

# Q1 LFL NRI UP 4.8% CONFIRMING 2023 GROWTH MOMENTUM

Paris — May 3, 2024

Klépierre, the European leader in shopping malls, delivered a solid performance over the first quarter of 2024<sup>(1)</sup>:

- **Like-for-like<sup>(2)</sup> net rental income up 4.8% year on year, outpacing indexation by 200 basis points**
- **4.4% EBITDA growth**
- **Good momentum for sales and footfall:**
  - Retailer sales, up 4.3%<sup>(3)</sup> compared to Q1 2023
  - Footfall up 3%
- **Continuous operating excellence:**
  - 2.1% positive reversion on renewals and re-lettings
  - Financial occupancy rate at 96.0%, up 30 bps over one year
- **Strong capital base and value-creating investments:**
  - Net debt to EBITDA at 7.4x
  - €600-million bond with a maturity of 9.6 years issued in February
  - No significant refinancing needs in the coming 18 months
  - Accretive acquisition of O'Parinor with strong double digit levered annual cash return
  - €66 million disposals closed year-to-date
- **Guidance reiterated for 2024 with EBITDA growth of at least 4%, along with net current cash flow per share for full-year 2024 of €2.45–2.50**
- **Cash distribution of €1.80<sup>(4)</sup> per share: interim dividend of €0.90 per share paid on March 26, 2024 with the balance of €0.90 per share to be paid on July 11, 2024**

## REVENUE

<i>In millions of euros, total share</i>	Q1 2023	Q1 2023 <sup>(5)</sup>	Q1 2024	Like-for-like change <sup>(2)</sup>
<b>Gross rental income</b>	<b>287.1</b>	<b>286.7</b>	<b>296.4</b>	
Service charge income <sup>(6)</sup>	68.3	68.3	66.7	
Management and development fees	16.1	16.1	17.2	
<b>Revenues</b>	<b>371.5</b>	<b>371.1</b>	<b>380.2</b>	
<b>Net rental income</b>	<b>228.5</b>	<b>241.3</b>	<b>253.4</b>	<b>+4.8%</b>

## OPERATING EXCELLENCE UNDERPINS FURTHER RENTAL GROWTH

In a similar vein to 2023, trading continued to improve in the first quarter of the year, as illustrated by the 4.3% growth in retailer sales, with a peak of 7.0% in March, attesting to the increase in consumption in continental Europe. Footfall was up 3% compared to the same period in 2023.

(1) The data disclosed in this release have not been audited.

(2) Like-for-like data exclude the contribution of new spaces (acquisitions, greenfield projects and extensions), spaces being restructured, disposals completed since January 2023.

(3) Excluding the impact of disposals and acquisitions of assets and excluding Turkey.

(4) Amount to be approved by the shareholders present or represented at the Annual General Meeting to be held on May 3, 2024.

(5) Adjustments mainly relate to the annualization of property tax and the deduction of income generated by divested assets.

(6) Service charges invoiced to tenants. Service charge income is included in total revenue (IFRS 15).

Retailer sales in Klépierre malls outpaced 2023 levels in all countries, with Iberia (up 7.0%) and Netherlands/Germany/Central Europe (up 6.3%) leading the way, followed by France (up 4.5%). Segment wise, health & beauty (up 12.2%) significantly outperformed as did food & beverage (up 5.8%), while fashion (up 4.5%) demonstrated renewed momentum.

Over the period, retailers' focus on key locations and the most profitable stores continued to drive solid leasing activity with 370 leases signed in the first quarter (up 22% compared to Q1 2023) and 2.1% positive reversion on renewals and re-lettings. The occupancy rate was up 30 basis points over one year, standing at 96.0% as of March 31, 2024.

Fueled by this solid operating momentum, net rental income amounted to €253.4 million, up 4.8% on a like-for-like basis, representing a spread of 200 basis points over indexation driven by reversion, higher additional revenues (turnover rents, car park revenues and mall income). In addition, EBITDA grew by 4.4% compared to the first quarter of 2023.

Klépierre's total revenue for the first three months of 2024 amounted to €380.2 million.

#### First-quarter 2024 change in retailer sales by geography compared to 2023<sup>(7)</sup>

Country	Change	Share in total reported retailer sales
France	+4.5%	41%
Italy	+2.3%	24%
Scandinavia	+3.2%	11%
Iberia	+7.0%	12%
Netherlands/Germany/Central Europe	+6.3%	12%
<b>TOTAL</b>	<b>+4.3%</b>	<b>100%</b>

#### First-quarter 2024 change in retailer sales by segment compared to 2023<sup>(7)</sup>

Segment	Change	Share in total reported retailer sales
Fashion	+4.5%	35%
Culture, sports & leisure	+0.8%	19%
Health & beauty	+12.2%	16%
Food & beverage	+5.8%	12%
Household equipment	-2.0%	10%
Other	+4.2%	8%
<b>TOTAL</b>	<b>+4.3%</b>	<b>100%</b>

## STRONG CAPITAL STRUCTURE CREATING OPTIONALITY TO CAPTURE OPPORTUNITIES AND DRIVE FUTURE GROWTH

Thanks to its sector-leading capital structure, Klépierre continued to have good access to debt capital markets, issuing a €600-million bond with a maturity of 9.6 years on February 16, 2024, with the lowest coupon for a real estate issuer in euros over the last 18 months (3.875%, or 130 basis points spread over the reference rate). With this operation, all significant financing needs are now covered for the next 18 months. Since January 1<sup>st</sup>, the Group renewed €500 million of existing revolving credit facilities on a five-year basis.

Klépierre operates with sector-leading credit metrics:

- > net debt to EBITDA at 7.4x;
- > average maturity debt of 6.4 years; and
- > the hedging rate<sup>(8)</sup> stood at 98% for 2024 and 84% for 2025.

Its strong capital base coupled with proceeds from disposals of non-core assets (€66 million closed year-to-date), ranks the Group among the few within the industry to be able to continue to invest in extensions of dominant malls crystallizing high leasing tension, and opportunistically carry out targeted acquisitions to unlock further value.

(7) Excluding the impact of disposals and acquisitions of assets and excluding Turkey.

(8) Calculated as the ratio of fixed-rate debt (after hedging) to net debt expressed as a percentage.

As such, the Maremagnum rooftop (Barcelona, Spain) will be finalized in the first half of 2024, while the extension of Odysseum (Montpellier, France) is ongoing. Yield on costs of these projects reach 13.5% and 9%, respectively.

Lastly, Klépierre closed the acquisition of O'Parinor, a 100,000 sq.m. super-regional shopping mall in the Paris region on February 27, 2024. With a 25% share in equity and the asset, property and leasing management contracts, this investment is expected to generate a strong double digit levered annual cash return from year one.

## DISTRIBUTION

The proposed €1.80 distribution for fiscal year 2023 is split into two installments:

- > An interim cash dividend of €0.90 per share from Klépierre's tax exempt activities (SIIC) paid on March 26, 2024; and
- > The balance of €0.90 per share to be paid on July 11, 2024, comprising:
  - o A €0.7983 per share "SIIC" dividend; and
  - o A €0.1017 per share distribution of share premiums qualifying as an equity repayment<sup>(9)</sup>.

## OUTLOOK CONFIRMED

The positive performance of the first quarter confirms the solid momentum observed in 2023. Consequently, the Group is reiterating its 2024 guidance and expects to generate at least a 4% increase in EBITDA<sup>(10)</sup> and net current cash flow per share of €2.45–€2.50 in 2024.

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(9) Within the meaning of Article 112-1 of the French Tax Code (Code général des impôts).

(10) EBITDA stands for "earnings before interest, taxes, depreciation and amortization" and is a measure of the Group's operating performance.

## AGENDA

<b>July 09, 2024</b>	Ex-dividend date for the final dividend payment
<b>July 10, 2024</b>	Record date for the final dividend payment
<b>July 11, 2024</b>	Final dividend payment
<b>July 31, 2024</b>	First-half 2024 earnings (before market opening)

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## ABOUT KLÉPIERRE

Klépierre is the European leader in shopping malls, combining property development and asset management skills. The Company's portfolio is valued at €19.3 billion at December 31, 2023, and comprises large shopping centers in more than 10 countries in Continental Europe which together host hundreds of millions of visitors per year. Klépierre holds a controlling stake in Steen & Strøm (56.1%), Scandinavia's number one shopping center owner and manager. Klépierre is a French REIT (SIIC) listed on Euronext Paris and is included in the CAC Next 20 and EPRA Euro Zone Indexes. It is also included in ethical indexes, such as Euronext CAC 40 ESG, Euronext CAC SBT 1.5, MSCI Europe ESG Leaders, FTSE4Good, Euronext Vigeo Europe 120, and features in CDP's "A-list". These distinctions underscore the Group's commitment to a proactive sustainable development policy and its global leadership in the fight against climate change.

For more information, please visit the newsroom on our website: [www.klepierre.com](http://www.klepierre.com)



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