



A Société anonyme with capital of Euro 92,026,128
Registered office: 148 rue de l'Université - 75007 Paris
424 064 707 Trade registry of Paris

Saint-Etienne, April 9, 2014

MEETING SUMMONS 2014

The shareholders of Mercialys are summoned to an

ORDINARY GENERAL MEETING

Wednesday, April 30, 2014 at 10:00 a.m. (CET)

At Pavillon Gabriel

5, Avenue Gabriel - 75008 Paris

For the purpose of deliberating on the agenda set forth in this brochure.

Metro station: Concorde (line 1, 8 and 12), Champs-Élysées - Clémenceau (line 1 and 13)

Bus line: 24, 42, 52, 72, 73, 84, 94

Public Parking: Concorde

	Page
◆ Conditions for attending the meeting	3
◆ Agenda	6
◆ Presentation of the draft resolutions	7
◆ Draft resolutions	12
◆ Presentation of the Board members whose renewal of term of office, appointment or ratification of appointment is proposed to the General Meeting	15
◆ Summary presentation of the company's financial position	19
◆ Company's income in the last five business years	21
◆ Request to obtain additional documents and information	23

CONDITIONS FOR ATTENDING THE MEETING

The General Meeting includes all shareholders, regardless their number of shares.

◆ HOW TO OBTAIN THE DOCUMENTS?

You can obtain all documents and the information relative to the General Meeting by sending your request to:

BNP Paribas Securities Services
CTS Assemblées Générales
Grands Moulins de Pantin, 9 rue du Débarcadère
93761 PANTIN Cedex

You will find at the end of this brochure a request form for documents and information.

This information is also available on Mercialis web site: <http://www.mercialis.fr>, under "Finance / Shareholders / General Shareholder's Meeting".

◆ HOW TO ATTEND THE MEETING?

The shareholders who want to personally attend the Meeting must own an **admission card**. This admission card is required to be admitted to the Meeting and vote and can be obtained by following the instructions below.

The voters will vote by show of hands.

In order that the meeting can be held smoothly, we recommend that you arrive as early as 9:00 a.m. at the reception desk and at the sign-in desk, with **the admission card and an identity card**, to sign the attendance sheet.

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.

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

◆ WHAT ARE THE PRIOR FORMALITIES TO FULFIL?

Only shareholders of record at midnight, Paris time (CET) on **Friday, April 25, 2014** are entitled to attend the meeting, vote by post or appoint a proxy. On the record date, registered shares must be registered in the holder's name or the name of the holder's nominee if not resident in France on the register held on behalf of the Company by **BNP Paribas Securities Services** and bearer shares must be registered on a securities account held by an authorized financial intermediary.

Holders of bearer shares should ask their financial intermediary to issue a certificate of ownership, if applicable by electronic means, which should be attached to the combined mail voting, proxy and application for admission card form completed in their name or the name of their nominee.

A certificate will also be issued to shareholders wishing to attend the Meeting in person and who have not received their admission card by midnight, Paris time (CET) on **Friday, April 25, 2014**.

Shareholders 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 (CET)

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 (CET), 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.

Shareholders, who have already expressed their vote by mail, sent a proxy or applied for admission card or a shareholding certificate won't be authorized to choose any other means of attending the Meeting.

◆ WHAT ARE THE FORMALITIES TO FULFIL VIA INTERNET?

Website access to the site is protected by a login and a password. Communication is encrypted to ensure confidentiality of your vote.

◆ HOW TO CONNECT VIA INTERNET ?

◆ 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*.

If you know your login and password, you can connect yourself through the secured website dedicated to the General Meeting:

<https://planetshares.bnpparibas.com>

If you have lost your login and/or password, the connection procedure will be the same as the "intermediary registered shares" procedure described below.

Then, you will soon receive your login and password.

◆ 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.

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

◆ You are owner of bearer shares :

Access to the dedicated secured website of the General Assembly is not possible.

Your instructions must be sent following "formalities to fulfill using a paper form" (see below).

◆ HOW TO PROCEED ?

After connecting *PlanetShares* website, you can access the site by clicking on the home page on « *Attend the Meeting* » where you can ask for your admission card, which is compulsory to be

admitted and to vote at the Meeting, vote by post, appoint or revoke a proxy.

In addition you can access via the same website, the official documents of the General Meeting.

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)**.

◆ **WHAT ARE THE FORMALITIES TO FULFIL USING THE PAPER FORM ?**

◆ **YOUR SHARES ARE REGISTERED IN A REGISTERED SHARE ACCOUNT OR IN AN INTERMEDIARY SHARE ACCOUNT :**

You must fulfill the voting form by post or by proxy enclosed with this Notice of Meeting, signed and returned it to

BNP Paribas Securities Services using the attached reply envelope.

◆ **You wish to attend the General Meeting**

You must request an **admission card**, which is **required** to be admitted to the General Meeting and to vote.

In order to obtain this card, you must return the form for voting by post or by proxy appended hereto, after having checked the "A" box at the top left-hand side of the form.

◆ **You wish to vote by post**

You must check the « I vote by post » box, and, failing any other action by you, you will be deemed to have voted "yes" all the resolutions.

If you wish to vote on any draft resolutions not approved by the Board of Directors, you must blacken the boxes corresponding to your choice.

If you wish to vote "no" or "abstention" on one or several resolutions, you must blacken the box corresponding to the resolution for which you wish to make such vote.

In addition, in the event that amendments or new resolutions are presented at the Meeting, you have the possibility of making your choice by blackening the corresponding box.

◆ **You wish to be represented (Power)**

- If you wish to be represented by **the Chairman of the Meeting**, you must check the "*I hereby give my proxy to the Chairman of the General Meeting*" box ;
- If you wish to be represented by **another proxy** (your spouse or the partner with who you have made a civil pact of solidarity PACS, another shareholder or any

other individual or legal person of your choice), you must check the "I hereby appoint" box, having provided all information concerning your representative's identity.

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

◆ **YOU ARE OWNER OF BEARER SHARES :**

You must previously obtain the voting form by post or by proxy:

- either from your intermediary who manages your share account ;
- either on the website **www.mercialys.fr**, under the section « *Finance / Shareholders / General Shareholder's Meetings* ».

Then, you need to fulfill the voting form as shown in section "Your shares are registered in a registered share account or in an intermediary share account" (see above).

This completed and signed voting form must be given to the intermediary, who manages your share account, so that he may attach the shareholding certificate to it. Both, shareholding certificate and the voting form have to be sent to:

BNP Paribas Securities Services

CTS Assemblées Générales
Grands Moulins de Pantin, 9 rue du Débarcadère
93761 PANTIN Cedex.

Pursuant to the legal and regulatory provisions, the form for voting by post or proxy must be received by **BNP Paribas Securities Services** or by the Company's registered office at least 3 days before the General Meeting date, so no later than **Friday, April 25, 2014.**

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

AGENDA

- Reading of the reports of the Board of Directors and the Statutory Auditors;
- Approval of the Statutory financial statements for the year ended December 31, 2013;
- Approval of the Consolidated financial statements for the year ended December 31, 2013;
- Appropriation of Income – Setting of the dividend;
- Approval of the Statutory Auditors' special report on agreements and commitments governed by Article L.225-38 of the Commercial Code;
- Approval of the commitment made to Mr. Eric Le Gentil, Chairman and CEO, within the framework of Article L.225-42-1 of the 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 Board Member and Generali Vie as 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 Board Member 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 and second resolutions

(Approval of the financial statements for the year)

Within the framework of the first and second resolutions, shareholders are called upon to approve the Statutory financial statements and then the Consolidated financial statements for the year ended December 31, 2013, as well as transactions reflected in these financial statements.

Dividends and interim dividends allocated in respect of 2012 to the shares owned by the Company on the date of their payment, representing a total of Euro 225,026.70, have been transferred to "Retained earnings".

These financial statements have been certified without qualification by the Statutory Auditors.

Third resolution

(Appropriation of income)

Under the third resolution, the Board of Directors proposes approval of the payment of a dividend of Euro 1.16 per share.

income tax and that come under the sphere of this tax regime must be fully redistributed.

Under the tax regime for SIIC companies, the Company is required to pay out to shareholders at least 95% of its tax-exempt income from the letting or sub-letting of buildings and at least 60% of its tax-exempt income from the sale of buildings and investments in real estate companies. Dividends from subsidiaries that are subject to corporate

Taking account of the interim dividend of Euro 0.34 per share paid on June 28, 2013, the final dividend amounts to Euro 0.82.

The ex-dividend date is May 6, 2014. The payment date will be on May 9, 2014.

Fourth resolution power

(Regulated agreements)

Under the fourth resolution, you are asked to approve the agreements and commitments made during the year, and in particular the non-compete and non-solicitation obligation relating to Eric Le Gentil and Lahlou Khelifi in the event of the termination of their duties, as well as payment of subscriptions under the "Garantie sociale des chefs d'entreprise" scheme and mandatory collective top-up pension and provident schemes concerning Eric Le Gentil, Lahlou Khelifi and Vincent Rebillard.

Contributions paid in 2013 by the Company in respect of the "Garantie sociale des chefs d'entreprise" scheme amounted to Euro 5,117 for Eric Le Gentil, Euro 3,195 for Vincent Rebillard and Euro 4,487 for Lahlou Khelifi. Employer contributions to provident schemes amounted to Euro 1,158, Euro 1,942 and Euro 1,672 respectively. Concerning collective and mandatory pension schemes, subscriptions are those resulting from national joint agreements.

Monthly compensation payable in respect of the non-compete and non-solicitation obligation shall equal 1/12th of 50% of annual fixed remuneration. This obligation shall apply for a period not exceeding their time with the Company, up to a maximum of one year, it being specified that the Company may reduce or waive the application period. Lahlou Khelifi waived this compensation upon the termination of his duties.

Pursuant to Article L. 225-42-1 of the French Commercial Code, approval of the commitment made to Eric Le Gentil concerning compensation that may be paid to him in the event of his removal from office is covered by a separate resolution (see fifth resolution).

These agreements and commitments are included in the Statutory auditors' special report.

Fifth resolution

(Compensation payable to Eric Le Gentil in the event of his removal from office as Chief Executive Officer)

Under the fifth resolution, shareholders are called upon to approve the commitment made to Eric Le Gentil concerning compensation that may be paid to him in the event of his removal from office as Chief Executive Officer within 36 months of July 17, 2013, the date he was appointed.

- nine months' annual gross remuneration (fixed + variable received) in the event of dismissal within the next 12 months;
- six months' annual gross remuneration (fixed + variable received) in the event of dismissal within the next 12 months;

Subject to conditions, he would be paid a severance bonus equal to:

- 12 months' annual gross remuneration (fixed + variable guaranteed) in the event of dismissal within 12 months of being appointed;

It being specified that this severance pay shall only be paid if organic growth in rental income, assessed on the basis of the last full-year results published in respect of the financial year preceding the date of revocation, is above indexation.

Sixth to eight resolutions

(Opinion on executive compensation)

In accordance with new recommendations from the AFEP-MEDEF corporate governance code, revised in June 2013, and the High Committee for Corporate Governance's application guidelines, shareholders are called upon, under the terms of the sixth to eighth resolutions, to give an advisory opinion on remuneration payable or awarded by the Company or the companies it controls in respect of 2013 to

Eric Le Gentil, Vincent Rebillard and Lahlou Khelifi as detailed and commented on in the tables below.

All of these items are also presented in the "Corporate governance" section of the Chairman's report in the 2013 registration document.

◆ M. Eric Le Gentil

Remuneration payable or awarded for 2013	Amount or accounting valuation subject to the vote (in euros)	Presentation
Fixed remuneration	160,749	See ⁽¹⁾
Annual variable remuneration	114,151	See ⁽²⁾
Deferred variable remuneration	Not applicable	No deferred variable remuneration
Multi-year variable remuneration	Not applicable	No multi-year variable remuneration
Exceptional remuneration	105,000	See ⁽³⁾
Stock options, performance shares or any other long-term remuneration		
Stock options	Not applicable	Not awarded
Performance shares	Not applicable	Not awarded
Other item	Not applicable	Not awarded
Directors' fees	54,787	See ⁽⁴⁾
Valuation of benefits of all kinds	6,275	See ⁽⁵⁾

⁽¹⁾ On appointing Eric Le Gentil as Chief Executive Officer at its meeting of July 17, 2013, the Board of Directors set annual gross fixed remuneration at Euro 357,000.

⁽²⁾ The variable portion may represent 50% of fixed remuneration if targets are achieved and up to 100% of fixed remuneration if targets are exceeded, with a guaranteed minimum amount of Euro 89,250 for 2013.

20% of variable remuneration for 2013 is based on the achievement of quantitative targets for Mercialis, 50% is based on individual targets and 30% on the implementation of managerial attitudes and behaviors.

Mercialys' quantitative targets are based on criteria relating to organic growth (excluding indexation) in invoiced rents, rental revenues and adjusted funds from operations (FFO).

Individual targets take account of one quantitative target relating to the ratio of EBITDA to rental revenues, an indicator of cost control and performance, as well as four qualitative targets relating to management of Mercialis' strategic changes, the adoption of a new organizational structure tailored to the changes in its strategy and new operating priorities, involvement in the operational challenges facing Mercialis and maintaining a high standard of financial communications.

Overall and after weighting, 127.90% of targets were achieved and variable remuneration payable for 2013 on

a pro rata basis relative to the data of appointment represents 71.01% of fixed remuneration.

Summary

- In 2013, organic growth in invoiced rents came to +3.7%, including 1.7 points above indexation, above the target of +1.5 points set for 2013.
- Rental revenues totaled Euro 149 million, down 6.7%, mainly due to the program of asset sales carried out in 2012 and 2013.
- Funds from operations (FFO) adjusted for the effect of 2012 and 2013 asset sales came to Euro 92.1 million, equal to Euro 1.0 per share, an increase of 4%.
- The ratio of EBITDA to rental revenues was 85%, above the target of 84% set for the year.

⁽³⁾ On the basis of the recommendation of the Appointments and Remuneration Committee, the Board of Directors decided at its meeting of July 17, 2013, to allocate to Eric Le Gentil a deferred and conditional exceptional bonus of a gross amount of Euro 105,000, to be vested after a period of three years from his appointment provided that he is still in office at this date.

⁽⁴⁾ The gross amount of individual directors' fees has been set at Euro 15,000 per year, comprising a fixed portion of Euro 5,000 a year and a variable portion of Euro 10,000 a year awarded on the basis of attendance at Board meetings. An additional gross directors' fee of Euro 20,000 a year is paid to the Chairman of the Board of Directors.

Members of technical committees receive an additional directors' fee comprising a fixed portion of Euro 4,000 a year gross and a variable portion of Euro 11,000 a year gross for members of the Investment Committee and Euro 6,000 for members of the Audit Committee and the Appointments and Remuneration Committee, awarded on the basis of attendance at meetings. An additional

gross directors' fee of Euro 5,000 a year is paid to the Chairman of each of the Committees.

The variable portion of directors' fees payable to directors or Committee members who have been absent is not reallocated. Individual or additional directors' fees payable to members representing or employed by the majority shareholder or its companies are limited to 50% of the aforementioned amounts. The above individual or additional directors' fees are paid on a pro rata basis depending on the date that duties are started or terminated.

⁽⁵⁾ Eric Le Gentil is a member of the pension plan covering all employees within the Company and benefits from the "Garantie sociale des chefs d'entreprise" scheme.

Remuneration payable or awarded for 2013 that are or have been subject to a vote by shareholders at the Annual General Meeting in respect of the procedure for regulated agreements and commitments	Amount subject to the vote (in euros)	Presentation
Severance payments	0	The terms and conditions of the commitment made by the Company are described within the framework of the presentation of the fifth resolution (see above) submitted to shareholders at the Annual General Meeting.
Non-competition compensation	0	The terms and conditions of the non-compete clause are described within the framework of the presentation of the fourth resolution (see above) submitted to shareholders at the Annual General Meeting.
Top-up pension scheme	Not applicable	No top-up pension scheme

◆ M. Vincent Rebillard

Remuneration payable or awarded for 2013	Amount or accounting valuation subject to the vote (in euros)	Presentation
Fixed remuneration	138,331	See ⁽¹⁾
Annual variable remuneration	70,000	See ⁽²⁾
Deferred variable remuneration	Not applicable	No deferred variable remuneration
Multi-year variable remuneration	Not applicable	No multi-year variable remuneration
Exceptional remuneration	300,000	See ⁽³⁾
Stock options, performance shares or any other long-term remuneration		
Stock options	Not applicable	Not awarded
Performance shares	Not applicable	Not awarded
Other item	Not applicable	Not awarded
Directors' fees	Not applicable	Vincent Rebillard is not a director
Valuation of benefits of all kinds	5,137	See ⁽⁴⁾

(1) At its meeting of January 14, 2013, the Board of Directors set annual gross fixed remuneration at Euro 144,000.

(2) The variable portion may represent 40% of fixed remuneration if targets are achieved and up to 80% of fixed remuneration if targets are exceeded.

20% of variable remuneration for 2013 is based on the achievement of quantitative targets for Mercialis, 50% is based on individual targets and 30% on the implementation of managerial attitudes and behaviors.

Mercialys' quantitative targets are based on criteria relating to organic growth (excluding indexation) in invoiced rents, rental revenues and adjusted funds from operations (FFO).

Individual targets take account of one quantitative target relating to the ratio of EBITDA to rental revenues, an indicator of cost control and performance, as well as three qualitative targets relating to co-management of Mercialis' strategic changes, support with the adoption of a new organizational structure tailored to the changes in strategy and new operating priorities, and involvement in the operational challenges facing Mercialis.

Overall and after weighting, 122.10% of targets were achieved and variable remuneration payable for 2013 represents 50.60% of fixed remuneration.

Summary

- In 2013, organic growth in invoiced rents came to +3.7%, including 1.7 points above indexation, above the target of +1.5 points set for 2013.

- Rental revenues totaled Euro 149 million, down 6.7%, mainly due to the program of asset sales carried out in 2012 and 2013.
- Funds from operations (FFO) adjusted for the effect of 2012 and 2013 asset sales came to Euro 92.1 million, equal to Euro 1.0 per share, an increase of 4%.
- The ratio of EBITDA to rental revenues was 85%, above the target of 84% set for the year.

(3) At its meeting of July 23, 2013, the Board of Directors allocated Vincent Rebillard an exceptional bonus in respect of his decisive role in asset sales in view of their strategic nature and the interest and particularly major challenges they represent for Mercialis, as well as their complex and specific nature. Asset sales carried out in 2013 allowed for the recognition of income from asset sales in Mercialis' consolidated financial statements for the year to December 31, 2013, of Euro 170.5 million and a net capital gain of Euro 51.7 million. This exceptional bonus of a total of Euro 300,000 comprises a gross bonus of Euro 150,000 paid in cash, and a deferred and conditional bonus of an initial basic amount of Euro 150,000, to be paid after a period of two years subject to attendance and performance requirements. The definitive amount of the bonus shall be determined according to Mercialis' share price performance, assessed over a period of two years.

(4) Vincent Rebillard is a member of the pension plan covering all employees within the Company and benefits from the "Garantie sociale des chefs d'entreprise" scheme.

Remuneration payable or awarded for 2013 that are or have been subject to a vote by shareholders at the Annual General Meeting in respect of the procedure for regulated agreements and commitments	Amount subject to the vote (in euros)	Presentation
Severance payments	Not applicable	No commitment to pay compensation for the termination of duties
Non-competition compensation	Not applicable	No non-compete clause
Top-up pension scheme	Not applicable	No top-up pension scheme

◆ M. Lahlou Khelifi

Remuneration payable or awarded for 2013	Amount or accounting valuation subject to the vote (in euros)	Presentation
Fixed remuneration	149,432	
Annual variable remuneration	0	Termination of duties on July 17, 2013
Deferred variable remuneration	Not applicable	No deferred variable remuneration
Multi-year variable remuneration	Not applicable	No multi-year variable remuneration
Exceptional remuneration	Not applicable	No exceptional remuneration
Stock options, performance shares or any other long-term remuneration		
Stock options	Not applicable	Not awarded
Performance shares	Not applicable	Not awarded
Other item	Not applicable	Not awarded
Directors' fees	Not applicable	Lahlou Khelifi was not a director
Valuation of benefits of all kinds	6,159	See ⁽¹⁾

⁽¹⁾ Lahlou Khelifi was a member of the pension plan covering all employees within the Company and benefited from the “*Garantie sociale des chefs d’entreprise*” scheme.

Remuneration payable or awarded for 2013 that are or have been subject to a vote by shareholders at the Annual General Meeting in respect of the procedure for regulated agreements and commitments	Amount subject to the vote (in euros)	Presentation
Severance payments	Not applicable	No commitment to pay compensation for the termination of duties
Non-competition compensation	0	The terms and conditions of the non-compete clause are described within the framework of the presentation of the fourth resolution (see above) submitted to shareholders at the Annual General Meeting. Lahlou Khelifi waived the non-compete clause upon the termination of his duties.
Top-up pension scheme	Not applicable	No top-up pension scheme

Ninth to fifteenth resolutions

(Composition of the Board of Directors)

The ninth to fifteenth resolutions concern ratification of the appointment of Anne-Marie de Chalambert as director and that of Generali Vie as non-voting director, the renewal of the terms of office as director of Jacques Dumas and Michel Savart, as well as Casino, Guichard-Perrachon, and the appointment as Board member of Ingrid Nappi-Choulet and Generali Vie.

Anne-Marie de Chalambert was co-opted as director replacing Pierre Vaquier, who tendered his resignation, at the Board meeting of July 23, 2013.

Generali Vie stood down from its duties as director in order to enable Eric Le Gentil, its permanent representative on the Board, to be appointed under his own name. On February 13, 2013, the Board of Directors co-opted Eric Le Gentil as director and assigned him the role of Chairman of the Board of Directors. As Mr. Le Gentil was appointed Chief Executive Officer by the Board of Directors at its meeting of July 17, 2013 and has stood down from any activities within the Generali Group, it was deemed opportune for Generali Vie, Mercialis' second-largest shareholder with 8.01% of share capital, to have a new representative on the Board of Directors. Therefore, on October 15, 2013, the Board of Directors appointed Generali Vie as non-voting director with a view to proposing the role of director at the next general shareholders' meeting.

As the terms of office as director of Jacques Dumas, Philippe Moati and Michel Savart, as well as Casino, Guichard-

Perrachon, are due to end at the Annual General Meeting, you are asked to renew for a period of three years the terms of office of Jacques Dumas and Michel Savart and of Casino, Guichard-Perrachon, and to appoint Ingrid Nappi-Choulet as director, with Philippe Moati having expressed his desire not to have his term renewed.

In addition, the appointment of Generali Vie as director will also be proposed to the general shareholders' meeting. In order to allow for the regular renewal of directors by as equal fractions as possible, as set out in the Company's by-laws, Generali Vie's term of office would be for one year.

Therefore, at the close of the annual general meeting of April 30, 2014, the Board would consist of 11 members and include, within the meaning of the criteria of the AFEP-MEDEF corporate governance code, six independent directors: Anne-Marie de Chalambert, Elisabeth Cunin-Diéterlè, Marie-Christine Levet, Ingrid Nappi-Choulet, Bernard Bouloc and Generali Vie (represented by Bruno Servant).

The Board would also comprise four representatives of the majority shareholder: Jacques Dumas and Michel Savart, as well as Casino, Guichard-Perrachon (represented by Antoine Giscard d'Estaing) and La Forézienne de Participations (represented by Yves Desjacques).

Independent directors would make up 54.5% of the Board and women 36.4%.

Sixteenth resolution

(Purchase by the Company of its own shares)

The sixteenth resolution renews the authorization given to the Board of Directors for a period of 18 months to buy shares in the Company, it being specified that the Company may not hold more than 10% of the total number of shares making up the share capital. The maximum purchase price is set at Euro 25 per share.

Within the framework of the authorization granted by the general shareholders' meeting of June 21, 2013 and on the basis of figures as at end-January 2014, the Company bought 150,000 shares. Furthermore, 2.2 million shares have been bought and 2.2 million shares have been sold within the framework of the liquidity agreement.

At January 31, 2014, the Company held 282,315 shares (0.31% of share capital), including 150,000 shares allocated to the target of covering any stock option plans, saving plans or bonus share award plans, and 132,215 shares within the framework of the liquidity agreement.

Details of the aims of the share buyback program are provided in the sixteenth resolution.

The resolution provides the possibility of continuing with the execution of the share buyback program during a public offer.

DRAFT RESOLUTIONS

First resolution

(Approval of the Statutory financial statement 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 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:

- 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;

- 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 ended	Dividend per share	Dividend paid eligible for the 40% allowance	Dividend paid not eligible for the 40% 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

Quatrième résolution

(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 (and on page 8 of this 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 (and on page 9 of this 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 (and on page 10 of this 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 Board member 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 Board member 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 a 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 director 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.

PRESENTATION OF BOARD MEMBERS WHOSE RENEWAL/RATIFICATION OR APPOINTMENT ARE PROPOSED TO THE GENERAL MEETING

◆ **M. Anne-Marie de Chalambert**

Born on June 7, 1943, 70 years old

Number of Mercialis shares held : 1000

It is proposed the ratification of her appointment as Board Member.

Biography

Anne-Marie de Chalambert began her career in 1962 as press secretary at Pathé-Marconi. In 1969, she moved into property development within the Valois region as commercial director. In 1980, she founded VLGI (Vente Location Gestion Immobilière), a subsidiary of Banque Lazard, where she was Chairman and Chief Executive Officer. In 1996, she joined Generali as Real Estate Director. She then became Chairman and Chief Executive Officer of Generali Immobilier, where she transformed Generali France's primarily residential portfolio into a portfolio consisting of primarily office properties, mostly in Paris and the Paris region. She was appointed Chairman of Generali Real Estate Europe in 2004, where she unites the group's various European real estate teams and invests in communal projects. In 2009, she took up the role of Chairman of the European Real Estate Committee at Generali Immobiliare. Since 2010, she has acted as a consultant to Institut Pasteur in its real estate strategy.

Main executive functions: Board member

Other offices held in 2013 and still in effect at February 12, 2014

◆ **Within the Mercialis Group :** None

◆ **Outside the Mercialis Group :**

- Board member of Nexity SA (listed company), member of the Remuneration and appointments committee and the Investment committee
- Board Member of Foncière Lyonnaise SA (SFL) (listed company)
- Chairman of AMCH
- Member of the Investment Committee of Institut Pasteur

Other offices held during the past five years (In addition to those listed above):

- Chairman of the Board of Directors of Generali Immobiliare (Italy) and Generali Real Estate Europe
- Chairman of the Supervisory Board of Generali Immobilier Gestion and Generali Immobilier Conseil
- Permanent representative of Generali Vie on the Supervisory Board of Foncière des Régions and Foncière des Logements
- Permanent representative of Generali Assurances IARD
- on the Board of Directors of Silic
- Board member and then Vice-Chairman of FSIF (Fédération des Sociétés Immobilières et Foncières)
- Chairman of Saint-Ouen C1
- Manager of SCI Generali Logistique, SCI Saint-Ouen C1 and SCI Le Moncey
- Officer in France of Assicurazioni Generali Spa.

◆ **M. Jacques Dumas**

Born on May 15, 1952, 61 years old

Number of Mercialis shares held: 489

It is proposed his renewal as Board Member.

Biography

Jacques Dumas has a Master's Degree in Law from the Lyon Institute of Political Science. He started his career in 1978 with CFAO (Compagnie Française de l'Afrique Occidentale), first as Corporate Counsel then as Administrative Director until 1986. In 1987 he joined Rallye as the Deputy Corporate Secretary, then became Head of Legal Affairs of Groupe Euris in 1994. He is currently Executive Vice-President of Euris and Advisor to the Chairman of Casino, Guichard-Perrachon.

Main executive functions :

- Advisor to the Chairman of Casino, Guichard-Perrachon
- Executive Vice-President of Euris SAS

Other offices held in 2013 and still in effect at February 12, 2014

◆ **Within the Mercialis Group :** None

◆ **Outside the Mercialis Group :**

◆ **Within the Euris Group**

- Chairman of Green Yellow
- Vice-Chairman of the Supervisory Board of Monoprix
- Permanent representative of Euris on the Board of Directors of Finatis (listed company)
- Board Member of Rallye (listed company)
- Permanent representative of Distribution Casino France on the Board of Directors of Distribution Franprix

◆ **Outside the Euris group**

- Manager of SCI Cognac-Parmentier

Other offices held during the past five years (In addition to those listed above):

- Chairman and member of the Supervisory Board of Leader Price Holding
 - Chairman of the Supervisory Board of Franprix Holding
 - Vice-Chairman and member of the Supervisory Board of Franprix Holding
 - Chairman of the Board of Directors of SAAD
 - Permanent representative of Casino, Guichard-Perrachon on the Board of Directors of Monoprix SA*
 - Permanent representative of Casino, Guichard-Perrachon on the Board of Directors of Monoprix SA*
 - Permanent representative of Distribution Casino France on the Supervisory Board of Cofilead
 - Permanent representative of Société de Distribution Parisienne (SDP) on the Board of Directors of Gregorim Distribution SA*
 - Permanent representative of Maignon Diderot on the Board of Directors of Finatis
 - Permanent representative of R.L.P.I on the Board of Directors of Vilette Discount SA and Clignancourt Discount SA
 - Permanent representative of Germinal S.N.C., Chairman of Théiadis
 - Board member of the Casino Foundation
- * Offices that expired in 2013.

◆ **Mme Ingrid Nappi-Choulet**

Born on April, 1st, 48 years old

It is proposed her appointment as Board member

Biography

With a PhD in economic science from Université Paris XII and diplomas from Université Paris Dauphine (HDR in management science) and the Institut d'Etudes Politiques in Paris (HDR in Urban Planning and Development), Ingrid Nappi-Choulet has been a Professor at ESSEC (since 1994). She is also in charge of the Property Economics course at the ENPC. She began her career teaching economics at the Ecole Centrale de Lille (1989-1994). She has written several books: *Les bureaux, analyse d'une crise* (Analysis of the office space crisis, ADEF, 1997), *Management et Marketing de l'Immobilier* (Property management and marketing, Dunod, 1999), *Les mutations de l'immobilier: de la Finance au Développement durable* (Transformation of the property market: from finance to sustainable development, Autremont, 2009) and *Immobilier d'entreprise : analyse économique des marchés* (Business property: economic analysis of the markets, Economica, 2010, 2013). She has also written articles and columns for various academic and business reviews covering the property market. She was given a mandate under the 2013-2014 French sustainable building plan to co-lead a working party on energy refurbishment and the construction sector. She is a member of several scientific committees. Ingrid Nappi-Choulet is a Fellow of the RICS (Royal Institution of Chartered Surveyors) and is also the founder and manager of the OMI (property management observatory).

Main executive functions :

Professor and Researcher

Other offices held during the past five years:

Director of ADI - French association of property directors.

◆ **M. Michel Savart**

Born on April 1, 1962, 52 years old

Number of Mercialis shares held : 500

It is proposed his renewal as Board Member.

Biography

Michel Savart is a graduate of École Polytechnique and École Nationale Supérieure des Mines de Paris. He started his career with Havas in 1986, then moved to Banque Louis Dreyfus in 1987 where he led various projects. Between 1988 and 1994 he managed projects for Banque Arjil (Lagardère group) and advised the bank's Management Board. From 1995 to 1999 he served as Managing Director of Mergers & Acquisitions for Dresdner Kleinwort Benson (DKB). In October 1999 Mr. Savart joined Euris-Rallye as Head of Private Equity Investments and Advisor to the Chairman. He currently holds the position of Advisor to the Chairman of the Rallye-Casino group. Since August 2009, he has also been Chairman and Chief Executive Officer of Foncière Euris.

Main executive functions :

- Advisor to the Chairman of the Rallye-Casino group ;
- Chairman and Chief Executive Officer of Foncière Euris (*listed company*)

Other offices held in 2013 and still in effect at February 12, 2014

◆ **Within the Mercialis Group :** None

◆ **Outside the Mercialis Group :**

◆ **Within the Euris group**

- Board Member of CDiscount
- Permanent representative of Rallye on the Board of Directors of Groupe Go Sport (*listed company*)
- Permanent representative of Finatis on the Board of

Directors of Casino, Guichard-Perrachon (listed company) -

- Representative of Foncière Euris, Chairman of Marigny-Belfort, Marigny Foncière and Matignon Abbeville
- Representative of Marigny Foncière, Chairman of Mat-Bel 2
- Representative of Marigny Foncière, Co-Manager of SCI Les Deux Lions and SCI Ruban Bleu Saint-Nazaire and Manager of SCI Pont de Grenelle and SNC Centre Commercial Porte de Châtillon
- Representative of Matignon Abbeville, Manager of Centrum K Sarl, Centrum J Sarl and Centrum Z Sarl, and Manager of Centrum NS Luxembourg Sarl
- Co-Manager of Einkaufszentrum am Alex GmbH, Guttenbergstrasse BAB5 GmbH and Loop 5 Shopping Centre GmbH

◆ **Outside the Euris Group**

- Manager of Montmorency and EURL Aubriot Investissements

Other offices held during the past five years (In addition to those listed above):

- Board Member of Groupe Go Sport
- Permanent representative of Parande on the Board of Directors of Matussière et Forest SA
- Representative of Foncière Euris, Chairman of Marigny Expansion, Marigny Elysées, Matignon-Bail and Matignon Corbeil Centre
- Representative of Foncière Euris, Manager of SNC Alta Marigny Carré de Soie
- Representative of Foncière Euris, Manager of SCI Sofaret* and SCI Les Herbiers*
- Representative of Matignon Abbeville, Chairman of MatBel I 2
- Representative of Marigny Elysées, Co-Manager of SCCV des Jardins de Seine 1, SCCV des Jardins de Seine 2 and SNC Centre Commercial du Grand Argenteuil
- Representative of Marigny Foncière, Co-Manager of SCI Palais des Marchands
- Co-Manager of Alexa Holding GmbH, Alexa Shopping Centre GmbH, HBF Königswall GmbH and Alexanderplatz Voltairestrasse GmbH

* Offices that expired in 2013

◆ **Casino Guichard-Perrachon company**

French corporation with share capital of Euro 173,051,921.43
Address of head office: 1, Esplanade de France – 42000 Saint-Etienne
Trade and Companies Register number: 554 501 171 RCS Saint-Etienne

Number of Mercialys shares held: 26 452

It is proposed renewal as Board Member

Other offices held in 2013 and still in effect at February 12, 2014

◆ **Within the Mercialys Group** : None

◆ **Outside the Mercialys Group** :

◆ **Within the Casino Group**

- Board Member of Intexa (listed company), Banque du Groupe Casino, Proxipierre (SPPICAV), Ségisor and Tevir.
- Member of the Supervisory Board of Monoprix
- Chairman of Investeur 103

◆ **Outside the Casino Group**

- Board member of Loire Télé SA.

Other offices held during the past five years (In addition to those listed above) :

- Chairman of IGC Promotion, Théiadis, Capédis, La Forézienne de Participations, Casino Entreprise, Casino Services, Lannilis Distribution, Casino Information Technology, Casino International, E.M.C. Distribution, Easydis, GreenYellow, L'Immobilière Groupe Casino, Patanoc, Société de courtage d'assurances du Forez - SCAF, Sodemad, Distribution Casino France and Nesitic
- Managing Partner of Comacas, Casino Développement, Campus Casino, Messidor SNC, Samoth, Thor and Zinoka
- Member of the Supervisory Board of Geimex
- Board member of Ségisor, Sémalp, Monoprix SA* and Codim 2
- Board member of Loire Télé SAEML*

* Offices that expired in 2013

◆ **Generali Vie company**

French corporation with share capital of Euro 299,197,104
Address of head office: 11, boulevard Haussmann, 75009 Paris

Number of Mercialys shares held: 4 989 571

Trade and Companies Register number: 602 062 481 RCS Paris

It is proposed the ratification of his appointment as non-voting director and Board member

Other offices held in 2013 and still in effect at February 12, 2014

◆ **Within the Mercialis Group** : None

◆ **Outside the Mercialis Group:**

◆ ***Within the Generali France group***

- Board member of Europ Assistance Holding, Expert et Finances, Generali Iard and Generali Luxembourg;
- Member of the Supervisory Board of SCPI Generali Habitat

◆ ***Outside the Generali France group***

- Board member of Foncière Développement Logements (*isted company*) and SICAV Objectif Selection ;
- Member of the Supervisory Board of Foncière de Paris SIIC (*listed company*), SCPI Foncia Pierre Rendement and SCPI Rocher Pierre 1;

Othe offices held during the past five years (In addition to those listed above):

- Board member of Eurosic, Foncière de Paris SIIC, Generali Actions Plus, Generali Euro sept/dix ans, Generali Gérance, Generali Investissement, Generali Investissement France, Generali Tresorerie, GTA du Val d'Oise, SAI Les trois collines de Mougins, SICAV Eparc Continent, SICAV Fairview Small Caps, SICAV Generali Actions diversifies, SICAV Palatine Meditteranea and SICA Reconnaissance Europe ;
- Member of the Supervisory Board of Foncière des régions

BRIEF STATEMENT ON THE SITUATION OF THE COMPANY DURING 2013

◆ KEY FIGURES

<i>In millions of euros</i>	12/2013	12/2012¹	% variation
Rental Income	148,9	159,7	- 6,8 %
Net Rental Income	139,4	150,7	- 7,5 %
Operating profit	153,8	169,6	- 9,3 %
Net income, Group Share	123,4	143,5	- 14,0 %
Funds From Operations (FFO)	96,2	108,7	- 11,5 %
Cash-Flow	97,7	113,7	- 14,1 %

◆ 2013 : A YEAR DEMONSTRATING THE SOLIDITY AND RELEVANCE OF MERCIALYS' BUSINESS MODEL

Real estate companies specializing in shopping centers were subject to a complex economic climate in 2013. Within the sector, neighborhood shopping centers - the segment in which Mercialis has the strongest presence - were most resilient. Against this backdrop, thanks in particular to its diversified portfolio and the growing attractiveness of the *L'Esprit Voisin* concept, Mercialis was able to deliver a relatively robust performance. The drop in footfall at its large shopping centers remained contained at -0.9% compared with -1.7% for the CNCC panel. Retailers at Mercialis' shopping centers also held up well in terms of sales, with growth of +0.4% in 2013 relative to 2012 compared with a fall of -1.3% in sales for retailers at neighborhood shopping centers in France.

2013 rental revenues were supported by organic growth and completions of *L'Esprit Voisin* development projects.

Mercialys again achieved strong organic growth in rental income of +3.7%, including 1.7 points above indexation, above the target of +1.5 points set by management at the start of 2013.

This solid performance attests to the solidity of the company's business model and the priority given to creating

value by its teams, who have played an extremely active role and who are close to the client.

The ratio of margin to EBITDA also remained at a high level of 85%, above the target of 84% set at the beginning of the year.

2013 funds from operations (FFO) per share adjusted for the effects relating to asset sales carried out in 2012 and 2013 increased by +4.4%.

Lastly, Mercialis' key management indicators show that the economic climate continued to have a limited impact on its tenants, highlighting the resilience of its portfolio.

The implementation of *L'Esprit Voisin* development projects continued at a robust rate in 2013.

Following the 26 projects already completed in 2010, 2011 and 2012, 12 projects were launched in 2013, representing 120 new shops and a rental value of Euro 8.6 million over the full year, with 29,600 m² of newly created, redeveloped and/or renovated space (GLA).

These developments have helped Mercialis to make its shopping centers more attractive and diversify its offering, with the addition of new retailers and new concepts in 2013.

◆ COMPLETIONS UNDER THE *L'ESPRIT VOISIN* PROGRAM

The *L'Esprit Voisin* program concerns the expansion and redevelopment of Mercialis' shopping center portfolio. It is about putting the Company's shopping centers in harmony with the spirit of the Group and its culture of proximity by developing the *L'Esprit Voisin* theme, seizing all opportunities for architectural value creation (renovations, redevelopment, and extensions).

The project entered its active phase in 2008 with the completion of the first developments.

In 2010, 2011 and 2012, the *L'Esprit Voisin* program entered an intensive phase with 26 completions over three years (seven in 2010, eleven in 2011 and eight in 2012).

The implementation of *L'Esprit Voisin* development projects continued in 2013. These development projects help to make shopping centers more attractive and create a more diversified offering, with the inclusion of new retailers in 2013 such as Timberland, Calzedonia, Calvin Klein Jeans, Apple Premium, Virgin Mobile, Du Bruit dans la Cuisine, Linvosges, Tamaris and Héma.

Following the completion during the first half of 2013 of four mid-size stores at the Ste Marie site in La Réunion, the Clermont-Ferrand shopping center benefited from the opening of an H&M extension in October 2013.

Six secured projects were also acquired in December 2013: Albertville (creation of a retail park and redevelopment of the existing cafeteria, due to open in February 2014), Lanester (extension of the shopping mall, due to open in April 2014), Aix en Provence (extension of the shopping mall, with the first phase due to open in May 2013 followed by a second phase in March 2015), Clermont-Ferrand (extension of the shopping mall, due to open in November 2014), Besançon (extension of the shopping mall, due to open in November 2014), and St Paul in La Réunion (extension of the shopping mall, due to open in November 2014).

¹Mercialys pre-empted the implementation of IFRS 10, 11 and 12 for the year ended December 31, 2013. Jointly controlled subsidiaries (namely SCI Geipolsheim and Corin Asset Management), previously proportionally consolidated, were qualified as associated companies according IFRS 11 definition and have therefore been consolidated under the equity method. Consequently, the 2011 and 2012 figures have been adjusted to provide comparable information.

These projects have obtained authorization free of any claims and benefit from a high average letting rate of 81% as at January 31, 2014. They represent a total investment of Euro 79 million for Mercialys, Euro 49 million of which was paid in December 2013 for the acquisition of land and existing assets. The extension and redevelopment works to come were subject to property development agreements. Based on the short-term leases subscribed, Mercialys receives immediate rental flows at an average yield of 6.4%.

Works have also begun at the Annemasse site (extension of the Décathlon mid-size store, due to open in November

2014) and Angers (redevelopment of the shell of the former But store as new shops, due to open in November 2014). Lastly, works are due to begin in early 2014 at the Albertville site (shopping mall extension) and the Nîmes site (redevelopment of the shell of the former Boulanger store as new shops), also due for completion in November 2014.

In total, these developments represent 120 new stores, a rental value of Euro 8.6 million over the full year and a GLA of 29,600 m² of newly created or redeveloped space.

◆ ASSET SALES

Mercialys sold Euro 232 million of assets in 2013, thereby finalizing the program of asset sales initiated in 2012

In total, the asset sales carried out in 2012 and 2013 concerned 21 shopping centers and 20 standalone lots (service mall, cafeterias, offices), as well as the extension carried out at the Bordeaux-Pessac shopping center, sold on an off-plan basis to the fund set up with Union Investment.

The average investor yield for these asset sales was 6.2%, above the appraisal values.

This process of refocusing the portfolio, coupled with the implementation of the *L'Esprit Voisin* program, has significantly transformed Mercialys' property portfolio and helped to boost its momentum. The average size of properties has increased.

Type of property	Number of assets at 12/31/2013	Appraisal value at 12/31/2013 inc. TT		Gross leasable area at 12/31/2013		Appraised net rental income	
		(en M€)	(%)	(m ²)	(%)	(en M€)	(%)
Large regional shopping centers	25	1 817,0	74%	365 800	62%	99,7	69%
Neighborhood shopping centers	36	564,0	23%	181 600	31%	37,8	26%
Sub-total shopping centers	61	2 381,0	97%	547 400	93%	137,5	96%
Other sites ⁽¹⁾	30	83,9	3%	40 900	7%	6,4	4%
Total	91	2 464,9	100%	588 300	100%	143,9	100%

¹ Large food stores, large specialty stores, independent cafeterias, other (service malls, convenience stores)

NB: Large food stores: gross leasable area of over 750 m²

Large specialty stores: gross leasable area of over 750 m²

Mercialys company

In millions of euros	2013*	2012*
Rental Revenues	126,1	136,8
Net Income	146,0	129,1

(*) Statutory financial statements

Mercialys SA, the parent company of the Mercialys Group, is a real estate company that has opted for the Sociétés d'Investissements Immobiliers Cotées (SIIC - Real Estate Investment Trust) tax regime. It owns 86 of the 91 retail properties owned by the Mercialys Group and holdings in:

- real estate company owning five retail properties: Brest, Caserne de Bonne, Istres, Narbonne, Pau Lons and five extensions at existing sites: Annecy, Castres, Le Puy, Ste Marie and Fréjus, and one property under development at an existing site: Albertville;
- two management companies: Mercialys Gestion and Corin Asset Management ;

- two companies owning assets in development at Valence and Aix-en-Provence;
- rights in funds created in partnership with Union Investment (2011) and Amundi Immobilier (2013).

Mercialys SA's revenues consist primarily of rental revenues from properties and its equity investments and subsidiaries, as well as interest earned on the Company's cash, to a marginal extent.

◆ SUBSEQUENT EVENTS

There have been no significant events subsequent to the balance sheet date.

FIVE YEAR'S SUMMARY OF RESULTS

	Dec-13	Dec-12	Dec-11	Dec-10	Dec-09
Financial position at year-end					
Share Capital (<i>in thousands of euros</i>)	92,049.2	92,022.8	92,022.8	92,000.7	91,968.5
Number of shares outstanding	92,049,169	92,022,826	92,022,826	92,000,788	91,968,488
Comprehensive income (in thousands of euros)					
Revenue exclusive of VAT	128,227.0	138,609.7	141,346.7	139,027.3	127,652.3
Income before tax, employee profit-sharing, depreciation, amortization and provisions	172,743.1	153,419.1	168,816.4	150,711.9	110,850.9
Income tax	-235.	3,790.2	967.9	-1.8	-2.2
Employee profit-sharing	14.7	35.3	44.5	18.2	14.2
Income after tax, employee profit-sharing, depreciation, amortization and provisions	145,997.1	129,092.0	141,928.7	125,528.0	88,811.1
Dividend payment to shareholders, total	106,777.0	83,740.8	111,347.6	115,921.0	91,968.5
Comprehensive income on a per-share (in euros)					
Income after tax and employee profit-sharing but before, depreciation, amortization and provisions	1.88	1.63	1.8	1.6	1.2
Income after tax, employee profit-sharing, depreciation, Amortization and provisions	1.6	1.4	1.5	1.4	1.0
Dividend paid per-share	1.16	0.91	1.21	1.26	1.00
Workforce					
Numbers of employee (<i>full-time equivalent</i>)	40.2	40.2	33.7	22.4	8.5
Payroll (<i>in thousands of euros</i>)	3,582.9	3,781.2	3,469.5	2,380.8	1,435.0
Amount paid for employee benefits, social security, and employee community benefits (<i>in thousands of euros</i>)	1,670.5	1,644.7	1,417.8	941.6	557.2

REQUEST TO SEND DOCUMENTS AND INFORMATION



ORDINARY GENERAL MEETING of April, 30, 2014

Name :

Complete address:

Postal code: City:

E-mail:@.....

Owner of : Mercialys registered shares

..... Mercialys Bearer shares

Request to benefit from the provisions of Article R.225-88 of the French Commercial Code and to receive the documents and information provided in Article R.225-83 of such a Code of concerning the **General Meeting on April 30, 2014.**

I prefer that these documents be sent to me *(by default, electronic distribution via e-mail)* :

☐ by e-mail

☐ by post

All documents and information are also available on the web site of the Company Mercialys: www.mercialys.fr, under the section « Finance / shareholders / General Meetings ».

Signed in, on2014

(Signature)

To be returned to

BNP Paribas Securities Services - CTS Assemblées Générales
Grands Moulins de Pantin, 9 rue du Débarcadère - 93761 PANTIN Cedex

Attaching, if you are the owner of bear shares, the shareholding certificate delivered by the depositary of your shares.

