

Paris, October 12, 2015

Activity at end-September 2015

Robust organic growth of +3.4% in invoiced rents excluding indexation

Successful letting policy and  new identity rolled out, enabling Mercialys centers to continue outperforming

Rental revenues up +8.1% to Euro 123.8 million at end-September

Eric Le Gentil, Chairman and Chief Executive Officer of Mercialys, commented: “Our organic growth has remained high, with +3.4% excluding indexation at the end of September, highlighting Mercialys' ability to renew its assets' potential, through its strategy for innovation and through their increased appeal for retailers.

Mercialys' shopping centers have continued to outperform the national indexes in terms of both footfall and retailer sales growth. This dynamic development has been maintained thanks to the letting success achieved with national and international mid-size retailers, as well as the sustained development of the Casual Leasing business. Alongside this, the positive impacts of the new identity's rapid deployment can already be seen in the increased footfall levels.

The full-year target for organic growth of over +2% in invoiced rents excluding indexation for 2015 therefore appears cautious”.

I. Change in rental revenues

Organic growth in invoiced rents remained high through to end-September 2015

Like-for-like invoiced rents at September 30, 2015 came in **+3.3%** higher than September 30, 2014, with **+3.4%** growth excluding the impact of a slightly negative level of indexation, reflecting the outstanding operational performances achieved.

Rental revenues came to **Euro 123.8 million** at September 30, 2015, up +8.1% from the end of September 2014

(In thousands of euros)	Year to end-September 2014	Year to end-September 2015	Change (%)	Like-for-like change (%)
Invoiced rents	111,469	121,394	+8.9%	+3.3%
Lease rights	2,991	2,377		
Rental revenues	114,460	123,771	+8.1%	

The change in invoiced rents primarily reflects the following factors:

- Continued robust organic growth in invoiced rents: **+3.3 points**,
- Acquisitions in 2014 and 2015: **+15.4 points**,
- Impact of assets sold in 2014: **-8.7 points**,
- Other effects, primarily including strategic vacancies on current redevelopment programs: **-1.0 points**.

Like-for-like, invoiced rents are up **+3.3%**, mainly including:

- +2.6%** for actions carried out on the portfolio, particularly renewals and relettings,
- +0.8%** for the development of the Casual Leasing business, in line with expectations for the full year, taking into account the seasonality effect,
- 0.1%** for indexation.

Lease rights and despecialization indemnities received over the period¹ came to Euro 0.9 million, compared with Euro 1.2 million at end-September 2014. After factoring in the deferrals required under IFRS, lease rights at September 30, 2015 represent Euro 2.4 million, compared with Euro 3.0 million at September 30, 2014.

II. Successful letting policy and new identity rolled out, enabling Mercialys sites to continue outperforming

Mercialys' shopping centers have continued to outperform the sector in France in terms of both footfall and retailer sales growth.

- For the year to end-August 2015, the **sales figures for retailers** in Mercialys centers² are up +4.4%, compared with +0.3% growth for the shopping center market (CNCC³).
- **Footfall in Mercialys shopping centers** has continued to progress, up +2.4% for the year to end-August 2015, while the market's overall footfall (CNCC⁴) is down -0.7% for the period.

The rapid deployment of the new cross-business  brand, currently covering half of Mercialys' portfolio, has already had a positive impact on the sites that have benefited from it, in terms of both footfall levels and buy-in among retailers and customers.

III. Dividend

As in 2014, and subject to approval by its Board of Directors, Mercialys will be paying out an interim dividend during the fourth quarter of 2015. The amount and date of this interim dividend will be determined based on sales and investment operations for the full year and not just the first six months.

¹ Lease rights received as cash before the impact of deferrals required under IFRS (deferring of lease rights over the firm period of leases)

² Mercialys' large centers and main market-leading local-format centers based on a constant surface area

³ CNCC index – all centers, comparable scope – year to end-August 2015

⁴ CNCC index – all centers, excluding the impact of Primark – year to end-August 2015

IV. Governance: Mercialys receives further recognition for its representation of women

In 2014, the French secretariat for women's rights ranked Mercialys third out of the entire SBF 120 for its levels of women in executive positions.

In October 2015, the French Ministry of Social Affairs, Health and Women's Rights acknowledged Mercialys' commitment to developing the representation of women within its teams, praising the position of women within the company's organization as well as at Board level. In this way, Mercialys is the top-ranking company on the SBF 120 for gender equality in its leadership team.

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The press release is available on www.mercialys.com

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About Mercialys

Mercialys is one of France's leading real estate companies, focused exclusively on retail property. At June 30, 2015, Mercialys had a portfolio of 2,217 leases, representing a rental value of Euro 160.5 million on an annualized basis.

At June 30, 2015, it owned properties with an estimated value of Euro 3.1 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 June 30, 2015, there were 92,049,169 shares outstanding.

IMPORTANT INFORMATION

This press release contains certain forward-looking statements about 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 shelf registration document available at www.mercialys.com for the year to December 31, 2014 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.

MERCIALYS RENTAL REVENUES (pro forma⁵)

<i>Adjusted data</i>	YEAR TO DATE				PER QUARTER			
	31/03/2011	30/06/2011	30/09/2011	31/12/2011	Q1	Q2	Q3	Q4
Invoiced rents	36,817	75,284	113,240	152,670	36,887	38,467	37,956	39,429
Lease rights	1,581	3,515	5,229	7,508	1,581	1,934	1,714	2,279
Rental revenues	38,398	78,799	118,470	160,177	38,468	40,401	39,671	41,708
<i>Adjusted data</i>	31/03/2012	30/06/2012	30/09/2012	31/12/2012	Q1	Q2	Q3	Q4
Invoiced rents	38,378	76,554	114,100	151,866	38,378	38,176	37,546	37,766
Lease rights	1,860	3,793	5,793	7,816	1,860	1,932	2,001	2,022
Rental revenues	40,238	80,347	119,894	159,682	40,238	40,109	39,547	39,788
Change in invoiced rents	4.2%	1.7%	0.8%	-0.5%	4.0%	-0.8%	-1.1%	-4.2%
Change in rental revenues	4.8%	2.0%	1.2%	-0.3%	4.6%	-0.7%	-0.3%	-4.6%
<i>Adjusted data</i>	31/03/2013	30/06/2013	30/09/2013	31/12/2013	Q1	Q2	Q3	Q4
Invoiced rents	37,764	73,187	107,937	142,951	37,764	35,423	34,750	35,013
Lease rights	1,778	3,493	4,778	6,008	1,778	1,714	1,285	1,230
Rental revenues	39,543	76,680	112,715	148,959	39,543	37,137	36,035	36,244
Change in invoiced rents	-1.6%	-4.4%	-5.4%	-5.9%	-1.6%	-7.2%	-7.4%	-7.3%
Change in rental revenues	-1.7%	-4.6%	-6.0%	-6.7%	-1.7%	-7.4%	-8.9%	-8.9%
	31/03/2014	30/06/2014	30/09/2014	31/12/2014	Q1	Q2	Q3	Q4
Invoiced rents	36,031	76,005	111,469	148,755	36,031	39,975	35,464	37,286
Lease rights	1,073	2,125	2,991	4,031	1,073	1,053	866	1,040
Rental revenues	37,104	78,131	114,460	152,787	37,104	41,027	36,329	38,236
Change in invoiced rents	-4.6%	3.9%	3.3%	4.1%	-4.6%	12.8%	2.1%	6.5%
Change in rental revenues	-6.2%	1.9%	1.5%	2.6%	-6.2%	10.5%	0.8%	5.7%
	31/03/2015	30/06/2015	30/09/2015	31/12/2015	Q1	Q2	Q3	Q4
Invoiced rents	38,713	80,558	121,394		38,713	41,845	40,836	
Lease rights	880	1,698	2,377		880	818	679	
Rental revenues	39,593	82,256	123,771		39,593	42,663	41,515	
Change in invoiced rents	7.4%	6.0%	8.9%		7.4%	4.7%	15.1%	
Change in rental revenues	6.7%	5.3%	8.1%		6.7%	4.0%	14.3%	

⁵ Mercialys opted for the early application of IFRS 11 at December 31, 2013. The subsidiaries that were previously proportionately consolidated have been consolidated under the equity method since December 31, 2013. As a result, rental revenues for SCI Geispolsheim, proportionately consolidated for 2011, 2012 and the first quarter of 2013, have been restated for 2011, 2012 and 2013.