MARCH 2009

MRM Newsletter

Shareholders, investors, analysts


Key figures

As of 31.12.2008

Appraisal value of the portfolio, excl. transfer taxes

€ 537.1 m

Liquidation Net Asset Value

€ 20.5 per share (1)

Replacement NAV

€ 28.5 per share (1)

Gross rental revenues

€ 28.3 m

Current operating income

€ 18.3 m

(1) on the basis of 3,501,977 shares as of 31 December 2008, restated for treasury shares

Dear readers and shareholders,

In 2008, with more than 90 leases signed and over 40 million euros invested in the upgrading of properties, MRM showed strong dynamism. Besides, our reported revenues and current operating income attest to the smooth running of our rental business. However, high interest rates during the year resulted in higher financial expenses and impacted MRM's net income.

At the end of the year, the appraisal value of our portfolio stood at 537 million euros. Our asset management policy and the favourable indexation of rents over the period, coupled with the appreciation of properties undergoing redevelopment, made up for the increase in capitalisation rates. As a result, the value of our portfolio rose with acquisitions carried out over the period and investments made to enhance the value of our properties. The main progress achieved in our development projects include the opening of the “Marques Avenue A6” shopping centre in Corbeil-Essonnes and the redevelopment of the “Les Halles” shopping centre in Amiens, two successful illustrations of our ability to reposition properties.

We have moved into 2009 with a base of rental income secured thanks to the high proportion of long-term leases, institutional tenants in our office properties and the wide range of retailers occupying our retail premises. We can therefore expect a positive generation of cash after financial expenses but before investment in 2009. Considering the credit lines already available, the refurbishment projects committed over the year still need additional financing, on which we are currently working and already have negotiations at an advanced stage.

Furthermore, due to difficult market conditions, we announced in late 2008 that we were reviewing our operations. This review has already allowed us to make a number of decisions to reduce the company's debt, while continuing to finance operations generating revenue growth and offering value creation. This is achieved by taking a very selective approach in our investments refocused on our existing portfolio, some of which may be rescaled or deferred. We are also working on cutting costs and renegotiating some of our credit lines. Lastly, we have implemented an asset arbitrage programme with the aim of selling assets worth 120 million euros by the end of 2010. In this respect, we have announced an initial transaction concerning the sale of stores on Rue du Faubourg Saint Honoré in Paris for 13.2 million euros, an amount which exceeds the appraisal value of this property.

In the current challenging climate, the composition of our portfolio constitutes a strength. Please be assured that we are determined to do all we can to continue to pursue our strategy. I would like to thank you for your support.

François Lex
Chairman and Chief Executive Officer

MRM, a value-added listed real estate investment company

A listed real estate investment company, MRM owns a portfolio of office and retail properties balanced between 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).

Robust rental business activity

Significant progress made in value-enhancement programmes

Office portfolio

As of 31 December 2008, the occupancy rate of stabilised offices was 98%. The portfolio generates net annualised rental income[1] of € 14.4 million as of 1 January 2009, up 10.0% compared with 1 January 2008.

Offices with value-added opportunities are 26% occupied and represented net annualised rental income[1] of € 2.0 million as of 1 January 2009. In 2008, the Group continued with its repositioning programmes:

- The definitive building permit was obtained for the renovation of the "Le Charlebourg" building in La Garenne-Colombes, with an area of 10,700 sqm;
- Concerning the 10,600 sqm business complex owned by MRM in Velizy, key stages have been completed in the redevelopment of one of the four buildings and the creation of a 2,500 sqm mid-size store. A lease has been signed with Habitat and the administrative authorisations, building permit and retail equipment authorisation, have been obtained and are definitive.
- After obtaining co-ownership agreements, an application was made in December 2008 for the building permit required for the development programme relating to the 7,800 sqm "La Croix de Chavaux" building in Montreuil.

Total investment in the office portfolio with value-added opportunities came to € 12.7 million in 2008.

Over the period, the Group signed a total of 16 leases[2] for office properties representing an annual rental income of € 2.4 million, of which € 0.8 million will be effective in 2009.

In 2008, MRM acquired a 1,100 sqm office building on Rue de la Bourse in Paris for € 6.0 million excluding transfer taxes.

Retail portfolio

As of 31 December 2008, the stabilised retail portfolio had an unchanged occupancy rate of 98% and generates net annualised rental income[1] of € 8.8 million as of 1 January 2009, up 16% compared with 1 January 2008.

The occupancy rate of 74% for retail properties with value-added opportunities, as well as the very significant increase in net annualised rental income[1], which stood at € 5.3 million as of 1 January 2009 compared with € 2.3 million as of 1 January 2008, reflects the considerable progress made in the Group's value-enhancement programmes:

- After the completion of works started in early 2008, the "Marques Avenue A6" shopping centre in Corbeil-Essonnes opened its doors to the public on 22 October 2008 with its 54 stores and four restaurants already let. In addition, thanks to the new provisions of the French law on the modernisation of the economy (the "LME" law), seven stores representing an additional retail area of 1,000 sqm are currently in the process of being let.
- The redevelopment and modernisation of the "Les Halles" shopping centre in Amiens took place in 2008 and the newly configured centre was opened in February 2009.

Total investment in retail properties with value-added opportunities came to € 25.4 million over the year.

During 2008, 76 retail property leases[2] were signed, representing an annual rental income of € 3.9 million.

Acquisitions made over the year, representing a total amount excluding transfer taxes of € 11.3 million, concerned two garden centres operated under the Gamm Vert brand and five Pizza Hut restaurants.

In December 2008, MRM signed a preliminary sales agreement for shops on bottom floor of a building located on *Rue du Faubourg Saint-Honoré* in Paris for € 13.2 million excluding transfer taxes, i.e. 8% above the appraisal value as of 31 December 2008. The agreement was reiterated on 23 February 2009 for a 1,432 sqm lot, corresponding to € 12.3 million. The agreement to sell the remaining 362 sqm lot is yet to be reiterated for € 0,9 million.

(1) Excluding taxes, charges, rent-free periods and improvements
(2) New leases or lease renewals under revised terms

2008 results (published on 26 February 2009)

Current operating income

€ 18.3 m

Appraisal value [3] of the portfolio

€ 537.1 m

Liquidation NAV

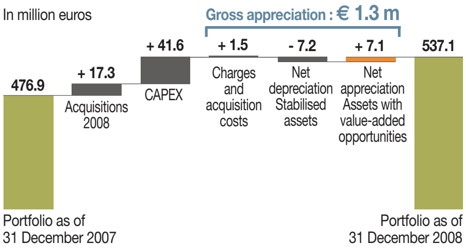
€ 20.5 per share

Replacement NAV

€ 28.5 per share

Property portfolio as of 31 December 2008

Over 2008, the appraisal value [3] of the portfolio increased by €60.2 million to €537.1 million. Excluding investment and acquisitions the difference in the net value of the portfolio is -€0.1 million. The net appreciation in the value of the portfolio of value-added opportunities almost fully offset the decline in value of the stabilised asset portfolio.



Net Asset Value and Balance sheet

As of 31 December 2008, the liquidation NAV and the replacement NAV were down 9.4% and 2.1% respectively compared with 31 December 2007.

Net Asset Value in euros per share	31.12.2008	31.12.2007
Liquidation NAV	20.5	22.6
Replacement NAV	28.5	29.1

As of 31 December 2008, the bank debt totalled € 398.3 million, equal to 74% of the value of the portfolio. The average margin of debt is 110 basis points (excluding set-up costs). It is 100% hedged by financial instruments such as caps.

IFRS simplified balance sheet in million euros	31.12.2008	31.12.2007
Investment properties	524.3	476.9
Assets held-for-sale	12.8	0.0
Current receivables/assets	19.5	19.2
Cash and equivalents	9.4	21.7
Total assets	**566.0**	**517.8**
Equity	71.3	79.1
Issued bonds	54.0	54.0
Bank loans	398.3	350.0
Other debts/liabilities	42.4	34.8
Total equity and liabilities	**566.0**	**517.8**

Income Statement

MRM generated consolidated revenues of € 28.3 million in 2008, with offices accounting for 59% of gross rental income and retail property accounting for 41%. Current operating income was € 18.3 million. After the change in fair value of investment properties, operating income totalled € 18.2 million.

2008 was subject to unfavourable interest rates in two respects. The high level of interest rates during the year led to an increase in interest expenses, while the fall in interest rates at the end of the period resulted in a sharp fall in the value of financial instruments as of 31 December 2008. MRM's total net cost of debt of € 22.1 million and other financial expenses of € 3.5 million strongly impacted the Group's net income, resulting in a loss of € 7.5 million over the full year, or –€ 2.15 per share.

IFRS simplified income statement in million euros	2008	2007 published [4]
Total gross rental income	28.3	**7.3**
• of which Offices	16.6	4.0
• of which Retail	11.7	3.3
Property expenses	(3.4)	(0.7)
Net rental income	24.9	**6.6**
Operating income and expenses	(6.6)	(4.6)
Current operating income	18.3	**1.9**
Change in fair value of investment properties	(0.1)	8.0
Operating income	18.2	**9.9**
Net cost of debt	(22.1)	(6.0)
Other financial expenses	(3.5)	(0.5)
Other non operating income and expenses	0.0	8.4 [5]
Net income before tax	(7.4)	**11.8**
Taxes	0.0	(0.4)
Consolidated net income	(7.5)	**11.4**
Earnings per share (in euros)	(2.15)	**3.25**

Cash flow

Operating activities generated a positive cash flow of € 12.3 million in 2008. Investments represented a disbursement of € 49.6 million while financing activities led to a positive cash flow of € 25.1 million. As a result, the Group's net cash position decreased by € 12.2 million from € 21.5 million as of 31 December 2007 to € 9.4 million as of 31 December 2008.

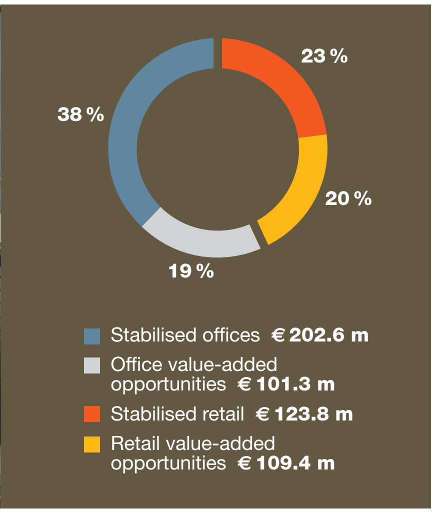
Recent events and outlook

In keeping with its strategy, MRM ended 2008 with a property portfolio representing both a secure revenue base and considerable potential for value creation through redevelopment programmes.

MRM's stabilised offices benefit from high quality institutional tenants and 57% of rental income comes from leases secured beyond three years. The retail portfolio is diversified and leases are divided between a large number of tenants. Most of the 220 occupants are national or international retailers, accounting for 83% of rents received.

Furthermore, value-enhancement programmes present potential for significant growth in net annualised rental income. If the plan to invest € 67.4 million over three years in value-added opportunities were to go ahead, the annualised rental income [1], which stood at € 7.4 million as of 1 January 2009, would be expected to reach € 20.4 million after completion of the redevelopment programmes. However, MRM intends to make the most of its flexibility in the continuation and implementation of these programmes over the period from 2009-11.

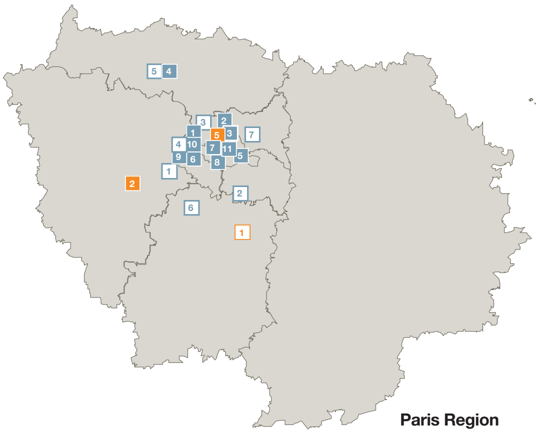
As for 2009, € 17.8 million has been committed for investment programmes. As regards bank commitments, the Group no longer has any credit lines maturing in 2009, having already extended to 2010 the term of the only credit line (worth € 29.3 million) which was maturing in 2009. In view of these factors as well as the positive cash flow after cost of debt and before capital expenditure foreseen for 2009, MRM's additional financing required for the year is limited to € 8 million and currently at an advanced stage of negotiations.

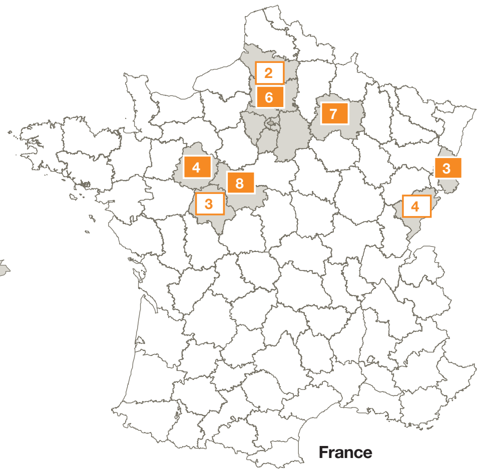


Portfolio breakdown by asset value
(appraisal as of 31 December 2008)

(3) Appraisal value excluding transfer taxes established by two independent appraisers: Catella (offices) and Savills (retail).
(4) Includes MRM's new real estate business over four months as of 01/09/2007.
(5) Includes € 8.4 million corresponding to the accounting treatment of contributions and € 0.1 million relating to old activities over eight months.

MRM's asset portfolio as of 31.12.2008





Stabilised offices

1 Nanterre « Crysalis » (92) - 10,176 sqm, 325-345 avenue Georges Clémenceau
2 Clichy-La-Garenne (92) - 6,224 sqm, 7 rue Charles Paradinas
3 Levallois (92) - 4,472 sqm, 3-5 rue Maurice Ravel
4 Cergy-Pontoise (95) - 6,365 sqm, 6 rue des Chauffours
5 Paris 12ème - 2,871 sqm, 43 rue de la Brêche aux Loups
6 Boulogne (92) - 2,877 sqm, 3,3bis, 8, 8bis, 10bis, rue Escudier
7 Paris 9ème - 2,494 sqm, 5 rue Cadet
8 Paris 14ème - 1,712 sqm, 13 rue Niepce
9 Rueil-Malmaison (92) - 4,531 sqm, 45-53 avenue Paul Doumer
10 Puteaux (92) - 5,889 sqm, 3-5 quai de Dion Bouton
11 Paris 2ème - 1,114 sqm, 12 rue de la Bourse

Office value-added opportunities

1 Vélizy-Villacoublay « Carré Velizy » (78) - 10,556 sqm, 16-18 avenue Morane Saulnier
2 Rungis « Le Delta » (94) - 8,686 sqm, 3-5 rue du Pont des halles
3 La Garenne Colombes « Charlebourg » (92) 10,672 sqm, 71 boulevard National
4 Rueil-Malmaison « Cytéo » (92) - 3,989 sqm, 147 avenue Paul Doumer
5 Cergy-Pontoise « Cap Cergy » (95) - 7,086 sqm, 4 rue des Chauffours
6 Les Ulis « Solis » (91) - 10,728 sqm, 12 avenue de l'Océanie, ZA Courtaboeuf,
7 Montreuil « Croix de Chavaux » (93) - 7,789 sqm, 14-20 boulevard de Chanzy

Stabilised retail

1 Box portfolio - 13,432 sqm, multiple (not on the map)
2 Montigny-le-Bretonneux « Sud Canal » (78) - 11,660 sqm, 24/26 Place Etienne 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 Paris 8ème - 1,794 sqm, 164/166 rue du Fbg St Honoré
6 Chambly (60) - 5,260 sqm, ZAC les portes de l'Oise, rue Henri Becquerel
7 Reims (51) - 2,550 sqm, 2 rue de l'Étape
8 Gamm Vert portfolio - 23,765 sqm, multiple
9 Pizza Hut portfolio - 2,290 sqm, multiple (not on the map)

Retail value-added opportunities

1 Corbeil-Essonnes « Marques Avenue A6 » (91) - 13,225 sqm, rue des Granges
2 Amiens « Les Halles » (80) - 7,432 sqm, place Maurice Vast
3 Tours « Galerie du Palais » (37) - 6,562 sqm, 19 place Jean Jaures
4 Besançon « Centre commercial Ecole-Valentin » (25) 4,722 sqm, 6 rue Chatillon

2009 publication calendar

Thursday 14 May 2009
Q1 2009 revenues

Thursday 11 June 2009
General Meeting of Shareholders

Thursday 30 July 2009
Q2 2009 revenues

Thursday 10 September 2009
2009 interim results
Information meeting

Thursday 12 November 2009
Q3 2009 revenues

Press releases can be downloaded from the Finance section of our website.

MRM share information

Mnemonic: MRM[1] / ISIN code FR0000060196
Listing market: EURONEXT PARIS - Compartment C
Included in the Euronext IEIF SIIC France index since 25 March 2008
Type: Ordinary shares - Daily double call auction

[1] since 14 January 2008 (old mnemonic: MSCH)

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