



## 2010 full-year results

*Thursday, February 10, 2011*

# Preliminary notice

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- ❖ The 2010 full-year consolidated financial statements were approved by the Board of Directors at its meeting of February 9, 2011.
- ❖ Audit procedures have been conducted by the statutory auditors. Finalization of the statutory auditors' report on the consolidated financial statements is in progress.



## Overview of 2010

# Improvement in market fundamentals and changes in regulatory conditions

## Significant improvement in fundamentals

- ❖ **Stabilization** in retailers' sales
- ❖ Retailers launching **expansion plans**
- ❖ Market impregnated by a feeling of a **way out of the crisis**
- ❖ Transactions market returns to **momentum of 2007**

## Changes in regulatory conditions

- ❖ Regulations concerning commercial urban development (still) **being overhauled**
- ❖ Solvency II regulations specified but convey a number of scenarios among historic real estate investors
- ❖ **Puzzling** discussions around lease accounting (IAS 17)

# A year of strong growth in rental revenues for Mercialys

Further double-digit growth

in rental revenues

Rental revenues of **Euro 149.5 million**

Growth of **+11.4%**

Continuing robust organic growth of **+2.6%\*** despite unfavorable indexation (-0.5 point)

## A record year for lease signings

**351 leases signed** during the year

⇒ 237 renewals and relets

⇒ 114 leases signed for Esprit Voisin projects under development

Rental income of **Euro 3.4 million** in Specialty Leasing\*,  
up **Euro +0.8 million**  
relative to 2009

# Continuing acceleration in the Esprit Voisin program...



- ❖ Rate of completions of Esprit Voisin development projects accelerated significantly in 2010

**7 completions during  
the year**

**23,500 m<sup>2</sup> created / 8,900 m<sup>2</sup> redeveloped  
18,700 m<sup>2</sup> renovated**



Castres



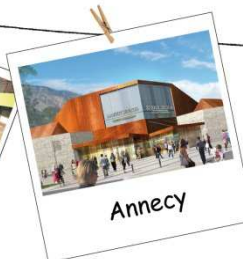
Brest



Fontaine



Sainte-Marie  
Duparc



Annecy



Saint-Didier  
Paris



Lons-le-Saunier

...and value-creation strategy stepped up



- ❖ Adoption of an active portfolio arbitrage policy
- ❖ Continuing solid rate of investment

Euro 122 million of  
mature assets sold  
equal to 5% of the  
portfolio

Investment of  
Euro 138 million  
including the acquisition of  
**Caserne de Bonne** for  
Euro 92.9 million

**45 properties sold in 5 portfolios**  
**Euro 31 million of capital gains realized**



**Opened on September 15, 2010**  
**17,300 m<sup>2</sup> of retail space + 2,800 m<sup>2</sup> of**  
**office space on upper level**  
**Annualized rental value of Euro 5.9 million**



# Further growth in Mercialys's main performance indicators...

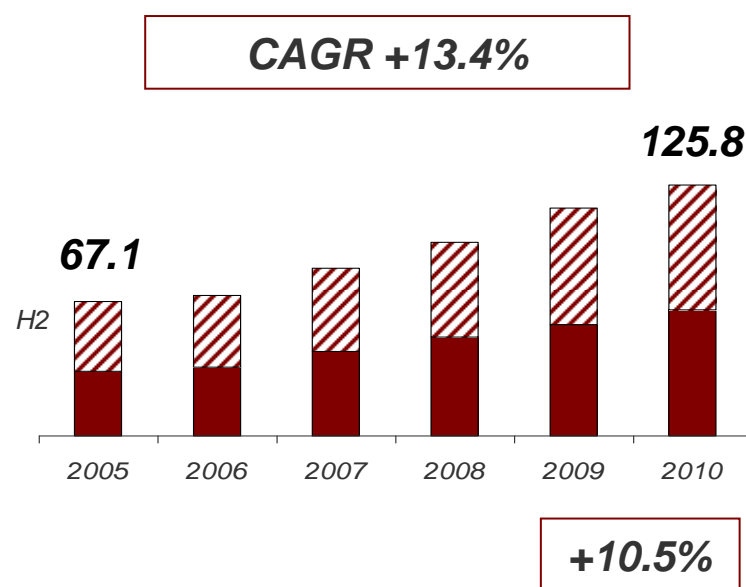
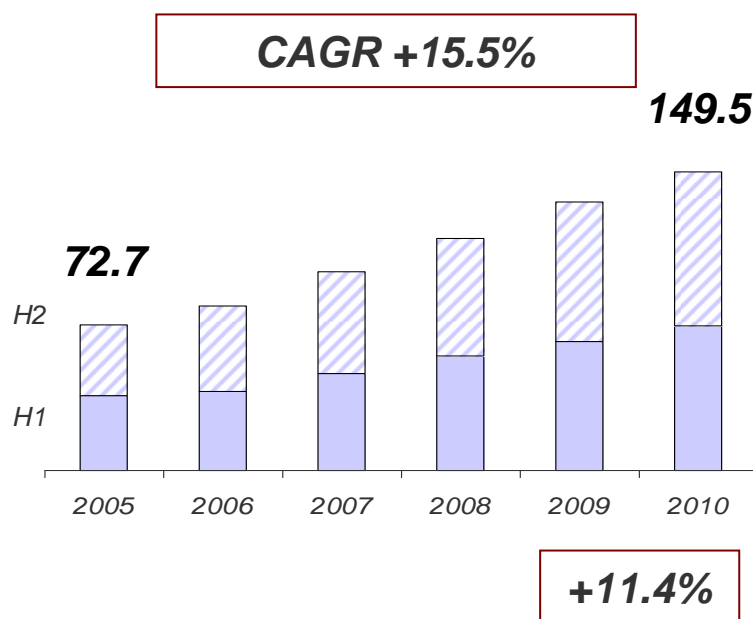


Rental revenues



Recurring operating cash flow\*

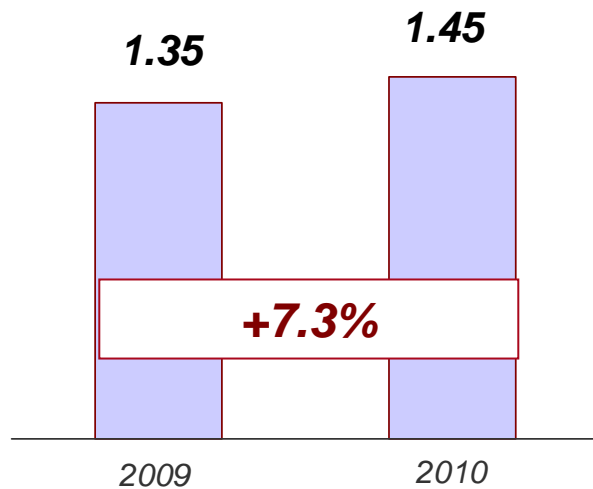
In millions of euros – 2005 pro forma figures



... and significant improvement in cash flow per share



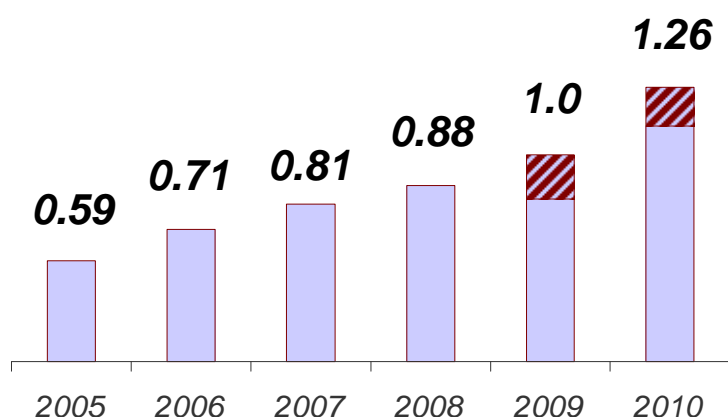
*Cash flow per share\**




**Average annual  
growth over 5 years  
+9.3%**

# These results allow for a sharp increase in the 2010 dividend

- ❖ Dividend of **Euro 1.26 per share\*** proposed for 2010
- ❖ Sharp increase in the dividend: **+26%** as a result of
  - ⇒ *Growth in rental revenues*
  - ⇒ *A higher recurring payout rate: 100% of rental earnings (commitment made at the time of the contributions in 2009)*
  - ⇒ *Capital gains on asset sales: payout of 50% of gains on asset sales in 2010*
- ❖ Yield of 4.5%\*\*



*This dividend was subject to the payment of an interim dividend of Euro 0.5 per share in October 2010. The final dividend of Euro 0.76 per share should be paid on May 5, 2011.*

 Share relating to the increase in the payout rate from 85% to 100%

(\*) Dividend submitted to the Annual General Meeting for approval on April 28, 2011; includes the interim dividend of Euro 0.5 per share paid in October 2010

(\*\*) Yield calculated on the basis of the closing price on December 31, 2010 of Euro 28.10 per share



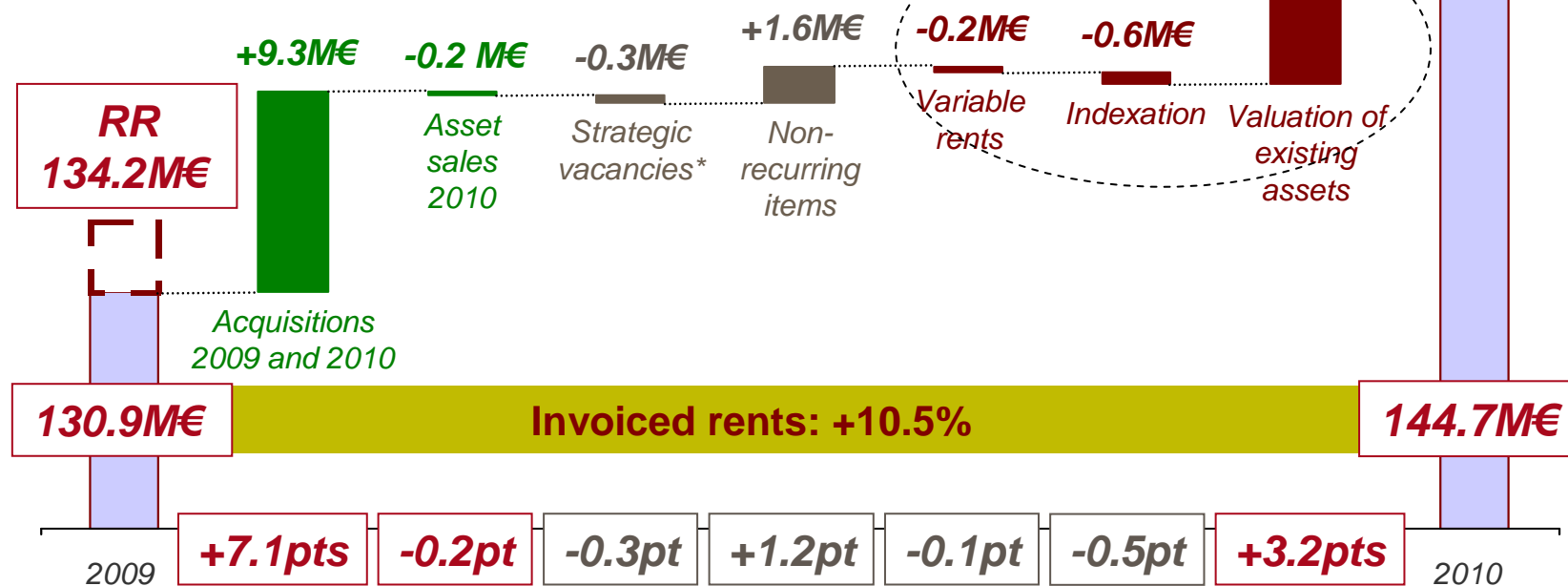
## Results

# Solid growth in rental revenues

- ❖ Continuing robust growth relating to negotiations concerning assets in the portfolio
- ❖ Growth in 2010 boosted by acquisitions carried out in 2009

**Organic growth +2.6%\*\***

**Rental revenues: + 11.4%**

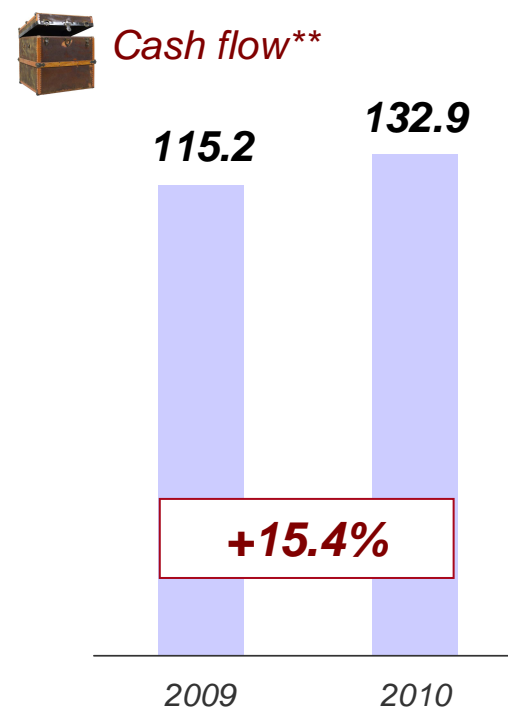
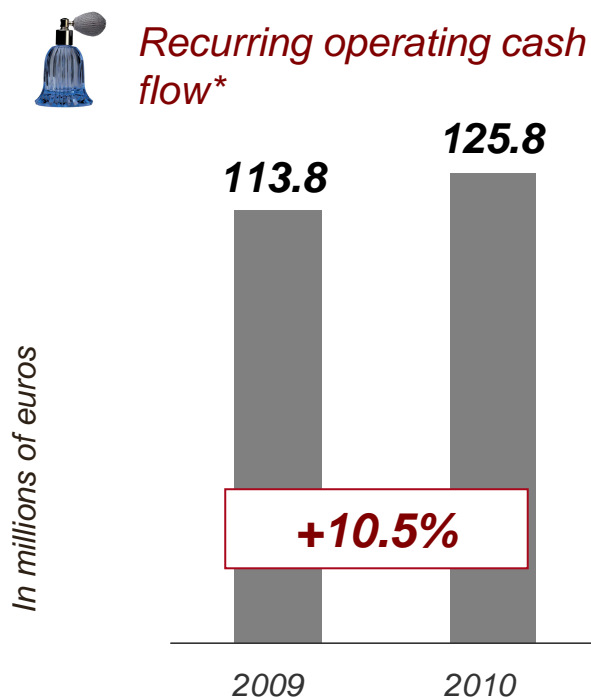


(\*) Relating to the Esprit Voisin program – Lots left empty to facilitate future redevelopment works

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

# Strong growth in cash flow

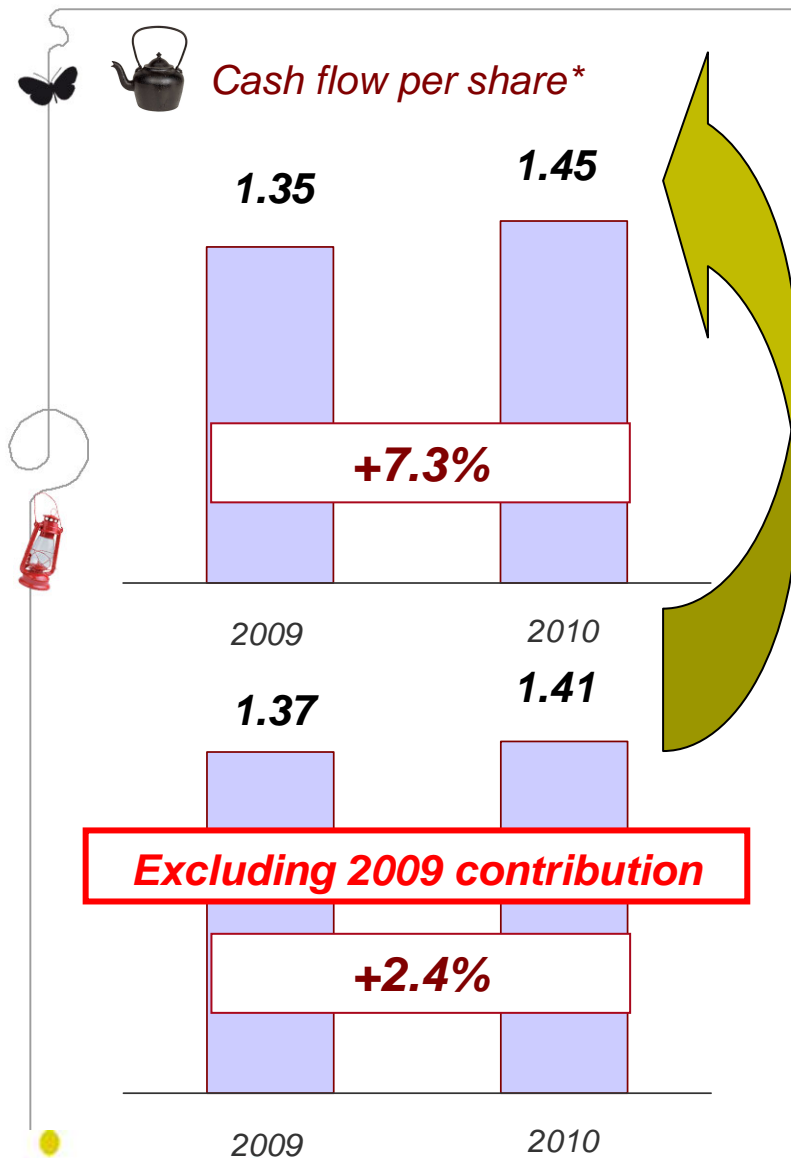
- ❖ Growth in recurring operating cash flow\* in line with change in invoiced rents
- ❖ Total cash flow\*\* also benefited from lease rights of Euro 6.9 million relating to openings of Esprit Voisin developments (Euro 1.2 million in 2009)



(\*) Cash flow excluding interest on cash and cash equivalents, net of tax and non-recurring items

(\*\*) Cash flow = net income before depreciation and other non-cash items, excluding asset sales

# Cash flow per share boosted by organic growth and impact of 2009 contribution

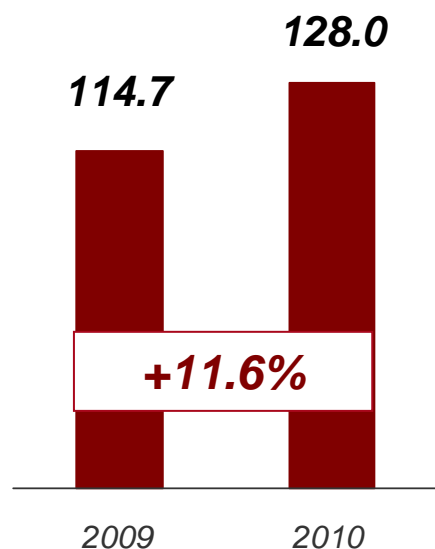


- ❖ Growth in cash flow excluding effect of 2009 contributions: +2.4%
- ❖ Dilutive effect relating to dividends paid in shares in 2009 (2.6 million shares created)
- ❖ **Earnings-enhancing impact of 2009 contribution of Euro 0.04 per share**

Results also impacted by capital gains on asset sales and depreciation relating to 2009 contributions



*Funds from operations (FFO)\**



*Per share (fully diluted)*

**1.34      1.39**


*In millions of euros*

	2009	2010	% chg.
<b>Net rental income</b>	<b>125.8</b>	<b>140.3</b>	<b>+11.6%</b>
Operating income	-14.2	-15.5	+9.0%
Misc. other income and expense	3.3	3.1	NS
<b>Operating income before depreciation and net capital gains</b>	<b>114.8</b>	<b>128.0</b>	<b>+11.4%</b>
Net financial items	-0.3	0.1	
Tax and minorities	+0.2	-0.0	
<b>FFO</b>	<b>114.7</b>	<b>128.0</b>	<b>+11.6%</b>
Depreciation	-21.7	-25.5	+17.4%
Non-recurring income	0.0	31.2	
Minority interests	-0.0	-0.1	
<b>Net income, Group share</b>	<b>93.0</b>	<b>133.5</b>	<b>+43.5%</b>

(\*) Funds from operations – Net income, Group share, before depreciation and capital gains

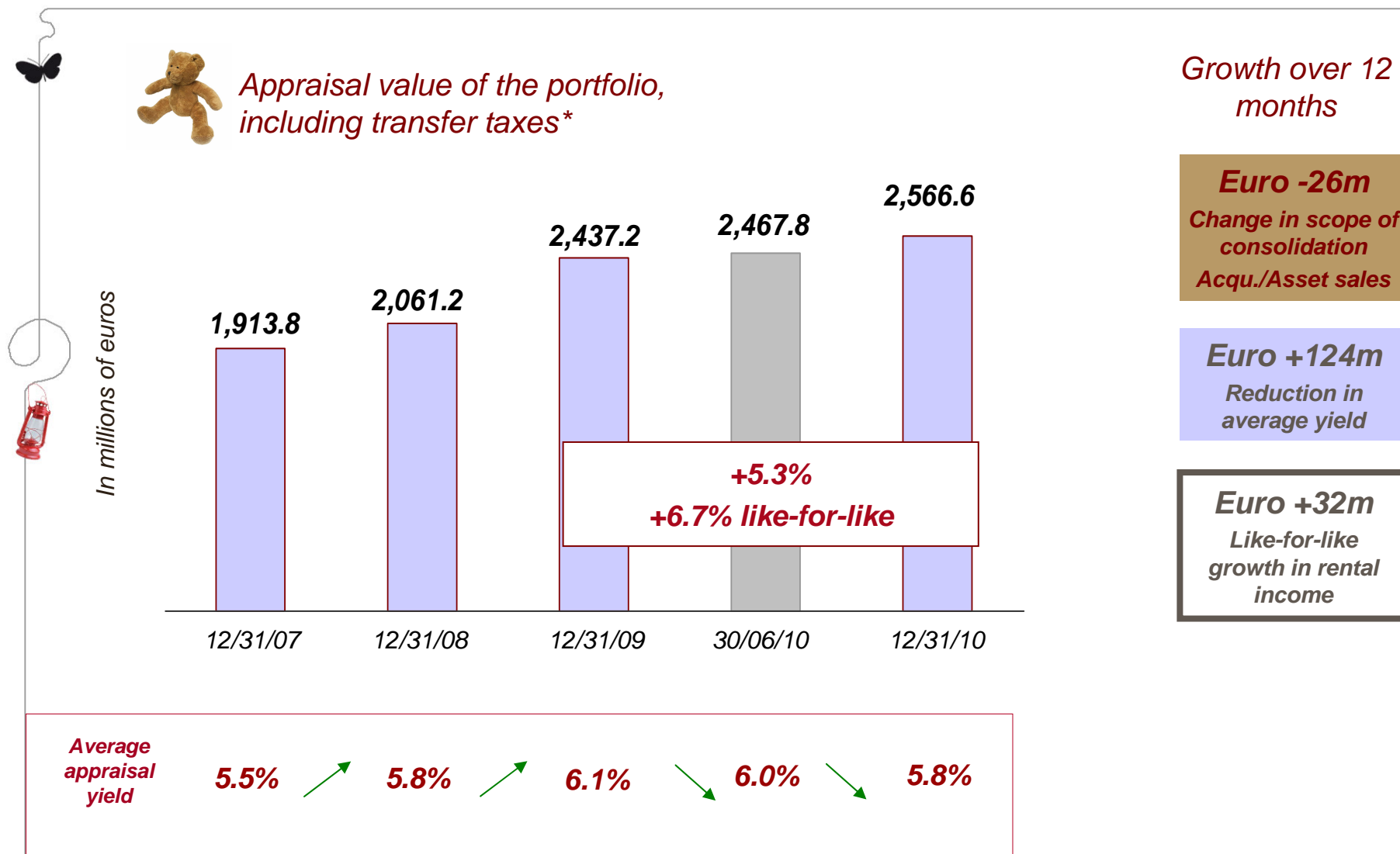


## Growth achieved without use of debt



	2009	2010	Comments
Investment property	1,573.1	1,604.3	Invest. – asset sales – depreciation
Other non-current assets	14.0	12.5	
Trade receivables	6.0	16.4	Invoices to be issued/Q4 openings and Grenoble
Other current receivables	13.9	24.5	VAT to be recovered (investments)
Cash and cash equivalents	69.9	77.4	
<b>Total assets</b>	<b>1,677.0</b>	<b>1,735.2</b>	
Shareholders' equity	1,606.9	1,648.1	
Financial liabilities	11.1	12.5	
Deposits and guarantees	21.3	23.1	
Trade payables	9.3	9.2	
Other liabilities	28.3	42.4	Lease rights and investments to be paid
<b>Total equity &amp; liabilities</b>	<b>1,677.0</b>	<b>1,735.2</b>	

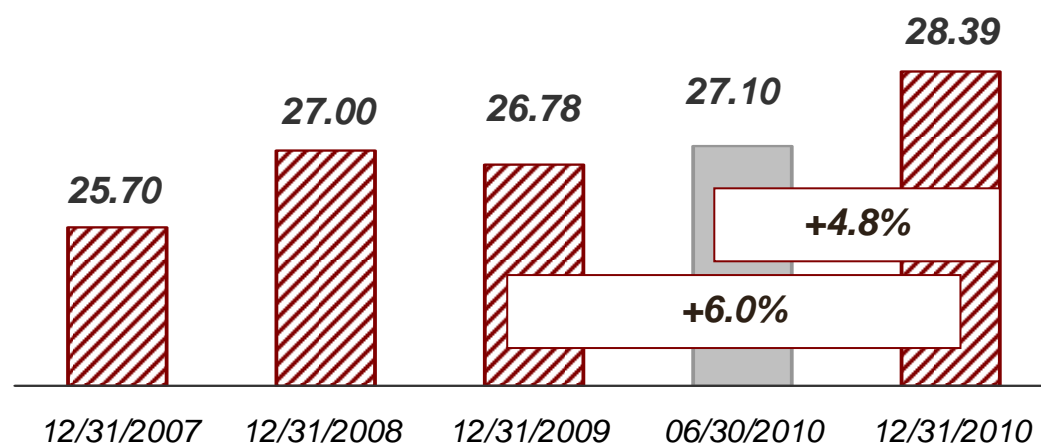
# Average appraisal yield down by 20 bp in the second half of the year and 30 bp over 12 months



# NAV per share up 6% in 2010



*NAV per share  
incl. transfer taxes (euros)*



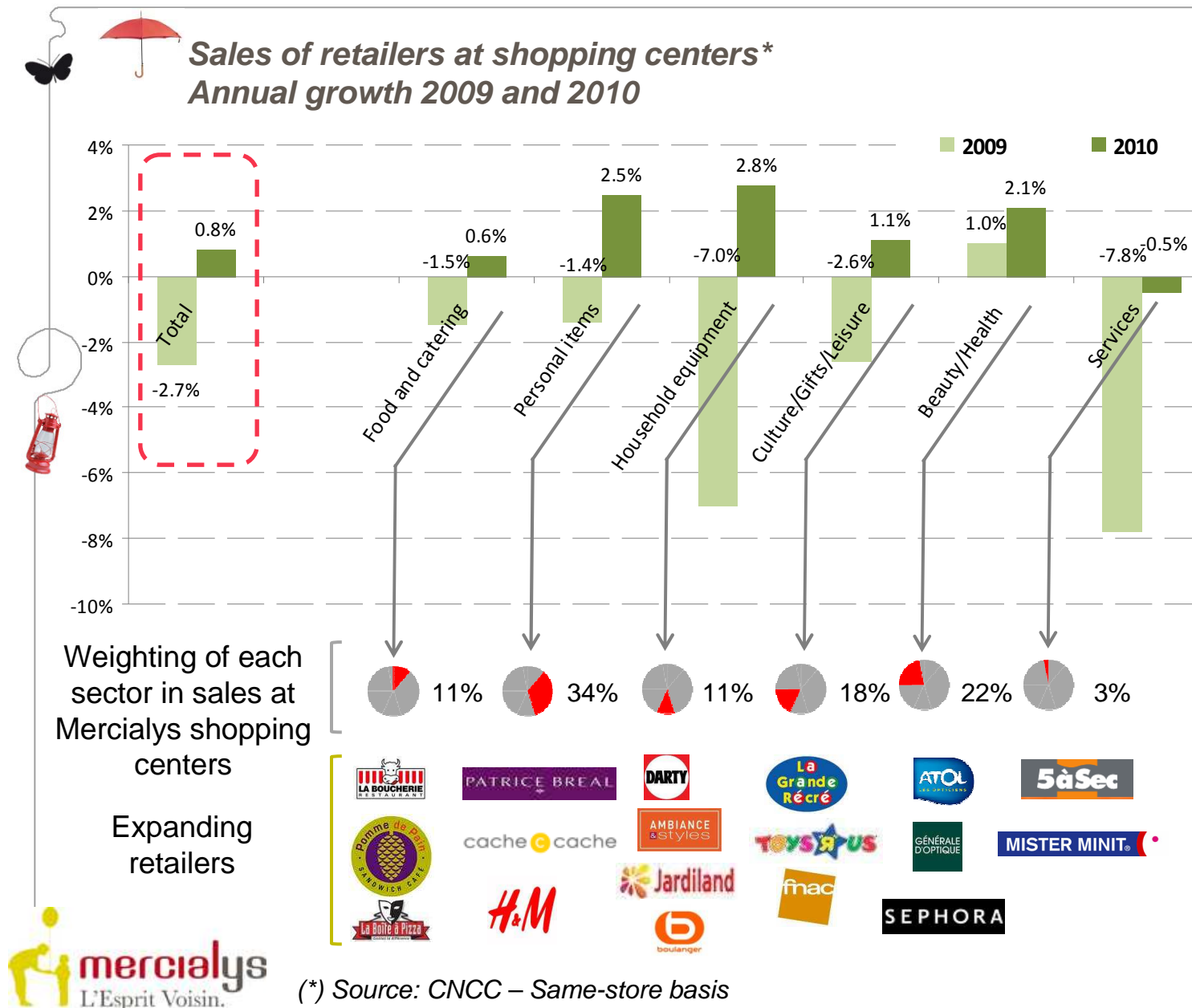
*Liquidation NAV per share (excl. transfer taxes)*

24.21	25.40	25.32	25.61	26.89
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2010 Activity

# Improvement in retailers' sales across all sectors in 2010



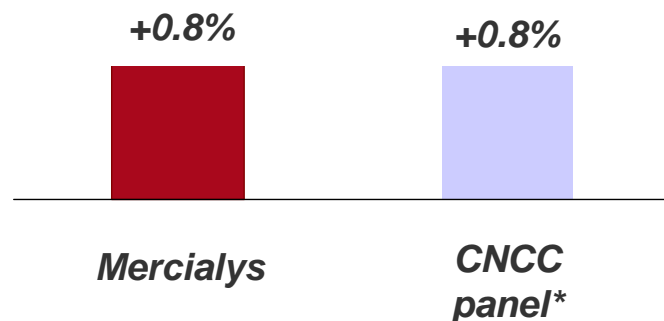
- A stable year for retailers at shopping centers (+0.8%)
- Varying performances depending on the sector and each retailer's specific strengths

# A slight increase in retailers' sales over the last 12 months

- ❖ Business activity at shopping centers remained highly volatile from one month to the next. However it increased slightly on a cumulative basis relative to 2009



*Retailers' sales growth – All retails  
Accumulated sales at end-December 2010*



*This development does not reflect the positive changes observed in relation to Esprit Voisin developments opened since 2008*

*E.g.: Lanester - All retails*

*> Excluding extension: +3.1%\*\**

*> Including extension: +4,9%\*\**

Against this backdrop, Mercialys achieved a record year in terms of lease signings

## 2010

**130** leases renewed

**107** relets

**114** leases signed for Esprit Voisin development projects

**351 leases signed**

### ❖ Strong growth in Specialty Leasing\*

Team enlarged: 4 dedicated staff at end-2010 supporting Sudéco teams

## 2009

**106** leases renewed

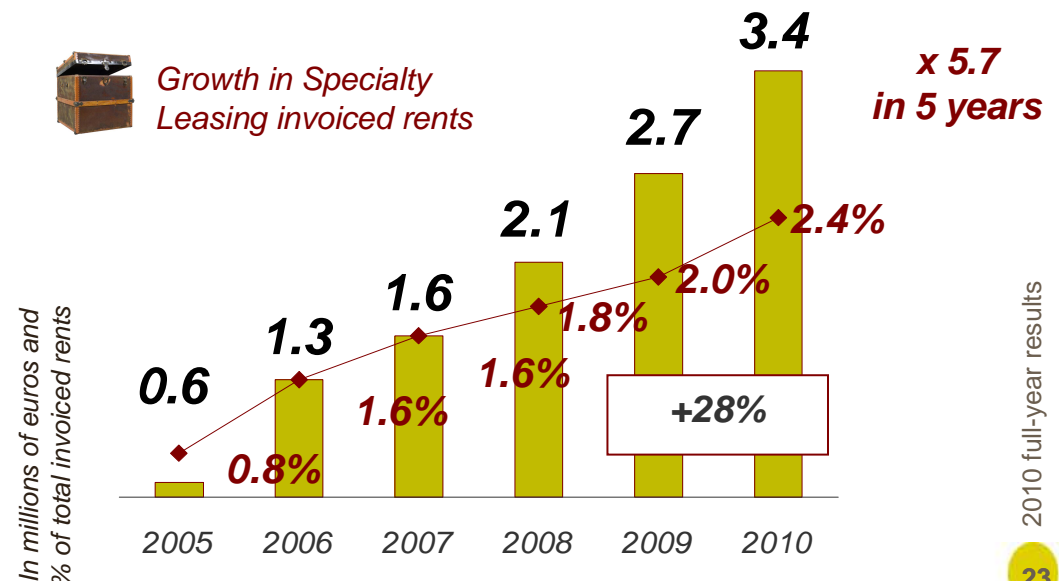
**114** relets

**86** leases signed for Esprit Voisin development projects

**306 leases signed**



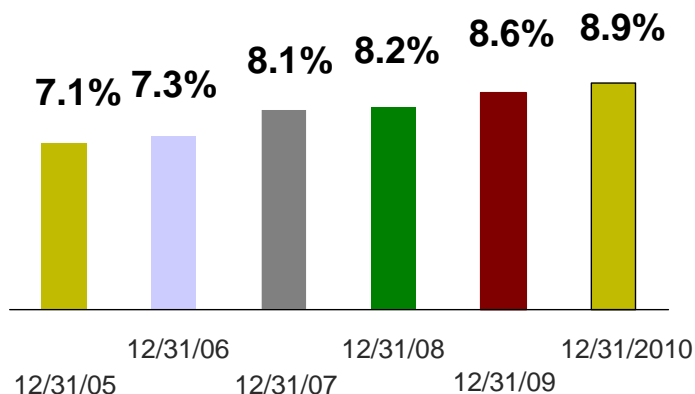
*Growth in Specialty Leasing invoiced rents*



# Management indicators attest to the solidity of our retailers and the low level of risk for our portfolio

❖ Stable recovery rate\*: 98.0%  
(98.3% as at December 31, 2009)

❖ Occupancy cost ratio\*\* still moderate



This increase over the second half of the year is due to new leases included in the scope of consolidation with an average occupancy cost ratio of 11.2%

❖ The current vacancy rate also remained stable at 2.1% (2.3% as at December 31, 2009)

❖ Reduction in strategic vacancy due to the completion of Esprit Voisin development projects during the year: 0.5% (1.1% as at December 31, 2009)

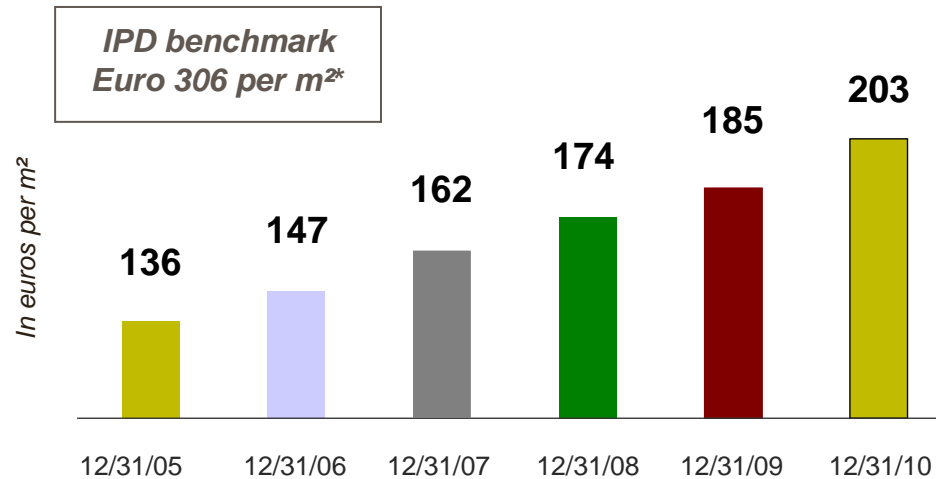
❖ 19 liquidations during the year out of a portfolio of 2,629 leases

❖ Number of tenants in liquidation still marginal (19 vs. 17 as at December 31, 2009)



# Increase in values per square meter as a result of asset sales and acquisitions

❖ Average gross rental value of **Euro 203 per m<sup>2</sup>**



Change over 6 months  
**+Euro 18 per m<sup>2</sup>**

- Increase in rents on a like-for-like basis: **+Euro 2 per m<sup>2</sup>**
- Average for sold assets: **Euro 106 per m<sup>2</sup>**
- Average for Esprit Voisin lettings: **Euro 464 per m<sup>2</sup>** for shops and **Euro 168 per m<sup>2</sup>** for mid-size stores

# Second half of the year marked by openings of large scale Esprit Voisin development projects

## Duparc Ste Marie - Réunion Island

Extension opening on October 20, 2010

- Hypermarket turnover up **+20%** since the opening day
- Existing shopping center turnover up **+20%** since the opening of the extension
- **Over 1 million visitors** in 2 months
- Retailers outperform their turnover objectives

## Val Semnoz - Annecy

Extension opening on October 20, 2010

- Hypermarket turnover up **+8%** since the opening day
- Existing shopping center turnover up **+18%** since the opening of the extension
- Customers and new tenants are very satisfied



## Caserne de Bonne - Grenoble

Opening of the new shopping center  
on September 15, 2010

- 35,000 visitors on the first day
- 1.3 million visitors since the opening day
- 2 major national brands joined Mercialis's portfolio: *Le Vieux Campeur* and *Nature et Découverte*

# Esprit Voisin concept continuing to breathe new life into our shopping centers

- ❖ New Center Directors have joined the team in order to accompany the growth of our shopping centers and the development of the Esprit Voisin concept

**Véronique Pecqueux-Rolland**  
Former French and world handball champion

*Dijon*



**Patrick Rolland**  
Former professional hockey player and member of the Brûleurs de Loups team (Grenoble)



*Grenoble*

**Christophe Juillet**  
Former rugby player in French national team and in the club Stade Français



*Clermont-Ferrand*

*Annecy / Annemasse*



**Marc Djelloul**  
Former professional hockey player and trainer of the French junior team



**Bruno Mouton**  
Former 'neighbor' at Casino Restauration

*Marseille*

- ⇒ Target for 2011: continue to develop the Esprit Voisin concept via our center directors

# Esprit Voisin concept continuing to breathe new life into our shopping centers

- ❖ Following Châteaufarine - Besançon, 2 new shopping centers applied for and obtained “Label V” accreditation: Castres and Annecy
- ❖ 24 applications planned for 2011 – 2012

Label V

## A demanding label

- **3 main principles:**

- Integration into the local urban surroundings, landscape and architecture
- Strengthening social ties
- Respecting the environment

- **A set of specifications** comprising 118 criteria

- **External guarantors:**  
an audit organization and a committee of experts



## Roll-out





# Esprit Voisin concept once again awarded in 2010

**Caserne de Bonne wins the 2010 Procos award for “Creation of a shopping center”**

**Caserne de Bonne wins the “City and Future” SIIC award**



**Esprit Voisin wins another award, the TopCom Consumer 2010 award in the Global Design category**

**TOPCOM/10**

## Strategy of enhancing the value of the portfolio stepped up in 2010 by adding asset sales

- ❖ Euro 122 million of properties sold / 5% of the total portfolio
- ❖ Capital gains of Euro 31 million
- ❖ 45 properties sold representing net rental income of Euro 7.7 million in 2010

**Initial buyer yield\***

**6.5%**

# Program of asset sales focusing primarily on portfolios of small mature properties



Portfolio of 14 food stores (Leaderprice, SPAR, Supermarchés Casino, Cafétérias)

Annonay, Bourg en Bresse, Castres, Figeac, Grenoble, Issoire, Mont de Marsan, Montbéliard, Montélimar, Montpellier, Plouescat, Quimper, Royan, Toulon

Portfolio of 9 retail premises in the Rhône-Alpes region (service outlets, cafeterias, mid-size stores)

Chaumont, Dole, Epinal, Monceau les Mines, Champagnole, Bourg de péage, St Etienne

Portfolio of 10 properties in the Provence-Alpes-Côte d'Azur region (service outlets, cafeterias, mid-size stores)

Aix, Cannes, Fréjus, Marseille, Toulon

One mature shopping center

St Nazaire

Miscellaneous other properties (construction leases, food stores, cafeterias etc.)

Rennes, Angoulême, Wassy, Talence, Roanne, Besançon, Briançon, Douai, Chartres Lucé, Toulouse Capitouls, Antibes, Vals près Le Puy

# A momentum deeply modifying the profile of Mercialys portfolio

Type of property	Number of assets 12/31/10	<b>2010</b> <i>Appraisal value incl. Transfer taxes at 12/31/10*</i>		Number of assets 12/31/09	<b>2009</b> <i>Appraisal value incl. Transfer taxes at 31/12/09*</i>	
		<i>Euro million</i>	<i>%</i>		<i>Euro million</i>	<i>%</i>
Regional and large shopping centers	31	<b>1,709.9</b>	67 %	29	<b>1,426.2</b>	59 %
Neighborhood shopping centers	61	<b>702.2</b>	27 %	70	<b>675.7</b>	28 %
Large food stores	2	<b>2.3</b>	0 %	12	<b>20.9</b>	1 %
Large specialty stores	5	<b>28.6</b>	1 %	8	<b>45.0</b>	2 %
Independent cafeterias	16	<b>35.8</b>	1 %	22	<b>52.0</b>	2 %
Other	15	<b>65.4</b>	3 %	27	<b>85.0</b>	3 %
	<b>130</b>	<b>2,544.2</b>	<b>99 %</b>	<b>168</b>	<b>2,304.8</b>	<b>95 %</b>
Under development		<b>22.4</b>	1 %		<b>132.4</b>	5 %
	<b>130</b>	<b>2,566.6</b>	<b>100 %</b>	<b>168</b>	<b>2,437.2</b>	<b>100 %</b>

❖ Average yield: 5,8% as at 12/31/10 vs 6,1% as at 12/31/09

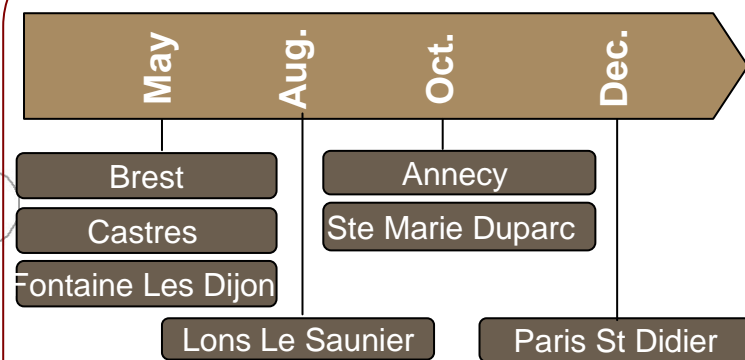




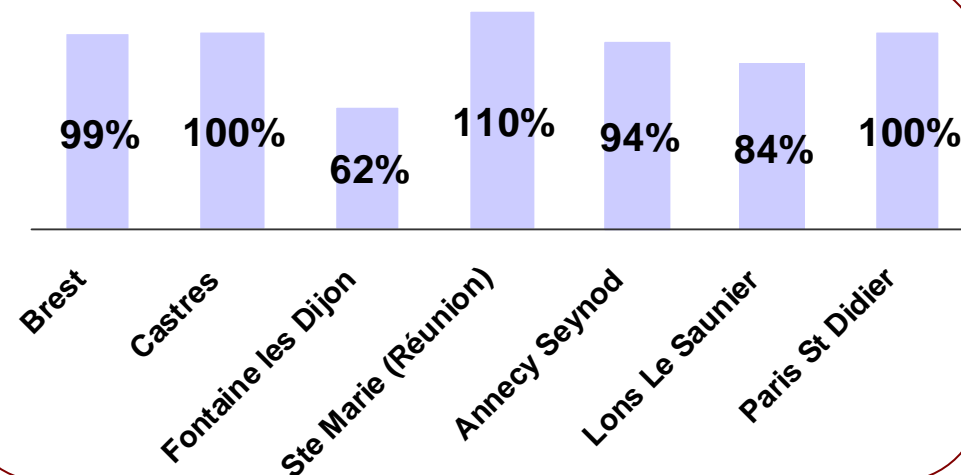
Developments: overview and outlook

# 2010 enriched by the Esprit Voisin program with 4 major openings in the second half of the year

## 7 completions in 2010



## Letting of developments\*



## Space developed in 2010

23,500 m<sup>2</sup> created / 133 new stores  
8,900 m<sup>2</sup> redeveloped  
18,700 m<sup>2</sup> renovated

## 36 new stores at Val Semnoz

**Enlarged by 4,900 m<sup>2</sup>**

**36 new stores opened**, renovation of the existing center and 1,600 m<sup>2</sup> hypermarket extension

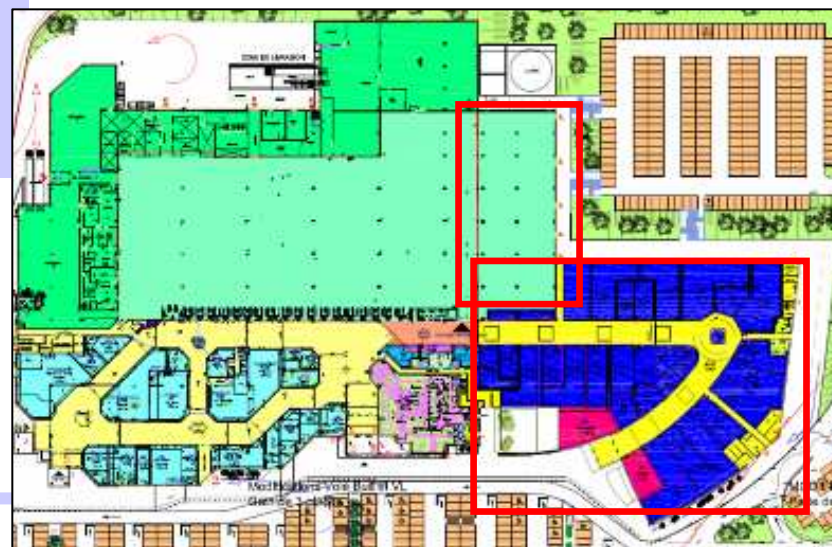
The center now has **65 stores**

- ❖ Investment\*: Euro 31.9 million
- ❖ Gross annual rental income: additional Euro 2.1 million
- ❖ Yield from extension: 6.7%

Inclusion of La Grande Récré, Armand Thiery, Morgan, Kaporal 5, Jules, Camaieu and Sergent Major stores

Average store rent: **Euro 453 per m<sup>2</sup>**

Letting rate\*\*: **94%**



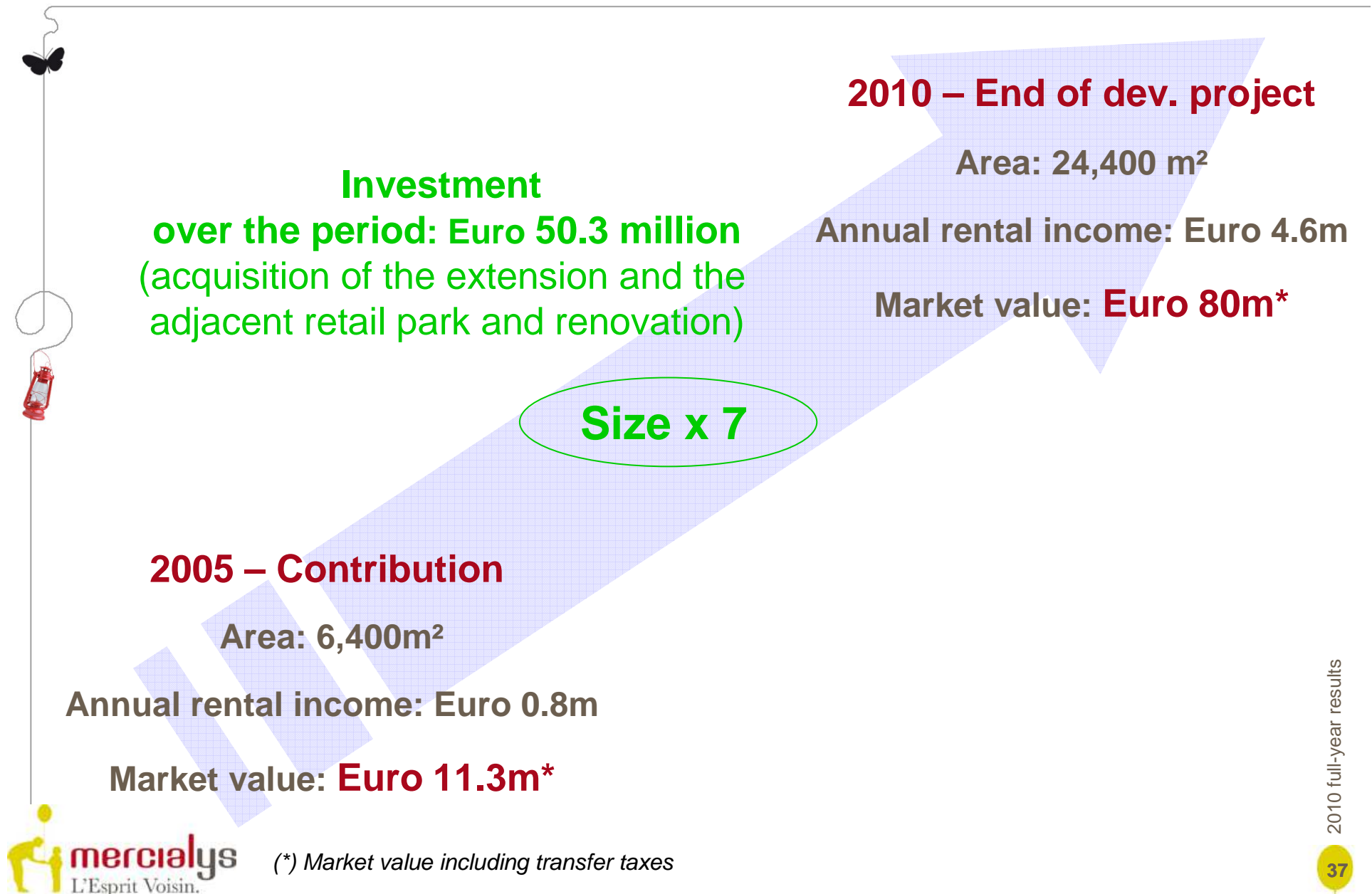
# Val Semnoz - Annecy

VAL SEMNOZ

SEYNOD



# Val Semnoz - Annecy: transformation over 5 years





# Duparc – Ste Marie doubled in size and includes top retailers in its extension

**Enlarged by 8,500 m<sup>2</sup>**

**34 new stores opened** and renovation of the existing center

The center now has

**58 small stores and 5 mid-size stores**

- ❖ Investment\*: Euro 33.2 million
- ❖ Gross annual rental income: additional Euro 3.0 million
- ❖ Total yield: 8.9%

Inclusion of Maisons du Monde, Séphora, Intersport, Agora, Mango etc.

Average store rent: **Euro 590 per m<sup>2</sup>**

Letting rate\*\*: **110%**



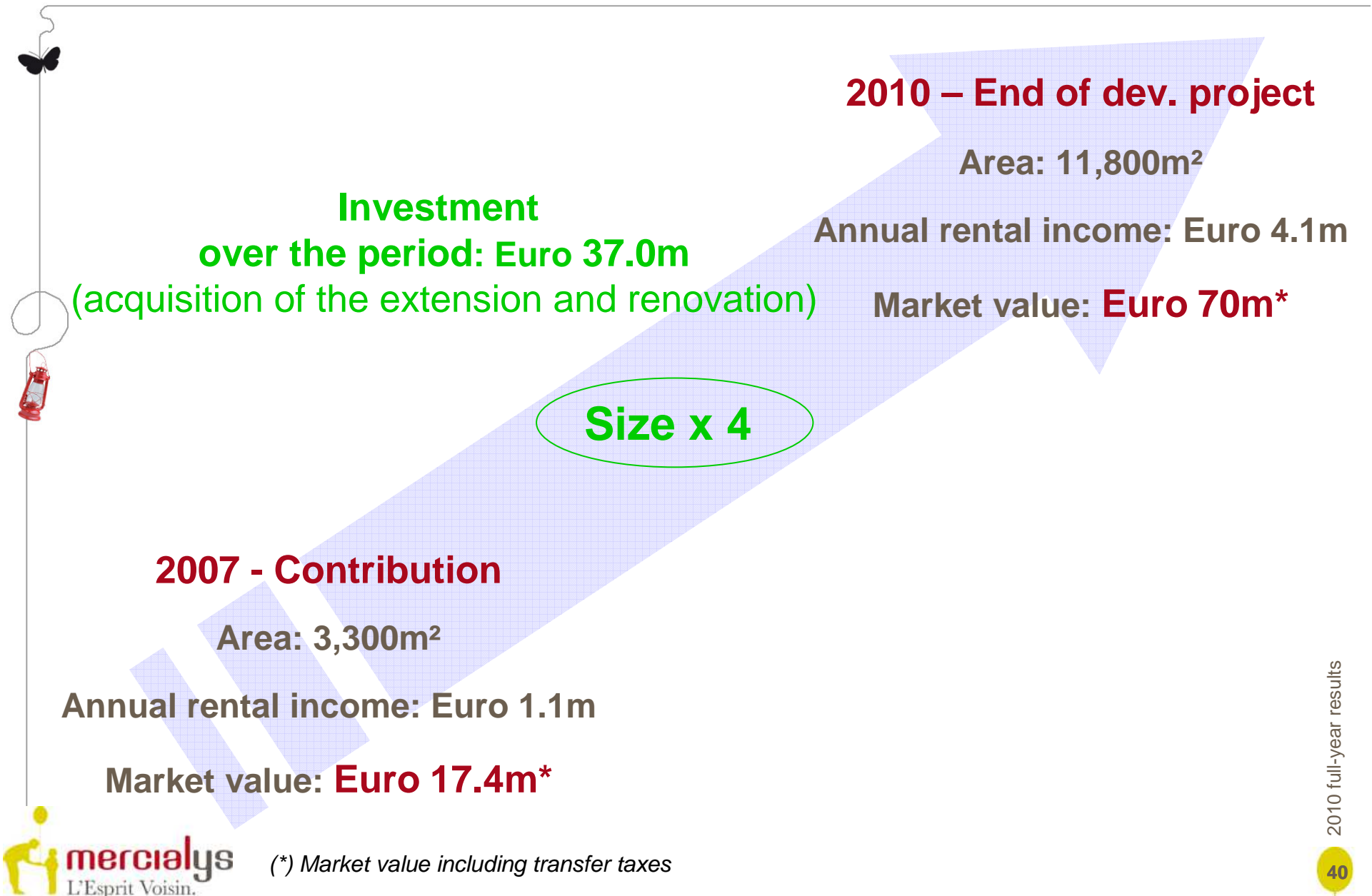
# Duparc – Sainte Marie (La Reunion)

DUPARC

SAINTE-MARIE



# Sainte Marie Du Parc (La Reunion island): one of the island's top sites





# Les Belles Feuilles - Paris St Didier: a new look

**Complete renovation** of communal and external parts

**290 m<sup>2</sup> supermarket extension**

Major changes to the merchandising plan with the **arrival of new retailers**

- ❖ Investment\*: Euro 25.6 million
- ❖ Annual rental income: additional Euro 1.5 million
- ❖ Yield from redevelopment: 6.0%

Inclusion of Sephora, Graine d'intérieur, Guy Degrenne, First Madison, Ooxoo etc.

Average store rent: **Euro 520 per m<sup>2</sup>**

Letting rate\*\*: **100%**



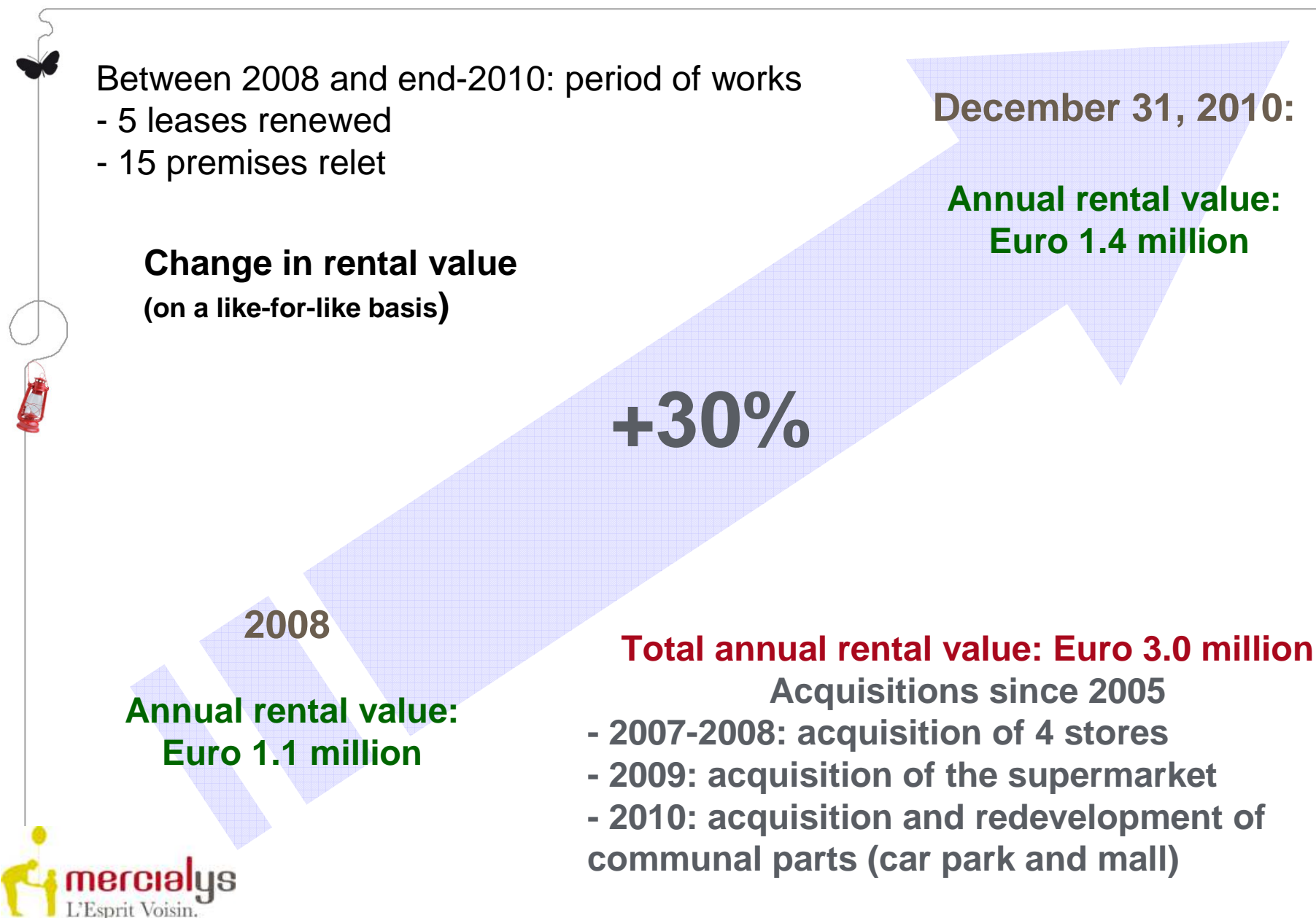
Extension of the Casino supermarket over communal parts (1)

Extension of the Casino supermarket over shops (2)

Changes to the merchandising plan (3)

3 of the remaining 9 co-owners are also updating their concept

# Higher rents on renewals and relets since start of works



# Les Belles Feuilles: a complex renovation project

**Investment**  
**over the period: Euro 33 million**  
(redevelopment works and  
acquisition of supermarket  
and co-ownership lots)

**Size x 5**

**2010 – End of dev. project**

Annual rental income: Euro 3.0m

Market value: **Euro 53m\***

**2005 - Contribution**

Annual rental income: Euro 0.6m

Market value: **Euro 10.5m\***



2010 full-year results

# Opening of Arc en Sel in Lons le Saunier

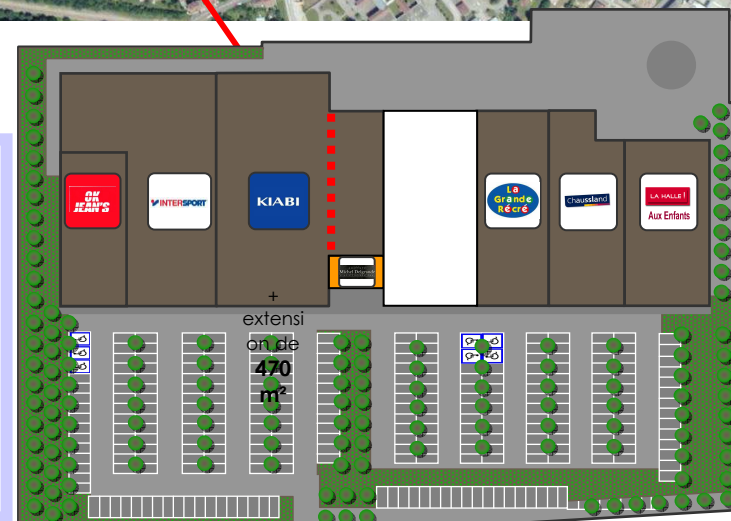
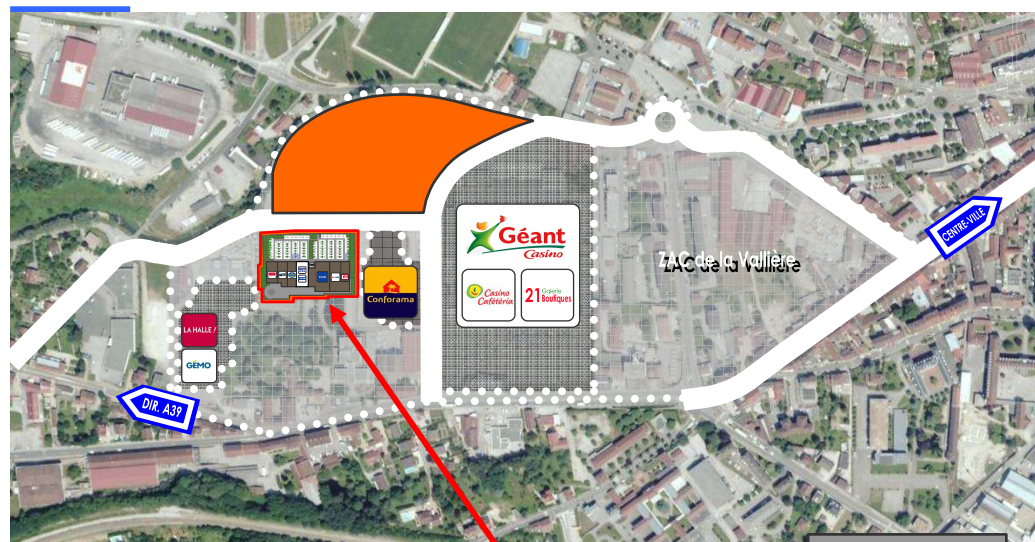
Development of a complex of **7 mid-size stores** close to our shopping center

- ❖ Investment\*: Euro 10.9 million
- ❖ Annual rental income: Euro 0.8m
- ❖ Yield: 7.3%

Inclusion of Intersport, Chaussland, La Halle aux enfants, La Grande Récré, Kiabi

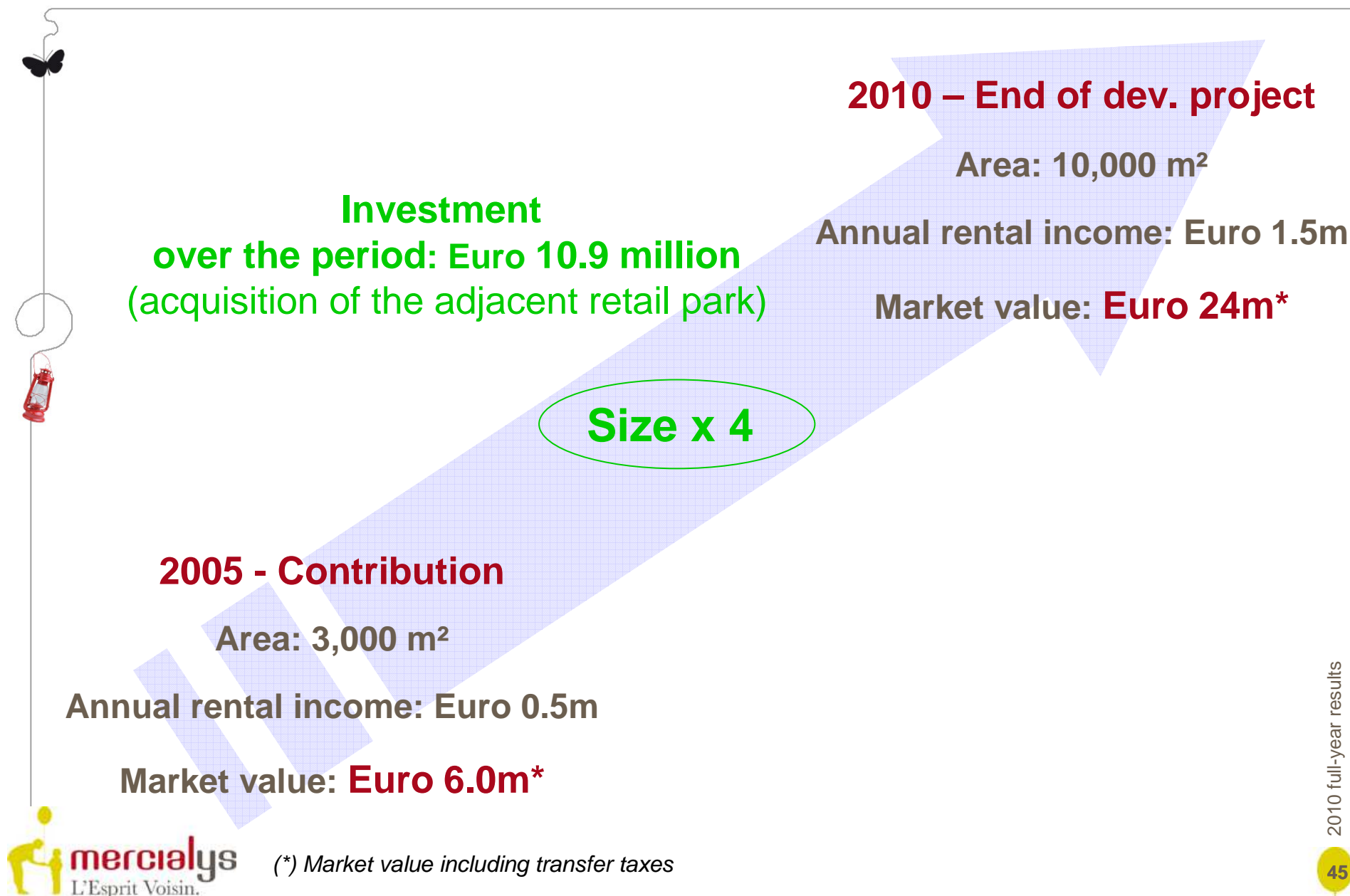
Average rent (mid-size stores): **Euro 110 per m<sup>2</sup>**

Letting rate\*\*: **84%** (7 out of 8 lots)





## Lons le Saunier: an upgraded site



# Next two years to be peak years in terms of completions of Esprit Voisin development projects

- ❖ 11 completions of Esprit Voisin extensions in preparation for 2011, including primarily:



*Geispolsheim*



*Annemasse*



*Marseille  
La Valentine*



*Ajaccio (phase 1)*



*Villefranche*

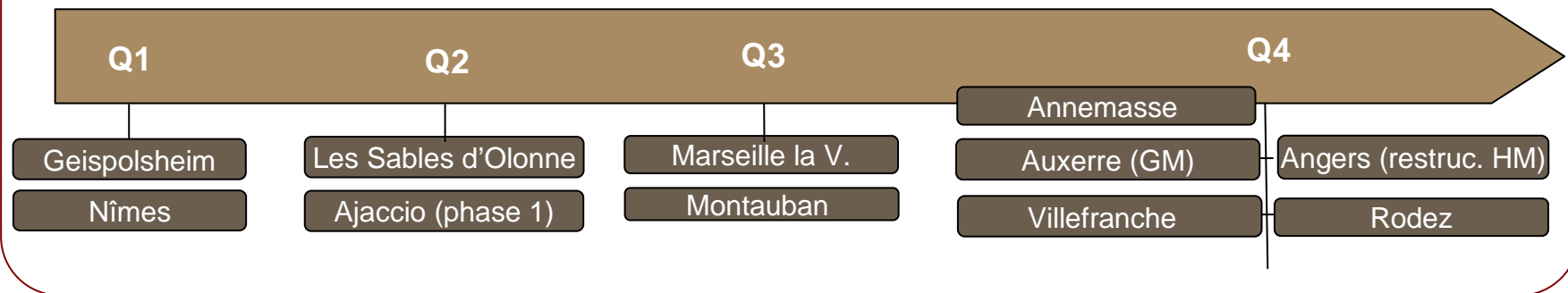


*Auxerre*

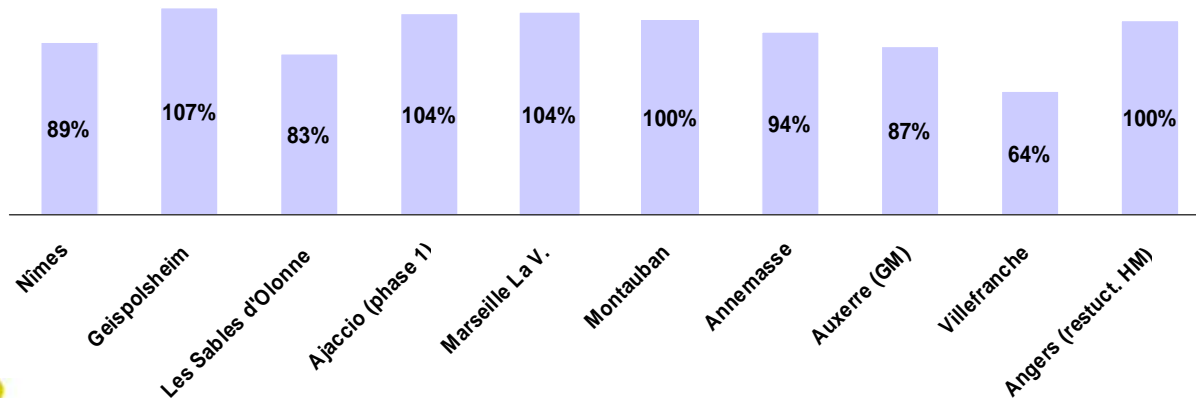
# Next two years to be peak years in terms of completions of Esprit Voisin development projects

- ❖ 11 completions of Esprit Voisin extensions in preparation for 2011 and more than a dozen for 2012

## 2011 schedule



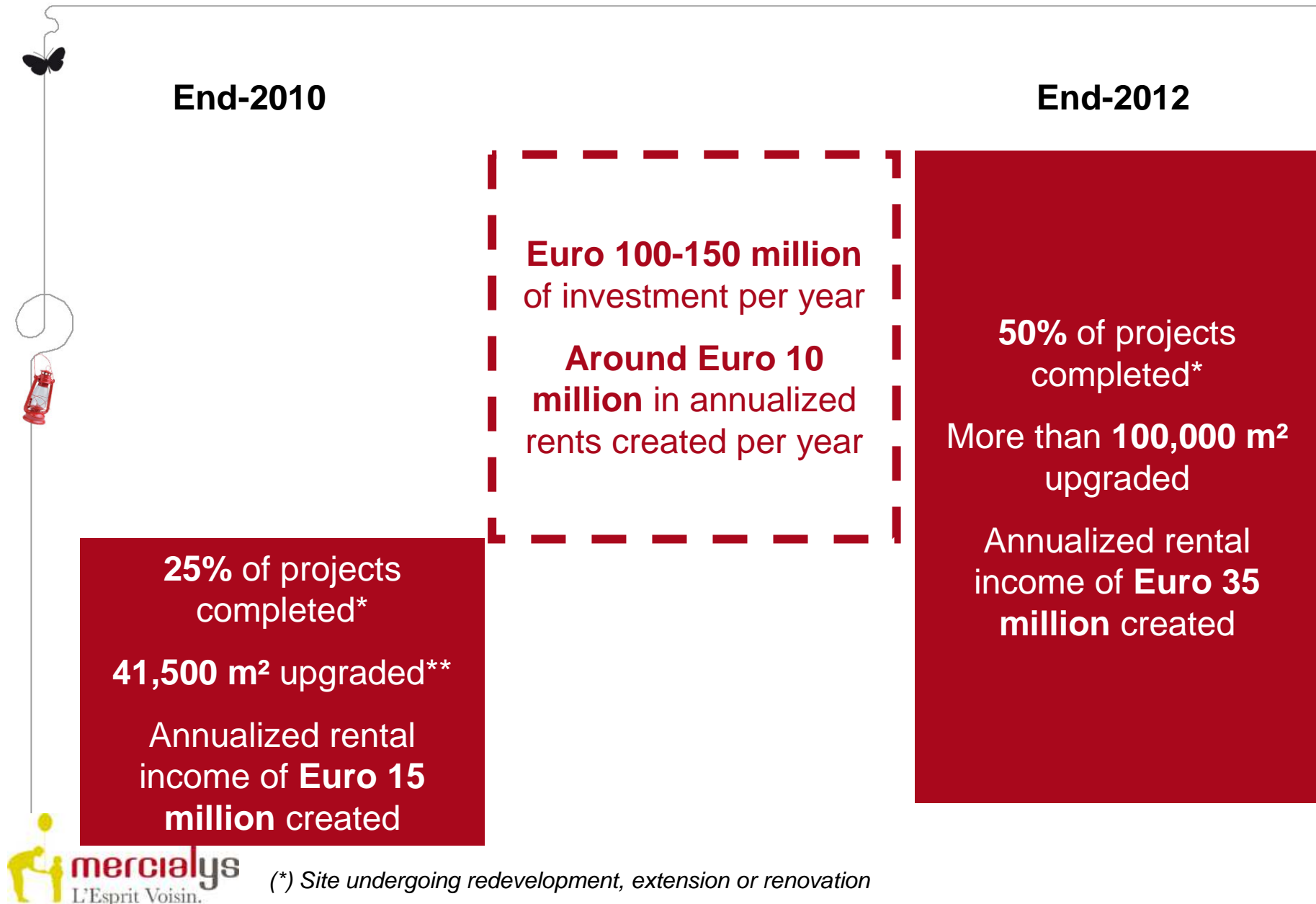
## Letting rate\*



## 2012 completions

St Louis, Bordeaux Villenave, Agen Boé, Quimper, Dijon Chenôve, St André de Cubzac, Bordeaux Pessac, Fréjus, Troyes Barberey, Dijon Chenôve, Auxerre RP, Torcy, Istres (phase 1)

# 50% of properties will benefit from the Esprit Voisin development program by end-2012



(\*) Site undergoing redevelopment, extension or renovation



# 2013 – 2015: a well-stocked pipeline to fuel completions

## 2013 - 2015

*Value creation from 250,000 m<sup>2</sup> of space to fuel growth*

### Major projects

Chartres  
Toulouse Fenouillet  
Orléans

### Phase 2 projects

Annecy phase 2 and Arcaloz' 2  
Brest phase 2  
Ajaccio phase 2

### And others

Albertville, Albi, Bastia, Carcassonne  
Salvaza, Chalon sur Saône, Cholet,  
Clermont Ferrand, Limoges, Marseille  
Plan de Campagne, Paris Massena,  
Montargis, Morlaix, Nîmes, Villeneuve  
Loubet, Savannah St Paul and St Benoit  
(La Reunion island)



+ 20,000 m<sup>2</sup>  
applied for CDAC  
authorization

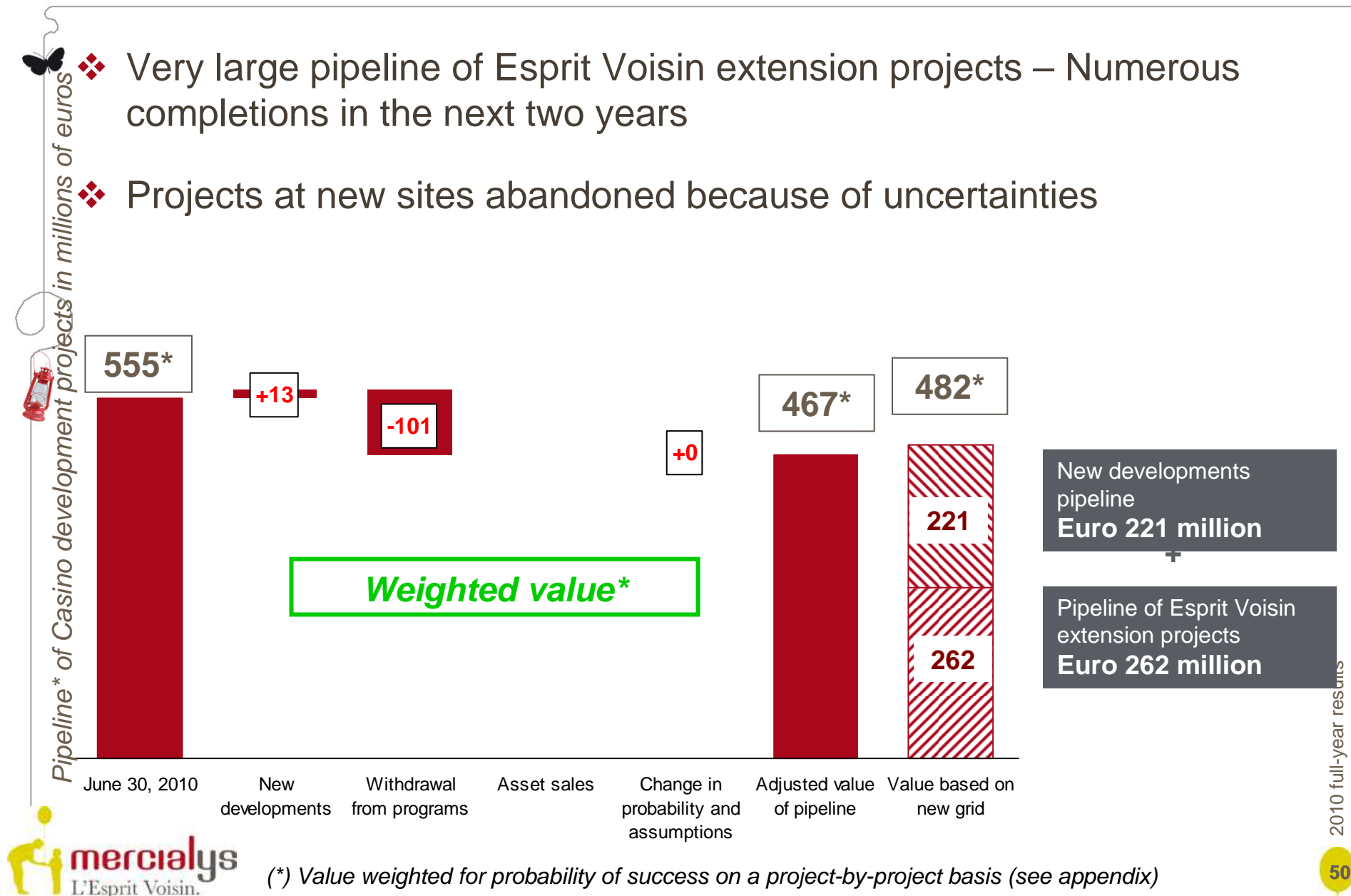


+ 45,000 m<sup>2</sup>  
applied for CDAC  
authorization



# Casino pipeline still the main driver for acquisitions in the years to come

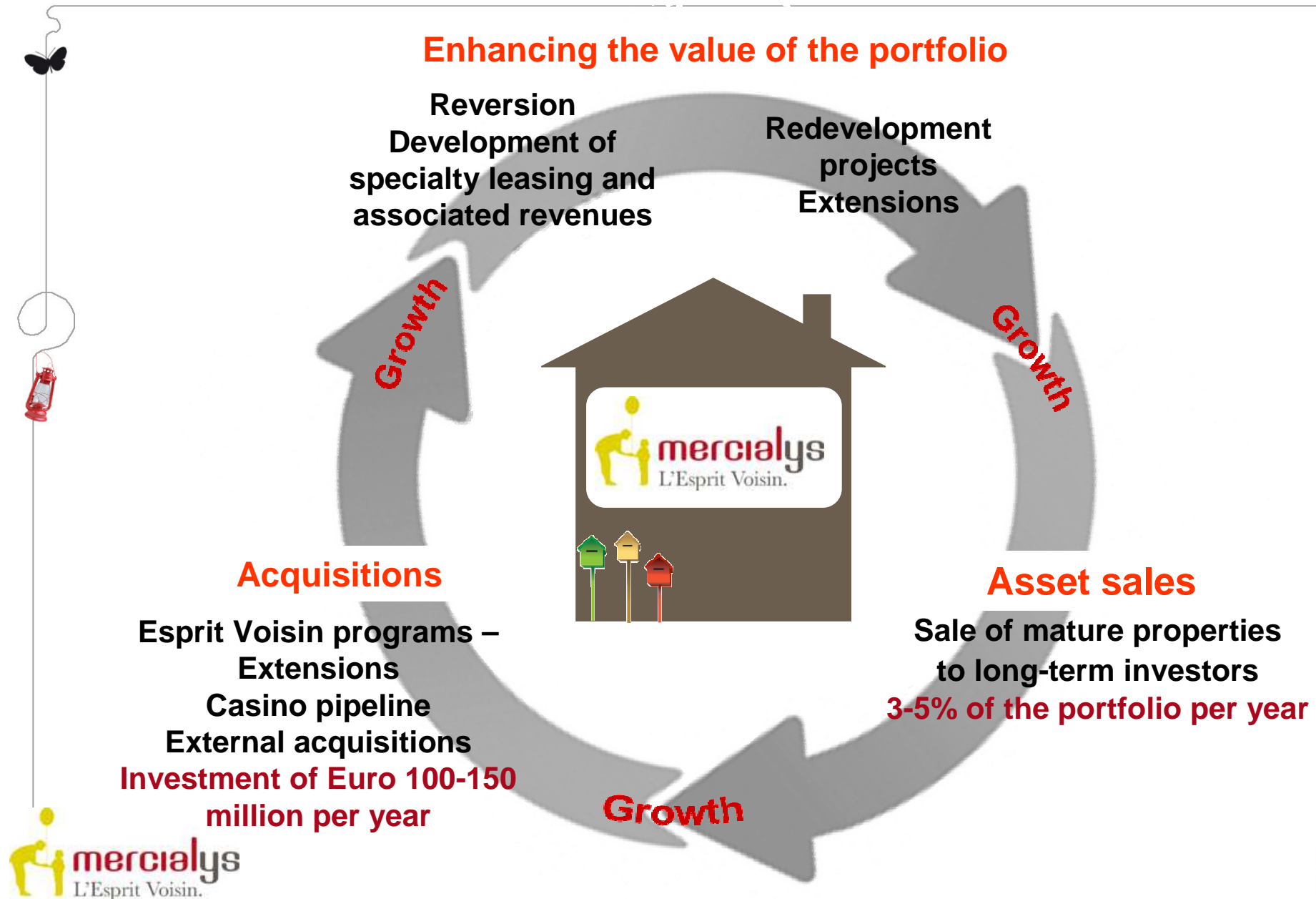
- ❖ Very large pipeline of Esprit Voisin extension projects – Numerous completions in the next two years
- ❖ Projects at new sites abandoned because of uncertainties





Conclusion and outlook

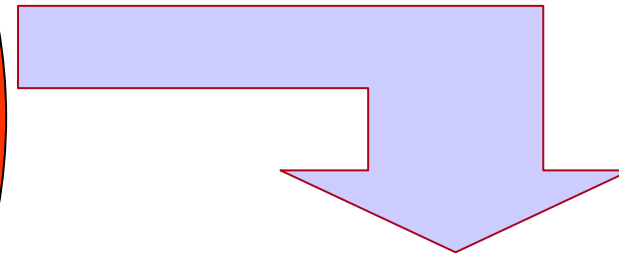
Strategy centered on enhancing the value of assets for development: increase in the quality of the portfolio



# Fast-paced development coupled with a controlled risk profile



- Pure play operator (retail properties in France)
- No exposure to sensitive countries (PIGS, Central Europe)
- Financing mainly by equity
- A durably strong operating performance



**An “industrial” process**  
**Risk profile below average for  
real estate companies over the  
long term**

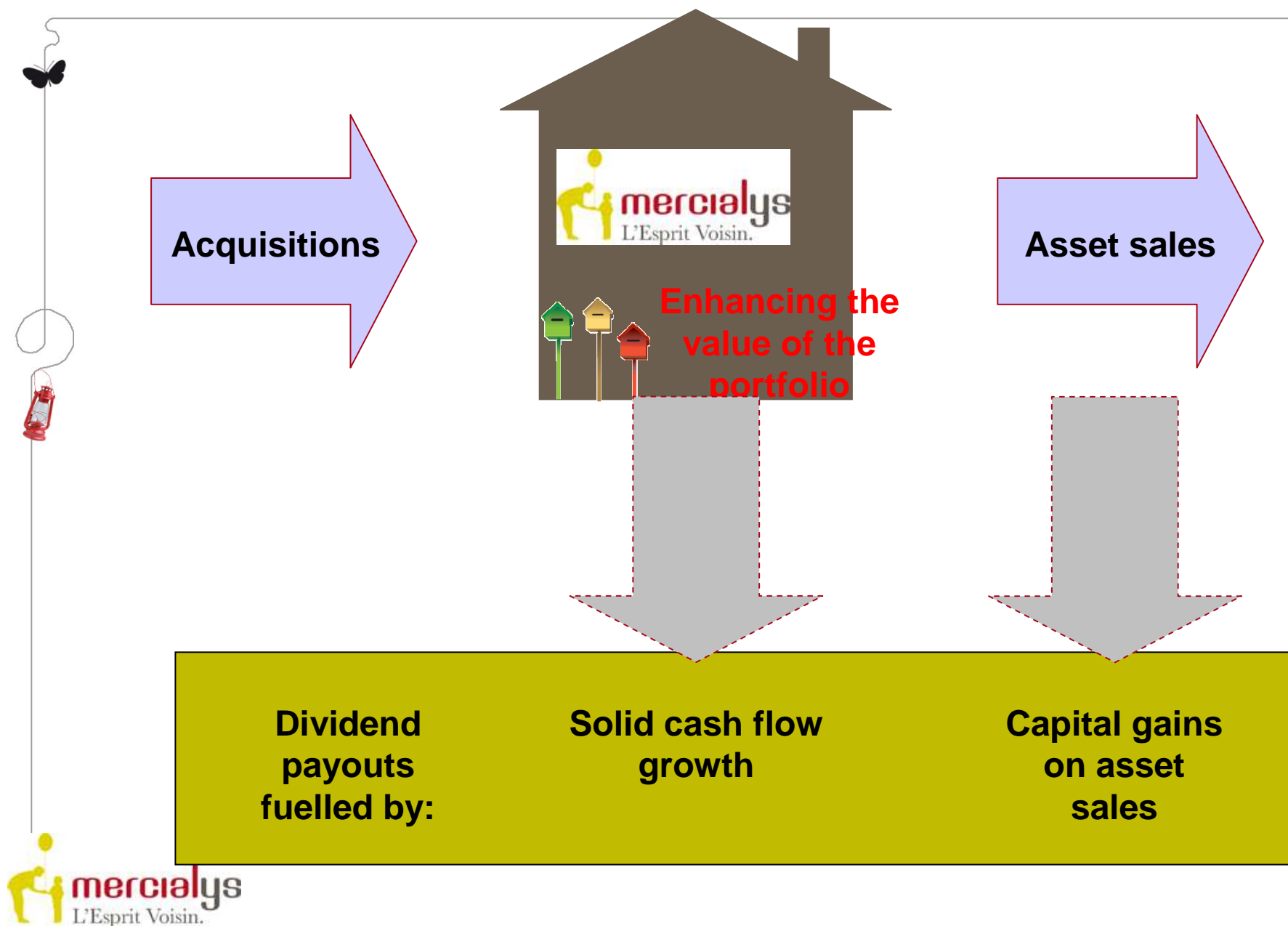
**Lower beta\*: 0.5 vs. 0.7\*\***



(\*) Beta before leverage effect – Internal estimates based on a calculation since 2007

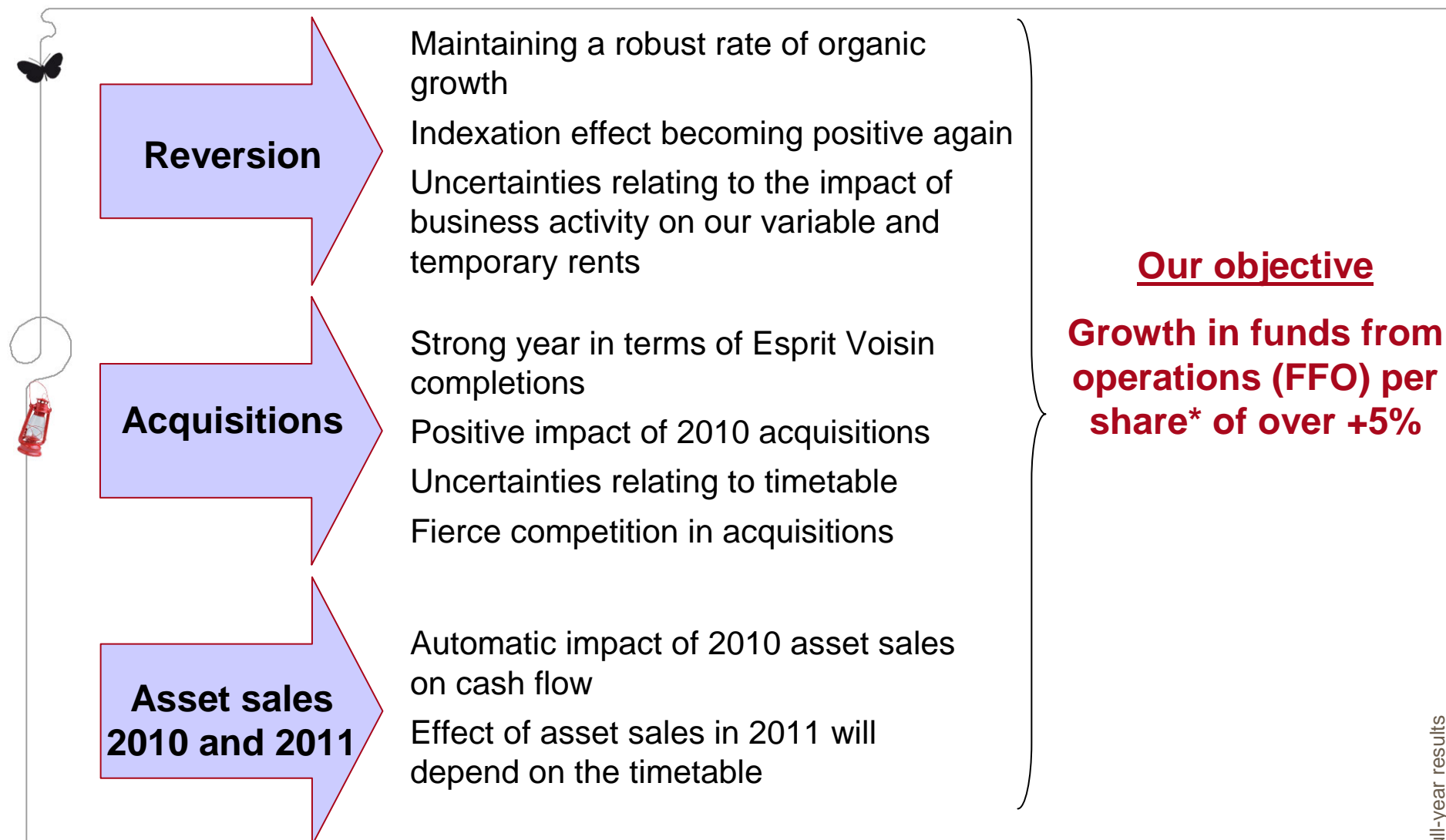
(\*\*) European real-estate companies average beta

# Dividend payout policy suited to our strategy





# Outlook for 2011



(\*) Funds from operations – Net income, share Group, before amortization and net capital gains – per share, fully diluted  
Following the implementation of an active arbitrage policy, Mercialys's Management now favors using funds from operations (FFO) per share as the main indicator of Mercialys's future business performance. Mercialys's balance sheet does not contain any forex or interest rate hedging products, allowing for a high level of clarity concerning the development of this indicator over the years ahead. It also presents the advantage of being comparable with the indicators usually published by Mercialys's competitors.



## Appendices



# Partnership Agreement: new terms

- ❖ Grid of capitalization rates applicable to call options exercised in the first half of 2011 within the framework of the Partnership Agreement with Casino


Type of property	Shopping malls		Retail parks		City center
	Mainland France	Corsica and overseas depts & territories	Mainland France	Corsica and overseas depts & territories	
<b>Large regional shopping centers/Large shopping centers</b> (over 20,000 m <sup>2</sup> )	<b>6.3%</b>	6.9%	6.9%	7.3%	6.0%
<b>Neighborhood shopping centers</b> (5,000-20,000 m <sup>2</sup> )	<b>6.8%</b>	7.3%	7.3%	7.7 %	6.4%
<b>Other</b> (o/w less than 5,000 m <sup>2</sup> )	<b>7.3%</b>	7.7%	7.7%	8.4%	6.9 %

# Detailed income statement

*In millions of euros*

	12/31/08	12/31/09	12/31/10	% chg. 10/09
Invoiced rents	113.6	130.9	144.7	+10.5%
Lease rights	2.6	3.3	4.8	+44.7%
<b>Rental revenues</b>	<b>116.2</b>	<b>134.2</b>	<b>149.5</b>	<b>+11.4%</b>
Non-recovered property taxes	-0.1	-0.2	-0.2	
Non-recovered service charges	-2.5	-3.1	-3.7	
Property operating expenses	-4.5	-5.2	-5.2	
<b>Net rental income</b>	<b>109.2</b>	<b>125.8</b>	<b>140.3</b>	<b>+11.6%</b>
Management, administrative and other activities income	2.5	3.1	2.8	
Depreciation, amortization and impairment of assets	-17.6	-21.6	-25.5	
Staff costs				
External costs	-6.5	-7.7	-8.8	
<b>Operating expenses</b>	<b>-6.9</b>	<b>-6.5</b>	<b>-6.7</b>	<b>+16.7%</b>
	<b>-28.5</b>	<b>-32.7</b>	<b>-38.1</b>	
<b>Operating income</b>	<b>80.6</b>	<b>93.1</b>	<b>102.2</b>	<b>+9.8%</b>
Exceptional items			31.4	
Net financial items	0.9	-0.3	0.1	
Tax	-0.6	0.2	-0.2	
<b>Net income, Group share</b>	<b>80.9</b>	<b>93.0</b>	<b>133.5</b>	<b>+43.5%</b>
<b>EPS (euros per share)*</b>	<b>1.08</b>	<b>1.09</b>	<b>1.46</b>	

# Number of shares



	2008	2009	2010
Number of shares outstanding			
. As at January 1	75,149,959	75,149,959	91,968,488
. As at December 31	75,149,959	91,968,468	92,000,788
Average number of shares outstanding	75,149,959	85,483,530	91,968,488
Average number of shares (basic)	75,073,134	85,360,007	91,744,726
Average number of shares (diluted)	75,111,591	85,420,434	91,824,913

# Condensed balance sheet

## Assets

*In millions of euros*

	12/31/09	06/30/10	12/31/10
Investment property	1,573.1	1,576.7	1,604.3
Financial assets	13.0	13.4	11.7
Other assets	1.0	1.1	1.0
Total non-current assets	1,587.2	1,591.2	1,617.0
Cash and Casino current account	69.9	50.7	77.4
Trade and other receivables	19.9	26.0	40.9
<b>Total assets</b>	<b>1,677.0</b>	<b>1,667.9</b>	<b>1,735.2</b>

## Equity and liabilities

Shareholders' equity, Group share	1,606.3	1,606.0	1,647.4
Minority interests	0.6	0.6	0.7
Total shareholders' equity	1,606.9	1,606.7	1,648.1
Financial liabilities	11.1	8.9	12.5
Deposits and guarantees	21.3	21.8	23.1
Trade and other payables	37.6	30.5	51.5
<b>Total equity and liabilities</b>	<b>1,677.0</b>	<b>1,667.9</b>	<b>1,735.2</b>

❖ Net cash of **Euro 76.4 million** as at December 31, 2010

# Portfolio valued at Euro 2,567 million incl. transfer taxes

## Increase of +5.3% over 12 months

Type of property	Number of assets 12/31/10	Appraisal value incl. transfer taxes at 12/31/10*		Gross leasable area at 12/31/10		Appraisal net rental income	
		Euro millions	%	m <sup>2</sup>	%	Euro millions	%
Regional and large shopping centers	31	<b>1,709.9</b>	67	403,400	55	<b>93.4</b>	62
Neighborhood shopping centers	61	<b>702.2</b>	27	246,500	34	<b>45.1</b>	30
Large food stores	2	<b>2.3</b>	0	7,300	1	<b>0.1</b>	0
Large specialty stores	5	<b>28.6</b>	1	17,900	2	<b>1.9</b>	1
Independent cafeterias	16	<b>35.8</b>	1	21,500	3	<b>2.5</b>	2
Other	15	<b>65.4</b>	3	27,400	4	<b>4.7</b>	3
	<b>130</b>	<b>2,544.2</b>	<b>99</b>	<b>723,900</b>	<b>99</b>	<b>147.7</b>	<b>99</b>
Under development		<b>22.4</b>	1	8,600	1	<b>1.6</b>	1
	<b>130</b>	<b>2,566.6</b>	<b>100</b>	<b>732,500</b>	<b>100</b>	<b>149.3</b>	<b>100</b>

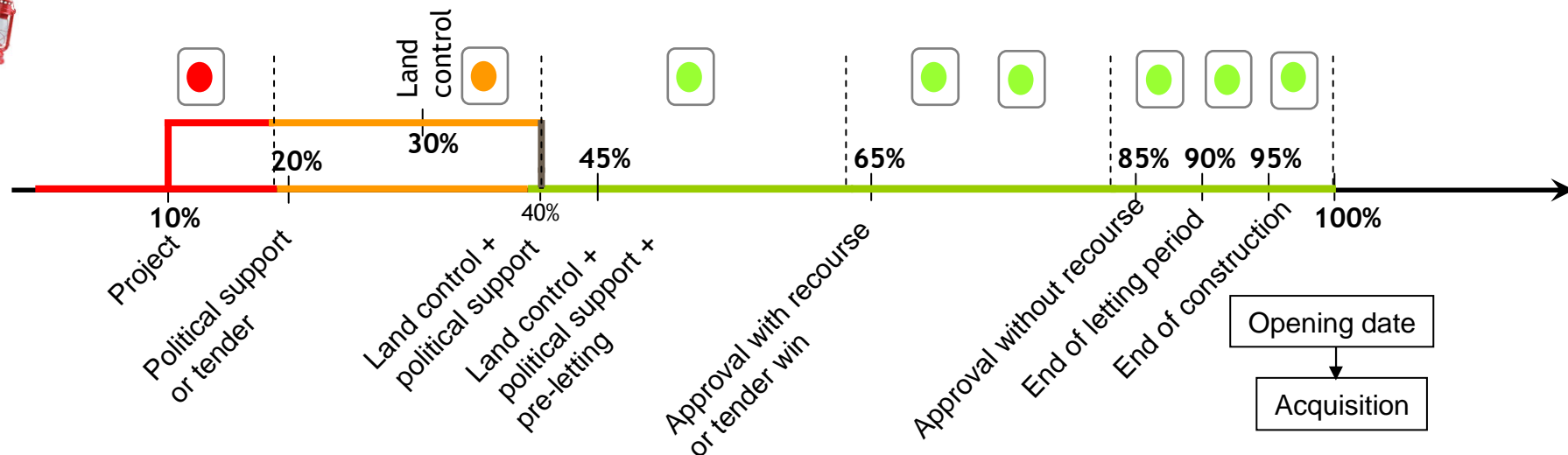
❖ **Average yield: 5.8% as at 12/31/10 vs. 6.1% as at 12/31/09**

(\*) Valuation method: Valuation based on appraisals by Atis Real, Catella and Galtier using the conventional yield method and discounted future cash flow method

# Enhancing the value of the pipeline taking into account the stage of completion of each project

## *Each stage of completion has its own probability*

- ✓ **The development pipeline as it currently stands contains projects with widely varying stages of completion and chances of going ahead**
- ✓ **The valuation method for the pipeline takes account of the stage of completion of each project**



*A realistic approach*