2015 Half-year results

July 28, 2015

mercialys

Preliminary remarks

- The consolidated financial statements of the 1st half of 2015 were approved by the Board of Directors on July 27, 2015.

- A limited review of these financial statements was performed by the Statutory Auditors

Summary

I. Relevance of the model: accelerated growth and innovation

II. Boost the portfolio's power: strengthening of the development pipeline

III. Solid financial structure and half-year results showing significant growth

IV. Conclusion and 2015 objectives

Relevance of the model: accelerated growth and innovation

Eric Le Gentil, Chairman and CEO

Key figures

In million euros	H1 2014 Proforma (*)	H1 2015	Change (%)
Invoiced rents	76.0	80.6	+ 6.0%
Organic growth in invoiced rents excluding indexation	*+2.6%*	*+3.3%*	*+70 bp*
Rental revenues	78.1	82.3	+5.3%
FFO	57.0	56.8	-0.4%
EPRA earnings	52.7**	56.8	+7.8%
Investments (gross)	219.2	193.4	-11.8%
Disposals	179.0	101.4	-43.3%
LTV	*33.7%*	*39.2%*	*+550 bp*
Average cost of drawn debt	*3.5%*	*2.1%*	*-140 bp*
NNNAV / share (EPRA)	17.95	18.58	+3.5%

**The previous published statements were readjusted following the retrospective application of the interpretation of standard IFRIC 21*
***Revised amount vs. reported in H1 2014*

Mercialys strengthens the commercial appeal of its shopping centers

Creating a strong brand	• A strong impact on a national level: implementation of the brand across all the sites as well as the communication networks, BtoB and BtoC • A groupwide identity for the service to retailers
Consolidating the visibility and readability of the shopping centers	• Qualitative work on the exterior: modernization and visibility of the facades • Facilitation of customer pathways, improvement of signage…
Enhancing marketability	• Interior refurbishment work, with efforts focused on the clarity and brightness of the malls • Strengthening of the basic customer services: global Wi-Fi, renewed rest spaces, modernized washrooms, design of a digital services platform…

Rollout of a single brand for the Mercialys portfolio

One brand for the whole portfolio

- A strong and unique identity strengthening center visibility
- Enhancement of the brands and easier customer progress
- A project led within the context of the annual maintenance budgets

An exterior rollout already carried out on 50% of the portfolio

A renewed identity consistent with Mercialys' DNA as a partner in daily life and with its asset renewal strategy and strategy for strengthening their attractiveness

- Capitalization on Mercialys' local values: quality and local materials, customer comfort, commercial diversity
- Complete, but not very costly, restructuring work conducted within the shopping centers that have not been recently refurbished (12 sites), modernization work carried out on the other centers, all being financed by the maintenance budgets

Implementation inside and outside the malls, supporting the strength of the brand

BEFORE

AFTER

The attractiveness of Mercialys' positioning attracts new and innovative brands…

Catering

*Brest, June 2015**

*Grenoble, February 2016**

*Pessac, Valence, Chartres, Le Puy, Malemort, Chalons, December 2015 to March 2016**

Concepts originating from e-commerce

*Angoulême, April 2015**

*Angers, August 2015**

*Albertville & Grenoble, November 2015**

Personal and household items

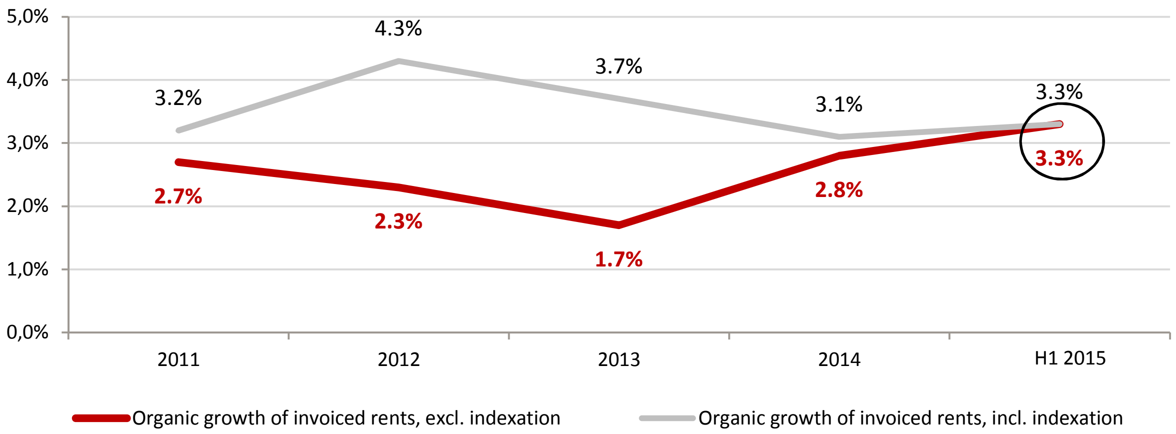
*Toulouse, May 2015**

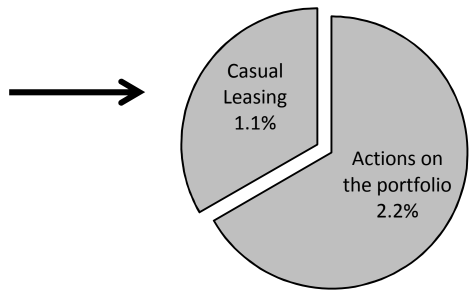
*Lanester, October 2015**

*Paris Saint-Didier, April 2015**

**Actual and projected opening dates*

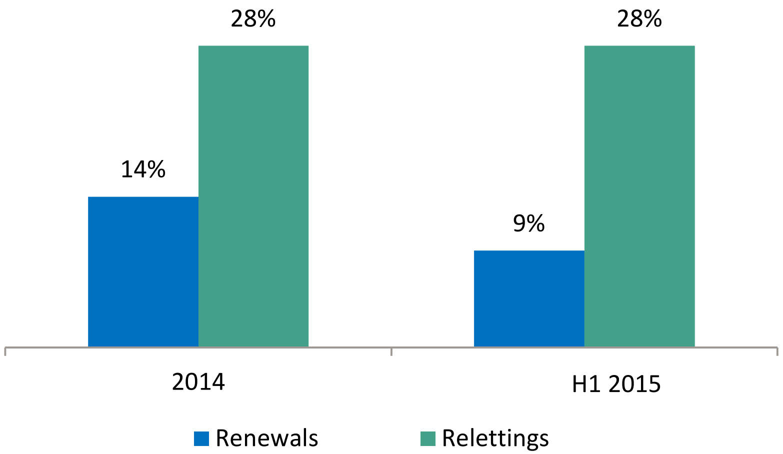
… and supplies accelerated organic growth





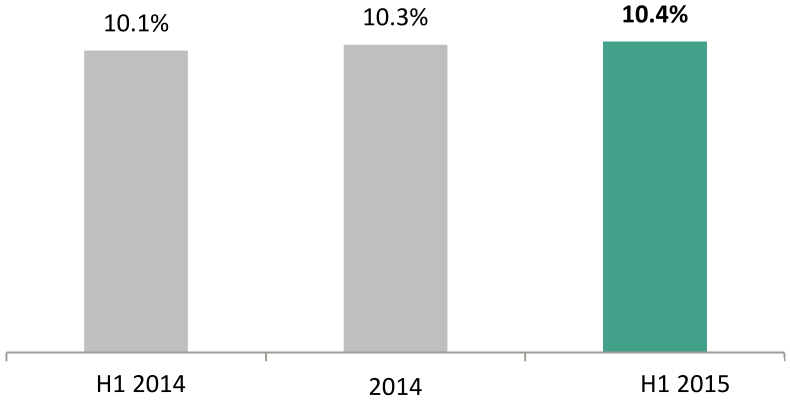
Renewals and relettings

Average increase in rental values compared with benchmark rental values



Occupancy cost ratio

(rents + charges incl. tax) / tenant sales incl. tax, excluding large food stores



Organic growth will be sustained in the future through the development of new anchor tenants…

Personal items

Angoulême, Lanester, Brest, Niort, Besançon, Morlaix, Mandelieu: December 2015 to November 2017, **16,000 sq.m***

Clermont-Ferrand, Marseille: August and December 2015, **2,400 sq.m***

Culture and leisure

1 site: December 2015, **2,400 sq.m***

Toulouse: October 2015, **1,000 sq.m***

1 site: March 2017, **2,000 sq.m***

Household items

Toulouse, Anglet: November 2015 and May 2016, **5,500 sq.m***

Rennes: November 2016, **5,500 sq.m***

**Projected opening dates*

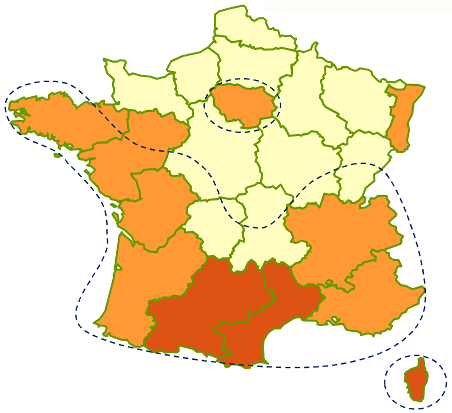
… and through the relevant positioning

A portfolio located in promising demographic and economic zones

Mercialys portfolio

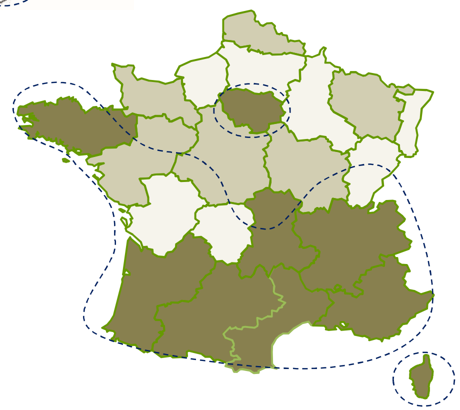
Presence of Mercialys portfolio

Average annual change in population (in %) – 1999 to 2009 (*)



- >= 1.2%
- < 1.2% and >= 0.6%
- < 0.6%

Change in net jobs in relation to the active population in 2014 (**)



- Outperformance in relation to the national average
- In line with the national average
- Under performance in relation to the national average

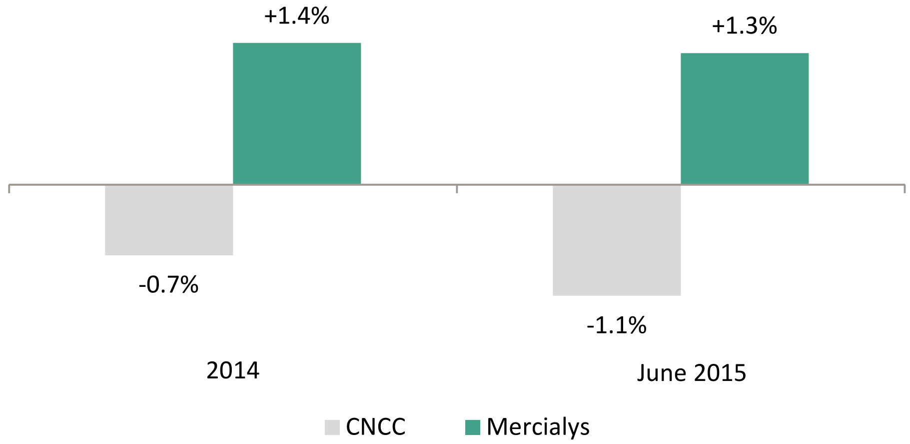
Mercialys' properties correspond almost perfectly to the regions with positive migratory flow and preserved employment dynamic

*Source: Insee

**Source: Dia Mart

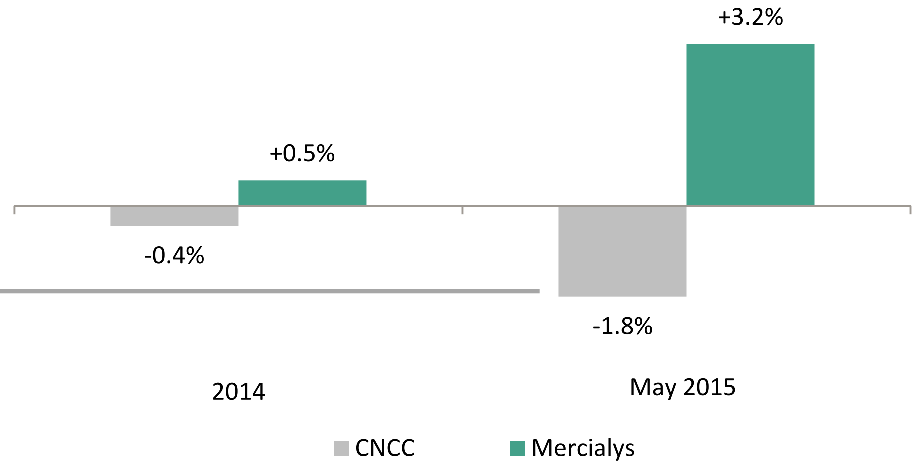
The Mercialys model creates lasting outperformance compared to the market…

Cumulative change in footfall in the 1st half of 2015
(Mercialys: major shopping centers and main neighborhood centers)
(CNCC: all shopping centers, excluding Primark impact)



Cumulative change in sales of retailers at the end of May 2015
(Mercialys: major shopping centers and main neighborhood centers)
(CNCC: all shopping centers, comparable scope)

CNCC: improved resistance of regional centers, with sales figures decreasing by -0.1% at the end of May 2015



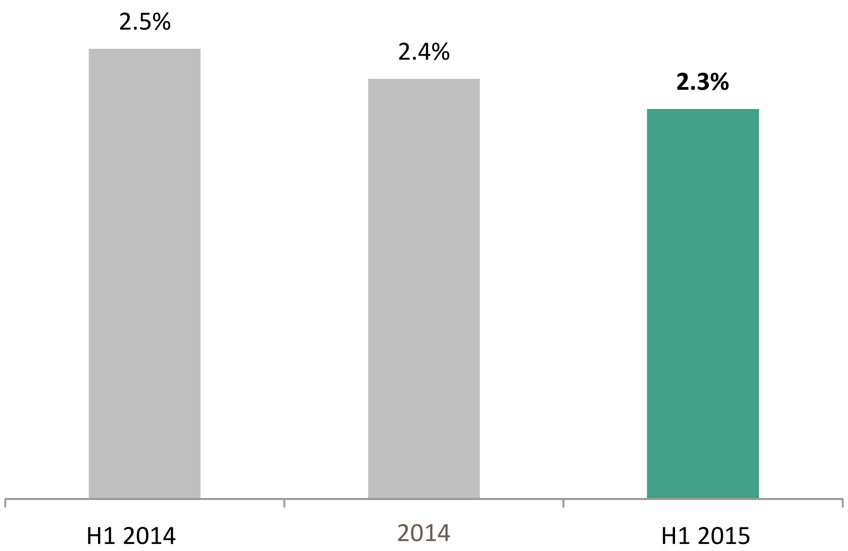
…and maintains a resistant operating profile

Management indicators remain at excellent levels

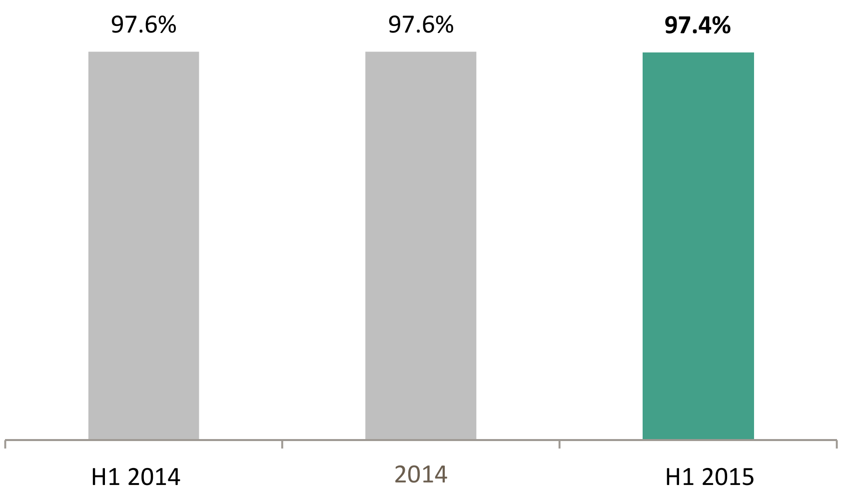
❖The recurring financial vacancy rate improved from 20 bp over 12 months to **2.3%**

❖The recovery rate remained high at **97.4%**

Change in recurring financial vacancy rate



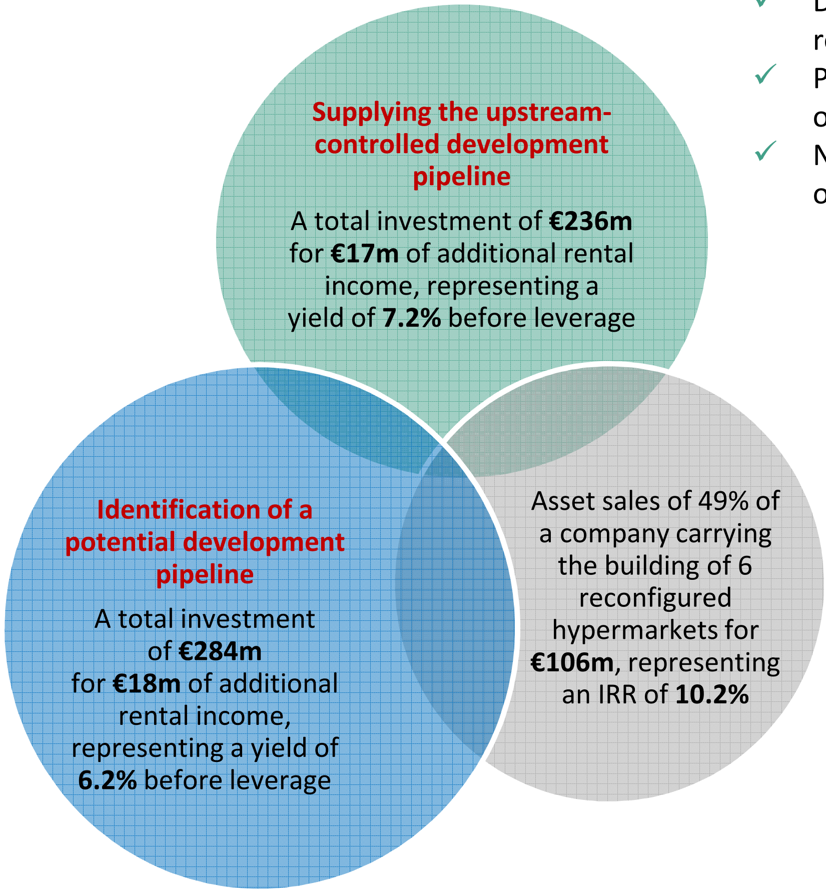
Recovery rate
(Last 12 months invoicing)



The development pipeline at the center of the acceleration of value-creating growth

Mercialys has built a value creation model based on the constant strengthening of its sites' power via the continuous supply of a development pipeline.
Regular asset rotation finances the investments while maintaining a strong balance sheet and a solid financial rating

- ✓ Delivery of the Toulouse Fenouillet retail park
- ✓ Progression of the restructuring work on the hypermarkets acquired in 2014
- ✓ New projects following the acquisition of 5 food stores in H1 2015



- ✓ Reinforcement of regional leadership on priority sites
- ✓ Definition of new "large projects"

- ✓ Transaction with a major investor who benefits from a regular return
- ✓ Mercialys keeps the "project" portion and site control
- ✓ Crystallization of profits on disposals of €25m (accounted in the parent company's accounts) on assets acquired in 2014
- ✓ Cashflow participating in the financing of new investments

Boost the portfolio’s power: strengthening of the development pipeline

Vincent Rebillard, Chief Operating Officer

Mercialys is gathering momentum on its short and mid-term investments

- Rapid progress of projects acquired in 2014 which densify the commercial offer
- Acquisition of 5 new large food stores restructuring projects, of which one could potentially lead to a large project
- Investment financing through the sale of 49% of a company holding 6 reconfigured large food stores
- Identification of a potential pipeline up to 2019 contributing to the enhancement of the power of the malls

Toulouse Fenouillet: successful opening of the retail park and excellent evolution of the phase 2 letting

May 2015 delivery of the 24,000 sq.m retail park, in line with the schedule and the target budget

❖ Brands: Intersport, Gautier, Besson, Gemo, Chaussea, Maison de la Literie, Orchestra, Bricoman (opening in June), opening of La Grande Récré in September and of Boulanger in the autumn

❖ Annualized rents of €2.3m, representing a 6.9% yield

Acceleration of the letting of the shopping center (phase 2) and start up of the work in July through a partnership (*)

❖ Letting: **50%** at end-June 2015, in line with projections

❖ Main brands: H&M, Yves Rocher, Sephora, Sergent Major, Promod, Happychic, Beaumanoir, Izac, Swarovski, Armand Thierry, Pitta Rosso…

(*) Mercialys holds a purchase option at the opening of the mall

Progress of the restructuring projects acquired in 2014, improved in relation to projections

4 secured projects

- 2 openings in 2015: Brest and Niort
- 2 openings in 2016: Rennes and Aix-en-Provence
- 16,000 sq.m secured with 4 average emblematic surfaces

Average net yield on these 4 projects before leverage: **9.1%**

Average IRR on these 4 projects: **12.3%**

8 projects currently being let

- 6 projects targeting new anchor tenants (Annecy, Angers, Nîmes, Fréjus, Anglet and Monthieu)
- 1 extension project combining mid-size stores and boutiques (Quimper)
- 1 project for new stores in La Foux Gassin (Saint-Tropez)

Average IRR on these 8 projects: **8% to 10%**

Target net yield before leverage**> 10%**

Overall view of the 12 projects acquired in 2014 (acquisition of large food stores + work):

✓**Net yield before leverage of 6.1%**

✓**IRR of 8% to 10%,** a range validated by the partial sale of the repositioned large food stores achieved in H1 2015

2015 opening, Brest: consolidate the leadership of the center over the urban area, 7,000 sq.m developed in 1 year

A site that will make up the Top 100 of French shopping centers upon completion of the project

Creation of Village.Services
Opening December 2015 over 300 sq.m

Catering space
opened in June 2014

Creation of a parking silo

Center extension
Opening end of 2015 over 2,400 sq.m

H&M extension
Opening in April 2016 over 2,900 sq.m

Restructuring of the cafeteria
Opening in Dec. 2014 of Mango over 1,000 sq.m
Opening in Sept. 2015 of the Ange bakery over 400 sq.m

2015 opening, Niort: lasting positioning of the site as leader, 3,500 sq.m developed in 1 year

New visual identity (pilot site)
June 2015

Catering space
Opened in December 2014

Opening of Village.Services
in November 2014 over 300 sq.m

H&M extension
Opening in December 2015 over 2,700 sq.m

Restructuring of the cafeteria
Extension of the pharmacy ***in September 2015 over 350 sq.m***

Arrival of Promod
in October 2015 over 200 sq.m

2016 opening, Rennes: modernization and restructuring of the 1st shopping center to the north of the urban area, 11,700 sq.m developed in 1 year

Objective

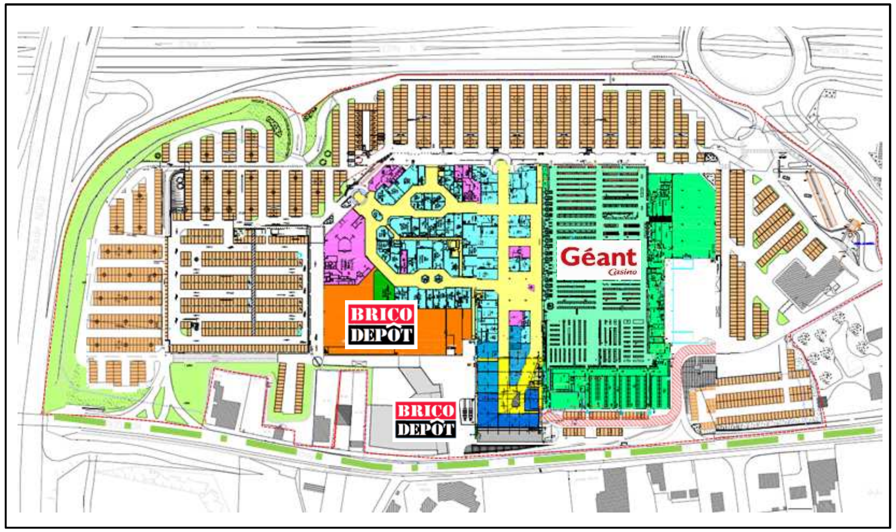
- Optimize the space dedicated to the average DIY store and develop an extension allowing the implementation of three new non-food anchor tenants

Progress

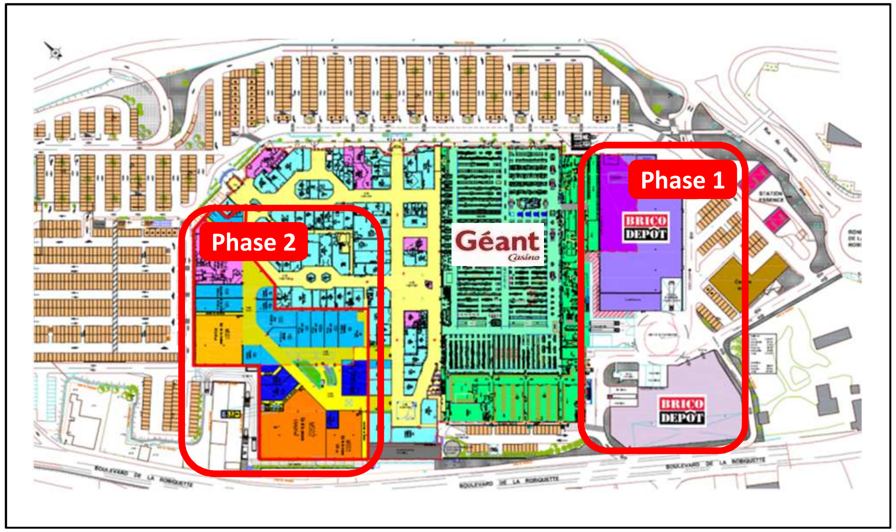
- Transfer of Brico Dépôt, which will open in the second half of 2016 over a space of 5,500 sq.m
- Hypermarket surface reduction work for the opening of the mall extension over 6,200 sq.m in the second half of 2017

+ 100 shops at the end of the project
A site that will progress within the Top 100 French shopping centers

CURRENT PLAN



POST PROJECT PLAN



2015 Half-year results

2016 opening, Aix: massive expansion of the commercial offer completing the renovation of the center, 2,200 sq.m developed in 1 year

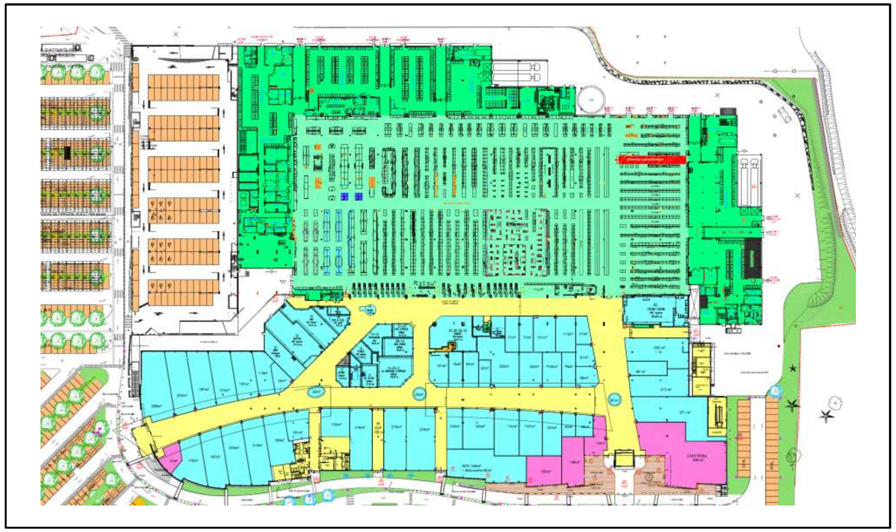
Objective

- Establish a non-food anchor tenant in a centre that was refurbished and expanded in 2014 but without mid-size stores

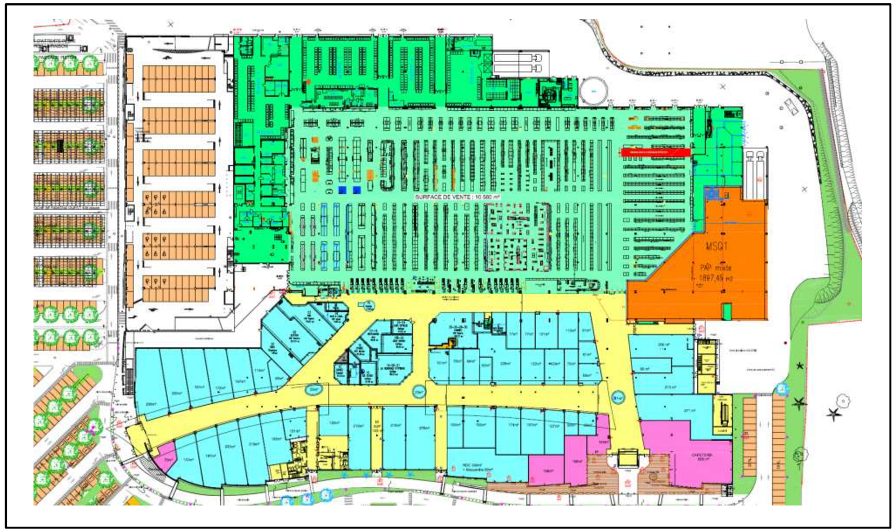
Progress

- Reduction of the hypermarket surface area and restructuring to enable the implementation of a non-food anchor tenant in 2016 on 2,200 sq.m

CURRENT PLAN



POST PROJECT PLAN



Acquisitions of 5 restructuring projects, including 4 projects within the framework of centers already owned by Mercialys…

Acquisition of 5 large food stores immediately producing rent
Total amount: €167m (incl. transfer tax)
Associated net rents: €9.3m
Immediate yield: **5.6%**
Surface area created: > 40,000 sq.m over the 5 sites
Projects' completion: 2017 – 2018
Overall yield before leverage (food stores + project): **> 6%**

Mercialys benefits from an upstream overall control of the commercial strengthening of these sites through these acquisitions

The projects aim to complete the hypermarket offer by powerful and differentiating non food anchor tenants


Besançon - Chateaufarine

Lanester

Poitiers - Beaulieu

Fontaine-lès-Dijon

Investment for the 4 associated projects (excluding the large Marseille project): €16.3m
Additional net rents: €1.2m
Expected net yield: **7.5%**
Expected IRR: **8% to 10%**

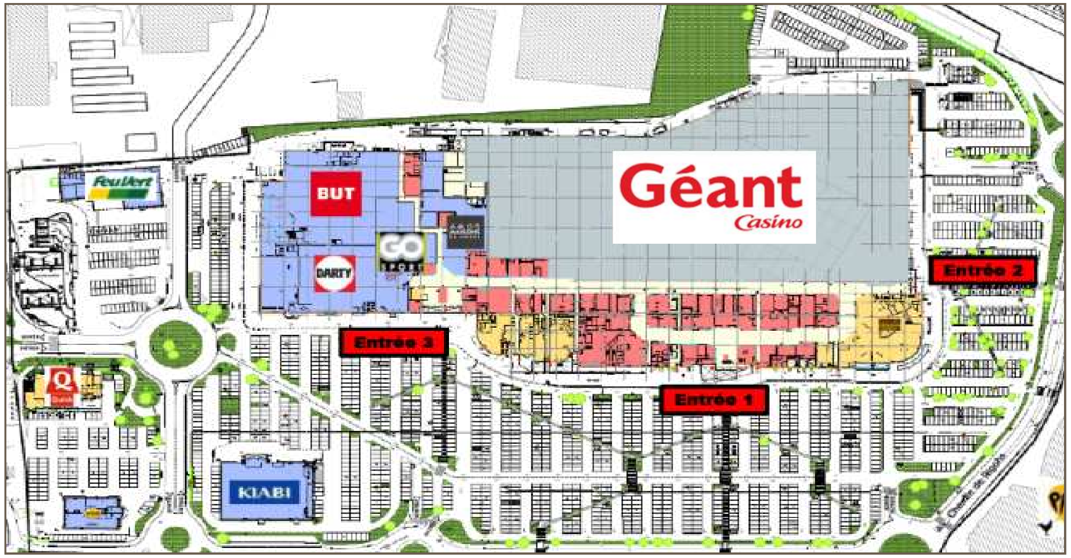
… and a 1st step within the framework of a large future project: Marseille Plan de Campagne

Mercialys takes a position in the 1st and oldest commercial zone in France (230,000 sq.m of retail)

❖ A regional shopping center of 30,100 sq.m GLA (excluding food store)

❖ Installation of 2 non food anchor tenants, i.e. approximately 9,000 sq.m within the framework of the restructuring of the hypermarket

❖ In the medium term, possibility for Mercialys to take part in the extension of the shopping center over approximately 15,000 sq.m with a major partner



Expected IRR: **8 to 10%**

Net surface created: ~ 24,000 sq.m

Project completion: 2018

> 50 000 sq.m at the end of the project
A site that will progress within the
Top 100 French shopping centers

Potential pipeline: projects allowing for the in-depth transformation of the sites and to reinforce their power

14% high potential sites located within large urban units

- To transform our centers in order to become real shopping destinations
- To strengthen the site's penetration on its primary zone and to attract a growing customer-base within an expanded zone
- To integrate or progress within the TOP 100 French shopping centers

70% leader sites within small to medium size urban units

- To consolidate our positions as leaders by strengthening our centers with the arrival of new non-food anchor tenants
- To increase the size of the centers

16% challenger sites within small to medium size urban units

- To reposition our centers within the local competitive environment by welcoming exclusive new brands
- To enhance our commercial offer all the while maintaining the "daily facilitator" nature of our centers

Example: Le Port (La Réunion)

Creation of 8,000 sq.m

Post-project area of 35,000 sq.m

+ 100 shops by the end of the project

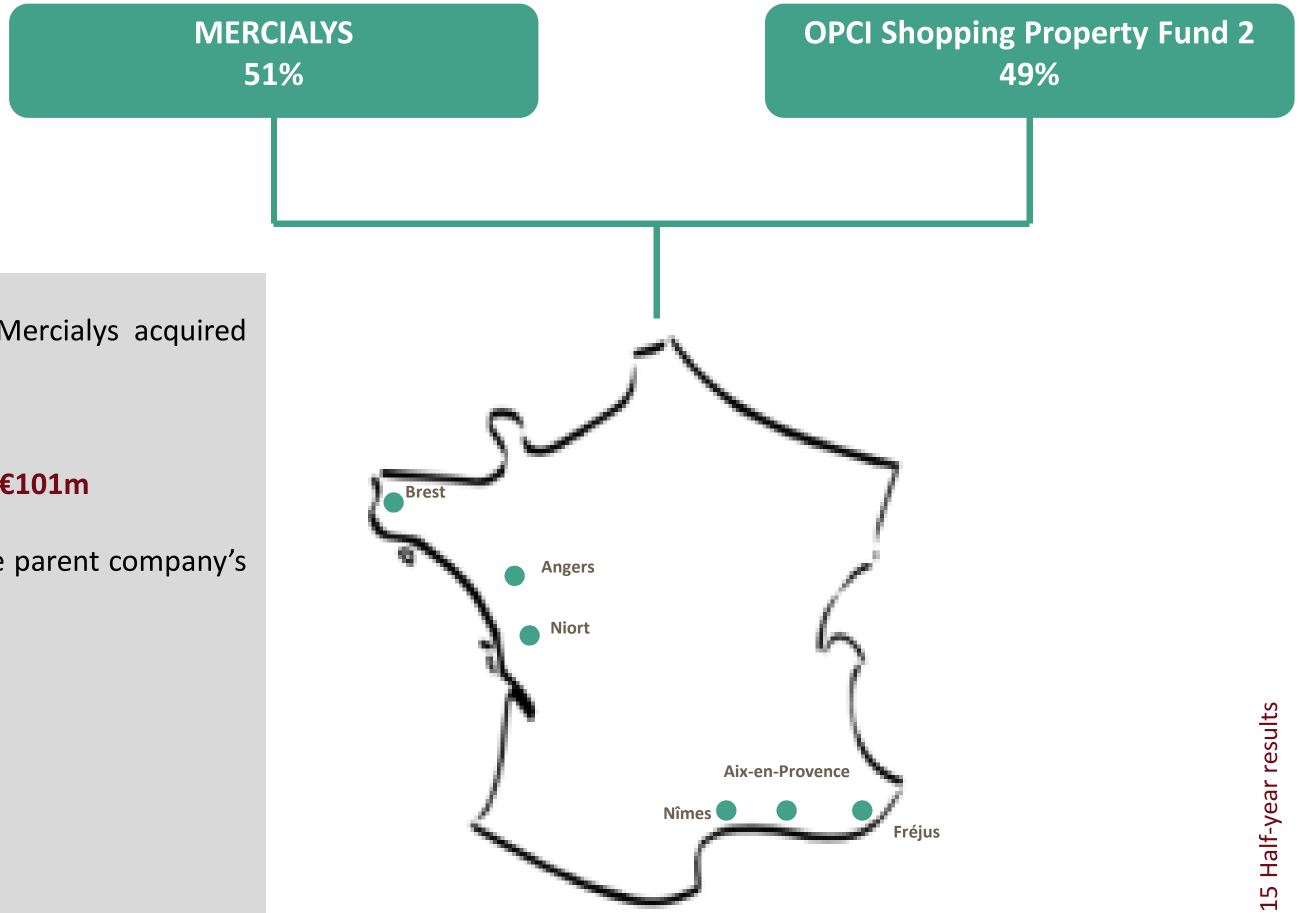
Summary of the development pipeline: €520m gross investments

In millions euros	Total investment	Investment still to be initiated	Forecasted net rental income	Forecasted net yield on cost	Date of completion
Transformation 4 large food stores acquired H1 2014	34.3	34.3	3.2	9.2%	2015 to 2017
Transformation 8 large food stores acquired H2 2014	25.7	25.6	2.8	11.0%	2016 to 2017
Transformation 4 large food stores acquired H1 2015	16.3	16.3	1.2	7.5%	2017
Toulouse Fenouillet Phase 1	33.5	7.2	2.3	6.9%	2015
Toulouse Fenouillet Phase 2	118.0	101.2*	7.0	5.9%	2016
Aurillac	8.4	8.4	0.5	6.0%	H2 2015
TOTAL controlled pipeline	**236.3**	**193.0**	**17.0**	**7.2%**	
Total potential pipeline (**)	**284.2**	**284.2**	**17.7**	**6.2%**	
TOTAL pipeline	**520.4**	**477.2**	**34.7**	**6.7%**	

(*) If Mercialys exercises its purchase option
(**) taking into account the large Plan de Campagne project, the site strengthening projects, other projects

Disposal of 49% of the shares of a company that carries 6 reconfigured large food stores

A transaction demonstrating Mercialys' ability to form accretive agreements with major investors



- Disposal performed on a **4.8%** yield (Mercialys acquired these assets in 2014 on a 5.4% yield)
- Amount of disposal excl. transfer taxes : **€101m**
- Capital gain on disposal (recorded in the parent company's accounts) : **€25m**
- Term of the agreement: February **2023**
- Services contract entrusted to Mercialys
- Transaction IRR: **10.2%**

Solid financial structure and half-year results showing significant growth

Elizabeth Blaise, CFO

A solid financial structure

- **Net debt: €1,142m**, including
  - €1,030m of bond debts
  - €145m in commercial paper
- **Undrawn financial resources: €350m**

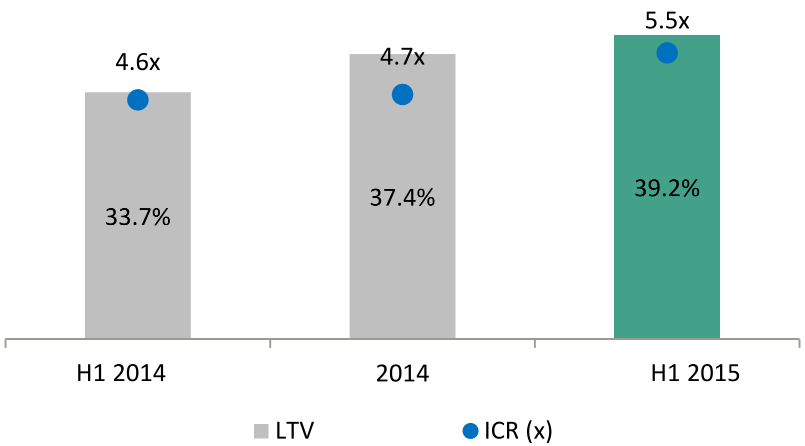
The LTV totaled 39.2%

The ICR is still progressing due to good operational and financial performance

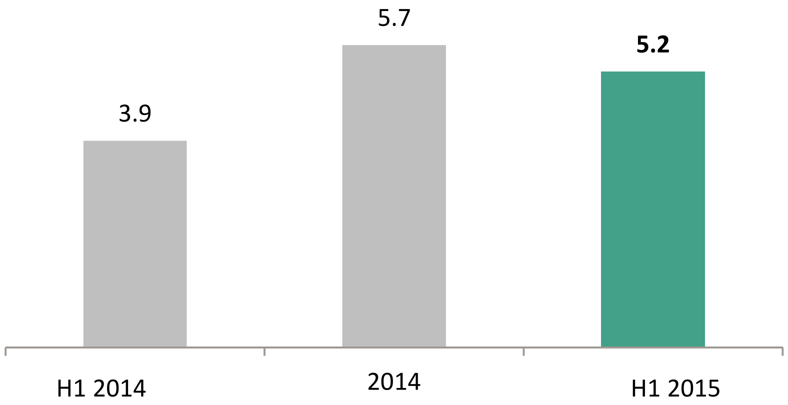
The maturity of the debt was significantly extended in 2014 through refinancing operations

Standard & Poor's financial rating: BBB / stable

Change in LTV (excluding transfer taxes) and ICR
Base H1 2014 proforma: restated according to standard IFRIC21



Change in debt maturity (years)

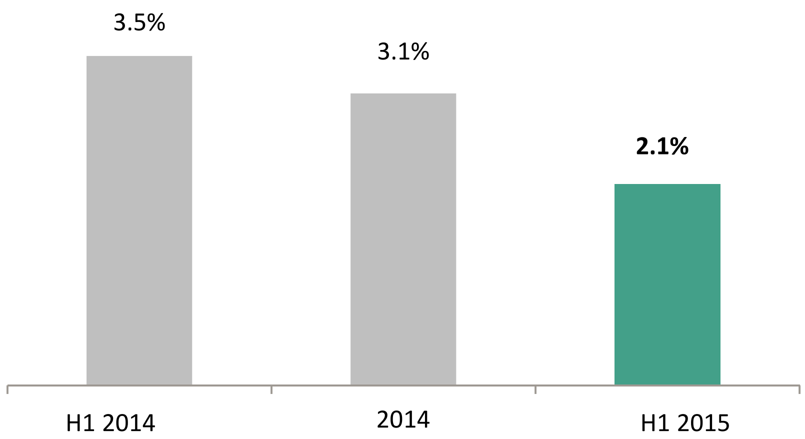


The significant drop in the cost of debt reflects the refinancing carried out in the 4th quarter of 2014

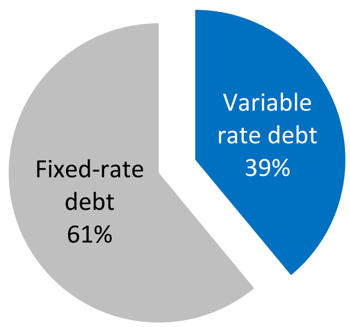
Limited increase in the net financial expenses due to the refinancing operations

- Net decrease in the cost of drawn debt down to 2.1% at H1 2015, i.e. -140 bp over 12 months and -100 bp over 6 months:
  - decrease in the cost of the bond debt following a bond exchange transaction performed in Q4 2014
  - impact of the debt hedging strategy
- Volume effect: new bond of €550m issued at Q4 2015
- Net financial expenses of €13.0m at the end of June 2015 vs. €10.4m at H1 2014
- Negative base impact: net gain from the sale of Green Yellow stake €4.3m at H1 2014

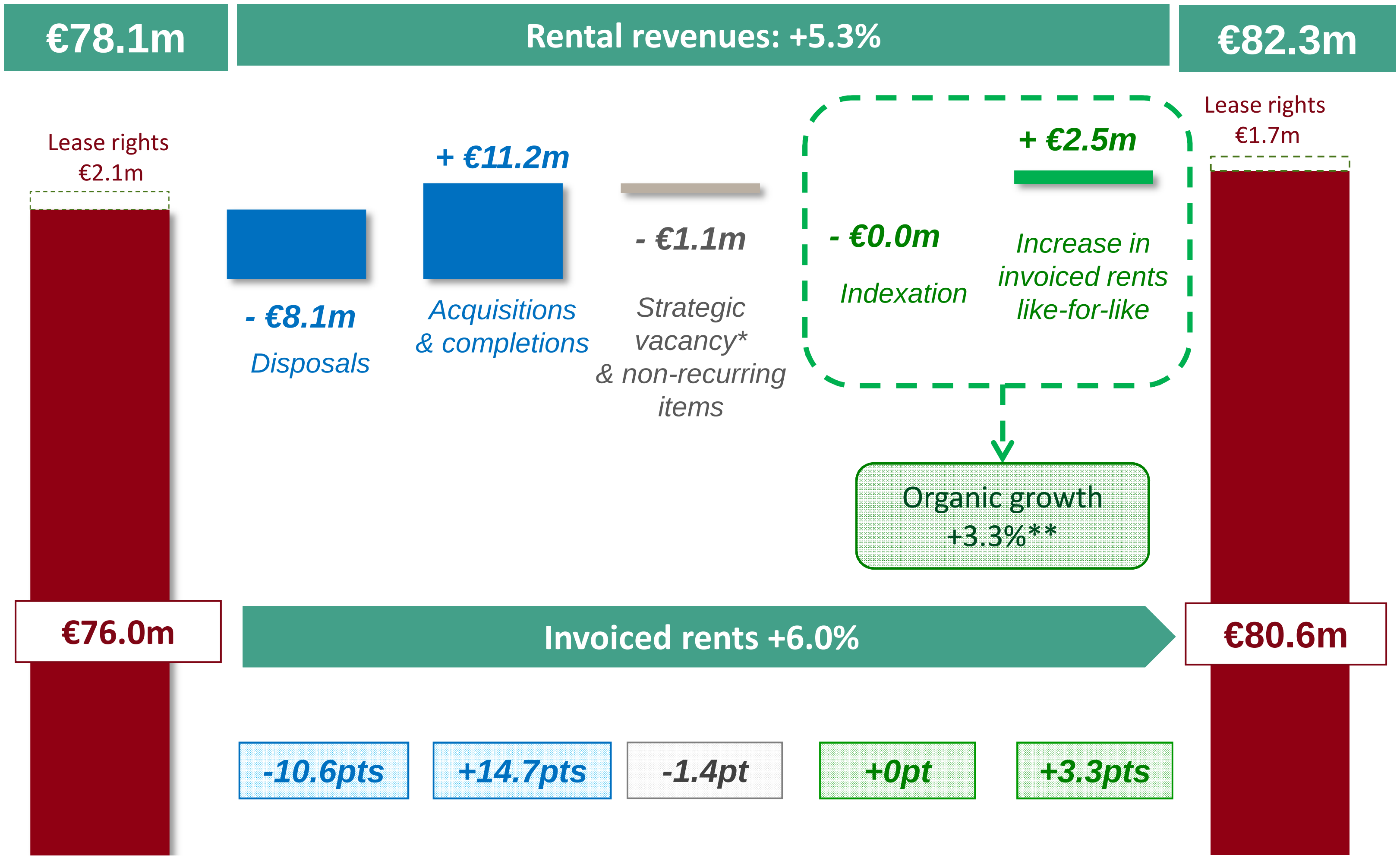
Change in the cost of drawn debt



Long-term debt coverage ratio
(including commercial paper program)



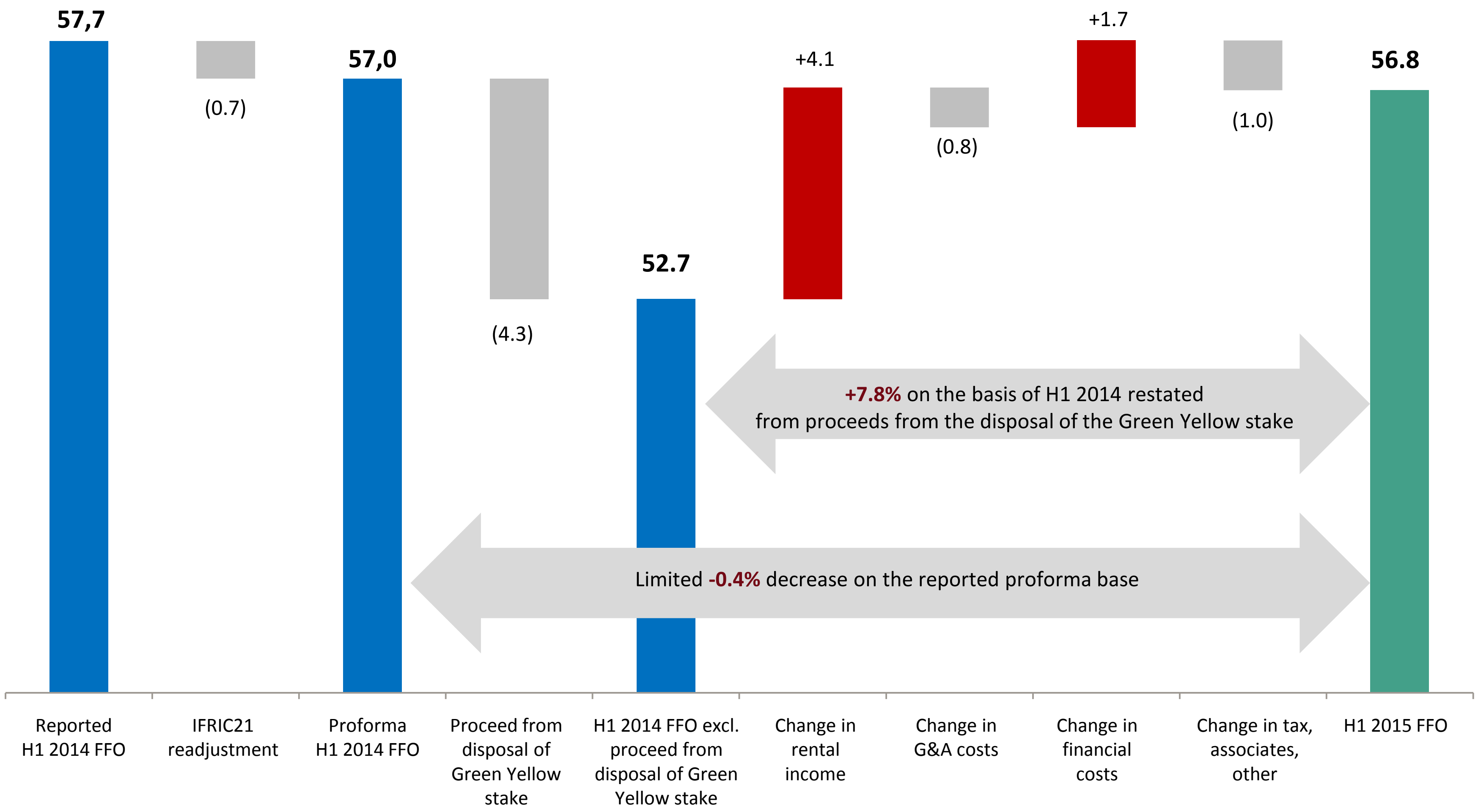
Acceleration of robust organic growth



(*) Related to the development program – Lots left vacant to facilitate future redevelopments
(**) Organic growth in invoiced rents including recurrent vacancy, variable rents and indexation, excluding the impact of recurring lease rights

Change in FFO: favorable impacts of rental income and financial costs (excluding gain on the disposal of Green Yellow in H1 2014)

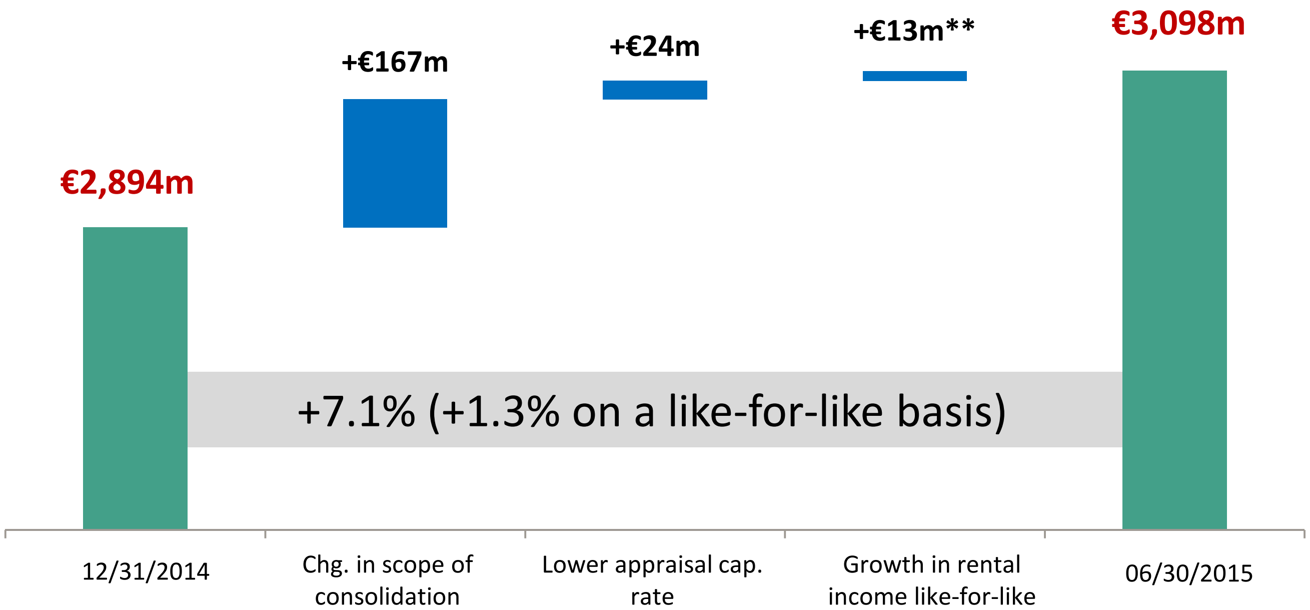
In million euros



Portfolio value increased by +7.1%

Including +1.3% on a like-for-like basis

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



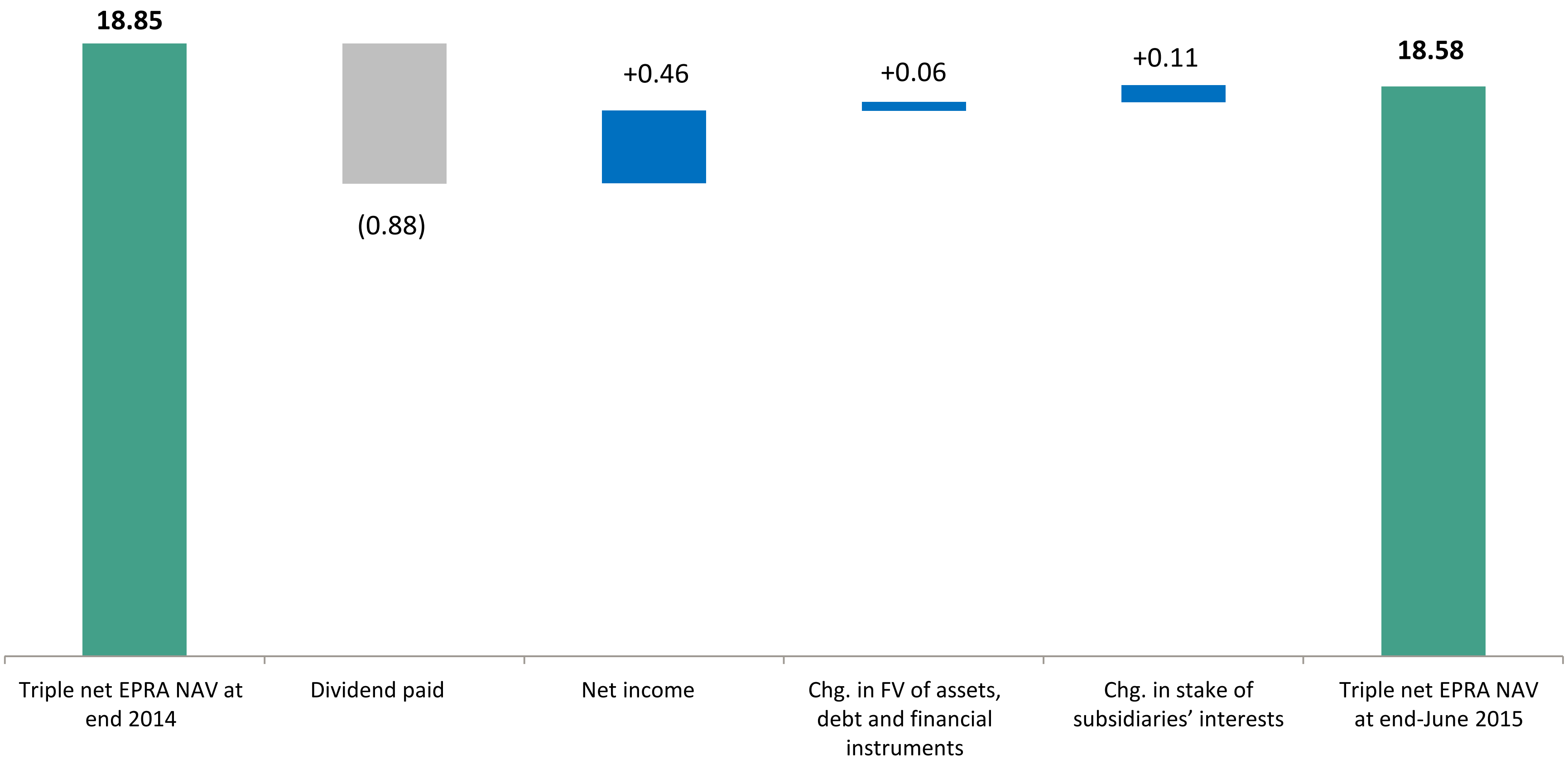
	12/2013	06/2014	12/2014	06/2015
Average appraisal capitalization rate	***5.85%***	***5.70%***	***5.60%***	***5.55%***

mercialys

(*) Valuation based on the appraisals of BNP Real Estate Valuation, Catella, and Galtier
(**) Includes the revaluation of redevelopment projects acquired in December 2013

Change in NNNAV

NNNAV (EPRA, in € / share)



Conclusion and 2015 objectives

Eric Le Gentil, Chairman and CEO

2015 objectives: upward revision of the FFO objective

Based on the excellent performance of the 1st half-year, Mercialys is confident in its ability to achieve its target for organic growth in rents and is raising its FFO growth target

Organic growth in invoiced rents	**> +2%** above indexation
FFO	**Objective revised from +2% to +3%** i.e. **+7.5%** on 2014 basis excluding proceeds from disposal of Green Yellow stake

Appendices

Financial calendar

October 2015 Activity at September 30, 2015 (after market close)

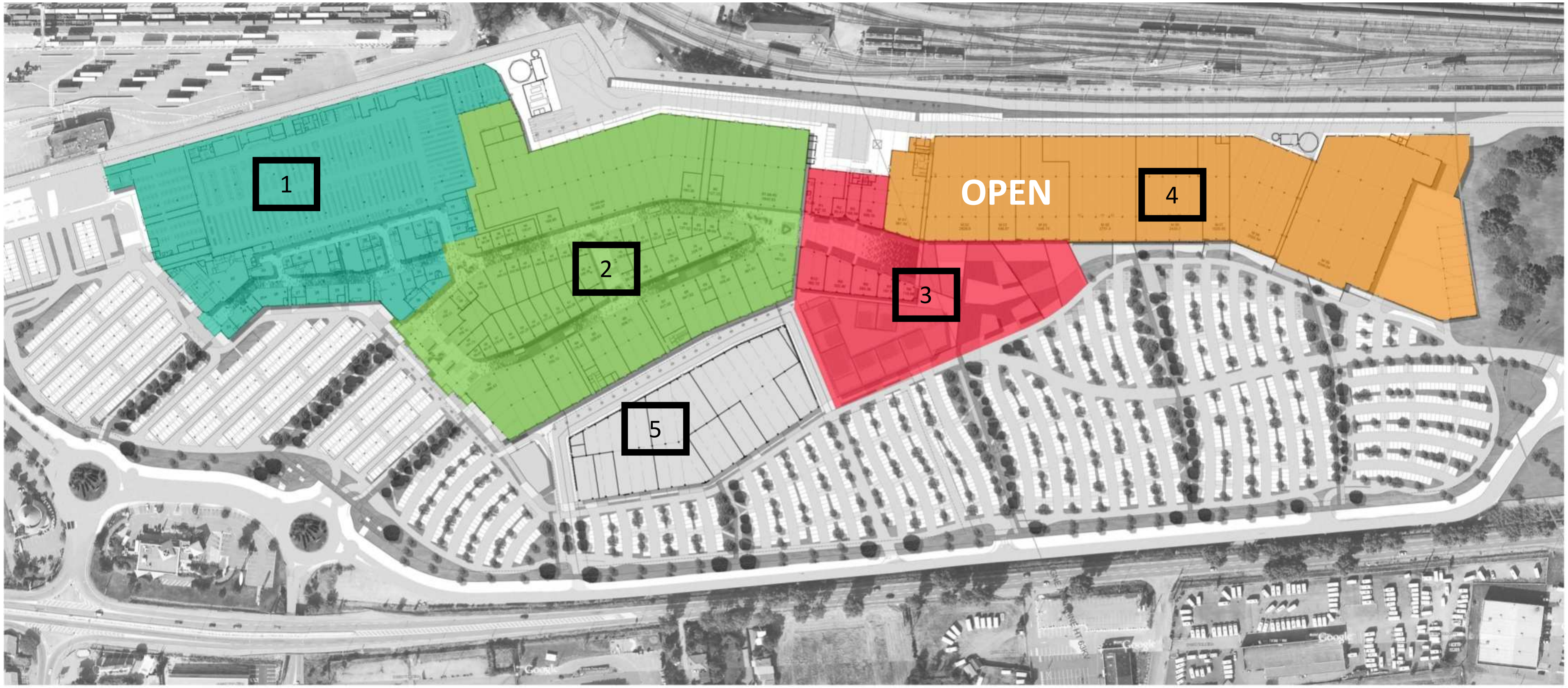
Profile of assets

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

- **The portfolio is focused on high-potential assets**
  - **59** shopping centers
  - Leasable area: **810,000 sq.m**
  - Appraised asset value (incl. transfer tax): **€3,098m** at the end of June 2015
  - Annualized rental income: €160.5m
  - Over **600** retailers and **2,217** leases

59 French shopping centers

Toulouse Fenouillet: developments in line with expectations



1 EXISTING MALL
USEFUL AND ESSENTIAL

2 INDOOR MALL
FASHION, BEAUTY & HOME
WORK IN PROGRESS

3 ENTERTAINMENT AREA
LEISURE, RESTAURANTS & MOVIE THEATER
WORK IN PROGRESS

4 RETAIL PARK
FURNISHINGS AND FAMILY
OPEN

5 RETAIL PARK PROJECT
developed with a partner

87,000 sq.m of retail space

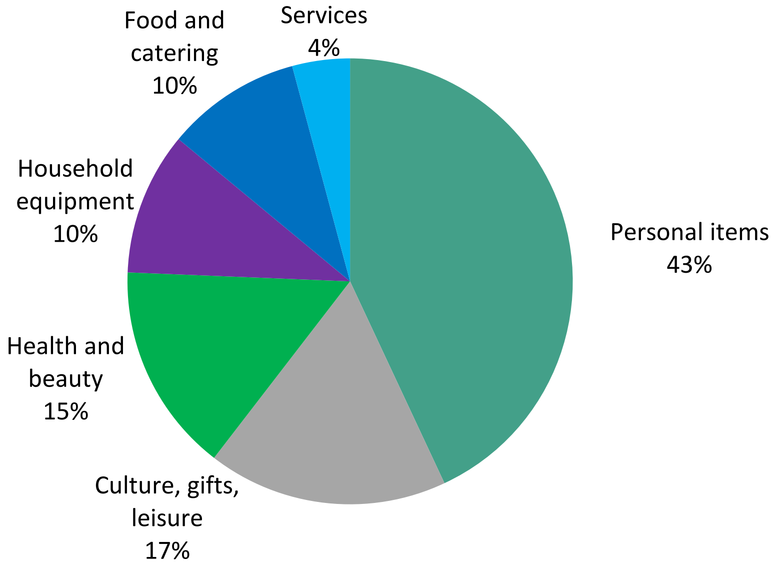
The Mercialys portfolio

Type of retailers present on Mercialys assets

(in % of annualized rental income as of June 30, 2015 – excluding exposure to the Casino Group)

Breakdown of rental income by business sector

(in % of annualized rental income as of June 30, 2015, excluding exposure to the Casino Group)

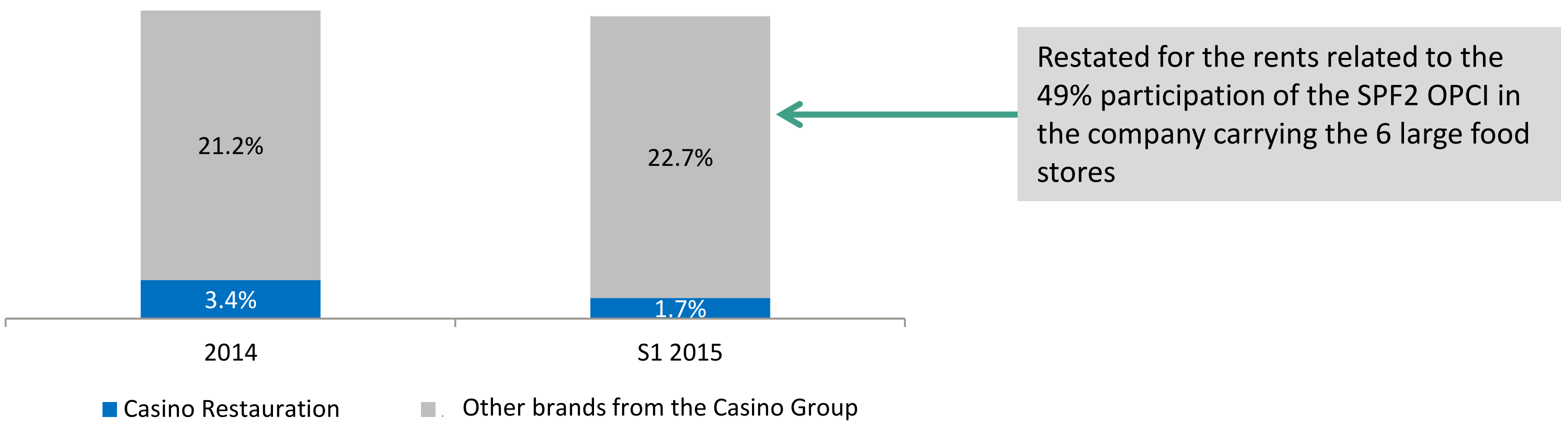


Stability of the economic exposure of Mercialys rents to the Casino Group

❖ The acquisitions of large food stores carried out in 2014 and 2015 were conducted in parallel to the disposals or re-assignment of cafeterias

❖ Mercialys is now marginally exposed to Casino Restauration and in a more appreciable manner to the Géant brand, repositioned on its concept and its prices, that also benefit from projects led by Mercialys over its sites

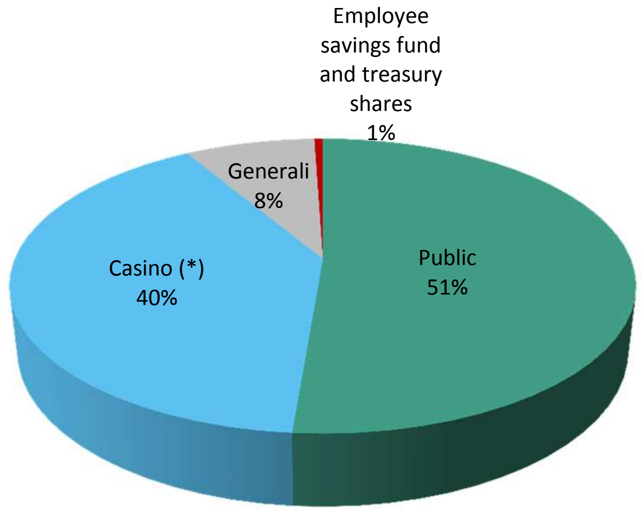
Change of the share of Casino brands in Mercialys' annualized rental income (economic vision)



Shareholding in Mercialys and number of shares on June 30, 2015

	Jun. 30, 2014	2014	Jun. 30, 2015
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)	91,806,777	91,826,157	91,809,184
Average number of shares (diluted)	91,806,777	91,826,157	91,809,184

Mercialys shareholding on June 30, 2015



(*) besides 5.9% of economic exposure (Foncière Euris and Rallye)

FFO, EPRA earnings & net income group share

Thousands of euros	June 30, 2014*	June 30, 2015	% Change
Invoiced rents	76,005	80,558	6.0%
Lease rights	2,125	1,698	-20.1%
Rental revenues	**78,131**	**82,256**	**5.3%**
Non-recovered service charges	-2,788	-2,382	-14.6%
Property operating expenses	-2,271	-2,669	17.5%
Net rental income	**73,072**	**77,205**	**5.7%**
Management, administrative and other activities income	1,522	1,280	-15.9%
Other income and expenses	-3,319	-2,425	-26.9%
Staff costs	-4,950	-5,638	13.9%
EBITDA	**66,324**	**70,423**	**6.2%**
Net financial items	-10,429	-13,037	25.0%
Allowance for provisions for liabilities and charges	736		n/a
Other operating income and expenses (excl. capital gains and impairment)	-264	-590	n/a
Tax	58	-528	n/a
Share of net income of associates	608	530	-12.8%
Minority interests excl. capital gains and depreciation	-19	-24	26.3%
FFO	**57,014**	**56,775**	**-0.4%**
Income related to the sale of Mercialys' stake in Green Yellow	-4,332		na
EPRA earnings	**52,682****	**56,775**	**7.8%**

Thousands of euros	June 30, 2014*	June 30, 2015	% Change
FFO	57,014	56,775	-0.4%
Depreciation and amortization	-11,999	-11,470	-4.4%
Other operating income and expenses	57,819	-3,341	na
Minority interests: gains and amortizations	-5	-4	na
Net income, attributable to the Group	**102,828**	**41,958**	**-59.2%**
EPS (in € / share on the basis of the average number of diluted shares)	1.12	0.46	-59.2%

**The previous published statements were readjusted following the retrospective application of the interpretation of standard IFRIC 21*
***Revised amount vs. reported H1 2014*

Balance sheet

ASSETS (in thousands of euros)	December 31, 2014*	June 30, 2015
Intangible assets	811	756
Property, plant and equipment other than investment property	434	356
Investment property	1,751,782	1,938,039
Investments in associates	20,880	19,964
Other non-current assets	33,579	33,437
Deferred tax assets	990	1,005
Non-current assets	**1,808,476**	**1,993,557**
Trade receivables	18,687	19,138
Other current assets	64,762	55,115
Cash and cash equivalents	121,015	9,307
Investment property held for sale	5,666	5,496
Current assets	**210,130**	**89,056**
TOTAL ASSETS	**2,018,606**	**2,082,612**

EQUITY AND LIABILITIES (in thousands of euros)	December 31,2014*	June 30, 2015
Share capital	92,049	92,049
Bonus, treasury shares and other reserves	691,262	658,888
Equity attributable to the Group	**783,311**	**750,937**
Non-controlling interests	**436**	**90,207**
Equity	**783,748**	**841,144**
Non-current provisions	292	335
Non-current financial liabilities	1,022,424	1,022,381
Deposits & guarantees	22,555	23,050
Deferred tax liabilities	1	1
Non-current liabilities	**1,045,272**	**1,045,767**
Trade payables	14,026	11,941
Current financial liabilities	143,330	150,165
Short-term provisions	1,426	1,462
Other current liabilities	30,456	31,990
Current tax liabilities	348	143
Current liabilities	**189,586**	**195,701**
TOTAL EQUITY AND LIABILITIES	**2,018,606**	**2,082,612**

**The previous published statements were readjusted following the retrospective application of the interpretation of standard IFRIC 21*

Breakdown of assets

Type of property	Number of assets at 06/30/2015	Appraisal value (inc. taxes) at 06/30/2015*		Gross leasable area at 06/30/2015		Appraised net rental income	
		In €M	%	m²	%	In €M	%
Regional / large shopping centers	25	**2,432.8**	*79%*	614,832	*75%*	128.9	*75%*
Neighborhood shopping centers	34	**645.7**	*21%*	195,339	*24%*	41.5	*24%*
Total shopping centers	***59***	***3,078.5***	***99%***	***810,171***	***99%***	***170.4***	***99%***
Other assets	6	**19.2**	*0.6%*	8,982	*1%*	1.2	*1%*
Total portfolio	**65**	**3,097.7**	***100%***	**819,153**	***100%***	**171.6**	***100%***

- **Average rate of return: 5.55% as of 06/30/2015**

(*) Valuation method: valuation based on the appraisals by BNP Real Estate Valuation, Catella, and Galtier using conventional methods for the capitalization of revenues and discounting of cash flow from rents

Grid of capitalization rate applicable under the Partnership Agreement

- Applicable capitalization rate for reiterations in the 2nd half-year 2015 under the Partnership Agreement with Casino

Type of property	*Shopping centers*		*Retail parks*		*City center*
	Mainland France	*Corsica and ODT**	*Mainland France*	*Corsica and ODT**	
Regional / large shopping centers *> 20,000 sq.m*	**5.9%**	6.5%	6.5%	6.9%	5.7%
Neighbourhood shopping centers *5,000 to 20,000 sq.m*	**6.4%**	6.9%	6.9%	7.3%	6.0%
Others *Incl. < 5,000 sq.m*	**6.9%**	7.3%	7.3%	8.0%	6.5%

**ODT: French overseas Departments and Territories*

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