



# KLEMURS

## 3<sup>RD</sup> QUARTER REVENUES FOR 2008

<i>In millions of euros</i>	<b>September 30, 2008</b>	<b>3<sup>rd</sup> quarter 2008</b>	<b>September 30, 2007</b>	<b>Change 08/07</b>
<b>Rents</b>	<b>24.3</b>	<b>9.2</b>	<b>17.4</b>	<b>39.8%</b>
<i>Constant portfolio basis</i>	<i>18.9</i>	<i>6.5</i>	<i>17.4</i>	<i>8.4%</i>

### 8.4% increase in rents on a constant portfolio basis

In the course of 3<sup>rd</sup> quarter 2008, Klémurs collected rents of 9.2 million euros, bringing to 24.3 million euros total rents collected in 2008 through September 30, an increase of 6.9 million euros and 39.8% versus the same nine-month period in 2007.

On a constant portfolio basis, rents increased by 8.4%, reflecting:

- the increase in minimum guaranteed rents indexed to the French Cost of Construction index for the 2<sup>nd</sup> quarter of 2007 (+5.05%), which applies to 95% of all leases in value terms on January 1, 2008, with an impact of +4.9%,
- the rest of the increase is attributable to 0.6 million euros in additional variable rents based on revenues earned in 2007 by the restaurants operated by Buffalo Grill.

This change is indicative of the specific features of the long-term partnerships Klémurs has entered into with major retailers, which give it indexed revenue inflows that are very secure and that capture the upside potential through variable rents based on the tenant's sales performance.

On a current portfolio basis, the rents of Klémurs also benefited from the following items:

- the acquisition on April 30, 2008 of the property ownership of 77 stores, of which 67 operating under the Défi Mode brand, located in the retail activity areas of mid-sized provincial cities in France, with an impact of 2.6 million euros on the rents collected through September 30, 2008,
- the acquisition in April of 14 retail property assets located in the Avranches, Messac and Rochefort facilities, with a combined contribution of 0.5 million euros to rents.
- the acquisition in December 2007 of the property ownership of two Sephora outlets, one in Metz and one in Avignon, with an impact of 0.4 million euros on rents collected,
- as for the portfolio of Buffalo Grill properties, the impact over three quarters of the acquisition of 8 restaurants at year-end 2007, as well as that of the acquisition of 15 restaurants in June 2008; the combined total comes to 1.3 million euros,
- the impact of the integration of Cap Nord (+€0.6 M), a company whose property assets were acquired on March 29, 2007. These property assets mainly include the Mondial Moquette retail outlets.

At the September 30, 2008 reporting date, Buffalo Grill accounted for 64% of the full-year contractual rents of Klémurs, compared with 81% one year ago. The Vivarte group has become the 2<sup>nd</sup> largest tenant, accounting for 16% of consolidated rents. This rebalancing of the rental base will be pursued as of the 4<sup>th</sup> quarter in light of planned acquisitions.

The financial occupancy rate was 99.6% on September 30, 2008, compared with 100% on September 30, 2007.

Although tenant BHV left its premises on Avenue de Flandre in Paris last July, it will continue to pay rents through December 31, 2008. The lease-up of this property to a new tenant is under way and is expected to come into effect in the 2<sup>nd</sup> quarter of 2009.

No leases were signed with new tenants and none were renewed with existing ones over the course of the 3<sup>rd</sup> quarter of 2008.

No unpaid past due rent was recorded for the period ended September 30, 2008.

The average occupancy cost ratio<sup>(1)</sup> is 9.1%, stable over the period.

### **Pursuit of the acquisition program**

Klémurs plans to invest more than 40 million euros over the course of 4<sup>th</sup> quarter 2008, in particular related to the real estate outsourcing agreements that were negotiated earlier with major nationwide retailers:

- the Défi Mode-Vivarte agreement: Klémurs will acquire the property ownership of 12 Défi Mode stores for a total of 18.0 million euros. These assets will generate net rents of 1.1 million euros on an annual basis. In addition, 6 new Défi Mode stores not included in the agreement and owned by their developer DB Invest, will be acquired for a total of 4.7 million euros. These assets will contribute 0.4 million euros a year to rents,
- two Buffalo Grill restaurants (Achères and Ancenis) acquired on a future as-is basis (VEFA) will be delivered in the month of November, generating net annual rent of 0.2 million euros, for an investment of 2.8 million euros (of which 0.4 million euros outlaid in the 4<sup>th</sup> quarter of 2008).

As a real estate specialist, Klémurs can offer long-term partnerships to performing retailers eager to have their real estate assets managed by professionals and to dedicate their financial resources to their core business. Klémurs intends to carry on selectively its acquisition policy benefiting from the origination capacity of the Klépierre-Ségécé teams.

#### Upcoming releases:

January 28, 2009

2008 annual revenues

February 5, 2009

2008 annual results

#### For additional information, please contact:

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<sup>(1)</sup> This is the ratio of rents (excluding taxes) and expenses (excluding taxes) to tenant revenues (excluding taxes).