unibail·rodamco

Paris, Amsterdam, July 22, 2015

Press Release

HALF-YEAR RESULTS 2015

Strong half-year results - Increasing the recurring EPS outlook for 2015 to €10.25 - €10.45 (from €10.15 - €10.35 previously)

- **Recurring Earnings per Share (recurring EPS) at €5.37, up by +8.4% compared to rebased H1-2014[1] and down by only -2.7% after the impact of the disposals in 2014 and 2015**
- **Strong operating performance: Like-for-like Group Net Rental Income up by +5.3%**
- **Record low cost of debt at 2.3% while extending average debt maturity to 6.4 years**
- **Property portfolio increased to €35.7 Bn**
- **Net asset value per share:**
    - **€177.40, +6.7% (Going Concern Net Asset Value per share)[2] vs Dec.31, 2014**
    - **€161.70, +6.9% (EPRA NNNAV per share)[3] vs Dec.31, 2014**
- **€8.2 Bn prime quality development pipeline replenished**

"Unibail-Rodamco's H1-2015 results are the first following the decisive reshaping of our French retail portfolio, with the massive non-core disposals, and the full consolidation of mfi in Germany in 2014. The hard work and dedication of the Group's teams resulted in a +4.0% like-for-like NRI growth in our shopping centres despite record low indexation, the delivery of more than €800 Mn of projects, the replenishment of the pipeline, including the approval of the Triangle tower by the Paris City council and the successful debt refinancing. The Group's performance is robust with the like-for-like net rental income up by +5.3% at €725 Mn. Recurring EPS, at €5.37, is above target, with an underlying growth of +8.4%. With confidence in Unibail-Rodamco's ability to continue its strong performance, the outlook for the recurring EPS for 2015 is increased to between €10.25 and €10.45 (from between €10.15 and €10.35 previously)."
Christophe Cuvillier, CEO and Chairman of the Management Board

	H1-2015	H1-2014	Growth	Like-for-like growth
Net Rental Income (in € Mn)	**725**	**719**	**+0.9%**	**+5.3%**
- Shopping centres	582	590	-1.4%	+4.0%
- Offices	84	83	+1.9%	-0.8%
- Convention & Exhibitions	59	46	+28.7%	+28.7%
Recurring net result (in € Mn)	**528**	**539**	**-2.0%**	
Recurring EPS (in € per share)	**5.37**	**5.52**	**-2.7%**	
	June 30, 2015	Dec.31, 2014		
Total portfolio valuation (in € Mn)	**35,699**	**34,576**	**+3.2%**	**+2.7%**
Going Concern Net Asset Value (in € per share)	**177.40**	**166.30**	**+6.7%**	
EPRA triple Net Asset Value (in € per share)	**161.70**	**151.20**	**+6.9%**	

Figures may not add up due to rounding.

Recurring EPS at €5.37, up +8.4% compared to rebased H1-2014[1]

The Group's recurring EPS came to €5.37 in H1-2015, representing (i) an underlying growth of +8.4% from the recurring EPS for H1-2014 rebased for the disposals in 2014 and January 2015 (€4.88), and (ii) +1.6% from the acquisition of the mfi stake from PWREF in July 2014.
Reported recurring EPS decreases by only -2.7% in H1-2015 compared to actual H1-2014.

Strong operating performance, delivering results
The Group's tenant sales were up by +4.2% through June 30, 2015.
Through May 2015, the Group's tenant sales were up by +3.9%, outperforming national sales indices by 270 bps due to, among others, the very strong performance in the Group's Spanish, French and Central European shopping centres, outperforming their indices by 490 bps, 330 bps and 320 bps, respectively.
The like-for-like Net Rental Income (NRI) for shopping centres grew by +4.0% compared to H1-2014, 360 bps above an indexation of only 0.4%, the lowest since 2007. The Group signed 676 leases on standing assets, with a Minimum Guaranteed Rent uplift of +16.1% on renewals and relettings, and +19.5% for its large shopping centres(4). Unibail-Rodamco signed 88 leases with international premium retailers, up by +11% from 79(5) in H1-2014. The EPRA vacancy rate remained low at 2.3% of which 0.3% in strategic vacancy.
The Paris region office market was very challenging, with a decrease of -25% in take-up for the first half. In this environment, the results of the Group's French offices were almost flat with a like-for-like NRI growth of -0.8%. A notable success was the delivery of So Ouest Plaza (Levallois, Paris region) in H1-2015. The building is now fully let to L'Oréal.
Convention & Exhibition's strong performance was driven by successful shows such as the "*Salon International de l'Agriculture*," the "*Foire de Paris*," the "*Le Bourget International Air Show*" and the triennial "*Intermat"* show. NRI was up by +28.7% compared to H1- 2014.

Fast forward innovation
Fostering the Group's leading position in terms of asset quality, premium services and differentiated customer experience, UR Lab, Unibail-Rodamco's incubator, launched several new initiatives in H1-2015 and further refined a number of concepts introduced previously, in order to drive additional footfall:

- The Designer Gallery™: this latest innovation aims to recreate the spirit of concept stores and fashion magazines with aspirational, young and lifestyle brands. Polygone Riviera (Cagnes-sur-Mer) and Mall of Scandinavia (Stockholm) were chosen as pilots within the Group and are due to open in Q4 this year.
- Digital marketing: through June 2015, on a like-for-like perimeter(7), downloads of smartphone applications with several new features increased by +27% (to 3.1 Mn), website visits grew by +17% (to 22.2 Mn) and Facebook fans by +16% (to 4.8 Mn).
- 4 Star™ Label: with 3 additional shopping centres in H1-2015, 20 of the Group's shopping centres have now been awarded the 4 Star™ Label.
- The Dining Experience™: the fifth Dining Experience™ was inaugurated on February 7, 2015 at Les Quatre Temps (La Défense, Paris region).

A new record low cost of debt
In H1-2015, the Group took advantage of favourable market conditions to refinance €1.9Bn of existing debt by issuing new diversified debt at attractive conditions and for longer maturities. The Group raised €2.5 Bn of medium to long-term debt. In doing so, Unibail-Rodamco reduced its average cost of debt to a new record low of 2.3% from 2.6% in 2014, and extended the average maturity of its debt to 6.4 years. Financial ratios are strong: Loan-To-Value (LTV) is stable at 37% and the interest coverage ratio increased further to 4.5x. The Group has ample liquidity, with a record level of €5.1 Bn of undrawn credit lines.

A strong asset value growth
The gross market value of the Group's assets as at June 30, 2015, amounted to €35.7 Bn, up +2.7% like-for-like compared to December 31, 2014, driven almost equally by the rental and yield effects. The average net initial yield of the retail portfolio decreased to 4.7% from 4.8% as at December 2014. Going Concern NAV(3) stands at €177.40 per share as at June 30, 2015, an increase of €11.10 (+6.7%) compared to December 31, 2014. This increase was the sum of (i) the value creation of €11.68 per share, (ii) the impact of the interim dividend paid in March 2015 of -€4.80, and (iii) the positive impact of the +€4.22 mark-to-market of the fixed-rate debt and derivatives.

Record €8.2 Bn prime quality development pipeline
In H1-2015, the Group delivered 4 projects for a total of €813 Mn, including the Minto shopping centre (Mönchengladbach), and the fully let So Ouest Plaza office tower (Levallois, Paris region), which includes a cinema and restaurant, right next to the So Ouest shopping centre.

The Group added €962Mn of new projects to the pipeline, including the Triangle tower project (Paris) following its approval by the Paris City Council on June 30, 2015. Triangle will be the first high-rise tower built in Paris in 40 years.
The total investment cost of the development pipeline amounts to €8.2 Bn as at June 30, 2015, compared to €8.0 Bn as at December 31, 2014. The Group retains significant flexibility (69%) on its pipeline.

Increased earnings outlook for 2015
Based on the robust performance during H1-2015, the Group **increases its outlook for the recurring EPS** for the year ending December 31, 2015 to between **€10.25 and €10.45** (from between €10.15 and €10.35 previously).
This outlook assumes completion of the pending disposals and no deterioration of the current economic or security conditions in Europe.

The appendix to the press release and the half-year 2015 results presentation are available on the Group's website www.unibail-rodamco.com

Notes
(1) *For the disposals in 2014 and January 2015.*
(2) *The Going Concern NAV per share corresponds to the amount of equity needed to replicate the Group's portfolio with its current financial structure - on the basis of 100,625,762 fully diluted number of shares as at June 30, 2015 including outstanding ORAs and stock options in the money as at June 30, 2015 (vs 100,177,029 as at December 31, 2014).*
(3) *The EPRA NNNAV (triple net asset value) per share corresponds to the Going Concern NAV per share less the estimated transfer taxes and capital gain taxes -on the basis of 100,625,762 fully diluted number of shares as at June 30, 2015 (vs 100,177,029 as at December 31, 2014).*
(4) *Large shopping centres: assets above 6 Mn visits per annum.*
(5) *H1-2014 proforma for the disposals in 2014 and H1-2015.*
(6) *EPRA vacancy rate = Estimated Rental Value (ERV) of vacant spaces divided by ERV of total surfaces*
(7) *Excluding 2014 divestments and German assets.*

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About Unibail-Rodamco
Created in 1968, Unibail-Rodamco SE is Europe's largest listed commercial property company, with a presence in 12 EU countries, and a portfolio of assets valued at €35.7 billion as of June 30, 2015. As an integrated operator, investor and developer, the Group aims to cover the whole of the real estate value creation chain. With the support of its 2,085 professionals, Unibail-Rodamco applies those skills to highly specialised market segments such as large shopping centres in major European cities and large offices and convention & exhibition centres in the Paris region.
The Group distinguishes itself through its focus on the highest architectural, city planning and environmental standards. Its long term approach and sustainable vision focuses on the development or redevelopment of outstanding places to shop, work and relax. Its commitment to environmental, economic and social sustainability has been recognised by inclusion in the DJSI (World and Europe), FTSE4Good and STOXX Global ESG Leaders indexes.
The Group is a member of the CAC 40, AEX 25 and EuroSTOXX 50 indices. It benefits from an A rating from Standard & Poor's and Fitch Ratings.
For more information, please visit our website: www.unibail-rodamco.com

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APPENDIX TO THE PRESS RELEASE
July 22, 2015

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Review procedures completed; statutory auditors' report issued today.

The press release and its appendix as well as the results presentation slide show can be found on Unibail-Rodamco's website
www.unibail-rodamco.com

Consolidated Income Statement by segment (€ Mn)			H1-2015			H1-2014			2014		
			Recurring activities	Non-recurring activities [1]	Result	Recurring activities	Non-recurring activities [1]	Result	Recurring activities	Non-recurring activities [1]	Result
SHOPPING CENTRES	FRANCE	Gross rental income	298.6	-	298.6	350.5	-	350.5	696.9	-	696.9
		Operating expenses & net service charges	(25.7)	-	(25.7)	(31.3)	-	(31.3)	(68.1)	-	(68.1)
		Net rental income	**272.8**	**-**	**272.8**	**319.2**	**-**	**319.2**	**628.8**	**-**	**628.8**
		Contribution of affiliates	5.0	(1.1)	3.9	6.8	1.5	8.3	12.9	6.2	19.2
		Gains/losses on sales of properties	-	7.1	7.1	-	13.4	13.4	-	46.3	46.3
		Valuation movements	-	154.0	154.0	-	148.5	148.5	-	504.3	504.3
		Result Shopping Centres France	**277.8**	**160.1**	**437.9**	**325.9**	**163.4**	**489.4**	**641.7**	**556.8**	**1,198.5**
	SPAIN	Gross rental income	82.6	-	82.6	81.9	-	81.9	165.6	-	165.6
		Operating expenses & net service charges	(6.7)	-	(6.7)	(10.3)	-	(10.3)	(19.8)	-	(19.8)
		Net rental income	**76.0**	**-**	**76.0**	**71.6**	**-**	**71.6**	**145.8**	**-**	**145.8**
		Contribution of affiliates	0.6	(1.0)	(0.3)	0.7	(0.6)	0.1	1.4	(1.0)	0.4
		Gains/losses on sales of properties	-	(0.5)	(0.5)	-	-	-	-	4.4	4.4
		Valuation movements	-	211.6	211.6	-	(1.5)	(1.5)	-	192.3	192.3
		Result Shopping Centres Spain	**76.6**	**210.2**	**286.8**	**72.3**	**(2.1)**	**70.2**	**147.1**	**195.7**	**342.8**
	CENTRAL EUROPE	Gross rental income	75.8	-	75.8	70.8	-	70.8	144.9	-	144.9
		Operating expenses & net service charges	(1.6)	-	(1.6)	(0.3)	-	(0.3)	(3.9)	-	(3.9)
		Net rental income	**74.2**	**-**	**74.2**	**70.5**	**-**	**70.5**	**141.0**	**-**	**141.0**
		Contribution of affiliates	20.8	(8.0)	12.8	18.9	(3.2)	15.7	36.5	(3.8)	32.7
		Gains/losses on sales of properties	-	27.1	27.1	-	(0.2)	(0.2)	-	(0.1)	(0.1)
		Valuation movements	-	92.2	92.2	-	57.3	57.3	-	195.1	195.1
		Result Shopping Centres Central Europe [2]	**95.1**	**111.2**	**206.3**	**89.4**	**54.0**	**143.4**	**177.4**	**191.3**	**368.7**
	AUSTRIA	Gross rental income	49.5	-	49.5	45.9	-	45.9	94.6	-	94.6
		Operating expenses & net service charges	(3.4)	-	(3.4)	(1.5)	-	(1.5)	(6.4)	-	(6.4)
		Net rental income	**46.1**	**-**	**46.1**	**44.4**	**-**	**44.4**	**88.2**	**-**	**88.2**
		Valuation movements	-	46.4	46.4	-	30.3	30.3	-	86.9	86.9
		Result Shopping Centres Austria [2]	**46.1**	**46.4**	**92.5**	**44.4**	**30.3**	**74.7**	**88.2**	**86.9**	**175.1**
	NORDIC	Gross rental income	59.8	-	59.8	57.5	-	57.5	116.1	-	116.1
		Operating expenses & net service charges	(7.2)	-	(7.2)	(9.0)	-	(9.0)	(19.0)	-	(19.0)
		Net rental income	**52.7**	**-**	**52.7**	**48.5**	**-**	**48.5**	**97.1**	**-**	**97.1**
		Gains/losses on sales of properties	-	(0.0)	(0.0)	-	(0.0)	(0.0)	-	(0.1)	(0.1)
		Valuation movements	-	110.1	110.1	-	73.5	73.5	-	110.7	110.7
		Result shopping Centres Nordic	**52.7**	**110.1**	**162.8**	**48.5**	**73.5**	**121.9**	**97.1**	**110.6**	**207.7**
	THE NETHERLANDS	Gross rental income	38.2	-	38.2	39.6	-	39.6	79.9	-	79.9
		Operating expenses & net service charges	(4.6)	-	(4.6)	(3.4)	-	(3.4)	(7.7)	-	(7.7)
		Net rental income	**33.7**	**-**	**33.7**	**36.3**	**-**	**36.3**	**72.1**	**-**	**72.1**
		Gains/losses on sales of properties	-	(0.0)	(0.0)	-	(0.4)	(0.4)	-	2.2	2.2
		Valuation movements	-	14.8	14.8	-	(2.9)	(2.9)	-	12.7	12.7
		Result Shopping Centres The Netherlands	**33.7**	**14.8**	**48.5**	**36.3**	**(3.3)**	**32.9**	**72.1**	**14.9**	**87.1**
	GERMANY	Gross rental income	29.5	-	29.5	-	-	-	21.0	-	21.0
		Operating expenses & net service charges	(3.0)	-	(3.0)	-	-	-	(1.6)	-	(1.6)
		Net rental income	**26.4**	**-**	**26.4**	**-**	**-**	**-**	**19.4**	**-**	**19.4**
		Contribution of affiliates	16.5	65.7	82.2	11.5	3.6	15.1	31.6	16.3	47.9
		Gains/losses on sales of properties	-	-	-	-	-	-	-	0.8	0.8
		Valuation movements	-	2.1	2.1	-	-	-	-	21.9	21.9
		Result Shopping Centres Germany [2]	**43.0**	**67.8**	**110.7**	**11.5**	**3.6**	**15.1**	**51.0**	**39.0**	**90.1**
		TOTAL RESULT SHOPPING CENTRES	**624.9**	**720.6**	**1,345.5**	**628.2**	**319.4**	**947.6**	**1,274.8**	**1,195.2**	**2,470.0**
OFFICES	FRANCE	Gross rental income	77.9	-	77.9	74.0	-	74.0	154.6	-	154.6
		Operating expenses & net service charges	(2.8)	-	(2.8)	(2.6)	-	(2.6)	(6.2)	-	(6.2)
		Net rental income	**75.1**	**-**	**75.1**	**71.4**	**-**	**71.4**	**148.4**	**-**	**148.4**
		Gains/losses on sales of properties	-	0.0	0.0	-	(0.3)	(0.3)	-	(0.3)	(0.3)
		Valuation movements	-	107.8	107.8	-	(1.7)	(1.7)	-	54.5	54.5
		Result Offices France	**75.1**	**107.9**	**182.9**	**71.4**	**(2.0)**	**69.3**	**148.4**	**54.2**	**202.7**
	OTHER COUNTRIES	Gross rental income	11.4	-	11.4	14.2	-	14.2	28.8	-	28.8
		Operating expenses & net service charges	(2.0)	-	(2.0)	(2.7)	-	(2.7)	(4.8)	-	(4.8)
		Net rental income	**9.4**	**-**	**9.4**	**11.5**	**-**	**11.5**	**24.0**	**-**	**24.0**
		Gains/losses on sales of properties	-	-	-	-	1.3	1.3	-	1.3	1.3
		Valuation movements	-	4.5	4.5	-	(10.0)	(10.0)	-	(5.0)	(5.0)
		Result Offices other countries	**9.4**	**4.5**	**13.9**	**11.5**	**(8.7)**	**2.8**	**24.0**	**(3.7)**	**20.3**
		TOTAL RESULT OFFICES	**84.5**	**112.4**	**196.9**	**82.9**	**(10.8)**	**72.1**	**172.4**	**50.5**	**223.0**
CONVENTION & EXHIBITION	FRANCE	Gross rental income	99.8	-	99.8	84.7	-	84.7	180.4	-	180.4
		Operating expenses & net service charges	(49.0)	-	(49.0)	(45.8)	-	(45.8)	(95.4)	-	(95.4)
		Net rental income	**50.8**	**-**	**50.8**	**38.9**	**-**	**38.9**	**85.0**	**-**	**85.0**
		Contribution of affiliates	0.4	0.1	0.5	0.1	(0.2)	(0.0)	0.4	(0.3)	0.2
		On site property services	**26.9**	**-**	**26.9**	**18.3**	**-**	**18.3**	**49.7**	**-**	**49.7**
		Hotels net rental income	**8.2**	**-**	**8.2**	**7.0**	**-**	**7.0**	**15.3**	**-**	**15.3**
		Exhibitions organising	**9.3**	**(2.3)**	**7.1**	**4.8**	**(0.1)**	**4.7**	**14.2**	**(2.9)**	**11.3**
		Valuation movements, depreciation, capital gains	(5.4)	74.5	69.1	(5.2)	149.9	144.7	(10.6)	152.9	142.4
		TOTAL RESULT CONVENTION & EXHIBITION	**90.3**	**72.3**	**162.6**	**64.0**	**149.6**	**213.6**	**154.1**	**149.7**	**303.8**
		Other property services net operating result	15.9	(1.2)	14.7	14.1	-	14.1	33.7	(1.1)	32.7
		Other net income	0.0	-	0.0	4.8	28.3	33.1	4.7	28.3	33.0
TOTAL OPERATING RESULT AND OTHER INCOME			**815.6**	**904.1**	**1,719.7**	**793.9**	**486.5**	**1,280.4**	**1,639.7**	**1,422.7**	**3,062.4**
		General expenses	(48.0)	(0.9)	(48.9)	(40.9)	(1.0)	(41.9)	(89.3)	(4.9)	(94.2)
		Development expenses	(2.6)	-	(2.6)	(1.0)	5.0	4.0	(4.1)	5.0	0.9
		Financing result	(152.7)	(177.7)	(330.4)	(161.4)	(215.3)	(376.8)	(338.5)	(446.9)	(785.3)
RESULT BEFORE TAX			**612.2**	**725.5**	**1,337.7**	**590.6**	**275.1**	**865.7**	**1,207.9**	**975.9**	**2,183.8**
		Income tax expenses	(14.1)	(132.8)	(146.9)	14.0	(75.0)	(61.0)	(3.2)	(176.8)	(180.0)
NET RESULT FOR THE PERIOD			**598.1**	**592.6**	**1,190.8**	**604.5**	**200.1**	**804.6**	**1,204.7**	**799.1**	**2,003.8**
		Non-controlling interests	70.0	96.8	166.8	65.9	86.8	152.7	136.7	196.6	333.3
NET RESULT - OWNERS OF THE PARENT			**528.1**	**495.8**	**1,024.0**	**538.7**	**113.3**	**651.9**	**1,068.1**	**602.4**	**1,670.5**
Average number of shares and ORA			98,327,497			97,592,454			97,824,119		
RECURRING EARNINGS PER SHARE (€)			**5.37**			**5.52**			**10.92**		
RECURRING EARNINGS PER SHARE GROWTH			**-2.7%**			**6.0%**			**6.8%**		

[1] Non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, impairment of goodwill or recognition of negative goodwill as well as costs directly incurred during a business combination and other non-recurring items.

[2] The 2014 figures have been restated following the creation of the new Germany region which was previously included in Central Europe, and the transfer of Slovakia from Austria to Central Europe.

CONSOLIDATED INCOME STATEMENT Presented under IFRS format (€Mn)	H1-2015	H1-2014	2014
Gross rental income	833.3	828.0	1,702.0
Ground rents paid	(8.0)	(5.8)	(14.0)
Net service charge expenses	(11.7)	(11.2)	(24.5)
Property operating expenses	(88.1)	(91.9)	(198.3)
Net rental income	**725.5**	**719.1**	**1,465.1**
Corporate expenses	(47.0)	(39.8)	(87.1)
Development expenses	(2.6)	(1.0)	(4.1)
Depreciation of other tangible assets	(1.1)	(1.1)	(2.2)
Administrative expenses	**(50.7)**	**(41.9)**	**(93.4)**
Acquisition and related costs	**(0.9)**	**4.0**	**0.1**
Revenues from other activities	138.5	80.0	237.3
Other expenses	(101.1)	(52.8)	(164.4)
Net other income	**37.4**	**27.2**	**72.9**
Proceeds from disposal of investment properties	304.0	245.8	766.4
Carrying value of investment properties sold	(304.5)	(232.1)	(749.7)
Result on disposal of investment properties	**(0.4)**	**13.7**	**16.7**
Proceeds from disposal of shares	137.0	136.9	886.0
Carrying value of disposed shares	(102.9)	(108.7)	(820.1)
Result on disposal of shares	**34.1**	**28.3**	**65.9**
Valuation gains on assets	1,009.7	632.4	1,576.0
Valuation losses on assets	(191.9)	(200.2)	(261.8)
Valuation movements on assets	**817.8**	**432.2**	**1,314.2**
Impairment of goodwill/Negative goodwill	**(0.8)**	**11.3**	**11.3**
NET OPERATING RESULT BEFORE FINANCING COST	**1,562.0**	**1,193.8**	**2,852.8**
Result from non-consolidated companies	-	4.8	4.7
Financial income	*45.3*	*51.5*	*99.9*
Financial expenses	*(198.0)*	*(212.9)*	*(438.4)*
Net financing costs	(152.7)	(161.4)	(338.5)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	(158.4)	(42.6)	(48.3)
Fair value adjustments of derivatives and debt	(19.0)	(171.6)	(396.6)
Debt discounting	(0.3)	(1.2)	(1.8)
Share of the result of companies under the equity method	94.3	33.2	88.6
Income on financial assets	11.8	10.6	22.9
RESULT BEFORE TAX	**1,337.7**	**865.7**	**2,183.8**
Income tax expenses	(146.9)	(61.0)	(180.0)
NET RESULT FOR THE PERIOD	**1,190.8**	**804.6**	**2,003.8**
Non-controlling interests	166.8	152.7	333.3
NET RESULT (Owners of the parent)	**1,024.0**	**651.9**	**1,670.5**

Average number of shares (undiluted)	98,319,342	97,582,694	97,814,577
Net result for the period (Owners of the parent)	1,024.0	651.9	1,670.5
Net result for the period per share (Owners of the parent) (€)	**10.4**	**6.7**	**17.1**
Net result for the period restated (Owners of the parent) (1)	1,022.6	651.2	1,720.2
Average number of shares (diluted)	100,544,639	99,864,106	103,878,972
Diluted net result per share (Owners of the parent) (€)	**10.2**	**6.5**	**16.6**

NET COMPREHENSIVE INCOME (€Mn)			
NET RESULT FOR THE PERIOD	**1,190.8**	**804.6**	**2,003.8**
Foreign currency differences on translation of financial statements of subsidiaries	(2.9)	(6.7)	(12.9)
Gain/loss on net investment hedge	(3.7)	(20.4)	(45.2)
Cash flow hedge	0.8	0.4	0.9
Other comprehensive income which can be reclassified to profit or loss	**(5.8)**	**(26.7)**	**(57.2)**
Other comprehensive income reclassified to profit or loss	**-**	**(19.8)**	**(19.8)**
Employee benefits - will not be reclassified into profit or loss	**-**	**-**	**(5.9)**
OTHER COMPREHENSIVE INCOME	**(5.8)**	**(46.5)**	**(82.9)**
NET COMPREHENSIVE INCOME	**1,185.0**	**758.1**	**1,920.9**
Non-controlling interests	166.8	152.7	333.1
NET COMPREHENSIVE INCOME (OWNERS OF THE PARENT)	**1,018.2**	**605.4**	**1,587.8**

(1) The impact of the fair value of the ORNANE and the related financial expenses are restated from the net result of the period if it has a dilutive impact.

Consolidated Statement of financial position (€ Mn)	**30/06/2015**	**31/12/2014**
NON CURRENT ASSETS	**34,469.4**	**33,287.8**
Investment properties	**31,589.8**	**30,253.6**
Investment properties at fair value	*31,029.4*	*29,781.5*
Investment properties at cost	*560.5*	*472.1*
Other tangible assets	219.2	215.7
Goodwill	539.3	541.2
Intangible assets	243.2	237.5
Loans and receivables	42.2	46.7
Financial assets	18.5	77.1
Deferred tax assets	11.6	14.3
Derivatives at fair value	241.8	225.7
Shares and investments in companies under the equity method	1,563.8	1,676.1
CURRENT ASSETS	**1,587.2**	**2,282.4**
Properties or shares held for sale (1)	**385.1**	**614.1**
Trade receivables from activity	**401.4**	**364.4**
Other trade receivables	**514.5**	**472.8**
Tax receivables	176.4	166.8
Other receivables	209.3	229.4
Prepaid expenses	128.8	76.6
Cash and cash equivalents	**286.1**	**831.1**
Available for sale investments	2.9	529.3
Cash	283.2	301.8
TOTAL ASSETS	**36,056.6**	**35,570.2**
Shareholders' equity (Owners of the parent)	**14,641.0**	**14,519.9**
Share capital	492.9	490.3
Additional paid-in capital	6,296.4	6,229.8
Bonds redeemable for shares	1.4	1.3
Consolidated reserves	6,904.0	6,199.9
Hedging and foreign currency translation reserves	(77.8)	(71.9)
Consolidated result	1,024.0	1,670.5
Non-controlling interests	**2,528.3**	**2,413.3**
TOTAL SHAREHOLDERS' EQUITY	**17,169.3**	**16,933.2**
NON CURRENT LIABILITIES	**15,071.3**	**16,108.4**
Long-term commitment to purchase non-controlling interests	48.6	119.6
Net share settled bonds convertible into new and/or existing shares (ORNANE)	1,064.6	1,406.7
Long-term bonds and borrowings	11,409.6	12,006.0
Long-term financial leases	366.1	367.3
Derivatives at fair value	577.8	698.3
Deferred tax liabilities	1,263.6	1,172.9
Long-term provisions	37.9	40.2
Employee benefits	20.7	20.7
Guarantee deposits	195.7	196.0
Tax liabilities	1.4	1.3
Amounts due on investments	85.4	79.4
CURRENT LIABILITIES	**3,815.9**	**2,528.5**
Current commitment to purchase non-controlling interests	**44.2**	**2.0**
Amounts due to suppliers and other current debt	**1,509.9**	**1,035.2**
Amounts due to suppliers	157.8	187.6
Amounts owed to shareholders	472.5	-
Amounts due on investments	380.7	379.1
Sundry creditors	293.4	256.1
Other liabilities	205.5	212.4
Current borrowings and amounts due to credit institutions	**2,006.4**	**1,289.4**
Current financial leases	**6.2**	**6.0**
Tax and social security liabilities	**234.6**	**172.8**
Short-term provisions	**14.6**	**23.1**
TOTAL LIABILITIES AND EQUITY	**36,056.6**	**35,570.2**

(1) Comprises €188.1 Mn of investment properties held for sale and €197.0 Mn of shares in companies under the equity method held for sale.

Consolidated statement of cash flows (€ Mn)	H1-2015	H1-2014	2014
Operating activities			
Net result	**1,190.8**	**804.6**	**2,003.8**
Depreciation & provisions	2.3	9.2	31.8
Impairment of goodwill/Negative goodwill	0.8	(11.3)	(11.3)
Changes in value of property assets	(817.8)	(432.2)	(1,314.2)
Changes in value of financial instruments	177.4	214.2	445.0
Discounting income/charges	0.3	1.2	1.8
Charges and income relating to stock options and similar items	3.3	3.0	7.9
Other income and expenses	-	(5.0)	(5.0)
Net capital gains/losses on sales of shares	(34.1)	(28.3)	(65.9)
Net capital gains/losses on sales of properties [(1)]	(0.1)	(13.7)	(16.0)
Income from companies under the equity method	(94.3)	(33.2)	(88.6)
Income on financial assets	(11.8)	(10.6)	(22.9)
Dividend income from non-consolidated companies	(0.1)	(4.8)	(4.8)
Net financing costs	152.7	161.4	338.5
Income tax charge	146.9	61.0	180.0
Cash flow before net financing costs and tax	**716.4**	**715.4**	**1,480.0**
Income on financial assets	11.8	10.6	21.5
Dividend income and result from companies under equity method or non consolidated	7.7	16.2	19.9
Income tax paid	(10.5)	(26.7)	(39.8)
Change in working capital requirement	(61.7)	(58.2)	106.8
Total cash flow from operating activities	**663.7**	**657.3**	**1,588.4**
Investment activities			
Property activities	**(56.4)**	**(820.9)**	**(118.2)**
Acquisition of consolidated shares	(23.9)	(542.9)	(891.1)
Amounts paid for works and acquisition of property assets	(571.0)	(659.1)	(1,339.0)
Exit tax payment	-	-	(1.4)
Repayment of property financing	83.0	2.8	1.1
Increase of property financing	(20.7)	(5.1)	(12.6)
Disposal of shares/consolidated subsidiaries	172.2	137.7	1,409.2
Disposal of investment properties	304.0	245.8	715.6
Repayment of finance leasing	-	**0.2**	**0.2**
Financial activities	**(4.3)**	**(3.1)**	**(3.0)**
Acquisition of financial assets	(5.9)	(3.8)	(5.6)
Disposal of financial assets	1.1	0.3	1.6
Change in financial assets	0.5	0.3	1.0
Total cash flow from investment activities	**(60.7)**	**(823.8)**	**(121.0)**
Financing activities			
Capital increase of parent company	68.8	86.1	94.2
Change in capital from company with non-controlling shareholders	3.0	0.2	1.2
Distribution paid to parent company shareholders	(472.5)	(871.4)	(871.4)
Dividends paid to non-controlling shareholders of consolidated companies [(2)]	(63.2)	(63.7)	(65.8)
New borrowings and financial liabilities [(2)]	2,992.2	2,486.3	3,419.1
Repayment of borrowings and financial liabilities	(3,134.1)	(529.4)	(2,796.6)
Financial income	41.3	38.7	97.8
Financial expenses	(227.9)	(195.5)	(420.7)
Other financing activities	(366.9)	(60.8)	(173.9)
Total cash flow from financing activities	**(1,159.4)**	**890.5**	**(716.1)**
Change in cash and cash equivalents during the period	**(556.4)**	**723.9**	**751.3**
Cash at the beginning of the year	**827.6**	**94.8**	**94.8**
Effect of exchange rate fluctuations on cash held	**8.2**	**(6.8)**	**(18.4)**
Cash at period-end [(3)]	**279.4**	**811.9**	**827.6**

(1) Includes capital gains/losses on property sales, disposals of short term investment properties, disposals of finance leasing and disposals of operating assets.

(2) A reallocation has been done between dividend paid to non-controlling shareholders of consolidated companies and borrowings and financial liabilities as at June 30, 2014.

(3) Cash and equivalents include bank accounts, available-for-sale investments and current accounts with terms of less than three months, less bank overdrafts.

I. ACCOUNTING PRINCIPLES AND SCOPE OF CONSOLIDATION

Accounting principles

Unibail-Rodamco's consolidated financial statements as at June 30, 2015 were prepared in accordance with International Financial Reporting Standards ("IFRS") as applicable in the European Union as at June 30, 2015.

Unibail-Rodamco has applied for the first time IFRIC 21 "Levies" as at June 30, 2015, with a limited impact on the Group's financial statements.

No other change was made to the accounting principles with those applied for the year ended December 31, 2014.

The financial statements are compliant with the best practices recommendations published by the European Public Real estate Association (EPRA)[1]. Key EPRA performance indicators are reported in a separate chapter at the end of this appendix.

Scope of consolidation

The principal changes in the scope of consolidation since December 31, 2014 were:

- The sale on January 15, 2015, of the Nicetoile shopping centre to a joint-venture between Allianz and Hammerson;
- The sale on June 30, 2015, of the Group's 75% stake in Arkady Pankrac (Prague) to Atrium European Real Estate Limited;
- The sale of several minor non-core assets, located in France.

As at June 30, 2015, 308 companies were fully consolidated, 6 companies were consolidated under "joint operation" (as defined by IFRS 11) and 30 companies were accounted for using the equity method[2].

[1] EPRA Best Practices Recommendations are available on the EPRA website: www.epra.com

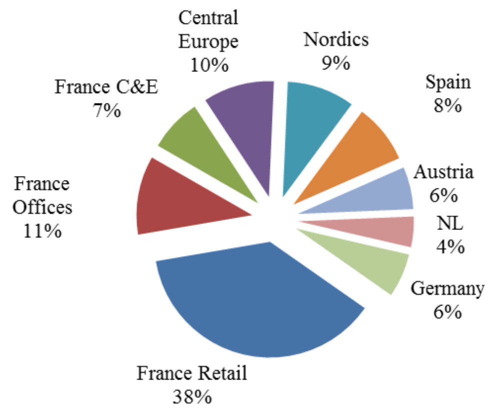
[2] Mainly the Comexposium subsidiaries and the Rosny 2 shopping centre in France, the Zlote Tarasy complex in Poland, and the Ring-Center, Ruhr Park, CentrO, Gropius and Paunsdorf shopping centres in Germany.

Operational reporting

The Unibail-Rodamco Group is operationally organised in seven regions: France, Spain, Central Europe[3], Austria, the Nordics, The Netherlands and Germany. The creation of a specific reporting segment for Germany this year is the result of the significant investments the Group has made in this region since 2012.

As France has substantial activities of all three business-lines of the Group, this region is itself divided in three segments: Shopping Centres, Offices and Convention & Exhibition. The other regions operate primarily in the Shopping Centre segment.

The table below shows the split of Gross Market Values per region as at June 30, 2015, including assets accounted for using the equity method[4].



[3] Central Europe includes Ring-Center (Berlin), accounted for using the equity method, and Aupark (Bratislava), previously in Austria.

[4] Except service companies (the Comexposium subsidiaries, Espace Expansion and mfi property services).

II. Business review by segment

1. Shopping Centres[5]

1.1 Shopping centre activity in H1-2015

Economic background

GDP growth in the eurozone is expected to pick up from +0.9% last year to +1.5% in 2015[6]. In the EU, GDP growth is now forecast to rise from +1.4% in 2014 to +1.8% in 2015. Short-term factors such as quantitative easing by the European Central Bank, lower oil prices, the depreciation of the Euro relative to major currencies and moderate global growth are supportive of a mild cyclical upswing in the EU. Although unemployment levels dropped compared to December 2014 (-30 bps in the eurozone and -20 bps in the EU), unemployment remains high, at 11.1% in the eurozone[7] and 9.7% for the EU in April 2015. Absent a negative impact, on the eurozone from the Greek crisis, stronger economic growth is expected to lead to further improvements in labour market conditions, which in turn should feed private consumption and accelerate domestic demand[6]. Inflation in the eurozone and the EU fell sharply in late 2014 and early 2015, mostly due to the continued decline of energy prices. Inflation expectations for 2015 indicate low but positive inflation and annual HICP[8] inflation is expected to rise from its currently low level of +0.1% in the following years.

In Unibail-Rodamco's regions, the GDP growth in Q1-2015 for the Czech Republic, Spain and Poland was +4.2%, +3.5% and +3.5%, respectively[9]. GDP growth increased at a more moderate pace in Sweden, The Netherlands, Germany and France with +2.6%, +2.4%, +1.0%, and +0.7%, respectively, while it remained flat in Austria at +0.1%[6].

While the macro economic outlook improved significantly in the first half of 2015, increasing geopolitical tensions or further terrorist threats could impede economic growth in Europe. The evolution of the Greek crisis and the Chinese economic developments could also impact negatively the current positive economic trend.

During H1-2015, Unibail-Rodamco's performance was again robust demonstrating the strength of its business model of focusing on large and dominant shopping centres located in wealthy and densely populated catchment areas of major European cities.

Tenant sales[10]

The Group's tenant sales increased by +4.2% during H1-2015 compared to the same period last year. Tenant sales in the Group's shopping centres grew by +3.9% during the first five months of 2015 compared to the same period in 2014, outperforming the relevant national sales indexes by 270 bps. Footfall grew by +1.3% through May 2015 compared to 2014.

Spanish shopping centres showed the strongest increase with tenant sales growth of +7.4% during the first five months in 2015, outperforming the national sales index by +490 bps[11]. This performance was led primarily by large shopping centres in Barcelona (La Maquinista (+10.3%) and Splau (+7.5%)) and Madrid (Parquesur (+6.8%)). In Germany, tenant sales increased by +4.2%[12], outperforming the national sales index by +120 bps, mainly driven by Pasing Arcaden (Munich), which was extended in 2013 (+5.9%), and Höfe am Brühl (Leipzig), which opened in 2012 (+5.2%). Tenants in the French shopping centres outperformed the national sales index by +330 bps, with sales growth of +3.8% compared to the same period in 2014[13] despite the impact of the terrorist attacks in Paris and threats in France during the first quarter of

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[5] Effective January 1, 2015, Aupark was transferred from Austria to Central Europe and the 2014 data have been restated to reflect this change.

[6] Source: European Economic Forecast, Spring 2015. http://ec.europa.eu/economy_finance/publications/european_economy/2015/pdf/ee2_en.pdf

[7] Source: Eurostat, June 3, 2015. http://ec.europa.eu/eurostat/documents/2995521/68621043-03062015-BP-EN.pdf/efc97561-fad1-4e10-b6c1-e1c80e2bb582

[8] Consumer price inflation in the euro area is measured by the Harmonised Index of Consumer Prices (HICP). The HICP is compiled by Eurostat and the national statistical institutes in accordance with harmonised statistical methods.

[9] Source: Eurostat, June 9, 2015. http://ec.europa.eu/eurostat/documents/2995521/6870823/2-09062015-AP-EN.pdf/415a882c-7d7b-4131-bacc-8ddca81d305a

[10] Tenant sales performance in Unibail-Rodamco's shopping centres (excluding The Netherlands) in portfolio of shopping centres in operation, including extensions of existing assets, and excluding deliveries of new brownfield projects, acquisition of new assets and assets under heavy refurbishment. Primark sales estimates have been taken into account in Toison d'Or, Bonaire, El Faro, Parquesur, Splau and Shopping City Süd. Excludes Apple stores sales, which Apple Inc. no longer publishes.

[11] While Splau (Barcelona) is included in tenant sales, it excludes Splau's footfall due to change in counting system in 2015.

[12] Ruhr Park, Gropius Passagen, Paunsdorf Center and CentrO are not included, due to consolidation method.

[13] Carré Sénart Shopping Parc, Parly 2, Le Forum des Halles and Galerie Gaité are excluded, due to ongoing works or projects.

2015. In Central Europe[14], tenant sales grew by +3.5%, +320 bps above the national sales index, mainly driven by the strong performance of the extended and fully renovated Centrum Černý Most (Prague) delivered in March 2013 (+9.8% through May 31, 2015). Tenant sales in the Nordics increased by +1.6% during the first five months of 2015 compared to the same period in 2014. Such sales currently exclude Täby Centrum (Stockholm), due to the extension and comprehensive refurbishment of the centre. Tenant sales in this centre increased by +37.6% through May 2015, thanks to the opening of the South extension in July 2013 and delivery of the North extension in May and August of 2014. In Austria, tenant sales increased by +1.0%, outperforming the national sales index by 50 bps.

Innovation

Fostering the Group's leading position in terms of asset quality, premium services and differentiated customer experience, "UR Lab" recently launched several new initiatives and further refined and expanded a number of existing concepts, in order to drive additional footfall:

- Designer Gallery: this latest innovation aims to recreate the spirit of concept stores and fashion magazines inside Unibail-Rodamco's malls with aspirational, young and lifestyle brands, a constantly renewed offer in a distinctly designed cluster, and exclusive services and events to enhance the customer experience. Polygone Riviera (Cagnes-sur-Mer) and Mall of Scandinavia (Stockholm) were chosen as pilots within the Group. The first Designer Galleries will open in Q4 this year. Within the Group's standing assets, Galeria Mokotow (Warsaw) will be the first to open a Designer Gallery in early 2016. In total, a further 20 shopping centres have been identified in Unibail-Rodamco's portfolio for the progressive roll-out of this initiative.

- Fresh!: the Fresh! concept aims to create an exceptional food hall for the most demanding gourmets with a high quality, diversified and regularly refreshed offer. After "El Mercat de Glories" in Glories (Barcelona), opened successfully in September 2014, UR Lab has fine-tuned the concept to prepare its roll-out. 24 of the Group's shopping centres have been identified for deployment of Fresh!.

- Digital marketing: the Group keeps enlarging its online footprint, with strong growth in every digital channel. Through June 2015, on a like-for-like perimeter (excluding 2014 divestments and German assets), smartphone application downloads increased by +27% (to 3.1 Mn), website visits grew by +17% (22.2 Mn visits through June 30, 2015) and on Facebook, the Group's shopping centres now have 4.8 Mn fans (+16% compared to the same period in 2014).

  To better address its large and growing audience, the Group has invested in a new digital infrastructure:
  - ✓ A new Content Management System to administer content on websites, mobile applications and social networks is being implemented.
  - ✓ An indoor positioning technology based on Bluetooth hardware has been deployed in 13 shopping centres with the goal to expand to 31 shopping centres by December 2015. This new infrastructure will enable development of location-based features.

  These new infrastructure tools allow the Group to provide innovative solutions to improve the visitors' journey in its shopping centres. Having identified pain points, Unibail-Rodamco developed three key features:
  - ✓ Smart Park: easy entrance and exit from the parking for loyalty card holders, by an automatic recognition of their number plate and automatic recognition and memorization of the parking slot;
  - ✓ Smart Map: enabling visitors to easily locate the shops they are looking for and current promotions on the map of their shopping centre; and
  - ✓ Meet My Friends: a social indoor positioning feature making shopping sessions easier and more fun; through this application, visitors can share their location with their friends and thus, catch up easily in the shopping centre.

  These new features improve engagement of customers who are willing to share data in exchange for clear benefits. As an example, since the launch of Meet My Friends in Les Quatre Temps (Paris region) in June, new digital loyalty card account creation was up by +91.4% vs. the same period last year.

- 4 Star label[15]: 20 of the Group's shopping centres have now been awarded the 4 Star label, with the newly delivered Minto (Mönchengladbach), the recently refurbished

[14] Excluding Aupark and Centrum Chodov, due to ongoing refurbishment works.

[15] The "4 Star label" for a shopping centre is based on a 684 point quality referential and audited by SGS, the world leader in service certification.

Euralille (Lille) and Shopping City Süd (Vienna) labelled in H1-2015[16]. The previously labelled shopping centres have undergone or are undergoing their annual independent audit to ensure continued compliance with the label's quality requirements. Other shopping centres being prepared for labelling in H2-2015 include Polygone Riviera (Cagnes-sur-Mer) and Mall of Scandinavia (Stockholm).

- The Dining Experience™: the fifth Dining Experience™ was inaugurated on February 7, 2015 at Les Quatre Temps (Paris region). During the launch event, customers enjoyed an interactive cooking show by Thierry Marx, the famous French two-star Michelin chef, who will also act as the ambassador of this Dining Experience™ concept in Les Quatre Temps. The creation of new Dining Experiences™ will continue during 2015 with Mall of Scandinavia (Stockholm) and Polygone Riviera (Cagnes-sur-Mer).

Leasing activity

Leasing activity was strong in H1-2015 with 676 leases signed with a Minimum Guaranteed Rent (MGR) uplift[17] of +16.1% on renewals and relettings. The MGR uplift for large shopping centres was +19.5%. The Group's rotation rate[18] stood at 6.5% in H1-2015, in line with its objective to rotate at least 10% of its tenants each year. Unibail-Rodamco continues its successful strategy of introducing differentiating and exclusive retail concepts.

In H1-2015, the Group signed 88 leases with International Premium Retailers[19], compared to 79[20] in H1-2014, representing a +11.4% increase[21]. This further demonstrates the appeal of the Group's shopping centres and Unibail-Rodamco's ability to continuously improve the retail offer of its malls with the most differentiating and attractive brands, despite a more challenging leasing market.

A significant number of retailers will open their first mono-brands stores in Continental Europe in the Group's shopping centres, such as Origins (Estée Lauder Group) in Galeria Mokotow (Warsaw), Chaps by Ralph Lauren in Aupark (Bratislava) and Centrum Chodov (Prague). Tiger of Sweden chose Aupark (Bratislava) to open its first store in a shopping centre in Central Europe. Additionally, Nespresso, after opening its first stores in a shopping centre in France, Austria and The Netherlands with Unibail-Rodamco, opened its first store in a shopping centre in Germany on June 6, 2015 in Pasing Arcaden (Munich).

H1-2015 leasing activity of the Group was also focused on the pre-letting of its outstanding shopping centre developments. Mall of Scandinavia (Stockholm) and Polygone Riviera (Cagnes-sur-Mer) are scheduled to open in Q4-2015 and are 97% and 88% pre-let[22], respectively. Notable brands include Uniqlo, Primark and the concept store "Le Grand Playground" for Polygone Riviera (Cagnes-sur-Mer), and H&M, Illums Bolighus department store, and the first JD Sports and Kiko in Sweden for Mall of Scandinavia (Stockholm). Additionally, having secured in 2014 the first COS and &Other Stories stores in a shopping centre in Continental Europe in Polygone Riviera (Cagnes-sur-Mer), the Group signed with these two exclusive brands of the H&M group for Mall of Scandinavia (Stockholm).

Extension, renovation and brownfield projects

In order to meet demand from retailers for stores in superior assets with high footfall and a critical mass of differentiating retailers, the Group continues to renovate and extend shopping centres as well as develop new shopping centres.

On March 25, 2015, after two years of works and an investment of €213 Mn, Unibail-Rodamco opened Minto (Mönchengladbach). This former local shopping area has been redeveloped into an emblematic 41,867 m² regional shopping destination with more than 100 shops. The shopping centre includes the Group´s latest innovations such as Iconic Shop fronts and 4 Star services. Customers are guided towards "Minto´s Deli" (the mall´s dining area) by The "Diner´s Tree" – a huge tree-like sculpture designed by French artist Alexis Tricoire. The retail offer includes international and established brands such as Liebeskind, H&M and Saturn as well as International Premium Retailers such as Reserved and Forever 21. Fynch-Hatton opened its very first German shop in Minto. The delivery of this new

[16] Following a comprehensive quality audit performed by SGS.
[17] Minimum Guaranteed Rent uplift: difference between new and old rents. Indicator calculated on renewals and relettings.
[18] Rotation rate = (number of relettings + number of assignments + number of renewals with new concepts) / number of stores.
[19] Retailers with strong and international brand recognition, and a differentiating store design and product approach, which may increase the appeal of the shopping centres.
[20] Restated for the disposals in 2014 and H1-2015.
[21] The compound annual growth rate for the two-year period ending June 30, 2015 is +10.6%.
[22] Retail GLA signed, all agreed to be signed and financials agreed, excluding storage.

shopping destination with its unique and novel features and experience was extremely well received in Germany by both visitors and press alike. Through June 30, the shopping centre attracted more than 2.5 Mn visits.

On May 20, 2015, Euralille (Lille) revealed its first renovation since its construction in 1994. The opening day with a special evening shopping session drew more than 50,000 visitors. The centre has been redesigned into a bright and warm destination. The Group´s latest innovations were also introduced in Euralille, including, among others, Iconic Shop fronts (e.g., Sephora and The Body Shop) and the 4 Star Label. Euralille also partnered with the City to host the second Tourism Office of Lille. The retail offer was significantly improved with the introduction as a premiere in the North of France of well-known brands such as Burger King and Starbucks. Since the inauguration on May 20, footfall has increased by +17% through June 30 compared to the same period last year.

Other notable projects include:

- The last part of the extension and refurbishment of Täby Centrum (Stockholm) was delivered in March 2015.
- In So Ouest Plaza (Paris region), a cinema and restaurant were delivered in May 2015, complementing the existing So Ouest shopping centre offer.
- After completion of an extensive restructuring during 2014, Aupark (Bratislava) is currently undergoing a full refurbishment of the inside mall (including new ceilings, flooring and an improved customer journey) to be completed in H2-2016.
- Other major extension and renovation works are on-going in Forum des Halles (Paris), in Centrum Chodov (Prague), in Glories (Barcelona) and in Parly 2 (Paris region) and are scheduled to be delivered between H1-2016 and H2-2017.
- Building permit to Carré Sénart (Paris region) extension was obtained and works started in May 2015.

Last but not least, the Group will deliver in H2-2015 two major brownfield projects in France and Sweden: Polygone Riviera (Cagnes-sur-Mer) and Mall of Scandinavia (Stockholm).

As a result of its redesigning, retenanting and remarketing strategy, the Group has improved the average Net Promoter Score[23] for its shopping centres from +7 in 2011 to +16 as at June 30, 2015.

1.2. Net Rental Income from Unibail-Rodamco's shopping centres

As at June 30, 2015, the Group owned 88 retail assets, of which 72 shopping centres. 53 of these host 6 million or more visits per annum and represent 95% of the Group's retail portfolio[24] in Gross Market Value (GMV). Following the disposal of 13 French shopping centres in 2014 and H1-2015, the Group's French shopping centres now account for 47% of the Group's retail portfolio GMV (vs. 53% as at December 31, 2013 and 48% as at December 31, 2014).

Total consolidated Net Rental Income (NRI) of the shopping centre portfolio amounted to €581.9 Mn in H1-2015, a decrease of -1.4% from H1-2014 due to the impact of the disposals (-9.6%) made in 2014.

Region	Net Rental Income (€Mn)		
	H1-2015	H1-2014	%
France	272.8	319.2	-14.5%
Spain	76.0	71.6	6.2%
Central Europe	74.2	70.5	5.3%
Austria	46.1	44.4	4.0%
Nordic	52.7	48.5	8.7%
Netherlands	33.7	36.3	-7.1%
Germany	26.4	-	-
TOTAL NRI	**581.9**	**590.3**	**-1.4%**

The total net change in NRI amounted to -€8.4 Mn compared to H1-2014 due to:

- +€26.9 Mn from changes in consolidation and acquisitions:
  - ✓ In Germany, mfi has been fully consolidated since July 25, 2014 following the acquisition of an additional stake and the related change of control;

[23] Net Promoter Score: an international customer loyalty metric measuring if a shopping centre engenders positive or negative recommendations. It was created in 2003 by a consultant of Bain & Company in collaboration with Satmetrix. The NPS measures the difference between the percentage of "promoters" and the percentage of "detractors" of a shopping centre. "Promoters" are defined as those answering 9 or 10 to the question "Based on a scale from 0 to 10, how likely are you to recommend this shopping centre to a colleague or friend? 0 means you would not recommend and 10 means you would definitely recommend." "Detractors" are defined as those answering 0 to 6. Scores of 7 and 8 are "Passives" and do not impact the calculation of the NPS. NPS can be as low as -100 and as high as +100. The NPS is calculated yearly in all Unibail-Rodamco's shopping centres, based on a survey at the exits of each shopping centre of approximately 500 visitors during a one-week period and led by Soft Computing, an independent institute.

[24] On standing assets, including assets accounted for using the equity method.

- ✓ Acquisition of additional units mainly in the Parquesur and La Vaguada shopping centres in Madrid.

- +€6.9 Mn from delivery of shopping centres or new units, mainly in Sweden (Täby), in Spain (Garbera project) and in France (So Ouest Plaza).

- -€2.6 Mn due to assets in the pipeline, mainly in France with Forum des Halles (Paris) and Galerie Gaité (Paris) and in Spain with the project in Glories (Barcelona).

- -€56.7 Mn due to disposals of non-core assets:
  - ✓ -€50.6 Mn in France, mainly due to the disposal of 12 shopping centres[25] in November and December 2014 and in January 2015;
  - ✓ -€3.4 Mn in Spain due to the disposals of Albacenter (Albacete) and Habaneras (Alicante);
  - ✓ -€2.7 Mn in The Netherlands further to the divestment of several small assets.

- -€1.8 Mn due to a negative currency translation effect from SEK.

- The like-for-like NRI[26] growth amounted to +€18.9 Mn, up +4.0%, 360 bps above indexation.

Region	Net Rental Income (€Mn) Like-for-like		
	H1-2015	H1-2014	%
France	243.8	238.9	2.1%
Spain	65.5	58.3	12.3%
Central Europe	73.0	69.1	5.6%
Austria	46.1	44.4	4.0%
Nordic	34.0	32.3	5.5%
Netherlands	27.0	27.6	-2.3%
TOTAL NRI Lfl	**489.4**	**470.5**	**4.0%**

Region	Net Rental Income Like-for-like evolution (%)			
	Indexation	Renewals, relettings net of departure	Other	Total
France	0.0%	2.2%	-0.1%	2.1%
Spain	-0.3%	3.3%	9.2%	12.3%
Central Europe	1.0%	4.5%	0.1%	5.6%
Austria	1.6%	2.4%	0.0%	4.0%
Nordic	1.4%	3.3%	0.9%	5.5%
Netherlands	0.9%	-1.1%	-2.2%	-2.3%
TOTAL	**0.4%**	**2.6%**	**1.0%**	**4.0%**

[25] Five to Carmila, six to Wereldhave and one to an Allianz/Hammerson joint-venture. Not including Cité Europe sold to Carmila and which was accounted for using the equity method.

[26] Like-for-like NRI: Net Rental Income excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields) and currency exchange rate differences in the periods analysed.

The +4.0% like-for-like NRI growth for the Group[27] in H1-2015 reflects the impact of low indexation (+0.4% only vs. +0.9% in H1-2014 and the lowest since the merger in 2007), other income (+1.0% vs. +0.5 % in H1-2014) and the good performance in renewals and relettings (+2.6% vs. +1.2% in H1-2014). Other income in Spain is due primarily to indemnities received and lower operating expenses thanks to the recovery of doubtful debt. In The Netherlands, the reduction in Other income is due mainly to an increase in property taxes and the reversal of a provision in 2014.

Across the whole portfolio, Sales Based Rents (SBR) represented 2.1% (€12.3 Mn) of total Net Rental Income in H1-2015 (vs. €11.3 Mn (1.9%) last year).

1.3. Contribution of affiliates

The total recurring Contribution of affiliates[28] for the shopping centre portfolio amounted to €42.9 Mn in H1-2015, compared to €37.9 Mn in H1-2014.

Region	Contribution of affiliates (€Mn)		
	H1-2015 Recurring activities	H1-2014 Recurring activities (restated)	Change
France	5.0	6.8	- 1.8
Spain	0.6	0.7	- 0.1
Central Europe (1)	20.8	18.9	1.9
Germany (1)	16.5	11.5	5.0
TOTAL	**42.9**	**37.9**	**5.0**

(1) For H1-2014, Ruhr Park and CentrO were restated from Central Europe to Germany.

The total net increase of €5.0 Mn is mainly due to:

- The negative impact in France of the disposal of Cité Europe (Calais), sold to Carmila in November 2014;
- In Germany, the impact of:
  - ✓ The acquisition, in May 2014, of a stake in CentrO (Oberhausen);
  - ✓ The change of control in mfi in July 2014 (mfi is now fully consolidated instead of accounted for using the equity method); and

[27] Germany is not yet included in the like-for-like calculation as mfi was fully consolidated as of July 2014.

[28] Contribution of affiliates represents Unibail-Rodamco's share of the Net recurring result for the period of all entities accounted for using the equity method and interests received on loans granted to companies accounted for using the equity method.

- The increase in the contribution from Zlote Tarasy (Warsaw).

On a pro-forma basis, excluding the change of consolidation method, acquisitions and divestment, the total Contribution of affiliates grew by +€2.5 Mn (+9.8%), mainly due to Zlote Tarasy (Warsaw).

1.4. Leasing activity in H1-2015

The Group signed 676 leases in H1-2015 on consolidated standing assets for €80.8 Mn of MGR (compared to 643 leases in H1-2014, adjusted for the disposal of the French and Spanish assets in 2014 and H1-2015). The average MGR uplift[29] was +16.1% on renewals and relettings during the first six months of 2015 (compared to +19.6% in 2014 and +23.1% in H1-2014). The uplift in H1-2015 compared to H1-2014 was the result of healthy uplifts in France, Austria and Central Europe, partially offset by the 1.7% uplift in Germany and the negative uplift in The Netherlands.
The MGR uplift for large shopping centres was +19.5%.

Region	Lettings / re-lettings / renewals excl. Pipeline				
	nb of leases signed	m²	MGR (€ Mn)	MGR uplift Like-for-like	
				€ Mn	%
France	152	46,278	29.3	4.5	23.0%
Spain	144	26,610	11.0	0.9	9.4%
Central Europe	155	37,610	17.1	2.3	21.3%
Austria	47	7,001	6.0	1.1	28.2%
Nordic	107	23,076	10.3	0.5	7.5%
Netherlands	46	18,114	5.6	- 0.3	-6.4%
Germany	25	3,377	1.4	0.0	1.7%
TOTAL	**676**	**162,066**	**80.8**	**9.0**	**16.1%**

MGR: Minimum Guaranteed Rent

1.5. Vacancy and Lease expiry schedule

As at June 30, 2015, the total annualised MGR from Unibail-Rodamco's shopping centre portfolio increased to €1,146.9 Mn (€1,143.4 Mn as at December 31, 2014), despite the disposal of Nicetoile completed in January 2015.

The following table shows a breakdown by lease expiry date and at the tenant's next break option:

Retail	Lease expiry schedule			
	MGR (€Mn) at date of next break option	As a % of total	MGR (€Mn) at expiry date	As a % of total
Expired	39.2	3.4%	39.1	3.4%
2015	70.5	6.1%	51.8	4.5%
2016	224.5	19.6%	76.3	6.7%
2017	214.6	18.7%	82.9	7.2%
2018	210.8	18.4%	95.6	8.3%
2019	124.1	10.8%	110.7	9.7%
2020	85.7	7.5%	98.8	8.6%
2021	39.5	3.4%	89.5	7.8%
2022	31.2	2.7%	118.6	10.3%
2023	23.5	2.0%	110.9	9.7%
2024	23.6	2.1%	74.5	6.5%
2025	20.7	1.8%	58.0	5.1%
Beyond	39.0	3.4%	140.1	12.2%
TOTAL	**1,146.9**	**100%**	**1,146.9**	**100%**

Estimated Rental Values (ERV) of vacant space in operation on the total portfolio increased slightly to €32.1 Mn (from €29.8 Mn as at December 31, 2014), resulting from an increase in vacancy.

The EPRA vacancy rate[30] as at June 30, 2015 increased marginally from 2.2% as at December 31, 2014 to 2.3% across the total portfolio, including 0.3% of strategic vacancy. The increase of the vacancy rate in France is mainly due to increase of vacancy in Carré Sénart, due to an extension project, and in Carrousel du Louvre (strategic vacancy). In Spain, the increase in vacancy is mainly due to a few minor assets. In Central Europe, vacancy increased by 20 bps. In the other regions, the vacancy decrease is mainly due to good leasing activity.

Region	Vacancy (June 30, 2015)		% Dec. 31, 2014
	€Mn	%	
France	16.7	2.5%	2.2%
Spain	3.5	1.8%	1.5%
Central Europe	1.8	1.1%	0.9%
Austria	1.8	1.7%	2.1%
Nordic	3.6	2.8%	3.1%
Netherlands	1.9	3.0%	3.3%
Germany	2.7	3.8%	4.7%
TOTAL	**32.1**	**2.3%**	**2.2%**

Excluding pipeline

The occupancy cost ratio[31] (OCR) for the Group remained stable at 14.1% as at June 30, 2015 on

[29] MGR uplift: difference between new and old rents. Indicator calculated on renewals and relettings.

[30] EPRA vacancy rate = Estimated Rental Value (ERV) of vacant spaces divided by ERV of total surfaces.

[31] Occupancy Cost Ratio = (rental charges + service charges including marketing costs for tenants) / (tenants' sales); VAT included and for all the occupiers of the shopping centre. As tenant turnover is not known for all tenants for The Netherlands, no reliable OCR can be calculated for this country. Primark sales estimates have

average, compared to 14.2% as at December 31, 2014, with no major change in any of the regions.

1.6. Investment and divestment

Unibail-Rodamco invested €393 Mn[32] in its shopping centre portfolio in H1-2015:

- New acquisitions amounted to €37 Mn:
  - ✓ In The Netherlands, a number of retail units and other minor assets were acquired during H1-2015, mainly in Leidsenhage (Leidschendam-Voorburg), for a total acquisition cost of €20 Mn;
  - ✓ In Spain, additional plots were acquired in Parquesur (Madrid) for €9 Mn;
  - ✓ In France, additional plots were acquired in Forum des Halles (Paris), Euralille (Lille) and Ulis 2 (Paris region), for a total amount of €8 Mn.

- €290 Mn were invested in construction, extension and refurbishment projects. Minto (Mönchengladbach) was delivered in March 2015. Significant progress was made on Forum des Halles (Paris), Mall of Scandinavia (Stockholm) and Polygone Riviera (Cagnes-sur-Mer) (see also section "Development projects").

- Financial, eviction and other costs were capitalised in H1-2015 for €14 Mn, €35 Mn and €17 Mn, respectively.

On January 15, 2015, the Group completed the sale of Nicetoile (Nice), for a total acquisition cost of €312.5 Mn, representing a net initial yield of 5.0%.

Further to the agreement with Atrium European Real Estate entered into on January 22, 2015, Unibail-Rodamco completed the disposal of Arkady Pankrac (Prague) on June 30, 2015. As announced in January 2015, the transaction terms are: a total acquisition cost[33] of €162 Mn[34], representing a net initial yield[35] of 5.65% and an average value per m² of €5,361.

On June 18, 2015, Unibail-Rodamco and AXA Real Estate (AXA) entered into agreements with Perella Weinberg Real Estate Fund (PWREF) pursuant to which they will acquire PWREF's 50% stake in Ruhr Park (Bochum), subject to customary closing conditions. Upon closing of these transactions, the Group will have acquired an additional 15% stake in Ruhr Park. Unibail-Rodamco's total commitment for the equity stake, the assumption of debt and the incremental capex to complete the extension and refurbishment of the shopping centre is approximately €98 Mn. Pursuant to the shareholders' agreement entered into between Unibail-Rodamco and AXA, the Group will own a 65% stake and control Ruhr Park, which will be fully consolidated. Closing is expected to occur during Q3-2015.

1.7. Overview of German operations[36]

Under IFRS, the performance of the Group's German portfolio is reported partly in consolidated NRI and partly in the line "Contribution of affiliates".

To provide a better understanding of the operational performance of the Group's German assets in H1-2015, the following paragraph describes on a pro-forma and 100% basis, a number of key performance indicators[37]:

- The total GMV of the German portfolio (fully or partly owned) at 100% amounted to €4.6 Bn as at June 30, 2015 (€4.3 Bn as at December 31, 2014);
- The Pipeline at 100% amounted to €1.1 Bn as at June 30, 2015, following delivery of Minto (Mönchengladbach) in March 2015, compared to €1.3 Bn as at December 31, 2014;
- The GLA managed amounted to 1.4 million m² and includes 0.8 million m² for owned assets;
- NRI amounted to €91.6 Mn in H1-2015, an increase of +€38.5 Mn compared to H1-2014, mainly explained by the acquisition of CentrO in May 2014 and the openings of Palais Vest (Recklinghausen) in September 2014 and of Minto (Mönchengladbach). On a like-for-like basis, NRI grew by +1.4% (including 0.2% of indexation);
- 145 leases were signed in H1-2015 of which 79 leases for standing assets (87 in H1-2014),

been taken into account in 2015 in Toison d'Or, Bonaire, El Faro, Parquesur, Splau and Shopping City Süd.

[32] Total capitalised amount in asset value group share.

[33] Including transfer taxes and transaction costs.

[34] Corresponding to Unibail-Rodamco's 75% stake in Arkady Pankrac and implying a total acquisition cost of 100% share of €216 Mn.

[35] Annualized contracted rent including indexation for the next 12 months, net of operating expenses, divided by the asset value.

[36] Includes Office assets, representing 1.7% of total GMV-group share. Excludes mfi fee business and Ring-Center.

[37] These operating data are for 100% of the assets for the half-years 2014 and 2015, except for CentrO's 2014 NRI which data have been included prorata temporis, and therefore cannot be reconciled with the Group's financial statements and key performance indicators.

with an average MGR uplift of +7.5%, and 66 leases for pipeline assets;

- The vacancy rate as at June 30, 2015 stood at 4.3% (compared to 3.3% as at December 31, 2014), including 0.8% of strategic vacancy;
- OCR for tenants in H1-2015 was 15.0%, stable compared to 2014.

2. Offices

2.1 Office property market in H1-2015

Take-up

With 876,960 m² rented[38] in H-1 2015, the take-up in the Paris region decreased by -25% compared to the same period in 2014. This represents almost the lowest take-up in the Paris Region[39] since 2003. In La Défense, take-up was down by -48% with approximately 50,700 m² rented[38]. The Paris Central Business District (CBD) fared a lot better and saw take-up decline by only -3% in H1-2015 compared to the same period last year.

This decline in take-up is closely linked to the low level of transactions above 5,000 m², both in terms of number and volume. Only 18 transactions totaling 165,000 m² were recorded in this segment, down from 32 transactions for 449,300 m² in H1-2014, a -63% decrease in volume year-on-year[40]. This represents 9,166 m² per transaction, compared to 14,041 m² in H1-2014 and 13,000 m² in 2014.

No large-scale transaction (over 20,000 m²) was recorded since the beginning of the year. The largest transaction recorded was the lease to Peugeot (15,049 m²) for its future headquarters in the Art & Fact 2.0 building in Rueil-Malmaison (Paris region).

Large users have been very cautious about making decisions on their real-estate needs since the beginning of the year. Tenants have mostly postponed their relocation projects, choosing extensions or renegotiating leases with landlords who have been amenable to doing so, sometimes several years before the end of the lease term.

The La Défense market is a market of large and very large transactions. In light of the number of ongoing negotiations in this segment, the take-up at the end of 2015 is expected to remain stable compared to 2014.

Considering current market indicators in the Paris region and the low take-up recorded at H1-2015 compared to H1-2014, the take-up at the end of 2015 should reach between 1.9 and 2.0 million m² compared to 2.1 million m² in 2014. For example, some large users occupying very large surfaces may sign significant leases in 2015 and thus benefit from the current supply / demand dynamics.

Rents

In Paris CBD, prime rents remained stable at €687/m² as at June 30, 2015 (€688/m² as at December 31, 2014).
The highest rent recorded in Paris CBD in H1-2015 was the €760/m² for the Bredin Prat transaction on the Quai d'Orsay building (Paris 7th arrondissement), a fully refurbished building. Highest face rents signed range from €705/m² to €760/m², mostly on smaller transactions, as evidenced by the transactions of Edmond de Rothschild Investment Partners (1,048 m²) in "Vendome-Saint Honoré" building for a face rent of €750/m² and Exane in Cloud (Paris 2) for €705/m² average rent (top floor with terraces at €780/m²).

In La Défense, the highest face rent recorded in H1-2015 was around €470/m² for the Cerner transaction on the Ariane tower (1,500 m²) and the Ubaf transaction on the Eqho tower (3,700 m²). These rental levels are the lowest recorded in this segment since 2003 and are due mostly to the lack of significant transactions on prime new buildings.

Tenant incentives in La Defense remained stable at an average of 22% through June 2015 (compared to 21% at the end of H1-2014) and remain closely linked to the large level of immediate supply since the beginning of the year and to the pressure put by tenants and prospective tenants.

New Supply

The immediate supply in the Paris region market stands at 4 million m², of which 70% consists of buildings without environmental certification.

The level of new or refurbished as new supply in the Paris region is stable at 0.7 million m² due to the low level of delivery of speculative developments in the Paris region in the last two years and to the good level of take-up recorded in 2014.

The vacancy rate in the P aris region was 7.2% as at June 30, 2015 and saw a large variation of per geographic sector. While the vacancy rate in the Paris CBD remained stable at approximately 5.5% during the last two years, the vacancy rate in La

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[38] Source: BNP Paribas Real Estate, June 2015.
[39] Source: Immostat and BNP Paribas Real Estate, June 2015.
[40] Source: BNP Paribas Real Estate, advisory France June 2015.

Défense and the Peri-Défense decreased slightly to 11.9% and 15.0%, respectively, compared to 12.2% and 15.5% as at December 31, 2014.

Investment market

The total volume of transactions closed during H1-2015 of €4.5 Bn[41] was down by -29% compared to the same period last year. However, the investment market is very active and saw the announcement of a number of significant transactions expected to be concluded by the end of 2015 (e.g., the sale by Ivanhoé Cambridge of two office buildings to Gecina for circa €1.24 Bn).

The market is characterized by large transactions (17 transactions over €100 Mn were entered into during the 5 first months of 2015 compared to 9 transactions for the same period last year[41]) such as: Ecowest in Levallois; Amundi Headquarters in Paris 15; Espace Lumière in Boulogne; City Light 2 in Boulogne.

The type of assets involved are diversified, ranging from opportunistic deals characterized by empty buildings or buildings to be vacated shortly and needing refurbishment (e.g., Tour Pascal in La Défense), to turn-key contracts involving leasing risk or assets with long-term leases (e.g., City Light 2 and Ecowest).

The strong demand for and limited supply of high quality office buildings further compressed yields for prime office assets in Paris CBD. Prime yields in Paris CBD fell to at or below 4.0% from between 4.0% and 4.25% as at December 2014. Prime yields in La Défense fell by about 50 bps to around 5.0%, as illustrated by the sale by Ivanhoé Cambridge of GDF's headquarters in buildings T1&B.

2.2. Office division activity in H1-2015

Unibail-Rodamco's consolidated NRI from the offices portfolio came to €84.5 Mn in H1-2015, an increase of +1.9% year-on-year.

Region	Net Rental Income (€Mn)		
	H1-2015	H1-2014	%
France	75.1	71.4	5.2%
Nordic	6.3	6.3	0.6%
Netherlands	0.3	3.6	n.m
Other countries	2.8	1.6	n.m
TOTAL NRI	**84.5**	**82.9**	**1.9%**

The increase of +€1.6 Mn from H1-2014 to H1-2015 is explained as follows:

- +€3.2 Mn due to the delivery of 2-8 Ancelle in Neuilly-sur-Seine (Paris region), partially offset by the cost of vacancy of Majunga (La Défense);
- +€1.5 Mn due to indemnities received on assets transferred to pipeline;
- +€1.2 Mn due to the full consolidation of mfi since July 2014;
- -€3.5 Mn due to disposals, mainly of several offices buildings to VALAD in The Netherlands and of 34-36 Louvre (Paris) in February 2014;
- -€0.2 Mn due to currency effects in the Nordics.
- Like-for-like NRI[42] was almost flat at -€0.6 Mn (-0.8%), mainly due to indemnities received last year from departing tenants in France.

Region	Net Rental Income (€Mn) Like-for-like		
	H1-2015	H1-2014	%
France	66.8	67.6	-1.2%
Nordic	6.6	6.3	5.1%
Netherlands	0.2	0.3	-14.2%
Other countries	1.6	1.6	-2.8%
TOTAL NRI Lfl	**75.2**	**75.8**	**-0.8%**

18,906 m² were leased in standing assets in H1-2015, including 6,965 m² in France. Several renewals and relettings were signed in Tour Ariane (La Défense) and Issy Guynemer (Paris region).

So Ouest Plaza office (Levallois, Paris region) was delivered in H1-2015. After leasing 80% of this building to L'Oréal in 2014, the remaining floors representing 7,274 m² were leased to L'Oréal in H1-2015. This building is now fully let.

The expiry schedule of the leases of the office portfolio (termination option and expiry date) is shown below.

[41] Source: BNP Paribas Real Estate, June 2015.

[42] Like-for-like NRI: Net Rental Income excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields) and currency exchange rate differences in the periods analysed.

Office	Lease expiry schedule			
	MGR (€Mn) at date of next break option	As a % of total	MGR (€Mn) at expiry date	As a % of total
Expired	5.5	2.5%	5.6	2.5%
2015	16.4	7.4%	12.1	5.5%
2016	28.7	13.0%	20.9	9.5%
2017	10.4	4.7%	6.8	3.1%
2018	26.8	12.1%	19.8	9.0%
2019	37.0	16.8%	43.1	19.5%
2020	6.0	2.7%	5.7	2.6%
2021	9.7	4.4%	8.4	3.8%
2022	11.7	5.3%	10.8	4.9%
2023	4.8	2.2%	17.8	8.0%
2024	3.5	1.6%	3.9	1.8%
2025	34.0	15.4%	20.2	9.1%
Beyond	26.1	11.8%	45.7	20.7%
TOTAL	**220.7**	**100%**	**220.7**	**100%**

ERV of vacant office space in operation amounted to €34.4 Mn as at June 30, 2015, corresponding to a financial vacancy[43] of 13.8% on the total portfolio (14.4% as at year-end 2014), including €31.2 Mn and 13.8% (vs. 14.6% as at December 31, 2014) in France. This vacancy is mainly due to the delivery of Majunga (La Défense) in July 2014, almost 50% let as of June 2015, partially offset by the delivery of the fully-let So Ouest Plaza (Paris region).

2.3. Investment and divestment

Unibail-Rodamco invested €61 Mn[44] in its offices portfolio in H1-2015:

- €56 Mn were invested for works and minor acquisitions, mainly in France for So Ouest Plaza in Levallois (Paris region) and for the Trinity project in La Défense (see also section "Development Projects");

- Financial and other costs capitalised amounted to €5 Mn.

The Group expects to dispose between €1.3 Bn and €1.8 Bn worth of office assets by the end of 2018.

[43] EPRA Vacancy rate = Estimated Rental Value (ERV) of vacant spaces divided by ERV of total surfaces.
[44] Total capitalised amount in asset value, group share.

3. Convention & Exhibition

This activity is exclusively located in France and consists of a real estate venues and services company (Viparis) and a trade show organizer (Comexposium).

Both organizations are owned jointly with the Chamber of Commerce and Industry of Paris Ile-de-France (CCIR). Viparis is fully consolidated by Unibail-Rodamco and Comexposium is accounted for using the equity method.

The Convention & Exhibition business has a seasonal results pattern, with annual, biennial and triennial shows, and an uneven distribution of shows during the year.

With more constrained marketing budgets in a lackluster economic environment, shows remain one of the most effective media for exhibitors. Therefore, companies maintain their presence in order to gain new orders, even if they lease fewer square meters. The average floor space rented for a typical show and the number of corporate events organized in Viparis have indeed decreased during H1-2015. However, 26 new exhibitions are expected in 2015 (of which 17 took place in the first semester), compared to 24 in 2014.

H1-2015 was characterized by the following shows:

Annual shows:
- The "International Agriculture Show" (SIA) attracted 691,000 visitors, one of the best attendances in the past ten years[45].
- The 2015 edition of the "Foire de Paris" attracted 563,500 visitors, including 120,000 visitors on May 8th and 3,500 exhibitors and trademarks.

Biennial shows:
- "Le Bourget International Air Show" (SIAE) 51st edition was a record-breaking event. More than 2,000 exhibitors from 48 countries were represented, $130 Bn in new orders were announced and the show attracted 351,000 visitors, an +11% increase compared to 2013.
- The "Paris International Agri-Business Show" (SIMA) welcomed 1,740 exhibitors from 40 countries and attracted approximately 239,000 visits including 23% from abroad, stable compared to 2013.

Triennial show:
- One of the world's leading shows, the "International Exhibition for Equipment and Techniques for Construction and Materials Industries" (INTERMAT), demonstrated its

[45] On a comparable number of days.

international leadership, with more than 131,000 visitors, of which 35% from abroad.

International congresses when held in Viparis venues break attendance records. For example, the 8th International Conference on Advanced Technologies & Treatments for Diabetes (ATTD 2015) held at the CNIT saw a +20% growth in participants.

In total, 490 events were held in Viparis venues during H1-2015, of which 154 shows, 68 congresses and 268 corporate events.

As a result of its seasonal activity and despite the challenging economic environment, Viparis EBITDA[46] reached €78.2 Mn for H1-2015, an increase of +€19 Mn vs. H1-2013, the latest comparable period. This increase resulted from: (i) the positive impact of the triennial Intermat show; (ii) a small acquisition in December 2014; (iii) the impact of the new 50-year lease with the City of Paris for Porte de Versailles as a result of which the rent for this venue is now accounted for in the Financing expenses in H1-2015, instead of an expense deducted from EBITDA in H1-2013 under the prior concession; and (iv) growth of Viparis' EBITDA of €4.7 Mn (+8%) compared to H1-2013 on a comparable basis.

At the end of June 2015, completed events and signed events for the rest of the year in Viparis' venues amounted to 91%, in line with usual pre-booking rates.

The new 50-year lease contract signed with the City of Paris to operate and modernize the Porte de Versailles venue took effect on January 1, 2015.

The first phase of renovation works started in June 2015: demolition works began in order to build the new Welcome Plaza, travelators in the Central Alley, the Meshing facade of Pavilion 1 by Dominique Perrault, and the renewal of the 72,000 m² Pavilion 7, to create a new Parisian Convention Centre, "Palais 7", including a 5,200-seat plenary room.

The NRI from hotels amounted to €8.2 Mn for H1-2015, compared to €7.0 Mn for H1-2014, an increase of +€1.2 Mn, mainly due to a strong performance of the Novotel in Confluence (Lyon).

In H1-2015, Comexposium contributed €9.3 Mn to the Group's recurring result vs. €4.8 Mn in H1-2014 and €5.7 Mn in H1-2013. The H1-2015 results were favourably impacted by the triennial Intermat show. Excluding this show, the contribution of Comexposium to the recurring result would have been €6.6 Mn (+16% compared to H1-2013).

In order to accelerate Comexposium's international development and reinforce CCIR's partnership with Comexposium, Unibail-Rodamco and the CCIR have entered into an agreement with Charterhouse, pursuant to which Charterhouse has agreed to acquire Unibail-Rodamco's 50% stake in Comexposium. This transaction values Comexposium at €550 Mn[47]. Completion of this transaction is expected in Q3-2015.

III. SUSTAINABILITY

Sustainable thinking is closely integrated into Unibail-Rodamco's operating, development and investment activities. Sustainability is a day-to-day commitment of all teams within the Group to run a more efficient and ethical business. The Group's sustainability strategy, based on environmental best practices, social fairness and transparent governance, is designed to return reliable, quantifiable improvements in performance over the long term.

The Group continued to certify its standing asset portfolio, with three additional BREEAM-In-Use certificates granted in H1-2015 and four renewed certificates, all of them at 'Outstanding' level for the 'Management' part.

In June, Pasing Arcaden (Munich) obtained a double 'Excellent' score for the 'Building' and the 'Management' parts in the BREEAM-In-Use scheme, which is a first in Germany, illustrating the progress in the implementation of the Group's Sustainability policy across the mfi portfolio.

With 42 shopping centres certified as of June 30, 2015, 73%[48] of the Group's standing shopping centre portfolio is now BREEAM In-Use certified, corresponding to over 2 million m² of consolidated GLA. 81% of certifications obtained reached an 'Excellent' or 'Outstanding' level, which is the highest certification profile for a portfolio in the retail real estate market.

In Q2-2015, Unibail-Rodamco successfully implemented its new environmental e-reporting tool

[46] EBITDA= "Net rental income " and "Other site property services income" + "Contribution of affiliates" of Viparis venues.

[47] Enterprise value, excluding minority interests.

[48] In terms of gross market values as of June 30, 2015, including values of shares in assets accounted for using the equity method.

based on the Enablon software suite, the leading dedicated solution for environmental reporting in Europe. This environmental e-management solution will support each team on site in setting targets, in following up their environmental action plan and in monitoring their building's performance, especially for resource consumption and energy cost optimisation. Through a robust data collection and consolidation process, it will also allow the Group to further secure the reliability and traceability of its data.

In April 2015, Unibail-Rodamco successfully issued its second "Green Bond" in the Euro market, for €500 Mn with a 10-year maturity and a coupon of 1.00%, a record low level for a bond issued by the Group. This 'responsible bond' issue demonstrates Unibail-Rodamco's commitment to and long-term view on sustainability both for the development and construction phase, as well as for efficient operations.

The Group is listed in the main Environmental, Social and Governance indices (FTSE4Good, STOXX Global ESG[49] leaders and Euronext Vigeo World 120 index), being ranked among the top companies in the Real Estate sector.

The Group's reporting complies with the newly released EPRA Best Practice Recommendations for Sustainability Reporting, and the international reporting framework GRI G4 (Global Reporting Initiative), based on the most material issues for the Group, and in line with its main business opportunities and risks.

[49] Environmental / Social / Governance.

IV. H1-2015 RESULTS

Other property services net operating result was €14.7 Mn in H1-2015 and came from property services companies in France, Spain and Germany. The recurring part amounted to €15.9 Mn, an increase of €1.8 Mn compared to H1-2014, mainly due to positive impact of the full consolidation of mfi from July 2014, partially offset by the negative impact of the disposals of 13 shopping centres[50] in France.

Other net income amounted to €0.0 Mn in H1-2015, compared to €33.1 Mn in H1-2014, which was mainly composed of a €28.3 Mn non-recurring capital gain due to the sale of the 7.25% stake in SFL, and the €4.7 Mn dividend paid by SFL in April 2014 and recognized in recurring income.

General expenses amounted to -€48.9 Mn in H1-2015, including -€48.0 Mn in recurring expenses (-€41.9 Mn in H1-2014, of which -€40.9 Mn in recurring), an increase of €7.0 Mn mainly due to the impact of the full consolidation of mfi. As a percentage of NRI from shopping centres and offices, recurring general expenses were 7.2% in H1-2015 (vs. 6.1% in H1-2014), resulting mainly from: (i) the impact of mfi's full consolidation; (ii) additional duties and taxes in France; and (iii) the decrease of NRI due to the disposals. As a percentage of GMV of shopping centres and offices, recurring expenses were 0.15% for the period ended on June 30, 2015, compared to 0.14% at the end of June 2014.

Development expenses incurred for feasibility studies of projects and potential acquisitions amounted to -€2.6 Mn in H1-2015 (-€1.0 Mn in H1-2014) in recurring expenses.

Recurring financial result totalled -€152.7 Mn in H1-2015, after deduction of capitalised financial expenses of €18.1 Mn allocated to projects under construction. This represents a €8.7 Mn decrease compared to H1-2014. The €152.7 Mn include the fees paid to Ville de Paris related to the 50-year lease contract for Porte de Versailles, which was accounted for as a financial lease with effect as of January 1, 2015.
The Group's average cost of debt[51] was 2.3% for H1-2015 (2.6% for 2014).

[50] Six to Carmila, six to Wereldhave and one to an Allianz/Hammerson joint-venture.
[51] Average cost of debt = Recurring financial expenses (excluding the ones on financial leases) + capitalized financial expenses (excluding non-recurring financial expenses such as mark-to-market and termination costs of financial instruments including bonds repurchased, currency impact) / average net debt over the period.

Unibail-Rodamco's financing policy is described in section 'Financial Resources'.

Non-recurring financial result amounted to -€177.7 Mn in H1-2015, which breaks down as follows:

- +€144.8 Mn mark-to-market of derivatives, in accordance with the option adopted by Unibail-Rodamco for hedge accounting to recognise directly in the income statement the change in value of caps and swaps;
- -€212.9 Mn resulting mainly from the premium and costs paid on the €1,145 Mn of bonds repurchased following the completion in April 2015 of a tender offer for 9 bonds maturing between 2016 and 2021 with coupons ranging between 1.625% and 4.625%, and on the repurchase of €739 Mn of the ORNANE issued in 2012, corresponding to a hit ratio of ca. 98.5%;
- -€50.8 Mn mark-to-market of the ORNANEs issued in 2012, 2014 and 2015;
- -€59.1 Mn of currency impact mainly resulting from the revaluation of debt issued in HKD, USD and CHF. The offsetting benefit of the cross currency swap was recorded in the mark-to-market of derivatives as these transactions were fully hedged;
- +€0.7 Mn for amortisation of mfi debt marked to market in July 2014;
- -€0.4 Mn of debt discounting and other minor items.

Most of the ORAs[52] issued in 2007 have been converted. Only 6,269 ORAs[53] were still in issue as at June 30, 2015.

Income tax expenses are due to the Group's activities in countries where specific tax regimes for property companies[54] do not exist and from activities in France not eligible for the SIIC regime, mainly in the Convention & Exhibition business.

The income tax expense amount takes into account the impact of the recent changes in the tax environment in the various regions where the Group operates.

Income tax allocated to the recurring net result amounted to -€14.1 Mn in H1-2015 compared to +€14.0 Mn in H1-2014. In H1-2015, this increase stems mainly from tax expenses in non-SIIC activities in France and Spain and a reversal of a provision in H1-2014.

[52] ORA: "Obligations Remboursables en Actions" = bonds redeemable for shares.
[53] Convertible into 7,836 shares.
[54] In France: SIIC (Société d'Investissements Immobiliers Cotée).

Non-recurring income tax expenses amounted to -€132.8 Mn in H1-2015, due mainly to the increase of deferred tax liabilities as a result of the revaluation of certain assets to fair market value. This amount also includes the 3% tax levied on cash dividends paid by French companies in H1-2015. In 2015, the Group will pay -€14.0 Mn of tax on the dividend paid in March and July 2015 for the fiscal year ended December 31, 2014.

Non-controlling interests in the consolidated recurring net result after tax amounted to €70.0 Mn in H1-2015 compared to €65.9 Mn in H1-2014. Minority interests held by third parties related essentially to shopping centres in France (€42.7 Mn, mainly Les Quatre Temps, Parly 2 and Forum des Halles) and the stake of CCIR in Viparis (€25.3 Mn). The non-recurring non-controlling interests amounted to €96.8 Mn in H1-2015, up from €86.8 Mn in H1-2014, due primarily to valuation movements.

Net result - owners of the parent was a profit of €1,024.0 Mn in H1-2015. This figure breaks down as follows:

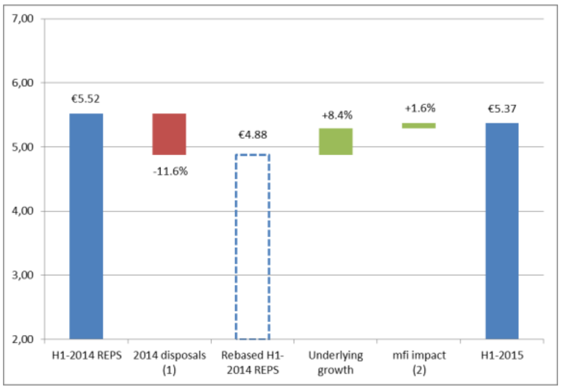
- €528.1 Mn of recurring net result (compared to €538.7 Mn in H1-2014), a decrease of -2.0% year-on-year, as a result of the disposals in France and The Netherlands partially offset by strong NRI growth and lower interest expenses;
- €495.8 Mn of non-recurring result[55] (compared to €113.3 Mn in H1-2014).

The average number of shares and ORAs[56] outstanding during this period was 98,327,497, compared to 97,592,454 during the same period last year. The increase is mainly due to stock options exercised in 2014 and H1-2015 (impact of +694,184 on the average number of shares in H1-2015) and to the issuance of performance shares in April 2015 corresponding to the Group's 2012 compensation plan (impact of +10,037 in H1-2015).

Recurring Earnings per Share (recurring EPS) came to €5.37 in H1-2015, representing (i) an underlying growth of +8.4% from the recurring EPS for H1-2014 rebased for the disposals in 2014 and January 2015 (€4.88), and (ii) +1.6% from the acquisition of the mfi stake from PWREF in July 2014. Reported recurring EPS decreases by only -2.7% in H1-2015 compared to actual H1-2014.

[55] Include valuation movements, disposals, mark-to-market and termination costs of financial instruments, impairment of goodwill or reversal of negative goodwill and other non-recurring items.
[56] It has been assumed here that the ORAs have a 100% equity component.

The evolution of the recurring earnings per share (REPS) H1-2015



(1) Including 12 shopping centres in France, the 7.25% stake held in SFL, two non-core shopping centres in Spain, almost all of the Group's offices in The Netherlands, and the disposal of Nicetoile (Nice) on January 15, 2015.
(2) Impact of acquisition of PWREF stake on July 25, 2014. Excluding deliveries of Palais Vest and Minto.

These results reflect the robust like-for-like rental growth of the shopping centres, the seasonal results of the Convention & Exhibition activity and the decrease in the average cost of debt.

V. POST-CLOSING EVENTS

On July 1, 2015, the Group completed the sale of a 46.1% stake in mfi GmbH to Canada Pension Plan Investment Board's wholly-owned subsidiary, CPP Investment Board Europe S.à r.l., further to the agreement entered into on May 15, 2015.

CPPIB paid the Group €394 Mn for the equity stake and will also provide additional funding in support of mfi's financing strategies. This price reflects an implied net initial yield of 5.1% for mfi's portfolio and an average price of €5,000/m², and represents a difference of +€66 Mn with the Group's total acquisition price for this stake.

CPPIB will appoint two representatives to the Supervisory Board of mfi. Pursuant to the joint-venture agreements, Unibail-Rodamco's stake in mfi will amount to 48.0% and mfi will remain fully consolidated by Unibail-Rodamco.

VI. OUTLOOK

Based on the robust performance during H1-2015 referred to above, the Group increases its guidance for recurring EPS for the year ending December 31, 2015 to €10.25-€10.45 (from €10.15-€10.35 previously).

This outlook assumes completion of the pending disposals and no deterioration of the general economic or security conditions in Europe.

DEVELOPMENT PROJECTS AS AT JUNE 30, 2015

Unibail-Rodamco's consolidated development project pipeline grew to €8.2 Bn (€7.4 Bn in group share) as at June 30, 2015, corresponding to a total of 1.6 Mn m² 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 (69% of the total investment cost[57]).

1. Development project portfolio evolution

2015 is a very active year for development projects, with several deliveries in H1-2015, and major projects such as Mall of Scandinavia (Stockholm) and Polygone Riviera (Cagnes-sur-Mer) to be delivered in H2-2015. On March 15, the last extension phase was delivered at Täby Centrum (Stockholm) which is now in full operation after five years of a complete redesign and a major extension of the shopping centre. Minto shopping centre (Mönchengladbach) was opened to great acclaim on March 25. The redevelopment of the So Ouest Plaza office tower (Paris region), which is now fully let to L'Oréal, was delivered on May 1, 2015, and includes a new dining and leisure offer right next to the So Ouest shopping centre. The renovation project in Euralille (Lille) was completed, with a grand opening on May 20, 2015.

This first half year also illustrated the Group's capacity to replenish its development pipeline. The 3 Pays project was added: it consists of an 85,913 m² retail and leisure project in the South of the Alsace region, where France, Germany and Switzerland meet. The Triangle tower project (Paris) has been re-integrated in the development pipeline following the vote of the Paris City Council approving the project on June 30, 2015.

Lastly, the Group also made significant progress on the existing pipeline projects. The Überseequartier project (Hamburg) development agreement has been ratified by Hamburg's city council.

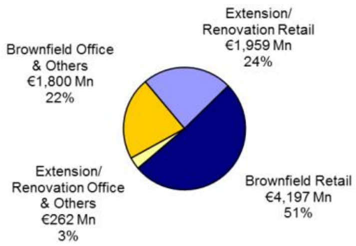
2. Development projects overview

The estimated total investment cost (TIC) of the consolidated development pipeline[58] as at June 30, 2015 amounts to €8.2 Bn. This amount does not include the projects under development by companies accounted for using the equity method[59] which amount to circa €0.3 Bn (group share).

The €8.2 Bn development pipeline compares with the €8.0 Bn as of December 31, 2014. The change in TIC results from: (i) new projects added to the pipeline in 2015 (+€962 Mn, including €521 Mn for the Triangle tower), (ii) some modifications in the program of existing projects including currency changes (+€164 Mn), (iii) delivered projects during H1-2015 (-€813 Mn), and (iv) the removal of the Shopping City Süd (Vienna) East extension project from the development portfolio (-€149 Mn) and its replacement by another extension project in the Western part of the shopping centre (+€70 Mn).

The pipeline categories are as follows:

Consolidated development pipeline by category[60]



The €6.2 Bn retail pipeline is split between brownfield projects, which represent 68%, and extensions and renovations, which make up the remaining 32%. The Group expects to add 1.2 Mn m² of additional GLA with the extensions and brownfield projects, representing an increase of ca. 36% of the Group's existing retail GLA, and to redevelop or refurbish 113,544 m² of existing GLA.

Development projects in the Office & Other sectors amount to €2.1 Bn. Brownfield projects represent 87% of this investment and correspond to some 273,801 m² of new GLA, of which 70% is expected to be delivered after 2020. The remainder will be invested in redevelopment or refurbishment of 74,766 m² of existing assets.

[57] In terms of cost to completion of "Controlled" and "Secured exclusivity" projects, as % of total investment cost of the consolidated development portfolio.
[58] The development pipeline includes only the projects in the shopping centre and offices divisions of the Group. Projects for the Convention & Exhibition business are not included.
[59] Mainly the development of two new shopping centres located in Benidorm (Spain) and in Central Europe.

[60] Figures may not add up due to rounding.

3. A secured and flexible development pipeline

The table below shows the evolution of the development pipeline since December 31, 2014 by commitment categories:

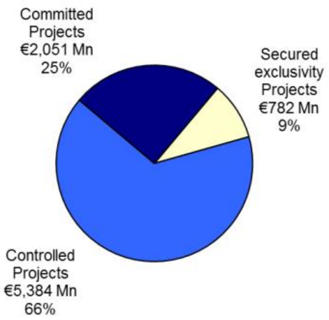
In € Bn	H1-2015	2014
“Committed[61]” projects	2.1	2.1
“Controlled[62]” projects	5.4	4.3
“Secured Exclusivity[63]” projects	0.8	1.5
Consolidated total investment cost	**8.2**	**8.0**

Figures may not add up due to rounding.

Several projects were transferred from the “Controlled” to the “Committed” category following the start of works. It includes the Wroclavia project (Wroclaw), the extension and renovation projects in Centrum Chodov (Prague), and in Carré Sénart (Paris region), for an expected aggregate total investment cost of €621 Mn.

The Überseequartier project was transferred from the “Secured exclusivity” to the “Controlled” category.

Consolidated development pipeline by phase[60]



Of the €2.1 Bn “Committed” development pipeline, €1.1 Bn has already been spent, with €1.0 Bn still to be invested over the next 2.5 years. Of this amount, €0.5 Bn has been contracted.

The “Controlled” and “Secured exclusivity” development pipeline represents options to create significant value for the Group.

The Group’s pipeline does not include projects under consideration or for which it is in competition.

[61] “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.
[62] “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.
[63] “Secured exclusivity” projects: projects for which Unibail-Rodamco has the exclusivity but where negotiations for building rights or project definition are still underway.

4. Changes in development pipeline projects in H1-2015

In 2015, several projects with a total investment cost of ca. €1.0 Bn were added to the development pipeline. Key projects include:

- The 3 Pays project for an expected total investment cost of €394 Mn;
- The Triangle tower project in Paris for an expected total investment cost of €521 Mn;
- A new West extension project in Shopping City Süd (Vienna) has been added to the pipeline, for an expected total investment cost of €70 Mn.

5. Investments in H1-2015

See sections 1.6 and 2.3 of the “Business Review by segment” for shopping centres and offices, respectively.

6. Delivered projects in H1-2015

H1-2015 deliveries in the retail segment were:
- The last phase of Täby Centrum (Stockholm) extension. The five year project represents a total investment cost of €321 Mn;
- Minto, a 41,867 m² GLA shopping centre in Mönchengladbach, for a total investment cost of €213 Mn;
- The 4,222 m² of retail GLA in Levallois (Paris region), a cinema and restaurant, in the mixed-use project So Ouest Plaza for a total investment cost of €24 Mn;
- The restructuring and renovation of the Euralille (Lille) shopping centre, for a total investment cost of €68 Mn.

The weighted yield-on-cost on these delivered projects was 7.3%.

So Ouest Plaza (Paris region), a 36,571 wm² office building, was delivered in H1-2015 and fully let to L’Oréal. The total investment cost was €196 Mn for this asset.

7. Deliveries expected in the next 12 months

In H2-2015, three important projects will be delivered:

- Polygone Riviera, a shopping centre project with 70,838 m² in Cagnes-sur-Mer;
- Mall of Scandinavia, a new shopping centre with 101,121 m² in Stockholm;
- The Ruhr Park extension and renovation[64] (Bochum), a major restructuring project for the 106,912 m² shopping centre.

The extension/renovation project of Forum des Halles, in the centre of Paris, is expected to be delivered in H1-2016.

The delivery of two smaller refurbishment projects in Rosny 2 (Paris region) shopping centre and Les Villages offices (La Défense) is also expected within the next 12 months.

The aggregate GLA pre-letting of the retail projects to be opened in the next 12 months is 88% and provides good income visibility.

8. Projects overview

See table next page

Costs of existing projects have slightly increased in total due to:

- The mechanical effects of inflation and discounting;
- Some changes in scope, mainly in The Spring project in The Netherlands or significant modifications of a few projects, mainly in Val Tolosa;
- Some increases of other costs in some projects (mainly in Forum des Halles, in Glories, in Mall of Scandinavia and in Polygone Riviera).

[64] Ruhr Park shopping centre is accounted for using the equity method at June 30, 2015.

DEVELOPMENT PROJECTS – June 30, 2015

Consolidated Development projects (1)	Business	Country	City	Type	Total Complex GLA (m²)	GLA U-R scope of consolidation (m²)	Cost to date(2) U-R scope of consolidation (€ Mn)	Expected cost (3) U-R scope of consolidation (€ Mn)	Expected Opening date(4)	U-R Yield on cost (%) (5)	Project Valuation
POLYGONE RIVIERA	Shopping Centre	France	Cagnes sur Mer	Greenfield / Brownfield	70,838 m²	70,838 m²	316	460	H2 2015		Fair value
MALL OF SCANDINAVIA	Shopping Centre	Sweden	Stockholm	Greenfield / Brownfield	101,121 m²	101,121 m²	539	645	H2 2015		Fair value
FORUM DES HALLES RENOVATION	Shopping Centre	France	Paris	Extension / Renovation	14,999 m²	14,999 m²	75	155	H1 2016		Fair value
AUPARK RENOVATION	Shopping Centre	Slovakia	Bratislava	Extension / Renovation	7,245 m²	7,245 m²	5	29	H2 2016		At cost
WROCLAVIA (6)	Shopping Centre	Poland	Wrocław	Greenfield / Brownfield	79,074 m²	79,074 m²	47	227	H2 2017		At cost
CHODOV EXTENSION (7)	Shopping Centre	Czech Rep.	Prague	Extension / Renovation	41,082 m²	41,082 m²	38	162	H2 2017		At cost
CARRE SENART EXTENSION	Shopping Centre	France	Paris region	Extension / Renovation	29,996 m²	29,996 m²	28	232	H2 2017		At cost
PARLY 2 EXTENSION	Shopping Centre	France	Paris region	Extension / Renovation	8,195 m²	8,195 m²	23	110	H2 2017		At cost
OTHERS					13,772 m²	13,772 m²	4	30			
Committed Projects					**366,322 m²**	**366,322 m²**	**1,075**	**2,051**		**7.3%**	
GLORIES EXTENSION-RENOVATION	Shopping Centre	Spain	Barcelona	Extension / Renovation	10,725 m²	10,725 m²	18	114	H1 2017		Fair Value
PALMA SPRINGS (8)	Shopping Centre	Spain	Palma de Mallorca	Greenfield / Brownfield	72,597 m²	72,597 m²	8	229	H1 2018		At cost
SPRING (9)	Shopping Centre	Netherlands	Leidschendam-Voorburg	Extension / Renovation	76,502 m²	76,502 m²	162	456	H1 2018		At cost
TRINITY	Office & others	France	Paris region	Greenfield / Brownfield	48,693 m²	48,693 m²	30	308	H2 2018		At cost
MAQUINEXT	Shopping Centre	Spain	Barcelona	Extension / Renovation	39,393 m²	39,393 m²	63	179	H2 2018		At cost
VAL TOLOSA	Shopping Centre	France	Toulouse	Greenfield / Brownfield	97,011 m²	64,383 m²	39	279	H2 2018		At cost
BUBNY	Shopping Centre	Czech Rep.	Prague	Greenfield / Brownfield	55,692 m²	55,692 m²	22	202	H2 2020		At cost
TRIANGLE	Office & others	France	Paris	Greenfield / Brownfield	85,140 m²	85,140 m²	10	521	Post 2020		At cost
NEO	Shopping Centre	Belgium	Brussels	Greenfield / Brownfield	120,098 m²	120,098 m²	4	549	Post 2020		At cost
ÜBERSEEQUARTIER	Shopping Centre	Germany	Hamburg	Greenfield / Brownfield	184,362 m²	184,362 m²	3	860	Post 2020		At cost
PHARE	Office & others	France	Paris region	Greenfield / Brownfield	124,531 m²	124,531 m²	55	917	Post 2020		At cost
OTHERS					201,371 m²	201,371 m²	97	771			
Controlled Projects					**1,116,114 m²**	**1,083,486 m²**	**512**	**5,384**		**8% target**	
3 PAYS	Shopping Centre	France	Hésingue	Greenfield / Brownfield	85,913 m²	85,913 m²	1	394	H2 2019		At cost
SCS WEST EXTENSION	Shopping Centre	Austria	Vienna	Extension / Renovation	7,314 m²	7,314 m²	0	70	H1 2020		At cost
OTHERS					76,041 m²	76,041 m²	3	318			
Secured Exclusivity Projects					**169,268 m²**	**169,268 m²**	**4**	**782**		**8% target**	
U-R Total Pipeline					**1,651,703 m²**	**1,619,075 m²**	**1,590**	**8,217**		**8% target**	
					Of which additionnal area	1,430,766 m²					
					Of which redevelopped area	188,310 m²					

Development projects accounted under equity method (1)	Business	Country	City	Type	Total Complex GLA (m²)	GLA U-R share (m²)	Cost to date(2) U-R share (€ Mn)	Expected cost (3) U-R share (€ mn)	Expected Opening date(4)	U-R Yield on cost (%) (5)
RUHR PARK	Shopping Centre	Germany	Bochum	Extension / Renovation	2 981 m²	1 491 m²	41	67	H2 2015	
Committed Projects					**2,981 m²**	**1,491 m²**	**41**	**67**		**8% target**
BENIDORM	Shopping Centre	Spain	Benidorm	Greenfield / Brownfield	54,934 m²	27,467 m²	38	90	H1 2019	
OTHERS (10)					104,800 m²	52,400 m²	4	169		
Controlled Projects					**159,734 m²**	**79,867 m²**	**43**	**258**		**8% target**
U-R Total Pipeline - Projects under equity method					**162,715 m²**	**81,357 m²**	**83**	**326**		**8% target**

(1) Figures subject to change according to the maturity of projects.
(2) Excluding financial costs and internal costs capitalised.
(3) Excluding financial costs and internal costs capitalised. The costs are discounted as at June 30, 2015.
(4) In the case of staged phases in a project, the date corresponds to the opening of the last phase.
(5) Annualized expected rents net of expenses divided by the total investment cost.
(6) Formerly named Wroclaw.
(7) The project includes 1,754 m² of offices assessed at fair value since December 31, 2014.
(8) Formerly named Mallorca.
(9) Units acquired for the project are included in the cost to date at their acquisition cost and in the fair value of the standing shopping centre.
(10) Under confidentiality agreement.

Unibail-Rodamco's EPRA triple Net Asset Value (NNNAV)[65] amounted to €161.70 per share as of June 30, 2015, an increase of +6.9%, or +€10.50, from €151.20 at December 31, 2014 and of +12.8%, or +€18.40, from €143.30 as at June 30, 2014. This increase of +€10.50 is the result of: (i) the value creation of €11.08 per share representing the sum of: (a) the H1-2015 Recurring Earnings Per Share of €5.37, (b) the revaluation of property and intangible assets and capital gain on disposals of €8.37 per share, (c) the dilutive effect of the instruments giving access to Group's shares of -€1.12 per share, (d) the change of transfer taxes and deferred tax adjustments of -€0.68 per share and (e) other items for -€0.86 per share; (ii) the positive impact of the mark-to-market of debt and financial instruments of +€4.22 per share; and (iii) the impact of the payment of the interim dividend in March 2015 of -€4.80 per share.

The going concern NAV[66] (GMV based), measuring the fair value on a long term, on-going basis, came to €177.40 per share as at June 30, 2015, up by +6.7%, or +€11.10, compared to €166.30 as at December 31, 2014.

1. PROPERTY PORTFOLIO

Following a very strong 2014, European commercial real estate investment markets remained very liquid and active in H1-2015 and are on track to reach the volumes recorded in 2007. Investment volumes[67] in Europe reached €113 Bn in H1-2015, an increase of +43% compared to H1-2014. With €35 Bn transacted, retail accounted for 31% of total transactions, of which shopping centres represented 52%.

The investors' appetite for real estate investment in Europe, along with ECB quantitative easing and the scarcity of quality products, continued to put pressure on yields of all property types and geographies. Institutional and sovereign investors, encouraged to deploy capital, as well as opportunistic buyers fuelled by ample debt financing available, are now targeting the same products, the use of leverage supporting returns. In the shopping centre segment, recent prime transactions in Spain (Puerto Venecia, Plenilunio), Germany (Ruhr Park) and Belgium (Wijnegem and Waasland) indicated very strong competition among bidders, driving appraisers to compress yields and discount rates.

With 95% of Unibail-Rodamco's mall portfolio[68] attracting more than 6 Mn visits p.a., the Group's exposure to prime and quality malls drove an increase in gross market value (GMV) by +2.5% on a like-for-like basis, of which +2.7% for large malls. With tenant sales and footfall through May 2015 up by +3.9% and +1.3%, respectively, and MGR uplifts[69] of +16.1% for the semester, the growth in gross market values is driven in almost equal parts by an increase in rents (+1.3%) and yield compression (+1.2%).

In Spain, the Group's portfolio value increased by +8.4% on a like-for-like basis, as a result of yield compression (+6.2%) and rental growth (+2.1%). In France and Central Europe, the GMV grew +1.5% and +3.5% on a like-for-like basis, respectively, as a result of strong investor appetite and increases in rents.

The Group's office portfolio saw its GMV grow by +2.7% on a like-for-like basis as a result of the effect of yield compression of +3.6%, on the back of several benchmark prime transactions, partially offset by a negative rent effect of -0.8%.

The valuation of the Convention & Exhibition portfolio increased by +4.5% on a like-for-like basis, mainly due to a lower discount rate used by its appraiser.

Unibail-Rodamco's asset portfolio including transfer taxes stood at €35,699 Mn as of June 30, 2015, compared to €34,576 Mn as of December 31, 2014, i.e. an increase of +€1,123 Mn. On a like-for-like basis, the value of the Group's portfolio increased by +€767 Mn, net of investments, i.e. +2.7% compared to December 31, 2014.

[65] EPRA NNNAV (triple net asset value): corresponds to the Going concern NAV per share less the estimated transfer taxes and capital gain taxes.
[66] Going Concern NAV: the amount of equity per share needed to replicate the Group's portfolio with its current financial structure.
[67] Source: DTZ research.
[68] In terms of gross market values as of June 30, 2015, including values of shares in assets accounted for using the equity method.
[69] MGR (Minimum Guaranteed Rent) uplift = Difference between new and old rent. This indicator is calculated only on renewals and re-lettings and not on vacant unit re-lettings.

Asset portfolio valuation of UNIBAIL-RODAMCO (including transfer taxes) (a)	June 30, 2015		Like-for-like change net of investment - first half year 2015 (b)		December 31, 2014	
	€ Mn	%	€ Mn	%	€ Mn	%
Shopping centres	28,121	79%	560	2.5%	27,348	79%
Offices	4,287	12%	97	2.7%	4,081	12%
Convention-Exhibition centres	2,642	7%	111	4.5%	2,498	7%
Services	649	2%	- 0	-0.1%	649	2%
Total	**35,699**	**100%**	**767**	**2.7%**	**34,576**	**100%**

Figures may not add up due to rounding.

(a) Based on a full scope of consolidation, including transfer taxes and transaction costs (see §1.5 for Group share figures).
The portfolio valuation includes:
- The appraised or at cost value of the entire property portfolio, when fully consolidated or under joint operation;
- The value of Nova Lund is based on the transaction signed on March 5, 2015 and the value of Comexposium is based on the transaction announced on March 31, 2015;
- The equity value of Unibail-Rodamco's investments in assets accounted for using the equity method (mainly CentrO, Ruhr Park, Ring-Center, Gropius Passagen and Paunsdorf Centre in Germany, the Zlote Tarasy complex in Poland and a part of Rosny 2 in France). The equity value of Unibail-Rodamco's share investments in assets accounted for using the equity method amounted to €1,558 Mn as of June 30, 2015 compared to €1,617 Mn as of December 31, 2014.

The valuations take into account the negative cash flows related to rents paid on concessions or leaseholds, which are accounted for as financial debt in the consolidated balance sheet.
The portfolio does not include financial assets such as the €286 Mn of cash and cash equivalents on the Group's balance sheet as of June 30, 2015.
(b) Excluding currency effect, investment properties under construction, assets accounted for using the equity method and changes in the scope (including acquisitions, disposals and deliveries of new projects) during H1-2015, consist mainly of:
- Acquisitions of units in Parquesur (Madrid), Leidsenhage (The Hague region), Euralille (Lille), Centrum Chodov (Prague), and CityMall Almere (Almere);
- Acquisitions of land plots in Cagnes-sur-Mer (Nice region) for the Polygone Riviera project;
- Disposals of retail assets: Nicetoile (Nice), Arkady Pankrac (Prague) and three retail units (one in Evreux and two in Marseille);
- So Ouest Plaza (Paris region) and Minto (Mönchengladbach) delivered in H1-2015.

The like-for-like change in portfolio valuation is calculated excluding changes described above.

Appraisers

In March 2015, Unibail-Rodamco appointed three international and qualified appraisal firms, DTZ, JLL and PwC, to value its retail, office, convention & exhibition and service portfolios, starting from June 30, 2015. This appointment follows the expiry of the previous appraisal mandates as of December 31, 2014. The selection of DTZ, JLL and PwC is the result of a wide and competitive tender process with 12 different appraisal firms invited to tender, ensuring the selection of the best appraisers in their respective geographies. In accordance with RICS recommendations, all appraisal signatories were rotated.

JLL and DTZ appraise the retail and office properties of the Group. The valuation process has a centralised approach, intended to ensure that, on the Group's international portfolio, pan-European capital market views are taken into account. Unibail-Rodamco has allocated properties across the two appraisers by region for comparison and benchmarking purposes. France, being the largest region, is assessed by both firms. PwC assesses Convention & Exhibition venues as well as Service activities. Assets are appraised twice a year (in June and December), except service companies, which are appraised once a year.
Appraisal methods used by appraisers are compliant with international standards and guidelines as defined by RICS (Royal Institute of Chartered Surveyors), IVSC (International Valuation Standards Committee) and FSIF (Fédération des Sociétés Immobilières et Foncières).

Appraiser	Property location	% of total portfolio
DTZ	France / Netherlands / Central Europe	50%
JLL	France / Germany / Nordic / Spain / Austria	39%
PwC	France / Germany	8%
At cost or under sale agreement.		3%
		100%

Figures may not add up due to rounding.

Fees paid to appraisers are determined prior to the valuation campaign and are independent from the value of properties appraised.
A detailed report, dated and signed, is produced for each appraised property.
None of the appraisers has received fees from the Group representing more than 10% of their turnover.

Valuation methodology

Independent appraisers determine the fair market value based on the results of two methods: the discounted cash flow (DCF) methodology and / or the yield methodology. Furthermore, the resulting valuations are cross-checked against the initial yield, value per square meter and the fair market values established through actual market transactions.

Appraisers have been given access to all information relevant for valuations, such as the Group's confidential rent rolls, including information on vacancy, break options, expiry dates and lease incentives, performance indicators (e.g., footfall and sales where available), letting evidence and the Group's cash flow forecasts from annually updated detailed asset business plans. Appraisers make their independent assessments of current and forward looking cash flow profiles and usually reflect risk either in the cash flow forecasts (e.g. future rental levels, growth, investment requirements, void periods, incentives), in the applied required returns or discount rates and in the yield applied to capitalise the exit rent to determine an exit value.

Pursuant to the adoption of IFRS 13 (Fair value measurement), additional disclosure on the valuation methodologies applied by the Group's appraisers is available in § 1.6. IFRS 13 did not impact the valuation methods used by the Group's appraisers.

Valuation scope

As at June 30, 2015, 97% of Unibail-Rodamco's portfolio was appraised by independent appraisers.

Investment Properties Under Construction (IPUC) for which a value could be reliably determined, are required to be accounted for at fair value and were assessed by external appraisers.

IPUC are taken at fair value once management considers that a substantial part of the project's uncertainty has been eliminated, such that a reliable fair value can be established. Unibail-Rodamco uses generic guidelines to establish the remaining level of risk, focusing notably on uncertainty remaining in construction and leasing.

IPUC were valued using a discounted cash flow or yield method approach (in accordance with RICS and IVSC standards[70]) as deemed appropriate by the independent appraiser. In some cases, both methods were combined to validate and cross-check critical valuation parameters.

The following assets under construction are assessed at fair value as at June 30, 2015:

- Mall of Scandinavia (Stockholm) shopping centre;
- Polygone Riviera (Cagnes-sur-Mer).

The following assets were delivered in H1-2015 and are now classified as standing assets as at June 30, 2015:

- So Ouest Plaza (Paris region);
- Minto (Mönchengladbach).

The Forum des Halles (Paris) and Glories (Barcelona) extension and renovation projects continue to be taken into account by appraisers in the valuation of the standing asset.

Refer to the table in the section "Development Projects as at June 30, 2015" for an overview of valuation methods used for development projects.

[70] RICS: Royal Institution of Chartered Surveyors; IVSC: International Valuation Standards Council.

The remaining assets (3%) of the portfolio were valued as follows:

- At cost for IPUC for which a reliable value could not yet be established. These includes assets under development: the Parly 2, Carré Sénart, Centrum Chodov and Aupark extension and renovation projects, as well as all development projects included in the "Controlled" and "Secured exclusivity" categories (see section "Development Projects" for more details);
- At acquisition price for assets acquired in H1-2015;
- At bid value for assets under sale agreement.

1.1. Shopping Centre portfolio

The value of Unibail-Rodamco's shopping centre portfolio is the addition of the value of each individual asset. This approach does not include the "portfolio value", which reflects the additional value of having a large group of unique assets in a single portfolio although it is definitely part of the appeal to the Group's shareholders.

Evolution of Unibail-Rodamco's shopping centre portfolio valuation

The value of Unibail-Rodamco's shopping centre portfolio grew from €27,348 Mn as at December 31, 2014, to €28,121 Mn as at June 30, 2015, including transfer taxes and transaction costs:

Valuation 31/12/2014 (€ Mn)	**27,348**	
Like-for-like revaluation	560	
Revaluation of non like-for-like assets	211	(a)
Capex/ Acquisitions	483	
Disposals	- 464	(b)
Constant Currency Effect	- 17	(c)
Valuation 30/06/2015 (€ Mn)	**28,121**	

Figures may not add up due to rounding.
(a) Non like-for-like assets including investment properties under construction valued at cost or at fair value. Includes the revaluation of the shares in assets accounted for using the equity method.
(b) Value as at 31/12/2014.
(c) Currency impact of -€17 Mn mainly in the Nordics, before offsets from foreign currency loans and hedging programmes.

Based on an asset value excluding estimated transfer taxes and transaction costs, the shopping centre division's net initial yield as at June 30, 2015, decreased to 4.7% from 4.8% as at December 2014.

Shopping Centre portfolio by region - June 30, 2015	Valuation including transfer taxes in € Mn	Valuation excluding estimated transfer taxes in € Mn	Net inital yield (a) June 30, 2015	Net inital yield (a) Dec. 31, 2014
France (b)	13,160	12,661	4.3%	4.4%
Central Europe (c)	3,354	3,322	5.4%	5.5%
Nordic	3,113	3,058	4.9%	4.9%
Spain	2,898	2,834	5.4%	5.7%
Germany (c)	2,095	2,026	5.2%	5.3%
Austria (c)	2,031	2,011	4.6%	4.6%
Netherlands	1,469	1,383	5.2%	5.3%
Total (d)	**28,121**	**27,295**	**4.7%**	**4.8%**

(a) Annualised contracted rent (including latest indexation) net of expenses, divided by the value of the portfolio net of estimated transfer taxes and transaction costs. Shopping centres under development or held by companies accounted for using the equity method are not included in the calculation.
(b) The effect of including key money in the region's net rental income would increase the net initial yield to 4.5% as at June 30, 2015.
(c) Aupark was transferred from Austria to Central Europe on January 1, 2015. German assets are now presented separately except for Ring-Center which continues to be included in Central Europe region. The 2014 figures have been restated accordingly.
(d) Valuation amounts in € include the Group share equity investments in assets accounted for using the equity method.

The net initial yield of the Group's French shopping centre portfolio now stands at a premium of 332 bps to 10-year French OAT[71], the highest risk premium since 2007.

The following table shows the geographic split of the Group's retail assets:

Valuation of Shopping Centre portfolio (including transfer taxes)	June 30, 2015		December 31, 2014	
	€ Mn	%	€ Mn	%
France	13,160	47%	13,041	48%
Central Europe (a)	3,354	12%	3,367	12%
Nordic	3,113	11%	2,919	11%
Spain	2,898	10%	2,661	10%
Germany (a)	2,095	7%	1,971	7%
Austria (a)	2,031	7%	1,964	7%
Netherlands	1,469	5%	1,424	5%
Total (b)	**28,121**	**100%**	**27,348**	**100%**

(a) Aupark was transferred from Austria to Central Europe on January 1, 2015. German assets are now presented separately except for Ring-Center which continues to be included in Central Europe region. The 2014 figures have been restated accordingly.
(b) Valuation amounts include the Group share equity investments in assets accounted for using the equity method.

<u>Sensitivity</u>
A change of +25 basis points in net initial yield would result in a downward adjustment of -€1,262 Mn (or -5.0%) of the shopping centre portfolio value (excluding assets under development or accounted for using the equity method), including transfer taxes and transaction costs.

<u>Like-for-like analysis</u>
On a like-for-like basis, the value of the shopping centre portfolio, including transfer taxes and transaction costs and restated for works, capitalised financial and leasing expenses and eviction costs, increased by +€560 Mn (or +2.5%) in H1-2015. This breaks down into a positive rent impact (+1.3%) and yield compression (+1.2%).

Shopping Centre - Like-for-like (LxL) change (a)				
Half year 2015	LxL change in € Mn	LxL change in %	LxL change - Rent impact	LxL change - Yield impact (b)
France	162	1.5%	0.9%	0.7%
Central Europe	96	3.5%	3.0%	0.6%
Nordic	30	1.3%	1.2%	0.1%
Spain	202	8.4%	2.1%	6.2%
Germany	8	0.8%	-1.6%	2.3%
Austria	50	2.5%	2.1%	0.4%
Netherlands	12	1.1%	0.7%	0.4%
Total	**560**	**2.5%**	**1.3%**	**1.2%**

(a) Like-for-like change net of investments from December 31, 2014 to June 30, 2015, excluding assets consolidated using the equity method.
(b) Yield impact calculated using the change in potential yields (to neutralise changes in vacancy rates) and taking into account key money.

Like-for-like revaluations confirm a differentiation between assets attracting 6 million visits and above per annum (+2.7% in H1-2015, of which +1.4% is the rent impact and +1.4% the yield impact[72]) and those with less than 6 million visits per year (-0.8% in H1-2015, of which +1.0% is the rent impact and -1.7% the yield impact).

1.2. Office portfolio

<u>Evolution of Unibail-Rodamco's office portfolio valuation</u>

The value of the office portfolio increased to €4,287 Mn as at June 30, 2015 from €4,081 Mn as at December 31, 2014, including transfer taxes and transaction costs:

Valuation 31/12/2014 (€ Mn)	**4,081**	
Like-for-like revaluation	97	
Revaluation of non like-for-like assets	49	(a)
Capex / Acquisitions	61	
Disposals	-	
Constant Currency Effect	- 1	(b)
Valuation 30/06/2015 (€ Mn)	**4,287**	

(a) Includes: (i) investment properties under construction or delivered in H1-2015, valued at cost or at fair value (mainly So Ouest Plaza), (ii) the revaluation of the shares in Zlote Tarasy offices (Lumen and Skylight), and (iii) the reversal of the provision on the Triangle project taken in December 2014.
(b) Currency impact of -€1 Mn in the Nordics, before offsets from foreign currency loans and hedging programmes.

71 Risk premium vs. Average annual French 10-year OAT interest. The risk premium vs. Average annual French 5-year OAT interest stands at 407 bps, also the highest risk premium since 2007.

72 Figures do not add up due to rounding.

The split by region of the total office portfolio is the following:

Valuation of Office portfolio (including transfer taxes)	June 30, 2015		December 31, 2014	
	€ Mn	%	€ Mn	%
France	3,850	90%	3,659	90%
Nordic	194	5%	189	5%
Central Europe (a)	128	3%	121	3%
Germany (a)	48	1%	46	1%
Austria	39	1%	39	1%
Netherlands	28	1%	28	1%
Total	**4,287**	**100%**	**4,081**	**100%**

Figures may not add up due to rounding.
(a) German assets (previously in Central Europe) are now presented separately. The 2014 figures were restated accordingly. Central Europe includes shares in Zlote Tarasy offices (Lumen and Skylight).

For occupied offices (rented and available area) and based on an asset value excluding estimated transfer taxes and transaction costs, the Office division's net initial yield as at June 30, 2015 compressed by -44 basis points to 6.4%.

Valuation of occupied office space - June 30, 2015	Valuation including transfer taxes in € Mn (a)	Valuation excluding estimated transfer taxes in € Mn	Net inital yield (b) June 30, 2015	Net inital yield (b) Dec. 31, 2014
France (c)	3,182	3,094	6.3%	6.8%
Nordic	171	167	7.3%	7.2%
Central Europe (d)	128	128	8.6%	8.4%
Germany (d)	42	40	6.8%	7.3%
Austria	36	36	6.9%	6.6%
Netherlands	9	9	7.3%	7.8%
Total	**3,567**	**3,473**	**6.4%**	**6.8%**

(a) Valuation of occupied office space as at June 30, 2015, based on the appraiser's allocation of value between occupied / vacant space.
(b) Annualised contracted rents (including latest indexation) net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs.
(c) The occupied space in Majunga is included in the Net Initial Yield computation as at June 30, 2015.
(d) German assets (previously in Central Europe) are now presented separately. Central Europe does not include the investment in Zlote Tarasy offices (Lumen and Skylight).

Sensitivity

A change of +25 basis points in net initial yield would result in a downward adjustment of -€172 Mn (-4.4%) of the office portfolio value[73] (occupied and vacant spaces, excluding assets under development or accounted for using the equity method), including transfer taxes and transaction costs.

Like-for-like analysis

The value of Unibail-Rodamco's office portfolio, including transfer taxes and transaction costs, and after accounting for the impact of works and capitalised financial and leasing expenses, increased on a like-for-like basis by +€97 Mn (+2.7%) in H1-2015 mainly due to yield compression (+3.6%) partially offset by a negative rent effect (-0.8%).

[73] Including the Majunga Tower

Offices - Like-for-like (LxL) change (a)				
Half year 2015	LxL change in € Mn	LxL change in %	LxL change - Rent impact	LxL change - Yield impact (b)
France	92	2.8%	-0.8%	3.6%
Nordic	6	3.2%	-1.5%	4.6%
Central Europe	0	1.5%	4.1%	-2.6%
Germany	2	5.2%	-3.9%	9.1%
Austria	- 3	-7.2%	2.0%	-9.2%
Netherlands	- 1	-3.8%	n.m	n.m
Total	**97**	**2.7%**	**-0.8%**	**3.6%**

Figures may not add up due to rounding.
(a) Like-for-like change net of investments from December 31, 2014 to June 30, 2015. Does not include assets accounted for using the equity method.
(b) Yield impact calculated using the change in potential yields (to neutralise changes in vacancy rates).

French Office Portfolio

Unibail-Rodamco's French office portfolio split by sector is the following:

French Office portfolio by sector - June 30, 2015	Valuation (including transfer taxes)	
	€ Mn	%
La Défense	1,861	48%
Neuilly-Levallois-Issy	1,111	29%
Paris CBD & others	879	23%
Total	**3,850**	**100%**

Figures may not add up due to rounding.

For occupied offices and based on an asset value excluding estimated transfer taxes and transaction costs, the French Office division's yield as at June 30, 2015 came to 6.3% reflecting a -47 bps decrease in yields during H1-2015, partly due to the inclusion of Majunga for the first time.

Valuation of French occupied office space - June 30, 2015	Valuation including transfer taxes in € Mn (a)	Valuation excluding estimated transfer taxes in € Mn	Net inital yield (b) June 30, 2015	Average price €/m2 (c)
La Défense	1,388	1,342	6.8%	6,668
Neuilly-Levallois-Issy	1,029	1,006	5.9%	7,350
Paris CBD and others	765	746	6.0%	9,436
Total	**3,182**	**3,094**	**6.3%**	**7,396**

(a) Valuation of occupied office space as at June 30, 2015, based on the appraiser's allocation of value between occupied and vacant spaces.
(b) Annualised contracted rent (including latest indexation) net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs.
(c) Average price, excluding estimated transfer taxes, per square meter for occupied office space based on the appraiser's allocation of value between occupied and vacant spaces. The computation takes into account the areas allocated to company restaurants.
Average prices were restated for car parks with a basis of €30,000 per unit for Paris CBD and Neuilly-Levallois-Issy and €15,000 for other areas.

1.3. Convention & Exhibition Portfolio

The value of Unibail-Rodamco's Convention & Exhibition portfolio is derived from the combination of the value of each individual asset.

Valuation methodology

The valuation methodology adopted by PwC for the venues is mainly based on a discounted cash flow model applied to total net income projected over the life of the concession or leasehold (net of the amounts paid for the concession or leasehold) if it exists, or otherwise over a 10-year period, with an estimate of the asset value at the end of the given time period, based either on the residual contractual value for concessions or on capitalised cash flows over the last year.

The discounted cash flow methodology has been adopted for the Pullman Montparnasse and the Cnit Hilton hotels (both operated under an operating lease agreement by 3rd party operators) as well as for the Confluence hotel as at June 30, 2015.

Evolution of the Convention & Exhibition valuation

The value of Convention & Exhibition centres and hotels, including transfer taxes and transaction costs, grew to €2,642 Mn[74] as at June 30, 2015:

Valuation 31/12/2014 (€ Mn)	**2,498**	(a)
Like-for-like revaluation	111	
Revaluation of non like-for-like assets	0	
Capex/ Acquisitions	33	(b)
Valuation 30/06/2015 (€ Mn)	**2,642**	(c)

(a) Of which €2,227 Mn for Viparis (including Palais des Sports) and €271 Mn for hotels.
(b) As at December 31, 2014, Group's portfolio took into account value of the shares in SESR. As at June 30, 2015, Group's portfolio takes into account the value of SESR business operations ("fonds de commerce"). This amount includes the impact of this change.
(d) Of which €2,340 Mn for Viparis (including Palais des Sports company) and €303 Mn for hotels (including hotel project in Porte de Versailles).

On a like-for-like basis, net of investments, the value of Convention & Exhibition properties and hotels is up €111 Mn, +4.5% compared to December 31, 2014.

Convention & Exhibition - Like-for-Like change net of investment	**Half year 2015**	
	€ Mn	**%**
Viparis and others (a)	111	5.0%
Hotels	- 0	-0.1%
Total	**111**	**4.5%**

(a) Viparis and others include all of the Group's Convention & Exhibition centres.

Based on these valuations, the average EBITDA yield on Viparis venues as at June 30, 2015 (recurring operating profit divided by the value of assets, excluding estimated transfer taxes) remained stable at 6.5% compared to December 31, 2014.

[74] Based on a full scope of consolidation, including transfer taxes and transaction costs (see §1.5 for group share figures).

1.4. Services

The services portfolio is composed of:
- Comexposium, a trade show organisation business;
- Espace Expansion, a property service company in France;
- The mfi fee business, a property service company in Germany.

The services portfolio is appraised annually by PwC as at each year-end in order to include all significant intangible assets in the portfolio at their market value for the calculation of Unibail-Rodamco's NAV. In Unibail-Rodamco's consolidated statement of financial position, intangible assets are not revalued but recognised at cost less any amortisation charges and / or impairment losses booked.

As at June 30, 2015, for the purpose of calculating the group's NAV, Comexposium's value was based on the value of the transaction agreed with Charterhouse.

1.5. Group share figures for the Property Portfolio

The figures above are based on a full scope of consolidation. The following tables also provide the Group share level (in gross market value):

	Full scope consolidation		**Group share**	
Asset portfolio valuation - June 30, 2015	€ Mn	%	€ Mn	%
Shopping centres	28,121	79%	25,173	80%
Offices	4,287	12%	4,279	14%
Convention & Exhibition	2,642	7%	1,566	5%
Services	649	2%	641	2%
Total	**35,699**	**100%**	**31,658**	**100%**

Asset portfolio valuation - December 31, 2014	€ Mn	%	€ Mn	%
Shopping centres	27,348	79%	24,534	80%
Offices	4,081	12%	4,077	13%
Convention & Exhibition	2,498	7%	1,486	5%
Services	649	2%	637	2%
Total	**34,576**	**100%**	**30,734**	**100%**

Like-for-like change - net of Investments - Half year 2015	€ Mn	%	€ Mn	%
Shopping centres	560	2.5%	480	2.4%
Offices	97	2.7%	97	2.7%
Convention & Exhibition	111	4.5%	60	4.1%
Services	- 0	-0.1%	- 0	-0.1%
Total	**767**	**2.7%**	**637**	**2.5%**

Like-for-like change - net of Investments - Half year 2015 - Split rent/yield impact	Rent impact %	Yield impact %	Rent impact %	Yield impact %
Shopping centres	1.3%	1.2%	1.6%	0.8%
Offices	-0.8%	3.6%	-0.8%	3.5%

Net Initial Yield	Jun. 30, 2015	Dec. 31, 2014	Jun. 30, 2015	Dec. 31, 2014
Shopping centres	4.7%	4.8%	4.8%	4.9%
Offices - occupied space	6.4%	6.8%	6.4%	6.8%

1.6. Additional Valuation parameters - IFRS 13

Unibail-Rodamco complies with the IFRS 13 fair value measurement and the position paper[75] on IFRS 13 established by EPRA, the representative body of the publicly listed real estate industry in Europe.

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, Unibail-Rodamco believes it appropriate to classify its assets under Level 3. In addition, unobservable inputs, including appraisers' assumptions on growth rates and exit yields, are used by appraisers to determine the fair value of Unibail-Rodamco's assets.
In addition to the disclosures provided above, the following tables provide a number of quantitative data in order to assess the fair valuation of the Group's assets.

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

Shopping Centres - June 30, 2015		Net initial yield	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
France	Max	9.6%	922	12.0%	9.5%	13.9%
	Min	3.8%	82	5.3%	4.2%	0.3%
	Weighted average	4.3%	484	5.9%	4.6%	4.8%
Central Europe (e)	Max	8.9%	512	11.8%	9.5%	5.1%
	Min	5.0%	116	7.0%	5.4%	2.4%
	Weighted average	5.4%	356	7.3%	5.8%	2.9%
Nordic	Max	9.7%	509	9.9%	7.8%	4.8%
	Min	4.3%	113	6.7%	4.8%	2.3%
	Weighted average	4.9%	333	7.2%	5.0%	3.6%
Spain	Max	10.0%	760	12.5%	9.5%	3.8%
	Min	4.8%	87	8.0%	4.8%	1.5%
	Weighted average	5.4%	264	8.6%	5.3%	3.6%
Germany (e)	Max	7.3%	393	8.4%	6.9%	4.3%
	Min	4.6%	245	6.6%	4.5%	2.2%
	Weighted average	5.2%	300	7.1%	5.3%	3.3%
Austria (e)	Max	4.7%	357	6.6%	4.7%	2.9%
	Min	4.5%	338	6.4%	4.6%	2.6%
	Weighted average	4.6%	347	6.5%	4.7%	2.8%
Netherlands	Max	12.0%	475	9.1%	9.1%	8.6%
	Min	4.7%	137	6.0%	4.6%	1.9%
	Weighted average	5.2%	267	6.5%	5.2%	3.2%

Net initial yield, discount rate and exit yield weighted by GMV.
(a) Average annual rent (minimum guaranteed rent + sales based rent) per asset per m².
(b) Rate used to calculate the net present value of future cash flows.
(c) Rate used to capitalise 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).
(e) Aupark was transferred from Austria to Central Europe in January 2015. German assets are now presented separately.

[75] EPRA Position Paper on IFRS 13 - Fair value measurement and illustrative disclosures, February 2013.

Offices
Offices are valued using the discounted cash flow and yield methodologies.

Offices - June 30, 2015		Net initial yield on occupied space	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
France	Max	12.1%	653	9.8%	8.5%	7.3%
	Min	4.8%	104	5.0%	4.4%	-0.9%
	Weighted average	6.3%	403	6.3%	5.5%	3.2%
Nordic	Max	9.6%	265	9.8%	7.8%	5.0%
	Min	6.1%	49	7.1%	5.5%	2.5%
	Weighted average	7.3%	193	8.2%	6.5%	3.4%
Netherlands	Max	15.6%	56	13.8%	9.8%	9.1%
	Min	n.m.	n.m.	6.7%	5.6%	8.5%
	Weighted average	7.3%	23	10.0%	9.0%	8.9%
Germany	Max	11.0%	525	10.5%	8.8%	6.8%
	Min	4.9%	54	6.6%	4.5%	1.7%
	Weighted average	6.8%	86	7.8%	5.9%	4.2%
Austria	Max	7.3%	137	8.3%	7.0%	2.4%
	Min	6.5%	118	7.1%	6.5%	1.9%
	Weighted average	6.9%	128	7.6%	6.8%	2.1%

Net initial yield, discount rate and exit yield weighted by GMV. Central Europe region only encompasses one asset (excluding shares in Zlote Tarasy offices, Lumen and Skylight) and is therefore not displayed. Vacant assets and assets under restructuring are not included in this table.
(a) Average annual rent (minimum guaranteed rent) per asset per m². The computation takes into account the areas allocated to company restaurants.
(b) Rate used to calculate the net present value of future cash flows.
(c) Rate used to capitalise the exit rent to determine the exit value of an asset.
(d) Compounded Annual Growth Rate of NRI determined by the appraiser (between 3 and 10 years, depending on duration of DCF model used).

2. EPRA TRIPLE NET ASSET VALUE CALCULATION

The EPRA triple Net Asset Value (NNNAV) is calculated by adding to the consolidated shareholders' equity (Owners of the parent), as shown on the consolidated statement of financial position (under IFRS) several items as described hereafter.

2.1. Consolidated shareholders' equity

As at June 30, 2015, consolidated shareholders' equity (Owners of the parent) came to €14,641 Mn.

Shareholders' equity (Owners of the parent) incorporated the net recurring profit of €528.1 Mn and the positive impact of €495.8 Mn of fair value adjustments on property assets and financial instruments, as well as the capital gain on sales of properties.

The amount owed to shareholders as of June 30, 2015 (€473 Mn) was also added to the consolidated shareholders' equity in order to calculate the diluted NAV. This corresponds to the balance of the dividend for the fiscal year ended December 31, 2014, paid to shareholders on July 6, 2015.

2.2. Impact of rights giving access to share capital

Dilution from securities giving access to share capital as at June 30, 2015 was computed when such instruments came in the money.

The debt component of the ORAs[76], recognised in the financial statements (€0.05 Mn) was added to shareholders' equity for the calculation of the NNNAV. At the same time, all ORAs were treated as shares of common stock.

In accordance with IFRS, financial instruments and the ORNANEs[77] were recorded on Unibail-Rodamco's statement of financial position at their fair value with the impact of the change in fair value included in the income statement and thus in the consolidated shareholders' equity.

The ORNANE issued in 2012 and not repurchased was "in the money" as at June 30, 2015. Consequently, the fair market value was restated for an amount of €3 Mn for the NNNAV calculation and the potential dilution (+8,659 shares) was included in the number of fully diluted shares outstanding as at June 30, 2015 (i.e. for the outperformance part of the ORNANE, the nominal amount remaining as debt).

The ORNANE issued in 2014 and 2015 were not restated for the NNNAV calculation as they are "out of the money" as at June 30, 2015, and therefore had no impact on the number of shares.

The exercise of "in the money" stock-options and performance shares with the performance criteria fulfilled as at June 30, 2015, would have led to a rise in the number of shares by 2,020,171, generating an increase in shareholders' equity of €309 Mn.

As at June 30, 2015, the fully-diluted number of shares taken into account for the NNNAV calculation was 100,625,762.

2.3. Unrealised capital gains on intangible assets

The appraisal of property service companies and of the operations ("*fonds de commerce"*) of Viparis Porte de Versailles / Paris Nord Villepinte / Palais des Congrès de Paris / Palais des Congrès de Versailles and Issy-les-Moulineaux gave rise to an unrealised capital gain of €398 Mn which was added for the NAV calculation.

2.4. Adjustment of capital gains taxes

In accordance with accounting standards, deferred tax on property assets was calculated on a theoretical basis on the consolidated statement of financial position as at June 30, 2015.
For the purpose of the EPRA NAV calculation, deferred taxes on unrealised capital gains on assets not qualifying for tax exemption (€1,317 Mn) were added back. Goodwill booked on the balance sheet as a result of deferred taxes was accordingly excluded from the NAV for a total amount of €253 Mn.

For the calculation of the EPRA NNNAV, estimated taxes actually payable should a disposal take place (€651 Mn) were deducted.

2.5. Mark-to-market value of debt and derivatives

In accordance with IFRS, derivatives and ORNANEs were recorded on Unibail-Rodamco's statement of financial position at their fair value.
The fair value adjustment (€425 Mn) was added back for the EPRA NAV calculation and then deducted for the EPRA NNNAV calculation.

The value of the fixed-rate debt on the balance sheet of the Group is equal to the nominal value for the ex-Unibail debt and the fair value of the ex-Rodamco debt at combination date (June 30, 2007). Taking fixed rate debt at its fair value would have had a negative impact of €363 Mn. This impact was taken into account in the EPRA NNNAV calculation.

The mark-to-market levels of the debt and derivatives of the Group have evolved positively during H1-2015 on the back of:

[76] Bonds redeemable for shares ("Obligations Remboursables en Actions").
[77] Net share settled bonds convertible into new and/or existing shares (ORNANE) – see Financial Resources note.

- An increase in interest rates since mid-April from historical lows while remaining highly volatile (e.g., 0.49% for the 5-year euro swap rate (approximately +13 bps vs. December 31, 2014 and +31 bps vs. the lowest level year-to-date on April 17, 2015) and 1.15% for the 10-year euro swap rate (approximately +34 bps vs. December 31, 2014 and +70 bps vs. the lowest level year-to-date on April 17, 2015)),
- An increase in the Group's credit spread from mid-April due to macro-economic news and uncertainties on Greece.

2.6. Restatement of transfer taxes and transaction costs

Transfer taxes and transaction costs are estimated after taking into account the disposal scenario minimising these costs: sale of the asset or of the company that owns it, provided the anticipated method is achievable (which notably depends on the net book value of the asset). This estimation is carried out on a case-by-case basis on each individual asset, according to the local tax regime.

As at June 30, 2015, these estimated transfer taxes and other transaction costs compared to transfer taxes and costs already deducted from asset values on the statement of financial position (in accordance with IFRS) came to a net adjustment of €397 Mn.

2.7. EPRA Triple Net Asset Value

Unibail-Rodamco's EPRA NNNAV (Owners of the parent) stood at €16,271 Mn or €161.70 per share (fully-diluted) as at June 30, 2015.

The EPRA NNNAV per share increased by +6.9% (or +€10.50) compared to December 31, 2014 and increased by +12.8% (or +€18.40) compared to June 30, 2014.

The increase of €10.50 compared to December 31, 2014 was the sum of: (i) the value creation of €11.08 per share, (ii) the impact of the interim dividend paid in March 2015 of -€4.80, and (iii) the positive impact of the +€4.22 mark-to-market of the fixed-rate debt and derivatives.

3. GOING CONCERN NET ASSET VALUE

Unibail-Rodamco adds to the EPRA NNNAV per share estimated transfer taxes and effective deferred capital gain taxes resulting in a Going Concern NAV. This corresponds to the amount of equity needed to replicate the Group's portfolio with its current financial structure.

Going Concern NAV stands at €177.40 per share as at June 30, 2015, an increase of €11.10 (+6.7%) compared to December 31, 2014.

This increase was the sum of: (i) the value creation of €11.68 per share, (ii) the impact of the interim dividend paid in March 2015 of -€4.80, and (iii) the positive impact of the +€4.22 mark-to-market of the fixed-rate debt and derivatives.

The following tables show the calculation presented in compliance with EPRA best practices recommendations. A bridge from December 31, 2014 to June 30, 2015 is also presented.

EPRA NNNAV calculation (All figures are Group share, in €Mn)	**June 30, 2014**		**December 31, 2014**		**June 30, 2015**	
	€Mn	€/share	€Mn	€/share	€Mn	€/share
Fully diluted number of shares		100,857,451		100,177,029		100,625,762
NAV per the financial statements	13,526		14,520		14,641	
Amounts owed to shareholders	0		0		473	
ORA and ORNANE	146		148		3	
Effect of exercise of options	397		279		309	
Diluted NAV	14,069		14,947		15,425	
Include						
Revaluation intangible and operating assets	312		350		398	
Exclude						
Fair value of financial instruments	380		464		425	
Deferred taxes on balance sheet	1,116		1,244		1,317	
Goodwill as a result of deferred taxes	-259		-255		-253	
EPRA NAV	15,617	154.80 €	16,750	167.20 €	17,313	172.00 €
Fair value of financial instruments	-380		-464		-425	
Fair value of debt	-653		-907		-363	
Effective deferred taxes	-534		-604		-651	
Impact of transfer taxes estimation	400		372		397	
EPRA NNNAV	**14,450**	**143.30 €**	**15,147**	**151.20 €**	**16,271**	**161.70 €**

% of change over 6 months	**-2.0%**		**5.5%**		**6.9%**
% of change over 1 year	**1.4%**		**3.4%**		**12.8%**

Unibail-Rodamco also states the "going concern NAV" = EPRA NNNAV per share adding back transfer taxes and deferred capital gain taxes. It corresponds to the amount of equity needed to replicate the Group's portfolio with its current financial structure - on the basis of fully diluted number of shares.

Going Concern NAV calculation (All figures are Group share, in €Mn)	**June 30, 2014**		**December 31, 2014**		**June 30, 2015**	
	€Mn	€/share	€Mn	€/share	€Mn	€/share
EPRA NNNAV	14,450		15,147		16,271	
Effective deferred capital gain taxes	534		604		651	
Estimated transfer taxes	864		909		927	
GOING CONCERN NAV	**15,848**	**157.10 €**	**16,660**	**166.30 €**	**17,849**	**177.40 €**

% of change over 6 months	**-1.6%**		**5.9%**		**6.7%**
% of change over 1 year	**1.8%**		**4.2%**		**12.9%**

Change in EPRA NNNAV and Going concern NAV between December 31, 2014 and June 30, 2015 broke down as follows:

Evolution of EPRA NNNAV and Going concern NAV		**EPRA NNNAV**	**Going concern NAV**
As at December 31, 2014, per share (fully diluted)		**151.20 €**	**166.30 €**
Revaluation of property assets *		7.94	7.94
Retail	6.16		
Offices	1.42		
Convention & Exhibition	0.36		
Revaluation of intangible assets		0.10	0.10
Capital gain on disposals		0.33	0.33
Recurring net profit		5.37	5.37
Distribution in 2014		-4.80	-4.80
Mark-to-market of debt and financial instruments		4.22	4.22
Variation in transfer taxes & deferred taxes adjustments		-0.68	-0.03
Variation in number of shares		-1.12	-1.12
Other (including foreign exchange difference)		-0.86	-0.91
As at June 30, 2015, per share (fully diluted)		**161.70 €**	**177.40 €**

(*) Revaluation of property assets is €6.22 per share on like-for-like basis, of which €2.83 is due to rental effect and €3.39 is due to yield effect.

FINANCIAL RESOURCES

In H1-2015, the financial markets were marked by increased liquidity flooding into the market with spikes of volatility due to macro-economic news and, more recently, the on-going Greek debt crisis. In this context, Unibail-Rodamco raised €2,525 Mn of medium to long-term funds in the bond and bank markets at attractive conditions while managing its balance sheet and diversifying its sources of funding.

The financial ratios stand at healthy levels:

- The Interest Coverage Ratio (ICR) improved and stands at 4.5x (versus 4.2x in 2014),
- The Loan to Value (LTV) ratio remained unchanged at 37%.

The average cost of debt for H1-2015 reached a historically low level of 2.3% (vs. 2.6% for 2014 and 2.9% for 2013).

1. Debt structure as at June 30, 2015

Unibail-Rodamco's consolidated nominal financial debt as at June 30, 2015 decreased to €13,473 Mn[78] (€13,652 Mn as at December 31, 2014).

The financial debt includes €1,011 Mn of net share settled bonds convertible into new and / or existing shares of Unibail-Rodamco (ORNANE) for 100% of their outstanding nominal value issued in June 2014 and in April 2015, while 98.5% of the ORNANE issued in September 2012 has been repurchased in H1-2015 (see section 1.2).

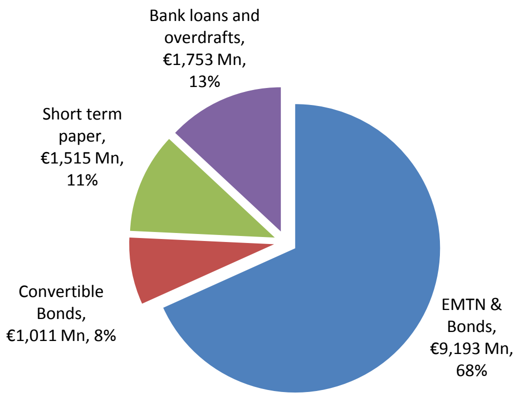
1.1. Debt breakdown

Unibail-Rodamco's nominal financial debt as at June 30, 2015 breaks down as follows[79]:

- €9,193 Mn in bonds under the Euro Medium Term Notes (EMTN) programme of Unibail-Rodamco,
- €1,011 Mn in ORNANE,
- €1,515 Mn in commercial paper (*billets de trésorerie)* and BMTN Paper[80],
- €1,753 Mn in bank loans and overdrafts, including €436 Mn in unsecured corporate loans, €1,311 Mn in mortgage loans and €7 Mn in bank overdrafts.

No loans are subject to prepayment clauses linked to the Group's ratings[81].

[78] After impact of derivative instruments on debt raised in foreign currencies.
[79] Figures may not add up due to rounding.
[80] Short term commercial paper is backed by committed credit lines (see section 1.2).
[81] Barring exceptional circumstances (change in control).



The Group's debt remains well diversified with further diversification achieved in H1-2015 and a predominant proportion of bond financing.

1.2. Funds Raised

In H1-2015, the Group took advantage of a positive market window and of limited financing needs to manage its balance sheet by buying-back existing public and convertible bonds and by issuing new diversified debt at attractive conditions and for longer maturities, completing the following number of "firsts":

- 1st tender offer of the Group on its ORNANE,
- 1st tender offer allowing the Group to switch from regular bonds to Green Bonds,

While the Group issued the:

- 1st ORNANE with a negative yield for a real-estate company in the Euro market,
- 1st public bond with a 15-year maturity issued by a real-estate company, i.e. the longest ever maturity achieved in the sector on the Euro market,
- New Green bond issued by the Group in the Euro market with a 10-year maturity.

In total medium to long-term financing transactions completed in H1-2015 amounted to €2,525 Mn and include:

- The signing of €1,025 Mn medium to long-term credit facilities or bank loans, including loans with 3 new banks to the Group, with an average maturity of 5.7 years and an average margin[82] of 36 bps. This amount includes the refinancing of a €150 Mn mortgage loan on an asset in Germany with a new 9-year maturity,

- The issue of 2 public EMTN bond issuances in April 2015 for a total amount of €1,000 Mn with the following features:

[82] Taking into account current rating and based on current utilization of these lines.

- A 15-year €500 Mn bond with a 1.375% coupon,
- A Green Bond for an amount of €500 Mn with a 1.00% coupon and a 10-year maturity.

In total, these H1-2015 bond issuances were achieved at an average margin of 63 bps over mid-swaps for an average duration of 12.5 years, versus 67 bps on average in 2014 for an average duration of 9 years.

- The issue of a €500 Mn ORNANE in April 2015 with a negative yield (Unibail-Rodamco has received 100.5% of the par value of the ORNANE at issuance), a 0% coupon, a duration of 7 years and an exercise price of €346.87 at issuance reflecting a 37% premium to the volume weighted average of Unibail-Rodamco's share price on the day of the issue[83].

- The Group also completed two successful tender offers in April 2015 for:

- €1,145 Mn encompassing 9 bonds maturing between 2016 and 2021 with coupons ranging between 1.625% and 4.625%,
- €739 Mn of ORNANE issued in 2012 corresponding to a hit ratio of ca. 98.5%.

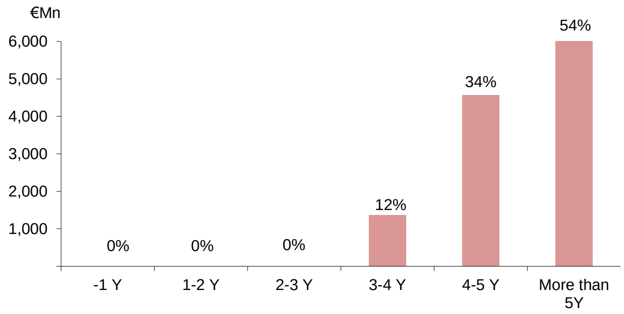
In addition, Unibail-Rodamco accessed the money market by issuing commercial paper and BMTN. The average amount of commercial paper and BMTN outstanding in H1-2015 was €861 Mn (€804 Mn on average in 2014) with a maturity of up to 18 months. *Billets de trésorerie* were raised in H1-2015 at an average margin of 9 bps above Eonia[84].

The Group has anticipated the cash proceeds of disposals to be closed in July (including the sale of a mfi minority stake to CPPIB and of Comexposium), by increasing its CP as at June 30, 2015, to €1,515 Mn, optimising the cash position of the Group and its cost of funding.

As at June 30, 2015, the total amount of undrawn credit lines came to €5,088 Mn following signing of new lines and restructuring of existing lines and the cash on-hand came to €286 Mn.

1.3. Debt maturity

The following chart illustrates Unibail-Rodamco's debt as at June 30, 2015 after the allocation of the committed credit lines (including the undrawn part of the bank loans) by date of maturity and based on the residual life of its borrowings.



All of the debt had a maturity of more than 3 years as at June 30, 2015 (after taking into account undrawn credit lines).

The average maturity of the Group's debt as at June 30, 2015, taking into account the unused credit lines improved to 6.4 years (versus 5.9 as at December 2014 and 5.4 years as at December 2013).

Liquidity needs

Unibail-Rodamco's debt repayment needs[85] for the next twelve months are covered by the available undrawn credit lines. The amount of bonds and bank loans outstanding as at June 30, 2015 and maturing or amortising within a year is €458 Mn compared with €5,088 Mn of undrawn committed credit lines and €286 Mn of cash on-hand as at June 30, 2015.

1.4. Average cost of Debt

Unibail-Rodamco's average cost of debt decreased to 2.3% for H1-2015 compared to 2.6% for 2014. This record low average cost of debt results from low coupon levels the Group achieved during the last 3 years on its fixed rate debt, the tender offers in October 2014 and April 2015, the level of margins on existing borrowings, the Group's hedging instruments in place, the cost of carry of the undrawn credit lines and, to a lesser extent, the low interest rate environment in H1-2015.

2. Ratings

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 29, 2015 and maintained its stable outlook.

On July 20, 2015, Fitch confirmed the "A" long term rating of the Group with a stable outlook. Fitch also rates the short-term issuances of the Group as "F1".

[83] The ORNANE includes a €9.6 dividend adjustment provision (exercise price being adjusted for the portion of dividend paid above €9.6 per share).
[84] Eonia rate was -0.073% on average in H1-2015.

[85] Excluding Commercial Paper and BMTN repayment amounting to €1,515 Mn.

3. Market risk management

Market risks can generate losses resulting from fluctuations in interest rates, exchange rates, raw material prices and share prices. Unibail-Rodamco's risk is limited to interest rate fluctuations on the loans it has taken out to finance its investments and maintain the cash position it requires, and exchange rate fluctuations due to the Group's activities in countries outside the Euro-zone.

Unibail-Rodamco's risk management policy aims to limit the impact of interest rate fluctuations on results, while minimising the overall cost of debt. To achieve these objectives, the Group uses derivatives, mainly caps and swaps, to hedge its interest rate exposure through a macro hedging policy. Market transactions are confined exclusively to these interest rate hedging activities, which are managed centrally and independently.

To manage exchange rate risk, the Group aims to limit its net exposure by raising debt in local currency, by using derivatives and by buying or selling foreign currencies at spot or forward rates.

Due to its use of derivatives to minimise its interest rate and currency risks, 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. The Group implemented IFRS 13 for the mark-to-market calculations of its derivative transactions.

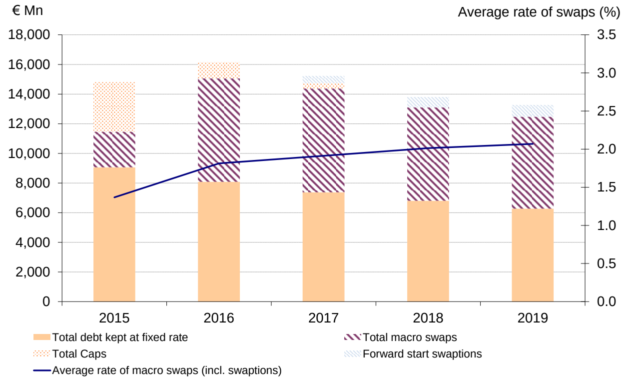
3.1. Interest rate risk management

The debt the Group expects to raise in the next 3 years is almost fully hedged.

The Group took advantage of the low interest rate environment at the beginning of the semester to issue longer maturities and lock-in attractive coupons kept at fixed rate:

- €500 Mn 7-year ORNANE with a 0% coupon,
- €500 Mn 10-year bond with a 1.00% coupon,
- €500 Mn 15-year bond with a 1.375% coupon.

Annual projection of average hedging amounts and fixed rate debt up to 2019 (€ Mn – as at June 30, 2015)



The graph above shows:

- The part of debt which is kept at a fixed rate,
- The hedging instruments used to hedge the variable rate loans and fixed rate debt immediately converted into variable rate debt through the Group's macro hedging policy.

Unibail-Rodamco in general does not classify its financial hedging instruments as a cash flow hedge. As a result, changes in fair value of these instruments are recognised in the Group's income statement.
A cash flow hedge accounting policy according to IFRS is only applied for its derivative instrument on Täby Centrum loan raised in DKK and swapped into SEK.

Measuring interest rate exposure

As at June 30, 2015, net financial debt stood at €13,187 Mn (vs. €12,821 Mn as at December 31, 2014), excluding partners' current accounts and after taking cash surpluses into account (€286 Mn as at June 30, 2015 vs. €831 Mn as at December 2014).

The outstanding debt was fully hedged against an increase in variable rates, based on debt outstanding as at June 30, 2015 through both:

- Debt kept at fixed rate,
- Hedging in place as part of Unibail-Rodamco's macro hedging policy.

Based on the estimated average debt position of Unibail-Rodamco in H2-2015, if interest rates (Euribor, Stibor or Pribor) were to rise by an average of 0.5%[86] (50 basis points) during H2-2015, the resulting estimated impact on financial expenses would be a €1.7 Mn negative impact on the H2-2015 recurring net profit. A further rise of 0.5% would have a positive impact of €0.1 Mn. A 0.5%

[86] The eventual impact on exchange rates due to this theoretical increase of 0.5% in interest rates is not taken into account; theoretical impacts of rise or decrease in interest rates are calculated above the 3-month Euribor as of June 30, 2015 of -0.014%.

(50 basis points) drop in interest rates would have an estimated €5.5 Mn positive impact on financial expenses and would impact H2-2015 recurring net profit by an equivalent amount.

3.2. Managing and measuring currency risk exposure

The Group has activities and investments in countries outside the euro-zone (e.g. in Czech Republic, Poland and Sweden). 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 income with expenses in the same currency, reducing the exchange effects on earnings volatility and net valuation of the investment. Translation risks 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-driven goal. Currency risk during the building period of pipeline investments is covered as early as possible after signing of the actual building contract. 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.

Measuring currency exposure

Main foreign currency positions (in €Mn)

(in € Mn) Currency	Assets	Liabilities	Net exposure	Hedging Instruments	Exposure net of hedges
CHF	0	-109	-109	109	0
CZK	5	-135	-130	0	-130
DKK	375	-242	133	135	269
HKD	0	-165	-165	165	0
HUF	5	0	5	0	5
PLN	290	-1	289	0	289
SEK	2,576	-789	1,787	-132	1,655
USD	0	-145	-145	145	0
Total	**3,251**	**-1,586**	**1,666**	**422**	**2,088**

The main exposure kept is in Swedish Krona:
- A decrease of 10% in the SEK/EUR exchange rate would have a €150 Mn negative impact on shareholders' equity,
- The sensitivity of the H2-2015 recurring result[87] to a 10% depreciation in the SEK/EUR exchange rate is limited to €3.5 Mn,
- The SEK 1,750 Mn credit line signed in April 2012 is undrawn as at June 30, 2015.

[87] The sensitivity is measured by applying a change in exchange rate to the net revenues in SEK (net rents - administrative and financial expenses - taxes), based on an EUR/SEK exchange rate of 9.3272.

4. Financial structure

As at June 30, 2015, the portfolio valuation (including transfer taxes) of Unibail-Rodamco amounted to €35,699 Mn.

Debt ratio

As at June 30, 2015, the Loan-to-Value ratio (LTV) ratio calculated for Unibail-Rodamco remained stable at 37% compared to December 31, 2014.

Interest coverage ratio

The Interest Coverage Ratio (ICR) ratio for Unibail-Rodamco improved to 4.5x for H1-2015 as a result of strong rental level growth with delivery of assets and the lower cost of debt. It is in line with the solid levels achieved in recent years and increased from 4.2x in 2014.

Financial ratios	June 30, 2015	Dec. 31, 2014
LTV[88]	37%	37%
ICR[89]	4.5x	4.2x

Those ratios show ample headroom vis-à-vis bank covenants usually set at a maximum of 60% LTV and a minimum of ICR of 2x, which the Group reports to the banks twice a year.

As at June 30, 2015, all of the Group's credit facilities and bank loans allowed indebtedness up to 60% of the Group's total asset value or of the value of the asset of the borrowing entity, as the case may be.

There are no financial covenants (such as LTV or ICR) in the EMTN and the CP programs.

[88] Loan-to-Value (LTV) = Net financial debt / Total portfolio valuation including transfer taxes. Total Portfolio valuation includes consolidated portfolio valuation (€35,699 Mn as at June 30, 2015 versus €34,576 Mn as at December 31, 2014).
[89] 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.

EPRA PERFORMANCE MEASURES

In compliance with the EPRA[90] best practices recommendations[91], Unibail-Rodamco summarises below the Key Performance Measures over H1-2015.

1. EPRA earnings

EPRA earnings are defined as "recurring earnings from core operational activities", and are equal to the Group's definition of recurring earnings.

		H1-2015	H1-2014	2014
EPRA Earnings	€ Mn	528.1	538.7	1,068.1
EPRA Earnings / share	€ / share	5.37	5.52	10.92
Growth EPRA Earnings / share	%	-2.7%	6.0%	6.8%

Bridge between Earnings per IFRS Income Statement and EPRA Earnings:

	H1-2015	H1-2014	2014
Earnings per IFRS income statement	**1,024.0**	**651.9**	**1,670.5**
Adjustments to calculate EPRA Earnings, exclude:			
(i) Changes in value of investment properties, development properties held for investment and other interests	817.8	432.2	1,314.2
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	33.7	41.9	82.6
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties	0.0	0.0	0.0
(iv) Tax on profits or losses on disposals	0.0	0.0	0.0
(v) Negative goodwill / goodwill impairment	-0.8	11.3	11.3
(vi) Changes in fair value of financial instruments and associated close-out costs	-177.7	-215.3	-446.9
(vii) Acquisition costs on share deals and non-controlling joint venture interests	-0.9	4.0	0.1
(viii) Deferred tax in respect of EPRA adjustments	-132.8	-75.0	-176.8
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	53.4	1.0	14.5
(x) Non-controlling interests in respect of the above	96.8	86.8	196.6
EPRA Earnings	**528.1**	**538.7**	**1,068.1**
Average number of shares and ORA	98,327,497	97,592,454	97,824,119
EPRA Earnings per Share (EPS)	**5.37 €**	**5.52 €**	**10.92 €**
EPRA Earnings per Share growth	**-2.7%**	**6.0%**	**6.8%**

[90] EPRA: European Public Real estate Association
[91] Best Practices Recommendations. See www.epra.com

2. EPRA Net Asset Value and EPRA NNNAV

For a more detailed description of the EPRA NAV and triple NAV, please see the Net Asset Value section, included in this report.

		June 30, 2015	Dec. 31, 2014	June 30, 2014
EPRA NAV	€ / share	172.00	167.20	154.80
EPRA NNNAV	€ / share	161.70	151.20	143.30
% change over 1 year	%	12.8%	3.4%	1.4%

3. EPRA Net Initial Yields

The following table provides the Group yields according to the EPRA net initial yield definitions per sector and with a bridge from Unibail-Rodamco's net initial yield:

	June 30, 2015		Dec. 31, 2014	
	Retail (3)	Offices (3)	Retail (3)	Offices (3)
Unibail-Rodamco yields	**4.7%**	**6.4%**	**4.8%**	**6.8%**
Effect of vacant units	0.0%	-1.0%	0.0%	-0.5%
Effect of EPRA adjustments on NRI	0.1%	0.0%	0.1%	0.0%
Effect of estimated transfer taxes and transaction costs	-0.2%	-0.2%	-0.2%	-0.2%
EPRA topped-up yields (1)	**4.7%**	**5.3%**	**4.7%**	**6.1%**
Effect of lease incentives	-0.2%	-1.6%	-0.2%	-1.4%
EPRA Net Initial Yields (2)	**4.5%**	**3.7%**	**4.6%**	**4.7%**

Notes:
1) EPRA topped-up yield: EPRA Net Initial Yield adjusted in respect of the expiration of rent free periods (or other unexpired lease incentives such as discounted rent periods and step rents).
2) EPRA Net Initial Yield: annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the gross market value of the portfolio. As of June 30, 2015, office yields take into account Majunga and So Ouest Plaza for which the new leases have just started with rent free period.
3) Assets under development or held by companies accounted for using the equity method are not included in the calculation.

4. EPRA Vacancy rate

The EPRA vacancy rate is defined as the Estimated Rental Value (ERV) of vacant spaces divided by the ERV of total space (let plus vacant). Central Europe was restated to exclude Germany as at December 31, 2014 and to include Aupark (previously in Austria) as at December 31, 2014 and June 30, 2014.

	June 30, 2015	Dec. 31, 2014	June 30, 2014
Retail			
France	2.5%	2.2%	2.5%
Spain	1.8%	1.5%	1.8%
Central Europe	1.1%	0.9%	1.5%
Austria	1.7%	2.1%	2.6%
Nordic	2.8%	3.1%	3.7%
Netherlands	3.0%	3.3%	3.8%
Germany	3.8%	4.7%	-
Total Retail	**2.3%**	**2.2%**	**2.5%**
Offices			
France	13.8%	14.6%	4.7%
Total Offices	**13.8%**	**14.4%**	**6.7%**

5. EPRA Cost ratios

		30/06/2015	30/06/2014	31/12/2014
	Include:			
(i-1)	General expenses	- 48.0	- 40.9	- 89.3
(i-2)	Development expenses	- 2.6	- 1.0	- 4.1
(i-3)	Operating expenses	- 44.3	- 50.5	- 112.7
(ii)	Net service charge costs/fees	- 11.7	- 11.2	- 24.5
(iii)	Management fees less actual/estimated profit element			
(iv)	Other operating income/recharges intended to cover overhead expenses			
(v)	Share of Joint Ventures expenses	- 7.0	- 8.5	- 14.9
	Exclude (if part of the above):			
(vi)	Investment Property Depreciation			
(vii)	Ground rents costs			
(viii)	Service charge costs recovered through rents but not separately invoiced	13.7	13.9	28.5
	EPRA Costs (including direct vacancy costs) (A)	**- 99.9**	**- 98.2**	**- 217.0**
(ix)	Direct vacancy costs	- 11.7	- 11.2	- 24.5
	EPRA Costs (excluding direct vacancy costs) (B)	**- 88.2**	**- 87.0**	**- 192.5**
(x)	Gross Rental Income (GRI) less ground rents	730.6	741.9	1,517.4
(xi)	Less: service fee and service charge costs component of GRI (if relevant)	- 13.7	- 13.9	- 28.5
(xii)	Add Share of Joint Ventures (Gross Rental Income less ground rents)	65.5	57.0	123.9
	Gross Rental Income (C)	**782.4**	**785.0**	**1,612.9**
	EPRA Cost Ratio (including direct vacancy costs) (A/C)	**12.8%**	**12.5%**	**13.5%**
	EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	**11.3%**	**11.1%**	**11.9%**

Note:
The calculation is based on the EPRA recommendations and is applied on shopping centres and offices sectors.

6. Capital expenditure

in € Mn	**H1-2015**		**H1-2014**		**2014**	
	100%	Group Share	100%	Group Share	100%	Group Share
Acquisitions (1)	41.0	37.5	334.9	208.0	412.6	273.4
Development (2)	217.8	171.2	281.9	262.2	450.0	399.3
Like-for-like portfolio (3)	212.2	183.4	123.6	89.7	511.4	434.5
Other (4)	91.0	70.5	73.4	61.2	155.1	129.7
Capital Expenditure	**562.0**	**462.5**	**813.9**	**621.1**	**1,529.2**	**1,236.9**

Notes:
1) In H1-2015, includes mainly the acquisitions of land and assets related to Leidsenhage project and Parquesur. In H1-2014 and 2014, includes mainly the capitalisation of the new lease contract for Porte de Versailles (Viparis).
2) Includes the capital expenditures related to investments in brownfield projects, mainly the Majunga and Trinity towers as well as So Ouest Plaza, Mall of Scandinavia (Stockholm), Val Tolosa (Toulouse region) and Polygone Riviera (Cagnes-sur-Mer).
3) In H1-2015, includes mainly the capital expenditures related to Minto (Möchengladbach) and So Ouest Plaza (Paris region) offices. In 2014, includes the capital expenditures related to mainly the Täby Centrum, Parly 2, Glories and Euralille extension and renovation projects.
4) Includes eviction costs and tenant incentives, capitalised interest relating to projects referenced above, letting fees and other capitalised expenses of €35.1 Mn, €16.2 Mn, €14.5 Mn and €4.7 Mn in H1-2015, respectively (amounts in group share).

7. Loan To Value (LTV) reconciliation with Balance Sheet (B/S)

in € Mn	H1-2015	2014
Amounts accounted for in B/S	**34,540**	**33,538**
Investment properties at fair value	31,029	29,782
Investment properties at cost	560	472
Other tangible assets	219	216
Goodwill	539	541
Intangible assets	243	238
Shares and investments in companies under the equity method	1,564	1,676
Properties or shares held for sale	385	614
Adjustments	**1,158**	**1,038**
Transfer costs	1,517	1,466
Goodwill	- 398	- 422
Revaluation intangible and operating assets	442	408
IFRS restatements, including	- 404	- 414
Financial leases	*- 368*	*- 369*
Other	*- 35*	*- 45*
Total assets (=A)	**35,699**	**34,576**
Amounts accounted for in B/S		
Net share settled bonds convertible into new and/or existing shares (ORNANE)	1,065	1,407
Long-term bonds and borrowings	11,410	12,006
Current borrowings and amounts due to credit institutions	2,006	1,289
Financial leases	372	373
Total financial liabilities	**14,853**	**15,075**
Adjustments		
Mark-to-market of debt	- 55	- 178
Current accounts with non-controlling interests	- 823	- 767
Financial leases	- 372	- 373
Impacts of derivatives instruments on debt raised in foreign currency	- 92	- 28
Accrued interests / issue fees	- 37	- 78
Total financial liabilities (nominal value)	**13,473**	**13,652**
Cash & cash equivalents (in B/S)	- 286	- 831
Net financial debt (=B)	**13,187**	**12,821**

LTV ratio (=B/A)	**37%**	**37%**