



SUSTAINED RENTAL GROWTH IN 2008

<i>In millions of euros</i>	December 31, 2008	4 th quarter 2008	December 31, 2007	% change 08/07
Lease income	33.7	9.3	23.5	43.3%
<i>o/w constant portfolio</i>	25.4	6.6	23.5	8.2%

In the course of the 4th quarter of 2008, Klémurs collected 9.3 million euros in rent, bringing consolidated rent for the year ended December 31, 2008 to 33.7 million euros.

For the year as a whole, the increase in rent was 8.2% on a constant portfolio basis, reflecting:

- Index-linked adjustments to minimum guaranteed rents for an impact of +4.8%; the cost of construction index for the 2nd quarter of 2007 (+5.05%) was applied to 94% of the leases in value terms as of January 1, 2008;
- The receipt of 0.8 million euros in additional variable rent based on sales revenue generated by the Buffalo Grill restaurants.

The **increase in rent on a current portfolio basis (+43.3%)** was also attributable to:

- The full-year impact of rent from assets acquired in 2007 from Cap Nord (+€0.6M), two Sephora stores, one in Metz and one in Avignon (+€0.5M), and 8 Buffalo Grill restaurants (+€1.0M);
- The addition in April 2008 of 77 retail assets to the portfolio, acquired as part of the Défi Mode / Vivarte agreement, for a rental contribution of +4.2 million euros;
- The acquisition, also in April 2008, of 14 bundled retail assets located in Messac, Avranches and Rochefort-sur-Mer (+€0.9M);
- The acquisition of 17 additional Buffalo Grill restaurants in June 2008 (+€1.0M).

Rent paid by Buffalo Grill accounted for 69% of total rent collected in 2008. The Vivarte group is now the second largest tenant of Klémurs, providing 12% of the total.

Financial occupancy rate was 99.6% on December 31, 2008

The only vacant space in the portfolio (Saint-Etienne-du-Rouvray) was relet to Leader Price, a supermarket chain that plans to open a new store sometime during the 2nd quarter of 2009. The retail space on Avenue de Flandre in the 19th arrondissement of Paris, which was vacated by the BHV department store on January 1, 2009, will be leased to Castorama effective June 1, 2009.

No tenant defaults on rent observed at year end.

PURSUIT OF A SELECTIVE INVESTMENT POLICY

In the course of fiscal year 2008, Klémurs invested a total of 180.4 million euros, mainly in connection with acquisitions made under outsourcing agreements already negotiated with major nationwide retail chains.

The Défi Mode / Vivarte agreement signed in December 2007 bore fruit for the first time in April with the acquisition of a portfolio of 77 stores, including 67 operating under the Défi Mode banner. These assets, which are located in the retail zones surrounding average-sized provincial cities in France, offer a total floor area of 75 742 sq.m. GLA⁽¹⁾, and entailed a total investment of 104.1 million euros (transfer duties included). They will generate net rent of 6.1 million euros full year.

The collaboration initiated with Buffalo Grill in 2006 continued in 2008: 17 additional restaurants were acquired in June for an investment of 30.8 million euros and expected net rent of 2.1 million euros full year. This brings to 153 the number of Buffalo Grill restaurants owned and managed by Klémurs on December 31, 2008.

In the course of the year, other assets were added to the portfolio owned by Klémurs, extending its coverage of the French retail landscape:

- 14 retail properties under operation by various retailers, located in Messac, Avranches and Rochefort-sur-Mer, were acquired for a total of 17.6 million euros in April 2008. The delivery of a 15th asset included in the agreement will occur between now and June 1, 2009;
- 21 stores operated by retail group King Jouet were added to the Klémurs portfolio in December for a total investment of 18.3 million euros and net annual rent of 1.4 million euros. Of the 23 assets called for under the agreement, one has been withdrawn and the last will be acquired in the course of the first quarter of 2009;
- 3 assets located in the retail zones of Berck-sur-Mer (Twiner), Wasquehal (Feu Vert) and Saint-Malo (Cafétéria Casino), were acquired from Klépierre for a total of 2.3 million euros in late December 2008 and will produce net rent of 0.2 million euros full year.

Klémurs has also agreed to acquire a retail park on a future-as-is basis located in Chalon-sur-Saône leading commercial area.

This project represents an investment of 14.8 million euros (of which €7.5M outlaid over the year) and will generate net annual rent of 1.1 million euros. This retail complex, made up of 8 commercial premises and scheduled for inauguration in the month of September 2009, is already 87% leased up.

YEAR 2009 DOMINATED BY THE CONSOLIDATION OF THE PORTFOLIO

For Klémurs, the year 2008 provided an opportunity to solidify its positioning as the partner of major retailers for their real estate needs, thanks to the Défi Mode / Vivarte agreement and the consolidation of the partnership initiated with Buffalo Grill in 2006, while at the same time extending its coverage of the principal retail zones in France.

In 2009, the rise in rents collected by Klémurs will be driven by the index-linked adjustments to its minimum guaranteed rent: 18% of its tenants have already opted for an ILC index adjustment (Index of Retail Rents, published by INSEE), which will be applied with effect retroactively to January 1, 2009. Rental reversion will also be supported by the full-year impact of the acquisitions made in the course of 2008, as well as by the contribution made by the assets that will be added to the portfolio in the course of the year.

⁽¹⁾ GLA: gross leasable area = amount of floor space available for exclusive tenant use, i.e., the sales area + reserves (such as storage area, basement, mezzanine, etc.).

The extension (until December 31, 2011) of tax provisions designed to facilitate the sale of real estate assets to SIICs has lengthened the time frame over which Klémurs will be able to benefit from new investment opportunities, market conditions permitting.

Upcoming events and releases:

February 5, 2009

April 2, 2009

April 28, 2009

2008 annual earnings

Annual shareholders' meeting

First quarter 2009 revenues

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NOTES TO JANUARY 28, 2009 PRESS RELEASE

INVESTMENTS MADE IN 2008

	2007	2008
	Investment outlay	Investment outlay
<i>In millions of euros</i>	64.3	180.4

PRINCIPAL ACQUISITIONS IN OPERATION IN 2008

Asset	Date of acquisition	Floor area acquired (sq.m. GLA)	% owned by Klémurs	Description
Rochefort-sur-Mer, Avranches and Messac	04/16/2008	13 752	100%	14 retail stores operated by various retailers, such as La Halle, Aubert, Mobalpa, Gemo etc.
Défi Mode / Vivarte	04/30/2008	75 742	100%	77 retail stores, including 67 flying the Défi Mode banner
Restaurants Buffalo Grill	06/30/2008	8 373	100%	17 restaurant properties, including 15 in operation and 2 under construction (open at the end of 2008)
King Jouet	12/22/2008	17 541	100%	21 suburban retail stores, including 20 operated by King Jouet and 1 by Joupi
Miscellaneous assets	12/30/2008	2 733	100%	3 assets located near or juxtaposing Carrefour shopping malls

On December 31, 2008, the real estate portfolio owned by Klémurs was comprised of 307 retail properties located throughout France, covering total GLA of 233 150 sq.m.