

# FIRST-HALF 2017 EARNINGS

KLÉPIERRE, RETAIL ONLY®

JULY 26, 2017



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01  
HIGHLIGHTS



# H1 2017: CONTINUED EXCELLENT OPERATING PERFORMANCE

€1.22

H1 NET CURRENT CASH FLOW PER SHARE  
+4.9%

+2.7%

NET RENTAL INCOME LFL GROWTH  
200 bps over indexation

€37.00

EPRA NAV PER SHARE  
+6.1% yoy

≥€2.45

FY17 NET CURRENT CASH FLOW  
PER SHARE REVISED UPWARD  
vs €2.35-2.40 previously



## VAL D'EUROPE: 105,000 SQ.M. OF HIGH-END RETAIL



17,000 sq.m. of new shops  
& restaurants, **100% let**



**+8%** in footfall since  
extension (17m in 2016)



**+12%** retailer sales



# RETAIL FIRST® & CLUBSTORE® IN MOTION



Grand **architecture**

**Inspirational** redesign

Flagship stores

Destination **Food**®





# INSPIRATIONAL REDESIGN





**RENEWED AND ENLARGED DESTINATION FOOD®**





## HOOG CATHARIJNE: 90,000 SQ.M. OF STUNNING RETAIL

To be Klépierre's **#1** asset  
**#1** mall in the Netherlands<sup>1</sup>  
**#5** mall in Continental Europe<sup>1</sup>



16,000 sq.m. of new shops &  
restaurants **opened in April**



**+8%** increase in footfall  
since opening

<sup>1</sup> In terms of footfall.



ZARA HOME

Bershka

ZARA







A NEW ENTRANCE TO THE RAILWAY STATION (MARCH 2018)  
UNDER THE CANOPY





# WITH AN UNRIVALLED DESTINATION FOOD®

Food to represent circa 15% of rents

**LEON**  
NATURALLY FAST FOOD



**BISTROT**  
UTRECHT  
STADSKAMER



**FIVE GUYS**



**THE BURGER**  
FEDERATION



**COMPTOIR**  
LIBANAIS  
COURTESY CANTINA



**VAPIANO®**



**Two Tigers**  
sushi and noodles



**MCDONALD'S**



**EKKI**  
nature & kitchen



## NUEVA CONDOMINA: AN ACQUISITION REINFORCING KLÉPIERRE'S PREMIER LEAGUE PORTFOLIO IN SPAIN



**11m** footfall



**110,000** sq.m. GLA



**€12.5m** current NRI<sup>1</sup>



**€257m** retailer sales<sup>2</sup>



<sup>1</sup> Annualized net rental income as of April 30, 2017 (80% shopping center; 20% retail park).

<sup>2</sup> Including tax and estimates for Apple, Primark, Cinesa and Leroy Merlin sales.

# AN UNMATCHED RETAIL MIX

Fashion: 47%

PRIMARK® ZARA H&M NEWYORKER

Culture, Gifts & Leisure: 21%

CINESA fnac DISNEY STORE PANDORA™

Food stores & Restaurants: 19%

BURGER KING Häagen-Dazs M MuerdeLaPasta™ UDON NOODLE BAR & RESTAURANT

Health & Beauty: 8% Household Equipment: 5%

Douglas (Y) Apple LEROY MERLIN MediaMarkt





## A STRONG POTENTIAL OF VALUE CREATION



**15 leases** signed since acquisition, including:

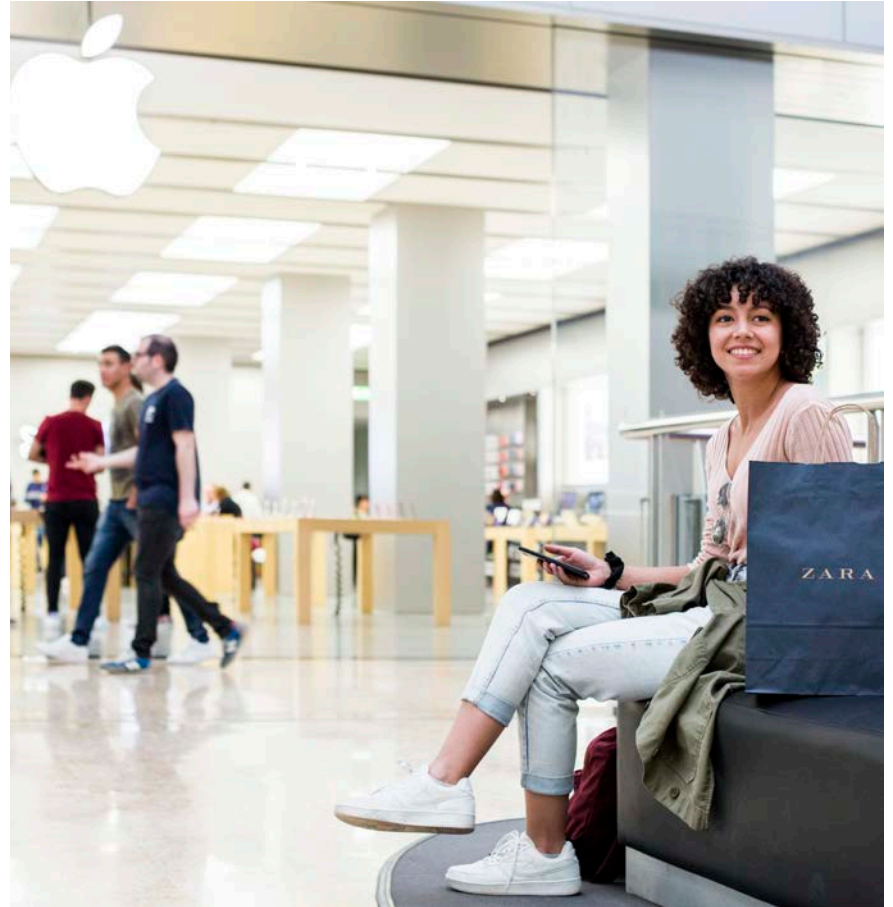
- **Zara:** 3,415 sq.m.
- **OVS:** 1,736 sq.m.
- **Pimkie:** 400 sq.m.
- **Orchestra:** 300 sq.m.
- **Parfois:** 200 sq.m.



**Vacancy reduction** of 6,335 sq.m (5.7%)



Average **reversion** of **+10%**



# LEASING MOMENTUM STRONGER THAN EVER

Demonstrating the attractiveness  
of Klépierre's malls

# 972

leases in H1 2017





# STORE INNOVATION IN MOTION

Sephora

WOW

The new Sephora **experience**  
**premiered** at Val d'Europe  
(600 sq.m. store)



Sales increased double  
digit



**5 leases** signed in H1 2017



# DESTINATION FOOD®

Deployed across the portfolio



**Gourmet democratization**



**Farm-to-table dining, fresh food**



**Fast food revolution**



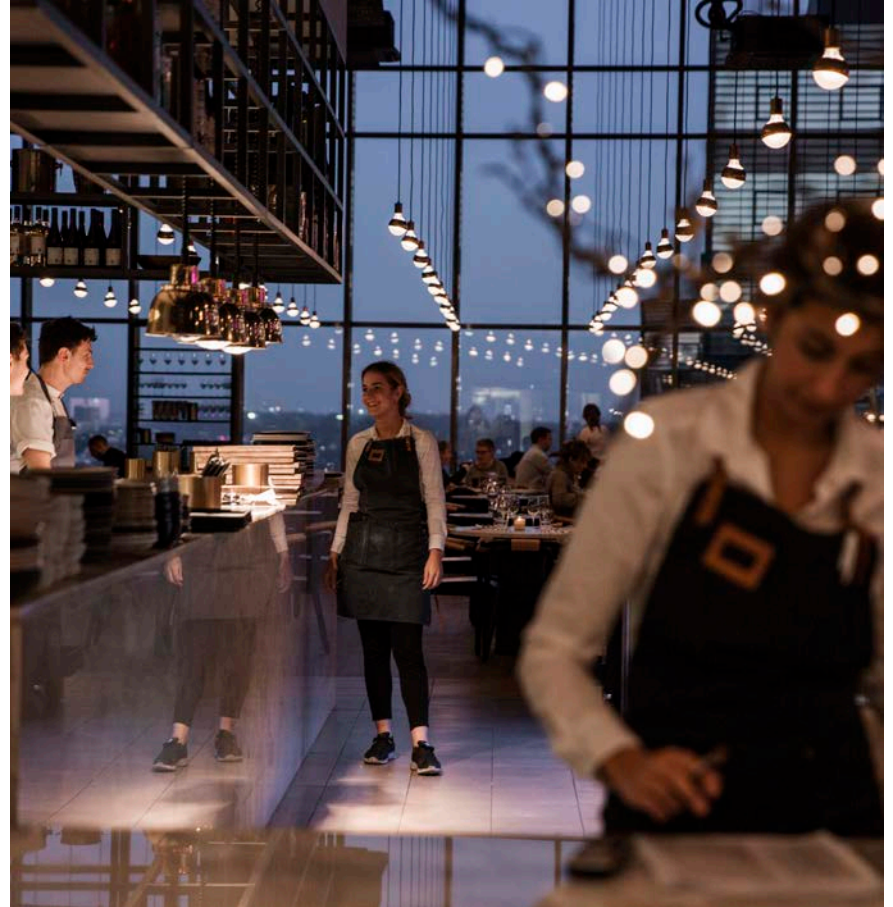
**Monoproduct**



**Entertainment**



**Sustainable and healthy food**



# DESTINATION SPORTS®

Embracing sport lifestyle



Brands expanding in our malls



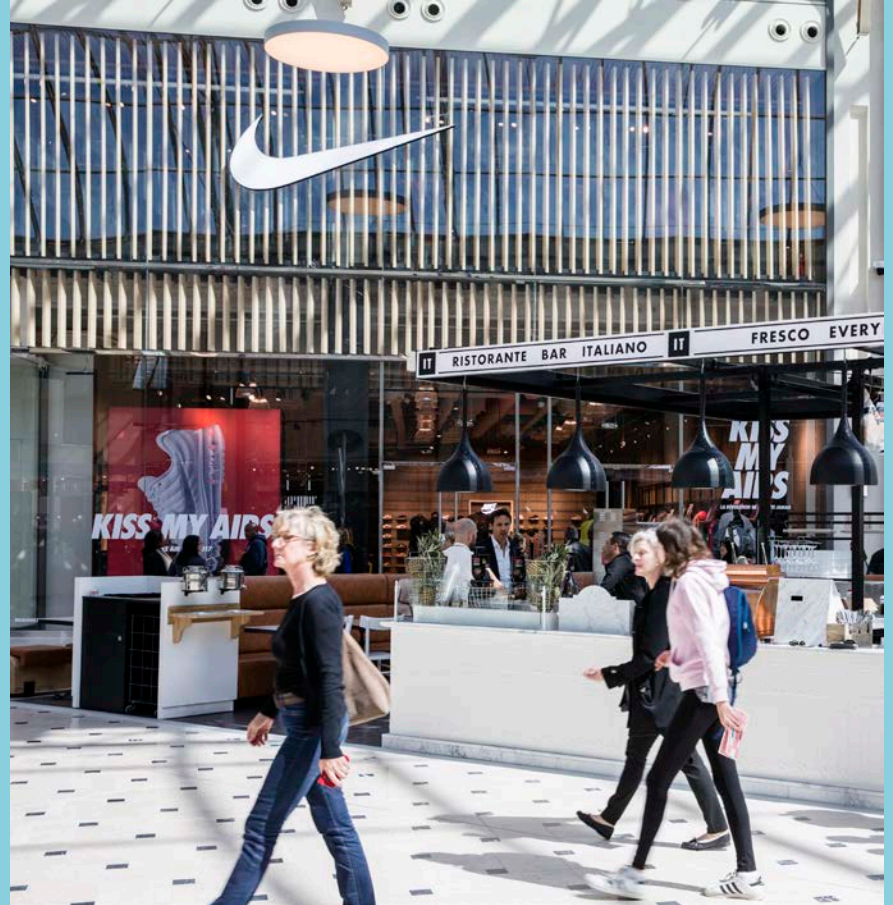
Brands coming to... ... or back to malls



In-mall events



In-mall fitness



**We rightsize  
for more flagship stores**





H&M







ZARA

ZARA

ZARA

# LANCEL

LANCEL

LANCEL





CALZEDONIA



SEPHORA



Fabiani  
GIOIELLERIA



Fabiani  
GIOIELLERIA

CALZEDONIA



CALZEDONIA







MAC

ORORA

ORORA

UCC

02

# OPERATING & FINANCIAL PERFORMANCE



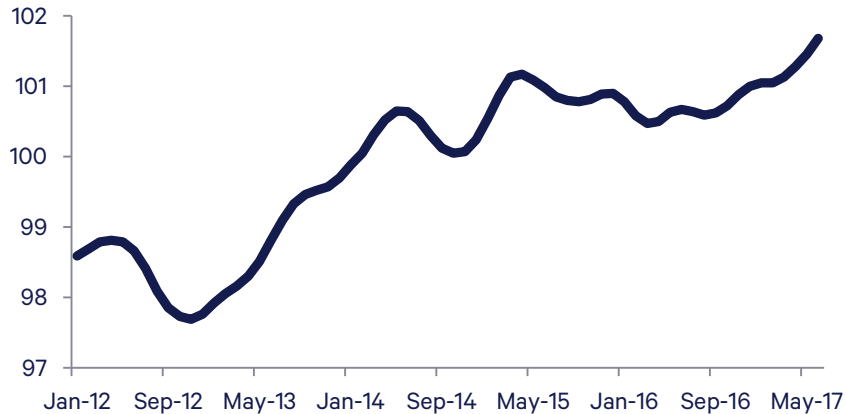


## BETTER MACRO-ECONOMIC OUTLOOK

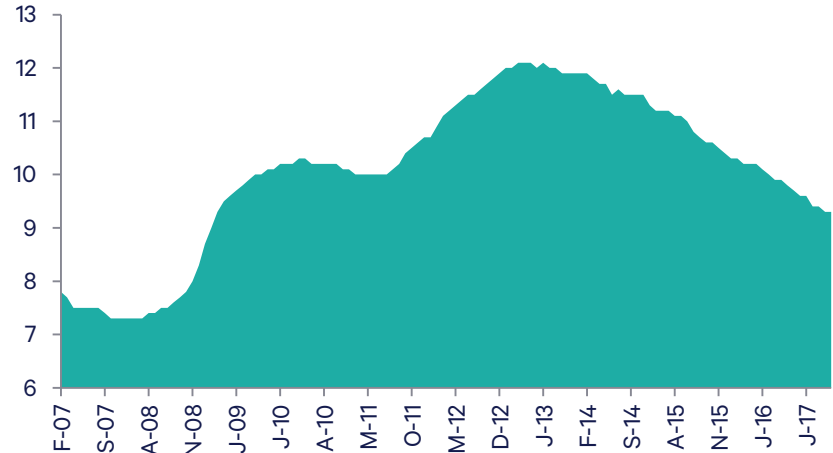
Gradual **improvement of European economic environment**, characterized by **increasing consumer confidence** (high point since 2007) and **declining unemployment**

**Inflation picking up** from low point and expected at 1.7% in 2017 compared to 0.2% in 2016<sup>1</sup>

European Consumer Confidence index <sup>2</sup>



Eurostat Unemployment Eurozone<sup>2</sup>



<sup>1</sup> Source: IMF, inflation (average consumer prices) / Euro area

<sup>2</sup> Source: OECD

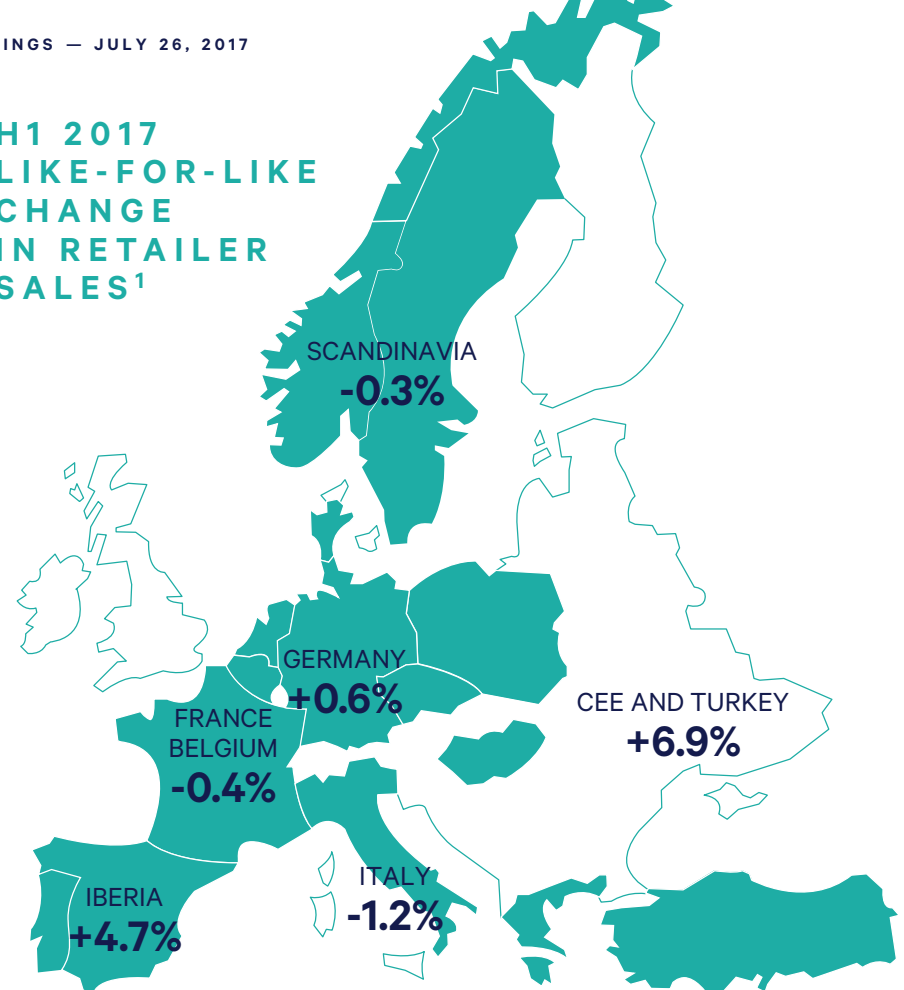
# IMPROVING TREND IN RETAILER SALES

**H1 +0.8%** as Q1 (-0.6%) was hampered by adverse calendar effects

Sales **recovered in Q2 (+1.8%)**, benefiting from slightly more supportive economic environment and favorable weather conditions

Dynamic trend in **Iberia (+4.7%)** and **Eastern Europe (+6.9%)**

## H1 2017 LIKE-FOR-LIKE CHANGE IN RETAILER SALES<sup>1</sup>



<sup>1</sup> Retailer sales performance for H1 2017 compared to H1 2016. Like-for-like excludes the impact of asset sales and acquisitions. Retailer sales from the Dutch portfolio are not included in these numbers as retailers do not report sales to Klépierre.

# H1 2017 NET CURRENT CASH FLOW PER SHARE +4.9%



## Operating Cash Flow **+1.2%**

- Solid **LfL rental growth** (+2.7%) offsetting NRI loss from disposals (-2.1%)
- Contribution from Nueva Condomina and openings in H1 (+0.6%) will ramp up in H2
- Further reduction in G&A and payroll (-4.0%)



## Net Current Cash Flow Per Share **+4.9%**

- **Lower interest expenses**, thanks to liability management (-30 bps to 1.9%)
- First **accretive** impact of share **buyback** program (75 bps in H1 2017)



# NET RENTAL INCOME +2.7% LIKE-FOR-LIKE

81% of net rental income generated by France, Italy, Scandinavia and Iberia



**Outperforming** indexation by 200 bps

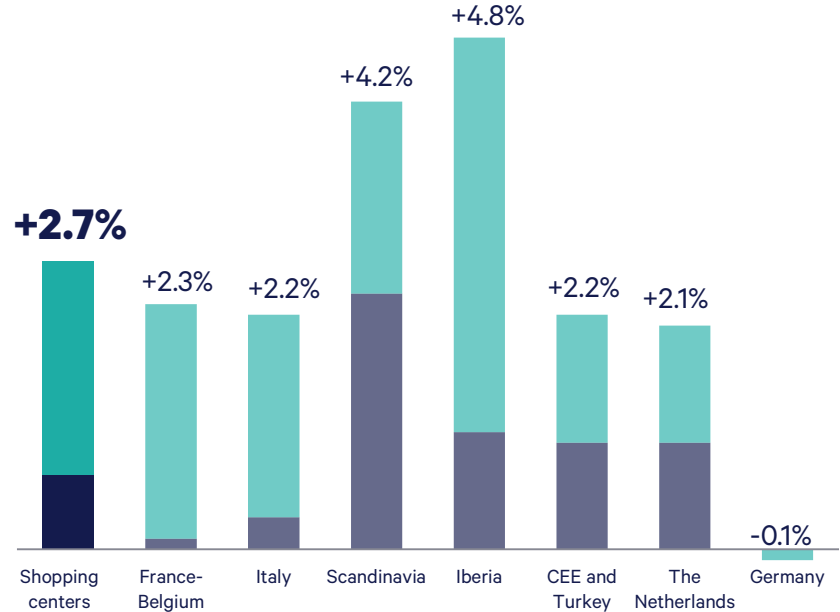


Pick-up in **indexation** to 70 bps (especially in **Scandinavia**)



**Reversion** continues to drive NRI LfL

- Outperformance vs indexation
- Indexation



<sup>1</sup> Like-for-like excludes the contribution of new spaces (acquisitions, new centers, and extensions), spaces being restructured, disposals completed since January 2016, and foreign exchange impacts.

# CONTINUED STRONG MOMENTUM IN LEASING ACTIVITY

**€18.9m** of additional annualized MGR<sup>1</sup>  
(vs €12.5m in H1 2016)

**12.2%** average reversion  
(vs 11.2% in H1 2016)

**3.4%** EPRA vacancy rate  
(-10 bps vs last December)

## Reversion<sup>2</sup> by region

France-Belgium	8.4%
Italy	15.2%
Scandinavia	12.9%
Iberia	18.7%
CEE and Turkey	9.8%
The Netherlands	10.0%
Germany	-5.0%
<b>TOTAL</b>	<b>12.2%</b>

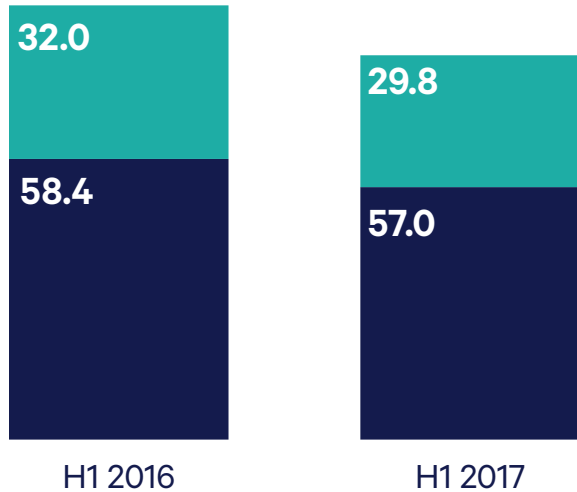
<sup>1</sup> Minimum Guaranteed Rents.

<sup>2</sup> Reversion calculated on the basis of Minimum Guaranteed Rents for renewed and relet spaces.

# LEANER IN OPERATIONS & FINANCE

## General & Administrative (G&A) costs reduction

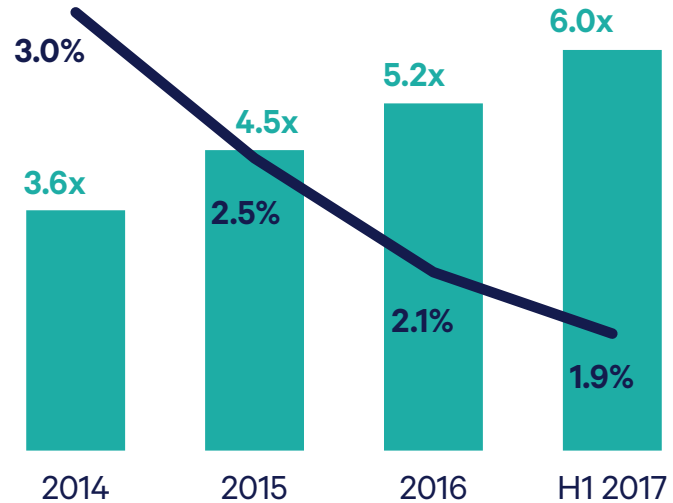
- Payroll (€m)
- General expenses (€m)



Decline in the operating cost of base thanks to Corio synergies

## Cost of debt

- Interest Coverage Ratio
- Cost of debt



Net cost of debt at 1.9% in H1 2017, expected below 2.0% for the next 3 years



# CAPITAL ALLOCATION SUPPORTS OUR STRATEGY



## Investments

**€332m**

- €233m invested in Nueva Condomina
- €99m invested in the pipeline development



## Disposals

**€249m<sup>(1)</sup>**

- 5 non-core malls (France, Spain and Norway)
- Hotel in Hoog Catharijne, offices in Emporia and Klémurs assets



## Share buyback

**€344m<sup>(2)</sup>**

- Up to €500m share buyback
- Program launched in consideration of: P/NAV, disposal plan and investment opportunity

<sup>1</sup> Total Share, excluding duties. Inclusive of assets under sale or purchase promissory agreements for €6.5m.

<sup>2</sup> As of July 21, 2017

# SHOPPING CENTER PORTFOLIO VALUE +4.4% LFL IN H1 2017



Further contraction of the **EPRA NIY** (4.8%), down **20 bps** over 12 months (-10 bps over 6 months)



Still **buoyant** investment market in Europe

<sup>1</sup> For Scandinavia and Turkey change is indicated on a constant portfolio and forex basis.

<sup>2</sup> EPRA Net Initial Yield

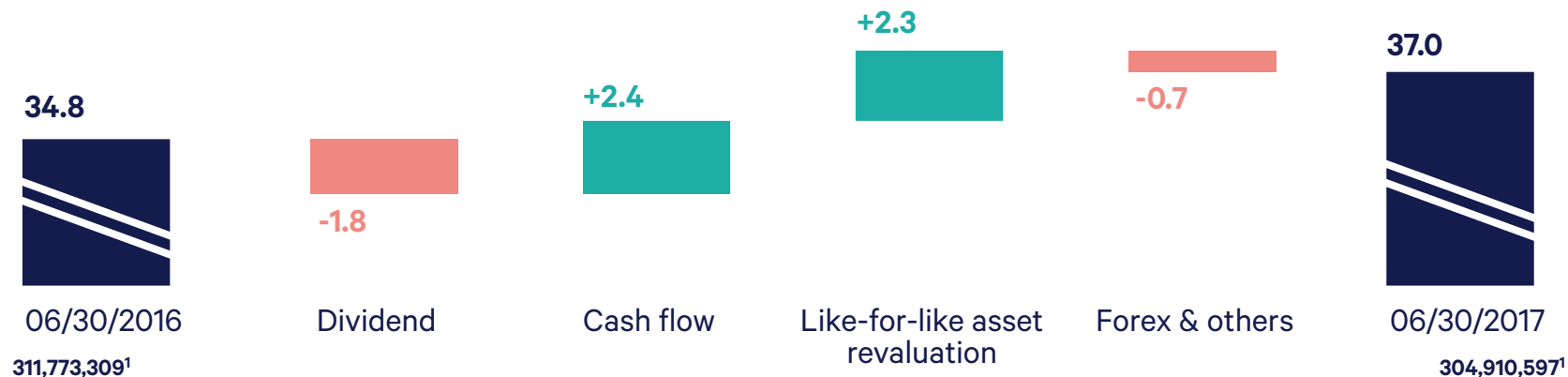
## Shopping centers valuation (Total Share, excl. duties)

	% of the portfolio	6-month LfL change <sup>1</sup>	12-month LfL change <sup>1</sup>	H1 2017 EPRA NIY <sup>2</sup>
France Belgium	39%	+1.8%	+4.6%	4.2%
Italy	17%	+4.0%	+5.6%	5.4%
Scandinavia	17%	+2.1%	+4.3%	4.5%
Iberia	9%	+4.4%	+10.7%	5.1%
CEE & Turkey	8%	+2.3%	+1.6%	6.5%
The Netherlands	6%	+0.3%	+1.6%	5.2%
Germany	5%	-3.7%	-5.4%	4.4%
<b>TOTAL</b>	<b>100%</b>	<b>+2.2%</b>	<b>+4.4%</b>	<b>4.8%</b>

## EPRA NAV OF €37.00, +6.1% OVER 12 MONTHS

In euros per share	06/30/2016	12/31/2016	06/30/2017	Change (12 months)
EPRA NAV	34.80	36.70	<b>37.00</b>	+6.1%
EPRA NNNNAV	32.90	35.20	<b>35.30</b>	+7.3%

### 12-month change in EPRA NAV per share



<sup>1</sup> Number of shares end of period (excl. treasury shares).



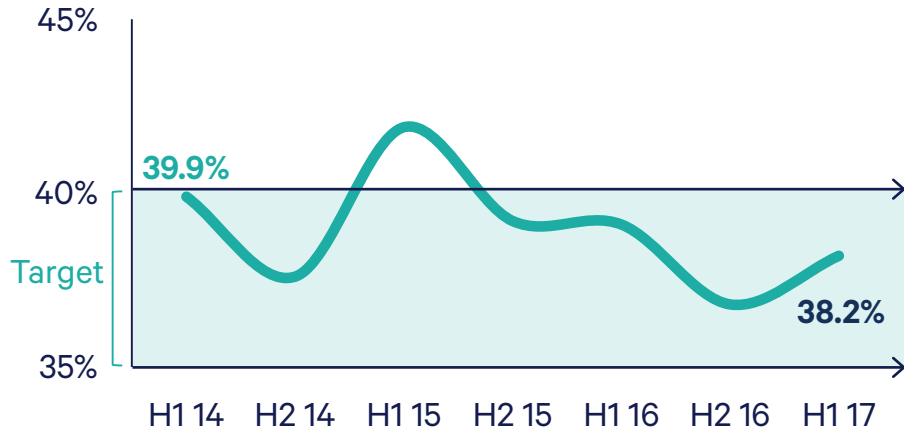
# SOLID BALANCE SHEET

**Loan-to-Value** stand at **38.2%**

**Extension of the debt duration** (6.3 years vs 6.0 at year-end 2016)

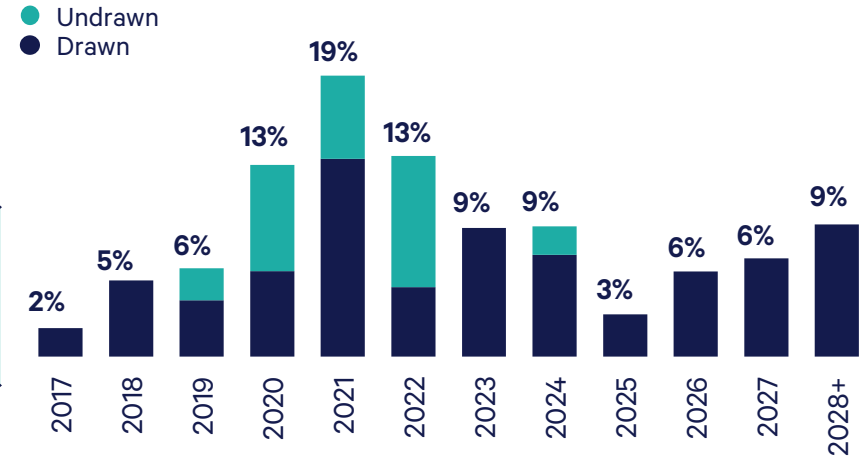
**Available liquidity** of €1.8 Bn (covering 2017, 2018 and 2019 debt repayment)

Loan-To-Value evolution



Staggered maturity profile

(Debt Maturity Schedule; % of authorized debt)





03

## DEVELOPMENT



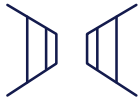
KLEPIERRE

# ONE MALL, ONE PROJECT

Favoring extensions to leverage our properties



**Upscale** our shopping centres



**Optimize** risk/reward profile



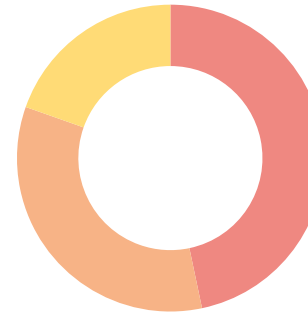
**Accelerate** retail transformation

## Development pipeline



● Extension: 80%  
● Greenfield: 20%

**€3.3bn**



● Committed<sup>1</sup>: €640 M  
● Controlled<sup>2</sup>: €1,101 M  
● Identified<sup>3</sup>: €1,525 M

<sup>1</sup> Projects that are in the process of completion, for which Klépierre controls the land and has obtained the necessary administrative approvals and permits.

<sup>2</sup> 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).

<sup>3</sup> Projects that are in the process of being put together and negotiated.



# CREATING EXCLUSIVE, HIGH STREET SHOPPING AT PRADO, MARSEILLE



**Iconic architecture** for a premium,  
23,000 sq.m. mall in central Marseille,  
France's **2<sup>nd</sup> largest city**



**6.5%**  
targeted YOC<sup>1</sup>, investment of €150m



**78% prelet**, grand opening in **March 2018**

## All about distinctive brands

ZARA

Galeries  
Lafayette

## Destination Food<sup>®</sup>

wagamama

Lepetto  
PARIS



KUSMI TEA  
PARIS

New York Bakery Craft  
FACTORY & CO  
★ HOMEMADE SINCE 1989 ★

PELLEGRIN & FILS  
JOAILLIERS DES PASSIONS DEPUIS 1840

<sup>1</sup> Targeted yield on cost as of June 30, 2017, based on targeted rental income with full occupancy and excluding all lease incentives (when applicable), divided by the estimated cost of the project..

# PRADO'S STUNNING CANOPY





PRADO WILL BE UNIQUE...





... UNIQUE AS WE DESIGNED IT



# CRÉTEIL: NEXT-GENERATION MALL

€86 million<sup>1</sup> investment, 6% YOC<sup>2</sup>



Adding **10,000 sq.m.** of new shops, restaurants and a cinema

WOW

Redesign with upgraded circulation



To become the **largest Destination Food®** of our portfolio



<sup>1</sup> Total Share (exclusive of renovation costs)

<sup>2</sup> Blended yield including €36 million renovation cost (Total Share)



# A NEW CONNECTION TO THE METRO STATION



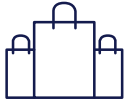


**OFFERING THE BEST OF OUR DESTINATION FOOD® APPROACH**



## BRINGING GRAN RENO TO THE NEXT LEVEL

Bologna; 15,900 sq.m.; €122 M investment  
6.9% targeted YOC



In the **top 5 retail destinations** in Italy<sup>1</sup>  
(€6,700 sales per sq.m.)



**Doubling the size of the mall**



To attract **top international fashion retailers**



<sup>1</sup> In Klépierre's portfolio



**AN ARCHITECTURAL BREAKTHROUGH WITH 1,600 SQ.M.  
OF DESTINATION FOOD®**





**CONNECTED TO LEADING SPORTS & CONCERT ARENA AND NEW TRAIN STATION**



Arena

Transport infrastructure





04  
OUTLOOK



## 2017 GUIDANCE



**Net current  
cash flow per share  
of at least €2.45**

**Upgraded from €2.35-2.40**

# AGENDA

**October 26, 2017**

**Business review for the first nine months of 2017<sup>1</sup>**

**February 7, 2018**

**Full-Year 2017 earnings<sup>1</sup>**



<sup>1</sup> Press release after market close.



06  
APPENDICES



# H1 2017 OPERATING HIGHLIGHTS

	RETAILER SALES		NET RENTAL INCOME		LEASING ACTIVITY		
	Change LfL <sup>1</sup>	Change LfL excl. extensions	H1 2017 Current (€m)	Change LfL	Reversion (%)	OCR (%)	EPRA Vacancy rate (%)
<b>France-Belgium</b>	<b>-0.4%</b>	<b>-0.8%</b>	<b>195.5</b>	<b>+2.3%</b>	<b>+8.4%</b>	<b>12.6%</b>	<b>3.1%</b>
France	-0.3%	-0.8%	187.6	+2.0%			3.1%
Belgium	-1.6%	-1.6%	7.9	+9.0%			1.1%
<b>Italy</b>	<b>-1.2%</b>	<b>-1.2%</b>	<b>93.5</b>	<b>+2.2%</b>	<b>+15.2%</b>	<b>11.5%</b>	<b>1.3%</b>
<b>Scandinavia</b>	<b>-0.3%</b>	<b>-0.3%</b>	<b>86.9</b>	<b>+4.2%</b>	<b>+12.9%</b>	<b>11.2%</b>	<b>3.4%</b>
Norway	-1.4%	-1.4%	33.4	+4.6%			2.5%
Sweden	+1.7%	+1.7%	28.2	+4.3%			3.1%
Denmark	-1.7%	-1.7%	25.3	+3.6%			5.8%
<b>The Netherlands</b>	<b>-</b>	<b>-</b>	<b>22.7</b>	<b>+2.1%</b>	<b>+10.0%</b>	<b>-</b>	<b>6.5%</b>
<b>Iberia</b>	<b>+4.7%</b>	<b>+4.7%</b>	<b>51.4</b>	<b>+4.8%</b>	<b>+18.7%</b>	<b>12.9%</b>	<b>4.9%</b>
Spain	+4.8%	+4.8%	41.4	+5.0%			3.9%
Portugal	+4.4%	+4.4%	10.0	+3.9%			8.3%
<b>Germany</b>	<b>+0.6%</b>	<b>+0.6%</b>	<b>21.0</b>	<b>-0.1%</b>	<b>-5.0%</b>	<b>11.2%</b>	<b>5.9%</b>
<b>CEE and Turkey</b>	<b>+6.9%</b>	<b>+6.9%</b>	<b>56.0</b>	<b>+2.2%</b>	<b>+9.8%</b>	<b>12.8%</b>	<b>5.2%</b>
Poland	+3.2%	+3.2%	15.7	-1.3%			1.5%
Hungary	+11.6%	+11.6%	10.1	+12.6%			4.9%
Czech Republic	+6.5%	+6.5%	14.9	+13.0%			1.5%
Turkey	+9.1%	+9.1%	14.2	-6.7%			8.2%
<b>TOTAL SHOPPING CENTERS</b>	<b>+0.8%</b>	<b>+0.5%</b>	<b>527.1</b>	<b>+2.7%</b>	<b>+12.2%</b>	<b>12.1%</b>	<b>3.4%</b>

<sup>1</sup> Like-for-like change is on a same-center basis and excludes the impact of asset sales and acquisitions

# PROFIT & LOSS

In €m	TOTAL SHARE		GROUP SHARE	
	06/30/2017	06/30/2016	06/30/2017	06/30/2016
Gross rental income	611.7	603.9	526.1	519.9
Rental & building expenses	-70.2	-67.8	-59.8	-59.3
<b>NET RENTAL INCOME</b>	<b>541.5</b>	<b>536.1</b>	<b>466.3</b>	<b>460.6</b>
Management, administrative and related income	42.8	43.8	41.0	41.4
Other operating revenue	3.9	6.1	3.3	5.2
Survey & research costs	-0.3	-0.2	-0.2	-0.2
Payroll expenses	-63.0	-66.2	-59.7	-62.6
Other general expenses	-30.0	-29.7	-28.6	-28.0
<b>EBITDA</b>	<b>495.0</b>	<b>489.9</b>	<b>422.1</b>	<b>416.4</b>
Depreciations and impairment allowance on investment property	-7.4	-7.3	-6.8	-6.6
Provisions	0.7	1.6	0.9	1.6
Proceeds of sales	15.8	7.6	9.4	7.6
Goodwill depreciation	0.0	0.0	0.0	0.0
Change in value of investment property	400.5	398.4	320.6	288.2
<b>OPERATING INCOME</b>	<b>904.7</b>	<b>890.1</b>	<b>746.2</b>	<b>707.2</b>
Net cost of debt	-84.3	-84.5	-76.6	-74.9
Change in the fair value of financial instruments	-6.5	-7.0	-6.4	-7.0
Share in earnings of equity method investees	39.6	51.2	33.3	43.5
<b>PROFIT BEFORE TAXES</b>	<b>853.5</b>	<b>849.9</b>	<b>696.5</b>	<b>668.8</b>
Tax due	-14.5	-25.5	-13.1	-24.0
Deferred taxes	-128.0	-122.1	-113.0	-95.3
<b>NET INCOME</b>	<b>711.0</b>	<b>702.4</b>	<b>570.4</b>	<b>549.5</b>



# CASH FLOW STATEMENT

In €m	TOTAL SHARE		GROUP SHARE	
	06/30/2017	06/30/2016	06/30/2017	06/30/2016
<b>GROSS RENTAL INCOME</b>	<b>611.7</b>	<b>603.9</b>	<b>526.1</b>	<b>519.9</b>
Rental & building expenses	-70.2	-67.8	-59.8	-59.3
<b>NET RENTAL INCOME</b>	<b>541.5</b>	<b>536.1</b>	<b>466.3</b>	<b>460.6</b>
Management and other income	46.8	49.9	44.3	46.6
G&A expenses	-93.3	-96.1	-88.5	-90.8
<i>Restatement payroll and deferred expenses</i>	5.7	5.7	5.7	5.5
<i>Restatement IFRIC 21 H2 impact</i>	7.1	7.0	7.1	7.0
<i>Restatement acquisition costs and portfolio restructuring</i>	0.7	-	0.7	-
Net cost of debt	-84.3	-84.5	-76.6	-74.9
<i>Restatement financial allowance &amp; financial restructuring</i>	6.8	-7.6	6.8	-7.6
Share in earnings of equity method investees	28.6	31.3	27.0	28.4
Current tax expenses	-16.9	-13.8	-15.5	-12.3
<b>NET CURRENT CASH FLOW</b>	<b>442.8</b>	<b>428.0</b>	<b>377.4</b>	<b>362.4</b>
Restatement payroll and deferred expenses			-4.4	-5.5
Restatement amortization allowances and provisions for contingencies and losses			-5.9	-5.0
<b>EPRA EARNINGS</b>			<b>367.1</b>	<b>351.9</b>
<i>Per share</i>				
<b>NET CURRENT CASH FLOW PER SHARE</b>			<b>1.22</b>	<b>1.16</b>
<b>EPRA EARNINGS PER SHARE</b>			<b>1.19</b>	<b>1.13</b>
<i>Average number of shares excluding treasury shares</i>			309,505,908	311,719,983

# VALUATION OF THE PORTFOLIO

(€M, TOTAL SHARE, EXCL. DUTIES)

	06/30/2017	% of total portfolio	06/30/2016	12-month change Current	12-month change Like-for-like <sup>1</sup>
France	8,566	36.8%	8,181	+4.7%	+4.6%
Belgium	403	1.7%	377	+6.8%	+5.7%
<b>France-Belgium</b>	<b>8,969</b>	<b>38.5%</b>	<b>8,558</b>	<b>+4.8%</b>	<b>+4.6%</b>
<b>Italy</b>	<b>3,847</b>	<b>16.5%</b>	<b>3,603</b>	<b>+6.8%</b>	<b>+5.6%</b>
Norway	1,461	6.3%	1,650	-11.4%	+4.6%
Sweden	1,292	5.5%	1,430	-9.6%	+6.4%
Denmark	1,111	4.8%	1,103	+0.7%	+1.4%
<b>Scandinavia</b>	<b>3,864</b>	<b>16.6%</b>	<b>4,183</b>	<b>-7.6%</b>	<b>+4.3%</b>
Spain	1,779	7.6%	1,470	+21.0%	+11.3%
Portugal	366	1.6%	336	+8.8%	+8.5%
<b>Iberia</b>	<b>2,145</b>	<b>9.2%</b>	<b>1,806</b>	<b>+18.8%</b>	<b>+10.7%</b>
Poland	416	1.8%	437	-5.0%	-5.3%
Hungary	243	1.0%	222	+9.1%	+11.5%
Czech Republic	559	2.4%	463	+20.6%	+20.6%
Turkey	512	2.2%	603	-15.1%	-12.5%
<b>CEE &amp; Turkey</b>	<b>1,765</b>	<b>7.6%</b>	<b>1,762</b>	<b>+0.2%</b>	<b>+1.6%</b>
<b>The Netherlands</b>	<b>1,280</b>	<b>5.5%</b>	<b>1,181</b>	<b>+8.4%</b>	<b>+1.6%</b>
<b>Germany</b>	<b>1,062</b>	<b>4.6%</b>	<b>1,092</b>	<b>-2.7%</b>	<b>-5.4%</b>
<b>TOTAL SHOPPING CENTERS</b>	<b>22,933</b>	<b>98.4%</b>	<b>22,184</b>	<b>+3.4%</b>	<b>+4.4%</b>
<b>Other activities</b>	<b>362</b>	<b>1.6%</b>	<b>431</b>	<b>-16.1%</b>	<b>-4.6%</b>
<b>TOTAL</b>	<b>23,295</b>	<b>100.0%</b>	<b>22,615</b>	<b>+3.0%</b>	<b>+4.3%</b>

<sup>1</sup> Excludes the impact of new centers opened, acquisitions, asset sales completed since July 1, 2016, extension capex and foreign exchange impacts.

# VALUATION OF THE PORTFOLIO

(€M, GROUP SHARE, EXCL. DUTIES)

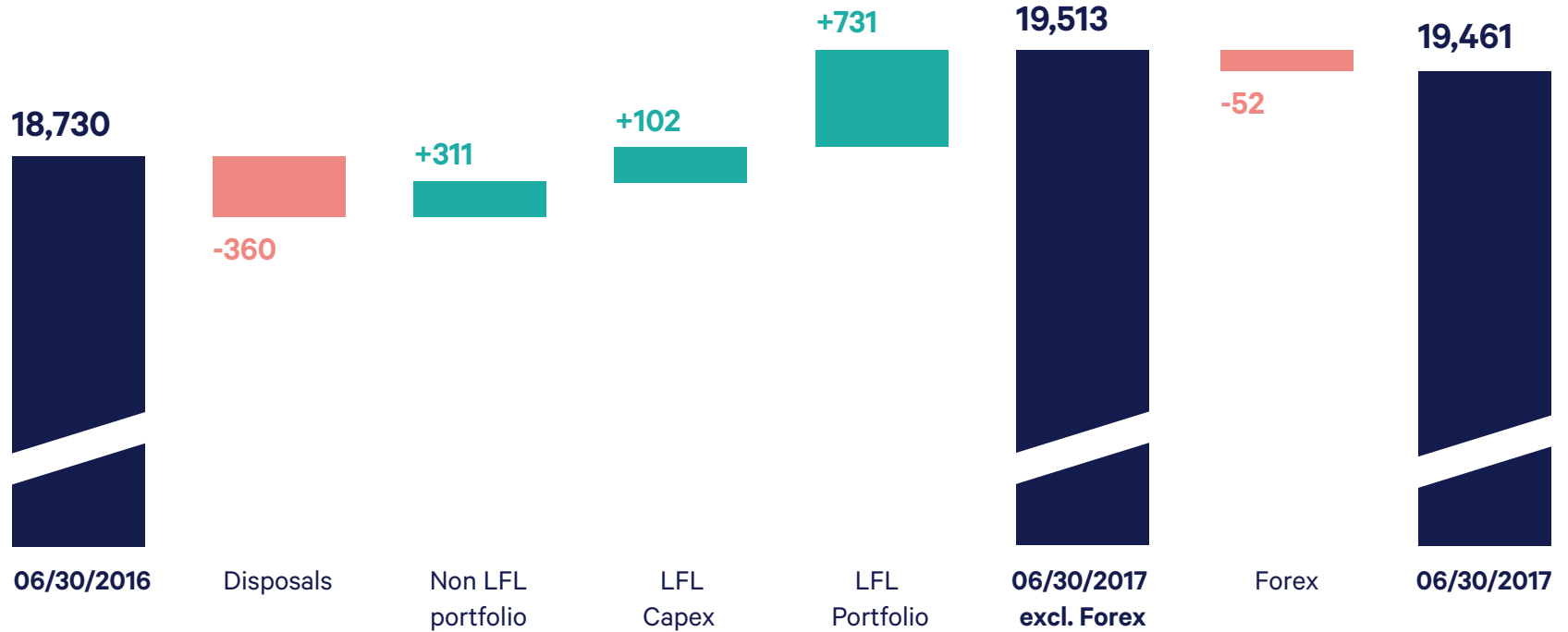
	06/30/2017	% of total portfolio	06/30/2016	12-month change Current	12-month change Like-for-like <sup>1</sup>
France	6,954	35.1%	6,725	+3.4%	+4.1%
Belgium	403	2.0%	377	+6.8%	+5.7%
<b>France-Belgium</b>	<b>7,356</b>	<b>37.1%</b>	<b>7,102</b>	<b>+3.6%</b>	<b>+4.2%</b>
<b>Italy</b>	<b>3,806</b>	<b>19.2%</b>	<b>3,561</b>	<b>+6.9%</b>	<b>+5.7%</b>
Norway	819	4.1%	925	-11.4%	+4.6%
Sweden	725	3.7%	802	-9.6%	+6.4%
Denmark	623	3.1%	619	+0.7%	+1.4%
<b>Scandinavia</b>	<b>2,168</b>	<b>10.9%</b>	<b>2,346</b>	<b>-7.6%</b>	<b>+4.3%</b>
Spain	1,736	8.8%	1,431	+21.3%	+11.2%
Portugal	366	1.8%	336	+8.8%	+8.5%
<b>Iberia</b>	<b>2,102</b>	<b>10.6%</b>	<b>1,767</b>	<b>+19.0%</b>	<b>+10.7%</b>
Poland	416	2.1%	437	-5.0%	-5.3%
Hungary	243	1.2%	222	+9.1%	+11.5%
Czech Republic	559	2.8%	463	+20.6%	+20.6%
Turkey	490	2.5%	579	-15.4%	-12.7%
<b>CEE &amp; Turkey</b>	<b>1,740</b>	<b>8.8%</b>	<b>1,735</b>	<b>+0.3%</b>	<b>+1.8%</b>
<b>The Netherlands</b>	<b>1,280</b>	<b>6.5%</b>	<b>1,181</b>	<b>+8.4%</b>	<b>+1.6%</b>
<b>Germany</b>	<b>1,009</b>	<b>5.1%</b>	<b>1,037</b>	<b>-2.7%</b>	<b>-5.4%</b>
<b>TOTAL SHOPPING CENTERS</b>	<b>19,461</b>	<b>98.2%</b>	<b>18,730</b>	<b>+3.9%</b>	<b>+4.3%</b>
<b>Other activities</b>	<b>362</b>	<b>1.8%</b>	<b>431</b>	<b>-16.1%</b>	<b>-4.6%</b>
<b>TOTAL</b>	<b>19,823</b>	<b>100.0%</b>	<b>19,161</b>	<b>+3.5%</b>	<b>+4.1%</b>

<sup>1</sup> Excludes the impact of new centers opened, acquisitions, asset sales completed since July 1, 2016 extension capex and foreign exchange impacts.



# SHOPPING CENTER VALUATION

(GROUP SHARE – EXCLUDING DUTIES – IN €M)



# SHOPPING CENTER PORTFOLIO VALUE UP 2.1%

OVER 6 MONTHS ON A LIKE-FOR-LIKE BASIS

€m, excluding duties	TOTAL SHARE		GROUP SHARE		
	06/30/2017	12/31/2016	06/30/2017	12/31/2016	6-month LfL change <sup>1</sup>
France-Belgium	8,969	8,805	7,356	7,265	+1.4%
Italy	3,847	3,707	3,806	3,665	+4.1%
Scandinavia	3,864	4,008	2,168	2,249	+2.1%
Iberia	2,145	1,831	2,102	1,791	+4.4%
CEE & Turkey	1,765	1,757	1,740	1,732	+2.3%
The Netherlands	1,280	1,234	1,280	1,234	+0.3%
Germany	1,062	1,074	1,009	1,021	-3.7%
<b>TOTAL SHOPPING CENTERS</b>	<b>22,933</b>	<b>22,418</b>	<b>19,461</b>	<b>18,956</b>	<b>+2.1%</b>
Other activities	362	399	362	399	-1.0%
<b>TOTAL</b>	<b>23,295</b>	<b>22,817</b>	<b>19,823</b>	<b>19,354</b>	<b>+2.0%</b>
<i>of which Equity accounted Investees</i>	1,399	1,425	1,323	1,347	

<sup>1</sup> Excludes the impact of new centers opened, acquisitions, asset sales completed since July 1, 2016, extension capex and foreign exchange impacts.

# DEVELOPMENT PIPELINE

Development project	Country	City	Type	Floor area (sq.m.)	Expected opening date	Klépierre equity interest	Estimated cost <sup>a</sup> (€m)	Cost to date (€m)	Targeted yield on cost <sup>b</sup>
Hoog Catharijne Phases 2 & 3	The Netherlands	Utrecht	extension-refurbishment	61,982	2017-2019	100.0%	430	256	6.3%
Other projects (incl. Prado)				38,421			209	104	7.1%
<b>Total committed projects</b>				<b>100,403</b>			<b>640</b>	<b>361</b>	<b>6.5%</b>
Créteil Soleil - Phase 1	France	Paris region	extension	11,000	H2 2019	80.0%	86	3	
Gran Reno	Italy	Bologna	extension	15,900	H2 2020	100.0%	122	13	
Grenoble Grand Place	France	Grenoble	extension	16,038	H2 2021	100.0%	55	0	
Montpellier Odysseum	France	Montpellier	extension-redevelopment	11,747	H1 2022	100.0%	33	0	
L'esplanade	Belgium	Brussels region	extension	19,475	H1 2021	100.0%	131	17	
Bègles Rives d'Arcins	France	Bordeaux	extension	25,081	H2 2017-H2 2020	52.0%	32	6	
Grand Littoral	France	Marseille	redevelopment	12,000	H2 2020	100.0%	30	0	
Val d'Europe	France	Paris region	extension	10,620	H2 2021	55.0%	51	0	
Lonato <sup>c</sup>	Italy	Lombardy	extension	15,000	H2 2020	50.0%	30	0	
Vitrolles	France	Marseille region	extension	14,288	H2 2020	83.0%	67	0	
Turin Le Gru	Italy	Turin	extension	12,000	H2 2021	100.0%	80	0	
Økernsenteret <sup>c</sup>	Norway	Oslo	redevelopment	53,220	H2 2022	28.1%	89	6	
Barcelona Mare Magnum 1	Spain	Barcelone	extension	8,000	H2 2020	100.0%	45	0	
Grand Portet	France	Toulouse region	extension-refurbishment	8,000	H2 2021	83.0%	65	8	
Viva	Denmark	Odense	new development	48,500	H2 2020	56.1%	186	24	
<b>Total controlled projects</b>				<b>280,869</b>			<b>1,101</b>	<b>76</b>	
<b>Total identified projects</b>				<b>272,200</b>			<b>1,525</b>	<b>5</b>	
<b>TOTAL</b>				<b>653,472</b>			<b>3,266</b>	<b>442</b>	

<sup>a</sup> Estimated cost as of June 30, 2017, including fit out (when applicable) and excluding: lease incentives (when applicable), internal development fees and financial costs.

<sup>b</sup> Targeted yield on cost as of June 30, 2017, based on targeted rental income with full occupancy and excluding all lease incentives (when applicable), divided by the estimated cost of the project as defined above

<sup>c</sup> Assets consolidated under equity method. For these projects estimated cost and cost to date are reported for Klépierre share of equity. Floor areas are the total area of the projects.