



Mixed General Meeting

Thursday May 6, 2010

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, 2009 :

- ⇒ Approval of the company accounts for the business year ending on December 31, 2009.
- ⇒ Approval of the consolidated accounts for the business year ending on December 31, 2009.
- ⇒ 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 of the Commercial Code (Code de commerce) and related agreements.
- ⇒ Renewal of Generali Vie's term of office as director.
- ⇒ Appointment of Ernst & Young as Statutory Auditors.
- ⇒ Appointment of KPMG S.A. as Statutory Auditors.
- ⇒ Appointment of AUDITEX as Alternate Auditors.
- ⇒ Appointment of Mr Malcolm McLarty as Alternate Auditor.
- ⇒ Authority for the Company to purchase its own shares.

Shareholders' meeting agenda (2/2)



❖ Extraordinary shareholders' meeting :

- ⇒ Harmonizing the by-laws with the provisions of the law allowing shareholders to participate in meetings by electronic telecommunications means.
- ⇒ Delegation of authority to the Board of Directors to issue shares or securities entitling the holder to the allocation of new or existing shares in the Company or debt securities, without preferential subscription right, within the framework of an offer as stated in Article L.411-2-II of the French Monetary and Financial Code (Code Monétaire et Financier).
- ⇒ Delegation of authority to the Board of Directors to increase the Company's share capital or to transfer treasury shares to employees
- ⇒ Powers for formalities.

2009 activity and consolidated results



❖ Speakers :

⇒ **Jacques Ehrmann**, Chairman and Chief Executive Officer

⇒ **Marie-Flore Bachelier**, Chief Financial Officer

⇒ **Géry Robert-Ambroix**, Chief Operating Officer

2009 activity and consolidated results



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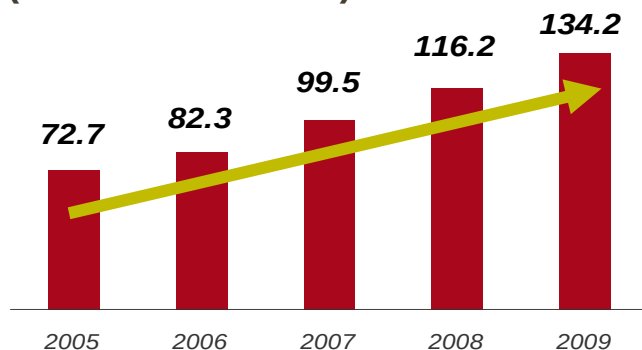


Overview of the year 2009 and
evolution in five years

Mercialys, five years of steady growth

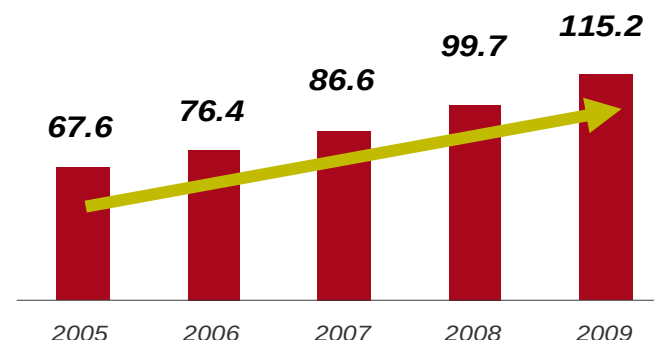
Rental revenues :
(in million of euros)

x 1.8 *



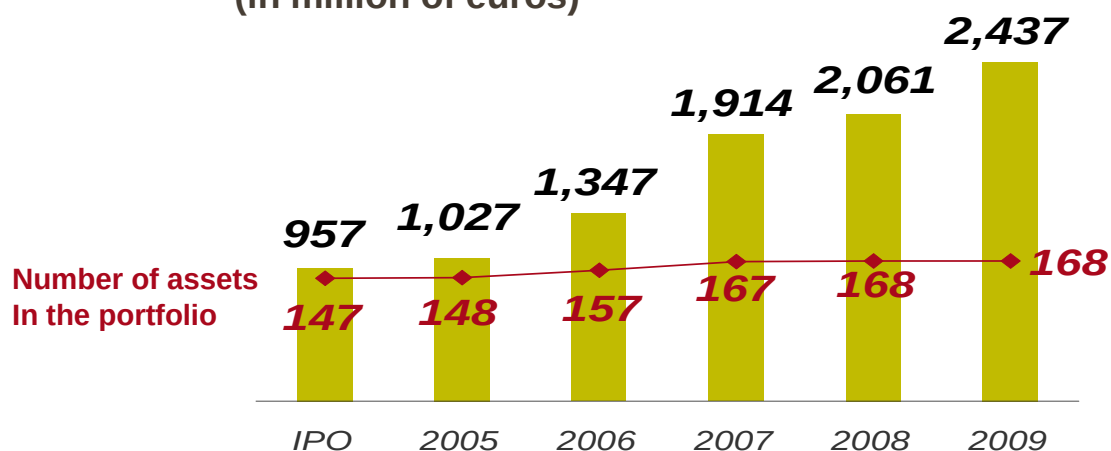
Cash flow :
(in million of euros)

x 1.7 *



Valuation of the portfolio :
(in million of euros)

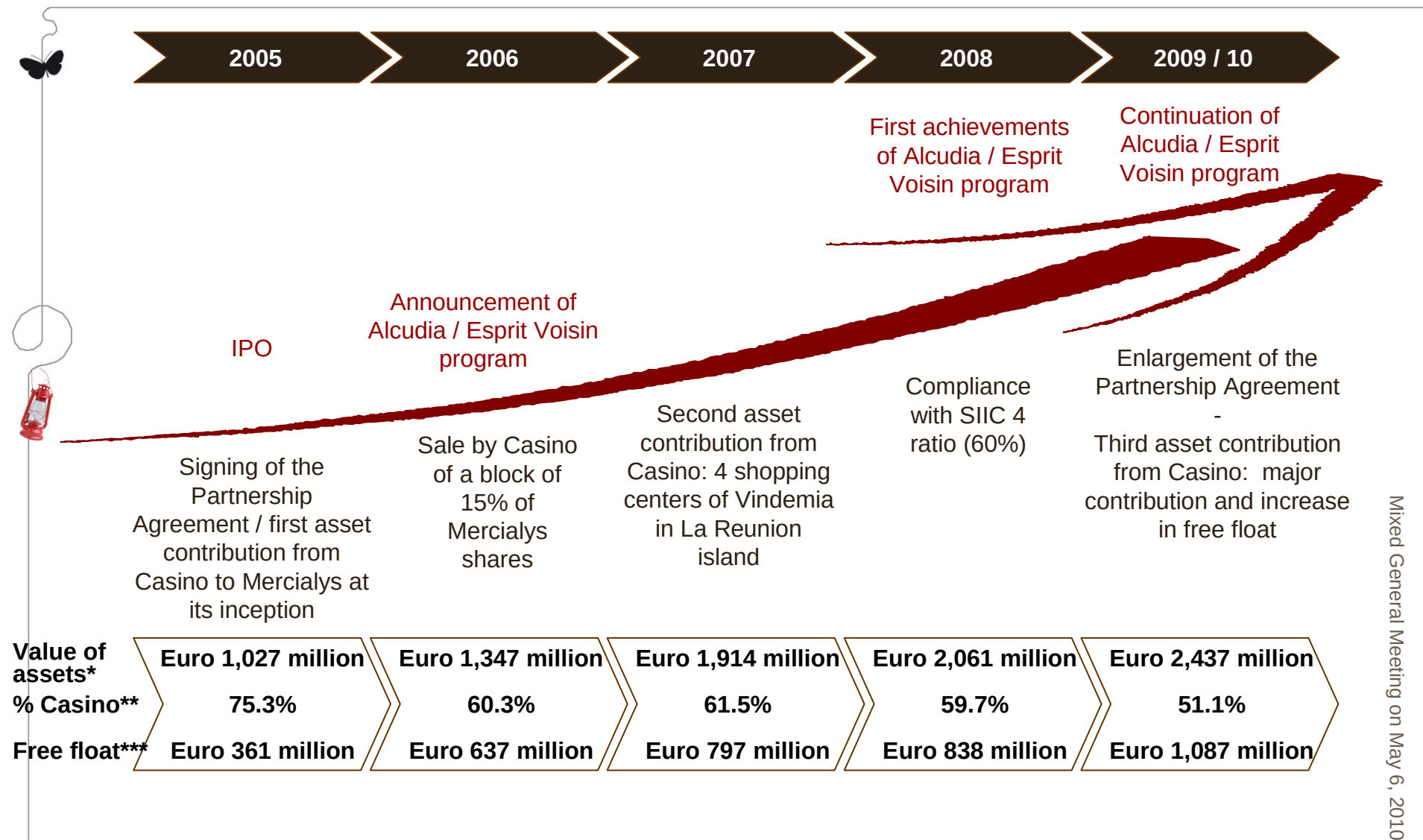
x 2,5 **



* Growth between 12/31/2009 and 12/31/2005

** Growth between the total appraised value at December 31, 2009 and the IPO of October 2005

An acquisition in keeping with the strategy implemented since the IPO



(*) Portfolio appraisal value incl. transfer taxes at end-December

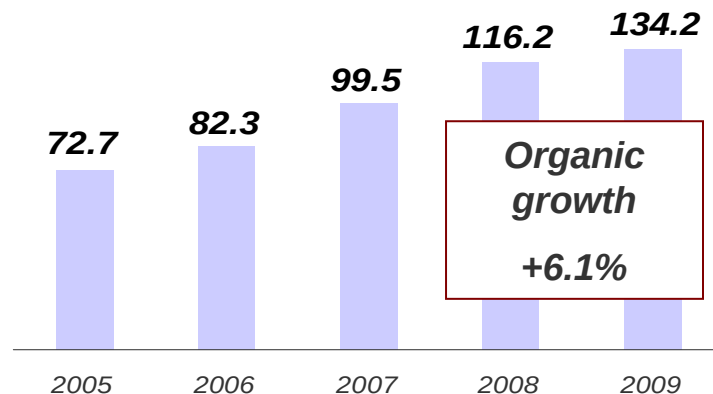
(**) Percentage stake held by Casino at end-December

(***) Free float calculated excluding Casino stake, based on average share price for the year

In 2009, Mercialys achieved its targets

❖ Mercialys achieved its 2009 targets

Rental revenues up **+15.5%**



❖ **Recurring operating cash flow** also highly up

⇒ **+17.3%** as a result of the combined effect of higher rents and a focus on structural costs

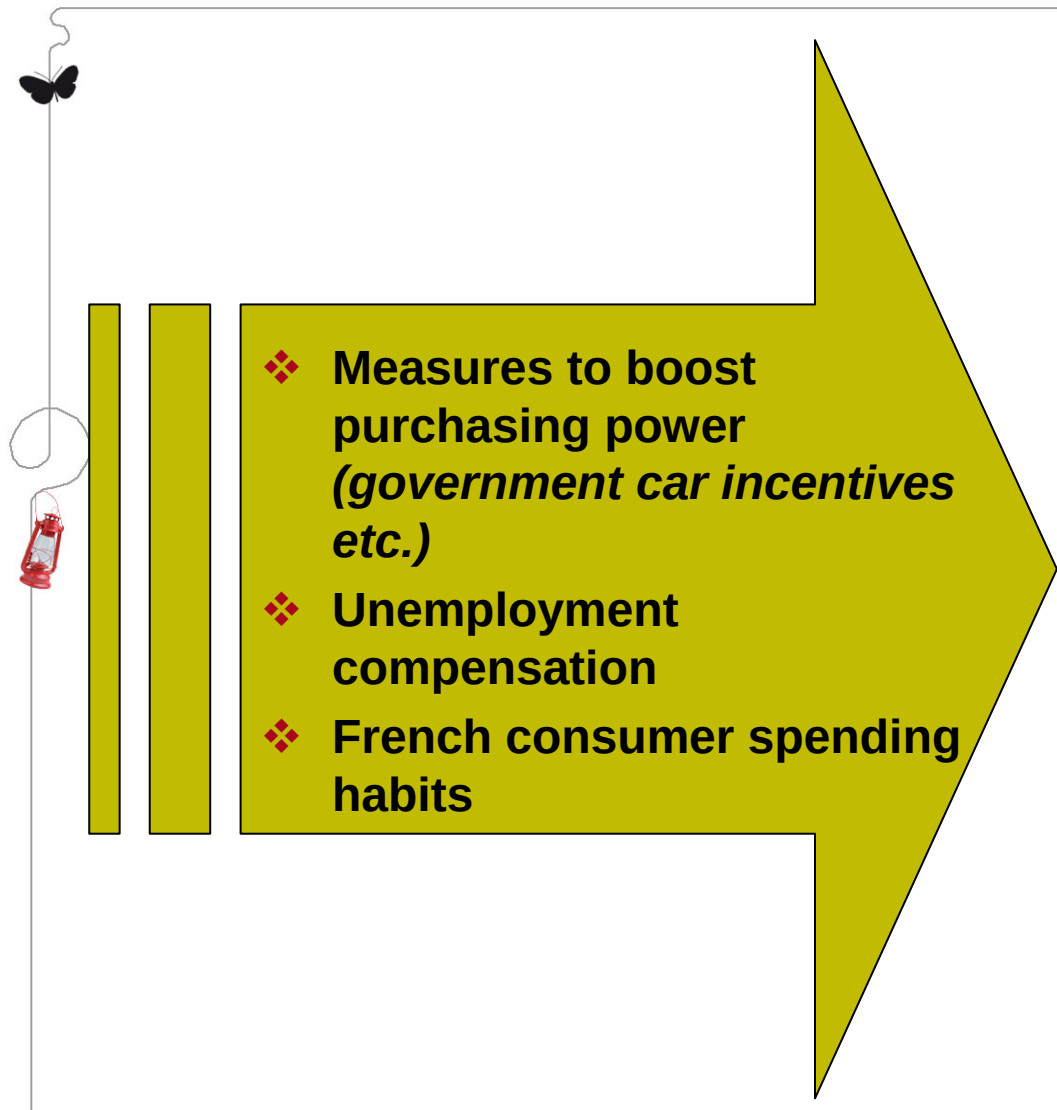
*We paid **particularly close attention to the development of costs in 2009***

In 2009, Mercialys carried out a major acquisition

❖ Largest acquisition since the IPO

- ◆ Acquisition of **25** properties for **Euro 334 million**
 - ⇒ Properties in operation generating immediate revenues: shopping center extensions*, five store premises (in Paris and Marseille) and hypermarkets to be redeveloped in shopping centers.
 - ⇒ Seven shopping centers extensions due to be completed as of 2010 as part of the Alcudia/Esprit Voisin program.
- ◆ Increase in the value of the portfolio of close to **+20%** and expected growth in rental revenues of **20%** - representing additional rental revenue of **Euro 24 million** over the full year - once all of the acquired properties are in operation.
- ◆ Improvement in the stock's liquidity thanks to the issuing of 14.2 million shares which were transferred to Casino in exchange of the contribution of assets ⇒ Improvement of the free float (at 48.9%) and inclusion in the **SBF 120** at end-2009.

Erratic economic conditions but effects cushioned by economic and social conditions in France

- 
- ❖ Measures to boost purchasing power (*government car incentives etc.*)
 - ❖ Unemployment compensation
 - ❖ French consumer spending habits

❖ Consumer spending held up:

Manufactured goods*	+1.0%
<i>o/w Household equipment</i>	+2.8%
<i>o/w Textiles and leather</i>	-1.7%
<i>o/w Other manufactured products</i>	-0.9%

- ❖ **Moderate decline** in retailers' sales at shopping centers: **-2.7%****
- ❖ The model of shopping centers attached to a food retail anchor has proved **resilient**, particularly at **sites benefiting from several anchors**

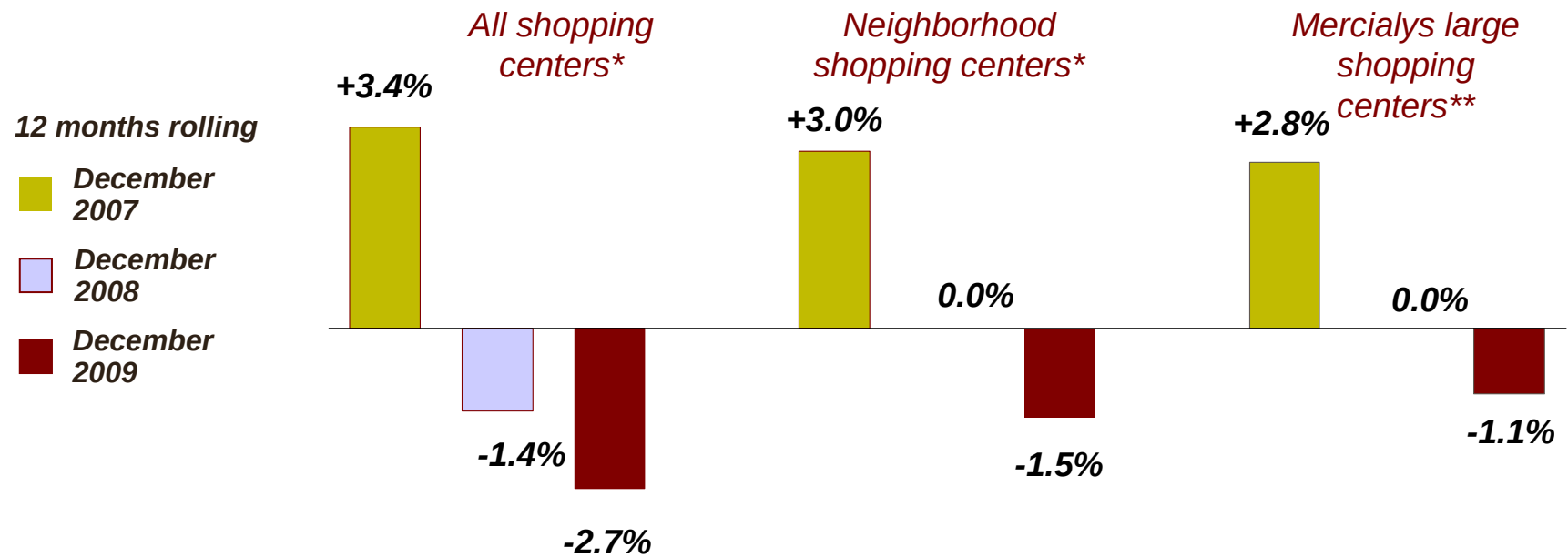
(*) Source: INSEE: % change in volumes 12 months rolling to December 2009 (excluding cars)

(**) Source: CNCC: % change 12 months rolling to end-December 2009 on a like-for-like basis

In that environment, Mercialys's shopping centers were resilient

❖ Neighborhood shopping centers continue to show above-average resilience

❖ Mercialys's large shopping centers benefit from the variety of retailers present and the positive impact of renovations under the Alcudia / Esprit Voisin program



◆ Despite a decline in sales revenues, food retail anchors continued to play their role and generated footfall for stores within neighborhood shopping centers.

(*) Source: CNCC: % change 12 months rolling - Like-for-like

(**) Mercialys large shopping centers - Like-for-like

L'Esprit Voisin, a great success with our customers...

- ❖ **81%** of customers feel welcome in shopping centers renovated with the Alcudia/Esprit Voisin concept (against 57% for other shopping centers of the reference sample)
- ❖ **55%** of customers find shopping pleasant (against 27% other shopping centers of the reference sample)
- ❖ **64%** of customers feel confident and that encourages them to make the most of it (against 27% for other shopping centers of the reference sample)



L'Esprit Voisin increases customer satisfaction and the attractivity of Mercialys shopping centers

Source : 'Culture Clients' survey (February 2009) in the 14 sites renovated and extended under the Esprit Voisin concept.

... and also with retailers and our peers

- ❖ The Esprit Voisin concept has won an award from Le Procos*
- ⇒ *The renovation/extension of the Besançon Châteaufarine shopping center under the Esprit Voisin concept won the **Procos 2010 award** for best extension*
- ⇒ *This is a proof of retailers appreciation of the **quality and relevance** of the work achieved*
- ❖ The Esprit Voisin, winner of **Les Janus du Commerce 2009**
- ⇒ *Certification awarded by the Institut Français du Design, whose jury was chaired by Eric Ranjard, Chairman of the CNCC***
- ⇒ *Awards concepts looking to "**humanize the act of shopping**" and **improve the day-to-day life of consumers***
- ❖ The sites that benefited from the Alcudia / Esprit Voisin program as of 2008 have helped to **enhance the performance of Mercialys's portfolio**

Strengths enhanced by targeted actions to boost footfall



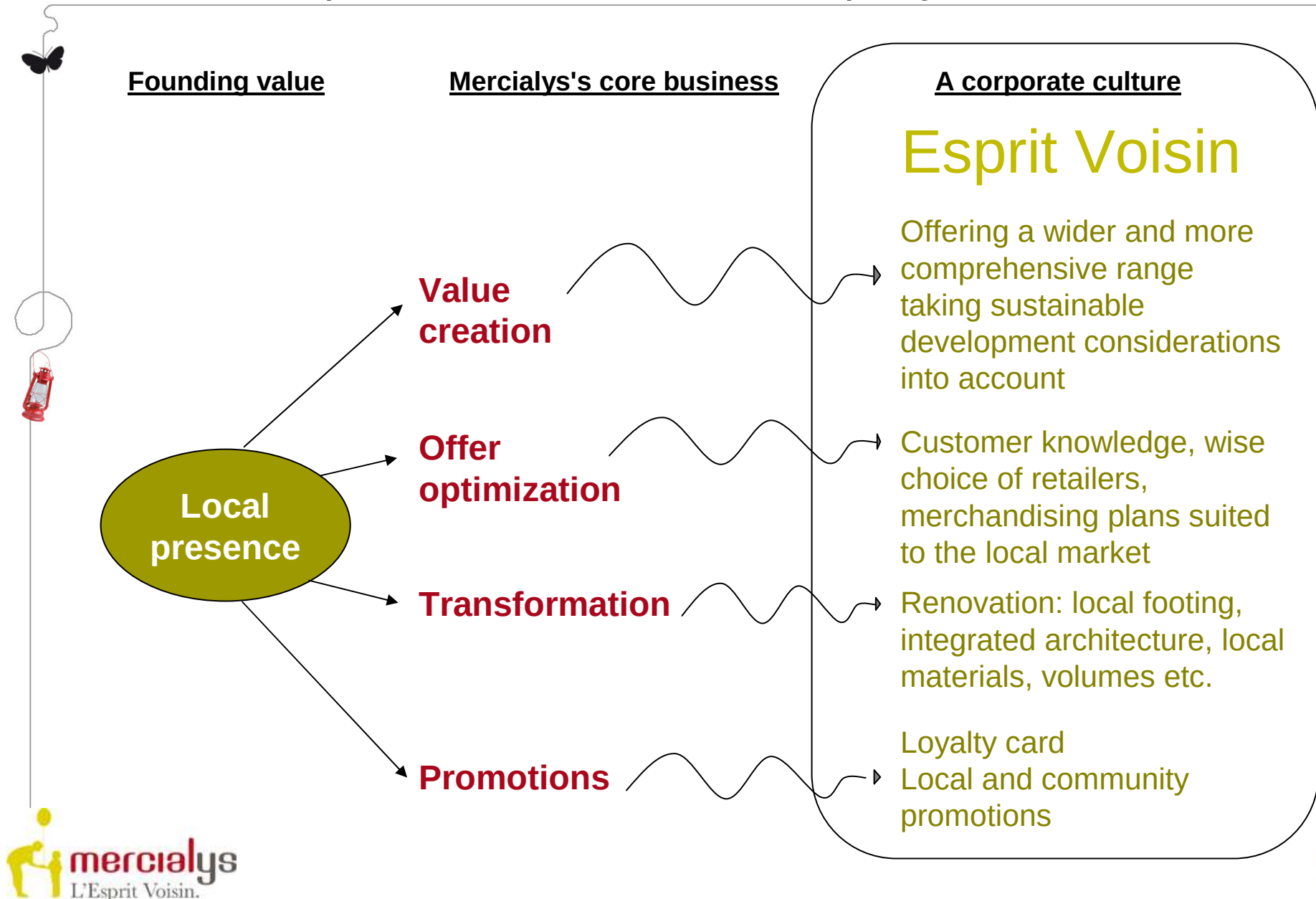
❖ Ambitious loyalty program on a nationwide scale

Mercialys has taken the innovative step of offering the S'Miles loyalty program (*developed for SNCF, Galeries Lafayette, Casino, Shell, BHV, Monoprix etc.*) at its shopping centers

- ⇒ The same loyalty card as for Casino food stores which gives also access to loyalty programs of other partners of the S'Miles program
- ⇒ A program with over 16 million members
- ⇒ Points can be accumulated with Mercialys shopping centers retailers' loyalty programs



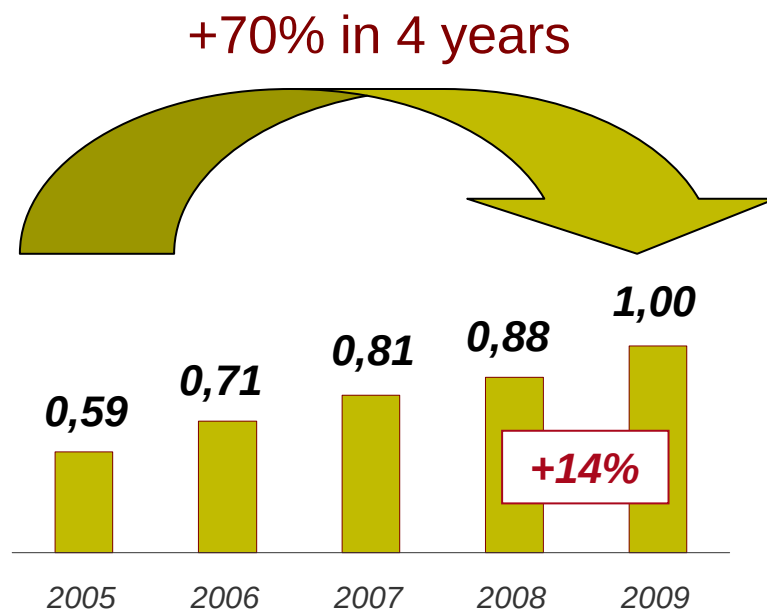
Esprit Voisin: more than a concept, a true customer-oriented culture that permeates the entire company



A business model supporting the group's performance

- ❖ Dividend proposed for 2009* 14% higher than the dividend for 2008
- ❖ Yield of 4% based on the current share price

● Dividend per share
(Euro)



Growth in consolidated
recurring operating
income over the same
period: +71%

An interim dividend of Euro 0.44 per share had already been paid in October 2009. The final dividend of Euro 0.56 per share will be paid on May 14, 2010.

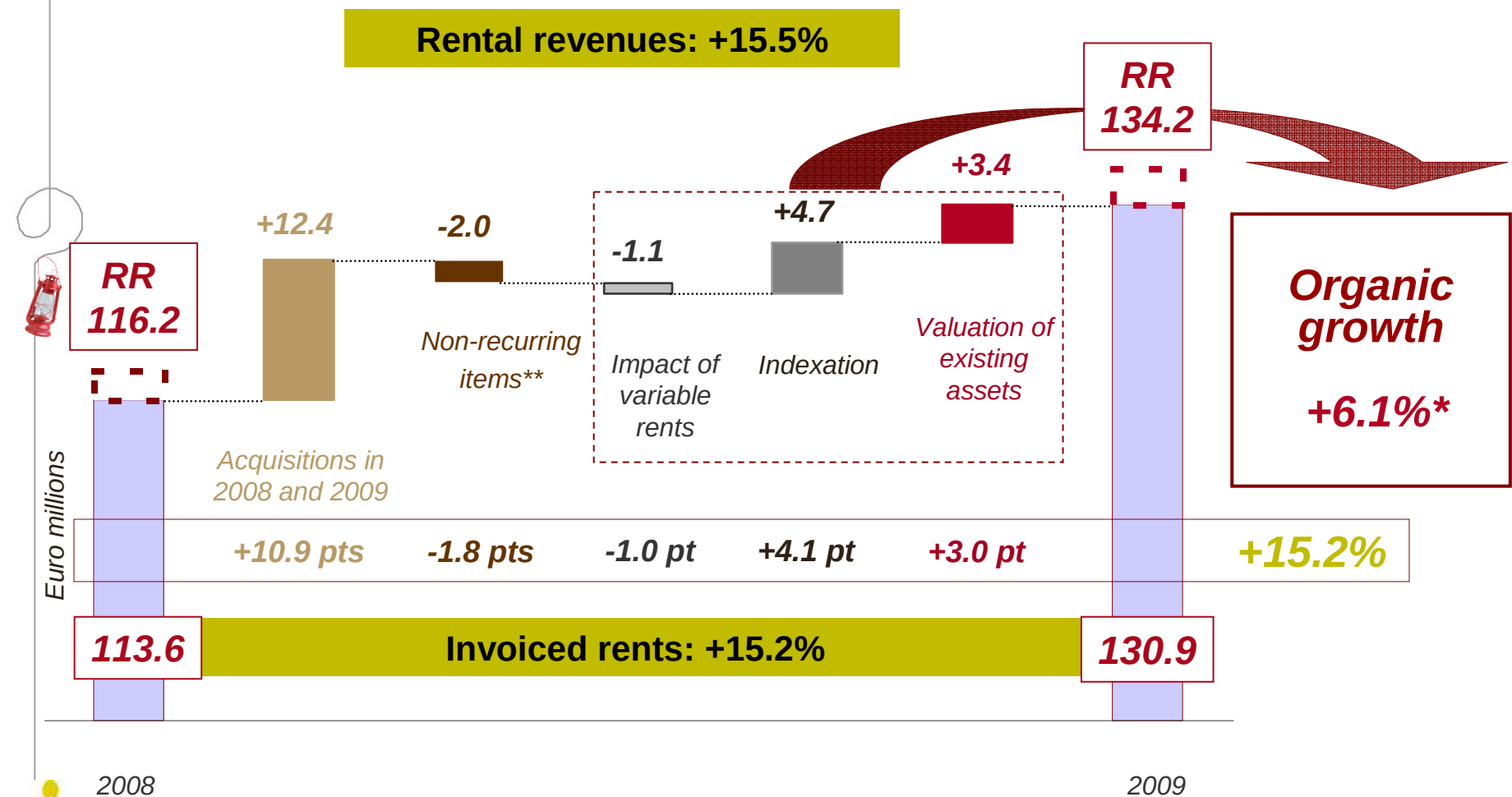
Mixed General Meeting on May 6, 2010



2009 annual results

Growth in rental revenues: target achieved

- ❖ Target of 15% growth in rental revenues beaten
- ❖ Strong organic growth in rents maintained at +6.1%



(*) Growth in invoiced rents between 2008 and 2009 on a like-for-like basis including the effect of indexation

(**) Euro -0.7 million due to the strategic vacancy relating to the Alcudia/Esprit Voisin program and Euro -1.3 million relating to exceptional measures to relaunch certain sites

Detailed income statement

In million of euros

	12/31/07	12/31/08	12/31/09	Change 09/08
Invoiced rents	97.7	113.6	130.9	+15.2%
Lease rights	1.8	2.6	3.3	
Rental revenues	99.5	116.2	134.2	+15.5%
Non-recovered property taxes	-0.3	-0.1	-0.2	
Non-recovered service charges	-1.7	-2.5	-3.1	
Property operating expenses	-4.1	-4.5	-5.2	
Net rental income	93.5	109.2	125.8	+15.2%
Management, administrative and other activities income	2.3	2.5	3.1	
Depreciation, amortization and impairment	-15.7	-17.6	-21.6	
Staff costs	-5.6	-6.5	-7.7	
External costs	-4.8	-6.9	-6.5	
Operating costs	-23.8	-28.5	-32.6	+14.3%
Recurring operating income	69.7	80.6	93.1	+15.5%
Net financial income	3.2	0.9	-0.3	
Tax	-1.3	-0.6	0.2	
Net income, Group share	71.6	80.9	93.1	+15.0%
EPS (euros)*	0.98	1.08	1.09	

* Based on the average number of outstanding shares during the period

Improving productivity by keeping leeway to accompany our shopping centers



- ❖ Mercialys implemented a plan to control costs in 2009
 - ⇒ Net structural costs* stable at Euro 11.0 million, while the value of the portfolio increased by nearly 20%
 - ⇒ Non-recovered property operating expenses up 20% due to acquisitions and redevelopments under the Alcudia / L'Esprit Voisin program (temporary strategic vacancies)
- ❖ The leeway created has been partly used to finance targeted operations at certain sites
 - ◆ *Launch and support of loyalty program*
 - ◆ *Addition to certain advertising budgets*
 - ◆ *Supporting certain key tenants with their plans to win customers or relaunch plans*
 - ⇒ **Aim: to strengthen our sites by working on generating durable footfall**



Significant improvement in operating performance

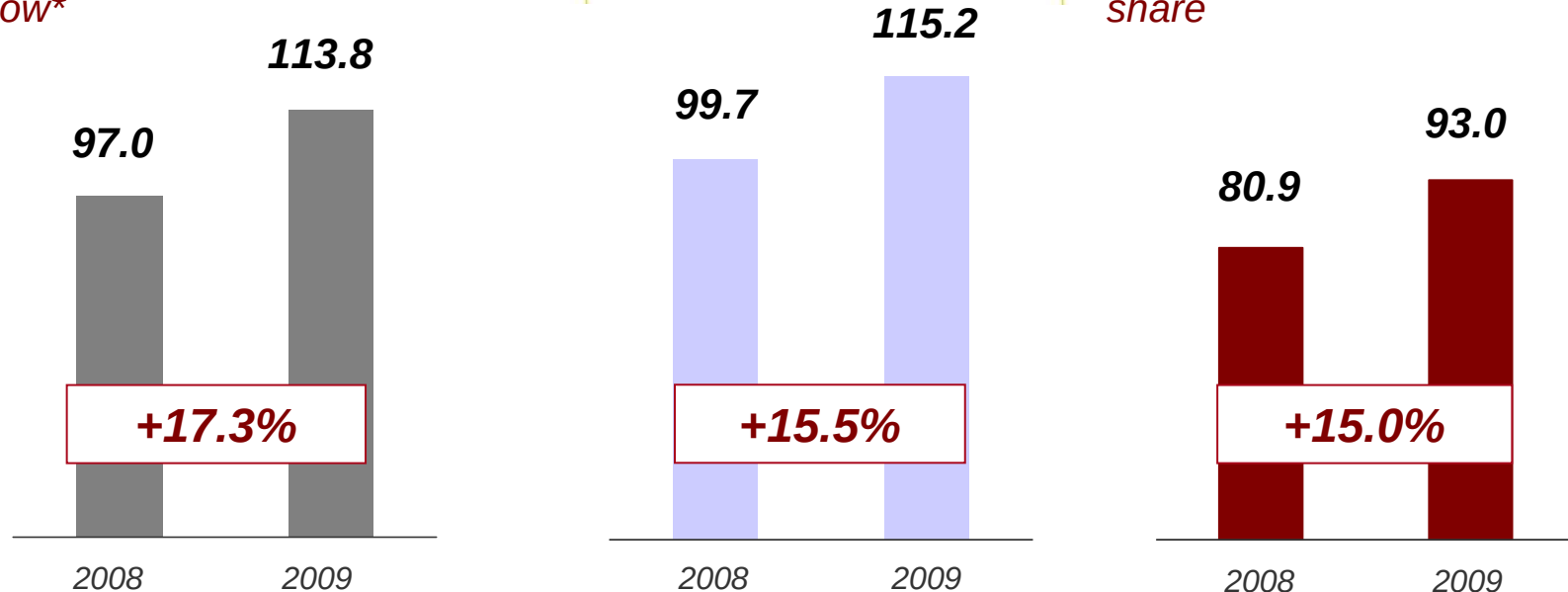
- ❖ Stronger growth in recurring operating cash flow than in rental revenues +17.3%

Recurring operating cash flow*

Cash flow**

Net income, Group share

Euro millions

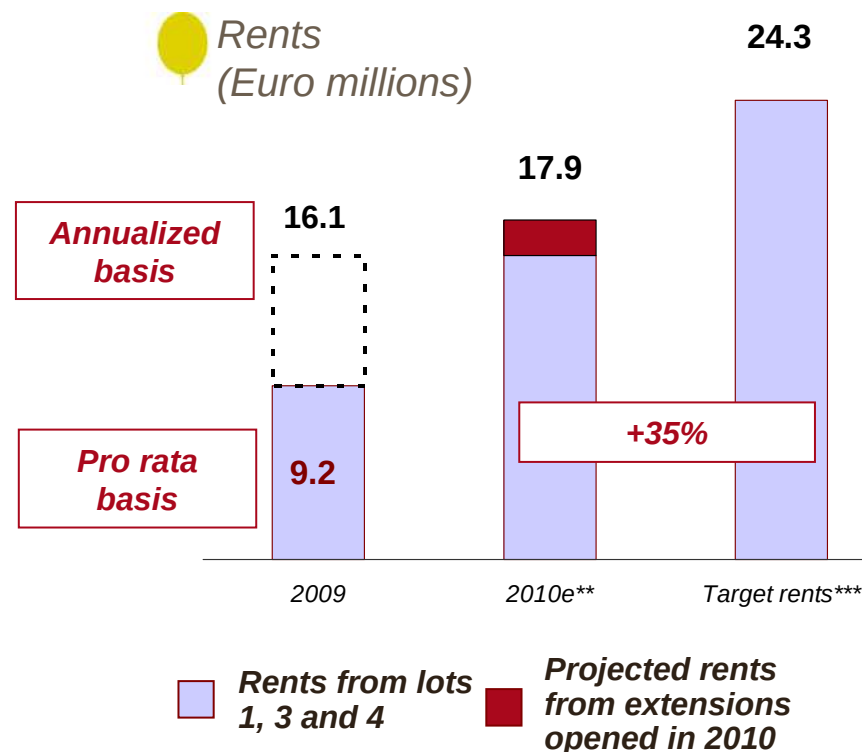


Sharp fall in financial income between 2008 and 2009 (from Euro 1.4 million to Euro 0.2 million) due to fall in average cash and cash equivalents and interest rates

A year of major external growth

- ❖ Mercialys carried out the largest acquisition since its IPO this year
 - ◆ Contribution by Casino of **25 assets** under development in the frame of the Alcudia/Esprit Voisin program for **Euro 334 million*** ⇒ increase in the value of the portfolio of close to **+20%**

1	New properties in operation	3 assets Euro 47 million*
2	Properties at an advanced stage of development	7 assets Euro 113 million*
3	Reduction in hypermarket area (storage and sales area)	10 assets Euro 50 million*
4	Properties to be consolidated before complex restructuring (Alcudia)	5 assets Euro 124 million*



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Mercialys's financial profile strengthened

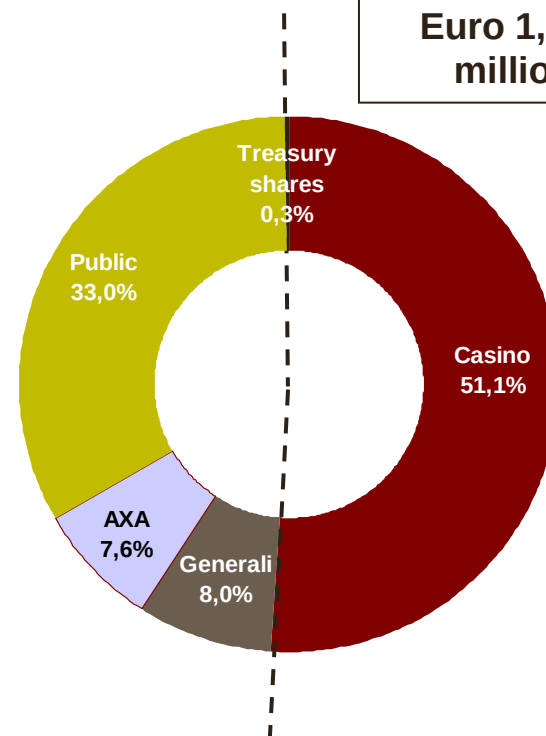
- ❖ In return for its contributions, Casino received 14.2 million Mercialys shares based on an exchange ratio of Euro 23.50 per share
- ❖ Casino redistributed 14 million shares to its shareholders in the form of dividends in kind
 - ⇒ *Dilution of Casino: the Casino Group currently holds a **51.1%** stake*
 - ⇒ **Increase** in Mercialys's free float in terms of size and percentage
 - ⇒ *Increased liquidity: **inclusion in the SBF 120 index***
- ❖ This operation had no negative impact on the share price: absorption of flow-back from June to September 2010



Shareholding structure at 12/31/09

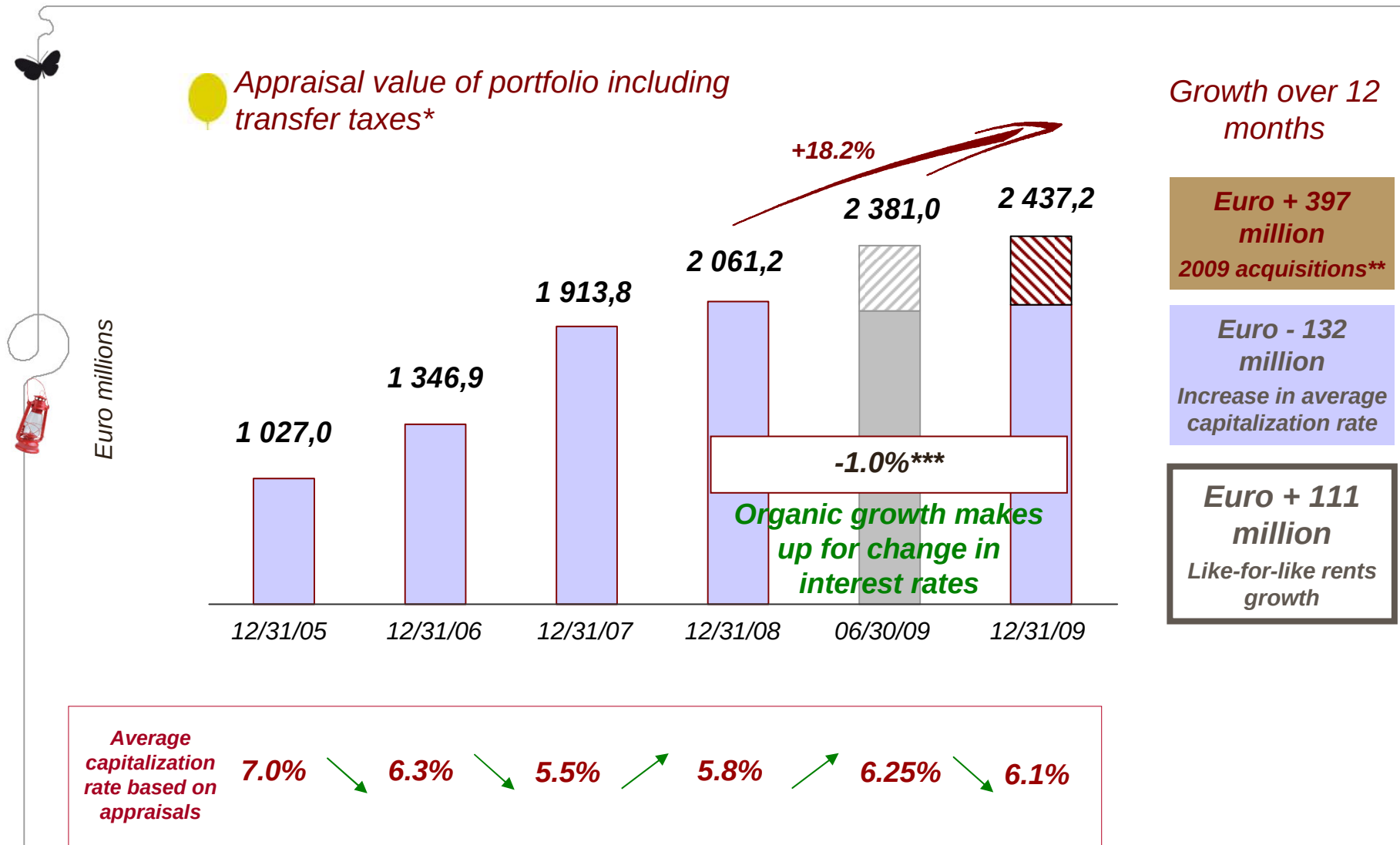
Market capitalization: Euro 2,258 million

Free float: 48.9%
Euro 1,104 million



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A portfolio value almost stable on a like-for-like basis

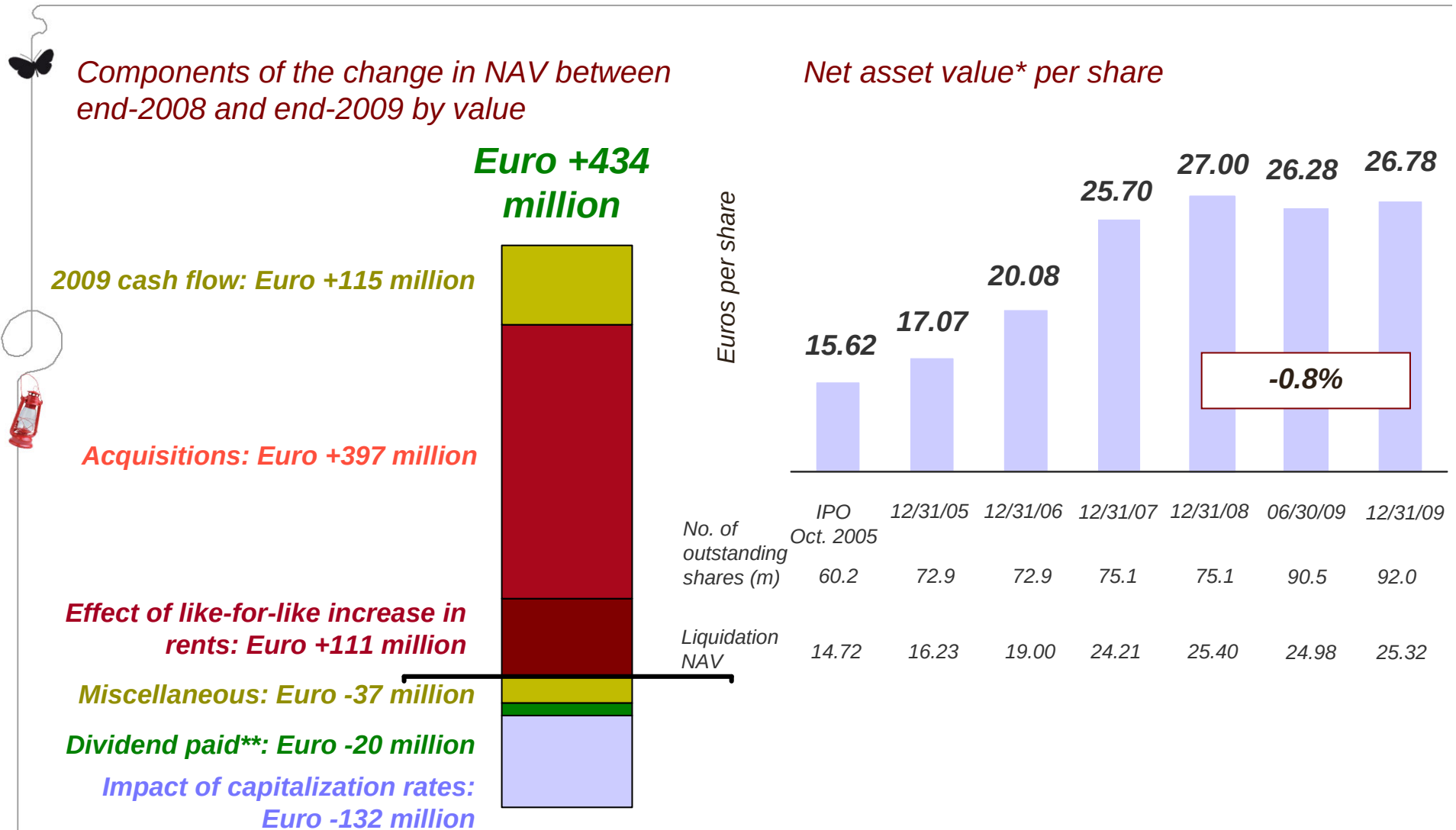


(*) Valuation based on appraisals by Atis Real, Catella and Galtier

(**) Including notably the 25 properties acquired from Casino representing a market value of Euro 390 million

(***) On a like-for-like basis

NAV per share equally almost stable over 12 months



A solid balance sheet

Assets

<i>Million euros</i>	12/31/08	12/31/09
Investment property	1,231.3	1,573.1
Financial assets	11.7	13.0
Other assets	1.0	1.0
Total non-current assets	1,244.0	1,587.2
Cash and Casino current account	10.6	69.9
Trade and other receivables	13.3	19.9
Total assets	1,267.9	1,677.0

Passif

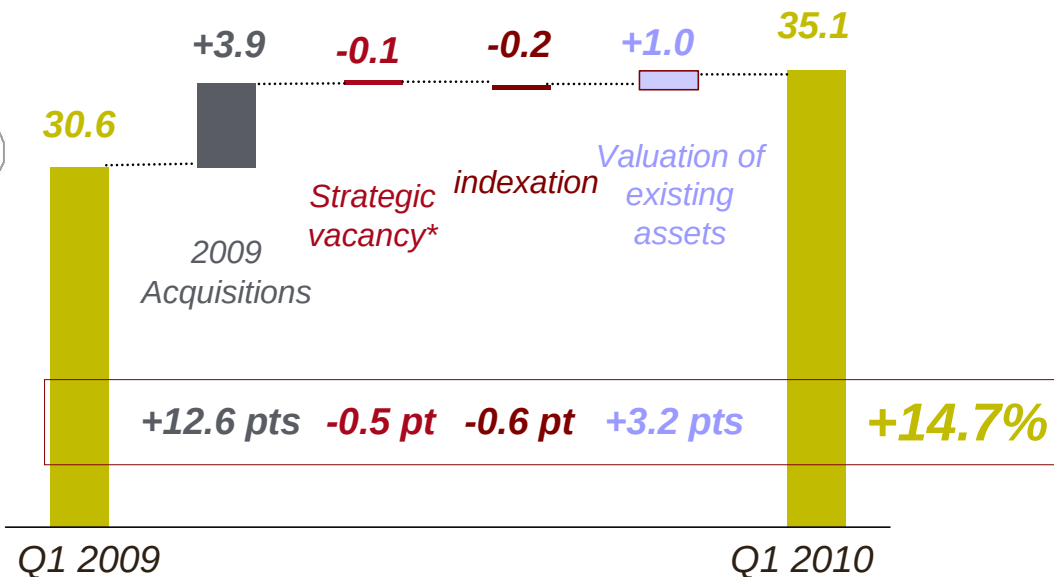
Shareholders' equity, Group share	1,206.1	1,606.3
Minority Interests	0.6	0.6
Total shareholder's equity	1,206.7	1,606.9
Financial liabilities	15.6	11.1
Deposits and guarantees*	19.3	21.3
Trade and other payables	26.3	37.6
Total equity and liabilities	1,267.9	1,677.0

❖ Net cash of **Euro 67,9 million** at December 31, 2009 (gross cash of Euro 69,9 million – bank facilities of Euro 2,0 million)

For the 15th consecutive quarter, Mercialys realized a double-digit growth in rental revenues in Q1 2010

Growth in invoiced rents for Q1 2010 In million of euros

✓ Rental management indicators remains satisfactory:



- Low current vacancy rate:
2.3% (stable vs. 12/31/09)
- Few defaults:
six liquidations proceeding during Q1 2010 (out of 2,650 leases at end-March, 2009)
- Recovery rate of invoiced rents over 12 months remained high at end-March 2010:
98.1% (stable vs. 12/31/09)

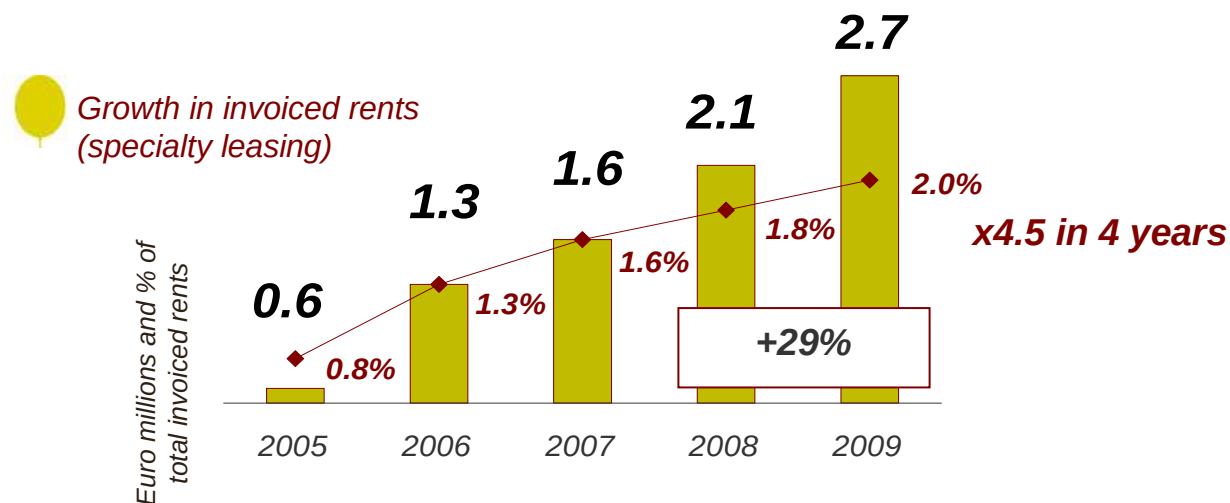
Rental revenues: +14.8 %



Activity and developments

A steady activity to enhance the offering of our shopping centers...

- ❖ Record number of leases signed: 306 leases signed in 2009 vs. 232 in 2008 Renewals, relets and lettings of new premises
 - ◆ 114 leases relet (compared with 70 in 2008)
 - ◆ 106 leases renewed (compared with 107 in 2008)
 - ◆ 86 leases signed relating to extensions under development (compared with 55 in 2008)
- ❖ Strong growth in specialty leasing
 - ◆ Strengthening of teams: 2 dedicated staff appointed in late 2009 to support Sudeco teams / 2 recruitments in progress



... and their attractiveness

Launch of a loyalty program: a new proof of Esprit Voisin

A strong position

Esprit Voisin meets consumers' expectations: practical services, user friendly, individual recognition attachment to where you shop...

A mission

Optimizing footfall at our shopping centers by offering new events

Customer loyalty program



Greater consistency at center level:
Hypermarket
+ mall



Club Avantages opportunity: benefiting from an expertise



A suitable loyalty card scheme

Esprit Voisin also means rewarding customer loyalty

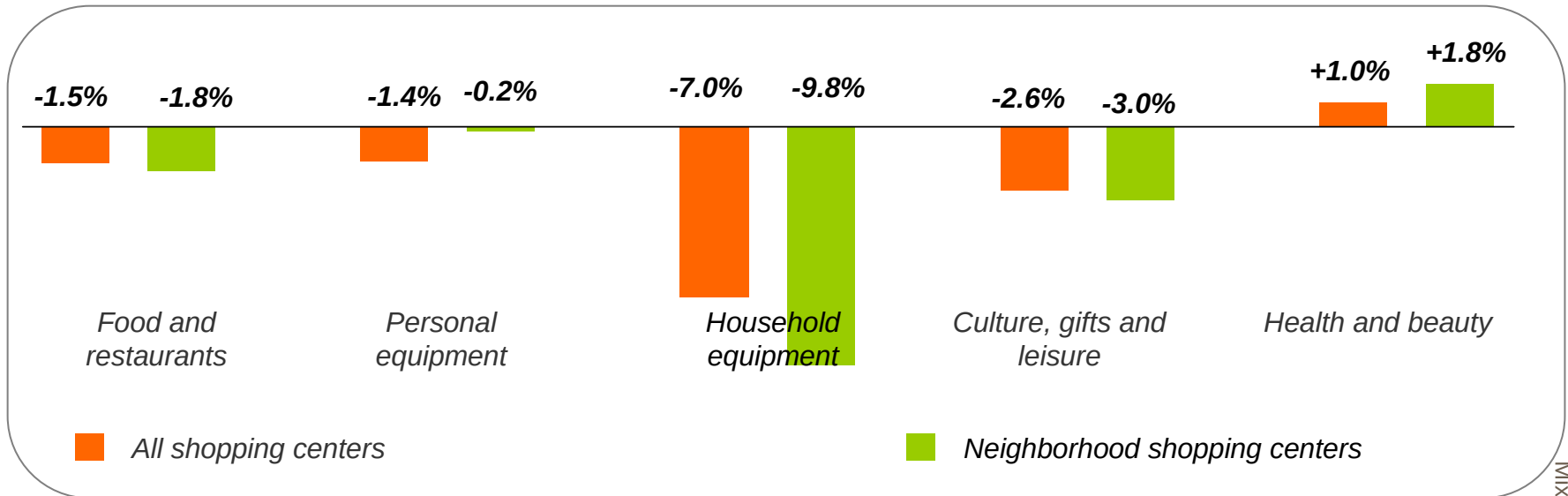
An ambitious tool of promotion

Boosting traffic with an innovative and differentiating program

Shopping centers benefit from a favorable mix in the current environment



❖ Business sectors* showing stronger resilience:

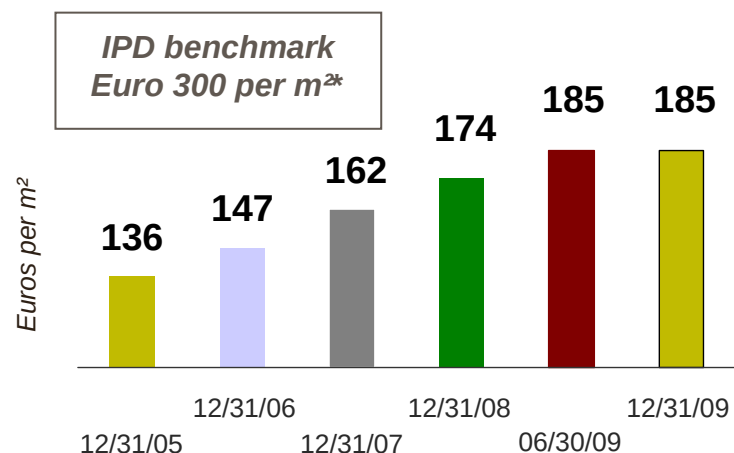


- ◆ "Personal equipment" and "Health and beauty" sectors have a particularly strong presence at Mercialys's centers
- ◆ However, the "Household equipment" sector is under-represented in our portfolio

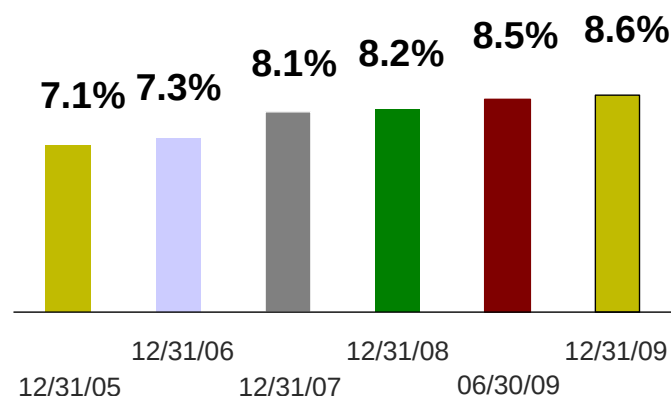
The structure of Mercialys's offering ensures stronger overall resilience in sales revenues in 2009.

Our management indicators show the portfolio to be highly resilient

❖ Average gross rental value of **Euro 185 per m²**



❖ Low occupancy cost of **8.6%****



- ❖ High 2009 recovery rate of **98.3%** compared with 99.1% in 2008
- ❖ Recurring vacancy rate remained low at **2.3%** (compared with 2.0% at December 31, 2008).
- ❖ The number of defaults was very limited: **10 liquidations** between January 1 and December 31, 2009 (out of 2,628 leases at end-December 2009) and 10 lots made vacant due to liquidations were relet

Alcudia/Esprit Voisin: very positive initial results for 2008-09 openings

Enlarged shopping centers

Arles
Besançon
Lanester
Le Puy
Valence Sud

Developed area

Shopping mall

+19,000 m²

Commercial results

Increase in sales revenues for shopping malls since opening
(*):
+300 bp relative to CNCC



Arles



Besançon



Lanester



Le Puy



Valence Sud

« L'Esprit Voisin » focuses also on Sustainable Development

❖ Mercialys has appointed in 2009 an external auditor to assess the company in terms of complying with Corporate Social Responsibility (CSR) standards

- ⇒ Structuring the company's CSR strategy
- ⇒ Developing environmental reporting
 - ◆ Cutting energy consumption
 - ◆ Optimizing water and waste management
 - ◆ Integrating sites into the environment
 - ◆ Sites accessibility with « soft » transportation
- ⇒ Strengthen ties with stakeholders
 - ◆ Preserving quality of life for local residents during works
 - ◆ Improving convenience for shoppers and staff

Besançon Chateaufarine, a sustainable shopping center:



Alcudia / Esprit Voisin development projects: 7 openings expected in 2010

General comments

Under difficult economic conditions, developments currently undergoing works are in line with their initial targets:

- **opening dates** maintained
- **rental yields** in line with expectations
- **letting** of developments at the final phase

Centers undergoing works

Annecy
Brest
Castres
Fontaine les Dijon
Paris Saint-Didier
Ste Marie Duparc
Lons le Saunier

Developed area

Shopping mall

+22,000 m²

Timetable

May	Oct.
Brest	Annecy
Castres	Paris St Didier
Fontaine les Dijon	Ste Marie Duparc
	Lons le Saunier

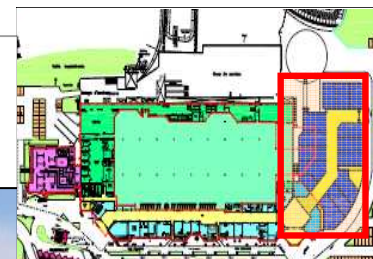
Alcudia / Esprit Voisin: 2010 openings

Castres (*)
2,260 m² shopping mall
extension

Opening on May 20,
2010

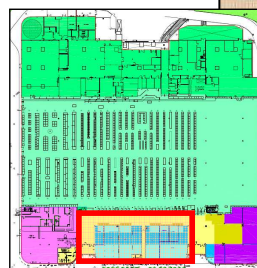


Opening on May
5, 2010



Brest
Castorama redevelopment: creation of 16
stores and 1 mid-size store (4,900 m²)

Opening on May
26, 2010



Fontaine les Dijon (*)
1,100 m² shopping mall
extension

(*) Projects acquired in 2009

Alcudia / Esprit Voisin: 2010 openings

Annecy (*)
4,800 m² shopping mall
extension



Opening on
October 20, 2010



Opening October
2010



Ste Marie Duparc (*)
8,600 m² shopping mall
extension



Opening October
2010

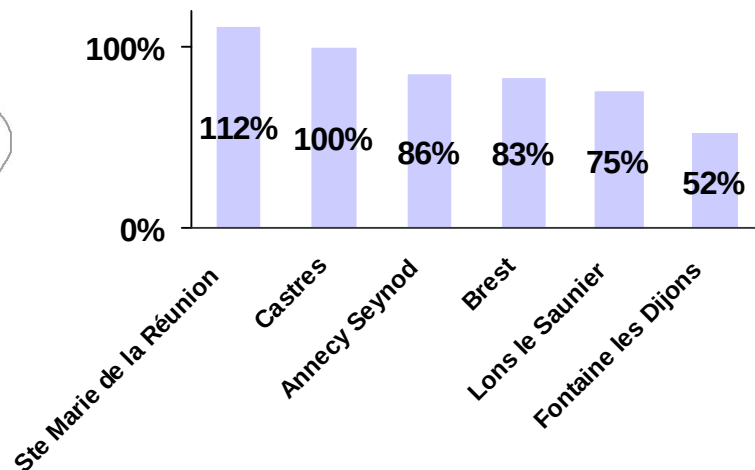


Paris Saint Didier
Redevelopment of shopping
mall

Successful pre-letting of extensions

- 
- ❖ The letting of 2010 extensions is at an advanced stage (*rate calculated in value: rents achieved / rents targeted*)

Situation at December 31, 2009:



- ❖ Highly dynamic new retailers joining our shopping centers
Happy, RG 512, Kaporal 5, Undiz, Jack & Jones, Vero Moda

- ❖ Retailers that place their trust in Mercialys shopping centers

- ◆ Arrival of **FNAC** in Annemasse
- ◆ **H&M** in Niort
- ◆ The first **H&M** store in the Franche-Comté region at Besançon Chateaufarine
- ◆ **Swarovski** in Besançon
- ◆ Arrival of **OM** (Olympique de Marseille) at Marseille La Valentine

In addition to the assets acquired this year, the implementation of the program is continuing

- ❖ 16 CDAC authorizations obtained in 2009 representing selling space of 50,000 m²
- ❖ 3 CDAC authorizations obtained in 2010 representing selling space of 7,000 m²
- ❖ Launch of a new Esprit Voisin theme program for 16 shopping centers: 3 centers in 2010, 8 in 2011 and 5 in 2012
- ❖ Target of 8 Alcudia / Esprit Voisin extensions completed in 2011

Marseille la Valentine



Annemasse

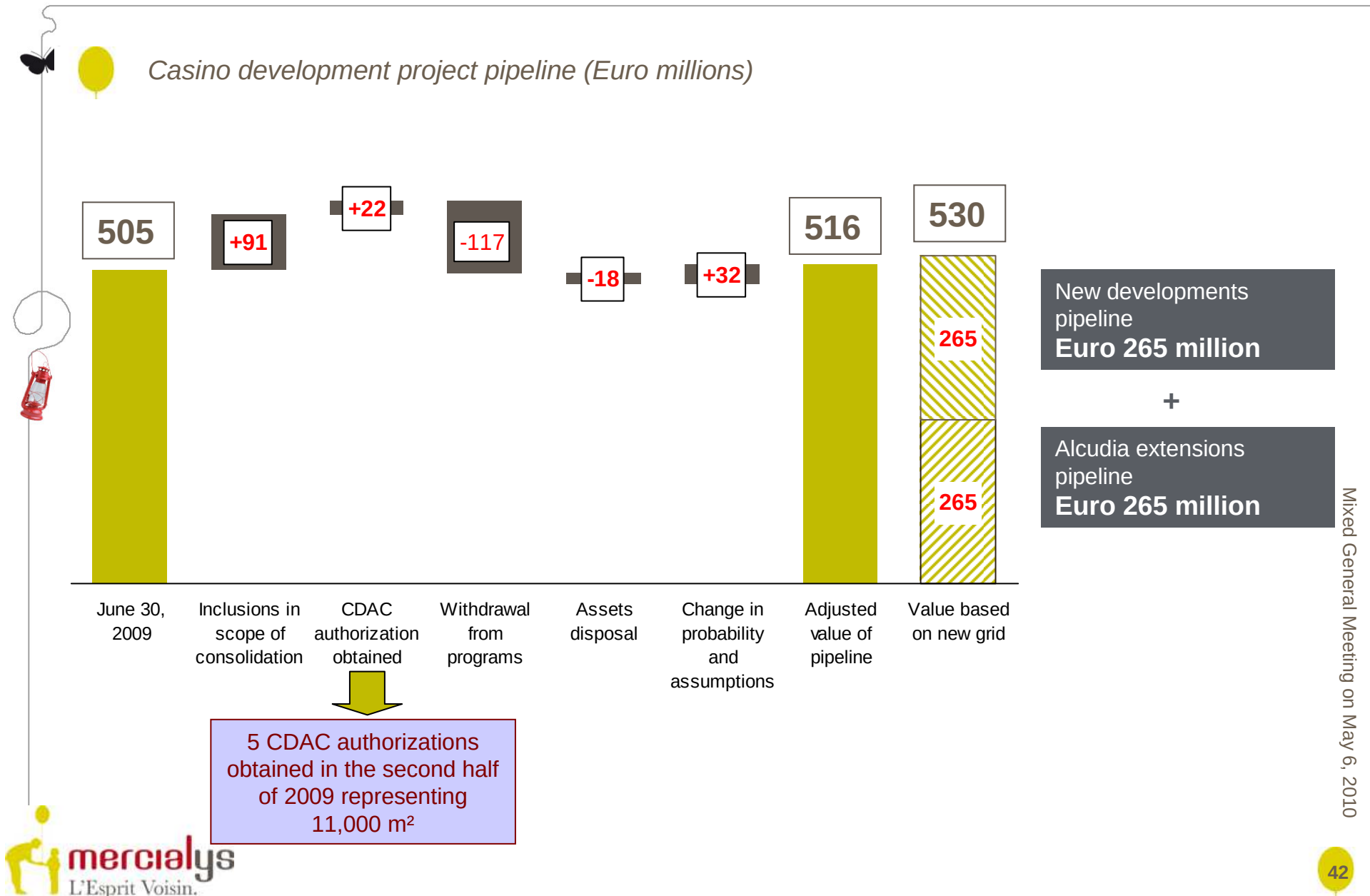


Istres



Auxerre

Casino pipeline is continuing to grow



Acquisition of Caserne de Bonne site in Grenoble*: an urban environment under ongoing change

- ❖ Site that was part of a tender launched by the city of Grenoble in 2006, tender won by the developer Apsys
 - ◆ *17,300 m² of retail space (GLA): 9 large and mid-size stores, 38 small stores and 5 restaurants + 300 parking space (paying)*
 - ◆ *2,800 m² of office space*
 - ◆ *Part of a broader program to redevelop 8.5 hectares of old military land also including 850 accommodations, a hotel residence and a 4* hotel, a student residence, a cinema, a swimming pool, a school and two landscaped parks.*
- ❖ Prestigious retailers: Monoprix, H&M, Nature et Découvertes, Au Vieux Campeur
- ❖ Opening planned for September 2010
- ❖ 67.5% let at December 31, 2009

MONOPRIX

H&M

 Au Vieux Campeur

 Nature
& Découvertes
natureetdecouvertes.com

Caserne de Bonne site in Grenoble: commercial zone

Building A – 10,887 m² GLA of retail space on lower ground floor, ground floor and 1st floor (5 mid-size stores, 21 small stores, 4 restaurants, 2 kiosks), including a 3,150 m² GLA Monoprix 1,643 m² of office space on 1st and 2nd floor 130-unit student residence



Building E – 500 m² of retail space on ground floor (1 restaurant, 3 small stores)



Building B - 1,489 m² GLA of retail space on 1st floor (2 mid-size store, 1 small store) 684 m² of office space on 2nd floor



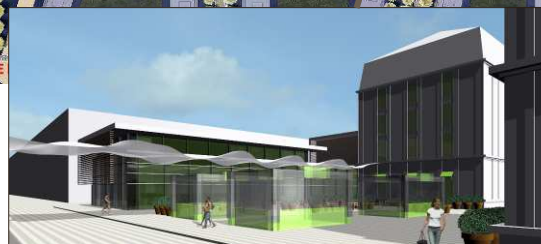
Eiffage
Nature et Découvertes store 467 m² GLA on ground floor



Building C - 982 m² GLA of retail space on ground floor (7 small stores) 30 housing units on 3 levels



Le Connestable
825 m² GLA on ground floor (6 small stores)



Placette Carnot
3 kiosks 70 m² GLA



Building D - H&M 2,075 m² GLA on 2nd floor 444 m² of office space on 3rd floor

Caserne de Bonne site in Grenoble: economic data

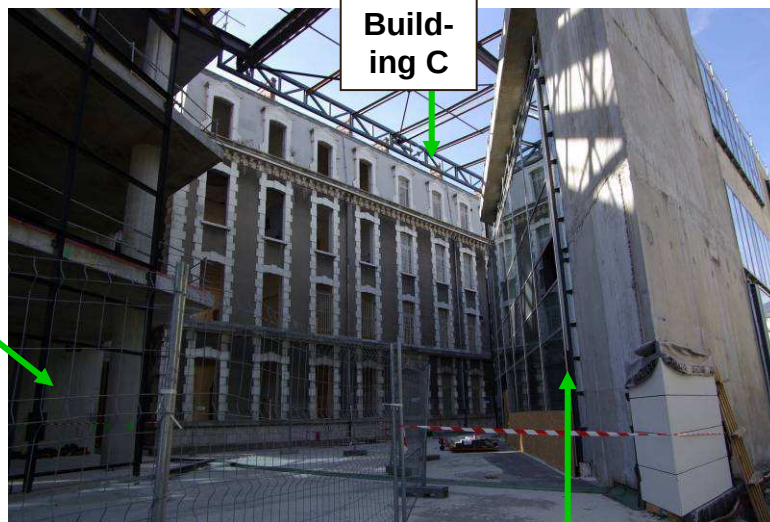


❖ Projected rental revenues:

- ◆ *Retail: Euro 5.0 million*
- ◆ *Offices: Euro 0.5 million*
- ◆ *Car parks: Euro 0.4 million*
- ◆ *Estimated lease rights: Euro 0.8 million*



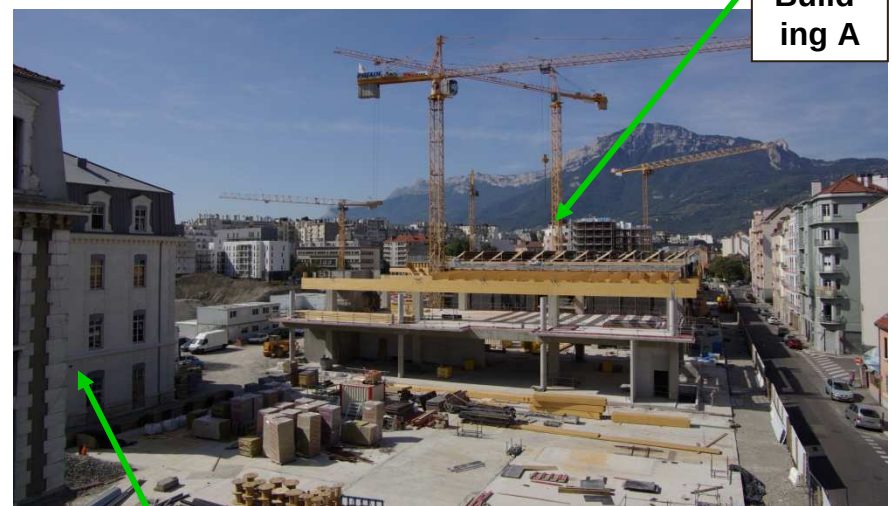
❖ Estimated acquisition price of the asset: Euro 92.2 million



Build-
ing C

Build-
ing D

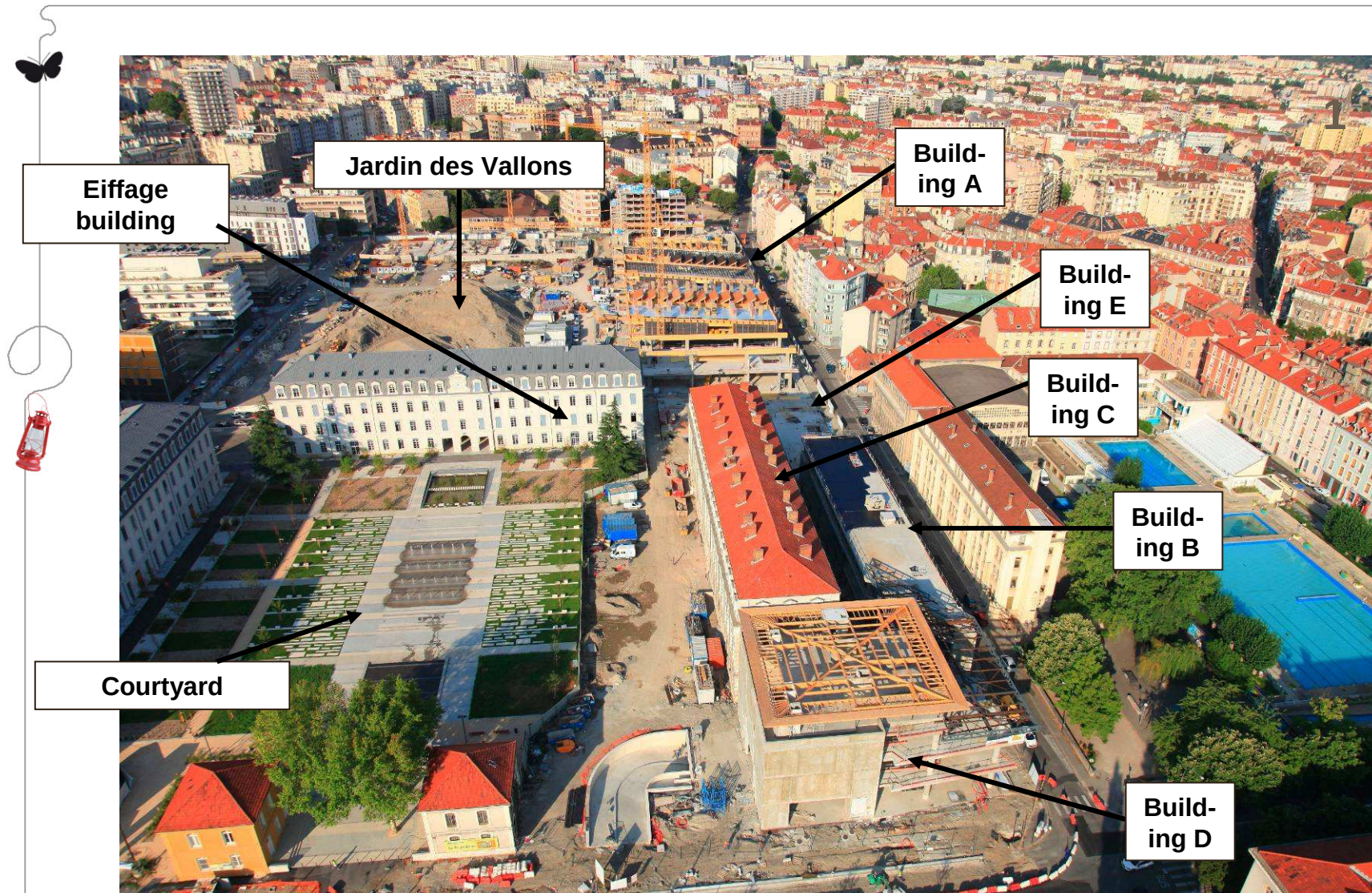
Build-
ing B



Build-
ing A

Eiffage
building

Caserne de Bonne site in Grenoble: Site photos



Acquisition of a shopping center at a Leclerc site located near Strasbourg



❖ Partnership with Coop Alsace

- ◆ *Aim: joint development of an extension to the Geispolsheim site (Strasbourg outskirts) belonging to Coop Alsace*
- ◆ *Creation of a joint venture to acquire the shopping mall and develop the extension and renovate the existing building*
- ◆ *Total investment of Euro 20 million between now and April 2011, for a property that will be valued **over Euro 30 million***



❖ A promising partnership for Mercialys: exporting the Alcudia / Esprit Voisin expertise

- ◆ *Ability to create value securely and profitably at sites where Mercialys is not present*
- ◆ *Selling the group's asset management expertise*
- ◆ *Possible extension of model to co-ownership sites and other sites owned by third parties*

Acquisition of a shopping center at a Leclerc site located near Strasbourg

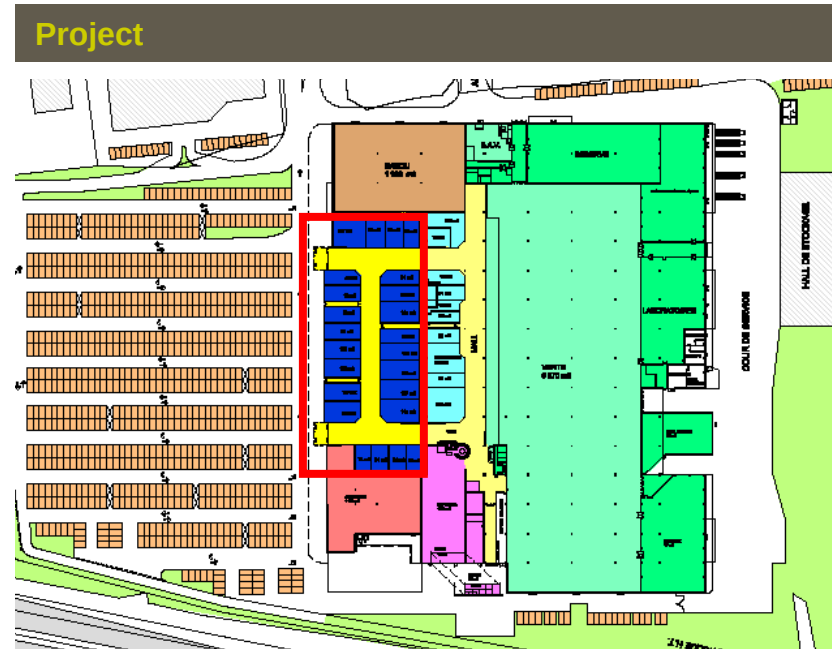
- ❖ A project offering considerable added value
 - ◆ *Development of a services business*
 - ◆ *Investment presenting a **yield of 12%** and a **margin of over 50%** with **controlled risks** (CDAC authorizations and building permits obtained without recourse)*



Acquisition of a shopping center at a Leclerc site located near Strasbourg

- ❖ Existing shopping mall
 - ◆ GLA of 4,200 m²
 - ◆ 18 stores and one indoor mid-size store of 2,000 m²
- ❖ One HM Leclerc of 10,000 m² generating sales of Euro 80 million

- ❖ After extension, a shopping mall with
 - ◆ GLA of 6,900 m² (+2,700m²)
 - ◆ 39 stores and one outdoor mid-size store of 2,000 m²
 - ◆ New retailers at the site: Camaïeu, Micromania, Promod, Tel & Com, Nocibé, La Mode est à Vous, Lissac etc.





Environment and outlook

2010: market conditions likely to remain uncertain

- ❖ No signs of immediate improvement in market conditions
 - ◆ *Unfavourable economic data: unemployment / unemployed at the end of their compensation*
 - ◆ *An ongoing crisis and signs of recovery taking time to materialize in Europe*
 - ◆ *Generally negative indexation*
- ❖ Delay effects and cumulative effects, specific to the retail real estate sector, will continue to weigh down business activity
- ❖ Some encouraging signs perceptible during Q1 2010

In 2010, we intend to pursue the strategy developed while maintaining a vigilant stance

- ❖ Continuing with the implementation of our strategy that was successful in 2009 in an unfavourable environment
 - ◆ *Continuation of Alcludia / Esprit Voisin development projects: 7 completions in 2010*
 - ◆ *Ongoing improvement in our shopping centers' offerings: development of the Esprit Voisin concept, improvement in merchandising through active asset management*
 - ◆ *Extracting value from the portfolio*
- ❖ Remaining vigilant as regards our centers' momentum and our tenants' commercial performance
 - ◆ *Keeping a very close eye on footfall at our shopping centers and our tenants' commercial performance*
 - ◆ *Continuing to implement targeted actions such as the loyalty program, marketing efforts and development of new concepts for our tenants, and if necessary stepping up retailer associations' actions*

2010 strategy: reinforcing our value creation strategy



- ❖ A targeted investment strategy...
 - ◆ *Alcudia developments / Casino pipeline: 7 options to be exercised in 2010 representing a potential investment of around Euro 113.2 million*
 - ◆ *Open market: properties to be worked on*
- ❖ ... coupled with an arbitrage strategy
 - ◆ *End of lock-up period: disposals now possible*
 - ◆ *Arbitrage of mature assets: Priority given to small assets*
 - ◆ *Going all the way and not hesitating to sell renovated properties considered mature*
- ❖ Selling our expertise in shopping center asset management
 - ◆ *External partnerships*



2010: "assured" growth enables us to begin the year in a strong position and with ambition

- 
- ❖ Euro 8.4 million of "assured growth" at January 1, 2010, representing an impact of +6.3% on rental revenues including:
 - ◆ *The effects in 2010 of organic growth efforts resulting from renewals and relets in 2009 and previously (excluding organic growth created in 2010)*
 - ◆ *The full-year effect of the Euro 334 million of properties acquired on May 19, 2009 (lots 1, 3 and 4 excluding extensions completed in 2010)*
 - ◆ *Rental revenues from Caserne de Bonne as of October 1, 2010*
 - ◆ *Negative effect of indexation on our portfolio*
 - ❖ The impact of potential transactions in 2010 is difficult to evaluate at this stage of the year
 - ❖ Mercialys's management target is to achieve year-on-year growth of around +10% in rental revenues and recurring operating cash flow in 2010.



Special reports by the Statutory Auditors



Questions and answers



Approval of the resolutions :

Mixed General Meeting on May 6, 2010

Financial statements for the year ended December 31, 2009

First resolution

- ⇒ The purpose of this resolution is to submit for your approval the Company financial statements for the year ended December 31, 2009 which post a profit of Euro 88,811,113.23.

Second resolution

- ⇒ The purpose of this resolution is to submit for your approval the consolidated financial statements for the year ended December 31, 2009 which post a consolidated net income (Group share) of Euro 93,029 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 91,292,281.92, meaning Euro 1.00 per share, with the balance of the distributable profit in an amount of Euro 17,284,631.11 being allocated to the "Balance Carried Forward" account.
- ⇒ The payment of balance of the dividend, for an amount of Euro 0.56 per share, for shares which benefited from an interim dividend of Euro 0.44 per share paid on October 9, 2009, will be paid on May 14, 2010.

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

- ⇒ Under this resolution, we propose to renew the Generali Vie's term of office as Board Director.

Sixth resolution

- ⇒ Under this resolution, we propose to appoint for six years Ernst & Young as Statutory Auditor.

Seventh resolution

- ⇒ Under this resolution, we propose to appoint for six years KPMG S.A. as Statutory Auditor.

Eighth resolution

- ⇒ Under this resolution, we propose to appoint for six years Auditex as Alternate Auditor.

Ninth resolution

- ⇒ Under this resolution, we propose to appoint for six years Mr Malcolm McLarty as Alternate Auditor.

Tenth 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.

Eleventh resolution

- ⇒ We propose, under this resolution to amend article 25 of the by-laws related to the composition of the General Shareholder's Meeting in order to harmonize the by laws with the provisions of the law allowing shareholders to participate in meetings by electronic telecommunications means.

Twelfth resolution

- ⇒ Due to the modifications of the law concerning the issuing of securities, we propose to delegate the authority for a period of fourteen months to the Board of Directors to decide the issuing, without preferential subscription rights for shareholders, of shares or securities giving access to share capital or the allocation of debt securities of the Company, to the benefit of the persons mentioned in the Article L. 411-2 of the French Monetary and Financial Code (Code Monétaire et Financier), up to a limit of 20% of the Company's share capital by year, the issue price of securities being the weighted average share price on the Euronext Paris regulated market for the previous three trading days, minus a maximum discount of 5%.

Thirteenth resolution

- ⇒ Due to the modifications of the law concerning the issuing of securities, we propose to delegate the authority for a period of fourteen months to the Board of Directors to decide and implement a capital increase whose subscription would be reserved for employees, in accordance with Articles L. 3332-18 et seq. of the French Labor Code and Article L. 225-138-1 of the French Commercial Code.

Fourteenth resolution

- ⇒ The shareholders' meeting grants full powers to holders of an original, extract or copy of the minutes of this meeting to carry out all filings, publications and formalities required by law.



Appendices

Board of Directors – Organization and functioning

- ❖ The company pays attention to the implementation of the principles of Corporate Governance:
 - ⇒ The company refers to the Corporate Governance Code of AFEP and MEDEF.
- ❖ The Board includes 12 Directors :
 - ⇒ 5 independent members in compliance with criterias of the Corporate Governance Code of AFEP and MEDEF.
 - ⇒ 7 representatives of the majority shareholder.

Board of Directors – Organization and functioning



❖ Composition of the Board of Directors:

- ⇒ **Monsieur Jacques Ehrmann**, Chairman and CEO
- ⇒ **Monsieur Bernard Bouloc** (independent 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** (independent member)
- ⇒ **Monsieur Eric Sasson** (independent member)
- ⇒ **Madame Catherine Soubie**
- ⇒ **Monsieur Pierre Vaquier** (independent member)
- ⇒ **Monsieur Eric Le Gentil**** (permanent representative of Generali Vie, independent member)

* Since April 6, 2009

** Since January 1, 2009

Board of Directors – Organization and functioning



❖ Composition of the Board Committees:

- ⇒ The **Audit Committee** includes 4 members of which 3 are independents : Mr Eric Sasson, President, Mr Bernard Bouloc, Mr Pierre Vaquier as well as Mrs Catherine Soubie.
- ⇒ The **Appointments and Remuneration Committee** includes 5 members of which 3 are independents : Mr Eric Le Gentil, President, Mr Bernard Bouloc and Mr Philippe Moati as well as Mr Yves Desjacques and Mr Jacques Dumas.
- ⇒ The **Investment Committee** includes 5 members of which 2 are independents : Mr Pierre Vaquier, President, Mr Eric Sasson as well as Mr Jacques Ehrmann, Mr Pierre Féraud and Mr Antoine Giscard d'Estaing.



❖ Activity of the Board of Directors and its specialized committees:

- ⇒ The Board of Directors which met 7 times in 2009 organizes its work with the assistance of its three specialized committees.
- ⇒ The Audit Committee, which met 3 times in 2009, examined annual and semi-annual financial statements and the internal control and risk management procedures.
- ⇒ The Appointments and Remuneration Committee, which met 4 times in 2009, gave in particular its opinion about the remuneration of Directors and the management and the stock option and bonus shares plans.
- ⇒ The Investment Committee, which met 3 times in 2009, gave favorable opinion concerning the new Partnership Convention with Casino and examined acquisition projects.

Board of Directors - Director fees



❖ 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.

Board of Directors - Director fees paid for 2009

- ❖ The total amount of Director fees paid to all Board members and Committee members for 2009 is Euro 240,698 (against Euro 240,943 for 2008)
- ❖ The following table gives a breackdown of the fees paid to each Board and Board Committee member (except those paid to the Chairman):

(in euros)	Board members		Committee members		Total
	Fixed portion	Variable portion	Fixed portion	Variable portion	
Bernard Bouloc	5,000	10,000	4,000	6,000	25,000
Yves Desjacques	2,500	4,286	2,000	3,000	11,786
Jacques Dumas	2,500	5,000	2,000	3,000	12,500
Michel Favre	616	1,429	493	3,667	6,205
Pierre Féraud	2,500	4,286	2,000	5,500	14,286
Antoine Giscard d'Estaing	1,849	3,571	1,479	1,833	8,732
Gérard Koenigheit	2,500	5,000	-	-	7,500
Eric Le Gentil	5,000	10,000	6,214	4,500	25,714
Philippe Moati	5,000	10,000	4,000	6,000	25,000
Eric Sasson	5,000	8,571	11,000	13,333	37,904
Catherine Soubie	2,500	5,000	2,000	2,000	11,500
Pierre Vaquier	5,000	8,571	11,000	15,000	39,571

Executive Management – Executive Management Committee



❖ Composition of the Executive Management Committee:

- ⇒ **Jacques Ehrmann** – Chairman and Chief Executive Officer
- ⇒ **Géry Robert-Ambroix** – Chief Operating Officer
- ⇒ **Yves Cadelano** – Executive Vice-President
- ⇒ **Marie-Flore Bachelier** – Chief Financial Officer
- ⇒ **Bruno Dugas** – Director of Operating Asset Management
- ⇒ **Jean-Marc Gothard** – Director of Large Retail Centers
- ⇒ **Anne-Laure Joumas** – Marketing and Communication Director
- ⇒ **Julien Roussel** – Commercial Director
- ⇒ **Roxane Raynaud** – Director of Alcudia Asset Management

Executive Management – Executive Management Committee



❖ Executive Management Committee:

- ⇒ Under authority of the Chairman and Chief Executive Officer, the Executive Management Committee takes care of the operational steering.
 - It operates the strategy of the Group defined by the Board of Directors. It is a strategic reflection and coordination entity which shares initiatives and cross-functional projects.
 - It ensures the coherence of the action plans implemented by all the subsidiaries and business units and makes the necessary arbitration.
 - It follows the results and financial health of the Group and decides which action plans has to be implemented.
- ⇒ The Executive Management Committee includes 8 members by the President's side, representing the operational and functional directions of the Group.

Executive Management - 2009 gross compensation of Corporate officers



❖ Compensation of the Chairman and Chief Executive Officer (paid by Mercialys):

- ⇒ 2009 fixed portion: Euro 122,165
- ⇒ 2009 variable portion: Euro 114,250
- ⇒ 2009 Director's fees: Euro 15,000



❖ Compensation of the Chief Operating Officer (paid by Mercialys and Mercialys gestion):

- ⇒ 2009 fixed portion: Euro 187,081
- ⇒ 2009 variable portion: Euro 115,625
- ⇒ Other benefits: Euro 3,355

Renewal of Statutory Auditor mandates.

❖ Statutory auditors selection procedure:

- ⇒ Selection Committee created among the company management:
 - Preparation of the call of tenders specifications.
 - Pre-selection of the candidates: 6 audit firms.
- ⇒ Examination by the Audit Committee of the applications after the pre-selection with the following objectives:
 - Ability to accompany the Mercialys Group in the real estate problematics.
 - Having a mutual statutory auditor between Casino and Mercialys given that the real estate and accounting management systems are the same, that Mercialys uses Casino back-offices and that Casino consolidates Mercialys.
 - Keeping one of the two current Statutory Auditors in order to benefit from a continuity in the audit process of the Company, a preservation of history and a continuity over all the Euris Group chain in order to facilitate the consolidation process of parent companies.
- ⇒ Recommendation formulated by the Audit Committee to the Board of Directors on March 16, 2010 to suggest to the Shareholders' General Meeting the appointment of Ernst & Young (with Auditex as Alternate Auditor) and KPMG S.A (with Mr Malcolm McLarty as Alternate Auditor) as Statutory officers.

L'Esprit Voisin, a great success with our customers...

Consumer expectations
CCA study (April 08)



Successfully attracting customers
'Culture Clients' survey (February 2009) in the
14 sites renovated and extended under the Esprit
Voisin concept

WELCOME

Greater **social ties and a more welcoming atmosphere**

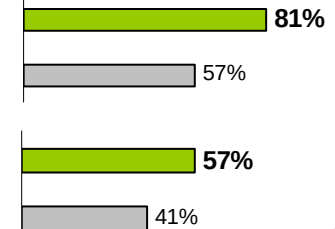


Being considered unique

Customers who feel welcome:

"As soon as I get into the shopping center, I feel like entering someone's home and I feel welcome."

"Here, I feel like a customer they care about".



Trends accentuated by the current crisis

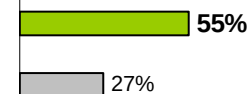
PLEASURE

Customers looking to **save time**



L'Esprit Voisin has revived the shopping experience:

"Shopping at this shopping center is practical and a pleasant experience".



CONFIDENCE

Feeling **confident**

Shopping centers **on a human scale, where people feel at ease**

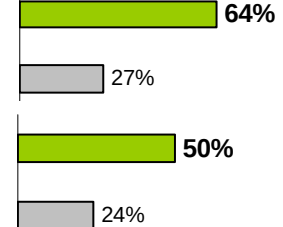


Reassured customers:

"I feel confident in this environment. "

Customers encouraged to spend more time at their shopping center:

"I enjoy being in this environment and want to make the most of it."



OFFER

A need for **new things**

More choice



Alcudia increases customer satisfaction by expanding the retail offering:

86% of customers reply: "I like having more choice"

A portfolio appraised value of Euro 2,437 million, incl. transfer taxes at December 31, 2009

Classification	Number of assets	Appraised value incl. transfer taxes		Gross leasable area		Appraised net rental income*	
		Euro million	%	m ²	%	Euro million	%
Large Regional Shopping Center	1	126.4	5	32,674	4	6.7	4
Large Shopping Centers	28	1,299.8	53	339,993	43	75.0	50
Neighborhood Shopping Centers	70	675.7	28	257,171	33	45.5	30
Large Food Retailer	12	20.9	1	30,960	4	1.5	1
Large Specialized Retailer	8	45.0	2	28,412	4	3.0	2
independent Cafeterias	22	52.0	2	32,492	4	3.6	2
Other	27	85.0	3	35,338	4	6.3	5
Sub-total built assets	168	2,304.8	95	757,041	96	141.5	94
Assets under development (extensions)		132.4	5	31,282	4	8.4	6
Total	168	2,437.2	100	788,323	100	149.9	100

(*) Appraised net income including occupied and vacant premises