



**Annual General Meeting**  
**10 June 2010**



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  - **Review of MRM asset portfolio**
  - **Current situation and outlook**

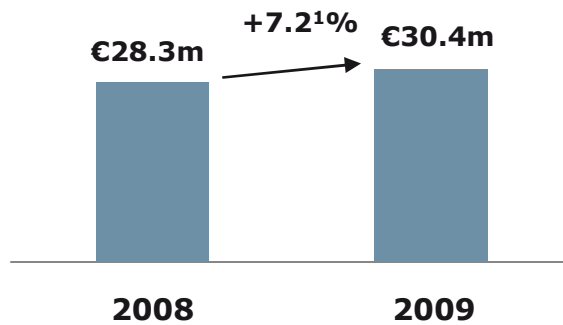


## 2009 overview



- **A distressed market**
  - Increase in yields / credit crunch / decrease in investments
  - Signs of improvement in the market since end of 2009
  
- **MRM's strong business activity**
  - Growth in rental income
  - Significant progress made in value-enhancement programmes
  - Positive cash flow
  - Low interest rates throughout the year
  
- **Implementation of measures to adapt MRM's operations**
  - First results obtained from disposal programme
  - Cost reduction
  - Debt management
  
- **Reinforcement of corporate governance**

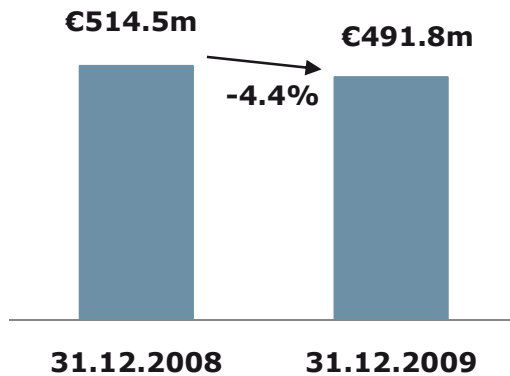
- **Gross rental income**



<sup>1</sup> +8.6% like-for-like

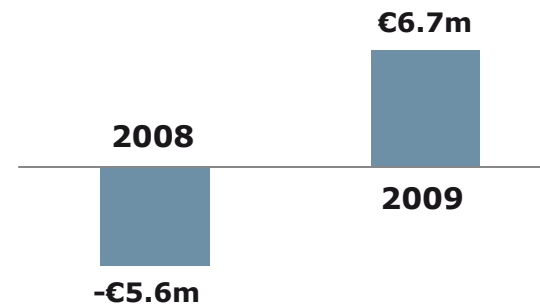
- **Portfolio value**

excl. transfer taxes, like-for-like<sup>3</sup>



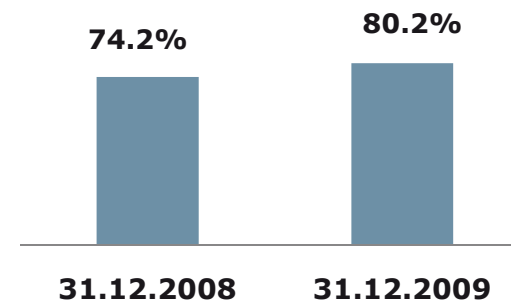
<sup>3</sup> 31.12.2008 restated for asset sales in 2009

- **Net operating cash flow<sup>2</sup>**



<sup>2</sup> Net operating cash flow = Net income before tax adjusted for non-cash items

- **Bank LTV ratio**



- **Focused on offices and retail property:**
  - **18** office buildings: **€289.1m**
    - Located in the **Paris region**
  - **11** retail properties: **€202.7m**
    - Located the **Paris region** and **provinces**
  
- **Including:**
  - Stabilised assets: **€366.1m**
    - Solid **cash flow generation**
  - Assets with value-added opportunities: **€125.7m**
    - Potential for **value creation**

**Value<sup>1</sup> of asset portfolio: €492m as of end 2009**

<sup>1</sup> Value excluding transfer taxes, based on appraisals performed by Catella (offices) and Savills (retail)

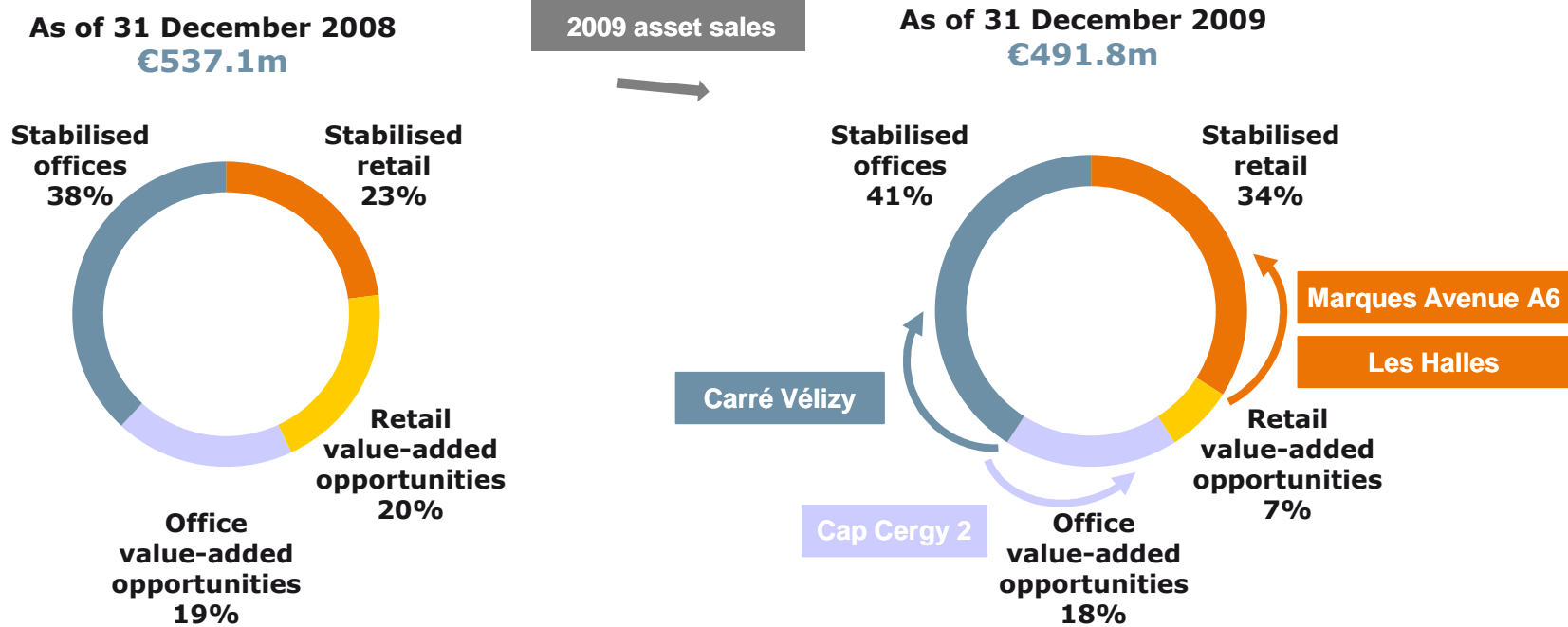
# Sustained asset management in 2009

- **Letting and tenant management:**
  - **60** leases<sup>1</sup> signed representing annual rent of **€5.7m**
  - Net annualised rental income as of 1 January 2010: **€28.8m**
  
- **Value-enhancement of properties in the portfolio:**
  - Phased investment policy: **€16,1m** of CAPEX carried out in 2009
  - **3** value-enhancement programmes completed
  - **2** investment programmes completed
  - Significant progress made in development projects
  
- **Disposal programme: €22.6m of asset sales in 2009**

<sup>1</sup> New leases or leases renegotiated under improved terms

# Changes in the portfolio in 2009

▪ Portfolio breakdown by value<sup>1</sup>



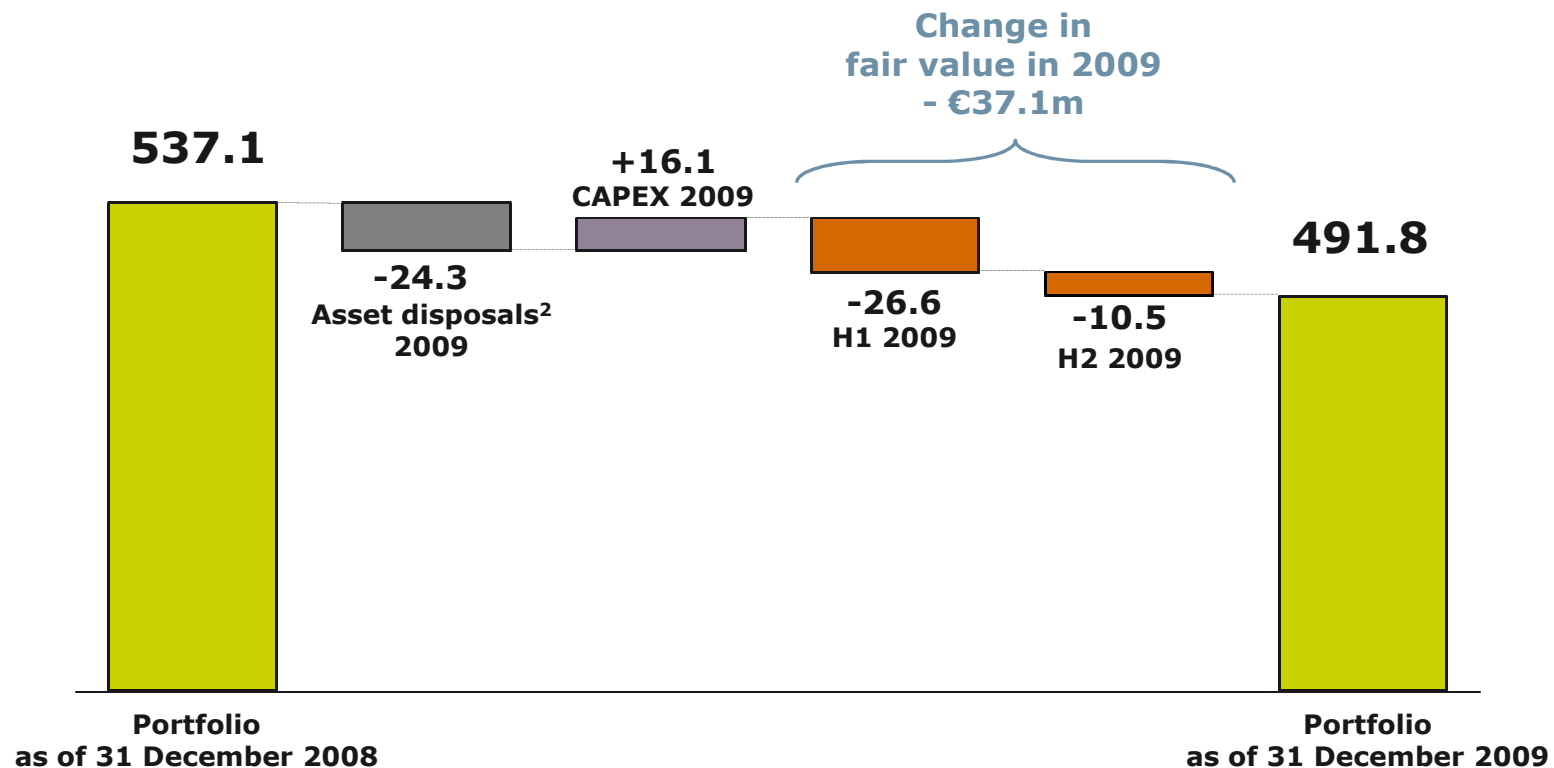
<sup>1</sup> Value excluding transfer taxes, based on appraisals performed by Catella (offices) and Savills (retail)



# Change in value of the portfolio

- **Breakdown of change in value<sup>1</sup> in 2009**

€ million



**Restrained decline in asset value  
Second half less unfavorable**

<sup>1</sup> Based on appraisals performed by Catella (offices) and Savills (retail) – excluding transfer taxes

<sup>2</sup> Asset disposals and scrappings



## 2009 Consolidated financial statements



## Net operating cash flow

€ million	2009	2008	variation
<b>Gross rental income</b>	<b>30.4</b>	<b>28.3</b>	+7.2%
<b>Net rental income</b>	<b>26.9</b>	<b>24.9</b>	+8.0%
Other operating income	1.6	2.7	
Operating expenses	(7.4)	(8.8)	-15.0%
Other operating expenses	(0.4)	(0.1)	
<b>EBITDA</b>	<b>20.7</b>	<b>18.7</b>	+11.0%
Net cost of debt	(14.0)	(24.3)	
<b>Net operating cash flow</b>	<b>6.7</b>	<b>(5.6)</b>	n/a

Positive cash flow after cost of debt

# Consolidated income statement

<b>Simplified IFRS income statement</b> € million	<b>2009</b>	<b>2008</b>	<i>variation</i>
<b>Gross rental income</b>	<b>30.4</b>	<b>28.3</b>	+7.2%
. Of which Offices	16.2	16.6	
. Of which Retail	14.2	11.7	
Property expenses not recovered	(3.4)	(3.4)	
<b>Net rental income</b>	<b>26.9</b>	<b>24.9</b>	+8.0%
Operating income and expenses	(6.2)	(6.6)	
<b>Current operating income</b>	<b>20.7</b>	<b>18.3</b>	+13.0%
Net book value of assets scrapped	(2.0)	(4.4)	
Change in fair value of investment properties	(37.1)	4.3	
<b>Operating income</b>	<b>(18.4)</b>	<b>18.2</b>	<i>n/a</i>
Net cost of debt	(13.2)	(22.1)	
Other financial expenses	(2.2)	(3.5)	
<b>Net income before tax</b>	<b>(33.8)</b>	<b>(7.4)</b>	<i>n/a</i>
Taxes	(0.1)	0.0	
<b>Consolidated net income</b>	<b>(34.0)</b>	<b>(7.5)</b>	<i>n/a</i>
<b>Net earnings per share</b>	<b>(9.76)</b>	<b>(2.15)</b>	<i>n/a</i>

**IFRS net income affected by the decline in fair value of assets**

## Simplified IFRS Balance sheet

€ million

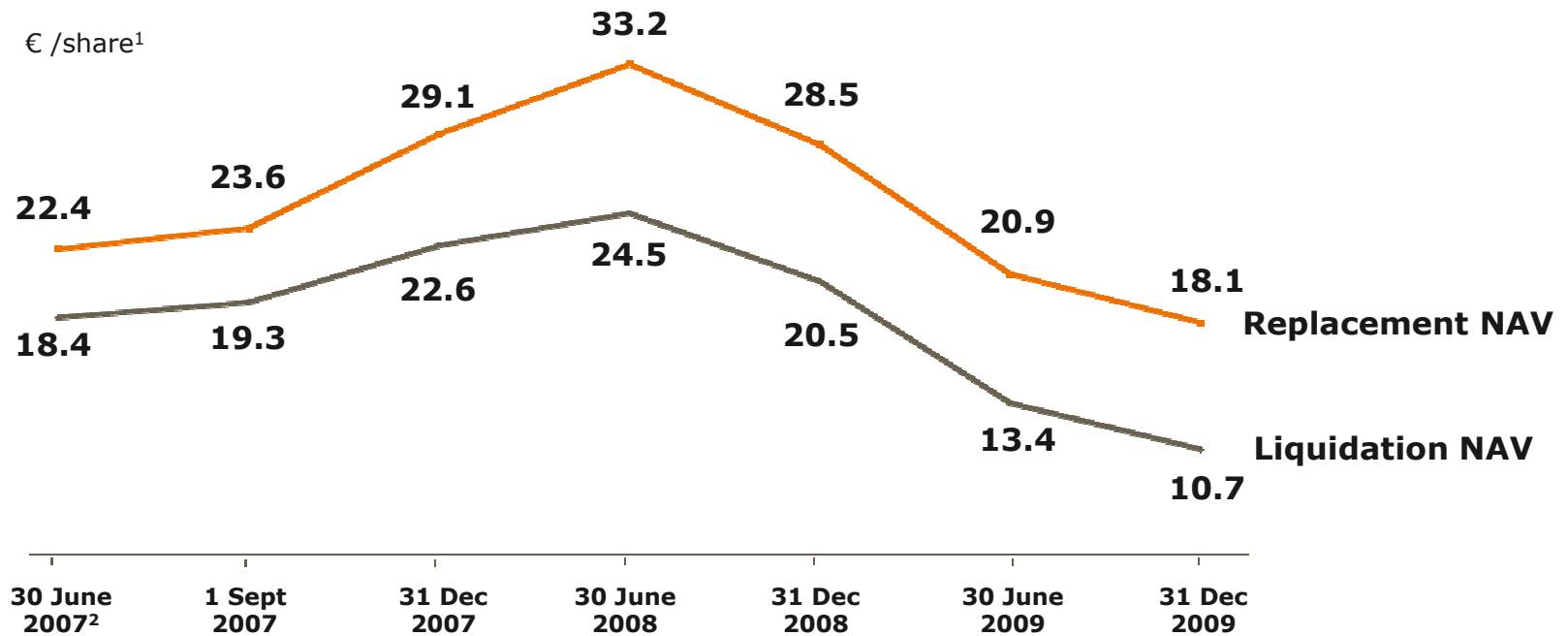
	31.12. 2009	31.12. 2008		31.12. 2009	31.12. 2008
Investment properties	287.3	524.3	Equity	37.4	71.3
Assets held for sale	204.6	12.8	Issued bonds	54.0	54.0
Current receivables/assets	18.4	19.5	Bank loans	394.6	398.3
Cash and cash equivalents	9.5	9.4	Other debts/liabilities	33.7	42.4
<b>Total assets</b>	<b>519.7</b>	<b>566.0</b>	<b>Total equity and liabilities</b>	<b>519.7</b>	<b>566.0</b>

- **Assets held for sale** : reflect the implementation of the disposal programme
- **Consolidated LTV** = Bank loans / Portfolio value<sup>1</sup> = **80.2 %**
- **Agreements signed concerning credit lines requiring an immediate adjustment of their LTV ratio (satisfactory ICR ratios)**
  - i.e. 4 credit lines totalling **€137.7m** as of 31 December 2009

<sup>1</sup> Excluding transfer taxes

# Net Asset Value per share

- **Replacement NAV: €18.1 per share**
- **Liquidation NAV: €10.7 per share**



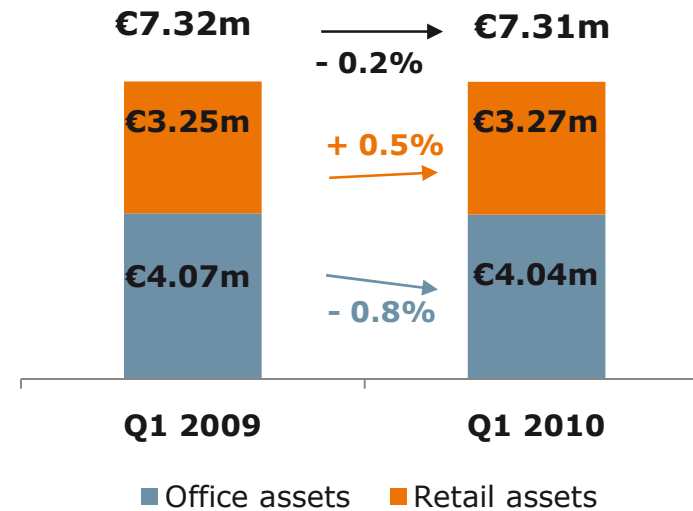
<sup>1</sup> On the basis of the number of shares at the end of the period restated for treasury shares

<sup>2</sup> Pro forma financial statements at end-June 2007

# Sustained rental income in Q1 2010

- Consolidated revenues for the 1<sup>st</sup> quarter of 2010: €7.31m
- Down 4.9 % but stable on a like-for-like basis (-0.2%), despite the context of decrease in the Cost Construction Index

Gross rental income and variation  
Like-for-like<sup>1</sup>



<sup>1</sup> Gross rental income are restated for asset disposed i.e., in 2009, the sale of shops in Paris (8<sup>e</sup>) in February, of a retail complex in Chambly in July and of a retail unit in Saint Priest in September, and in the 1<sup>st</sup> quarter of 2010, the sale of four Pizza Hut restaurants in February.

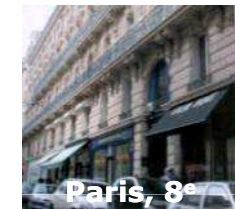
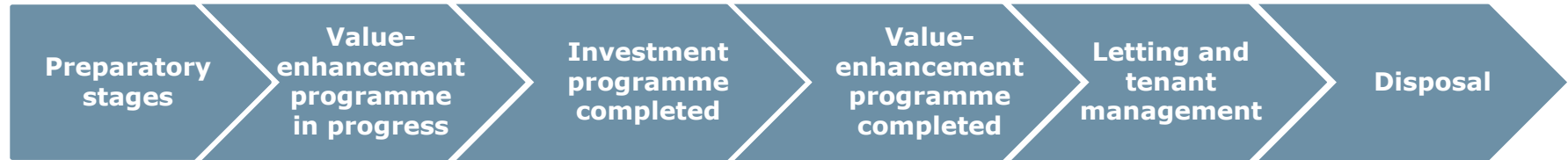


# Review of **MRM** asset portfolio





# A portfolio management model at work



1 retail building in Brétigny s/Orge and 1 in St Priest

# Shopping mall of Carrefour hypermarket Ecole Valentin, Besançon (25)

## ▪ Shopping mall of Carrefour hypermarket

- Located at the intersection of the A36 and RN57, in the North of Besançon, within an attractive retail area, close to several mid-size shops
- Shopping mall of the number one hypermarket in the region
- Catchment area: **236,000** inhabitants

## ▪ Current premises

- Total area: **17,000 sqm** (before extension and including the 13,000 sqm area of Carrefour hypermarket)
- **32** stores notably Cafétéria Casino, Camaïeu, Krys, Marionnaud, Maty, etc.
- Work on reversionary potential began in 2008

## ▪ Extension project

- An additional area of **4,000 sqm**
- Carrefour hypermarket and **60** stores
- Around **1,300** parking lots after extension



**2009: pursuing lease renewal  
campaign and preparing the extension  
project**

# Nova, La Garenne-Colombes (92)



- **Office building**

- **16** floors, **10,700 sqm**, 170 underground parking lots, 80 outdoor parking lots
- Located on Boulevard National, a natural extension to La Défense
- Acquired in 2007

- **Restructuring works**

- Started in 2008
- Phase I nearing completion: new façade and large-scale works on the superstructure
- Decision to start phase II after pre-letting

**NF Tertiary Building - HQE Approach® certification for the Programme and Design phases obtained beginning of 2010**



## Galerie du Palais, Tours (37)



Projected view



Works – March 2010

- **A shopping center in the city center**
  - An existing retail area of **6,600 sqm**, ideally located in the city center and close to the railway station
  - Acquisition made in **2** steps: Galerie du Palais in 2006 and the adjacent corner building in 2007
- **Restructuration process**
  - Redevelopment works on one third of total area
  - Restructuring of the center with integration of the corner building, upgrading of facades, remodeling of the mall, re-letting of areas at the entrance to the center and creation of the office area in upper floors
  - Administrative authorisations obtained in 2009 and pre-letting process well advanced
  - Start of works in **February 2010**
  - Retailers: Simply Market, La Grande Récré, Fuxia, ...

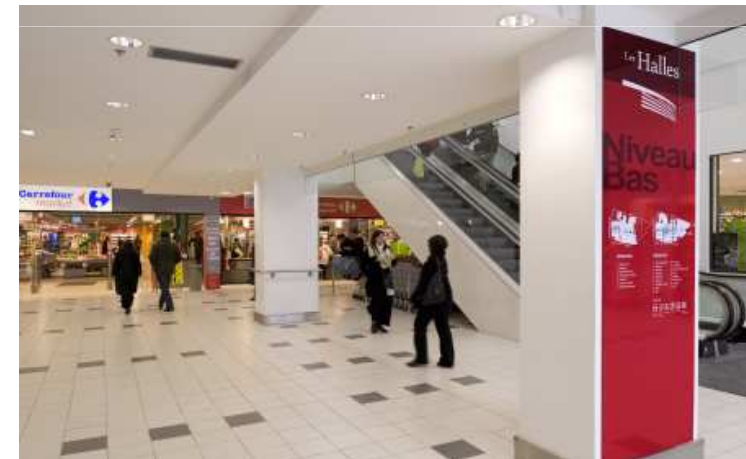
**Completion planned  
for Q3 2010**

# Marques Avenue A6, Corbeil-Essonnes (91)



End of 2009 : 59 shops and 4 restaurants + authorisation for the creation of 7 new stores

# Les Halles, Amiens (80)



Center with new layout and rebranded supermarket (Carrefour Market) opened in 2009

# Carré Vélizy, Vélizy-Villacoublay (78)

- **Carré Vélizy, a mixed-use complex**
  - Office and retail areas
  - Total area of **11,100 sqm**
- **An attractive location**
  - In Vélizy-Villacoublay (78), 10 km in the west of Paris
  - Facing Vélizy 2 shopping center
- **End of 2005**
  - Acquisition of a complex comprising **2** obsolete office buildings, **1** retail property operated by Office DEPOT and **1** mixed-use building partially vacant
- **2006**
  - Renovation of the office buildings
- **2007 - 2008**
  - Letting of the **renovated office space**
  - Implementation of a value-enhancement programme for the **mixed-use building**
- **2009**
  - Works for conversion of the mixed-use space into a retail site let to **Habitat**
  - Lease for the **2,500 sqm** retail space took effect in **July**
  - Opening of the Habitat store to the public in **November**



**The opening of the Habitat store in November 2009 marked the completion of the Carré Vélizy value-enhancement programme**



# Carré Vélizy, Vélizy-Villacoublay (78)



# Delta, Rungis (94)



- **Delta, an office complex**
  - Two office buildings representing a total area of **8,700 sqm**
- **An attractive location**
  - In the south of Paris, at the intersection of the A6-A10 and A86-A106, close to Orly airport
  - Access by all means of transport
- **Investment in renovation works completed**
  - Letting of remaining lots (1/3) in progress

**Short term potential  
for value enhancement**



# Solis, Les Ulis (91)



- **Solis, an office campus**

- Two connecting buildings with a total space of **10,700 sqm**

- **An attractive complex**

- Located near the A10 and the A104, easy access to Paris and the overall Paris region
- Fully equipped (company canteen, auditorium, relaxing space, etc.)

- **Investment completed**

- Site renovated after the departure of the tenant (access, halls, floor space, landscaped environment)
- Letting process in progress

**Short term potential  
for value enhancement**

# Letting and tenant management: an illustration with the renewal of ERDF leases



## ▪ Office building in Puteaux (92)

- 3-5 quai de Dion Bouton
- **5,900 sqm**
- Main tenant: ERDF



## ▪ Office building in Rueil-Malmaison (92)

- 45-53 avenue Paul Doumer
- **4,600 sqm**
- Main tenant: ERDF

**Leases renewed by anticipation for a 7-year firm period**



## Current situation and outlook



- **Intensive asset management of properties in existing portfolio and cost reduction**
- **Debt management**
- **Selective approach and phasing of investment in value-enhancement programmes**
- **Disposal plan**

**Continuation of the plan  
announced beginning 2009**



# Management of the debt situation

- **Reduction in short-term debt**

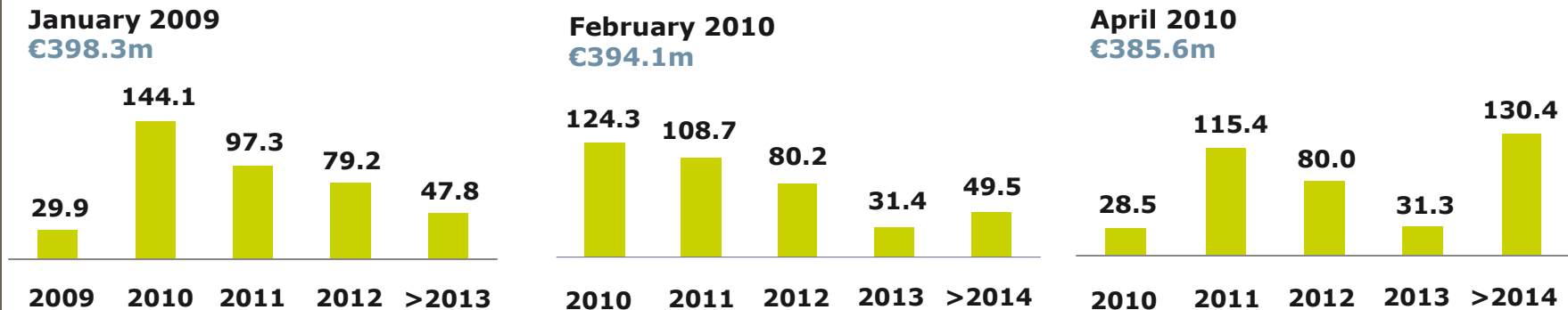
- **2009**

- February : 1-year extension (from 2009 to 2010) of a **€29.3m** credit line
- June : new **€35m** credit line with a 5-year maturity allowing partial repayment, for €29.0m, of a credit line maturing in 2010

- **April 2010**

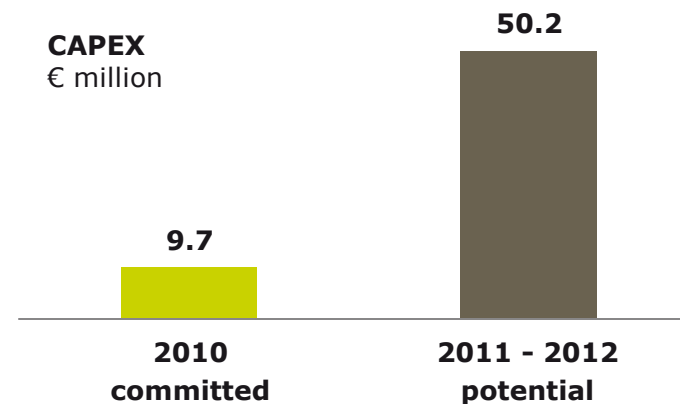
- New bank loan of **€91.2m** repayable in 2015 for €85.8m and in 2011 for €5.4m
- Repayment of a **€93.7m** credit line maturing in April 2010

**Bank loan maturity schedule** in euro million



**Debt maturing in 2010 now accounting for only 7% of the Group total bank debt**

- **2009: re-assessment and phasing of investment programmes**
  - Re-assessment of planning schedule depending on market conditions and financing capacities
- **2010: continuation of the selective approach applied to investment programmes**
  - **Galerie du Palais**, Tours (37)
  - **Nova**, La Garenne-Colombes (92)



- **Early 2009**

- Implementation of plan aiming for €120m of disposals in 2009-2010

- **Achieved as of 10 June 2010**

- Total of €31.6m excluding transfer taxes
- Net cash from asset sales = **€4.4m**

Assets sold	Area	Disposal date	Sale price excl. tt
Ground floor shops, Paris (8 <sup>e</sup> )	1,800 sqm	Feb/March 2009	<b>€13.2 m</b>
Retail complex at Les Portes de l'Oise, Chambly (60)	5,300 sqm	July 2009	<b>€7.3 m</b>
Retail building, Saint-Priest (69)	900 sqm	Sept 2009	<b>€2.2 m</b>
Freehold properties operated as Pizza Hut restaurants, Paris region	1,900 sqm	Feb 2010	<b>€6.5 m</b>
Retail building, Brétigny s/Orge (91)	1,200 sqm	April 2010	<b>€2.4 m</b>

- **Negotiations in progress concerning other properties**

**Confidence in our ability to achieve our target**

- **The asset portfolio of MRM has shown resilience during the crisis:**
  - Quality of office and retail assets
  - Stabilised assets generating cash
  
- **The adjustment plan of operations of MRM has begun to bear fruit**
  
- **Market environment is looking more favourable:**
  - Recovery of investment property market
  - Easing of credit market

**Improvement of our room for manœuvre**

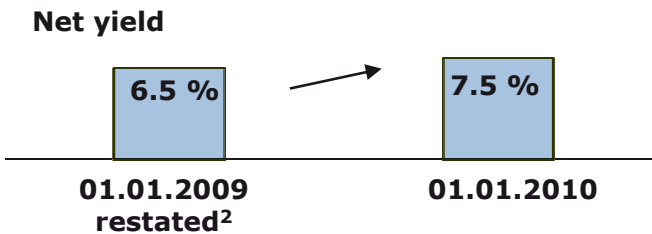
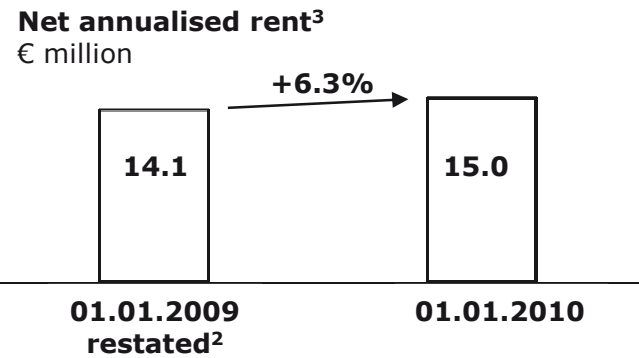
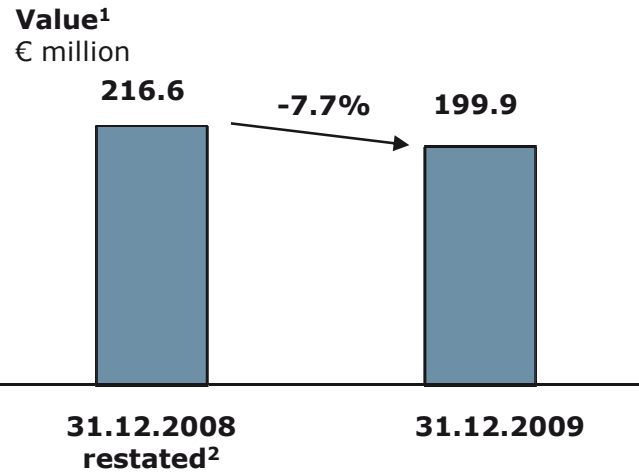




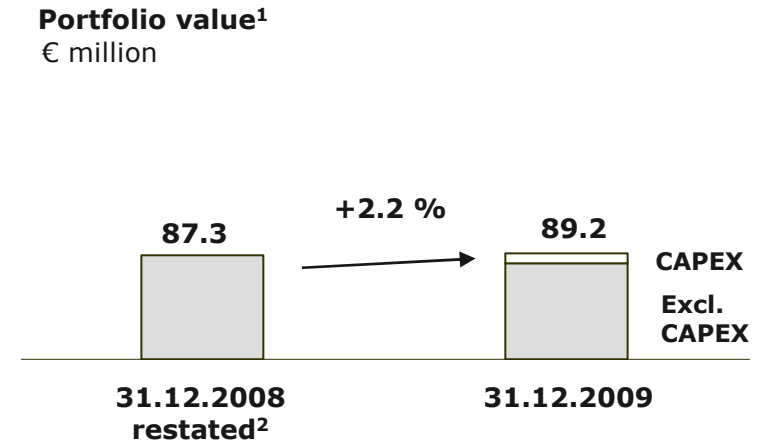
# Appendix



- Stabilised



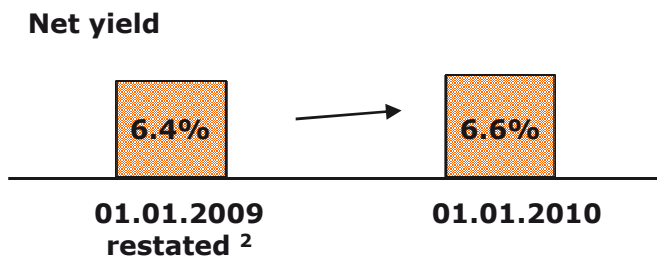
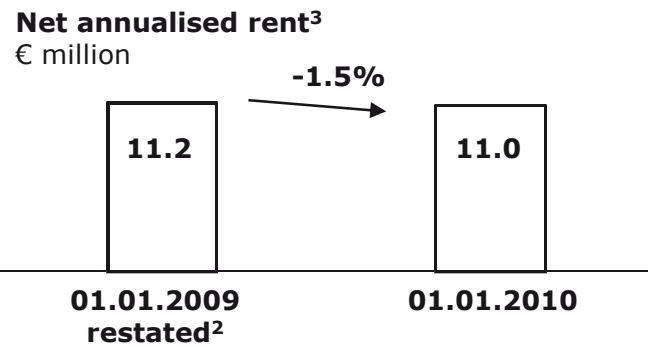
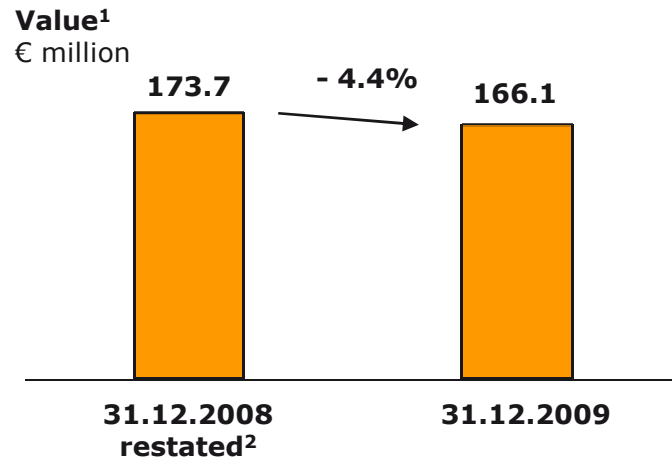
- With value-added opportunities



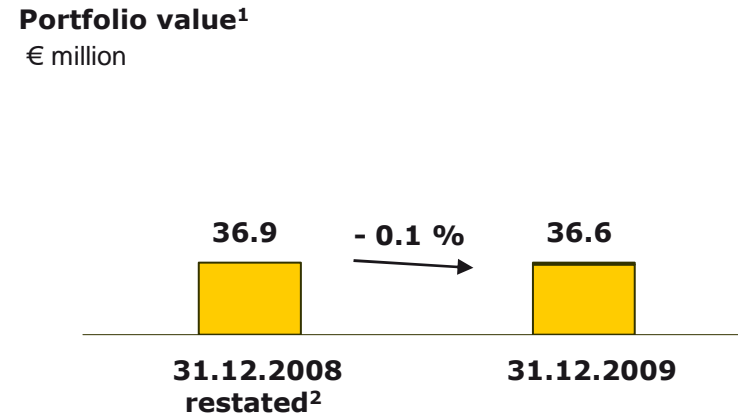
Capex carried out in 2009: €9.7m

<sup>1</sup> Based on appraisal values excluding transfer taxes <sup>2</sup> Like-for-like <sup>3</sup> Excluding taxes, charges, rent-free periods and improvements

- Stabilised



- With value-added opportunities



Capex carried out in 2009: €0.6m

<sup>1</sup> Based on appraisal values excluding transfer taxes <sup>2</sup> Like-for-like <sup>3</sup> Excluding taxes, charges, rent-free periods and improvements

## Stabilised offices

- 1 Nanterre, Crystals (92), 10,640 sqm, 325-345 avenue Georges Clémenceau
- 2 Clichy-La-Garenne (92), 6,260 sqm, 7 rue Charles Paradinas
- 3 Levallois-Perret (92), 4,472 sqm, 3-5 rue Maurice Ravel
- 4 Paris (2<sup>e</sup>), 1,114 sqm, 12 rue de la Bourse
- 5 Paris (12<sup>e</sup>), 2,872 sqm, 43 rue de la Brèche aux Loups
- 6 Boulogne (92), 2,877 sqm, 3, 8, 8bis, 10bis, rue Escudier
- 7 Paris (9<sup>e</sup>), 2,318 sqm, 5 rue Cadet
- 8 Paris (14<sup>e</sup>), 1,667 sqm, 13 rue Niepce
- 9 Rueil-Malmaison (92), 4,562 sqm, 45-53 avenue Paul Doumer
- 10 Puteaux (92), 5,902 sqm, 3-5 quai de Dion Bouton
- 11 Vélizy-Villacoublay, Carré Vélizy (78), 11,133 sqm, 16-18 avenue Morane Saulnier

## Office with value-added opportunities

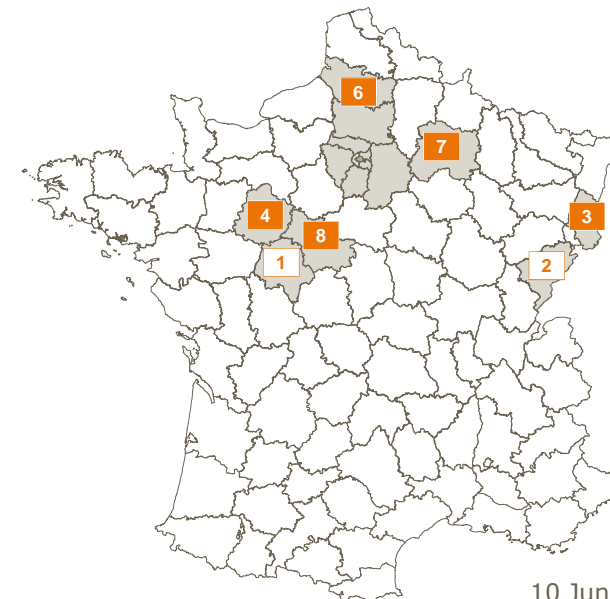
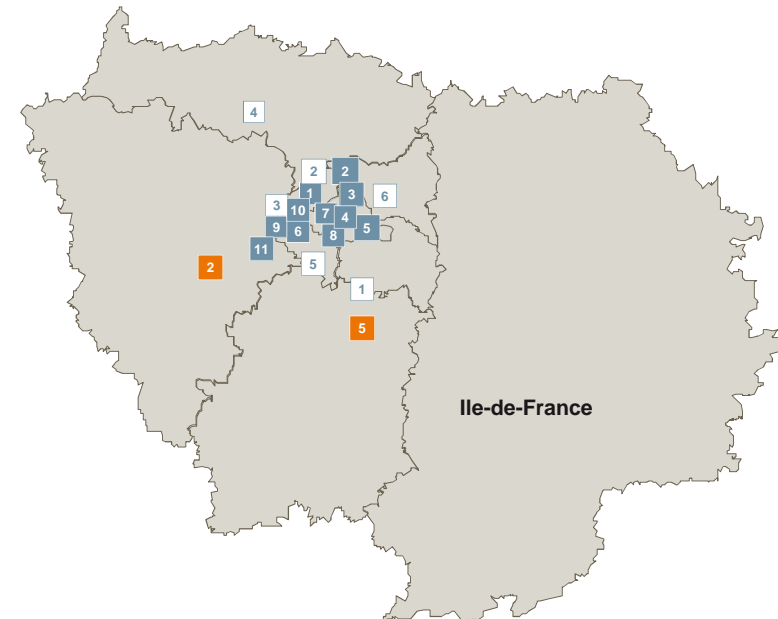
- 1 Rungis, Le Delta (94), 8,701 sqm, 3-5 rue du Pont des halles
- 2 La Garenne-Colombes, Nova (92), 10,787 sqm, 71 boulevard National
- 3 Rueil-Malmaison, Cytéo (92), 4,025 sqm, 147 avenue Paul Doumer
- 4 Cergy-Pontoise, Cap Cergy (95), 7,086 sqm + 5,829 sqm, rue des Chauffeurs
- 5 Les Ulis, Solis (91), 10,728 sqm, 12 avenue de l'Océanie, ZA Courtaboef,
- 6 Montreuil, Urban (93), 7,970 sqm, Croix de Chavaux, 14-20 boulevard de Chanzy

## Stabilised retail

- 1 Box Portfolio, 12,572 sqm, multiple (of which 1,233 sqm disposed in April 2010 - not on the map)
- 2 Montigny-le-Bretonneux, Sud Canal (78), 11,619 sqm, 24/26 place E. Marcel, 41 bd Vauban
- 3 Mulhouse, Passage de la Réunion (68), 6,017 sqm, 25 place de la Réunion
- 4 Allonnes (72), 9,001 sqm, ZAC du Vivier, route de la Berardière
- 5 Corbeil-Essonnes, Marques Avenue A6 (91), 12,824 sqm, rue des Granges
- 6 Amiens, Les Halles (80), 7,484 sqm, place Maurice Vast
- 7 Reims (51), 2,470 sqm, 2 rue de l'Étape
- 8 Gamm Vert Portfolio, 23,765 sqm, multiple
- 9 Pizza Hut Portfolio, 2,290 sqm, multiple (of which 1,900 sqm disposed in February 2010)

## Retail with value-added opportunities

- 1 Tours, Galerie du Palais (37), 6,493 sqm, 19 place Jean Jaures
- 2 Besançon, Shopping mall of Ecole-Valentin (25), 6,958 sqm, 6 rue Chatillon



# Portfolio summary as of 31.12.2009

	Offices		Retail		Total
	Stabilised	Value-added opportunities	Stabilised	Value-added opportunities	
<b>Area (sqm)</b>	<b>53,817</b>	<b>55,126</b>	<b>88,042</b>	<b>13,451</b>	<b>210,436</b>
<b>Value<sup>1</sup></b>	<b>€199.9m</b>	<b>€89.2m</b>	<b>€166.1m</b>	<b>€36.6m</b>	<b>€491.8m</b>
<b>Occupancy rate</b>	<b>95%</b>	<b>20%</b>	<b>95%</b>	<b>87%</b>	<b>75%</b>
<b>Net annualised rent<sup>2</sup></b>	<b>€15.0m</b>	<b>€1.3m</b>	<b>€11.0m</b>	<b>€1.5m</b>	<b>€28.8m</b>
<b>Yield</b>	<b>7.5%</b>	<b>n/a</b>	<b>6.6%</b>	<b>n/a</b>	<b>n/a</b>
<b>Projected CAPEX<sup>3</sup></b>	<b>€1.0m</b>	<b>€34.2m</b>	<b>€4.7m</b>	<b>€20.0m</b>	<b>€59.9m</b>
<b>Forecast net rent<sup>1,4</sup> after value-enhancement</b>	<b>€15.5m</b>	<b>€10.2m</b>	<b>€12.3m</b>	<b>€4.2m</b>	<b>€42.2m</b>

<sup>1</sup> Excluding transfer taxes <sup>2</sup> Excluding rent-free periods, improvements and charges relating to properties undergoing redevelopment <sup>3</sup> Projected capex for 2010 and beyond <sup>4</sup> Excluding indexation