in any other currency unless such default is challenged in good faith by the Issuer or the relevant Principal Subsidiary, as the case may be, before a competent court, in which case the early redemption of the Notes will be mandatory only if the court has decided in a manner adverse to the Issuer on the merits of the case (*statué au fond*); or
- (iv) *Insolvency*: if the Issuer or any Principal Subsidiary makes any proposal for a general moratorium in relation to its debt; or a judgement is issued for the judicial liquidation (*liquidation judiciaire*) or for the transfer of the whole business (*cession totale de l'entreprise*) of the Issuer or of the relevant Principal Subsidiary; or to the extent permitted by applicable law, the Issuer or any Principal Subsidiary is subject to any other insolvency or bankruptcy proceedings; or the Issuer or any Principal Subsidiary makes any conveyance, assignment or other arrangement for the benefit of, or enters into a composition with, its creditors; or
- (v) the Issuer ceases to carry on all or substantially all of its business or operations or is dissolved except for the purposes of, or in connection with, a merger, consolidation, amalgamation, or any other form of reorganization pursuant to which the surviving entity shall be the transferee of or successor to all or substantially all of the business of the Issuer and assumes all of the obligations of the Issuer with respect to the Notes.

8. REPRESENTATION OF THE NOTEHOLDERS

The Noteholders will be grouped automatically for the defence of their common interest in a single masse (the “**Masse**”).

The *Masse* will be governed by the provisions of articles L.228-46 *et seq.* of the French *Code de commerce* applicable to the *Masse*, with the exception, in accordance with article L.213-6-3 of the French *Code monétaire et financier*, of articles L.228-48, L.228-59, L.228-65 I 1°, R.228-63, R.228-67 and R.228-69 subject to the following provisions:

- (A) **Legal Personality:** the Masse will be a separate legal entity and will act in part through a representative (the “**Representative**”) and in part through a general meeting of the Noteholders (the “**General Meeting**”).

The Masse alone, to the exclusion of all individual Noteholders and holders of the, shall exercise the common rights, actions and benefits which now, or in the future, may accrue respectively with respect to the Notes.

- (B) **Representative:** the office of the Representative may be conferred on a person of any nationality.

The Representative shall be:

ARM - Association de Représentation des Masses de Titulaires de Valeurs Mobilières
Adresse email : service@asso-masse.com
Adresse Postale : Centre Jacques Ferronnière
32 rue du Champ de Tir
CS 30812
44308 Nantes cedex 3
France

The Issuer shall pay to the Representative an amount equal to €500 *per annum*, due annually on 2 July of each year.

- (C) **Powers of the Representative:** the Representative shall (in the absence of any decision to the contrary of the General Meeting) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders, or initiated by them, must be brought by or against the Representative.

The Representative may not interfere in the management of the affairs of the Issuer.

- (D) **General Meeting:** a General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting, together with the proposed agenda for such General Meeting. If such General Meeting has not been convened within two (2) months after such demand, the Noteholders may commission one of their members to petition a competent court to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, time, place and agenda of any General Meeting will be published as provided under Condition 9 not less than fifteen (15) calendar days prior to the date of such General Meeting on first convocation and not less than five (5) calendar days prior to the date of such General Meeting on second convocation.

Each Noteholder has the right to participate in a General Meeting in person, by proxy, correspondence or, if the *statuts* of the Issuer so specify, videoconference or any other means of telecommunications allowing the identification of the participating Noteholders. Each Note carries the right to one (1) vote.

- (E) **Powers of the General Meeting:** the General Meeting is empowered to deliberate on the dismissal of the Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now, or in the future, may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant. The General Meeting has no power to decide on (a) the change of the objects or form of the Issuer or (b) the potential partial transfers of assets (*apports partiels d'actif*) of or by the Issuer. However, pursuant to Article L. 213-6-3 IV of the French *Code monétaire et financier*, each holder of Notes issued by the Issuer is

a creditor of the Issuer and as such enjoys all the rights and prerogatives of individual creditors in the circumstances described under (b) above.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase the liabilities (*charges*) to Noteholders, nor establish any unequal treatment between the Noteholders, nor to decide to convert Notes into shares.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least a fifth of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third majority of votes held by Noteholders attending such General Meetings or represented thereat.

In accordance with article R.228-71 of the Code, the rights of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder on the second (2nd) business day in Paris preceding the date set for the meeting of the relevant General Meeting at 0:00, Paris time.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 9.

- (F) **Written Resolutions:** Pursuant to Article L.228-46-1 of the French *Code de commerce*, the Issuer shall be entitled in lieu of the holding of a General Meeting to seek approval of a resolution from the Noteholders by way of a Written Resolution. Subject to the following sentence a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders. Pursuant to Articles L.228-46-1 and R.225-97 of the French *Code de commerce* approval of a Written Resolution may also be given by way of electronic communication allowing the identification of Noteholders (the “**Electronic Consent**”).

Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition not less than 15 calendar days prior to the date fixed for the passing of such Written Resolution (the “**Written Resolution Date**”). Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Written Resolution. Noteholders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their Notes until after the Written Resolution Date.

For the purpose hereof, a “**Written Resolution**” means a resolution in writing signed by the Noteholders of not less than 75 per cent. in nominal amount of the Notes outstanding.

- (G) **Information to Noteholders:** each Noteholder or Representative thereof will have the right, during the 15 calendar-day period preceding the holding of the General Meeting on first convocation or the Written Resolution Date and during the 5 calendar-day period preceding the holding of each General Meeting on second convocation, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be prepared in connection with such resolutions, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified offices of any of the Paying Agents and at any other place specified in the notice of the General Meeting.
- (H) **Expenses:** the Issuer will pay all reasonable expenses relating to the operation of the Masse, including expenses relating to the calling and holding of General Meetings and seeking of a Written Resolution and, more generally, all administrative expenses resolved upon by the General Meeting or in writing by the Noteholders, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

- (I) **Notice of decisions:** decisions of the General Meetings and the Written Resolutions shall be published in accordance with the provisions set out in Condition 9 not more than ninety (90) calendar days from the date thereof.

9. NOTICES

Any notice to the Noteholders will be valid if delivered to the Noteholders through Euroclear France, Euroclear or Clearstream, for so long as the Notes are cleared through such clearing systems and published on the website of the Issuer (<https://corporate.inli.fr/>); and so long as the Notes are admitted to trading on Euronext Paris and the rules of Euronext Paris so require, on the website of Euronext Paris (www.euronext.fr). Any such notice shall be deemed to have been given on the date of such delivery or, if delivered more than once or on different dates, on the first date on which such delivery is made.

10. PRESCRIPTION

Claims against the Issuer for the payment of principal and interest in respect of the Notes shall become prescribed 10 years (in the case of principal) and 5 years (in the case of interest) from the due date for payment thereof.

11. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholder issue further notes to be assimilated (*assimilables*) with the Notes as regards their financial service, provided that such further notes and the Notes shall carry rights identical in all respects (or in all respects except for the issue price and the first payment of interest thereon) and that the terms of such further Notes shall provide for such assimilation. In the event of such assimilation, the Noteholders and the holders of any assimilated notes may, for the defence of their common interests, be grouped in a single *masse* having legal personality.

12. GOVERNING LAW AND JURISDICTION

The Notes are governed by, and shall be construed in accordance with, French law.

Any dispute arising out of or in connection with the Notes will be submitted to the competent courts within the jurisdiction of the *Cour d'Appel de Nanterre*.

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used by the Issuer for general corporate purposes.

DESCRIPTION OF THE ISSUER

1. OVERVIEW OF THE ISSUER

in'li (the “**Issuer**”) is a French limited liability company (*société anonyme*), administered by a supervisory board (*Conseil de Surveillance*) and a management board (*Directoire*), having its registered office at 5, place de la Pyramide – Tour Ariane – 92800 Puteaux, France (Tel: +33 1 40 89 77 77 and registered with the Nanterre trade and companies registry (*Registre du commerce et des sociétés de Nanterre*) under number 602 052 359.

The Issuer belongs to the group Action Logement Groupe (“**ALG**”) and was created on 4 June 1957 under the name of “Omnium de Gestion Immobilière de l’Ile-de-France” (“**OGIF**”). The Issuer was the first of the ALG members to operate in the middle income housing market (non-social housing). It was renamed “in'li” on 29 September 2017 after OGIF merged with several other entities (for further details, see “*History*”). The commercial name of the Issuer is also “in'li”.

The duration of the Issuer, originally set at 70 years from 4 June 1957, was extended by 70 years to end on 3 June 2097. The business operations of “in'li” in its current form actually started in 2017.

The Issuer is a pure player in the intermediary housing (*logement intermédiaire*) market and provides such housing to young working people and middle income households who are typically not eligible for social housing (*logement social*) and whose income is generally too low for them to afford market rents. The intermediary housing market occupies the space between social housing and the traditional market. This market is regulated and has three primary characteristics as defined by Ordinance n° 2014-159 dated 20 February 2014 (*Ordonnance n° 2014-159 du 20 février 2014 relative au logement intermédiaire*):

- rents may not exceed limits which are set by decree (*décret*) according to several criteria, including the residential unit’s location and household composition¹. In practice, intermediary housing rents are 15-20% less than the market rents for traditional housing².
- only people with revenues below certain thresholds are eligible for intermediary housing³.
- such housing must be located in specific zones for providers to benefit from certain tax incentives⁴.

French intermediary housing companies, such as the Issuer, benefit from a favourable tax regime for units produced from 2014 in the zones where the demand is strong.

The Issuer’s assets are almost exclusively located in the greater Paris region, also known as Ile-de-France (“**Ile-de-France**”). The Issuer owns and manages a real estate portfolio with a fair market value of EUR 7.9 billion⁵ as of 31 December 2018.

The Issuer is the largest provider of intermediary housing in Ile-de-France⁶, with a portfolio comprising 42,277 units among which 98% are located in Ile-de-France as at 31 December 2018. It aims to order 80,000 new intermediary housing units in Ile-de-France by 2029.

¹ Article L. 302-16 of the French Housing and Construction Code (*Code de la construction et de l’habitation*).

² Source: *Ministère de la Cohésion des territoires et des Relations avec les collectivités territoriales*, published on 13 September 2013 and updated on 31 August 2015.

³ Article L. 302-16 of the French Housing and Construction Code (*Code de la construction et de l’habitation*).

⁴ Articles 279-0 bis A and 1384-0 A of the French General Tax Code (*Code général des impôts*).

⁵ Credit Foncier Immobilier Expertise valuation based on a block sale assumption rather than unit sales.

⁶ Source: in'li, based on the figures communicated by intermediary housing actors, such as in'li and CDC Habitat.

The Issuer estimates that approximately 500,000 households are eligible for intermediary housing and that the shortage of intermediary housing units in Ile-de-France represents approximately 200,000 units, based on figures provided by Institut d'aménagement et d'urbanisme – Ile-de-France (“IAU – Ile-de-France”)⁷.

The Issuer is a 99.28%-owned subsidiary of Action Logement Immobilier (“ALI”), the property arm of ALG. ALI is a key player in the French social housing sector, owning through its subsidiaries 981,300 social and intermediary housing units in France (as of 31 December 2017), which represents approximately 18% of the French social housing park, making it the largest social housing player in France⁸.

2. HISTORY

The Issuer was created in 1957 as OGIF and was ALG’s first non-social housing subsidiary. OGIF’s purpose was to provide intermediary housing to the middle income market.

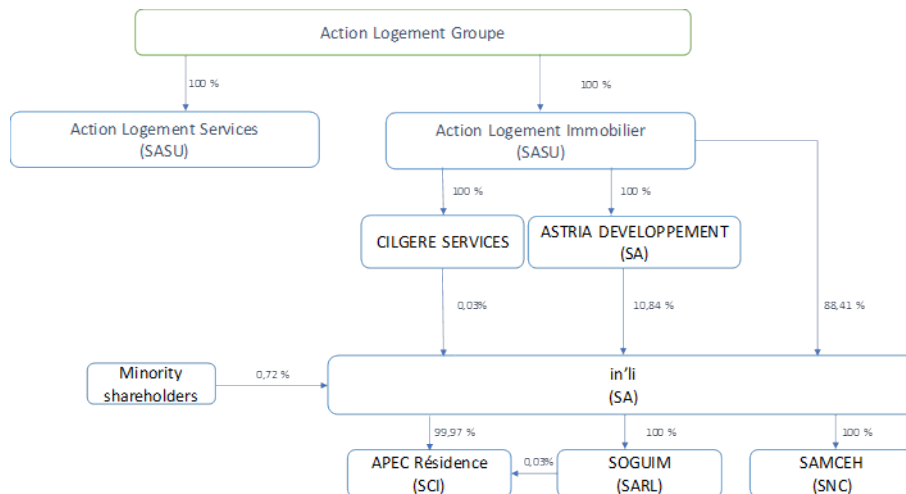
Alongside OGIF, several intermediary housing operators controlled by ALG were created, such as Résidences de la Région Parisienne (“RRP”) in 1969, Société pour la Construction et l’Acquisition de Logements (“SOCALOG”) in 1985 and Immobilière ACL PME in 1992. These different entities depended financially on different collectors of the *Participation des Employeurs à l’Effort de Construction* (“PEEC”) (for further information, see “ALG group and the relationship with in’li” in Section 3).

Following the grouping of the 20 PEEC collectors within Action Logement Services (“ALS”) on 1 January 2017, OGIF merged with RRP, SOCALOG and Immobilière ACL PME on 30 September 2017 with retroactive effect as of 1 January 2017.

At OGIF’s general meeting on 29 September 2017, the company’s name was changed to “in’li”, effective 2 October 2017.

3. GROUP STRUCTURE

The corporate structure of the Issuer’s group and ALG is the following:



The Issuer only has three subsidiaries which are not consolidated as that they are not significant.

SOGUIM is the property manager of the in’li group. It is the entity in charge of the third-party management of properties, such as APEC Résidence. In the context of investments made with institutional investors through off-

⁷ Source: "Note Rapide" n°803 of IAU – Ile-de-France, published in March 2019. The figures contained in this "Note Rapide" are based on Enquête Nationale Logement 2013.

⁸ Source: in’li. ALG owned 911,700 social housing residential units in 2017 (ALG website, as of the date of this Prospectus), which represents 18% of the total social housing stock in France, which amounts to 5,003,500 residential units as of 1 January 2018 (*Ministère de la Transition écologique et solidaire*, November 2018)

balance sheet funds, SOGUIM is expected to be used as property manager (see Section 5(d) below, “*Development Plan*”).

APEC Résidence owns 330 traditional housing units with rents in line with intermediary housing rent levels.

SAMCEH is an empty shell company with no operational activities as of the date of this document.

The Issuer also holds minority stakes, in particular in the following companies which are controlled by ALI:

- 27.43% of in’li AURA; and
- 36.94% of in’li Grand Est.

These minority stakes are the result of asset transfers (*apports partiels d’actifs*) from in’li to the above-mentioned entities that took place in the context of the reorganisation of the PEEC industry with the grouping of the PEEC collectors in 2017 and the reorganisation of the real estate subsidiaries controlled by ALI.

The ALG group and its relationship with in’li

ALG, through ALI, is the parent company of the Issuer. ALG is an association whose main purposes are to provide affordable housing solutions for employees and to contribute to France’s housing policy. ALG is the top holding company in the ALG group, centralising major strategic decisions and interacting with the French State.

ALG has 2 main subsidiaries:

- ALS. ALS collects and distributes the PEEC. The PEEC is a mandatory contribution based on 0.45% of total payroll from companies (with 20 employees or more⁹) to finance housing (in particular housing of private sector employees). The PEEC is the core recurring resource of ALS.
- ALI. ALI is the holding entity of many social housing providers and five entities dedicated to intermediary housing, including the Issuer. ALI is a *société par actions simplifiée* whose sole shareholder is ALG pursuant to the French Housing and Construction Code (Articles L.313-18 and L.313-20).

The uses of PEEC are set forth in a 5-year agreement between the French State and ALG (*convention quinquennale*); the most recent agreement was signed on 16 January 2018 and covers the 2018-2022 period. Pursuant to the current agreement, ALS will provide financing through loans or capital injections to the providers of intermediary and social housing in France.

As part of the 2018-2022 5-years agreement, ALS will allocate a maximum annual endowment (*dotation*) of EUR 70 million to ALI, in order to allow for capital injections by ALI into intermediary housing providers. In 2018, the Issuer received EUR 65 million of capital injections from ALI. It expects to receive approximately EUR 50 million in capital injections annually from ALI over the 2019-2022 period.

In addition, pursuant to this 5-year agreement, EUR 250 million of loans from ALS are also planned for intermediary housing providers.

On 23 May 2019, the agreement between the French State and ALG dated 15 April 2019 relating to the voluntary investment plan (“VIP”) and amending the above mentioned 5-year agreement (*Convention du 25 avril 2019 relative au Plan d’investissement volontaire valant avenant à la convention quinquennale 2018-2022 du 16 janvier 2018 entre l’Etat et Action Logement*) was published in the *Journal officiel de la République française*. The VIP provides for EUR 9 billion of investments in housing in France, including EUR 1 billion of investments allocated to the production of intermediary housing for middle income households (EUR 500 million in capital injections and EUR 500 million in loans). These investments in intermediary housing are planned in addition to those of the initial *convention quinquennale*. The intermediary housing component of the VIP is expected to be launched at the end of 2019 or at the beginning of 2020, and is expected to be completed by 2022.

⁹ This threshold will be raised at 50 employees or more as of 1 January 2020.

Pursuant to Article L. 313-20-1 of the Housing and Construction Code, by-laws (*statuts*) of companies controlled by ALI, such as the Issuer, contain certain provisions that comply with standard clauses set by decree¹⁰. According to this decree and the Issuer's by-laws:

- annual dividend distributions must not exceed 6% of the Issuer's capital;
- more than 50% of the company's capital must be held by ALI; and
- the shares of the Issuer shall be sold in priority to an existing shareholder or to ALI.

4. STRATEGY

The Issuer's business model is based on the following pillars:

- it is a pure player in the intermediary housing market, in contrast to other players which offer both social and intermediary housing units;
- it benefits from a favourable tax regime (see "*Intermediary housing market*" in Section 5(a) below);
- its geographic presence: the Issuer focuses on the areas of Ile-de-France, which is the most dynamic region in France, for the development of its housing programmes¹¹;
- its portfolio management strategy, based on the choice to offer intermediary residential units whose rents are below market levels;
- its brands: in'li and Qwacio, although the Issuer's main focus is on the development of the in'li core brand;
- its development plan strategy, based on a target number of 80,000 additional intermediary residential units ordered in the long term by the Issuer or through real estate funds.

Given that the Issuer operates in a regulated market, its strategy may be influenced by the decisions of the French State.

5. DESCRIPTION OF THE ISSUER'S ACTIVITIES

(a) Market overview

Ile-de-France

The Issuer operates exclusively in Ile-de-France, in eight departments: Paris, Hauts-de-Seine, Seine-Saint-Denis, Seine-et-Marne, Val-de-Marne, Essonne, Yvelines and Val-d'Oise.

Ile-de-France is one of the leading economic regions in Europe. In 2018, it accounted for approximately 31% of the French gross domestic product¹² and 19% of the French population¹³. It is home to the headquarters of a great number of major French and foreign companies¹⁴. The region's unemployment rate was 7.6% during the fourth quarter of 2018, which was lower than the rest of the country¹⁵.

¹⁰ Decree n° 2013-777 dated 27 August 2013, applicable by reference from Article 6-XI of the Ordinance n°2016-1408 dated 20 October 2016 (*Ordonnance n° 2016-1408 du 20 octobre 2016 relative à la réorganisation de la collecte de la participation des employeurs à l'effort de construction*).

¹¹ Only 1% of the Issuer's portfolio is located outside Ile-de-France as of 31 December 2018.

¹² Source: "Chiffres-Clés de la Région Ile-de-France 2018" produced by INSEE, CCI Paris Ile-de-France and IAU – Ile-de-France, page 2.

¹³ Ibid.

¹⁴ Source: Paris Region Key Figures 2018 produced by Paris Region Entreprises, CCI Paris Ile-de-France and IAU – Ile-de-France, pages 11 and 12.

¹⁵ Source: INSEE, "Taux de chômage localisés au 4e trimestre 2018", published on 3 April 2019.

From a demographic point of view, Ile-de-France is one of the most populated regions in Europe, with a population that has been rising at an average rate of 0.4% over the 2009-2019 period, reaching 12.2 million inhabitants in 2019.¹⁶

Over the coming years, Ile-de-France expects to benefit from the “*Grand Paris*” project, one of the largest transport projects in Europe, the main purpose of which is to improve the public transport network in the region through the construction of additional lines and extensions of existing lines (four new lines and 200 km of additional railway lines) in order to reduce travel time¹⁷. The new infrastructure that is projected to be built in anticipation of the 2024 Olympic Games in Paris is also expected to increase the Ile-de-France’s attractiveness, which, in turn, is expected to positively impact the value of the Issuer’s portfolio.

Intermediary housing market

Intermediary housing comprises housing units with rents that are below the market level and is targeted at households with specific revenue levels. In Ile-de-France, the Issuer estimates that approximately 500,000 households¹⁸ are eligible for approximately 200,000 existing intermediary housing units, which illustrates the strong demand for such affordable housing. Furthermore, these 200,000 intermediary housing units account for only 4% of the 5.2 million housing units in Ile-de-France.

French law imposes rents below market levels (generally 15-20% lower) on French intermediary housing providers. In exchange, the intermediary housing providers benefit from a favourable tax regime: VAT at 10% and a 20-year property tax exemption on new units produced since 2014. This favourable tax regime is valid only for intermediary housing units built in areas where the demand is strong and which are classified into three categories: Zone A *bis*, Zone A and Zone B1. The Issuer plans to produce new units almost exclusively in Zone A *bis* and Zone A.

The tax benefits are subject to continued ownership: intermediary housing providers may not sell the residential units before the 15th anniversary date¹⁹ of their acquisition. However, they may partially sell these residential units without “tax penalty” from the 11th year onwards, up to a maximum of 50% of the relevant property.

This favourable tax regime has enabled the development of approximately 16,000 new units in Ile-de-France over the 2014-2018 period, with approximately 200 cities participating in intermediary housing programmes²⁰.

Competitive position

The Issuer has one main competitor in the intermediary housing market in Ile-de-France, CDC Habitat. As of the end of 2018, the Issuer’s portfolio comprised 42,277 intermediary housing units compared to CDC Habitat’s portfolio of approximately 22,366 intermediary housing units²¹.

At the national level, as of the end of 2017, the portfolio of ALG comprised approximately 69,600 intermediary housing units²² compared to CDC Habitat’s portfolio of approximately 87,000 intermediary housing units²³.

The Issuer and CDC Habitat, both leaders of the intermediary housing market, are also subsidiaries of the two largest housing providers in France, the Issuer being a subsidiary of Action Logement (981,300 units²⁴) and CDC Habitat being a subsidiary of Caisse des Dépôts et Consignations (495,000 units held through CDC Habitat,

¹⁶ Source: INSEE, “Estimation de la population au 1er janvier 2019”, published on 15 January 2019.

¹⁷ Source: Grand Paris Express, published on 28 November 2018.

¹⁸ Source: “Note Rapide” n°803 of IAU – Ile-de-France, published in March 2019. The figures contained in this “Note Rapide” are based on Enquête Nationale Logement 2013.

¹⁹ Article 284, II bis of the French General Tax Code (*Code général des impôts*).

²⁰ Source: IAU – Ile-de-France, March 2019.

²¹ Source: CDC Habitat website (as of the date of this document).

²² Source: ALG website (as of the date of this document).

²³ Source: CDC Habitat website (as of the date of this document).

²⁴ Source: ALG website (as of the date of this document).

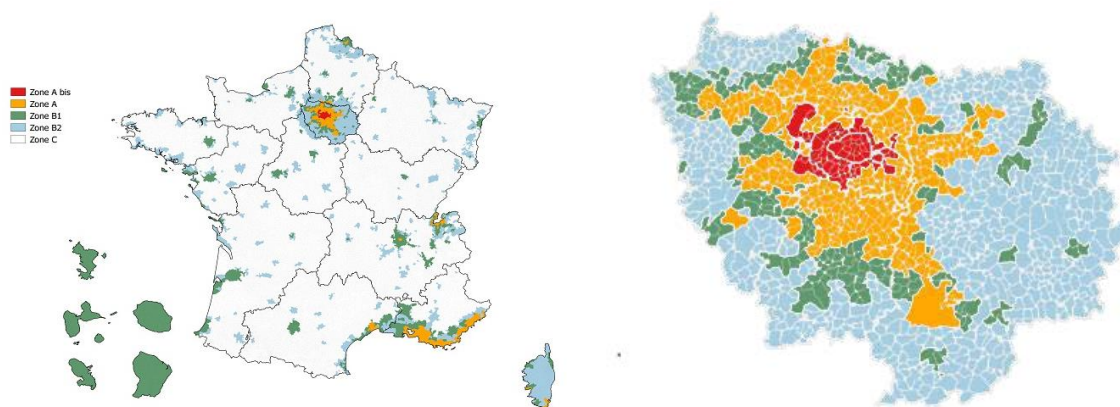
including social housing units²⁵). The Issuer's development plan should reinforce its leading position in Ile-de-France in the coming years.

(b) The Issuer's real estate portfolio

The Issuer owns and manages a EUR 7.9 billion portfolio of intermediary residential housing located in Ile-de-France. This portfolio is operated under two brands:

- in'li (29,505 units having a value of EUR6.5 billion as at 31 December 2018): in'li is the Issuer's core brand dedicated to young working people and middle income households. As at 31 December 2018, in'li's residential units averaged 34 years old. The development of this brand is the Issuer's priority.
- Qwacio (12,772 units having a value of EUR1.4 billion as at 31 December 2018): Qwacio's real estate assets comprise large buildings which are older (averaging 52 years old as at 31 December 2018). These assets are similar to social housing assets in terms of average rent levels and are located in areas that feature a high concentration of social housing.

Nearly the entire portfolio is located in Ile-de-France (representing 99% of the value of the Issuer's portfolio) where the demand for intermediary housing is particularly high.



Zones of French housing policies (Zones A bis, A, B1, B2 and C)

(France on the left and the Ile-de-France region on the right)

Source: Ministère de la cohésion des territoires, last updated in 2014

As of 31 December 2018, the Issuer has 51% of its portfolio value in the Paris and Hauts-de-Seine departments, which are amongst the wealthiest in France.

As part of its development, the Issuer expects to build on its current locations, which largely cover the territories that will benefit from the "Grand Paris" project, i.e. Zones A bis and A. The Issuer also expects to benefit from 68 new train stations of the "Grand Paris Express", which are planned to be built by 2030²⁶.

²⁵ Source: CDC Habitat website (as of the date of this document).

²⁶ Source: Grand Paris Express, published on 28 November 2018.

The Issuer is present in all other departments of Ile-de-France. The table below sets forth the geographic breakdown of the Issuer's portfolio as of 31 December 2018:

Department	Number	Value (EUR billion)
Paris	5,374	2.0
Seine-et-Marne	1,057	0.1
Yvelines	4,238	0.7
Essonne	2,173	0.3
Hauts-de-Seine	8,919	2.0
Seine-Saint-Denis	9,862	1.3
Val-de-Marne	7,451	1.2
Val d'Oise	2,540	0.3
Other departments	663 ²⁷	0.1
TOTAL	42,277	7.9
Source: in'li, and Crédit Foncier Immobilier Expertise		

The Issuer intends to consolidate its current locations largely covering Zone A *bis* and A in Ile-de-France and to extend its presence in the other areas in Ile-de-France where in'li is less present. As part of its development plan of 80,000 new residential units ordered by 2029, the Issuer targets having 50% of these residential units in Zone A *bis* and 50% in Zone A.

In 2018, the evolution of the portfolio was the following:

- 1,064 new housing units delivered in 2018;
- 488 housing units acquired through the mergers of 2 in'li subsidiaries and 1 ALI subsidiary;
- 261 units sold.

(c) Rental income

In 2018, the Issuer generated EUR 284 million of rental income with a 96% occupancy rate. The 4% vacancy rate is mainly the result of the time lapse between two tenants or renovation of the units. The Issuer benefits from a diversified tenant base composed of private individuals. The Issuer does not have any key account (such as companies or associations) and as a consequence has no significant exposure to one or several clients.

The Issuer enters on an ancillary basis into commercial leases with respect to the premises located at the ground floor of its buildings. The net rental income generated by these commercial leases represents approximately 2% of the Issuer's total net rental income. Overall, in'li owns approximately 280 units of offices and shops.

Given lower rents compared to market levels and a strong demand in Ile-de-France, the tenant annual turnover rate of the Issuer's assets is low at 8% (as of 31 December 2018).

²⁷ These units come from a legacy of housing units outside Ile-de-France (although in close proximity) and will be disposed in the context of the asset rotation plan.

The rental income breakdown by department of 2018 is the following:

Department	Percentage of rental income
Paris	17%
Seine-et-Marne	2%
Yvelines	10%
Essonne	4%
Hauts-de-Seine	24%
Seine-Saint-Denis	21%
Val-de-Marne	16%
Val d'Oise	5%
Other Departments	1%
TOTAL	100%
Source : in'li	

The Issuer markets its in'li brand offer through a business-to-consumer platform set up in June 2018 on inli.fr, to let housing directly to tenants for assets operated under the in'li brand. Between June and December 2018, 60,000 accounts were created on the online distribution platform, with an average of approximately 20 applications filed for each available housing unit.

Assets operated under the Qwacio brand are marketed by the ALS marketing department on behalf of the Issuer during an exclusivity period of 60 days, after which they are distributed directly by in'li.

Historically, as a counterpart to subsidised financings, ALS benefitted from reservation rights on a significant part of the in'li portfolio (21,060 reservation rights as of 1 January 2019) for employees of companies contributing to PEEC.

Following a new agreement signed between ALS and in'li on 27 March 2019, with retroactive effect on 1 January 2019, these reservation rights are replaced by a commitment from in'li to have at least 75% of new leases signed with employees of private sector companies (companies with 10 employees and more), it being specified that compliance with this 75% threshold is ensured through a reporting by in'li to ALS. This new agreement will enable in'li to widen its client base by offering its intermediary housing units to different professional categories (not only to employees of the private sector companies mentioned above) up to a maximum of 25%. This will contribute to a further diversification of in'li's tenant base.

(d) Development plan

The Issuer plans to order about 80,000 new intermediary housing units over the next decade to reduce the housing shortage in Ile-de-France, it being specified that about 50% of these new units should be acquired by the Issuer and the rest should be produced through off-balance sheet investment funds.

This development plan, which is estimated to represent a significant investment of approximately EUR 18 billion, should be financed by (i) the increase of Issuer's gross debt through new financing modes, including a revolving

credit facility and bond issuances, (ii) asset rotation mainly to current tenants and institutional investors, (iii) capital injections from ALI as part of the *convention quinquennale* spanning over the period 2018-2022 (the Issuer anticipates approximately EUR 50 million per year of equity injections from ALI, for further details, please see “*The ALG group and its relationship with in’li*”), (iv) the financing of a part of the production by institutional investors, in particular through off-balance sheet investment funds, and (v) the division of ownership rights of a part of the production, in’li keeping the beneficial ownership (*usufruit*) of the housing units.

2018-2023 period

Over the 2018-2023 period, this development plan should represent approximately 37,200 new housing units:

- the Issuer is expected to acquire directly approximately 19,100 new housing units, totalling EUR 4.3 billion;
- the Issuer, together with institutional investors, plans to invest in off-balance sheet investment funds which are expected to produce 18,100 new housing units.

Direct investments

80% of the new housing units are expected to be acquired by the Issuer under the French forward sale agreement legal framework (*Vente en l’Etat Futur d’Achèvement*), which reduces the development risk for the Issuer. Under this framework, developers are committed to deliver projects at determined and contractually agreed dates and prices. The completion of the projects is guaranteed by a completion guarantee (*Garantie Financière d’Achèvement*) delivered by banks or insurers. In this context, in’li has contracted non-binding framework agreements with 26 major French property developers (for instance Nexity, Bouygues Immobilier, Eiffage Immobilier,...) with the target of approximately 6,500 intermediary housing units.

20% of the new units are expected to be developed directly by the Issuer managing the construction process itself (*maîtrise d’ouvrage directe*). Such projects include demolitions/reconstructions, elevation or capacity improvement projects of existing properties, transformation of offices into housing, participation in competitions or consultations promoting innovative projects or co-promotion of projects.

Investments through real estate funds

In the majority of cases, in’li will invest as a minority shareholder in the funds, with participations of approximately 25%. It would generally also act as property manager of such funds and would generally be in charge of marketing the housing units and sourcing new operations.

As a shareholder, in’li will receive its share of dividends, and it will also be remunerated for the various tasks mentioned above (property management, marketing and sourcing).

2024-2029 period

The Issuer’s development strategy will be adapted in order to achieve the goal of 80,000 new residential units ordered by 2029. Nevertheless, the Issuer expects to follow the same approach with respect to allocation between residential units which are directly owned and those through off-balance sheet investments funds.

(e) Social and environmental responsibility

Since 2013, in’li’s strategy integrates the potential impact of its activity on its environment and aims at ensuring that in’li’s activities are in line with the growing concern for environment and sustainability. Limiting its CO2 footprint stands out as one of the priorities. In’li’s efforts to control its CO2 footprint include thermal insulation work from the outside. A total of 1,231 households benefited from this insulation work in 2018.

New buildings’ general conditions take into account the requirements of both *Bâtiment Bas Carbone* (BBCA) and *NF Habitat Haute Qualité Environnementale* (NF Habitat HQE) labels. It develops its activity in several eco-neighbourhoods that require compliance with strict environmental performance criteria. In’li has already delivered

265 housing units and entered into option agreements for approximately more than 330 housing units in such neighbourhoods in 2018.

6. PRESENTATION OF FINANCIAL INFORMATION

6.1 Selected financial information

The extracts below, from the audited and translated into English 2017 Annual Financial Statements and 2018 Annual Financial Statements, should be read in conjunction with the financial information incorporated by reference in this Prospectus.

Summarized Income Statement

Income Statement			
M€	2017	2018	
Net turnover	340	352	
<i>Growth (%)</i>	<i>NA</i>	<i>3%</i>	
o/w Rental income	271	284	
o/w Recovery of rental charges	68	57	
EBITDA	127	137	
<i>EBITDA margin (%)</i>	<i>37%</i>	<i>39%</i>	
Reversals of depreciations and provisions, transfers of expenses	10	1	
Provisions for depreciation and provisions	(74)	(82)	
EBIT	63	56	
<i>EBIT margin (%)</i>	<i>19%</i>	<i>16%</i>	
Financial result	(23)	(11)	
Extraordinary profit and loss	12	25	
Income taxes	(19)	(25)	
Result	33	45	

Summarized Balance Sheet

Balance Sheet			
M€	2017	2018	
Intangible fixed assets	1	8	
Tangible fixed assets	2,644	2,934	
Financial assets	129	151	
Fixed assets	2,773	3,093	
Inventories and work in progress	26	15	
Receivables	59	92	
Marketable Securities	135	380	
Prepayments	3	3	
Current assets	223	491	
Total assets	2,996	3,584	
Equity capital	1,561	1,745	
Provisions for liabilities and charges	30	34	
Financial debts	1,316	1,666	
Other debts	78	120	
Prepaid income	11	19	
Total liabilities	2,996	3,584	

Summarized Statement of Cash Flows

Statement of Cash Flows		
M€	2017	2018
Net income	33	45
D&A	59	76
Other	(9)	(35)
Gross self-financing margin	83	86
Change in WCR	(11)	22
Cash flow from operating activities	72	108
CAPEX ⁽¹⁾	(434)	(344)
Disposals ⁽²⁾	35	69
Cash flow from investing activities	(399)	(275)
Share capital increase	0 ⁽³⁾	65
Issuances of loans	309	438
Loan repayments	(93)	(107)
Distributed dividends	-	(3)
Other	(1)	(3)
Cash flow from financing activities	214	390
Change in net cash position	(112)	222
Opening cash position	129	124
Net cash from transfers and mergers	107	16
Bank borrowings	11	18
Closing cash position	135	380

⁽¹⁾ includes acquisition of securities, loans and advances made & other acquisitions of financial assets and other financial assets

⁽²⁾ includes disposals of securities and reduction and disposals of other financial assets

⁽³⁾ in 'li received the 2017 capital increase from ALI in advance in December 2016

6.2 Additional information

Portfolio valuation

The Issuer's portfolio was valued for the first time in 2017 by Crédit Foncier Expertise (as of 31 December 2017). It was valued for the second time in 2018 by Crédit Foncier Expertise (as of 31 December 2018). According to this second valuation:

- the Issuer's portfolio block value (*valeur en bloc*), taking into account the state of occupancy and excluding transfer taxes, amounted to EUR 7.9 billion. This represents a 5.3% increase with respect to the value at the end of 2017. This increase is mainly due to increases in the rent prices and the portfolio size.
- the Issuer's portfolio value following the "sale by lot" (*vente par lot*) approach, taking into account the state of occupancy and excluding transfer taxes, amounted to EUR 8.8 billion.
- the Issuer's portfolio value following the "sale by lot" (*vente par lot*) approach, assuming a lease at market rental value (*valeur locative de marché*), amounted to EUR 10.1 billion.

Occupancy rate

The Issuer's occupancy rate was of 96% as of 31 December 2018.

Turnover rate

The Issuer's turnover rate amounted to 7.7% as of 31 December 2018.

Loan to value ratio (LTV)

LTV is calculated as the ratio between net financial debt and the adjusted asset value as valued by an external reputable expert, *i.e.* Crédit Foncier Expertise, in December of each year. It amounted to 15.8% as of 31 December 2017 and 16.3% as of 31 December 2018.

This LTV ratio is below the covenant threshold of the Credit Agreement (as defined below), which stands at 65%. The Issuer targets a LTV ratio of 35-40% in the medium term, including the impact of the contemplated bond issuance.

Interest coverage ratio

The interest coverage ratio, defined as the ratio of EBITDA to the cost of net financial indebtedness, amounted to 5.6 as of 31 December 2017 and 5.4 as of 31 December 2018.

This interest coverage ratio is above the Credit Agreement covenant threshold which stipulates that it exceeds 1.50.

Debt structure

As of 31 December 2018, the Issuer has EUR 565 million of financial debt payments within the next five years. Approximately 66% of its financial debt payments are scheduled after the next five years.

As of 31 December 2018, the average duration of the Issuer's debt is 10 years.

As of 31 December 2018, the average cost of the Issuer's debt is 1.8%.

As of 31 December 2018, 61% of the Issuer's debt is collateralized. This proportion is expected to decrease following the contemplated bond issuance.

The Issuer entered into a €800 million revolving facility agreement on 19 July 2018 with several banks with a term of 4 years (the "**Credit Agreement**"). At the date hereof, the Issuer has drawn €220 million under the Credit Agreement.

As of 31 May 2019, the gross financial debt was of EUR 1,778 million.

Focus on two departments: Paris and Hauts-de-Seine

Paris and Hauts-de-Seine represent more than 51 % of the Issuer's total portfolio value.

Paris

13% of the Issuer's residential units are located in the Paris department. These residential units represent 25% of the Issuer's total portfolio value.

The residential units located in the Paris department have the following characteristics:

Average age of buildings	Rents reversionary potential (versus market rents)	Turnover rate	Occupancy rate
35 years old	100%	7.3%	97.1%

Hauts-de-Seine

21% of the Issuer's residential units are located in the Hauts-de-Seine department. These residential units represent 25% of the Issuer's total portfolio value.

The residential units located in the Hauts-de-Seine department have the following characteristics:

Average age of buildings	Rents reversionary potential (versus market rents)	Turnover rate	Occupancy rate
36 years old	60%	8.9%	96.7%

7. GOVERNANCE AND MANAGEMENT

Since 2 October 2017, the Issuer is managed by a Management Board (*Directoire*) and a Supervisory Board (*Conseil de Surveillance*).

7.1 Management Board (*Directoire*)

The Management Board comprises between two and five members appointed by the Supervisory Board, each of whom serve for a period of three years, which term is renewable without limitation. The Management Board is granted extensive powers to act in all circumstances in the name of in'li, within the scope of in'li's corporate purpose and subject to the powers expressly granted to the general meeting and to the Supervisory Board by law, in'li's by-laws (*Statuts*), as well as the internal rules regulating its Supervisory Board (*règlement intérieur*) and its Management Board.

The Management Board is responsible for the management of the Issuer, on which it reports to the Supervisory Board.

The Chairman of the Management Board is chosen from among its members by the Supervisory Board, for the duration of his or her term as a member of the Management Board. The Chairman has powers expressly granted by law and specific powers granted following a prior authorisation of the Supervisory Board and represents in'li vis-à-vis third parties. The same power of representation is granted to the Chief Executive Officer, when appointed at the discretion of the Supervisory Board, for the duration of his or her term as a member of the Management Board.

The Management Board currently comprises two members:

M. Benoist Apparu was appointed Chairman for a three-year period, renewable without limitation, on 2 October 2017.

M. Antoine Pinel was appointed Chief Executive Officer for a three-year period, renewable without limitation, on 2 October 2017. Previously, M. Antoine Pinel served as Chief Executive Officer of OGIF for 10 years since 2007.

	Business address	First appointed on:	Term of office expires on:	Principal activities performed outside the Issuer
Benoist Apparu Chairman of the Management Board	314 Quai de la Bataille de Stalingrad 92130 Issy-les-Moulineaux	2 October 2017	End of the ordinary general meeting to be held in June 2020.	<ul style="list-style-type: none"> - Mayor of Châlons-en-Champagne - Community advisor of the Town Association of Châlons-en-Champagne (<i>conseiller communautaire de la Communauté d'Agglomération de Châlons-en-Champagne</i>)

	Business address	First appointed on:	Term of office expires on:	Principal activities performed outside the Issuer
Antoine Pinel Chief Executive Officer	102 Avenue Charles de Gaulle 92200 Neuilly-sur-Seine	2 October 2017	End of the ordinary general meeting to be held in June 2020.	- Managing Director of SOGUIM (SARL)

7.2 Supervisory Board (*Conseil de Surveillance*)

The Supervisory Board comprises between three and twelve members, subject to the exceptions provided for by the law, for a period of three years, renewable without limitation by a third every year. In the event of a merger and for a period of three years from the date of the merger, this number may exceed twelve without exceeding the limit of twenty-four members. They are appointed by an ordinary general meeting, subject to the exceptions provided for by law. The Supervisory Board is granted powers to supervise the management of the company, as conducted by the Management Board, and to appoint members of the Management Board, within the scope of competence provided for by law, by in'li's by-laws (*Statuts*) and by the internal rules governing in'li's Supervisory Board (*règlement intérieur*).

The Supervisory Board appoints from among its members a Chairman and a Vice-Chairman, for the duration of their term as members of the Supervisory Board.

The Supervisory Board currently comprises twelve members.

M. Pierre Brajeux was appointed Chairman for a 3-year period, renewable without limitation, on 2 October 2017.

M. Jean-Jacques Denizard was appointed Vice-Chairman for a 3-year period, renewable without limitation, on 2 October 2017.

	Business address	First appointed on:	Term of office expires on:	Principal activities performed outside the Issuer
Pierre Brajeux Chairman of the Supervisory Board	76 Rue Félix Faure 92700 Colombes	2 October 2017	Ordinary general meeting called to approve the financial statements for the year ended 31 December 2020.	<ul style="list-style-type: none"> - Chairman of Brenncorp (SAS) - Chairman of Torann-France (SAS) - Managing Director of Volfoni (SCI) - Managing Director of Beretto (SCI) - Managing Director of Willsdorf (SCI) - Managing Director of Asgath Consultants (SARL) - Managing Director of Televeille (SARL) - Managing Director of Fergus Autorité (SARL) - Administrator of Horizon Santé Travail (Association) - Chairman of MEDEF Hauts de Seine (union organisation) - Vice-Chairman of MEDEF Ile de France (union organisation)
Jean-Jacques Denizard Vice-Chairman of the Supervisory Board	25 Rue Carle Hebert 92400 Courbevoie	2 October 2017	Ordinary general meeting called to approve the financial statements for the year ended 31 December 2018.	<ul style="list-style-type: none"> - Representative of CFDT as administrator of Association Logement Jeunes Travailleurs (association)

	Business address	First appointed on:	Term of office expires on:	Principal activities performed outside the Issuer
Action Logement Immobilier (rep. by Pascal Landrin)	21, quai d'Austerlitz CS 31454 75643 Paris Cedex 13	2 October 2017	Ordinary general meeting called to approve the financial statements for the year ended 31 December 2020.	–
Hervé Morel	59 Rue des Chantiers 78000 Versailles	20 December 2017	Ordinary general meeting called to approve the financial statements for the year ended 31 December 2018.	<ul style="list-style-type: none"> - Representative of the CSE of 1001 Vies Habitat (SA) - Representative of the CSE of Logis Atlantique (SA) - Representative of the CSE of Logis Familial (SA) - Representative of the CSE of Le Logis Familial Varois (SA) - Representative of the CSE of Logis Méditerranée (SA) - Representative of the CSE of Sollar (SA)
Jackie Troy	50 Rue Jean-Pierre Timbaud 92400 Courbevoie	14 November 2017	Ordinary general meeting called to approve the financial statements for the year ended 31 December 2020.	<ul style="list-style-type: none"> - Managing Director of SOGIP (SARL) - Managing Director of Bamboo (SCI) - Managing Director of Lisa (SCI) - Managing Director of Troy-Yan (SCI) - Elected member of the CCI de Paris - Administrator of La Fabrique (school) - Administrator of CPME Paris (organisation) - Member of CPRI IDF (organisation)
Xavier Hesse	83 Rue Boileau 75016 Paris	19 April 2018	Ordinary general meeting called to approve the financial statements for the year ended 31 December 2019.	<ul style="list-style-type: none"> - Consultant in company management at Rivalis
Bruno Caneparo	7 Rue des Ponts 78290 Croissy-sur-Seine	2 October 2017	Ordinary general meeting called to approve the financial statements for the year ended 31 December 2019.	<ul style="list-style-type: none"> - Managing Director of ALIASOL(SARL)
Patricia Gomez-Talimi	4 Rue du Commandant Louis Bouchet 92500 Rueil-Malmaison	2 October 2017	Ordinary general meeting called to approve the financial statements for the year ended 31 December	<ul style="list-style-type: none"> - Administrator of Centre Technique des Institutions de Prévoyance (association)

	Business address	First appointed on:	Term of office expires on:	Principal activities performed outside the Issuer
			2018.	
Elsa Bagarry	56 Rue Raspail 92300 Levallois-Perret	14 November 2017	Ordinary general meeting called to approve the financial statements for the year ended 31 December 2018.	- Notary partner within Etude Bagarry
Philippe Thel	37 Rue Laugier 75017 Paris	2 October 2017	Ordinary general meeting called to approve the financial statements for the year ended 31 December 2020.	- Representative of ALI as member of the Board of Directors of Erigère (SA) - Member of the Board of Directors of Cilgère Services (SA) - Member of the Board of Directors of Sofibus Patrimoine (SA) - Administrator of IFPIMM (association)
Sandra Bues-Piquet	24 Avenue Théophile Gautier 75016 Paris	2 October 2017	Ordinary general meeting called to approve the financial statements for the year ended 31 December 2019.	- Member of the Board of Directors of France Habitation (SA) - Member of the Board of Directors of I3F (SA)
Jean-François Gabilla	56 ter Rue du Chemin Vert 92100 Boulogne-Billancourt	2 October 2017	Ordinary general meeting called to approve the financial statements for the year ended 31 December 2019.	- Member of the Board of Directors of I3F (SA) - Chairman of JFG Conseil et Développement (SASU) - Chairman of Lighthouse (SASU) - Member of the Board of Directors of Immobilière Méditerranée (SA)

7.3 Investment Committee (*Comité des investissements*)

The Investment Committee (*Comité des investissements*) comprises a maximum of four members appointed by the Supervisory Board from among its members, for the duration of their respective term as members of the Supervisory Board.

The Investment Committee examines and opines on the investment and financing projects that the Supervisory Board and the Management Board refer to it. More specifically, the Investment Committee is informed by the Management Board of the implementation of the Issuer's investment policy, it gives prior notice to the Management Board regarding specific investments and to the Supervisory Board regarding the decision to sell assets of a significant value as well as regarding any partnership projects, equity investments and innovative arrangements.

7.4 Audit Committee (*Comité d'audit et des comptes*)

The Audit Committee (*Comité d'audit et des comptes*) advises and assists the Supervisory Board with respect to matters falling within its competence under the Supervisory Board's internal rules. The Audit Committee ensures the relevance and the continuity of the accounting policies adopted in connection with the preparation of the

financial statements and, where applicable, the consolidated financial statements, and ensures the quality of internal controls and of the information given to shareholders.

The Audit Committee comprises a maximum of four members appointed by the Supervisory Board from among its members and must include at least one member with specific financial or accounting experience.

7.5 Appointment and Compensation Committee (*Comité des nominations et rémunérations*)

The Appointment and Compensation Committee (*Comité des nominations et rémunérations*) advises and facilitates the work of the Supervisory Board with respect to matters falling within its competence under the Supervisory Board's internal rules and in particular to make proposals concerning the nominations of members of the Management Board and of the Supervisory Board, as well as to give an opinion on the compensation policy applicable to the latter.

The Appointment and Compensation Committee comprises a maximum of four members appointed by the Supervisory Board from among its members.

7.6 Conflicts

To the Issuer's knowledge, there are no potential conflicts of interest between the duties of the members of Supervisory Board, Management Board, Investment Committee, Audit Committee and Appointment and Compensation Committee as regards the Issuer and their respective private interests and/or other duties.

7.7 Corporate relationship with ALG

In accordance with Article 14 of the by-laws of ALI, ALG as sole shareholder of ALI shall consent to the appointment of the Management Board members of the entities which are controlled by ALI. Accordingly, the appointment of the Management Board of the Issuer is subject to ALG's prior approval as in'li is controlled by ALI.

Internal rules of ALG provide for the presence of both representatives of employers and employees organisations in the management or supervisory boards of the companies of the ALG group. Such principle applies to the Supervisory Board of in'li.

8. AUDITOR AND OTHER MONITORING

The statutory auditor of the Issuer is Mazars, a limited liability company (*société anonyme*), registered with the Nanterre trade and companies register under number 784 824 153 and having its registered address at 61, rue Henri Regnault – Tour Exaltis – 92400 Courbevoie.

Mazars is a member of the regional professional body of the *Commissaires aux Comptes*, complies with the rules issued by the *Compagnie Nationale des Commissaires aux Comptes* and is regulated by the *Haut Conseil du Commissariat aux Comptes*.

In'li is subject to the control of the *agence nationale de contrôle du logement social* (ANCOLS) and, given that it is a member of the ALG, it may be subject to the control of the *Cour des Comptes*.

9. NO MATERIAL CONTRACTS

To the Issuer's knowledge, as at the date of this Prospectus, there are no material contracts that have not been entered into in the ordinary course, which could result the Issuer being under an obligation or entitlement that is material to its ability to meet its obligations to the Noteholders.

TAXATION

The following is a summary of certain withholding tax consequences in France relating to the holding of the Notes. This summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of, the Notes. This summary is based on the laws in force in France as of the date of this Prospectus and is subject to any changes in law and/or interpretation thereof (potentially with a retroactive effect).

Each prospective holder or beneficial owner of the Notes should consult its tax adviser as to the tax consequences of any investment in, or ownership and disposition of, the Notes.

Withholding taxes on payments made outside France

The following may be relevant to Noteholders who do not concurrently hold shares in the Issuer.

Payments of interest and assimilated revenues made by the Issuer with respect to the Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in certain non-cooperative States or territories (*Etats ou territoires non coopératifs*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a “**Non-Cooperative State**” or “**Non-Cooperative States**”), in which case a 75 per cent. withholding tax is applicable (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty).

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and assimilated revenues are not deductible from the Issuer’s taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to an account held with a financial institution established in a Non-Cooperative State (the “**Deductibility Exclusion**”). Under certain conditions, any such non-deductible interest and assimilated revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and assimilated revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at a rate of (i) 30 per cent. (to be aligned on the standard corporate income tax rate set forth in Article 219-I of the French *Code général des impôts* for fiscal years beginning as from 1 January 2020) for payments benefiting legal persons who are not French tax residents; (ii) 12.8 per cent. for payments benefiting individuals who are not French tax residents or (iii) 75 per cent. for payments made outside France in certain Non-Cooperative States (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, neither the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor, to the extent the relevant interest and assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion (or the withholding tax set out in Article 119 *bis* 2 of the French *Code général des impôts* that may be levied as a result of the Deductibility Exclusion) will apply in respect of the Notes provided that the Issuer can prove that the main purpose and effect of the issue of the Notes were not that of allowing the payments of interest and assimilated revenues to be made in a Non-Cooperative State (the “**Exception**”).

Pursuant to the guidelines published by the French tax authorities (*Bulletin Officiel des Finances Publiques – Impôts* BOI-RPPM-RCM-30-10-20-40-20140211, no. 70 and 80, BOI-INT-DG-20-50-20140211, no. 550 and 990 and BOI-IR-DOMIC-10-20-20-60-20150320, no. 10), the Notes will benefit from the Exception without the Issuer having to provide any evidence supporting the main purpose and effect of the issue of the Notes, if the Notes are *inter alia*:

- (i) admitted to trading on a French or foreign regulated market or multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider or any other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

- (ii) admitted, at the time of their issue, to the operations of a central depository or of a securities delivery and payment systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depositories or operators are not located in a Non-Cooperative State.

As the Notes are *inter alia* admitted at the time of their issue to the operations of Euroclear France, payments of interest and assimilated revenues made by the Issuer under the Notes are not subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts*.

Withholding taxes on payments made to individuals who are fiscally domiciled in France

Pursuant to Article 125 A I of the French *Code général des impôts* (i.e. where the paying agent (*établissement payeur*) is established in France) and subject to certain exceptions, interest and assimilated revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding at an aggregate rate of 17.2 per cent. on such interest and assimilated revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France, subject to certain exceptions.

SUBSCRIPTION AND SALE

Crédit Agricole Corporate and Investment Bank, HSBC France, Natixis and Société Générale (the “**Joint Bookrunners**”) have jointly and severally agreed, pursuant to a Subscription Agreement (the “**Subscription Agreement**”) dated 28 June 2019, subject to satisfaction of certain conditions, to subscribe or procure subscribers for the Notes at the issue price equal to 99.690 per cent. of the principal amount of Notes, less a combined management and underwriting commission as separately agreed between the Joint Bookrunners and the Issuer.

The Issuer will also reimburse the Joint Bookrunners in respect of certain of their expenses, and has agreed to indemnify the Joint Bookrunners against certain liabilities, incurred in connection with the issue of the Notes. The Subscription Agreement may be terminated in certain circumstances prior to payment to the Issuer.

United States

The Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

Each of the Joint Bookrunners has represented and agreed that it has not offered or sold and will not offer or sell the Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of the Notes (the “**Distribution Compliance Period**”), as determined and certified to the Issuer by the Joint Bookrunners, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Notes are being offered and sold outside of the United States in reliance on Regulation S. In addition, until 40 calendar days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom

Each of the Joint Bookrunners has represented, warranted and agreed, severally but not jointly, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

France

Each of the Joint Bookrunners has represented and agreed, severally but not jointly, that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Prospectus or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) investing for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

Prohibition of Sales to European Economic Area Retail Investors

Each Joint Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA.

For the purposes of this provision, the expression “**retail investor**” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (ii) a customer within the meaning of IMD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

General

No action has been or will be taken by the Issuer or the Joint Bookrunners that would, or is intended to, permit a public offer of the Notes or possession or distribution of this Prospectus or any other offering material relating to the Notes, in any country or jurisdiction where any such action for that purpose is required. Accordingly, each of the Joint Bookrunners has represented, warranted and agreed, severally but not jointly, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes or has not, directly or indirectly, distributed or published and will not, directly or indirectly, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information relating to the Notes in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms.

GENERAL INFORMATION

1. Authorisation

The Notes were issued pursuant to a resolution of the *Conseil de surveillance* (Supervisory Board) of the Issuer adopted on 11 April 2019, a decision of the *Directoire* (Management Board) of the Issuer dated 6 June 2019 and a decision of the *Président du Directoire* (Chairman of the Management Board) of the Issuer dated 24 June 2019.

2. Admission to trading

For the sole purpose of the admission to trading of the Notes on Euronext Paris and pursuant to Articles L.412-1 and L.621-8 of the French *Code monétaire et financier*, this Prospectus has been submitted to the AMF and received a visa no. 19-301 dated 28 June 2019.

Application has been made for the Notes to be admitted to trading on Euronext Paris as from the Issue Date.

The estimated costs for the admission to trading of the Notes (including AMF and Euronext Paris fees) will be approximately €14,600.

3. Clearing systems

The Notes have been accepted for clearance through Clearstream and Euroclear. The Common Code number and Euroclear France with the International Securities Identification Number (ISIN) for the Notes are respectively 201996805 and FR0013430535.

The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Brussels, Belgium and the address of Clearstream is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg. The address of Euroclear France is 66, rue de la Victoire, 75009 Paris, France.

4. No significant or material change

Save as disclosed in this Prospectus, there has been no significant change in the financial or trading position of the Issuer's group since 31 December 2018 and there has been no material adverse change in the prospects of the Issuer's group since 31 December 2018.

5. Litigation

Save as disclosed in this Prospectus, neither the Issuer nor any other member of its group is involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and/or the group's financial position or profitability.

6. Materials interests

Save for any fees payable to the Joint Bookrunners and save as disclosed under the heading "Potential Conflict of Interest" in the section "Risk Factors", as far as the Issuer is aware, no person involved in the issue of the Notes has any interest, including conflicting ones, that is material to the issue.

7. Accounts

The auditor of the Issuer is Mazars, who has audited the Issuer's accounts in accordance with generally accepted auditing standards in France for each of the two financial years ended on 31 December 2017 and 2018. The auditor is an independent statutory auditor with respect to the Issuer as required by the laws of the French Republic and under the applicable rules of the *Compagnie Nationale des Commissaires aux Comptes*. Its audit reports on these accounts were issued with unqualified opinions.

8. Documents

For the period of 12 months following the date of approval by the AMF of this Prospectus, copies of this Prospectus, the documents incorporated by reference and the *statuts* (by-laws) of the Issuer will be available for inspection and copies of the most recent annual financial statements of the Issuer will be obtainable, free of charge, at the specified offices for the time being of the Paying Agents during normal business hours.

This Prospectus and all the documents incorporated by reference are also available on the Issuer's website (<https://corporate.inli.fr/>). This Prospectus is also available on the website of the AMF (www.amf-france.org).

9. Yield

The yield of the Notes calculated on the Issue Date on the basis of the issue price is 1.158. It is not an indication of future yield.

10. Ratings

The Issuer is rated BBB+ (positive outlook) by S&P. The Notes have been assigned a rating of BBB+ by S&P. S&P is established in the European Union, registered under Regulation (EC) No. 1060/2009, as amended (the “**CRA Regulation**”) and included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with the CRA Regulation. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

11. LEI number

The Legal Entity Identifier number of the Issuer is 969500X711HT6Q60P382.

12. Stabilisation

In connection with the issue of the Notes, Crédit Agricole Corporate and Investment Bank (the “**Stabilising Manager**”) (or any person acting on behalf of such Stabilising Manager) may (but will not be required to) over-allot the Notes or effect transactions within a specified period, with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of thirty (30) calendar days after the issue date of the Notes and sixty (60) calendar days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager in accordance with all applicable laws and rules.

The Issuer confirms the appointment of Crédit Agricole Corporate and Investment Bank as the central point responsible for adequate public disclosure of information, and handling any request from a competent authority, in accordance with Article 6(5) of Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures.

13. Forward-looking statements

This Prospectus contains or incorporates by reference certain forward-looking statements that are based on estimates and assumptions. Forward-looking statements include statements with respect to the Issuer's business, future financial condition and prospects and generally include all statements preceded by, followed by or that include the words “believe”, “expect”, “project”, “anticipate”, “seek”, “estimate” or similar expressions. Although it is believed that the expectations reflected in these forward-looking statements are reasonable, there is no assurance that the actual results or developments anticipated will be realised or, even if realised, that they will have the expected effects on the business, financial condition or prospects of the Issuer.

These forward-looking statements speak only as of the date on which the statements were made, and no obligation has been undertaken to publicly update or revise any forward-looking statements made in this Prospectus or elsewhere as a result of new information, future events or otherwise, except as required by applicable laws and regulations.

PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS

To the best knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

in'li
5, place de la Pyramide
Tour Ariane
92800 Puteaux
France

Duly represented by Benoist Apparu,
Chairman of the Management Board (*Président du Directoire*) of the Issuer

Dated 28 June 2019



In accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and with the General Regulations (*Règlement général*) of the AMF, in particular Articles 211-1 to 216-1, the AMF has granted to this Prospectus the *visa* no. 19-301 on 28 June 2019. This Prospectus has been prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L.621-8-1-I of the French *Code monétaire et financier*, the *visa* has been granted following an examination by the AMF of “whether the document is complete and comprehensible, and whether the information in it is coherent”. It does not imply that the AMF has verified the accounting and financial data set out in it and the appropriateness of the issue of the Notes.

ISSUER

in'li
5, place de la Pyramide
Tour Ariane
92800 Puteaux
France

JOINT GLOBAL COORDINATORS AND JOINT BOOKRUNNERS

Crédit Agricole Corporate and Investment Bank

12 Place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France

Société Générale

29, boulevard Haussmann
75009 Paris
France

JOINT BOOKRUNNERS

HSBC France

103, avenue des Champs-Élysées
75008 Paris
France

Natixis

30, avenue Pierre Mendès-France
75013 Paris
France

FISCAL AGENT AND PAYING AGENT

Société Générale

32, rue du Champ de Tir
CS 30812
44308 Nantes Cedex 3
France

LEGAL ADVISERS

*To the Issuer as to
French law*

Allen & Overy LLP

52, Avenue Hoche
CS 9005
75379 Paris Cedex 08
France

LEGAL ADVISERS

*To the Joint Bookrunners as to
French law*

White & Case LLP

19, place Vendôme
75001 Paris
France

AUDITOR

Mazars

61, rue Henri Regnault
Tour Exaltis
92400 Courbevoie
France