WFD UNIBAIL-RODAMCO

Amsterdam, September 30, 2019

Press Release

HALF-YEAR RESULTS 2019: WFD UNIBAIL-RODAMCO N.V.

On September 30, 2019, WFD Unibail-Rodamco N.V. announced its 2019 half-year results and released its consolidated interim financial statements for the period ending June 30, 2019, which can be found on: http://wfd-unibail-rodamco-nv.com/en/investors/press-releases and as an attachment to this press release.

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WFD UNIBAIL-RODAMCO

WFD UNIBAIL-RODAMCO N.V.

HALF YEAR 2019 FINANCIAL REPORT

JUNE 30, 2019

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I. INTERIM MANAGEMENT BOARD REPORT

General Information

Management of WFD Unibail-Rodamco N.V. ("WFD UR NV" or "the Company") hereby presents its interim management board report and the condensed consolidated interim financial statements of WFD UR NV for the period ending June 30, 2019.

WFD UR NV is a public limited liability company and domiciled in The Netherlands. The Company was incorporated as Unibail-Rodamco B.V., a private company with limited liability on February 14, 2018 and converted its legal form to a public limited liability company on March 22, 2018. At the same date the Company changed its name to WFD Unibail-Rodamco N.V..

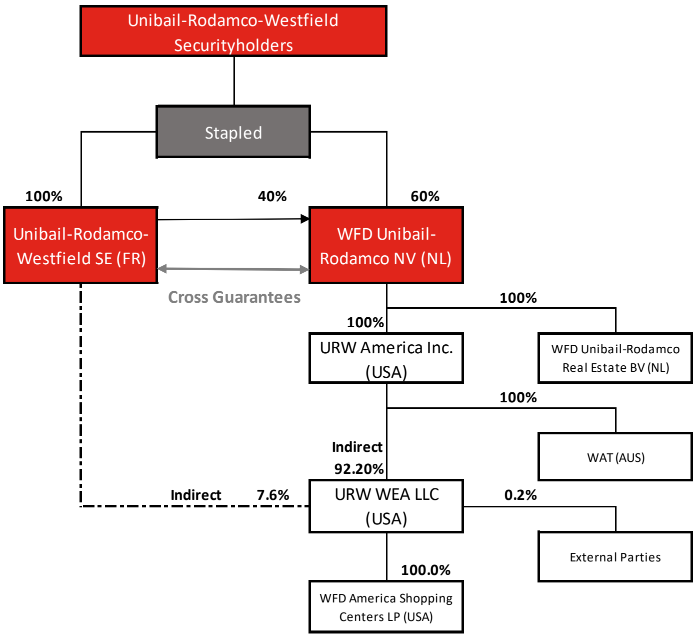
The Company and its subsidiaries (together referred to as 'the Group') main business objectives are to invest in assets, primarily through the direct or indirect acquisition of real estate and to enter into cash pooling arrangements with, to provide financing to and to furnish guarantees for the benefit of Unibail-Rodamco-Westfield SE ("URW SE") and other affiliated bodies of the Company.

Accounting Principles

The Group's condensed consolidated interim financial statements for the six months period ended June 30, 2019 have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union.

Scope of Consolidation

The principal changes in the scope of consolidation since December 31, 2018 are related to the restructuring of the US operations in April 2019. The organisation chart as at June 30, 2019 is as follows:



After the restructurings, the US activities are no longer held via WAT which was an Australian entity. Refer to Note 2.1 for the impact of the US restructuring.

Operational Reporting

WFD UR NV operates in two regions, the US and The Netherlands and in 2 segments, retail and offices. Since activities in The Netherlands are minor compared to the US, they are reported under other region.

Business Review H1-2019 Results

This section provides an overview of the most significant business events for the US region during H1-2019. While the Group's consolidated accounts comparable numbers for 2018 reflect the US activities only from June 7, 2018, in this section references are to events over the entire 6-month period ended June 30, 2018.

Tenant Sales

Total tenant sales[1] increased by +3.0% through June 30, 2019, of which +4.9% in Flagships, compared to the national sales index of +3.1%, which includes e-commerce sales. Tenant sales decreased by -1.5% in Regionals. Specialty tenant[2] sales[3] per square foot ("psf") increased by +11.3% to $780 psf. Flagships increased by +12.8% to $971 psf, and Regionals by +3.6%, to $493 psf. Seven of the Group's regional shopping centres (representing 2% of the Group's GMV[4]) generate sales of more than $500 psf.

Leasing

487 leases were signed on standing assets (532), representing 1.4 million sq. ft and $72.8 Mn of MGR[5]. This compares to 2.0 million sq. ft of space signed in H1-2018, which included the renewal of several department store and big box leases. In addition, 26 leases were signed on 56,600 sq. ft of pipeline project space, mainly at Westfield Valley Fair.

Due to the current difficult retail environment, the Group has taken a pragmatic and pro-active approach to maintain market share of its shopping centres. Renewals represented 67% of signings (59%). Average rental spreads[6] were +5.2%, of which +7.7% in Flagships and -1.1% in Regionals.74% of the retail space re-let during the period related to non-fashion retailer categories.

The Group signed leases with a number of high profile retailers for the first time. These included: Chanel Beauté (Westfield Valley Fair), The Void (Westfield San Francisco Centre), RYU – Respect Your Universe (Westfield UTC), Hook & Reel (Westfield South Shore), Max Mara Weekend (Westfield Garden State Plaza), Dream Aero (Westfield Montgomery), PlayLive Nation (Westfield Valley Fair), and Happy Socks (Westfield Century City). The Group also signed the first entry to a shopping centre with Valley Medical Group (Westfield Garden State Plaza) and the first stores in California for Messika (Westfield Century City) and Gameworks (Westfield Oakridge).

In addition to the above, the Group signed leases to relocate some key tenants to new or expanded flagship locations, including Tiffany & Co (Westfield Valley Fair) and Tourneau (Westfield San Francisco Centre). The Group already signed six lease agreements for US assets with The Void.

As online players explore new growth opportunities, going offline is the logical next step and as a result the Group continues to see growth in the DNVB segment. The Group has 62 stores currently trading in the US which represent 28 DNVBs. Seven stores (Honey Birdette, Casper, Indochino, Peloton, Quay, Razer, and Rebag) opened in H1-2019, with a further 13 stores leased and expected to open in H2-2019. Current DNVB leases include Amazon (8), NYX (8), Peloton (7), UNTUCKit (5), Indochino (4), Bonobos (3) and Warby Parker (3).

Commercial Partnerships

Brand ventures, media and specialty leasing revenues increased to $33.8 Mn (+2.2%).
Key highlights included:

- Media: the Group continues to target new customers with Johnnie Walker, Apple Music/News and Land Rover in 2019;
- Specialty Leasing: grew by +26%, with deals mainly in the Entertainment, Consumer Goods and Fashion segments;
- Events: Westfield Century City events in its second full-year continues to ramp up pop-up and activation spaces with higher demand and doubling the 2018 average daily rate.

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1 Total tenant sales excluding department stores.
2 Specialty stores <10k sq. ft. (ca. 929 sqm).
3 Trailing 12-months.
4 Gross Market Value
5 Minimum Guaranteed Rent or Base Rent
6 For the US portfolio, the rental spread reflects the trailing 12-months average increase in total rents, including common area maintenance charges, for specialty stores (excluding lease extensions and deals for <12 months).

Marketing and digital

The Group's US loyalty programme, Westfield Rewards, launched in April 2019 and now has over 31,000 members. Centres currently participating are Westfield Century City, Westfield Garden State Plaza, Westfield Topanga & The Village and Westfield UTC.

The Group's broader Customer Acquisition & Engagement strategy made significant progress with over 300,000 newly acquired customers.

Westfield Annapolis piloted a dining delivery service to drive dining retailer sales, generating approximately +7% in additional sales for the participating tenants. This has been expanded to a further eight centres in June/July.
The Group won four ICSC MAXI Awards at the recent ICSC RECon in Las Vegas, including the Gold medal for the "Taste" food and dining event at Westfield Century City and the Gold medal for the Woolsey fire relief efforts at Westfield Topanga & The Village.

Extensions and renovations

The Group achieved important milestones on committed projects:

- Palisade at Westfield UTC (residential tower): successfully launched leasing in late April and the phased leasing program is on track. The building welcomed its first tenants in July;
- Westfield Oakridge (transformation of the former Sears): pre-letting as at June 30 stands at 98%, anchored by a 106,000 sq. ft Living Spaces furniture store. Construction is underway;
- Westfield Valencia (renovation): works on the common area refurbishment are 30% complete, delivery is planned for November 2019;
- Westfield Topanga (renovation): works on the common area refurbishment are 80% complete, delivery is scheduled for August 2019;
- Westfield Valley Fair extension: 23 leases representing 51,000 sq. ft. were signed in H1-2019. The extension is circa 75% leased, and is scheduled to open in phases in 2020.

In addition, successful pre-letting of redevelopment projects of former department stores at Westfield Annapolis (circa 60%) and Westfield Garden State Plaza (circa 65%) has paved the way to launch these projects in H2-2019.

Net Operating Income

Comparable Net Operating Income ("NOI"[1]) increased by +2.2%, of which +5.5% in Flagships and -7.8% in Regionals (vs. -3.0%, -2.6%, and -3.9%, respectively, in H1-2018). Results were positively impacted by Westfield Century City and Westfield UTC, which benefited from stabilization following opening in late 2017. Total NOI increased by +0.8% to $293.7 Mn.
Occupancy[2] was 93.4%, -90 bps below June 30, 2018. Occupancy of the Flagships and Regionals was 94.6% (95.5%) and 91.6% (92.7%), respectively. Occupancy was impacted by the closure of stores, including certain big-boxes. Many of these have new lease commitments pending, representing 190 bps of potential occupancy.
Tenant bankruptcies in H1-2019, accounted for 407,000 sq. ft of GLA and less than 1% impact to leasing revenue. This impact is expected to be partially mitigated in H2-2019 as a result of the reletting of impacted spaces.
The OCR[3] for specialty stores was down by -30 bps to 13.0% (12.7% for the Flagships and 13.9% for the Regionals).

Average Leasing Revenue psf

Average leasing revenue for specialty stores was $92.68 psf, an increase of +5.2%. The increase in Flagships was +5.2% to $113.19 psf, and in Regionals was +2.2% to $60.07 psf.

[1] NOI: Net Operating Income before management fees, termination/settlement income and straight-line adjustments.
[2] Occupancy based on a square foot basis, excluding development space, and including temporary leasing.
[3] Calculated for specialty stores. Occupancy cost is based on total rent, including common area maintenance charges.

Financial Review H1-2019 Results

The Group's consolidated accounts include URW WEA LLC (US region) and WFD Unibail-Rodamco Real Estate B.V. activities, the numbers for 2018 reflect data from the date of acquisition and date of incorporation, respectively.

Consolidated Income Statement by segment (€Mn)			H1-2019 Recurring activities	H1-2019 Non-recurring activities**	H1-2019 Result	H1-2018* Recurring activities	H1-2018* Non-recurring activities**	H1-2018* Result
SHOPPING CENTRES	UNITED STATES	Gross rental income	184.1	-	184.1	29.5	-	29.5
		Operating expenses and net service charges	(68.6)	-	(68.6)	(14.3)	-	(14.3)
		Net rental income	**115.4**	-	**115.4**	**15.2**	-	**15.2**
		Contribution of companies accounted for using the equity method	161.6	(180.6)	(19.0)	17.8	-	17.8
		Gains/losses on sales of properties	-	(0.2)	(0.2)	-	-	-
		Valuation movements on assets	-	(129.2)	(129.2)	-	-	-
		Result Shopping Centres United States	**277.1**	**(310.0)**	**(32.9)**	**33.0**	-	**33.0**
	OTHER	Gross rental income	1.0	-	1.0	0.1	-	0.1
		Operating expenses and net service charges	(0.1)	-	(0.1)	-	-	-
		Net rental income	**0.9**	-	**0.9**	**0.1**	-	**0.1**
		Valuation movements on assets	-	(1.4)	(1.4)	-	-	0.0
		Result Shopping Centres Other	**0.9**	**(1.4)**	**(0.5)**	**0.1**	-	**0.1**
		TOTAL RESULT SHOPPING CENTRES	**278.0**	**(311.4)**	**(33.4)**	**33.1**	-	**33.1**
OFFICES	UNITED STATES	Gross rental income	3.6	-	3.6	-	-	-
		Operating expenses and net service charges	(1.5)	-	(1.5)	-	-	-
		Net rental income	**2.1**	-	**2.1**	-	-	-
		Valuation movements on assets	-	3.8	3.8	-	-	-
		Result Offices United States	**2.1**	**3.8**	**5.9**	-	-	-
		TOTAL RESULT OFFICES	**2.1**	**3.8**	**5.9**	-	-	-
		Project management income	1.8	-	1.8	-	-	-
		Property services and other activities income	(0.0)	-	(0.0)	0.9	-	0.9
		Administrative expenses	(17.0)	-	(17.0)	(3.0)	-	(3.0)
		Acquisition and related costs	-	(4.4)	(4.4)	-	(40.6)	(40.6)
NET OPERATING RESULT			**264.9**	**(312.0)**	**(47.1)**	**31.0**	**(40.6)**	**(9.6)**
		Financing result	(153.6)	(256.8)	(410.4)	(16.2)	(5.5)	(21.7)
RESULT BEFORE TAX			**111.3**	**(568.8)**	**(457.5)**	**14.8**	**(46.1)**	**(31.3)**
		Tax income (expense)	0.1	598.2	598.3	(2.2)	(2.6)	(4.8)
NET RESULT FOR THE PERIOD			**111.3**	**29.4**	**140.8**	**12.6**	**(48.7)**	**(36.1)**
		External non-controlling interests	7.0	(6.5)	0.5	-	(6.8)	(6.8)
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF WFD UR N.V. SHARES			**104.4**	**35.9**	**140.3**	**12.6**	**(41.9)**	**(29.3)**

* *For the period from February 14, 2018 to June 30, 2018.*
*** Non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, impairment of goodwill or recognition of negative goodwill, amortisation of fair value of assets and liabilities recorded for the purpose of purchase price allocation, as well as costs directly incurred during a business combination and other non-recurring items.*

The Group reported a net operating loss of €47.1 Mn for the period ended June 30, 2019. The amount included in this net operating result for gains/losses on disposals, valuation movements, for acquisition and related costs and other non-recurring activities was -€312.0 Mn, leading to a recurring net operating profit of €264.9 Mn. The net result reported was €140.8 Mn of which €140.3 Mn attributable to the shareholders of WFD UR NV with a diluted net result per share (owners of WFD Unibail-Rodamco N.V. shares) of €0.61.

The contribution of companies accounted for using the equity method amounted to -€19.0 Mn and relates to URW WEA LLC which operates a significant number of assets through joint ventures.

Dividends

For 2018, the dividend paid by URW Group was € 10.80 per stapled share, in line with the dividend policy of URW Group. All amounts were paid by URW SE.

Non-Financial Information

Business Model

WFD UR NV owns a portfolio of prime commercial properties, located in the largest and most prosperous cities across the United States.

WFD UR NV's operations are focused on Flagship Shopping Centres ("Flagships") in the wealthiest and most attractive catchment areas in the United States.

WFD UR NV's strategy is to vertically integrate the entire chain of value creation in real estate. The combination of its four activities of redevelopment and renovation, investment and management, provides WFD UR NV with unique market knowledge and expertise. This knowledge and expertise assists WFD UR NV in dealing with markets that are cyclical in nature and its strategy is designed to allow the Group to continue its investment programs even during economic downturns. WFD UR NV actively recycles assets and deploys disposal proceeds into its redevelopment projects.

Thanks to this portfolio of high quality assets and the team's expertise in the business of investment, redevelopment, leasing, management and divestment, WFD UR NV has been able to generate strong growth.

Finally, WFD UR NV is, by nature, a long term player committed to sustainable redevelopment and social responsibility across all of its activities. Whether it be architecture, city planning, design, energy efficiency, or social responsibility, the Group is recognized as a leader in the industry.

Corporate Social Responsibility

URW's Corporate Social Responsibility (CSR) strategy, Better Places 2030, was extended to the US. While the ambition to halve its carbon footprint by 2030 remains central, Better Places 2030 now also tackles new environmental challenges like responsible consumption and the circular economy.

CSR is at the very heart of the Group's strategy, as an accelerator of progress and innovation. The Group's CSR strategy, which was updated in 2018 following the acquisition of Westfield, has embraced the United Nations Sustainable Development Goals, particularly SDG 11: "Sustainable Cities and Communities". This new strategy confirms the Company's ambitious CSR objectives, and provides the roadmap to achieving them. The teams' daily engagement and ownership of environmental and social challenges now plays a more prominent role. For the first time, important topics such as sustainable consumption have been included in the global ambitions, in response to the constantly-changing expectations and needs expressed by the stakeholders of the Group's assets.

The outlines of this strategy can be found on the WFD UR NV website (http://www.wfd-unibail-rodamco-nv.com) in the URW Group CSR document.

Risk & Uncertainties H2-2019

The activity of the Group is not significantly affected by seasonality, although WFD UR NV's US operations typically see retailer occupancy and retail sales at their highest in the fourth quarter of each calendar year. This does have a (limited) impact on rental income from US' Shopping Centers as a result of earning additional rent based on shops exceeding a certain level of sales (referred to as "percentage rent"). Operational risks are described under the business review in this interim management board report and for WFD UR NV's financial risks reference is made to Note 8 of the consolidated interim financial statements.

Related Party Transactions

The main related party transactions refer to transactions with companies accounted for using the equity method, loans from URW SE and redeemable preference shares in URW WEA LLC (formerly WAT) held by URW SE.

All related party transactions are based on at arm's length prices. Further details on related party transactions can be found in Note 6.3 to the condensed consolidated interim financial statements.

Post-Closing events

None.

Approved by the Management Board

Schiphol, September 30, 2019

II. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT JUNE 30, 2019

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

On September 30, 2019, the Supervisory Board approved the condensed consolidated interim financial statements of WFD Unibail-Rodamco N.V. for the half-year ended June 30, 2019 and authorised the publication thereof.

The condensed consolidated interim financial statements are presented in millions of euros, rounded to the nearest hundred thousand and, as a result, slight differences between rounded figures may exist. These statements are reviewed, not audited, by the external auditor.

In the comparative figures, Westfield America Trust ("WAT") was consolidated as from June 7, 2018. Thus, H1-2018 figures include only three weeks of WAT operations. The 2018 figures are from the period February 14, 2018 to December 31, 2018.

The service charge income and expense are presented gross instead of net in the condensed consolidated interim statement of comprehensive income, following IFRS 15. The comparative figures have been adjusted, without impacting the total net rental income.

Consolidated interim statement of comprehensive income

Consolidated interim statement of comprehensive income (€Mn)	Notes	H1-2019	H1-2018[(1)]	2018[(2)]
Gross rental income	4.1	188.7	29.5	274.5
Ground rents paid		-	*(4.2)*	-
Service charge income		*24.2*	-	*31.3*
Service charge expenses		*(27.4)*	*0.0*	*(36.6)*
Property operating expenses		*(67.0)*	*(10.0)*	*(120.3)*
Operating expenses and net service charges		(70.2)	(14.2)	(125.6)
Net rental income		**118.5**	**15.3**	**148.9**
Project management revenue		1.8	-	13.8
Project management costs		-	-	(9.4)
Project management income	**4.1**	**1.8**	**-**	**4.4**
Property services and other activities revenues		(0.0)	1.9	19.0
Property services and other activities expenses		-	(1.0)	(10.9)
Net property services and other activities income	**4.1**	**(0.0)**	**0.9**	**8.1**
Share of the result of companies accounted for using the equity method	**6.1**	**(19.0)**	**17.8**	**120.6**
Corporate expenses		(8.7)	(2.2)	(32.3)
Depreciation of other tangible assets	5.2	(8.3)	(0.8)	(11.9)
Administrative expenses		**(17.0)**	**(3.0)**	**(44.2)**
Acquisition and related costs		**(4.4)**	**(40.6)**	**(48.3)**
Proceeds from disposal of investment properties		0.0	-	1.4
Carrying value of investment properties sold		(0.2)	-	(1.8)
Result on disposal of investment properties		**(0.2)**	**-**	**(0.4)**
Proceeds from disposal of shares		-	-	353.2
Carrying value of disposed shares		-	-	(315.8)
Result on disposal of shares		**-**	**-**	**37.4**
Valuation gains on assets		19.0	-	14.1
Valuation losses on assets		(145.8)	(0.0)	(140.9)
Valuation movements on assets	**5.1**	**(126.8)**	**(0.0)**	**(126.8)**
NET OPERATING RESULT		**(47.1)**	**(9.6)**	**99.7**
Financial income		*28.0*	*0.6*	*21.9*
Financial expenses		(181.6)	*(16.8)*	(184.6)
Net financing costs	7.1.1	(153.6)	(16.2)	(162.7)
Fair value adjustments of derivatives, debts and currency effect	7.1.2	(256.8)	(5.5)	228.9
RESULT BEFORE TAX		**(457.5)**	**(31.3)**	**165.9**
Tax income (expense)	9.1	598.3	(4.8)	22.0
NET RESULT FOR THE PERIOD		**140.8**	**(36.1)**	**187.9**
Net result for the period attributable to:				
- Owners of WFD Unibail-Rodamco N.V. shares		140.3	(29.3)	182.1
- External non-controlling interests	15.4	0.5	(6.8)	5.8
NET RESULT FOR THE PERIOD		**140.8**	**(36.1)**	**187.9**

Average number of shares (undiluted)	14.1	231,570,412	45,702,515	152,223,412
Net result for the period (Owners of WFD Unibail-Rodamco N.V.)		140.3	(29.3)	182.1
Net result for the period per share (Owners of WFD Unibail-Rodamco N.V.) (€)		**0.61**	**(0.64)**	**1.20**

Average number of shares (diluted)	14.1	235,303,295	49,357,633	155,849,683
Net result for the period restated (Owners of WFD Unibail-Rodamco N.V.)		140.3	(29.3)	182.1
Diluted net result per share (Owners of WFD Unibail-Rodamco N.V.) (€)		**0.60**	**(0.59)**	**1.17**

(1) *For the period from February 14, 2018 to June 30, 2018.*
(2) *For the period from February 14, 2018 to December 31, 2018.*

NET COMPREHENSIVE INCOME (€Mn)	**Notes**	**H1-2019**	**H1-2018[1]**	**2018[2]**
NET RESULT FOR THE PERIOD		**140.8**	**(36.1)**	**187.9**
Foreign currency differences on translation of financial statements of subsidiaries and net investments in these subsidiaries		35.1	5.2	118.5
Other comprehensive income that may be subsequently recycled to profit or loss		**35.1**	**5.2**	**118.5**
Other comprehensive income not subsequently recycled to profit or loss		**-**	**-**	**-**
OTHER COMPREHENSIVE INCOME		**35.1**	**5.2**	**118.5**
NET COMPREHENSIVE INCOME		**175.9**	**(30.9)**	**306.4**
Net Comprehensive Income for the period attributable to:				
- Owners of WFD Unibail-Rodamco N.V. shares		**172.2**	**(25.1)**	**293.8**
- External non-controlling interests		3.7	(5.8)	12.6
NET COMPREHENSIVE INCOME		**175.9**	**(30.9)**	**306.4**

(1) *For the period from February 14, 2018 to June 30, 2018.*
(2) *For the period from February 14, 2018 to December 31, 2018.*

Consolidated interim statement of financial position

Consolidated interim statement of financial position (€ Mn)	Notes	June 30, 2019	December 31, 2018[1]
NON CURRENT ASSETS		**13,502.5**	**13,974.5**
Investment properties	**5.1**	**5,905.4**	**5,976.6**
Investment properties at fair value		*5,884.9*	*5,957.2*
Investment properties at cost		*20.5*	*19.4*
Shares and investments in companies accounted for using the equity method	6.1	6,919.6	6,920.7
Tangible assets	5.2	74.6	37.5
Goodwill	5.3	19.5	19.8
Intangible assets	5.4	315.9	314.0
Investments in financial assets	7.2.1	183.1	676.5
Deferred tax assets	9.2	-	0.6
Derivatives at fair value	7.4	84.4	28.8
CURRENT ASSETS		**774.0**	**159.0**
Inventories		12.2	15.4
Trade receivables from activity		63.6	73.1
Tax receivables		-	0.1
Other receivables		43.1	17.1
Cash and cash equivalents	7.2.7	655.1	53.3
TOTAL ASSETS		**14,276.5**	**14,133.5**
Shareholders' equity (Owners of WFD Unibail Rodamco N.V. shares)		**2,693.4**	**2,654.3**
Share capital	14.1	115.8	115.8
Additional paid-in capital	14.2	2,243.1	2,242.7
Consolidated reserves		48.6	-
Foreign currency translation reserves		143.6	111.7
Consolidated result		140.3	182.1
Hybrid securities		2.0	2.0
- Equity attributable to the owners of WFD Unibail-Rodamco N.V.		***2,693.4***	***2,654.3***
External non-controlling interests	**15.4**	**80.3**	**322.7**
TOTAL SHAREHOLDERS' EQUITY		**2,773.7**	**2,977.0**
NON CURRENT LIABILITIES		**9,803.0**	**9,276.9**
Long-term commitment to non-controlling interests	7.3	574.3	806.3
Long-term bonds and borrowings	7.2.3	8,552.7	7,373.5
Long-term lease liabilities	7.2.3	61.9	33.0
Derivatives at fair value	7.4	293.6	70.2
Deferred tax liabilities	9.2	179.3	853.0
Non current provisions	10	77.9	74.8
Guarantee deposits		10.6	10.9
Amounts due on investments	12	52.7	55.2
CURRENT LIABILITIES		**1,699.8**	**1,879.6**
Current commitment to non-controlling interests	7.3	1.3	1.5
Amounts due to suppliers and other creditors		**169.3**	**205.1**
Amounts due to suppliers		*38.1*	*31.0*
Amounts due on investments	12	*64.1*	*54.2*
Sundry creditors		*67.1*	*119.9*
Other current liabilities	11	167.5	116.9
Current borrowings and amounts due to credit institutions	7.2.3	1,349.6	1,554.9
Current lease liabilities	7.2.3	3.2	0.6
Current provisions	10	8.9	0.6
TOTAL LIABILITIES AND EQUITY		**14,276.5**	**14,133.5**

(1) *December 31, 2018 has been restated as follows:*
- reclassification from Deferred tax liabilities to Non-current provision and Other current liabilities, mainly as a consequence of the application of IFRIC 23.

Consolidated interim statement of cash flows

Consolidated interim statement of cash flows (€ Mn)	Notes	H1-2019	H1-2018*	2018**
Operating activities				
Net result		**140.8**	**(36.1)**	**187.9**
Depreciation & provisions [(1)]		(3.0)	0.6	0.5
Changes in value of property assets		126.8	0.0	126.8
Changes in fair value of derivatives, debt and currency effect		256.8	5.5	(228.9)
Net capital gains/losses on disposal of shares		-	-	(37.4)
Net capital gains/losses on sales of properties [(2)]		0.2	-	0.4
Share of the result of companies accounted for using the equity method		19.0	(17.8)	(120.6)
Net financing costs	7.1.1	153.6	16.2	162.7
Tax income/(expense)	9.1	(598.3)	4.8	(22.0)
WAT's transaction and other related costs		-	38.5	38.3
Cash flow before net financing costs and tax		**95.9**	**11.7**	**107.7**
Dividend received and result from companies accounted for using the equity method or non consolidated		116.3	26.6	228.0
Income tax received/(paid)		(0.9)	(2.2)	11.7
Change in working capital requirement		(50.5)	44.2	(86.6)
Total cash flow from operating activities		**160.8**	**80.3**	**260.8**
Investment activities				
Property activities		**(158.1)**	**(4,423.9)**	**(4,570.2)**
Acquisition of businesses		-	(4,342.0)	(4,342.0)
Amounts paid for works and acquisition of property assets	5.5	(53.0)	(37.8)	(67.6)
Repayment of property financing		0.6	-	0.6
Increase of property financing		(105.7)	(44.1)	(162.6)
Disposal of investment properties		-	-	1.4
Financial activities		**(0.7)**	**-**	**0.1**
Acquisition of financial assets		(0.7)	-	-
Disposal of financial assets		-	-	0.1
Total cash flow from investment activities		**(158.8)**	**(4,423.9)**	**(4,570.1)**
Financing activities				
Capital increase of parent company		0.4	2,358.4	2,358.5
Hybrid securities		-	2.0	2.0
New borrowings and financial liabilities	7.2.3	1,173.6	2,088.6	3,106.1
Repayment of borrowings and financial liabilities	7.2.3	(443.3)	(30.3)	(1,000.2)
Interest received	7.1.1	16.9	0.6	11.0
Interest paid	7.1.1	(189.3)	(12.9)	(109.2)
Total cash flow from financing activities		**558.3**	**4,406.4**	**4,368.2**
Change in cash and cash equivalents during the period		**560.3**	**62.8**	**65.3**
Net cash and cash equivalents at the beginning of the year		**53.3**	**-**	**-**
Effect of exchange rate fluctuations on cash held		**(3.3)**	**(10.8)**	**(12.0)**
Net cash and cash equivalents at period-end	7.2.7	**610.3**	**52.0**	**53.3**

(1) *Includes straight lining of key money and lease incentives.*
(2) *Includes capital gains/losses on property sales, disposals of short term investment properties and disposals of operating assets.*
* *For the period from February 14, 2018 to June 30, 2018.*
** *For the period from February 14, 2018 to December 31, 2018.*

Consolidated interim statement of changes in equity

Consolidated interim statement of changes in equity (€Mn)	Share capital	Additional paid-in capital	Consolidated reserves	Consolidated net result	Foreign currency translation reserves[(1)]	Hybrid securities	Equity attributable to the owners of WFD UR NV shares	External non-controlling interests	Total Shareholders' equity
Equity as at February 14, 2018	**-**	**-**	**-**		**-**	**-**	**-**	**-**	**-**
Net result for the period	-	-	-	(29.3)	-	-	**(29.3)**	(6.8)	**(36.1)**
Other comprehensive income	-	-	-	-	4.2	-	**4.2**	1.0	**5.2**
Net comprehensive income	**-**	**-**	**-**	**(29.3)**	**4.2**	**-**	**(25.1)**	**(5.8)**	**(31.0)**
Increase in capital	115.8	2,242.6	-	-	-	-	**2,358.4**	-	**2,358.4**
Increase of hybrid securities	-	-	-	-	-	2.0	**2.0**	-	**2.0**
Changes in scope of consolidation and other movements	-	-	-	-	-	-	**-**	281.6	**281.6**
Equity as at June 30, 2018	**115.8**	**2,242.6**	**-**	**(29.3)**	**4.2**	**2.0**	**2,335.3**	**275.8**	**2,611.1**
Net result for the period	-	-	-	211.4	-	-	**211.4**	12.6	**224.0**
Other comprehensive income	-	-	-	-	107.5	-	**107.5**	5.8	**113.3**
Net comprehensive income	**-**	**-**	**-**	**211.4**	**107.5**	**-**	**318.9**	**18.4**	**337.3**
Increase in capital	-	0.1	-	-	-	-	**0.1**	-	**0.1**
Increase of hybrid securities	-	-	-	-	-	-	**-**	-	**-**
Changes in scope of consolidation and other movements	-	-	-	-	-	-	**-**	28.5	**28.5**
Equity as at December 31, 2018	**115.8**	**2,242.7**	**-**	**182.1**	**111.7**	**2.0**	**2,654.3**	**322.7**	**2,977.0**
Profit or loss of the period	-	-	-	140.3	-	-	**140.3**	0.5	**140.8**
Other comprehensive income	-	-	-	-	31.9	-	**31.9**	3.2	**35.1**
Net comprehensive income	**-**	**-**	**-**	**140.3**	**31.9**	**-**	**172.2**	**3.7**	**175.9**
Earnings appropriation	-	-	182.1	(182.1)	-	-	**-**	-	**-**
Increase in capital	-	0.4	-	-	-	-	**0.4**	-	**0.4**
Transactions with non-controlling interests[(2)]	-	-	(133.4)	-	-	-	**(133.4)**	(246.1)	**(379.5)**
Changes in scope of consolidation and other movements	-	-	(0.1)	-	-	-	**(0.1)**	-	**(0.1)**
Equity as at June 30, 2019	**115.8**	**2,243.1**	**48.6**	**140.3**	**143.6**	**2.0**	**2,693.4**	**80.3**	**2,773.7**

(1) *The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.*

(2) *Refer to Note 2.1. for the net equity impact.*

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 1. CORPORATE INFORMATION

WFD Unibail-Rodamco N.V. ("WFD UR NV" or "the Company") is a public limited liability company and domiciled in The Netherlands. The Company's shares are publicly traded on the Amsterdam Stock Exchange and the Paris Stock Exchange, as well as in the form of CDIs on the Australian Securities Exchange. The Company has its corporate seat in Amsterdam and its registered office is located at Schiphol Boulevard 315, Schiphol in The Netherlands. The Chamber of Commerce number is 70898618.

These condensed consolidated interim financial statements for the six months ended June 30, 2019 comprise the Company and its subsidiaries (together referred to as "the Group").

The Group's objectives are:

- to invest in assets, primarily through the direct or indirect acquisition of real estate, in such a manner that the ensuing risks are spread in order to allow shareholders to share in the proceeds;
- to enter into cash pooling arrangements with, to provide financing to and to furnish guarantees for the benefit of Unibail-Rodamco-Westfield (the "URW Group") and affiliated bodies of the Company whose assets, on a consolidated basis, generally at least nearly exclusively consist of real estate and/or associated rights;
- to incorporate, to participate in, to hold any other interest in and to conduct the management or supervision of bodies whose objects and actual activities are to invest in assets;
- to invest in the improvement or expansion of real estate;
- to acquire, to manage, to invest, to exploit, to encumber and to dispose of other assets and liabilities and to provide any other act or service; and
- to do anything which, in the widest sense, is connected with or may be conducive to the objects described above,

in each case taking into account the restrictions applicable to the Group under the fiscal investment institution regime as laid down in section 28 of the Corporate Income Tax Act ("CITA"), or such statutory provision which replaces section 28 CITA.

As from June 7, 2018 after the completion of the Westfield acquisition by Unibail-Rodamco-Westfield SE ("URW SE", former Unibail-Rodamco SE), WFD UR NV is held for 60% directly by Unibail-Rodamco-Westfield shareholders (Stapled Share principle) and 40% directly by URW SE.
Westfield comprised of Westfield Corporation Ltd ("WCL"), WFD Trust ("WFDT") and Westfield America Trust ("WAT"). WAT was indirectly 100% held by WFD UR NV and WCL and WFDT are held by URW SE.

In April 2019, the Group changed its operations structure in the US. Reference is made to Note 2.1.

NOTE 2. SIGNIFICANT EVENTS OF THE FIRST HALF OF 2019

The activity of the Group is not significantly affected by seasonality.

2.1. Changes in the structure of US operations

In April 2019, the Group executed changes in the structure of its US operations (the 2019 Restructurings). The 2019 Restructurings allowed the Group to apply a material step-up of the tax base of the US real estate resulting in a +€600 Mn reversal of the deferred tax liability related to the US portfolio.

As of the date of acquisition of the US portfolio, the rules and critical regulations related to the US Tax Cuts and Jobs Act adopted in December 2017 that were conditional for the 2019 Restructurings had not yet been released, whereas the feasibility of the restructuring depended on future developments related to FIRPTA (Foreign Investment in Real Property Tax Act).. Based on those points, the Group accounted for the €600 Mn reversal of the deferred tax liability related to the US portfolio as a credit to the income tax of the first half of 2019 together with the costs incurred for the implementation of the 2019 Restructurings.

2.2. Impact of the 2019 Restructurings in H1-2019

As a consequence of the 2019 Restructurings, the Company's interest in the United States real estate portfolio increased from 82.6% to 92.4% (this includes the 0.2% of external partners). The additional interest was purchased from Unibail-Rodamco-Westfield, a related party, with the issuance of a purchase money notes in the amount of €682.2 Mn (see Note 6.3.). The redeemable convertible preference shares and options that were on issue prior to the Restructurings were effectively cancelled.

The transaction loss of €133.4 Mn is directly charged to equity attributable to the owners of the WFD UR NV shares.

Because of the purchase of the 9.8% share from the non-controlling interest owner (URW SE), the non-controlling interests in equity decreased by €246.1 Mn, which includes the revision of the common shares that the non-controlling interest holder holds.

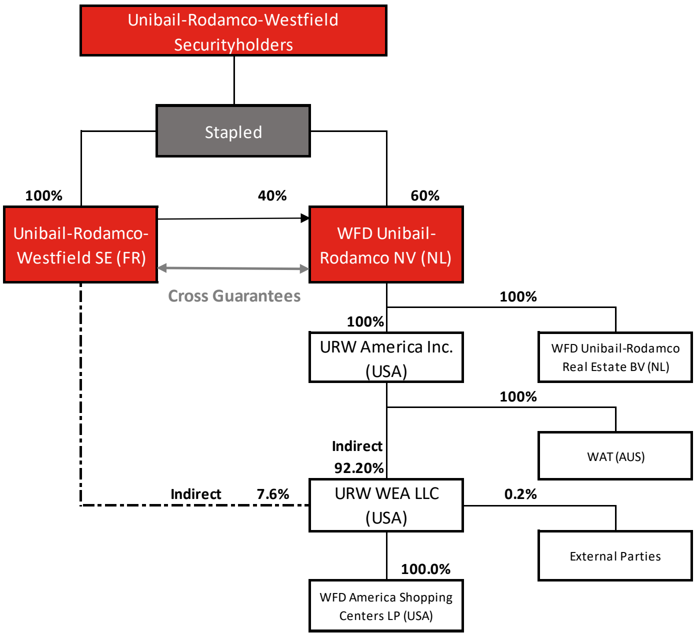
The (only) impact in the consolidated interim statement of comprehensive income is related to the revision of the preference shares that URW SE holds in relation to its remaining 7.6% indirect share in URW WEA LLC (-€62.6 million – included in the fair value adjustments of derivatives, debts and currency effect). These preference shares qualify as financial liability.

The impact is primarily caused by the difference between the historical book value of the common and preferred shares compared to the fair value of the new preference and common shares issued as part of the restructuring program.

Furthermore the investments in WCL and WDI preferred shares recorded under financial assets were disposed to the related party at fair value and the impact is a loss of €21.8 Mn (impairment before sale). Reference is made to Note 7.2.1 and 8.3.

Organisation structure after US restructuring

The organisation structure as at June 30, 2019 after the US restructuring is as follows:



The US assets are now held URW WEA LLC and Unibail-Rodamco-Westfield SE has an indirect participation of 7.6% (December 31, 2018: 17.4%) via in URW WEA LLC after the 2019 Restructurings. WFD UR NV's participation in the US activities is increased from 82.4% to 92.2%.

2.3. WAT purchase price allocation

During H1-2019, there was no change in the purchase price allocation.

NOTE 3. BASIS OF PREPARATION

3.1. Basis of accounting

The condensed consolidated interim financial statements for the six months ended June 30, 2019 have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union. As these are condensed consolidated interim financial statements, they do not include all of the information required by the IFRS and must be read in relation with the Group's annual consolidated financial statements for the year ended December 31, 2018.

The accounting principles applied for the preparation of these half-yearly consolidated financial statements are in accordance with the IFRS and interpretations as adopted by the European Union as at June 30, 2019. These can be consulted on the website http://ec.europa.eu/internal_market/accounting/ias/index_en.htm.

The condensed consolidated interim financial statements are prepared on a historical cost basis, except for investment properties non-listed equity investment, derivative financial instruments, commitment to non-controlling interests and contingent consideration assumed in a business combination which are measured at fair value.

The comparative figures of the year 2018 are for the period from February 14, 2018 to June 30, 2018 . The Company was incorporated on February 14, 2018. WAT is consolidated from the date of acquisition, which is June 7, 2018 in these condensed consolidated interim financial statements. WFD Unibail-Rodamco Real Estate B.V. is consolidated as per April 30, 2018, its date of incorporation.

3.2. IFRS basis adopted

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2018, except for the application of the new mandatory standards and interpretations described below.

Standards, amendments and interpretations effective as of January 1, 2019

- IFRS 16: Leases;
- IAS 19 A: Plan Amendment, Curtailment or Settlement;
- IAS 28 A: Long-term Interests in Associates and Joint Ventures;
- IFRIC 23: Uncertainty over Income Tax Treatments;
- IFRS 9 A: Prepayment Features with Negative Compensation;
- Annual Improvements to IFRS Standards 2015-2017 Cycle (issued on December 12, 2017).

These standards, amendments and interpretations do not have a significant impact on the Group's accounts as at June 30, 2019.

The first time application of IFRIC 23 has led to a limited reclassification of some liabilities related to (deferred) tax payments, leading to a decrease of the Deferred Tax Liabilities as included on the balance sheet, at the same time increasing by an equal amount the "Non-current provisions" and "Other current liabilities". The figures in the balance sheet as at December 31, 2018 were adjusted accordingly. Apart from that, the introduction of IFRIC 23 had no further impact on WFD UR NV's balance sheet and/or income statement.

Application of IFRS 16 as of January 1, 2019

WFD UR NV has adopted the new IFRS 16 effective January 1, 2019. WFD UR NV has applied IFRS 16 using the modified retrospective approach, thus comparative information has not been restated.

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. These right-of-use assets are depreciated over the contract period or over the useful lifetime, whichever is shorter. The interest costs of leases are presented in the Net financing result. There are optional exemptions for short-term leases which WFD UR NV has selected to utilize. The lease expense is recognized on a straight-line basis as permitted by IFRS 16.

At initial application of IFRS 16, WFD UR NV has recognized new right-of-use assets and respective lease liabilities for €32.7 Mn for the office lease of LA Headquarters. WFD UR NV has measured a right-of-use asset at the date of initial application for leases previously recorded as an operating lease at an amount equal to the lease liabilities.

Under IFRS 16, payments of lease liabilities are presented in financing activities and related interest expense as interest paid, while previously the full amount of lease payments, with respect to operating leases, were included in the cash flow from operations before financing items and taxes.

IFRS 16 impact in H1-2019

Consolidated statement of financial position

- +€32.7 Mn in Tangible assets;
- +€32.7 Mn increase in the Lease liabilities

Consolidated Income statement

- +€0.0 Mn impact on H1-2019 Net Rental Income (NRI);
- -€0.6 Mn increase in Financial expenses;
- +€0.2 Mn in Administrative expenses;
- -€0.4 Mn negative impact on the Net recurring result for the period.

Consolidated statement of cash flows

- +€1.9 Mn positive impact on Total cash flow from operating activities;
- -€1.9 Mn negative impact on Total cash flow from financing activities.

Standards, amendments and interpretations not mandatorily applicable as of January 1, 2019

The following standards have been adopted by the European Union as at June 30, 2019, but not applied in advance by the Group:

- None.

The following standards, interpretations and amendments were published by the IASB but have not yet been adopted by the European Union:

- IFRS 17: Insurance Contracts (effective date January 1, 2021);
- IFRS 3 A: Business Combinations (effective date January 1, 2020);
- Amendments to IAS 1 and IAS 8: Definition of Material (effective date January 1, 2020);
- Amendments to References to the Conceptual Framework in IFRS Standards (effective date January 1, 2020).

The measurement of the potential impacts of these texts on the consolidated accounts of WFD UR NV is on-going.

3.3. Estimates and assumptions

Certain amounts recorded in the consolidated interim financial statements reflect estimates and assumptions made by management, particularly with regards to the fair value of investment properties, financial instruments and the valuation of goodwill and intangible assets.

The most significant estimates are set out in the notes to the consolidated financial statements as at December 31, 2018: for the valuation of investment properties in § 5.1 "Investment properties", for the goodwill and intangible assets, respectively in §5.3 "Goodwill" and § 5.4 "Intangible assets", for fair value of financial instruments in § 8.2 "Fair value of financial instruments per category". Actual future results or outcomes may differ from these estimates. The property portfolio and intangible assets related to the Shopping Centres and Offices segments are valued by independent appraisers.

NOTE 4. NET RECURRING RESULT AND SEGMENT REPORTING

4.1. Consolidated interim statement of comprehensive income by segment

Consolidated Income Statement by segment (€Mn)			H1-2019 Recurring activities	H1-2019 Non-recurring activities**	H1-2019 Result	H1-2018* Recurring activities	H1-2018* Non-recurring activities**	H1-2018* Result
SHOPPING CENTRES	UNITED STATES	Gross rental income	184.1	-	184.1	29.5	-	29.5
		Operating expenses and net service charges	(68.6)	-	(68.6)	(14.3)	-	(14.3)
		Net rental income	**115.4**	**-**	**115.4**	**15.2**	**-**	**15.2**
		Contribution of companies accounted for using the equity method	161.6	(180.6)	(19.0)	17.8	-	17.8
		Gains/losses on sales of properties	-	(0.2)	(0.2)	-	-	-
		Valuation movements on assets	-	(129.2)	(129.2)	-	-	-
		Result Shopping Centres United States	**277.1**	**(310.0)**	**(32.9)**	**33.0**	**-**	**33.0**
	OTHER	Gross rental income	1.0	-	1.0	0.1	-	0.1
		Operating expenses and net service charges	(0.1)	-	(0.1)	-	-	-
		Net rental income	**0.9**	**-**	**0.9**	**0.1**	**-**	**0.1**
		Valuation movements on assets	-	(1.4)	(1.4)	-	-	0.0
		Result Shopping Centres Other	**0.9**	**(1.4)**	**(0.5)**	**0.1**	**-**	**0.1**
		TOTAL RESULT SHOPPING CENTRES	**278.0**	**(311.4)**	**(33.4)**	**33.1**	**-**	**33.1**
OFFICES	UNITED STATES	Gross rental income	3.6	-	3.6	-	-	-
		Operating expenses and net service charges	(1.5)	-	(1.5)	-	-	-
		Net rental income	**2.1**	**-**	**2.1**	**-**	**-**	**-**
		Valuation movements on assets	-	3.8	3.8	-	-	-
		Result Offices United States	**2.1**	**3.8**	**5.9**	**-**	**-**	**-**
		TOTAL RESULT OFFICES	**2.1**	**3.8**	**5.9**	**-**	**-**	**-**
		Project management income	1.8	-	1.8	-	-	-
		Property services and other activities income	(0.0)	-	(0.0)	0.9	-	0.9
		Administrative expenses	(17.0)	-	(17.0)	(3.0)	-	(3.0)
		Acquisition and related costs	-	(4.4)	(4.4)	-	(40.6)	(40.6)
NET OPERATING RESULT			**264.9**	**(312.0)**	**(47.1)**	**31.0**	**(40.6)**	**(9.6)**
		Financing result	(153.6)	(256.8)	(410.4)	(16.2)	(5.5)	(21.7)
RESULT BEFORE TAX			**111.3**	**(568.8)**	**(457.5)**	**14.8**	**(46.1)**	**(31.3)**
		Tax income (expense)	0.1	598.2	598.3	(2.2)	(2.6)	(4.8)
NET RESULT FOR THE PERIOD			**111.3**	**29.4**	**140.8**	**12.6**	**(48.7)**	**(36.1)**
		External non-controlling interests	7.0	(6.5)	0.5	-	(6.8)	(6.8)
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF WFD UR N.V. SHARES			**104.4**	**35.9**	**140.3**	**12.6**	**(41.9)**	**(29.3)**

* *For the period from February 14, 2018 to June 30, 2018.*
*** Non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, impairment of goodwill or recognition of negative goodwill, amortisation of fair value of assets and liabilities recorded for the purpose of purchase price allocation, as well as costs directly incurred during a business combination and other non-recurring items.*

This segmentation is also applied in Note 5.1.2 investment properties at fair value.

NOTE 5. INVESTMENT PROPERTIES, TANGIBLE AND INTANGIBLE ASSETS, GOODWILL

5.1. Investment properties

5.1.1. Investment properties at fair value

(€Mn)	June 30, 2019	December 31, 2018
Shopping Centres	**5,809.8**	**5,886.6**
United States	5,778.0	5,854.7
The Netherlands	31.8	31.9
Offices & Others	**75.1**	**70.6**
United States	75.1	70.6
Total	**5,884.9**	**5,957.2**

(€Mn)	Shopping Centres	Offices	Total investment properties
December 31, 2018	**5,886.6**	**70.6**	**5,957.2**
Acquisitions	15.7	0.3	**16.0**
Capitalised expenses	0.9	-	**0.9**
Valuation movements	(130.6)	3.8	**(126.8)**
Currency translation	37.2	0.4	**37.6**
June 30, 2019	**5,809.8**	**75.1**	**5,884.9**

Valuation assumptions and sensitivity

Considering the limited public data available, the complexity of real estate asset valuations, as well as the fact that appraisers use in their valuations the non-public rent rolls of the Group's assets, the Group believes it appropriate to classify its assets under Level 3 as per IFRS 13. In addition, unobservable inputs, including appraisers' assumption on growth rates and exit yields, are used by appraisers to determine the fair values of the Group's assets.

As at June 30, 2019, 99% of the Group's portfolio was appraised by independent appraisers. The fair value of the properties in the United States are based on the valuations performed by Cushman & Wakefield and Duff & Phelps and in the Netherlands by Cushman & Wakefield.

The following tables provide a number of quantitative elements used by the appraisers to assess the fair valuation of the Group's assets. The Dutch assets are not significant and therefore the below table shows only the US assets.

Shopping centres

All Shopping Centres are valued using the discounted cash flow and/or yield methodologies.

Shopping Centres - June 30, 2019		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
US	Max	10.7%	2,515	12.0%	10.5%	10.7%
	Min	3.0%	105	5.8%	4.3%	-0.7%
	Weighted average	4.0%	576	6.4%	5.1%	4.2%

Net Initial Yield, Discount Rate and Exit yield weighted by GMV. Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or assets accounted for using the equity method and the trademark are not included in this table. Assets fully consolidated and in joint-control are included.
(a) Average annual rent (Minimum Guaranteed Rent + Sales Based Rent) per asset per sqm.
(b) Rate used to calculate the net present value of future cash flows.
(c) Rate used to capitalize the exit rent to determine the exit value of an asset.
(d) Compounded Annual Growth Rate of Net Rental Income determined by the appraiser (between 6 and 10 years depending on duration of DCF model used).

For the US, the split between Flagship and Regional Shopping Centres is as follows:

Shopping Centres - June 30, 2019		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
US Flagships	Max	4.8%	2,515	7.0%	5.8%	5.8%
	Min	3.0%	410	5.8%	4.3%	3.1%
	Weighted average	3.7%	786	6.1%	4.8%	4.3%
US Regionals	Max	10.7%	494	12.0%	10.5%	10.7%
	Min	4.2%	105	6.5%	5.8%	-0.7%
	Weighted average	5.6%	307	8.1%	6.9%	3.6%

Net Initial Yield, Discount Rate and Exit yield weighted by GMV. Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or assets accounted for using the equity method and the trademark are not included in this table. Assets fully consolidated and in joint-control are included.
(a) Average annual rent (Minimum Guaranteed Rent + Sales Based Rent) per asset per sqm.
(b) Rate used to calculate the net present value of future cash flows.
(c) Rate used to capitalize the exit rent to determine the exit value of an asset.
(d) Compounded Annual Growth Rate of Net Rental Income determined by the appraiser (10 years).

Based on an asset value excluding estimated transfer taxes and transaction costs, the Shopping Centre division's net initial yield is 4.0% (December 31, 2018: 4.2%) as at June 30, 2019.

A change of +25 basis points in net initial yield, the main output of the appraisal models, would result in a downward adjustment of -€776 Mn (or -5.9%) (December 31, 2018: -€743 Mn (or -5.6%)) of the Shopping Centre portfolio value (excluding assets under development), including transfer taxes and transaction costs.

5.1.2. Investment properties at cost

(€Mn)	Gross value	Impairment	**Total investment properties at cost**
December 31, 2018	**19.4**	**-**	**19.4**
Acquisitions	1.1	-	**1.1**
Capitalised expenses	(0.1)	-	**(0.1)**
Currency translation	0.1	-	**0.1**
June 30, 2019	**20.5**	**-**	**20.5**

5.2. Tangible assets

(€Mn)	Furniture and equipment	Right of use	**Total tangible assets**
December 31, 2018	**37.5**	-	**37.5**
IFRS 16 impact[1]	-	32.7	**32.7**
Acquisitions	13.9	-	**13.9**
Depreciation	(6.6)	(1.7)	**(8.3)**
Currency translation	0.2	(0.2)	-
Other movement	(1.1)	-	**(1.1)**
June 30, 2019	**43.9**	**30.7**	**74.6**

(1) *See Note 3.2 IFRS basis adopted;*

5.3. Goodwill

(€Mn)	Gross value	Impairment	**Total goodwill**
December 31, 2018	**19.8**	**-**	**19.8**
Currency translation	(0.3)	-	(0.3)
June 30, 2019	**19.5**	**-**	**19.5**

According to IFRS, recoverable value of goodwill is tested annually or whenever there is an indication that an asset may be impaired at each reporting date.
Since the carrying amount of net assets of the Group is more than its market capitalization, the Group performed impairment tests of the goodwill as per June 30, 2019, based on:

- The detailed 5-year Business Plan 2019-2023, including detailed profit & loss statements, proposed capital expenditure and disposals, as prepared at the end of 2018. As at June 30, 2019, no update of the business plan is available and it will be updated in the second half of the year in accordance with the Group's standard budgeting and planning processes;

- The discount rates before tax based on a calculation of the WACC in the US region which reflects the current market assessment of the interest rate effect and the specific risk associated as at June 30, 2019;

- An allocation of the Group's corporate administrative expenses, as a percentage of their respective Net Rental Income;

- A discounted cash-flow calculation for on a 10-year basis, consistent with the method applied by the Group's appraisers, and a discounted terminal value, to which a Long-Term Growth Rate (LTGR), estimated as at June 30, 2019, is applied.

The enterprise value calculated for was then compared to the net asset value of the goodwill allocated. Following these tests, the value of the goodwill reported as at June 30, 2019 was found to be justified.

5.4. Intangible assets

(€Mn)	Trademark	**Total intangible assets**
December 31, 2018	**314.0**	**314.0**
Currency translation	1.9	**1.9**
June 30, 2019	**315.9**	**315.9**

According to the accounting policies the intangibles assets are tested for impairment annually. The next impairment testing is planned in H2-2019 for the year end results. With no major changes for flagship asset values (slightly down by general circumstances like discount rate adjustments, etc), net operating income (in line with budgets) and other input parameters for valuation of the intangibles. Management did not see reasons to perform an interim impairment test.

5.5. Amounts paid for works and acquisition of property assets (Consolidated statement of cash flows)

In the first half of 2019, amounts paid for works and acquisition of property assets amount to €53.0 Mn. They comprise acquisitions, transaction capitalised costs, works and capitalised expenses and are adjusted for the changes on amounts due on investments of the period.

NOTE 6. SHARES AND INVESTMENTS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

6.1. Shares and investments in companies accounted for using the equity method

The Group has only jointly controlled entities in the United States. These shares and investments are accounted for using the equity method. The details of the Group's aggregated share of equity accounted entities' assets and liabilities are set out below:

(€Mn)	June 30, 2019	December 31, 2018
Investment properties	8,638.3	8,736.6
Other non-current assets	8.0	7.7
Current assets	100.0	86.5
Total assets	**8,746.3**	**8,830.8**
External borrowings	(1,498.8)	(1,712.1)
Other non-current liabilities	(20.3)	(20.6)
Current liabilities	(307.3)	(177.4)
Total liabilities	**(1,826.4)**	**(1,910.1)**
Net assets	**6,919.6**	**6,920.7**

(€Mn)	H1-2019	H1-2018
Net rental income	189.6	32.9
Change in fair value of investment properties	(155.5)	-
Net result	**(19.0)**	**17.8**

6.2. Equity accounted entities' economic interest

Set out below are the joint venture partners of the Group as at June 30, 2019. All joint venture partners are incorporated in the United states. None of these are individually material for the Group. There were no changes in the economic interest compared to December 31, 2018.

Name of investments (1)	**Type of equity**	**Economic Interest June 30, 2019**
Annapolis (2)	Partnership units	55.0%
Brandon	Membership units	50.0%
Broward	Membership units	50.0%
Citrus park	Membership units	50.0%
Countryside	Membership units	50.0%
Culver City (2)	Partnership units	55.0%
Fashion Square	Partnership units	50.0%
Garden State Plaza	Partnership units	50.0%
Mission Valley	Partnership units	41.7%
Montgomery	Partnership units	50.0%
North County (2)	Partnership units	55.0%
Oakridge (2)	Partnership units	55.0%
Palm Desert (2)	Partnership units	52.6%
Plaza Bonita (2)	Partnership units	55.0%
San Francisco Emporium	Partnership units	50.0%
Santa Anita	Partnership units	49.3%
Sarasota	Membership units	50.0%
Southcenter (2)	Partnership units	55.0%
Southgate	Membership units	50.0%

Name of investments [1]	Type of equity	Economic Interest June 30, 2019
Topanga [2]	Partnership units	55.0%
Trumbull [2]	Partnership units	52.6%
UTC	Partnership units	50.0%
Valencia Town Center	Partnership units	50.0%
Valley Fair	Partnership units	50.0%
Wheaton [2]	Partnership units	52.6%

(1) *All equity accounted property partnerships operate solely as retail property investors in the United States.*

(2) *Per the Co-ownership, Limited Partnership and Property Management Agreements with our joint venture partners, the Group is restricted from exercising control over these interests even though the Group has more than 50% ownership interest and voting rights. Major decisions require the approval of both the Group and the joint venture partners and operating and capital budgets must be approved by the Management Committee (both owners have equal representation on this Committee).The Group therefore has joint control over the investments and is treating them as equity accounted interests.*

6.3. Transactions with related-parties (joint-ventures and associates)

The consolidated interim financial statements include all companies in the Group's scope of consolidation (see Note 16 "List of consolidated companies"). The Group's joint ventures are listed in Note 6.2.

Together with Unibail-Rodamco-Westfield SE ("URW SE"), the Group forms Unibail-Rodamco-Westfield ("URW Group").

The main related party transactions refer to transactions with companies accounted for using the equity method, loans from URW SE and redeemable preference shares/units held by URW SE.

Transactions with companies accounted for using the equity method

(€Mn)	June 30, 2019	December 31, 2018
Inventories	3.1	2.1
Current account in debit/(credit)	6.4	(3.7)

(€Mn)	H1-2019	H1-2018
Project management fees invoiced	1.8	14.5
Asset management fees invoiced and other fees	-	2.5
Recognized interest	0.2	-

Transactions with Unibail-Rodamco-Westfield SE

After the 2019 Restructurings, all related party loans of the Group are from URW SE. The USD interest bearing loan of WAT from URW SE is transferred to Westfield America Limited Partnership (hereafter WALP), a 100 % subsidiary of URW WEA LLC. The AUD interest bearing loan of WAT from URW SE is transferred to URW America Inc. For the interest amounts with URW SE refer to Note 7.2.3.

Loans with WFD UR NV

During the period, WFD UR NV had interest bearing loans from URW SE. The principal amount of the loans remains €1,260 Mn and €750 Mn respectively. The interest rate is based on a fixed rate from and including the issue date to, but excluding, October 25, 2023 and April 25, 2026 respectively. After each 5 years the interest rate to be reset is at 5YR Mid-swaps plus relevant margin. The maturity date of both loans is perpetual. Charges and premiums on issues of borrowings with URW SE amounts €12.7 Mn as at June 30, 2019 (December 31, 2018: €14.0 Mn).

During the period, WFD UR NV had an interest bearing loan from URW SE. The principal amount of the loan is €35.8 Mn as at June 30, 2019 (December 31, 2018: €35.8 Mn). The interest rate is based on a fixed rate and the maturity date is 5 years.

WFD UR NV had interest rate swaps and caps contracts with URW SE in 2019. The interest rate swaps contracts maturity date is in 2028 and caps are in 2020 and 2048. The non-current derivative assets and non-current derivatives liabilities related to the swaps and caps are €84.4 Mn (December 31, 2018: €24.3 Mn) and €293.6 Mn (December 31, 2018: €70.2 Mn) respectively as at June 30, 2019. Reference is made to Note 7.4.

Loans with URW America Inc.

During the period, URW America Inc. had a USD interest bearing loan from URW SE. The balance of the loan as at June 30, 2019 is €46.0 Mn (December 31, 2018: €45.7 Mn). The interest rate is LIBOR + 0.600% margin. The maturity date of the loan is June 7, 2025.

After the 2019 Restructurings URW America Inc. (assumed from WAT) had a AUD interest bearing loan from URW SE. The balance of the loan as at June 30, 2019 is €999.7 Mn (December 31, 2018: €1,001.2 Mn) . The interest rate is BBSY + 0.875% margin. The maturity date of the loan is June 7, 2024.

URW America Inc. has a new USD interest bearing loan from URW SE. The balance of the loan as at June 30, 2019 is €682.2 Mn. The interest rate is LIBOR + 1.120% margin. The maturity date of the loan is April 16, 2026.

Loans with WALP

During the period, WALP (assumed from WAT) had a USD interest bearing loan from URW SE. The balance of the loan as at June 30, 2019 is €463.2 Mn (December 31, 2018: €909.6 Mn). The interest rate is LIBOR +1.000% margin and is reset quarterly. The maturity date of the loan is December 15, 2021.

WALP has a new USD interest bearing loan from URW SE. The balance of the loan as at June 30, 2019 is €417.4 Mn. The interest rate is LIBOR +0.775% margin. The maturity date of the loan is June 27, 2022.

Redeemable preference shares held by URW SE

After the 2019 Restructurings, URW SE holds redeemable preference shares/units in URW WEA LLC for an amount of €388.2 Mn (December 31, 2018: €627.9 Mn) which are presented under the consolidated interim statement of the financial position under commitment to non-controlling interests.

All related party transactions are based on at arm's length prices.

NOTE 7. FINANCING AND FINANCIAL INSTRUMENTS

7.1. Financing result

7.1.1. Net financing costs

(€Mn)	H1-2019	H1-2018	2018
Other financial interest	14.5	0.6	11.8
Interest income on derivatives	13.5		10.1
Subtotal financial income	**28.0**	**0.6**	**21.9**
Interest on bonds and EMTNs	(73.7)	(6.5)	(71.9)
Interest and expenses on borrowings	(82.8)	(9.5)	(98.0)
Interest on preference shares	(14.9)	-	(13.8)
Interest expenses on derivatives	(9.3)	-	(5.1)
Other financial interest	(1.7)	(1.7)	(1.5)
Financial expenses before capitalisation of financial expenses	**(182.4)**	**(17.7)**	**(190.3)**
Capitalised financial expenses	0.8	0.9	5.7
Subtotal net financial expenses	**(181.6)**	**(16.8)**	**(184.6)**
Total net financial costs	**(153.6)**	**(16.2)**	**(162.7)**

Interest paid and received from the consolidated statement of cash flows correspond to cash amounts of financial interest paid and received during the period. They do not include any non-cash items such as accrued interest and amortisation of issuance costs.

7.1.2. Fair value adjustment of derivatives, debts and currency effect

(€Mn)	H1-2019	H1-2018	2018
Amortisation of debt	(1.3)	(0.2)	(1.5)
Currency result	4.0	-	(0.9)
Fair value of derivatives	(167.9)	(0.9)	(53.3)
Fair value of preference shares	(91.6)	(4.4)	284.5
Total non-recurring financial result	**(256.8)**	**(5.5)**	**228.8**

The impact of the preference shares of €62.6 Mn related to the 2019 Restructurings is recorded in the fair value of preference shares. For the fair value of derivatives, reference is made to Note 7.4.

7.2. Financial assets and liabilities

7.2.1. Financial assets

(€Mn)	June 30, 2019	December 31, 2018
Financial assets at fair value through OCI	**0.4**	**0.4**
Non-listed equity investment	0.4	0.4
Financial assets at fair value through profit and loss	-	**495.6**
WCL Holdings preferred shares	-	139.6
WDI preferred shares	-	356.0
Debt instruments at amortised cost	**246.3**	**253.6**
Preferred interest Starwood and Rouse	182.7	180.5
Trade receivables from activity	63.6	73.1
Total financial assets	**246.7**	**749.6**
Total current	**63.6**	**73.1**
Total non-current	**183.1**	**676.5**

The WCL Holdings and WDI preferred shares were disposed as part of the 2019 Restructurings in partial satisfaction of an URW SE liability (non-cash).

7.2.2. Main financing transactions in the first half of 2019

In June 2019 a Rule 144A USD bond was issued for $750 Mn with a 3.50% coupon and a 10-year maturity.

7.2.3. Financial debt breakdown and outstanding duration to maturity

Outstanding duration to maturity (€Mn)	Current	Non-current		Total	Total
	Less than 1 year	1 year to 5 years	More than 5 years	June 30, 2019	December 31, 2018
Bonds and notes	**1,117.1**	**694.3**	**2,860.0**	**4,671.4**	**3,991.8**
Principal debt (1)	1,098.4	703.0	2,855.9	4,657.3	3,973.8
Accrued interest	41.5	-	-	41.5	40.6
Issuance costs	(18.3)	-	-	(18.3)	(10.5)
Amortisation of debt	(4.5)	(8.7)	4.1	(9.1)	(12.1)
Bank borrowings	**215.4**	**239.0**	**104.5**	**558.9**	**911.4**
Principal debt(1)	152.9	241.7	106.3	500.9	892.5
Accrued interest	24.0	-	-	24.0	29.2
Borrowings issue fees	(8.3)	-	-	(8.3)	(9.7)
Current accounts to balance out cash flow	44.8	-	-	44.8	-
Amortisation of debt	2.0	(2.7)	(1.8)	(2.5)	(0.6)
Other financial liabilities	**17.1**	**1,916.1**	**2,738.8**	**4,672.0**	**4,025.2**
Borrowing with URW SE(2)	-	1,916.1	2,738.8	4,654.9	3,093.3
Accrued interests on borrowings with URW SE(2)	29.8	-	-	29.8	36.3
Charges and premiums on issues of borrowings with URW SE(2)	(12.7)	-	-	(12.7)	(14.0)
Borrowing with WFDT(2)	-	-	-	-	909.6
Lease liabilities	**3.2**	**15.3**	**46.6**	**65.1**	**33.6**
Total	**1,352.8**	**2,864.7**	**5,749.9**	**9,967.4**	**8,962.0**

(1) *These notes are subject to negative pledge arrangements which require the Group to comply with certain minimum financial requirements.*
(2) *Further information relating to loans with related parties is set out in Note 6.3*

The amortisation of debt refers to the fair value of the WEA debt at acquisition date, June 7, 2018.

An amount of €500.9 Mn of bank borrowings is secured. Secured liabilities are borrowings secured by mortgages over properties or loans secured over development projects. These properties and development projects are as follows: Westfield Galleria at Roseville, Westfield Old Orchard and Westfield San Francisco Centre. The terms of the debt facilities preclude the properties from being used as security for other debt without the permission of the first mortgage holder. The debt facilities also require the properties to be insured.

The variation of financial debt by flows breaks down as follows:

		Cash flows (1)			Non-cash flows				
	Dec. 31, 2018	Increase (2)	Decrease	**Variation of accrued interests (3)**	Scope movements	Currency translation	Fair value impact	Others	**June 30, 2019**
Bonds and EMTNs	**3,991.8**	655.8	0.0	0.7	-	19.8	3.2	0.1	**4,671.4**
Bank borrowings	**911.4**	50.1	(435.4)	(26.2)	(0.6)	8.4	(1.9)	53.1	**558.9**
Other financial liabilities	**4,025.2**	436.1	(6.0)	27.7	-	(1.2)	-	190.2 (5)	**4,672.0**
Financial leases	**33.6**	-	(1.1)	-	-	-	-	32.6 (4)	**65.1**
Total	**8,962.0**	**1,142.0**	**(442.5)**	**2.2**	**(0.6)**	**27.0**	**1.3**	**276.0**	**9,967.4**

(1) *The cash flows differ from those in the Consolidated statement of cash flows mainly due to the variation of guarantee deposits received.*
(2) *Net of bonds and EMTNs issuance costs and bank borrowings issue fees.*
(3) *The variation of accrued interest is included in lines Financial income / Financial expenses of the Consolidated statement of cash flows.*
(4) *Due to the application of IFRS 16 leases.*
(5) *Due to the 2019 restructurings, reference is made to Note 2.1.*

7.2.4. Characteristics of bonds and notes

The new bonds and notes issued in H1-2019 have the following characteristics:

Issue date	Rate	Currency	Amount as at June 30, 2019 (€Mn)	Maturity
June 2019	Fixed rate 3.50%	USD	659.1	June 2029
Total			**659.1**	

7.2.5. Covenants

There are no financial covenants (such as loan to value or ICR) with regard to the loans with URW SE.

The bond indentures (144A and Regulation S bonds) in WEA contain financial covenants based on URW Group's financial statements. As at June 30, 2019 the URW Group's ratios show ample headroom vis-à -vis the following covenants:

- a maximum loan to value of 65%;
- a minimum ICR of 1.5x;
- a maximum of 45% for the Secured debt ratio;
- a minimum of 1.25x for the Unencumbered leveraged ratio.

These covenants are tested twice a year based on the URW Group's IFRS financial statements.

7.2.6. Fair value of debt

The fair value of the Group's fixed-rate and index-linked debt is presented in the table below:

	June 30, 2019		December 31, 2018	
(€Mn)	**Carrying value**	**Market value**	**Carrying value**	**Market value**
Fixed-rate and index-linked debt				
Fixed-rate & index-linked borrowings, interbank instruments and negotiable market instruments	7,153.7	7,343.9	6,473.0	6,301.5

Financial debt is valued at fair value based on market rates and on fair value of Issuer's spread at such closing date.

7.2.7. Net financial debt

Net financial debt is determined as below:

Net financial debt

(€Mn)	June 30, 2019	December 31, 2018
Amounts accounted for in B/S		
Long-term bonds and borrowings	8,552.7	7,373.5
Current borrowings and amounts due to credit institutions	1,349.6	1,554.9
Total financial liabilities	**9,902.3**	**8,928.4**
Adjustments		
Amortisation of debt	11.6	12.7
Accrued interest / issuance fees	(56.0)	(71.9)
Total financial liabilities (nominal value)	**9,857.9**[(1)]	**8,869.2**
Cash & cash equivalents	**(655.1)** [(1)]	**(53.3)**
Net financial debt	**9,202.8**	**8,815.9**

(1) *Bank overdrafts & current accounts to balance out cash flow are included in the total financial liabilities, in 2019 for €44.8 Mn and in 2018 for €0 Mn.*

Net cash at period-end

(€Mn)	June 30, 2019	December 31, 2018
Cash	655.1	53.3
Total Asset	**655.1**	**53.3**
Bank overdrafts & current accounts to balance out cash flow	(44.8)	-
Total Liabilities	**(44.8)**	**-**
Net cash at period-end	**610.3**	**53.3**

7.3. Commitment to non-controlling interests

(€Mn)	June 30, 2019	December 31, 2018
Current	**1.3**	**1.5**
Commitment to non-controlling interests	1.3	1.5
Non Current	**574.3**	**806.3**
Commitment to non-controlling interests held by URW SE	388.2	627.9
Commitment to non-controlling interests	56.9	52.9
Other commitment to non-controlling interests	129.2	125.5
Total Commitment to non-controlling interests	**575.6**	**807.8**

After the 2019 Restructurings, URW SE holds redeemable preference shares/units in URW WEA LLC of an amount of €388.2 Mn.

7.4. Derivatives

		Amounts recognised in the Statement of Comprehensive Income			
(€Mn)	December 31, 2018	Fair value adjustments of derivatives	Other comprehensive income	Currency translation	June 30, 2019
<u>**Assets**</u>					
Derivatives at fair value Non-Current	**28.8**	**55.5**	**-**	**0.1**	**84.4**
- Fair value hedge	28.8	55.5	-	0.1	84.4
<u>**Liabilities**</u>					
Derivatives at fair value	**(70.2)**	**(223.4)**	**-**	**-**	**(293.6)**
- Fair value hedge	(70.2)	(223.4)	-	-	(293.6)
Net	**(41.4)**	**(167.9)**	**-**	**0.1**	**(209.2)**

The fair value of interest rate derivatives (assets: fixed-to-floating IRS) increased in value due to a lower swap rate curve. For the same reason the floating-to-fixed IRS (liabilities) became more negative.

NOTE 8. RISK MANAGEMENT POLICY

The Group's principal financial instruments comprise cash, receivables, payable, interest bearing liabilities, other financial liabilities, other investments and derivative financial instruments. The Group manages its exposure to key financial risks in accordance with the Group treasury risk management policies.

8.1. Market risk

Counterparty risk

Due to its use of derivatives to minimise its interest and exchange rate risk, the Group is exposed to potential counterparty defaults. The counterparty risk is the risk of replacing the derivative transactions at current market rates in the case of default. To limit counterparty risk, The Group relies solely on major international banks for its hedging operations. In case of derivative termination, netting can apply as a result of existing agreements between the Group and the banks.

The related amounts of derivative instruments, including accrued interest would be €84.4 Mn (December 31, 2018: €28.8 Mn) for assets and €293.6 Mn (December 31, 2018: €84.5 Mn) for liabilities as at June 30, 2019.

Foreign exchange rate risk

Regarding exchange rate risk, the Group aims to limit its net exposure to an acceptable level by taking up debt in the same currency, by using derivatives and by buying or selling foreign currencies at spot or forward rates.
The Group has activities and investments in countries outside the euro zone following the WAT acquisition. When converted into euros, the income and value of the Group's net investment may be influenced by fluctuations in exchange rates against the euro.

Wherever possible, the Group aims to match foreign currency asset value and income with debt and financial expenses in the same currency, thus reducing the exchange rate effects on net asset value and earnings. Foreign exchange risk can be hedged by either matching cash investments in a specific currency with debt in the same currency, or using derivatives to achieve the same risk management goal.

Other monetary assets and liabilities held in currencies other than the euro are managed by ensuring that net exposure is kept to an acceptable level by buying or selling foreign currencies at spot or forward rates where necessary to address short term balances.

Currency risk during the building period of pipeline investments is covered as early as possible after signing the actual building contract.

Measure of the exposure to other risks as at June 30, 2019

Currency	Assets	Liabilities (1)	Net Exposure	Hedging instruments	Exposure net of hedges
USD	13,467.5	(7,710.5)	5,757.0	-	**5,757**
AUD	-	(999.7)	(999.7)	-	**(999.7)**
Total	**13,467.5**	**(8,710.2)**	**4,757.3**	**-**	**4,757.3**

(1) Liabilities include, but are not limited to, the debt raised in the given currencies, and include deferred tax liabilities.

Measure of the exposure to other risks as at December 31, 2018

Currency	Assets	Liabilities (1)	Net Exposure	Hedging instruments	Exposure net of hedges
USD	13,357.2	(7,649.8)	5,707.4	-	**5,707.4**
AUD	-	(1,001.2)	(1,001.2)	-	**(1,001.2)**
Total	13,357.2	**(8,651.0)**	**4,706.2**	-	**4,706.2**

(1) Liabilities include, but are not limited to, the debt raised in the given currencies, and include deferred tax liabilities.

Exposure sensitivity to currency exchange rate

The main exposures kept are in USD and AUD. A change of 10% of EUR/USD or EUR/AUD (i.e. an H-2 impact of 10% increase of EUR against the USD or AUD) would have an impact on shareholders' equity and on the recurring result as follows:

(€Mn)	June 30, 2019	
	Equity Gain/(Loss)	**Recurring result Gain/(Loss)**
Impact of an increase of +10% in the EUR/USD exchange	(523.4)	(16.5)
Impact of an increase of +10% in the EUR/AUD exchange	90.9	(1.5)

Interest rate risk

The Group is exposed to interest rate fluctuations on its existing or future variable rate borrowings and derivative financial instruments. The Group's strategy regarding interest rate risk is to minimise the impact that changes in rates could have on earnings and cash flow and optimise the overall cost of financing in the medium-term. In order to implement this strategy, the Group uses notably derivatives (mainly caps and swaps) to hedge its interest rate exposure. The Group's market transactions are confined exclusively to those interest hedging activities. All transactions are managed centrally and independently by the Group.

The Group interest rate swaps and caps do not meet the accounting requirements to qualify for hedge accounting treatment. Changes in fair value have been reflected in the income statement.

As at June 30, 2019, IFRS net financial debt stood at €9,202.8 Mn (December 31, 2018: €8,815.9 Mn), excluding partners' current accounts and taking into account cash on-hand of €655.1 Mn.

The outstanding debt was hedged at 77% as at June 30, 2019 (December 31, 2018: 78%), through both:

- Debt kept at a fixed rate;
- Hedging in place as part of the Group's macro hedging policy.

Based on the estimated average debt position of WFD UR NV in 2019, if interest rates (Euribor, Libor, BBSY) were to rise by an average of average of +50 bps[1] during H2-2019, the estimated negative impact on financial expenses would be -€7.4 Mn decreasing the recurring net profit in 2019.

An additional rise of +50 bps would increase financial expenses by a further -€4.1 Mn.

A -50 bps drop in interest rates would have a positive impact on the financial expenses of +€8.4Mn increasing the recurring net profit in 2019.

[1] The impact on exchange rates due to this theoretical increase of +50 bps in interest rates is not taken into account.
The theoretical impact of a rise or decrease in interest rates is calculated relative to the applicable rates as at June 30, 2019: 3m Euribor (-0.345%), 3m USD Libor (2.32%) and 3m AUD BBSY (1.205%).

8.2. Fair value of financial instruments per category

FAAC: Financial Asset at Amortised Cost
FAFVOCI: Financial Asset at Fair Value through Other Comprehensive Income
FAFVPL: Financial Asset at Fair Value through Profit or Loss
FLAC: Financial Liabilities measured at Amortised Cost
FLFVPL: Financial Liabilities at Fair Value through Profit or Loss

June 30, 2019 (€Mn)	**Categories in accordance with IFRS9**	**Carrying Amount June 30, 2019**	**Amounts recognised in statement of financial position according to IFRS9**			**Fair value**
			Amortised Cost	**Fair value recognised in OCI**	**Fair value recognised in profit or loss**	
Assets						
Financial assets	FAAC/ FAFVOCI	183.1	182.7	0.4	-	183.1
Derivatives at fair value	FAFVTPL	84.4	-	-	84.4	84.4
Trade receivables from activity (1)	FAAC	37.5	37.5	-	-	37.5
Other receivables (2)	FAAC	35.6	35.6	-	-	35.6
Cash and cash equivalents	FAAC	655.1	655.1	-	-	655.1
		995.7	**910.9**	**0.4**	**84.4**	**995.7**
Liabilities						
Commitment to non-controlling interests	FLFVPL	575.6	-	-	575.6	575.6
Financial debts	FLAC	9,902.3	9,902.3	-	-	10,092.5
Derivatives at fair value	FLFVPL	293.6	-	-	293.6	293.6
Non-current amounts due on investments	FLAC	52.7	52.7	-	-	52.7
Amounts due to suppliers and other current debt (3)	FLAC	224.2	224.2	-	-	224.2
		11,048.4	**10,179.2**	**-**	**869.2**	**11,238.6**

December 31, 2018 (€Mn)	**Categories in accordance with IFRS9**	**Carrying Amount December 31, 2018**	**Amounts recognised in statement of financial position according to IFRS9**			**Fair value**
			Amortised Cost	**Fair value recognised in OCI**	**Fair value recognised in profit or loss**	
Assets						
Financial assets	FAAC/ FAFVOCI/ FAFVTPL	676.5	180.5	0.4	495.6	676.5
Derivatives at fair value	FAFVTPL	28.8	-	-	28.8	28.8
Trade receivables from activity (1)	FAAC	59.4	59.4	-	-	59.4
Other receivables (2)	FAAC	13.2	13.2	-	-	13.2
Cash and cash equivalents	FAAC	53.3	53.3	-	-	53.3
		831.2	**306.4**	**0.4**	**524.4**	**831.2**
Liabilities						
Commitment to non-controlling interests	FLFVPL	807.8	-	-	807.8	807.8
Financial debts	FLAC	8,928.4	8,928.4	-	-	8,756.8
Derivatives at fair value	FLFVPL	70.2	-	-	70.2	70.2
Non-current amounts due on investments	FLAC	55.2	55.2	-	-	55.2
Amounts due to suppliers and other current debt (3)	FLAC	219.4	219.4	-	-	219.4
		10,081.0	**9,203.0**	**-**	**878.0**	**9,909.4**

(1) *Excluding rent-free periods and step rents.*
(2) *Excluding prepaid expenses, service charges due and tax receivables.*
(3) *Excluding prepaid income, service charges billed and tax liabilities.*

“Trade receivables from activity”, “Other receivables”, “Cash and cash equivalents” and “Amounts due to suppliers and other current debt” mainly have short-term maturity. Consequently, their carrying amounts at the reporting date approximate the fair value.

8.3. Fair value hierarchy of financial assets and liabilities

IFRS 13 establishes a hierarchy of valuation techniques for financial instruments. The following categories are identified:

- Level 1: financial instruments quoted in an active market;
- Level 2: financial instruments whose fair value is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: financial instruments whose fair value is determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable current market transactions in the same instrument (i.e. without modification or repackaging) and not based on available observable market data.

The chart below presents the fair value breakdown among the three hierarchical levels defined by IFRS 13.

	Fair value measurement as at June 30, 2019			
(€Mn)	Total	Level 1	Level 2	Level 3
Assets				
Fair value through OCI				
Financial assets	0.4	-	-	0.4
Fair value through profit or loss				
Derivatives	84.4	-	84.4	-
Total	**84.8**	**-**	**84.4**	**0.4**
Liabilities				
Fair value through profit or loss				
Commitment to non-controlling interests	575.6	-	388.2	187.4
Derivatives	293.6	-	293.6	-
Total	**869.2**	**-**	**681.8**	**187.4**

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate swaps and foreign exchange forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at June 30, 2019, the fair value of other derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.

The commitment to non-controlling interest relates to several instruments and contracts. The fair value of the commitment to non-controlling interest fair value level 2 is based on URW share price of reporting date.

Reconciliation of fair value measurement of level 3 financial assets and liabilities

(€Mn)	Financial assets	Commitment to non-controlling interest
December 31, 2018	**496.0**	**199.8**
Fair value movements in P&L	(21.8)	(7.3)
Additions	-	-
Disposal	(480.8)	(0.8)
Currency translation	7.0	(4.3)
June 30, 2019	**0.4**	**187.4**

The fair value of the unlisted investments has been determined by reference to the fair value of the underlying investment properties which are valued by independent appraisers. An increase of 25 basis points in capitalization rate would result in a decrease in fair value by €45.7 Mn. A decrease of 25 basis points in capitalization rate would result in an increase in fair value by €23.7 Mn.

The fair value of the commitment to non-controlling interest fair value level 3 has generally been determined by applying the relevant earnings yield to the underlying net income of the relevant securities. At June 30, 2019, an increment of 1% to the earnings yield would result in a decrease in fair value or additional gain by €71.2 Mn. Similarly, a decrement of 1% to the yield would result in an increase in fair value or additional loss by €40.4 Mn.

The disposal is related to the 2019 Restructurings. Reference is made to Note 2.1.

NOTE 9. TAXES

9.1. Income tax expenses

(€Mn)	H1-2019	H1-2018	2018
Recurring deferred and current tax on:			
- Other recurring results	0.1	(2.2)	(0.4)
Total recurring tax	**0.1**	**(2.2)**	**(0.4)**
Non-recurring deferred and current tax on:			
- Change in fair value of investment properties	591.8	-	13.9
- Other non-recurring results	6.4	(2.6)	8.5
Total non-recurring tax	**598.2**	**(2.6)**	**22.4**
Total tax income/(expense)	**598.3**	**(4.8)**	**22.0**

(€Mn)	H1-2019	H1-2018	2018
Current tax	(84.9)	(2.2)	7.1
Deferred tax	683.2	(2.6)	14.9
Total tax	**598.3**	**(4.8)**	**22.0**

The change in fair value of investment properties is mainly related to the impact of the changes in the structure of US operations described in Note 2.1.

The Company qualifies as a FII (Fiscal Investment Institution <*in Dutch: Fiscale Beleggings Instelling*>) for the corporate income tax in The Netherlands in accordance with section 28 of the Dutch 'Wet op de vennootschapsbelasting 1969'. The corporate tax rate of a FII is 0% in the Netherlands.

9.2. Deferred taxes

(€Mn)	**December 31, 2018** (2)	**Decrease**	**Currency translation**	**June 30, 2019**
Deferred tax on investment properties (1)	(771.3)	683.8	(9.7)	(97.2)
Deferred tax on intangible assets	(81.6)	-	(0.5)	(82.1)
Total deferred tax liabilities	**(852.9)**	**683.8**	**(10.2)**	**(179.3)**
Other deferred tax assets	0.6	(0.6)	-	0.0
Total deferred tax assets	**0.6**	**(0.6)**	**-**	**0.0**

(1) *Mainly related to the impact of the changes in the structure of US operations described in Note 2.1.*
(2) *Restated mainly due to the application of IFRIC 23.*

NOTE 10. PROVISIONS

The determination of the amount of provisions requires the use of estimates and assumptions made by the Management as well as its judgment, on the basis of the information available or situations prevalent at the date of preparation of the accounts, which may be different from the subsequent actual events.

H1-2019 change

(€Mn)	**December 31, 2018**(1)	**Allocations**	**Reversals used**	**Reversals not used**	**Currency translation**	**June 30, 2019**
Current provisions	**0.6**	13.6	(0.5)	(4.7)	(0.1)	**8.9**
Non-current provisions	**74.8**	5.0	(2.3)	-	0.4	**77.9**
Total	**75.4**	**18.6**	**(2.8)**	**(4.7)**	**0.3**	**86.8**

(1) *A reclassification from Deferred tax liabilities to Provision for taxes has been recognised and December 31, 2018 has been accordingly restated (see Note 3.2).*

NOTE 11. OTHER CURRENT LIABILITIES

(€Mn)	**June 30, 2019**	**December 31, 2018**(1)
Tax and social liabilities	148.4	80.5
Other liabilities	19.1	36.4
Total other current liabilities	**167.5**	**116.9**

(1) *A reclassification from Deferred tax liabilities to Tax and social liabilities has been recognised and December 31, 2018 has been accordingly restated (see Note 3.2).*

NOTE 12. AMOUNTS DUE ON INVESTMENTS

As at June 30, 2019 the non-current amounts due on investments are €52.7 Mn (December 31, 2018: €55.2 Mn). €44.7 Mn of the non-current amounts due on investments relates mainly to the provision of the Urban Shopping Centre.

As at June 30, 2019 the current amounts due on investments are €64.1 Mn (December 31, 2018: €54.2 Mn). The current amounts due on investments relate to payables on projects at Westfield Century City and Westfield World Trade Center for €12.9 Mn and €38.3 Mn, respectively.

NOTE 13. EMPLOYEE BENEFITS

13.1. Share-based payments and share option plan

Stock option plans

Stock-options may be exercised at any time, in one or more instalments, as from the 3rd anniversary of the date of their allocation.

The stock option plan has an external performance condition (TSR) based on the Group's share price performance, a Corporate Social Responsibility (CSR) condition (external and internal) and an Adjusted Recurring Earnings per Share (AREPS).

The weight of the performance conditions for the SO plan granted in March 2019 is 45% for TSR, 45% for AREPS, 5% for external CSR and 5% for internal CSR.

Stock options are accounted for in accordance with IFRS 2. The performance-related stock-options allocated in March 2019 were valued at €3.87 (excl. turnover) for those with a TSR condition and at €4.60 (excl. turnover) for those with AREPS and CSR conditions, using a Monte Carlo model. This valuation is based on an initial exercise price of €144.55, a share price at the date of allocation of €149.52, a vesting period of three years, an estimated duration of 3.7 years, a market volatility of 14.6%, a dividend representing 6.5% of the share value, a risk-free interest rate of -0.30% and a volatility of TSR Performance Benchmark Index (63% Eurozone Retail, 7% France Offices, 8% UK Retail, 22% US Retail) of 10.5% with a correlation TSR Performance Benchmark Index / URW of 78.3%.

145,338 SO have been allocated to employees of WFD UR NV in March 2019. The expense recorded in the consolidated interim statement of comprehensive income (corporate expenses) in relation to stock options is €0.5 Mn.

Performance share plan

Performance shares are vesting on the 3rd anniversary of the grant.

They are also subject to external and internal performance conditions. The weight of the performance conditions for the PS plan granted in March 2019 is also 45% for TSR, 45% for AREPS, 5% for external CSR and 5% for internal CSR.

Performance shares are accounted for in accordance with IFRS 2. The awards allocated in March 2019 were valued at €58.61 (excl. turnover) for those with a TSR condition and at €122.21 (excl. turnover) for those with non-market condition (AREPS and CSR), using a Monte Carlo model. This valuation is based on a share price at the date of allocation of €149.52, a vesting period of three years, a market volatility of 14.6%, a volatility of TSR Performance Benchmark Index of 10.5% with a correlation TSR Performance Benchmark Index/URW of 78.3%, a dividend representing 6.5% of the share value and risk-free interest rates of -0.37%.

33,422 PS have been allocated to employees of WFD UR NV in March 2019. The expense recorded in the consolidated interim statement of comprehensive income (corporate expenses) in relation to performance shares is €2.5 Mn.

NOTE 14. SHARE CAPITAL

14.1. Share capital

The following table reflects the share capital and average number of shares diluted and undiluted of the Group:

14.1.1. Change in share capital

		Total number of shares
As at December 31, 2018		**231,536,916**
	Exercise of stock options	8,713
	Shares granted	26,772
	Capital increase reserved for URW Company Savings Plan	47,337
	Bonds redeemable for shares	131
As at June 30, 2019		**231,619,869**

The authorised share capital as at June 30, 2019 amounts to €550 Mn divided over 660 million ordinary class A shares and 440 million class B shares of €0.5 per share.

The issued and paid up share capital amounts to €115.8 Mn, formed by 138,371,554 ordinary A shares and 93,248,315 ordinary B shares as at June 30, 2019. All class B shares are held by URW SE. Class A and B shares are shares carrying one vote per share and ordinary dividend rights.

The Class A shares are stapled with the shares in URW SE (Stapled shares). As a consequence of the Stapled structure the exercise of the convertible bonds (ORNANE and ORA financial instruments issued by URW SE)) and stock options plans, performance shares of URW SE will also have a dilutive impact on the shares of WFD UR NV (with a share issuance at that time).

14.1.2. Average number of shares diluted and undiluted

	H1-2019	H1-2018	2018
Average number of shares (undiluted)	**231,570,412**	**45,702,515**	**152,223,412**
Dilutive impact			
Potential shares via stock options [(1)]	-	34,266	-
Attributed performance shares (unvested) [(1)]	204,273	143,845	149,298
Potential shares via ORNANE	3,521,418	3,469,345	3,469,345
Potential shares via ORA	7,192	7,662	7,628
Average number of shares (diluted)	**235,303,295**	**49,357,633**	**155,849,683**

(1) *Correspond only to shares or stock options and attributed performance shares which are in the money and for which the performance conditions are fulfilled.*

URW SE stock options and performance shares not exercised at the period-end

The URW SE stock options and performance shares not exercised at the period-end have a dilutive impact on the Class A shares due to the stapling of the shares of URW SE and WFD UR NV. The table below shows the URW SE allocated stock options and performance shares not exercised at the period-end:

URW SE allocated stock options not exercised at the period-end

Plan		Exercise period [(1)]	Adjusted subscription price (€) [(2)]	Number of options granted	Adjustments in number of options [(2)]	Number of options cancelled	Number of options exercised	Potential additional number of shares [(3)]
2011 plan (n° 7)	2012	from 15/03/2016 to 14/03/2019	146.11	672,202	-	174,514	497,688	-
	2013	from 05/03/2017 to 04/03/2020	173.16	617,066	-	152,213	355,337	109,516
	2014	from 04/03/2018 to 03/03/2021	186.10	606,087	-	198,494	23,466	384,127
2015 plan (n°8)	2015	from 04/03/2019 to 03/03/2022	256.81	615,860	-	182,552	-	433,308
	2015	from 05/09/2019 to 04/09/2022	238.33	7,225	-	7,225	-	-
	2016	from 09/03/2020 to 08/03/2023	227.24	611,608	-	129,630	1,913	480,065
	2017	from 08/03/2021 to 07/03/2024	218.47	611,611	-	80,968	-	530,643
2018 plan (n°9)	2018	from 06/03/2022 to 05/03/2025	190.09	630,135	-	35,150	-	594,985
2019 plan (n°10)	2019	from 20/03/2022 to 19/03/2026	144.55	748,372	-	-	-	748,372
Total				**5,120,166**	**-**	**960,746**	**878,404**	**3,281,016**

(1) *Under assumption that the performance and presence conditions are satisfied. If the first day of the exercise period is a non-business day, the retained date will be the next business day. If the end of the exercise period is a non-business day, the retained date will be the first preceding business day.*

(2) *Adjustments reflect distribution paid from retained earnings.*

(3) *All the options are subject to one or more performance conditions.*

URW SE allocated performance shares not exercised at the period-end

Starting date of the vesting period [(1)]	Number of performance shares allocated	Number of performance shares cancelled	Number of performance shares acquired	Potential additional number of shares [(2)]
2012	44,975	10,479	34,496	-
2013	36,056	7,632	28,424	-
2014	36,516	9,579	26,937	-
2015	37,554	10,515	27,039	-
2016	36,745	7,611	18,432	10,702
2017	39,770	5,270	-	34,500
March 2018	82,539	4,601	-	77,938
May 2018	38,130	244	-	37,886
March 2019	172,174	-	-	172,174
Total	**524,459**	**55,931**	**135,328**	**333,200**

(1) *For French tax residents: a minimum vesting period of three years, and a minimum holding period of two years once vested.*
For non-French tax residents: a minimum vesting period of four years without any requirement to hold the shares.
Plan granted in March 2019: a minimum vesting period of three years for the French and non-French tax residents.

(2) *All the shares are subject to one or more performance conditions.*

14.2. Share premium

Share premium is paid up share capital in excess of nominal value. The amount of share premium is €2,243.1 Mn as at June 30, 2019.

NOTE 15. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT LIABILITIES

15.1. Commitments given

Commitments given (€Mn)	Description	Maturities	June 30, 2019	December 31, 2018
1a) Commitments related to Group financing – Fully consolidated			**904.3**	**899.8**
Financial guarantees given	- Mortgages and first lien lenders	2020 to 2026	500.9	498.9
	- Guarantees relating to entities under equity method	2020 to 2022	403.4	400.9
1b) Commitments related to Group financing – Entity under equity method			**1,774.0**	**1,765.6**
Financial guarantees given	- Loan guarantees	2020 to 2025	350.0	347.8
	- Mortgages and first lien lenders	2020 to 2026	1,424.0	1,417.8
2a) Commitments related to Group operational activities – Fully consolidated			**68.5**	**114.7**
Commitments related to operating contracts	- Residual commitments for works contracts and forward purchase agreements	2019+	66.3	63.5
	- Rental of premises and equipment (lease payable)[1]	2019+	2.2	51.2
2b) Commitments related to Group operational activities – Entity under equity method			**157.6**	**214.1**
Commitments related to operating contracts	- Residual commitments for works contracts and forward purchase agreements	2019+	152.6	209.9
	- Rental of premises and equipment (lease payable)	2019+	5.0	4.2
Total commitments given			**2,904.4**	**2,994.20**

[1] *The decrease relates mainly to the application of IFRS 16 leases.*

15.2. Commitments received

Commitments received (€Mn)	Description	Maturities	June 30, 2019	December 31, 2018
1) Commitments related to Group financing				
Financial guarantees received	- Refinancing agreements obtained but not used	2022	2,636.0	2,061.9
2a) Commitments related to Group operational activities – Fully consolidated				
Other contractual commitments received related to operations	- Future minimal rents	2019+	1,784.9	1,836.9
2b) Commitments related to Group operational activities – Entity under equity method				
Other contractual commitments received related to operations	- Future minimal rents	2019+	1,878.6	1,652.2
Total commitments received			**6,299.5**	**5,551.0**

The expected credit loss on the financial guarantees are insignificant.

15.3. Contingent liabilities

The Group's obligation with respect to performance guarantees amounted €12.0 Mn which include both consolidated and equity accounted contingent liabilities and may be called on at any time dependent upon the performance or non-performance of certain third parties.

Since June 28, 2018, URW SE and WFD UR NV have implemented cross guarantees. The Company, as part of the "Unibail-Rodamco-Westfield Guarantors" has jointly and severally agreed to guarantee the payment of all sums payable from time to time under the outstanding guaranteed senior notes issued by certain subsidiaries of the former Westfield Corporation (WEA Finance LLC, Westfield UK & Europe Finance PLC and WFD Trust).

The expected credit loss on the financial guarantees are insignificant.

15.4. Non-controlling interests

The net result for the period attributable to external non-controlling interests is €0.5 Mn. The non-controlling interests amounted to €80.3Mn as per June 30, 2019, (December 31, 2018: €322.7 Mn) of which 7.6% is held by the related party entity WHL USA Acquisitions Inc. and 0.2% by third parties. The 7.6% is split between common shares of 1.958% and redeemable preference shares/units disclosed in Note 7.3.

NOTE 16. LIST OF CONSOLIDATED COMPANIES

The table below shows only the list of the significant consolidated companies:

List of consolidated companies	Country	Method [1]	% interest June 30, 2019
WFD Unibail-Rodamco N.V.	The Netherlands	FC	100.00
WFD Unibail-Rodamco Real Estate B.V.	The Netherlands	FC	100.00
URW America Inc.	United States	FC	100.00
URW WEA LLC	United States	FC	92.20

(1) *FC: full consolidation method*

NOTE 17. SUBSEQUENT EVENTS

There are no subsequent events.

III MANAGEMENT'S DECLARATION

In accordance with Article 5.25d of the Dutch financial markets supervision act (Wet op het Financieel Toezicht), the members of the Management Board of WFD Unibail-Rodamco N.V. declare that to the best of their knowledge, the consolidated interim financial statements for the half year ended June 30, 2019, prepared in accordance with IFRS as adopted for use in the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the year. The management report presents a fair view of the development and performance of the business and the impact on the results and on the financial situation of the Company for the first half year of 2019, including the principal transactions between related parties as well as a description of the main risks and the principal uncertainties to which it is exposed for the next six months.

Signed on behalf of the Management Board by

Schiphol, September 30, 2019

Jean- Marie Tritant

Gerard Sieben

IV INDEPENDENT AUDITORS' REVIEW REPORT

To: the shareholders, management board and supervisory board of WFD Unibail-Rodamco N.V.

Introduction

We have reviewed the accompanying consolidated interim financial statements of WFD Unibail-Rodamco N.V., Schiphol (Haarlemmermeer), which comprise the consolidated interim statement of financial position as at 30 June 2019, the consolidated interim statements of comprehensive income, changes in equity, and cash flows for the period 1 January 2019 to 30 June 2019 and the notes, comprising a summary of the significant accounting policies and other explanatory information.
Management is responsible for the preparation and presentation of these consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review.

Scope

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Dutch Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements for the period 1 January 2019 to 30 June 2019 is not prepared, in all material aspects, in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

Amsterdam, 30 September 2019
Ernst & Young Accountants LLP

W.H. Kerst