# Press release

Financial information for the 1st quarter of 2010

- **Consolidated revenues for the 1st quarter of 2010: €7.31 million, stable relative to the 1st quarter of 2009 on a like-for-like[1] basis**

**Paris, 12 May 2010**: MRM (Euronext code ISIN FR0000060196), a mixed real estate company specialising in retail and office property, announced today its consolidated revenues for the 1st quarter of 2010, corresponding to gross rental income recorded over the period.

Consolidated revenues for the 1st quarter of 2010 came to €7.31 million, down 4.9% compared with €7.68 million in the 1st quarter of 2009. On a like-for-like basis[1], revenues in the 1st quarter of 2010 remained stable (-0.2%) relative to the 1st quarter of 2009. Office properties generated 55% of total revenues, with retail properties accounting for 45%.

## Revenue change by asset category

| **Consolidated quarterly revenues** € million | Q1 2009 | **Q1 2010** | *% change* | *% change like-for-like[1]* |
|---|---|---|---|---|
| Office property | 4.07 | **4.04** | *-0.8 %* | *-0.8 %* |
| Retail property | 3.62 | **3.27** | *-9.6 %* | *+0.5 %* |
| **Total gross rental income** | 7.68 | **7.31** | *-4.9 %* | *-0.2 %* |

*(Unaudited figures)*

Changes to the scope of consolidation between the 1st quarter of 2009 and the 1st quarter of 2010 are the result of the disposal of retail properties[2] as part of MRM's arbitrage plan.

[1] Like-for-like growth is calculated by deducting rental income generated by acquired assets from reported revenues for the current year, and deducting rental income generated by sold assets from revenues for the year-earlier period.

[2] In 2009, the sale of shops on Rue du Faubourg Saint Honoré in Paris in February, of a retail complex in Chambly in July and of a retail unit in Saint Priest in September, and in the 1st quarter of 2010, the sale of four Pizza Hut restaurants in February.

On a like-for-like basis, revenues generated by **office property** amounted to €4.04 million in the 1st quarter of 2010, down 0.8% compared with the 1st quarter of 2009. This decline is due to i) the early renewal of ERDF leases in Rueil and Puteaux for a firm period of seven years, which resulted in the revision of rents, and ii) the departure of the Cap Cergy tenant in February 2009. In the meantime, revenues benefited notably from the completion of rental value-enhancement of the building on Rue de la Brêche aux Loups in Paris, as well as from the opening of the Habitat store within the Carré Vélizy mixed-use complex.

Revenues from the **retail property** portfolio amounted to €3.27 million, an increase of 0.5% like-for-like compared with the 1st quarter of 2009. MRM was negatively impacted by the fall in the Cost Construction Index as of the 2nd quarter of 2009, as well as by the impact of the vacating of retail space, in particular for the redevelopment of Galerie du Palais in Tours. These factors were offset by new leases[3] coming into effect at a number of properties including the shopping mall of Carrefour hypermarket in Ecole Valentin and Marques Avenue A6 outlet center.

Stabilised assets accounted for 87% of revenues for the 1st quarter of 2010 and value-added opportunities accounted for 13%, compared with 72% and 28% respectively in the 1st quarter of 2009. This is mainly due to the completion of three value-enhancement programmes in 2009 and transfers[4] of assets at the end of December 2009 between the portfolios of stabilised assets and value-added opportunities.

## Key events of the quarter

In the 1st quarter of 2010, eight new leases[3] were signed representing a total annual rental income of €0.5 million. Three of these leases, corresponding to an annual rental of €0.3 million, took effect during the period.

Redevelopment works at Galerie du Palais, a shopping center of a total of 6,500 sqm in the heart of the city of Tours, began in February and are due to be completed in the 3rd quarter of 2010. Redeveloped premises will be tenanted notably by the La Grande Récré and Fuxia chains.

## Update on the arbitrage plan

During the 1st quarter of 2010, MRM sold four freehold properties operated as Pizza Hut restaurants in the Paris region for a total excluding transfer taxes of €6.5 million.

At the end of the 1st quarter in April 2010, reiteration of the preliminary agreement to sell the retail property in Brétigny-sur-Orge for a total excluding transfer taxes of €2.4 million brought the total amount of disposed assets to date to €31.6 million.

These asset sales fall within the framework of the arbitrage programme announced in February 2009. Discussions currently under way concerning the sale of other properties support the target of total asset sales of €120 million at end-December 2010.

## Financial position and outlook

On 20 April 2010, MRM announced the refinancing of a portfolio of retail properties allowing for the repayment of €93.7 million of debt maturing in April 2010. The new loan taken out with SaarLB represents a total of €91.2 million, most of which matures in 2015. This major transaction

[3] New leases or renewals under improved terms.
[4] Les Halles in Amiens, Marques Avenue A6 in Corbeil-Essonnes and Carré Vélizy in Vélizy-Villacoublay are now included in the portfolio of stabilised assets, while the two buildings making up the Cap Cergy complex currently under construction have been put together in the value-added opportunities category.

demonstrates the quality of the refinanced assets and that of the Group's relations with its banking partners.

As a result of this refinancing, debt maturing in 2010 now accounts for just 7% of the Group's total bank debt.

As all of MRM's bank debt is at variable rates, the Group benefits from the favourable impact of low interest rates. Against this backdrop, the solidity of revenues from stabilised assets should enable MRM to generate positive net operating cash flow in 2010, like it did in 2009.

Jacques Blanchard, Chairman and Chief Executive Officer of MRM, comments: "***During the first quarter, we reaped the rewards of our efforts focusing on our four priorities. Work carried out on our properties enable revenues to hold up well. Value-enhancement programmes continue on a selective basis. Furthermore, the maturity of a large part of our short-term debt was put back by five years and, thanks to advanced discussions concerning proposed asset sales, we can confirm the target of our arbitrage plan. These will remain our priorities for the next quarters.***"

## Calendar

The general shareholders' meeting will take place on 10 June 2010.
Revenues for the 2nd quarter of 2010 are due on 29 July 2010 before market opening.

## About MRM

A listed real estate investment company, MRM owns a mixed portfolio of office and retail properties comprising both stabilised assets and value-added opportunities. Its portfolio has been built up gradually since the second half of 2007 with the contribution of properties from Dynamique Bureaux and Commerces Rendement, two investment companies created and managed by CB Richard Ellis Investors, and acquisitions carried out directly by its subsidiaries. MRM's real estate operations are managed by CB Richard Ellis Investors. MRM is listed in Compartment C of Euronext Paris (Bloomberg code: MRM:FP – Reuters code: MRM.PA).

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