



Press release

Third quarter 2019 financial information

Consolidated revenues for the first nine months of 2019: €6.82 million, up 5.6% like-for-like

Paris, 8 November 2019: MRM (Euronext code ISIN FR0000060196), a real estate investment company specialising in retail property, today announced its consolidated revenues for the third quarter of 2019, corresponding to gross rental income recorded over the period.

MRM notes that, in accordance with its strategy initiated in 2013 of refocusing in retail properties, the last office property in operation¹ remaining in the Company's portfolio was sold on 15 May 2018. Consequently, revenues generated since then correspond entirely to gross rental income from retail properties.

Gross rental income for the third quarter of 2019 totalled €2.24 million, up 2.8% compared with the third quarter of 2018.

Over the first nine months of the year, revenues increased by 5.6% like-for-like to €6.82 million. This reflects primarily new leases coming into effect, including the lease for the medium-sized unit in the centre of Reims. Indexation also had a positive, albeit moderate effect.

On a reported basis, revenues for the first nine months of the year were down 5.8% relative to the first nine months of 2018, which included rental income of €0.78 million generated by the Nova office building (which has since been sold).

Change in consolidated revenues (unaudited figures)

€m	Q3 2019	% of total	Q3 2018	Change	Change lff ²	9 months 2019	% of total	9 months 2018	Change	Change lff ²
Retail	2.24	100%	2.18	+2.8%	+2.8%	6.82	100%	6.46	+5.6%	+5.6%
Office	-	0%	-	-	-	-	0%	0.78	-100.0%	-
Total gross rental income	2.24	100%	2.18	+2.8%	+2.8%	6.82	100%	7.24	-5.8%	+5.6%

¹ The Nova building in La Garenne-Colombes was sold on 15 May 2018. The Urban office building in Montreuil sold subsequently (January 2019) was vacant.

² Revenues are calculated on a like-for-like basis by deducting the rental income generated by acquired assets from the revenues reported for the current year and deducting the rental income generated from assets sold from the revenues reported for the previous year.

Operational performance

Letting activity in the third quarter (five contracts³ signed representing a total annual rent of €0.1 million) brings the number of contracts signed during the first nine months of the year to 22, representing an annual rent of €1.0 million.

A number of contracts came into effect during the third quarter, including the lease for a 1,200 sqm medium-sized unit in the Aria Parc retail park in Allonnes, as well as several leases corresponding to office units at Carré-Vélizy (over 800 sqm in total).

In addition, MRM has renegotiated its contractual relations concerning the portfolio made up of eleven garden centres and a logistics platform with a view to securing its revenues. This resulted in the signing of new leases in October for the nine garden centres run under the GammVert brand, with firm periods of six or nine years depending on the site and at unchanged rent level. The lease for the logistics platform remains in force, while the two remaining garden centres – one vacant and the other due to become vacant at the end of the year – are intended to be sold.

Outlook

MRM is executing the final phase of its €35.5 million investment plan initiated in 2016 dedicated to seven of its nine retail properties. All renovation or extension programs have been launched on a staggered basis and five such projects have been completed. As at 30 September 2019, works still to be carried out corresponded to:

- The redevelopment (1,000 sqm) and extension (+2,600 sqm) of the Valentin shopping center in Besançon, the largest project in MRM's investment plan; the units are due to be delivered in the second quarter of 2020, with a public opening scheduled for the third quarter of 2020;
- The more modest redevelopment of the ground floor of Passage de la Réunion in Mulhouse.

The investment plan is due to be completed at the end of the first half of 2020. Beyond then, MRM intends to continue with its letting, reletting and retailer rotation activities, confirming its target of total annualised net rents of over €10 million, with an assumed occupancy rate of 95%. This target is based on the current portfolio (excluding acquisitions or disposals).

Calendar

Revenues for the fourth quarter and 2019 annual results are due on 28 February 2020 before market opening and will be presented during an information meeting to be held on the same day.

About MRM

MRM is a listed real estate investment company that owns and manages a portfolio of retail properties across several regions of France. Its majority shareholder is SCOR SE, which owns 59.9% of share capital. MRM is listed in Compartment C of Euronext Paris (ISIN: FR0000060196 - Bloomberg code: MRM:FP – Reuters code: MRM.PA). MRM opted for SIIC status on 1 January 2008.

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³ New leases or renewals.

Appendix: Quarterly rental income

€m	Q1 2019	Q1 2018	<i>Change</i>	<i>Change like- for-like²</i>
Retail	2.28	2.13	+6.7%	+6.7%
Office	-	0.53	-100.0%	<i>n/a</i>
Total gross rental income	2.28	2.66	-14.4%	+6.7%

€m	Q2 2019	Q2 2018	<i>Change</i>	<i>Change like- for-like²</i>
Retail	2.30	2.14	+7.4%	+7.4%
Office	-	0.26	-100.0%	<i>n/a</i>
Total gross rental income	2.30	2.40	-4.2%	+7.4%

€m	Q3 2019	Q3 2018	<i>Change</i>	<i>Change like- for-like²</i>
Retail	2.24	2.18	+2.8%	+2.8%
Office	-	-	-	<i>n/a</i>
Total gross rental income	2.24	2.18	+2.8%	+2.8%