



For immediate release

2015 HALF YEAR EARNINGS

Paris – July 29, 2015

Swift execution of operating and financial strategy

- Integration of Corio moving fast, delivering planned synergies, with most teams already reunited in overlapping countries (France, Spain and Italy)
- Dynamic portfolio management, including divestment of non-core Dutch assets and acquisition of a leading shopping center in Madrid, a prime retail destination
- Targeted leasing and re-tenanting actions on acquired portfolio, driving convergence and improvement of key performance indicators, including occupancy rates
- Active optimization of financial structure, bringing the Group's average cost of net debt down to 2.5%, the Loan-to-Value at 40%,¹ and debt duration up to 5.6 years
- 3.5 billion euros in pipeline of projects

Solid operating performance

- Shopping center net rental income like-for-like pro forma² up 2.8%, including 0.4% of index-linked adjustments. On a like-for-like³ basis, shopping center net rental income was up 3.5%
- Robust performance of group's retailer sales, up 3.8% like-for-like pro forma⁴
- Sustained leasing activity, with 900 leases signed, translating into additional annual gross rents⁵ of 10.9 million euros
- Like-for-like pro forma² portfolio valuation group share up 2.3% and EPRA NNAV at 30.9 euros per share, up 4.2% versus year-end 2014

Full-year guidance revised upwards

- Targeting a net current cash flow per share of 2.15 euros for 2015, versus 2.10-2.15 euros per share range guidance announced in February 2015
- Cash flow growth will support distribution per share increase for fiscal year 2015

¹ After accounting for the proposed 770 million euro disposal of nine shopping centers in the Netherlands

² Like-for-like pro forma: includes Corio as if the Corio acquisition had occurred on January 1, 2014. Excludes the impact of asset sales, other acquisitions, extensions opened since January 2014 and foreign exchange impacts.

³ Excluding the impact of Corio, the impact of asset sales and other acquisitions, extensions opened since January 2014 and foreign exchange impacts.

⁴ Retailer sales performance for H1 2015 compared to H1 2014 assumes that the Corio and Plenilunio acquisitions had occurred on January 1, 2014. Like-for-like excludes the impact of asset sales. Retailer sales from the Dutch portfolio are not included in these numbers as retailers do not report sales to Klépierre.

⁵ Annual gross rents refer here to Minimum Guaranteed Rents.

Laurent Morel, Chairman of the Klépierre Executive Board, stated: *“In this first half, Klépierre has capitalized on the low interest rate environment to optimize the combined Group’s financial structure and dispose of non-core assets at attractive valuation levels. The 2015 half-year earnings positively reflect the Group’s major scale-up and the substantive work done by our teams to continuously reshape the portfolio and improve its intrinsic quality. These are the first operating results of the combined entity and we are pleased to see how promising they already are: while Klépierre delivers solid net rental income growth on its former scope, the newly acquired portfolio offers positive rental performances like-for-like, with significant potential ahead in term of operating synergies. This makes us all the more confident that our net current cash flow per share guidance for 2015 will be in the high end of the target initially announced this year.”*

MAJOR SCALE-UP AND FURTHER UPGRADE OF THE RETAIL PORTFOLIO

A major scale-up of the European footprint was completed in the first half of 2015 with the integration of Corio.

The first half of 2015 was marked by the completion of the Corio acquisition following an exchange offer that was launched in the fourth quarter of 2014: 93.6% of Corio shareholders tendered their shares during the public exchange offer that closed on January 16, 2015. Klépierre and Corio merged on March 31, 2015. The teams were integrated rapidly: the new organization was put in place in the first quarter and most of the local teams were reunited in one single location per country in the second quarter.

Assets in the portfolio continued to be rotated, as part of a strategy to upgrade the retail platform

In March 2015, Klépierre acquired Plenilunio, a leading 70,000 sq.m. shopping center with an outstanding location in Madrid for 375 million euros.⁶ Opened in 2006, Plenilunio welcomes 11 million visitors annually and is one of the major shopping centers in the region around Madrid. As regards disposals, a conditional agreement⁷ was signed with Wereldhave on June 24, 2015 for the sale of a portfolio of nine community shopping centers located in the Netherlands for a total consideration of 770 million euros. This transaction is expected to close in the third quarter of 2015. On July 17, the competition authorities approved the proposed acquisition. In addition, several disposals of non-core assets were completed for a total of 49.8 million euros (excluding duties). Through these transactions, Klépierre has continued to streamline its portfolio to focus on quality and generate new development opportunities.

Portfolio total share valued at 21.9 billion euros

As of June 30 2015, the value⁸ of Klépierre’s property portfolio was 21.9 billion euros total share and 18.9 billion euros group share. On a like-for-like basis and pro forma⁹ the acquisition of Corio, the change in asset value over 6 months for the shopping center segment, which accounts for 97.8% of the portfolio total share, was +2.3%. In France-Belgium (38% of shopping centers’ portfolio), asset value increased 2.2% like-for-like pro forma, +4.1% in Italy (16% of portfolio), +1.7% in Scandinavia (16% of portfolio). The average yield of the shopping center portfolio stood at 6.0% (excluding duties), a 20 bps yield compression proforma versus the end of 2014.

⁶ Please refer to Klépierre press release dated March 16, 2015 on www.klepierre.com for additional information.

⁷ Please refer to Klépierre press release dated June 24, 2015 on www.klepierre.com for additional information.

⁸ Valuation excludes duties.

⁹ Like-for-like pro forma: includes Corio as if the Corio acquisition had occurred on January 1, 2014. Excludes the impact of asset sales, other acquisitions, extensions opened since January 2014 and foreign exchange impacts.

Shopping center gross rents were up 40.9% in the first half of 2015 compared to last year

This change reflects the acquisition of Corio combined with the disposal by Klépierre of shopping centers for 2.3 billion euros since January 1, 2014. Gross rental income total share amounted to 603.8 million euros for the first half of 2015, compared with 437.5 million euros for the same period last year. Shopping center gross rental income amounted to 585.8 million euros and 415.8 million euros, respectively.

SOLID OPERATING PERFORMANCE: SHOPPING CENTER NET RENTAL INCOME LIKE-FOR-LIKE PRO FORMA CORIO ACQUISITION UP 2.8%

In the first half of 2015, shopping center net rental income amounted to 508.0 million euros, a 34.2% increase on a current basis compared to the first half of 2014. On a like-for-like basis pro forma,¹⁰ shopping center net rental income total share was up by 2.8%. Index-linked rental adjustments contributed to 0.4% of this increase.

France-Belgium, Scandinavia, Iberia, and Eastern Europe posted growth above 3.0%, while a negative performance of the Corio portfolio in the Netherlands weighed slightly on the group average.

In France-Belgium, like-for-like pro forma net rental income grew by 3.0%, a significant outperformance over the flat index-linked adjustment. A 13.1% reversion on renewals and relets was posted in the first half in this region.

In Italy, the group's second largest region, net rents were up 2.2% like-for-like pro forma. Scandinavia posted 3.7% like-for-like growth, reflecting in particular the good performance of the leading malls in Sweden and Denmark (Emporia, Marieberg, Fields, Bruun's). Like-for-like pro forma net rental income grew by 5.7% in Eastern Europe. In Iberia, 3.1% like-for-like growth attests to the good performance of the dominant shopping centers in the combined portfolio. The net rental income growth of the Corio Spanish portfolio noteworthy turned slightly positive compared to a 10.4% decrease posted in 2014. Germany and the Netherlands are two new regions of presence for Klépierre. Germany posted 1.5% net rental income growth like-for-like, while the Netherlands recorded a 2.0% decrease.

On a like-for-like¹¹ basis, shopping center net rental income¹¹ was up 3.5%, with all regions contributing positively to this solid growth. This level reflects the ongoing focus of the teams on improving the operating performance in our shopping centers.

Retailer sales in Klépierre shopping centers up 3.8% on a like-for-like pro forma basis¹² for the six months ended June 2015

The consumption environment has improved overall across Klépierre's countries of operation. The economic outlook of the Eurozone is also expected to gain more strength in the second half. On a like-for-like and pro forma basis, retailer sales in Klépierre shopping malls rose by 3.8% for the six months ended June 30 compared to the same period last year. Excluding extensions that opened in 2014 (Romagna Shopping Valley in Italy, Centrum Galerie in Dresden and Kristianstadt in Sweden), retailer sales were up

¹⁰ Including Corio as if the Corio acquisition had occurred of January 1, 2014. Excluding the impact of asset sales, other acquisitions and extensions opened since January 2014, and foreign exchange impacts.

¹¹ Excluding the impact of Corio, the impact of asset sales and other acquisitions, extensions opened since January 2014, and foreign exchange impacts.

¹² Retailer sales performance for H1 2015 compared to H1 2014 has been restated, i.e., assuming that the Corio and Plenilunio acquisitions had occurred on January 1, 2014. Like-for-like pro forma excludes the impact of other asset sales since January 1, 2014, and foreign exchange impacts. Figures exclude retailer sales in the Netherlands, as the information is not provided by tenants to Klépierre.

3.2%. In France, the 1.7% increase in retailer sales in Klépierre's malls outperforms the national retail sales¹³ indices. Italy and Iberia posted retailer sales growth of around 6% like-for-like pro forma. In Italy, this growth was observed across all business segments and shopping centers. In Iberia, the leading assets (La Gavia, Meridiano, Plenilunio, Aqua Portimao, Guimares) are essentially driving growth.

LEASING

Klépierre leasing teams signed 900 leases in the first half of 2015, translating into 10.9 million euros of additional annual minimum guaranteed rents. These leasing deals included 767 renewals and relets, representing 5.4 million euros worth of additional minimum guaranteed rents with an average reversion rate of 10.4%.

The shopping center vacancy rate (EPRA format) automatically increased from 3.0% to 4.2% due to the integration of Corio assets, whose vacancy rate stood at 6.4% as of June 2015. Reducing the vacancy in the Corio properties has been identified as one of the revenue synergies.

Sustained and successful leasing efforts to promote Klépierre's platform as the preferred option for large international retailers to expand their business

Leasing teams continued to sign deals with the most dynamic international retailers during the period, with the aim of updating our commercial offer to align with shopper expectations:

- At **Créteil Soleil**, Zara opened one of its largest stores, covering more than 3,240 sq.m.. Primark has decided to establish its largest French shop by doubling its size to 11,000 sq.m.. Additionally, Primark will move its French headquarters to this center.
- At **Val d'Europe**, Zara relocated to enlarge its store into a master flagship covering 3,300 sq.m. GLA. H&M committed to enlarge its store to 3,000 sq.m. in relation with the 2017 extension, and Kiabi signed for a 2,000 sq.m. store.
- At **Blagnac** (Toulouse area), a new lease was signed with Uniqlo for a 950 sq.m. store, its first for the brand in the region.
- At **Grand'Place** (Grenoble), Mango inaugurated one of its largest French stores, covering more than 2,200 sq.m.
- At **Plenilunio**, Mango opened one of its largest stores in the Madrid region featuring its full concept (1,700 sq.m.).
- At **Meridiano** (Tenerife), which is a new Club Store ®, H&M elected to open a new 2-level store covering 2,100 sq.m.
- **At La Romanina**, H&M elected to open a 2,900 sq.m store
- In Portugal, Lefties opened two new stores at **Aqua Portimão** (1,020 sq.m.) and at **Espaço Guimarães** (1,610 sq.m.). In Aqua Portimão, the three Calzedonia Group brands (Calzedonia, Intimissimi and Tezenis) implemented their latest concepts and Desigual opened a new store.

¹³ Year-to-date through May, the IFLS is up 0.5% and the CNCC index is down 1.8%

Leasing team integration is already in motion to cross-fertilize our relationships with retailers

The swift integration of local leasing teams, supplemented by the expertise of our international leasing team, has allowed us to execute valuable deals in the Corio properties.

- In Italy, leases have been signed with Liu Jo, which just launched its new concept for men at Porta di Roma and Nave de Vero (Venice). Liu Jo also signed for a new store at Il Leone (Lonato). Napapijri and Tiger signed at Grand Emilia. Wind - the leading telecom operator in Italy – signed at **Shopville Le Gru** (Torino) and **GrandEmilia**; Old Wild West – the most successful steakhouse brand in Italy – signed at Shopville Le Gru and **Globo** (Milan).
- In France, JD Sports opened a new store at **Mondeville** (Caen). Galeries Lafayette signed a letter of intention for new stores at **Nailloux Outlet Village** (Toulouse region) and **Chôlet Marques Avenues** (Nantes).
- In the Netherlands, Kiko opened its third store in the country at **Alexandrium** (Rotterdam) and H&M will inaugurate a 3,800 sq.m. store at **Hoog Catharijne** in September.
- In Germany, re-tenanting actions led to the signing of significant leases: following a complete restructuring of the basement level at **Boulevard Berlin**, Kaiser's will open a 2,100 sq.m. by September 2015. Kaiser's is one of Berlin's largest and most up-market supermarket chains. Superdry and Kusmi Tea have also just opened new stores at this center.

DEBT POSITION AND FINANCING UPDATE

As of June 30, 2015, consolidated net debt stood at 9.4 billion euros,¹⁴ an increase of 4.1 billion euros compared to year-end 2014. This increase is mainly attributable to the consolidation of Corio's debt for a total amount of 3.2 billion euros. In addition, the net debt position takes into account the cash payment of a 394 million euro dividend and 438 million euros worth of net investments in the first half.

The level of liquidity (available lines and net cash) stood at 2.0 billion euros. At the end of the first half, the Loan-to-Value ratio stood at 41.9%. Including the proposed disposals of the portfolio of nine shopping centers in the Netherlands expected to be completed in the third quarter of 2015, the LTV ratio would be in the 40% area.

Klépierre swiftly took advantage of favorable market conditions to further lower its cost of debt while increasing its average duration. In this context, 25% of Corio's outstanding debt and all of its credit lines have already been refinanced: in the first quarter, Corio's outstanding commercial papers were switched to Klépierre's program. On April 8, 2015, Klépierre launched a tender offer on a 500 million euro bond issued by Corio N.V. maturing in January 2018 with a 4.625% coupon. The nominal amount tendered stood at 208 million euros, which represented a take-up rate of 41.6%. The same day, Klépierre placed an 8-year 750 million euro bond priced at a 65 bps margin above the swap rate, which translated into a coupon of 1.0%. In July 2015, Klépierre renegotiated the terms of and extended for a period of 2 years its 750 million euro syndicated revolving credit facility. At the same time, all the former revolving credit facilities of Corio were replaced by a new 850 million euro 5-year (with two extension options) syndicated revolving credit facility granted by a syndicate of 16 international banks.

These transactions related to the refinancing of Corio's debt resulted in substantial financial cost synergies and significantly improved the interest coverage to over 4 times. The average net cost of debt now stands in the 2.5% area. The average debt duration reached 5.4 years at the end of June, and was extended by 0.2 year after the revolving credit facilities were negotiated in July.

¹⁴ After taking into account the cross currency swaps backing US Private Placements

NET CURRENT CASH FLOW PER SHARE AT 1.07 EURO

Net current cash flow per share up 1.4% from last June to 1.07 euro per share

Total gross rents for the first half of 2015 amounted to 603.8 million euros. The 166.3 million euro increase in shopping center gross rental income over the same period last year primarily reflects the contribution of Corio as of January 1, 2015, adding 209.2 million euros of rents,¹⁵ the disposal by Klépierre of non-core shopping centers completed in 2014 and 2015, translating into the loss of 55.7 million euros in shopping center revenues. It also reflects a gross rental increase on a like-for-like basis and the additional contribution of the extension in Romagna delivered at the end of last year and the acquisition of Plenilunio in March 2015, partly offset by negative foreign exchange effects.

With 5.4 million euros of other rental income and 45.2 million euros in fees, overall revenues for the first half of 2015 reached 654.4 million euros.

Net rental income increased to 525.2 million euros and cash flow from operations total share amounted to 484.9 million euros, up 33% versus the same period last year. Net current interest expense totaled 108.1 million euros, up only 3.0% compared to the first half of 2014 thanks to financial structure optimization.

Group share, net current cash flow amounted to 329.6 million euros, up 60% versus June 2014. On a per share basis, net current cash flow increased slightly compared with 2014, from 1.05 euro per share to 1.07 euro.

EPRA NNAV at 30.9 euros per share, up 4.2% vs December 31, 2014

As of June 30, 2015, Klépierre's EPRA triple net asset value (NNAV)¹⁶ was 30.9 euros per share, versus 28.7 euros per share on June 30, 2014 and 29.6 euros per share on December 31, 2014. The EPRA net asset value (NAV)¹⁷ was 32.0 euros per share, vs 32.1 at year-end 2014.

Over 6 months and on a per share basis, the increase in EPRA NNAV is due to a cash flow contribution of 1.07 euro, the increase in like-for-like portfolio valuation (+1.3 euro), and positive impacts of forex and the change in the fair value of financial instruments, partly offset by the payment of the 2014 dividend¹⁸ (-1.30 euro), and purchase accounting adjustments (-0.3 euro).

DEVELOPMENT PIPELINE

High visibility of promising extension projects remains a priority

The Group's development pipeline represents 3.5 billion euros worth of investments, including 0.8 billion euros worth of committed projects with an average expected yield of 7.0% and 1.3 billion euros worth of controlled projects. A total of 112.3 million euros was invested in the development of committed projects during the first half of the year.

In the committed pipeline, four projects will be delivered in the second half of the year. **Markthal** (Rotterdam, the Netherlands), the 11,200 sq.m. retail scheme, was acquired on July 13, 2015. Markthal is a unique and modern urban food destination combining an impressive architectural gesture, a fresh food market hall, a wide range of vibrant restaurants, and shops that make it a destination for tourists as well as for shoppers throughout the Rotterdam area. It has proven its differentiation with its immediate success:

¹⁵ Corio is fully consolidated in the P&L as of January 1, 2015, as the impact from January 1 to January 8 is not significant.

¹⁶ Excluding transfer duties, after deferred taxation and marking to market of financial instruments.

¹⁷ Including transfer duties, before deferred taxation and marking to market of financial instruments.

¹⁸ A 0.91€ interim dividend per share was paid up by Klépierre on January 12, 2015 (199,470,340 shares) followed by a 0.69€ final dividend per share paid up on April 21, 2015 (314,356,063 shares).

since opening in October last year, the center has welcomed 6 million visitors, far exceeding expectations. Lastly, Jamie Oliver - the iconic English cook - will open his concept restaurant Jamie's Italian in November, a first for the Netherlands. At **Field's** (Denmark), the 8,500 sq.m. extension is due to open in August and will feature the new Nordisk Film Biografer flagship cinema and a revamped food court that will strengthen Field's leadership in the Copenhagen region. **Besançon Pasteur** (France), the new downtown shopping center, is expected to open in November. Monoprix, H&M, Mango, Marionnaud, and Kiko are among the retailers that will be opening stores in this new scheme. Lastly, in Marseille, at **Centre Bourse**, completion is expected in the last quarter of 2015 and it's the ClubStore® refurbishment will be inaugurated in the first half of 2016. **Centre Bourse** will also host a newly renovated Galeries Lafayette and a Lafayette Gourmet. The new façades, unveiled in June 2015, have just been awarded the prestigious first "Versailles" architectural prize.

Two projects with expected delivery in the first half of 2017 are progressing well on both construction works and pre-leasing. At **Val d'Europe** (Paris area - 17,000 sq.m extension scheme), after Primark and Uniqlo, H&M and Nike signed leases. At **Hoog Catharijne** (Utrecht, the Netherlands), the second phase of the extension-refurbishment of this leading shopping hub - built over Utrecht's train station - will be delivered in the first half of 2017.

GUIDANCE REVISED UPWARDS

Supported by its first-half 2015 earnings and a retail business environment that has been improving since the beginning of the year, Klépierre revises its full-year guidance upwards. Net current cash flow per share is now expected to reach 2.15 euros versus the 2.10 – 2.15 euros range announced in February 2015. Cash flow growth will support distribution per share increase for fiscal year 2015.

2015 FIRST HALF FINANCIAL HIGHLIGHTS

Million euros (total share)	H1 2015	H1 2014
Shopping centers	585,8	415,8
Other activities	18,0	21,7
Total gross rents	603,8	437,5
Other rental income	5,4	5,8
Lease Income	609,2	443,3
Fees	45,2	34,4
TOTAL REVENUES	654,4	477,7
Net Rental Income		
Shopping centers	508,0	378,5
Other activities ¹	17,2	20,2
TOTAL NET RENTAL INCOME	525,2	398,7
Net current cash-flow group share	329,6	206,2
Net current cash-flow per share (€)	1,07	1,05
Value of holdings, total share (excl. duties)	21 946	14 002
Reconstitution NAV per share (€)	33,4	32,3
EPRA NAV² per share(€)	32,0	30,9
EPRA NNAV³ per share(€)	30,9	28,7

¹ Other activities including offices for 2014 reported figures

² Excluding transfer duties, before taxes on unrealized capital gains and marking to market of financial instruments.

³ Excluding transfer duties, after taxes on unrealized capital gains and marking to market of financial instruments.

The Supervisory Board met at the Company's headquarters on July 28, 2015 to examine the half-year financial statements approved by the Executive Board on July 21, 2015.

The half-year consolidated financial statements were subject to a limited examination by the Company's statutory auditors.

REVENUES FOR THE FIRST SIX MONTHS OF 2015

in million euros	TOTAL SHARE		GROUP SHARE	
	June 30 2015	June 30 2014	June 30 2015	June 30 2014
France	196,3	182,2	161,4	145,5
Belgium	8,0	7,5	8,0	7,5
France-Belgium	204,3	189,8	169,4	153,0
Italy	99,3	52,1	95,5	49,6
Norway	29,3	29,2	16,5	16,4
Sweden	34,0	44,3	19,1	24,9
Denmark	25,2	23,2	14,1	13,0
Scandinavia	88,6	96,7	49,7	54,3
Netherlands	54,7	0,0	52,5	0,0
Spain	40,6	28,4	38,4	25,2
Portugal	10,2	7,5	10,1	7,5
Iberia	50,8	35,9	48,5	32,8
Germany	28,5	0,0	26,0	0,0
Poland	17,6	17,2	17,6	17,2
Hungary	10,3	10,4	10,3	10,4
Czech Republic	12,0	11,6	12,0	11,6
Turkey	17,9	0,0	15,9	0,0
Others	1,8	2,0	1,6	1,8
Eastern Europe	59,6	41,3	57,4	41,0
Shopping centers	585,8	415,8	499,1	330,6
Other activities	18,0	21,7	18,0	21,7
TOTAL RENTS	603,8	437,5	517,1	352,4
Other rental income	5,4	5,8	4,0	4,4
Fees	45,2	34,4	41,3	30,3
TOTAL REVENUES	654,4	477,7	562,4	387,1

QUARTERLY CHANGE IN REVENUES (TOTAL SHARE)

Million euros (total share)	2015		2014 (reported)			
	Q2	Q1	Q4	Q3	Q2	Q1
France	98,9	97,3	79,9	79,2	83,4	98,8
Belgium	4,0	4,1	4,2	3,7	3,8	3,7
France-Belgium	102,9	101,4	84,1	82,8	87,2	102,6
Italy	50,1	49,2	24,6	23,6	24,0	28,1
Norway	14,9	14,4	14,2	15,3	14,5	14,7
Sweden	17,0	17,1	16,5	15,5	21,8	22,5
Denmark	13,2	12,0	11,9	12,3	11,6	11,6
Scandinavia	45,1	43,4	42,6	43,1	47,8	48,9
Netherlands	27,6	27,1	-	-	-	-
Spain	23,3	17,3	7,8	8,5	10,4	18,0
Portugal	5,1	5,1	3,8	3,6	3,7	3,8
Iberia	28,4	22,4	11,7	12,1	14,1	21,8
Germany	14,8	13,7	-	-	-	-
Poland	8,7	8,9	9,1	8,5	8,7	8,5
Hungary	4,8	5,6	5,5	5,2	5,2	5,2
Czech Republic	6,0	6,0	5,8	5,7	5,9	5,7
Turkey	9,1	8,8	-	-	-	-
Others	0,9	0,8	0,7	0,9	1,0	1,0
Eastern Europe	29,5	30,1	21,2	20,4	20,8	20,5
Total Shopping centers	298,4	287,4	184,1	182,1	193,9	221,9
Other activities	8,8	9,2	9,6	9,4	9,9	11,8
TOTAL RENTS	307,2	296,6	193,6	191,5	203,9	233,7
Other rental income	1,4	4,0	1,8	2,8	3,4	2,4
Fees	25,7	19,5	15,4	20,9	14,2	20,2
TOTAL REVENUES	334,3	320,1	210,8	215,2	221,4	256,3

CHANGE IN NET RENTAL INCOME LIKE FOR LIKE PROFORMA¹⁹ FOR THE FIRST SIX MONTHS OF 2015

in million euros	June 30 2015	June 30 2014	Change like for like
France	179,6	171,2	2,9%
Belgium	6,7	6,4	5,3%
France-Belgium	186,4	177,6	3,0%
Italy	89,1	47,6	2,2%
Norway	25,8	26,6	2,4%
Sweden	30,6	38,7	2,4%
Denmark	22,1	21,2	6,9%
Scandinavia	78,5	86,5	3,7%
Netherlands	42,2	-	-2,0%
Spain	32,2	24,2	2,7%
Portugal	9,1	7,2	4,3%
Iberia	41,4	31,3	3,1%
Germany	19,4	-	1,5%
Poland	16,2	15,5	2,8%
Hungary	9,0	8,5	4,9%
Czech Republic	11,9	11,5	3,0%
Turkey	13,1	-	5,4%
Others	0,9	-0,1	495,5%
Eastern Europe	51,1	35,4	5,7%
Shopping centers	508,0	378,5	2,8%
Other activities	17,2	20,2	-0,6%
NET RENTAL INCOME	525,2	398,7	2,7%

¹⁹ Like-for-like proforma: includes Corio as if the Corio acquisition occurred on January 1, 2014. Excludes the impact of asset sales, other acquisitions, extensions opened since January 1, 2014 and foreign exchange impacts.

CHANGE IN RETAILER²⁰ SALES FOR THE FIRST SIX MONTHS OF 2015

Year-on-year retailer sales change through June 2015	
	Like-for-Like pro forma
France	1,7%
Belgium	1,1%
France-Belgium	1,6%
Italy	6,5%
Norway	-1,6%
Sweden	7,3%
Denmark	4,3%
Scandinavia	2,4%
Netherlands	N/A
Spain	5,8%
Portugal	6,4%
Iberia	5,9%
Germany	9,5%
Poland	-2,5%
Hungary	10,1%
Czech Republic	6,2%
Turkey	16,5%
Eastern Europe	4,8%
SHOPPING CENTERS	3,8%

²⁰ Retailer sales performance for H1 2015 compared to H1 2014 assumes that the Corio and Plenilunio acquisitions occurred on January 1, 2014. Like-for-like excludes the impact of asset sales. Retailer sales from the Dutch portfolio are not included in these numbers as retailers do not report sales to Klépierre. Primark sales are estimated on a conservative basis.

CONFERENCE CALL WEBCAST – 2015 FIRST HALF EARNINGS

The Klépierre Executive Board will host a conference call to comment on 2015 First Half Earnings on July 29, 2015 at 6:15 pm (CET).

Please visit Klépierre's website www.klepierre.com to listen to the conference call webcast or flash the QR code below.

A replay will be also available after the call.



ABOUT KLEPIERRE

A leading shopping center property company in Europe, Klépierre combines development, rental, property, and asset management skills. Its portfolio is valued at 21.9 billion euros on June 30 2015. It comprises large shopping centers in 16 countries of Continental Europe. Klépierre holds a controlling stake in Steen & Strøm (56.1%), Scandinavia's number one shopping center owner and manager.

Klépierre's largest shareholders are Simon Property Group (20.3%), world leader in the shopping center industry, APG (13.5%) and BNP Paribas (6.6%). Klépierre is a French REIT (SIIC) listed on Euronext ParisTM and Euronext Amsterdam and is included in the CAC Next20 and CAC Large 60 indexes, the SBF 80, the EPRA Euro Zone, and the GPR 250 indexes. Klépierre is also included in several ethical indexes - DJSI World and Europe, FTSE4Good, STOXX[®] Global ESG Leaders, Euronext Vigeo France 20 and Eurozone 120 - and is a member of both Ethibel Excellence and Ethibel Pioneer investment registers. Klépierre is also ranked as a Green Star by GRESB (Global Real Estate Sustainability Benchmark). These distinctions mark the Group's commitment to a voluntary sustainable development policy.

For more information, visit our website: www.klepierre.com

AGENDA

October 29, 2015 **2015 3rd quarter revenues** (press release after market close)

February 9, 2016 **2015 Full year earnings** (press release after market close)

INVESTOR RELATIONS CONTACTS

Vanessa FRICANO – + 33 1 40 67 52 24 – vanessa.fricano@klepierre.com

Julien ROUCH – +33 1 40 67 53 08 – julien.rouch@klepierre.com

MEDIA CONTACTS

Aurélia de LAPEYROUSE – + 33 1 53 96 83 83 – adelapeyrouse@brunswickgroup.com

Nathalie BAUDON – + 33 1 53 96 83 83 – nbaudon@brunswickgroup.com

***This press release and its appendices are available on Klépierre's website: www.klepierre.com

APPENDICES

1.	CONSOLIDATED FINANCIAL STATEMENTS	15
2.	GROSS RENTS AND NET RENTAL INCOME	21
3.	CASH FLOW STATEMENT	22
4.	ACCOUNTING PRINCIPLES AND METHODS.....	23
5.	SCOPE OF CONSOLIDATION	24
6.	ECONOMIC ENVIRONMENT.....	29
7.	CHANGE IN RETAILER SALES.....	29
8.	RENTAL BUSINESS.....	33
8.1.	SHOPPING CENTER SEGMENT (96.7% of consolidated net rental income)	33
8.2.	OTHER ACTIVITIES (3.3% of consolidated rental income)	40
8.3.	FEE INCOME	40
9.	DEVELOPMENTS AND DISPOSALS.....	41
9.1.	INVESTMENTS MADE IN H1 2015.....	41
9.2.	H2 2015-2020 DEVELOPMENT PIPELINE.....	41
9.3.	DISPOSALS COMPLETED SINCE JANUARY 1, 2015.....	43
10.	CONSOLIDATED EARNINGS AND CASH FLOW	44
10.1.	CONSOLIDATED EARNINGS	44
10.2.	EPRA COST RATIO.....	46
10.3.	CHANGE IN NET CURRENT CASH FLOW	47
11.	NET ASSET VALUE	48
11.1.	APPRAISAL OF THE GROUP'S ASSETS	48
11.2.	EPRA NET ASSET VALUE AND TRIPLE NET ASSET VALUE	52
12.	FINANCIAL POLICY	53
12.1.	FINANCIAL RESOURCES.....	53
12.2.	INTEREST RATE HEDGING.....	55
12.3.	COST OF DEBT	55
12.4.	FINANCIAL RATIOS AND RATING	56
13.	EVENTS SUBSEQUENT TO THE ACCOUNTING CUT-OFF DATE..	56
14.	2015 GUIDANCE.....	56

1. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EPRA MODEL)

<i>in millions of euros</i>	06/30/2015	06/30/2014
Gross rental income	609,2	443,3
Land expenses (real estate)	-10,2	-3,6
Non-recovered rental expenses	-43,3	-18,0
Building expenses (owner)	-30,5	-23,0
Net rental income	525,2	398,7
Management, administrative and related income	45,2	34,4
Other operating revenue	8,8	6,6
Survey and research costs	-0,8	-2,5
Payroll expenses	-83,6	-55,3
Other general expenses	-38,8	-22,6
Depreciation and impairment allowance on investment property	-226,1	-172,1
Depreciation and impairment allowance on intangible assets and property, plant and equipment	-8,3	-5,7
Provisions	0,6	-0,8
Proceeds from disposal of investment properties and equity investments	54,8	1 952,4
Net book value of investment properties and equity investments sold	-53,5	-1 102,9
Income from the disposal of investment properties and equity investments	1,2	849,5
Operating income	223,4	1 030,3
Net dividends and provisions on non-consolidated investments	0,0	0,0
<i>Financial income</i>	<i>81,4</i>	<i>56,6</i>
<i>Financial expenses</i>	<i>-193,3</i>	<i>-187,8</i>
Net cost of debt	-111,9	-131,2
Change in the fair value of financial instruments	-3,6	-11,9
Effect of discounting	0,0	0,0
Share in earnings of equity method investments	3,5	3,2
Profit before tax	111,5	890,5
Corporate income tax	-19,9	-22,0
Net income of consolidated entity	91,5	868,5
Of which		
<i>Group share</i>	<i>62,6</i>	<i>702,8</i>
<i>Non-controlling interests</i>	<i>28,9</i>	<i>165,7</i>
Undiluted average number of shares	308 661 324	195 732 258
Undiluted comprehensive earnings per share (euro) - Group share	0,2	3,6
Diluted average number of shares	308 661 324	195 732 258
Diluted comprehensive earnings per share (euro) - Group share	0,2	3,6

<i>in millions of euros</i>	06/30/2015	06/30/2014
Net income of consolidated entity	91,5	868,5
Other comprehensive income items recognized directly as equity	83,8	-41,1
Effective portion of profits and losses on cash flow hedging instruments (IAS 39)	49,1	-18,0
Translation profits and losses	28,0	-32,9
Tax on other comprehensive income items	2,2	7,5
Items that will be reclassified subsequently to profit or loss	79,4	-43,4
Income from sales of treasury shares	4,5	2,3
Actuarial gains	-0,1	0,0
Items that will not be reclassified subsequently to profit or loss	4,4	2,3
Share of other comprehensive income items of equity method investees	0,0	0,0
Total comprehensive income	175,3	827,4
Of which		
<i>Group share</i>	<i>132,3</i>	<i>673,8</i>
<i>Non-controlling interests</i>	<i>43,1</i>	<i>153,6</i>
Undiluted comprehensive earnings per share (euro) - Group Share	0,4	3,4
Diluted comprehensive earnings per share (euro) - Group share	0,4	3,4

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (EPRA MODEL)

<i>in millions of euros</i>	06/30/2015	12/31/2014
Goodwill	1 491,0	129,9
Intangible assets	44,9	46,5
Property, plant and equipment and work in progress	28,6	13,0
Investment property	14 067,3	8 451,0
Investment property under construction	805,6	400,0
Equity method securities	903,7	443,5
Other non-current assets	374,8	173,0
Non-current derivatives	83,7	118,1
Deferred tax assets	83,3	48,7
NON-CURRENT ASSETS	17 882,8	9 823,7
Investment property held for sale	729,8	3,5
Inventory	0,0	0,4
Trade accounts and notes receivable	153,1	103,2
Other receivables	441,0	201,0
<i>Tax receivables</i>	163,5	37,4
<i>Other debtors</i>	277,5	163,6
Current derivatives	154,6	3,7
Cash and cash equivalents	367,4	140,6
CURRENT ASSETS	1 845,8	452,4
TOTAL ASSETS	19 728,7	10 276,1
Share capital	440,1	279,3
Additional paid-in capital	5 818,1	1 773,6
Legal reserves	44,0	27,9
Consolidated reserves	43,4	-299,4
<i>Treasury shares</i>	-81,7	-82,0
<i>Hedging reserves</i>	-124,0	-172,0
<i>Other consolidated reserves</i>	249,1	-45,3
Consolidated earnings	62,6	640,0
Shareholders' equity, group share	6 408,2	2 421,4
Non-controlling interests	1 183,7	1 144,5
SHAREHOLDERS' EQUITY	7 591,9	3 565,9
Non-current financial liabilities	8 078,5	4 880,4
Long-term provisions	43,3	17,4
Pension commitments	18,4	17,6
Non-current derivatives	80,3	173,4
Security deposits and guarantees	144,8	110,8
Deferred tax liabilities	773,3	322,3
NON-CURRENT LIABILITIES	9 138,6	5 521,9
Current financial liabilities	1 972,7	697,4
Bank facilities	220,2	53,8
Trade payables	190,4	117,7
Payables to fixed asset suppliers	50,8	13,0
Other liabilities	363,4	182,8
Current derivatives	0,2	25,3
Social and tax liabilities	200,4	98,3
CURRENT LIABILITIES	2 998,2	1 188,3
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	19 728,7	10 276,1

SEGMENT EARNINGS

In millions of euros	France-Belgium ⁽¹⁾		Scandinavia		Italy		Iberia		Netherlands		Germany		Eastern Europe		Unaffected ⁽²⁾		Klepierre Group	
	06/30/15	06/30/14	06/30/15	06/30/14	06/30/15	06/30/14	06/30/15	06/30/14	06/30/15	06/30/14	06/30/15	06/30/14	06/30/15	06/30/14	06/30/15	06/30/14	06/30/15	06/30/14
Gross rental income	226,1	213,8	88,7	96,8	100,4	53,0	50,9	35,9	54,7	0,0	28,7	0,0	59,7	41,4	0,0	2,4	609,2	443,3
Rental & building expenses	-22,6	-17,9	-10,1	-10,3	-11,3	-5,4	-9,5	-4,6	-12,6	0,0	-9,3	0,0	-8,6	-6,0	0,0	-0,4	-84,1	-44,6
Net rental income	203,6	195,9	78,5	86,5	89,1	47,6	41,4	31,3	42,2	0,0	19,4	0,0	51,1	35,4	0,0	1,9	525,2	398,7
Management and other income	26,6	22,6	8,1	10,3	6,2	2,7	3,7	2,9	3,6	0,0	2,6	0,0	2,6	2,1	0,4	0,4	53,9	41,1
Payroll and other general expenses	-37,7	-32,0	-16,6	-17,1	-12,4	-5,8	-7,5	-5,2	-16,5	0,0	-6,2	0,0	-7,1	-3,9	-19,0	-16,2	-123,1	-80,3
EBITDA	192,5	186,5	70,1	79,7	82,9	44,5	37,5	29,0	29,3	0,0	15,8	0,0	46,6	33,7	-18,6	-13,9	456,0	359,5
Depreciation and allowance	-82,2	-61,1	-32,8	-31,7	-25,9	-13,7	-27,5	-37,5	-22,9	0,0	-9,7	0,0	-32,7	-34,6	-0,2	0,0	-233,9	-178,6
Income from disposals	6,5	749,1	-2,4	-2,4	0,0	78,1	-1,7	12,0	-1,0	0,0	0,0	0,0	-0,1	-0,4	0,0	13,1	1,2	849,5
Share in earnings of equity method investees	-6,0	-3,6	3,8	5,3	4,5	1,9	-2,3	-0,5	0,0	0,0	0,0	0,0	3,5	0,0	0,0	0,0	3,5	3,2
Segment income	110,8	870,9	38,7	50,9	61,5	110,8	6,0	3,1	5,3	0,0	6,2	0,0	17,2	-1,4	-18,8	-0,8	226,9	1033,6
Net cost of debt																	-111,9	-131,2
Change in the fair value of financial instruments																	-3,6	-11,9
Profit before tax																	111,4	890,5
Corporate income tax																	-19,9	-22,0
Net income																	91,5	868,5

(1) Shopping centers and retail assets

(2) Corporate including remaining Offices portfolio in first half of 2014

CONSOLIDATED CASH FLOW STATEMENT (EPRA MODEL)

in millions of euros	06/30/2015	06/30/2014
Cash flows from operating activities		
Net income from consolidated companies	91,5	868,5
Elimination of expenditure and income with no cash effect or not related to operating activities		
• <i>Depreciation, amortization and provisions</i>	234,6	179,1
• <i>Capital gains and losses on asset disposals net of taxes and deferred taxes</i>	17,8	-824,7
• <i>Reclassification of financial interests and other items</i>	169,2	158,0
Gross cash flow from consolidated companies	513,1	380,9
Paid taxes	-14,7	-19,8
Change in operating working capital requirement	15,2	1,9
Net cash flows from operating activities	513,6	363,0
Cash flows from investing activities		
Income from sales of investment properties	52,2	1 557,3
Income from sales of other fixed assets	0,0	0,0
Income from disposals of subsidiaries (net of cash disposed)	0,4	380,4
Acquisitions of investment properties	-27,4	-28,8
Acquisition costs of investment properties	-0,5	-0,2
Payments in respect of construction work in progress	-120,2	-74,6
Acquisitions of other fixed assets	-3,1	-8,5
Acquisitions of subsidiaries through deduction of acquired cash	-168,3	5,8
Issuing/repayment of loans and advance payments granted and other investments	-312,2	44,1
Net cash flows from investing activities	-579,1	1 875,6
Cash flows from financing activities		
Dividends paid to the parent company's shareholders	-393,2	-303,5
Dividends paid to non-controlling interests	-47,4	-304,2
Capital increase	0,0	0,0
Repayment of share premium	0,0	0,0
Acquisitions/disposal of treasury shares	0,3	12,0
New loans, borrowings and hedging instruments	2 193,9	326,2
Repayment of loans, borrowings and hedging instruments	-1 212,0	-1 610,9
Interest paid	-312,3	-266,9
Other cash flows related to financing activities ⁽¹⁾	-103,8	-31,2
Net cash flows from financing activities	125,5	-2 178,3
Effect of foreign exchange rate changes on cash and cash equivalents	0,4	-4,3
CHANGE IN CASH AND CASH EQUIVALENTS	60,4	55,9
Cash at year-start	86,8	96,3
Cash at year-end	147,2	152,3

(1) The flow of the period corresponds to the interim dividend of 103,8 million euros paid out by Corio on January 12, 2015

COMPREHENSIVE INCOME STATEMENT (EPRA MODEL) PRESENTATION IN FAIR VALUE

in millions of euros	06/30/2015	06/30/2014
Gross rental income	609,2	443,3
Land expenses (real estate)	-9,9	-3,3
Non-recovered rental expenses	-43,3	-18,0
Building expenses (owner)	-30,0	-22,7
Net rental income	526,0	399,3
Management, administrative and related income	45,2	34,4
Other operating revenue	8,8	6,6
Change in the fair value of investment property	315,5	36,5
Survey and research costs	-0,8	-2,5
Payroll expenses	-83,6	-55,3
Other general expenses	-38,8	-24,1
Depreciation and impairment allowance on investment property	0,0	0,1
Depreciation and impairment allowance on intangible assets and property, plant and equipment	-8,3	-5,7
Provisions	0,6	-0,8
Gains on the disposal of investment property and equity investments	54,8	1952,4
Net book value of investment property and equity investments sold	-60,2	-2006,7
Income from the disposal of investment property and equity investments	-5,4	-54,3
Operating income	759,1	334,4
Net dividends and provisions on non-consolidated investments	0,0	0,0
<i>Financial income</i>	81,4	56,6
<i>Financial expenses</i>	-193,3	-187,8
Net cost of debt	-111,9	-131,2
Change in the fair value of financial instruments	-3,6	-11,9
Share in earnings of equity method investees	30,6	5,4
Profit before tax	674,2	196,7
Corporate income tax	-102,2	-13,9
Net income of consolidated entity	572,0	182,9
of which		
<i>Group share</i>	490,5	119,1
<i>Non-controlling interests</i>	81,5	63,8
Undiluted average number of shares	308 661 324	195 732 258
Undiluted comprehensive earnings per share (euro) - Group share	1,6	0,6
Diluted average number of shares	308 661 324	195 732 258
Diluted comprehensive earnings per share (euro) - Group share	1,6	0,6

in millions of euros	06/30/2015	06/30/2014
Net income of consolidated entity	572,0	182,9
Other comprehensive income items recognized directly as equity	83,8	-40,9
Effective portion of profits and losses on cash flow hedging instruments (IAS 39)	49,1	-18,0
Translation profits and losses	28,0	-32,7
Tax on other comprehensive income items	2,2	7,5
Items that will be reclassified subsequently to profit or loss	79,4	-43,2
Income from sales of treasury shares	4,5	2,3
Actuarial gains	-0,1	0,0
Items that will not be reclassified subsequently to profit or loss	4,4	2,3
Share of other comprehensive income items of equity method investees	0,0	0,0
Total comprehensive income	655,8	142,0
Of which		
<i>Group share</i>	561,0	92,4
<i>Non-controlling interests</i>	94,8	49,6
Undiluted comprehensive earnings per share (euro) - Group Share	1,8	0,5
Diluted comprehensive earnings per share (euro) - Group share	1,8	0,5

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (EPRA MODEL) PRESENTATION IN FAIR VALUE

<i>in millions of euros</i>	06/30/2015	12/31/2014
Goodwill	1 487,0	125,9
Intangible assets	44,9	46,5
Property, plant and equipment and work in progress	28,6	13,0
Investment property at fair value	18 795,0	12 362,2
Investment property at cost model	440,1	304,1
Equity method securities	1 151,8	663,8
Other non-current assets	374,8	173,0
Non-current derivatives	83,7	118,1
Deferred tax assets	95,6	54,1
NON-CURRENT ASSETS	22 501,6	13 860,7
Fair value of property held for sale	735,1	3,2
Trade accounts and notes receivable	153,1	103,2
Other receivables	411,0	167,3
<i>Tax receivables</i>	163,5	37,4
<i>Other debtors</i>	247,5	129,9
Current derivatives	154,6	3,7
Cash and cash equivalents	367,4	140,6
CURRENT ASSETS	1 821,1	418,0
TOTAL ASSETS	24 322,7	14 278,7
Share capital	440,1	279,3
Additional paid-in capital	5 818,1	1 773,6
Legal reserves	44,0	27,9
Consolidated reserves	3 043,8	3 000,7
<i>Treasury shares</i>	-81,7	-82,0
<i>Hedging reserves</i>	-124,0	-172,0
<i>Fair value of investment property</i>	2 998,8	3 325,1
<i>Other consolidated reserves</i>	250,8	-70,3
Consolidated earnings	490,5	328,5
Shareholders' equity, group share	9 836,5	5 410,0
Non-controlling interests	1 989,2	1 892,7
SHAREHOLDERS' EQUITY	11 825,7	7 302,7
Non-current financial liabilities	8 078,5	4 880,4
Long-term provisions	43,3	17,4
Pension commitments	18,4	17,6
Non-current derivatives	80,3	173,4
Security deposits and guarantees	144,8	110,8
Deferred tax liabilities	1 133,6	588,2
NON-CURRENT LIABILITIES	9 498,9	5 787,7
Current financial liabilities	1 972,7	697,4
Bank facilities	220,2	53,8
Trade payables	190,4	117,7
Payables to fixed asset suppliers	50,8	13,0
Other liabilities	363,4	182,8
Current derivatives	0,2	25,3
Social and tax liabilities	200,4	98,3
CURRENT LIABILITIES	2 998,1	1 188,3
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	24 322,7	14 278,7

2. GROSS RENTS AND NET RENTAL INCOME

GROSS RENTS

Change on a current portfolio basis

in millions of euros (total share)	06/30/2015	06/30/2014	Change current
France-Belgium	204,3	189,8	7,6%
Italy	99,3	52,1	90,4%
Scandinavia	88,6	96,7	-8,4%
Netherlands	54,7	-	NA
Iberia	50,8	35,9	41,4%
Germany	28,5	-	NA
Eastern Europe	59,6	41,3	44,5%
SHOPPING CENTERS	585,8	415,8	40,9%
Other activities	18,0	21,7	-17,1%
TOTAL	603,8	437,5	38,0%

NET RENTAL INCOME

Change on a current portfolio basis

in millions of euros (total share)	06/30/2015	06/30/2014	Change current
France-Belgium	186,4	177,6	4,9%
Italy	89,1	47,6	87,2%
Scandinavia	78,5	86,5	-9,3%
Netherlands	42,2	-	NA
Iberia	41,4	31,3	32,0%
Germany	19,4	-	NA
Eastern Europe	51,1	35,4	44,2%
SHOPPING CENTERS	508,0	378,5	34,2%
Other activities	17,2	20,2	-14,8%
TOTAL	525,2	398,7	31,7%

Change on a like-for-like basis

in millions of euros (total share)	Klépierre stand alone	ex-Corio	Change like-for-like proforma ⁽¹⁾
France-Belgium	3,2%	2,0%	3,0%
Italy	1,3%	2,8%	2,2%
Scandinavia	3,7%	NA	3,7%
Netherlands	NA	-2,0%	-2,0%
Iberia	4,9%	0,8%	3,1%
Germany	NA	1,5%	1,5%
Eastern Europe	5,8%	5,4%	5,7%
SHOPPING CENTERS	3,5%	1,4%	2,8%

(1) Assuming Corio has been acquired and consolidated as of January 1, 2014. Like-for-like definition for the rest of the perimeter, i.e. excluding the impact of assets sales, acquisitions and new spaces opened since January 1, 2014 and forex effect.

3. CASH FLOW STATEMENT

In millions of euros	06/30/2015	06/30/2014	Change (%)
Rental income	609,2	443,3	37,4%
Rental & building expenses	-84,1	-44,6	88,3%
Net rental income	525,2	398,7	31,7%
Management and other income	53,9	41,1	31,3%
G&A expenses	-123,1	-80,3	53,3%
EBITDA	456,0	359,5	26,9%
IFRIC 21 restatement	9,5	0,0	-
Restatement payroll and deferred expenses	17,0	4,3	294,0%
Net cost of debt	-111,9	-131,2	-14,7%
Restatement of Corio's debt mark to market amortization	-37,1		
Restatement financial allowance & financial restructuring	40,8	26,2	55,7%
Share in equity method investees	26,9	17,1	57,7%
Current tax expenses	-13,4	-11,5	16,5%
Restatement acquisition costs and portfolio restructuring	2,3	0,0	-
Net current cash flow (total share)	390,2	264,4	47,6%
Net current cash flow (group share)	329,6	206,2	59,9%
Restatement payroll expenses (employee benefits, stock-options)	-4,4	-4,3	2,2%
Restatement amortization allowances and provisions for contingencies and losses	-6,5	-5,6	16,3%
Other restatements related to tax	0,0	0,0	-
EPRA Earnings	318,7	196,3	62,4%
Per share			
Net current cash flow per share (in euro)	1,07	1,05	1,4%
EPRA Earnings per share (in euro)	1,03	1,00	3,0%
Average number of shares	308 661 324	195 732 258	

4. ACCOUNTING PRINCIPLES AND METHODS

4.1. CORPORATE REPORTING

Klépierre is a French corporation (a *Société anonyme* or SA) subject to French company legislation and, more specifically, the provisions of the French Commercial Code. The Company's registered office is located in Paris at 26, Boulevard des Capucines.

On July 21, 2015, the Executive Board approved the Klépierre SA consolidated financial statements for the six-month period from January 1 to June 30, 2015 and authorized their publication.

Klépierre shares trade on Euronext Paris TM (compartment A) and, since January 15, 2015, on Euronext Amsterdam.

4.2. PRINCIPLES OF FINANCIAL STATEMENT PREPARATION

The interim consolidated financial statements are prepared and presented in the form of condensed financial statements in accordance with IAS 34 relative to Interim Financial Reporting. As the accounts are condensed financial statements, they do not include all of the information required by IFRS, do not contain all of the information and notes required to prepare annual financial statements and, for this reason, they must be read alongside the published consolidated financial statements (or the registration document) relative to the 2014 fiscal year.

In accordance with Regulation (EC) No. 1126/2008 of November 3, 2008 on the application of international accounting standards, the Klépierre group's consolidated financial statements for the half year ended June 30, 2015 were prepared in accordance with IFRS published by the IASB, as adopted by the European Union and applicable on that date.

The IFRS framework as adopted by the European Union includes the IFRS (International Financial Reporting Standards), the IAS (International Accounting Standards), and their interpretations (SIC and IFRIC).

This framework is available on the website:

http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

Standards, amendments and applicable interpretations as of January 1, 2015

The accounting principles applied to the consolidated financial statements as of June 30, 2015 are identical to those used for the consolidated financial statements as of December 31, 2014, with the exception of the adoption of the following new standards and interpretations, for which application is mandatory for the Group:

- Annual improvements of IFRS: Cycle 2011 – 2013
- IFRIC 21: Levies

The first application of the IFRIC 21 interpretation resulted in the recognition in the interim consolidated financial statements of the annual property tax expense in France, Spain, Italy, the Netherlands and Germany. As a result, the total amount of additional property tax expense recorded at June 30, 2015 totaled 9.5 million euros and impacted the aggregate "Non-recovered rental expenses". The increase in these expenses resulted in a positive tax effect of 2.3 million euros. The net negative impact on net income of the first application of IFRIC 21 amounted to 7.2 million euros.

Standards, amendments and interpretations of non-compulsory application as from January 1, 2015

The following norms and amendments have been adopted by the European Union as at June 30, 2015 but with a later effective date of application and were not applied in advance by the Group:

- IAS 19 A: Defined Benefit plans - Employee contributions;
- Improvements to IFRSs 2010-2012 cycle.

The measurement of the potential impacts of these texts on the consolidated accounts of Klépierre is ongoing.

The following texts were published by the IASB but have not yet been adopted by the European Union:

- Amendment to IAS 28 and IFRS 10: Sale or asset contribution between associates and Joint Ventures
- Amendments to IAS 16 and IAS 38: Clarification of acceptable methods of depreciation and amortization
- Annual improvements of IFRS: Cycle 2012 – 2014
- IFRS 9: Hedge accounting (final and complete version July 2014)
- IFRS 14: Regulatory Deferral Accounts. Only for companies which have adopted IFRS standards for the first time, not applicable for Klépierre group.
- IFRS 15: Revenue from Contracts with Customers
- Amendment to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations
- Amendment to IAS 27: Equity Method in Separate Financial Statements
- Amendment to IAS 1: Disclosure initiative. Presentation of Financial statements.

5. SCOPE OF CONSOLIDATION

As of June 30, 2015, the Group scope of consolidation includes 327 companies compared to 245 at December 31, 2014, including 285 fully consolidated companies and 42 companies consolidated using the equity method.

Main events of the first half of 2015

With the acquisition of the Corio Group, the Group has integrated 98 new companies, including 88 fully consolidated companies and 10 companies consolidated using the equity method. Of these acquired companies, four were liquidated, one was merged within the French scope, and Corio NV was merged into Klépierre SA over the period.

On March 26, Klépierre acquired 100% of Orion Columba from the Orion Group for an amount of 162.1 million euros. This company owns a prime shopping center in Madrid. The acquisition was treated as a business combination according to IFRS 3. The net amount of the identifiable assets and liabilities at their fair value at the acquisition date stands at 108.2 million euros. The 53.9 million euro goodwill is allocated to the possibility to optimize income taxes when disposing the assets. In accordance with IFRS 3, this purchase price allocation is provisional and could be subject to changes during 12 months after the acquisition date. Since the acquisition date, Orion Columba contributed with 4.9 million euros to rental income and 4.5 million euros to the net rental income of the Group. If the acquisition had taken place in the

beginning of the year, the contribution of the company would have been 9.5 million euros to rental income and 8.2 million euros to the net rental income.

In the first half of the year, six Norwegian companies were liquidated: Nordbyen Senter AS, Asane Kulturvikling, Asane Hotellutvikling, Slagenveien AS, Markedet Haugesund 2 AS and KS Markedet. In addition the company Torvbyen Utvikling AS was sold during the period.

On April 1, 2015, Klépierre completed the sale of three shopping centers in Hungary. The Hungarian entity Szeged Plaza is no longer included in the scope of consolidation.

Finally, the companies Klécapnor and Immo Dauland were merged into Klémurs respectively, on March 3 and March 9, 2015.

Public Exchange Offer on Corio NV

On July 29, 2014, Klépierre S.A and Corio N.V reached an agreement for a strategic combination of their businesses by means of a Public Exchange Offer followed by a cross-border merger. The aim of this combination was to create a leading pure player retail property company in Europe. Corio is a leading pan-European retail property company, specializing in the selection, development, redevelopment and management of shopping centers. The portfolio consists of 57 shopping centers located in seven countries: Italy, the Netherlands, France, Germany, Spain, Portugal, and Turkey.

The Public Exchange Offer was launched on October 27, 2014 after obtaining the authorization of the Dutch "Autoriteit Financiële Markten" (the "AFM") and the French "Autorité des Marchés Financiers" (the "AMF"). The exchange ratio for the Public Exchange Offer was 1.14 new Klépierre shares with a nominal value of 1.40 euros for each Corio share.

On January 8 2015, the Public Exchange Offer was declared unconditional. 84,727,783 Corio shares, representing approximately 84.07% of the issued and outstanding shares, were tendered under the Offer.

A Post-Acceptance period was reopened between January 12, 2015 and January 16, 2015. Following the Post-Acceptance period of the Offer, Klépierre SA issued 10,976,874 new shares as compensation for the 9,628,837 additional shares tendered by Corio.

Upon completion of the Offer and the Post-Acceptance period, Klépierre held 93.6% of Corio shares. The share capital of Klépierre SA was increased from 279 million euros to 430 million euros. The share issue premium amounts to 3.8 billion euros. Issuance costs related to the issue of Klépierre shares amounted to 28.9 million euros and were deducted from the share issue premium.

On March 31, 2015 Klépierre and Corio finalized the merger. The exchange ratio applied for the merger tallies with the one used in the Offer, i.e., 1.14 new Klépierre share for each Corio share. By the end of the merger 7,319,177 new Klépierre shares were issued in exchange for 6,420,331 Corio shares, increasing the capital of Klépierre SA from 430 million euros to 440 million euros.

Accounting for Business Combination

In accordance with IFRS3 - Business Combinations, the cost of the business combination is equal to the market value of Klépierre shares issued in exchange for Corio shares. On the basis of both the exchange of 100% of Corio shares (93.63% after Offer and Post-Acceptance periods and 6.37% after the merger) and a Klépierre share price of 37.185 euros as of January 8, 2015 (date of takeover), the total cost of the business combination is estimated as follows at the acquisition date:

Number of Corio shares		100 776 951
Exchange ratio into Klépierre shares		1,14
Number of Klépierre shares issued (exchange offer)	84,07%	96 589 672
Number of Klépierre shares issued (post-acceptance)	9,55%	10 976 874
Number of Klépierre shares issued following the merger	6,37%	7 319 177
Klépierre Stock share price (as of January 8, 2015) (in euros)		37,185
Total cost of the business combination (M€)		4 272

As of June 30, 2015, the provisional purchase price allocation was processed based on Corio's financial statements as of December 31, 2014 restated for the main impacts of the period from January 1 to 8, 2015. Moreover, the following main restatements were made to complete the fair value of assets and liabilities identifiable at the acquisition date:

- The Corio fixed-rate debt was revalued by 331.2 million euros and thus increased to its fair value at the acquisition date. In addition, the foreign exchange effect between January 1 and January 8, 2015 resulted in the increase in USD denominated debt of 18.5 million euros.
- Financial instruments were reassessed at 28.9 million euros to take into consideration the changes in interest rates between January 1 and January 8, 2015, leading to the recognition of an additional asset.
- 71 million euros of historical goodwill on the balance sheet of Corio were impaired, representing the difference between deferred tax liabilities on assets and the fair value of these taxes historically recognized on previous business combinations.
- Properties under construction were subject to internal and external valuations and an impairment of 10.7 million euros was recognized.
- The review of deferred tax positions, tax liabilities and the tax impact of the restatements mentioned above resulted in the recognition of a liability of 40.8 million euros.

In accordance with IFRS 3, this purchase price allocation is provisional and could be subject to changes during the 12 months following the acquisition date.

Provisional amounts by category of assets and liabilities recognized at the acquisition date are:

in millions of euros	January 8, 2015
Property, plant and equipment	19,6
Investments properties	6 463,0
Equity method securities	424,5
Financial assets and other non-current assets	110,6
Deferred tax assets*	-
NON-CURRENT ASSETS	7 017,7
Trade receivables	21,9
Other receivables	173,1
Derivatives	71,1
Cash and cash equivalents	19,0
CURRENT ASSETS	285,1
TOTAL ASSETS	7 302,8
SHAREHOLDERS' EQUITY, Group share	2 965,1
Non-controlling interests	48,4
Non-current financial liabilities	3 005,0
Long-term provisions	28,9
Security deposits and guarantees	29,9
Deferred tax liabilities*	353,6
NON-CURRENT LIABILITIES	3 417,5
Current financial liabilities	456,4
Trade payables	137,9
Other liabilities	277,5
CURRENT LIABILITIES	871,8
TOTAL LIABILITIES	7 302,8

(*) Both current and future income taxes are offset where such offsetting is legally permissible and where they originate within the same tax consolidation Group and are subject to the same tax authority.

The difference between the cost of the business combination (4 272 million euros) and Corio Shareholders' equity group share (2 965 million euros) represents the goodwill of 1 307 million euros.

A value of 304 million euros can be allocated to the possibility of optimizing income taxes when disposing of assets. 21 million euros in value can be allocated to service activities related to the three Corio management companies in France, Italy and Spain.

As a consequence, the residual goodwill amounts to 982 million euros.

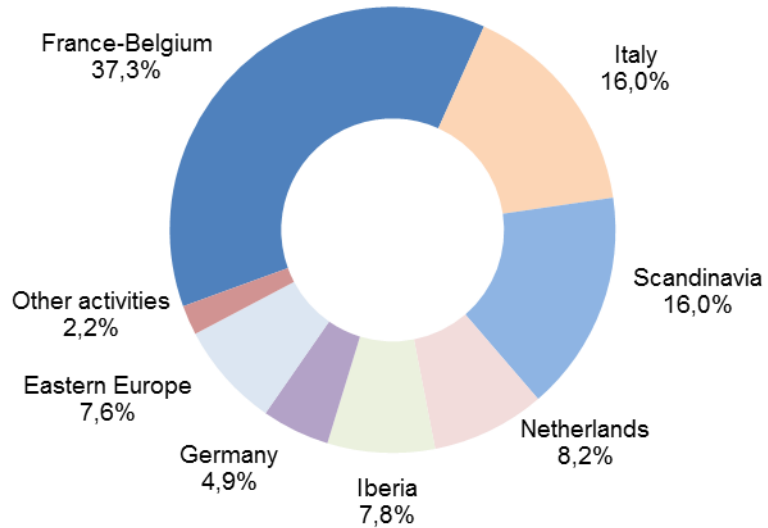
An analysis of the recoverability of this residual goodwill is currently under review and should be completed within the 12 months following the acquisition. If within this timeframe the recoverability of this residual goodwill cannot be documented with reasonable assumptions this could lead to partial or full impairment.

Corio's entry impacts Klépierre's results as of the first six months of 2015. For the period ended June 30, 2015, Corio's contribution to rental income was 210.0 million euros, for a contribution to net rental income of 166.5 million euros. The acquisition was completed on January 8, 2015 but the consolidation date is January 1, 2015. Since the impact of the period from January 1 to 8 is not significant for net income, it has not been restated.

Operational reporting

The Group is organized into 7 main territories for shopping centers (France-Belgium, Italy, Scandinavia, Netherlands, Iberia, Germany and Eastern Europe) and one division for other activities.

**Total valuation breakdown by region as of June 30, 2015
(total share, excluding duties)**



6. ECONOMIC ENVIRONMENT

In the Eurozone, the economic outlook is expected to continue to improve over the second half of the year. The business climate has recently shown an upturn, especially in Italy (at its highest since 2007) and in Spain (at its highest since the early 2000s). GDP growth is now expected to reach +1.4% in 2015 (after 0.9% in 2014 and after being negative in 2012 and 2013), mainly driven by private consumption for the Eurozone as a whole (+1.6%) as well as for the other countries where Klépierre operates.

Expected GDP changes for 2015 – 2016²¹

	France-Belgium		Italy	Scandinavia			Iberia		Eastern Europe				Germany
	France	Belgium		Norway	Sweden	Denmark	Spain	Portugal	Poland	Hungary	Czech Republic	Turkey	
2015	1,1%	1,3%	0,6%	1,2%	2,8%	1,9%	2,9%	1,6%	3,5%	3,0%	3,1%	3,1%	1,6%
2016	1,7%	1,8%	1,5%	1,5%	3,0%	2,3%	2,8%	1,8%	3,7%	2,2%	2,5%	3,9%	2,3%

7. CHANGE IN RETAILER SALES

Retailer sales in Klépierre shopping malls rose by 3.8% on a like-for-like pro forma basis²² for the 6 months ended June 30, 2015 compared to the same period in 2014. Business showed a certain degree of momentum as private consumption has generally recovered since the beginning of the year. Excluding new extensions (Romagna Shopping Valley in Italy, Dresden in Germany, and Kristianstad in Sweden), retailer sales are up 3.2% for the period.

Year-on-year retail sales change through June 2015		
	Like-for-Like	Like-for-Like excluding extensions
France	1,7%	1,7%
Belgium	1,1%	1,1%
France-Belgium	1,6%	1,6%
Italy	6,5%	5,7%
Norway	-1,6%	-1,6%
Sweden	7,3%	5,5%
Denmark	4,3%	4,3%
Scandinavia	2,4%	1,8%
Netherlands	N/A	N/A
Spain	5,8%	5,8%
Portugal	6,4%	6,4%
Iberia	5,9%	5,9%
Germany	9,5%	-0,1%
Poland	-2,5%	-2,5%
Hungary	10,1%	10,1%
Czech Republic	6,2%	6,2%
Turkey	16,5%	16,5%
Eastern Europe	4,8%	4,8%
SHOPPING CENTERS	3,8%	3,2%

Like-for-like pro forma changes in retailer sales presented in this section assume that the Corio and Plenilunio acquisitions occurred on January 1, 2014.

²¹ OECD (May 2015)

²² Retailer sales performance for H1 2015 compared to H1 2014 assumes that the Corio and Plenilunio acquisitions occurred on January 1, 2014. Like-for-like excludes the impact of asset sales. Retailer sales from the Dutch portfolio are not included in these numbers as retailers do not report sales to Klépierre. Primark sales are estimated on a conservative basis.

7.1. FRANCE-BELGIUM

France

From just +0.2% in 2014, the GDP growth forecast for 2015 improved in the first half of 2015 (+1.1% vs. +0.8% six months ago). Nevertheless, national retailer sales remained under pressure according to the national indices (year-to-date through May - IFLS²³: +0.5%, CNCC: -1.8%). As a comparison, over the same 5-month period, on a like-for-like basis, retailer sales rose +1.2% in Klépierre malls.

Over the first half of 2015, retailer sales increased by 1.7%, with some centers posting significant growth due to major re-tenanting initiatives, such as at Grand Littoral (+10.2% excluding Primark) and Annecy Courier (+4.3% following the opening of Zara).

Belgium

Ten years after it opened, Louvain-la-Neuve continues to trend positively (+1.1%).

7.2. ITALY

After a long recession, the Italian economy has started its gradual recovery. GDP is expected to grow by 0.6% in 2015 and by 1.5% in 2016. Though exports will continue to support growth, the recovery should broaden to include private consumption. Sluggish private investment will be countered by rising public infrastructure spending. Economic growth should result in job creations and lead to a decrease in the unemployment rate.

In this more upbeat economic environment, retailer sales turned clearly positive. In Klépierre malls, retailer sales rose by 6.5% over the first six months (+5.7% excluding the extension of Romagna Shopping Valley in Rimini). This trend was observed in all shopping centers and for all business segments. After dropping last year, household goods sales (22% of total sales) made a robust recovery (+7.3% like-for-like same stores), with good performance for electronics operators. Fashion (46% of total sales) – which drove growth last year – continued to strengthen (+4.1% like-for-like same stores).

7.3. SCANDINAVIA

Sweden

Private consumption and investment continue to grow briskly, while foreign trade is expected to rise significantly but to post a modest contribution to GDP growth. Unemployment is projected to recede slowly. Monetary policy is highly expansionary and should remain so until inflation is clearly moving towards target. Residential investment is growing rapidly from a low level, responding to strong housing demand. Business investment growth is robust. Intangibles, notably software and R&D, account for a large share of corporate investment.

In this favorable context, retailer sales were very dynamic in the first half of the year, showing positive growth in every shopping center. Including the extension of Galleria Boulevard (Kristianstad), retailer sales increased by 7.3%. Excluding this extension, growth reached +5.5%, driven by the good performance of Emporia (+11.7%).

²³ Institut Français du Libre Service

Norway

Growth is expected to weaken in 2015, falling to 1.2% as the decline in oil prices is impacting the petroleum sector and investments, with spillovers into the mainland economy. A gradual recovery in 2016 will get support from firmer business investment in non-oil activities and stronger external demand. The unemployment rate is expected to drift upward to slightly above 4% and wage growth is set to moderate. Inflation will remain low given the economic slack.

At Klépierre malls, retailer sales are being affected by the emergence of competition against three shopping centers: Asane (Bergen), Maxi Storsenter (Hamar), and Lillestrom (Oslo). Aggregated for the first six months of 2015, sales decreased by 1.6%. Metro (+13.9%) and Gulskogen (+3.7%), both in greater Oslo, and Vinterbro (refurbished in 2013) turned in strong performances.

Denmark

Economic growth is projected to rise by 1.9% this year and by 2.3% in 2016, thanks to improved trade prospects, a weaker effective exchange rate, lower energy prices, and easing financial conditions. Improved confidence, recovering house prices and a savings surplus in the private sector will underpin gathering momentum in business investment and private consumption.

Retailer sales in Klépierre malls increased by 4.3% over the first half of 2015.

7.4. IBERIA

Spain

Robust growth is projected over the next two years. Private consumption growth will be supported by rising employment and income, household tax cuts, and lower fuel prices and interest rates.

In this context, retailer sales significantly increased at Klépierre malls over the first six months of the year (+5.8%), a performance that was mainly driven by robust sales for dominant assets: La Gavia (Madrid: +8.4%), Plenilunio (Madrid: +11.6%), and Meridiano (Tenerife: +12.5%).

Portugal

Recovery is expected to strengthen in 2015 on the back of strong external demand, a weaker euro, and lower oil prices. After contracting for three years, domestic demand has started to improve and business investment is expected to pick up further in 2016. The unemployment rate should continue to fall moderately.

Retailer sales at Klépierre malls rose by 6.4% over the first half of the year, with increases observed for every shopping center. Growth is particularly robust for the three major centers: Aqua Portimão (+13.3%), Espaço Guimarães (+8.3%), and Parque Nascente (+3.3%).

7.5. GERMANY

Economic growth is expected to strengthen, driven by both domestic and external demand. Household consumption should get support from a solid labor market (still improving), low interest rates, and low oil prices.

Retailer sales at Klépierre malls (+9.5% in the first half) were boosted by the good performance of Centrum Galerie in Dresden following completion of the refurbishment and the opening of Primark. Basement of

Boulevard Berlin is currently under refurbishment to accommodate a new supermarket operator, Kaiser's. On a like-for-like basis (excluding Boulevard Berlin and Centrum Galerie), retailer sales were virtually unchanged (-0.1%) compared with the first half of 2014.

7.6. EASTERN EUROPE

Poland

The economic situation will remain favorable and GDP should continue to get support from private consumption. However, tenant sales at Klépierre malls were slightly negative (-2.5%) over the first six months due to the impact of new competition in Lublin (-12.5%). The two other major shopping centers posted positive tenant sales (Sadyba: +3.2% and Poznan: +0.6%).

Hungary

In a still favorable economic context and improving household income, retailer sales rose substantially over the first half of 2015. For Klépierre malls, sales were up 10.1%, positively oriented in every retail segment, especially household equipment (boosted by electronics) and personal products.

Czech Republic

The economic expansion has gained momentum as renewed consumer confidence and income growth are supporting consumer spending. Retailer sales also continued to improve (+6.2%) at the three shopping centers owned by Klépierre (Nový Smichov: +3.3%, Plzeň: +11.6%, Novo Plaza: +14.6%).

Turkey

GDP growth is projected to pick up gradually over 2015 and 2016, after the "wait and see" attitude of businesses and households dissipates. Despite the current climate of low confidence due to the geopolitical situation in the region, household consumption is expected to increase significantly.

At Klépierre malls, retailer sales rose by 16.5% over the first six months of the year, notably boosted by re-tenanting efforts at Tarsu (+30%) and Teraspark (+28% thanks to new openings and especially Mediamark). All shopping centers sales were up compared to the same period last year.

8. RENTAL BUSINESS

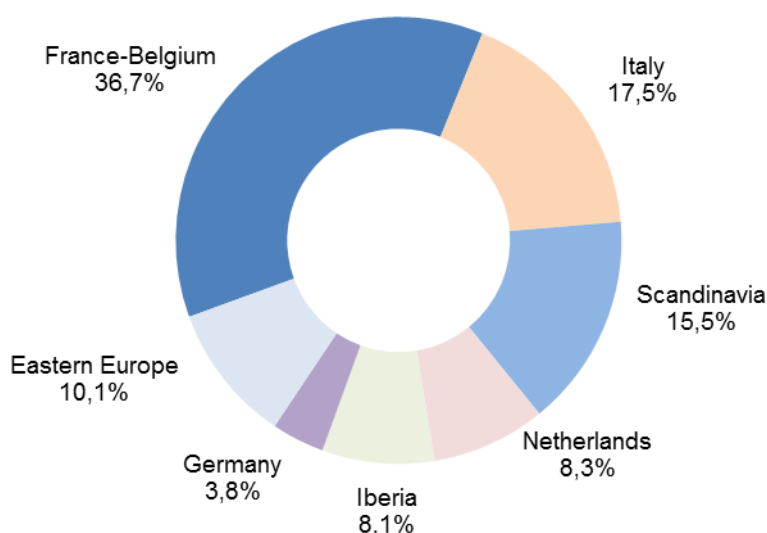
Gross rents total share amounted to 603.8 million euros for the first half of 2015, compared with 437.5 million euros for the same period last year. Total consolidated net rental income amounted to 525.2 million euros, up 126.5 million euros compared to the first half of 2014 and including:

- 166.5 million euros in net rental income from ex-Corio assets contributing since January 1, 2015.
- a 40.0 million euro decrease on Klépierre's stand-alone, explained as follows:
 - a decrease of 48.6 million euros due to portfolio changes, such as the disposal of non-core shopping centers in 2014 (in particular the sale of 126 retail galleries to Carmila in April 16, 2014) and the acquisition of Plenilunio (Madrid) in March 26, 2015. This item also includes the impact of the first application of IFRIC 21, as explained in section 4.2;
 - an increase of 11.0 million euros reflecting net rental income growth on a like-for-like basis;
 - a 2.4 million euro decrease linked to foreign exchange rate effects.

In section 8.1, to provide more insight into the net rental income change of the combined portfolio, the net rental income change is reported on a like-for-like pro forma basis and is defined as follows: it assumes that Corio has been fully consolidated as of January 1, 2014, but that all other acquisitions, opening of new spaces and disposals that have occurred since January 1, 2014 are excluded. It excludes the foreign exchange impact.

8.1. SHOPPING CENTER SEGMENT (96.7% of consolidated net rental income)

***Shopping center breakdown
in net rental income by region
Period ended June 30, 2015 (total share)***



Shopping center gross rental income amounted to 585.8 million euros, up 40.9% in the first half of 2015 compared to last year. This change reflects the acquisition of Corio combined with the disposal by Klépierre of non-core shopping since January 1, 2014. Shopping center net rental income amounted to

508.0 million euros, a 34.2% increase on a current basis compared to the first half of 2014, as Corio has been consolidated as of January 1, 2015. On a like-for-like basis and pro forma Corio,²⁴ shopping center net rental income total share was up by 2.8%. Index-linked rental adjustments contributed to 0.4% of this increase. France-Belgium, Scandinavia, Iberia, and Eastern Europe posted growth above 3.0%, while the negative performance of the Corio portfolio acquired in the Netherlands weighed negatively on the Group level.

On a like-for-like²⁵ basis (excluding Corio), shopping center net rental income was up 3.5%, with all regions contributing positively to this solid growth, which reflects the continuing focus on improving the operating performance of our shopping centers.

Shopping center business summary

	Volume of leases renewed and relet (€M)	Reversion (%)	Reversion (€M)	OCR ⁽¹⁾	EPRA Vacancy rate	Late payment rate ⁽²⁾
France-Belgium	14,3	13,1%	1,9	12,4%	3,3%	2,4%
Italy	13,4	7,9%	1,1	11,6%	2,6%	2,9%
Scandinavia	10,0	9,5%	1,0	10,7%	4,1%	0,5%
Netherlands ⁽³⁾	0,7	14,2%	0,1	-	5,6%	2,9%
Iberia ⁽⁴⁾	4,7	9,2%	0,4	13,5%	8,4%	1,3%
Germany	0,5	16,9%	0,1	12,3%	6,8%	7,0%
Eastern Europe ⁽⁴⁾	7,7	11,0%	0,8	13,1%	5,6%	3,6%
TOTAL	51,3	10,4%	5,4	12,0%	4,2%	2,3%

(1) Occupancy cost ratio. Data not provided for the Netherlands as retailers do not report sales to Klépierre

(2) Rate 12-month rolling

(3) Excluding leases signed on the 9 shopping centers to be sold to Wereldhave

(4) Data for Iberia and Central Europe include temporary rental discounts

Property management in the first half of 2015 led to the signature of 900 leases for operated areas, translating into additional annual minimum guaranteed rents of 10.9 million euros. These signatures included 767 leases that were renewed or relet, representing 5.4 million euros worth of additional annual minimum guaranteed rents.

At the Group level, the shopping center vacancy rate (EPRA format) increased from 3.0% at year-end 2014 to 4.2% at June 30, 2015, mostly due to the impact of the acquired Corio portfolio, whose vacancy rate stood at 6.4% as of June 2015.

8.1.1. France-Belgium (36.7% of shopping center net rental income)

in million euros (total share)	Net rental income current			Net rental income proforma like-for-like			EPRA Vacancy rate 06/30/2015
	06/30/2015	06/30/2014	Change	06/30/2015	06/30/2014	Change	
France	179,6 ⁽¹⁾	171,2	4,9%	180,9	175,7	2,9%	3,4%
Belgium	6,7	6,4	5,3%	6,7	6,4	5,3%	0,9%
France-Belgium	186,4	177,6	4,9%	187,6	182,1	3,0%	3,3%

(1) Including IFRIC 21 impact for -1.8 million euros

France

The change in net rental income on a current basis results from the combined impact of the sale of 56 retail galleries in April 2014 and the addition of 12 shopping centers from the acquisition of Corio. On a like-for-like and pro forma basis, net rental income is up by 2.9% in a negative index-linked rental adjustment

²⁴ Assuming Corio is acquired and consolidated as of January 1, 2014. Like-for-like definition for the rest of the consolidated scope, i.e., excluding the impact of asset sales, acquisitions, new spaces opened since January 1, 2014, and foreign exchange impacts.

²⁵ Excluding the impact of asset sales and acquisitions since January 1, 2014, extensions opened since January 2014, and foreign exchange impacts.

environment (-0.2%), reflecting the positive impact of successful re-tenanting campaigns completed in 2014, mainly at Créteil Soleil and Val d'Europe, and the strong performance of St.Lazare Paris.

125 leases were signed in the first half of 2015, translating into a 12.9% reversion rate on lease renewals and relets. Major leasing highlights are as follows: Primark signed for additional space at Créteil Soleil (Paris area), building on the success it has met since opening in June 2014. The store will be the largest in France, with close to 11,000 sq.m. In the same center, Zara opened its largest store in Ile-de-France last February, covering more than 3,240 sq.m., and implemented its latest concept, which combines women, men and children's wear. The clothing chain is leasing additional space at Val d'Europe in the Greater Paris Area, to reach 2,850 sq.m.. H&M also signed to enlarge its store as part of the extension scheme due to open in early 2017 and Kiabi just signed a lease for 2,000 sq.m., set to open before year-end. In addition, the Val d'Europe extension will include Nike and Rituals, which signed leases in the second quarter. Mango inaugurated one of its largest stores in France, over 2,200 sq.m., at Grand'Place (Grenoble). JD Sports opened a new store at Mondeville (Caen) in May. At Blagnac (Toulouse area), a new lease was signed with Uniqlo for a 950 sq.m. store, its first for the brand in the region. Galeries Lafayette signed a letter of intention for new stores at Nailloux Outlet Village (Toulouse region) and Chôlet Marques Avenues (Nantes).

Leasing teams were also active in renewing the food and restaurant offer. At Val d'Europe, the food court is currently being restructured and will welcome Exki, Factory & Co, and 2 exclusive concepts for a shopping center setting - Indiana Café and Big Fernand. Exki will also open a new restaurant at Passages (Paris area). Among the other new leases signed in the second quarter, with openings scheduled before year-end: Vapiano at Créteil-Soleil, which will strengthen the offer; and Starbucks at Bègles Rives d'Arcins, which will open the second Starbucks of the Bordeaux region over 220 sq.m. Burger King is pursuing its expansion and will inaugurate a 740 sq.m. restaurant at Le Millénaire (Paris region) during the fourth quarter. At Le Millénaire, Carrefour opened its 3,000 sq.m. extension in June, to reach more than 9,000 sq.m.

Belgium

L'esplanade in Louvain-la-Neuve continues to post strong operating performances: net rental income is up by 5.3% following a successful re-tenanting campaign completed in 2014.

8.1.2. Italy (17.5% of shopping center net rental income)

in million euros (total share)	Net rental income current			Net rental income proforma like-for-like			EPRA Vacancy rate 06/30/2015
	06/30/2015	06/30/2014	Change	06/30/2015	06/30/2014	Change	
Italy	89,1⁽¹⁾	47,6	87,2%	77,4	75,8	2,2%	2,6%

(1) Including IFRIC 21 impact for -3.4 million euros

Net rental income almost doubled compared with the first half of 2014 on a current basis thanks to the addition of 10 shopping centers following the Corio acquisition and the additional contribution of the Romagna Shopping Valley (Rimini region) extension-refurbishment scheme inaugurated in November 2014. These additions have more than offset the impact of the sale of 7 retail galleries to Carmila that was completed in April 2014. Net rental income rose by 2.2% on a like-for-like pro forma basis with no contribution from index-linked adjustments. This performance is attributable to an 8% reversion rate posted on leases renewed and relets during the first half and by an improvement in debt collection.

Leasing activity was sustained in the first half, with 138 leases signed, in particular in the large shopping centers acquired from Corio. OVS (fashion) opened its 17th department store in the Italian portfolio, covering 1,000 sq.m., at Montebello. Other major signatures include M.A.C Cosmetics (Estée Lauder Group) at Milanofiori (Milan), Pandora (jewelry) at Il Destriero (Vittuone), and Vans at Campania (Naples). Lui Jo signed for a new shop at Il Leone di Lonato, which will strengthen and upgrade the center's fashion offer, and it has just inaugurated its new concept for men at Porta di Roma and Nave de Vero (Venice).

8.1.3. Scandinavia (15.5% of shopping center net rental income)

in million euros (total share)	Net rental income current			Net rental income like-for-like			EPRA Vacancy rate 06/30/2015
	06/30/2015	06/30/2014	Change	06/30/2015	06/30/2014	Change	
Norway	25,8	26,6	-2,9%	26,0	25,4	2,4%	3,0%
Sweden	30,6	38,7	-20,9%	28,4	27,7	2,4%	2,1%
Denmark	22,1	21,2	4,0%	22,0	20,5	6,9%	8,5%
Scandinavia	78,5	86,5	-9,3%	76,4	73,7	3,7%	4,1%

Norway

On a like-for-like basis, net rental income is up by 2.4%, driven by sound performances across the portfolio and sustained index-linked adjustments. The change on a current portfolio basis mainly reflects the depreciation of the Norwegian krone versus the euro.

Among the 85 leases signed during the first half, M.A.C. (Estée Lauder Group) chose Amanda Storsenter (Haugesund) to open a new store in April 2015. The reversion rate on renewals and relets is 7.0%.

Sweden

On a like-for-like basis, net rental income is up by 2.4%, sustained by the sound performances of large malls, Emporia in particular. On a current portfolio basis, the significant decrease in net rental income is due to the sale of five shopping centers effective July 1, 2014 and the depreciation of the Swedish krone versus the euro.

86 leases were signed in the first half, with a 11.0% reversion rate. Victoria's Secret opened its first store in a Scandinavian shopping center at Emporia (Malmö) on April 1. The opening was a great success, with 4,000 shoppers welcomed that day. Thomas Sabo (German jeweler) chose Emporia to open its third exclusive store in the country. At Kupolen (Borlänge), ICA (supermarket) will reduce and completely refurbish its premises, allowing for 7 new stores to be created. Negotiations are underway with international retailers to enlarge the retail mix. Cubus (men, women and children apparel) chose the center to open a 750 sq.m. store. At Torp (Uddevalla), Sportshopen opened a 3,600 sq.m. department store in June. At Allum (Partille), the fashion offer was upgraded with the opening of Rut & Circle (women) and Volt.

Denmark

Net rental income increased by 6.9% on a like-for-like basis, outperforming index-linked rental adjustments (+420 bps). This performance reflects the reletting of temporary vacancies, in particular at Brunn's. At Field's, the cinema extension expected to open in August of this year is attracting additional interest from retailers. New leases signed include Fona – the Danish electronic goods retailer - at Brunn's and Tiger of Sweden (upscale menswear) at Field's.

The change on a current portfolio basis includes the impact of a non-recurring property tax refund in the first half of 2014.

8.1.4. Netherlands (8.2% of shopping center net rental income)

in million euros (total share)	Net rental income current			Net rental income proforma like-for-like			EPRA Vacancy rate 06/30/2015
	06/30/2015	06/30/2014	Change	06/30/2015	06/30/2014	Change	
Netherlands	42,2 ⁽¹⁾	-	NA	35,0	35,7	-2,0%	5,6%

(1) Including IFRIC 21 impact for -1.8 million euros

This country is a new region of presence for Klépierre. On a like-for-like pro forma basis, net rental income contracted by 2.0% (-0.7 €M) due to temporary vacancies and negative reversion on leases signed in the whole portfolio. On June 24, a conditional agreement was signed with Wereldhave on the disposal of a portfolio of 9 shopping centers located in the Netherlands for a total consideration of 770 million euros (including duties). This transaction is expected to close at the end of the third quarter of 2015. On July 17, the competition authorities – whose opinion was a condition precedent to closing – approved transaction. These assets contributed 21.9 million euros to net rental income for the first half.

On the leasing front, Kiko opened its third store in the Netherlands at Alexandrium (Rotterdam) and H&M will inaugurate a 3,800 sq.m. store at Hoog Catharijne (Utrecht) in September.

8.1.5. Iberia (8.1% of shopping center net rental income)

in million euros (total share)	Net rental income current			Net rental income proforma like-for-like			EPRA Vacancy rate 06/30/2015
	06/30/2015	06/30/2014	Change	06/30/2015	06/30/2014	Change	
Spain	32,2	24,2	33,2%	28,1	27,3	2,7%	5,7%
Portugal	9,1	7,2	27,8%	9,1	8,8	4,3%	16,4%
Iberia	41,4	31,3	32,0%	37,2	36,1	3,1%	8,4%

(1) Including IFRIC 21 impact for -0.2 million euros

Spain

The change in net rental income reflects the impact of the sale of 65 retail galleries in 2014²⁶ and of the sale of Vega Plaza (Molina de Segura) in 2015, the addition of 9 centers to the portfolio following the Corio acquisition, and the consolidation of Plenilunio (Madrid). On a like-for-like pro forma portfolio basis, net rental income is up 2.7%, driven by the performance of La Gavia (Madrid) and Meridiano (Tenerife) and mitigated by the performance of the remaining portfolio essentially due to the contribution of Corio's assets.

93 leases were signed in the first half. La Gavia welcomed 2 new shoe retailers (Skechers and Elena Hernandez) and a renovated Douglas store, and Pandora upgraded its store with its latest concept. Leases were signed with the following brands to open before year-end: 2 new restaurants (Taco Bell and Pani Pasta), Intimissimi (Calzedonia Group), and TimeRoad (jewelry). At Plenilunio, Mango opened one of its largest department stores in the Madrid region with its full concept. New leases signed at this center in the second quarter resulted in significant reversion rates. At Meridiano, leases were signed with Kiko and KFC (first openings in the Canary Islands) and with H&M, which will operate a 2,100 sq.m. store on two levels.

²⁶ 63 retail galleries sold to Carmila and Txingudi and Las Huertas galleries.

Portugal

Pro forma net rental income is up by 4.3% despite no help from indexation.

Lefties (Inditex Group) opened two new stores in March at Aqua Portimão (Algarve, 1,020 sq.m.) and at Espaço Guimarães (1,610 sq.m.). In addition, at Aqua Portimão the 3 Calzedonia Group brands (Calzedonia, Intimissimi and Tezenis) implemented their latest concepts and Desigual opened a new store.

8.1.6. Germany (3.8% of shopping center net rental income)

in million euros (total share)	Net rental income current			Net rental income proforma like-for-like			EPRA Vacancy rate 06/30/2015
	06/30/2015	06/30/2014	Change	06/30/2015	06/30/2014	Change	
Germany	19,4 ⁽¹⁾	-	NA	9,2	9,1	1,5%	6,8%

(1) Including IFRIC 21 impact for -2.4 million euros

Net rental income is up 1.5% on a like-for-like pro forma basis.

Current re-tenanting actions led to the signing of significant leases across the portfolio, driving a strong increase in revenue and footfall. Following a complete restructuring of the basement level, Kaiser's will open a 2,100 sq.m. hypermarket by September 2015 at Boulevard Berlin. The latter welcomed a San Francisco Coffee Company shop close to its main entrance, which was joined by a Kusmi Tea shop and a Superdry store. At Centrum Galerie (Dresden), leases were signed with XTI Shoes (a Spanish retailer, first implementation in Germany), Orchestra (children's clothing brand), and Sächsische Eismanufaktur (ice cream).

8.1.7. Eastern Europe (10.1% of shopping center net rental income)

in million euros (total share)	Net rental income current			Net rental income proforma like-for-like			EPRA Vacancy rate 06/30/2015
	06/30/2015	06/30/2014	Change	06/30/2015	06/30/2014	Change	
Poland	16,2	15,5	4,4%	16,2	15,8	2,8%	4,7%
Hungary	9,0	8,5	6,0%	8,8	8,4	4,9%	11,0%
Czech Republic	11,9	11,5	3,3%	11,9	11,6	3,0%	0,6%
Turkey	13,1	-	NA	12,7	12,0	5,4%	6,4%
Others	0,9	-0,1	NA	1,1	0,2	NA	10,0%
Eastern Europe	51,1	35,4	44,2%	50,7	47,9	5,7%	5,6%

Poland

Net rental income growth is supported by positive performances posted by all of the centers in the portfolio.

Successful renewal campaigns are currently being pursued at Poznan Plaza – leases were signed with Douglas, Zara and Sephora, notably – and at Sadyba Best Mall, where leases have been signed with Samsonite and Sephora. The latter also renewed its lease at Kraków Plaza. New Balance opened a new store at Lublin Plaza. In all, 58 leases renewed or relet during the first half of 2015, with a 5.3% reversion rate.

Czech Republic

Net rental income is up 3.3% thanks to the positive contribution of the country's three centers, once again outperforming index-linked rental adjustments, driven by successful re-tenanting – translating into a 18.7% reversion rate – and cost streamlining campaigns.

New leases signed during the first half of 2015 confirm Nový Smichov's (Prague) status as the preferred center for retailers entering or expanding in the Czech market. Kusmi Tea and Jeff de Bruges opened their first stores in the country. Starbucks also opened a store in July. The center's Beauty/Health offer was strengthened by leases signed with Estée Lauder, Korres, and The Body Shop.

Hungary

Each of the country's centers recorded net rental income growth that more than offset the impact of disposals completed in March 2015 (Zala, Csepel and Szeged) and October 2014 (Kanisza). On a like-for-like basis, net rental income growth was driven by cost streamlining efforts and a decrease in the vacancy rate.

Leases were signed with iStyle (Apple premium reseller) at Corvin (Budapest); with Pepco (a new fashion brand in Hungary) at Debrecen Plaza, Nyír Plaza and Duna Plaza; and with KFC at Győr Plaza and Miskolc Plaza. The fashion offer was strengthened at Corvin with the signing of leases with LLP Group brands (Reserved, Cropptown, House and Sinsay).

Turkey

Net rental income grew 5.4% on a like-for-like pro forma basis (excluding Akmerkez²⁷), mainly thanks to the full year effect of 2014 leasing actions. The change on a current basis takes into account a leasing indemnity and the appreciation of the USD versus the euro.

Significant re-tenanting actions were completed during the first half, with strong reversion rates. Bursa (Anatolium) welcomed a Koçtaş store (the leading DIY retailer in Turkey) and Deichmann (a German shoe retailer) expanded its premises. At Tekira, DeFacto, a popular fashion retailer with operations in close to 250 stores across the country, opened a store. Flormar (a make-up retailer with more than 400 stores worldwide) opened a new store at Teras Park.

²⁷ Consolidated using the equity method.

8.1.8. Foreign currency impact on like-for-like net rental income pro forma over 6 months

	6-month change like-for-like pro forma (total share)	
	constant forex	current forex
Norway	2,4%	-2,0%
Sweden	2,4%	-1,8%
Denmark	6,9%	7,0%
Scandinavia	3,7%	0,5%
Poland	2,8%	4,2%
Hungary	4,9%	6,0%
Czech Republic	3,0%	3,2%
Turkey	5,4%	7,4%
Eastern Europe	5,7%	6,8%
SHOPPING CENTERS	2,8%	2,4%

8.2. OTHER ACTIVITIES (3.3% of consolidated rental income)

in million euros (total share)	Net rental income current			Net rental income like-for-like			EPRA Vacancy rate
	06/30/2015	06/30/2014	Change	06/30/2015	06/30/2014	Change	06/30/2015
Other activities	17,2	20,2	-14,8%	16,7	16,8	-0,6%	2,2%

Net rental income on a like-for-like basis was down by 0.6% due to a slight increase in the vacancy rate following the termination of 13 leases by Défi Mode in May 2014. On a current basis, the decrease is also attributable to the disposal of a 10-unit portfolio (February 2014), two Chaussea units (October 2014) a 13 Buffalo Grill restaurants (February 2015), three units located in Franconville (March 2015) and the full exit from the office property business completed during the first half of 2014.

8.3. FEE INCOME

Fee income totaled 45.2 million euros, compared to 34.4 million euros for the same period last year.

9. DEVELOPMENTS AND DISPOSALS

9.1. INVESTMENTS MADE IN H1 2015

The first quarter of 2015 was marked by the completion of the Corio acquisition, following an exchange offer that was launched in the fourth quarter of 2014: 93.6% of Corio shareholders tendered their shares during the public exchange offer that closed on January 16, 2015. Klépierre and Corio merged on March 31, 2015.

A total of 487.8 million euros was invested during the first half of the year:

- 375 million euros were dedicated to the acquisition of 100% of Plenilunio, completed on March 26. This acquisition complements Klépierre's existing retail platform in Spain and enhances its portfolio profile. Opened in 2006, Plenilunio welcomes 10.5 million visitors annually and is one of the major shopping centers in the region around Madrid, where Klépierre already owns two of the most prominent shopping malls: La Gavia (Southeast Madrid) and Principe Pio (Madrid center). Plenilunio is expected to contribute around 20 million euros of annualized gross rents as of April 1, 2015.
- Other investments were allocated to projects in the Group's committed development pipeline: Marseille Bourse extension-refurbishment and Val d'Europe extension, Marseille Prado and Besançon Pasteur constructions in France, Hoog Catharijne extension-refurbishment in the Netherlands, and Kristianstad in Sweden (see section "H2 2015-2020 DEVELOPMENT PIPELINE").

9.2. H2 2015-2020 DEVELOPMENT PIPELINE

The Group's development pipeline represents 3.5 billion euros worth of investments, including 0.8 billion euros worth of committed projects²⁸ with an average expected yield of 7.0%, 1.4 billion euros worth of controlled projects,²⁹ and 1.3 billion euros of identified projects.³⁰ In group share terms, the total pipeline represents 3.0 billion euros: 0.7 billion euros worth of committed projects, 1.1 billion euros worth of controlled projects, and 1.2 billion euros worth of identified projects.

The Group focuses its development capabilities on Europe's most dynamic regions in France, Scandinavia, Italy, and the Netherlands:

- 71% of committed and controlled projects are extension-refurbishments plans aimed at capitalizing on shopping destinations that have demonstrated their leadership in their respective catchment areas.
- 29% of committed and controlled projects are greenfield projects integrated into large urban development programs supported by efficient transportation network plans and residential and office building projects.

Committed projects are progressing well, according to schedule:

- Markthal (Rotterdam, The Netherlands): an 11,200 sq.m. retail scheme acquired on July 13, 2015. Since its opening in October 2014, the center has welcomed 6 million visitors, far exceeding expectations.

²⁸ Projects that are in the process of completion, for which Klépierre controls the land and has obtained the necessary administrative approvals and permits.

²⁹ Projects that are in the process of advanced review, for which Klépierre has control over the land (acquisition made or under offer, contingent on obtaining the necessary administrative approvals and permits).

³⁰ Projects that are in the process of being put together and negotiated.

- Field's (Copenhagen, Denmark): the 8,500 sq.m. extension due to open in August will feature the new Nordisk Film Biografer flagship cinema and a revamped food court, which will strengthen Field's leadership in the Copenhagen region.
- Besançon Pasteur (Besançon, France): a new 14,800 sq.m. scheme located in the very heart of the city. H&M, Kiko, Mango, Marionnaud, and Monoprix rank among the brands which will open to the public next November.
- Centre Bourse (Marseille, France), whose new façades unveiled in June 2015 have just received the first Versailles architectural prize, will open its extension-refurbishment under the ClubStore® umbrella in the first half of 2016.
- Val d'Europe (Paris region): the 17,000 sq.m. extension, which will be added to this 100,000 sq.m. retail scheme in Eastern Paris, has already attracted international retailers such as Primark, Uniqlo, H&M, and Nike, which are expected to inaugurate their stores in the first half 2017.
- Hoog Catharijne (Utrecht, Netherlands): the second phase of the extension-refurbishment of this leading shopping hub - built over Utrecht's train station, which welcomes 26 million passengers a year - will be delivered in the first half of 2017.
- Galleria Boulevard (Kristianstad, Sweden): the third phase of this new scheme in downtown Kristianstad is expected to open its gates in the second half 2017.
- Prado (Marseille, France): in the second half of 2017, this 23,000 sq.m. new development designed by Benoy – one of the world's pre-eminent retail architecture firms – located in one of the most affluent districts of Marseille, feature 50 stores and a 9,400 sqm. Galeries Lafayette flagship store.

Development project	Country	City	Type	Klépierre equity interest	Estimated cost ⁽¹⁾	Cost to date	Floor area	Expected opening date
					(M€)	(M€)	(sq.m.)	
Field's	Denmark	Copenhagen	extension	56,1%	17	14	8 500	H2 2015
Markthal	the Netherlands	Rotterdam	new development	100,0%	47	4	11 200	H2 2015
Les Passages Pasteur	France	Besançon	new development	100,0%	48	36	14 800	H2 2015
Centre Bourse	France	Marseille	extension-refurbishment	50,0%	18	13	2 700	H1 2016
Val d'Europe	France	Paris region	extension	55,0%	94	41	17 000	H1 2017
Hoog Catharijne Phase 2	the Netherlands	Utrecht	extension-refurbishment	100,0%	282	112	42 100	H1 2017
Other projets (incl. Prado)					277	181	60 273	
TOTAL COMMITTED PROJECTS					783	401	156 573	
Créteil Soleil - Phase 1	France	Paris region	extension-refurbishment	80,0%	70	2	11 000	H2 2018
Bègles Rives d'Arcins	France	Bordeaux	extension	52,0%	27	4	12 300	H2 2017-H2 2020
Grand Portet	France	Toulouse region	extension-refurbishment	83,0%	65	8	8 000	H2 2019
Grand Littoral extension	France	Marseille	extension	100,0%	30	0	12 000	H1 2019
Grenoble Grand Place	France	Grenoble	extension	100,0%	40	0	15 000	H2 2018
Montpellier Odysseum	France	Montpellier	extension	100,0%	28	0	10 800	H2 2018
Allum	Sweden	Allum	redevelopment	56,1%	75	5	20 000	H2 2019
Gran Reno	Italy	Bologna	extension	100,0%	122	1	15 900	H2 2018
L'esplanade	Belgium	Brussels region	extension	100,0%	131	16	20 650	H2 2020
Hoog Catharijne Phase 3	the Netherlands	Utrecht	extension refurbishment	100,0%	187	26	23 700	H1 2019
Vitrolles	France	Marseille region	extension	83,0%	80	0	18 050	H2 2019
Viva	Denmark	Odense	new development	56,1%	176	38	48 500	H2 2020
Givors	France	Lyon region	extension	83,0%	80	8	16 000	H2 2020
Arcades	France	Paris region	extension	53,6%	91	0	18 000	H2 2020
Økernsenteret ⁽²⁾	Norway	Oslo	redevelopment	28,1%	94	4	29 823	H2 2020
Other projets					54	17	34 597	
TOTAL CONTROLLED PROJECTS					1 349	129	314 320	
TOTAL IDENTIFIED PROJECTS					1 334	111	222 711	
TOTAL					3 465	640	693 604	

(1) Estimated cost price before financial costs.

(2) Asset consolidated under equity method. For this project estimated cost and cost to date are reported for Klépierre share of equity. Floor area is the total area of the project.

9.3. DISPOSALS COMPLETED SINCE JANUARY 1, 2015

Assets	GLA (sq.m.)	Sale price (€M)	Date
Howlandsbanen (Norway) (50% land-call in Nordbyen disposal)	0		3/2/2015
Zala, Csepel and Szeged (Hungary)	37 688		3/31/2015
Vega Plaza (Murcia, Spain)	10 428		4/10/2015
Cremona Due (Italy) (1 shop : Poste)	92		5/11/2015
Total shopping centers		16,1	
Galaxy portfolio (13 Buffalo Grill restaurants)	7 618		2/18/2015
Franconville (portfolio of 3 assets)	2 052		3/16/2015
Total other activities (France)		33,7	
TOTAL DISPOSALS (€M, excl. duties)		49,8	

Since January 1, 2015, the Group has signed a total of around 900 million euros worth of disposals or sale and purchase promissory agreements, in line with its asset rotation strategy, whose aim is to reinforce the retail portfolio's exposure to prime shopping destinations located in the most dynamic regions and cities of Continental Europe.

Completed disposals since the beginning of the year amounted to 49.8 million euros. The assets sold are community shopping centers in Hungary (3 centers) and Spain (1 center) and two portfolios of retail assets located in France.

On June 24, 2015 Klépierre announced³¹ that it had reached a conditional agreement with Wereldhave on the disposal of a portfolio of 9 convenience and district shopping centers, mostly located in cities outside the affluent Randstad region in the Netherlands, for a total consideration of 770 million euros.³² This transaction is expected to close at the end of the third quarter of 2015. On July 17, the competition authorities approved the transaction.

Other sale and purchase promissory agreements amount to c. 70 million euros.

³¹ For more information please refer to the press release published on www.klepierre.com

³² Total share, including transfer duties but excluding potentially applicable VAT. Consideration is 730 million euros excluding transfer duties

10. CONSOLIDATED EARNINGS AND CASH FLOW

10.1. CONSOLIDATED EARNINGS

In millions of euros	06/30/2015	06/30/2014
Rental income	609,2	443,3
Rental & building expenses	-84,1	-44,6
Net rental income	525,2	398,7
Management and administrative income	45,2	34,4
Other operating income	8,8	6,6
Payroll expense	-83,6	-55,3
Survey & research costs	-0,8	-2,5
Other general expenses	-38,8	-22,6
EBITDA	456,0	359,5
D&A on investment property & PPE	-234,4	-177,8
Provisions	0,6	-0,8
Proceeds of sales	1,2	849,5
Goodwill depreciation	0,0	0,0
Results of operations	223,4	1030,3
Net cost of debt	-111,9	-131,2
Change in the fair value of financial instruments	-3,6	-11,9
Share in earnings for equity method investees	3,5	3,2
Pre-tax current income	111,4	890,5
Corporate income tax	-19,9	-22,0
Net income	91,5	868,5
Non-controlling interests	-28,9	-165,8
NET INCOME (GROUP SHARE)	62,6	702,8

The merger of Corio with Klépierre in the first half of 2015 makes the comparison with the same period last year non relevant.

Net rental income for first six months of 2015 came to 525.2 million euros, an increase of 126.5 million euros compared with the same period last year mostly due to the Corio acquisition (+166.5 million euros).

Net rental income is impacted by the IFRIC 21 application for an amount of -9.5 million euros.

For further explanation, please refer to "Rental business" section.

Management and administrative income (fees) from service businesses totaled 45.2 million euros, mainly deriving from the development pipeline and the real-estate management fees. Corio contributed for 13.3 million euros.

Other operating income of 8.8 million euros primarily includes gains on works re invoiced to tenants.

Payroll expenses were 83.6 million euros and other general expenses came to 38.8 million euros, including one-off costs in connection with the merger. The Group expects that 60% of the targeted operating cost

synergies (20 million euros annually announced in connection with the merger with Corio) will be recorded in 2015.

Survey and research costs on development projects amounted to 0.8 million euros.

EBITDA for the first half of 2015 was 456.0 million euros.

Depreciation and impairment allowance on property & PPE was 234.4 million euros for the period, including a 34.6 million euro investment property impairment allowance. The contribution of Corio amounts to 72 million euros.

Net proceeds from the sale of assets amounted to 1.2 million euros, compared with 849.5 million euros for the same period last year. In the first six months of 2014, this item included the effect of the disposal of retail galleries to Carmila in April 2014, the three remaining office building of the portfolio, and a retail unit portfolio.

Operating income totaled 223.4 million euros at June 30, 2015.

The net cost of debt amounted to 111.9 million euros. The debt restructuring (bond buyback and hedging adjustments) set up in 2015 has allowed the new Group to refinance itself at lower rates.

Klépierre's financial policy and structure are described in more detail in the "Financial policy" section.

Further to the acquisition and according to IFRS rules, Corio's debt has been reappraised at market value in the consolidated financial statements. As a consequence, the net cost of debt for the first half of 2015 included a 37.1 million euros positive restatement. This amount has been eliminated from the net current cash flow (see "Change in Net current cash flow" section).

The share of earnings for equity investees reached 3.5 million euros.

Tax expenses were 19.9 million euros:

- Tax payable was -13.1 million euros, including the 3% tax dividend in France (0.2 million euros). As a reminder, the first half of 2014 included the impact of the disposal of 2.0 billion euros worth of retail galleries.
- Deferred taxes amounted -6.8 million euros, mainly due to the reversal of deferred tax losses.

Consolidated net income was 91.5 million euros.

The minority share of net income (non-controlling interests) for the period was 28.9 million euros, bringing the group share of net income to 62.6 million euros.

10.2. EPRA COST RATIO

The purpose of the EPRA cost ratio is to reflect the relevant overhead and operating costs of the business. It is calculated by expressing the sum of property expenses (net of service charge recoveries and third-party asset management fees) and administrative expenses (excluding exceptional items) as a percentage of gross rental income.

In million of euros	06/30/2015	06/30/2014
Administrative / operating expense line per IFRS income statement	-145,7	-108,9
Net service charge costs/fees	-33,8 ⁽¹⁾	-18,0
Management fees less actual/estimated profit element	45,2	34,4
Other operating income/recharges intended to cover overhead expenses less any related profit	8,8	6,6
Share of Joint Ventures Expenses	-9,8	-4,3
Exclude (if part of the above):		
Investment Property depreciation	NA	NA
Ground rents costs	NA	NA
Service charge costs recovered through rents but not separately invoiced	NA	NA
EPRA Costs (including vacancy costs) (A)	-135,4	-90,2
Direct vacancy costs	-17,4	-8,8
EPRA Costs (excluding vacancy costs) (B)	-118,0	-81,4
Gross Rental Income less ground rents - per IFRS	599,0	439,7
Less: service fee / cost component of Gross Rental Income	NA	NA
Add: share of Joint ventures (Gross Rental Income less ground rents)	55,8	26,1
Gross Rental Income (C)	654,9	465,8
EPRA Cost Ratio (including direct vacancy costs) (A/C)	20,7%	19,4%
EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	18,0%	17,5%

(1) Restated from IFRIC 21 H2 impact (-9.5 €M).

The cost structure for the first half of 2015 is impacted by the acquisition of Corio. In order to correct these non-recurring effects, 16 million euros have been offset from the line "Administrative / operating expenses".

As a reminder, Corio's last disclosed EPRA cost ratio was 23.9% (December 31, 2014). Since a significant part of the cost synergies will be recorded in the second half, the Group's EPRA cost ratio is expected to go down for the year end.

10.3. CHANGE IN NET CURRENT CASH FLOW

In millions of euros	06/30/2015	06/30/2014	Δ
Total share			
EBITDA	456,0	359,5	96,6
Employee benefits, stock-options expenses and non-current operating expenses	17,0	4,3	12,7
IFRIC 21 H2 impact	9,5		9,5
Acquisition costs on share deals and non-controlling joint venture interests	2,3		2,3
Operating cash flow	484,9	363,8	121,1
Net cost of debt	-111,9	-131,2	19,3
Corio's debt mark to market amortization	-37,1		-37,1
Financial instruments close-out costs	40,8	26,2	14,6
Net current cash flow before taxes	376,7	258,8	117,9
Share in equity method investees	26,9	17,1	9,8
Current tax expenses	-13,4	-11,5	-1,9
Net current cash flow (total share)	390,2	264,4	125,8
Group share			
Net current cash flow (group share)	329,6	206,2	123,4
Employee benefits, stock-options expenses and non-current operating expenses	-4,4	-4,3	-0,1
Amortization allowances and provisions for contingencies and losses	-6,5	-5,6	-0,9
Other restatements related to tax	0,0	0,0	0,0
EPRA Earnings	318,7	196,3	122,4
Number of shares	308 661 324	195 732 258	
Per share			
Net current cash flow per share (in euro)	1,07	1,05	0,01
EPRA Earnings per share (in euro)	1,03	1,00	0,03

Net current cash flow totaled 390.2 million euros for the period ended June 30, 2015. Group share, it amounted to 329.6 million euros. On a per share basis, net current cash flow is up 1.4% to 1.07 euros.

The cost structure for the first half of 2015 is impacted by the acquisition of Corio. In order to correct these non-recurring effects, a total amount of 16 million euros have been offset from the Net current cash flow and EPRA Earnings calculations.

11. NET ASSET VALUE

11.1. APPRAISAL OF THE GROUP'S ASSETS

11.1.1. Methodology

On December 31 and June 30 of each year, Klépierre adjusts the value of its net assets per share (NAV). The valuation method used entails adding unrealized capital gains to the book value of consolidated shareholders' equity. These unrealized gains reflect the difference between independently appraised market values and book values recorded in the consolidated financial statements.

Klépierre entrusts the task of appraising its real estate assets to various appraisers. For the period ended June 30, 2015, these appraisals were carried out by the following appraisers:

Appraisers	Portfolios	Number of assets	Valuation ¹	%	June report	December report
JLL 29,0%	France	44	3747	16,2%	summarized	detailed + summarized
	Belgium	2	347	1,5%	summarized	detailed + summarized
	Italy	20	1915	8,3%	summarized	detailed + summarized
	Greece	3	22	0,1%	summarized	detailed + summarized
	Turkey	4	682	3,0%	summarized	detailed + summarized
DTZ 39,4%	France	22	3509	15,2%	summarized	detailed + summarized
	Norway	11	1369	5,9%	summarized	detailed + summarized
	Sweden	5	1178	5,1%	summarized	detailed + summarized
	Denmark	3	944	4,1%	summarized	detailed + summarized
	Poland	7	428	1,9%	summarized	detailed + summarized
	Hungary	9	221	1,0%	summarized	detailed + summarized
	Czech Republic and Slovakia	4	403	1,7%	summarized	detailed + summarized
	Netherlands	13	890	3,9%	summarized	detailed + summarized
	Turkey	3	161	0,7%	summarized	detailed + summarized
CBRE 21,3%	France	11	1216	5,3%	summarized	detailed + summarized
	Italy	12	1346	5,8%	summarized	detailed + summarized
	Spain	15	1039	4,5%	summarized	detailed + summarized
	Portugal	8	345	1,5%	summarized	detailed + summarized
	Netherlands	2	983	4,3%	summarized	detailed + summarized
BNPP Real Estate 6,6%	France (retail properties)	285	504	2,2%	summarized	detailed + summarized
	Germany	5	1012	4,4%	summarized	detailed + summarized
Others 3,7%	- Italy (Fund K2) - SAVILLS	5	861	3,7%	summarized	detailed + summarized
	- Italy (Porta di Roma) - C&W					

¹ Values in millions of euros including transfer duties

These appraisal assignments were conducted in accordance with the Code of Compliance for SIICs, as well as with the Real Estate Appraisal Guidelines (*Charte de l'Expertise en Evaluation Immobilière*), the recommendations of the COB/CNCC working group chaired by Mr. Barthès de Ruyther, and the standards set forth by the RICS and the IVSC.

11.1.2. Results of appraisals

The value of the combined portfolio, including ex-Corio assets consolidated for the first time as at June 30, 2015, was 21.9 billion euros total share and 18.9 billion euros group share (excluding transfer duties). In total share, shopping centers accounted for 97.8% of the portfolio and retail properties for 2.2%. On a group share basis, these percentages are 97.5% and 2.5%, respectively.

In accordance with IAS 40, the Group's committed development projects are taken into account at fair value using appraisals established by in-house teams. On June 30, 2015, only Besançon Pasteur (France) and Kristianstad (Sweden) are concerned. Projects that are not appraised are carried at their cost price. Projects under development represent 2.1% of the Group's property portfolio.

Investments in assets consolidated according the equity method are included based on the fair value of the shares and taking into account receivables on facilities granted by the Group.

In order to offer more insight into the evolution of the combined portfolio, the like-for-like increase over 6 months has been computed on a pro forma basis including Corio's assets as at December 31, 2014.

Valuation of the property portfolio, total share (excluding duties)

In millions of euros	06/30/2015	In % of total portfolio	Change over 6 months			Change over 12 months	
			12/31/2014	Current portfolio basis	Like-for-like* pro forma change	06/30/2014	Current portfolio basis
France	7 814	35,6%	6 216	25,7%	1,7%	6 048	29,2%
Belgium	366	1,7%	323	13,4%	14,2%	301	21,6%
France- Belgium	8 180	37,3%	6 539	25,1%	2,2%	6 349	28,8%
Italy	3 504	16,0%	1 514	131,4%	4,1%	1 486	135,8%
Norway	1 209	5,5%	1 179	2,5%	1,1%	1 247	-3,1%
Sweden	1 279	5,8%	1 214	5,3%	3,6%	1 558	-17,9%
Denmark	1 024	4,7%	1 020	0,4%	0,2%	984	4,1%
Scandinavia	3 512	16,0%	3 413	2,9%	1,7%	3 789	17,3%
Netherlands	1 810	8,2%	0	NA	2,3%	0	-
Spain	1 400	6,4%	495	182,5%	6,3%	491	185,0%
Portugal	311	1,4%	251	24,1%	-4,4%	250	24,5%
Iberia	1 711	7,8%	746	129,3%	4,1%	741	130,9%
Germany	1 082	4,9%	0	NA	1,6%	0	-
Poland	428	1,9%	434	-1,3%	-1,4%	441	-3,0%
Hungary	227	1,0%	265	-14,6%	-13,1%	282	-19,7%
Czech Republic	388	1,8%	358	8,3%	8,3%	346	12,2%
Turkey	584	2,7%	0	NA	-0,6%	0	-
Others	49	0,2%	38	27,2%	-3,2%	40	21,0%
Eastern Europe	1 675	7,6%	1 095	53,0%	-0,8%	1 109	51,1%
TOTAL SHOPPING CENTERS	21 474	97,8%	13 308	61,4%	2,3%	13 474	59,4%
TOTAL OTHER ACTIVITIES	472	2,2%	513	-8,0%	-1,5%	528	-10,6%
TOTAL PORTFOLIO	21 946	100,0%	13 821	58,8%	2,2%	14 002	56,7%

*For Scandinavia and Turkey change is indicated on constant portfolio and forex basis

Valuation of the property portfolio, group share (excluding duties)

In millions of euros	06/30/2015	In % of total portfolio	Change over 6 months			Change over 12 months	
			12/31/2014	Current portfolio basis	Like-for-like* pro forma change	06/30/2014	Current portfolio basis
France	6 476	34,3%	4 930	31,4%	1,6%	4 813	34,6%
Belgium	366	1,9%	323	13,4%	14,2%	301	21,6%
France- Belgium	6 842	36,2%	5 253	30,2%	2,2%	5 114	33,8%
Italy	3 456	18,3%	1 466	135,7%	4,2%	1 437	140,5%
Norway	678	3,6%	662	2,5%	1,1%	700	-3,1%
Sweden	717	3,8%	681	5,3%	3,6%	874	-17,9%
Denmark	575	3,0%	572	0,4%	0,2%	552	4,1%
Scandinavia	1 970	10,4%	1 915	2,9%	1,7%	2 126	-7,3%
Netherlands	1 810	9,6%	0	NA	2,3%	0	NA
Spain	1 363	7,2%	466	192,2%	6,7%	460	196,2%
Portugal	311	1,6%	251	24,1%	-4,4%	250	24,5%
Iberia	1 674	8,9%	717	133,5%	4,4%	710	135,8%
Germany	1 028	5,4%	0	NA	1,6%	0	NA
Poland	428	2,3%	434	-1,3%	-1,4%	441	-3,0%
Hungary	227	1,2%	265	-14,6%	-13,1%	282	-19,7%
Czech Republic	388	2,1%	358	8,3%	8,3%	346	12,2%
Turkey	561	3,0%	0	NA	-0,4%	0	NA
Others	45	0,2%	34	31,1%	-2,8%	36	25,1%
Eastern Europe	1 648	8,7%	1 091	51,0%	-0,8%	1 105	49,2%
TOTAL SHOPPING CENTERS	18 429	97,5%	10 443	76,5%	2,4%	10 492	75,7%
TOTAL OTHER ACTIVITIES	472	2,5%	513	-8,0%	-1,5%	528	-10,6%
TOTAL PORTFOLIO	18 901	100,0%	10 956	72,5%	2,3%	11 020	71,5%

*For Scandinavia and Turkey change is indicated on constant portfolio and forex basis

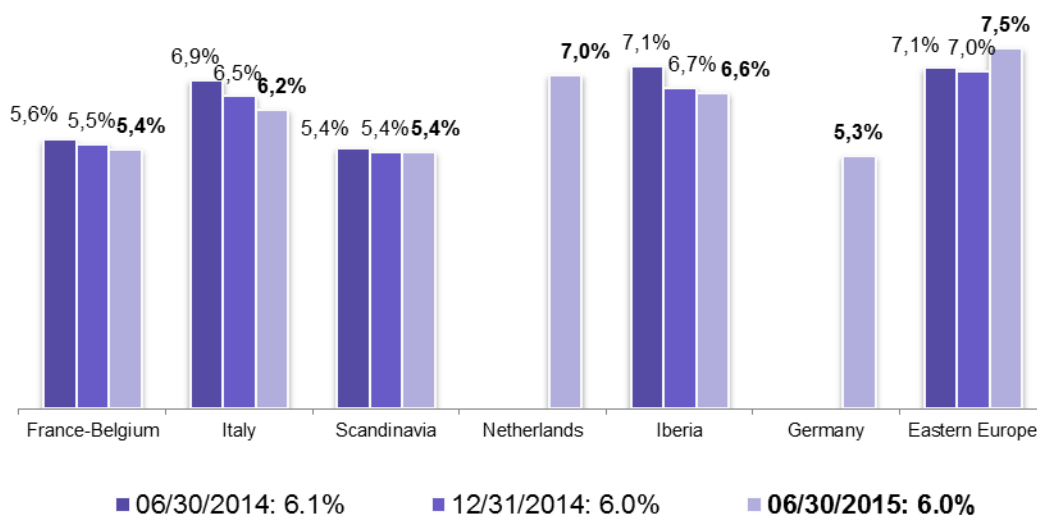
Shopping centers

The value of the shopping center portfolio, transfer duties excluded, was 21,474 million euros (18,429 €M group share) on June 30, 2015, an increase of 8,166 million euros compared to December 31, 2014 (+61.4%), mainly due to the Corio acquisition. The change on a current portfolio basis also includes the exchange rate impact related to the depreciation of the euro against the Scandinavian currencies and the US dollar at June 30, 2015 vs. exchange rates at December 31, 2014 (+74 €M).

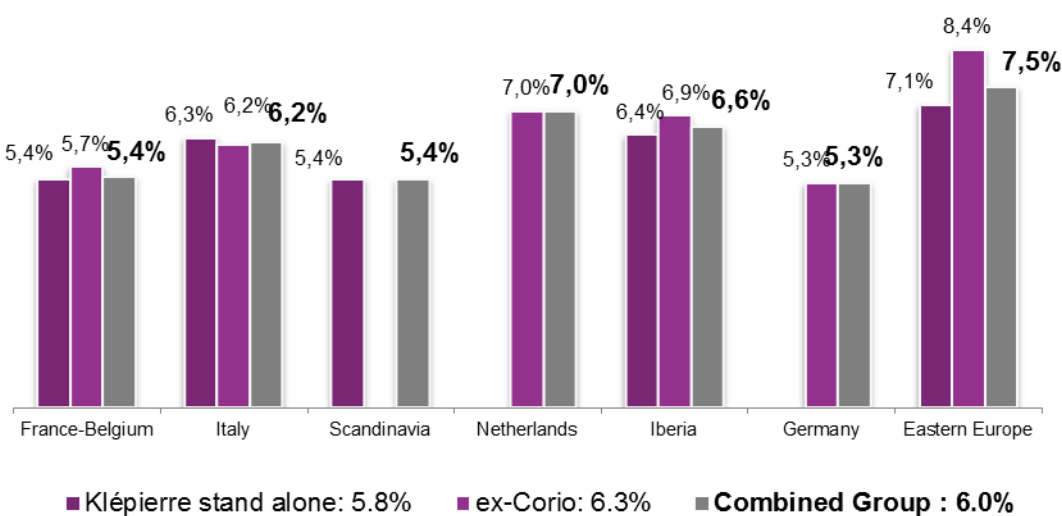
On a like-for-like pro forma portfolio and exchange rate basis, the value of the shopping center portfolio, excluding transfer duties, increased by 2.3% (+433 €M) over 6 months.

The average yield rate of the portfolio stands at 6.0% excluding duties, down by 20 bps on a pro forma basis compared with December 31, 2014.

Change in yields (group share) – shopping center portfolio



June 30, 2015 yields (group share) – shopping center portfolio



Other activities

The value of the retail asset portfolio excluding transfer duties stands at 472 million euros, a decrease of 8.0% over 6 months. The change on a current portfolio basis is due to the disposal of 16 units in February and March 2015.

On constant portfolio basis, the change in the value of the retail assets is -1.5% over 6 months.

The average yield rate of the portfolio stands at 7.4% excluding duties, an increase of 20 bps compared with December 31, 2014.

11.2. EPRA NET ASSET VALUE AND TRIPLE NET ASSET VALUE

In millions of euros	06/30/2015	12/31/2014	06/30/2014	Change over 6 months		Change over 12 months	
Consolidated shareholders' equity (group share)	6 408	2 421	2 482	3987	164,6%	3926	158,1%
Unrealized capital gains on portfolio (duties included)	4 547	3 759	3 463	788	21,0%	1085	31,3%
Goodwill restatement	-1 307	0	0	-1307	NA	-1307	NA
Fair value of financial instruments	43	119	109	-76	-63,8%	-66	-60,4%
Defered tax on asset values on the balance sheet	709	273	272	436	159,9%	437	160,9%
Reconstitution NAV	10 401	6 572	6 326	3829	58,3%	4075	64,4%
Duties and fees on the sale of assets	-432	-283	-263	-149	52,7%	-169	64,2%
EPRA NAV	9 969	6 289	6 062	3680	58,5%	3906	64,4%
Effective taxes on capital gains	-201	-149	-137	-52	34,6%	-64	46,5%
Fair value of financial instruments	-43	-119	-109	76	-63,8%	66	-60,4%
Fair value of fixed-rate debt	-119	-210	-191	91	-43,4%	72	NA
EPRA NNAV	9 606	5 811	5 626	3795	65,3%	3980	70,7%
Number of shares, end of period (after dilutive effect)	311 192 385	196 104 723	196 072 738				
Per share (€)							
Reconstitution NAV per share	33,4	33,5	32,3	-0,1	-0,3%	1,2	3,6%
EPRA NAV per share	32,0	32,1	30,9	0,0	-0,1%	1,1	3,6%
EPRA NNAV per share	30,9	29,6	28,7	1,2	4,2%	2,2	7,6%

EPRA NAV per share was 32.0 euros on June 30, 2014, versus 30.9 euros on June 30, 2014 and 32.1 euros on December 31, 2014. The mark-to-market of former Corio's fixed-rate debts is now recorded in Klépierre's consolidated shareholders' equity at June 30, 2015. As such, it is also included in June 30, 2015 NAV (-1.0 €).

Over 6 months, on a per share basis, EPRA NNAV reflects a cash flow contribution of 1.07 euro, the distribution impact (-1.3 €)³³, the increase in like-for-like portfolio valuation (+1.3 €), and the change in the fair value of financial instruments (+0.4 €), partly offset by transaction costs and purchase price adjustments (-0.3 €) in connection with the Corio acquisition.

³³ A 0.91€ interim dividend per share was paid up by Klépierre on January 12, 2015 (199,470,340 shares) followed by a 0.69€ final dividend per share paid up on April 21, 2015 (314,356,063 shares).

12. FINANCIAL POLICY

12.1. FINANCIAL RESOURCES

12.1.1. Change in net debt

As of June 30, 2015, consolidated net debt is 9 399 million euros, compared to 5,325 million euros on December 31, 2014.

This 4 074 million euro increase is mainly attributable to the consolidation of Corio's debt for a total nominal amount of 3.2 billion euros. The consolidated net debt amount takes into account the cross currency swaps backing US Private Placement issued by Corio.

The other factors explaining the change are the following:

- Klépierre paid a dividend of 394 million euros, of which 179 million euros were paid in January and 215 million euros in April 2015. As a reminder, Corio paid a 104 million euro dividend in January 2015.
- Net investments for the first half amounted to 438 million euros, including the acquisition of Plenilunio and development expenses, mainly Hoog Catharijne, Val d'Europe, and Marseille Prado.
- The depreciation of the euro against the Scandinavian currencies and the USD increased debt by 48 million euros.

At the end of the first half, the Loan-to-Value ratio stood at 41.9%. Including the proposed disposals of the portfolio of 9 shopping centers in the Netherlands expected to be completed in the third quarter of 2015, the LTV ratio would be at 40%.

12.1.2. Available resources

During the first half of 2015, Klépierre actively managed its debt through several transactions that both lowered its cost of debt and increased its average duration:

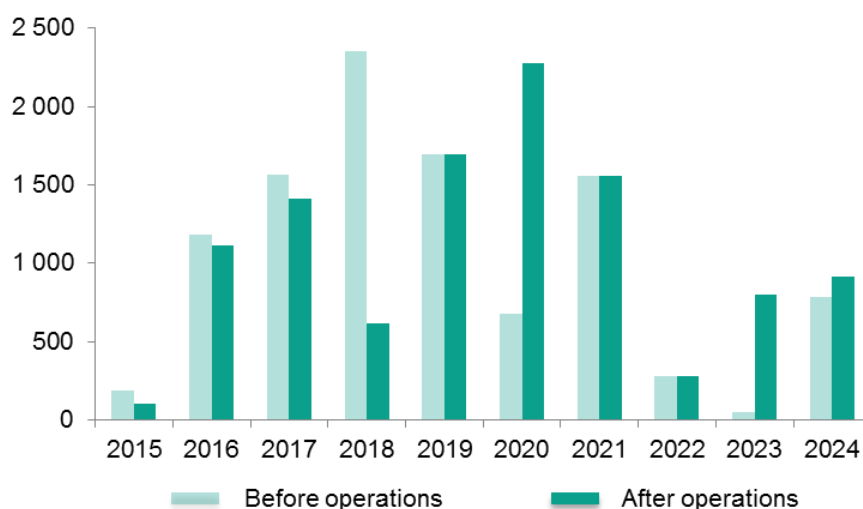
- Klépierre repurchased 358 million euros worth of its short dated notes through a tender offer (April) and through open market transactions
- At the same time, Klépierre issued 880 million euros worth of new long-term notes denominated in euros by reopening the bond maturing November 2024 (130 million euros) and by placing a new benchmark tranche maturing April 2023 (750 million euros) with a record low coupon (1%).

As a consequence, the average duration of the debt reached 5.4 years at the end of June (against 5.3 at year-end 2014 on a pro forma basis). The Group's level of liquidity remains high at more than 2.0 billion euros, a total which includes 1.8 billion euros worth of unused committed credit lines with an average remaining maturity of 4.9 years.

In early July of 2015, Klépierre successfully renegotiated the terms of and extended for a period of 2 years its 750 million euro syndicated revolving credit facility. At the same time, all of the former revolving credit facilities of Corio were replaced by a new 850 million euro 5-year (with two extension options by one year) syndicated revolving credit facility granted by a syndicate of 16 international banks.

After these transactions, the average duration of the debt is increased by 0.2 year, reaching 5.6 years, and the average duration of available credit lines reaches 5.7 years.

Debt maturity schedule
(Authorizations – in millions of euros)

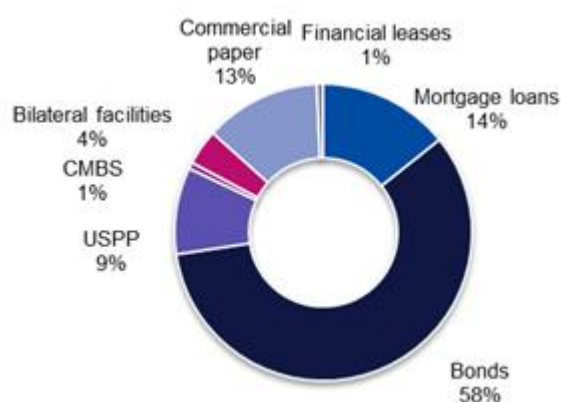


12.1.3. Debt structure and duration

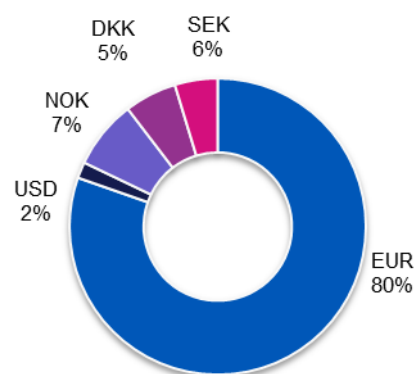
Following to the integration of Corio’s debt, the share of capital market sources in the combined debt reached 80%. This share has also been reinforced by recent issuances on the euro and NOK bond markets. This access to capital market resources has also enabled the Group to pursue the reduction of secured debts in the total balance.

The breakdown by currency remains consistent with the geographic exposure of the Group’s portfolio of assets and allows for the mitigating of currency risks with the USD denominated debt covering assets located in Turkey that generate rents denominated in USD.

Financing breakdown by type of resource (Utilizations)



Financing breakdown by currency (Utilizations)



12.2. INTEREST RATE HEDGING

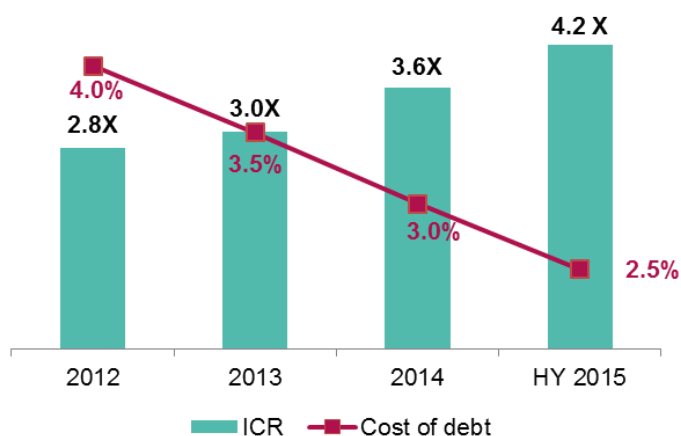
Since Corio's debts were mainly fixed rate, the combined hedging ratio remained above its 70% target with the integration of Corio. During the first half of 2015, the Group continued to restructure its fixed-rate portfolio through swap restructuring and liability management exercises on the bond portfolio.

At the end of the period, it reached 75% and the average duration of the fixed-rate position (4.6 years) remains compliant with the balance-sheet structure.

12.3. COST OF DEBT

The average Group cost of debt continued to fall over the period, reaching 2.5%. This figure reflects the low level of short-term interest rates, the restructuring of the hedging portfolio, and the first impact of the financing costs synergies. The Group expects that the targeted financial costs synergies (10 million euros annually announced in connection with the merger with Corio) will be outperformed in 2015. The low cost of debt during the first half led to a strong 4.2x covering of interest by EBITDA (ICR). Based on the structure of interest rates on June 30, 2015, the Group's annual cash-cost at risk stood at 9 million euros, i.e., the loss due to short-term interest rate movements would be less than 9 million euros 99% of the time.

Historical ICR and Cost of debt



12.4. FINANCIAL RATIOS AND RATING

As of June 30, 2015, the Group's financing covenants remain in line with the commitments in its financing agreements.

In January 2015, following the acquisition of Corio, Standard's & Poor's confirmed the A- rating and its stable outlook, emphasizing the quality and complementarity of the new group.

Financing	Ratios / covenants	Limit ¹	06/30/2015	12/31/2014
Syndicated loans and bilateral loans Klépierre SA	Net debt / Portfolio value ("Loan to Value")	≤ 60%	41,9%	37,6%
	EBITDA / Net interest expenses ²	≥ 2.0	4,2	3,6
	Secured debt / Portfolio value (excluding Steen & Strøm)	≤ 20%	0,9%	1,3%
	Portfolio value, group share	≥ €8 Bn	€19.3 Bn	€11.2 Bn
	Ratio of financings of subsidiaries (excluding Steen & Strøm) over total gross financial debt	≤ 25%	13,7%	5,8%
Bond issues Klépierre SA	Secured debt / Revalued Net Asset Value (excluding Steen & Strøm)	≤ 50%	1,7%	2,3%

¹ Ratios are based on the 2013 revolving credit facility

² The ICR does not include the liability management impact or the gain from Corio's debt revaluation.

A portion of Steen & Strøm's debt is subject to a financial covenant that requires shareholders' equity to be equal to at least 20% of NAV at all times. On June 30, 2015, this ratio was 47.8%.

13. EVENTS SUBSEQUENT TO THE ACCOUNTING CUT-OFF DATE

On July 13, 2015, the Group acquired Markthal, an 11,200 sq.m. retail space located in Rotterdam, the Netherlands. Since it opened in October 2014, the center has attracted 6 million visitors.

In early July, Klépierre renegotiated the terms of and extended for a period of 2 years its 750 million euro syndicated revolving credit facility. At the same time, all of the former revolving credit facilities of Corio were replaced by a new 850 million euro 5-year syndicated revolving credit facility (with two extension options of 1 year each).

14. 2015 GUIDANCE

Supported by its first-half 2015 earnings and a retail business environment that has been improving since the beginning of the year, Klépierre revises its full-year guidance upwards. Net current cash flow per share is now expected to reach 2.15 euros versus the 2.10 – 2.15 euros announced in February 2015.

Cash flow growth will support distribution per share increase for fiscal year 2015.