

PRESS RELEASE

KLÉPIERRE ACQUIRES NUEVA CONDOMINA, THE LEADING RETAIL HUB IN MURCIA AREA, SPAIN

Paris – May 22, 2017

Klépierre, the leading pure play shopping center property company in Europe, announced today that it has acquired Nueva Condomina, the leading shopping mall in the region of Murcia, Spain, for a property value of €233 million (including duties). Following this acquisition, Nueva Condomina becomes the third largest asset in Klépierre's Spanish portfolio in terms of net rental income.

Covering approximately 110,000 sq.m. (a 73,000 sq.m. shopping center and 37,000 sq.m. retail park) Nueva Condomina boasts an exceptional mix of 178 shops. In 2016, it attracted nearly 11 million visitors and generated €257 million¹ in retailer sales.

Klépierre purchased 100% of the shares of the Spanish entity that directly owns Nueva Condomina from a subsidiary of BNP Paribas Fortis SA/NV. Klépierre financed the acquisition through available credit lines.

Based on current annualized net rental income (NRI) of €12.5 million (80% shopping center; 20% retail park), the EPRA net initial yield amounts to 5.4%. Klépierre has been managing the entire retail site since 2012, and has already identified asset management and leasing initiatives which should result in an 18% uplift in annualized NRI by 2019.²

A more detailed presentation of the acquisition is available on [Klépierre's website](#).

THE LEADING MALL IN THE MURCIA REGION

After Plenilunio in Madrid (March 2015) and Oslo City (December 2015), this new acquisition reflects Klépierre's strategy of focusing on retailers' must-have destinations with high rental growth potential.

Nueva Condomina is the leading retail destination in the entire region around Murcia, Spain's 7th largest city. The mall is strategically located in a catchment area of 800,000 people. It is well connected to road networks as well as to public transportation facilities, such as a dedicated tramway stop and two direct bus

¹ Including sales estimates for Apple, Primark, Cinesa and Leroy Merlin.

² 2019 targeted NRI vs current annualized NRI as of April 30, 2017.



lines connecting the Murcia City Center. The region also benefits from increasing tourist traffic (1 million in 2016). This translates into a higher basket at Nueva Condomina than the average of Klépierre's Spanish portfolio.

Opened in 2006, Nueva Condomina is a recently developed shopping mall with a good architectural design. Its pleasant look-and-feel was further enhanced in 2014, thanks to a refurbishment (Entrances, mall corridors, food court, outdoor signage, etc.).

The mall is anchored by the largest Primark store (5,306 sq.m.) on Spain's Southern Mediterranean coast, the only Apple store in the region, as well as a 2,350 sq.m. H&M. The entire Inditex Group galaxy of brands – Zara, Bershka, Massimo Dutti, Lefties, Oysho, Stradivarius, Zara Home and Zara Kids – is also in the mall. In autumn 2017, the main Zara store's extension from 1,912 sq.m. to 3,400 sq.m. is scheduled to open. Together with Mango, C&A and New Yorker, these brands position Nueva Condomina as the leading fashion destination in the Murcia area. Other anchors include Fnac and a 15-screen Cinesa movie theater (more than 500,000 tickets per year).

The 178 shops are organized over two levels with an efficient and smooth layout. A 5,700-car parking facility is connected to the mall and the retail park, which is anchored by Leroy Merlin, MediaMarkt and Maisons du Monde (opened in May 2016).

STRONG VALUE CREATION POTENTIAL

In 2012, Klépierre Management España was appointed leasing and property manager of Nueva Condomina. Since then, retailer sales³ and footfall have grown respectively by 35% and 15%. In the coming years, Klépierre will further implement its Retail Only[®] operational strategy to accelerate re-tenanting and optimize occupancy to ultimately enhance value creation. The occupancy rate is expected to increase to 90% by year-end 2017 (vs 85% in April 2017) and Klépierre is confident in its ability to capture high levels of reversion, since occupancy cost ratios are below the average of its current portfolio in Spain (9.3% vs 13.5%).⁴ Given the lease expiration schedule, most of renewals and potential re-letting will take place after 2019.

By 2019⁵, these new asset management and leasing initiatives should lead to an 18% net rental income increase.

³ Change excluding Primark and Apple sales, which do not report sales.

⁴ Occupancy cost ratios (OCR) excluding Primark and Apple, for which sales figures are not available. Average portfolio OCR is for Iberia as of year-end 2016.

⁵ 2019 targeted NRI vs current annualized NRI as of April 30, 2017.



Pictures available on demand

AGENDA

July 25, 2017

First-Half 2017 Earnings (press release after market close)

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ABOUT KLÉPIERRE

The leading pure play shopping center property company in Europe, Klépierre combines development, property and asset management skills. The company's portfolio is valued at €22.8 billion at December 31, 2016 and comprises large shopping centers in 16 countries in Continental Europe which altogether welcome 1.1 billion visitors per year. Klépierre holds a controlling stake in Steen & Strøm (56.1%), Scandinavia's number one shopping center owner and manager. Klépierre is a French REIT (SIIC) listed on Euronext Paris and included in the CAC Next 20, EPRA Euro Zone and GPR 250 indexes. It is also included in ethical indexes, such as DJSI World and Europe, FTSE4Good, STOXX® Global ESG Leaders, Euronext Vigeo France 20 and World 120, and is ranked as a Green Star by GRESB (Global Real Estate Sustainability Benchmark). These distinctions underscore the Group's commitment to a proactive sustainable development policy.

For more information: www.klepierre.com

This press release and the Nueva Condomina power point presentation are available on Klépierre's website:
www.klepierre.com