

MERCIALYS

PRESS RELEASE

Paris, July 3, 2017

Poitiers Beaulieu shopping center sold for Euro 78 million including transfer tax to a private investor

On June 29, 2017, Mercialys completed the sale of the Poitiers Beaulieu site to a family office financed by HSBC.

This shopping center was fully renovated in 2016 and has benefited from New Yorker's deployment of its new store concept over 1,100 sq.m during the first half of 2017.

This transaction is based on a price of Euro 78 million including transfer tax, delivering an exit yield of 5.8% and an IRR of 9.3%.

This operation is enabling Mercialys to realize the value created over the years with this quality site and is fully aligned with the company's strategy, announced at the start of the year, to reduce its loan to value (LTV) ratio and finance a highly accretive development pipeline.

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This press release is available on www.mercialys.com

Analysts / Investors contact:

Alexandre Leroy
Tél : + 33(0)1 53 65 24 39

Press contact:

Communications
Tél : + 33(0)1 53 70 23 34

About Mercialys

Mercialys is one of France's leading real estate companies, focused exclusively on retail property. At December 31, 2016, Mercialys had a portfolio of 2,229 leases, representing a rental value of Euro 181.9 million on an annualized basis.

At December 31, 2016, it owned properties with an estimated value of Euro 3.8 billion (including transfer taxes). Mercialys has had "SIIC" real estate investment trust (REIT) tax status since November 1, 2005 and has been listed on Euronext Paris Compartment A (ticker: MERY) since its initial public offering on October 12, 2005. At December 31, 2016, there were 92,049,169 shares outstanding.

IMPORTANT INFORMATION

This press release contains certain forward-looking statements regarding future events, trends, projects or targets.

These forward-looking statements are subject to identified and unidentified risks and uncertainties that could cause actual results to differ materially from the results anticipated in the forward-looking statements. Please refer to the Mercialys registration document available at www.mercialys.com for the year ended December 31, 2016 for more details regarding certain factors, risks and uncertainties that could affect Mercialys' business.

Mercialys makes no undertaking in any form to publish updates or adjustments to these forward-looking statements, nor to report new information, new future events or any other circumstances that might cause these statements to be revised.