MERCIALYS

2015 RESULTS

FEBRUARY 11, 2016

PRELIMINARY REMARKS

- The 2015 annual consolidated financial statements were approved by the Board of Directors on February 10, 2016

- The audit procedures were performed by the statutory auditors. The audit certification report is in progress

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STRATEGY & KEY MESSAGES

Eric Le Gentil
Chairman and CEO

2015: A YEAR OF PROJECTS AND ACHIEVEMENTS

First half-year

- Launch of the cross-category brand LA GALERIE (76% of sites equipped at end-2015)
- First sale of a non-controlling interest carried out with an OPCI predominantly managed by BNP Paribas REIM France: 6 reconfigured large food stores
- Acquisition of 5 large food stores for transformation, including a first step as part of a large-scale, medium-term project (Marseille Plan de Campagne site)
- Successful opening of the Toulouse Fenouillet retail park, first phase of this project (24,000 sq.m)

  €2.3 million in annualized rents and a yield of 6.9%

Second half-year

- 2 non-controlling interests sold in conjunction with BNPP REIM France: acquisition of 3 large food stores for transformation, the Clermont-Ferrand gallery and large food store
- Strengthening of the proximity strategy through a high-street retail segment: acquisition of 5 sites for transformation from MONOPRIX
- Letting of some 67,000 sq.m to 35 mid-sized stores

  Numerous leases signed with innovative and new retailers
- Opening of the extension to the Aurillac gallery and 1st redevelopment phases at the Brest and Niort large food stores

  Opening of the new Village Services in Mandelieu and Brest
- Supplying the controlled development pipeline to €224m and the potential pipeline to €367m

THE MODEL'S EFFECTIVE MANAGEMENT IS REFLECTED IN FINANCIAL INDICATORS

STRONG GROWTH IN RENTS AND ORGANIC GROWTH
significantly > the +2% objective

Positive effect of acquisitions with immediate returns achieved in 2014 and 2015	Favorable impact of projects completed in 2014 and 2015	Continued development of Casual Leasing and reversion

STRONG IMPROVEMENT OF THE EBITDA MARGIN
Cost control offsetting the full-year impact of the strengthening of teams completed in 2014

FFO GROWTH OF +5.8% > the +3% revised objective

KEY FIGURES

In millions of euros	2014	2015	% Change
Invoiced rents	148.8	166.0	+11.6%
Organic growth in invoiced rents excluding indexation	*+2.8%*	*+3.5%*	*+70 bp*
Rental revenues	152.8	169.0	+10,6%
FFO	102.6*	108.5	+5.8%
EPRA earnings	98.2*	107.4	+9.5%
LTV	*37.4%*	*41.0%*	*+360 bp*
Average cost of drawn debt	*3.1%*	*2.4%*	*-70 bp*
NNNAV / share (EPRA)	18.85	19.48	+3.4%
Dividend / share in euro	1.24	1.33**	+7.3%

(*) Retrospective application of the interpretation of IFRIC 21
(**) Distribution subject to the approval of the General Meeting of April 20, 2016

MERCIALYS STRENGTHENS ITS POSITION AS PROXIMITY LEADER THROUGH HIGH-STREET RETAIL PROJECTS

Large urban areas offer advantages:

- Customers with above-average purchasing power
and/or
- Prime locations or sites

MERCIALYS:

a proximity player

leader and innovative

Major centers or
leading neighborhood centers,
in medium-sized **cities** in **high population areas** with **favorable purchasing power**

Value development and creation through redevelopment projects adapted to sites, where necessary with an external partner for non-retail activities (hotels, offices, housing, leisure facilities)

Backed by an extremely powerful brand

MONOPRIX

ACQUISITIONS AND DISPOSALS CONDUCTED WITH A MAJOR INVESTOR

Limited investment by Mercialys as part of its asset allocation and maintaining its BBB/stable rating

Implementation of structural projects on sites already owned by Mercialys, which keeps full control

Outsourcing of €71m in capital gains (in the parent company's account) in 2015, helping to maintain the dividend at an excellent level

Asset disposals and projects carried out with investors

A DIVERSIFIED PIPELINE PROVIDING GOOD VISIBILITY

Large scale projects

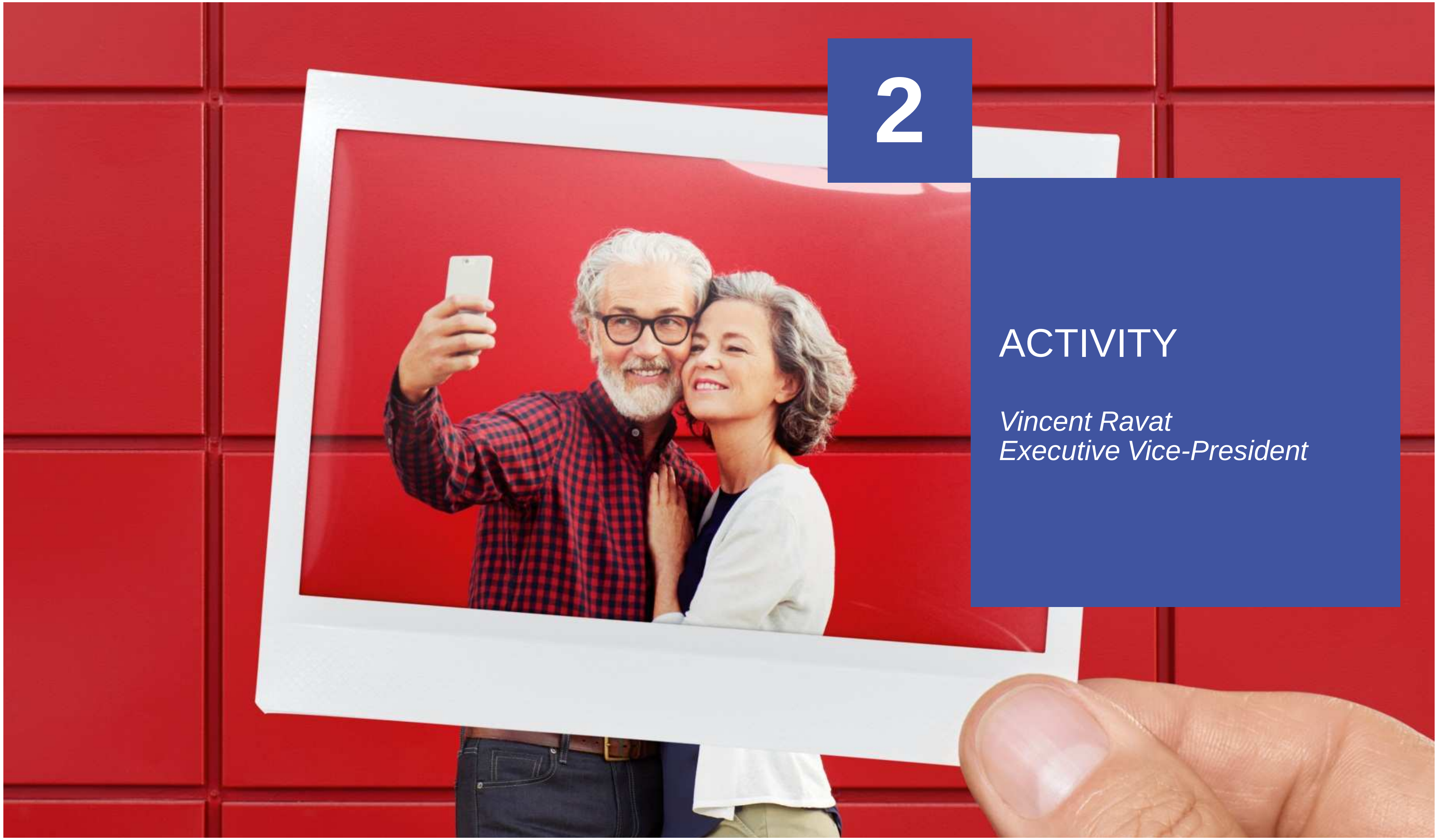
Redevelopment of large food stores

Shopping centers extensions and retail parks

Mixed-use high-street retail projects

IRR of 8–10%

Controlled pipeline: €224m | Potential pipeline: €367m | Total: €592m



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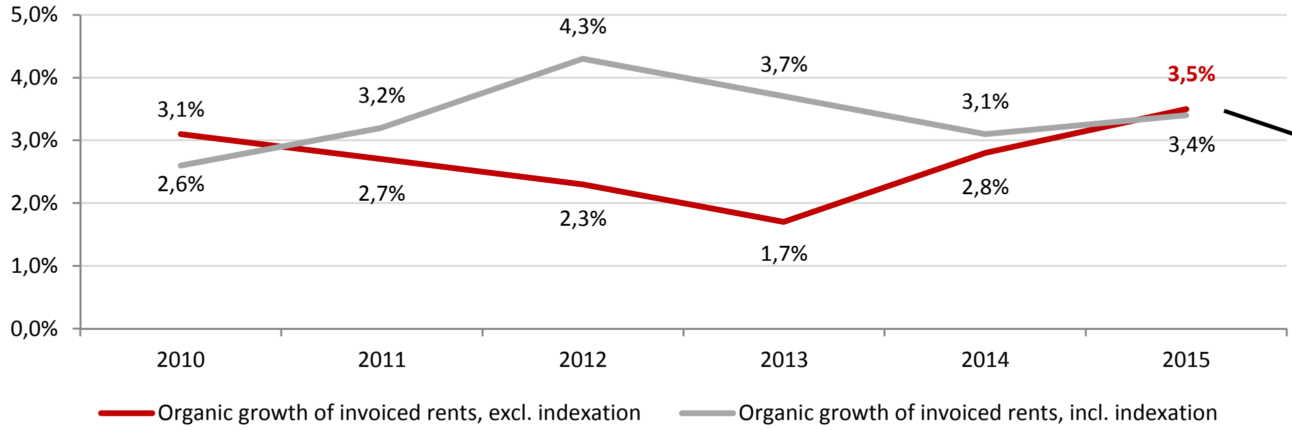
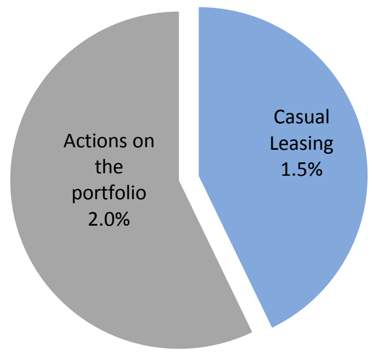
ACTIVITY

Vincent Ravat
Executive Vice-President

ROBUST SUSTAINABLE ORGANIC GROWTH



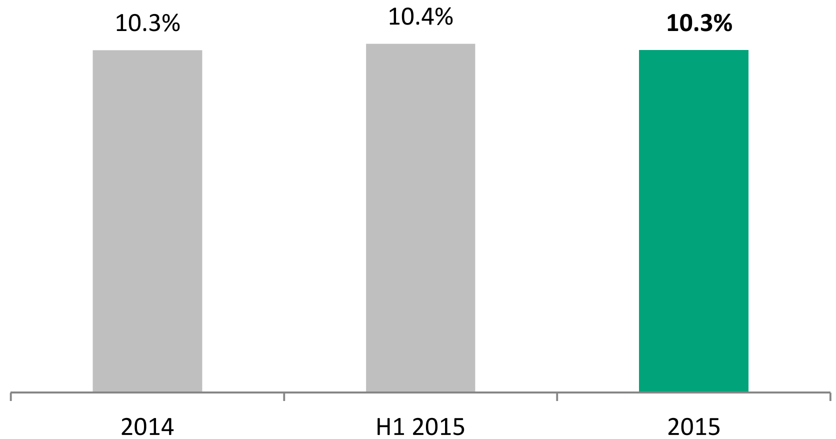
Renewals & relettings: **+19.8%**



CHANGE IN RECURRING FINANCIAL VACANCY RATE

CHANGE IN THE OCCUPANCY COST RATIO

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



THE EXPANSION OF NATIONAL CASUAL LEASING, A MEDIUM-TERM GROWTH DRIVER

Sharp increase in rents by 28.2% to €8.0m

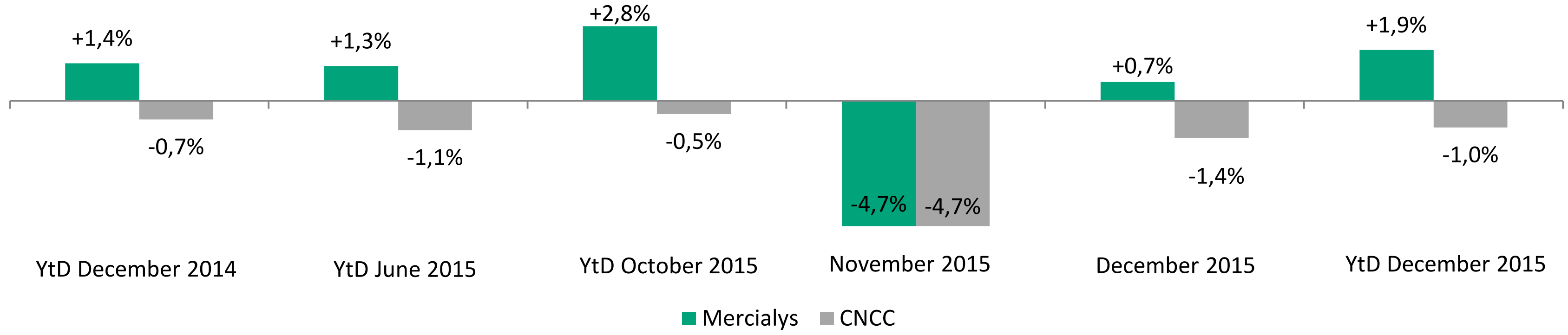
- An approach focusing on upgrading and improving the quality of merchandising
  - growth in the share of national brands (31% of Casual Leasing rents)
  - dedicated support for local retailers: providing displays for improved presentation and specific merchandising assistance for each type of activity, allowing retailers to optimize their offering
- Value of Casual Leasing in the Mercialys portfolio:
  - **€144m** in 2015 (+€37m vs. 2014)

Growth areas for this activity in the medium term:

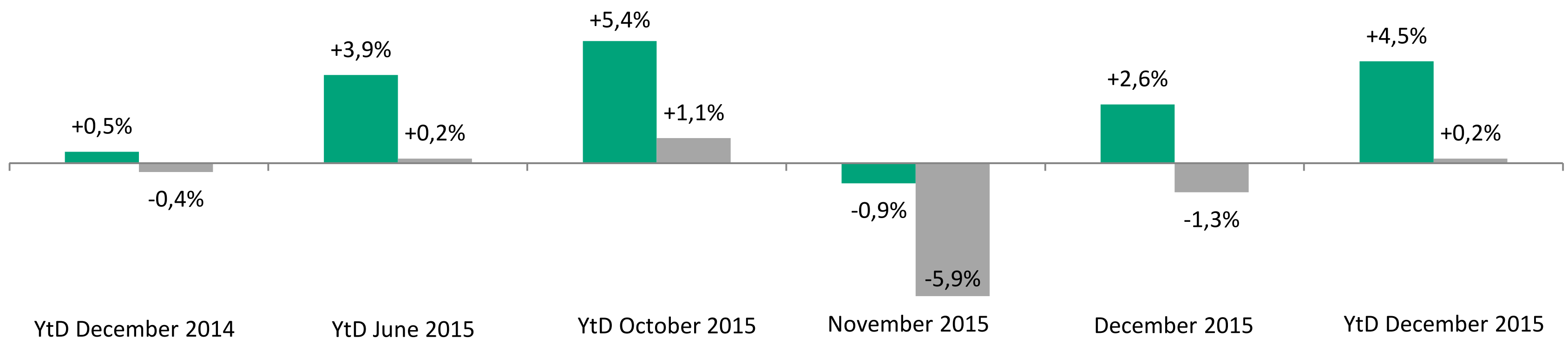
Improved occupancy rate → Growth of national brands activity → Additional areas through development projects

LONG-TERM OPERATING OUTPERFORMANCE OF THE MARKET

CUMULATIVE CHANGE IN FOOTFALL IN 2015*



CUMULATIVE CHANGE IN RETAILERS' SALES IN 2015*



(*) Mercialys: major centers and main neighborhood shopping centers in scope
CNCC: all centers in scope

A NETWORK OF TARGETED AND ATTRACTIVE COMMERCIAL SITES FOR RETAILERS

Examples of leases signed in 2015

CONTINUOUS OPTIMIZATION OF OUR STORE-MIX: REDEVELOPMENT OF 29 CAFETERIAS

- Prime locations inside the shopping centers
- Redevelopment that enhances the appeal of assets through reletting to attractive retailers
- A renewed concept on cafeterias operated and owned by Casino, which are moved to the car park, allowing the keep this service on site

+€1.8m in additional net rent (€1.3m of which is already secured) for €24m of capex, i.e. a yield on cost of **7.5%**

MANGO
Boulangerie
BONOBO JEANS
Confidences en cuisine
Marie Blachère
Bouygues Telecom
NUITS BLANCHES
H&M
idkids
WOKASIE
okaïdi
KAPORAL 5
picard
GÉNÉRALE D'OPTIQUE
COURIR
FRANCK PROVOST
NOCIBÉ
PittaRosso
CAMAÏEU
GROUPE BEAUMANOIR
NATURALIA
Pascal Coste


Brest: cafeteria before redevelopment

Brest: new Mango store

A SINGLE BRAND, WITH STRONG SYNERGIES, IMPLEMENTED ACROSS THE ENTIRE PORTFOLIO

CREATING A GROUP-WIDE, SINGLE BRAND, "G LA GALERIE", LINKED TO A REDESIGN OF THE VISUAL IDENTITY AND INTERIOR/EXTERIOR DESIGN OF THE CENTERS

43 **sites** with a new exterior design in 2015

18 **sites** with renovated interiors in 2016 (1st phase)

Benefits

- Increased clarity and visibility for the sites, at the sites themselves and online
- A single brand for pooling marketing actions and creating digital synergies
- Positive impact on footfall at each stage of deployment

A BRAND THAT ALLOWS US TO LAUNCH A UNIFIED DIGITAL ECOSYSTEM

LEARNING MORE ABOUT OUR CUSTOMERS

Qualify customer data in the database by systematically ensuring that the personal information provided by customers is complete

LOYALTY

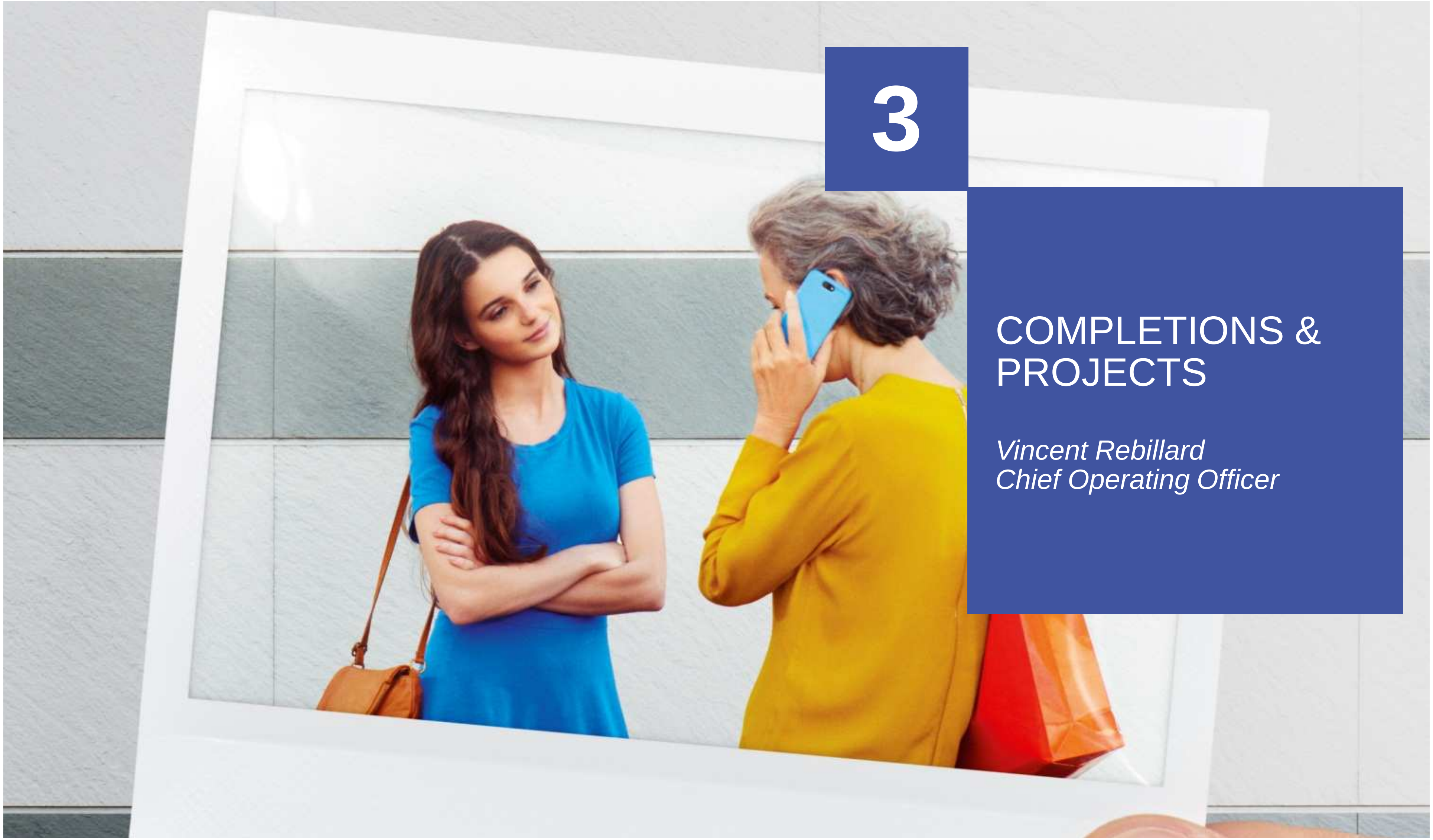
Roll out an innovative and differentiating loyalty and facilitation tool: the loyalty challenge

MORE PROMOTIONAL OFFERS

Make our retailers' commercial offers available to the wider public (including those on Cshopping) via a new platform based on the digital and services ecosystem

INCREASE THE NUMBER OF RECURRING VISITORS

Monitor customer behavior (visits, customer journeys, etc.) to adapt our action plans



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COMPLETIONS & PROJECTS

Vincent Rebillard
Chief Operating Officer

SUMMARY OF OPERATIONS COMPLETED IN 2015

2015 OPENINGS

1st-half	Toulouse Fenouillet retail park (1st phase of the project) €2.3m in annualized rents
2nd-half	Extension of the Aurillac shopping center €0.5m in annualized rents
2nd-half	Extension of the galleries in Brest and Niort on former large food stores' areas €0.4m in annualized rents

+ €3.2m in annualized rents

2015 ACQUISITIONS

1st-half	5 large food stores for transformation: €167m Besançon, Lanester, Poitiers, Dijon, Marseille €9.3m in annualized rents
2nd-half	4 large food stores for transformation (51% share)*: €108m for 100% Istres, Narbonne, Le Puy, Clermont-Ferrand €5.4m in annualized rents for 100%
2nd-half	1 large food store for transformation: €53m Annemasse €2.6m in annualized rents
2nd-half	5 sites for transformation from Monoprix: €111m Puteaux, Asnières, Chaville, Marseille, Lille €6.5m in annualized rents

€439m in total investment

€386m of investment in Mercialys' share

+ €23.8m in annualized rents

5.4% total immediate yield on cost

** Mercialys fully consolidates these assets, i.e. 100% of rents, with FFO taking into account the 49% share held by minority shareholders*

NEW OPENINGS IN 2015, PROOF OF A NIMBLE BUSINESS MODEL

Very positive trends following the opening of the Toulouse Fenouillet retail park in May 2015

- Most recent retailer openings in the autumn
- Annualized rents of €2.3m, representing a 6.9% yield on cost on this project
- Very satisfactory retailer performance: strong growth in revenues since the site was opened in May

NEW OPENINGS IN 2015, PROOF OF A NIMBLE BUSINESS MODEL

Opening of the Aurillac shopping center extension in November 2015

- Acquisition of a 1,500 sq.m extension (10 stores, all leased) to this gallery, the leader in its region: investment of €8.2m for a net yield on cost of 6.5%
- Enhanced attractiveness and merchandising for the site

Rapid implementation of the large food stores redevelopment strategy: 1st phases of the Brest and Niort extensions opened (average IRR of 9.0%)

- **Niort**: 1,330 sq.m H&M extension within the large food store reserve area
- Entrenchment of this anchor tenant and ongoing implementation of the 2nd redevelopment phase

- **Brest**: new 2,300 sq.m Cultura opened
- A leading retailer generating footfall that will increase the expected reversion on this site

ACQUISITION OF 5 RESTRUCTURING PROJECTS IN THE 2ND HALF-YEAR, OF WHICH FOUR WITH AN INVESTOR

Acquisition of 5 large food stores immediately producing rent
Total amount (100%): €161.2m (incl. transfer taxes)
Mercialys' share: €108.3m (incl. transfer taxes)
Associated net rents: €8.1m
Immediate yield: 5.0%
Projects' completion: 2017 – 2018
Overall yield before leverage (food stores + project): 5.2%

For 4 of these projects (Narbonne, Istres, Le Puy, Clermont-Ferrand), Mercialys holds a 51% stake, with 2 OPCI managed by BNP Paribas REIM France holding the remaining 49%.

These acquisitions give Mercialys upstream overall control of the commercial strengthening of these sites. The projects will complement the hypermarket offer by providing powerful and differentiating non-food anchors

Clermont-Ferrand

Istres

Le Puy

Narbonne

Annemasse

Investment for the 5 associated projects: €16.3m
Additional net rents: €1.2m
Expected net yield: 7.6%

EXPECTED IRR > 8%
ACCRETION ON FFO

DEVELOPMENT OF MIXED-USE PROJECTS ON HIGH STREET RETAIL SITES

Acquisition of 5 sites for transformation for €110.6m incl. transfer tax and an immediate yield of 5.9%

€45m of investment as part of mixed-use projects, for an IRR of ~ 9% (*)

MARSEILLE

Breathing new life into an iconic Haussmann building

LILLE

Becoming the beating heart of urban renewal on a leading street

* These projects may change depending on any studies conducted and approvals obtained

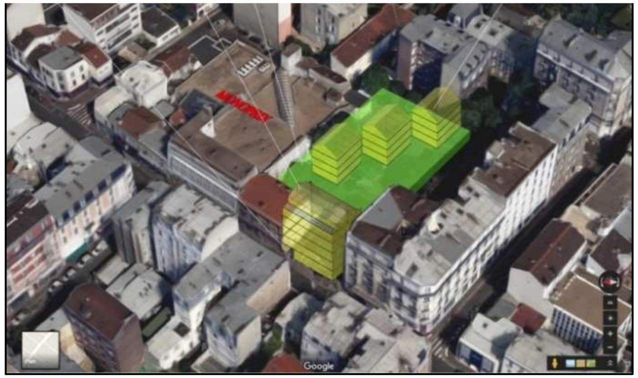
DEVELOPMENT OF MIXED-USE PROJECTS ON HIGH STREET RETAIL SITES

PUTEAUX

Creating a new block inside the city

ASNIERES

Adapting the city center to the planning challenges of the Grand Paris



CHAVILLE

Designing the city center of the future

SIGNIFICANT COMPLETIONS IN 2016

Phase 2 of the major Toulouse Fenouillet project*

Scheduled for opening in November 2016

70% already let to date

Annualized rent: €7.0m

5 completions of shopping centers’ extensions on large food stores’ area

Aix, Angers, Anglet, Nîmes (phase 1), Rennes (phase 1)

Delivery in Q4

Annualized rent: €2.4m

Delivery of a retail park and a shopping center extension

Sainte-Marie retail park (La Réunion) scheduled for delivery in Q4 2016

Annualized rent: €0.7m

Extension of the Carcassonne Salvaza gallery** scheduled for delivery in Q2 2016

Annualized rent: €0.3m

** Mercialys holds a fair value call option for this project that can be exercised at the opening at the latest*
*** Project presented by the Casino Group under the Partnership Agreement, subject to the agreement of the Board of Directors of Mercialys*

A POTENTIAL PIPELINE CAPITALIZING ON ALL OF MERCIALYS' REAL ESTATE RESOURCES

Large project

- Marseille Plan de Campagne

Shopping centers' extensions and retail parks

- La Réunion (Saint-Denis, Le Port)
- Marseille
- Brest
- Clermont-Ferrand
- Dijon
- Bordeaux-Pessac
- Saint-Etienne
- Morlaix

Mixed-use high street retail projects

- Marseille Canebière
- Lille-Marcq-en-Baroeul
- Puteaux
- Asnières
- Chaville

Deliveries: 2017 - 2020

SUMMARY OF THE DEVELOPMENT PIPELINE: €592M GROSS INVESTMENTS

In millions of euros	Total investment	Investment still to be initiated	Forecasted net rental income	Forecasted net yield on cost	Date of completion
Transformation of 4 large food stores acquired in H1 2014	34.5	34.5	3.3	9.4%	2015 to 2017
Transformation of 8 large food stores acquired in H2 2014	26.7	26.3	2.9	10.9%	2016 to 2017
Transformation of 4 large food stores acquired in H1 2015	16.3	16.3	1.2	7.5%	2017
Transformation of 5 large food stores acquired in H2 2015	16.3 (5)	16.3	1.2	7.6%	2017 to 2018
Toulouse Fenouillet Phase 2 (1)	118.0	101.2	7.0	5.9%	2016
Sainte Marie Retail Park (2)	8.1	8.1	0.7	8.6%	2016
Carcassonne Salvaza (2)	4.4	4.4	0.3	6.3%	2016
TOTAL controlled pipeline	**224.3**	**207.1**	**16.6**	**7.4%**	
Total potential pipeline (3)	**367.4**	**367.4**	**21.0**	**6.5%**	
TOTAL pipeline (4)	**591.7**	**574.5**	**37.6**	**6.9%**	

(1) Mercialys holds a fair value call option for this asset, that can be exercised at the opening at the latest

(2) projects presented by the Casino Group under the Partnership Agreement, subject to the agreement of the Investment Committee and the Board of Directors of Mercialys

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

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

(5) including €11 million of the Mercialys share, the company acquired a 51% stake in the Istres, Narbonne, Le Puy and Clermont-Ferrand projects

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FINANCIAL STRUCTURE & RESULTS

Elizabeth Blaise
CFO

A SOLID FINANCIAL STRUCTURE

- **Net debt: €1,361m**, including
    - €1,230m of bond debt
    - €166m of commercial paper
- **Undrawn financial resources: €350m**

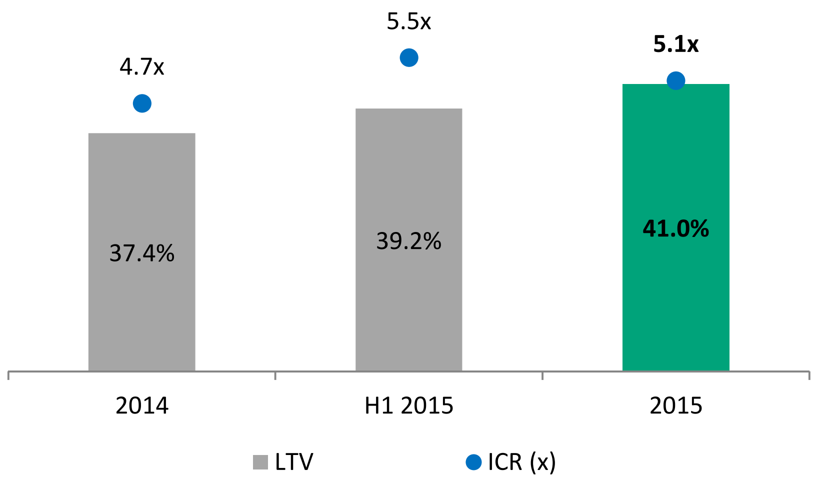
The LTV totaled 41%

The ICR remains at a very high level of 5.1x

€200m bond issue supplementing the 2023 bond launched at a favorable rate

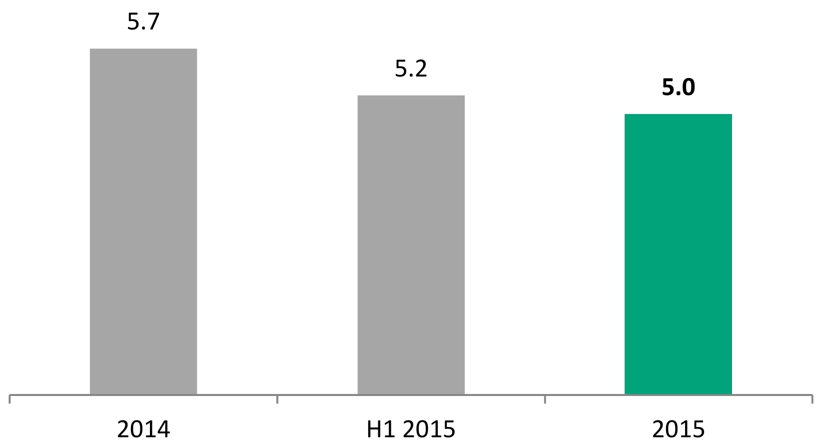
Standard & Poor's financial rating: BBB/stable

CHANGE IN LTV (EXCLUDING TRANSFER TAXES) AND ICR



CHANGE IN DEBT MATURITY

- (in years)

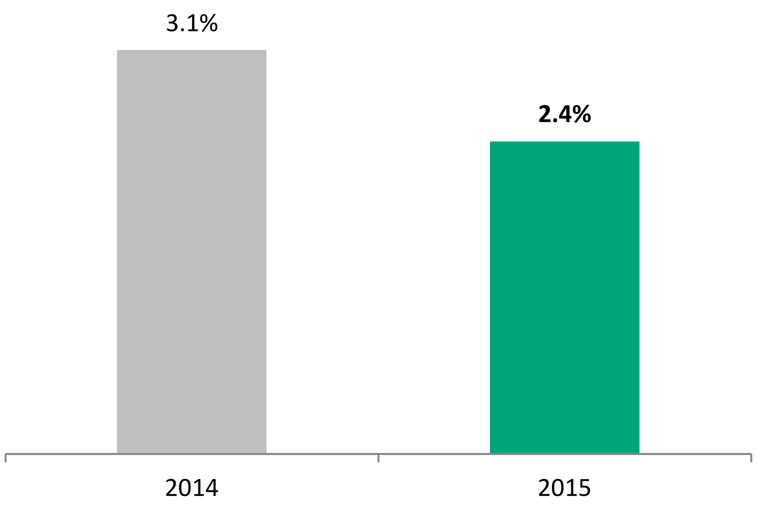


A FAVORABLE COST OF FINANCING

Increased financial expenses due to investments are limited by optimizing the cost of debt

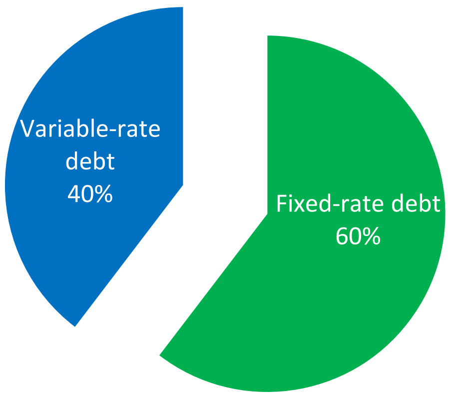
- Volume effect: full-year impact of the €550m bond issued in Q4 2014 (1.787%) and the new €200m bond issued in November 2015 based on a cost of 2.203%
- Favorable impact of the debt hedging strategy on the cost of financing: variability of the new issue followed by refixing
- Attractive cost of commercial paper (average cost of 0.07%)

CHANGE IN THE COST OF DRAWN DEBT



LONG-TERM DEBT COVERAGE RATIO

- (including commercial paper program)



3 TRANSACTIONS CONCLUDED WITH BNP PARIBAS REIM FRANCE

Hyperthetis Participations

Mercialys: 51%*

OPCI SPF2**: 49%

❶ **6 reconfigured large food stores (H1 2015)**: €10.6m in annual rents (net capital gain of €25.3m)

❷ **3 large food stores for transformation**: investment of €69.5m DIH in Nov. 2015

- €3.5m in rents paid by the large food stores (immediate yield of 5.1%)
- €5.9m of capex generating a target yield of > 6% and an IRR of 8–10%

Immosiris

Mercialys: 51%*

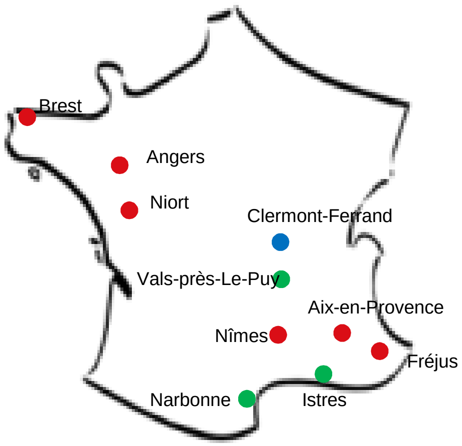
OPCI REAF**: 49%

❸ **Clermont-Ferrand site (Nov. 2015)**

Sale by Mercialys of the **gallery** to the subsidiary for €101.4m (net capital gain of €45.5m)

Acquisition by Immosiris of the **large food store for transformation** from the Casino Group:

- investment of €38.6m, generating an immediate net yield of 4.9%
- capex of €4.9m, generating a target yield of > 6% and an IRR of 8% to 10%



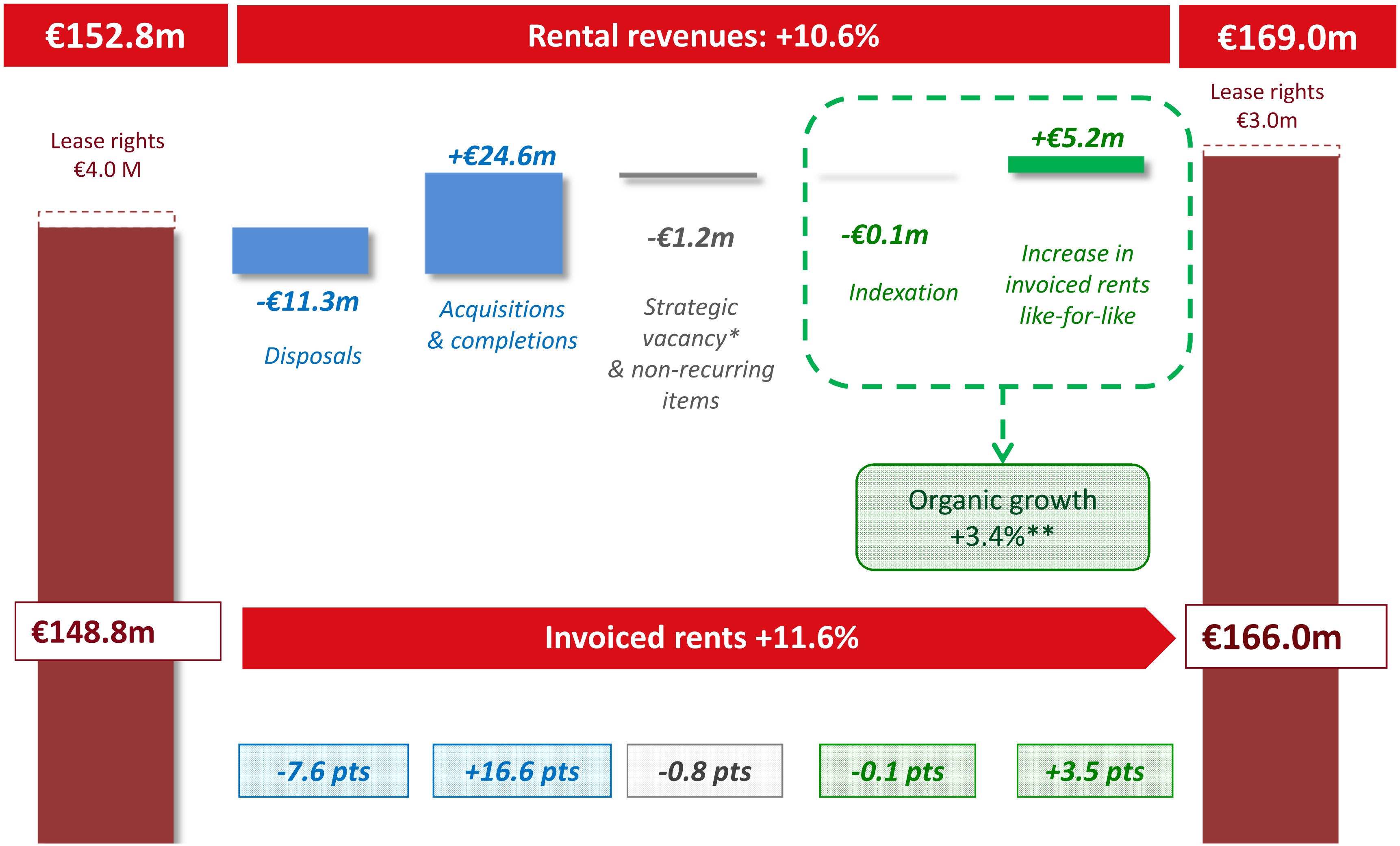
- 6 reconfigured large food stores integrated into Hyperthetis in H1 2015
- 3 large food stores to be transformed, integrated into Hyperthetis in H2 2015
- 49% stake in the gallery and large food store to be transformed in Immosiris sold in H2 2015

TOTAL NET CAPITAL GAIN OF €71m recorded in the parent company's accounts

Full consolidation of these subsidiaries by Mercialys

*** These OPCI are managed by BNP Paribas REIM France*

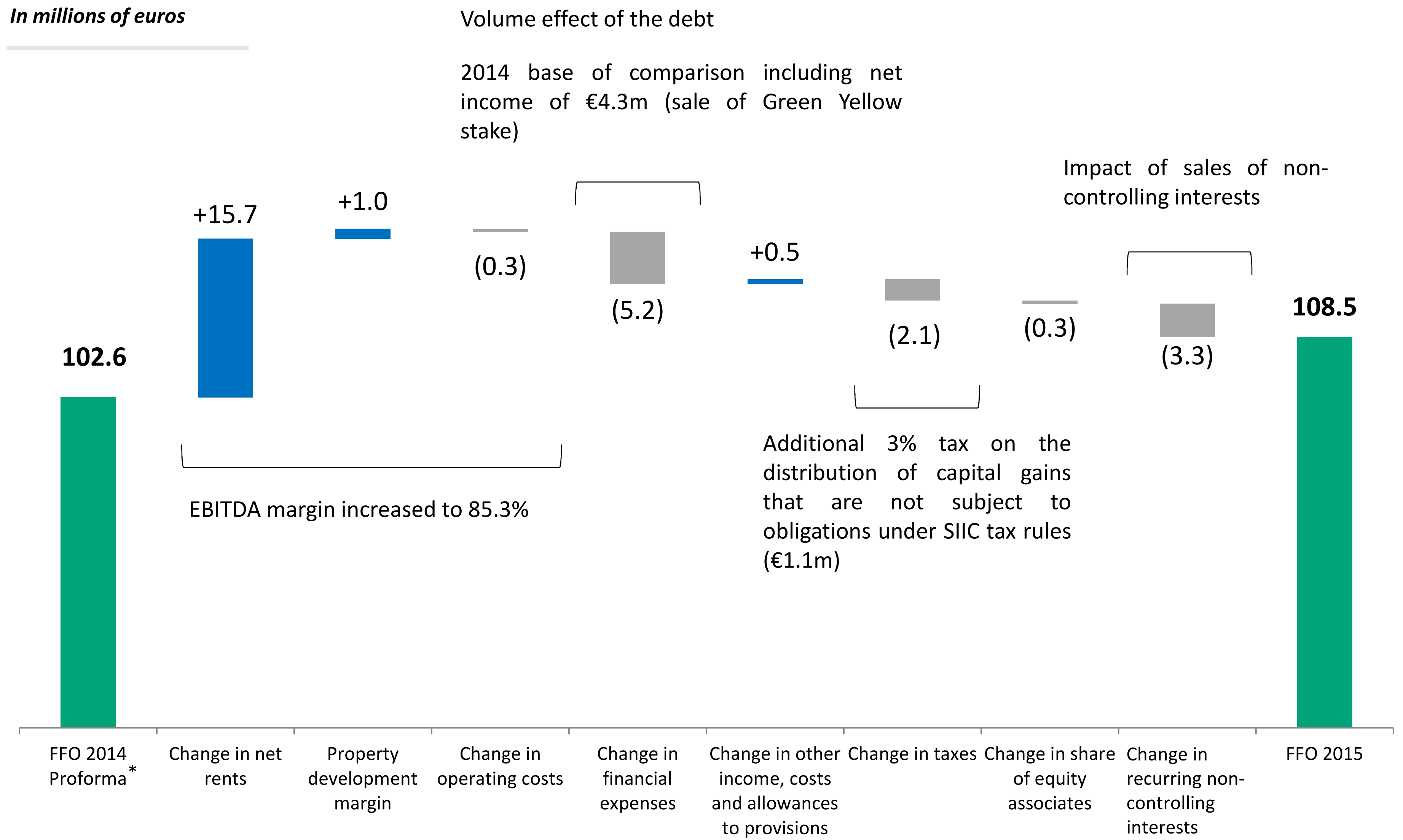
INCREASE IN RENTS AND ORGANIC GROWTH



(*) Linked to the development program – Units left vacant to facilitate future restructurings
(**) Organic growth of invoiced rents including current vacancy, variable rents and indexing, excluding the impact of recurring lease rights

STRONG GROWTH IN FFO: +5.8%

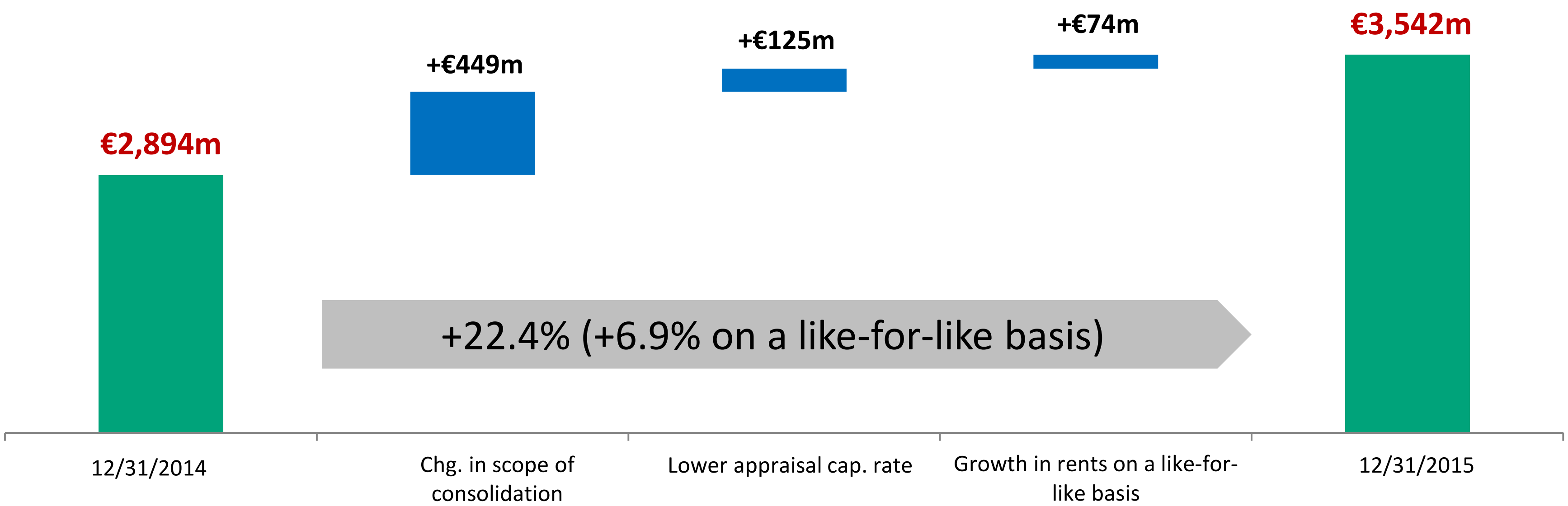
In millions of euros



** The previously published financial statements were restated following the retrospective application of the interpretation of IFRIC 21*

PORTFOLIO VALUE UP BY +22.4%, INCLUDING +6.9% ON A LIKE-FOR-LIKE BASIS

*Breakdown of change in the portfolio's appraisal value, including transfer taxes**

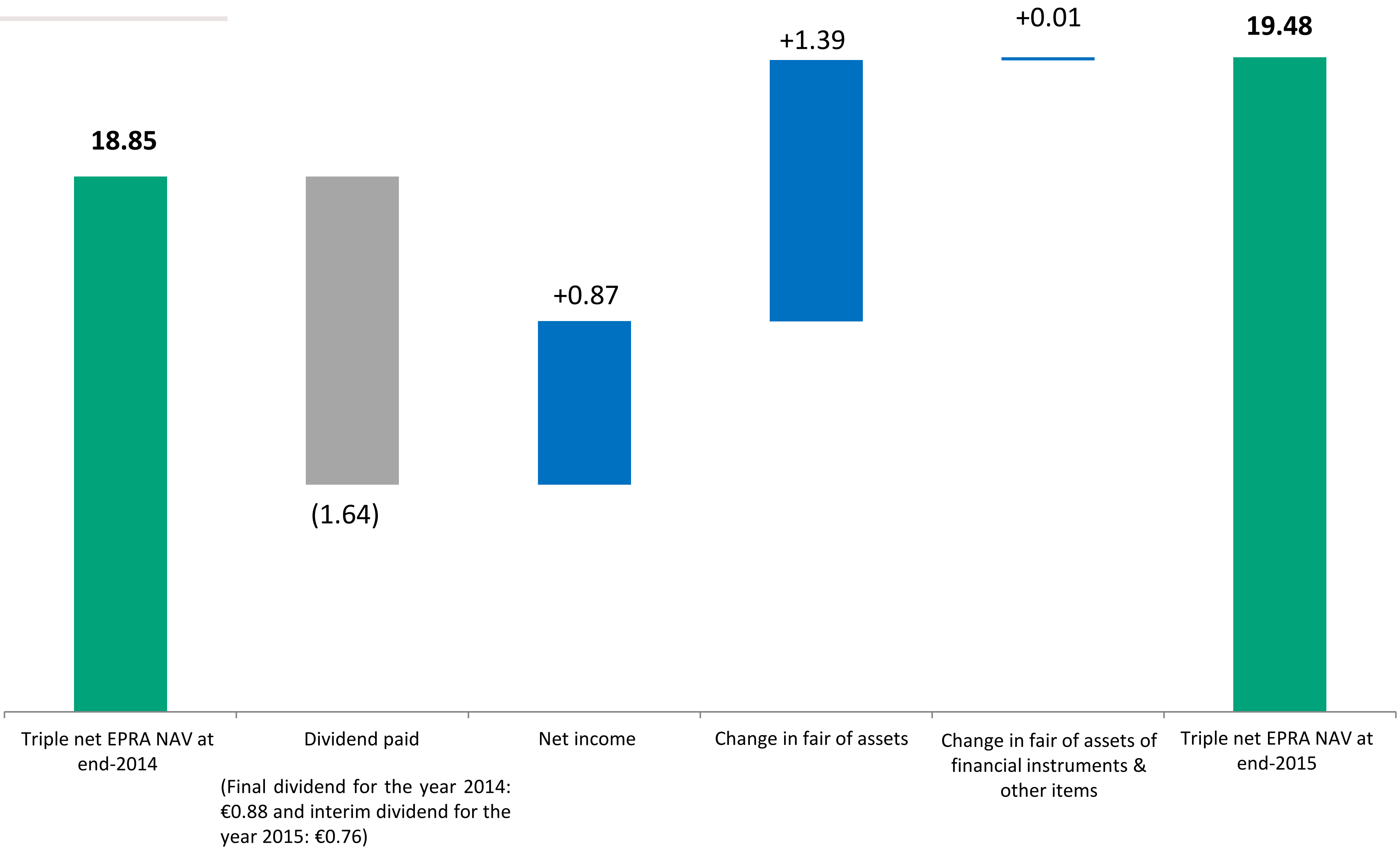


	06/2014	12/2014	06/2015	12/2015
Average appraisal capitalization rate	***5.70%***	***5.60%***	***5.55%***	***5.36%***

(*) Based on the appraisals of BNP Real Estate Valuation, Catella, Cushman & Wakefield and Galtier

CHANGE IN NNNAV

NNNAV (EPRA, in €/share)



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CONCLUSION & 2016 OBJECTIVES

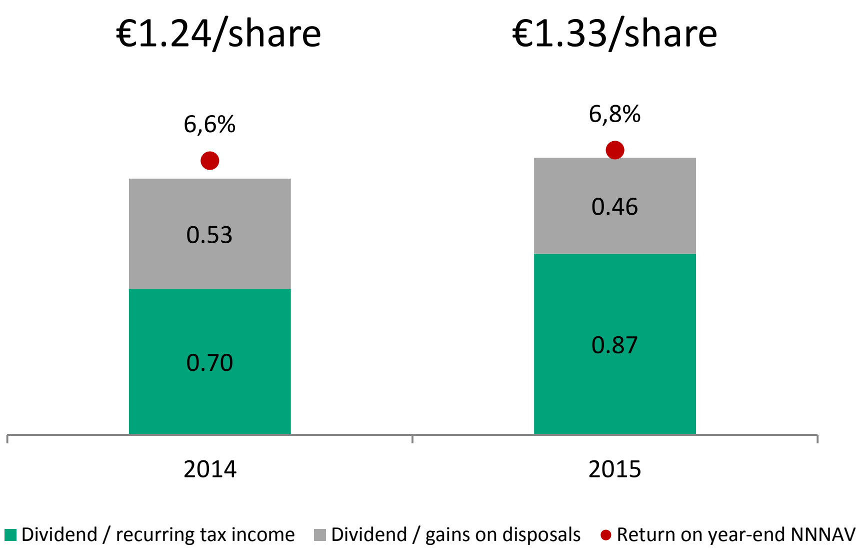
Eric Le Gentil
Chairman and CEO

DIVIDEND PAYMENT

Proposed dividend up +7.3% to €1.33 per share, contributing to a high total return of 10.2% in 2015

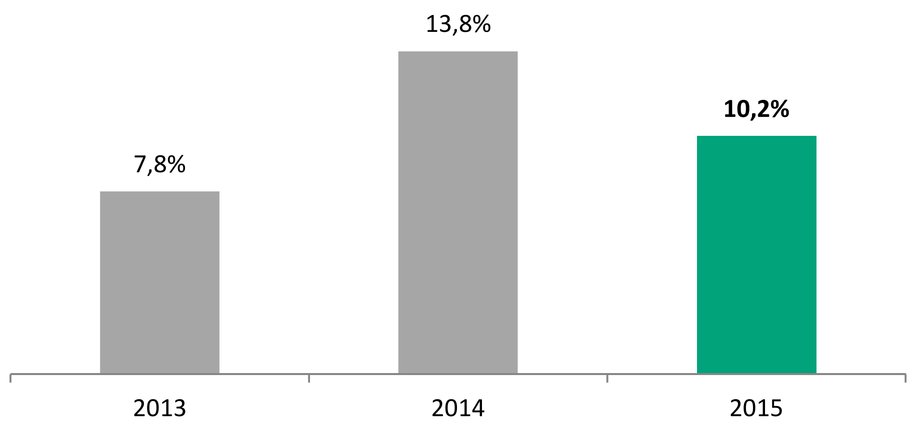
- Mercialys will propose to the General Meeting the payment of a dividend of €1.33* per share, including the interim dividend of €0.76 per share paid in December 2015
- Mercialys distributes for 2015:
    - The mandatory distribution of its recurring taxable income under SIIC tax rules,
    - 60% of its capital gains, regardless of whether or not they are part of the mandatory distribution under SIIC tax rules

BREAKDOWN OF THE DIVIDEND



CHANGE IN THE TOTAL RETURN

- (growth of NNNAV + dividend yield/NNNAV, excluding exceptional distribution)



** Distribution subject to the approval of the General Meeting of April 20, 2016*
The ex-dividend and payment dates are April 22 and April 26, 2016 respectively

2016 OBJECTIVES

Organic growth in invoiced rents

> 2% above indexation

Growth of FFO

+2% vs. 2015

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APPENDICES

FINANCIAL CALENDAR

April 2016	Activity at March 31, 2016 (after market close)
April 20, 2016	Annual Shareholders' Meeting
July 27, 2016	Press release on 2016 half-year results (after market close)
July 28, 2016	Conference call on half-year financial results
October 2016	Activity at September 30, 2016 (after market close)

ASSET LOCATIONS

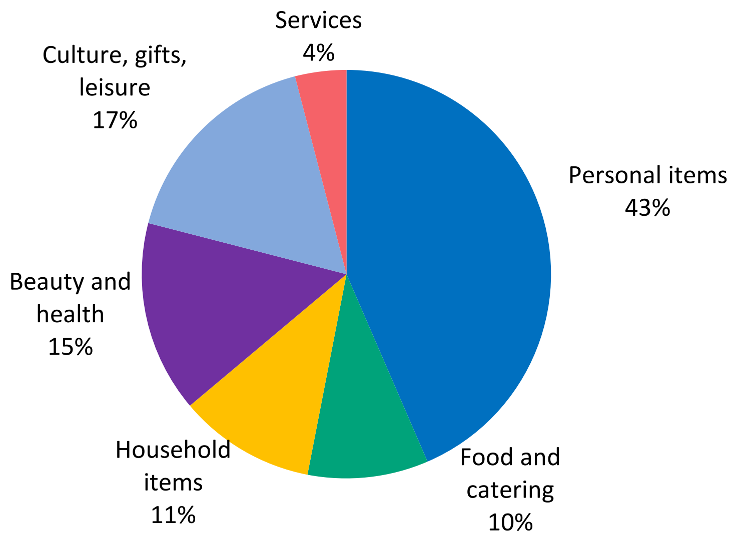
- **The only listed French real estate company that is a pure player in shopping centers**
  - Mercialys' portfolio is focused on large and neighborhood shopping centers as well as high-street retail assets that are leaders in their areas
  - The assets are concentrated in the most dynamic French regions

- **The portfolio is focused on high-potential assets**
  - **64** shopping centers and city-center sites
  - Leasable area: **920,000 sq.m**
  - Appraised asset value (including transfer taxes): **€3,542m** at year-end 2015
  - Annualized rental income: **€176m**
  - More than **600** retailers and **2,251** leases

THE MERCIALYS PORTFOLIO

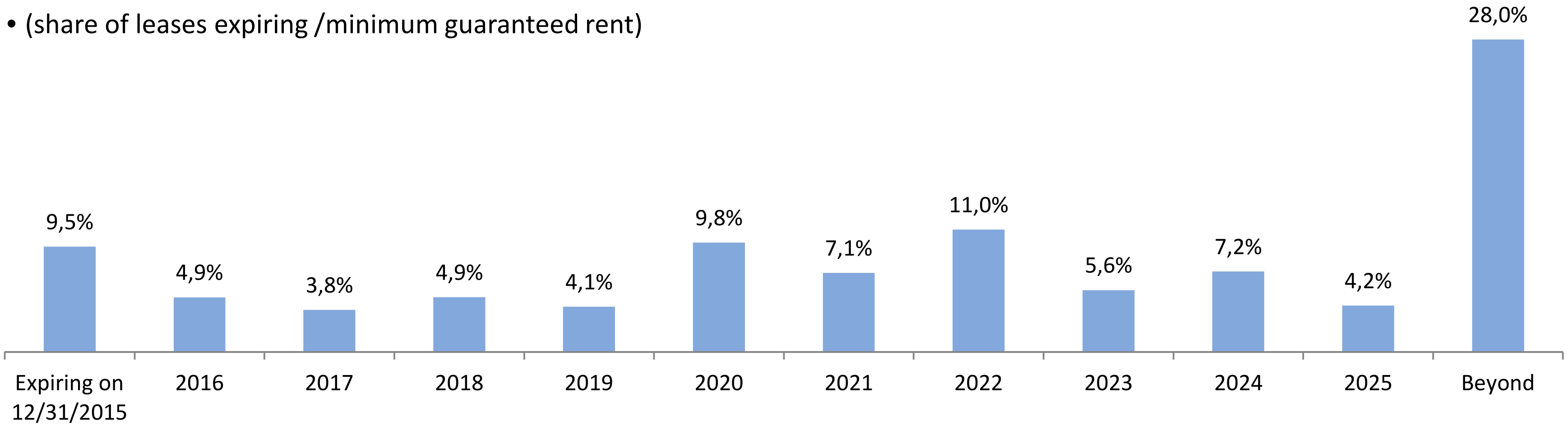
BREAKDOWN OF RENTAL INCOME BY BUSINESS SECTOR

- (in % of annualized rental income as at December 31, 2015 – excluding exposure to the Casino Group)



LEASE EXPIRY SCHEDULE

- (share of leases expiring /minimum guaranteed rent)



THE MERCIALYS PORTFOLIO

TYPES OF RETAILERS PRESENT ON MERCIALYS ASSETS

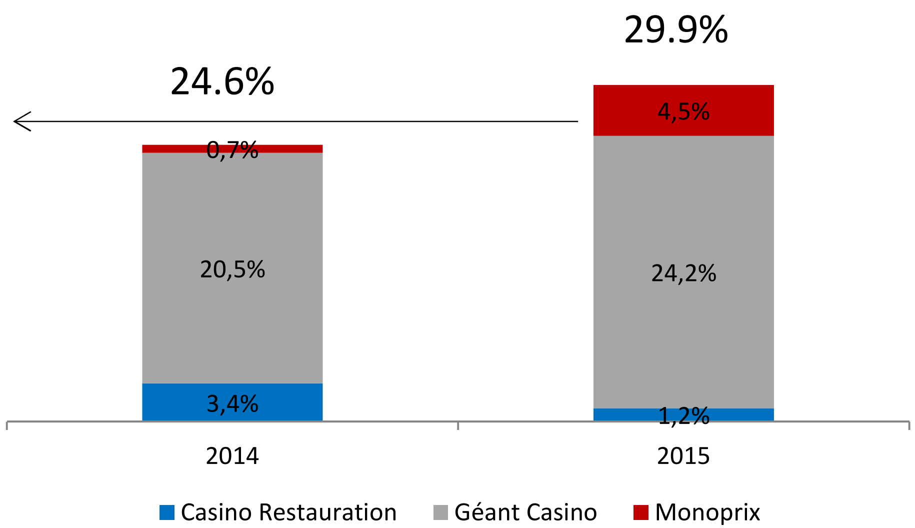
- (in % of annualized rental income as at December 31, 2015 – excluding exposure to the Casino Group)

CHANGE IN THE SHARE OF CASINO BRANDS IN MERCIALYS' ANNUALIZED RENTAL INCOME

- (economic vision)

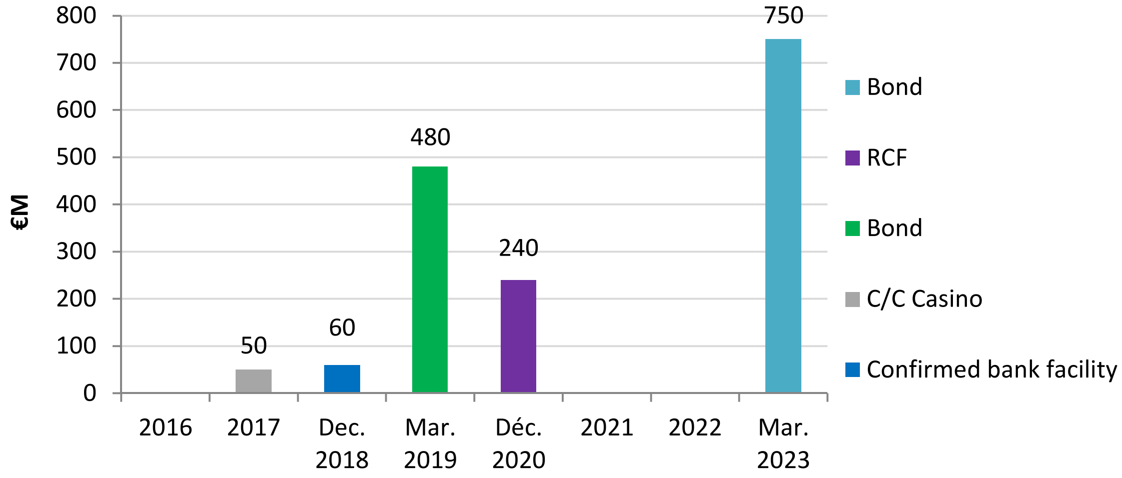
Adjusted rent exposure for rents relating to the 49% of OPCIs managed by BNP Paribas REIM France in the companies that own the buildings of 9 large food stores and the Clermont-Ferrand gallery

Accounting exposure of rents excluding adjustments for minority interests: 32.7%

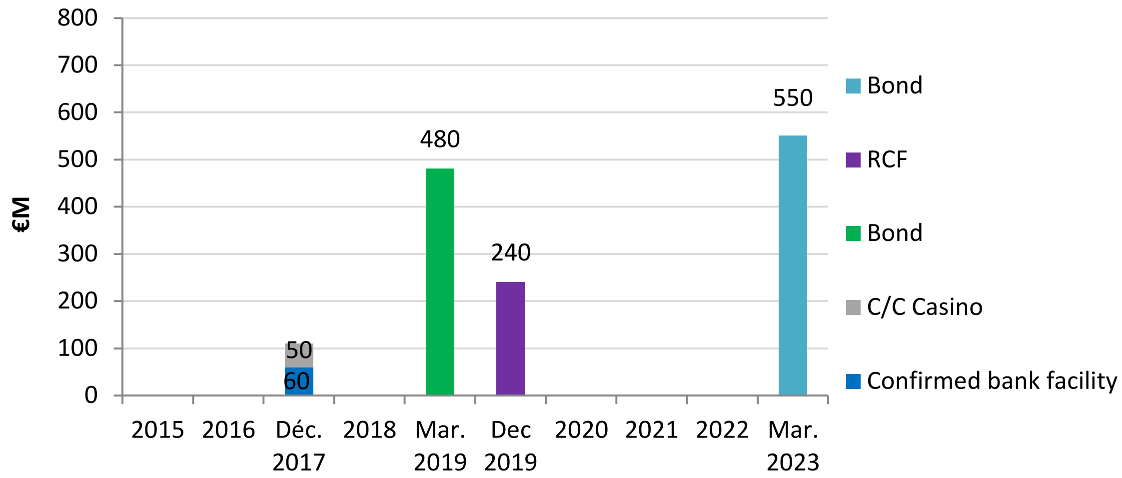


FINANCING STRUCTURE AND SCHEDULE

DEBT SCHEDULE AT THE END OF 2015



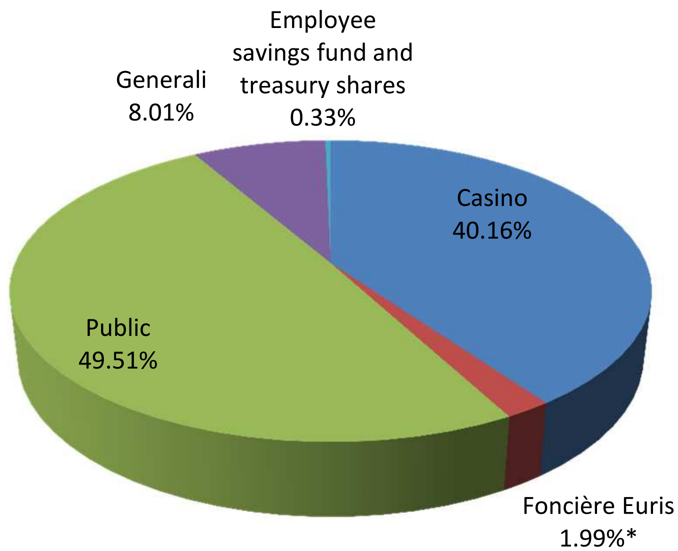
DEBT SCHEDULE AT THE END OF 2014



SHAREHOLDING IN MERCIALYS AND NUMBER OF SHARES

	2013	2014	2015
Number of shares outstanding at end of period	92,049,169	92,049,169	92,049,169
Average number of shares outstanding	92,038,313	92,049,169	92,049,169
Average number of shares (basic)	91,734,656	91,826,157	91,767,764
Average number of shares (diluted)	91,865,817	91,826,157	91,767,764

MERCIALYS SHAREHOLDERS AS AT DECEMBER 31, 2015



(*) Besides 4,5% of additional economic exposure for Rallye and Foncière Euris in the form of derivatives

FFO, EPRA EARNINGS & NET INCOME GROUP SHARE

In thousands of euros	December 31, 2014 (*)	December 31, 2015
Invoiced rents	148,755	165,958
Lease rights	4,032	2,998
Rental revenues	**152,787**	**168,956**
Non-recovered property taxes	-1 367	-1,081
Non-recovered service charges	-3,244	-3,048
Property operating expenses	-5,072	-6,069
Net rental income	**143,104**	**158,758**
Management, administrative and other activities income	3,017	2,893
Property development margin	118	1,099
Other income and expenses	-8 043	-6,490
Staff costs	-10,424	-12,179
EBITDA	**127,772**	**144 081**
Net financial items (excluding impact of hedging ineffectiveness and banking default risk)	-23,855	-29 012
Allowance for provisions for liabilities and charges	126	-928
Other operating income and expenses (excluding gains on disposals and impairment)	-1,730	-192
Tax charge	-1,055	-3,138
Share of net income of associates	1,346	1,026
Non-controlling interests excluding gains and amortization	-38	-3,309
FFO	**102,566**	**108,529**
FFO/share (on the basis of the diluted average number of shares)	*1.12*	*1.18*
Extraordinary costs related to early repayments of debt	50	0
Property development margin	-118	-1,099
Proceeds from the sale of the Green Yellow investment	-4,332	0
EPRA earnings	**98,167**	**107,431**

In thousands of euros	December 31, 2014	December 31, 2015
FFO	102,566	108,529
Depreciation and amortization	-23,968	-24,844
Other operating income and expenses	73,876	-5,073
Impact of hedging ineffectiveness and banking default risk	0	180
Non-controlling interests: capital gains and amortizations	-10	823
Net income, attributable to owners of the parent	**152,464**	**79,614**

** The previously published financial statements were restated following the retrospective application of the interpretation of IFRIC 21*

BALANCE SHEET

ASSETS (in thousands of euros)	December 31, 2014 (*)	December 31, 2015
Intangible assets	811	974
Property, plant and equipment other than investment property	434	12
Investment property	1,751,782	2,224,080
Investments in associates	20,880	20,069
Other non-current assets	33,579	34,154
Deferred tax assets	990	338
Non-current assets	**1 ,808,476**	**2 ,279, 627**
Inventories	-	4,358
Trade receivables	18,687	25,173
Other current assets	64,762	73,232
Cash and cash equivalents	121,015	13,030
Investment property held for sale	5,666	3,095
Current assets	**210,130**	**118,888**
TOTAL ASSETS	**2,018,606**	**2,398,515**

EQUITY AND LIABILITIES *(*in thousands of euros)	December 31, 2014 (*)	December 31, 2015
Share capital	92,049	92,049
Bonus, treasury shares and other reserves	691,262	617,975
Equity attributable to the Group	783,311	710,024
Non-controlling interests	436	206,159
Equity	**783,748**	**916,183**
Non-current provisions	292	401
Non-current financial liabilities	1,022,424	1,219,574
Deposits & guarantees	22,555	22,880
Deferred tax liabilities	1	-
Non-current liabilities	**1,045,272**	**1,242,855**
Trade payables	14,026	19,704
Current financial liabilities	143,330	188,720
Current provisions	1,426	2,366
Other current liabilities	30,456	26,968
Current tax liabilities	348	1,719
Current liabilities	**189,586**	**239,477**
TOTAL EQUITY AND LIABILITIES	**2,018,606**	**2,398,515**

** The previously published financial statements were restated following the retrospective application of the interpretation of IFRIC 21*

BREAKDOWN OF ASSETS

Type of property	*Number of assets at December 31, 2015*	*Appraisal value (incl. taxes) at December 31, 2015**		*Gross leasable area at December 31, 2015*		*Appraised net rental income*	
		In €m	*%*	*Sq.m*	*%*	*In €m*	*%*
Regional / large shopping centers	25	**2,670.4**	*75%*	648,400	*71%*	136.7	*72%*
Neighborhood shopping centers and city-center assets	39	**851.7**	*24%*	263,900	*29%*	52.1	*27%*
Total shopping centers and city-center assets	***64***	***3,522.1***	***99%***	***912,300***	***99%***	***188.8***	***99%***
Other assets	6	**19.7**	*1%*	7,200	*1%*	0.9	*1%*
Total portfolio	**70**	**3,541.8**	***100%***	**919,500**	***100%***	**189.7**	***100%***

❖ **Average rate of return: 5.36% as at December 31, 2015**

(*) Valuation method: valuation based on the appraisals by BNP Real Estate Valuation, Catella, Cushman & Wakefield and Galtier using the revenue capitalization and discounted cash flow originating from rents standard methods.

CAPITALIZATION RATE GRID APPLICABLE UNDER THE PARTNERSHIP AGREEMENT

- Applicable capitalization rate grid for reiterations in the first half of 2016 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*	
Regional / large shopping centers *> 20,000 sq.m*	5.7%	6.3%	6.3%	6.7%	5.5%
Neighborhood shopping centers *5,000 to 20,000 sq.m*	6.2%	6.7%	6.7%	7.1%	5.8%
Other *< 5,000 sq.m*	6.7%	7.1%	7.1%	7.7%	6.3%

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