

KLEPIERRE



€ 5,000,000,000

## EURO MEDIUM TERM NOTE PROGRAMME

Under the Euro Medium Term Note Programme (the "**Programme**") described in this base prospectus (the "**Base Prospectus**"), Klépierre (the "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "**Notes**"). The aggregate nominal amount of Notes outstanding will not at any time exceed € 5,000,000,000 (or its equivalent in other currencies at the date of issue of any Notes).

The minimum denomination of each Note admitted to trading on a Regulated Market (as defined below) and/or offered to the public in any Member State of the European Economic Area ("**EEA**") in circumstances which require the publication of a prospectus under the Prospectus Directive (as defined below) will be € 1,000 (or its equivalent in any other currency at the issue date), or such higher amount as may be allowed or required from time to time by the relevant monetary authority or any laws or regulations applicable to the relevant Specified Currency (as defined in "Terms and Conditions of the Notes – Interest and other Calculations").

This Base Prospectus supersedes and replaces the Base Prospectus dated 31 March 2011 and any supplement thereto.

Application will be made in certain circumstances for Notes to be issued under the Programme to be listed and admitted to trading on Euronext Paris and/or any other regulated market situated in a Member State of the EEA as defined in the Directive 2004/39/EC on financial instruments markets (each such market being a "**Regulated Market**"). The Notes issued under the Programme may also be unlisted or listed on an alternative stock exchange or market and/or offered to the public in any Member State of the EEA. The relevant final terms in respect of the issue of any Notes (the "**Final Terms**") will specify whether or not an application will be made for such Notes to be listed and admitted to trading and/or offered to the public and, if so, the relevant Regulated Market(s) or stock exchange(s) where the Notes will be listed and admitted to trading and/or the Member State(s) in the EEA where the Notes will be offered to the public. This Base Prospectus has been submitted to the *Autorité des marchés financiers* ("**AMF**") which has granted visa no. 12-187 to it on 27 April 2012.

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**") as more fully described herein.

Dematerialised Notes will at all times be in book entry form in compliance with Articles L.211-3 *et seq.* of the French *Code monétaire et financier*. No physical documents of title will be issued in respect of the Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be (i) in bearer form (*au porteur*) inscribed as from the issue date in the books of Euroclear France (acting as central depository) which shall credit the accounts of the Account Holders (as defined in "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination") including Euroclear Bank S.A./N.V. ("**Euroclear**") and the depository bank for Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or (ii) in registered form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination"), in either fully registered form (*au nominatif pur*), in which case they will be inscribed either in an account maintained by the Issuer or by a registration agent (appointed in the relevant Final Terms) for the Issuer, or in administered registered form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholder.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a "**Temporary Global Certificate**") will initially be issued in relation to Materialised Notes. Such Temporary Global Certificate will subsequently be exchanged for definitive Materialised Notes with, where applicable, coupons for interest or talons attached (the "**Definitive Materialised Notes**"), on or after a date expected to be on or about the fortieth (40<sup>th</sup>) day after the issue date of the Notes (subject to postponement as described in "Temporary Global Certificate in respect of Materialised Notes") upon certification as to non-U.S. beneficial ownership as more fully described herein. Temporary Global Certificates will (a) in the case of a Tranche (as defined in the Terms and Conditions of the Notes) intended to be cleared through Euroclear and/or Clearstream, Luxembourg, be deposited on the issue date with a common depository for Euroclear and Clearstream, Luxembourg or (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer (as defined below).

The Issuer's long-term debt has been rated "BBB+, stable outlook", and its short-term debt "A-2, stable outlook" by Standard and Poor's which is established in the European Union and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"). Notes issued under the Programme may, or may not, be rated. The rating of Notes (if any) will be specified in the relevant Final Terms. The relevant Final Terms will specify whether or not such credit ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation. Credit ratings are subject to revision, suspension or withdrawal at any time by the relevant rating organisation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency without notice.

This Base Prospectus and any document incorporated by reference therein are available on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and on the website of the Issuer ([www.klepierre.com](http://www.klepierre.com)).

**Investors are invited to take into account risks described in the "Risk Factors" section before deciding to invest in the Notes issued under the Programme.**

ARRANGER  
BNP PARIBAS

DEALERS  
BBVA  
CM-CIC SECURITIES  
GOLDMAN SACHS INTERNATIONAL  
NATIXIS

BANCA IMI  
BOFA MERRILL LYNCH  
DNB NOR MARKETS  
ING COMMERCIAL BANKING

BNP PARIBAS  
DEUTSCHE BANK  
HSBC  
UBS INVESTMENT BANK

**This Base Prospectus (together with all supplements thereto from time to time), which contains or incorporates by reference all relevant information concerning the Issuer and the Issuer and its consolidated subsidiaries taken as a whole (the "Group") as well as the base terms and conditions of the Notes to be issued under the Programme, constitutes a base prospectus for the purposes of Article 5.4 of the Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003 as amended (in particular by Directive 2010/73/EU dated 24 November 2010 to the extent implemented in any relevant Member State) (the "Prospectus Directive"). The terms and conditions applicable to each Tranche (as defined in the Terms and Conditions of the Notes) not contained herein will be determined by the Issuer and the relevant Dealer(s) at the time of the issue on the basis of the then prevailing market conditions and will be set out in the relevant final terms (the "Final Terms") (a form of which is contained herein). The Base Prospectus (together with all supplements thereto from time to time) and the Final Terms together constitute a prospectus (the "Prospectus") for the purpose of Article 5.1 of the Prospectus Directive.**

**This Base Prospectus (together with all supplements thereto from time to time) may only be used for the purposes for which it has been published.**

**This Base Prospectus should be read and construed in conjunction with any supplement that may be published from time to time and with all documents incorporated by reference (see "Documents incorporated by reference") and, in relation to any Series (as defined herein) of Notes, with the relevant Final Terms.**

**No person is or has been authorised to give any information or to make any representation other than those contained or incorporated by reference in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any of the Dealers (as defined in "Summary of the Programme"). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.**

**The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. The Issuer, the Arranger and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger or the Dealers which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come are required by the Issuer, the Dealers and the Arranger to inform themselves about, and to observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes.**

**The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States and the Notes may include Materialised Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered or sold or, in the case of Materialised Notes in bearer form, delivered within the United States or, in the case of certain Materialised Notes in bearer form, to, or for the account or benefit of, United States persons as defined in the U.S. Internal Revenue Code of 1986, as amended. The Notes are being offered and sold outside the United States of America to non-U.S. persons in reliance on Regulation S under the Securities Act ("Regulation S").**

**For a description of these and certain further restrictions on offers, sales and transfers of Notes and on**

distribution of this Base Prospectus, see "Subscription and Sale". In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States of America, France and the United Kingdom.

None of the Issuer, the Arranger or the Dealers makes any representation to any prospective investor in the Notes regarding the legality of its investment under any applicable laws. Any prospective investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or the Dealers to subscribe for, or purchase, any Notes.

The Arranger and the Dealers have not separately verified the information contained or incorporated by reference in this Base Prospectus. Neither the Arranger nor any of the Dealers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. Neither this Base Prospectus nor any other information supplied in connection with the Programme (including any information incorporated by reference) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme (including any information incorporated by reference) should purchase the Notes. Each prospective investor of Notes should determine for itself the relevance of the information contained or incorporated by reference in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. Neither the Arranger nor any of the Dealers undertakes to review the financial or general condition of the Issuer or the Group during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or prospective investor in the Notes of any information that may come to the attention of any of the Dealers or the Arranger.

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the "Stabilising Manager(s)") (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the Final Terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of thirty (30) days after the issue date of the relevant Tranche and sixty (60) days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment shall be conducted in accordance with all applicable laws and rules.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to "€", "Euro", "euro" or "EUR" are to the lawful currency of the Member States of the European Union that have adopted or adopt the single currency in accordance with the Treaty establishing the European Community as amended from time to time, references to "£", "pounds sterling" and "Sterling" are to the lawful currency of the United Kingdom, references to "\$", "USD" and "US Dollar" are to the lawful currency of the United States of America, references to "¥", "JPY" and "Yen" are to the lawful currency of Japan, references to "CHF" and "Swiss Francs" are to the lawful currency of the Helvetic Confederation, references to "NOK" and "Norwegian Kroner" are to the lawful currency of Norway and references to "Renminbi" or "RMB" are to the lawful currency of the People's Republic of China excluding Hong Kong, Macau and Taiwan ("PRC").

## TABLE OF CONTENTS

	<b>Page</b>
Résumé en français (French language Summary) .....	5
Summary of the Programme .....	13
General Description of the Programme .....	21
Risk factors .....	27
Documents incorporated by reference .....	36
Supplement to the Base Prospectus .....	39
Terms and Conditions of the Notes.....	40
Use of proceeds.....	72
Temporary Global Certificates in respect of Materialised Notes .....	73
Form of final terms for use in connection with the issues of Notes with a specified denomination of less than €100,000 to be admitted to trading on a Regulated Market and/or to be offered to the public on the EEA.....	75
Form of final terms for use in connection with the issues of Notes with a specified denomination of at least €100,000 to be admitted to trading on a Regulated Market.....	93
Description of the Issuer .....	109
Recent Developments .....	110
Taxation .....	125
Subscription and Sale .....	130
General Information.....	136
Person responsible for the Base Prospectus.....	138

**RÉSUMÉ EN FRANÇAIS  
(FRENCH LANGUAGE SUMMARY)**

***Le paragraphe suivant doit être lu comme une introduction au Résumé si l'Etat Membre concerné n'a pas encore transposé les modifications apportées par la Directive 2010/73/UE aux informations requises dans le Résumé ( la "Directive 2010 Modifiant la DP").***

*Le Résumé ci-dessous doit être lu comme une introduction au présent Prospectus de Base et toute décision d'investir dans les Titres doit être fondée sur un examen exhaustif du Prospectus de Base, y compris les documents incorporés par référence et tout supplément subséquent au Prospectus de Base. A la suite de la transposition de la Directive Prospectus (Directive 2003/71/CE, à l'exception des changements introduits par la Directive 2010 Modifiant la DP) dans chaque Etat Membre de l'Espace Economique Européen, aucune action en responsabilité civile ne pourra être recherchée auprès des personnes qui ont présenté le présent résumé, y compris sa traduction, sauf si son contenu est trompeur, inexact ou contradictoire par rapport aux informations contenues dans les autres parties du Prospectus de Base. Lorsqu'une action concernant l'information contenue dans le présent Prospectus de Base est intentée devant un tribunal d'un Etat Membre de l'Espace Economique Européen, l'investisseur plaignant peut, selon la législation nationale l'Etat Membre concerné, avoir à supporter les frais de traduction du Prospectus de Base avant le début de toute procédure judiciaire.*

***Le paragraphe suivant doit être lu comme une introduction au Résumé si l'Etat Membre concerné a transposé les modifications aux informations requises dans le Résumé apportées par la Directive 2010 Modifiant la DP.***

*Le Résumé ci-dessous doit être lu comme une introduction au présent Prospectus de Base et est fourni afin d'aider les investisseurs lorsqu'ils envisagent d'investir dans les Titres, mais ne remplace pas le Prospectus de Base. Toute décision d'investir dans les Titres doit être fondée sur un examen exhaustif du Prospectus de Base y compris les documents incorporés par référence et tout supplément subséquent au Prospectus de Base. A la suite de la transposition de la Directive Prospectus (y compris les changements introduits par la Directive 2010 Modifiant la DP) dans chaque Etat Membre de l'Espace Economique Européen, aucune action en responsabilité civile ne pourra être recherchée auprès des personnes qui ont présenté le présent résumé, y compris sa traduction, sauf si son contenu est trompeur, inexact ou contradictoire par rapport aux informations contenues dans les autres parties du Prospectus de Base ou s'il ne fournit pas, lu en combinaison avec les autres parties du Prospectus de Base, les informations essentielles permettant d'aider les investisseurs lorsqu'ils envisagent d'investir dans les Titres. Lorsqu'une action concernant l'information contenue dans le présent Prospectus de Base est intentée devant un tribunal d'un Etat Membre de l'Espace Economique Européen, l'investisseur plaignant peut, selon la législation nationale de l'Etat Membre concerné, avoir à supporter les frais de traduction du Prospectus de Base avant le début de toute procédure judiciaire.*

*Les termes et expressions définis au paragraphe "Modalités des Titres" (Terms and Conditions of the Notes) ci-après ont la même signification que dans le présent Résumé.*

## **I. L'Emetteur**

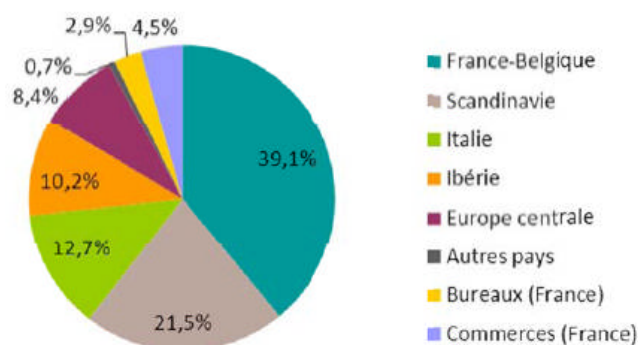
### **Description de l'Emetteur**

L'Emetteur est Klépierre, société anonyme à directoire et conseil de surveillance, de droit français . Son siège social est situé au 21 avenue Kléber, 75116 Paris, France.

Acteur majeur de l'immobilier de commerces en Europe, Klépierre, Société d'investissement immobilier cotée (SIIC), détient un patrimoine valorisé à 16,2 milliards d'euros au 31 décembre 2011. Ce dernier se compose de 271 centres commerciaux détenus dans 13 pays d'Europe continentale (92,7%), de murs de commerces via Klémurs (3,1%) et d'immeubles de bureaux parisiens (3,4%).

Investisseur à long terme, Klépierre maîtrise la conception, la gestion et la valorisation de son patrimoine à travers ses filiales Ségécé et Steen & Strøm, première foncière scandinave de centres commerciaux. La combinaison de ces acteurs au sein d'un même groupe fait de ce dernier le partenaire indispensable des villes et des enseignes pour la réussite dans la durée des projets commerciaux.

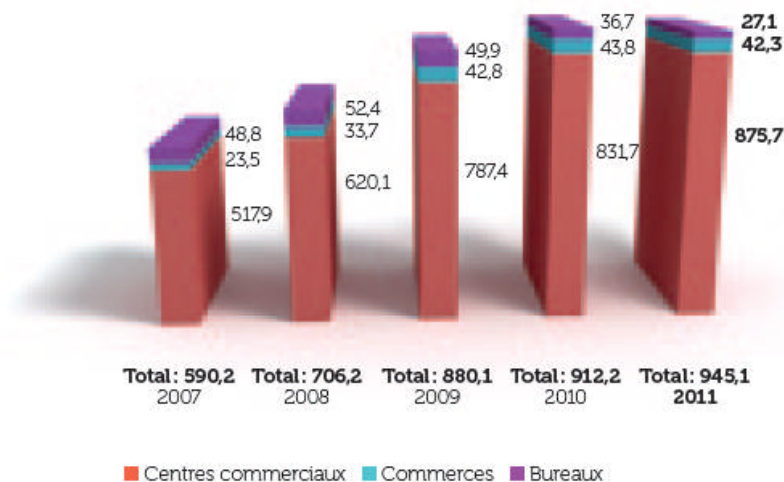
Répartition Géographique des loyers en 2011 :



L'activité de Klépierre s'articule autour de 3 pôles :

- les Centres commerciaux avec 335 centres commerciaux gérés, dont 271 sont détenus par Klépierre, et un patrimoine valorisé au 31 décembre 2011 à 16,2 milliards d'euros (hors droits),
- les Commerces, à travers Klémurs, Klépierre intervient sur le marché spécifique de l'externalisation du patrimoine immobilier des grandes enseignes. Le patrimoine de Klémurs est valorisé au 31 décembre 2011 à 629,5 millions d'euros (hors droits), et
- les Bureaux, représentant 3,4% du patrimoine de Klépierre soit 547 millions d'euros.

Loyers bruts (part totale, en millions d'euros) :



**Chiffres clés :**

<b>Compte de Résultat (en milliers d'euros)</b>	<b>31/12/2011</b>	<b>31/12/2010</b>
Revenus locatifs	958.745	930.170
Loyers nets	851.641	827.773
Résultat opérationnel	555.447	489.440
Résultat avant impôts	219.662	194.131
<b>Résultat net de l'ensemble consolidé</b>	<b>197.777</b>	<b>182.441</b>
Dont Part du groupe	-12.899	157.022

<b>Bilan (en milliers d'euros)</b>	<b>31/12/2011</b>	<b>31/12/2010</b>
Actifs non courants	12.246.893	12.032.695
Actifs courants	760.480	741.033
<b>Total actif</b>	<b>13.007.373</b>	<b>12.773.728</b>
Capitaux propres	3.423.221	3.665.472
Passifs non courants	7.910.299	6.831.855
Passifs courants	1.673.853	2.276.401
<b>Total passif</b>	<b>13.007.373</b>	<b>12.773.728</b>

	<b>31/12/2011</b>	<b>31/12/2010</b>
<b>Trésorerie nette (en millions d'euros)</b>	188	180
<b>Endettement net (en millions d'euros)</b>	7.618	7.325
<b>Effectifs</b>	1.476	1.495

## II. Le Programme

**Emetteur:** Klépierre

**Arrangeur:** BNP Paribas

**Agents placeurs :** Banca IMI S.p.A., Banco Bilbao Vizcaya Argentaria, S.A., BNP Paribas, CM-CIC Securities, Deutsche Bank AG, London Branch, DnB NOR Bank ASA, Goldman Sachs International, HSBC Bank plc, ING Belgium SA/NV, Merrill Lynch International, Natixis et UBS Limited.

L'Emetteur pourra à tout moment révoquer tout Agent Placeur dans le cadre du Programme ou désigner des Agents Placeurs supplémentaires soit pour une ou plusieurs Tranches, soit pour l'ensemble du Programme. Toute référence faite dans le présent Prospectus de Base aux "**Agents Placeurs Permanents**" renvoie aux personnes nommées ci-dessus en qualité d'Agents Placeurs ainsi qu'à toute autre personne qui aurait été désignée comme agent placeur pour l'ensemble du Programme (et qui n'aurait pas été révoquée) et toute référence faite aux "**Agents Placeurs**" désigne tout Agent Placeur Permanent et toute autre personne désignée comme agent placeur pour une ou plusieurs Tranches.

<b>Description :</b>	Programme d'Euro Medium Term Note pour l'émission de Titres en continu (le " <b>Programme</b> ").
<b>Montant du Programme :</b>	Programme d'un montant maximum de 5.000.000.000 euros (ou son équivalent dans d'autres devises à la date de l'émission) à tout moment.
<b>Agent Fiscal et Agent Payeur Principal :</b>	BNP Paribas Securities Services.
<b>Agent de Calcul :</b>	BNP Paribas Securities Services, sauf disposition contraire des Conditions Définitives.
<b>Méthode d'Emission et Conditions Définitives:</b>	<p>Les Titres pourront être émis sur une base syndiquée ou non-syndiquée.</p> <p>Les Titres seront émis par souche (chacune une "<b>Souche</b>"), à une même date ou à des dates différentes, et seront soumis pour leurs autres caractéristiques à des modalités identiques (à l'exception du prix d'émission) dans une même Souche, les Titres de chaque Souche étant fongibles entre eux.</p> <p>Chaque Souche peut être émise par tranche (chacune une "<b>Tranche</b>") à une même date d'émission ou à des dates d'émission différentes. Les modalités spécifiques de chaque Tranche (incluant, notamment, le montant nominal total, le prix d'émission et le premier intérêt à payer le cas échéant) seront déterminées par l'Emetteur et les Agents Placeurs concernés au moment de l'émission et figureront dans les Conditions Définitives de cette Tranche.</p>
<b>Echéances :</b>	Sous réserve du respect des lois, réglementations et directives applicables, toute échéance convenue entre l'Emetteur et l'(les) Agent(s) Placeur(s) concerné(s). Les Titres peuvent être émis sans échéance déterminée.
<b>Devises :</b>	Sous réserve du respect des lois, réglementations et directives applicables, les Titres peuvent être émis en Euros, Livres Sterling, Dollars américains, Yens japonais, Francs suisses, Couronnes norvégiennes, Renminbis ou toute autre devise qui pourrait être choisie entre l'Emetteur et l'(les) Agent(s) Placeur(s) concerné(s).
<b>Valeur nominale :</b>	Les Titres seront émis avec une Valeur Nominale déterminée dans les Conditions Définitives applicables, sous réserve que les Titres admis aux négociations sur un Marché Réglementé et/ou offerts au public dans un des Etats Membres de l'EEE dans des conditions qui requièrent la publication d'un prospectus conformément à la Directive Prospectus aient une valeur nominale minimale de 1.000 euros (ou tout montant équivalent si les Titres sont libellés dans une autre devise), ou d'un montant supérieur autorisé ou requis, le cas échéant, par la banque centrale compétente (ou autorités équivalentes) ou par les lois ou réglementations applicables en fonction de la devise des Titres. Sauf disposition contraire prévue par les lois et réglementations applicables, les Titres (y compris les Titres dont la valeur nominale est exprimée en Livres Sterling) ayant une maturité inférieure à un (1) an et pour lesquels l'Emetteur percevra le produit de l'émission au Royaume-Uni ou dont l'émission constituerait une violation aux dispositions de l'article 19 du <i>Financial Services and Markets Act 2000</i> auront une valeur nominale minimale de 100.000 £ (ou tout montant équivalent si les Titres sont libellés dans une autre devise).



Les Titres Dématérialisés ne peuvent être émis que dans une seule valeur nominale.

**Rang des Titres :**

Les Titres constitueront des engagements directs, inconditionnels, non assorties de sûretés et non subordonnés de l'Emetteur venant (sous réserve d'exceptions légales en droit français) au même rang entre eux et au même rang que tout autre engagement, présent ou futur, non assorti de sûretés et non subordonné de l'Emetteur.

**Forme des Titres :**

Les Titres pourront être émis soit sous forme de Titres Dématérialisés, soit sous forme de Titres Matérialisés.

Les Titres Dématérialisés pourront, au gré de l'Emetteur, être émis au porteur (*bearer*) ou au nominatif (*registered*) et, dans ce dernier cas, au gré du porteur concerné, soit au nominatif pur, soit au nominatif administré. Aucun document ne sera émis en représentation des Titres Dématérialisés. Se reporter à la Modalité 1 "*Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination*".

Les Titres Matérialisés seront uniquement émis au porteur. Un Certificat Global Temporaire relatif à chaque Tranche de Titres Matérialisés sera initialement émis. Les Titres Matérialisés pourront uniquement être émis hors de France.

**Maintien de l'emprunt à son rang :**

Les Modalités des Titres comportent une clause de maintien de l'emprunt à son rang tel que prévu à la Modalité 4 "*Terms and Conditions of the Notes - Negative Pledge*".

**Restrictions relatives à certains emprunts assortis de sûretés :**

Les Modalités des Titres comportent une restriction relative à certains emprunts assortis de sûretés conformément à la Modalité 5 "*Terms and Conditions of the Notes - Restriction on Secured Borrowings*".

**Cas de défaut (y compris défaut croisé) :**

Les Modalités des Titres comportent des cas de défaut (y compris de défaut croisé) tel que cela est plus amplement décrit à la Modalité 10 "*Terms and Conditions of the Notes - Events of Default*".

**Montant de remboursement :**

Sauf disposition légale ou réglementaire contraire, les Conditions Définitives applicables définiront la base de calcul des montants de remboursement dus. Sauf disposition contraire prévue par les lois et réglementations applicables, les Titres (y compris les Titres dont la valeur nominale est exprimée en Livres Sterling) ayant une maturité inférieure à un (1) an et pour lesquels l'Emetteur percevra le produit de l'émission au Royaume-Uni ou dont l'émission constituerait une violation aux dispositions de l'article 19 du *Financial Services and Markets Act 2000* auront un montant de remboursement minimum de 100.000 £ (ou tout montant équivalent si les Titres sont libellés dans une autre devise).

**Remboursement optionnel :**

Les Conditions Définitives relatives à chaque émission de Titres indiqueront si ceux-ci peuvent être remboursés avant la date d'échéance prévue au gré de l'Emetteur (en totalité ou en partie) et/ou des porteurs de Titres et, si tel est le cas, les modalités applicables à ce remboursement. De plus, chaque porteur de Titres pourra exercer son option et demander à l'Emetteur de rembourser, ou à l'option de l'Emetteur, de racheter ses Titres au prix du principal et des intérêts courus en cas de survenance d'un événement de restructuration (*Restructuring Event*) avec une baisse de notation (*Rating Downgrade*) ou une notation

négative (*Negative Rating Event*). Voir la Modalité 7 "*Terms and Conditions of the Notes - Redemption, Purchase and Options*".

<b>Remboursement Echelonné :</b>	Les Conditions Définitives relatives aux Titres remboursables en deux ou plusieurs versements indiqueront les dates auxquelles lesdits Titres pourront être remboursés et les montants à rembourser.
<b>Remboursement Anticipé :</b>	Sous réserve ce de qui est prévu ci-dessus au " <b>Remboursement Optionnel</b> ", les Titres pourront, le cas échéant, faire l'objet d'un remboursement anticipé à l'option de l'Emetteur avant la date d'échéance uniquement pour des raisons fiscales. Voir la Modalité 7 " <i>Terms and Conditions of the Notes - Redemption, Purchase and Options</i> ".
<b>Fiscalité :</b>	Tous paiements de principal et d'intérêts effectués par ou pour le compte de l'Emetteur au titre des Titres seront effectués sans aucune retenue à la source ou prélèvement au titre de tout impôt ou taxe de toute nature, imposés, levés ou recouverts par ou pour le compte de la France, ou de l'une de ses autorités ayant le pouvoir de lever l'impôt, à moins que cette retenue à la source ou ce prélèvement ne soit exigé par la loi. Pour la description des règles françaises de retenue à la source, se reporter à la Modalité 9 " <i>Terms and Conditions of the Notes - Taxation</i> " et à la Section "Taxation".
<b>Taux d'Intérêt et Périodes d'Intérêt :</b>	Pour chaque Souche, la durée des périodes d'intérêts des Titres, le taux d'intérêt applicable ainsi que sa méthode de calcul pourront varier ou rester identiques, selon le cas. Les Titres pourront comporter un taux d'intérêt maximum, un taux d'intérêt minimum ou les deux à la fois. Les Titres pourront porter intérêt à des taux différents au cours de la même période d'intérêts grâce à l'utilisation de périodes d'intérêts courus. Toutes ces informations figureront dans les Conditions Définitives applicables.
<b>Redénomination :</b>	Les Titres libellés dans une devise de l'un quelconque des Etats Membres de l'UE qui participent à la troisième phase de l'Union économique et monétaire pourront être relibellés en euros, tel que décrit plus amplement à la Modalité 1(d) " <i>Terms and Conditions of the Notes - Redenomination</i> ".
<b>Droit applicable :</b>	Droit français.
<b>Dépositaires / Systèmes de compensation :</b>	Euroclear France en qualité de dépositaire central pour les Titres Dématérialisés et Clearstream, Luxembourg et Euroclear pour les Titres Matérialisés, ou tout autre système de compensation que l'Emetteur, l'Agent Financier et l'(les) Agent(s) Placeur(s) concerné(s) conviendraient de désigner.
<b>Prix d'émission :</b>	Les Titres pourront être émis au pair ou à tout autre prix d'émission en-dessous ou au-dessus du pair. Des Titres payés partiellement pouvant être émis, leur prix d'émission sera payable en deux acomptes ou plus.
<b>Cotation et admission aux négociations :</b>	Une demande pourra être présentée pour la cotation et l'admission sur Euronext Paris des Titres émis dans le cadre du Programme. Des Titres pourront également être cotés ou admis aux négociations, selon le cas, sur tout autre marché réglementé conformément à la Directive Prospectus ou toute autre bourse ou marché de valeurs. Des Titres qui ne font pas l'objet d'une cotation ou d'une demande d'admission aux négociations sur un marché pourront également être émis. Les Conditions Définitives applicables préciseront si les Titres doivent être cotés et/ou admis aux négociations, et dans ce cas, sur quelles bourses et/ou marchés.
<b>Notation :</b>	Standard and Poor's a attribué la notation "BBB+, perspective stable" pour la dette à long terme de l'Emetteur et "A-2, perspective stable" pour sa dette à

court terme. Standard and Poor's est établie dans l'Union Européenne et enregistrée conformément au Règlement (CE) n° 1060/2009, tel que modifié (le "**Règlement ANC**") Les Titres émis dans le cadre du Programme pourront être notés ou non. Les Conditions Définitives applicables préciseront (i) la notation, s'il y en a une, et (ii) si la notation a été ou non émise par une agence de notation de crédit établie dans l'Union Européenne et enregistrée conformément au Règlement ANC. La notation n'est pas une recommandation d'acheter, vendre ou détenir des titres et peut être sujette à suspension, changement ou retrait à tout moment par l'agence de notation qui l'a attribuée.

**Offre au public :**

Les Titres émis dans le cadre du Programme pourront faire l'objet d'une offre au public en France et dans tout autre Etat Membre de l'EEE dans lequel le Prospectus de Base est passeporté.

**Restrictions de vente :**

Il existe des restrictions concernant l'offre, la vente et le transfert des Titres ainsi que la diffusion des documents d'offre dans différents pays, notamment les Etats-Unis d'Amérique, le Japon, Hong Kong, la République Populaire de Chine, Singapour et certains des Etats Membres de l'EEE (notamment la France, le Royaume-Uni et l'Italie). Se reporter au chapitre "*Subscription and sale*". Dans le cadre de l'offre et la vente d'une Tranche donnée, des restrictions de vente supplémentaires peuvent être imposées et seront alors indiquées dans les Conditions Définitives concernées.

L'Emetteur relève de la Catégorie 2 pour les besoins de la *Regulation S*.

**Méthode de publication du Prospectus de Base, de Suppléments éventuels et des Conditions Définitives :**

Ce Prospectus de Base et tout supplément au Prospectus de Base seront publiés sur les sites internet de (i) l'AMF ([www.amf-france.org](http://www.amf-france.org)) et (ii) de l'Emetteur ([www.klepierre.com](http://www.klepierre.com)). Les Conditions Définitives applicables aux Titres négociés sur un Marché Réglementé conformément à la Directive Prospectus seront publiées aussi longtemps que ces Titres seront admis aux négociations sur un Marché Réglementé, sur les sites internet de (i) l'AMF ([www.amf-france.org](http://www.amf-france.org)) et (ii) de l'Emetteur ([www.klepierre.com](http://www.klepierre.com)).

Aussi longtemps que les Titres pourront être émis dans le cadre du présent Prospectus de Base, des copies de ces documents, s'ils ont été publiés, pourront être obtenus, sur demande et sans frais, aux heures habituelles d'ouverture des bureaux (sauf samedis, dimanches et jours fériés), au siège social de l'Emetteur et aux bureaux désignés de(s) l'Agent Payeur(s).

**III. Facteurs de risques**

**Facteurs de risques relatifs à l'Emetteur et à son activité**

Les facteurs de risques liés à l'Emetteur et à son activité sont décrits aux pages 119 à 125 du Document de Référence Klépierre 2011 déposé auprès de l'AMF le 28 mars 2012 sous le numéro D.12-0230 et incorporé par référence dans le Prospectus de Base et incluent notamment :

- les risques relatifs à l'activité et à la stratégie de l'Emetteur (y compris les risques liés à l'environnement économique, au marché de l'immobilier, au départ ou à la fermeture d'enseignes phares, au développement de nouveaux actifs immobiliers, aux renouvellement de baux et à la location d'actifs immobiliers, à la commercialisation des sites, à l'environnement concurrentiel, à l'estimation de la valeur des actifs, à la dimension internationale de l'activité de l'Emetteur, aux pactes d'associés et aux acquisitions);
- les risques associés à la politique de financement de l'Emetteur et à ses activités financières (y compris les risques de liquidité, de taux, de change et de contrepartie) ;

- les risques juridique, fiscal et réglementaire (y compris les risques liés aux dispositions légales et réglementaires relatives aux baux et au régime fiscal des SIIC);
- les risques liés aux filiales de l'Emetteur (y compris les risques liés à la structure actionariale de Steen & Strøm et les risques liés à Klémurs); et
- les risques environnementaux.

### **Facteurs de risques relatifs aux Titres**

Il existe certains facteurs de risques supplémentaires relatifs aux Titres émis dans le cadre du Programme, notamment :

- les risques d'investissement, les Titres peuvent ne pas être un investissement approprié pour tous les investisseurs ;
- les risques liés à la structure de certains Titres incluant (i) les Titres faisant l'objet d'une option de remboursement par l'Emetteur, (ii) les Titres à Taux Fixe, (iii) les Titres à Taux Variable, (iv) les Titres Référencés sur un Indice et les Titres Libellés en Deux Devises, (v) les Titres Partiellement Libérés, (vi) les Titres à Taux Variable avec un effet multiplicateur ou tout autre effet de levier, (vii) les Titres à Taux Variable Inversé, (viii) les Titres à Taux Fixe puis Variable, (ix) les Titres émis en dessous du pair ou assortis d'une prime d'émission importante (x) les Titres à Coupon Zéro et (xi) les Titres Structurés ;
- les risques généraux liés aux Titres incluant (i) la modification des Modalités applicables aux Titres, (ii) le remboursement des Titres avant leur échéance, (iii) les modifications de la législation, (iv) la fiscalité, (v) la transposition de la directive 2003/48/CE, (vi) le droit français des procédures collectives, et (vii) les risques liés aux émissions de Titres libellés en Renminbi.
- les risques liés au marché incluant généralement (i) la valeur de marché des Titres, (ii) l'absence de marché secondaire actif pour les Titres, (iii) les risques de taux de change et de contrôles des changes, (iv) les notations de crédit, (v) les considérations juridiques dans l'investissement et (vi) les intérêts des Agents Placeurs.

Pour de plus amples informations se reporter à la section "*Risk Factors*" ci-dessous.

## SUMMARY OF THE PROGRAMME

***The following paragraph is to be read as an introduction to the Summary if the relevant Member State has not yet implemented the changes to the Summary requirements under the Directive 2010/73/EU (the "2010 PD Amending Directive").***

*This summary must be read as an introduction to this Base Prospectus. Any decision to invest in the Notes should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference and any supplement to the Base Prospectus from time to time. Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC) in each Member State of the European Economic Area, no civil liability will attach to the Responsible Persons in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to information contained in this Base Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.*

***The following paragraph is to be read as an introduction to the Summary if the relevant Member State has implemented the changes to the Summary requirements under the 2010 PD Amending Directive.***

*This summary must be read as an introduction to this Base Prospectus and is provided as an aid to investors when considering whether to invest in the Notes, but is not a substitute for the Base Prospectus. Any decision to invest in the Notes should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference and any supplement to the Base Prospectus from time to time. Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC, as amended) in each Member State of the European Economic Area, no civil liability will attach to the Responsible Persons in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes. Where a claim relating to information contained in this Base Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.*

*Words and expressions defined in the "Terms and Conditions of the Notes" below shall have the same meanings in this Summary.*

### **I. The Issuer**

#### **Description of the Issuer**

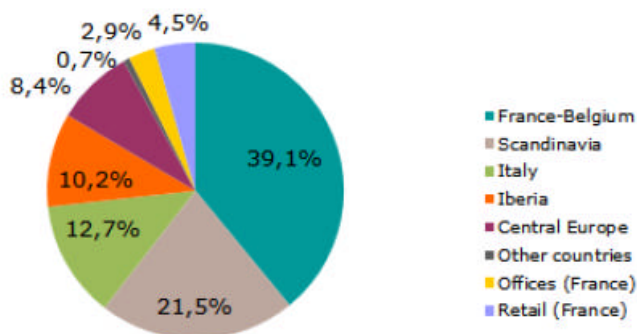
The Issuer is Klépierre, a French public limited company (*société anonyme*) governed by an Executive Board (*Directoire*) and a Supervisory Board (*Conseil de surveillance*), and having its registered office at 21 Avenue Kleber, 75116 Paris, France

A leading player in retail real estate in Europe, Klépierre, a listed real estate company (SIIC), held assets valued at 16.2 billion euros on 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 (3.9%), and office buildings in Paris (3.4%).

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.

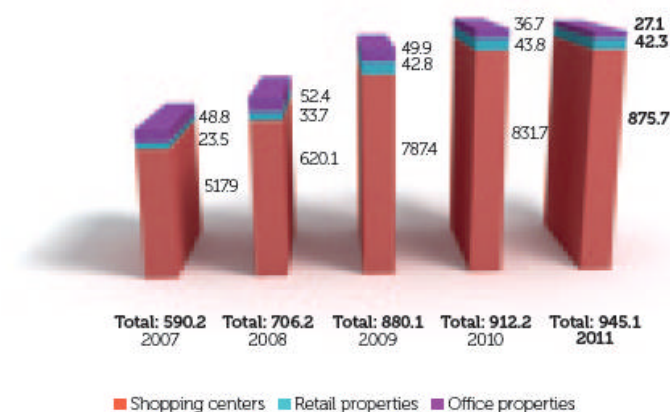
Geographic breakdown of rents on 2011:



The three areas of the business of Klépierre are:

- Shopping centers, with 335 managed shopping centers 271 of which are owned, and assets valued at 16.2 billion euros (excluding transfer duties) as of 31 December 2011,
- Retail properties, Klépierre is involved in the retail real estate outsourcing market via Klémurs. As of 31 December 2011, the retail real estate holdings of Klemurs are valued at 629.5 million euros (excluding transfer duties), and
- Office properties, with assets valued at 547 million euros, representing 3.4% of Klépierre's current holdings.

Gross rents (in millions of euros):



**Key figures**

<b>Income Statement</b> (in thousands of euros)	<b>31/12/2011</b>	<b>31/12/2010</b>
Lease income	958,745	930,170
Net lease income	851,641	827,773
Operating income	555,447	489,440
Pre-tax earnings	219,662	194,131
<b>Net income of consolidated entity</b>	<b>197,777</b>	<b>182,441</b>
Of which Group share	-12,899	157,022

<b>Balance sheet</b> (in thousands of euros)	<b>31/12/2011</b>	<b>31/12/2010</b>
Non current assets	12,246,893	12,032,695
Current assets	760,480	741,033
<b>Total assets</b>	<b>13,007,373</b>	<b>12,773,728</b>
Shareholders' equity	3,423,221	3,665,472
Non-current liabilities	7,910,299	6,831,855
Current Liabilities	1,673,853	2,276,401
<b>Total liabilities</b>	<b>13,007,373</b>	<b>12,773,728</b>

	<b>31/12/2011</b>	<b>31/12/2010</b>
<b>Net cash and near cash</b> (in millions of euros)	188	180
<b>Net debt</b> (in millions of euros)	7,618	7,325
<b>Staff</b>	1,476	1,495

**II. The Programme**

Issuer: Klépierre

Arranger: BNP Paribas

Dealers: Banca IMI S.p.A., Banco Bilbao Vizcaya Argentaria, S.A., BNP Paribas, CM-CIC Securities, Deutsche Bank AG, London Branch, DnB NOR Bank ASA, Goldman Sachs International, HSBC Bank plc, ING Belgium SA/NV, Merrill Lynch International, Natixis and UBS Limited.

The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to "**Permanent Dealers**" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to "**Dealers**" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

<b>Description:</b>	Euro Medium Term Note Programme for the continuous offer of Notes (the " <b>Programme</b> ").
<b>Programme Limit:</b>	Up to € 5,000,000,000 (or its equivalent in other currencies at the date of issue of any Notes) aggregate nominal amount of Notes outstanding at any time.
<b>Fiscal Agent and Principal Paying Agent:</b>	BNP Paribas Securities Services.
<b>Calculation Agent:</b>	Unless the relevant Final Terms provide otherwise, BNP Paribas Securities Services.
<b>Method of Issue and Final Terms:</b>	Notes may be issued on a syndicated or non-syndicated basis.  The Notes will be issued in series (each a " <b>Series</b> ") having one or more issue dates and on terms otherwise identical (or identical save as to the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a " <b>Tranche</b> ") on the same or different issue dates.  The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the relevant Final Terms.
<b>Maturities:</b>	Subject to compliance with all relevant laws, regulations and directives, any maturity as agreed between the Issuer and the relevant Dealer(s). Notes may have no fixed maturity.
<b>Currencies:</b>	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, Sterling, U.S. dollars, Japanese yen, Swiss francs, Norwegian kroner, Renminbi or in any other currency agreed between the Issuer and the relevant Dealer(s).
<b>Denomination(s):</b>	Notes shall be issued in the Specified Denomination(s) set out in the relevant Final Terms, save that the Notes admitted to trading on a Regulated Market and/or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Directive shall have a minimum denomination of € 1,000 (or its equivalent in any other currency), or such higher amount as may be allowed or required from time to time by the relevant monetary authority or any laws or regulations applicable to the relevant Specified Currency. Unless otherwise permitted by the then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one (1) year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of £ 100,000 (or its equivalent in other currencies).  Dematerialised Notes shall be issued in one denomination only.
<b>Status of the Notes:</b>	The Notes will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and will rank <i>pari passu</i> and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.
<b>Form of Notes:</b>	Notes may be issued either in dematerialised form (" <b>Dematerialised Notes</b> ")



or in materialised form ("**Materialised Notes**").

Dematerialised Notes may, at the option of the Issuer, be issued in bearer form (*au porteur*) or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant holder, in either fully registered form (*au nominatif pur*) or administered registered form (*au nominatif administré*). No physical documents of title will be issued in respect of Dematerialised Notes. See Condition 1 - see "Terms and Conditions of the Notes – Form, Denomination, Title and Redenomination".

Materialised Notes will be in bearer form only. A Temporary Global Certificate will initially be issued in respect of each Tranche of Materialised Notes. Materialised Notes may only be issued outside France.

**Negative Pledge:**

There will be a negative pledge as set out in Condition 4 - see "Terms and Conditions of the Notes – Negative Pledge".

**Restriction on Secured Borrowing:**

There will be a restriction on certain secured borrowings as set out in Condition 5 "Terms and Conditions of the Notes – Restriction on Secured Borrowings".

**Events of Default  
(including cross-default):**

There will be events of default including a cross-default as set out in Condition 10 "Terms and Conditions of the Notes – Events of Default".

**Redemption Amount:**

Subject to any laws and regulations applicable from time to time, the relevant Final Terms will specify the basis for calculating the redemption amounts payable. Unless otherwise permitted by the then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one (1) year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £ 100,000 (or its equivalent in other currencies).

**Optional Redemption:**

The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders and, if so, the terms applicable to such redemption. In addition, each Noteholder will have the option to require the Issuer to redeem or, at the Issuer's option, repurchase its Notes at their principal amount together with accrued interest if a Restructuring Event occurs with either a Rating Downgrade or a Negative Rating Event. See Condition 7 "Terms and Conditions of the Notes – Redemption, Purchase and Options".

**Redemption by Instalments:**

The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

**Early Redemption:**

Except as provided in "Optional Redemption" above, Notes will be redeemable at the option of the Issuer prior to their stated maturity only for tax reasons. See Condition 7 "Terms and Conditions of the Notes – Redemption, Purchase and Options".

**Taxation:**

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such

withholding or deduction is required by law. For the description of the French withholding tax rules, see Condition 9 "Terms and Conditions of the Notes - Taxation" and "Taxation" section.

<b>Interest Periods and Interest Rates:</b>	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.
<b>Redenomination:</b>	Notes issued in the currency of any Member State of the EU which participates in the third stage (or any further stage) of European Monetary Union may be redenominated into Euro, all as more fully provided in Condition 1(d) - see "Terms and Conditions of the Notes – Redenomination".
<b>Governing Law:</b>	French law.
<b>Clearing Systems:</b>	Euroclear France as central depository in relation to Dematerialised Notes and, in relation to Materialised Notes, Clearstream, Luxembourg and Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer(s).
<b>Issue Price:</b>	Notes may be issued at par or below par or with a discount or premium. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.  The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
<b>Listing and Admission to Trading:</b>	Application will be made in certain circumstances for Notes to be issued under the Programme to be listed and admitted to trading on Euronext Paris. The Notes may also be listed or admitted to trading, as the case may be, on any other Regulated Market in accordance with the Prospectus Directive or on any other stock exchange or market, or a Series of Notes may be unlisted, or Notes which are neither listed nor admitted to trading may also be issued, in any case as specified in the relevant Final Terms.
<b>Rating:</b>	The Issuer's long-term debt has been rated "BBB+, stable outlook", and its short-term debt "A-2, stable outlook" by Standard and Poor's which is established in the European Union and registered under Regulation (EC) No 1060/2009, as amended (the " <b>CRA Regulation</b> "). Notes issued under the Programme may, or may not, be rated. The relevant Final Terms will specify (i) the rating of Notes, if any, and (ii) whether or not such credit ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency.
<b>Offer to the public:</b>	The Notes may be offered to the public in France and in any Member State of the EEA in which the Base Prospectus is passed.
<b>Selling Restrictions:</b>	There are restrictions on the offer and sale of Notes and the distribution of offering material in various jurisdictions, in particular in the United States of America, Japan, Hong Kong, the People's Republic of China, Singapore and certain of the Member States of the EEA (including France, the United Kingdom and Italy). See "Subscription and Sale". In connection with the offering and sale of a particular Tranche, additional selling restrictions may

be imposed in the relevant Final Terms.

The Issuer is Category 2 for the purposes of Regulation S.

**Method of publication of the Base Prospectus, any Supplement and Final Terms:**

This Base Prospectus and any supplement to this Base Prospectus will be published on the websites of (a) the AMF ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([www.klepierre.com](http://www.klepierre.com)). The Final Terms related to Notes traded on any Regulated Market in accordance with the Prospectus Directive will be published, so long as such Notes are admitted to trading on any Regulated Market, on the websites of (a) the AMF ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([www.klepierre.com](http://www.klepierre.com)).

For so long as Notes may be issued pursuant to this Base Prospectus, copies of such documents will also, when published, be available free of charge during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Issuer and at the specified office of the Paying Agent(s).

**III. Risk Factors**

**Risks factors relating to the Issuer and its activity**

Risks factors linked to the Issuer and its activity are described on pages 119 to 125 of the French language *Document de référence* of the Issuer for the financial year 2011 which was filed with the AMF on 28 March 2012 under the registration number no. D.12-0230 and which is incorporated by reference herein, and include the following:

- risks related to the Issuer's activity and strategy (including risks related to the wider economic environment, real estate markets, the departure or closure of leading retailers, the development of new real estate assets, lease renewal and the letting of real estate assets, the marketing of sites, the competitive environment, the estimation of the asset value, the international dimension of the Issuer, shareholders' agreements and acquisitions);
- risks related to the Issuer's financing policy and financial activities (including liquidity risks, interest rate risks, currency risks and counterparty risks);
- legal, tax and regulatory risks (including risks related to compliance with applicable laws and regulation, in particular relating to leases and tax risk related to the Issuer's SIIC status);
- risks related to subsidiaries of the Issuer (including risks related to the shareholding structure of Steen & Strøm and risks related to Klémurs); and
- environmental risks.

**Risk factors relating to the Notes**

There are certain additional risk factors which are material for the purpose of assessing the risks related to the Notes issued under the Programme including the following:

- investment risks, the Notes may not be a suitable investment for all investors;
- risks related to the structure of a particular issue of Notes including (i) Notes subject to optional redemption by the Issuer, (ii) Fixed Rate Notes, (iii) Floating Rate Notes, (iv) Index Linked Notes and Dual Currency Notes, (v) Partly-Paid Notes, (vi) Variable Rate Notes with a multiplier or other leverage factor, (vii) Inverse Floating Rate Notes, (viii) Fixed to Floating Rate Notes, (ix) Notes issued at a substantial discount or premium, (x) Zero Coupon Notes and (xi) Structured Notes;

- risks related to the Notes generally including (i) modification of the Conditions, (ii) the fact that Notes may be redeemed prior to maturity, (iii) changes of law, (iv) taxation, (v) EU Saving Directive, (vi) French insolvency law and (vii) particular risks relating to Notes denominated in Renminbi;
- risks related to the market generally including (i) market value of the Notes, (ii) no active secondary market for the Notes, (iii) exchange rate risk and exchange controls, (iv) credit ratings, (v) legal investment considerations and (vi) interests of the Dealers.

See "Risk Factors" below for further details.

## GENERAL DESCRIPTION OF THE PROGRAMME

*The Notes will be issued on such terms as shall be agreed between the Issuer and the relevant Dealer(s) and, unless specified to the contrary in the relevant Final Terms, will be subject to the Terms and Conditions of the Notes as set out on pages 40 to 71 of this Base Prospectus. This chapter is subject to the other information provided in this Base Prospectus and is to be read as such.*

*Words and expressions defined in "Terms and Conditions of the Notes" below shall have the same meanings in this general description.*

<b>Issuer:</b>	Klépierre.
<b>Arranger:</b>	BNP Paribas.
<b>Dealers:</b>	Banca IMI S.p.A., Banco Bilbao Vizcaya Argentaria, S.A., BNP Paribas, CM-CIC Securities, Deutsche Bank AG, London Branch, DnB NOR Bank ASA, Goldman Sachs International, HSBC Bank plc, ING Belgium SA/NV, Merrill Lynch International, Natixis and UBS Limited.

The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to "**Permanent Dealers**" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to "**Dealers**" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

<b>Description:</b>	Euro Medium Term Note Programme for the continuous offer of Notes (the "Programme").
<b>Programme Limit:</b>	Up to € 5,000,000,000 (or its equivalent in other currencies at the date of issue of any Notes) aggregate nominal amount of Notes outstanding at any time.
<b>Fiscal Agent and Principal Paying Agent:</b>	BNP Paribas Securities Services.
<b>Calculation Agent:</b>	Unless the relevant Final Terms provide otherwise, BNP Paribas Securities Services.
<b>Risk Factors:</b>	<b>Risks factors relating to the Issuer and its activity</b>

Risks factors linked to the Issuer and its activity are described on pages 119 to 125 of the French language *Document de référence* of the Issuer for the financial year 2011 which was filed with the AMF on 28 March 2012 under the registration number no. D.12-0230 and which is incorporated by reference herein, and include the following:

- risks related to the Issuer's activity and strategy (including risks related to the wider economic environment, real estate markets, the departure or closure of leading retailers, the development of new real estate assets, lease renewal and the letting of real estate assets, the marketing of sites, the competitive environment, the estimation of the asset value, the international dimension of the Issuer, shareholders' agreements and acquisitions);
- risks related to the Issuer's financing policy and financial activities (including liquidity risks, interest rate risks, currency risks and counterparty risks);

- legal, tax and regulatory risks (including risks related to compliance with applicable laws and regulation, in particular relating to leases and tax risk related to the Issuer's SIIC status);
- risks related to subsidiaries of the Issuer (including risks related to the shareholding structure of Steen & Strøm and risks related to Klémurs); and
- environmental risks.

### **Risk factors relating to the Notes**

There are certain additional risk factors which are material for the purpose of assessing the risks related to the Notes issued under the Programme including the following:

- investment risks, the Notes may not be a suitable investment for all investors;
- risks related to the structure of a particular issue of Notes including (i) Notes subject to optional redemption by the Issuer, (ii) Fixed Rate Notes, (iii) Floating Rate Notes, (iv) Index Linked Notes and Dual Currency Notes, (v) Partly-Paid Notes, (vi) Variable Rate Notes with a multiplier or other leverage factor, (vii) Inverse Floating Rate Notes, (viii) Fixed to Floating Rate Notes, (ix) Notes issued at a substantial discount or premium, (x) Zero Coupon Notes and (xi) Structured Notes;
- risks related to the Notes generally including (i) modification of the Conditions, (ii) the fact that Notes may be redeemed prior to maturity, (iii) changes of law, (iv) taxation, (v) EU Saving Directive, (vi) French insolvency law, (vii) particular risks relating to Notes denominated in Renminbi; and
- risks related to the market generally including (i) market value of the Notes, (ii) no active secondary market for the Notes, (iii) exchange rate risk and exchange controls, (iv) credit ratings, (v) legal investment considerations and (vi) interests of the Dealers.

See "Risk Factors" below for further details.

### **Method of Issue:**

Notes may be issued on a syndicated or non-syndicated basis.

The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical save as to the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates.

The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the relevant Final Terms.

### **Maturities:**

Subject to compliance with all relevant laws, regulations and directives, any maturity as agreed between the Issuer and the relevant Dealer(s). Notes may have no fixed maturity.

### **Currencies:**

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, Sterling, U.S. dollars, Japanese yen, Swiss francs, Norwegian kroner, Renminbi or in any other currency agreed between the Issuer and the relevant Dealer(s).

### **Denomination(s):**

Notes shall be issued in the Specified Denomination(s) set out in the relevant Final Terms, save that the Notes admitted to trading on a Regulated Market and/or offered to the public in a Member State of the EEA in circumstances

which require the publication of a prospectus under the Prospectus Directive shall have a minimum denomination of € 1,000 (or its equivalent in any other currency), or such higher amount as may be allowed or required from time to time by the relevant monetary authority or any laws or regulations applicable to the relevant Specified Currency. Unless otherwise permitted by the then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one (1) year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of £ 100,000 (or its equivalent in other currencies).

Dematerialised Notes shall be issued in one denomination only.

**Status of the Notes:** The Notes will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

**Form of Notes:** Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**").

Dematerialised Notes may, at the option of the Issuer, be issued in bearer form (*au porteur*) or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant holder, in either fully registered form (*au nominatif pur*) or administered registered form (*au nominatif administré*). No physical documents of title will be issued in respect of Dematerialised Notes. See Condition 1 - see "Terms and Conditions of the Notes – Form, Denomination, Title and Redenomination".

Materialised Notes will be in bearer form only. A Temporary Global Certificate will initially be issued in respect of each Tranche of Materialised Notes. Materialised Notes may only be issued outside France.

**Negative Pledge:** There will be a negative pledge as set out in Condition 4 - see "Terms and Conditions of the Notes – Negative Pledge".

**Restriction on Secured Borrowing:** There will be a restriction on certain secured borrowings as set out in Condition 5 "Terms and Conditions of the Notes – Restriction on Secured Borrowings".

**Events of Default (including cross-default):** There will be events of default including a cross-default as set out in Condition 10 "Terms and Conditions of the Notes – Events of Default".

**Redemption Amount:** Subject to any laws and regulations applicable from time to time, the relevant Final Terms will specify the basis for calculating the redemption amounts payable. Unless otherwise permitted by the then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one (1) year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £ 100,000 (or its equivalent in other currencies).

**Optional Redemption:** The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders and, if so, the terms applicable to such redemption. In addition, each Noteholder will have the

option to require the Issuer to redeem or, at the Issuer's option, repurchase its Notes at their principal amount together with accrued interest if a Restructuring Event occurs with either a Rating Downgrade or a Negative Rating Event. See Condition 7 "Terms and Conditions of the Notes – Redemption, Purchase and Options".

**Redemption by Instalments:**

The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

**Early Redemption:**

Except as provided in "Optional Redemption" above, Notes will be redeemable at the option of the Issuer prior to their stated maturity only for tax reasons. See Condition 7 "Terms and Conditions of the Notes – Redemption, Purchase and Options".

**Taxation:**

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. For the description of the French withholding tax rules, see Condition 9 "Terms and Conditions of the Notes - Taxation" and "Taxation" section.

**Interest Periods and Interest Rates:**

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

**Fixed Rate Notes:**

Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

**Floating Rate Notes:**

Floating Rate Notes will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by the 2007 FBF Master Agreement relating to transactions on forward financial instruments, as published by the Fédération Bancaire Française, or
- (ii) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., or
- (iii) by reference to EURIBOR, EONIA, LIBOR, CMS or TEC (or such other benchmark as may be specified in the relevant Final Terms), or
- (iv) by using any other method of determination as may be specified in the applicable Final Terms,

in each case plus or minus any applicable margin, if any, and calculated and payable as indicated in the applicable Final Terms. Floating Rate Notes may also have a maximum rate of interest, a minimum rate of interest or both.

Interest Periods will be specified in the relevant Final Terms.



<b>Zero Coupon Notes:</b>	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
<b>Dual Currency Notes:</b>	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the relevant Final Terms.
<b>Index Linked Notes:</b>	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the relevant Final Terms.
<b>Other Notes:</b>	Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, Partly Paid Notes and any other type of Notes that the Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Final Terms.
<b>Redenomination:</b>	Notes issued in the currency of any Member State of the EU which participates in the third stage (or any further stage) of European Monetary Union may be redenominated into Euro, all as more fully provided in Condition 1(d) - see "Terms and Conditions of the Notes – Redenomination".
<b>Consolidation:</b>	Notes of one Series may be consolidated with Notes of another Series as more fully provided in Condition 15 - see "Terms and Conditions of the Notes – Further Issues and Consolidation".
<b>Governing Law:</b>	French law.
<b>Clearing Systems:</b>	Euroclear France as central depository in relation to Dematerialised Notes and, in relation to Materialised Notes, Clearstream, Luxembourg and Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer(s).
<b>Initial Delivery of Dematerialised Notes:</b>	No later than one (1) Paris business day before the issue date of each Tranche of Dematerialised Notes, the <i>Lettre comptable</i> relating to such Tranche shall be deposited with Euroclear France as central depository.
<b>Initial Delivery of Materialised Notes:</b>	On or before the issue date for each Tranche of Materialised Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream, Luxembourg or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer(s).
<b>Issue Price:</b>	Notes may be issued at par or below par or with a discount or premium. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.  The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
<b>Listing and Admission to Trading:</b>	Application will be made in certain circumstances for Notes to be issued under the Programme to be listed and admitted to trading on Euronext Paris. The Notes may also be listed or admitted to trading, as the case may be, on any other Regulated Market in accordance with the Prospectus Directive or on any other stock exchange or market, or a Series of Notes may be unlisted, or Notes which are neither listed nor admitted to trading may also be issued, in any case as specified in the relevant Final Terms.

- Rating:** The Issuer's long-term debt has been rated "BBB+, stable outlook", and its short-term debt "A-2, stable outlook" by Standard and Poor's which is established in the European Union and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"). Notes issued under the Programme may, or may not, be rated. The relevant Final Terms will specify (i) the rating of Notes, if any, and (ii) whether or not such credit ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency.
- Offer to the public:** The Notes may be offered to the public in France and in any Member State of the EEA in which the Base Prospectus is passeported.
- Selling Restrictions:** There are restrictions on the offer and sale of Notes and the distribution of offering material in various jurisdictions in particular in the United States of America, Japan, Hong Kong, the People's Republic of China, Singapore and certain Member States of the EEA (including France, the United Kingdom and Italy). See "Subscription and Sale". In connection with the offering and sale of a particular Tranche, additional selling restrictions may be imposed in the relevant Final Terms.
- The Issuer is Category 2 for the purposes of Regulation S.
- Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) and any successor regulation issued under the Hiring Incentives to Restore Employment Act of 2010 (the "**HIRE Act**") (the "**D Rules**") unless (i) the relevant Final Terms states that such Materialised Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) and any successor regulation issued under the HIRE Act (the "**C Rules**") or (ii) such Materialised Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.
- Dematerialised Notes do not require compliance with the TEFRA Rules.
- Method of publication of the Base Prospectus, any Supplement and Final Terms:** This Base Prospectus and any supplement to this Base Prospectus will be published on the websites of (a) the AMF ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([www.klepierre.com](http://www.klepierre.com)). The Final Terms related to Notes traded on any Regulated Market in accordance with the Prospectus Directive will be published, so long as such Notes are admitted to trading on any Regulated Market, on the websites of (a) the AMF ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([www.klepierre.com](http://www.klepierre.com)).
- For so long as Notes may be issued pursuant to this Base Prospectus, copies of such documents will also, when published, be available free of charge during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Issuer and at the specified office of the Paying Agent(s).

## RISK FACTORS

Terms used but not defined in this section will have the same meaning given to them in the "Terms and Conditions of the Notes".

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The risk factors may relate to the Issuer or any of its subsidiaries.

The Issuer believes that the factors (although not exhaustive) described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons than those identified in the statements below. The Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. The risks described below are not the only risks the Issuer faces. Additional risks and uncertainties not currently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations. Prospective investors should also read the detailed information set out elsewhere or incorporated by reference in this Base Prospectus and the Final Terms of the relevant Notes and reach their own views prior to making any investment decision. In particular, investors should make their own assessment as to the risks associated with the Issuer prior to investing in Notes issued under the Programme.

### 1. Risk factors relating to the Issuer and its activity

Risks factors linked to the Issuer and its activity are described on pages 119 to 125 of the French language *Document de référence* of the Issuer for the financial year 2011 which was filed with the AMF on 28 March 2012 under the registration number no. D.12-0230 and which is incorporated by reference herein, and include the following:

- risks related to the Issuer's activity and strategy (including risks related to the wider economic environment, real estate markets, the departure or closure of leading retailers, the development of new real estate assets, lease renewal and the letting of real estate assets, the marketing of sites, the competitive environment, the estimation of the asset value, the international dimension of the Issuer, shareholders' agreements and acquisitions);
- risks related to the Issuer's financing policy and financial activities (including liquidity risks, interest rate risks, currency risks and counterparty risks);
- legal, tax and regulatory risks (including risks related to compliance with applicable laws and regulation, in particular relating to leases and tax risk related to the Issuer's SIIC status);
- risks related to subsidiaries of the Issuer (including risks related to the shareholding structure of Steen & Strøm and risks related to Klémurs); and
- environmental risks.

### 2. Risk factors relating to the Notes

The following paragraphs describe the principal risk factors that the Issuer believes are material to the Notes to be listed and admitted to trading and/or offered to the public in order to assess the market risk associated with these Notes. They do not describe all the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisers about risks associated with investments in a particular Series of Notes and the suitability of investing in the Notes in light of their particular circumstances. These risk factors may be supplemented in the Final Terms for a particular issue of Notes.

## 2.1 The Notes may not be a suitable investment for all investors

Each prospective investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each prospective investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement to this Base Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact the relevant Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the prospective investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A prospective investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the prospective investor's overall investment portfolio.

## 2.2 Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for prospective investors. Set out below is a description of the most common of such features.

### *Notes subject to optional redemption by the Issuer*

An optional redemption feature where the Issuer is given the right to redeem the Notes early is likely to limit the market value of such Notes. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Prospective investors should consider reinvestment risk in light of other investments available at that time.

### *Fixed Rate Notes*

Investment in Notes which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the relevant Tranche of Notes.

### *Floating Rate Notes*

Investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g., every three (3) months or six (6) months) which itself will change in accordance with

general market conditions. Accordingly, the market value of Floating Rate Notes may be volatile if changes, particularly short term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate.

#### *Index Linked Notes and Dual Currency Notes*

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a "**Relevant Factor**"). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Prospective investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- (v) a Relevant Factor may be subject to significant fluctuations, over which the Issuer has no control, that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one (1) or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

None of the Issuer, the Dealers or any of their respective affiliates makes any representation as to an index. Any of such persons may have acquired, or during the term of the Notes may acquire, non-public information with respect to an index that is or may be material in the context of Index Linked Notes. The issue of Index Linked Notes will not create any obligation on the part of any such persons to disclose to the Noteholders or any other party such information (whether or not confidential).

The decision to purchase Index Linked Notes involves complex financial appreciations and risks as the index evolution cannot be foreseen with certainty. The yield of Index Linked Notes may be lower than the yield of non Index Linked Notes. The Issuer makes no representation as to the tax treatment of such Notes or as to the lawfulness of the purchase of such Notes in any jurisdiction.

#### *Partly-Paid Notes*

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing some or all of his investment.

#### *Variable rate Notes with a multiplier or other leverage factor*

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

#### *Inverse Floating Rate Notes*

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the

Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

#### *Fixed to Floating Rate Notes*

Fixed to Floating Rate Notes may bear interest at a rate that will automatically, or that the Issuer may elect to, convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The conversion (whether automatic or optional) will affect the secondary market and the market value of such Notes since it may lead to a lower overall cost of borrowing. If a fixed rate is converted to a floating rate, the spread on the Fixed to Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If a floating rate is converted to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

#### *Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

#### *Zero Coupon Notes*

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary Notes because the discounted issue prices are substantially below par. If market interest rates increase, Zero Coupon Notes can suffer higher price losses than other Notes having the same maturity and credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk.

#### *Structured Notes*

An investment in Notes, the premium and/or the interest on or principal of which is determined by reference to one or more values of currencies, commodities, interest rates or other indices or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security, including the risks that the resulting interest rate will be less than that payable on a conventional debt security at the same time and/or that an investor may lose the value of its entire investment or part of it, as the case may be. Neither the current nor the historical value of the relevant currencies, commodities, interest rates or other indices or formulae should be taken as an indication of future performance of such currencies, commodities, interest rates or other indices or formulae during the term of any Note.

### **2.3 Risks related to Notes generally**

Set out below is a brief description of certain risks relating to the Notes generally.

#### *Modification of the Conditions*

The Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a Masse, as defined in Condition 12, and a General Meeting can be held. The Terms and Conditions permit in certain cases defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant General Meeting and Noteholders who voted in a manner contrary to the majority. The General Meeting may deliberate on any proposal relating to the modification of the Terms and Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, as more fully described in Condition 12.

#### *The Notes may be redeemed prior to maturity*

Unless in the case of any particular Tranche of Notes the relevant Final Terms specify otherwise, in the event that the Issuer would be obliged to pay additional amounts in respect of any Notes due to any deduction or withholding in respect of any present or future taxes or duties whatsoever, as provided in Condition 7(f) of the Conditions of the Notes, the Issuer may and, in certain circumstances shall, redeem all of the Notes then

outstanding in accordance with such Condition. As a consequence, investors that choose to reinvest monies they receive through an early redemption may not be able to do so at the same yield than the redeemed Notes.

#### *Change of law*

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to French law or administrative practice after the date of this Base Prospectus.

#### *Taxation*

Prospective purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial notes such as the Notes. Prospective investors are advised not to rely upon the tax summary contained in this Base Prospectus and/or in the Final Terms but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the prospective investor. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus and the additional tax sections, if any, contained in the relevant Final Terms.

#### *EU Savings Directive*

The EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the "**Directive**") requires each Member State as from 1 July 2005 to provide to the tax authorities of another Member State details of payments of interest and other similar income within the meaning of the Directive made by a paying agent within its jurisdiction to (or under circumstances to the benefit of) a beneficial owner (within the meaning of the Directive) resident in that other Member State, except that Luxembourg and Austria will instead impose a withholding system for a transitional period unless the beneficiary of interest payment elects for the exchange of information. The rate of this withholding tax is currently 35%. (See "Taxation – EU Savings Directive").

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on a payment made by a Paying Agent, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Savings Directive.

On 13 November 2008 the European Commission published a detailed proposal for amendments to the Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are implemented in relation to the Directive they may amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

#### *French insolvency law*

Except as otherwise provided by the relevant Final Terms, the Noteholders, in respect of all Tranches in any Series, will be grouped automatically for the defence of their common interests in a Masse, as defined in Condition 12. However, under French insolvency law as amended by ordinance no. 2008-1345 dated 18 December 2008 which came into force on 15 February 2009 and related order no. 2009-160 dated 12 February 2009 and law no. 2010-1249 dated 22 October 2010 which came into force on 1 March 2011 and related order no. 2011-236 dated 3 March 2011, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") if a safeguard procedure (*procédure de sauvegarde*), accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under a debt issuance programme (such as a Euro Medium Term Note programme) and regardless of their governing law.

The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (charges) of holders of debt securities (including the Noteholders) by rescheduling payments which are due and/or partially or totally writing-off debts;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Notes) into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third (2/3) majority (calculated as a proportion of the amount of debt securities held by the holders which have cast a vote at such Assembly). No quorum is required to hold the Assembly.

For the avoidance of doubt, the provisions relating to the Representation of the Noteholders described in the Terms and Conditions of the Notes set out in this Base Prospectus will not be applicable with respect to the Assembly to the extent they conflict with compulsory insolvency law provisions that apply in these circumstances.

#### *Risks relating to Renminbi-denominated Notes*

Notes denominated in RMB ("**RMB Notes**") may be issued under the Programme. RMB Notes contain particular risks for potential investors, including the following:

- (i) Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC

Renminbi is not freely convertible at the present and despite a movement towards liberalisation of cross-border RMB remittances, notably in the current account activity, there is no assurance that the PRC government will continue so in the future or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC.

Holders of Notes denominated in Renminbi may be required to provide certifications and other information (including Renminbi account information) in order to allow such Holder to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

- (ii) There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and the Issuer's ability to source Renminbi outside the PRC to service such RMB Notes

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. However, pursuant to arrangements between the PRC Central Government and the Hong Kong government, all corporations are now allowed to open RMB accounts in Hong Kong. There is no longer any limit on the ability of corporations to convert RMB and there is no longer any restriction on the transfer of RMB funds between different accounts in Hong Kong.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange and of requirements by the Hong Kong Monetary Authority (such as maintaining no less than 25 per cent. of Renminbi deposits in cash or in the form of settlement account balance with the RMB Clearing Bank). There is no assurance that a change in PRC regulations will not have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of the RMB Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its RMB Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.



- (iii) RMB Notes issued under the Programme may only be held in Euroclear France, Euroclear and Clearstream, Luxembourg

Noteholders may only hold RMB Notes if they have an account with Euroclear France or maintained with an Account Holder which itself has an account with Euroclear France (which include Euroclear and Clearstream, Luxembourg).

- (iv) Investment in RMB Notes is subject to exchange rate risks

The value of Renminbi against the Euro, the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. All payments of interest and principal with respect to RMB Notes will be made in Renminbi. As a result, the value of these Renminbi payments in Euro or U.S. dollar terms may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the Euro, the U.S. dollar or other foreign currencies, the value of investment in Euro, U.S. dollar or other applicable foreign currency terms will decline.

- (v) Investment in RMB Notes is also subject to interest rate risks

The PRC government has gradually liberalised the regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. Notes denominated in RMB will generally carry a fixed interest rate. Consequently, the trading price of such Notes will vary with fluctuations in Renminbi interest rates. If a Noteholder tries to sell such Notes before their maturity, he may receive an offer that is less than his original investment.

- (vi) RMB currency risk

Except in limited circumstances, all payments of Renminbi under the RMB Notes will be made solely by transfer to a Renminbi bank account maintained in Hong Kong in accordance with the prevailing rules and regulations for such transfer and in accordance with the terms and conditions of the RMB Notes. The Issuer cannot be required to make payment by any other means (including by transfer to a bank account in the PRC or anywhere else outside Hong Kong). For persons holding RMB Notes through Euroclear France, Euroclear or Clearstream, Luxembourg, payments will also be made subject to the procedures of Euroclear France, Euroclear or Clearstream, Luxembourg, as applicable.

- (vii) Developments in other markets may adversely affect the market price of any RMB Notes

The market price of RMB Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for RMB denominated securities is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including the PRC. Since the sub-prime mortgage crisis in 2008, the international financial markets have experienced significant volatility. Should similar developments occur in the international financial markets in the future, the market price of RMB Notes could be adversely affected.

- (viii) The Issuer may make payments of interest and principal in U.S. dollars in certain circumstances

Although the primary obligation of the Issuer is to make all payments of interest and principal with respect to the RMB Notes in Renminbi, in the event access to Renminbi deliverable in Hong Kong becomes restricted by reason of Inconvertibility, Non-transferability or Illiquidity (each as defined the Terms and Conditions of the Notes), the terms of such RMB Notes allow the Issuer to make such payment in U.S. dollars at the prevailing spot rate of exchange, all as provided for in more detail in the Terms and Conditions of the Notes. As a result, the value of such payments in Renminbi may vary with the prevailing exchange rates in the marketplace. If the value of the Renminbi depreciates against the U.S. dollar the value of a Noteholder's investment in U.S. dollar will decline.

## 2.4 Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

### *Market value of the Notes*

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including the value of the reference assets or an index, including, but not limited to, the volatility of the reference assets or an index, or the dividend on the securities taken up in the index, market interest and yield rates and the time remaining to the maturity date.

The value of the Notes, the reference assets or the index depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes, the reference assets, the securities taken up in the index, or the index are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. The historical market prices of the reference assets or an index should not be taken as an indication of the reference assets' or an index's future performance during the term of any Note.

### *No active secondary market for the Notes*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of Notes.

### *Exchange rate risks and exchange controls*

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. Such risks generally depend on a number of factors, including financial, economic and political events over which the Issuer has no control. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

### *Credit ratings may not reflect all risks*

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

### *Legal investment considerations may restrict certain investments*

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of

borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. Neither the Issuer, the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

#### *Interests of the Dealers*

Certain of the Dealers and their affiliates (including their parent companies) have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates (including their parent companies) may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or any of its affiliates which could be deemed to be adverse to the interests of the Noteholders.

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus shall be read and construed in conjunction with the following documents which have been previously published and filed with the AMF and which are incorporated in, and shall be deemed to form part of, this Base Prospectus for the information as referred to in the cross-reference list below:

- (a) the French language *Document de référence* of the Issuer for the financial year 2010 (the "**2010 Registration Document**") which was filed with the AMF on 14 March 2011 under the registration number no. D.11-0122, except for the third sentence of the "*attestation de la personne responsable du document de référence faisant office de rapport financier annuel*", referring, *inter alia*, to the *lettre de fin de travaux* of the statutory auditors of the Issuer, on page 274 of the 2010 Registration Document; and
- (b) the French language *Document de référence* of the Issuer for the financial year 2011 (the "**2011 Registration Document**") which was filed with the AMF on 28 March 2012 under the registration number no. D.12-0230, except for the third sentence of the "*attestation de la personne responsable du document de référence faisant office de rapport financier annuel*", referring, *inter alia*, to the *lettre de fin de travaux* of the statutory auditors of the Issuer, on page 291 of the 2011 Registration Document;

free translations in the English language of which are available on the Issuer's website (www.klepierre.com).

All documents incorporated by reference in this Base Prospectus may be obtained, without charge on request, at the principal office of the Issuer and the Paying Agent set out at the end of this Base Prospectus during normal business hours so long as any of the Notes are outstanding. Such documents will also be published on the website of the AMF (www.amf-france.org) and on the website of the Issuer (www.klepierre.com).

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross-reference list below. Any information not listed in the cross reference list but included in the documents incorporated by reference is given for information purposes only.

### Cross-reference list

Information incorporated by reference	Page number	
	2010 Registration Document	2011 Registration Document
<i>(Annexes IV and IX of the European Regulation 809/2004/EC of 29 April 2004)</i>		
<b>2. Statutory Auditors</b>		
2.1 Names and Addresses	-	292
2.2 Change of situation of the Auditors	-	
<b>3. Selected financial information</b>		
3.1 Historical information	-	6-9
3.2 Intermediate information	-	-
<b>4. Risk factors</b>	-	119-125
<b>5. Information about the Issuer</b>		
5.1 History and development of the Issuer	-	248-249
5.1.1 Legal and commercial name	-	249
5.1.2 Place of registration and registration number	-	249
5.1.3 Date of incorporation and length of life	-	249
5.1.4 Domicile, legal form, legislation, country of incorporation, address and telephone number	-	249
5.1.5 Recent events	-	104, 167, 230, 248-249

5.2 Investments		
5.2.1 Description of principal investments during the fiscal year ended	-	90
5.2.2 Description of pending investments	-	41-42, 47, 49, 90-92, 167, 189-190, 258-260
5.2.3 Anticipated sources of funds needed to fulfil commitments referred to in 5.2.2.	-	90-92, 167, 189-190, 258-260
<b>6. Business overview</b>		
6.1 Principal activities		
6.1.1 Description of the Issuer's principal activities	-	1, 10-11, 40-61
6.1.2 New products or new developments	-	41-42, 47, 49, 90-92
6.2 Principal markets	-	1, 6, 21, 40-61
6.4 Competitive position	-	288
<b>7. Organisational structure</b>		
7.1 Brief description of the group	-	289
7.2 Dependence upon other entities within the group	-	181-186, 236-237
<b>8. Trend information</b>		
8.1 Statement of no material adverse change on the Issuer's prospects	-	10-11, 82-83
8.2 Events reasonably likely to have a material effect on the Issuer's prospects	-	87-88
<b>9. Profit forecasts or estimates</b>		
9.1 Principal assumptions	-	N/A
9.2 Statement by independent accountants or auditors	-	N/A
9.3 Comparable with historical financial information	-	N/A
<b>10. Administrative, management and supervisory bodies</b>		
10.1 Information concerning the administrative, management and supervisory bodies	-	12-15, 128-133
10.2 Conflicts of interests	-	138
<b>11. Board Practices</b>		
11.1 Information about the audit committee	-	14-15, 266
11.2 Statement as to whether or not the issuer complies with its country's of incorporation corporate governance regime	-	264
<b>12. Major shareholders</b>		
12.1 Ownership and control	-	255
12.2 Description of arrangements which may result in a change of control	-	254
<b>13. Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses</b>		
13.1 Historical financial information	132-194, 195-218, 279	160-223, 226-244, 296
<u>Audited consolidated accounts</u>		
- Balance sheet	134-135	162-163
- Income statement	133	160-161
- Accounting policies and explanatory notes	139-193	166-223
- Auditors' report	194	224
<u>Non-consolidated accounts</u>		
- Balance sheet	198-199	227-228
- Income statement	196-197	226
- Accounting policies and explanatory notes	201-217	229-244
- Auditors' report	218	245
13.2 Financial statements	133-137	160-165
13.3 Auditing of historical annual financial information		
13.3.1 Statement of audit of the historical annual financial	194, 218	224, 245

information		
13.3.2 Other audited information	-	-
13.3.3 Unaudited data	-	-
13.4 Age of last financial information	-	160-223, 226-244
13.5 Interim and other financial information		
13.5.1 Audited quarterly or half-yearly information	-	-
13.5.2 Unaudited quarterly or half-yearly information	-	-
13.6 Legal and arbitration proceedings	-	249
13.7 Significant change in the Issuer's financial or trading position	-	-
<b>14. Additional information</b>		
14.1. Share capital		
14.1.1. Subscribed share capital	-	251, 254
14.2 Memorandum and articles of association		
14.2.1. Corporate purpose	-	249
<b>15. Material contracts</b>	-	258-260
<b>16. Third party information and statement by experts and declarations of any interest</b>		
16.1 Statement by experts	-	-
16.2 Statements by third parties	-	-
<b>17. Documents on display</b>	-	290
<i>(Annexes V and XIII of the European Regulation 809/2004/EC of 29 April 2004)</i>		
7.5 Credit rating assigned to the Issuer	-	103

## SUPPLEMENT TO THE BASE PROSPECTUS

If at any time the Issuer shall be required to prepare a supplement to this Base Prospectus pursuant to the provisions of Article 212-25 of the AMF General Regulations (*Règlement général de l'AMF*) implementing Article 16 of the Prospectus Directive, following the occurrence of a new factor, a material mistake or inaccuracy or omission relating to the information included or incorporated by reference in this Base Prospectus (including the "Terms and Conditions of the Notes") which is capable of affecting the assessment of any Notes whose inclusion would reasonably be required by investors and their professional advisers, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus or a restated Base Prospectus, which, in respect of any subsequent issue of Notes to be admitted to trading on Euronext Paris or on a Regulated Market, shall constitute a supplement to the Base Prospectus for the purpose of the relevant provisions of the AMF General Regulations (*Règlement général de l'AMF*).

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed by the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms or (ii) these terms and conditions as so completed (in each case subject to simplification by the deletion of non-applicable provisions) shall be endorsed on Definitive Materialised Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. References below to "**Conditions**" are, unless the context requires otherwise, to the numbered paragraphs below. References in the Conditions to "**Notes**" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are issued by Klépierre (the "**Issuer**") in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical save as to the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the final terms of such Tranche (the "**Final Terms**").

The Notes are issued with the benefit of an agency agreement dated 27 April 2012 (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer, BNP Paribas Securities Services as fiscal agent, as principal paying agent, as calculation agent and as covenant and put agent and the other agents named therein. The fiscal agent, the paying agents, the calculation agent(s) and the covenant and put agent for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent), the "**Calculation Agent(s)**" and the "**Covenant and Put Agent**". The holders of the interest coupons (the "**Coupons**") relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the "**Talons**") for further Coupons and the holders of the receipts for the payment of instalments of principal (the "**Receipts**") relating to Materialised Notes of which the principal is redeemable in instalments are respectively referred to below as the "**Couponholders**" and the "**Receiptholders**".

For the purposes of these Terms and Conditions, "**Regulated Market**" means any regulated market situated in a Member State of the European Economic Area ("**EEA**"), as defined in the Directive 2004/39/EC on financial instruments markets.

### 1. Form, Denomination, Title and Redenomination

#### (a) Form

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**"), as specified in the relevant Final Terms.

- (i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 *et seq.* of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer, either in bearer form (*au porteur*), which will be inscribed in the books of Euroclear France (acting as central depository) which shall credit the accounts of the Account Holders, or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant holder, either in administered registered form (*au nominatif administré*) inscribed in the books of an Account Holder designated by the relevant holder of Notes or in fully registered form (*au nominatif pur*) inscribed in an account maintained by the Issuer or a registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the "**Registration Agent**").



For the purpose of these Conditions, "**Account Holder**" means any authorised intermediary institution entitled to hold accounts, directly or indirectly, with Euroclear France, and includes Euroclear Bank S.A./N.V. ("**Euroclear**") and the depositary bank for Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**").

- (ii) Materialised Notes are issued in bearer form only. Materialised Notes in definitive form ("**Definitive Materialised Notes**") are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. "**Instalment Notes**" are issued with one or more Receipts attached.

*In accordance with Articles L.211-3 et seq. of the French Code monétaire et financier, securities (such as Notes constituting obligations under French law) in materialised form and governed by French law must be issued outside the French territory.*

The Notes may be "**Fixed Rate Notes**", "**Floating Rate Notes**", "**Zero Coupon Notes**", "**Index Linked Notes**" (including both "**Index Linked Interest Notes**", in respect of which amounts of interest shall be calculated by reference to an index and/or formula, and "**Index Linked Redemption Notes**" in respect of which amounts of principal due under the Notes shall be calculated by reference to an index and/or formula), "**Dual Currency Notes**", "**Partly Paid Notes**" or a combination of any of the foregoing, depending on the Interest Basis and the redemption method specified in the relevant Final Terms.

**(b) Denomination**

Notes shall be issued in the specified denomination(s) as set out in the relevant Final Terms (the "**Specified Denomination(s)**"), save that the minimum denomination of each Note admitted to trading on a Regulated Market and/or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Directive will be € 1,000 (or its equivalent in any other currency at the issue date), or such higher amount as may be allowed or required from time to time by the relevant monetary authority or any laws or regulations applicable to the relevant Specified Currency.

Unless permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one (1) year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £ 100,000 (or its equivalent in other currencies).

Dematerialised Notes shall be issued in one Specified Denomination only.

**(c) Title**

- (i) Title to Dematerialised Notes in bearer form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts maintained by the Issuer or by the Registration Agent.
- (ii) Title to Definitive Materialised Notes, including, where appropriate, Receipt(s), Coupons and/or a Talon attached, shall pass by delivery.
- (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note (as defined below), Coupon, Receipt or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

(iv) In these Conditions,

"**Noteholder**", "**holder of Notes**" or, as the case may be, "**holder of any Note**" means (a) in the case of Dematerialised Notes, the individual or entity whose name appears in the account of the relevant Account Holder, the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (b) in the case of Definitive Materialised Notes, the bearer of any Definitive Materialised Note and the Coupons, Receipts or Talons relating to it.

**(d) Redenomination**

- (i) The Issuer may (if so specified in the relevant Final Terms), on any date, without the consent of the holder of any Note, Coupon, Receipt or Talon, by giving at least thirty (30) days' notice in accordance with Condition 16 and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community as amended from time to time) or events have occurred which have substantially the same effects, redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly, as more fully described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the "**Redenomination Date**".
- (ii) Unless otherwise specified in the relevant Final Terms, the redenomination of the Notes pursuant to Condition 1(d)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to applicable regulations of the Treaty and rounding the resultant figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to Noteholders in accordance with Condition 16. Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euro on the Redenomination Date in the manner notified to Noteholders by the Issuer.
- (iii) Upon redenomination of the Notes, any reference in the relevant Final Terms to the relevant national currency shall be construed as a reference to Euro.
- (iv) Unless otherwise specified in the relevant Final Terms, the Issuer may, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 15, without the consent of the holder of any Note, Receipt, Coupon or Talon, make any changes or additions to these Conditions or Condition 15 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the holders of Notes, Receipts, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 16 as soon as practicable thereafter.
- (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Receipt, Coupon or Talon or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

**2. Conversions and Exchanges of Notes**

**(a) Dematerialised Notes**

- (i) Dematerialised Notes issued in bearer form (*au porteur*) may not be converted for Dematerialised Notes in registered form, whether in fully registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*).

- (ii) Dematerialised Notes issued in registered form (*au nominatif*) may not be converted for Dematerialised Notes in bearer form (*au porteur*).
- (iii) Dematerialised Notes issued in fully registered form (*au nominatif pur*) may, at the option of the holder of such Notes, be converted into Notes in administered registered form (*au nominatif administré*), and *vice versa*. The exercise of any such option by such holder shall be made in accordance with Article R.211-4 of the French *Code monétaire et financier*. Any such conversion shall be effected at the cost of such holder.

**(b) Materialised Notes**

Materialised Notes of one Specified Denomination may not be exchanged for Materialised Notes of another Specified Denomination.

**3. Status**

The Notes and, if applicable, any Receipts and Coupons relating to them constitute direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and rank and will rank *pari passu* without any preference among themselves and (subject to such exceptions as may from time to time be mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

**4. Negative Pledge**

So long as any of the Notes or, if applicable, any Receipts or Coupons relating to them, remain outstanding (as defined below), the Issuer will not create or permit to subsist any mortgage, lien, charge, pledge or other form of security interest (*sûreté réelle*) upon any of its assets or revenues, present or future, to secure any Relevant Debt (as defined below) incurred by it or any guarantee or indemnity assumed or granted by it in respect of any Relevant Debt unless, at the same time or prior thereto, the Issuer's obligations under the Notes, Receipts and Coupons are equally and rateably secured therewith.

For the purposes of this Condition:

"**outstanding**" means, in relation to the Notes of any Series, all the Notes issued other than (a) those which have been redeemed in accordance with these Conditions, (b) those in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption monies (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid as provided in Condition 8, (c) those which have become void or in respect of which claims have become prescribed under Condition 11, (d) those which have been purchased and cancelled as provided in the Conditions, (e) in the case of Definitive Materialised Notes (i) those mutilated or defaced Definitive Materialised Notes that have been surrendered in exchange for replacement Definitive Materialised Notes, (ii) (for the purpose only of determining how many such Definitive Materialised Notes are outstanding and without prejudice to their status for any other purpose) those Definitive Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Definitive Materialised Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Materialised Notes, pursuant to its provisions; and

"**Relevant Debt**" means any present or future indebtedness for borrowed money, which is originally and solely in the form of, or represented by, bonds (*obligations*), notes or other securities (including *titres de créances négociables*) which are for the time being, or are likely to be quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter market or other securities market.

**5. Restriction on Secured Borrowings**

So long as any of the Notes remains outstanding, the Issuer will at all times procure that, except with the prior sanction of the General Meeting (as defined in Condition 12) of the Noteholders, the aggregate

principal amount (together with any fixed or minimum premium payable on final repayment) for the time being outstanding in respect of Secured Borrowings shall not at any time exceed an amount equal to 0.5 times the Adjusted Amount (as defined below), provided that:

- (x) the limit of 0.5 times the Adjusted Amount may be exceeded if the Issuer provides a guarantee or other security acceptable to the Covenant and Put Agent, after consultation with the Representative (as defined in Condition 12), and
- (y) the Issuer may make amendments to the Base Accounting Principles and/or the method of determination of Revalued Net Assets except that where such change is material, the Issuer must inform the Covenant and Put Agent in writing. The Covenant and Put Agent shall thereafter consult with the Representative who may, at its discretion, convene a General Meeting of Noteholders. If a General Meeting is convened, the Issuer shall in agreement with the Covenant and Put Agent and the Representative propose to such General Meeting the amendments to these Terms and Conditions necessary to ensure that the obligations imposed upon the Issuer and the Noteholders' interests under these Terms and Conditions are not materially affected by such changes and the Terms and Conditions shall be deemed to be so amended immediately following the decision of the General Meeting.

The Issuer undertakes to the Noteholders that for so long as any of the Notes remains outstanding the Issuer shall continue (A) to publish its Revalued Net Assets at least semi-annually, on 31 December and 30 June of each year and (B) to have its statutory auditors (*commissaires aux comptes*) (i) examine the proportion of each applicable asset which is taken into account for the determination of the amount of Revalued Net Assets based on the summary appraisal charts (*tableaux de synthèse*) of the Expert(s) and (ii) verify the mathematical accuracy of the calculation of Revalued Net Assets.

For the purposes of this Condition:

**"Adjusted Amount"** means the amount equal to the Revalued Net Assets less:

- (i) an amount equal to the share capital and reserves of any Excluded Subsidiary to the extent attributable to any other member of the Group (other than any other Excluded Subsidiary) and
- (ii) an amount equal to the Financial Indebtedness owed by an Excluded Subsidiary to any other member of the Group (other than any other Excluded Subsidiary);

**"Base Accounting Principles"** means, for any Series of Notes, the accounting principles applied in the preparation of the consolidated audited accounts of the Issuer in respect of the fiscal year ended immediately preceding the date of first issuance of Notes of the said Series;

**"Excluded Subsidiary"** means any Subsidiary:

- (a) in respect of which neither the Issuer nor any Subsidiary (other than another Excluded Subsidiary) has guaranteed, granted an indemnity in respect of, or otherwise undertaken any legally-binding obligation to give financial support for, the Financial Indebtedness of such Subsidiary, save for Financial Indebtedness owed by such Subsidiary to (and beneficially owned by) another member of the Group (other than an Excluded Subsidiary); and
- (b) which the Issuer has elected to designate as such by written notice to the Covenant and Put Agent,

provided that the Issuer may give written notice to the Covenant and Put Agent at any time that any Excluded Subsidiary is no longer an Excluded Subsidiary whereupon it shall cease to be an Excluded Subsidiary;

**"Expert"** means one or more of the following real estate experts: Retail Consulting Group (for the shopping centres), Foncier Expertise, CB Richard Ellis, Jones Lang Lasalle, FDP Savills, Cushman & Wakefield, DTZ, BNP Paribas Real Estate, Icade, Colliers, Kingsturge or any other leading expert designated by the Issuer;

"**Financial Indebtedness**" shall be construed as a reference to any Indebtedness for or in respect of:

- (a) the outstanding principal amount of all monies borrowed (with or without security) by any member of the Group;
- (b) the outstanding principal amount of any bond (*obligation*), note or other similar security (including *titres de créances négociables*) of any member of the Group;
- (c) amounts raised by acceptances or under any acceptance credit opened by a bank or other financial institution in favour of any member of the Group;
- (d) leases or hire purchase contracts entered into by any member of the Group which would, in accordance with the Base Accounting Principles, be treated as finance or capital leases;
- (e) amounts raised under any other transaction which are treated, in accordance with the Base Accounting Principles in the latest consolidated balance sheet, as borrowings (or, in the case of such amounts raised after the date thereof, would have been so treated had they been raised on or prior to such date) or which otherwise have in all material respects the same commercial effect as borrowings of any member of the Group (but excluding the acquisition cost of any goods or services acquired by any member of the Group in the ordinary course of business where payment is due not more than one hundred and eighty (180) days after the time of acquisition, possession or performance); and
- (f) the amount of any Indebtedness of any person other than a member of the Group of a type referred to in sub-paragraphs (a) to (e) above, which is the subject of a guarantee, an indemnity or any security granted by any member of the Group.

provided that:

- (i) for the purposes of computing the outstanding principal amount of any Financial Indebtedness in paragraphs (a) to (f) above, any interest, dividends, commissions, fees or the like shall be excluded save to the extent that they have been capitalised; and
- (ii) no amount shall be included or excluded more than once;

"**Group**" means the Issuer and the Subsidiaries and "**member of the Group**" shall be construed accordingly;

"**Indebtedness**" shall be construed so as to include any obligation (whether incurred as principal or as security) for the payment or repayment of money, whether present or future, actual or contingent;

"**Revalued Net Assets**" means, at any date and for any Series of Notes, the latest revalued net assets (*actif net réévalué*) published by the Issuer on a consolidated basis calculated by the Issuer on the basis of valuations carried out by one or more Experts and using the valuation methods used by the Issuer in the calculation of Revalued Net Assets including transfer duties and after taxation on unrealized capital gains at the end of the fiscal year immediately preceding the date of first issuance of Notes of the said Series;

"**Secured Borrowings**" means Financial Indebtedness which is secured by any mortgage, lien, charge, pledge or other form of security interest (*sûreté réelle*) upon any of the assets of a member of the Group, provided that Secured Borrowings shall not include Financial Indebtedness of any Excluded Subsidiary; and

"**Subsidiary**" means a subsidiary, as defined in Article L.233-1 of the French *Code de commerce*, of the Issuer or an entity controlled (within the meaning of Article L.233-3 of the French *Code de commerce*) by the Issuer.

## 6. Interest and Other Calculations

### (a) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Business Day**" means:

- (i) in relation to any sum payable in Euro, a day on which the Trans European Automated Real Time Gross Settlement Express Transfer system or any successor thereto (TARGET 2) (the "**TARGET 2 System**") is operating (a "**TARGET 2 Business Day**"), and/or
- (ii) in relation to any sum payable in Renminbi, a day on which commercial banks and foreign exchange markets settle payments in Renminbi in Hong Kong and in the relevant Business Centre(s) (if any), and/or
- (iii) in relation to any sum payable in a Specified Currency other than Euro and Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency, and/or
- (iv) in the case of a Specified Currency and/or one or more additional business centre(s) specified in the relevant Final Terms (the "**Business Centre(s)**"), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres so specified.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the "**Calculation Period**"):

- (i) if "**Actual/365**", "**Actual/365-FBF**" or "**Actual/Actual-ISDA**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by three hundred and sixty-five (365) (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by three hundred and sixty-six (366) and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by three hundred and sixty-five (365));
- (ii) if "**Actual/Actual-ICMA**" is specified in the relevant Final Terms:
  - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
  - (B) if the Calculation Period is longer than one (1) Determination Period, the sum of:
    - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (i) the number of days in such Determination Period and (ii) the number of Determination Periods normally ending in any year; and
    - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (i) the number of days in such Determination Period and (ii) the number of Determination Periods normally ending in any year,

in each case where

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date, and

**"Determination Date"** means the date specified in the relevant Final Terms or, if none is so specified, the Interest Payment Date;

- (iii) if **"Actual/Actual-FBF"** is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is three hundred and sixty-five (365) (or three hundred and sixty-six (366) if 29 February falls within the Calculation Period). If the Calculation Period is of a duration of more than one (1) year, the basis shall be calculated as follows:
  - (x) the number of complete years shall be counted back from the last day of the Calculation Period;
  - (y) this number shall be increased by the fraction for the relevant period calculated as set out in the first paragraph of this definition;
- (iv) if **"Actual/365 (Fixed)"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by three hundred and sixty-five (365);
- (v) if **"Actual/360"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by three hundred and sixty (360);
- (vi) if **"30/360"**, **"360/360"** or **"Bond Basis"** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by three hundred and sixty (360), calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first (1<sup>st</sup>) day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first (1<sup>st</sup>) day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be thirty-one (31), in which case D<sub>1</sub> will be thirty (30); and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be thirty-one (31) and D<sub>1</sub> is greater than twenty-nine (29), in which case D<sub>2</sub> will be thirty (30);

- (vii) if **"30/360-FBF"** or **"Actual 30A/360 (American Bond Basis)"** is specified in the relevant Final Terms, in respect of each Calculation Period, the fraction whose denominator is three hundred and sixty (360) and whose numerator is the number of days calculated as for 30E/360-FBF, subject to the following exception:

where the last day of the Calculation Period is the thirty-first (31<sup>st</sup>) and the first (1<sup>st</sup>) day is neither the thirtieth (30<sup>th</sup>) nor the thirty-first (31<sup>st</sup>), the last month of the Calculation Period shall be deemed to be a month of thirty-one (31) days,

using the same abbreviations as for 30E/360-FBF, the fraction is:

If dd2 = 31 and dd1 ≠ (30,31)

then:

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + (dd2 - dd1)]$$

or

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min}(dd2, 30) - \text{Min}(dd1, 30)];$$

- (viii) if "**30E/360**" or "**Eurobond Basis**" is specified in the relevant Final Terms, the number of days in the Calculation Period divided by three hundred and sixty (360), calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first (1<sup>st</sup>) day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first (1<sup>st</sup>) day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be thirty-one (31), in which case D1 will be thirty (30); and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be thirty-one (31), in which case D2 will be thirty (30);

- (ix) if "**30E/360-FBF**" is specified in the relevant Final Terms, in respect of each Calculation Period, the fraction whose denominator is three hundred and sixty (360) and whose numerator is the number of days elapsed during such period, calculated on the basis of a year comprising twelve (12) months of thirty (30) days, subject to the following the exception:

if the last day of the Calculation Period is the last day of the month of February, the number of days elapsed during such month shall be the actual number of days,

where:

D1 (dd1, mm1, yy1) is the date of the beginning of the period

D2 (dd2, mm2, yy2) is the date of the end of the period

the fraction is:

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min}(dd2, 30) - \text{Min}(dd1, 30)].$$



- (x) if "**30E/360 (ISDA)**" is specified in the relevant Final Terms, the number of days in the Calculation Period divided by three hundred and sixty (360), calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first (1<sup>st</sup>) day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first (1<sup>st</sup>) day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be thirty-one (31), in which case D<sub>1</sub> will be thirty (30); and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date (as specified in the relevant Final Terms) or (ii) such number would be thirty-one (31), in which case D<sub>2</sub> will be thirty (30).

"**Effective Date**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

"**Euro Zone**" means the region comprised of Member States of the European Union that have adopted or adopt the single currency in accordance with the Treaty establishing the European Community as amended from time to time.

"**FBF Definitions**" means the definitions set out in the 2007 FBF Master Agreement relating to transactions on forward financial instruments as supplemented by the Technical Schedules (*Additifs Techniques*) as published by the *Fédération Bancaire Française* (together the "**FBF Master Agreement**"), unless otherwise specified in the relevant Final Terms.

"**Governmental Authority**" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong.

"**Illiquidity**" means that the general Renminbi exchange market in Hong Kong becomes illiquid, other than as a result of an event of Inconvertibility or Non-Transferability, as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers.

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of RMB Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

**"Interest Amount"** means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be.

**"Interest Commencement Date"** means the Issue Date or such other date as may be specified in the relevant Final Terms.

**"Interest Determination Date"** means, with respect to a Rate of Interest, an Interest Accrual Period or the interest amount in relation to RMB Notes, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two (2) TARGET 2 Business Days prior to the first (1<sup>st</sup>) day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first (1<sup>st</sup>) day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two (2) Business Days in the city specified in the Final Terms for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro.

**"Interest Payment Date"** means the date(s) specified in the relevant Final Terms.

**"Interest Period"** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first (1<sup>st</sup>) Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

**"Interest Period Date"** means each Interest Payment Date unless otherwise specified in the relevant Final Terms.

**"ISDA Definitions"** means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the relevant Final Terms.

**"Non-Transferability"** means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

**"Page"** means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000 ("**Reuters**")) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

**"PRC"** means the People's Republic of China.

**"Rate of Interest"** means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions in the relevant Final Terms.

**"Reference Banks"** means the institutions specified as such in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR or EONIA is the relevant Benchmark, shall be the Euro Zone, and, if LIBOR is the relevant Benchmark, shall be London).

**"Relevant Financial Centre"** means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR or EONIA, shall be the Euro Zone and, in the case of LIBOR, shall be London) or, if none is so connected, Paris.

**"Relevant Date"** means, in respect of any Note, Receipt or Coupon, the date on which payment in respect

of it first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (in the case of Materialised Notes if earlier) the date seven (7) days after that on which notice is duly given to the holders of such Materialised Notes that, upon further presentation of the Materialised Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

**"Relevant Rate"** means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

**"Relevant Time"** means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre and for this purpose **"local time"** means, with respect to Europe and the Euro Zone as a Relevant Financial Centre, 11:00 a.m. (Brussels time).

**"Renminbi Dealer"** means an independent foreign exchange dealer of international reputation active in the Renminbi exchange market in Hong Kong reasonably selected by the Issuer.

**"Representative Amount"** means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

**"RMB Note"** means a Note denominated in Renminbi.

**"RMB Rate Calculation Agent"** means the agent appointed from time to time by the Issuer for the determination of the RMB Spot Rate or identified as such in the relevant Final Terms.

**"RMB Rate Calculation Business Day"** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and in New York City.

**"RMB Rate Calculation Date"** means the day which is two RMB Rate Calculation Business Days before the due date for payment of the relevant Renminbi amount under the Conditions.

**"RMB Spot Rate"** for a RMB Rate Calculation Date means the spot CNY/US dollar exchange rate for the purchase of US dollars with CNY in the over-the-counter CNY exchange market in Hong Kong for settlement on the relevant due date for payment, as determined by the RMB Rate Calculation Agent at or around 11 a.m. (Hong Kong time) on such RMB Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADNDF. If such rate is not available, the RMB Rate Calculation Agent will determine the RMB Spot Rate at or around 11 a.m. (Hong Kong time) on the RMB Rate Calculation Date as the most recently available CNY/U.S. dollar official fixing rate for settlement on the relevant due date for payment reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

**"Specified Currency"** means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Notes are denominated.

**"Specified Duration"** means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 6(c)(ii).

**"US Dollar Equivalent"** means the relevant Renminbi amount converted into US dollars using the RMB

Spot Rate for the relevant RMB Rate Calculation Date, as calculated by the RMB Rate Calculation Agent.

**(b) Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date except as otherwise provided in the relevant Final Terms.

If a fixed amount of interest ("**Fixed Coupon Amount**") or a broken amount of interest ("**Broken Amount**") is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

**(c) Interest on Floating Rate Notes and Index Linked Notes**

(i) *Interest Payment Dates*: Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrears (except as otherwise provided in the relevant Final Terms) on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first (1<sup>st</sup>) Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the "**Floating Rate Business Day Convention**", such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the "**Following Business Day Convention**", such date shall be postponed to the next day that is a Business Day, (C) the "**Modified Following Business Day Convention**", such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the "**Preceding Business Day Convention**", such date shall be brought forward to the immediately preceding Business Day. Notwithstanding the foregoing, where the applicable Final Terms specify that the relevant Business Day Convention is to be applied on an "unadjusted" basis, the Interest Amount payable on any date shall not be affected by the application of that Business Day Convention.

(iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in (i) the relevant Final Terms and, unless otherwise specified in the relevant Final Terms, (ii) the provisions below relating to either FBF Determination, ISDA Determination or Screen Rate Determination, depending upon which is specified in the relevant Final Terms.

**(A) FBF Determination for Floating Rate Notes**

Where FBF Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Agent as a rate equal to the relevant FBF Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), "**FBF Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Agent under a notional interest rate swap transaction (*échange*) in the relevant Specified Currency incorporating the FBF Definitions and under which:

- (a) the Floating Rate is as specified in the relevant Final Terms; and
- (b) the Floating Rate Determination Date is as specified in the relevant Final Terms.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Agent**" and "**Floating Rate Determination Date**" are translations of the French terms "*Taux Variable*", "*Agent*" and "*Date de Détermination du Taux Variable*", respectively, which have the meanings given to those terms in the FBF Definitions.

(B) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (B), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the relevant Final Terms;
- (b) the Designated Maturity is a period specified in the relevant Final Terms; and
- (c) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (B), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

(C) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

- (a) if the Primary Source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:
  - (i) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity) or
  - (ii) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date as disclosed in the relevant Final Terms, plus or minus (as indicated in the relevant Final Terms) the Margin (if any);

- (b) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (a)(i) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (a)(ii) applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent, plus or minus (as indicated in the relevant Final Terms) the Margin (if any); and

- (c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is Euro, in the Euro Zone as selected by the Calculation Agent (the "**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(iv) *Rate of Interest for Index Linked Notes:* The Rate of Interest in respect of Index Linked Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and interest will accrue by reference to an Index or Formula as specified in the relevant Final Terms.

**(d) Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall, unless otherwise provided in the relevant Final Terms, be the Early Redemption Amount. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 7(e)(i)).

**(e) Dual Currency Notes**

In the case of Dual Currency Notes, if the rate or amount of interest fails to be determined by reference to a Rate of Exchange or a method of calculating a Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.

**(f) Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the relevant Final Terms.

**(g) Accrual of Interest**

Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date, or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgement) at the Rate of Interest in the manner provided in this Condition 6 to the Relevant Date.

**(h) Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding**

- (a) If any Margin is specified in the relevant Final Terms, either (x) generally or (y) in relation to one or more Interest Accrual Periods, an adjustment shall be made to all Rates of Interest in the case of (x), or to the Rates of Interest for the specified Interest Accrual Periods in the case of (y), calculated in accordance with Condition 6(c) above by adding (if a positive number) or subtracting (if a negative

number) the absolute value of such Margin, subject always to the next paragraph.

- (b) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (c) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth (1/100,000) of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven (7) figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the country of such currency.

**(i) Calculations**

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two (2) or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

**(j) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts**

As soon as practicable after the relevant time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Restructuring Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Restructuring Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the holders of Notes, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are admitted to trading on a Regulated Market and the rules of such Regulated Market so require, such Regulated Market as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such Regulated Market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth (4<sup>th</sup>) Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 6(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

**(k) Calculation Agent and Reference Banks**

The Issuer shall use its best efforts to procure that there shall at all times be four Reference Banks (or such other number as may be required by the Conditions) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined above). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more

than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Restructuring Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, that Regulated Market so require, notice of any change of Calculation Agent shall be given in accordance with Condition 16.

**(I) RMB Notes**

Notwithstanding the foregoing, each RMB Note which is a Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate *per annum* equal to the Rate of Interest. For the purposes of calculating the amount of interest, if any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month in which case it shall be brought forward to the immediately preceding Business Day. Interest will be payable in arrear on each Interest Payment Date.

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Hong Kong time) on each Interest Determination Date, calculate the amount of interest payable per Specified Denomination for the relevant Interest Period. The determination of the amount of interest payable per Specified Denomination by the Calculation Agent shall (in the absence of manifest error and after confirmation by the Issuer) be final and binding upon all parties.

The Calculation Agent will cause the amount of interest payable per Specified Denomination for each Interest Period and the relevant Interest Payment Date to be notified to each of the Paying Agents and to be notified to Noteholders as soon as possible after their determination but in no event later than the fourth (4<sup>th</sup>) Business Day thereafter. The amount of interest payable per Specified Denomination and Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest per Specified Denomination shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this provision but no publication of the amount of interest payable per Specified Denomination so calculated need be made.

Unless otherwise agreed in the relevant Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to the Specified Denomination, multiplying such product by the actual number of days in the relevant Interest Period or, as applicable, other period concerned and dividing it by 365, and rounding the resultant figure to the nearest Renminbi sub-unit, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

**7. Redemption, Purchase and Options**

**(a) Final Redemption**

Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any option provided by the relevant Final Terms including any Issuer's option in accordance with Condition 7(c) or any Noteholders' option in accordance with Condition 7(d), each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within Condition 7(b) below, its final Instalment Amount.



**(b) Redemption by Instalments**

Unless previously redeemed, purchased and cancelled as provided in this Condition 7 or the relevant Instalment Date (being one of the dates so specified in the relevant Final Terms) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 7(c) or (7)(d), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

**(c) Redemption at the Option of the Issuer, Exercise of Issuer's Option and Partial Redemption**

If a Call Option is specified in the relevant Final Terms, the Issuer may, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than fifteen (15) nor more than thirty (30) days' irrevocable notice in accordance with Condition 16 to the holders of Notes (or such other notice period as may be specified in the relevant Final Terms) redeem or exercise any Issuer's option (as may be described) in relation to all or, if so provided, some of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption, if any. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed as specified in the relevant Final Terms and no greater than the Maximum Redemption Amount to be redeemed as specified in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of, or a partial exercise of an Issuer's option in respect of, Materialised Notes, the notice to holders of such Materialised Notes shall also contain the numbers of the Definitive Materialised Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and Regulated Market requirements.

In the case of a partial redemption of, or a partial exercise of an Issuer's option in respect of, Dematerialised Notes, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes of any Series that will not be redeemed shall be made in accordance with Article R.213-16 of the French *Code monétaire et financier* and the provisions of the relevant Final Terms, subject to compliance with any other applicable laws and Regulated Market requirements.

So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market require, the Issuer shall, each time there has been a partial redemption of the Notes, cause to be published (i) as long as such Notes are admitted to trading on Euronext Paris and the rules applicable to such Regulated Market so permit, on the website of the *Autorité des marchés financiers* ([www.amf-france.org](http://www.amf-france.org)) or (ii) in a leading newspaper with general circulation in the city where the Regulated Market on which such Notes are admitted to trading is located, which in the case of Euronext Paris is expected to be *La Tribune* or *Les Echos*, a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes, a list of any Definitive Materialised Notes drawn for redemption but not surrendered.

**(d) Redemption at the Option of Noteholders and Exercise of Noteholders' Options***(i) Restructuring Optional Redemption by Noteholders*

If at any time while any of the Notes remains outstanding (A) a Restructuring Event is deemed to occur and (B) within the Restructuring Period (i) (if at the time that Restructuring Event is deemed to have occurred there are Rated Securities or the Issuer has a corporate rating from a Rating Agency) a Rating Downgrade occurs or is deemed to occur as a result of that Restructuring Event and such Rating Downgrade has not been cured prior to the expiry of the Restructuring Period or (ii) (if at such time there are no Rated Securities and the Issuer does not have a corporate rating from a Rating Agency) a Negative Rating Event is deemed to occur as a result of that Restructuring Event (such Restructuring Event and Rating Downgrade or Negative Rating Event, as the case may be, occurring within the Restructuring Period and, in the case of a Rating Downgrade, not having been cured prior to the expiry of the Restructuring Period, together called a "**Restructuring Put Event**"), the holder of any Note will have the option (unless, prior to the giving of the Restructuring Put Event Notice referred to below, the Issuer gives notice under Condition 7(f) in respect of the Notes) to require the Issuer to redeem or, at the Issuer's option, procure the purchase of that Note on the Restructuring Optional Redemption Date (as defined below). Each Note shall be redeemed or purchased at its principal amount (the "**Restructuring Optional Redemption Amount**") together with (or where purchased, together with an amount equal to) interest accrued to (but excluding) the Restructuring Optional Redemption Date.

Promptly upon the Issuer becoming aware that a Restructuring Put Event has occurred, the Issuer shall give notice to the Covenant and Put Agent and, upon receipt of such notice the Covenant and Put Agent shall, or at any time upon the Covenant and Put Agent becoming similarly so aware the Covenant and Put Agent may, or, if so requested by the Representative further to a General Meeting (both as defined in Condition 12), shall (subject to it being indemnified to its satisfaction), give notice (a "**Restructuring Put Event Notice**") to the Noteholders in accordance with Condition 16 specifying the nature of the Restructuring Put Event and the procedure for exercising the option contained in this Condition 7(d)(i).

To exercise the option to require redemption or, as the case may be, purchase of its Notes under this Condition 7(d)(i), a Noteholder must, on any TARGET 2 Business Day falling within the period of forty-five (45) days after a Restructuring Put Event Notice is given (the "**Restructuring Put Period**"), give notice to (x) in the case of Dematerialised Notes held through an Account Holder to the relevant Account Holder or (y) in the case of Dematerialised Notes held through Euroclear or Clearstream, Luxembourg to Euroclear or Clearstream, Luxembourg, as the case may be, and (z) in the case of Materialised Notes, to the Paying Agent at its specified office, in each case with a copy to the Covenant and Put Agent (the "**Restructuring Put Notice**") in or substantially in the form set out in the Agency Agreement duly completed and signed on its behalf. In the case of Dematerialised Notes, the Restructuring Put Notice shall include instructions for the transfer of such Noteholders' Notes to the specified account of the Covenant and Put Agent for redemption or purchase and cancellation of such Notes. In the case of Materialised Notes, the Restructuring Put Notice shall have attached to it the relevant Notes (together with all unmatured Receipts and Coupons and unexchanged Talons).

Payment in respect of such Notes will be made on the Restructuring Optional Redemption Date (as defined below) by transfer to the bank account specified in the Restructuring Put Notice. A Restructuring Put Notice once given shall be irrevocable. The Issuer shall redeem or, at its option, procure the purchase of the relevant Notes on the Restructuring Optional Redemption Date unless previously redeemed or purchased.

For the purposes of this Condition 7(d)(i):

"**Applicable Debt**" means any unsecured and unsubordinated debt securities of the Issuer (or any Subsidiary of the Issuer which is guaranteed on an unsecured and unsubordinated basis by the Issuer) having an initial maturity of five (5) years or more;

A "**Negative Rating Event**" shall be deemed to have occurred if (i) the Issuer does not on or before the twenty-first (21<sup>st</sup>) Business Day after the relevant Restructuring Event, seek, and thereafter use all reasonable endeavours to obtain from a Rating Agency, a rating of the Notes or a corporate rating or a rating of any Applicable Debt or (ii) if it does so seek and use such endeavours, it has not at the expiry of the Restructuring Period and as a result, in whole or in part, of such Restructuring Event obtained such a

rating of at least investment grade (BBB- (in the case of S&P and Fitch (as defined below)) or Baa3 (in the case of Moody's (as defined below)), or their respective equivalents for the time being), provided that a Negative Rating Event shall be deemed not to have occurred as a result of a particular Restructuring Event if (i) two members of the Executive Board of the Issuer certify to the Covenant and Put Agent that they have used all reasonable endeavours to obtain an investment grade rating of the Notes, the Issuer or any Applicable Debt within the Restructuring Period; and (ii) the Rating Agency does not (A) announce or publicly confirm or (B), having been so requested by the Issuer, inform the Issuer or the Covenant and Put Agent in writing that its declining to assign a rating of at least investment grade was the result, in whole or in part, of the applicable Restructuring Event;

**"Person"** means an individual, partnership, corporation, unincorporated organisation, trust or joint venture, or a governmental agency or political subdivision thereof;

**"Preferred Stock"** of any Person means any Share Capital of such Person that has preferential rights to any other Share Capital of such Person with respect to dividends or redemptions or upon liquidation. For the avoidance of any doubt, with respect to the Issuer and any other French *société par actions*, Preferred Stock means *actions de préférence*;

**"Rated Securities"** means the Notes so long as they shall have an effective rating from any Rating Agency and otherwise any Applicable Debt which is rated by one of the Rating Agencies; provided that if, after a Restructuring Event is deemed to occur (i) the Notes do not have an effective rating from a Rating Agency, (ii) there is no such rated Applicable Debt and (iii) the Issuer does not have a corporate rating from a Rating Agency, the Covenant and Put Agent may require the Issuer to obtain and thereafter update on an annual basis a rating of the Notes or a corporate rating from one Rating Agency. In addition, the Issuer may at any time obtain and thereafter update on an annual basis a rating of the Notes or a corporate rating from a Rating Agency, provided that, except as provided above, the Issuer shall not have any obligation to obtain such a rating of the Notes or itself;

**"Rating Agency"** means Standard & Poor's Rating Services, a division of The McGraw Hill Companies, Inc. and its successors ("**S&P**") or Moody's Investors Service, Inc. and its successors ("**Moody's**") or Fitch Ratings Ltd and its successors ("**Fitch**") or any other rating agency of equivalent standing specified by the Issuer from time to time in writing to the Covenant and Put Agent;

A "**Rating Downgrade**" shall be deemed to have occurred if within the Restructuring Period, the rating previously assigned to the Notes or to any Applicable Debt or to the Issuer by any Rating Agency, whether at the invitation of the Issuer or by its own volition, is reduced below an investment grade rating (that is to say, the rating becomes less than BBB- (in the case of S&P and Fitch) or Baa3 (in the case of Moody's)); provided that a Rating Downgrade shall be deemed not to have occurred as a result of a particular Restructuring Event if (i) two members of the Executive Board of the Issuer certify to the Covenant and Put Agent that the reduction in the rating is, in their opinion, unconnected with the Restructuring Event; and (ii) the Rating Agency making the reduction in rating to which this definition would otherwise apply does not (A) announce or publicly confirm or, (B) having been so requested by the Issuer, inform the Issuer or the Covenant and Put Agent in writing, that the reduction was the result, in whole or in part, of the applicable Restructuring Event;

A "**Restructuring Event**" shall be deemed to have occurred at each time (whether or not approved by the Executive Board of the Issuer) that any Person or group shall own, directly or indirectly, beneficially or of record, one-third (1/3) of the aggregate voting power represented by the outstanding Share Capital of the Issuer;

**"Restructuring Optional Redemption Date"** means the fifth (5<sup>th</sup>) TARGET 2 Business Day after the expiry of the Restructuring Put Period;

**"Restructuring Period"** means the period ending two hundred and seventy (270) days after the public announcement of the Restructuring Event; and

**"Share Capital"** means (i) with respect to any Person that is a corporation, any and all shares, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, including each class of ordinary share and Preferred Stock of such Person, and (ii) with respect to any Person that is not a corporation, any and all partnership or other equity interests of such Person, provided

that, for the purposes of this definition, securities convertible into, exchangeable for or redeemable in capital stock shall not constitute Share Capital; for the avoidance of doubt, Share Capital means (i) with respect to the Issuer and any other French *société par actions*, any and all *actions* and (ii) with respect to any French *société de personnes*, any and all *parts sociales*.

The Covenant and Put Agent is under no obligation to ascertain whether a Restructuring Event, a Negative Rating Event, a Rating Downgrade or any event which could lead to the occurrence of or could constitute a Restructuring Event has occurred and until it shall have actual knowledge or express notice to the contrary, the Covenant and Put Agent may assume that no Restructuring Event, Negative Rating Event, Rating Downgrade or other such event has occurred.

(ii) *Other Put Option*

If a Put Option is specified in the relevant Final Terms, the Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than fifteen (15) nor more than thirty (30) days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option, the a Noteholder must give notice to (x) in the case of Dematerialised Notes held through an Account Holder to the relevant Account Holder or (y) in the case of Dematerialised Notes held through Euroclear or Clearstream, Luxembourg to Euroclear or Clearstream, Luxembourg, as the case may be, and (z) in the case of Materialised Notes, to the Paying Agent at its specified office, in each case (in each case, the "**Exercise Notice**") in the form obtained during normal business hours from any Paying Agent or the Registration Agent, as the case may be, within the notice period. In the case of Dematerialised Notes, the Exercise Notice shall include instructions for the transfer of such Noteholders' Notes to the specified account of the Paying Agent for redemption or purchase and cancellation of such Notes. In the case of Materialised Notes, the Exercise Notice shall have attached to it the relevant Notes (together with all unmaturing Receipts and Coupons and unexchanged Talons). No option so exercised and, where applicable, no Note so deposited or transferred, may be withdrawn without the prior consent of the Issuer.

**(e) Early Redemption**

(i) *Zero Coupon Notes*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 7(f), 7(g) or 7(j) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Nominal Amount (calculated as provided below) of such Note unless otherwise specified in the relevant Final Terms.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 7(f), 7(g) or 7(j) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Amortised Nominal Amount becomes due and payable was the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together

with any interest that may accrue in accordance with Condition 6(e).

Where such calculation is to be made for a period of less than one (1) year, it shall be made on the basis of the Day Count Fraction as provided in the relevant Final Terms.

*(ii) Other Notes*

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 7(f), 7(g) or 7(j) or upon it becoming due and payable as provided in Condition 10 shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption unless otherwise specified in the relevant Final Terms.

**(f) Redemption for Taxation Reasons**

- (i) If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 9(b) below, the Issuer may, at its option, on any Interest Payment Date or, if so specified in the relevant Final Terms, at any time, subject to having given not more than sixty (60) nor less than thirty (30)-days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 16, redeem all, but not some only, of the Notes at their Early Redemption Amount provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date is past, as soon as practicable thereafter.
- (ii) If the Issuer would, on the next payment of principal or interest in respect of the Notes, be prevented by French law from making payment to the Noteholders or, if applicable, Couponholders of the full amounts then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 9(b) below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven (7) days' prior notice to the Noteholders in accordance with Condition 16, redeem all, but not some only, of the Notes then outstanding (as defined above) at their Early Redemption Amount on (A) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of Noteholders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) fourteen (14) days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified in the relevant Final Terms, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes, or, if applicable, Receipts or Coupons or, if that date is passed, as soon as practicable thereafter.

**(g) Partly Paid Notes**

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 7 and the provisions specified in the relevant Final Terms.

**(h) Purchases**

The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmaturing Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise (including by tender offer) at any price, subject to the applicable laws and/or regulations. Notes so purchased by the Issuer may be held and resold in accordance with applicable laws and regulations for the purpose of enhancing the liquidity of the Notes, or cancelled.

**(i) Cancellation**

All Notes purchased by or on behalf of the Issuer to be cancelled, will be cancelled, in case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, by surrendering the relevant Temporary Global Certificate or the Definitive Materialised Notes in question, together with all unmatured Receipts and Coupons and all unexchanged Talons, if applicable, to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Definitive Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

**(j) Illegality**

If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, it would become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes, the Issuer will, subject to having given not more than forty-five (45) nor less than thirty (30)-days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 16, redeem all, but not some only, of the Notes at their Early Redemption Amount.

**8. Payments and Talons****(a) Dematerialised Notes**

Payments of principal and interest in respect of Dematerialised Notes shall (i) in the case of Dematerialised Notes in bearer dematerialised form or administered registered form, be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the holders of Notes and (ii) in the case of Dematerialised Notes in fully registered form, to an account denominated in the relevant currency with a Bank (as defined in Condition 8(h) below) designated by the relevant holder of Notes. All payments validly made to such Account Holders or Bank will be an effective discharge of the Issuer in respect of such payments.

**(b) Definitive Materialised Notes***(i) Method of Payment*

Subject as provided below, payments in a Specified Currency will be made by credit or transfer to an account denominated in the relevant Specified Currency, or to which the Specified Currency may be credited or transferred (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a Bank (as defined in Condition 8(h) below).

*(ii) Presentation and Surrender of Definitive Materialised Notes, Receipts and Coupons*

Payments of principal in respect of Definitive Materialised Notes will (subject as provided below) be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of partial payment of any sum due, annotation) of such Notes, and payments of interest in respect of Definitive Materialised Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, annotation) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal (if any) in respect of Definitive Materialised Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of part payment of any sum due, annotation) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in paragraph (i) above only against presentation and surrender (or, in the case of part payment of any sum due, annotation) of the relevant Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Materialised Note to which it appertains. Receipts presented without the Definitive Materialised Note to which they appertain do not constitute valid obligations of the Issuer.

Upon the date upon which any Definitive Materialised Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment will be made in respect thereof.

Fixed Rate Notes in definitive form (other than Dual Currency Notes or Index Linked Notes) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten (10) years after the Relevant Date in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 11) or, if later, five (5) years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unexchanged Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note, Index Linked Note in definitive form becomes due and repayable prior to its Maturity Date, unmatured Coupons and unexchanged Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any Definitive Materialised Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against presentation and surrender (if appropriate) of the relevant Definitive Materialised Note.

**(c) Payments in the United States**

Notwithstanding the foregoing, if any Materialised Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

**(d) Payments subject to Fiscal Laws**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives but without prejudice to Condition 9. No commission or expenses shall be charged to the holders of Notes or Couponholders in respect of such payments.

**(e) Appointment of Agents**

The Fiscal Agent, the Paying Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed at the end of this Base Prospectus relating to the Programme of the Notes of the Issuer. The Fiscal Agent, the Paying Agents and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent expert(s) and, in each such case, do not assume any obligation or relationship of agency for any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, Registration Agent, Calculation Agent or Covenant and Put Agent and to appoint other Fiscal Agent, Paying Agent(s), Registration Agent(s), Calculation Agent(s) or Covenant and Put Agent or additional Paying Agent(s), Registration Agent(s) or Calculation Agent(s), provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) one or more Paying Agent(s) having specified offices in at least one (1) major European city (and ensuring the financial services of the Notes in Paris so long as the Notes are admitted to trading on Euronext Paris and in such other city where the Notes are admitted to trading, so long as the Notes are admitted to trading on any other Regulated Market), (iv) in the case of Materialised Notes, a Paying Agent having its specified office in a Member State of the EU that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other EU Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any subsequent meeting of the ECOFIN Council on the taxation of savings income or any law implementing or complying with, or introduced in order to, such Directive or Directives (which may be any of the Paying Agents referred to in (iii) above), (v) in the case of Dematerialised Notes in fully registered form, a Registration Agent, (vi) a Covenant and Put Agent which shall be a reputable bank of good standing having specified offices in at least one (1) major European city and (vii) such other agents as may be required by the rules applicable to any other Regulated Market on which the Notes may be admitted to trading.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the holders of Notes in accordance with Condition 16.

**(f) Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 11).

**(g) Business Days for Payment**

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day unless otherwise specified in the relevant Final Terms, nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as "**Financial Centre(s)**" in the relevant Final Terms and (C) (i) in the case of a payment in a currency other than Euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in Euro, which is a TARGET 2 Business Day.

**(h) Bank**

For the purpose of this Condition 8, "**Bank**" means a bank in the principal financial centre of the Specified Currency which, if the Specified Currency is Euro, in a city in which banks have access to the TARGET 2 System and, if the Specified Currency is Australian dollars or New Zealand dollars, shall be



Sydney or Auckland, respectively.

**(i) Payment of US Dollar Equivalent**

Notwithstanding any other provision in these Conditions, if an Inconvertibility, Non-Transferability or Illiquidity occurs and, as such, the Issuer is not able or it would be impracticable for it, after confirmation of such unavailability by a Renminbi Dealer, to satisfy payments of principal or interest (in whole or in part) in respect of RMB Notes, the Issuer on giving not less than five (5) nor more than thirty (30) days irrevocable notice to the Noteholders prior to the due date for payment, may settle any such payment (in whole or in part) in US dollars on the due date at the US Dollar Equivalent of any such Renminbi denominated amount.

In such event, payments of the US Dollar Equivalent of the relevant principal or interest in respect of the Notes shall be made by transfer to the U.S. dollar account of the relevant Account Holders for the benefit of the Noteholders. For the avoidance of doubt, no such payment of the US Dollar Equivalent shall by itself constitute a default in payment within the meaning of Condition 10.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 8(i) by the RMB Rate Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Agents and all Noteholders.

These provisions may be amended or supplemented in the relevant Final Terms.

**9. Taxation**

**(a) Withholding Tax**

All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

**(b) Additional Amounts**

If French law should require that payments of principal or interest in respect of any Note, Receipt or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the Receiptholders and the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon, as the case may be:

*(i) Other Connection*

to, or to a third party on behalf of, a Noteholder, Receiptholder or Couponholder who is liable to such taxes or duties by reason of his having some connection with the Republic of France other than the mere holding of the Note, Receipt or Coupon; or

*(ii) Presentation more than thirty (30) calendar days after the Relevant Date*

in the case of Definitive Materialised Notes, more than thirty (30) calendar days after the Relevant Date except to the extent that the Noteholder, Receiptholder or Couponholder would have been entitled to such additional amounts on presenting it for payment on or before the thirtieth (30<sup>th</sup>) such day of such time period; or

(iii) *Payment to Individuals or Entities as set out in Article 4(2) of the European Council Directive 2003/48/EC*

where such withholding or deduction is imposed on a payment to an individual or to an entity as set out in Article 4(2) of the European Council Directive 2003/48/EC and is required to be made pursuant to such Directive or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 or any subsequent meeting of the ECOFIN Council on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive or Directives; or

(iv) *Payment by another Paying Agent*

in the case of Definitive Materialised Notes presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 7 or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 6 or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition.

**(c) Supply of Information**

Each Noteholder shall be responsible for supplying to the relevant Paying Agent, in a timely manner, any information as may be required by the latter in order for it to comply with the identification and reporting obligations imposed on it by the European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 or any subsequent meeting of the ECOFIN Council on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive or Directives.

**10. Events of Default**

Any Noteholder may, upon written notice to the Issuer and Fiscal Agent given before all defaults shall have been cured, cause all the Notes (but not some only) held by such Noteholder to become immediately due and payable where upon they shall become immediately due and payable at their Early Redemption Amount without further formality, if any of the following events (each an "**Event of Default**") shall occur:

- (i) any amount of principal of, interest on, or any other amount due in respect of any Note is not paid on the due date thereof and such default is not remedied within a period of fifteen (15) days from such due date; or
- (ii) any other obligation of the Issuer under the Notes and, in particular, those contained in Condition 5, is not complied with or performed within a period of thirty (30) days after receipt by the Fiscal Agent of written notice of such default given by the Representative (as defined in Condition 12) or a Noteholder as the case may be; or
- (iii) any other present or future indebtedness of the Issuer for borrowed monies in excess of Euro 35,000,000 (or its equivalent in any other currency), whether individually or in the aggregate, becomes due and payable prior to its stated maturity as a result of a default thereunder, or any such indebtedness shall not be paid when due or, as the case may be, within any applicable grace period therefore or any security in respect of any such indebtedness shall be enforced or any guarantee or indemnity given by the Issuer for, or in respect of, any such indebtedness for such amount of others shall not be honoured when due and called upon (subject to any originally applicable grace periods); or

- (iv) if the Issuer makes any proposal for a general moratorium in relation to its debt or applies for the appointment of an ad hoc representative (*mandataire ad hoc*), or has applied to enter into a conciliation procedure (*procédure de conciliation*) with its principal creditors or into a safeguard procedure (*procédure de sauvegarde*), or a judgment is issued for the judicial liquidation (*liquidation judiciaire*) or for a judicial transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or, to the extent permitted by applicable law, if the Issuer is subject to any other insolvency or bankruptcy proceedings or if the Issuer makes any conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors.

## 11. Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 12. Representation of Noteholders

Except as otherwise provided by the relevant Final Terms, holders of Notes will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the "**Masse**"), provided that:

- (i) with respect to Series of Notes that are not being issued outside of France within the meaning of Article L.228-90 of the French *Code de commerce* (the "**Code**"), the Masse will be governed by all the provisions of the Code, as amended;
- (ii) with respect to Series of Notes issued or deemed to be issued outside of France within the meaning of Article L.228-90 of the Code, the Masse will be governed by the provisions of the Code with the exception of Articles L.228-48, L.228-59, L.228-71, R.228-63, R.228-67, R.228-69 and R.228-72 thereof, subject to the following provisions:

### (a) Legal Personality

The Masse will be a separate legal entity and will act in part through a representative (the "**Representative**") and in part through a general meeting of the holders of Notes (the "**General Meeting**").

The Masse alone, to the exclusion of all individual holders of Notes, shall exercise the common rights, actions and benefits which now or in the future may accrue respectively with respect to the Notes.

### (b) Representative

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representatives:

- (i) the Issuer, its executive board (*directoire*), its supervisory board (*conseil de surveillance*), its general managers (*directeurs généraux*), its statutory auditors, its employees and their ascendants, descendants and spouses; or
- (ii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their board of directors (*conseil d'administration*), executive board (*directoire*) or supervisory board (*conseil de surveillance*), their statutory auditors, employees and their ascendants, descendants and spouses; or
- (iii) companies holding ten (10) per cent. or more of the share capital of the Issuer or companies having ten (10) per cent. or more of their share capital held by the Issuer; or
- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The Representative appointed in respect of each Series of Notes is Maxime Paran, c/o ING Belgium SA/NV, 24 avenue Marnix, 1000 Brussels, Belgium.

The alternative representative is, at the date hereof, Kris Devos, c/o ING Belgium SA/NV, 24 avenue Marnix, 1000 Brussels, Belgium.

The Representative will be entitled to such remuneration in connection with its function or duties, if any, as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by the alternate Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Paying Agents.

**(c) Powers of Representative**

The Representative shall (in the absence of any decision to the contrary of the General Meeting) have the power to take all acts of management necessary in order to defend the common interests of the holders of Notes.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

The Representative may not be involved in the management of the affairs of the Issuer.

**(d) General Meeting**

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth (1/30) of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two (2) months after such demand, the Noteholders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, time, place and agenda of any General Meeting will be published as provided under Condition 16 not less than fifteen (15) calendar days prior to the date of the General Meeting for a first convocation and not less than six (6) calendar days prior to the date of the General Meeting in the case of a second convocation.

Each Noteholder has the right to participate in a General Meeting in person or by proxy, by correspondence or, if the *statuts* of the Issuer so specify, videoconference or any other means of telecommunications allowing the identification of the participating Noteholders<sup>1</sup>. Each Note carries the right to one (1) vote or, in the case of Notes issued with more than one (1) Specified Denomination, one (1) vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least a fifth (1/5) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by Noteholders attending such General Meetings or represented thereat.

---

<sup>1</sup> At the date of this Base Prospectus, the *statuts* of the Issuer do not contemplate the right for Noteholders to participate in a General Meeting by videoconference or any other means of telecommunications allowing the identification of Noteholders.

**(e) Powers of the General Meeting**

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase amounts payable by Noteholders, nor establish any unequal treatment between the Noteholders.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 16.

**(f) Information to Noteholders**

Each Noteholder or Representative thereof will have the right, during the fifteen (15) calendar day period preceding the holding of each General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified offices of any of the Paying Agents and at any other place specified in the notice of the General Meeting.

**(g) Expenses**

The Issuer will pay all reasonable and duly documented expenses relating to the operation of the Masse, including expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

**(h) Single Masse**

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 15, shall, for the defence of their respective common interests, be grouped in a single Masse. The Representative appointed in respect of the first Tranche or Series of Notes will be the Representative of the single Masse of all such Series.

*In respect of any Tranche of Notes issued outside France within the meaning of Article L.228-90 of the Code, this Condition 12 may, if so specified in the relevant Final Terms, be waived, amended or supplemented.*

For the avoidance of doubt, in this Condition 12, the expression “outstanding” shall not include the Notes subscribed or purchased by the Issuer in accordance with Article L.213-1 A of the French Code monétaire et financier which are held by the Issuer and not cancelled.

**13. Modifications**

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

**14. Replacement of Definitive Materialised Notes, Receipts, Coupons and Talons**

If, in the case of any Materialised Notes, a Definitive Materialised Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and Regulated Market regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be

designated by the Issuer for this purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Definitive Materialised Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

## 15. Further Issues and Consolidation

### (a) Further Issues

Unless otherwise provided in the relevant Final Terms, the Issuer may from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further notes to be assimilated (*assimilables* for the purpose of French laws) with the Notes provided such Notes and the further notes carry rights identical in all respects (or identical in all respects save for the principal amount thereof and the first payment of interest) and that the terms of such notes provide for such assimilation, and references in these Conditions to "Notes" shall be construed accordingly.

### (b) Consolidation

Unless otherwise provided in the relevant Final Terms, the Issuer, with the prior approval of the Fiscal Agent (which shall not be unreasonably withheld), may from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than thirty (30)-days' prior notice to the Noteholders in accordance with Condition 16, without the consent of the Noteholders, Receiptholders or Couponholders, consolidate the Notes of one Series denominated in Euro with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such other Notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

## 16. Notices

- (a) Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth (4<sup>th</sup>) Business Day (being a day other than a Saturday or a Sunday) after the mailing, or, at the option of the Issuer, (ii) they are published in a leading daily financial newspaper of general circulation in Europe (which is expected to be the *Financial Times*); provided that, so long as such Notes are admitted to trading on any Regulated Market and the rules applicable to such Regulated Market so require, notices shall be valid if published in a daily financial newspaper with general circulation in the city/ies where the Regulated Market on which such Notes are admitted to trading is located which, in the case of Euronext Paris, is expected to be *La Tribune* or *Les Echos*, and as otherwise required by the applicable rules of that Regulated Market, as the case may be.
- (b) Notices to the holders of Materialised Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published in a daily leading financial newspaper of general circulation in Europe (which is expected to be the *Financial Times*) and so long as such Notes are admitted to trading on any Regulated Market and the applicable rules of that Regulated Market so require, in a leading daily financial newspaper with general circulation in the city/ies where the Regulated Market on which such Notes are admitted to trading is located which, in the case of Euronext Paris, is expected to be *La Tribune* or *Les Echos*, and as otherwise required by the applicable rules of that Regulated Market, as the case may be.
- (c) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) (*au nominatif* or *au porteur*) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 16(a) and (b) above; except that (i) so long as such Notes are listed on any Regulated

Market and the applicable rules of that Regulated Market so require, notices shall also be published in a daily financial newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes are admitted to trading is/are located, which, in the case of Euronext Paris, is expected to be *La Tribune* or *Les Echos*, and as otherwise required by the applicable rules of that Regulated Market, as the case may be and (ii) notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 12 shall also be published in a leading financial newspaper of general circulation in Europe.

- (d) If any such publication is not practicable, notice shall be validly given if published in a leading daily financial newspaper with general circulation in Europe, provided that, so long as such Notes are admitted to trading on any Regulated Market, notice shall be published as otherwise required by the applicable rules of that Regulated Market, as the case may be. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.

## **17. Governing Law and jurisdiction**

### **(a) Governing Law**

The Notes, Receipts, Coupons and Talons are governed by, and shall be construed in accordance with, French law.

### **(b) Jurisdiction**

Any claim against the Issuer in connection with any Notes, Receipts, Coupons or Talons may be brought before any competent court in Paris.

**USE OF PROCEEDS**

The net proceeds of the issue will be used for the Issuer's general corporate purposes unless otherwise specified in the relevant Final Terms.



## TEMPORARY GLOBAL CERTIFICATES IN RESPECT OF MATERIALISED NOTES

### Temporary Global Certificates

A Temporary Global Certificate, without interest coupons, (a "**Temporary Global Certificate**") will initially be issued in connection with each Tranche of Materialised Notes, which will be delivered on or prior to the issue date of the Tranche with a common depository (the "**Common Depository**") for Euroclear Bank S.A./N.V. ("**Euroclear**") and for Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"). Upon the delivery of such Temporary Global Certificate with a Common Depository, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depository may also credit with a nominal amount of Notes the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, a nominal amount of Notes that is initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear and Clearstream, Luxembourg, or other clearing systems.

### Exchange

Each Temporary Global Certificate issued in respect of Materialised Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

- (i) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "General Description of the Programme-Selling Restrictions"), in whole, but not in part, for Definitive Materialised Notes; and
- (ii) otherwise, in whole but not in part, upon certification if required under U.S. Treasury regulation section 1.163-5(c)(2)(i)(D)(3) and any successor regulation issued under the HIRE Act as to non-U.S. beneficial ownership (a form of which shall be available at the specified offices of any of the Paying Agents) for Definitive Materialised Notes.

While any Materialised Note is represented by a Temporary Global Certificate, any payment payable in respect of such Materialised Note prior to the Exchange Date (as defined below) will be made only to the extent that the certification described in (ii) above has been received by Euroclear and/or Clearstream, Luxembourg, and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certification received) to the relevant Paying Agent. The holder of a Temporary Global Certificate will not be entitled to collect any payment due thereon on or after the Exchange Date unless, upon due certification as described above, exchange of the Temporary Global Certificate for an interest in Definitive Materialised Notes is improperly refused or withheld.

### Delivery of Definitive Materialised Notes

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to, or to the order of, the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Notes. In this Base Prospectus, "**Definitive Materialised Notes**" means, in relation to any Temporary Global Certificate, the Definitive Materialised Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Notes will be security printed in accordance with any applicable legal and Regulated Market requirements. Forms of such Definitive Materialised Notes shall be available at the specified office of any of the Paying Agents.

### Exchange Date

"**Exchange Date**" means, in relation to a Temporary Global Certificate in respect of any Materialised Notes, the day falling after the expiry of forty (40) days after its issue date, provided that, in the event any further Materialised Notes which are to be assimilated with such first mentioned Materialised Notes are issued prior to

such day pursuant to Condition 15(a), the Exchange Date may, at the option of the Issuer, be postponed to the day falling after the expiry of forty (40) days after the issue date of such further Materialised Notes.

In the case of Materialised Notes with an initial maturity of more than 365 days (and that are not relying on the TEFRA C Rules), the Temporary Global Certificate shall bear the following legend:

ANY UNITED STATES PERSON (AS DEFINED IN THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED) WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES FEDERAL INCOME TAX LAWS INCLUDING THE LIMITATION PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED.

**FORM OF FINAL TERMS  
FOR USE IN CONNECTION WITH ISSUES OF NOTES WITH A SPECIFIED DENOMINATION OF  
LESS THAN €100,000 TO BE ADMITTED TO TRADING ON A REGULATED MARKET AND/OR  
OFFERED TO THE PUBLIC IN THE EUROPEAN ECONOMIC AREA**

**Final Terms dated [ ● ]**

[LOGO, if document is printed]

**KLEPIERRE**

Issue of [**Aggregate Nominal Amount of Tranche**] [**Title of Notes**]  
issued under the € 5,000,000,000 Euro Medium Term Note Programme of Klépierre

Issue Price: [ ● ] per cent.

[Name(s) of Dealer(s)]

*[Include the following legend where a non-exempt offer of Notes is anticipated]*

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (Directive 2003/71/EC [, as amended by Directive 2010/73/UE]) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 37 of Part A below, provided such person is one of the persons mentioned in Paragraph 37 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances].

*[Include the following legend where only an exempt offer of Notes is anticipated]*

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (Directive 2003/71/EC [, as amended by Directive 2010/73/UE]) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances].

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the conditions (the "**Conditions**") set forth in the Base Prospectus dated 27 April 2012 which received visa no.12-187 from the *Autorité des marchés financiers* ("**AMF**") in France on 27 April 2012 [and the supplement to the Base Prospectus dated [●] which received visa no. [●] from the AMF on [●]] which [together] constitute[s] a base prospectus for the purposes of the Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003 [, as amended by Directive 2010/73/UE] (the "**Prospectus Directive**").

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing on the websites of (a) the AMF ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([www.klepierre.com](http://www.klepierre.com)), [and] during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained. [In addition<sup>2</sup>, the Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing [on/at] [●].]

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*

---

<sup>2</sup> If the Notes are admitted to trading on a Regulated Market other than Euronext Paris.

Terms used herein shall be deemed to be defined as such for the purposes of the conditions (the "**Conditions**") set forth in the Base Prospectus dated [original date] which received visa no. [●] from the *Autorité des marchés financiers* ("**AMF**") in France on [●] [and the supplement to the Base Prospectus dated [●] which received visa no. [●] from the AMF on [●]] ([together] the "**Original Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003 [as amended by Directive 2010/73/UE] (the "**Prospectus Directive**") and must be read in conjunction with the Base Prospectus dated 27 April 2012 which received visa no. 12-187 from the AMF on 27 April 2012 [and the supplement to the Base Prospectus dated [●] which received visa no. [●] from the AMF on [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Original Base Prospectus and are attached hereto. Full information on the Issuer and the Notes is only available on the basis of the combination of these Final Terms, the Original Base Prospectus and Base Prospectus dated 27 April 2012 [and the supplement to the Base Prospectus dated [●] and [●]]. The Base Prospectus dated 27 April 2012 [and the supplement to the Base Prospectus dated [●]] [is] [are] available for viewing on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (www.klepierre.com), [and] during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained. [In addition<sup>3</sup>, the Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing [on/at] [●].]

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]*

*[When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive, the publication of which would in turn trigger the investors' right to withdraw their acceptances within a forty-eight (48)-hour time period.]*

- |  |   |
|--|---|
| <b>1. Issuer:</b>                            | Klépierre   |
| <b>2. [(i) Series Number:</b>                | [●]   |
| <b>[(ii) Tranche Number:</b>                 | [●]   |
|  | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)]</i>  |
| <b>3. Specified Currency or Currencies:</b>  | [●]   |
| <b>4. Aggregate Nominal Amount of Notes:</b> |   |
| [(i) Series:                                 | [●]   |
| [(ii) Tranche:                               | [●]   |
| <b>5. Issue Price:</b>                       | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]  |
| <b>6. Specified Denomination(s):</b>         | [●] <sup>4</sup>  |
|  | <i>(one (1) denomination only for Dematerialised Notes) (For Materialised Notes, attention should be paid to the rules and procedures of the relevant Stock Exchange(s) and/or clearing system(s)) (Not less than €1,000 or its equivalent in other currency at the Issue Date, when the Notes are admitted to trading on a Regulated Market and/or offered to the public</i> |

<sup>3</sup> If the Notes are admitted to trading on a Regulated Market other than Euronext Paris.

<sup>4</sup> Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and having a maturity of less than one (1) year must have a minimum denomination of £100,000 (or its equivalent in other currencies).

*in the EEA in circumstances where a prospectus is required to be published under the Prospectus Directive)*

7. (i) **Issue Date:** [●]  
(ii) **Interest Commencement Date:** [*Specify*/Issue Date/Not Applicable]
8. **Maturity Date:** [*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
9. **Interest Basis:** [[●] per cent. Fixed Rate]  
[[*EURIBOR, EONIA, LIBOR, CMS, TEC or other*] +/- [●] per cent. Floating Rate]  
[Zero Coupon]  
[Index Linked Interest]  
[Other (*specify*)]  
(*further particulars specified below*)
10. **Redemption/Payment Basis<sup>5</sup>:** [Redemption at par]  
[Index Linked Redemption]  
[Dual Currency]  
[Partly Paid]  
[Instalment]  
[Other (*specify*)]  
(*further particulars specified below*)
11. **Change of Interest or Redemption/Payment Basis:** [*Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis*]
12. **Put/Call Options:** [Noteholder Put]  
[Issuer Call]  
[other option : (*further particulars specified below*)]  
[Not Applicable]
13. (i) **Status of the Notes:** Senior  
(ii) **Date of corporate authorisations for issuance of Notes:** Decision of [●] dated [●]
14. **Method of distribution:** [Syndicated/Non-syndicated]

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Notes Provisions:** [Applicable/Not Applicable]  
(*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (i) **Rate(s) of Interest:** [●] per cent. per annum [payable [annually / semi-annually / quarterly / monthly / other (*specify*)] in arrear]
- (ii) **Interest Payment Date(s):** [●] in each year  
[Adjusted in accordance with [*specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"*]/

---

<sup>5</sup> If the Final Redemption Amount is different than one hundred per cent. (100%) of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Where Annex XII is not applicable but income on the Notes is linked to an underlying, nevertheless consider including disclosure in relation to the underlying.

- Not adjusted]
- (iii) Fixed Coupon Amount[(s)]<sup>6</sup>: [●] per [●] in Specified Denomination
- (iv) Broken Amount(s): [Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s)]
- (v) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA/FBF) / other]  
(Day count fraction should be Actual-Actual (ICMA) for all fixed rate issues other than those denominated in U.S. Dollars or RMB, unless agreed otherwise)
- (vi) Determination Dates: [●] in each year  
(insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA) or for RMB Notes)
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]
- [(viii) Party responsible for calculating Interest Amounts (if not the Calculation Agent):]<sup>7</sup> [●]/[Not Applicable]
- 16. Floating Rate Notes Provisions:** [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Interest Period(s): [●]
- (ii) Specified Interest Payment Dates: [●]
- (iii) First Interest Payment Date: [●]
- (iv) Interest Period Date: [Interest Payment Date/Other (specify)]
- (v) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (give details)]  
(Insert "unadjusted" if the application of the relevant business day convention is not intended to affect the Interest Amount)
- (vi) Business Centre(s) (Condition 6(a)): [●]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [FBF Determination/ ISDA Determination/ Screen Rate Determination/other (give details)]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): [●]
- (ix) FBF Determination: [Applicable/Not Applicable]  
- Floating Rate (*Taux Variable*): [●] (specify Benchmark [EURIBOR, EONIA, LIBOR, CMS, TEC or other] and months [e.g. EURIBOR 3 months]) (additional information if necessary)

---

6 Not applicable for RMB Notes.

7 RMB Notes only.

- Floating Rate Determination Date  
(*Date de Détermination du Taux Variable*): [●]
  - FBF Definitions (if different from those set out in the Conditions): [●]
  - (x) ISDA Determination: [Applicable/Not Applicable]
    - Floating Rate Option: [●]
    - Designated Maturity: [●]
    - Reset Date: [●]
    - ISDA Definitions (if different from those set out in the Conditions): [●]
  - (xi) Screen Rate Determination: [Applicable/Not Applicable]
    - Benchmark: [●] (*specify Benchmark [EURIBOR, EONIA, LIBOR, CMS, TEC or other] (additional information if necessary)*)
    - Relevant Time: [●]
    - Interest Determination Date(s): [●]
    - Primary Source: [*Specify relevant screen page or "Reference Banks"*]
    - Reference Banks (if Primary Source is "Reference Banks"): [*Specify four*]
    - Relevant Financial Centre: [*The financial centre most closely connected to the Benchmark - specify if not Paris*]
    - Representative Amount: [*Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount*]
    - Effective Date: [*Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period*]
    - Specified Duration: [*Specify period for quotation if not duration of Interest Accrual Period*]
  - (xii) Margin(s): [+/-] [●] per cent. per annum
  - (xiii) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
  - (xiv) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
  - (xv) Day Count Fraction: [●]
  - (xvi) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [●]
- 17. Zero Coupon Notes Provisions:** [Applicable/Not Applicable]  
(*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (i) Amortisation Yield: [●] per cent. per annum
  - (ii) Reference Price: [●]
  - (iii) Day Count Fraction [●]
  - (iv) Any other formula/basis of determining amount payable: [●]



- 18. Index-Linked Interest Notes/other variable-linked interest Notes Provisions<sup>8</sup>:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Index/ Formula/ other variable: [give or annex details]
- (ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): [●][give name and address]
- (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: [●]
- (iv) Interest Determination Date(s): [●]
- (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
- (vi) Interest or Calculation Period(s): [●]
- (vii) Specified Interest Payment Dates: [●]
- (viii) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (ix) Business Centre(s): [●]
- (x) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xi) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xii) Day Count Fraction: [●]
- 19. Dual Currency Notes Provisions<sup>9</sup>:** [Applicable/ Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate of Exchange/Method of calculating Rate of Exchange: [give details]
- (ii) Party, if any, responsible for calculating the principal and/or interest due (if not the Calculation Agent): [●][give name and address]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [Need to include a description of market disruption or settlement disruption events and adjustment provisions]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [●]
- (v) Day Count Fraction: [●]

<sup>8</sup> If the Final Redemption Amount is different than one hundred per cent. (100%) of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Where Annex XII is not applicable but income on the Notes is linked to an underlying, nevertheless consider including disclosure in relation to the underlying.

<sup>9</sup> If the Final Redemption Amount is different than one hundred per cent. (100%) of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Where Annex XII is not applicable but income on the Notes is linked to an underlying, nevertheless consider including disclosure in relation to the underlying.

**PROVISIONS RELATING TO REDEMPTION**

- 20. Call Option:** [Applicable/Not Applicable]  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
  - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note of [●] specified denomination
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount: [●]
    - (b) Maximum Redemption Amount: [●]
  - (iv) Option Exercise Date(s): [●]
  - (v) Description of any other Issuer's Option: [●]
  - (vi) Notice period<sup>10</sup>: [●]
- 21. Put Option:** [Applicable/Not Applicable]  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
  - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note of [●] specified denomination
  - (iii) Notice period<sup>11</sup>: [●]
- 22. Final Redemption Amount of each Note<sup>12</sup>:** [[●] per Note of [●] specified denomination/ Specified Denomination/Other (*specify*)]
- In cases where the Final Redemption Amount is Index-Linked or other variable-linked:
- (i) Index/Formula/variable: [give or annex details]
  - (ii) Party responsible for calculating the Final Redemption Amount (if not the Calculation Agent): [●] [give name and address]
  - (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [●]
  - (iv) Determination Date(s): [●]
  - (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
  - (vi) Payment Date: [●]

<sup>10</sup> If setting notice periods which are different to those provided in the terms and conditions, consider the practicalities of distribution of information through intermediaries, for example clearing systems, as well as any other notice requirements which may apply, for example as between the Issuer and the Fiscal Agent.

<sup>11</sup> If setting notice periods which are different to those provided in the terms and conditions, consider the practicalities of distribution of information through intermediaries, for example clearing systems, as well as any other notice requirements which may apply, for example as between the Issuer and the Fiscal Agent.

<sup>12</sup> If the Final Redemption Amount is different than one hundred per cent. (100%) of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Where Annex XII is not applicable but income on the Notes is linked to an underlying, nevertheless consider including disclosure in relation to the underlying.

- (vii) Minimum Final Redemption Amount: [●]  
 (viii) Maximum Final Redemption Amount: [●]

**23. Early Redemption Amount:**

Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same and/or any other terms (if required or if different from that set out in the Conditions): [●]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- 24. Form of Notes:** [Dematerialised Notes/Materialised Notes] *(Materialised Notes are only in bearer form)*  
 [Delete as appropriate]
- (i) Form of Dematerialised Notes: [Not Applicable/if Applicable specify whether bearer form (*au porteur*)/registered form (*au nominatif*)]
- (ii) Registration Agent: [Not Applicable/if applicable give name and address] *(Note that a Registration Agent can be appointed in relation to Dematerialised Notes in fully registered form only)*
- (iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [●] (the "**Exchange Date**"), being forty (40) days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
- 25. Financial Centre(s) or other special provisions relating to payment dates for the purposes of Condition 8(g):** [Not Applicable/Give details. Note that this paragraph relates to the date and place of payment, and not interest period and dates, to which sub-paragraphs 15 (ii), 16(v) and 18(ix) relate]
- 26. Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature):** [Yes/No/Not Applicable. If yes, give details] *(Only applicable to Materialised Notes)*
- 27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:** [Not Applicable/give details]
- 28. Details relating to Instalment Notes:** [Applicable (give details) /Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Amount of each instalment: [●]
- (ii) Date on which each payment is to be made: [●]
- 29. Redenomination, renominatisation and reconventioning provisions:** [Not Applicable/The provisions [in Condition 1(d)] [annexed to these Final Terms] apply]
- 30. Consolidation provisions:** [Not Applicable/The provisions [in Condition

- 15(b)] [annexed to these Final Terms] apply]
31. **Masse (Condition 12):** [The Notes are issued outside France and Condition 12 applies/ The Notes are not issued outside France and Condition 12 is replaced by the full provisions of the French *Code de commerce* relating to the Masse] *(Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 12 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, Condition 12 must be waived in its entirety and replaced by the full provisions of the French Code de commerce relating to the Masse. If Condition 12 (as it may be amended or supplemented) applies or if full provisions of the French Code de commerce relating to the Masse apply, insert details of Representative and Alternative Representative and remuneration, if any.)*
32. [Any applicable disruption/fallback provisions:]<sup>13</sup> **currency** [Not Applicable/give details]
33. **Other final terms:** [Not Applicable/give details]  
*(When adding any other final terms consideration should be given as to whether such terms constitute a "significant new factor" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)*

## DISTRIBUTION

34. (i) **If syndicated, names and addresses of Managers and underwriting commitments:** [Not Applicable/give names, addresses and underwriting commitments]  
*(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers. In case of RMB Notes issues underwritten on a several and not a joint basis, include appropriate disclosure of underwriting commitments and arrangements.)*
- (ii) **Date of [subscription] agreement:** [●]
- (iii) **Stabilising Manager(s) (if any):** [Not Applicable/give name]
35. **If non-syndicated, name and address of Dealer:** [Not Applicable/give name and address]
36. **Total commission and concession:** [●] per cent. of the Aggregate Nominal Amount
37. **U.S. selling restrictions:** [Reg. S Compliance Category; TEFRA C/ TEFRA D/ TEFRA not Applicable]  
*(TEFRA are not applicable to Dematerialised*

<sup>13</sup> In respect of RMB Notes, consider insertion of Payment of US Dollar Equivalent provision.

**38. Additional selling restrictions:**

Notes)

[Not Applicable/*give details*]

**39. Non-exempt Offer:**

[Not Applicable] [An offer of the Notes may be made by the Managers [and [*specify, if applicable*]] other than pursuant to Article 3(2) of the Prospectus Directive in [*specify relevant Member State(s) - which must be jurisdictions where the Prospectus and any supplements have been passported*] ("**Public Offer Jurisdictions**") during the period from [*specify date*] until [*specify date*] ("**Offer Period**"). See further Paragraph 12 of Part B below.]

## GENERAL

The aggregate principal amount of Notes issued has been translated into Euro at the rate of [ ● ] per cent. producing a sum of:

[Not Applicable/[ ● ]]

## [PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] admission to trading on the [*specify relevant regulated market*] of the Notes described herein pursuant to the Euro 5,000,000,000 Euro Medium Term Note Programme of Klépierre.]

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [*(Relevant third party information)* has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]<sup>14</sup>

Signed on behalf of Klépierre:

By: .....

Duly authorised

<sup>14</sup> Include if third party information is provided, for example in compliance with Annex XII of the Prospectus Directive Regulation in relation to an index or its components, an underlying security or the issuer of an underlying security.

## PART B – OTHER INFORMATION

### 1. RISK FACTORS

[Not Applicable/[Insert any risk factors that are material to the Notes being admitted to trading and/or offered to the public in order to assess the market risk associated with these Notes and that may affect the Issuer's ability to fulfil its obligations under the Notes which are not covered under "Risk Factors" in the Base Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]]

### 2. LISTING AND ADMISSION TO TRADING

- (i) Listing(s): [Euronext Paris/ other (*specify*)/ None]
- (ii) (a) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris/other (*specify relevant regulated market*)] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris/other (*specify relevant regulated market*)] with effect from [●].] [Not Applicable] (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.*)
- (b) Regulated Markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the Notes to be admitted to trading are already admitted to trading: [●]
- (iii) Additional publication of Base Prospectus and Final Terms: [●] (*See paragraph 9 of the section "General Information" of this Base Prospectus which provides that the relevant Base Prospectus and Final Terms will be published on the website of the Autorité des marchés financiers so long as the Notes are admitted to trading on any Regulated Market. Please provide for additional methods of publication in respect of an admission to trading on a Regulated Market other than Euronext Paris.*)

### 3. RATINGS

Ratings: [The Notes to be issued have been rated:  
[S & P: [●]]  
[Moody's: [●]]  
[Fitch: [●]]  
[[Other]: [●]]

[Each of S & P, Moody's and Fitch is established in the European Union, registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**") and included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website ([www.esma.europa.eu](http://www.esma.europa.eu)) in accordance with CRA Regulation.]/

[[*Insert credit rating agency*] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.]/

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"), but is endorsed by [*insert credit rating agency*] which is established in the European Union, registered under the CRA Regulation and included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website ([www.esma.europa.eu](http://www.esma.europa.eu)) in accordance with the CRA Regulation.]/

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009, as amended.]

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

#### 4. [NOTIFICATION]

The *Autorité des marchés financiers*, which is the French competent authority for the purpose of the Prospectus Directive [has been requested to provide/has provided - *include first alternative for an issue which is contemporaneous with the update of the Programme and the second alternative for subsequent issues*] the [*include names of competent authorities of host Member States*] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

#### 5. [THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST]

*If advisors are mentioned in these Final Terms, specify the capacity in which the advisors have acted.*

*Specify other information mentioned in the Final Terms which has been audited or reviewed by auditors and where auditors have produced a report. Insert the report or, with permission of the competent authority, a summary of the report.*

*Where a statement or report attributed to a person as an expert is included in these Final Terms in respect of the Issuer or the Notes, provide such person's name, business address, qualifications and material interest if any in the Issuer. If the report has been produced at the Issuer's request a statement to that effect that such statement or report is included, in the form and context in which it is included, with the consent of that person who has authorised the contents of that part in respect of the Issuer or the Notes.*

*Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.*

*In addition, the Issuer shall identify the source(s) of the information.]*

## **6. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

Need to include a description of any interest, including conflicting ones, that is material to the issue, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement: "Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

*[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]*

## **7. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

(i) Reasons for the offer: [●]  
*(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from general corporate purposes will need to include those reasons here.)*

(ii) Estimated net proceeds: [●]  
*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

[(iii) Estimated total expenses: [●]]<sup>15</sup>

## **8. [Fixed Rate Notes only – YIELD**

Indication of yield: [●].

Calculated as [include details of method of calculation in summary form] on the Issue Date.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

*(Only applicable for offer to the public in France) [yield gap of [●] per cent. in relation to tax free French government bonds (obligations assimilables au Trésor (OAT)) of an equivalent duration.].]*

## **9. [Floating Rate Notes only – HISTORIC INTEREST RATES**

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

---

<sup>15</sup> Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.



**10. [Index Linked Notes or other variable-linked Notes Only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING<sup>16</sup>**

*Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained. Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required by Paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.*

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]*

**11. [Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT<sup>17</sup>**

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]*

**12. [Derivatives only – SETTLEMENT PROCEDURES FOR DERIVATIVES SECURITIES, RETURN ON DERIVATIVES SECURITIES AND INFORMATION CONCERNING THE UNDERLYING**

**SETTLEMENT PROCEDURES FOR DERIVATIVES SECURITIES**

*Need to include a description of the settlement procedures of the derivative securities.]*

**RETURN ON DERIVATIVES SECURITIES**

Return on derivative securities: *[Description of how any return on derivative securities takes place]*

Payment or delivery date:

Method of calculation:

**INFORMATION CONCERNING THE UNDERLYING**

The exercise price or the final reference price of the underlying:

A statement setting out the type of the underlying and details of where information on the underlying can be obtained:

- an indication where information about the past and the further performance of the underlying and its volatility can be

<sup>16</sup> For derivative securities to which Annex XII to the Prospectus Directive Regulation applies, please complete instead paragraph 11 below relating to explanation of effect on value of investment, return on derivatives securities and information concerning the underlying.

<sup>17</sup> For derivative securities to which Annex XII to the Prospectus Directive Regulation applies, please complete instead paragraph 11 below relating to explanation of effect on value of investment, return on derivatives securities and information concerning the underlying.

- obtained
- where the underlying is a security:  [Applicable/Not Applicable]
  - the name of the issuer of the security:
  - the ISIN (International Security Identification Number) or other such security identification code:
- where the underlying is an index:  [Applicable/Not Applicable]
  - the name of the index and a description of the index if it is composed by the Issuer. If the index is not composed by the Issuer, where information about the index can be obtained:
- where the underlying is an interest rate:  [Applicable/Not Applicable]
  - a description of the interest rate:
- others:  [Applicable/Not Applicable]
  - where the underlying does not fall within the categories specified above the Final Terms shall contain equivalent information:
- where the underlying is a basket of underlyings:  [Applicable/Not Applicable]
  - disclosure of the relevant weightings of each underlying in the basket:
- A description of any market disruption or settlement disruption events that affect the underlying:
- Adjustment rules with relation to events concerning the underlying<sup>18</sup>:

#### **OTHER**

- Name and address of Calculation Agent:
- [Information on taxes on the income from the Notes withheld at source in the country where admission to trading (other than in France) is sought:

#### **POST ISSUANCE INFORMATION CONCERNING THE UNDERLYING**

The Issuer will not provide any post-issuance information, except if required by any applicable laws and regulations.

*[If post-issuance information is to be reported, specify what information will be reported and where such information can be obtained.]*

### **13. TERMS AND CONDITIONS OF THE OFFER**

#### **CONDITIONS, OFFER STATISTICS, EXPECTED TIMETABLE AND ACTION REQUIRED TO APPLY FOR THE OFFER**

- Offer Price:  [Issue Price] *[specify the expected price at which the securities will be offered or the method of determining the price and the process for its disclosure. Indicate the amount of any expenses*

---

<sup>18</sup> Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

*and taxes specifically charged to the subscriber or purchaser]*

Conditions to which the offer is subject:	[Not Applicable/give details]
Description of the application process:	[Not Applicable/give details]
The time period, including any possible amendments during which the offer will be open and description of the application process:	[Not Applicable/give details]
A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants:	[Not Applicable/give details]
Details of the minimum and/or maximum amount of application:	[Not Applicable/give details]
Method and time limits for paying up and delivering the Notes:	[Not Applicable/give details]
Manner in and date on which results of the offer are to be made public:	[Not Applicable/give details]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/give details]

#### **PLAN OF DISTRIBUTION AND ALLOTMENT**

The various categories of prospective investors to which the securities are offered. If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche:	[Not Applicable/give details]
Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made:	[Not Applicable/give details]

#### **PLACING AND UNDERWRITING**

Name and address of the coordinator(s) of the global offer and of single parts of the offer and, to the extent known to the issuer or to the offeror, of the placers in the various countries where the offer takes place:	[●]
Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under 'best efforts' arrangements. Where not all of the issue is underwritten, a statement of the portion not covered:	[●]
When the underwriting agreement has been or will be reached:	[●]
Name and address of entities which have a	

firm commitment to act as intermediaries in secondary trading:

#### 14. OPERATIONAL INFORMATION

ISIN Code:

Common Code:

Depositories:

(a) Euroclear France to act as Central Depository

(b) Common Depository for Euroclear Bank and Clearstream Banking, société anonyme

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):  [Not Applicable/*give name(s) and number(s) and address(es)*]

Delivery:  Delivery [against/free of] payment

Names and addresses of initial Paying Agent: BNP Paribas Securities Services  
(affiliated with Euroclear France under number 29106)  
Corporate Trust Services  
Les Grands Moulins de Pantin  
9 rue du Débarcadère  
93500 Pantin  
France

Names and addresses of additional Paying Agent(s) (if any):

**FORM OF FINAL TERMS**  
**FOR USE IN CONNECTION WITH ISSUES OF NOTES WITH A SPECIFIED DENOMINATION OF**  
**AT LEAST €100,000 TO BE ADMITTED TO TRADING ON A REGULATED MARKET**

**Final Terms dated [ ● ]**

[LOGO, if document is printed]

**KLEPIERRE**

Issue of [**Aggregate Nominal Amount of Tranche**] [**Title of Notes**]  
issued under the € 5,000,000,000 Euro Medium Term Note Programme of Klépierre

Issue Price: [ ● ] per cent.

[Name(s) of Dealer(s)]

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the conditions (the "**Conditions**") set forth in the Base Prospectus dated 27 April 2012 which received visa no. 12-187 from the *Autorité des marchés financiers* ("**AMF**") in France on 27 April 2012 [and the supplement to the Base Prospectus dated [●] which received visa no. [●] from the AMF on [●]] which [together] constitute[s] a base prospectus for the purposes of the Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003 [, as amended by Directive 2010/73/UE] (the "**Prospectus Directive**").

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (www.klepierre.com), [and] during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained. [In addition<sup>19</sup>, the Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing [on/at] [●].]

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the conditions (the "**Conditions**") set forth in the Base Prospectus dated [original date] which received visa no. [●] from the *Autorité des marchés financiers* ("**AMF**") in France on [●] [and the supplement to the Base Prospectus dated [●] which received visa no.[●] from the AMF on [●]] ([together] the "**Original Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003 [, as amended by Directive 2010/73/UE] (the "**Prospectus Directive**") and must be read in conjunction with the Base Prospectus dated 27 April 2012 which received visa no. 12-187 from the AMF on 27 April 2012 [and the supplement to the Base Prospectus dated [●] which received visa no. [●] from the AMF on [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Original Base Prospectus and are attached hereto. Full information on the Issuer and the Notes is only available on the basis of the combination of these Final Terms, the Original Base Prospectus and Base Prospectus dated 27 April 2012 [and the supplement to the Base Prospectus dated [●] and [●]]. The Base Prospectus dated 27 April 2012 [and the supplement to the Base Prospectus dated [●]] [is] [are] available for viewing on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (www.klepierre.com), [and] during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained. [In addition<sup>20</sup>, the Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing [on/at] [●].]

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Final Terms.]*

*[When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive, the publication of which would in turn trigger the investors' right to withdraw their acceptances within a forty-eight (48)-hour time period.]*

---

<sup>19</sup> If the Notes are admitted to trading on a Regulated Market other than Euronext Paris.

<sup>20</sup> If the Notes are admitted to trading on a Regulated Market other than Euronext Paris.

1. **Issuer:** Klépierre
2. **[(i) Series Number:** [●]  
**[(ii) Tranche Number:** [●]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)]*
3. **Specified Currency or Currencies:** [●]
4. **Aggregate Nominal Amount of Notes:**  
**[(i) Series:** [●]  
**[(ii) Tranche:** [●]]
5. **Issue Price:** [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (if applicable)]
6. **Specified Denomination(s):** [●]<sup>21</sup>  
*(one (1) denomination only for Dematerialised Notes) (For Materialised Notes, attention should be paid to the rules and procedures of the relevant Stock Exchange(s) and/or clearing system(s)) (Not less than €100,000 or its equivalent in other currency at the Issue Date)*
7. **(i) Issue Date:** [●]  
**(ii) Interest Commencement Date:** [Specify/Issue Date/Not Applicable]
8. **Maturity Date:** [Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]
9. **Interest Basis:** [[●] per cent. Fixed Rate]  
 [[EURIBOR, EONIA, LIBOR, CMS, TEC or other] +/- [●] per cent. Floating Rate]  
 [Zero Coupon]  
 [Index Linked Interest]  
 [Other (specify)]  
*(further particulars specified below)*
10. **Redemption/Payment Basis<sup>22</sup>:** [Redemption at par]  
 [Index Linked Redemption]  
 [Dual Currency]  
 [Partly Paid]  
 [Instalment]  
 [Other (specify)]  
*(further particulars specified below)*
11. **Change of Interest or Redemption/Payment Basis:** [Specify details of any provision for convertibility of Notes into another interest or

<sup>21</sup> Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and having a maturity of less than one (1) year must have a minimum denomination of £100,000 (or its equivalent in other currencies).

<sup>22</sup> If the Final Redemption Amount is different than one hundred per cent. (100%) of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €100,000 or more. Where Annex XII is not applicable but income on the Notes is linked to an underlying, nevertheless consider including disclosure in relation to the underlying.

- redemption/payment basis]*
- 12. Put/Call Options:** [Noteholder Put]  
[Issuer Call]  
[other option: *(further particulars specified below)*]  
[Not Applicable]
- 13. (i) Status of the Notes:** Senior  
**(ii) Date of corporate authorisations for issuance of Notes:** Decision of [●] dated [●]
- 14. Method of distribution:** [Syndicated/Non-syndicated]

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 15. Fixed Rate Notes Provisions:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate(s) of Interest: [●] per cent. per annum [payable [annually / semi-annually / quarterly / monthly / other *(specify)*] in arrear]
- (ii) Interest Payment Date(s): [●] in each year  
[[Adjusted in accordance with *[specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]*/ Not adjusted]
- (iii) Fixed Coupon Amount[(s)]<sup>23</sup>: [●] per [●] in Specified Denomination
- (iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s)]*
- (v) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA/FBF) / other]  
*(Day count fraction should be Actual-Actual (ICMA) for all fixed rate issues other than those denominated in U.S. Dollars or RMB, unless agreed otherwise)*
- (vi) Determination Dates: [●] in each year  
*(insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA) or for RMB Notes)*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]
- [(viii) Party responsible for calculating Interest Amounts (if not the Calculation Agent):]<sup>24</sup> [●]/[Not Applicable]
- 16. Floating Rate Notes Provisions:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Interest Period(s): [●]

<sup>23</sup> Not applicable for RMB Notes.

<sup>24</sup> RMB Notes only.



- (ii) Specified Interest Payment Dates: [●]
- (iii) First Interest Payment Date: [●]
- (iv) Interest Period Date: [Interest Payment Date/Other (*specify*)]
- (v) Business Day Convention: [Floating Rate Business Day Convention/  
Following Business Day Convention/ Modified  
Following Business Day Convention/  
Preceding Business Day Convention/ other  
(*give details*)]  
(*Insert "unadjusted" if the application of the  
relevant business day convention is not  
intended to affect the Interest Amount*)
- (vi) Business Centre(s) (Condition 6(a)): [●]
- (vii) Manner in which the Rate(s) of Interest  
is/are to be determined: [FBF Determination/ ISDA Determination/  
Screen Rate Determination/other (*give details*)]
- (viii) Party responsible for calculating the  
Rate(s) of Interest and/or Interest  
Amount(s) (if not the Calculation  
Agent): [●]
- (ix) FBF Determination: [Applicable/Not Applicable]
- Floating Rate (*Taux Variable*): [●] (*specify Benchmark [EURIBOR, EONIA,  
LIBOR, CMS, TEC or other] and months [e.g.  
EURIBOR 3 months] (additional information  
if necessary)*)
  - Floating Rate Determination Date  
(*Date de Détermination du Taux  
Variable*): [●]
  - FBF Definitions (if different from  
those set out in the Conditions): [●]
- (x) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
  - ISDA Definitions (if different from  
those set out in the Conditions): [●]
- (xi) Screen Rate Determination: [Applicable/Not Applicable]
- Benchmark: [●] (*specify Benchmark [EURIBOR, EONIA,  
LIBOR, CMS, TEC or other] (additional  
information if necessary)*)
  - Relevant Time: [●]
  - Interest Determination Date(s): [●]
  - Primary Source: [*Specify relevant screen page or "Reference  
Banks"*]
  - Reference Banks (if Primary Source  
is "Reference Banks"): [*Specify four*]
  - Relevant Financial Centre: [*The financial centre most closely connected to  
the Benchmark - specify if not Paris*]
  - Representative Amount: [*Specify if screen or Reference Bank quotations  
are to be given in respect of a transaction of a  
specified notional amount*]

- Effective Date: *[Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]*
  - Specified Duration: *[Specify period for quotation if not duration of Interest Accrual Period]*
  - (xii) Margin(s): *[+/-] [●] per cent. per annum*
  - (xiii) Minimum Rate of Interest: *[Not Applicable/[●] per cent. per annum]*
  - (xiv) Maximum Rate of Interest: *[Not Applicable/[●] per cent. per annum]*
  - (xv) Day Count Fraction: *[●]*
  - (xvi) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: *[●]*
- 17. Zero Coupon Notes Provisions:** *[Applicable/Not Applicable]*  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Amortisation Yield: *[●] per cent. per annum*
  - (ii) Day Count Fraction: *[●]*
  - (iii) Reference Price: *[●]*
  - (iv) Any other formula/basis of determining amount payable: *[●]*
- 18. Index-Linked Interest Notes/other variable-linked interest Notes Provisions<sup>25</sup>:** *[Applicable/Not Applicable]*  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Index/ Formula/ other variable: *[give or annex details]*
  - (ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): *[●][give name and address]*
  - (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: *[●]*
  - (iv) Interest Determination Date(s): *[●]*
  - (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: *[●]*
  - (vi) Interest or Calculation Period(s): *[●]*
  - (vii) Specified Interest Payment Dates: *[●]*
  - (viii) Business Day Convention: *[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]*

---

<sup>25</sup>

If the Final Redemption Amount is different than one hundred per cent. (100%) of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €100,000 or more. Where Annex XII is not applicable but income on the Notes is linked to an underlying, nevertheless consider including disclosure in relation to the underlying.

- (ix) Business Centre(s): [●]
- (x) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xi) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xii) Day Count Fraction: [●]
- 19. Dual Currency Notes Provisions<sup>26</sup>:** [Applicable/ Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate of Exchange/Method of calculating Rate of Exchange: [●][give details]
- (ii) Party, if any, responsible for calculating the principal and/or interest due (if not the Calculation Agent): [●][give name and address]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [Need to include a description of market disruption or settlement disruption events and adjustment provisions]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [●]
- (v) Day Count Fraction: [●]

## PROVISIONS RELATING TO REDEMPTION

- 20. Call Option:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note of [●] specified denomination
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [●]
- (b) Maximum Redemption Amount: [●]
- (iv) Option Exercise Date(s) [●]
- (v) Description of any other Issuer's Option [●]
- (vi) Notice period<sup>27</sup>: [●]
- 21. Put Option:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note of [●] specified denomination
- (iii) Notice period<sup>28</sup>: [●]

<sup>26</sup> If the Final Redemption Amount is different than one hundred per cent. (100%) of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €100,000 or more. Where Annex XII is not applicable but income on the Notes is linked to an underlying, nevertheless consider including disclosure in relation to the underlying.

<sup>27</sup> If setting notice periods which are different to those provided in the terms and conditions, consider the practicalities of distribution of information through intermediaries, for example clearing systems, as well as any other notice requirements which may apply, for example as between the Issuer and the Fiscal Agent.

22. **Final Redemption Amount of each Note**<sup>29</sup>: [[ ● ] per Note of [ ● ] specified denomination/  
Specified Denomination/Other (*specify*)

In cases where the Final Redemption Amount is Index-Linked or other variable-linked:

- (i) Index/Formula/variable: [give or annex details]
- (ii) Party responsible for calculating the Final Redemption Amount (if not the Calculation Agent): [ ● ] [give name and address]
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [ ● ]
- (iv) Determination Date(s): [ ● ]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [ ● ]
- (vi) Payment Date: [ ● ]
- (vii) Minimum Final Redemption Amount: [ ● ]
- (viii) Maximum Final Redemption Amount: [ ● ]

23. **Early Redemption Amount:**

Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same and/or any other terms (if required or if different from that set out in the Conditions): [ ● ]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

24. **Form of Notes:** [Dematerialised Notes/Materialised Notes]  
(*Materialised Notes are only in bearer form*)  
[Delete as appropriate]
- (i) Form of Dematerialised Notes: [Not Applicable/if Applicable specify whether bearer form (*au porteur*)/registered form (*au nominatif*)]
  - (ii) Registration Agent: [Not Applicable/if applicable give name and address] (*Note that a Registration Agent can be appointed in relation to Dematerialised Notes in fully registered form only*)
  - (iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [ ● ] (the "**Exchange Date**"), being forty (40) days after the Issue Date subject to postponement as specified in the Temporary

<sup>28</sup> If setting notice periods which are different to those provided in the terms and conditions, consider the practicalities of distribution of information through intermediaries, for example clearing systems, as well as any other notice requirements which may apply, for example as between the Issuer and the Fiscal Agent.

<sup>29</sup> If the Final Redemption Amount is different than one hundred per cent. (100%) of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply. This form of Final Terms has been annotated to indicate where the key additional requirements of Annex XII are dealt with. Note that some regulatory authorities may require the inclusion of information or placeholders addressing Paragraph 5 of Annex XII even though (noting that such information is not required by Annex XIII) the denomination of the Notes is €100,000 or more. Where Annex XII is not applicable but income on the Notes is linked to an underlying, nevertheless consider including disclosure in relation to the underlying.

- Global Certificate]
25. **Financial Centre(s) or other special provisions relating to payment dates for the purposes of Condition 8(g):** [Not Applicable/Give details. Note that this paragraph relates to the date and place of payment, and not interest period and dates, to which sub-paragraphs 15 (ii), 16(v) and 18(ix) relate]
26. **Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature):** [Yes/No/Not Applicable. If yes, give details] (Only applicable to Materialised Notes)
27. **Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:** [Not Applicable/give details]
28. **Details relating to Instalment Notes:** [Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Amount of each instalment: [●]
- (ii) Date on which each payment is to be made: [●]
29. **Redenomination, renominatisation and reconventioning provisions:** [Not Applicable/The provisions [in Condition 1(d)] [annexed to these Final Terms] apply]
30. **Consolidation provisions:** [Not Applicable/The provisions [in Condition 15(b)] [annexed to these Final Terms] apply]
31. **Masse (Condition 12):** [The Notes are issued outside France and Condition 12 applies/ The Notes are not issued outside France and Condition 12 is replaced by the full provisions of the French *Code de commerce* relating to the Masse] (Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 12 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, Condition 12 must be waived in its entirety and replaced by the full provisions of the French *Code de commerce* relating to the Masse. If Condition 12 (as it may be amended or supplemented) applies or if full provisions of the French *Code de commerce* relating to the Masse apply, insert details of Representative and Alternative Representative and remuneration, if any.)
32. **[Any applicable currency disruption/fallback provisions:]<sup>30</sup>** [Not Applicable/give details]
33. **Other final terms:** [Not Applicable/give details] (When adding any other final terms consideration should be given as to whether such terms constitute a "significant new factor" and consequently trigger the need for a

---

<sup>30</sup> In respect of RMB Notes, consider insertion of Payment of US Dollar Equivalent provision.

*supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)*

#### DISTRIBUTION

34. (i) **If syndicated, names of Managers:** [Not Applicable/*give names*]  
 (ii) **Date of [subscription agreement]:** [●]<sup>31</sup>  
 (iii) **Stabilising Manager(s) (if any):** [Not Applicable/*give name*]
35. **If non-syndicated, name of Dealer:** [Not Applicable/*give name*]
36. **U.S. selling restrictions:** [Reg. S Compliance Category; TEFRA C/ TEFRA D/ TEFRA not Applicable]  
*(TEFRA are not applicable to Dematerialised Notes)*
37. **Additional selling restrictions:** [Not Applicable/*give details*]

#### GENERAL

The aggregate principal amount of Notes issued has been translated into Euro at the rate of [●] per cent. producing a sum of:

[Not Applicable/[●]]

#### [PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the [*specify relevant regulated market*] of the Notes described herein pursuant to the Euro 5,000,000,000 Euro Medium Term Note Programme of Klépierre.]

#### RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [*Relevant third party information*] has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]<sup>32</sup>

Signed on behalf of Klépierre:

By: .....

Duly authorised

<sup>31</sup> Required only for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

<sup>32</sup> Include if third party information is provided, for example in compliance with Annex XII of the Prospectus Directive Regulation in relation to an index or its components, an underlying security or the issuer of an underlying security.

## PART B – OTHER INFORMATION

### 1. RISK FACTORS

[Not Applicable/[Insert any risk factors that are material to the Notes being admitted to trading in order to assess the market risk associated with these Notes and that may affect the Issuer's ability to fulfil its obligations under the Notes which are not covered under "Risk Factors" in the Base Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]]

### 2. LISTING AND ADMISSION TO TRADING

- (i) Listing(s): [Euronext Paris/ other (*specify*)/ None]
- (ii) (a) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris/other (*specify relevant regulated market*)] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris/other (*specify relevant regulated market*)] with effect from [●].] [Not Applicable] (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.*)
- (b) Regulated Markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the Notes to be admitted to trading are already admitted to trading: [●]
- (iii) Estimate of total expenses related to admission to trading: [●]
- (iv) Additional publication of Base Prospectus and Final Terms: [●] (*See paragraph 9 of the section "General Information" of this Base Prospectus which provides that the relevant Base Prospectus and Final Terms will be published on the website of the Autorité des marchés financiers so long as the Notes are admitted to trading on any Regulated Market. Please provide for additional methods of publication in respect of an admission to trading on a Regulated Market other than Euronext Paris.*)

### 3. RATINGS

Ratings: [The Notes to be issued have been rated:  
[S & P: [●]]  
[Moody's: [●]]  
[Fitch: [●]]  
[[Other]: [●]]

[Each of S & P, Moody's and Fitch is established in the European Union, registered under Regulation (EC) No 1060/2009, as amended (the "CRA Regulation") and included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website ([www.esma.europa.eu](http://www.esma.europa.eu)) in accordance with

CRA Regulation.]/

[[*Insert credit rating agency*] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.]/

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"), but is endorsed by [*insert credit rating agency*] which is established in the European Union, registered under the CRA Regulation and included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website ([www.esma.europa.eu](http://www.esma.europa.eu)) in accordance with CRA Regulation.]/

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009, as amended.]

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

#### 4. [NOTIFICATION

The *Autorité des marchés financiers*, which is the French competent authority for the purpose of the Prospectus Directive [has been requested to provide/has provided - *include first alternative for an issue which is contemporaneous with the update of the Programme and the second alternative for subsequent issues*] the [*include names of competent authorities of host Member States*] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

#### 5. [THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST<sup>33</sup>

*If advisors are mentioned in these Final Terms, specify the capacity in which the advisors have acted.*

*Specify other information mentioned in the Final Terms which has been audited or reviewed by auditors and where auditors have produced a report. Insert the report or, with permission of the competent authority, a summary of the report.*

---

<sup>33</sup> Please note that some regulatory authorities may require the inclusion of that information even though the denomination of the Notes is €100,000 or more.



*Where a statement or report attributed to a person as an expert is included in these Final Terms in respect of the Issuer or the Notes, provide such person's name, business address, qualifications and material interest if any in the Issuer. If the report has been produced at the Issuer's request a statement to that effect that such statement or report is included, in the form and context in which it is included, with the consent of that person who has authorised the contents of that part in respect of the Issuer or the Notes.*

*Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.*

*In addition, the Issuer shall identify the source(s) of the information.]*

## **6. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Need to include a description of any interest, including conflicting ones, that is material to the issue, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement: "Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

*[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]*

## **7. [REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

[(i)] Reasons for the offer: [●]  
*(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from general corporate purposes will need to include those reasons here.)*

[(ii)] Estimated net proceeds: [●]  
*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

[(iii)] Estimated total expenses: [●]]<sup>34</sup>

## **8. [Fixed Rate Notes only – YIELD**

Indication of yield: [●].  
 The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield. ]

---

<sup>34</sup> Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies..

**9. [Index Linked Notes or other variable-linked Notes Only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING<sup>35</sup>**

*Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained. Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required by Paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.*

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]*

**10. [Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT<sup>36</sup>**

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained.*

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]*

**11. [Derivatives only – SETTLEMENT PROCEDURES FOR DERIVATIVES SECURITIES, RETURN ON DERIVATIVES SECURITIES AND INFORMATION CONCERNING THE UNDERLYING**

**SETTLEMENT PROCEDURES FOR DERIVATIVES SECURITIES**

*Need to include a description of the settlement procedures of the derivative securities.]*

**RETURN ON DERIVATIVES SECURITIES**

Return on derivative securities: *[Description of how any return on derivative securities takes place]*

Payment or delivery date: [ ● ]

Method of calculation: [ ● ]

**INFORMATION CONCERNING THE UNDERLYING**

The exercise price or the final reference price of the underlying: [ ● ]

A statement setting out the type of the underlying and details of where information on the underlying can be obtained:

- an indication where information about the past and the further performance of the underlying and its volatility can be obtained [ ● ]

<sup>35</sup> For derivative securities to which Annex XII to the Prospectus Directive Regulation applies, please complete instead paragraphs 11 and 13 below relating to explanation of effect on value of investment, return on derivatives securities and information concerning the underlying.

<sup>36</sup> For derivative securities to which Annex XII to the Prospectus Directive Regulation applies, please complete instead paragraphs 11 and 13 below relating to explanation of effect on value of investment, return on derivatives securities and information concerning the underlying.

- where the underlying is a security: [Applicable/Not Applicable]  
the name of the issuer of the security: [●]  
the ISIN (International Security Identification Number) or other such security identification code: [●]
  - where the underlying is an index: [Applicable/Not Applicable]  
the name of the index and a description of the index if it is composed by the Issuer. If the index is not composed by the Issuer, where information about the index can be obtained: [●]
  - where the underlying is an interest rate: [Applicable/Not Applicable]  
a description of the interest rate: [●]
  - others: [Applicable/Not Applicable]  
where the underlying does not fall within the categories specified above the Final Terms shall contain equivalent information: [●]
  - where the underlying is a basket of underlyings: [Applicable/Not Applicable]  
disclosure of the relevant weightings of each underlying in the basket: [●]
- A description of any market disruption or settlement disruption events that affect the underlying: [●]
- Adjustment rules with relation to events concerning the underlying<sup>37</sup>: [●]

#### **OTHER**

- Name and address of Calculation Agent: [●]
- [Information on taxes on the income from the Notes withheld at source in the country where admission to trading (other than in France) is sought: [●]]

#### **POST ISSUANCE INFORMATION CONCERNING THE UNDERLYING**

The Issuer will not provide any post-issuance information, except if required by any applicable laws and regulations.

*[If post-issuance information is to be reported, specify what information will be reported and where such information can be obtained.]*

## **12. OPERATIONAL INFORMATION**

- ISIN Code: [●]
- Common Code: [●]
- Depositories:
- (a) Euroclear France to act as Central Depository [Yes/No]
  - (b) Common Depository for Euroclear Bank and Clearstream Banking, société [Yes/No]

---

<sup>37</sup> Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

anonyme

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s) and address(es)]

Delivery:

Delivery [against/free of] payment

Names and addresses of initial Paying Agent:

BNP Paribas Securities Services  
(affiliated with Euroclear France  
under number 29106)  
Corporate Trust Services  
Les Grands Moulins de Pantin  
9 rue du Débarcadère  
93500 Pantin  
France

Names and addresses of additional Paying Agent(s) (if any): [●]

### 13. [Derivatives only – PLACING AND UNDERWRITING

Name and address of the coordinator(s) of the global offer and of single parts of the offer and, to the extent known to the issuer or to the offeror, of the placers in the various countries where the offer takes place: [●]

Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under 'best efforts' arrangements. Where not all of the issue is underwritten, a statement of the portion not covered: [●]

Name and address of entities which have a firm commitment to act as intermediaries in secondary trading: [●]

## DESCRIPTION OF THE ISSUER

The description of the Issuer is set out in pages 104, 167, 230, 248, 249, 251 and 254 of Klépierre's Registration Document for 2011 filed with the AMF, incorporated herein by reference in this Base Prospectus.

### **Corporate purpose** (article 2 of the articles of association)

Klépierre's purpose is:

- to acquire any lands, land titles or buildings, located in France or abroad, as well as all goods and rights that might constitute an addition or annex to said buildings;
- to construct buildings and engage in all operations directly or indirectly related to the construction of these buildings;
- to operate and enhance property value by leasing such properties or by other means;
- to enter into all lease agreements for premises or buildings in France or abroad;
- to acquire direct or indirect interests in the persons indicated in article 8 and in paragraphs 1, 2 and 3 of article 206 of the French *Code général des impôts* and, more generally, to acquire interests in all companies whose purpose is to operate rental properties;
- incidentally, to acquire interests in any company or enterprise engaged in any activities whatsoever in the real estate sector;
- and more generally, to engage in all types of civil, commercial, financial, investment and real estate operations directly related to the abovementioned purpose or in the furtherance thereof, in particular, borrowing and the creation of any related guarantees or pledges.

### **Term of the Company**

Klépierre was registered as a société anonyme à Conseil d'administration (French public limited company governed by a Board of Directors) on October 4, 1968. Its term was set at 99 years, expiring on October 3, 2067.

### **Legal form**

Klépierre is a French public limited company (*société anonyme*) with a two-tier management structure governed by an Executive Board (*Directoire*) and a Supervisory Board (*Conseil de surveillance*).

It is governed by the legal provisions applicable to sociétés anonymes, in particular articles L. 225-57 to L. 225-93 of the French *Code de commerce* and by its own articles of association.

## RECENT DEVELOPMENTS

The following recent developments have been published by the Issuer:

### Press release dated 25 April 2012 - Revenues for 1st quarter 2012: 262.4 million euros (+3.3%)

- **Rents for the 1<sup>st</sup> quarter are up by 3.1% on a current portfolio basis (+2.4% on a constant exchange rate and portfolio basis)**
- **More than 210 million euros (excluding transfer duties) worth of asset sales completed or under sale and purchase promissory agreements year-to-date**
- **Successful opening of the St.Lazare Paris retail space in late March 2012 and increase in pre-let rates for development projects**
- **Unchanged 2012 outlook: rents expected to grow by around 4% (2-2.5% on a constant portfolio basis)**

### FURTHER INCREASE IN LEASE INCOME

- Consolidated rents reached 242.2 million euros for the quarter ended March 31, 2012, an increase of 3.1% on a current portfolio basis (+2.4% on a constant portfolio and exchange rate basis).
    - Rents from the **shopping center segment** (93.1% of consolidated rents) grew by 3.7% during 1<sup>st</sup> quarter 2012, reaching 225.4 million euros, boosted in particular by the contribution of new spaces which include:
      - Two new shopping centers opened for business in April 2011: Le Millénaire, a 56 000 sq.m. facility just outside Paris and Aqua Portimão, in Algarve, a first rank tourist destination in Portugal.
      - The Roques-sur-Garonne regional shopping center, acquired in November 2011, located in Toulouse, a powerful urban area in France.

On a constant portfolio and exchange rate basis, rents rose by 1.8%. This increase is driven by France, Belgium, Scandinavia, Italy and the Czech Republic, representing altogether 82.1% of shopping center segment rents, whilst other countries such as Spain, Portugal and Hungary (13.2% of shopping center rents) posted negative figures, reflecting difficult macroeconomic situations.
  - Rents provided by the **retail property segment** (4.5% of consolidated rents) were up 4.0% on a current portfolio basis. On a constant portfolio basis, rents were up 2.5% on the quarter, reflecting significant index-linked adjustments, which absorbed a major portion of variable rents.
  - For the 1<sup>st</sup> quarter of 2012, rents from the **office property segment** (2.4% of consolidated rents) came to 5.8 million euros. The decline versus the 7.0 million euros reported for the 1<sup>st</sup> quarter of 2011 is mainly attributable to the impact of asset sales completed in 2011 and 2012. On a constant portfolio basis, rents increased by 32.4%, boosted in particular by the leasing of the Séreinis building in Issy-les-Moulineaux (Hauts-de-Seine) to Veolia Transdev, effective September 1, 2011. On March 23, 2012, Klépierre announced that it had signed a 9-year firm lease with Safran for the Equilis office building located in the immediate vicinity of the Séreinis building. The lease goes into effect on September 1, 2012.
- Fee income for the quarter reached 20.3 million euros, up by 6.9%, primarily attributable to the rise in development fees, mainly due to the status of the Emporia shopping center (Malmö, Sweden).
  - Overall, revenues for the 1<sup>st</sup> quarter of 2012 came to 262.4 million euros, compared with 254.0 million euros for the first three months of 2011, an increase of 3.3%.

### RETAIL TENANTS SALES UP

Sales for retail tenants in Klépierre shopping centers rose by 2.3% over the course of the 1<sup>st</sup> quarter of 2012. Regions posted mixed performances, with stronger sales in France, Belgium, the Scandinavian countries, Poland and the Czech Republic, notably compensating for weaknesses in Spain. On a constant scope basis (ie. excluding new spaces: extensions or new centers), retail tenants posted sales growing by 1.2% for the same period.

### SUSTAINED MANAGEMENT OF ASSETS

Against a backdrop of subdued retail consumption, the sustained level of property management business in the 1<sup>st</sup> quarter attests to the quality of Klépierre's shopping centers and their appeal for retailers. Nearly 630 new leases were signed in the course of the 1<sup>st</sup> quarter of this year (1.2 million euros in additional annual rents), and both relets and renewed leases show high levels of reversion, especially in France (+24.0%) and Norway (+10.9%).

Financial occupancy rate remained high (96.8%) and late payment rate was maintained at a low level (2.0%).

### DISPOSAL PROGRAM WELL UNDERWAY

More than 210 million euros disposals are completed or under sale and purchase promissory agreements year-to-date.

Klépierre sold 131.1 million euros worth of assets (excluding transfer duties), including:

- its 50% equity interest in the Anatole France office building in Levallois-Perret, on March 19, 2012;
- 45% of the Claye-Souilly shopping center (Greater Paris Area) on April 16, 2012.

These sales were completed for prices in line with the latest appraised values, attesting to the high level of investor interest in products that offer secure yields over long periods.

In addition, sale and purchase promissory agreements for more than 80 million euros worth of assets have been signed year-to-date. Other assets are the subject of due diligence processes.

### DEVELOPMENTS – 75.7 MILLION EUROS

Priority continues to be given to the projects that create significant value. Over the course of the 1<sup>st</sup> quarter of 2012, Klépierre invested a total of 75.7 million euros. Most of the amount invested (57.5 million euros) was allocated to projects of the Group's committed development pipeline in France and Scandinavia, where pre-lease up rates have continued to rise during the first quarter.

On March 21, 2012, Klépierre and its partners SNCF and Spie batignolles inaugurated St.Lazare Paris, the new retail space at the Saint-Lazare train station. The station's traffic, not to mention its location in the heart of the top retail and business hub of Paris make St. Lazare Paris a unique retail space. Its 80 stores, covering a total floor area of 10 000 sq.m., form a novel and varied retail mix that responds to the expectations of the 450 000 daily commuters who transit through the station and local visitors.

The Emporia shopping center, which will greet its first customers on October 25, 2012 in Malmö (Sweden), is almost 90% pre-let. Among its retail tenants are Hollister (the first Malmö location for this Abercrombie & Fitch retail clothing brand), Hamleys (the first location in Sweden for the London-based toy retailer) and a number of Scandinavia's leading retailers (H&M, Lindex, KappAhl, Cubus, Gina Tricot, etc.). With a total floor area of 79 000 sq.m., Emporia is the largest shopping center project underway in Scandinavia.

In France, lease-up continues at a satisfactory pace for spaces being made available in connection with the extension-renovation of existing centers that already dominate their catchment areas, demonstrating the appetite

of retailers for commercial space with proven appeal. This is particularly the case at Claye-Souilly (Greater Paris Area), at Perpignan Clairia and at Bègles Rives d'Arcins (Bordeaux).

### FINANCIAL SITUATION STRENGTHENING ON TRACK

After taking into account asset disposals made since the beginning of this year, consolidated net debt totals 7 600 million euros, a decrease of 18 million euros since December 31, 2011 or 54 million euros excluding forex impact related to Scandinavian currencies. This forex effect (+36 million euros) is however more than compensated by a rise in value of Steen & Strøm's assets, when converted in euros.

For the 1<sup>st</sup> quarter of 2012, the cost of debt (4.2%) is unchanged compared with 2011, as the decline in short-term rates offset the higher margins of the refinancing carried out in early 2012.

### 2011 DIVIDEND APPROVED

The shareholders of Klépierre, assembled at their annual meeting on April 12, 2012, approved the 1.45 euro proposed dividend per share payable in respect of fiscal year 2011, an increase of 7.4% compared with 2010. They also ratified the resolution proposing the payment of the dividend in cash or in the form of shares.

The reinvestment price in the event of an option in favor of stock payment is 22.16 euros. Shareholders have until through May 4, 2012 to indicate which option they prefer. The settlement-delivery of new shares created in connection with this offer is scheduled for May 21, 2012, which is also the cash dividend payout date.

### 2012 OUTLOOK CONFIRMED

Business indicators for the 1<sup>st</sup> quarter of 2012 back up the 2012 outlook made in the beginning of the year:

- Rents are expected to grow by 4% on a current portfolio basis and by 2 to 2.5% on a constant portfolio basis;
- Excluding the rise in the number of shares following the stock dividend, net current cash-flow per share is expected to improve slightly, increasing by a level comparable with that recorded in 2011.

The Group also confirms it expects its financing structure to be strengthened upon the completion of a 1 billion euros disposal program by the end of 2013 – of which at least 500 million euros in 2012 – and through the payment of part of its 2011 dividend in the form of shares.

**Laurent Morel, Chairman of the Klépierre Executive Board, noted:** *“In the first quarter of this year, we managed to increase our lease income, in alignment with our expectations for 2012. Our disposal program is in line with our plans for this year. Against a challenging economic backdrop, we can count, for the quarters to come, on the strength of our revenues, linked to the favorable allocation of our assets in the most growing areas in Europe: South and West of France, Paris Greater Area, Northern Italy, Scandinavia, Poland and Czech Republic. Klépierre is pursuing growth based on work being done to enhance the value of its assets, as well as on its development policy. In 2012, after the late March opening of the St.Lazare Paris retail space, we will be inaugurating the Emporia shopping center in Malmö, Sweden, in October. The Simon Property Group's entry as first shareholder of Klépierre opens up for fruitful marketing and business collaboration that will enable us to reinforce our own dynamic.”*



## FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDED 03/31/2012

€M	03/31/2012	03/31/2011	Change	Change on a constant portfolio and forex basis
Shopping centers	225.4	217.4	+3.7%	+1.8%
Retail properties	11.0	10.6	+4.0%	+2.5%
Office properties	5.8	7.0	-17.4%	+32.4%
<b>TOTAL RENTS</b>	<b>242.2</b>	<b>235.0</b>	<b>+3.1%</b>	<b>+2.4%</b>
<b>FEE INCOME</b>	<b>20.3</b>	<b>19.0</b>	<b>+6.9%</b>	
<b>TOTAL REVENUES</b>	<b>262.4</b>	<b>254.0</b>	<b>+3.3%</b>	

RENTS (€M)	Q1 2012	Q1 2011	Change	Change on a constant portfolio and forex basis	% of consolidated rents
France	93.4	86.6	+7.9%	+5.0%	38.6%
Belgium	3.6	3.5	+2.8%	+2.8%	1.5%
<b>France-Belgium</b>	<b>96.9</b>	<b>90.0</b>	<b>+7.7%</b>	<b>+5.0%</b>	<b>40.0%</b>
Norway	24.2	23.7	+2.4%	+2.3%	10.0%
Sweden	16.8	16.6	+1.3%	+2.4%	6.9%
Denmark	11.0	10.6	+4.3%	+4.0%	4.5%
<b>Scandinavia</b>	<b>52.1</b>	<b>50.8</b>	<b>+2.4%</b>	<b>+2.7%</b>	<b>21.5%</b>
<b>Italy</b>	<b>30.9</b>	<b>29.5</b>	<b>+4.8%</b>	<b>+2.2%</b>	<b>12.8%</b>
Spain	19.4	20.3	-4.4%	-4.6%	8.0%
Portugal	4.6	4.1	+11.6%	-4.1%	1.9%
<b>Iberia</b>	<b>24.0</b>	<b>24.4</b>	<b>-1.7%</b>	<b>-4.5%</b>	<b>9.9%</b>
Poland	8.9	8.9	+0.3%	-0.4%	3.7%
Hungary	5.9	6.8	-14.3%	-15.7%	2.4%
Czech Republic	5.2	5.1	+2.6%	3.1%	2.2%
<b>Central Europe</b>	<b>20.0</b>	<b>20.8</b>	<b>-3.9%</b>	<b>-4.6%</b>	<b>8.3%</b>
Greece	1.1	1.4	-21.1%	-21.1%	0.5%
Slovakia	0.4	0.4	-9.0%	-9.0%	0.2%
<b>Other countries</b>	<b>1.5</b>	<b>1.9</b>	<b>-18.3%</b>	<b>-18.3%</b>	<b>0.6%</b>
<b>Shopping centers</b>	<b>225.4</b>	<b>217.4</b>	<b>+3.7%</b>	<b>+1.8%</b>	<b>93.1%</b>
<b>Retail properties</b>	<b>11.0</b>	<b>10.6</b>	<b>+4.0%</b>	<b>+2.5%</b>	<b>4.5%</b>
<b>Office properties</b>	<b>5.8</b>	<b>7.0</b>	<b>-17.4%</b>	<b>32.4%</b>	<b>2.4%</b>
<b>TOTAL</b>	<b>242.2</b>	<b>235.0</b>	<b>+3.1%</b>	<b>+2.4%</b>	<b>100.0%</b>

## APPENDICES

<b>1. RETAIL TENANTS REVENUE TRENDS .....</b>	<b>115</b>
<b>1.1. FRANCE-BELGIUM .....</b>	<b>115</b>
<b>1.2. SCANDINAVIA.....</b>	<b>115</b>
<b>1.3. ITALY.....</b>	<b>115</b>
<b>1.4. IBERIA.....</b>	<b>116</b>
<b>1.5. CENTRAL EUROPE.....</b>	<b>116</b>
<b>1.6. OTHER COUNTRIES .....</b>	<b>116</b>
<b>2. RENTAL BUSINESS.....</b>	<b>117</b>
<b>2.1. SHOPPING CENTER SEGMENT.....</b>	<b>117</b>
<b>2.2. RETAIL PROPERTY SEGMENT - KLÉMURS.....</b>	<b>121</b>
<b>2.3. OFFICE PROPERTY SEGMENT.....</b>	<b>121</b>
<b>2.4. FEES.....</b>	<b>122</b>
<b>3. OTHER INFORMATION.....</b>	<b>122</b>
<b>3.1. INVESTMENTS-DISPOSALS .....</b>	<b>122</b>
<b>3.2. FINANCIAL SITUATION.....</b>	<b>123</b>
<b>3.3. 2011 DIVIDEND .....</b>	<b>123</b>
<b>4. OUTLOOK.....</b>	<b>123</b>
<b>5. SYNTHETIC TABLES .....</b>	<b>124</b>

## 1. RETAIL TENANTS REVENUE TRENDS

**Retailers' sales in Klépierre shopping centers are up by 2.3% for the first three months of the year 2012 compared to the same period in 2011.**

**On a comparable portfolio basis (excluding new spaces: extensions and new centers) retailers' revenues grew by 1.2%.** After flat sales during the first two months of the year, retailers posted stronger figures in March thanks to favorable calendar effects (March benefited of an additional Saturday and Easter was earlier in April this year) and nice weather conditions that boosted ready-to-wear sales.

France-Belgium	Scandinavia	Italy	Iberia	Central Europe	Other countries	TOTAL
1,1%	4,3%	-2,3%	-5,7%	4,4%	-6,0%	<b>1,2%</b>

On a comparable basis (excluding new centers and extensions)

3-month change except for Belgium, Greece and Slovakia (2-month change)

This performance confirms Klépierre shopping centers' intrinsic qualities in a context of lackluster consumption. It is also the outcome of rental management, in terms of tenant rotation and enhancement of the retail mix, notably.

In terms of segments, Personal products (the top segment in terms of sales) posted a 3.6% increase, followed by Beauty/Health (+3.4%). Restaurants/Food sales revenues were almost unchanged (-0.8%), Culture/Gift/Leisure and Household goods segments sales were down by 2.6% and 11.4%, respectively.

### 1.1. FRANCE-BELGIUM

After having posted virtually unchanged sales during the first two months of the year 2011, Klépierre French shopping centers retailers' revenues are up by 1.1% since the beginning of the year. Centers such as Odysseum (Montpellier; +15.9%), Rennes Colombia (+10.9%), , Les Passages de l'Hôtel-de-Ville (Boulogne-Billancourt; +5.1%), Val d'Europe (Greater Paris Area; +4.3%) or Blagnac (Toulouse; +4.2%) are among the best performances.

Sales for every retail segment are on the rise at L'esplanade (Louvain-la-Neuve, Belgium): over the first two months of the year, retailers' sales grew by 2.9%.

### 1.2. SCANDINAVIA

Scandinavian shopping centers posted strong increases in retail sales during the 1<sup>st</sup> quarter (+4.3%). In March, sales were 6.9% higher than the previous year. Many animations were organized in the centers.

In Norway sales are up by 4.3% with higher sales in 14 centers out of a total 16. Gulskogen in Drammen posted the highest increase (+14.6%): sales were boosted thanks to the positive effects of the completion of its renovation-extension scheme in November 2010.

In Sweden, retailers posted a 3.3% increase in sales for the 1<sup>st</sup> quarter of 2012. Centers such as Sollentuna (Stockholm; +8.3%) and Hageby (Norrköping; +8.0%) were particularly dynamic.

Sales are up for the three Danish shopping centers: Field's (Copenhagen; +7.1%), Brunn's Galleri (Arhus; +2.5%) and Bryggen (Viejle; +2.5%). For the whole country, retailers' revenues are 4.7% higher than the level observed during the 1<sup>st</sup> quarter of 2011.

### 1.3. ITALY

Sales for Italian shopping malls are down by 2.3% this quarter helped by the good performances posted in March (+2.2%). The decrease is mainly attributable to the Household goods segment.

#### **1.4. IBERIA**

In Spain, macroeconomic situation remains challenging and total sales for shopping centers are down by 6.9%. New austerity measures were implemented and unemployment rate is historically high. La Gavia (Vallecas-Madrid), the most important asset in terms of sales, remains on the rise (+3.0%).

Despite a difficult economic backdrop, Portuguese retailers sales were virtually unchanged for the quarter (-0.3%) thanks to good performances in March (+6.3%).

#### **1.5. CENTRAL EUROPE**

In Poland, the centers posted a 5.2% increase in sales for the 1<sup>st</sup> quarter of 2012. That is especially the case for the three main centers in terms of retailers' revenues: Sadyba Best Mall (Warsaw; +6.5%), Lublin Plaza (+5.8%) and Poznan Plaza (+5.3%).

In Hungary, the rise (+3.7%) is driven by the good performances of Corvin (Budapest). Inaugurated on October 27, 2010, it posted sales 30.4% higher this quarter compared to the 1<sup>st</sup> quarter of 2011.

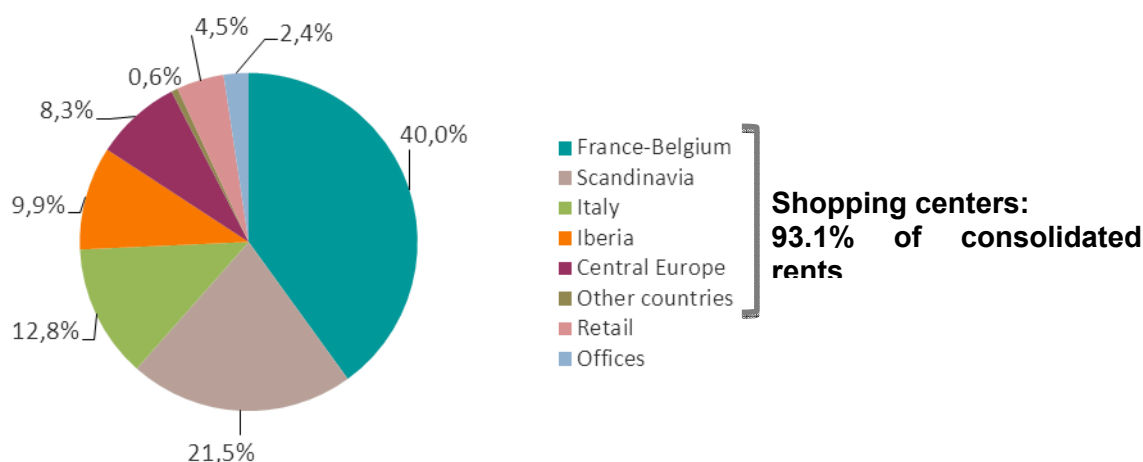
Sales for the three Czech centers are on the rise: Plzeň Plaza (+15.5%), Novodvorská Plaza (Prague; +1.9%) and Nový Smíchov (Prague; +1.6%).

#### **1.6. OTHER COUNTRIES**

Greek retailers' sales are down by 5.9% over the first two months of 2012.

## 2. RENTAL BUSINESS

### BREAKDOWN OF CONSOLIDATED RENTS AS OF 03/31/2012 BY REGION/SEGMENT: 242.2 €M



### 2.1. SHOPPING CENTER SEGMENT

03/31/2012	Δ retailers revenues <sup>1</sup>	RENTS (€M)		Δ current portfolio basis	Δ constant portfolio and forex basis <sup>2</sup>	Financial occupancy rate		Late payment rate <sup>3</sup>	
		Q1 2012	Q1 2011			Q1 2012	Q1 2011	Q1 2012	Q1 2011
France-Belgium	1,1%	96,9	90,0	7,7%	5,0%	98,4%	98,8%	1,0%	1,2%
Scandinavia	4,3%	52,1	50,8	2,4%	2,7%	96,0%	96,7%	0,6%	0,3%
Italy	-2,3%	30,9	29,5	4,8%	2,2%	98,5%	98,4%	3,4%	2,5%
Iberia	-5,7%	24,0	24,4	-1,7%	-4,5%	92,3%	92,5%	2,7%	2,4%
Central Europe	4,4%	20,0	20,8	-3,9%	-4,6%	94,7%	95,6%	4,2%	4,8%
Other countries	-6,0%	1,5	1,9	-18,3%	-18,3%	91,4%	91,3%	29,4%	13,8%
<b>TOTAL</b>	<b>1,2%</b>	<b>225,4</b>	<b>217,4</b>	<b>3,7%</b>	<b>1,8%</b>	<b>96,8%</b>	<b>97,1%</b>	<b>2,0%</b>	<b>1,8%</b>

<sup>1</sup> On a comparable basis (excluding new centers and extensions). 3-month change except for Belgium, Greece and Slovakia (2-month change).

<sup>2</sup> On a constant portfolio and current exchange rate basis, rents rose by 4.3% for Scandinavia, declined by 4.2% for Central Europe, and increased by 2.2% for the shopping center segment as a whole

<sup>3</sup> Rate 6 months out

**Rents from the shopping center segment grew by 3.7%** during 1<sup>st</sup> quarter 2012, reaching 225.4 million euros, boosted in particular by the contribution of new spaces which include:

- Two new shopping centers opened for business in April 2011: Le Millénaire, a 56 00 sq.m. facility just outside Paris and Aqua Portimão, in Algarve, a first rank tourist destination in Portugal.
- The Roques-sur-Garonne regional shopping center, acquired in November 2011, located in Toulouse, a powerful urban area in France.

On a constant portfolio and exchange rate basis, rents rose by 1.8%. This increase is driven by France, Belgium, Scandinavia, Italy and the Czech Republic, representing altogether 82.1% of shopping center segment rents, whilst other countries such as Spain, Portugal and Hungary (13.2% of shopping center rents) posted negative figures, reflecting difficult macroeconomic situations.

**Financial occupancy remains high (96.8%) and late payment rate was maintained at a low level (2.0%),** in line with those observed at year-end 2011.

## 2.1.1. FRANCE-BELGIUM (40.0% of consolidated rents)

03/31/2012	Δ retailers revenues	Rents (€M)		Δ current portfolio basis	Δ constant portfolio basis	Financial occupancy rate		Late payment rate <sup>1</sup>	
		Q1 2012	Q1 2011			Q1 2012	Q1 2011	Q1 2012	Q1 2011
<b>France</b>	<b>1,1%</b>	<b>93,4</b>	<b>86,6</b>	<b>7,9%</b>	<b>5,0%</b>	<b>98,4%</b>	<b>98,8%</b>	<b>0,9%</b>	<b>1,1%</b>
<b>Belgium</b>	<b>2,9%</b>	<b>3,6</b>	<b>3,5</b>	<b>2,8%</b>	<b>2,8%</b>	<b>100,0%</b>	<b>99,6%</b>	<b>2,3%</b>	<b>2,3%</b>
<b>TOTAL</b>	<b>1,1%</b>	<b>96,9</b>	<b>90,0</b>	<b>7,7%</b>	<b>5,0%</b>	<b>98,4%</b>	<b>98,8%</b>	<b>1,0%</b>	<b>1,2%</b>

<sup>1</sup> Rate 6 months out

In France (38.6% of consolidated rents) rents were up by 5.0% on a constant portfolio basis, for an average impact of index-linked rent adjustments of 3.0%. This outperformance is attributable to the positive impact of new leases signed in 2011 (with an average rate of reversion of +18.8%). In the course of the 1<sup>st</sup> quarter 55 leases renewed/changes in tenant mix were recorded with a 24.0% increase in financial conditions. Among the leases signed, retailers Hema and Adidas Performance joined the Val d'Europe shopping center (Greater Paris Area). Rents also got a boost from the addition of a Saturn sales outlet (now operating under the name Boulanger) for Créteil Soleil (Greater Paris Area).

On a current portfolio basis, growth reached 7.9%, driven by the acquisition of the Roques-sur-Garonne regional shopping center in November 2011 (Toulouse) and by the opening for business of the Le Millénaire shopping center at the gates of Paris on April 27, 2011. The latter also received an ICSC (International Council of Shopping Centers) ReStore award, which recognizes a project that contributes to sustainable development at the local and regional levels. Rents were also impacted by disposals completed in 2011 (Aire-sur-la-Lys, La Roche-sur-Yon, Melun-Boissénart, notably).

Klépierre also inaugurated St.Lazare Paris, the new retail space at Saint-Lazare train station, on March 21, 2012. For retailers, the new space offered a one-of-a-kind opportunity to set up shop in one of the biggest retail neighborhoods of Europe, which also happens to be the top business district in the French capital. Esprit, Hema, Kickers, Kiko, Kusmi tea, Lacoste, Lush, L'Occitane, Marypaz, Muji to Go, Pandora, Pylones, Virgin and Yellow Korner figure among the retailers offered to the 450 000 daily commuters who transit through the station and local visitors.

In Belgium (1.5% of consolidated rents), rents from retail tenants at L'Esplanade (Louvain-la-Neuve) rose by 2.8%, driven by index-linked rent adjustments.

## 2.1.2. SCANDINAVIA (21.5% of consolidated rents)

03/31/2012	Δ retailers revenues	Rents (€M)		Δ current portfolio and forex basis	Δ constant portfolio and forex basis <sup>1</sup>	Financial occupancy rate		Late payment rate <sup>2</sup>	
		Q1 2012	Q1 2011			Q1 2012	Q1 2011	Q1 2012	Q1 2011
<b>Norway</b>	<b>4,7%</b>	<b>24,2</b>	<b>23,7</b>	<b>2,4%</b>	<b>2,3%</b>	<b>96,5%</b>	<b>97,6%</b>	<b>0,2%</b>	<b>0,3%</b>
<b>Sweden</b>	<b>3,3%</b>	<b>16,8</b>	<b>16,6</b>	<b>1,3%</b>	<b>2,4%</b>	<b>97,0%</b>	<b>98,1%</b>	<b>0,9%</b>	<b>0,5%</b>
<b>Denmark</b>	<b>4,7%</b>	<b>11,0</b>	<b>10,6</b>	<b>4,3%</b>	<b>4,0%</b>	<b>93,7%</b>	<b>93,3%</b>	<b>0,9%</b>	<b>0,4%</b>
<b>TOTAL</b>	<b>4,3%</b>	<b>52,1</b>	<b>50,8</b>	<b>2,4%</b>	<b>2,7%</b>	<b>96,0%</b>	<b>96,7%</b>	<b>0,6%</b>	<b>0,3%</b>

<sup>1</sup> On a constant portfolio and current exchange rate basis, rents were up by 5.5% for Norway, by 2.5% for Sweden, and by 4.3% for Denmark. For Scandinavia as a whole, the increase is 4.3%.

<sup>2</sup> Rate 6 months out

Rents from Norwegian shopping centers (10.0% of consolidated rents) were up by 2.3% on a constant portfolio and exchange rate basis, for index-linked rent adjustments of +1.4%. The Gulskogen center in Drammen, whose extension was inaugurated in November 2010, turned in a satisfactory performance. In addition, the shopping center has just received a Commendation award in the "Refurbishments and/or Extensions" category bestowed by the International Council of Shopping Centers. The Arkaden shopping center in Oslo got a boost from lease renegotiations that were completed in 2011 (+18% on average).

On a current portfolio basis, rents were impacted by the sale of Sjøsidén in November 2011.

In Sweden (6.9% of consolidated rents), rents rose by 2.4% in the 1<sup>st</sup> quarter of 2012 on a constant portfolio and exchange rate basis, thanks to sound fundamentals. From a rental management perspective, the 1<sup>st</sup> quarter of 2012 was particularly productive, with leases signed for 8.6 million euros in annual rent, with conditions up slightly on average.

In Denmark (4.5% of consolidated rents), shopping center rents rose by 4.0%, thanks to the impact of index-linked rent adjustments and a lower vacancy rate.

### 2.1.3. ITALY (12.8% of consolidated rents)

03/31/2012	Δ retailers revenues	Rents (€M)		Δ current portfolio basis	Δ constant portfolio basis	Financial occupancy rate		Late payment rate <sup>1</sup>	
		Q1 2012	Q1 2011			Q1 2012	Q1 2011	Q1 2012	Q1 2011
<b>Italy</b>	<b>-2,3%</b>	<b>30,9</b>	<b>29,5</b>	<b>4,8%</b>	<b>2,2%</b>	<b>98,5%</b>	<b>98,4%</b>	<b>3,4%</b>	<b>2,5%</b>

<sup>1</sup> Rate 6 months out

Rents from Italian shopping centers rose by 2.2% in the 1<sup>st</sup> quarter of 2012 on a constant portfolio basis, slightly outperforming the average index-linked rent adjustment (+2.1%), thanks among other things to some changes in tenant mix at Metropoli in 2011 (with the addition of Footlocker and Douglas in particular).

The financial occupancy rate is up slightly (98.5%) at the end of the quarter (+10 bps).

On a current portfolio basis, rents reflected the impact of the acquisition of the retail parks Romagna Center (Savignano; acquired in January 2011) and Montebello (final acquisition completed in February 2012).

### 2.1.4. IBERIA (9.9% of consolidated rents)

03/31/2012	Δ retailers revenues	Rents (€M)		Δ current portfolio basis	Δ constant portfolio basis	Financial occupancy rate		Late payment rate <sup>1</sup>	
		Q1 2012	Q1 2011			Q1 2012	Q1 2011	Q1 2012	Q1 2011
<b>Spain</b>	<b>-6,9%</b>	<b>19,4</b>	<b>20,3</b>	<b>-4,4%</b>	<b>-4,6%</b>	<b>92,1%</b>	<b>91,7%</b>	<b>2,9%</b>	<b>2,3%</b>
<b>Portugal</b>	<b>-0,3%</b>	<b>4,6</b>	<b>4,1</b>	<b>11,6%</b>	<b>-4,1%</b>	<b>93,4%</b>	<b>96,2%</b>	<b>1,8%</b>	<b>2,9%</b>
<b>TOTAL</b>	<b>-5,7%</b>	<b>24,0</b>	<b>24,4</b>	<b>-1,7%</b>	<b>-4,5%</b>	<b>92,3%</b>	<b>92,5%</b>	<b>2,7%</b>	<b>2,4%</b>

<sup>1</sup> Rate 6 months out

In Spain (8.0% of consolidated rents), quarterly rents declined by 4.6% on a constant portfolio basis. While the La Gavia center is resilient, the rest of the holdings are suffering in light of Spain's current economic and social situation. Retail tenant sales revenue is down by 6.9%, and this situation is weighting adversely on the late payment rate. Lease renegotiations conditions are down slightly for leases signed during the 1<sup>st</sup> quarter (-5.0%). However, they contributed to a rise in financial occupancy rate since the beginning of the year (+2.1 percentage points compared to year-end 2011).

In Portugal (1.9% of consolidated rents), rents are down by 4.1% on a constant portfolio basis. The vacancy rate has risen by 2.8 percentage points compared with the situation on March 31, 2011, and conditions on lease renegotiations are down. Nonetheless, the late payment rate remains reasonable.

On a current portfolio basis, rents were positively impacted by the contribution of Aqua Portimão, which successfully opened on April 14, 2011.

## 2.1.5. CENTRAL EUROPE (8.3% of consolidated rents)

03/31/2012	Δ retailers revenues	Rents (€M)		Δ current portfolio basis <sup>1</sup>	Δ constant portfolio and forex basis <sup>1</sup>	Financial occupancy rate		Late payment rate <sup>2</sup>	
		Q1 2012	Q1 2011			Q1 2012	Q1 2011	Q1 2012	Q1 2011
<b>Poland</b>	5,2%	8,9	8,9	0,3%	-0,4%	96,6%	98,2%	3,5%	3,7%
<b>Hungary</b>	3,7%	5,9	6,8	-14,3%	-15,7%	89,6%	91,8%	6,2%	4,8%
<b>Czech Republic</b>	3,6%	5,2	5,1	2,6%	3,1%	97,3%	96,3%	3,1%	6,7%
<b>TOTAL</b>	4,4%	20,0	20,8	-3,9%	-4,6%	94,7%	95,6%	4,2%	4,8%

<sup>1</sup> On a constant portfolio and current exchange rate basis, rents were up by 0.3% for Poland, down by 15.1% for Hungary, up by 2.6 % for the Czech Republic, and down by 4.2% for the Central European region.

<sup>2</sup> Rate 6 months out

In Poland (3.7% of consolidated rents), on a constant portfolio and exchange rate basis, rents were almost flat (-0.4%). The vacancy rate continues to rise for the Krakow center. Lease renegotiations in the 1<sup>st</sup> quarter of 2012 resulted in an average decline in guaranteed rent of 5.5%.

In Hungary (2.4% of consolidated rents), additional measures have been enacted to support tenants, leading to a 15.7% decline in rents on a constant portfolio basis in the 1<sup>st</sup> quarter of 2011.

In the Czech Republic (2.2% of consolidated rents), the increase in rents on a constant portfolio basis was in line with the increase due to index-linked rent adjustments.

## 2.1.6. OTHER COUNTRIES (0.6% of consolidated rents)

03/31/2012	Δ retailers revenues	Rents (€M)		Δ current portfolio basis	Δ constant portfolio basis	Financial occupancy rate		Late payment rate <sup>1</sup>	
		Q1 2012	Q1 2011			Q1 2012	Q1 2011	Q1 2012	Q1 2011
<b>Greece</b>	-5,9%	1,1	1,4	-21,1%	-21,1%	91,4%	90,8%	38,1%	15,6%
<b>Slovakia</b>	-6,2%	0,4	0,4	-9,0%	-9,0%	91,8%	93,2%	6,5%	7,6%
<b>TOTAL</b>	-6,0%	1,5	1,9	-18,3%	-18,3%	91,4%	91,3%	29,4%	13,8%

<sup>1</sup> Rate 6 months out



## 2.2. RETAIL PROPERTY SEGMENT – KLÉMURS

03/31/2012	Rents (€M)		Δ current portfolio basis	Δ constant portfolio basis	Financial occupancy rate		Late payment rate <sup>1</sup>	
	Q1 2012	Q1 2011			Q1 2012	Q1 2011	Q1 2012	Q1 2011
<b>Retail-Klémurs</b>	<b>11,0</b>	<b>10,6</b>	<b>4,0%</b>	<b>2,5%</b>	<b>99,2%</b>	<b>99,4%</b>	<b>0,4%</b>	<b>0,2%</b>

<sup>1</sup> Rate 6 months out

On a constant portfolio basis, retail property rents rose by 2.5%, reflecting the combined impact of:

- Index-linked rent adjustments (+4.1%): 65% of leases in value terms were pegged to the French cost of construction index for the 2<sup>nd</sup> quarter of 2011, which was up by 5.01%;
- A slight decrease in additional variable rents (-0.1 €M), attributable to their absorption by index-linked adjustments.

On a current portfolio basis, rents provided by Klémurs reflect the contribution of the acquisitions made in October 2011 (Delbard plant nurseries and the restaurant building lease acquired) and the impact of asset disposals completed in 2011 (Saint Maclou space in Montesson and the cafeteria in Saint-Malo).

## 2.3. OFFICE PROPERTY SEGMENT

03/31/2012	Rents (€M)		Δ current portfolio basis	Δ constant portfolio basis	Financial occupancy rate		Late payment rate <sup>2</sup>	
	Q1 2012	Q1 2011			Q1 2012 <sup>1</sup>	Q1 2011	Q1 2012	Q1 2011
<b>Offices</b>	<b>5,8</b>	<b>7,0</b>	<b>-17,4%</b>	<b>32,4%</b>	<b>89,0%</b>	<b>79,5%</b>	<b>0,5%</b>	<b>0,1%</b>

<sup>1</sup> Including Equilis

<sup>2</sup> Rate 6 months out

On a constant portfolio basis, rents were up by 32.4% (+1.3 €M), reflecting the combined impact of index-linked rent adjustments (+0.1 €M) and changes involving leases made in 2011 and 2012 (+1.2 €M), in particular the lease-up of the Séreinis building (12 000 sq.m.; Issy-les-Moulineaux) effective as of September 1, 2011.

On a current portfolio basis, rents reflected the impact of several asset disposals:

- in 2011, the Jardins des Princes building (Boulogne-Billancourt) on May 31 and Le Barjac (Paris, 15<sup>th</sup> arrondissement) on June 30;
- in 2012, the Anatole France building (Levallois-Perret) on March 19.

The Equilis building (Issy-les-Moulineaux), which is under renovation since October 31, 2011 following the departure of the tenant Steria, contributed to the decline in rents on a current portfolio basis. The renovation work in progress should be completed by the end of July 2012. All of the available space in the building (17 038 sq.m.) has already found a new tenant - the Safran group - effective as of September 1, 2012 for a binding period of 9 years. This letting was one of just two rental transactions completed in the Parisian market for spaces in excess of 10 000 sq.m. during the 1<sup>st</sup> quarter of 2012.

Lastly, rents for the quarter got a boost from the addition of the Les Bureaux du Canal office building adjacent to the Le Millénaire shopping center in Aubervilliers (17 194 sq.m.). This asset (Klépierre and Icade each own a 50% share) is 71% leased up.

For the quarter ended March 31, 2012, the financial occupancy rate was 89.0%, compared with 79.5% one year earlier. There was 10 081 sq.m. of vacant space on March 31, 2012, versus 17 703 sq.m. on March 31, 2011, in the following two buildings:

- 7 417 sq.m. at 192 Charles de Gaulle (Neuilly-sur-Seine); this building is in the process of being restructured and hence is being leased on short-term lease basis.
- 2 664 sq.m. for Les Bureaux du Canal in Aubervilliers.

### Lease renewal schedule as of March 31, 2012

Years	≤ 2012	2013	2014	2015	2016	2017	2018+	Total
<b>By date of the next exit option</b>	<b>4,2</b>	<b>10,0</b>	<b>0,7</b>	-	-	<b>0,9</b>	<b>7,5</b>	<b>23,3</b>
<i>as a percentage of the total</i>	<i>18,0%</i>	<i>42,8%</i>	<i>3,0%</i>	-	-	<i>4,0%</i>	<i>32,2%</i>	<i>100,0%</i>
<b>By end of lease date</b>	<b>4,0</b>	<b>7,7</b>	-	-	<b>2,3</b>	<b>0,3</b>	<b>9,0</b>	<b>23,3</b>
<i>as a percentage of the total</i>	<i>17,1%</i>	<i>32,8%</i>	-	-	<i>10,0%</i>	<i>1,4%</i>	<i>38,8%</i>	<i>100,0%</i>

The 2012 expiration concerns Lexisnexis, a tenant occupying the building at 141 Rue de Javel (Paris, 15<sup>th</sup> arrondissement) whose lease is in the process of being renewed, and the tenant Chanel, at 192 Charles de Gaulle (Neuilly-sur-Seine).

## 2.4. FEES

Fee income for the quarter ended March 31, 2012 came to 20.3 million euros, versus 19.0 million euros one year prior. This 6.9% increase is attributable to the rise in development fees, mainly due to the status of the Emporia project (Malmö, Sweden).

## 3. OTHER INFORMATION

### 3.1. DEVELOPMENTS-DISPOSALS

In the course of the 1<sup>st</sup> quarter of 2012, **Klépierre invested 75.7 million euros in new developments** :

- 18.2 million euros were invested in assets under operation or recently opened for business:
  - The Le Millénaire shopping center opened on April 27, 2011 (Aubervilliers, France);
  - St.Lazare Paris, the new retail space at Saint-Lazare train station (Paris, France), opened in late March 2012;
  - A retail park located in Montebello (Lombardy, Italy).
- 57.5 million euros were invested in shopping centers under development that have already attracted retail tenants, as indicated below:
  - The Emporia shopping center (Malmö, Sweden), which will open its doors October 25, 2012, leased up at nearly 90%. Located in the heart of an urban renewal project for the city of Malmö, the center is enviably situated thanks to the dedicated train station and its immediate proximity to the thoroughfare linking to downtown Malmö, and the E20 freeway linking Sweden and Denmark.
  - The extension-renovation of the Claye-Souilly shopping center (located in the Greater Paris Area, France), which will be inaugurated in the 4<sup>th</sup> quarter of 2012, 80% leased up.
  - The extension-renovation of the Perpignan Clairra shopping center (France), whose last phase will open in the 2<sup>nd</sup> quarter of 2013, 80% leased up.
  - The extension-renovation of the Bègles Rives d’Arcins (Bordeaux, France), which will welcome its first customers in the 3<sup>rd</sup> quarter of 2013, and which is 55% leased up.
  - The extension of the Jaude shopping center (Clermont-Ferrand, France), which is scheduled for opening in the 1<sup>st</sup> quarter of 2014, and which is now being leased up.

**Since the beginning of this year, Klépierre has sold 131.1 million euros worth of assets excluding transfer duties.** These sales have involved:

- On March 19, 2012, the 50% share it owned jointly in the Anatole France office building (Levallois-Perret);
- On April 16, 2012, a 45% share in the Claye-Souilly shopping center (Greater Paris Area) of which 17% share were sold by CNP Assurances and 28% by Klépierre.

These sales were completed for prices in line with the latest appraised values, attesting to the high level of investor interest in products that offer secure yields over long periods.

**Sale and purchase promissory agreements for more than 80 million euros worth of additional assets have been signed year-to-date. Overall, disposals to date made with or without protocol total more than 210 million euros.** Other assets are the subject of due diligence processes.

### 3.2. FINANCIAL SITUATION

After taking into account asset disposals made since the beginning of this year, **consolidated net debt totals 7 600 million euros**, a decrease of 18 million euros since December 31, 2011 or 54 million euros excluding forex impact related to Scandinavian currencies. This forex effect (+36 million euros) is however more than compensated by a rise in value of Steen & Strøm's assets, when converted in euros.

For the 1<sup>st</sup> quarter of 2012, **the cost of debt (4.2%)** is unchanged compared with 2011, as the decline in short-term rates offset the higher margins of the refinancing carried out in early 2012.

### 3.3. 2011 DIVIDEND

The shareholders of Klépierre, assembled at their annual meeting on April 12, 2012, approved the 1.45 euro proposed dividend per share payable in respect of fiscal year 2011, an increase of 7.4% compared with 2010. They also ratified the resolution proposing the payment of the dividend in cash or in the form of shares.

The reinvestment price in the event of an option in favor of stock payment is 22.16 euros. Shareholders have until through May 4, 2012 to indicate which option they prefer. The settlement-delivery of new shares created in connection with this offer is scheduled for May 21, 2012, which is also the cash dividend payout date.

## 4. OUTLOOK

**Business indicators for the 1<sup>st</sup> quarter of 2012 back up the outlook made in the beginning of the year:**

- Rents are expected to grow by 4% on a current portfolio basis and by 2 to 2.5% on a constant portfolio basis;
- Excluding the rise in the number of shares following the stock dividend, net current cash-flow per share is expected to improve slightly, increasing by a level comparable with that recorded in 2011.

**The Group confirms it expects its financing structure to be strengthened upon the completion of a 1 billion euros disposal program by the end of 2013 – of which at least 500 million euros in 2012 – and through the payment of a part of its 2011 dividend in the form of shares.**

## 5. SYNTHETIC TABLES

RENTS	REVENUES (TOTAL SHARE)				
	In millions of euros	03/31/2012	03/31/2011	2012/2011 (%)	
				Current portfolio and forex basis	Constant portfolio and forex basis
France	93,4	86,6	7,9%	5,0%	
Belgium	3,6	3,5	2,8%	2,8%	
Norway	24,2	23,7	2,4%	2,3%	
Sweden	16,8	16,6	1,3%	2,4%	
Denmark	11,0	10,6	4,3%	4,0%	
Italy	30,9	29,5	4,8%	2,2%	
Spain	19,4	20,3	-4,4%	-4,6%	
Portugal	4,6	4,1	11,6%	-4,1%	
Poland	8,9	8,9	0,3%	-0,4%	
Hungary	5,9	6,8	-14,3%	-15,7%	
Czech Republic	5,2	5,1	2,6%	3,1%	
Greece	1,1	1,4	-21,1%	-21,1%	
Slovakia	0,4	0,4	-9,0%	-9,0%	
<b>SHOPPING CENTERS</b>	<b>225,4</b>	<b>217,4</b>	<b>3,7%</b>	<b>1,8%</b>	
<b>RETAIL</b>	<b>11,0</b>	<b>10,6</b>	<b>4,0%</b>	<b>2,5%</b>	
<b>OFFICES</b>	<b>5,8</b>	<b>7,0</b>	<b>-17,4%</b>	<b>32,4%</b>	
<b>TOTAL RENTS</b>	<b>242,2</b>	<b>235,0</b>	<b>3,1%</b>	<b>2,4%</b>	
<b>FEES</b>	<b>20,3</b>	<b>19,0</b>	<b>6,9%</b>		
<b>REVENUES</b>	<b>262,4</b>	<b>254,0</b>	<b>3,3%</b>		

RENTS	REVENUES (GROUP SHARE)				
	In millions of euros	03/31/2012	03/31/2011	2012/2011 (%)	
				Current portfolio and forex basis	Constant portfolio and forex basis
France	75,9	69,2	9,8%	5,5%	
Belgium	3,6	3,5	2,8%	2,8%	
Norway	13,6	13,3	2,4%	2,3%	
Sweden	9,4	9,3	1,3%	2,4%	
Denmark	6,2	5,9	4,3%	4,0%	
Italy	26,4	25,6	3,4%	2,1%	
Spain	16,8	17,6	-4,3%	-4,5%	
Portugal	4,6	4,1	11,6%	-4,1%	
Poland	8,9	8,9	0,3%	-0,4%	
Hungary	5,8	6,8	-14,6%	-15,7%	
Czech Republic	5,2	5,1	2,6%	3,1%	
Greece	1,0	1,2	-22,3%	-22,3%	
Slovakia	0,4	0,4	-9,0%	-9,0%	
<b>SHOPPING CENTERS</b>	<b>177,9</b>	<b>170,9</b>	<b>4,1%</b>	<b>1,7%</b>	
<b>RETAIL</b>	<b>9,3</b>	<b>8,9</b>	<b>4,0%</b>	<b>2,5%</b>	
<b>OFFICES</b>	<b>5,8</b>	<b>7,0</b>	<b>-17,4%</b>	<b>32,4%</b>	
<b>TOTAL RENTS</b>	<b>192,9</b>	<b>186,8</b>	<b>3,3%</b>	<b>2,4%</b>	
<b>FEES</b>	<b>17,0</b>	<b>16,4</b>	<b>3,9%</b>		
<b>REVENUES</b>	<b>209,9</b>	<b>203,1</b>	<b>3,3%</b>		

## TAXATION

*The following is a summary limited to certain tax considerations relating to the Notes that may be issued under the Programme and specifically contains information on taxes on the income from the securities withheld at source. This summary is based on the laws in force as of the date of this Base Prospectus and is subject to any changes in law. It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes.*

*The information contained within this section is limited to taxation issues, and prospective investors should not apply any information set out below to other areas, including, but not limited to, the legality of transactions involving the Notes.*

### EU savings Directive

The EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the "**Directive**") requires each Member State as from 1 July 2005 to provide to the tax authorities of another Member State details of payments of interest and other similar income within the meaning of the Directive made by a paying agent within its jurisdiction to (or under circumstances to the benefit of) a beneficial owner (within the meaning of the Directive) resident in that other Member State, except that Luxembourg and Austria will instead impose a withholding system for a transitional period unless the beneficiary of interest payment elects for the exchange of information. The rate of this withholding tax is currently 35%.

For these purposes, the term "paying agent" is defined widely and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Directive, for the immediate benefit of individuals.

Such transitional period will end at the end of the first full fiscal year following the later of (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the European Council, and the last of Switzerland, Liechtenstein, San Marino, Monaco and Andorra, providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on 18 April 2002 (the "**OECD Model Agreement**") with respect to interest payments within the meaning of the Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments at the rate applicable for the corresponding periods mentioned above and (ii) the date on which the European Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Directive.

A number of non-EU countries and dependent or associated territories have agreed to adopt similar measures (transitional withholding or exchange of information) with effect since 1 July 2005.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on a payment made by a Paying Agent, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Savings Directive.

On 13 November 2008 the European Commission published a detailed proposal for amendments to the Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are implemented in relation to the Directive they may amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

## France

*The descriptions below are intended as a basic summary of certain withholding tax consequences that may be relevant to holders of Notes who (i) are non-French residents, (ii) do not hold the Notes in connection with a business or profession conducted in France as a permanent establishment or a fixed base, and (iii) do not concurrently hold shares of the Issuer. Investors who are in doubt as to their tax position should consult their professional tax advisers.*

The Directive has been implemented in French law by Article 242 *ter* of the French *Code général des impôts* and Articles 49 I *ter* to 49 I *sexies* of the Schedule III to French *Code général des impôts*. Article 242 *ter* of the French *Code Général des Impôts*, imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

Following the introduction of the French *loi de finances rectificative pour 2009 n° 3* (no. 2009-1674 dated 30 December 2009) (the "**Law**"), payments of interest and other revenues made by the Issuer with respect to Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a "**Non-Cooperative State**"). If such payments under the Notes are made in a Non-Cooperative State, a 50% withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) pursuant to Article 125 A III of the French *Code général des impôts*. The 50% withholding tax is applicable irrespective of the tax residence of the Noteholder. The list of Non-Cooperative States is published by a ministerial executive order, which is updated on a yearly basis.

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and other revenues on such Notes are not deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid on a bank account opened in a financial institution located in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at a rate of 30% or 55%, subject to the more favourable provisions of any applicable double tax treaty.

Notwithstanding the foregoing, the Law provides that neither the 50% withholding tax provided by Article 125 A III of the French *Code general des impôts*, the non-deductibility of interest and other revenues nor the withholding tax set out under Article 119 *bis* 2 that may be levied as a result of such non-deductibility, to the extent the relevant interest and other revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, will apply in respect of a particular issue of Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the ruling (*rescrit*) no. 2010/11 (FP and FE) of the *Direction générale des finances publiques* dated 22 February 2010, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the main purpose and effect of such issue of Notes if such Notes are:

- (i) offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code*

*monétaire et financier*, or of one or more similar foreign depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

The tax regime applicable to Notes which do not satisfy the conditions mentioned hereinabove will be set out in the relevant Final Terms.

## **Hong Kong**

*The following is a summary of certain Hong Kong tax considerations relating to the purchase, ownership and disposition of the Notes by a beneficial owner of the Notes. This summary is based on the tax laws and regulations of Hong Kong as currently in effect and which is subject to change or to different interpretation. This summary is for general information only and does not address all of the Hong Kong tax considerations that may be relevant to specific holders in light of their particular circumstances.*

### *Withholding tax*

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

### *Profits tax*

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the "**Inland Revenue Ordinance**"), interest on the Notes may be subject to profits tax where such interest has a Hong Kong source and is received by or accrued to:

- (i) a corporation, other than a financial institution (as defined in the Inland Revenue Ordinance), carrying on a trade, profession or business in Hong Kong;
- (ii) a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- (iii) a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong, notwithstanding that the moneys in respect of which the interest is received or accrued are made available outside Hong Kong.

Any capital gains arising from the sale, disposal or redemption of the Notes will not be subject to profits tax in Hong Kong unless such sale, disposal or redemption is or forms part of the revenue or profits of such trade, profession or business carried on in Hong Kong.

Sums received by or accrued to a financial institution by way of gain or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of Notes will be subject to Hong Kong profits tax.

### *Stamp Duty*

Stamp duty will not be payable on the issue of the bearer Notes provided either:

- (i) such Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such Notes constitute loan capital (as defined in the Stamp Duty Ordinance) (Cap. 117 of the Laws of Hong Kong) ("**Stamp Duty Ordinance**").

If stamp duty is payable, it is payable by the Issuer on the issue of bearer Notes at a rate of 3 per cent. of the market value of the Notes at the time of issue. No stamp duty will be payable on any subsequent transfer of bearer Notes.

No stamp duty is payable on the issue of registered Notes. Stamp duty may be payable on the transfer of registered Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable on any transfer of Registered Notes provided that either:

- (i) the registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) the registered Notes constitute loan capital (as defined in the Stamp Duty Ordinance)

If stamp duty is payable in respect of the transfer of registered Notes, it will be payable at the rate of an aggregate of 0.2 per cent. (of which usually 0.1 per cent. is payable by the seller and 0.1 per cent. is payable by the purchaser) normally by reference to the value of the consideration or to the value on the contract notes for such sale (whichever is higher). If, in the case of either the sale or purchase of such registered Notes, stamp duty is not paid, both the seller and the purchaser may be liable jointly and severally to pay any unpaid stamp duty and also any penalties for the late payment. If stamp duty is not paid on or before the due date (two days after the sale or purchase if effected in Hong Kong or 30 days if effected elsewhere) a penalty of up to 10 times the duty payable may be imposed. In addition, stamp duty is payable at the fixed rate of HK\$5 on each instrument of transfer executed in relation to any transfer of the registered Notes if the relevant transfer is required to be registered in Hong Kong.

#### *Estate Duty*

No estate duty is payable in respect of the Notes in Hong Kong.

#### *Capital gains tax*

There is no capital gains tax in Hong Kong and no capital gains tax is chargeable or payable on the transfer or disposal of the Notes.

### **People's Republic of China**

#### *Enterprise Income Tax*

Under the PRC Enterprise Income Tax Law which was promulgated by the National People's Congress of the PRC on 16 March 2007 and became effective on 1 January 2008, the Noteholders that are enterprises established in the PRC or in foreign country with a "de facto management body" located with the PRC will be considered "PRC tax resident enterprises" and will normally be subject to the enterprise income tax at the rate of 25% on the profits related to the interests received and the capital gains derived from the transfer of the Notes.

If the Noteholders are not considered to be PRC tax resident enterprises, they will not be subject to enterprise income tax in the PRC in respect of Notes or any repayment of principal and payment of interests made thereon.

#### *Individual Income Tax*

Under the PRC Individual Income Tax Law which was promulgated by the National People's Congress of the PRC on 10 September 1980, and the Sixth Amendment to the PRC Individual Income Tax Law promulgated by the National People's Congress on 30 June 2011 and became effective on 1 September 2011, the Noteholders that are PRC resident individuals will normally be subject to the individual income tax at the rate of 20% on the interests received and the capital gains derived from the transfer of the Notes.

If the Noteholders are not PRC resident individuals, they will not be subject to individual income tax in the PRC in respect of Notes or any repayment of principal and payment of interests made thereon.

#### *Business Tax*

Under the PRC Business Tax Regulations which were promulgated by the State Council of the PRC on 13 December 1993 and amended by the State Council on 10 November 2008 (the amendment became effective as of 1 January 2009) and the related circulars, interests received by non-individual Noteholders located within the



PRC territory and gains derived from transfer of Notes (i.e. the balance of the transfer value and the purchase value) realized by such non-individual Noteholders will be subject to Business Tax at the rate of 5%.

Such non-individual Noteholders will additionally be liable for PRC Surtaxes, (i.e. the City Maintenance & Construction Fee, Educational Surcharge and Local Educational Surcharge), at a rate varying from 6% to 12% (according to their location in the PRC) on the amount of their Business Tax liability.

Non-individual Noteholders located outside the PRC territory are not subject to Business Tax and PRC Surtaxes in respect of Notes or any repayment of principal and payment of interests made thereon.

Individual Noteholders located within the PRC territory are tentatively exempt from Business Tax and PRC Surtaxes in respect of capital gains derived from the transfer of the Notes. Individual Noteholders located within the PRC territory are generally liable for Business Tax and PRC Surtaxes in respect of the interest derived from the Notes but the Business Tax and PRC Surtaxes are not levied currently in practice.

Individual Noteholders located outside the PRC territory are not subject to Business Tax and PRC Surtaxes in respect of Notes or any repayment of principal and payment of interests made thereon.

## SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in a dealer agreement dated 27 April 2012 between the Issuer, the Arranger and the Permanent Dealers (as amended, the "**Dealer Agreement**"), the Notes will be offered by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents for the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission (if any) as agreed between them in respect of Notes subscribed by such Dealer. The Issuer has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

### **Selling Restrictions**

These selling restrictions may be amended in the relevant Final Terms.

### **General**

These selling restrictions may be modified by the agreement of the Issuer and the Dealers in particular following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and that it will obtain any consent, approval or permission required for the purchase, offer or sale of Notes under the laws and regulations in force in any jurisdiction in which it makes such purchase, offer or sale. None of the Issuer or any other Dealer shall have responsibility therefore.

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that Materialised Notes may only be issued outside France.

### **United States of America**

The Notes have not been and will not be registered under the Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any U.S. state and may not be offered or sold, directly or indirectly, within the United States or for the account or benefit of, U.S. persons, except in certain transactions exempt from the registration requirements of the Securities Act and applicable state securities laws. The Notes are being offered and sold only outside of the United States in reliance on Regulation S under the Securities Act, as amended ("**Regulation S**"). Terms used in this paragraph have the meanings given to them by Regulation S.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that, except as permitted by the Dealer Agreement, it will not offer or sell or, in the case of Materialised Notes, deliver the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until forty (40) days after completion of the distribution of the Tranche of which such Notes are a part (the "**Distribution Compliance Period**"), as determined and certified to the Fiscal Agent by such Dealer (or, in the case of a Tranche of Notes sold to or through more than one Dealer, by each of such Dealers with respect to Notes of an identifiable tranche purchased by or through it, in which case the Fiscal Agent shall notify such Dealer when all such Dealers have so certified), within the United States or to, or for the account or benefit of,

U.S. persons, and it will send to each Dealer to which it sells Notes during the Distribution Compliance Period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of U.S. persons.

In addition, under Section 4(3) of the Securities Act, until forty (40) days after the commencement of the offering of any identifiable Tranche of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering of such Tranche) may violate the registration requirements of the Securities Act.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States. Distribution of this Base Prospectus to any U.S. person or to any other person within the United States is unauthorised and any disclosure without prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States is prohibited.

Any person who subscribes or acquires Notes will be deemed to have represented, warranted and agreed, by accepting delivery of this Base Prospectus or delivery of the Notes, that it is subscribing or acquiring the Notes in compliance with Rule 903 of Regulation S in an "offshore transaction" as defined in Regulation S, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Materialised Notes having a maturity of more than one (1) year are subject to U.S. tax law requirements and may not be offered, sold, delivered or pay interest within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Terms used in this paragraph have the meanings given to them by Regulation S.

### **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (i) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that (a) the Issuer has given its written consent and (b) any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;
- (ii) at any time to any legal entity which is a qualified investor as defined under the Prospectus Directive;
- (iii) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive (as defined below), 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in paragraphs (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and the amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

In addition to the foregoing, the following provisions shall apply in respect of the following EEA Member States:

#### **United Kingdom**

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

- (a) in relation to any Notes which have a maturity of less than one (1) year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

#### **France**

Each of the Dealers and the Issuer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

(i) **Offer to the public in France:**

it has only made and will only make an offer of Notes to the public (*offre au public*) in France in the period beginning (i) when a prospectus in relation to those Notes has been approved by the AMF, on the date of its publication or, (ii) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the EU Prospectus Directive 2003/71/EC, on the date of notification of such approval to the AMF, all in accordance with articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the provisions of the Règlement général of the AMF, and ending at the latest on the date which is 12 months after the date of approval of the Base Prospectus; or

(ii) **Private placement in France:**

it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and that such offers, sales and distributions have been and shall only be made in France to (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) other than individuals, investing for their own account, all as

defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier* and other applicable regulations.

## Italy

Each of the Dealers and the Issuer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that:

(i) **Offer to the public in Italy:**

it will only make an offer of the Notes to the public, as defined under Article 1, paragraph 1, letter (t) of the Legislative Decree no. 58 of 24 February 1998, as amended (the "**Financial Services Act**"), in the Republic of Italy following recognition by the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") of the Base Prospectus approved by the AMF, in accordance with the passporting procedure set forth in the Prospectus Directive, as implemented by Article 98 of the Financial Services Act and Articles 11 and 12 of CONSOB Regulation no. 11971 of 14 May 1999, as amended (the "**Issuers Regulation**").

(ii) **Placement in Italy:**

Prior to the passporting of a prospectus to CONSOB, pursuant to the Italian securities legislation, the Notes may not, and will not, be offered, sold, transferred or delivered, directly or indirectly, in an offer to the public in the Republic of Italy and copies of this Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes may not, and will not, be distributed in the Republic of Italy, unless an exemption applies. Accordingly, each of the Dealers and the Issuer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) not to effect any offering, marketing, solicitation or selling activity of the Notes in the Republic of Italy except:

- (a) to qualified investors (*investitori qualificati*), as defined in Article 34-ter, paragraph 1(b) of the Issuers Regulation; or
- (b) in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, as provided under Article 100 of the Financial Services Act and its implementing regulations, including article 34-ter, first paragraph, of the Issuers Regulation.

In addition, and subject to the foregoing, each Dealer has also represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that any offer, sale, transfer or delivery of the Notes or distribution of copies of this Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes in the Republic of Italy under (a) or (b) above must, and will, be effected in accordance with all relevant Italian securities, tax and exchange control and other applicable laws and regulations and in particular will be made:

- (i) by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, the Issuers Regulation, CONSOB Regulation no. 16190 of October 29, 2007 and Legislative Decree no. 385 of September 1<sup>st</sup>, 1993 (the "**Banking Law**"), all as amended;
- (ii) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the offering or issue of securities in the Republic of Italy; and
- (iii) in compliance with any other applicable notification requirement and/or limitation which may be imposed from time to time by CONSOB, the Bank of Italy or any other Italian authority.

Any investor purchasing the Notes in the offering is solely responsible for ensuring that any offer and resale of the Notes it purchased in the offering occurs in compliance with applicable Italian laws and regulations. Article 100-bis of the Financial Services Act affects the transferability of the Notes in the Republic of Italy to the extent that the Notes are placed solely with qualified investors and such Notes are then systematically resold to non-qualified investors on the secondary market at any time in the twelve (12) months following

such placing. Should this occur without the publication of a prospectus pursuant to Prospectus Directive in the Republic of Italy or outside of the application of one of the exemptions referred to above, purchasers of Notes who are acting outside of the course of their business or profession are entitled, under certain conditions, to have such purchase declared void and to claim damages from any authorised intermediary at whose premises the Notes were purchased.

This Base Prospectus, the Final Terms or any other document relating to the Notes, and the information contained herein are intended only for the use of its recipients and are not to be distributed to any third-party resident or located in the Republic of Italy for any reason.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "FIEA"). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of any resident of Japan (as defined under Item 5, Paragraph I, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other applicable laws, regulations and governmental guidelines of Japan.

## **Hong Kong**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

## **People's Republic of China**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that neither it nor any of its affiliates has offered or sold or will offer or sell any of the Notes directly or indirectly in the People's Republic of China (excluding Hong Kong, Macau and Taiwan) except as permitted by the securities laws of the People's Republic of China.

## **Singapore**

Each Dealer has acknowledged that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or

invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law; or
- (iv) as specified in Section 276(7) of the SFA.

## GENERAL INFORMATION

(1) *Corporate authorisations*

The Issuer has obtained all necessary consents, approvals and authorisations in France in connection with the update of the Programme, including authorisations by the supervisory board (*conseil de surveillance*) of the Issuer on 18 April 2012 and by the executive board (*directoire*) of the Issuer on 23 April 2012.

Any issuance of Notes under the Programme, to the extent that such Notes constitute *obligations* under French law, requires the prior authorisation of the executive board (*directoire*) of the Issuer, which may delegate its power to its *président* or, with the approval of the *président*, to any other member of the executive board (*directoire*) of the Issuer.

(2) *No significant change in the financial or trading position of the Issuer*

Except as disclosed in this Base Prospectus (including the documents incorporated by reference), there has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2011.

(3) *Material adverse change in the prospects of the Issuer*

Except as disclosed in this Base Prospectus (including the documents incorporated by reference), there has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2011.

(4) *Legal and arbitration proceedings*

Except as disclosed in this Base Prospectus (including the documents incorporated by reference), neither the Issuer nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which the Issuer is aware), during the period of twelve (12) months prior to the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer and/or the Group.

(5) *Material contracts*

Except as disclosed in this Base Prospectus (including the documents incorporated by reference), there are no material contracts that are not entered into the ordinary course of the Issuer's business which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to Noteholders in respect of the Notes being issued.

(6) *Post-issuance information*

In respect of derivative securities as defined in Article 15.2 of Commission Regulation no. 809/2004, the Issuer will not provide any post-issuance information concerning the underlying, except if required by applicable laws and regulations.

(7) *Clearing systems*

Application may be made for Notes to be accepted for clearance through Euroclear France (115 rue Réaumur, 75081 Paris cedex 02, France) and/or Euroclear (boulevard du Roi Albert II, 1210 Bruxelles, Belgique) and Clearstream, Luxembourg (42 avenue JF Kennedy, 1855 Luxembourg, Luxembourg). The appropriate Common Code and the International Securities Identification Number (ISIN) or the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

(8) *Statutory auditors*

Deloitte & Associés, 185 avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, France and Mazars, 61 rue Henri Regnault, 92400 Courbevoie, France have audited and rendered unqualified audit reports on the



consolidated financial statements of the Issuer for the financial years ended 31 December 2010 and 2011. Deloitte & Associés and Mazars belong to the Compagnie Régionale des Commissaires aux Comptes de Versailles.

(9) *Publication of the Base Prospectus and the Final Terms*

This Base Prospectus and any supplement to this Base Prospectus will be published on the websites of (a) the AMF ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([www.klepierre.com](http://www.klepierre.com)). The Final Terms related to Notes traded on any Regulated Market in accordance with the Prospectus Directive will be published, so long as such Notes are admitted to trading on any Regulated Market, on the websites of (a) the AMF ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([www.klepierre.com](http://www.klepierre.com)).

In addition, should the Notes be admitted to trading on a Regulated Market other than Euronext Paris, in accordance with the Prospectus Directive, the Final Terms related to those Notes will provide whether this Base Prospectus and the relevant Final Terms will be published on the website of (x) the Regulated Market where the Notes have been admitted to trading or (y) the competent authority of the Member State of the EEA where the Notes have been admitted to trading.

(10) *Documents on display*

For so long as Notes may be issued pursuant to this Base Prospectus, copies of the following documents will, when published, be available free of charge during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Issuer and at the specified office of the Paying Agent(s):

- (i) the *statuts* of the Issuer;
- (ii) the 2010 Registration Document and the 2011 Registration Document of the Issuer;
- (iii) any Final Terms relating to Notes admitted to trading on Euronext Paris or any other Regulated Market;
- (v) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus; and
- (vi) any reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus.

The Agency Agreement (which includes the form of the *Lettre comptable*, of the Temporary Global Certificates, of the Definitive Materialised Notes, of the Coupons, of the Receipts and of the Talons) will be available during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection free of charge, at the registered office of the Issuer and at the specified office of the Paying Agent(s).

(11) *Pricing of the Notes*

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

## PERSON RESPONSIBLE FOR THE BASE PROSPECTUS

### Person assuming responsibility for this Base Prospectus

Jean-Michel Gault, *membre du Directoire*

### Declaration by person responsible for this Base Prospectus

After having taken all reasonable measures in this regard, I hereby certify that the information contained or incorporated by reference in this Base Prospectus is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

The consolidated financial statements for the year ended 31 December 2010 incorporated by reference in this Base Prospectus have been audited by the statutory auditors of the Issuer whose relevant report is in page 194 of the 2010 Registration Document of the Issuer and which contains one observation.

Paris, 27 April 2012

**Klépierre**  
21, avenue Kléber  
75016 Paris  
France  
duly represented by  
**Jean-Michel Gault**, *membre du Directoire*



*In accordance with Articles L.412-1 and L.621-8 of the French Code monétaire et financier, and with the General Regulations (Règlement général) of the Autorité des marchés financiers (the "AMF"), particularly Articles 212-31 to 212-33, the AMF has given the visa no. 12-187 dated 27 April 2012 on this Base Prospectus. This prospectus may be relied upon in relation to financial transactions only if supplemented by Final Terms. It has been prepared by the Issuer and its signatories may be held liable for it. In accordance with the provisions of Article L.621-8-1-I of the French Code monétaire et financier, the visa was granted after an examination of "the relevance and consistency of the information relating to the situation of the Issuer". It shall not imply any authentication by the AMF of the accounting and financial data that is presented herein. This registration is subject to the publishing of the specified final terms, in accordance with Article 212-32 of the AMF General Regulations (Règlement général de l'AMF), which specifies the characteristics of the issued notes.*

**ISSUER****Klépierre**

21, avenue Kléber  
75116 Paris  
France

Tel. : +33 1 40 67 57 40

Email: KS\_BACK\_OFFICE\_FINANCE\_TRESORERIE@klepierre.com

**ARRANGER****BNP Paribas**

10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**PERMANENT DEALERS****Banca IMI S.p.A.**

Largo Mattioli 3  
20121 Milan  
Italy

**Banco Bilbao Vizcaya Argentaria, S.A.**

Vía de los Poblados s/n  
2º Planta  
28033 Madrid  
Spain

**BNP Paribas**

10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**CM-CIC Securities**

6, avenue de Provence  
75441 Paris cedex 09  
France

**Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**DnB NOR Bank ASA**

Stranden 21  
N-0021 Oslo  
Norway

**Goldman Sachs International**

Peterborough Court  
133 Fleet Street  
London EC4A 2BB  
United Kingdom

**HSBC Bank plc**

8 Canada Square  
London E14 5HQ  
United Kingdom

**ING Belgium SA/NV**

Avenue Marnix 24  
1000 Brussels  
Belgium

**Merrill Lynch International**

2 King Edward Street  
London EC1A 1HQ  
United Kingdom

**Natixis**

30, avenue Pierre Mendès-France  
75013 Paris  
France

**UBS Limited**

1 Finsbury Avenue  
London EC2M 2PP  
United Kingdom

**FISCAL AGENT, PRINCIPAL PAYING AGENT, CALCULATION AGENT  
AND COVENANT AND PUT AGENT****BNP Paribas Securities Services**

(affiliated with Euroclear France under number 29106)

Corporate Trust Services  
Les Grands Moulins de Pantin  
9 rue du Débarcadère  
93500 Pantin  
France

**AUDITORS TO THE ISSUER**

**Deloitte & Associés**  
185, avenue Charles de Gaulle  
92200 Neuilly-sur-Seine  
France

**Mazars**  
61, rue Henri Regnault  
92400 Courbevoie  
France

**LEGAL ADVISERS**

**To the Issuer**

**Cleary Gottlieb Steen & Hamilton LLP**  
12, rue de Tilsitt  
75008 Paris  
France

**To the Dealers**

**Gide Loyrette Nouel A.A.R.P.I.**  
26, cours Albert 1<sup>er</sup>  
75008 Paris  
France