

Mixed General Meeting



May 19, 2008

► Shareholders' meeting formalities

► Introduction

► Constitution of the shareholder's meeting board

► Quorum

► Documents put at shareholders' disposal

► Shareholders' meeting agenda (1/2)

Ordinary Shareholders' meeting for the year ended December 31, 2008

- > Presentation of the reports prepared by the Board of Directors, the Statutory Auditors and the Valuing Auditors.
- > Approval of the company accounts for the business year ending on December 31, 2008.
- > Approval of the consolidated accounts for the business year ending on December 31, 2008.
- > Allocation of the business year's income – Setting the amount of dividends.
- > Approval of the special report by the Statutory Auditors on the agreements referred to in Articles L. 225-38 et seq. of the Commercial Code and related agreements.
- > Authority for the Company to purchase its own shares.

► Shareholders' meeting agenda (2/2)

Extraordinary shareholders' meeting

- > Approval of the contributions to the company by contributing societies and approval of the resulting increases in share capital.
- > Formal record of completion of the contributions and resulting capital increase of a total nominal amount of Euro 14,191,700 by means of the issuance of 14,191,700 new shares in the Company in consideration for the aforementioned contributions; approval of the total share premium of Euro 297,952,001; corresponding alterations to Article 6 of the Company's by-laws.
- > Harmonizing the by-laws with the provisions of law 2008-776 of August 4, 2008.
- > Renewals of financial authorizations conferred to the Board of Directors.

2008 activity and consolidated results & 2009 first half contribution transaction

Speakers

Jacques Ehrmann, Chairman and Chief Executive Officer ◀

Marie-Flore Bachelier, Chief Financial Officer ◀

Géry Robert-Ambroix, Chief Operating Officer ◀

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Overview of the year 2008

▶ LANESTER

EXTENSION AND RENOVATION



BEFORE



AFTER

Mixed General Meeting on May 19, 2009

▶ LANESTER

EXTENSION AND RENOVATION



BEFORE



AFTER

▶ LANESTER

EXTENSION AND RENOVATION



Mixed General Meeting on May 19, 2009

▶ VALENCE SUD

EXTENSION AND RENOVATION



BEFORE

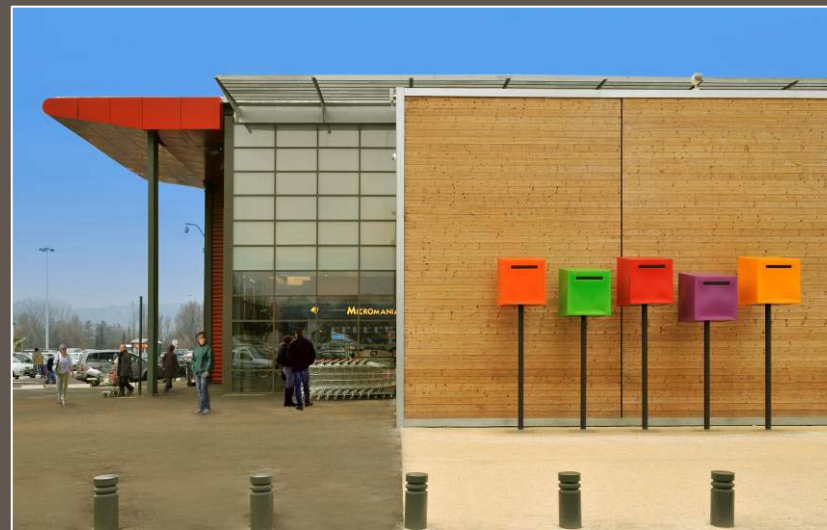


AFTER

Mixed General Meeting on May 19, 2009

VALENCE SUD

EXTENSION AND RENOVATION



Mixed General Meeting on May 19, 2009

LE PUY

EXTENSION AND RENOVATION



BEFORE



AFTER

Mixed General Meeting on May 19, 2009

LE PUY

EXTENSION AND RENOVATION



Mixed General Meeting on May 19, 2009

MANDELIEU

CUSTOMIZATION



BEFORE



AFTER



MANDELIEU

CUSTOMIZATION



Mixed General Meeting on May 19, 2009

CHATEAUFARINE

EXTENSION AND RENOVATION



BEFORE



AFTER

Mixed General Meeting on May 19, 2009

CHATEAUFARINE

EXTENSION AND RENOVATION



BEFORE



AFTER

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► Neighborhood Spirit is part of our lives

2008, year of completion for the first Alcudia program's achievements

✓ Proof of a reinvented neighborhood



Gateways with a strong local footing



Modern and high quality architecture



Welcome halls for our customers



Everyday services



Bicycle parking: commitments to the community



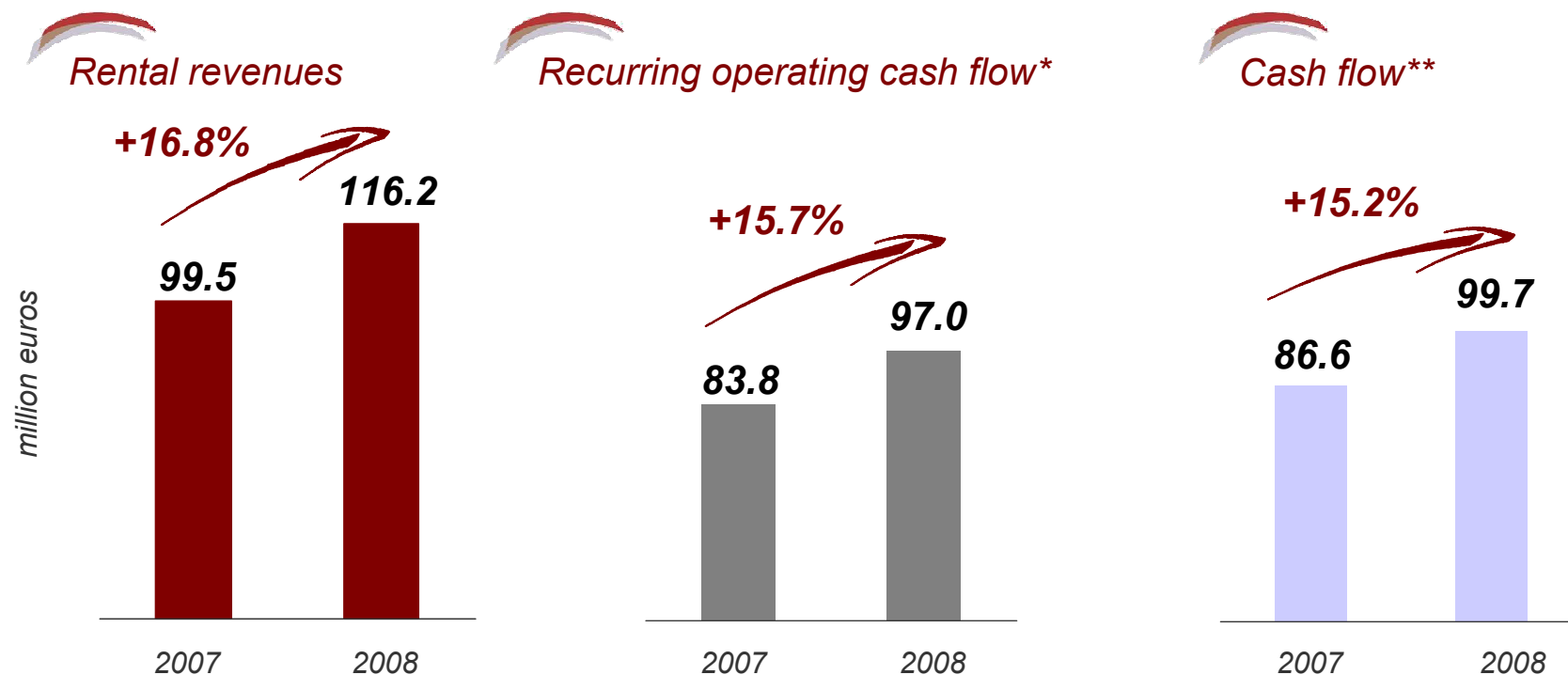
Comfortable relaxation areas

✓ New retail chains have joined this new positioning



► 2008: a year of solid growth...

... ahead of initial targets



Reminder of the targets set by the Management on February 12, 2009:
+25% on rental revenues and recurring operating cashflows within
2 years (2009 vs 2007)



3 years after the IPO: Mercialys has become one of the major European Pure Players in retail properties

Asset locations

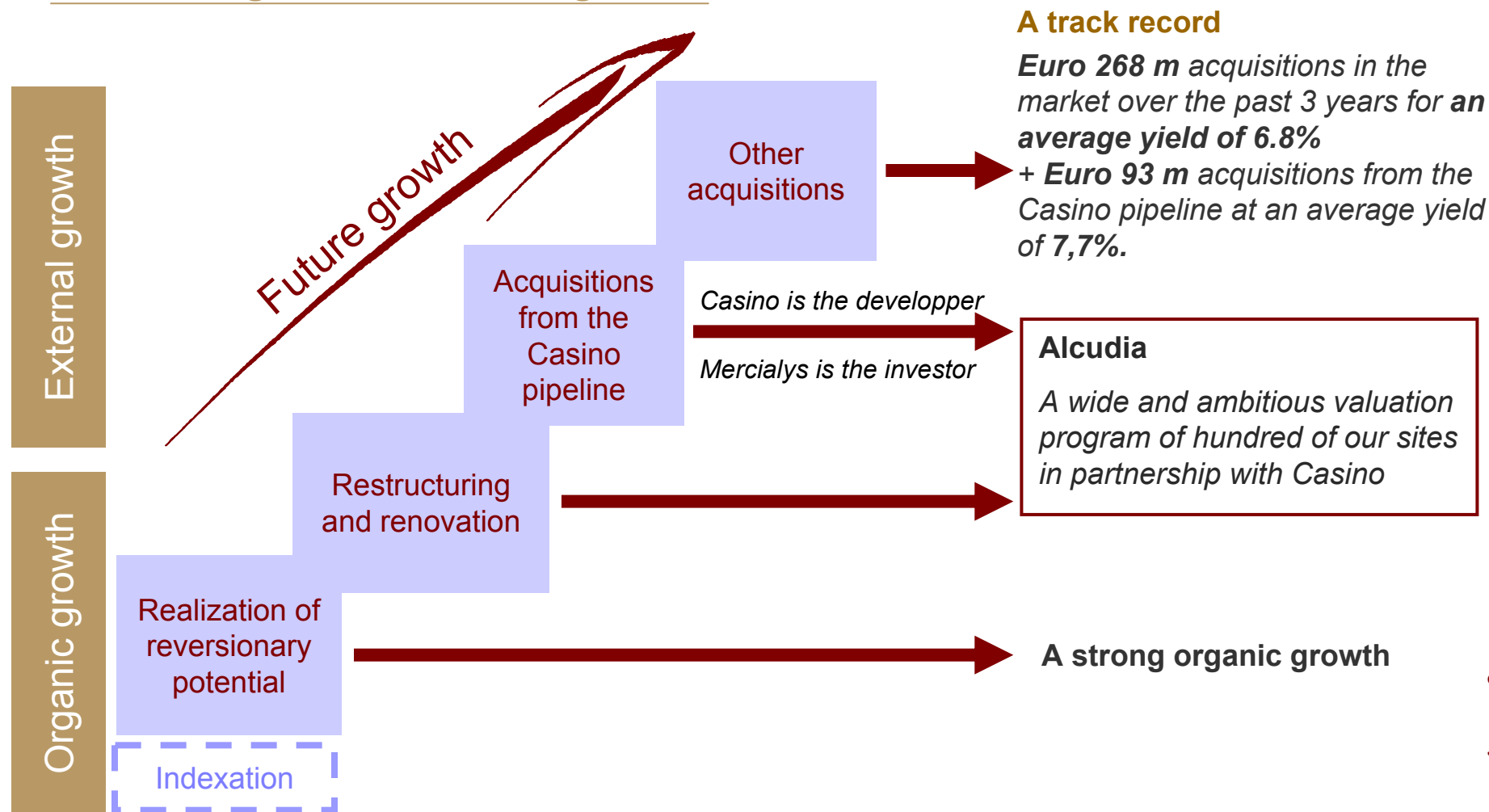
- ✓ **A young company created in 2005 with contribution of assets from Casino Group & AXA**
 - > IPO in 2005 (Capital increase: Euro 230m)
 - > Market capitalization: **Euro 1,586 million***
 - > Main shareholder: Casino Group (59.7%*)
- ✓ **A pure player in retail**
 - > A core portfolio focused on large and neighborhood shopping centers located in large and medium-sized French cities
- ✓ **A sizeable portfolio**
 - > **168 sites**, of which **98** are shopping centers
 - > Gross leasable area (GLA): **674.000 sq.m.**
 - > Valued at **Euro 2 061.2m** (incl. TT) at end of 2008
 - > 2008 invoiced rents: Euro 113.6 m, **up +16.3%**
- ✓ **A solid financial structure**
 - > No debt so far



- Large shopping centre
- Large food/specialized retailers
- Neighborhood shopping center
- Cafeteria
- Other (minimarket or service centers)

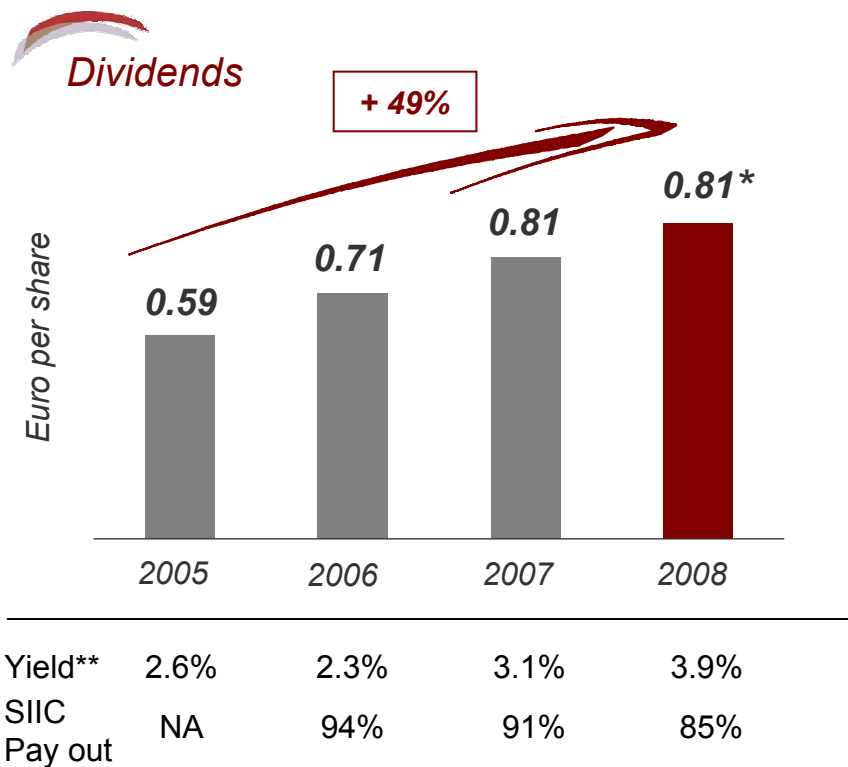
► An effective growth strategy which remained pertinent

Creating new sources of growth



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▶ Allowing shareholders to benefit from our growth while preserving liquidity



- SIIC regime set a minimum level of dividend:
- ✓ at least 85% of the tax-exempt rental income
 - ✓ 50% of capital gain

Mercialys' Board of Directors decided to increase the pay-out ratio to 100% of SIIC results for the years 2009 and 2010, in order to allow shareholders to benefit immediately from the future growth expected from 2009 acquisitions of Euro 334 m of Alcudia projects

**At the Annual General Meeting, Mercialis will propose the option of paying the final dividend in shares (ie 0.48 euro per share) with a discount of 10%
Subscription price set at: Euro 20.36 per share*****

* Including interim dividend of Euro 0.40 per share paid on October 6, 2008 and subject to approval at the Annual General Meeting of May 19, 2009

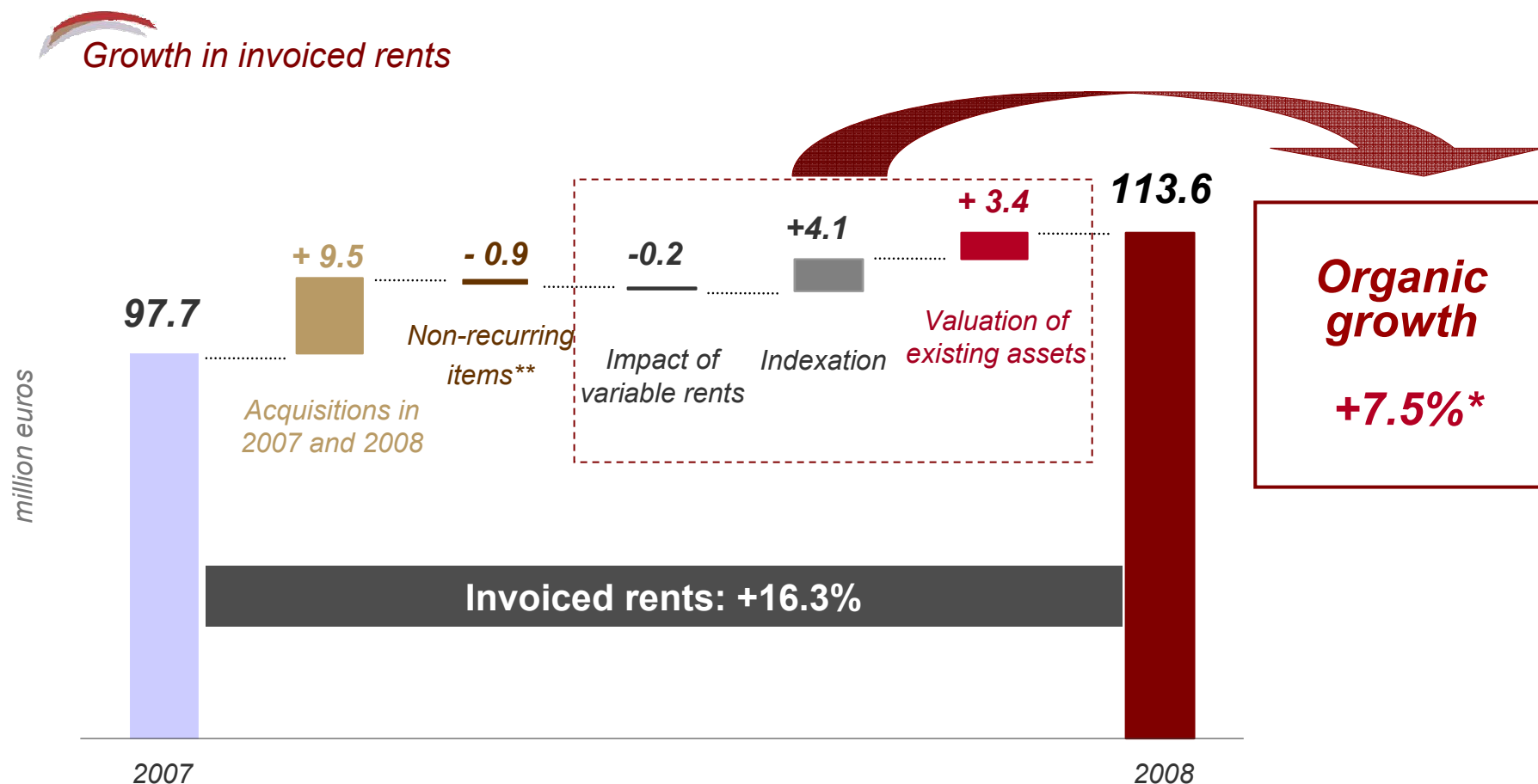
** Calculated on the closing price preceding the day of the year results release

*** The subscription price is calculated on the basis of the average opening price of the last 20 trading days before the Annual General Meeting

2008 annual results

► Growth in invoiced rents stronger than anticipated

Combined effect of robust organic growth and acquisitions



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► Lettings: 232 leases signed in 2008

Efforts relating to existing leases and new developments

✓ 232 leases signed in 2008 by Mercialys teams

- 155 commercial leases (vs. 184 in 2007)
- 22 non-commercial leases
- 55 new leases relating to new Alcudia developments

**177 leases renewed or relet
out of 2,527 leases**

✓ Current commercial performances maintained

- +29%* increase in renewals (vs. +39%* in 2007)
- +121%* increase in relets (vs. +115%* in 2007)
- +79% increase in lease rights received (Euro 2.6 million vs. Euro 1.4 million in 2007)

✓ Strong performance in letting of new developments

- 55 leases signed relating to projects in the Alcudia pipeline
 - » 30 relating to extensions acquired in 2008
 - » 25 relating to developments planned for 2009 and subsequent years
- Additional rents of Euro 4.9 million over the full year relating to the largest developments, i.e. the 3 extensions acquired in 2008 and the 2 extensions planned for the first half of 2009 (Arles and Besançon)
- Lease rights of Euro 1.3 million received relating to Alcudia extensions acquired in 2008

► Rental management indicators still satisfactory...

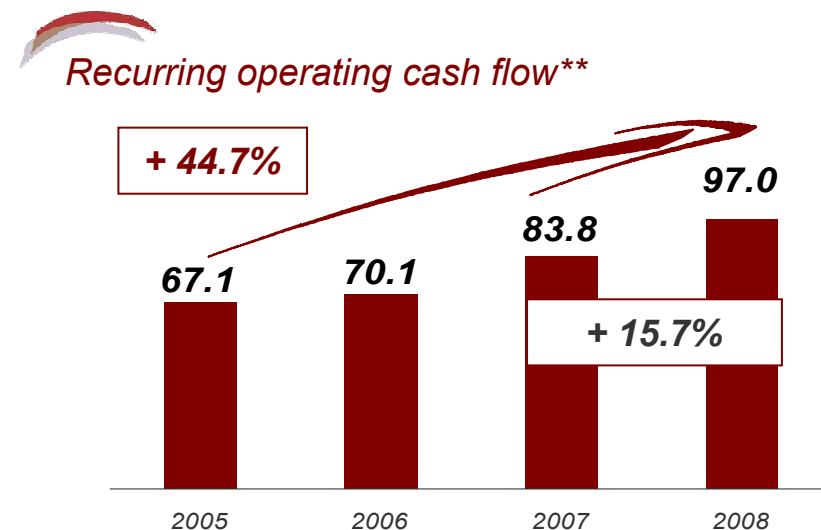
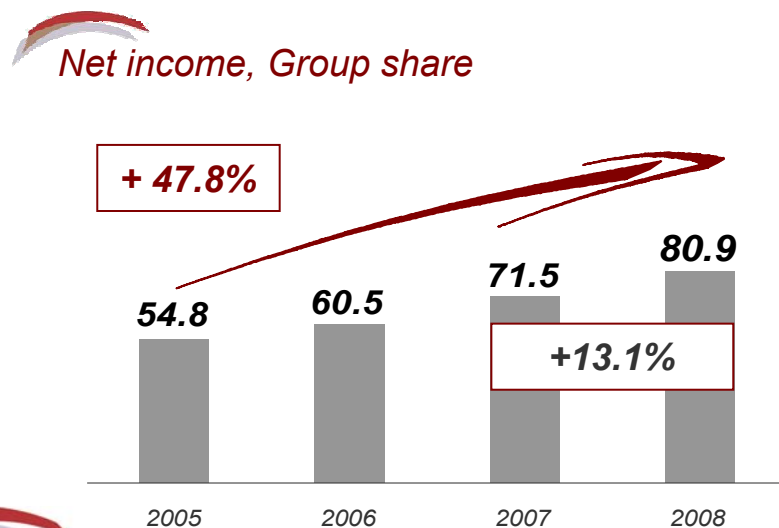
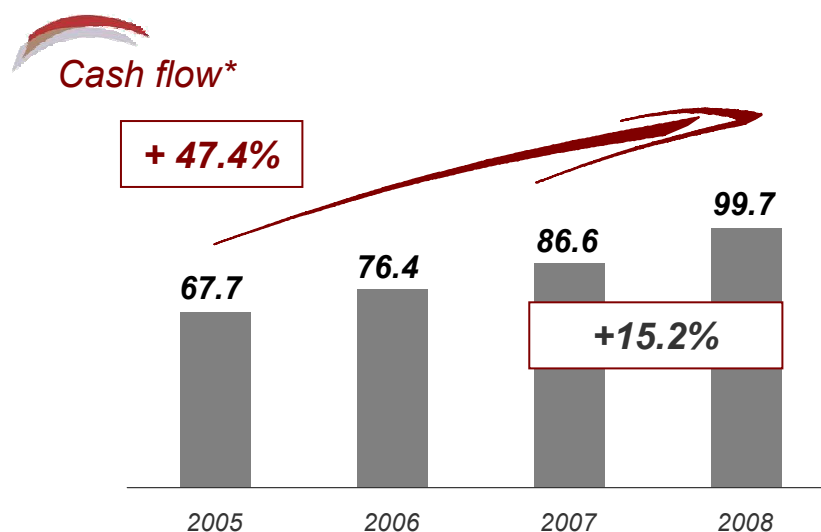
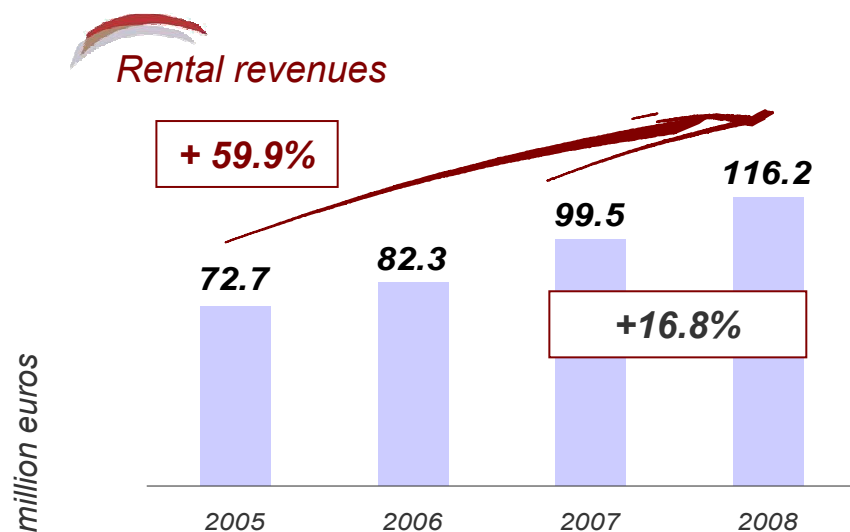
... confirming the robustness of our business model

- ✓ **Current vacancy rate: 2.0%** (vs. 2.2% at end-2007)
- ✓ **Some current defaults, many constituting sources of opportunities**
 - **Low number of defaults: 17 leases in 2008 out of a total of 2,527**
 - **These are all independent retailers** subject to liquidation proceedings in 2008 (vs. 3 in 2006 and 5 in 2007)
 - **More than half of these liquidations represent an opportunity for Mercialys**
 - » to improve its shopping center offering by replacing current tenants with more resilient retailers: enhancing the shopping center image and boosting traffic
 - » and/or relet premises at a higher rent
- ✓ **Recovery rate* of Q4 2008 invoiced rents remained high**
 - **98.3% of invoiced rents in Q4 2008 were recovered at December 31, 2008** (vs. 98.6% for the same period in 2007)

➡ **Cash situation of our tenants remains satisfactory**

▶ Since the IPO, the continue revenue growth had a positive impact on the bottom line and cash flows

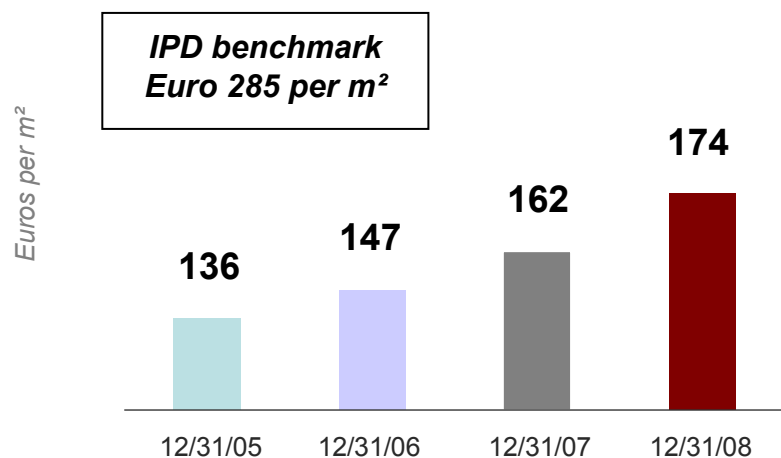
Mercialys's main aggregates have increased by 45% to 60% since the IPO



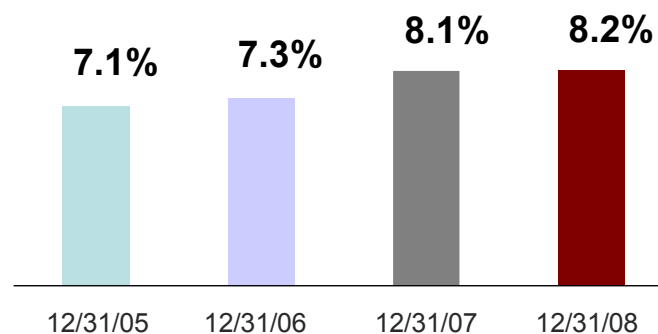
► Still significant potential for organic growth

Our tenants' occupancy cost ratio is one of the most reasonable in the market

*Average gross rental value of **Euro 174 per m²***



*Stable occupancy cost of **8.2%*****



✓ **Increase of +7% in 2008**, relating to:

- **Robust organic growth (lease renewals and relets)**
- **A favorable mix effect of acquisitions in 2007 and 2008 (average value > portfolio)**

✓ **Further significant potential for growth** in view of the sector average

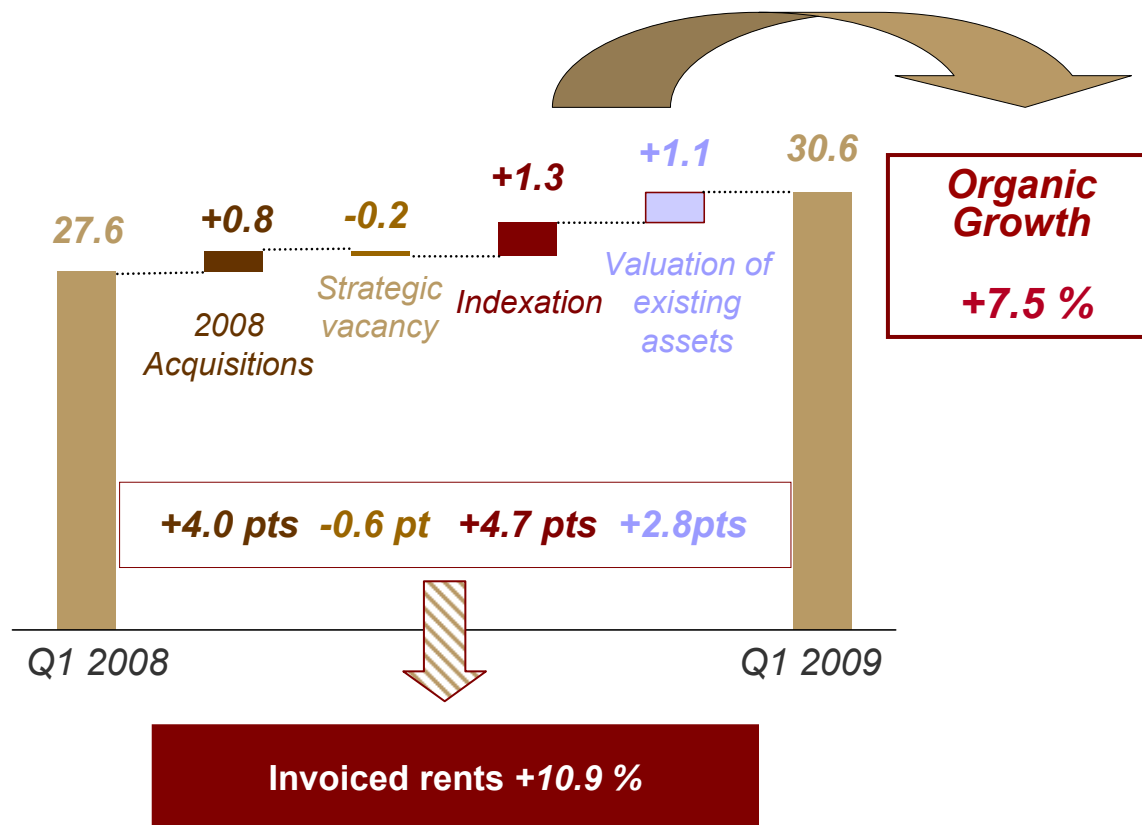
✓ **Occupancy cost ratio maintained** for our retailers

- **A limited proportion of our tenants' operating expenses**
- **A lower occupancy rate than our competitors**
- **A means of fostering loyalty in the current economic climate**

► Mercialys' Q1 2009 results confirm the trends of 2008

A Q1 2009 satisfactory thanks to a sustained organic growth

Growth in invoiced rents for Q1 2009
In million of euros



✓ 96 leases renewed or relet

- Rents **+30%** and **+119%** on lease renewals** and on relets**
- Rents **M€ +1.4** additional invoiced rents**

✓ Rental management indicators still satisfactory:

- Low current vacancy rate: **2.0%** (stable vs. 12/31/08)
- Few defaults: **one liquidation** proceeding during Q1 2009 (out of 2,533 leases at-end March, 2009)
- Recovery rate of Q1 2009 invoiced rents remains stable (similar to Q1 2008)

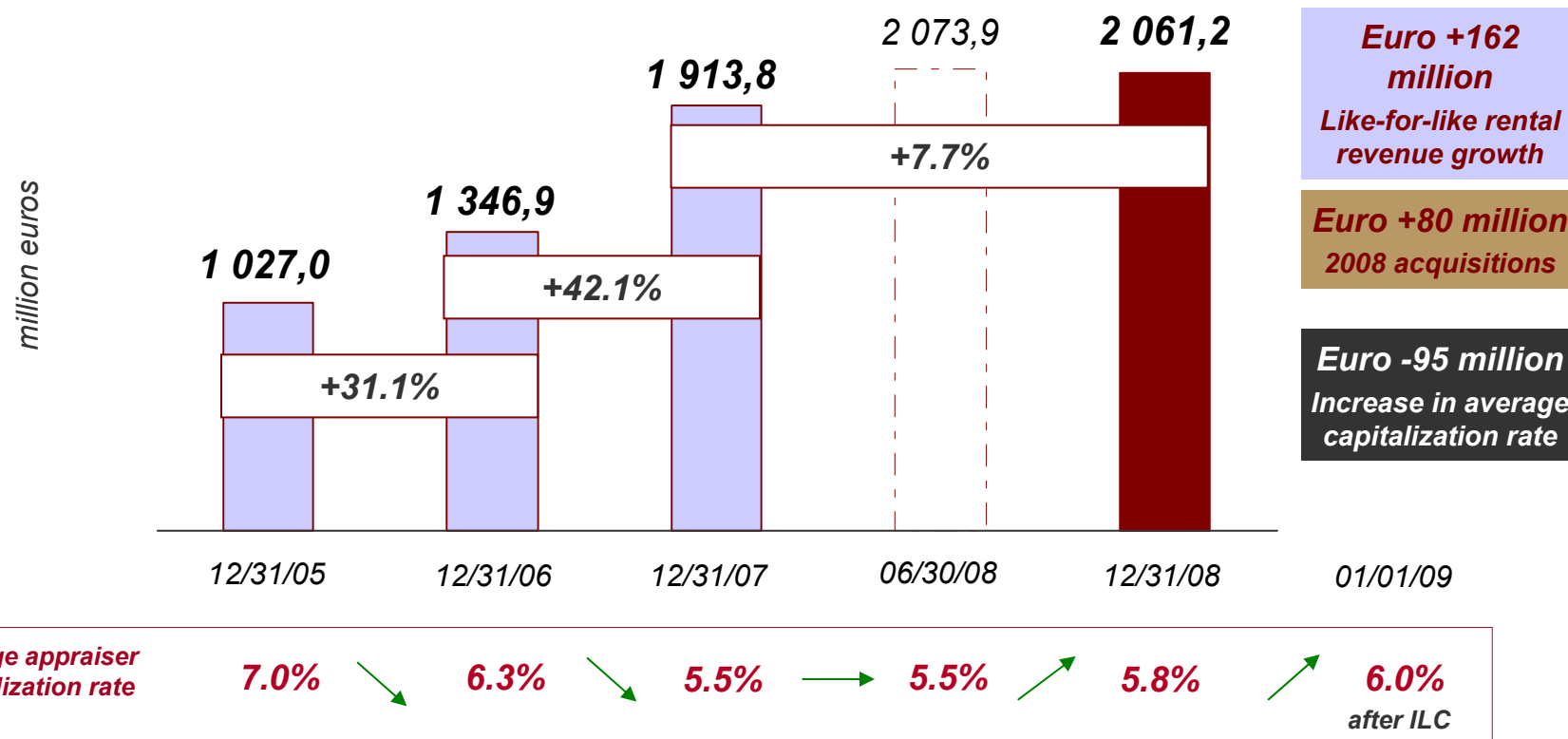
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Appraisal value of portfolio of over Euro 2 billion with a capitalization rate of 6.0% at January 1, 2009

Values supported by organic growth



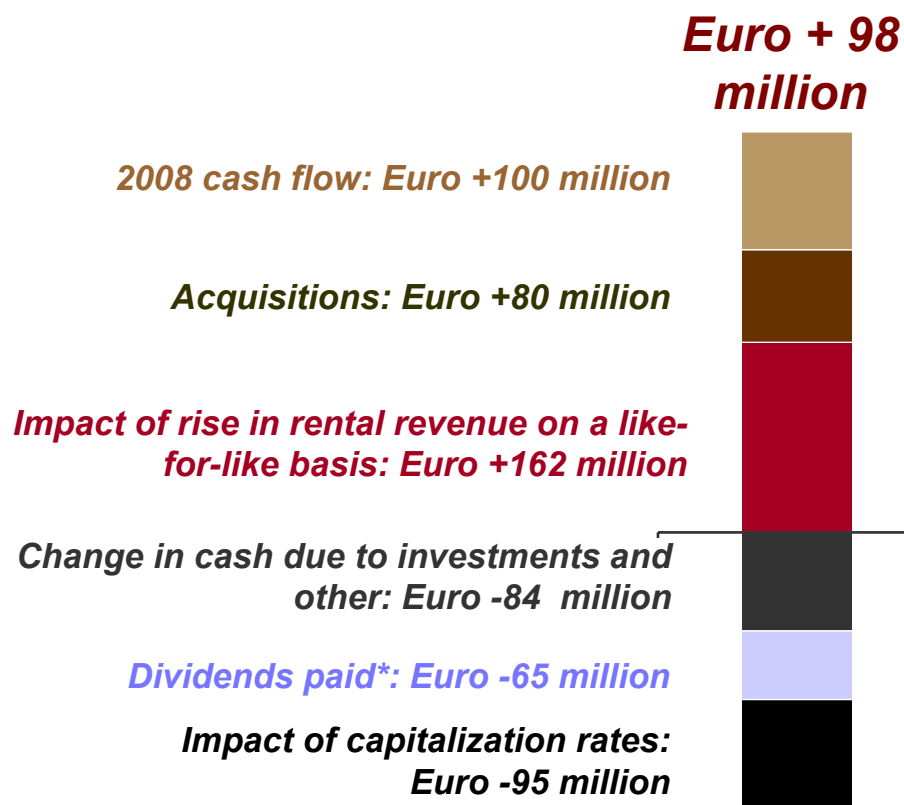
*Appraisal value of portfolio including transfer taxes**



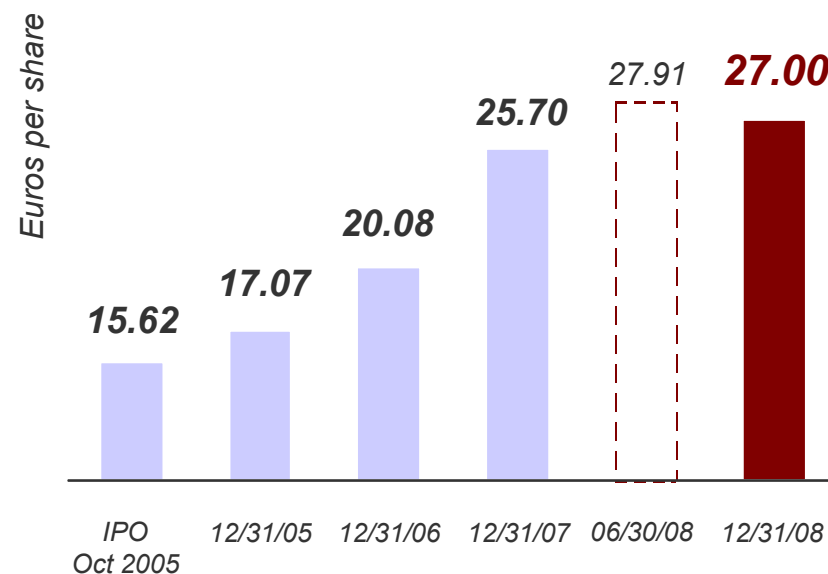
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► Net Asset Value supported by organic growth

Components of change in NAV between end-2007 and end-2008 in value



Replacement NAV per share



- ✓ **Replacement NAV of Euro 2,029 million** at December 31, 2008
- ✓ **Liquidation NAV of Euro 1,909 million** at December 31, 2008, ie Euro 25.40 per share

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► A solid balance sheet

Assets

<i>million euros</i>	31/12/07	31/12/08
Investment property	1,165.2	1,231.3
Financial assets	11.0	11.7
Other assets	1.0	1.0
Total non-current assets	1,177.1	1,244.0
Cash and Casino current account	70.7	10.6
Trade and other receivables	12.5	13.3
Total assets	1,260.3	1,267.9

Equity and liabilities

Shareholders' equity, Group share	1,190.6	1,206.1
Minority interests	0.7	0.6
Total shareholders' equity	1,191.2	1,206.7
Financial liabilities	16.7	15.6
Deposits and guarantees*	18.5	19.3
Trade and other payables	33.8	26.3
Total equity and liabilities	1,260.3	1,267.9

- ✓ **Net cash of Euro 8.9 million at December 31, 2008** (gross cash of Euro 10.6 million – bank facilities of Euro 1.8 million)
- ✓ **Solid balance sheet underpinning our investment plan**

► Sources of financing secured for 18 months

No debt and sources of financing fitted to the investment program

Mercialys:

- is **not in debt** (net cash position of Euro 8.9 million at end-2008)
- generated **operating cash flow of Euro 97 million** in 2008
- will propose the **option of payment of the 2008 final dividend in shares**
- benefits from a **secured financing agreement with Casino for 18 months**
 - » Possibility of maximum **financing of Euro 50 million** (cost: EONIA + 50 bp) within the cash pooling
 - » Implementation of a **Euro 100 million credit line** in the first quarter of 2009, in two tranches of Euro 50 million
 - Term of 18 months from the drawing
 - Cost: 3-month Euribor + 125 bp for the first tranche and + 175 bp for the second tranche
- has **a large scope of possibilities to go beyond** its investment program according to opportunities arising in acquisitions and in financing
- will be able **to carry out arbitrage operations of mature properties from end-2010** to finance the acquisition of properties with potential

External growth and development projects in 2008

► Investment: a more selective approach in 2008...

... focusing on assets with significant potential for value creation

A portfolio of 3 shopping malls **40.8***
(Narbonne, Pau Lons and Istres)

3 Alcudia extensions **23.4**
*(Lanester**, Valence Sud and Le Puy)*

Miscellaneous condominium lots **2.8**
(Montceau Les Mines, Villenave d'Ornon, Valence 2, Exincourt, Tarbes La Loubère, Paris St Didier and Auxerre)

Miscellaneous other properties from the Casino pipeline **4.7**
(2 extensions of lots in Agen Boé and Quimper, 2 mid-size centers in Sables d'Olonne and 2 volumes to be constructed in Quimper and Dijon Chenôve)

Average initial yield of 6.6%

Euro 71.7m

Other investments in 2008 (maintenance, renovations...) **10.0**

Total investments in 2008

Euro 81.7 m

► An investment strategy focusing on value creation

Our business: working on properties

- ✓ Yield on IPO contributions: 7.3% at the time of the IPO, rising to 9.4% at end-2008
- ✓ Change in yield rates of main acquisitions since IPO contributions:

	Year	Amount (million euros)	Initial yield	Return on investment at 12/31/2008	Target yield** at 12/31/2013
▪ Clermont Ferrand mall extension	2006	21.6	7.6%	9.8%	11.0%
▪ Poitiers mall extension	2006	21.2	9.6%	11.0%	11.2%
▪ Corsica portfolio (5 malls)	2006-07	90.4	7.2%	7.5%	8.7%
▪ Béziers mall	2007	16.9	6.3%	6.7%	8.0%
▪ La Reunion portfolio (5 malls)	2007	73.8	6.8%	7.3%	9.4%
▪ Istres Narbonne and Pau Lons portfolio	2008	39.7*	5.6%	-	7.5%

- ✓ **These yields do not take account of planned extension works at these sites: Istres (2010), Narbonne (2010), Sainte Marie de La Réunion (2011), Ajaccio (2012), Bastia (2013)**

► The Alcudia program: 2008-2009 developments

✓ *In 2008*

3 extensions completed

Lanester, Le Puy, Valence Sud phase 1



Creation of about 4,700 m² shopping mall GLA and 530 m² of hypermarket selling area
(net: extensions – retrocession)

**9 sites renovated
under Neighborhood Spirit**

Marseille La Valentine, Saint-Etienne Monthieu, Nantes La Chapelle, Cannes Mandelieu, Torcy, Agen Boé, Chaumont, Béziers, Montargis

✓ *In 2009*

2 extensions completed

Besançon, Arles



Creation of about 14,000 m² shopping mall GLA and 550 m² of hypermarket selling area

Works started at 6 sites

Castres, Annecy, Brest, Marseille La Valentine, Fontaine Les Dijon, Paris Saint-Didier

The Alcudia program: an intrinsically solid pipeline, with limited risk and enhancing the value of existing sites

Encouraging performances for first 2008 completions

- ✓ **In essence less risky** than pure property development, **offering greater security** for retailers and investors:
 - **sites in operation already have a strong local presence:** *customers are already there, sales are known*
 - **locations that fit in well with consumer habits**
 - **sites with anchors in place** and a local offering
- ✓ The aim of the program is to **exploit the potential of existing shopping centers** by enhancing the value of space that is not yet used or poorly used (parking areas, controlled land etc.)

✓ **High effective yields** for 2008 completions

	<i>Lanester</i>	<i>Le Puy</i>	<i>Valence Sud</i>
Initial yield (appraised rents)	6.0%	6.0%	6.9%
Effective yield <i>(actual rents)</i>	8.2%		
Lease rights received in 2008	Euro 1.3 million		

✓ **Developments due for completion in 2009 are secure**

- **2 developments completed in the first half of 2009** (*Arles and Besançon*)
- **Letting rate: 100%**
- **Lease rights: Euro 1.3 million**



A development pipeline combining security, selectivity and profitability

Strong investment prospects

- ✓ **Exclusive call options on a large scope of investment opportunities** (within the Partnership agreement signed with Casino)
- ✓ **A pipeline of new projects and extensions over a 5-year horizon valued at Euro 706 m***
- ✓ **50% of the pipeline consists of Alcudia developments (i.e. Euro 350 million)**
 - *Developments at existing sites are therefore more secure for Mercialys and retailers*
- ✓ **50% of the pipeline are new assets developed by the Casino Group's development division**
- ✓ **A lower-risk and more selective approach**
 - *Works initiated with a min. pre-letting rate of 60%, which can be as high as 80% depending on the site*
 - *Selection of projects with the best profitability and potential on the medium term*

Choice / quality / security / yield
Not reliant on open market deals



Partnership agreement improved and extended to end-2014

A stronger competitive advantage, exclusive purchase options

- ✓ **With both parties having been satisfied with their experience over the last three years, a new Partnership agreement with Casino has been approved** by Mercialys' Board of Directors at its meeting of February 11, 2009, and Casino's Board of Directors at its meeting of March 4, 2009 *

Major changes

<i>Extension of the agreement: expiring end-2014 compared with end-2010 previously</i>	Securing the Alcudia pipeline
<i>Twice-yearly review of capitalization rates (compared with annually previously)</i>	Advantage at times when capitalization rates are rising
<i>Segmentation of rates under the agreement reviewed to take account of the type of property and location</i>	Improved segmentation of acquisition rates => favorable rates due to this refined segmentation
<i>Sharing of upside or downside between Mercialys and the developer in the event of the outperformance/ underperformance of actual rents on opening compared with projected appraised rents</i>	Fairer calculation of rents for both parties
<i>Possibility of off-plan sales</i>	Flexibility on financing the assets acquired
<i>Additional possibility of transferring properties by means of contribution (previously only forward sales)</i>	

► Partnership agreement: applicable rates in first half of 2009

- ✓ After taking into account the change in appraisal average yields for the portfolio, **Mercialys and Casino's Board of Directors have approved the yield rate options for 2009 first semester in accordance with the new partnership agreement***

Type of property	Shopping mall		Retail Parks		City center
	Mainland France	Corsica and overseas depts	Mainland France	Corsica and overseas depts	
Regional shopping centers / Large shopping centers (> 20,000 m ²)	6.3%	6.8%	6.8%	7.2%	6.0%
Neighborhood shopping centers 5,000-20,000 m ²	6.7%	7.2%	7.2%	7.7%	6.4%
Other o/w less than 5,000 m ²	7.2%	7.7%	7.7%	8.3%	6.8%

- ✓ Under the terms of the original partnership agreement, applicable rates in 2009 would have been:
 - Shopping malls: 6.3% vs. 6.0% in 2008
 - Standalone lots, retail parks: 6.7% vs. 6.4% in 2008

H1 2009: acquisition of 25 assets for Euro 334 million by way of contributions

► Proposed transaction

A major step in the Alcudia program

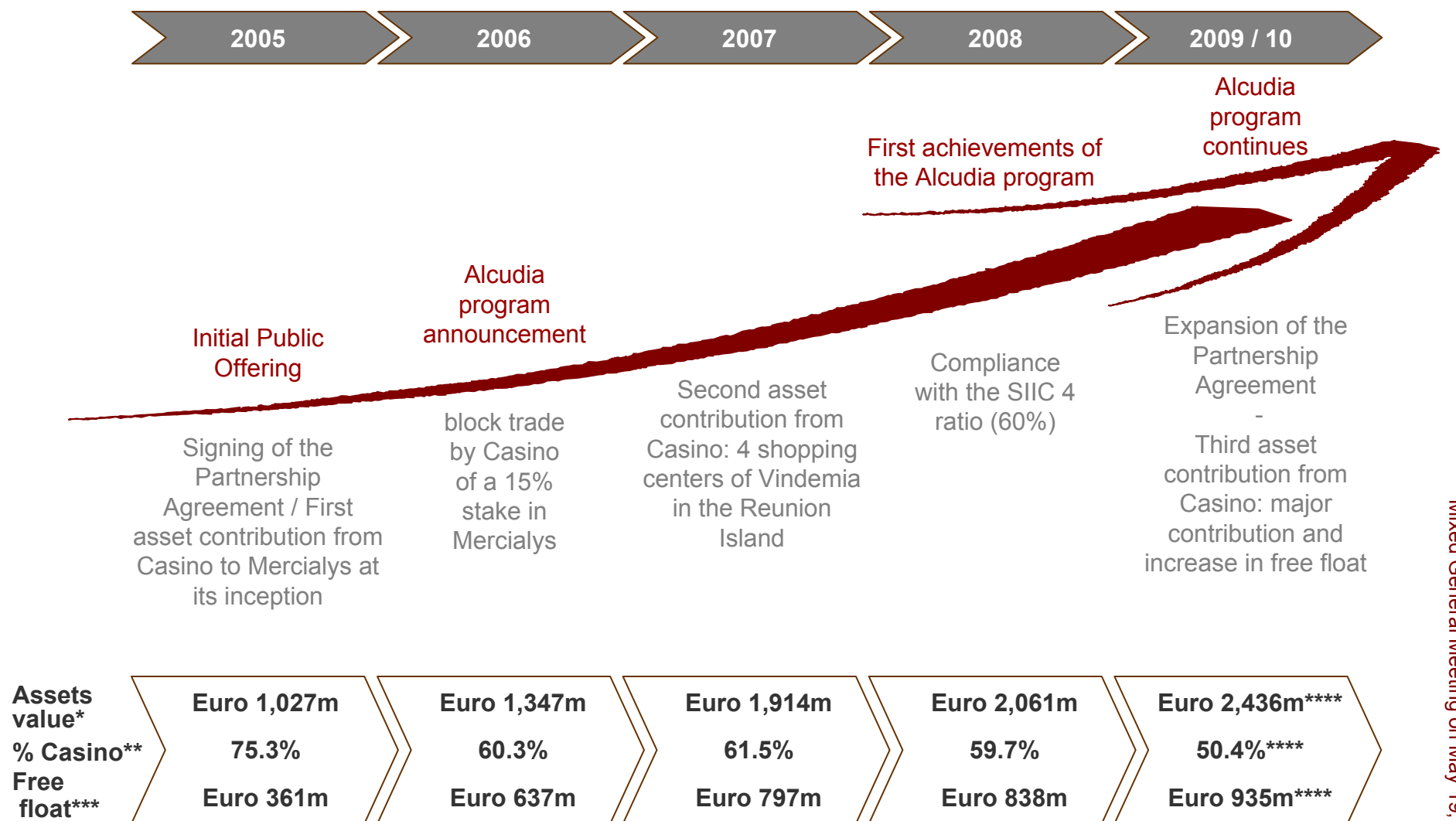
- Real estate portfolio contribution from Casino to Mercialys, that includes Alcudia's controlled projects due to be developed from 2009-2010:
 - Asset contribution of Euro 334m
 - Expected full year rents of Euro 23.9m
 - Remuneration* of the contribution by the issuance of 14.2 million of new Mercialys shares** at a price of Euro 23.5 per share
 - Distribution by Casino to its shareholders of 1 Mercialys share for 8 held shares (AO or ADP***). After the transaction, Casino will hold a 50.4% stake in Mercialys
 - Transaction subject to approvals by Mercialys' EGM on May 19, 2009, and by Casino's AGM on May 19, 2009 for the distribution
- Transaction to be completed in H1 2009

** The valuation of the contributed assets and its remuneration have been assessed by the contribution auditors and an independent expert. Based on their reports, Mercialys' Board of Directors held on April 6, 2009 approved the transaction. This transaction is now subject to your final approval.*

*** The issued shares do not give right to the 2008 dividend, the distribution of which should be on June 17, 2009*

**** AO (Actions Ordinaires) = Ordinary Shares and ADP (Actions à Dividende Prioritaire) = Preferred Shares*

► Coherence and continuity of the strategy since the IPO



* Appraisal value of the asset portfolio (transfer taxes included) as of 31/12

** Casino stake as of 31/12

*** Free float calculated excluding Casino's stake, based on an annual average share price (calculation of post-transaction free float based on the share closing price of 05/15/2009 at Euro 21.10)

**** Post transactions presented in this document

► A structuring transaction ...

Acceleration in the implementation of the Alcudia program, in line with the business model

Growth

- ✓ Acquisition of 25 Alcudia projects (100% retail, 100% France, 100% controlled)
- ✓ An 18% increase in Mercialys portfolio value
- ✓ Positive impact on the reversion potential of the portfolio pre-contribution

Yield

- ✓ Full year potential invoiced rents increased by Euro 23.9m (21% of the 2008 invoiced rents)
- ✓ Contributed assets generate a 7.2%* average yield (excluding partitioning)

Debt free

- ✓ Financing of a large part of the Alcudia program through a share transaction
- ✓ Maintains a strong financial flexibility

Improvement of the trading status

- ✓ Free float increased to Euro 935m**
- ✓ Diversification of the shareholder base
- ✓ Increase in stock liquidity

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► ... which does not increase the risk profile

Integration of assets controlled by Mercialys

- ✓ Knowledge and control of the contributed assets, the potential of which has been analyzed for a long time within the Alcudia program
 - *Projects developed on existing sites with potential*
 - *Projects at an advanced development stage*
- ✓ Valuation and terms of the asset contribution are consistent with the principles of the Partnership Agreement with Casino
 - *Implementation of the new Partnership Agreement yield rates*
 - *Casino bears the development risks and Mercialys focuses on the letting of the contributed assets*
 - *Letting already at an advanced stage*
 - *Administrative approvals obtained ('CDEC', building permits)*

► Asset contribution within the Alcudia program

Controlled risks for each assets lot

Lot 1 (Euro 47m)

New operating assets

- ✓ Alcudia extensions completed in H1 2009
- ✓ Pre-letting finalized

3 assets (shopping centers): Besançon (2), Arles

Lot 2 (Euro 113m)

Assets in advanced development stage

- ✓ Alcudia extensions due to completion within 2 years, with CDEC and building permits obtained
- ✓ Pre-letting in advanced stage (60%)
- ✓ The assets are delivered turnkey by Casino

7 assets (shopping centers): Le Puy*, Lons le Saunier*, Castres, Annecy, Les Sables d'Olonne, Valence Sud (stage 2), Sainte Marie du Parc (Réunion island)

Lot 3 (Euro 50m)

Hypermarkets' surfaces reduction (storage & sales area)

- ✓ Reduction of hypermarkets areas to be transformed in shopping centers (Alcudia extension)
- ✓ Letting by Mercialys
- ✓ Rents are guaranteed by Casino until the opening of new shops
- ✓ Assets contributed by Casino without partitioning

10 hypermarkets lots: Agen Boé, Angoulême, Besançon, Béziers, Fontaine-Les-Dijon, La Ricamarie, Marseille La Valentine, Montargis, Montauban, Narbonne

Lot 4 (Euro 124m)

Assets to be reorganized before a complex Alcudia restructuring

- ✓ Hypermarkets and supermarkets walls in complex condominium assets that need to be reorganized before initiating the works
- ✓ Unified ownership in commercial centers located in urban areas

5 urban hypermarkets / supermarkets walls highly interlinked: Paris (2), Marseille (3)

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► Lot 1: new operating assets

Description

- ✓ Commercial extension of 2 sites: Arles (already opened) and Besançon (opened since March 10, 2009)
- ✓ Letting completed
- ✓ Post extension, Besançon site will become a Large Regional shopping center (> 40 000 m² GLA)
- ✓ Main shop brands: Boulanger, Courir, H&M, L'Occitane, Maison du Monde, Nocibé

Key figures

- ✓ Number of lots: 23 lots on 2 sites
- ✓ Contributed surface: **13,500 m² GLA**
- ✓ Initial yield rate: **6.0%** (rate of the 2008 Partnership Agreement)
- ✓ Effective yield (actual rents): **6.6%**
- ✓ Full year rents: **Euro 3.1m**
- ✓ 2009 invoiced rents (7.5 months): Euro 1.9m
- ✓ Contribution amount: **Euro 47m**

► Lot 1: new operating assets

Example: Besancon

Plan before the project



Current outdoor view



Plan after the project



Current indoor view



► Lot 2: assets in advanced development stage

Description

- ✓ Extension of shopping centers of 7 sites: Annecy, Castres, Le Puy (Retail Park), Les Sables d'Olonne, Lons le saunier (Retail Park), Sainte Marie du Parc (Réunion island) and Valence Sud (phase 2)
- ✓ Contribution in the form of shares in the entities holding the assets
- ✓ Property development agreements are signed between Casino and Mercialys.
Casino bears the development risk
- ✓ No future payment related to works will be due by Mercialys
- ✓ Projected opening dates ranging from 2010 to 2011
- ✓ Pre-letting rate up to 60%

Key figures

- ✓ Number of lots: 121 lots on 7 sites
- ✓ Contributed surface: **31,200m² GLA**
- ✓ Initial yield rate*: **6.6%** (H1 2009 rate of the new Partnership Agreement)
- ✓ Potential full-year rents: **Euro 8.2m**
- ✓ 2009 invoiced rents: no rents (sites under construction)
- ✓ Contribution amount: **Euro 113m**

► Lot 2: assets in advanced development stage

Example: Sainte Marie du Parc (Réunion Island)

Current plan



Current outdoor view



Plan of the project



Outdoor view





Lot 3: hypermarkets' surfaces reduction (storage & sales area)

Description

- ✓ Extension and reorganization of shopping centers of current hypermarket areas, on 10 sites: Agen Boé, Angoulême, Besançon, Béziers, Fontaine-Les-Dijon, La Ricamarie, Marseille La Valentine, Montargis, Montauban, Narbonne
- ✓ Contribution of lots by Casino
- ✓ Rents guaranteed by Casino from the contribution date until the end of the works (based on expected rents after completion of the projects)
- ✓ Mercialys is only in charge of expenses related to final partitioning works
- ✓ Projected opening dates: between end 2009 and 2011

Key figures

- ✓ Number of lots: 65 lots on 10 sites
- ✓ Contributed surface: **15,100 m² GLA**
- ✓ Initial yield rate*: **6.4%** (H1 2009 rate of the new Partnership Agreement)
- ✓ Potential full-year rents**: **Euro 4.6m**
- ✓ 2009 rents guaranteed by Casino (7.5 months): Euro 2.8m
- ✓ Cost of construction for the 10 sites (predetermined price): Euro 23m
- ✓ Contribution amount: **Euro 50m**

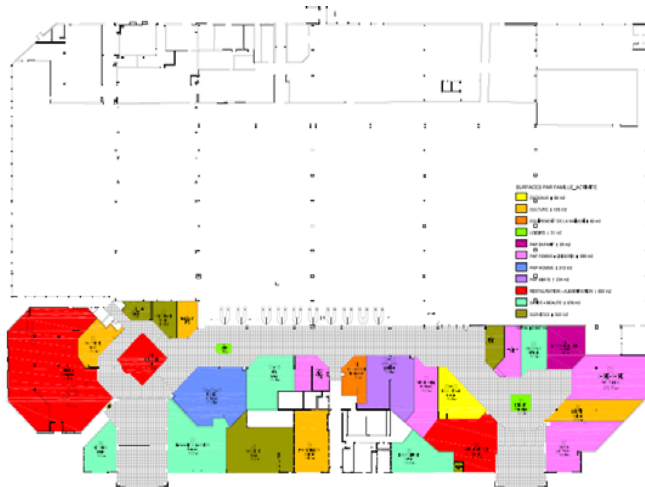


Lot 3: hypermarkets' surfaces reduction (storage & sales area)

Example: Narbonne

8,000 m²GLA of hypermarkets areas, 3,082 m² GLA of stores and 585 m² GLA of indoor areas turned into 6,730 m² GLA of hypermarkets areas, 4,021 m² GLA of stores and 1,146 m² GLA of indoor areas

Current plan



Plan of the project



Outdoor view (1/2)



Outdoor view (2/2)





Lot 4: assets to be reorganized before a complex Alcudia restructuring

Description

- ✓ Walls of food stores on 5 urban sites:
 - Marseille Delprat
 - Marseille La Valentine
 - Marseille Michelet
 - Paris Massena (13e)
 - Paris St Didier (16e)
- ✓ Ownership reorganization to facilitate the future implementation of complex Alcudia projects
- ✓ Institutional commercial lease signed by Géant / Casino supermarkets

Key figures

- ✓ Contributed surface: **65,400 m² GLA**
- ✓ Initial yield rate: **6.5%**
- ✓ Full-year rents: **Euro 8.0m**
- ✓ 2009 invoiced rents (7.5 months): Euro 4.9m
- ✓ Contribution amount: **Euro 124m**

► Contribution payment

Issue price of Mercialys new shares: Euro 23.5 after payment of the 2008 final dividend

- ✓ The issue price of Mercialys new shares is Euro 23.98, 2008 cum dividend, i.e. Euro 23.50 post Euro 0.48 dividend to be distributed on May 27, 2009 to which the new shares are not entitled*.
- ✓ This issue price** implies a 4% discount to the share price as of March 3, 2009**, and 6% to the NAV per share excluding transfer taxes of Mercialys as of December 31, 2008
- ✓ This valuation is based on a multi-criteria analysis, including usual intrinsic and analogical methods: share price, trading comparables, net asset value and discounted cash flow
- ✓ Issue of 14.2 million new Mercialys shares, carrying full dividend rights from January 1, 2009***, representing 19% of the current share capital
- ✓ Prior to the vote by the Shareholders' Meeting of Mercialys approving the issue of shares in exchange of the contributed assets, the value of the issue has been substantiated by a report by the contribution auditors and a fairness opinion by an independent expert

** The valuation of the contributed assets and its remuneration have been assessed by the contribution auditors and an independent expert. Based on their reports, Mercialys' Board of Directors held on April 6, 2009 approved the transaction. This transaction is now subject to your final approval.*

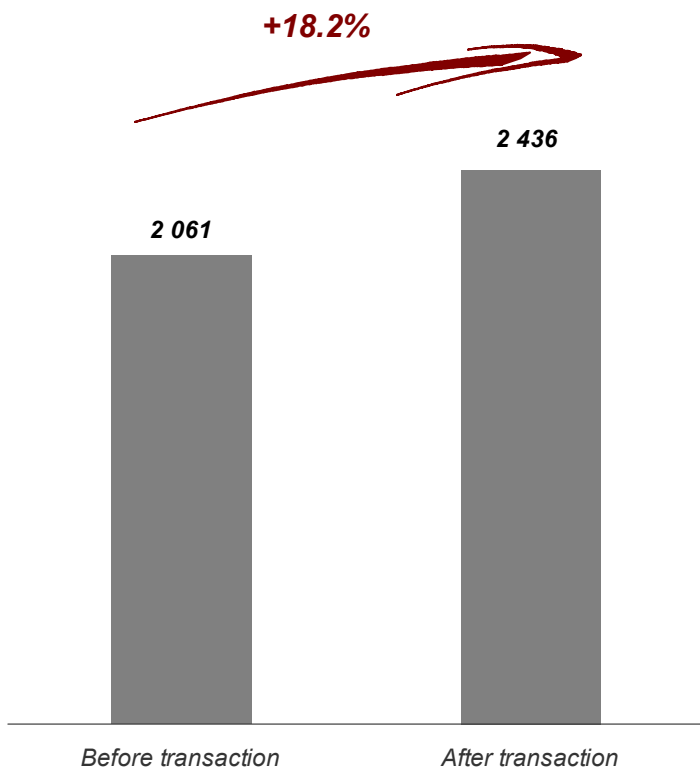
*** Including 2008 final dividend (Euro 0.48)*

**** The issued shares do not give right to the ordinary dividend 2008*

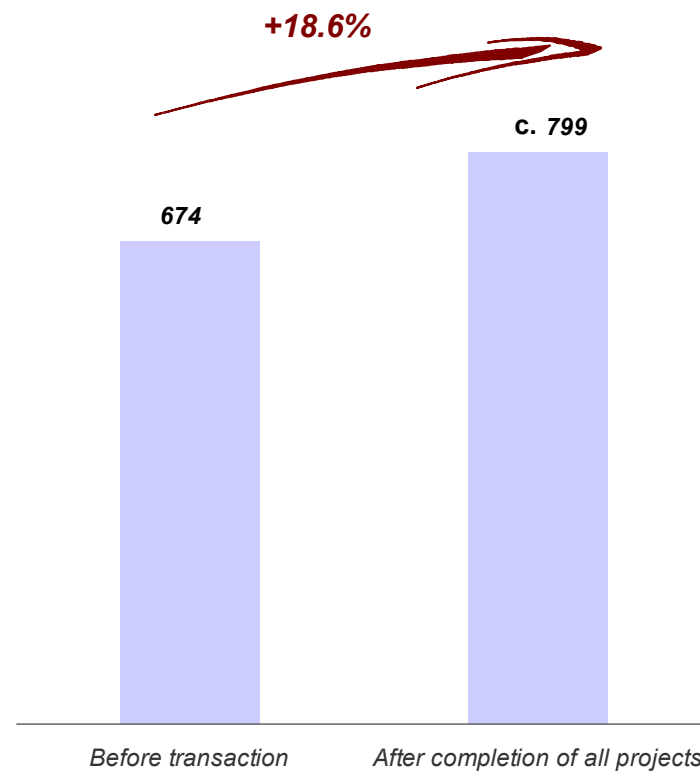
► A direct and significant impact on the assets value

Growth in asset base

Appraisal value of assets (million euros)

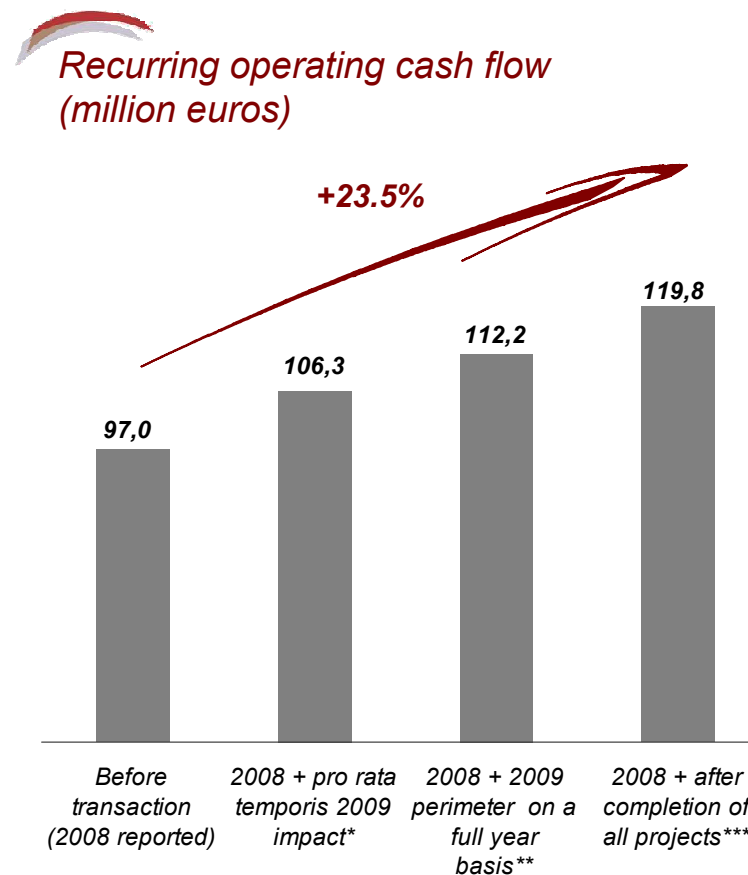
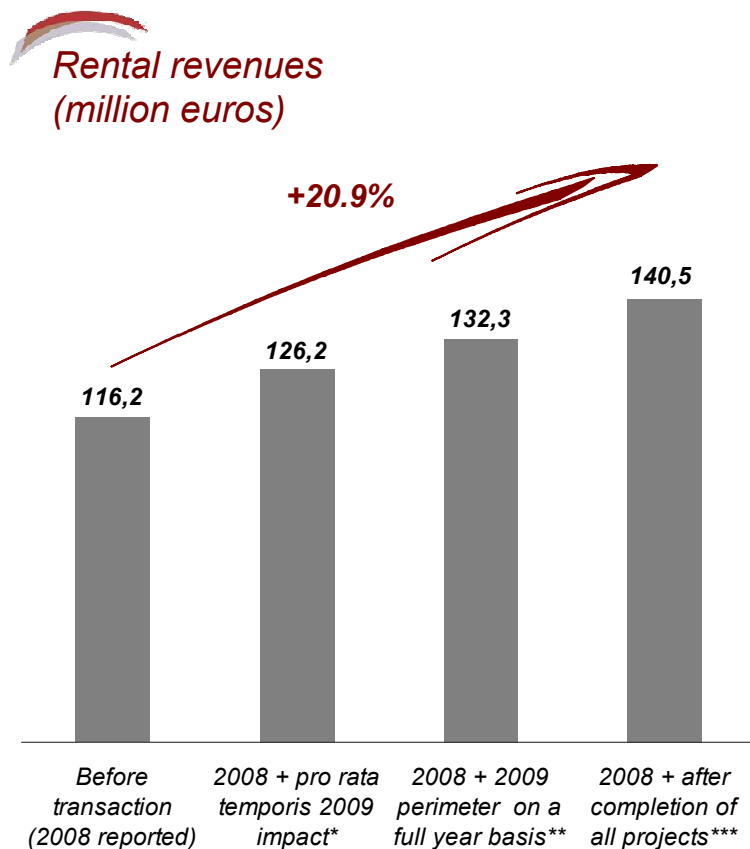


Size of assets ('000 m²)



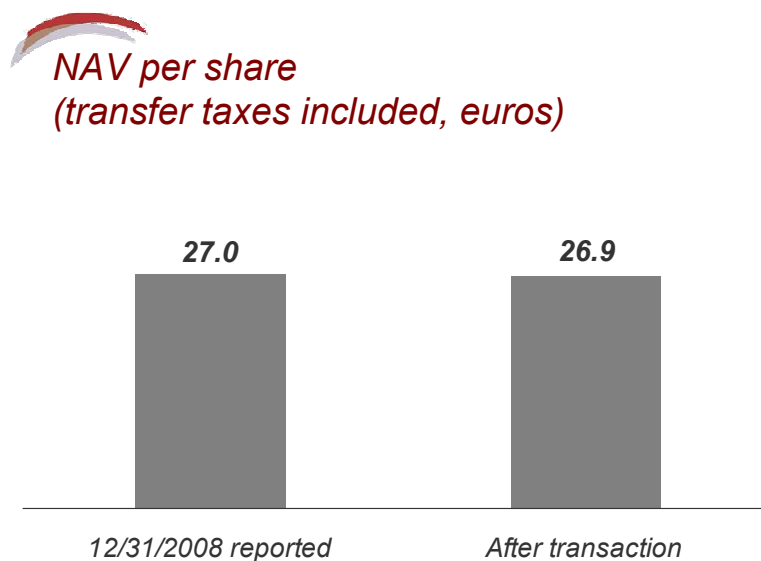
► ... and on the main activity indicators

A strong growth acceleration



► Accretive impact on the cash flow per share from 2010 and neutral impact on the NAV per share

- ✓ Accretive impact on the cash flow per share from 2010
 - *Accretive impact from 2010 of c.2%*
- ✓ Neutral impact of the transaction on the NAV post transaction





Limited impact on the pipeline of projects

Since the beginning of 2009, the pipeline reduction has already been replenished by one quarter



Pipeline of projects of Casino developments in million euros

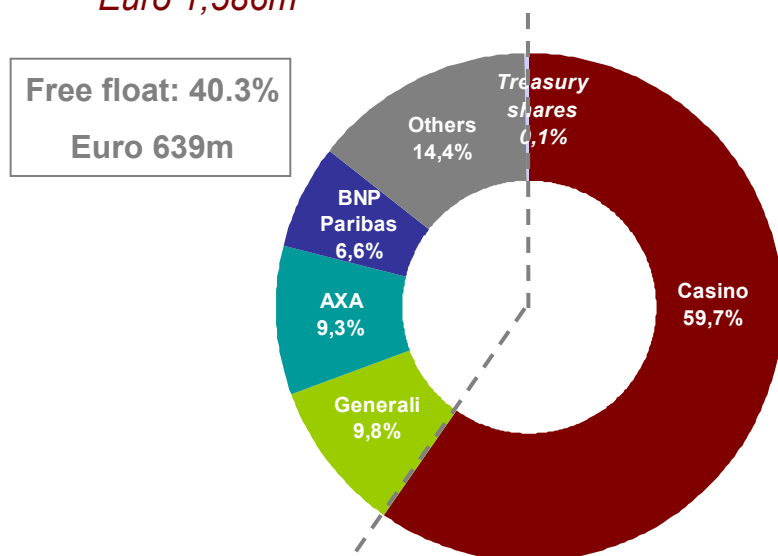


Mercialys improves its stock market profile and widens its free float to approximately one billion euros

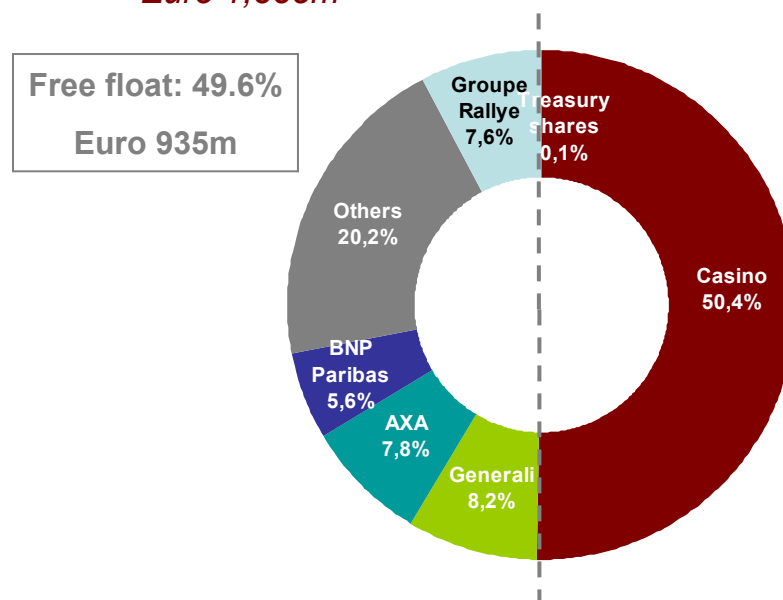
- ✓ Increase in the market capitalization
- ✓ Diversification of the shareholder basis (after the distribution by Casino to its shareholders of the 14 million shares received for the assets contribution)
- ✓ Increase in the free float

 **Increase of the share liquidity**

Shareholding structure before transaction
 Market capitalization at 05/15/2009:
 Euro 1,586m*



*Post transaction shareholding structure***
 Post transaction Market capitalization*:
 Euro 1,885m



Transaction timetable

- ✓ **From Monday 20th April 2009 to Monday 18th May 2009 included:** Reference period for the calculation of the subscription price of the new shares issued within the option of payment of the final dividend in shares (20 days before Annual General Meeting)
- ✓ **Tuesday 19th May 2009:** Mercialys Annual General Meeting deciding:
 - The distribution of 2008 final dividend
 - The issuance of new shares in remuneration of assets contributed to Mercialys
- ✓ **Friday 22nd May 2009:** Listing of Mercialys shares issued in remuneration of contributed assets (those shares will be listed on a specific line until May 26, 2009 (at night) – the vesting date will be January 1st, 2009)
- ✓ **Wednesday 27th May 2009:** Mercialys shares to trade ex-dividend and start of the option period for the share-based payment of the final dividend of Mercialys
- ✓ **Tuesday 9th June 2009:** End of the option period for the share-based payment of the final dividend of Mercialys
- ✓ **Wednesday 17th June 2009:** Payment of Mercialys 2008 final dividend in cash and admission and listing of new Mercialys shares issued for the part of the final dividend paid in shares
- ✓ **Friday 31st July 2009:** End of Mercialys shares to trade

Environment and outlook

► Mercialys is in good shape...

✓ "Local presence" seems suited to current market environment

- *Research and development of the **Neighborhood Spirit** to meet consumer expectations*
- ***Resilience of neighborhood shopping centers***
- ***Strong local footing** and presence in fast-growing regions*

**Good
positioning**

✓ Daily efforts to extract value from our assets

- ***Continuing high reversionary potential** and extension/renovation potential*
- ***Effective letting teams:** working on a daily basis with our tenants and retailers*

**Potential for
solid growth**

✓ Complementary sources of growth

- ***Alcudia:** major secure upside potential for growth and an intrinsically solid pipeline*
- *An attractive and extended **Partnership agreement***
- *A market of transactions with **more opportunities***

**Secured
acquisitions**

✓ A moderate risk profile

- ***Visibility on cash flow***
- ***No debt and secured financing***
- ***A flexible and reactive structure***
- ***No development risk***

**A continuing
healthy and cautious
approach**

► ... to cope with more challenging economic conditions

<i>Possible incident in the current context</i>	<i>Possible impact</i>	<i>Risk absorbers in the current context</i>	<i>Possible effects on Mercialys</i>
▪ Defaults ▪ Default payments ▪ Tenant giving notice	▪ Vacancy ▪ Proceedings ▪ Delays in recovering	▪ French lease right system (enhancing loyalty) and moderate occupancy ratio ▪ Isolated cases ▪ Present situation satisfactory	▪ Occupancy ratio and recovery ratio should remain high
▪ Renewals and relets less dynamic	▪ Decrease in organic growth	▪ Low average rental value compared to the market average rental value	▪ Organic growth should remain robust
▪ Tenants' requests to renegotiate the level of their rent	▪ Downside on leases with 3-year terms (only on markets undergoing oversupply)	▪ Average rental value far below the market average rental value ▪ Little retail segments with oversupply	▪ Possible effect limited far below organic growth
▪ Difficulty in pre-letting new developments	▪ Pressure on rental values relative to new developments ▪ Vacancy	▪ Minimum required pre-let ratio > to 60% of the total project rental value (up to 80%)	▪ No effect in 2009
▪ Starting new developments in a deteriorated economic context	▪ Slow and partial lettings ▪ Difficult starts	▪ 2008 openings well under way ▪ Few openings scheduled in 2009 ▪ Marketing efforts reinforced	▪ Limited effect

► The transaction with Casino reinforces Mercialys

- ✓ Reinforcement of 2009 outlook

***Growth targets set by the Management for 2009
increased by c.100%***

*Reminder: the targets set by the management over 2 years (2009 vs 2007)
for rental revenues and recurring operating cash flow were +25%,
i.e. given the 2008 achievements, a respective growth of 7% and 8%
for the year 2009 (2009 vs 2008) **

- ✓ A financial structure preserved
24 months of Alcudia development financed, and a balance sheet still without debt
- ✓ Improvement of the stock market profile
A share more liquid and therefore more attractive

Special reports by the Statutory Auditors

Special reports by the Valuing Auditors

Questions and answers

Approval of the resolutions

Mixed General Meeting on May 19, 2009 **Financial statements for the year ended December 31, 2008**

First resolution

- ✓ The purpose of this resolution is to submit for your approval the Company financial statements for the year ended December 31, 2008 which post a profit of Euro 79,507,269.73 .

Second resolution

- ✓ The purpose of this resolution is to submit for your approval the consolidated financial statements for the year ended December 31, 2008 which post a consolidated net income (Group share) of Euro 80,911 thousand.

Third resolution

- ✓ Under this resolution which is related to the allocation of the business year's income, we propose to distribute a total dividend of Euro 66,131,963.92, meaning Euro 0.88 per share, with the balance of the distributable profit in an amount of Euro 21,380,869.34 being allocated to the "Balance Carried Forward" account.
- ✓ The payment of the final dividend, for an amount per share of Euro 0.48, for shares which benefited from an interim dividend of Euro 0.40 per share paid on October 6, 2008, will be paid on June 17, 2009 .

Fourth resolution

- ✓ The purpose of this resolution is to submit for your approval the special report prepared by the Statutory Auditors on regulated agreements.

Fifth resolution

- ✓ The purpose of this resolution is to submit for your approval the option of payment of the final dividend for 2008 in shares or in cash.

Sixth resolution

- ✓ Should the Board of Directors decide to allocate one or more interim dividends in respect of the 2009 fiscal year, the purpose of this resolution is to authorize the payment of these interim dividends, as your choice, in cash or in shares.

Seventh resolution

- ✓ The purpose of this resolution is to renew, for 18 months, the authority granted to the Board of Directors for the purpose of purchasing shares of the Company; the use of such authority shall not have for effect to increase the number of shares held by the Company to more than 10% of the total number of shares forming the capital and the purchase price of the shares shall not exceed Euro 42 per share.

Eighth to twenty-second resolutions

- ✓ The purpose of these resolutions is to submit for your approval the contribution to the Company of a portfolio of real estate assets and investments held by various Casino Group companies: L'Immobilière Groupe Casino, Chafar 2, Plouescadis and Sodexmar.

Twenty-third resolution

- ✓ The purpose of this resolution is to submit for your approval an amendment to Article 15 of the by-laws relating to actions to harmonize the by-laws with the provisions of the French law on the modernization of the economy (“LME law”) 2008-776 of August 4, 2008.

► Twenty-fourth to thirty-third resolution (1/2)

- ✓ **Due to the expiry of the authorizations granted during the Extraordinary Shareholders' Meeting of April 26, 2007 and in order to enable the Company to raise financing on the market should this prove to be necessary to continue with its expansion strategy, it is proposed that authority be delegated to the Board of Directors for a period of 26 months to decide:**
 - > *To issue securities, with or without preferential subscription rights for shareholders, giving access to share capital or to allocate debt securities with, in the case of surplus subscription requests, the option to increase the number of shares or securities. In the event of an issue in the form of a public offer without preferential subscription rights, the Board of Directors would also be authorized to set the issue price, as an exception to the provisions of Article L. 225-136-1 of the French Commercial Code, on the basis of the weighted average share price during the previous ten trading days, minus a maximum discount of 5%, up to a limit of 10% of share capital per year;*
 - > *The increase in share capital through the incorporation of reserves, profits, premiums or other amounts that can be capitalized;*

► Twenty-fourth to thirty-third resolution (2/2)

- > *The issuing, up to a limit of 10% of the Company's share capital, of shares or securities giving access to share capital in exchange for contributions in kind granted to the Company and comprising shares or securities giving access to share capital, in accordance with Article L. 225-147 of the French Commercial Code.*
- > *The total nominal amount of debt securities that may be issued, immediately and/or in future, on the basis of these authorizations is limited to Euro 200 million.*
- > *The total nominal amount by which the share capital may be increased immediately and/or in future on the basis of these authorizations is limited to Euro 40 million.*
- > *To give the authorization to the Company or companies owning more than half of the Company's share capital to issue securities entitling holders to the allocation of existing Mercialys shares.*
- > *To issue shares or securities giving access to the Company's share capital in the event of a public offer by Mercialys for securities in another listed company with the cancellation of preferential subscription rights.*
- > *To increase the Company's share capital for the benefit of its employees. Under this authorization, the Board of Directors shall have the authority to sell the shares acquired. The number of shares that may be issued or sold under this authorization is limited to 3% of the total number of shares of the Company at the time of the issue or sale.*



mercialis

► 2008 gross compensation of Corporate officers

- ✓ Compensation of the Chairman and Chief Executive Officer (paid by Mercialys)
 - 2008 fixed portion: Euro 122,470
 - 2008 variable portion: Euro 105,000
 - 2008 Director's fees: Euro 15,000

- ✓ Compensation of the Chief Operating Officer (paid by Mercialys and Mercialys gestion)
 - 2008 fixed portion: Euro 194,608
 - 2008 variable portion: Euro 183,337
 - Other benefits: Euro 3,355

► Board members on May 6, 2008

- ✓ Monsieur Jacques Ehrmann, Chairman and CEO
- ✓ Monsieur Bernard Bouloc (*independant member*)
- ✓ Monsieur Yves Desjacques (*permanent representative of l'Immobilière Groupe Casino*)
- ✓ Monsieur Antoine Giscard d'Estaing* (*permanent representative of Casino, Guichard-Perrachon*)
- ✓ Monsieur Jacques Dumas
- ✓ Monsieur Pierre Féraud
- ✓ Monsieur Gérard Koenigheit
- ✓ Monsieur Philippe Moati (*member qualified as external*)
- ✓ Monsieur Eric Sasson (*independant member*)
- ✓ Madame Catherine Soubie
- ✓ Monsieur Pierre Vaquier (*independant member*)
- ✓ Monsieur Eric Le Gentil** (*permanent representative of Generali Vie, independant member*)

► Director fees – Allocation process

Board members:

The individual amount of Board members' attendance fees is Euro15,000 including:

- > *a fixed portion of Euro 5,000*,*
- > *a variable portion which is capped at Euro 10,000* and conditional to attendance at meetings of the Board of Directors,*

Specialized committees members:

Additional fees are paid to the Committee members including:

- > *a fixed portion of Euro 4,000*,*
- > *a variable part of Euro 11,000* for members of the Investment Committee and Euro 6,000 * for members of the Audit Committee and members of the Appointments and Remuneration Committee. These fees are conditional to attendance at meetings,*

An additional fee of Euro 3,000 is also paid to the Chairman of each Committee.

► Director fees paid for 2008

- ✓ The total amount of Director fees paid to all Board members and Committee members for 2008 is Euro 240,943.

The following table gives a breakdown of the fees paid to each Board and Board Committee member (except those paid to the Chairman).

<i>(in euros)</i>	Board members		Committee members		Total
	<i>Fixed portion</i>	<i>Variable portion</i>	<i>Fixed portion</i>	<i>Variable portion</i>	
Bernard Bouloc	5 000	10 000	5 044	6 000	26 044
Yves Desjacques	2 500	3 571	2 000	3 000	11 071
Jacques Dumas	2 500	5 000	2 000	3 000	12 500
Michel Favre	2 500	4 286	2 000	5 500	14 286
Pierre Féraud	2 500	4 286	2 000	5 500	14 286
Gérard Konigheit	2 500	4 286	-	-	6 786
Alban Liss	5 000	10 000	5 956	3 000	23 956
Philippe Moati	5 000	10 000	5 044	6 000	26 044
Eric Sasson	5 000	8 571	11 000	17 000	41 571
Catherine Soubie	2 500	3 571	2 000	3 000	11 071
Pierre Vaquier	5 000	8 571	9 956	14 800	38 327

Detailed income statement

<i>million euros</i>	12/31/06	12/31/07	12/31/08	Change 2008/2007
Invoiced rents	80.7	97.7	113.6	+16.3%
Lease rights	1.6	1.8	2.6	
Rental revenues	82.3	99.5	116.2	+16.8%
Non-recovered property taxes	-0.1	-0.3	-0.1	
Non-recovered service charges	-1.4	-1.7	-2.5	
Property operating expenses	-3.8	-4.1	-4.5	
Net rental income	77.0	93.5	109.2	+16.8%
Management, administrative and other activities income	1.2	2.3	2.5	
Depreciation, amortization and impairment of assets	-13.4	-15.7	-17.6	
Staff costs	-4.2	-5.6	-6.5	
External costs	-3.8	-4.8	-6.9	
Operating costs	-20.2	-23.8	-28.5	+20.0%
Recurring operating income	56.8	69.7	80.6	+15.7%
Net financial income	6.1	3.2	0.9	
Tax	-2.4	-1.3	-0,6	
Net income, Group share	60.5	71.6	80.9	+13.1%
EPS (euros)*	0.83	0.98	1.08	

Mixed General Meeting on May 19, 2009