M R M

2012 Registration Document

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

Approval from the French Financial Markets Authority *(Autorité des Marchés Financiers)*

This Registration Document was filed with the French Financial Markets Authority (*Autorité des marchés financiers* (AMF)) on 18 April 2013. It may be used for the purposes of a financial transaction where supplemented by a transaction summary ("*note d'opération*") that has been approved by the AMF. This document was prepared by the issuer and the signatories are responsible for its contents.

Copies of this Registration Document are available free of charge from M.R.M., 11, place Édouard VII – 75009 Paris, France, and on its website (http://www.mrminvest.com), as well as the AMF website (http://www.amf-france.org).

Pursuant to Article 28 of European Regulation no. (EC) 809/2004, the following information is incorporated by reference in this Registration Document:

- the separate and consolidated financial statements and Statutory Auditors' reports on the separate and consolidated financial statements for the financial year ended 31 December 2011, as presented in the Registration Document filed with the AMF under number D. 12-0435 on 26 April 2012;
- the separate and consolidated financial statements and Statutory Auditors' reports on the separate and consolidated financial statements for the financial year ended 31 December 2010, as presented in the Registration Document filed with the AMF under number D. 11-0407 on 29 April 2011.

Contents

1. INFORMATION ON M.R.M.'S ACTIVITIES

1.1 Business overview

M.R.M., a mixed listed real estate investment company which opted for SIIC status from 1 January 2008, holds a portfolio of office and retail property assets, part of which are stabilised while others still offer value-added opportunities.

Value-added opportunities correspond to properties acquired as they stand and requiring renovation before being let. The intention of these works is to bring these properties into line with tenants' expectations in terms of appearance and facilities, in particular electrical equipment, IT and air conditioning.

M.R.M.'s asset portfolio was constituted via merger and contributions by Dynamique Bureaux and Commerces Rendement, dated 12 December 2007, and by acquisitions made directly or indirectly through M.R.M.'s subsidiaries since September 2007.

M.R.M., whose property transactions are managed by CBRE Global Investors, a subsidiary of the world leader in real estate services, CBRE, implements a dynamic strategy of value-enhancement and asset management, combining yield and capital gains.

1.2 Key figures

1.2.1 The Group's asset profile

Data as of 31 December 2012

M.R.M. Asset portfolio	12/31/2012
Asset portfolio value [(1)] excluding transfer taxes recognised in the consolidated financial statements	€269.0m
Total area	146,621 sqm
Value breakdown	57% retail/22% stabilised offices/ 21% office properties in the process of being let
Disposals made in 2012	€22.5m

(1) Based on appraisals by Catella Valuation and Savills as of 31 December 2012.
Compared to 31 December 2011, the asset portfolio was down 6.4% in value following the disposals in 2012. However, on a like-for-like basis, namely excluding the effect of 2012 disposals, the value of the asset portfolio was up 1.3%.
Changes in the asset portfolio, as they are reported in the consolidated financial statements as of 31 December 2012 (see paragraph 3.7 of this Registration Document), break down as follows:
The €3.5 million fall in fair value at end-December 2012 primarily stemmed from the lower appraisal values of office properties in the process of being let and those of leased properties located in the Outer Rim of Paris. This reduction reflects changes in the investment market on the back of current macro-economic uncertainties that have seen demand focus on prime assets in the central business district of Paris, which generate rental revenues secured by long-term leases.

The Group's entire asset portfolio as of 31 December 2012 was appraised by two appraisal companies, Catella Valuation and Savills. These two companies are independent: they are not related and have no conflict of interests with CBRE. The valuations were carried out using recognised methods which were consistent over time, in accordance with French and international valuation standards, namely the "*Charte de l'Expertise Immobilière*" (property valuation charter) implemented by all French property valuation associations and the RICS ("Appraisal and Valuation Manual" published by the Royal Institution of Chartered Surveyors). Previous appraisal valuations were carried out in June 2012.

The Group values its property assets twice a year. With a view to complying with the SIIC Code of professional conduct, the Group plans to put in place a rotation system for its appraisers from December 2013.

The methodology chosen by the appraisers is based on the combined implementation of different valuation techniques. Namely, the capitalisation approach and the discounted future cash flow approach.

Appraisers' details

Catella Valuation	Savills
25, boulevard de l'Amiral-Bruix	14, rue Auber
75116 Paris, France	75009 Paris, France
Tel.: +33 (0)1 56 79 79 79	Tel.: +33 (0)1 44 51 73 00

Methodology

All appraisal valuations are based on an in-depth visit of the property assets.

In addition, the experts consult the legal, administrative, technical and financial documentation relating to each of the property assets. Consultation of the documentation for the properties is a vital first step to any asset valuation. On a case by case basis, depending on the specific attributes of each property, the valuation phase uses the following methods in accordance with the definitions of the French property valuation charter.

Ownership and occupancy

The appraiser uses information provided by the Company concerning the type of ownership, its scope, the vesting of rights to the property, authorised uses and other information.

The appraiser assumes that this information is accurate, up to date and complete and that the properties comply with applicable laws and regulations.

Town planning and roads

As regards town planning and roads, the information collected verbally from responsible local authorities is assumed to be accurate. No town planning deeds or certificates are requested within the framework of appraisal valuations. The appraiser also checks that there are no town planning or roadway projects planned that could result in a forced sale or directly affect ownership of the properties in question.

Areas

Areas are generally not measured by the appraiser.

The areas stated are those provided by the architects or the managers of the property and are assumed to be accurate.

Equipment and material

Appraisal valuations include equipment and facilities normally considered to form part of the property's fixtures and fittings and which would remain attached to the property if it is sold or let. Equipment and material and their specific foundations and supports, furniture, vehicles, stock and operating tools, as well as tenants' equipment, are excluded from valuations.

Properties under construction or redevelopment

For properties under construction or redevelopment, the appraiser sets out the stage of the development, expenditure already committed as well as future expenditure on the date of the valuation, according to the information supplied by the Company. Contractual commitments of the parties involved in the construction and any figures for estimated expenditure obtained from the consultants working on the project are taken into account.

For recently completed properties, retentions, construction expenses in the process of being settled, fees, or any other expenditure for which a commitment has been made, are not taken into account.

Realisation costs

In their valuations, appraisers do not take account of transaction costs, any taxes that may be payable if the property is sold or any mortgages or other financial commitments relating to the property. Valuations are exclusive of VAT.

Asset valuation methods

The conclusions formed by the appraisers refer to the notion of monetary value and the notion of rental value.

The market rental value corresponds to the financial compensation (yearly or monthly) for properties valued:

- under market conditions on the day of the valuation, for use of the property within the framework of a new lease;
- under normal operating conditions corresponding to the current allocation of the property.

The market monetary value of a property indicates "the estimated amount at which the property would be sold at the date of valuation between a willing buyer and seller, under normal market conditions, after a reasonable marketing period during which both parties have acted knowledgeably, prudentially and with no constraints."

Income capitalisation approach

These methods consist, on the basis of either reported or existing income, or theoretical or potential income (market rent or market rental value), of capitalising this income by applying a rate of return.

Income-based methods are also known as "income capitalisation" or "return" methods. They can be applied in a number of ways depending on the income base in question (effective rent, market rent, net income) to which specific rates of return correspond.

The capitalisation rates correspond to the yield on the seller's side or with a view to a management year. The capitalisation rate expresses, as a percentage, the relationship between the gross or net income of the property and its monetary value. It is called gross or net depending on whether the gross or net income of the property is chosen.

At 31 December 2012, the average capitalisation rate was 7.7% for office properties and 6.9% for retail properties.

The yield rate corresponds to the yield for the buyer or investor. The yield rate expresses, as a percentage, the relationship between the gross or net income of the property and the capital committed by the buyer (acquisition price + transfer fees and duties = gross monetary value commission and fees included).

Discounted cash flow method

This forward-looking method is based on estimated income and expenses relating to the property, determining a "final value" or exit value after the analysis period and discounting all cash flows.

Over a given period and on a forward-looking basis, it involves anticipating all events (reflected as financial flows) that will have a positive or negative impact on the life of the property (rents, charges, vacancies, works, etc.). By discounting, all future financial flows are stated at today's value in order to determine the present value of the property.

This method is notably used for assets with value-added opportunities.

Summary of appraisal valuations by segment of activity

Stabilised offices	12/31/2012
Appraiser	Catella Valuation
Date of the latest visits	100% of assets [(1)] visited less than 12 months ago
Type of ownership	5 assets held in full title
Appraisal value excluding transfer taxes	€59.6m
Value in the consolidated financial statements	€59.4m
The €(0.2) million difference between the appraisal value and the carrying amount stemmed from a property held for sale booked at its appraisal value net of costs to sell.	
Capitalisation rates	Between 5.5% and 8.8% (i.e. 7.2% on average)
Net yield rate	Between 6.1% and 10.0% (i.e. 8.0% on average)
Occupancy rate [(2)]	94%

(1) By value as of 31 December 2012.
(2) Ratio of area let to area available for letting.

Office properties in the process of being let	12/31/2012
Appraiser	Catella Valuation
Date of the latest visits	93% of assets [1] visited less than 12 months ago 7% of assets [1] visited more than 12 months ago
Type of ownership	2 assets held in full title two assets held in co-ownership
Appraisal value excluding transfer taxes	€55.5m
Value in the consolidated financial statements	€55.4m
The (€0.1) million difference between the appraisal value and the carrying amount in the consolidated financial statements stemmed from a building subject to a sale agreement that is recognised at the sale value in the agreement net of costs to sell.	
Capitalisation rates	Between 8.3% and 10.3% (i.e. 9.2% on average)
Potential net yield rate	Between 9.7% and 13.0% (i.e. 10.1% on average)
Occupancy rate [2]	18%

(1) By value as of 31 December 2012.
(2) Ratio of area let to area available for letting.

Retail properties	12/31/2012
Appraisers	Savills
Date of the latest visits	16% of assets [1] visited less than 12 months ago 58% of assets [1] visited 12-24 months ago 25% of assets [1] visited more than 24 months ago
Type of ownership	15 assets held in full title 2 assets held in co-ownership 5 assets in "lots de volume"
Appraisal value excluding transfer taxes	€154.2m
Value in the consolidated financial statements	€154.2m
Capitalisation rates	Between 6.0% and 8.3% (i.e. 6.9% on average)
Net yield rate	Between 5.5% and 8.2% (i.e. 6.7% on average)
Occupancy rate [2]	92%

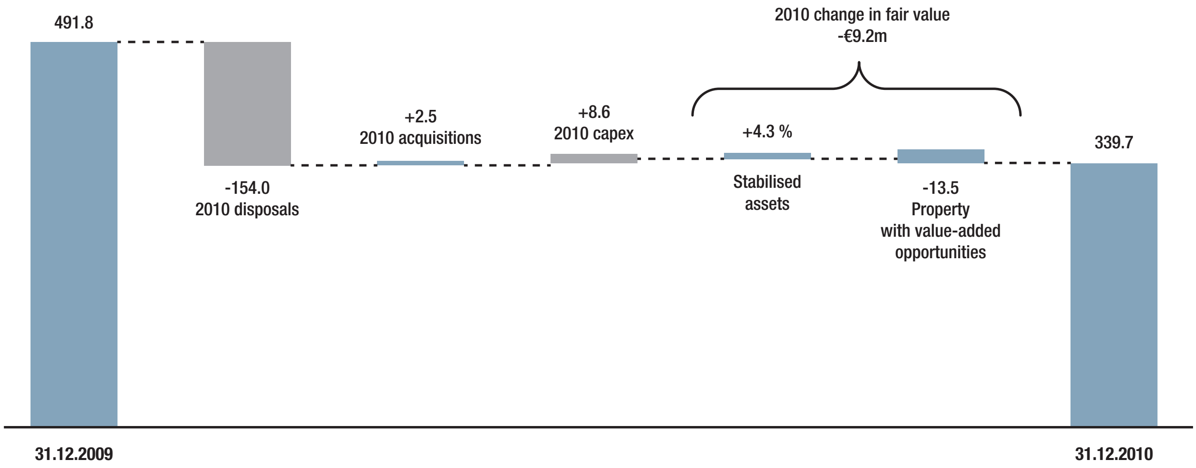
(1) By value as of 31 December 2012.
(2) Ratio of area let to area available for letting.

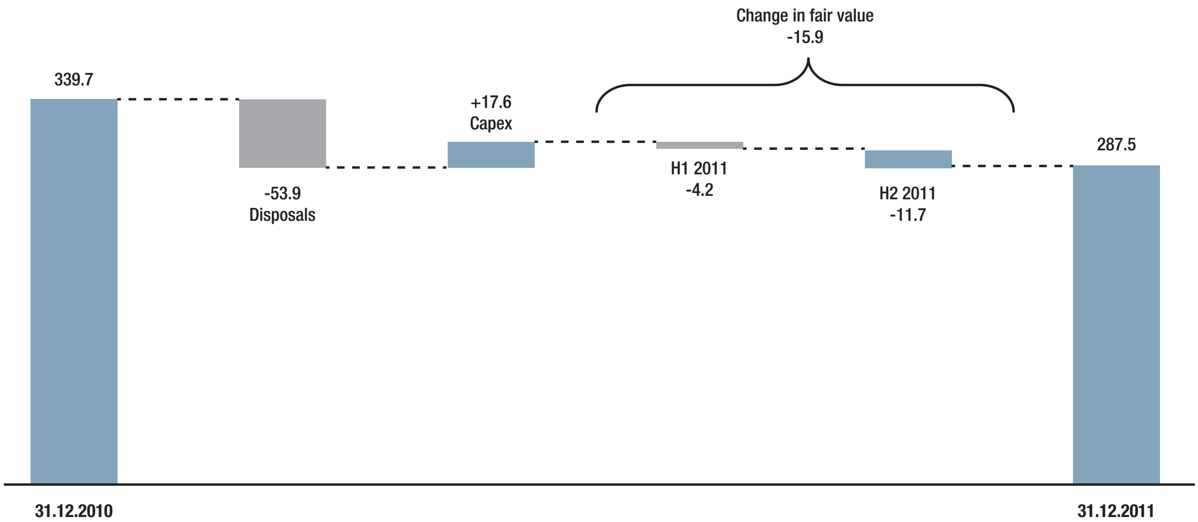
1.2.2 Financial data

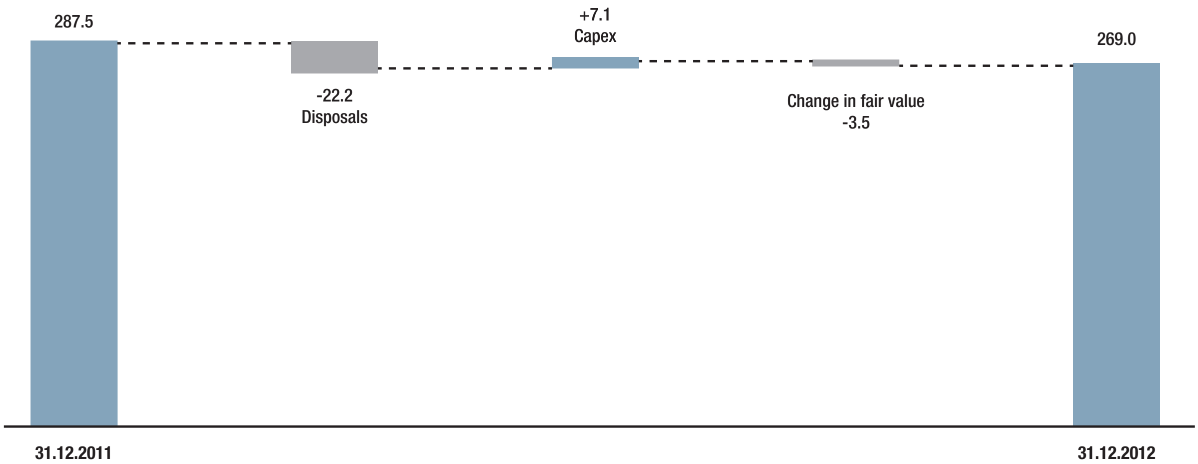
► SIMPLIFIED BALANCE SHEET IN IFRS

(in millions of euros)	12/31/2012	12/31/2011
Investment properties	253.8	243.2
Assets held for sale	15.2	44.3
Current receivables/assets	9.7	12.0
Cash and cash equivalents	4.0	2.4
TOTAL ASSETS	**282.7**	**301.9**
Equity	16.9	21.3
Bonds	62.1	60.6
Bank loans	191.5	202.2
Other current debts and liabilities	12.2	17.8
TOTAL LIABILITIES	**282.7**	**301.9**

The value excluding transfer taxes of the Group's asset portfolio changed as follows over the past three years:



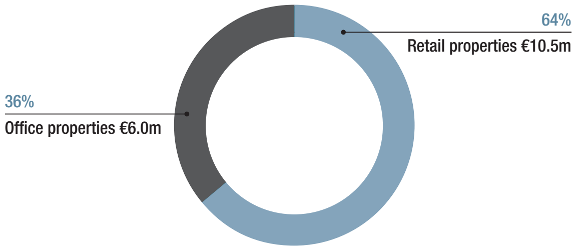




► SIMPLIFIED INCOME STATEMENT IN IFRS

(in millions of euros)	2012	2011
GROSS RENTAL REVENUES	**16.5**	**18.5**
Property expenses not recovered	(3.1)	(3.1)
NET RENTAL REVENUES	**13.4**	**15.4**
Current operating income and expenses	(6.4)	(6.1)
CURRENT OPERATING INCOME	**7.0**	**9.3**
Change in fair value of investment properties	(3.5)	(15.9)
OPERATING INCOME	**3.3**	**(8.3)**
Net borrowing cost	(7.2)	(9.0)
Other financial expenses	(0.4)	19.9
NET PROFIT (LOSS) BEFORE TAX	**(4.3)**	**2.6**
CONSOLIDATED NET INCOME	**(4.4)**	**2.5**
NET EARNINGS PER SHARE *(IN EUROS)*	**(1.28)**	**0.72**

Gross rental revenues for 2012 broke down as follows:



► DEBT

At 31 December 2012, bank debt amounted to €191.5 million, representing 71.2% of the value of the asset portfolio. The average margin on such debt relative to Euribor is 148 basis points (excluding impact of set-up fees). It is entirely hedged by financial instruments (caps).

At 31 December 2012, the Group did not fully respect all of its commitments to its banking partners in terms of LTV covenants: the LTV threshold specified in one of the loan agreements was exceeded (60.8% instead of 60%). Discussions are ongoing with the bank in question with a view to amending the loan agreement. The Group nevertheless respected all of its commitments in terms of ICR covenants.

On 25 September 2012, the Group signed an agreement with the SaarLB bank for a 12 month extension to the fully drawn down €30.0 million credit line backed by a portfolio of office properties. This credit line had been due to expire in April 2013 but will now run until April 2014. As of 31 December 2012, following a partial early redemption in connection with the disposal of a property, this credit line only amounted to €23.2 million.

At 31 December 2012, the net bank debt was:	€187.5m
With a gross bank debt of:	€191.5m
And cash of:	€4.0m

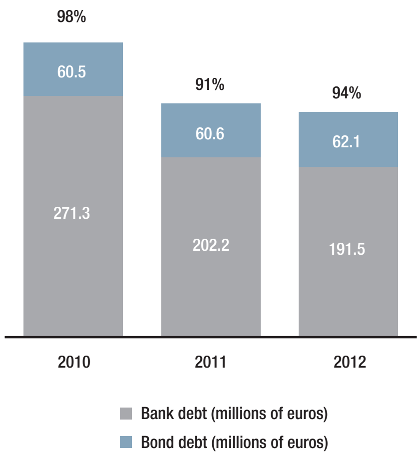
The Group has also issued €54 million in bonds at a fixed rate of 5%. These bonds are issued at a par value of €1 and mature on 31 December 2013. The Company may redeem the bonds early at any time.

In accordance with the option provided for under the terms and conditions of the bond, the Group decided to suspend payment of the bond coupon from the fourth quarter of 2008. Following a two-year suspension, the Group had once again started paying interest on this bond in the first quarter of 2011. In light of the weakness of the Group's projected cash position, M.R.M. once again decided to suspend payments from the third quarter of 2012. Interest arrears, recognised at an annual interest rate of 5.0%, calculated on the basis of actual days elapsed and a year of 360 days, due daily and compounded annually, is accrued in this respect. As of 31 December 2012, total capitalised interest stood at €8.145 million.

	12/31/2012	12/31/2011
Bonds (1)	€62.1m	€60.6m
fixed rate	5%	5%
Bank loans	€191.5m	€202.2m
average margin (2)	148 bps	148 bps
Cash and cash equivalents	€4.0m	€2.4m
BANK LOAN TO VALUE (LTV) (3)	**71.2%**	**70.3%**
TOTAL DEBT (4)	**94.3%**	**91.4%**

(1) Including capitalised interest.
(2) Excluding impact of set-up fees.
(3) Bank debt on asset portfolio appraisal value excluding transfer taxes.
(4) Bank and bond debt over asset portfolio appraisal value excluding transfer taxes.

At 31 December 2012, the ratio of the Group's total debt (bank and bond debt) thus totalled €253.6 million and represented 94% of the value of the asset portfolio. The Group's total debt changed as follows over the past three years:



► MATURITY AND HEDGING OF THE BANK AND BOND DEBT

At 31 December 2012, the bank debt schedule was as follows:

Bank maturities	Amount	% of the total bank debt
2013	€60.9m	31.8%
2014	€51.1m	26.7%
2015	€68.9m	36.0%
2016	€0.3m	0.2%
2017 and beyond	€10.3m	5.4%
TOTAL	**€191.5M**	**100%**

Of the €60.9 million in bank debt maturing in 2013, 95% will mature at end-December 2013. Added to this is the €62.1 million in bond debt also maturing at end-December 2013. A total of €123 million in Group debt will thus mature in 2013, representing circa 49% of its debt.

The above schedule does not reflect the changes to the bank debt terms that the Group has already negotiated with its banking partners as part of the ongoing transaction with SCOR (see section 1.4.6. Events after the reporting period and ongoing projects), and with respect to which term sheets have been signed. It should be noted that these term sheets are conditional on the completion of this transaction.

As part of this transaction, bondholders are offered the opportunity to convert bonds issued by DB Dynamique Financière into M.R.M. shares. The condition precedent contained in the investment agreement relating to the bond sets the threshold for a successful conversion at 85%, namely a converted nominal amount of at least €45.9 million. For the transaction to be completed, the meeting of bondholders must ratify changes to the issue terms that would add a conversion option, extend the maturity of the bonds to 2050, and reduce the annual coupon to 0.05% from 1 April 2013; these changes would only come into effect on condition that the transaction is completed. Assuming the capital increase reserved for SCOR is carried out, the accumulated interest arrears, including late payment interest, due as of 31 December 2012 and totalling €8.1 million, will be paid within ten days. Should the transaction be completed, bond debt will be considerably reduced. It will range between at most €8.1 million, with the maturity extended to 2050, and at the very least zero.

The variable-rate bank debt totalled €186.8 million and is wholly hedged by Euribor three-month caps set between 3% and 5.25%:

Euribor Strike	Amount
3.00% - 3.50%	€75.8m
3.51% - 4.00%	€72.1m
4.01% - 4.50%	€27.5m
4.51% - 5.00%	€0.0m
5.01% - 5.25%	€11.4m

► NET ASSET VALUE AND BALANCE SHEET

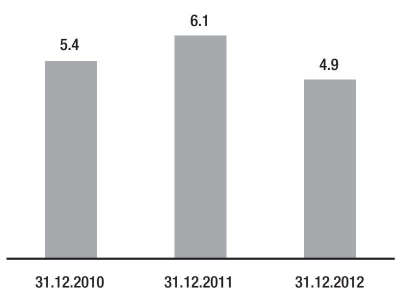
At 31 December 2012, the liquidation Net Asset Value was €4.9 per share and the replacement Net Asset Value was €9.3 per share, compared with €6.1 and €10.6 per share, respectively, on 31 December 2011.

The NAV (Net Asset Value) is an indicator which measures the realisable value of a real estate company. It represents the difference between the value of the Company's portfolio (as assessed by independent appraisers) and the sum of the debts. The NAV was not subject to any restatements insofar as the investment property and the property held for sale were entered at "market value" on the Group consolidated balance sheet as of 31 December 2012. The liquidation NAV corresponds to the NAV excluding transfer taxes, with the properties taken at their values excluding transfer taxes according to the appraisal valuations made by the independent appraisers. The replacement NAV corresponds to the NAV including transfer taxes, with the properties taken at their values including transfer taxes according to the appraisal valuations made by the independent appraisers.

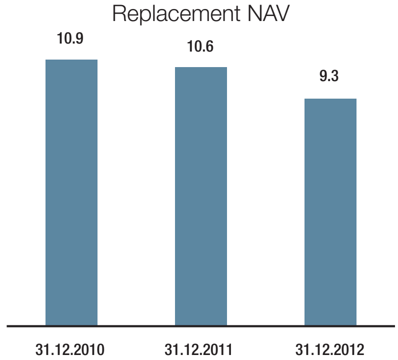
NAV Data	12/31/2012	12/31/2011	12/31/2010
Net Asset Value	€16.9m	€21.3m	€18.8m
Liquidation NAV/share	€4.9	€6.1	€5.4
Replacement NAV/share	€9.3	€10.6	€10.9

The Net Asset Value in euros per share changed as follows over the past three years:

Liquidation NAV



Replacement NAV



► CASH FLOW STATEMENT

The simplified cash flow statement over the past three years is as follows:

(in thousands of euros)	12/31/2012	12/31/2011	12/31/2010
CONSOLIDATED NET INCOME	**(4,406)**	**2,507**	**(18,563)**
CASH FLOW	**7,623**	**6,924**	**15,468**
Change in operating working capital	363	(847)	(8,435)
Change in cash flows from operating activities	7,986	6,077	7,034
Change in cash flows from investing activities	11,364	10,145	99,853
Change in cash flows from financing activities	(17,811)	(25,983)	(104,136)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**1,539**	**(9,761)**	**2,751**
Initial cash and cash equivalents	2,414	12,175	9,425
Closing cash and cash equivalents	3,953	2,414	12,175

1.3 Company history

M.R.M. was initially a holding company heading up a group organised around three business lines: manufacturing and sales of velvet products (JB Martin), clothing design and retailing in Mexico (Edoardos Martin) and the production and sale of plastic tubes and cables (M.R. Industries). At the start of this decade, M.R.M. committed itself to an active strategy of refocusing its business activities on the first two operations, gradually disposing of all companies within M.R. Industries, the latter company having been sold, with its sole subsidiary Tecalemit Fluid System, to JB Martin Holding for €1 on 29 June 2007.

29 June 2007: Dynamique Bureaux, a property investment company managed by CB Richard Ellis Investors, took over M.R.M., a company listed on the Eurolist of Euronext Paris, via acquisition of 70.03% of its share capital. Prior to that acquisition, M.R.M. had sold all its operational businesses, grouped together in the subsidiary JB Martin Holding.

31 July 2007: Dynamique Bureaux launched a simplified public tender offer for all the shares of M.R.M.

30 August 2007: At the end of the simplified tender procedure, Dynamique Bureaux held 96.93% of the share capital and voting rights of M.R.M.

28 September 2007: M.R.M. began to carry out its first acquisitions of office buildings through property companies.

9 November 2007: After obtaining the visa for the E.07-163 document from AMF on 8 November 2007, M.R.M. announced its plans to change its business and move towards that of a mixed listed real estate investment company. The project took the form of Dynamique Bureaux's merger-absorption into M.R.M. and the contribution by Commerces Rendement of its shares (directly and indirectly with the contribution of all of Investors Retail Holding's shares, a company whose sole assets were its holdings in Commerces Rendement).

12 December 2007: The General Meeting of M.R.M. Shareholders held on 12 December 2007 approved, among other items, the following transactions:

- contribution of all Commerces Rendement shares not held by Investors Retail Holding;
- contribution of all shares held by Investors Retail Holding;
- absorption of Dynamique Bureaux;
- ratification of co-opting directors on 29 June 2007;
- transferring the head office to 65/67 avenue des Champs-Élysées, Paris (75008);
- redrafting the Company's Articles of Association;
- authorisation to proceed to capital increases.

30 January 2008: M.R.M. opted for SIIC status as from 1 January 2008.

The tax regime for "*Sociétés d'Investissements Immobiliers Cotées*" (SIIC) (listed property investment companies), laid down in Article 208 C of the French General Tax Code, exempts eligible companies which opt for this status from corporate tax on income from letting buildings, and from capital gains tax on sales of buildings and shares in real estate companies.

Conditions for eligibility are twofold:

- one condition concerns the company's business: at least 80% of its business must derive from property holding and management;
- one condition concerns the shareholding structure: no one shareholder can hold more than 60% of the share capital and voting rights of the company, and at least 15% of the share capital and voting rights must be held by shareholders accounting for less than 2% of the share capital and voting rights.

The company must opt for the SIIC status before the end of the fourth month from the beginning of the financial period for which the company requests application of the regime. It takes effect as from the first day of the applicable financial period and is irrevocable. The resulting change in tax status gives rise to the discontinuation of a company's business (taxation of unrealised capital gains, payment of any deferred tax and any unpaid corporate tax on operating income).

Corporate tax on unrealised capital gains, deferred taxation and operating income not yet taxed, levied at 16.5% (generally referred to as exit tax), must be paid in instalments of 25%, on 15 December in the first year of the option, and in each following year.

SIIC listed property companies and their subsidiaries having opted for the special tax regime are exempt from corporate tax on the part of their earnings derived from:

- letting buildings, provided that 85% of such earnings be distributed before the end of the financial period during which they are generated;
- capital gains realised on disposals of buildings, shares in partnerships as described in Article 8 of the General Tax Code, and whose purpose is identical to that of the SIIC, and/or shares in subsidiaries having opted for the special tax regime provided that 50% of such capital gains are distributed before the closing of the second financial period following their realisation;
- dividends received from subsidiaries having opted for the special tax regime and deriving from tax-exempt income or capital gains, provided that they are entirely redistributed during the financial period following the dividend payout.

25 March 2008: M.R.M. joins the Euronext IEIF SIIC index.

1.4 The Company

The market data presented in this chapter is taken from reports published by CBRE.

The reader may refer to the management report in section 3.6 of this document for further details about the M.R.M. Group.

1.4.1 Business overview

The purpose of M.R.M. as a real estate company is the acquisition, holding, value-enhancement, rental and arbitrage of property assets. The Group manages the structure of its portfolio in order to maintain a balance between stabilised assets and assets with value-enhancement opportunities. This means targeting the acquisition of assets that offer either secure rental potential or value enhancement.

Growth lies in selecting investments, diversifying revenues, enhancing property value, optimising financing methods and in combining internal development with growth via acquisitions.

The Group operates on the office and retail property markets, each with their own characteristics. These businesses require in-depth knowledge of investing and rental activities, of laws and regulations, and the competitive environment.

M.R.M. enjoys access to the expertise and knowledge bases of CBRE Global Investors and of CBRE on the office property market. In France, CBRE has a ten-strong research team, who are constantly monitoring the market, publish about 100 benchmark studies *per annum* and enjoy access to comprehensive databases: more than 20,000 office transactions in the greater Paris region, 4,000 investment references in France, with municipal rental archives going back further than ten years, covering 10 million sqm of available space classified according to probability of market entry and foreseeable date of market entry, as well as databases covering 30 regional urban areas.

Office properties

In the office property segment, demand is concentrated in Paris and the suburbs, and to a lesser extent in large cities in the French provinces. Developments in this market are described in 1.4.2. Upon investing, the key indicators include the volume of property exchanged and variances in capitalisation rates used to value the properties.

Vacancy rates and changing rental values are two key criteria for the rental market. Although the investment and rental markets have differences, they do have some determining factors in common.

With regard to rent regulations, the INSEE construction cost index (ICC), which has been very volatile over the last few years, will be gradually replaced by the commercial property rental index (ILAT), a new index that is more closely correlated with changes in GDP. French environmental legislation is being revamped following the Grenelle Environmental Forum, in the guise of the Building Plan designed to improve the energy performance of buildings and help combat global warming, notably with the coming into force of the 2012 Thermal Regulations. In parallel with the particular focus on personal safety (asbestos, construction materials, etc.), regulations are also evolving in relation to the protection of the environment (energy standards, greenhouse gas emissions, the introduction of buildings into the environment, natural landscaped surroundings, etc.) and the disabled.

The competitive environment in which the Company operates is becoming fragmented, in regard to both the type of assets involved and the players, which include a number of listed French real estate companies (the bulk of which operate under the SIIC regime), French and foreign investment funds, and institutional investors (insurance companies, pension funds). No one player among them controls a significant share of the different market segments.

Certain property players can be considered as competitors as they operate entirely or in part on the same market segment as the Company, mainly some listed real estate companies and investment funds such as Foncière des Régions, Affine, Société de la Tour Eiffel and Eurosic (property companies), and MSREF, Whitehall, Proudreed, and LFPI (funds). In addition, some private individuals and smaller real estate companies may also be interested in certain assets targeted by the Company.

Retail properties

Retail property is a highly specific market segment subject to a particular economic and regulatory sector. Developments in this market are described in 1.4.2. The development of retail and distribution can be observed in the endurance of suburban retail parks and the refurbishment of existing town-centre facilities. In addition, the size and demography of the French market foster the development of chains by domestic and international retailers. Finally, e-commerce is also developing strongly and represents a significant distribution channel in certain consumer sectors (travel ticketing, electronic goods, etc.).

These retailers are now operating in most large cities in France, and are beginning to penetrate deeper into the territory by opening outlets in smaller catchment areas, although continuing to scrutinise entry conditions, given the difficult economic environment.

The balance of power between tenants and lessors is determined by the strength of the retail property and business, which belongs to the tenants and therefore strongly influences their attachment to the premises, and by the regulation of available supply of premises, which is determined by the authorisation required prior to opening any mid-size or mass retail outlet, governed by urban planning laws, a reform which is currently being discussed. These changes are being followed closely by players in this market.

As a consequence, investments made in commercial property are subject to a lesser extent to the vacancy constraints known in other property sectors.

Against the backdrop of the volatility of the index traditionally used (the construction cost index – ICC), the regulations now allow the use of a new index (retail rents index – ILC) incorporating certain retail activity indicators by volume in order to weight the construction cost index (ICC). However, the change in index is not statutory and in order to be applied it needs an agreement between the parties.

The competitive environment in which the Company operates is fragmented: the main players include a certain number of French and international listed real estate companies, specialising in retail property or with a significant proportion of their assets on this segment, such as Unibail-Rodamco, Klépierre, Mercialys, Altaréa or Corio.

Asset value-enhancement policy

The main strategy of the M.R.M. group is to keep a significant portion of assets with value-added opportunities in its portfolio.

These are assets which show potential for substantially higher yields. The first stage of this strategy consists in identifying, negotiating and acquiring undervalued assets:

- the refurbishment of assets with value-added opportunities and raising them to best market standards;
- the realignment of rental revenues to market rates.

1.4.2 The real estate market in 2012, office and retail segments

The investment market in France

Source: CBRE study of Q4 2012 entitled "Market View – Investissement France".

Economic and financial context

2012 followed the pattern seen in the final quarters of 2011 with the French economy posting weak growth of around 0.1%. And growth will be responding absent once again in 2013 because there is no real driving force in the economy.

Unemployment in mainland France rose in 2012 to stand at 10.1% at the end of the year and it is likely to continue rising in 2013 with forecasts likely to exceed 10.5% at the end of 2013. This is curbing household consumption, which was stable in 2012. Lower inflation in 2013 (1.7% compared to 2% in 2012) may help lead to a slight rise in consumption, 0.2%, in 2013.

Many businesses are in a precarious situation with profit margins squeezed, cash flow tight (although a slight improvement was noted recently in large companies), and order books that are hard to fill. This context led to a fall in business investment in sectors outside the financial sector of about 0.2% in 2012 that will probably not improve in 2013.

Monetary policy in the euro zone has remained an accommodating factor to growth with the official refinancing rate set at 0.75%. Analysts' views diverge as to a possible further fall in lending rates in 2013.

The French Stock Market, in 2012, was relatively good in 2012 with the CAC 40 posting a 15% rise, even though it still hasn't reached its pre-crisis level. According to Reuters' survey of analysts in December 2012, the CAC 40 may rise by approximately 9% in 2013.

At the end of 2012, the spread between French and German government bonds was low at less than 100 basis points.

At the end of the day, if the economic situation remains difficult, 2013 may go down as being a turning point for current and future challenges facing the country with a sustainable recovery from the crisis taking shape in the euro zone, structural reforms and a reduction of public debt.

Volumes fell by a limited amount

Over the whole of 2012, 14.5 billion euros were invested in standard commercial real estate in France. Despite a difficult economic environment, these results exceed expectations with the drop in investment volumes limited to 10% over the year. After rather paltry results in the third quarter, the usual pressure to close transactions before the end of the year spurred the market on, even though there were no tax incentives to close deals. As a result almost 5.4 billion euros were invested in the last three months of 2012 making the quarter the busiest since the crisis in 2008.

The market's strong resistance can notably be explained by the signature of several large transactions which bolstered investment volume throughout the year. As many as 38 operations above 100 million euros were concluded, despite a context of financing constraints, and they alone accounted for 53% of annual investment. The market segment between 100 and 200 million euros was particularly active, revealing how liquid the market is beyond the exceptional mammoth deals. At the other end of the scale many small transactions were signed, but the market for intermediary properties went through a quiet patch. There were many deals below 25 million euros (372 reported) and these represented 20% of investment volume. The bipolar-nature of the market tempered the progression of medium-sized operations which stood slightly above 30 million euros.

Risk-adverse investors seek higher returns

From an accounting point of view the final results were relatively satisfactory considering the steady deterioration throughout 2012 in the prospects for the economy. But that doesn't mean everything was easy. There is, of course, still an abundance of funds waiting to be invested in the property market because of the crisis, and large investors especially consider the French market attractive because of its liquidity, breadth and depth. But the hoped-for softening of selection criteria for investors did not take place due to several factors: the prevailing degree of unease generated by the risk of recession, pressure on rental values and the circumspection of banks. Investors therefore remained very targeted, focusing on core assets that were as secure as possible, that is to say, fully-let properties with sound tenants holding leases with long periods to run before the next break and at rents close to market values.

The few players adopting more opportunist strategies had difficulty meeting their objectives due to a lack of debt for risky properties and a shortage of supply at acceptable prices. Indeed, risk was shunned by the vast majority of investors and for the others it was rarely remunerated sufficiently. Potential sellers had difficulty accepting the hike in yields sought for secondary assets, whatever the reason for the awaited adustment – location, rental situation or technical quality of the building.

This combination of factors led to a considerable widening in the yield spread as the strong competition, seen throughout the year, for prime products maintained pressure on letting yields in the segment. This was particularly true for two categories of the most sought-after assets, offices and shops in Paris, for which yields dropped significantly in 2012. Thus for the best offices in the Paris central business district yields fell to 4.25% and shops in the best retail areas in the capital can now exchange hands at 4%, an all-time low.

Premiums paid for well known locations: Parisian business districts and urban shopping areas

In a financial environment that doesn't exactly encourage diversification, two types of properties attracted the interest of investors: offices in Paris and town-centre shops in major urban centres. These types of assets accounted for 51% of investment volume. The quality of the location emerged as the key selection criterion for the vast majority of investors looking for safe investments.

So 2012 proved to be the year of the shop, which in terms of investment volume virtually equalled the all-time high investment level seen in 2007. Some 3.3 billion euros were invested in retail, a year-on-year increase of 30%. Shops benefited from their reputation as good defensive assets, especially high street shops and retail galleries in town centres. Some 60% of retail investment volume was concentrated in these two types of retail and there were some landmark transactions such as the sale of 52 avenue des Champs-Élysées in Paris and the sale of the portfolio on rue de la République in Lyon. It would seem that the crisis made retailers particularly selective about their choice of location thereby benefiting the best pitches in town centres, where rental values were steady and even continued to rise. Investors, in turn, were attracted to the same type of asset.

By contrast, slightly less interest was shown in shopping centres, not least because retailers became more doubtful about their capacity to support the level of occupancy cost ratio imposed on them. In the office market, opposite trends were observed and on the whole it was mediocre year for this asset class. Investment totalled 9.9 billion euros – an annual fall of 20%. They only accounted for 68.5% of investment in France, an all-time low proportion. In reality, this market was split in two: sluggish in the outskirts of the Paris region and, to a lesser extent, in regional France, but extremely active in established business districts in Paris. Thus with almost 5.6 billion euros of investment reported, 2012 posts the second highest results for office sales in Paris, just behind 2007 when 6 billion euros were invested. If the CBD particularly attracted the attention of investors, Southern Paris outperformed itself with investment there the highest on record at 2 billion euros. This was due to large-scale transactions such as the Avant Seine property in ZAC Paris Rive Gauche and 23-25 rue de l'Université in the 7th arrondissement. The technical standard of office buildings is consistently a key criterion for investors, but the level of investment in the historic CBD, with its stock of offices that are, on the whole, old, explains why new, recent and redeveloped buildings actually account for a relatively low percentage of investment volume (48% in 2012 compared to 57% in 2010 and 2011). The market for off-plan investments turned over slowly, accounting for 14% of office transactions. And investors' aversion to risk resulted in investment in speculative development falling to a third of 2011's level, from 76% of off-plan office investment to 37%.

Finally, the investment market in industrial and logistics space continued its slow recovery, totalling more than 1.3 billion euros of investment, that is a rise of 33% on the previous year. This good result was due to activity in the segment of logistics portfolios, which concentrated 50% of volume.

Large institutional foreign investors made the market

The duality seen in the investment market in 2012 was also present in the profile of players. Large transactions were essentially carried out by rich foreign investors that are capable of raising a lot of equity. Indeed international investors were behind 87% of the transactions that exceeded 200 million euros. This return to a more international market was accompanied by a diversification in the nationality of investors participating. In particular there was a rise in the number of sovereign funds. After several years of investment in the French market, preferably via funds, in 2012 sovereign funds were more willing to invest directly attracted by trophy assets in Paris.

Traditional French investors animated the rest of the market, at the top of the list were insurance companies and SCPIs, which are still raising a lot of capital. By contrast, investors using more leverage or seeking high returns were not very active. For example investment funds and SIICs were once again net sellers, property companies tended to give preference to internal investment such as development and capital expenditure. Similarly, open-ended funds, some of which are currently being liquidated, were bigger suppliers than buyers. Finally, private investors were less active as uncertainty surrounding tax issues dampened their enthusiasm for property.

Will 2013 be a transitional year before recover?

Economic prospects are still fairly somber for 2013 in the euro zone, even though the future is starting to look clearer in the rest of the world. However the French market for standard commercial real estate investment demonstrated its capacity for resistance in 2012 despite the sharp deterioration in the economic context. The market's trump features lost none of their integrity.

First of all the amount of cash that is earmarked for investment in commercial real estate is high. Now, France is still a good choice for international capital because its market is liquid, secure and deep. In addition, the stabilization of prime yields, which had bottomed out in response to falling rents, will enable an attractive risk premium to be maintained in the property market as no significant recovery in long-term rates is expected in the medium term. As for credits, they may make a comeback, but only in very targeted situations and through the use of techniques such as diversifying sources of finance. The cost of credit will stay competitive, at least for secure assets, as short-term interest rates are expected to stay low and there will be keen competition as lenders protect their margins. Finally, some players, who have not been investing directly for several years, may start buying once again. Most property companies have now resolved their debt problems and some may need to reinvest. International investment funds have raised large amounts of capital that could be used for valued added and opportunist strategies.

However, the economy, which has been and will continue to be sluggish for some time to come, will continue to curb the eagerness of many investors who are still on the lookout for prime assets. The question therefore of the supply of quality properties drying up may arise again, even though rising prices in this segment are inciting some investors to sell to realize capital gains. Finally, if the rise in yields for secondary assets is expected to slowdown, the adjustment of prices in this segment has not yet materialized. And if prices are not reviewed, there will be no substantial investment volume in the segment. For these reasons we anticipate a limited fall in investment volume in 2013, our analysts putting the figure around 13 billion euros.

The office market in Île-de-France

Source: CBRE study of Q4 2012 entitled "Market View – Investissement France".

A resilient market

During Q4 2012, the take-up of offices in Ile-de-France reached 580,500 sqm, which is above the average since 2000. Nevertheless, since Q3 was the best quarter in at least 12 years (with three transactions higher than 50,000 sqm), a significant quarterly fall (-30%) was actually registered. In 2012 as a whole, with a take-up of close to 2.4 million sqm (-3% year-onyear), themarket resisted well in a difficult business climate (elections, tax increases, weak economic growth…). Thus, although the two main tactics were generally "wait-and-see" and "renegotiate", the market was stimulated by occupiers' policies of optimising office spaces and above all cutting costs.

The relatively dynamic nature of the market in 2012 can largely be explained by the fact that the number of transactions > 5,000 sqm held up. After a disappointing first six months (27 transactions, with a take-up of 322,200 sqm) affected by the election campaign, there was a marked increase in the number of these transactions in the second half of the year. In total, 70 transactions > 5,000 sqm took place in 2012 (compared to 71 in 2011), with a total take-up of 1.1 million sqm (+8%). More than 60% of these transactions were pre-sales and prelets, a sign that occupiers were attracted by quality premises and, above all, that they have anticipated their needs, unlike in 2008-2009.

The proportion of new and redeveloped premises reached 41% (4 points above the historical average), while renovated properties accounted for 27% and used offices 32%.

With a take-up of 852,000 sqm in 2012, activity in Paris dropped notably (-10%). However it still remains significant, accounting for 36% of the Ile-de-France market. In the absence of major deals, like Thalès in Gennevilliers in 2011, the Western Crescent experienced a fall in properties sold or let of about 15%. The same situation applies to the Outer Rim, for which the last three months of 2012 were the worst since Q3 2010. The Inner Rim and La Défense saw activity increase by approximately 40%. Indeed, the number of transactions > 3,000 sqm in the Inner Rim doubled. For its part, La Défense, for which the first 9 months of the year were the quietest in 10 years, experienced extra activity in the fourth quarter due to two large transactions: 35,200 sqm (Allianz in the Tour Athéna) and 53,600 sqm (Ministry of the Environment in the Tour Esplanade).

The broadly defined industrial sector accounted for the lion's share of the market, with 31% of the premises sold or let in 2012. Two changes here are worthy of note: the weakness of the finance-insurance sector (6% take-up for office space > 1,000 sqm, *i.e.* 14 points less than in 2011) which is its worst performance in at least 12 years, and the strong public sector, whose market share of 20% (11 points more than in 2011) is the highest since 2002. This upsurge is largely explained by the Ministry of Defence's owner-occupier transaction in Paris 15 of 135,000 sqm.

A stable immediate supply, marked by significant disparities

As of 1 January 2013, the supply of immediately available offices in Île-de-France registered a very slight increase (+1% quarter-on-quarter) reaching 3.58 million sqm, with a vacancy rate of 6.5%. The net absorption of the market therefore remained negative, with take-up of premises being mainly offset by the surrender of offices, in the majority of cases the space was made available to potential occupiers after renovation.

Despite this relative stability in the Île-de-France region, there were still significant geographic and structural disparities which tended to become more marked over the course of the year: there continued to be pent-up excess demand in the Paris market, while supply was relatively abundant in outlying areas.

Supply in Paris changed little (+2% compared to the previous quarter) and the vacancy rate ranged from about 3.5% in North Eastern Paris and Southern Paris to 5.2% in Paris Centre West.

In La Défense, the vacancy rate was 6.6%. No significant delivery or surrender of office space took place in a rental market particularly marked by pre-lets, which therefore had no effect on immediate supply.

In the peripheral areas, the Western Crescent has a high vacancy rate (10.8%), half of the stock being large premises (> 5,000 sqm). With a vacancy rate of between 9% and 10%, the situation in the Southern River Bend and Péri-Défense appears more balanced, while the oversupply of office space in the Northern River Bend has increased (15.1%) and Neuilly-Levallois is now also affected by this trend (12.3%). In the Inner Rim, the vacancy rate is between 7.6% and 10.5% depending on the sectors.

Given the limited number of completions which took place in 2012, the level of quality supply in Ile-de-France has continued to fall, dropping to 19% of immediate supply at year end, compared to 23% a year earlier. This trend confirms the progressive take-up of new and redeveloped space. The pent-up demand for this type of premises is particularly notable in Paris (11%) while in the peripheral areas; it represents a quarter of the stock available in the Western Crescent and almost one third of the vacant office space in the Inner Rim.

Properties expected to be completed this year…

Definite future supply > 5,000 sqm amounts to 1.51 million sqm (+10% year-on-year) of which 801,100 sqm will become available within the next twelve months. In 2013, completions of new or redeveloped properties for let or sale represent 462,200 sqm for a total of 26 properties. Quality supply should be consolidated in the Western Crescent, and in the Northen River Bend with the delivery of West Plaza in Colombes (29,000 sqm), but also in the Southern Inner Rim. In La Défense, the scheduled delivery of Carpe Diem (43,100 sqm) and the Tour Eqho (75,700 sqm) will help the renovation plan for the sector. Within Paris, certain deliveries will take place, including the Rezo and Strato buildings in Paris 17 (24,300 sqm) and the Parisquare building in Paris 11 (19,800 sqm).

From 2014 on, major programmes will be delivered, particularly in the Western Crescent and La Défense.

… but overall future supply is subdued

Over the past few months, speculative projects have continued to be rare, mainly due to the difficult economic climate, financing difficulties and risk aversion. Moreover, investors remain uncertain about the sustainability of rents.

Potential future supply remains significant and amounts to close to 2.6 million sqm in 115 schemes > 5,000 sqm. 60 of the 84 new or redeveloped programmes currently being studied in Ile-de-France are located in peripheral areas. Reports remain relatively standard for these projects; the vast majority of the 55 programmes which are ready to start are waiting to be pre-let or pre-sold and/or for a clearer idea of the government's economic and financial plan before work commences on them. When it comes to large office spaces in Paris that could potentially be vacated, owners are almost systematically looking at the potential of carrying out renovation works.

Downward pressure on market rental values…

As of 1 January 2013, the weighted average rent in Ile-de-France for new, redeveloped or renovated office premises was down 1.3% year-on-year, to €295 net/sqm/year. This relatively modest fall can be explained by the many turnkey transactions which were taken up during the year. The average rent for used premises changed little, and stands at €215.

Outside Paris, where the scarcity of quality supply is helping to maintain headline rents, the peripheral areas have generally seen rents fall. Many owners, concerned about their properties sitting vacant, have lowered their asking rental prices. This trend has been going on for more than a year and has intensified throughout 2012 in highly competitive sub-markets.

The market continues to reflect the very selective behaviour of potential occupiers. Companies are proving very demanding in defining their specifications and no longer hesitate to extend their initial search area, often forcing landlords to review their positions, using the existence of newly established competing office areas as a bargaining tool.

… coupled with commercial incentives at an all time high

At the same time, commercial incentives have remained stable and have even tended to increase in the second half of the year. For a letting of > 2,000 sqm, the cap of 2 months rentfree per contracted year is frequently reached, in exchange for a fixed-term lease of at least 6 years. For rentals of < 2,000 sqm, on average, the rent-free periods agreed are between 1 and 1.5 months per contracted year.

Shortage of prime properties in Paris, re-pricing of values in La Défense

The average prime rent in Paris Centre West slightly increased quarter-on-quarter (+3%), reaching €771 net/sqm/year. A certain number of occupiers continue to show great interest in quality properties, in prestigious addresses and these properties remain in scarce supply.

The average prime rent in La Défense continues to fall and is now at €441 (-4% in three months, -11% year-on-year), due to the limited number of transactions signed for more than €500. Faced with demand from large occupiers, who are very wary of cost factors (rent, rationalisation), owners subject to competing properties must continue to adjust their asking rents.

In the Western Crescent, the average prime rent continued its downward trend throughout the year, finally reaching €429. The most significant transactions in this area were mainly in Boulogne-Billancourt, Issy-les-Moulineaux and Levallois-Perret, where lower rental values have been accepted by landlords.

Forecast for 2013: reasons to believe

The weak economic growth in France forecast for 2013 will have a negative effect on activity. However, the expected upturn in global growth (estimated to be 3.6% in 2013) together with the continued policy of cost reduction and space optimisation point towards movement in the market. In addition, the solid resilience of the Île-de-France office market, notably thanks to its network of SMEs and public sector demand, means that a take-up volume of between 2.2 and 2.4 million sqm could be expected; in other words, similar to 2012.

Speculative projects are expected to remain limited. However, there could be more of them, due to slightly more credit being available, particularly as a result of the development of alternative financing. In addition, 2013 should also be the year in which certain sub-markets will see a lack of properties on the market, leading to a return of upward pressure on rental levels. However, rental values should, at least during the first half of the year, continue to fall – albeit moderately – particularly in the peripheral sectors. Rent-free periods should remain significant in the sectors with over-supply for properties with long-term leases, which does not make it easy to carry out the geographic and qualitative assessment of the table of values.

The retail market

Source: Extracts from the CBRE 2012 annual report "The French Retail Market".OMIC

Economic context

Fall but no rupture in consumption

There has also been a slowdown in consumer-led growth.

The main concern for households is the job market. Unemployment is high and rising, a figure of 10.1% was estimated for the end of 2012 and 10.5% for mid 2013. Employment in essentially market sectors is going through a difficult period, dropping in third quarter 2012 to its lowest level since fourth quarter 2010.

This negative trend is expected to continue at least until mid 2013. These movements in the job market affected consumers' spending power, which is being further hit by higher social security contributions at source. The outcome was that spending power posted a fall of approximately 0.2% in 2012, which is the first fall reported (including for the selfemployed) since 1984. The reaction of households is to cut back on savings, but this only partially compensates for the drop in spending power on their actual spending.

The economic crisis, in parallel to its effect on spending power, has a psychological impact on consumers who have very little confidence in the future.

At the end of 2012, morale was significantly below its longterm average and, according to a survey carried out in November 2012 by CSA for the news station RTL, almost 60% of people questioned considered that France will not pull out of the crisis before 2016. This pessimistic outlook encourages saving as a precautionary measure, and that is harmful to consumption. The balance of opinion of consumers believing it was reasonable to save was 38% in November 2012.

The crisis therefore has a twofold effect on savings: it reduces savings because these are being used to compensate for the fall in spending power and it increases savings as a contingency measure for a rainy day. Although some allowance must be made for variations in the methodology of surveys (for example in the question formulation and sample), this level of savings is the highest since June 1995 and significantly higher than its long-term average.

The year 2012 therefore ended in a deteriorated climate with consumer spending almost stable compared to 2011. Unless there is an unexpected recovery, this is the weakest performance since 1993.

As long as unemployment remains high and fears for the future persist, it will be difficult for there to be any real resumption in consumer spending as a driving force in the economy.

Two general lessons can be learned. The first is that the crisis has affected consumer spending. Compared to the period 2000 to 2007, the slowdown in consumer spending has affected all major consumer items including food and tobacco, durable goods and services. A dedicated survey by INSEE revealed that households have also been juggling their spending by choosing between different items, with an average fall in the consumption of durable goods, textiles and leather goods, leisure services and other services. Since the start of the crisis, the consumption of goods has slowed down more than that of services because of unfavourable price movements.

The second, and not the least important, lesson was the relative resilience of French consumer spending. In many other European countries, notably the United Kingdom, Italy, Spain and even Germany, consumption had already fallen for at least one year. In France, although consumer spending rose more slowly – it has not grown by more than 2% a year since 2008 – it was more resilient because it had not fallen and was considered a safe value making the French market attractive.

Retailers gloomy but affected differently

The general moroseness affects all retailers. In December 2012, the business climate for retailers, car sales and car repairs was approximately 10% below its long-term average. The trends expected for the three months ahead were down, with a balance of opinion down 47%.

Different retail services were, however, affected to varying degrees. As a rule, generalist retailers were less affected than specialist stores.

The car industry was not spared. The Bank of France index of the volume of sales in the car and light vehicle sector in 2012 was down by 14% (annual average) to its lowest level since 2000.

Furniture sales also fell significantly as their annual average was down by approximately 8%. Its index fell to the lowest level for 22 years. The same, to a lesser extent, was observed in the clothing sector where the index fell 5%. Electronic equipment for the general public also went through a quiet patch, falling 3%. The general trend for this sector has been very strong in recent years, however, its index multiplying by four between 2000 and 2012.

Less affected in 2012 were electrical household goods and perfumery, which were almost stable for the year. Sports goods rose by 2.5%.

Town centre

Retailers pay a premium for prime space…

The retail market was divided in two with, on the one hand, an imbalance between supply and demand on prime and sub-prime shopping arteries, and on the other, secondary locations where there is not enough demand to absorb supply.

This contrasting situation is repeated elsewhere. On one side there are retail networks with powerful marketing machines and plans to expand by varying degrees, on the other side are independent retailers closing down one after the other because the occupancy cost ratio is too high or because they are attracted by the amount of money they can make selling their lease rights.

Generally speaking, independent retailers find it difficult competing with big brand retail chains. Indeed most independents are, at the best, in secondary locations.

Independent shops are thus progressively disappearing from the retail landscape. Town centres – and even shopping centres – increasingly resemble each other.

However, while some brands, such as JD Sports, want to expand rapidly in France, others are retreating. On average, they are not, for the most part, following massively expansionist policies but are seeking to rationalize networks. They are closing the least profitable shops and shifting their attention to development prospects in the most profitable points of sale, seeking to open outlets in the best locations if they are not yet there.

France is a territory open to conquest by international retailers that are still absent from the market. They prefer prime locations in town centres. They want to be in the centre of catchment areas where the existing flow of pedestrians means they can make an impact as soon as they open. While the steady disappearance of independent shops is hampering the diversity of retail offer, the arrival of new brands means there is some renewal and keeps the market dynamic.

In this context, rents rose in prime and sub-prime locations on the major arteries but are falling in streets that are less sought-after.

… and for the extreme centres of large towns

A few years ago, the public authorities were concerned about town centres becoming deserted areas. But the French are very attached to their town centres, despite the competition from peripheral shopping centres and retail parks. The flow of pedestrians in town centres enables shops to capture a lot of demand. For this reason, retail chains now want boutiques in town centres. Much like the big names in mass distribution – for example Carrefour, Intermarché, Système U, and Monoprix – who pioneered town-centre concepts, hard discount stores (Dia and Lidl) and specialist retailers (But and Conforama) usually present in out-of-town sites are now heading for town-centre locations despite the high occupancy cost ratios encountered.

This is also true for shopping centres. Brand retailers give priority to shopping centres within towns or those that are very close to the centre and easy to access. By contrast, small and medium towns are usually not considered appealing enough with an insufficient critical mass to capture demand. The population has become more car dependent and is more volatile in its consumption habits, being willing to travel several kilometres for a more substantial retail offer.

Out-of-town retail

Out-of-town retail covers several concepts: box stores, retail zones on the main approach roads to towns that developed massively in the sixties and seventies, and the more recent concept of retail parks that integrate retail more harmoniously into the surroundings. In peripheral locations land is more affordable and the rents are therefore lower than in town centres and shopping centres.

While no type of retail has escaped from the fall in turnover, nowhere was it more true than in out-of-town locations where turnover fell by 1.4% in 2012 for large and medium out-of-town stores (Procos sample). This strengthened the trend seen in recent years of retailers focusing on town centres. Out-of-town retail models were also weakened by people limiting the use of their cars because of the cost of petrol.

Even if this retail format is often criticized because of the discordant image, it has created on the approach roads to town, the number of shoppers heading to old retail zones – such as Patte d'Oie in Herblay, Croix Blanche in Ste Geneviève des Bois, Mérignac Soleil in the Bordeaux region and Plan de Campagne to the north of Marseille – is actually quite good.

Despite the limits of this type of retail, opportunities still exist. Out-oftown locations enable retailers to develop larger formats. But this type of retail must be in a position to introduce something new, an offer that sets it apart from others. Apart from services that are increasingly included by the landlord (see box page 18), retail park concepts evolve and are centred around different themes. For example, a leisure park can include sports, fun activities and games as well as restaurants so the park is busy all year round, 7 days a week. The catchment area is often much wider because of the type of products on offer.

Outlet centres are also popular at the moment. This retail model, imported from the US in the eighties in Troyes then later in Roubaix, is often called a factory outlet centre. The model has been fine-tuned over the years and the most recent concept is that of designer villages, which are high-end structures, in terms of both the quality of their architecture and the brands present. Previous seasons' collections are sold off in these stores at greatly reduced prices. Although a development capacity for this type of store still exists, there is a risk that they become too commonplace and the maximum limit must be carefully assessed (European Outlet Centre Observatory). Some of the most recent outlet centre openings include Nailloux Fashion Village near Toulouse in 2011 and The Style Outlets in 2012 in Roppenheim, close to Strasbourg on the French-German border.

The volume of development projects in peripheral zones accounts for most of future retail area in France. About 2.73 million sqm are on the drawing board or were being constructed at the end of 2012 (source: Procos). This is a year-on-year fall of 11% and 29% down compared to end 2010. The falling trend reflects how cautious developers are being and the fact that a number of proposals have been dropped. Construction is not undertaken unless retailers have committed to the project, consequently the lead time for them to come to fruition is lengthening considerably.

Shopping centres

Economic climate discourages visitors

Repeating the pattern set in recent years, the monthly footfall index of the CNCC was negative for most of 2012, reflecting the pessimism of households that are not inclined to spend. Apart from a few structural improvements during the sales periods or in the pre Christmas rush, the decline in footfall was confirmed. Consequently, the turnover of shopping centres was affected. One slight ray of hope is that on a like-for-like basis the rate of the decline in sales seems to be softening: sales fell by 2.7% in 2009, 1.3% in 2010, 0.3% in 2011 and was barely negative in 2012, down 0.2% (CNCC estimate). However, considering the economic and retail environment, it is unlikely that the situation will improve significantly in the months ahead.

It is not just the economic climate affecting shopping centres' figures, competition with other kinds of retail, such as e-commerce, and the growing inclination towards town-centre and local shopping, are also weighing down activity.

A better balance between landlords and tenants

At a time when networks are being streamlined, retailers are cautious especially considering the difficult start some new centres have had. Retailers want to open shops in areas where there is already an established customer base. They take the time to choose the right site, and landlords are increasingly willing to listen to their demands and be flexible in their lease negotiations, the objective being to keep voids in the centres to a minimum.

Consequently, retailers are focusing on major shopping centres with region wide catchment areas and those in town centres where there are virtually no voids. Rental values in these centres have therefore remained steady. By contrast, other shopping centres are having difficulty staying fully let so rents here are decreasing. The gap between prime shopping centres and the others is widening.

The need to revive retailers and shopping centres

Shopping centres have to cope with the fall in spending power, poor consumer morale and the decline in footfall.

They must therefore develop a competitive advantage. Older centres must be renovated and in some instances extended. The minimum critical size for the right retail diversity is an essential criterion. Being close to the town centre and accessibility are two others. Any constraints dampen shoppers' enthusiasm to visit centres. Today, stimulating customers into wanting to visit a centre and, above all, to come back again later, is a fundamental issue for retailing. Footfall is, more than ever before, the first condition for goods to be sold. The aim is to be different from the rest, as the uniformity of the retail landscape increases. Some retailers are particularly popular with landlords because they generate a flow of shoppers to the centre. For example this was the case with Marks & Spencer that has just opened its largest shop in Europe in So Ouest in Levallois-Perret, as did Hollister, Aldo, and Eleven Paris. These brands have all arrived recently in France or are still under developed.

In addition, establishing a competitive edge depends on the creativity of retailers (whatever the type of outlet, be it in the town centre or a shopping centre) to introduce new concepts and broaden their range of products. Examples of new concepts are very specialized stores such as Muji whose concept is developed around travel, and Blackstore, launched by Intersport, dedicated to jeans and sportswear. Examples of broader product ranges are H&M with the high-end brand &Other to fashion in the 15-30 age range.

In addition to the size, the location and retail offer, shopping centres must also offer a full range of services which at the moment are insufficiently integrated but will be developed in the future.

Choosing a non-grocery anchor store is risky in shopping centres at the moment, but it is sometimes considered by investors. Customers often separate the grocery and non-grocery shopping process. This is less than a trend and is still seldom observed. This distribution model is the most powerful in France. But it is losing market share faced with specialist retailers that have established themselves and with new competitors such as home-delivery internet orders, click and collect systems, hard discount stores and so on.

Questions are slowly arising. What future lies ahead for ageing existing shopping centres where the retail offer is no longer appropriate and that suffer from competition from neighbouring town-centre centres, retail parks and e-commerce internet services?

Many projects but numbers falling

Despite the economic climate, uncertainty, lengthy administrative procedures, and difficulty in pre-letting space, there are still many plans for shopping centres afloat. Their completion dates are systematically postponed, and some are abandoned outright if not enough space is prelet. The volume of projects stood at 2.67 million sqm, 1 million of which has already obtained administrative approval (from the CDAC). While most projects are for out-of-town sites, totalling 1.7 million sqm, these have fallen by 25% in a year. Town centre projects, however, only account for 35% of projects, but their number rose by 2% in 2011 and 13% in 2012.

On the whole, investors are more focused on the extension of existing centres than on new developments (data from Procos), such as the extension of Atlantis in Nantes.

Multi-channel retail and e-commerce

On-line retail is pursuing its development

According to a French e-commerce federation, FEVAD, the turnover of e-commerce totalled €45 billion at the end of 2012. At the end of 2011, it amounted to €37.7 billion and accounted for 7% of retail, it therefore rose by 19% in 2012. FEVAD expects it to go on rising in the years ahead: forecasts put the market at €60 billion in 2015 and a market share of 24% in 2020. More and more consumers are switching to this channel and becoming cyber shoppers. About 76% of French households had access to the Internet in 2011 (Eurostat) and 31.9 million internet users bought on line in the third quarter 2012 (source Observatoire des Usages Internet, July-September 2012). The internet is now part of our daily life and a part of our purchasing behaviour. Concerns about the safety of paying on-line are gradually diminishing.

Multi-channel retail

Competition between virtual and physical shops must not be seen as inevitably bad. On the contrary, they are increasingly complementary. Not all retailers consider Internet a competitor. The proportion of sales taking place over the internet is rising, but the biggest risk is for those retailers who do not embrace this channel. All types of retailers are developing a web strategy, even luxury goods. The progression has been very fast because within a few months 80% of retailers have started up a trading site (Bertrand Fredenucci, CEO of the web marketing company Baobaz).

Consumers consult sites and compare products and services on the net which provides access to multiple sources of information (comparisons, tests, forums and so on) but certain shoppers still prefer to go to brickand- mortar shops to purchase their goods and services. If consumers are looking for advice and client service, they place more importance on being in touch with staff, products and simply other customers who produce an atmosphere that only physical shops create. Moreover, some shoppers are wary of virtual after-sales services (asking questions and getting problems sorted out over the telephone or by email, returning faulty goods). According to a survey carried out by IFOP, although the Internet's market share has increased, mainly due to competitive prices, clients continue to trust physical shops seeing that 77% of those questioned think they get better service and better advice in shops and 81% think they are more trustworthy. Consequently, even retailers specializing in on-line sales (pure players) are starting to open brickand-mortar shops. This is true of Pixmania, Coyote (speed camera alert systems), and Free Mobile, that have all opened shops in towns as they became aware of the importance of being physically close to clients.

The two principal distribution channels, traditional shops and e-commerce are not organized in the same way and consequently have different logistical needs. The first is characterized by retail chains with brickand- mortar outlets, which it is the organization model of the major supermarket chains such as Carrefour and Système U as well as specialist retailers in clothing (for example Zara and Sandro) and household goods (IKEA, Maisons du Monde and so on). The second is the field of pure players, that is, companies only trading over the internet and, increasingly, by retailers that also have brick-and-mortar networks. Traditional store retailers use the Internet as a way of increasing visibility, keeping in touch with customers and selling.

Distribution channels are obviously going to be modified as and when consumers change their shopping behaviour. In response to the boom in e-commerce and to increasing demand for on-line shopping and home-delivery services to largely urban-based consumers, retailers have been reorganizing their premises in recent years to cope with changing logistical needs. Logistics models centred around holding stocks of products, usually in large warehouse platforms that are often a long way from big cities, are gradually being replaced by just-in-time models. The main thing is to be as close as possible to population centres so as to optimize transport costs, save on energy costs and reduce delivery times. This kind of warehouse must enable the rapid management and transfer of small loads – that is under three tons. Supplies are checked in, sorted, split, organized and dispatched rapidly to the customer or the pick up point.

Another property trend, albeit one that is not quite so prevalent, is also worth noting. Some pure internet players, such as Amazon, are currently adopting a strategy to be further away from large consumer centres, but in areas where unemployment is high. This enables them to have easy access to labour and often start up logistics platforms at very competitive prices. In 2012, 9% of warehouse transactions above 5,000 sqm in France were concluded by e-commerce specialists (compared to 2% in 2011). Brick and mortar retailers took 24%of warehouse take-up. Although these figures are not very high, the proportions are likely to grow in the years ahead.

Prospects: volumes may be curved by supply in a very selective market

Economic prospects are still fairly somber for 2013 in the euro zone, even though the future is starting to look clearer in the rest of the world. Yet the market for investment in retail showed how resistant it can be and it will not lose any of its fundamentals next year. First of all the amount of cash that is earmarked for investment in commercial real estate remains high. Now, France is still a good choice for international capital because its market is liquid, secure and deep. In addition, the stabilization of prime yields will enable an attractive property risk premium to be maintained as no significant recovery in long-term interest rates is expected in the medium term. As for credits, they may make a comeback, but only in very targeted situations and through the use of techniques such as diversifying sources of finance. The cost of credit will stay competitive, at least for secure assets. However, as the economy is going through a lengthy recession and there is concern about future consumer spending, investors will be even more watchful about the quality, the location and the occupancy cost ratio to retailers. The result will be a greater prioritization of potential acquisitions and more selectivity amongst investors with the risk of a more extreme shortage of supply in the most sought-after segments. It is true that as yields remain low, some investors may be tempted to put quality properties on the market to cash in on capital gains or replenish their cash flow. This pattern of behaviour was seen amongst insurance companies in 2012. Others, however, may cut back their disposal plans, especially property investment companies, which have greatly fuelled the market in supply in recent years and have now largely resolved their debt issues.

1.4.3 The Group's analysis of market trends

A resilient portfolio

The worsening economic climate in 2012 dragged down the valuation of M.R.M.'s asset portfolio insofar as it resulted in weaker rental demand compared with 2011 and a downward trend in rental values. However, M.R.M.'s business model has helped the Group underpin the value of its asset portfolio. This is due to three main factors:

- the asset portfolio consisting of retail properties with long-term rental revenues on account of the quality of their location and commercial lease regulations is an asset class which is naturally less affected by real estate cycles;
- the asset management work done on certain properties in the portfolio with value-added opportunities has made it possible to continue to contain the decline in value;
- M.R.M.'s office assets are mainly located in Paris and in the markets surrounding the Paris region. The average rent of the stabilised portfolio, at €214/sqm, plus the fact that 39% is tied in for over three years, provides protection against a significant fall in rental revenues.

Overall, in 2012, the value of the asset portfolio, adjusted for disposals during the year, rose 1.3% to €269.0 million. Furthermore, the fact that interest rates were kept at low levels in 2012 created a favourable environment for M.R.M., since virtually all of its bank debt is at variable rates. Since early 2013, the Euribor three-month has been around 0.20% per annum.

1.4.4 Stock market environment

Following a fall in 2011, the listed real-estate sector recovered in 2012, with the Euronext IEIF SIIC France index up 29%, compared with 20% for the CAC 40 index over the same period. In 2011, the performances were -12% and -13% respectively.

The dividend yield was 6.9% at the beginning of the year, peaked at 7.2% at end-May and fell back to 5.5% at year-end.

The listed real-estate sector went from trading at a discount of 20% at end-2011 to 5% at end-2012.

The number of SIIC listed real estate companies went from 41 at end-2011 to 38 at end-2012, representing a stock market capitalisation at end-2012 of €48.2 billion, *i.e.* 3.5% of the value of the Euronext Paris market.

1.4.5 M.R.M.'s asset portfolio as of 31 December 2012

At 31 December 2012, the M.R.M. group had a mixed portfolio combining office and retail properties, valued at €269.0 million excluding transfer taxes, compared with €287.5 million as of 31 December 2011. This reduction reflects the €22.5 million in disposals made by the Group in 2012.

At end-2012 the asset portfolio comprised 84,781 sqm of retail space and 61,840 sqm of office space.

Subsequent to the takeover of M.R.M. by Dynamique Bureaux and its conversion into a listed real-estate investment company in the second half of 2007, the Group's asset portfolio was built up in three phases:

- Dynamique Bureaux/M.R.M. merger.

  A merger contribution by Dynamique Bureaux appraised at €162 million excluding transfer taxes as of 31 August 2007.

  The portfolio then contained nine office property assets representing a total area of 53,650 sqm. The transaction was approved in M.R.M.'s Combined General Meeting of 12 December 2007, retroactive to 1 September 2007;
- Contribution of Commerces Rendement to M.R.M.

  A contribution from Commerces Rendement appraised at €143 million excluding transfer taxes as of 31 August 2007.

  There were 19 retail property assets in the portfolio for a total area of 75,582 sqm. The transaction was approved in M.R.M.'s Combined General Meeting of 12 December 2007;

- Acquisitions and disposals by M.R.M.

  Acquisitions from 1 September 2007 to 31 December 2007: office buildings acquired in September and October 2007 worth €65.5 million, retail property assets acquired in September 2007 for €3.8 million, and mixed office and retail space acquired in November and December 2007 for €80.4 million (purchase price excluding transfer taxes).

  Acquisitions made in 2008: an office building acquired in April 2008 for €6 million, retail property (two garden centres and five restaurant properties) acquired in May and July 2008, for €11.3 million (acquisition price excluding transfer taxes).

  Acquisitions made in 2009: no acquisitions were made in 2009.

  Disposals made in 2009: three retail properties sold between February and September 2009 for a total of €22.7 million excluding transfer taxes.

  Acquisitions made in 2010: a 1,000 sqm unit.

  Disposals made in 2010: the premises of four Pizza Hut restaurants in the Paris region, two retail assets (one in Brétigny-sur-Orge and the other in Angoulême), three office properties (located in Nanterre, Clichy-la-Garenne and Levallois-Perret) and the Marques Avenue A6 outlet centre in Corbeil-Essonnes for a total of €151 million excluding transfer taxes.

  Acquisitions made in 2011: no acquisitions were made in 2011.

  Disposals made in 2011: five retail assets (in Barjouville, Moulin les Metz, Vineuil and two in Chambray les Tours), and three office properties (in Boulogne-Billancourt, Rueil-Malmaison and Puteaux) for a total of €55.3 million.

  Acquisitions made in 2012: no acquisitions were made in 2012.

  Disposals made in 2012: five retail properties (in Claye-Souilly, Coignières, Créteil, Montigny lès Cormeilles and Pierrelaye), an office property (on rue Niepce in Paris – 14th arrondissement) and a residential area (in a retail property in Tours) for a total of €22.5 million.

A balanced mixed portfolio

	Data as of 12/31/2012	Data as of 12/31/2011
Value excl. transfer taxes:	**€269m**	**€288m**
	-6.4% vs. 12/31/2011	-15.34% vs. 12/31/2010
	1.3% excl effect of disposals	1.3% excl effect of disposals
Total area:	**146,621 sqm**	**153,893 sqm**
Breakdown in value:	57% retail/22% stabilised offices/ 21% office properties in the process of being let	58% retail/19% stabilised offices/ 23% office properties on the market

The asset portfolio breaks down into 79% of stabilised properties, as against 77% at end-December 2011, and 21% of properties in the process of being let, as against 23% at end-December 2011. This seeming stability stemmed from a combination of factors: the exit from the asset portfolio of certain stabilised properties following their sale was offset by the reclassification of the Delta office property in Rungis from the "in the process of being let" sub-portfolio to the "stabilised" sub-portfolio and by valuation adjustments to the assets classified as "in the process of being let".

Office portfolio

Office property assets are located in parks of mixed office and light industrial spaces in the Paris region. The Group's policy is to focus on the Paris region, which accounts for the great majority of business in this segment, but without ruling out other opportunities.

The stabilised office portfolio covers a total area of 26,398 sqm and is valued at €59.4 million excluding transfer taxes. In 2012, four leases [1] were signed for annual rent of €0.4 million. Its occupancy rate was 94%.

(1) New leases or renewals of leases at increased values.

The stabilised office portfolio generated net annualised rent [(2)] of €4.6 million as of 1 January 2013, up 12.2% on 1 January 2012 following adjustments to the portfolio during the year. The changes in the stabilised office portfolio in 2012 stemmed from:

- asset sales: In September, M.R.M. sold off an office property on rue Niepce in Paris (14th arrondissement) for €8.1 million excluding transfer taxes;
- the inclusion in the portfolio of the Delta multi-occupant property in Rungis (94) once its occupancy rate went above 80% (see next section on the leases signed in 2012).

The portfolio of office properties on the market, with a total area of 35,442 sqm and a total value of €55.4 million excluding transfer taxes, is 18% occupied and accordingly has a high level of potential in terms of letting and additional rental revenues. In 2012, €5.4 million was invested in programmes for office properties in the process of being let and mainly involved Nova in La Garenne-Colombes (92), which is now a high-quality office property that is attractively located close to La Défense. Having obtained approval for the planning and design phases of the restructuring in 2010, the Nova property was awarded *NF Bâtiments tertiaires en exploitation* certification in connection with the HQE (High Environmental Quality) initiative. On 19 June 2012, the inauguration of the Nova property marked the completion of the restructuring works on the whole building and its surroundings. The letting of this property, which is currently vacant, is one of the Company's priorities.

In 2012, 4 leases [(1)] totalling €0.4 million were signed for office properties in the process of being let. A 1,250 sqm open space in Delta, an 8,700 sqm office property in Rungis, was refurbished in the first half of 2012 with a view to being re-let. The leasing, in September 2012, of this open space meant that this property's occupancy rate rose to 87%. Delta is already part of the stabilised office portfolio.

► BREAKDOWN OF OFFICE PROPERTY PORTFOLIO – STABILISED AND IN THE PROCESS OF BEING LET (LOCATION, AREA)

Office properties	Location	Total area (sqm)
Stabilised offices		
Paris 12th arrondissement (75) – 43, rue de la Brêche-aux-Loups	Paris	2,871
Paris 9th arrondissement (75) – 5, rue Cadet	Paris	2,308
Paris 2nd arrondissement (75) – 12, rue de la Bourse	Paris	1,114
Solis, Les Ulis (91) – ZA Courtaboeuf – 12, avenue de l'Océanie	Île-de-France	11,366
Delta, Rungis (94) – 3-5, rue du Pont-des-Halles	Île-de-France	8,739
Total stabilised		26,398
Office properties in the process of being let		
Nova, La Garenne-Colombes (92) – 71, boulevard National	Île-de-France	10,659
Cytéo, Rueil-Malmaison (92) – 147, avenue Paul-Doumer	Île-de-France	4,025
Cap Cergy, Cergy-Pontoise (95) – 4-6, rue des Chauffours	Île-de-France	12,788
Urban, Montreuil (93) – 14-20, boulevard de Chanzy	Île-de-France	7,970
TOTAL IN THE PROCESS OF BEING LET		35,442
TOTAL OFFICES		**61,840**

Stabilised offices	12/31/2012	12/31/2011
Portfolio value [(1)]	€59.4m	€54.5m
Total area	26,398 sqm	19,337 sqm
Occupancy rate [(2)]	94%	100%
Net annualised rent [(3)]	€4.6m	€4.1m

(1) Value excl. transfer taxes.
(2) Calculated on the basis of area.
(3) Excl. taxes, charges, rent-free periods and improvements.

(2) Excl. taxes, charges, rent-free periods and improvements.

Office properties in the process of being let	12/31/2012	12/31/2011
Portfolio value (1)	€55.4m	€67.4m
Total area	35,442 sqm	44,068 sqm
Occupancy rate (2)	18%	29%
Current net annualised rent (3)	€0.4m	€1.6m
Expected net annualised rent (4)	€5.3m	€7.6m

(1) Value excl. transfer taxes.
(2) Calculated on the basis of area.
(3) Excl. taxes, charges, rent-free periods and improvements.
(4) Excl. taxes, charges and indexation. Assuming the properties are fully let, excluding Urban.

► LEASE MATURITIES OF MAIN TENANTS

Tenants	% of office property rents	% of Group rents	Type of lease/Maturity
Tenant no. 1	21.3%	7.5%	6 ½ - 9 year lease / Nov. 2020
Tenant no. 2	8.7%	3.1%	6-9 year lease / Oct. 2020
Tenant no. 3	6.8%	2.4%	6-9 year lease / May 2016
Tenant no. 4	4.0%	1.4%	9 year lease / Aug. 2018
Tenant no. 5	3.6%	1.3%	3-6-9 year lease / Oct. 2021
Tenant no. 6	2.5%	0.9%	3-6-9 year lease / Aug. 2021
Tenant no. 7	2.4%	0.8%	3-6-9 year lease / Dec. 2015
Tenant no. 8	2.3%	0.8%	3-6-9 year lease / Aug. 2018
Tenant no. 9	2.2%	0.8%	6-9 year lease / Nov. 2019
Tenant no. 10	2.1%	0.7%	3-6-9 year lease / Aug. 2016
TOTAL RENTS OF TOP 10 TENANTS	**55.8%**	**19.6%**	
Annual rents of office properties	***100.0%***	***35.2%***	

Retail property portfolio

The Group's retail properties are located in the Paris region and in large cities in the provinces. The type of assets in this category is highly diversified and consists of shopping centres and malls, shops on the ground floor of properties, independent suburban retail premises and premises in retail parks. The large majority of the 151 tenants in the retail units are national and international brands. Together, these retail groups account for 73% of the rents received.

At 1 January 2013, the retail property portfolio represented an area of 84,781 sqm and was valued at €154.2 million excluding transfer taxes. It continues to enjoy a high occupancy rate of 92%. In 2012, the €1.1 million in investments was primarily for La Galerie du Palais, a 7,000 sqm shopping centre located in Tours (37) town centre. In 2012, 13 leases [(1)] were signed for annual rent of €0.9 million.

Retail properties totalling €14.4 million excluding transfer taxes were disposed of in 2012. This primarily involved five retail properties in the Paris region, in Claye-Souilly (77), Créteil (94), Coignières (78), Montigny-lès-Cormeilles (95) and Pierrelaye (95).

► BREAKDOWN OF THE RETAIL PROPERTY PORTFOLIO (LOCATION, AREA)

Retail properties	Type	Location	Area *(in sqm)*
Sud Canal, Saint-Quentin-en-Yvelines (78) – 41, boulevard Vauban, Montigny-le-Bretonneux	Shopping mall	Île-de-France	11,619
Passage de la Réunion, Mulhouse (68) – 25, place de la Réunion	Shopping mall	Mulhouse	6,018
Allonnes (72) – ZAC du Vivier – Route de la Bérardière	Retail park	Le Mans	10,143
Reims (51) – 2-10, rue de l'Étape	Ground floor	Reims	2,471
Les Halles, Amiens (80) – Place Maurice Vast	Shopping centre	Amiens	7,578
Carré Vélizy, Vélizy-Villacoublay (78) – 16-18, avenue Morane Saulnier	Mixed complex	Île-de-France	11,265
Brie-Comte-Robert (77) – Gamm Vert – ZI de La Haye-Passart	ISRP	Île-de-France	1,122
Nozay (91) – Gamm Vert – ZA de la Butte	ISRP	Île-de-France	2,176
Cour Cheverny (41) – Gamm Vert – 24, boulevard Carnot	ISRP	Centre	851
Montoire-sur-le-Loir (41) – Gamm Vert – 23, rue de la Paix	ISRP	Centre	826
Montrichard (41) – Gamm Vert – Quai Jean-Bart	ISRP	Centre	494
Onzain (41) – Gamm Vert – 10, rue Lecoq	ISRP	Centre	542
Selles-sur-Cher (41) – Gamm Vert – 2, place Charles-de-Gaulle	ISRP	Centre	450
Saint-Aignan (41) – Gamm Vert – 2, rue des Vignes	ISRP	Centre	590
Vierzon (18) – Gamm Vert – rue Étienne-Dolet	ISRP	Centre	683
Salbris (41) – Gamm Vert – Avenue de la Résistance	ISRP	Centre	1,888
Mer (41) – Gamm Vert – 21, route d'Orléans	ISRP	Centre	545
Mer (41) – Gamm Vert – Portes de Chambord	ISRP	Centre	9,713
Lamotte-Beuvron (41) – Gamm Vert – 9-11, avenue de l'Hôtel-de-Ville	ISRP	Centre	1,539
Romorantin (41) – Gamm Vert – ZAC de Plaisance	ISRP	Centre	3,222
Galerie du Palais, Tours (37) – 19, place Jean-Jaurès	Shopping mall	Tours	6,807
École-Valentin, Besançon (25) – 6, rue Chatillon	Shopping mall	Besançon	4,016
TOTAL			**84,781**

Retail park.
Ground floor.
Shopping centre.
Shopping mall.
ISRP: independent suburban retail property.

(1) *New leases or renewals of leases at increased values.*

Retail properties	12/31/2012	12/31/2011
Portfolio value (1)	€154.2m	€165.6m
Total area	84,781 sqm	90,488 sqm
Location	69% in the provinces	57% in the provinces
	31% in the Paris area	43% in the Paris area
Occupancy rate (2)	92%	93%
Net annualised rent (3)	€9.9m	€10.2m
Overview of tenants:		
• Number of tenants	151	157
• Proportion of national and international brands	73% of rents received (Gamm Vert, Bricorama, Office Depot, Habitat, Go Sport, Dia, La Grande Récré, Carrefour Market, Simply Market, La Halle, Tati)	74% of rents received (Gamm Vert, Bricorama, Office Depot, Habitat, Go Sport, Dia, Besson Chaussures, Carrefour Market, Simply Market, Interior's)

(1) Value excluding transfer taxes.
(2) Calculated on the basis of area.
(3) Excl. taxes, charges, rent-free periods and improvements.

► LEASE MATURITIES OF MAIN TENANTS

Tenants	% of retail rents	% of Group rents	Type of lease/Maturity
Tenant no. 1	10.3%	6.7%	9 year lease / Dec. 2016
Tenant no. 2	6.3%	4.1%	3-6-9-12 year lease / Nov. 2012 (tacit renewal)
Tenant no. 3	4.1%	2.7%	6-9-12 year lease / Jan. 2021
Tenant no. 4	3.9%	2.5%	3-6-9-10 year lease / Dec. 2021
Tenant no. 5	3.7%	2.4%	6-9-12 year lease / July 2021
Tenant no. 6	2.7%	1.7%	6-9 year lease / Oct. 2014
Tenant no. 7	1.9%	1.3%	9-12 year lease / Sep. 2020
Tenant no. 8	1.7%	1.1%	3-6-9 year lease / Dec. 2011 (tacit renewal)
Tenant no. 9	1.7%	1.1%	3-6-9 year lease / Jan. 2016
Tenant no. 10	1.6%	1.0%	3-6-9-12 year lease / Oct. 2018
TOTAL RENTS OF TOP 10 TENANTS	**37.8%**	**24.5%**	
Annual rents of retail properties	***100.0%***	***64.8%***	

Portfolio overview as of 12/31/2012

	Office properties			
	Stabilised	in the process of being let	Retail properties	Total
Area	26,398 sqm	35,442 sqm	84,781 sqm	146,621 sqm
Appraisal value	€59.4m	€55.4m	€154.2m	€269.0m
Occupancy rate	94%	18%	92%	74%
Net annualised rent (1)	€4.6m	€0.4m	€9.9m	€14.9m

(1) At 1 January 2013, excl. rent-free periods, improvements and charges.
(2) Potential investments 2012 and beyond.
(3) Excl. indexation.

1.4.6 Events after the reporting period and ongoing projects

On 8 March 2013, M.R.M. announced the signing of an investment agreement with SCOR, which would see SCOR taking a majority interest in M.R.M.'s share capital, thereby strengthening its equity base. This transaction, which would take the form of a reserved capital increase, is subject to a restructuring of the bank debt, the terms of which have already been negotiated by M.R.M. with its banking partners and the conversion into M.R.M. shares of at least 85% of the bond debt carried by its DB Dynamique Financière subsidiary. With M.R.M. having high levels of bank and bond debt, substantial maturities between now and end-2013 and a poor liquidity position, the transaction would, on top of fully restructuring the Group's liabilities, provide it with a sustainable financial structure and consolidate its SIIC status.

On 16 April 2013, recognising "clear financial difficulties", the French Financial Markets Authority (*Autorité des marchés financiers*) approved a request for an exemption from the requirement to file a public tender offer for M.R.M. shares, as part of a reserved capital increase without preferential subscription rights for SCOR (http://www.amf-france.org/inetbdif/viewdoc/affiche.aspx?id=81377&txtsch).

In addition, at the date of drafting hereof, the Urban office property, in Montreuil, was subject to a sale agreement for properties, with the intention of selling it in its unrefurbished condition.

1.4.7 Major investments carried out by the Company over the past three financial years

	2012	2011	2010
Office properties			
Acquisitions	-	-	-
Investments/Capex (1)	€6.1m	€17.3m	€4.9m
Retail properties			
Acquisitions	-	-	€2.5m
Investments/Capex (1)	€1.1m	€0.3m	€3.7m
TOTAL	**€7.1M**	**€17.6M**	**€11.1M**

(1) Including capitalisable financial expenses.

In 2012, €7.1 million was invested, primarily in value-enhancement programmes (refurbishment and restructuring work), substantially down on 2011 (€17.6 million) but significant at Group level where the low level of net operating cash flow generation meant that it was not possible to self-fund them. They were thus made possible out of the net cash proceeds of disposals and draw-downs on available credit lines.

These investments were focused on the Nova property in La Garenne-Colombes (92) and, to a lesser degree, on the La Galerie du Palais shopping centre in Tours (37) as well as on work reconfiguring the Solis property in Les Ulis (91).

Planned investments over the coming six months total €4.3 million, split into €2.3 million on office properties and €1.9 million on retail properties.

1.4.8 Strategy and outlook

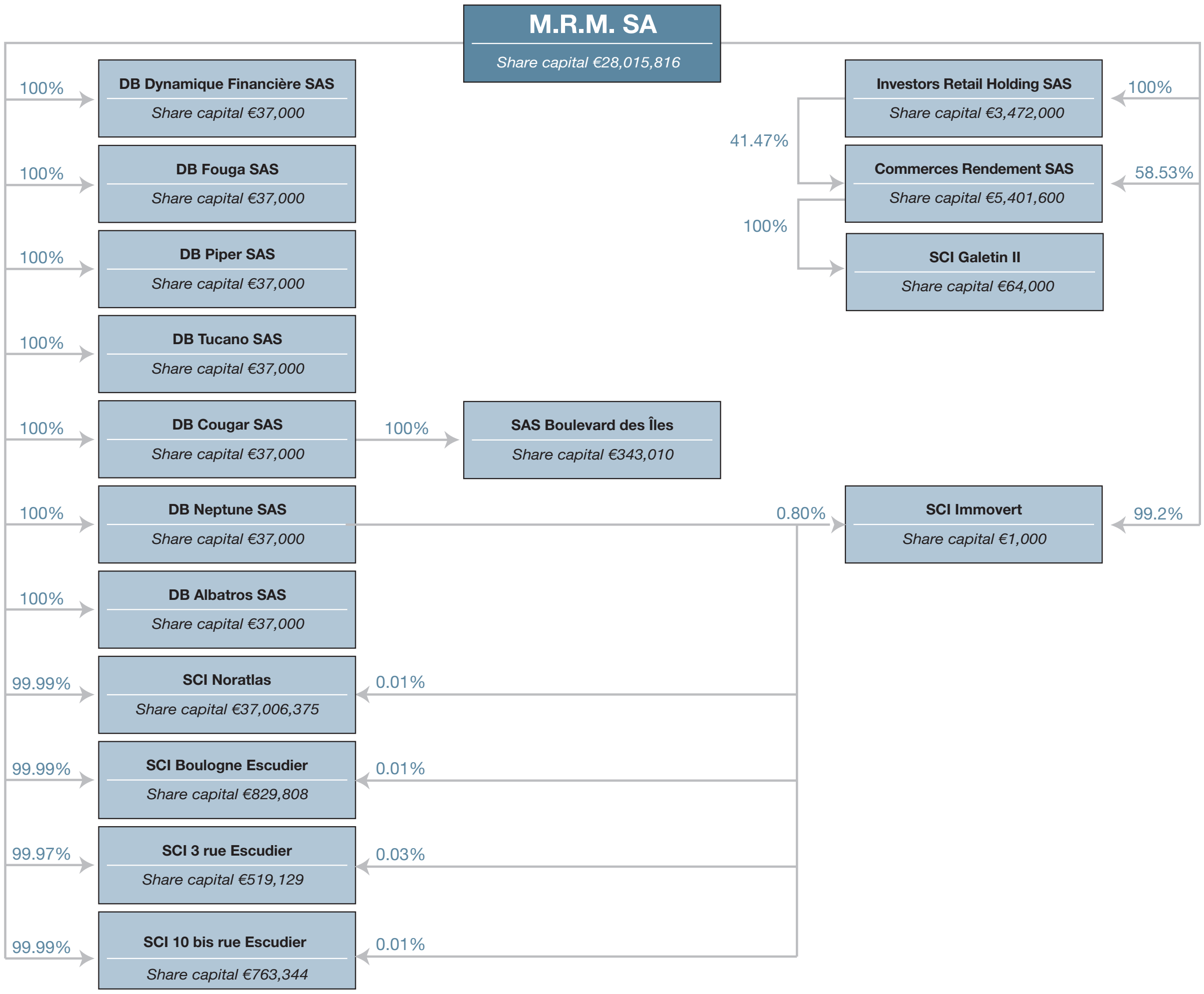
After having successfully undertaken an adjustment plan in 2009, 2010 and 2011 comprising a significant programme of asset disposals, the management of its maturing banking facilities, and the realisation of selective investments on the existing portfolio, the M.R.M. group intends to build on the solid revenue base generated by stabilised office and retail properties. In 2012, the Group completed the main works programmes on the assets with value-added opportunities in the portfolio.

The management of property assets will continue both in terms of letting the vacant areas, in particular the Nova office property in La Garenne Colombes which is currently completely vacant and the Cap Cergy (Cergy-Pontoise) and Cytéo (Rueil-Malmaison) properties which are currently partly leased, and in terms of renewing leases or where necessary re-letting the properties. The sub-portfolio of office properties in the process of being let includes several vacant areas and current market conditions, which are seeing demand substantially down on the previous year, make it impossible to predict when they will be let. In 2013, the Company anticipates selling certain assets arriving at maturity and selling off the vacant Urban office property in Montreuil, in its unrefurbished condition. The Company's top priority is to push forward with the investment agreement signed with SCOR (see section 1.4.6 Events after the reporting period and ongoing projects) in order in particular to strengthen its financial structure and to cut its debt levels, total bank and bond debt representing 94.2% of the value excluding transfer taxes of property assets as of 31 December 2012. The completion of this transaction will also enable the Company to meet its 2013 debt maturities.

1.5 Group ownership structure

The list of companies in the scope of consolidation as of 31 December 2012 can be found on page 85 of this document. See 3.7 "Consolidated Financial Statements for the year ended 31 December 2012", note 3.1. "List of consolidated companies" in the Notes to the financial statements.

At the date of this report, the Group ownership structure is as follows:



All Group companies are directly or indirectly wholly owned by M.R.M.

The head office address of all Group entities can be found in section 3.1 of the consolidated financial statements for the financial year ended 31 December 2012 (see section 3.7 of this document).

M.R.M.'s role vis-à-vis its subsidiaries is described in section 1.3 of the management report for the financial year ended 31 December 2012 (see section 3.6 of this document).

The structure of M.R.M.'s balance sheet is presented in the separate financial statements for financial year ended 31 December 2012 (see section 3.9 of this document).

Details of each company's activities can be found in sections 1.3.1 and 1.3.2 of the management report for the financial year ended 31 December 2012 (see section 3.6 of this document).

No M.R.M. corporate officer holds an office in the Group subsidiaries.

The main financial flows between M.R.M. and its subsidiaries, namely credit facilities and fees for chairpersons, can be found in the special report of the Statutory Auditors on related-party agreements (see section 4.7 of this document) and in the note on the breakdown of net revenue in the separate financial statements for the financial year ended 31 December 2012 (see section 3.9 of this document), respectively.

1.6 Group organisation

CBRE Global Investors is an international real estate investment fund manager. CBRE Global Investors, previously called CB Richard Ellis Investors, is a merger of the investment and property asset management operations of ING Group N.V. (ING REIM) by CB Richard Ellis Group, Inc (CBRE), and of CB Richard Ellis Investors, an independent subsidiary of CBRE. The company currently has around 1,100 employees across 21 countries. It works on behalf of over 600 institutional clients worldwide and offers a broad range of property investment programmes across the risk/return spectrum.

With the acquisition of the operations of ING Clarion Real Estate Securities on 1 July 2011, of ING REIM in Asia on 3 October 2011 and of ING REIM in Europe (including the worldwide activities of the ING Real Estate Select umbrella fund) on 31 October 2011, CBRE Global Investors had around $92 billion in assets under management.

CBRE is the leading global real estate services company and has 34,000 employees in some 65 countries worldwide. CBRE Global Investors uses the resources of its parent company in certain areas including research and sourcing.

For further information on CBRE Global Investors: www.cbreglobalinvestors.com

CBRE Global Investors, which holds approximately 17% of the share capital of the M.R.M. group, manages the property operations of the Company's subsidiaries, and is remunerated in the form of consultancy fees for acquisitions, plus asset management fees.

Duties and responsibilities of CBRE Global Investors:

- advising the subsidiaries of the Company on property asset acquisitions;
- identifying and presenting investment opportunities in the property sector which fit the investment plan;
- evaluation of investment projects;
- carrying out the valuation analysis for investment projects and drawing up the corresponding business plans;
- supervising verification, audit, and due diligence prior to and after acquisitions;
- advising the subsidiaries of the Company in negotiating acquisitions;
- advising the subsidiaries of the Company on determining asset management policies, in conducting and implementing strategies for upgrading property assets, letting property assets, determining and implementing asset-switching policies, sales and setting the selling prices for property assets;
- CBRE Global Investors will choose and recommend to the Company's subsidiaries certified property agents, who may be tasked with managing or marketing property assets, among other services;
- CBRE Global Investors may recommend the services of any outside party it deems useful;
- supervising the administration of property assets;
- supervising accounting, legal and tax administration for the subsidiaries of the Company.

CBRE Global Investors is remunerated as follows:

- **consultancy fees for acquisitions with the following thresholds:**
  - 2%, excluding VAT, of the purchase price excluding transfer taxes if the acquisition price excluding transfer taxes is lower than €5 million, otherwise 2% excluding VAT of the first €5 million of the acquisition price excluding transfer taxes,
  - 1.5% excluding VAT of the part of the acquisition price excluding transfer taxes exceeding €5 million if the acquisition price excluding transfer taxes is below €20 million, otherwise 1.5% excluding VAT of the part of the acquisition price excluding transfer taxes between the first €5 million and the first €20 million,
  - 1% excluding VAT of the part of the purchase price excluding transfer taxes exceeding €20 million if the purchase price excluding transfer taxes is above €20 million.

The sale of property assets does not result in the payment of fees.

- **asset management fees (an annual 1% excluding VAT of the cost price of properties).**

The cost price of a property asset refers, for each property acquired, to the price excluding transfer taxes/excluding taxes paid to the seller by the Company in the case of a direct purchase, or the valuation agreed between the seller and the buyer of the property or properties in the case of the acquisition of a company owning one or more properties, plus the following:

- charges and fees relating to the implementation of external financing;
- taxes and duties relating to the acquisition (VAT, registration duties, solicitors' fees, land registrar fee, etc.);
- works and expenses relating to the property assets and recorded in the balance sheet of the company owning the property;
- any compensation paid to tenants.

These asset management fees are payable quarterly.

Services charged to M.R.M. subsidiaries totalled €2.8 million in 2012, compared with €3.2 million in 2011 and in 2010. These break down as follows:

(in millions of euros)	2012	2011	2010
Asset management fees	2.8	3.2	3.2
Consultancy fees for acquisitions	-	-	0.0
TOTAL	**2.8**	**3.2**	**3.2**

The obligations of CBRE Global Investors are set out below:

- to perform its tasks and duties as set out in the management procedures and in the best interests of the subsidiaries of the Company;
- to keep the Chairman informed of the performance of its tasks;
- to use all means available to it, mainly human and material resources, necessary for the correct execution of its duties.

The management procedures already agreed or subsequently agreed by M.R.M.'s subsidiaries and CBRE Global Investors shall run for eight years but may be terminated at any time. In the event of termination by an M.R.M. subsidiary, where CBRE Global Investors SAS has complied with its contractual obligations, the latter shall be entitled to an additional flat fee equivalent to one year of asset management fees, *i.e.*, 1% excluding VAT of the cost price of properties as recorded in the accounts of the subsidiary on the date of termination. Should CBRE Global Investors default on any of its obligations, the agreement shall be automatically terminated without indemnity, 45 days after the subsidiary serves formal notice, unless CBRE Global Investors remedies the situation.

1.7 Human resources

The company no longer has any employees since 1 January 2012.

1.8 Research and development

M.R.M., due to the nature of its business as a diversified real estate investment company, has no research and development policy. It has registered the domain name "www.mrminvest.com".

The Company does not consider that its business or profit capacity is in any way dependent on any particular brand, patent or licence.

1.9 Environmental policy

While continuing to prioritise the restructuring and upgrading of its properties, in FY 2012 the Company pursued its commitment to a development approach integrating conservation of the environment, economic efficiency, and social equity.

During the past financial year, the Company continued to apply France's HQE (High Environmental Quality) initiative, which takes full account of the challenges of sustainable development, by limiting the impact of building construction on the environment and opting for harmonious integration, wholly reflecting the needs and comfort required by users.

As part of its substantial restructuring of the Nova property in La Garenne-Colombes (92), M.R.M. adapted its plans to incorporate the HQE initiative, both in the design phase and in the course of the operation of the property, despite the need to take on board the constraints of the site and of the structure of the existing building.

Top priority was given to blending the building into its site through, in particular, the creation of green roofing to reduce rainwater runoff and help keep it cool in summer. The setting up of a centralised building automation system and "high-performance" equipment, strict management of site waste, not to mention a double-glazed facade offering excellent thermal and acoustic performance, were also built into the project early in the design phase. Nova thus enjoys all the characteristics of a high-performance, functional, modern building, while providing users with optimal comfort. Its main characteristics were designed and implemented with an eye to sustainable development and the well-being of its occupants, making this building a "green" building: location, public transport, surroundings and neighbourhood services, occupant comfort, energy saving and water management, etc.

The additional costs incurred by the adoption of this initiative are seen by M.R.M. as investments that contribute to value creation. These investments have also been recognised, with the building receiving the *NF – Bâtiments tertiaires HQE* certification on 17 July 2012. The building currently meets standards that are even stricter than those required under the certification.

In its operations, the Company adheres to and sees that its service providers adhere rigorously to environmental regulations in all stages of property investing (acquisition, design, property management).

This concerns, as an example, detection of asbestos and other harmful or hazardous materials contained in properties considered for acquisition, drawing up and updating technical reports on asbestos for properties in the portfolio, as well as on insulation and energy performance standards for properties undergoing restructuring. As to the properties being renovated, M.R.M. pays great attention to the treatment of communal areas and landscaped spaces. M.R.M. plans to reposition its properties in their environment by incorporating the changes in town planning and the enhancement of natural landscaped surroundings.

As a company keenly aware of the importance of sustainable development, M.R.M. anticipates changes in regulations, and where shopping centres are concerned, to consumers' expectations. Regarding water management, the Vivier shopping centre in Allonnes is equipped with a system for recovering and storing rainwater in a 55 sqm underground cistern, used for watering landscaped areas on site by a drip system, thus saving on water consumption while making the area more pleasant for users.

In 2012, the Company signed a green lease for the office property at rue de la Brêche-aux-Loups, in Paris. This approach enables tenants to play a part in managing the resources they use. As a result, the Company and its tenants work together on economic and energy performance.

The Company intends to continue developing these green leases.

In addition, M.R.M. has developed a "Green building guide". The goal is to make this widely available to tenants but also to other asset management stakeholders: managers, technical staff and a variety of other people. It is designed to help all these stakeholders ask the right questions at the right time, from installation to day-to-day activities.

In addition to the savings made on community and private charges, this helps create a virtuous circle. Well-being at work helps attract and retain talented employees. An environmentally-friendly brand image helps create a competitive advantage for the tenant company. In the long-term, being satisfied with a rental reduces relocations and is thus part of a sustainable development approach.

Finally, starting this year, Article 225 of the Grenelle Act and its implementing decree creates new or more stringent obligations as regards social and environmental reporting.

These provisions apply to financial years beginning after 31 December 2011, for companies with securities admitted to trading on a regulated market.

The report of the Board of directors must now disclose all steps and positions taken by the company and, where appropriate, by its subsidiaries as defined by Article L. 233-1 or by the companies it controls as defined by Article L. 233-3, to take into account the social and environmental consequences of its business and satisfy its corporate social responsibilities as regards sustainable development. It must set out the data recorded in the financial year just ended and, where applicable, in the previous financial year, in such a manner as to make it possible to compare this data. It must indicate, as part of the information included in Article R. 225-105-1, any information that, given the nature of the company's business or organisation, cannot be produced or that does not appear relevant, providing all necessary explanations.

Given the relatively short time-frame and the size of the Company, the Board of directors was not able to provide all this information at the 2012 reporting date. It has, however, set itself the goal of introducing as soon as possible instruments that would allow it to evaluate its social, environmental and societal responsibilities.

It should be noted that the social information will not be relevant given the fact that the Company and its subsidiaries have no employees.

Furthermore, under the provisions of Article L. 225-102-1, the social and environmental information included, or that should be included pursuant to legal and regulatory obligations, must be audited by an independent third party, appointed by the Chief Executive Officer, for a period of no more than six financial years, and chosen from amongst the organisations accredited to this end by COFRAC (*Comité français d'accréditation*).

This audit gives rise to an opinion that is given to the General Meeting of Shareholders or Partners along with the report of the Board of directors or management board.

As highlighted in the framework letter sent by the Prime Minister to the Minister for Justice on 23 January 2013, the list of organisations accredited by COFRAC has still not been published. Accordingly, said information cannot be audited due to the fact that there is no list of accredited organisations.

1.10 Significant changes in the financial or commercial situation

2012 was M.R.M.'s fifth full financial year as a listed real estate investment company. Since Dynamique Bureaux took control of the Company on 29 June 2007, the latter's business has been reoriented towards that of a real estate investment company. Its financial position was consequently affected by the asset contributions approved by the General Meeting of Shareholders on 12 December 2007 and by acquisitions carried out since September 2007.

The economic crisis, which started in the fourth quarter of 2008, led M.R.M. to implement an adjustment plan of its operations in order to adapt to a harsher environment. As such, M.R.M. established the following measures in 2009 and 2010, which had a considerable impact on its financial situation:

- refocusing investments on the existing portfolio;
- more selective investments over three years;
- cost revisions;
- an important arbitration programme;
- renegotiating of its credit lines.

In 2011, M.R.M. restructured a substantial portion of its bank debt, notably enabling it to complete in 2012 the main works programmes included in the plans to enhance the value of all the assets in its portfolio, except for the Montreuil property which is to be sold off in an unrefurbished condition.

This major investment drive was partly financed by bank debt and, for the most part, out of Group equity. This was made possible by the disposal of assets, which generated the expected net proceeds following repayment of the bank debt backing the assets that were sold. However, the asset disposals carried out since early 2009 have resulted in a sharp reduction in the size of the M.R.M. group's asset portfolio, and accordingly in its ability to generate cash. The disbursements associated with the investments made in 2012 accordingly represented a substantial negative impact on the Group's cash position.

Furthermore, in 2013, M.R.M. is facing significant bank loan repayments and bond debt maturities, representing a total of €123 million as of 31 December 2012.

It is against this backdrop that on 7 March 2013, M.R.M. signed an investment agreement that would see SCOR taking a majority interest in the Company's share capital. This authorisation stemmed from the signing, by M.R.M. and SCOR, on 7 March 2013, of an investment agreement, which provided, subject to a restructuring of M.R.M.'s liabilities, with in particular a reduction and a rescheduling of its bank debt and a conversion of at least 85% of the bond debt into M.R.M. shares, for SCOR's subscription to an M.R.M. cash capital increase totalling between €41 million and €54 million, and giving it 59.9% of the Company's share capital, excluding the dilutive impact that may result from the exercise of the bonus stock warrants granted free of charge to shareholders whose shares are registered in the share register on the day before the meeting of the Board of directors recording, subject to its approval by the Combined General Meeting of M.R.M., the completion of the transaction.

This transaction would enable M.R.M. to meet its 2013 debt maturities, and to establish a healthy financial structure because the transaction would strengthen M.R.M.'s equity base by means of the capital increase reserved for SCOR and the conversion of at least 85% of the bond debt into M.R.M. shares. In addition, it would reduce the Group's debt by restructuring its bank and bond debt.

The ratio of the Group's net debt [1] would go from 92.4% as of 31 December 2012 to 50.4% [2] at end-May 2013, following the transaction.

M.R.M. has already obtained, from its three banking partners, signed term sheets regarding the renegotiation of its credit lines as provided for under the SCOR transaction. It should be added that these term sheets are conditional on this transaction being completed. This decision is the result of 18 months of work by the Company in close cooperation with its Board of directors and its financial advisor BNP Paribas, which helped it find partners and solutions to strengthen its balance sheet.

(1) I.e. Net debt/Value excluding transfer taxes of the asset portfolio as of 31 December 2012.

(2) I.e. Estimated net debt following completion of the ongoing SCOR deal, assuming 100% conversion of the bond debt into M.R.M. shares, which would trigger a capital increase reserved for SCOR of €54 million, over the value excluding transfer taxes of the asset portfolio as of 31 December 2012.

2. RISK FACTORS

The Company has assessed the risks which could have a significant negative effect on its activity, its financial situation or its results (or on its capacity to achieve its objectives) and it believes that there are no significant risks other than those presented. Investors should be aware that the list of risks that follows is not exhaustive, and that other risks either unknown or not considered material at the date of this Registration Document, and which could have an adverse impact on the Company, its activity, financial position, earnings or share price, could still exist.

Procedures set up for risk management are mentioned in the report of the Chairman of the Board of directors on the operations of the Board and internal control procedures, contained in paragraph 4.5 of this document.

2.1 Legal risks

Risks associated with unfavourable developments in commercial lease regulations

French legislation on commercial leases is relatively constrictive for the lessor. Provisions on term of leases, renewal, and rent revisions while the lease is running and for renewed leases are part of public policy, tending to limit any leeway owners might have to increase rents to market levels. Any changes in rules applying to commercial leases, especially with regard to duration, revision and capping of rents, calculating eviction compensation due to tenants in case of non-renewal, could have negative consequences on the value of the Company's assets, earnings, business or financial position. The activity of the Company may particularly be influenced by the new retail rents index (ILC) likely to replace the construction cost index (ICC). See paragraph "Economic Risk" in section 2.2 of this document, for more information on the ILC.

SIIC regime risk

Since 1 January 2008, the Company has been benefiting from the SIIC status governed by Article 208-C of the French General Tax Code, and is accordingly exempt from corporate income tax, subject to distribution conditions, on the part of its profit derived in particular from the rental of its properties, capital gains on the sale of properties or from certain stakes in real estate companies, and certain dividends.

In order to maintain the advantages of the SIIC regime, the Company must distribute a significant part of its profits, which can affect its financial position and cash flow. In addition, failure to meet this distribution obligation during the financial period would mean that the exemptions would not apply to that year.

Furthermore, the Company would lose the benefit of the SIIC regime if one or several shareholders of the Company acting in concert (other than listed companies benefiting from the SIIC regime) held 60% or more of the shares or voting rights of the Company. The Company currently does not envisage one of its shareholders directly or indirectly holding 60% or more of its shares. However, the Company cannot guarantee that market operations on its shares, or shareholders acting in concert, will not cause this threshold to be surpassed. In addition, this mechanism could have the effect of preventing any change of control or of discouraging any bid for its shares.

Finally, the Company is exposed to the risk of future modifications in the SIIC regime or the interpretation of its provisions by the tax and accounting authorities, which could affect the activity, results and financial position of the Company.

Risks associated with unfavourable developments in property regulations

Apart from the specific constraints mentioned above, in conducting its business the Company must comply with several restrictive regulations governing construction, town planning, operating retail space, the environment, public health and human safety.

Any modification making these regulations substantially more restrictive would entail significant costs for the Company, particularly in terms of bringing property into regulatory compliance, which could have a significant impact on the revenue, results and financial position of the Company.

Litigation and exceptional circumstances

The Company is involved in a certain number of disputes generally related to its ongoing business. As of the date of this document, there is no other governmental, legal, or arbitrage procedure, including any procedure the Company knows of, that is pending or with which it is threatened, likely to have, or having had over the last 12 months, significant impact on the financial position or profitability of the Company and/or the Group.

However, M.R.M. cannot guarantee that it will remain uninvolved by any disputes in the future.

As indicated in note 8 to the consolidated financial statements presented in section 3.7 of this document, provisions for litigation with co-owners totalling €0.4 million were funded as of 31 December 2012.

2.2 Industrial and environmental risks

These risks are the main risks that might affect the Company in its development as a real estate investment company, a business in which it has been active since its takeover on 29 June 2007 by Dynamique Bureaux. The economic crisis we've been going through since the fourth quarter of 2008, followed in 2011 by the sovereign debt and euro crises, materialised a certain number of risks, the impact of which as of 31 December 2012, notably those caused by a relative stagnation of the market and a slight decline in the value of office assets with value-enhancement opportunities during the past financial year, are presented below.

Property asset valuation risk

The Company's property portfolio is subject to an appraisal every six months, on 30 June and 31 December of each year. The details of the Group's appraisers and the methodology used by the latter in their appraisals are set out in paragraph 1.2.1 "The Group's asset profile" of this document.

The appraisal valuations carried out on 31 December take the form of a detailed report, whilst those carried out on 30 June are an update. The M.R.M. group has opted to use the fair value accounting method for its property assets. In accordance with the option offered by IAS 40, this involves entering the investment property at its fair value and registering changes in value in the income statement. Positive or negative changes in the valuation of assets held by the various Group companies have a direct impact on Group income. In this respect, as of 31 December 2012, the change in the fair value of properties cut Group income by €3.506 million.

Assessing the value of the property portfolio depends on a number of factors, mainly involving the balance between market supply and demand, interest rates, the global economic climate and applicable regulations, which can vary significantly, with a direct impact on the valuation of the Company's property assets and, as an indirect consequence, on the various Loan to Value (LTV) ratios used as indicators of the Group's debt and liquidity risk. The appraised value of the Group's properties and their final value on disposal may not be identical. In addition, such valuations are based on a number of assumptions which may not prove to be correct. Because M.R.M.'s property assets are booked at market value by outside appraisers, the value thereof can be affected by variations in the bases used in the valuation methods (property market trends, mainly in terms of received rents, changing interest rates especially with regard to discount and capitalisation rates employed).

In addition, the valuation of the Company's property assets, when published, corresponds to an appraisal carried out by the property appraisers at a precise moment in time. Given the gap between the moment when the appraisal valuations are carried out and the moment when this information is made public, the valuation of the Company's property assets could have changed by the time that the information is published.

As of 31 December 2012, on a like-for-like basis, *i.e.* after restatement for asset disposals in 2012, the ongoing fall in certain sectors but also a certain recovery in the property market on the back of the current economic environment has had the following effects on the Company in terms of property valuation, on the basis of appraisal value excluding transfer taxes, prepared by two independent appraisers, Catella and Savills:

Portfolio value (excluding transfer taxes) *(in millions of euros)*	12/31/2011 restated*	12/31/2012	Change	Change *(in %)*
Stabilised offices	59.5	59.4	-0.1	-0.2%
Offices with value-added opportunities	54.4	55.4	+1.0	+1.8%
Retail properties	151.7	154.2	+2.5	+1.6%
M.R.M. ASSET PORTFOLIO	**265.6**	**269.0**	**+3.4**	**+1.3%**

* *Restated for disposals made in 2012.*

In what is still a challenging market, we have seen:

- a modest increase in the value of retail properties;
- the value of stabilised office properties hold up well;
- the downward revision of the value of vacant office space.

A sensitivity study simulating a change in capitalisation rates as of 31 December 2012 showed that a 50 basis point increase in these rates would have a €20.850 million negative impact on the asset portfolio value (*i.e.* -8%), whereas a 50 basis point reduction would have a €15.640 million positive impact on the asset portfolio value (*i.e.* +6%).

Economic risk

Since the Company's real estate portfolio is made up of office and retail properties located in France, changes in the main French macroeconomic indicators are likely to affect M.R.M.'s business, its rental revenues, the value of its property portfolio, as well as its policy relating to investment in and development of new properties, and consequently its growth prospects.

Consequently, changes in the economic environment in which the Company operates, such as economic growth rates, interest rates and the INSEE construction cost index (ICC) could significantly affect its business and development, and thus its growth prospects.

- An economic slowdown at the national or international level and/or of the property market could continue to entail:

(i) weaker demand for renting the Company's property assets increasing the risk of vacancy if a tenant leaves, as well as a lengthening of the time required to let its properties that are currently partly or wholly vacant, which would have an adverse impact on a) the value of the Company's property portfolio and b) on its operating income (no rental revenues and property expenses not recovered for those properties);

(ii) lower capacity of tenants to fulfil their obligations to the Company, notably to pay their rent;

(iii) a decline in the rental value of property assets, affecting the Company's ability to negotiate new rental contracts and renew leases, and to increase or even to maintain rents.

- A decline or a slowdown in the growth of the indexes on which the rents paid by tenants of the Company's property assets are indexed could also weigh on its rental revenues (invoiced rents and key money received). Since 2009, in addition to the ICC published by INSEE, a new index, also published by INSEE, has appeared: the retail rent index (ILC) consisting 25% of the ICC, 25% of the ICAV index of retail revenue and 50% of the consumer prices index (IPC). Following a significant decline in the ICC in the 12 months from the fourth quarter of 2008 to the third quarter of 2009, the ICC stabilised in 2010, with the cost of building materials also having stabilised. In 2011, the ICC rose once again. In the third quarter of 2011 it stood at 1,624 points, up 6.84% on the third quarter of 2010, and 1.9% on the previous quarter. It is the sharpest rise in the ICC since the third quarter of 2008. As expected, in 2012 the ICC continued to increase. In the third quarter of 2012, the ICC stood at 1,648, compared with 1,666 the previous quarter. Year-on-year, the ICC increased 1.48%, following an increase of 4.58% in the second quarter of 2012. The decline in the price of private accommodation was behind the quarterly decline in the ICC (-1.08%). Over the coming months, the ICC is expected to continue rising.

- A substantial increase in interest rates could entail:

(i) higher costs for investment operations (acquisition or refurbishing property assets), which are debt-financed;

(ii) a decline in the value of the Company's property portfolio, insofar as the valuation of a property depends mostly on how much the owner can sell it for, which in turn depends on purchasers' financing capacity and ability to leverage.

In addition, the current economic environment, combined with a drying- up of finance from the banks, could have a significant impact on the Company's business and consequently slow down its development needs. It could also have an effect on the occupancy rate of the property assets and on tenants' capacity to pay their rent.

The capacity of Group companies to maintain or increase rents when leases are renewed is also affected by changes in both supply and demand, which are influenced by the general economic environment.

The value of the Company's property portfolio also depends on a number of factors including the level of market supply and demand, factors which themselves develop depending on the general economic environment. The level of the Group's rental revenues and its results, the value of its asset base and its financial position, as well as its development prospects could therefore be negatively influenced by these factors.

Competition risk

In its property dealings, the Company is faced with stiff competition from other sector players. This competition occurs on seeking acquisition targets as well as on letting out properties and/or renewing expired leases. The Company can encounter competitors in the acquisition of property assets, who may have greater competitive advantages, mainly financial means at their disposal. In addition, seeking to acquire property assets could become difficult due to scarcity of supply and the highly competitive property market. This could hinder the Company's ability to pursue its growth strategy, which could adversely affect its future growth prospects and earnings.

In the rental business, when leases expire, other players could offer tenants better terms, or properties which better meet their requirements at conditions more attractive than those proposed by the Company.

Risk of non-renewal of leases and vacation of properties

The Company's business consists of letting its property assets to third parties and allowing them to set up commercial activities and/or offices therein.

The tenant is entitled to vacate the premises as provided by law and regulations, or if applicable, according to the contract; in all cases, prior notice is mandatory. Upon expiry of the lease, the tenant may request its renewal or vacate the premises.

In certain cases, if the lessor refuses to renew, the lessee is entitled to an eviction indemnity, which can be a substantial amount. Whatever the reason for a tenant's leaving the premises, the Company cannot guarantee that it can re-let the premises in question rapidly under terms which are as favourable as those of the present lease. The lack of income from vacated premises and the corresponding fixed costs must then be borne by the Company and this is liable to affect the Company's revenue, operating income and profitability. In addition, at the end of a lease period there is always the possibility that the Company might have to deal with different market conditions, unfavourable for lessors.

In fact, the current economic situation, which saw the euro and public debt crises in 2012, could notably lead to leases not being renewed or early notice to leave due to bankruptcies of tenants, as well as difficulties re-letting certain premises.

Dependence on main tenants – counterparty risk

All of the Group's revenue is generated by letting out property assets to third parties. It follows from this that any default on rent payments can affect the Company's earnings.

Certain tenants account for a significant proportion of the Company's annual invoiced rents. The contractually legitimate termination of one or several leases could have an impact on the level of rents received by the Company, and on its profitability.

However, the principal tenants are bound by firm leases that can run for between three and 12 years, with expiration dates stated in paragraph 1.4.5 of this document. Clauses in such leases can provide for termination indemnities.

The top ten tenants in the office property portfolio

At 1 January 2013, the top tenant in the office property portfolio accounted for 7% of the Group's rents and 21% of the rents in the office property portfolio. The 5 most significant tenants account for 16% of the Group's rents and 44% of the rents in the office property portfolio. Finally, the top ten tenants account for 20% of Group rents and 56% of rents in the office portfolio.

The top ten tenants in the retail property portfolio

At 1 January 2013, the top tenant in the retail property portfolio accounted for 7% of the Group's rents and 10% of the rents in the retail property portfolio. The five most significant tenants account for 18% of the Group's rents and 28% of the rents in the retail property portfolio. Finally, the ten most significant tenants account for 25% of the Group's rents and 38% of the rents in the retail property portfolio.

Risks associated with the Company's disposal of certain property assets

The Company, as part of the dynamic management of its property assets, and more specifically as part of its arbitrage plan established in early 2009 and continued over subsequent financial years in order to respond to tougher market conditions, ended up selling certain assets, mainly in order to release new funds with which to carry out other projects.

In view of the continued economic downturn, or of financial and operational risks, particularly through potential problems linked to respect of planned asset disposal schedules, the Company may not be able to sell part of its property assets under satisfactory terms.

Risks in connection with late completion or non-completion of planned investments

In its strategy of enhancing the value of its property portfolio, and in making its properties more attractive and valuable, the Company must make the necessary investments for refurbishing and restructuring existing sites.

In order to deal with the current economic environment that remains uncertain, the Company has concentrated its investments on the existing asset base and continues to be more selective in its investments, reducing budgets for works where it has not yet committed and by cutting costs.

Delays or non-completion of certain planned investments, or completion at higher costs than planned – due not only to the expense of conducting prior studies, but also to administrative, technical or marketing hurdles – may slow down the pace of the Company's development strategy, delay the letting out of the property and have a negative impact on its business and earnings.

Environmental risks associated with public health

The Company's activities are subject to laws and regulations relating to the environment and public health. These laws and regulations concern in particular the ownership or use of facilities that may be a source of pollution or have an impact on public health (especially epidemics in shopping centres), the presence or use of toxic substances or materials in construction, their storage and manipulation. If the thresholds set by these regulations were to become stricter, the Company could be exposed to additional costs.

Certain properties of the Company are exposed to problems related to public health and safety, especially asbestos and legionnaires' disease. Although the monitoring of such problems may primarily involve suppliers and subcontractors, the Company may nevertheless be held liable if it fails to meet its obligation to monitor and control the facilities it owns. Such problems could have a negative impact on the financial position, the results and the reputation of the Company, and also on its capacity to sell, let or refurbish an asset or to use it as collateral on a loan.

The Company's retail assets are subject to specific regulations covering the safety of people (ERP public safety regulations). Although the managers of these assets are responsible for taking the necessary measures in relation to these regulations, any breaches of these obligations could have a negative effect on the Company's reputation and the traffic in its shopping centres.

Climate or health risks could also have consequences in terms of the number of visitors to our shopping centres, a reduction in revenue for the traders and lost rent for the Company on the site concerned, and also in terms of the Company's image.

In addition, if the sites for planned shopping centres are on a flood plain, they may be refused planning permission. Plans to extend shopping centres are also affected by the progressive introduction of PPR (Risk Prevention Plans) by local authorities. These PPRs can prevent the extension of a given shopping centre and represent a significant loss in earnings for the Company.

Dependence on third parties

At the date of this document, the Company considers that it is not dependent on any third party whatsoever. The CBRE Global Investors group currently holds approximately 17% of the Company's share capital and 19% of the voting rights.

Furthermore, the terms of the management agreements described in section 1.6, which have been or will be entered into by M.R.M. subsidiaries and CBRE Global Investors France, were negotiated in the Company's interest. In addition, the agreements may be terminated under the conditions mentioned in said paragraph.

Finally, at this date, the Company no longer has any employees (see section 1.7 of this document), nor does it have any business activities of its own: it is a pure holding company, the management of which primarily involves administrative and financial type services currently provided by the asset manager, under a service agreement (see sections 4.10 and 4.7 of this document). In the event of a change in asset manager, the Company believes that these administrative and financial services could be taken over relatively quickly by a new asset manager or other service provider, without the Company being disrupted by any such change in service provider.

Nevertheless, upon completion of the ongoing transaction to restructure the Group's liabilities and to make SCOR an M.R.M. shareholder, SCOR will become the new majority shareholder with a 59.9% interest in the share capital and three seats on the Board of directors: the Group will then become highly dependent on SCOR.

2.3 Market risks – financial risks

Foreign exchange risk

At the date of this document, M.R.M. engages in no business which could expose it to any foreign exchange risks.

Interest rates risk

All of the bank loans taken out by the M.R.M. group are at a variable rate. The Group systematically hedges its contracted variable-rate debt by subscribing caps. The main characteristics of the financial instruments held are described in Note 5 of the notes to the consolidated financial statements of the financial year ended 31 December 2012, presented in paragraph 3.7 of this Registration Document.

Accordingly, to hedge the debt as of 31 December 2012, 100% of the loans for financing office property acquisitions are capped (Euribor three-month instruments at rates between 3.00% and 4.20% until the loans are entirely paid off).

Loans for financing retail properties are also fully capped (Euribor three-month instruments at rates between 3.75% and 5.25% until the loans are entirely paid off).

A 1% change in the interest rate would impact the Group's financial expenses to the amount of €1.869 million. Since current interest rates are quite low, the caps subscribed by the Group are not in the money.

Liquidity risk

The Company performed a special study of its liquidity risk and it considers that it can meet its current obligations. Indeed, upon completion of the ongoing transaction to restructure the M.R.M. group's liabilities and to make SCOR an M.R.M. shareholder, the specific risks of which are presented in the related transaction summary (*note d'opération*), the Company will be in a position to meet all of its short and medium-term maturities. Nevertheless, should this transaction not be concluded (in the event of the failure to satisfy any of the transaction's conditions precedent as defined in the investment agreement signed on 7 March 2013), the Company would reopen negotiations with its banking and bondholder partners with a view to deferring its financial commitments maturing in 2013, and would be required to sell off properties in order to raise the funds needed by the Group. It should be noted that the Company would require the rapid conclusion of the property disposals already underway in order to raise the funds needed by the Group and thereby meet its short-term commitments, in particular the special partial repayment of a credit line in June 2013. Indeed, on 25 September 2012, the Group signed an agreement with the Saar LB bank for a twelve month extension to the fully drawn down €30.0 million credit line backed by a portfolio of office properties; this credit line, which was to mature in April 2013, will now expire in April 2014. As part of this, the Company had committed to make a special repayment of €1.5 million in April 2013, the bank subsequently agreeing, in connection with the discussions relating to the ongoing transaction with SCOR, to postpone the date of the special repayment to June 2013.

The Company's level of leverage could affect its capacity to take out further loans. The Group's liquidity policy is to ensure that the total amount of rents is at all times higher than its working capital requirements to cover operating expenses, interest and repayment of its entire existing financial debt and the leverage it seeks to implement its investment programme.

The high level of financial expenses stemming from the Company's substantial debt burden, combined with a challenging market environment, which had in the past forced the Group to record significant impairment losses on its property assets, led the Company to record as of 31 December 2010 that its equity had fallen to below half of its share capital. The Extraordinary General Meeting of Shareholders of 7 October 2011 resolved, pursuant to the provisions of Article L. 225-248 of the French Commercial Code, to not dissolve the company early, to continue trading and recorded that following a substantial bank restructuring negotiated in February 2011, the equity had been restored. At 31 December 2012, the Company's equity stood at €16.866 million, once again below its share capital. The Extraordinary General Meeting of Shareholders of 13 May 2013 will be asked to vote on the early dissolution of the Company and will be asked to vote against early dissolution. Should the meeting vote in favour of continuing trading, the Company's equity would need to be built back up to a level representing at least half of the share capital by, at the latest, the end of the second financial year following the one in which the losses were recognised.

Certain loan agreements entered into or that may be entered into by the Group or its subsidiaries contain or may in the future contain standard early repayment clauses and covenants.

These covenants define the thresholds to be respected for a number of ratios, in particular the LTV ratio (Loan to Value ratio), defined as the ratio of the amount of the loan to the market value of the property financed, and the ICR ratio (interest coverage rate), representing the coverage rate of interest expenses by rents. Covenants relating to LTV ratios set maximum thresholds of between 65% and 90%. Covenants relating to ICR ratios set minimum thresholds of between 120% and 130%. It is at the level of Group subsidiaries, which own the property assets financed, that the covenants are tested. The frequency of reporting on covenants to M.R.M.'s three financial partners differs for the eight credit lines, and can be quarterly, six-monthly and even annual.

At 31 December 2012, the Group did not fully respect all of its LTV covenants to its banking partners: the LTV threshold specified in loan agreements was exceeded (60.8% instead of 60%). Discussions are ongoing with the bank in question with a view to amending the loan agreement. The Group nevertheless respected all of its commitments in terms of ICR covenants.

The presentation of all of the Group's financial liabilities, by nature and expiry date, are described in Note 8 of the notes to the consolidated financial statements of the financial year ended 31 December 2012, presented in paragraph 3.7 of this Registration Document.

Pledges and mortgages in favour of the banks

There is information in Note 23 of the notes to the consolidated financial statements of the financial year ended 31 December 2012, presented in paragraph 3.7 of this Registration Document.

The property assets acquired by the Group or its subsidiaries with bank loans are mortgaged to the lending banks, and the shares of its subsidiaries are pledged to such banks.

Information on the portion of the issuer's share capital that has been pledged

To the Company's knowledge, no portion of M.R.M.'s share capital has been pledged.

2.4 Insurance

The Group's property assets are insured under multi-risk policies covering property damage, rental loss and the property owner's third party liability.

Risks commonly covered under insurance policies, generally speaking, are: theft, water damage, broken glass and machines, damage due to storms, hail, falling objects, terrorist attacks, vandalism and riots, third party liability and special risks.

Furthermore, when the Company carries out work on its property assets, it takes out risk insurance ("Contractors' All Risks" – "TRC") covering material damage to the property during the works, the consequences of natural disasters as defined by Ministerial decree published in the Official Journal, as well as the owner's third party liability during the works.

M.R.M. has taken out, both for itself and its subsidiaries, as from 15 October 2012, a new insurance policy covering the liability of managers of M.R.M. and of its subsidiaries up to a maximum annual ceiling of €5,000,000 excluding excess, with the exception of a €50,000 excess per claim for misconduct in performance of duties applicable to an insured party that is a legal person.

On top of this, the insurance policy covers over and above the coverage ceiling and up to the limit of the following additional individual coverage ceilings:

- €1,000,000 per insurance period and per independent director, applicable to the defence costs and the financial consequences stemming from a claim against an independent director;
- €1,000,000 per insurance period, applicable to the defence costs incurred by or on behalf of an insured individual as part of a claim involving pollution.

This insurance policy covers:

- the *ipso jure* managers (any person, employee or otherwise, who was, is, or will be, duly empowered as an ipso jure manager of M.R.M. or its subsidiaries, by law and/or under the Articles of Association); and
- *de facto* managers (any individual, employee or otherwise, sought to be or found liable as a de facto manager of M.R.M. or its subsidiaries by a jurisdiction, or any individual sued on the grounds of professional error or an offence committed in the course of management or supervisory activities carried out with or without a formal office or delegation of powers).

GENERAL INFORMATION ON THE ISSUER AND ITS SHARE CAPITAL

3.

3.1 General information

3.1.1 Company name

The name of the Company is M.R.M. (Article 2 of the Articles of Association).

3.1.2 Company registration place and number

The Company is registered with the Trade and Companies Register of Paris under number 544 502 206.

3.1.3 Head office, legal status and law governing company business

The Company's head office is located at:
11, place Édouard VII, Paris (75009), France.

Its telephone number is +33 (0)1 76 77 67 40.

The Company is a French public limited company (*société anonyme*) with a Board of directors governed by the laws and regulations in force in France, in particular book II of the French Commercial Code, as well as by its Articles of Association.

3.1.4 Consultation of legal documents

Legal documents are available for consultation at the head office and on the Company's website: www.mrminvest.com.

3.1.5 Lifetime of the Company

Unless the Company is dissolved early or its lifespan is extended by resolution of the Extraordinary General Meeting of Shareholders, the Company shall expire on 20 April 2038 (Article 5 of the Articles of Association). The Company was founded on 21 January 1992.

3.1.6 Finance period of the Company

The financial period is for 12 months from 1 January to 31 December of each year (Article 18 of the Articles of Association).

3.1.7 Purpose

The purpose of the Company worldwide is:

- primarily, the acquisition, construction, division into lots, management, maintenance and outfitting of any and all property assets with a view to letting them, or holding directly or indirectly equity interests in corporate entities having the same purpose, subject to tax laws governing partnerships or to corporate income tax;
- additionally, the provision of assistance services in technical, accounting, administrative, financial, marketing or management areas to its subsidiaries.

The Company may carry out any transactions compatible with this purpose, or relating to it and contributing to their accomplishment (Article 3 of the Articles of Association).

3.1.8 Appropriation of earnings according to the Articles of association

"First, after any appropriation of losses carried forward, if applicable, five per cent shall be deducted from the annual income and appropriated to the legal reserve fund. This deduction is no longer mandatory once the reserve fund is equivalent to the legal minimum.

Out of the available balance, upon the proposal of the Board of directors or the Management Board (depending on the chosen mode of administration), the General Meeting can appropriate the amounts it deems adequate, either to carry forward to the next period or to allot to one or several general or special reserve funds.

The balance, if any, shall be distributed among the shareholders as a bonus dividend.

Any and all shareholders other than private individuals:

(i) holding directly or indirectly at the time the dividend is declared, at least 10% of the total dividend rights in the Company; and

(ii) whose situation, or that of its partners holding, for the payment of any distribution, directly or indirectly 10% or more of the total dividend rights, renders the Company liable for the payment of the 20% levy referred to in Article 208 C II *ter* of the General Tax Code (the "Tax Levy") (such shareholders are hereafter referred to as "tax-paying shareholders"),

shall be liable to the Company upon payment of any amount distributed for an amount equivalent to the Tax Levy due by the Company in relation to such payment."(Article 18 of the Articles of Association).

3.1.9 Management and administration

The provisions of the Articles of Association relating to members of the Board of directors can be found in Articles 10 to 13 of the Company's Articles of Association, the terms of which can be found in section 4.5 "Report of the Chairman of the Board of directors on the functioning of the Board and on internal control".

3.1.10 General Meetings

"General Meetings of Shareholders are called and held under the terms and conditions established by law.

The notice of General Meetings in which dividends are decided upon shall reiterate shareholders' obligations under Article 8 of the Articles of Association. Any shareholder, other than natural persons, who holds directly or indirectly 10% or more of the total dividend rights in the Company shall confirm whether or not it is in the class of "tax-paying shareholders" as declared according to Article 8 of the Articles of Association, no later than three days prior to the date of the General Meeting.

Shareholders' Meetings are held either at the Head Office or in another venue in Paris or its neighbouring *Départements* or in any other place indicated in the notice of meeting.

Any shareholder may take part in the meetings, personally or by proxy, provided that his/her shares are registered in his/her name or the name of the agent registered on his/her behalf, according to Article L. 228-1 paragraph 7 of the French Commercial Code, at midnight on the third business day prior to the meeting, or in the registered share accounts held by the Company, or in bearer share accounts held by an authorised intermediary.

For the purposes of determining a quorum and majority, those shareholders that attend the General Meeting by video conference or by telecommunications media permitting their identification and which comply with applicable regulations, when the Board of directors decides on such methods of participation, prior to sending notice of the General Meeting, shall be counted". (Article 16 of the Articles of Association.)

3.1.11 Shareholders' rights

"Voting rights attached to equity shares or bonus shares are equal to the portion of the capital they represent, and each share carries at least one voting right. Double voting rights are granted to all fully paid-up shares which have been registered for at least two years in the name of the same shareholder under the terms and conditions provided for by law.

In the case where share ownership rights are split, the usufructuary has the voting rights in Ordinary General Meetings and the bare owner has the voting rights in Extraordinary General Meetings.

Any natural or legal person which crosses, either up or down, a share ownership or voting rights threshold in the Company equal to 2.5% or a multiple thereof (*i.e.*, thresholds of 2.5%, 5%, 7.5%, etc.) is bound to notify the Company, within 15 days after the threshold is crossed, of the number of shares or voting rights that it holds. This obligation ceases to apply above a threshold of 32.5% of the share capital or, depending on the case, voting rights." (Article 8 of the Articles of Association.)

Shareholders' rights can be modified as provided by law.

3.2 Information about the share capital

3.2.1 Share capital

The share capital totals €28,015,816. It is split into 3,501,977 shares with a par value of €8 each, fully paid up. Full paid-up shares are either registered or bearer, at the discretion of the shareholder, subject to applicable mandatory provisions in Articles 6 and 7 of the Articles of Association.

The share capital can be changed as provided by law.

3.2.2 Unissued authorised share capital

As of 31 December 2012, no authorisation was in force empowering the Board of directors to carry out capital increases by means of the issue of shares or securities convertible immediately or in the future into Company equity.

3.2.3 Convertible securities

None.

3.2.4 Non-equity securities

At the date of this Registration Document, there are no securities existing which do not represent the Company's share capital.

3.2.5 Securities giving access to capital

None.

3.2.6 Summary of current valid authorisations

None.

3.2.7 Shares held by or on behalf of the Company

As of 31 December 2012, the Company held 51,510 treasury shares representing 1.47% of the share capital and 0.00% of the voting rights in the Company.

3.2.8 Complex securities

None.

3.2.9 Options or agreements involving the Company's share capital

None.

3.2.10 Pledged shares

To the Company's knowledge, no portion of M.R.M.'s share capital has been pledged.

3.2.11 Changes in the share capital

Share capital

At the date of filing of this Registration Document, the share capital of M.R.M. totals €28,015,816, divided into 3,501,977 shares with a par value of €8, fully paid-up and all of the same class. There have been no changes since December 2007. Furthermore, no securities have been issued that would give access to the capital, and whose exercise would be likely to have a dilutive effect on the Company's shareholders.

Changes in the share capital since 2002

Date	Nature of transaction	Capital increase/ decrease	Issue or contribution or merger premium	Number of shares issued	Par value	Aggregate number of shares	Post-transaction share capital
01/01/2002					€8	571,838	€4,574,704
12/12/2007	Remuneration contribution of Commerces Rendement shares	€7,544,304	€11,316,584.39	943,038	€8		
12/12/2007	Remuneration contribution of IRH shares	€5,794,616	€8,691,892	724,327	€8		
12/12/2007	Merger-absorption of Dynamique Bureaux by M.R.M.	€14,542,248	€21,813,377	1,817,781	€8		
12/12/2007	Cancellation of treasury shares	(€4,440,056)	(€6,659,884.41)	(555,007)	€8	3,501,977	€28,015,816

Operations affecting the breakdown of the share capital

In 2007, a simplified tender offer was launched for M.R.M.

3.2.12 Shareholders

Changes in the shareholder structure

Since 17 December 2009, in accordance with Article 8 of the Articles of Association, certain shareholders have acquired double voting rights, taking the total number of exercisable voting rights at the date of this Registration Document from 3,501,977 to 6,138,295.

The table below sets out the changes in the shareholder structure, in capital and voting rights, over the past three years:

	At date of filing of this Registration Document		End-2012		End-2011		End-2010	
Shareholders	Share capital	Voting rights	Share capital	Voting rights	Share capital	Voting rights	Share capital	Voting rights
CBRE Global Investors Group (1)	17.1%	19.3%	17.1%	19.3%	17.1%	19.0%	17.1%	18.7%
PREFF (5)	3.4%	3.8%	3.4%	3.8%	3.4%	3.7%	3.4%	3.7%
CONCERT SUB-TOTAL	20.5%	23.1%	20.5%	23.1%	20.5%	22.7%	20.5%	22.4%
CARAC (2)	9.2%	10.5%	9.2%	10.4%	9.2%	10.3%	9.2%	10.0%
SC TF Entreprise (3)	5.5%	6.2%	5.5%	6.2%	5.5%	6.1%	5.5%	6.0%
SNC CAM Développement 62 (4)	4.3%	4.8%	4.3%	4.8%	4.3%	4.7%	4.3%	4.7%
SCI PIMI Foncière (3)	4.1%	4.6%	4.1%	4.6%	4.1%	4.5%	4.1%	4.5%
Specials Fund (5)	3.4%	3.8%	3.4%	3.8%	3.4%	3.7%	3.4%	3.7%
Treasury shares	1.3%	-	1.5%	-	0.8%	-	0.7%	-
Public	51.7%	47.0%	51.5%	47.1%	52.4%	47.9%	52.3%	48.7%
TOTAL	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

(1) Concert comprised of companies belonging to the US group CBRE, world's leading commercial real estate adviser: namely CB Richard Ellis European Warehousing Sàrl, CB Richard Ellis Europe Investors Holding BV and CB Richard Ellis Europe Investors DB Co-Invest LLC.
(2) CARAC (veterans' pension fund).
(3) Private company.
(4) Subsidiary of the Crédit Agricole du Nord group.
(5) Fund of foreign funds.

To the best of the Company's knowledge, no other shareholder holds more than 5% of the share capital or voting rights. No shareholder controls the Company either directly or indirectly.

In accordance with Article L. 621-18-2 of the French Monetary & Financial Code, no action was taken on the Company's shares during the financial year ended 31 December 2012 by the individuals mentioned in this article (Company managers, senior managers, and individuals to whom they are closely tied).

On 24 December 2007, M.R.M. signed a liquidity agreement with CM-CIC Securities for the purpose of improving liquidity and the regularity of quotations. At the start of the 2012 financial year, the Company held 26,919 treasury shares representing 0.77% of the share capital. In FY 2012, the Company acquired 28,945 treasury shares, for a value of €111,743.85, and disposed of 4,354 shares for a value of €18,925.69. These transactions were carried out under the aforementioned liquidity agreement.

The Company therefore held 51,510 treasury shares, at the closing date for the past reporting period, representing 1.47% of the Company's share capital. These securities are entered as Company assets in its parent company financial statements, and deducted from equity in the consolidated financial statements.

Shareholder identification

The Company may at any time, according to applicable laws and regulations, request the central depository system which keeps track of the stock issued by the Company for the names, or where it concerns a corporate body, for the names, nationalities and addresses of the holders of shares that confer, immediately or in the future, voting rights in its General Meetings of Shareholders, as well as the number of shares held by each one and, if applicable, any restrictions on those shares (Article 7 of the Articles of Association).

3.3 Share price

The table below sets out the data concerning the price of the Company's shares, on a monthly basis, over the past three years:

Month	Highest	Lowest	Average closing price	Trading volume
January 2010	8.00	7.70	7.91	1,199
February 2010	7.80	7.70	7.72	1,940
March 2010	8.00	7.75	7.97	799
April 2010	7.99	7.69	7.77	910
May 2010	8.00	7.69	7.86	149
June 2010	8.01	7.65	7.75	251
July 2010	8.91	8.00	8.59	244
August 2010	8.87	8.00	8.64	1,926
September 2010	8.20	7.99	8.00	631
October 2010	7.99	7.31	7.60	3,842
November 2010	7.41	6.60	7.19	3,207
December 2010	7.51	6.99	7.17	2,513
January 2011	7.40	7.39	7.39	192
February 2011	7.59	7.30	7.42	1,313
March 2011	7.50	7.10	7.38	1,986
April 2011	7.75	7.40	7.50	136
May 2011	7.50	7.49	7.49	232
June 2011	7.49	7.46	7.47	22
July 2011	7.30	7.27	7.27	221
August 2011	7.27	6.51	6.70	1,860
September 2011	6.52	6.49	6.51	2,058
October 2011	6.50	5.99	6.29	1,852
November 2011	6.29	6.29	6.29	52
December 2011	6.30	6.28	6.29	51,529
January 2012	6.28	6.00	6.20	1,063
February 2012	6.19	5.98	5.99	1,221
March 2012	5.98	5.80	5.97	202
April 2012	5.80	5.75	5.79	49
May 2012	5.75	4.79	5.58	1,851
June 2012	4.69	4.00	4.52	8,947
July 2012	4.20	4.00	4.14	2,178
August 2012	4.40	4.17	4.32	4,096
September 2012	4.40	4.00	4.32	2,280
October 2012	3.90	3.45	3.64	11,950
November 2012	3.50	2.89	3.08	13,344
December 2012	2.90	1.51	2.73	12,206
January 2013	3.00	1.82	2.47	22,695
February 2013	2.40	1.99	2.19	22,828
March 2013	2.25	2.00	2.18	19,414

M.R.M.'s stock market capitalisation as of 31 December 2012, based on the final FY 2012 closing price, namely €1.51, amounted to €5,287,985.

3.4 Employee profit sharing plan

None.

3.5 Dividend payout policy

The dividend payout policy will comply with SIIC rules. In particular, 85% of earnings from building lettings will be paid out before the end of the financial year following the one during which such earnings are realised, and 50% of capital gains from the sales of buildings, shares in tax-transparent property companies or shares of subsidiaries liable for corporate income tax having the option, will be paid out in dividends prior to the end of the second financial year following the one in which they were realised; and dividends received from subsidiaries having opted for it to be redistributed in full during the financial year that follows their collection.

3.6 Management report for the financial year ended 31 December 2012

Ladies and Gentlemen,

This Annual General Meeting has been called in compliance with the Articles of Association and the French Commercial Code, to report on the Company's business activities during the financial year ended 31 December 2012, as well as on the resultant earnings and its outlook, and to seek approval for the separate and consolidated financial statements for said financial year. Those financial statements are attached.

You were duly notified and called to the meeting, as prescribed by law, and all mandatory documents under rules and regulations in force were put at your disposal within the legal time frame.

1. Company Business and Situation

1.1. Situation and business of the Company over the previous financial year

1.1.1. Business overview

A listed property investment company, M.R.M. holds a portfolio of office and retail properties, comprising stabilised properties and properties with value-enhancement opportunities. Its asset portfolio has been progressively expanded since the second half of 2007 following asset transfers from Dynamique Bureaux and Commerces Rendement, two investment companies founded and managed by CBRE Global Investors, and the acquisitions made by its subsidiaries in their own right.

M.R.M. is listed on Eurolist in Compartment C of NYSE Euronext Paris (France) (ISIN code:FR0000060196 – Bloomberg code: M.R.M.:FP – Reuters code: M.R.M.:PA).

M.R.M, whose property transactions are managed by CBRE Global Investors, an investment management subsidiary of the global leader in real estate services, CBRE, employs a dynamic strategy of value-enhancement and asset management, combining yield and capital gains.

In order to quickly adapt to a more challenging market environment, in 2009 and 2010 M.R.M. took steps to readjust its operations. These consisted of:

- refocusing investments on the existing portfolio;
- more selective investments;
- cost revisions;
- arbitrages with a target of €120 million in sales during the 2009-2010 period;
- and renegotiating the financing lines with the earliest maturities.

In 2012, M.R.M. completed to fulfill the value-enhancement plans for its portfolio assets, except for the Urban property in Montreuil which is to be sold off in its un-refurbished condition, while continuing to actively manage its asset portfolio.

M.R.M. has also worked, in a context of particularly sluggish rental market, letting its vacant premises, and began discussions to anticipate the banking and bond facilities maturing at end 2013.

In addition, the Company continued the work started since mid-2011 with the help of its advisory bank BNP Paribas to strengthen the Group's financial structure.

1.1.2. Company history

Prior to its restructuring, M.R.M. was originally a holding company, the head of a group built around three business activities: manufacturing and sales of velvet products (JB Martin Holding), clothing design and retailing in Mexico (Edoardos Martin), and the production and sale of plastic cables and tubes (MR Industries).

1.1.3. Principal dates in the past financial period

8 February 2012: M.R.M. sold off five out-of-town retail properties for a total of €14.2 million excluding transfer taxes.

28 February 2012: M.R.M. published its 2011 annual results.

27 April 2012: M.R.M. announced the publication and availability of the 2011 registration document.

10 May 2012: M.R.M. published financial information for the first quarter of 2012.

7 June 2012: The Combined General Meeting of Shareholders of M.R.M. held on 7 June 2012 approved the following items:

- Ordinary decisions:
  - review and approval of the separate financial statements for the financial year ended 31 December 2011;
  - appropriation of income for the financial year ended 31 December 2011;
  - review and approval of the consolidated financial statements for the financial year ended 31 December 2011;
  - statutory auditors' special report on the agreements falling within the scope of Article L. 225-38 of the French Commercial Code;
  - directors' fees;
  - ratification of the cooptation of a director;
  - authorization of the Board of directors allowing the company to buy back its own shares.
- Extraordinary decisions:
  - transfer of head office.

21 June 2012: M.R.M. inaugurated the office building Nova in La Garenne-Colombes, an area of 10,500 sqm in the heart of a new business district located in peri-Defense.

1st July 2012: M.R.M. transferred its registered office at 11, place Édouard VII in Paris (9th).

26 July 2012: M.R.M. published financial information for the second quarter of 2012.

25 September 2012: M.R.M. signed an agreement with the bank SaarLB postponing the maturity date of a €30.0 million credit line from April 2013 to April 2014.

27 September 2012: M.R.M. finalized the sale of the office property located on rue Niepce in Paris (14th) for €8.1 million excluding transfer taxes.

28 September 2012: M.R.M. published the interim results for 2012 and announced the publication and availability of the 2012 interim financial report.

8 November 2012: M.R.M. published financial information for the third quarter of 2012.

27 December 2012: M.R.M. sold off a housing area (128 sqm) within the Galerie du Palais building in Tours (37) for €0,2 million excluding transfer taxes.

1.1.4. Equity stakes and controlling interests taken in companies with head offices in France

No acquisition of shares or control occurred during the financial year ended 31 December 2012.

As of 31 December 2012, M.R.M. thus controlled 16 companies, just like as of 31 December 2011.

The list of equity interests is appended to this report.

1.2. Research & Development

In accordance with Article L. 232-1 of the French Commercial Code, we hereby inform you that the Company performed no research and development activity during the past financial year.

1.3. Situation and activity of companies controlled by M.R.M. and their property portfolios

It should be recalled that M.R.M. is a dedicated holding company, all property assets being held by its subsidiaries, and it being noted that the bond was issued by DB Dynamique Financière (purpose explained in Note 8 to the consolidated financial statements). The list of subsidiaries and affiliates can be found in the notes to the statement of financial position.

1.3.1 Office portfolio

The office portfolio is directly or indirectly held by SAS DB Albatros, SAS DB Cougar, SAS DB Neptune, SAS DB Fouga, SAS DB Tucano, SCI Noratlas and SAS Boulevard des Îles. The Group ownership structure can be found in Chapter 1 of the registration document.

The stabilised office portfolio generated net annualised rent of €4.6 million as of 1 January 2013, up 3% on 1 January 2012 adjusted for dispositions in 2012 (Niepce building in Paris) and for the reclassification in this category of the Delta building in Rungis. At end-2012, the Delta building, previously included in offices in the process of being let, has been reclassified in the stabilised office portfolio, because its occupancy rate has crossed the threshold of 80% during the year (87% as of 31 December 2012) following the signature of a lease of 1,250 sqm. In 2012, €0.7 million were invested in this sub-portfolio, primarily on Solis and seven leases or lease renewals were signed with respect to this sub-portfolio, representing annual rent of €0.8 million. As of 31 December 2012, the occupancy rate of this sub-portfolio is 94%.

A total of €5.4 million was invested in offices in the process of being let in 2012, mostly dedicated to the phase II of the refurbishment of the Nova property.

In 2012, a year marked by a slowdown in rental demand, only two leases (antenna installation) were signed on this sub-portfolio for an insignificant amount. Due to the reclassification of the Delta multi-tenant building in Rungis in the stabilised office portfolio (see above), the occupancy rate of the portfolio of offices with value-added opportunities thus down from 29% at end-2011 to 18% as of 31 December 2012. Urban in Montreuil is currently subject to a preliminary sales agreement to be sold as it is.

1.3.2. Retail portfolio

The retail property portfolio is directly or indirectly held by the following subsidiaries: SAS DB Neptune, SAS Commerces Rendement, SAS Investors Retail Holding, SCI Immovert, SAS DB Piper and SCI Galetin II. The Group ownership structure can be found in Chapter 1 of the registration document.

Net annualised rental income for the retail portfolio came to €9.9 million as of 1 January 2013, up 7% compared to 1 January 2012 adjusted for asset sales carried out in 2012 (five retail properties in Paris region).

In 2012, 13 new leases or lease renewals were signed, representing annual rental income of €0.9 million. At 31 December 2012, the retail portfolio occupancy rate remained high at 92%.

A total of €1.1 million was invested in retail portfolio in 2012, mostly dedicated to La Galerie du Palais shopping centre (6,935 sqm) in Tours.

1.3.3. Changes to the portfolio

At end-December 2012, M.R.M.'s asset portfolio stood at €269.0 million, up 1.3% on a like-for-like basis, *i.e.* compared with the value as of 31 December 2011 restated for the assets sold in 2012.

In fact, in 2012, M.R.M. sold off assets totalling €22.5 million, excluding transfer taxes. These sales were of a portfolio of five retail assets located in the Paris region, an office building located rue Niepce in Paris (14th arrondissement), and a housing area (128 sqm) within the Galerie du Palais building in Tours (37).

Furthermore, in 2012, investment totalled €7.1 million, primarily related to the refurbishment of the Nova property in La Garenne-Colombes and the La Galerie du Palais shopping centre in Tours, as well as adaptation works at the mixed office/warehouse building Solis in Les Ulis.

Excluding asset sales and investment, the change in the fair value of the portfolio was -€3.5 million in 2012.

This negative change is mainly due to downward revisions of value of offices in the process of being let and of leased properties located in the outer ring of suburbs of Paris. These downward revisions of value have been only partially offset by a slight increase in value of retail properties. This reduction reflects changes in the investment market on the back of macro-economic uncertainties that have seen demand, especially for office buildings, focus on prime assets in the central business district of Paris, which generate rental revenue secured by long-term leases.

At end-December 2012, the nine office properties in Île-de-France accounted for 43% of the value of M.R.M.'s asset portfolio, with the nine retail complexes in Île-de-France and the regions accounting for the remaining 57%. It should be noted that following the signature of a lease bringing the occupancy rate of the building over 80%, the Delta building in Rungis which was originally classified under office in the process of being let was reclassified under stabilised office as of 31 December 2012. The overall asset portfolio covers a total area of 146,621 sqm, split into 61,840 sqm of office space and 84,781 sqm of retail space.

Portfolio value (excluding transfer taxes) *in millions of euros as of 31 December*	Office		Retail		M.R.M. Total	
	2012	2011	2012	2011	2012	2011
Stabilised	59.4	54.5	154.2	165.6	213.6	220.1
Value-added opportunities	55.4	67.4	N/A	N/A	55.4	67.4
M.R.M. TOTAL	**114.8**	**121.9**	**154.2**	**165.6**	**269.0**	**287.5**

The asset portfolio breaks down into 79% of stabilised properties, as against 77% at end-December 2011, and 21% of properties in the process of being let, as against 23% at end-December 2011. This seeming stability stemmed from a combination of factors: the removal from the asset portfolio of certain stabilised assets following their sale was offset by the reclassification of Delta building in Rungis from the sub-portfolio "in the process of being let" to the sub-portfolio "stabilised".

1.3.4. Net Asset Value

In 2012, investments amounted to €7.1 million, compared to €17.6 million in 2011.

On the asset side, the net cash position of he Group stood at €4.0 million at end-2012, compared to €2.4 million the previous year. The change compared to the 2011 net cash position is primarily due to the suspension of payment of bond interests in the third and fourth quarters of 2012, the payment time granted by asset manager CBRE Global Investors for its management fees in respect of the fourth quarter of 2012, and the revision of the amortization schedule for a bank credit facility.

As of 31 December 2012, the liquidation Net Asset Value was €4.9 per share and the replacement Net Asset Value was €9.3 per share, compared with €6.1 per share and €10.6 per share respectively as of 31 December 2011.

Net Asset Value	12/31/2012	12/31/2011
Liquidation NAV/share	€4.9	€6.1
Replacement NAV/share	€9.3	€10.6

1.3.5. Net operating cash flow

Gross operating income came to €7.9 million in 2012. This is down relative to the €9.6 million achieved in 2011, reflecting the reduction in net rental income as a result of asset sales.

However, although operating expenses were kept well under control, declining 13.9%, and despite the favourable impact of low interest rates, net operating cash flow [3] amounted to only €0.4 million in 2012.

Net operating cash flow *in millions of euros*	2012	2011	Change 2012/11
Net rental revenues	13.4	15.4	-12.8%
Other operating income	0.3	1.2	
Operating expenses	(5.6)	(6.5)	-13.9%
Other operating expenses	(0.2)	(0.4)	
EBITDA	**7.9**	**9.6**	**-17.8%**
Net cost of debt	(7.5)	(9.6)	-22.2%
Other financial expenses	0.0	(1.4)	
***Net operating* cash flow**	**0.4**	**(1.5)**	

(3) Net operating cash flow = net income before tax adjusted for non-cash items.

1.3.6. Debt

M.R.M.'s bank debt stood at €191.5 million as of 31 December 2012, compared with €202.2 million as of 31 December 2011. This decrease followed the contractual amortizations and repayments made in the context of asset disposals in 2012, which more than offset the drawdowns on credit lines still available. Bank debt accounted for 71.2% of the value of the portfolio as of 31 December 2012. The average margin on this debt is 148 basis points (excluding the impact of set-up costs). 100% of variable-rate debt is hedged by financial instruments such as caps.

M.R.M. also has an issued bond of €54 million maturing at end 2013, plus €8.1 million arrears interest that has been capitalized. Following a two-year suspension, since the first quarter of 2011, M.R.M. had been paying interest on this bond. Due to its stretched net cash position, M.R.M decided suspending once again the payment of bond interests as from the third quarter 2012.

Finally, as of 31 December 2012 M.R.M. is in compliance with its commitments in terms of Loan to Value Ratio (LTV) and Interest Cover Ratio (ICR), except for a line of credit on which the LTV threshold set by the credit agreement is exceeded (60.8% instead of 60%). Discussions with the bank concerned are underway to achieve the signing of an amendment to the credit agreement.

1.4. Foreseeable changes and outlook

In 2011, M.R.M. restructured a significant portion of its bank debt in order notably to complete in 2012 the main value-enhancement plans for its portfolio of assets, with the exception of the property in Montreuil which is to be sold as is.

This major investment drive was in part financed by bank loans and, for the most part, by Group equity. This was made possible by the completion of planned asset sales which generated the expected net proceeds following the repayment of bank financing backed to the assets sold. However, the asset sales completed since 2009 resulted in a sharp decrease in size of the Group's portfolio, and therefore in the Group's ability to generate cash. As a result, cash outflows used for investments in 2012 have strongly affected the Group's cash.

Moreover, in 2013, M.R.M. will face significant maturities of bank and bond debts amounting to a total of €122.3 million.

It is in this context that M.R.M. will in 2013 continue its planning work for the future of the Group, notably with the recapitalization scheme with SCOR described in paragraph 1.5 below.

1.5. Major events since the reporting date

On 7 March 2013 the Board of M.R.M. approved the execution of an investment protocol authorizing the acquisition by SCOR of a majority stake in M.R.M. This approval resulted in the signature on 7 March 2013 of an investment protocol between M.R.M. and SCOR providing for SCOR's subscription to a capital increase in cash for a minimum amount of €41 million and a maximum amount of €54 million, subject to the restructuring of M.R.M.'s liabilities and in particular to a decrease and a spreading of its banking and bond debts. Pursuant to the completion of this capital increase, SCOR will own 59.9% of M.R.M's registered capital, excluding the potential dilution impact of the subscription to free share options that will be offered to shareholders owning duly recorded shareholder's accounts 1 day before the Board meeting that will acknowledge the completion of this SCOR operation subject to the approval of the Ordinary and Extraordinary Shareholders' Meeting of M.R.M.

This operation will allow M.R.M. to manage its 2013 debt maturities and to promote a healthier finance structure. Today, M.R.M. has received from its 3 banking partners executed 'term sheets' relating to the renegotiation of its credit lines required by the SCOR operation and subject to its completion. This decision is the end result of 18 months of work that M.R.M. carried out in close collaboration with its Board and with the bank BNP Paribas which seconded M.R.M. in its search for partners and solutions to strengthen its balance sheet.

1.6. Principal risks and uncertainties facing the Company

The risks and uncertainties facing the Company are, on the date of this report, those which could have a material adverse impact on the Company, its business, its position, its earnings or share price, and which are important with regard to investment decisions. The Company has assessed the risks that could have a significant adverse effect on its business activities, its financial position or its earnings (or on its ability to achieve its goals) and believes that there are no significant risks other than those presented in Chapter 2 of the 2012 registration document and, with regard to financial risks, in the notes to the consolidated financial statements for the financial year ended 31 December 2012.

2. Presentation of the separate financial statements – Earnings for the past financial year

2.1. Separate financial statements

The separate financial statements for the year ended 31 December 2012, which we submit to you for approval, (appended hereto) were drawn up according to the format and using the valuation methods prescribed by rules and regulations in force. Presentation and valuation rules used were the same as for the previous financial year.

M.R.M.'s business over the period was that of a holding company. 2012 earnings reflect:

- €150 thousand in operating income (compared with €346 thousand as of 31 December 2011);
- provision reversals on Immovert's current account, for a total of €696 thousand. As of 31 December 2011, provision reversals totaled €31.517 million;
- €1.117 million in other external purchases and expenses (compared with €1.183 million as of 31 December 2011);
- no employee benefits expense (compared with €172 thousand as of 31 December 2011);
- provisions for current accounts of €7.951 million (primarily SCI Noratlas and SAS DB Tucano). In 2011, impairment on non-current assets and current assets amounted to €2.460 million;
- financial profit of €895 thousand, including €888 thousand in financial profit from equity investments (revenue on current accounts). Financial expenses totaled €2.083 million, and notably comprised interests and related expenses (€1.637 million), provisions for equity investments (€387 thousand), thereby generating a financial loss of €1.188 million. As of 31 December 2011, the financial profit totaled €17.668 million.

Consequently, accounting net income was a €9.525 million loss. As of 31 December 2011, accounting net income was a €10.258 million profit.

Following the losses in the financial period ended 31 December 2012, the Company's equity dropped under half the share capital. Pursuant to the provisions of Article L. 225-248 of the French Commercial Code, we ask you to decide on the early dissolution of the Company and offer you to decide that there will not be wound. If the General Meeting was in favor of continuing the company operations, the equity of the Company will be restored to a level at least equal to half of the share capital by the end of the second year following the year which the recognition of losses occurred.

As of the end of the financial year, total assets stood at €56.842 million, mostly comprised of equity securities from subsidiaries, directly or indirectly wholly-owned; of current accounts between the Company and its subsidiaries; and of the Company's cash assets.

The table showing the Company's results is appended hereto, as set out by Article R. 225-102 of the French Commercial Code.

2.2. Consolidated financial statements

Pursuant to European Regulation 1606/2002 of 19 July 2002, the consolidated financial statements as of 31 December 2012 of M.R.M. group were prepared in accordance with the standards and interpretations applicable on that date, published by the International Accounting Standards (IASB) and adopted by the European Union at the date of issue of the financial statements by the Board of directors.

The new standards and amendments to existing standards and interpretations mandatory as of 1 January 2012 are as follows:

amendment IFRS 7 "Financial Instruments": disclosure requirements relating to the transfer of financial assets (effective 1st July 2011);

This new standard had no significant impact on the Group's financial statements as of 31 December 2012.

2.2.1. Changes in scope

In FY 2012, no new company was consolidated by M.R.M.

2.2.2. Consolidated income statement

Consolidated gross rental revenue from investment properties totalled €16.459 million, mainly comprising rents and rental income on the Group's asset portfolio. On a like-for-like basis, gross rental revenues were up 13.8% on 2011.

Unrecovered external property expenses totalled minus €3.050 million resulting in net rental revenues of €13.409 million.

Current net operating expenses, totalling minus €6.403 million in 2012, were up 5.7% on 2011: they mainly broke down into operating expenses of minus €5.629 million (compared with minus €6.535 million in 2011, *i.e.* a decrease of 13.9%) and a net allocation to provisions of minus €774 thousand (compared with €476 thousand net reversal in provisions).

Current operating income thus amounted to €7.006 million, compared with €9.316 million at end-2011.

Net of losses on the disposition of assets of minus €176 thousand, of the change in fair value affecting property assets of minus €3.506 million and non-current net operating products of €14 thousand, operating income totalled minus €3.338 million. For reference, as of 31 December 2011, it totalled minus €8.301 million.

The financial profit amounted to minus €7.634 million as of 31 December 2012, and broke down as follows:

- net cost of debt, namely minus €7.221 million (minus €7.182 million in interest and related expenses, €20 thousand in interest received, and minus €59 thousand in net expenses on disposition of marketable securities);
- change in value of the financial instruments and funds, namely minus €68 thousand;
- discounting of payables and receivables, namely minus €346 thousand;

As of 31 December 2011, the financial profit totalled €10.883 million, following the extinguishment of debt obtained through the bank restructuring that took place on 17 February 2011.

In light of the preceding, and the recognition of a tax expense of €109 thousand, loss for the period after tax was minus €4.406 million. At end-2011, the profit for the period was €2.507 million.

2.2.3. Consolidated balance sheet

As of 31 December 2012, net non-current assets stood at €253.833 million, compared with €243.211 million as of 31 December 2011. The increase in these items over the financial year was primarily due to the reclassification of properties between "investment properties" and "properties held for sale". As of 31 December 2012, investment properties totalled €253.830 million.

Current assets totalled €28.892 million as of 31 December 2012, compared with €58.712 million as of 31 December 2011. This mainly broke down into properties held for sale (€15.170 million), trade receivables (€3.762 million), other receivables such as service charges, tax receivables, etc. (€5.954 million) and cash and cash equivalents (€3.958 million).

On the liabilities side, consolidated equity, after taking into account the net income for the year (minus €4.406 million), amounted to €16.866 million at the end of the financial year. As of 31 December 2011, this item totalled €21.305 million.

Non-current liabilities amounted to €124.167 million as of 31 December 2012, compared with €231.629 million as of 31 December 2011. These are Group debts payable at over one year, bank debt of €121.878 million and €1.889 million in guarantee deposits received from tenants.

Current liabilities, payable at under a year, totalled €141.693 million as of 31 December 2012, compared with €48.989 million as of 31 December 2011. This was primarily comprised of its bank loans and bond falling due at the end of December 2013 (€133.233 million), debts to vendors of goods and services and non-current assets (€5.390 million).

In accordance with Articles L. 225-100 and L. 233-16 of the French Commercial Code, we hereby ask you to approve the consolidated financial statements attached hereto.

2.3. Appropriation of income

We propose the appropriation of the result for the financial year ended 31 December 2012, of minus €9,525,257, as follows:

- Origin:

Result of the year: loss of €9,525,257

- Appropriation:

Retained earnings: minus €9,525,257

Retained earnings would thereby down from minus €55,095,426 to minus €64,620,683.

2.4. Dividends paid out in previous years

In accordance with Article 243 *bis* of the General Tax Code, we point out that no dividends have been distributed over the previous three financial years.

2.5. Non-tax-deductible expenses

Pursuant to Articles 223 *quater* and 223 *quinquies* of the General Tax Code, we point out that the financial statements for the previous year do not take account of expenses non-deductible for tax purposes.

3. Information concerning the share capital as of 31 December 2012

3.1. Changes in the share capital in the past financial year

As of 1 January 2012, the share capital was €28,015,816, split into 3,501,977 fully paid-up shares, each with a par value of €8. This situation remained unchanged as of 31 December 2012, since there were no transactions on the share capital during the past financial year.

Shares are in either registered or bearer form, at the discretion of the shareholder, subject to the mandatory provisions laid down in Articles 6 and 7 of the Articles of Association.

3.2. Information on shareholding

In accordance with Article L. 233-13 of the French Commercial Code, we indicate the identity of those natural and legal persons holding, directly or indirectly as of 31 December 2012, more than 5%, 10%, 15%, 20%, 25%, one-third, 50%, two-thirds, 90%, or 95% of the share capital or voting rights in General Meetings (bearing in mind that, pursuant to the terms of Article 8 of the Company's Articles of Association, "a double voting right is granted to all fully paid-up shares which have been registered in the Company's ledgers for at least two years in the name of the same shareholder, as provided by law"). We furthermore inform you of the change in the total number of voting rights in the Company, as a result of the registration as bearer shares of certain shares that were previously registered, resulting in the loss of a certain number of double voting rights, bringing the total number of theoretical voting rights down from 6,285,668 as of 31 December 2011 to 6,192,797 at the date of this report. The tables below reflect this new number of voting rights.

More than 5% and less than 10%:

Shareholders	As of the date of this report	As of 31 December 2012	As of 31 December 2011
CARAC (veterans' pension fund)	9.2% of share capital 10.4% of voting rights	9.2% of share capital 10.4% of voting rights	9.2% of share capital 10.3% of voting rights
Société Civile TF Entreprises	5.5% of share capital 6.2% of voting rights	5.5% of share capital 6.2% of voting rights	5.5% of share capital 6.1% of voting rights

More than 10% and less than 20%:

Shareholders	As of the date of this report	As of 31 December 2012	As of 31 December 2011
CBRE Global Investors Group: • CB Richard Ellis European Warehousing S.à r.l. • CB Richard Ellis Investors Europe Holding BV • CB Richard Ellis Investors DB Co-invest LLC	17.1% of share capital 19.3% of voting rights	17.1% of share capital 19.3% of voting rights	17.1% of share capital 19% of voting rights

For your information, at the date of this report, Jacques Blanchard, Chairman and Chief Executive Officer of the Company, held 42,839 shares, 42,838 of which through his personal holding company, SC JAPA. Therefore, he holds 1.2% of the share capital and 1.4% of the voting rights, directly and indirectly.

Cross-shareholdings

At the reporting date of the past financial year, companies controlled by the Company held no stake in the Company.

Treasury shares – share buyback plan

At the start of FY 2012, the Company held 26,919 treasury shares.

It is recalled that on 24 December 2007, M.R.M. signed a liquidity agreement with CM-CIC Securities for €18,000 *per annum* ex. VAT, with a view to improving trading liquidity and share price stability.

In addition, a buyback programme was implemented in FY 2012 with the following objectives:

- to take steps on the market for the purpose of stabilising the price of the Company's shares or ensuring the liquidity of the Company's shares *via* the intermediary of an investment services provider;
- to hold shares as treasury stock for subsequent remittance in exchange or payment for acquisitions;
- to ensure coverage of share purchase option plans and other forms of share allocation to employees and/or corporate officers of the Group in accordance with legal requirements, particularly in respect of profit sharing, Company savings plans or bonus share allocations;
- to ensure coverage of marketable securities entitling the holder to the allocation of shares in the Company within the framework of applicable regulations.

These objectives are presented without prejudice to the effective order of use of the authorisation to buy back shares, which would be dependent on needs and opportunities. The number of shares purchased by the Company with a view to being held as treasury stock for subsequent remittance in exchange or payment for a merger, de-merger or contribution may not exceed 5% of its share capital.

In FY 2012, the Company bought 28,945 treasury shares at an average purchase price of €3.86 per share (representing a total average purchase price of €111,744 as of 31 December 2012), and sold 4,354 at an average price of €4.35 per share, these transactions having all been carried out under the liquidity agreement in furtherance of the first objective of the share buyback programme set out above.

The Company thus held 51,510 treasury shares at the end of the past financial year, representing 1.47% of the Company's share capital and a par value of €412,080. These securities are entered as Company assets in its parent company financial statements, and deducted from equity in the consolidated financial statements.

The General Meeting of Shareholders called to approve the financial statements for the year ended 31 December 2012 will be asked to approve the renewal of this authorization to buy back shares, it being specified that the General Meeting will be asked to add to the above-mentioned buyback plan objectives an additional objective, *i.e.* the possible cancellation of shares acquired under the share buyback plan subject to the approval by a related extraordinary shareholders resolution appearing in the General Meeting's agenda.

3.3. Delegations for capital increases

Pursuant to Article L. 225-100 (paragraph 7) of the French Commercial Code, no authorization by the General Meeting of Shareholders to the Board of directors in the realm of capital increases, pursuant to Articles L. 225-129-1 and L. 225-129-2 of the French Commercial Code, was in force as of 31 December 2012.

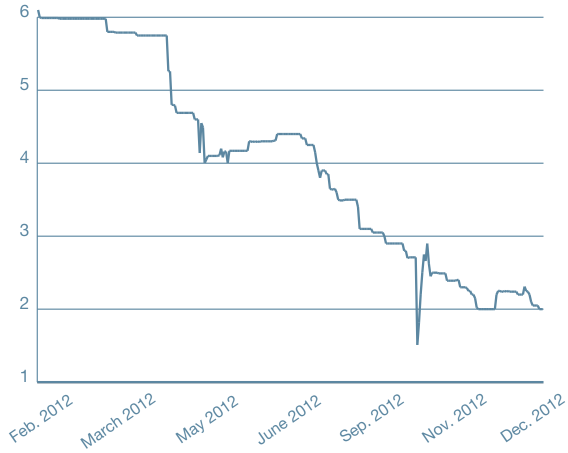
3.4. Employees holding equity stakes

The company has no longer any employee since 1 January 2012.

3.5. Stock price performance

M.R.M.'s stock market capitalization as of 31 December 2012, based on the final closing price of FY 2012, namely €1.51, amounted to €5,287,985.

Below is a graph showing the change in the share price:



Source: NYSE Euronext

In accordance with Article L. 621-18-2 of the French Monetary & Financial Code, there was no trading in the Company's shares during the financial year ended 31 December 2012 by the individuals falling within the scope of this Article (Company managers, executives, and individuals with whom they have close ties).

3.6. Items likely to have an impact in the event of a takeover bid

There are no items likely to have an impact in the event of a takeover bid within the meaning of Article 225-100-3 of the French Commercial Code.

4 Social and environmental information

Continuing to promote the restructuring and upgrading of its properties, the Company pursued its commitment to the development process during FY 2012, reconciling environmental conservation, economic efficiency, and social equity.

During the past financial year, the Company continued to apply France's HQE (High Environmental Quality) initiative, which takes full account of the challenges of sustainable development, by limiting the impact of building construction on the environment and opting for harmonious integration, wholly reflecting the needs and comfort required by users.

As part of its substantial restructuring of the Nova property in La Garenne-Colombes, M.R.M. adapted its projects to incorporate the HQE initiative, both in the design phase and in the course of the operation of the building, despite the need to take on board the constraints of the site and of the structure of the existing building.

Priority was given to the integration of the building in its site, with notably the laying out of vegetal terrasses reducing the discharge of rain water and improving the cooling of the building during the summer. The setting up of a centralised building automation system and of "high performance" equipments, the strict management of waste from building sites, building facades with double glazing offering excellent thermal and acoustic performances, all these were also integrated to the project since its inception. As a result, the Nova property develops all the criteria for a modern building, highly effective and functional while insuring optimal comfort to its users. Its main characteristics were carefully thought out and completed keeping in mind sustainable development and the well-being of its users, resulting in a 'green' building: location, set up, public transportation, environment and services of proximity, users comfort, energy saving, management of water resources, etc.

The additional costs incurred by the adoption of this initiative are seen by M.R.M. as investments that contribute to value creation. These investments were acknowledged as the building received the *H.Q.E. NF – Bâtiments tertiaires* certification on 17 July 2012. Today, the building meets stricter criteria that those required by this certification.

In its operations, the Company adheres to and sees that its service providers adhere rigorously to environmental regulations in all stages of property investing (acquisition, design, property management).

This concerns, as an example, detection of asbestos and other harmful or hazardous materials contained in properties considered for acquisition, drawing up and updating technical reports on asbestos for properties in the portfolio, as well as on insulation and energy performance standards for properties undergoing restructuring. As to the properties being renovated, M.R.M. pays great attention to the treatment of communal areas and landscaped spaces. M.R.M. plans to reposition its properties in their environment by incorporating the changes in town planning and the enhancement of natural landscaped surroundings.

As a company keenly aware of the importance of sustainable development, M.R.M. anticipates changes in regulations, and where shopping centres are concerned, to consumers' expectations. Regarding water management, the Vivier shopping centre in Allonnes is equipped with a system for recovering and storing rainwater in a 55 m^3 underground cistern, used for watering landscaped areas on site by a drip system, thus saving on water consumption while making the area more pleasant for users.

During the last fiscal year, the Company signed a 'green' lease on the office building located rue de la Brêche-aux-Loups in Paris. This allows it to challenge the tenant in the management of the used resources. As a result, the Company and its tenants bring together economic and energetic performances.

The Company's goal is to pursue the development of these green leases.

M.R.M. also published a "green building Guide". This document aims to be largely distributed not only to tenants but also to other third parties involved in the management of the assets: managers, technical persons, and other. Its goal is to help all these involved parties to ask the right questions at the right time, from installation works to daily uses with a view to reduce water and energy consumption.

Beyond economies realized on communal and private charges, we are trying to set up a precedent. A good working environment helps attract and retain talented workers. Promoting the image of a company that respects the environment contributes to the competitive advantage of the tenant. In the long term, one's satisfaction with the working environment reduces the number of moves and is therefore coherent with sustainable development.

Finally, starting as of the current fiscal year, Article 225 of the law Grenelle and its application decree provides for new or reinforced obligation relating to labor and environmental information.

These dispositions are applicable to fiscal years opened after 31 December 2011 for listed companies.

The Board report presents now the actions and the orientations taken by the Company and, as may be needed, by its subsidiaries within the meaning of Article L. 233-1 or by entities controlled by the Company within the meaning of Article L. 233-3 of the French Commercial Code, in order to take into account the labor and environmental consequences of its activities and to fulfill its undertakings in favor of sustainable development. The report presents data observed during the closed fiscal year and, as may be the case, during the prior fiscal year, in order to allow for a comparison between said data. It mentions, amid the information mentioned in Article R. 225-105-1, all the information which, by nature, could not be provided or was not deemed pertinent, giving all useful related explanations.

Given the short time frame and the size of the Company, the Board was not able to provide all of this information at the closing of the 2012 fiscal year. However, it aims to set up as soon as possible instruments allowing for the evaluation of labor, environmental, and social responsibilities.

One should as of now notice that labor information will not be pertinent because the Company and its subsidiaries have no employee.

Moreover, pursuant to the dispositions of paragraph 7 of Article L. 225-102-1, labor and environmental information appearing or that should appear in this report as required by applicable laws and regulations must be verified by an independent third party designated by the general manager (*directeur général*) for a duration which may not exceed 6 fiscal years. This independent third party must be chosen among those accredited to that effect by the *Comité français d'accréditation* (COFRAC).

This verification will result in an opinion that will be submitted to the Shareholders' Meeting at the same time the annual Board of directors or Supervisory Board report is provided.

As underscored in a letter from the Prime Minister to the minister of Justice dated 23 January 2013, the list of parties accredited by COFRAC has yet to be published. Consequently, the verification of said information cannot be carried out absent the publication of this list of accredited third parties.

5. Agreements subject to Articles L. 225-38 and L. 225-39 of the French Commercial Code

Pursuant to applicable laws and regulations, we provide you with the statutory auditors' special report on the agreements falling within the scope of Articles L. 225-38 *et seq*. of the French Commercial Code.

We also draw your attention to the fact that an agreement was concluded during the first quarter of 2012 between Marine Pattin, the company, and CBRE Global Investors France (Holding) SAS relating to the transfer of Marine Pattin's employment agreement from the Company to CBRE Investors France (Holding) SAS effective as of 1 January 2012. Because this agreement was not previously authorized by the Board, we are presenting it to your vote for a ratification. This agreement was presented in the special report of the statutory auditors on the agreements referred to in Article L. 225-38 of the Commercial Code.

6. Statutory auditors

Our statutory auditors provide details in their reports on the responsibilities attributed to them by law.

We hereby inform you that no statutory auditor has come up for reappointment at this General Meeting.

7. Information on payment terms for the Company's suppliers

As of 31 December 2012, the Company's trade payables totalled €48 thousand.

Trade payables *(in euros)*	As of 31 December 2012	As of 31 December 2011
Outstanding for less than 60 days	47,840	271,912
Outstanding for more than 60 days	129	0
TOTAL	**47,969**	**271,912**

8. Information on corporate officers and general management

During the last fiscal year, 3 directors (CBRE Global Investors France (Holding) SAS, SPE Finance Sàrl, and SPE Office Sàrl) changed their permanent representative to the Board meetings.

At the reporting date, the Board of directors of M.R.M. has the following members:

- Blanchard, Chairman and Chief Executive Officer of M.R.M. SA;
- Gérard Aubert, independent director;
- Brigitte Gauthier-Darcet, independent director;
- CBRE Global Investors France, company represented by John Ozinga, director;
- SPE Office Sàrl, company represented by Marc Reijnen, director;
- SPE Finance Sàrl, company represented by Jérôme Lacombe, director.

The Board of directors is in compliance with French Act no. 2011-103 which came into force on 27 January 2011 on the balanced representation of men and women in Boards of direction, as it already counts at least one representative of each gender.

Pursuant to Article L. 225-102-1 (paragraph 3) of the French Commercial Code, a list of all offices and positions held in any company by each of the Company's corporate officers is appended hereto.

8.1. Remuneration and benefits paid to corporate officers

In accordance with the provisions of Article L. 225-102-1 of the French Commercial Code, we now report the total remuneration and benefits of any nature paid by the Company or by companies under its control within the meaning of Article L. 223-16 of the French Commercial Code and by the Company controlling the company within the meaning of the same Article, to each of the corporate officers during FY 2012.

With the exception of Gérard Aubert and Brigitte Gauthier-Darcet, the Company's corporate officers received no remuneration or benefits of any kind with respect to membership of the Board from the Company or the companies it controls, as defined in Article L. 233-16 of the French Commercial Code. No company controls the Company either directly or indirectly.

The following Company corporate officers are not remunerated for their directorships :

- Blanchard, Chairman and Chief Executive Officer of M.R.M. SA;
- CBRE Global Investors SAS, company represented by John Ozinga, director;
- SPE Office Sàrl, company represented by Marc Reijnen, director;
- SPE Finance Sàrl, company represented by Jérôme Lacombe, director.

Independent directors received the following director's fees:

- Gérard Aubert: €12,750 for his work on the Board of directors and the Audit Committee in 2012;
- Brigitte Gauthier-Darcet: €15,750 for her work on the Board of directors and the Audit Committee in 2012.

8.2. Renewal of terms of office

We inform you that the terms of office as directors of Jacques Blanchard, Gérard Aubert, and Brigitte Gauthier-Darcet will come to an end at the closing of this Shareholders' Meeting.

Consequently, the Ordinary Shareholders' Meeting called to approve the accounts for the fiscal year closed on 31 December 2012 will also have to examine the renewal of the terms of office of Jacques Blanchard, Gérard Aubert, and Brigitte Gauthier-Darcet or the nomination of new Board members in replacement.

We ask you to renew the office of directors of these 3 directors for a new term of 4 years, *i.e.* a term of office coming to an end at the closing of the Annual Shareholders' Meeting called to examine the accounts of the fiscal year closed on 31 December 2016. These directors have already indicated to the Company that they would accept this renewal of their term of office.

8.3. Ratification of the cooptation of a director

CBRE Global Investors France (Holding) SAS, represented by John Ozinga, resigned from its term of office as director as a result of the winding up of this company followed by the transmission of all its assets and liabilities to CBRE Global Investors France taking place on 31 December 2012.

On 18 January 2013, the Board acknowledged this resignation and coopted CBRE Global Investors France in replacement. The latter named John Ozinga as permanent representative to the Board. The Ordinary Annual Shareholder Meeting will be asked to ratify this cooptation.

8.4. Nomination of new directors

We inform you that, within the framework of the restructuring of the M.R.M. Group and its entry as new majority shareholder of the Company, SCOR will submit to the next Shareholders' Meeting the nomination of François de Varenne, Jean Guitton, and SCOR SE subject to the completion of the capital increase allowing for SCOR's entry as Company shareholder and effective as of said capital increase.

At the moment of completion of this capital increase and the start of the term of office of these 3 new Board members, CBRE Global Investors France, SPE Finance Sàrl and SPE Office Sàrl will resign from their terms of office as Company directors.

Detailed information on these 3 prospective Board members is provided at Chapter 4 of the M.R.M. 2012 Registration Document.

8.5. Procedures for general management

Pursuant to Article R. 225-102 of the French Commercial Code, we hereby indicate that the procedures for the general management of the Company were not amended during the past financial year. The Board of directors deliberated on the procedures for general management at its meeting of 11 June 2009 and decided that the Chairman of the Board of directors would continue to be responsible for general management as authorized by Article L. 225-51-1 of the French Commercial Code.

We hope that the above will meet with your approval and that you will vote in favor of the resolutions proposed to you.

Paris, 27 March 2013
The Board of directors

List of appendices

1. Summary of company results over the past five financial years

Financial years/Type	12/31/2012	12/31/2011	12/31/2010	12/31/2009	12/31/2008
Share Capital	28,015,816	28,015,816	28,015,816	28,015,816	28,015,816
Number of shares					
Existing ordinary shares	3,501,977	3,501,977	3,501,977	3,501,977	3,501,977
Existing preferred shares (without voting rights)					
Maximum number of future shares to be created:					
Through conversion of bonds					
Through exercise of subscription rights					
Operating performance and results for the financial year					
Revenue excluding VAT	149,703	346,243	132,000	198,946	204,000
Profit (loss) before tax, employee profit-sharing, amortization, depreciation and provisions	(1,805,864)	(1,779,783)	417,750	(2,059,530)	(1,736,354)
Income tax	0	0	0	0	(0)
Employee profit-sharing for the period					
Profit (loss) after tax, employee profit-sharing, amortisation, depreciation and provisions	(9,525,257)	10,257,604	(11,552,840)	(25,837,055)	(19,882,685)
Income distributed					
Earnings per share					
Profit (loss) after tax, employee profit-sharing, but before amortisation, depreciation and provisions	(1)	(1)	0	(1)	(1)
Profit (loss) after tax, employee profit-sharing, amortisation, depreciation and provisions	(3)	3	(3)	(7)	(6)
Dividend per share					
Workforce					
Average number of employees during the period		1	1	1	1
Payroll for the period		124,094	94,076	67,133	47,659
Amount paid in employee benefits (social security, social welfare…)		47,493	35,565	27,609	19,184

2. List of offices and positions held by the corporate officers

Pursuant to Article L. 225-102-1 (paragraph 3) of the French Commercial Code, a list of all offices and positions held in any company by each of the Company's corporate officers is presented below.

Jacques Blanchard, Chairman and Chief Executive Officer of M.R.M. SA

Main positions and offices held within the Group:

- Managing Director at CBRE Global Investors

Other positions and offices held outside the Group:

- Managing Partner of SC JAPA

Other offices and positions held in the previous five financial years:

- Director of CB Richard Ellis Investors SGR p.A.
- Co-manager of SCI Immovert
- Co-manager of SCI Galetin 2

Gérard Aubert, Director

Main positions and offices held outside the Group:

- Chairman of SASU Trait d'Union
- Director of Sogeprom SA
- Director of Eurosic
- Member of the Supervisory Board of Hoche Gestion Privée

Other offices and positions held in the previous five financial years:

- Managing Partner of Gestion Immobilière Marrakech

Brigitte Gauthier-Darcet, Director

Main positions and offices held outside the Group:

- Director and Deputy Chief Executive Officer of CIPM International (SA)
- Non-partner Chief Executive Officer of Financière du Château des Rentiers (SAS)
- Director of Transport'Air (SA) (wholly owned subsidiary of CIPM International)
- Director of Groupe Express-Roularta (SA)
- Manager of SARL Neufbis'ness
- Manager of SCI B2V

Other offices and positions held in the previous five financial years:

- Chairman and Chief Executive Officer of Équipements Collectifs et Immobiliers (SA)
- Member of the Management Board of Investissements Saliniers (SA)
- Member of the Management Board of Salins du Midi Participations (SAS)
- Vice-Chairman and Deputy Chief Executive Officer of Compagnie des Salins du Midi et des Salines de l'Est (SA)
- Chairman and Chief Executive Officer of Salins du Cap Vert (SA)
- Chairman and Chief Executive Officer of Salins Réalisations (SA)
- Chairman of Villeroy Finance Corporation (Panama) (SA)
- Director of Rock (SAS)
- Director of SA de la Mine de Sel Saint Laurent
- Director of SA Compagnia Italiana Sali (Italy) (SA)
- Director of Compañia Salinera Salins Ibérica (Spain) (SARL)
- Director of Unión Salinera de España (Spain) (SA)
- Director of Nueva Compañia Arrendataria de las Salinas de Torrevieja (Spain) (SA)
- Director of Salins Ibérica Packing (Spain) (Sàrl)

The other corporate officers of M.R.M., namely CBRE Global Investors France, company represented by John Ozinga, SPE Office Sàrl, company represented by Marc Reijnen and SPE Finance Sàrl, company represented by Jérôme Lacombe do not hold any office or position in any other company.

3. List of M.R.M. SA's equity interests

► SCOPE AS OF 31 DECEMBER 2012

	Method of consolidation	Interest	Control
SA M.R.M.	Parent	100%	100%
SAS BOULEVARD DES ILES	FC	100%	100%
SAS COMMERCES RENDEMENT	FC	100%	100%
SAS DB ALBATROS	FC	100%	100%
SAS DB COUGAR	FC	100%	100%
SAS DB DYNAMIQUE FINANCIÈRE	FC	100%	100%
SAS DB FOUGA	FC	100%	100%
SAS DB NEPTUNE	FC	100%	100%
SAS DB PIPER	FC	100%	100%
SAS DB TUCANO	FC	100%	100%
SAS INVESTORS RETAIL HOLDING	FC	100%	100%
SCI BOULOGNE ESCUDIER	FC	100%	100%
SCI DU 10 BIS RUE ESCUDIER	FC	100%	100%
SCI DU 3 RUE ESCUDIER	FC	100%	100%
SCI GALETIN II	FC	100%	100%
SCI IMMOVERT	FC	100%	100%
SCI NORATLAS	FC	100%	100%

FC: Full consolidation.

All Group companies are registered in France.

The address used by all Group companies is: 11, place Édouard VII – 75009 Paris, France.

4. Annual report on the liquidity agreement

With respect to the liquidity agreement entered into by M.R.M. with CM-CIC Securities, as of 31 December 2012 the following resources were allocated to the liquidity account:

- 47,950 shares
- €23,006.01 in cash

It should be recalled that at the most recent interim update, on 30 June 2012, the following resources were in the liquidity account:

- 32,666 shares
- €22,341.85 in cash

3.7 Consolidated financial statements for the financial year ended 31 December 2012

Statement of the consolidated financial position

► ASSETS

(in thousands of euros)	Note	12/31/2012	12/31/2011
Intangible assets		2	20
Investment properties	Note 1	253,830	243,190
Deposits paid		1	1
NON-CURRENT ASSETS		253,833	243,211
Assets held for sale	Note 2	15,170	44,349
Payments on account		47	236
Trade receivables	Note 3	3,762	2,388
Other receivables	Note 4	5,954	9,256
Derivatives	Note 5	0	68
Cash and cash equivalents	Note 6	3,958	2,416
CURRENT ASSETS		28,892	58,712
TOTAL ASSETS		**282,725**	**301,923**

► EQUITY AND LIABILITIES

(in thousands of euros)	Note	12/31/2012	12/31/2011
Share capital		28,016	28,016
Additional paid-in capital		42,834	42,834
M.R.M. treasury shares		(310)	(277)
Reserves and retained earnings		(49,268)	(51,774)
Profit (loss) for the period		(4,406)	2,507
GROUP EQUITY		16,866	21,305
Non-controlling interests		0	0
EQUITY		16,866	21,305
Provisions	Note 7	400	0
Bonds	Note 8	0	54,000
Bank debts	Note 8	121,878	175,507
Guarantee deposits received	Note 8	1,889	2,122
NON-CURRENT LIABILITIES		124,167	231,629
Bonds	Note 8	62,146	0
Current borrowings	Note 8	71,087	35,010
Trade payables		3,673	3,711
Debts payable against non-current assets	Note 9	1,717	5,999
Other liabilities	Note 10	3,070	4,268
CURRENT LIABILITIES		141,693	48,989
TOTAL EQUITY AND LIABILITIES		**282,725**	**301,923**

Statement of the consolidated comprehensive income

Consolidated income statement

(in thousands of euros)	Note	12/31/2012	12/31/2011
Gross rental revenues	Note 11	16,459	18,472
External property expenses not recovered	Note 12	(3,050)	(3,097)
Net rental revenues		**13,409**	**15,375**
Operating expenses	Note 13	(5,629)	(6,535)
Reversals of provisions		227	869
Provisions		(1,001)	(393)
Total current operating income and expenses		**(6,403)**	**(6,059)**
CURRENT OPERATING INCOME		7,006	9,316
Other operating income	Note 14	316	33
Other operating expenses	Note 15	(302)	(1,178)
Result on disposals of investment properties	Note 16	(176)	(571)
Change in fair value of investment properties	Notes 1 and 2	(3,506)	(15,901)
OPERATING INCOME		3,338	(8,301)
Gross borrowing cost	Note 17	(7,182)	(8,999)
Income from cash and cash equivalents	Note 17	(39)	(7)
Change in fair value of financial instruments and marketable securities	Note 18	(68)	(427)
Discounted payables and receivables		(346)	(2,112)
Other financial profit	Note 19	0	23,872
Other financial expenses	Note 20	0	(1,444)
FINANCIAL PROFIT (LOSS)		(7,634)	10,883
Other non-operating income and expenses		0	0
NET PROFIT (LOSS) BEFORE TAX		(4,297)	2,582
Tax expense	Note 21	(109)	(76)
PROFIT (LOSS) FOR THE PERIOD		(4,406)	2,507
Profit (loss) for the period attributable to owners of the parent company *(in thousands of euros)*		(4,406)	2,507
Profit (loss) for the period attributable to non-controlling interests *(in thousands of euros)*		0	0
Net earnings per share *(in euros)*		(1.28)	0.72
Diluted net earnings per share *(in euros)*		(1.28)	0.72

Consolidated comprehensive income

(in thousands of euros)	12/31/2012	12/31/2011
PROFIT (LOSS) FOR THE PERIOD	(4,406)	2,507
Change in revaluation surplus	0	0
Actuarial difference on defined benefit pension obligation	0	0
Profits and losses resulting from translation of financial statements of foreign operations	0	0
Profits and losses related to revaluation of financial assets available for sale	0	0
Actual share of profits and losses on hedging instruments in a cash flow hedge	0	0
OTHER ITEMS OF COMPREHENSIVE INCOME	0	0
Tax expense for other items of comprehensive income	0	0
COMPREHENSIVE INCOME	**(4,406)**	**2,507**
Comprehensive income for the period attributable to non-controlling interests *(in thousands of euros)*	0	0
Comprehensive income for the period attributable to owners of the parent company *(in thousands of euros)*	(4,406)	2,507

Statement of the consolidated cash flows

(in thousands of euros)	Note	12/31/2012	12/31/2011
Cash flow:			
Consolidated Profit (Loss)		**(4,406)**	**2,507**
Elimination of non-cash expenses and income			
Change in amortisation, depreciation, impairment, provisions and deferred expenses		774	(476)
Change in fair value of investment properties	Notes 1 and 2	3,506	15,901
Change in fair value of financial instruments	Note 5	68	427
Discounted receivables and payables		346	2,112
Net borrowing cost	Note 17	7,221	9,006
Other financial expenses	Note 20	0	1,444
Elimination of capital gains or losses on disposal	Note 16	176	571
Other items with no impact on cash flow		(62)	(24,568)
CASH FLOW		7,623	6,924
Change in operating working capital			
Trade receivables		(1,651)	608
Other receivables		2,565	1,593
Trade payables		679	735
Other payables		(1,230)	(3,784)
CHANGE IN OPERATING WORKING CAPITAL		363	(847)
CHANGE IN CASH FLOWS FROM OPERATING ACTIVITIES		7,986	6,077
Acquisition of intangible assets		0	0
Purchases of investment property	Notes 1 and 2	(7,121)	(17,601)
Sales of investment property		22,833	18,013
Change in non-current financial assets		0	3
Change in debts payable against non-current assets	Note 9	(4,283)	4,637
Acquisition of shares in consolidated companies net of acquired cash		0	0
Disposal of shares in consolidated companies net of cash disposed of		(65)	5,093
CHANGE IN CASH FLOWS FROM INVESTING ACTIVITIES		11,364	10,145
Change in debt			
Increase in bank debts	Note 8	5,463	3,724
Decrease in bank debts	Note 8	(17,379)	(20,648)
Change in other borrowings		(150)	(31)
Other changes			
Financial Instruments	Note 5	0	(192)
Treasury share buybacks		(33)	(2)
Interest paid		(5,112)	(7,989)
Other financial expenses paid		(600)	(844)
CHANGE IN CASH FLOWS FROM FINANCING ACTIVITIES		(17,811)	(25,983)
NET CHANGE IN CASH AND CASH EQUIVALENTS		1,539	(9,761)
Initial cash and cash equivalents		2,414	12,175
Closing cash and cash equivalents		3,953	2,414
Cash	Note 6	3,764	2,180
Bank overdrafts	Note 8	(5)	(1)
Other cash items	Note 6	194	235
CHANGE IN CASH POSITION		**1,539**	**(9,761)**

Over the period, the Group generated €7.986 million in cash flows from operating activities. This cash flow from operating activities was first and foremost used to pay net interest (€5.112 million).

The proceeds from the disposal of properties (€22.833 million) were used for early repayment of the loans taken out on the properties that were sold (€14.989 million), in line with banking covenants. The cash surplus resulting from asset disposals, net of the aforementioned financing flows, was allocated to finance work on portfolio assets (€5.941 million) and to meet contractual repayments on bank debt (€2.390 million).

Acquisitions of non-current assets (€7.121 million), corresponding to work carried out on the properties and financial expenses capitalised in accordance with IAS 23, and the repayment of debt on non-current assets (€4.283 million), were financed by draw-downs on credit lines (€5.463 million) and out of equity (€5.941 million).

The decrease in bank debts (€17.379 million) reflects €2.390 million of contractual debt repayments financed out of equity and €14.989 million in early loan repayments following the disposal of investment properties.

The increase in bank debts (€5.463 million) in turn wholly reflects the draw-downs from the credit lines to finance the aforementioned work.

In FY 2012, the combined cash flows generated by the Group resulted in a €1.539 million net increase in cash and cash equivalents.

Statement of the changes in consolidated equity

	Share capital	Additional paid-in capital	Treasury shares	Treasury shares	Profit (loss) for the period	Group equity
Equity as of 12/31/2010	***28,016***	***42,834***	***(275)***	***(33,211)***	***(18,563)***	***18,800***
Appropriation of 2010 income	-	-	-	(18,563)	18,563	0
Purchase of treasury shares	-	-	(2)	-	-	(2)
Profit (loss) for 2011	-	-	-	-	2,507	2,507
Equity as of 12/31/2011	***28,016***	***42,834***	***(277)***	***(51,774)***	***2,507***	***21,305***
Appropriation of 2010 income	-	-	-	2,507	2,507	0
Purchase of treasury shares	-	-	(33)	-	-	(33)
Profit (loss) for 2011	-	-	-	-	(4,406)	(4,406)
EQUITY AT OF 12/31/2012	**28,016**	**42,834**	**(310)**	**(49,268)**	**(4,406)**	**16,866**

Notes to the consolidated financial statements

Section 1 Company profile

1.1 General information

M.R.M. is a public limited company (*société anonyme*) registered on the Paris Trade and Companies Register. Its head office is at 11, place Édouard VII, 75009 Paris, France.

M.R.M., parent company of the consolidated Group, is a holding company with subsidiaries dedicated to holding and managing office and retail properties. It also owns a subsidiary, DB Dynamique Financière, which issues bonds and acts as lender, providing intra-group loans for Group companies. The consolidated financial statements for the 12-month period ending 31 December 2012 encompass the Company and its subsidiaries (hereinafter referred to as the "Group").

The Company is listed on Eurolist, in Compartment C of Euronext Paris (France).

The publication of the Group's consolidated financial statements as of 31 December 2012 was authorised by the Board of directors on 7 March 2013. The consolidated financial statements will be submitted to the General Meeting of Shareholders of 6 June 2013 for approval. They are denominated in thousands of euros, unless stated otherwise. The functional currency of each Group entity is the euro.

For reference, the annual reporting period for all Group companies ends on 31 December.

1.2 SIIC status

On 31 January 2008, the Company opted for SIIC (listed property investment company) status, with effect from 1 January 2008.

The SIIC regime, introduced by Article 11 of the 2003 French Finance Act, is open to listed companies with share capital of over €15 million that are wholly engaged in property activities. It provides companies having opted for SIIC status on an irrevocable basis with an income tax exemption for the portion of their net profit generated from property activities, subject to the following payout requirements:

- 85% of profits from the letting of buildings;
- 50% of the capital gains on the disposal of buildings;
- 100% of dividends received from subsidiaries having opted in.

The adoption of SIIC status in 2008 resulted in the immediate taxation of unrealised capital gains on properties and investments in property companies at the reduced rate of 16.5%, payable over four years. The Company has already paid off this tax liability.

The M.R.M. stock was added to the Euronext IEIF SIIC France index on 25 March 2008.

1.3 Highlights of the period

Having already significantly strengthened its financial position in 2011 thanks to the signing of a major bank restructuring agreement in February 2011, in 2012 M.R.M. focussed on completing the final investment programmes for its portfolio, namely Nova, a 10,500 sqm office property in La Garenne-Colombes, and Solis, an 11,400 sqm mixed warehouse/office complex in Les Ulis, as well as on entering into discussions in connection with the bank repayments and bond maturities at end-2013.

The asset disposals carried out in 2011, for a total of €55.3 million, and in 2012, for €22.5 million, helped fund these investment programmes while enabling M.R.M. to continue to pay down its debt.

Having cleared all its bank repayments for 2012, M.R.M. also focussed during the year on trying to let its available areas.

Its net operating cash flow (net profit (loss) before tax adjusted for non-cash items) was plus €0.371 million in 2012.

Furthermore, in a challenging market climate, the Company benefited from the quality of its portfolio, with continued high occupancy rates on its stabilised assets.

Investment and Management Policy

In 2012, €7.1 million was invested. Most of this went on completing work to redevelop the Nova office property in La Garenne-Colombes and on the Solis mixed office/warehouse property in Les Ulis.

Inauguration of the Nova property in La Garenne-Colombes

Nova is a 17-floor office property, encompassing an area of 10,500 sqm, located in La Garenne-Colombes near the La Défense business district. The first phase of work, involving cleaning the building, putting up a new façade, structural work, separation of building equipment from the adjoining residential units and creating a show area on the 14th floor was completed in 2010. Following the release of further bank financing in February 2011, the final phase, encompassing the technical and architectural works, was launched in the first half of 2011 for delivery in the first half of 2012.

On 19 June 2012, the inauguration of the Nova property marked the completion of the restructuring of the whole property and its surroundings. Nova is now a high-quality office property that is attractively located close to La Défense. Having obtained certification for the planning and design phases of the restructuring in 2010, the Nova property was awarded *NF Bâtiments tertiaires en exploitation* certification in connection with the HQE (High Environmental Quality) initiative.

Solis in Les Ulis

The leasing by Telindus of all of Solis, a 10,700 sqm mixed office/warehouse property in Les Ulis, meant that some reconfiguration work was required. This work, to increase the office space by 2,300 sqm, by refitting areas initially intended for warehouse use and the construction of an additional 1,200 sqm, was 95% complete at end-December 2011 and was completed in the first half of 2012.

Delta in Rungis

A 1,250 sqm open space in Delta, an 8,700 sqm office property in Rungis, was refurbished in the first half of 2012 with a view to being re-let. The leasing, in September 2012, of this open space meant that this property's occupancy rate rose to 87%. Delta is already part of M.R.M.'s stabilised office portfolio.

The Galerie du Palais in Tours

Work refitting the premises intended for office use, encompassing an area of 475 sqm, was undertaken during the year so as to be ready for the tenant in September 2012, in line with the terms of the lease. This is a premises located on the first storey of the La Galerie du Palais property complex, a shopping centre situated in Tours city centre, the ground floor of which is wholly used for retail purposes. Furthermore, 128 sqm of residential space on the second and third floors was sold off in the second half of 2012. These transactions represent the end of the first phase of the restructuring of the front portion of La Galerie du Palais undertaken in 2010.

Rental management

In 2012, thirteen leases were signed or renewed involving the retail property portfolio, representing €0.9 million in annual rent, with in particular the renewal of the Go Sport lease at the Reims property. As regards the office portfolio, nine leases were signed or renewed, representing €0.8 million in annual rent.

At 31 December 2012, the occupancy rates of the retail properties and the stabilised office properties were kept at a high level of 92% and 94% respectively.

Disposal of assets

On 6 February 2012, M.R.M. sold a portfolio of five retail assets on the outskirts of Paris for €14.2 million excluding transfer taxes. These assets represented a total area of 5,580 sqm, wholly leased to national brands (Interior's, Poltronesofa & 4 Pieds, Besson, King Jouet, Dekra & Carglass) and located in the Paris region at Montigny-lès-Cormeilles, Pierrelaye, Coignières, Claye-Souilly and Créteil.

On 27 September 2012, M.R.M. completed the disposal of the office property on rue Niepce in Paris for €8.1 million excluding transfer taxes.

On 27 December 2012, M.R.M. sold 128 sqm of residential space in the La Galerie du Palais complex in Tours for €0.2 million.

Furthermore, in 2012, three premises with a combined area of 393 sqm were leased in the Marques Avenue A6 outlet centre, sold by the Group in December 2010. This triggered additional payments under the sale contract with respect to these leases.

In the first half of 2012, M.R.M. and the HSH bank agreed the postponement to March 2013 of the disposal of the Urban office property in Montreuil, initially scheduled for June 2012 under the disposals plan agreed as part of the bank restructuring agreement signed in February 2011.

Financing

On 25 September 2012, the Group signed an agreement with the SaarLB bank for a twelve month extension to the €30.0 million credit line backed by a portfolio of office properties. This credit line had been due to expire in April 2013 but will now run until April 2014.

In accordance with the option provided for under the terms and conditions of the bond, the Group decided to suspend payment of the bond coupon due for the third and fourth quarters of 2012. Interest arrears, recognised at an annual interest rate of 5.0%, calculated on the basis of actual days elapsed and a year of 360 days, due daily and compounded annually, has been recognised in this respect.

Other highlights

Transfer of head office

The General Meeting of Shareholders of 7 June 2012 resolved in its eighth resolution to transfer the Company's head office, with effect from 1 July 2012, to the following address: 11, place Édouard VII, Paris (75009), France.

Implementation of a share buyback programme

On 7 June 2012, the Board of directors resolved to implement, from 8 June 2012, the buyback programme approved for a period of 18 months in the seventh resolution of the General Meeting of 7 June 2012.

The goals of the buyback programme are as follows:

- market making or ensuring stock liquidity by an investment services provider under a liquidity agreement that complies with the AMF-recognised A.M.A.F.I. (French Financial Markets Authority) ethics charter;
- buying shares in order to hold them and subsequently use them in consideration or in exchange as part of acquisitions as an AMF-approved practice;
- the allocation of shares to employees and/or corporate officers (under the terms and conditions provided by law), in particular within the framework of a stock option scheme, bonus share awards or a company savings plan;
- the allocation of shares to holders of securities giving access to the Company's share capital by the exercise of rights attached to these securities, and this pursuant to the regulations in force.

The above goals are presented without prejudice to the actual order in which the authorisation to buy back shares is used, something that would be dependent on needs and opportunities.

The number of shares purchased by the Company with a view to being held as treasury stock for subsequent remittance in exchange or payment for a merger, de-merger or contribution may not exceed 5% of its share capital. These share purchases may be made by any means, including by purchase of blocks of securities, whenever the Board of directors sees fit, including during public offer periods, insofar as permitted under stock market regulations.

On 28 June 2012 and 23 October 2012, M.R.M. made additional contributions, respectively for €45,000 and €50,000 under the liquidity agreement signed with CM-CIC Securities.

As of 31 December 2012, the Company had 51,510 treasury shares. In 2012, 28,945 shares were purchased under the liquidity agreement at an average price of €3.86, with 4,354 shares being sold at an average price of €4.35.

1.4 Events after the reporting period as of 31 December 2012

See section 2.1. "Going concern principle".

Section 2 Accounting principles and methods

The main accounting methods applied in preparing the consolidated financial statements are stated below. Unless stated otherwise, these methods have been applied consistently across all periods presented.

2.1 Going concern principle

The financial statements as of 31 December 2012 were prepared on the basis of the going concern principle. On 7 March 2013, the Board of directors of M.R.M. approved the signing of an investment agreement under which SCOR would take a majority interest in the Company's share capital. This transaction, connected with the restructuring of M.R.M.'s liabilities and in particular with the reducing of its bank and bond debt would provide M.R.M. with a strong financial structure. M.R.M. has already obtained, from its three banking partners, signed term sheets regarding the renegotiation of its credit lines as provided for under the SCOR transaction. It should be added that these term sheets are conditional on this transaction being completed.

However, in the event that the pre-conditions for the completion of the transaction with Scor are not satisfied, M.R.M. would dispose of properties in order to raise the funds the Group needs and would reopen the discussions undertaken with its banking and bondholder partners with a view to deferring the 2013 maturities, namely:

- Discussions underway with HSH Nordbank with a view to extending the maturity of a €57.3 million credit line maturing on 31 December 2013;
- Discussions underway with bondholders with a view to extending the maturity of the bonds (totalling €62.2 million, including €8.1 million in capitalised interest arrears) maturing on 31 December 2013.

These discussions would have to be successfully completed in order to keep the Company as a going concern.

2.2 Presentation of the consolidated financial statements in accordance with the IFRS accounting basis

Pursuant to European Regulation 1606/2002 of 19 July 2002, the consolidated financial statements of the M.R.M. group as of 31 December 2012 were prepared in accordance with the standards and interpretations applicable as of 31 December 2012 published by the International Accounting Standards Board (IASB) and adopted by the European Union at the date of issue of the financial statements by the Board of directors.

This accounting basis, which can be found on the European Commission's website *(http://ec.europa.eu/internal_market/accounting/ias/index_en.htm)*, encompasses the international accounting standards (IAS and IFRS), interpretations by the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The Group's consolidated financial statements have been prepared on the basis of the historical cost principle, except for investment properties, financial instruments and assets held for sale which are measured at fair value, as per IAS 40, IAS 32 & 39 and IFRS 5.

Preparing the financial statements in accordance with IFRS requires certain critical accounting estimates to be made. The Group is also required to exercise its judgement when applying accounting methods. The most critical areas in terms of judgement or complexity, or those for which the assumptions and estimates are material with respect to the consolidated financial statements, are set out in paragraph 2.6.3.2 on the fair value of investment properties.

The publication of the consolidated financial statements of the M.R.M. group for the financial year ended 31 December 2012 was approved by the Board of directors on 7 March 2013.

Changes in accounting principles since 1 January 2012

- Standards, amendments to standards and interpretations applicable from the financial year beginning 1 January 2012:
  - Amendment to IFRS 7 – Financial Instruments: Disclosures on transfers of financial assets (applicable to financial years beginning after 1 July 2011);

The Amendment to IFRS 7 only specifies the nature and scope of the disclosures required on transfers of financial assets regardless of whether they result in derecognition. This amendment did not have a material impact on the Group's results and financial position.

- Standards and interpretations published but not yet in force:

Texts adopted by the European Union:

Standards, amendments to standards and interpretations, published by the IASB and presented below mainly apply to annual periods beginning after 1 January 2013:

- Amendment to IAS 1 – Presentation of Other Items of Comprehensive Income;
- Amendment to IAS 12 – Deferred Tax: Recovery of Underlying Assets.
- Amendment to IAS 19 – Employee Benefits: Defined Benefit Plans;
- Amendment to IAS 32 – Offsetting Financial Assets and Financial Liabilities (applies to periods beginning on or after 1 January 2014);
- Amendment to IFRS 7 – Presentation – Offsetting Financial Assets and Financial Liabilities;
- IFRS 13 – Fair Value Measurement;
- Annual improvements to IFRS (2009-2011).

The European Union has made the following standards mandatory for financial years beginning on or after 1 January 2014, compared to 1 January 2013 specified by the IASB:

- IFRS 10 – Consolidated Financial Statements;
- IFRS 11 – Joint Arrangements;
- IFRS 12 – Disclosures of Interests in Other Entities;
- Revised IAS 27 – Separate Financial Statements;
- Revised IAS 28 – Investments in Associates.

The Group has not applied any of these new amendments or new standards early and is in the process of assessing their impact upon first-time application.

Texts not adopted by the European Union:

Subject to their final approval by the European Union, the standards, amendments to standards and interpretations, published by the IASB and presented below apply to annual periods beginning after 1 January 2013:

- IFRS 9 – Financial Instruments: Classification and Measurement and subsequent amendments to IFRS 9 and IFRS 7;
- Amendments to IFRS 10, 11 & 12: Transitional Guidance (applicable to periods beginning on or after 1 January 2013) and Investment Entities (applicable to periods beginning on or after 1 January 2014);
- Annual improvements to IFRS standards (17 May 2012).

The Group has not applied any of these new standards, amendments or interpretations early and is in the process of assessing the impact upon first-time application of these new texts.

2.2.1 Consolidated statement of financial position

The statement of financial position is presented by separating current and non-current assets and liabilities:

- non-current assets consist of investment property, of property, plant and equipment and intangible assets, and of deposits paid;
- current assets represent all operating and tax-related receivables and any other assets with an initial maturity of under one year or undated;
- liabilities are classified as current or non-current depending on their due date.

As a result, bank borrowings, guarantee deposits received and tax-related liabilities have been split into liabilities of under one year and liabilities of over one year, in accordance with the repayment schedules. Operating payables with a maturity of under one year constitute current liabilities.

2.2.2 Consolidated statement of comprehensive income

The income and expense items recognised during the period are presented in two statements:

- one statement detailing profit or loss items: the consolidated income statement;
- one statement starting with profit (loss) for the period and itemizing the other items of comprehensive income: consolidated comprehensive income.

The consolidated income statement thus splits out the following items:

- current operating income, as per the definition of CNC recommendation 2009 R-03, includes recurring items of current income but does not include changes in the fair value of properties, gains (losses) on disposal or the scrapping of investment properties (total or partial) or other operating income and expenses;
- operating income includes current operating income, changes in the fair value of properties, gains (losses) on the disposal or scrapping of investment properties (total or partial) and other operating income and expenses;
- financial profit (loss) is the sum of financial income and expenses, other financial income and expenses, changes in the value of financial instruments (caps and marketable securities) and the discounting of payables and receivables;
- net profit (loss) before tax is the sum of operating income, financial profit (loss) and other non-operating income and expenses.

Other items of comprehensive income include income and expenses (including adjustments and reclassifications) that are not recognised in profit or loss as required or permitted by certain IFRS.

2.3 Key accounting estimates and judgements

When preparing the financial statements, the Company uses estimates and makes judgements, which are regularly updated and are based on historical information and other factors, in particular forecasts regarding future events deemed reasonable in light of the circumstances.

The estimates carrying a substantial risk of causing a material adjustment to the carrying amount of assets and liabilities during the subsequent period primarily involve the calculation of the fair value of the property portfolio, which is notably based on the valuation of the portfolio by independent appraisers using the methods described in paragraph 2.6.3.2.

Financial market instability has resulted in a significant drop in the number of representative transactions. Transactions completed in an economic crisis may not reflect the estimates of the independent appraisers.

Given the estimative nature of such valuations, it is possible that the income from the sale of certain properties may substantially differ from the valuation made, even were a sale to take place within a few months of the reporting date.

As such, the valuations of the Company's portfolio, carried out by independent appraisers, could vary significantly depending on the sensitivity of the following data:

- the market rental value of the Company's portfolio;
- the yield, this being calculated on the basis of yields used in the property market.

Since these data are tied to the market, they may vary significantly in the current context. They may thus have a material upward or downward impact on the fair value measurement of the property portfolio.

2.4 Consolidation methods

2.4.1 Subsidiaries

Subsidiaries are companies controlled by the Group. A subsidiary is controlled where the Group has the power to directly or indirectly manage the financial and operating policies of the company so as to obtain benefits from its activities. In general, subsidiaries are deemed to be controlled where M.R.M. directly or indirectly holds more than 50% of the voting rights.

The financial statements of subsidiaries are fully consolidated from the date control is obtained and are no longer consolidated when control is transferred outside the Group. The consolidated financial statements include all of the subsidiary's assets, liabilities, income and expenses. Equity distinguishes between Group share and minority shares.

As of 31 December 2012, all companies within the scope of consolidated are wholly controlled by the Group and are accordingly fully consolidated.

2.4.2 Entities under joint control

Entities under joint control are companies in which the Group exercises joint control, generally under a contractual agreement. The financial statements of entities under joint control are proportionally consolidated, with each joint owner recognising in its consolidated financial statements its share of the assets, liabilities, income and expenses of the entity under joint control.

The financial statements of entities under joint control are consolidated from the date control is obtained until it is lost.

As of 31 December 2012, the Group did not have any jointly controlled companies.

2.4.3 Affiliates

Affiliates are companies in which the Group exercises significant influence in terms of operating and financial policy without having control of the Company. In general, significant influence is obtained when the Group owns at least 20% of the voting rights. The Group's investments in affiliates are accounted for under the equity method, which consists of recognising in the consolidated financial statements:

- in the statement of financial position, the value of shares stated at the acquisition cost of shares including goodwill plus or minus the change in the Group's share of the net assets of the affiliate, net of any necessary consolidation adjustments;
- in the statement of comprehensive income, a separate line showing the Group's share of profit of affiliates net of consolidation adjustments. The financial statements of affiliates are recognised in the consolidated financial statements from the date significant influence begins until it is lost.

As of 31 December 2012, the Group did not have any affiliates.

2.4.4 Transactions eliminated from the consolidated financial statements (intra-group transactions)

Items in the statement of financial position, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated when preparing the consolidated financial statements. Gains resulting from transactions with affiliates are eliminated *via* investments in affiliates in proportion to the Group's interest in the company in question. Unrealised losses are eliminated in the same way as unrealised gains but only insofar as they reflect an impairment loss.

2.5 Business combinations and asset purchases

2.5.1 Business combinations

Following the revision of IFRS 3, acquisition cost is measured at the fair value of the assets transferred, equity issued and liabilities incurred at the date of the transaction. The identifiable assets and liabilities of the acquiree are measured at fair value on the date of acquisition. Costs directly attributable to the acquisition are recognised under "Other operating expenses".

Positive differences between the cost of acquisition of stock and the share in the fair value of the identifiable assets and liabilities on the date control is obtained are recognised on the asset side as goodwill.

Negative differences are representative of badwill and are recognised directly in profit or loss for the period under "Other non-operating income and expenses".

Goodwill is not amortised. In accordance with IAS 36, "Impairment of assets", goodwill is tested for impairment at least annually and more frequently if there are indications of impairment. These tests are designed to ensure that the recoverable amount of the cash-generating unit to which goodwill is allocated is at least equal to its net carrying amount. If impairment is observed, an impairment charge is recorded as operating income under "Other operating income and expenses".

2.5.2 Asset purchases

Where the Group acquires an entity comprised of a group of assets and liabilities but that does not constitute a business as per IFRS 3, these acquisitions are not considered to be business combinations within the meaning of that standard and are recognised as an acquisition of assets and liabilities, without any goodwill being recognised.

Any difference between the cost of acquisition and the fair value of assets and liabilities acquired is allocated on the basis of the relative fair values of the Group's identifiable individual assets and liabilities at the date of acquisition.

In accordance with IAS 12 paragraph 15 (b) on entities subject to income tax, no deferred tax is recognised on the acquisition of assets and liabilities.

2.6 Measurement rules and methods

2.6.1 Intangible assets

In accordance with IAS 38, intangible assets are measured at historical cost less cumulative depreciation and impairment. They are not subject to any revaluation.

Intangible assets that have indefinite useful lives are not amortised. They are tested for impairment annually or more frequently if there are indications of impairment. If the value in use is lower than the net carrying amount, an impairment charge is recognised.

Intangible assets with definite useful lives are amortised on a straight-line basis over their estimated useful lives.

2.6.2 Property, plant and equipment

2.6.2.1 Cost of acquisition of property, plant and equipment

Items with determinable costs and for which it is likely that the future economic benefits will flow to the Group are recognised as non-current assets. Property, plant and equipment are recognised at cost less cumulative depreciation and impairment. Where components of property, plant and equipment have different useful lives, they are recognised as separate items of property, plant and equipment.

2.6.2.2 Depreciation of property, plant and equipment

Items of property, plant and equipment are depreciated over their useful lives.

Depreciation is expensed on a straight-line basis over the estimated useful life for each component of property, plant and equipment.

2.6.2.3 Impairment of property, plant and equipment

Where events or new circumstances result in indications of impairment, impairment tests are carried out. The asset's net carrying amount is compared with its recoverable amount. If the recoverable amount is lower than the net carrying amount of the assets, an impairment charge is recognised.

2.6.3 Investment properties

IAS 40 "Investment property" defines investment property as property held by the owner or by the lessee under a lease to earn rentals or for capital appreciation.

Investment property is presented on a separate line item of the statement of financial position under non-current assets.

2.6.3.1 Valuation method for investment property

In accordance with the measurement models proposed by IAS 40 and in line with the recommendations of EPRA (European Public Real Estate Association), the Group has opted to use the fair value method on a permanent basis and measures investment property at fair value. Investment property being redeveloped is subject to the classification and (fair value) measurement rules set out in IAS 40.

Investment property is valued at fair value and any resulting changes are recognised in the income statement. No depreciation is recognised. This method is applied as follows:

At the date of acquisition, investment property is recognised at cost of acquisition, corresponding to the purchase price plus any associated costs. At the end of the reporting period, it is measured at fair value. The difference between the initial cost and fair value is recognised in the income statement.

Changes in the fair value of investment property are determined as follows:

Market value N - [market value N-1 + amount of works and capitalised expenses for the year – scrapped assets from properties being redeveloped].

Scrapped assets from properties being redeveloped are presented on a separate line of the statement of comprehensive income.

The market value of these assets excludes any transfer taxes relating to their sale. Gains on the disposal of investment property are calculated on the basis of the most recent fair value recognised in the statement of financial position.

2.6.3.2 Definition of fair value

The fair value of all the Group's investment properties is the value excluding transfer taxes determined by independent appraisers who value the Group's portfolio each year on 30 June and 31 December.

The Group has retained the following two independent appraisers to value its portfolio:

- Catella Valuation;
- FPD Savills.

Appraisal values are carried out in accordance with the rules set out in the Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors (RICS). The Company's entire portfolio has been subject to market and competition studies.

The valuation of the property portfolio depends on a number of factors, relating primarily to assumptions regarding future cash flows and interest rates, the balance between supply and demand on the market, economic conditions and applicable regulations. These factors can vary significantly impacting the valuation of properties. The valuation of these properties may thus not reflect their realisable value in the event they are sold.

The methodology used by the appraiser is based on a combination of various valuation techniques, namely the capitalisation method and the discounted future cash flow method. Values determined with reference to these two methods are corroborated by means of the comparable method and/or the replacement cost method. Appraisers' methods comply with professional standards (in particular RICS).

The method of capitalisation of rental revenues is based on the principle of applying a yield for comparable properties on the market to net rental revenues, taking account of the effective rent level relative to the market price.

The discounted cash flow method is based on assessing future revenues on the basis of parameters such as vacancy rates, projected rent rises, recurring maintenance costs and ordinary expenses required to keep the property in operating condition.

Investment properties undergoing redevelopment are valued on the basis of a valuation of the building after redevelopment, insofar as the Company has reasonable assurance that the project will be completed due to the absence of major uncertainties, particularly with regard to administrative authorisations (building permits, CDEC, etc.). Works still to be carried out are then deducted from this valuation on the basis of the development budget or contracts negotiated with builders or service providers.

The key assumptions used in estimating fair value are those relating to the following items: expected future rents as per the firm lease undertaking, market rents, periods of vacancy, property occupancy rates, maintenance requirements, appropriate discount rates and yields. These valuations are regularly compared to market data on yields, the Company's actual transactions, and those published by the market. Expert appraisals thus reflect the best estimate as of 31 December 2012, basing their assumptions on recent market data and generally accepted appraisal methodologies within the industry. These valuations cannot anticipate every possible change in the market.

2.6.4 Financial assets

The Group classifies its financial assets on the basis of the following categories:

- at fair value through the statement of comprehensive income;
- as loans and receivables.

Classification depends on the reasons for acquiring financial assets.

2.6.4.1 Financial assets at fair value through the statement of comprehensive income

In this category, the Group classifies the derivatives to which it subscribes. Derivatives are initially recognised at fair value; attributable transaction costs are recognised in income when incurred.

They are re-measured at fair value at each reporting date. Any changes in fair value are recognised in income under "Financial profit (loss)".

For the Group, this relates to instruments put in place for hedging purposes (purely caps) – see section 2.6.10. Derivatives. The fair value of these instruments at the reporting date was based on valuations supplied by the issuing financial institutions employing valuation techniques using observable market data.

2.6.4.2 Loans, deposits, sureties and other non-current receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, apart from those maturing over 12 months from the reporting date.

These are classified as non-current assets (these assets are initially recognised at fair value and subsequently measured at amortised cost).

2.6.5 Trade receivables

Receivables are stated at fair value on initial recognition, and subsequently at amortised cost less any impairment losses.

Impairment of trade receivables is recognised when there are objective indications that the Group will not be able to recover the full amounts due as per the initial terms of the transaction. Serious financial difficulties faced by the debtor, the likelihood of bankruptcy or financial restructuring of the debtor and payment default are indicators of the impairment of a receivable.

As a general rule, the Group writes down tenant receivables older than six months, applying an impairment rate of up to 100% (depending on the risk estimated by the Group) of the pre-tax amount of the receivable, minus the guarantee deposit.

The amount of impairment is recognised in income under "Provisions".

2.6.6 Cash and cash equivalents

"Cash and cash equivalents" includes cash, sight bank accounts, other very liquid short-term investments with initial maturities of up to three months.

Marketable securities are classified as cash equivalents if they meet the criteria of maturity, liquidity and lack of volatility.

They are measured at fair value through profit and loss.

2.6.7 Assets and liabilities held for sale

Under IFRS 5, assets and liabilities that the Company has decided to sell and the carrying amount of which will be recovered principally through a sale transaction rather than through continuing use are to be classified as "assets held for sale" and "liabilities held for sale".

For the sale to be highly likely, an asset sale plan must have been undertaken, and an active programme for finding a buyer must have been launched.

The properties in this category continue to be measured using the fair-value model, as follows:

- property under sale agreement: sale value in the sale agreement for purchase net of the costs and commission required to complete the sale;
- properties for sale: appraisal value excluding transfer taxes net of costs and commission required to complete the sale.

As of 31 December 2012, two office properties were recognised on the assets held for sale line for €15.170 million.

2.6.8 Borrowings

Financial liabilities comprise borrowings and other interest-bearing liabilities.

On initial recognition, they are measured at fair value, taking account of transaction costs directly attributable to the issuance of the financial liability. They are subsequently recognised at amortised cost using the effective interest rate method. The effective interest rate includes the nominal interest rate and actuarial amortisation of issue expenses and issue and redemption premiums.

Borrowings of less than one year are classified as "current borrowings".

2.6.9 Borrowing costs

Revised IAS 23 “Borrowing costs” removes the option of expensing borrowing costs and requires companies to capitalise borrowing costs directly attributable to the purchase, construction or production of a qualifying asset as a component of the cost of the asset.

The Group borrows money specifically for the acquisition, construction or production of a specific qualifying asset. Financial expenses directly associated with this asset are accordingly easily determined and capitalised in the cost of the qualifying asset.

The application of Revised IAS 23 thus meant that in 2012 the Group capitalised interest of €0.285 million in the costs of qualifying properties.

2.6.10 Derivatives

The Group uses derivatives to hedge its exposure to market risks stemming from interest rate fluctuations.

Derivatives are used as part of the Group’s policy for managing interest rate risk.

The Group uses derivatives to hedge its variable-rate debt against interest rate risk (cash flow hedging).

Given the nature of its debt, the M.R.M. group has elected not to apply hedge accounting as per IAS 39 and classifies financial assets and liabilities held as such as “Financial assets and liabilities at fair value through profit or loss”.

All derivatives are therefore recognised in the statement of financial position at fair value, and any changes from one period to the next are recognised in the statement of comprehensive income under “Financial profit (loss)”.

The valuation of such financial instruments is supplied quarterly by the issuing financial institutions employing valuation techniques using observable market data.

2.6.11 Treasury shares

M.R.M. shares held by the Group are deducted from consolidated equity at their cost of acquisition. All transactions involving treasury shares are recognised directly in consolidated equity.

2.6.12 Provisions

A provision is booked when the Group has an obligation to a third party arising from a past event, settlement of which is likely or certain to result in an outflow of resources to this third party. This obligation may be legal, regulatory or contractual.

It may also result from the entity’s past practices, its stated policy or sufficiently overt public commitments that have created a legitimate expectation amongst the relevant third parties that it will assume certain responsibilities.

The estimated amount of a provision reflects the outflow of resources the Group would incur to settle its obligation. It is estimated on the basis of information known at the date of issue of the financial statements.

Where the time value effect is material, the amount of the provision is determined by discounting estimated resource outflows at a rate based on a pre-tax risk-free market interest rate, plus – where applicable – risks specific to the relevant liability.

At 31 December 2012, provisions for litigation totalling €0.4 million were funded.

2.6.13 Employee benefits

IAS 19 requires that any current or future benefits or remuneration granted by the Company to its employees or a third party be recognised over the vesting period.

With the only Company employee having joined CBRE Global Investors SAS in the first quarter of 2012, backdated to 1 January 2012, the Group had no employees as of 31 December 2012.

2.6.14 Receivables and payables with deferred payments

IAS 39 requires the discounting of any sums the payment or receipt of which is deferred in a manner that deviates from standard practice.

The amounts of these receivables or payables are discounted and a financial profit or loss recognised in the statement of comprehensive income over the deferred payment period.

The only deferred payments recognised relate to guarantee deposits received from tenants.

The discount rate applied represents the one used for the discounting of cash flow and the capitalisation of rent for the purposes of property valuation by the independent appraiser.

As of 31 December 2012, it was 7.42% for office property and 7.85% for retail property.

2.6.15 Current taxes and deferred taxes

2.6.15.1 The Group's tax status

In early 2008, M.R.M. opted for SIIC status as a listed property investment company, the scope of which covered all Group companies, except for DB Dynamique Financière due to its inter-Group financing activity.

SIIC status allows for tax exemption on:

- profits from the letting of buildings and the sub-letting of buildings that are lease financed;
- capital gains on the disposal of buildings, rights relating to property lease finance agreements, investments in partnerships or investments in subsidiaries that have opted for SIIC status; and
- dividends received from subsidiaries subject to SIIC status.

In exchange for this exemption, companies with SIIC status are required to pay out:

- 85% of tax-exempt profits from rental activities;
- 50% of capital gains on the disposal of buildings or of certain investments in property companies;
- all dividends received from subsidiaries having opted for SIIC status.

Opting for SIIC status had given rise to an exit tax liability at a reduced rate of 16.5% on unrealised capital gains on properties and investments in partnerships exempt from income tax.

At 31 December 2012, the Group had paid off its exit tax liability.

2.6.15.2 Deferred tax

Deferred taxes are recognised for activities and companies subject to tax using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred taxes are determined using tax rates (and tax regulations) that have been enacted by the end of the reporting period and that are expected to apply when the related deferred tax asset is realised or the deferred tax liability settled. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be allocated.

Deferred taxes are recognised on temporary differences arising on investments in subsidiaries and affiliates, except where the timing of the reversal of these temporary differences is controlled by the Group and it is likely that this reversal will not take place in the foreseeable future.

Having opted for SIIC status, no income tax is due in respect of the letting of buildings, directly or indirectly *via* income received from subsidiaries, and no deferred tax was recognised as of 31 December 2012. Likewise, capital gains on the disposal of buildings or investments in subsidiaries enjoying the same status are exempt.

The Group is still liable for income tax on transactions falling outside the scope of the SIIC regime.

2.6.16 Revenue recognition

IAS 17 "Leases" sets rules for the treatment of rental revenue from operating leases and the indirect costs incurred by the lessor. Rental revenue should be "recognised in income on a straight-line basis over the lease term, unless another systematic basis is more representative of the staggering over time of the tapering in the benefit drawn from the use of the leased asset".

Leases currently signed by the Group meet the definition of operating leasing as set out in IAS 17.

Under SIC 15 "Operating Leases – Incentives", the financial impact of all lease terms is staggered over the term of the lease. The same applies to rent-free periods, stepped rents and key money. For leases having taken effect prior to 1 January 2010, the staggering is over the full term of the lease. Since 1 January 2010, the staggering period is the firm period of the lease.

2.6.17 Finance leases

A finance lease transfers substantially all of the benefits and risks inherent in the ownership of an asset to the lessee. Eventually, ownership may or may not be transferred.

Property lease agreements are considered to be finance leases.

Lease finance agreements are recognised as assets and liabilities in the statement of financial position for amounts equal to the financial value of the leased asset.

Lease payments are broken down into the financial expense and the repayment of the outstanding debt.

Lease finance agreements do not give rise to depreciation if the asset is deemed to be an investment property (Fair Value Measurement).

The Group has not had any finance leases since 31 December 2008.

2.6.18 Other operating income and expenses

Other operating income and expenses represents unusual, abnormal or infrequent events covered in paragraph 28 of the IASB Framework.

They generally consist of fees paid out or collected from tenants and insurance.

2.6.19 Earnings or operating data per share

Earnings per share are calculated by dividing consolidated data by the number of shares outstanding excluding treasury shares on the reporting date, namely 3,450,467 shares as of 31 December 2012.

2.6.20 Segment information

IFRS 8 – Operating Segments, applicable since 1 January 2009, details the manner in which information is to be presented for each operating segment.

The operating segments determined on the basis of internal reporting are defined as:

- representing an income-generating activity for which expenses are incurred;
- whose operating results are regularly examined by the entity's primary operating decision-maker in order to allocate resources to segments and assess their performance;
- for which discrete financial information is available.

On the basis of these criteria, for operating segment purposes the Group has used the breakdown of its property portfolio by the real-estate market in which the properties are located. Namely the office and retail segments.

These operating segments are the ones that provide the best basis for evaluating the nature and financial effects of the business activities in which the company engages and the economic environments in which it operates.

The Group also retained one non-operating segment, the Head Office, to which transactions that cannot be assigned to an operating segment are allocated.

2.6.21 Key money

Any key money received by the lessor is deemed to represent additional rent.

The key money is part of the net amount exchanged by lessor and lessee under a lease.

As such, the accounting periods in which this net amount is recognised must not be affected by the form of the agreement or the payment schedule. These fees are to be spread over the first firm lease period.

2.6.22 Termination fees

Termination fees may be collected from lessees where they terminate the lease before its contractual expiry date.

Where applicable, these fees are related to the former lease and are recognised in income when booked.

2.6.23 Eviction fees

If the lessor terminates a current lease, it may be liable to pay eviction fees to the tenant in place.

Replacement of a tenant

If payment of an eviction fee means it is possible to change or maintain the asset's performance (increase in rent and hence in the asset's value), this expense, in accordance with revised IAS 16, may be capitalised in the cost of the asset so long as the increase in value is confirmed by appraisal. Otherwise, the expense is posted in charges.

Renovation of a property requiring the departure of tenants in place

If payment of an eviction fee is part of the major refurbishment or reconstruction of a property for which the tenants must vacate prior to commencement, this cost is considered a preliminary expense included as an additional component further to the refurbishment.

2.6.24 Management of share capital

M.R.M.'s policy is to maintain a solid capital base in order to maintain the confidence of investors, creditors and the market and to support the future development of its business. The Board of directors monitors return on equity, defined as the ratio of operating income to total equity.

The Company has signed a liquidity agreement, under the terms of which it occasionally buys back its own shares on the market. The rate of these share buybacks depends on the share price and market movements.

2.6.25 Financial risk management

Foreign exchange risk

At the date of this document, M.R.M. engages in no business which could expose it to any foreign exchange risks.

Interest rates risk

The M.R.M. group systematically hedges its contracted variable-rate debt by arranging caps.

Accordingly, with respect to the debt as of 31 December 2012, 100% of the loans to finance office property were capped (Euribor three month instruments at rates between 3% and 4.20%).

Loans for financing retail properties are also fully capped (Euribor three-month instruments at rates between 3.75% and 5.25%).

A 100 basis point increase in interest rates would have a €1.869 million impact on the Group's financial expenses. Since current interest rates are quite low, the caps subscribed by the Group are not in the money.

Liquidity risk

The Company's level of leverage could affect its capacity to take out further loans. The Group's liquidity policy is to ensure that the total amount of rents is at all times higher than its working capital requirements to cover operating expenses, interest and repayment of its entire existing financial debt and the leverage it seeks to implement its investment programme.

Certain loan agreements entered into or that may be entered into by the Group or its subsidiaries contain or may in the future contain standard early repayment clauses and covenants.

These covenants define the thresholds to be respected for a number of ratios, in particular the LTV ratio (Loan to Value ratio), defined as the ratio of the amount of the loan to the market value of the property financed, and the ICR ratio (interest coverage rate), representing the coverage rate of interest expenses by rents. Covenants relating to LTV ratios set maximum thresholds of between 60% and 90%. Covenants relating to ICR ratios set minimum thresholds of between 120% and 130%.

As of 31 December 2012, the Group complied with the LTV and ICR covenants agreed with its banking partners, except for a credit line on which the LTV threshold specified in the loan agreement was exceeded (60.8% instead of 60%). Discussions are ongoing with the bank in question in order to amend the loan agreement.

Credit risk

Credit risk represents the risk of a financial loss for the Group in the event that a client or financial instrument counterparty fails to meet its contractual obligations.

For the Group, this risk relates to its trade receivables. The Group's counterparties for the financial assets it owns are top-rated financial institutions. Its financial assets consist solely of derivatives (caps).

The Company has defined a credit policy that allows it to limit its exposure. Procedures are in place to ensure leases are entered into with clients whose solvency is assessed and which meets the Group's risk criteria. Certain tenants account for a significant proportion of the Company's annual invoiced rents. The termination of one or more leases could have an impact on the level of rents received by the Company, and hence on its profitability. However, the main leases are recent and certain tenants are bound by leases with fixed terms ranging from three to nine years.

Property asset valuation risk

The Company's property portfolio is valued on a six-monthly basis. Such valuation depends on a number of factors, mainly involving the balance between market supply and demand, economic conditions and applicable regulations, which can vary significantly, with a direct impact on the valuation of the Company's assets and accordingly an indirect effect on the Loan to Value ratios used as indicators of the Group's debt risk.

The appraised value of the Group's properties and their final value on disposal may not be identical. In addition, such valuations are based on a number of assumptions which may not prove to be correct. Because M.R.M.'s property portfolio is recognised at market value on the basis of valuations by independent appraisers, its value can be affected by changes in the bases used in the valuation methods (property market trends, mainly in terms of rents received, changing interest rates especially with regard to discount and capitalisation rates employed).

Section 3 Scope of consolidation

3.1 List of consolidated companies

The financial statements fully consolidate the financial statements of all companies in which M.R.M. exercises exclusive direct or indirect control.

The scope of consolidation as of 31 December 2012, unchanged on 31 December 2011, was as follows:

	Method of consolidation	Interest	Control
SA M.R.M.	Parent	100%	100%
SAS BOULEVARD DES ÎLES	FC	100%	100%
SAS COMMERCES RENDEMENT	FC	100%	100%
SAS DB ALBATROS	FC	100%	100%
SAS DB COUGAR	FC	100%	100%
SAS DB DYNAMIQUE FINANCIERE	FC	100%	100%
SAS DB FOUGA	FC	100%	100%
SAS DB NEPTUNE	FC	100%	100%
SAS DB PIPER	FC	100%	100%
SAS DB TUCANO	FC	100%	100%
SAS INVESTORS RETAIL HOLDING	FC	100%	100%
SCI BOULOGNE ESCUDIER	FC	100%	100%
SCI DU 10 BIS RUE ESCUDIER	FC	100%	100%
SCI DU 3 RUE ESCUDIER	FC	100%	100%
SCI GALETIN II	FC	100%	100%
SCI IMMOVERT	FC	100%	100%
SCI NORATLAS	FC	100%	100%

FC: Full consolidation.

All of the Group's companies are registered in France.

The address used by all Group companies is 11, place Édouard VII, 75009 Paris, France.

Section 4 Notes to the statement of financial position and the statement of comprehensive income

Note 1 Investment properties

(in thousands of euros)	
Opening net balance	243,190
Reclassification as assets held for sale	(11,450)
Reclassification of assets held for sale as investment properties	26,496
Acquisitions and works	7,121
Change in fair value	(3,326)
Disposal of assets	(8,201)
CLOSING NET BALANCE	**253,830**

Description and summary of investment properties

Breakdown of investment properties

As of 31 December 2012, the portfolio broke down as follows:

- Retail properties: €154.230 million
- Office properties: €99.600 million

Description of the portfolio

	Address	Date of acquisition	Area (sqm)	Division
Sud Canal	24/26, place Étienne Marcel and 41, Bd Vauban, 78180 Montigny le Bretonneux	10/27/2004	11,619	Retail properties
Reims	2, rue de l'Étape, 51100 Reims	11/10/2004	2,471	Retail properties
Passage de la Réunion	25, place de la Réunion, 68100 Mulhouse	04/15/2005	6,018	Retail properties
Galerie du Palais	17/19, place Jean Jaurès, 37000 Tours	06/16/2006 and 09/28/2007	6,807	Retail properties
Les Halles	Place Maurice Vast, 80000 Amiens	08/31/2006	7,578	Retail properties
Allonnes	ZAC du Vivier, route de la Berardière, 72700 Allonnes	12/20/2005	10,143	Retail properties
Ecole-Valentin	6, rue Chatillon, 25000 Besançon	12/27/2007	4,016	Retail properties
Carré Vélizy	16-18, avenue Morane Saulnier, 78140 Vélizy-Villacoublay	12/30/2005	11,265	Retail properties
Gamm Vert portfolio	Multiple sites	12/21/2007 and 05/27/2008	24,864	Retail properties
SUBTOTAL – RETAIL PROPERTIES			84,781	
Brêche-aux-Loups	43, rue de la Brêche aux Loups, 75012 Paris	06/15/2006	2,872	Office properties
Solis	12, avenue de l'Océanie, ZA Courtaboeuf, 91940 Les Ulis	11/22/2006	11,366	
Cytéo	147, avenue Paul Doumer, 92500 Rueil-Malmaison	12/28/2006	4,025	Office properties
Nova	71, boulevard National, 92250 La Garenne Colombes	09/28/2007	10,546	Office properties
Le Delta	3-5, rue du Pont des halles, 94150 Rungis	09/28/2007	8,739	Office properties
Cap Cergy	4-6, rue des Chauffours, 95000 Cergy-Pontoise	09/28/2007	12,788	Office properties
Bourse	12, rue de la Bourse, 75002 Paris	04/24/2008	1,114	Office properties
SUBTOTAL – OFFICE PROPERTIES			51,450	
TOTAL			**136,231**	

Capitalisation and discount rates used by the independent appraisers for valuation purposes as of 31 December 2012

	Capitalisation rates	Discount rates
Office properties	Between 6.25% and 12%	Between 6.25% and 8.5%
Retail properties	Between 6.28% and 9%	N/A

The capitalisation rate reflects the seller side yield or the yield generated in the normal course of management. The capitalisation rate expresses, in percentage terms, the ratio of gross or net revenue from the property to its monetary value. It is called gross or net depending on whether the gross or net revenue of the property is chosen.

Note 2 Assets held for sale

(in thousands of euros)	
Opening net balance	44,349
Reclassification of investment properties as assets held for sale	11,450
Reclassification of assets held for sale as investment properties	(26,496)
Acquisitions and works	0
Change in fair value	(180)
Change in scope of consolidation	0
Asset disposals	(13,953)
CLOSING NET BALANCE	**15,170**

As of 31 December 2012, assets held for sale totalled €15.170 million compared to €44.349 million as of 31 December 2011. This change was mainly due to the disposal in February 2012 of five commercial properties in Pierrelaye, Montigny-lès-Cormeilles, Claye-Souilly, Coignières and Créteil. Furthermore, the Solis office property in Les Ulis and the garden centres portfolio operated under the Gamm Vert brand were reclassified as investment properties, as there are no longer any plans to sell them within the coming 12 months.

As of 31 December 2012, the following properties were held for sale:

- the Urban office building in Montreuil;
- the office property on rue Cadet, Paris.

All these properties are currently being actively marketed with a view to their disposal within the coming twelve months. As of now, the Urban office property in Montreuil is subject to a sale agreement for properties.

Note 3 Trade receivables

Trade receivables break down as follows:

	12/31/2012			12/31/2011
(in thousands of euros)	Gross	Impairment	Net	Net
Trade receivables (1)	4,347	585	3,762	2,388
TOTAL	**4,347**	**585**	**3,762**	**2,388**

(1) Including €1.843 million as of 31 December 2012 in rent-free periods spread over the lease term, compared to €1.291 million as of 31 December 2011.

Note 4 Other receivables

Other receivables break down as follows:

	12/31/2012			12/31/2011
(in thousands of euros)	Gross	Impairment	Net	Net
Company receivables	0	0	0	0
Tax receivables (1)	1,252	0	1,252	3,725
Current accounts in debit	0	0	0	0
Other receivables(2)	3,023	0	3,023	3,397
Funds deposited with third parties (3)	823	0	823	1,065
Marketing fees (4)	608	0	608	707
Prepaid expenses	248	0	248	362
TOTAL OTHER RECEIVABLES	**5,954**	**0**	**5,954**	**9,256**

(1) This amount essentially corresponds to VAT on goods and services and non-current assets.
(2) This amount primarily relates to service charges payable to owners.
(3) This primarily concerns funds deposited with notaries.
(4) This relates to marketing fees spread over the lease term.

Note 5 Derivatives

The M.R.M. group has put in place financial instruments (caps) that do not qualify as hedging instruments for accounting purposes, but as financial assets recognised at fair value through profit or loss.

All borrowings are hedged by a cap. These financial instruments were originally recognised as assets at fair value, something that is supplied by the issuing institutions.

Differences in the value of financial instruments between reporting dates are recognised in the income statement under "Change in fair value of financial instruments and marketable securities". The fair value measurement of caps as of 31 December 2012 saw a reduction of €68 thousand.

The change in fair value of caps over the period breaks down as follows:

(in thousands of euros)	
Value of financial instruments as of 1 January	68
Caps bought	0
Caps sold	0
Change in fair value	(68)
VALUE OF FINANCIAL INSTRUMENTS AT 31 DECEMBER	**0**

Principal characteristics of financial instruments held

Contract type	Notional in thousands of euros	Benchmark rate	Guaranteed rate	Fair value in thousands of euros	Under one year	One to five years	Over five years
CAP	6,362	3-months Euribor	4.20%	-		X	
CAP	33,644	3-months Euribor	3.00%	-		X	
CAP	15,992	3-months Euribor	4.20%	-		X	
CAP	5,146	3-months Euribor	4.20%	-		X	
CAP	6,386	3-months Euribor	5.25%	-	X		
CAP	45,000	3-months Euribor	3.00%	-	X		
CAP	84,297	3-months Euribor	3.75%	-	X		
CAP	1,566	3-months Euribor	3.75%	-	X		
			TOTAL	**-**	**-**	**-**	**-**

A 100 basis point increase in interest rates would have a €1.869 million impact on the Group's financial expenses. With current interest rates being low, the caps put in place by the Group are not in the money.

Note 6 Cash and cash equivalents

(in thousands of euros)	12/31/2012	12/31/2011
Marketable securities	194	235
Cash	3,764	2,180
TOTAL CASH AND CASH EQUIVALENTS	**3,958**	**2,416**

Note 7 Provisions

Provisions for litigation with co-owners totalling €0.400 million were funded as of 31 December 2012.

(in thousands of euros)	12/31/2011	Increase	Decrease	12/31/2012
TOTAL PROVISIONS FOR LIABILITIES	**0**	**400**	**0**	**400**

Note 8 Loans and borrowings

(in thousands of euros)	12/31/2012	12/31/2011
Issued bonds	0	54,000
Bank debts	128,878	175,507
Guarantee deposits received	1,889	2,122
Non-current	**123,767**	**231,629**
Issued bonds	62,146	0
Bank debts	69,652	26,718
Guarantee deposits received	976	793
Accrued interest	454	7,493
Bank overdrafts	5	1
Other payables	0	5
Current	**133,233**	**35,010**
TOTAL LOANS AND BORROWINGS	**257,000**	**266,639**

The breakdown of loans and borrowings by maturity is as follows:

(in thousands of euros)	12/31/2012	One year	One to five years	More than five years
Issued bonds	62,146	62,146	0	0
Bank debts	191,530	69,652	111,914	9,964
Guarantee deposits received	2,865	976	1,084	805
Accrued interest	454	454	0	0
Bank overdrafts	5	5	0	0
TOTAL LOANS AND BORROWINGS	**257,000**	**133,233**	**112,998**	**10,769**

The bonds were issued by DB Dynamique Financière, an M.R.M. subsidiary, and are not convertible. These bonds are issued at a nominal value of €1, maturing on 31 December 2013. The terms and conditions of the bonds allow the issuer to redeem them early at any time. Furthermore, its projected short term cash position having improved, the Group had resumed payment of bond interest from the first quarter of 2011 onwards, ending a nine-quarter suspension. It suspended this again from the third quarter of 2012. At 31 December 2012, total interest arrears of €8.146 million were capitalised.

Debt maturing within a year consists of €3.2 million in contractual repayments to be made over the next twelve months as well as:

- The €62.1 million in bonds maturing in December 2013;
- Two credit lines totalling €57.9 million, maturing in December 2013;
- An €8.8 million credit line for a property classified under "Assets held for sale".

As of 31 December 2011, the Group complied with the LTV and ICR covenants agreed with its banking partners, except for a credit line on which the LTV threshold specified in the loan agreement was exceeded (60.8% instead of 60%). Discussions are ongoing with the bank in question in order to amend the loan agreement.

Principal characteristics of bank debts

Lending institution	Credit agreement date	Maturity	Total draw-downs as of 12/31/2012	Outstanding amount as of 12/31/2012
HSH Nordbank (1)	02/17/2011	03/31/2013 and 12/31/2013	51,161	53,250
HSH Nordbank	02/17/2011	01/31/2013 to 12/31/2013	10,000	4,646
Saar LB	12/21/2007	12/20/2022	12,200	11,337
Saar LB	04/24/2008	04/23/2013	30,431	23,233
ING Real Estate	07/24/2008	06/08/2014	6,814	6,338
ING Real Estate	07/24/2008	06/08/2014	17,127	15,927
ING Real Estate	07/24/2008	06/08/2014	5,440	5,120
SaarLB	04/19/2010	04/19/2015	92,827	71,679
			226,000	**191,530**

(1) Debt as of 31 December 2012 includes capitalised interest.

Change in bank debts

(in thousands of euros)	
Opening net balance	202,225
Increases	5,463
Decreases	(17,379)
Other (debt issue expenses, capitalisation of interest and discounting)	1,221
CLOSING NET BALANCE	**191,530**

Decreases were mainly due to the repayment of two credit lines over the period as a result of the disposal of properties and contractual repayments.

Bank debt – fixed/variable rate

(in thousands of euros)	Fixed rate	Variable rate	Total
Banks loans and borrowings	4,646	186,844	191,530

Note 9 Debts payable against non-current assets

Debts on non-current assets as of 31 December 2012 primarily related to the Noratlas and DB Tucano companies (office properties).

(in thousands of euros)	12/31/2012	12/31/2011
Retail properties	430	479
Office properties	1,287	5,520
TOTAL DEBTS ON NON-CURRENT ASSETS	**1,717**	**5,999**

Note 10 Other liabilities

Other liabilities break down as follows:

(in thousands of euros)	12/31/2012	12/31/2011
Payments on accounts received	168	33
Company liabilities	18	48
Tax liabilities (1)	831	614
Other payables (2)	2,031	1,463
Current exit tax	0	2,088
Prepaid income	22	21
TOTAL OTHER LIABILITIES	**3,070**	**4,268**

(1) Tax liabilities concern essentially VAT that has been collected.
(2) Other debts concern essentially charges made to tenants.

Note 11 Gross rental revenues

Gross rental revenues consist of rents and similar income (e.g. parking revenues, etc.). Rent-free periods, stepped rents and key money are spread over the lease term. For pre-2010 leases, the staggering is over the full term of the lease, whereas the staggering period for leases having come into effect from 1 January 2010 is the firm period.

(in thousands of euros)	12/31/2012	12/31/2011
Retail properties	10,455	11,148
Office properties	6,004	7,324
TOTAL RENTAL REVENUES	**16,459**	**18,472**

Rental revenues by component for 2011 were adjusted to reflect the inclusion, under Retail properties, of the Carré Vélizy mixed complex, which had previously been classified under Office properties.

Of the €16.5 million in gross rental revenues, variable rents totalled €0.179 million.

Rents receivable under firm leases in the portfolio

(in thousands of euros)	12/31/2012
Future minimum payment amounts	
Under one year	13,335
Over one year and under five years	26,872
Over five years	2,020
TOTAL FUTURE PAYMENTS	**42,228**

Note 12 External property expenses not recovered

Expenses paid for and billed back break down as follows:

(in thousands of euros)	12/31/2012	12/31/2011
Land tax and tax on offices and retail property	839	1,342
Rental and co-ownership expenses	2,211	1,755
TOTAL EXTERNAL PROPERTY EXPENSES NOT RECOVERED	**3,050**	**3,097**

Note 13 Operating expenses

Overheads break down as follows:

(in thousands of euros)	12/31/2012	12/31/2011
Insurance	155	202
Fees (1)	4,928	5,198
Bank charges	21	69
Other external purchases and expenses	480	781
Other taxes and duties	57	113
Employee benefits expense	(12)	172
TOTAL OPERATING EXPENSES	**5,629**	**6,535**

(1) Fees are primarily composed of management fees and legal fees.

Note 14 Other operating income

Other operating income amounted to €0.316 million and mainly included €0.154 million in indemnities received and €0.110 million in office creation tax relief.

Note 15 Other operating expenses

Other operating expenses amounted to €0.302 million and mainly consisted of a €0.150 million contribution to tenant works, €54 thousand in losses on receivables written off as irrecoverable and €29 thousand in directors' fees.

Note 16 Result on disposals of investment properties

Gains (losses) on the deconsolidation of assets break down as follows:

	12/31/2012		12/31/2011	
(in thousands of euros)	Disposal of property	Sale of shares	Disposal of property	Sale of shares
Sales proceeds net of expenses	22,064	(86)	16,366	5,868
Net book value of disposed assets	(22,154)	0	(14,799)	(6,669)
Reversal of adjustment entries (1)	0	0	(18)	(1,319)
RESULT ON DISPOSAL	**(90)**	**(86)**	**1,550**	**(2,120)**

(1) The reversals related to the derecognition of rent-free periods and marketing fees that had been staggered over the lease term.

Note 17 Net borrowing cost

The net borrowing cost breaks down as follows:

(in thousands of euros)	12/31/2012	12/31/2011
Interest received	20	8
Capital gains/loss and net income on sale of securities	(59)	(15)
Interest and similar expenses (1)	(7,182)	(8,999)
NET BORROWING COST	**(7,221)**	**(9,006)**

(1) The "Interest and similar expenses" line item includes interest charges on bank debt as well as interest on bonds.

Note 18 Change in fair value of financial instruments and marketable securities

This €68 thousand negative fair value change almost wholly stemmed from the change in the fair value of caps (see Note 5).

Note 19 Other financial profit

As of 31 December 2011, this profit related to the write-off of €23.872 million in financial liabilities under the bank restructuring that took place on 17 February 2011.

Note 20 Other financial expenses

As of 31 December 2011, this consisted of €1.444 million in fees related to the bank restructuring of 17 February 2011.

Note 21 Tax expense

As detailed in the consolidation principles and methods section, as a result of adopting SIIC status, which exempts the Company from income tax, no deferred tax has been recognised on activities within the scope of this regime.

The Group is nevertheless still liable for income tax on activities falling outside the scope of the SIIC regime. The tax expense recognised in 2012 with respect to purely financial activities amounted to €0.109 million.

Given that there was no temporary difference between the tax base of assets and liabilities falling outside the scope of the SIIC regime and their carrying amount in the consolidated financial statements, no deferred tax asset was recognised.

Note 22 Segment information

As detailed in the consolidation principles and methods section, for operating segment purposes the Group has used the breakdown in its property portfolio by the real estate market in which they are located. Namely the office and retail rental segments.

At end-2011, the mixed office/retail Carré Vélizy property, initially classified in the office property operating segment was reclassified in retail. The data relating to the 2011 income statement were adjusted accordingly, in order to enable comparability with the information for 2012/2011.

The main line items of the standalone income statement are thus as follows:

Consolidated income statement as of 12/31/2012

(in thousands of euros)	Office properties	Retail properties	Head office	Total
NET RENTAL REVENUES	3,765	9,644	0	13,409
Operating expenses	(2,007)	(2,508)	(1,114)	(5,629)
Reversals of provisions	141	66	20	227
Provisions	(675)	(326)	0	(1,001)
TOTAL CURRENT OPERATING INCOME AND EXPENSES	**(2,541)**	**(2,769)**	**(1,094)**	**(6,043)**
CURRENT OPERATING INCOME	1,224	6,875	(1,094)	7,006
Other operating income	154	162	0	316
Other operating expenses	(44)	(210)	(48)	(302)
Result on disposals of investment properties	(188)	12	0	(176)
Change in fair value of investment properties	(5,175)	1,669	0	(3,506)
OPERATING INCOME	**(4,028)**	**8,507**	**(1,142)**	**3,338**
Gross borrowing cost	(1,575)	(2,500)	(3,107)	(7,182)

Consolidated income statement as of 12/31/2011

(in thousands of euros)	Office properties	Retail properties	Head office	Total
NET RENTAL REVENUES	4,565	10,810	0	15,375
Operating expenses	(2,610)	(2,758)	(1,167)	(6,535)
Reversals of provisions	517	348	5	869
Provisions	(240)	(154)	0	(393)
TOTAL CURRENT OPERATING INCOME AND EXPENSES	**(2,333)**	**(2,564)**	**(1,163)**	**(6,059)**
CURRENT OPERATING INCOME	2,232	8,247	(1,163)	9,316
Other operating income	16	2	15	33
Other operating expenses	(608)	(545)	(25)	(1,178)
Result on disposals of investment properties	(1,353)	783	0	(571)
Change in fair value of investment properties	(18,672)	2,770	0	(15,901)
OPERATING INCOME	**(18,385)**	**11,256**	**(1,173)**	**(8,301)**
Gross borrowing cost	(2,417)	(3,460)	(3,123)	(8,999)

The main line items in the statement of financial position are as follows:

Consolidated statement of financial position – Assets as of 12/31/2012

(in thousands of euros)	Office properties	Retail properties	Head office	Total
Investment properties	99,600	154,230	0	253,830
Assets held for sale	15,170	0	0	15,170
Cash and cash equivalents	2,086	1,598	274	3,958

Consolidated statement of financial position – Equity and liabilities as of 12/31/2012

(in thousands of euros)	Office properties	Retail properties	Head office	Total
Non-current bank debts	24,477	97,401	0	121,878
Current borrowings	63,884	2,558	66,792	133,233
Debts payable against non-current assets	1,287	430	0	1,717

Consolidated statement of financial position – Assets as of 12/31/2011

(in thousands of euros)	Office properties	Retail properties	Head office	Total
Investment properties	105,380	137,810	0	243,190
Assets held for sale	16,542	27,807	0	44,349
Cash and cash equivalents	1,333	926	156	2,416

Consolidated statement of financial position – Equity and liabilities as of 12/31/2011

(in thousands of euros)	Office properties	Retail properties	Head office	Total
Bonds	0	0	54,000	54,000
Non-current bank debts	83,378	88,333	3,796	175,507
Current borrowings	5,380	21,351	8,280	35,010
Debts payable against non-current assets	5,520	479	0	5,999
Current exit tax	477	1,611	0	2,088

Note 23 Off-statement of financial position commitments

Commitments given

Commitments given are primarily comprised of:

(in thousands of euros)	12/31/2012
Debts guaranteed by collateral (principal and related) (1)	210,683
Pledging of securities (2)	
• Direct subsidiaries	48,520
• Sub-subsidiaries	6,346
Other commitments	
• Sureties and guarantees	2,689

(1) Carrying amount of borrowings.
(2) Purchase price of securities in separate financial statements.

Certain bank accounts of subsidiaries have been pledged to financial institutions.

Commitments received

Commitments received essentially comprise:

- €1.903 million in tenant deposits;
- €0.920 million for a financial performance bond;

Note 24 Related parties

Transactions between M.R.M. group companies and related parties are entered into on an arm's length basis (primarily agreements to provide services, property management and asset management).

A total of €2.9 million in fees was paid by the Group to CBRE Global Investors in respect of 2012, in accordance with management agreements and arrangements. In the statement of financial position, the trade payables line item contains €1.086 million including tax with respect to these fees.

Note 25 Information on the number of shares outstanding

The number of shares in the share capital, each with a par value of €8, was unchanged between 31 December 2011 and 31 December 2012 at 3,501,977. As of 31 December 2012, the Group held 51,510 treasury shares.

3.8 Statutory auditors' report on the consolidated financial statements, year ended 31 December 2012

This is a free translation into English of the statutory auditor's report on the financial statements issued in French and it is provided solely for the convenience of English-speaking users.

The statutory auditor's report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditor's assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions, or disclosures.

This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended 31 December 2012, on:

- the audit of the accompanying consolidated financial statements of M.R.M. S.A.;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

1. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of 31 December 2012 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the note 2.1 "Going Concern Principle" to the consolidated financial statements, which refers to the uncertainty of the company continuing as a going concern, depending on the outcome of action undertaken by the company, as described therein.

2. Justification of our assessments

The accounting estimates used to prepare the financial statements as of 31 December 2012 were made in a context of low liquidity in the real estate market and difficulty in assessing economic prospects. Such was the context in which we made our own assessments and we draw your attention to the following matters, in accordance with the requirements of article L.823-9 of the French Commercial Code.

Going concern

As mentioned in the first part of the report, the note "Accounting Policies" to the consolidated financial statements refers to the uncertainty of the company continuing as a going concern. We analyzed the action planned by the company.

Based on our work and the information disclosed to us to date, and as part of our assessment of the accounting principles applied by your company, we consider that the notes to the consolidated financial statements provide appropriate information as to the uncertainty of the company continuing as a going concern, as mentioned above.

Accounting estimates

The note 2.6.3 "Investment Properties" in the "Accounting Policies" section of the notes to the consolidated financial statements refers to the accounting method used for the valuation of investment property.

Investment properties are accounted at fair value, which is determined by independent appraisers who value the property assets of the company as of 31 December of each year.

Our work consisted in examining the independent appraisers' reports, analyzing the data and assumptions retained in order to determine the overall valuations, ensuring that independent appraisers take into account the real estate market situation, and verifying that the notes 2.6.3 "Investment properties" (Part 2) and 1 "Investment properties" (Part 4) to the consolidated financial statements provide appropriate information.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion expressed in the first part of this report.

3. Specific verification

As required by law we have also verified, in accordance with professional standards applicable in France, the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

The statutory auditors

Paris La Défense and Lyon, 7 March 2013

French original signed by

KPMG Audit FS I SAS	RSM CCI Conseils
Régis Chemouny	Pierre-Michel Monneret
Partner	Partner

3.9 Annual financial statements for the financial year ended 31 December 2012

Statement of financial position as of 31 December 2012

► STATEMENT OF FINANCIAL POSITION – ASSETS

(in euros)	Gross	Depreciation and amortisation	Net 12/31/2012	Net 12/31/2011
Set-up costs	18,403	18,403	-	-
Equity investments	80,894,951	30,999,172	49,895,779	50,157,983
Other long-term investment securities	47,285	41,909	5,376	22,357
NON-CURRENT ASSETS	80,960,640	31,059,484	49,901,155	50,180,340
Trade receivables	317,866	-	317,866	414,107
Other receivables	24,335,157	18,055,702	6,279,455	10,516,746
Marketable securities	269,295	190,750	78,545	195,812
Cash	257,661	-	257,661	53,491
Prepaid expenses	7,036	-	7,036	9,303
CURRENT ASSETS	25,187,016	18,246,452	6,940,564	11,189,458
TOTAL	**106,147,655**	**49,305,936**	**56,841,719**	**61,369,799**

► STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES

(in euros)	12/31/2012	12/31/2011
Company or individual share capital	28,015,816	28,015,816
Additional paid-in capital	42,833,996	42,833,996
Revaluation reserves	339,807	339,807
Legal reserve	197,501	197,501
Other reserves	3,140,147	3,140,147
Retained earnings	(55,095,426)	(65,353,030)
Profit (loss) for the period	(9,525,257)	10,257,604
Regulated provisions	523,377	445,946
EQUITY	10,429,961	19,877,787
Provisions for risk	-	-
PROVISIONS FOR LIABILITIES AND CHARGES	-	-
Bank loans and overdrafts	-	-
Loans and other borrowings	40,836,920	35,364,994
Trade payables	853,488	529,924
Tax and company liabilities	53,030	89,964
Other payables	4,668,319	5,507,130
LIABILITIES	46,411,758 (1)	41,492,012
TOTAL	**56,841,719**	**61,369,799**

(1) Of which less than one year: €46,411,758.

Income statement as of 31 December 2012

(in euros)	France	Exports	12/31/2012	12/31/2011
Revenue on sale of services	149,703	-	149,703	346,243
Net revenue	**149,703**	**-**	**149,703**	**346,243**
Reversals of impairment, depreciation and amortisation, transfer of expenses			695,943	31,516,827
Other revenues			3	406
OPERATING INCOME			845,649	31,863,476
Other external purchases and expenses			1,116,946	1,182,985
Taxes, duties and similar payments			117	(1,661)
Wages and salaries			(8,454)	124,094
Social charges			(3,209)	47,493
Depreciation of non-current assets			-	248
Impairment of current assets			7,951,269	2,460,373
Charges to provisions for liabilities and charges			-	-
Other operating expenses			28,503	24,547
OPERATING EXPENSES			9,085,171	3,838,079
OPERATING INCOME			(8,239,522)	28,025,397
Financial income from investments			888,149 (1)	722,519 (2)
Other interest and similar income			6,223	-
Reversals of provisions and transfer of expenses			-	65,656
Net income on sales of marketable securities			551	494
Financial income			***894,923***	***788,669***
Depreciation and amortisation – financial items			386,636	16,970,654
Interest and similar expenses			1,636,943 (3)	1,467,115 (4)
Net expenses on sales of marketable securities			59,660	18,987
Financial expenses			***2,083,239***	***18,456,756***
FINANCIAL PROFIT (LOSS)			(1,188,316)	(17,668,086)
CURRENT PROFIT (LOSS) BEFORE TAX			(9,427,839)	10,357,311
Exceptional income on management operations			-	5,000
Exceptional income on capital operations			-	-
Reversals of provisions and transfer of expenses			-	-
Exceptional income			***-***	***5,000***
Exceptional expenses on management operations			19,988	31
Exceptional expenses on capital operations			-	-
Depreciation and amortisation – exceptional items			77,431	104,675
Exceptional expenses			***97,419***	***104,706***
EXCEPTIONAL PROFIT (LOSS)			(97,419)	(99,706)
Income tax			-	-
TOTAL INCOME			1,740,572	32,657,145
TOTAL EXPENSES			11,265,829	22,399,541
PROFIT (LOSS) FOR THE PERIOD			**(9,525,257)**	**10,257,604**

(1) Of which income involving affiliates: €888,149.
(2) Of which income involving affiliates: €720,519.
(3) Of which income involving affiliates: €1,636,943.
(4) Of which interest involving affiliates: €1,467,115.

The financial year ended 31 December 2012, which covered a period of 12 months just like the previous year, presents a statement of financial position total for the financial year prior to appropriation of income of €56,841,719 and an accounting loss of €9,525,257.

Highlights of the year

(French Commercial Code Article R. 123-196 3)

Liquidity agreement

On 24 December 2007, M.R.M. entered into a liquidity agreement with CM-CIC Securities with a view to improving liquidity and share price stability, in order to:

- trade in the market in order to stabilise the Company's stock price and provide liquidity for the Company's stock *via* an investment services provider;
- hold shares bought back for subsequent use as consideration or in exchange as part of acquisitions;
- ensure coverage of stock option plans and other means of granting shares to employees and/or corporate officers of the Group in compliance with legal and regulatory provisions, in particular as part of profit sharing, a company savings plan or bonus share awards;
- to ensure coverage of marketable securities entitling the holder to the allocation of shares in the Company within the framework of applicable regulations.

These objectives are presented without prejudice to the effective order of use of the authorisation to buy back shares, which would be dependent on needs and opportunities. The number of shares purchased by the Company with a view to being held as treasury stock for subsequent remittance in exchange or payment for a merger, de-merger or contribution may not exceed 5% of its share capital.

At the start of the financial year, the Company held 26,919 treasury shares with a purchase value of €277,278. During FY 2012, it bought 28,945 treasury shares for €111,746 and sold 4,354 shares for €18,926. At the reporting date, it thus held 51,510 treasury shares, representing 1.471% of the share capital.

Appropriation of 2011 income

The Combined General Meeting of 7 June 2012, acting in its ordinary capacity, resolved to appropriate the 2011 profit of €10,257,604 to retained earnings, thereby reducing retained earnings to minus €55,095,426.

Appropriation of subsidiaries' 2012 income

Subsidiaries with the legal status of property holding companies or "Société Civile Immobilière" (SCI) have opted for their income to be allocated to retained earnings. This does not include SCI du 3, rue Escudier, Boulogne-Billancourt which paid the company dividends of €115,502 in 2012.

For reference, all subsidiaries share the same reporting date of 31 December. Consequently, the company's financial profit (loss) as of 31 December 2012 does not include the 2012 share of profit of the property holding companies it owns.

Transfer of head office

The General Meeting of Shareholders of 7 June 2012 voted to transfer M.R.M.'s head office, with effect from 1 July 2012, to 11, place Edouard VII, Paris (75009), France.

Accounting policies and methods

(French Commercial Code – Articles R. 123-196 1 & 2)

(French National Accounting Code (PCG) article 531–1/1)

General principles and conventions

The annual financial statements are prepared in accordance with the rules of the 1999 French National Accounting Code (PCG) and generally accepted accounting principles in France.

General accounting conventions have been applied in accordance with the principle of prudence and the following basic assumptions:

- consistency of accounting methods;
- matching principle;
- going concern.

The recommendations set out in the Professional Guide for companies in the sector have been observed.

The financial year covers a period of 12 months from 1 January to 31 December 2012.

Accounting items are measured using the historical cost method.

The notes or tables provided below form an integral part of the annual financial statements.

1. Going concern principle

The financial statements as of 31 December 2012 were prepared on the basis of the going concern principle. On 7 March 2013, the Board of directors of M.R.M. approved the signing of an investment agreement under which SCOR would take a majority interest in the Company's share capital. This transaction, connected with the restructuring of M.R.M.'s liabilities and in particular with the reducing of its bank and bond debt would provide M.R.M. with a strong financial structure. M.R.M. has already obtained, from its three banking partners, signed term sheets regarding the renegotiation of its credit lines as provided for under the SCOR transaction.

It should be noted that these term sheets are conditional on the completion of this transaction.

However, were the pre-conditions for the completion of the transaction with SCOR not satisfied, M.R.M. would dispose of properties in order to raise the funds the Group needs and would reopen the discussions undertaken with its banking and bondholder partners with a view to deferring the 2013 maturities, namely:

- Discussions underway with HSH Nordbank with a view to extending the maturity of a €57.3 million credit line maturing on 31 December 2013;
- Discussions underway with bondholders with a view to extending the maturity of the bonds (totalling €62.2 million, including €8.1 million in capitalised interest arrears) maturing on 31 December 2013.

These discussions would have to be successfully completed in order to keep the Company as a going concern.

The main accounting methods used are as follows:

2 Adoption of SIIC (listed property investment company) status

On 31 January 2008, the Company opted for SIIC status, with effect from 1 January 2008.

The SIIC regime, introduced by Article 11 of the 2003 French Finance Act, is open to listed companies with share capital of over €15 million that are wholly engaged in property activities. It provides companies having opted for SIIC status on an irrevocable basis with an income tax exemption for the portion of their net profit generated from property activities, subject to the following payout requirements:

- 85% of profits from the letting of buildings;
- 50% of the capital gains on the disposal of buildings;
- 100% of dividends received from subsidiaries having opted in.

In 2008, the adoption of SIIC status resulted in the immediate taxation of unrealised capital gains on properties and investments in property companies at the reduced rate of 16.5%, payable over four years. As such, no tax liability was recorded following the allocation of prior losses.

3 Non-current assets

The Company applies the provisions of CRC Regulation 2002-10 of 12 December 2002 and Regulation 2004-06 of 23 November 2006 on the definition, recognition, measurement, depreciation & amortisation and impairment of assets.

3.1 Intangible assets

Intangible assets are measured at cost (purchase price plus ancillary expenses). As of 31 December 2012, these were comprised of set-up costs and costs relating to the capital increase.

Set-up costs (primarily legal costs) of €181,122 were incurred in the creation of Dynamique Bureaux. These costs were borne by M.R.M., with a contribution value of €16,771. These costs, originally amortised over five years, are amortised over their remaining life. They have been fully amortised since 31 December 2011.

Costs of €12,575 relating to the capital increase (legal costs) were incurred by Dynamique Bureaux in July 2006. These costs were borne by M.R.M., with a contribution value of €1,632. These costs were originally amortised over five years, and were fully amortised as of 31 December 2011.

4 Non-current financial assets

4.1 Equity investments

Equity investments are recognised on the statement of financial position at cost in accordance with the provisions of CRC regulation 2004-06 on the definition, recognition and measurement of assets. Pursuant to the option provided by Article 321.10 of the French National Accounting Code, the Company has opted for acquisition costs to be included in the value of securities. These acquisition costs are subject to excess tax depreciation over normal depreciation (accelerated depreciation) over a period of five years.

The majority of equity investments held by M.R.M. are property companies owning one or more office or retail properties.

At each reporting date, M.R.M. assesses the value of its equity investments relative to their value in use. The value in use of each subsidiary is determined with reference to the share of the net equity owned, remeasured on the basis of the value of property assets it owns, and with reference to its outlook. Property assets are subject to valuation by independent appraisers at each reporting date.

If the resulting value in use is under the carrying amount, an impairment loss is recognised.

4.2 Other non-current financial assets

These correspond to treasury shares held by M.R.M. outside the liquidity agreement.

Treasury shares acquired within the framework of the liquidity agreement are presented as marketable securities.

5 Current accounts associated with equity investments

M.R.M. has entered into an agreement on current account advances with some of its subsidiaries. These advances are classified as assets under “Other receivables”.

Current accounts in credit in M.R.M.’s books at the reporting date are classified as liabilities under “Loans and other borrowings”.

At each reporting date, where the net equity of subsidiaries owned by the company is negative, the current accounts are impaired up to the amount of the share of the net equity owned less existing provisions on investments.

6 Marketable securities and treasury shares

The gross amount represents the acquisition cost excluding ancillary expenses. When the net asset value falls below the gross amount, the difference is impaired. The net asset value of treasury shares is based on the average share price over the month preceding the end of the reporting period.

The gross amount of other long-term securities and investment securities represents the acquisition cost excluding ancillary expenses.

7 Receivables and payables

Receivables and payables are stated at face value.

As regards receivables, the risk of non-collection is assessed at each reporting date and an impairment loss recognised where the net asset value falls below the carrying amount.

8 Provisions

Provisions are valued in accordance with the provisions of CRC regulation 2000-06. Provisions have in particular been funded for the negative net equity of property holding companies (SCIs) owned, less provisions already recognised on the asset side (on investments and current accounts).

9 Concept of current and exceptional profit (loss)

Items stemming from ordinary activities, including those that are exceptional in terms of their frequency or amount, are included in current profit (loss). Only items not relating to the company's ordinary activities are recognised as exceptional items.

Notes to the annual financial statements

► BREAKDOWN OF NON-CURRENT ASSETS

Type *(in euros)*	Gross amount at start of period	Increases through revaluation	Increases through acquisition
Set-up and development costs	18,403	-	-
Intangible assets	***18,403***	**-**	**-**
Other investments	80,894,951	-	-
Other long-term investment securities	47,285	-	-
Non-current financial assets	***80,942,237***	**-**	**-**
TOTAL	**80,960,640**	**-**	**-**

Type *(in euros)*	Reductions through transfers	Reductions through disposals	Gross amount at end of period	Cost price at end of period
Set-up and development costs	-	-	18,403	-
Intangible assets	**-**	**-**	***18,403***	**-**
Other investments	-	-	80,894,951	-
Other long-term investment securities	-	-	47,285	-
Non-current financial assets	**-**	**-**	***80,942,237***	**-**
TOTAL	**-**	**-**	**80,960,640**	**-**

► BREAKDOWN OF AMORTISATION AND DEPRECIATION

Positions and movements over the period:

Depreciable non-current assets *(in euros)*	Amount at start of period	Increases/ charges	Decreases/ reversals	Amount at end of period
Set-up and research & development costs	18,403	-	-	18,403
Intangible assets	***18,403***	**-**	**-**	***18,403***
TOTAL	**18,403**	**-**	**-**	**18,403**

► BREAKDOWN OF PROVISIONS

Type *(in euros)*	Amount at start of period	Increases/ charges	Decreases used	Decreases not used	Amount at end of period
Accelerated amortisation	445,946	77,431	-	-	523,377
Regulated provisions	**445,946**	**77,431**	**-**	**-**	**523,377**
Provisions for long-term investments	30,736,968	262,204		-	30,999,172
Provisions for other non-current financial assets	24,928	16,981		-	41,909
Other provisions for impairment	10,883,674	8,058,720	695,943	-	18,246,452
Provisions for impairment	**41,645,571**	**8,337,905**	**695,943**	**-**	**49,287,533**
TOTAL	**42,091,517**	**8,415,336**	**695,943**	**-**	**49,810,910**
Of which charges and reversals:					
• *Operating*		*7,951,269*	*695,943*		
• *Financial*		*386,636*	-		
• *Exceptional*		*77,431*	-		

► SCHEDULE OF RECEIVABLES AND PAYABLES

Schedule of receivables *(in euros)*	Gross amount	Within one year	Over one year
Other trade receivables	317,866	317,866	-
Government – Value added tax	237,043	237,043	-
Group and partners	24,074,115	24,074,115	-
Miscellaneous debtors	23,998	23,998	-
Prepaid expenses	7,036	7,036	-
TOTAL	**24,660,059**	**24,660,059**	**-**

Schedule of payables *(in euros)*	Gross amount	Within one year	One to five years	Over five years
Loans and other borrowings	17,218,552	17,218,552	-	-
Trade payables	853,488	853,488	-	-
Government – Value added tax	52,092	52,092	-	
Other taxes and duties	938	938	-	-
Group and partners	23,618,368	23,618,368	-	-
Other payables	4,668,319	4,668,319	-	-
TOTAL	**46,411,758**	**46,411,758**	**-**	**-**
LOANS TAKEN OUT DURING THE FINANCIAL YEAR	935,038			
LOANS REPAID DURING THE FINANCIAL YEAR	28,438			

► BREAKDOWN OF THE SHARE CAPITAL

(French Commercial Code Article R. 123-197)

(French National Accounting Code (PCG) Articles 531-3 & 532-12)

Various share classes	Par values *in euros*	Number of shares			
		Opening	Created	Cancelled	Closing
Shares	8	3,501,977	-	-	3,501,977

► CHANGES IN EQUITY (IN EUROS)

Account title	Opening balance	Appropriation of income	Increase	Decrease	Closing balance
Paid-up capital	28,015,816				28,015,816
Additional paid-in capital	42,833,996				42,833,996
Reserves	3,337,648				3,337,648
Revaluation reserves	339,807				339,807
Retained earnings	(65,353,030)	10,257,604			(55,095,426)
Profit (loss) for the period	10,257,604	(10,257,604)	(9,525,257)		(9,525,257)
Regulated provisions	445,946		77,431		523,377
TOTAL EQUITY	**19,877,787**		**(9,447,826)**		**10,429,961**

► SET-UP COSTS

(French Commercial Code Article R. 123-186-4)

Set-up costs *(in euros)*	Amounts	Amortisation rate
Set-up costs	16,771	
Costs relating to the capital increase	1,632	
TOTAL	**18,403**	

► ACCRUED INCOME

(French Commercial Code Article R. 123-196)

Accrued income included in the following statement of financial position items *(in euros)*	Amount
Trade receivables	317,866
Other receivables	772,776
TOTAL	**1,090,642**

► ACCRUED EXPENSES

(French Commercial Code Article R. 123-196)

Accrued expenses included in the following statement of financial position items *(in euros)*	Amount
Loans and other borrowings	1,636,942
Trade payables	805,519
Tax and company liabilities	938
Other payables	15,000
TOTAL	**2,458,400**

► PREPAID INCOME AND EXPENSES

(French Commercial Code Article R. 123-196)

Prepaid expenses	Amount
Operating expenses	7,036
TOTAL	**7,036**

ITEMS RELATING TO A NUMBER OF STATEMENT OF FINANCIAL POSITION ITEMS

(French Commercial Code Article R. 123-181)

Statement of financial position items *(in euros)*	Amount concerning companies: That are affiliates	Amount concerning companies: In which the Company has an equity interest	Amount of payables and receivables comprised of bills of exchange
Equity investments	49,895,779		
Other receivables	24,391,981		
Loans and other borrowings	17,218,552		
Other payables	23,618,368		

BREAKDOWN OF NET REVENUE

(French Commercial Code Article R. 123-198-4)
(French National Accounting Code (PCG) Article 531-2/15)

Breakdown by business segment	Amount
Remuneration of Chairman	132,000
Rebilling of expenses	17,703
TOTAL	**149,703**

Breakdown by geographic segment	Amount
Paris region	149,703
TOTAL	**149,703**

FINANCIAL INCOME AND EXPENSES INVOLVING AFFILIATES

(French Commercial Code Article R. 123-197)
(French National Accounting Code (PCG) Articles 531-2 & 532-12)

(in euros)	Financial expenses	Financial income
TOTAL	**2,083,239**	**894,923**
Of which affiliates	*2,023,579*	*888,149*

FINANCIAL COMMITMENTS

(French Commercial Code Article R. 123-196)
(French National Accounting Code (PCG) Article 531-2/9)

Commitments given *(in euros)*		Amount
Other commitments given		***48,520,283***
Pledging of DB Fouga shares	3,117,117	
Pledging of DB Piper shares	1,873,551	
Pledging of DB Cougar shares	381,250	
Pledging of SCI Noratlas shares	14,135,175	
Pledging of SCI 3 rue Escudier shares	2,493,892	
Pledging of SCI Boulogne Escudier shares	4,434,114	
Pledging of SCI 10 bis rue Escudier shares	3,007,033	
Pledging of SCI Immovert shares	992	
Pledging of DB Tucano shares	216,271	
Pledging of Commerces Rendements shares	18,860,888	
TOTAL (1)		**48,520,283**

(1) Of which involving subsidiaries *48,520,283*

► LIST OF SUBSIDIARIES AND AFFILIATES

(French Commercial Code Articles L. 233-15 and R. 123-197)

(French National Accounting Code (PCG) Articles 531-3 & 532-12)

Subsidiaries and equity investments	Share capital	Equity	Percentage capital owned	Carrying amount of shares owned		Revenue for year ended	Net profit for year ended	Loans and advances granted and not repaid
				Gross	Net			
A. DETAILED INFORMATION ON SUBSIDIARIES AND AFFILIATES								
1. Subsidiaries (Over 50% of the share capital):								
DB Cougar	37,000	(4,443,113)	100.00%	381,250	-	12,000	(1,068,920)	366,338
DB Dynamique Financière	37,000	503,079	100.00%	1	1	-	143,370	
DB Fouga	37,000	4,752,504	100.00%	3,117,117	3,117,117	2,740,591	1,578,993	
DB Albatros	37,000	1,061,957	100.00%	17,348,176	1,098,957	-	(262,203)	
DB Piper	37,000	(1,357,043)	100.00%	1,873,551	1,873,551	2,137,865	(49,061)	188,481
DB Tucano	37,000	(8,362,013)	100.00%	216,271	-	1,202,577	(1,540,419)	8,605,882
Investors Retail Holding	3,472,000	11,960,126	100.00%	14,486,508	14,486,508	-	15,625,	
DB Neptune	37,000	(143,345)	100.00%	16,265	-	-	(5,893)	63,935
SCI du 10 bis rue Escudier	763,344	3,385,731	100.00%	3,007,033	3,007,033	-124	124,455	
SCI Boulogne Escudier	829,808	4,829,380	100.00%	4,434,114	4,434,114	-162	158,191	
SCI Noratlas	37,006,375	(64,049,615)	100.00%	14,135,175	-	1,907,036	(7,470,185)	11,590,107
SCI du 3 rue Escudier	519,129	2,384,817	99.97%	2,493,892	2,493,892	(123)	57,918	
SCI Immovert	1,000	(1,818,029)	99.20%	992	-	1,317,630	526,416	2,977,397
Commerces Rendement	5,401,600	23,531,709	58.53%	18,860,888	18,860,888	9,436,745	3,823,319	
2. Affiliates (10-50% of the share capital)								
B. GENERAL INFORMATION ON OTHER SUBSIDIARIES AND AFFILIATES								
1. Subsidiaries not included in A:								
French								
Foreign								
2. Affiliates not included in A:								
French								
Foreign								

RESULTS AND OTHER MATERIAL ITEMS FOR THE PAST FIVE YEARS

(French Commercial Code Article R. 225-102)

Type	12/31/2012	12/31/2011	12/31/2010	12/31/2009	12/31/2008
Share capital at end of period					
Share capital	28,015,816	28,015,816	28,015,816	28,015,816	28,015,816
Number of shares:					
• Existing ordinary	3,501,977	3,501,977	3,501,977	3,501,977	3,501,977
• Existing preferred shares (without voting rights)					
Maximum number of future shares to be created:					
• Through conversion of bonds					
• Through exercise of subscription rights					
Operating performance and results for the period					
Revenue excluding VAT	149,703	346,243	132,000	198,946	204,000
Profit (loss) before tax, employee profit-sharing, amortisation, depreciation and provisions	(1,805,864)	(1,779,783)	417,750	(2,059,530)	(1,736,354)
Income tax					
Employee profit-sharing for the period					
Profit (loss) after tax, employee profit-sharing, amortisation, depreciation and provisions	(9,525,257)	10,257,604	(11,552,840)	(25,837,055)	(19,882,685)
Income distributed					
Earnings per share					
Profit (loss) after tax, employee profit-sharing, but before amortisation, depreciation and provisions	(0.52)	(0.51)	0.12	(0.59)	(0.50)
Profit (loss) after tax, employee profit-sharing, amortisation, depreciation and provisions	(2.72)	2.93	(3.30)	(7.38)	(5.68)
Dividend per share					
Number of employees					
Average number of employees during the period		1	1	1	1
Payroll for the period		124,094	86,961	67,133	47,659
Amount paid in employee benefits for the period		47,493	35,565	27,609	19,184

3.10 Statutory auditors' report on the financial statements for the financial year ended 31 December 2012

This is a free translation into English of the statutory auditor's report on the financial statements issued in French and it is provided solely for the convenience of English-speaking users.

The statutory auditor's report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditor's assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions, or disclosures.

This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended 31 December 2012, on:

- the audit of the accompanying financial statements of M.R.M. S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of directors. Our role is to express an opinion on these financial statements based on our audit.

1 Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of 31 December 2012 and of the results of its operations for the year then ended in accordance with French accounting principles.

Without qualifying our opinion, we draw your attention to the note "Going Concern Principle" in the "Accounting Policies" section of the notes to the financial statements. The note refers to the uncertainty of the company continuing as a going concern, depending on the outcome of action undertaken by the company, as described therein.

2 Justification of our assessments

The accounting estimates used to prepare the financial statements as of 31 December 2012 were made in a context of low liquidity in the real estate market and difficulty in assessing economic prospects. Such was the context in which we made our own assessments and we draw your attention to the following matters, in accordance with the requirements of article L.823-9 of the French Commercial Code.

Going concern

As mentioned in the first part of the report, the note 1 "Going Concern Principle" in the "Accounting Policies" section of the notes to the financial statements refers to the uncertainty of the company continuing as a going concern.

We analyzed the action planned by the company.

Based on our work and the information disclosed to us to date, and as part of our assessment of the accounting principles applied by your company, we consider that the notes to the financial statements provide appropriate information as to the uncertainty of the company continuing as a going concern, as mentioned above.

Accounting estimates

The note 4 "Financial assets" in the "Accounting Policies" section of the notes to the financial statements refers to principles and methods adopted concerning the accounting and the valuation of financial assets.

As part of our assessment of the accounting rules and principles followed by your company, we verified the appropriateness of the accounting methods described above and the information provided in the notes to the financial statements. We have ensured their correct application.

Our work consisted in assessing the methods adopted by your company on this matter and performing some tests in order to ensure their application. The recoverable value of the shares of companies that hold tangible assets depends on the market value of these assets; we have verified that these assets were valued by an independent appraiser. Our work consisted notably in examining the appraisers' reports, analyzing the data and assumptions retained in order to establish all the estimates and appreciating the approval processes of these estimates by management.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion expressed in the first part of this report.

3 Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L.225-102-1 of the French Commercial Code ("Code de commerce") relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the identity of the shareholders has been properly disclosed in the management report.

The statutory auditors

Paris La Défense and Lyon, 7 March 2013

French original signed by

KPMG Audit FS I SAS	RSM CCI Conseils
Régis Chemouny	Pierre-Michel Monneret
Partner	Partner

4.

CORPORATE GOVERNANCE

4.1 Information on the management

In accordance with the provisions of Article R. 225-102 of the French Commercial Code, we hereby inform you that your Board of directors has chosen one of the two methods of exercising general management provided by Article L. 225-51-1 of the French Commercial Code, deciding that the Chairman of the Board of directors will also be responsible for the general management of the Company. The Board of directors once again approved this method of exercising the general management of the Company in its session of 11 June 2009.

4.2 Board of directors

There are currently six directors on the Board of directors. Two of the directors are independent as per the criteria established by the AFEP/MEDEF corporate governance Code published in December 2008 (hereinafter the "AFEP/MEDEF Code").

The Board of directors consists of a minimum of three members and a maximum of 12, unless it has special legal dispensation. Directors are appointed by the Ordinary General Meeting, which may also remove them from office at any time. In the event of absence due to death or the resignation of one or more directors' seats, the Board of directors may make provisional appointments between two General Meetings. If the number of directors falls below three, the remaining director(s) must immediately call an Ordinary General Meeting with a view to adding members to the Board. Provisional appointments made by the Board are subject to ratification from the next Ordinary General Meeting. A director appointed to replace another member remains in office for the remaining term of office of their predecessor.

Each director must own at least one Company share (Article 11 of the Articles of Association). The directors' term of office lasts four years and expires at the end of the Ordinary General Meeting to approve the financial statements for the past year, held in the year in which the term expires.

The number of directors having reached the age of 70 may not exceed one-third of members of the Board of directors. If this limit is reached, the oldest director is expected to step down at the end of the Ordinary General Meeting to approve the financial statements for the year in which the above-mentioned one-third limit is exceeded (Article 11 of the Articles of Association).

The Board of directors appoints one of its members as Chairman. The Chairman must be a natural person and the Chairman's term of office cannot exceed their term of office as a director. The Board may terminate their term of office at any time. When the Board votes on the termination of the Chairman's term of office, the Chairman does not take part in this vote (Article 12 of the Articles of Association). The age limit for holding office as Chairman is 68.

With regard to the recommendations of the AFEP/MEDEF Code, the Company has diverging views on a few areas, which are detailed in the Report of the Chairman of the Board of directors on the functioning of the Board and on internal control (see section 4.5) and are summarised below:

- content of the internal regulations of the Board of directors (these regulations only include the ability of the directors to attend meetings *via* remote communication; they are currently under review and will be revised and supplemented as explained in paragraph 1.1 of section 4.5);
- independence criteria for an independent director (a director with a family relationship with the CBRE group has been considered independent because of his strong, not easily influenced personality; see the explanation in paragraph 1.2 of section 4.5);
- specialised committees (to date, the Board of directors has only established a single committee – the Audit Committee – mainly due to the specific nature of the Company in terms of size, activity, and given that it no longer has any employees, as explained in paragraph 1.3 of section 4.5); and
- evaluation of the Board of directors (implementation of an evaluation process currently under review as part of the revision of the Board of directors' internal regulations, as explained in paragraph 1.5 of section 4.5).

In addition, to ensure transparency, paragraph 1.4 of section 4.5 states that M.R.M.'s Chairman and Chief Executive Officer has an employment contract with the CBRE group, while several Group entities together hold a non-controlling interest in the Company's capital.

All offices held by the directors in the last five financial years are set out in the following sections.

4.2.1 Composition of the Board of directors

The report of the Chairman of the Board of directors on the functioning of the Board and on internal control, included in section 4.5 of this Registration Document, provides full details of Board membership in 2012.

The Company has not had any employees since 1 January 2012. Accordingly, the Board of directors has no elected employee representative.

No censor has been appointed.

At the date of this report, Board membership was as follows:

Director's name	Position	Other offices and main positions held within the Group [1]	Other offices and main positions held outside the Group [1]	Other offices and positions held in the previous five years
Jacques Blanchard Born on: 02/18/1951 First appointment: 29 June 2007 End of current office: General Meeting to approve the 2012 financial statements Directly holds one share of the Company and 42,838 shares via the company JAPA, which he controls	Chairman of the Board of directors holding the position of Chief Executive Officer of M.R.M. SA	Managing Director of CBRE Global Investors France	Managing Partner of SC JAPA	Director of CB Richard Ellis Investors SGR p.A. Co-manager of SCI Immovert Co-manager of the SCI Galetin II
Gérard Aubert Born on: 02/15/1944 First appointment: 20 April 2009 End of current office: General Meeting to approve the 2012 financial statements Holds one share of the Company	Independent director Member of the Audit Committee of M.R.M. SA		Chairman of the SASU Trait d'Union Director of Sogeprom SA Member of the Supervisory Board of Hoche Gestion Privée Director of Eurosic	Managing Partner of Gestion Immobilière Marrakech
Brigitte Gauthier-Darcet Born on: 03/07/1955 First appointment: 29 November 2011 End of current office: General Meeting to approve the 2012 financial statements Holds one share of the Company	Independent director Chairman of the Audit Committee of M.R.M. SA		Director and Deputy Chief Executive Officer of CIPM International (SA) Non-partner Chief Executive Officer of Financière du Château des Rentiers (SAS) Director of Transport'Air (SA) (wholly owned subsidiary of CIPM International) Director of the Express-Roularta group (SA) Manager of SARL Neufbis'ness Manager of SCI B2V	Chairman and Chief Executive Officer of Equipements Collectifs et Immobiliers (SA) Member of the Management Board of Investissements Saliniers (SA) Member of the Management Board of Salins du Midi Participations (SAS) Vice-Chairman and Deputy Chief Executive Officer of Compagnie des Salins du Midi et des Salines de l'Est (SA) Chairman and Chief Executive Officer of Salins du Cap Vert (SA) Chairman and Chief Executive Officer of Salins Réalisations (SA) Chairman of Villeroy Finance Corporation (Panama) (SA) Director of Rock (SAS) Director of SA de la Mine de Sel Saint Laurent Director of SA Compagnia Italiana Sali (Italy) (SA) Director of Compañia Salinera Salins Ibérica (Spain) (SARL)

Director's name	Position	Other offices and main positions held within the Group [(1)]	Other offices and main positions held outside the Group [(1)]	Other offices and positions held in the previous five years
				Director of Unión Salinera de España (Spain) (SA) Director of Nueva Compaña Arrendataria de las Salinas de Torrevieja (Spain) (SA) Director of Salins Ibérica Packing (Spain) (SARL)
CBRE Global Investors France [(2)] represented by **John Ozinga** its Chairman Co-opted on 18 January 2013 End of current office: General Meeting to approve the 2014 financial statements Holds one share of the Company	Director			
SPE Office Sàrl [(3)] represented by **Marc Reijnen** its permanent representative First appointment: 20 April 2009 End of current office: General Meeting to approve the 2014 financial statements Holds one share of the Company	Director			
SPE Finance Sàrl [(3)] represented by **Jérôme Lacombe** its permanent representative First appointment: 11 June 2009 End of current office: General Meeting to approve the 2014 financial statements Holds one share of the Company	Director Member of the Audit Committee of M.R.M. SA			

(1) Any company with a direct or indirect link to M.R.M. capital is considered part of the Group.

(2) After the end of FY 2012, the Board of directors took note of the resignation of CBRE Global Investors France (Holding) SAS, which was dissolved without liquidation and all its assets and liabilities were transferred to CBRE Global Investors France, the latter being co-opted as director by the Board of directors at its meeting of 18 January 2013. John Ozinga remains the permanent representative.

(3) A subsidiary of CB Richard Ellis European Warehousing Sàrl.

The Board of directors has an Audit Committee, which is notably responsible for (see report of the Chairman of the Board of directors on the functioning of the Board and on internal control, included in section 4.5 of this Registration Document):

- examining the financial statements and ensuring the relevance and consistency of the accounting methods adopted to prepare the separate and consolidated financial statements;
- monitoring the process used to prepare the financial information; and
- monitoring the effectiveness of the internal control and risk management systems.

Finally, in order to comply with the AFEP/MEDEF Code, the Chairman, in his report to the Board of directors on the Board's functioning and on internal control, commented on the Company's implementation of the provisions of the AFEP/MEDEF Code during FY 2012. In this regard, it may be noted that the process for the Company governance to gradually achieve compliance with the recommendations of the AFEP/MEDEF Code entered a new stage in the past year: following the appointment of Gérard Aubert as a member of the Audit Committee in April 2012, the Audit Committee has three members, including two independent directors. Therefore, at the date of this Registration Document, the Company is in compliance with recommendation 14.1 of the AFEP/MEDEF Code, which requires that, in this type of company, two-thirds of its Audit Committee members are independent directors.

The content of the Chairman's report was approved during the Board of directors' meeting on 27 March 2013 and is included in section 4.5 of this Registration Document. The aforementioned process conducted by the Company to achieve compliance with the AFEP/MEDEF Code is presented in the first paragraph of this report.

4.2.2 Professional experience of the directors

Jacques Blanchard	Jacques Blanchard has been Managing Director of CBRE Global Investors since March 2003 and is in charge of retail property investment strategies in France. He has almost 20 years of experience in retail property. Before joining CBRE Global Investors, he was Chief Executive Officer of the shopping centres division of the French subsidiary of the British property company Hammerson. Previously, as Property Director of Marks & Spencer for Continental Europe, he acquired more than 50,000 sqm of retail premises for 14 stores in France and other European countries. He also completed major restructuring/extension operations involving shops on Boulevard Haussmann in Paris and rue Neuve in Brussels. Jacques Blanchard is a graduate of HEC and has a degree in Business Law.
Gérard Aubert	Gérard Aubert is a well-known figure in the property industry, with over 40 years of professional experience in the sector. From April 1979 to the end of 2006, he successively held the positions of Deputy Chief Executive Officer and then Chief Executive Officer of CBRE, and, finally, Chairman since 1983. He is currently Chairman of the property consultancy firm Trait d'Union.
Brigitte Gauthier-Darcet	Brigitte Gauthier-Darcet has an engineering degree from the École Centrale de Paris and is a graduate of the Institut d'Etudes Politique de Paris. She has over 30 years' professional experience in the fields of engineering, construction, communications and investment. Having started her career at Serete where she headed the finance department, she held a number of financial and senior management positions at Lagardère Active. She subsequently carried out a number of consultancy and management assignments and has, since 2006, been Director and Deputy Chief Executive Officer of CIPM International. Brigitte Gauthier-Darcet is a member of Institut Français des Administrateurs (IFA).
CBRE Global Investors France	CBRE Global Investors France, a real estate investment management company, was formed following a merger between the investment and property asset management operations of ING Group N.V. (ING REIM) by CB Richard Ellis Group, Inc (CBRE), and CB Richard Ellis Investors, an independent subsidiary of CBRE. It manages investment programmes offering various risk/yield profiles on behalf of its customers. The CBRE Global Investors group manages about $92 billion in assets worldwide, on behalf of 600 institutional investors. It operates in North America, Europe and Asia with over 1,100 professionals in 32 offices across 21 countries. As an independent subsidiary of CB Richard Ellis Group, Inc. (NYSE:CBG), CBRE Global Investors combines its real estate investment expertise with the resources of CB Richard Ellis, the worldwide leader in commercial estate investment.
SPE Office Sàrl	SPE Office Sàrl is a Luxembourg limited liability company, with a capital of €93,200 and head office at 26-28, rue Edward Steichen L-2540 Luxembourg; it is identified under number B 94169 in the Luxembourg Trade and Companies Register. A subsidiary of CB Richard Ellis European Warehousing Sàrl, its main activity is the ownership of equity investments in companies in Luxembourg or abroad and the grant of loans or financial assistance to direct or indirect subsidiaries within the group of companies to which it belongs.
SPE Finance Sàrl	SPE Finance Sàrl is a Luxembourg limited liability company, with a capital of €12,500 and head office at 26-28, rue Edward Steichen L-2540 Luxembourg; it is identified under number B 94402 in the Luxembourg Trade and Companies Register. A subsidiary of CB Richard Ellis European Warehousing Sàrl, its main activity is the ownership of financial investments in companies in Luxembourg or abroad and the grant of loans or financial assistance to direct or indirect subsidiaries within the group of companies to which it belongs.

4.2.3 Directors whose term of office expires at the Ordinary General Meeting of 13 May 2013

The terms of the following three directors will expire at the General Meeting of Shareholders called to approve the financial statements for the year ended 31 December 2012:

- Mr Jacques Blanchard, Chairman and Chief Executive Officer;
- Mr Gérard Aubert, independent director; and
- Ms Brigitte Gauthier-Darcet, independent director.

At its meeting of 27 March 2013, the Board of directors decided to propose to shareholders the renewal of the terms of these directors for a period of four years.

4.2.4 Director whose co-optation is submitted for ratification to the Ordinary General Meeting of 13 May 2013

It will be proposed to the General Meeting called to approve the financial statements for the year ended 31 December 2012 to ratify the co-optation of CBRE Global Investors France.

4.2.5 Directors whose appointment is submitted for approval to the Ordinary General Meeting of 13 May 2013

As part of the restructuring of the M.R.M. group and the acquisition of an initial interest by SCOR as a new majority shareholder, the Board of directors will submit to the next General Meeting the applications of Jean Guitton, SCOR SE, and François de Varenne, as directors of the Company, subject to the completion of the capital increase that will make SCOR an M.R.M. shareholder, with effect from the date this condition is met.

Jean Guitton	Jean Guitton joined the SCOR group in 2000 and is Head of Real Estate. A Chartered Architect, he holds a Masters (DESS) degree in Urban Planning from the Paris Institute of Political Studies (IEP) and is an associate member of the French Institute of Property Appraisers. After a first experience as an urban planning architect, Jean Guitton successively held the positions of analyst, property appraiser, then Head of International at the Bourdais group. He pursued his career as Head of International Development at Pelege Entreprises, Head of Commercial Real Estate Programmes at SMCI, and Head of Real Estate and Investor Relations at Sagitrans/Safitrans.
François de Varenne	François de Varenne graduated from the École Polytechnique and the Ecole Nationale des Ponts et Chaussées as a civil engineer. He holds a doctorate in Economic Sciences and an actuary degree from the French Institute of Financial and Actuarial Sciences (ISFA). He joined the SCOR group in 2005 and served as Head of Corporate Finance and Asset Management, then as Group Chief Operating Officer. In late 2008, François de Varenne was appointed Chairman of the Management Board of SCOR Global Investments SE. He has been a member of the SCOR Group Executive Committee since 2007.
SCOR SE	SCOR SE is a European company with a capital of €1,512,224,741.93, whose head office is located at 5, avenue Kléber, 75016 Paris, identified under number 562 033 357 in the Paris Trade and Companies Register. The fifth largest reinsurer, the Group is organised around two commercial activities, SCOR Global P&C (Property & Casualty reinsurance) and SCOR Global Life (Life reinsurance), and an asset management business, SCOR Global Investments.

4.2.6 Family connections between these individuals

None.

4.3 Corporate governance

During the last five financial years:

- none of the directors has been found guilty of fraud;
- none of the directors has been associated as a corporate officer in any insolvency, sequestration proceedings or liquidation;
- none of the directors has been accused of any offence and/or been the subject of any official public penalty imposed by the statutory or regulatory authorities;
- none of the directors has been the subject of a court order preventing them from acting as a member of an administrative, management or supervisory body of an issuer or from being involved in the management or conduct of the affairs of any company;
- none of the directors is linked to the Company or any of its subsidiaries by a service agreement granting any specific benefits.

The directors of the Company and their representatives, in the case of corporate entities, report to the Board of directors on any actual or potential conflicts of interest to which they are or may be exposed. In this respect, it should be noted that various companies from the CBRE Global Investors group hold a combined 17.1% of the Company's shareholding, and that CBRE Global Investors France, a Company shareholder, is one of the directors. There is therefore a potential conflict of interest to which the Company pays particular attention and aims to prevent, in particular by means of the appointment of two independent directors to the Board of directors (Gérard Aubert and Brigitte Gauthier-Darcet).

In this respect, we would draw attention to the fact that CBRE Global Investors receives substantial fees from the Company's subsidiaries. €2.8 million was thus invoiced with respect to 2012. This remuneration was received under property management agreements signed between CBRE Global Investors and the Company's subsidiaries, the terms of which can be found in full in section 1.6 of this Registration Document. These agreements were initially signed on a date prior to the consolidation of the subsidiaries in question within the M.R.M. Group. M.R.M.'s Board of directors gives an opinion on the amounts due under these agreements annually.

In fact, M.R.M.'s asset portfolio was established following the merger and contributions of the Dynamique Bureaux and Commerces Rendement companies on 12 December 2007 (as presented in the offer document approved by the AMF under number E.07-163 dated 8 November 2007), and said management protocols were signed with the Commerces Rendement company and subsidiaries of Dynamique Bureaux at the time of their creation between January 2004 and September 2007. The Company is aware that these protocols do give rise to a potential conflict of interest and is considering a procedure to manage these conflicts, which also forms part of the framework for updating the internal regulations of the Company's Board of directors (cf. paragraph 1.1 of the Chairman of the Board of directors' report on the functioning of the Board and internal control, included in paragraph 4.5 of this Registration Document).

If the ongoing transaction with SCOR is completed (see section 1.4.6 "Events after the reporting period and ongoing projects"), the management agreements concluded between the subsidiaries of the Company and CBRE Global Investors France will be amended so that the scope of action and the fee structure are consistent with the new strategy. These amendments will come into effect upon completion of the transaction.

The members of the Board of directors, persons with close links to the management, as well as other management must, pursuant to the regulations in force, declare transactions made on the Company's shares and refrain from personally intervening in transactions involving M.R.M. shares during the following periods:

- during the two-week period before the date on which the Company's consolidated financial statements, or in the absence of these, the annual financial statements, are made public;
- during the period between the date on which management obtains information which, if made public, could have a significant influence on the price of the Company shares and the date on which this information is made public.

4.4 Remuneration

In accordance with the provisions of Article L. 225-102-1 of the French Commercial Code and those of European Regulation 809/2004 (referred to as the Prospectus Directive), we now report the total remuneration and benefits of any nature paid by the Company or by companies under its control within the meaning of Article L. 223-16 of the French Commercial Code and by the Company controlling the Company within the meaning of the same Article, to each of the corporate officers during the financial year ended.

The Company's managing corporate officer in FY 2012 was:

- Mr Jacques Blanchard, Chairman of the Board of directors responsible for general management since 20 April 2009.

The Company's non-executive corporate officers for FY 2012 are:

- Mr Gérard Aubert, director since 20 April 2009;
- CBRE Global Investors France (Holding) SAS, director since 20 April 2009;
- SPE Office Sàrl, director since 20 April 2009;
- SPE Finance Sàrl, director since 11 June 2009;
- Ms Brigitte Gauthier-Darcet, director since 29 November 2011.

The corporate officers do not benefit from any deferred or conditional remuneration. As a result, the Company and its subsidiaries have not made provisions for the payment of pensions, retirement or other benefits.

The corporate officers did not receive any share subscription or purchase options or bonus shares, given that the Company did not set up any stock options or bonus share allocation plans.

During its meeting on 7 June 2012, the Board of directors decided to the use the sum of €30,000 in directors' fees, which had been allocated to the directors for the financial year ending 31 December 2012 by the General Meeting of 7 June 2012, to remunerate the attendance of independent directors. The other directors are not remunerated.

The following table summarises the remuneration received by executive corporate officers over the last two years:

Summary of remuneration and options and shares allocated to the Chairman and Chief Executive Officer	2011	2012
Jacques Blanchard:	-	-
Remuneration due for the financial year	-	-
Value of options allocated during the financial year	-	-
Value of performance-related options allocated during the financial year	-	-

	Employment contract		Supplementary retirement plan		Compensation or benefits due following severance or a change in position		Compensation due under a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Jacques Blanchard		X		X		X		X

The following table summarises the remuneration received by non-executive corporate officers over the last two years:

Directors' fees and other remuneration received by directors	Amounts paid in 2011	Amounts paid in 2012
Gérard Aubert		
Directors' fees	€6,750	€12,750
Other remuneration	-	-
CBRE Global Investors SAS		
Directors' fees	-	-
Other remuneration	-	-
SPE Office Sàrl		
Directors' fees	-	-
Other remuneration	-	-
Brigitte Gauthier-Darcet		
Directors' fees	€1,500	€15,750
Other remuneration	-	-
SPE Finance Sàrl		
Directors' fees	-	-
Other remuneration	-	-
TOTAL	**€19,500** (1)	**€28,500**

(1) Including €11,250 paid to Séverine Farjon, director until 9 September 2011.

Because no remuneration other than directors' fees was actually paid, the Company considers it adequate to only present summary tables for remuneration, as recommended by the AFEP/MEDEF Code and repeated in the AMF guide for preparing Registration Documents, dated 20 December 2010, rather than detailed tables, as these would essentially be empty.

4.5 Report of the Chairman of the Board of directors on the functioning of the Board and on internal control

In accordance with the provisions of Article L. 225-37 of the French Commercial Code, the purpose of this report is to set out the manner in which the work of the Company's Board of directors is prepared and organised, together with the internal control procedures put in place by the Company, and to present any limitations imposed by the Board of directors on the powers of the Chief Executive Officer. This report was prepared by the Chairman and Chief Executive Officer of the Company. In preparing this report, the Chairman was guided by the AMF reference framework issued in July 2010, the AMF implementation guide for small and medium caps issued in July 2010, the DDAC (Diverses Dispositions d'Adaptation au Droit Communautaire) Law of 3 July 2008 concerning various provisions for adapting French company law to European Community legislation, the AMF 2012 report on corporate governance and executive remuneration of 11 October 2012 (AMF Recommendation 2012-14), the AMF Final report on audit committees of 22 July 2010, AMF Recommendation 2012-02 of 9 February 2012, as well as the AMF study issued on 26 November 2012 on reports compiled by company chairmen on internal control and risk management procedures for 2011.

The following steps were taken to prepare this report:

- Meetings between the Property Managers, the Asset Manager, Financial Management and the Chairman and Chief Executive Officer;
- Meetings with the Audit Committee, noting that the Chairman and Chief Executive Officer participated in those meetings for the sole purpose of establishing this report and that he does not attend ordinary meetings of the Audit Committee;
- Meetings between the chartered accountants, Financial Management and the Chairman and Chief Executive Officer.

1. Declaration of compliance with the AFEP/MEDEF Corporate Governance Code

Following discussions of the Board of directors on 24 November 2008, it was decided that the Company would gradually comply with the AFEP/MEDEF recommendations relating to corporate governance, including the recommendation of 6 October 2008 on the remuneration of executive corporate officers of listed companies, as incorporated in the AFEP/MEDEF Corporate Governance Code of December 2008, as amended in April 2010 (hereinafter the "AFEP/MEDEF Code"). Faced with more urgent priorities, the Company temporarily postponed its review, started in 2011, of the potential adoption of the accounting standards recommended in the MIDDLENEXT Corporate Governance Code for small and medium caps, dated December 2009, which may be more appropriate to the size of the Company.

The aforementioned AFEP/MEDEF Code may be consulted at the Company's head office.

In accordance with the provisions of Article L. 225-37-7 of the French Commercial Code, the present report details the reasons why certain provisions of the AFEP/MEDEF Code, which the Company voluntarily adopted, have been dismissed.

1.1. Internal regulations of the Board of directors

In their current form, the internal regulations of the Board of directors, adopted on 27 February 2008, only refer to the frequency of Board meetings and the use of video conferencing and telecommunications for Board meetings. Amendments to the internal regulations are currently under consideration to complete said regulations, in particular with regard to the need to submit certain specific transactions for prior approval of the Board, the means by which the Board is informed of the Company's financial position, cash position and commitments, the specific rights and obligations of the directors, as well as the means for evaluating the Board.

1.2. Proportion of independent directors on the Board of directors

The Company applies the definition and criteria for independence established in paragraph 8 of the AFEP/MEDEF Code. A director is independent when "he/she has no relationship of any kind whatsoever with the Company, its Group or its management, which may interfere with the exercise of his or her free judgement".

The Company has two independent directors (out of six total) at the date of this report: Gérard Aubert and Brigitte Gauthier-Darcet, *i.e.*, a third of its membership, which corresponds to the proportion the AFEP/MEDEF Code recommends for controlled companies. Even though no shareholder owns a majority of voting rights and/or shares of the Company, the CBRE Group, although a minority in terms of share capital and voting rights, has significant influence over the management of the Company, especially since four of the six directors are from this group.

Pursuant to the AFEP/MEDEF Code, the Board takes into account the following criteria when deciding on the independence of a director:

- *"The independent director is not an employee or corporate officer of the Company, an employee or director of the parent company or of one of its consolidated companies and has not been in the last five years;*
- *Is not a corporate officer of a company in which the Company, directly or indirectly, acts as a director or in which an employee designated as such or a corporate officer of the Company (currently or in the last five years) is a director;*
- *Is not a client, supplier, commercial banker or investment banker:*
  - *With significant weighting for the Company or its Group,*
  - *Or for which the Company or its Group represents a significant share of their business;*
- *Does not have any close family ties with a corporate officer of the Company;*
- *Has not been an auditor for the Company in the last five years;*
- *Has not been a director of the Company for more than 12 years."*

At its meeting of 20 April 2009, the Board deliberated on the independence of Gérard Aubert with respect to the aforementioned criteria and determined that his situation differs from the independence criteria set out in the AFEP/MEDEF Code in the following regard:

- Gérard Aubert's daughter-in-law is still a corporate officer of one of the Group companies.

However, given that Gérard Aubert is not only without any financial interest in the Group and has a strong personality that is unlikely to be influenced, as he demonstrated both when he managed a Group company and at the meetings of the Board of directors on which he has served since he was appointed, the Board of directors approved his status as an independent director.

1.3. Composition and number of Specialist Committees

With the exception of the Audit Committee, as at the date of the present report, the Company does not have any other specialist committee. This is due in particular to the specific nature of the Company in terms of size, activities and given that it has no employees.

The duties of a Remuneration Committee, as defined in the AFEP/MEDEF Code, are currently directly performed by the Board of directors. At the moment, such a Committee seems unnecessary, as the executive corporate officers are not remunerated by the Company and only independent directors are paid directors' fees, based on the allocation rules presented in section 2.11 of this report.

The duties of a Nomination Committee, as defined in the AFEP/MEDEF Code, are currently directly performed by the Board of directors.

1.4. Relationship between the Chairman and Chief Executive Officer and the CBRE Group

Jacques Blanchard, Chairman and Chief Executive Officer of the Company, receives a salary from CBRE Global Investors France, a CBRE Group company; this group holds an interest in M.R.M. through some of its subsidiaries.

1.5. Methods of evaluating the Board of directors

The Board has not implemented any evaluation process for its operating procedures. The implementation of such a process is currently under review as a possible amendment to the Company's internal regulations (see paragraph 1.1 above).

2. Conditions for preparing and organising the work of the Board of directors

2.1. Rules governing the composition of the Board of directors

The Company is governed by a Board of directors of at least three and a maximum of 12 members, appointed by the Ordinary General Meeting of Shareholders for a period of four years. Exceptionally, the General Meeting that introduced the renewal of director appointments by rotation also decided to appoint several directors for a term of office under four years. As a result, half of the members of the Board of directors are now replaced every two years. The terms of office of outgoing directors may be renewed. The directors may be dismissed at any time by the Ordinary General Meeting. The number of directors having reached the age of 70 may not exceed one-third of the total number holding office.

The Board of directors appoints one of its members as Chairman. The Chairman must be a natural person and the Chairman's term of office cannot exceed their term of office as a director. The Board may terminate their term of office at any time. Since the General Meeting of 11 June 2009, it is specified in Article 12 of the Articles of Association that when the Board votes on whether to end the Chairman's term of office, the Chairman will abstain from voting. The age limit for holding office as Chairman is 68.

The Board of directors may appoint one or more Vice-Chairmen if it deems it useful.

The Board of directors currently comprises three members that are corporate entities and three members that are natural persons (see section 2.2 below).

2.2. Changes in the composition of the Board of directors

During FY 2012, the permanent representatives of the three corporate entity directors changed: John Ozinga replaced Jean Lamothe as permanent representative of CBRE Global Investors (Holding) France SAS (formerly CB Richard Ellis Investors SAS), Marc Reijnen replaced Marine Pattin as permanent representative of SPE Office Sàrl and Jérôme Lacombe replaced Frank Vitaglione as permanent representative of SPE Finance Sàrl.

After the end of FY 2012, the Board of directors took note of the resignation of CBRE Global Investors (Holding) France SAS, which was dissolved without liquidation and all its assets and liabilities were transferred to CBRE Global Investors France, the latter being co-opted as director by the Board of directors at its meeting of 18 January 2013. John Ozinga remains the permanent representative.

The current members of the Board of directors are:

- Jacques Blanchard, Chairman of the Board of directors and Chief Executive Officer, whose director term will expire at the end of the General Meeting of Shareholders called to approve the financial statements for the year ended 31 December 2012;
- Gérard Aubert, independent director, whose term will expire at the end of the General Meeting of Shareholders called to approve the financial statements for the year ended 31 December 2012;
- Brigitte Gauthier-Darcet, independent director, whose term will expire at the end of the General Meeting of Shareholders called to approve the financial statements for the year ended 31 December 2012;
- CBRE Global Investors France, whose term will expire at the end of the General Meeting of Shareholders called to approve the financial statements for the year ended 31 December 2014, represented by John Ozinga, a Dutch citizen;
- SPE Office Sàrl, whose term will expire at the end of the General Meeting of Shareholders called to approve the financial statements for the year ended 31 December 2014, represented by Marc Reijnen, a Dutch citizen;
- SPE Finance Sàrl, whose term will expire at the end of the General Meeting of Shareholders called to approve the financial statements for the year ended 31 December 2014, represented by Jérôme Lacombe.

The Board includes one female director, Brigitte Gauthier-Darcet.

The positions held by directors are listed in section 4.2 of this Registration Document, as well as information relating to their age and date of first appointment.

The terms of the following three directors will expire at the General Meeting of Shareholders called to approve the financial statements for the year ended 31 December 2012:

- Jacques Blanchard, Chairman and Chief Executive Officer;
- Gérard Aubert, independent director;
- Brigitte Gauthier-Darcet, independent director.

It will be proposed to the General Meeting called to approve the financial statements for the year ended 31 December 2012 to renew the terms of office for these directors.

It will also be proposed to the General Meeting called to approve the financial statements for the year ended 31 December 2012 to ratify the co-optation of CBRE Global Investors France.

In addition, as part of the restructuring of the M.R.M. group and the acquisition of an initial interest by SCOR as a new majority shareholder, SCOR will submit to the next General Meeting the applications of François de Varenne, Jean Guitton and SCOR SE as directors of the Company, subject to the completion of the capital increase that will make SCOR an M.R.M. shareholder, with effect from the date this condition is met.

Following the completion of the capital increase ensuring the acquisition by SCOR of an initial interest in the Company and after the subsequent appointment of the three directors mentioned above, the three corporate entity directors CBRE Global Investors France, SPE Finance Sàrl, and SPE Office Sàrl plan to resign.

Detailed information on the three director candidates can be found in section 4 of the 2012 Registration Document.

2.3. Duties of the Board of directors

In accordance with the provisions of Article L. 225-35 of the French Commercial Code, the Board of directors determines the Company's business policies and monitors their implementation. Subject to the powers expressly attributed by the law to Shareholders' Meetings and within the limits of the corporate purpose, the Board may consider any matter related to the successful operation of the Company, and makes decisions governing any matters that concern it.

In particular, the Board of directors examines and approves the interim and annual financial statements (separate and consolidated financial statements), approves the terms of the reports on the activity and results of the Company, and examines the Chairman's report on internal control.

The Board of directors may conduct any inspections or audits that it deems necessary. Each director receives all the information necessary to carry out their duties, and can obtain all the documents that they deem necessary.

2.4. Duties and powers of the Chairman and Chief Executive Officer

The Chairman of the Board of directors has overall responsibility for the general management of the Company. This method of general management did not change during the financial year ended 31 December 2012.

The Chairman organises and directs the work of the Board of directors, and reports thereon to the General Meeting. The Chairman ensures the proper operation of the Company's decision-making bodies, and in particular ensures that the directors are able to fulfil their duties.

The Chairman and Chief Executive Officer has the widest powers to act in all circumstances on behalf of the Company. He exercises those powers subject to the powers that are expressly attributed by the law to Shareholders' Meetings and those that are especially reserved for the Board of directors, and within the limits of the corporate purpose. He represents the Company in its relations with third parties.

The powers of the Chairman and Chief Executive Officer are not subject to any statutory or other limitations.

No annual authorisation was given by the Board of directors to the Chairman and Chief Executive Officer to give bonds, securities and guarantees to the tax and customs authorities and/or with respect to third parties on the Company's behalf, for a period not exceeding one year and, except in the case of guarantees given to tax and customs authorities, subject to the limitations of an overall ceiling set by the Board. Thus every bond, security or guarantee made by the Company to guarantee commitments entered into by third parties must be authorised in advance by the Board of directors, in accordance with the provisions of Article L. 225-35 of the French Commercial Code.

Throughout the financial year ended 31 December 2012 and to date, the Company has not had and does not have a Deputy Chief Executive Officer.

2.5. Meetings and decisions of the Board of directors

The Board of directors meets as often as required in the interests of the Company, either at the head office or in any other place specified in the notice of meeting. Board meetings may be convened by the Chairman by any means. If the Board has not met for more than two months, one-third of its members may ask the Chairman to call a meeting to consider a particular agenda. If the Chairman is not responsible for general management, the Chief Executive Officer can also ask the Chairman to call a meeting of the Board of directors to consider a particular agenda.

Meetings are chaired by the Chairman of the Board of directors. In the event that the Chairman is absent, the Board is chaired either by a Vice-Chairman (if one has been appointed) or, in the absence of any Vice-Chairman, by one of its members appointed by the Board to chair the meeting.

The Board can only validly deliberate if at least half of its members are present. Decisions are taken by a majority of the votes of the members present or represented.

The Board of directors of the Company has internal regulations that were adopted at the meeting of the Board of 27 February 2008. Those internal regulations, currently being rewritten, are made available on the Company's website (www.mrminvest.com).

In particular, the Board's internal regulations provide that it must meet at least four times per year in accordance with a timetable arranged sufficiently in advance to enable its members to attend. The Board also organises the use of video conferencing or telecommunications technology for Board meetings, and allows the directors who participate in Board meetings by such means to be considered as present for the purposes of calculating quorum and majority, subject to the limitations and conditions laid down by current legislation and regulations. These provisions do not apply to Board meetings called to approve the separate financial statements, consolidated financial statements and management report.

2.6. Meetings of the Board of directors during the 2012 financial year

During the financial year ended 31 December 2012 the Board of directors met eleven times:

- On 13 January 2012, with three members present, the Board started the meeting by presenting a summary statement of financial position as of 31 December 2011 and a brief reminder of the context in early 2012, provided an update on the appraisal values of portfolio assets as of 31 December 2011 and the change in their fair value, reviewed the asset disposal plan and the 2012/2013 cash flow forecast, discussed the Group's medium-term strategic options, and concluded by reviewing the activity of the Audit Committee.
- On 24 February 2012, with five members present, the Board decided on the composition of the Board of directors and the change in the permanent representatives of CBRE Global Investors (Holding) France SAS, SPE Finance Sàrl and SPE Office Sàrl, approved the separate and consolidated financial statements and the proposed appropriation of income for the financial year ended 31 December 2011, drew up and approved the report of the Board of directors, the Chairman presented his report prepared in accordance with the provisions of Article L. 225-37 of the French Commercial Code, and finally, the Board approved the agreements governed by Articles L. 225-38 and L. 225-39 of the French Commercial Code.
- On 18 April 2012, with four members present, the Board set the date and agenda for the next General Meeting and approved the text of the resolutions, decided on the composition of the Audit Committee, approved the draft agreement on reinvoicing with CBRE Global Investors pursuant to the provisions of Article L. 225-38 of the French Commercial Code, provided an update on the progress made on the asset disposal plan and the Group's cash flow forecast, and discussed the Group's medium-term strategic options.
- On 31 May 2012, with six members present, the Board reviewed the progress made towards marketing the Nova building, ongoing asset sales, the 12-month cash flow forecast and the recent work of the Audit Committee, noted the timetable for the publication of the annual financial information, discussed the Group's medium-term strategic options, including bank loans and bonds maturing by the end of 2013, and prepared the Combined General Meeting of Shareholders of 7 June 2012.
- On 7 June 2012, with three members present, the Board launched the share repurchase program approved by the Combined General Meeting of Shareholders of 7 June 2012, authorised the signing of a liquidity contract, defined the terms of the independent directors' remuneration, and authorised the Company to act as a guarantor on behalf of one of its subsidiaries for a defined work package (for an amount less than €0.3 million).
- On 29 June 2012, with four members present, the Board discussed the Group's medium-term strategic options and reviewed the ongoing disposal of assets.
- On 6 September 2012, with five members present, the Board discussed the Group's medium-term strategic options and the interim consolidated financial statements (key figures and issues left unresolved).
- On 26 September 2012, with five members present (one member being represented by the Chairman and Chief Executive Officer), the Board approved the interim consolidated financial statements for the period ended 30 June 2012 and the related interim financial report and discussed the Group's medium-term strategic options.

- On 31 October 2012, with five members present, the Board discussed the Group's medium-term strategic options and reviewed the 12-month cash flow forecast.
- On 22 November 2012, with six members present, the Board discussed the Group's medium-term strategic options.
- On 5 December 2012, with six members present, the Board discussed the Group's medium-term strategic options.

2.7. Meetings of the Board of directors during the 2013 financial year

Since 1 January 2013, there have been two meetings of the Board of directors:

- On 18 January 2013, with four members present, the Board replaced one of the directors and discussed the Group's medium-term strategic options.
- On 7 March 2013, with four members present, the Board approved the separate and consolidated financial statements for the year ended 31 December 2012 and the related reports, discussed the Group's medium-term strategic options, and authorised the Company to sign an investment agreement aimed in particular at providing SCOR the ability to acquire an initial interest in the Company through a reserved capital increase.

2.8. Composition and duties of the Audit Committee

On 20 April 2009, the Board of directors decided to establish an Audit Committee within the Board, with the following duties:

- To examine the financial statements and ensure the relevance and consistency of the accounting methods adopted to prepare the separate and consolidated financial statements; and
- To monitor:
  - the process of preparing the financial information,
  - the effectiveness of the internal control and risk management systems,
  - the auditing of the separate financial statements and, if needed, the consolidated financial statements by the Statutory Auditors, and
  - the independence of the Statutory Auditors.

The members of the Audit Committee are:

- Brigitte Gauthier-Darcet, independent director, Chairperson of the Audit Committee;
- Gérard Aubert, independent director; and
- SPE Finance Sàrl, represented by Jérôme Lacombe.

Since Gérard Aubert joined the Audit Committee during the financial year 2012, the proportion of independent directors on the Committee has been two-thirds, as recommended by the AFEP/MEDEF Code.

Brigitte Gauthier-Darcet, Chairperson of the Audit Committee, has special expertise in finance and accounting. She also has more than 30 years of professional experience in engineering, construction, communications and investment. Having started her career at Serete, where she headed the finance department, Brigitte Gauthier-Darcet held a number of finance and senior management positions at Lagardère Active.

Gérard Aubert has special expertise in finance and real estate. He was President of CB Richard Ellis France for over 20 years and at present he is, *inter alia*, President of Trait d'Union SASU, director of Sogeprom SA and director of Eurosic. In his capacity as independent director of M.R.M., he joined the Audit Committee in April 2012.

Jérôme Lacombe is the Financial Director of investment funds managed by CBRE Global Investors in France and as such has special expertise in finance and accounting, necessary to carry out his duties as a member of the Audit Committee. He began his career in banking, notably advising large retailers, before joining an entity specialised in residential real estate in Spain. He then spent six years at INGReal Estate Investment Management (ING REIM) and joined CBRE Global Investors when the latter purchased the European and Asian assets of ING REIM.

The Audit Committee is responsible for auditing the financial statements for the financial years beginning on or after 1 January 2009. The Committee is governed by internal regulations. Those internal regulations are made available on the Company's website (www.mrminvest.com).

2.9. Review of the Audit Committee's work during the 2012 financial year

The Audit Committee met eleven times during the financial year 2012, and these meetings have included:

- meetings with the Statutory Auditors and Financial Management regarding the preparation of the interim consolidated financial statements;
- preparation of the interim financial report;
- meetings with the Statutory Auditors and Financial Management regarding the preparation of the annual separate and consolidated financial statements;
- monitoring of the procedure for the sale of certain property assets owned by the Company;
- meetings with the Statutory Auditors, General Management and Financial Management as part of monitoring renegotiations of credit maturities between the Group and certain banking institutions;
- monitoring of the Group's 12-month cash flow forecast; and
- preparation of the monthly report on monitoring the cash position under the agreement negotiated with the banking institution on the restructuring of the loan due in September 2011.

2.10. Review of the Audit Committee's work during the 2013 financial year

The Audit Committee met three times at the beginning of the financial year 2013, and these meetings have included:

- meetings with the Statutory Auditors and Financial Management regarding the preparation of the annual separate and consolidated financial statements;
- review of the Group's 12-month cash flow forecast; and
- monitoring of the procedure for the sale of certain property assets owned by the Company.

2.11. Remuneration of corporate officers

The Ordinary General Meeting of 7 June 2012 allocated an overall amount of €30,000 for directors' fees with respect to the financial year ended 31 December 2012.

At its meeting of 7 June 2012, the Board decided to use this amount to remunerate the attendance of the independent directors, within the following limits:

- €750 per Board of directors' meeting attended by the independent director; and
- €750 per Audit Committee's meeting attended by the independent director.

The other directors are not remunerated. The Board of directors did not allocate any remuneration to the Chairman and Chief Executive Officer of the Company.

2.12. Participation of shareholders in the General Meeting

In accordance with the provisions of Article L. 225-37-8 of the French Commercial Code, the methods relating to shareholders' participation in the General Meeting are outlined in Article 16 of the Company's Articles of Association.

2.13. Factors likely to have an impact in the event of a public offering

The information required by Article L. 225-100-3 of the French Commercial Code is published in the Board of directors' management report for the financial year ended 31 December 2012 and is included in section 3 of this Registration Document.

2.14. Resolutions concerning delegation of authority proposed at the General Meeting

The text of the resolutions is included in section 7 of this Registration Document.

2.15. Management of conflicts of interest

The policy for managing conflicts of interest is included in section 4.3 of this Registration Document.

The Board of directors does not have a procedure for designating a lead director in regard to conflicts of interest.

3. Internal control procedures

The Company and its subsidiaries, which are all included in the scope of consolidation, are subject to internal control.

3.1. Objectives of internal control procedures

The control procedures implemented by the M.R.M. group (*i.e.*, the Company and all entities over which the Company directly or indirectly exercises control) aim to:

- ensure compliance with the established values, strategies and objectives and to ensure that management actions are consistent with the Company's corporate purpose and the strategic objectives defined by the Board of directors, in compliance with current laws and regulations, the Company's corporate interest and that of each of its subsidiaries;
- improve the efficiency of the Company's operations and enable the efficient use of resources;
- coordinate the successful communication of accounting, financial and management information between external parties and the management of the M.R.M. group companies; and
- prevent and manage risks associated with the M.R.M. group's activities, and the risks of errors or fraud, in particular in the fields of accounting and finance.

Internal control cannot however provide an absolute guarantee that the Company's objectives will be achieved.

3.2. Internal control parties

3.2.1. The Chairman and Chief Executive Officer

The Chairman and Chief Executive Officer is responsible for the communication and coordination of financial information between the various parties involved, and in particular the Asset Manager, in pursuit of the defined strategy. This person ensures the quality of the internal control and risk management systems.

The Chairman and Chief Executive Officer and the Board of directors oversee the companies in the M.R.M. group in general and make sure that their legal, contractual, financial, fiscal and administrative obligations are fulfilled so that the Company is managed in the best and most efficient way.

In order to carry out his duties successfully, the Chairman and Chief Executive Officer makes sure he is informed by the Asset Manager about all matters relating to the companies in the M.R.M. group, takes any steps necessary to collect such information, approves the decisions taken and alerts the competent bodies of the potentially unfavourable consequences of decisions left unresolved.

The Chairman and Chief Executive Officer oversees the actions of the Asset Manager and is responsible for the preparation and presentation of the general budget and business plan setting out the objectives and strategy in the short- and medium-term.

The Board of directors' annual management report to the General Meeting identifies and describes the management of the main risks that could impact the Company's activities and those of the M.R.M. group.

3.2.2. The Audit Committee

The Audit Committee monitors the processes used to prepare the separate and consolidated financial statements and assesses the validity of the methods selected to process significant transactions. It reports to the Board of directors.

The Committee's audit of the financial statements is performed in conjunction with the Statutory Auditors' assignment and it focuses on the nature of the methods used to prepare and audit the financial statements.

To perform its duties, the Audit Committee mainly:

- requests information of every person that it may wish to and, in particular, the Chairman and Chief Executive Officer, the Statutory Auditors, the Asset Manager, the Property Managers, Financial Management and the Accounting and Treasury managers within the M.R.M. group;
- checks the existence of internal procedures used to maintain, prepare and check the financial statements and the existence of internal control systems and risk management systems;
- verifies significant transactions when these could give rise to a conflict of interest.

In particular, the Audit Committee hears the Statutory Auditors on:

- their plan and methodology for auditing the financial statements;

- the main choices made in the preparation of the financial statements and the possible alternative options to accounting choices made by the Company, indicating, in the latter case, the accounting treatment which they prefer;
- the examinations, verifications and tests they have completed;
- the main risks not reflected in the financial statements (in particular, market risks and significant off-balance sheet commitments);
- the main problems encountered when performing their duties; and
- any limitations placed on their audits.

The Audit Committee examines the main areas of risks and uncertainties on the separate and consolidated financial statements (including the interim statements) identified by the Statutory Auditors, their auditing approach and any difficulties encountered in the execution of their assignment.

The Audit Committee also examines the methods used to ensure the reliability of the accounting and financial information provided to shareholders and the market. The examination process differs depending on whether the financial information distributed is periodic or permanent information.

The examination of the methods used to ensure the reliability of the periodic financial information occurs in the context of the examination of the methods used to prepare and check the financial statements. This examination will in principle be conducted prior to any official announcement by the Company.

The speed at which the permanent information must be distributed usually prevents prior examination by the Audit Committee of the information distributed by the Company. This examination will therefore almost always be conducted *a posteriori*.

3.2.3. The Asset Manager

The M.R.M. group has appointed CBRE Global Investors Holding France SAS as its sole agent (the “Asset Manager”), for the purposes of:

- advising the Company’s subsidiaries on strategic decisions relating to the property investments that they intend to make;
- assisting the Company’s subsidiaries with the management, valuation, administration and disposal of property assets;
- supervising the legal, accounting and fiscal administration of the M.R.M. group companies.

The agreements between the Asset Manager and the Company’s subsidiaries provide for and organise the information and reporting obligations to which the Asset Manager is subject in carrying out its duties.

Pursuant to its duties and in the context of monitoring the administration of the M.R.M. group companies, the Asset Manager is responsible for supervising the companies’ accounting (subcontracted to accountancy firms), managing cash and filing tax returns. In addition, and if necessary, the Asset Manager recommends the services of an external service provider that it deems necessary to consult, for example lawyers, tax advisers, economists, surveyors, technicians or others, who will be chosen by the Chairman and Chief Executive Officer.

The Asset Manager informs the Chairman and Chief Executive Officer and the Audit Committee of any event or circumstance having a significant negative or positive effect on the value of the properties, and of the periodic valuation of the property assets (using the services of a property appraiser).

The Chairman and Chief Executive Officer, the Asset Manager and Financial Management meet regularly through a management committee, in particular to:

- review the market and management policy, and decide on the treatment of the property assets;
- track developments in the conduct and implementation of the valuation strategies applicable to property assets, update the management objectives and commercial strategy, approve the multi-year programme of works and update it during the coming year;
- review issues related to the administrative, financial and fiscal management of the M.R.M. group companies, including cash management and bank debt;
- set out the arbitrage policy, select the advisors and agents responsible for the disposal of assets, follow up on the progress of negotiations, and approve the terms and conditions of the transfer agreements;
- evaluate, in coordination with the Audit Committee, the system for communicating financial information, in particular its performance, development and interconnections.

3.2.4. The Property Managers

The Property Managers manage the receipts and expenditures relating to the properties, in accordance with the accounting regulations in force in France. They are responsible for the electronic recording of payments, payment reminders, settlements, disputes and their results, so that the Asset Manager can have access to clear and up-to-date information.

The agreements between the Property Managers and the M.R.M. group subsidiaries provide for and organise the information and reporting obligations to which the Property Managers must adhere in performing their duties.

Whenever necessary, the Property Managers provide the Asset Manager with the information required to prepare tax and social security returns. In this context, the information required to ensure that the accounting records are properly maintained is sent on a monthly basis and as soon as possible.

The Asset Manager and Property Managers meet as often as necessary to evaluate the management of the properties. At such meetings, the Property Managers provide the Asset Manager with a management report on the activity, any significant events that have occurred and the proposed actions in the following months.

3.2.5. The Financial Management

In April 2008, an internal financial controller was hired. As an employee of the Company, this person is responsible for (i) financial, accounting and regulatory reporting on transactions performed by the Company and (ii) administrative and financial management of the Company and its subsidiaries. In September 2009, the financial controller was appointed Finance Director of the Company.

The Finance Director is responsible for:

- gathering operational, financial and accounting information for the preparation of the activity reports and annual, interim, quarterly and monthly regulatory information, if necessary;
- coordinating and supervising the work of service providers (chartered accountants, property managers, lawyers, consultants, etc.) for the preparation of said reports;
- supervising the preparation of the separate and consolidated financial statements, within the given deadlines, in accordance with the laws and accounting standards in force, in particular with IFRS;
- ensuring that the Company's financial and accounting information is comprehensive and consistent;
- participating in communications for investors and the financial markets (press releases, management of the Internet portal, etc.).

Concerning the administrative and financial management of the Company and the companies it owns, the Finance Director is responsible for:

- managing the cash and banking transactions of these companies;
- supervising the preparation of all tax returns and legal disclosures of the Company and its subsidiaries;
- managing the administration of the companies and coordinating the work of various external consultants and auditors;
- conducting internal control assessments of the Company and its subsidiaries;
- informing the Audit Committee of the results of its internal control assessments; and, more generally,
- managing the relationship with third parties involved in the areas for which the Finance Director is responsible.

If necessary, the Finance Director participates in raising capital and similar transactions.

The Finance Director follows the instructions provided or authorised by the Board of directors, under the supervision of the Chairman and Chief Executive Officer, and generally, must comply with all instructions provided to him.

During the first quarter of 2012, the Finance Director joined the staff of CBRE Global Investors Holding France SAS, but continues to carry out all of his functions and duties for the Company and its subsidiaries. The internal control procedures were revised accordingly. CBRE Global Investors Holding France SAS now performs all tasks previously entrusted to the Financial Management.

3.3. Risk mapping

The following are the main risks to which the Company could be exposed:

3.3.1. Business risks

- Tougher economic environment;
- Increasingly competitive environment;
- Unfavourable developments in applicable laws and regulations, in particular as regards commercial leases and listed real estate investment companies (SIIC);
- Non-renewal of leases and vacation of properties;
- Non-payment of rent;
- Dependence on certain tenants;
- Failure of IT tools and information systems;
- Damaging financial impact of the acquisition of certain property assets by the Company;
- Damaging financial impact of the disposal of certain property assets by the Company;
- Late completion or non-completion of planned investments;
- Inaccurate valuation of the Company's property assets;
- Labour-related risks;
- Dependence on third parties other than tenants.

3.3.2. Company risks

- Lack of liquidity of the Company's shares;
- Conflicts of interest with other real estate investment funds managed in France by CBRE Global Investors.

3.3.3. Legal risks

- Proceedings or litigation likely to have a significant impact on earnings.

3.3.4. Financial Risks

- Foreign exchange risk;
- Interest rate risk;
- Liquidity risk;
- Risks associated with the pledging of property assets to banks.

These risks and the associated hedging policies are presented in detail in section 2 of this Registration Document.

3.4. Preparation and monitoring of the accounting and financial information provided to shareholders

The preparation of the separate and consolidated financial statements is entrusted to chartered accountants working closely with the Chairman and Chief Executive Officer, the Finance Director, the Audit Committee and the members of the Board of directors. The main options to be adopted in terms of the choice of accounting methods are discussed in advance between the chartered accountants, the Statutory Auditors, General and Financial Management, the Audit Committee and, if necessary, the Board of directors.

The preparation of the accounting and financial information distributed to shareholders relies on the collaboration between the Chairman and Chief Executive Officer, the Finance Director, the Audit Committee, the Board of directors (if necessary), and the external parties involved (chartered accountants and Statutory Auditors).

The Chairman, the Finance Director, the Audit Committee and the Board of directors are responsible for the preparation and monitoring of the accounting and financial information provided to the shareholders, in collaboration with the chartered accountants and under the supervision of the Statutory Auditors.

Regular meetings are organised between the Chairman and Chief Executive Officer, the Finance Director and the chartered accountants in the context of the preparation of financial information.

3.5. Monitoring the effectiveness of the internal control and risk management systems

The Audit Committee questions the Finance Director and the Statutory Auditors on the internal procedures used to collect, record, report and review the information necessary to prepare the separate and consolidated financial statements or to prepare the press releases issued to the market.

The Committee evaluates the methods used to ensure permanent improvement, reliability and review of the application of these procedures.

It reports annually to the Board of directors on the evaluation of these procedures. It is informed of the Finance Director's work schedule.

In compliance with Article L. 225-235 of the French Commercial Code, the Statutory Auditors present you with their observations on the internal procedures described above relating to the preparation and processing of accounting and financial information, in a report attached to this report.

Paris, 26 March 2013.
Jacques Blanchard
Chairman and Chief Executive Officer

4.6 Statutory Auditors' report, prepared in accordance with Article L. 225-235 of the French Commercial Code ("*Code de commerce*") on the report prepared by the Chairman of the Board of directors of the company

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and the relevant professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of M.R.M. SA, and in accordance with Article L. 225-235 of the French Commercial Code ("*Code de commerce*"), we hereby report on the report prepared by the Chairman of your company in accordance with Article L. 225-37 of the French Commercial Code for the year ended 31 December 2012.

It is the Chairman's responsibility to prepare, and submit to the Board of directors for approval, a report on the internal control and risk management procedures implemented by the company and containing the other disclosures required by Article L. 225-37 particularly in terms of the corporate governance measures.

It is our responsibility:

- to report to you on the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information; and
- to attest that this report contains the other disclosures required by Article L. 225-37 of the French Commercial Code, it being specified that we are not responsible for verifying the fairness of these disclosures.

We conducted our work in accordance with professional standards applicable in France.

1. Information on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

These standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consisted mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and existing documentation;
- determining if any significant weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the company's internal control and risk management procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the Chairman of the Board in accordance with Article L.225-37 of the French Commercial Code.

2. Other disclosures

We hereby attest that the Chairman’s report includes the other disclosures required by Article L.225-37 of the French Commercial Code.

Paris la Défense and Lyon, on the 8th April 2013

The Statutory Auditors

French original signed by

KPMG Audit	**RSM CCI Conseils**
Régis Chemouny	Pierre-Michel Monneret
Partner	Partner

4.7 Statutory Auditors' report on regulated agreements and commitments

This is a free translation into English of a report issued in French and provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and the relevant professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your company, we hereby report on the regulated agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments of which we have been advised, or that we would have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any such agreements and commitments. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

However, we are required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code of the implementation of the agreements and commitments which were already approved by the Shareholders' Meeting.

We performed those procedures which we considered necessary in accordance with the professional guidance issued by the national institute of auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. These procedures consisted in verifying that the information provided to us is consistent with the underlying documentation from which it was derived.

Agreements and commitments subject to the approval of the Shareholders' Meeting

Agreements and commitments not previously authorized

Pursuant to Articles L. 225-42 and L. 823-12 of the Code of commerce, we inform you that the following commitments and conventions were not previously authorized by your Board of directors.

It is our responsibility to communicate to you the circumstances under which the authorization procedure was not followed.

Tripartite agreement of transfer of employment contract:

- With:

The company CBRE Global Investors France which have absorbed CBRE Global Investors France (Holding) SAS and Mrs. Marine PATTIN, M.R.M. employee.

- Entity concerned:

The company CBRE Global Investors France, member of the Board of directors of your company replacing the company CBRE Global Investors France (Holding) SAS absorbed.

- Nature and purpose:

Your company has transferred on 28 February 2012 the employment contract of Mrs. Marine PATTIN, Chief Financial Officer of your company, to CBRE Global Investors France (Holding) SAS which has since been absorbed by the company CBRE Global Investors France.

- Terms and conditions:

The effective date of the transfer of the employment contract is 1 January 2012.

Your company has estimated that this convention falls within Article L. 225-39 of the Code of commerce and, accordingly, that the prior authorization procedure provided for in Article L. 225-38 of this Code was not applicable.

This convention appeared in our statutory report on regulated agreements and commitments on 25 April 2012. But in absence of formal resolution it has not been approved by the Shareholders' Meeting on 7 June 2012 approving the annual accounts for the year ended 31 December 2011.

Agreements and commitments already approved by the Shareholders' Meeting

Agreements and commitments approved in prior years whose implementation continued during the year

In accordance with Article R. 225-30 of the French Commercial Code, we have been advised that the following agreements and commitments, which were approved in prior years, continued to be implemented during the year.

Agreement on current accounts:

- With the following companies:
  - Boulevard des Îles SAS,
  - SCI Galetin II,
  - DB Piper SAS,
  - DB Tucano SAS,
  - Investors Retail Holding SAS,
  - Commerces Rendement SAS,
  - SCI Immovert,
  - DB Fouga SAS,
  - DB Neptune SAS,
  - DB Albatros SAS,
  - DB Cougar SAS,
  - SCI Noratlas.
- Entity concerned:

Mr. Jacques BLANCHARD as Chairman of your Board of directors and representative of your company which is Chairman of all co-contracting subsidiaries.

- Nature and purpose:

Your company signed on 27 August 2008 an agreement on current accounts for a period of five years with its subsidiaries and sub-subsidiaries.

- Terms and conditions

Advances are paid at tax deductible rate for the year 2012, which is 3.39%.

The balances of these advances and related interest are as follows at 31 December 2012:

Companies	Balance of current accounts as of 31st December 2012 debtors (positive amounts) or creditors (negative amounts)	Expense (negative amounts) or income (positive amounts) recorded in the books of M.R.M. in the course of the fiscal year ended as at 31 December 2012
Boulevard des Iles SAS	-1,786	-62
SCI Galetin II	282	9
DB Piper SAS	188	22
DB Tucano SAS	8,606	286
Investors Retail Holding SARL	-1,216	-41
Commerces Rendement SAS	-2,780	-66
SCI Immovert	2,977	109
DB Fouga SAS	-5,689	-156
DB Neptune SAS	64	2
DB Albatros SAS	-12,146	-399
DB Cougar SAS	366	12
SCI Noratlas	11,590	332

Agreements authorized during the year

In accordance with Article R. 225-30 of the French Commercial Code, we have been advised of the implementation of the following agreement approved by the Shareholders' Meeting on 7 June 2012 and mentioned on the Statutory Auditors' report on 25 April 2012.

Contract of services:

- With:

The company CBRE Global Investors France which has absorbed CBRE Global Investors Holding (France) SAS.

- Entity concerned:

The company CBRE Global Investors France, member of the Board of directors of your company replacing the company CBRE Global Investors France (Holding) SAS absorbed.

- Nature and purpose :

Your company has signed on 18 April 2012, a contract for services of administrative and financial management with the company CBRE Global Investors Holding (France) SAS, which has been absorbed by the company CBRE Global Investors France.

- Terms and conditions:

This contract takes effect from 18 April 2012 for an indefinite period. The annual fee equals to the salary (including bonuses and payroll taxes) paid for the year by CBRE Global Investors France to Mrs. Marine PATTIN from 1 January 2012, the date of transfer of the employment contract (see infra).

During the fiscal year 2012, the expense recorded in the books of your company related to this contract amounts to €163,500.

The Statutory Auditors

Paris la Défense and Lyon, on the 8th April 2013

French original signed by

For KPMG Audit FS I

Régis Chemouny

Partner

For RSM CCI Conseils

Pierre-Michel Monneret

Partner

4.8 Statutory Auditors

Permanent Statutory Auditors

KPMG Audit FS I SAS

Le Palatin

3, cours du Triangle

92939 Paris-La Défense Cedex, France

Represented by Régis Chemouny.

Date of first appointment:
Combined General Meeting of 9 June 2011.

Date of expiry of term of office: The General Meeting called to approve the financial statements for the financial year ended 31 December 2016.

RSM CCI Conseils

2 *bis*, rue Tête-d'Or

69006 Lyon

Represented by Pierre-Michel Monneret.

Date of first appointment:
Combined General Meeting of 29 June 2005.

Date of expiry of term of office: The General Meeting called to approve the financial statements for the financial year ended 31 December 2016.

Deputy Statutory Auditors

KPMG Audit FS II SAS

Le Palatin

3, cours du Triangle

92939 Paris-La Défense Cedex, France

Represented by Malcolm McLarty.

Date of first appointment:
Combined General Meeting of 9 June 2011.

Date of expiry of term of office: The General Meeting called to approve the financial statements for the financial year ended 31 December 2016.

Roland Carrier

2 bis, rue Tête-d'Or

69006 Lyon

Date of first appointment:
Combined General Meeting of 29 June 2005.

Renewal date: Combined General Meeting of 9 June 2011.

Date of expiry of term of office: The General Meeting called to approve the financial statements for the financial year ended 31 December 2016.

4.9 Fees paid to the Statutory Auditors

► FINANCIAL YEARS COVERED: 2012 AND 2011

	KPMG Audit				RSM CCI Conseils			
	Amount excluding VAT		%		Amount excluding VAT		%	
(in thousands of euros)	N	N-1	N	N-1	N	N-1	N	N-1
Auditing, certifying and examining the separate and consolidated financial statements [(a)] [(b)]								
• Issuer	118.3	115.0	60%	57%	58.8	57.2	100%	100%
• Fully consolidated subsidiaries	79.4	86.5	40%	43%	-	-	0%	0%
Other services directly associated with duties as a Statutory Auditor [(c)]								
• Issuer								
• Fully consolidated subsidiaries								
SUB-TOTAL	197.7	201.5	100%	100%	58.8	57.2	100%	100%
Other services provided by the network to fully consolidated subsidiaries [(d)]								
• Legal, tax and social								
• Others (specify if >10% of the audit fees)								
SUB-TOTAL	-	-	0%	0%	-	-	0%	0%
TOTAL	**197.7**	**201.5**	**100%**	**100%**	**58.8**	**57.2**	**100%**	**100%**

(a) In the period in question, these are services provided during an accounting year and recognised in the income statement.
(b) Including the services of independent experts or members of the Statutory Auditors' network that the Statutory Auditor may call upon in the certification of the financial statements.
(c) This heading includes diligence and directly related services provided to the issuer or to its subsidiaries:
- *provided by the Statutory Auditor pursuant to the provisions of Article 10 of the Code of professional conduct;*
- *provided by a member of the network pursuant to the provisions of Articles 23 and 24 of the Code of professional conduct.*

(d) These are non-auditing services provided pursuant to the provisions of Article 24 of the Code of professional conduct by a member of the network to the subsidiaries of the issuer whose financial statements are certified.

4.10 Operations with affiliated companies

4.10.1 Regulated agreements

See the Statutory Auditors' special report on regulated agreements and commitments, presented in section 4.7.

4.10.2 Other agreements with related parties

None.

5. SIGNIFICANT CONTRACTS

M.R.M.'s subsidiaries are bound by management agreements with CBRE Global Investors, the principal terms of which are summarised in sections 1.6. and 4.3 of this document, respectively entitled “Group organisation” and “Corporate governance”.

6. INFORMATION ON INVESTMENTS

A list of the companies included within the scope of consolidation for the M.R.M. group appears in section 3.7 of this document entitled “Consolidated financial statements for the year ended 31 December 2012”, in part 3.1 of the notes to the financial statements.

The Group’s subsidiaries are also presented in section 1.5 of this document, entitled “Group ownership structure”.

7. COMBINED GENERAL MEETING OF SHAREHOLDERS OF 13 MAY 2013

7.1 Report of the Board of directors to the Ordinary and Extraordinary Meeting of Shareholders dated 13 May 2013

Ladies, Gentlemen

We have decided to convene you, in your capacity of shareholder, to an ordinary and extraordinary meeting of shareholders (the "Meeting") of M.R.M., a joint-stock company with a share capital of euros 28,015,816, whose registered office is located 11, place Edouard VII, 75009 Paris, and registered with the Trade and Companies' Registry of Paris under the number 544 502 206 ("M.R.M." or the "Company"), to deliberate on the following agenda:

Ordinary session:

1. Review and approval of the annual financial statements for the financial year ended on 31 December 2012;
2. Allocation of income for the financial year ended on 31 December 2012;
3. Review and approval of the consolidated financial statements for the financial year ended on 31 December 2012;
4. Approval of the agreements referred to in Articles L. 225-38 *et seq*. of the Commercial Code and of the statutory auditors' special report;
5. Regularization of a related-party agreement;
6. Directors' attendance fees;
7. Ratification of the co-optation of a director;
8. Renewal of the appointment of a director;
9. Renewal of the appointment of a director;
10. Renewal of the appointment of a director;
11. Appointment of Mr. Jean GUITTON as director, subject to the completion of the Operation mentioned in the sixteenth resolution;
12. Appointment of the company SCOR SE as director, subject to the completion of the Operation mentioned in the sixteenth resolution;
13. Appointment of Mr. François de VARENNE as director, subject to the completion of the Operation mentioned in the sixteenth resolution;
14. Authorization to be granted to the Board of directors for the Company to redeem its own shares;

Extraordinary session:

15. Decision to be made in accordance with Article L. 225-248 of the Commercial Code;
16. Approval of the recapitalization operation of the Company;
17. Approval of a decrease in the Company's share capital grounded on prior losses, by way of reduction of the nominal value of the shares, and power of attorney granted to the Board of directors in order to implement the decrease in the share capital and acknowledge its completion, subject to the completion of the Operation Conditions;

Ordinary session:

18. Charging the negative retained earnings account (*report à nouveau débit*eur) on the share issue, merger and contribution premiums account and correlative power of attorney to the Board of directors to acknowledge completion of such charging of the negative retained earnings account, subject to the completion of the Operation Conditions;

Extraordinary session:

19. Approval of an increase in the share capital with a cancellation of preferential right to subscribe to the benefit of SCOR SE and correlative power of attorney to the Board of directors to determine the subscription price for the share capital increase, implement the share capital increase and acknowledge its completion, subject to the completion of the Operation Conditions;
20. Approval of the conversion of the bonds issued by DB Dynamique Financière into new shares of the Company, renunciation by the shareholders to their preferential right to subscribe and power of attorney to the Board of directors to determine the parity conversion rate and to issue the shares, subject to the completion of the Operation Conditions;
21. Approval of the issuance and gratuitous allocation of stock warrants ("Stock Warrants") of the Company to the benefit of the Company's shareholders having their securities duly registered in account one day before completion of the increase in the share capital referred to in the nineteenth resolution, and correlative power of attorney to the Board of directors to take any useful or necessary steps towards the issuance and gratuitous allocation of Stock Warrants and towards the issuance of the shares which may result from the exercise of such Stock Warrants, subject to the completion of the Operation Conditions;
22. Authorization to be granted to the Board of directors, for twenty-six months, to proceed to the cancellation of the shares owned by the Company further to the redemption of its own shares; and
23. Power of attorney for the accomplishment of legal formalities.

This report is related to the resolutions submitted to the extraordinary session of the Meeting as well as the eighteenth resolution mentioned in the ordinary session on the agenda. You may consult the management report of the Board of directors in order to have more information on the resolutions submitted to the ordinary session of the Meeting.

In order to deliberate on the items mentioned on the agenda, we remind you that you may consult the documents made available to you in the framework of the Meeting:

- a copy of the Company's bylaws;
- the balance sheet, the income statement and the annex related to the annual financial statements of the Company as of 31 December 2012;
- the consolidated financial statements as of 31 December 2012;
- the president's report on the corporate governance and internal control procedures;
- the Board of directors' reports;
- the statutory auditors' reports; and
- the prospectus that shall be approved by the Financial Market Authority ("FMA") and related to the stock-market listing of the new shares and of the Stock Warrants issued by the Company in the framework of the Operation (as defined below).

FRAMEWORK – DESCRIPTION OF THE OPERATION

The extraordinary session of our Meeting is dedicated to the implementation of the operations provided for in the investment protocol concluded on 7 March 2013 (the "Protocol") between SCOR SE ("SCOR") and the Company in order to reinforce the Company's equity, by way of acquisition of a majority stake by SCOR within M.R.M.'s share capital and the conversion of the bond issued by its subsidiary DB Dynamique Financière into new M.R.M. shares (the "Operation"). This Operation, which consists in a share capital increase reserved to SCOR, is subject to a restructuring of the bank liabilities whose terms have already been pre-negotiated between M.R.M. and its banking partners. As M.R.M. suffers from a high level of bank and bond debts, a difficult liquidy position and will face important financial deadlines before the end of 2013, the contemplated operation will allow a complete restructuring of the liabilities of M.R.M and its subsidiaries (the "Group"), thereby giving the Group a durable financial structure and confirming M.R.M.'s SIIC status.

The Protocol provides for the subscription by SCOR to a share capital increase of the Company, the amount of which shall be comprised between forty-one million (41,000,000) euros and fifty-four million (54,000,000) euros depending on the final conversion rate of the bonds issued by M.R.M.'s subsidiary DB Dynamique Financière into new M.R.M. shares (in the framework of the conversion option described in the twentieth resolution).

The completion of the Operation is subject to the realization of the following conditions (the "Operation Conditions"):

1. restructuring of the bank liabilities of the Company and its subsidiaries by execution of a new banking documentation (the "Modified Banking Documents") providing for:
   a. an extension until December 2017 of the maturity of the loans granted by the banking institutions SaarLB and ING Real Estate; and
   b. a reduction of the bank debt owed to HSH Nordbank for a global amount worth at least ten million (10,000,000) euros net of tax impact, subject to an anticipated reimbursement of part of the outstanding amount combined to an extension until December 2015 of the maturity date of the remainder of the loan;

   it being precised that binding term sheets complying with these provisions have been signed prior to execution of the Protocol and that the final banking documents shall be signed with each bank at the latest two business days prior to the completion of the Operation;
2. exemption granted by the FMA from the requirement to submit a mandatory public offer over the securities of the Company;

   in this view, an exemption request was filed by SCOR on 26 March 2013 and the FMA's committee is expected to rule on this request prior to the Meeting;
3. approval by the general meeting of bondholders of the company DB Dynamique Financière, a simplified joint-stock company with a share capital of euros 37,000, whose registered office is located 1, place Édouard VII – 75009 Paris, registered with the Trade and Companies' Registry of Paris under the number 483 087 979 ("DBDF"), a wholly-owned subsidiary of the Company, of amendments to the bonds issuance contract of the fifty-four million (54,000,000) bonds with a nominal value of one euro each, the term of which is set as of 31 December 2013, issued by DBDF on 14 December 2005 and 23 June 2006, pursuant to the following conditions:
   a. extension until 31 December 2050 of the maturity of the bonds and of the portion of the accrued interest on the bonds for the period between 1 January 2013 and 31 March 2013;
   b. reduction as from 1 April 2013 of the annual interest rate on the bonds to 0.05%; and
   c. insertion in the bonds issuance contract of an option for the conversion of the bonds into shares of the Company, to be exercised within fifteen days as from the date of the Meeting;

   it being precised that the general meeting of the bondholders is expected to take place on 25 April 2013 in order to deliberate on the proposed amendments to the bonds issuance contract;
4. acknowlegment by the Board of directors of the exercise of the Conversion Option (as defined in the twentieth resolution) on a number of bonds representing a minimum threshold of 85% of the bonds issued by DBDF;

   it being understood that whether this threshold has been reached shall be known after the Meeting, on the basis of the number of bondholders that exercised the Conversion Option;
5. amendment to the terms of the management agreements entered into between the subsidiaries of M.R.M. and CBRE Global Investors France; it being understood that, so as to implement a coherent management structure in line with the new strategy that would be implemented in the event of completion of the Operation, SCOR has requested that CBRE Global Investors France pursue the mission entrusted to it regarding management of the real estate assets on the basis of a revised scope and remuneration;
6. the absence of material adverse chance until the date of completion of the capital increase referred to in the nineteenth resolution.

In addition to the operations that you are asked to deliberate on and allowing the completion of the Operation, your Board of directors draws your attention to the fact that, in the event of completion of the Operation:

- DBDF will pay to the bondholders the total amount of capitalized interest on the bond as of 31 December 2012, *i.e.* the amount of 8.1 million euros, at the latest within the 10 business days following the completion of the Operation. The amount of capitalized interest will be paid by DBDF to all bondholders, regardless of whether they converted their bonds into new M.R.M. shares in the framework of the conversion offer;
- the average maturity for the entire credit lines of the Company and its subsidiaries with its financial partners will be extended and some credit lines will be reduced;
- Subject to the completion of the Operation, 25.9 million euros shall be reimbursed by anticipation in 2013 whereas the balance of the bank debt would be dispatched as follows: 26.0 million euros to be reimbursed at end 2015, 119.4 million euros to be reimbursed, for the main part, at end 2017 and 10.3 million euros to be reimbursed, for the main part, at end 2022. Such a restructuring of the debt would allow for an immediate decrease in M.R.M.'s bank debt amounting to 35.9 million euros, due to a reduction of 10 million euros and the anticipated reimbursement described above. M.R.M.'s consolidated debt would thereby reach 57.8% of the assets' values as of 31 December 2012 compared to 71.2% as at 31 December 2012.

- the composition of the Board of directors shall be modified as from the completion date so that at least half of the Board shall consist of new members appointed by SCOR. The Board of directors shall still be composed of two independent directors. Mr. Jacques Blanchard shall resign as Chairman of the Board of directors but shall keep exercising his duties as director and executive General Manager of M.R.M.. The Chairman of the Board, that benefits from a casting vote pursuant to the Company's bylaws, shall be elected, on the completion date, among the members appointed by SCOR. In that regard, please refer to the management's report providing for details regarding the resolution pertaining to the renewal of directors and, subject to the realization of the Operation Conditions, the appointment of new directors.

Subject to, and at following completion of the Operation, M.R.M.'s current shareholders shall retain 8% of the Company's share capital after the conversion of the bonds into shares and the share capital increase reserved to SCOR. In addition, the latter will benefit from a gratuitous allocation of Stock Warrants on the basis of one Stock Warrant for each existing share. Should the whole of the Stock Warrants be exercised, M.R.M.'s current shareholders portion of the share capital following completion of the Operation would increase from 8% to 11.5%, which would result in a reduction of SCOR's stake from 59.9% to 57.6%.

After conversion of the bonds issued by DBDF, current bondholders will hold 32.1% of the Company's share capital, excluding the dilutive effect resulting, as the case may be, from the exercise of the Stock Warrants. Should the whole of Stock Warrants be exercised, this stake would be reduced to 30.9% of the share capital.

COMPANY'S ACTIVITY AS OF THE BEGINNING OF THE FINANCIAL YEAR

Financial information regarding the results of the financial year ended 31 December 2012 can be found in the management report of the Board of directors.

Since the beginning of the ongoing financial year, and in the framework of a complicated rental and investment market, the Company has proceeded with the marketing of empty spaces and the putting up for sale of the office properties located in Montreuil (93) and rue Cadet in Paris (9th district). Furthermore, the Company has started to sell office properties located (i) in Cergy-Pontoise (95), (ii) in Rungis (94), and (iii) rue de la Bourse in Paris (75002).

Since the end of 2012 financial year, the Company has proceeded with the discussions initiated with SCOR, in a difficult market environment, in order to introduce to the shareholders of the Company and to the bondholders of DBDF a project consisting in granting a financial sustainability to the Company. In the framework of these discussions, the Company has lead negotiations with the Group's banks with a view to restructuring the bank debt. Finally, the Company has proceeded with the discussions started with the bondholders with a view to restructuring the bank debt of the Group.

JUSTIFICATION OF THE OPERATION

As the financial situation of M.R.M. highly threatens the Group operating as a going concern [4] and since the market environment does not allow for an accelerated sale of the assets under satisfactory financial conditions, the Board of directors sought for solutions enabling the reinforcement of the Company's equity.

The capital increase reserved to SCOR is justified by the Company's needs for equity in order to allow the Company to operate as a going concern, this equity injection being combined to a restructuring of the Company's bank and bond debts.

Indeed, the suggested capital increase reserved to SCOR and the proposed issuance of new shares of the Company for the benefit of DBDF's bondholders will enable an equity injection in the Company and a complete restructuring of the Group's liabilities, granting a financial sustainability to the Group. SCOR would hold, after the Operation, 59.9% of M.R.M.'s share capital (excluding the dilutive effect resulting, as the case may be, from the exercise of the Stock Warrants), corresponding to the maximum shareholding percentage authorized in order to benefit from the SIIC status.

SCOR's intention is to refocus M.R.M's activities on the ownership and management of a retail properties portfolio, with a view to the gradual sale of the office properties owned by M.R.M., some of which currently contain vacant spaces. In addition to the decrease of the financial charges resulting from the restructuring of the bank and bond debts, this strategy also aims at making the Company more profitable by reducing its management costs and real-estate charges related to vacant spaces. This strategy, combined to a continuing rigorous asset management, allows the distribution of dividends as of 2014.

(4) *"Without calling into question the opinion expressed above, we draw your attention on Note 2.1 "The going concern principle" of financial statements that expresses the uncertainty relating to the going concern, related to the achievement of the actions undertaken by the Company, as described in said note." (extract of the statutory auditor's report on the consolidated accounts dated 7 March 2013).*

EXTRAORDINARY SESSION

The completion of the Operation implies that you vote in favor of the items listed on the agenda and submitted to the extraordinary session of this Meeting and detailed herein.

We draw your attention to the fact that the entry into force of each of the resolutions related to the Operation is subject to the realization of the Operation Conditions. Consequently, all the resolutions related to the Operation, *i.e.* resolutions 11 to 13 and 16 to 21, form an indissoluble whole allowing for the completion of the Operation, due to the terms of the agreement between the Company and SCOR. This conditionality is required in order to implement each of the steps of the Operation. The participation in the Operation requires a favorable vote on each of these resolutions.

Fifteenth resolution

Decision to be made in accordance with Article L. 225-248 of the Commercial Code

The annual financial statements relating to the financial year ended on 31 December 2012 submitted for your approval (**first resolution**) enable to acknowledge that the amount of the Company's equity as of 31 December 2012 has fallen, due to the losses pertaining to said year, below half of the Company's share capital.

On the basis of the resolutions submitted to the extraordinary session and subject to the adoption and the realization of the Operation Conditions, the ratio equity/share capital will be restored by (i) a reduction of the share capital grounded on prior losses (**seventeenth resolut**ion) and (ii) the reinforcement of the Company's equity on the basis of the capital increase that we ask you to reserve to SCOR (**nineteenth resolution**).

Consequently, we request you to, in compliance with Article L. 225-248 of the Commercial Code, deliberate on the continuation of the Company's business and to decide that there shall not be any anticipated dissolution of the Company, given, notably, the other resolutions that are submitted to you in the framework of the Operation.

Sixteenth resolution

Approval of the recapitalization operation of the Company

This resolution aims at requiring you to approve the Operation, on the basis of the documents and information made available to you, and notably the prospectus relating to the stock-market listing of the new shares and Stock Warrants issued by the Company in the framework of the Operation and submitted to the approval of the FMA (the "Prospectus"). The Prospectus will be available as of the approval by the FMA.

On the basis of the information contained in this report and that will be mentioned in the Prospectus, we request you to:

a) approve the recapitalization operation of the Company by way of a capital increase reserved to SCOR, the amount of which shall be comprised between forty-one million euros and fifty-four million euros, and the conversion offer, in accordance with the terms mentioned in the twentieth resolution submitted for your approval, into shares of the Company of the fifty-four million (54,000,000) bonds with a nominal value of one (1) euro each issued by DBDF, a wholly-owned subsidiary of the Company;

b) acknowledge that the Operation would be part of a restructuring of the financial liabilities of the Company in accordance with the terms provided for by the Protocol, as described in the Board of directors' report and in the Prospectus;

c) acknowledge that the Operation would be subject to the realization of the Operation Conditions.

As we explained in the section "Justification of the Operation", the Operation will enable the Company to restore a sound financial situation and make its business sustainable in the framework of a backing by SCOR, and this is the reason why we kindly request you to vote in favor of this resolution as well as the followings that all fall within the scope of the Operation.

Seventeenth resolution

Approval of a decrease in the Company's share capital grounded on prior losses, by way of reduction of the nominal value of the shares, and power of attorney to be granted to the Board of directors in order to implement the decrease in the share capital and acknowledge its completion, subject to the completion of the operation conditions

In order to settle the negative balance of the Company, with a view to enabling the issuance of the shares of the Company required in the framework of the Operation (**nineteenth and twentieth resolutions**), we submit for your approval an intended decrease in the share capital by way of a reduction of the nominal value of the Company's shares. A special report of the statutory auditors has been drafted pursuant to Article L. 225-204 of the Commercial Code.

The proposal to have the share capital reduced is bound to the completion of the Operation and, subject to your favorable vote, would be decided by the Meeting subject to the realization of the Operation Conditions. Consequently, the decrease in the share capital shall not be implemented without the concomitant completion of the capital increase reserved to SCOR (**nineteenth resolution**) and of the capital increase resulting from the conversion of the bonds issued by DBDF (**twentieth resolution**).

We request that you acknowledge that the annual financial statements of the Company as of 31 December 2012 submitted for your approval (**first resolution**), show (i) a loss amounting to (9,525,257) euros, and (ii) due to the allocation of such loss as provided for in the **second resolution**, a "Negative Retained Earnings Account" (*un "report à nouveau negative"*) amounting to (64,620,683) euros.

On this basis, we request you, subject to the realization of the Operation Conditions, to:

a) authorize the Board of directors to reduce the share capital of 24,513,839 euros, thereby decreasing from 28,015,816 euros to 3,501,977 euros, by way of allocation on the Company's "Retained Earnings Account", that would be brought back from (64,620,683) euros to (40,106,844) euros;

b) decide that the decrease in the share capital would be implemented by way of reduction of the nominal value of the Company's shares; such nominal value per share would decrease from eight (8) euros to one (1) euro; and

c) grant power of attorney to the Board of directors, with a possibility to sub-delegate, for a period lasting until 30 June 2013 included, in order to acknowledge the realization of the Operation Conditions and, correlatively, implement the decrease in the share capital submitted for your approval, proceed with the required amendments to the by-laws, and take all necessary steps and carry out any necessary formalities to ensure the completion of the decrease in the share capital.

ORDINARY SESSION

Eighteenth resolution

Charging the negative retained earnings account on share issue, merger and contribution premiums accounts and correlative power of attorney to the Board of directors to acknowledge completion of such charging of the negative retained earnings account, subject to the completion of the Operation Conditions

In order to complete the clearance of the negative balance of the Company's negative Retained Earnings Account, we request that, following prior approval of the decrease in the share capital by way of allocation on the retained earnings account (**seventeenth resolution**), that would thereby be brought from (64,620,683) euros to (40,106,844) euros, and subject to the realization of the Operation Conditions, you:

a) decide that the balance of the Company's negative Retained Earnings Account shall be charged, *i.e.* the amount of (40,106,844) euros, on the account "Share Issue, Merger and Contribution Premiums", it being understood that the Retained Earnings Account would consequently amount to 0 euros and the account "Share Issue, Merger and Contribution Premiums" would amount to 2,727,152 euros; and

b) grant power of attorney to the Board of directors, with a possibility to sub-delegate, for a period lasting until 30 June 2013 included, in order to acknowledge the realization of the Operation Conditions and the charging of the negative Retained Earnings Account on the Share Issue, Merger and Contribution Premiums submitted for your approval.

EXTRAORDINARY SESSION

Nineteenth resolution

Approval of an increase in the share capital with a cancellation of preferential right to subscribe to the benefit of SCOR and correlative power of attorney to the Board of directors to determine the subscription price for the share capital increase, implement the share capital increase and acknowledge its completion, subject to the completion of the Operation Conditions

In order to reinforce the Company's equity as described here above, we submit for your approval, this nineteenth resolution, *i.e.* the intended increase in the share capital reserved to SCOR.

Pursuant to applicable rules and regulations, a special report of the Company's statutory auditors was drafted on the contemplated increase in the share capital and a fairness opinion was established by the firm Didier Kling & Associés, in its capacity as independent expert, attesting the fairness of the financial terms of the share capital increase reserved to SCOR, in the light of the Operation's context. The Prospectus will also provide for information on the terms of the intended share capital increase.

The capital increase would be implemented in accordance with the conditions laid down in Articles L. 225-129-1 *et seq.* of the Commercial Code.

We request that, subject to the realization of the Operation Conditions, you:

a) approve an increase in the Company's share capital of a nominal amount of twenty-six million one hundred and fifty-five thousand six hundred and sixty-four (26,155,664) euros, by way of creation and issuance of twenty-six million a hundred and fifty-five thousand six hundred and sixty-four (26,155,664) new shares with a nominal value of one (1) euro each;

b) decide that the new shares' subscription price per share as well as the amount of the corresponding share premium would be definitely determined by the Company's Board of directors within a range from 1.57 to 2.04 euros (share issue premium included), the determination of the final price depending on the number of Bonds actually converted in the framework of the Conversion Option referred to in the **twentieth resolution**;

Should this resolution be adopted, the subscription price paid by SCOR in the framework of this share capital increase shall be determined on the basis of a valuation haircut of 45 million euros on M.R.M.'s consolidated equity's book value (*i.e.* 16.9 million euros at end of December 2012) increased by (i) 10 million euros corresponding to a decrease in the bank debt (as described herein), and (ii) the nominal value of the bonds converted into shares.

The firm Didier Kling & Associés, appointed by the Board of directors in its capacity as independent expert in charge of giving their opinion on the fairness of the subscription price as per the reserved capital increase in accordance with the provisions of Article 261–2 of the FMA's General Regulations, gave the following opinion:

"The negotiated price is comprised within the range of amounts determined in accordance with valuation methods, on the basis of a multi-criteria approach.

Besides, the critical review of associated agreements and operations described in this report, in particular the operations of conversion of the bonds and gratuitous allocation of stock warrants, do not cause us to call into question the fairness of the intended increase in capital with a cancellation of M.R.M.'s shareholders' preferential right to subscribe to the benefit of SCOR.

On this basis, we reckon that the subscription price within a range from €1.57 and €2.04 for each M.R.M. share, offered for this increase in capital with cancellation of the shareholders' preferential right to subscribe to the benefit of SCOR, is fair."

c) decide to cancel, in accordance with the provisions of Articles L. 225-135 and L. 225-138 of the Commercial Code, the preferential right to subscribe to the benefit of the Company's shareholders and to reserve to SCOR the right to subscribe all the twenty-six million one hundred and fifty-five thousand six hundred and sixty-four (26,155,664) shares to be issued in the framework of this contemplated increase in the share capital.

In accordance with the provisions of Article R. 225-114 of the Commercial Code, the proposal regarding the cancellation of the preferential right to subscribe is justified by the fact that SCOR wishes to have the increase in capital reserved to its benefit, which would result in an equity injection, allowing for the recovery of a sound financial situation enhancing the sustainability of the Company's business and the commitment of a project for the future.

This increase in capital shall be implemented at the latest on 30 June 2013. In this view, we suggest, in the framework of this resolution, that you grant all powers of attorney to the Board of directors, for a period lasting until 30 June 2013 included, in accordance with the provisions of Article L. 225-129-1 of the Commercial Code, with a possibility to sub-delegate, so as to implement the increase in the share capital within the relevant time-frame and, in particular, that you allow the Board of directors to fix the subscription price for the increase in capital, to determine the duration of the subscription period, to acknowledge the subscription, to receive the payments, to acknowledge that issued shares have been paid up, as well as the amount of share capital resulting from it and to acknowledge the realization of the Operation Conditions and the completion of the share capital increase.

Furthermore, pursuant to the provisions of Articles L. 225-135 and R. 225-116 of the Commercial Code, the Board of directors shall draft a complementary report describing the final terms of the Operation, and established in compliance with the authorization granted by the General Meeting. This report shall include all indications on (i) the impact of the contemplated issuance on the situation of the holders of securities issued by the Company and securities giving access to its share capital, notably with respect to their share in the equity at the end of the last financial year, and (ii) the theoretical impact on the current stock-market value of the share as resulting from the weighted average of the previous twenty trading sessions.

The complementary report of the Board of directors shall be immediately made available to the Company's shareholders within fifteen days as from the Board of directors meeting and notified to them during the following general meeting.

Twentieth resolution

Approval of the conversion of the bonds issued by DB Dynamique Financière into new shares of the Company, renunciation by the shareholders to their preferential right to subscribe and power of attorney to the Board of directors to determine the parity conversion rate and issue the shares, subject to the completion of the Operation Conditions

The completion of the Operation implies that bondholders enter the Company's share capital, as mentioned in the section relating to the justification of the share capital increase contained in the preamble to this report and in the sixteenth resolution submitted for your approval.

Consequently, we submit for your approval an intended increase in the share capital by way of issuance of Company's shares resulting from the conversion of the Bonds issued by DBDF.

The completion of this increase in capital would be implemented in accordance with the terms of Articles L. 225-129-1 *et seq*. and L. 228-93 of the Commercial Code.

Pursuant to the provisions of Articles L. 228-92 and L. 228-93 of the Commercial Code, the introduction of the conversion clause in the terms of the Bonds shall be submitted for the prior approval of the general meeting of the bondholders of DBDF, that is scheduled on 25 April 2013, and for the approval of DBDF's sole shareholder, that shall make its decisions on the same day as this General Meeting.

Pursuant to the provisions of Article L. 228-93 of the Commercial Code, a special report of the statutory auditor related to the terms of this intended share capital increase was drafted by the statutory auditor. The Prospectus shall also contain some information on the terms of this intended increase in the share capital.

In the framework of this project, it is contemplated to submit for the approval of the general meeting of bondholders of DBDF expected to take place on 25 April 2013 an intended amendment of Article 7.4 of the Bonds issuance terms (the "Issuance Terms") granting each bondholder the possibility to convert his or her Bonds into shares of the Company for a period lasting from this Meeting until 28 May 2013 included (the "Conversion Option") under certain conditions, including the exercise of such option on a number of Bonds representing at least 85% of the Bonds.

Therefore we kindly request that you approve the introduction of the Conversion Option in the Issuance Terms and, subject to the realization of the Operation Conditions, grant all powers of attorney to your Board of directors, with a possibility to sub-delegate, in compliance with the conditions provided for by the law, for a period lasting until 30 June 2013, in order to issue to ordinary shares of the Company to which the Bonds issued by DBDF will give access should the Conversion Option be implemented.

The terms of the issuance of the new shares to the benefit of bondholders that exercised the Conversion Option would be as follows:

a) the number of Bonds that may be converted into shares of the Company would be comprised between 45,900,000 and 54,000,000; in any case and regardless of the number of Bonds converted within a range from 45,900,000 to 54,000,000, all the converted Bonds would give access to a fixed number of new shares of the Company with a nominal value of one (1) euro equal to 14,007,908 shares;

b) the parity conversion rate of the Bonds into shares of the Company would be determined by your Board of directors to which we request that you grant power of attorney, by dividing the total number of shares of the Company to which the converted Bonds would give access, *i.e.* 14,007,908, by the number of converted Bonds, *i.e.* a parity conversion rate comprised between 0.305183 share of the Company for one converted Bond (if 85% of the Bonds are converted) and 0.259406 share of the Company for one converted Bond (if 100% of the Bonds are converted);

c) the exercise of the Conversion Option would have to be notified individually by the bondholders to the Company between 13 May 2013 and 28 May 2013 by handing over a conversion form;

d) the nominal amount of the increase in the share capital that is likely to result from the exercise of the Conversion Option would be equal to 14,007,908 euros.

Such a resolution, which we recommend you to adopt, would entail renunciation of the Company's shareholders to their preferential right to subscribe to the ordinary shares to which the Bonds would give access should the Conversion Option be implemented, to the benefit of the bondholders that would exercise such Conversion Option.

With a view to the completion of the issuance of new shares, we suggest that you grant power of attorney to your Board of directors, with a possibility to sub-delegate, for a period lasting until 30 June 2013 included, in order to implement said issuance, and in particular, acknowledge the realization of the Operation Conditions, determine the final parity conversion rate of the Bonds into new shares of the Company, acknowledge the completion of the corresponding share capital increase, and take all necessary and useful steps, and carry out any formalities that would be required with a view to listing the new issued shares for trading on the Euronext Paris exchange.

We also request that you decide that the conversion of the Bonds into shares of the Company in the framework of the Conversion Option would be implemented in exchange for the recognition of a debt of DBDF towards the Company up to the nominal amount of the converted Bonds into new shares of the Company.

In accordance with the provisions of Article R. 225-116 of the Commercial Code, we request that you acknowledge that the Board of directors would be in charge of establishing a complementary report to the next general meeting of the Company, related to the final terms of the operation.

Twenty first resolution

Approval of the issuance and gratuitous allocation of stock warrants of the company to the benefit of the Company's shareholders having their securities duly registered in account one day before completion of the increase in the share capital referred to in the nineteenth resolution, and correlative power of attorney to the board of directors to take any useful or necessary steps towards the issuance and gratuitous allocation of stock warrants and towards the issuance of the shares which may result from the exercise of such stock warrants, subject to the completion of the Operation Conditions

Subject to the realization of the Operation Conditions, the current shareholders of M.R.M. would be granted Stock Warrants in order to allow for an accretive effect on their stake after the completion of the share capital increase reserved to SCOR (**nineteenth resolution**) and the completion of the share capital increase reserved to the bondholders (**twentieth resolution**).

In compliance with the provisions of Article L. 228-92 of the Commercial Code, a special report was drafted by the statutory auditor on the terms of this authorization to issue Stock Warrants.

Hence, we submit for your approval an issuance of Stock Warrants under the conditions set out by Articles L. 228-91 *et seq.* of the Commercial Code, whose terms are mentioned below. We therefore request that, subject to the realization of the Operation Conditions, you:

a) approve the issuance by the Company of three million five hundred and one thousand nine hundred and seventy-seven (3,501,977) Stock Warrants;

b) decide that the Stock Warrants would be gratuitously allocated to all shareholders of the Company having their securities duly registered in account one day prior to the share capital increase reserved to SCOR (**nineteenth resolution**) on the basis of one Stock Warrant for each existing share, it being said that the Stock Warrants related to the shares owned by the Company would be automatically cancelled in accordance with the provisions of Article L. 225-149-2 of the Commercial Code;

c) decide that two (2) Stock Warrants would entitle to the subscription to one new share of the Company with a nominal value of one (1) euro, the exercise price of two (2) Stock Warrants being equal to the subscription price paid by SCOR in the framework of the reserved share capital increase (**nineteenth resolution**) ;

d) decide that the Stock Warrants would be exercisable only up to an even number of Stock Warrants that would enable the subscription of a round number of shares. Should a holder of Stock Warrants hold an odd number of Stock Warrants, he will take care himself of buying on the market the necessary Stock Warrant enabling the subscription to a round number of shares;

e) decide that the Stock Warrants would be exercisable only for a period lasting between the issuance date of such Stock Warrants until 31 December 2013; the Stock Warrants that would not be exercised during this time frame would become null and void and would lose all their value and any rights associated with them;

f) decide that a maximum number of one million seven hundred and fifty thousand nine hundred and eighty-nine (1,750,989) new shares may be issued in the event of the exercise of all Stock Warrant, allowing for the implementation of an increase in the share capital amounting to a nominal value of one million seven hundred and fifty thousand nine hundred and eighty-nine (1,750,989) euros, on the basis of a nominal value per share of one (1) euro.

Should you approve this intended issuance of Stock Warrants, we request that you acknowledge that, pursuant to the provisions of Article L. 225-132 subparagraph 6 of the Commercial Code, the Company's shareholders preferential right to subscribe to the shares that may result from the exercise of the Stock Warrants shall be cancelled to the benefit of the holders of such Stock Warrants.

The Stock Warrants would be subject to a request for admission to trading in Euronext Paris on the same line as the previous shares.

With a view to the completion of the issuance of Stock Warrants and of the new shares of the Company that should result from the exercise of Stock Warrants, we suggest that you give authority to the Board of directors, for a period lasting until 30 June 2013 included, in order to implement such issuance and notably to acknowledge the realization of the Operation Conditions, carry out the issuance and gratuitous allocation of Stock Warrants, receive the payments that shall result from the exercise of Stock Warrants, acknowledge the increases in the share capital that may result from the exercise of Stock Warrants, and take all useful or necessary steps and carry out any formalities that would be required with a view to listing the Stock Warrants and the new issued shares resulting from the exercise of Stock Warrants for trading on the Euronext Paris exchange.

We request that you acknowledge that the Board of directors shall be in charge of drafting a complementary report to the next general meeting of the Company related to the final terms of the operation.

Twenty second resolution

Authorization to be granted to the Board of directors, for twenty-six months, to proceed to the cancellation of the shares owned by the Company further to the redemption of its own shares

We request that your authorize the Board of directors, pursuant to the provisions of Article L. 225-209 of the Commercial Code, to cancel, on its own initiative, in one or several occasions, all or part of the shares that the Company holds or would hold in the framework of Article L. 225-209 mentioned above, and to reduce the share capital of the overall nominal amount of the shares that would thereby be cancelled, by twenty-four month periods, in the limit of 10% of the share capital adjusted with the increases in the share capital following this Meeting and impacting the share capital (**nineteenth, twentieth and twenty first resolutions**).

Pursuant to the provisions of Articles L. 225-209 subparagraph 7 and R. 225-150 of the Commercial Code, a special report of the statutory auditors was drafted on the intended cancellation of the shares owned by the Company.

With a view to this cancellation, we request that you grant all powers of attorney to the Board of directors in order to implement one or several decreases in capital that would be made necessary pursuant to this resolution and notably, to charge the difference between the price paid for the cancelled shares and their nominal value to any reserves and premiums, carry out any mandatory declarations to the FMA and, more generally, take all necessary steps.

This authorization would be granted for a twenty-six month period as of the date of the Meeting.

Twenty third resolution

Power of attorney for the accomplishment of legal formalities

We kindly request you to confer all powers to the bearer of an original, extract or copy of these resolutions in order to carry out any legal formalities. This resolution has become ordinary in our general meetings, even if its practical application is restricted.

We hope that the above will meet with your approval and that you will vote in favour of the resolutions proposed to you.

Paris, 27 March 2013
The Board of directors

7.2 Agenda and draft resolutions submitted to the ordinary and extraordinary meeting of shareholders dated 13 May 2013

Agenda

ORDINARY SESSION

- Review and approval of the annual financial statements for the financial year ended on 31 December 2012;
- Allocation of income for the financial year ended on 31 December 2012;
- Review and approval of the consolidated financial statements for the financial year ended on 31 December 2012;
- Approval of the agreements referred to in Articles L. 225-38 *et seq*. of the Commercial Code and of the statutory auditors' special report;
- Regularization of a related-party agreement;
- Directors' attendance fees;
- Ratification of the co-optation of a director;
- Renewal of the appointment of a director;
- Renewal of the appointment of a director;
- Renewal of the appointment of a director;
- Appointment of Mr. Jean GUITTON as director, subject to the completion of the Operation mentioned in the sixteenth resolution;
- Appointment of the company SCOR SE as director, subject to the completion of the Operation mentioned in the sixteenth resolution;
- Appointment of Mr. François de VARENNE as director, subject to the completion of the Operation mentioned in the sixteenth resolution;
- Authorization to be granted to the Board of directors for the Company to redeem its own shares;

EXTRAORDINARY SESSION

- Decision to be made in accordance with Article L. 225-248 of the Commercial Code;
- Approval of the recapitalization operation of the Company;
- Approval of a decrease in the Company's share capital grounded on prior losses, by way of reduction of the nominal value of the shares, and power of attorney granted to the Board of directors in order to implement the decrease in the share capital and acknowledge its completion, subject to the completion of the Operation Conditions;

ORDINARY SESSION

Charging the negative retained earnings account (*report à nouveau débiteur*) on the share issue, merger and contribution premiums account and correlative power of attorney to the Board of directors to acknowledge completion of such charging of the negative retained earnings account, subject to the completion of the Operation Conditions;

EXTRAORDINARY SESSION

- Approval of an increase in the share capital with a cancellation of preferential right to subscribe to the benefit of SCOR SE and correlative power of attorney to the Board of directors to determine the subscription price for the share capital increase, implement the share capital increase and acknowledge its completion, subject to the completion of the Operation Conditions;
- Approval of the conversion of the bonds issued by DB Dynamique Financière into new shares of the Company, renunciation by the shareholders to their preferential right to subscribe and power of attorney to the Board of directors to determine the parity conversion rate and to issue the shares, subject to the completion of the Operation Conditions;
- Approval of the issuance and gratuitous allocation of stock warrants ("Stock Warrants") of the Company to the benefit of the Company's shareholders having their securities duly registered in account one day before completion of the increase in the share capital referred to in the nineteenth resolution, and correlative power of attorney to the Board of directors to take any useful or necessary steps towards the issuance and gratuitous allocation of Stock Warrants and towards the issuance of the shares which may result from the exercise of such Stock Warrants, subject to the completion of the Operation Conditions;
- Authorization to be granted to the Board of directors, for twenty-six months, to proceed to the cancellation of the shares owned by the Company further to the redemption of its own shares; and
- Power of attorney for the accomplishment of legal formalities.

Draft resolutions

ORDINARY SESSION

First resolution

(Review and approval of the annual financial statements for the financial year ended on 31 December 2012)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, having read and understood the management report of the Board of directors and the statutory auditors' report on the financial statements for the financial year ended 31 December 2012, approves the annual financial statements for the financial year ended on 31 December 2012, including the balance sheet, the profit and loss accounts and notes to the financial statements, as introduced to the general meeting by the Board of directors, as well as the operations recorded in these financial statements and summarized in these reports, showing a loss of (9,525,257) euros.

The general meeting acknowledges that the Company's equity as of 31 December 2012 has fallen, due to the losses pertaining to said year, below half of the Company's share capital. A draft resolution related to the absence of anticipated dissolution of the Company further to this acknowledgement is set out is the fifteenth resolution below.

The general meeting acknowledges that no expenses nor charges referred to in Article 39–4 of the General Tax Code were incurred by the Company during the financial year ended on 31 December 2012.

Second resolution

(Allocation of income for the financial year ended on 31 December 2012)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, having read and understood the management report of the Board of directors and the statutory auditors' report on the financial statements for the financial year ended on 31 December 2012, on the basis of a proposal by the Board of directors, decides that the losses pertaining to the financial year ended on 31 December 2012 and amounting to (9,525,257) euros shall be charged on the Retained Earnings Account that shall thereby be brought from (55,095,426) to (64,620,683).

The general meeting acknowledges that no dividends were paid in the last three years.

Third resolution

(Review and approval of the consolidated financial statements for the financial year ended on 31 December 2012)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, having read and understood the management report of the Board of directors and the statutory auditors' report on the financial statements for the financial year ended on 31 December 2012, approves the consolidated financial statements for the financial year ended on 31 December 2012, including the balance sheet, the profit and loss accounts and notes to the financial statements, as introduced to the general meeting by the Board of directors, as well as the operations recorded in these financial statements and summarized in these reports, showing a loss of (4,406,167) euros.

Fourth resolution

(*Approval of the agreements referred to in Articles L. 225-38* et seq. *of the Commercial Code and of the statutory auditors' special report*)

The President recalls to the general meeting that the list of agreements referred to in Articles L. 225-38 and seq. of the Commercial Code was provided to the statutory auditors in order to enable them to draft their report. He then introduces such report as well as the agreements mentioned into it.

The general meeting, having read and understood the operations described in this report, voting on the quorum and majority conditions required for ordinary general meetings, acknowledges the conclusions of this report, approves the terms thereof, as well as the agreements mentioned into it.

Fifth resolution

(Regularization of a related-party agreement)

The President recalls to the general meeting that an agreement concluded between Ms. Marine PATTIN, the Company and CBRE GLOBAL INVESTORS FRANCE, relating to the transfer of Ms. Marine PATTIN's work agreement from the Company to CBRE GLOBAL INVESTORS FRANCE as of 1 January 2012, could not be authorized before by the Company's Board of directors and therefore has to be regularized by the ordinary general meeting. The President recalls that this agreement is described in the statutory auditors' special report on the agreements referred to in Article L. 225-38 of the Commercial Code.

The general meeting, having read and understood the agreement to be regularized, as described in the statutory auditors' special report on the agreements referred to in Article L. 225-38 of the Commercial Code, voting on the quorum and majority conditions required for ordinary general meetings, approves and regularizes such agreement, in accordance with Article L. 225-42 of the Commercial Code.

Sixth resolution

(Directors' attendance fees)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, decides, in accordance with the provisions of Article L. 225-45 of the Commercial Code, to set at 30,000 euros the global amount of the attendance fees granted to the members of the Board of directors for the ongoing financial year, as of 1 January 2013.

Seventh resolution

(Ratification of the co-optation of a director)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, having read and understood the report of the Board of directors, ratifies the co-optation of CBRE GLOBAL INVESTORS FRANCE as director, that occurred during the meeting of the Board of directors dated 18 January 2013, replacing CBRE GLOBAL INVESTORS FRANCE (HOLDING) SAS, that resigned further to its dissolution without liquidation combined with transfer of the whole of its assets (*transmission universelle de patrimoine*) to CBRE GLOBAL INVESTORS FRANCE, for the remainder of his predecessor's term of office, *i.e.* until the end of the general meeting that will be convened to deliberate in 2015 on the financial statements of the financial year ending 31 December 2014.

Eighth resolution

(Renewal of the appointment of a director)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, having read and understood the report of the Board of directors, observes that Mr. Jacques BLANCHARD's appointment expires today and decides to renew such appointment for a four-year term that will expire on the date of the ordinary general meeting that will be convened to deliberate in 2017 on the financial statements of the financial year ending on 31 December 2016.

Ninth resolution

(Renewal of the appointment of a director)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, having read and understood the report of the Board of directors, observes that Mr. Gérard AUBERT's appointment expires today and decides to renew such appointment for a four-year term that will expire on the ordinary general meeting that will be convened to deliberate in 2017 on the financial statements of the financial year ending 31 December 2016.

Tenth resolution

(Renewal of the appointment of a director)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, having read and understood the report of the Board of directors, observes that Mrs Brigitte GAUTHIER-DARCET's appointment expires today and decides to renew such appointment for a four-year term that will expire on the ordinary general meeting that will be convened to deliberate in 2017 on the financial statements of the financial year ending 31 December 2016.

Eleventh resolution

(Appointment of Mr. Jean GUITTON as director, subject to the completion of the Operation mentioned in the sixteenth resolution)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, having read and understood the report of the Board of directors, decides, subject to the completion of the Operation mentioned in the sixteenth resolution and as of the date of completion of the Operation,

- to appoint Mr. Jean GUITTON, a French citizen, born on 6 October 1956, in Saint Mandé, as director for a four-year term, *i.e.* until the end of the ordinary general meeting that will be convened in 2017 to deliberate on the financial statements of the financial year ending on 31 December 2016.

Mr. Jean GUITTON already informed that he accepts his duties as director and that he is not subject to any incompatibility or prohibition preventing his exercise.

Twelfth resolution

(Appointment of the company SCOR SE as director, subject to the completion of the Operation mentioned in the sixteenth resolution)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, having read and understood the report of the Board of directors, decides, subject to the completion of the Operation mentioned in the sixteenth resolution and as of the date of completion of the Operation,

- to appoint the company SCOR SE, European company with a share capital of €1,516,681,107.50, whose registered office is located 5, avenue Kléber Paris (75016), registered with the Trade and Companies' Registry of Paris under the number 562 033 357 ("SCOR") as director for a four-year term, *i.e.* until the end of the ordinary general meeting that will be convened in 2017 to deliberate on the financial statements of the financial year ending on 31 December 2016.

SCOR already informed that it accepts its duties as director and that it is not subject to any incompatibility or prohibition preventing its exercise.

Pursuant to Article L. 225-20 of the Commercial Code, SCOR indicated that it shall be represented by Mrs. Karina LELIEVRE, a French citizen, born on 13 December 1967, in Rouen. The latter already informed that she was not subject to any incompatibility or prohibition preventing her exercise.

Thirteenth resolution

(Appointment of Mr. François de VARENNE as director, subject to the completion of the Operation mentioned in the sixteenth resolution)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, having read and understood the report of the Board of directors, decides, subject to the completion of the Operation mentioned in the sixteenth resolution and as of the date of completion of the Operation,

- to appoint Mr. François de VARENNE, a French citizen, born on 18 October 1966, in Montpellier, as director for a four-year term, *i.e.* until the end of the ordinary general meeting that will be convened in 2017 to deliberate on the financial statements of the financial year ending 31 December 2016.

Mr. François de VARENNE already informed that he accepts his duties as director and that he is not subject to any incompatibility or prohibition preventing his exercise.

Fourteenth resolution

(Authorization to be granted to the Board of directors for the Company to redeem its own shares)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, having read and understood the report of the Board of directors, authorizes the Board of directors, pursuant to the provisions of Articles L. 225-209 *et seq*. of the Commercial Code and to the European regulation n° 2273/2003 dated 22 December 2003, for the Company to redeem its own shares.

This authorization is granted to enable, if necessary:

- the support of the market or the liquidity of the share by an investment service provider (*prestataire de services d'investissement*) through a liquidity agreement that complies with the code of ethics of the AMAFI, as recognized by the Financial Market Authority (the "FMA");
- the acquisition of shares for retaining and subsequent payment or exchange in the framework of external growth operations in compliance with the market practice accepted by the FMA;
- the allocation of shares to employees and/or officers (under the terms and conditions provided for by applicable laws) notably in the framework of a stock option plan, gratuitous share grants or an employee stock ownership plan;
- the allocation of shares to the holders of securities giving access to the Company's share capital upon exercise of the rights associated to these securities, in accordance with applicable laws;
- the possible cancellation of purchased shares, subject to the adoption of the twenty-second resolution mentioned in the extraordinary session on the agenda of today's general meeting.

Purchase, sale and transfer operations as described above may be implemented by any means compliant with applicable laws and rules, including by way of using derivative financial instruments and by acquisition or disposal of blocks of shares.

These operations may be carried out at any time, including during a tender offer period, subject to the closed periods provided for in applicable laws and regulations.

The general meeting sets the maximum number of shares that may be purchased on the basis of this resolution at 10% of the share capital, as may be adjusted from time to time as a result of transactions affecting the share capital after the date of the present meeting, it being understood that (i) in the framework of the use of this authorization, the number of treasury shares will have to be taken into consideration so that the Company never holds treasury shares in excess of 10% of the share capital and (ii) the number of treasury shares to be repaid or exchanged as part of a merger, demerger or transfer transaction does not exceed 5% of the capital.

The general meeting decides that the total amount dedicated to these purchases shall not exceed three million euros and decides that the maximum purchasing price shall not exceed four (4) euros per action.

In the event of an increase in the share capital by way of incorporation to the share capital of premiums, reserves, profits or other in the form of an allocation of gratuitous shares during the validity period of this authorization and in the case of a stock-split or a reverse-stock-split, the maximum price per share indicated above shall be adjusted by applying a multiplying ratio equal to the ratio between the number of shares making up the registered share capital prior to the operation and this number after said operation.

The general meeting grants all powers of attorney to the Board of directors, with a possibility to sub-delegate in compliance with the conditions set out by the law, in order to:

- decide to implement this authorization;
- give all and any stock market orders, enter into all and any agreements with a view, notably, to keeping the registers with regard to purchases and sales of shares in accordance with applicable laws and regulations;
- make any declarations and effect all other formalities and, more generally, take all necessary steps.

The Board of directors shall inform the shareholders convened in an ordinary general meeting of all operations carried out on the basis of this resolution.

This authorization is granted for an 18-month period as of the date of this general meeting. It cancels and replaces the authorization previously granted under the seventh resolution of the general meeting dated 7 June 2012.

EXTRAORDINARY SESSION

Fifteenth resolution

(Decision to be made in accordance with Article L. 225-248 of the Commercial Code)

The general meeting, voting on the quorum and majority conditions required for extraordinary general meetings, and pursuant to Article L. 225-248 of the Commercial Code, having read and understood the report of the Board of directors and the annual financial statements related to the financial year ended 31 December 2012 as approved according to the first resolution herein that shows that the amount of the Company's equity as of 31 December 2012 has fallen, due to the losses pertaining to said year, below half of the Company's share capital,

and following the introduction of the report of the Board of directors on the financial statements of the year ended 31 December 2012,

decides, that there shall not be any anticipated dissolution of the Company, given, notably the ongoing recapitalization operation mentioned in the sixteenth resolution.

Sixteenth resolution

(Approval of the recapitalization operation of the Company)

The general meeting, voting on the quorum and majority conditions required for extraordinary general meetings,

having read and understood the report of the Board of directors and the prospectus approved by the FMA on [•] 2013 related to the stock-market listing of the new shares and the stock warrants issued by the Company in the framework of the Operation (as defined herein) (the "Prospectus"),

a) approves the recapitalization operation of the Company by way of (i) a share capital increase reserved to SCOR, the amount of which shall be comprised between 41 million euros and 54 million euros, and (ii) a conversion offer, in accordance with the terms mentioned in the twentieth resolution submitted for your approval, into shares of the Company of the fifty-four million (54,000,000) bonds with a nominal value of one (1) euro each issued by DB Dynamique Financière ("DBDF"), a wholly-owned subsidiary of the Company (the "Bonds") (together, the "Operation");

b) acknowledges that the Operation is part of a restructuring of the financial liabilities of the Company in accordance with the terms provided for by the protocol entered into on 7 March 2013 by SCOR and the Company, as described in the Board of directors' report and in the Prospectus;

c) acknowledges that the Operation is subject to the realization of the following conditions precedents at the latest on 30 June 2012 (the "Operation Conditions"):

   i. execution of the Modified Banking Documents (as defined in the report of the Board of directors) between the Company and its subsidiaries, on one part, and the banks, on the other part, pursuant to the provisions of the protocol dated 7 March 2013;

   ii. exemption granted by the FMA from the requirement to submit a mandatory public offer over the securities of the Company provided for in Article 234–9 2° of the FMA's General Ruling ("subscription to the increase in the share capital of a company under proven financial distress, submitted for the approval of the general meeting of its shareholders"), which decision shall become final within the time frame set out in Article R. 621-44 of the Monetary and Financial Code;

   iii. absence of material adverse change until the date of completion of the Operation;

   iv. approval of the modified issuance terms by the general meeting of bondholders of DBDF;

   v. approval by this general meeting of the eleventh, twelfth, thirteenth, sixteenth, seventeenth, eighteenth, nineteenth, twentieth and twenty first resolutions;

   vi. acknowledgment by the Board of directors of the exercise of the Conversion Option mentioned in the twentieth resolution below on a number of Bonds representing a minimum threshold of 85% of the Bonds; and

   vii. amendment to the terms of the management agreements entered into between the subsidiaries of the Company and CBRE Global Investors France.

Seventeenth resolution

(Approval of a decrease in the Company's share capital grounded on prior losses, by way of reduction of the nominal value of the shares, and power of attorney granted to the Board of directors in order to implement the decrease in the share capital and acknowledge its completion, subject to the completion of the Operation Conditions)

The general meeting, voting on the quorum and majority conditions required for extraordinary general meetings, having read and understood the report of the Board of directors and the statutory auditors' special report drafted in accordance with the provisions of Article L. 225-204 of the Commercial Code,

after observing that the Company's annual financial statements as of 31 December 2012, approved in accordance with the first resolution, show a loss amounting to (9,525,257) euros, and that further to the adoption of the second resolution, the negative "Retained Earnings Account" *(le "Report à Nouveau")* amounts to (64,620,683) euros,

and subject to the realization of the Operation Conditions:

- **a)** authorizes the Board of directors to reduce the share capital of 24,513,839 euros, thereby decreasing from 28,015,816 euros to 3,501,977 euros, by way of allocation on the Company's "Retained Earnings Account", that shall brought back from (64,620,683) euros to (40,106,844) euros;
- **b)** decides that the decrease in the share capital shall be implemented by way of reduction of the nominal value of the Company's shares; such nominal value per share decreasing from eight (8) euros to one (1) euro ; and
- **c)** grants power of attorney to the Board of directors, with a possibility to sub-delegate, for a period lasting until 30 June 2013 included, in order to acknowledge the realization of the Operation Conditions and, correlatively, implement the decrease in the share capital submitted for your approval, proceed with the required amendments to the by-laws, and take all necessary steps and carry out any necessary formalities to ensure the completion of the decrease in the share capital.

ORDINARY SESSION

Eighteenth resolution

(Charging the negative retained earnings account (*report à nouveau débiteur*) on the share issue, merger and contribution premiums account and correlative power of attorney to the Board of directors to acknowledge completion of such charging of the negative retained earnings account, subject to the completion of the Operation Conditions)

The general meeting, voting on the quorum and majority conditions required for ordinary general meetings, having read and understood the report of the Board of directors,

after observing that the Company's annual financial statements as of 31 December 2012, approved in accordance with the first resolution, show a loss amounting to (9,525,257) euros, and that further to the adoption of the second resolution, the "Negative Retained Earnings Account" (le "report à nouveau negative") amounts to (64,620,683) euros,

after approving the decrease in the share capital as set out in the previous resolution by way of allocation on the Company's "Retained Earnings Account", that is brought back from (64,620,683) euros to (40,106,844) euros,

and subject to the realization of the Operation Conditions:

- **a)** decides that the balance of the Company's negative Retained Earnings Account shall be charged, *i.e.* the amount of (40,106,844) euros, on the account "Share Issue, Merger and Contribution Premiums", it being understood that the Retained Earnings Account consequently amounts to 0 euros and the account "Share Issue, Merger and Contribution Premiums" amounts to 2,727,152 euros; and
- **b)** grants power of attorney to the Board of directors, with a possibility to sub-delegate, for a period lasting until 30 June 2013 included, in order to acknowledge the realization of the Operation Conditions and the charging of the negative Retained Earnings Account on the "Share Issue, Merger and Contribution Premiums".

EXTRAORDINARY SESSION

Nineteenth resolution

(Approval of an increase in the share capital with a cancellation of preferential right to subscribe to the benefit of SCOR SE and correlative power of attorney to the Board of directors to determine the subscription price for the share capital increase, implement the share capital increase and acknowledge its completion, subject to the completion of the Operation Conditions)

The general meeting, voting on the quorum and majority conditions required for extraordinary general meetings, in accordance with the conditions provided for in Articles L. 225-129-1 *et seq.* of the Commercial Code,

after having read and understood (i) the report of the Board of directors, (ii) the statutory auditors' special report and the fairness opinion established by the firm Kling & Associés, in its capacity as independent expert, on the financial terms of this increase in capital, and (iii) the Prospectus,

after acknowledging that the Company's share capital has been paid up in accordance with the law,

and subject to the realization of the Operation Conditions:

a) decides to approve an increase in the Company's share capital of a nominal amount of twenty-six million one hundred and fifty-five thousand six hundred and sixty-four (26,155,664) euros, by way of creation and issuance of twenty-six million one hundred and fifty-five thousand six hundred and sixty-four (26,155,664) new shares with a nominal value of one (1) euro each ;

b) decides that the new shares' subscription price per share as well as the amount of the corresponding share premium shall be definitely determined by the Company's Board of directors within a range (share issue premium included) from 1.57 to 2.04 euros (the determination of the final price depending on the number of Bonds actually converted in the framework of the Conversion Option referred to in the twentieth resolution) by applying the formula laid down in the report of the Board of directors;

c) decides to cancel, in accordance with the provisions of Articles L. 225-135 and L. 225-138 of the Commercial Code, the preferential right to subscribe to the benefit of the Company's shareholders and to reserve to SCOR the right to subscribe all the twenty-six million one hundred and fifty-five thousand six hundred and sixty-four (26,155,664) shares to be issued in the framework of this increase in the share capital;

d) decides that the increase in capital shall be implemented at the latest on 30 June 2013;

e) decides that the new shares shall be paid-up in full upon subscription;

f) decides that the new shares shall enjoy all rights attached to it as of the date of completion of this increase in capital and shall be, as of their issuance, entirely assimilated to existing shares and subject to all provisions of the Company's bylaws and to the decisions of the general meeting of shareholders of the Company;

g) decides that the funds relating to this increase in capital shall be deposited in accordance with legal provisions;

h) grants all powers of attorney to the Board of directors, for a period lasting until 30 June 2013 included, in accordance with the provisions of Article L. 225-129-1 of the Commercial Code, with a possibility to sub-delegate, in order to notably:

- **i.** acknowledge the realization of the Operation Conditions;
- **ii.** fix the subscription price for the increase in the share capital;
- **iii.** determine the duration of the subscription period, acknowledge the subscription, receive the payments, acknowledge that issued shares have been paid up, as well as the amount of share capital resulting from it, and on its own initiative, if it deems necessary, charge the expenses resulting from the increase in the share capital on the account of the premium related to this operation;
- **iv.** issue the Company's new shares resulting from the increase in capital reserved to SCOR;
- **v.** collect the certificate of deposit attesting the deposit of the funds and the completion of the increase in capital;
- **vi.** withdraw the funds following completion of said increase in the share capital;
- **vii.** acknowledge the completion of the increase in the share capital;
- **viii.** correlatively amend the Company's bylaws;
- **ix.** take all necessary and useful steps, and carry out any formalities that shall be required with a view to listing the new issued shares for trading on the Euronext Paris exchange; and

x. carry out all actions and formalities, in particular with regards to publication, necessary to the final completion of the increase in capital.

The general meeting acknowledges that the Board of directors shall draft a complementary report describing the final terms of the operation and introduced to the next ordinary general meeting of the Company.

Twentieth resolution

(Approval of the conversion of the bonds issued by DB Dynamique Financière into new shares of the Company, renunciation by the shareholders to their preferential right to subscribe and power of attorney to the Board of directors to determine the parity conversion rate and to issue the shares, subject to the completion of the Operation Conditions)

The general meeting, voting on the quorum and majority conditions required for extraordinary general meetings, in accordance with the conditions provided for in Articles L. 225-129-1 *et seq*. and L. 228-93 of the Commercial Code,

having read and understood:

i. the report of the Board of directors,

ii. the statutory auditors' special report,

iii. the Prospectus, and

iv. the modified Article 7.4 of the Bonds issuance terms, as amended by the general meeting of bondholders of DBDF on [25 April] 2013 (the "Issuance Terms"), granting each bondholder the possibility to convert his or her Bonds into shares of the Company (the "Conversion Option") under certain conditions, including the exercise of such option on a number of Bonds representing at least 85% of the Bonds,

after acknowledging that the share capital has been fully paid up,

a) approves the introduction of the Conversion Option in the Issuance Terms according to which:

   i. the number of Bonds that may be converted into shares of the Company is comprised between forty-five million nine hundred thousand (45,900,000) and fifty-four million (54,000,000);

   ii. all the converted Bonds shall give access to a fixed number of new shares of the Company with a nominal value of one (1) euro equal to fourteen million seven thousand nine hundred and eight (14,007,908 shares);

   so that the parity conversion rate of the Bonds into shares of the Company shall be determined by dividing the total number of shares of the Company to which the converted Bonds shall give access, *i.e.* 14,007,908, by the number of converted Bonds, *i.e.* a parity conversion rate comprised between 0.305183 share of the Company for one converted Bond (if 85% of the Bonds are converted) and 0.259406 share of the Company for one converted Bond (if 100% of the Bonds are converted)

   iii. the exercise of the Conversion Option shall be notified individually by the bondholders to DBDF between 13 May 2013 and 28 May 2013 by handing over a conversion form;

b) decides consequently that the nominal amount of the increase in the share capital that is likely to result from the exercise of the Conversion Option shall be equal to fourteen million seven thousand nine hundred and eight (14,007,908) euros;

c) decides that this resolution entails renunciation of the Company's shareholders to their preferential right to subscribe to the ordinary shares to which the Bonds shall give access should the Conversion Option be implemented, to the benefit of the bondholders that will exercise such Conversion Option

d) decides that the new shares likely to result from the Conversion Option shall enjoy, as of their issuance date, all rights attached to them and shall be entirely assimilated to existing shares and subject to all provisions of the Company's bylaws and to the decisions of the general meeting of shareholders of the Company;

e) decides that the conversion of the Bonds into shares of the Company shall be implemented in exchange for the recognition of a debt of DBDF towards the Company up to the nominal amount of the converted Bonds into new shares of the Company.

f) grants all powers of attorney to the Board of directors, with a possibility to sub-delegate, for a period lasting until 30 June 2013 included, in order to implement, subject to the realization of the Operation Conditions, this resolution and notably:

   i. acknowledge the realization of the Operation Conditions;

   ii. determine the final parity conversion rate of the Bonds into new shares of the Company;

iii. collect the notices of exercise of the Conversion Option from the bondholders;

iv. acknowledge the conversion of the Bonds and issue the Company's new shares resulting from it to the bondholders that exercised such Conversion Option;

v. acknowledge the existence of a debt of DBDF towards the Company up to the nominal amount of the converted Bonds;

vi. take all necessary and useful steps, and carry out any formalities that shall be required with a view to listing the new issued shares for trading on the Euronext Paris exchange;

vii. acknowledge the completion of the increase in the share capital resulting from this resolution;

viii. correlatively amend the Company's bylaws; and

ix. carry out all actions and formalities, in particular with regards to publication, necessary to the final completion of the increase in capital.

The general meeting acknowledges that the Company shall deliberate this day in its capacity as sole shareholder of DBDF on the introduction of the Conversion Option in the Issuance Terms in accordance with the provisions of Article L. 228-93 of the Commercial Code.

The general meeting acknowledges that the Board of directors shall be in charge of establishing a complementary report to the next general meeting of the Company, related to the final terms of the operation.

Twenty-first resolution

(Approval of the issuance and gratuitous allocation of stock warrants ("Stock Warrants") of the Company to the benefit of the Company's shareholders having their securities duly registered in account one day before completion of the increase in the share capital referred to in the nineteenth resolution, and correlative power of attorney to the Board of directors to take any useful or necessary steps towards the issuance and gratuitous allocation of Stock Warrants and towards the issuance of the shares which may result from the exercise of such Stock Warrants, subject to the completion of the Operation Conditions)

The general meeting, voting on the quorum and majority conditions required for extraordinary general meetings, in accordance with the conditions provided for in Articles L. 228-91 *et seq*. of the Commercial Code, having read and understood the report of the Board of directors, the statutory auditors' special report, and the Prospectus,

after acknowledging that the Company's share capital has been fully paid up in compliance with legal provisions,

and subject to the realization of the Operation Conditions:

a) decides the issuance by the Company of three million five hundred and one thousand nine hundred and seventy-seven (3,501,977) stock warrants ("Stock Warrants");

b) decides that the Stock Warrants shall be gratuitously allocated to all shareholders of the Company having their securities duly registered in account one day prior to the completion of the share capital increase mentioned in the nineteenth resolution on the basis of one Stock Warrant for each existing share, it being said that the Stock Warrants related to the shares owned by the Company shall be automatically cancelled in accordance with the provisions of Article L. 225-149-2 of the Commercial Code;

c) decides that the Stock Warrants shall be submitted to the following conditions:

   i. two (2) Stock Warrants shall entitle to the subscription to one (1) new share of the Company with a nominal value of one (1) euro;

   ii. the exercise price of two (2) Stock Warrants shall be equal to the subscription price paid by SCOR for the new shares resulting from the increase in capital mentioned in the nineteenth resolution;

   iii. the Stock Warrants shall be exercised only up to an even number of Stock Warrants that shall enable the subscription of a round number of shares. Should a holder of Stock Warrants hold an odd number of Stock Warrants, he will take care himself of buying on the market the necessary Stock Warrant enabling the subscription to a round number of shares;

   iv. the Stock Warrants shall be exercised only for a period lasting between the issuance date of such Stock Warrants until 31 December 2013, it being understood the Stock Warrants that would not be exercised during this time frame shall become null and void and shall lose all their value and any rights associated with them; and

   v. the Stock Warrants shall be freely negotiable and, in this respect, shall be listed for trading on the Euronext Paris exchange;

d) decides that a maximum number of one million seven hundred and fifty thousand nine hundred and eighty-nine (1,750,989) new shares may be issued in the event of the exercise of all Stock Warrants, allowing for the implementation of an increase in the share capital amounting to a nominal value of one million seven hundred and fifty thousand nine hundred and eighty-nine (1,750,989) euros, on the basis of a nominal value per share of one (1) euro;

e) acknowledges that, in compliance with the provisions of Article L. 225-132 subparagraph 6 of the Commercial Code, the Company's shareholders' preferential right to subscribe to the shares that may be issued due to the exercise of the Stock Warrants is cancelled to the benefit of the holders of such Stock Warrants;

f) decides that the shares that may result from the exercise of the Stock Warrants:

- **i.** shall be subscribed and paid-up in full upon subscription in cash or by offset of certain, liquid and payable receivables over the Company;
- **ii.** shall enjoy all rights attached to them as of their issuance and shall be entirely assimilated to existing shares and subject to all provisions of the Company's bylaws and to the decisions of the general meeting of shareholders of the Company;
- **iii.** shall be subject to a request for admission to trading in Euronext Paris and shall be negotiable on the same line as the existing shares;
- **iv.** shall be, as of their issuance, submitted to all provisions of the bylaws and shall be, as of their admission to trading, entirely assimilated to existing shares;
- **v.** shall receive the same net amount as that which may be allocated to the existing shares for all profit distributions that may be decided after their issuance;

g) grants all powers of attorney to the Board of directors, with a possibility to sub-delegate, for a period lasting until 30 June 2013 included, in order to implement the issuance and the allocation of Stock Warrants as well as the issuance of the shares to result from the exercise of such Stock Warrants within the time frames, including but not limited to:

- **i.** acknowledge the realization of the Operation Conditions;
- **ii.** carry out the issuance and gratuitous allocation of Stock Warrants to the benefit of the Company's shareholders having their securities duly registered in account one day before completion of the increase in the share capital referred to in the nineteenth resolution;
- **iii.** receive the payments that shall result from the exercise of Stock Warrants and acknowledge, as the case may be, the offset of certain, liquid and payable receivables over the Company;
- **iv.** acknowledge the increases in the share capital that may result from the exercise of Stock Warrants, and on its own initiative, if it deems necessary, charge the expenses resulting from the increases in the share capital on the account of the premium related to these operations;
- **v.** withdraw the funds in accordance with legal provisions following the exercise of Stock Warrants;
- **vi.** correlatively amend the Company's bylaws;
- **vii.** take all necessary steps in order to ensure the protection of the holders of Stock Warrants should an operation described in Articles L. 228-98 *et seq.* of the Commercial Code occur;
- **viii.** take all steps, and carry out any formalities that shall be required with a view to listing the Stock Warrants and the new issued shares resulting from the exercise of Stock Warrants for trading on the Euronext Paris exchange; and
- **ix.** carry out all actions and formalities, in particular with regards to publication, necessary to the issuance and the gratuitous allocation of Stock Warrants and to the issuance of share to result from the exercise of said Stock Warrants.

The general meeting acknowledges that the Board of directors shall be in charge of drafting a complementary report to the next general meeting of the Company related to the final terms of the operation.

Twenty-second resolution

(Authorization to be granted to the Board of directors, for twenty-six months, to proceed to the cancellation of the shares owned by the Company further to the redemption of its own shares)

The general meeting, voting on the quorum and majority conditions required for extraordinary general meetings, having read and understood the report of the Board of directors and the statutory auditors' special report, authorizes the Board of directors, pursuant to the provisions of Article L. 225-209 of the Commercial Code, to cancel, on its own initiative, in one or several occasions, all or part of the shares that the Company holds or would hold in the framework of Article L. 225-209 mentioned above, and to reduce the share capital of the overall nominal amount of the shares that would thereby be cancelled, by twenty-four month periods, in the limit of 10% of the share capital adjusted with the increases in the share capital following this general meeting and impacting the share capital.

The general meeting grants all powers of attorney to the Board of directors in order to implement one or several decreases in capital, charge the difference between the price paid for the cancelled shares and their nominal value to any reserves and premiums, correlatively amend the bylaws, and carry out any declarations to the FMA, carry out all other formalities and, more generally, take all necessary steps.

This authorization is granted for a twenty-six month period as of the date of this meeting.

Twenty-third resolution

(Power of attorney for the accomplishment of legal formalities)

The general meeting, voting on the quorum and majority conditions, confers all powers to the bearer of an original, extract or copy of these resolutions in order to carry out any legal formalities.

8. PERSON RESPONSIBLE FOR FINANCIAL INFORMATION

Jacques Blanchard

Chairman of the Board of directors and Chief Executive Officer.

9. FINANCIAL CALENDAR

13 May 2013	General Meeting of Shareholders
15 May 2013	First quarter 2013 revenue
25 July 2013	Second quarter 2013 revenue
12 September 2013	2013 Interim results
7 November 2013	Third quarter 2013 revenue

DOCUMENTS ACCESSIBLE TO THE PUBLIC

10.

Copies of this Registration Document are available free of charge from the Company, on its website (www.mrminvest.com) and from the French Financial Markets Authority (*Autorité des Marchés Financiers*) (www.amf-france.org).

All legal and financial documents that must be made available to shareholders, in accordance with applicable regulations, may be consulted at M.R.M.'s head office: 11, place Édouard VII, Paris (75009), France.

In particular, the following documents can be consulted:

(a) the issuer's deed of incorporation and Articles of Association;

(b) any reports, letters and other documents, historic financial information, valuations and declarations prepared by an expert at the issuer's request, part of which is included or referred to in the Registration Document; and

(c) historic financial information of the issuer and its subsidiaries for each of the two financial years preceding the publication of the Registration Document.

The "Regulated information" section of the Company's website is available at the following address: http://ir.finance.mrminvest.com

This section includes all the regulated information distributed by M.R.M. in accordance with the provisions of Articles 221-1 *et seq.* of the General Regulations of the French Financial Markets Authority.

11. CERTIFICATION BY THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

11.1 Person responsible for the Registration Document

Jacques Blanchard, Chairman and Chief Executive Officer of M.R.M.

11.2 Certification by the person responsible for the Registration Document

Having taken all reasonable steps for this purpose, I hereby certify that the information contained in this Registration Document is, to the best of my knowledge, true and that it does not contain any omissions likely to alter its scope.

I also certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and provide a fair view of the asset portfolio, financial position and results of the Company and the companies included within the scope of consolidation, and that the management report (included in section 3.6) presents a fair view of the evolution of the business, results and financial position of the Company and the companies included within the scope of consolidation included, as well as a description of the main risks and uncertainties facing these.

I have received a letter from the Statutory Auditors confirming that they have completed their work and stating that they have verified the information relating to the financial position and the financial statements provided in this Registration Document, which they have read in full.

The historic financial information presented in this document formed the subject of the Statutory Auditors' report, included in pages 102 and 115. The Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2012 contains a comment on uncertainty about the Company's ability to continue as a going concern, linked to the outcome of the actions taken by the Company, as described in the note to the financial statements entitled "Going concern principle".

The separate and consolidated historical financial information for the year ended 31 December 2011 are made available on M.R.M.'s website (http://www.mrminvest.com). They were filed with the AMF (the French Financial Markets Authority). These financial statements formed the subject of the Statutory Auditors' reports included in pages 105 and 109 of the 2011 Registration Document. The Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2011 contains a comment on the actions undertaken by the Company in order to repay the bank loans that were due in June and December 2012, and which justified the continuation of the going concern principle.

The separate and consolidated historical financial information for the year ended 31 December 2010 are made available on M.R.M.'s website (http://www.mrminvest.com) and were filed with the AMF (the French Financial Markets Authority). These financial statements formed the subject of the Statutory Auditors' reports included in pages 96 and 110 of the 2010 Registration Document. The Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2010 contains a comment on the actions undertaken by the Company which justified the continuation of the going concern principle.

Jacques Blanchard

Chairman and Chief Executive Officer

12.

CONCORDANCE TABLE

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No.	INFORMATION	SECTION
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To facilitate the reading of this document, the above check-list allows you to identify in this Registration Document, the information comprising the annual financial report that must be published by listed companies in accordance with Articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the General Regulations of the French Financial Markets Authority (*Autorité des Marchés Financiers*).

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