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Paris, Amsterdam, October 19, 2020

Press release

The RESET plan is the only credible response to address URW's challenges and protect the long-term interest of all shareholders

URW's Supervisory Board convened today and reiterated its unanimous support and commitment to the RESET plan presented on September 16, 2020, as the only credible response to secure its future over the long-term, in an environment where the retail world is facing unprecedented challenges with the COVID-19 crisis. To protect URW and its shareholders and preserve value, the Supervisory Board unanimously recommends all shareholders to vote in favour of the RESET plan and against the resolutions proposed by the activists.

Colin Dyer, Chairman of the Supervisory Board, declared: *"Given these difficult times, the RESET plan is crucial to de-risking and securing the future continued stability of the business and position for long-term value creation. The activists' proposal involves high risk for the company and its shareholders. Their plan is based exclusively on large and uncertain disposals, with an undetermined time horizon and at uncertain prices. They do not take into account the immediate need to strengthen our balance sheet. We are fully aware of the efforts we are asking of our shareholders, but our RESET Plan is realistic and concrete. It offers an immediate solution to strengthen the Group's balance sheet in a volatile and uncertain environment, while preserving the Group's flexibility for the future."*

The activists' plan exposes URW and its shareholders to significant risk

The Supervisory Board considers that the activists' proposal fails to address URW's immediate capital structure strengthening needs and exposes URW and its shareholders to significant risk.

Betting the future of the Group mainly on a hypothetical disposal of the US business in 2-3 years, as the only alternative to the capital increase, is likely to put the company's future at material risk. Moreover, exposing the Group to potential multiple notch rating downgrades and proposing to



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consume liquidity pending the sale of the US assets would risk leaving URW in negative territory and may force asset sales or a larger capital raise with less favorable terms in the future.

RESET is the right plan for URW shareholders

URW's RESET plan results from an in-depth analysis of all options, and the associated risks, carried out by the entire Senior Management Team and Supervisory Board since April 2020. It is based on several simultaneous and complementary levers and offers an immediate solution to:

- **Strengthen the Group's capital structure**, through a prudent and right-sized €3.5 Bn capital raise, part of a wider €9.0+ Bn deleveraging plan (including an acceleration of asset disposals of €4.0 Bn by the end of 2021, €1.0 Bn of savings by limiting cash dividends over two years, and the reduction of capital expenditure by €800 Mn). This capital raise is the only option which immediately reinforces the Group's balance sheet and gives the opportunity to each shareholder to participate in the new phase of URW's evolution.
- **Secure the Group's necessary access to credit markets** with protection of a strong investment grade rating, ensuring maintenance of adequate liquidity buffer. Considering URW's significant balance sheet, securing unquestioned access to credit markets and safeguarding the Group's lenders' confidence is critical for its shareholders.
- **Positions URW's strategy for the future**, by maintaining a disciplined, pragmatic and nimble approach towards asset rotation, adapting the portfolio to a fast-changing international retail environment and leveraging the Group's platform to grow revenue opportunities.
 - In the US, URW has been working for the last few months on the review of all strategic options and will continue to do so. Betting on an improvement of the context and market conditions cannot be a credible alternative to the capital raise and to the broader RESET plan.
 - In Europe, the Group's asset disposal strategy is clear and already very ambitious. The management has demonstrated its ability to execute this strategy, at the right time and by maximizing shareholder value. Already €5.3 Bn of assets have been sold in two years, including most recently the SHiFT office building for €620 Mn, at a premium to the June 2020 book value. More disposals are underway.

More information about URW's detailed answer can be found here: reset.urw.com



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About Unibail-Rodamco-Westfield

About Unibail-Rodamco-Westfield Unibail-Rodamco-Westfield is the premier global developer and operator of Flagship Destinations, with a portfolio valued at €60.4 Bn as at June 30, 2020, of which 86% in retail, 7% in offices, 5% in convention & exhibition venues and 2% in services. Currently, the Group owns and operates 89 shopping centres, including 55 Flagships in the most dynamic cities in Europe and the United States. Its centres welcome 1.2 billion visits per year. Present on two continents and in 12 countries, Unibail-Rodamco-Westfield provides a unique platform for retailers and brand events and offers an exceptional and constantly renewed experience for customers.

With the support of its 3,400 professionals and an unparalleled track-record and know-how, Unibail-Rodamco-Westfield is ideally positioned to generate superior value and develop world-class projects.



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Unibail-Rodamco-Westfield distinguishes itself by its Better Places 2030 agenda, that sets its ambition to create better places that respect the highest environmental standards and contribute to better cities.

Unibail-Rodamco-Westfield stapled shares are listed on Euronext Amsterdam and Euronext Paris (Euronext ticker: URW), with a secondary listing in Australia through Chess Depositary Interests. The Group benefits from an A- rating from Standard & Poor's and from an Baa1 rating from Moody's.

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