2017 HALF YEAR RESULTS

JULY 27, 2017

MERCIALYS

Preliminary remarks

The consolidated financial statements for the 1st half of 2017 were approved by the Board of Directors on July 26, 2017

A limited scope review of these financial statements was performed by the statutory auditors

Contents

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Strategy & key messages

Eric Le Gentil
Chairman & CEO

MERCIALYS

Mercialys delivers strong organic growth in a more challenging market, with France offering a fertile environment for retailers

Mercialys' agile model enables constant adaptations

Reversionary potential renewed through redevelopments and asset transformations, enabling new anchor tenants to be brought on board

Sustained effort to diversify the tenant mix in terms of sectors, with rigorously selected new brands

Extension and reinforcement of Mercialys' leading sites through the development pipeline

Casual Leasing's contribution continuing, particularly with organic growth

Strong letting policy to attract additional international and national brands, as well as leading local retailers

Sale of €177.2m of mature, smaller assets or sites outside Mercialys' geographical strongholds, with LTV down to 39.1% at end-June 2017 (1)

(1) Proforma for the disposal of the Dijon site sold in July 2017

Steady demographic growth: key positive underlying trend for French shopping centers over the long term

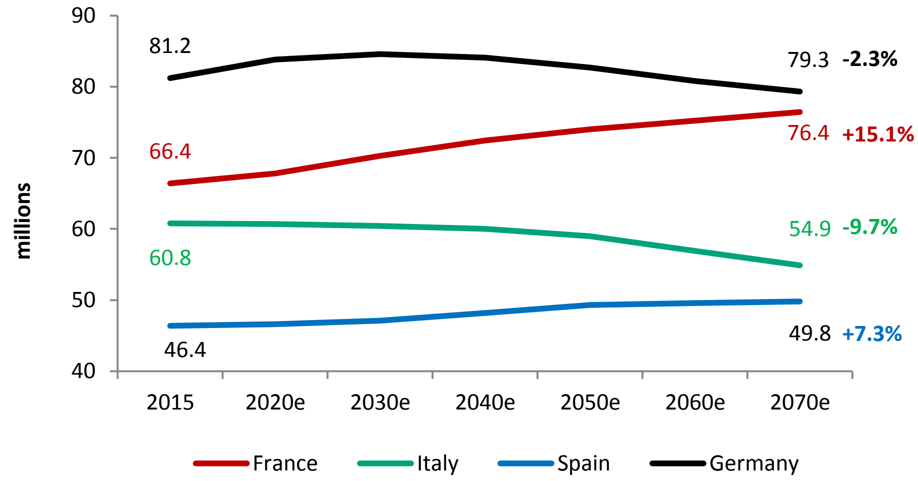
Population expected to grow +15.1% to 76.4m by 2070

- **France remains the most dynamic market in Continental Europe** in terms of population growth, which is a key driver for retail
- France is strongly outperforming its neighbors, with projected population growth rates 8.2 to 25.2 percentage points higher looking ahead to 2070

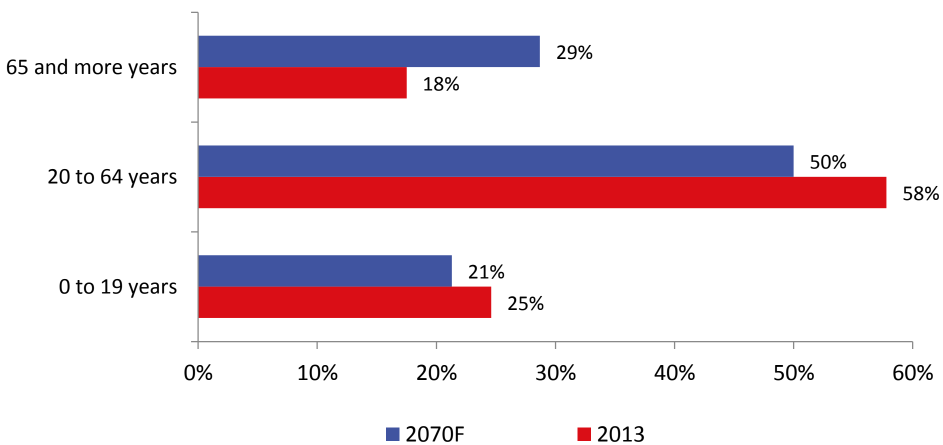
Elderly people to represent 29% of the population in 2070

- Significant change vs. 18% in 2013
- Customers particularly **loyal to convenience retail** and neighborhood shopping centers

Population forecasts through to 2070 [(1)]



Population forecasts by age group through to 2070 [(1)]



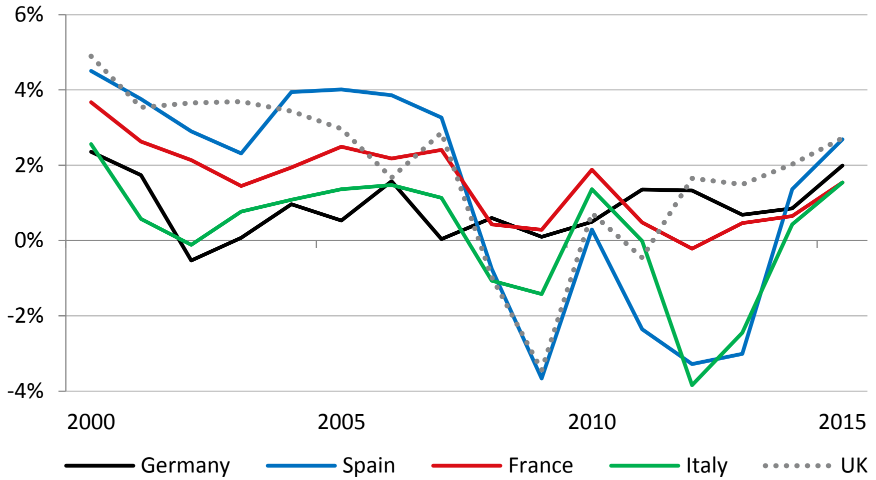
[(1)] *Source: INSEE (« Population projections to 2070 » published in November 2016 – base case scenario), Eurostat*

Solid economic drivers benefiting retail, with efficient convenience offering an alternative to the shift in consumer habits towards e-retail

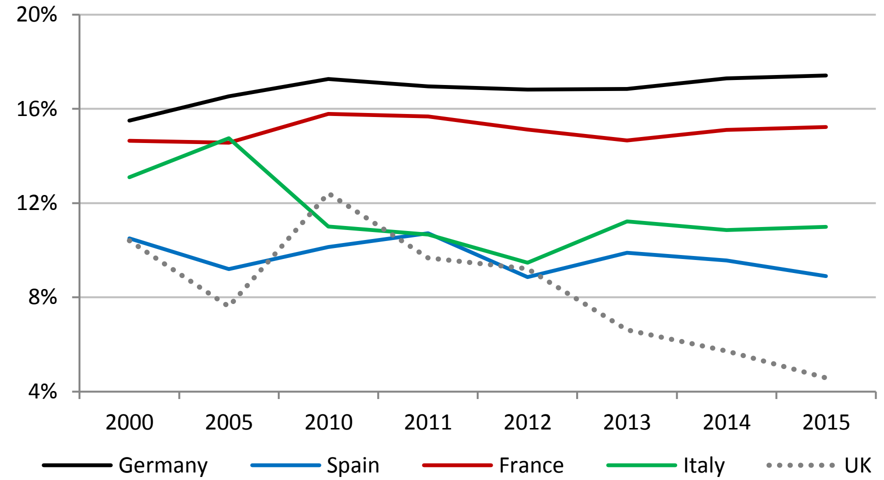
Shopping center sector is expected to continue benefiting from the underlying economic trends

- Household consumption in France remains strong, even through economic downturns…
- …supported by a structurally high savings rate

Household consumption (year-on-year change at constant local currencies) [(1)]



Household savings rate (in % gross disposable income) [(2)]



Convenience model, the answer to consumers' search for efficiency

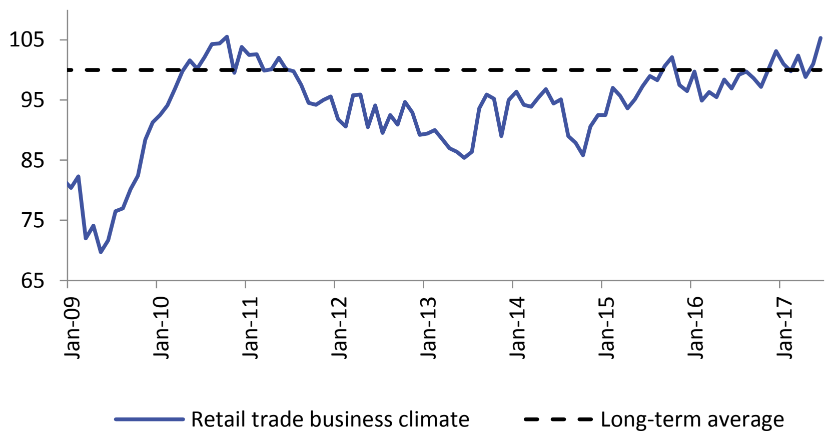
- Average time needed to complete a purchase online in France: from **13 minutes** for perfume to **several hours** for valuable personal items [(3)]
- Average dwell time in Mercialys shopping centers: **36 minutes**, with social contact and immediate gratification

[(1)] Source: World Bank
[(2)] Source : INSEE, Observatoire de l'Epargne Européenne
[(3)] Source: European report from Shopalike (2016)

Retail sector to benefit from overall improvements in the economic environment in France

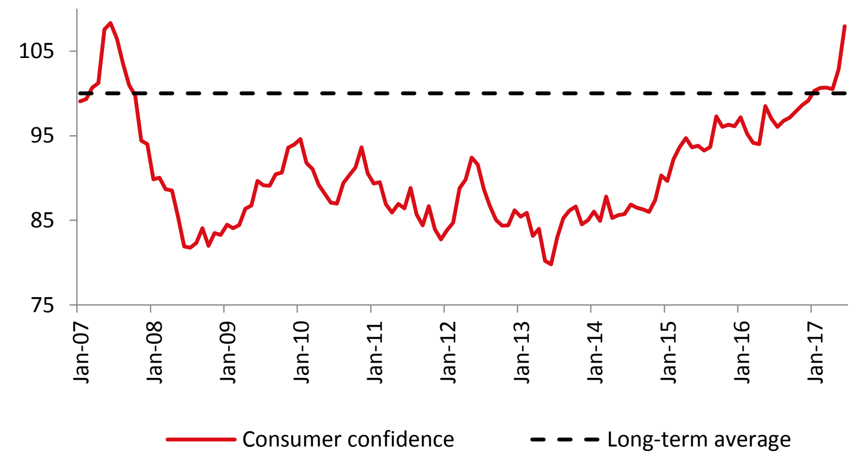
Business climate on the rise (1)

- Retail trade business climate at a **9-year high** and above its long-term average



Consumption environment improving (1)

- Consumer confidence at its **highest level since June 2007** and significantly above its long-term average



Strongest employment rate outlook for 14 years in the French wholesale and retail trade sector (2)

- French employers report positive hiring intentions for the 5th quarter in a row : **+2% for Q3 2017**
- Wholesale & Retail Trade sector shows the highest net hiring intentions: **+11% in Q3 2017, a 14-year high**

(1) *Source : INSEE monthly statistical data*
(2) *Source : ManpowerGroup Employment Outlook Survey 3Q17 France*

Growth prospects: France is a major core market for retailers and its commercial equipment shows no global oversupply

France is ranked as the 2nd most attractive destination in the whole EMEA for retailers (1)

- **43%** of the brands interviewed have plans to open at least one shop in France in 2017
- Retailers look for markets with high per capita spending

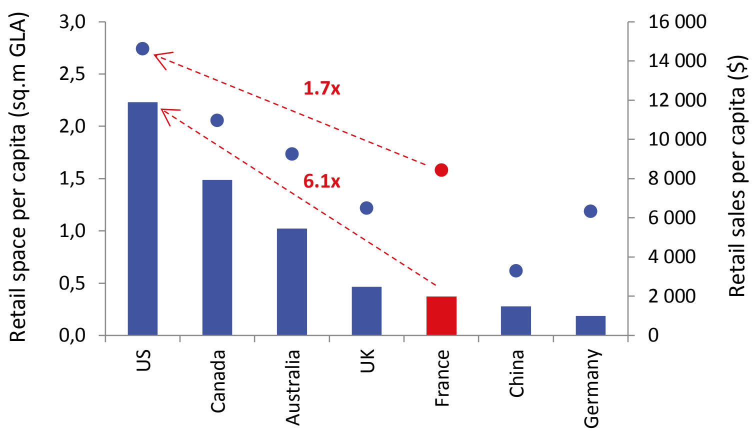
Top target markets in EMEA for 2017 (1)

Rank	% of retailers targeting market	Country
1	65%	United Kingdom
2	**43%**	**France**
3	38%	Germany
4	24%	United Arab Emirates
5	19%	Spain
5	19%	Netherlands
5	19%	Hungary

France shows a low shopping center density and high retail sales per capita (2)

- With ca. 0.4 sq.m of GLA per capita, shopping center density in France is **6.1x lower** than in the US, while retail sales per capita in the United States are only 1.7x higher
- French shopping centers are generally anchored by food stores, giving them a resilient profile

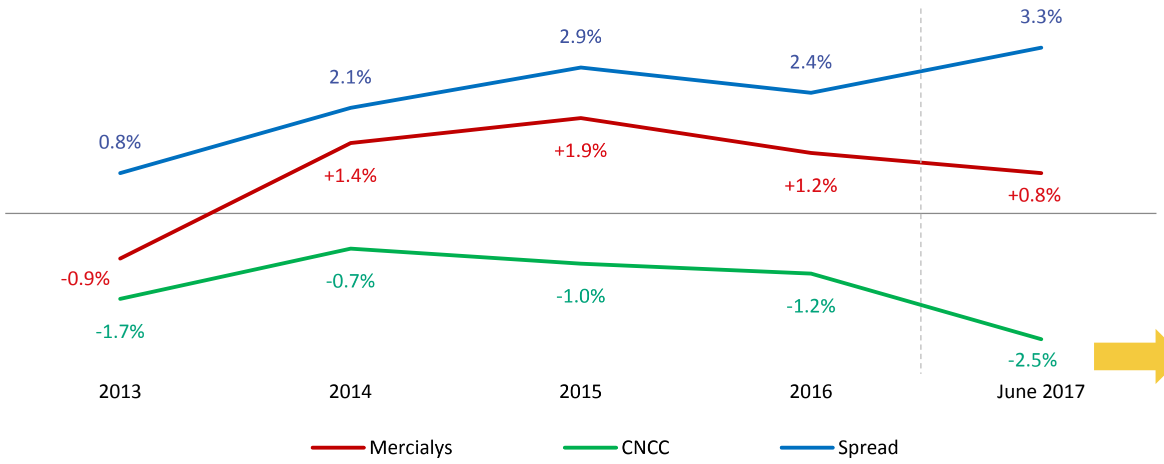
Retail space vs. retail sales per capita (2)



(1) Source : CBRE – How active are retailers in EMEA? 2017 edition
(2) Source : ICSC Country Fact Sheets

Mercialys' locations in key growth areas are generating outperformance

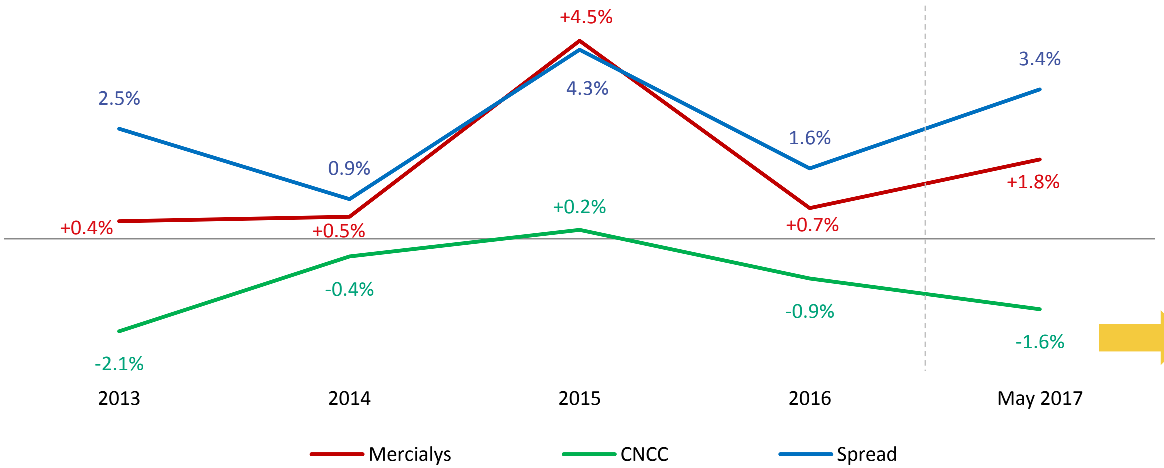
Cumulative change in footfall at end-June 2017 [1]



CNCC

-3.1% cumulative performance at end-April
Turning point end-H1 2017

Cumulative change in retailers' sales at end-May 2017 [1]



CNCC

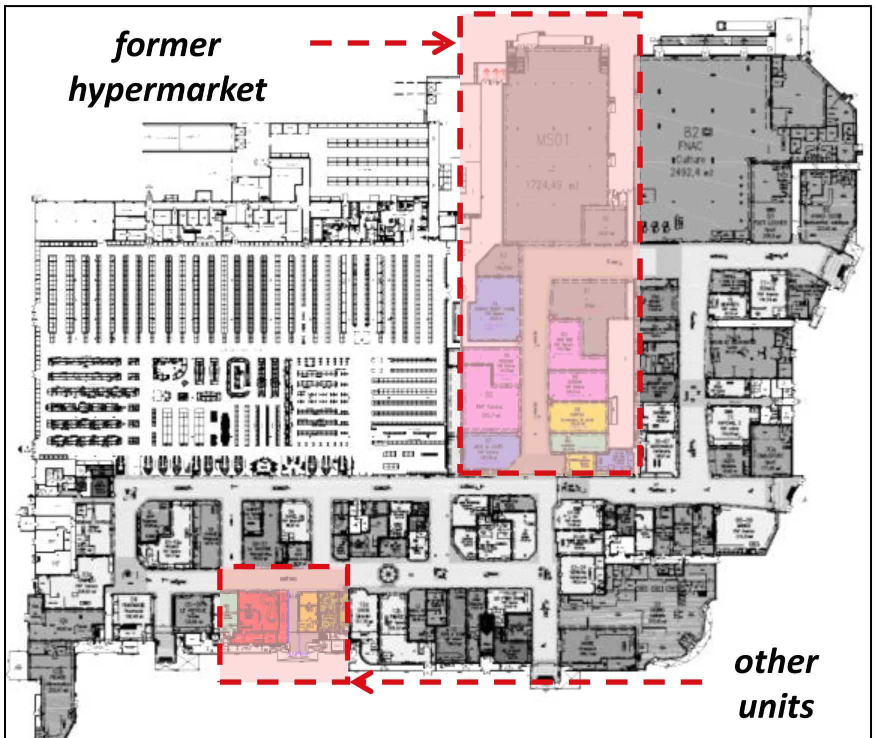
-3.3% cumulative performance at end-February
Gradual recovery over the months

[1] Mercialys: major centers and main neighborhood shopping centers in scope (Quimper site has been included in the panel again as the extensive work has now been completed). CNCC: all centers in scope

Outperformance drivers: Quimper, improved accessibility and up-to-date offer in a prosperous and growing area

Impact of a successful adaptation of the retail mix through a global project completed in May 2017

- Transformation of 7,150 sq.m of hypermarket space to create **1 medium-sized store and 12 new shops**. Mix further strengthened, transitioning to **trendy household equipment** (Sostrene Grene, La Chaise Longue) as well as **health and beauty** (extension of Sephora, Kiko Milano)
- Necessary improvements in the site's **accessibility** through the building of a new 500-space multi-storey car park, with a dynamic route guidance system, enabling smoother traffic flows. 50% increase in the number of available spaces



Footfall:

+350 bp outperformance in May 2017, one month after the inauguration [(1)]

Retailer sales:

+570 bp outperformance in May 2017, one month after the inauguration [(1)]

[(1)] Compared with the CNCC change over the same period

Outperformance drivers: Grenoble, site located in the center of a dynamic, innovative city…

Young, sporty city, with a strong ecology focus…

- France's 11th biggest city, with **mountain sports and nature** at the heart of the lifestyles of residents and tourists in Grenoble
- With several centers of **academic excellence**, Grenoble is France's 2nd largest scientific hub: 54,000 students
- **Dense, diversified economic fabric**: one of the highest percentages of strategic jobs in terms of top decision-making content (14% vs. 18% for Paris)
- Efficient network evolving towards **non-motorized transportation**

…mirrored in the site's 460,000 inhabitant catchment area

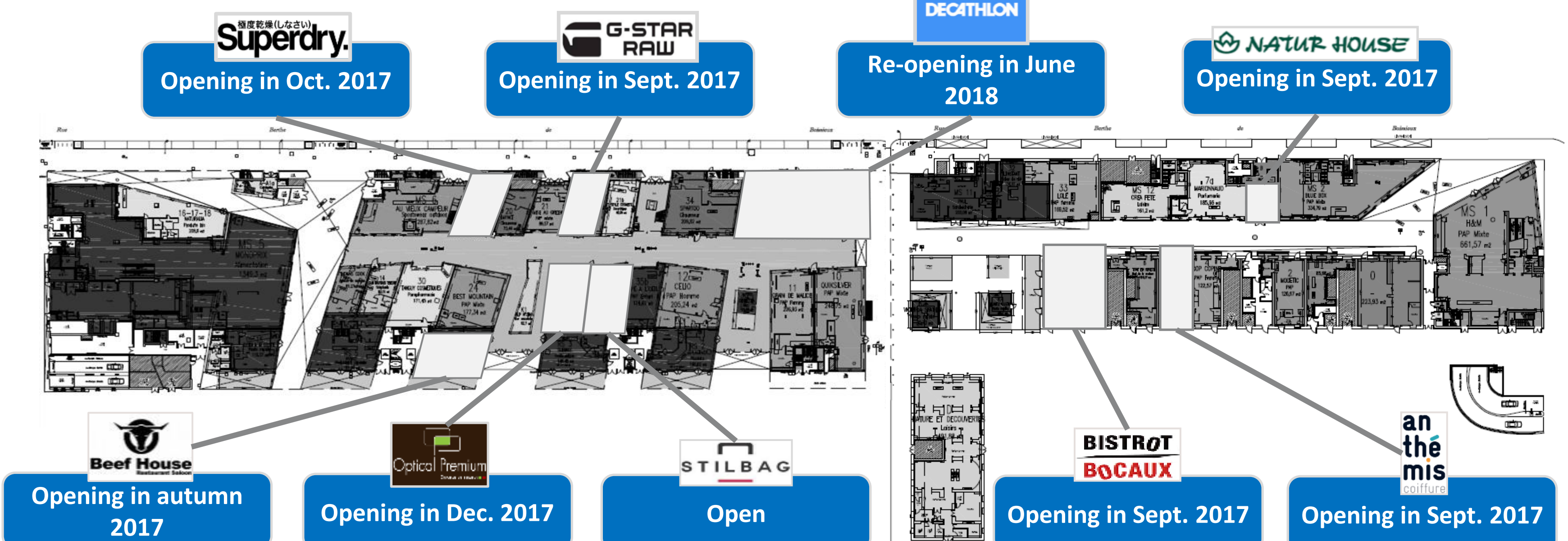
- Shopping center's customers are mostly families and students, with a **household income rating 10%** higher than the national average
- **38%** of customers are aged 18 to 39

…benefiting from a successful re-tenanting of the merchandizing mix

Successful letting strategy better adapting the offer for city-center customers

- 16,300 sq.m shopping center built in 2010 with 50 shops and 10 restaurants, **initially let on a mass-market basis** weighting on the site's performance
- Re-tenanting strategy targeting leading brands specialized in sport and nature, which will enable Mercialys to **capture reversionary potential over the medium term**

QUIKSILVER · Nature & Découvertes · Au Vieux Campeur · modetic · NATURALIA · LOLË



Effective asset rotation strategy in H1 2017

€177.2m including transfer tax of asset sales overall at end-July 2017, concerning 8 assets:

5 service galleries, transformed Toulouse hypermarket, Poitiers and Dijon sites

Disposal strategy deployed in line with Mercialys' constant focus on assets offering upside potential

LTV down to 39.6% at end-June, 39.1% taking into account the Dijon sale completed in July 2017, vs. 41.2% at end-2016

LTV heading towards 37% by year-end 2017 through the sale of mature assets, or sites located outside Mercialys' core geographical areas

These asset sales are opening up additional headroom for financing the €586m development pipeline

Poitiers and Dijon: 2 assets located outside of Mercialys' core geographical sectors

Sale of the Poitiers site for €78m incl. TT in June 2017

- Sale to an independent private investor
- Asset sale following a recent redevelopment: overall refurbishment and creation of a new medium-sized store on the redeveloped hypermarket
- Exit yield of **5.8%** and IRR of **9.3%**

Sale of the Dijon site for €27.5m incl. TT in July 2017

- Sale to an institutional investor
- Asset's commercial appeal enhanced in 2010 through a redevelopment and full refurbishment. Accessibility improved in 2014 with the creation of a new access route
- Exit yield of **5.4%** and IRR of **8.2%**

Key figures

In millions of euros	H1 2016	H1 2017	% change
Invoiced rents	91.9	92.1	+0.2%
Organic growth in invoiced rents excluding indexation	*+2.9%*	*+2.8%*	
Rental revenues	93.0	93.1	+0.1%
FFO	58.7	59.6	+1.6%
Underlying FFO (excl. impact of 2017 asset sales)	56.6	59.6	+5.3%
EPRA earnings	58.7	59.6	+1.6%
LTV	*40.6%*	*39.6%*	
Average cost of drawn debt	*2.1%*	*1.9%*	
EPRA NNNAV / share – € / *diluted number of shares*	19.89[1]	20.31	+2.1%

39.1%[2] proforma at end-June 2017

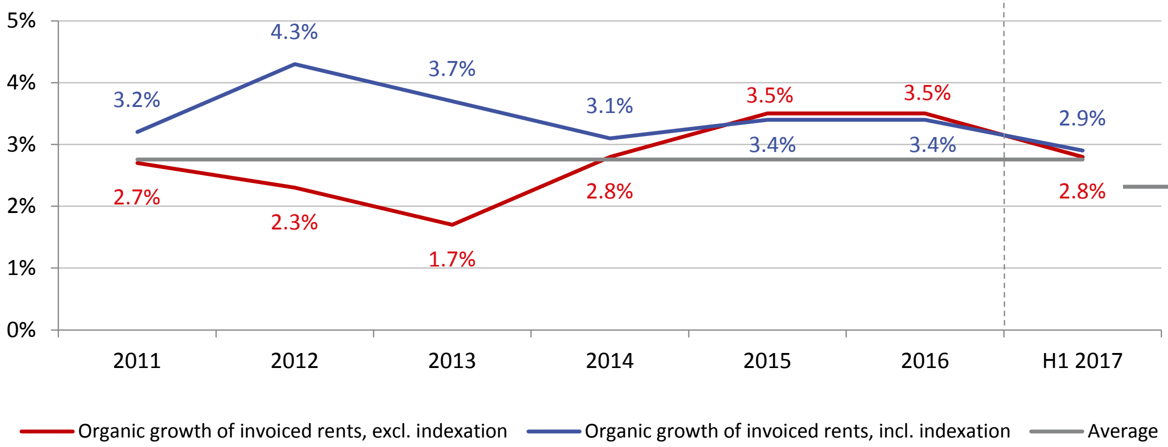
[1] Restated amount vs. published H1 2016 (€20.48/share) after review to align the calculation with EPRA guidelines
[2] Unaudited figure

Activity

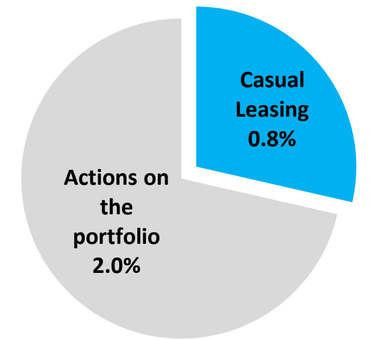
Vincent Ravat
Chief Operating Officer

MERCIALYS

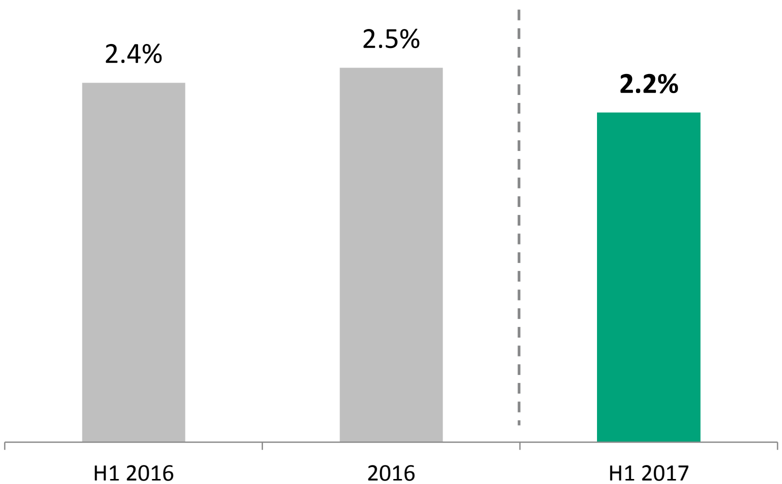
Solid organic growth driven by the portfolio's appeal



Renewals & relettings: **+16.7%**

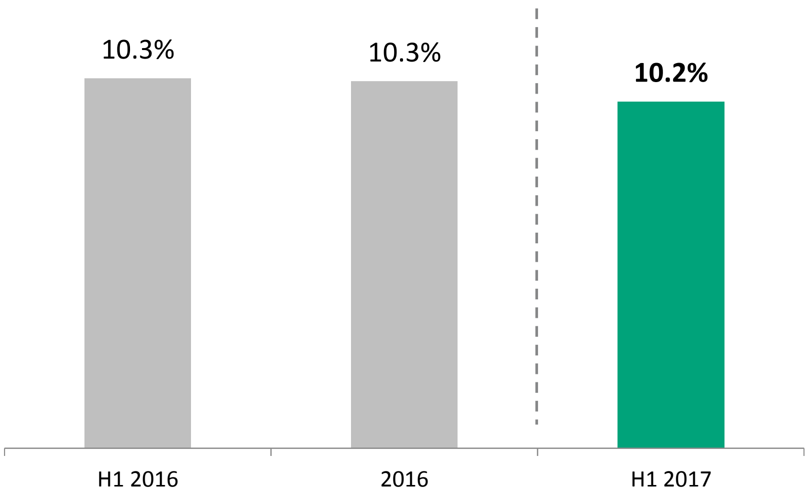


Change in recurring financial vacancy rate



Change in the occupancy cost ratio

- (Rents + charges incl. tax) / tenants' sales incl. tax, excluding large food stores



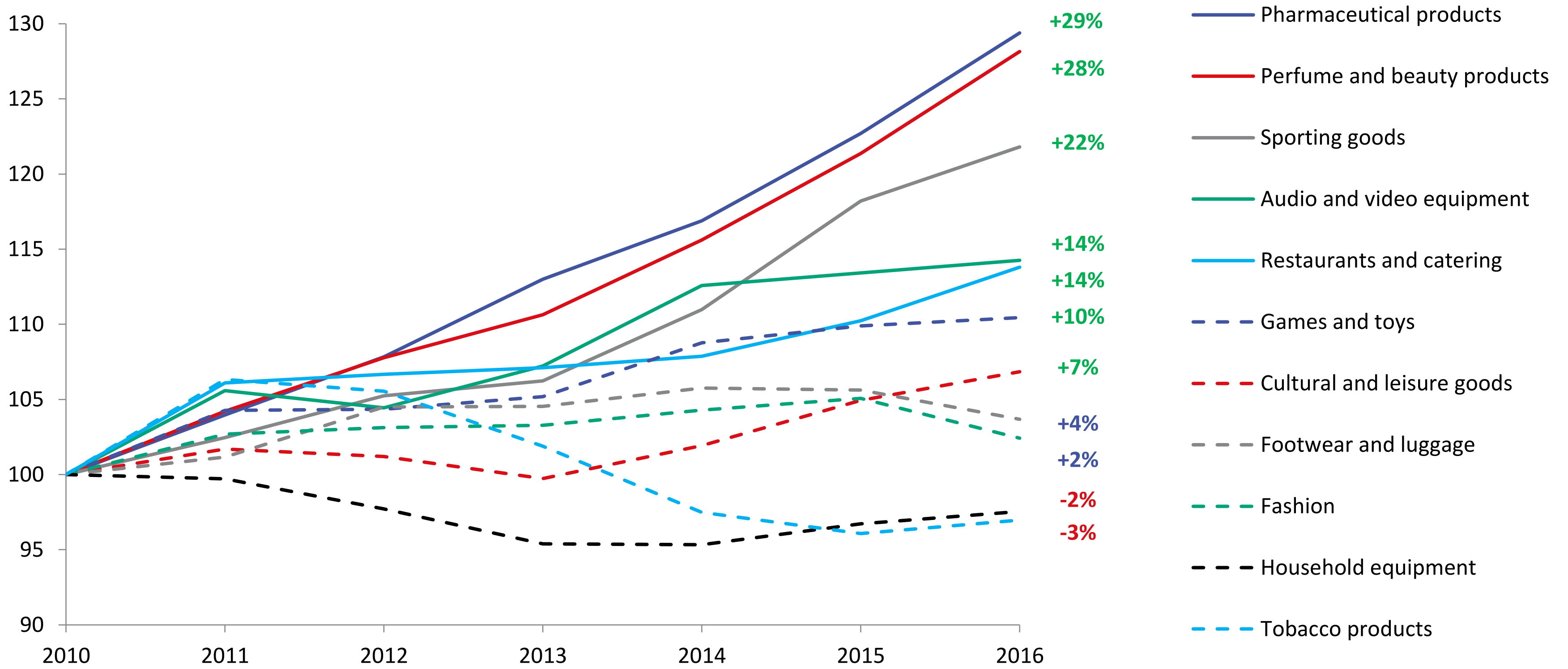
French market's medium-term trends: impact of structural changes in consumption habits in a growing retail environment

Overall medium-term growth for retail sectors, with some significant changes in consumption patterns

- marked evolution of purchasing behaviors resulting in limited increase in fashion and footwear and strong growth in personal care and leisure

Change in turnover indices for retail trade in specialized stores in France [1]

- (base 100 in 2010, in volumes – at current scope)



[1] *Source: INSEE – « Turnover indices - Retail trade France »*

Balanced portfolio combining upside potential and strong occupancy levels

Breakdown of rental income by business sector

(% of annualized rental income at June 30, 2017)

Services: *Brive, +15% on a lease reletting with a travel agency. Uplift trigger: redevelopment of the former cafeteria and diversification of the retail mix transitioning towards leisure*

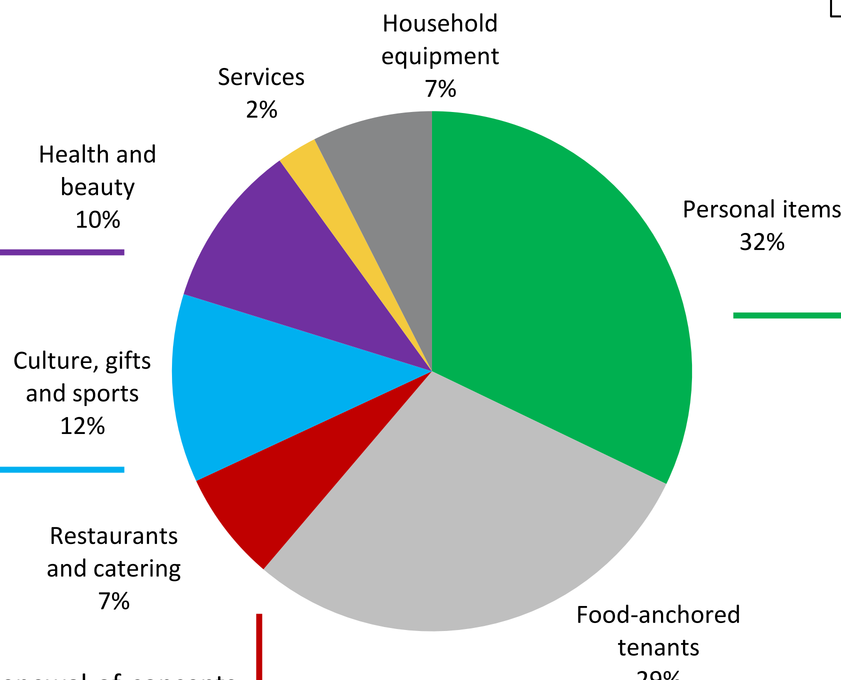
Reintegration of some traditional convenience services

Focus on national, international and distinctive brands

Personal items: *Angers, +18% on a lease renewal with a fashion retailer. Uplift trigger: redevelopment of the former cafeteria and transformation of the hypermarket*

Strong personal care cycle, ridden both via traditional leases and casual leasing

Sector momentum regained. Specialized medium-sized store signed as additional anchor tenants



Selective approach for fashion retailers, focusing on brands with a strong identity and fast collection rotation

Recurring revenues stabilizing the mix, and reversion potential on hypermarket transformations

Restaurants and catering: *Brest, +10% on a lease renewal and +37% on a lease reletting with 2 take-away food tenants. Uplift trigger: transformation of the hypermarket*

Renewal of concepts ("bistronomie") and consolidation of the take-away offer

Sustained commercial dynamics adding new strong brands to the portfolio

151 leases signed in H1 2017, +10% vs. H1 2016

- 103 renewals and relettings, 48 signatures linked to extension and transformation projects
- 22 new brands - local, national and international - in Mercialys' portfolio
- Further diversification of the merchandising mix, with distinctive brands and concepts deployed

Personal items	Food and catering	Culture, gifts and sports	Health and beauty	Household equipment	Services

Casual Leasing: source of mix diversification, new concepts and continuous value creation

Trade marketing gaining momentum

- Producers of mass market products and specialized retailers getting strongly involved
- Targeted campaigns: product promotions, seasonal pushes, destocking… leveraging Mercialys shopping centers' integrated offering

Rents	
€4.1m in H1 2017	**+22.4% vs. H1 2016**

"Phygital" as a new vision

- Pop-up store used as an extension of digital business
- Qarson.fr, online car dealer, let 3 types of complementary spaces in Mercialys' Brest shopping center: an inside corner, an outside corner and car slots

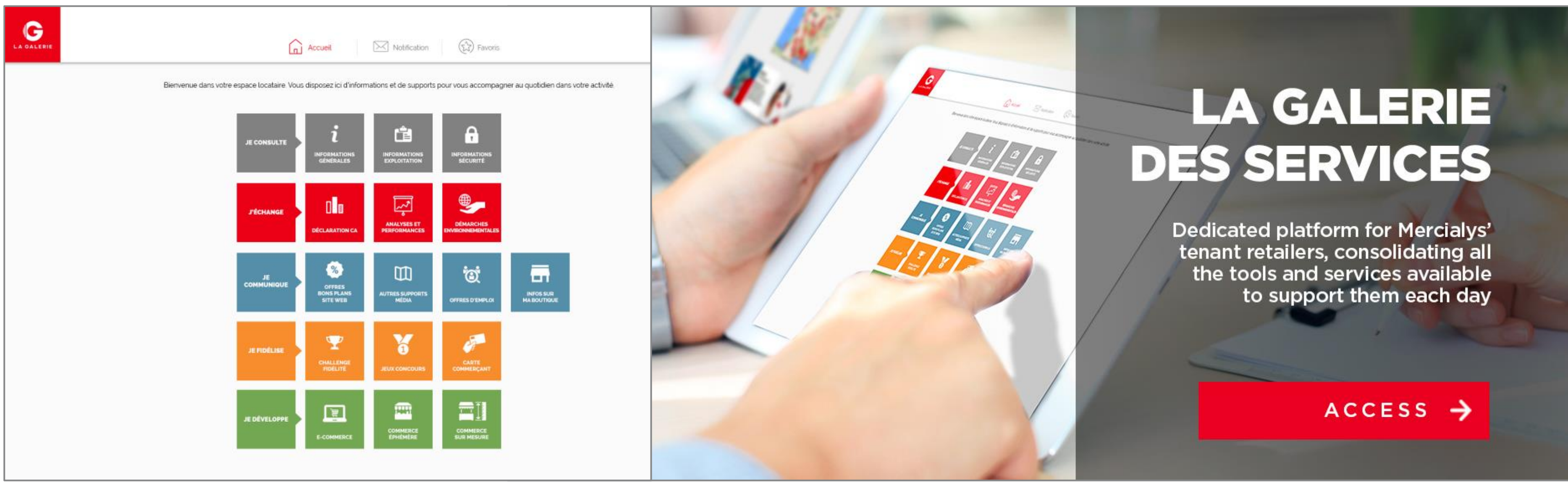
Value		
€170.5m in H1 2017	**stable vs. Dec. 2016**	**4.6% of total portfolio**

La Galerie des services: new set of tools empowering retailer sales

- Platform designed specifically to meet the operational needs of our **2,200 tenants**
- Consolidation of the toolkit available for our retailers, combined with a range of exclusive new services to enhance their sales
- Officially launched during the 2017 SIEC event[1] (June 21-22)

Core operational features:

- Personalized data to help retailers upgrade store performance
- Free opportunity to promote retailers' news and special offers
- Facilitating retailer's development of click and collect
- Simplifying retailers' access to specialty leasing

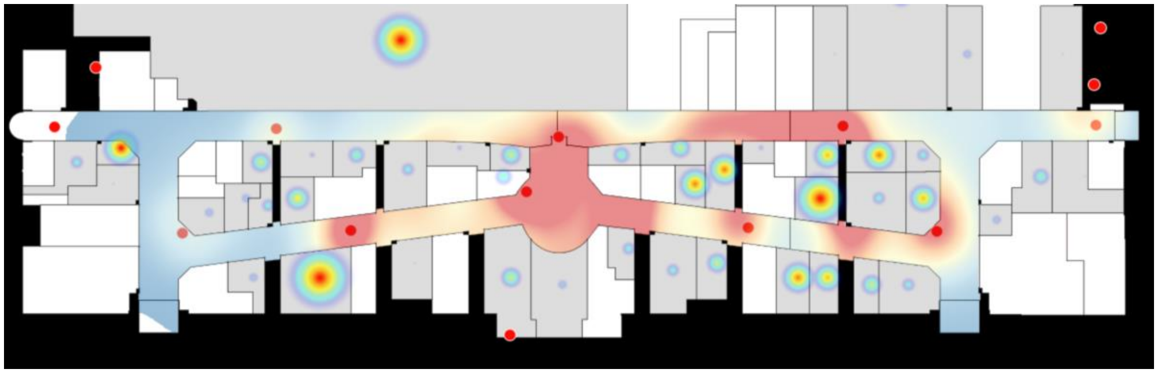


[1] SIEC: Salon du Retail et de l'Immobilier Commercial (Retail and commercial property trade show)

Better understanding and engaging our customers

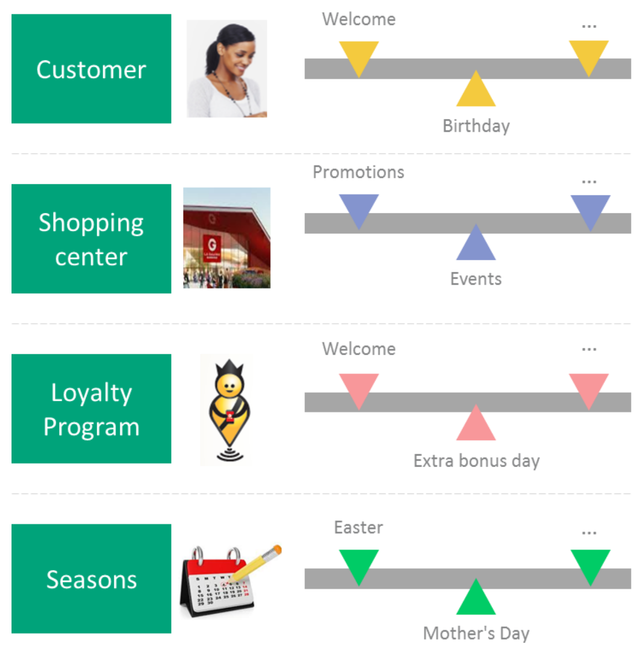
Example of heatmap

Check-in beacons   Wi-Fi hotspots



- Targeted action plan built around our capacity to identify customer behaviors within our malls

- **Retail letting**
  - Improve brand targeting
  - Monitor retailer performance
  - Refine merchandising mix
- **Marketing operations**
  - Develop local engagement
  - Push retailer promotions
  - Personalize interactions
  - Promote events



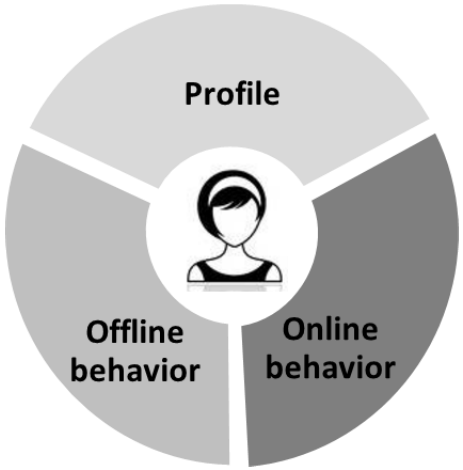
Taking a step towards marketing automation

Extended tracking of customer behaviors

- Stores (beacons)
- Wifi connections
- App' La Galerie
- La Galerie Web sites
- Facebook
- Emails…

AUTOMATED

Deep knowledge of individual customer drivers



240k

+22% by mid-year

2017 target: +30%

AUTOMATED & PERSONALIZED

Personalized content on digital media

- Outbound emails
- Outbound SMS
- Push notifications
- La Galerie websites

Completions & projects

Vincent Ravat
Chief Operating Officer

MERCIALYS

Significant progress with hypermarket transformations in 2017

H1 2017	Q4 2017
4 successful completions	**5 new completions**
Quimper	Toulouse (ph. 2)
Fréjus	Rennes
Saint-Étienne	Angers (ph. 2)
Poitiers	Nîmes (ph. 2)
	Narbonne

€1.9m of annualized rent on 2017 projects

Overall yield on cost of 7.5%

Hypermarket transformations completed in H1 2017: high profile brands brought on board

MORGAN
MORGAN DE TOI !
Toscane
Le temps des cerises
KUSMI TEA
PARIS
KIKO
MILANO
LA CHAISE LONGUE
DES OBJETS ET DES IDÉES

Quimper

- **1** medium-sized store and **12** news shops opened in April 2017
- **3,700 sq.m** of gross leasable area

Fréjus

- **2** medium-sized stores opened in May 2017
- **1,630 sq.m** of gross leasable area

Saint-Étienne

- **2** medium-sized stores, with 1 already opened in June 2017, and **1** new shop
- **3,750 sq.m** of gross leasable area

Poitiers

- **1** medium-sized store opened in June 2017, with the brands' new concept
- **1,160 sq.m** of gross leasable area

Hypermarket transformations to be completed in Q4 2017

Angers

800 sq.m of transformed space
letting underway

Narbonne

400 sq.m of transformed space
extension of H&M

Rennes

1,940 sq.m of transformed space
opening of Kiabi

Nîmes

1,830 sq.m of transformed space
extension of H&M

Toulouse

1,830 sq.m of transformed space

1 medium-sized store, letting underway

Rennes extension: comprehensive redevelopment and extension to better connect the center with its booming residential and tertiary neighborhood

- **6,320 sq.m** of new leasable space
- Redevelopment of the Brico Dépôt, Maison du Monde and Casino Cafétéria units, in order to create **5 medium-sized stores and 23 new shops**

KAPORAL 5 JEANS
PARFOIS
TRAN
catimini
FATHER & SONS
LE COMPTOIR DE MATHILDE
Cultura
WAFFLE factory
Timberland
MANGO
Foot Locker

Morlaix extension: broader commercial offering to further strengthen the local leading position

- **6,230 sq.m** of new leasable space
- Space acquired and center extended to create **2 medium-sized stores and 16 new shops**

DistriCenter
DÉCLENCHEUR DE BONNE HUMEUR
H&M
RougeGorge
LINGERIE
ARMAND THIERY
BRICE
NOCIBÉ
Bizzbee
MOA
JULES
ARMAND THIERY
Histoire d'Or
Le premier bijoutier de France
MANÉO
OPTICIENS

Saint-Étienne extension: ambitious architectural development within a wider local re-urbanization project

- **3,500 sq.m** of new leasable space
- Center extended and asset's commercial appeal enhanced thanks to the opening of **21 new shops**, in addition to the 2 medium-sized stores opened in the transformed hypermarket space

Development pipeline overview: €586m of gross investments

(in millions of euros)	Total investment	Investment still to be initiated	Net rental income forecast	Net yield on cost forecast	Completion date
Transformation of large food stores acquired in H1 2014	12.3	8.8	0.9	6.9%	2017 and 2018
Transformation of large food stores acquired in H2 2014	4.6	3.0	0.4	9.5%	2017 and 2018
Transformation of large food stores acquired in H1 2015	20.4	20.4	1.3	6.4%	2017 to 2019
Transformation of large food stores acquired in H2 2015	12.3	11.9	0.7	6.1%	2017 to 2019
Shopping center extensions (Rennes, Saint-Étienne, Morlaix)	47.0	18.4	3.3	7.0%	2017
TOTAL CONTROLED PIPELINE	**96.6**	**62.4**	**6.6**	**6.9%**	
Extensions and Retail Parks	404.4	400.0	26.2	6.5%	2019 to 2022
High Street Retail mixed-use projects	85.0	84.0	na	na	
TOTAL POTENTIAL PIPELINE (1)	**489.4**	**484.0**	**26.2**	**6.5%**	
TOTAL (2)	**586.0**	**546.5**	**32.8**	**6.6%**	

(1) Yield excluding the impact of mixed-use high street retail projects, which may also generate real estate development margins

(2) The amounts and yields may change depending on the implementation of projects

Financial structure & results

Elizabeth Blaise
CFO

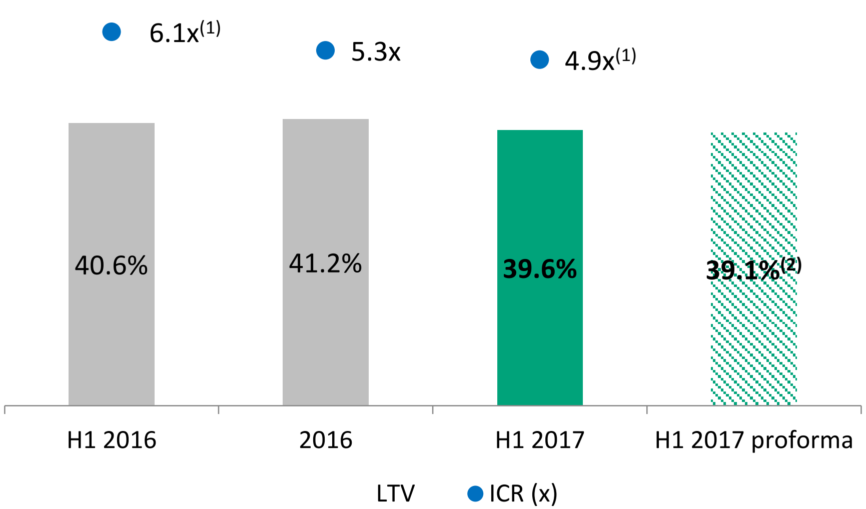
MERCIALYS

Financial structure: LTV down 210 bp on assets disposals

- **Net debt: €1,390m, including**
  - €1,230m of bond debt
  - €272m of commercial paper
- **Undrawn committed credit lines: €410m**
- **Standard & Poor's rating: BBB / stable**

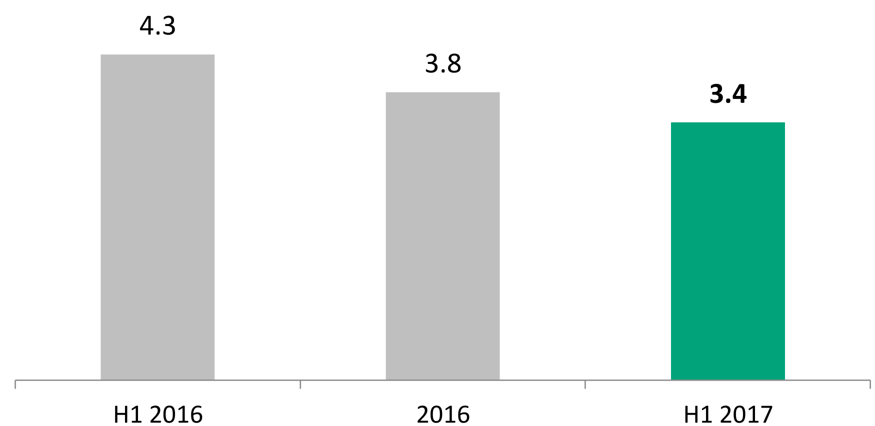
- **LTV of 39.6% at June 30, 2017**
  - 39.1%(2) pro-forma for the Dijon site disposal completed in July
  - LTV heading towards 37% at year-end 2017
- **ICR remains at a very high level at 4.9x**

Change in LTV (excl. transfer taxes) and ICR



Change in debt maturity

- (in years)



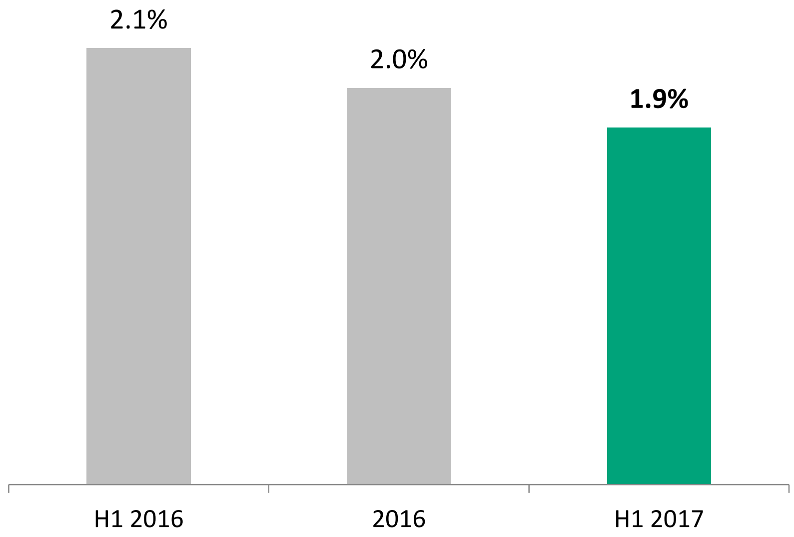
(1) *For H1 2016, this ratio reflects a positive €1.9m impact for the fair value of financial instruments. Excluding this impact, the ICR comes out at 5.3x. For H1 2017, it reflects a negative €2.1m impact for marking-to-market financial instruments.*
(2) *Unaudited figure*

Further decrease in the cost of debt in H1 2017

10bp decrease in the cost of debt over the half-year to 1.9%

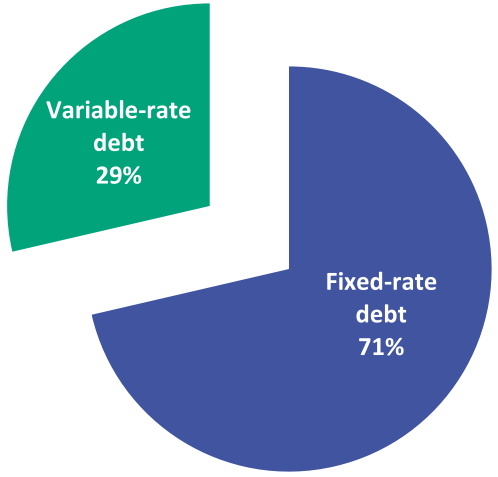
- **H1 2017 net financial charges of €15.1m, down -1.3% vs. H1 2016 (excluding the one-off impact of marking-to market financial instruments)**
  - Commercial paper cost remained negative over the period, thus benefiting the average cost of debt.
- **Hedging strategy aimed at increasing the portion of fixed-rate debt in order to secure attractive levels of interest rates**

Change in the cost of drawn debt

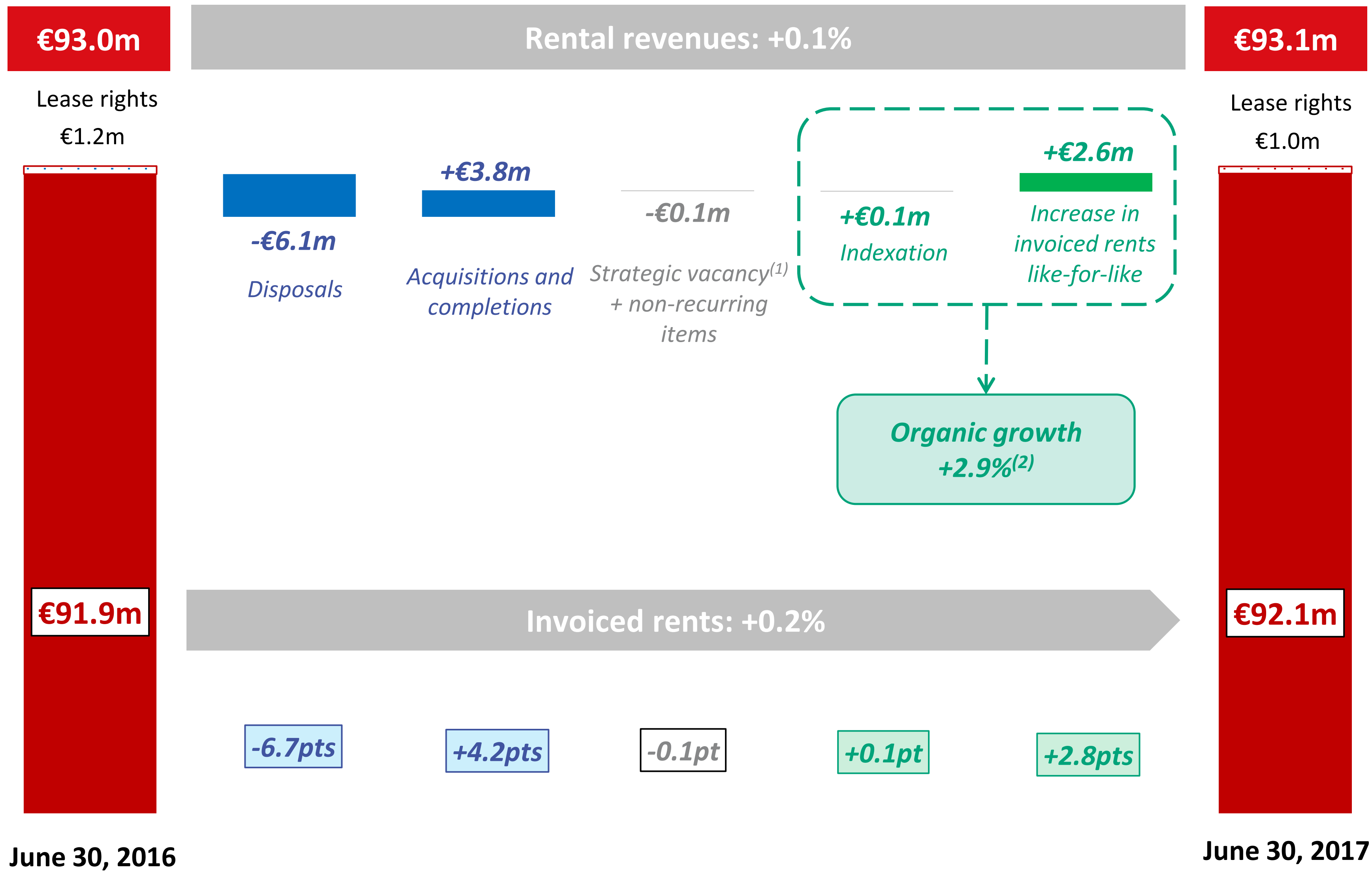


Debt: fixed vs. floating rate exposure

- **(including commercial paper program)**



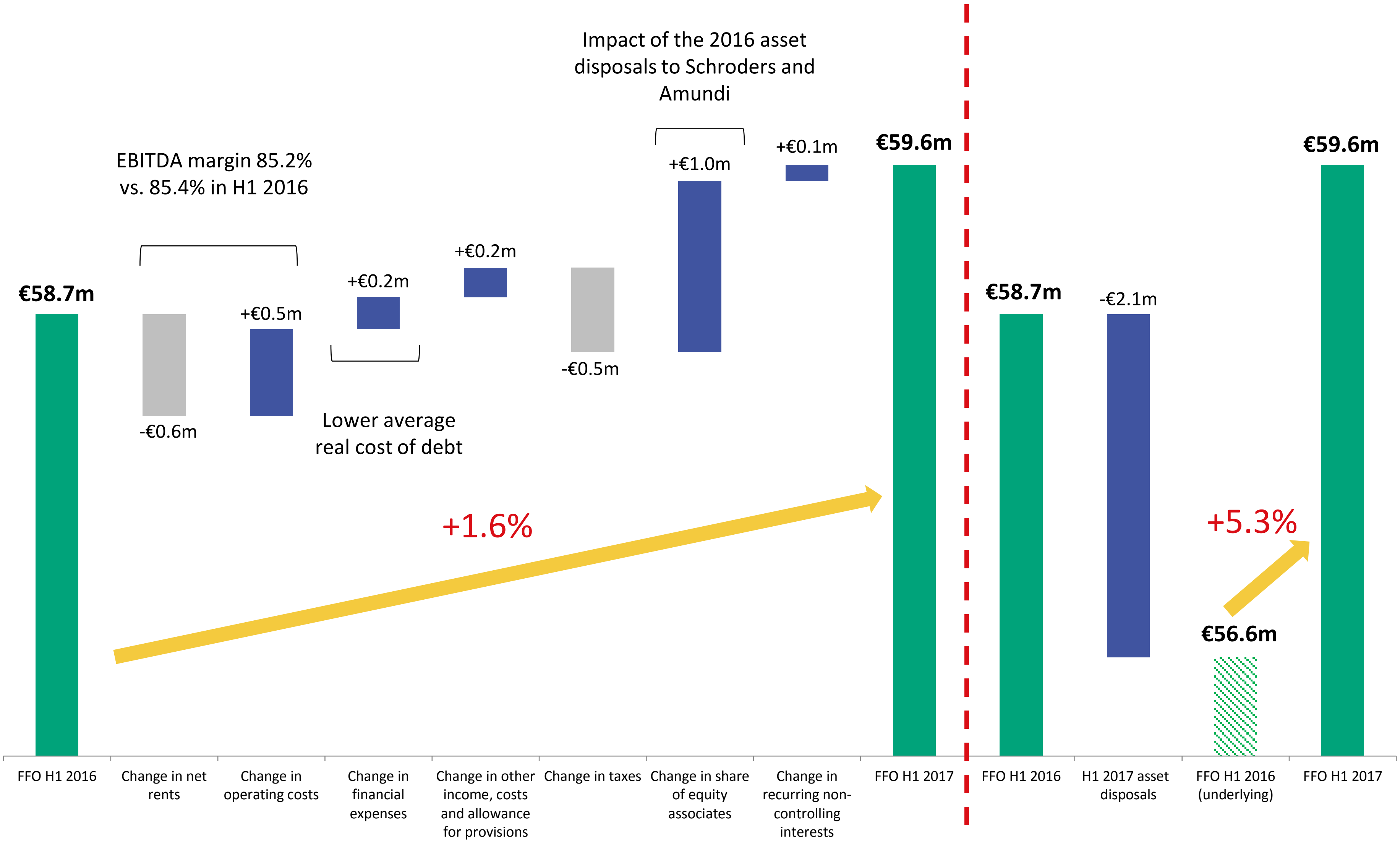
Excellent performance on organic growth: +2.9%



(1) Linked to the development program – Units left vacant to facilitate future redevelopments

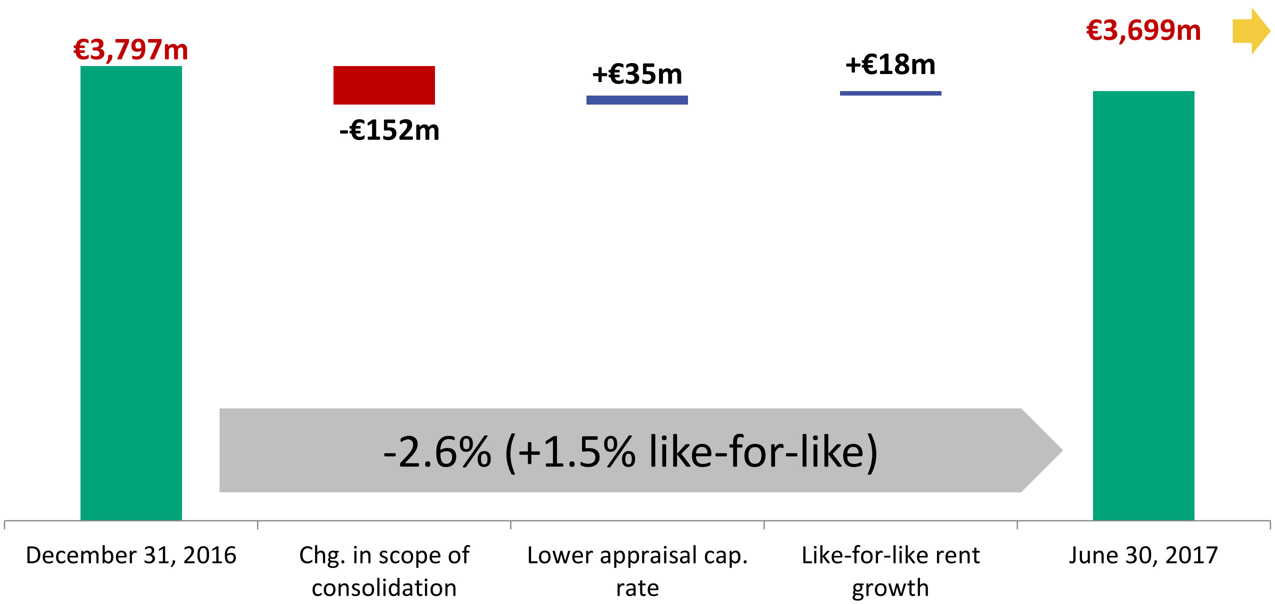
(2) Organic growth in invoiced rents including current vacancy, variable rents and indexation, excluding the impact of recurring lease rights

FFO up +1.6%, with a significant +5.3% increase in underlying FFO



Portfolio value down -2.6% on disposals, but up +1.5% like-for-like

Breakdown of change in the portfolio's appraisal value, including transfer taxes[1]



€3,474m excluding transfer taxes

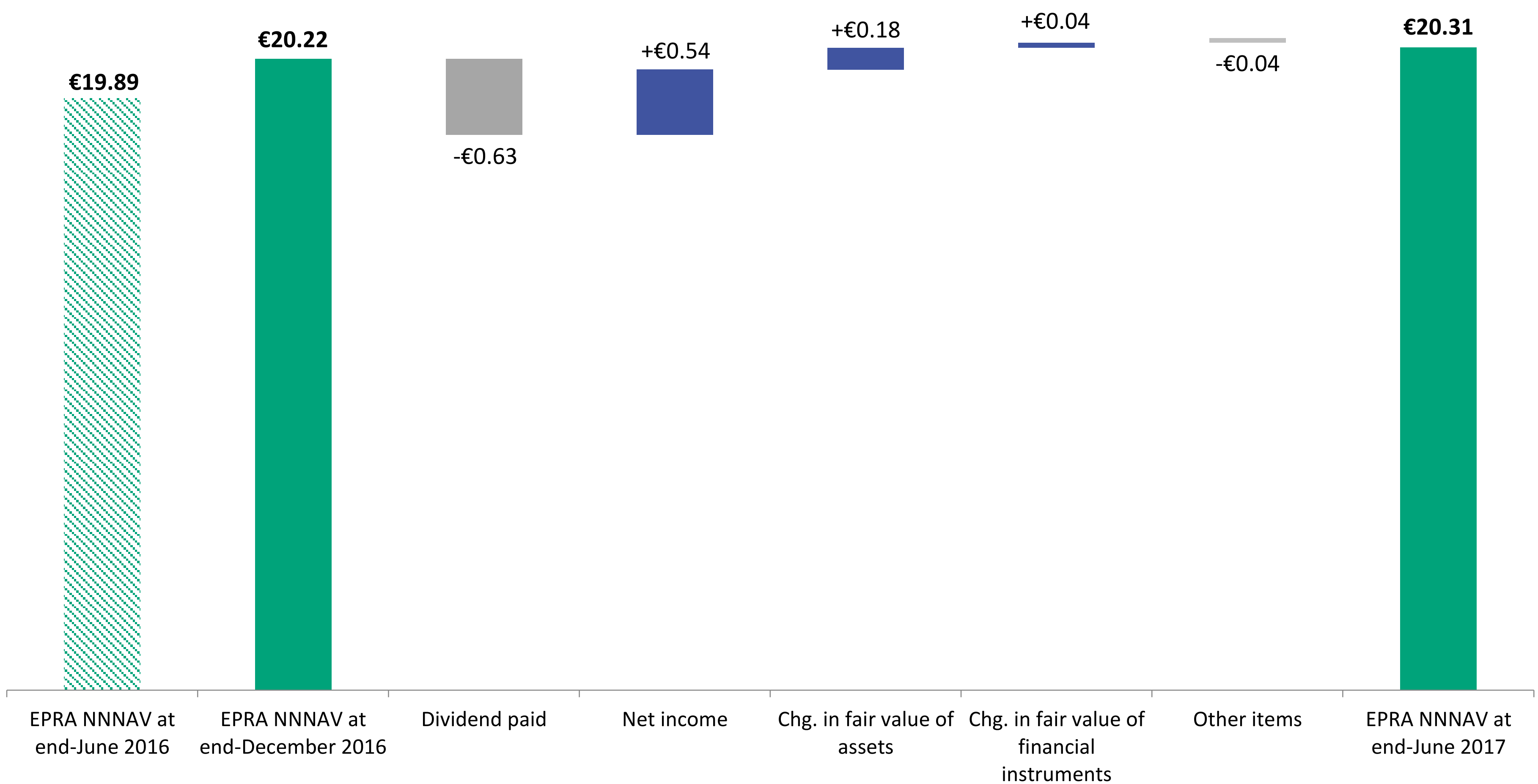
	12/2015	06/2016	12/2016	06/2017
Average appraisal capitalization rate	***5.36%***	***5.28%***	***5.25%***	***5.14%***

11bp capitalization rate compression, mostly generated by the impact of the H1 2017 asset disposals

[1] *Based on the appraisals of BNP Real Estate Valuation, Catella, CBRE, Cushman & Wakefield and Galtier*

Change in NNNAV: +2.1% over 12 months, +0.5% over 6 months

NNNAV (EPRA, in €/share)



Conclusions & 2017 objectives

Eric Le Gentil
Chairman & CEO

MERCIALYS

2017 objectives

Organic growth in invoiced rents

- **> 2%** above indexation confirmed

Change in FFO

- The decrease of around -5% reflecting scope impacts announced in February **will be lower**, taking into account the schedule for disposals and the excellent operational performance achieved in H1 2017

Dividend policy

- **Interim dividend:** the Board of Directors has approved an interim dividend of **€0.41/share**, corresponding to 50% of the 2016 dividend based on recurring tax income (€0.82/share), to be paid on October 23, 2017
- **Annual dividend: At least stable vs. 2016**, ranging from 85% to 95% of 2017 FFO

Appendices

MERCIALYS

Financial calendar

October 17, 2017 Activity at September 30, 2017 (after market close)

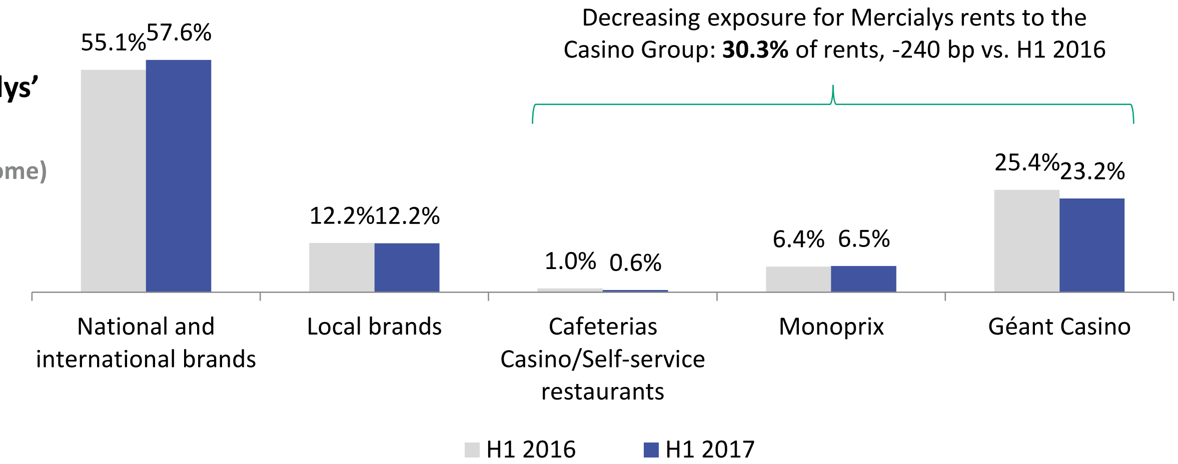
Asset locations

- **A leading listed French real estate company that is a pure player for shopping centers**
  - Mercialys' portfolio is focused on large and neighborhood shopping centers, as well as high street retail assets that are leaders in their areas
  - Assets are concentrated in the most dynamic French regions
- **The portfolio is focused on high-potential assets**
  - 58 shopping centers and city-center sites
  - Leasable area: 876,000 sq.m
  - Appraised asset value (including transfer taxes): €3,699m at June 30, 2017
  - Annualized rental income: €175m
  - More than 600 retailers and 2,108 leases

Mercialys portfolio

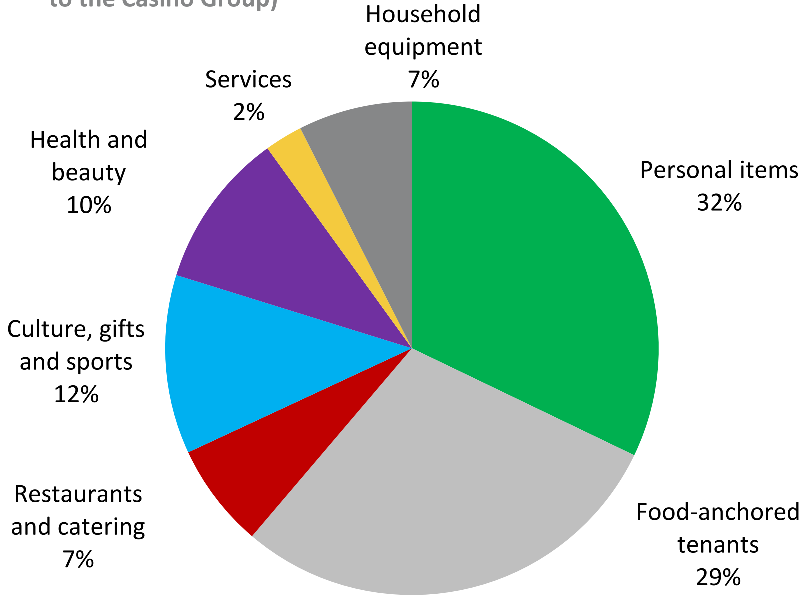
Change in the share of Casino brands in Mercialys' annualized rental income

› (Rent paid by Casino brands as % of total rental income)



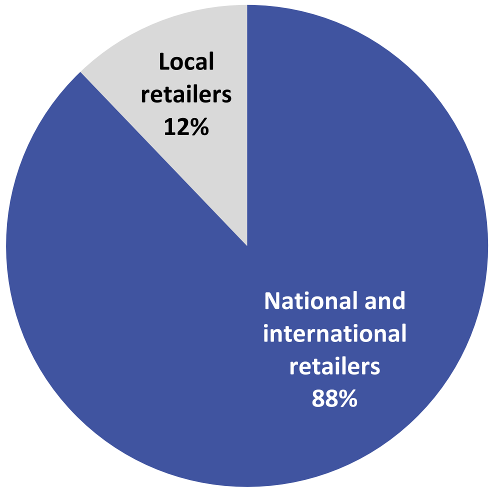
Breakdown of rental income by business sector

› (% of annualized rental income at June 30, 2017– including exposure to the Casino Group)



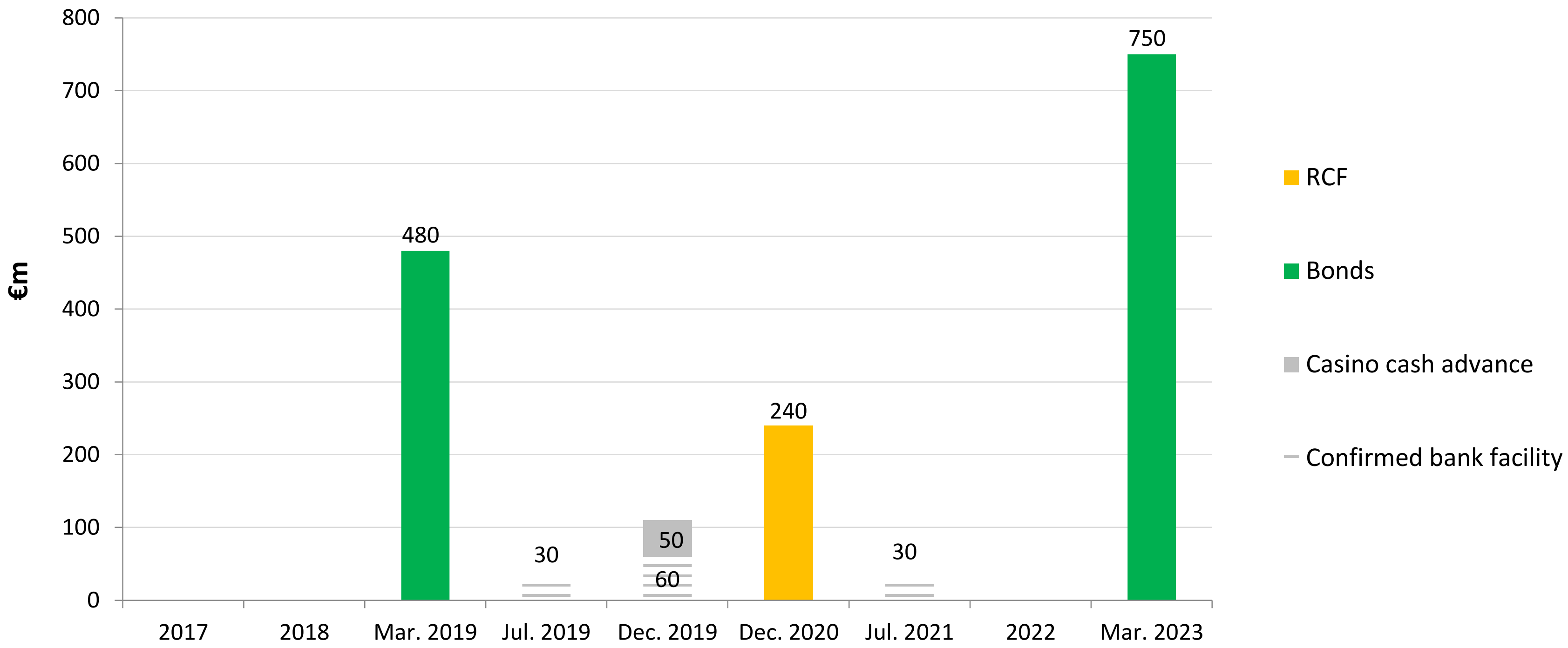
Types of retailers present in Mercialys assets

› (% of annualized rental income at June 30, 2017– including exposure to the Casino Group)



Financing structure & debt schedule

Debt schedule at end of H1-2017 (1)



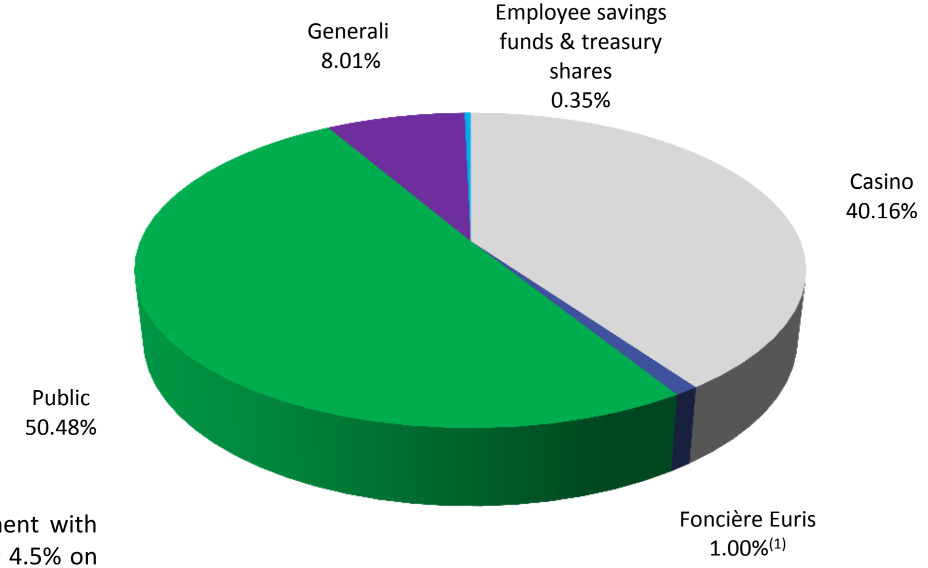
Unchanged vs. December 31, 2016

(1) *Excluding commercial paper program*

Mercialys shareholding and number of shares

	2015	2016	June 30, 2017
Number of shares outstanding at end of period	92,049,169	92,049,169	92,049,169
Average number of shares outstanding	92,049,169	92,049,169	92,049,169
Average number of shares (basic)	**91,767,764**	**91,856,715**	**91,804,967**
Average number of shares (diluted)	**91,767,764**	**91,856,715**	**91,804,967**

Mercialys shareholders at June 30, 2017



(1) Fonciere-Euris also holds a 0.99% option through a derivative instrument with physical settlement. In addition, with Rallye, it is economically exposed for 4.5% on an exclusive cash settlement basis.

FFO, EPRA earnings & net income group share

In thousands of euros	June 30, 2016	June 30, 2017
Invoiced rents	91,869	92,098
Lease rights	1,155	1,020
Rental revenues	**93,025**	**93,118**
Non-recovered service charges and property taxes	-2,910	-3,508
Property operating expenses	-3,042	-3,155
Net rental income	**87,072**	**86,455**
Management, administrative and other activities income	1,764	2,537
Other income and expenses	-2,802	-3,262
Staff costs	-6,623	-6,411
EBITDA	**79,411**	**79,319**
Net financial items (excluding impact of hedging ineffectiveness and banking default risk)	-15,257	-15,064
Allowance for provisions for liabilities and charges	72	416
Other operating income and expenses (excluding gains on disposals and impairment)	-3	-169
Tax charge	-661	-1,133
Share of net income of associates	308	1,343
Non-controlling interests excluding capital gains and amortization	-5,195	-5,098
FFO	**58,675**	**59,614**
FFO per share (based on diluted average number of shares)	*0.64*	*0.65*
EPRA earnings	**58,675**	**59,614**

In thousands of euros	June 30, 2016	June 30, 2017
FFO	58,675	59,614
Depreciation and amortization	-14,762	-16,983
Other operating income and expenses	3,629	8,599
Impact of hedging ineffectiveness and banking default risk	1,915	-2,057
Non-controlling interests: capital gains and amortization	796	895
Net income, attributable to owners of the parent	**50,253**	**50,067**

Balance sheet

ASSETS (in thousands of euros)	December 31, 2016	June 30, 2017
Intangible assets	2,016	2,353
Property, plant and equipment other than investment property	12	10
Investment property	2,325,268	2,258,069
Investments in associates	39,039	38,806
Other non-current assets	54,672	40,497
Deferred tax assets	422	8
Non-current assets	**2,421,429**	**2,339,743**
Trade receivables	29,793	18,551
Other current assets	56,931	38,978
Cash and cash equivalents	15,578	92,754
Investment property held for sale	60,949	21,764
Current assets	**163,251**	**172,048**
TOTAL ASSETS	**2,584,680**	**2,511,791**

EQUITY AND LIABILITIES (in thousands of euros)	December 31, 2016	June 30, 2017
Share capital	92,049	92,049
Bonus, treasury shares and other reserves	636,569	626,479
Equity attributable to the Group	**728,618**	718,528
Non-controlling interests	205,597	204,563
Equity	**934,215**	**923,091**
Non-current provisions	551	623
Non-current financial liabilities	1,239,610	1,230,782
Deposits and guarantees	22,646	22,396
Deferred tax liabilities	578	0
Non-current liabilities	**1,263,385**	**1,253,800**
Trade payables	19,561	10,956
Current financial liabilities	312,849	276,769
Current provisions	5,048	4,759
Other current liabilities	49,338	42,250
Current tax liabilities	284	165
Current liabilities	**387,080**	**334,899**
TOTAL EQUITY AND LIABILITIES	**2,584,680**	**2,511,791**

Breakdown of assets

Type of property	Number of assets at June 30, 2017	Appraisal value (incl. taxes) at June 30, 2017		Gross leasable area at June 30, 2017		Appraised net rental income	
		In €m	%	Sq.m	%	In €m	%
Regional / large shopping centers	24	2,825.1	76%	628,302	72%	139.4	73%
Neighborhood shopping centers and city-center assets	34	850.7	23%	238,263	27%	49.3	26%
Sub-total shopping centers	**58**	**3,675.8**	**99%**	**866,565**	**99%**	**188.7**	**99%**
Other sites	6	23.2	1%	9,102	1%	1.6	1%
Total portfolio	**64**	**3,698.9**	**100%**	**875,667**	**100%**	**190.3**	**100%**

- **Average rate of return: 5.14% at June 30, 2017**

Capitalization rate grid applicable under the Partnership Agreement

- **Applicable capitalization rate grid for reiterations in the second half of 2017 under the Partnership Agreement with Casino**

Type of property	Shopping centers		Retail parks		City center
	Mainland France	Corsica and overseas depts. & territories	Mainland France	Corsica and overseas depts. & territories	
> 20,000 sq.m	5.5%	6.0%	6.0%	6.4%	5.3%
5,000 to 20,000 sq.m	6.0%	6.4%	6.4%	6.8%	5.6%
< 5,000 sq.m	6.4%	6.8%	6.8%	7.4%	6.0%

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