

**ADDITIONAL REPORT OF THE EXECUTIVE BOARD  
TO THE COMBINED GENERAL MEETING ON APRIL 18, 2017  
ON THE RESOLUTIONS PRESENTED TO THE MEETING**

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To the Shareholders.

We have convened this Combined General Meeting of Shareholders on April 18, 2017 in accordance with the applicable laws and regulations and with the by-laws of Klépierre (hereinafter “**Klépierre**” or the “**Company**”).

On March 13, 2017, Klépierre announced the launch of a share buyback program of up to €500 million, with the intention of canceling the shares purchased in this way. In accordance with applicable laws, treasury shares are stripped of the right to dividends. Having regard to the fact that implementation of the buyback program should result in Klépierre increasing the number of its treasury shares, and in order to ensure, insofar as necessary, that the Company will continue to comply with the distribution obligations provided for by the SIIC regime, it is proposed to set the amount of the dividend deducted from the profit in respect of taxable activities (and eligible for the tax relief of 40% mentioned in Article 158 3 2° of the General Taxation Code) at **€0.39** per share, and the amount of the dividend deducted from the profit in respect of exempt activities (not eligible for the said tax relief of 40%) at **€1.43** per share.

The overall amount of the dividend per share would remain unchanged, at €1.82 per share.

Consequently, it is proposed to amend the third resolution mentioned in the notice of meeting published in the Bulletin of Mandatory Legal Announcements no. 30 dated March 10, 2017 under the number 1700502, as follows (amendments in bold type):

*“Pursuant to the quorum and majority requirements applicable to Ordinary General Meetings, the General Meeting resolves to appropriate the profit for the financial year, amounting to €575,552,046.62, as follows:*

- Profit for the financial year:	€575,552,046.62
- Plus earnings carried forward:	€91,392,608.16
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- Forming a distributable profit of:	€666,944,654.78
- By way of dividend in respect of exempt activities:	<b>- €449,529,170.09</b>
- By way of dividend in respect of taxable activities:	<b>- €122,598,864.57</b>
(representing a total dividend distribution of €1.82 per share)	
- Balance to earnings carried forward:	€94,816,620.12

*The amount of **€1.43** per share representing the dividend in respect of the exempt activity is not income eligible for the tax relief of 40% mentioned in Article 158 3 2° of the General Taxation Code. The balance, namely **€0.39** per share, is income eligible for the said relief.*

*In accordance with the provisions of Article L. 225-210 of the Commercial Code, the General Meeting resolves that the amount in respect of treasury shares owned on the date of payment of the dividend and any amount that the shareholders might have waived will be appropriated to the “earnings carried forward” account. The relevant sums will reduce the distribution deducted from the profit from the exempt and taxable activities in the same proportions as are indicated above.*

*The ex-dividend date in respect of the dividend of €1.82 per share will be April 21, 2017 and the dividend will be paid in cash on April 25, 2017.”*

**We propose that you approve the third resolution presented to you, as amended.**

The other resolutions would remain unchanged.

We should be grateful if you would peruse and approve the draft resolutions presented to you by the Executive Board, and authorize it to take any steps necessary concerning the implementation of each of the decisions or authorizations requested.

THE EXECUTIVE BOARD