unibail·rodamco

FINANCIAL REPORT – First Half 2016

I. ACCOUNTING PRINCIPLES AND SCOPE OF CONSOLIDATION

Accounting principles

Unibail-Rodamco's consolidated financial statements as at June 30, 2016 were prepared in accordance with International Financial Reporting Standards ("IFRS") as applicable in the European Union as at June 30, 2016.

No changes were made to the accounting principles applied for the year ended December 31, 2015.

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 section.

Scope of consolidation

The principal changes in the scope of consolidation since December 31, 2015 were:

- The sale on March 24, 2016, of the office building located 2-8 rue Ancelle in Neuilly-sur-Seine to a joint-venture between ACM Vie SA and funds managed by Amundi Immobilier;
- The sale of a number of small assets, including a 26,159 m² shopping centre in Budapest, Europark.

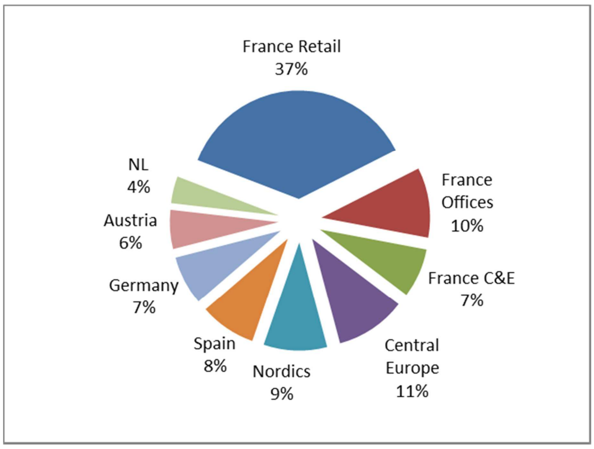
As at June 30, 2016, 297 companies were fully consolidated, six companies were consolidated under "joint operation" (as defined by IFRS 11) and 23 companies were accounted for using the equity method[2].

Operational reporting

The Unibail-Rodamco Group is operationally organised in seven regions: France, Central Europe[3], Spain, the Nordics, Austria, Germany and The Netherlands.

As France has substantial activities in 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, 2016, including assets accounted for using the equity method[4].



Figures may not add up due to rounding.

1 EPRA Best Practices Recommendations are available on the EPRA website: www.epra.com
2 Mainly the Rosny 2 shopping centre in France, the Zlote Tarasy complex in Poland, and the Ring-Center, CentrO, Gropius and Paunsdorf shopping centres in Germany.

3 Central Europe includes Ring-Center (Berlin), accounted for using the equity method, and Aupark (Bratislava).
4 Except property service companies (Espace Expansion and Unibail-Rodamco Germany property services).

II. BUSINESS REVIEW BY SEGMENT

1. Shopping Centres

1.1 Shopping centre activity in H1-2016

Economic environment

GDP growth in the European Union[5] (EU) based on estimates released before the outcome of the "Brexit" referendum (Referendum) was expected to reach +1.8% in 2016, slightly below the GDP growth reported in 2015 (+2.0%). This trend is broadly the same in the Eurozone, expected to grow by +1.6% in 2016, compared to +1.7% in 2015. The positive impact of low oil prices, a low euro exchange rate, the European Central Bank's supportive monetary policy measures and increased public expenditures continued to support economic growth. However, these positive factors were partly offset by the downturn in emerging economies and, more recently, a slowdown in major advanced economies and geopolitical uncertainties.

Unemployment levels[6] as at May 2016 have decreased to 8.6% in the EU and 10.1% in the Eurozone (-100 bps and -90 bps, respectively, compared to May 2015). These are the lowest recorded rates since March 2009 for the EU and July 2011 for the Eurozone.

In Unibail-Rodamco's regions, the weighted average forecast GDP growth of +1.8% in 2016 is in line with expectations for the EU.

Region / Country	GDP	
	2016 Forecast	2015 Actual
European Union (EU)	**1.8%**	**2.0%**
Eurozone	**1.6%**	**1.7%**
France	1.3%	1.2%
Czech Republic	2.1%	4.2%
Poland	3.7%	3.6%
Slovakia	3.2%	3.6%
Spain	2.6%	3.2%
Sweden	3.4%	4.1%
Finland	0.7%	0.5%
Denmark	1.2%	1.2%
Austria	1.5%	0.9%
Germany	1.6%	1.7%
Netherlands	1.7%	2.0%

Source: Eurostat. May 2016.

The GDP growth forecasts above are subject to the consequences of the Referendum on the EU economic growth. This impact is at this stage difficult to predict and much will depend on the terms the UK and the EU will agree about the trade relationship between them. Such process is currently expected to take several years to complete. While Unibail-Rodamco does not have any direct UK investment, it could be negatively affected by the economic and political uncertainty created by the outcome of the Referendum, especially if retailers recalibrate their continental European expansion plans or if general consumer sentiment is impacted. Such uncertainty may reduce European GDP growth over the next 6 to 24 months[7].

Footfall[8]

The number of visits to Unibail-Rodamco's shopping centres through June 30, 2016 continued the longstanding positive trend with an increase of +0.8% compared to the same period in 2015. This increase was mainly driven by footfall in German, Nordics and Spanish shopping centres, up +4.3%, +2.1% and +1.4%, respectively.

The terrorist attacks (Brussels in March 2016 following those in Paris in November 2015) and threats, unseasonal weather conditions and industrial unrest in France affecting transportation and refineries, had a meaningful impact on footfall in certain of the Group's Paris region shopping centres. Despite this, footfall in the Group's French assets increased by +0.6% through May 31, 2016, compared to 0.0% in the French national footfall index. Through June 30, 2016, recently renovated or opened shopping centres such as Aéroville (+9.1%), Euralille (+7.4%) and So Ouest (+6.0%) saw significant footfall growth. The Netherlands is the only region with a flat trend (+0.0%) mainly driven by many retailers filing for bankruptcy such as the V&D department store chain (the Group had three V&D department stores as tenants).

[5] Source: European Economic Forecast, Spring 2016 (released in May 2016). http://ec.europa.eu/economy_finance/publications/eeip/pdf/ip025_en.pdf.

[6] Source: Eurostat, May 2016 (released on July 1, 2016) http://ec.europa.eu/eurostat/documents/2995521/7545626/3-01072016-AP-EN.pdf/4281f757-75ef-4463-a15c-ca9f968b8513

[7] The International Monetary Fund on July 8 downgraded its economic growth expectations for the Eurozone in 2016 and 2017 by 20 and 30 bps, respectively, based on an assumption that the UK and the EU would reach a Norwegian style trade agreement.

[8] Except as indicated otherwise, footfall data are year-to-date through June 2016. Footfall in Unibail-Rodamco's shopping centres in portfolio of shopping centres in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, newly acquired assets and assets under heavy refurbishment. For the H1-2016 reporting period, shopping centres excluded due to delivery or ongoing works were Forum des Halles, Parly 2, Carré Sénart and Carré Sénart Shopping Park, Polygone Riviera, Galerie Gaité, Mall of Scandinavia, Minto, Ruhr Park, Glories, Bonaire, Centrum Chodov and Aupark.

Tenant sales[9]

Tenant sales in the Group's shopping centres grew by +2.2% through June 30, 2016 compared to 2015. Through May 31, 2016, Group's tenant sales were slightly above the relevant national sales indices[10] with growth of +2.1% compared to the same period last year. Germany, Central Europe and Spain were the principal drivers with growth of +4.2%, +3.0% and +2.7%, respectively.

Tenant sales in the Group's shopping centres grew in all regions:

Region	Tenants Sales Growth (%) (May 2016)	Performance versus National Sales Index (bps)
France	1.4	+3
Central Europe	3.0	+106
Spain	2.7	-41
Nordic	2.2	-86
Austria	1.7	+52
Germany	4.2	+203
Total	**2.1**	**+9**

- French tenant sales were particularly strong in newer or refurbished shopping centres such as Aéroville (+10.2%), Toison d'Or (+6.2%), Confluence (+6.2%), Euralille (+4.5%) and So Ouest (+4.3%). This strength was partially offset by the impact of the above referenced events on a number of Paris region shopping centres.
- In Central Europe, the Group's tenant sales outperformance was primarily driven by Galeria Wilenska (+7.5%) and Centrum Cerny Most (+5.5%).
- In Spain, the Group's tenant sales were driven primarily by Splau (+9.0%) and El Faro (+6.8%).
- In the Nordics, tenant sales, which exclude sales in Mall of Scandinavia, increased by +2.2%. The highest sales growth was observed in Fisketorvet (+12.5%). Including Mall of Scandinavia, the Groups' tenant sales in the Nordics were up by +32.1%, whereas the Nordics national sales index, which includes this asset, was up by +3.1%.
- In Austria, Shopping City Süd and Donau Zentrum contributed equally.
- In Germany, the strong tenant sales growth was driven primarily by Höfe am Brühl (+10.0%) and Pasing Arcaden (+4.3%).

Leasing and Brand Event activities

The first half of 2016 was characterized by sustained leasing.

As at June 30, 2016, a total of 795 deals had been signed by the Group on consolidated standing assets, surpassing the 676 deals signed in H1-2015[11]. The Group's leasing teams generated a rotation rate[12] of 7.2% in H1-2016, further to its objective to rotate at least 10% of its tenants in each shopping centre every year, and a Minimum Guaranteed Rent uplift[13] of +20.6%.

In H1-2016, the Group signed 96 leases with International Premium Retailers (IPR[14]), compared to 88 in H1-2015, representing an increase of +9% (+43% on standing assets only).

[9] Except as indicated otherwise, tenant sales data are year-to-date through May 2016. Tenant sales performance in Unibail-Rodamco's shopping centres (excluding The Netherlands) in portfolio of shopping centres in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, newly acquired assets and assets under heavy refurbishment. For the H1-2016 reporting period, shopping centres excluded due to delivery or ongoing works were Forum des Halles, Parly 2, Carré Sénart and Carré Sénart shopping park, Polygone Riviera, Galerie Gaité, Mall of Scandinavia, Minto, Ruhr Park, Glories, Bonaire, Centrum Chodov and Aupark. Primark sales are based on estimates.

[10] Based on latest national indices available (year-on-year evolution) as at May 2016: France: Institut Français du Libre Service (IFLS); Spain: Instituto Nacional de Estadistica; Central Europe: Česky statisticky urad (Czech Republic), Polska Rada Centrow Handlowych (Poland), Eurostat (Slovakia); Austria: Eurostat; the Nordics: HUI Research (Sweden), Danmarks Statistik (Denmark), Eurostat (Finland).

[11] 687 deals signed in H1-2015 including those in Ruhr Park which is now fully consolidated.

[12] Rotation rate: (number of relettings + number of assignments and renewals with new concepts) / number of stores. Short term leases are excluded.

[13] Minimum Guaranteed Rent (MGR) uplift: difference between new MGR and indexed old MGR. Indicator calculated on renewals and relettings only.

[14] IPR: Retailer with strong and international brand recognition, and a differentiating store design and product approach, which may increase the appeal of the shopping centres.

Several more IPRs signed with Unibail-Rodamco for their first mono-brand store in a country or in a major city:

- New Balance: 1st store in France in Forum des Halles;
- Joe & the Juice: 1st store in a shopping centre in France in Polygone Riviera;
- Max&Co: 1st store in the Czech Republic in Centrum Chodov;
- Tous: 1st store in the Czech Republic in Centrum Cerny Most;
- Karl Lagerfeld: 1st store in the Czech Republic in Centrum Chodov;
- Karl Lagerfeld Women: 1st store in Slovakia in Aupark;
- Starbucks: 1st store in Slovakia in Aupark;
- Armani Exchange: 1st store in Slovakia in Aupark;
- Superdry: 1st store in Slovakia in Aupark;
- NYX (L'Oréal Group): 1st store in Poland in Galeria Mokotow and 1st store in a shopping centre in Spain in La Vaguada;
- MAC (the Estée Lauder Group): 1st store in Sweden in Mall of Scandinavia;
- COS: 1st store in a shopping centre in Austria in Shopping City Süd;
- Scotch & Soda: 1st store in a shopping centre in Germany in CentrO.

The Group deepened its partnerships with major differentiating brands with high customer recognition, increasing their number of stores in the Group's portfolio during H1-2016:

- Rituals signed five additional leases in France (Vélizy 2, Carré Sénart), Austria (Shopping City Süd and Donau Zentrum) and Spain (Splau);
- Nespresso signed two additional leases in Täby Centrum and CentrO;
- Tesla signed its 4th store with the Group in Polygone Riviera after Täby Centrum, Mall of Scandinavia and Parly 2;
- Steve Madden signed its 1st flagship store in Europe in Galeria Mokotow;
- Victoria's Secret signed its 1st store in the Group's Spanish portfolio in La Maquinista.

Solid progress has been made in the pre-letting for a number of projects in the Group's development pipeline:

- As at June 30, 2016, the Wroclavia project, a development of 79,641 m² in Wroclaw, was 57% pre-let[15] prior to the scheduled opening in H2-2017. In addition to the Inditex brands and H&M deals signed in 2015, Forever 21, Steve Madden and home&you (7th LPP brand in the project) signed with the Group in H1-2016.

- For Centrum Chodov's 41,754 m² extension project in Prague, the Group secured the commitment of a number of major tenants and differentiating brands, including Gant, Tiger, Nespresso, Karl Lagerfeld and Starbucks. Pre-letting stands at 71%[15], with delivery expected in H2-2017.

- As at June 30, 2016, Carré Sénart's 31,532 m² extension was 54% pre-let[15]. The Group aims to position Carré Sénart as one of the main family destination centres in the Paris region by adding a very large aquarium (1,800 m^3).

Specialty leasing revenues in H1-2016 amounted to €10.7 Mn, an increase of +18.4% compared to the same period last year.

The Group's Brand Events team signed new cross-border deals with We Fix pop-up stores (a smartphone repair concept) in five shopping centres in Germany, after a successful start in France in 2015. In addition, the Group signed seven deals with Cabaia for pop-up stores (custom beanies-knitted caps) in five shopping centres in France (Les 4 Temps, Aéroville, Carré Sénart, La Part Dieu and Toison d'Or), one in Sweden (Mall of Scandinavia) and one in Germany (CentrO).

Unibail-Rodamco attracted premium and luxury brands for promotion/advertising like Dior in Centrum Chodov, Chanel and L'Oréal in Les 4 Temps as well as pop-up stores with "love brands" like Roland Garros and Tour de France in Carrousel du Louvre, capitalizing on these international sports events.

In 2015, Amazon launched its very first Lockers in France in nine of the Group's shopping centres. As at June 30, 2016, 19 of the Group's French shopping centres were equipped with Amazon Lockers.

<u>Extension, renovation and brownfield projects</u>

The performance of the Group's 2015 deliveries met or well exceeded expectations:

- Mall of Scandinavia was inaugurated on November 12, 2015. Since its opening, almost 9 million visits were recorded through June 30, 2016. This is well above expectations. Mall of Scandinavia was named "2016 Best International Shopping Centre" by the Retail & Leisure International magazine in May 2016.

[15] GLA signed, all agreed to be signed and financials agreed.

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

- Euralille: following the restructuring project delivered last year, the shopping centre revealed, on May 12, 2016, its new dining offer "Les tables d'Euralille" with 1,200 seats. Through June 2016, tenant sales and footfall of the shopping centre were up by +6.4% and +7.4%, respectively, compared to the same period last year.

- Rosny 2: the refurbishment project delivered in November 2015 was granted an award for excellence in the extension and renovation of a shopping centre by the CNCC. Through June 2016, tenant sales and footfall of the shopping centre were up by +2.1% and +2.2%, respectively, compared to the same period last year.

- Ruhr Park: following the opening of the refurbishment and extension project on November 4, 2015, tenant sales and footfall figures are outstanding, up +25.2% and +23.8%, respectively, from January through June 2016, compared with the same period last year.

On April 5, 2016, the Canopy opened in Forum des Halles introducing new stores such as LEGO, Rituals, Superdry and Nike. The full renovation of the existing part of the shopping centre is now almost complete with 51% of GLA refurbished or under renovation, as well as a new customer journey. At completion in H1-2017, 15,100 m^2 will have been added for a total of 75,000 m^2 for this unique asset. Unibail-Rodamco's ambition is to make Forum des Halles the main shopping destination in the heart of Paris.

See Section 8 of the Development projects segment for a list of all retail projects in the Group's development pipeline.

Innovation and destinations

The Group's focus is to drive footfall growth and continuously increase customer satisfaction. Recognizing that customers who shop with their children need specific attention, the Group introduced the Family Experience in H1-2016. This initiative designed by UR Lab focuses on meeting the essential family needs (security, fun and magic). A pilot was launched in June 2016 in Donau Zentrum, offering two new iconic playgrounds with a "magic" tree (with multiple slides) and a "magic" attic (with paying activities, nature-inspired furniture, workshop places and a new childcare service), a redesigned customer journey and an enriched retail offer with family-friendly brands.

In March 2016, the Group launched UR Link, the Group's retail accelerator. This initiative fosters collaboration between the Group and start-ups which operate in the retail sector, in order to accelerate both the Group's innovations and the start-ups' growth. The program offers the opportunity for start-ups to work in collaboration with Unibail-Rodamco's experts during four months, develop and prototype their concept in Unibail-Rodamco's portfolio. The first season has been launched in partnership with NUMA, one of the leading accelerators in Europe, specialized in digital areas.

Out of 150 applications received, five start-ups have been selected, and started the first season of the program in March:

- Amano makes mobile apps that do not need to be downloaded from an app store. Once visitors walk into a venue, they can access relevant content (www.amano.io/en/homepage);
- Deliver.ee delivers customers' online and in-store orders within one hour or at the exact time they want it on the same day (www.deliver.ee);
- Dress In The City industrializes second-hand sales with an omni-channel experience and premium service (dressinthecity.com);
- My Pop Corner simplifies short-term retail space rental – pop-up stores – for brands (www.mypopcorner.com);
- Visibilishop offers a tool to help retailers manage and master their e-reputation where it matters on the web (www.visibilishop.com).

These five start-ups stood out through the quality of their concept and team, fully in line with Unibail-Rodamco's business objectives. Their concepts are currently being tested in some of the Group's shopping centres, including Forum des Halles and Les 4 Temps.

The first season will end in July 2016 when Unibail-Rodamco and the start-ups will discuss potential roll-out opportunities within Unibail-Rodamco's portfolio. The second season will be launched in the fall of 2016, with five new start-ups.

Marketing and digital

As at June 30, 2016, 31 of the Group's shopping centres were part of the "Unexpected Shopping" campaign, with two joining in H1-2016: CentrO in March and Forum des Halles in April, where the opening show by Benjamin Millepied was viewed more than 910,000 times on the shopping centre's Facebook page, demonstrating the success of Forum des Halles' digital channels. A partnership with "My Little Paris" informed over 140,000 Parisians about the opening of Forum des Halles and generated high engagement for the opening.

Unibail-Rodamco deployed a series of entertainment events in Europe in H1-2016 linking with partners that have strong brand recognition: LEGO (events in four shopping centres); "Unexpected Heroes" (deployed in nine shopping centres) in exclusive partnership with Warner Bros.; "Unexpected Running" events (deployed in eight shopping centres). These events generated a high number of participants as well as intense use of the shopping centres' digital channels.

Unibail-Rodamco consistently continues to grow its digital audience:

- Digital multi-channel marketing: smartphone app downloads grew by +19%, to 3.7 million compared to H1-2015 and Facebook fans grew by +16%, to 5.6 million;
- The Group's loyalty program continues its rapid growth with almost 640,000 new users over the same period last year. The openings of Polygone Riviera and Mall of Scandinavia at the end of 2015 also drove an increase in the loyalty program membership and its digital use, with 38% and 56% of their respective loyalty cards holders using digital loyalty cards;
- As at June 30, 2016, a total of 27 shopping centres had been equipped with beacons.

These initiatives allow an accelerated deployment of new services solving the pain points of visitors in shopping centres. For instance:

- Smart Park, deployed in six centres: an easy entrance and exit system from the parking for loyalty card holders by automatic recognition of their number plate and automatic memorization of the parking space;
- Smart Map, deployed in 45 centres: it enables visitors to easily locate on their smartphone map the shops they are looking for and current promotions;
- Meet my Friends, deployed in 25 centres: 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.

1.2. Net Rental Income

As at June 30, 2016, the Group owned 86 retail assets, of which 71 shopping centres. 56 of these host six million or more visits per annum and represent 97% of the Group's retail portfolio[16] in Gross Market Value (GMV).

Total consolidated Net Rental Income (NRI) of the shopping centre portfolio amounted to €643.4 Mn in H1-2016, an increase of +10.6% from H1-2015 mainly due to the positive impact of the openings of Mall of Scandinavia and Polygone Riviera in H2-2015 and the full consolidation of Ruhr Park, partially offset by disposals in 2015 and in H1-2016.

Region	Net Rental Income (€Mn)		
	H1-2016	H1-2015	%
France	295.3	272.8	8.2%
Central Europe	80.1	74.2	7.9%
Spain	71.5	76.0	-5.9%
Nordic	72.7	52.7	38.0%
Austria	47.9	46.1	4.0%
Germany	45.0	26.4	70.0%
Netherlands	30.9	33.7	-8.2%
TOTAL NRI	**643.4**	**581.9**	**10.6%**

Figures may not add up due to rounding.

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

- +€37.6 Mn from delivery of shopping centres or new units, mainly in Sweden (Mall of Scandinavia), in France (Polygone Riviera and Forum des Halles) and in Germany (Minto).
- +€13.9 Mn from changes in consolidation and acquisitions:
  - In Germany, Ruhr Park has been fully consolidated since July 24, 2015, following the acquisition of an additional stake and the related change of control;
  - Acquisition of additional units, mainly in France.
- -€3.0 Mn due to assets moved into the pipeline, mainly in Spain and The Netherlands with the

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

projects in Glories and Bonaire and the Mall of The Netherlands project, respectively.

- -€6.8 Mn due to disposals of assets, mainly in the Nordics (Nova Lund) and in France (Nicetoile).

- The like-for-like NRI[17] growth amounted to +€19.8 Mn, up +3.8%, 350 bps above indexation.

Region	Net Rental Income (€Mn) Like-for-like		
	H1-2016	H1-2015	%
France	255.6	243.5	5.0%
Central Europe	76.3	69.8	9.2%
Spain	69.1	71.0	-2.8%
Nordic	45.1	44.1	2.3%
Austria	47.9	45.9	4.4%
Germany	25.2	23.2	8.9%
Netherlands	23.8	25.8	-7.5%
TOTAL NRI Lfl	**543.1**	**523.3**	**3.8%**

Figures may not add up due to rounding.

Region	Net Rental Income Like-for-like evolution (%)			
	Indexation	Renewals, relettings net of departure	Other	Total
France	-0.1%	2.5%	2.6%	5.0%
Central Europe	0.9%	4.8%	3.6%	9.2%
Spain	-0.1%	2.6%	-5.3%	-2.8%
Nordic	1.5%	-0.1%	0.9%	2.3%
Austria	0.6%	2.0%	1.8%	4.4%
Germany	0.2%	3.5%	5.2%	8.9%
Netherlands	0.7%	-9.3%	1.1%	-7.5%
TOTAL	**0.3%**	**2.0%**	**1.5%**	**3.8%**

The +3.8% like-for-like NRI growth for the Group in H1-2016 reflects the impact of low indexation (+0.3% vs. +0.4% in H1-2015), "Other income" (+1.5% vs. +1.0 % in H1-2015) and the solid performance in renewals and relettings (+2.0% vs. +2.6% in H1-2015), which was partially offset by The Netherlands. The increase in "Other income" is due mainly to Sales Based Rents (SBR) and key money received. "Other income" in Spain is decreasing mainly due to the impact in H1-2015 of indemnities received following a court decision and the subsequent reversal of provision for doubtful debt. Excluding this impact, the like-for-like growth for shopping centres in H1-2016 would have been +1.8% in Spain, and +4.4% for the Group. In The Netherlands, like-for-like NRI of -7.5% is due primarily to bankruptcies of a number of retailers, including the department store chain V&D, and departures of certain tenants.

Across the whole portfolio, SBR represented 3.3% (€20.9 Mn) of total Net Rental Income in H1-2016 (vs. €12.3 Mn (2.1%) last year), an increase mainly due to France and the Nordics as a result of the successful deliveries of Polygone Riviera and Mall of Scandinavia in H2-2015.

1.3. Contribution of affiliates

The total recurring Contribution of affiliates[18] for the shopping centre portfolio amounted to €35.5 Mn in H1-2016, compared to €42.9 Mn in H1-2015.

Region	Contribution of affiliates (€Mn)		
	H1-2016 Recurring activities	H1-2015 Recurring activities	Change
France	3.3	5.0	- 1.7
Central Europe	17.2	20.8	- 3.6
Spain	0.4	0.6	- 0.2
Germany	14.6	16.5	- 1.9
TOTAL	**35.5**	**42.9**	**- 7.4**

Figures may not add up due to rounding.

The total net decrease of -€7.4 Mn is mainly due to:

- The disposal of the Group's stake in Arkady Pankrac in June 2015 which was partially offset by the increase in the contribution from Zlote Tarasy;
- The change of control in Ruhr Park which is fully consolidated since July 2015; and
- Abortive costs on a development project.

On a pro-forma basis, excluding the change of consolidation method and divestment, the total recurring Contribution of affiliates grew by +€1.2 Mn (+3.4%), mainly due to Zlote Tarasy and CentrO.

1.4. Leasing activity in H1-2016

The Group signed 795 leases in H1-2016 on consolidated standing assets (compared to 676 leases in H1-2015[19]) for €102.9 Mn of MGR. The

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

18 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.

19 687 deals signed in H1-2015 including those in Ruhr Park which is now fully consolidated.

average MGR uplift[20] was +20.6% on renewals and relettings during the first six months of 2016 (compared to +18.2% in 2015 and +16.1% in H1-2015). The uplift in H1-2016 was the result of healthy uplifts in France, Austria and Spain, partially offset by the negative uplift in The Netherlands.

Region	Lettings / re-lettings / renewals excl. Pipeline				
	nb of leases signed	m²	MGR (€ Mn)	MGR uplift Like-for-like	
				€ Mn	%
France	158	47,326	35.1	6.6	29.6%
Central Europe	217	40,692	20.5	2.3	17.3%
Spain	142	20,776	13.7	1.9	20.0%
Nordic	101	32,400	13.3	1.3	13.8%
Austria	71	13,417	9.4	1.6	25.6%
Germany	39	18,857	5.9	0.7	18.8%
Netherlands	67	18,743	5.0	- 0.3	-8.2%
TOTAL	**795**	**192,211**	**102.9**	**14.0**	**20.6%**

MGR: Minimum Guaranteed Rent

Figures may not add up due to rounding.

1.5. Lease expiry schedule, Vacancy and Occupancy cost Ratio (OCR)

As at June 30, 2016, the total annualised MGR from Unibail-Rodamco's shopping centre portfolio increased to €1,250.8 Mn (€1,243.2 Mn as at December 31, 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	32.1	2.6%	32.1	2.6%
2016	132.7	10.6%	48.1	3.8%
2017	217.2	17.4%	84.0	6.7%
2018	235.5	18.8%	84.7	6.8%
2019	198.7	15.9%	116.3	9.3%
2020	127.4	10.2%	123.0	9.8%
2021	92.5	7.4%	105.9	8.5%
2022	52.4	4.2%	130.0	10.4%
2023	36.1	2.9%	113.7	9.1%
2024	31.3	2.5%	79.5	6.4%
2025	35.0	2.8%	118.9	9.5%
2026	10.9	0.9%	62.3	5.0%
Beyond	49.0	3.9%	152.4	12.2%
TOTAL	**1,250.8**	**100%**	**1,250.8**	**100%**

Figures may not add up due to rounding.

Estimated Rental Values (ERV) of vacant space in operation on the total portfolio increased to €37.9 Mn (from €36.2 Mn as at December 31, 2015).

The EPRA vacancy rate[21] of 2.5% as at June 30, 2016, was stable compared to December 31, 2015, including 0.2% of strategic vacancy. In The Netherlands, the increase in vacancy is mainly due to the bankruptcy of the department store chain V&D. Discussions with potential tenants about stores vacated by V&D are ongoing. The vacancy decreased in the Nordics, Austria and Germany due to strong leasing activity.

Region	**Vacancy (June 30, 2016)**		**% Dec. 31, 2015**
	€Mn	**%**	
France	20.5	2.9%	2.8%
Central Europe	1.3	0.8%	0.9%
Spain	2.0	1.0%	1.1%
Nordic	4.9	2.9%	3.8%
Austria	1.1	1.0%	1.6%
Germany	2.6	2.5%	3.0%
Netherlands	5.5	8.9%	3.9%
TOTAL	**37.9**	**2.5%**	**2.5%**

Excluding pipeline

Figures may not add up due to rounding.

The OCR[22] for the Group increased slightly to 14.4% as at June 30, 2016, compared to 14.1% as at December 31, 2015. The increase is due to the fact that rental growth outpaced tenant sales growth during the period.

Region	**OCR**	
	30/06/2016	**31/12/2015**
France	15.0%	14.7%
Central Europe	15.9%	15.5%
Spain	12.4%	12.3%
Nordic	12.8%	12.3%
Austria	16.0%	15.8%
Germany	13.3%	13.0%
Netherlands (1)	-	-
TOTAL	**14.4%**	**14.1%**

(1) Tenant sales not available in The Netherlands.

[20] MGR uplift: difference between new MGR and indexed old MGR. Indicator calculated on renewals and relettings only.

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

[22] Occupancy Cost Ratio: (rental charges + service charges including marketing costs for tenants, all including VAT) / (tenants' sales, including VAT). 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 been taken into account.

1.6. Average rent/m² and Appraisers' view on NRI Growth

The table below contains quantitative data used by the Group's appraisers, and disclosed in section 1.6 of the Net Asset Value Note provided pursuant to IFRS 13, in order to provide readers with incremental data on the Group's assets.

Shopping Centres - June 30, 2016		Rent in € per sqm (a)	CAGR of NRI (b)
France	Max	823	9.0%
	Min	85	1.2%
	Weighted average	503	4.8%
Central Europe	Max	549	2.8%
	Min	189	2.3%
	Weighted average	382	2.7%
Nordic	Max	526	5.3%
	Min	118	0.5%
	Weighted average	364	3.7%
Spain	Max	770	4.0%
	Min	99	1.8%
	Weighted average	276	3.3%
Germany	Max	404	4.6%
	Min	238	2.4%
	Weighted average	310	3.3%
Austria	Max	366	2.8%
	Min	352	2.3%
	Weighted average	359	2.5%
Netherlands	Max	408	5.8%
	Min	113	n.m
	Weighted average	238	3.9%
Group	**Max**	**823**	**9.0%**
	Min	**85**	**n.m**
	Weighted average	**382**	**3.9%**

(a) Average annual rent (minimum guaranteed rent + sales based rent) per asset per m².
(b) Compounded Annual Growth Rate of Net Rental Income determined by the appraiser (between 6 and 10 years depending on duration of DCF model used).

1.7. Investment and divestment

Unibail-Rodamco invested €378 Mn[23] in its shopping centre portfolio in H1-2016:

- New acquisitions amounted to €34 Mn, mainly in Forum des Halles and Les 4 Temps.
- €274 Mn were invested in construction, extension and refurbishment projects. The Forum des Halles renovation project was delivered in April 2016. Significant progress was made on the Carré Sénart, Glories, Centrum Chodov and Wroclavia projects (see also section "Development projects").
- Financial, eviction and other costs were capitalised in H1-2016 for €4 Mn, €52 Mn and €14 Mn, respectively.

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

The Group disposed of a number of small assets, including Europark, a 26,159 m^2 shopping centre in Budapest, for a Total Acquisition Cost (TAC)[24] of €32 Mn, reflecting a price of €1,223/m^2.

Collectively, disposals of retail assets during H1-2016 were achieved at an average premium of +14.0% above the last unaffected book value.

1.8. Overview of German operations[25]

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 H1-2016, the following paragraph describes a number of key performance indicators[26] on a pro-forma and 100% basis:

- The total GMV of the German portfolio (fully or partly owned) at 100% amounted to €5.0 Bn as at June 30, 2016 (€4.8 Bn as at December 31, 2015);
- The Pipeline at 100% amounted to €1.2 Bn as at June 30, 2016, stable compared to December 31, 2015;
- The GLA managed amounted to 1.4 million m² and includes 0.8 million m² of owned assets;
- NRI amounted to €100.7 Mn in H1-2016, an increase of +€9.1 Mn compared to H1-2015, mainly explained by the opening of Minto in March 2015 as well as the delivery of Ruhr Park extension in November 2015. On a like-for-like basis, NRI grew by +5.2% (including 0.3% of indexation);
- 82 leases were signed in H1-2016 for standing assets (79 in H1-2015), with an average MGR uplift of +18.3%;

[24] Total Acquisition Cost (TAC): the total amount a buyer shall pay to acquire an asset or a company. TAC equals the price agreed between the seller and the buyer plus all transfer taxes and transaction costs.
[25] Includes Office assets, representing 0.8% of total GMV-group share. Excludes Ring-Center.
[26] These operating data are for 100% of the assets for the half-years 2015 and 2016, and therefore cannot be reconciled with the Group's financial statements and key performance indicators.

- Vacancy rate as at June 30, 2016 was stable at 3.0%;
- OCR for tenants as at June 30, 2016 was 14.8%, compared to 14.7% as at December 31, 2015.

2. Offices

2.1 Office property market in H1-2016

Take-up

With 1.1 million m² of office space let in H1- 2016, the take-up in the Paris region was up by +20% over the same period last year, continuing the strong growth trend started in H2-2015[27].

The La Défense market has been particularly strong, recording a historically high take-up with more than 174,500 m² rented during H1-2016 (its highest level in 10 years – more than 70% above the 10-year average of 100,600 m^2)[27]. The increase in La Défense is primarily due to the signing of two very large transactions: Deloitte's lease for 31,164 m^2 in the Majunga tower and Saint-Gobain's lease for 49,000 m² in the M2 tower (non-weighted m²).

The Paris Central Business District (CBD) also witnessed an increase of over +21% over the same period last year with a take-up of 234,300 m² in H1-2016.

The increase in take-up in the office market in the Paris region is mainly due to the level of transactions over 5,000 m², with 30 transactions accounting for 379,000 m² recorded in H1-2016, compared to 253,500 m² in H1-2015[28], representing an increase of 49%. This trend should continue during H2-2016, with an expected take-up for the year estimated at 900,000 m² for transactions above 5,000 m².

Rents

Rents in Paris CBD have held up well throughout H1-2016. Prime rental values of close to €800/m² were recorded: €790/m² for 1,800 m^2 taken by Banco Santander in Vendôme Saint-Honoré (Paris 1) and 1,000 m² taken by CMA-CGM in Capital 8 (Paris 8).

In La Défense, the highest rent recorded during H1-2016 amounted to €550/m² for the Deloitte transaction in the Majunga Tower. This level of rent is the highest level reached since 2011[29].

Lease incentives during H1-2016 were 22% on average in the Paris region[28]. They remain closely linked to the available supply. For example, since the beginning of the year, there has been a gradual reduction in lease incentives in the Paris CBD due to the mechanical effect of available office supply of less than 5% and ongoing high demand in this sector.

New supply

Supply in the Paris region was around 3.8 million m²[29] as at June 30, 2016, down by -2.6% compared to December 31, 2015. The level of new or refurbished as new supply in the Paris region decreased slightly compared to the same period last year with 575,000 m², representing 15.0% of the immediate supply[28].

As at June 30, 2016, the vacancy rate is down to 6.6% in the Paris region (vs. 6.9% as at December 31, 2015), with major variances by geographic sector. The vacancy rate in the CBD stands at approximately 4.1% (vs. 4.8% as at December 31, 2015), while that of La Défense decreased to 8.9%[29] (vs. 10.8% as at December 31, 2015). In other sectors such as the Peri Défense and the Northern Rim, vacancy rates exceed 14%[28], up from more than 11% as at December 31, 2015.

Investment market

The total volume of transactions closed during H1-2016 amounted to €5.0 Bn[28], up +8% compared to the same period last year.

The market was characterized by a high level of large transactions (12 transactions over €100 Mn were entered into during the first six months of 2016 compared to 13 transactions for the same period last year). The largest were Tour First in La Défense (approximately €750 Mn), 2-8 Ancelle in Neuilly (approximately €271 Mn) and 87 Richelieu in Paris 2 (approximately €250 Mn). Like in H1-2015, French domestic investors, primarily investment funds, insurance companies and SCPIs, drove the market in H1-2016.

The strong demand, the ample availability of financing and the limited supply of high quality office buildings compressed yields for prime office assets in Paris CBD towards their historical lows of 2007. Prime yields in Paris CBD fell by approximately 20 bps to 3.25% during H1-2016. Prime yields in La Défense fell by about 25 bps to

[27] Source: Immostat, July 2016.
[28] Source: BNP Paribas Real Estate, July 2016.
[29] Source: CBRE, July 2016.

around 4.75%, as illustrated by the sale by Beacon Capital of Tour First.

2.2. Office division activity in H1-2016

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

Region	Net Rental Income (€Mn)		
	H1-2016	H1-2015	%
France	75.2	75.1	0.2%
Nordic	6.7	6.3	6.1%
Other countries	2.4	3.1	n.m
TOTAL NRI	**84.3**	**84.5**	**-0.3%**

Figures may not add up due to rounding.

The decrease of -€0.2 Mn breaks down as follows:

- +€6.0 Mn due to the delivery of So Ouest Plaza and the lease contract with L'Oréal effective from March 2016;
- +€0.3 Mn due to currency effects in the Nordics;
- -€3.4 Mn due to disposals, primarily the 2-8 Ancelle building on March 24, 2016;
- -€5.2 Mn due to the transfer of assets to the pipeline, including Les Villages 3 and 4;
- The like-for-like NRI[30] growth was +€2.1 Mn (+3.1%), mainly due to the AXA IM lease in Majunga and indemnities received in H1-2016 from departing tenants in France, partly offset by departures of some tenants.

Region	Net Rental Income (€Mn) Like-for-like		
	H1-2016	H1-2015	%
France	61.4	59.3	3.5%
Nordic	6.7	6.6	1.5%
Other countries	2.4	2.5	n.m
TOTAL NRI Lfl	**70.5**	**68.4**	**3.1%**

Figures may not add up due to rounding.

59,102 weighted square meters (wm²) were leased in standing assets in H1-2016, including 51,494 wm² in France. This includes the 30,690 wm² lease with Deloitte in Majunga signed on January 18, 2016. Several renewals and relettings were signed in Capital 8, Les Villages 5 and 7, Tour Ariane and Nouvel Air.

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

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	1.4	0.7%	1.4	0.7%
2016	13.8	6.9%	9.8	4.9%
2017	10.0	5.0%	5.6	2.8%
2018	28.1	14.1%	16.7	8.4%
2019	48.0	24.1%	37.6	18.9%
2020	6.4	3.2%	4.3	2.1%
2021	11.0	5.5%	7.4	3.7%
2022	8.0	4.0%	8.0	4.0%
2023	4.6	2.3%	17.4	8.7%
2024	2.7	1.4%	8.0	4.0%
2025	21.0	10.5%	8.8	4.4%
2026	32.7	16.4%	34.3	17.2%
Beyond	11.8	5.9%	40.2	20.2%
TOTAL	**199.5**	**100%**	**199.5**	**100%**

Figures may not add up due to rounding.

ERV of vacant office space in operation amounted to €27.8 Mn as at June 30, 2016, corresponding to a financial vacancy[31] of 12.3% on the total portfolio (14.4% as at year-end 2015), including €25.2 Mn and 12.3% (vs. 14.7% as at December 31, 2015) in France. This vacancy is mainly due to vacant space in Capital 8 (following the departure of GDF), Les Villages and Tour Ariane.

2.3. Investment and divestment

Unibail-Rodamco invested €63 Mn[32] in its offices portfolio in H1-2016:

- €53 Mn were invested for works and minor acquisitions, mainly in France for So Ouest Plaza, the Versailles Chantiers project and for the Trinity and Phare-Sisters projects in La Défense (see also section "Development Projects");
- Financial and other costs capitalised amounted to €10 Mn.

On March 24, 2016, further to the purchase and sale agreement (*promesse de vente*) entered into in December 2015, Unibail-Rodamco disposed of the office building located at 2-8 rue Ancelle in Neuilly-sur-Seine to a joint-venture between ACM

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

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

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

Vie SA and funds managed by Amundi Immobilier. The Net Disposal Price (NDP)[33] was €267.6 Mn.

Unibail-Rodamco on February 19, 2016, entered into an agreement to dispose of the 33,300 m² So Ouest office building located in Levallois.

The office disposals made and sale agreements entered into by Unibail-Rodamco in H1-2016 have valued these assets at an average premium of +26.3% above the last unaffected book value.

The Group expects to pursue further office asset disposals in 2016.

3. Convention & Exhibition

The activity is exclusively located in France and consists of a real estate venues and services company (Viparis).

Viparis is owned jointly with the Chamber of Commerce and Industry of Paris Île-de-France (CCIR) and is fully consolidated by Unibail-Rodamco.

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. A few shows were cancelled or postponed after the November 13, 2015 terrorist attacks. Viparis supported its clients and helped to find appropriate solutions. The business performed well in H1-2016 with 14 new exhibitions, including the successful Viva Technology show.

The first half of 2016 has been characterized by the following shows:

Annual shows:

- The International Agriculture's show ("SIA") attracted 611,000 visitors. This year's show was impacted by the state of emergency and farmers protests.
- The 2016 edition of the "Foire de Paris" attracted 518,200 visitors, less than prior years due to an unfavourable calendar with less public holidays.

Biennial shows:

- Eurosatory, the Land and Air-land Defense and Security Exhibition attracted 57,000 visitors and 1,572 exhibitors from 56 countries. It maintained its position as the leading international show in this sector and is the major event for new products and innovations.

The heart of all broadcast operations at UEFA EURO 2016 soccer tournament, the International Broadcast Centre (IBC), was located at the Paris Expo Porte de Versailles exhibition complex from March 22 until the end of the tournament in July 2016.

EuroPCR, the official congress of the European Association of Percutaneous Cardiovascular Interventions (EAPCI), is the world's leading annual congress in its field. Held in May in Paris, in Palais des Congrès, this event brought together more than 11,500 participants.

In total, 458 events were held in Viparis venues during H1-2016, of which 160 shows, 47 congresses and 251 corporate events.

Despite the challenging circumstances, Viparis' EBITDA[34] came to €68.9 Mn for H1-2016, an increase of +€11.6 Mn (+20%) vs. H1-2014, the latest comparable period. This increase resulted mainly from: (i) the "Salon des Maires" and the rescheduling of educational fairs; (ii) the IBC for the UEFA EURO 2016 soccer tournament, and (iii) the growth in corporate events segment, with a +20% increase in turnover.

At the end of June 2016, completed events and signed events for the rest of the year in Viparis venues amounted to 96% of the total expected for 2016, in line with the usual booking rates.

The first phase of renovation works (2015-2017) on the Porte de Versailles site started with demolition works 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, including a 5,200-seat plenary room.

The NRI from hotels amounted to €10.0 Mn for H1-2016, compared to €8.2 Mn for H1-2015.

[33] Net Disposal Price (NDP): Total Acquisition Cost incurred by the acquirer minus all transfer taxes and transaction costs.

[34] EBITDA (Viparis): "Net rental income" and "Other site property services income" + "Contribution of affiliates" of Viparis venues.

III. SUSTAINABILITY

Sustainable thinking is deeply 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 practice, social fairness and transparent governance, is designed to return reliable and quantifiable improvements in performance over the long term.

The Group's energy intensity continued its decrease, -5% in Q4-2015 and -2% in Q1-2016, compared to the same periods in 2014/2015 (in kWh/visit for the managed shopping centre portfolio on a like-for-like basis). This performance, combined with the reduction of -13% between 2012 and 2015, means that the Group is ahead of its objective of -25% reduction by 2020 from the 2012 baseline.

The Group continues to certify its standing asset portfolio, with nine shopping centres going through a renewal certification process, all of them targeting improvement of their overall scores, both for the 'Building' and the 'Management' parts in the BREEAM-In-Use scheme.

By June 30, 2016, the Group had 46 managed shopping centres "BREEAM In-Use" certified in Europe corresponding to 84% (over 2.6 million m² consolidated GLA) of the total Group's standing shopping centres GLA.

96% of the "BREEAM In-Use" certificates obtained by the Group's retail assets were at the "Excellent" or "Outstanding" levels for the "Building Management" (part 2), compared to 37% for the European market's Real Estate industry[35], demonstrating the superior environmental performance of the Group's assets and of its property management policy, despite the diversity of its portfolio in terms of size, age and location.

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

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

The Group's reporting complies with both the new release of 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.

IV. H1-2016 RESULTS

<u>Other property services net operating result</u> was €15.2 Mn in H1-2016 and came from property services companies in France, Spain and Germany. The recurring part amounted to €16.4 Mn, an increase of €0.5 Mn compared to H1-2015, mainly due to an increase in Germany and a small decrease in France, due to less projects fees in H1-2016.

<u>General expenses</u> amounted to -€56.0 Mn in H1-2016, including -€54.8 Mn in recurring expenses (-€48.9 Mn in H1-2015, of which -€48.0 Mn in recurring), an increase of €7.1 Mn mainly due to the impact of: (i) Ruhr Park's full consolidation; (ii) increased IT spending to modernize and upgrade the Group's information systems; and (iii) additional duties and taxes in France. As a percentage of NRI from shopping centres and offices, recurring general expenses were 7.5% in H1-2016 (vs. 7.2% in H1-2015). As a percentage of GMV of shopping centres and offices, recurring expenses were stable at 0.15% for the period ended on June 30, 2016, compared to the end of June 2015.

<u>Development expenses</u> incurred for feasibility studies of projects and potential acquisitions amounted to -€1.9 Mn in H1-2016 (-€2.6 Mn in H1-2015) in recurring expenses.

<u>Recurring financial result</u> totalled -€131.4 Mn in H1-2016, after deduction of capitalised financial expenses of €6.3 Mn allocated to projects under construction. This represents a -€21.3 Mn decrease compared to H1-2015.

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[35] Source: BRE Global BREEAM In-Use Data, as of December 31, 2015 – 348 retail assets certified under BREEAM In-Use (Part 2 – Building Management).

The Group's average cost of debt[36] decreased to 1.7% for H1-2016 (vs. 2.2% for the year 2015).

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

Non-recurring financial result amounted to -€165.2 Mn in H1-2016, which breaks down as follows:

- -€183.1 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;
- -€30.0 Mn resulting mainly from the premium and costs paid on the buy back of outstanding bonds for a total nominal amount of €282 Mn in April 2016;
- +€20.1 Mn mark-to-market of the ORNANEs issued in 2012, 2014 and 2015;
- +€27.4 Mn of currency impact mainly resulting from the revaluation of debt issued in HKD, USD and CHF. The offsetting cost of the cross currency swap was recorded in the mark-to-market of derivatives as these transactions were fully hedged;
- +€0.4 Mn of debt discounting and other minor items.

Income tax expenses are due to the Group's activities in countries where specific tax regimes for property companies[37] do not exist and from activities in France not eligible for the SIIC regime, mainly in the Convention & Exhibition business.

Income tax allocated to the recurring net result amounted to -€0.2 Mn in H1-2016 compared to -€14.1 Mn in H1-2015. The difference mainly comes from the recognition, in H1-2016, of tax losses carried forward in France.

Non-recurring income tax expenses amounted to -€112.1 Mn in H1-2016, due mainly to the increase of deferred tax liabilities as a result of the revaluation of the Group's real estate assets. This amount also includes the 3% tax levied on cash dividends paid by French companies in H1-2016. In 2016, the Group will pay -€2.5 Mn of tax on the dividend paid in March and July 2016 for the fiscal year ended December 31, 2015.

Non-controlling interests in the consolidated recurring net result after tax amounted to €89.5 Mn in H1-2016 compared to €70.0 Mn in H1-2015. This increase is due primarily to partners in the Group's German operations (€14.7 Mn in H1-2016). Minority interests in France held by third parties relate essentially to shopping centres (€44.0 Mn, mainly Les 4 Temps, Parly 2 and Forum des Halles) and the stake of CCIR in Viparis (€28.7 Mn). The non-recurring non-controlling interests amounted to €110.3 Mn in H1-2016, up from €96.8 Mn in H1-2015, due primarily to valuation movements (including those in Ruhr Park).

Net result - owners of the parent was a profit of €1,284.8 Mn in H1-2016. This figure breaks down as follows:

- €575.3 Mn of recurring net result (compared to €528.1 Mn in H1-2015) as a result of good business performance and lower interest expenses and taxes, partially offset by the impact of disposals made in 2015 and in H1-2016;
- €709.5 Mn of non-recurring result[38] (compared to €495.8 Mn in H1-2015).

The average number of shares and ORAs[39] outstanding during H1-2016 was 98,964,456, compared to 98,327,497 in H1-2015. The increase is mainly due to stock options exercised in 2015 and H1-2016 (impact of +581,353 on the average number of shares in H1-2016 vs. H1-2015) and to the issuance of performance shares in 2015 and 2016 (impact of +31,252).

[36] Average cost of debt = Recurring financial expenses (excluding the ones on financial leases and the ones related to partners' current accounts) + 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.

[37] In France: SIIC (Société d'Investissements Immobiliers Cotée).

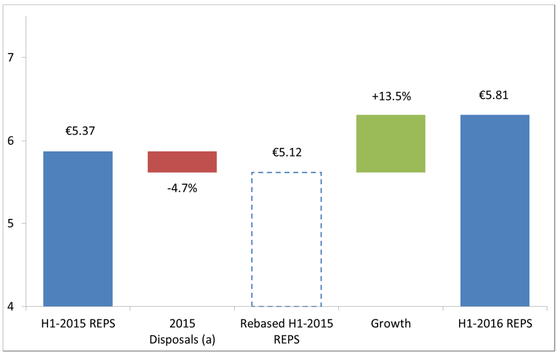
[38] Include valuation movements, disposals, mark-to-market and termination costs of financial instruments, including bond tender premiums, impairment of goodwill or reversal of negative goodwill and other non-recurring items.

[39] It has been assumed here that the ORAs have a 100% equity component.

Recurring Earnings per Share (recurring EPS) came to €5.81 in H1-2016. This represents an increase of +13.5% from the recurring EPS, for H1-2015, rebased for the disposals in 2015, of €5.12. These were mainly made in H2-2015 and, thus, had a significant impact in H1-2016.

This increase was primarily due to the robust rental growth of the shopping centres and the strong decrease in the average cost of debt. In addition, the Group benefited from the positive effect of the recognition of tax losses carried forward.

The evolution of the Recurring EPS (REPS) H1-2016



(a) Impact on the REPS of the disposals of Arkady Pankrac, Nicetoile and Nova Lund, the sale of a stake in Unibail-Rodamco Germany to Canadian Pension Plan Investment Board, the disposal of the stake in Comexposium and a small non-core retail asset in Spain as well as an office building in France.

Reported recurring EPS for H1-2016 came to €5.81 compared to €5.37 for H1-2015, representing an increase of +8.2%.

V. POST-CLOSING EVENTS

Further to the agreement (*promesse de vente*) entered into in February 2016, Unibail-Rodamco on July 12, 2016 disposed of the So Ouest office building, located in Levallois, to an institutional investor. The net disposal price[40] was €333.8 Mn (more than €10,000 per m²), representing a Buyer's Net Initial Yield[41] below 4.5%.
So Ouest is a fully refurbished 33,300 m² office building, fully let since 2014 to SAP France and Pharmaceutical Research Associates with long-term leases. This asset benefits from an excellent location in the Eiffel district in Levallois right above the So Ouest shopping centre. It provides very efficient floor plates with exceptional views on Paris and La Défense. It has been BREEAM-In-Use "Excellent" and HQE certified.

VI. OUTLOOK

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

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

[40] Net Disposal Price (NDP): Total Acquisition Cost incurred by the acquirer minus all transaction taxes and transaction costs.
[41] Buyer's Net Initial Yield: annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the TAC.

DEVELOPMENT PROJECTS AS AT JUNE 30, 2016

As at June 30, 2016, Unibail-Rodamco's consolidated development project pipeline amounted to €7.9 Bn (€7.2 Bn in group share), corresponding to a total of 1.6 Mn m² Gross Lettable Area (GLA), to be re-developed or added to the Group's standing assets. The Group retains significant flexibility on its consolidated development portfolio (76% of the total investment cost[42]).

1. Development project portfolio evolution

After the many deliveries in 2015, the Canopy of the Forum des Halles was inaugurated on April 5, 2016, as part of the five-year renovation program of this shopping centre in the heart of Paris.

In H1-2016, Unibail-Rodamco refueled its development pipeline with two new extension projects. The first project is the extension of the La Part Dieu shopping centre, to create 80 new shops and restaurants, as well as an 18-screen cinema on 28,300 m² of new GLA. Designed by the Dutch architectural firm MVRDV, the project also includes a global makeover of the facades, a roof garden and several new entrances to better integrate the shopping centre into the city. The second project is the 20,200 m² extension of the Garbera shopping centre in San Sebastian.

The Group's pipeline as at June 30, 2016, now also includes the Benidorm project for a Total Investment Cost (TIC)[43] of €205 Mn following the acquisition by the Group of an additional stake in the project and the associated change in control of the project. The project company is fully consolidated as from June 2016.

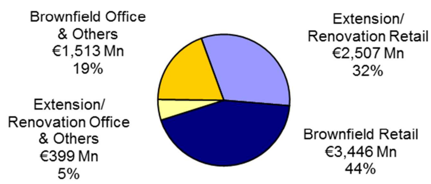
2. Development projects overview

The estimated TIC of the consolidated development pipeline[44] as at June 30, 2016 amounts to €7.9 Bn. This amount does not include the projects under development by companies accounted for using the equity method[45], which amount to circa €0.2 Bn (group share), nor projects under consideration or for which the Group is in competition.

The €7.9 Bn development pipeline compares with the total of €7.4 Bn as of December 31, 2015. The change in the TIC results from: (i) the new projects added to the pipeline in 2016 (+€411 Mn), (ii) modifications in the program of existing projects, including currency changes (+€22 Mn), (iii) the change of consolidation method of the Benidorm project (+€205 Mn), and (iv) the delivery of the Forum des Halles extension and renovation (-€164 Mn).

The pipeline categories are as follows:

Consolidated development pipeline by category[46]



The €6.0 Bn retail pipeline is split between brownfield projects, which represent 58%, and extensions and renovations, which make up the remaining 42%. The Group currently expects to add 1.1 million m² of GLA, representing an increase of ca. 32% of the Group's existing retail GLA.

Development projects in the Office & Others sector amount to €1.9 Bn. Brownfield projects represent 79% of this investment and correspond to some 240,000 m² of new GLA, of which 73% is expected to be delivered after 2020. The remainder will be invested in the redevelopment or refurbishment of almost 120,000 m² of existing assets. Out of the €1.9 Bn Office & Others pipeline, €340 Mn (17.8%) are committed.

[42] In terms of cost to completion of "Controlled" and "Secured exclusivity" projects, as % of total investment cost of the consolidated development portfolio.

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

[44] 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.

[45] Mainly the development of a new shopping centre located in Central Europe and the renovation of the Gropius shopping centre.

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

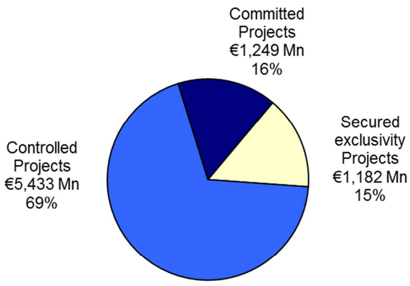
3. A secured and flexible development pipeline

The table below shows the evolution of the development pipeline between December 31, 2015 and June 30, 2016, by commitment categories:

In € Bn	June 2016	Dec. 2015
"Committed[47]" projects	1.2	1.4
"Controlled[48]" projects	5.4	5.2
"Secured Exclusivity[49]" projects	1.2	0.8
Consolidated Total Investment Cost	**7.9**	**7.4**

Figures may not add up due to rounding.

Consolidated development pipeline by phase[46]



Of the €1.2 Bn "Committed" development pipeline, €0.5 Bn has already been spent, with €0.8 Bn still to be invested over the next three years. Of this amount, €0.5 Bn has been contracted.

The "Controlled" category now includes Benidorm project. The new projects, La Part Dieu extension and Garbera extension entered the pipeline portfolio as "Secured exclusivity" projects.

The "Controlled" and "Secured exclusivity" development pipeline represents options to create significant value for the Group. €0.6 Bn has already been spent on these two project categories.

[47] "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.
[48] "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.
[49] "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 H1-2016

In H1-2016, two extension projects with a TIC of ca. €0.4 Bn were added to the development pipeline:

- The extension project of La Part Dieu shopping centre;
- The extension of Garbera shopping centre.

Since December 31, 2015, the delivery dates of some of the Group's projects have been pushed back, for example: the Palma Springs project (five months) and Val Tolosa (six months) were delayed because of administrative procedures. Recently, final approval of the zoning plan for the Mall of The Netherlands was obtained and delivery is scheduled for H1-2019.

5. Investments in H1-2016

See sections 1.7 and 2.3 of the "Business Review by segment" for shopping centres and offices, respectively.

6. Delivered projects in H1-2016

The new Canopy of the Forum des Halles opened in April. Approximately 6,000 m² of retail GLA were added (18 new stores) and are fully let.

Of the 15,100 m² total GLA of the project, ca. 6,200 m² will be delivered during the next few months.

The yield on cost[50] of the Forum des Halles project is in line with the Group's 8% target.

[50] Yield on cost: contracted rents for the 12 months following the opening (for the delivered projects) or annualized expected rents (for the on-going projects), net of expenses, divided by the TIC.

7. Deliveries expected in the next 18 months

The delivery of two projects is expected in H2-2016:

- A 6,087 m² extension project in Bonaire;
- A refurbishment project in Les Villages office buildings in La Défense.

Several retail projects representing an expected TIC of ca. €880 Mn are scheduled to be delivered in H2-2017:

- Wroclavia, a shopping centre development with 79,641 m²;
- The 31,532 m² extension of Carré Sénart;
- The 41,754 m² extension of Centrum Chodov;
- The 8,161 m² extension of Parly 2;
- The 10,690 m² extension of Glories.

The average preletting of the retail projects to be delivered by December, 2017 stands at 69%[51].

8. Projects overview

See table next page.

The aggregate TIC of existing projects remained stable, but individual projects varied due to:

- The mechanical effects of inflation and discounting;
- Changes in scope, mainly in the Mall of The Netherlands project;
- An increase of other costs in some projects (mainly the Vélizy 2 leisure extension, the Carré Sénart and Parly 2 extensions), offset by a decrease in costs for some other projects (the Vélizy 2 retail extension).

[51] GLA signed, all agreed to be signed and financials agreed.

DEVELOPMENT PROJECTS – June 30, 2016

Consolidated Development projects [1]	Business	Country	City	Type	Total Complex GLA (m^2)	GLA U-R scope of consolidation (m^2)	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
WROCLAVIA [6]	Shopping Centre	Poland	Wrocław	Greenfield / Brownfield	79,641 m^2	79,641 m^2	85	237	H2 2017		At cost
CHODOV EXTENSION	Shopping Centre	Czech Rep.	Prague	Extension / Renovation	41,754 m^2	41,754 m^2	69	166	H2 2017		Fair value
CARRE SENART EXTENSION	Shopping Centre	France	Paris region	Extension / Renovation	31,532 m^2	31,532 m^2	100	238	H2 2017		At cost
PARLY 2 EXTENSION	Shopping Centre	France	Paris region	Extension / Renovation	8,161 m^2	8,161 m^2	52	122	H2 2017		At cost
GLORIES EXTENSION-RENOVATION	Shopping Centre	Spain	Barcelona	Extension / Renovation	10,690 m^2	10,690 m^2	38	117	H2 2017		Fair value
TRINITY	Office & others	France	Paris	Greenfield / Brownfield	48,693 m^2	48,693 m^2	97	310	H2 2018		At cost
OTHERS					19,859 m^2	19,859 m^2	41	60			
Committed Projects					**240,330 m^2**	**240,330 m^2**	**482**	**1,249**		**8.0%**	
PALMA SPRINGS [7]	Shopping Centre	Spain	Palma de Mallorca	Greenfield / Brownfield	72,565 m^2	72,565 m^2	12	228	H2 2018		At cost
AUPARK EXTENSION	Shopping Centre	Slovakia	Bratislava	Extension / Renovation	7,245 m^2	7,245 m^2	0	15	H2 2018		At cost
ISSY GUYNEMER	Office & others	France	Paris region	Redevelopment / Refurbishment	43,869 m^2	43,869 m^2	2	140	H2 2018		At cost
VAL TOLOSA	Shopping Centre	France	Toulouse	Greenfield / Brownfield	97,384 m^2	64,756 m^2	44	274	H1 2019		At cost
VELIZY 2 LEISURE EXTENSION	Shopping Centre	France	Vélizy-Villacoublay	Extension / Renovation	18,985 m^2	18,985 m^2	2	108	H1 2019		At cost
MALL OF THE NETHERLANDS [8]	Shopping Centre	Netherlands	The Hague region	Extension / Renovation	77,392 m^2	77,392 m^2	199	479	H1 2019		At cost
MAQUINEXT	Shopping Centre	Spain	Barcelona	Extension / Renovation	38,363 m^2	38,363 m^2	63	179	H2 2020		At cost
BENIDORM	Shopping Centre	Spain	Benidorm	Greenfield / Brownfield	56,878 m^2	56,878 m^2	77	205	H2 2019		At cost
BUBNY	Shopping Centre	Czech Rep.	Prague	Greenfield / Brownfield	55,692 m^2	55,692 m^2	23	197	Post 2021		At cost
TRIANGLE	Office & others	France	Paris	Greenfield / Brownfield	85,140 m^2	85,140 m^2	11	521	H2 2021		At cost
NEO	Shopping Centre	Belgium	Brussels	Greenfield / Brownfield	120,098 m^2	120,098 m^2	9	559	Post 2021		At cost
ÜBERSEEQUARTIER	Shopping Centre	Germany	Hamburg	Greenfield / Brownfield	203,246 m^2	203,246 m^2	13	977	H2 2021		At cost
PHARE - "SISTERS" PROJECT	Office & others	France	Paris region	Greenfield / Brownfield	95,000 m^2	95,000 m^2	59	629	Post 2021		At cost
VELIZY 2 RETAIL EXTENSION	Shopping Centre	France	Paris region	Extension / Renovation	17,050 m^2	17,050 m^2	0	162	H2 2021		At cost
OTHERS					201,479 m^2	201,479 m^2	105	761			
Controlled Projects					**1,190,385 m^2**	**1,157,757 m^2**	**620**	**5,433**		**8% target**	
GARBERA EXTENSION	Shopping Centre	Spain	San Sebastián	Extension / Renovation	20,231 m^2	20,231 m^2	0	101	H1 2019		
3 PAYS	Shopping Centre	France	Hésingue	Greenfield / Brownfield	82,661 m^2	82,661 m^2	2	390	H2 2020		At cost
SCS WEST EXTENSION	Shopping Centre	Austria	Vienna	Extension / Renovation	7,313 m^2	7,313 m^2	0	73	H1 2020		At cost
OTHERS					104,233 m^2	104,233 m^2	11	617			
Secured Exclusivity Projects					**214,437 m^2**	**214,437 m^2**	**13**	**1,182**		**8% target**	
U-R Total Pipeline					**1,645,152 m^2**	**1,612,524 m^2**	**1,114**	**7,865**		**8% target**	
					Of which additionnal area	1,372,423 m^2					
					Of which redevelopped area	234,199 m^2					

Development projects accounted under equity method [1]	Business	Country	City	Type	Total Complex GLA (m^2)	GLA U-R share (m^2)	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]
GROPIUS	Shopping Centre	Germany	Berlin	Extension / Renovation	471 m^2	471 m^2	6	18	H2 2019	
Committed Projects					**471 m^2**	**471 m^2**	**6**	**18**		**8% target**
OTHERS [9]					104,672 m^2	52,336 m^2	5	171		
Controlled Projects					**104,672 m^2**	**52,336 m^2**	**5**	**171**		**8% target**
U-R Total Pipeline - Projects under equity method					**105,143 m^2**	**52,807 m^2**	**11**	**189**		**8% target**

(1) Figures subject to change according to the maturity of projects.
(2) Excluding financial costs and internal costs capitalized.
(3) Excluding financial costs and internal costs capitalized. The costs are discounted as at June 30, 2016.
(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 TIC.
(6) Formerly named Wroclaw.
(7) Formerly named Mallorca.
(8) The extension and renovation of Leidsenhage. 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.
(9) Under confidentiality agreement.

NET ASSET VALUE AS AT JUNE 30, 2016

Unibail-Rodamco's EPRA triple Net Asset Value (NNNAV)[52] amounted to €174.40 per share as at June 30, 2016, an increase of +2.6%, or +€4.50, from €169.90 at December 31, 2015. This increase of +€4.50 is the result of: (i) the value creation of €15.27 per share representing the sum of: (a) the H1-2016 Recurring Earnings Per Share of €5.81, (b) the revaluation of property and intangible assets and capital gain on disposals of €9.91 per share, (c) the accretive effect of the instruments giving access to Group's shares of €0.02 per share, (d) the change of transfer taxes and deferred tax adjustments of -€0.11 per share and (e) other items for -€0.36 per share; (ii) the negative impact of the mark-to-market of debt and financial instruments of -€5.92 per share; and (iii) the impact of the payment of the interim dividend of -€4.85 per share in March 2016.

The going concern NAV[53] (GMV based), measuring the fair value on a long term, ongoing basis, came to €191.80 per share as at June 30, 2016, up by +2.7%, or +€5.10, compared to €186.70 as at December 31, 2015.

The Group's EPRA NAV per share increased by +5.7% to €189.00 as at June 30, 2016, compared to €178.80 as at December 31, 2015.

1. PROPERTY PORTFOLIO

Volumes of European commercial property transactions[54] amounted to €97 Bn in H1-2016, representing a decrease of -5% vs. the same period in 2015, which recorded a number of large portfolio transactions. Retail investment volumes accounted for 22% of total volumes, of which shopping centres represented 37%.

Investor demand for commercial real estate remained strong in Continental Europe across all sectors, offices and shopping centres in particular, with a focus on prime and core properties which offer secure and stable income streams. In the shopping centre segment, the scarcity of quality products led investors to lower their return requirements for prime assets or to move up the risk curve by focusing on alternative asset classes (outlets, retail parks, secondary retail) or riskier geographies outside core markets. The lack of prime assets brought to the market in H1-2016 resulted in highly competitive auctions for prime malls in France, Spain, the Czech Republic and Austria in particular, while the UK experienced a marked slowdown in the run-up to the Referendum. In this context, appraisers have compressed yields based on transactional evidence and market sentiment, with the biggest compressions applied to the largest and most attractive shopping centres, which are actively sought-after by institutional investors.

Unibail-Rodamco's shopping centre portfolio saw its gross market value (GMV) increase by +3.2% on a like-for-like basis or +€875 Mn in H1-2016. The growth in retail GMV was explained by yield compression (+2.0%) and a rental effect (+1.2%). Malls attracting 6 Mn visits and more p.a., which represent 97% of the Group's shopping centre portfolio[55], experienced a like-for-like growth in GMV of +3.4%, while malls with 10 Mn visits and more grew +3.9% on a like-for-like basis.
The value of Unibail-Rodamco's mall portfolio in Central Europe grew +5.0% on a like-for-like basis in H1-2016, of which +2.7% is driven by yield hardening evidenced by benchmark transactions in the region. The like-for-like GMV growth of the Spanish, German and French malls reached +4.3%, +4.2% and +3.0%, respectively.

The value of the Group's office portfolio increased +6.8% on a like-for-like basis as a result of a yield compression effect for +6.1%, following reference transactions in the Paris CBD and La Défense which evidenced a significant decrease in prime yields. The Group's office portfolio in the Paris region saw a like-for-like GMV growth of +7.4%, of which +6.8% was due to a yield effect partly driven by the Group's own office disposal transactions.

The Convention & Exhibition portfolio value grew +2.7% on a like-for-like basis in H1-2016 as a result of lower discount rates used by appraisers as well as the progress made on the Porte de Versailles development project.

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

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[52] EPRA NNNAV (triple net asset value): corresponds to the Going concern NAV per share less the estimated transfer taxes and capital gain taxes.
[53] Going Concern NAV: the amount of equity per share needed to replicate the Group's portfolio with its current financial structure.
[54] Source: JLL.
[55] In term of Gross Market Values as at June 30, 2016, including values of shares in assets accounted for using the equity method.

Asset portfolio valuation of UNIBAIL-RODAMCO (including transfer taxes) (a)	June 30, 2016		Like-for-like change net of investment - first half year 2016 (b)		December 31, 2015	
	€ Mn	%	€ Mn	%	€ Mn	%
Shopping centres	31,578	80%	875	3.2%	30,129	80%
Offices	4,477	11%	246	6.8%	4,512	12%
Convention-Exhibition centres	2,857	7%	73	2.7%	2,726	7%
Services	387	1%	-	0.0%	387	1%
Total	**39,299**	**100%**	**1,194**	**3.5%**	**37,755**	**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 equity value of Unibail-Rodamco's investments in assets accounted for using the equity method (mainly CentrO, Ring-Center, Gropius Passagen and Paunsdorf Centre in Germany, the Zlote Tarasy complex in Poland and Rosny 2 in France). The equity value of Unibail-Rodamco's share investments in assets accounted for using the equity method amounted to €1,560 Mn as at June 30, 2016 compared to €1,535 Mn as at December 31, 2015.
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 €540 Mn of cash and cash equivalents on the Group's balance sheet as at June 30, 2016.
(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 H1-2016. Changes in scope consist mainly of:
- Acquisitions of units in Les 4 Temps, Euralille, Leidsenhage and Citymall Almere;
- Disposals of two retail assets: Europark and Plaisir;
- Disposals of two office assets: 2-8 Ancelle and Würzburg;
- Impact of the change in consolidation method of Benidorm in H1-2016 (from equity method to full consolidation method).
The like-for-like change in portfolio valuation is calculated excluding changes described above.

Appraisers

Since June 30, 2015, three international and qualified appraisal firms, Cushman & Wakefield (formerly DTZ), JLL and PwC, value Unibail-Rodamco's retail, office, convention & exhibition and service portfolios. These appointments followed the expiry of the previous 5-year appraisal mandates as of December 31, 2014. The selection of Cushman & Wakefield, JLL and PwC was the result of a tender process with 12 different appraisal firms, ensuring the selection of the best appraisers in their respective geographies.

JLL and Cushman & Wakefield appraise the retail and office properties of the Group. The valuation process has a centralized 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 the services 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 Institution of Chartered Surveyors), IVSC (International Valuation Standards Council) and FSIF (Fédération des Sociétés Immobilières et Foncières).

Appraiser	Property location	% of total portfolio
Cushman & Wakefield	France / Netherlands / Central Europe	48%
JLL	France / Germany / Nordic / Spain / Austria	41%
PwC	France / Germany	8%
At cost or under sale agreement.		4%
		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 and incentives), in the applied required returns or discount rates and in the yield applied to capitalize the exit rent to determine an exit value.

Pursuant to the adoption of IFRS 13 (Fair value measurement) in 2014, 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.

The increase in transfer taxes in the Paris region, applicable from January 1, 2016, was taken into account by the Group's appraisers and had an aggregate negative impact of -€52 Mn on the gross market values of the assets concerned.

Valuation scope

As at June 30, 2016, 96% 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[56]) as deemed appropriate by the independent appraiser. In some cases, both methods were combined to validate and cross-check critical valuation parameters.

The Glories extension and renovation project continues to be taken into account by appraisers in the valuation of the standing asset.

The Centrum Chodov extension and renovation project is now assessed at fair value as at June 30, 2016.

Refer to the table in the Section "Development Projects as at June 30, 2016" for an overview of valuation methods used for development projects.

The remaining assets (4%) of the portfolio were valued as follows:

- At cost for IPUC for which a reliable value could not yet be established. These include assets under development: the Wroclavia shopping centre project in Wroclaw, the Parly 2 and Carré Sénart extension and renovation projects and the Trinity office project in La Défense, 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 2016 that were not appraised;
- At bid value for the assets under sale agreement or exclusive negotiation, including So Ouest Office.

1.1. Shopping Centre portfolio

The value of Unibail-Rodamco's shopping centre portfolio is the addition of the value of each individual asset as determined by the Group's appraisers. 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 €30,129 Mn as at December 31, 2015, to €31,578 Mn as at June 30, 2016, including transfer taxes and transaction costs.

Valuation 31/12/2015 (€ Mn)	**30,129**	
Like-for-like revaluation	875	
Revaluation of non like-for-like assets	117	(a)
Revaluation of shares	47	(b)
Capex / Acquisitions	469	(c)
Disposals	- 34	(d)
Constant Currency Effect	- 25	(e)
Valuation 30/06/2016 (€ Mn)	**31,578**	

Figures may not add up due to rounding.
(a) Non like-for-like assets include IPUC valued at cost or at fair value, and projects such as the Centrum Chodov and Glories extension and renovation projects.
(b) Revaluation of the shares in companies holding the assets accounted for using the equity method.
(c) Includes the impact of the change in consolidation method of Benidorm in H1-2016 (from equity method to full consolidation).
(d) Value as at 31/12/2015.
(e) Currency impact of -€25 Mn mainly in the Nordics, before offsets from foreign currency loans and hedging programs.

Based on an asset value excluding estimated transfer taxes and transaction costs, the shopping centre division's net initial yield as at June 30, 2016, decreased to 4.4% from 4.6% as at December 31, 2015.

56 RICS: Royal Institution of Chartered Surveyors; IVSC: International Valuation Standards Council.

Shopping Centre portfolio by region - June 30, 2016	Valuation including transfer taxes in € Mn	Valuation excluding estimated transfer taxes in € Mn	Net inital yield (a) June 30, 2016	Net inital yield (a) Dec. 31, 2015
France (b)	14,299	13,756	4.1%	4.3%
Central Europe (c)	3,958	3,941	5.0%	5.2%
Nordic	3,474	3,394	4.5%	4.6%
Spain	3,262	3,162	5.1%	5.1%
Germany	2,820	2,706	4.7%	4.8%
Austria	2,221	2,210	4.3%	4.5%
Netherlands	1,545	1,456	4.7%	5.0%
Total (d)	**31,578**	**30,627**	**4.4%**	**4.6%**

Figures may not add up due to rounding.
(a) Annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs. 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 4.3% as at June 30, 2016.
(c) Ring-Center is included in the Central Europe region.
(d) Valuation amounts in € include the Group's share equity investments in assets accounted for using the equity method.

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

Valuation of Shopping Centre portfolio (including transfer taxes)	June 30, 2016		December 31, 2015	
	€ Mn	%	€ Mn	%
France	14,299	45%	13,661	45%
Central Europe	3,958	13%	3,691	12%
Nordic	3,474	11%	3,338	11%
Spain	3,262	10%	3,090	10%
Germany	2,820	9%	2,681	9%
Austria	2,221	7%	2,147	7%
Netherlands	1,545	5%	1,521	5%
Total (a)	**31,578**	**100%**	**30,129**	**100%**

Figures may not add up due to rounding.
(a) Valuation amounts include the Group share equity investments in assets accounted for using the equity method.

Sensitivity

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

Like-for-like analysis

On a like-for-like basis, the value of the shopping centre portfolio, including transfer taxes and transaction costs and after accounting for works, capitalized financial and leasing expenses and eviction costs, increased by +€875 Mn (or +3.2%) in H1-2016. This +3.2% increase was the result of a rent and yield impact of +1.2% and +2.0%, respectively.

Shopping Centre - Like-for-like (LxL) change (a)				
Half year 2016	LxL change in € Mn	LxL change in %	LxL change - Rent impact	LxL change - Yield impact (b)
France	386	3.0%	0.5%	2.4%
Central Europe	148	5.0%	2.3%	2.7%
Nordic	96	2.9%	2.4%	0.4%
Spain	110	4.3%	2.4%	1.8%
Germany	82	4.2%	1.1%	3.1%
Austria	62	2.9%	1.4%	1.5%
Netherlands	- 9	-0.8%	-0.8%	0.1%
Total	**875**	**3.2%**	**1.2%**	**2.0%**

Figures may not add up due to rounding.
(a) Like-for-like change net of investments from December 31, 2015 to June 30, 2016, excluding assets accounted for using the equity method.
(b) Yield impact calculated using the change in potential yields (to neutralize changes in vacancy rates) and taking into account key money.

Like-for-like revaluations illustrated the outperformance of assets attracting six million or more visits per annum.

Shopping Centre - Like for Like (LxL) change by footfall category (a)				
Half year 2016	LxL change in € Mn	LxL change in %	LxL change - Rent impact	LxL change - Yield impact (b)
6 Mn visits and above	885	3.4%	1.3%	2.1%
Below 6 Mn visits	- 10	-1.2%	-0.4%	-0.8%
Total	**875**	**3.2%**	**1.2%**	**2.0%**

Figures may not add up due to rounding.
(a) Like-for-like change net of investments from December 31, 2015 to June 30, 2016, excluding assets accounted for using the equity method.
(b) Yield impact calculated using the change in potential yields (to neutralize changes in vacancy rates) and taking into account key money.

On a like-for-like basis, the value of the shopping centres attracting 10 million or more visits p.a. increased by +3.9% in H1-2016 (+2.0% rent impact and +1.9% yield impact).

Since December 31, 2011, the increase in the quality of the Group's shopping centres has resulted in a +37.6% increase in value[57] per m² to €8,397 as of June 30, 2016, from €6,102 as of December 31, 2011. On a like-for-like basis[58], the net revaluation amounted to +30.4% of which +17.1% is due to the rent effect and +13.2% is due to yield compression.

[57] Gross Market Value per m² of the Group's standing shopping centres, excluding assets consolidated under the equity method.
[58] Analysis made on a constant like-for-like standing perimeter from Dec. 31, 2011 to June 30, 2016 (i.e., different from the H1-2016 like-for-like perimeter).

1.2. Office portfolio

Evolution of Unibail-Rodamco's office portfolio valuation

Despite the positive revaluation due to yield compression and a positive rent effect, the value of the office portfolio decreased to €4,477 Mn as at June 30, 2016 from €4,512 Mn as at December 31, 2015 (including transfer taxes and transaction costs), mainly as a result of disposals.

Valuation 31/12/2015 (€ Mn)		**4,512**	
Like-for-like revaluation		246	
Revaluation of non like-for-like assets	-	15	(a)
Revaluation of shares	-	13	(b)
Capex / Acquisitions		48	
Disposals	-	299	
Constant Currency Effect	-	2	(c)
Valuation 30/06/2016 (€ Mn)		**4,477**	

Figures may not add up due to rounding.
(a) Non like-for-like assets including investment properties under construction or refurbishment valued at cost or at fair value, including assets such as Issy Guynemer, Village 3 and Village 4, impacted by current projects as at June 30, 2016.
(b) Revaluation of the shares in Zlote Tarasy offices (Lumen and Skylight) accounted for using the equity method.
(c) Currency impact of -€2 Mn in the Nordics, before offsets from foreign currency loans and hedging programs.

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

Valuation of Office portfolio (including transfer taxes)	**June 30, 2016**		**December 31, 2015**	
	€ Mn	**%**	**€ Mn**	**%**
France	4,050	90%	4,044	90%
Nordic	210	5%	209	5%
Central Europe	124	3%	137	3%
Germany	37	1%	54	1%
Austria	40	1%	40	1%
Netherlands	16	0%	27	1%
Total	**4,477**	**100%**	**4,512**	**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 Office division's net initial yield as at June 30, 2016 fell by -20 bps to 5.8%.

Valuation of occupied office space - June 30, 2016	**Valuation including transfer taxes in € Mn (a) (b)**	**Valuation excluding estimated transfer taxes in € Mn (b)**	**Net inital yield (c) June 30, 2016**	**Net inital yield (c) Dec. 31, 2015**
France	3,293	3,193	5.7%	5.9%
Nordic	193	187	7.1%	7.0%
Central Europe (b)	124	124	8.6%	8.6%
Germany	34	33	5.3%	5.9%
Austria	37	37	6.6%	6.7%
Netherlands	4	4	12.5%	8.1%
Total	**3,685**	**3,578**	**5.8%**	**6.0%**

Figures may not add up due to rounding.
(a) Valuation of occupied office space as at June 30, 2016, based on the appraiser's allocation of value between occupied / vacant space.
(b) Central Europe valuation includes the Group share equity investments in Zlote Tarasy offices (Lumen and Skylight), held by companies accounted for using the equity method.
(c) Annualized contracted rents (including latest indexation) and other income net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. Zlote Tarasy offices (Lumen and Skylight), held by companies accounted for using the equity method, and 7 Adenauer office building (occupied by Unibail-Rodamco) are not included in this calculation.

Sensitivity

A change of +25 basis points in net initial yield would result in a downward adjustment of -€189 Mn (-4.8%) of the office portfolio value (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 capitalized financial and leasing expenses, increased on a like-for-like basis by +€246 Mn (+6.8%) in 2016 due to a rent effect of +0.7% and a yield compression of +6.1%.

Offices - Like-for-like (LxL) change (a)					
Half year 2016		**LxL change in € Mn**	**LxL change in %**	**LxL change - Rent impact**	**LxL change - Yield impact (b)**
France		246	7.4%	0.6%	6.8%
Nordic		1	0.4%	2.3%	-1.9%
Central Europe		0	0.9%	1.0%	-0.2%
Germany		0	0.3%	-3.1%	3.5%
Austria	-	0	-0.5%	2.8%	-3.2%
Netherlands	-	1	-11.1%	n.m	n.m
Total		**246**	**6.8%**	**0.7%**	**6.1%**

Figures may not add up due to rounding.
(a) Like-for-like change net of investments from December 31, 2015 to June 30, 2016. Does not include assets accounted for using the equity method.
(b) Yield impact calculated using the change in potential yields (to neutralize 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, 2016	Valuation (including transfer taxes)	
	€ Mn	%
La Défense	2,080	51%
Levallois-Issy	1,051	26%
Paris CBD & others	919	23%
Total	**4,050**	**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 net initial yield as at June 30, 2016 came to 5.7% reflecting a -22 bps decrease in yields during H1-2016.

Valuation of French occupied office space - June 30, 2016	Valuation including transfer taxes in € Mn (a)	Valuation excluding estimated transfer taxes in € Mn	Net inital yield (b) June 30, 2016	Average price €/m² (c)
La Défense	1,723	1,663	6.5%	8,066
Levallois-Issy	970	946	5.0%	8,305
Paris CBD and others	600	584	4.0%	12,340
Total	**3,293**	**3,193**	**5.7%**	**8,529**

Figures may not add up due to rounding.
(a) Valuation of occupied office space as at June 30, 2016, based on the appraiser's allocation of value between occupied and vacant spaces.
(b) Annualized contracted rent (including latest indexation) net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. Excluding 7 Adenauer (occupied by Unibail-Rodamco).
(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 Levallois-Issy and €15,000 for other areas. Excluding 7 Adenauer (occupied by Unibail-Rodamco).

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 capitalized cash flows over the last year.

The discounted cash flow methodology has been adopted for the Pullman Montparnasse, the Cnit Hilton and the Confluence hotels, operated under lease agreements by 3rd party operators.

Evolution of the Convention & Exhibition valuation

The value of Convention & Exhibition centres and hotels, including transfer taxes and transaction costs, grew to €2,857 Mn[59] as at June 30, 2016:

Valuation 31/12/2015 (€ Mn)	2,726	(a)
Like-for-like revaluation	73	
Revaluation of non like-for-like assets	1	
Capex/ Acquisitions	56	
Valuation 30/06/2016 (€ Mn)	**2,857**	(b)

Figures may not add up due to rounding.

(a) Of which €2,439 Mn for Viparis (including Palais des Sports) and €287 Mn for hotels (including hotel project in Porte de Versailles).
(b) Of which €2,578 Mn for Viparis (including Palais des Sports) and €279 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 +€73 Mn (+2.7%) compared to December 31, 2015.

Convention & Exhibition - Like-for-Like change net of investment	Half year 2016	
	€ Mn	%
Viparis and others (a)	86	3.5%
Hotels	- 13	-5.2%
Total	**73**	**2.7%**

Figures may not add up due to rounding.
(a) Viparis and others include all of the Group's Convention & Exhibition centres.

Based on these valuations, the average EBITDA yield (recurring earnings before interest, tax, depreciation and amortization divided by the value of assets, excluding estimated transfer taxes and transaction costs) of Viparis' consolidated venues as at June 30, 2016 decreased by -30 basis points from December 31, 2015 to 6.0%.

1.4. Services

The services portfolio is composed of Unibail-Rodamco's French and German property service companies.

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 recognized at cost less any amortization charges and / or impairment losses booked.

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

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, 2016	€Mn	%	€Mn	%
Shopping centres	31,578	80%	27,482	81%
Offices	4,477	11%	4,453	13%
Convention & Exhibition	2,857	7%	1,654	5%
Services	387	1%	312	1%
Total	**39,299**	**100%**	**33,900**	**100%**

Asset portfolio valuation - December 31, 2015	€Mn	%	€Mn	%
Shopping centres	30,129	80%	26,240	80%
Offices	4,512	12%	4,480	14%
Convention & Exhibition	2,726	7%	1,592	5%
Services	387	1%	312	1%
Total	**37,755**	**100%**	**32,624**	**100%**

Like-for-like change - net of Investments - Half year 2016	€Mn	%	€Mn	%
Shopping centres	875	3.2%	743	3.2%
Offices	246	6.8%	246	6.8%
Convention & Exhibition	73	2.7%	31	2.0%
Services	-	0.0%	-	0.0%
Total	**1,194**	**3.5%**	**1,020**	**3.5%**

Like-for-like change - net of Investments - Half year 2016 - Split rent/yield impact	Rent impact %	Yield impact %	Rent impact %	Yield impact %
Shopping centres	1.2%	2.0%	1.2%	1.9%
Offices	0.7%	6.1%	0.7%	6.1%

Net Initial Yield	Jun. 30, 2016	Dec. 31, 2015	Jun. 30, 2016	Dec. 31, 2015
Shopping centres (a)	4.4%	4.6%	4.5%	4.6%
Offices - occupied space (b)	5.8%	6.0%	5.8%	6.0%

Figures may not add up due to rounding.
(a) Annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under development or held by companies accounted for using the equity method are not included in the calculation.
(b) Annualized contracted rents (including latest indexation) and other income net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. In Central Europe, Zlote Tarasy offices (Lumen and Skylight), held by companies accounted for using the equity method, are not included in this calculation.

1.6. Additional Valuation parameters - IFRS 13

Unibail-Rodamco complies with the IFRS 13 fair value measurement and the position paper[60] 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, 2016		Net initial yield	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
France	Max	8.1%	823	13.0%	9.5%	9.0%
	Min	3.6%	85	5.3%	3.8%	1.2%
	Weighted average	4.1%	503	5.8%	4.3%	4.8%
Central Europe	Max	6.8%	549	8.0%	7.6%	2.8%
	Min	4.6%	189	6.6%	4.8%	2.3%
	Weighted average	5.0%	382	6.9%	5.2%	2.7%
Nordic	Max	14.6%	526	9.5%	8.3%	5.3%
	Min	4.0%	118	6.5%	4.3%	0.5%
	Weighted average	4.5%	364	7.1%	4.6%	3.7%
Spain	Max	8.1%	770	11.0%	7.8%	4.0%
	Min	4.5%	99	7.5%	4.5%	1.8%
	Weighted average	5.1%	276	8.1%	5.0%	3.3%
Germany	Max	6.9%	404	8.0%	6.6%	4.6%
	Min	4.2%	238	6.3%	4.1%	2.4%
	Weighted average	4.7%	310	6.6%	4.6%	3.3%
Austria	Max	4.4%	366	6.3%	4.3%	2.8%
	Min	4.3%	352	6.2%	4.3%	2.3%
	Weighted average	4.3%	359	6.2%	4.3%	2.5%
Netherlands	Max	9.5%	408	9.0%	8.9%	5.8%
	Min	3.9%	113	6.0%	4.3%	n.m
	Weighted average	4.7%	238	6.4%	4.9%	3.9%

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 capitalize the exit rent to determine the exit value of an asset.
(d) Compounded Annual Growth Rate of Net Rental Income determined by the appraiser (between 6 and 10 years depending on duration of DCF model used).

[60] 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, 2016		Net initial yield on occupied space	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
France	Max	11.3%	536	9.8%	8.2%	21.2%
	Min	3.8%	105	5.3%	3.9%	-3.5%
	Weighted average	5.7%	420	5.9%	5.0%	2.8%
Nordic	Max	8.5%	276	8.8%	7.8%	3.7%
	Min	6.0%	116	6.9%	5.4%	1.2%
	Weighted average	7.1%	223	7.8%	6.6%	2.9%
Netherlands	Max	16.9%	51	13.8%	9.8%	12.7%
	Min	n.m.	n.m.	6.4%	4.9%	10.0%
	Weighted average	12.5%	41	10.0%	7.6%	11.2%
Germany	Max	8.7%	537	8.4%	7.5%	8.0%
	Min	4.8%	52	6.5%	4.5%	1.6%
	Weighted average	5.3%	163	6.9%	5.0%	3.1%
Austria	Max	6.8%	128	7.6%	7.0%	4.0%
	Min	6.4%	118	7.5%	6.5%	2.1%
	Weighted average	6.6%	123	7.6%	6.8%	3.2%

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, assets considered at bid value 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 capitalize 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, 2016, consolidated shareholders' equity (Owners of the parent) came to €16,417.2 Mn.

Shareholders' equity (Owners of the parent) incorporated the net recurring profit of €575.3 Mn and the net positive impact of €709.5 Mn of fair value adjustments on property assets and financial instruments, as well as the capital gain on sales of properties.

2.2. Impact of rights giving access to share capital

Dilution from securities giving access to share capital as at June 30, 2016 was computed for such instruments "in the money" and having fulfilled the performance conditions.

The debt component of the ORAs[61], recognized in the financial statements 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[62] 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, 2016. Consequently, the fair market value was restated for an amount of €2 Mn for the NNNAV calculation and the potential dilution (+7,739 shares) was included in the number of fully diluted shares outstanding as at June 30, 2016 (i.e., for the outperformance part of the ORNANE, the nominal amount remains as debt).

The ORNANEs issued in 2014 and 2015 were not restated for the NNNAV calculation as they are "out of the money" as at June 30, 2016, and therefore had no impact on the number of shares.

The exercise of "in the money" stock-options and performance shares with the performance conditions fulfilled as at June 30, 2016, would have led to a rise in the number of shares by +90,590, generating an increase in shareholders' equity of +€11 Mn.

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

As at June 30, 2016, the fully-diluted number of shares taken into account for the NNNAV calculation was 99,393,351.

2.3. Unrealized capital gains on intangible and operating assets

The appraisal of property service companies, of the operating asset of Unibail-Rodamco (7 Adenauer, Paris 16th arr.) 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 unrealized capital gain of +€349 Mn which was added for the NAV calculation.

2.4. Adjustment of capital gains deferred 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, 2016.
For the purpose of the EPRA NAV calculation, deferred taxes on unrealized capital gains on assets not qualifying for tax exemption (€1,439 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 €266 Mn.

For the calculation of the EPRA NNNAV, estimated taxes actually payable should a disposal take place (€688 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 (€349 Mn, excluding exchange rate hedging according to EPRA recommendation) 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 -€892 Mn. This impact was taken into account in the EPRA NNNAV calculation.

2.6. Restatement of transfer taxes and transaction costs

Transfer taxes and transaction costs are estimated after taking into account the disposal scenario minimizing 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, 2016, 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 positive net adjustment of €484 Mn.

2.7. EPRA Triple Net Asset Value

Unibail-Rodamco's EPRA NNNAV (Owners of the parent) stood at €17,338 Mn or €174.40 per share (fully-diluted) as at June 30, 2016.

The EPRA NNNAV per share increased by +2.6% (or +€4.50) compared to December 31, 2015 and increased by +7.9% (or +€12.70) compared to June 30, 2015.

The increase of +€4.50 compared to December 31, 2015 was the sum of: (i) the value creation of +€15.27 per share, (ii) the impact of the interim dividend paid in March 2016 of -€4.85, and (iii) the negative impact of the -€5.92 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 €191.80 per share as at June 30, 2016, an increase of +€5.10 (+2.7%) compared to December 31, 2015.

This increase was the sum of: (i) the value creation of +€15.87 per share, (ii) the impact of the interim dividend paid in March 2016 of -€4.85, and (iii) the negative impact of the -€5.92 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, 2015 to June 30, 2016 is also presented.

EPRA NNNAV calculation (All figures are Group share, in €Mn)	**June 30, 2015**		**December 31, 2015**		**June 30, 2016**	
	€Mn	€/share	€Mn	€/share	€Mn	€/share
Fully diluted number of shares	100,625,762		99,484,430		99,393,351	
NAV per the financial statements	14,641		16,042		16,417	
Amounts owed to shareholders	473		0		483	
ORA and ORNANE	3		2		2	
Effect of exercise of options	309		107		11	
Diluted NAV	15,425		16,151		16,913	
Add						
Revaluation of intangible and operating assets	398		340		349	
Added back/deducted						
Fair value of financial instruments	425		182		349	
Deferred taxes on balance sheet	1,317		1,377		1,439	
Goodwill as a result of deferred taxes	-253		-267		-266	
EPRA NAV	17,313	172.00 €	17,783	178.80 €	18,785	189.00 €
Fair value of financial instruments	-425		-182		-349	
Fair value of debt	-363		-469		-892	
Effective deferred taxes	-651		-670		-688	
Impact of transfer taxes estimation	397		442		484	
EPRA NNNAV	**16,271**	**161.70 €**	**16,903**	**169.90 €**	**17,338**	**174.40 €**

% of change over 6 months		**6.9%**		**5.1%**		**2.6%**
% of change over 1 year		**12.8%**		**12.4%**		**7.9%**

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, 2015**		**December 31, 2015**		**June 30, 2016**	
	€Mn	€/share	€Mn	€/share	€Mn	€/share
EPRA NNNAV	16,271		16,903		17,338	
Effective deferred capital gain taxes	651		670		688	
Estimated transfer taxes	927		1,000		1,035	
GOING CONCERN NAV	**17,849**	**177.40 €**	**18,573**	**186.70 €**	**19,062**	**191.80 €**

% of change over 6 months		**6.7%**		**5.2%**		**2.7%**
% of change over 1 year		**12.9%**		**12.3%**		**8.1%**

The change in EPRA NNNAV and Going concern NAV between December 31, 2015 and June 30, 2016 broke down as follows (figures may not add up due to rounding):

Evolution of EPRA NNNAV and Going concern NAV			**EPRA NNNAV**	**Going concern NAV**
As at December 31, 2015, per share (fully diluted)			**169.90 €**	**186.70 €**
Revaluation of property assets *			9.83	9.83
	Retail	7.95		
	Offices	1.79		
	Convention & Exhibition	0.08		
Revaluation of intangible and operating assets			0.01	0.01
Capital gain on disposals			0.07	0.07
Recurring Net Result			5.81	5.81
Interim distribution			-4.85	-4.85
Mark-to-market of debt and financial instruments			-5.92	-5.92
Variation in transfer taxes & deferred taxes adjustments			-0.11	0.43
Variation in the fully diluted number of shares			0.02	0.02
Other (including foreign exchange difference)			-0.36	-0.30
As at June 30, 2016, per share (fully diluted)			**174.40 €**	**191.80 €**

(*) Revaluation of property assets is €8.93 per share on like-for-like basis, of which +€2.86 is due to rental effect and +€6.07 is due to yield effect.

The ECB's announcement of its corporate sector purchase program (CSPP) on March 10, 2016, had a significant impact on the European corporate bond market during H1-2016. Many companies took advantage of the rally caused by this announcement to issue at favorable conditions. Unibail-Rodamco raised €1,720 Mn of medium to long-term funds in the bond and bank markets while managing its balance sheet.

However, the run-up to the Referendum and its outcome raised new fears about the recovery of the European economy and led to an increase in spreads and a sharp decline in interest rates.

Unibail-Rodamco's financial ratios stand at healthy levels:
- The Interest Coverage Ratio (ICR) improved to 5.9x (versus 4.6x in 2015),
- The Loan to Value (LTV) ratio decreased to 34% (versus 35% as at December 31, 2015).

The average cost of debt for H1-2016 reached a new historical low of 1.7% (vs. 2.2% for the year ended December 31, 2015).

1. Debt structure as at June 30, 2016

Unibail-Rodamco's consolidated nominal financial debt as at June 30, 2016, increased to €13,829 Mn[63] (€13,600 Mn as at December 31, 2015).

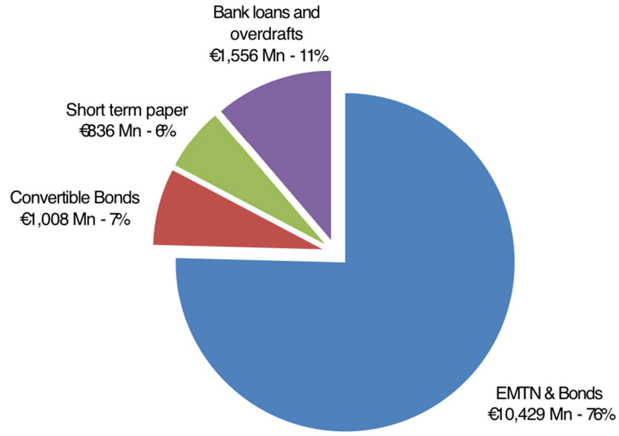
The financial debt includes €1,008 Mn of net share settled bonds convertible into new and/or existing shares of Unibail-Rodamco (ORNANE) issued in June 2014 and in April 2015 for 100% of their outstanding nominal value, while 99% of the ORNANE issued in September 2012 has been repurchased.

1.1 Debt breakdown

Unibail-Rodamco's nominal financial debt as at June 30, 2016, breaks down as follows[64]:

- €10,429 Mn in bonds under the Group's Euro Medium Term Notes (EMTN) program,
- €1,008 Mn in ORNANE,
- €836 Mn in commercial paper, US Commercial Paper (USCP) and BMTN Paper[65],
- €1,556 Mn in bank loans and overdrafts, including €438 Mn in unsecured corporate loans, €1,097 Mn in mortgage loans and €21 Mn in bank overdrafts.

No loans are subject to prepayment clauses linked to the Group's ratings[66].



The Group's debt remains well diversified with a predominant proportion of bond financing.

1.2 Funds Raised

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

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

In total medium to long-term financing transactions completed in H1-2016 amounted to €1,720 Mn and include:

- €200 Mn medium to long-term credit lines with an average maturity of 5 years and an average margin[67] of 23 bps.
- Three public EMTN bond issuances in March and April 2016 for a total amount of €1,500 Mn with the following features:

[63] After impact of derivative instruments on debt raised in foreign currencies.
[64] Figures may not add up due to rounding.
[65] Short term commercial paper is backed by committed credit lines (see section 1.2).
[66] Barring exceptional circumstances (change in control).
[67] Taking into account current rating and based on current utilization of these lines.

- €500 Mn with a 2.0% coupon and a 20-year maturity,

- Two issuances of €500 Mn each, with a maturity of 10 and 11 years and a coupon of 1.375% and 1.125%, respectively.

- €20 Mn, 11-year private placement at a ca. 25 bps discount to secondary levels under Unibail-Rodamco's EMTN program.

- In total, these bonds were issued at an average margin of 85 bps over mid-swaps for an average duration of 14 years versus 65 bps on average in 2015 for an average duration of 12 years.

- The Group also completed a new tender offer in April 2016 for €282 Mn encompassing 8 bonds (including 7 bonds subject to a prior buy back) maturing between 2017 and 2023 with coupons ranging between 1.625% and 3.875%.

In addition, Unibail-Rodamco accessed the money market by issuing BMTN and commercial papers under its "*billets de trésorerie*" program.

The Group also put in place in H1-2016 a USCP program. It raised $105 Mn on average under this program since its inception; these amounts were swapped back into Euros.

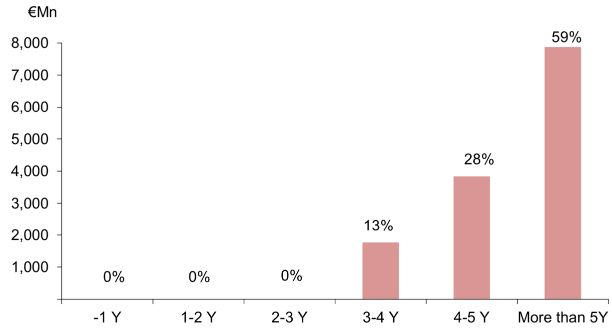
The average amount of commercial paper, USCP, and BMTN outstanding in H1-2016 was eq. €1,375 Mn (€1,192 Mn on average in 2015) with a remaining maturity of up to eight months. *Billets de trésorerie* were raised in H1-2016 at an average margin of 13.5 bps above Eonia[68].

As at June 30, 2016, the total amount of undrawn credit lines came to €5,548 Mn following the signing of new lines and extension of existing lines. The cash on-hand came to €540 Mn in anticipation of the second installment of the 2015 dividend payment in early July.

[68] Eonia rate was -0.297% in average in H1-2016.

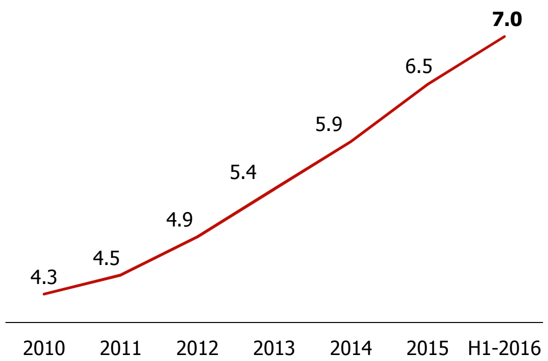
1.3 Debt maturity

The following chart illustrates Unibail-Rodamco's debt as at June 30, 2016 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, 2016 (after taking into account undrawn credit lines).
The average maturity of the Group's debt as at June 30, 2016, taking into account the unused credit lines, improved to 7.0 years.

Average debt maturity (in years)



Liquidity needs

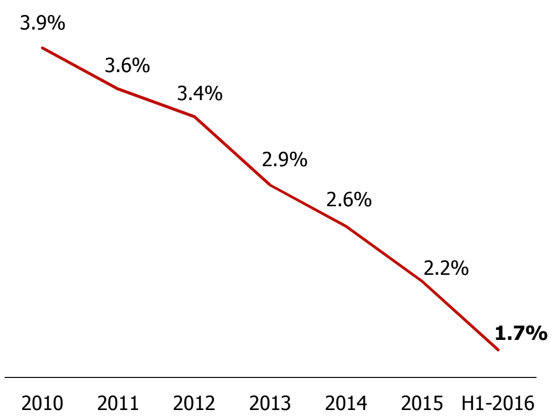
The debt repayment needs[69] for the next twelve months are covered by the available undrawn credit lines. The amount of bonds and bank loans outstanding as at June 30, 2016 and maturing or amortizing within a year is €1,066 Mn compared with €5,548 Mn of undrawn committed credit lines and €540 Mn of cash on-hand as at June 30, 2016.

[69] Excluding Commercial Paper, USCP and BMTN repayment amounting to €836 Mn.

1.4 Average cost of debt

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

Average cost of debt (in %)



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 24, 2016 and maintained its stable outlook.

On July 14, 2016, 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".

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

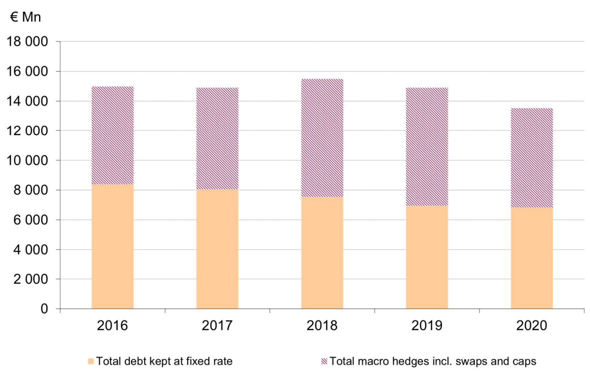
- €500 Mn 10-year bond with a 1.375% coupon,
- €500 Mn 20-year bond with a 2.000% coupon.

The €500 Mn 11-year bond was swapped back into floating in view of the Group's hedging position.

In addition, the Group repurchased €282 Mn of fixed rate bonds.

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

Annual projection of average hedging amounts and fixed rate debt up to 2020 (€ Mn – as at June 30, 2016)



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, any fair value changes in these instruments are recognized 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, 2016, net financial debt stood at €13,288 Mn (vs. €13,258 Mn as at December 31, 2015), excluding partners' current accounts and after taking into account cash of €540 Mn.

The outstanding debt was fully hedged against an increase in variable rates, based on debt outstanding as at June 30, 2016 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 H2-2016, if interest rates (Euribor, Stibor or Pribor) were to rise by an average of 0.5%[70] (50 basis points) during H2-2016, the resulting estimated impact on financial expenses would be a €8.2 Mn loss on the H2-2016 recurring net profit. A further rise of 0.5% would have an additional negative impact of €0.3 Mn. A 0.5% (50 basis points) drop in interest rates would have an estimated €14 Mn positive impact on financial expenses and would impact H2-2016 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 the 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	-122	-122	122	0
CZK	5	-140	-135	0	-135
DKK	416	-194	222	136	357
HKD	0	-281	-281	281	0
HUF	0	0	0	0	0
PLN	292	2	294	0	294
SEK	2 856	-890	1 966	-132	1 834
USD	0	-179	-179	179	0
Total	**3 569**	**-1 806**	**1 763**	**586**	**2 349**

The main exposure kept is in Swedish Krona:

- A change of 10% in the EUR/SEK exchange rate (i.e. a 10% increase of EUR compared to SEK)[71] would have a -€167 Mn negative impact on shareholders' equity,
- The sensitivity of the H2-2016 recurring result to a 10% change in the EUR/SEK exchange rate is limited to -€5.4 Mn[71],
- The SEK 1,750 Mn credit line signed in April 2012 is undrawn as at June 30, 2016.

[70] 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, 2016 of -0.286%.

[71] 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 9.291.

4. Financial structure

As at June 30, 2016, the portfolio valuation (including transfer taxes) of Unibail-Rodamco amounted to €39,299 Mn.

Debt ratio

As at June 30, 2016, the Loan-to-Value ratio (LTV) ratio calculated for Unibail-Rodamco decreased at 34%[72] compared to 35% in December 31, 2015.

Interest coverage ratio

The Interest Coverage Ratio (ICR) ratio for Unibail-Rodamco improved to 5.9x[73] for H1-2016 as a result of strong rental level growth including the impact of assets delivery and the lower cost of debt.

Financial ratios	June 30, 2016	Dec. 31, 2015
LTV[72]	34%	35%
ICR[73]	5.9x	4.6x

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, 2016, 97% 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, the CP and the USCP programs.

[72] Loan-to-Value (LTV): Net financial debt / Total portfolio valuation including transfer taxes. Total Portfolio valuation includes consolidated portfolio valuation (€39,299 Mn as at June 30, 2016 versus €37,755 Mn as at December 31, 2015). The LTV excluding transfer taxes is estimated at 35%.

[73] 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[74] best practices recommendations[75], Unibail-Rodamco summarises below the Key Performance Measures over H1-2016.

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.

		H1-2016	H1-2015	2015
EPRA Earnings	€ Mn	575.3	528.1	1,030.4
EPRA Earnings / share	€ / share	5.81	5.37	10.46
Growth EPRA Earnings / share	%	8.2%	-2.7%	-4.2%

Bridge between Earnings per IFRS Income Statement and EPRA Earnings:

	H1-2016	H1-2015	2015
Earnings per IFRS income statement	**1,284.8**	**1,024.0**	**2,334.0**
Adjustments to calculate EPRA Earnings, exclude:			
(i) Changes in value of investment properties, development properties held for investment and other interests	1,041.9	817.8	1,818.8
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	8.1	33.7	84.7
(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	-14.9
(v) Negative goodwill / goodwill impairment	0.0	-0.8	0.0
(vi) Changes in fair value of financial instruments and associated close-out costs	-165.1	-177.7	-362.1
(vii) Acquisition costs on share deals and non-controlling joint venture interests	-1.2	-0.9	-1.6
(viii) Deferred tax in respect of EPRA adjustments	-112.1	-132.8	-248.6
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	48.2	53.4	177.9
(x) Non-controlling interests in respect of the above	-110.3	-96.8	-150.6
EPRA Earnings	**575.3**	**528.1**	**1,030.4**
Average number of shares and ORA	98,964,456	98,327,497	98,496,508
EPRA Earnings per Share (EPS)	**5.81 €**	**5.37 €**	**10.46 €**
EPRA Earnings per Share growth	**8.2%**	**-2.7%**	**-4.2%**

[74] EPRA: European Public Real estate Association.
[75] 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, 2016	Dec. 31, 2015	June 30, 2015
EPRA NAV	€ / share	189.00	178.80	172.00
EPRA NNNAV	€ / share	174.40	169.90	161.70
% change over 1 year	%	7.9%	12.4%	12.8%

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, 2016		Dec. 31, 2015	
	Retail (3)	Offices (3)	Retail (3)	Offices (3)
Unibail-Rodamco yields	**4.4%**	**5.8%**	**4.6%**	**6.0%**
Effect of vacant units	0.0%	-0.8%	0.0%	-1.2%
Effect of EPRA adjustments on NRI	0.1%	0.0%	0.1%	0.0%
Effect of estimated transfer taxes and transaction costs	-0.1%	-0.2%	-0.1%	-0.1%
EPRA topped-up yields (1)	**4.4%**	**4.9%**	**4.5%**	**4.7%**
Effect of lease incentives	-0.2%	-1.6%	-0.2%	-1.2%
EPRA Net Initial Yields (2)	**4.2%**	**3.3%**	**4.3%**	**3.5%**

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.
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).

	June 30, 2016	Dec. 31, 2015	June 30, 2015
Retail			
France	2.9%	2.8%	2.5%
Central Europe	0.8%	0.9%	1.1%
Spain	1.0%	1.1%	1.8%
Nordic	2.9%	3.8%	2.8%
Austria	1.0%	1.6%	1.7%
Germany	2.5%	3.0%	3.8%
Netherlands	8.9%	3.9%	3.0%
Total Retail	**2.5%**	**2.5%**	**2.3%**
Offices			
France	12.3%	14.7%	13.8%
Total Offices	**12.3%**	**14.4%**	**13.8%**

5. EPRA Cost ratios

EPRA references		H1-2016	H1-2015	2015
	Include:			
(i-1)	General expenses	-54.8	-48.0	-106.2
(i-2)	Development expenses	-1.9	-2.6	-4.5
(i-3)	Operating expenses	-50.9	-44.3	-99.9
(ii)	Net service charge costs/fees	-12.8	-11.7	-29.1
(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	-7.0	-14.3
	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	10.8	13.7	28.8
	EPRA Costs (including direct vacancy costs) (A)	**-116.7**	**-99.9**	**-225.3**
(ix)	Direct vacancy costs	-12.8	-11.7	-29.1
	EPRA Costs (excluding direct vacancy costs) (B)	**-103.9**	**-88.2**	**-196.2**
(x)	Gross Rental Income (GRI) less ground rents	801.7	730.6	1,490.6
(xi)	Less: service fee and service charge costs component of GRI (if relevant)	-10.8	-13.7	-28.8
(xii)	Add Share of Joint Ventures (Gross Rental Income less ground rents)	56.5	65.5	121.4
	Gross Rental Income (C)	**847.5**	**782.4**	**1,583.1**
	EPRA Cost Ratio (including direct vacancy costs) (A/C)	**13.8%**	**12.8%**	**14.2%**
	EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	**12.3%**	**11.3%**	**12.4%**

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

6. Capital expenditure

in € Mn	H1-2016		H1-2015		2015	
	100%	Group Share	100%	Group Share	100%	Group Share
Acquisitions (1)	56.2	36.7	41.0	37.5	137.7	127.6
Development (2)	122.0	119.7	217.8	171.2	507.8	422.2
Like-for-like portfolio (3)	277.7	233.1	212.2	183.4	513.9	407.7
Other (4)	105.5	80.0	91.0	70.5	172.6	137.6
Capital Expenditure	**561.4**	**469.6**	**562.0**	**462.5**	**1,332.1**	**1,095.1**

Notes:
1) In H1-2016, includes mainly the acquisitions of plots related to the Forum des Halles and Les 4 Temps. In 2015, includes mainly the acquisitions of land and assets related to the Mall of The Netherlands project, Amstelveen and Parquesur.
2) In H1-2016, includes the capital expenditures related to investments in the Carré Sénart and Centrum Chodov extension projects.
3) In H1-2016, includes mainly the capital expenditures related to Mall of Scandinavia, the Forum des Halles, Rennes Alma and Les 4 Temps.
4) Includes eviction costs and tenant incentives, capitalised interest relating to projects referenced above, letting fees and other capitalised expenses of €55.4 Mn, €5.4 Mn, €13.0 Mn and €6.2 Mn in H1-2016, respectively (amounts in group share).

7. LTV reconciliation with B/S

€ Mn	30/06/2016	31/12/2015
Amounts accounted for in B/S	**37,830.7**	**36,515.9**
Investment properties at fair value	33,822.1	33,001.8
Investment properties at cost	859.2	708.2
Other tangible assets	215.5	216.3
Goodwill	541.8	542.8
Intangible assets	244.0	242.1
Shares and investments in companies under the equity method	1,561.1	1,536.0
Properties or shares held for sale	587.1	268.8
Adjustments	**1,468.5**	**1,239.0**
Transfer taxes	1,767.0	1,642.8
Goodwill	- 399.4	- 400.4
Revaluation intangible and operating assets	451.8	418.3
IFRS restatements, including	- 350.9	- 421.7
Financial leases	*- 363.7*	*- 364.3*
Other	*12.8*	*- 57.3*
Total assets, including Transfer Taxes (=A)	**39,299.2**	**37,754.9**
Total assets, excluding Transfer Taxes (=B)	**37,532.2**	**36,112.1**
Amounts accounted for in B/S		
Net share settled bonds convertible into new and/or existing shares (ORNANE)	1,066.3	1,087.8
Long-term bonds and borrowings	12,295.3	11,522.9
Current borrowings and amounts due to credit institutions	1,937.3	2,447.7
Total financial liabilities	**15,298.8**	**15,058.3**
Adjustments		
Mark-to-market of debt	- 58.9	- 79.1
Current accounts with non-controlling interests	- 1,302.1	- 1,227.0
Impacts of derivatives instruments on debt raised in foreign currency	- 72.4	- 99.9
Accrued interests / issue fees	- 36.8	- 52.0
Total financial liabilities (nominal value)	**13,828.7**	**13,600.3**
Cash & cash equivalents	- 540.3	- 342.6
Net financial debt (=C)	**13,288.4**	**13,257.7**

LTV ratio including Transfer Taxes (=C/A)	**34%**	**35%**
LTV ratio excluding Transfer Taxes (=C/B)	**35%**	**37%**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT JUNE 30, 2016

CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT JUNE 30, 2016

Following the recommendations from the *Autorité des Marchés Financiers* (AMF), Unibail-Rodamco has redesigned the 2016 first half-yearly condensed notes to the consolidated financial statements.

I. CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The interim financial statements are presented in millions of euros, rounded to the nearest hundred thousand and, as a result, slight differences between rounded figures may exist.

Consolidated interim statement of comprehensive income

Consolidated statement of comprehensive income (€Mn)	Notes	H1-2016	H1-2015	2015
Gross rental income	4.1.1	895.9	833.3	1,685.0
Ground rents paid		(8.7)	(8.0)	(17.5)
Net service charge expenses		(12.8)	(11.7)	(29.1)
Property operating expenses		(93.3)	(88.1)	(185.6)
Net rental income		**781.1**	**725.5**	**1,452.8**
Corporate expenses		(53.7)	(47.0)	(104.0)
Development expenses		(1.9)	(2.6)	(4.5)
Depreciation of other tangible assets		(1.1)	(1.1)	(2.2)
Administrative expenses		**(56.7)**	**(50.7)**	**(110.7)**
Acquisition and related costs		**(1.2)**	**(0.9)**	**(1.6)**
Revenues from other activities		120.3	138.5	293.4
Other expenses		(84.3)	(101.1)	(219.7)
Net other income	**4.1.2**	**36.0**	**37.4**	**73.7**
Proceeds from disposal of investment properties		306.3	304.0	342.4
Carrying value of investment properties sold		(303.6)	(304.5)	(341.0)
Result on disposal of investment properties	**5.1**	**2.7**	**(0.4)**	**1.4**
Proceeds from disposal of shares		26.3	7.0	114.4
Carrying value of disposed shares		(20.9)	-	(100.7)
Result on disposal of shares (1)	**3.1.1**	**5.4**	**7.0**	**13.7**
Valuation gains on assets		1,147.1	1,009.7	2,137.4
Valuation losses on assets		(105.2)	(191.9)	(318.6)
Valuation movements on assets	**5.4**	**1,041.9**	**817.8**	**1,818.8**
Impairment of goodwill/Negative goodwill		**-**	**(0.8)**	**-**
NET OPERATING RESULT BEFORE FINANCING COST		**1,809.2**	**1,534.9**	**3,248.2**
Result from non-consolidated companies		0.1	-	-
Financial income		*41.7*	*45.3*	*86.3*
Financial expenses		*(173.1)*	*(198.0)*	*(385.8)*
Net financing costs	7.1.1	(131.4)	(152.7)	(299.5)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	7.2.3	20.1	(158.4)	(183.4)
Fair value adjustments of derivatives and debt	7.3	(184.9)	(19.0)	(178.0)
Debt discounting		(0.3)	(0.3)	(0.7)
Profit on disposal of associates (1)		-	27.1	69.6
Share of the result of companies under the equity method	6.2	74.8	94.3	243.3
Income on financial assets	6.2	9.3	11.8	22.1
RESULT BEFORE TAX		**1,596.9**	**1,337.7**	**2,921.6**
Income tax expenses	8.1	(112.3)	(146.9)	(288.3)
NET RESULT FOR THE PERIOD		**1,484.6**	**1,190.8**	**2,633.3**
Non-controlling interests	3.2.1	199.8	166.8	299.3
NET RESULT (Owners of the parent)		**1,284.8**	**1,024.0**	**2,334.0**

Average number of shares (undiluted)	11.1	98,956,720	98,319,342	98,488,530
Net result for the period (Owners of the parent)		1,284.8	1,024.0	2,334.0
Net result for the period per share (Owners of the parent) (€)		**13.0**	**10.4**	**23.7**
Net result for the period restated (Owners of the parent) (2)		1,264.7	1,022.6	2,346.2
Average number of shares (diluted)	11.1	102,294,624	100,544,639	100,311,426
Diluted net result per share (Owners of the parent) (€)		**12.4**	**10.2**	**23.4**

NET COMPREHENSIVE INCOME (€Mn)	Notes	H1-2016	H1-2015	2015
NET RESULT FOR THE PERIOD		**1,484.6**	**1,190.8**	**2,633.3**
Foreign currency differences on translation of financial statements of subsidiaries		(7.1)	(2.9)	5.2
Gain/loss on net investment hedge		(18.7)	(3.7)	1.3
Cash flow hedge		0.3	0.8	1.3
Revaluation of shares available for sale		(0.4)	-	-
Other comprehensive income which can be reclassified to profit or loss		**(25.9)**	**(5.8)**	**7.8**
Employee benefits - will not be reclassified into profit or loss		**-**	**-**	**14.8**
OTHER COMPREHENSIVE INCOME		**(25.9)**	**(5.8)**	**22.6**
NET COMPREHENSIVE INCOME		**1,458.8**	**1,185.0**	**2,655.9**
Non-controlling interests		199.8	166.8	299.3
NET COMPREHENSIVE INCOME (OWNERS OF THE PARENT)		**1,259.0**	**1,018.2**	**2,356.6**

(1) *Accordingly to the presentation as at December 31, 2015, a reclassification has been done in H1-2015 from "Result on disposal of shares" to "Profit on disposal of associates".*

(2) *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 interim statement of financial position

Consolidated Statement of financial position (€ Mn)	**Notes**	**30/06/2016**	**31/12/2015**
NON CURRENT ASSETS		**37,651.2**	**36,634.2**
Investment properties	**5.1**	**34,681.3**	**33,710.0**
Investment properties at fair value		*33,822.1*	*33,001.8*
Investment properties at cost		*859.2*	*708.2*
Other tangible assets		215.5	216.3
Goodwill	5.3	541.8	542.8
Intangible assets	5.2	244.0	242.1
Loans and receivables		67.1	41.1
Financial assets		21.5	17.1
Deferred tax assets	8.2	28.9	31.6
Derivatives at fair value	7.3	290.0	297.2
Shares and investments in companies under the equity method	6	1,561.1	1,536.0
CURRENT ASSETS		**2,032.2**	**1,475.7**
Properties or shares held for sale	**5.1**	**587.1**	**268.8**
Trade receivables from activity		**448.3**	**393.6**
Other trade receivables		**456.6**	**470.6**
Tax receivables		165.8	159.6
Other receivables		177.1	218.3
Prepaid expenses		113.8	92.7
Cash and cash equivalents	**7.2.7**	**540.3**	**342.6**
Available for sale investments		6.1	98.4
Cash		534.2	244.2
TOTAL ASSETS		**39,683.5**	**38,109.8**
Shareholders' equity (Owners of the parent)		**16,417.2**	**16,042.1**
Share capital		496.4	493.5
Additional paid-in capital		6,386.1	6,310.2
Bonds redeemable for shares		1.2	1.2
Consolidated reserves		8,338.3	6,967.3
Hedging and foreign currency translation reserves		(89.6)	(64.1)
Consolidated result		1,284.8	2,334.0
Non-controlling interests		**3,350.6**	**3,196.5**
TOTAL SHAREHOLDERS' EQUITY		**19,767.8**	**19,238.6**
NON CURRENT LIABILITIES		**16,199.9**	**15,127.8**
Long-term commitment to purchase non-controlling interests		40.9	45.4
Net share settled bonds convertible into new and/or existing shares (ORNANE)	7.2.2	1,066.3	1,087.8
Long-term bonds and borrowings	7.2.2	12,295.3	11,522.9
Long-term financial leases	7.2.2	359.8	361.4
Derivatives at fair value	7.3	438.0	263.9
Deferred tax liabilities	8.2	1,556.8	1,465.6
Long-term provisions	9	36.5	35.3
Employee benefits		8.7	8.7
Guarantee deposits		198.5	201.4
Amounts due on investments		199.1	135.4
CURRENT LIABILITIES		**3,715.7**	**3,743.4**
Amounts due to suppliers and other current debt		**1,549.4**	**1,117.8**
Amounts due to suppliers		149.0	162.2
Amounts owed to shareholders		483.0	-
Amounts due on investments		333.0	415.0
Sundry creditors		342.1	337.7
Other liabilities		242.3	202.9
Current borrowings and amounts due to credit institutions	**7.2.2**	**1,937.3**	**2,447.7**
Current financial leases	**7.2.2**	**6.2**	**6.0**
Tax and social security liabilities		**207.3**	**153.8**
Short-term provisions	**9**	**15.6**	**18.1**
TOTAL LIABILITIES AND EQUITY		**39,683.5**	**38,109.8**

Consolidated interim statement of cash flows

Consolidated statement of cash flows (€ Mn)	Notes	H1-2016	H1-2015	2015
Operating activities				
Net result		**1,484.6**	**1,190.8**	**2,633.3**
Depreciation & provisions (1)		(8.7)	(11.5)	(12.2)
Impairment of goodwill/Negative goodwill		-	0.8	-
Changes in value of property assets		(1,041.9)	(817.8)	(1,818.8)
Changes in value of financial instruments		164.8	177.4	361.4
Discounting income/charges		0.3	0.3	0.7
Charges and income relating to stock options and similar items		4.1	3.3	7.8
Net capital gains/losses on disposal of shares (2)		(5.4)	(7.0)	(13.7)
Net capital gains/losses on disposal of shares of associates (2)		-	(27.1)	(69.6)
Net capital gains/losses on sales of properties (3)		(2.6)	(0.1)	(0.2)
Income from companies under the equity method		(74.8)	(94.3)	(243.3)
Income on financial assets		(9.3)	(11.8)	(22.1)
Dividend income from non-consolidated companies		(0.1)	(0.1)	(0.1)
Net financing costs	7.1.1	131.4	152.7	299.5
Income tax charge		112.3	146.9	288.3
Cash flow before net financing costs and tax		**754.7**	**702.6**	**1,411.1**
Income on financial assets		9.3	11.8	22.1
Dividend income and result from companies under equity method or non consolidated		7.4	7.7	7.9
Income tax paid		(11.3)	(10.5)	(38.9)
Change in working capital requirement (1)		55.6	(47.9)	13.4
Total cash flow from operating activities		**815.8**	**663.7**	**1,415.6**
Investment activities				
Property activities		**(241.5)**	**(56.4)**	**(518.0)**
Acquisition of consolidated shares		(4.7)	(23.9)	(226.5)
Amounts paid for works and acquisition of property assets	5.5	(557.5)	(571.0)	(1,276.2)
Exit tax payment		-	-	(1.4)
Repayment of property financing		44.4	83.0	98.5
Increase of property financing		(42.1)	(20.7)	(30.4)
Disposal of shares/consolidated subsidiaries	3.1.2	31.6	7.0	166.6
Disposal of shares of associates/non consolidated subsidiaries		-	165.1	409.0
Disposal of investment properties		286.9	304.0	342.4
Financial activities		**(0.7)**	**(4.3)**	**(3.4)**
Acquisition of financial assets		(1.3)	(5.9)	(6.5)
Disposal of financial assets		0.5	1.1	2.3
Change in financial assets		0.1	0.5	0.7
Total cash flow from investment activities		**(242.2)**	**(60.7)**	**(521.4)**
Financing activities				
Capital increase of parent company		78.7	68.8	83.1
Change in capital from company with non controlling shareholders		0.0	3.0	3.0
Distribution paid to parent company shareholders	11.2	(480.1)	(472.5)	(946.5)
Dividends paid to non-controlling shareholders of consolidated companies		(54.8)	(63.2)	(40.9)
Disposal of interests in subsidiaries not resulting in a loss of control		-	-	690.8
New borrowings and financial liabilities		1,692.0	2,992.2	3,458.8
Repayment of borrowings and financial liabilities (4)		(1,452.9)	(3,511.3)	(3,843.8)
Financial income	7.1.1	33.7	41.3	84.4
Financial expenses	7.1.1	(181.7)	(227.9)	(397.4)
Other financing activities (4)		-	10.3	(503.5)
Total cash flow from financing activities		**(365.0)**	**(1,159.4)**	**(1,411.9)**
Change in cash and cash equivalents during the period		**208.6**	**(556.4)**	**(517.7)**
Cash at the beginning of the year		**320.1**	**827.6**	**827.6**
Effect of exchange rate fluctuations on cash held		**(9.6)**	**8.2**	**10.1**
Cash at period-end (5)	7.2.7	**519.1**	**279.4**	**320.1**

(1) *The spread of lease incentives & key moneys have been reallocated from "Change in working capital requirement" to "Depreciation & provisions".*

(2) *Accordingly to the presentation as at December 31, 2015, a reclassification has been done in H1-2015 from "Net capital gains/losses on disposal of shares" to "Net capital gains/losses on disposal of shares of associates ".*

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

(4) *A reclassification has been done in H1-2015 between "Other financing activities" and "Repayment of borrowings and financial liabilities".*

(5) *The payment of the dividend balance made on July 6, 2016 was covered by the cash position as at June 30, 2016.*

Consolidated interim statement of changes in equity

(€Mn)	Share capital	Additional paid-in capital	Bonds Redeemable for Shares	Consolidated reserves	Consolidated net result	Hedging & foreign currency translation reserves [(1)]	Total Owners of the parent	Non-controlling interests	Total Shareholders' equity
Equity as at 31/12/2014	**490.3**	**6,229.8**	**1.3**	**6,199.9**	**1,670.5**	**(71.9)**	**14,519.9**	**2,413.3**	**16,933.2**
Profit or loss of the period	-	-	-	-	1,024.0	-	**1,024.0**	166.8	**1,190.8**
Other comprehensive income	-	-	-	-	-	(5.8)	**(5.8)**	-	**(5.8)**
Net comprehensive income	**-**	**-**	**-**	**-**	**1,024.0**	**(5.8)**	**1,018.2**	**166.8**	**1,185.0**
Earnings appropriation	-	-	-	1,670.5	(1,670.5)	-	**-**	-	**-**
Dividends related to 2014	-	-	-	(945.0)	-	-	**(945.0)**	(85.4)	**(1,030.4)**
Stock options and Company Savings Plan	2.6	66.2	0.1	-	-	-	**69.0**	-	**69.0**
Conversion of Bonds Redeemable for Shares	-	0.4	-	0.0	-	-	**0.4**	-	**0.4**
Share based payment	-	-	-	3.3	-	-	**3.3**	-	**3.3**
Transactions with non-controlling interests	-	-	-	(23.5)	-	-	**(23.5)**	30.5	**7.0**
Changes in scope of consolidation and other movements	-	-	-	(1.2)	-	-	**(1.2)**	3.1	**1.9**
Equity as at 30/06/2015	**492.9**	**6,296.4**	**1.4**	**6,904.0**	**1,024.0**	**(77.8)**	**14,641.0**	**2,528.3**	**17,169.3**
Profit or loss of the period	-	-	-	-	1,310.0	-	**1,310.0**	132.5	**1,442.5**
Other comprehensive income	-	-	-	14.8	-	13.6	**28.4**	-	**28.4**
Net comprehensive income	**-**	**-**	**-**	**14.8**	**1,310.0**	**13.6**	**1,338.4**	**132.5**	**1,470.9**
Dividends related to 2014	-	-	-	(1.4)	-	-	**(1.4)**	22.2	**20.8**
Stock options and Company Savings Plan	0.5	14.0	(0.1)	-	-	-	**14.4**	-	**14.4**
Conversion of Bonds Redeemable for Shares	0.0	(0.2)	(0.1)	-	-	-	**(0.2)**	-	**(0.2)**
Share based payment	-	-	-	5.5	-	-	**5.5**	-	**5.5**
Transactions with non-controlling interests	-	-	-	43.9	-	-	**43.9**	513.2	**557.1**
Changes in scope of consolidation and other movements	-	-	-	0.7	-	-	**0.7**	0.2	**0.9**
Equity as at 31/12/2015	**493.5**	**6,310.2**	**1.2**	**6,967.4**	**2,334.0**	**(64.1)**	**16,042.1**	**3,196.5**	**19,238.6**
Profit or loss of the period	-	-	-	-	1,284.8	-	**1,284.8**	199.8	**1,484.6**
Other comprehensive income	-	-	-	(0.4)	-	(25.5)	**(25.9)**	-	**(25.9)**
Net comprehensive income	**-**	**-**	**-**	**(0.4)**	**1,284.8**	**(25.5)**	**1,259.0**	**199.8**	**1,458.8**
Earnings appropriation	-	-	-	2,334.0	(2,334.0)	-	**-**	-	**-**
Dividends related to 2015	-	-	-	(963.1)	-	-	**(963.1)**	(54.7)	**(1,017.7)**
Stock options and Company Savings Plan	3.0	75.9	-	(0.2)	-	-	**78.7**	-	**78.7**
Share based payment	-	-	-	4.1	-	-	**4.1**	-	**4.1**
Transactions with non-controlling interests	-	-	-	(3.1)	-	-	**(3.1)**	8.9	**5.8**
Changes in scope of consolidation and other movements	-	-	-	(0.4)	-	-	**(0.4)**	-	**(0.4)**
Equity as at 30/06/2016	**496.4**	**6,386.1**	**1.2**	**8,338.3**	**1,284.8**	**(89.6)**	**16,417.2**	**3,350.6**	**19,767.8**

(1) *The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. The hedging reserve is used to record the effect of hedging net investments in foreign operations.*

II. NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT EVENTS OF THE FIRST HALF OF 2016

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

2-8 Ancelle office building disposal

On March 24, 2016, the office building located 2-8 rue Ancelle in Neuilly-sur-Seine has been sold to a joint-venture between ACM Vie SA and funds managed by Amundi Immobilier.

Other disposals

The Group disposed a number of small assets, including a 26,159 m² shopping centre in Budapest, Europark.

NOTE 2. ACCOUNTING POLICIES

The interim consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". As these are condensed financial results, they do not include all of the information required by the IFRS and must be read in relation with the Group's annual consolidated financial accounts for the year ended December 31, 2015.

The accounting principles applied for the preparation of these half-yearly consolidated financial accounts are in accordance with the IFRS and interpretations as adopted by the European Union as of June 30, 2016. These can be consulted on the website http://ec.europa.eu/internal_market/accounting/ias/index_en.htm.

2.1. IFRS basis adopted

The accounting principles and methods used are the same as those applied for the preparation of the annual consolidated financial statements as at December 31, 2015, except for the application of the new obligatory standards and interpretations described below.

Standards, amendments and interpretations effective as of January 1, 2016

- IAS 19 A: Defined Benefit Plans – Employee contributions;
- Improvements to IFRSs (2010-2012 cycle);
- IFRS 11 A: Accounting for acquisition of interests in Joint operation;
- IAS 16 A and IAS 38 A: Clarification of acceptable methods of depreciation and amortization;
- Improvements to IFRSs (2012-2014 cycle);
- IAS 1 A: Disclosure initiative.

These standards and amendments do not have a significant impact on the Group's accounts as at June 30, 2016.

Standards, amendments and interpretations not mandatorily applicable as of January 1, 2016

The following texts were published by the IASB but have not yet been adopted by the European Union:

- IFRS 9: Financial instruments;
- IFRS 15: Revenue from contracts with customers;
- IFRS 10 A, IFRS 12 A and IAS 28 A: Investment entities: applying the consolidation exception;
- IFRS 16: Leases;
- IAS 12 A: Recognition of Deferred Tax Assets for Unrealised Losses;
- IAS 7 A: Disclosure initiative;
- IFRS 2 A: Classification and Measurement of Share-based Payment Transactions.

The measurement of the potential impacts of these texts on the consolidated accounts of Unibail-Rodamco is on-going. The Group does not expect significant impacts on the financial statements.

2.2. Estimates and assumptions

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

The most significant estimates are set out in the notes to the consolidated financial statements as at December 31, 2015: for the valuation of investment properties in § 5.1 "Investment properties", for the goodwill and intangible assets, respectively in § 5.3 "Goodwill" and § 5.2 "Intangible assets" and for fair value of financial instruments in § 7.4 "Hedging instruments". Actual future results or outcomes may differ from these estimates. The property portfolio and intangible assets used by the Shopping Centres, Offices and Convention & Exhibition segments are valued by independent appraisers.

NOTE 3. SCOPE OF CONSOLIDATION

3.1. Share deals: acquisitions and disposals of the first half of 2016

3.1.1. Result on disposal of shares

The Group disposed a number of small assets, including Europark, a shopping centre in Budapest, for a total net disposal price of €26.3 Mn.

3.1.2. Disposals of consolidated shares/(non)-consolidated subsidiaries (Consolidated statement of cash flows)

Disposal of shares/consolidated subsidiaries

(€Mn)	**H1-2016**	**H1-2015**	**2015**
Net price of shares sold	26.3	7.0	123.2
Cash and current accounts	5.3	-	43.4
Disposal of shares/consolidated subsidiaries (1)	**31.6**	**7.0**	**166.6**

(1) *In H1-2016, corresponds mainly to the share deal's disposal of Europark shopping centre (Budapest).*

3.2. Non-controlling interests

3.2.1. Non-controlling interests

For H1-2016, this item comprised mainly non-controlling interests in the following entities:

- several shopping centres in France (€87.4 Mn, mainly Les 4 Temps for €37.9 Mn, Parly 2 for €31.2 Mn and Forum des Halles for €23.1 Mn);
- Convention & Exhibition entities (€50.5 Mn);
- several shopping centres in Spain and in Germany.

NOTE 4. NET RECURRING RESULT AND SEGMENT REPORTING

4.1. Consolidated interim income statement by segment

Consolidated Income Statement by segment (€Mn)			H1-2016 Recurring activities	H1-2016 Non-recurring activities (1)	H1-2016 Result	H1-2015 Recurring activities	H1-2015 Non-recurring activities (1)	H1-2015 Result	2015 Recurring activities	2015 Non-recurring activities (1)	2015 Result
SHOPPING CENTRES	FRANCE	Gross rental income	325.3	-	325.3	298.6	-	298.6	606.4	-	606.4
		Operating expenses & net service charges	(30.0)	-	(30.0)	(25.7)	-	(25.7)	(57.3)	-	(57.3)
		Net rental income	**295.3**	**-**	**295.3**	**272.8**	**-**	**272.8**	**549.1**	**-**	**549.1**
		Contribution of affiliates	3.3	1.1	4.4	5.0	(1.1)	3.9	9.0	(2.9)	6.1
		Gains/losses on sales of properties	-	3.3	3.3	-	7.1	7.1	-	6.9	6.9
		Valuation movements	-	296.7	296.7	-	154.0	154.0	-	307.7	307.7
		Result Shopping Centres France	**298.6**	**301.1**	**599.8**	**277.8**	**160.1**	**437.9**	**558.1**	**311.6**	**869.8**
	CENTRAL EUROPE	Gross rental income	81.1	-	81.1	75.8	-	75.8	153.6	-	153.6
		Operating expenses & net service charges	(1.0)	-	(1.0)	(1.6)	-	(1.6)	(5.4)	-	(5.4)
		Net rental income	**80.1**	**-**	**80.1**	**74.2**	**-**	**74.2**	**148.2**	**-**	**148.2**
		Contribution of affiliates	17.2	14.4	31.6	20.8	(8.0)	12.8	36.0	102.3	138.3
		Gains/losses on sales of properties	-	3.5	3.5	-	27.1	27.1	-	23.7	23.7
		Valuation movements	-	227.6	227.6	-	92.2	92.2	-	266.9	266.9
		Result Shopping Centres Central Europe	**97.3**	**245.5**	**342.7**	**95.1**	**111.2**	**206.3**	**184.2**	**392.9**	**577.1**
	SPAIN	Gross rental income	80.0	-	80.0	82.6	-	82.6	164.0	-	164.0
		Operating expenses & net service charges	(8.5)	-	(8.5)	(6.7)	-	(6.7)	(16.5)	-	(16.5)
		Net rental income	**71.5**	**-**	**71.5**	**76.0**	**-**	**76.0**	**147.5**	**-**	**147.5**
		Contribution of affiliates	0.4	(0.1)	0.3	0.6	(1.0)	(0.3)	1.1	(2.1)	(1.0)
		Gains/losses on sales of properties	-	1.1	1.1	-	(0.5)	(0.5)	-	(3.0)	(3.0)
		Valuation movements	-	125.7	125.7	-	211.6	211.6	-	385.5	385.5
		Result Shopping Centres Spain	**72.0**	**126.7**	**198.6**	**76.6**	**210.2**	**286.8**	**148.6**	**380.4**	**529.0**
	NORDIC	Gross rental income	79.8	-	79.8	59.8	-	59.8	126.4	-	126.4
		Operating expenses & net service charges	(7.2)	-	(7.2)	(7.2)	-	(7.2)	(20.4)	-	(20.4)
		Net rental income	**72.7**	**-**	**72.7**	**52.7**	**-**	**52.7**	**106.1**	**-**	**106.1**
		Gains/losses on sales of properties	-	(0.9)	(0.9)	-	(0.0)	(0.0)	-	2.2	2.2
		Valuation movements	-	42.5	42.5	-	110.1	110.1	-	354.0	354.0
		Result Shopping Centres Nordic	**72.7**	**41.6**	**114.3**	**52.7**	**110.1**	**162.8**	**106.1**	**356.2**	**462.3**
	AUSTRIA	Gross rental income	51.6	-	51.6	49.5	-	49.5	99.7	-	99.7
		Operating expenses & net service charges	(3.7)	-	(3.7)	(3.4)	-	(3.4)	(7.6)	-	(7.6)
		Net rental income	**47.9**	**-**	**47.9**	**46.1**	**-**	**46.1**	**92.1**	**-**	**92.1**
		Valuation movements	-	72.5	72.5	-	46.4	46.4	-	138.7	138.7
		Result Shopping Centres Austria	**47.9**	**72.5**	**120.4**	**46.1**	**46.4**	**92.5**	**92.1**	**138.7**	**230.8**
	GERMANY	Gross rental income	47.9	-	47.9	29.5	-	29.5	73.2	-	73.2
		Operating expenses & net service charges	(3.0)	-	(3.0)	(3.0)	-	(3.0)	(6.1)	-	(6.1)
		Net rental income	**45.0**	**-**	**45.0**	**26.4**	**-**	**26.4**	**67.1**	**-**	**67.1**
		Contribution of affiliates	14.6	33.2	47.8	16.5	65.7	82.2	32.9	82.7	115.6
		Gains/losses on sales of properties	-	-	-	-	-	-	-	3.1	3.1
		Valuation movements	-	82.5	82.5	-	2.1	2.1	-	38.4	38.4
		Result Shopping Centres Germany	**59.5**	**115.7**	**175.3**	**43.0**	**67.8**	**110.7**	**100.0**	**124.2**	**224.2**
	THE NETHERLANDS	Gross rental income	37.8	-	37.8	38.2	-	38.2	76.2	-	76.2
		Operating expenses & net service charges	(6.9)	-	(6.9)	(4.6)	-	(4.6)	(9.2)	-	(9.2)
		Net rental income	**30.9**	**-**	**30.9**	**33.7**	**-**	**33.7**	**67.0**	**-**	**67.0**
		Gains/losses on sales of properties	-	2.5	2.5	-	(0.0)	(0.0)	-	0.5	0.5
		Valuation movements	-	(5.7)	(5.7)	-	14.8	14.8	-	7.4	7.4
		Result Shopping Centres The Netherlands	**30.9**	**(3.1)**	**27.8**	**33.7**	**14.8**	**48.5**	**67.0**	**7.9**	**74.9**
		TOTAL RESULT SHOPPING CENTRES	**678.9**	**900.0**	**1,578.9**	**624.9**	**720.6**	**1,345.5**	**1,256.1**	**1,711.9**	**2,968.0**
OFFICES	FRANCE	Gross rental income	77.9	-	77.9	77.9	-	77.9	156.7	-	156.7
		Operating expenses & net service charges	(2.7)	-	(2.7)	(2.8)	-	(2.8)	(5.3)	-	(5.3)
		Net rental income	**75.2**	**-**	**75.2**	**75.1**	**-**	**75.1**	**151.4**	**-**	**151.4**
		Gains/losses on sales of properties	-	(1.4)	(1.4)	-	0.0	0.0	-	4.4	4.4
		Valuation movements	-	169.9	169.9	-	107.8	107.8	-	221.7	221.7
		Result Offices France	**75.2**	**168.5**	**243.7**	**75.1**	**107.9**	**182.9**	**151.4**	**226.1**	**377.5**
	OTHER COUNTRIES	Gross rental income	11.2	-	11.2	11.4	-	11.4	22.7	-	22.7
		Operating expenses & net service charges	(2.1)	-	(2.1)	(2.0)	-	(2.0)	(3.7)	-	(3.7)
		Net rental income	**9.1**	**-**	**9.1**	**9.4**	**-**	**9.4**	**19.0**	**-**	**19.0**
		Gains/losses on sales of properties	-	(0.0)	(0.0)	-	-	-	-	-	-
		Valuation movements	-	(0.1)	(0.1)	-	4.5	4.5	-	16.8	16.8
		Result Offices other countries	**9.1**	**(0.1)**	**9.0**	**9.4**	**4.5**	**13.9**	**19.0**	**16.8**	**35.8**
		TOTAL RESULT OFFICES	**84.3**	**168.4**	**252.7**	**84.5**	**112.4**	**196.9**	**170.4**	**242.9**	**413.3**
CONVENTION & EXHIBITION	FRANCE	Gross rental income	91.0	-	91.0	99.8	-	99.8	188.0	-	188.0
		Operating expenses & net service charges	(47.6)	-	(47.6)	(49.0)	-	(49.0)	(96.8)	-	(96.8)
		Net rental income	**43.4**	**-**	**43.4**	**50.8**	**-**	**50.8**	**91.2**	**-**	**91.2**
		Contribution of affiliates	0.4	(0.3)	0.2	0.4	0.1	0.5	0.5	0.2	0.7
		On site property services	**25.1**	**-**	**25.1**	**26.9**	**-**	**26.9**	**51.4**	**-**	**51.4**
		Hotels net rental income	**10.0**	**-**	**10.0**	**8.2**	**-**	**8.2**	**14.2**	**-**	**14.2**
		Exhibitions organising	**-**	**-**	**-**	**9.3**	**(2.3)**	**7.1**	**8.0**	**43.6**	**51.6**
		Valuation movements, depreciation, capital gains	(5.5)	31.3	25.8	(5.4)	74.5	69.1	(11.1)	85.1	73.9
		TOTAL RESULT CONVENTION & EXHIBITION	**73.5**	**31.0**	**104.5**	**90.3**	**72.3**	**162.6**	**154.1**	**128.9**	**283.0**
		Other property services net operating result	16.4	(1.2)	15.2	15.9	(1.2)	14.7	33.4	(2.4)	31.0
		Other net income	0.1	-	0.1	0.0	-	0.0	-	-	-
TOTAL OPERATING RESULT AND OTHER INCOME			**853.2**	**1,098.2**	**1,951.4**	**815.6**	**904.1**	**1,719.7**	**1,614.0**	**2,081.3**	**3,695.4**
		General expenses	(54.8)	(1.2)	(56.0)	(48.0)	(0.9)	(48.9)	(106.1)	(1.6)	(107.7)
		Development expenses	(1.9)	-	(1.9)	(2.6)	-	(2.6)	(4.5)	-	(4.5)
		Financing result	(131.4)	(165.2)	(296.6)	(152.7)	(177.7)	(330.4)	(299.5)	(362.1)	(661.6)
RESULT BEFORE TAX			**665.0**	**931.9**	**1,596.9**	**612.2**	**725.5**	**1,337.7**	**1,203.9**	**1,717.7**	**2,921.6**
		Income tax expenses	(0.2)	(112.1)	(112.3)	(14.1)	(132.8)	(146.9)	(24.8)	(263.5)	(288.3)
NET RESULT FOR THE PERIOD			**664.8**	**819.8**	**1,484.6**	**598.1**	**592.6**	**1,190.8**	**1,179.1**	**1,454.2**	**2,633.3**
		Non-controlling interests	89.5	110.3	199.8	70.0	96.8	166.8	148.7	150.6	299.3
NET RESULT - OWNERS OF THE PARENT			**575.3**	**709.5**	**1,284.8**	**528.1**	**495.8**	**1,024.0**	**1,030.4**	**1,303.6**	**2,334.0**
Average number of shares and ORA			98,964,456			98,327,497			98,496,508		
RECURRING EARNINGS PER SHARE (€)			**5.81**			**5.37**			**10.46**		
RECURRING EARNINGS PER SHARE GROWTH			**8.2%**			**-2.7%**			**-4.2%**		

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

4.1.1. Gross rental income

Gross rental income by segments

€Mn excluding taxes	H1-2016	H1-2015	2015
Shopping Centres	**703.7**	**634.1**	**1,299.5**
France	325.3	298.6	606.4
Central Europe	81.1	75.8	153.6
Spain	80.0	82.6	164.0
Nordic	79.8	59.8	126.4
Austria	51.6	49.5	99.7
Germany	47.9	29.5	73.2
The Netherlands	37.8	38.2	76.2
Offices	**89.1**	**89.2**	**179.4**
France	77.9	77.9	156.7
Other countries	11.2	11.4	22.7
Convention & Exhibition and Hotels	**103.2**	**110.0**	**206.1**
Total	**895.9**	**833.3**	**1,685.0**

4.1.2. On-site property services and other property services net operating result

The Net other income consists of on-site property service and other property services net operating result.

(€Mn)	**H1-2016**	**H1-2015**	**2015**
Net other income	**36.0**	**37.4**	**73.7**
On-site property services	19.6	21.5	40.3
Other property services	16.4	15.9	33.4

4.2. Other information by segment

4.2.1. Reconciliation between the Results by segment and the income statement of the period (IFRS format)

For H1-2016

(€Mn)		Net rental income	Administra-tive expenses, acquisition and related costs	Net other income	Result on disposal of investment properties and shares	Valuation movements on assets	Net operating result before financing cost	Share of the result of companies under equity method & income on financial assets	Result from non consolidated companies	Total
Shopping Centres	France	295.3	-	-	3.3	296.7	**595.4**	4.4	-	**599.8**
	Central Europe	80.1	-	-	3.5	227.6	**311.2**	31.6	-	**342.7**
	Spain	71.5	-	-	1.1	125.7	**198.3**	0.3	-	**198.6**
	Nordic	72.7	-	-	(0.9)	42.5	**114.3**	-	-	**114.3**
	Austria	47.9	-	-	-	72.5	**120.4**	-	-	**120.4**
	Germany	45.0	-	-	-	82.5	**127.5**	47.8	-	**175.3**
	The Netherlands	30.9	-	-	2.5	(5.7)	**27.8**	-	-	**27.8**
	Total Shopping Centres	**643.4**	**-**	**-**	**9.6**	**841.9**	**1,494.9**	**84.0**	**-**	**1,578.9**
Offices	France	75.2	-	-	(1.4)	169.9	**243.7**	-	-	**243.7**
	Others	9.1	-	-	(0.0)	(0.1)	**9.0**	-	-	**9.0**
	Total Offices	**84.3**	**-**	**-**	**(1.5)**	**169.9**	**252.7**	**-**	**-**	**252.7**
C. & E. (1)	France	**53.4**	**-**	**19.7**	**-**	**31.3**	**104.3**	**0.2**	**-**	**104.5**
Not allocated		-	(57.9)	16.4	(0.0)	(1.2)	**(42.8)**	-	0.1	**(42.6)**
Total 30/06/2016		**781.1**	**(57.9)**	**36.0**	**8.1**	**1,041.9**	**1,809.2**	**84.1**	**0.1**	**1,893.5**

(1) *Convention & Exhibition segment.*

For H1-2015

(€Mn)		Net rental income	Administra-tive expenses, acquisition and related costs	Net other income	Result on disposal of investment properties and shares	Valuation movements on assets	Impairment of goodwill / Negative goodwill	Net operating result before financing cost	Profit on disposal of associates	Share of the result of companies under equity method & income on financial assets	Result from non consolidated companies	Total
Shopping Centres	France	272.8	-	-	7.1	154.9	(0.8)	**434.0**	-	3.9	-	**437.9**
	Central Europe	74.2	-	-	-	92.2	-	**166.4**	27.1	12.8	-	**206.3**
	Spain	76.0	-	-	(0.5)	211.6	-	**287.1**	-	(0.3)	-	**286.8**
	Nordic	52.7	-	-	(0.0)	110.1	-	**162.8**	-	-	-	**162.8**
	Austria	46.1	-	-	-	46.4	-	**92.5**	-	-	-	**92.5**
	Germany	26.4	-	-	-	2.1	-	**28.6**	-	82.2	-	**110.7**
	The Netherlands	33.7	-	-	(0.0)	14.8	-	**48.5**	-	-	-	**48.5**
	Total Shopping Centres	**581.9**	**-**	**-**	**6.6**	**632.2**	**(0.8)**	**1,219.8**	**27.1**	**98.6**	**-**	**1,345.5**
Offices	France	75.1	-	-	0.0	107.8	-	**182.9**	-	-	-	**182.9**
	Others	9.4	-	-	-	4.5	-	**13.9**	-	-	-	**13.9**
	Total Offices	**84.5**	**-**	**-**	**0.0**	**112.3**	**-**	**196.9**	**-**	**-**	**-**	**196.9**
C. & E. (1)	France	**59.0**	-	**21.5**	-	**74.5**	-	**155.0**	-	**7.6**	-	**162.6**
Not allocated		-	(51.6)	15.9	0.0	(1.2)	-	**(36.9)**	-	-	0.0	**(36.9)**
Total 30/06/2015		**725.5**	**(51.6)**	**37.4**	**6.6**	**817.8**	**(0.8)**	**1,534.9**	**27.1**	**106.1**	**0.0**	**1,668.1**

(1) *Convention & Exhibition segment.*

The information by segment relating to the investment properties is presented in the note 5.1.

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

5.1. Investment properties

5.1.1. Investment properties at fair value

(€Mn)	30/06/2016	31/12/2015
Shopping Centres	**28,228.2**	**27,062.8**
France	13,126.6	12,629.1
Central Europe	3,207.6	2,937.4
Spain	3,087.5	2,942.3
Nordic	3,322.0	3,238.3
Austria	2,110.2	2,029.8
Germany	1,946.7	1,853.6
The Netherlands	1,427.6	1,432.2
Offices	**3,063.1**	**3,487.4**
France	2,767.4	3,181.1
Other countries	295.7	306.3
Convention & Exhibition and Hotels	**2,530.8**	**2,451.7**
Total	**33,822.1**	**33,001.8**

(€Mn)	Shopping Centres	Offices	Convention & Exhibition	Total investment properties	Properties held for sale	Total
31/12/2015	**27,062.8**	**3,487.4**	**2,451.7**	**33,001.8**	**268.8**	**33,270.6**
Acquisitions (1)	45.8	2.3	0.1	**48.2**	-	**48.2**
Entry into scope of consolidation (1)	8.0	-	-	**8.0**	-	**8.0**
Capitalised expenses (2)	275.1	43.6	51.6	**370.3**	0.1	**370.4**
Disposals/exits from the scope of consolidation	(29.9)	(19.5)	-	**(49.4)**	(268.9) (5)	**(318.3)**
Reclassification and transfer of category	51.6 (4)	(618.9)	0.1	**(567.1)**	587.1 (3)	**19.9**
Discounting impact	(6.2)	-	-	**(6.2)**	-	**(6.2)**
Valuation movements	841.9	169.9	27.3	**1,039.1**	-	**1,039.1**
Currency translation	(20.9)	(1.7)	-	**(22.6)**	-	**(22.6)**
30/06/2016	**28,228.2**	**3,063.1**	**2,530.8**	**33,822.1**	**587.1**	**34,409.1**

(1) *The acquisitions and entry into scope of consolidation concern mainly Forum des Halles and Les 4 Temps.*
(2) *Capitalised expenses mainly concerned:*
- shopping centres in France and Sweden;
- offices in France;
- Convention & Exhibition site such as Parc des Expositions de la Porte de Versailles;
(3) *The majority of the reclassification and transfer of category were due to reclassification into the category of the properties held for sale.*
(4) *The Investment Property Under Construction Centrum Chodov extension and renovation project is now assessed at fair value as at June 30, 2016.*
(5) *The disposals are mainly related to the sale of the office building located 2-8 rue Ancelle in Neuilly-sur-Seine, on March 24, 2016, to a joint-venture between ACM Vie SA and funds managed by Amundi Immobilier.*

Valuation assumptions and sensitivity

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

As at June 30, 2016, the outstanding balances of deferred lease incentives and key monies amortised over the firm term of the lease and deducted from the appraisal value represented €80.2 Mn.

The following tables provide a number of quantitative elements used by the appraisers 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, 2016		Net initial yield	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
France	Max	8.1%	823	13.0%	9.5%	9.0%
	Min	3.6%	85	5.3%	3.8%	1.2%
	Weighted average	4.1%	503	5.8%	4.3%	4.8%
Central Europe	Max	6.8%	549	8.0%	7.6%	2.8%
	Min	4.6%	189	6.6%	4.8%	2.3%
	Weighted average	5.0%	382	6.9%	5.2%	2.7%
Nordic	Max	14.6%	526	9.5%	8.3%	5.3%
	Min	4.0%	118	6.5%	4.3%	0.5%
	Weighted average	4.5%	364	7.1%	4.6%	3.7%
Spain	Max	8.1%	770	11.0%	7.8%	4.0%
	Min	4.5%	99	7.5%	4.5%	1.8%
	Weighted average	5.1%	276	8.1%	5.0%	3.3%
Germany	Max	6.9%	404	8.0%	6.6%	4.6%
	Min	4.2%	238	6.3%	4.1%	2.4%
	Weighted average	4.7%	310	6.6%	4.6%	3.3%
Austria	Max	4.4%	366	6.3%	4.3%	2.8%
	Min	4.3%	352	6.2%	4.3%	2.3%
	Weighted average	4.3%	359	6.2%	4.3%	2.5%
Netherlands	Max	9.5%	408	9.0%	8.9%	5.8%
	Min	3.9%	113	6.0%	4.3%	n.m
	Weighted average	4.7%	238	6.4%	4.9%	3.9%

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 capitalize the exit rent to determine the exit value of an asset.
(d) Compounded Annual Growth Rate of Net Rental Income determined by the appraiser (between 6 and 10 years depending on duration of DCF model used).

Based on an asset value excluding estimated transfer taxes and transaction costs, the shopping centre division's net initial yield as at June 30, 2016, decreased to 4.4% from 4.6% as at December 31, 2015.
A change of +25 basis points in net initial yield would result in a downward adjustment of -€1,561 Mn (-5.3%) of the shopping centre portfolio value (excluding assets under development or accounted for using the equity method), including transfer taxes and transaction costs.

Offices

Appraisers value the Group's Offices using the discounted cash flow and yield methodologies.

Offices - June 30, 2016		Net initial yield on occupied space	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
France	Max	11.3%	536	9.8%	8.2%	21.2%
	Min	3.8%	105	5.3%	3.9%	-3.5%
	Weighted average	5.7%	420	5.9%	5.0%	2.8%
Nordic	Max	8.5%	276	8.8%	7.8%	3.7%
	Min	6.0%	116	6.9%	5.4%	1.2%
	Weighted average	7.1%	223	7.8%	6.6%	2.9%
Netherlands	Max	16.9%	51	13.8%	9.8%	12.7%
	Min	n.m.	n.m.	6.4%	4.9%	10.0%
	Weighted average	12.5%	41	10.0%	7.6%	11.2%
Germany	Max	8.7%	537	8.4%	7.5%	8.0%
	Min	4.8%	52	6.5%	4.5%	1.6%
	Weighted average	5.3%	163	6.9%	5.0%	3.1%
Austria	Max	6.8%	128	7.6%	7.0%	4.0%
	Min	6.4%	118	7.5%	6.5%	2.1%
	Weighted average	6.6%	123	7.6%	6.8%	3.2%

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, assets considered at bid value 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 capitalize 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).

For occupied offices and based on an asset value excluding estimated transfer taxes and transaction costs, the Office division's net initial yield as at June 30, 2016 fell by -20 bps to 5.8%.
A change of +25 basis points in net initial yield would result in a downward adjustment of -€189 Mn (-4.8%) of the office portfolio value (occupied and vacant spaces, excluding assets under development or accounted for using the equity method), including transfer taxes and transaction costs.

Convention & Exhibition

Based on these valuations, the average EBITDA yield (recurring earnings before interest, tax, depreciation and amortization divided by the value of assets, excluding estimated transfer taxes and transaction costs) of Viparis' consolidated venues as at June 30, 2016 decreased by -30 basis points from December 31, 2015 to 6.0%.

A change of +25 basis points of the yield and WACC as determined at June 30, 2016 would result in an adjustment of -€115.4 Mn (-5.1%).

5.1.2. Investment properties under construction at cost

(€Mn)	30/06/2016	31/12/2015
Shopping Centres	**636.6**	**527.3**
France	332.8	275.6
Central Europe	118.0	134.7
Spain	107.9	75.1
Nordic	-	-
Austria	-	-
Germany	49.7	41.9
The Netherlands	28.2	-
Offices	**218.4**	**177.7**
France	218.4	177.7
Other countries	-	-
Convention & Exhibition and Hotels	**4.2**	**3.2**
Total	**859.2**	**708.2**

As at June 30, 2016, buildings under construction valued at cost are notably:

- shopping centres under development such as the extension of Carré Sénart and the Wroclavia and Val Tolosa projects;
- offices developments such as Trinity and Phare-Sisters in La Défense.

No indication of an impairment loss was identified in the first semester.

(€Mn)	Gross value	Impairment	Total investment properties at cost
31/12/2015	**775.0**	**(66.8)**	**708.2**
Acquisitions	2.3	-	**2.3**
Entry into scope of consolidation	32.0	-	**32.0**
Capitalised expenses (1)	132.3	-	**132.3**
Reclassification and transfer of category	(14.0)	-	**(14.0)**
Discounting impact	0.4	-	**0.4**
Currency translation	(1.9)	-	**(1.9)**
30/06/2016	**926.0**	**(66.8)**	**859.2**

(1) *Capitalised expenses mainly concerned the Carré Sénart extension, the Wroclavia project and the Centrum Chodov extension and renovation project before the reclassification into Investment Property Under Construction assessed at fair value.*

5.2. Intangible assets

H1-2016 change

Net value (€Mn)	Rights and exhibitions	Other intangible assets	Total
31/12/2015	**233.8**	**8.3**	**242.1**
Acquisitions	-	1.3	**1.3**
Amortisation	(1.2)	-	**(1.2)**
Impairment / reversal	2.8 [(1)]	(1.0)	**1.8**
30/06/2016	**235.4**	**8.6**	**244.0**

[(1)] *Relates mainly to a reversal of impairment on a Viparis' intangible asset according to the external appraisers.*

A change of +25 basis points of the yield and WACC of Viparis' intangible assets as determined at June 30, 2016 would result in a negative adjustment of -€23.4 Mn (-6.3%).

5.3. Goodwill

An impairment test was carried out on the goodwill which represents the potential tax optimisation existing on the assets. No further impairment was recognised as at June 30, 2016. Following the disposal of Europark (Budapest), an amount of €1.7 Mn has been decreased from goodwill and recognised in result on disposal of shares as at June 30, 2016.

The goodwill which corresponds to the value of the fee business and the ability to generate development projects is based on an external appraisal, performed once a year as at December. No indication of an impairment loss was identified in the first semester.

5.4. Valuation movements on assets

This item reflects changes in market valuation of investment properties, impairment and reversal on tangible and intangible assets.

(€Mn)	H1-2016	H1-2015	2015
Investment properties at fair value	**1,039.1**	**795.8**	**1,797.4**
Shopping Centres	*841.9*	*632.2*	*1,494.2*
Offices	*169.9*	*101.9*	*228.0*
Convention & Exhibition	*27.3*	*61.7*	*75.1*
Investment properties at cost	**-**	**10.5**	**(8.7)**
Tangible and intangible assets	**2.8**	**11.5**	**6.5**
Other	**-**	**-**	**23.7**
Total	**1,041.9**	**817.8**	**1,818.8**

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

In the first half of 2016, amounts paid for works and acquisition of property assets amount to €557.5 Mn. They comprise acquisitions, transaction capitalised costs, works and capitalised expenses and are adjusted for the changes on amounts due on investments of the period.

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

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

These shares and investments are those in the 23 companies accounted for using the equity method, of which 12 are under significant influence and 11 are jointly controlled.

(€Mn)	**30/06/2016**	**31/12/2015**
Shares in Shopping Centres and Convention & Exhibition companies	1,079.1	982.4
Loans granted to Shopping Centres and Convention & Exhibition companies	482.0	553.6
Total shares and investments in companies under the equity method	**1,561.1**	**1,536.0**

6.2. Share of the result of companies accounted for using the equity method and income on financial assets

The contribution of affiliates breaks down as follows:

(€Mn)	**30/06/2016**			**30/06/2015** (2)		
	Recurring activities	Non-recurring activities (1)	**Result**	Recurring activities	Non-recurring activities (1)	**Result**
Income from stake in Shopping Centres and Convention & Exhibition companies	26.6	48.2	**74.8**	33.0	55.7	**88.7**
Income from stake in Comexposium group	-	-	-	7.9	(2.3)	**5.6**
Total share of income from companies under the equity method	**26.6**	**48.2**	**74.8**	**40.9**	**53.4**	**94.3**
Interests on the loans granted to Shopping Centres companies	9.3	-	**9.3**	10.4	-	**10.4**
Interests on the loan granted to Comexposium group	-	-	-	1.4	-	**1.4**
Total interests on loans granted to companies under the equity method	**9.3**	**-**	**9.3**	**11.8**	**-**	**11.8**

(1) *Correspond mainly to the fair value adjustment on the underlying investment properties.*

(2) *Comprise :*

- *Arkady Pankrac (Prague) sold on June 30, 2015;*
- *Ruhr Park companies accounted for using the equity method until July 24, 2015;*
- *Comexposium sold on July 31, 2015.*

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

To the Group's knowledge, there are neither shareholders' pacts nor persons or groups of persons exercising or who could exercise control over the Group.

The main related party transactions refer to transactions with companies accounted for using the equity method.

(€Mn)	**30/06/2016**	**30/06/2015**
Comexposium (1)		
Loan	-	124.6
Recognised interest	-	1.5
Rents and fees invoiced	-	43.6
Shopping Centres and Convention & Exhibition companies		
Loans (2)	488.4	558.0
Recognised interest	9.3	10.4
Current account in debit	1.0	0.8
Current account in credit	(3.5)	(6.7)
Asset management fees invoiced and other fees (3)	7.4	14.2

(1) *On July 31, 2015, the Group completed the disposal of its 50% stake in Comexposium to Charterhouse.*

(2) *Correspond to 100% of the financing in the shopping centres investment. The variance with the H1-2015 is mainly explained by the change of consolidation method of Benidorm (Spain), from the equity method to the full consolidation incurred in the H1-2016 and by the repayment of part of the loan granted to the sub-group Zlote Tarasy.*

(3) *The decrease is mostly justified by the change of consolidation method of Ruhr Park (Germany), from the equity method to the full consolidation in July 2015.*

All of these transactions are based on market prices.

No transactions with related parties had a material impact on the Group consolidated financial statements.

NOTE 7. FINANCING AND FINANCIAL INSTRUMENTS

7.1. Financing result

7.1.1. Net financing costs

(€Mn)	H1-2016	H1-2015	2015
Security transactions	0.7	0.7	0.9
Other financial interest	1.2	5.2	7.7
Interest income on derivatives	39.9	39.5	77.6
Subtotal financial income	**41.7**	**45.3**	**86.3**
Security transactions	-	(0.1)	-
Interest on bonds and EMTNs	(128.3)	(137.2)	(265.3)
Interest and expenses on borrowings	(24.3)	(36.8)	(64.4)
Interest on partners' advances	(14.4)	(9.9)	(22.7)
Other financial interest	(1.1)	(1.0)	(2.5)
Interest expenses on derivatives	(11.3)	(31.3)	(61.1)
Financial expenses before capitalisation of financial expenses	**(179.4)**	**(216.3)**	**(416.1)**
Capitalised financial expenses	6.3	18.1	30.3
Subtotal net financial expenses	**(173.1)**	**(198.0)**	**(385.8)**
Total net financial costs	**(131.4)**	**(152.7)**	**(299.5)**

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

7.1.2. Fair value adjustment of debts and derivatives

(€Mn)	H1-2016	H1-2015	2015
Premium and costs paid on the repurchased bonds and ORNANEs and on repayments of borrowings	(30.0)	(212.9)	(214.3)
Mark-to-market of the ORNANEs	20.1	(50.8)	(75.9)
Currency impact	27.4	(59.1)	(64.8)
Restructuring of hedges and mark-to-market of derivatives	(183.1)	145.5	(13.4)
Debt discounting and other items (including amortisation of Rodamco debt marked-to-market at the time of the merger and amortisation of Unibail-Rodamco Germany debt marked-to-market in July 2014)	0.4	(0.4)	6.3
Total non-recurring financial result	**(165.2)**	**(177.7)**	**(362.1)**

7.2. Financial assets and liabilities

7.2.1. Main financing transactions in the first half of 2016

In total, medium to long-term financing transactions completed in the first half of 2016 amounted to €1,720 Mn and include:

- €200 Mn medium to long-term credit lines with an average maturity of 5 years.
- Three public EMTN bond issuances in March and April 2016 for a total amount of €1,500 Mn.
- €20 Mn, 11-year private placement to secondary levels under Unibail-Rodamco's EMTN program.

In total, these bonds were issued for an average duration of 14 years versus an average duration of 12 years in 2015.

- The Group also completed a new tender offer in April 2016 for €282 Mn encompassing 8 bonds (including 7 bonds subject to a prior buy back) maturing between 2017 and 2023 with coupons ranging between 1.625% and 3.875%.

In addition, Unibail-Rodamco accessed the money market by issuing BMTN and commercial papers under its "*billets de trésorerie*" program.

The Group also put in place in H1-2016 a US commercial papers (USCP) program. It raised $105 Mn on average under this program since its inception, these amounts were swapped back into Euros.

The average amount of commercial paper, USCP, and BMTN outstanding in H1-2016 was eq. €1,375 Mn (€1,192 Mn on average in 2015) with a remaining maturity of up to eight months.

As at June 30, 2016, the total amount of undrawn credit lines came to €5,548 Mn following the signing of new lines and extension of existing lines.

7.2.2. Financial debt breakdown and outstanding duration to maturity

Outstanding duration to maturity (€Mn)	Current	Non-current		Total	Total
	Less than 1 year	1 year to 5 years	More than 5 years	30/06/2016	31/12/2015
Net share settled bonds convertible into new and/or existing shares (ORNANE)	**0.0**	**9.6**	**1,056.7**	**1,066.3**	**1,087.8**
Principal debt	-	7.8	1,000.0	1,007.8	1,009.2
Mark-to-market of debt	-	1.8	56.7	58.5	78.6
Accrued interest	0.0	-	-	0.0	0.0
Bonds and EMTNs	**709.1**	**3,546.9**	**6,293.3**	**10,549.3**	**9,602.2**
Principal debt	662.8	3,546.9	6,293.3	10,503.0 (1) (4)	9,538.0
Accrued interest	105.4	-	-	105.4	112.1
Issuance costs	(59.1)	-	-	(59.1)	(47.9)
Bank borrowings	**393.5**	**602.9**	**550.0**	**1,546.4**	**1,546.3**
Principal debt	381.4	602.8	550.0	1,534.3	1,535.5
Accrued interest	6.3	-	-	6.3	4.5
Borrowings issue fees	(15.8)	-	-	(15.8)	(16.7)
Bank overdrafts & current accounts to balance out cash flow	21.3	-	-	21.3	22.5
Mark-to-market of debt (2)	0.2	0.1	-	0.4	0.5
Other financial liabilities	**834.7**	**1,055.4**	**246.7**	**2,136.8**	**2,822.0**
Interbank market instruments and negotiable instruments	834.7	-	-	834.7 (4)	1,595.0
Accrued interest on interbank market instruments and negotiable instruments	(0.0)	-	-	(0.0)	-
Current accounts with non-controlling interests (3)	-	1,055.4	246.7	1,302.1	1,227.0
Financial leases	**6.2**	**12.0**	**347.8**	**366.0**	**367.4**
Total	**1,943.5**	**5,226.8**	**8,494.5**	**15,664.8**	**15,425.7**

(1) *Include currency impacts on debt raised in foreign currency for an amount of +€73.8 Mn.*
(2) *Rodamco fixed-rate debts have been marked-to-market at the date of its first consolidation in 2007.*
(3) *They are considered as non-current as they are financing the related assets.*
(4) *In the Financial Resources note, €10,429 Mn for Bonds and EMTNs and €836 Mn for USCPs correspond to the amount after impact of derivatives instruments on debt raised in foreign currencies.*

7.2.3. Net share settled bonds convertible into new and/or existing shares (ORNANE)

As at June 30, 2016, the ORNANE are presented in the table below.

(€Mn)	Debt at fair value	Total fair value recognised in the profit and loss
ORNANE issued in 2012	9.6	0.4
ORNANE issued in 2014	552.5	11.6
ORNANE issued in 2015	504.2	8.0
Total	**1,066.3**	**20.1**

7.2.4. Characteristics of bonds and EMTNs (excluding ORNANE) issued on the first half of 2016

The new bonds and EMTNs issued in H1-2016 have the following characteristics:

Issue date	Rate	Amount at 30/06/2016 (€Mn)	Maturity
March 2016	Fixed rate 1.375%	500.0	March 2026
March 2016	Floating rate (Erb6M+0%, floored at 0.95%, capped at 3%)	20.0	March 2027
April 2016	Fixed rate 1.125%	500.0	April 2027
April 2016	Fixed rate 2%	500.0	April 2036
Total		**1,520.0**	

7.2.5. Covenants

As at June 30, 2016, the LTV[1] ratio calculated for Unibail-Rodamco amounted to 34%, compared to 35% as at December 31, 2015.

The ICR[2] ratio for Unibail-Rodamco improved to 5.9x for the first half of 2016 as a result of strong rental level growth including the impact of assets delivery and the lower cost of debt.

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, 2016, 97% 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.

[1] Loan-to-Value (LTV): Net financial debt / Total portfolio valuation including transfer taxes.
[2] Interest Cover Ratio (ICR) = Recurring EBITDA / Recurring Net Financial Expenses (including capitalised interest); Recurring EBITDA is calculated as total recurring operating results and other income less general expenses, excluding depreciation and amortisation.

7.2.6. Market value of the debt

The market value of Unibail-Rodamco's fixed-rate and index-linked debt is presented in the table below.

(€Mn)	30/06/2016		31/12/2015	
	Carrying value	Market value	Carrying value	Market value
Fixed-rate and index-linked debt				
Fixed-rate & index-linked borrowings, interbank instruments and negotiable market instruments	11,676.9 [1]	12,569.3	11,077.4	11,546.7

[1] *ORNANE included, at market value (see § 7.2.3 "ORNANE").*

Financial debt is valued at market value based on market rates and on spreads issuers at such closing date.

7.2.7. Net financial debt

Net financial debt is determined as below:

Net financial debt

(€Mn)	30/06/2016	31/12/2015
Amounts accounted for in B/S		
Net share settled bonds convertible into new and/or existing shares (ORNANE)	1,066.3	1,087.8
Long-term bonds and borrowings	12,295.3	11,522.9
Current borrowings and amounts due to credit institutions	1,937.3	2,447.7
Total financial liabilities	**15,298.8**	**15,058.3**
Adjustments		
Mark-to-market of debt	(58.9)	(79.1)
Current accounts with non-controlling interests	(1,302.1)	(1,227.0)
Impact of derivatives instruments on debt raised in foreign currency	(72.4)	(99.9)
Accrued interests / issuance fees	(36.8)	(52.0)
Total financial liabilities (nominal value)	**13,828.7** [1]	**13,600.3**
Cash & cash equivalents	**(540.3)** [1]	**(342.6)**
Net financial debt	**13,288.4**	**13,257.7**

[1] *Bank overdrafts & current accounts to balance out cash flow are included in the total financial liabilities, in 2016 for €21.2 Mn and in 2015 for €22.5 Mn.*

Net cash at period-end

(€Mn)	30/06/2016	31/12/2015
Available for sale investments [(1)]	6.1	98.4
Cash	534.2	244.2
Total asset	**540.3**	**342.6**
Bank overdrafts & current accounts to balance out cash flow	(21.2)	(22.5)
Total Liabilities	**(21.2)**	**(22.5)**
Net cash at period-end [(2)]	**519.1**	**320.1**

(1) *This item comprises investments in money-market SICAV (marketable securities).*
(2) *The payment of the dividend balance made on July 6, 2016 was covered by the cash position as at June 30, 2016.*

7.3. Change on hedging instruments

		Amounts recognised in the Statement of Comprehensive Income			
(€Mn)	31/12/2015	Net financing costs	Fair value adjustments of derivatives	Other comprehensive income	30/06/2016
Assets					
Derivatives at fair value	**297.2**	**1.4**	**(9.0)**	**0.3**	**290.0**
- *Cash flow hedge*	*1.0*	*1.5*	-	*0.3*	*2.8*
- *Without a hedging relationship*	*281.7*	*(0.1)*	*(13.0)*	-	*268.6*
- *Other derivatives*	*14.5*	-	*4.1*	-	*18.6*
Liabilities					
Derivatives at fair value	**263.9**	-	**174.1**	-	**438.0**
- *Without a hedging relationship*	*263.9*	-	*174.1*	-	*438.0*
Net	**33.3**	**1.4**	**(183.1)**	**0.3**	**(147.9)**

7.4. Fair value hierarchy of financial assets and liabilities

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

(€Mn)	Fair value measurement at 30/06/2016			
	Total	Level 1	Level 2	Level 3
Assets				
Fair value through profit or loss				
Derivatives	287.2	-	268.6	18.6
Available for sale investments	6.1	6.1	-	-
Fair value through equity				
Derivatives	2.8	-	2.8	-
Total	**296.1**	**6.1**	**271.4**	**18.6**
Liabilities				
Fair value through profit or loss				
ORNANE	1,066.3	1,066.3	-	-
Derivatives	438.0	-	438.0	-
Total	**1,504.3**	**1,066.3**	**438.0**	-

NOTE 8. TAXES

8.1. Income tax expenses

(€Mn)	H1-2016	H1-2015	2015
Recurring deferred and current tax on:			
- Allocation / reversal of provision concerning tax issues	(4.5)	0.8	4.3
- Other recurring results	4.3	(14.9)	(29.1)
Total recurring tax	**(0.2)**	**(14.1)**	**(24.8)**
Non-recurring deferred and current tax on:			
- Change in fair value of investment properties and impairment of intangible assets	(109.6)	(69.6)	(222.3)
- Impairment of goodwill justified by taxes	-	(1.9)	
- Other non-recurring results [(1)]	(2.5)	(61.3)	(41.2)
Total non-recurring tax	**(112.1)**	**(132.8)**	**(263.5)**
Total tax	**(112.3)**	**(146.9)**	**(288.3)**
Total tax due	(13.8)	(50.3)	(38.9)

[(1)] *Includes the 3% tax levied on cash dividends paid by French companies for a total amount of -€2.5 Mn in H1-2016 (-€14.0 Mn in H1-2015 and -€14.1 Mn in 2015).*

8.2. Deferred taxes

H1-2016 change

(€Mn)	31/12/2015	Increase	Decrease	Currency transla-tion	Change in scope of consoli-dation	30/06/2016
Deferred tax liabilities	**(1,575.1)**	**(110.1)**	**0.5**	**2.4**	**1.9**	**(1,680.4)**
Deferred tax on investment properties	(1,508.6)	(106.9)	-	2.4	1.9	(1,611.3)
Deferred tax on intangible assets	(66.5)	(3.2)	0.5	-	-	(69.1)
Other deferred tax	**109.5**	**18.9**	**(4.8)**	**-**	**-**	**123.6**
Tax loss carry-forward [(1)]	106.7	18.9	(4.4)	(0.1)	-	121.2
Other [(1)]	2.8	0.0	(0.4)	-	-	2.4
Total deferred tax liabilities	**(1,465.6)**	**(91.2)**	**(4.3)**	**2.4**	**1.9**	**(1,556.8)**
Deferred tax assets						
Tax loss carry-forward	43.4	1.9	(2.0)	-	-	43.2
Other deferred tax	(11.8)	5.3	(7.8)	-	-	(14.3)
Total deferred tax assets	**31.6**	**7.1**	**(9.8)**	**-**	**-**	**28.9**

[(1)] *Deferred tax assets and liabilities within a same tax group are offset.*

Deferred tax liabilities on properties refer to those countries where there is no tax efficient status comparable to that of France (SIIC), providing a tax exemption on recurring income and capital gains on property sales with an obligation to distribute part of their net result.
The increase of deferred tax liabilities on investment properties is mainly due to the increase of the valuation of the assets outside France.

It is expected that the Dutch tax authorities will deny the FBI status for Unibail-Rodamco's Dutch activities for 2010 onwards. The Group does not agree with this position. As at June 30, 2016, a deferred tax liability of €80.6 Mn was booked on the Dutch investment properties. A deferred tax asset for the same amount based on tax losses was recognised. Both amounts were netted. In this context of uncertainty, no other deferred tax asset has been recognised for significant Dutch tax-loss carry forwards.

NOTE 9. PROVISIONS

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

H1-2016 change

(€Mn)	31/12/2015	Allocations	Reversals used	Reversals not used	Other movements/ changes in scope of consolidation	30/06/2016
Long-term provisions	**35.3**	**3.2**	**(0.7)**	**(2.8)**	**1.5**	**36.5**
Provisions for litigation	25.3	0.5	(0.1)	(0.1)	-	25.6
Other provisions	10.0	2.7	(0.6)	(2.7)	1.5	10.9
Short-term provisions	**18.1**	**1.7**	**(2.4)**	**(1.9)**	**-**	**15.6**
Provisions for litigation	15.5	0.7	(0.7)	(1.6)	-	13.9
Other provisions	2.6	1.0	(1.7)	(0.3)	-	1.7
Total	**53.4**	**4.9**	**(3.1)**	**(4.7)**	**1.5**	**52.1**

The Group is involved in legal proceedings in Austria where a tenant has obtained a court judgment limiting the amount of square meters a certain category of retailers in the shopping centre may operate without its consent. The Group has made an estimate of the risk based on its current knowledge and has also impacted the fair value calculation of the investment property.

NOTE 10. EMPLOYEE BENEFITS

10.1. Share-based payments

Stock option plans

There are currently four stock option plans granted to Directors and employees of the Group, all subject to performance condition. These stock options have a duration of seven years and may be exercised at any time, in one or more installments, as from the 4th anniversary of the date of their allocation. The right to exercise stock options is subject to Unibail-Rodamco stock performance being higher in percentage terms than that of the EPRA benchmark index over the reference period.

The performance-related stock-options allocated in March 2016 were valued at €11.26 using a Monte Carlo model. This valuation is based on an initial exercise price of €227.24, a share price at the date of allocation of €232.40, a vesting period of four years, an estimated duration of 4.7 years, a market volatility of 17.34%, a dividend representing 5.0% of the share value, a risk-free interest rate of -0.25% and a volatility of EPRA index of 14.11% with a correlation EPRA/Unibail-Rodamco of 91.51%.

Stock options are accounted for in accordance with IFRS 2. The expense recorded on the income statement in relation to stock options came to €2.6 Mn in the first half of 2016 and €2.3 Mn in the first half of 2015.

The table below shows allocated stock options not exercised at the period-end:

Plan		Exercise period (1)	Adjusted subscription price (€) (2)	Number of options granted	Adjustments in number of options (2)	Number of options cancelled	Number of options exercised	Potential additional number of shares (3)
2007 plan (n°5)	2009	from 14/03/2013 to 13/03/2016	79.08	735,450	170,116	199,064	706,502	-
2010 plan (n° 6)	2010	from 11/03/2014 to 10/03/2017	120.33	778,800	170,561	231,172	692,540	25,649
	2011	from 11/03/2015 to 10/03/2018	141.54	753,950	15,059	181,724	529,399	57,886
2011 plan (n° 7)	2011	from 10/06/2015 to 09/06/2018	152.03	26,000	-	-	26,000	-
	2012	from 15/03/2016 to 14/03/2019	146.11	672,202	-	155,217	383,584	133,401
	2013	from 05/03/2017 to 04/03/2020	173.16	617,066	-	131,232	5,525	480,309
	2014	from 04/03/2018 to 03/03/2021	186.10	606,087	-	105,623	5,738	494,726
2015 plan (n°8)	2015	from 04/03/2019 to 03/03/2022	256.81	615,860	-	65,242	-	550,618
	2015	from 05/09/2019 to 04/09/2022	238.33	7,225	-	-	-	7,225
	2016	from 09/03/2020 to 08/03/2023	227.24	611,608	-	5,734	1,913	603,961
Total				**5,424,248**	**355,736**	**1,075,008**	**2,351,201**	**2,353,775**

(1) *Under assumption that the performance and presence conditions are satisfied. If the first day of the exercise period is a non-business day, the retained date will be the next business day. If the end of the exercise period is a non-business day, the retained date will be the first preceding business day.*
(2) *Adjustments reflect distribution paid from retained earnings.*
(3) *All the options are subject to performance condition.*

Performance share plan

All the shares are subject to performance condition.

The awards allocated in April 2016 were valued, using a Monte Carlo model, at €126.61 for the French tax residents beneficiaries and €136.14 for the others beneficiaries. This valuation is based on a share price at the date of allocation of €238.35, a vesting period of three years for French tax residents beneficiaries and four year for others beneficiaries, a market volatility of 17.35%, a volatility of EPRA index of 13.99% with a correlation EPRA/Unibail-Rodamco of 92.29%, a dividend representing 5.0% of the share value and risk-free interest rates of -0.37%, -0.19% and 0.07% (respectively for three, five and seven years).

Performance shares are accounted for in accordance with IFRS 2. The expense recorded on the income statement in relation to performance shares came to €1.4 Mn in the first half of 2016 and €1.0 Mn in the first half of 2015.

The table below shows allocated performance shares not exercised at the period-end:

Starting date of the vesting period [(1)]	Number of performance shares allocated	Number of performance shares cancelled	Number of performance shares acquired	Potential additional number of shares [(2)]
2012	44,975	10,479	34,496	-
2013	36,056	7,194	21,807	7,055
2014	36,516	6,365	345	29,806
2015	37,554	3,936	345	33,273
2016	36,745	347	-	36,398
Total	**191,846**	**28,321**	**56,993**	**106,532**

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

(2) *All the shares are subject to performance condition.*

10.2. Remuneration of the Management Board and the Supervisory Board

For information on the remuneration of members of the Management Board and the Supervisory Board, refer to the 2015 Annual Report.

On April 21 2016, members of the Management Board were allocated a total of 8,963 performance shares.

NOTE 11. SHARE CAPITAL AND DIVIDENDS

11.1. Number of shares

Change in share capital

		Total number of shares
As at 31/12/2015		**98,693,942**
	Exercise of stock options	562,372
	Shares granted	29,423
	Conversion of ORNANE	1,549
As at 30/06/2016		**99,287,286**

Average number of shares diluted and undiluted

	H1-2016	H1-2015	2015
Average number of shares (undiluted)	**98,956,720**	**98,319,342**	**98,488,530**
Dilutive impact			
Potential shares via stock options (1)	35,279	613,335	318,720
Attributed bonus shares (unvested) (1)	7,055	105,762	7,138
Potential shares via ORNANE	3,287,834	1,498,044	1,489,060
Potential shares via ORA	7,736	8,155	7,978
Average number of shares (diluted)	**102,294,624**	**100,544,639**	**100,311,426**

(1) *Correspond only to shares and attributed bonus shares which are in the money and for which the performance condition is fulfilled.*

11.2. Dividends

On April 21, 2016, Unibail-Rodamco's combined General Meeting of shareholders resolved to distribute a dividend of €9.70 per share.

The cash dividend amounted to €963.1 Mn. An interim dividend of €480.1 Mn was paid on March 29, 2016. The balance dividend was paid on July 6, 2016.

NOTE 12. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT LIABILITIES

All significant commitments are shown below. The Group does not have any complex commitments.

12.1. Commitments given

Commitments given (€Mn)	Description	Maturities	30/06/2016	31/12/2015
1) Commitments related to the scope of the consolidated Group			**112.8**	**114.2**
Commitments for acquisitions	- Purchase undertakings and earn-out	2016 to 2020	37.6	37.9
Commitments given as part of specific transactions	- Representations and warranties	2016+	75.2	76.3
2) Commitments related to Group financing			**1,096.6**	**1,097.9**
Financial guarantees given	- Mortgages and first lien lenders (1)	2016 to 2027	1,096.6	1,097.9
3) Commitments related to Group operational activities			**1,611.3**	**1,634.5**
Commitments related to development activities	- Properties under construction: residual commitments for works contracts and forward purchase agreements	2016+	641.8	622.3
	- Residual commitments for other works contracts	2016 to 2021	32.0	36.3
	- Commitments subject to conditions precedent	2016 to 2023	227.5	225.9
Commitments related to operating contracts	- Commitments for construction works (2)	2064	633.4	674.3
	- Rental of premises and equipment	2016+	39.5	40.1
	- Other	2016 to 2023	37.1	35.5
Total commitments given			**2,820.7**	**2,846.5**

(1) The outstanding balances at the reporting date of the debts and drawn credit lines which are secured by mortgages. The gross amount of mortgages contracted, before taking into account subsequent debt reimbursement and unused credit lines, was €1,114.3 Mn as at June 30, 2016 (€1,114.8 Mn as at December 31, 2015).

(2) On the 50-year lease contract to operate Porte de Versailles (Paris), Viparis has committed to invest €497 Mn for renovation works €220 Mn for the maintenance works, representing an initial commitment of €358 Mn in Group share, of which €90 Mn have already been invested.

Other commitments given related to the scope of the consolidated Group

- For a number of recent acquisitions of properties in France, Unibail-Rodamco SE has committed to the French tax authorities to retain these interests during at least five years, in accordance with the SIIC tax regime.

- For a number of disposals, the Group granted usual representations and warranties to the purchasers.

- The agreements in connection with joint investments with partners may include usual clauses like (i) a lock-up period during which the shareholders have to retain their interest in shared subsidiaries or (ii) arrangements pursuant to which the parties can organise the exit of the shareholders (for example: right of first offer, tag-along right in case the partner sells its shares to a third party).

  These kinds of clauses are included in the following partnerships:

  - As part of the agreements signed with Socri to develop Polygone Riviera, Unibail-Rodamco SE has committed to retain its interests in shared subsidiaries until three years after the date of the shopping centre's opening.
  - Following the disposal of a 46.1% stake in Unibail-Rodamco Germany (formerly mfi AG) to the Canadian Pension Plan Investment Board (CPPIB), the Group has committed to retain its interests in shared subsidiaries for a period of five years as from July 1, 2015.

Other commitments given related to Group operational activities

- The Group’s 50% subsidiary SCI Propexpo has committed that the Espace Champerret venue in Paris, France, will continue to be used as an exhibition hall until 2066.

- The French companies which are eligible for SIIC tax status have opted for this regime. Recurring income and capital gains are exempted from French tax but companies are required to distribute 95% of their recurring income, 60% of capital gains and 100% of dividends received from SIIC subsidiaries.

- In 2014, the City of Brussels selected Unibail-Rodamco as the co-developer, with its partners BESIX and CFE, of the NEO 1 project. BESIX has the possibility to increase its interest in the Mall of Europe from 12.5% to 20%.
  CFE has an option to sell its shares in the Mall of Europe to Unibail-Rodamco from December 31 following the opening of the shopping centre and during a period of one year. If the put is not exercised, the Group has an option to buy CFE’s shares in the Mall of Europe.
  BESIX has an option to sell its shares in the Mall of Europe to Unibail-Rodamco from the end of the second full year after the opening of the shopping centre and lasting 38 months from such date.
  Unibail-Rodamco SE together with the parent companies of BESIX and CFE provided guarantees to the City of Brussels with respect of all payment obligations of the joint ventures which will develop the project.
  Several counter guarantees were provided between Unibail-Rodamco SE, BESIX and CFE, to ensure that each joint venture shall not bear any financial consequence beyond its program and that ultimate shareholder shall not bear more than its share in each joint venture.

Commitments given relating to entities’ interests in joint ventures and associates

- In connection with the acquisition of a limited partnership owning through its subsidiary Warsaw III B.V., the Zlote Tarasy complex (Warsaw), the Group undertook to reimburse the developer for payments the developer would be required to make to the fund managed by CBRE Global Investors if Warsaw III did not make such payments.
  These payment obligations of Warsaw III to this fund consist of:
    - Payment on a quarterly basis of the fund’s prorata share of the net revenue of the retail premises;
    - Payment of the fund’s prorata share of the "Open Market Value" of the Zlote Tarasy shopping centre, as determined by three independent experts no later than December 31, 2016.

  The obligation to the developer expires upon the earlier to occur of (i) December 31, 2016 or (ii) repayment of the fund’s participating loan by Warsaw III prior to December 31, 2016.

12.2. Commitments received

Commitments received (€Mn)	Description	Maturities	30/06/2016	31/12/2015
1) Commitments related to the scope of the consolidated Group			**45.9**	**51.8**
Commitments for acquisitions	- Sales undertakings	2020	0.2	3.8
Commitments received as part of specific transactions	- Representations and warranties	2016 to 2023	45.7	48.0
2) Commitments related to Group financing			**5,548.0**	**5,450.0**
Financial guarantees received	- Undrawn credit lines [1]	2016 to 2022	5,548.0	5,450.0
3) Commitments related to Group operational activities			**563.5**	**579.1**
Other contractual commitments received related to operations	- Bank guarantees on works and others	2016+	8.8	5.2
	- Other	2016 to 2024	102.7	100.3
Assets received as security, mortgage or pledge, as well as guarantees received	- Guarantees received relating to Hoguet regulation (France)	2016	150.4	150.2
	- Guarantees received from tenants	2016+	262.6	259.7
	- Guarantees received from contractors on works	2016 to 2019	39.0	63.7
Total commitments received			**6,157.4**	**6,080.9**

(1) These agreements are usually accompanied by a requirement to meet specific target ratios based on revalued shareholders' equity, Group portfolio valuation and debt. Certain credit lines are also subject to an early prepayment clause (in full or in part) in the event of a change in ownership or a series of disposals reducing portfolio assets below a given threshold. Based on current forecasts, excluding exceptional circumstances, these thresholds on target ratios are not expected to be attained during the current year. A total amount of €440 Mn is guaranteed by mortgages as at June 30, 2016.

Other commitments received related to the scope of the consolidated Group

- As part of the agreements signed with Socri to develop Polygone Riviera, Socri has committed to retain its interests in shared subsidiaries until three years after the date of the shopping centre's opening.
  The Group has an option to buy up to 29.99% from 24 months after the opening of the shopping centre and during a period of six months.

Commitments received relating to entities' interests in joint ventures and associates

Following the acquisition of a stake in the German shopping centre CentrO in May 2014, the vendor has provided an unlimited tax guarantee in proportion to the stake acquired for any tax claim related to previous years that may arise after the acquisition date. The vendor has also guaranteed a certain amount of tax losses carried forward available at the date of acquisition.

NOTE 13. SUBSEQUENT EVENTS

Further to the agreement (*promesse de vente*) entered into in February 2016, Unibail-Rodamco on July 12, 2016 disposed of the So Ouest office building, located in Levallois, to an institutional investor. The net disposal price[1] was €333.8 Mn.

[1] Net Disposal Price (NDP): Total Acquisition Cost incurred by the acquirer minus all transaction taxes and transaction costs.

STATUTORY AUDITORS' REVIEW REPORT ON THE 2016 FIRST HALF-YEARLY FINANCIAL INFORMATION

To the Shareholders,

This is a free translation into English of the statutory auditors' review report on the financial information issued in French and it is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the group's half-yearly management report.
This report should be read in conjunction with and is construed in accordance with French law and professional standards applicable in France.

In compliance with the assignment entrusted to us by your shareholders' annual general meeting and in accordance with the requirements of article L. 451-1-2 III of the French monetary and financial code *(Code monétaire et financier)*, we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Unibail-Rodamco SE, for the period from January 1 to June 30, 2016, and
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the management board. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists in making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRS as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, July 20, 2016

The statutory auditors

French original signed by

DELOITTE & ASSOCIES	ERNST & YOUNG Audit
Damien Leurent	Christian Mouillon

FINANCIAL STATEMENTS WITH ENTITIES UNDER JOINT CONTROL CONSOLIDATED UNDER PROPORTIONAL METHOD

For Information Only – Not reviewed by auditors

Consolidated Income Statement by segment (€Mn)			H1-2016 published	Joint control	Total H1-2016	H1-2015 published	Joint control	Total H1-2015	2015 Published	Joint control	Total 2015
			Recurring activities	Recurring activities	Recurring activities	Recurring activities	Recurring activities	Recurring activities	Recurring activities	Recurring activities	Recurring activities
SHOPPING CENTRES	FRANCE	Gross rental income	325.3	4.6	329.9	298.6	4.5	303.0	606.4	8.9	615.3
		Operating expenses & net service charges	(30.0)	(0.3)	(30.3)	(25.7)	(0.3)	(26.0)	(57.3)	(0.5)	(57.8)
		Net rental income	**295.3**	**4.2**	**299.5**	**272.8**	**4.2**	**277.0**	**549.1**	**8.4**	**557.5**
		Contribution of affiliates	3.3	(3.3)	-	5.0	(5.0)	(0.0)	9.0	(9.0)	(0.0)
		Result Shopping Centres France	**298.6**	**0.9**	**299.5**	**277.8**	**(0.8)**	**277.0**	**558.1**	**(0.7)**	**557.5**
	CENTRAL EUROPE	Gross rental income	81.1	0.2	81.3	75.8	0.2	76.0	153.6	0.4	154.0
		Operating expenses & net service charges	(1.0)	(0.0)	(1.0)	(1.6)	(0.0)	(1.6)	(5.4)	(0.0)	(5.4)
		Net rental income	**80.1**	**0.1**	**80.2**	**74.2**	**0.2**	**74.4**	**148.2**	**0.4**	**148.6**
		Contribution of affiliates	17.2	(0.0)	17.1	20.8	(0.1)	20.8	36.0	(0.2)	35.8
		Result Shopping Centres Central Europe	**97.3**	**0.1**	**97.4**	**95.1**	**0.1**	**95.2**	**184.2**	**0.2**	**184.4**
	SPAIN	Gross rental income	80.0	0.2	80.2	82.6	0.2	82.9	164.0	0.4	164.4
		Operating expenses & net service charges	(8.5)	(0.0)	(8.5)	(6.7)	(0.1)	(6.7)	(16.5)	(0.1)	(16.7)
		Net rental income	**71.5**	**0.1**	**71.6**	**76.0**	**0.2**	**76.2**	**147.5**	**0.3**	**147.7**
		Contribution of affiliates	0.4	(0.4)	-	0.6	(0.6)	(0.0)	1.1	(1.1)	0.0
		Result Shopping Centres Spain	**72.0**	**(0.3)**	**71.6**	**76.6**	**(0.5)**	**76.2**	**148.6**	**(0.8)**	**147.7**
	NORDIC	Gross rental income	79.8	-	79.8	59.8	-	59.8	126.4	-	126.4
		Operating expenses & net service charges	(7.2)	-	(7.2)	(7.2)	-	(7.2)	(20.4)	-	(20.4)
		Net rental income	**72.7**	**-**	**72.7**	**52.7**	**-**	**52.7**	**106.1**	**-**	**106.1**
		Result Shopping Centres Nordic	**72.7**	**-**	**72.7**	**52.7**	**-**	**52.7**	**106.1**	**-**	**106.1**
	AUSTRIA	Gross rental income	51.6	-	51.6	49.5	-	49.5	99.7	-	99.7
		Operating expenses & net service charges	(3.7)	-	(3.7)	(3.4)	-	(3.4)	(7.6)	-	(7.6)
		Net rental income	**47.9**	**-**	**47.9**	**46.1**	**-**	**46.1**	**92.1**	**-**	**92.1**
		Result Shopping Centres Austria	**47.9**	**-**	**47.9**	**46.1**	**-**	**46.1**	**92.1**	**-**	**92.1**
	GERMANY	Gross rental income	47.9	23.0	71.0	29.5	28.1	57.6	73.2	52.3	125.4
		Operating expenses & net service charges	(3.0)	(1.4)	(4.4)	(3.0)	(2.2)	(5.2)	(6.1)	(3.5)	(9.6)
		Net rental income	**45.0**	**21.6**	**66.6**	**26.4**	**25.9**	**52.3**	**67.1**	**48.8**	**115.9**
		Contribution of affiliates	14.6	(14.0)	0.6	16.5	(15.5)	1.0	32.9	(31.3)	1.6
		Result Shopping Centres Germany	**59.5**	**7.7**	**67.2**	**43.0**	**10.3**	**53.3**	**100.0**	**17.5**	**117.5**
	THE NETHERLANDS	Gross rental income	37.8	-	37.8	38.2	-	38.2	76.2	-	76.2
		Operating expenses & net service charges	(6.9)	-	(6.9)	(4.6)	-	(4.6)	(9.2)	-	(9.2)
		Net rental income	**30.9**	**-**	**30.9**	**33.7**	**-**	**33.7**	**67.0**	**-**	**67.0**
		Result Shopping Centres The Netherlands	**30.9**	**-**	**30.9**	**33.7**	**-**	**33.7**	**67.0**	**-**	**67.0**
		TOTAL RESULT SHOPPING CENTRES	**678.9**	**8.4**	**687.3**	**624.9**	**9.2**	**634.1**	**1,256.1**	**16.2**	**1,272.3**
OFFICES	FRANCE	Gross rental income	77.9	-	77.9	77.9	-	77.9	156.7	-	156.7
		Operating expenses & net service charges	(2.7)	-	(2.7)	(2.8)	-	(2.8)	(5.3)	-	(5.3)
		Net rental income	**75.2**	**-**	**75.2**	**75.1**	**-**	**75.1**	**151.4**	**-**	**151.4**
		Result Offices France	**75.2**	**-**	**75.2**	**75.1**	**-**	**75.1**	**151.4**	**-**	**151.4**
	OTHER COUNTRIES	Gross rental income	11.2	-	11.2	11.4	-	11.4	22.7	-	22.7
		Operating expenses & net service charges	(2.1)	-	(2.1)	(2.0)	-	(2.0)	(3.7)	-	(3.7)
		Net rental income	**9.1**	**-**	**9.1**	**9.4**	**-**	**9.4**	**19.0**	**-**	**19.0**
		Result Offices other countries	**9.1**	**-**	**9.1**	**9.4**	**-**	**9.4**	**19.0**	**-**	**19.0**
		TOTAL RESULT OFFICES	**84.3**	**-**	**84.3**	**84.5**	**-**	**84.5**	**170.4**	**-**	**170.4**
CONVENTION & EXHIBITION	FRANCE	Gross rental income	91.0	1.5	92.4	99.8	1.6	101.4	188.0	2.6	190.6
		Operating expenses & net service charges	(47.6)	(0.9)	(48.5)	(49.0)	(1.0)	(49.9)	(96.8)	(2.0)	(98.8)
		Net rental income	**43.4**	**0.6**	**44.0**	**50.8**	**0.6**	**51.5**	**91.2**	**0.6**	**91.8**
		Contribution of affiliates	0.4	(0.4)	-	0.4	(0.4)	-	0.5	(0.5)	-
		On site property services	**25.1**	**-**	**25.1**	**26.9**	**-**	**26.9**	**51.4**	**-**	**51.4**
		Hotels net rental income	**10.0**	**-**	**10.0**	**8.2**	**-**	**8.2**	**14.2**	**-**	**14.2**
		Exhibitions organising	**-**	**-**	**-**	**9.3**	**-**	**9.3**	**8.0**	**-**	**8.0**
		Valuation movements, depreciation, capital gains	(5.5)	-	(5.5)	(5.4)	-	(5.4)	(11.1)	-	(11.1)
		TOTAL RESULT CONVENTION & EXHIBITION	**73.5**	**0.1**	**73.6**	**90.3**	**0.2**	**90.5**	**154.1**	**0.1**	**154.2**
		Other property services net operating result	16.4	(0.8)	15.6	15.9	(0.7)	15.1	33.4	(1.6)	31.8
		Other net income	0.1	-	0.1	0.0	-	0.0	-	-	-
TOTAL OPERATING RESULT AND OTHER INCOME			**853.2**	**7.8**	**860.9**	**815.6**	**8.7**	**824.3**	**1,614.0**	**14.7**	**1,628.7**
		General expenses	(54.8)	(0.5)	(55.3)	(48.0)	(0.9)	(48.9)	(106.1)	(2.6)	(108.7)
		Development expenses	(1.9)	(0.8)	(2.7)	(2.6)	(0.1)	(2.7)	(4.5)	(0.0)	(4.6)
		Financing result	(131.4)	(6.5)	(137.9)	(152.7)	(7.4)	(160.1)	(299.5)	(13.6)	(313.1)
RESULT BEFORE TAX			**665.0**	**(0.0)**	**665.0**	**612.2**	**0.4**	**612.6**	**1,203.9**	**(1.6)**	**1,202.3**
		Income tax expenses	(0.2)	0.0	(0.2)	(14.1)	(0.4)	(14.5)	(24.8)	1.6	(23.2)
NET RESULT FOR THE PERIOD			**664.8**	**(0.0)**	**664.8**	**598.1**	**(0.0)**	**598.1**	**1,179.1**	**(0.0)**	**1,179.1**
		Non-controlling interests	89.5	-	89.5	70.0	-	70.0	148.7	-	148.7
NET RESULT - OWNERS OF THE PARENT			**575.3**	**(0.0)**	**575.3**	**528.1**	**(0.0)**	**528.1**	**1,030.4**	**(0.0)**	**1,030.4**
Average number of shares and ORA			98,964,456		98,964,456	98,327,497		98,327,497	98,496,508		98,496,508
RECURRING EARNINGS PER SHARE (€)			**5.81**		**5.81**	**5.37**		**5.37**	**10.46**		**10.46**
RECURRING EARNINGS PER SHARE GROWTH			**8.2%**		**8.2%**	**-2.7%**		**-2.7%**	**-4.2%**		**-4.2%**

Note: The columns "Joint control" reflect the impact of proportional consolidation instead of the equity method required by IFRS 11 of the following jointly controlled assets: CentrO, Rosny 2, Paunsdorf and Palais des Sports.

Consolidated statement of comprehensive income (€Mn)	**H1-2016 published**	**Joint control**	**Total H1-2016**	**H1-2015 published**	**Joint control**	**Total H1-2015**	**2015 Published**	**Joint control**	**Total 2015**
Gross rental income	895.9	29.4	925.3	833.3	34.4	867.7	1,685.0	64.5	1,749.5
Ground rents paid	(8.7)	(1.0)	(9.7)	(8.0)	(0.1)	(8.1)	(17.5)	(2.2)	(19.7)
Net service charge expenses	(12.8)	(1.7)	(14.5)	(11.7)	(1.2)	(12.9)	(29.1)	(3.8)	(32.9)
Property operating expenses	(93.3)	(0.0)	(93.3)	(88.1)	(2.2)	(90.3)	(185.6)	(0.1)	(185.7)
Net rental income	**781.1**	**26.7**	**807.8**	**725.5**	**31.0**	**756.4**	**1,452.8**	**58.4**	**1,511.2**
Corporate expenses	(53.7)	(0.5)	(54.2)	(47.0)	(0.8)	(47.8)	(104.0)	(2.6)	(106.6)
Development expenses	(1.9)	(0.8)	(2.7)	(2.6)	(0.1)	(2.7)	(4.5)	(0.0)	(4.5)
Depreciation of other tangible assets	(1.1)	-	(1.1)	(1.1)	-	(1.1)	(2.2)	-	(2.2)
Administrative expenses	**(56.7)**	**(1.3)**	**(58.0)**	**(50.7)**	**(0.9)**	**(51.6)**	**(110.7)**	**(2.6)**	**(113.3)**
Acquisition and related costs	**(1.2)**	**-**	**(1.2)**	**(0.9)**	**(0.0)**	**(0.9)**	**(1.6)**	**(0.0)**	**(1.6)**
Revenues from other activities	120.3	-	120.3	138.5	-	138.5	293.4	-	293.4
Other expenses	(84.3)	(0.8)	(85.1)	(101.1)	(0.7)	(101.9)	(219.7)	(1.6)	(221.3)
Net other income	**36.0**	**(0.8)**	**35.2**	**37.4**	**(0.7)**	**36.7**	**73.7**	**(1.6)**	**72.1**
Proceeds from disposal of investment properties	306.3	-	306.3	304.0	-	304.0	342.4	-	342.4
Carrying value of investment properties sold	(303.6)	-	(303.6)	(304.5)	-	(304.5)	(341.0)	-	(341.0)
Result on disposal of investment properties	**2.7**	**-**	**2.7**	**(0.4)**	**-**	**(0.4)**	**1.4**	**-**	**1.4**
Proceeds from disposal of shares	26.3	-	26.3	7.0	-	7.0	114.4	-	114.4
Carrying value of disposed shares	(20.9)	-	(20.9)	-	-	-	(100.7)	-	(100.7)
Result on disposal of shares	**5.4**	**-**	**5.4**	**7.0**	**-**	**7.0**	**13.7**	**-**	**13.7**
Valuation gains on assets	1,147.1	40.8	1,187.9	1,009.7	81.9	1,091.6	2,137.4	106.5	2,243.9
Valuation losses on assets	(105.2)	0.2	(105.0)	(191.9)	(1.4)	(193.3)	(318.6)	(4.3)	(322.9)
Valuation movements on assets	**1,041.9**	**41.0**	**1,082.9**	**817.8**	**80.5**	**898.3**	**1,818.8**	**102.2**	**1,921.0**
Impairment of goodwill/Negative goodwill	**-**	**-**	**-**	**(0.8)**	**-**	**(0.8)**	**-**	**-**	**-**
NET OPERATING RESULT BEFORE FINANCING COST	**1,809.2**	**65.6**	**1,874.8**	**1,534.9**	**109.8**	**1,644.7**	**3,248.2**	**156.3**	**3,404.5**
Result from non-consolidated companies	0.1	(0.0)	0.1	-	-	-	-	0.0	0.0
Financial income	*41.7*	-	*41.7*	*45.3*	-	*45.3*	*86.3*	-	*86.3*
Financial expenses	*(173.1)*	*(6.5)*	*(179.6)*	*(198.0)*	*(7.3)*	*(205.3)*	*(385.8)*	*(13.6)*	*(399.4)*
Net financing costs	(131.4)	(6.5)	(137.9)	(152.7)	(7.3)	(160.0)	(299.5)	(13.6)	(313.1)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	20.1	-	20.1	(158.4)	-	(158.4)	(183.4)	-	(183.4)
Fair value adjustments of derivatives and debt	(184.9)	0.7	(184.2)	(19.0)	1.7	(17.3)	(178.0)	3.8	(174.2)
Debt discounting	(0.3)	-	(0.3)	(0.3)	-	(0.3)	(0.7)	-	(0.7)
Profit on disposal of associates	-	-	-	27.1	-	27.1	69.6	-	69.6
Share of the result of companies under the equity method	74.8	(52.5)	22.3	94.3	(84.2)	10.1	243.3	(119.9)	123.4
Income on financial assets	9.3	(0.7)	8.6	11.8	(1.1)	10.7	22.1	(2.0)	20.1
RESULT BEFORE TAX	**1,596.9**	**6.7**	**1,603.6**	**1,337.7**	**18.9**	**1,356.6**	**2,921.6**	**24.7**	**2,946.2**
Income tax expenses	(112.3)	(6.7)	(119.0)	(146.9)	(18.9)	(165.8)	(288.3)	(24.7)	(313.0)
NET RESULT FOR THE PERIOD	**1,484.6**	**0.0**	**1,484.6**	**1,190.8**	**(0.0)**	**1,190.8**	**2,633.3**	**0.0**	**2,633.3**
Non-controlling interests	199.8	-	199.8	166.8	-	166.8	299.3	-	299.3
NET RESULT (Owners of the parent)	**1,284.8**	**0.0**	**1,284.8**	**1,024.0**	**(0.0)**	**1,024.0**	**2,334.0**	**0.0**	**2,334.0**

Note: The columns “Joint control” reflect the impact of proportional consolidation instead of the equity method required by IFRS 11 of the following jointly controlled assets: CentrO, Rosny 2, Paunsdorf and Palais des Sports.

Consolidated Statement of financial position (€Mn)	30/06/2016 published	Joint control	30/06/2016	31/12/2015 Published	Joint control	31/12/2015
NON CURRENT ASSETS	**37,651.2**	**511.7**	**38,162.9**	**36,634.2**	**506.9**	**37,141.0**
Investment properties	**34,681.3**	**1,254.8**	**35,936.1**	**33,710.0**	**1,215.9**	**34,925.9**
Investment properties at fair value	*33,822.1*	*1,245.9*	*35,067.9*	*33,001.8*	*1,198.0*	*34,199.8*
Investment properties at cost	*859.2*	*9.0*	*868.2*	*708.2*	*17.9*	*726.1*
Tangible assets	215.5	0.1	215.6	216.3	0.2	216.5
Goodwill	541.8	90.5	632.2	542.8	90.5	633.3
Intangible assets	244.0	0.0	244.1	242.1	0.0	242.1
Loans and receivables	67.1	0.4	67.6	41.1	0.1	41.2
Financial assets	21.5	-	21.5	17.1	-	17.1
Deferred tax assets	28.9	25.9	54.8	31.6	26.3	57.9
Derivatives at fair value	290.0	-	290.0	297.2	-	297.2
Shares and investments in companies under the equity method	1,561.1	(860.0)	701.0	1,536.0	(826.1)	709.9
CURRENT ASSETS	**2,032.2**	**47.9**	**2,080.1**	**1,475.7**	**38.9**	**1,514.6**
Properties or shares held for sale	**587.1**	**-**	**587.1**	**268.8**	**-**	**268.8**
Trade receivables from activity	**448.3**	**10.5**	**458.8**	**393.6**	**5.3**	**399.0**
Other trade receivables	**456.6**	**12.0**	**468.7**	**470.6**	**11.5**	**482.1**
Tax receivables	165.8	0.8	166.6	159.6	1.3	160.9
Other receivables	177.1	8.4	185.4	218.3	7.5	225.8
Prepaid expenses	113.8	2.8	116.6	92.7	2.7	95.4
Cash and cash equivalents	**540.3**	**25.4**	**565.7**	**342.6**	**22.1**	**364.7**
Available for sale investments	6.1	2.3	8.4	98.4	2.3	100.7
Cash	534.2	23.1	557.3	244.2	19.8	264.0
TOTAL ASSETS	**39,683.5**	**559.6**	**40,243.1**	**38,109.8**	**545.8**	**38,655.6**
Shareholders' equity (Owners of the parent)	**16,417.2**	**-**	**16,417.2**	**16,042.1**	**-**	**16,042.1**
Share capital	496.4	-	496.4	493.5	-	493.5
Additional paid-in capital	6,386.1	-	6,386.1	6,310.2	-	6,310.2
Bonds redeemable for shares	1.2	-	1.2	1.2	-	1.2
Consolidated reserves	8,338.3	-	8,338.3	6,967.3	-	6,967.3
Hedging and foreign currency translation reserves	(89.6)	-	(89.6)	(64.1)	-	(64.1)
Consolidated result	1,284.8	-	1,284.8	2,334.0	-	2,334.0
Non-controlling interests	**3,350.6**	**-**	**3,350.6**	**3,196.5**	**-**	**3,196.5**
TOTAL SHAREHOLDERS' EQUITY	**19,767.8**	**-**	**19,767.8**	**19,238.6**	**-**	**19,238.6**
NON CURRENT LIABILITIES	**16,199.9**	**527.5**	**16,727.4**	**15,127.8**	**521.8**	**15,649.6**
Long-term commitment to purchase non-controlling interests	40.9	-	40.9	45.4	-	45.4
Net share settled bonds convertible into new and/or existing shares (ORNANE)	1,066.3	-	1,066.3	1,087.8	-	1,087.8
Long-term bonds and borrowings	12,295.3	396.9	12,692.2	11,522.9	397.8	11,920.7
Long-term financial leases	359.8	-	359.8	361.4	-	361.4
Derivatives at fair value	438.0	0.0	438.0	263.9	0.0	263.9
Deferred tax liabilities	1,556.8	127.9	1,684.7	1,465.6	121.3	1,586.9
Long-term provisions	36.5	0.2	36.7	35.3	0.2	35.5
Employee benefits	8.7	-	8.7	8.7	-	8.7
Guarantee deposits	198.5	2.4	200.9	201.4	2.5	203.9
Amounts due on investments	199.1	-	199.1	135.4	-	135.4
CURRENT LIABILITIES	**3,715.7**	**32.1**	**3,747.8**	**3,743.4**	**24.0**	**3,767.4**
Amounts due to suppliers and other current debt	**1,549.4**	**29.5**	**1,579.0**	**1,117.8**	**20.2**	**1,138.0**
Amounts due to suppliers	149.0	16.9	165.9	162.2	9.9	172.1
Amounts owed to shareholders	483.0	-	483.0	-	-	-
Amounts due on investments	333.0	(0.1)	333.0	415.0	0.0	415.0
Sundry creditors	342.1	11.0	353.0	337.7	8.1	345.8
Other liabilities	242.3	1.7	244.1	202.9	2.2	205.1
Current borrowings and amounts due to credit institutions	**1,937.3**	**0.4**	**1,937.6**	**2,447.7**	**0.9**	**2,448.6**
Current financial leases	**6.2**	**-**	**6.2**	**6.0**	**-**	**6.0**
Tax and social security liabilities	**207.3**	**2.2**	**209.5**	**153.8**	**2.8**	**156.6**
Short-term provisions	**15.6**	**-**	**15.6**	**18.1**	**0.1**	**18.2**
TOTAL LIABILITIES AND EQUITY	**39,683.5**	**559.6**	**40,243.1**	**38,109.8**	**545.8**	**38,655.6**

Note: The columns “Joint control” reflect the impact of proportional consolidation instead of the equity method required by IFRS 11 of the following jointly controlled assets: CentrO, Rosny 2, Paunsdorf and Palais des Sports.

GLOSSARY

Average cost of debt: recurring financial expenses (excluding the ones on financial leases and the ones related to partners' current accounts) + 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.

Buyer's Net Initial Yield: annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the TAC.

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.

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.

EBITDA-Viparis: "Net rental income" and "Other site property services income" + "Contribution of affiliates" of Viparis venues.

EPRA : European Public Real estate Association.

EPRA NNNAV (triple net asset value): corresponds to the Going concern NAV less the estimated transfer taxes and deferred capital gain taxes.

EPRA NIY: annualized 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. For a reconciliation of Unibail-Rodamco's NIY with the EPRA net initial yield definitions, refer to the EPRA Performance Measures (Item 3).

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).

EPRA vacancy rate: Estimated Rental Value (ERV) of vacant spaces divided by ERV of total surfaces.

4 Star label: 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.

Going Concern Net Asset Value (NAV): the amount of equity needed to replicate the Group's portfolio with its current financial structure.

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.

International Premium Retailer (IPR): retailer with strong and international brand recognition, and a differentiating store design and product approach, which may increase the appeal of the shopping centres.

IVSC: International Valuation Standards Council.

Large malls: standing shopping centres with more than six million visits per annum.

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

Loan-to-Value (LTV): net financial debt / Total portfolio valuation, including transfer taxes. Please refer to EPRA Performance Measures (Item 7) for the calculation and reconciliation of the Group's LTV with its Balance Sheet.

Minimum Guaranteed Rent uplift: difference between new MGR and indexed old MGR. Indicator calculated on renewals and relettings only.

Net Disposal Price (NDP): Total Acquisition Cost incurred by the acquirer minus all transfer taxes and transaction costs.

Net Initial Yield (NIY): annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs.

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

Occupancy Cost Ratio (OCR): (rental charges + service charges including marketing costs for tenants, all including VAT) / (tenants' sales, including VAT). As tenant turnover is not known for all tenants for The Netherlands, no reliable OCR can be calculated for this country.

ORA (Obligations Remboursables en Actions): bonds redeemable for shares.

RICS: Royal Institution of Chartered Surveyors.

Rotation rate: (number of relettings and number of assignments and renewals with new concepts) / number of stores. Short term leases are excluded.

SBR: Sales Based Rent.

Secured exclusivity projects: projects for which Unibail-Rodamco has the exclusivity but where negotiations for building rights or project definition are still underway.

SIIC: Société d'Investissement Immobilier Cotée (in France).

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.

Total Acquisition Cost (TAC): the total amount a buyer shall pay to acquire an asset or a company. TAC equals the price agreed between the seller and the buyer plus all transfer taxes and transaction costs.

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

Yield on cost: contracted rents for the 12 months following the opening (for the delivered projects) or annualized expected rents (for the on-going projects), net of expenses, divided by the Total Investment Cost.

List of Group's standing assets

1.1. FRANCE: SHOPPING CENTRES

Portfolio as at June 30, 2016	GLA *(m²)*
SHOPPING CENTRES IN THE PARIS REGION	
Les Quatre Temps (La Défense)	134,700
Carré Sénart (Lieusaint)	120,500
Rosny 2 (Rosny-sous-Bois)	111,600
Parly 2 (Le Chesnay)	107,200
Vélizy 2 (Vélizy-Villacoublay)	104,000
Aéroville (Roissy-en-France)	83,300
Le Forum des Halles (Paris 1)	69,300
So Ouest (Levallois-Perret)	54,300
Ulis 2 (Les Ulis)	53,900
Bobigny 2 (Bobigny)	26,900
CNIT (La Défense)	25,800
L'Usine Mode et Maison (Vélizy-Villacoublay)	20,600
Boutiques Palais des Congrès (Paris 17)	18,900
Galerie Gaité (Paris 15)	14,300
Carrousel du Louvre (Paris 1)	13,100
SHOPPING CENTRES IN THE FRENCH PROVINCES	
La Part-Dieu (Lyon)	127,300
La Toison d'Or (Dijon)	78,000
Polygone Riviera (Cagnes-sur-Mer)	72,400
Euralille (Lille)	66,700
Villeneuve 2 (Villeneuve-d'Ascq)	57,100
Lyon Confluence (Lyon)	53,500
Rennes Alma (Rennes)	46,100
La Valentine (Marseille)	30,000
L'Usine Roubaix (Roubaix)	19,300
Channel Outlet Store (Coquelles)	13,700
OTHER HOLDINGS	
Bel-Est (Bagnolet)	48,800
Aquaboulevard (Paris)	38,400
Maine Montparnasse (Paris)	35,500
Villabe (Corbeil)	35,300
Villabe (Corbeil)	35,300
Grigny 2 (Grigny)	10,700
Go Sport (Saintes)	2,500

1.2. FRANCE: CONVENTION & EXHIBITION

Portfolio as at June 30, 2016	GLA *(m²)*
PARIS REGION	
PROPERTY AND OPERATION	
Paris Porte de Versailles (Paris 15)	220,000
Paris Nord (Villepinte)	245,000
CNIT (La Défense)	24,000
Espace Grande Arche (La Défense)	5,000
Espace Champerret (Paris 17)	9,100
Le Palais des Congrès de Paris	32,000
Carrousel du Louvre (Expos) (Paris 1)	7,100
Palais des Sports (Paris 15)	n.a.
Hilton CNIT (La Défense)	10,700
Pullman Paris-Montparnasse Hotel (Paris 14)	57,400
OPERATION	
Paris, Le Bourget (Le Bourget)	n.a.
Palais des Congrès de Versailles (Versailles)	n.a.
Palais des Congrès d'Issy-les-Moulineaux (Issy-les-Moulineaux)	n.a.
Hôtel Salomon de Rothschild (Paris)	n.a.
OUTSIDE PARIS	
Novotel Lyon Confluence (Lyon)	7,100

1.3. FRANCE: OFFICES

Portfolio as at June 30, 2016	GLA *(m²)*
Capital 8 (Monceau/Murat) (Paris 8)	45,300
Le Sextant, 2 bis-2 ter, rue Louis-Armand (Paris 15)	13,400
7, place du Chancelier-Adenauer (Paris 16)	12,100
Espace 21 (Les Villages) (La Défense)	41,900
Tour Ariane (La Défense)	63,600
CNIT (Offices) (La Défense)	37,100
Majunga (La Défense)	65,600
Michelet-Galilée (La Défense)	32,700
70-80, av. Wilson (La Défense)	23,000
So Ouest Office (Levallois-Perret)	33,300
So Ouest Plaza (Levallois-Perret)	36,600
34-38, rue Guynemer (Issy-les-Moulineaux)	47,000
Gaîté-Montparnasse (Offices) (Paris 15)	9,900
29, rue du Port (Nanterre)	10,300

1.4. CENTRAL EUROPE: SHOPPING CENTRES

Portfolio as at June 30, 2016	GLA *(m²)*
CZECH REPUBLIC	
Centrum Cerny Most (Prague)	97,400
Centrum Chodov (Prague)	60,500
POLAND	
Arkadia (Warsaw)	114,600
Galeria Mokotow (Warsaw)	68,500
Zlote Tarasy (Warsaw)	66,400
CH Ursynow (Warsaw)	46,600
Wilenska (Warsaw)	39,900
SLOVAK REPUBLIC	
Aupark (Bratislava)	55,300

1.5. CENTRAL EUROPE: OFFICES

Portfolio as at June 30, 2016	GLA *(m²)*
Zlote Tarasy Lumen (Warsaw)	23,700
Zlote Tarasy Skylight (Warsaw)	22,000
Wilenska Offices (Warsaw)	13,400

1.6. SPAIN: SHOPPING CENTRES

Portfolio as at June 30, 2016	GLA *(m²)*
Parquesur (Madrid)	151,200
Bonaire (Valencia)	135,000
La Maquinista (Barcelona)	95,000
La Vaguada (Madrid)	85,500
El Faro (Badajoz)	66,300
Bahía Sur (Cádiz)	59,300
Las Glorias (Barcelona)	55,600
Splau (Barcelona)	55,000
Los Arcos (Sevilla)	44,000
Barnasud (Barcelona)	43,700
Garbera (San Sebastian)	40,000
Equinoccio (Madrid)	36,800
Vallsur (Valladolid)	36,000
Sant Cugat (Barcelona)	42,500

1.7. NORDICS: SHOPPING CENTRES

Portfolio as at June 30, 2016	GLA *(m²)*
SWEDEN	
Mall of Scandinavia (Greater Stockholm)	101,100
Täby Centrum (Greater Stockholm)	81,400
Nacka Forum (Greater Stockholm)	56,400
Solna Centrum (Greater Stockholm)	50,000
Eurostop Arlanda (Greater Stockholm)	33,200
Arninge Centrum (Greater Stockholm)	20,200
Eurostop Örebro (Örebro)	15,300
DENMARK	
Fisketorvet (Copenhagen)	59,600
FINLAND	
Jumbo (Helsinki)	85,100

1.8. NORDICS: OFFICES

Portfolio as at June 30, 2016	GLA *(m²)*
SWEDEN	
Solna Centrum (Greater Stockholm)	29,100
Täby Centrum (Greater Stockholm)	21,500
Nacka Forum (Greater Stockholm)	14,800
Eurostop Arlanda (Greater Stockholm)	10,500
Eurostop Örebro (Örebro)	4,700

1.9. AUSTRIA: SHOPPING CENTRES

Portfolio as at June 30, 2016	GLA *(m²)*
Shopping City Süd (SCS) (Vienna)	196,900
Donauzentrum (Vienna)	123,900

1.10. AUSTRIA: OFFICES

Portfolio as at June 30, 2016	GLA *(m²)*
Donauzentrum (Vienna)	10,700
Shopping City Süd (SCS) (Vienna)	9,200

1.11. GERMANY: SHOPPING CENTRES

Portfolio as at June 30, 2016	GLA *(m²)*
CentrO (Oberhausen)	231,700
Ruhr Park (Bochum)	115,600
Paunsdorf Center (Leipzig)	113,300
Gropius Passagen (Berlin)	93,700
Hofe am Brühl (Leipzig)	54,600
Pasing Arcaden (Munich)	52,900
Palais Vest (Recklinghausen)	43,100
Minto (Mönchengladbach)	41,800
Gera Arcaden (Gera)	38,600
Ring-Center 1 (Berlin)	20,600

1.12. NETHERLANDS: SHOPPING CENTRES

Portfolio as at June 30, 2016	GLA *(m²)*
SHOPPING CENTRES	
Stadshart Almere (Almere)	89,500
StadshartAmstelveen (Amstelveen)	83,500
StadshartZoetermeer (Zoetermeer)	77,400
Leidschendam-Voorburg (The Hague region)	75,400
OTHER HOLDINGS	
DeEls (Waalwijk)	14,500
Kerkstraat (Hilversum)	12,200
IndenVijfhoek (Oldenzaal)	8,100
Zoetelaarpassage (Almere)	6,700
Carleijspassage10 (Venlo)	1,900
Oosterdijk (Sneek)	1,500

1.13.NETHERLANDS: OFFICES

Portfolio as at June 30, 2016	GLA *(m²)*
Leidsenhage (Leidschendam)	25,300
StadshartZoetermeer (Zoetermeer)	11,500
Zoetelaarpassage (Almere)	9,200
StadshartAmstelveen (Amstelveen)	6,800