

# FIRST-HALF 2019 EARNINGS

JULY 25, 2019



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01

# A STRATEGY DESIGNED TO LEVERAGE THE TRANSFORMATION OF RETAIL



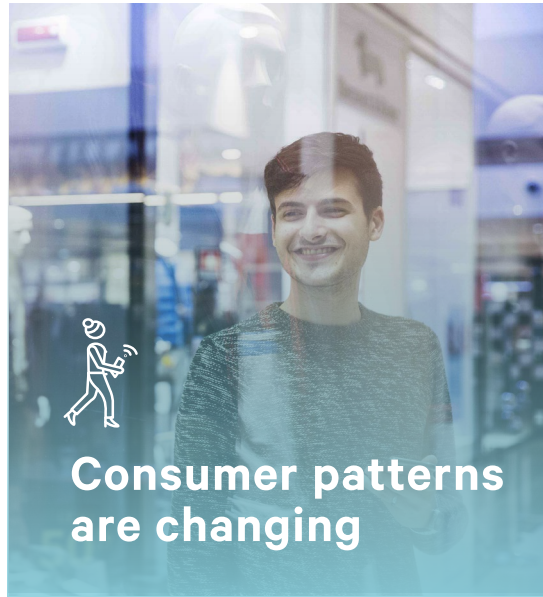
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## WE BELIEVE IN OMNI-CHANNEL RETAIL



... but only when combined with physical stores

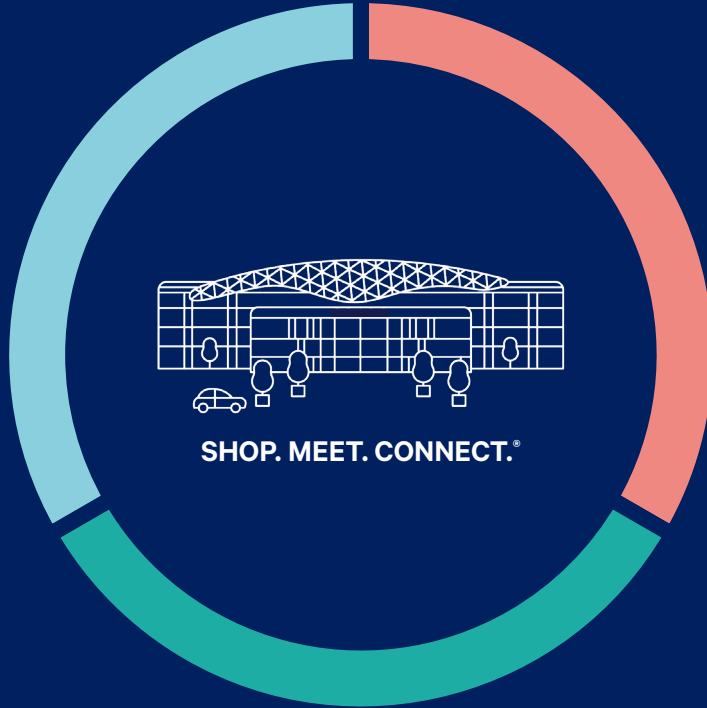


Transformation of the retail mix is paramount to enrich shopper experience



Fewer... but better stores are part of the answer to improve omni-channel profitability

# AND OUR STRATEGY IS DESIGNED TO LEVERAGE THIS TRANSFORMATION



 **Capital allocation**  
focused on the winning assets

 **Operational initiatives**  
tailored for changing consumers



 **Financial discipline**

## WHICH TRANSLATES INTO ANOTHER STRONG SET OF RESULTS...

**+3.1%**

High **net rental income** like-for-like growth, thanks to 9.4% reversion

**+5.4%**

Strong **net current cash flow per share growth**

**€501m**

Sustained pace of **disposals**, at good financial conditions

**8.1x**

Further reduction in **net debt / EBITDA** (−0.2x)



## ... WHICH LEADS US TO RAISE OUR 2019 GUIDANCE



HOOG CATHARIJNE THE MALL



**Net current cash flow per share at least €2.76**

vs. €2.72–€2.75 initially



## LOOKING FORWARD, OUR RENTS WILL CONTINUE TO GROW...



**The store is central**  
in the **omni-channel** world

Ability to introduce  
**the best-performing**  
**retailers**



**Low 12% OCR**

at June 30, 2019



## ... AND OUR CASH FLOW EVEN MORE!



02

**FIRST-HALF 2019  
HIGHLIGHTS**



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# ROBUST NET RENTAL INCOME GROWTH



**All regions** contributed to  
**Like-for-like NRI growth**



**Outperforming** indexation  
by **150 bps**

## NRI like-for-like growth<sup>(1)</sup> by geography

Iberia	+7.1%
Netherlands	+4.2%
Italy	+3.4%
France-Belgium	+2.7%
Scandinavia	+2.4%
Central Europe & Other	+1.9%
Germany	+0.2%
<b>TOTAL</b>	<b>+3.1%</b>

<sup>(1)</sup> Like-for-like excludes the contribution of new spaces (acquisitions, new centers, and extensions), spaces being restructured, disposals completed since January 2018, and foreign exchange impacts.

# DRIVEN BY DYNAMIC LEASING ACTIVITY



# 821

Leases signed



# 9.4%

Average reversion<sup>(1)</sup>

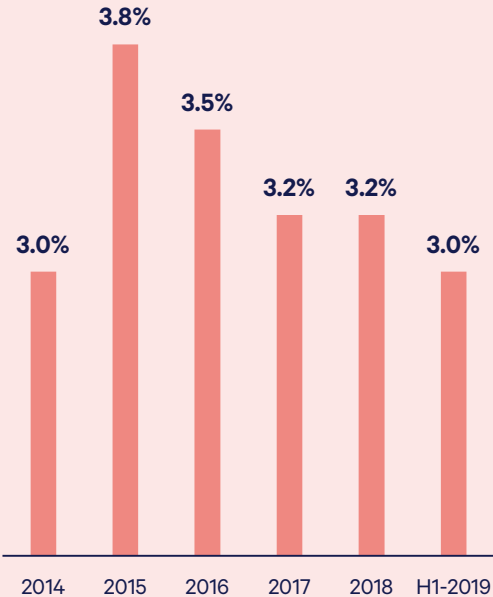
## Reversion rates<sup>(1)</sup> by geography

Netherlands	+29.3%
Iberia	+24.5%
Central Europe & Other	+16.1%
Italy	+8.4%
Scandinavia	+8.1%
France-Belgium	+7.8%
Germany	-8.6%
<b>TOTAL</b>	<b>+9.4%</b>

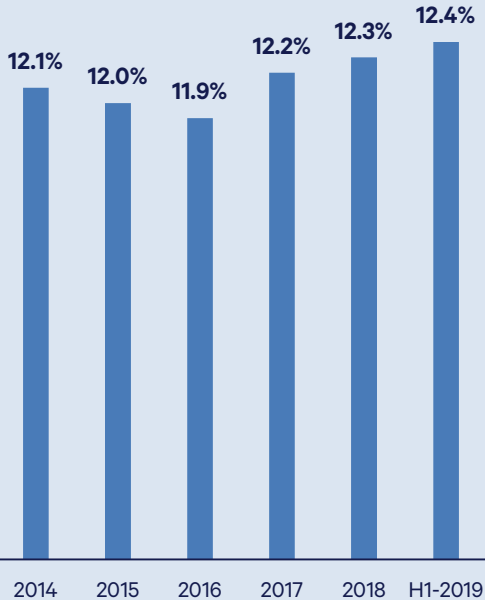
<sup>(1)</sup> Reversion calculated on the basis of Minimum Guaranteed Rents for renewed and re-let spaces. Scope includes assets consolidated under the equity method at 100%.

# OPERATIONAL FUNDAMENTALS REMAIN VERY SOUND

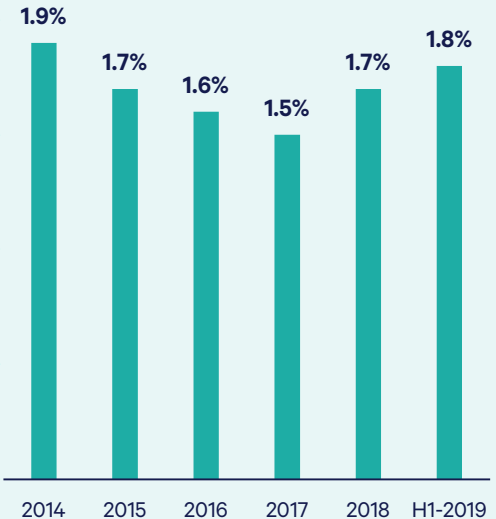
## EPRA Vacancy rate



## Occupancy Cost Ratio



## Bad debt rate



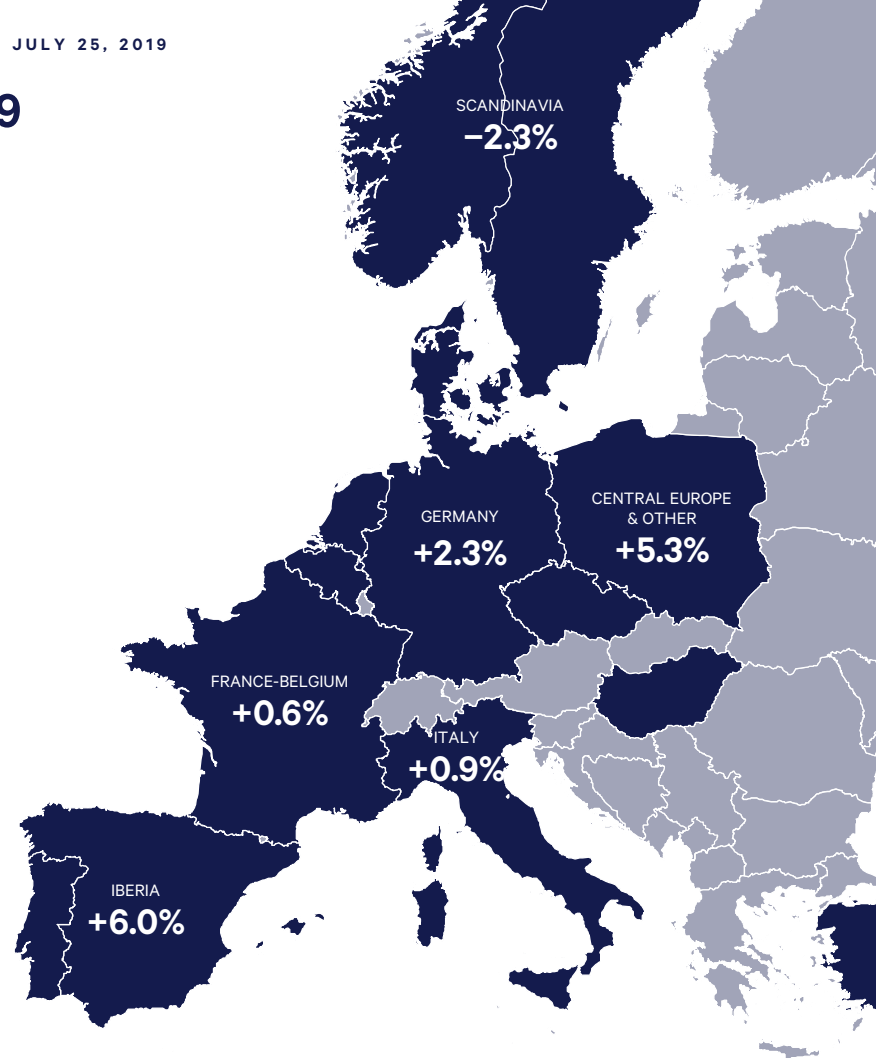
# RETAILER SALES +1.6% IN FIRST-HALF 2019



**Improving performance in Q2**  
with retailer sales +2.8%  
vs. +0.3% in Q1

**Sales performance** mostly  
driven by active **re-tenanting**

Buoyant performances from  
**Food & Beverage** (+5.1%) and  
**Health & Beauty** (+4.7%) segments;  
**Fashion** sales slightly positive (+0.5%)





# STEADY PACE OF ASSET DISPOSALS SUPPORTING ACCRETIVE CAPITAL ALLOCATION



**€1.0bn**

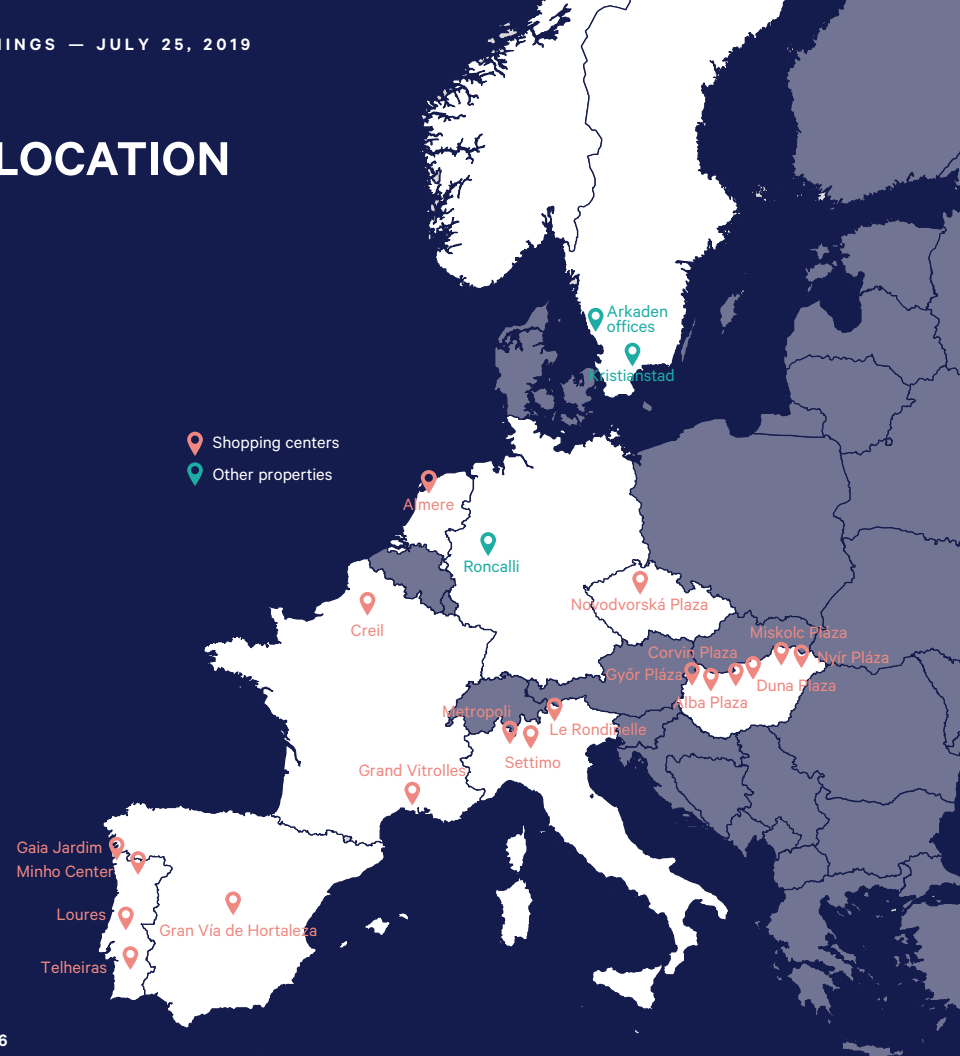
worth of disposals  
over the past 18 months<sup>(1)</sup>



**3.5%**

Above book value

<sup>(1)</sup> Disposal amounts exclude transfer taxes and include assets under sale promissory agreements



# HIGH VALUE CREATION THROUGH THESE DISPOSALS

In H1 2019, out of the **€501m in disposals**, we sold **11 malls for €485m<sup>(1)</sup>**:



## 5.5%

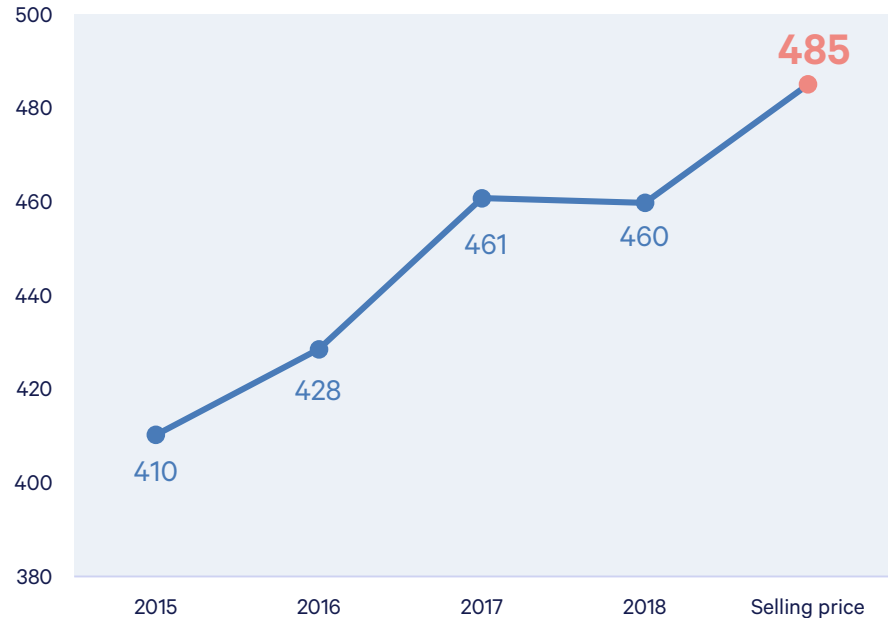
above the last appraised value



## 18.2%

above 2015 valuation

Evolution of the valuation of assets sold in H1 2019<sup>(1)</sup>  
(In million euros)



<sup>(1)</sup> Including transfer taxes. Amount comprises effective sales for €267.5m and promissory agreements for €217.5m.

# DEBT AND COST OF DEBT FURTHER REDUCED THANKS TO SUPPORTIVE CREDIT MARKET CONDITIONS



**LAST BOND ISSUE  
€600M, 11-YEAR  
MATURITY:**

**0.625%**

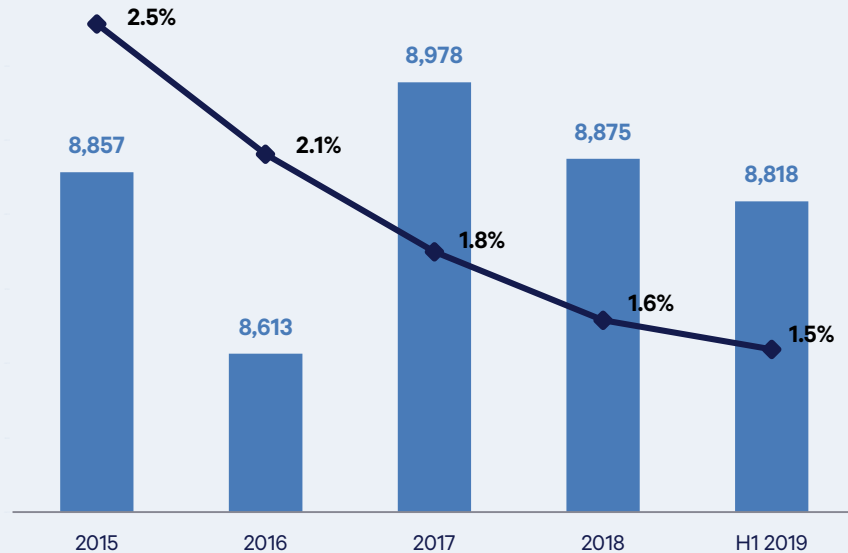
lowest coupon ever for a bond for a  
11-year maturity or less



**45 bps**

tightest spread ever for a European  
REIT for an 11-year maturity

● Net Debt in €m ● Cost of debt



03

# OPERATIONAL PERFORMANCE



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# FAST TRANSFORMATION OF OUR MALLS' OFFERING IN LAST SIX MONTHS



**MILANOFIORI**

CENTRO COMMERCIALE

**14%**

of the mall mix  
updated<sup>(1)</sup>



**OSLO CITY**

SHOPPING CENTER

**8%**

of the mall mix  
updated<sup>(1)</sup>



**PARQUE  
NASCENTE**

SHOPPING CENTER

**9%**

of the mall mix  
updated<sup>(1)</sup>



**LA GAVIA**

SHOPPING CENTER

**9%**

of the mall mix  
updated<sup>(1)</sup>



**ALEXANDRIUM**

SHOPPING CENTER

**5%**

of the mall mix  
updated<sup>(1)</sup>

<sup>(1)</sup> Leasing or re-leasing contracts signed.

**Milanofiori (Assago, Italy)**



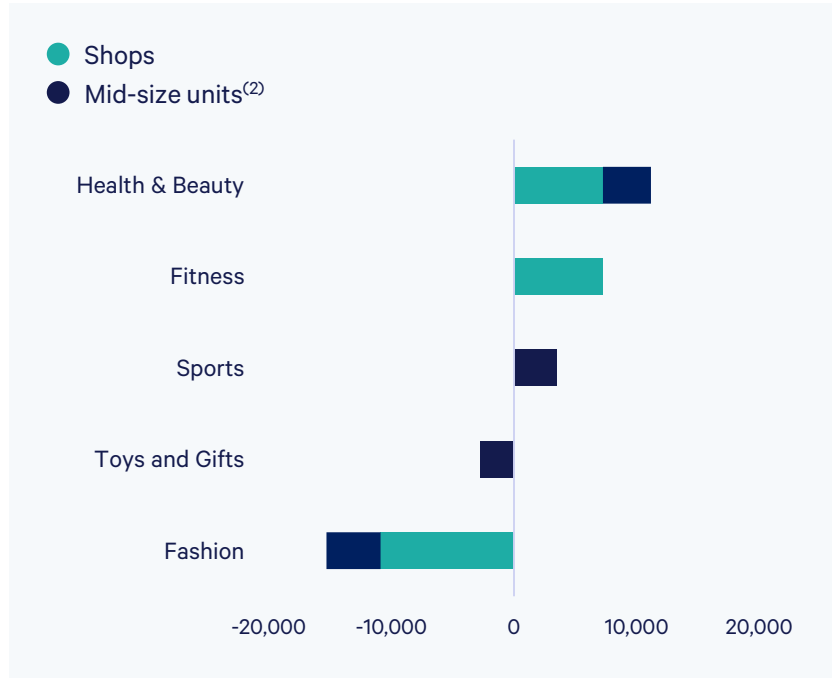
**La Gavia (Madrid, Spain)**





# ACTIVELY ADAPTING THE MIX

Reducing Fashion while reinforcing Health & Beauty and Sports<sup>(1)</sup>



<sup>(1)</sup> Net evolution in sq.m. of store openings and closures

<sup>(2)</sup> Above 750 sq.m.





**BASED ON A PRIVILEGED RELATIONSHIP  
WITH LEADING BRANDS...**

**vodafone**

**INDITEX**



**CALZEDONIA**

**54**  
deals in total

**PARFOIS**

**RITUALS...**



**YVES ROCHER**





## ... AND OUR CAPACITY TO ATTRACT NEWCOMERS

Brands going retail, international development, and pop-up stores

# 23

new stores opened in H1 2019

dyson

SAMSUNG

DW

Daniel Wellington

HOLLAND & BARRETT

Normal

PIKOLINOS



UNDER ARMOUR



new balance

HAWKERS

RENAULT

NETFLIX

GARNIER





## CONTINUED MOMENTUM IN THE SPORTS SEGMENT

**25**

new stores

**+8%**

YTD retailer sales increase



snipes

XXL



DECIMAS

DECATHLON





## DRIVING FOOTFALL WITH DISTINCTIVE & ENGAGING EVENTS...

**9** malls

**+17%** in footfall<sup>(1)</sup>

### Spiderman Far From Home



**6** malls

**+12%** in footfall<sup>(1)</sup>

### Just Dance European Tournament



<sup>(1)</sup> Footfall increase compared to 2018





## ... AND TURNING OUR MALLS INTO INSTAGRAMMABLE PLACES



nadaparavestir • Follow  
Parque Nascente

nadaparavestir Como não adorar festivais de verão? Mas este é o primeiro #PARKFEST dentro de um centro comercial! Hoje ainda podem visitar até as 22h com entrada gratuita no @parquenascence. Insufláveis, música ao vivo, food trucks, demonstrações de beleza, muitos gifts é a diversão garantida para toda a família! Fica o convite. 🎉🌈👉  
📷 @jaimemachadofotografia nadaparavestir .

#festivals #festival #music #events  
#summer #musicfestival #love  
#festivalseason #festivalfashion #dance  
#rave #dj #festivalpark #instagood  
#livemusic #festivallife #party  
#parquenascence #parkfest #housemusic



487 likes

3 DAYS AGO

Log in to like or comment.



# +55%

Instagram followers <sup>(1)</sup>

<sup>(1)</sup> Based on 129 shopping centers' Instagram accounts and data calculated year-on-year (May 2019 vs. May 2018).



## MORE CUSTOMER CARE MEANS MORE SALES

**5** malls renovated  
Retailer sales<sup>(1)</sup> increased by **4.2%**

**Portet** (France, Toulouse region)



<sup>(1)</sup>Average retailer sales growth on a 12-month rolling basis of Plenilunio (Madrid), Assago (Milan), Lublin Plaza (Lublin), Poznań Plaza (Poznań). Due to ongoing construction works, Grand Portet's retailer sales were not taken into account.

### And more to come!



**BLAGNAC**

CENTRE COMMERCIAL



**ARCADES**

CENTRE COMMERCIAL



**LA GAVIA**

SHOPPING CENTER



**LE GRU**

CENTRO COMMERCIALE



**GRAN RENO**

CENTRO COMMERCIALE



**FIELD'S**

SHOPPING CENTER



**NOVÝ  
SMÍCHOV**

SHOPPING CENTER





## AT THE FOREFRONT OF OUR INDUSTRY IN FIGHTING CLIMATE CHANGE



**100%**

of our malls will use green electricity by 2022



**83%**

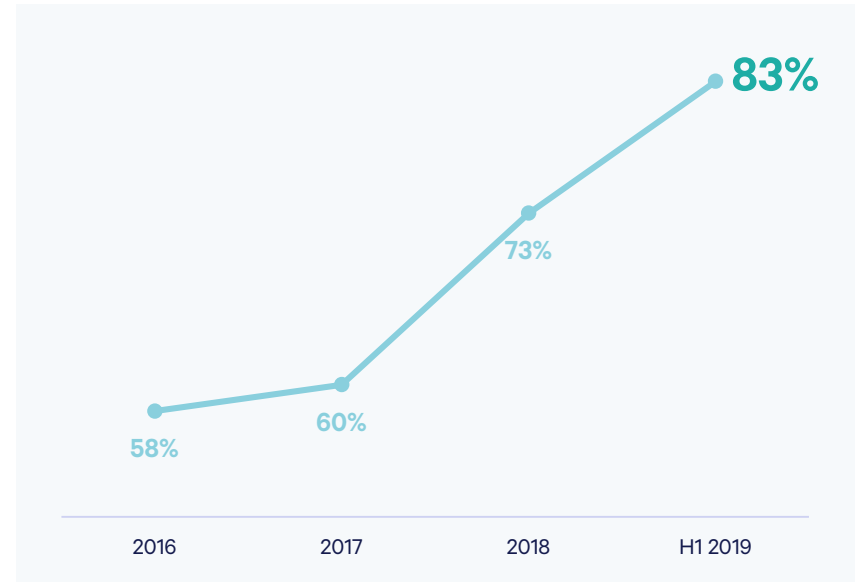
are already doing so as of June 30, 2019<sup>(1)</sup>



**8 countries**

Have already met the 100% target

Share of Klépierre malls using electricity  
from renewable sources for its common areas<sup>(1)</sup>



<sup>(1)</sup> Share of total malls expressed in value. Reporting scope includes 126 shopping centers owned and managed as well as 5 managed-only shopping centers. H1 2019 data have not been audited.

# CRÉTEIL SOLEIL: THOUGHTFUL EXTENSION TO GAIN MARKET SHARE

Total investment of €136m, YOC of 6.0%



Pre-leasing rate at **90%**<sup>(1)</sup>



Extension to open in November 2019, refurbishment to be completed in 2020

MONKL LEGO NIKE Stradivarius



FIVE GUYS



<sup>(1)</sup> In percentage of GLA, signed or in advanced negotiations.



# GRAN RENO: ON TRACK TO BE THE UNDISPUTED LEADER IN BOLOGNA

Total investment of €147m, YOC of 6.7% / opening H1 2021



Pre-leasing rate at **50%**<sup>(1)</sup>



Extension of 24,800 sq.m.

ZARA

Stradivarius

Bershka

dyson

TOMMY HILFINGER

LUSH



<sup>(1)</sup> In percentage of GLA, signed or in advanced negotiations.

04

# FINANCIAL PERFORMANCE



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# INTEREST RATES ARE AT AN ALL-TIME LOW

This has and will continue to have implications on our P&L and balance sheet



# SHOPPING CENTER PORTFOLIO VALUE DOWN 0.9% OVER 6 MONTHS



Due to a negative **market effect** (–1.2%), offsetting a slightly positive **cash-flow** effect (+0.2%)



Broadly **stable valuation**, but **highest risk premium** in a decade

## Shopping centers valuation as of 30 June, 2019

(Total Share basis, incl. transfer taxes)

	% of the portfolio	6-month LfL change <sup>(1)</sup>	H1 2019 EPRA NIY <sup>(2)</sup>
France-Belgium	40%	–1.6%	4.3%
Italy	17%	–1.0%	5.5%
Scandinavia	16%	–0.5%	4.5%
Iberia	9%	+1.0%	5.5%
Central Europe & Other	7%	0.0%	6.3%
Netherlands	6%	–1.2%	5.2%
Germany	4%	–1.9%	4.5%
<b>TOTAL</b>	<b>100%</b>	<b>–0.9%</b>	<b>4.9%</b>

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

<sup>(2)</sup> EPRA Net Initial Yield calculated on the basis of internal cash passing rents.

# THESE VALUATION LEVELS REFLECT THE WIDEST RISK PREMIUM IN THE LAST DECADE

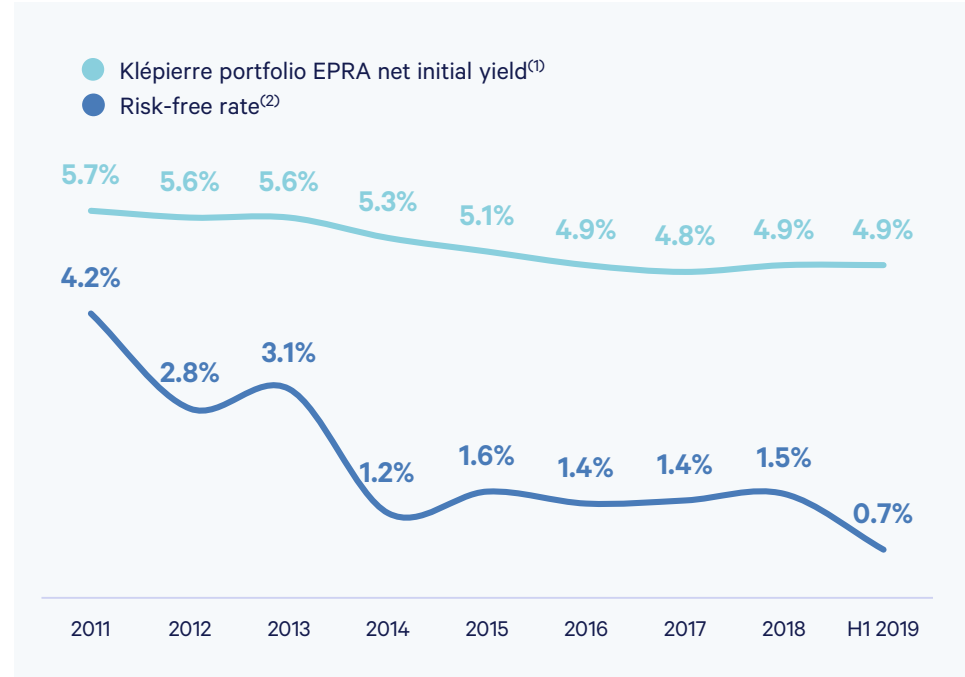
THE RISK PREMIUM OF  
THE KLÉPIERRE MALLS  
NOW STANDS AT

**420 bps**

Vs

**230 bps**

on average over 2011 - 2013



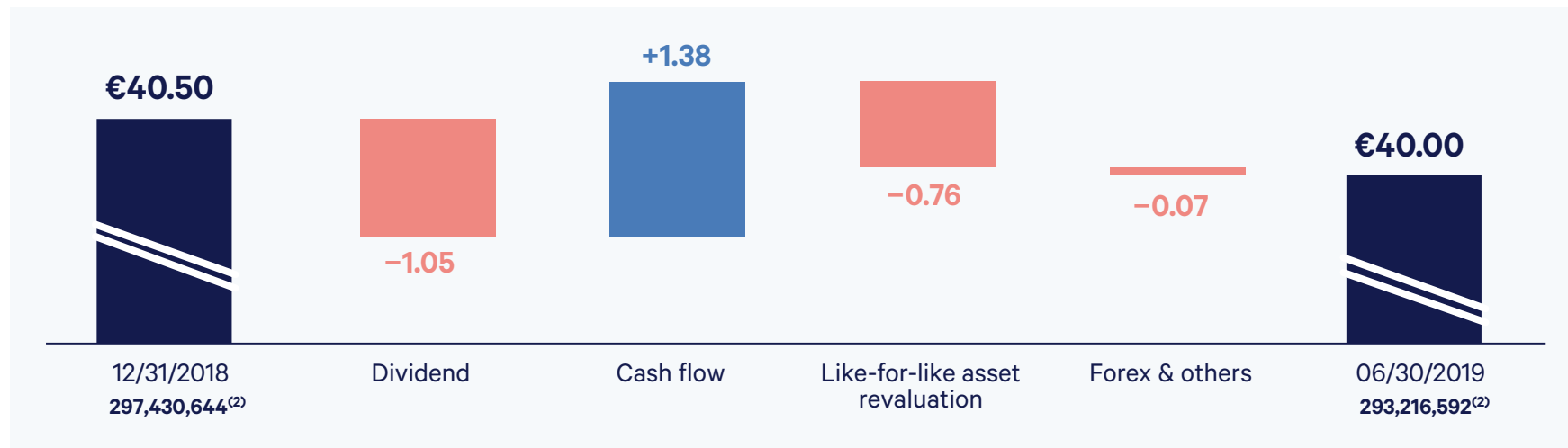
<sup>(1)</sup> Pre 2015 EPRA Net Initial Yields extrapolated from published yields.

<sup>(2)</sup> Source: Bloomberg. 10-year government bonds, geographical weight aligned with the breakdown of Klépierre's portfolio

## EPRA NET ASSET VALUE OF €40.00

In € per share <sup>(1)</sup>	06/30/2018	12/31/2018	06/30/2019	Change (6 months)
EPRA NAV	39.50	40.50	<b>40.00</b>	-1.3%
EPRA NNNAV	37.80	39.00	<b>37.60</b>	-3.5%

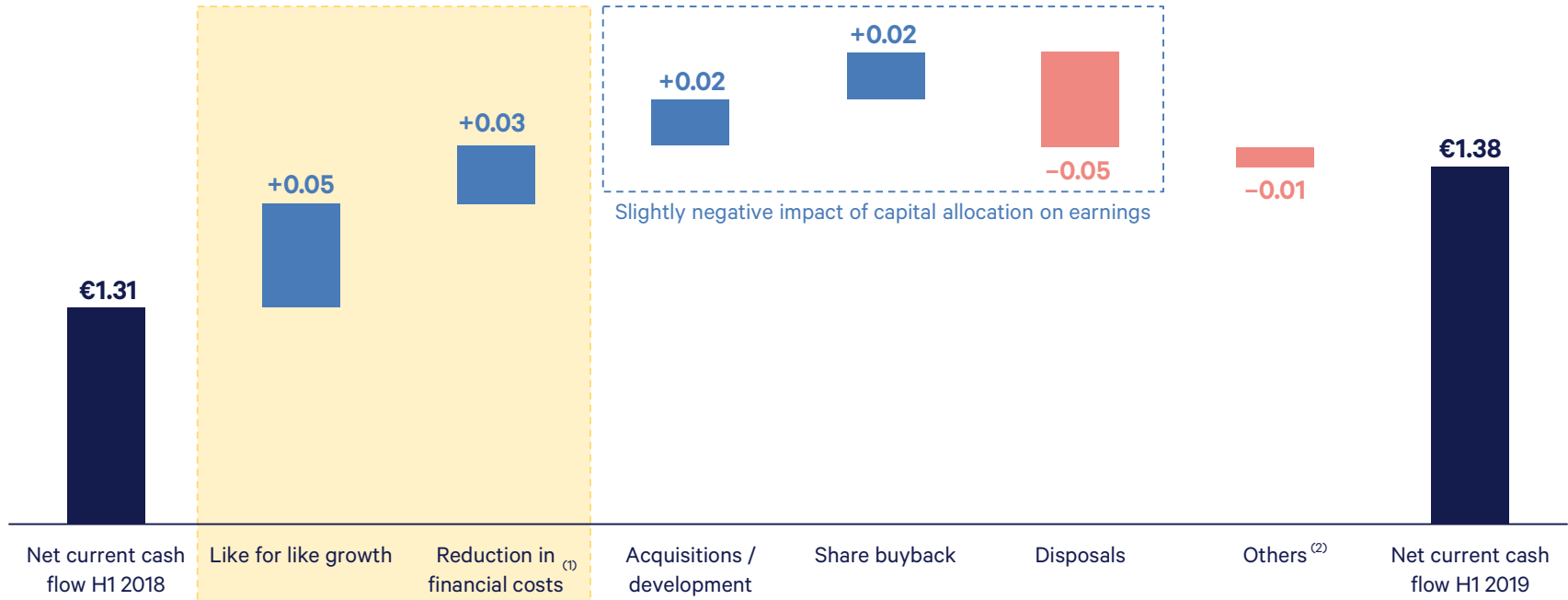
### 6-month change in EPRA NAV per share



<sup>(1)</sup> Per-share figures rounded to the nearest 10 cents.

<sup>(2)</sup> Number of shares end of period (excl. treasury shares).

# THE 5.4% NET CURRENT CASH FLOW INCREASE STEMS FROM ORGANIC NRI GROWTH AND FINANCIAL COSTS REDUCTION



<sup>(1)</sup> Restated for the IFRS 16 impact (€4.1m)

<sup>(2)</sup> Others: negative impact of forex and tax increase more than offsetting the positive impact of IFRS 16 first time implementation and General & Administrative expenses reduction.



# CURRENT LONG-TERM INTEREST RATES EXPECTED TO DRIVE FURTHER REDUCTION IN OUR COST OF DEBT

## Bonds to refinance by December 2022



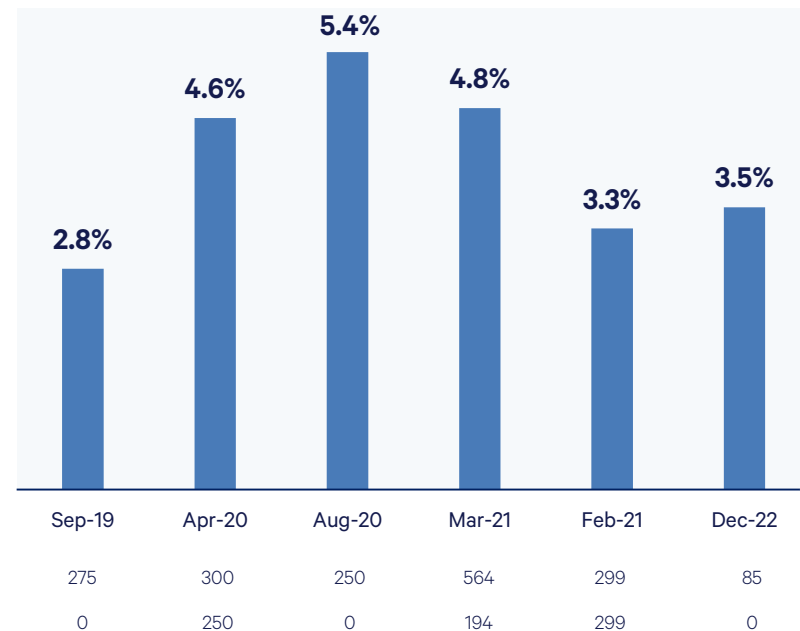
**€1.8bn**

Worth of bonds to  
refinance by 2022



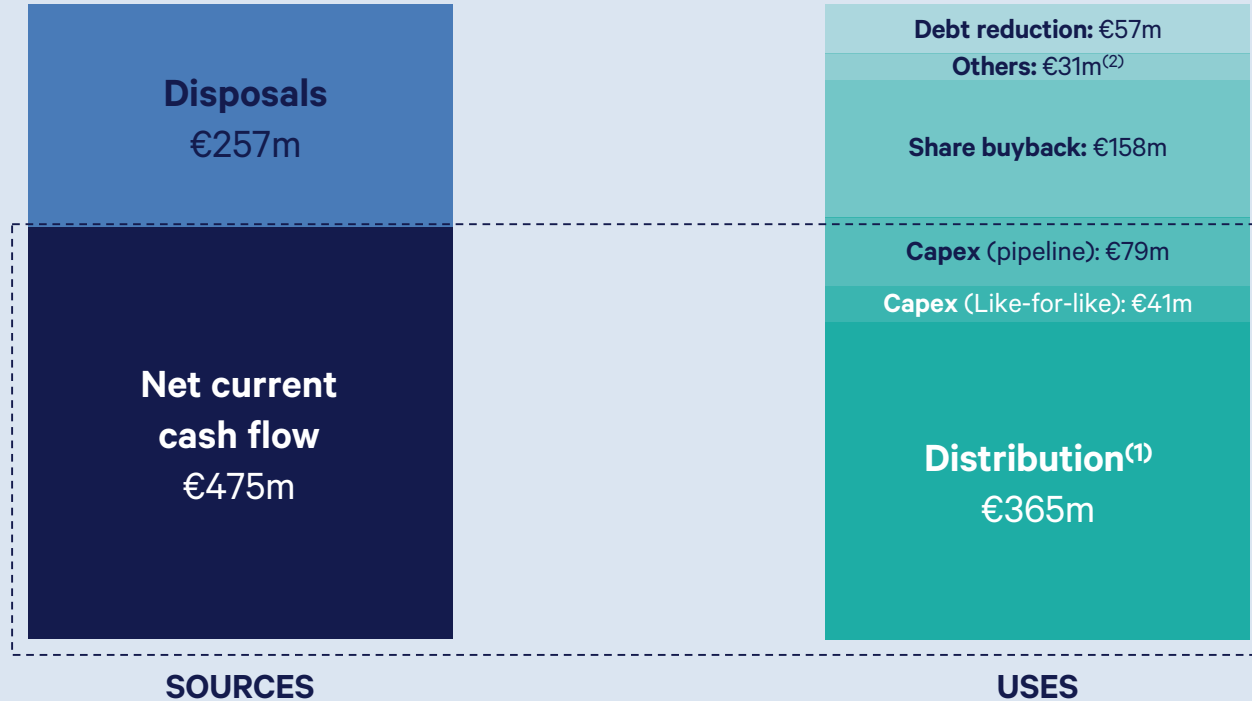
**2.7%**

Average rate after swaps  
(4.2% average coupon  
before swaps)



# COMFORTABLE DIVIDEND COVERAGE

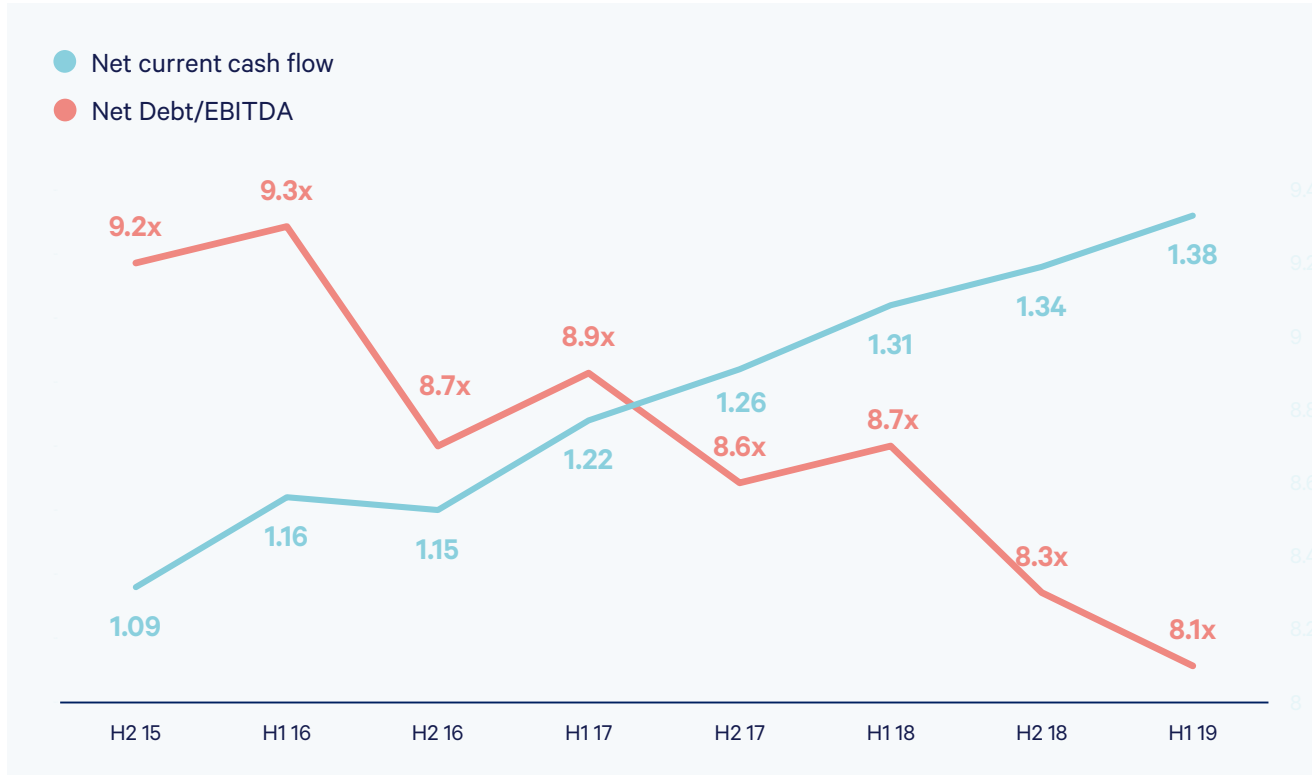
Net current cash flow covers our dividend, but also our like-for-like and development capex



<sup>(1)</sup> Including dividend paid to shareholders and to minorities.

<sup>(2)</sup> Main items include: change in working capital requirements and cash flow used in financing and operating activities.

# FURTHER DELEVERAGING, BUT NOT AT THE EXPENSE OF CASH-FLOW GROWTH

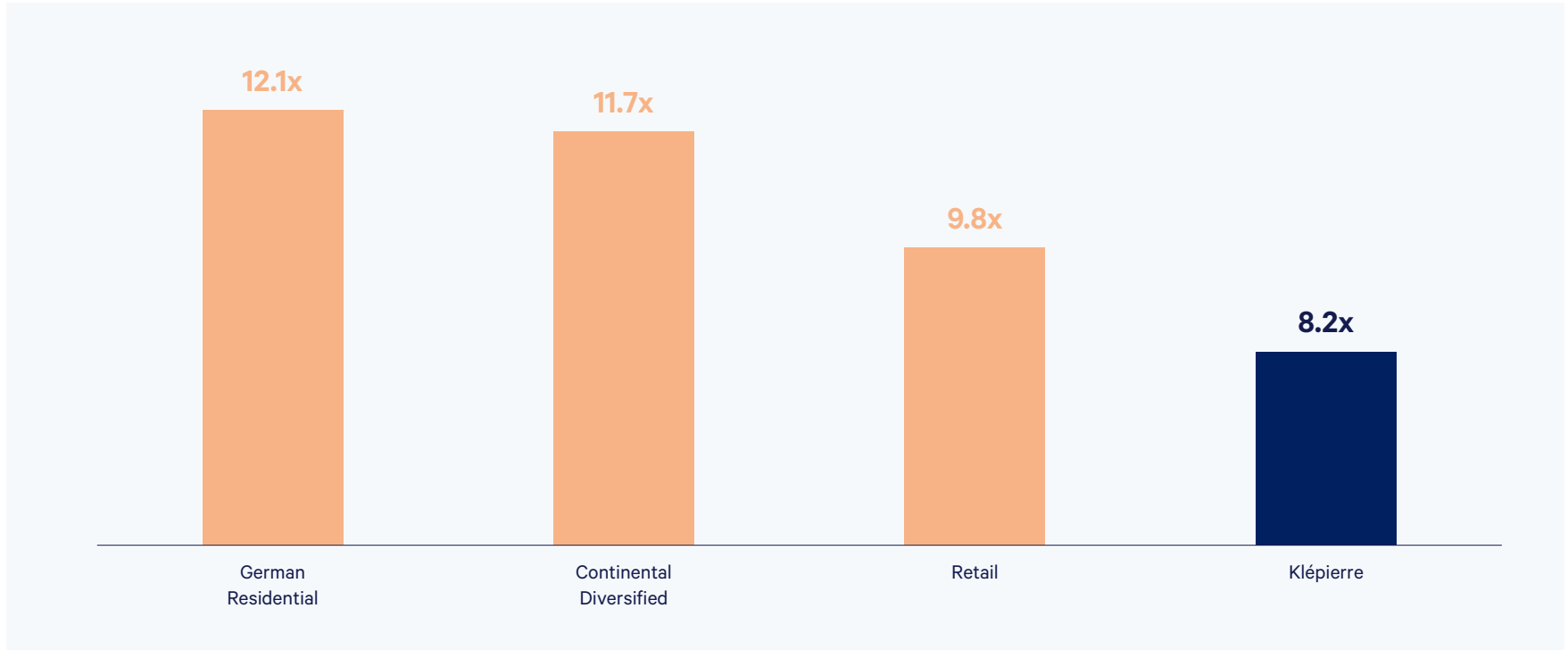


Cash flow  
**+27%**  
vs. H2 15



Net Debt / EBITDA  
**-1.1x**  
vs. H2 15 at 8.1x

## KLÉPIERRE'S NET DEBT/EBITDA IS NOW ONE OF THE LOWEST IN THE EUROPEAN REIT INDUSTRY...



Source: Green Street Advisors, *Real Estate Securities Monthly Reporting*, 1 July 2019

# 05 CONCLUSION



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**+3.1%**

NET RENTAL INCOME  
LFL GROWTH

**150 bps** over indexation

**+5.4%**

H1 NET CURRENT CASH  
FLOW PER SHARE

**€1.38**

**€2.76+**

FY18 NET CURRENT CASH FLOW  
PER SHARE REVISED UPWARD

vs **€2.72-2.75** previously

# AGENDA

October 21, 2019

**Business review for the first nine months of 2019<sup>(1)</sup>**

February 5, 2020

**2019 Full-Year Earnings**

April 30, 2020

**Annual General Meeting**



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

# APPENDIX



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# 2019 FIRST-HALF OPERATING HIGHLIGHTS

	RETAILER SALES	NET RENTAL INCOME		LEASING ACTIVITY		
	Change LfL <sup>(1)</sup>	06/30/2019 Current (€m)	Change LfL	Reversion (%)	OCR (%)	EPRA Vacancy rate (%)
<b>France-Belgium</b>	<b>+0.6%</b>	<b>204.3</b>	<b>+2.7%</b>	<b>+7.8%</b>	<b>12.9%</b>	<b>3.3%</b>
France	+0.7%	195.6	+2.8%			3.4%
Belgium	-1.0%	8.8	-0.4%			1.2%
<b>Italy</b>	<b>+0.9%</b>	<b>93.4</b>	<b>+3.4%</b>	<b>+8.4%</b>	<b>11.3%</b>	<b>1.5%</b>
<b>Scandinavia</b>	<b>-2.3%</b>	<b>84.9</b>	<b>+2.4%</b>	<b>+8.1%</b>	<b>11.8%</b>	<b>4.1%</b>
Norway	-3.0%	32.1	+3.2%			2.7%
Sweden	-1.9%	26.3	+1.2%			5.4%
Denmark	-1.6%	26.6	+2.5%			5.1%
<b>Iberia</b>	<b>+6.0%</b>	<b>64.0</b>	<b>+7.1%</b>	<b>+24.5%</b>	<b>13.4%</b>	<b>2.1%</b>
Spain	+5.8%	53.2	+6.4%			1.7%
Portugal	+6.6%	10.8	+11.7%			4.0%
<b>CE &amp; Other</b>	<b>+5.3%</b>	<b>52.2</b>	<b>+1.9%</b>	<b>+16.1%</b>	<b>13.3%</b>	<b>4.6%</b>
Czech Republic	+8.9%	16.2	+4.0%			0.4%
Poland	+2.5%	16.3	+1.3%			0.9%
Hungary	+5.0%	10.0	+6.2%			1.8%
Turkey	+5.9%	8.3	-4.0%			11.0%
<b>Netherlands</b>	<b>n.m.</b>	<b>33.4</b>	<b>+4.2%</b>	<b>+29.3%</b>	<b>-</b>	<b>2.4%</b>
<b>Germany</b>	<b>+2.3%</b>	<b>19.7</b>	<b>+0.2%</b>	<b>-8.6%</b>	<b>11.4%</b>	<b>4.0%</b>
<b>TOTAL SHOPPING CENTERS</b>	<b>+1.6%</b>	<b>552.0</b>	<b>+3.1%</b>	<b>+9.4%</b>	<b>12.4%</b>	<b>3.0%</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	
	06/30/2019	06/30/2018	06/30/2019	06/30/2018
Gross rental income	626.9	627.1	543.0	542.0
Rental & building expenses	(63.4)	(72.7)	(54.0)	(62.8)
<b>NET RENTAL INCOME</b>	<b>563.5</b>	<b>554.4</b>	<b>488.9</b>	<b>479.2</b>
Management, administrative and related income	41.4	41.8	39.6	40.1
Other operating income	4.7	4.0	4.4	3.5
Survey and research costs	(0.3)	(0.5)	(0.3)	(0.5)
Payroll expenses	(61.1)	(61.5)	(57.8)	(58.4)
Other general expenses	(21.8)	(34.0)	(20.4)	(32.4)
<b>EBITDA</b>	<b>526.4</b>	<b>504.2</b>	<b>454.4</b>	<b>431.5</b>
Depreciation, amortization and impairment of intangible assets and property, plant and equipment	(10.1)	(6.7)	(9.3)	(6.2)
Provisions	(0.6)	(1.4)	(0.6)	(1.2)
Profit or losses on disposal of investment properties	8.7	(0.2)	8.7	(1.3)
Goodwill impairment	(5.6)	0.0	(5.6)	0.0
Change in value of investment properties	(222.5)	386.0	(197.6)	302.7
<b>OPERATING INCOME</b>	<b>296.2</b>	<b>881.9</b>	<b>249.9</b>	<b>725.5</b>
Cost of net debt	(68.0)	(77.0)	(60.9)	(70.0)
Change in the fair value of financial instruments	(15.8)	(5.4)	(15.7)	(5.8)
Share in earnings of equity-accounted companies	5.2	36.0	4.1	36.4
<b>PROFIT BEFORE TAXES</b>	<b>217.6</b>	<b>835.5</b>	<b>177.4</b>	<b>686.1</b>
Tax due	(19.2)	(21.2)	(17.6)	(19.4)
Deferred taxes	11.7	(54.7)	9.0	(47.9)
<b>CONSOLIDATED NET INCOME</b>	<b>210.2</b>	<b>759.6</b>	<b>168.8</b>	<b>618.8</b>

# CASH FLOW STATEMENT

In €m	TOTAL SHARE		GROUP SHARE	
	06/30/2019	06/30/2018	06/30/2019	06/30/2018
<b>GROSS RENTAL INCOME</b>	<b>626.9</b>	<b>627.1</b>	<b>543.0</b>	<b>542.0</b>
Rental and building expenses	(63.4)	(72.7)	(54.0)	(62.8)
<b>NET RENTAL INCOME</b>	<b>563.5</b>	<b>554.4</b>	<b>488.9</b>	<b>479.2</b>
Management and other income	46.1	45.8	44.0	43.6
General and administrative expenses	(83.2)	(96.0)	(78.5)	(91.2)
Restatement depreciation charge of right-of-use assets (IFRS 16)	(4.3)	-	(4.2)	-
Restatement for payroll, deferred expenses and incomes	3.8	5.4	3.7	5.5
Restatement for IFRIC 21 H2 impact	6.8	7.0	6.8	7.0
Restatement for acquisition costs and portfolio restructuring	-	5.3	-	5.3
Cost of net debt	(68.0)	(77.0)	(60.9)	(70.0)
Restatement for financial allowance & financial restructuring	0.9	5.0	0.7	5.2
Share in equity-accounted companies	27.8	26.9	26.1	25.3
Current tax expenses	(18.4)	(15.9)	(16.9)	(14.3)
<b>NET CURRENT CASH FLOW</b>	<b>475.0</b>	<b>460.9</b>	<b>409.8</b>	<b>395.6</b>
Restatement for payroll and deferred expenses			(3.7)	(5.5)
Restatement for amortization allowances and provisions for contingencies and losses			(5.8)	(7.4)
<b>EPRA EARNINGS</b>			<b>400.3</b>	<b>382.7</b>
Per share (in €) <sup>(1)</sup>				
<b>NET CURRENT CASH FLOW PER SHARE</b>			<b>1.38</b>	<b>1.31</b>
<b>EPRA EARNINGS PER SHARE</b>			<b>1.35</b>	<b>1.27</b>

<sup>(1)</sup> Average number of shares excluding treasury shares

295,908,706

301,032,676

# VALUATION OF THE PORTFOLIO

(€M. TOTAL SHARE. INCL. transfer taxes)

	06/30/2019	% of total portfolio	06/30/2018	12-month change Current	12-month change Like-for-like <sup>(1)</sup>
France	9,098	37.8%	9,255	-1.7%	-2.4%
Belgium	447	1.9%	452	-1.1%	-1.5%
<b>France-Belgium</b>	<b>9,545</b>	<b>39.7%</b>	<b>9,707</b>	<b>-1.7%</b>	<b>-2.3%</b>
<b>Italy</b>	<b>4,045</b>	<b>16.8%</b>	<b>4,112</b>	<b>-1.6%</b>	<b>-0.4%</b>
Norway	1,491	6.2%	1,510	-1.2%	-0.3%
Sweden	1,200	5.0%	1,232	-2.6%	-1.8%
Denmark	1,181	4.9%	1,179	0.2%	-1.2%
<b>Scandinavia</b>	<b>3,873</b>	<b>16.1%</b>	<b>3,921</b>	<b>-1.2%</b>	<b>-1.0%</b>
Spain	1,938	8.1%	1,878	3.2%	2.9%
Portugal	304	1.3%	394	-22.8%	3.9%
<b>Iberia</b>	<b>2,242</b>	<b>9.3%</b>	<b>2,271</b>	<b>-1.3%</b>	<b>3.0%</b>
Czech Republic	682	2.8%	680	0.3%	4.8%
Poland	375	1.6%	399	-6.2%	-9.0%
Hungary	215	0.9%	254	-15.3%	11.6%
Turkey	315	1.3%	410	-23.2%	-5.7%
<b>CE &amp; Turkey</b>	<b>1,609</b>	<b>6.7%</b>	<b>1,768</b>	<b>-9.0%</b>	<b>-0.3%</b>
<b>Netherlands</b>	<b>1,433</b>	<b>6.0%</b>	<b>1,471</b>	<b>-2.6%</b>	<b>-1.1%</b>
<b>Germany</b>	<b>959</b>	<b>4.0%</b>	<b>978</b>	<b>-1.9%</b>	<b>-2.9%</b>
<b>TOTAL SHOPPING CENTERS</b>	<b>23,706</b>	<b>98.6%</b>	<b>24,229</b>	<b>-2.2%</b>	<b>-1.1%</b>
<b>Other activities</b>	<b>336</b>	<b>1.4%</b>	<b>365</b>	<b>-8.0%</b>	<b>-6.6%</b>
<b>TOTAL</b>	<b>24,042</b>	<b>100.0%</b>	<b>24,594</b>	<b>-2.2%</b>	<b>-1.2%</b>

<sup>(1)</sup> Excludes the impact of new centers opened, acquisitions, asset sales completed since January 1, 2018 extension capex and foreign exchange impacts.

# VALUATION OF THE PORTFOLIO

(€M. GROUP SHARE. INCL. transfer taxes)

	06/30/2019	% of total portfolio	06/30/2018	12-month change Current	12-month change Like-for-like <sup>(1)</sup>
France	7,258	35.6%	7,418	-2.1%	-2.7%
Belgium	447	2.2%	452	-1.1%	-1.5%
<b>France-Belgium</b>	<b>7,705</b>	<b>37.8%</b>	<b>7,869</b>	<b>-2.1%</b>	<b>-2.7%</b>
<b>Italy</b>	<b>4,015</b>	<b>19.7%</b>	<b>4,072</b>	<b>-1.4%</b>	<b>-0.3%</b>
Norway	837	4.1%	847	-1.2%	-0.3%
Sweden	673	3.3%	691	-2.6%	-1.8%
Denmark	663	3.2%	661	0.2%	-1.2%
<b>Scandinavia</b>	<b>2,173</b>	<b>10.6%</b>	<b>2,200</b>	<b>-1.2%</b>	<b>-1.0%</b>
Spain	1,938	9.5%	1,878	3.2%	2.9%
Portugal	304	1.5%	394	-22.8%	3.9%
<b>Iberia</b>	<b>2,242</b>	<b>11.0%</b>	<b>2,271</b>	<b>-1.3%</b>	<b>3.0%</b>
Czech Republic	682	3.3%	680	0.3%	4.8%
Poland	375	1.8%	399	-6.2%	-9.0%
Hungary	215	1.1%	254	-15.3%	11.6%
Turkey	295	1.4%	386	-23.6%	-6.2%
<b>CE &amp; Turkey</b>	<b>1,589</b>	<b>7.8%</b>	<b>1,745</b>	<b>-8.9%</b>	<b>-0.3%</b>
<b>Netherlands</b>	<b>1,433</b>	<b>7.0%</b>	<b>1,471</b>	<b>-2.6%</b>	<b>-1.1%</b>
<b>Germany</b>	<b>911</b>	<b>4.5%</b>	<b>929</b>	<b>-1.9%</b>	<b>-2.9%</b>
<b>TOTAL SHOPPING CENTERS</b>	<b>20,068</b>	<b>98.4%</b>	<b>20,557</b>	<b>-2.4%</b>	<b>-1.1%</b>
<b>Other activities</b>	<b>336</b>	<b>1.6%</b>	<b>365</b>	<b>-8.0%</b>	<b>-6.6%</b>
<b>TOTAL</b>	<b>20,404</b>	<b>100.0%</b>	<b>20,922</b>	<b>-2.5%</b>	<b>-1.2%</b>

<sup>(1)</sup> Excludes the impact of new centers opened, acquisitions, asset sales completed since January 1, 2018 extension capex and foreign exchange impacts.

# SHOPPING CENTER PORTFOLIO VALUE

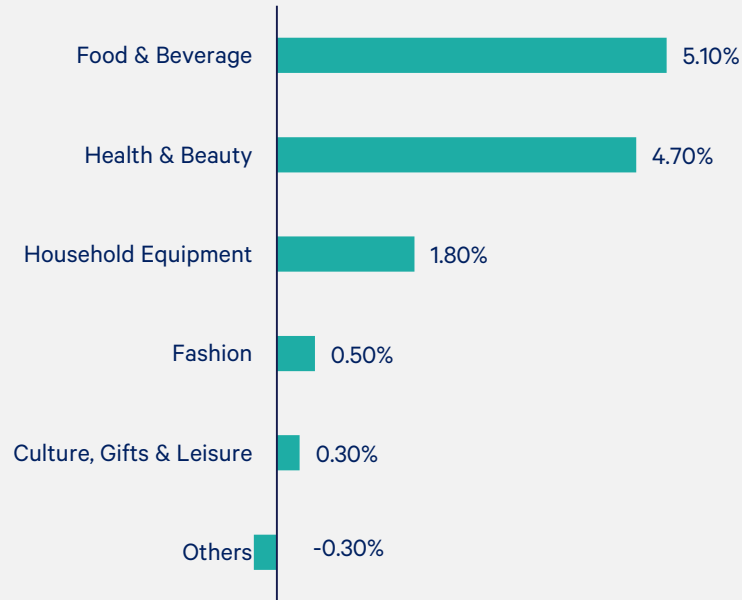
OVER 6 MONTHS ON A LIKE-FOR-LIKE BASIS

€m, including transfer taxes	TOTAL SHARE	
	06/30/2019	12/31/2018
France-Belgium	9,545	9,684
Italy	4,045	4,052
Scandinavia	3,873	3,872
Iberia	2,242	2,313
CE & Turkey	1,609	1,672
Netherlands	1,433	1,514
Germany	959	976
<b>TOTAL SHOPPING CENTERS</b>	<b>23,706</b>	<b>24,083</b>
Other activities	336	357
<b>TOTAL</b>	<b>24,042</b>	<b>24,440</b>
<i>of which Equity accounted Investees</i>	<i>1,349</i>	<i>1,370</i>

GROUP SHARE		
06/30/2019	12/31/2018	6-month LfL change <sup>(1)</sup>
7,705	7,839	-1.8%
4,015	4,021	-1.0%
2,173	2,172	-0.5%
2,242	2,313	+1.0%
1,589	1,650	+0.0%
1,433	1,514	-1.2%
911	927	-1.9%
<b>20,068</b>	<b>20,436</b>	<b>-1.0%</b>
336	357	-5.0%
<b>20,404</b>	<b>20,793</b>	<b>-1.1%</b>
<i>1,270</i>	<i>1,293</i>	

<sup>(1)</sup> Excludes the impact of new centers opened, acquisitions, asset sales completed since January 1, 2018, extension capex and foreign exchange impacts.

## SOME RETAIL SEGMENTS POSTING OUTSTANDING PERFORMANCE



**Food & Beverage, Health & Beauty** and Culture, Gift & Leisure (including **Sports**) largely benefiting from proactive **leasing initiatives**



**Fashion** is slightly positive thanks to continued initiatives to implement **up-to-the-minute** national and international **retail concepts**

# DEVELOPMENT PIPELINE

Development project	Country	Location	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 Phase 3	Netherlands	Utrecht	Extension-refurbishment	23,844	2019-2020	100.0%	90	42	6.4%
Créteil Soleil	France	Paris region	Extension-refurbishment	11,400	2019-2020	80.0%	136	91	6.0%
Rives d'Arcins <sup>(c)</sup>	France	Bordeaux region	Extension	12,925	2019-2020	52.0%	21	15	6.9%
Gran Reno	Italy	Bologna	Extension-refurbishment	24,876	H1 2021	100.0%	147	22	6.7%
Other projects				3,785			8	3	5.0%
<b>TOTAL COMMITTED PROJECTS</b>				<b>76,830</b>			<b>401</b>	<b>173</b>	<b>6.4%</b>
Campania	Italy	Naples	Redevelopment	14,200	H1 2021	100.0%	35	16	
Le Gru	Italy	Turin	Extension-refurbishment	14,610	2021-2022	100.0%	141	3	
Grand Place	France	Grenoble	Extension	16,200	H1 2021	100.0%	55	2	
Maremagnum	Spain	Barcelona	Extension-refurbishment	9,240	H2 2021	100.0%	51	0	
Odysseum <sup>(c)</sup>	France	Montpellier	Ext.-Redevelopment	15,300	H2 2021	100.0%	47	8	
Porta di Roma <sup>(d)</sup>	Italy	Rome	Extension	4,880	H1 2022	50.0%	9	0	
Il Leone di Lonato <sup>(d)</sup>	Italy	Lombardy	Extension	9,300	H1 2022	50.0%	23	0	
Val d'Europe	France	Paris region	Extension	9,000	H1 2022	55.0%	59	0	
Blagnac	France	Toulouse region	Extension-refurbishment	5,600	H1 2022	53.6%	12	0	
Le Vele & Millenium	Italy	Sardinia	Extension-refurbishment	7,500	H2 2022	100.0%	50	0	
Allum	Sweden	Göteborg region	Redevelopment	12,500	H2 2022	56.1%	61	5	
L'Esplanade	Belgium	Brussels region	Extension	19,475	H2 2022	100.0%	131	18	
Økernsenteret <sup>(d)</sup>	Norway	Oslo	Redevelopment	49,615	H2 2023	28.0%	76	24	
Viva	Denmark	Odense	New development	28,200	H1 2024	56.1%	117	23	
Other projects				15,600			67	0	
<b>TOTAL CONTROLLED PROJECTS</b>				<b>231,220</b>			<b>934</b>	<b>99</b>	
<b>TOTAL IDENTIFIED PROJECTS</b>				<b>249,840</b>			<b>1,173</b>	<b>4</b>	
<b>TOTAL</b>				<b>557,890</b>			<b>2,508</b>	<b>276</b>	

<sup>(a)</sup> Estimated cost as of June 30, 2019 including fitting-out (where applicable) and excluding step-up rents (where applicable), internal development fees and financial costs.

<sup>(b)</sup> Targeted yield on cost as of June 30, 2019, based on targeted NRI with full occupancy and excluding all lease incentives (where applicable), divided by the estimated cost price as defined above.

<sup>(c)</sup> Including restructured surfaces: Bègles Rives d'Arcins for 6,950 sq.m. and Odysseum for 9,200 sq.m.

<sup>(d)</sup> Assets consolidated under equity method. For these projects estimated costs and costs to date are reported for Klépierre's share of equity. Floor areas are the total area of the projects.



# ABOUT KLÉPIERRE



KLEPIERRE

SHOP. MEET. CONNECT.®

## KLÉPIERRE KEY FIGURES



**100+**

Leading malls



**12**

Countries



**1.1bn**

Annual visits



**€24bn**

Portfolio value



**1,200+**

Staff



**75%**

Malls certified



**€1.3bn**

Total revenues



**€9bn**

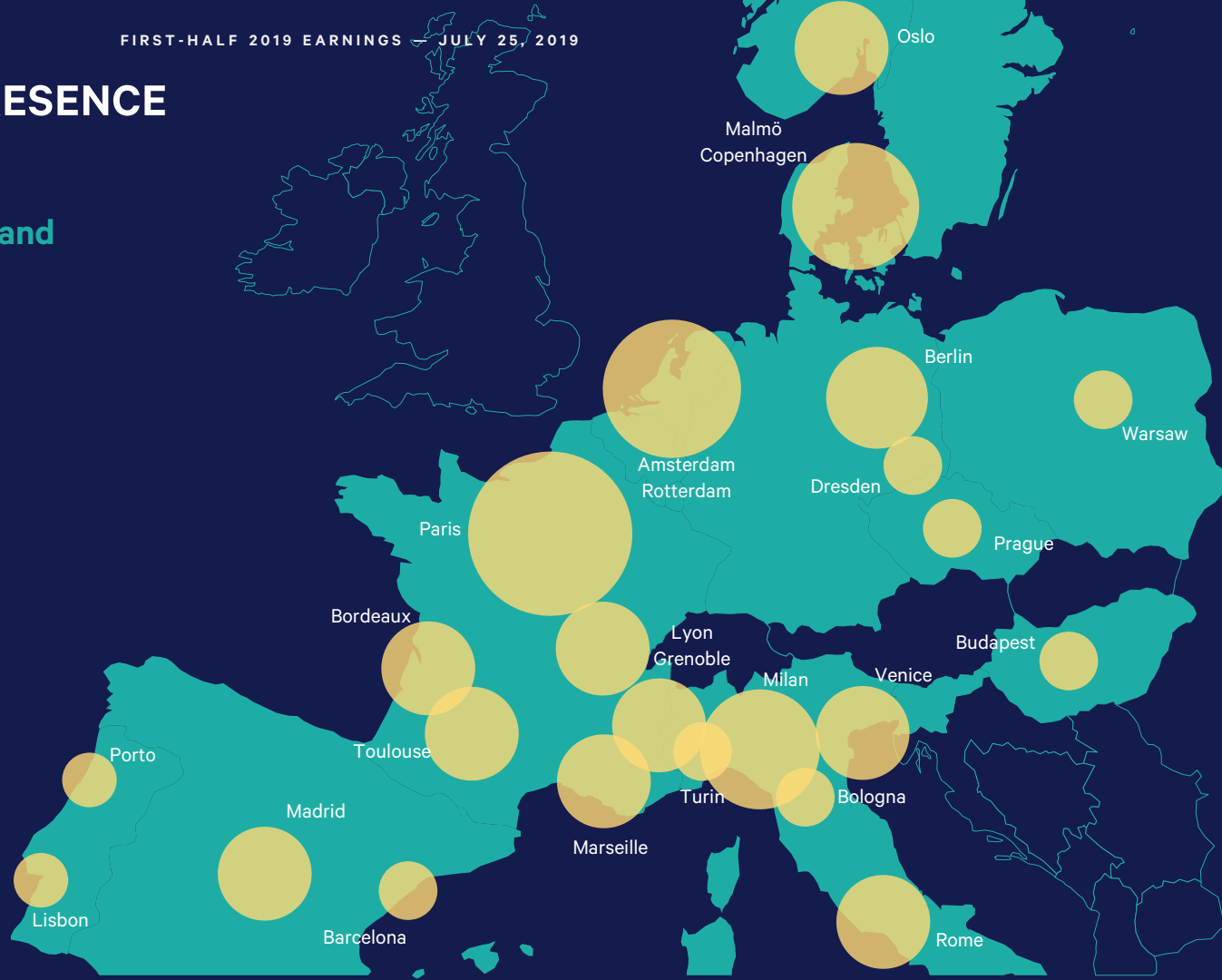
Market capitalization

# A PAN-EUROPEAN PRESENCE

Focusing on **dense, affluent and growing urban areas** in Europe

Matching **top national and international retailer's footprint**

Keeping the **leadership of our malls** in our **catchment areas**



## OUR OPERATIONAL INITIATIVES



**RETAIL FIRST®**



**LET'S PLAY®**



**CLUBSTORE®**



**ACT FOR GOOD®**

WITH KLÉPIERRE

**Right-sizing**

**Destination Food®**

**Brands going retail**

**Retailtainment**

**Digital**

**Emotion**

**Experience**

**Hospitality**

**Design**

**Low carbon**

**Local value creation**

**Social awareness**

# GOVERNANCE AND SHAREHOLDER BASE

## • Executive Board

**CEO: Jean-Marc Jestin** (since 2016)

Deputy CEO: Jean-Michel Gault

## • Supervisory Board

**David Simon, Chairman** (since 2012)

John Carrafiell

Béatrice de Clermont-Tonnerre\*

Steven Fivel

Robert Fowlds\*

Stanley Shashoua

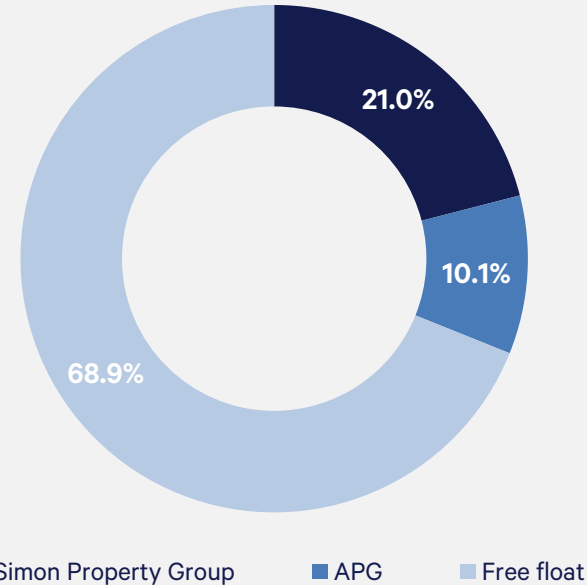
Rose-Marie Van Lerberghe\*

Catherine Simoni\*

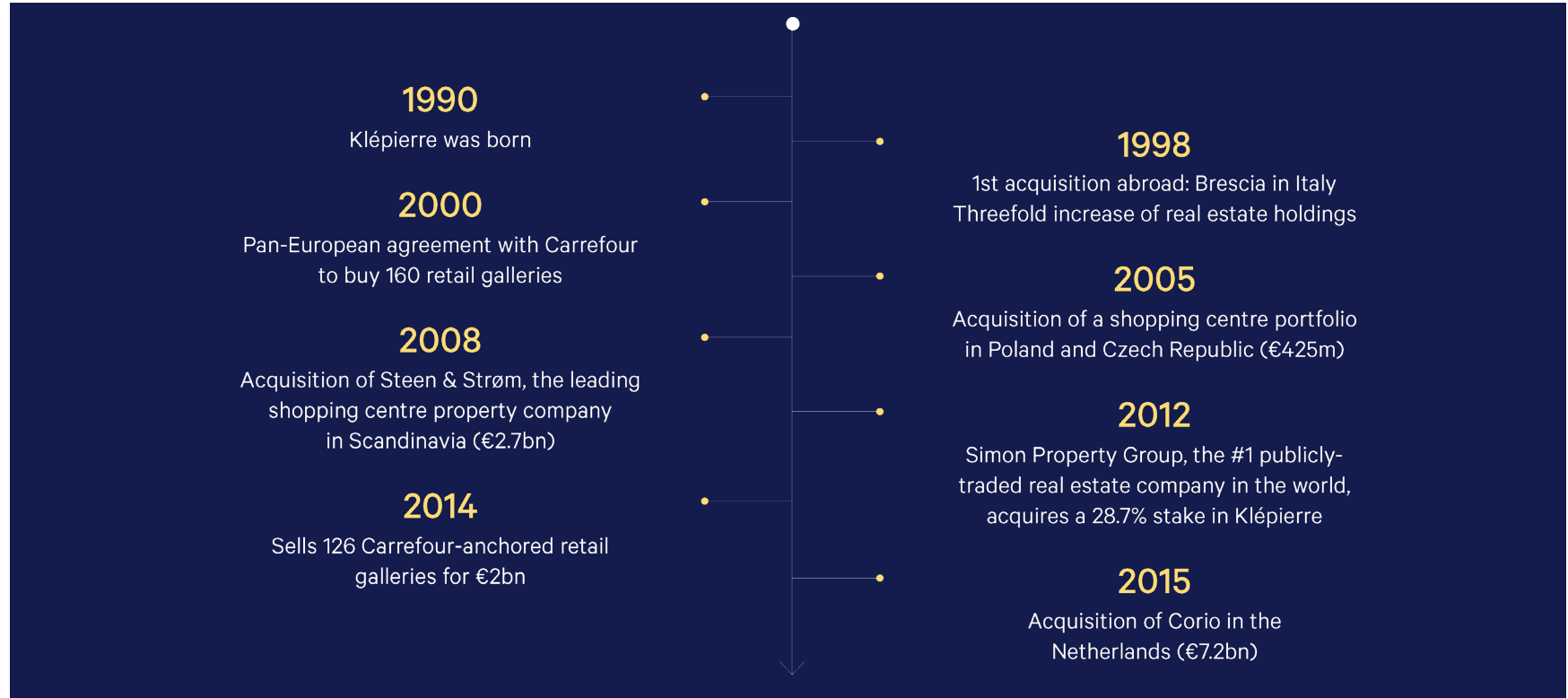
Florence Von Erb\*

\* Independent members

Shareholder base as of June 30, 2019



# HISTORY



Contact

**[investorrelations@klepierre.com](mailto:investorrelations@klepierre.com)**

+33 (0)1 40 67 51 37



**KLEPIERRE**

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