

Paris, December 7, 2007

Vindemia and certain subsidiaries transfer to Mercialys property and property rights relating to four shopping centres on La Réunion Island

This press release has been drawn up in accordance with article 212-5 4° of the Autorité des Marchés Financiers ("AMF") General Regulations and article 12 of AMF Instruction No. 2005-11 of December 13, 2005.

On November 12, 2007, Mercialys entered into contribution agreements with Vindemia and certain subsidiaries thereof, relating to four shopping centres, which are wholly owned or held through property lease agreements and which are located on La Réunion Island (the "**Transaction**"). The Transaction entails:

- (i) the contribution by Vindemia of a shopping centre located in Saint Pierre Commune (the "**Vindemia Contribution**");
- (ii) the contribution by Fim Colimo of a shopping centre located in Le Port Commune (the "**Fim Colimo Contribution**");
- (iii) the contribution by SCI Omega of a property lease agreement for a shopping centre located in Saint-Paul Commune (the "**Omega Contribution**"); and
- (iv) the contribution by Société Civile Immobilière Timur of a property lease agreement for a shopping centre located in the commune de Sainte-Marie and of a plot of land located in Sainte-Marie Commune (the "**Timur contribution**").

The transaction was approved by the Mercialys Board of Directors at its meeting of November 12, 2007, and by the relevant worker representative organisations of the contributing companies at their meeting of November 9, 2007.

1 Purpose of the transaction

Under the terms of the transaction, Mercialys will acquire a portfolio of shopping centres in premium positions in their market and which present attractive growth potential. This Transaction will boost growth starting in 2008, before the full effects of existing growth drivers such as the Alcudia program and completions of new developments by partners begin to flow through.

2 General terms and conditions of the Transaction

Contributing companies:

- Vindemia Contribution: Vindemia, a *société par actions simplifiée* with share capital of Euro 60,004,000, with its registered office located at La Mare, 97438 Sainte Marie, registered under number 380 859 025 RCS Saint-Denis de La Réunion;
- Fim Colimo Contribution: Fim Colimo, a *société à responsabilité limitée* with share capital of Euro 1,600,000, with its registered office located at La Mare, 97438 Sainte Marie, registered under number 343 694 527 RCS Saint-Denis de La Réunion;
- Omega Contribution: SCI Omega, a *société civile immobilière* with share capital of Euro 16,000, with its registered office located at 5 impasse Grand Prado, ZAE La Mare, 97438 Sainte-Marie, registered under number 378 058 812 RCS Saint-Denis de La Réunion; and
- Timur Contribution: Société Civile Immobilière Timur, a *société civile immobilière* with share capital of Euro 480,000, with its registered office located in La Mare, 97438 Sainte-Marie, registered under number 382 921 773 RCS Saint-Denis de La Réunion.

The contributing companies have no direct capital ties or common corporate officers with Mercialys.

Assets transferred:

The assets transferred to Mercialys consist of:

- a shopping centre located in Saint Pierre Commune on La Réunion Island, in the area known as La Ravine Blanche, rue de la Poudrière, with a gross leasable area (GLA) of approximately 4,022 square metres, under the Vindemia Contribution;
- a shopping centre located in Le Port Commune on La Réunion Island, Rond Point Sacré Cœur, ZAC des Mascareignes, with a GLA of approximately 12,509 square metres, under the Fim Colimo Contribution;
- a property lease agreement dated August 5, 1992, as amended on November 8, 2007, with Domimur, for the shopping centre located in Saint-Paul Commune on La Réunion Island, 4 Route de Savanna, with a GLA of approximately 980 square metres, under the Omega Contribution; and

- (i) a property lease agreement dated November 12, 2007 with SCI FLIF Sainte-Marie and Sogebail, for the shopping centre located in Sainte-Marie Commune on La Réunion Island, in the area known as Gillot Est and (ii) a plot of land on which the tenant has erected a service station located in Sainte-Marie Commune on La Réunion Island, in the area known as Gillot Est, with a surface area of approximately 6,832 square metres, under the Timur Contribution.

Total value of the contributions:

The total value of the assets transferred is Euro 60,238,135, to wit:

- Euro 6,995,000 for the Vindemia Contribution;
- Euro 36,665,000 for the Fim Colimo Contribution;
- Euro 3,529,980 for the Omega Contribution; and
- Euro 13,048,155 for the Timur Contribution.

Value of shares issued in consideration for the contributions:

A multicriteria analysis was used to determine the exchange ratio to be applied to the contribution. Based on this survey, Mercialys and the contributing companies agreed that the value of the Mercialys shares to be issued in consideration for the transfers would be equal to Euro 27 per share.

Total number of shares to be issued and dividend date:

In consideration for the transfers effected under the terms of the Transaction, Mercialys would issue 2,231,041 new ordinary shares with a par value of Euro 1 each, all of the same class, resulting in a capital increase for a total nominal amount of Euro 2,231,041, as follows:

- 259,074 shares issued in consideration for the Vindemia Contribution;
- 1,357,962 shares issued in consideration for the Fim Colimo Contribution;
- 130,740 shares issued in consideration for the Omega Contribution; and
- 483,265 shares issued in consideration for the Timur Contribution.

The new shares will be entitled to the same rights, incur the same charges and be subject to all the provisions of the articles of association and decisions of Mercialys's decision-making bodies, and will be identical to the existing shares in

every way. The shares issued following completion of each asset transfer will be negotiable as from the date on which the share issue is completed and will then be admitted to trading on Eurolist by Euronext Paris SA.

Share capital of Mercialys after the Transaction:

Consequently, after the Transaction, the share capital of Mercialys will increase from Euro 72,918,918 (divided into 72,918,918 shares with a par value of Euro 1 each) to Euro 75,149,959 (divided into 75,149,959 shares with a par value of Euro 1 each).

Total contribution premium/cash payment:

The total contribution premium under the terms of the Transaction would amount to Euro 58,007,066, as follows:

- Euro 6,735,924 for the Vindemia Contribution;
- Euro 35,307,012 for the Fim Colimo Contribution;
- Euro 3,399,240 for the Omega Contribution;
- Euro 12,564,890 for the Timur contribution.

In addition, cash payments of Euro 2 and Euro 26 respectively would be made in consideration for the Vindemia and Fim Colimo Contributions.

Dilution:

Based on share capital made up of 72,918,918 shares, the equity interest of a shareholder who owned 1% of Mercialys's share capital prior to issuance of the 2,231,041 Mercialys shares issued in consideration for the contributions would be reduced to approximately 0.97% after completion of the Transaction.

Conditions precedent:

Completion of each contribution is contingent upon approval of each of the transfers by the extraordinary general meeting of Mercialys shareholders, convened for this purpose on December 21, 2007.

The Vindemia Contribution and Fim Colimo Contribution are also contingent upon the government's waiver of its right of first refusal on the property assets transferred.

Effective date of the contributions:

Subject to the government's waiver of its right of first refusal on the property assets transferred and to approval of the transfers by the extraordinary general meeting, each contribution shall be effectively completed on December 21, 2007, at the end of the extraordinary general meeting of Mercialys shareholders.

Audit of the contributions:

Two reports have been drawn up on the contributions by Messrs. Olivier Peronnet and Didier Faury, auditors appointed for purposes of the transaction on 1 October 2007 by order of the Chairman of the Paris Court of Commerce: one, on the value of each contribution and the other, on the fairness of consideration payable for each contribution. These reports have been made available to Mercialys shareholders at the registered office, within the time stipulated by law. The report on the value of the contributions will also be filed with the Clerk of the Paris Court of Commerce within the time stipulated by law.

Others transactions concurrent with the transfers:

Concurrently with the Transaction, Mercialys intends to acquire from CCR SARL (399 553 676 RCS Saint-Denis de La Réunion), a subsidiary wholly-owned, directly and indirectly by Vindemia, a shopping centre located in Saint-Benoît Commune on La Réunion Island.

Documents made available to the shareholders:

The Board of Directors' report to the extraordinary general meeting of Mercialys, the report of the contribution auditors and the contribution agreements have been made available to the shareholders under the conditions stipulated by the law and by regulations, at the office of Mercialys, 10 rue Cimarosa, 75116 Paris.

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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 income, Group share, to Euro 60.5 million. It owns 160 properties with an estimated value of Euro 1.6 billion at June 30, 2007. Mercialys has benefited from "SIIC" tax status (REIT) since November 1, 2005 and has been listed on Eurolist by Euronext Paris, symbol *MERY*, since its initial public offering on October 12, 2005.

CAUTIONARY STATEMENT

This press release contains 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 to 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.