

Mixed General Meeting



May 6, 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, 2007

- > Presentation of the reports prepared by the Board of Directors and the Statutory Auditors
- > Approval of the company accounts for the business year ending on December 31, 2007
- > Approval of the consolidated accounts for the business year ending on December 31, 2007
- > 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
- > Renewals of the terms of office as Director of Bernard Bouloc, Jacques Dumas, Jacques Ehrmann, Pierre Féraud, Gérard Koenigkheit, Philippe Moati, Eric Sasson, Catherine Soubie, Pierre Vaquier and Casino, Guichard-Perrachon company and L'Immobilière Groupe Casino Company
- > Authority for the Company to purchase its own shares

Shareholders' meeting agenda (2/2)

Extraordinary shareholders' meeting

- > *Authority granted to the Board of Directors to allocate options to buy shares*
- > Authority granted to the Board of Directors to allocate options to subscribe shares
- > Authorization granted to the Board of Directors to allocate for bonus shares of the Company to employees or corporate officers of the Company and its affiliates
- > Authorization granted to the Board of Directors to reduce share capital by the cancellation of treasury shares
- > Powers for carrying out formalities.



2007 activity and consolidated results

Speakers

Jacques Ehrmann, Chairman and Chief Executive Officer ◀

Marie-Flore Bachelier, Chief Financial Officer ◀

Géry Robert-Ambroix, Chief Operating Officer ◀

Contents

➤ Overview of the year

➤ 2007 annual results

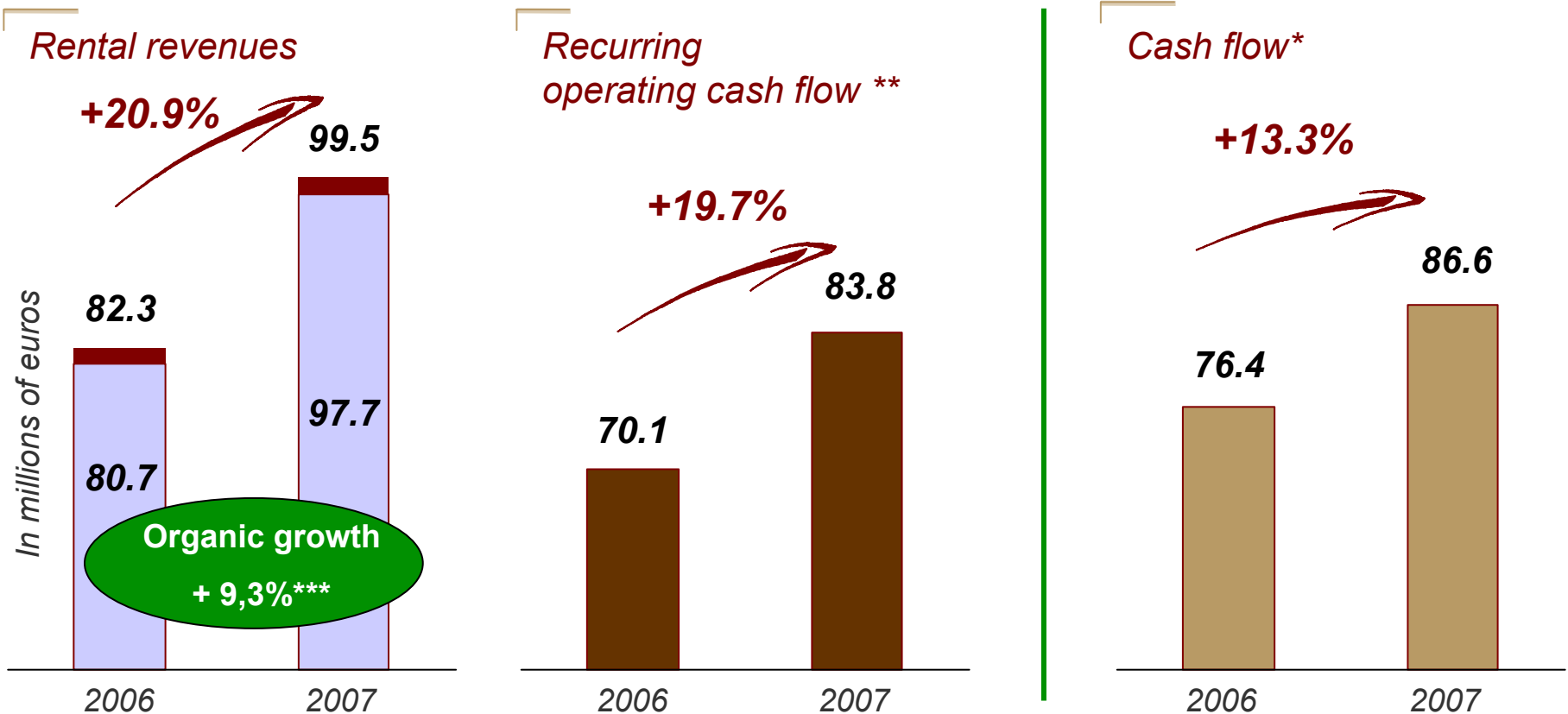
➤ External growth and development projects

➤ Environment and outlook

Overview of the year 2007

► 2007: an exceptional year in terms of growth

Total revenue exceeds Euro 100 million



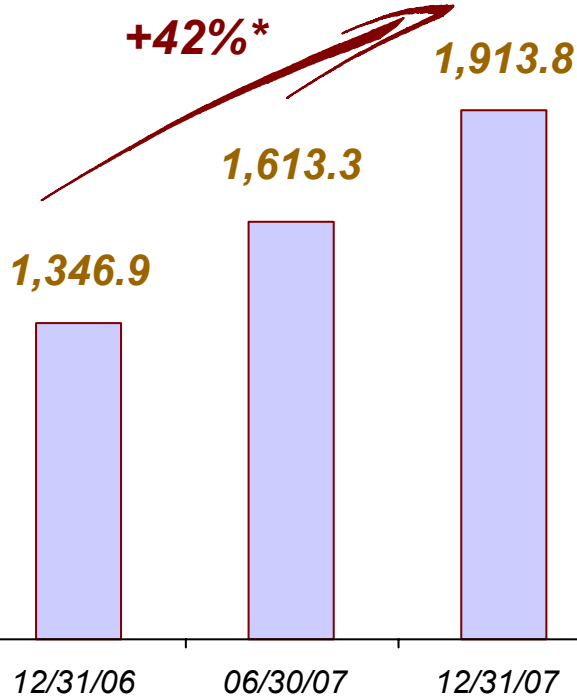
Rental revenues + invoiced fees = Euro 101.8m

* Cash flow (net income before depreciation and other non-cash items)
** Cash flow excluding interest income on cash net of tax and non-recurring items
*** Invoiced rents growth on a like-for-like basis

► 2007: a major milestone in NAV growth

Mercialys has doubled in size in 2½ years

*Portfolio appraisal value,
including transfer taxes
(in millions of euros)*



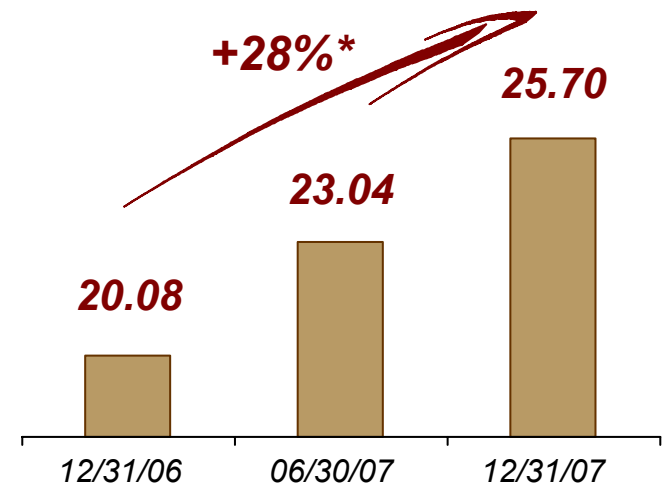
**x2
since the
IPO**

*Growth in rents on a
like-for-like basis *
Euro +135m*

*Compression of
yields*
Euro +230m*

Acquisitions in 2007
Euro +202m*

*Replacement net asset value
(in euros per share)*



► A year of high yield external growth

The first ever investment outside mainland France

**Euro 183.5 m of
acquisitions**

**Euro 198.0 m of
investments**

**Twice anticipated
investments**

- ✓ Effectiveness of business model confirmed: average yield remains high at 7%
 - > *Acquisitions negotiated privately: 3 shopping centers in Corsica, 5 in La Réunion, one shopping mall in Béziers*
 - > *3 assets acquired under the Partnership Agreement with Casino*
- ✓ Assets acquired in line with Mercialys's key criteria: reversionary potential and/or extension and redevelopment potential
- ✓ A marginal yield more than 400 bp above the deflated 10-year OAT yield



Base strengthened in 2007 providing a springboard for 2008/2009

Strengths of shopping centers: buoyancy and resilience

- ✓ **Dynamic activity**
 - > *A buoyant retail sector*
 - > *Work on merchandising*
 - > *Spreading risks over a larger number of sites and leases*
- ✓ **Dynamic consumer spending**
*Household spending on manufactured products in the retail category +3.0% * over 1 year*
- ✓ **Excellent cash flow
visibility/predictability**
 - > *A base of index-linked rents*
 - > *Leasehold rights, specific to French retail: a tenant wishing to terminate his contract usually propose a replacement*

Strengths of Mercialys

- ✓ **Strong organic growth**
 - > *High reversionary potential*
 - > *Experienced lease renewal and reletting teams*
- ✓ **Consumer traffic in centers growing continuously** ⇒ *strength of local neighborhood concept*
- ✓ **Flexible organization structure** ⇒ *ability to focus on value-creating activities*
- ✓ **Buoyant external growth**
 - > *Large pipeline / highly attractive Partnership Agreement / Selective acquisitions*
 - > *No debt*
- ✓ **Alcudia: a major source of new growth**
 - > *New and/or renovated assets*
 - > *New space*



Passing on our strong cash flow momentum to our shareholders

Dividend up 14.1%

- ✓ 2007: not a typical year in certain respects ...
 - > *Timing of 2006 and 2007 acquisitions particularly favorable, having a significant impact on growth in rental revenue*
 - > *High indexation effect*
 - > *Cash position still positive (Euro 70.7m)*
- ✓ ...but, also a year that confirmed Mercialys's potential and effective organization
 - > *Strong organic growth*
 - > *Investment outlook confirmed*

Aware that 2007 was not a typical year but confident in the outlook for Mercialys and the robustness of its business model, the Board of Directors proposes to pass on the entire growth in cash flow in the dividend.

A dividend of **Euro 0.81 per share** for the current year*, up **+14.1%** compared with the 2006 dividend of Euro 0.71 per share

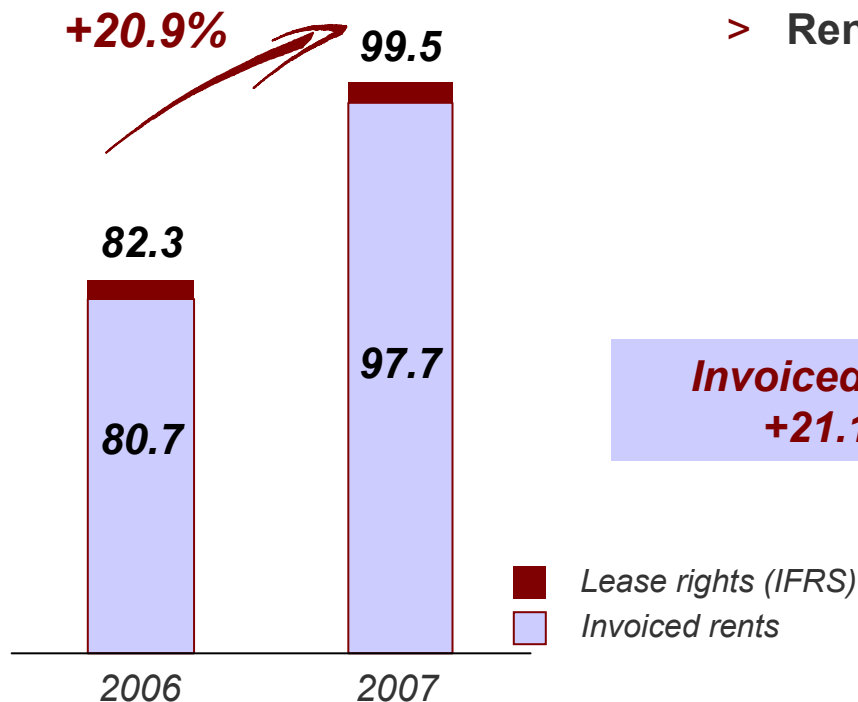
2007 annual results

► Organic growth fueled by our teams' dynamic approach

Strong growth in rental revenues

Rental revenues

In millions of euros



✓ **Brisk activity during the year: 184 lease renewed or relet**

> **Rents +39%* on lease renewals**

> **Rents +115%* on relets**

**Invoiced rents
+21.1%**

Organic growth
(like-for-like)
+9.3 points**

**Impact of 2006 and 2007
acquisitions
+13.2 points**

Non-recurring items*
-1.4 point**

* Growth in annualized rents excluding the year's indexation effect

** Growth in invoiced rents in 2007 compared with 2006 on a like-for-like basis excluding non-recurring items and including the indexation effect

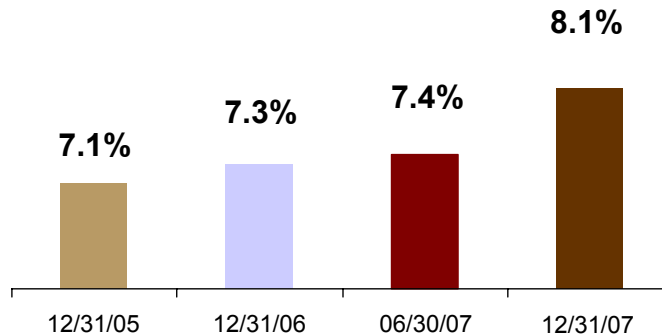
*** Change in method of invoicing variable rents from 2006 involving 106 leases



Sharp rise in various portfolio performance indicators

✓ Activity during the year had a positive impact on average indicators

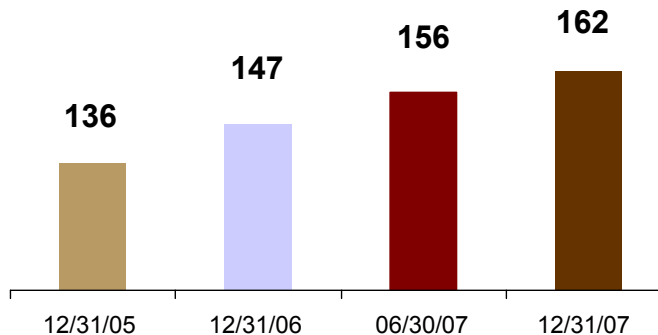
> Occupancy cost: **8.1%***



Boosted by:

- indexation
- growth in rents due to portfolio improvements made during the year
- new assets entering the calculation

> Average gross rental value: **Euro 162 per m²**





Strong revenue growth had a positive impact on the bottom line...

<i>In millions of euros</i>	2005 proforma	2006	2007	Change 2007/2006
Invoiced rents	71.8	80.7	97.7	+21.1%
Lease rights	0.8	1.6	1.8	
Rental revenue	72.7	82.3	99.5	+20.9%
Non-recovered property taxes	-0.1	-0.1	-0.3	
Non-recovered service charges	-1.1	-1.4	-1.7	
Property operating expenses	-3.5	-3.8	-4.1	
Net rental income	67.9	77.0	93.5	+21.4%
Management, administrative and related revenue	0.9	1.2	2.3	
Depreciation, amortization and provisions	-12.9	-13.4	-15.7	
Staff costs	-2.7	-4.2	-5.6	
Other expenses	-2.6	-3.8	-4.8	
Operating costs	-17.3	-20.2	-23.8	+17.8%
Recurring operating income	50.6	56.8	69.7	+22.7%
Net financial income	0.7	6.1	3.2	
Income tax	-0.3	-2.4	-1.3	
Net income, Group share	51.0	60.5	71.6	+18.3%
EPS (euros per share)*	0.81	0.83	0.98	+18,1%



...and the cash flow

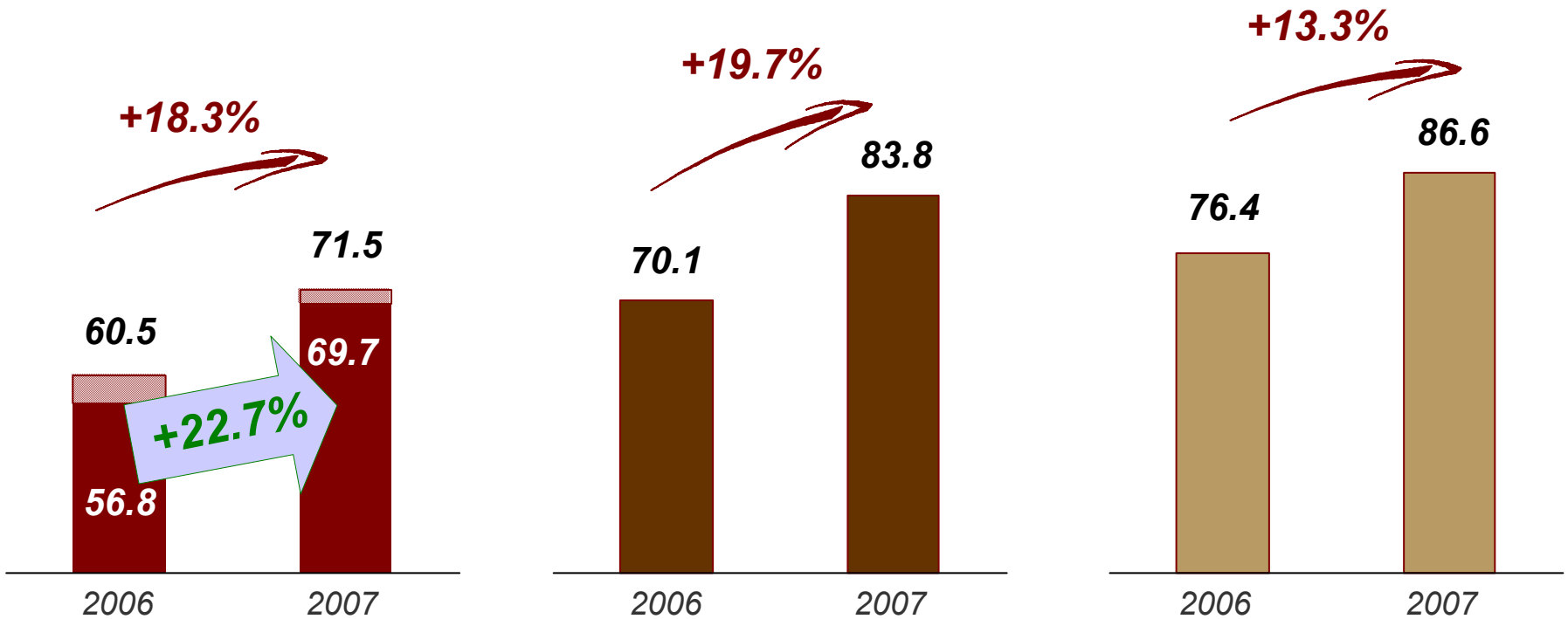
Operating income up 23%

Net income,
Group share

In millions of euros

Recurring
operating cash flow**

Cash flow*



* Cash flow (net income before depreciation and other non-cash items)

** Cash flow excluding interest income on cash net of tax and non-recurring items

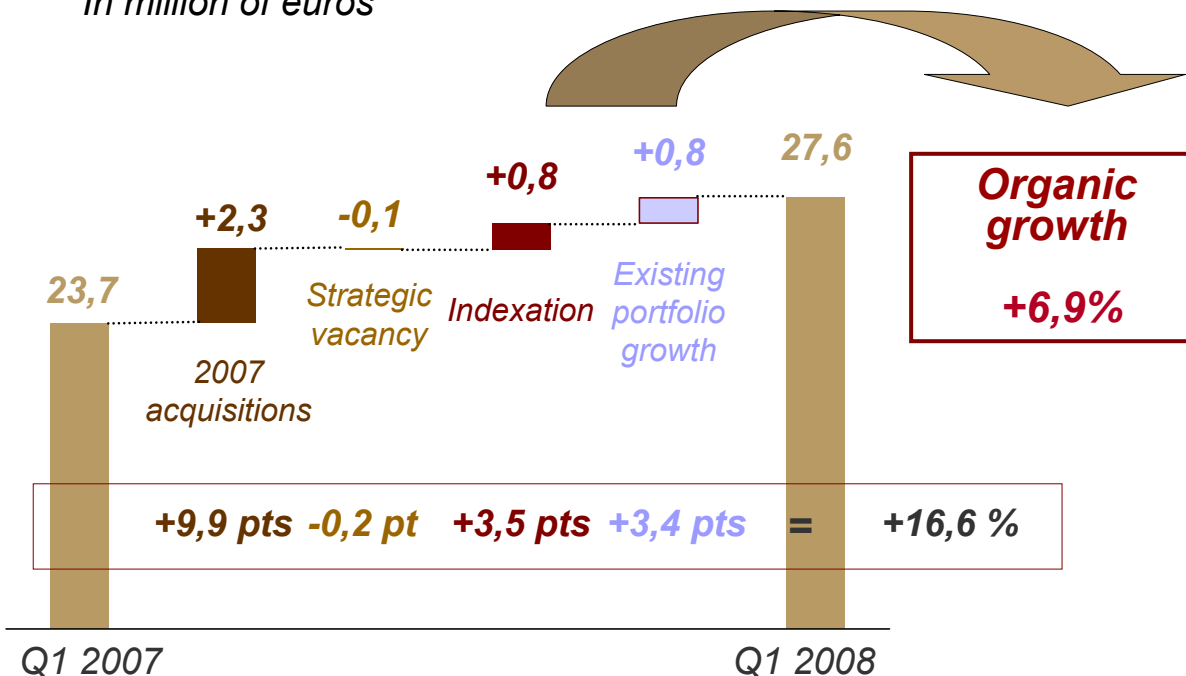
Mixed General Meeting on May 6, 2008

► Prospects are confirmed by Q1 2008 revenues

Strong growth during the first quarter both organic and external

Source of growth in Invoiced rents

In million of euros



✓ 43 leases renewed or relet

- Rents **+30%** on lease renewals*
- Rents **+166%** on relets*
- **M€ +1,2** additional invoiced rents*
- Strategic vacancy caused by the implementation of the Alcudia program

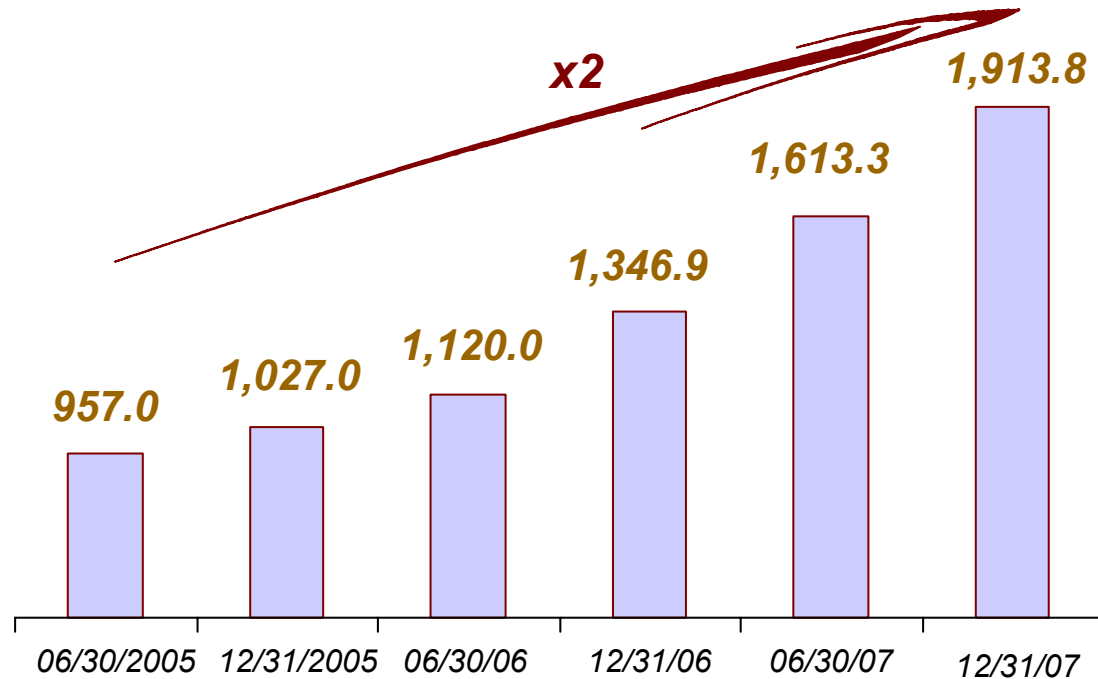
Q1 2008 rental revenues up + 16,6% over Q1 2007

*On an annualized basis

► Portfolio value has doubled since the IPO...

Portfolio value up 42% over 1 year

*Portfolio appraisal value,
including transfer taxes**
In millions of euros



**Average
appraisal yields**

7.3% 7.0% 6.6% 6.3% 5.8% 5.5%

Like-for-like over 6 months

+7.0% +6.9% +11.1% +14.7% +10.6%

Like-for-like over 12 months

+19.0% +27.1%

* Valuation based on appraisals by Atis Real and Galtier using the conventional yield method and discounted future cash flow method



2007 retail deal rates underpins expert appraisals

Yields still above those achieved in market deals including 2007 second half

Examples of yields on 2007 retail deals

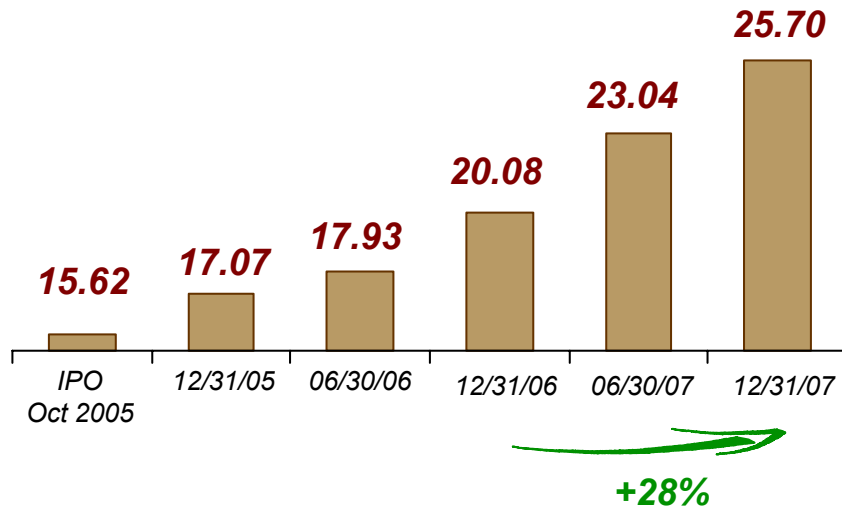
Market Transactions	Regional centers and large leading centers	Large centers and neighborhood centers	Value added/Opportunistic
	3,7% - 4,5%	4,6% - 5,4%	5,5% - 7,5%
	Angers Grand Maine 4,25% Marseille Grand Littoral 4,0% Odysseum Montpellier 5,0%	Marque Avenue Troyes 5,2% Géant Bourges 5,0% Géant Chasse sur Rhône 4,9% Besançon Valentin 4,9%	Limoges Corgnac 5,5% Forum 20 Arcueil 5,6% Portefeuille Progest 6,2% Leclerc Blagnac 6,75% Tours Forum Gramont 7,0%
Mercialys Appraisals	Exemples of comparable yields on Mercialys assets		
	Angers Espace Anjou 5,2% Nimes Cap Costières 4,6%	Clermont-Ferrand Nacarat 5,2% St Etienne Monthieu 5,6%	Fréjus 6,0% Anglet 6,9%



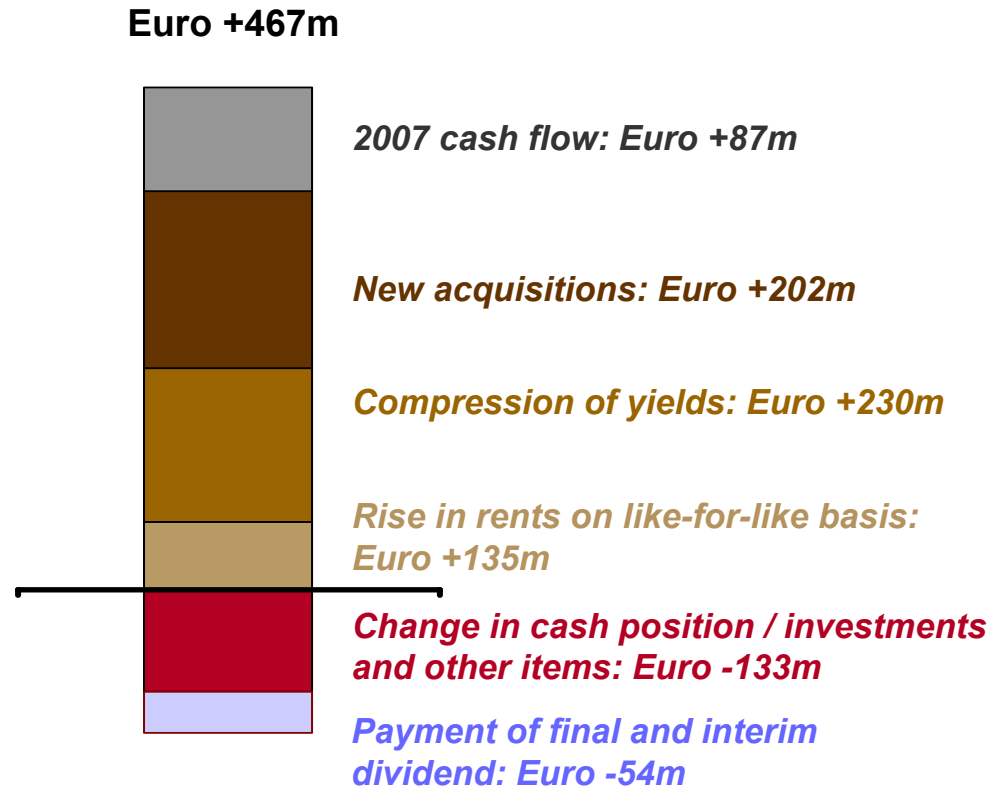
NAV up sharply...

28% growth over the year

*Replacement net asset value
(Euro per share)*

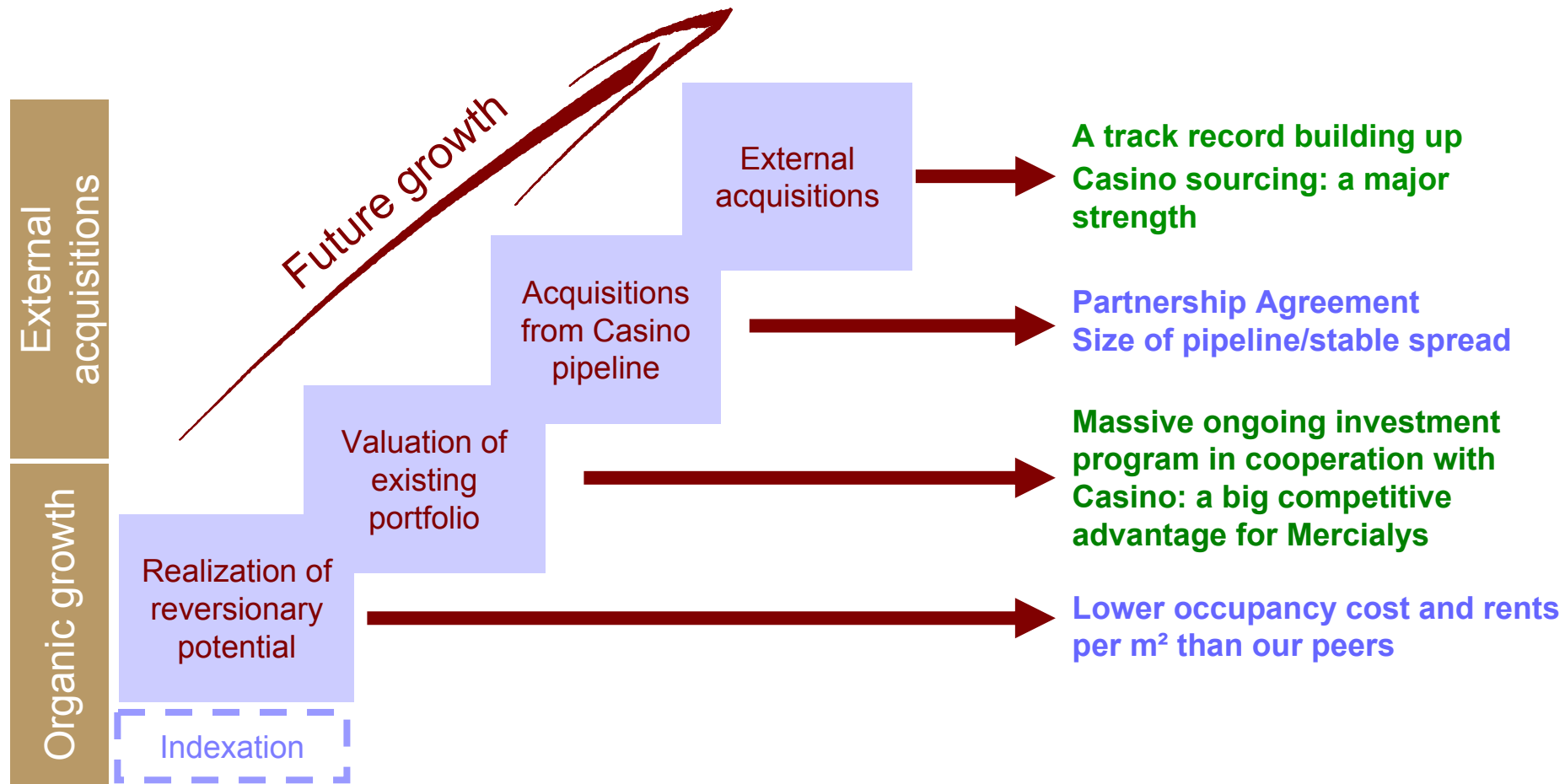


*Components of change in NAV
December 2007 vs December 2006*



► ... but still a static figure which does not reflect growth factors specific to Mercialys

Four drivers feeding future growth



A Team / an expertise / a business model

A solid balance sheet

Assets

<i>In millions of euros</i>	12/31/06	12/31/07
Investment property	989.3	1,165.2
Financial assets	10.3	11.0
Other assets	0.0	1.0
Total fixed assets	999.6	1,177.1
Cash and Casino current account	128.4	70.7
Trade and other receivables	28.7	12.5
Total assets	1,156.8	1,260.3

Equity and liabilities

Equity, Group share	1,113.3	1,190.6
Minority interests	0.6	0.7
Total equity	1,114.0	1,191.2
Financial liabilities	24.6	35.3
Trade and other payables	18.2	33.8
Total equity and liabilities	1,156.8	1,260.3

- ✓ Net cash of Euro 35m at December 31, 2007
- ✓ Solid balance sheet underpinning our investment plan

External growth and development projects in 2007

► Euro 183,5 Million of acquisitions over the year

Average yield more than 400 bp higher than the deflated 10-year OAT yield*

5 shopping malls in La Réunion (*St Marie, St Benoit, St Pierre, Le Port Sacré Cœur, Savanna St Paul*) **Euro 73.8m**

3 shopping malls (*Béziers, Bordeaux Villenave d'Ornon, Morlaix*) **Euro 27.4m**

Assets from the Casino pipeline (*Annecy Seynod, Canet en Roussillon (5 MSS), Go Sport Besançon*) **Euro 21.6m**

Various co-ownership lots (*Mall St Didier, St Brieuc, Albi, Tarbes, Valence*) **Euro 5.8m**

3 shopping centers in Corsica** (*Furiani, Porto Vecchio, Port Toga*) **Euro 55.0m**

2006 undertaking **Euro 183.5m**

Average yield **7.0%**



Acquisitions in La Réunion : 5 shopping centers with growth potential





Béziers – Acquisition of a shopping center with a strong growth potential

- ✓ Sales area of 3 200 m²
- ✓ 42 shops and MSS
- ✓ Shopping center built in 1986
- ✓ A redevelopment project already underway :
 - > *Phase 1 : Redevelopment of external MSS (Boulangier, La Grande Récré)*
 - > *Phase 2 : +2 200 m² + renovation + extension of HM*
 - > *Phase 3 : +4 500 m²*



► Retail parc in Annecy Seynod



Alcudia on its way : From strategic planning to rollout and implementation

Projects are now being rolled out for implementation as soon as 2008

100

*Value-creating projects
identified
and validated
transversally by
Mercialys/Casino*



Rollout/project start

10 projects to start in 2008

**5 new extensions due to open in
2008:**

Arles

Castres

Le Puy

Valence (phase 1)

Besançon

9

*Projects to be
optimized
Inadequate value
creation*

► A potential for doubling our shopping centers surfaces

Significant extension prospects

100 value-creating projects identified

$$\begin{array}{l} \text{Review of 480 000} \\ \text{existing m}^2 \end{array} + \begin{array}{l} 465\,000 \text{ m}^2 \text{ of new} \\ \text{surfaces to be created} \\ \text{(Administrative} \\ \text{authorizations to be} \\ \text{obtained)} \end{array} = \begin{array}{l} \textbf{Surfaces x 2} \\ \text{Pending the rollout of the} \\ \text{whole program in a context} \\ \text{of strong constraints} \end{array}$$

28 000 m² of surfaces to be sold by Casino Hypermarkets to Mercialys
(mainly storage surfaces)

*4 large shopping centers will
become regional centers*

*16 neighborhood shopping
centers will become large
shopping centers*

▶ An associated marketing approach: definition of a common theme

From proximity to Neighborhood Spirit

Our strengths

- ✓ Human-scale centers in mid-sized towns ⇒ Excellent positioning
- ✓ Commitments to consumers, a responsible citizen approach
- ✓ Geographical coverage

Consumer expectations

- ✓ Welcoming, user-friendly
- ✓ Time saving, effectiveness
- ✓ Simplicity, authenticity
- ✓ Advice and support



A dual strength:

- ↪ **Geographical proximity**
- ↪ **Emotional, relational proximity**



L'Esprit Voisin*

« L'Esprit Voisin » : living places with a strong personality



A neighbor with a strong personality,
who marks his territory : "someone's home"



An involved neighbor,
who preserves his environment :
a citizen behaviour



A careful neighbor,
who welcomes everybody



An open-minded neighbor,
open to others and novelty :
a fashionable offer, animations



Differentiation of centers, massification of portfolio

Quality-based actions across the entire portfolio

Neighborhood Spirit

A visual identity



Large open gateways



Tree-lined walkways



Reception halls

Architectural vocabulary



Human scale



Openness and light



Sustainable development

Local roots



Architecture & materials



Local history



Volumes

► 2008: projects, administrative authorizations, theming

3 major areas of action in 2008

Apply for the most possible number of administrative authorizations after the municipal elections



Prepare the pipeline of centers to be rolled out in 2009-2012

- High-quality projects, a sustainable development approach
- Ad hoc internal organization with multi-disciplinary working groups

OBTAIN AUTHORIZATIONS FOR TOMORROW'S COMPLETIONS

Complete extension and redevelopment work on 10 centers



Open 5 centers as soon as 2008

- Commercial authorizations already obtained or not needed
- A dedicated internal organization

PRODUCE AND COMPLETE

Renovate and theme 10 centers, which will not be redeveloped until 2011-2012



*Instill the neighborhood spirit
Renovate centers that need it
Adopt a defensive strategy*

- Commercial authorizations (CDEC) not needed
- A defined identity

THEMING



Development pipeline: strong competitive advantage for Mercialys

New assets + Alcudia extensions
=
over 140 projects

- ✓ Completions spread over the next 5 years
- ✓ New, high quality projects like Besançon Châteaufarine (2008-2009), Valence Sud (2008-2009), Toulouse Muret « Porte des Pyrénées » (2012), Millau downtown (2011), retail park Lons Le Saulnier (2009)

Exclusive call options on a large scope of investment opportunities valued at 775 million euros*

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

► Partnership Agreement: 2008 yield set at 6.0% - 6.4%

Favorable compared with the market

- ✓ 5-year Partnership Agreement with Casino:
 - > acquisition at an "attractive" yield determined at each year end for the following year, keeping the margin over market rates set in 2005;
 - > shared risks: Casino bears the development risk and Mercialys the letting risk
- ✓ After taking account of the change in average appraisal yields on the portfolio, the Board of Directors has approved the yields for 2008 under the agreement
 - ⇒ Yield applicable to options exercised by Mercialys in 2008 on the basis of forecast rents set when building permission is obtained
 - > Shopping malls: **6.0%** versus 6.9% in 2007
 - > Isolated lots, retail parks: **6.4%** versus 7.3% in 2007
- ✓ A rate further boosted by the performance of Mercialys's letting teams

► Strong growth in the development pipeline...

... enhanced by tenders won by Mercialys and development teams

- ✓ 7 tenders won in the first half of the year
 - > Millau (12 - Aveyron)
 - > Castelnaudary (11 - Aude)
 - > Muret "Porte des Pyrénées" (31 - Haute Garonne)
 - > Quimper "Ilot du Chapeau Rouge" (29 - Finistère)
 - > Aime La Plagne (73 - Savoie)
 - > Susville-La Mure (38 - Isère)
 - > Vals près Le Puy (43 - Haute Loire)

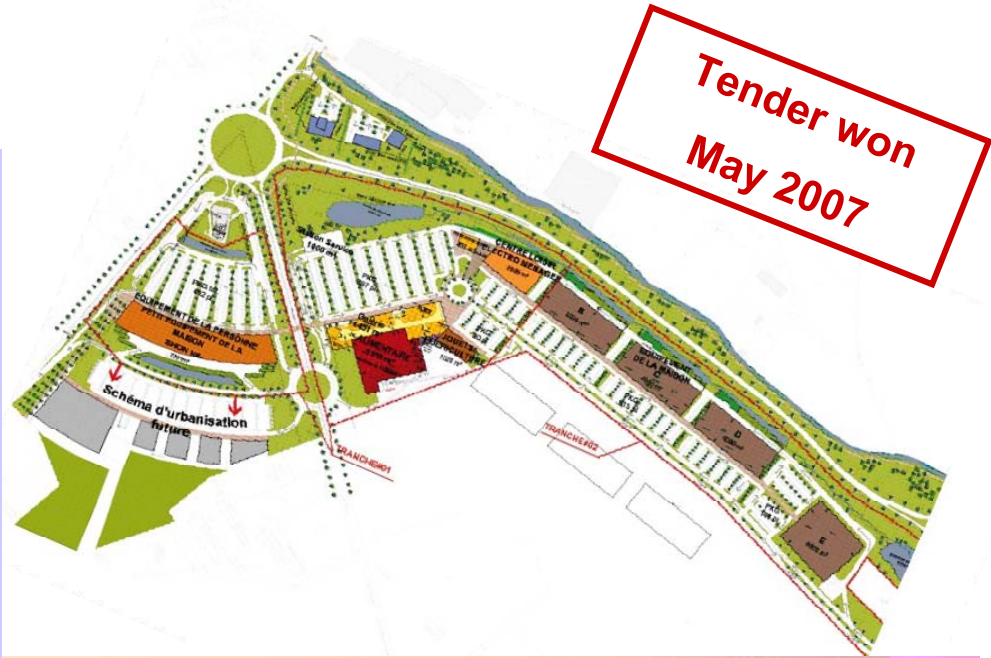
► Millau (12)

- ✓ Creation of an 18,600 m² city center shopping center
- ✓ Anchor: **Super U**
- ✓ 49 shops and 4 MSS
- ✓ Projected opening date: 2011
- ✓ Projected rental value: Euro 2.7 million
- ✓ Architect: **Groupe 6**



**Tender won
April 2007**

- ✓ **Creation of a 37,760 m² out-of-town shopping center in two phases (20,560 m² + 17,200 m²)**
- ✓ Anchor: **Intermarché** (5,200 m²)
- ✓ Projected opening date: **2010** (phase 1) and **2012** (phase 2)
- ✓ Projected total rental value **Euro 3.9 million**
- ✓ Architect: **Sud Architectes**



► Quimper (29)

- ✓ **Creation of a 5,000 m² city center shopping center**
- ✓ Anchors: **2 MSS specializing in personal equipment and culture & leisure**
- ✓ Projected opening date: **2010**
- ✓ Projected rental value: **Euro 1.3 million**
- ✓ Architect: **Groupe 6**

**Tender won
July 2007**



► Toulouse Muret (31) - "Porte des Pyrénées"

Tender won
July 2007



- ✓ Creation of a 58,000 m² retail and leisure complex
- ✓ 44,100 m² of shops / 13,900 m² of indoor/outdoor leisure space
- ✓ Anchor: **Carrefour**
- ✓ Projected opening date: 2011
- ✓ Projected rental value: Euro 7.2 million
- ✓ Architect: L 35



► Susville-La Mure (38)

- ✓ **Creation of a 6,254m² retail park** in the area surrounding an existing shopping center around a **Casino supermarket**
- ✓ Total surface area after development: **9,250 m²**
- ✓ Projected opening date: **2010**
- ✓ Projected rental value: **Euro 0.6 million**
- ✓ Architect: **SUD Architectes**

**Tender won
June 2007**





Aime La Plagne (73)

- ✓ **Creation of a shopping center** with the transfer/extension of a **Casino supermarket**
- ✓ 1 shop and 5 MSS
- ✓ Total surface area after development: 9,048 m²
- ✓ Projected opening date: 2010
- ✓ Projected rental value: Euro 1.0 million
- ✓ Architect: EM2C

**Tender won
July 2007**



► Vals près le Puy (43)

- ✓ **Creation of a 6,900 m² retail park** in the area surrounding the existing shopping center around a **Casino Géant hypermarket**
- ✓ Total surface area after development: **19,220 m²**
- ✓ Projected opening date: **2009**
- ✓ Projected rental value: **Euro 0.8 million**
- ✓ Architect: **Cabinet MARRAUD**



Tender won
January 2007

► Lons le Saunier (39)

- ✓ **Creation of a 7,000 m² retail park** in the area surrounding an existing shopping center around a **Casino Géant hypermarket**
- ✓ Total surface area after development: **19,300 m²**
- ✓ Projected opening date: **2009**
- ✓ Projected rental value: **Euro 0.8 million**
- ✓ Architect: **Sud Architecte**

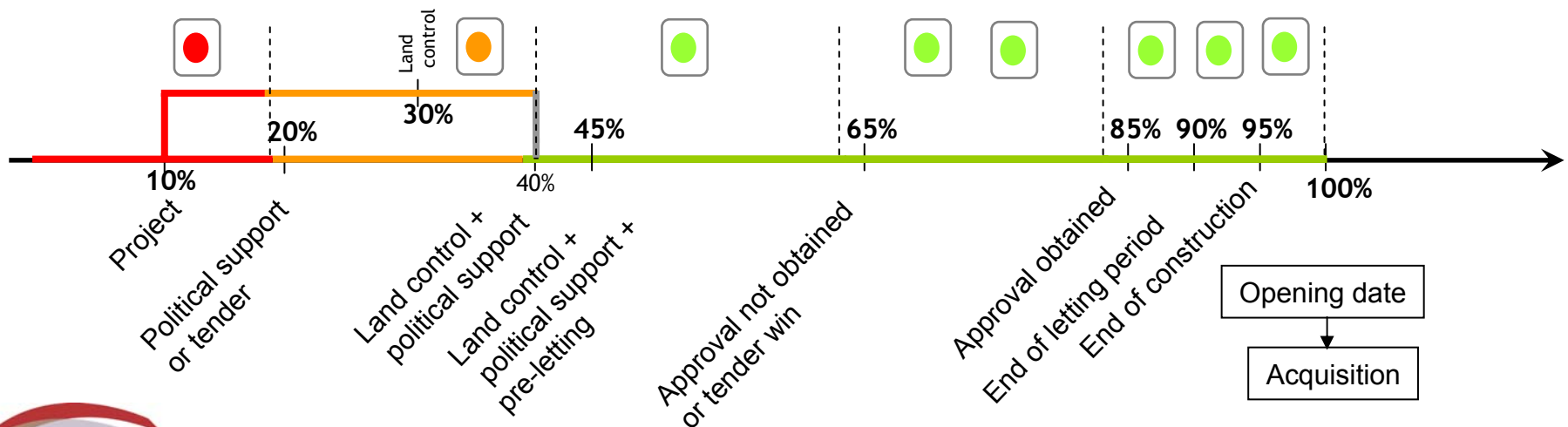
**Approval
obtained on
June 25, 2007**



▶ Valuing the pipeline taking into account the stage of completion of each project

Each stage of completion is worth its probability

- ✓ The development pipeline as it currently stands contains projects with widely varying stages of completion and chances of going ahead
- ✓ In the past, we valued projects for which land was controlled at 100% and others at 0%
- ✓ We have refined our valuation method to take account of the stage of completion of projects



A realistic approach

► An increasingly selective approach to external acquisitions

Benefit from the size of our new development pipeline

- ✓ A large pipeline of investments which avoids us having to bid competitively in too stretch open market deals for the benefit of our shareholders
- ✓ Acquisition criteria unchanged
 - > *Retail assets*
 - > *Co-ownership lots*
 - > *Value-creation potential through work on the portfolio or redevelopments* ⇨ *Capitalize on our teams' expertise in creating value*
- ✓ Casino sourcing: a major strength
 - > *Focus on private negotiations*
 - > *Encourage redevelopment operations in our co-owned shopping centers*
 - > *Sell our "Alcudia" expertise outside the group through investment partnerships*

Environment and outlook



Some changes in the contractual or regulatory environment

The ILC*

- ✓ 50% IPC**, 25% ICAV***, 25% ICC****
 - > *Historical proforma evolution over 5 years: an average 80 bp under the ICC*
 - > *More stable, less volatil, more « partner friendly »*
 - > *Growth potential of the price index (the IPC) may be higher than before*
- ✓ Could significantly boost our efforts to derestrict old 9 year leases ⇒ higher reversionary potential

A new bill within the LME***** presented on April 27, 2008

- ✓ Change in the selection criteria for new space authorizations : from economic criteria to architectural and environmental criteria
- ✓ Change in the administrative commission 'CDEC' : 8 voting members instead of 6 (region and department representatives in addition)
- ✓ Change in thresholds : 1000 m² instead of 300
- ✓ Change in the legal recourse procedure relative to the obtention of building permits
⇒ **No significant impact on our activity**

* Retail rent index

** Price index

*** Commercial revenues in volume index

**** Construction cost index

***** Law for the Modernization of Economy



Mercialys business model and macroeconomic correlations

Fundamentals similar to commerce ones

Portfolio

Low sensitivity

- Short term cycles of growth 😊
- Short term interest rates 😊
- Short term effects of a deregulation 😊
- Inflation 😊 😊
- Any economic driver with a short term effect (6 to 18 months) 😊

Sensitive

- Long term cycles of consumption (buoyant for the last 20 years) 😊
- Long term interest rates (down for the last 6 months) 😊
- Supply / Offer terms of commercial spaces 😊
- Internet ? 😊

Projects

Low sensitivity

- hardening of credit conditions over the next 12 to 18 months: Mercialys not much concerned 😊

Sensitive

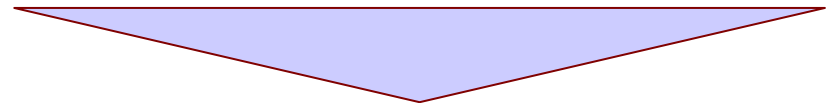
- Positively sensitive to a deregulation 😊
- Negatively sensitive to local political heavy decision processes (elections, ...) 😊

► Mercialys : growth based on solid foundations

- ✓ Index linked rents: protected basis
- ✓ A strong and transparent financial structure
- ✓ A track record :
 - > *3 years of good performance*
 - > *A dynamic and defensive business model*
- ✓ Casino support within a strict governance ⇒ A flexible management structure focused on activity, growth and development
- ✓ A growing company gathering technical skills specialised in commercial centers
- ✓ Promising future growth levers: Alcudia and the development pipeline



**A solid and predictable
performance**



Some upside

Which outlook for Mercialys?

- ✓ For 2008, Mercialys set a growth target of approximately +12% for rental revenues and recurring operating cash flow
 - ✓ We maintain our double-digit growth target for rental revenues and recurring operating cash flow for 2009
-
- ✓ 2010 and following years will be impacted by completions of new projects at full speed (Alcudia extensions, pipeline).

Special reports by the Statutory Auditors

Questions and answers

Approval of the resolutions

Mixed General Meeting on May 6, 2008

Financial statements for the year ended December 31, 2007

First resolution

- ✓ The purpose of this resolution is to submit for your approval the company accounts for the business year ending on December 31, 2007, which post a profit of Euro 68,407,165.68.

Second resolution

- ✓ The purpose of this resolution is the approval of the consolidated accounts for the business year ending on December 31, 2007, which show as the Group's share of net income of all consolidated accounts Euro 71,549 thousands.

Third resolution

- ✓ Under this resolution, which is related to allocating the business year's income, we propose to distribute a total dividend of Euro 60,871,466.79, meaning Euro 0.81 per share, with the balance of the distributable profit in an amount of Euro 8,647,924.50 being allocated to the "Balance Carried Forward" account.
- ✓ The payment of balance of the dividend, for an amount per share of Euro 0.45, for shares which benefited from an interim dividend of Euro 0.36 per share paid on October 4, 2007, should take place on May 13, 2008. A full dividend of Euro 0.81 per share will be paid to owners of shares issued on December 21, 2007 to remunerate Vindemia Group contributions.

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 to fifteenth resolutions

- ✓ Under these resolutions, you are asked to renew of the terms of office as Director of Bernard Bouloc, Jacques Dumas, Jacques Ehrmann, Pierre Féraud, Gérard Koenigheit, Philippe Moati, Eric Sasson, Catherine Soubie, Pierre Vaquier, Casino, Guichard-Perrachon Company and L'Immobilière Groupe Casino Company.

Sixteenth 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.

Seventeenth and eighteenth resolutions

- ✓ In order to enable the Company to continue with its policy of involving and rewarding managers and directors of the Group, we propose to renew the authority granted to the Board to allocate stock options to buy or to subscribe to the Company's shares to employees or corporate officers of the Company and its affiliates.

Nineteenth resolution

- ✓ In order to enable employees and directors of the Group to benefit from the provisions introduced by the 2005 French Finance Bill to encourage employee shareholding, we propose to renew the authority granted to the Board to allocate to part or all of them bonus existing or future shares in the Company.

Twentieth resolution

- ✓ The purpose of this resolution is to renew, for a period of three years, the authorization granted to the Board of Directors to reduce the Company's share capital through the cancellation of shares purchased in accordance with the provisions of Article L.225-209 of the French Commercial Code.



2007 gross compensation of Corporate officers

- ✓ Compensation of the Chairman and Chief Executive Officer (paid by Mercialys)
 - > 2007 fixed portion : Euro 128,315
 - > 2007 variable portion : Euro 111,800
 - > 2007 Director's fees : Euro 15,000
- ✓ Compensation of the Chief Operating Officer (paid by Mercialys and Mercialys gestion)
 - > 2007 fixed portion : Euro 179,340
 - > 2007 variable portion : Euro 89,500
 - > 2007 exceptional bonus : Euro 43,200
 - > Severance pay equal to a year of base salary, with no non-competition clause, in the event his employment was terminated by the Company before May 9, 2007.
 - > 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 Michel Favre* (*permanent representative of Casino, Guichard-Perrachon*)
- ✓ Monsieur Jacques Dumas*
- ✓ Monsieur Pierre Féraud*
- ✓ Monsieur Gérard Koenigkheit*
- ✓ Monsieur Philippe Moati * (*independant member*)
- ✓ Monsieur Eric Sasson * (*independant member*)
- ✓ Madame Catherine Soubie*
- ✓ Monsieur Pierre Vaquier* (*independant member*)
- ✓ Monsieur Alban Liss (*permanent representative of Generali Vie*)

(*) Renewal submitted to the approval of the General Meeting of May 6, 2008

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.

(*) Fees payable to Committee members representing or employed by the majority shareholder are reduced by half.

► Director fees paid for 2007

- ✓ The total amount of Director fees paid to all Board members and Committee members for 2007 is Euro 229,077.

<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	7 000	6 000	28 000
Thierry Bourgeron*	1 411	1 875	1 129	1 800	6 215
Yves Desjacques*	521	1 250	416	1 200	3 387
Jacques Dumas	2 500	5 000	2 000	3 000	12 500
Michel Favre	2 500	5 000	2 000	4 400	13 900
Pierre Féraud	2 500	4 375	2 000	4 400	13 275
Gérard Konigkheit	2 500	4 375	-	-	6 875
Alban Liss	3 425	8 750	-	-	12 175
Philippe Moati	5 000	10 000	7 000	6 000	28 000
Eric Sasson	5 000	8 750	11 000	15 000	39 750
Catherine Soubie	2 500	5 000	2 000	3 000	12 500
Pierre Vaquier	5 000	7 500	8 000	17 000	37 500

* Yves Desjacques was appointed Permanent Representative of L'Immobilière Groupe Casino effective October 17, 2007, to replace Thierry Bourgeron who resigned on July 25, 2007. The fixed portion of their compensation has been calculated on a pro rata basis according to their time in office during the year.



Shareholder structure at April 30, 2008

