MERCIALYS

PRESS RELEASE
Paris, July 24, 2024

2024 first-half results aligned with the long-term upward trend

- **+3.0% growth in net recurrent earnings (NRE) per share**, with this trend **higher than the full-year target of at least +2.0%**.
- **Finalization of the transfer of hypermarket operations from Casino to Auchan, Intermarché and Carrefour in progress.** Banner changes recognized with excellent footfall performance levels when the stores reopened.
- Invoiced rents up **+4.1% like-for-like**.
- **Positive operational trends:** clear outperformance for Mercialys centers in terms of footfall (+70bp versus the national index at end-June) and retailer sales (+170bp versus the national index at end-May). **This success, established over the long run,** reflects Mercialys' objective to shape its sites to cater to the needs of peri-urban populations: offering retailers that are affordable and meet a demand for "spending better" and more sustainably among consumers who still want shopping for pleasure, while adapting to inflation.
- **Moderate current financial vacancy rate of 3.0%** highlighting the effectiveness of Mercialys' rental policy, the relevant positioning of its sites and the underlying resilience of consumption segments in France and particularly health / beauty and culture / gifts / sport.
- **+0.4% upturn in the like-for-like portfolio value** for the first half of 2024, factoring in the favorable impact of the increase in rents and reflecting an average appraisal rate of 6.68%.
- **Continued portfolio rotation, demonstrating the liquidity of the assets:** disposal of four hypermarkets that were 51% owned by Mercialys and operated by Auchan, as well as ancillary lots owned by Mercialys, for a total **net sales price of Euro 117.5 million** on a 100% basis. This operation, completed in July 2024, contributes to the Company's balanced rental mix, while supporting its potential for investment.
- **LTV including transfer taxes** of **36.9%** at June 30, 2024 factoring in the disposal of the four hypermarkets. The **average cost of drawn debt** remains under control at **2.2%**. The Company does not have any debt installments due before February 2026, with the exception of a limited amount of commercial paper for Euro 42 million. Supported by a solid balance sheet, the Company will be able to position itself on operations for investments or acquisitions either directly or through partnerships.
- **2024 objectives confirmed:** NRE per share growth to reach at least +2.0% versus 2023. Dividend to range from 75% to 95% of 2024 NRE.

	Jun 30, 2023	Jun 30, 2024	Change (%)
Organic growth in invoiced rents including indexation	+4.2%	+4.1%	-
EBITDA (€m)	72.3	76.1	+5.2%
EBITDA margin	82.0%	83.1%	-
Net recurrent earnings (NRE) (€m)	**57.5**	**59.3**	**+3.3%**
ICR (EBITDA / net finance costs)	5.2x	5.5x	-
LTV (excluding transfer taxes)	38.6%	39.4%[1]	-
LTV (including transfer taxes)	36.1%	36.9%[1]	-
Portfolio value including transfer taxes (€m)	2,987.0	2,879.4	-3.4% [2] (H1 +0.3%)
EPRA NTA (€/share)	16.99	15.85	-6.7% (H1 -2.7%)

[1] Proforma for the sale of four hypermarkets in July 2024
[2] Like-for-like change

I. Mercialys, the leading REIT for accessible retail: meeting a demand for "shopping for pleasure" combined with price constraints

72% of Mercialys' shopping centers are positioned in out-of-town areas, which are home to 44%[3] of the French population. Since 2005, the Company has recalibrated its portfolio to keep the assets with leading positions in their catchment areas, located around mid-size cities with the best demographic and purchasing power trends.

While the latest economic cycles since the Company was founded in 2005 have been marked by various determining factors, one pivotal element has become established as a permanent feature: price-consciousness among consumers. This focus has been particularly strong since inflation picked up again in 2022.

Alongside this, another constant feature of consumer behavior is the concept of "shopping for pleasure": going shopping is still a source of satisfaction. **This need to accumulate goods** is illustrated by the fact that 71%[4] of respondents said that they enjoy making purchases either systematically, often or occasionally (compared with 66% in March 2022).

Caught between this desire to consume and the need to control their spending, with 41% of households saying that they base their decisions primarily on their purchasing power[5], shopping center visitors are adapting. Firstly, their preferred retailers include brands with a very clear price positioning: Action, Décathlon and Leroy Merlin are respectively the top three preferred retailers among French consumers[5]. Secondly, they are adapting their behavior, as indicated by 85%[5] of households looking for promotional offers or switching to less expensive items.

This price-consciousness is also having an **impact on French aspirations to consume in a better way**. While 95%[6] of French people would like to consume more responsibly, only 13% say that they have actually changed their habits to move in this direction, primarily due to their financial constraints. Faced with this dilemma, consumers would like brands to adopt better practices on sustainable development issues: for instance, 27%[5] of French people say that they base their decisions primarily on CSR issues.

Lastly, French people's concerns about their purchasing power are also marking the political context: ahead of the legislative elections, 58% of the people surveyed said that purchasing power was a decisive factor behind their votes[7].

Within this paradigm, **Mercialys aims to continually adapt its retail mix and establish itself as the real estate market leader for affordable retail** across all consumption segments. Illustrating this trend, the opening of the Action store in Aix-en-Provence led to a +29% increase in footfall for this center from December 2023 to June 2024; the inauguration of the Normal store in Annecy is reflected in a +26% increase in this site's footfall since May 2024; lastly, 4,200 visits over two days highlight the success of the operations carried out with the low-price brands Plantes Pour Tous and Le Goût des Plantes at the Grenoble and Toulouse sites.

Lastly, the takeover of hypermarkets previously operated by the Casino group by Intermarché, Carrefour and Auchan (ranking 2nd, 4th and 8th respectively in the top 100 leading retail brands in France[8]) fully supports this offering of affordable local services. Hypermarkets play a key role in limiting the impact of food costs on household budgets, thanks in particular to their own private labels.

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[3] INSEE in La Ville au miroir des microcosmes (R. Oudghiri)
[4] Opinionway survey for Bonial (June 2024)
[5] Annual study of France's favorite retailers – EY Parthenon 2024
[6] Kantar Insight
[7] Elabe survey published on June 26, 2024
[8] Top 100 LSA list of leading retail brands in France in 2023

II. Finalization of hypermarket takeovers in progress: enhanced sites' attractiveness and risk profile for Mercialys

The changes to the hypermarket banners anchoring Mercialys' shopping centers, which began in the fourth quarter of 2023, were successfully completed during the first half of 2024.

On June 22, 2024, the Casino group indicated that it had signed a unilateral preliminary purchase agreement concerning the sale of the subsidiary operating its activities in **Corsica**, including the stores owned by Mercialys, with Auchan Retail France and the Rocca group. The completion of this operation remains subject to various administrative procedures, including approval from the competition authorities.

On July 2, 2024, Mercialys announced the **disposal of four hypermarkets** in which it had a 51% interest, with the remaining 49% owned by a fund managed by BNP Paribas REIM, as well as ancillary lots belonging to the Company, for a total net sales price of Euro 117.5 million. These hypermarkets were operated by **Auchan**.

Thus, at end-June 2024, proforma for the sale of business operations to Auchan in Corsica and the disposal of the four hypermarkets, Mercialys' rental exposure[9] shows a weighting of 15.9% for large food stores, representing a **foundation of revenues indexed against a recurrent consumption segment** making a positive contribution to the Company's risk profile. This risk profile also benefits from **limited exposure** of around 5% of economic rental income to the individual retailers making the biggest contributions, i.e. Intermarché and Auchan. This breakdown could see minor changes depending on the decisions taken by the competition authorities.

Retailer – mass food retail	Ranking – main retailers in France [8]	Dec 31, 2023 % of rental revenues (economic vision)	Jun 30, 2024 % of rental revenues (economic vision)	Jun 30, 2024 % of rental revenues (economic vision - proforma)
Intermarché	2nd	0.7%	5.4%	5.6%
Auchan	8th	0.0%	4.3%	5.1%
Carrefour Hypermarchés	4th	0.0%	2.1%	2.1%
Monoprix	14th	1.5%	1.6%	1.6%
Casino Hypermarchés	34th	15.3%	4.7%	1.2%
Aldi	11th	0.2%	0.2%	0.2%
Lidl	6th	0.1%	0.1%	0.1%
TOTAL		**17.8%**	**18.4%**	**15.9%**

These new food anchors will consolidate the overall strong positioning of Mercialys' sites in their catchment areas and could generate interest from non-food retailers looking for new locations. Through the footfall generated, they will also help improve the outlook for Mercialys' Casual Leasing business. Lastly, the Company will hold discussions with the operators to explore the possibility of reducing the size of their hypermarkets to further strengthen the sites by creating mid-size stores and achieving rental reversion.

[9] Consolidated rental income adjusted (i) downwards for the 49% minority interest held by BNP Paribas REIM in SAS Hyperthetis Participations and SAS Immosiris, which together own a total of six hypermarkets following the sale completed in July 2024, and (ii) upwards for Mercialys' 25% minority interest in SCI AMR, which owns three Monoprix stores and two hypermarkets

III. Operational performance reflecting a solid retail sector in France

For the year to end-June 2024, footfall[10] at Mercialys shopping centers is up +2.0%, outperforming the Quantaflow national index (+1.3%) by +70bp.

This excellent trend is particularly satisfactory considering the number of disruptive factors that affected footfall during the first half of 2024: the attrition affecting supplies for the hypermarkets operated by Casino prior to the transfer of business operations, the organization of liquidation sales, and the subsequent closure of these hypermarkets for two to three weeks.

The opening of these stores under their new banners, primarily in May and June 2024, was recognized with strong footfall levels, driven specifically by the proactive price reduction policies applied by the three retailers, as well as their more attractive and well-stocked supplies.

The following table illustrates, through a few examples, the new dynamics for hypermarkets:

Sites	New food retailer	Change in hypermarket footfall between their reopening date and June 30, 2024
Fréjus	Auchan	+31.5%
Istres	Auchan	+38.4%
Lanester	Carrefour	+13.9%
Narbonne	Auchan	+35.2%
Quimper	Intermarché	+36.4%
Annecy	Auchan	+50.6%
Marseille La Valentine	Auchan	+36.1%
Saint Etienne	Auchan	+25.8%

Alongside this, for the year to end-May 2024, retailer sales in the Company's shopping centers saw +3.4% growth, outpacing the FACT national index's +1.7% increase by 170bp.

The **occupancy cost ratio**[11] shows a very sustainable level of 10.9% at end-June 2024, slightly higher than December 31, 2023 (10.7%), linked to the impact of indexation on rents, and identical to the level from June 30, 2023 (10.9%).

The **current financial vacancy rate**[12] - which excludes strategic vacancies following decisions to facilitate the deployment of extension and redevelopment plans - came to 3.0% for the first half of 2024, showing an improvement compared with end-June 2023 (3.3%) and virtually stable in relation to December 31, 2023 (2.9%).

The first half of 2024 saw a sustained level of lettings activity, contributing to this limited vacancy rate. Against a backdrop of sustained indexation, the reversion rate on renewals and relettings came to -0.2%. This rate does not take into account the reletting of a mid-size unit, previously leased to H&M, in Marseille La Valentine to Intersport, which had an impact of -2.7%. This operation contributes to this shopping center's repositioning around sport, further strengthening the selection of retailers available in this segment, which already includes Sport 2000, the official Olympique de Marseille football club store, Foot Locker and Courir.

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[10] Mercialys' large centers and main convenience shopping centers based on a constant surface area, representing around 80% of the value of the Company's shopping centers

[11] Ratio between rent, charges (included marketing funds) and invoiced work (including tax) paid by retailers and their sales revenue (including tax), excluding large food stores

[12] The occupancy rate, as with Mercialys' vacancy rate, does not include agreements relating to the Casual Leasing business.

In the consumption environment described above, the beauty / health and culture / gifts / sports sectors continue to be particularly buoyant, once again thanks to the momentum generated by affordable retailers in particular.
Mercialys has continued to adapt its retail mix in line with these underlying trends, illustrated by the relettings secured during the first half of this year. Out of the 40 transactions completed during this period, sectors covering discretionary spending - personal items and household equipment - accounted for 12 of the leases signed (30%), compared with 28 for day-to-day retailers (70%). 50% of the retail mix prior to these relettings was made up of discretionary spending-related retailers, with a 20% reduction in the weighting for these segments.

IV. Half-year results in line with the Company's steady long-term growth trajectory

Invoiced rents climbed to Euro 91.4 million, up +4.0% on a current basis. **Organic growth** [13] in rental income came to **+4.1%** for the first half of 2024, benefiting from a still sustained indexation effect of +4.4% and the contribution by variable rents for +0.2%.

	Year to end-June 2023		Year to end-June 2024	
Indexation	+3.8 pp	+€3.2m	+4.4 pp	+€3.9m
Contribution by Casual Leasing	-0.2 pp	-€0.2m	-0.2 pp	-€0.1m
Contribution by variable rents	+1.7 pp	+€1.4m	+0.2 pp	+€0.2m
Actions carried out on the portfolio	-1.5 pp	-€1.3m	-0.5 pp	-€0.4m
Accounting impact of "Covid-19 rent relief" granted to retailers	+0.5 pp	+€0.4m	+0.1 pp	+€0.1m
Like-for-like growth	**+4.2 pp**	**+€3.6m**	**+4.1 pp**	**+€3.6m**
Asset acquisition and sales	-2.0 pp	-€1.7m	0.0 pp	€0.0m
Other effects	-0.1 pp	-€0.1m	-0.1 pp	-€0.1m
Growth on a current basis	**+2.1 pp**	**+€1.8m**	**+4.0 pp**	**+€3.5m**

Rental revenues came to Euro 91.6 million, up +3.9% from the first half of 2023, reflecting the changes in invoiced rents and the contraction in lease rights and despecialization indemnities.

Net rental income is up +5.9% to Euro 87.4 million, reflecting the growth in rental revenues and the good control over the ratio of non-recovered service charges.

EBITDA came to Euro 76.1 million, up +5.2% from June 30, 2023. The EBITDA margin represents 83.1% (vs. 82.0% at June 30, 2023 and 83.9% at December 31, 2023).

The **net financial expenses** used to calculate net recurrent earnings[14] totaled Euro -14.4 million at June 30, 2024, compared with Euro -13.7 million at end-June 2023. This limited increase takes into account the fixed/floating rate products extinguished, while the higher cost of commercial paper is more than offset by the proceeds from cash investments. As a result, the **real average cost of drawn debt** remained under control at 2.2% for the first half of 2024, down -10bp from end-December 2023 and up +10bp over 12 months (2.1% at end-June 2023).

Other operating income and expenses (excluding capital gains or losses on disposals and impairment) represent Euro 1.2 million of income (versus Euro 3.4 million of net income for the first half of 2023), linked primarily to the impact of the net reversals of provisions.

[13] Assets enter the like-for-like scope used to calculate organic growth after being held for 12 months
[14] NRE: Net recurrent earnings = Net income attributable to owners of the parent before amortization, gains or losses on disposals net of associated fees, any asset impairment and other non-recurring effects

Tax represents a Euro -0.2 million expense at end-June 2024, compared with Euro -0.3 million for the first half of 2023. This amount corresponds primarily to a CVAE corporate value-added tax expense.

The **share of net income from associates and joint ventures** (excluding capital gains or losses, amortization and impairment) totaled Euro 1.7 million at June 30, 2024, down -3.8% from June 30, 2023, linked in particular to the change in financing conditions for the SCI AMR scope, offsetting the positive impact of indexation on rental income for these companies.

Non-controlling interests (excluding capital gains or losses, amortization and impairment) came to Euro -5.7 million at June 30, 2024, compared with Euro -5.4 million for the first half of 2023.

In view of these items, **net recurrent earnings (NRE [14])** are up +3.3% from June 30, 2023 to Euro 59.3 million, with a +3.0% increase to Euro 0.63 per share [15].

(In thousands of euros)	Jun 30, 2023	Jun 30, 2024	Change (%)
Invoiced rents	**87,910**	**91,385**	**+4.0%**
Lease rights and despecialization indemnities	254	175	-31.0%
Rental revenues	**88,164**	**91,560**	**+3.9%**
Non-recovered building service charges and property taxes and other net property operating expenses	-5,599	-4,152	-25.8%
Net rental income	**82,564**	**87,408**	**+5.9%**
Management, administrative and other activities income	1,412	1,526	+8.1%
Other income and expenses	-1,904	-3,380	+77.5%
Personnel expenses	-9,789	-9,496	-3.0%
EBITDA	**72,284**	**76,059**	**+5.2%**
EBITDA margin (% of rental revenues)	*82.0%*	*83.1%*	-
Net financial items (excluding non-recurring items [16])	-13,698	-14,441	+5.4%
Reversals of / (Allowances for) provisions	-658	761	na
Other operating income and expenses (excluding capital gains or losses on disposals and impairment)	3,396	1,152	-66.1%
Tax expense	-265	-203	-23.6%
Share of net income from associates and joint ventures (excluding capital gains or losses on disposals, amortization and impairment)	1,799	1,730	-3.8%
Non-controlling interests (excluding capital gains or losses on disposals, amortization and impairment)	-5,404	-5,737	+6.2%
Net recurrent earnings (NRE)	**57,453**	**59,322**	**+3.3%**
Net recurrent earnings (NRE) per share [15] (in euros)	***0.62***	***0.63***	***+3.0%***

[15] Calculated based on the average undiluted number of shares (basic), i.e. 93,483,692 shares
[16] Impact of hedging ineffectiveness, banking default risk, premiums, non-recurring amortization and costs relating to bond redemptions, proceeds and costs from unwinding hedging operations

V. Slight upturn in the portfolio value and financial structure supporting a resumption of investments

At end-June 2024, Mercialys' portfolio mainly comprised 47 shopping centers [17], with an average size of 16,220 sq.m and average value of Euro 61.0 million.

Mercialys' **portfolio value** came to Euro 2,879.4 million including transfer taxes, up +0.3% like-for-like over the first half of 2024. The appraisal value excluding transfer taxes is up +0.4% like-for-like, with the positive impact of rental income (+2.3%) offsetting the impact of a slight increase in rates.

	Appraisal value at Jun 30, 2024	Current basis		Like-for-like [18]	
		Change over last 6 months	Change over last 12 months	Change over last 6 months	Change over last 12 months
Value excluding transfer taxes	2,700.0	+0.3%	-3.6%	**+0.4%**	-3.4%
Value including transfer taxes	2,879.4	+0.3%	-3.6%	**+0.3%**	-3.4%

The **average appraisal yield rate** was 6.68% at June 30, 2024, showing a limited increase of +7bp compared with end-December 2023 (6.61%) and up +47bp from June 30, 2023 (6.21%). This average rate shows a positive yield spread of over 340bp compared with the risk-free rate (10-year OAT) at end-June.

The **EPRA net asset value** indicators are as follows:

	EPRA NRV			EPRA NTA			EPRA NDV		
	Jun 30, 2023	**Dec 31, 2023**	**Jun 30, 2024**	**Jun 30, 2023**	**Dec 31, 2023**	**Jun 30, 2024**	**Jun 30, 2023**	**Dec 31, 2023**	**Jun 30, 2024**
€/share	19.03	18.25	17.80	16.99	16.29	15.85	18.80	17.10	16.53
Change over 6 months	-7.4%	-4.1%	-2.5%	-7.8%	-4.1%	-2.7%	-10.2%	-9.1%	-3.3%
Change over 12 months	-6.5%	-11.2%	-6.5%	-6.9%	-11.6%	-6.7%	-4.3%	-18.4%	-12.0%

EPRA NDV (Net Disposal Value) down -3.3% over six months to Euro 16.53.

The Euro -0.57 per share change for the first half of this year takes into account the following impacts:
- Dividend payment: Euro -0.99;
- Net recurrent earnings: Euro +0.63;
- Change in unrealized capital gains[19]: Euro -0.04, including a yield effect for Euro -0.57, a rent effect for Euro +0.67 and other effects[20] for Euro -0.14;
- Change in fair value of fixed-rate debt: Euro -0.13;
- Change in fair value of derivatives and other items: Euro -0.04.

Alongside this, Mercialys continues to benefit from a very solid financial structure, with an **LTV ratio excluding transfer taxes**[21] of 40.0% at June 30, 2024 (compared with 38.9% at December 31, 2023 and 38.6% at June 30, 2023) and an **LTV ratio including transfer taxes** of 37.4% (versus 36.4% at December 31, 2023 and 36.1% at June 30, 2023). Proforma for the sale of the hypermarkets as presented above, the LTV

[17] Added to these are two geographically dispersed assets with a total appraisal value including transfer taxes of Euro 12.9 million.
[18] Sites on a constant scope and a constant surface area basis
[19] Difference between the net book value of assets on the balance sheet and their appraisal value excluding transfer taxes
[20] Including impact of revaluation of assets outside of organic scope, equity associates, maintenance capex and capital gains or losses on asset disposals
[21] LTV (Loan To Value): Net financial debt / (market value of the portfolio excluding transfer taxes + market value of investments in associates for Euro 44.3 million at June 30, 2024, Euro 45.1 million at December 31, 2023 and Euro 48.3 million at June 30, 2023, since the value of the portfolio held by associates is not included in the appraisal value)

excluding transfer taxes would come to 39.4%, while the ratio including transfer taxes would come to 36.9%.

The **ICR** was 5.5x [22] at June 30, 2024, compared with 5.1x at December 31, 2023 and 5.2x at June 30, 2023.

No drawn financing lines are due to mature before February 2026, with the exception of Euro 42 million of commercial paper (out of a total program with Euro 500 million to potentially be used). Mercialys also has Euro 385 million of **undrawn financial resources**, enabling it to benefit from a very satisfactory level of liquidity. The maturity of 57% of these lines was extended during the first half of 2024.
Over the coming months, and subject to market conditions, Mercialys aims to finalize the early refinancing of the bond maturity due in July 2027, either through the exercise of its make-whole call option or by other means, which would require the issuance of new financing.

The Company is **capitalizing on this very healthy financial structure to invest**, either through its development pipeline (as detailed below), or through targeted asset acquisitions. A highly selective approach will be applied to trigger these investments, in terms of both real estate fundamentals (location, rental exposure, potential energy consumption optimization) and financial fundamentals, requiring a minimum yield of 7%.

Over the past few months, the **Company's projects have made progress with pre-lettings**. In Saint-André (Reunion Island), the 13,000 sq.m retail park to potentially be developed on Mercialys' land reserve sites is 63% pre-let, with this progress supporting the target to submit a building permit application during the fourth quarter of 2024. Similarly, in Sainte-Marie (Reunion Island), the pre-letting of the extension offering over 11,000 sq.m of space in the shopping center has only just begun, but is already up to 12%, while advanced expressions of interest have been received representing 35% of the expected rental income, and the building permit application is also scheduled to be submitted by the first quarter of 2025. The Valence 2 center redevelopment project is 47% pre-let, with the application for administrative approvals expected to be submitted during the fourth quarter of 2024. Lastly, the project to redevelop the older section of the Toulouse shopping center has also been launched and the requests for administrative approvals are expected to be submitted during the fourth quarter of 2024.

(In millions of euros)	Total investment	Investment still to be committed	Completion date
COMMITTED PROJECTS[23]	**18.9**	**18.3**	**2024/2027**
Tertiary activities	18.4	17.9	2024/2027
Dining and leisure	0.5	0.4	2024
CONTROLLED PROJECTS	**186.2**	**176.7**	**2025/2028**
Retail	160.6	151.5	2025/2028
Dining and leisure	14.3	14.2	2025/2026
Tertiary activities	11.3	11.1	2025/2026
IDENTIFIED PROJECTS	**227.0**	**226.6**	**2025/>2028**
Retail	152.5	152.1	2025/>2028
Dining and leisure	54.4	54.4	>2028
Tertiary activities	20.1	20.1	2026/>2028
Total	**432.0**	**421.6**	**2024/>2028**

- *Committed projects: projects fully secured in terms of land management, planning and related development permits*
- *Controlled projects: projects effectively under control in terms of land management, with various points to be finalized for regulatory urban planning (constructability), planning or administrative permits*
- *Identified projects: projects currently being structured, in emergence phase*

[22] ICR (Interest Coverage Ratio): EBITDA / net finance costs
[23] The investments to be committed for the pipeline primarily correspond to the Saint-Denis mixed-use project, north of Paris, as well as coworking spaces

VI. 2024 objectives confirmed

Mercialys' first-half performance levels enable it to **confirm its objectives for 2024**:

- Growth in net recurrent earnings (NRE) per share to reach at least +2.0% vs. 2023;
- Dividend to range from 75% to 95% of 2024 NRE.

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This press release is available on www.mercialys.com.
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About Mercialys

Mercialys is one of France's leading real estate companies. It is specialized in the holding, management and transformation of retail spaces, anticipating consumer trends, on its own behalf and for third parties. At June 30, 2024, Mercialys had a real estate portfolio valued at Euro 2.9 billion (including transfer taxes). Its portfolio of 1,955 leases represents an annualized rental base of Euro 178.3 million. Mercialys has been listed on the stock market since October 12, 2005 (ticker: MERY) and has "SIIC" real estate investment trust (REIT) tax status. Part of the SBF 120 and Euronext Paris Compartment B, it had 93,886,501 shares outstanding at June 30, 2024.

IMPORTANT INFORMATION

This press release contains certain forward-looking statements regarding future events, trends, projects or targets. These forward-looking statements are subject to identified and unidentified risks and uncertainties that could cause actual results to differ materially from the results anticipated in the forward-looking statements. Please refer to Mercialys' Universal Registration Document available at www.mercialys.com for the year ended December 31, 2023 for more details regarding certain factors, risks and uncertainties that could affect Mercialys' business. Mercialys makes no undertaking in any form to publish updates or adjustments to these forward-looking statements, nor to report new information, new future events or any other circumstances that might cause these statements to be revised.

APPENDIX TO THE PRESS RELEASE FINANCIAL STATEMENTS

Consolidated income statement

(In thousands of euros)	Jun 30, 2024	Jun 30, 2023
Rental revenues	**91,560**	**88,164**
Service charges and property tax	-32,391	-33,471
Charges and taxes billed to tenants	28,069	28,418
Net property operating expenses	171	-546
Net rental income	**87,408**	**82,564**
Management, administrative and other activities income	1,526	1,412
Other income	0	0
Other expenses	-3,380	-1,904
Personnel expenses	-9,496	-9,789
Depreciation and amortization	-19,097	-18,926
Reversals of / (Allowances for) provisions	761	-658
Other operating income	10,635	5,399
Other operating expenses	-9,289	-20,219
Operating income	**59,069**	**37,879**
Income from cash and cash equivalents	2,210	1,296
Gross finance costs	-19,800	-17,846
(Expenses) / Income from net financial debt	**-17,590**	**-16,550**
Other financial income	755	382
Other financial expenses	-1,812	-4,252
Net financial items	**-18,647**	**-20,420**
Tax expense	-400	-196
Share of net income from associates and joint ventures	1,466	1,040
Consolidated net income	**41,488**	**18,304**
Attributable to non-controlling interests	5,236	-12,137
Attributable to owners of the parent	36,251	30,441
Earnings per share [24]		
Net income attributable to owners of the parent (€)	0.39	0.33
Diluted net income attributable to owners of the parent (in euros)	0.39	0.33

[24] Based on the weighted average number of shares over the period adjusted for treasury shares:
- Undiluted weighted average number of shares for the first half of 2024 = 93,483,692 shares
- Fully diluted weighted average number of shares for the first half of 2024 = 93,483,692 shares

Consolidated statement of financial position

ASSETS *(in thousands of euros)*	**Jun 30, 2024**	**Dec 31, 2023**
Intangible assets	3,220	3,144
Property, plant and equipment other than investment property	7,192	5,825
Investment property	1,734,533	1,864,950
Right-of-use assets	10,573	10,615
Investments in associates	39,385	39,557
Other non-current assets	36,560	37,577
Deferred tax assets	1,444	1,614
Non-current assets	**1,832,907**	**1,963,282**
Trade receivables	36,757	35,936
Other current assets	30,538	31,902
Cash and cash equivalents	88,202	118,155
Investment property held for sale	121,889	1,400
Current assets	**277,386**	**187,393**
Total assets	**2,110,293**	**2,150,676**

EQUITY AND LIABILITIES (in thousands of euros)	**Jun 30, 2024**	**Dec 31, 2023**
Share capital	93,887	93,887
Additional paid-in capital, treasury shares and other reserves	529,704	583,337
Equity attributable to owners of the parent	**623,591**	**677,224**
Non-controlling interests	187,908	188,871
Shareholders' equity	**811,499**	**866,095**
Non-current provisions	1,340	1,406
Non-current financial liabilities	1,136,925	1,131,627
Deposits and guarantees	31,601	24,935
Non-current lease liabilities	9,465	9,529
Other non-current liabilities	2,725	4,834
Non-current liabilities	**1,182,056**	**1,172,332**
Trade payables	18,133	9,265
Current financial liabilities	49,924	53,037
Current lease liabilities	1,438	1,331
Current provisions	13,257	15,581
Other current liabilities	33,981	32,940
Current tax liabilities	5	95
Current liabilities	**116,737**	**112,249**
Total equity and liabilities	**2,110,293**	**2,150,676**