

MERCIALYS

PRESS RELEASE

Paris, June 30, 2016

Acquisition of two sites for transformation from Monoprix in the Paris Region

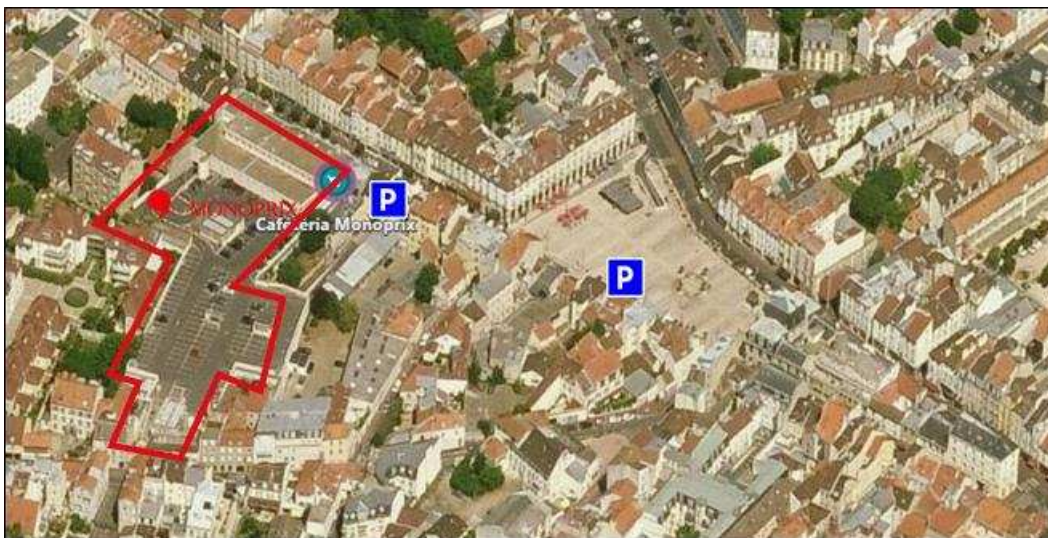
On June 29, 2016, Mercialys acquired two Monoprix sites for transformation in Saint-Germain-en-Laye and La Garenne-Colombes close to Paris.

This investment represents a total of Euro 69.6 million (including transfer tax), with an immediate yield rate of 5.6% (based on rent paid since the acquisition by Monoprix under fixed-rent leases) before rolling out projects that will generate additional rent, as well as potential property development margins.

Mercialys is moving forward with the development of its high street retail business line, which, following the acquisition of 7 Monoprix sites for transformation represents nearly 5% of the total appraisal value of assets including transfer taxes published at December 31, 2015.

These two sites will be extensively redeveloped and residential development projects are already being looked into, with an estimated Euro 30 million of work and an IRR of around 9%. Through these sites, Mercialys has acquired volumes and parking facilities that are ideally located (see photos below) at the heart of these cities, with their demographics and purchasing power levels benefiting from their proximity to Paris.

View of the Monoprix site for transformation in Saint-Germain-en-Laye:



View of the Monoprix site for transformation in La Garenne-Colombes:



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This press release is available on 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 December 31, 2015, Mercialys had a portfolio of 2,251 leases, representing a rental value of Euro 175.8 million on an annualized basis.

At December 31, 2015, it owned properties with an estimated value of Euro 3.5 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, 2015, there were 92,049,169 shares outstanding.

IMPORTANT INFORMATION

This press release contains certain forward-looking statements about 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 for the year ended December 31, 2015 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.