

MERCIALYS

A *Société anonyme* with capital of Euro 92,049,169
Registered office: 148, rue de l'Université, 75007 Paris
424 064 707 Trade Registry of Paris

Notice of Meeting

Mercialys' Shareholders are informed that they will shortly be summoned to the Ordinary General Meeting to be held **on Wednesday April 30, 2014 at 10 a.m. at Pavillon Gabriel, located 5 Avenue Gabriel, 75008 Paris** for the purpose of deliberating on the agenda set below:

- Reading of the reports prepared by the Board of Directors and the Statutory Auditors.
- Approval of the Statutory financial statements for the financial year ending December 31, 2013;
- Approval of the Consolidated financial statements for the financial year ending December 31, 2013;
- Appropriation of income – Setting of the dividend;
- Approval of Statutory Auditors' special report on the agreements and commitments, governed by Article L.225-38 of the French Code of Commerce, and of the related agreements;
- Approval of the commitment made to Mr. Eric Le Gentil, Chairman and CEO, within the framework of Article L.225-42-1 of the French Commercial Code;
- Opinion on remuneration due or allocated in respect of the financial year ended December 31, 2013 at Eric Le Gentil, Vincent Rebillard and Lahlou Khelifi;
- Ratification of the appointment of Anne-Marie de Chalambert as Director and Generali Vie as a non-voting Director;
- Renewal of the terms of office as Board members of Jacques Dumas, Michel Savart and Casino, Guichard-Perrachon, for a period of three years,
- Appointment of Ingrid Nappi-Choulet as Director for a period of three years and Generali Vie for a period of one year;
- Authorization for the Company to buy its own shares.

Presentation of draft resolutions***First resolutions - (Approval of the Statutory financial statements for the year ended December 31, 2013)***

The Ordinary General Meeting, having reviewed the reports of the Board of Directors and the Statutory Auditors, approves the financial statements for the year ended December 31, 2013, as presented, together with all of the transactions reflected or mentioned in these reports. The financial statements for the year show a profit of Euro 145,997,103.36.

The General Meeting notes that the financial statements for the past financial year do not take account of non-tax deductible expenses as mentioned in Article 39-4 of the French General Tax Code.

In addition, it formally notes the transfer to the "Retained earnings" account of sums corresponding to the dividends and interim dividends allocated to the shares owned by the Company on the date of their payment, representing a total

amount of Euro 225,026.70.

Second resolution - (Approval of the Consolidated financial statements for the year ended December 31, 2013)

The Ordinary General Meeting, having reviewed the reports of the Board of Directors and the Statutory Auditors, approves the Consolidated financial statements for the year ended December 31, 2013, as presented, showing a consolidated net profit, Group share, of Euro 123,351 thousand.

Third resolution - (Appropriation of income - Setting of the dividend)

The Ordinary General Meeting, on the proposal of the Board of Directors, resolves to appropriate income for the year ended December 31, 2013, as follows:

Net income for the year		Euro 145,997, 103.36
Allocation to the legal reserve	(-)	Euro 2,634.30
Retained earnings	(+)	Euro 14,340,829.70
Distributable income	(=)	Euro 163, 335, 298.76
Dividends	(-)	Euro 106, 777, 036.04
Allocation to "Retained earnings"	(=)	Euro 56, 558, 262.72

Each share will receive a dividend of Euro 1.16.

The Ordinary General Meeting notes that:

- o the amount of the dividend decided upon of Euro 1.16 includes the interim dividend of Euro 0.34 per share paid on June 28, 2013;
- o consequently, the final dividend comes to Euro 0.82 per share and will be paid on May 9, 2014.

Concerning the interim dividend of Euro 0.34, distributions of tax-exempt income represent 100% of this amount. The same applies to the final dividend of Euro 0.82.

Payments of dividends taken from the tax-exempt income of listed real estate investment companies (SIIC) no longer give the right to the 40% allowance mentioned in Article 158-3 of the French General Tax Code. Only payments of dividends taken from the non-tax-exempt income of SIICs are eligible for this allowance. Consequently, the dividend paid in respect of 2013 is not eligible for the 40% allowance.

As this does not apply to the shares held by the Company on the date of payment of the dividend, the corresponding sums are to be transferred to "Retained earnings".

The General Meeting notes that the dividends paid out in respect of the last three years were as follows:

Year ending	Dividend per share	Dividend paid eligible for the 40 % allowance	Dividend paid not eligible for 40% the allowance
December 31, 2012			
Interim dividend (paid in 2012)	Euro 0.25	None	Euro 0.25
Final dividend (paid in 2013)	<u>Euro 0.97</u>	<u>None</u>	<u>Euro 0.97</u>
Total	Euro 1.22	None	Euro 1.22
December 31, 2011			
Interim dividend (paid in 2011)	Euro 0.54	None	Euro 0.54
Final dividend (paid in 2012)	<u>Euro 0.67</u>	<u>Euro 0.0049</u>	<u>Euro 0.6651</u>
Total	Euro 1.21	Euro 0.0049	Euro 1.2051
December 31, 2010			
Interim dividend (paid in 2010)	Euro 0.50	None	Euro 0.50
Final dividend (paid in 2011)	<u>Euro 0.76</u>	<u>Euro 0.00056</u>	<u>Euro 0.75944</u>
Total	Euro 1.26	Euro 0.00056	Euro 1.25944

Fourth resolution - (Agreements under Article L. 225-38 of the French Commercial Code)

The Ordinary General Meeting, having reviewed the Statutory Auditors' special report on the agreements governed by

Article L.225-38 of the French Commercial Code, approves the new agreements signed in 2013, as mentioned in the report.

Fifth resolution - *(Approval of the commitment made to Eric Le Gentil, Chairman and Chief Executive Officer, within the framework of Article L. 225-42-1 of the French Commercial Code)*

The Ordinary General Meeting, having reviewed the Board of Directors' report and the Statutory Auditors' special report, approves the commitment made to Eric Le Gentil, Chief Executive Officer since July 17, 2013, concerning compensation that may be paid to him in the event of his removal from office as Chief Executive Officer.

Sixth resolution - *(Opinion on remuneration due or allocated in respect of the financial year ended December 31, 2013, to Eric Le Gentil, Chairman and Chief Executive Officer)*

The Ordinary General Meeting, consulted in accordance with recommendation 24.3 of the AFEP-MEDEF corporate governance code of June 2013, which constitutes the Company's code of reference pursuant to Article L. 225-37 of the French Commercial Code, delivers a favorable opinion on the remuneration due or allocated in respect of the financial year ended December 31, 2013, to Eric Le Gentil, as set out in the registration document.

Seventh resolution - *(Opinion on remuneration due or allocated in respect of the financial year ended December 31, 2013, to Vincent Rebillard, Chief Operating Officer)*

The Ordinary General Meeting, consulted in accordance with recommendation 24.3 of the AFEP-MEDEF corporate governance code of June 2013, which constitutes the Company's code of reference pursuant to Article L. 225-37 of the French Commercial Code, delivers a favorable opinion on the remuneration due or allocated in respect of the financial year ended December 31, 2013, to Vincent Rebillard, as set out in the registration document.

Eight resolution - *(Opinion on remuneration due or allocated in respect of the financial year ended December 31, 2013, to Lahlou KHELIFI, Chief Executive Officer from February 13 to July 17, 2013)*

The Ordinary General Meeting, consulted in accordance with recommendation 24.3 of the AFEP-MEDEF corporate governance code of June 2013, which constitutes the Company's code of reference pursuant to Article L. 225-37 of the French Commercial Code, delivers a favorable opinion on the remuneration due or allocated in respect of the financial year ended December 31, 2013, to Lahlou Khelifi, as set out in the registration document.

Ninth resolution - *(Ratification of the appointment of Anne-Marie de Chalambert as Board Member)*

The Ordinary General Meeting ratifies the appointment made on a provisional basis by the Board of Directors at its meeting of July 23, 2013, of Anne-Marie de Chalambert as Board Member, replacing Pierre Vaquier for her predecessor's remaining term of office, i.e. until the Ordinary General Meeting held in 2015 to approve the financial statements for the year ending December 31, 2014.

Tenth resolution - *(Ratification of Generali Vie as non-voting director)*

The Ordinary General Meeting ratifies the appointment made on a provisional basis by the Board of Directors at its meeting of October 15, 2013, of Generali Vie as non-voting director for a period of three years, i.e. until the Ordinary General Meeting held in 2016 to approve the financial statements for the year ending December 31, 2015.

Eleventh resolution - *(Renewal of the term of office as a Board Member of Jacques Dumas)*

Since the term of office as a director of Jacques Dumas is due to expire at this General Meeting, the Ordinary General Meeting, having considered the Board of Directors' report, resolves to renew Mr. Dumas' term of office as a Board member for a period of three years, i.e. until the Ordinary General Meeting held in 2017 to approve the financial statements for the financial year ending December 31, 2016.

Twelfth resolution - *(Renewal of the term of office as a Board Member of Michel Savart)*

Since the term of office as a director of Michel Savart is due to expire at this General Meeting, the Ordinary General Meeting, having considered the Board of Directors' report, resolves to renew Mr. Savart's term of office as a Board Member for a period of three years, i.e. until the Ordinary General Meeting held in 2017 to approve the financial statements for the financial year ending December 31, 2016.

Thirteenth resolution - *(Renewal of the term of office as a Board Member of Casino, Guichard-Perrachon)*

Since the term of office as a director of Casino, Guichard-Perrachon is due to expire at this General Meeting, the

Ordinary General Meeting, having considered the Board of Directors' report, resolves to renew Casino, Guichard-Perrachon's term of office as a Board Member for a period of three years, i.e. until the Ordinary General Meeting held in 2017 to approve the financial statements for the financial year ending December 31, 2016.

Fourteenth resolution - (Appointment of Ingrid Nappi-Choulet as Board member)

The Ordinary General Meeting, having considered the Board of Directors' report, resolves to appoint Ingrid Nappi-Choulet as Board member for a period of three years, i.e. until the Ordinary General Meeting held in 2017 to approve the financial statements for the financial year ending December 31, 2016.

Fifteenth resolution - (Appointment of Generali Vie as Board Member)

The Ordinary General Meeting, having considered the Board of Directors' report, resolves to appoint Generali Vie as Board Member for an exceptional period of one year, i.e. until the Ordinary General Meeting held in 2015 to approve the financial statements for the financial year ending December 31, 2014.

Sixteenth resolution - (Authorization for the Company to buy its own shares)

The Ordinary General Meeting, having reviewed the Board of Directors' report, authorizes the Board of Directors to buy the Company's shares pursuant to Articles L.225-209 et seq. of the French Commercial Code, primarily for the following purposes:

- to maintain liquidity and manage the market for the Company's shares via an investment services provider acting independently and on behalf of the Company, within the framework of a liquidity contract compliant with the business ethics charter recognized by the Autorité des Marchés Financiers;
- to implement any stock option plan in relation to the Company, in the context of the provisions of Articles L.225-177 et seq. of the French Commercial Code, any savings scheme in accordance with Articles L.3332-1 et seq. of the French Employment Code or any allocation of bonus shares in the context of the provisions of Articles L.225-197-1 et seq. of the French Commercial Code;
- to deliver them upon the exercise of rights attached to negotiable securities conferring a right, whether by way of reimbursement, conversion, swap, presentation of a warrant or of a debt security convertible or exchangeable into shares of the Company, or in any other way, to the allocation of shares of the Company;
- to keep them with a view to using them as securities for payment or exchange in future acquisitions, in compliance with market practices accepted by the Autorité des Marchés Financiers;
- to cancel them in order to optimize earnings per share in the context of a reduction in share capital;
- to implement any market practice approved by the Autorité des Marchés Financiers and to undertake any transaction compliant with current regulations.

These shares may be acquired, sold, transferred, or exchanged in any manner, including on the market or over the counter and through block trades. These means shall include the use of any derivative financial instrument traded on a regulated market or over-the-counter and the implementation of optional strategies under the conditions authorized by the competent market authorities, provided that such means do not contribute to a significant increase in the volatility of the shares. The shares may also be loaned, pursuant to Articles L.211-22 et seq. of the French Monetary and Financial Code.

The purchase price of the shares shall not exceed Euro 25 per share.

Use of this authorization may not have the effect of increasing the number of shares owned by the Company to more than 10% of the total number of the shares, namely, on the basis of share capital as at January 31, 2014, after deduction of the 282,315 shares owned by the Company or as treasury shares on January 31, 2014, and unless such shares have previously been canceled or sold, 8,922,601 shares, representing 9.69% of share capital, in a maximum amount of Euro 223,065,025 million, on the understanding that when the Company's shares are purchased in the context of a liquidity contract, the number of such shares taken into account for the calculation of the threshold of 10% referred to above will be the number of such purchased shares, after deduction of the number of shares resold pursuant to the liquidity contract during the period of the authorization.

The authorization granted to the Board of Directors is given for a period of eighteen months. It terminates and replaces the authorization previously granted by the eighteenth resolution of the Ordinary General Meeting dated June 21, 2013.

The General Meeting resolves that the Company may use this resolution and continue with the execution of its share buyback program even in the event of public offers for shares or securities issued by the Company or initiated by the Company.

Consequently, full powers are granted to the Board of Directors, which may be delegated, to place any stock market orders and enter any agreements in order in particular to keep records of the buying and selling of shares, make any declarations to the Autorité des Marchés Financiers and carry out any other formalities, and, in general, do all that is necessary.

A. Requests for inclusion on the agenda

Requests by shareholders satisfying the conditions provided by Article R. 225-71 of the Commercial Code for the inclusion of items or draft resolutions on the agenda must be sent by registered letter with proof of receipt requested, to the registered office at the following address: 148, rue de l'Université, 75007 Paris, no later than the 25th (calendar) day preceding the General Meeting, in accordance with Article R. 225-73 of the Commercial Code.

Reasons must be given for requests to include items on the agenda. Requests for the inclusion of draft resolutions must be accompanied by the text of the draft resolutions, which may also be accompanied by a brief statement of reasons. When a draft resolution relates to the presentation of a candidate for the Board of Directors, it must be accompanied by the information provided by Article R. 225-83-5 of the Commercial Code.

Every request must also be accompanied by a certificate of account registration proving ownership of the minimum capital required on the date of the request.

Examination of the item or resolution will also be conditional upon the authors thereof providing a further certificate proving the account registration of their shares, at midnight, Paris time, on the third business day preceding the Meeting.

A. Written questions

Any shareholder may submit written questions, which will be answered during the Meeting.

Questions must be sent by registered letter with proof of receipt requested, to the following address: Mercialis, 148 rue de l'Université, 75007 Paris, marked for the attention of the Chairman of the Board of Directors. Questions must be accompanied by a certificate of account registration either in the registered share accounts kept on behalf of the Company by BNP Paribas Securities Services, or in the bearer share accounts kept by the authorized intermediary, and must also be sent in no later than the fourth business day preceding the date of the General Meeting.

In accordance with current legislation, a joint reply may be given to questions covering the same topic. Replies to written questions will be deemed to have been given when they appear on the Company's website in the section devoted to questions and answers.

B. Formalities to be completed before attending the General Meeting

All shareholders are entitled to participate in Ordinary and Extraordinary general meetings regardless of the number of shares that they own.

Only shareholders whose shares are registered in their name (or in the name of an intermediary registered on their behalf if they are not resident in France) at midnight, Paris time on Friday, April, 25, 2013, whether in the registered share accounts kept on behalf of the Company by BNP Paribas Securities Services or in the bearer share accounts kept by the authorized intermediary, will be allowed to attend the Meeting, vote by post or arrange to be represented at the Meeting.

The entry or registration of shares in bearer share accounts kept by the authorized intermediary will be established by a certificate of investment issued by that intermediary, if applicable by electronic means, as an attachment to the combined application form for postal, electronic or proxy voting or for an admission card, duly completed in the shareholder's name or on behalf of the shareholder represented by the registered intermediary.

A certificate is also issued to shareholders wishing to attend the meeting in person who have not received their admission card by midnight, Paris time on Friday, April 25, 2014.

Shareholders who already expressed their postal vote, sent a proxy or asked for an admission card or a certificate of participation in the conditions expressed in the last sentence of the paragraph II of the Article R.225-85 of the French Commercial Code (Code de Commerce), can at any time sell all or part of their shares.

However, if the disposal occurs before the third working day preceding the General Meeting at midnight, Paris time on Friday, April 25, 2014, the Company invalidates or modifies accordingly, depending on the case, the remote vote, the proxy, the admission card or the certification of participation. To this end, the intermediary mentioned in the Article L.211-3 of the French Monetary and Financial Code (Code Monétaire et Financier) must notify the operation to the Company or to its representative, and send the necessary information.

No disposal or other operation realised after the third working day preceding the General Meeting at midnight, Paris time, whatever be the means used, will be notified by the intermediary mentioned in the Article L.211-3 of the French Monetary and Financial Code (Code Monétaire et Financier) or taken in consideration by the Company even in case of an opposite agreement.

C. How to take part and vote at the General Meeting

Shareholders wishing to attend the Meeting personally must apply for an admission card and must provide evidence of their status in the manner set above. However, the shareholder may present on the day of the Meeting directly at the signing desk an identity card and a certificate of participation.

Upon signing the attendance sheet, signatories must provide evidence of their identity.

In case they cannot attend the meeting in person, the shareholders can choose one of the following three possibilities:

- vote by post ;
- give a proxy to the Chairman of the General Meeting ;
- appoint as proxy his/her spouse or the partner with who he/she has made a civil pact of solidarity (PACS), or any other individual or legal person of his/her choice

Shareholders who have already applied for admission cards or certificates of participation under the conditions provided by the last sentence of Article R.225-85-II of the French Commercial Code, and who have already sent postal vote or sent a proxy, will no longer be entitled to choose another mode of participation in the Meeting.

Voting forms or proxy received by the Company or by BNP Paribas Securities Services - CTS Assemblées Générales - Grands Moulins de Pantin, 9 rue du Débarcadère - 93761 PANTIN Cédex, less than three days before the General Meeting or after Friday, April 25, 2014, will not be taken into account.

The voting form or proxy returned to BNP Paribas Securities Services or the Company applies to any subsequent meetings, that could be convened with the same agenda

D. Procedures to attend the General Meeting, vote by post or be represented

I. Via internet

Shareholders can apply for an admission card, vote or give a proxy via internet and connect to a secured website dedicated to the General Annual Meeting <https://planetshares.bnpparibas.com>.

- **Your shares are registered in a registered share account:** Website access is available with your login and password which allow you to consult your registered share account on the website *PlanetShares*.

- **Your shares are registered in an intermediary registered share account:** you need the form for voting by mail or by proxy appended hereto, that provides at the top right-hand your login. Then, connect yourself on <https://planetshares.bnpparibas.com>. Then, you should follow instructions on your screen which will allow you to obtain your login and your password to the secured website dedicated to the General Meeting
- **You are owner of bearer shares:** access to dedicated secured website of the General Meeting is not possible.

In case you would no longer have your login and/or password, please contact the hotline at your disposal: 01.40.14.31.00.

The proxy is dismissible in the same forms as those required for the appointment of the representative.

Access to the website for voting prior to the Meeting will be open as of Thursday, April 10, 2014. The possibility to vote by Internet and to appoint or revoke a proxy will end the day before the General Meeting on **Tuesday, April 29, 2014 at 3:00 p.m. (Paris time)**.

II. With the paper form

- If the shares are registered in **a registered share account or in an intermediary share account** : shareholder can express his choice (admission card, postal voting, give a proxy) by ticking the appropriate box on the voting form or proxy that will be sent with the Notice of Meeting.
Document fulfilled and signed should be returned to BNP Paribas Securities Services using the reply envelope attached to the Notice of Meeting;
- If the shareholder is owner of bearer shares : the shareholder must previously obtain the voting form by post or by proxy :
 - either from its intermediary who manages the share account;
 - either on the website www.mercialys.fr, under the section « *Finance / Shareholders / General Shareholder's Meetings* »;
 - either by registered letter with acknowledgment of receipt at BNP Paribas Securities Services - CTS Assemblées Générales - Les Grands Moulins de Pantin - 9, rue du Débarcadère - 93761 Pantin Cédex and received no later than six days before the meeting date of the General Meeting

The completed voting form (admission card, postal voting, proxy) which will be signed and attached with a certificate of participation issued by the authorized intermediary who manages the share account should be sent to BNP Paribas Securities Services - CTS Assemblées Générales - Les Grands Moulins de Pantin - 9, rue du Débarcadère - 93761 Pantin Cédex.

The proxy is dismissible in the same forms as those required for the appointment of the representative.

Pursuant to the legal and regulatory provisions, the voting form or proxy must be received at BNP Paribas Securities Services or at the Company's registered office at least three days before the date of the meeting or no later than Friday, April 25, 2014.

For any voting form sent by post or proxy received without specific indication, it will be issued by the Chairman of the General Meeting, a favorable vote to the adoption of draft resolutions approved by the Board of Directors.

E. Shareholders' right to information

Pursuant to Article R. 225-73-1 of the Commercial Code, all the information and documents relating to the General Meeting referred to in that Article may be consulted with effect from Friday, 23 March 2012 on the Company's website at the following address: www.mercialys.fr, under the section « *Finance/Shareholders/General Meeting* »,

All the documents referred to in Articles R. 225-89 and following of the Commercial Code will be available to shareholders at the Company's registered office with effect from the date of publication of the notice of meeting, at least fifteen days before the General Meeting.

The Board of Directors