



# KLÉPIERRE, A STORY FOR CASH FLOW GROWTH HALF-YEAR 2024 EARNINGS

JULY 31, 2024



KLÉPIERRE

SHOP. MEET. CONNECT.

# DISCLAIMER

This document was prepared by Klépierre S.A. (the “Company”) solely for the purpose of presenting Klépierre’s 2024 half-year earnings released on July 31, 2024. This document is not to be reproduced or distributed, in whole or in part, by any person other than the Company. The Company excludes all liability for the use of these materials by any third party.

The information contained in this document has not been subject to independent verification and no representation, warranty or undertaking, express or implied, is made as to, and no reliance may be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein.

Neither the Company nor its corporate officers or employees shall be held liable for any loss arising from any use of this document or its contents or otherwise arising in connection with this document.

This presentation contains certain statements of future expectations or forward-looking statements. Although Klépierre believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated in these forward-looking statements. For a detailed description of these risks and uncertainties, please refer to the “Risk and control” section of Klépierre’s Universal Registration Document. Subject to regulatory requirements, Klépierre does not undertake to publicly update or revise any of these forward-looking statements.

In the event of any discrepancies between the information contained in this document and public documents, the latter shall prevail.

This document is not an offer or an invitation to sell or exchange securities, or a recommendation to subscribe, buy or sell the Company’s securities. Distribution of this document may be restricted in certain countries by legislation or regulations. As a result, any person who comes into possession of this document should familiarize themselves and comply with such restrictions. To the extent permitted by applicable law, the Company excludes all liability and makes no representation regarding the violation of any such restrictions by any person.

# TABLE OF CONTENTS

**01**

**EMBRACING OPPORTUNITIES  
TO CREATE VALUE**

**02**

**H1 2024  
HIGHLIGHTS**

**03**

**SECTOR-LEADING  
FINANCING METRICS**

**04**

**EARNINGS  
OUTLOOK**

01  
EMBRACING OPPORTUNITIES  
TO CREATE VALUE



KLEPIERRE

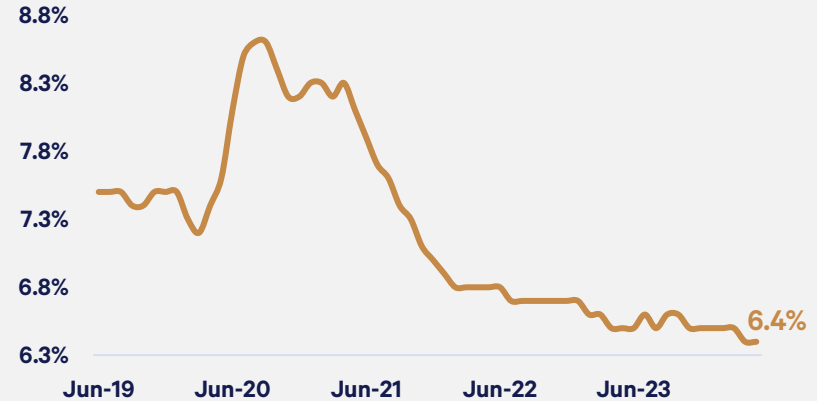
SHOP. MEET. CONNECT.™

# WE OPERATE IN A SUPPORTIVE CONSUMPTION ENVIRONMENT

## Private consumption in € billion in the Euro area<sup>(1)</sup>



## Unemployment rate in the Euro area<sup>(2)</sup>



**Private consumption** continues **to grow steadily**, mainly driven by a **healthy job market** reflected by a **historically low unemployment rate** and **robust wage growth** - up 5.4% in 2023<sup>(3)</sup>.

(1) Individual consumption expenditure, Euro area. Source: European Central Bank.

(2) Unemployment rate in the Euro area, seasonally adjusted. Source: Eurostat.

(3) ECB's March 2024 Eurozone corporate telephone survey.

# A UNIQUE POSITIONING SUITED FOR RETAIL BIFURCATION



## 70 irreplaceable premium malls



Welcoming more than 700 million visitors a year and generating €12 billion annual retailer sales



Tailored for outperformance thanks to constant leasing update and asset management initiatives



Constituting preferred places for leading national and international banners in their highly selective plans of expansion

At the heart of Europe's largest cities, with 1 million inhabitants catchment areas and best demographic and economic growth forecasts



# KLÉPIERRE IS GEARED TOWARDS GROWTH

## ORGANIC GROWTH

- Leading European portfolio of prime malls
- Unique know-how in leasing & asset management
- High level of embedded value to unlock

## CAPITAL ROTATION

- Moderate leverage
- Targeted acquisitions and accretive development pipeline
- Sustained pace of capital rotation

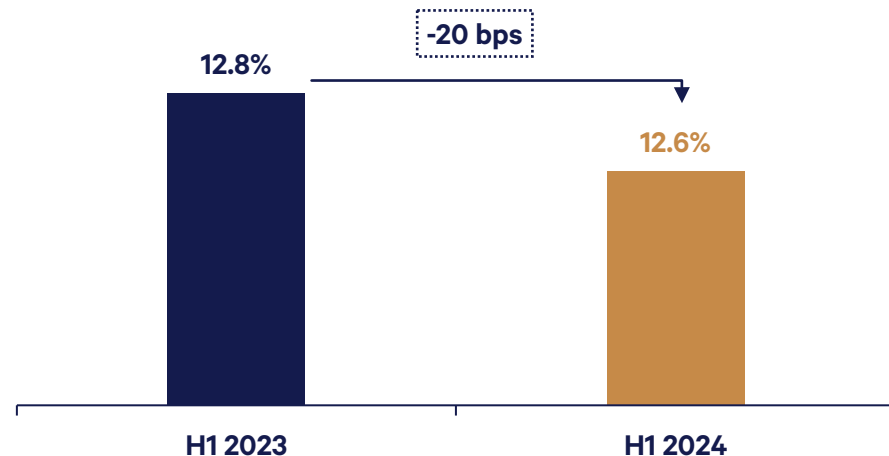
**A sector leading  
balance-sheet designed for  
outperformance**



# UNINTERRUPTED INCREASE IN FOOTFALL AND RETAILER SALES DROVE OCRs DOWN TO 12.6%



Decreasing OCRs, create further rental uplift potential



Solid market share gains, with retailer sales growth more than doubling national sales indices<sup>(1)</sup>

<sup>(1)</sup> +1.7%; average of latest national indices, year-on-year change as at May 2024; Insee (as at April 2024); Istituto Nazionale di Statistica; Instituto Nacional de Estadística; Instituto Nacional de Estadística; Statistikmyndigheten SCB; Statistisk Sentralbyrå; Danmarks Statistik; Centraal Bureau voor de Statistiek; Statistisches Bundesamt (as at April 2024); Central Statistical Office of Poland (GUS); Czech Statistical Office.




# STRONG LEASING DEMAND CONTINUED TO FEED GROWTH


All our operating KPIs are on the rise



**896**  
Deals signed  
+11% year-on-year

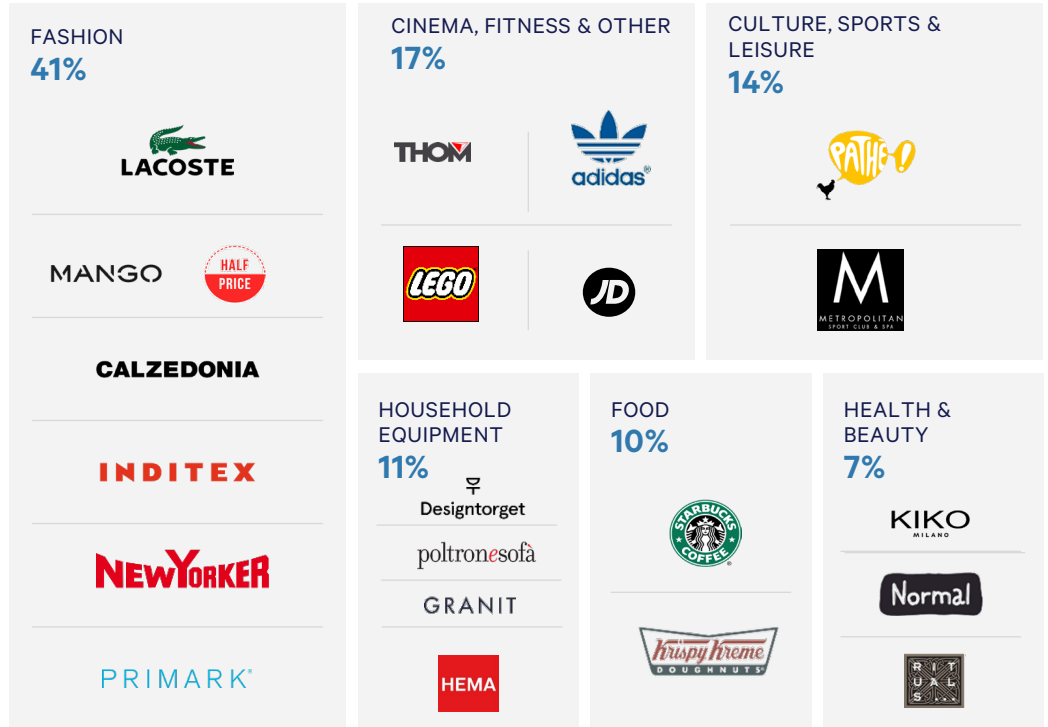


**96.2%**  
Occupancy rate  
+50 bps year-on-year



**+3.0%**  
Rental uplift on new leases

Deals signed by segment (in sq.m.)<sup>(1)</sup>



(1) Total leasable area of leases signed in the first half of 2024.

# LEADING BANNERS OPEN THEIR FLAGSHIP STORES IN OUR MALLS



**LA GAVIA**

SHOPPING CENTER



Rightsizing and transfer to welcome new tenants

**NEWYORKER**

**lefties**



**CAMPANIA**

CENTRO COMMERCIALE



Enlargement of Zara, one of the best performing worldwide

**ZARA**

Enlarged to 5,000 sq.m.



**NAVE DE VERO**

CENTRO COMMERCIALE



Transformation of former hypermarket areas into a Primark megastore

**PRIMARK®**



**ARCADES**

CENTRE COMMERCIAL



Hosting newcomers

**ZARA** MANGO



**VAL D'EUROPE**

CENTRE COMMERCIAL

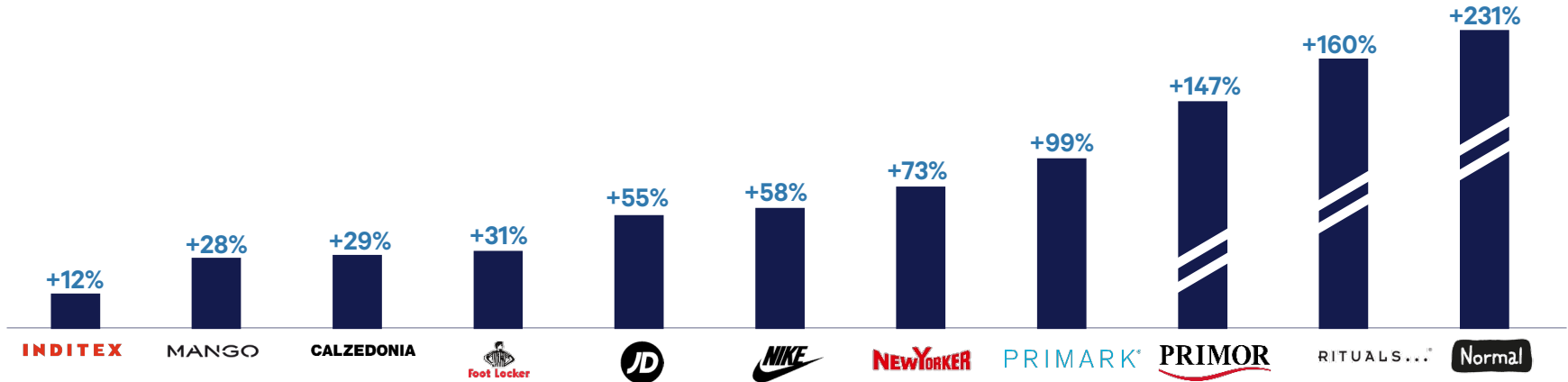


Active retenancing



# KLÉPIERRE MALLS ARE PIVOTAL IN AN OMNICHANNEL WORLD

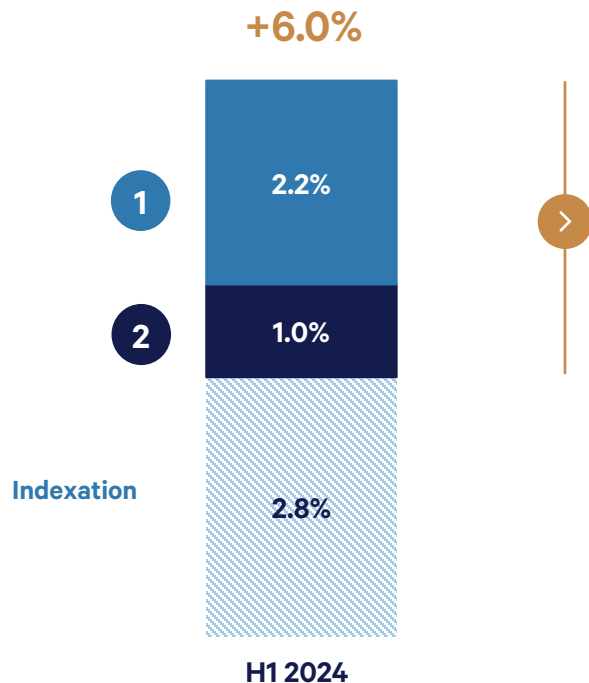
Change in retailers' total store size since 2019 (% change in total sq.m. leased)



We are the preferred platform for expanding retail banners

# ANOTHER REMARKABLE NET RENTAL INCOME OUTPERFORMANCE ABOVE INDEXATION

## Six-month like-for-like change breakdown



We delivered 320 bps like-for-like outperformance above indexation through multiple drivers

Our operational excellence translates into:

- **Positive rental uplift**
- **Optimized occupancy at 96.2%** (+50 bps vs. H1 2023)
- **Improved collection rate at 97.7%** (+120 bps vs. H1 2023)

Our 700 million footfall allows us to generate **8% like-for-like increase in additional revenues** (mall income, retail media, turnover rents and car park revenues)

# WE RUN A VERY COST EFFICIENT PLATFORM ENABLING US TO GENERATE BETTER-THAN- PLANNED EBITDA GROWTH

INITIAL FULL-YEAR  
2024 GUIDANCE

HALF-YEAR 2024  
ACHIEVEMENTS

EBITDA

At least  
4% increase

**5.4% increase** vs.  
first half 2023 fueled  
by a 60 bps increase  
in EBITDA margin at  
85.7%<sup>(1)</sup>

(1) As per net current cash flow table: EBITDA / (Net rental income + Management & other income)



# OUR SECOND ENGINE FOR GROWTH IS CAPITAL ALLOCATION

DEMONSTRATED TRACK RECORD IN  
ACQUISITIONS LEADING TO SIGNIFICANT  
VALUE CREATION

Major acquisitions of prime malls  
and strong value creation

Ⓞ **PLENILUNIO** >

**+37%<sup>(1)</sup>**  
Value creation since 2015

Ⓒ **OSLO CITY** >

**+34%<sup>(1)</sup>**  
Value creation since 2015

Ⓜ **NUEVA CONDOMINA** >

**+73%<sup>(1)</sup>**  
Value creation since 2017



<sup>(1)</sup> Change between the acquisition value and the June 2024 appraised value.



# IN H1 WE CLOSED TWO VERY ACCRETIVE ACQUISITIONS OF PRIME MALLS

## ROMAEST

Acquired in May 2024



- **6th most visited mall in Italy** with 10 million yearly footfall
- **97,000 sq.m.**



## O'PARINOR

25% acquired in February 2024



- **12th most visited mall in France**, with 11 million yearly footfall
- **100,000 sq.m.**

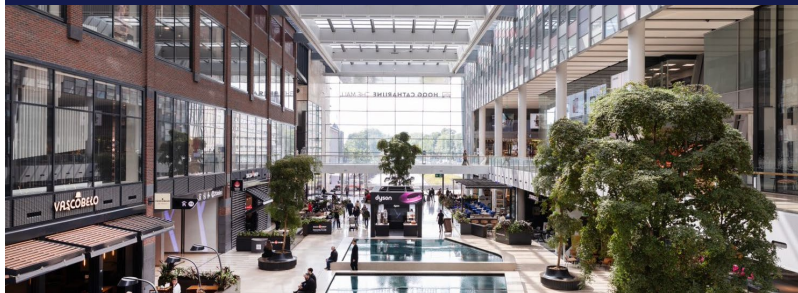


Double-digit cash return on €238m total investment in dominant malls with high sales/sq.m.



# WE BELIEVE IN A DISCIPLINED APPROACH TO DEVELOPMENT AND WE HAVE A PROVEN TRACK RECORD

Targeted investments in high return opportunities with a controlled level of risk



## RETAIL

- **Extension of assets crystallizing high leasing tension**  
**€724m pipeline at > 8% yield on cost**
- No greenfield or mixed-use projects.

€500m of investment over the last 5 years with an average **return on investment above 8%**, delivered on time and on budget

### CRÉTEIL SOLEIL

📍 Créteil, France

➕ 11,400 sq.m. extension and refurbishment

### GRAN RENO

📍 Bologna, Italy

➕ 16,700 sq.m. extension

### GRAND PLACE

📍 Grenoble, France

➕ 16,200 sq.m. extension and refurbishment

### MAREMAGNUM

📍 Barcelona, Spain

➕ 5,200 sq.m. extension

## MAREMAGNUM EXTENSION OPENED IN JULY



# MAREMAGNUM

### Opening of new stores and first Time Out Market in Spain

- Extension: **5,200 sq.m.**
- Total investment: **€15 million**
- Yield on cost: **13.5%**
- Catchment area: **2.2 million inhabitants**

TimeOut  
MARKET

KIKO  
MILANO

PULL&BEAR

PRIMOR

VICTORIA'S  
SECRET

COURIR®

JD

lefties

Bershka

MANGO

Stradivarius



**+10%** in year-on-year footfall  
since opening

## AND WORKS AT ODYSSEUM ARE ONGOING

Montpellier, France



# ★ ODYSSEUM

(12m annual visitors)

**Extension to further strengthen its leading position in the catchment area and gain market shares**

- **18,500 new sq.m.**
- **€56 million** investment
- **9.0%** yield-on-cost
- Delivery in **2025/26**

ZARA

PRIMARK

Normal



BERSHKA



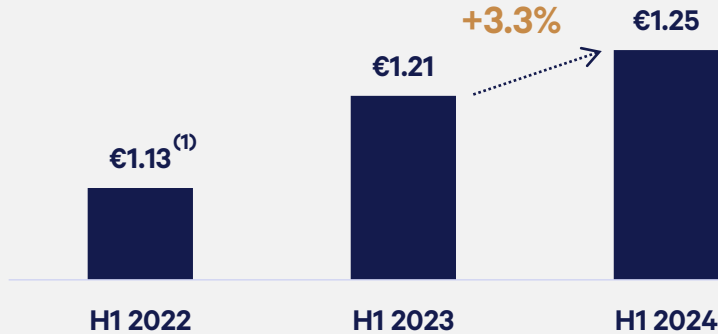
VANS

THE NORTH FACE



# OUR ACTIONS TRANSLATE INTO GROWING CASH FLOW

2 years of uninterrupted growth in net current cash flow per share



**+5.2%** NCCF CAGR  
over H1 2022-H1 2024

(1) Excluding the positive non-recurring impact on income statement related to the 2020 and 2021 account receivables and cash flow generated by disposed assets.



# IN THIS CONTEXT, WE REVISE OUR 2024 GUIDANCE UPWARDS



We expect to deliver

**5% EBITDA**

growth in 2024



Net current cash-flow per share  
guidance range raised to

**€2.50-€2.55**

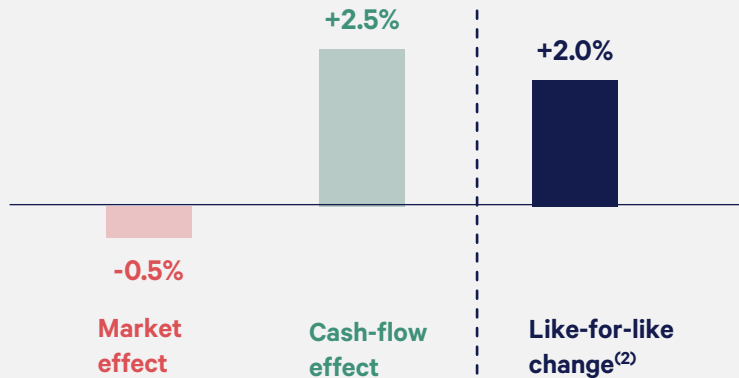
versus €2.45-€2.50 initially



# CASH FLOW GROWTH DROVE PROPERTY VALUES UP FOR THE FIRST TIME IN 5 YEARS

Portfolio value: €19,874m<sup>(1)</sup>, total share

Like-for-like change in portfolio values over six months



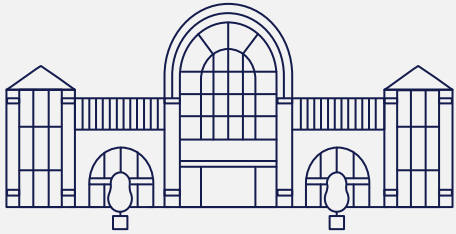
On average the portfolio's EPRA NIY remained stable over six months at 5.9%.

(1) Value of the portfolio, transfer taxes included, on a total share basis.  
 (2) Change is on a constant currency basis.





## NET ASSET VALUE UP 4.3%



€31.4

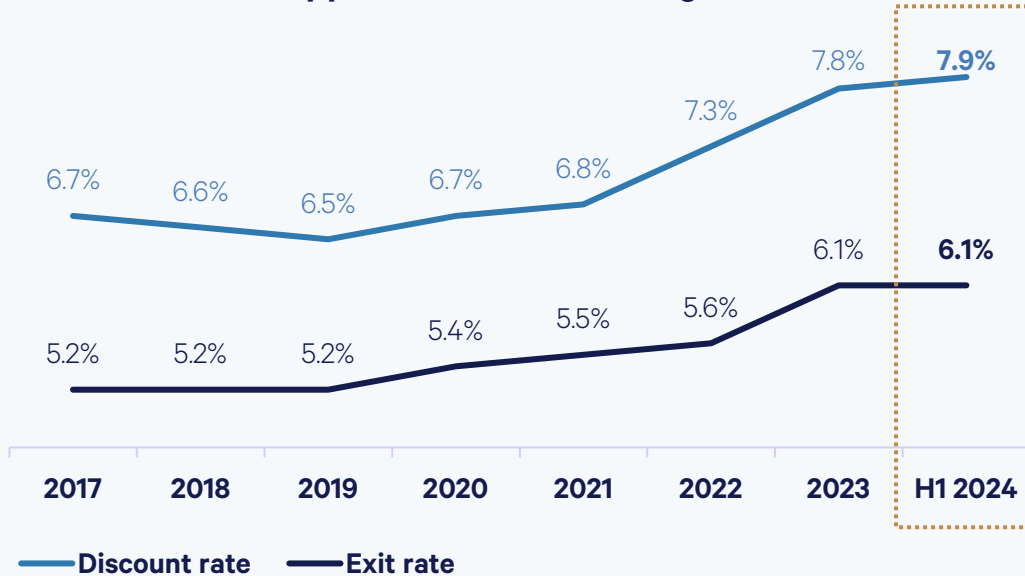
EPRA NTA per share  
up 4.3% over 6 months





# NEXT INCREMENTAL TAILWIND SHOULD COME FROM MARKET EFFECTS

Average discount rates used by independent appraisers at all-time highs



Recent and expected new ECB rate cuts should lead to a normalization of discount rates

# AS CONFIRMED BY S&P THAT MOVED TO POSITIVE, FOLLOWING ACQUISITIONS

**S&P Global**



**BBB+**

Long term rating

**A2**

Short-term rating

**Positive outlook**  
(raised from stable  
on May 27, 2024)

**FitchRatings**



**A-**

Senior unsecured rating

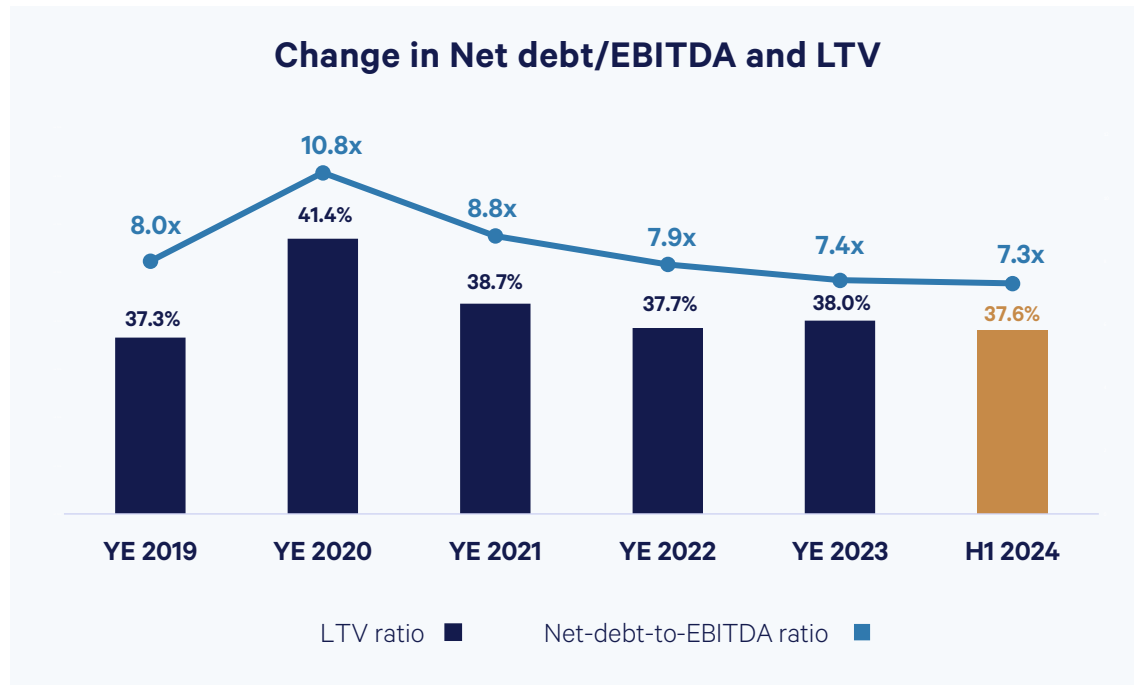
**F1**

Short-term rating

**Stable outlook**  
(confirmed on May 24, 2024)



## FURTHER ENHANCED CREDIT METRICS, OFFERING US FLEXIBILITY TO INVEST



**Net debt to EBITDA  
at a historic low: 7.3x**

**LTV at 37.6%,  
down 40 bps**

compared to the end of 2023  
thanks to the **increase in property  
values**

# A STRATEGY SET FOR LONG-TERM GROWTH AND VALUE CREATION

CREATING  
PREFERRED  
SHOPPING  
DESTINATIONS

**Asset management** and **leasing actions** to enrich tenant mix and unlock embedded value

INVESTING IN THE  
BEST MALLS IN  
EUROPE

Portfolio premiumization through **targeted acquisitions** and **extensions**

MAINTAINING A  
STRICT FINANCIAL  
DISCIPLINE

Sector leading credit metrics and **high investment grade ratings**

SERVING OUR  
SHAREHOLDERS

**Growing cash dividends**

SUSTAINABLE  
DEVELOPMENT

Building the most **sustainable platform** for commerce



02  
H1 2024 HIGHLIGHTS

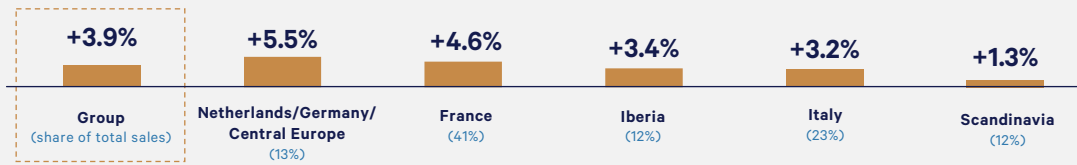


KLEPIERRE

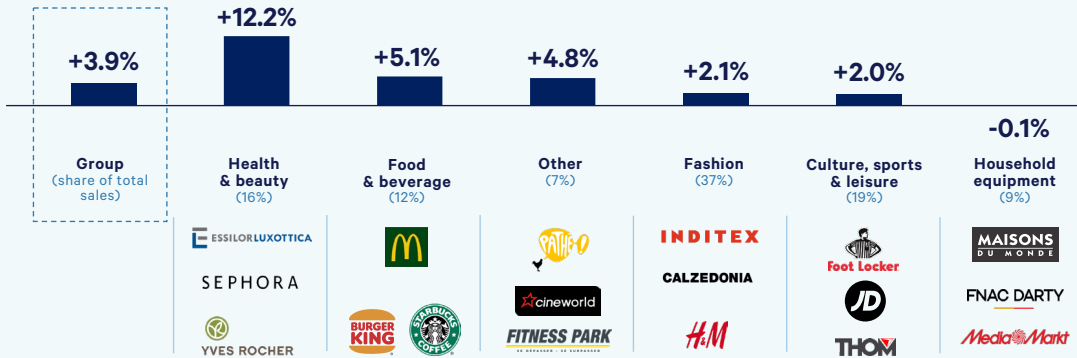
SHOP. MEET. CONNECT.™

# RETAILERS CONTINUE TO SHOW HEALTHY SALES GROWTH

## H1 2024 retailer sales by region compared to H1 2023



## H1 2024 retailer sales by business segment compared to H1 2023



Note: Sales figures do not include Turkey.





# EARNINGS INDICATORS

TOTAL SHARE (in millions of euros)	H1 2023	H1 2024	CHANGE
Net Rental Income	495.9	520.1	+6.0% (like-for-like)
EBITDA <sup>(1)</sup>	452.7	477.3	+5.4%
NET CURRENT CASH-FLOW	397.3	410.6	
Group share	348.3	359.7	
NET CURRENT CASH FLOW (€/PER SHARE)	1.21	1.25	+3.3%

(1) EBITDA stands for "earnings before interest, taxes, depreciation and amortization" and is a measure of the Group's operating performance.





# H1 2024 NET CURRENT CASH FLOW PER SHARE, UP 3.3%



H1 2024 Net Current Cash Flow per share was **up €0.04**, mainly on the back of better operational performance and a tight control of payroll and G&A

# CASH-FLOW GROWTH DROVE PORTFOLIO VALUATION UP 2% OVER SIX MONTHS

(€m, total share, inc. transfer taxes)	06/30/2024	% of total portfolio	12/31/2023	CHANGE OVER 6 MONTHS	
				Reported	LfL <sup>(a)</sup>
France	7,718	38.8%	7,631	+1.1%	+0.7%
Italy	4,584	23.1%	4,241	+8.1%	+3.0%
Scandinavia	2,400	12.1%	2,474	-3.0%	-0.1%
Iberia	2,327	11.7%	2,231	+4.3%	+4.0%
Netherlands/Germany/Central Europe	2,845	14.3%	2,753	+3.3%	+4.2%
<b>TOTAL PORTFOLIO</b>	<b>19,874</b>	<b>100.0%</b>	<b>19,331</b>	<b>+2.8%</b>	<b>+2.0%</b>

## Main appraisers' assumptions as of June 30, 2024

The **2.0% like-for-like increase in property valuations** over the last six months was the combination of:

- **A 2.5% positive cash flow effect** as a consequence of higher estimated rental values (ERV) projected by appraisers. Thus, the NRI CAGR over the next 10 years as estimated remained unchanged at +2.8%
- **A slightly negative market effect (-0.5%)** due to a 10-basis-point increase in discount rates while exit rates were kept stable by appraisers, at an average of 6.1%.

The average **EPRA NIY for the portfolio stood at 5.9%, stable over six months.**

(a) Like-for-like change. For Scandinavia and Turkey, change is indicated on a constant currency basis. Central European assets are valued in euros.

## VALUE GROWTH FUELED EPRA NET ASSET VALUE METRICS

EPRA NET ASSET VALUES	DECEMBER 2023	JUNE 2024	CHANGE
EPRA NRV	€33.7	€35.1	+4.2%
EPRA NTA	€30.1	€31.4	+4.3%
EPRA NDV	€27.7	€28.9	+4.3%



03

# SECTOR-LEADING FINANCING METRICS



KLEPIERRE

SHOP. MEET. CONNECT.™

# WE OPERATE A SECTOR-LEADING BALANCE SHEET, PROVIDING US WITH AMPLE ACCESS TO FINANCING

## COST OF DEBT & KEY CREDIT METRICS AS OF JUNE 30, 2024

**1.6%** Cost of debt for 2024

**8.2x** High level of interest coverage ratio

**€7,479m** Net debt up €130m over six months

**€3.4bn** Liquidity position

**7.3x** Net debt to EBITDA

**37.6%** LTV

**6.2 years** Average debt maturity

## STRONG DEBT RAISING ACHIEVEMENTS

**€775 million in long-term financing closed year-to-date** including a €600m bond issuance

**€625 million** of existing bilateral credit facilities renewed for 5 years



# WE HAVE LARGE COVENANT HEADROOM

## Covenants applicable to Klépierre SA financing

Bank and bonds covenants <sup>(1)</sup>		June 2024
Loan-to-Value	≤ 60%	37.6%
EBITDA/Net interest expense <sup>(2)</sup>	≥ 2.0x	8.2x
Secured debt/Portfolio value <sup>(3)</sup>	≤ 20%	2.0%
Portfolio value <sup>(4)</sup>	≥ €10bn	€17.2bn
Secured debt/Revalued NAV <sup>(3)</sup>	≤ 50%	3.5%

(1) Covenants are based on the 2020 revolving credit facility.

(2) Excluding the impact of liability management operations (non-recurring items).

(3) Excluding Steen & Strøm.

(4) Group share, including transfer taxes and including equity accounted investees.

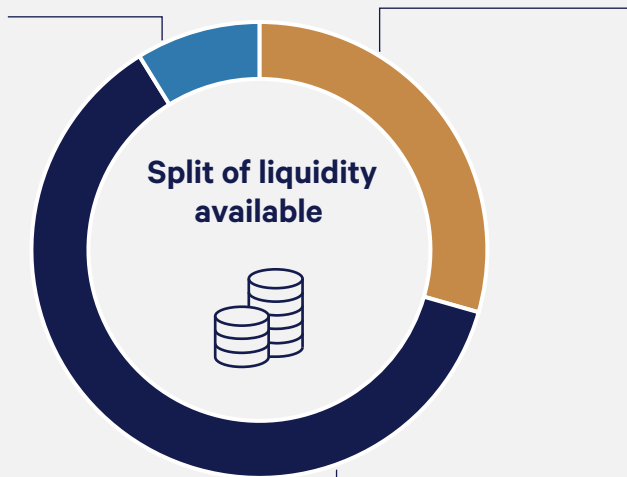


# OUR SOUND LIQUIDITY POSITION COVERS 40% OF OUR GROSS DEBT

LIQUIDITY POSITION AS OF JUNE 30, 2024:  
€3.4 BILLION, COVERING KLÉPIERRE'S REFINANCING NEEDS UNTIL 2027.

**€0.3bn**

Other credit facilities



**€1.0bn**

Cash and equivalents

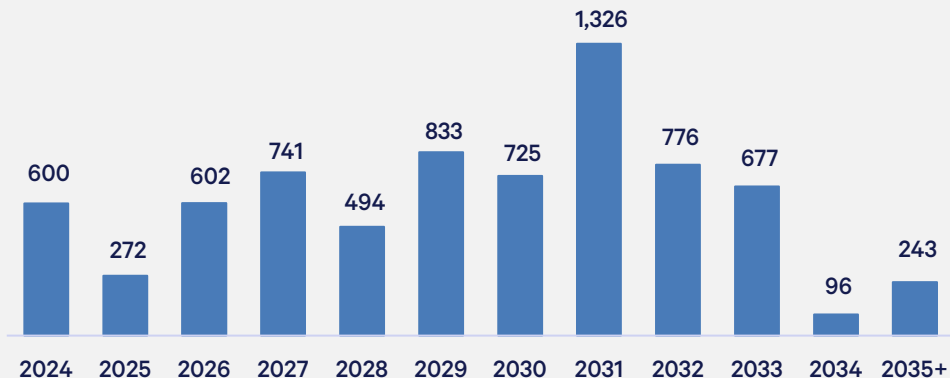
**€2.1bn**

Unused committed revolving credit facilities

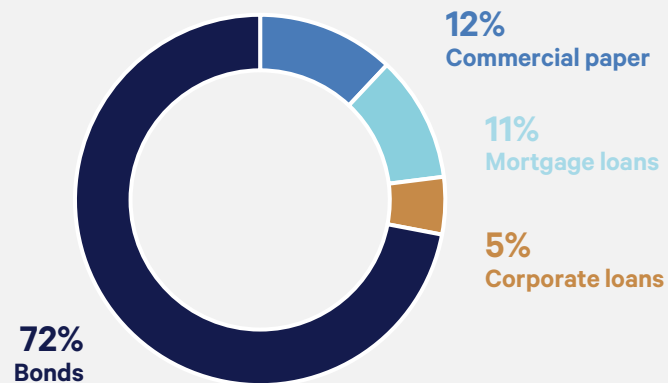


## WELL SPREAD DEBT MATURITIES WITH A 6.2 YEARS AVERAGE MATURITY

LONG-TERM DEBT MATURITY SCHEDULE EXCLUDING COMMERCIAL PAPERS (IN MILLIONS OF EUROS)



FINANCING BREAKDOWN BY TYPE OF RESOURCE AS OF JUNE 30, 2024 (OUTSTANDING DEBT, TOTAL SHARE)



- Very limited refinancing needs in the years to come largely covered by a strong liquidity position
- Full flexibility regarding sources of financing underpinned both by a strong credit rating and a qualitative portfolio

04  
EARNINGS  
OUTLOOK



KLEPIERRE

SHOP. MEET. CONNECT.™

## 2024 GUIDANCE REVISED UPWARD



Based on the first-half performance and taking into account the positive contribution of acquisitions closed year-to-date, Klépierre is revising its full-year guidance upwards and expects to generate a **5% increase in EBITDA<sup>(1)</sup>** and **net current cash flow to reach €2.50-€2.55 per share** in 2024.

(1) EBITDA stands for "earnings before interest, taxes, depreciation and amortization" and is a measure of the Group's operating performance.



# AGENDA

**October 23, 2024**  
**Q3 business review<sup>(1)</sup>**



KLEPIERRE

SHOP. MEET. CONNECT.®

(1) Before market opening

# APPENDICES



KLEPIERRE

SHOP. MEET. CONNECT.™

# NET CURRENT CASH FLOW

	06/30/2023	06/30/2024	Change
<b>Total share (in €m)</b>			
Gross rental income	569.7	597.4	
Rental and building expenses	(73.7)	(77.3)	
<b>Net rental income</b>	<b>495.9</b>	<b>520.1</b>	<b>+6.0%</b> (like-for-like)
Management, administrative, related income and other income	36.3	36.8	
Payroll expenses and other general expenses	(79.5)	(79.6)	
<b>EBITDA<sup>(1)</sup></b>	<b>452.7</b>	<b>477.3</b>	<b>+5.4%</b>
Cost of net debt	(59.4)	(77.8)	
<b>Cash flow before share in equity method investees and taxes</b>	<b>393.3</b>	<b>399.5</b>	
Share in equity method investees	27.5	30.2	
Current tax expenses	(23.7)	(19.0)	
<b>Net current cash flow (total share)</b>	<b>397.3</b>	<b>410.6</b>	
<b>Group share (in €m)</b>			
<b>NET CURRENT CASH FLOW</b>	<b>348.3</b>	<b>359.7</b>	
<b>Per share (in €m)</b>			
<b>NET CURRENT CASH FLOW (€/share)</b>	<b>1.21</b>	<b>1.25</b>	<b>+3.3%</b>

(1) EBITDA stands for « earnings before interest, taxes, depreciation and amortization » and is a measure of the Group's operating performance.



# THE GROUP HAS ANNOUNCED ITS RENEWED CSR AMBITION FOR 2030



Building  
the most sustainable  
platform for commerce



ACHIEVING  
NET ZERO



SERVICING  
COMMUNITIES



GROWING  
TALENTS



PROMOTING  
SUSTAINABLE  
LIFESTYLES



## BUILDING THE MOST SUSTAINABLE PLATFORM FOR COMMERCE



# ACHIEVING NET ZERO BY 2030

Pursue our efforts on energy efficiency and reach

**70 kWh /sq.m** as the average portfolio energy efficiency

Measure our tenants' private energy consumptions in our shopping centers and support them in achieving a

**20%** reduction in tenants' energy consumptions

Install renewable energy production units at our assets to reach up to

**30%** of self consumption for our 40 largest shopping centers

Engage our visitors with the aim of achieving a

**40%** decrease in GHG emissions related to their transportation



# BUILDING THE MOST SUSTAINABLE PLATFORM FOR COMMERCE



## SERVICING COMMUNITIES

**ALL** our shopping centers will

- Develop up a long-term “Giving Back” project with a high impact for local communities
- Offer green services to visitors (recycling/repair stations, clothes collection points, etc.)
- Ensure a high-level of inclusion

**1** shopping center per territory to be equipped with a disaster relief plan

**ACT AS A LOCAL CONTRIBUTOR**



## GROWING PEOPLE

**50,000**  
people developed across Europe

Reach **40%** of women in top management and the top-100 managers, with equal pay

Systematically include at least **1** CSR criterion in the performance appraisals of our employees

**ACT AS A SKILL DEVELOPER**



## PROMOTING SUSTAINABLE LIFESTYLES

**50 million**  
shoppers guided towards sustainable lifestyles

Hold at least **3** responsible events per year to raise visitors’ awareness to sustainable lifestyles

Every **2** years organize a contest to support and promote three players committed to the low-carbon transition

**ACT AS A GAME CHANGER**

## OUR DISTINGUISHED ACHIEVEMENTS TESTIFY TO OUR LONG-STANDING EFFORTS...

### The Group's 2023 key ESG performance indicators

**48%**

Reduction in the energy intensity  
of our portfolio (vs 2013)

**84%**

Reduction in greenhouse gases  
emissions (GHG) Scopes 1 and 2  
(vs 2017)

**100%**

Waste diverted  
from landfill

**100%**

Assets with a valid BREEAM  
In-Use certification

**45%**

Share of women in the Group  
Executive Committee

**100%**

Rate of access  
to training for employees

# NEW GREEN FINANCING FRAMEWORK AS THE FOUNDATION FOR FUTURE GREEN BOND ISSUANCES

## OUR ELIGIBLE PORTFOLIO

- **88% of the portfolio**
- **€17.6 billion of market value**



## GREEN ASSET ELIGIBILITY CRITERIA

- Meeting one or several criteria:



**Alignment with Taxonomy**

**BREEAM**

**“Excellent” level**



**Alignment with Energy intensity targets**

**GREEN  
FINANCING  
FRAMEWORK**

## GREEN BOND PRINCIPLES PILLARS

- Eligibility criteria definition
- Evaluation and selection of eligible projects/assets
- Allocation of proceeds
- Yearly reporting

## FRAMEWORK REVIEWED AND CERTIFIED BY ISS-CORPORATE

- Validated the alignment with the Green Bond Principles
- Assessed the consistency of the Group Green financing strategy

# CONTACT

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

+33 (0)7 50 66 05 63



KLEPIERRE

SHOP. MEET. CONNECT.™