

MERCIALYS

Paris, May 25, 2020

<p>All of Mercialys' shopping centers reopened since May 11, 2020 Encouraging operational performance figures</p>

Following the authorization to reopen stores and the lifting of the public lockdown ordered by the French Government, Mercialys' shopping centers have been able to once again welcome members of the public since May 11, 2020 across their entire retail space (excluding leisure areas and sit-down restaurants). This reopening of the centers in full, completed under optimum health and safety conditions, is being accompanied by a satisfactory level of footfall, highlighting the sites' strong positions within their communities.

Stores that are now accessible represent 97% of Mercialys' total rental base

During the lockdown period, which lasted from March 15 to May 11, 2020, all of Mercialys' shopping centers and high-street retail assets were able to remain open, reaping the full benefits of their retail mixes focused on serving day-to-day needs. Stores that were authorized to continue trading by the French Government's order of March 15, 2020 represented almost 40% of the Company's total rental base.

Since May 11, 2020 and the authorization for all stores in France to reopen (with the notable exception of most of the shopping centers over 40,000 sq.m, as well as centers in the Paris Region, a segment that Mercialys is not exposed to), the equivalent of 97% of the Company's total rental base is now operational again. The 3% that are still closed to date primarily concern leisure activities and food outlets that do not offer takeout services, while the Government plans to gradually reopen these stores from June 2, 2020 in line with the latest developments concerning the regional health situation.

Encouraging operational indicators

Thanks to the sustained efforts of Mercialys' staff during the lockdown period and the dedication shown by its local teams, the Company has been able to welcome members of the public again for the past two weeks across the entire retail space at its sites. Over this period, the contraction in footfall observed by Mercialys, compared with the same period in 2019, has been limited to -20% on average, which represents an encouraging level in relation to the scale of the current shock and the health constraints in place. For comparison, the lockdown weeks were marked by daily footfall levels that were down -70% to -80% from last year.

The -20% footfall differential observed to date versus 2019 is linked primarily to: 1/ a significant drop in lunchtime footfall levels, 2/ customers visiting on their own (unaccompanied by children or other family members, who, in any event, rarely spend money themselves), and 3/ a limited number of customers visiting for pleasure without purchasing, which Mercialys has never made a priority by focusing its strategy more on efficient and recurrent purchases rather than 'retailtainment'. Moreover, discussions with retailers seem to indicate very high transformation rates, with the vast majority of customers visiting the centers to effectively purchase items.

During the entire lockdown period, and ramping up its approach since May 11, Mercialys has deployed strong digital communications to leverage all the customer databases for its centers' catchment areas (customer bases built up since the Company launched its digital strategy in 2015, containing over one million qualified contacts). This approach aims to promote retailers' products and services and help normalize their activities as quickly as possible. Alongside this, the Company is accelerating the rollout of Ocitô, its proprietary click and collect platform, across its portfolio, not only for home delivery from its centers' restaurants, but also for deliveries of non-food products. This service offers an additional source of support for retailers' activities.

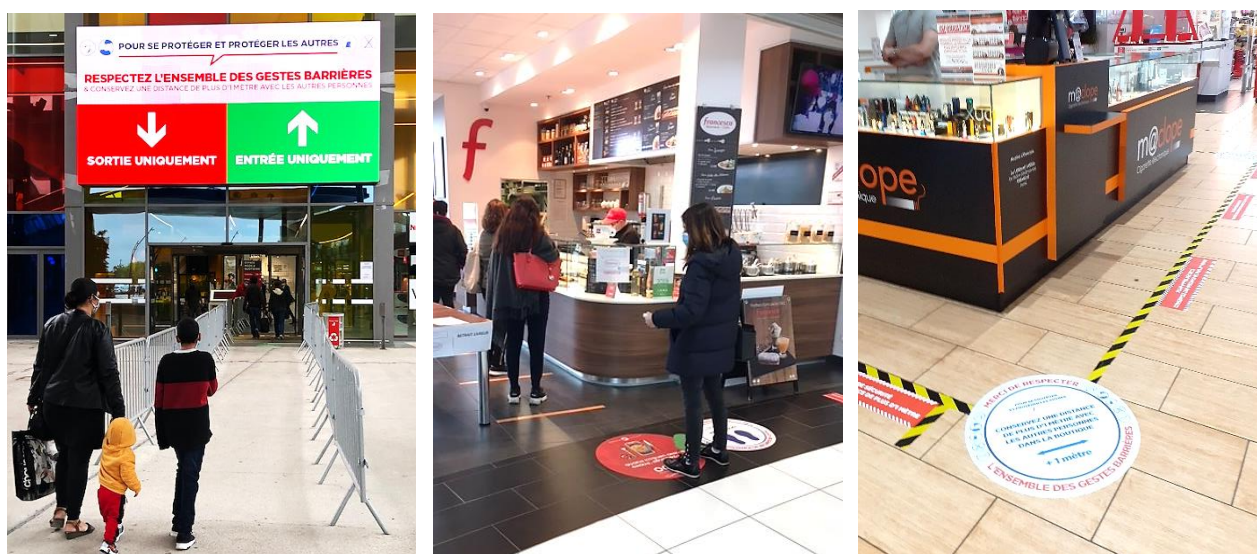
Rigorous health management

The relaxing of the public lockdown and the reopening of stores have been made dependent on compliance with strict health measures set by the French Government. Each of Mercialys' shopping centers is therefore taking exceptional steps to ensure the safety of its customers, retailers and staff, such as:

- Counting the number of customers in real time,
- Putting in place navigational markers to guide visitors,
- Setting up sanitizer stations at the entrances,
- Continuously cleaning and disinfecting spaces and equipment,
- Managing and adapting communal areas and facilities,
- Increasing the indoor air renewal rate.

Signs with strong informational messages to help minimize concerns have also been deployed throughout the entire customer journey to remind them about barrier and physical distancing measures.

The local authorities that have visited several Mercialys sites to check the effectiveness of the arrangements put in place have praised the quality of the measures taken by the Company.



* * *

This press release is available on www.mercialys.com

Analysts / investors / media contact:

Alexandre Leroy

Tel: +33(0)1 53 65 24 39

Email: aleroy@mercialys.com

About Mercialys

Mercialys is one of France's leading real estate companies, focused exclusively on shopping centers and high-street retail assets. At December 31, 2019, Mercialys had a portfolio of 2,144 leases, representing a rental value of Euro 180.6 million on an annualized basis. At December 31, 2019, it owned properties with an estimated value of Euro 3.6 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 December 31, 2019, 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 Mercialys' Universal Registration Document available at www.mercialys.com for the year ended December 31, 2019 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.