



## KLÉPIERRE ACQUIRES EQUITY INTEREST IN SEVERAL LARGE SHOPPING CENTERS IN FRANCE

Klépierre announced today that it has signed a memorandum of agreement with the group owned by Mr. Henry Hermand (advised by BG<sup>2</sup> company) to acquire full equity ownership of Progest as well as financial interests in diverse real estate companies.

Progest and these various entities are the owners of equity interests in several shopping centers or facilities in operation, spread across 13 sites located near or in the downtown areas of major French cities. What these assets—developed by Mr. Henry Hermand's group over the past thirty years—have in common is that they are all located in top-quality retail areas whose trade zones are already well established, and show genuine future development potential. The assets have usable retail floor area of more than 88 000 m<sup>2</sup> (including an ownership share of 36 000 m<sup>2</sup>). With this transaction, Klépierre is mainly entering four major large centers: Creil Saint-Maximin, Tourville-la-Rivière near Rouen, Le Belvédère in Dieppe and L'Océane in Rezé, near Nantes.

The agreement also pertains to four land parcels. The largest of them is in Forbach, and will be used to create a retail park covering 42 000 m<sup>2</sup>, located next to a shopping mall and a hypermarket.

Klépierre's total investment is an estimated €109.6 million based on the appraised value of the real estate assets (€115.5 million, including €6.7 million for the lands acquired). Triple net rent in 2007 for the assets in operation is expected to reach €6.4 million (group share). The deal is expected to close during first quarter 2007.

Commenting on this announcement, Michel Clair, chairman of the Klépierre Executive Board, stated: *"In a French market where investment possibilities are exceedingly rare, Klépierre is all the more delighted to have signed this agreement with Progest. In this deal, the potential for value enhancement is very diversified, which will enable our subsidiary Ségécé to fully exercise all of its business expertise. Given the level and depth of Mr. Henry Hermand's experience, we expect that our collaboration in the area of development in the next few years will enable Klépierre to gain access to new assets. Klépierre and Ségécé have demonstrated once again their ability to fuel an ambitious growth program with high-quality assets."*

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## ASSETS SOLD BY THE GROUP OF MR. HERMAND

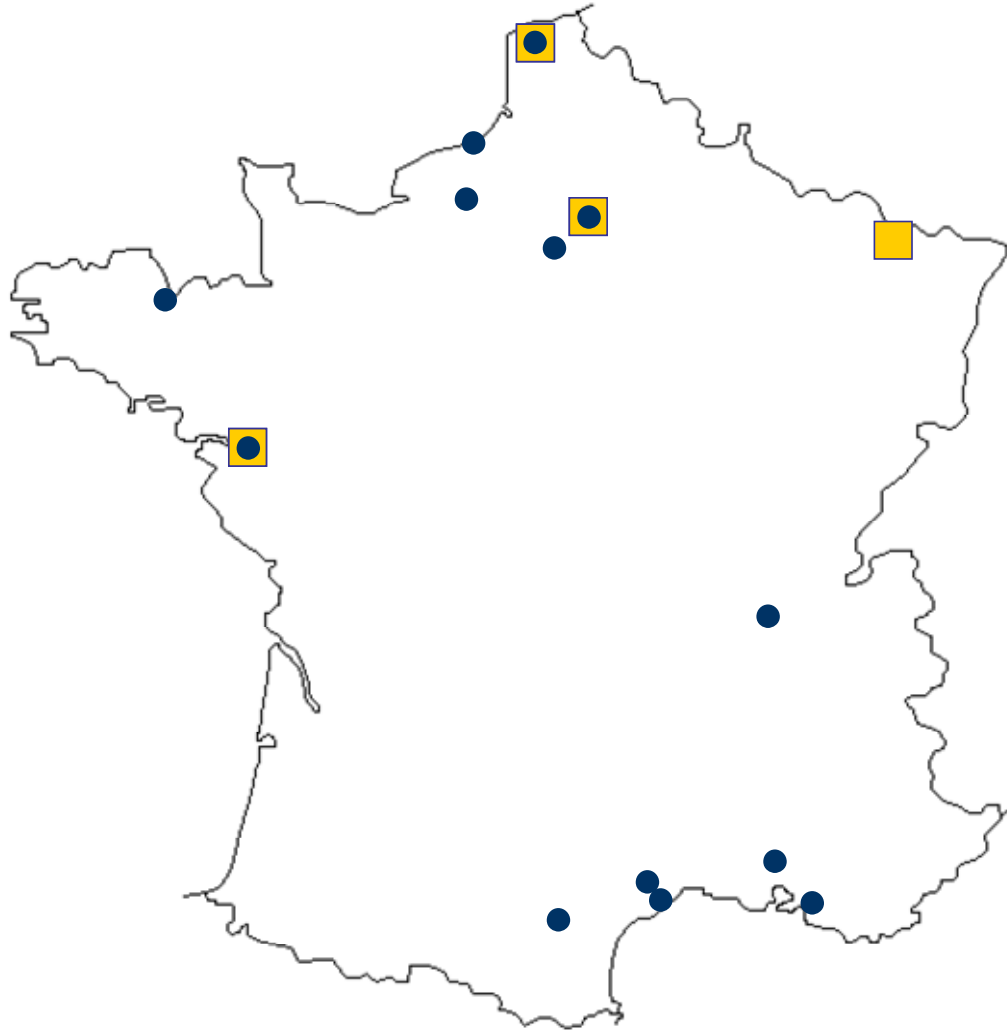
MAIN ASSETS IN OPERATION								
Site	Total space in m <sup>2</sup>	of which hypermarkets		of which shopping malls			of which « boxes »	
		Space in m <sup>2</sup>	Retailers	Space in m <sup>2</sup>	Ownership share sold		Space in m <sup>2</sup>	Ownership share sold in m <sup>2</sup>
					in %	in m <sup>2</sup>		
SC Creil Saint-Maximin (60)	83 779	23 000	Cora	4 046	80%	3 237	56 733	19 564 <sup>(1)</sup>
SC Rouen Tourville-la-Rivière (76)	27 480	10 000	Carrefour	6 011	47%	2 843	11 469	
SC Carcassonne Salvaza (11)	16 479	12 000	Casino	2 817	37%	1 034	1 662	615 <sup>(2)</sup>
SC Sète Balaruc (34)	27 500	12 000	Carrefour	3 290	38%	1 250	12 210	
SC Dieppe Belvédère (76)	23 544	10 000	Auchan	5 851	21%	1 244	7 693	
SC Beynost 2 (01)	18 500	7 700	Leclerc	3 718	33%	1 231	7 082	
SC Nantes Rezé L'Océane (44)	40 000	27 100	Leclerc	7 764	15%	1 165	5 136	
SC Osny Nord (95)	28 900	16 000	Auchan	2 703	38%	1 034	10 197	
SC Saint-Brieuc Plérin (22)	12 600	8 000	Leclerc	2 225	25%	556	2 375	
<b>Total</b>	<b>278 782</b>	<b>125 800</b>		<b>38 425</b>		<b>13 595</b>	<b>114 557</b>	<b>20 179</b>

<sup>(1)</sup> Conforama, Mondial moquette, Gemo, Truffaut, Mac Donald, Buffalo Grill, Quick, Feu vert, KIABI, Keria...

<sup>(2)</sup> Mac Donald

LAND		
Site	Space in m <sup>2</sup>	Space (Ownership share sold in m <sup>2</sup> )
Parc des Coquelles (62)	6 400	3 200
Forwing land parcel – Forbach (57)	200 000	130 000
SC Creil Saint-Maximin (60)	2 320	1 000
SC Nantes Rezé L'océane (44)	22 100	3 315
<b>Total</b>	<b>230 820</b>	<b>137 515</b>

### LOCATION OF ASSETS



● Assets in operation

■ Land