

## EURO 150 MILLION BOND ISSUE WITH A PRIVATE PLACEMENT

**Mercialys has issued Euro 150 million of bonds today as part of a private placement. This operation is for general corporate purposes, including the partial refinancing of the Euro 479.7 million bond issue maturing in March 2019.**

Building on its outstanding operational performances and capitalizing on the opportunity offered by a still extremely buoyant credit market, Mercialys is announcing that it has today carried out a new bond issue, through a private placement, for a nominal total of Euro 150 million, maturing in 2027, with a yield of 10-year mid-swap + 110 basis points.

This operation is in line with the refinancing strategy rolled out by the Company, whose FR0011223692 issue with an outstanding nominal of Euro 479.7 million and 4.125% coupon is due to mature on March 26, 2019.

This new 10-year bond financing line, raised under very favorable conditions, helps extend the average maturity of Mercialys' debt, while keeping the Company's financing costs at extremely competitive levels. In addition, it offers a significant spread compared with the average capitalization rate for the Company's real estate assets (5.14% at end-June 2017) and the pipeline's target net yield on cost (6.6% for a total investment of Euro 586 million).

Deutsche Bank acted as bookrunner.

The operation does not have any impact on Mercialys' 2017 objectives.

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This press release is available on [www.mercialys.com](http://www.mercialys.com)

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**About Mercialys**

Mercialys is one of France's leading real estate companies, focused exclusively on retail property. At June 30, 2017, Mercialys had a portfolio of 2,108 leases, representing a rental value of Euro 174.6 million on an annualized basis. At June 30, 2017, it owned properties with an estimated value of Euro 3.7 billion (including transfer taxes). Mercialys has had "SIIC" real estate investment trust (REIT) tax status since November 1, 2005 and has been listed on Euronext Paris Compartment A (ticker: MERY) since its initial public offering on October 12, 2005. At June 30, 2017, there were 92,049,169 shares outstanding.

**IMPORTANT INFORMATION**

*This press release contains certain forward-looking statements regarding future events, trends, projects or targets. These forward-looking statements are subject to identified and unidentified risks and uncertainties that could cause actual results to differ materially from the results anticipated in the forward-looking statements. Please refer to the Mercialys shelf registration document available at [www.mercialys.com](http://www.mercialys.com) for the year ended December 31, 2016 for more details regarding certain factors, risks and uncertainties that could affect Mercialys' business. Mercialys makes no undertaking in any form to publish updates or adjustments to these forward-looking statements, nor to report new information, new future events or any other circumstances that might cause these statements to be revised.*