2011 Annual **e**arnings

Paris, February 7, 2012

A good pace of operating activity
Solid activity of shopping centers (93% of the rents)
Lease income up by 3.6%, 5.3% for the shopping centers
Net current cash flow reaches 1.99 €/share, up by 1.8%
NAV up sharply to 31.4 €/share (+11.5%)
The LTV ratio decrease to 45.8% and significant reduction in refinancing requirements for 2012-2013 period
Pace of disposal program picks up: €1 Bn planned for 2012-2013
Strong potential of increase of the future projects
Proposed dividend of €1.45/share, up by 7.4%, with option to receive payment in stock
Perspectives 2012: rent income increase by around 4%

Shopping center business is solid

Klépierre's shopping centers showed resilience against a marked slowdown in consumer spending, particularly in the course of the 2nd half of 2011. A number of indicators for 2011 attest to the quality of its shopping center holdings:

. Retail tenant sales grew by 0.7% for 2011 as a whole.
Two new shopping centers were successfully opened in 2011: Le Millénaire in Aubervilliers (Paris), the largest retail development seen in France in 10 years, and Aqua Portimão, which lies at the heart of a dynamic tourist destination (Algarve, Portugal). Both are in the process of reaching the 6 million visitor mark in their first year of operation.

. Efforts made by Klépierre in 2011 in the areas of rental reversion and enhancement of the retail mix offered by its shopping centers led to the renewal or reletting of leases for € 8.1M, generating high reversion rates in almost every country (+18.8% in France, +11.7% in Denmark, +11.5% in Italy, for example).
A total of 2 028 leases were signed in 2011, which is equal in value to 11% of the portfolio and represents additional annual rent of 20.4 M€ (versus +€12.9M in 2010).
The occupancy rate of the shopping center assets owned by Klépierre remains high (96.8%), while the late payment rate remains low (1.8%).
The occupancy cost ratio is currently 11.4% for the portfolio as a whole.

The consolidated rents up by 3.6%, 5.3% for the shopping centers

In 2011, Klépierre's consolidated rents increased by 3.6%, reaching **€945.1 M.** On a constant portfolio and exchange rate basis, the increase was 1.7%.

- For **shopping centers,** (€875.7M; 92.7% of the total) the increase was 5.3%, reflecting in particular the impact of new retail spaces. This improvement reflects Klépierre's policy of regular creation and extension of its shopping centers.. Consolidated rents in 2011 also got a boost from the full impact of new spaces that opened in 2010 (such as Corvin).
  On a constant scope and exchange rate basis, rents provided by Klépierre shopping centers rose by 1.6%, driven by the impact of rental reversion (+0.4%) and by the positive impact of index-linked rent adjustments (+1.2%). Most countries in which Klépierre operates reported an increase in rents: France, Belgium, Norway, Sweden, Denmark, Italy, Poland and Czech Republic.
- Following asset disposals completed in 2010 and 2011, rents from the **retail segment** (€42.3M; 4.5% of the total) fell by 3.6%. On a constant portfolio basis, there were unchanged.
- The decline in rents from the **office segment** (€27.1M; 2.9% of the total) is also attributable to the asset sales completed in 2010 and 2011. On a constant portfolio basis, the 6.3% increase is primarily attributable to the lease-up of vacant spaces, including those in the Séreinis building (Issy-les-Moulineaux), which found new tenants in September 2011.

Cash flow and earnings up

Cash flow from operations €810.2M rose by 3.0% total share (+3.0% group share)

Net current cash flow, group share, was 371.1 M€ (compared with 365.3 M€ in 2010). **Net current cash flow per share rose by 1.8% to €1.99**.

Net income group share was 142.4 M€, an increase of 14.3%.

NAV per share up by 11.5% at 31.4€

EPRA NNNAV[1] was 31.4 € per share for 2011, up by 3.2 € or 11.5% compared with the year ended December 31, 2010. Reconstitution NAV was 35.7 € per share, compared with 32.3 € one year earlier. As a reminder, Klépierre paid out a dividend per share of 1.35 € on April 14, 2011.

The value of holdings excluding transfer duties was €16.2 Bn, total share, an **increase of 7.0%**. New retail spaces that opened five years ago made a significant contribution to value creation in 2011.
The average yield (excluding transfer duties) held by the appraisers decreased from 10 pbs in 12 months to reach 6.3%. On a constant portfolio basis, the value of holdings increased by 4.9% compared with December 31, 2010, reflecting the compression in yields (for an impact of +1.5%) and a rental income effect (for an impact of +3.4%).

The total amount of investments made in 2011 was €651.9 M, divided among:

[1] Excluding transfer duties, after unrealized capital gains and mark to market of financial instruments

- Assets already in operation or recently opened, such as Le Millénaire (Paris, France) and Aqua Portimão (Algarve, Portugal), both inaugurated in April 2011;
- Targeted acquisitions: in particular, a retail park adjacent to the shopping center Klépierre owns in Rimini (Italy), which will enable the extension of the mall in 2014, as well as the regional center Roques-sur-Garonne (Toulouse, France) in late November 2011, which allows Klépierre to strengthen its positioning in a powerful urban area;
- Projects still under development: investments of 298.0 M€, mostly allocated to the major openings scheduled for 2012 (Gare St-Lazare Paris in France and Emporia in Malmö, Sweden).

Total disposals (187.1 M€ excluding transfer duties) were in line with the target set for 2011: these transactions were completed for prices that were on average 5.5% higher than the most recent appraisals by outside experts.

Further decrease in LTV ratio at 45.8%

Consolidated net debt of Klépierre on December 31, 2011 was 7 618 million euros, compared with 7 325 million euros on December 31, 2010. The gearing ratio nonetheless showed steady improvement: on December 31, 2011, with the Loan-to-Value ratio falling to 45.8% (from 47.2% on December 31, 2010).

In the course of 2011, Klépierre successfully raised nearly 900 million euros in the banking and bond markets and, on December 31, 2011, had 928 M€ in available credit lines.

Improved financial profile: significant reduction in refinancing requirements for 2012 and 2013

Since January 2012, the amount of bank loans in euros (used and unused) approaching to the due date during the 2012-2013 period reduced from 1 669 M€ to 244 M€. Two credit lines of the total amount of 1 000 M€ coming due in June 2013 were refinanced by two new lines of credit for 500 million euros each were set up: one due in 2016 and other in 2018. Klepierre cancelled an unused line of credit totaling 425 million euros, due in June 2012

Debt stated in Norwegian and Swedish currency due in 2012-2013 amounts to 609 M€ (of which 136 M€ in commercial paper). Steen & Strøm also has 83 M€ in available credit lines and continues to enjoy very satisfactory access to the Scandinavian debt market: the renewal of a line of credit totaling 258 M€ due in October 2012 is currently underway.

Disposal program stepped up, targeting 1 Bn € by year-end 2013, 500 M€ in 2012

Klépierre has decided to step up the pace of its sales of mature or non-strategic assets, and plans to complete the sale of 1 Bn€ of such assets by year-end 2013. To date, seller’s promises or sale agreements have been signed for 140 M€ worth of such assets, allowing to obtain at least 500 M€ of disposals in 2012.
The dual aim of this disposal program is:

- to contribute to the funding of projects under development and targeted acquisitions;

. to strengthen the Group's financial profile by continuing to reduce its gearing ratio.

The stepped up disposal program and the increase in shareholders' equity expected to result from the dividend in shares option should accelerate the effort to reduce LTV by about 2% in the end of 2012. The aim is to continue the decrease of LTV ratio in order to reach in medium term the target of around 40%.

Large growth pipeline; two major shopping center openings in 2012

Klépierre is pursuing its policy of focusing capital resource allocation on regions that offer solid purchasing power and positive demographic prospects.

After having successfully opened the Le Millénaire (Paris) and Aqua Portimão (Algarve, Portugal) shopping centers, the Group still has a major development pipeline (3.3 Bn€) composed of 18 projects involving the creation or the extension of shopping centers between now and 2016, mostly located in France and Scandinavia. This pipeline is divided in 0.9 M€ already outlaid (0.5 M€ already paid), 1.4 M€ controlled and 1.0 M€ identified. Two new shopping centers will open their doors in 2012:

. The retail space at Gare St-Lazare Paris in France (opening scheduled for March 21) is already fully leased up. It will feature a retail mix that combines powerful international retail magnets (Desigual, Guess, Hema, Kiko, L'Occitane, Sephora, Swarovski, Virgin, etc.), new concepts (Esprit, Lush, Muji to go,), and a particularly high quality range of food retailers (Carrefour City, Monop', prepared meals to go, etc.). Most of these retailers have made changes to their offering to adapt to the specific nature of shopping in a public transportation station.
  Europe's second busiest commuter and traveler station in terms of traffic, Gare Saint-Lazare is a major convergence hub that daily welcomes 450 000 commuters and travelers and one million visitors.

. The Emporia shopping center in Malmö, Sweden (scheduled to open on October 25), is already 86% leased up and will bring together the major names in Scandinavian retail (Clas Ohlsson, Cubus, KappAhl, Gina Tricot, Lindex, Willys, etc.) and major names in international retailing that are either initiating or intensifying their development in Scandinavia (H&M, G-Star, Levis, Ralph Lauren, Esprit, Tommy Hilfiger, Vero Moda, Jack & Jones, Desigual, Gant, Deichman and others).

Against a backdrop of selective expansion on the part of retailers, the successful campaigns of pre-lease up of these centers offers further proof of the quality and appeal of the projects designed and developed by the professionals at Klépierre.

Other committed projects include shopping center extensions already established within attractive catchment areas in France, scheduled to open at regular intervals between now and 2016: Claye-Souilly in the 4th quarter of 2012, Perpignan Claira and Rives d'Arcins in Bègles in 2013, Carré Jaude 2 in Clermont-Ferrand in 2014.

In 2011, five projects reached a major milestone in their development, and have been added to the portfolio of controlled projects. Projects that are now in the advanced phase of study include the extensions at L'esplanade (Louvain-la-Neuve, Belgium), the Romagna Center (Rimini, Italy) and Allum (Sweden), and the shopping center creations at Odense (Denmark) and Chaumont (France).

Proposed dividend of €1.45/share, up by 7.4%, with option to receive payment in stock

In light of the operational strength of the Group and confidence in its outlook, Klépierre has proposed to raise the dividend payout policy to 75% of net current cash flow, group share, versus 70% in 2011 and 60% in 2010. Accordingly, at this year's annual meeting on April 12, 2012, the shareholders will be asked to approve a dividend payment of 1.45 €/share in respect of fiscal year 2011, an increase of 7.4% compared with the previous year. The shareholders will be offered the option of receiving their dividend in the form of shares instead of cash, which will help to reinforce shareholders' equity. The new shares created will be issued at a discount of 10%. The shareholder BNP Paribas, which holds a 50.9% equity interest in Klépierre, has already signaled its intention of opting for stock in lieu of cash[2].

Outlook

From year to year, the Group has consistently confirmed its position as a leading player in the development of shopping centers in Europe. In the years ahead, the Group's growth dynamic will be driven in particular by the opening of new retail spaces in France, in Scandinavia and in Belgium.

In addition, thanks to the latitude it enjoys, the Group has excellent visibility on its liquidity and the cost of its financial resources.

For 2012, Klépierre expects its revenues to continue to grow by 4%, 2 to 2.5% on a constant portfolio basis.

After factoring in a slight increase in the cost of debt and excluding the increase in the number of shares outstanding related to the dividend payment option mentioned above, net current cash flow per share in 2012 should increase slightly, by about as much as the observed increase in 2011.

Laurent Morel, Chairman of the Klépierre Executive Board, commented: "***The operating performances observed in 2011 once again attest to the appeal of the retail tenants in Klépierre owned shopping centers, as well as to the Group's ability to offer its retail tenants a platform of choice in Europe and serve as the partner of choice for their own expansion. The stepping up our disposal program will allow Klépierre to improve its financial profile and to contribute to the financing of our development pipeline."***

[2] To be confirmed depending on the share price during the option period

€M	12/31/2011	12/31/2010	*Change 2011/10*	*Change on a constant forex and portfolio basis*
Rents	**945,1**	**912,2**	***3,6%***	***1,7%***
Shopping centers	**875,7**	**831,7**	***5,3%***	***1,6%***
Retail	**42,3**	**43,8**	***-3,6%***	***0,0%***
Offices	**27,1**	**36,7**	***-26,1%***	***6,3%***
Fee income	**85,1**	**76,4**	***11,4%***	
TOTAL REVENUES	**1030,3**	**988,6**	***4,2%***	
Net current cash-flow per share (€)	**1,99**	**1,96**	***1,8%***	
Dividend [1] per share (€)	**1,45 1**	**1,35**	***7,5%***	

	12/31/2011	06/30/2011	12/31/2010	*Change over 12 months*
Value of holdings, total share (excluding transfer duties)	**16 176**	**15 623**	**15 114**	***7,0%***
Reconstitution NAV [2] per share(€)	**35,7**	**33,3**	**32,3**	***10,5%***
EPRA NNNAV[3] per share(€)	**31,4**	**29,2**	**28,1**	***11,5%***

[1] Submitted to a vote of the shareholders at their general meeting (04/12/2012)
[2] Including transfer duties, before unrealized capital gains and mark to market of financial instruments
[3] Excluding transfer duties, after unrealized capital gains and mark to market of financial instruments

About Klépierre

*A first rank player in retail real estate in Europe, Klépierre, a listed real estate company (SIIC), held assets valued at 16,2 billion euros at December 31, 2011. Its property portfolio comprises **271 shopping centers in 13 countries of Continental Europe** (92.7%), retail properties via its listed subsidiary Klémurs (3.1%) and offices buildings in Paris (3.4%). Klépierre's first shareholder is BNP Paribas (50.9%). A long-term investor, Klépierre specializes in designing, managing and enhancing the value of its real estate assets via its subsidiaries **Ségécé** and **Steen & Strøm**, Scandinavia's number one owner and manager of shopping centers. The combination of these specialists within a single group has made the latter the partner of choice for cities and retailers seeking the lasting success of their commercial projects.*
Klépierre is listed on Euronext Paris™ and belongs to the SBF 80, CAC Large 60 and EPRA Eurozone indexes. Klépierre's presence in several ethical indexes - DJSI World and Europe, FTSE4Good, ASPI Eurozone – and investment registers - Ethibel Excellence and Ethibel Pioneer. Klépierre has also been ranked by GRESB (Global Real Estate Sustainablity Benchmark), in 2011, 7th among listed European real estate companies and entered the Green Stars top category. This demonstrates the Group's commitment to an ambitious sustainable development policy.

For more information: www.klepierre.com

DIVIDEND PAYMENT AGENDA	***April 12, 2012: Annual shareholder's meeting*** ***April 20, 2012: Ex-dividend date*** ***April 20, 2012: start of the option period*** ***May 4, 2012: End of the option period*** ***May 21, 2012: Settlement/Delivery of new shares***

AGENDA	***April 12, 2012: Annual shareholder's meeting*** ***April 25, 2012 1st quarter revenues***

KLÉPIERRE
Julien ROUCH / julien.rouch@klepierre.com
Tel: + 33 1 40 67 53 08

DDB FINANCIAL
Isabelle LAURENT (Media) / isabelle.laurent@ddbfinancial.fr
Tel: + 33 1 53 32 61 51