unibail·rodamco

Paris, Amsterdam, July 23, 2012

Press Release

HALF-YEAR RESULTS 2012

Accelerating differentiation

Unibail-Rodamco's H1-2012 recurring earnings per share (EPS) of €4.94 represent a +4.2% increase from H1-2011 driven by robust like-for-like performance across all the Group's businesses, a continued low average cost of debt and a relentless focus on cost control.

"Today's results demonstrate the success of the Group's strategic focus on large and high footfall shopping centres and the active management of its portfolio. Unibail-Rodamco is accelerating the differentiation of its malls by strengthening partnerships with international premium retailers and introducing new differentiating brands, re-designing its assets and deploying a broad range of digital tools. The highly successful opening of Confluence in Lyon in April 2012 with 2.3 Mn visits in 3 months illustrates the appeal to customers of outstanding destinations offering a unique shopping experience." Guillaume Poitrinal, CEO and Chairman of the Management Board.

Resilient operating performance

Despite adverse economic conditions, sales by tenants in Unibail-Rodamco's shopping centres increased by +2.1% through May 2012, outperforming national sales indices by 320 bps over the same period. This continued outperformance reflects the increasing appeal of large, prime shopping malls located in major European cities with superior purchasing power. Net Rental Income (NRI) in the shopping centre segment grew +4.6% in total and +4.4% on a like-for-like basis. The Group signed 756 leases in H1-2012, accelerating in particular the number of signings with international premium retailers (85 new leases, a 42% increase over the same period last year) including leading brands such as Lego, Nespresso, Inglot, Chipotle, SuiteBlanco and Thomas Sabo. The appeal of Unibail-Rodamco's shopping centres is illustrated by the rental uplifts of +23.0% on re-lettings and renewals realised this semester and limited vacancy of 2.1%.

The office sector showed resilience in H1-2012 with like-for-like net rental income growing +1.7% despite a challenging environment. Total NRI fell -15.3% due notably to disposals in 2011.

The Convention and Exhibition business performed well during the first 6 months of this year with good activity levels across the three business lines: shows, congresses and corporate events.

Asset values increase driven by strong rental growth

The gross market value of the Group's assets as of June 30, 2012 stood at €27.5 Bn, up +1.5% like-for-like compared to December 31, 2011, mainly driven by rental effect. Going Concern Net Asset Value per share was €143.00, broadly flat compared to December 2011. The Group's EPRA triple net asset value per share was stable at €130.70, despite the negative impacts of the €8.00 per share distribution in May this year and of the mark-to-market of debt and financial instruments.

The net initial yield of the shopping centre portfolio strengthened by 10 basis points to 5.4%, while the net initial yield for occupied offices increased by 30 basis points to 6.9%.

Deliveries and development projects

In H1-2012, the Group delivered 7 projects, including the Confluence shopping centre in Lyon. In addition, the Group expects to deliver twenty projects in the next 18 months, representing about 300,000 m² of GLA as the pipeline assembled in the last five years starts to bear fruit. The Group also retains significant execution flexibility (52% by Total Investment Cost of the €6.6 Bn of development projects). Retail projects to be delivered in the next 12 months are 92% pre-let, ensuring income visibility.

Expanding in Germany

On June 14, 2012, Unibail-Rodamco entered into agreements with Perella Weinberg Real Estate Fund to acquire (i) a stake in mfi AG, Germany's 2nd largest operator, investor and developer and (ii) a 50% stake in Ruhr-Park, one of Germany's largest shopping centres. The total purchase price amounts to

€383 Mn, which reflects an enterprise value of mfi AG of €1.1 Bn and an asset value of €380 Mn for 100% of Ruhr-Park. The Group expects to close these transactions in Q3-2012.

Historically low cost of debt

During the first 6 months of 2012, Unibail-Rodamco raised €1.25 Bn of medium to long-term financing in the bond and bank markets at attractive conditions, taking advantage of the Group's strong balance sheet. The average cost of debt for the Group in the first half decreased to 3.5%, compared to 3.6% for the full-year 2011. Net financial debt amounted to €10.6 Bn as of June 30, 2012, reflecting a Loan-To-Value ratio of 38%. The Interest Coverage Ratio was unchanged compared to year-end 2011 at 3.6 times. Availability under undrawn credit facilities stood at €3.5 Bn.

Outlook

For 2012, the Group remains positive in its expectations on rental income growth. This is driven by on-going strong fundamentals, such as low vacancy, sustainable occupancy cost ratios and good rental uplifts. In addition, the cost of debt is contained at low levels. Although the impact of the current Euro zone crisis on consumption and retailers cannot be ignored, the Group is confident in its ability to meet its recurring EPS growth target of 4% for full year 2012.

Governance

Michel Dessolain, Chief Strategy Officer and Member of the Management Board, has been promoted Managing Director of the newly-created "Unibail-Rodamco LAB". As of October 15, 2012, he will resign from the Management Board. In this new position, he will use his 25-year experience in operating, developing and designing iconic shopping centres to advance the differentiation of the Group's shopping malls and create the future landmarks of the industry.
In addition, Rachel Picard, Supervisory Board Member, resigned from her current responsibilities as of July 23, 2012, following her appointment as Executive Manager of Gares & Connexions (SNCF Group).

	H1-2012	H1-2011	Growth	Like-for-like growth
Net Rental Income (in € Mn)	**661**	**647**	**+2.3%**	**+5.0%**
- Shopping centres	523	500	+4.6%	+4.4%
- Offices	85	100	-15.3%	+1.7%
- Conventions & Exhibitions	54	46	+15.4%	+15.4%
Recurring net result (in € Mn)	453	435	+4.3%	
Recurring EPS (in €)	**4.94**	**4.74**	**+4.2%**	
	June 30, 2012	Dec. 31, 2011		
Total portfolio valuation (in € Mn)	**27,462**	**25,924**		**+1.5%**
Going Concern Net Asset Value (in € per share)	143.00	143.10	-0.1%	
EPRA triple net Net Asset Value (in € per share)	**130.70**	**130.70**	-	

Figures may not add up due to rounding

The appendix to the press release and the half-year results presentation are available on the Group's website www.unibail-rodamco.com.
Audit procedures completed, audit report issued today.

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About Unibail-Rodamco
Created in 1968, Unibail-Rodamco SE is Europe's largest listed commercial property company, with a presence in 12 EU countries, and a portfolio of assets valued at €27.5 billion on June 30, 2012. As an integrated operator, investor and developer, the Group aims to cover the whole of the real estate value creation chain. With the support of its 1,500 professionals, Unibail-Rodamco applies those skills to highly specialised market segments such as the large shopping centres of major European capital cities, and large offices and convention & exhibition centres in the Paris region.
The Group distinguishes itself through its focus on the highest architectural, city planning and environmental standards. Its long term approach and sustainable vision focuses on the development or redevelopment of outstanding places to shop, work and relax. Its commitment to environmental, economic and social sustainability has been recognised by inclusion in the DJSI (World and Europe), FTSE4Good and STOXX Global ESG Leaders indexes.
The Group is a member of the CAC40, AEX and EuroStoxx 50 indexes. It benefits from an A rating from Standard & Poor's and Fitch Ratings.
For more information, please visit our website: www.unibail-rodamco.com.

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APPENDIX TO THE PRESS RELEASE
July 23, 2012

The press release and its appendix can be found on Unibail-Rodamco's website www.unibail-rodamco.com

UNIBAIL-RODAMCO Consolidated Income Statement by segment (in €Mn)			H1-2012			H1-2011			2011		
			Recurring activities	Valuation movements and disposals	Result	Recurring activities	Valuation movements and disposals	Result	Recurring activities	Valuation movements and disposals	Result
SHOPPING CENTRES	France	Gross rental income [1]	294.2	-	294.2	278.7	-	278.7	552.6	-	552.6
		Operating expenses & net service charges [1]	- 24.3	-	- 24.3	- 23.4	-	- 23.4	- 53.2	-	- 53.2
		Net rental income	**269.9**	-	**269.9**	**255.3**	-	**255.3**	**499.3**	-	**499.3**
		Gains on sales of properties	-	- 0.5	- 0.5	-	4.0	4.0	-	8.4	8.4
		Valuation movements	-	407.3	407.3	-	217.8	217.8	-	352.9	352.9
		Result Retail France	**269.9**	**406.8**	**676.7**	**255.3**	**221.8**	**477.1**	**499.3**	**361.3**	**860.7**
	Netherlands	Gross rental income	38.2	-	38.2	44.1	-	44.1	83.0	-	83.0
		Operating expenses & net service charges	- 2.3	-	- 2.3	- 3.8	-	- 3.8	- 8.0	-	- 8.0
		Net rental income	**35.9**		**35.9**	**40.4**	-	**40.4**	**75.0**	-	**75.0**
		Gains on sales of properties	-	0.7	0.7	-	15.9	15.9	-	17.3	17.3
		Valuation movements	-	17.0	17.0	-	14.9	14.9	-	19.5	19.5
		Result Retail Netherlands	**35.9**	**17.7**	**53.6**	**40.4**	**30.8**	**71.2**	**75.0**	**36.8**	**111.8**
	Nordic countries	Gross rental income	53.5	-	53.5	60.8	-	60.8	113.9	-	113.9
		Operating expenses & net service charges	- 9.6	-	- 9.6	- 14.0	-	- 14.0	- 23.7	-	- 23.7
		Net rental income	**43.8**	**-**	**43.8**	**46.7**	**-**	**46.7**	**90.2**	**-**	**90.2**
		Gains on sales of properties	-	- 0.6	- 0.6	-	35.0	35.0	-	30.9	30.9
		Valuation movements	-	39.8	39.8	-	43.2	43.2	-	69.6	69.6
		Result Retail Nordic	**43.8**	**39.1**	**83.0**	**46.7**	**78.2**	**124.9**	**90.2**	**100.6**	**190.8**
	Spain	Gross rental income	74.6	-	74.6	68.2	-	68.2	139.8	-	139.8
		Operating expenses & net service charges	- 7.3	-	- 7.3	- 5.0	-	- 5.0	- 11.1	-	- 11.1
		Net rental income	**67.2**	**-**	**67.2**	**63.2**	**-**	**63.2**	**128.7**	**-**	**128.7**
		Valuation movements	-	- 21.9	- 21.9	-	81.8	81.8	-	60.7	60.7
		Impairment of Goodwill		- 2.0	- 2.0	-	-	-	-	-	-
		Result Retail Spain	**67.2**	**- 23.9**	**43.4**	**63.2**	**81.8**	**145.0**	**128.7**	**60.7**	**189.4**
	Central Europe	Gross rental income	56.2	-	56.2	50.9	-	50.9	105.5	-	105.5
		Operating expenses & net service charges	- 0.7	-	- 0.7	- 0.4	-	- 0.4	- 4.2	-	- 4.2
		Net rental income	**55.5**	**-**	**55.5**	**50.5**	**-**	**50.5**	**101.3**	**-**	**101.3**
		Contribution of affiliates	4.0	53.8	**57.9**	-	-	**-**	-	-	**-**
		Gains on sales of properties	-	-	-	-	0.5	0.5	-	5.4	5.4
		Valuation movements	-	82.4	82.4	-	84.2	84.2	-	202.6	202.6
		Result Retail Central Europe	**59.6**	**136.2**	**195.8**	**50.5**	**84.7**	**135.2**	**101.3**	**208.0**	**309.3**
	Austria	Gross rental income	52.8	-	52.8	45.5	-	45.5	94.2	-	94.2
		Operating expenses & net service charges	- 2.0	-	- 2.0	- 1.1	-	- 1.1	- 4.6	-	- 4.6
		Net rental income	**50.8**	**-**	**50.8**	**44.4**	**-**	**44.4**	**89.6**	**-**	**89.6**
		Gains on sales of properties	-	-	-	-	- 0.1	- 0.1	-	3.0	3.0
		Valuation movements	-	27.1	27.1	-	49.8	49.8	-	71.4	71.4
		Result Retail Austria	**50.8**	**27.1**	**77.9**	**44.4**	**49.7**	**94.0**	**89.6**	**74.3**	**163.9**
	TOTAL RESULT RETAIL		**527.3**	**603.1**	**1,130.4**	**500.4**	**547.0**	**1,047.4**	**984.1**	**841.8**	**1,825.8**
OFFICES	France	Gross rental income	73.8	-	73.8	81.4	-	81.4	154.4	-	154.4
		Operating expenses & net service charges	- 2.4	-	- 2.4	3.0	-	3.0	0.8	-	0.8
		Net rental income	**71.4**	-	**71.4**	**84.4**	-	**84.4**	**155.2**	-	**155.2**
		Gains on sales of properties	-	- 0.0	- 0.0	-		-	-	4.7	4.7
		Valuation movements	-	- 59.5	- 59.5	-	5.1	5.1	-	- 34.3	- 34.3
		Result Offices France	**71.4**	**- 59.6**	**11.8**	**84.4**	**5.1**	**89.6**	**155.2**	**- 29.5**	**125.7**
	Other countries	Gross rental income	15.9	-	15.9	18.3	-	18.3	34.2	-	34.2
		Operating expenses & net service charges	- 2.8	-	- 2.8	- 3.0	-	- 3.0	- 4.9	-	- 4.9
		Net rental income	**13.1**	-	**13.1**	**15.3**	-	**15.3**	**29.3**	-	**29.3**
		Gains on sales of properties	-	0.0	0.0	-	- 0.3	- 0.3	-	2.6	2.6
		Valuation movements	-	0.6	0.6	-	2.4	2.4	-	8.2	8.2
		Result Offices other countries	**13.1**	**0.6**	**13.7**	**15.3**	**2.1**	**17.5**	**29.3**	**10.8**	**40.1**
	TOTAL RESULT OFFICES		**84.5**	**- 59.0**	**25.5**	**99.8**	**7.2**	**107.0**	**184.5**	**- 18.7**	**165.8**
CONVENTION-EXHIBITION	France	Gross rental income	98.4	-	98.4	92.0	-	92.0	181.1	-	181.1
		Operating expenses & net service charges	- 50.2	-	- 50.2	- 49.0	-	- 49.0	- 96.3	-	- 96.3
		Net rental income	**48.2**	-	**48.2**	**42.9**	-	**42.9**	**84.8**	-	**84.8**
		On site property services	**22.3**	-	**22.3**	**19.0**	-	**19.0**	**37.2**	-	**37.2**
		Hotels net rental income	**5.3**	-	**5.3**	**3.5**	-	**3.5**	**8.6**	-	**8.6**
		Exhibitions organizing	**8.3**	**- 0.0**	**8.3**	**6.6**	**- 0.1**	**6.5**	**10.8**	**- 0.6**	**10.2**
		Valuation movements, depreciation and capital gains	- 6.1	7.8	1.7	- 6.0	46.6	40.7	- 12.1	78.4	66.2
	TOTAL RESULT CONVENTION & EXHIBITION		**78.1**	**7.8**	**85.9**	**66.1**	**46.5**	**112.6**	**129.2**	**77.7**	**206.9**
		Other property services net operating result	11.3	-	11.3	6.6	-	6.6	17.3	-	17.3
		Other income	4.7	-	4.7	5.3	2.5	7.8	7.2	2.7	10.0
TOTAL OPERATING RESULT AND OTHER INCOME			**705.8**	**552.0**	**1,257.8**	**678.2**	**603.2**	**1,281.5**	**1,322.4**	**903.5**	**2,225.9**
		General expenses	- 38.0	- 0.5	- 38.6	- 39.6	- 1.5	- 41.1	- 83.4	- 2.9	- 86.3
		Development costs	- 0.9	-	- 0.9	- 1.6	-	- 1.6	- 5.2	-	- 5.2
		Financing result	- 157.6	- 131.3	- 288.9	- 150.2	- 20.0	- 170.3	- 301.1	- 191.1	- 492.3
RESULT BEFORE TAX			**509.3**	**420.1**	**929.4**	**486.8**	**581.7**	**1,068.5**	**932.7**	**709.5**	**1,642.1**
		Income tax expenses	- 6.3	- 43.4	- 49.7	- 6.2	- 71.9	- 78.1	- 12.1	- 108.8	- 120.9
NET RESULT			**503.0**	**376.7**	**879.7**	**480.6**	**509.8**	**990.4**	**920.5**	**600.7**	**1,521.2**
		Non-controlling interests	49.6	68.5	118.1	45.7	61.7	107.4	90.9	102.5	193.4
NET RESULT-OWNERS OF THE PARENT			**453.4**	**308.2**	**761.6**	**434.9**	**448.1**	**883.0**	**829.6**	**498.2**	**1,327.8**

[1] In 2012, the property management fees reinvoiced to the tenants are reclassified in Gross rental income.The figures in 2011 have been restated accordingly

	H1-2012	H1-2011	2011
Average number of shares and ORA	91,872,419	91,825,126	91,862,849
Recurring earnings per share	**4.94 €**	**4.74 €**	**9.03 €**
Recurring earnings per share growth	**4.2%**	**0.9%**	**-2.6%**

CONSOLIDATED INCOME STATEMENT - Presented under EPRA format (in €Mn)	H1-2012	H1-2011	2011
Gross rental income [1]	763.5	743.3	1,468.1
Ground rents paid	-10.7	-9.5	-17.6
Net service charge expenses	-8.2	-7.0	-13.8
Property operating expenses [1]	-83.3	-80.2	-174.7
Net rental income	**661.3**	**646.6**	**1,262.0**
Corporate expenses	-36.8	-38.5	-81.1
Development expenses	-0.9	-1.6	-5.2
Depreciation	-1.2	-1.1	-2.3
Administrative expenses	**-38.9**	**-41.2**	**-88.6**
Acquisition and related costs	**-0.5**	**-1.5**	**-2.9**
Revenues from other activities	75.2	79.0	165.8
Other expenses	-47.8	-59.3	-123.4
Net other income	**27.4**	**19.7**	**42.4**
Proceeds from disposal of investment properties	4.1	541.0	772.6
Carrying value of investment properties sold	-4.6	-507.6	-736.5
Result on disposal of investment properties	**-0.5**	**33.4**	**36.1**
Proceeds from disposal of shares	-	174.6	378.1
Carrying value of disposed shares	-	-153.0	-342.0
Result on disposal of shares	**-**	**21.6**	**36.1**
Valuation gains	649.9	607.2	1,022.9
Valuation losses	-149.3	-62.1	-193.7
Valuation movements	**500.6**	**545.1**	**829.2**
Impairment of goodwill / badwill	**-2.0**	**0.8**	**-**
NET OPERATING RESULT BEFORE FINANCING COST	**1,147.4**	**1,224.5**	**2,114.3**
Result from non-consolidated companies	4.7	7.8	9.9
Financial income	*46.4*	*43.1*	*81.9*
Financial expenses	*-204.0*	*-193.3*	*-383.0*
Net financing costs	-157.6	-150.2	-301.1
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	-40.2	-57.1	43.4
Fair value adjustments of derivatives and debt	-93.0	37.3	-234.0
Debt discounting	1.9	-0.3	-0.5
Share of the profit of associates	59.5	3.8	4.2
Income on financial assets	6.7	2.8	6.0
RESULT BEFORE TAX	**929.4**	**1,068.5**	**1,642.1**
Income tax expenses	-49.7	-78.1	-120.9
NET RESULT FOR THE PERIOD	**879.7**	**990.4**	**1,521.2**
Non-controlling interests	118.1	107.4	193.4
NET RESULT (Owners of the parent)	**761.6**	**883.0**	**1,327.8**

Average number of shares (undiluted)	91,862,246	91,813,224	91,850,947
Net result for the period (Owners of the parent)	761.6	883.0	1,327.8
Net result for the period (Owners of the parent) per share (€)	**8.29**	**9.62**	**14.46**
Net result for the period restated (Owners of the parent) [2]	801.8	940.1	1,284.4
Average number of diluted shares	93,873,362	94,036,043	93,291,418
Diluted net result per share - Owners of the parent (€)	**8.54**	**10.00**	**13.77**

NET RESULT FOR THE PERIOD	**879.7**	**990.4**	**1,521.2**
Foreign currency differences on translation of financial statements of subsidiaries	5.4	12.9	21.9
Gain/loss on net investment hedge	7.7	-1.2	-14.4
Cash flow hedge	-2.8	1.1	1.4
Revaluation of shares available for sale	-1.7	25.0	4.3
OTHER COMPREHENSIVE INCOME	**8.6**	**37.8**	**13.1**
NET COMPREHENSIVE INCOME	**888.4**	**1,028.2**	**1,534.3**
Non-controlling interests	118.1	107.4	193.4
NET COMPREHENSIVE INCOME (OWNERS OF THE PARENT)	**770.3**	**920.8**	**1,340.9**

[1] In 2012, the property management fees reinvoiced to the tenants are reclassified in Gross rental income. The figures in 2011 have been restated accordingly.

[2] The impact of the fair value of the ORNANE is restated from the net result of the period.

UNIBAIL-RODAMCO **Consolidated Statement of financial position** (in €Mn)	**30.06.2012**	**31.12.2011**
NON CURRENT ASSETS	**26,885.1**	**25,426.1**
Investment properties	**25,299.9**	**24,055.9**
Investment properties at fair value	*24,689.4*	*23,419.1*
Investment properties at cost	*610.5*	*636.8*
Other tangible assets	196.1	198.4
Goodwill	269.4	296.8
Intangible assets	207.3	211.3
Loans and receivables	133.4	253.3
Shares available for sale	111.3	113.0
Deferred tax assets	0.4	6.0
Derivatives at fair value	121.0	84.9
Shares and investments in companies consolidated under the equity method	546.3	206.6
CURRENT ASSETS	**816.4**	**977.2**
Properties under promise or mandate of sale	**82.3**	**221.5**
Trade receivables from activity	**287.6**	**282.5**
Property portfolio	255.3	257.4
Other activities	32.3	25.1
Other trade receivables	**394.7**	**390.9**
Tax receivables	148.2	179.3
Receivables on sale of property	3.4	3.4
Other receivables	175.6	155.1
Prepaid expenses	67.5	53.1
Cash and cash equivalents	**51.8**	**82.3**
Financial assets	0.2	2.3
Cash	51.6	80.0
TOTAL ASSETS	**27,701.5**	**26,403.3**
Shareholders' equity (Owners of the parent)	**11,693.1**	**11,636.1**
Share capital	459.8	459.0
Additional paid-in capital	5,728.5	5,712.0
Bonds redeemable for shares	1.4	1.4
Consolidated reserves	4,759.0	4,163.3
Hedging and foreign currency translation reserves	-17.2	-27.4
Consolidated result	761.6	1,327.8
Non-controlling interests	**1,479.1**	**1,419.4**
TOTAL SHAREHOLDERS' EQUITY	**13,172.2**	**13,055.5**
NON CURRENT LIABILITIES	**10,563.4**	**10,127.0**
Long term commitment to purchase non-controlling interests	10.8	10.7
Net share settled bonds convertible into new and/or existing shares (ORNANE)	779.6	738.5
Long term bonds and borrowings	7,864.8	7,571.4
Long term financial leases	120.3	120.8
Derivatives at fair value	461.7	369.8
Deferred tax liabilities	941.6	965.3
Long term provisions	28.9	28.3
Employee benefits	10.9	10.9
Guarantee deposits	190.7	182.1
Tax liabilities	22.6	-
Amounts due on investments	131.5	129.3
CURRENT LIABILITIES	**3,966.0**	**3,220.8**
Amounts due to suppliers and other current debt	**807.4**	**759.1**
Amounts due to suppliers	124.4	117.3
Amounts due on investments	235.2	280.8
Sundry creditors	274.3	180.8
Other liabilities	173.6	180.2
Current borrowings and amounts due to credit institutions	**2,994.7**	**2,309.2**
Current financial leases	**2.8**	**4.6**
Tax and social security liabilities	**143.4**	**122.2**
Short term provisions	**17.7**	**25.7**
TOTAL LIABILITIES AND EQUITY	**27,701.5**	**26,403.3**

Consolidated statement of cash flows (in €Mn)	H1-2012	H1-2011	2011
Operating activities			
Net profit	**879.7**	**990.4**	**1,521.2**
Depreciation & provisions	4.2	-0.9	18.1
Changes in value of property assets	-500.6	-545.1	-829.2
Changes in value of financial instruments	130.7	19.8	190.7
Discounting income/charges	-1.9	0.3	0.5
Charges and income relating to stock options and similar items	4.2	3.2	6.9
Other income and expenses	-	0.1	0.3
Net capital gains/losses on sales of consolidated subsidiaries	-	-21.6	-36.1
Net capital gains/losses on sales of properties [(1)]	-0.5	-33.4	-35.2
Income from companies consolidated under the equity method	-59.5	-3.8	-4.2
Income on financial assets	-6.7	-2.8	-6.0
Dividend income of non-consolidated companies	-4.8	-7.8	-9.9
Net financing costs	157.6	150.2	301.1
Income tax charge	49.7	78.1	120.9
Cash flow before net financing costs and tax	**652.1**	**626.7**	**1,239.1**
Income on financial assets	1.9	2.8	6.0
Dividend income and result from companies under equity method or non consolidated	14.8	5.4	7.8
Income tax paid	-10.5	-8.5	-17.2
Change in working capital requirement	43.9	-4.0	-16.6
Total cash flow from operating activities	**702.3**	**622.4**	**1,219.0**
Investment activities			
Property activities	**-724.4**	**374.5**	**-265.6**
Acquisition of consolidated subsidiaries	-123.6	-95.5	-357.1
Amounts paid for works and acquisition of property assets	-637.7	-387.0	-1,245.6
Exit tax payment	-	-	-0.5
Change in property financing	32.7	-0.4	-0.3
Disposal of subsidiaries	-	254.5	503.4
Disposal of investment property	4.1	602.8	834.6
Repayment of finance leasing	**0.2**	**0.2**	**-0.1**
Financial activities	**-0.7**	**-105.7**	**-105.5**
Acquisition of financial assets	-0.8	-108.3	-108.6
Disposal of financial assets	0.0	3.0	3.0
Change in financial assets	-	-0.4	-
Total cash flow from investment activities	**-725.0**	**268.9**	**-371.2**
Financing activities			
Capital increase of parent company	17.3	17.5	19.3
Capital increase from company with non controlling shareholders	3.5	0.0	7.5
Distribution paid to parent company shareholders	-735.4	-735.2	-735.2
Dividends paid to non-controlling shareholders of consolidated companies	-7.4	-3.1	-3.1
Purchase of treasury shares	-	0.0	-17.3
New borrowings and financial liabilities	1,440.4	972.2	2,758.2
Repayment of borrowings and financial liabilities	-571.7	-846.1	-2,410.7
Financial income	46.0	43.0	82.3
Financial expenses	-164.3	-175.0	-386.1
Other financing activities	-35.6	-158.7	-159.0
Total cash flow from financing activities	**-7.2**	**-885.5**	**-844.0**
Change in cash and cash equivalents during the period	**-29.9**	**5.8**	**3.8**
Cash at the beginning of the year	**73.5**	**70.9**	**70.9**
Effect of exchange rate fluctuations on cash held	**-2.7**	**0.3**	**-1.2**
Cash at period-end [(2)]	**40.9**	**77.0**	**73.5**

[(1)] This item includes capital gains/losses on property sales, disposal of short term investment property, disposals of financing leasing and disposals of operating assets.

[(2)] Cash and cash equivalents include bank accounts and current accounts with terms of less than three months.

I. ACCOUNTING PRINCIPLES AND SCOPE OF CONSOLIDATION

Accounting principles

Unibail-Rodamco's consolidated financial statements as at June 30, 2012 have been prepared in accordance with IAS-34 "Interim financial reporting" and with International Financial Reporting Standards ("IFRS") as applicable in the European Union as at June 30, 2012.

No changes were made compared to the accounting principles used for 2011 closing.

The accounting principles 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 Business Review.

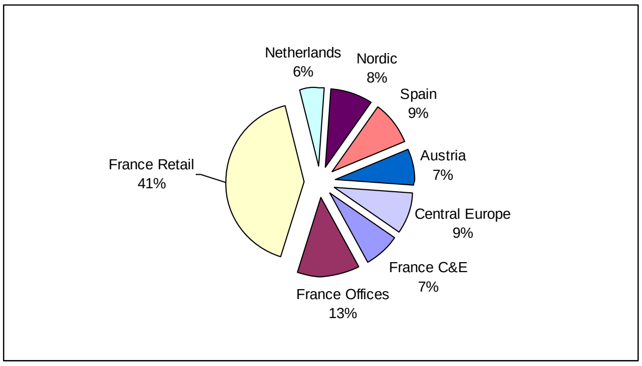
Scope of consolidation

The principal changes in the scope of consolidation since December 31, 2011 were (i) the acquisition of a part in Sant Cugat shopping centre in Barcelona, Spain, in January 2012, fully consolidated, and (ii) the indirect investment, in March 2012, in the Zlote Tarasy complex, comprising a shopping centre, a parking and two offices in Warsaw, Poland, consolidated under the equity method[2].

As at June 30, 2012, 264 companies have been fully consolidated, 25 companies have been consolidated proportionally and 7 companies have been accounted for under the equity method[3].

The Unibail-Rodamco Group is operationally organised in six geographical regions: France, The Netherlands, Nordic, Spain, Central Europe and Austria. As France has substantial representation of all 3 business-lines of the Group, this region is itself divided in 3 segments: Shopping Centres, Offices and Conventions & Exhibitions. The other regions operate mainly in the shopping centre segment.

The table below shows the split of asset value (Gross Market Value) per region as at June 30, 2012.



[1] EPRA Best Practices Recommendations are available on EPRA website: www.epra.com
[2] Refer to paragraph 1.5.

[3] Mainly the Comexposium subsidiaries (trade show organisation business) and the Zlote Tarasy complex in Poland.

II. BUSINESS REVIEW BY SEGMENT

1. Shopping centres

1.1 Shopping centre market in H1 2012

The economic environment throughout the European Union remains uncertain, resulting in flat to negative GDP growth expectations for 2012[4]. The outlook for the regions in which the Group operates is not uniform, with negative growth anticipated in Spain and The Netherlands for 2012, and broadly flat for France, the Czech Republic and Sweden, while Poland, Slovakia and Denmark are expected to show positive growth. The unemployment rate in the European Union stands at 10.3%, with 24.5% in Spain[5]. Consequently, consumer confidence remained fragile, with low levels except in Nordic.[6]

In this uncertain context, Unibail-Rodamco's shopping centres have once more outperformed, showing a positive trend in footfall and sales. As of June 2012, footfall increased by +1.5% year-on-year in the Group's shopping centres[7]. This increase was mainly driven by Austria (+7.8%), The Netherlands (+3.5%), Czech Republic (+2.5%) and France (+1.4%) with Spain showing a +0.3% increase in footfall. Consequently, tenants' sales in the Group's shopping centres rose 2.1% through June 2012[8]. The increasing appeal of the Group's shopping centres is illustrated by the overall increase of tenants' sales (+2.1% year-on-year as at end of May 2012)[8] significantly outperforming national indices[9] at -1.1% for the same period. At a regional level, this increase was mainly driven by Austria (+9.5%). The Group's French Shopping Centres posted a strong +3.0% growth in tenants' sales compared with a national index of -0.8%. The portfolio of Spanish shopping centres outperformed with a tenants' sales decline of -1.8%, considerably better than the overall market (-6.6%) and driven primarily by the strong performance of the Group's three[10] largest shopping centres with a sales growth of +0.9% during the period.

This strong performance of Unibail-Rodamco's portfolio reflects the Group's superior asset quality and pro-active management, aiming at continuously reinforcing the appeal of its assets by upgrading their layout and design, accelerating the renewal of the tenant mix and enhancing the shopping experience.

The new Confluence shopping centre opened in Lyon, France's second largest city, on April 4, 2012, offering an outstanding architecture and design, as well as exclusive services. Its tenant mix includes unique international and premium brands, such as the 1st Hollister in Lyon, the 1st SuiteBlanco in France and an Apple Store. With more than 2.3 Mn visits in the first three months of operations, its performance exceeded expectations.

Major redevelopment works are currently under way at Forum des Halles (Paris), Shopping City Süd (Vienna), Centrum Cerny Most (Prague), Täby (Stockholm), Fisketorvet (Copenhagen), Las Glorias (Barcelona) and Aupark (Bratislava).

During the first half-year 2012, the Group created the "Unibail-Rodamco LAB" to advance the differentiation of its shopping centres and create the future landmarks of the industry. This initiative intends to gather the Group's know-how into a specific structure dedicated to:

- Define a vision and set the ambition for the shopping centres of tomorrow;
- Define and develop standard technical specifications, identify innovative materials and solutions on light, sound and fragrances in order to create a unique Unibail-Rodamco's poly-sensorial experience;
- Develop specific differentiating policies and new concepts aiming at increasing the appeal of Unibail-Rodamco's shopping centres.

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[4] EU 27, July 2012, source Eurostat.
[5] EU 27, May 2012, source Eurostat.
[6] June 2012, source Eurostat.
[7] Footfall performance in Unibail-Rodamco's shopping centres (year-on-year evolution). Footfall figures on portfolio of shopping centres in operation, including extensions of existing assets and excluding deliveries of new brownfield projects, high street assets and assets under heavy refurbishment.
[8] Tenants' sales performance in Unibail-Rodamco's shopping centres (excluding the Netherlands) (year-on-year evolution). Tenants' sales on 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. Including Apple stores sales estimated on the basis of available public information of Apple Inc. (2011 10-K published on October 26, 2011, pages 20 and 30; 10-Q published on January 25, 2012, pages 25 and 27).
[9] Based on latest national indices available (year-on-year evolution) as of May 2012: France: Institut Français du Libre Service (IFLS); Spain: Instituto Nacional de Estadistica; Nordic: HUI (Sweden), Danmarks Statistik (Denmark), Tilastokeskus-Statistikcentralen (Finland); Austria: Eurostat (Austria and Slovakia); Central Europe: Eurostat (Czech Republic and Poland).
[10] La Vaguada, La Maquinista, Parquesur.

Major initiatives have already been launched in H1-2012 such as iconic shop fronts and the "4-star label"[11], a Group initiative intended to provide customers a superior shopping experience and ensure consistency of quality and services in the Group's shopping centres through a welcoming atmosphere, superior quality management and 4-star "hotel-like" services. As of June 30, 2012, four of the Group's shopping centres had been awarded the 4-star label by SGS: two in France - Carré Sénart in the Paris region and Confluence in Lyon - and two in Poland - Arkadia and Galeria Mokotow in Warsaw.

The prime quality of the portfolio and the longstanding efforts to attract exclusive international retailers proved once again highly successful in H1-2012, showing a sharp increase in premium international retailer deals: 85 new leases were signed with international premium[12] retailers during the period, up more than +40% vs. H1-2011. Significant new names were added to the Group's portfolio. The signature of the 1st Nespresso stores in shopping centres both in France (Parly 2) and The Netherlands (Amstelveen) confirmed the appeal of the Group's assets to exclusive brands. The newly redesigned Parly 2 also attracted the 1st stores in French shopping centres of premium retailers such as Sandro, Maje, Liu.Jo and Vicomte A. Sephora chose two of Unibail-Rodamco's Swedish shopping centres to launch in Sweden.

The rotation rate[13] (6.8% in H1-2012 for the whole portfolio) showed an increase compared to H1-2011 (5.6%), illustrating the Group's policy to introduce new concepts and retailers in its shopping centres.

The Group continued to significantly upgrade its digital marketing tools in H1-2012 to better interact with end-customers on brands, promotions and events. A new version of the iPhone and android applications were launched with additional functionalities for customers, such as a search engine. In total, more than 500,000 customers have downloaded the application of one of the Group's shopping centres, up sharply from last year, while the Group now boasts in excess of 1.3 Mn fans on Facebook throughout Europe, more than twice the figure as at December 31, 2011. A new loyalty program was launched in Confluence (Lyon) on April 4, 2012 and will progressively be rolled out in the Group's largest assets. This program offers a "check-in" feature – a premiere for a shopping centre in Europe – offering enhanced privileges and benefits to customers.

1.2. Net Rental Income from Unibail-Rodamco shopping centres

The Group owns 97 retail assets, including 76 shopping centres out of which 53 host more than 6 million visits per annum. The 53 largest centres represent 88% of the Group's retail portfolio in Gross Market Value.

Total consolidated Net Rental Income (NRI) of the shopping centre portfolio amounted to €523.2 Mn in H1-2012.

Region	Net Rental Income (€Mn)		
	H1-2012	H1-2011	%
France	269.9	255.3	5.7%
Netherlands	35.9	40.4	-11.1%
Nordic	43.8	46.7	-6.2%
Spain	67.2	63.2	6.5%
Central Europe	55.5	50.5	9.8%
Austria	50.8	44.4	14.6%
TOTAL NRI	**523.2**	**500.4**	**4.6%**

The total net growth in NRI amounted to +€22.8 Mn (+4.6%) compared to H1-2011 and broke down as follows:

- +€19.4 Mn from acquisitions:
  - ✓ Acquisition of the remaining 50% of Galeria Mokotow in Warsaw-Poland in July 2011 (+€7.2 Mn)[14];
  - ✓ Acquisition of the remaining 50% of Aupark in Bratislavia in October 2011 (€+5.2 Mn)[14];
  - ✓ Acquisition of Splau in October 2011, a 55,100 m² shopping centre in Barcelona-Spain (+€4.7 Mn);
  - ✓ Acquisition of additional plots in existing shopping centres in Spain and in France (+€2.3 Mn).

- +€3.6 Mn from delivery of shopping centres mainly in France with Confluence in Lyon which opened in April 2012 and the delivery of the hypermarket unit of SO Ouest in the Paris region.

- -€19.4 Mn due to disposals of smaller assets:
  - ✓ -€5.6 Mn in The Netherlands further to the divestments of retail assets mainly in Almere, Eindhoven and Breda in 2011;

[11] The "4-star label" for a shopping centre is based on a 571-point quality referential and audited by SGS, the world leader in service certification.
[12] Retailer that has a strong and international brand recognition, with a differentiating store design and product approach improving shopping centres attractivity.
[13] Rotation rate = (number of re-lettings (including vacant units re-lettings) + number of assignments with new concepts + number of renewals with new concepts) / total number of shops.

[14] Change from proportional consolidation to full consolidation as at December 31, 2011.

- ✓ -€5.3 Mn in France, due to the disposal of Bonneveine-Marseille, Saint Genis 2 near Lyon, Shopping Etrembières - Annemasse, Evry 2 in the Paris region, Boisseuil in Limoges and Croix Dampierre in Châlons-en-Champagne, mainly in the first half of 2011;
- ✓ -€3.7 Mn in Sweden due to the disposal of retail assets in Haninge, Tyresö, Bälsta, Helsingborg, and Väsby in 2011;
- ✓ -€1.0 Mn in Austria due to the disposal of Südpark in Klagenfurt in July 2011;
- ✓ -€3.8 Mn due the disposal of the Group's share in Arkad in Budapest-Hungary in February 2011 and Allee-Center in Magdeburg-Germany in October 2011.

- The like-for-like NRI growth amounted to €19.1 Mn, after deduction of transfers to pipeline for renovation or extension and one-off items, representing a +4.4% growth compared to H1-2011, of which +2.3% was due to indexation.

Region	Net Rental Income (€Mn) Like-for-like		
	H1-2012	H1-2011	%
France	234.3	222.8	5.2%
Netherlands	33.3	32.0	4.1%
Nordic	31.8	30.0	6.1%
Spain	59.1	59.8	-1.1%
Central Europe	48.3	46.4	4.0%
Austria	45.3	42.1	7.4%
TOTAL NRI Lfl	**452.2**	**433.1**	**4.4%**

Region	Net Rental Income like-for-like evolution (%)			
	Indexation	Renewals, relettings net of departure	Other	Total
France	2.0%	1.7%	1.5%	5.2%
Netherlands	2.5%	-2.2%	3.8%	4.1%
Nordic	2.0%	0.6%	3.5%	6.1%
Spain	2.4%	0.2%	-3.7%	-1.1%
Central Europe	2.1%	2.4%	-0.5%	4.0%
Austria	4.3%	3.4%	-0.3%	7.4%
TOTAL	**2.3%**	**1.4%**	**0.7%**	**4.4%**

Net of indexation and on a like-for-like basis, the average NRI growth rate was +2.1%, the best performing regions being Nordic (+4.1%), France (+3.2%) and Austria (+3.1%). In The Netherlands, the like-for-like growth was driven by improved recoveries of service charges and bad debts (explaining the +3.8% growth in "Other"). Nordic was positively impacted by lower expenses in connection with snow cleaning due to a warm winter, and Spain was negatively impacted by a decrease in other income (including Sales Based Rents) and an increase in doubtful debtors.

Across the whole portfolio, Sales Based Rents represented 2.0% of total Net Rental Income of H1-2012, stable compared to H1-2011.

1.3. Leasing activity in H1-2012

756 leases were signed in H1-2012 (vs. 704 in H1-2011) for €92.0 Mn of Minimum Guaranteed Rents with an average uplift[15] of +23.0% on renewals and relettings (+19.4% in 2011 and +16.2% in H1-2011).

Region	Lettings / re-lettings / renewals excl. Pipeline				
	nb of leases signed	m²	MGR (€ Mn)	MGR uplift Like for like	
				€ Mn	%
France	239	86,232	42.3	8.0	27.2%
Netherlands	43	19,300	4.7	0.6	22.4%
Nordic	108	22,406	9.6	1.1	20.6%
Spain	174	57,815	16.4	1.2	11.7%
Central Europe	98	19,748	9.3	2.0	30.7%
Austria	94	24,266	9.7	1.1	16.0%
TOTAL	**756**	**229,767**	**92.0**	**14.0**	**23.0%**

MGR : Minimum Guaranteed Rent

1.4. Vacancy and Lease expiry schedule

As at June 30, 2012, the total annualised Minimum Guaranteed Rents from Unibail-Rodamco's shopping centre portfolio has increased to €1,029.7 Mn, compared to €992.8 Mn as at December 31, 2011, a +3.7% increase.

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

Retail	Lease expiry schedule			
	At date of next break option	As a % of total	At expiry date	As a % of total
Expired	65.4	6.3%	66.4	6.5%
2012	51.4	5.0%	36.8	3.6%
2013	186.3	18.1%	60.5	5.9%
2014	222.8	21.6%	89.4	8.7%
2015	217.9	21.2%	97.3	9.4%
2016	71.8	7.0%	83.3	8.1%
2017	58.3	5.7%	70.3	6.8%
2018	39.0	3.8%	84.0	8.2%
2019	32.9	3.2%	85.1	8.3%
2020	26.2	2.5%	71.1	6.9%
2021	18.5	1.8%	82.2	8.0%
2022	9.5	0.9%	43.6	4.2%
Beyond	29.7	2.9%	159.6	15.5%
TOTAL	**1,029.7**	**100%**	**1,029.7**	**100%**

Potential rents from vacant space in operation on the total portfolio amounted to €26.1 Mn as at June 30, 2012 vs. €21.7 Mn as at December 31, 2011.

[15] Minimum Guaranteed Rent uplift: the difference between new and old rents. This indicator is calculated only on renewals and relettings and not on vacant unit relettings.

The EPRA vacancy rate[16] as at June 30, 2012 stood at 2.1% on average across the total portfolio vs. 1.9% as at December 31, 2011. The increase of the vacancy rate in France is partly due to strategic vacancy in Lyon Part-Dieu and Carrousel du Louvre. The increase in Nordic is mainly due to strategic vacancy in Täby (Sweden) and Fisketorvet (Denmark) and to some tenants' bankruptcies. The increase of vacancy in Austria is primarily due to strategic vacancy in Shopping City Süd in connection with a planned refurbishment.

Region	Vacancy (June 30, 2012)		%
	€Mn	%	Dec 31, 2011
France	13.3	2.1%	1.7%
Netherlands	2.3	2.7%	4.1%
Nordic	4.3	3.5%	2.7%
Spain	3.6	2.1%	2.2%
Central Europe	0.5	0.4%	0.6%
Austria	2.1	2.0%	1.1%
TOTAL	**26.1**	**2.1%**	**1.9%**

Excluding pipeline

The occupancy cost ratio[17] on average stood at 12.7% compared to 12.6% as at December 31, 2011. It is quite stable in France at 13.3% (vs. 13.3%), Central Europe at 11.8% (vs. 11.9%) and Nordic at 10.7% (vs. 10.8%) and slightly increasing in Spain at 12.1% (vs. 11.7%) and Austria at 14.1% (vs.13.8%).

1.5. Investment and divestment

Unibail-Rodamco invested €485 Mn[18] in its shopping centre portfolio in H1-2012:

- New acquisitions amounted to €57 Mn:
  - ✓ In January, the Group acquired a part of the Sant Cugat shopping centre in Barcelona, Spain, comprising 22,382 m², and several plots in Los Arcos and La Maquinista, for a total acquisition cost of €35 Mn.
  - ✓ In France, several acquisitions of additional plots were made in Villabé, in Forum des Halles and in Les Quatre Temps, for a total acquisition cost of €13 Mn.
  - ✓ In The Netherlands, 7 units were acquired during H1-2012 for a total acquisition cost of €9 Mn.

- €351 Mn was invested in construction, extension and refurbishments projects. Significant progress has been made for Aéroville and SO Ouest in France, El Faro in Badajoz in Spain, Centrum Cerny Most in Czech Republic and Mall of Scandinavia in Sweden (see also section "Development projects").
- Financial costs, eviction costs and other costs were capitalised respectively for €19 Mn, €45 Mn and €12 Mn.

In 2002, Rodamco Europe N.V. entered into an agreement to acquire upon completion of the project 50% of the equity in a Polish company, Zlote Tarasy S.p.z.o.o (Zlote Tarasy), which developed a shopping centre (64,243 m2 GLA), a parking and two office towers, Lumen and Skylight (a total of 43,576 m2 GLA) in central Warsaw. The Zlote Tarasy complex was delivered in 2007 and pursuant to an interim agreement with the developer, Unibail-Rodamco granted a €193.0 Mn participating loan to the developer.
In March of 2012, a final agreement was reached pursuant to which the developer repaid Unibail-Rodamco the participating loan and the Group acquired a limited partnership which holds 100% of the holding company (Warsaw III) which in turn owns 76.85% of Zlote Tarasy. Pursuant to this transaction, the Group invested €312.8 Mn (group share), allowing it to own indirectly 76.85% of the equity in addition to various loans. Warsaw III will continue to make payments on a participating loan made by a fund managed by CBRE Global Investors which matures no later than December 31, 2016. In compliance with the restrictions imposed on Unibail-Rodamco by the Polish competition authorities in connection with the acquisition by the Group of the shopping centers Arkadia and Wilenska in July of 2010, the management of Warsaw III and the shopping center and parking is performed by CBRE Global Investors and AXA REIM. Consequently, the Group's investment in the Zlote Tarasy complex is consolidated under the equity method in its consolidated accounts as at June 30, 2012.

On June 14, 2012, Unibail-Rodamco entered into agreements with Perella Weinberg to acquire a 51% stake in a holding company which owns 90.4% of mfi AG (Germany's second largest shopping centre operator, investor and developer) and a 50% stake in the company which owns the Ruhr-Park shopping centre, one of the largest shopping centres in Germany.

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[16] EPRA vacancy rate = Estimated Rental Value (ERV) of vacant spaces divided by ERV of total surfaces.
[17] Occupancy Cost Ratio = (rental charges + service charges including marketing costs for tenants) / (tenants' sales); VAT included and for all the occupiers of the shopping centre. As tenants' turnover is not known for all tenants for The Netherlands, no reliable OCR can be calculated for this country. Tenants' sales including Apple stores sales estimated on the basis of available public information of Apple Inc. (2011 10-K published on October 26, 2011, pages 20 and 30; 10-Q published on January 25, 2012, pages 25 and 27).
[18] Total capitalised amount in asset value group share.

Mfi AG's portfolio consists of 5 standing shopping centres, including one shopping centre scheduled to open in September 2012, one shopping centre under construction and 3 projects in its development portfolio. In addition, mfi AG manages 20 shopping centers for unrelated third parties. In all, the transactions include two of Germany's largest shopping centers[19]. The acquisition offers the Group a unique opportunity to expand in Germany, a country in which the Group did not have a significant presence and which benefits from a number of attractive fundamentals: the country is one of the top two destinations for retailers[20], the shopping density is the lowest in Europe[21] and the zoning laws create strong barriers to entry. Unibail-Rodamco expects mfi AG to be the Group's principal conduit for further growth in Germany.

The purchase price, €383 Mn[22], is to be paid in two installments, €316 Mn at closing and €70 Mn on June 30, 2014. The purchase price reflects an enterprise value of mfi AG of €1.1 Bn and a gross market value of €380 Mn for 100% of Ruhr-Park. This represents an average price per square meter of €4,125. As of December 31, 2011, the average OCR[17] of mfi AG's portfolio and that of the Ruhr-Park shopping centre was 12.6%. The average EPRA vacancy[16] for the mfi AG portfolio and that of Ruhr-Park was 1.1%[23].

These acquisitions are subject to confirmatory due diligence and customary closing conditions and closing is expected in Q3-2012. It has no impact on the consolidated financial statements as at June 30, 2012.

While the major part of the Group's divestment plan has been completed during 2011 and the prior years, the Group has sold and agreed to sell a few non-core assets in France for a total net disposal price of almost €40 Mn in H1-2012 at a +7.4% premium to book-value.

The Group continues its disciplined approach to asset rotation and disposals and will continue to critically evaluate opportunities.

[19] Source: CBRE Global Investors – European Shopping Centre View 2011.

[20] CBRE – How active are retailers – November 2011.

[21] Institut for Gewerbeszentrum – Shopping Centre Report 2011.

[22] Sum of €316 Mn and €67 Mn, representing the present value of €70 Mn deferred payment to be made on June 30, 2014.

[23] Excluding Paunsdorf which is undergoing refurbishment

2. Offices

2.1 Office property market in H1-2012[24]

Take-up

In H1-2012, take-up of office space in the Paris region totalled some 960,037 m² which is 18% below last year, which had benefited from four very large transactions totaling more than 140,000 m². Take up has been somewhat stable in Q1 (530,985 m² let) and weaker in Q2 (429,052 m² let).

The Paris region's large segment (deals over 5,000 m²) saw 27 large transactions during H1-2012 for a total of almost 322,000 m² let (compared to 28 transactions for a total of 371,000 m² let during H1-2011). Thalès rented out 49,000 m² on the New Vélizy. PPR and RFF boosted the Paris take-up by renting respectively 15,405 m² on Laennec (Paris 7) and 16,372 m² on Equinoxe (Paris 13).

In La Défense, take-up reached 43,000 m² in H1-2012, decreasing by -43% compared to H1-2011. Only one large transaction was signed in H1-2012 on 14,000 m² in Coeur Défense.

The Southern Rim market performed well this first half-year with a 57% rise compared to the same period last year (114,885 m² let during H1-2012) thanks to two significant transactions recorded in Issy-les-Moulineaux (Safran on Equilis for 16,000 m² and Yves Rocher on Vega for 22,759 m²).

Immediate supply and vacancy rates

Immediate supply in the Paris Region market is stable since 2009 with 3.6 Mn m² available. Only 22% of the immediate supply is new or refurbished buildings - mainly located in the Western Crescent - and very few new developments will be delivered in 2012. Moreover, the launch of new office projects is expected to remain limited due to the lack of financing available for speculative projects, as illustrated by historically low building starts.

In La Défense, the immediate supply increased to 222,000 m² as at June 30, 2012, compared to 209,000 m² as at December 31, 2011.

In this context and despite concerns about a slowdown in the Paris office market, the Paris Region vacancy rate as at June 30, 2012 reached 6.6%, in line with levels as at December 31, 2011, with some variations from area to area: 5.3% for Paris Central Business District (CBD), 7.0% for La Défense, 9.9% for the Southern Inner Rim and 10.5% for the Western Crescent.

[24] Sources: Immostat, BNPP RE, CBRE.

Prime rents

Despite some rental adjustments on new or refurbished buildings, particularly in high-vacancy-rate areas or in areas with a large supply of second-hand buildings, prime rents for centrally-located and high-quality buildings are reported to be resilient.

Even if a selected number of transactions in Paris showed an increase in rents, such as the letting of 17 avenue Matignon to Hogan Lovells (7,055 m²), the overall trend in Paris region still shows moderate downward pressure during first half-year.

Prime rents are reported to have remained comparable to last year in the Paris CBD standing a €739/m².

In La Défense, prime rents were reported down at €472/m² as at June 30, 2012 compared to €494/m² as at December 31, 2011. The highest rent signed in H1-2012 in La Défense was in Cœur Défense (8,700 m²).

Investment market

Investment transactions in offices during H1-2012 in the Paris region market totalled some €4.8 Bn, up from €3.5 Bn in H1-2011. This is mainly due to the closing of large transactions by international institutional investors.

The largest transactions during H1-2012 were executed by the Qatar Investment Authority: the acquisition of 52-60 avenue des Champs-Elysées in Paris for €500 Mn (sold by Groupama) and the acquisitions of Neo for €322 Mn and of Cité du Retiro for €300 Mn, both sold by KanAm in Paris. Eurosic sold 52 avenue Hoche and 50-60 avenue Pierre Mendès France, both in Paris, for €540 Mn.

Prime yields at the end of H1-2012 were approximately between 4.75% and 6.0% in Paris CBD and between 6% and 7% in La Défense.

2.2. Office division H1-2012 activity

Unibail-Rodamco's consolidated Net Rental Income (NRI) from the offices portfolio came to €84.5 Mn in H1-2012.

Region	Net Rental Income (€Mn)		
	H1-2012	H1-2011	%
France	71.4	84.4	-15.5%
Netherlands	4.2	5.9	-29.0%
Nordic	7.4	8.1	-8.6%
Other countries	1.6	1.4	11.7%
TOTAL NRI	**84.5**	**99.8**	**-15.3%**

The decrease of -€15.3 Mn from H1-2011 to H1-2012 is explained as follows:

- -€4.8 Mn due to disposals:
  - ✓ 3-5 Malesherbes in Paris sold in July 2011;
  - ✓ Various small assets sold in 2011 in Sweden and The Netherlands.
- -€1.8 Mn due to buildings currently under refurbishment (mainly 34-36 Louvre in France and Plaza in The Netherlands).
- -€5.0 Mn from buildings delivered in January 2012 in France and not yet let (Issy-Guynemer Paris and 80 Wilson La Défense renovated buildings) for which the Group had rental income in H1-2011.
- -€4.9 Mn due to the one-off impact in H1-2011 of a reversal of provision for litigation.
- Like-for-like NRI increased by €1.2 Mn, a +1.7% increase, of which +1.2% growth for France, ie €0.8 Mn (including an impact of indexation of €2.1 Mn), and +€0.4 Mn growth in other countries, as shown below.

Region	Net Rental Income (€Mn) Like-for-like		
	H1-2012	H1-2011	%
France	65.4	64.6	1.2%
Netherlands	2.5	2.7	-9.6%
Nordic	5.5	4.9	11.4%
Other countries	1.6	1.4	11.9%
TOTAL NRI Lfl	**74.9**	**73.7**	**1.7%**

28 leases were signed in the office sector in H1-2012 covering 28,710 m², including 18,663 m² for France. Leases were signed on 34-36 Louvre (with LV Malletier) in Paris, on Tour Ariane and 70-80 Wilson in La Défense as well as on Le Sextant and Issy-Guynemer in Paris.

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

Office	Lease expiry schedule			
	At date of next break option	As a % of total	At expiry date	As a % of total
Expired	10.5	5.1%	12.0	5.8%
2012	7.4	3.6%	6.0	2.9%
2013	28.6	13.9%	14.6	7.1%
2014	25.1	12.2%	7.3	3.5%
2015	35.2	17.1%	28.0	13.6%
2016	28.0	13.6%	21.5	10.4%
2017	4.3	2.1%	17.9	8.7%
2018	19.6	9.5%	20.7	10.0%
2019	38.6	18.8%	62.7	30.5%
2020	4.4	2.2%	7.4	3.6%
2021	2.9	1.4%	5.0	2.4%
2022	0.0	0.0%	0.4	0.2%
Beyond	1.3	0.6%	2.4	1.2%
TOTAL	**205.9**	**100%**	**205.9**	**100%**

Potential annualised rents from vacant office space in operation amounted to €23.2 Mn as at June 30, 2012, corresponding to financial vacancy[25] of 11.0% on the whole portfolio (7.3% as at year-end 2011).

Estimated rental value of vacant spaces in France stood at €18.8 Mn, mainly in Issy-Guynemer building in Paris, 70-80 Wilson and the CNIT in La Défense, Le Sextant in Paris and Tour Oxygène in Lyon, corresponding to a financial vacancy rate of 10.5% vs. 6.5% as at December 31, 2011. This evolution is primarily due to Issy-Guynemer and 80 Wilson buildings delivered in January 2012 and not yet fully let.

2.3. Investment and divestment

Unibail-Rodamco invested €73.7 Mn[26] in its office portfolio in H1-2012.

- €61.8 Mn were invested for works, mainly in France for Majunga tower in La Défense, SO Ouest building and renovation schemes for various buildings (see also section Development projects) and for minor acquisitions.

- Financial costs and other costs capitalised amounted to €11.9 Mn.

There was no disposal from the office portfolio during H1-2012.

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

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

3. Conventions & Exhibitions

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

Both organisations are jointly owned with the Paris Chamber of Commerce and Industry (CCIP). Viparis is fully consolidated by Unibail-Rodamco and Comexposium is recorded under the equity method.

The Convention and Exhibition business has a seasonal results pattern, with annual, biennial and triennial shows, and an uneven distribution of shows during the year. Even years tend to have more shows than odd years. For instance, the “Le Bourget Air Show” takes place in the first half of odd years whereas the “Motor Show” takes place during the second half of even years.

Due to the global economic crisis, the average floor space rented for a typical show has come down. However, the creation of new shows is picking up again. 35 new shows are planned for 2012 in Viparis venues (including 21 organised as at June 30, 2012), whereas there were only 29 new shows created in 2011 and 15 in 2010.

With more limited marketing budgets, shows remain one of the most effective media for exhibitors. To control advertising and gain new orders, companies maintain their presence on shows. The most important shows have seen little impact of the crisis, as they have become landmark events for the public.

The activity level during H1-2012 has been largely driven by the “Agriculture Show” (SIA), attracting 681,213 visitors[27], one of the best editions of the past ten years, confirming its success for French people. The 2012 edition of the “Foire de Paris” attracted 4% more participants than the previous edition, ranking it as one of the biggest global European fairs. Finally, the triennial “Intermat Show”, a leader in its market, was highly successful in terms of visitors with a +11 % increase compared to the last show in 2009.

In aggregate, 522 events were held in all Viparis venues during H1-2012, of which 171 were shows, 69 congresses and 282 corporate events.

As a result of these seasonal effects and despite the challenging external environment, Viparis

[27] Source: Comexposium.

EBITDA[28] reached €70.5 Mn, an increase of +€8.6 Mn (+13.9%) vs. H1-2011 and +€18.5 Mn (+35.5%) vs. H1-2010. Excluding the triennial show Intermat, EBITDA shows an increase of +20% compared to H1-2010.

At the end of H1-2012, completed events and pre-booking levels for the year 2012 in Viparis venues amounted to 94%.

On July 12, 2011, the Paris City Council decided to launch a consultation with a view to modernise the Porte de Versailles site and to increase its appeal. In line with this decision, the City of Paris launched on June 19, 2012 a call for tender. The objective for the selected operator will be to realise substantial investments in exchange for a new long term lease contract awarded by the City in connection with the site. No decision on the termination of the concession contract expiring in 2026 has been made to date and the operating conditions remain unchanged. Viparis will participate in this tender.

The hotels' NRI amounted to €5.3 Mn for H1-2012 compared to €3.5 Mn for H1-2011, an increase of €1.8 Mn mainly due to Pullman Montparnasse hotel.

Comexposium contributed to the Group's recurring result with €8.3 Mn in H1-2012 vs. €6.6 Mn in H1-2011 and €6.2 Mn in H1-2010, primarily due the Intermat show and to good commercial performance of the shows and cost reductions over the last two years.

III. Sustainability

Sustainable thinking is closely integrated into Unibail-Rodamco's day-to-day operating development and investment activities. The Group's sustainability strategy is designed to return reliable, quantifiable improvements in performance over the long term. Unibail-Rodamco has three main, long-term environmental targets:

- Reduction in CO2 emissions per visit;
- Reduction in energy consumption per visit and;
- Reduction in water consumption per visit.

The Group is listed in the main Environmental, Social and Governance indices (FTSE4Good, DJSI World, DJSI Europe and STOXX Global ESG leaders). The H1-2012 updated scores for these indices are not yet available. In addition to compliance with the EPRA Best Practice Recommendations for Sustainability Reporting, the Group's compliance with the GRI-CRESS (Global Reporting Initiative - Construction & Real Estate Sector Supplement) framework was externally checked in June 2012 on the basis of the 2011 Reporting. Unibail-Rodamco was awarded a B+ Application Level.

In order to ensure alignment with its retail and office tenants in terms of environmental objectives, the Group introduced 'green leases' for the first time in 2009. In H1-2012, 90% of leases signed by the Group included 'green clauses'.

Centrum Cerny Most extension was awarded a BREEAM "Very Good" certification in May 2012. In addition, 575,000 of retail m² GLA are certified 'BREEAM In Use' as at June 30, 2012.

IV. H1-2012 Results

Property services net operating result (€11.3 Mn) came from property services companies in France, Spain and Central Europe.

Other income (€4.7 Mn) was mainly composed of the balance of the dividend paid by SFL (Société Foncière Lyonnaise) in April 2012 on the 7.25% stake acquired by Unibail-Rodamco in March 2011.

General expenses amounted to €38.6 Mn in H1-2012 (€41.1 Mn in H1-2011), of which €0.5 Mn of non-recurring expenses related to acquisition costs (€1.5 Mn in H1-2011). The decrease of recurring expenses continued to reflect the results of the Group's cost efficiency project initiated in 2010 and the portfolio rationalisation.

Development costs incurred for feasibility studies of projects and non successful deals amounted to €0.9 Mn in H1-2012 (€1.6 Mn in H1-2011).

Recurring net financial expenses totalled €186.6 Mn, including capitalised financial expenses of €29.0 Mn allocated to projects under construction. Net borrowing expenses recorded in the recurring net result came to €157.6 Mn, the €7.4 Mn increase compared to H1-2011 resulting mainly from the increase of the debt.

The ORNANE[29] convertible bond issued in April 2009 was accounted at fair value in accordance with IFRS. The value as at June 30, 2012 increased compared to December 31, 2011, resulting in a non-cash charge of €40.2 Mn included in the non-recurring result.

[28] EBITDA="Net rental income" and "On site property services net income" of Viparis venues.

[29] Net share settled bonds convertible into new and/or existing shares.

Most of the ORAs[30] issued in 2007 have been converted. Only 7,825 ORAs[31] were still in issue as at June 30, 2012.

In accordance with the option adopted by Unibail-Rodamco for hedge accounting, the change in value of caps and swaps was recognised directly in the income statement, resulting in a charge of €91.1 Mn[32] in the non-recurring result.

The Group's average cost of financing came to 3.5% over H1-2012 (3.6% over full year 2011). Unibail-Rodamco's refinancing policy is described in section 'Financial Resources'.

The corporate income tax charge came from countries where specific tax regimes for property companies[33] do not exist and from activities in France which are not eligible for the SIIC regime, mainly in the Convention & Exhibition business.

The income tax amount takes into account the impact of the recent changes in the tax environment, including the new "Royal decree" in Spain related to deductibility of interest expenses, which had no significant impact on Group's tax expenses in H1-2012. These legal changes are currently not expected to have a material impact on the Group for the full year results.

Total income tax allocated to the recurring net result amounted to -€6.3 Mn.

Corporate income tax allocated to valuation result and disposals was a charge of -€43.4 Mn due mainly to the variation of deferred taxes on assets' fair value.

Minority interests in the consolidated recurring net result after tax amounted to €49.6 Mn (€45.7 Mn in H1-2011). Minority interests related mainly to CCIP's share in Viparis (€19 Mn) and to shopping centres in France (€30 Mn, mainly Les Quatre Temps and Forum des Halles).

Consolidated net result (group share) was a profit of €761.6 Mn in H1-2012. This figure breaks down as follows:

- €453.4 Mn of recurring net result (vs. €434.9 Mn in H1-2011).
- €308.2 Mn of fair value adjustments and net gains on disposals (vs. €448.1 Mn in H1-2011).

154,484 new shares were issued in H1-2012, further to stock options exercised, saving scheme and ORA or ORNANE conversions.

The average number of shares and ORAs[34] in issue during this period was 91,872,419.

Recurring Earnings per Share (recurring EPS) came to €4.94 in H1-2012, representing an increase of +4.2% compared to H1-2011.

These results reflect good like-for-like operating performance in all business activities and continued low cost of debt and cost controls.

V. Post closing events

There is no significant post closing event.

VI. Outlook

For 2012, the Group remains positive in its expectations on rental income growth. This is driven by on-going strong fundamentals, such as low vacancy, sustainable occupancy cost ratios and good rental uplifts. In addition, the cost of debt is contained at low levels. Although the impact of the current Euro zone crisis on consumption and retailers cannot be ignored, the Group is confident in its ability to meet its recurring EPS growth target of 4% for full year 2012.

[30] ORA: "Obligations Remboursables en Actions" = bonds redeemable for shares
[31] Convertible into 9,781 shares.
[32] Of which: -€0.7 Mn for derivatives nettings, +€1.8 Mn of debt discounting, -€2.4 Mn of currency result and -€3.8 Mn for amortisation of Rodamco debt marked to market at the time of the merger.
[33] In France: SIIC (Société d'Investissements Immobiliers Cotée).
[34] It has been assumed here that the ORAs have a 100% equity component.

DEVELOPMENT PROJECTS AS AT JUNE 30, 2012

Unibail-Rodamco's development project pipeline amounts to €6.6 Bn as at June 30, 2012. It corresponds to a total of 1.3 Mn m² Gross Lettable Area (GLA), re-developed or to be added to the standing assets portfolio. Seven projects were delivered in H1-2012 and twenty projects representing circa 300,000 m² of GLA are due to be delivered in H2-2012 and 2013. This illustrates the realization of Unibail-Rodamco's development portfolio on which the Group retains significant flexibility (representing 52% of Total Investment Cost).

1. Movements in the development project portfolio

The successful opening of Confluence in Lyon, with more than 2.3 Mn visits during its first three months of operation, is the first of a series of large shopping centre projects (brownfield or extension), to be delivered during 2012 and 2013.

In addition to Confluence, these projects include notably SO Ouest shopping centre, El Faro, Centrum Cerny Most extension, Aéroville and represent a total of 263,344 m² GLA and more than 30% of the Group's retail projects in GLA.

The successful opening of Confluence and the high-level of pre-letting of the forthcoming projects illustrate the appeal of a new generation of large and dominant shopping centres to retailers and visitors alike. Premium brands, differentiating concepts and new offers of leisure and restaurants are key drivers of the success of these new schemes, reinforcing the concept of a true and unique retail experience.

Construction is progressing well on the 2013-2015 projects, such as Mall of Scandinavia (Sweden), or the extensions of the Täby Centrum (Sweden), Rennes Alma and La Toison d'Or (France), or the Shopping City Süd (Austria) renovation started in H1-2012.

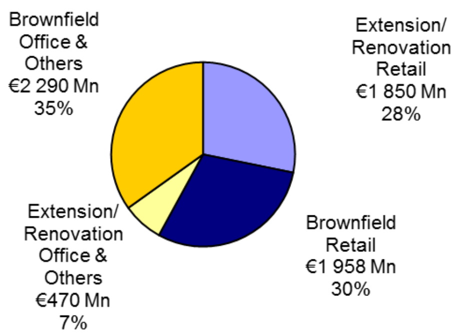
Unibail-Rodamco has a counter-cyclical development strategy in the office sector. It has secured prime projects and land plots on attractive conditions. This will allow the Group to offer new, modern efficient and sustainable assets in a market where demand is driven by increasing obsolescence of the existing offer. Construction is progressing on SO Ouest offices (Paris region) and Majunga (La Défense). The Group is also working to obtain administrative authorizations required for projects at an earlier stage of development. The building permit of Trinity Tower, a new generation 46,475 m² GLA office building, located in La Défense, and connected to the CNIT and to public transportation, was obtained in H1-2012. The other office projects, for which the Group retains flexibility to launch when appropriate, will be opportunities for future value creation.

2. Development projects overview

The estimated investment cost of the development pipeline as at June 30, 2012 amounts to €6.6 Bn. This compares with €6.9 Bn at the end of 2011, the reduction being a result of the delivery of several projects, including Confluence and of the absence of new major project.

The breakdown is as follows:

Development pipeline by category

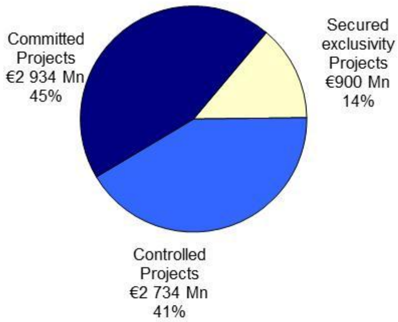


The retail pipeline is split into brownfield projects, which represent 51% of the retail pipeline, and extensions and renovations, which make up the remaining 49%. This corresponds to the creation of 722,895 m² GLA and redevelopment of 102,251 m².

Brownfield office projects represent some 351,271 m^2 of new GLA. Redevelopment or refurbishment of existing office assets represent 138,832 m².

3. A secured and flexible development pipeline

Committed[35] projects as at June 30, 2012 amount to €2.9 Bn (stable vs. December 31, 2011), Controlled[36] projects represent €2.7 Bn (stable vs. December 31, 2011) and Secured Exclusivity[37] projects €0.9 Bn (vs. €1.3 Bn as at December 31, 2011).
Eight projects have been transferred from the Controlled to the Committed category following the start of works. It mainly includes the Toison d'Or, Rennes Alma (France) and Shopping City Süd (Austria) extension and renovation projects.



Of the €2.9 Bn Committed development pipeline, €1.3 Bn has been spent, with €1.6 Bn still to be invested. Of this amount, €1.2 Bn has already been contracted.

Retail accounts for 80% of the Committed pipeline. The remaining 20% is primarily concentrated in the Offices & Other sector in the Paris region.

Pre-letting levels on Committed projects in retail ensure income visibility. Of the major retail projects to be opened in the next twelve months, the average MGR pre-letting[38] is 92%, including:

- El Faro: 94%;
- SO Ouest Shopping Centre: 97%;
- Carré Sénart Shopping Park: 68%; and
- Centrum Cerny Most extension: 95%.

[35] Committed projects: projects currently under construction, for which Unibail-Rodamco owns the land or building rights and has obtained all necessary administrative authorisations and permits.
[36] Controlled projects: projects in an advanced stage of studies, for which Unibail-Rodamco controls the land or building rights, but where not all administrative authorisations have been obtained yet.
[37] Secured exclusivity projects: projects for which Unibail-Rodamco has the exclusivity but where negotiations for building rights or project definition are still underway.
[38] MGR pre-letting includes signed Heads of Terms.

No major projects were added to the development pipeline during H1-2012.

4. Investments in H1-2012

Unibail-Rodamco invested €351 Mn[39] in its shopping centre portfolio in H1-2012 for construction and extension projects (Aéroville and SO Ouest in France, El Faro in Badajoz in Spain and Mall of Scandinavia in Sweden) as well as for the renovation of existing shopping centres, notably in France, Nordic, Spain and Central Europe.

On the office side, Unibail-Rodamco invested €61.8 Mn in H1-2012, mainly in works in France for the Majunga tower in La Défense, the SO Ouest building, renovation schemes for various buildings and in minor acquisitions.

5. Delivered projects

Seven projects, either brownfield projects or renovations/extensions of existing assets, were delivered during H1-2012.

The largest project delivered was the shopping centre Confluence (53,288 m²), in Lyon-France, which opened in April 2012. The Confluence hotel in Lyon was delivered in March 2012.

Various targeted renovation projects in several shopping centres were delivered during H1-2012, primarily in Bonaire in Valencia-Spain (introduction of Primark) and the creation of a food and leisure offer in La Maquinista in Barcelona-Spain.

Finally, the Group also completed the redevelopment/refurbishment of offices at Issy-Guynemer and 80 Wilson in the Paris Region.

6. Deliveries expected by the end of 2012

Several deliveries are expected in H2-2012, including the delivery of two large brownfield shopping centres:

- El Faro, in Badajoz, Spain, 42,815 m² GLA[40];
- SO Ouest shopping centre, 48,286 m² GLA, in Paris region, France.

The Carré Sénart Shopping Park (13,668 m²) will be delivered during the same period, further

[39] Total capitalised amount in asset value Group share.
[40] Unibail-Rodamco's part; total complex GLA is 65,815 m².

reinforcing the Carré Sénart shopping centre, already attracting circa 15 million visits per year.

In addition, the delivery of extensions or renovations in existing shopping centres is expected, notably in Solna (Sweden) and Fisketorvet (Denmark).

In Rotterdam Plaza (The Netherlands), the renovation of office areas and the light refurbishment of retail and parking areas are expected to be completed in H2-2012.

Finally, the delivery of the SO Ouest office building (33,419 m² GLA), close to the SO Ouest shopping centre (Paris region, France), is now expected early in 2013, after the completion of the final works for the "BBC" certification[41].

7. Projects overview

See table next page

Apart from the mechanical effects of inflation and discounting or currency exchange effects, notably affecting the projects denominated in SEK, estimated costs of the outstanding projects have remained fairly stable since December, 31 2011 subject to some changes in scope, such as the reduction of scope in the Parly 2 renovation project.

[41] BBC: *Bâtiment Basse Consommation* – certification for low power consumption.

DEVELOPMENT PROJECTS - JUNE 30, 2012

Developement projects [1]	Business	Country	City	Type	Total Complex GLA (m²)	GLA U-R scope of consolidation (m²)	Cost to date[2] U-R scope of consolidation (€ Mn)	Expected cost [3] U-R scope of consolidation (€ mn)	Expected Opening date[4]	U-R Yield on cost (%)
CARRE SENART SHOPPING PARK	Shopping Centre	France	Paris Region	Greenfield / Brownfield	13 668 m²	13 668 m²	23	27	H2 2012	
EL FARO	Shopping Centre	Spain	Badajoz	Greenfield / Brownfield	65 815 m²	42 815 m²	67	97	H2 2012	
FISKETORVET RENOVATION	Shopping Centre	Denmark	Copenhagen	Extension / Renovation	177 m²	177 m²	22	34	H2 2012	
ROTTERDAM PLAZA	Office & others	Netherlands	Rotterdam	Redevelopment / Refurbishment	16 025 m²	16 025 m²	10	20	H2 2012	
SOLNA RENOVATION	Shopping Centre	Sweden	Solna	Extension / Renovation	2 001 m²	2 001 m²	26	29	H2 2012	
SO OUEST SHOPPING CENTRE	Shopping Centre	France	Paris Region	Greenfield / Brownfield	48 286 m²	48 286 m²	277	349	H2 2012	
CENTRUM CERNY MOST EXTENSION	Shopping Centre	Czech Rep.	Prague	Extension / Renovation	43 980 m²	43 980 m²	66	147	H1 2013	
SO OUEST OFFICES	Office & others	France	Paris Region	Greenfield / Brownfield	33 419 m²	33 419 m²	168	199	H1 2013	
AEROVILLE [5]	Shopping Centre	France	Paris Region	Greenfield / Brownfield	83 983 m²	83 983 m²	120	339	H2 2013	
LA TOISON D OR	Shopping Centre	France	Dijon	Extension / Renovation	12 226 m²	12 226 m²	15	84	H2 2013	
RENNES ALMA EXTENSION	Shopping Centre	France	Rennes	Extension / Renovation	10 588 m²	10 588 m²	25	94	H2 2013	
SCS RENOVATION	Shopping Centre	Austria	Vienna	Extension / Renovation	3 483 m²	3 483 m²	23	88	H2 2013	
MAJUNGA	Office & others	France	Paris Region	Greenfield / Brownfield	63 035 m²	63 035 m²	178	365	H1 2014	
FORUM DES HALLES RENOVATION	Shopping Centre	France	Paris	Extension / Renovation	15 310 m²	15 310 m²	3	129	H2 2014	
TABY CENTRUM EXTENSION	Shopping Centre	Sweden	Täby	Extension / Renovation	27 840 m²	27 840 m²	139	282	H2 2014	
MALL OF SCANDINAVIA	Shopping Centre	Sweden	Stockholm	Greenfield / Brownfield	101 300 m²	101 300 m²	111	593	H2 2015	
OTHERS					5 644 m²	5 644 m²	16	59		
Committed Projects					**546 780 m²**	**523 780 m²**	**1 287**	**2 934**		**7.8%**
2-8 ANCELLE	Office & others	France	Paris Region	Redevelopment / Refurbishment	18 125 m²	18 125 m²	4	60	H1 2014	
PARLY 2 EXTENSION	Shopping Centre	France	Paris Region	Extension / Renovation	8 474 m²	4 518 m²	6	57	H1 2014	
BENIDORM	Shopping Centre	Spain	Benidorm	Greenfield / Brownfield	54 639 m²	27 319 m²	38	77	H1 2015	
COURCELLOR 1	Office & others	France	Paris Region	Redevelopment / Refurbishment	40 182 m²	40 182 m²	20	184	H1 2015	
TRINITY	Office & others	France	Paris	Greenfield / Brownfield	46 475 m²	46 475 m²	4	288	H2 2015	
VAL TOLOSA [6]	Shopping Centre	France	Toulouse	Greenfield / Brownfield	85 084 m²	25 042 m²	10	110	H2 2015	
OCEANIA	Shopping Centre	Spain	Valencia	Greenfield / Brownfield	96 488 m²	96 488 m²	1	249	H1 2016	
CHODOV EXTENSION	Shopping Centre	Czech Rep.	Prague	Extension / Renovation	34 268 m²	34 268 m²	9	112	H2 2016	
MAQUINNEXT	Shopping Centre	Spain	Barcelona	Extension / Renovation	35 000 m²	35 000 m²	58	107	Post 2016	
PHARE	Office & others	France	Paris	Greenfield / Brownfield	124 531 m²	124 531 m²	54	923	Post 2016	
TRIANGLE	Office & others	France	Paris	Greenfield / Brownfield	83 811 m²	83 811 m²	8	515	Post 2016	
OTHERS					1 898 m²	1 898 m²	6	53		
Controlled Projects					**628 975 m²**	**537 657 m²**	**220**	**2 734**		**8% target**
BUBNY	Shopping Centre	Czech Rep.	Prague	Greenfield / Brownfield	59 823 m²	35 894 m²	1	119	Post 2016	
OTHERS					217 918 m²	217 918 m²	5	781		
Secured Exclusivity Projects					**277 741 m²**	**253 812 m²**	**6**	**900**		**8% target**
U-R Total Pipeline					**1 453 496 m²**	**1 315 250 m²**	**1 512**	**6 568**		**8% target**
					Of which additionnal area	1 074 166 m²				
					Of which redevelopped area	241 084 m²				

(1) Figures subject to change according to the maturity of projects.
(2) Excluding financial costs and internal costs capitalised.
(3) Excluding financial costs and internal costs capitalised. The costs are discounted in today's value.
(4) In the case of staged phases in a project, the date corresponds to the opening of the first phase.
(5) Aéroville cost to date and expected cost does not include the leasehold fees paid after the opening of the shopping centre.
(6) Formerly named "Les Portes de Gascogne".

Unibail-Rodamco's EPRA triple Net Asset Value (NNNAV)[42] amounted to €130.70 per share as at June 30, 2012, stable compared to December 31, 2011. The stability in the NNNAV is primarily the result of (i) an increase of €5.65 per share due to the revaluation of property and intangible assets, (ii) the contribution of €4.94 per share from the Recurring Earnings Per Share of the first half-year of 2012 and (iii) the positive effect of other items of €0.07 per share, offset by (i) the distribution of €8.00 per share in May 2012, (ii) the negative effect of the mark-to-market of debt and financial instruments of €2.16 per share and (iii) the increase of the fully diluted number of shares (-€0.50 per share).
The Going Concern NAV[43] (GMV based), measuring the fair value on a long term, ongoing basis, came to €143.00 per share as at June 30, 2012, broadly flat compared to €143.10 as at December 31, 2011.

1. PROPERTY PORTFOLIO

The European commercial real estate investment volume[44] reached €49.7 Bn in H1-2012, a -9% decrease over the same period in 2011 in large part due to the occurrence of five large transactions driving the first quarter of 2011. Investment volumes have picked up in the second quarter of 2012 compared to the first.

Economic uncertainty, the implementation of and anticipation of austerity measures in countries across Europe and the resulting impact on consumer confidence and spending have further widened the performance gap between secondary assets and prime retail schemes characterized by high footfall and high sales per square meter. Limited bank financing continues to impact investment volumes particularly in the non-prime segment as banks generally prefer financing higher quality assets, thus the yield pressure on secondary quality product has intensified.

The prime asset class characterised by secure income with a solid yield premium over "risk free" rates remains on top of the shopping lists of active investors. Many investors are currently actively looking for stable and secure yields and have significant amounts of equity allocated to European prime commercial real estate despite the continuing shortfall in supply of this product category. Prime yields have thus kept stable.

In light of likely future austerity measures, appraisers continued to review in detail the productivity of and outlook for the Group's assets, with attention to key indicators such as footfall, sales information and resulting cost ratios on a tenant by tenant basis. Also, appraisers continue to benchmark recent letting deals and review deal characteristics and uplifts realized. The Group's Minimum Guaranteed Rental uplift[45] of +23.0% during H1-2012 compared to +19.4% in 2011 confirms that retailers continue to focus on top locations that offer the best sales and footfall performance.

Although in core European markets prime yields have remained broadly flat, there continues to be a divergence between regions. Spain is showing significant yield softening in secondary products which have been significantly impacted by the crisis. Central Europe witnessed yield hardening underpinned by solid cash flow growth and an active investment market. With yields generally stable in the Group's other regions, the Group's portfolio in such markets show a positive revaluation on the basis of strong operating performance. The Convention and Exhibition portfolio valuation is stable with a slightly positive revaluation. Offices demonstrate resilience with a modest negative revaluation caused by increased uncertainty in outlook resulting in increasing yields, which was partly compensated by underlying cash flow growth.

Unibail-Rodamco's asset portfolio including transfer taxes grew from €25,924 Mn as at December 31, 2011 to €27,462 Mn as at June 30, 2012. On a like-for-like basis, the value of the Group's portfolio increased by €337 Mn net of investments, i.e. +1.5% compared with December 31, 2011.

[42] EPRA NAV: the intrinsic -long term- value of the company, per share.
EPRA NNNAV: the intrinsic current (liquidation) valuation of the company, per share. Corresponds to the Going concern NAV per share less the estimated transfer taxes and capital gain taxes.
[43] Going Concern NAV: the amount of equity (per share) required to replicate the Group's portfolio with its current financial structure.
[44] Source: Jones Lang LaSalle research.
[45] Minimum Guaranteed Rent uplift: the difference between new and old rents. This indicator is calculated only on renewals and relettings and not on vacant relettings.

Asset portfolio valuation of UNIBAIL-RODAMCO (including transfer taxes) (a)	December 31, 2011		June 30, 2012		Like-for-like change net of investment - first half year 2012 (b)	
	€ Mn	%	€ Mn	%	€ Mn	%
Shopping centres	19,803	76%	21,204	77%	361	2.1%
Offices	3,853	15%	3,968	14%	- 38	-1.3%
Convention-Exhibition centres	1,901	7%	1,922	7%	13	0.7%
Services	367	1%	367	1%	-	0.0%
Total	**25,924**	**100%**	**27,462**	**100%**	**337**	**1.5%**

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/at cost value of the entire property portfolio (100% when fully consolidated, Group share when consolidated under the proportional method).
- The market value of Unibail-Rodamco's equity holding in Comexposium, a trade show organisation business, and Unibail-Rodamco's investment in the Zlote Tarasy complex in Poland consolidated under the equity method.
- The portfolio does not include shares of Société Foncière Lyonnaise.
(b) Excluding changes in the scope during the first half-year 2012, mainly:
- Acquisitions of shopping centres: part of Sant Cugat (Barcelona/Spain), investment in the Zlote Tarasy complex;
- Acquisitions of plots or units in Les Quatre Temps, Forum des Halles, Villabé and in The Netherlands;
- Disposal of plots in Parly 2 in Le Chesnay/France and in Rennes-Alma in Rennes/France.
The like-for-like change in valuation is calculated excluding changes in the scope above mentioned.

Appraisers

Two international and qualified appraisers, Jones Lang LaSalle and DTZ, assess the retail and office properties of the Group since 2010. The valuation process has a centralised approach, which ensures that, on the Group's internationally diversified portfolio, pan-European capital market views are taken into account. Unibail-Rodamco has allocated properties across the two appraisers, while ensuring that large regions are assessed by both companies for comparison and benchmarking purposes. The appraiser of Convention and Exhibition as well as Services activities is PricewaterhouseCoopers. Assets are appraised twice a year (in June and December), except service companies, appraised yearly.

Appraiser	Property location	% of total portfolio
DTZ	France / Netherlands / Nordic / Spain / Central Europe	48%
JLL	France / Nordic /Spain / Central Europe / Austria	40%
PWC	France	7%
At cost, under sale agreement or appraised by a third party		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

The valuation principles adopted are based on a multi-criteria approach. The independent appraisers determine the fair market value based on the results of two methods: the discounted cash flow and the yield methodologies. Furthermore, the resulting valuations are cross-checked against the initial yield 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 rent rolls, including information on vacancy, break options, expiry dates and lease incentives, performance indicators (e.g. footfall and sales where available), letting evidence and the Group's cash flow forecasts from annually updated detailed asset business plans. Appraisers make their independent assessments of current and forward looking cash flow profiles and usually reflect risk either in the cash flow forecasts (e.g. future rental levels, growth, investment requirements, void periods, incentives) or in the applied required returns or discount rates.

Valuation scope

As at June 30, 2012, Unibail-Rodamco has given a mandate to independent appraisers for the valuation of 96% of the portfolio.

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. The company 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) as deemed appropriate by the independent appraiser. In some cases, both methods were combined to validate and cross-check critical valuation parameters.

The following assets under construction continued to be assessed at fair value as at June 30, 2012:
- Shopping centre projects including El Faro (Badajoz/Spain), SO Ouest (Paris region/France);
- SO Ouest Office (Paris region/France);
- Centrum Cerny Most extension (Prague/Czech Republic);
- Carré Sénart Shopping Park extension (Paris region/France).

In addition, Aéroville (Paris region/France) is now assessed at fair value.

Confluence shopping centre and hotel in Lyon have opened respectively in April and March 2012 and are assessed as standing assets as at June 30, 2012.

The remaining assets (4%) of the portfolio have been valued as follows:
- At cost for the IPUC for which a reliable value could not yet be established. These mainly represent shopping centres under development (notably Val Tolosa in Toulouse/France, Mall of Scandinavia in Stockholm/Sweden), and office developments (notably Phare and Majunga in La Défense/France and Courcellor in Paris region/France);
- At acquisition price for assets acquired in the first half of 2012, except for Zlote Tarasy;
- Zlote Tarasy which was accounted for as financial asset in the previous period is now accounted for using the equity method and is therefore now included in the Group's asset portfolio as well as NAV calculation, based on a third party valuation.

1.1. Shopping Centre portfolio

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

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

The value of Unibail-Rodamco's shopping centre portfolio grew from €19,803 Mn as at December 31, 2011 to €21,204 Mn as at June 30, 2012, including transfer taxes and transaction costs:

Valuation 31/12/2011 (€ Mn)	**19,803**	
Like for Like revaluation	361	
Revaluation of Non Like for Like assets	290	(a)
Capex / Acquisitions	734	(b)
Disposals	- 2	(c)
Constant Currency Effect	18	(d)
Valuation 30/06/2012 (€ Mn)	**21,204**	

(a) Non like-for-like assets including investment properties under construction at fair value.
(b) Includes the investment, at acquisition date, related to the Zlote Tarasy shopping centre and parking.
(c) Value as at 31/12/2011.
(d) Currency gain of €18 Mn in Nordic, before offsets from foreign currency loans and hedging programs.

As at June 30, 2012 the shopping centre portfolio of Unibail-Rodamco was valued on the balance sheet at €20,220 Mn, excluding transfer taxes and transaction costs.

Valuation of shopping centre investment properties (standing assets and property under development) resulted in a positive valuation movement of €605.5 Mn in H1-2012 income statement, breaking down as follows:

- €407.3 Mn in France;
- €136.2 Mn in Central Europe[46];
- €39.8 Mn in Nordic;
- €27.1 Mn in Austria;
- €17.0 Mn in The Netherlands;
- -€21.9 Mn in Spain.

Based on an asset value excluding estimated transfer taxes and transaction costs, the shopping centre division's net initial yield as at June 30, 2012 came to 5.4% vs. 5.5% as at December 31, 2011.

Shopping Centre portfolio by region - June 30, 2012	Valuation including transfer taxes in € Mn	Valuation excluding estimated transfer taxes in € Mn	Net inital yield (a) June 30, 2012	Net inital yield (a) Dec. 31, 2011
France (b)	11,218	10,771	5.1%	5.2%
Spain	2,455	2,400	6.6%	6.6%
Nordic	2,071	2,030	5.3%	5.1%
Central Europe (c)	2,242	2,217	6.1%	6.2%
Netherlands	1,337	1,258	5.7%	5.6%
Austria	1,881	1,864	5.3%	5.4%
Total	**21,204**	**20,540**	**5.4%**	**5.5%**

(a) Annualised contracted rent (including latest indexation) net of expenses, divided by the value of the portfolio net of estimated transfer taxes and transaction costs. Shopping centres under development are not included in the calculation.
(b) For France, the effect of including Key Money in the Net Rental Income would increase net initial yield to 5.4% as at June 30, 2012.
(c) The Net initial yield calculations do not include Zlote Tarasy.

[46] Including valuation movement for Zlote Tarasy offices.

Sensitivity

A change of +25 basis points in yields would result in a downward adjustment of -€876 Mn (or -4.1%) of the total shopping centre portfolio value (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 restated for works, capitalised financial and leasing expenses and eviction costs, increased by €361 Mn (or +2.1%) over the first half-year. The main driver is the increase in rents (+2.0%), the yield being stable on the whole portfolio.

Shopping Centre - Like for Like (LxL) change (a)				
Half year 2012	**Like for Like change in € Mn**	**Like for Like change in %**	**LxL change - Rent impact**	**LxL change - Yield impact (b)**
France	227	2.5%	2.3%	0.3%
Spain	- 17	-0.7%	1.2%	-2.0%
Nordic	29	2.2%	1.9%	0.2%
Central Europe	69	3.9%	1.8%	2.1%
Netherlands	17	1.5%	2.0%	-0.6%
Austria	36	2.0%	2.7%	-0.7%
Total	**361**	**2.1%**	**2.0%**	**0.0%**

(a) Like-for-like change net of investments from December 31, 2011 to June 30, 2012.
(b) Yield impact calculated using the change in potential yields (to neutralise changes in vacancy rates) and taking into account Key Money.

Like-for-like revaluations show an increasing differentiation between assets above 6 million visits (+4.2% like-for-like revaluation over 12 months) and those ones with less than 6 million visits (+0.2% like-for-like revaluation over 12 months), in view of their increasingly divergent operating performance.

1.2. Office portfolio

Evolution of Unibail-Rodamco's office portfolio valuation

The value of the office portfolio increased to €3,968 Mn as at June 30, 2012 from €3,853 Mn as at December 31, 2011, including transfer taxes and transaction costs:

Valuation 31/12/2011 (€ Mn)	**3,853**	
Like for Like revaluation	- 38	
Revaluation of Non Like for Like assets	- 13	(a)
Capex / Acquisitions	164	(b)
Disposals	-	
Constant Currency Effect	2	(c)
Valuation 30/06/2012 (€ Mn)	**3,968**	

(a) Includes: (i) investment properties under construction taken at fair value (ii) Assets recently delivered (Issy-Guynemer, 80 Wilson) (iii) the 7 Adenauer building in own use by the Group.
(b) Includes the investment, at acquisition date, related to Zlote Tarasy offices.
(c) Currency gain of €2 Mn in Nordic, 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 - June 30, 2012	**Valuation (including transfer taxes)**	
	€ Mn	**%**
France	3,465	87%
Nordic	199	5%
Netherlands	157	4%
Austria	38	1%
Central Europe	109	3%
Total	**3,968**	**100%**

As at June 30, 2012, the office portfolio was valued at €3,641 Mn, excluding transfer taxes and transaction costs, on the balance sheet, including the Group's headquarters at 7 Adenauer, in Paris, carried at historical cost.

The change in the fair value of office investment properties since December 31, 2011 generated a negative valuation result of -€59.0 Mn in H1-2012 income statement.

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, 2012 increased to 6.9%.

Valuation of occupied office space - June 30, 2012	**Valuation including transfer taxes in € Mn (a)**	**Valuation excluding estimated transfer taxes in € Mn**	**Net inital yield (b) June 30, 2012**	**Net inital yield (b) Dec. 31, 2011**
France	2,564	2,487	6.7%	6.4%
Nordic	181	177	7.5%	7.5%
Netherlands	110	103	9.2%	9.8%
Austria	38	38	6.6%	6.6%
Central Europe (c)	8	8	8.0%	8.1%
Total	**2,901**	**2,813**	**6.9%**	**6.6%**

(a) Valuation of occupied office space as at June 30, 2012, based on the appraiser's allocation of value between occupied and vacant space.
(b) Annualised contracted rents (including latest indexation) net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs.
(c) The investment in Zlote Tarasy offices is not included in this table.

Sensitivity

A change of +25 basis points in yields would result in a downward adjustment of -€127 Mn (or -3.2%) of the total office portfolio value (occupied and vacant spaces, including transfer taxes and transaction costs).

Like-for-like analysis

The value of Unibail-Rodamco's office portfolio, including transfer taxes and transaction costs, and after accounting for the impact of works and capitalised financial and leasing expenses, decreased on a like-for-like basis by €38 Mn (or -1.3%) over the first half-year 2012. This breaks down into +1.8% from rents and lettings and -3.1% due to changes in yields.

Offices - Like for Like (LxL) change (a)				
Half year 2012	Like for Like change in € Mn	Like for Like change in %	LxL change - Rent impact	LxL change - Yield impact (b)
France	- 39	-1.6%	2.0%	-3.6%
Nordic	4	1.9%	3.0%	-1.1%
Netherlands	- 2	-1.9%	-2.2%	0.3%
Austria	0	0.8%	2.3%	-1.5%
Central Europe	- 0	-0.4%	-2.0%	1.7%
Total	**- 38**	**-1.3%**	**1.8%**	**-3.1%**

(a) Like-for-like change net of investments from December 31, 2011 to June 30, 2012.
(b) Yield impact calculated using the change in potential yields (to neutralise changes in vacancy rates).

French Office Portfolio

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

French Office portfolio by sector - June 30, 2012	Valuation (including transfer taxes)	
	€ Mn	%
Paris CBD	794	23%
Neuilly-Levallois-Issy	740	21%
La Défense	1,683	49%
Other	248	7%
Total	**3,465**	**100%**

For occupied offices and based on an asset value excluding estimated transfer taxes and transaction costs, the French Office division's yield as at June 30, 2012 came to 6.7% reflecting a 30 bps widening in yields during H1-2012.

Valuation French of occupied office space - June 30, 2012	Valuation including transfer taxes in € Mn (a)	Valuation excluding estimated transfer taxes in € Mn	Net inital yield (b) June 30, 2012	Average price €/m2 (c)
Paris CBD	791	772	6.2%	13,444
Neuilly-Levallois-Issy	227	225	6.5%	5,914
La Défense	1,317	1,266	6.9%	7,233
Other	228	223	7.1%	3,456
Total	**2,564**	**2,487**	**6.7%**	**7,518**

(a) Valuation of occupied office space as at June 30, 2012, as based on the appraiser's allocation of value between occupied and vacant spaces.
(b) Annualised contracted rent (including latest indexation) net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs.
(c) Average price, excluding estimated transfer taxes, per square meter for occupied office space as based on the appraiser's allocation of value between occupied and vacant spaces.
Average prices were restated for parking spaces with a basis of €30,000 per space for Paris CBD and Neuilly-Levallois-Issy and €15,000 for other areas.

1.3. Convention-Exhibition Portfolio

The value of Unibail-Rodamco's convention-exhibition centre portfolio is derived from the combination of the value of each individual asset.

Valuation methodology

The valuation methodology adopted by PricewaterhouseCoopers 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, if it exists or otherwise over a 10-year period, with an estimate of the asset's value at the end of the given time period, based either on the residual contractual value for concessions[47] or on capitalised cash flows over the last year.

The discounted cash flow methodology has been adopted for the Pullman-Montparnasse hotel asset and the CNIT-Hilton hotel (both operated under an operational lease agreement) and the Confluence hotel in Lyon (operated under a management contract) as at June 30, 2012.

Evolution of the Convention-Exhibition Centres valuation

The value of Convention-Exhibition centres and hotels, including transfer taxes and transaction costs, grew to €1,922 Mn[48] as at June 30, 2012:

Valuation 31/12/2011 (€ Mn)	1,901	(a)
Like for Like revaluation	13	
Revaluation of Non Like for Like assets	- 1	
Capex	8	
Valuation 30/06/2012 (€ Mn)	**1,922**	(b)

(a) Of which €1,630 Mn for Viparis and €271 Mn for hotels.
(b) Of which €1,647 Mn for Viparis and €275 Mn for hotels.

On a like-for-like basis, net of investments, the value of Convention and Exhibition properties and hotels is up €13 Mn, +0.7% compared with December 31, 2011.

Convention-Exhibition - Like for Like change net of investment	Half year 2012	
	€ Mn	%
Viparis and others (a)	13	0.8%
Hotels	0	0.0%
Total	**13**	**0.7%**

(a) Viparis and others includes all of the Group's Convention-Exhibition centres (of which 50% of Palais des Sports).

[47] For Porte de Versailles asset valuation, the expert has taken into account a probability of renewal of the concession of 22.5%.
[48] Based on a full scope of consolidation, including transfer taxes and transaction costs (see §1.5 for group share figures).

Based on these valuations, the average EBITDA yield on Viparis (and others) as at June 30, 2012 (recurring operating profit divided by the value of the asset, excluding estimated transfer taxes) was 8.9 % and increased by 110 basis points vs. December 31, 2011. This is mainly explained by the seasonal results pattern of the activity.

Confluence hotel in Lyon, previously assessed as an IPUC at fair value, was delivered in the first half-year 2012 becoming a standing asset.

1.4. Services

The services portfolio is composed of:

- Comexposium, a trade show organisation business;
- Espace Expansion, a property service companies.

The services portfolio is appraised in order to include at their market value all significant intangible assets in the portfolio and in the calculation of Unibail-Rodamco's NAV. Intangible assets are not revalued but maintained at cost or at amortised cost on Unibail-Rodamco's consolidated statement of financial position (subject to impairment test).

The value of Comexposium as at June 30, 2012 was based on the appraisal conducted by PricewaterhouseCoopers as at December 31, 2011 and was slightly restated at €241.4 Mn (group share) in order to take into account a minor acquisition which occurred in the first half of 2012.

Espace Expansion and Rodamco Gestion have merged effective January 1, 2012 and were valued at €126 Mn as at June 30, 2012, keeping the same value as the appraisal conducted by PricewaterhouseCoopers as at December 31, 2011.

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 - December 31, 2011	€ Mn	%	€ Mn	%
Shopping centres	19,803	76%	18,299	77%
Offices	3,853	15%	3,850	16%
Convention-Exhibition centres	1,901	7%	1,167	5%
Services	367	1%	367	2%
Total	**25,924**	**100%**	**23,684**	**100%**

Asset portfolio valuation - June 30, 2012	€ Mn	%	€ Mn	%
Shopping centres	21,204	77%	19,607	78%
Offices	3,968	14%	3,964	16%
Convention-Exhibition centres	1,922	7%	1,181	5%
Services	367	1%	367	1%
Total	**27,462**	**100%**	**25,120**	**100%**

Like for Like change - net of Investments - Half year 2012	€ Mn	%	€ Mn	%
Shopping centres	361	2.1%	316	2.0%
Offices	- 38	-1.3%	- 38	-1.3%
Convention-Exhibition centres	13	0.7%	8	0.7%
Services	-	0.0%	-	0.0%
Total	**337**	**1.5%**	**286**	**1.4%**

Like for Like change - net of Investments - Half year 2012 - Split rent/yield impact	Rent impact %	Yield impact %	Rent impact %	Yield impact %
Shopping centres	2.0%	0.0%	2.0%	0.0%
Offices	1.8%	-3.1%	1.8%	-3.1%

Net Initial Yield	June 30, 2012	Dec. 31, 2011	June 30, 2012	Dec. 31, 2011
Shopping centres	5.4%	5.5%	5.5%	5.5%
Offices - occupied space	6.9%	6.6%	6.9%	6.6%

2. EPRA TRIPLE NET ASSET VALUE CALCULATION

The EPRA triple net 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, 2012, consolidated shareholders' equity (owners of the parent) came to €11,693 Mn.

Shareholders' equity (owners of the parent) incorporated recurring net result of €453.4 Mn, and a positive impact of €308.2 Mn of fair value adjustments on property assets and financial instruments, as well as net capital gains on disposals.

2.2. Impact of rights giving access to share capital

Dilution from securities giving access to share capital was computed when such instruments came in the money.

The debt component of the ORAs[49], recognised in the financial statements (€0.2 Mn) was added to shareholders' equity for the calculation of the NNNAV. At the same time, all ORAs were treated as shares of common stock.

In accordance with IFRS rules, financial instruments and the ORNANE[50] 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 fair value of ORNANE as at June 30, 2012 was restated for the NNNAV calculation (€209.6 Mn of revaluation) and its potential dilutive effect was taken into account in the number of shares. The full conversion of the ORNANE would lead to the issue of 1,318,912 new shares without an increase in shareholders' equity.

The exercise of stock-options at prices below the share price (in the money) as at June 30, 2012 and with the performance criteria fulfilled, would have led to a rise in the number of shares of 3,883,716, leading to an increase in shareholders' equity of €453 Mn.

As at June 30, 2012, the fully-diluted number of shares taken into account for the NNNAV calculation totalled 97,216,853.

2.3. Unrealised capital gains on intangible assets

The appraisal of property service companies and of the operations ("*fonds de commerce"*) of Paris Nord Villepinte / Palais des Congrès de Paris / Palais des Congrès de Versailles and Issy les Moulineaux gave rise to an unrealised capital gain of €199 Mn which was added for the NNNAV calculation. The increase compared with December 31, 2011 mainly comes from Comexposium.

2.4. Adjustment of capital gains taxes

In accordance with accounting standards, deferred tax on property assets was calculated on a theoretical basis on the consolidated statement of financial position as at June 30, 2012.
For the purpose of the EPRA NAV calculation, deferred tax on unrealised capital gains on assets not qualifying for tax exemption (€875 Mn) has been 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 €259 Mn.

For the calculation of the EPRA NNNAV, estimated taxes actually payable should a disposal take place (€428 Mn) were deducted.

2.5. Mark-to-market value of debt

In accordance with IFRS rules, financial instruments were recorded on Unibail-Rodamco's statement of financial position at their fair value.
The negative fair value adjustment of €336 Mn was added back for the EPRA NAV calculation and then deducted for the EPRA NNNAV calculation.

The value of the fixed-rate debt on the balance sheet of the Group is equal to the nominal value for the ex-Unibail debt and the fair value of the ex-Rodamco debt at combination date (June 30, 2007). Taking fixed rate debt at its fair value would have had a negative impact of €302 Mn. This number negatively impacted the EPRA NNNAV result.

2.6. Restatement of transfer taxes and transaction costs

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

As at June 30, 2012, 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 €263 Mn.

[49] Bonds redeemable for shares.
[50] Net share settled bonds convertible into new and/or existing shares (ORNANE) – see Financial Resources note.

2.7. EPRA triple Net Asset Value

Unibail-Rodamco's EPRA triple Net Asset Value (Owners of the parent) thus stood at €12,704 Mn or €130.70 per share (fully-diluted) as at June 30, 2012.

Value creation during H1-2012 amounted to €8.00 per share. Adjusted for the €8.00 distribution paid out in May 2012, the EPRA NNNAV per share was stable compared with December 31, 2011.

The following tables show the calculation presented in compliance with EPRA best practices recommendations. A bridge from December 31, 2011 to June 30, 2012 is also presented.

3. GOING CONCERN NET ASSET VALUE

Unibail-Rodamco adds to the EPRA NNNAV per share optimised 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 €143.00 per share as at June 30, 2012, stable vs. December 31, 2011 (€143.10).

EPRA NNNAV calculation (All figures are Group share, in €Mn)	**June 30, 2011**		**Dec. 31, 2011**		**June 30, 2012**	
	M€	€/share	M€	€/share	M€	€/share
Fully diluted number of shares		97,555,216		95,296,018		97,216,853
NAV per the financial statements	11,226		11,636		11,693	
ORA and ORNANE	270		170		210	
Effect of exercise of options	497		291		453	
Diluted NAV	11,994		12,097		12,356	
Include						
Revaluation intangible assets	127		134		199	
exclude						
Fair value of financial instruments	7		281		336	
Deferred taxes on balance sheet	793		879		875	
Goodwill as a result of deferred taxes	-236		-287		-259	
EPRA NAV	12,685	130.00 €	13,105	137.50 €	13,507	138.90 €
Fair value of financial instruments	-7		-281		-336	
Fair value of debt	-126		-183		-302	
Effective deferred taxes	-409		-435		-428	
Transfer tax optimization	251		253		263	
EPRA NNNAV	**12,394**	**127.00 €**	**12,459**	**130.70 €**	**12,704**	**130.70 €**
% of change over 6 months		**1.9%**		**2.9%**		**0.0%**
% of change over 1 year						**2.9%**

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, 2011**		**Dec. 31, 2011**		**June 30, 2012**	
	M€	€/share	M€	€/share	M€	€/share
EPRA NNNAV	12,394		12,459		12,704	
Effective deferred capital gain taxes	409		435		428	
Optimized transfer taxes	738		743		773	
GOING CONCERN NAV	**13,541**	**138.80 €**	**13,637**	**143.10 €**	**13,905**	**143.00 €**
% of change over 6 months		**1.7%**		**3.1%**		**-0.1%**
% of change over 1 year						**3.0%**

Change in EPRA NNNAV and Going Concern NAV between December 31, 2011 and June 30, 2012 broke down as follows:

Evolution of EPRA NNNAV and Going concern NAV		**EPRA NNNAV**	**Going concern NAV**
As at December 31, 2011, per share (fully diluted)		**130.70 €**	**143.10 €**
Revaluation of property assets *		4.98	4.98
Retail	5.41		
Offices	-0.47		
Convention & Exhibition	0.04		
Revaluation of intangible assets		0.67	0.67
Capital gain on disposals		-0.00	-0.00
Recurring net profit		4.94	4.94
Distribution in 2012		-8.00	-8.00
Mark-to-market of debt and financial instruments		-2.16	-2.16
Variation in transfer taxes & deferred taxes adjustments		-0.00	0.18
Variation in number of shares		-0.50	-0.78
Other		0.07	0.07
As at June 30, 2012, per share (fully diluted)		**130.70 €**	**143.00 €**

(*) Revaluation of property assets is €2.66 per share on like-for-like basis, of which €3.56 is due to rental effect and -€0.90 is due to yield effect.

FINANCIAL RESOURCES

In H1-2012, the financial markets remained volatile; after a noticeable improvement in Q1, markets deteriorated in Q2 on the back of macro-economic uncertainties and the worsening of the sovereign debt crisis. This affected interest rates and credit spreads, as well as the banking environment. Despite a more challenging context, Unibail-Rodamco raised €1.25 Bn of medium to long term funds through the bond and the bank markets at attractive conditions, thanks to the strength of the Group's balance sheet.

The financial ratios stand at healthy levels: the Loan to Value (LTV) stands at 38% (versus 37% as at December 31, 2011) and the Interest Coverage Ratio (ICR) stands at 3.6x (in line with the 2011 ICR level). The average cost of debt stabilised in H1-2012 and stands at 3.5%.

1. Debt structure as at June 30, 2012

Unibail-Rodamco's consolidated nominal financial debt as at June 30, 2012 increased to €10,652 Mn (€9,749 Mn as at December 31, 2011). The increase in debt derives from the payment of the dividend in May and capital expenditures on projects delivered or to be delivered in 2012 and the coming years.

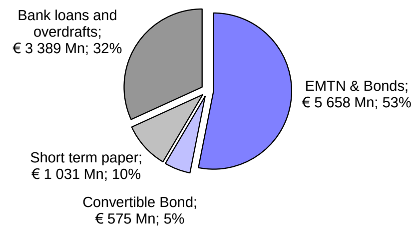
This financial debt includes €575 Mn of net share settled bonds convertible into new and/or existing shares of Unibail-Rodamco (ORNANE) for 100% of their nominal value.

1.1. Debt breakdown

Unibail-Rodamco's nominal financial debt as at June 30, 2012 breaks down as follows[51]:

- €5,658 Mn in bond issues, of which €4,658 Mn in Euro Medium Term Notes (EMTN) of Unibail-Rodamco's programme and €1,000 Mn in EMTN of Rodamco Europe's programme;
- €575 Mn in ORNANE;
- €1,031 Mn short term issues of commercial paper (*billets de trésorerie* and Euro Commercial Paper)[52];
- €3,389 Mn in bank loans and overdraft, including €2,337 Mn in corporate loans, €1,040 Mn in mortgage loans and €11 Mn in bank overdrafts.

No loans were subject to prepayment clauses linked to the Group's ratings[53].



The Group's debt remains well diversified with a predominant proportion of bond financing, in which the Group has a long track record.

1.2. Funds Raised

Medium to long-term financing transactions completed in H1-2012 amounted to €1.25 Bn and include:

- The issue of a public EMTN bond in March 2012 for an amount of €750 Mn with a 3.00% coupon and duration of 7 years at issuance. This is the lowest coupon ever paid by Unibail-Rodamco for a public Euro bond benchmark;
- The issue of a private EMTN placement in May 2012 for an amount of €200 Mn with a 3.196% coupon and a duration of 10 years at issuance;
- The refinancing of a mortgage loan in May 2012 for an amount of €100 Mn with a new maturity of 5 years and a margin of 100 bps over 6-month Euribor;
- The signing of a SEK1,750 Mn (equivalent to €0.2 Bn[54]) credit facility in April 2012 with a maturity of 4 years, with a margin of 165 bps over 3-month Stibor equivalent to 115 bps over 3-month Euribor at signing.

In total €950 Mn were raised on the bond market in H1-2012 at an average margin of 108 bps over mid-swaps for an average duration of 7.6 years, vs. 148 bps on average in 2011 for an average duration of 6.4 years.

In addition Unibail-Rodamco accessed the money market by issuing commercial paper. The average amount of commercial paper outstanding in H1-2012 was €949 Mn (€559 Mn on average in 2011), including €915 Mn of *Billets de Trésorerie* and €34 Mn of Euro Commercial Paper (maturity of up to 3 months). *Billets de trésorerie* were raised over H1-2012 at an average margin of 6 bps above Eonia and Euro Commercial Paper at an average negative margin of 6 bps below Euribor.

[51] Figures may not add up due to rounding.
[52] Short term paper is backed by confirmed credit lines (see 1.2).
[53] Barring exceptional circumstances (change in control).

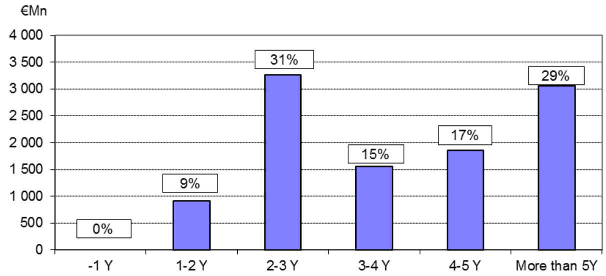
[54] Based on a EUR/SEK exchange rate of 8.9752.

As at June 30, 2012, the total amount of undrawn credit lines came to €3,467 Mn.

The cash on-hand is €52 Mn as the Group uses a European cash pooling system optimising the use of liquidity across the Group.

1.3. Debt maturity

The following chart illustrates Unibail-Rodamco's debt as at June 30, 2012 after the allocation of the confirmed credit lines (including the undrawn part of the bank loans) by date of maturity and based on the residual life of its borrowings.



About 60% of the debt had a maturity of more than 3 years as at June 30, 2012 (after taking into account undrawn credit lines).

The average maturity of the Group's debt as at June 30, 2012, taking into account the confirmed unused credit lines, remains stable at 4.4 years (vs 4.5 years as at December 2011).

<u>Liquidity needs</u>

Unibail-Rodamco's immediate debt repayment needs are covered by the available undrawn credit lines: the amount of bonds or bank loans outstanding as at June 30, 2012 and maturing or amortising within a year[55] is €1,878 Mn (including one €500 Mn bond to be repaid in December 2012) compared with €3,467 Bn of undrawn credit lines outstanding as at June 30, 2012.

1.4. Average cost of Debt

Unibail-Rodamco's average cost of debt came to 3.5% over H1-2012 (3.6% over 2011). This average cost of debt results from the level of margins on existing and new borrowings, the Group's hedging instruments in place, the cost of carry of the undrawn credit lines, and to a lower extent from the low interest rate environment in H1-2012.

[55] Excluding Commercial Paper's repayment amounting to €1,031 Mn.

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 June 28, 2012 and maintained its stable outlook.

On March 23, 2012, Fitch confirmed the "A" long term rating to the Group with a stable outlook. Fitch also rates "F1" the short-term issuances of the Group.

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. The Group's exposure to equity risk is immaterial.

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

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

Due to its use of derivatives to minimise its interest rate and currency risks, the Group is exposed to potential counterparty defaults. The counterparty risk is the risk of replacing the derivative transactions at current market rates in the case of default.

3.1. Interest rate risk management

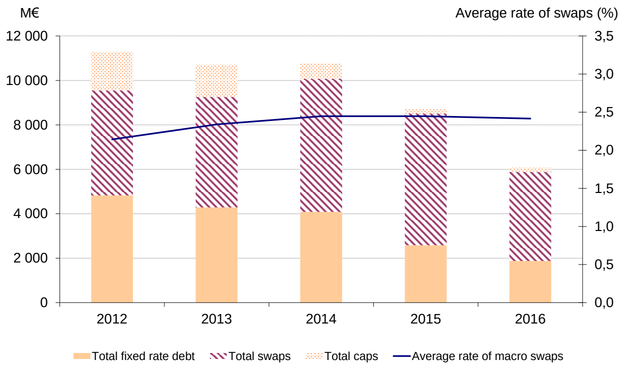
Interest rate hedging transactions

During H1-2012, interest rates came down in a deteriorating macro-economic environment.

- After reviewing the interest rate exposure of the Group as at December 31, 2011, the Group cancelled €500 Mn of swaps in January 2012.
- In June 2012 taking into account its latest debt projection and the interest rate environment, Unibail-Rodamco restructured existing swaps to increase their maturity:
  - from January 2015 to January 2019 for a notional amount of €1 Bn;

- from January 2016 to January 2018 (with an option for the bank to extend by another 2 years), for a notional amount of €0.8 Bn.

Annual projection of average hedging amounts and fixed rate debt over the next 5 years (€ Mn – as at June 30, 2012)



The graph above shows:

- The part of debt which is kept at 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.

Note that, when applying IFRS, Unibail Holding did not opt to classify its financial hedging instruments as a cash flow hedge. As a result, any fair value changes in these instruments are recognised in the income statement.
Rodamco Europe and/or its subsidiaries applied a cash flow hedge accounting policy according to IFRS for some of its derivative instruments.

Measuring interest rate exposure

As at June 30, 2012, net financial debt stood at €10,601 Mn, excluding partners' current accounts and after taking cash surpluses into account (€52 Mn).

The outstanding debt was fully hedged against an increase in variable rates, based on debt outstanding as at June 30, 2012 through both:

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

Based on Unibail-Rodamco's debt position as at June 30, 2012, if interest rates (Euribor, Stibor or Pribor) were to rise by an average of 0.5%[56] (50 basis points) during H2-2012, the resulting increase in financial expenses would have an estimated negative impact of €0.3 Mn on the 2012 recurring net profit. A further rise of 0.5% would have an additional adverse impact of €1.6 Mn. Conversely, a 0.5% (50 basis points) drop in interest rates would decrease financial expenses by an estimated €0.3 Mn and would impact 2012 recurring net profit by an equivalent amount. The anticipated debt of the Group is almost fully hedged for 2012, 2013 and 2014.

3.2. Managing and measuring currency risk exposure

The Group has activities and investments in countries outside the Euro-zone, primarily in Sweden. When converted into euros, the income and value of the Group 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
SEK	1 653,4	-350,5	1 302,9	-137,2	1 165,8
DKK	331,8	-194,5	137,3	135,8	273,1
HUF	3,1	-	3,1	-	3,1
CZK	-	-42,5	-42,5	-	-42,5
PLN	48,4	-	48,4	-	48,4
Total	**2 036,7**	**-587,4**	**1 449,3**	**-1,4**	**1 447,9**

The main exposure kept is in Swedish Krona. A decrease of 10% in the SEK/EUR exchange rate would have a €106 Mn negative impact on shareholders' equity.
The sensitivity of the H2-2012 recurring result[57] to a 10% depreciation in the SEK/EUR exchange rate is limited to €0.5 Mn following the implementation of forward exchange rate transactions early in 2012.
The SEK 1,750 Mn credit line signed in April 2012 undrawn as of June 30, 2012 will hedge part of the SEK balance sheet.

[56] 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 in interest rates are calculated above the 3-monh Euribor as of June 30, 2012 of 0.653%.

[57] The sensitivity is measured by applying a change in exchange rate to the net revenues in SEK (net rents – financial expenses - taxes), based on an EUR/SEK exchange rate of 8.9752.

4. Financial structure

As at June 30, 2012, the portfolio valuation (including transfer taxes) of the Unibail-Rodamco group amounted to €27,462 Mn.

Debt ratio

As of June 30, 2012, the Loan-to-Value ratio (LTV) calculated for Unibail-Rodamco stood at 38%, slightly increasing from the level of 37% as of December 31, 2011.

Interest coverage ratio

The Interest Coverage Ratio (ICR) for Unibail-Rodamco came to 3.6x for H1-2012. It is in line with the solid levels achieved in recent years and stable from 2011.

Financial ratios	Jun. 30, 2012	Dec. 31, 2011
LTV[58]	38%	37%
ICR[59]	3.6x	3.6x

Those ratios show ample headroom vis-à-vis bank covenants usually set at 60% for LTV and 2x for ICR.

As at June 30, 2012, 92% of the Group's credit facilities and bank loans allowed indebtedness amounting to 60% or more of the Group's total asset value or of the value of the asset of the borrowing entity, as the case may be.

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

[58] Loan-to-Value (LTV) = Net financial debt / Total portfolio valuation including transfer taxes. Total Portfolio valuation includes consolidated portfolio valuation (€27,462 Mn as at June 30, 2012 vs. €25,924 Mn as at December 31, 2011) and the valuation of Unibail-Rodamco's 7.25% stake in Société Foncière Lyonnaise (€111 Mn as at June 30, 2012 vs. €113 Mn as at December 31, 2011).

[59] Interest Cover Ratio (ICR) = Recurring Ebitda / Recurring Net Financial Expenses (including capitalised interest); Recurring Ebitda being calculated as [total recurring operating results and other income less general expenses, excluding depreciation and amortisation].

EPRA PERFORMANCE MEASURES

In compliance with the EPRA[60] best practices recommendations[61], Unibail-Rodamco summarises below the Key Performance Measures over H1-2012.

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.

		H1-2012	H1-2011	2011
EPRA Earnings	€ Mn	453.4	434.9	829.6
EPRA Earnings / share	€ / share	4.94	4.74	9.03
Growth EPRA Earnings / share	%	4.2%	0.9%	-2.6%

Note:

2011 results were affected by the €1.83 Bn exceptional distribution of October 2010, and the asset rationalisation programme, with asset sales at yields significantly above the cost of borrowing.

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 chapter, included in this report.

		June 30, 2012	Dec. 31, 2011	June 30, 2011
EPRA NAV	€ / share	138.90	137.50	130.00
EPRA NNNAV	€ / share	130.70	130.70	127.00
% change over 1 year	%	2.9%	4.9%	14.4%

Note:

June 30, 2011 % of change over 1 year adjusted from the impact of the €20/share exceptional distribution of October 2010.

60 EPRA: European Public Real estate Association.
61 Best Practices Recommendations, issued in August 2011. See www.epra.com.

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, 2012		Dec. 31, 2011	
	Retail (3)	**Offices** (3)	**Retail**	**Offices**
Unibail-Rodamco yields	**5.4%**	**6.9%**	**5.5%**	**6.6%**
Effect of vacant units	0.0%	-0.9%	0.0%	-0.8%
Effect of EPRA adjustments on NRI	0.0%	0.0%	0.1%	0.0%
Effect of estimated transfer taxes and transaction costs	-0.2%	-0.2%	-0.2%	-0.2%
EPRA topped-up yield (1)	**5.3%**	**5.8%**	**5.4%**	**5.7%**
Effect of lease incentives	-0.2%	-0.4%	-0.1%	-0.2%
EPRA Net Initial Yield (2)	**5.1%**	**5.4%**	**5.2%**	**5.5%**

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) As at June 30, 2012, the yields calculated do not include the Zlote Tarasy complex.

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, 2012	Dec. 31, 2011	June 30, 2011
Retail			
France	2.1%	1.7%	1.9%
Netherlands	2.7%	4.1%	3.7%
Nordic	3.5%	2.7%	3.4%
Spain	2.1%	2.2%	0.9%
Central Europe	0.4%	0.6%	0.3%
Austria	2.0%	1.1%	3.4%
Group average Retail	**2.1%**	**1.9%**	**2.0%**
Offices			
France	10.5%	6.5%	7.0%
Group average Offices	**11.0%**	**7.3%**	**8.2%**