



PRESS RELEASE

Paris, April 23, 2007

STRONG INCREASE OF INVOICED RENTS IN Q1 2007: +31.1%

BOTH ORGANIC AND EXTERNAL GROWTH BOOSTED BY RELETS AND RENEWALS SIGNED DURING THE LAST 12 MONTHS AND EURO 160 MILLION OF ACQUISITION NEGOTIATED IN 2006

“We benefited during this first quarter from the work done in 2006 on rents through renewals and relets and from the expected positive effect of acquisitions negotiated in 2006 and closed during the last 4 quarters. Q1 2007 activity has been very good: 65 leases relet or renewed, showing that Mercialys engine is now full speed to extract growth embedded in its assets. Thus, 2007 will be, as 2006, a year marked by a strong organic growth, said Jacques Ehrmann, Chief Operating Officer of Mercialys.”

Rental revenues up +28.8%

Q1 2007 rental revenues were Euro 24,135 thousand, up +28.8% versus Q1 2006.

<i>Euro thousand</i>	Q1 2006	Q1 2007	% change
Invoiced rents	18,072	23,688	+31.1%
Lease rights	660	447	
Rental revenues	18,732	24,135	+28.8%

Q1 2007 **invoiced rents** were Euro 23,688 thousand, up **+31.1%**.

Q1 2007 experienced a strong **organic growth** of invoiced rents which represented **+14.5 points** of the increase thanks notably to renewals and relets signed during the last 4 quarters (7.3 points) and indexation (+4.5 points). Variable rents were still positively impacted by the good health of our tenants (+1.9 point).

Q1 2007 also benefited from 2006 **acquisitions** which were all closed between Q2 2006 and Q1 2007. As no acquisition was booked during the Q1 2006, acquisitions strongly boosted invoiced rents by **+16.6 points**, and this evolution in % should smooth quarter after quarter. Nevertheless, as announced in 2006, the impact in value of those acquisitions will remain high – at a euro +10.2 million level – when comparing 2007 invoiced rents with 2006 as those acquisitions have mainly been closed during the last semester of 2006 or early 2007.

Q1 2007 Lease rights was Euro 447 thousand versus Euro 660 thousand in Q1 2006.

Next publications:

- July 26, 2007 (morning) First half revenues and earnings
- October 22, 2007 (evening) Revenues to September 30, 2007
- January 23, 2008 (evening) Full year revenues for 2007

Analyst/investor relations:

Marie-Flore Bachelier

Tel: + 33(0)1 53 65 64 44

Press relations:

Citigate: Nicolas Castex

Tel. + 33(0)1 53 32 78 88

or + 33(0)6 62 08 83 12

About Mercialys

Mercialys, one of France's leading real estate companies, is solely active in commercial property. Rental revenue in 2006 came to Euro 82.3 million and net earnings, Group share to Euro 60.5 million. Mercialys has benefited from "SIIC" tax status (REIT) since November 1, 2005 and has been listed on Euro list by Euro next Paris, symbol *MERY*, since its initial public offering on October 12, 2005.

CAUTIONARY STATEMENT

This press release may contain 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 Document de Référence (Annual report) available at www.mercialys.com for the year ended December 31, 2006 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 circumstance that might cause these statements to be revised.