



**2016** HALF-YEAR RESULTS  
**unibail·rodamco**

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# FINANCIAL RESULTS

Täby Centrum, Stockholm

# 2016 HALF-YEAR RESULTS

in € Mn	H1-2016	H1-2015	Growth	Like-for-like Growth <sup>(1)</sup>
Shopping Centres	643	582	+10.6%	+3.8%
Offices	84	84	-0.3%	+3.1%
Convention & Exhibition	53	59	-9.5%	-9.5%
Net Rental Income	781	725	+7.7%	<b>+2.5%</b>
Recurring Net Result (Group share)	575	528	+8.9%	Implied Growth
Recurring EPS <sup>(2)</sup>	<b>5.81</b>	5.37	+8.2%	+13.5%
Net Result (Group share)	1,285	1,024	+25.5%	
Per share data (€)	June 30, 2016	Dec. 31, 2015	Growth	
Going Concern NAV <sup>(3)</sup>	<b>191.80</b>	186.70	+2.7%	
EPRA NNAV <sup>(4)</sup>	<b>174.40</b>	169.90	+2.6%	
EPRA NAV	<b>189.00</b>	178.80	+5.7%	

Recurring Earnings Per Share (Recurring EPS) came to €5.81 in H1-2016, representing an implied growth of +13.5% from the recurring EPS for H1-2015 adjusted for the impact of the disposals in 2015.

The Going Concern NAV<sup>(3)</sup>, measuring the fair value on a long-term, ongoing basis, came to €191.80 per share as at June 30, 2016, up by +2.7%, or +€5.10, compared to €186.70 as at December 31, 2015. This increase is the sum of:

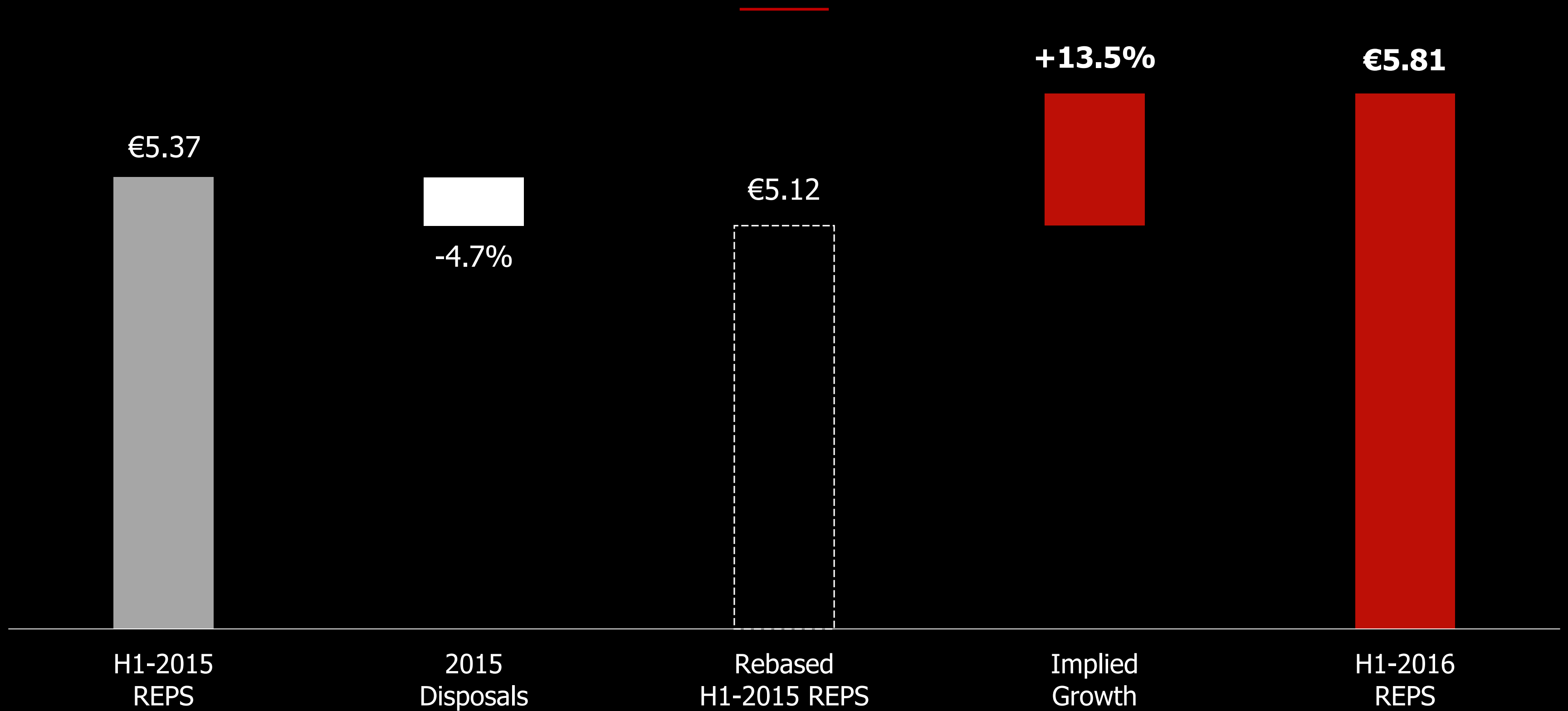
- The value creation of +€15.87 per share;
- The impact of the mark-to-market of debt and financial instruments of -€5.92 per share;
- The impact of the payment of the interim dividend of -€4.85 per share in March 2016.

- (1) Net Rental Income (NRI) like-for-like growth excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields or redevelopment of an asset when operations are stopped to enable works), all other changes resulting in any change to the square meters and currency exchange rate differences in the periods analysed
- (2) Average number of shares used for Recurring EPS computation: 98,964,456 for H1-2016 and 98,327,497 for H1-2015
- (3) The Going Concern NAV corresponds to the amount of equity needed to replicate the Group's portfolio with its current financial structure – on the basis of 99,393,351 fully diluted number of shares as at June 30, 2016 including outstanding ORAs, ORNANEs and stock options in the money as at June 30, 2016 (vs. 99,484,430 as at December 31, 2015)
- (4) The EPRA NNNNAV (triple net asset value) per share corresponds to the Going Concern NAV less the estimated transfer taxes and deferred capital gain taxes – on the same basis of the same fully diluted number of shares

Figures may not add up due to rounding

# STRONG RECURRING EPS PERFORMANCE

Evolution of H1-2016 Recurring Earnings Per Share (REPS)



Recurring EPS increased by +8.2% in H1-2016 compared to H1-2015, representing an implied growth of +13.5% from the H1-2015 Recurring EPS adjusted for the impact of the disposals in 2015.

This +13.5% implied growth reflects:

- Robust like-for-like rental growth of the shopping centres despite the near absence of indexation;
- The decrease in the average cost of debt – down to record low level of 1.7% for H1-2016 (vs. 2.2% for 2015).

A wide-angle photograph of the Ruhr Park shopping center at dusk. The building features a prominent, illuminated sign that reads "RUHR PARK" with three stars below it. The architecture is modern, with a large, white, curved canopy structure supported by white columns. The ground floor is filled with glass-fronted retail stores, including a Vodafone store on the right. People are seen walking and sitting on benches in the plaza area. In the foreground, there are some small fountains and a bench. The sky is a mix of blue and orange, indicating twilight. A red structure is visible on the far left side of the frame.

**RUHR PARK**  
★ ★ ★

## KEY HIGHLIGHTS

Ruhr Park, Bochum



# ROBUST SHOPPING CENTRE NRI GROWTH

Net Rental Income (in € Mn)	H1-2016	H1-2015	Growth	Like-for-like Growth <sup>(1)</sup>
France	295	273	+8.2%	+5.0%
Central Europe	80	74	+7.9%	+9.2%
Spain	71	76	-5.9%	-2.8% <sup>(2)</sup>
Nordics	73	53	+38.0%	+2.3%
Austria	48	46	+4.0%	+4.4%
Germany	45	26	+70.0%	+8.9%
The Netherlands	31	34	-8.2%	-7.5%
<b>Total</b>	<b>643</b>	<b>582</b>	<b>+10.6%</b>	<b>+3.8%</b> <sup>(2)</sup>

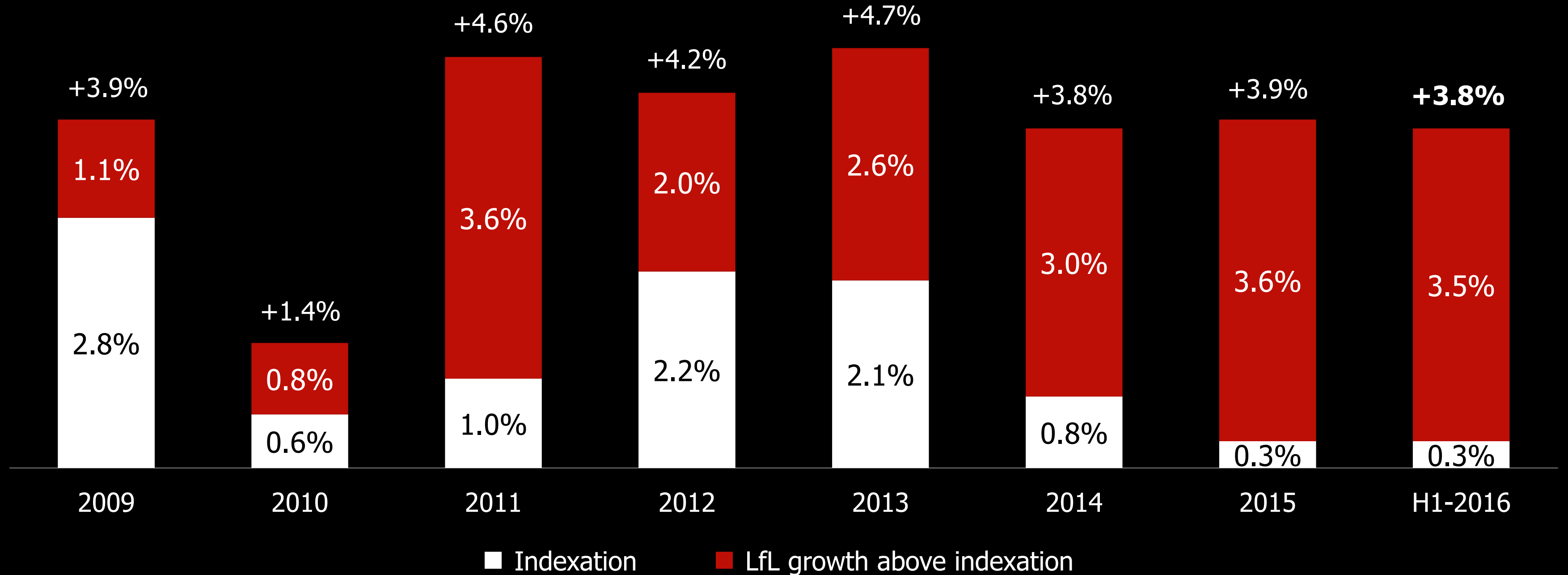
The total net change in NRI amounted to +€61.5 Mn compared to H1-2015 due to:

- +€37.6 Mn from delivery of shopping centres or new units, mainly in Sweden (Mall of Scandinavia), in France (Polygone Riviera and Forum des Halles) and in Germany (Minto);
- +€13.9 Mn from changes in consolidation and acquisitions:
  - In Germany, Ruhr Park has been fully consolidated since July 24, 2015, following the acquisition of an additional stake and the related change of control;
  - Acquisition of additional units mainly in France.
- -€3.0 Mn due to assets moved into the pipeline, mainly in Spain and The Netherlands with the projects in Glòries and Bonaire and the Mall of the Netherlands project, respectively;
- -€6.8 Mn due to disposals of assets, mainly in the Nordics (Nova Lund) and in France (Nice Etoile);
- The like-for-like NRI growth amounted to +€19.8 Mn, up +3.8%, 350 bps above indexation.

- (1) Net Rental Income (NRI) like-for-like growth excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields or redevelopment of an asset when operations are stopped to enable works), all other changes resulting in any change to the square meters and currency exchange rate differences in the periods analysed
- (2) NRI growth in Spain negatively impacted by indemnities received in H1-2015 following a court decision and the subsequent reversal of provision for doubtful debt. Excluding this impact, like-for-like NRI growth for Shopping Centres in H1-2016 would have been +1.8% for Spain and +4.4% for the Group

# PERSISTENTLY SOLID PERFORMANCE ABOVE INDEXATION

LfL NRI<sup>(1)</sup> growth of Shopping Centres



The like-for-like NRI<sup>(1)</sup> growth amounted to +€19.8 Mn (+3.8%), 350 bps above indexation.

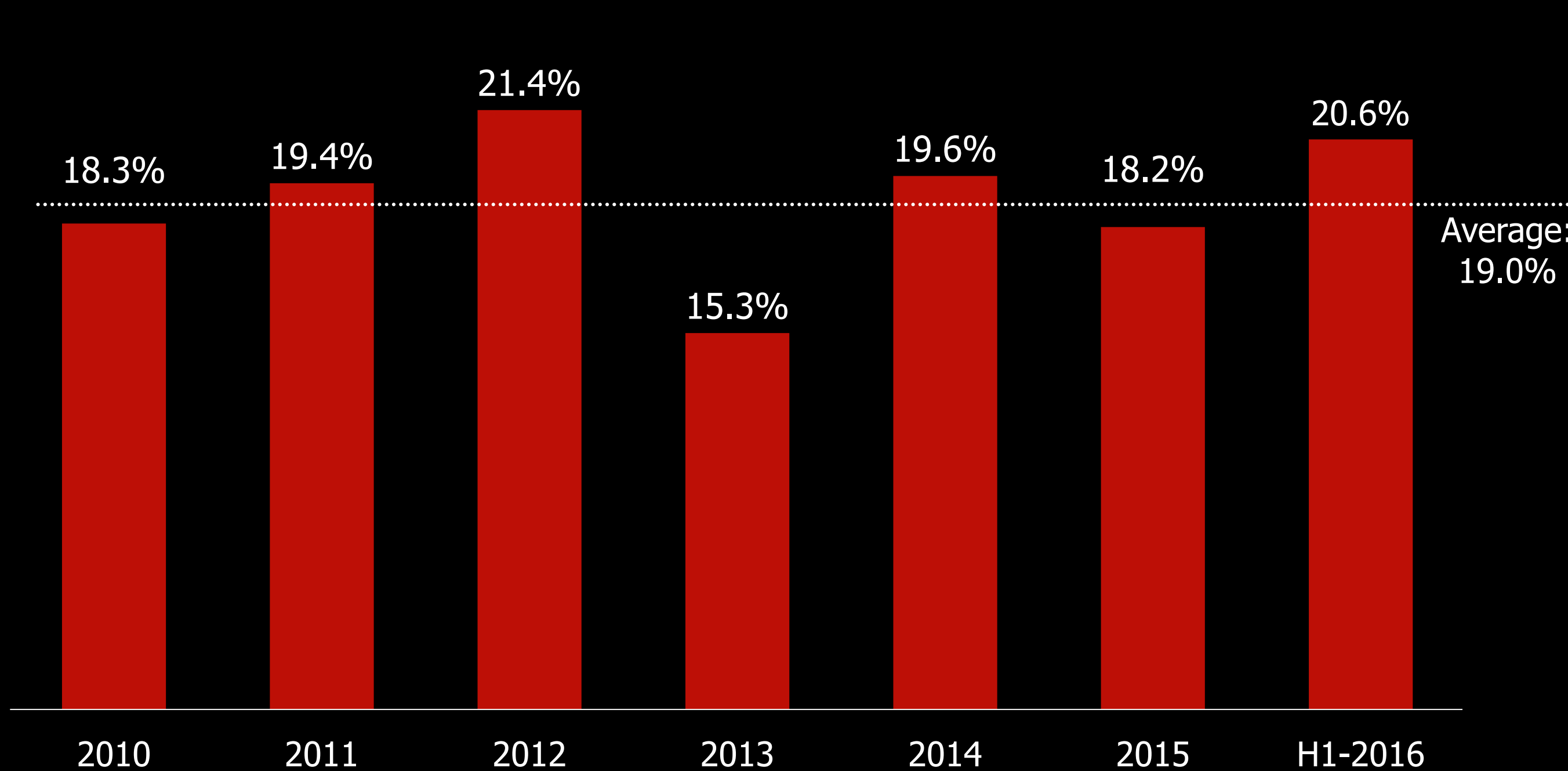
The +3.8% like-for-like NRI<sup>(1)</sup> growth for the Group in H1-2016 reflects the impact of low indexation (+0.3% vs. +0.4% in H1-2015), "Other income" (+1.5% vs. +1.0 % in H1-2015) and the solid performance in renewals and relettings which was partially offset by The Netherlands (+2.0% vs. +2.6% in H1-2015).

The increase in "Other income" is due mainly to Sales Based Rents (SBR), indemnities and key money received. "Other income" in Spain is negative mainly due to the impact in H1-2015 of indemnities received following a court decision and the subsequent reversal of provision for doubtful debt<sup>(2)</sup>.

- (1) Net Rental Income (NRI) like-for-like growth excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields or redevelopment of an asset when operations are stopped to enable works), all other changes resulting in any change to the square meters and currency exchange rate differences in the periods analysed
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# EXCELLENT MGR UPLIFT

MGR uplift<sup>(1)</sup>



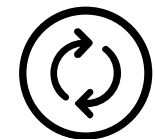
Leases signed<sup>(2)</sup>

**795**



Rotation rate<sup>(3)</sup>

**7.2%**

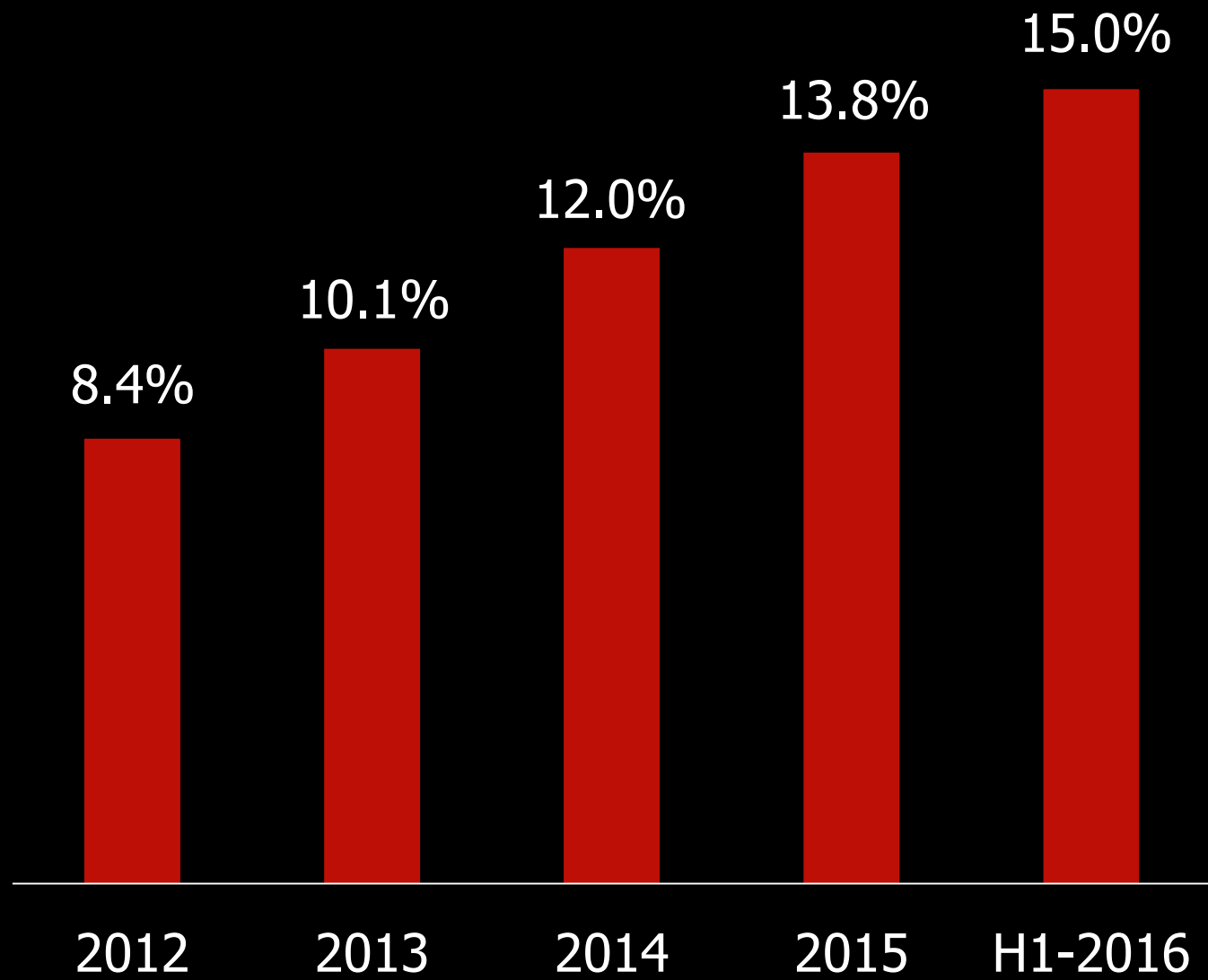


As at June 30, 2016, a total of 795 deals had been signed for the Group's portfolio of standing assets, surpassing the 676 deals signed in H1-2015. The Group's leasing teams generated a Minimum Guaranteed Rent uplift<sup>(1)</sup> of +20.6% and a rotation rate<sup>(3)</sup> of 7.2% in H1-2016, further to its objective to rotate at least 10% of its tenants in each shopping centre every year.

- (1) Minimum Guaranteed Rent uplift (MGR uplift): difference between new MGR and indexed old MGR. Indicator calculated on renewals and relettings only
- (2) Deals signed only on standing assets
- (3) Rotation rate: (number of relettings and number of assignments and renewals with new concepts) / number of stores

# SIGNING THE TRENDIEST BRANDS

Percentage of IPRs<sup>(1)</sup>  
in Unibail-Rodamco tenant rotation<sup>(2)</sup>



1<sup>st</sup> in France



1<sup>st</sup> in Poland  
1<sup>st</sup> in mall in Spain



1<sup>st</sup> two in malls  
in France



1<sup>st</sup> in mall  
in Germany



1<sup>st</sup> in mall in Austria



1<sup>st</sup> in Sweden



1<sup>st</sup> in Slovakia



1<sup>st</sup> in Czech Republic



1<sup>st</sup> in Czech Republic

In H1-2016, the Group signed 96 leases with International Premium Retailers<sup>(1)</sup>, compared to 88 in H1-2015, representing an increase of 9% (+43% on standing assets only).

Several more IPRs signed with Unibail-Rodamco for their first mono-brand store in a country, such as New Balance in Forum des Halles, NYX in Poland, MAC in Mall of Scandinavia, Superdry and Starbucks in Aupark, Tous in Centrum Cerny Most, Max&Co and Karl Lagerfeld in Centrum Chodov.

A significant number of shopping centres "firsts" were recorded in H1-2016, such as NYX in La Vaguada, Scotch&Soda in CentrO, COS in Shopping City Süd and Joe & The Juice in Polygone Riviera.

The Group deepened its partnerships with major differentiating brands with high customer recognition, increasing their number of stores in the Group's portfolio during H1-2016, with Rituals signing 5 additional leases in France (Vélizy 2, Carré Sénart), Austria (Shopping City Süd and Donau Zentrum) and Spain (Splau); Nespresso signing 2 additional leases in Täby Centrum and CentrO; Tesla signing its 4<sup>th</sup> store with the Group in Polygone Riviera after Täby Centrum, Mall of Scandinavia and Parly 2; Steve Madden signing its 1<sup>st</sup> flagship store in Europe in Galeria Mokotow; Victoria's Secret signing its 1<sup>st</sup> store in the Group's Spanish portfolio in La Maquinista. These signings demonstrate the interest by differentiating retailers in the Group's shopping centres.

- (1) IPR: Retailer with strong and international brand recognition, and a differentiating store design and product approach, which may increase the appeal of the shopping centres
- (2) Number of new deals signed with IPRs on standing assets / (number of relettings and number of assignments and renewals with new concepts) for the Group

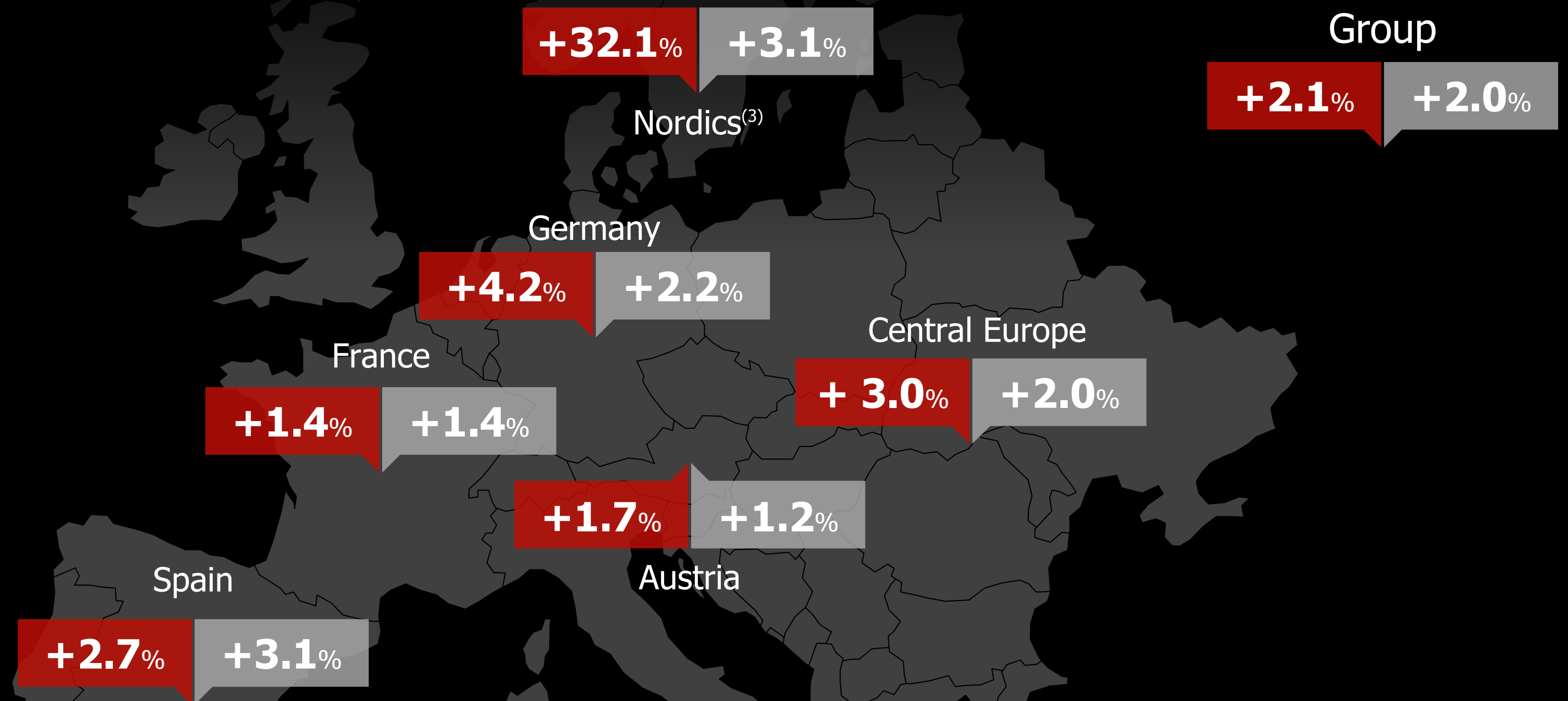


# IPRs DRIVE FOOTFALL



NYX opening at Parquesur

# UPDATE ON TENANT SALES



■ Tenants' sales growth in Unibail-Rodamco's shopping centres<sup>(1)</sup>

■ National Sales Indices<sup>(2)</sup>

Tenant sales<sup>(1)</sup> in the Group's shopping centres grew by +2.2% through June 30, 2016 compared to H1-2015.

Through May 31, 2016, Group's tenant sales<sup>(1)</sup> were slightly above the relevant national sales indices<sup>(2)</sup>, with growth of +2.1% compared to the same period last year. Germany, Central Europe and Spain were the principal drivers with growth of +4.2%, +3.0% and +2.7%, respectively.

- (1) Except as indicated otherwise, tenant sales data are year-to-date through May 2016. Tenant sales performance in Unibail-Rodamco's shopping centres (excluding The Netherlands) in portfolio of shopping centres in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, newly acquired assets and assets under heavy refurbishment. For the H1-2016 reporting period, shopping centres excluded due to delivery or ongoing works were Forum des Halles, Parly 2, Carré Sénart and Carré Sénart shopping park, Polygone Riviera, Galerie Gaité, Mall of Scandinavia, Minto, Ruhr Park, Glòries, Bonaire, Centrum Chodov and Aupark. Primark sales are based on estimates
- (2) Based on latest national indices available (year-on-year evolution) as at May 2016: France: Institut Français du Libre Service (IFLS); Spain: Instituto Nacional de Estadística; Central Europe: Český statistický úrad (Czech Republic), Polska Rada Centrow Handlowych (Poland, as at April 2016), Eurostat (Slovakia); Austria: Eurostat; Nordic: HUI Research (Sweden), Danmarks Statistik (Denmark), Eurostat (Finland)
- (3) Including tenant sales of Mall of Scandinavia, delivered on November 12, 2015, the Group's tenant sales in the Nordics through May 2016 were up by +32.1% (+2.2% excluding sales in this asset)

# FORUM DES HALLES: THE NEW SHOPPING HEART OF PARIS



Tenant sales  
**+21.8%**<sup>(1)</sup>



On April 5, 2016, the Canopy opened in Forum des Halles introducing new stores such as LEGO, Rituals, Superdry and Nike.

The full renovation of the existing part of the shopping centre is now almost complete with 51% of GLA<sup>(2)</sup> refurbished or under renovation, as well as a new customer journey.

At completion in H1-2017, 15,100 m<sup>2</sup> will have been added for a total of 75,000 m<sup>2</sup> for this unique asset. Unibail-Rodamco's ambition is to make Forum des Halles the main shopping destination in the heart of Paris.

(1) Sales growth since delivery of extension (April-May 2016 vs. same period last year)

(2) Gross Lettable Area (GLA)

# SPECTACULAR SUCCESS FOR MALL OF SCANDINAVIA



Footfall:  
**8.9 Mn**  
since  
opening<sup>(1)</sup>

Mall of Scandinavia was inaugurated on November 12, 2015. Since its opening, more than 8.9 Mn visits were recorded through June 30, 2016. This is well above expectations. Mall of Scandinavia was named "2016 Best International Shopping Centre" by the Retail & Leisure International magazine in May 2016.

# GREAT NEW BRANDS FOR POLYGONE RIVIERA



Footfall:  
**5.3 Mn**  
since  
opening<sup>(1)</sup>

PRIMARK® since March 2016



TESLA since June 2016



to open in Q4 2016



Polygone Riviera, inaugurated on October 21, 2015, was granted the "*Prix d'excellence*" award from the CNCC (French council of shopping centres). On June 14, 2016, the 5 millionth visit threshold was reached, on track to achieve the Group's yearly target of 8 million visits for the asset. The first Primark of the French Riviera opened at Polygone Riviera in March and Tesla and FNAC signed for stores in this shopping centre.

# OFFICES: GOOD H1 RESULTS

## Leasing delivers results

Net Rental Income in € Mn	H1-2016	H1-2015	% Growth	% Like-for-like growth <sup>(1)</sup>
France	75	75	+0.2%	+3.5%
Other	9	9	n.m.	n.m.
<b>Total</b>	<b>84</b>	<b>84</b>	<b>-0.3%</b>	<b>+3.1%</b>



Unibail-Rodamco's consolidated NRI from its office portfolio amounted to €84.3 Mn in H1-2016, a -0.3% decrease compared to the same period last year.

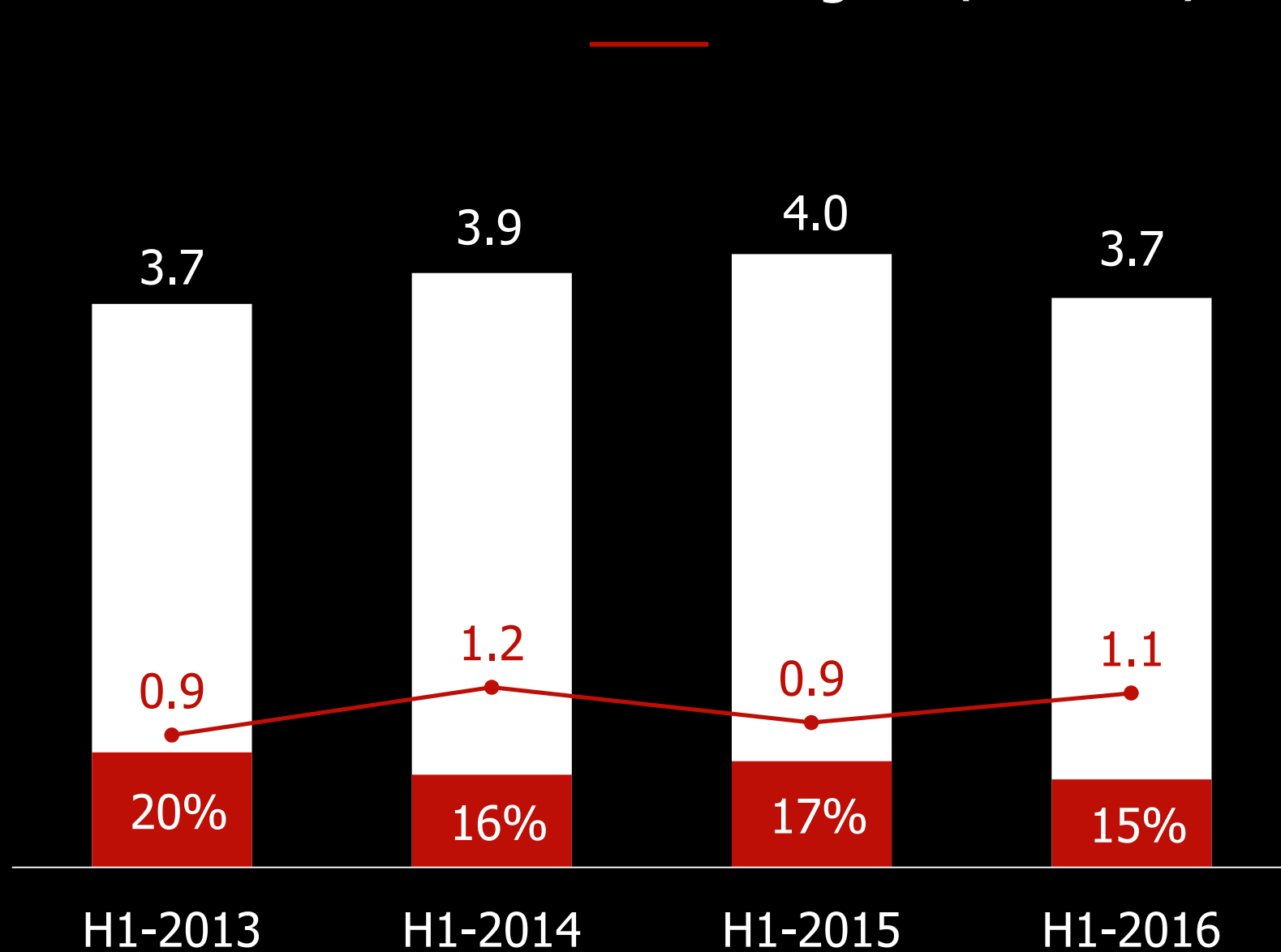
The like-for-like NRI<sup>(1)</sup> was +€2.1 Mn (+3.1%), mainly due to the AXA IM lease in Majunga and indemnities received in H1-2016 from departing tenants in France, partly offset by departures of tenants.

- (1) Net Rental Income (NRI) like-for-like growth excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields or redevelopment of an asset when operations are stopped to enable works), all other changes resulting in any change to the square meters and currency exchange rate differences in the periods analysed

Figures may not add up due to rounding

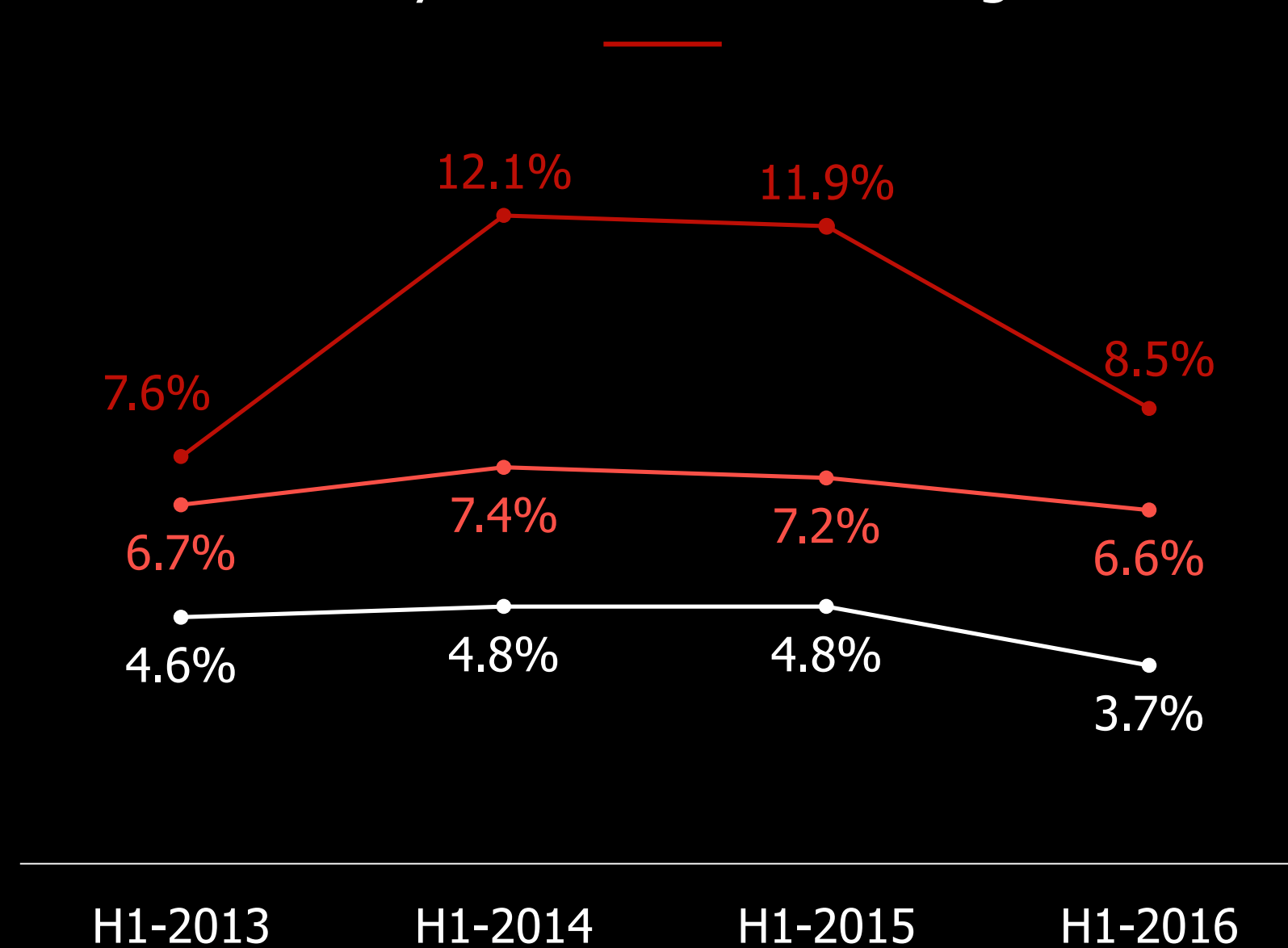
# OFFICES: STRONG REBOUND IN TAKE-UP

Office market in the Paris region (in Mn m<sup>2</sup>)



- Total Immediate Supply
- New / Refurbished Immediate Supply
- Total Take-up

Vacancy rates in the Paris region



- La Défense
- Paris region
- Paris city

With 1.1 million m<sup>2</sup> of office space let in H1-2016, the take-up in the Paris region was up by +20% over the same period last year, continuing the strong growth trend started in H2-2015<sup>(1)</sup>. The increase in take-up in the office market in the Paris region is mainly due to the level of transactions over 5,000 m<sup>2</sup>.

# C&E: STRONG PERFORMANCE VS. LAST COMPARABLE PERIOD

in € Mn	H1-2016	H1-2015	Growth 2016/2015	H1-2014	Growth 2016/2014
Net Rental Income	53	59	-9.5%	46	+16.4%
On site property services + share of the profit of associates	26	27	-6.6%	18	+38.1%
Recurring Net Operating Income	79	86	-8.6%	64	+22.6%
Depreciation	-5	-5	+1.5%	-5	+4.9%
Comexposium contribution	-	9	-	5	-
Recurring result	73	90	-18.7%	64	+14.8%

Convention & Exhibition's Recurring Net Operating Income declined by -8.6% vs. H1-2015, which included the triennial Intermat show, but was up +22.6% compared to H1-2014, the latest comparable period.

# C&E: VIVA TECHNOLOGY AT PORTE DE VERSAILLES

**VIVA**  
**TECHNOLOGY**  
STARTUP CONNECT / PARIS 2016



✓ 3 days

✓ >45,000 visitors

✓ >5,000 start-ups

✓ >300 conferences



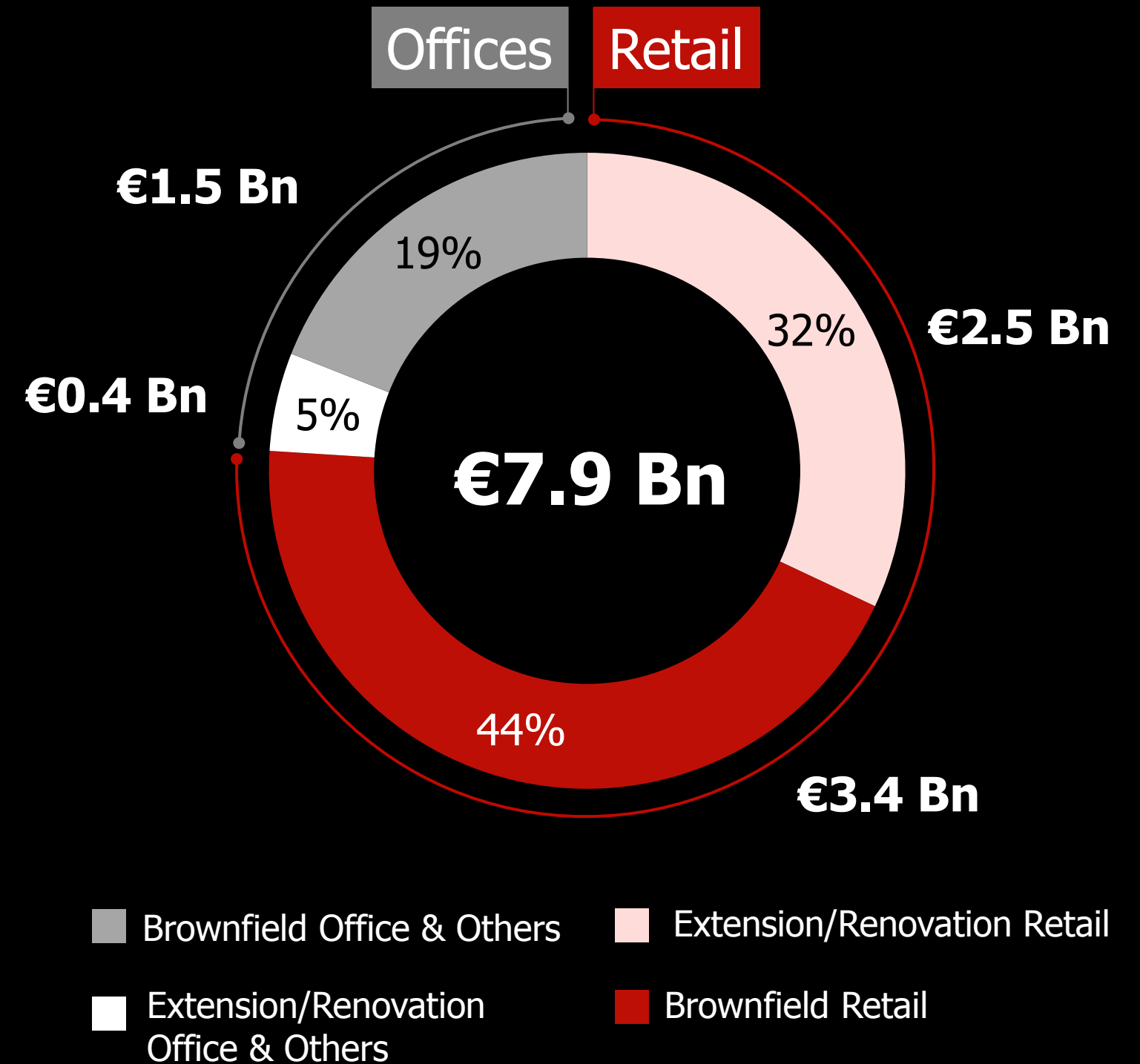
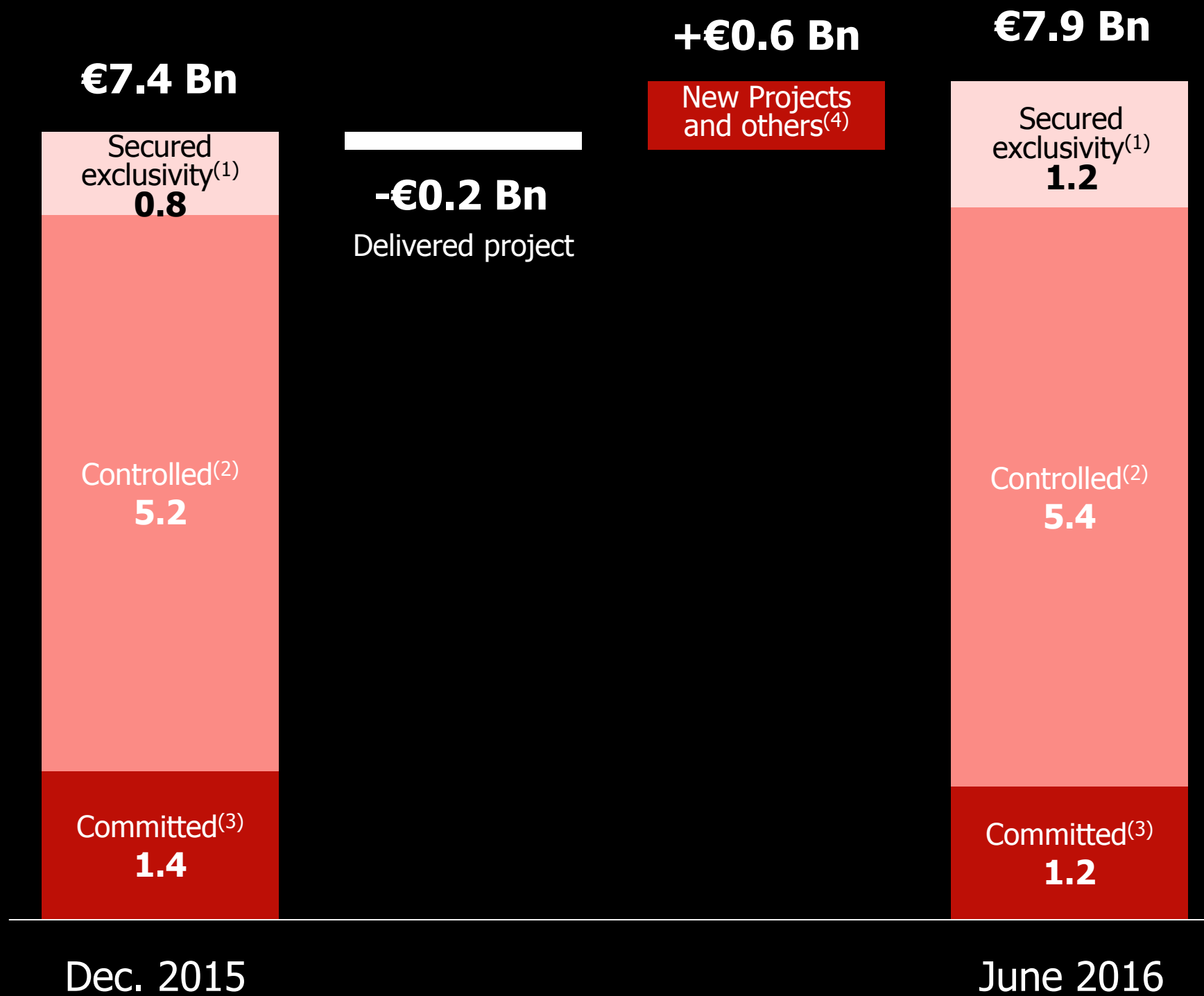
During the period, Viparis hosted the first edition of the Viva Technology show at Porte de Versailles, which brought together 5,000 start-ups and more than 45,000 visitors.



# UPDATE ON DEVELOPMENT PIPELINE

Vélizy 2, Paris region

# DEVELOPMENT PIPELINE: A UNIQUE OPPORTUNITY TO CREATE VALUE



Unibail-Rodamco's consolidated development project pipeline amounted to €7.9 Bn (€7.2 Bn in group share) as at June 30, 2016, corresponding to a total of 1.6 Mn m<sup>2</sup> Gross Lettable Area (GLA), to be re-developed or added to the standing assets portfolio. The Group retains significant flexibility on its consolidated development portfolio (76% of the total investment cost<sup>(5)</sup>).

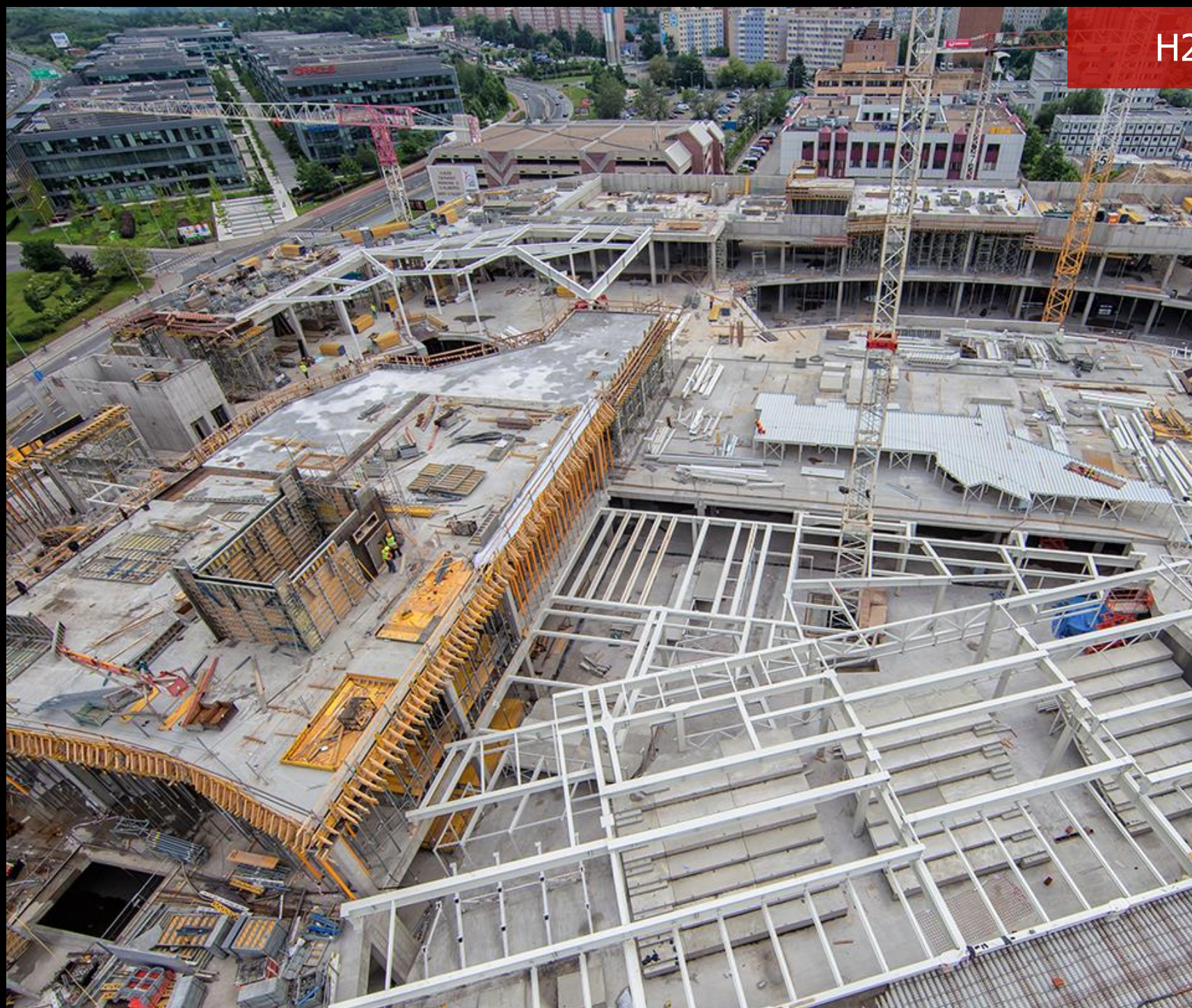
The change in TIC<sup>(5)</sup> results from:

- The new projects added to the pipeline in 2016 (+€411 Mn);
- Modifications in the program of existing projects, including currency changes (+€22 Mn);
- The change of consolidation method of the Benidorm project (+€205 Mn);
- The delivery of Forum des Halles extension and renovation (-€164 Mn).

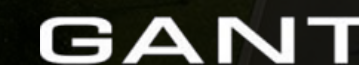
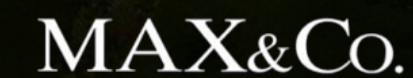
- (1) "Secured exclusivity" projects: projects for which Unibail-Rodamco has the exclusivity but where negotiations for building rights or project definition are still underway
- (2) "Controlled" projects: projects in an advanced stage of studies, for which Unibail-Rodamco controls the land or building rights, but where not all administrative authorizations have been obtained yet
- (3) "Committed" projects: projects currently under construction, for which Unibail-Rodamco owns the land or building rights and has obtained all necessary administrative authorizations and permits
- (4) "Others": includes currency effect, change in TIC for the existing projects, change in consolidation method
- (5) TIC: Total Investment Cost equals the sum of: (i) all capital expenditures from the start of the project to the completion date and includes: land costs, construction costs, study costs, technical fees, tenant fit-out costs paid for by the Group, letting fees and related costs, eviction costs and vacancy costs for renovations or redevelopments of standing assets; and (ii) tenants' lease incentives and opening marketing expenses. Does not include capitalized interests and internal costs capitalized

Figures may not add up due to rounding

# CENTRUM CHODOV: PROGRESS AS PLANNED



H2-2017



GLA: +41,754 m<sup>2</sup>

TIC: €166 Mn

71% pre-let

GLA: Gross Lettable Area

TIC: Total Investment Cost equals the sum of: (i) all capital expenditures from the start of the project to the completion date and includes: land costs, construction costs, study costs, technical fees, tenant fit-out costs paid for by the Group, letting fees and related costs, eviction costs and vacancy costs for renovations or redevelopments of standing assets; and (ii) tenants' lease incentives and opening marketing expenses. Does not include capitalized interests and internal costs capitalized

# WROCLAVIA: RIGHT ON SCHEDULE



H2-2017



STEVE MADDEN home & you Bershka Massimo Dutti

ZARA PULL&BEAR OYSHO H&M

GLA: 79,641 m<sup>2</sup>

TIC: €237 Mn

57% pre-let

GLA: Gross Lettable Area

TIC: Total Investment Cost equals the sum of: (i) all capital expenditures from the start of the project to the completion date and includes: land costs, construction costs, study costs, technical fees, tenant fit-out costs paid for by the Group, letting fees and related costs, eviction costs and vacancy costs for renovations or redevelopments of standing assets; and (ii) tenants' lease incentives and opening marketing expenses. Does not include capitalized interests and internal costs capitalized



# GLÒRIES: PHASE 1 TO OPEN IN H2-2016



Phase 1: H2-2016  
Full delivery: H2-2017

GLA: +10,690 m<sup>2</sup>

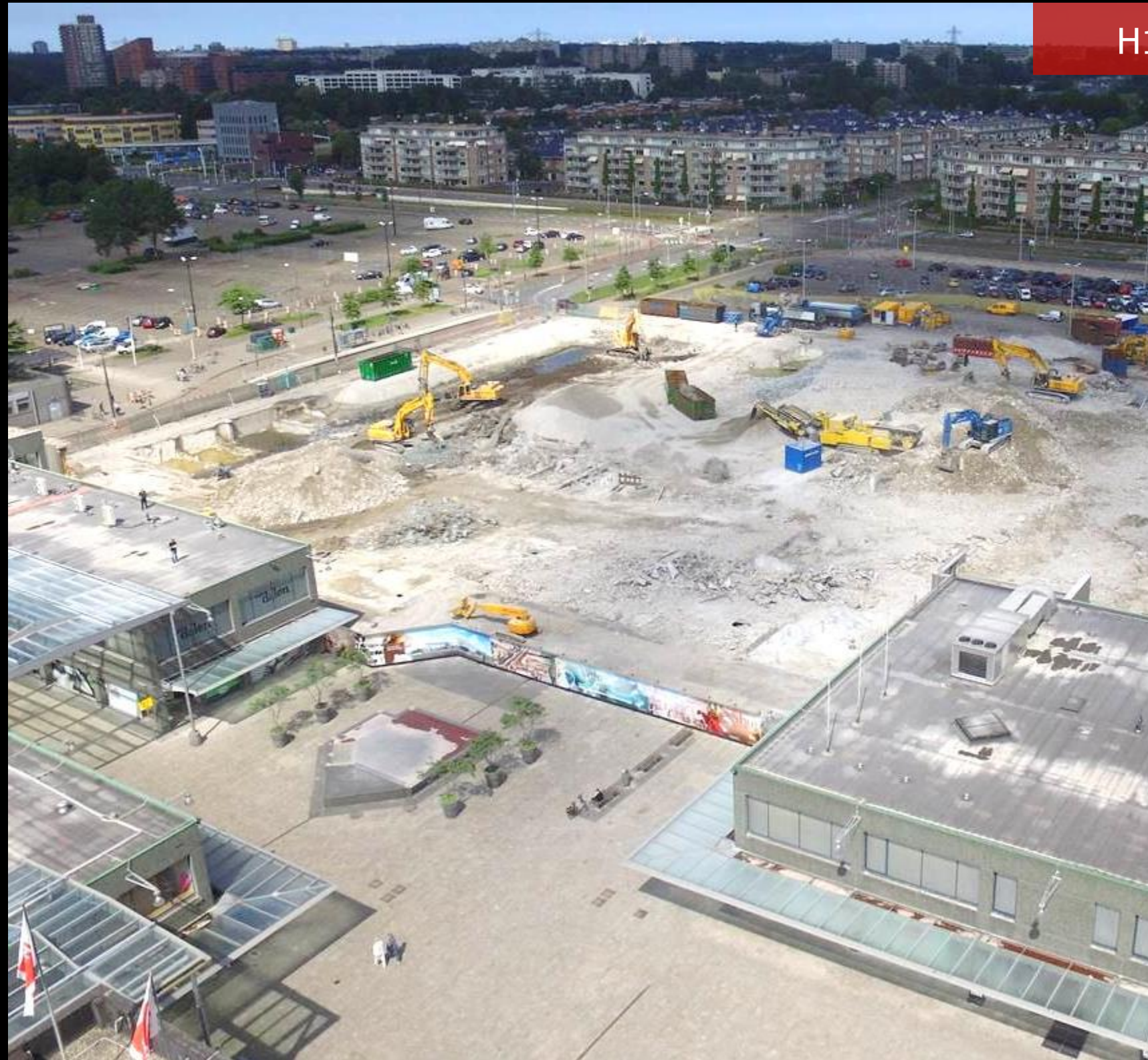
TIC: €117 Mn

Phase 1: 100% pre-let

GLA: Gross Lettable Area

TIC: Total Investment Cost equals the sum of: (i) all capital expenditures from the start of the project to the completion date and includes: land costs, construction costs, study costs, technical fees, tenant fit-out costs paid for by the Group, letting fees and related costs, eviction costs and vacancy costs for renovations or redevelopments of standing assets; and (ii) tenants' lease incentives and opening marketing expenses. Does not include capitalized interests and internal costs capitalized

# MALL OF THE NETHERLANDS: FINAL APPROVAL OF ZONING PLAN



H1-2019

GLA: 77,392 m<sup>2</sup>



TIC: €479 Mn

GLA: Gross Lettable Area

TIC: Total Investment Cost equals the sum of: (i) all capital expenditures from the start of the project to the completion date and includes: land costs, construction costs, study costs, technical fees, tenant fit-out costs paid for by the Group, letting fees and related costs, eviction costs and vacancy costs for renovations or redevelopments of standing assets; and (ii) tenants' lease incentives and opening marketing expenses. Does not include capitalized interests and internal costs capitalized

# NEW EXTENSION PROJECT: LA PART DIEU

H1-2020



GLA: +28,266 m<sup>2</sup>

TIC: ~€300 Mn

GLA: Gross Lettable Area

TIC: Total Investment Cost equals the sum of: (i) all capital expenditures from the start of the project to the completion date and includes: land costs, construction costs, study costs, technical fees, tenant fit-out costs paid for by the Group, letting fees and related costs, eviction costs and vacancy costs for renovations or redevelopments of standing assets; and (ii) tenants' lease incentives and opening marketing expenses. Does not include capitalized interests and internal costs capitalized



# SUSTAINABILITY: PREPARING FOR THE FUTURE

Aéroville, Paris region

# UNDISPUTED INDUSTRY LEADER IN EUROPE...



**Sector leader 2015**  
Green Star since 2011



**Sector leader**  
since 2014



**ESG leaders**  
since 2011



**3<sup>rd</sup> real estate  
company worldwide**



**Gold**  
since 2011



Since 2005



Since 2008 (World)  
Since 2011 (Europe)



**BREEAM In-Use**  
96% retail portfolio ranked  
"Excellent" or above



As of June 30, 2016, 96% of the Group's standing shopping centre portfolio<sup>(1)</sup> certifications obtained reached an "Excellent" or "Outstanding" level for the "Building Management (part 2)", which is the highest certification profile for a portfolio in the retail real estate market.

(1) In terms of m<sup>2</sup> of Gross Lettable Area (GLA)

# ...PREPARING A NEW INITIATIVE ON SUSTAINABILITY

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*Coming soon:*

Unibail-Rodamco 2030 CSR agenda

September 22, 2016

Because of the expected achievement of the sustainability objectives the Group had set for 2020 and the growing environmental and social challenges in the coming years, Unibail-Rodamco is preparing a new long-term sustainability agenda. The new sustainability policy and objectives will be disclosed in September 2016. They will tackle the carbon footprint of all of the Group's activities, the connectivity of the Group's assets, the support and empowerment of local communities and the engagement of the Group's employees and stakeholders.

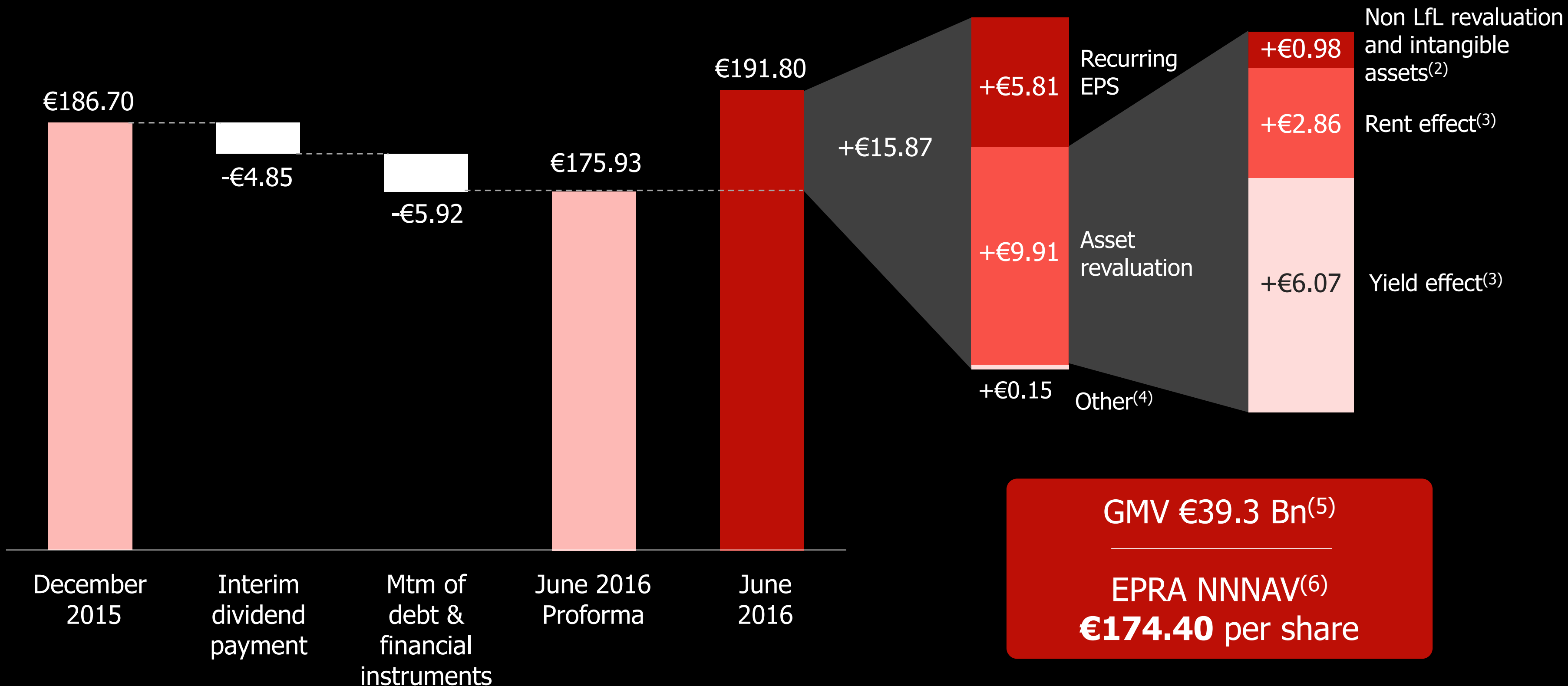


# VALUATION

Minto, Mönchengladbach

# VALUE CREATION: €15.87 PER SHARE

Going Concern Net Asset Value<sup>(1)</sup> (in € per share)



Unibail-Rodamco's EPRA triple Net Asset Value (NNNAV) amounted to €174.40 per share as of June 30, 2016, an increase of +2.6%, or +€4.50, from €169.90 at December 31, 2015.

The Going Concern NAV<sup>(1)</sup>, measuring the fair value on a long-term, ongoing basis, came to €191.80 per share as at June 30, 2016, up by +2.7%, or +€5.10, compared to €186.70 as at December 31, 2015. This increase is the sum of:

- The value creation of +€15.87 per share;
- The impact of the mark-to-market of debt and financial instruments of -€5.92 per share;
- The impact of the payment of the dividend of -€4.85 per share in March 2016.

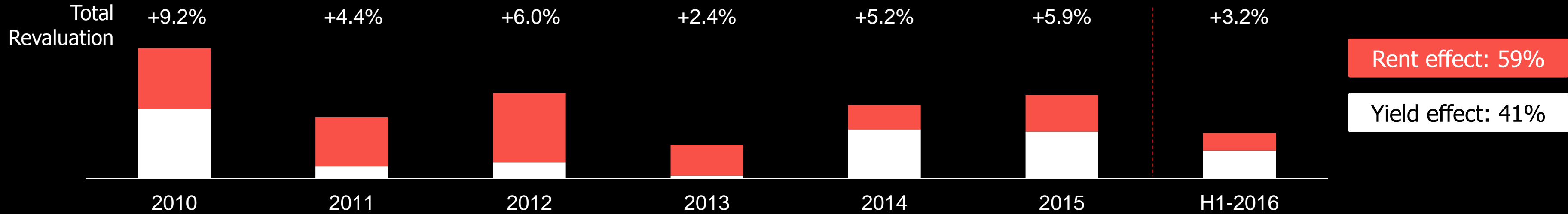
Unibail-Rodamco's asset portfolio, including transfer taxes, stood at €39,299 Mn as of June 30, 2016, compared to €37,755 Mn as of December 31, 2015. On a like-for-like basis, the Group's portfolio GMV increased by +€1,194 Mn, net of investments, i.e. +3.5% compared to December 31, 2015.

- (1) The Going Concern NAV per share corresponds to the amount of equity needed to replicate the Group's portfolio with its current financial structure
- (2) Including revaluation of non like-for-like standing assets valued at fair value, investment properties under construction valued at fair value, intangible assets and of shares in assets accounted for using the equity method. Also includes capital gain on disposals
- (3) Yield and rent effects calculated on the like-for-like portfolio revaluation
- (4) "Other" notably includes variation in transfer taxes and deferred taxes adjustments and variation in the fully diluted number of shares and foreign exchange difference
- (5) Based on a full scope of consolidation, including transfer taxes and transaction costs
- (6) The EPRA NNNAV (triple net asset value) per share corresponds to the Going Concern NAV per share less the estimated transfer taxes and deferred capital gain taxes – on the basis of the same fully diluted number of shares

Figures may not add up due to rounding

# ACTIVE MANAGEMENT CREATES VALUE

## Retail Portfolio – LfL Revaluation (%)



## Toison d'Or



BEFORE



AFTER



Since December 31, 2011, the increase in the quality of the Group's shopping centres has resulted in a +37.6% increase in value<sup>(2)</sup> per m<sup>2</sup> to €8,397 as of June 30, 2016, from €6,102 as of December 31, 2011. On a like-for-like basis<sup>(3)</sup>, the net revaluation amounted to +30.4% of which +17.1% is due to rent effect and +13.2% is due to yield compression.

(1) Average from 2010 to H1-2016

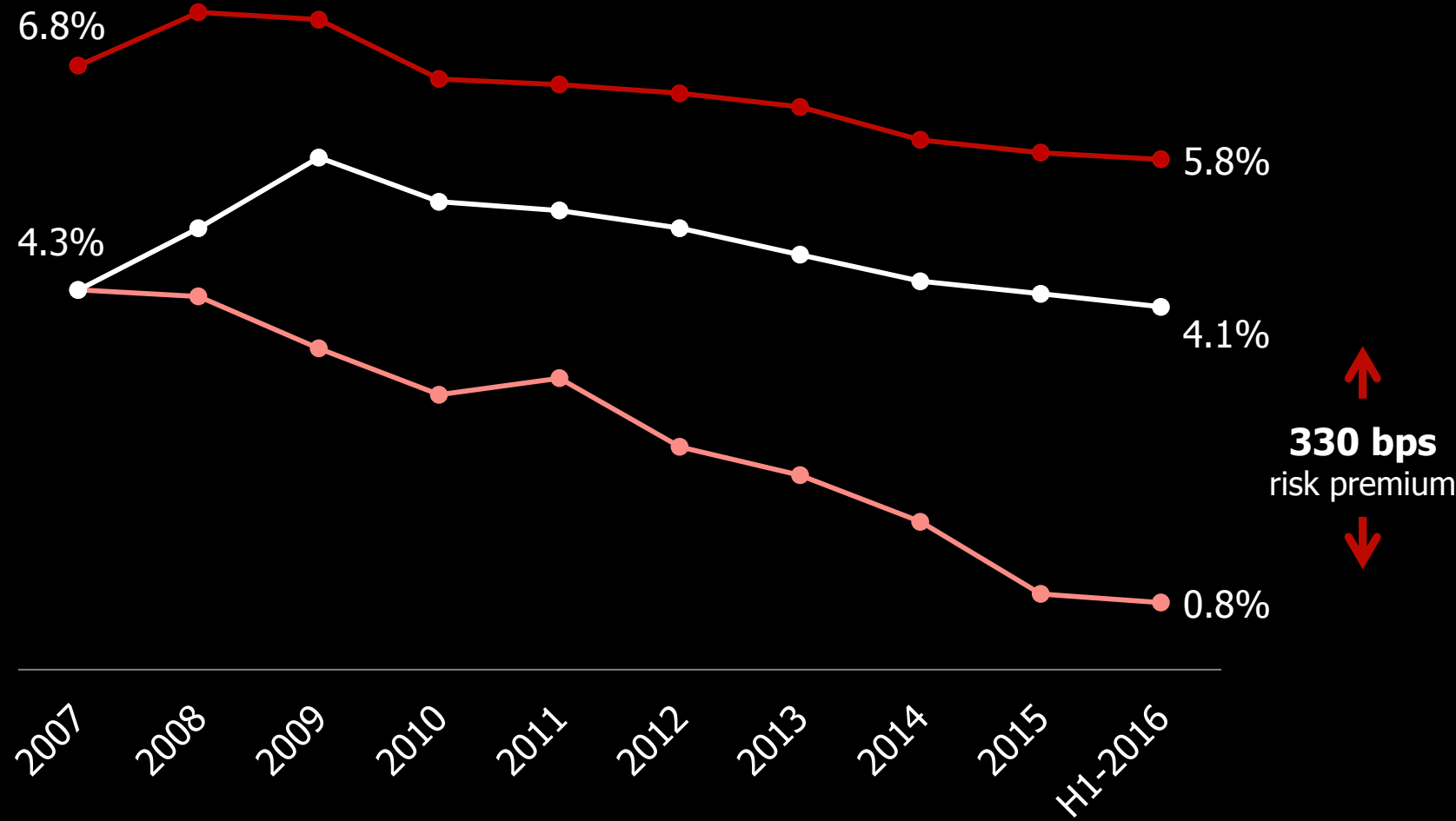
(2) Gross Market Value per m<sup>2</sup> of the Group's standing shopping centres, excluding assets consolidated under the equity method

(3) Analysis made on a constant like-for-like standing perimeter from Dec. 31, 2011 to June 30, 2016 (i.e., different from the H1-2016 like-for-like perimeter)

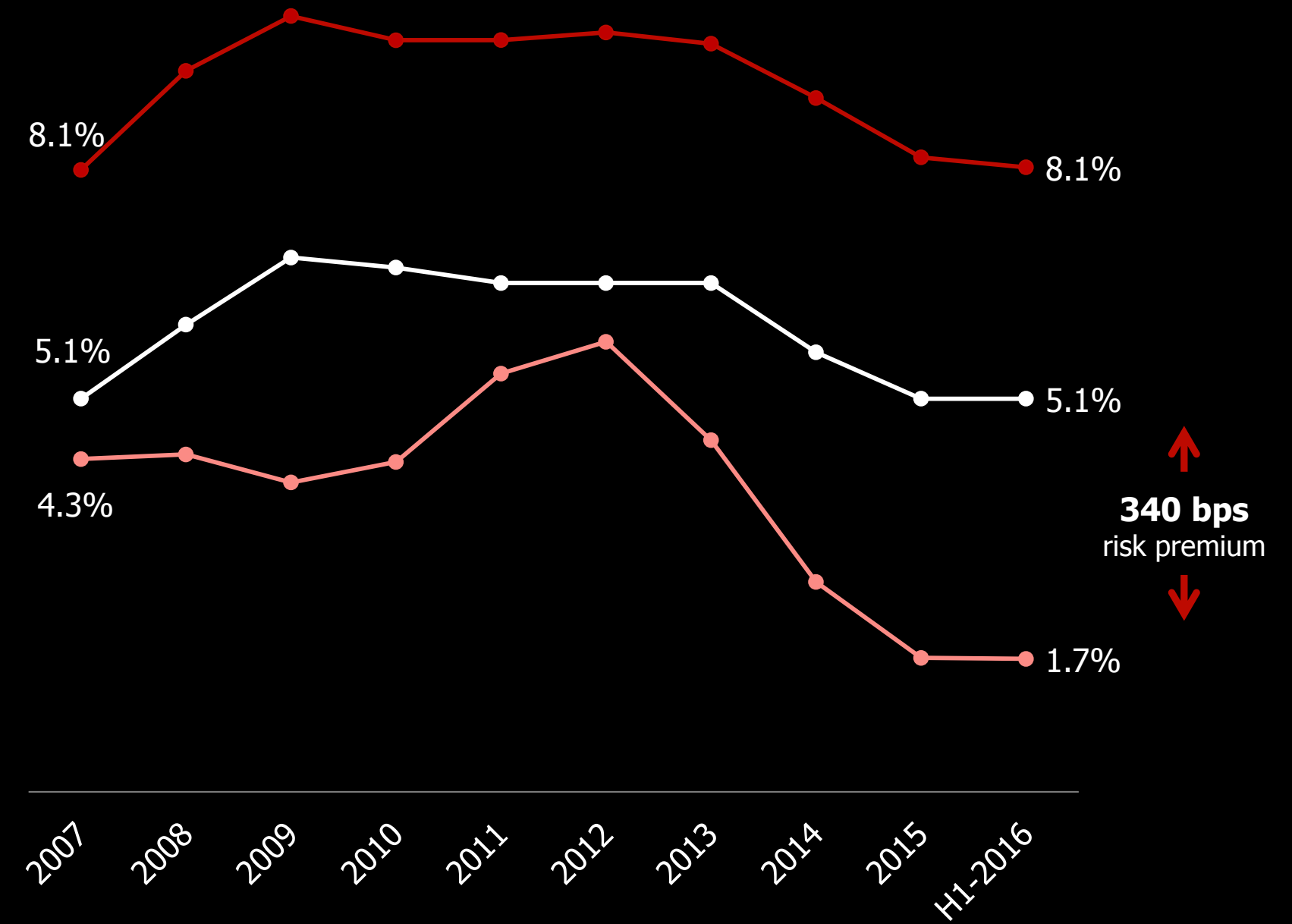


# RISK PREMIUMS AT HISTORICAL HIGHS

## France



## Spain



■ Appraisers' Discount Rate (weighted avg.)    
 ■ U-R shopping centre NIY<sup>(1)</sup> (weighted avg.)    
 ■ 10-yr gov. bond yield<sup>(2)</sup> (1-yr avg.)

The French shopping centre portfolio's net initial yield<sup>(1)</sup> as at June 30, 2016 decreased to 4.1% from 4.3% as at December 31, 2015, while the Group's shopping centre portfolio's net initial yield<sup>(1)</sup> as at June 30, 2016 decreased to 4.4% from 4.6% at year-end 2015.

A change of +25 basis points in net initial yield would result in a downward adjustment of -€1,561 Mn (or -5.3%) of the shopping centre portfolio value (excluding assets under development or accounted for using the equity method), including transfer taxes and transaction costs.

Risk premium vs. French and Spanish 10-year OAT<sup>(2)</sup> at historical highs, 330 bps and 340 bps (respectively) vs. average of circa 200 bps from 2007 to 2015, even though the average portfolio asset has improved significantly during the period.

- (1) Net Initial Yield (NIY): annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs
- (2) Risk premium vs. 10-year OAT (1-year average) and 10-year real rate defined as: 10-year OAT (1-year average) –inflation 10-year swap excluding tobacco (1-year average)

# CAPITALIZING ON STRONG INVESTOR DEMAND

Retail	NDP <sup>(1)</sup> (€ Mn)
Europark disposal	30
Other disposals	5
<b>Total Retail</b>	<b>34</b>
Offices	NDP <sup>(1)</sup> (€ Mn)
H1-2016 booked disposals	276
Disposals under contract <sup>(4)</sup>	334
<b>Total Offices</b>	<b>610</b>
<b>Total</b>	<b>644</b>

NIY<sup>(2)</sup>  
**4.3%**

Premium over  
last  
unaffected  
appraisal<sup>(3)</sup>  
**25.5%**

## Assets disposed include:

- The office building located 2-8 rue Ancelle in Neuilly-sur-Seine to a joint-venture between ACM Vie SA and funds managed by Amundi Immobilier (March 24, 2016);
- The So Ouest office building located in Levallois-Perret to an institutional investor (July 12, 2016);
- A number of small assets, including Europark, a 26,159 m<sup>2</sup> shopping centre in Budapest.

- (1) Net Disposal Price (NDP): Total Acquisition Cost incurred by the acquirer minus all transfer taxes and transaction costs. Based on implied asset value in case of disposal through share deals
- (2) Net Initial Yield (NIY): annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs
- (3) Last externally appraised value before price agreement. Computed with implied asset value in case of disposal through share deals
- (4) So Ouest office building disposal completed on July 12, 2016



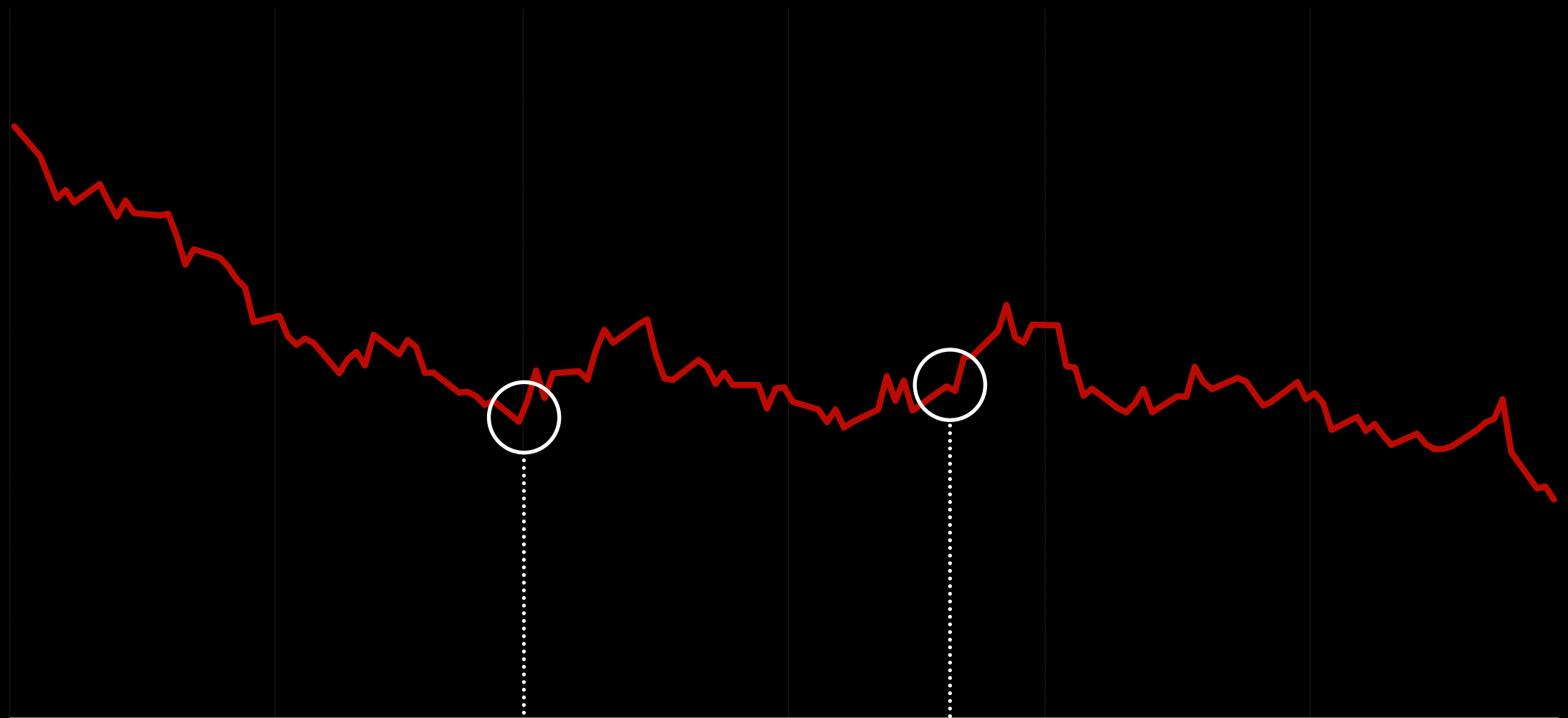
# BALANCE SHEET

Parly 2, Le Chesnay

# NEW ACHIEVEMENTS ON BOND MARKETS...

## 10-year Euro swap rate

Jan-16 Feb-16 Mar-16 Apr-16 May-16 Jun-16



€500 Mn  
20-year  
2.0%

Longest maturity  
for a real estate company  
in the Euro market



€500 Mn  
10-year  
1.375%



€500 Mn  
11-year  
1.125%



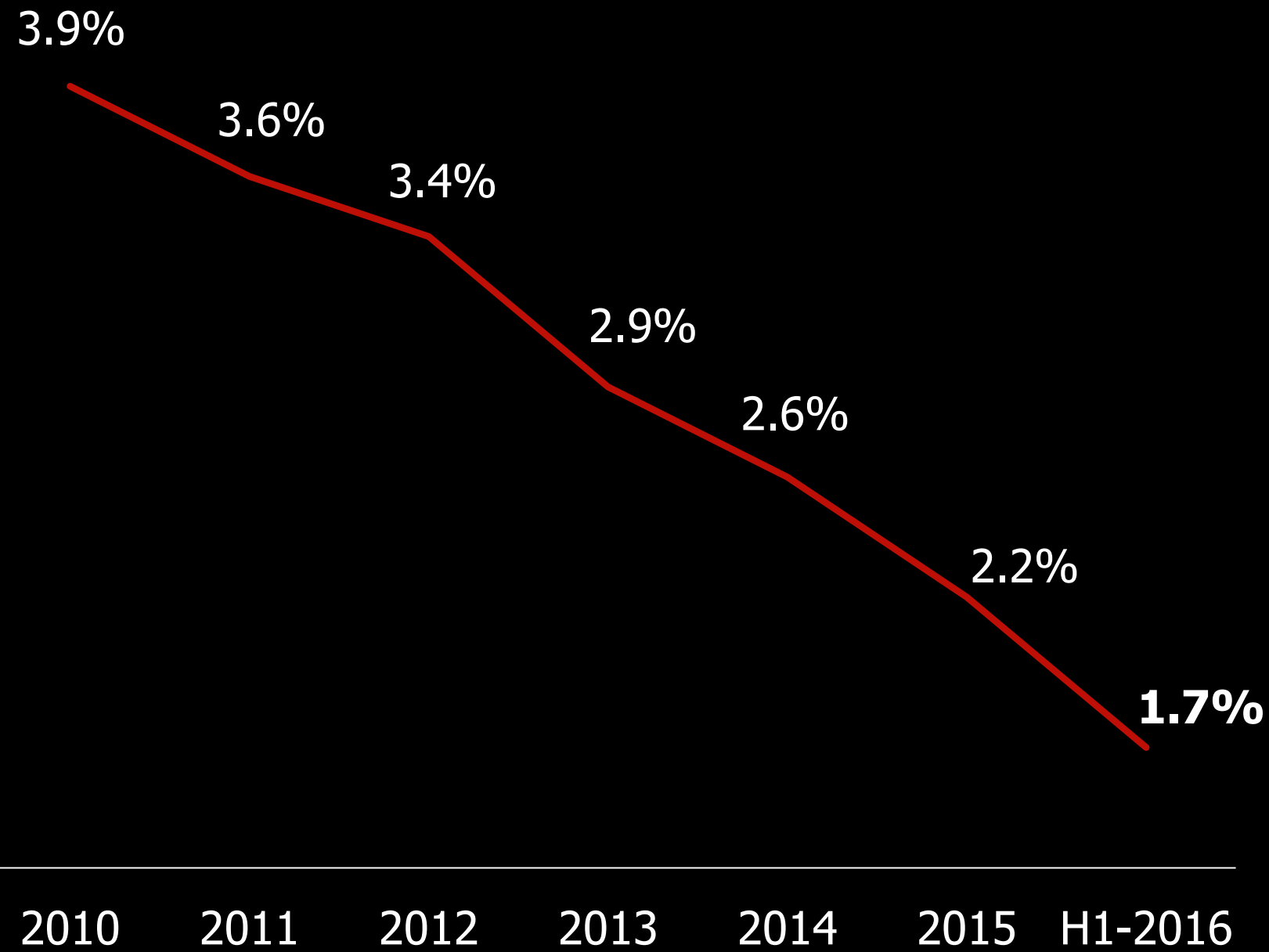
€500 Mn  
20-year  
2.0%

In H1-2016, the Group took advantage of favorable market conditions, in particular following the announcement on the CSPP by the ECB, to extend its maturity profile at attractive conditions, completing the following transactions:

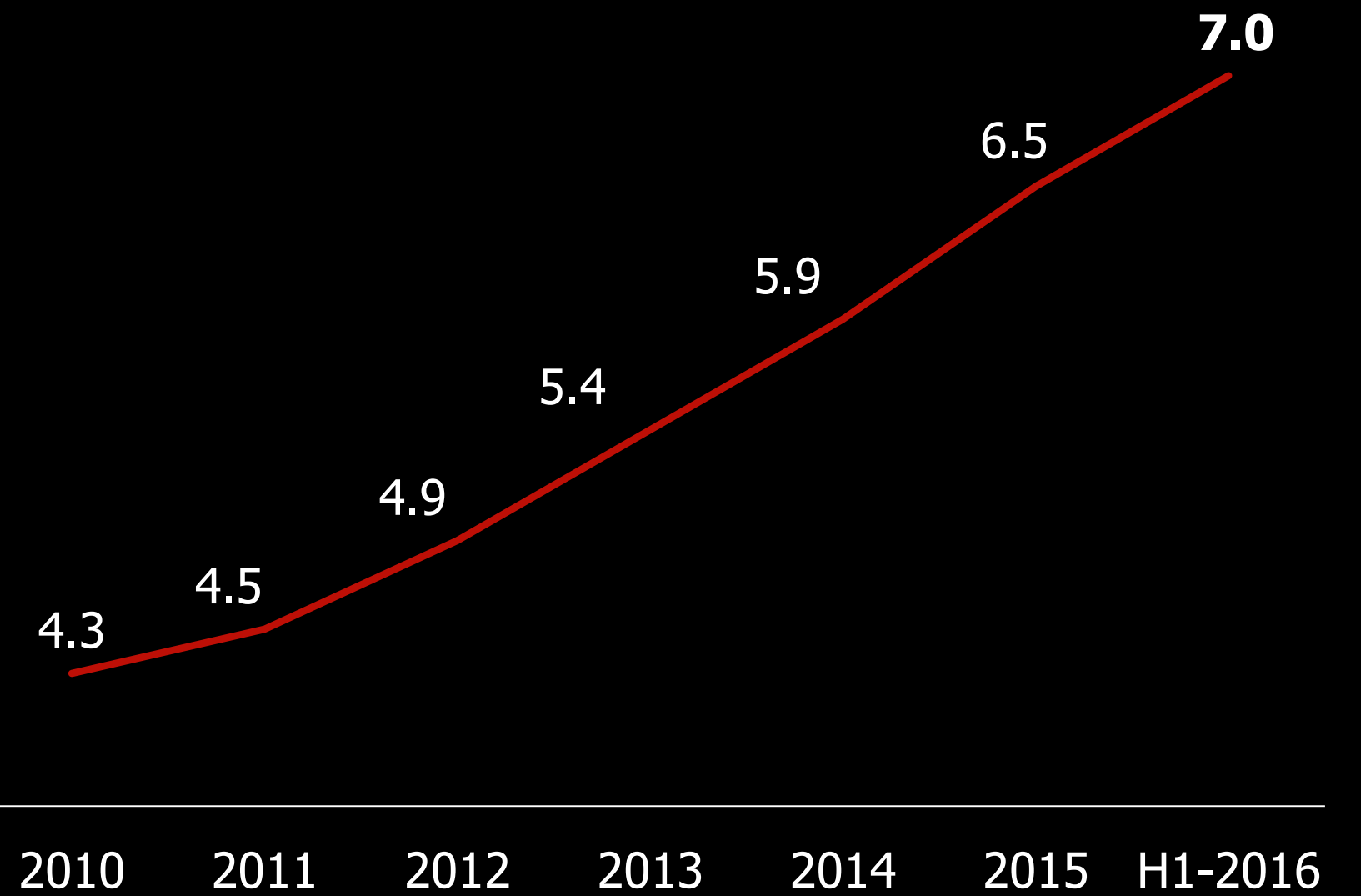
- 1<sup>st</sup> public bond with a 20-year maturity issued by a real-estate company, i.e. the longest ever maturity achieved in the sector on the Euro market;
- New 10-year and 11-year benchmark Euro denominated bonds;
- While buying back outstanding bonds for a total nominal amount of €282 Mn.

# ... AND NEW RECORDS...

Average cost of debt (in %)



Average debt maturity (in years)



Fully hedged over next 3 years

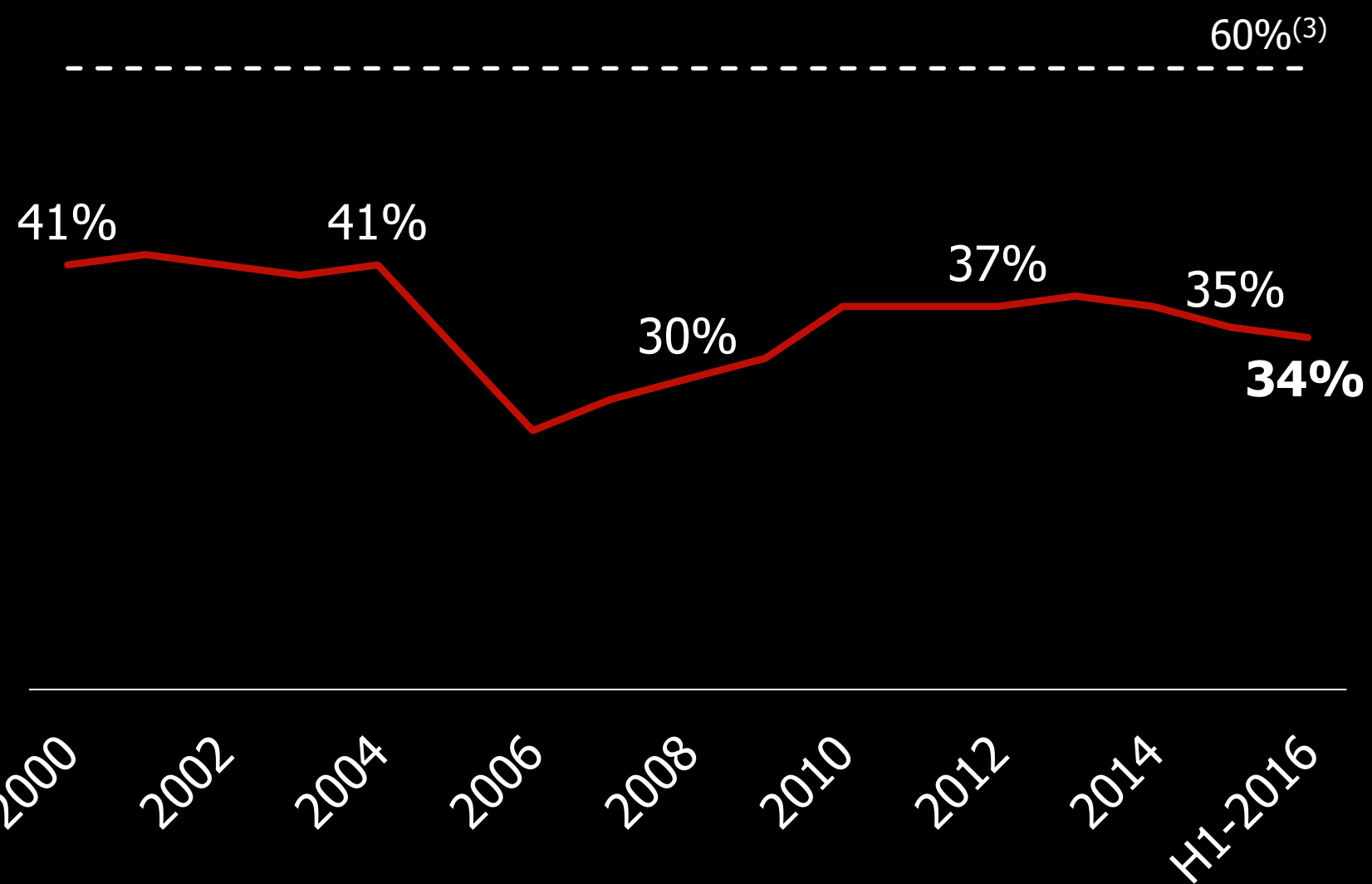


Unibail-Rodamco's average cost of debt decreased to 1.7% for H1-2016 compared to 2.2% for 2015. This record low average cost of debt results from low coupon levels the Group achieved during the last years on its fixed rate debt, the tender offer transactions realized in April 2015 and April 2016, the level of margins on existing borrowings, the Group's hedging instruments (including the caps put in place as part of the Group's restructuring of its hedging position in 2015), the cost of carry of the undrawn credit lines and the low interest rate environment in H1-2016.

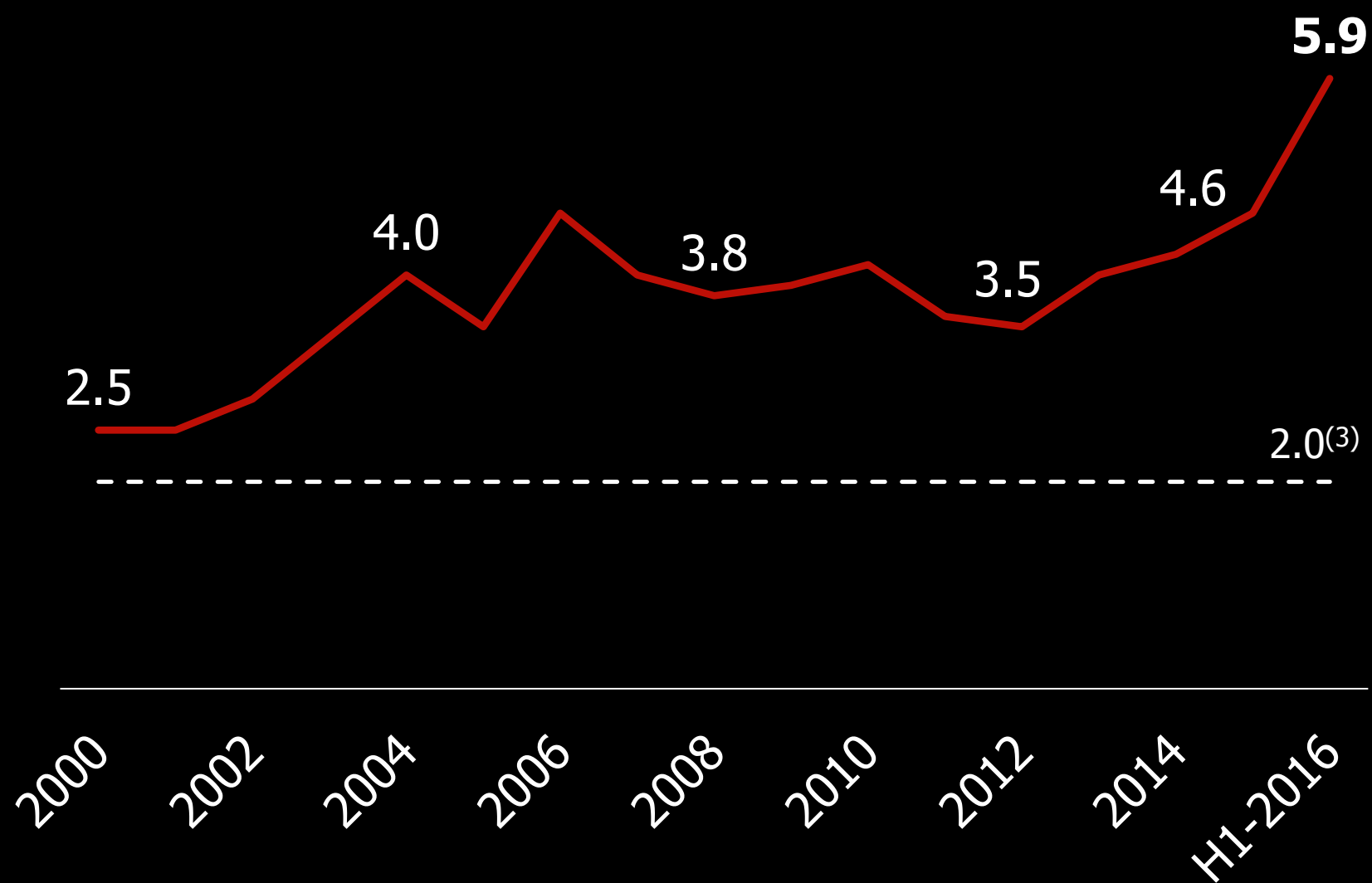
The average maturity of the Group's debt as at June 30, 2016, taking into account the unused credit lines improved to 7.0 years (vs. 6.5 as at December 2015 and 5.9 years as at December 2014).

# ... LEAD TO STRONG FINANCIAL RATIOS

Contained LTV<sup>(1)</sup>



Strongest ICR<sup>(2)</sup> (in x)



Stable A rating by S&P and Fitch

The financial ratios stand at healthy levels:

- The Interest Coverage Ratio (ICR) improved to 5.9x for H1-2016 (vs. 4.6x in 2015);
- The Loan to Value (LTV) ratio decreased to 34% (vs. 35% as at December 31, 2015).

Unibail-Rodamco is rated by the rating agencies Standard & Poor's and Fitch Ratings:

- Standard & Poor's confirmed its long-term rating "A" and its short-term rating "A1" on May 24, 2016 and maintained its stable outlook;
- Fitch confirmed the "A" long-term rating of the Group with a stable outlook on July 14, 2016. Fitch also rates the short-term issuances of the Group as "F1".

(1) Loan-to-Value (LTV): Net financial debt / Total portfolio valuation including transfer taxes

Total Portfolio valuation includes consolidated portfolio valuation (€39,299 Mn as at June 30, 2016 vs. €37,755 Mn as at December 31, 2015)

The LTV excluding transfer taxes is estimated at 35% as at June 30, 2016

(2) Interest Cover Ratio (ICR): Recurring EBITDA / Recurring Net Financial Expenses (including capitalised interest); Recurring EBITDA is calculated as total recurring operating results and other income less general expenses, excluding depreciation and amortisation

(3) Typical bank covenants



# OUTLOOK

Mall of Scandinavia, Stockholm

# OUTLOOK

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From

**€11.00 - €11.20**

> Strong H1 results



to

**AROUND €11.20**

Based on the strong H1-2016 results, which include some elements that are not expected to be repeated in the second half (e.g., the recognition of tax losses carried forward in France), the Group expects to generate recurring EPS for 2016 of around €11.20, the top end of the range of €11.00-11.20 for the full year provided in February 2016.

This outlook assumes no material adverse changes in the general economic or security conditions in Europe.

# unibail-rodamco

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[www.unibail-rodamco.com](http://www.unibail-rodamco.com)