

MERCIALYS

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Remuneration for executive officers

(published in accordance with the AFEP-MEDEF corporate governance code)

During its meeting on March 11, 2016, and after consulting with the Appointments and Remuneration Committee, Mercialys' Board of Directors set the variable remuneration for 2015 for Mr Eric Le Gentil, Chairman and Chief Executive Officer, at Euro 382,500, and for Mr Vincent Rebillard, Chief Operating Officer, at Euro 98,550.

Their variable remuneration has been determined, in accordance with the principles and guidelines set previously by the Board of Directors, based on quantitative targets relating to Mercialys for 20% (earnings and rental income growth), combined with individual targets for 50% and managerial targets for 30%.

In accordance with the AFEP-MEDEF corporate governance code, shareholders will be consulted on all the items of remuneration for the Chairman and Chief Executive Officer and the Chief Operating Officer at the General Meeting on April 20, 2016.

Furthermore, to align their interests with the Company's shareholder performance over the long term, the Board of Directors has decided to set up a new long-term incentive plan for them. This long-term incentive plan, based on a target representing 75% of the Chairman and Chief Executive Officer's gross annual remuneration (fixed) and 50% of the Chief Operating Officer's gross annual remuneration (fixed), will be paid provided that they are present at the end of a three-year period and two performance conditions are met:

- Absolute performance of the Company's shares, dividends included, representing the total shareholder return (TSR);
- Relative performance of the Company's shares, dividends included, representing the total shareholder return (TSR) in relation to the performance of companies making up the EPRA Eurozone index,

These performance conditions are assessed over three years (2016, 2017 and 2018).

The Chairman and Chief Executive Officer and the Chief Operating Officer will be required to reinvest 50% of their incentive payments, net of costs and tax, in Mercialys shares and then retain these shares for the duration of their office.

Paris, March 30, 2016



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