

Welcome

2013 ACTIVITY REPORT









mercialys
L'Esprit Voisin.

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Who are we?

Mercialys is one of the major real estate companies in France. It works to enhance the value of, transform and manage shopping centers. The company has been developing this expertise since 2005, the year it was founded by Casino, which remains its key partner.

At the end of 2013, Mercialys owned 91 properties including 61 shopping centers worth Euro 2.5 billion.

Mercialys has been listed on compartment A of Euronext Paris, under the symbol MERY, since October 2005. In December 2009, the company entered the SBF 120 index. It benefits from "SIIC" tax status (*REIT*).



"L'Esprit Voisin": Mercialys' DNA

Mercialys' business model is based on an extremely strong, innovative and unifying position that embodies the company's identity: the "L'Esprit Voisin" concept. "L'Esprit Voisin" is a very different way of designing and running shopping centers. It unites Mercialys' teams, our partners - local retailers and large retail chains - and our customers around a shared view of retail based on local presence. "L'Esprit Voisin" has given its name to a very ambitious program to transform our portfolio, serving as the company's main driving force for value creation.

A winning strategy to be stepped up even further

Mercialys is continuing with the successful strategy it has pursued since it was founded, capitalizing on its key strength of the "L'Esprit Voisin" concept, its unique value-creation approach and its entrepreneurial spirit serving retail and innovation. By developing ways of making retail different and complementary, Mercialys' aim is to make its sites more attractive and optimize their marketability.

With its resolutely customer-focused approach, Mercialys is constantly adapting its positioning to changes in retail and new consumer habits based on local presence.



Mercialys' aim is to take its strategy even further



Message of

Eric Le Gentil

Chairman and Chief Executive Officer of Mercialys

In 2013, in a complex economic climate, Mercialys managed once again to demonstrate the relevance of its business model by delivering one of the strongest performances and among the best results in the sector, in particular with organic growth in invoiced rents of +3.7%. Our shopping centers are more attractive than ever to our customers and to the retailers that place their trust in us.

"L'Esprit Voisin" and dynamic value creation: the keys to our business model

We believe in our business model and our plan is to develop it even further. There are three key factors that have allowed for the success of the strategy developed over the last eight years.

Mercialys has created an innovative and unique positioning with "L'Esprit Voisin", which is now recognized and appreciated by our customers, retailers and the profession. "L'Esprit Voisin" is more than just a concept. It is a way of looking at retail with the customer as the anchor point. It has become our company's identifying feature, its DNA. "L'Esprit Voisin" is central to our success and sure to remain as the bedrock of the company's development.

Mercialys' winning strategy is also thanks to the dynamic approach to value creation implemented at our sites. We are specialists in the active asset management of shopping centers, which enables us to achieve robust organic growth year after year. Thanks to an ambitious transformation program for our shopping centers, we are reshaping our portfolio in order to develop new growth potential. Following extension, redevelopment and renovation works, our sites benefit from an enhanced retail offering, including new market-leading retailers generating footfall.

Since 2010, Mercialys has also pursued a policy of asset sales focusing on mature properties or those that are not large enough to develop solid momentum in terms of attractiveness. This process of refocusing the portfolio has enabled us to increase the average size of our shopping centers and make them more attractive in their catchment area.



Accentuating our strategy by capitalizing on our values

There are a number of possible models in our business, and they can easily co-exist. There is no single model.

At Mercialys, we have our beliefs and want to share them. We believe in establishing a footing synonymous with proximity, and in local development compatible with the development of digital technology around the world. We believe in the strength of our shopping centers, which form an integral part of their environment and are respectful of retailers. We believe in development that creates value, conducted in mid-size towns, based on a different kind of personalized and upscaled approach.

These solid fundamentals allow us to move into a new phase. Our portfolio of sites has been refocused on properties that fit in with our "Foncière Commerçante" concept ("Think and act as a retailer"). "L'Esprit Voisin" constitutes a powerful and different positioning. We have properties that present potential for value creation. We benefit from a solid financial structure that gives us the leeway to carry out this strategy.



DEVELOPING A 360° VIEW AROUND A DIFFERENT KIND OF ONE-STOP SHOPPING CENTER

Our aim is to make our sites one-stop retail venues that stand out from the rest of the market, by capitalizing on what makes Mercialys unique and on our partners, primarily the Casino Group.

In keeping with the logic of the "Foncière Commerçante" strategy, we are developing a 360° view in order to create a new form of retail at the level of a site, and develop the site's full potential. Each site will be treated as a whole in order to optimize the marketability of all available space. We will therefore be able to redevelop mid-size stores and move them to car parks in order to create additional rental value, and to devise and develop new forms of complementary retail for retailers in order to enhance our offering. Completions of "L'Esprit Voisin" development projects will also continue to enhance our offering and strengthen the positioning of our sites.



Customers at the heart of our business

The development of our shopping centers and their offering is based above all on the central importance attached to our customers.

This requires in-depth multi-criteria and local knowledge of the positioning of our sites, competitors and demographics, and analysis of unmet needs in order to permanently adapt our merchandising plans. This approach is fuelled and enhanced by new formats, concepts and retailers in order to meet our customers' expectations by providing a diversified offering.

"L'Esprit Voisin" concept will be updated with original forms of marketability, more services, equipment suited to the changing nature of our shopping centers, more welcoming events and greater interactivity with our customers. This renewal of our approach is vital and permanent, based on a local footing, modern and attractive architecture, and commitment to the local community, allowing us to continue to stand out, which constitutes the main strength of our business model.

Lastly, stepping up our multi-channel strategy with even closer ties between "bricks and mortar" retailers and e-commerce will help to boost footfall at our shopping centers.

Growth, attractiveness and standing out from the crowd: Mercialys' credo

In 2014, with Mercialys' teams, we will continue to develop on the basis of growth, attractiveness and standing out from the crowd.

Over the next few years, growth will be supported by our ongoing efforts to extract reversionary potential, the development of "L'Esprit Voisin" projects at our shopping centers and a diversified retail offering. A total of 10 sites will adopt the "L'Esprit Voisin" concept in 2014, representing 26,100 m2 of newly created or redeveloped space for an additional €8.1 million. Thanks to its partnership with Casino, Mercialys benefits from a secure pipeline of projects with a weighted value of around €400 million at the end of 2013, allowing it to fuel future growth.

With the development of new forms of retail, we intend to enhance our offering in order to make our shopping centers ever more attractive. Casual Leasing is expected to take on a new dimension and continue to flourish at several of our shopping centers in a number of forms. This multi-faceted type of commerce makes our shopping centers more marketable, creates value and recurring revenues with minimal investment, generates additional footfall, provides our customers with a unique and continually updated offering, and involves both major retail chains and local traders.

Our unique approach will be based on our local positioning and close partnerships in order to meet the ever-changing needs of our customers. For example, Mercialys is to join forces with Cdiscount, one of France's market leaders in e-commerce, in order to offer a unique "click & collect" service and enhance its multi-channel approach. For each of our shopping centers, this will provide the opportunity to present our offering to internet shoppers, come up with ways of cross-selling by showcasing products available at our retailers, and highlight marketing and promotional campaigns. We are also reinforcing the high points of our shopping centers by using the innovative and multi-channel tools we have created, while also providing considerable room for maneuver for local initiatives.

10 additional shopping centers renovated under "L'Esprit Voisin" concept

26,100 m² created or redeveloped

Euro 8.1 million of rental income



A real estate company resolutely focused on retail

For 2014 and the years ahead, Mercialys intends to remain a real estate company resolutely focused on retail.

With imagination driving our present actions and looking ahead to the future, constantly adapting to the expectations of today and the changes of tomorrow, our clever and responsive, simple and unique business model constitutes a real driver for value creation.

By showing ourselves to be more present, more active and more creative, we want our shopping centers to be exciting places for living, retail and social relations.

Corporate Governance

The Management





ERIC LE GENTIL
Chairman
and Chief Executive Officer



VINCENT REBILLARD
Chief Operating Officer



VINCENT RAVAT
Executive Vice-President



MARIE-FLORE BACHELIER
Chief Financial Officer

The Board of Directors



Eric Le Gentil
Chairman of the Board of Directors
and Chief Executive Officer
of Mercialys

Anne-Marie de Chalambert*
Independent Director

Elisabeth Cunin-Dieterlé*
Chief Executive Officer
of Group Camaïeu

Marie-Christine Levet*
Partner at Jaïna Capital

Bernard Bouloc*
Associate professor
of private law

Jacques Dumas
Chief Operating Officer
of Euris

Philippe Moati*
Professor at University of Paris VII
and Joint Chairman of Observatoire
Société et Consommation - ObSoCo

Michel Savart
Chairman and Chief Executive Officer
of Foncière Euris

Casino Guichard Perrachon
Represented by Antoine Giscard
d'Estaing, Chief Financial Officer
of Group Casino

**La Société Forézienne
de Participations**
Represented by Yves Desjacques,
Human Ressources Director
of Group Casino

Appointments and Remuneration Committee

Bernard Bouloc*
Chairman of the Committee
Associate professor of private law

Anne-Marie de Chalambert*
Independent Director

Elisabeth Cunin-Dieterlé*
Chief Executive Officer
of Group Camaïeu

Yves Desjacques
Human Ressources Director
of Group Casino

Michel Savart
Representative of the main shareholder
Chairman and Chief Executive Officer
of Foncière Euris



SANDRINE ABIHSSIRA
Commercial Director



BRUNO DUGAS
Director of Operating
Asset Management



NICOLAS FAIVRE
Director of Alcudia
Asset Management



THIERRY AUGE
Head of Human Resources

Audit Committee

Philippe Moati*
Chairman of the Committee
Professor at University of Paris VII and
Joint Chairman of Observatoire Société
et Consommation – ObSoCo

Bernard Bouloc*
Associate professor of private law

Jacques Dumas
Representative of the main shareholder
Chief Operating Officer of Euris

Investment Committee

Anne-Marie de Chalambert*
Chairman of the Committee
Independent Director

Marie-Christine Levet*
Partner at Jaïna Capital

Antoine Giscard d'Estaing
Representative of the main shareholder
Chief Financial Officer of Group Casino

Eric Le Gentil
Chief Executive Officer
of Mercialys

Michel Savart
Chairman and Chief Executive Officer of Foncière Euris



** Independent director*

What happened in 2013?

At the 2013 SIEC retail real estate convention, Mercialys won **the CNCC award for best 2012 renovation for the Glann Odet** shopping center in Quimper. This award is in recognition of the architectural quality of the shopping center and the innovations in place, such as the Solarwall allowing for intelligent energy savings.

First half

- Completion of four new mid-size stores at the **Duparc center in Sainte Marie on La Réunion**, enhancing the position of this leading site on the island.
- 17 shopping centers rolled out under the "***Foncière Commerçante***" concept.
- Finalization of the **program of asset** sales initiated in 2012 with the aim of refocusing the portfolio around assets that best fit in with the company's strategy: **Euro 232 million of asset** sales were carried out in 2013.
- After carrying out these asset sales, Mercialys **paid down Euro 250 million of bank debt**, reducing its overall bank debt to Euro 750 million from Euro 1 billion at December 31, 2012. Mercialys therefore increased its financial strength while also optimizing its financial expenses.

June 18

- The plan of asset sales enabled the company to pay shareholders a second exceptional dividend of Euro 0.63 per share on June 28, 2013, in addition to the current dividend of Euro 0.93 per share paid in respect of 2012. Mercialys has therefore paid out an **exceptional dividend to shareholders for the second year in a row**.

July 17

Eric Le Gentil was appointed **Chairman and Chief Executive Officer of Mercialys** on July 17. He was already Chairman of the Board of Directors as of February 13, 2013 and prior to that director for more than five years.





Duparc Retail Parc

In **Clermont-Ferrand**, the extension of the **H&M** store - a true anchor for the site - was opened to visitors to the shopping center in order to offer them even greater access to the latest fashion trends.

The roll-out of the "L'Esprit Voisin" concept continued with the launch of **10 new programs due to be completed in 2014**. Key to the concept is enhancing the offering and positioning of Mercialys' shopping centers in Aix-en-Provence, the Albertville retail park and shopping mall, Angers, Annemasse, Besançon, Clermont-Ferrand, Lanester, Nîmes and Saint-Paul on La Réunion.

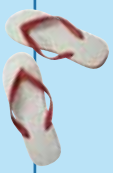
October — November — Fourth quarter

As every year, Mercialys attended the **MAPIC** international retail property market (Marché International Professionnel de l'Implantation Commerciale et de la Distribution), which provided the opportunity for it to present Le Grand Village in Toulouse Fenouillet. This 78,000 m² shopping center comprising 150 stores, located to the north of the city of Toulouse, offers visitors a journey of surprises in a pleasure-oriented shopping experience.



Albertville

Key Figures

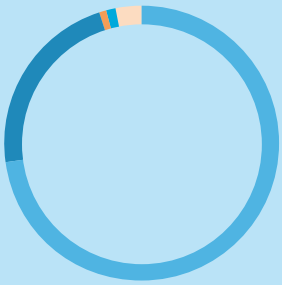




€2,465 M
Total appraisal value
(including transfer taxes)



Portfolio breakdown by type of asset
(appraisal value including transfer taxes in %, as of December 31,2013)



73%
Large and regional shopping centers (25 assets)

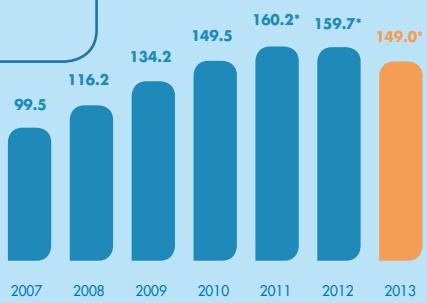
22%
Neighborhood shopping centers (36 assets)

1%
Assets under development

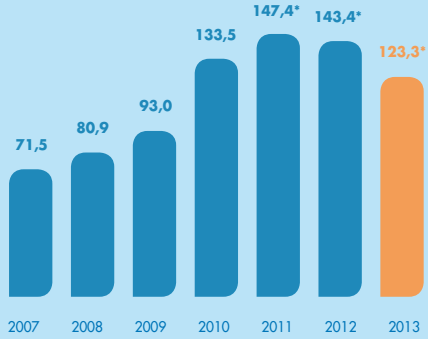
1%
Independent cafeterias (7 assets)

3%
Others (23 assets)

Rental revenues
(in millions of euros)

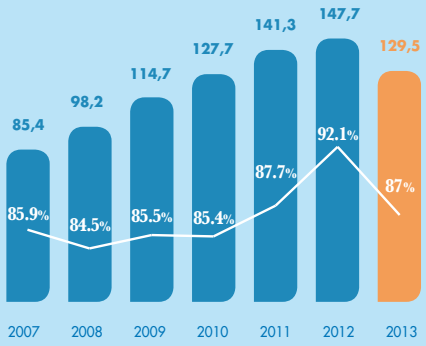


Net income, Group share
(in millions of euros)

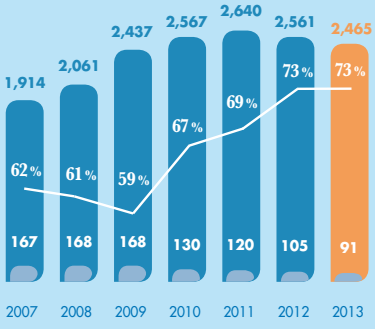


** Proforma following the early application of IFRS 10,11 and 12*

EBITDA
(in millions of euros)



Portfolio (Including transfer taxes)
(in millions of euros)



+ 4,4%
Adjusted FFO* per share, fully diluted

**Net income, Group share, excl. depreciation, capital gains on asset sales and additional tax contribution of 3%, adjusted for rental income from assets sold in 2012 and 2013.*

Share Information



€16.49
on 02/28/2014

Shareholder structure
(in %, as of February 28, 2014)



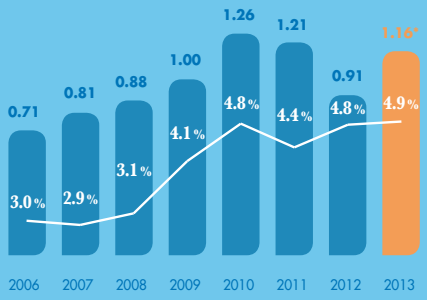
40.16%
Casino

8.01%
Generali Group

51.57%
Public

0.26%
Treasury shares

Net dividend and yield per share
(in euro)



Net dividend per share
Yield per share in %
(net dividend / average closing share price)

** Including interim dividend of Euro 0.34 per share paid in June, 2013; subject to the approval of the General Meeting of April 30, 2014.*

Number of outstanding shares as of 12/31/13:
92,049,169

Market capitalisation:
as of 02/28/14,
Euros 1,517.9 millions

Business segment:
Real Estate

Inclusion in the SBF 120:
on December 18, 2009

Main Index:
CAC All Shares

Market:
Eurolist on Euronext (segment A)

Listing Market:
Euronext Paris

PEA/SRD eligibility:
no/yes

Relative performance of Mercialys' share
(in euro, rebased to 100 as of 10/11/2005, date of the IPO)



Mercialys (total return, dividend resinvested)
Rebased EPRA Eurozone (total return, dividend resinvested)
Rebased CAC 40 (total return, dividend resinvested)

L'Esprit Voisin: a futur ahead

We first talked about "L'Esprit Voisin" in 2006. These two words shook up the small world of retail property, with a different kind of concept that was quickly able to prove what it stood for.

Very quickly, as the program of renovation, redevelopment and extension works to Mercialys shopping centers progressed, "L'Esprit Voisin" concept provided something that could be seen, touched and tasted. Shopping centers took on color, adopting the materials of the local region and the local accent, and growing trees and flowers from the surrounding area. They offered a different kind of shopping experience, targeted at each and everyone, from the young to the not-so-young, families, the fashion conscious, lovers of home decoration and informed technophiles, all within a relaxed and convivial atmosphere.









"L'Esprit Voisin" is not yet 10 years old

It has managed to please our customers and our retail partners. It has enabled us to move forward. And above all, we firmly believe that the best is yet to come. Over the next few years, the concept will evolve, refocus on its core values and adapt to the new expectations and constraints of the market. But one thing will not change: it will remain the bedrock of our philosophy, of what makes us different and of what ensures that our shopping centers do not resemble any others.





Giving a smile to our shopping centers

JUST LIKE AT HOME

"L'Esprit Voisin" concept always feels at home. This is probably what distinguishes it from other retail "concepts": its way of identifying with a town or region and its inhabitants; its way of adopting local customs and know-how, and magnifying the architecture and environment of the surrounding area. In the south of France, "L'Esprit Voisin" takes the form of sun, color, aromas and light. In the mountains, it reflects the solidity of stone and the nobility of wood. In coastal areas, it evokes the boats that sail out to sea. And in the countryside, it can be expressed via beehives, plants and trees.

Culture, DNA, identity, philosophy, beliefs, unique in its genre, often imitated, never equaled - all of these words could be used to describe "L'Esprit Voisin" concept that embodies Mercialys' approach. But we could also talk about the landscapes reflected in each shopping center, the flowers and ideas that grow to enrich day-to-day life, services that are really of service, the brands that stand out and get noticed, shared gestures, places to dream, eat, laugh or take a break while out shopping, and above all the people who bring our shopping centers to life or who visit them to share an unparalleled shopping experience.



Signs of complicity

"L'Esprit Voisin" concept is more than just a style; it is first of all a way of being and doing that can be seen instantly, both within and outside our shopping centers. The large doorways, colored totem pole letter boxes, large tree-lined pedestrian walkways and welcome doormats are all intended to create a lively and fun atmosphere. "L'Esprit Voisin" is a sign of good humor, pleasure and conviviality. So many attentions and details means that our shopping centers have a unique family feel.



The retailers which chose our centers as their first installation in the city:

From you to us

Above all, "L'Esprit Voisin" concept is centered around people. It is concerned with the environment and others, and adopts a responsible and community-minded attitude. It targets the men and women who work at our shopping centers. It involves our partners, the local retailers or national and international retail chains that place their trust in us. It speaks to the people who come to visit our shopping centers both as neighbors and as customers. These customers are always central to our concerns. Via the "L'Esprit Voisin" concept, we are always trying to guess what people want and what would make them happy. We try to anticipate their future expectations.



"L'ESPRIT VOISIN" CONCEPT CHARMS BRANDS

Since it was created, "L'Esprit Voisin" concept has been able to attract retail chains and new concepts. For example, Apple chose the Chateaufarine shopping center to open its first store in Besançon, as did Hema at the Espace Anjou shopping center in Angers. Hammersmith will have its first presence in the Mercialys portfolio at the Nacarat shopping center in Clermont-Ferrand. H.E. by Mango has developed its new concept at the Cap Costières shopping center in Nîmes.



Services that make life enjoyable





Mercialys also endeavors to offer its customers a wide range of services, from the most simple to the most innovative, in order to make them feel truly at home. Whether big or small, old or young, single or with family, everyone needs that little something extra that can make life easier and more enjoyable. Free wifi is available throughout our shopping centers, because some e-mails just cannot wait. We also provide play areas, because children need to have fun and let off steam.

And relaxation areas, because there is a time for everything, even to relax. A baby room because you can't always think of everything your little one may need. A central, visible and clearly identified information point, because sometimes you need advice on how to find your way around the shopping center, or bus timetables for when you need to get home.





"AND WHAT DO YOU THINK?"

This extensive attention to detail also goes hand in hand with fostering customer loyalty. It seems obvious that we should reward our customers. That is why Mercialys is a partner of the S'Miles multi-retailer program, in which 15 shopping centers participate. Using their loyalty card, more than 32,000 shoppers are able to collect points that can be converted into vouchers valid at stores in our shopping centers.

We also seize any opportunity to make regular contact with our customers outside their visits to our shopping centers, as it is always good to talk to them, listen to their ideas, have their viewpoint and know what they expect of us, their shopping center and its stores. Satisfaction surveys are conducted regularly to find out their opinion on a variety of subjects, such as the quality of services and events, the choice on offer and practical issues. Customers can also express their views by leaving their comments in the center's suggestion box or on the website.



Proximity 2.0

The link with customers is essential to Mercialys. So when they move into the digital era, Mercialys does so too. All of the resources are there to reinvent and consolidate our proximity-led approach, showing customers that we are closer to them than ever. With the internet, social media and dedicated apps, we use all the canals to enhance our contact with our customers.

Do they want to benefit from promotions? Do they want to know where a store can be found? Do they want to view their S'Miles balance? Do they want to take part in a competition? Nothing could be easier or more immediate. Whether on the websites of each shopping center, on dedicated Facebook pages or using the "Mon Centre" mobile app, customers can access all of the information they need at home and at shopping centers.

Most of these initiatives are steered directly by the shopping centers themselves, who send out targeted messages. Information can also be put online by national retail chains and local retailers via a dedicated extranet site. Retailers have the autonomy to manage how they interact with customers.





Sustainable development A commitment in all aspects

Mercialys has a long-standing and concrete commitment to sustainable development. As with "L'Esprit Voisin" concept, this is reflected by local initiatives with a primarily local impact. And above all, it is not restricted to just environmental aspects, which are the most commonly shared, but is also concerned with economic and social issues, another tenet of sustainable development.

How our customers get to us...

83% by car or motorcycle

10% by foot or bicycle

7% by public transport

66% of Mercialys shopping centers are served by public transport

Travel in keeping with the times

Shopping centers generate greenhouse gas emissions, most of which relate to visitor travel. In 2013, just 17% of customers travelled to our shopping centers by foot, bicycle or public transport. That is why Mercialys works to encourage anything that can make travel more environmentally friendly.

For bicycle fans, cycle paths are extended to car parks. Once they reach their destination, cyclists can find bicycle shelters along the shopping center entrance. For those using electric or hybrid vehicles, charging stations are provided in our car parks for them to recharge their vehicle batteries. Some have already adopted car pooling, with reserved spaces marked out by special signage, and shopping center websites tell people how to get in touch with each other. As regards public transport, Mercialys maintains permanent dialogue with local elected representatives. At the Val Semnoz shopping center in Seynod, our customers can also find out about bus timetables in real time at the shopping mall.



Combating discrimination

At Mercialys, equality is reflected in its day-to-day practices. 47% of our employees are women, and 20% of directors are women. This enabled us to come 7th in the rankings of female representation on executive bodies of SBF 120 companies, compiled at the request of the Ministry for Women's Rights.

In terms of combating discrimination, Mercialys regularly uses the services of companies employing disabled workers in order to encourage employment of the disabled. The Cap Costières shopping center in Nîmes has received an award from EDF and the APAJH association for disabled adults and young people (Association pour Adultes et Jeunes Handicapés) for appointing a company of this kind to maintain its planted areas.



PAVING THE WAY

Mercialys invests actively in promoting sustainable development in its business sector. We share our best practices within dedicated professional bodies such as the FSIF (Fédération des Sociétés Immobilières et Foncières) and the CNCC (Conseil National des Centres Commerciaux). This is also provides the opportunity to initiate and carry out communal projects such as the CSR (corporate social responsibility) reporting guidelines drawn up in 2013 in close collaboration with three other real estate companies.





Ideas to encourage employment

All good ideas to encourage job creation and contribute to local economic development are welcomed. The second employment forum was organized at the Phare de l'Europe shopping center in Brest in partnership with Pôle Emploi. As it does every year, the Cap Costières shopping center in Nîmes arranged two job dating days to meet retailers' needs ahead of the festive and sales seasons. And even more original was the "job treasure hunt" at the Nacarat shopping center in Clermont-Ferrand. People looking for jobs were given help by professionals and received information at each stage of their job search, in particular applications and preparing for interviews.

Employment forum in Brest

30 job offers made

126 interviews conducted

20 participating companies

Job dating days in Nîmes

40% of jobs on offer filled



Duparc shopping center in Sainte-Marie, La Réunion: a new image

+ 2,500 m²

+ 4 mid-size stores

4.4 MWp of solar energy



May 15 was a special day for the Duparc shopping center in Sainte-Marie, La Reunion. The two-floor 2,500 m² extension, housing Prémaman, La Halle aux Chaussures and Fitness Duparc, among others, was made accessible to our customers. The extension has consolidated the shopping center's market-leading position in Saint-Denis and the surrounding region.

The Duparc shopping center is located in Sainte-Marie, on the outskirts of Saint-Denis, in the heart of a retail area comprising in particular a Jumbo hypermarket, the Ciné Palmes multiplex and a Leroy Merlin store. It went through a major stage of its development in 2010 with the adoption of "L'Esprit Voisin" concept, while also increasing in size. The site was completely renovated, with enlargement of the car park, provision of new access facilities, and 25 new stores covering 8,500 m², including four mid-size stores and five restaurants, making it bigger and better, while also maintaining its human and family dimension. Innovative retailers such as Antenne Réunion Boutique and very well known retail chains such as Intersport, Jules, Esprit and San Marina have given it a new breath of life. All sectors have been reinforced, from household equipment to leisure, as well as telephony and services. The value of this comprehensive offering has been enhanced even more with the new extension of the site.





Another factor that makes the Duparc shopping center stand out is its photovoltaic power facility, installed on roofs and car park shelters. Built by GreenYellow, a Casino Group subsidiary specializing in renewable energy, the facility generates enough electricity for around 1,800 homes.

H&M sets its sights even bigger at the Nacarat shopping center in Clermont-Ferrand

+ 830 m²

Since 2008, the Nacarat shopping center in Clermont-Ferrand has gone Swedish. H&M is one of its flagship brands, promoting a certain idea of fashion and changes in fashion by offering high-quality products at low prices.

On October 5, the Nacarat shopping center celebrated the extension of the H&M store, with 830 m² of new space on offer to shoppers. The store now covers more than 1,500 m², showcasing all of H&M's collections: womenswear, menswear, children and maternity. This is a sign of confidence in Mercialys from this international market-leading brand.





Chateaufarine in Besançon
A beautiful never-ending story



Mercialys shopping centers always look ahead to the future. This is the function in particular of asset management, to permanently come up with ways of ensuring continual change in order to meet the expectations of the customers and retailers that bring the shopping center to life. Chateaufarine is without doubt one of the best illustrations of this.





14 new shops

+ 2,100 m²

86 shops
and 10 mid-size stores

Extension due to open
in November 2014



"L'Esprit Voisin" par excellence

It is possible to be both large and intimate, attracting more than 6 million people a year and knowing how to speak to each and every one of them.

With around 40,000 m² of selling space and 80 stores, Chateaufarine has become a shopping destination like no other for inhabitants of the Besançon region: a place for living and doing what you want - the very essence of "L'Esprit Voisin" concept.

Initial renovation works carried out in March 2009 gave Chateaufarine this new identity that makes Mercialys' shopping centers unique. 17 new stores were created in the place of a Leroy Merlin store, which moved to the car park. In addition, a shopping promenade with three mid-size stores was created, providing a welcoming link between the inside and outside.

In terms of architecture, Chateaufarine is adopting typical materials of the region such as pine and stone from Chailluz to make the center even more familiar. These are materials that anyone could have at home or at their neighbor's house.

Major national and international retailers such as H&M opened stores in the region for the first time. Other innovative and traditional retailers also moved into the center, providing a particularly attractive array of shops.

In March 2010, the development of Chateaufarine was still under way, with further redevelopment works allowing for the inclusion of new André, Armand Thierry and LMV stores.

All of these transformations have given a new dimension to Chateaufarine, making it the regional shopping center and allowing it to establish itself as market leader in Besançon.

A MAJOR RENOVATION

This year, the center is continuing to build on its momentum and beginning a third extension project, still inspired by "L'Esprit Voisin" concept. Following a reduction in the size of the Géant Casino hypermarket, 15 new shops will provide more choice, more diversity and more enjoyment for people living in the region. In November 2014, the centre saw a number of brands open their first stores in Mercialys centres, they included Calvin Klein and Timberland in fashion, culinary store Du Bruit dans la Cuisine, and, for digital consumers, Apple Premium. And this is only just the beginning. A new project already under review could make the shopping center even more attractive and thereby consolidate its leading position.

Chateaufarine is looking resolutely towards the future.



Espace Anjou in Angers
The art of living and the art of seduction

At Mercialys, we believe that all opportunities should be seized to improve our shopping centers and make them more attractive. When retail chain But decided to leave the Espace Anjou shopping center in Angers, this provided the opportunity to redevelop the building to allow for new retailers to move in and thereby enhance the center's offering.



+ 5,000 m²

+ 21 new stores

37,000 m²
shopping mall

110 shops
and 5 mid-size stores

Extension due to open in November 2014



Life at the château

The Val-de-Loire region enjoys an exceptional heritage that is known around the world, with the castles of the kings of France on the banks of the Loire, the Cadre Noir de Saumur national riding school, vineyards spreading gently across the hillsides, blue skies and easy living. For this, it has been designated a UNESCO World Heritage site. It represents a certain idea of the art of living, between simplicity and timelessness, between indulgence and authenticity. This style is perfectly reflected by "L'Esprit Voisin" concept and embodied by the Espace Anjou shopping center in its own way.



Simple and sophisticated style

Espace Anjou, Mercialys' symbolic shopping center, welcomes a high quality customer base, attracted by its refined offering that reflects the spirit of the time, with simplicity and stylish timelessness. The renovation works to be carried out in 2014 will help to assert this identity and develop a shopping experience that fits in with the center's regional presence. Its sales space will be extended by 5,000 m², with a 37,200 m² shopping mall, thereby giving it the status of a regional shopping center. 21 new retailers will add to the already considerable and varied offering. Shops with formats that fit in with the new concepts favored by consumers will be able to showcase their creativity. Big names like Mango, Kaporal's and Hema, which will be opening their first stores in a Mercialys shopping center, will increase the center's prestige.

Espace Anjou will be renovated asawhole in order to convey an image of modern elegance, focusing on the gentle pace of life of the Anjou region and its heritage, royal castels and materials like slate. Visitors will be greeted by large forecourt with a relaxation area and covered market.

Three simple colors will provide the signature for the center's environment: anthracite grey representing slate, off-white tiles, and French royal blue for furnishings and signage.



Les 2 Rivières in Lanester
"L'Esprit Voisin" keeps getting better

1st center to have adopted "L'Esprit Voisin" concept

+ 2,000 m²

10 new shops and 1 mid-size store

75 shops

Opening in April 2014



"L'Esprit Voisin" concept first unveiled itself in late 2008 in Lanester, on the outskirts of Lorient. The shopping center was transformed to include 13 new shops such as Séphora, Camaïeu and L'Atelier du Chocolat, in an atmosphere respecting the local environment, as part of a landmark project.

Six years later, "L'Esprit Voisin" concept is more present than ever at the Les 2 Rivières shopping center. And because this spirit is in keeping with the times, the shopping center is to undergo further renovation works to strengthen its leading position within the Lorient and Lanester catchment area.

The hypermarket area will be redeveloped to allow for the creation of a new mall with 2,000 m² of additional selling space.

11 new brands will add to Les 2 Rivières' offering, centered around personal and household equipment. Retailers such as Mango, Morgan, Carnet de Vol and even Bonhomme de Bois, opening its first store at a Mercialys shopping center, will further help to attract local customers and holidaymakers, many of whom choose to visit Les 2 Rivières while on holiday.



Nacarat in Clermont-Ferrand

A renovation project with an eruption of ideas

+ 14
new retailers

+ 2,700 m²

66 shops
and 2 mid-size stores



Imagine that we were conducting a quick survey. The question is: if we said to you nature and Clermont-Ferrand, what would you think of? It is likely that a very large of majority of answers would mention the volcanic landscapes of the Chaîne des Puys that dominate the town and the many water courses that make the region one of France's largest "reservoirs". The architects who thought up the initial renovation of the Nacarat shopping center clearly shared this viewpoint.

And when the decision was made to redevelop part of the center's hypermarket in 2014, local themes were again on the agenda.

The new extension will make the Nacarat shopping center even more attractive and enticing. In November 2014, 2,700 m² of additional selling space will be offered to the people of Clermont-Ferrand with 14 new shops, including Brice and Hammersmith, entering the Mercialys portfolio for the first time. These new additions will help to strengthen its position as the main shopping destination in Clermont-Ferrand and the surrounding area.



Les 4 Vallées in Albertville

Reaching for the summits



At the foot of the major alpine resorts of the Tarentaise Valley, the Les 4 Vallées shopping center in Albertville has established itself as a natural and unavoidable market leader. Locals and holidaymakers alike heading for the slopes use the center for their everyday shopping or for a particularly enjoyable shopping experience.

Retail park

+ 2,200 m²

+ 5 new mid-size stores

Opening in March 2014



Les 4 Vallées adopted "L'Esprit Voisin" concept in September 2011. With an architecture inspired by the chalets of the region, choosing stone and wood as materials, the shopping center evokes the atmosphere of life in the mountains. Mercialys is carrying out an extension to the retail park in the same vein, which will include five new specialist stores including Picard, Optical Center and Chocolats Roland Réauté. It will also include A la Bonne Heure, the new Casino Cafétéria concept, which is moving from the shopping mall, freeing up space that will be transformed into 12 new shops. The two areas will be linked by a pedestrian passageway, with places for people to stop and enjoy a leisurely walk along the secure promenade.

In November 2014, with 45 shops and nine mid-size stores, the Les 4 Vallées shopping center will reach the heights more than ever.

Shopping mall

+ 12 new shop

45 shops
and 9 mid-size stores in total

Opening in November 2014

Jas-de-Bouffan in Aix-en-Provence

Sunny living in the south of France

+ 4,800 m²
28 new shops
65 shops
Opening in May 2014 and early 2015



The result of a partnership with Altaréa Cogedim, the renovation of the Jas-de-Bouffan shopping center has an unmistakable flavor, giving it a new dimension. The center, located to the west of the city of Aix-en-Provence, has doubled its selling space with an additional 4,800 m². It will further assert itself as an attraction for the local region, reflecting the strong economic and demographic momentum of the south-east of France.

The center's offering will be made more attractive with 26 new shops. A number of big names will be added to the center, including Subway, Nocibé, Sergent Major and Hippopotamus.

The colors, light and dark, wood and water of the south of France will be conveyed in an impressionist palette of sensations. As a result of the renovation project, the Jas-de-Bouffan shopping center in Aix-en-Provence will provide a beautiful reflection of this unique atmosphere.

A new shopping mall is to be created, in the form of a "village square" at the heart of the center, providing a pleasurable meeting place. The yellow stone of the Gard region used to cover the floors is reminiscent of the paving stones of the streets of Aix-en-Provence. The pebbles placed along the length of the mall and the Douglas pine used to cover the facades reflect the local inspirations of the architecture. Care has also been taken to respect the environment, on the basis of which the center is hoping to obtain HQE certification.

Praz du Léman in Annemasse
High altitude extension

"L'Esprit Voisin" means paying attention to architecture, the environment, the local region and innovation. This is also reflected in words. In Annemasse, the name of the Praz du Léman shopping center was chosen by customers, in the local Savoyard dialect, "Praz" means "field".

It is also a question of numbers. This year, Praz du Léman will increase in size by around 2,000 m². Created from the reserves of the Géant Casino hypermarket, the extension will benefit the Décathlon store - one of the anchor retailers of the Praz du Léman shopping center - which will double its selling space and thereby ensure the durability of its position within the center.

In November 2011, the center underwent an initial extension and renovation works in accordance with "L'Esprit Voisin" concept, thereby anchoring it firmly into the local region. Heavily inspired by its location between the lake and the mountains, the center's architecture uses predominantly high quality and authentic materials such as uncut dry stone, with planted areas reflecting the local environment and a fluid and airy interior.

Praz du Léman has become a true local shopping destination, consolidating its status as the leading shopping center in the catchment area, now reinforced by the new extension.



+ 2,000 m²







Cap Costières in Nîmes
Focus on fashion

3 new shops and 1 mid-size store

+ 2,360 m²

Opening in September 2014



Created in 2003, Cap Costières has established itself as one of the leading retail venues in Nîmes and the surrounding area. Its 70 shops constitute a particularly attractive shopping destination centered around a large and diversified offering, with personal equipment stores such as H&M, Bershka and Sephora enjoying a dominant position.

Cap Costières will build on this leading position in September 2014 thanks to the redevelopment of a mid-size store of more than 2,000 m², allowing the center to include four new stores, including Mango, covering 1,000 m². The retail chain is to develop its offering for women, children and men and the H.E. by Mango range, a first for Mercialys.





+ 1,604 m²

+ 9 new shops

100% of space let

Saint-Paul Savanna in La Réunion
A superior development



Located at the western point of La Reunion island in the heart of a retail park comprising major retailers such as But, Monsieur Bricolage and Intersport, the Saint-Paul Savanna shopping mall focuses primarily on personal equipment. It benefits from a nearby Jumbo Score hypermarket, an effective means of generating footfall. The center also attracts light thanks to the photovoltaic panels covering the 903 parking spaces, while also producing electricity.

Potential for development at the centre is still considerable, creating an opportunity to attract the 140,000 people living in a unique catchment area. The proposed extension to Saint-Paul Savanna in 2014 will meet both of these aims. Nine new retailers, including Kaporal and Jean-Louis David, will open stores in an area of 1,604 m², thereby making the center more attractive and better meeting the needs of its customers.

The art of cultivating our difference

By drawing on "L'Esprit Voisin", by putting value at the heart of everything it does, Mercialys has transformed its portfolio, whilst producing continuous organic growth since its creation.

We now intend to step up this strategy, giving it more energy by building on our strengths and working more closely with our partners, primarily with Groupe Casino.









Our ambition?

It is both major and modest. We want our centers to be resolutely different from the others, recognizable for their personality and everything that makes them inimitable, and from the fact that our clients feel more at ease in them. We want our centers to offer unique experiences in real and digital shopping, that day in, day out meet the expectations of our customers, and to offer once-in-a-lifetime shopping experiences every day.





A 360° vision for global and unique one-stop shopping destinations

Since its creation Mercialys has consistently invented new ways of retailing: different and complementary approaches which add an original touch to the existing offering, while also generating additional revenues. By adopting a 360° vision at each of our sites, we are looking to strengthen and adapt the offering at our shopping centers using "L'Esprit Voisin" and "Foncière Commerçante" concepts as wayposts.



This 360° vision consists of looking at a site as a whole in order to develop an overall, segmented and structured approach.

We think of each site as a moldable entity, offering a wide array of transformation possibilities allowing for our shopping centers to adapt permanently to changes in retail and new consumer habits.



Building value wherever possible

Together with our teams and partners we will be undertaking a global review of the way in which space in each centre is treated and used, to optimize commercial attractiveness. This methodical approach seeks to identify potential sources of additional value. Hypermarkets, shopping malls, car parks, adjacent properties, external offerings within the centre site... every square meter will be scrutinized, resulting in decisions that are adapted to each location. To create additional rental value, some mid-sized facilities will be restructured and moved, with their car parks reconfigured.



Distinctive and complementary retail formats, such as pop-up shops, will be increasingly used. Physical and digital retail will be more efficiently linked, in order to generate denser footfall and provide more intense customer experiences. The multi-channel approach will also be strengthened, through the introduction of a unique "click & collect" offering, developed with Cdiscount, a major pure-player of e-commerce in France.

"L'Esprit Voisin", open to the future

"L'Esprit Voisin" will also get a new lease on life, whilst remaining faithful to the qualities that made it so successful and unique. Its local roots will be strengthened even further. Modern, attractive architecture that is imaginative and on a human scale will further underline its difference. A civic commitment to promote employment, tackle discrimination and think of future generations will typify its human dimension.

Project completions will continue to enhance the offering and strengthen the position of each site.





Closer to our customers

This 360° global vision will also involve monitoring and dynamic analysis of our centers, their offering and their retail environment, based on locally conducted research. The aim? To get a better understanding of our customers, the positioning of a site, its competitors, local and regional demographics, and so on.

Because the customer remains at the heart of everything Mercialys does, unfulfilled or potential needs will be analyzed in detail. The marketing plan will be developed according to the principles of "L'Esprit Voisin", in line with customer expectations. New formats, new concepts, new brands; the offering will be continuously updated to meet the tastes of today and tomorrow.

A unique concept created by Mercialys and Cdiscount



All of the indicators currently show that e-commerce and traditional commerce are moving closer together. While online purchases increased further in 2013, consumers are now looking for a true in-store shopping experience. Ties need to be drawn between the two worlds in order to respond to customers' new consumer habits.

This is the aim of the unique concept proposed by Mercialys and its partner of choice Cdiscount, a subsidiary of the Casino Group. The "click & collect" service allows customers to place orders online, using Mercialys and Cdiscount tools, for products from shopping center stores and to collect them from their shopping center later on. Customers are offered a wide range of services throughout their shopping experience.

Partnership with a major pure-player of e-commerce

Cdiscount has established its position as a major pure-player of e-commerce in France with a marketplace business volume of 16% of sales and 5.5 million offers in 2013. Mercialys currently offers retail chains and independent retailers at its shopping centers the opportunity to sell their products online on this remarkable audience platform, and offers its customers a unique shopping experience coupled with innovative services.

In practice, the customer experience is simplified and optimized at all stages:

- While searching for products online: thanks to geolocation, customers can find the nearest store that sells the product they are looking for.
- On paying: purchases are paid for directly on the secure Cdiscount website, which offers payment facilities.
- The availability of products is then immediate, within hours of the order: there are therefore no delivery costs to pay and customers also benefit from services made specifically available at the shopping center, such as the welcome kiosk, alterations and gift wrapping.

Cdiscount.com

Business volume including marketplace
Euro 1.6 bn

10 million unique visitors per month





A new concept with numerous opportunities

This unique multi-channel approach presents a real opportunity to enhance the retail offering of Mercialys' shopping centers among internet users, while also enabling retailers to develop marketing initiatives that generate footfall (upselling and cross-selling) by highlighting complementary products to customers.

This ambitious project developed by Mercialys and Cdiscount has already been launched and trials are currently under way at shopping centers.

Since 2012, Mercialys has benefited from a comprehensive digital ecosystem, attracting 1,300,000 visits to its shopping centers' websites and mobile sites. Qualified local customer databases have been created and are enhanced with each marketing campaign. This is a pre-requisite for disseminating promotional offers by shopping centers or retailers.

Casual Leasing Centers that move with the times

As the world changes, driven by technological innovation, consumers change with it. Switched on and knowledgeable thanks to the internet, they are on the look-out for new things, speed and the best value for money. Casual Leasing provides an attractive and value-creating means of meeting these expectations.

The Casual Leasing's concept started in the USA and Australia. It offers the easiest way to create a shop with a limited lifespan, and chimes with the spirit of our times. It is also the best way to occupy a vacant space, bring life to communal areas and increase revenue for shopping centers.



Pop-up shop



Footfall and attractiveness

A shopping center, by its very nature, cannot rest on its laurels; nor can it be satisfied with taking a short-term view. Fostering customer loyalty and increasing its customer base needs to remain our key concern. This is achieved by giving clients a unique offering that is regularly updated in order to continue to attract more customers. Casual Leasing is one of the key drivers that Mercialys wishes to capitalize on in order to offer a proliferation of services in its shopping centers. By developing a high-quality offering that stands out from that of a shopping mall, our shopping centers help to incubate new trends and boost the mall's momentum by rapidly updating the offering.

Multiple retail formats

After gaining several months of experience, Mercialys has chosen to give Casual Leasing fresh impetus, with an emphasis on the quality, universality and diversity of the formats used: concept stores, vending machines, roadshow events, themed exhibitions, local retailers, advertising and publicity, etc. In short, it represents the creation of a coherent, organized business on an industrial scale. Thus consumers will be able to discover a diversified range of products which differ from those available in the stores; products that change with the seasons, innovative products not yet available through "traditional" channels, little luxuries that are within easy and immediate reach.



Exhibition



Contact data collection



Pop-up shop



Display advertising

4,000 m²
today

20,000 m²
potential



Pop-up shop



Christmas market



New retail concepts

Casual Leasing, "Mercialys style", will be translated into action through new concepts, and will see major brands, shop owners, exhibitors and advertisers join forces.

Nationwide partnerships will be set up with major brands for the installation of kiosks and pop-up shops in shopping malls.

Shopping centers will be able to transform into a media channel in their own right, opening the way to the creation of packs and linked advertising offers on center's display media run across all of Mercialys' portfolio.



Road Show



Pop-up shop

A MAJOR AMBITION

Mercialys believes strongly in this new retail format, in its ability to create recurring revenue in all of its centers and in its ability to increase the animation and attractiveness of malls.





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