



Disposal* of a €2 Bn retail galleries portfolio to a Carrefour-led consortium

December 16, 2013

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PROPOSED KEY TERMS

Scope

- Portfolio of 127 Carrefour-anchored retail galleries totaling 476,000 sq.m.
 - Assets located in France (70%), Spain (19%) and Italy (11%)(¹)
- Klépierre would retain ownership of selected Carrefour-anchored regional shopping centers
 - Objective to perform value-enhancing refurbishment / extension programs in coming years

Price

- €2.0 billion total consideration (€1.7 billion groupshare)(²)
 - In line with June 2013 appraisal valuations in France and Italy and at a discount in Spain

Structure

- Sale to a consortium led by Carrefour and underwritten by long-term institutional investors
- Transaction funding: no financing conditions(³) (binding equity and debt commitments)

Management

- Klépierre would not retain asset and property management contracts associated with this portfolio

Next Steps

- Opinion of Klépierre and Carrefour workers' councils
- Execution of final documentation
- Key condition precedents to closing:
 - Anti-trust clearance in France and Spain
 - Waiver of municipal pre-emption rights in France
- Closing expected Q2 2014

Notes

1. Geographic split based on transaction value (total share, including transfer duties)
2. Including transfer duties. Disposed portfolio owned by Klépierre (83%) and CNP (17%)
3. Equity and debt will be committed after opinion of workers' councils and signing of binding agreement

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PERIMETER

- Disposal of 127 Carrefour-anchored small and medium-sized retail galleries initially acquired from Carrefour
- Average size of 3,700 sq.m.

	Number of assets disposed	Transaction value ⁽¹⁾ (€m)	Rentable Floor Area (sq.m.)	Avg. size (sq.m.)	Type of assets
FRANCE	57	1,409	259,000	4,535	10,000 sq.m. < 5 assets < 15,000 sq.m. 5,000 sq.m. < 13 < 10,000 sq.m. 39 < 5,000 sq.m.
SPAIN	63	380	177,000	2,812	10,000 sq.m. < 2 assets < 15,000 sq.m. 5,000 sq.m. < 9 < 10,000 sq.m. 52 < 5,000 sq.m.
ITALY	7	221	40,000	5,751	1 asset > 15,000 sq.m. 5,000 sq.m. < 3 < 15,000 sq.m. 3 < 5,000 sq.m.
TOTAL	127	2,010	476,000	3,747	

Notes

1. Total share, including transfer duties

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RESULTING PROFORMA PORTFOLIO

■ Rebalancing of shopping center portfolio towards strategic regions for Klépierre and selected spots (touristic areas and capital cities)

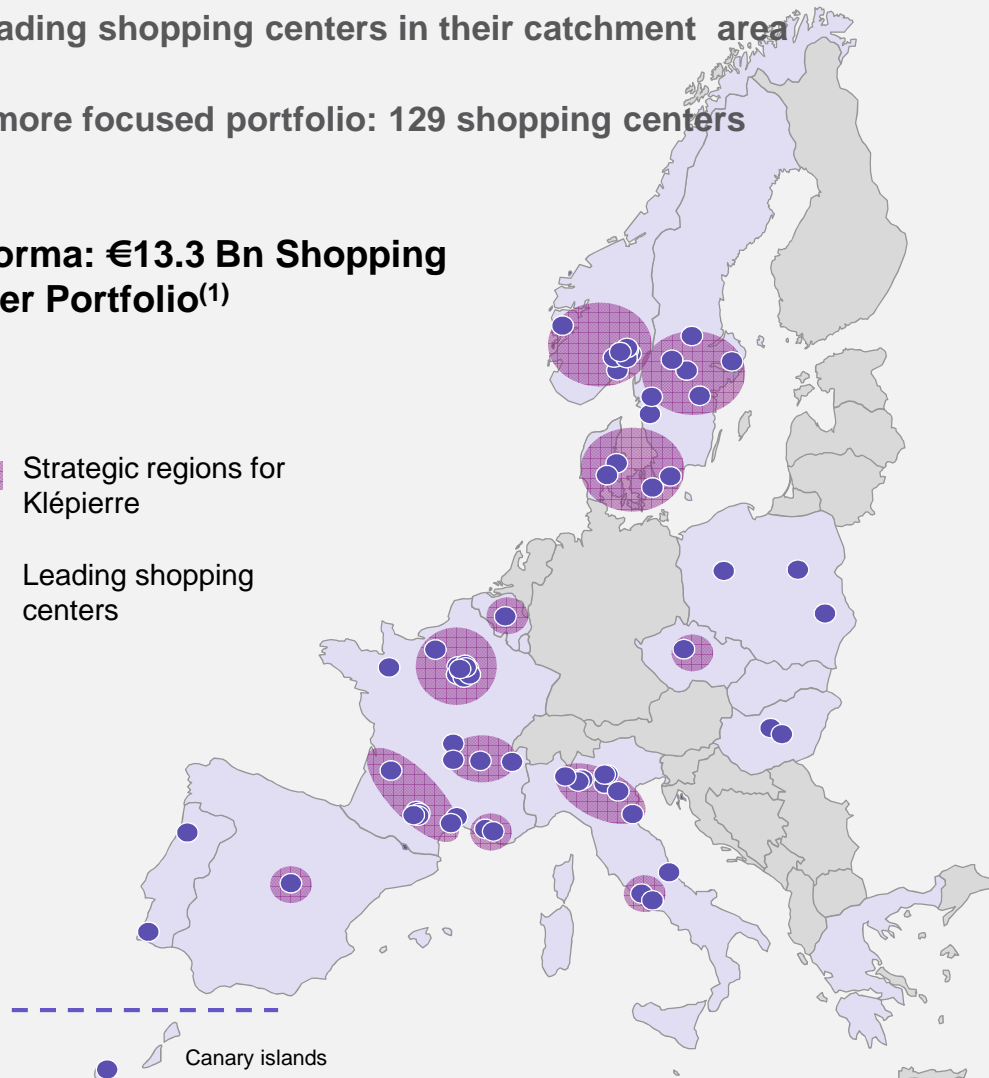
■ Leading shopping centers in their catchment area

■ A more focused portfolio: 129 shopping centers

Proforma: €13.3 Bn Shopping Center Portfolio⁽¹⁾

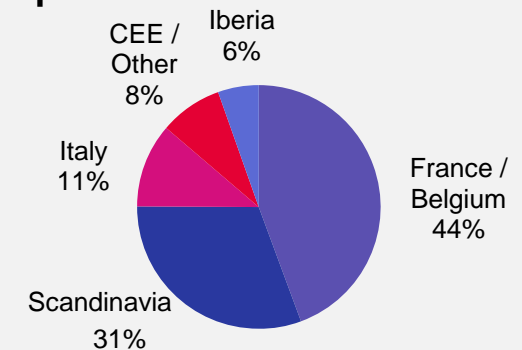
■ Strategic regions for Klépierre

● Leading shopping centers



Canary islands

Proforma Geographic Breakdown⁽¹⁾



€5.6 Bn⁽¹⁾

■ Ile-de-France, Toulouse, Montpellier, Lyon and Bordeaux regions: c. 95% of value



€1.5 Bn⁽¹⁾

■ Northern Italy and Rome: c. 85% of value



€0.5 Bn⁽¹⁾

■ 2 regional shopping centers in Madrid and Tenerife: c. 80% of value

Notes

1. Total share, excluding transfer duties – June 2013 appraisal values

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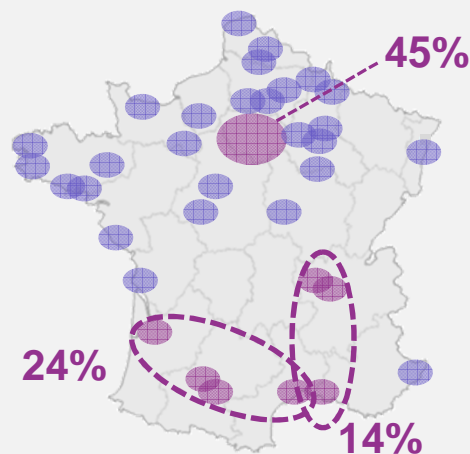
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RATIONALE FOR
KLEPIERRE

SIGNIFICANT PORTFOLIO RESHAPING IN FRANCE

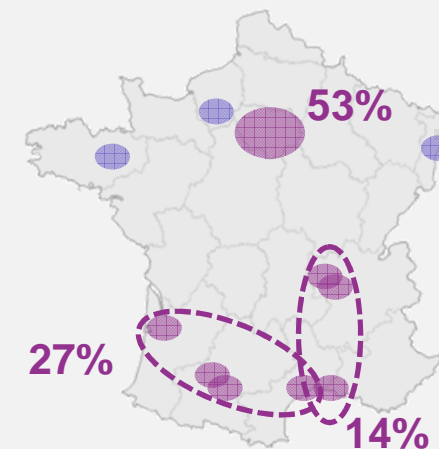
Pre-transaction

89 shopping centers
83%⁽¹⁾ in strategic regions



Proforma

32 shopping centers
94%⁽¹⁾ in strategic regions



DEMOGRAPHIC GROWTH 2010-2040⁽²⁾

Ile-de-France	+8%
Toulouse	+30%
Lyon	+14%
Bordeaux	+23%
National average	+13%

GDP PER INHABITANT IN PPS (2010)⁽³⁾ in €

49,969
33,192
38,845
29,518
29,894

Notes

1. In value (excl. duties), as of June 30 2013

2. Source: INSEE (figures for Toulouse, Lyon and Bordeaux are respectively figures for Haute-Garonne, Rhône and Gironde)

3. Source: Eurostat (GDP in Purchasing Power Standard), (figures for Toulouse, Lyon and Bordeaux are respectively for Haute-Garonne, Rhône and Gironde)

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PROFORMA SHOPPING CENTERS KPIs

Country	Gross rents ⁽¹⁾ like-for-like ⁽²⁾ growth		Reversion (%)		OCR (%)	
	9 months 2013 vs. 9 months 2012		H1 2013		As of June 30, 2013	
	Klépierre	Proforma	Klépierre	Proforma	Klépierre	Proforma
France	+4.8%	+5.2%	+17.4%	+19.5%	11.6%	12.0%
Spain	-4.3%	-1.6%	-0.9%	+4.4%	15.1%	16.5%
Italy	+1.5%	+1.2%	-0.8%	-1.6%	11.9%	11.7%
Total Klépierre shopping centers	+2.5%	+2.9%	+4.7%	+5.2%	11.8%	11.8%

Notes

1. Total share

2. Excluding new spaces (new centers and extensions), disposals completed and forex impact

TRANSACTION IMPACT (1)

- **Proceeds would be used to pay down c. €1.3 billion of existing credit facilities and to restructure current hedging portfolio**
 - Hedging restructuring to translate into significant reduction in cost of debt
 - Interest savings mostly offset loss of rental income
 - Refinancing needs covered until 2016
- **Limited cash-flow⁽¹⁾ and NAV dilution**
- **Estimated net current cash flow not below €2.0 p.s. in 2014**

Net proceeds – group share (€m)	1,539
Loss of net rents – group share (€m) ⁽²⁾	(102)
Impact on EPRA NNNAV (€ per share)	(0.7)
2014e net current cash flow ⁽¹⁾ (€ per share)	Not below 2.0
Dividend policy	Unchanged

EXPECTED IMPACT - KEY FIGURES

Notes

1. On the basis of current market conditions and assuming closing of the transaction in Q2 2014
2. Based on 2013 full-year estimated net rental income (loss of net rents total share: €123 million)

TRANSACTION IMPACT (2) FINANCIAL PROFILE SIGNIFICANTLY IMPROVED

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■ Significant credit improvement:

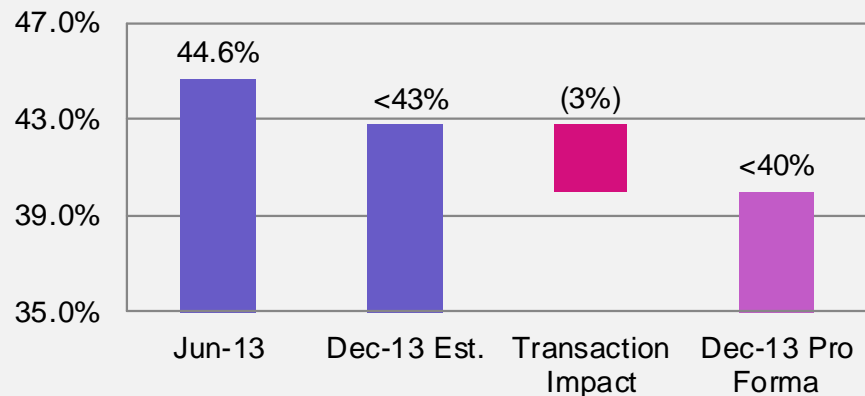
- LTV below 40%
- ICR above 3.5x⁽¹⁾
- Lengthening of debt maturity to 5.5 years

■ Optimized cost of funding

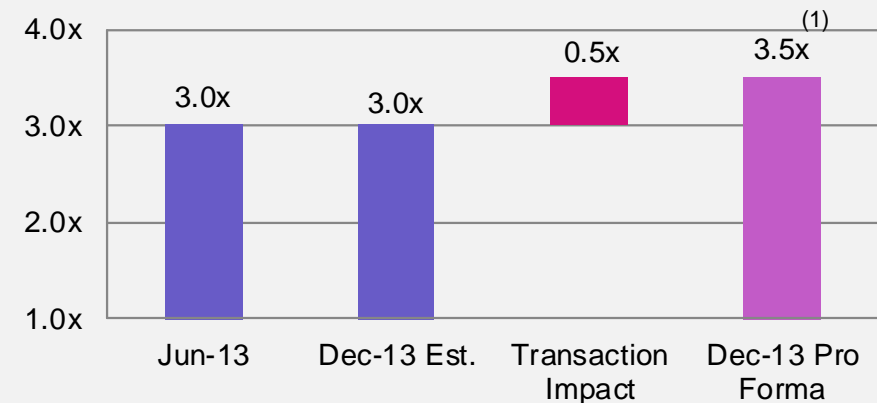
- Cost of debt < 3.2%

■ Reaching best-in-class credit profile - Klépierre's credit amongst the strongest property companies globally

LTV



ICR



KEEP RETAIL MOVING FORWARD

■ A more focused platform of shopping centers

- ✓ Klépierre to deploy more consistently resources and capital to leverage more efficiency its asset management expertise
- ✓ Fewer assets in portfolio: 129 shopping centers (vs. 256)

■ A focused asset by asset approach

- ✓ Target operational excellence
- ✓ A vision, a business plan and objectives adapted to the catchment area
- ✓ Refurbishment / redevelopment to meet expectations of retailers and shoppers

■ Structured approach to leasing and re-tenanting

- ✓ Rejuvenated merchandizing mix
- ✓ Adapted to customer trends and needs
- ✓ Differentiated offer



Les Passages de l'Hôtel de Ville (Boulogne, France)

UNIQUE PLATFORM TO CONNECT SHOPPERS AND BRANDS

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- Mutualize and deploy more efficiently our resources on marketing and specialty leasing to enhance the overall shopping experience
- Generate impact, traffic and loyalty through marketing events
- ✓ Offering customers a vibrant market place, experience and pleasure
 - ✓ *the “Club Store” service (services, gift cards, quiet areas, movie theaters, dining, events)*
 - ✓ *Outstanding decor*
- Digital attraction
- ✓ Visibility and connectivity
- ✓ Attract online retailers via pop-up stores, web-to-mall
- Partnerships with major international entertainment players and create exclusive / attractive events
- Pooled brand roadshows



Exclusive and original, the giant Ferrero Rocher® Christmas Tree St. Lazare Paris (France)

KLEPIERRE GEARED FOR GROWTH

Significant firepower to fund development pipeline and seize new opportunistic acquisitions

- €2.3 billion development pipeline as of September 30, 2013
- Examples of recent acquisitions: 50% stake in Odysseum in Montpellier, increased ownership in IGC (88% - Italy)



Odysseum (Montpellier, France)



PROMISING DEVELOPMENTS CONCENTRATED IN DYNAMIC AND GROWING REGIONS

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RATIONALE FOR
KLEPIERRE

- Opening in 2014
- Opening in 2015 and after



Val d'Europe
117,000 sq.m.
(ext. 17,000 sq.m.)



L'esplanade
82,000 sq.m.
(ext. 26,500 sq.m.)



Grand Portet
68,600 sq.m.
(ext. 8,000 sq.m.)



Marseille Bourse
34,700 sq.m.
(ext. 5,400 sq.m.)



Romagna Center
38,600 sq.m.
(ext. 7,800 sq.m.)



Økernsenteret
56,400 sq.m.
(ext. 49,000 sq.m.)



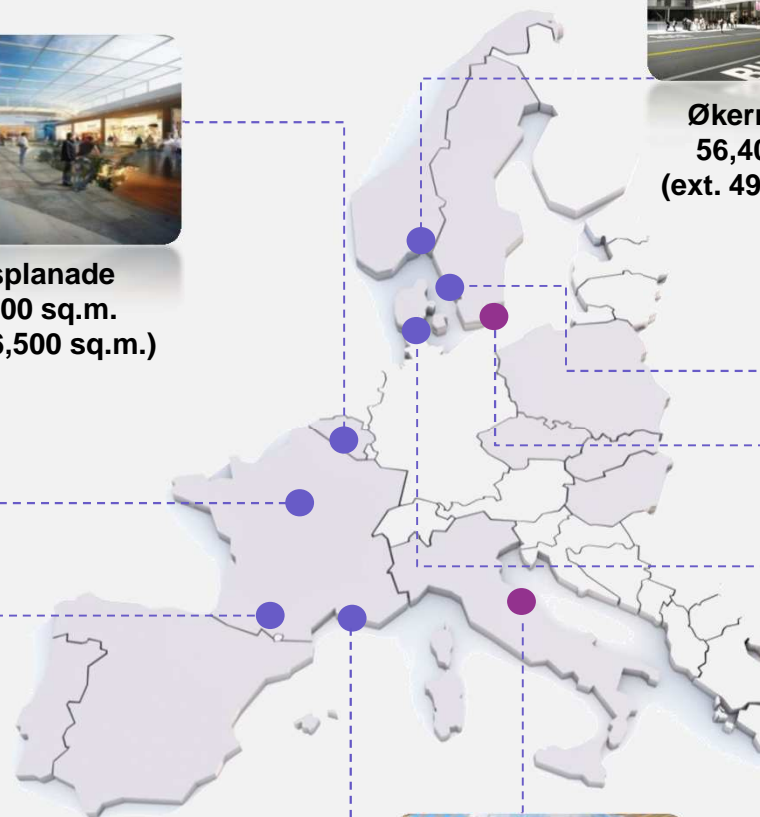
Allum
76,200 sq.m.
(ext. 14,500 sq.m.)



Kristianstad
28,200 sq.m. (new)



Viva
48,500 sq.m. (new)



A LANDMARK TRANSACTION* FOR KLEPIERRE

- Re-affirming strategic positioning as a retail pure player with a focus on leading shopping centers in their catchment area
- Addressing the challenges of a fast-changing retail environment: Klépierre strategic focus on the most evolutionary and effective retail format with the ability to deliver superior rental growth and generate multiple revenue streams
- Financial position and credit quality significantly enhanced
- Geared for growth through development pipeline and selective acquisitions

* The proposed transaction, which is expected to close Q2 2014, would bring with the following benefits