unibail·rodamco

FINANCIAL REPORT – First Half 2017

I. ACCOUNTING PRINCIPLES AND SCOPE OF CONSOLIDATION

Accounting principles

Unibail-Rodamco's consolidated financial statements as at June 30, 2017 were prepared in accordance with International Financial Reporting Standards ("IFRS") as applicable in the European Union as at such date.

No changes were made to the accounting principles applied for the year ended December 31, 2016.

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

Scope of consolidation

There has been no significant change in the scope of consolidation since December 31, 2016.

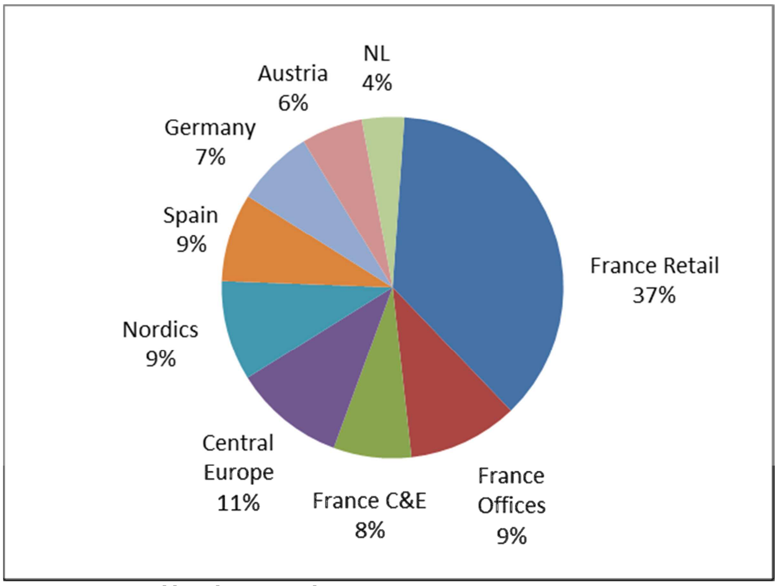
As at June 30, 2017, 299 companies were fully consolidated, six companies were consolidated under "joint operation" (as defined by IFRS 11) and 22 companies were accounted for using the equity method[2].

Operational reporting

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

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

The chart below shows the split of Gross Market Values (GMV) per region as at June 30, 2017, including assets accounted for using the equity method[4].



Figures may not add up due to rounding.

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[1] EPRA Best Practices Recommendations are available on the EPRA website: www.epra.com
[2] Mainly the Rosny 2 shopping centre in France, the Zlote Tarasy complex in Poland, and the CentrO, Gropius Passagen, Paunsdorf and Ring-Center shopping centres in Germany.
[3] Central Europe includes Ring-Center, accounted for using the equity method.
[4] Except property service companies (Espace Expansion and Unibail-Rodamco Germany property services).

II. BUSINESS REVIEW BY SEGMENT

1. Shopping Centres

1.1 Shopping centre activity in H1-2017

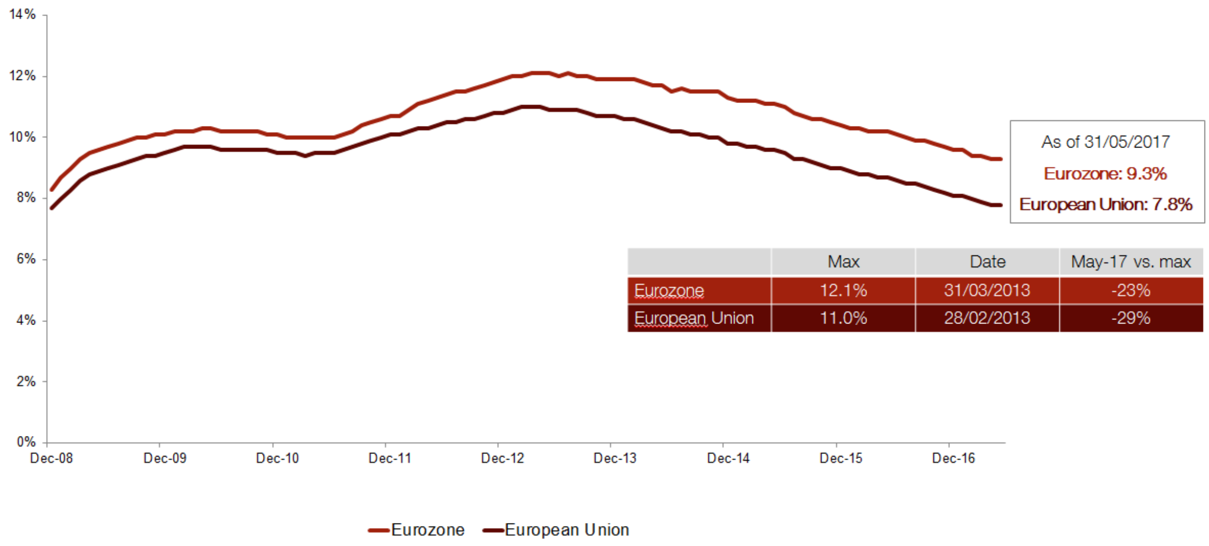
Economic environment

The European economy continues to grow steadily. GDP growth in 2017 for the European Union[5] (EU) and the Eurozone is forecast to reach +1.9% and +1.7%, respectively, broadly in line with the GDP growth reported in 2016 (+1.9% and +1.8%, respectively).

Growth is sustained by supportive macroeconomic policies, improvement of world trade, relatively low euro exchange rates and healthy job creation.

Unemployment levels[6] as of May 2017 have decreased to 7.8% in the EU and 9.3% in the Eurozone (both -90 bps lower compared to May 2016). These are the lowest recorded rates since December 2008 for the EU and March 2009 for the Eurozone.

Unemployment rates in the EU and the Eurozone (December 2008-2016)



	Max	Date	May-17 vs. max
Eurozone	12.1%	31/03/2013	-23%
European Union	11.0%	28/02/2013	-29%

Although investment and wage growth has not yet accelerated significantly, policy uncertainty is beginning to fade away following elections in Austria, The Netherlands and France.

The weighted average forecast for 2017 GDP growth of +2.0% in Unibail-Rodamco's regions compares with expectations of +1.9% for the EU as a whole.

[5] Source: European Commission, European Economic Forecast, Spring 2017 (released in May 2017). https://ec.europa.eu/info/publications/economy-finance/european-economic-forecast-spring-2017_en
[6] Source: Eurostat, May 2017 (released on July 3, 2017). http://ec.europa.eu/eurostat/documents/2995521/8094245/3-03072017-AP-EN.pdf/aced038e-2af1-4a7a-a726-7e8d20d840c0

Region / Country	GDP	
	2017 Forecast	2016 Actual
European Union (EU)	**1.9%**	**1.9%**
Eurozone	**1.7%**	**1.8%**
France	1.4%	1.2%
Czech Republic	2.6%	2.4%
Poland	3.5%	2.7%
Slovakia	3.0%	3.3%
Spain	2.8%	3.2%
Sweden	2.6%	3.3%
Finland	1.3%	1.4%
Denmark	1.7%	1.3%
Austria	1.7%	1.5%
Germany	1.6%	1.9%
Netherlands	2.1%	2.2%

Source: European Economic Forecast, Spring 2017.

Footfall[7]

The number of visits to Unibail-Rodamco's shopping centres through June 30, 2017, was up by +0.4% compared to the same period in 2016, driven by strong growth in March and May.

In France, footfall grew by +0.4% through May 31, 2017, +341 bps more than the French national footfall index[8]. Footfall in the Group's Parisian[9] shopping centres increased by +1.1% through May 31, 2017.

Footfall growth in Germany (+1.7%[10]), Central Europe (+1.7%), the Nordics (+3.4%) and Austria (+0.7%) was strong. Footfall in the Group's Dutch shopping centres was affected by the closing of V&D (a department store chain) in April 2016 (Stadshart Amstelveen saw a decline in footfall of -4.9%). Footfall in Unibail-Rodamco's Spanish assets declined by -1.2%, outperforming the -2.1% decline in the national footfall index.

[7] Except as indicated otherwise, footfall data are year-to-date through May 2017 and include shopping centres accounted for under the equity method (Rosny 2, CentrO and Paunsdorf) but not Jumbo as it is not managed by the Group. Footfall in Unibail-Rodamco's shopping centres in portfolio of shopping centres in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, newly acquired assets and assets under heavy refurbishment. For the H1-2017 reporting period, shopping centres excluded due to delivery or ongoing works were Carré Sénart and Carré Sénart Shopping Park, Galerie Gaité, La Part-Dieu, Parly 2, Glòries, Bonaire, Centrum Chodov, Mall of The Netherlands and Gropius Passagen.
[8] Reference is the CNCC (*Conseil National des Centres Commerciaux*) index.
[9] Les Quatre Temps, CNIT, Forum des Halles, Carrousel du Louvre and Les Boutiques du Palais.
[10] vs. -3.4% for the national footfall index.

Tenant sales[11]

Through May 31, 2017, Unibail-Rodamco's tenant sales in all regions increased by +2.7% compared to the same period last year, +148 bps better than the aggregate national sales index[12]. Excluding assets under contract to be sold or in a disposal process, the Group's tenant sales grew by +3.2%. The longstanding trend of tenant sales increasing faster than footfall reflects the continuous increase of both conversion rates and customers spending baskets since 2013[13].

Region	Tenant Sales Growth (%) (May 2017)	Performance versus National Sales Index (bps)
France	+2.9	+374
Central Europe	+5.4	+234
Spain	+2.0	-84
Nordic	+4.4	+245
Austria	+0.7	-186
Germany	+0.7	-211
Total	**+2.7**	**+148**

- In France, tenant sales increased by +2.9% through May 2017, outperforming the IFLS index by +374 bps and the CNCC index by +454 bps. Tenant sales were especially strong in Euralille (+29.2%), Forum des Halles (+19.2%), Polygone Riviera (+14.3%), Carrousel du Louvre (+6.0%) and Vélizy 2 (+5.8%). Tenant sales in Les Quatre Temps continued to be impacted by concerns about terrorism, whereas tenant sales in Aéroville were negatively impacted by the closing of C&A and the announced closing of Marks & Spencer.

- In Central Europe, tenant sales growth was particularly robust (+5.4%), outperforming the national sales index by +234 bps, with especially strong sales in Aupark (+9.3%), Galeria Mokotow (+7.4%), as a result of the opening of the Designer Gallery, and Galeria Wilenska (+6.6%).

- In Spain, tenant sales grew by +2.0%, -84 bps below the national sales index. This is due to the bankruptcy of a tenant (Blanco: ten stores in the Group's Spanish portfolio) in 2016, and the departure of Miro from La Maquinista in July 2016, replaced by Decathlon, which opened in June 2017. As at June 30, 2017, nine out of the ten Blanco stores have been relet.

- In the Nordics, tenant sales grew by +4.4%, outperforming the national sales index by +245 bps, mainly due to Mall of Scandinavia (+16.9%) and Täby Centrum (+8.0%). This was partly offset by Solna (-1.9%). Excluding assets under contract to be sold or in a disposal process, the Group's Nordics tenant sales grew by +7.7%.

- In Austria, tenant sales underperformed the national sales index due to the re-letting earlier this year of two large units that have not opened yet but which were occupied last year.

- In Germany, strong tenant sales growth in Palais Vest (+5.2%), Ruhr Park (+4.3%) and Höfe am Brühl (+4.7%) were partially offset by CentrO (-4.5%), mainly due to re-letting operations (stores closed during their fitting out).

The Group has during the last few years sought to increase the proportion of tenants offering visitors a high quality retail offer and experience. During H1-2017, sales of tenants in the sports (+9.9%), dining (+4.9%), health & beauty (+4.9%),

[11] Except as indicated otherwise, tenant sales data are year-to-date through May 2017 and include shopping centres accounted for using the equity method (Rosny 2, CentrO and Paunsdorf) but not Jumbo as it is not managed by the Group. Tenant sales performance in Unibail-Rodamco's shopping centres (excluding The Netherlands) in portfolio of shopping centres in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, newly acquired assets and assets under heavy refurbishment. For the H1-2017 reporting period, shopping centres excluded due to delivery or ongoing works were Carré Sénart and Carré Sénart Shopping Park, Galerie Gaité, La Part-Dieu, Parly 2, Glòries, Bonaire, Centrum Chodov and Gropius Passagen. Primark sales are based on estimates.

[12] Based on latest national indices available (year-on-year evolution) as at May 2017: France: Institut Français du Libre Service (IFLS)-excluding food; Spain: Instituto Nacional de Estadistica; Central Europe: Česky statisticky urad (Czech Republic), Polska Rada Centrow Handlowych (Poland) (as at April 2017), Eurostat (Slovakia); Austria: Eurostat; the Nordics: HUI Research (Sweden), Danmarks Statistik (Denmark), Eurostat (Finland); Germany: Destatis-Genesis, excluding online only operators and fuel sales (Federal Statistical Office). Including online only sales for France, Spain, Austria, the Czech Republic and Slovakia and excluding online only sales for Germany, the Nordics and Poland.

[13] Constant perimeter from 2013 to 2016 (49 shopping centres studied). Conversion rate: percentage of visitors who have made at least one purchase in the shopping centre. Average spending basket: average spending per visit in all stores (including hypermarket), restaurants and entertainment areas of all clients who have made at least one purchase.

entertainment (+3.8%), and jewellery (+3.8%) segments have realised solid growth in the Group's shopping centres. Retailers in the gifts (-3.2%), and bags & footwear & accessories (-1.3%) segments saw a weaker performance during the period. Fashion apparel sales increased by +1.7%.

Unibail-Rodamco's top ten tenants as a percentage of total retail rents

% of total rents	**14.5%**
Largest tenant	4.2%
Inditex	
H&M	
Mango	
Printemps	
Media Markt / Saturn	
FNAC	
Vivarte	
Sephora	
UGC	
Go Sport	

Tenant sales in the Group's shopping centres increased by +2.5% through June 30, 2017, compared to the same period in 2016. Excluding assets under contract to be sold or in a disposal process, the Group's tenant sales grew by +2.9%. Summer sales in France started one week later than in 2016 (June 28 vs. June 22). Consequently, June retail sales in France were impacted by shoppers postponing purchases until the start of the sales period.

Leasing

The Group signed 755 leases in H1-2017 on consolidated standing assets, compared to 795 deals signed in H1-2016.
The Minimum Guaranteed Rent uplift[14] and the tenant rotation rate[15] were +13.5%, exceeding the Group's objectives for the period (+14.3% excluding assets under contract to be sold or in a disposal process), and 6.4%, respectively. (*See section 1.4 below*).

The Group continues to focus on differentiation and has improved the retail offer of its shopping centres through deals signed with International Premium Retailers (IPR[16]). As at June 30, 2017, 111 deals had been signed with IPRs compared to 96 in H1-2016, representing an increase of +15.6%.

Many emblematic retailers have chosen the Group's shopping centres to open their first mono-brand store in a country or in a shopping centre, including:

- Nespresso: 1st new concept in Continental Europe in a shopping centre, in Galeria Mokotow;
- Uniqlo: 1st store in a shopping centre in Spain in Glòries;
- NYX: 1st store in a shopping centre in Germany in CentrO;
- Wagamama: 1st store in a shopping centre in Spain in Parquesur;
- Five Guys: 1st store in a shopping centre in Spain in Parquesur;
- O'Learys: 1st store in The Netherlands in Mall of The Netherlands; and
- Bialetti: 1st store in Austria in Donau Zentrum.

[14] Minimum Guaranteed Rent (MGR) uplift: difference between new MGR and indexed old MGR. Indicator calculated on renewals and relettings only.
[15] Rotation rate: (number of re-lettings + number of assignments and renewals with new concepts) / number of stores. Short term leases are included.
[16] IPR: Retailer with strong and international brand recognition and a differentiating store design and product approach, which the Group believes will increase the appeal of the shopping centres.

In addition, the pre-letting of Wroclavia and the four major extensions to be opened in H2-2017 made solid progress. As at June 30, 2017:

- The Wroclavia brownfield development in downtown Wroclaw is now 97% pre-let[17]. Uterqüe, Tommy Hilfiger, Calvin Klein, Sephora, Adidas are among the brands signed during H1-2017.
- The Parly 2 and Carré Sénart extensions are 85% and 83% pre-let, respectively. Brands such as Rituals, Jott, Oliviers&Co were signed in Parly 2. Armani Exchange, Flying Tiger and Vapiano are among the retailers signed in the Carré Sénart extension, where Zara will relocate to double its store's size to 2,740 m².
- The Centrum Chodov extension is almost fully let at 98%. The Group signed with the Max Mara Group (Max Mara Weekend and Marella), Hugo Boss, Armani Exchange, AW Lab, Vagabon and Lindt.
- Glòries is almost fully let at 98% after the Group secured Uniqlo, Armani Exchange, Kiehl's and Bimba y Lola.

In March 2017, the Group launched the pre-letting for Val Tolosa and Mall of The Netherlands.

Brand Event activities

Specialty leasing revenues amounted to €12.0 Mn, an increase of +11.4% compared to H1-2016.

In line with Unibail-Rodamco's CSR strategy, "Better Places 2030", special events with brands promoting sustainable development were organized:

- Renault promoted the Zoe, its 100% electric car, through a road-show throughout France (So Ouest, La Part-Dieu, Les Quatre Temps, Rennes Alma, Toison d'Or and Euralille);
- Archos, the French pioneer in consumer electronics, opened three pop-up stores in France (Vélizy 2, Rosny 2 and CNIT) to sell its new urban electric mobility line-up;
- Tesla tested the Slovakian market with an event in Aupark in April 2017, following the opening of stores in France (Parly 2, Vélizy 2 and Polygone Riviera) and Sweden (Täby Centrum and Mall of Scandinavia).

The Group further expanded its digital advertising network with the installation of two high definition rotating LED screens (34 m² each), "Iconic Digital Signature", in Vélizy 2 and Rosny 2 following the launch in Aéroville in December 2016.

Extension, renovation and brownfield projects

Deliveries of extensions and renovations have performed very well, and illustrate the importance of the Group's active management of its assets and the benefits of its development pipeline to drive NRI growth.

- Forum des Halles: since the opening of the Canopy in April 2016, performance of the asset has exceeded expectations: +10.1% and +22.2% on a rolling twelve months basis for footfall and tenant sales, respectively. On January 3, 2017, a new 3,926 m^2 unit was delivered to Monoprix with the opening planned for July 2017. Zara opened a new store in April and H&M increased its store size by +31% to 5,260 m².
- Euralille: following the delivery in 2015 of the renovation project, and, in 2016, of a brand new Dining Plaza "Les Tables d'Euralille" and 8,800 m² of additional GLA, including a Primark store, footfall and tenant sales through May 31, 2017 increased by +11.3% and +29.2%, respectively, compared to the same period last year. In addition, in March, Uniqlo opened its first store (1,250 m^2) in northern France.

Destinations and innovation

The roll-out of destination concepts continued, including:

- On March 29, 2017, the Grand Kitchen, the first Dining Experience™ in the Czech Republic, opened in Centrum Chodov. Footfall was strong with more than 15,000 daily visitors in this area during the opening week. The full extension project, including a 5,200 m^2 cinema, will open in H2-2017. Upon delivery of the extension, Centrum Chodov will have more than doubled its dining offer from 26 restaurants to 54 and from 3,256 m² to 10,274 m² GLA.
- In May 2017, CentrO unveiled Centrolino, its new kids entertainment centre, the first step towards the official launch of the Family Experience in 2018.

In 2016, the Group launched a smartphone application, Connect, which allows the Group to communicate directly with all of the tenants' employees working in stores in the Group's shopping centres, as well as share indicators about activity levels and important information regarding maintenance and security. As at June 30, 2017, 20 shopping centres were equipped with the application (six as at December 31, 2016). More than 90% of stores in these shopping centres have adopted Connect, enabling more than 15,000 employees of retailers to communicate with shopping centre management in

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

real time. The application is continuously improved to offer new functionalities enhancing the Group's processes and the flow of information, particularly in the event of a crisis.

In May 2017, five new start-ups joined UR Link, the Group's accelerator, for its third season. This initiative, launched in partnership with NUMA (a leading Paris-based start-up incubator), offers start-ups the opportunity to develop and prototype their concept throughout the Group's portfolio. These start-ups were selected among 140 candidates based on three main themes: develop more sustainable places, create new offers and services, and offer better know-how and engagement with visitors of the Group's shopping centres. Unibail-Rodamco has deployed some of UR Link's most promising start-ups, including "Dress In The City", in a number of shopping centres in France, and Merito in its Parisian assets. "Dress in the City" is a second hand market place to buy and sell fashion online and in pop-up stores. As at June 30, 2017, it had a community of more than 80,000 users. Merito is a platform helping retailers recruit qualified employees. During the first test, Merito helped recruit 45 employees in Parly 2, while creating a pool of candidates of several hundred people. Karos, a short-distance carpooling company, was launched in Vélizy 2 in January. More than 300 employees of the shopping centre have been registered, generating more than 100 rides per week.

Marketing and digital

The Group leverages its partnerships with top brands by way of its "Unexpected Shopping" campaign, while developing a strong entertainment offer for its visitors.

In H1-2017, two additional shopping centres joined the "Unexpected Shopping" campaign: Höfe am Brühl in March and Aupark in April 2017. In total, 36 shopping centres in nine countries are now part of the "Unexpected Shopping" campaign.

Unibail-Rodamco has intensified its entertainment strategy. It offers a new immersive experience to its visitors with the Pokémon Go game through its exclusive partnership with Niantic Inc. and The Pokémon Company[18]. On February 18, 2017, the Group launched the Pokémon Go game in 53 shopping centres, 10 countries, and 31 cities. Over 125,000 attended the launch event and more than 2.5 million people in all have enjoyed the game in the shopping centres. Thanks to a very densely equipped game environment, the Group's shopping centres are amongst the best places in Europe to play in the game. Since the launch, monthly Pokémon Go events (the Grass Event, the Egg Festival, the Adventure Week and the Solstice Event) have seen a +20% increase in the number of players on launch days.

The Group also renewed promotions with brands such as LEGO, Warner Bros and Samsung, and organized events with new partners, such as "Unexpected Oceans" with the World Wildlife Fund. The Virtual Reality event tour designed with Samsung has already visited four shopping centres in 2017 (Vélizy 2, Les Quatre Temps, La Part-Dieu and Rennes Alma) and have immersed more than 50,000 participants. These events were reinforced via social media, with over 131,000 views of related videos.

Unibail-Rodamco signed up almost 600,000 new customers to its loyalty program to reach a total of 3.1 million members, a +25% like-for-like increase compared to December 31, 2016[19]. 77% of these new members came through digital channels (web and shopping centre apps) compared to 41% in H1-2016.

The development of digital in-app functionalities to enhance the customer journey continued in H1-2017:
- "Smart Map", deployed in 56 centres, enables visitors to easily locate on their smartphone the shops they are looking for, as well as learn about promotions offered in these stores;
- "Find my car" (ex-"Smart Park") marks a user's parking space to guide the user back to the parked car. It has now been deployed in 14 shopping centres (+7 compared to year-end 2016).

In order to deliver on the Group' digital ambitions, a significant investment in digital infrastructure is being made:
- 37 shopping centres[20] are now equipped with indoor positioning technology;
- The Group has finalized the deployment of a new state-of-the-art CMS (Content Management System) that allows to manage content simultaneously for websites, mobile applications and interactive directories in all its shopping centres;
- The Group's customer knowledge strategy has reached a key milestone with the delivery of the VDF (Visitor Data Framework);
- A new CRM solution (Customer Relationship Management) is being implemented to interact with customers registered in the shopping centres' loyalty program.

[18] Exclusivity for all shopping centres in Continental Europe (excluding Russia) for seven months, and in the catchment area of the 58 Unibail-Rodamco shopping centres concerned for the following six months.
[19] As of June 30, 2017, in 53 shopping centres.
[20] Total scope, including three managed assets in Germany.

1.2. Net Rental Income H1-2017

As at June 30, 2017, the Group owned 83 retail assets, of which 71 are shopping centres. 55 of these host six million or more visits per annum and represent 97% of the Group's retail portfolio[21] GMV. Unless otherwise indicated, all references to rents, contributions from affiliates, leases signed and capital expenditures relate to those generated, signed or made during the period ended June 30, 2017.

Total consolidated Net Rental Income (NRI) of the shopping centre portfolio amounted to €670.0 Mn, an increase of +4.1% from H1-2016, mainly due to like-for-like growth of +3.4% and the positive impact of deliveries in Spain, France and Central Europe.

Region	Net Rental Income (€Mn)		
	H1-2017	H1-2016	%
France	303.2	295.3	2.7%
Central Europe	83.5	80.1	4.3%
Spain	79.5	71.5	11.2%
Nordic	75.2	72.7	3.5%
Austria	52.1	47.9	8.6%
Germany	47.1	45.0	4.8%
Netherlands	29.4	30.9	-4.8%
TOTAL NRI	**670.0**	**643.4**	**4.1%**

Figures may not add up due to rounding.

The total net change in NRI amounted to +€26.6 Mn compared to H1-2016 due to:

- +€11.0 Mn from the delivery of shopping centres or new units, mainly in Spain (in Glòries and Bonaire), France (Forum des Halles) and Central Europe.
- +€1.2 Mn from the acquisition of additional units, mainly in France.
- -€1.6 Mn due to assets moved to the pipeline, mainly in France and The Netherlands (Mall of The Netherlands project).
- -€1.9 Mn due to a negative currency translation effect from SEK.
- -€2.2 Mn due to disposals of assets, mainly in Spain (Sant Cugat in December 2016) and Central Europe (Europark in April 2016).
- +€20.1 Mn of like-for-like growth. The like-for-like NRI[22] growth of +3.4% exceeded indexation by +270 bps, in line with the Group's objective of like-for-like NRI growth of between 200 and 300 bps above indexation. The growth was negatively impacted by several one-off items and by an increase of doubtful debtors and vacancy, including units kept vacant in anticipation of an expected reletting (strategic vacancy), mainly in France and the Nordics. Excluding assets under contract to be sold or in a disposal process, the like-for-like NRI grew by +3.6% (290 bps above indexation).

Region	Net Rental Income (€Mn) Like-for-like		
	H1-2017	H1-2016	%
France	265.3	260.6	1.8%
Central Europe	77.5	74.7	3.8%
Spain	72.1	68.5	5.3%
Nordic	75.3	72.2	4.2%
Austria	51.8	47.9	8.0%
Germany	47.1	44.7	5.5%
Netherlands	24.3	24.8	-1.8%
TOTAL NRI Lfl	**613.4**	**593.3**	**3.4%**

Figures may not add up due to rounding.

[21] On standing assets, including value of equity in the companies accounted for using the equity method.

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

Region	Net Rental Income Like-for-like evolution (%)			
	Indexation	Renewals, relettings net of departure	Other	Total
France	0.1%	1.9%	-0.2%	1.8%
Central Europe	1.2%	3.8%	-1.2%	3.8%
Spain	1.0%	2.8%	1.6%	5.3%
Nordic	1.8%	1.0%	1.5%	4.2%
Austria	0.8%	2.7%	4.5%	8.0%
Germany	0.9%	2.6%	2.0%	5.5%
Netherlands	0.3%	-6.7%	4.6%	-1.8%
TOTAL	**0.7%**	**1.9%**	**0.8%**	**3.4%**

The +3.4% like-for-like NRI growth reflects indexation of +0.7%, compared to +0.3% in H1-2016, the solid performance in renewals and relettings (+1.9% vs. +2.0% in H1-2016) and less "Other" (+0.8% vs. +1.5 % in H1-2016). In Central Europe and France, "Other" was negative (-1.2% and -0.2%, respectively) mainly due to an increase in doubtful debtors and reversal of provisions in H1-2016. In Austria, "Other" was positively impacted by a decrease in doubtful debtors and a reversal of a provision for litigation. In The Netherlands, the negative impact of renewals and departures was partially offset by the leasing of vacant units, a decrease in doubtful debtors and the release of a provision.

Across the portfolio, SBR represented 3.7% (€24.7 Mn) of NRI, vs. 3.3% (€20.9 Mn) in H1-2016. This increase is mainly due to the success of Mall of Scandinavia and Fisketorvet in the Nordics.

1.3. Contribution of affiliates

The total recurring Contribution of affiliates[23] for the shopping centre portfolio amounted to €41.6 Mn, compared to €35.5 Mn in H1-2016.

Region	Contribution of affiliates (€Mn)		
	H1-2017 Recurring activities	H1-2016 Recurring activities	Change
France	4.0	3.3	0.7
Central Europe	22.8	17.2	5.7
Spain	0.1	0.4	- 0.3
Germany	14.6	14.6	0.0
TOTAL	**41.6**	**35.5**	**6.1**

Figures may not add up due to rounding.

The total net increase of +€6.1 Mn is due to:

- In France, one-off abortive costs on a development project in H1-2016;
- In Central Europe, the Group reimbursed a participating loan held by funds managed by CBRE Global Investors, resulting in a positive impact on the contribution of affiliates for the region;
- In Spain, the decrease is due to the full consolidation of Benidorm since June 2016; and
- In Germany, the good performance in Paunsdorf was offset by the impact of higher vacancy in CentrO during reletting periods.

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

1.4. Leasing activity in H1-2017

The Group signed 755 leases on consolidated standing assets (compared to 795 leases in H1-2016) for €85.0 Mn of MGR. The average MGR uplift on renewals and relettings was +13.5% (compared to +20.6% in H1-2016 and +17.4% in 2016), exceeding the Group's targets for the period. Excluding assets under contract to be sold or in a disposal process, the MGR uplift for the period was +14.3%. The uplift in H1-2017 was the result of the reversion in Austria, Spain and France, partially offset by a lower MGR uplift in the Nordics and the negative uplift in The Netherlands (-4.3% compared to -8.2% in H1-2016). In H1-2016, the MGR uplift was particularly high, primarily due to unusually strong leasing in France (in the Forum des Halles standing part, Parly 2 and Les Quatre Temps).

Region	Lettings / re-lettings / renewals excl. Pipeline				
	nb of leases signed	m²	MGR (€ Mn)	MGR uplift Like-for-like	
				€ Mn	%
France	171	60,828	27.9	3.0	16.7%
Central Europe	161	20,488	13.6	1.2	11.4%
Spain	155	32,254	16.2	2.6	22.0%
Nordic	108	32,004	11.6	0.3	3.4%
Austria	64	8,469	6.1	1.1	25.5%
Germany	40	4,652	2.2	0.2	10.7%
Netherlands	56	32,526	7.2	- 0.2	-4.3%
TOTAL	**755**	**191,221**	**85.0**	**8.2**	**13.5%**

MGR: Minimum Guaranteed Rent

Figures may not add up due to rounding.

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

As at June 30, 2017, the total annualised MGR from Unibail-Rodamco's shopping centre portfolio increased to €1,294.5 Mn (€1,279.6 Mn as at December 31, 2016).

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

Retail	Lease expiry schedule			
	MGR (€Mn) at date of next break option	**As a % of total**	**MGR (€Mn) at expiry date**	**As a % of total**
Expired	29.5	2.3%	29.5	2.3%
2017	127.1	9.8%	41.0	3.2%
2018	234.4	18.1%	81.7	6.3%
2019	276.5	21.4%	113.1	8.7%
2020	200.5	15.5%	130.4	10.1%
2021	126.5	9.8%	123.6	9.6%
2022	96.9	7.5%	151.1	11.7%
2023	50.0	3.9%	120.4	9.3%
2024	34.3	2.7%	81.6	6.3%
2025	36.0	2.8%	116.2	9.0%
2026	21.0	1.6%	89.2	6.9%
2027	10.0	0.8%	55.8	4.3%
Beyond	51.8	4.0%	160.9	12.4%
TOTAL	**1,294.5**	**100%**	**1,294.5**	**100%**

Figures may not add up due to rounding.

The Estimated Rental Values (ERV) of vacant space in operation on the total portfolio increased to €38.5 Mn (from €35.2 Mn as at December 31, 2016).

The EPRA vacancy rate[24] increased to 2.5% as at June 30, 2017 (2.3% as at December 31, 2016) and includes 0.3% of strategic vacancy. Vacancy in The Netherlands is due mainly to the bankruptcy of the department store chain V&D and the departure of a number of tenants in the Group's non-core assets. The vacancy increased in the Nordics mainly due to departures in Täby Centrum and Arlanda. Excluding assets under contract to be sold or in a disposal process, the EPRA vacancy rate was 2.3% as at June 30, 2017.

Region	Vacancy (June 30, 2017)		% Dec. 31, 2016
	€Mn	%	
France	19.7	2.8%	2.8%
Central Europe	0.6	0.3%	0.1%
Spain	2.3	1.1%	1.0%
Nordic	9.3	5.4%	3.3%
Austria	0.8	0.7%	1.2%
Germany	2.5	2.3%	2.2%
Netherlands	3.5	5.6%	6.0%
TOTAL	**38.5**	**2.5%**	**2.3%**

Excluding pipeline
Figures may not add up due to rounding.

The OCR[25] for the Group increased to 14.9% as at June 30, 2017, compared to 14.7% as at December 31, 2016.

Region	OCR	
	30/06/2017	31/12/2016
France	15.6%	15.4%
Central Europe	16.6%	15.9%
Spain	12.3%	12.2%
Nordic	14.2%	13.8%
Austria	16.4%	15.9%
Germany	13.7%	13.7%
Netherlands (1)	-	-
TOTAL	**14.9%**	**14.7%**

(1) Tenant sales not available in The Netherlands.

[24] EPRA vacancy rate: Estimated Rental Value (ERV) of vacant spaces divided by ERV of total surfaces.
[25] Occupancy Cost Ratio: (rental charges + service charges including marketing costs for tenants, all including VAT) / (tenants' sales, including VAT). As tenant turnover is not known for all tenants for The Netherlands, no reliable OCR can be calculated for this country. Primark sales estimates have been taken into account.

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

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

Shopping Centres - June 30, 2017		Rent in € per sqm (a)	CAGR of NRI (b)
France	Max	880	31.6%
	Min	113	-3.4%
	Weighted average	511	4.2%
Central Europe	Max	575	3.1%
	Min	198	2.1%
	Weighted average	409	2.4%
Nordic	Max	498	4.7%
	Min	101	1.1%
	Weighted average	349	3.4%
Spain	Max	805	3.7%
	Min	123	1.4%
	Weighted average	312	3.2%
Germany	Max	460	4.1%
	Min	250	1.9%
	Weighted average	329	3.1%
Austria	Max	388	2.7%
	Min	364	2.3%
	Weighted average	375	2.5%
The Netherlands	Max	403	4.4%
	Min	113	n.m
	Weighted average	248	3.2%
Group	**Max**	**880**	**31.6%**
	Min	**101**	**-3.4%**
	Weighted average	**390**	**3.5%**

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

1.7. Investment and divestment

Unibail-Rodamco invested €528 Mn[26] in its shopping centre portfolio in H1-2017:

- New acquisitions amounted to €10 Mn, mainly units in Forum des Halles and Mall of The Netherlands.
- €432 Mn were invested in construction, extension and refurbishment projects. Significant progress was made on the Carré Sénart, Parly 2, Glòries, Centrum Chodov, Wroclavia and Überseequartier projects (*see also section "Development projects"*).
- Maintenance Capex[27] amounted to €29 Mn.
- Financial, eviction and other costs were capitalised for €6 Mn, €35 Mn and €16 Mn, respectively.

The Group entered into agreements to dispose of several of its small shopping centres in Sweden and one in France. The ongoing disposal of non-core retail assets remains a component of Unibail-Rodamco's value creation strategy.

[26] Total capitalised amount in asset value Group share.
[27] Maintenance Capex relates to works either on equipment or the structure of a standing asset. The primary purpose of Maintenance Capex is to ensure that the asset is in good working order and / or to make minor improvements. These investments can be triggered by obsolescence, maintaining technical performance at market levels or compliance with regulatory requirements. These amounts do not include Maintenance Capex spent as part of the TIC of extension and / or renovation projects and on which the Group's standard Return On Investment (ROI) is expected.

1.8. Overview of German operations[28]

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

To provide a better understanding of the operational performance of the Group's German assets in H1-2017, the following paragraph describes a number of key performance indicators[29] on a pro-forma and 100% basis for the period:

- The total GMV of the German portfolio (fully or partly owned) amounted to €5.3 Bn as at June 30, 2017 (€5.0 Bn as at December 31, 2016);
- The Pipeline amounted to €1.3 Bn as at June 30, 2017, compared to €1.2 Bn as at December 31, 2016;
- The GLA managed amounted to 1.4 million m² and includes 0.8 million m² of owned assets;
- NRI amounted to €102.3 Mn, an increase of +€1.6 Mn compared to H1-2016;
- On a like-for-like basis, NRI grew by +1.3% (including indexation of +0.7%);
- 63 leases were signed for standing assets (82 in H1-2016), with an average MGR uplift of +7.1%;
- The EPRA vacancy rate was 4.3% as at June 30, 2017 (4.9% as at December 31, 2016), mainly driven by a decrease in CentrO thanks to several successful relettings;
- The OCR for tenants was 15.2% as at June 30, 2017 (15.1% as at December 31, 2016).

2. Offices

2.1 Office property market in H1-2017

Take-up

With 1.2 million m² [30] of office space let, the take-up in the Paris region was up by +4% over the same period last year, in line with the average figures of the past 10 years.

Take-up was approximately 76,000 m² [31] in the La Défense market (vs. 174,500 m² in H1-2016, due mainly to two large transactions) and 206,000 m² in the Paris Central Business District (CBD) (vs. 234,300 m² in H1-2016).

The level of transactions over 5,000 m² in the Paris region increased by +14% compared to H1-2016, with 30 transactions for 440,000 m².

Supply and Rental values

The available supply in the Paris region was around 3.6 million m² as at June 30, 2017 (3.5 million m² as at December 31, 2016). The vacancy rate reached 6.5% (6.8% as at December 31, 2016).

The new or refurbished as new supply totals around 562,000 m², representing less than 16% of the available offer at the end of H1-2017.

Paris CBD vacancy stood at an unusually low 2.8%. The level of new or refurbished as new supply is also particularly low, at only 24,000 m². Prime rental values are broadly stable as of June 30, 2017, at around €800/m².

The La Défense vacancy rate stood at 8.6% as at June 30, 2017. The new or refurbished as new supply represents a mere 34,000 m² in three buildings. The highest rental value of H1-2017 was recorded in Coeur Défense, with €505/m², but is not representative of the prime rental value of the area.

Lease incentives in H1-2017 were stable at 21% on average in the Paris Region. They vary by sector, are closely linked to the available supply in such sectors and are expected to contract in the coming months. The CBD has the lowest level of lease incentives, with an average of 15% of the annual face rent.

[28] Includes Office assets, representing 0.7% of total GMV-group share. Excludes Ring-Center.
[29] These operating data are for 100% of the assets for the half-years 2016 and 2017, and therefore cannot be reconciled with the Group's financial statements and key performance indicators.
[30] Source: Immostat.
[31] Source: Cushman & Wakefield.

Investment market

The total volume of transactions in the Paris region amounted to €4.49 Bn in H1-2017, down -15% compared to H1-2016. Despite this drop, the transaction volume at the end of the year is expected to be comparable to prior years, given the number of transactions under way (e.g., Coeur Défense, Adia's portfolio and the OECD campus).

The strong demand, fueled by domestic and Asian investors, compressed yields for prime office assets in Paris CBD towards or below their historical lows of 2007 (e.g., Coruscant in Saint-Denis at 4.10% and West Park in Nanterre at around 4.0%). Prime yields in Paris CBD were around 3.0% during H1-2017. Prime yields in La Défense fell by about 50 bps to around 4.25%.

2.2. Office division activity in H1-2017

Unibail-Rodamco's consolidated NRI from its offices portfolio amounted to €69.6 Mn, a -17.5% decrease compared to the same period last year due primarily to the disposals in 2016.

Region	Net Rental Income (€Mn)		
	H1-2017	H1-2016	%
France	60.7	75.2	-19.3%
Nordic	6.2	6.7	-7.8%
Other countries	2.7	2.4	13.2%
TOTAL NRI	**69.6**	**84.3**	**-17.5%**

Figures may not add up due to rounding.

The decrease of -€14.7 Mn breaks down as follows:

- +€1.0 Mn due to the delivery of Village 3;
- -€0.2 Mn due to currency effects in Sweden;
- -€5.6 Mn mainly due to the transfer of Issy Guynemer to the pipeline;
- -€14.9 Mn due to disposals of 2-8 Ancelle in March 2016, So Ouest offices in July 2016, and 70-80 Wilson and Nouvel Air in October 2016;
- The like-for-like NRI growth was +€5.0 Mn (+7.8%), mainly due to good leasing performance in France, with the signing of the AEW and Paul Hastings leases in Capital 8, as well as the full impact of the Deloitte lease in Majunga.

Region	Net Rental Income (€Mn) Like-for-like		
	H1-2017	H1-2016	%
France	59.7	54.3	9.9%
Nordic	6.4	6.7	-4.8%
Other countries	2.5	2.5	-3.3%
TOTAL NRI Lfl	**68.5**	**63.5**	**7.8%**

Figures may not add up due to rounding.

26,960 weighted square meters (wm²) were leased in standing assets, including 16,465 wm² in France. Lease contracts were signed with AEW, Paul Hastings and Dior in Capital 8 and with NPD Group in Tour Ariane.

Tenants' interest for new or refurbished as new areas remained high, especially in the CBD and La Défense.

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

Office	Lease expiry schedule			
	MGR (€Mn) at date of next break option	As a % of total	MGR (€Mn) at expiry date	As a % of total
Expired	2.1	1.2%	2.1	1.2%
2017	6.0	3.3%	4.4	2.4%
2018	21.0	11.6%	13.5	7.4%
2019	48.9	27.0%	37.9	20.9%
2020	10.4	5.7%	5.1	2.8%
2021	10.2	5.6%	5.3	2.9%
2022	7.8	4.3%	5.4	3.0%
2023	8.0	4.4%	14.3	7.9%
2024	0.5	0.3%	5.8	3.2%
2025	27.8	15.3%	12.7	7.0%
2026	22.8	12.6%	25.8	14.3%
2027	0.2	0.1%	8.0	4.4%
Beyond	15.6	8.6%	41.1	22.6%
TOTAL	**181.3**	**100%**	**181.3**	**100%**

Figures may not add up due to rounding.

ERV of vacant office space in operation amounted to €15.3 Mn as at June 30, 2017, corresponding to a financial vacancy[32] of 7.8% (13.1% as at year-end 2016), including €13.4 Mn and 7.7% (13.4% as at December 31, 2016) in France. This decrease in vacancy is mainly due to the lettings of vacant areas in Capital 8. The vacancy as at June 30, 2017 is mainly due to Les Villages and Tour Ariane.

2.3. Investment and divestment

Unibail-Rodamco invested €56 Mn[33] in its offices portfolio in H1-2017:

- €48 Mn were invested for works and minor acquisitions, mainly in France for the Trinity project in La Défense and for the Versailles Chantiers project (see also section "Development Projects").
- Maintenance Capex amounted to €2 Mn.
- Financial and other costs capitalised amounted to €6 Mn.

On February 23, 2017, Unibail-Rodamco entered into an agreement to dispose of the 36,600 m^2 So Ouest Plaza office and cinema building located in Levallois.

The Group expects to make more disposals in H2-2017.

3. Convention & Exhibition

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

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

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

H1-2017 has been characterized by the following shows:

Annual shows:
- The International Agriculture's show ("SIA") attracted 619,000 visitors, +1.3% vs. 2016;
- The 2017 edition of the "Foire de Paris" attracted 525,805 visitors, +1.5% vs. 2016;

[32] EPRA Vacancy rate = Estimated Rental Value (ERV) of vacant spaces divided by ERV of total surfaces.
[33] Total capitalised amount, Group share.

- The 2nd edition of Vivatech held in Paris Expo Porte de Versailles between June 15 and June 17 attracted over 60,000 visitors (+33% vs. 2016), 500 international speakers and over 6,000 start-ups and exhibitors from over 50 countries.

Biennial shows:
- The 52nd edition of the "Le Bourget International Air Show" (SIAE) was a record-breaking event with almost 2,400 exhibitors from 48 countries and $150 Bn of new orders announced. 322,000 visitors attended, a -8% decrease compared to 2015;
- The "Paris International Agri-Business Show" (SIMA) welcomed 1,770 exhibitors from 42 countries. It attracted approximately 232,000 visits (-3% compared to 2015), including 23% from outside of France.

In March, Samsung chose the Carrousel du Louvre to host the worldwide presentation of its new TV range "The Frame".

EuroPCR, the official congress of the European Association of Percutaneous Cardiovascular Interventions (EAPCI), is the world's leading annual congress in its field. Held in May in Paris, in Palais des Congrès, this event drew more than 12,000 participants.

IFOS, the international congress of the International Federation of Oto-Rhino-Laryngological Societies, was held in Paris in June, in Paris Expo Porte de Versailles. Last hosted in Paris in 1961, this rotating congress gathered more than 8,000 specialists, double the number of participants of the previous edition in Seoul in 2013.

In total, 412 events were held in Viparis venues during H1-2017, of which 145 shows, 52 congresses and 215 corporate events.

Viparis' EBITDA[34] came to €73.4 Mn, an increase of +€3.5 Mn (+5.0%) compared to H1-2015 adjusted for the impact of the triennial Intermat exhibition, due to the growth in the turnover of the corporate events[35] (+22.8%) and congresses (+18.4%) segments. Growth was partially offset by the negative impact of the increase in security costs post the November 13, 2015, terrorist attacks. The EBITDA decreased by -€4.8 Mn (-6.1%) compared to the reported EBITDA (€78.2 Mn) for H1-2015 (latest comparable period).

The first phase of renovation works (2015-2017) on the Porte de Versailles site continued with the construction of the new Welcome Plaza, travelators in the Central Alley, the Meshing facade of Hall 1 by Dominique Perrault, and the renewal of the 72,000 m² Hall 7, to create a new Parisian Convention Centre, including a 5,200-seat plenary room. The opening of the new Paris Convention Centre is scheduled for H2-2017.

The NRI from hotels amounted to €7.6 Mn for the period, compared to €10.0 Mn for H1-2016, as a result of the closure of the Pullman Montparnasse hotel for renovation works.

[34] EBITDA (Viparis): "Net rental income "and "Other site property services income" + "Contribution of affiliates" of Viparis venues.
[35] Excluding CNIT, currently not operated due to the EOLE works.

III. CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR is closely integrated into Unibail-Rodamco's operating, development and investment activities. As early as 2007, Unibail-Rodamco devised an ambitious CSR strategy based on environmental best practices, social fairness and transparent governance.

In September 2016, the Group launched a new long-term programme: “Better Places 2030”. The Group aims to reduce its carbon emissions by -50% by 2030. This strategy is being incorporated into the entire value chain with a wide spectrum of initiatives covering the emissions resulting from the activities of the Group and, for the first time, its stakeholders. In doing so, it is the first listed real estate company to address the very wide scope of indirect carbon emissions resulting from construction works, consumption of energy by tenants and transport used by all users of its sites (employees and visitors).

“Better Places 2030” addresses the main challenges facing commercial real estate for the coming years: moving toward a low-carbon economy, anticipating new modes of sustainable mobility and fully integrating the Group’s business activities with the local communities. The Group is working to develop a favorable ecosystem combining major industrial groups, start-ups and research centres, through cooperation and open innovation partnerships.

Unibail-Rodamco’ global approach revolves around four pillars. As at June 30, 2017, the main achievements are:

- Pillar 1 – Less carbon emissions, better buildings - aims at reducing the carbon footprint by -35% for the construction of new development projects and by -70% for the operations of existing assets by 2030:
    - The carbon methodology for construction and operations has been defined and is being rolled out in active development projects.
    - All five shopping centre projects to be delivered in 2017 are to be equipped with full LED lighting in the common areas.
    - As at June 30, 2017, LED partnerships were signed with retailers for 520 units (5.5% of the total GLA). The updated version of Unibail-Rodamco’s Green Lease for retail has been implemented in each region since May 1 and comprises an environmental appendix, including the obligation to install a LED lighting solution in any new tenant space and to sign a renewable electricity supply contract from 2020 onwards.

- Pillar 2 – Less polluting transport, better connectivity - aims to connect the Group’s shopping centres to sustainable modes of transport, with a goal to reduce the global transport related footprint by -50% by 2030:
    - In addition to the 331 existing charging stations in the Group’s assets, Unibail-Rodamco has designed a new high-speed charging infrastructure which is currently being tendered for six pilot assets: Carré Sénart, Parly 2, Rosny 2, Wroclavia, Glòries and Centrum Chodov.
    - The Group is rolling out Tesla chargers in its shopping centres. As at June 30, 2017, 15 shopping centres had been equipped with such chargers.
    - A mobility action plan has been launched for three pilots (Parly 2, Euralille and Parquesur) to improve access to the shopping centres with sustainable transportation (public transport, car sharing, bicycles, etc.).
    - In June, a pilot project was launched in Carré Sénart with Karos (a car sharing company).

- Pillar 3 – Less local unemployment, better communities - aims to support local employment and economic development. Unibail-Rodamco has developed two initiatives for which every Unibail-Rodamco employee is encouraged to volunteer:
    - “UR for Jobs”, initiated in 2016, is geared at creating job opportunities for young people in the Group’s shopping centres with retailers and service providers. It is now being rolled out in 11 shopping centres, of which nine in H1-2017 with 61 job matches.
    - “Solidarity Days” have been organized in shopping centres in close partnership with NGOs supporting youth development. Eight events have taken place in H1-2017 with more than 1,000 young people supported.

- Pillar 4 – Less top down, better collective power - aims to ensure that all Unibail-Rodamco employees are engaged in Better Places.
    - Since January 2017, CSR objectives have been integrated into the variable compensation applied to all Management Board members, the Group Management Team and all Country Management teams. CSR objectives will be extended to all Group employees by January 2018.
    - Specific CSR KPIs are now included in all the Group’s business processes.
    - For the third season of UR link, two French startups focusing on waste recycling (Phenix) and low carbon simulation for buildings (Combo) have been selected to help the Group meet Better Places 2030 objectives.
    - Unibail-Rodamco also cooperates with large corporates such as Engie and Keolis.

Environmental certifications as at June 30, 2017:
- The Group had 48 of its shopping centres certified "BREEAM In-Use", accounting for 2.7 million m² consolidated GLA, representing 82% of the owned and managed shopping centre portfolio by GLA, and €24.9 Bn in GMV.
- 71% of the "BREEAM In-Use" certificates were "Outstanding" for the "Building Management" (part 2) component, compared to 12% only for the European Real Estate[36] markets. The Group obtained new BREEAM "Excellent" certificates (design stage) for new development projects: Wroclavia and the Centrum Chodov extension.

Unibail-Rodamco engaged actively with equity and debt investors regarding its "Better Places 2030" programme. On April 19, a SRI Day was organized with Société Générale. On May 22, Unibail-Rodamco was confirmed in the Euronext Vigeo indexes: World 120, Eurozone 120, Europe 120 and France 20. The Group was confirmed in June as industry leader in the updated Sustainalytics rating (Sustainalytics is used for the STOXX® Global ESG Leaders indices).

IV. H1-2017 RESULTS

Other property services net operating result from property services companies in France, Spain and Germany was €18.0 Mn. The recurring part amounted to €19.2 Mn, an increase of +€2.8 Mn compared to H1-2016, mainly due to France.

Other Income of +€0.9 Mn is related to one-off items resulting mainly from litigation.

General expenses amounted to -€55.6 Mn, all recurring, compared to -€54.8 Mn in H1-2016, an increase of +€0.8 Mn mainly due to the impact of an increase in staff costs and IT spending to modernize and upgrade the Group's information systems. As a percentage of NRI from shopping centres and offices, recurring general expenses were flat at 7.5%. As a percentage of GMV of shopping centres and offices, recurring expenses stood at 0.14% (0.15% for H1-2016).

Development expenses incurred for feasibility studies of projects and potential acquisitions amounted to +€0.9 Mn in recurring expenses (-€1.9 Mn in H1-2016), resulting from a one-off indemnity received for an office development project cancelled a few years ago.

Recurring financial result totalled -€112.1 Mn (after deduction of capitalised financial expenses of €9.3 Mn allocated to projects under construction). This represents a -€19.3 Mn decrease compared to H1-2016.

The Group's average cost of debt[37] decreased to 1.4% (vs. 1.6% for 2016).
Unibail-Rodamco's financing policy is described in section "Financial Resources".

Non-recurring financial result amounted to -€20.9 Mn, which breaks down as follows:

- -€75.9 Mn due to the marking-to-market of derivatives. Unibail-Rodamco recognises the change in value of its derivatives directly in the income statement;
- +€23.5 Mn mark-to-market of the ORNANEs issued in 2012, 2014 and 2015;
- +€31.0 Mn of currency impact mainly resulting from the revaluation of bank accounts and debt issued in foreign currencies. The offsetting cost of the cross currency swap was recorded in the mark-to-market of derivatives as these transactions were fully hedged;
- +€0.5 Mn of debt discounting and other minor items.

Income tax expenses are due to the Group's activities in countries where specific tax regimes for property companies[38] do not exist and from activities in France not eligible for the SIIC regime, mainly in the Convention & Exhibition business.

Income tax allocated to the recurring net result amounted to -€1.8 Mn compared to -€0.2 Mn in H1-2016.

Non-recurring income tax expenses amounted to -€25.2 Mn (-€112.1 Mn in H1-2016), due mainly to the increase of deferred tax liabilities as a result of the revaluation of the Group's real estate assets. This amount also includes the 3% tax

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[36] Source: BRE Global BREEAM In-Use Data, BREEAM ES and BREEAM NL data as at December 31, 2016 – 200 retail assets certified under BREEAM In-Use international 2015 (Part 2).
[37] Average cost of debt = Recurring financial expenses (excluding the ones on financial leases and the ones related to partners' current accounts) + capitalized financial expenses (excluding non-recurring financial expenses such as mark-to-market and termination costs of financial instruments including bonds repurchased, currency impact) / average net debt over the period.
[38] In France: SIIC (Société d'Investissements Immobiliers Cotée).

levied on cash dividends paid by French companies. The tax due in 2017 on the dividend paid in March and July 2017 for the fiscal year ended December 31, 2016 is -€8.1 Mn.

Non-controlling interests in the consolidated recurring net result after tax amounted to €94.1 Mn compared to €89.5 Mn in H1-2016. Minority interests in France held by third parties relate to shopping centres (€48.4 Mn, mainly Les Quatre Temps, Parly 2 and Forum des Halles) and the stake of CCIR in Viparis (€25.2 Mn). The non-recurring non-controlling interests amounted to €187.9 Mn in H1-2017, up from €110.3 Mn in H1-2016, an increase due primarily to valuation movements.

Net result - owners of the parent was a profit of €1,462.6 Mn. This figure breaks down as follows:

- €614.0 Mn of recurring net result (+6.7% compared to H1-2016) as a result of strong NRI growth and lower interest expenses and taxes, partially offset by the impact of disposals made in 2016;
- €848.6 Mn of non-recurring result[39] (compared to €709.5 Mn in H1-2016).

The average number of shares and ORAs[40] outstanding during H1-2017 was 99,632,796, compared to 98,964,456 in H1-2016. The increase is mainly due to stock options exercised in 2016 and 2017 (impact of +607,769 on the average number of shares in H1-2017 vs. H1-2016) and to the issuance of performance shares in 2016 and 2017 (impact of +29,420).

Recurring Earnings per Share (recurring EPS) came to €6.16 in H1-2017, representing an increase of +6.0% from the recurring EPS for H1-2016 of €5.81.

V. POST-CLOSING EVENTS

None.

VI. OUTLOOK

Unibail-Rodamco has entered into agreements to dispose of five assets for an aggregate NDP of €526 Mn at an average net initial yield (NIY) of 4.1% and at an average premium of +17.2% over the last unaffected appraisal values. These transactions are expected to close in Q3.

In addition, the Group is engaged in a number of other disposal processes, involving both retail and office assets, for an aggregate of approximately 272,000 m² of consolidated GLA.

Based on the H1-2017 results, the Group confirms its guidance of between €11.80 and €12.00 per share for recurring EPS for the year ending December 31, 2017.

This outlook takes account of the disposal of assets signed as at June 30, 2017, as well as those currently in a disposal process, and assumes successful deliveries of projects in Q4-2017 as well as no deterioration of the general economic or security conditions in Europe.

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

DEVELOPMENT PROJECTS AS AT JUNE 30, 2017

As at June 30, 2017, Unibail-Rodamco's consolidated development project pipeline amounted to €8.1 Bn (€7.5 Bn in group share), corresponding to a total of 1.6 Mn m² Gross Lettable Area (GLA) to be re-developed or added to the Group's standing asset portfolio. The Group retains significant flexibility on its consolidated development portfolio (66% of the total investment cost[41]).

1. Development project portfolio evolution

2017 is expected to be an active year for development projects, with five deliveries planned for H2:

- The Wroclavia shopping centre (scheduled for October);
- The extension and renovation of Centrum Chodov (scheduled for October);
- The extension of Carré Sénart (scheduled for October);
- The opening of fully redeveloped Glòries (scheduled for November);
- The opening of the extension of Parly 2 (scheduled for November).

The Group has also made significant progress on other pipeline projects. Works have started for the Vélizy 2 extension after final administrative authorizations were obtained. Building permits were delivered for the 89,259 m² Sisters and the 85,140 m² Triangle office projects. The Group has been notified of claims against these building permits.

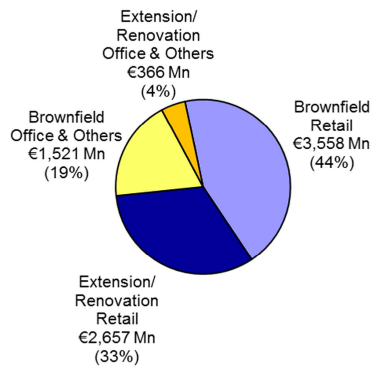
2. Development projects overview

The estimated total investment cost (TIC)[42] of the consolidated development pipeline[43] as at June 30, 2017, amounts to €8.1 Bn (compared to €8.0 Bn as at December 31, 2016). The pipeline does not include projects under development by companies accounted for using the equity method[44] (circa €0.2 Bn in Group share), Convention & Exhibition projects and projects under consideration or for which the Group is competing.

The changes in the TIC (+€68 Mn) and in the GLA (+1,909 m²) result from modifications in the program of existing projects and from the effects of inflation, discounting and currency movements.

The pipeline categories are as follows:

Consolidated development pipeline by category[45]



The €6.2 Bn retail pipeline is split between brownfield projects (57%) and extensions and renovations (43%). The Group currently expects to add 1.3 million m² of GLA, representing an increase of ca. +33% of the Group's existing retail GLA.

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

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

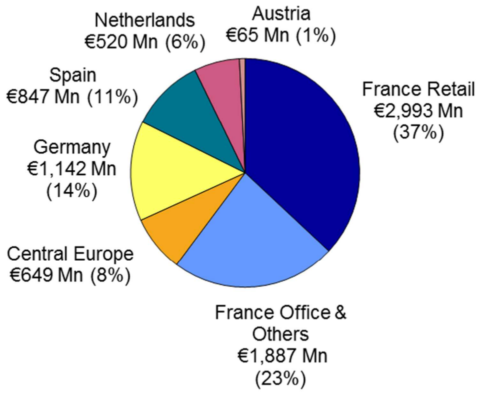
[43] The development pipeline includes only the projects in the shopping centre and offices divisions of the Group. The Porte de Versailles renovation project TIC remaining to be spent is €500 Mn.

[44] Mainly the extension a shopping centre located in Central Europe and the renovation of Gropius shopping centre.

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

Development projects in the Office & Others sector amount to €1.9 Bn. Brownfield projects represent 81% and some 240,000 m^2 of new GLA, of which 73% is expected to be delivered after 2021. The remainder will be invested in the redevelopment or refurbishment of almost 106,000 m² of existing assets. Out of the €1.9 Bn Office & Others pipeline, €531 Mn (28%) are "committed".

Consolidated development pipeline by region[45]



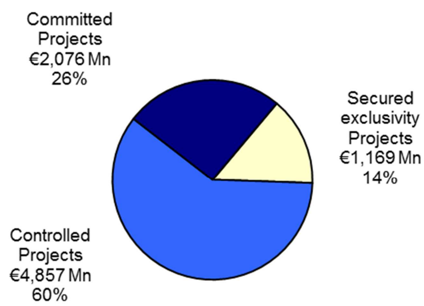
3. A secured and flexible development pipeline

The table below shows the evolution of the development pipeline between December 31, 2016 and June 30, 2017, by commitment categories:

In € Bn	June 30, 2017	December 31, 2016
"Committed" projects [46]	2.1	1.9
"Controlled" projects[47]	4.9	5.0
"Secured Exclusivity" projects[48]	1.2	1.2
Consolidated Total Investment Cost	**8.1**	**8.0**

Figures may not add up due to rounding.

Consolidated development pipeline by phase[45]



Of the €2.1 Bn "Committed" development pipeline, €1.1 Bn has already been spent, with €1.0 Bn still to be invested over the next 3 years. Of this amount, €0.5 Bn has been contracted.

[46] "Committed" projects: projects currently under construction, for which Unibail-Rodamco owns the land or building rights and has obtained all necessary administrative authorizations and permits.
[47] "Controlled" projects: projects in an advanced stage of studies, for which Unibail-Rodamco controls the land or building rights, but where not all administrative authorizations have been obtained yet.
[48] "Secured exclusivity" projects: projects for which Unibail-Rodamco has the exclusivity but where negotiations for building rights or project definition are still underway.

The “Committed” category now includes the Vélizy 2 Leisure extension, following the beginning of the works in March 2017.

The “Controlled” and “Secured exclusivity” development pipeline represents options to create significant value for the Group. €0.7 Bn have already been spent on these two categories.

4. Changes in development pipeline projects in H1-2017

Since December 31, 2016, the delivery dates of some of the Group’s projects have been pushed back, for example:

- The Mall of The Netherlands’ grand opening was delayed by six months because of the tender process with construction companies;
- The Parly 2 Cinema project was delayed by six months due to a delayed agreement with the Group’s partner;
- The Aupark extension project was delayed by five months due to ongoing negotiations with one of the anchor tenants;
- The Garbera extension project was delayed by nine months due to an additional environmental study required by the municipality;
- The 3 Pays project was delayed by five months for the finalization of the accessibility scheme, necessary for authorizations submission.

5. Investments in H1-2017

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

6. Delivered projects in H1-2017

No deliveries were made.

7. Deliveries expected in H2-2017

The following five projects, representing an expected TIC of ca. €911 Mn, are scheduled to be delivered:

- The 80,843 m² development of the Wroclavia shopping centre in Wroclaw;
- The 41,972 m² extension of Centrum Chodov;
- The 29,906 m² extension of Carré Sénart;
- The 7,602 m² extension of Parly 2; and
- The 10,517 m² extension and full redevelopment of Glòries.

The average pre-letting of the retail projects to be delivered by December 2017 stands at 94%[49].

8. Projects overview

See table next page

The aggregate TIC of existing projects slightly increased due to:
- The mechanical effects of inflation, discounting and currency movements;
- Increase of construction costs and/or square meters in some projects (e.g., Issy Guynemer, Parly 2 Cinema, Wroclavia, Mall of The Netherlands, the Garbera extension and Überseequartier).

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

DEVELOPMENT PROJECTS – June 30, 2017

Consolidated Development projects [1]	Business	Country	City	Type	Total Complex GLA (m²)	GLA U-R scope of consolidation (m²)	Cost to date[2] U-R scope of consolidation (€ Mn)	Expected cost [3] U-R scope of consolidation (€ Mn)	Expected Opening date[4]	U-R Yield on cost (%) [5]	Project Valuation
WROCLAVIA	Shopping Centre	Poland	Wrocław	Greenfield / Brownfield	80,843 m²	80,843 m²	213	248	H2 2017		Fair value
CHODOV EXTENSION	Shopping Centre	Czech Rep.	Prague	Extension / Renovation	41,972 m²	41,972 m²	129	168	H2 2017		Fair value
CARRE SENART EXTENSION	Shopping Centre	France	Paris Region	Extension / Renovation	29,906 m²	29,906 m²	140	242	H2 2017		Fair value
PARLY 2 EXTENSION	Shopping Centre	France	Paris Region	Extension / Renovation	7,602 m²	7,602 m²	88	127	H2 2017		Fair value
GLORIES EXTENSION-RENOVATION	Shopping Centre	Spain	Barcelona	Extension / Renovation	10,517 m²	10,517 m²	90	125	H2 2017		Fair value
VERSAILLES CHANTIERS	Office & others	France	Paris Region	Greenfield / Brownfield	16,130 m²	16,130 m²	15	54	H2 2018		At cost
ISSY GUYNEMER	Office & others	France	Paris Region	Redevelopment / Refurbishment	44,734 m²	44,734 m²	11	160	H1 2019		Fair value
TRINITY	Office & others	France	Paris	Greenfield / Brownfield	48,929 m²	48,929 m²	137	317	H1 2019		At cost
VELIZY 2 LEISURE EXTENSION	Shopping Centre	France	Paris Region	Extension / Renovation	18,553 m²	18,553 m²	9	114	H1 2019		At cost
MALL OF THE NETHERLANDS [6]	Shopping Centre	Netherlands	The Hague Region	Extension / Renovation	85,256 m²	85,256 m²	245	520	H2 2019		At cost
Committed Projects					**384,443 m²**	**384,443 m²**	**1,077**	**2,076**		**7.5%**	
VILLENEUVE 2 RENOVATION	Shopping Centre	France	Lille Region	Extension / Renovation	0 m²	0 m²	1	9	H2 2018		At cost
PARLY 2 CINEMA	Shopping Centre	France	Paris Region	Extension / Renovation	3,699 m²	3,699 m²	6	24	H2 2019		At cost
VAL TOLOSA	Shopping Centre	France	Toulouse	Greenfield / Brownfield	97,936 m²	65,308 m²	49	281	H2 2019		At cost
AUPARK EXTENSION	Shopping Centre	Slovakia	Bratislava	Extension / Renovation	7,777 m²	7,777 m²	0	14	H1 2020		At cost
GAITE MONTPARNASSE RETAIL	Shopping Centre	France	Paris	Redevelopment / Refurbishment	27,422 m²	27,422 m²	20	145	H1 2020		At cost
GAITE MONTPARNASSE OFFICES [7]	Office & others	France	Paris	Redevelopment / Refurbishment	61,125 m²	61,125 m²	38	205	H1 2020		At cost
BENIDORM	Shopping Centre	Spain	Benidorm	Greenfield / Brownfield	57,090 m²	57,090 m²	79	209	H1 2020		At cost
VELIZY 2 RETAIL EXTENSION	Shopping Centre	France	Paris Region	Extension / Renovation	17,138 m²	17,138 m²	1	182	H2 2021		At cost
ÜBERSEEQUARTIER	Shopping Centre	Germany	Hamburg	Greenfield / Brownfield	209,566 m²	209,566 m²	196	1,014	H2 2021		At cost
MAQUINEXT	Shopping Centre	Spain	Barcelona	Extension / Renovation	37,616 m²	37,616 m²	64	169	H2 2021		At cost
PHARE - SISTERS	Office & others	France	Paris	Greenfield / Brownfield	89,259 m²	89,259 m²	61	629	H1 2022		At cost
TRIANGLE	Office & others	France	Paris	Greenfield / Brownfield	85,140 m²	85,140 m²	12	522	H1 2022		At cost
NEO	Shopping Centre	Belgium	Brussels	Greenfield / Brownfield	126,333 m²	126,333 m²	11	566	Post 2022		At cost
BUBNY	Shopping Centre	Czech Rep.	Prague	Greenfield / Brownfield	55,114 m²	55,114 m²	23	218	Post 2022		At cost
OTHERS					187,517 m²	187,517 m²	127	671			
Controlled Projects					**1,062,732 m²**	**1,030,104 m²**	**688**	**4,857**		**8% target**	
CARRE SENART ADD'L EXT.	Shopping Centre	France	Paris Region	Extension / Renovation	3,476 m²	3,476 m²	0	20	H2 2018		At cost
LA PART DIEU EXTENSION	Shopping Centre	France	Lyon	Extension / Renovation	27,975 m²	27,975 m²	11	310	H1 2020		At cost
GARBERA EXTENSION	Shopping Centre	Spain	San Sebastián	Extension / Renovation	20,445 m²	20,445 m²	1	114	H2 2020		At cost
SCS WEST EXTENSION	Shopping Centre	Austria	Vienna	Extension / Renovation	7,047 m²	7,047 m²	0	65	H1 2021		At cost
3 PAYS	Shopping Centre	France	Hésingue	Greenfield / Brownfield	85,720 m²	85,720 m²	4	397	H2 2021		At cost
OTHERS					53,129 m²	53,129 m²	12	262			
Secured Exclusivity Projects					**197,792 m²**	**197,792 m²**	**28**	**1,169**		**8% target**	
U-R Total Pipeline					**1,644,966 m²**	**1,612,338 m²**	**1,792**	**8,101**		**8% target**	
					Of which additionnal area	1,398,841 m²					
					Of which redevelopped area	213,497 m²					

Development projects accounted under equity method [1]	Business	Country	City	Type	Total Complex GLA (m²)	GLA U-R share (m²)	Cost to date[2] U-R share (€ Mn)	Expected cost [3] U-R share (€ mn)	Expected Opening date[4]	U-R Yield on cost (%) [5]
GROPIUS	Shopping Centre	Germany	Berlin	Extension / Renovation	471 m²	94 m²	10	25	H2 2019	
Committed Projects					**471 m²**	**94 m²**	**10**	**25**		**8% target**
OTHERS [8]					105,104 m²	52,552 m²	5	171		
Controlled Projects					**105,104 m²**	**52,552 m²**	**5**	**171**		**8% target**
U-R Total Pipeline - Projects under equity method					**105,575 m²**	**52,646 m²**	**15**	**196**		**8% target**

1. Figures subject to change according to the maturity of projects.
2. Excluding financial costs and internal costs capitalized.
3. Excluding financial costs and internal costs capitalized. The costs are discounted as at June 30, 2017.
4. In the case of staged phases in a project, the date corresponds to the opening of the last phase.
5. Annualized expected rents net of expenses divided by the TIC.
6. The extension and renovation of Leidsenhage. Units acquired for the project are included in the cost to date at their acquisition cost.
7. Includes the refurbishment of a hotel of 49,273 m².
8. Under confidentiality agreement.

NET ASSET VALUE AS AT JUNE 30, 2017

Unibail-Rodamco's EPRA triple Net Asset Value (NNNAV)[50] amounted to €195.30 per share as at June 30, 2017, an increase of +6.3%, or +€11.60, from €183.70 as at December 31, 2016. This increase of +€11.60 is the result of: (i) the value creation of +€15.95 per share representing the sum of: (a) the revaluation of property and intangible assets and capital gain on disposals of +€9.36 per share, (b) the H1-2017 Recurring Earnings Per Share of +€6.16, (c) foreign exchange difference and other items for +€0.16 per share, (d) the change of transfer taxes and deferred tax adjustments of +€0.14 per share, and (e) the accretive effect of the instruments giving access to Group's shares of +€0.13 per share; (ii) the impact of the payment of the interim dividend of -€5.10 per share in March 2017; and (iii) the positive impact of the mark-to-market of debt and financial instruments of +€0.75 per share.

The Going Concern NAV[51] (GMV based), measuring the fair value on a long term, ongoing basis, came to €213.60 per share as at June 30, 2017, up by +6.0%, or +€12.10, compared to €201.50 as at December 31, 2016.

The Group's EPRA NAV per share increased by +5.4% to €206.20 as at June 30, 2017, compared to €195.60 as at December 31, 2016.

1. PROPERTY PORTFOLIO

Demand for real estate remained at robust levels despite elections in a number of European countries. Investment volumes in European commercial real estate[52] amounted to €109 Bn in H1-2017, representing an increase of +17% vs. the same period in 2016. Excluding the United Kingdom, volumes increased by +19%. Retail investment volumes accounted for 23% of total volumes, of which shopping centres represented 40%.

In Continental Europe, volumes were underpinned by transactions in Central and Eastern Europe. The Czech Republic was the largest market, with Poland and Hungary registering healthy levels of investment as well. Demand for prime and core property assets remained high across all sectors. Scarcity of prime assets has caused investors to move up the risk curve and look at non-prime assets in secondary cities. Recent transactions indicate yields declined further. Based on these transactions and strong rental growth in the market, appraisers lowered yields further.

During the period, Unibail-Rodamco's shopping centre portfolio GMV increased by +2.6% or +€723 Mn on a like-for-like basis compared to December 31, 2016. The growth in retail GMV was driven by a rental effect (+1.4%) and yield compression (+1.1%). Shopping centres attracting six million or more visits per annum, which represent 97% of the Group's retail portfolio[53], experienced a like-for-like growth in GMV of +2.7%, while malls with ten million or more visits grew by +3.3% on a like-for-like basis. The value of the Group's Spanish shopping centre portfolio experienced the highest increase with +4.0% on a like-for-like basis, of which +1.2% driven by yield compression supported by benchmark transactions in the country. The like-for-like GMV growth of the Central European and French shopping centres was +3.4% and +3.3%, respectively.

The value of the Group's office portfolio increased by +8.8% on a like-for-like basis as a result of yield compression (+7.2%), following reference transactions in Paris CBD and La Défense. Unibail-Rodamco's office portfolio in the Paris region saw a like-for-like GMV growth of +9.7%, of which +8.2% due to a yield effect.

The Convention & Exhibition portfolio value grew by +4.7% on a like-for-like basis in H1-2017 as a result of lower discount rates used by appraisers, as well as the progress made on the Porte de Versailles development project, in turn lowering the risk of the development.

Unibail-Rodamco's asset portfolio, including transfer taxes, amounted to €42,491 Mn as at June 30, 2017, compared to €40,495 Mn as at December 31, 2016. On a like-for-like basis, the GMV of the Group's portfolio increased by +3.3% or +€1,154 Mn net of investments.

[50] EPRA NNNAV (triple net asset value): corresponds to the Going concern NAV per share less the estimated transfer taxes and capital gain taxes.
[51] Going Concern NAV: the amount of equity per share needed to replicate the Group's portfolio with its current financial structure.
[52] Source: JLL.
[53] In term of GMV as at June 30, 2017, including values of shares in assets accounted for using the equity method.

Asset portfolio valuation of UNIBAIL-RODAMCO (including transfer taxes) (a)	June 30, 2017		Like-for-like change net of investment - first half year 2017 (b)		December 31, 2016	
	€ Mn	%	€ Mn	%	€ Mn	%
Shopping centres	34,538	81%	723	2.6%	33,082	82%
Offices	4,379	10%	299	8.8%	4,045	10%
Convention-Exhibition centres	3,177	7%	132	4.7%	2,970	7%
Services	397	1%	-	0.0%	397	1%
Total	**42,491**	**100%**	**1,154**	**3.3%**	**40,495**	**100%**

Figures may not add up due to rounding.
(a) Based on a full scope of consolidation, including transfer taxes and transaction costs (see §1.5 for Group share figures).
The portfolio valuation includes:
- The appraised or at cost value of the entire property portfolio, when fully consolidated or under joint operation;
- The equity value of Unibail-Rodamco's investments in assets accounted for using the equity method (mainly CentrO, Ring-Center, Gropius Passagen and Paunsdorf shopping centres in Germany, the Zlote Tarasy complex in Poland and part of Rosny 2 in France). The equity value of Unibail-Rodamco's share investments in assets accounted for using the equity method amounted to €1,772 Mn as at June 30, 2017, compared to €1,708 Mn as at December 31, 2016.
The valuations take into account the negative cash flows related to rents paid on concessions or leaseholds, which are accounted for as financial debt in the consolidated balance sheet.
The portfolio does not include financial assets such as the €1,379 Mn of cash and cash equivalents on the Group's balance sheet as at June 30, 2017.
(b) Excluding currency effect, investment properties under construction, assets accounted for using the equity method and changes in the scope (including acquisitions, disposals and deliveries of new projects) during H1-2017. Changes in scope consist mainly of:
- Acquisitions of retail units in Leidsenhage for the Mall of The Netherlands project and in Forum des Halles;
- Acquisition of the land in Hamburg for the Überseequartier project.
The like-for-like change in portfolio valuation is calculated excluding changes described above.

Appraisers

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

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

Appraiser	Property location	% of total portfolio
Cushman & Wakefield	France / The Netherlands / Central Europe	46%
JLL	France / Germany / Nordic / Spain / Austria	40%
PwC	France / Germany	8%
At cost or under sale agreement.		6%
		100%

Figures may not add up due to rounding.

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

Valuation methodology

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

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

Valuation scope

As at June 30, 2017, 94% of Unibail-Rodamco's portfolio was appraised by independent appraisers.

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

IPUC are taken at fair value once management considers that a substantial part of the project's uncertainty has been eliminated, such that a reliable fair value can be established. Unibail-Rodamco uses generic guidelines to establish the residual 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[54]) as deemed appropriate by the independent appraiser. In some cases, both methods were combined to validate and cross-check critical valuation parameters.

The Glòries project continues to be taken into account by appraisers in the valuation of the standing asset.

The Parly 2, Carré Sénart and Centrum Chodov extension and renovation projects as well as the Wroclavia project and the Issy Guynemer refurbishment project have been assessed at fair value since December 31, 2016.

Refer to the table in the Section "Development Projects as at June 30, 2017" for an overview of valuation methods used for development projects.

The remaining assets of the portfolio (6%) were valued as follows:

- At cost for IPUC for which a reliable value could not yet be established. These include assets under development: renovation projects and Trinity, Versailles Chantiers, Vélizy 2 extension, Mall of The Netherlands, as well as all development projects included in the "Controlled" and "Secured exclusivity" categories (see section "Development Projects" for more details);
- At bid value for assets under sale agreement: So Ouest Plaza (Office and cinema), Arlanda Retail and Hotel, Örebro Retail and Bobigny 2.

1.1. Shopping Centre portfolio

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

Evolution of Unibail-Rodamco's shopping centre portfolio valuation

The value of Unibail-Rodamco's shopping centre portfolio grew from €33,082 Mn as at December 31, 2016, to €34,538 Mn as at June 30, 2017, including transfer taxes and transaction costs.

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

Valuation 31/12/2016 (€ Mn)	33,082	
Like-for-like revaluation	723	
Revaluation of non like-for-like assets	92	(a)
Revaluation of shares	61	(b)
Capex / Acquisitions	567	
Disposals	- 0	(c)
Constant Currency Effect	13	(d)
Valuation 30/06/2017 (€ Mn)	**34,538**	

Figures may not add up due to rounding.
(a) Non like-for-like assets include IPUC valued at cost or at fair value, and projects such as the Parly 2, Carré Sénart, Centrum Chodov and Glòries extension and renovation projects, and the Wroclavia brownfield project.
(b) Revaluation of the shares in companies holding the assets accounted for using the equity method.
(c) Value as at 31/12/2016.
(d) Currency impact of €13 Mn mainly in the Nordics, before offsets from foreign currency loans and hedging programs.

Based on an asset value excluding estimated transfer taxes and transaction costs, the shopping centre division's net initial yield decreased to 4.3% as at June 30, 2017, from 4.4% as at December 31, 2016.

Shopping Centre portfolio by region - June 30, 2017	Valuation including transfer taxes in € Mn	Valuation excluding estimated transfer taxes in € Mn	Net inital yield (a) June 30, 2017	Net inital yield (a) Dec. 31, 2016
France (b)	15,441	14,867	4.0%	4.1%
Central Europe (c)	4,680	4,639	4.9%	4.9%
Nordic	3,564	3,483	4.3%	4.4%
Spain	3,728	3,650	4.7%	4.8%
Germany	3,114	2,993	4.6%	4.5%
Austria	2,412	2,400	4.2%	4.3%
The Netherlands	1,599	1,519	5.0%	5.0%
Total (d)	**34,538**	**33,552**	**4.3%**	**4.4%**

Figures may not add up due to rounding.
(a) Annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under development or held by companies accounted for using the equity method are not included in the calculation.
(b) The effect of including key money in the region's net rental income would increase the net initial yield to 4.3% as at June 30, 2017.
(c) Ring-Center is included in the Central Europe region.
(d) Valuation amounts in € include the Group's share equity investments in assets accounted for using the equity method.

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

Valuation of Shopping Centre portfolio (including transfer taxes)	June 30, 2017		December 31, 2016	
	€ Mn	%	€ Mn	%
France	15,441	45%	14,807	45%
Central Europe	4,680	14%	4,385	13%
Nordic	3,564	10%	3,490	11%
Spain	3,728	11%	3,556	11%
Germany	3,114	9%	2,908	9%
Austria	2,412	7%	2,356	7%
The Netherlands	1,599	5%	1,579	5%
Total (a)	**34,538**	**100%**	**33,082**	**100%**

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

Sensitivity

Sensitivity to net initial yield change

Figures may not add up due to rounding.

A change of +25 basis points in net initial yield, the main output of the appraisal models, would result in a downward adjustment of -€1,711 Mn (or -5.5%) of the shopping centre portfolio value (excluding assets under development or accounted for using the equity method), including transfer taxes and transaction costs.

Like-for-like analysis

On a like-for-like basis, the value of the shopping centre portfolio, including transfer taxes and transaction costs and after accounting for works, capitalized financial and leasing expenses and eviction costs, increased by +€723 Mn (or +2.6%). This increase was the result of a rent and yield impact of +1.4% and +1.1%, respectively.

Shopping Centre - Like-for-like (LxL) change (a)				
Half year 2017	**LxL change in € Mn**	**LxL change in %**	**LxL change - Rent impact**	**LxL change - Yield impact (b)**
France	412	3.3%	0.1%	3.2%
Central Europe	110	3.4%	3.9%	-0.5%
Nordic	49	1.4%	2.6%	-1.2%
Spain	127	4.0%	2.8%	1.2%
Germany	20	0.9%	1.6%	-0.6%
Austria	27	1.2%	1.9%	-0.8%
The Netherlands	- 22	-1.8%	-1.5%	-0.3%
Total	**723**	**2.6%**	**1.4%**	**1.1%**

Figures may not add up due to rounding.
(a) Like-for-like change net of investments from December 31, 2016 to June 30, 2017, excluding assets accounted for using the equity method.
(b) Yield impact calculated using the change in potential yields (to neutralize changes in vacancy rates) and taking into account key money.

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

Shopping Centre - Like for Like (LxL) change by footfall category (a)				
Half year 2017	LxL change in € Mn	LxL change in %	LxL change - Rent impact	LxL change - Yield impact (b)
6 Mn visits and above	723	2.7%	1.6%	1.0%
Below 6 Mn visits	- 0	0.0%	-2.5%	2.5%
Total	**723**	**2.6%**	**1.4%**	**1.1%**

Figures may not add up due to rounding.
(a) Like-for-like change net of investments from December 31, 2016 to June 30, 2017, excluding assets accounted for using the equity method.
(b) Yield impact calculated using the change in potential yields (to neutralize changes in vacancy rates) and taking into account key money.

On a like-for-like basis, the value of the shopping centres attracting 10 million or more visits per annum increased by +3.3% (+2.4% rent impact and +0.9% yield impact).

Since December 31, 2011, the increase in the quality of the Group's shopping centres has resulted in a +47.4% increase in value[55] per square meter, from €6,102 to €8,996 as of June 30, 2017. On a like-for-like basis[56], the net revaluation amounted to +39.4% of which +22.3% due to a rent effect and +17.1% due to yield compression.

1.2. Office portfolio

Evolution of Unibail-Rodamco's office portfolio valuation

The value of the office portfolio increased to €4,379 Mn as at June 30, 2017 from €4,045 Mn as at December 31, 2016, including transfer taxes and transaction costs:

Valuation 31/12/2016 (€ Mn)	**4,045**	
Like-for-like revaluation	299	
Revaluation of non like-for-like assets	- 11	(a)
Revaluation of shares	3	(b)
Capex / Acquisitions	42	
Disposals	-	
Constant Currency Effect	1	(c)
Valuation 30/06/2017 (€ Mn)	**4,379**	

Figures may not add up due to rounding.
(a) Non like-for-like assets including investment properties under construction or refurbishment valued at cost or at fair value, including assets such as Issy Guynemer impacted by a project as at June 30, 2017.
(b) Revaluation of the shares in Zlote Tarasy offices (Lumen and Skylight) accounted for using the equity method.
(c) Currency impact of €1 Mn in the Nordics, before offsets from foreign currency loans and hedging programs.

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

Valuation of Office portfolio (including transfer taxes)	June 30, 2017		December 31, 2016	
	€ Mn	%	€ Mn	%
France	3,934	90%	3,614	89%
Nordic	193	4%	190	5%
Central Europe	162	4%	153	4%
Germany	36	1%	35	1%
Austria	39	1%	39	1%
The Netherlands	16	0%	14	0%
Total	**4,379**	**100%**	**4,045**	**100%**

Figures may not add up due to rounding.

55 Gross Market Value per m² of the Group's standing shopping centres, excluding assets consolidated under the equity method.
56 Analysis made on a constant like-for-like standing perimeter from December 31, 2011 to June 30, 2017 (assets owned by the Group as of December 31, 2011 through June 30, 2017).

For occupied offices and based on an asset value excluding estimated transfer taxes and transaction costs, the office division's net initial yield fell by -44 bps to 5.4% as at June 30, 2017.

Valuation of occupied office space - June 30, 2017	Valuation including transfer taxes in € Mn (a) (b)	Valuation excluding estimated transfer taxes in € Mn (b)	Net inital yield (c) June 30, 2017	Net inital yield (c) Dec. 31, 2016
France	3,270	3,169	5.2%	5.7%
Nordic	175	170	7.4%	7.5%
Central Europe (b)	148	148	8.5%	8.5%
Germany	33	32	5.5%	5.5%
Austria	35	35	6.9%	6.7%
The Netherlands	4	3	14.5%	17.3%
Total	**3,664**	**3,556**	**5.4%**	**5.8%**

Figures may not add up due to rounding.
(a) Valuation of occupied office space as at June 30, 2017, based on the appraiser's allocation of value between occupied / vacant space.
(b) Central Europe valuation includes the Group share equity investments in Zlote Tarasy offices (Lumen and Skylight), held by companies accounted for using the equity method.
(c) Annualized contracted rents (including latest indexation) and other income net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. Zlote Tarasy offices (Lumen and Skylight), held by companies accounted for using the equity method, and the 7 Adenauer office building (occupied by Unibail-Rodamco) are not included in this calculation.

Sensitivity

A change of +25 basis points in net initial yield, the main output of the appraisal models, would result in a downward adjustment of -€184 Mn (-4.9%) of the office portfolio value (occupied and vacant spaces, excluding assets under development or accounted for using the equity method), including transfer taxes and transaction costs.

Like-for-like analysis

The value of Unibail-Rodamco's office portfolio, including transfer taxes and transaction costs, and after accounting for the impact of works and capitalized financial and leasing expenses, increased by +€299 Mn (+8.8%) on a like-for-like basis, due to a rent effect of +1.7% and yield compression of +7.2%.

Offices - Like-for-like (LxL) change (a)				
Half year 2017	**LxL change in € Mn**	**LxL change in %**	**LxL change - Rent impact**	**LxL change - Yield impact (b)**
France	300	9.7%	1.5%	8.2%
Nordic	- 2	-1.0%	3.5%	-4.6%
Central Europe	0	1.5%	1.2%	0.3%
Germany	1	2.7%	3.2%	-0.5%
Austria	- 0	-0.3%	3.1%	-3.4%
The Netherlands	- 0	-3.8%	n.m	n.m
Total	**299**	**8.8%**	**1.7%**	**7.2%**

Figures may not add up due to rounding.
(a) Like-for-like change net of investments from December 31, 2016 to June 30, 2017. Does not include assets accounted for using the equity method.
(b) Yield impact calculated using the change in potential yields (to neutralize changes in vacancy rates).

French Office portfolio

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

French Office portfolio by sector - June 30, 2017	Valuation (including transfer taxes)	
	€ Mn	%
La Défense	2,087	53%
Levallois-Issy	737	19%
Paris CBD & others	1,109	28%
Total	**3,934**	**100%**

Figures may not add up due to rounding.

For occupied offices and based on an asset value excluding estimated transfer taxes and transaction costs, the French office division's net initial yield came to 5.2%, reflecting a -45 bps yield compression during H1-2017.

Valuation of French occupied office space - June 30, 2017	Valuation including transfer taxes in € Mn (a)	Valuation excluding estimated transfer taxes in € Mn	Net inital yield (b) June 30, 2017	Average price €/m² (c)
La Défense	1,718	1,656	6.2%	7,806
Levallois-Issy	529	519	4.4%	10,220
Paris CBD and others	1,023	993	3.9%	15,525
Total	**3,270**	**3,169**	**5.2%**	**9,451**

Figures may not add up due to rounding.
(a) Valuation of occupied office space as at June 30, 2017, based on the appraiser's allocation of value between occupied and vacant spaces.
(b) Annualized contracted rent (including latest indexation) net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. Excludes 7 Adenauer (occupied by Unibail-Rodamco).
(c) Average price, excluding estimated transfer taxes, per square meter for occupied office space based on the appraiser's allocation of value between occupied and vacant spaces. The computation takes into account the areas allocated to company restaurants. Average prices were restated for car parks with a basis of €30,000 per unit for Paris CBD and Levallois-Issy and €15,000 for other areas. Excludes 7 Adenauer (occupied by Unibail-Rodamco).

1.3. Convention & Exhibition portfolio

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

Valuation methodology

The valuation methodology adopted by PwC for the venues is mainly based on a discounted cash flow model applied to total net income projected over the life of the concession or leasehold (net of the amounts paid for the concession or leasehold) if it exists, or otherwise over a 10-year period, with an estimate of the asset value at the end of the given time period, based either on the residual contractual value for concessions or on capitalized cash flows over the last year, including capex to be spent on Porte de Versailles project for €500 Mn.

The discounted cash flow methodology has been adopted for the Cnit Hilton and the Novotel Confluence hotels as at June 30, 2017. The Pullman Montparnasse hotel is now valued at cost due to the Gaité Montparnasse project.

Evolution of the Convention & Exhibition valuation

The value of Convention & Exhibition centres and hotels, including transfer taxes and transaction costs, grew to €3,177 Mn[57] as at June 30, 2017:

Valuation 31/12/2016 (€ Mn)	**2,970**	(a)
Like-for-like revaluation	132	
Revaluation of non like-for-like assets	0	
Capex / Acquisitions	74	
Valuation 30/06/2017 (€ Mn)	**3,177**	(b)

Figures may not add up due to rounding.
(a) Of which €2,747 Mn for Viparis (including Palais des Sports) and €223 Mn for hotels (including the hotel projects in Porte de Versailles). Excluding the convention & exhibition space in Carrousel du Louvre and CNIT, 100%-owned by Unibail-Rodamco, the valuation for Viparis (including Palais des Sports) was €2,555 Mn.
(b) Of which €2,911 Mn for Viparis (including Palais des Sports) and €266 Mn for hotels (including the hotel projects in Porte de Versailles). Excluding the convention & exhibition space in Carrousel du Louvre and CNIT, 100%-owned by Unibail-Rodamco, the valuation for Viparis (including Palais des Sports) is €2,718 Mn.

On a like-for-like basis, net of investments, the value of Convention & Exhibition properties and hotels is up +€132 Mn (+4.7%) compared to December 31, 2016.

Convention & Exhibition - Like-for-Like change net of investment	**Half year 2017**	
	€ Mn	**%**
Viparis and others (a)	127	4.6%
Hotels	5	7.0%
Total	**132**	**4.7%**

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

Based on these valuations, the average EBITDA yield (recurring earnings before interest, tax, depreciation and amortization divided by the value of assets, excluding estimated transfer taxes and transaction costs) of Viparis' consolidated venues decreased by -23 basis points from December 31, 2016, to 5.1% as at June 30, 2017.

1.4. Services

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

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

1.5. Group share figures for the property portfolio

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

	Full scope consolidation		Group share	
Asset portfolio valuation - June 30, 2017	€ Mn	%	€ Mn	%
Shopping centres	34,538	81%	30,077	82%
Offices	4,379	10%	4,355	12%
Convention & Exhibition	3,177	7%	1,817	5%
Services	397	1%	318	1%
Total	**42,491**	**100%**	**36,568**	**100%**

Asset portfolio valuation - December 31, 2016	€ Mn	%	€ Mn	%
Shopping centres	33,082	82%	28,791	83%
Offices	4,045	10%	4,022	12%
Convention & Exhibition	2,970	7%	1,693	5%
Services	397	1%	318	1%
Total	**40,495**	**100%**	**34,824**	**100%**

Like-for-like change - net of Investments - Half year 2017	€ Mn	%	€ Mn	%
Shopping centres	723	2.6%	620	2.5%
Offices	299	8.8%	298	8.9%
Convention & Exhibition	132	4.7%	69	4.5%
Services	-	0.0%	-	0.0%
Total	**1,154**	**3.3%**	**987**	**3.3%**

Like-for-like change - net of Investments - Half year 2017 - Split rent/yield impact	Rent impact %	Yield impact %	Rent impact %	Yield impact %
Shopping centres	1.4%	1.1%	1.4%	1.1%
Offices	1.7%	7.2%	1.7%	7.2%

Net Initial Yield	Jun. 30, 2017	Dec. 31, 2016	Jun. 30, 2017	Dec. 31, 2016
Shopping centres (a)	4.3%	4.4%	4.4%	4.4%
Offices - occupied space (b)	5.4%	5.8%	5.4%	5.9%

Figures may not add up due to rounding.

(a) Annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under development or held by companies accounted for using the equity method are not included in the calculation.

(b) Annualized contracted rents (including latest indexation) and other income net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. In Central Europe, Zlote Tarasy offices (Lumen and Skylight), held by companies accounted for using the equity method, and the 7 Adenauer office building (occupied by Unibail-Rodamco) are not included in this calculation.

1.6. Additional Valuation parameters - IFRS 13

Unibail-Rodamco complies with the IFRS 13 fair value measurement and the position paper[58] on IFRS 13 established by EPRA, the representative body of the publicly listed real estate industry in Europe.

Considering the limited public data available, the complexity of real estate asset valuations, as well as the fact that appraisers use in their valuations the non-public rent rolls of the Group's assets, Unibail-Rodamco believes it appropriate to classify its assets under Level 3. In addition, unobservable inputs, including appraisers' assumptions on growth rates and exit yields, are used by appraisers to determine the fair value of Unibail-Rodamco's assets.
In addition to the disclosures provided above, the following tables provide a number of quantitative data in order to assess the fair valuation of the Group's assets.

Shopping Centres

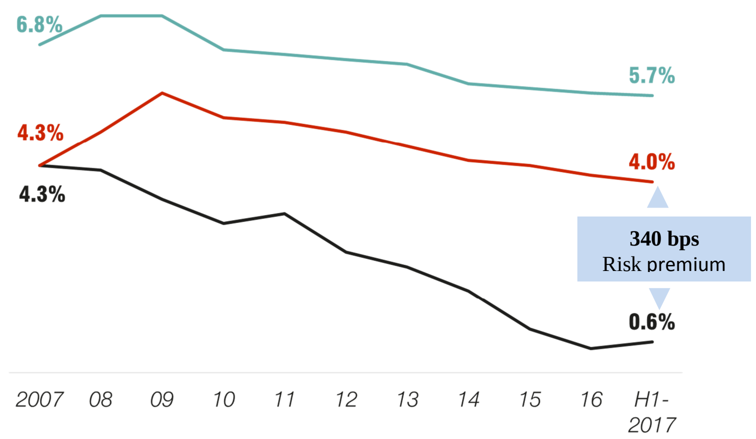
All shopping centres are valued using the discounted cash flow and / or yield methodologies.

Shopping Centres - June 30, 2017		Net initial yield	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
France	Max	8.6%	880	13.0%	9.0%	31.6%
	Min	1.7%	113	5.3%	3.5%	-3.4%
	Weighted average	4.0%	511	5.7%	4.0%	4.2%
Central Europe	Max	6.6%	575	7.9%	7.6%	3.1%
	Min	4.7%	198	6.5%	4.7%	2.1%
	Weighted average	4.9%	409	6.7%	5.1%	2.4%
Nordic	Max	7.0%	498	9.5%	8.3%	4.7%
	Min	4.0%	101	6.5%	3.9%	1.1%
	Weighted average	4.3%	349	7.0%	4.3%	3.4%
Spain	Max	7.6%	805	10.5%	7.0%	3.7%
	Min	4.1%	123	7.0%	4.2%	1.4%
	Weighted average	4.7%	312	7.6%	4.7%	3.2%
Germany	Max	7.6%	460	8.0%	6.6%	4.1%
	Min	4.0%	250	6.0%	3.9%	1.9%
	Weighted average	4.6%	329	6.4%	4.5%	3.1%
Austria	Max	4.4%	388	6.2%	4.1%	2.7%
	Min	4.1%	364	6.2%	4.1%	2.3%
	Weighted average	4.2%	375	6.2%	4.1%	2.5%
The Netherlands	Max	8.8%	403	8.9%	8.8%	4.4%
	Min	4.3%	113	5.8%	4.2%	n.m
	Weighted average	5.0%	248	6.2%	4.9%	3.2%

Net initial yield, discount rate and exit yield weighted by GMV.
(a) Average annual rent (minimum guaranteed rent + sales based rent) per asset per m².
(b) Rate used to calculate the net present value of future cash flows.
(c) Rate used to capitalize the exit rent to determine the exit value of an asset.
(d) Compounded Annual Growth Rate of Net Rental Income determined by the appraiser (between 6 and 10 years depending on duration of DCF model used).

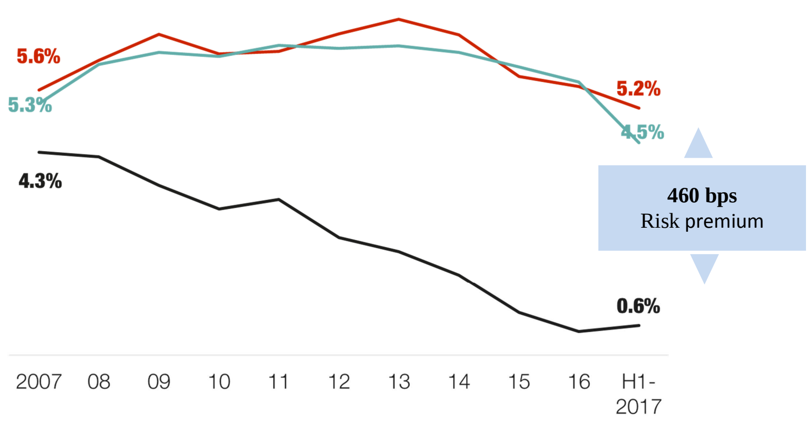
[58] EPRA Position Paper on IFRS 13 - Fair value measurement and illustrative disclosures, February 2013.

France Shopping Centres



Appraisers' Discount Rate (weighted average)
Unibail-Rodamco Shopping Centre NIY (weighted average)
French 10-yr government bond yield (1-year average)

France Offices



Appraisers' Discount Rate (weighted average)
Unibail-Rodamco Office NIY (weighted average; occupied offices)
French 10-yr government bond yield (1-year average)

Offices

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

Offices - June 30, 2017		Net initial yield on occupied space	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
France	Max	11.3%	710	9.5%	8.2%	13.9%
	Min	3.8%	105	4.2%	3.4%	-5.0%
	Weighted average	5.2%	470	4.5%	3.9%	1.6%
Nordic	Max	11.1%	218	9.4%	7.8%	3.1%
	Min	5.9%	104	7.1%	5.2%	2.1%
	Weighted average	7.4%	187	7.8%	6.3%	2.6%
The Netherlands	Max	15.0%	53	13.8%	9.8%	15.7%
	Min	n.m.	n.m.	6.1%	4.3%	13.0%
	Weighted average	14.5%	37	8.8%	6.2%	13.9%
Germany	Max	9.4%	157	8.5%	7.5%	10.1%
	Min	4.7%	52	6.5%	4.5%	1.8%
	Weighted average	5.5%	114	6.8%	4.9%	3.2%
Austria	Max	7.0%	127	7.6%	6.8%	5.3%
	Min	6.7%	121	7.5%	6.5%	1.6%
	Weighted average	6.9%	124	7.6%	6.6%	3.7%

Net initial yield, discount rate and exit yield weighted by GMV. Central Europe region only encompasses one asset (excluding shares in Lumen and Skylight offices, in Zlote Tarasy Complex) and is therefore not displayed. Vacant assets, assets considered at bid value and assets under restructuring are not included in this table.

(a) Average annual rent (minimum guaranteed rent) per asset per m². The computation takes into account the areas allocated to company restaurants.

(b) Rate used to calculate the net present value of future cash flows.

(c) Rate used to capitalize the exit rent to determine the exit value of an asset.

(d) Compounded Annual Growth Rate of NRI determined by the appraiser (between 3 and 10 years, depending on duration of DCF model used).

To value the Group's assets, appraisers use discount rates they consider investors will require to generate target returns. For example, since 2007, the gap between discount rates used by appraisers for the Group's shopping centre and office assets in France and the French government bond yields has widened materially, despite a recent increase in French government bond yields. This and their judgment on appropriate exit cap rates have led to wide yield differentials between the Group's French shopping centre and office assets relative to French government bond yields.

2. EPRA TRIPLE NET ASSET VALUE CALCULATION

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

2.1. Consolidated shareholders' equity

As at June 30, 2017, consolidated shareholders' equity (Owners of the parent) came to €18,001.1 Mn.

Shareholders' equity (Owners of the parent) incorporated the net recurring profit of €614.0 Mn and the net positive impact of €848.6 Mn of fair value adjustments on property assets and financial instruments, as well as the capital gain on sales of properties.

2.2. Impact of rights giving access to share capital

Dilution from securities giving access to share capital as at June 30, 2017, was computed for such instruments "in the money" and having fulfilled the performance conditions.

The debt component of the ORAs[59], recognized in the financial statements was added to shareholders' equity for the calculation of the NNNAV. At the same time, all ORAs were treated as shares of common stock.

In accordance with IFRS, financial instruments and the ORNANEs[60] were recorded on Unibail-Rodamco's statement of financial position at their fair value with the impact of the change in fair value included in the income statement and thus in the consolidated shareholders' equity.

The ORNANE issued in 2012 and not repurchased was "in the money" as at June 30, 2017. Consequently, the fair market value was restated for an amount of €2 Mn for the NNNAV calculation and the potential dilution (+8,878 shares) was included in the number of fully diluted shares outstanding as at June 30, 2017 (i.e., for the outperformance part of the ORNANE, the nominal amount remains as debt).

The ORNANEs issued in 2014 and 2015 were not restated for the NNNAV calculation as they are "out of the money" as at June 30, 2017, and therefore had no impact on the number of shares.

The exercise of "in the money" stock-options and performance shares with the performance conditions fulfilled as at June 30, 2017, would have led to a rise in the number of shares by +389,085, generating an increase in shareholders' equity of +€74 Mn.
As at June 30, 2017, the fully-diluted number of shares taken into account for the NNNAV calculation was 100,242,464.

2.3. Unrealized capital gains on intangible and operating assets

The appraisal of property service companies, of the operating asset of Unibail-Rodamco (7 Adenauer, Paris 16) and of the operations ("*fonds de commerce*") of Viparis Porte de Versailles, Paris Nord Villepinte, Palais des Congrès de Paris, Palais des Congrès de Versailles and Issy-les-Moulineaux, gave rise to an unrealized capital gain of +€366 Mn, which was added for the purpose of the NAV calculation.

2.4. Adjustment of deferred taxes on capital gains

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, 2017.
For the purpose of the EPRA NAV calculation, deferred taxes on unrealized capital gains on assets not qualifying for tax exemption (€1,716 Mn) were added back. Goodwill booked on the balance sheet as a result of deferred taxes was accordingly excluded from the NAV for a total amount of €264 Mn.

For the calculation of the EPRA NNNAV, estimated taxes actually payable should a disposal take place (€810 Mn) were deducted.

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

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

In accordance with IFRS, derivatives and ORNANEs were recorded on Unibail-Rodamco's statement of financial position at their fair value.
The fair value adjustment (€265 Mn, excluding exchange rate hedging according to EPRA recommendation) was added back for the EPRA NAV calculation and then deducted for the EPRA NNNAV calculation.

The value of the fixed-rate debt on the balance sheet of the Group is equal to the nominal value for the ex-Unibail debt and the fair value of the ex-Rodamco debt at combination date (June 30, 2007). Taking fixed rate debt at its fair value would have had a negative impact of -€559 Mn. This impact was taken into account in the EPRA NNNAV calculation.

2.6. Restatement of transfer taxes and transaction costs

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

As at June 30, 2017, 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 €544 Mn.

2.7. EPRA Triple Net Asset Value

Unibail-Rodamco's EPRA NNNAV (Owners of the parent) stood at €19,579 Mn or €195.30 per share (fully-diluted) as at June 30, 2017.

The EPRA NNNAV per share increased by +6.3% (or +€11.60) compared to December 31, 2016 and increased by +12.0% (or +€20.90) compared to June 30, 2016.

The increase of +€11.60 compared to December 31, 2016 was the sum of: (i) the value creation of +€15.95 per share, (ii) the impact of the interim dividend paid in March 2017 of -€5.10, and (iii) the positive impact of the +€0.75 mark-to-market of the fixed-rate debt and derivatives.

3. GOING CONCERN NET ASSET VALUE

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

Going Concern NAV stands at €213.60 per share as at June 30, 2017, an increase of +€12.10 (+6.0%) compared to December 31, 2016.

This increase was the sum of: (i) the value creation of +€16.45 per share, (ii) the impact of the interim dividend paid in March 2017 of -€5.10, and (iii) the positive impact of the +€0.75 mark-to-market of the fixed-rate debt and derivatives.

The following tables show the calculation presented in compliance with EPRA best practices recommendations. A bridge from December 31, 2016 to June 30, 2017 is also presented.

EPRA NNNAV calculation (All figures are Group share, in €Mn)	June 30, 2016		December 31, 2016		June 30, 2017	
	€Mn	€/share	€Mn	€/share	€Mn	€/share
Fully diluted number of shares	99,393,351		100,535,706		100,242,464	
NAV per the financial statements	16,417		17,465		18,001	
Amounts owed to shareholders	483		0		510	
ORA and ORNANE	2		2		2	
Effect of exercise of options	11		191		74	
Diluted NAV	16,913		17,658		18,586	
Add						
Revaluation of intangible and operating assets	349		345		366	
Added back/deducted						
Fair value of financial instruments	349		253		265	
Deferred taxes on balance sheet	1,439		1,676		1,716	
Goodwill as a result of deferred taxes	-266		-264		-264	
EPRA NAV	18,785	189.00 €	19,667	195.60 €	20,669	206.20 €
Fair value of financial instruments	-349		-253		-265	
Fair value of debt	-892		-655		-559	
Effective deferred taxes	-688		-792		-810	
Impact of transfer taxes estimation	484		505		544	
EPRA NNNAV	**17,338**	**174.40 €**	**18,472**	**183.70 €**	**19,579**	**195.30 €**

% of change over 6 months	**2.6%**		**5.3%**		**6.3%**
% of change over 1 year	**7.9%**		**8.1%**		**12.0%**

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, 2016		December 31, 2016		June 30, 2017	
	€Mn	€/share	€Mn	€/share	€Mn	€/share
EPRA NNNAV	17,338		18,472		19,579	
Effective deferred capital gain taxes	688		792		810	
Estimated transfer taxes	1,035		998		1,021	
GOING CONCERN NAV	**19,062**	**191.80 €**	**20,263**	**201.50 €**	**21,410**	**213.60 €**

% of change over 6 months	**2.7%**		**5.1%**		**6.0%**
% of change over 1 year	**8.1%**		**7.9%**		**11.4%**

The change in EPRA NNNAV and Going concern NAV between December 31, 2016 and June 30, 2017 broke down as follows (figures may not add up due to rounding):

Evolution of EPRA NNNAV and Going concern NAV		**EPRA NNNAV**	**Going concern NAV**
As at December 31, 2016, per share (fully diluted)		**183.70 €**	**201.50 €**
Revaluation of property assets *		9.30	9.30
Retail	6.21		
Offices	2.61		
Convention & Exhibition	0.48		
Revaluation of intangible and operating assets		0.05	0.05
Capital gain on disposals		0.01	0.01
Recurring Net Result		6.16	6.16
Interim distribution		-5.10	-5.10
Mark-to-market of debt and financial instruments		0.75	0.75
Variation in transfer taxes & deferred taxes adjustments		0.14	0.54
Variation in the fully diluted number of shares		0.13	0.20
Other (including foreign exchange difference)		0.16	0.19
As at June 30, 2017, per share (fully diluted)		**195.30 €**	**213.60 €**

(*) Revaluation of property assets is €8.82 per share on like-for-like basis, of which +€3.47 is due to rental effect and +€5.36 is due to yield effect.

FINANCIAL RESOURCES

In H1-2017, financial markets continued to be driven by political uncertainties (including Dutch, French and UK elections), and the more hawkish tone of central banks. As a consequence, the bond market was active at the beginning of the year, ahead of the elections and again as from May, as the results of French elections led to an improvement in market conditions.

In this context, Unibail-Rodamco raised €2,508 Mn of medium to long-term funds in the bond and bank markets while maintaining its financial ratios at healthy levels. As at June 30, 2017:

- The Interest Coverage Ratio (ICR) was 6.9x (versus 5.9x in 2016);
- The Loan to Value (LTV) ratio remained stable at 33% (vs. 33% as at December 31, 2016).

The average cost of debt for H1-2017 decreased further to reach a new historic low of 1.4% (vs. 1.6% for 2016).

1. Debt structure as at June 30, 2017

Unibail-Rodamco's consolidated nominal financial debt increased to €15,575 Mn[61] as at June 30, 2017, from €13,819 Mn as at December 31, 2016.

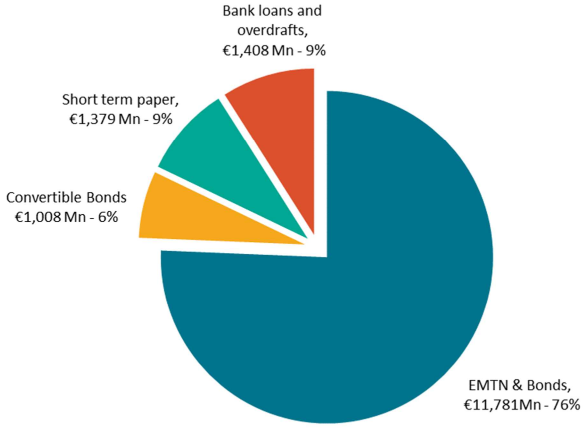
Financial debt includes €1,008 Mn of net share settled bonds convertible into new and/or existing shares of Unibail-Rodamco (ORNANE) issued in June 2014 and in April 2015 for 100% of their outstanding nominal value, while 99% of the ORNANE issued in September 2012 has been repurchased.

1.1. Debt breakdown

Unibail-Rodamco's nominal financial debt as at June 30, 2017, breaks down as follows[62]:

- €11,781 Mn in bonds under its Euro Medium Term Notes (EMTN);
- €1,008 Mn in ORNANE;
- €1,379 Mn in short term papers (*billets de trésorerie*, BMTN and USCP)[63]; and
- €1,408 Mn in bank loans and overdrafts, including €350 Mn in unsecured corporate loans, €1,048 Mn in mortgage loans and €10 Mn of overdraft.

No loans are subject to prepayment clauses linked to the Group's ratings[64].
The Group's debt remains well diversified with a predominant proportion of bond financing.



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

1.2. Funds Raised

In H1-2017, the Group took advantage of favorable market windows to extend its maturity profile and secure attractive funding conditions through the following transactions:

- The first of its kind "green" revolving credit facility signed in Europe. The margin of the "green" facility depends on the achievement by the Group of three CSR objectives part of the Group's strategy;
- A new 20-year Euro bond with the lowest spread ever achieved by the Group for this maturity and the lowest coupon achieved by a corporate issuer in H1-2017 for this maturity;
- New 11-year and 12-year benchmark Euro bonds; and
- Two new 5-year benchmark SEK bonds, with the lowest spread level achieved by a private, non-state related corporate on the SEK market in H1-2017 for this maturity.

In total, medium-to long-term financing transactions completed in H1-2017 amounted to €2,508 Mn and include:

- The signing of a €650 Mn "green" credit facility with a maturity of 5 years and a margin[65] of 40 bps, refinancing existing facilities.
- Five public EMTN bonds were issued in February, May and June 2017 for a total amount of € 1,703 Mn with the following features:
  - ✓ €600 Mn with an 11-year maturity and a coupon of 1.5%;
  - ✓ €500 Mn with a 12-year maturity and a coupon of 1.5%;
  - ✓ €500 Mn with a 20-year maturity and a coupon of 2.0%;
  - ✓ SEK 600 Mn, equivalent to €62 Mn, with a 5-year maturity and a coupon of 0.875%; and
  - ✓ SEK 400 Mn FRN, equivalent to €41 Mn, with a 5-year maturity and a spread of 80 bps above 3-months Stibor.
- The issue of two private placements under Unibail-Rodamco's EMTN program for a total equivalent amount of €155 Mn through two taps (€105 Mn and €50 Mn) of its outstanding 1.375% 2030 bond, increasing the size of this bond to €655 Mn.

In total, these bonds were issued at an average margin of 62 bps over mid-swaps for an average duration of ca. 14 years, versus 74 bps on average for an average duration of 12 years in 2016.

In addition, Unibail-Rodamco accessed the money market by issuing short-term paper (BMTN, "*billets de trésorerie*" and "*US Commercial Paper*" (USCP)). In H1-2017, the Group decided to increase the amount of short term paper ahead of the French elections to secure additional liquidity. These additional funds were placed in high quality and liquid money market investments and as bank deposits.

- The average amount of short-term paper outstanding was equivalent to €1,557 Mn (vs. an average of €1,252 Mn in 2016).
- *Billets de trésorerie* were raised at an average margin of 1 bp above Eonia[66] (vs. an average of 8 bps above Eonia in 2016).
- *USCP* was raised at an average cost equivalent to -0.42%, after all were swapped back into EUR, for an average of $55 Mn.

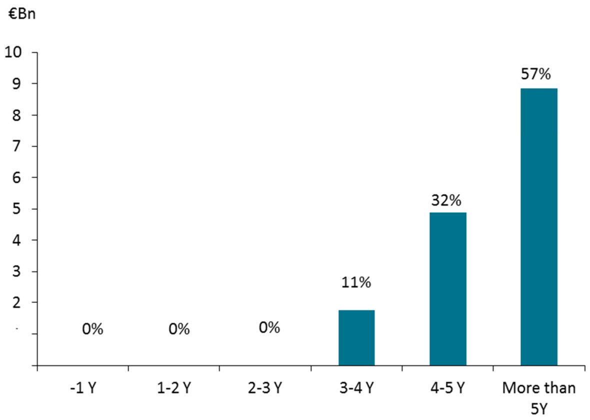
In addition, Unibail-Rodamco also extended €392 Mn of credit facilities by an additional year.

As at June 30, 2017, the total amount of undrawn credit lines came to €5,982 Mn, cash on-hand came to €1,379 Mn (vs. €400 Mn as at December 31, 2016). This is due to the additional short-term liquidity ahead of the French elections and the proceeds of the opportunistic bond issuances completed in May and June 2017. Cash on-hand was partly used for the second installment of the 2016 dividend payment made in early July 2017.

[65] Taking into account current rating and based on current utilization of these lines and the achievement of the Group's CSR targets set in this facility.
[66] The average Eonia rate in H1-2017 was -0.355%.

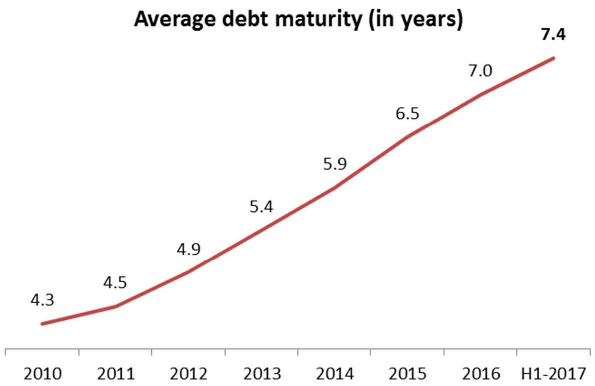
1.3. Debt maturity

The following chart illustrates Unibail-Rodamco's debt as at June 30, 2017, after the allocation of the committed credit lines (including the undrawn part of the bank loans) by date of maturity and based on the residual life of its borrowings.



100% of the debt had a maturity of more than 3 years as at June 30, 2017 (after taking into account undrawn credit lines).

The average maturity of the Group's debt, taking into account the unused credit lines, improved to 7.4 years as at June 30, 2017 (vs. 7.0 years as at December 31, 2016 and 6.5 years as at December 31, 2015).



Liquidity needs

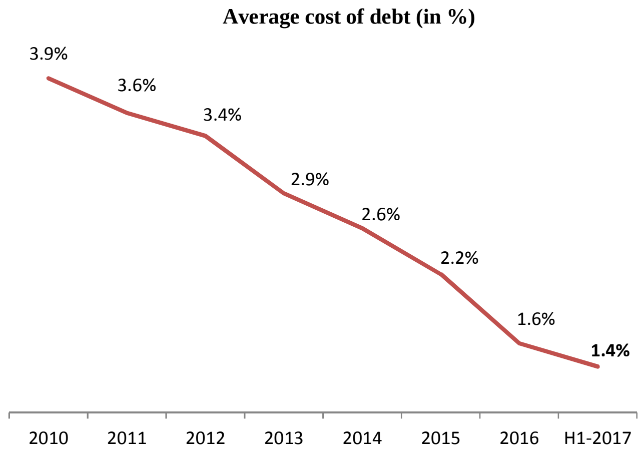
Unibail-Rodamco's debt repayment needs[67] for the next twelve months are covered by the available undrawn credit lines and cash on-hand. The amount of bonds and bank loans outstanding and maturing or amortising within a year is €540 Mn (including a total of €421 Mn of bonds maturing in November and December 2017), compared with €5,982 Mn of undrawn committed credit lines and €1,379 Mn of cash on-hand as at June 30, 2017.

1.4. Average cost of debt

Unibail-Rodamco's average cost of debt decreased to 1.4% for H1-2017 compared to 1.6% for 2016. This new record low average cost of debt results from:

- Low coupon levels the Group achieved during the last years on its fixed rate debt;
- The level of margins on existing borrowings;
- The Group's active balance sheet management through tender offer transactions;
- The hedging instruments in place;
- The cost of carry of the undrawn credit lines; and
- The cost of placement of extra liquidity raised ahead of the French elections.

[67] Excluding Commercial Papers and BMTN maturing in 2017 amounting to €1,177 Mn.



2. Ratings

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

On June 9, 2017, Fitch confirmed the “A” long term rating of the Group with a stable outlook. Fitch also rates the short-term issuances of the Group as “F1”.

On June 16, 2017, Standard & Poor’s confirmed its long-term rating “A” and its short-term rating “A-1” and maintained its stable outlook.

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 mainly relates to interest rate fluctuations on the loans it has taken out to finance its investments and maintain the cash position it requires, and exchange rate fluctuations due to the Group’s activities in countries outside the Euro-zone.

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

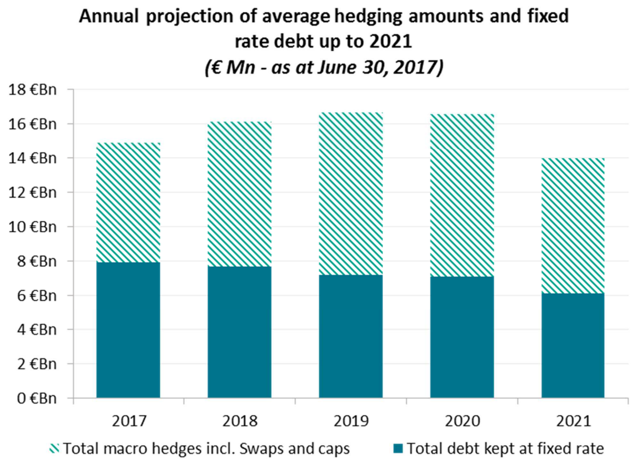
To manage exchange rate risk, the Group aims to limit its net exposure by raising debt in local currency, by using derivatives and by buying or selling foreign currencies at spot or forward rates.

Due to its use of derivatives the Group is exposed to potential counterparty defaults. The counterparty risk is the risk of replacing the derivative transactions at current market rates in the case of default. The Group implemented IFRS 13 for the mark-to-market calculations of its derivative transactions.

3.1. Interest rate risk management

In view of the Group’s hedging program, the bonds issued at a fixed rate were swapped back to variable rates, except the 2% coupon 20-year bond which was kept at fixed rate.

In this context:
- The debt the Group expects to raise through December 2019 is fully hedged; and
- The debt the Group expects to raise in 2020 and 2021 is hedged at 90% and 70%, respectively.



The graph above shows :

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

Unibail-Rodamco in general does not classify its financial hedging instruments as a cash flow hedge. As a result, any fair value changes in these instruments are recognized in the Group's income statement.

Measuring interest rate exposure

As at June 30, 2017, net financial debt stood at €14,196 Mn (vs. €13,419 Mn as at December 31, 2016), excluding partners' current accounts and after taking into account the cash and liquid instruments on hand of €1,379 Mn.

The outstanding debt was fully hedged against an increase in variable rates, based on debt outstanding as at June 30, 2017 through both:

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

Based on the estimated average debt position of Unibail-Rodamco in H2-2017, if interest rates (Euribor, Stibor or Pribor) were to rise by an average of +0.5%[68] (50 bps) during H2-2017, the estimated impact on financial expenses would be -€2.4 Mn, reducing the H2-2017 recurring net profit by a broadly similar amount. A further rise of +0.5% (50 bps) would reduce financial expenses by +€2.2 Mn. Hence, a +1.0% (100 bps) increase in interest rates during H2-2017 would have a net negative impact on financial expenses of -€0.2 Mn. A -0.5% (50 bps) drop in interest rates (leading to further negative interest rates) would reduce the financial expenses by +€15.4 Mn and would increase the recurring net profit in H2-2017 by a broadly equivalent amount.

3.2. Other risk management

The Group has activities and investments in countries outside the euro zone. When converted into euros, the income and value of the Group's net investment may be influenced by fluctuations in exchange rates against the euro. Wherever possible, the Group aims to match foreign currency income with expenses in the same currency, reducing the exchange effects on earnings volatility and net valuation of the investment. Translation risks can be hedged by either matching cash investments in a specific currency with debt in the same currency, or using derivatives to achieve the same risk management-driven goal.

Currency risk during the building period of pipeline investments is covered as early as possible after signing of the actual building contract.

Other monetary assets and liabilities held in currencies other than the euro are managed by ensuring that net exposure is kept to an acceptable level by buying or selling foreign currencies at spot or forward rates where necessary to address short term balances.

[68] The eventual impact on exchange rates due to this theoretical increase of 0.5% in interest rates is not taken into account; theoretical impacts of rise or decrease in interest rates are calculated above the 3-month Euribor as of June 30, 2017 of -0.331%.

The Group, through its activities, is exposed to market risks which can generate losses as a result of fluctuations in stock markets. The Group is either (i) directly exposed to fluctuations in stock prices due to the ownership of participations or financial instruments, or (ii) indirectly exposed to fluctuations in stock prices, due to the ownership of funds, investment instruments or share based derivatives which are directly correlated with the price of the asset underlying such derivatives.

Measure of the exposure to other risks (€Mn)

(in € Mn) Currency	Assets	Liabilities	Net exposure	Hedging Instruments	Exposure net of hedges
DKK	445	(64)	381	0	381
PLN	130	(0)	130	0	130
SEK	2 893	(1 123)	1 770	0	1 770
Others	6	(716)	(709)	665	(45)
Total	**3 474**	**(1 903)**	**1 571**	**665**	**2 236**

The main exposure kept is in Swedish Krona:

- A change of 10% in the EUR/SEK exchange rate (i.e. a 10% increase of EUR compared to SEK) would have a -€162.8 Mn negative impact on shareholders' equity,
- The sensitivity of the H2-2017 recurring result[69] to a 10% change in the EUR/SEK exchange rate is limited to -€4.8 Mn.

The SEK 1,750 Mn credit line signed in April 2012 is undrawn as at June 30, 2017.

4. Financial structure

As at June 30, 2017, the portfolio valuation (including transfer taxes) of Unibail-Rodamco amounted to €42,491 Mn.

Debt ratio

As at June 30, 2017, the Loan-to-Value ratio (LTV) amounted to 33%, stable compared to December 31, 2016.

Interest coverage ratio

The Interest Coverage Ratio (ICR) improved to 6.9x for H1-2017 as a result of strong rental growth and the lower cost of debt.

Financial ratios	June 30, 2017	Dec. 31, 2016
LTV[70]	33%	33%
ICR[71]	6.9x	5.9x

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

As at June 30, 2017, 94% of the Group's credit facilities and bank loans allowed indebtedness up to 60% of the Group's total asset value or of the value of the asset of the borrowing entity, as the case may be.

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

[69] The sensitivity is measured by applying a change in exchange rate to the net revenues in SEK (net rents - administrative and financial expenses - taxes), based on an EUR/SEK exchange rate of 9.6398.

[70] Loan-to-Value (LTV) = Net financial debt / Total portfolio valuation including transfer taxes. Total Portfolio valuation includes consolidated portfolio valuation (€42,491 Mn as at June 30, 2017 vs. €40,495 Mn as at December 31, 2016). The LTV excluding transfer taxes is estimated at 35%.

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

EPRA PERFORMANCE MEASURES

In compliance with the EPRA[72] best practices recommendations[73], Unibail-Rodamco summarises below the Key Performance Measures over H1-2017.

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.

		H1-2017	H1-2016	2016
EPRA Earnings	€ Mn	614.0	575.3	1,114.2
EPRA Earnings / share	€ / share	6.16	5.81	11.24
Growth EPRA Earnings / share	%	6.0%	8.2%	7.5%

Bridge between Earnings per IFRS Income Statement and EPRA Earnings:

	H1-2017	H1-2016	2016
Earnings per IFRS income statement (Group share)	**1,462.6**	**1,284.8**	**2,409.0**
Adjustments to calculate EPRA Earnings, exclude:			
(i) Changes in value of investment properties, development properties held for investment and other interests	1,073.2	1,041.9	2,005.8
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	1.2	8.1	96.2
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties	0.0	0.0	0.0
(iv) Tax on profits or losses on disposals	0.0	0.0	-2.0
(v) Negative goodwill / goodwill impairment	0.0	0.0	0.0
(vi) Changes in fair value of financial instruments and associated close-out costs	-20.9	-165.1	-240.4
(vii) Acquisition costs on share deals and non-controlling joint venture interests	0.0	-1.2	-1.3
(viii) Deferred tax in respect of EPRA adjustments	-25.2	-112.1	-270.1
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	8.3	48.2	-62.4
(x) Non-controlling interests in respect of the above	-187.9	-110.3	-231.0
EPRA Earnings	**614.0**	**575.3**	**1,114.2**
Average number of shares and ORA	99,632,796	98,964,456	99,160,738
EPRA Earnings per Share (EPS)	**6.16 €**	**5.81 €**	**11.24 €**
EPRA Earnings per Share growth	**6.0%**	**8.2%**	**7.5%**

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

2. EPRA Net Asset Value and EPRA NNNAV

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

		June 30, 2017	Dec. 31, 2016	June 30, 2016
EPRA NAV	€ / share	206.20	195.60	189.00
EPRA NNNAV	€ / share	195.30	183.70	174.40
% change over 1 year	%	12.0%	8.1%	7.9%

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, 2017		Dec. 31, 2016	
	Retail (3)	Offices (3)	Retail (3)	Offices (3)
Unibail-Rodamco yields	**4.3%**	**5.4%**	**4.4%**	**5.8%**
Effect of vacant units	0.0%	-0.6%	0.0%	-1.0%
Effect of EPRA adjustments on NRI	0.1%	0.0%	0.1%	0.0%
Effect of estimated transfer taxes and transaction costs	-0.1%	-0.2%	-0.1%	-0.2%
EPRA topped-up yields (1)	**4.2%**	**4.7%**	**4.3%**	**4.7%**
Effect of lease incentives	-0.1%	-2.0%	-0.2%	-2.1%
EPRA Net Initial Yields (2)	**4.1%**	**2.6%**	**4.2%**	**2.6%**

Notes:
1) EPRA topped-up yield: EPRA Net Initial Yield adjusted in respect of the expiration of rent free periods (or other unexpired lease incentives such as discounted rent periods and step rents).
2) EPRA Net Initial Yield: annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the gross market value of the portfolio.
3) Assets under development or held by companies accounted for under the equity method are not included in the calculation.

4. EPRA Vacancy rate

The EPRA vacancy rate is defined as the Estimated Rental Value (ERV) of vacant spaces divided by the ERV of total space (let plus vacant).

	June 30, 2017	Dec. 31, 2016	June 30, 2016
Retail			
France	2.8%	2.8%	2.9%
Central Europe	0.3%	0.1%	0.8%
Spain	1.1%	1.0%	1.0%
Nordic	5.4%	3.3%	2.9%
Austria	0.7%	1.2%	1.0%
Germany	2.3%	2.2%	2.5%
Netherlands	5.6%	6.0%	8.9%
Total Retail	**2.5%**	**2.3%**	**2.5%**
Offices			
France	7.7%	13.4%	12.3%
Total Offices	**7.8%**	**13.1%**	**12.3%**

5. EPRA Cost ratios

EPRA references		H1-2017	H1-2016	2016
	Include:			
(i-1)	General expenses	-55.6	-54.8	-119.0
(i-2)	Development expenses	0.9	-1.9	-5.9
(i-3)	Operating expenses	-49.3	-50.9	-109.3
(ii)	Net service charge costs/fees	-11.9	-12.8	-29.2
(iii)	Management fees less actual/estimated profit element	0.0	0.0	0.0
(iv)	Other operating income/recharges intended to cover overhead expenses	0.0	0.0	0.0
(v)	Share of Joint Ventures expenses	-4.0	-7.0	-14.7
	Exclude (if part of the above):			
(vi)	Investment Property Depreciation	0.0	0.0	0.0
(vii)	Ground rents costs	0.0	0.0	0.0
(viii)	Service charge costs recovered through rents but not separately invoiced	11.7	10.8	21.8
	EPRA Costs (including direct vacancy costs) (A)	**-108.2**	**-116.7**	**-256.3**
(ix)	Direct vacancy costs	-11.9	-12.8	-29.2
	EPRA Costs (excluding direct vacancy costs) (B)	**-96.3**	**-103.9**	**-227.1**
(x)	Gross Rental Income (GRI) less ground rents	808.6	801.7	1,577.8
(xi)	Less: service fee and service charge costs component of GRI (if relevant)	-11.7	-10.8	-21.8
(xii)	Add Share of Joint Ventures (Gross Rental Income less ground rents)	55.3	56.5	111.2
	Gross Rental Income (C)	**852.2**	**847.5**	**1,667.1**
	EPRA Cost Ratio (including direct vacancy costs) (A/C)	**12.7%**	**13.8%**	**15.4%**
	EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	**11.3%**	**12.3%**	**13.6%**

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

6. Capital expenditure

in € Mn	H1-2017		H1-2016		2016	
	100%	Group Share	100%	Group Share	100%	Group Share
Acquisitions (1)	14.4	10.3	56.2	36.7	146.7	98.6
Development (2)	412.0	404.5	122.0	119.7	367.2	356.7
Like-for-like portfolio (3)	193.4	157.2	277.7	233.1	663.9	541.1
Other (4)	73.6	64.2	105.5	80.0	175.0	139.7
Total Capital Expenditure	**693.5**	**636.2**	**561.4**	**469.6**	**1,352.7**	**1,136.1**

Notes:
1) In H1-2017, includes mainly the acquisitions of plots related to the Forum des Halles and to the Mall of The Netherlands project.
2) In H1-2017, includes mainly the capital expenditures related to investments in the Carré Sénart and Centrum Chodov extension projects and to the Trinity, Wroclavia and Überseequartier new development projects.
3) In H1-2017, includes mainly the capital expenditures related to Viparis Porte de Versailles, Donau Zentrum, Forum des Halles, Glòries and Shopping City Süd.
4) Includes eviction costs and tenant incentives, capitalised interest relating to projects referenced above, letting fees and other capitalised expenses of €35.4 Mn, €7.9 Mn, €14.0 Mn and €6.9 Mn in H1-2017, respectively (amounts in group share).

7. LTV reconciliation with B/S

€ Mn	30/06/2017	31/12/2016
Amounts accounted for in B/S	**40,927.1**	**39,078.1**
Investment properties at fair value	36,271.4	35,426.9
Investment properties at cost	1,377.2	954.0
Other tangible assets	215.7	219.8
Goodwill	539.9	539.9
Intangible assets	224.7	229.4
Shares and investments in companies under the equity method	1,772.5	1,708.2
Properties or shares held for sale	525.7	0.0
Adjustments	**1,563.5**	**1,416.9**
Transfer taxes	1,894.1	1,804.9
Goodwill	-397.5	-397.5
Revaluation intangible and operating assets	478.6	441.7
IFRS restatements, including	-411.7	-432.1
Financial leases	*-360.2*	*-361.6*
Other	*-51.5*	*-70.5*
Total assets, including Transfer Taxes (=A)	**42,490.6**	**40,495.1**
Total assets, excluding Transfer Taxes (=B)	**40,596.5**	**38,690.2**
Amounts accounted for in B/S		
Net share settled bonds convertible into new and/or existing shares (ORNANE)	1,016.4	1,049.4
Long-term bonds and borrowings	14,032.6	12,223.7
Current borrowings and amounts due to credit institutions	1,939.2	2,005.6
Total financial liabilities	**16,988.2**	**15,278.7**
Adjustments		
Mark-to-market of debt	-18.1	-41.8
Current accounts with non-controlling interests	-1,317.7	-1,274.3
Impacts of derivatives instruments on debt raised in foreign currency	-66.9	-99.5
Accrued interest / issue fees	-10.1	-44.0
Total financial liabilities (nominal value)	**15,575.4**	**13,819.1**
Cash & cash equivalents	-1,378.9	-400.1
Net financial debt (=C)	**14,196.5**	**13,418.9**

LTV ratio including Transfer Taxes (=C/A)	**33%**	**33%**
LTV ratio excluding Transfer Taxes (=C/B)	**35%**	**35%**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT JUNE 30, 2017

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS AT JUNE 30, 2017

I. CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

Consolidated interim statement of comprehensive income

Consolidated statement of comprehensive income (€Mn)	**Notes**	**H1-2017**	**H1-2016**	**2016**
Gross rental income	4.1.1	908.2	895.9	1,770.3
Ground rents paid		(9.3)	(8.7)	(17.4)
Net service charge expenses		(11.9)	(12.8)	(29.2)
Property operating expenses		(92.7)	(93.3)	(195.2)
Net rental income		**794.3**	**781.1**	**1,528.5**
Corporate expenses		(54.5)	(53.7)	(116.8)
Development expenses		0.9	(1.9)	(5.9)
Depreciation of other tangible assets		(1.1)	(1.1)	(2.2)
Administrative expenses		**(54.7)**	**(56.7)**	**(124.9)**
Acquisition and related costs		-	**(1.2)**	**(1.3)**
Revenues from other activities		124.5	120.3	261.3
Other expenses		(85.1)	(84.3)	(175.1)
Net other income	**4.1.2**	**39.4**	**36.0**	**86.2**
Proceeds from disposal of investment properties		1.2	306.3	973.9
Carrying value of investment properties sold		-	(303.6)	(882.7)
Result on disposal of investment properties	**3.1**	**1.2**	**2.7**	**91.2**
Proceeds from disposal of shares		-	26.3	25.9
Carrying value of disposed shares		-	(20.9)	(20.9)
Result on disposal of shares		**-**	**5.4**	**5.0**
Valuation gains on assets		1,249.0	1,147.1	2,244.0
Valuation losses on assets		(175.8)	(105.2)	(238.2)
Valuation movements on assets	**5.4**	**1,073.2**	**1,041.9**	**2,005.8**
NET OPERATING RESULT BEFORE FINANCING COST		**1,853.5**	**1,809.2**	**3,590.5**
Result from non-consolidated companies		0.9	0.1	0.4
Financial income		*57.9*	*41.7*	*88.8*
Financial expenses		*(170.0)*	*(173.1)*	*(343.7)*
Net financing costs	7.1.1	(112.1)	(131.4)	(254.9)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	7.1.2/7.2.3	23.5	20.1	37.0
Fair value adjustments of derivatives and debt	7.1.2	(44.1)	(184.9)	(276.8)
Debt discounting	7.1.2	(0.3)	(0.3)	(0.6)
Share of the result of companies under the equity method	6.2	37.1	74.8	(13.3)
Income on financial assets	6.2	13.2	9.3	18.3
RESULT BEFORE TAX		**1,771.6**	**1,596.9**	**3,100.6**
Income tax expenses	8.1	(27.0)	(112.3)	(283.2)
NET RESULT FOR THE PERIOD		**1,744.6**	**1,484.6**	**2,817.4**
Non-controlling interests	3.2	282.0	199.8	408.4
NET RESULT (Owners of the parent)		**1,462.6**	**1,284.8**	**2,409.0**

Average number of shares (undiluted)	11.1	99,625,133	98,956,720	99,153,052
Net result for the period (Owners of the parent)		1,462.6	1,284.8	2,409.0
Net result for the period per share (Owners of the parent) (€)		**14.7**	**13.0**	**24.3**
Net result for the period restated (Owners of the parent) (1)		1,439.1	1,264.7	2,372.0
Average number of shares (diluted)	11.1	103,041,027	102,294,624	102,762,477
Diluted net result per share (Owners of the parent) (€)		**14.0**	**12.4**	**23.1**

NET COMPREHENSIVE INCOME (€Mn)	**Notes**	**H1-2017**	**H1-2016**	**2016**
NET RESULT FOR THE PERIOD		**1,744.6**	**1,484.6**	**2,817.4**
Foreign currency differences on translation of financial statements of subsidiaries and net investments in these subsidiaries		24.8	(25.8)	(130.0)
Cash flow hedge		-	0.3	0.7
Revaluation of shares available for sale		-	(0.4)	(0.4)
Other comprehensive income which can be reclassified to profit or loss		**24.8**	**(25.9)**	**(129.7)**
OTHER COMPREHENSIVE INCOME		**24.8**	**(25.9)**	**(129.7)**
NET COMPREHENSIVE INCOME		**1,769.4**	**1,458.8**	**2,687.7**
Non-controlling interests		282.0	199.8	408.4
NET COMPREHENSIVE INCOME (OWNERS OF THE PARENT)		**1,487.4**	**1,259.0**	**2,279.3**

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

Consolidated interim statement of financial position

Consolidated Statement of financial position (€ Mn)	**Notes**	**30/06/2017**	**31/12/2016**
NON CURRENT ASSETS		**40,743.2**	**39,509.3**
Investment properties	**5.1**	**37,648.6**	**36,380.9**
Investment properties at fair value		*36,271.4*	*35,426.9*
Investment properties at cost		*1,377.2*	*954.0*
Other tangible assets		215.7	219.8
Goodwill	5.3	539.9	539.9
Intangible assets	5.2	224.7	229.4
Loans and receivables		69.5	113.3
Financial assets		29.7	25.1
Deferred tax assets	8.2	23.7	24.0
Derivatives at fair value	7.3	218.9	268.8
Shares and investments in companies under the equity method	6	1,772.5	1,708.2
CURRENT ASSETS		**2,846.2**	**1,235.8**
Properties or shares held for sale	**5.1**	**525.7**	**-**
Trade receivables from activity		**413.7**	**369.0**
Other trade receivables		**527.9**	**466.6**
Tax receivables		168.5	217.7
Other receivables		230.7	136.4
Prepaid expenses		128.7	112.5
Cash and cash equivalents	**7.2.7**	**1,378.9**	**400.1**
Available for sale investments	7.3	848.8	38.2
Cash		530.1	362.0
TOTAL ASSETS		**43,589.4**	**40,745.0**
Shareholders' equity (Owners of the parent)		**18,001.1**	**17,465.3**
Share capital		499.2	497.0
Additional paid-in capital		6,470.0	6,402.3
Bonds redeemable for shares		1.2	1.2
Consolidated reserves		9,736.7	8,349.3
Hedging and foreign currency translation reserves		(168.6)	(193.4)
Consolidated result		1,462.6	2,409.0
Non-controlling interests		**3,780.4**	**3,554.4**
TOTAL SHAREHOLDERS' EQUITY		**21,781.5**	**21,019.7**
NON CURRENT LIABILITIES		**18,033.7**	**16,209.9**
Long-term commitment to purchase non-controlling interests		40.9	40.9
Net share settled bonds convertible into new and/or existing shares (ORNANE)	7.2.2/7.3	1,016.4	1,049.4
Long-term bonds and borrowings	7.2.2	14,032.6	12,223.7
Long-term financial leases	7.2.2	354.3	355.4
Derivatives at fair value	7.3	350.7	327.9
Deferred tax liabilities	8.2	1,706.6	1,690.2
Long-term provisions	9	30.7	33.6
Employee benefits		9.2	9.2
Guarantee deposits		214.7	208.1
Tax liabilities		0.1	0.1
Amounts due on investments		277.5	271.4
CURRENT LIABILITIES		**3,774.2**	**3,515.4**
Amounts due to suppliers and other current debt		**1,614.0**	**1,314.3**
Amounts due to suppliers		138.0	150.4
Amounts owed to shareholders	11.2	509.8	-
Amounts due on investments		366.6	326.5
Sundry creditors	6.3	364.7	625.0
Other liabilities		234.9	212.3
Current borrowings and amounts due to credit institutions	**7.2.2**	**1,939.2**	**2,005.6**
Current financial leases	**7.2.2**	**5.9**	**6.1**
Tax and social security liabilities		**205.8**	**179.1**
Short-term provisions	**9**	**9.3**	**10.3**
TOTAL LIABILITIES AND EQUITY		**43,589.4**	**40,745.0**

Consolidated interim statement of cash flows

Consolidated statement of cash flows (€ Mn)	Notes	H1-2017	H1-2016	2016
Operating activities				
Net result		**1,744.6**	**1,484.6**	**2,817.4**
Depreciation & provisions (1)		(14.2)	(8.7)	(0.1)
Changes in value of property assets		(1,073.2)	(1,041.9)	(2,005.8)
Changes in value of financial instruments		20.6	164.8	239.8
Discounting income/charges		0.3	0.3	0.6
Charges and income relating to stock options and similar items		4.2	4.1	9.8
Net capital gains/losses on disposal of shares		-	(5.4)	(5.0)
Net capital gains/losses on sales of properties (2)		(1.2)	(2.6)	(91.2)
Share of the result of companies under the equity method		(37.1)	(74.8)	13.3
Income on financial assets		(13.2)	(9.3)	(18.3)
Dividend income from non-consolidated companies		(0.1)	(0.1)	(0.4)
Net financing costs	7.1.1	112.1	131.4	254.9
Income tax charge		27.0	112.3	283.2
Cash flow before net financing costs and tax		**769.9**	**754.7**	**1,498.2**
Income on financial assets		13.2	9.3	18.3
Dividend income and result from companies under equity method or non consolidated		2.2	7.4	7.4
Income tax paid		(7.0)	(11.3)	(12.6)
Change in working capital requirement		11.6	55.6	46.7
Total cash flow from operating activities		**789.9**	**815.8**	**1,558.0**
Investment activities				
Property activities		**(947.3)**	**(241.5)**	**(377.5)**
Acquisition of consolidated shares		0.0	(4.7)	(13.6)
Amounts paid for works and acquisition of property assets	5.5	(682.1)	(557.5)	(1,343.7)
Exit tax payment		-	-	(0.1)
Repayment of property financing		9.7	44.4	54.4
Increase of property financing		(280.8)	(42.1)	(29.4)
Disposal of shares/consolidated subsidiaries		4.7	31.6	31.6
Disposal of investment properties		1.1	286.9	923.3
Financial activities		**(2.1)**	**(0.7)**	**(9.5)**
Acquisition of financial assets		(6.2)	(1.3)	(11.3)
Disposal of financial assets		4.1	0.5	1.7
Change in financial assets		(0.1)	0.1	0.1
Total cash flow from investment activities		**(949.4)**	**(242.2)**	**(386.9)**
Financing activities				
Capital increase of parent company		69.8	78.7	95.4
Change in capital from company with non-controlling shareholders		0.0	0.0	0.1
Distribution paid to parent company shareholders	11.2	(508.5)	(480.1)	(963.1)
Dividends paid to non-controlling shareholders of consolidated companies		(64.0)	(54.8)	(54.8)
New borrowings and financial liabilities		2,401.9	1,692.0	2,519.0
Repayment of borrowings and financial liabilities		(632.0)	(1,452.9)	(2,311.9)
Financial income	7.1.1	43.1	33.7	82.3
Financial expenses	7.1.1	(175.3)	(181.7)	(336.3)
Other financing activities		-	-	(114.1)
Total cash flow from financing activities		**1,135.0**	**(365.0)**	**(1,083.4)**
Change in cash and cash equivalents during the period		**975.5**	**208.6**	**87.8**
Cash at the beginning of the year		**396.0**	**320.1**	**320.1**
Effect of exchange rate fluctuations on cash held		**(2.6)**	**(9.6)**	**(11.9)**
Cash at period-end (3)	**7.2.7**	**1,368.9**	**519.1**	**396.0**

(1) *Includes straightlining of key money and lease incentives.*

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

(3) *The payment of the dividend balance made on July 6, 2017 was covered by the cash position as at June 30, 2017.*

Consolidated interim statement of changes in equity

(€Mn)	Share capital	Additional paid-in capital	Bonds Redeemable for Shares	Consolidated reserves	Consolidated net result	Hedging & foreign currency translation reserves [1]	Total Owners of the parent	Non-controlling interests	Total Shareholders' equity
Equity as at 31/12/2015	**493.5**	**6,310.2**	**1.2**	**6,967.3**	**2,334.0**	**(64.1)**	**16,042.1**	**3,196.5**	**19,238.6**
Profit or loss of the period	-	-	-	-	1,284.8	-	**1,284.8**	199.8	**1,484.6**
Other comprehensive income	-	-	-	(0.4)	-	(25.5)	**(25.9)**	-	**(25.9)**
Net comprehensive income	**-**	**-**	**-**	**(0.4)**	**1,284.8**	**(25.5)**	**1,259.0**	**199.8**	**1,458.8**
Earnings appropriation	-	-	-	2,334.0	(2,334.0)	-	**-**	-	**-**
Dividends related to 2015	-	-	-	(963.1)	-	-	**(963.1)**	(54.7)	**(1,017.7)**
Stock options and Company Savings Plan	3.0	75.9	-	(0.2)	-	-	**78.7**	-	**78.7**
Conversion of Bonds Redeemable for Shares	-	-							
Share based payment	-	-	-	4.1	-	-	**4.1**	-	**4.1**
Transactions with non-controlling interests	-	-	-	(3.1)	-	-	**(3.1)**	8.9	**5.8**
Changes in scope of consolidation and other movements	-	-	-	(0.4)	-	-	**(0.4)**	-	**(0.4)**
Equity as at 30/06/2016	**496.4**	**6,386.1**	**1.2**	**8,338.3**	**1,284.8**	**(89.6)**	**16,417.2**	**3,350.6**	**19,767.8**
Profit or loss of the period	-	-	-	-	1,124.2	-	**1,124.2**	208.6	**1,332.8**
Other comprehensive income	-	-	-	-	-	(103.8)	**(103.8)**	-	**(103.8)**
Net comprehensive income	**-**	**-**	**-**	**-**	**1,124.2**	**(103.8)**	**1,020.4**	**208.6**	**1,229.0**
Earnings appropriation	-	-	-	-	-	-	**-**	-	**-**
Dividends related to 2015	-	-	-	-	-	-	**-**	(0.1)	**(0.1)**
Stock options and Company Savings Plan	0.5	16.1	-	-	-	-	**16.6**	-	**16.6**
Conversion of Bonds Redeemable for Shares	0.0	0.1	(0.0)	-	-	-	**0.1**	-	**0.1**
Share based payment	-	-	-	5.8	-	-	**5.8**	-	**5.8**
Transactions with non-controlling interests	-	-	-	(0.5)	-	-	**(0.5)**	1.1	**0.6**
Changes in scope of consolidation and other movements	-	-	-	5.6	-	-	**5.6**	(5.8)	**(0.2)**
Equity as at 31/12/2016	**497.0**	**6,402.3**	**1.2**	**8,349.3**	**2,409.0**	**(193.4)**	**17,465.3**	**3,554.4**	**21,019.7**
Profit or loss of the period	-	-	-	-	1,462.6	-	**1,462.6**	282.0	**1,744.6**
Other comprehensive income	-	-	-	-	-	24.8	**24.8**	-	**24.8**
Net comprehensive income	**-**	**-**	**-**	**-**	**1,462.6**	**24.8**	**1,487.4**	**282.0**	**1,769.4**
Earnings appropriation	-	-	-	2,409.0	(2,409.0)	-	**-**	-	**-**
Dividends related to 2016	-	-	-	(1,018.3)	-	-	**(1,018.3)**	(64.0)	**(1,082.3)**
Stock options and Company Savings Plan	2.2	67.7	-	-	-	-	**69.9**	-	**69.9**
Conversion of Bonds Redeemable for Shares	-	-	-	-	-	-	**-**	-	**-**
Share based payment	-	-	-	4.2	-	-	**4.2**	-	**4.2**
Transactions with non-controlling interests	-	-	-	(7.5)	-	-	**(7.5)**	8.0	**0.5**
Changes in scope of consolidation and other movements	-	-	-	0.1	-	-	**0.1**	-	**0.1**
Equity as at 30/06/2017	**499.2**	**6,470.0**	**1.2**	**9,736.7**	**1,462.6**	**(168.6)**	**18,001.1**	**3,780.4**	**21,781.5**

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

II. NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT EVENTS OF THE FIRST HALF OF 2017

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

There has been no significant change in the scope of consolidation since December 31, 2016.

NOTE 2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". As these are condensed consolidated interim financial statements, they do not include all of the information required by the IFRS and must be read in relation with the Group's annual consolidated financial statements for the year ended December 31, 2016.

The accounting principles applied for the preparation of these half-yearly consolidated financial statements are in accordance with the IFRS and interpretations as adopted by the European Union as of June 30, 2017. These can be consulted on the website http://ec.europa.eu/internal_market/accounting/ias/index_en.htm.

2.1. IFRS basis adopted

The accounting principles and methods used are the same as those applied for the preparation of the annual consolidated financial statements as at December 31, 2016, except for the application of the new obligatory standards and interpretations described below.

Standards, amendments and interpretations effective as of January 1, 2017

None.

Standards, amendments and interpretations not mandatorily applicable as of January 1, 2017

The following standards have been adopted by the European Union as at June 30, 2017, but not applied in advance by the Group:

- IFRS 9: Financial Instruments;
- IFRS 15: Revenue from Contracts with Customers.

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

- IFRS 16: Leases;
- IFRS 17: Insurance Contracts;
- IAS 12 A: Recognition of Deferred Tax Assets for Unrealised Losses;
- IAS 7 A: Disclosure Initiative;
- IFRS 2 A: Classification and Measurement of Share-based Payment Transactions;
- IFRS 4 A: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts;
- Annual Improvements to IFRS Standards (2014-2016 Cycle);
- IFRIC 22: Foreign Currency Transactions and Advance Consideration;
- IAS 40 A: Transfers of Investment Property.
- IFRIC 23: Uncertainty over Income Tax Treatments

The measurement of the potential impacts of these texts on the consolidated accounts of Unibail-Rodamco is on-going. On IFRS 9, IFRS 15 & IFRS 16, the Group does not expect a significant impact on the financial statements.

2.2. Estimates and assumptions

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

The most significant estimates are set out in the notes to the consolidated financial statements as at December 31, 2016: for the valuation of investment properties in § 5.1 “Investment properties”, for the goodwill and intangible assets, respectively in § 5.4 “Goodwill” and § 5.3 “Intangible assets” and for fair value of financial instruments in § 7.4 “Hedging instruments”. Actual future results or outcomes may differ from these estimates. The property portfolio and intangible assets used by the Shopping Centres, Offices and Convention & Exhibition segments are valued by independent appraisers.

NOTE 3. SCOPE OF CONSOLIDATION

3.1. Share deals: acquisitions and disposals of the first half of 2017

There has been neither acquisitions nor disposals in the first half 2017.

3.2. Non-controlling interests

For H1-2017, this item comprised mainly non-controlling interests in the following entities:

- several shopping centres in France (€152.5 Mn, mainly Les 4 Temps for €64.3 Mn, Forum des Halles for €38.4 Mn and Parly 2 for €37.6 Mn);
- Convention & Exhibition entities (€66.5 Mn);
- several shopping centres in Spain and in Germany.

NOTE 4. NET RECURRING RESULT AND SEGMENT REPORTING

4.1. Consolidated interim income statement by segment

Segment	Region	Consolidated Income Statement by segment (€Mn)	H1-2017 Recurring activities	H1-2017 Non-recurring activities [1]	H1-2017 Result	H1-2016 Recurring activities	H1-2016 Non-recurring activities [1]	H1-2016 Result	2016 Recurring activities	2016 Non-recurring activities [1]	2016 Result
SHOPPING CENTRES	FRANCE	Gross rental income	336.1	-	336.1	325.3	-	325.3	651.2	-	651.2
		Operating expenses & net service charges	(32.9)	-	(32.9)	(30.0)	-	(30.0)	(70.7)	-	(70.7)
		Net rental income	**303.2**	**-**	**303.2**	**295.3**	**-**	**295.3**	**580.5**	**-**	**580.5**
		Contribution of affiliates	4.0	4.6	8.6	3.3	1.1	4.4	7.0	8.8	15.8
		Gains/losses on sales of properties	-	1.3	1.3	-	3.3	3.3	-	6.1	6.1
		Valuation movements	-	397.4	397.4	-	296.7	296.7	-	520.2	520.2
		Result Shopping Centres France	**307.2**	**403.3**	**710.5**	**298.6**	**301.1**	**599.8**	**587.5**	**535.2**	**1,122.6**
	CENTRAL EUROPE	Gross rental income	84.6	-	84.6	81.1	-	81.1	159.6	-	159.6
		Operating expenses & net service charges	(1.1)	-	(1.1)	(1.0)	-	(1.0)	(3.4)	-	(3.4)
		Net rental income	**83.5**	**-**	**83.5**	**80.1**	**-**	**80.1**	**156.2**	**-**	**156.2**
		Contribution of affiliates	22.8	0.3	23.2	17.2	14.4	31.6	30.7	(74.2)	(43.5)
		Gains/losses on sales of properties	-	-	-	-	3.5	3.5	-	3.1	3.1
		Valuation movements	-	136.0	136.0	-	227.6	227.6	-	410.9	410.9
		Result Shopping Centres Central Europe	**106.3**	**136.3**	**242.7**	**97.3**	**245.5**	**342.7**	**186.9**	**339.8**	**526.7**
	SPAIN	Gross rental income	87.9	-	87.9	80.0	-	80.0	163.3	-	163.3
		Operating expenses & net service charges	(8.4)	-	(8.4)	(8.5)	-	(8.5)	(17.3)	-	(17.3)
		Net rental income	**79.5**	**-**	**79.5**	**71.5**	**-**	**71.5**	**146.0**	**-**	**146.0**
		Contribution of affiliates	0.1	0.1	0.2	0.4	(0.1)	0.3	0.5	(0.1)	0.5
		Gains/losses on sales of properties	-	(0.0)	(0.0)	-	1.1	1.1	-	20.8	20.8
		Valuation movements	-	128.0	128.0	-	125.7	125.7	-	370.1	370.1
		Result Shopping Centres Spain	**79.6**	**128.1**	**207.7**	**72.0**	**126.7**	**198.6**	**146.5**	**390.8**	**537.3**
	NORDIC	Gross rental income	82.9	-	82.9	79.8	-	79.8	158.4	-	158.4
		Operating expenses & net service charges	(7.7)	-	(7.7)	(7.2)	-	(7.2)	(18.5)	-	(18.5)
		Net rental income	**75.2**	**-**	**75.2**	**72.7**	**-**	**72.7**	**139.9**	**-**	**139.9**
		Gains/losses on sales of properties	-	-	-	-	(0.9)	(0.9)	-	(0.5)	(0.5)
		Valuation movements	-	45.7	45.7	-	42.5	42.5	-	161.6	161.6
		Result Shopping Centres Nordic	**75.2**	**45.7**	**120.9**	**72.7**	**41.6**	**114.3**	**139.9**	**161.1**	**301.0**
	AUSTRIA	Gross rental income	53.5	-	53.5	51.6	-	51.6	102.1	-	102.1
		Operating expenses & net service charges	(1.5)	-	(1.5)	(3.7)	-	(3.7)	(3.5)	-	(3.5)
		Net rental income	**52.1**	**-**	**52.1**	**47.9**	**-**	**47.9**	**98.6**	**-**	**98.6**
		Valuation movements	-	22.5	22.5	-	72.5	72.5	-	141.0	141.0
		Result Shopping Centres Austria	**52.1**	**22.5**	**74.5**	**47.9**	**72.5**	**120.4**	**98.6**	**141.0**	**239.6**
	GERMANY	Gross rental income	49.9	-	49.9	47.9	-	47.9	96.6	-	96.6
		Operating expenses & net service charges	(2.7)	-	(2.7)	(3.0)	-	(3.0)	(6.7)	-	(6.7)
		Net rental income	**47.1**	**-**	**47.1**	**45.0**	**-**	**45.0**	**89.9**	**-**	**89.9**
		Contribution of affiliates	14.6	3.5	18.1	14.6	33.2	47.8	28.5	3.9	32.4
		Valuation movements	-	17.4	17.4	-	82.5	82.5	-	124.4	124.4
		Result Shopping Centres Germany	**61.7**	**20.9**	**82.6**	**59.5**	**115.7**	**175.3**	**118.4**	**128.3**	**246.7**
	THE NETHERLANDS	Gross rental income	33.5	-	33.5	37.8	-	37.8	73.3	-	73.3
		Operating expenses & net service charges	(4.1)	-	(4.1)	(6.9)	-	(6.9)	(11.8)	-	(11.8)
		Net rental income	**29.4**	**-**	**29.4**	**30.9**	**-**	**30.9**	**61.5**	**-**	**61.5**
		Gains/losses on sales of properties	-	(0.1)	(0.1)	-	2.5	2.5	-	0.1	0.1
		Valuation movements	-	(10.3)	(10.3)	-	(5.7)	(5.7)	-	1.3	1.3
		Result Shopping Centres The Netherlands	**29.4**	**(10.4)**	**19.0**	**30.9**	**(3.1)**	**27.8**	**61.5**	**1.4**	**62.9**
		TOTAL RESULT SHOPPING CENTRES	**711.6**	**746.4**	**1,458.0**	**678.9**	**900.0**	**1,578.9**	**1,339.4**	**1,697.6**	**3,037.0**
OFFICES	FRANCE	Gross rental income	62.9	-	62.9	77.9	-	77.9	140.9	-	140.9
		Operating expenses & net service charges	(2.2)	-	(2.2)	(2.7)	-	(2.7)	(5.2)	-	(5.2)
		Net rental income	**60.7**	**-**	**60.7**	**75.2**	**-**	**75.2**	**135.7**	**-**	**135.7**
		Gains/losses on sales of properties	-	(0.1)	(0.1)	-	(1.4)	(1.4)	-	61.4	61.4
		Valuation movements	-	254.5	254.5	-	169.9	169.9	-	219.8	219.8
		Result Offices France	**60.7**	**254.4**	**315.1**	**75.2**	**168.5**	**243.7**	**135.7**	**281.2**	**416.9**
	OTHER COUNTRIES	Gross rental income	10.6	-	10.6	11.2	-	11.2	21.7	-	21.7
		Operating expenses & net service charges	(1.8)	-	(1.8)	(2.1)	-	(2.1)	(4.1)	-	(4.1)
		Net rental income	**8.9**	**-**	**8.9**	**9.1**	**-**	**9.1**	**17.6**	**-**	**17.6**
		Gains/losses on sales of properties	-	0.0	0.0	-	(0.0)	(0.0)	-	5.2	5.2
		Valuation movements	-	(8.1)	(8.1)	-	(0.1)	(0.1)	-	15.0	15.0
		Result Offices other countries	**8.9**	**(8.1)**	**0.7**	**9.1**	**(0.1)**	**9.0**	**17.6**	**20.2**	**37.8**
		TOTAL RESULT OFFICES	**69.6**	**246.3**	**315.8**	**84.3**	**168.4**	**252.7**	**153.3**	**301.4**	**454.7**
CONVENTION & EXHIBITION	FRANCE	Gross rental income	96.2	-	96.2	91.0	-	91.0	186.0	-	186.0
		Operating expenses & net service charges	(49.1)	-	(49.1)	(47.6)	-	(47.6)	(96.4)	-	(96.4)
		Net rental income	**47.1**	**-**	**47.1**	**43.4**	**-**	**43.4**	**89.6**	**-**	**89.6**
		Contribution of affiliates	0.3	(0.2)	0.1	0.4	(0.3)	0.2	0.7	(0.7)	(0.1)
		On site property services	**25.9**	**-**	**25.9**	**25.1**	**-**	**25.1**	**61.8**	**-**	**61.8**
		Hotels net rental income	**7.6**	**-**	**7.6**	**10.0**	**-**	**10.0**	**13.0**	**-**	**13.0**
		Valuation movements, depreciation, capital gains	(5.7)	91.5	85.8	(5.5)	31.3	25.8	(11.4)	43.8	32.4
		TOTAL RESULT CONVENTION & EXHIBITION	**75.3**	**91.3**	**166.6**	**73.5**	**31.0**	**104.5**	**153.6**	**43.0**	**196.7**
		Other property services net operating result	19.2	(1.2)	18.0	16.4	(1.2)	15.2	35.8	(2.4)	33.4
		Other net income	0.9	-	0.9	0.1	-	0.1	0.4	-	0.4
TOTAL OPERATING RESULT AND OTHER INCOME			**876.6**	**1,082.7**	**1,959.3**	**853.2**	**1,098.2**	**1,951.4**	**1,682.5**	**2,039.6**	**3,722.2**
		General expenses	(55.6)	-	(55.6)	(54.8)	(1.2)	(56.0)	(119.0)	(1.3)	(120.4)
		Development expenses	0.9	-	0.9	(1.9)	-	(1.9)	(5.9)	-	(5.9)
		Financing result	(112.1)	(20.9)	(133.0)	(131.4)	(165.2)	(296.6)	(254.9)	(240.4)	(495.3)
RESULT BEFORE TAX			**709.8**	**1,061.8**	**1,771.6**	**665.0**	**931.9**	**1,596.9**	**1,302.7**	**1,797.9**	**3,100.6**
		Income tax expenses	(1.8)	(25.2)	(27.0)	(0.2)	(112.1)	(112.3)	(11.1)	(272.1)	(283.2)
NET RESULT FOR THE PERIOD			**708.0**	**1,036.6**	**1,744.6**	**664.8**	**819.8**	**1,484.6**	**1,291.6**	**1,525.8**	**2,817.4**
		Non-controlling interests	94.1	187.9	282.0	89.5	110.3	199.8	177.4	231.0	408.4
NET RESULT - OWNERS OF THE PARENT			**614.0**	**848.6**	**1,462.6**	**575.3**	**709.5**	**1,284.8**	**1,114.2**	**1,294.8**	**2,409.0**
Average number of shares and ORA			99,632,796			98,964,456			99,160,738		
RECURRING EARNINGS PER SHARE (€)			**6.16**			**5.81**			**11.24**		
RECURRING EARNINGS PER SHARE GROWTH			**6.0%**			**8.2%**			**7.5%**		

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

4.1.1. Gross rental income

Gross rental income by segments

€Mn excluding taxes	H1-2017	H1-2016	2016
Shopping Centres	**728.4**	**703.7**	**1,404.6**
France	336.1	325.3	651.2
Central Europe	84.6	81.1	159.6
Spain	87.9	80.0	163.3
Nordic	82.9	79.8	158.4
Austria	53.5	51.6	102.1
Germany	49.9	47.9	96.6
The Netherlands	33.5	37.8	73.3
Offices	**73.6**	**89.1**	**162.6**
France	62.9	77.9	140.9
Other countries	10.6	11.2	21.7
Convention & Exhibition	**106.2**	**103.2**	**203.2**
Total	**908.2**	**895.9**	**1,770.3**

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

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

(€Mn)	**H1-2017**	**H1-2016**	**2016**
Net other income	**39.4**	**36.0**	**86.2**
Convention & Exhibition	20.2	19.6	50.4
Other property services	19.2	16.4	35.8

4.2. Other information by segment

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

For H1-2017

(€Mn)		Net rental income	Administra-tive expenses, acquisition and related costs	Net other income	Result on disposal of investment properties and shares	Valuation movements on assets	Net operating result before financing cost	Share of the result of companies under equity method & income on financial assets	Total
Shopping Centres	France	303.2	-	-	1.3	397.4	**701.9**	8.6	**710.5**
	Central Europe	83.5	-	-	0.0	136.0	**219.6**	23.2	**242.7**
	Spain	79.5	-	-	(0.0)	128.0	**207.5**	0.2	**207.7**
	Nordic	75.2	-	-	-	45.7	**120.9**	-	**120.9**
	Austria	52.1	-	-	-	22.5	**74.5**	-	**74.5**
	Germany	47.1	-	-	-	17.4	**64.5**	18.1	**82.6**
	The Netherlands	29.4	-	-	(0.1)	(10.3)	**19.0**	-	**19.0**
	Total Shopping Centres	**670.0**	**-**	**-**	**1.3**	**736.6**	**1,407.9**	**50.1**	**1,458.0**
Offices	France	60.7	-	-	(0.1)	254.5	**315.1**	-	**315.1**
	Others	8.9	-	-	0.0	(8.1)	**0.7**	-	**0.7**
	Total Offices	**69.6**	**-**	**-**	**(0.1)**	**246.3**	**315.8**	**-**	**315.8**
C. & E. [1]	France	**54.7**	**-**	**20.2**	**-**	**91.5**	**166.5**	**0.1**	**166.6**
Not allocated		-	(54.7)	19.2	(0.0)	(1.2)	**(36.7)**	-	**(36.7)**
Total 30/06/2017		**794.3**	**(54.7)**	**39.4**	**1.2**	**1,073.2**	**1,853.5**	**50.2**	**1,903.7**

[1] *Convention & Exhibition segment.*

For H1-2016

(€Mn)		Net rental income	Administra-tive expenses, acquisition and related costs	Net other income	Result on disposal of investment properties and shares	Valuation movements on assets	Net operating result before financing cost	Share of the result of companies under equity method & income on financial assets	Total
Shopping Centres	France	295.3	-	-	3.3	296.7	**595.4**	4.4	**599.8**
	Central Europe	80.1	-	-	3.5	227.6	**311.2**	31.6	**342.7**
	Spain	71.5	-	-	1.1	125.7	**198.3**	0.3	**198.6**
	Nordic	72.7	-	-	(0.9)	42.5	**114.3**	-	**114.3**
	Austria	47.9	-	-	-	72.5	**120.4**	-	**120.4**
	Germany	45.0	-	-	-	82.5	**127.5**	47.8	**175.3**
	The Netherlands	30.9	-	-	2.5	(5.7)	**27.8**	-	**27.8**
	Total Shopping Centres	**643.4**	**-**	**-**	**9.6**	**841.9**	**1,494.9**	**84.0**	**1,578.9**
Offices	France	75.2	-	-	(1.4)	169.9	**243.7**	-	**243.7**
	Others	9.1	-	-	(0.0)	(0.1)	**9.0**	-	**9.0**
	Total Offices	**84.3**	**-**	**-**	**(1.5)**	**169.9**	**252.7**	**-**	**252.7**
C. & E. [1]	France	**53.4**	**-**	**19.7**	**-**	**31.3**	**104.3**	**0.2**	**104.5**
Not allocated		-	(57.9)	16.4	(0.0)	(1.2)	**(42.8)**	-	**(42.8)**
Total 30/06/2016		**781.1**	**(57.9)**	**36.0**	**8.1**	**1,041.9**	**1,809.2**	**84.1**	**1,893.4**

[1] *Convention & Exhibition segment.*

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

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

5.1. Investment properties

5.1.1. Investment properties at fair value

(€Mn)	30/06/2017	31/12/2016
Shopping Centres	**30,582.9**	**29,580.8**
France	14,227.5	13,724.1
Central Europe	3,822.4	3,576.5
Spain	3,522.6	3,359.3
Nordic	3,355.7	3,337.3
Austria	2,329.6	2,278.5
Germany	2,051.7	2,032.0
The Netherlands	1,273.4	1,273.1
Offices	**3,016.5**	**3,182.8**
France	2,746.8	2,902.4
Other countries	269.7	280.4
Convention & Exhibition	**2,672.0**	**2,663.4**
Total	**36,271.4**	**35,426.9**

(€Mn)	Shopping Centres	Offices	Convention & Exhibition	**Total investment properties**
31/12/2016	**29,580.8**	**3,182.8**	**2,663.4**	**35,426.9**
Acquisitions [(1)]	13.9	0.5	-	**14.4**
Capitalised expenses [(2)]	331.0	28.6	38.3	**397.9**
Disposals/exits from the scope of consolidation	(0.1)	-	-	**(0.1)**
Reclassification and transfer of category [(3)]	(105.9)	(443.5)	(122.6)	**(672.1)**
Discounting impact	0.3	-	-	**0.3**
Valuation movements	741.2	246.3	93.0	**1,080.6**
Currency translation	21.7	1.7	-	**23.4**
30/06/2017	**30,582.9**	**3,016.5**	**2,672.0**	**36,271.4**

(1) *The acquisitions concern mainly Forum des Halles and Mall of the Netherlands.*

(2) *Capitalised expenses mainly concerned:*
- *shopping centres in France and Central Europe;*
- *offices in France and Central Europe;*
- *Convention & Exhibition sites such as Parc des Expositions de la Porte de Versailles;*

(3) *Refers mainly to the reclassification into the category of the properties held for sale (-€525.7 Mn) and to the transfer from investment property at fair value to IPUC at cost of part of Gaîté Montparnasse property complex due to redevelopment and refurbishment project (-€146.4 Mn).*

Valuation assumptions and sensitivity

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

The outstanding balances of deferred lease incentives and key monies amortised over the firm term of the lease, which corrected the appraisal value, represented -€78.2 Mn.

The following tables provide a number of quantitative elements used by the appraisers to assess the fair valuation of the Group's assets.

Shopping Centres

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

Shopping Centres - June 30, 2017		Net initial yield	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
France	Max	8.6%	880	13.0%	9.0%	31.6%
	Min	1.7%	113	5.3%	3.5%	-3.4%
	Weighted average	4.0%	511	5.7%	4.0%	4.2%
Central Europe	Max	6.6%	575	7.9%	7.6%	3.1%
	Min	4.7%	198	6.5%	4.7%	2.1%
	Weighted average	4.9%	409	6.7%	5.1%	2.4%
Nordic	Max	7.0%	498	9.5%	8.3%	4.7%
	Min	4.0%	101	6.5%	3.9%	1.1%
	Weighted average	4.3%	349	7.0%	4.3%	3.4%
Spain	Max	7.6%	805	10.5%	7.0%	3.7%
	Min	4.1%	123	7.0%	4.2%	1.4%
	Weighted average	4.7%	312	7.6%	4.7%	3.2%
Germany	Max	7.6%	460	8.0%	6.6%	4.1%
	Min	4.0%	250	6.0%	3.9%	1.9%
	Weighted average	4.6%	329	6.4%	4.5%	3.1%
Austria	Max	4.4%	388	6.2%	4.1%	2.7%
	Min	4.1%	364	6.2%	4.1%	2.3%
	Weighted average	4.2%	375	6.2%	4.1%	2.5%
The Netherlands	Max	8.8%	403	8.9%	8.8%	4.4%
	Min	4.3%	113	5.8%	4.2%	n.m
	Weighted average	5.0%	248	6.2%	4.9%	3.2%

Net initial yield, discount rate and exit yield weighted by GMV.
(a) Average annual rent (minimum guaranteed rent + sales based rent) per asset per m².
(b) Rate used to calculate the net present value of future cash flows.
(c) Rate used to capitalize the exit rent to determine the exit value of an asset.
(d) Compounded Annual Growth Rate of Net Rental Income determined by the appraiser (between 6 and 10 years depending on duration of DCF model used).

Based on an asset value excluding estimated transfer taxes and transaction costs, the shopping centre division's net initial yield, decreased to 4.3% as at June 30, 2017 (4.4% as at December 31, 2016).
A change of +25 basis points in net initial yield, the main output of the appraisal models, would result in a downward adjustment of -€1,711 Mn (or -5.5%) of the shopping centre portfolio value (excluding assets under development or accounted for using the equity method), including transfer taxes and transaction costs.

Offices

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

Offices - June 30, 2017		Net initial yield on occupied space	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
France	Max	11.3%	710	9.5%	8.2%	13.9%
	Min	3.8%	105	4.2%	3.4%	-5.0%
	Weighted average	5.2%	470	4.5%	3.9%	1.6%
Nordic	Max	11.1%	218	9.4%	7.8%	3.1%
	Min	5.9%	104	7.1%	5.2%	2.1%
	Weighted average	7.4%	187	7.8%	6.3%	2.6%
The Netherlands	Max	15.0%	53	13.8%	9.8%	15.7%
	Min	n.m.	n.m.	6.1%	4.3%	13.0%
	Weighted average	14.5%	37	8.8%	6.2%	13.9%
Germany	Max	9.4%	157	8.5%	7.5%	10.1%
	Min	4.7%	52	6.5%	4.5%	1.8%
	Weighted average	5.5%	114	6.8%	4.9%	3.2%
Austria	Max	7.0%	127	7.6%	6.8%	5.3%
	Min	6.7%	121	7.5%	6.5%	1.6%
	Weighted average	6.9%	124	7.6%	6.6%	3.7%

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

For occupied offices and based on an asset value excluding estimated transfer taxes and transaction costs, the office division’s net initial yield fell by -44 bps to 5.4% as at June 30, 2017.
A change of +25 basis points in net initial yield, the main output of the appraisal models, would result in a downward adjustment of -€184 Mn (-4.9%) of the office portfolio value (occupied and vacant spaces, excluding assets under development or accounted for using the equity method), including transfer taxes and transaction costs.

Convention & Exhibition

Based on these valuations, the average EBITDA yield (recurring earnings before interest, tax, depreciation and amortization divided by the value of assets, excluding estimated transfer taxes and transaction costs) of Viparis’ consolidated venues decreased by -23 basis points from December 31, 2016 to 5.1% as at June 30, 2017.

A change of +25 basis points of the yield and WACC as determined at June 30, 2017 would result in a downward adjustment of -€131.7 Mn (-5.3%) of the Convention & Exhibition portfolio value.

5.1.2. Investment properties under construction at cost

(€Mn)	30/06/2017	31/12/2016
Shopping Centres	**905.1**	**685.2**
France	265.0	236.3
Central Europe	32.0	31.3
Spain	127.6	124.9
Nordic	-	-
Austria	-	-
Germany	236.1	67.1
The Netherlands	244.4	225,6
Offices	**308.6**	**260.5**
France	308.6	260.5
Other countries	-	-
Convention & Exhibition	**163.5**	**8.3**
Total	**1,377.2**	**954.0**

As at June 30, 2017, assets under construction valued at cost are notably:

- offices developments such as Trinity and Phare-Sisters in La Défense;
- shopping centres extension and renovation projects such as Mall of The Netherlands (Leidsenhage);
- mixed-used projects such as Gaîté Montparnasse (Paris) and Überseequartier (Hamburg).

Assets still stated at cost were subject to impairment tests as at June 30, 2017. Allowances were booked for a total amount of €4.7 Mn.

(€Mn)	Gross value	Impairment	Total investment properties at cost
31/12/2016	**1,025.4**	**(71.5)**	**954.0**
Acquisitions (1)	137.7	-	137.7
Capitalised expenses (2)	143.4	-	143.4
Reclassification and transfer of category (3)	146.4	-	146.4
Discounting impact	0.3	-	0.3
Impairment / reversal	-	(4.7)	(4.7)
Currency translation	0.1	-	0.1
30/06/2017	**1,453.4**	**(76.2)**	**1,377.2**

(1) *Mostly relates to acquisitions for Überseequartier project.*
(2) *Capitalised expenses mainly refer to investments in Überseequartier and Trinity projects as well as Mall of The Netherlands extension and renovation project.*
(3) *Refers mainly to the transfer to IPUC at cost of part of Gaîté Montparnasse property complex due to redevelopment and refurbishment project.*

5.2. Intangible assets

H1-2017 change

Net value (€Mn)	Rights and exhibitions	Other intangible assets	**Total**
31/12/2016	**218.5**	**10.9**	**229.4**
Amortisation	(1.0)	(1.0)	**(2.0)**
Impairment / reversal	(2.7) [(1)]	-	**(2.7)**
30/06/2017	**214.8**	**9.9**	**224.7**

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

A change of +25 basis points of the yield and WACC of Viparis' intangible assets as determined at June 30, 2017 would result in a negative adjustment of -€25.5 Mn (-6.1%).

5.3. Goodwill

An impairment test was carried out on the goodwill which represents the potential tax optimisation existing on the assets. No further impairment was recognised as at June 30, 2017.

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

5.4. Valuation movements on assets

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

(€Mn)	**H1-2017**	**H1-2016**	**2016**
Investment properties at fair value	**1,080.6**	**1,039.1**	**2,027.2**
Shopping Centres	741.2	*841.9*	*1,734.4*
Offices	246.3	*169.9*	*234.8*
Convention & Exhibition	93.0	*27.3*	*58.0*
Investment properties at cost	**(4.7)**	**-**	**(4.7)**
Tangible and intangible assets	**(2.7)**	**2.8**	**(16.6)**
Total	**1,073.2**	**1,041.9**	**2,005.8**

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

In the first half of 2017, amounts paid for works and acquisition of property assets amount to €682.1 Mn. They comprise acquisitions, transaction capitalised costs, works and capitalised expenses and are adjusted for the changes on amounts due on investments of the period.

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

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

These shares and investments are those in the 22 companies accounted for using the equity method, of which 11 are under significant influence and 11 are jointly controlled.

(€Mn)	30/06/2017	31/12/2016
Shares in Shopping Centres and Convention & Exhibition companies	1,024.3	992.7
Loans granted to Shopping Centres and Convention & Exhibition companies	748.2	715.5
Total shares and investments in companies under the equity method	**1,772.5**	**1,708.2**

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

The contribution of affiliates breaks down as follows:

(€Mn)	H1-2017			H1-2016		
	Recurring activities	Non-recurring activities (1)	**Result**	Recurring activities	Non-recurring activities (1)	**Result**
Income from stake in Shopping Centres and Convention & Exhibition companies	28.7	8.3	**37.1**	26.6	48.2	**74.8**
Total share of income from companies under the equity method	**28.7**	**8.3**	**37.1**	**26.6**	**48.2**	**74.8**
Interests on the loans granted to Shopping Centres companies	13.2	-	**13.2**	9.3	-	**9.3**
Total interests on loans granted to companies under the equity method	**13.2**	**-**	**13.2**	**9.3**	**-**	**9.3**

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

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

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

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

(€Mn)	30/06/2017	31/12/2016
Shopping Centres and Convention & Exhibition companies		
Loans (1)	755.7	722.1
Recognised interest	13.2	18.3
Current account in debit	1.3	1.3
Current account in credit (2)	(9.9)	(240.9)
Asset management fees invoiced and other fees	6.6	16.0

(1) *Corresponds to 100% of the financing in the shopping centres investment.*
(2) *The change is mainly explained by the decrease of the current account Unibail Rodamco SE had with Warsaw III BV following the reimbursement early in 2017 of a participating loan in the Zlote Tarasy complex.*

All of these transactions are based on market prices.

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

NOTE 7. FINANCING AND FINANCIAL INSTRUMENTS

7.1. Financing result

7.1.1. Net financing costs

(€Mn)	H1-2017	H1-2016	2016
Security transactions	2.1	0.7	2.1
Other financial interest	2.5	1.2	3.4
Interest income on derivatives	53.3	39.9	83.3
Subtotal financial income	**57.9**	**41.7**	**88.8**
Interest on bonds and EMTNs	(128.7)	(128.3)	(257.4)
Interest and expenses on borrowings	(22.8)	(24.3)	(47.5)
Interest on partners' advances	(14.4)	(14.4)	(29.5)
Other financial interest	(1.7)	(1.1)	(1.8)
Interest expenses on derivatives	(11.7)	(11.3)	(22.3)
Financial expenses before capitalisation of financial expenses	**(179.3)**	**(179.4)**	**(358.6)**
Capitalised financial expenses	9.3	6.3	14.9
Subtotal net financial expenses	**(170.0)**	**(173.1)**	**(343.7)**
Total net financial costs	**(112.1)**	**(131.4)**	**(254.9)**

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

7.1.2. Fair value adjustment of debts and derivatives

(€Mn)	H1-2017	H1-2016	2016
Premium and costs paid on the repurchased bonds and ORNANEs and on repayments of borrowings	-	(30.0)	(74.3)
Mark-to-market of the ORNANEs	23.5	20.1	(37.0)
Currency impact	31.0	27.4	4.2
Restructuring of hedges and mark-to-market of derivatives	(75.9)	(183.1)	(205.1)
Debt discounting and other items	0.5	0.4	(2.2)
Total non-recurring financial result	**(20.9)**	**(165.2)**	**(240.4)**

7.2. Financial assets and liabilities

7.2.1. Main financing transactions in the first half of 2017

In total, medium to long-term financing transactions completed in H1-2017 amounted to €2,508 Mn and include:

- The signing of a €650 Mn "green" credit facility with a maturity of 5 years, refinancing existing facilities;
- Five public EMTN bonds were issued in February, May and June 2017 for a total amount of € 1,703 Mn with the following features:
    - €600 Mn with an 11-year maturity;
    - €500 Mn with a 12-year maturity;
    - €500 Mn with a 20-year maturity;
    - SEK 600 Mn, equivalent to €62 Mn, with a 5-year maturity; and
    - SEK 400 Mn FRN, equivalent to €41 Mn, with a 5-year maturity.
- The issue of two private placements under Unibail-Rodamco's EMTN program for a total equivalent amount of €155 Mn through two taps (€105 Mn and €50 Mn) of its outstanding 2030 bond, increasing the size of the bond to €655 Mn.

In total, these bonds were issued for an average duration of ca. 14 years versus an average duration of 12 years in 2016.

In addition, Unibail-Rodamco accessed the money market by issuing short term papers (BMTN, "*billets de trésorerie*" and "*US Commercial Paper*" (USCP)). In H1 2017, the Group decided to increase the amount of short term papers ahead of the French elections to secure additional liquidity. These additional funds and liquidities were placed in high quality and liquid money market investments and as bank deposits.
The average amount of short term paper outstanding was equivalent to €1,557 Mn (vs. an average of €1,252 Mn in 2016).

In addition, Unibail-Rodamco also extended €392 Mn of credit facilities by an additional year.

As at June 30, 2017, the total amount of undrawn credit lines came to €5,982 Mn, cash on-hand came to €1,379 Mn (vs. €400 Mn as at December 31, 2016). This is due to the additional short term liquidity ahead of the French elections and the proceeds of the opportunistic bond issuances completed in May and June 2017. Cash on-hand was partly used for the second installment of the 2016 dividend payment in early July 2017.

7.2.2. Financial debt breakdown and outstanding duration to maturity

Outstanding duration to maturity (€Mn)	Current	Non-current		Total	Total
	Less than 1 year	1 year to 5 years	More than 5 years	30/06/2017	31/12/2016
Net share settled bonds convertible into new and/or existing shares (ORNANE)	**9.4**	**1,016.4**	**-**	**1,025.8**	**1,049.4**
Principal debt	7.8	1,000.0	-	1,007.8	1,007.8
Mark-to-market of debt	1.6	16.4	-	18.0	41.6
Accrued interest	-	-	-	-	0.0
Bonds and EMTNs	**439.8**	**3,738.5**	**7,689.9**	**11,868.2**	**10,342.9**
Principal debt	420.9	3,738.5	7,689.9	11,849.3 (1)	10,287.9
Accrued interest	96.8	-	-	96.8	113.2
Issuance costs	(21.1)	-	-	(21.1)	(15.5)
Bond redemption premiums	(56.8)	-	-	(56.8)	(42.7)
Bank borrowings	**112.6**	**596.5**	**690.0**	**1,399.1**	**1,391.3**
Principal debt	111.2	596.5	690.0	1,397.7	1,398.0
Accrued interest	7.1	-	-	7.1	5.2
Borrowings issue fees	(15.8)	-	-	(15.8)	(16.1)
Bank overdrafts & current accounts to balance out cash flow	10.0	-	-	10.0	4.1
Mark-to-market of debt	0.1	-	-	0.1	0.2
Other financial liabilities	**1,377.4**	**1,066.7**	**251.0**	**2,695.1**	**2,495.1**
Interbank market instruments and negotiable instruments	1,377.5	-	-	1,377.5 (1)	1,220.8
Accrued interest on interbank market instruments and negotiable instruments	(0.1)	-	-	(0.1)	(0.1)
Current accounts with non-controlling interests (2)	-	1,066.7	251.0	1,317.7	1,274.3
Financial leases	**5.9**	**8.8**	**345.5**	**360.2**	**361.6**
Total	**1,945.1**	**6,426.9**	**8,976.4**	**17,348.4**	**15,640.3**

(1) *In the Financial Resources note, €11,781 Mn for Bonds and EMTNs and €1,379 Mn for short term papers (billets de trésorerie, BMTN and USCP) correspond to the amount after impact of derivatives instruments on debt raised in foreign currencies.*

(2) *They are considered as non-current as they are financing the related assets.*

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

As at June 30, 2017, the ORNANE are presented in the table below.

(€Mn)	Debt at fair value	Total fair value recognised in the profit and loss
ORNANE issued in 2012	9.4	0.1
ORNANE issued in 2014	528.1	20.3
ORNANE issued in 2015	488.3	3.2
Total	**1,025.8**	**23.5**

7.2.4. Characteristics of bonds and EMTNs (excluding ORNANE) issued on the first half of 2017

The new bonds and EMTNs issued in H1-2017 have the following characteristics:

Issue date	Rate	Amount at 30/06/2017 (€Mn)	Maturity
February 2017	Fixed rate 1.5%	600.0	February 2028
May 2017	Fixed rate 1.5%	500.0	May 2029
May 2017	Fixed rate 2,0%	500.0	May 2037
June 2017	Float rate SEK (Stib3M + 80bps)	41.0	June 2022
June 2017	Fixed rate 0.875% SEK	61.5	June 2022
Total		**1,702.5**	

7.2.5. Covenants

As at June 30, 2017, the LTV[1] ratio calculated for Unibail-Rodamco amounted to 33%, stable compared to December 31, 2016.

The ICR[2] ratio for Unibail-Rodamco improved to 6.9x for H1-2017 as a result of strong rental level growth and the lower cost of debt.

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

As at June 30, 2017, 94% of the Group's credit facilities and bank loans allowed indebtedness up to 60% of the Group's total asset value or of the value of the asset of the borrowing entity, as the case may be.

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

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

7.2.6. Market value of the debt

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

(€Mn)	30/06/2017		31/12/2016	
	Carrying value	Market value	Carrying value	Market value
Fixed-rate and index-linked debt				
Fixed-rate & index-linked borrowings, interbank instruments and negotiable market instruments	13,882.7 [(1)]	14,441.6	12,036.5	12,691.8

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

Financial debt is valued at market value based on market rates and and on fair value of Issuer's spread at such closing date.

7.2.7. Net financial debt

Net financial debt is determined as below:

Net financial debt

(€Mn)	30/06/2017	31/12/2016
Amounts accounted for in B/S		
Net share settled bonds convertible into new and/or existing shares (ORNANE)	1,016.4	1,049.4
Long-term bonds and borrowings	14,032.6	12,223.7
Current borrowings and amounts due to credit institutions	1,939.2	2,005.6
Total financial liabilities	**16,988.2**	**15,278.7**
Adjustments		
Mark-to-market of debt	(18.1)	(41.8)
Current accounts with non-controlling interests	(1,317.7)	(1,274.3)
Impact of derivatives instruments on debt raised in foreign currency	(66.9)	(99.5)
Accrued interest / issuance fees	(10.1)	(44.0)
Total financial liabilities (nominal value) [(1)]	**15,575.4**	**13,819.1**
Cash & cash equivalents	**(1,378.9)**	**(400.1)**
Net financial debt	**14,196.5**	**13,418.9**

(1) *Bank overdrafts & current accounts to balance out cash flow are included in the total financial liabilities, in 2017 for €10 Mn and in 2016 for €4.1 Mn.*

Net cash at period-end

(€Mn)	**30/06/2017**	**31/12/2016**
Available for sale investments [1]	848.8	38.2
Cash	530.1	362.0
Total Asset	**1,378.9**	**400.1**
Bank overdrafts & current accounts to balance out cash flow	(10.0)	(4.1)
Total Liabilities	**(10.0)**	**(4.1)**
Net cash at period-end [2]	**1,368.9**	**396.0**

(1) *This item comprises secured and liquid money market investments and bank deposits.(see §7.2.1).*
(2) *The increase of net cash in 2017 is explained in §7.2.1.*

7.3. Fair value hierarchy of financial assets and liabilities

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

(€Mn)	**Fair value measurement at 30/06/2017**			
	Total	Level 1	Level 2	Level 3
Assets				
Fair value through profit or loss				
Derivatives	218.9	-	195.5	23.4
Available for sale investments	848.8	848.8	-	-
Total	**1,067.7**	**848.8**	**195.5**	**23.4**
Liabilities				
Fair value through profit or loss				
ORNANE	1,025.8	1,025.8	-	-
Derivatives	350.7	51.0	299.7	-
Total	**1,376.5**	**1,076.8**	**299.7**	**-**

NOTE 8. TAXES

8.1. Income tax expenses

(€Mn)	H1-2017	H1-2016	2016
Recurring deferred and current tax on:			
- Allocation / reversal of provision concerning tax issues	(0.4)	(4.5)	(0.6)
- Other recurring results	(1.4)	4.3	(10.5)
Total recurring tax	**(1.8)**	**(0.2)**	**(11.1)**
Non-recurring deferred and current tax on:			
- Change in fair value of investment properties and impairment of intangible assets [(1)]	1.5	(109.6)	(243.6)
- Other non-recurring results [(2)]	(26.7)	(2.5)	(27.4)
- Impairment of goodwill justified by taxes	-	-	(1.1)
Total non-recurring tax	**(25.2)**	**(112.1)**	**(272.1)**
Total tax	**(27.0)**	**(112.3)**	**(283.2)**
Total tax due	(11.7)	(13.8)	(12.6)

(1) *H1-2017 is impacted by the reversal of deferred tax liabilities following the entry of company into a specific tax regime for property companies.*

(2) *Includes the 3% tax levied on cash dividends paid by French companies for a total amount of -€8.1 Mn in H1-2017 (-€2.5 Mn in H1-2016 and -€2.6 Mn in 2016).*

8.2. Deferred taxes

H1-2017 change

(€Mn)	31/12/2016	Increase	Decrease	Reclassifi-cations	Currency translation	30/06/2017
Deferred tax liabilities	**(1,796.7)**	**(58.4)**	**60.2**	**(16.3)**	**4.9**	**(1,806.3)**
Deferred tax on investment properties	(1,741.7)	(58.4)	59.2	(16.3)	4.9	(1,752.3)
Deferred tax on intangible assets	(55.0)	(0.0)	1.0	-	-	(54.0)
Other deferred tax	**106.5**	**3.9**	**(21.1)**	**17.3**	**(6.7)**	**99.8**
Tax loss carry-forward [(1)]	86.2	1.5	(10.0)	12.6	0.1	90.4
Other [(1)]	20.3	2.3	(11.1)	4.7	(6.8)	9.4
Total deferred tax liabilities	**(1,690.2)**	**(54.5)**	**39.1**	**0.9**	**(1.9)**	**(1,706.6)**
Deferred tax assets						
Tax loss carry-forward	32.1	1.7	(0.9)	(0.9)	-	32.0
Other deferred tax assets	(8.1)	(0.1)	(0.0)	(0.0)	-	(8.3)
Total deferred tax assets	**24.0**	**1.6**	**(0.9)**	**(0.9)**	**-**	**23.7**

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

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

It is expected that the Dutch tax authorities will deny the FBI status for Unibail-Rodamco's Dutch activities for 2010 onwards. The Group does not agree with this position. As at June 30, 2017, a deferred tax liability of €91.7 Mn was booked on the Dutch investment properties. A deferred tax asset for the same amount based on tax losses was recognised. Both amounts were netted. In this context of uncertainty, no other deferred tax asset has been recognised for significant Dutch tax-loss carry forwards.

NOTE 9. PROVISIONS

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

H1-2017 change

(€Mn)	31/12/2016	Allocations	Reversals used	Reversals not used	30/06/2017
Long-term provisions	**33.6**	**0.8**	**(1.5)**	**(2.2)**	**30.7**
Provisions for litigation	26.5	0.3	(1.3)	(2.1)	23.4
Other provisions	7.1	0.5	(0.2)	(0.1)	7.2
Short-term provisions	**10.3**	**0.7**	**(0.6)**	**(1.0)**	**9.3**
Provisions for litigation	7.4	-	(0.2)	(0.5)	6.7
Other provisions	2.9	0.7	(0.4)	(0.5)	2.7
Total	**43.9**	**1.5**	**(2.1)**	**(3.3)**	**40.0**

NOTE 10. EMPLOYEE BENEFITS

10.1. Share-based payments

Stock option plans

There are currently four plans for stock options granted to Directors and employees of the Group, all subject to performance conditions. These stock options have a duration of seven years and may be exercised at any time, in one or more installments, as from the 4th anniversary of the date of their allocation. The right to exercise stock options is subject to Unibail-Rodamco’s share price performance being higher in percentage terms than that of the EPRA benchmark index over the reference period.
For the plan granted in March 2017, an internal performance metric The Recurring Earnings per Share (REPS) has been introduced in addition to the external performance condition (TSR).

The performance-related stock-options allocated in March 2017 were valued at €8.66 for those with a TSR condition and at €10.17 for those with Recurring Earnings per Share condition (REPS), using a Monte Carlo model. This valuation is based on an initial exercise price of €218.47, a share price at the date of allocation of €214.60, a vesting period of four years, an estimated duration of 4.7 years, a market volatility of 16.81%, a dividend representing 5.0% of the share value, a risk-free interest rate of 0.07% and a volatility of EPRA Eurozone Retail and Office index of 13.62% with a correlation EPRA/Unibail-Rodamco of 85.0%.

Stock options are accounted for in accordance with IFRS 2. The expense recorded on the income statement in relation to stock options came to €2.5 Mn in the first half of 2017 and €2.6 Mn in the first half of 2016.

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

Plan		Exercise period (1)	Adjusted subscription price (€) (2)	Number of options granted	Adjustments in number of options (2)	Number of options cancelled	Number of options exercised	Potential additional number of shares (3)
2010 plan (n° 6)	2010	from 11/03/2014 to 10/03/2017	120.33	778,800	170,561	231,172	718,189	-
	2011	from 11/03/2015 to 10/03/2018	141.54	753,950	15,059	182,234	559,522	27,253
2011 plan (n° 7)	2011	from 10/06/2015 to 09/06/2018	152.03	26,000	-	-	26,000	-
	2012	from 15/03/2016 to 14/03/2019	146.11	672,202	-	155,642	475,325	41,235
	2013	from 05/03/2017 to 04/03/2020	173.16	617,066	-	143,559	352,032	121,475
	2014	from 04/03/2018 to 03/03/2021	186.10	606,087	-	170,015	5,738	430,334
2015 plan (n°8)	2015	from 04/03/2019 to 03/03/2022	256.81	615,860	-	134,948	-	480,912
	2015	from 05/09/2019 to 04/09/2022	238.33	7,225	-	2,125	-	5,100
	2016	from 09/03/2020 to 08/03/2023	227.24	611,608	-	71,613	1,913	538,082
2017 plan (n°9)	2017	from 08/03/2021 to 07/03/2024	218.47	611,611	-	25,288	-	586,323
Total				**5,300,409**	**185,620**	**1,116,596**	**2,138,719**	**2,230,714**

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

Performance share plan

All the shares are subject to external performance condition.
The shares allocated in 2017 are also subject to internal performance condition.

The awards allocated in March 2017 were valued, using a Monte Carlo model, as follows:

	External performance condition (TSR)	Internal performance condition (REPS)
French tax residents beneficiaries	€86.93	€168.84
Others beneficiaries	€90.11	€174.79

This valuation is based on a share price at the date of allocation of €214.60, a vesting period of three years for French tax residents beneficiaries and four years for others beneficiaries, a market volatility of 16.81%, a volatility of EPRA Eurozone Retail and Office index of 13.62% with a correlation EPRA/Unibail-Rodamco of 85.0%, a dividend representing 5.0% of the share value and risk-free interest rates of -0.25%.

Performance shares are accounted for in accordance with IFRS 2. The expense recorded on the income statement in relation to performance shares came to €1.8 Mn in the first half of 2017 and €1.4 Mn in the first half of 2016.

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

Starting date of the vesting period [1]	Number of performance shares allocated	Number of performance shares cancelled	Number of performance shares acquired	Potential additional number of shares [2]
2012	44,975	10,479	34,496	-
2013	36,056	7,632	28,424	-
2014	36,516	9,092	19,051	8,373
2015	37,554	7,916	345	29,293
2016	36,745	4,315	-	32,430
2017	39,770	1,645	-	38,125
Total	**231,616**	**41,079**	**82,316**	**108,221**

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

(2) *All the shares are subject to one or more performance conditions.*

10.2. Remuneration of the Management Board and the Supervisory Board

For information on the remuneration of members of the Management Board and the Supervisory Board, refer to the 2016 Annual Report.

NOTE 11. SHARE CAPITAL AND DIVIDENDS

11.1. Number of shares

Change in share capital

		Total number of shares
As at 31/12/2016		**99,393,785**
	Exercise of stock options	417,657
	Shares created from performance shares	25,323
	Bonds redeemable for shares	74
As at 30/06/2017		**99,836,839**

Average number of shares diluted and undiluted

	H1-2017	H1-2016	2016
Average number of shares (undiluted)	**99,625,133**	**98,956,720**	**99,153,052**
Dilutive impact			
Potential shares via stock options [1]	21,741	35,279	242,643
Attributed performance shares (unvested) [1]	27,436	7,055	35,830
Potential shares via ORNANE	3,359,055	3,287,834	3,323,265
Potential shares via ORA	7,663	7,736	7,686
Average number of shares (diluted)	**103,041,027**	**102,294,624**	**102,762,477**

(1) *Correspond only to shares or stock options and attributed performance shares which are in the money and for which the performance conditions are fulfilled.*

11.2. Dividends

On April 25, 2017, Unibail-Rodamco's combined General Meeting of shareholders resolved to distribute a dividend of €10.20 per share.

The cash dividend amounted to €1,018.3 Mn. An interim dividend of €508.5 Mn was paid on March 29, 2017. The balance dividend was paid on July 6, 2017.

NOTE 12. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT LIABILITIES

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

12.1. Commitments given

Commitments given (€Mn)	Description	Maturities	30/06/2017	31/12/2016
1) Commitments related to the scope of the consolidated Group			**117.2**	**104.9**
Commitments for acquisitions	- Purchase undertakings and earn-out	2017 to 2020	52.3	37.5
Commitments given as part of specific transactions	- Warranties and bank letters of credit given in the course of the ordinary business	2017+	64.9	67.4
2) Commitments related to Group financing			**1,047.7**	**1,048.0**
Financial guarantees given	- Mortgages and first lien lenders (1)	2017 to 2027	1,047.7	1,048.0
3) Commitments related to Group operational activities			**1,774.5**	**1,525.5**
Commitments related to development activities	- Properties under construction: residual commitments for works contracts and forward purchase agreements	2017+	713.7	569.2
	- Residual commitments for other works contracts	2017 to 2021	24.7	22.9
	- Commitments subject to conditions precedent (2)	2017 to 2023	321.3	188.0
Commitments related to operating contracts	- Commitments for construction works (3)	2017 to 2064	505.7	539.7
	- Rental of premises and equipment	2017 to 2021	53.6	55.0
	- Other (4)	2017+	155.6	150.6
Total commitments given			**2,939.4**	**2,678.4**

(1) The outstanding balances at the reporting date of the debts and drawn credit lines which are secured by mortgages. The gross amount of mortgages, before taking into account subsequent debt reimbursement and unused credit lines, was €1,073.3 Mn as at June 30, 2017 (€1,072.9 Mn as at December 31, 2016).

(2) The increase corresponds mainly to the Mall of Europe's project for which an agreement subject to conditions precedent has been signed to acquire the land plot from the City of Brussels.

(3) On the 50-year lease contract to operate Porte de Versailles (Paris), Viparis has committed to invest €497 Mn for renovation works and €227.2 Mn for the maintenance works (i.e €724.2 Mn of which €224.3 Mn have already been invested), representing an initial commitment of €362.1 Mn in Group share.

(4) Corresponds mainly to perpetual usufruct rights in Poland.

Other unquantifiable commitments given related to the scope of the consolidated Group

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

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

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

  These kinds of clauses are included in the following partnerships:

  - As part of the agreements signed with Socri to develop Polygone Riviera, Unibail-Rodamco SE has committed to retain its interests in shared subsidiaries until three years after the date of the shopping centre's opening.

- Following the disposal of a 46.1% stake in Unibail-Rodamco Germany (formerly mfi AG) to the Canadian Pension Plan Investment Board (CPPIB), the Group has committed to retain its interest in shared subsidiaries for a period of five years as from July 1, 2015.

Other commitments given related to Group operational activities

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

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

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

12.2. Commitments received

Commitments received (€Mn)	Description	Maturities	30/06/2017	31/12/2016
1) Commitments related to the scope of the consolidated Group			**35.9**	**35.9**
Commitments for acquisitions	- Sales undertakings	2020	0.2	0.2
Commitments received as part of specific transactions	- Representations and warranties	2019	35.7	35.7
2) Commitments related to Group financing			**5,981.9**	**5,995.0**
Financial guarantees received	- Undrawn credit lines [1]	2017 to 2022	5,981.9	5,995.0
3) Commitments related to Group operational activities			**532.6**	**552.5**
Other contractual commitments received related to operations	- Bank guarantees on works and others	2017+	12.5	9.9
	- Other	2018 to 2024	58.4	102.4
Assets received as security, mortgage or pledge, as well as guarantees received	- Guarantees received relating to Hoguet regulation (France)	2018	124.4	150.4
	- Guarantees received from tenants	2017+	283.6	247.7
	- Guarantees received from contractors on works	2017 to 2020	53.6	42.0
Total commitments received			**6,550.3**	**6,583.4**

(1) These agreements are usually accompanied by a requirement to meet specific target ratios based on revalued shareholders' equity, Group portfolio valuation and debt. Certain credit lines are also subject to an early prepayment clause (in full or in part) in the event of a change in ownership or a series of disposals reducing portfolio assets below a given threshold. Based on current forecasts, excluding exceptional circumstances, these thresholds on target ratios are not expected to be attained during the current year. A total amount of €429 Mn is guaranteed by mortgages as at June 30, 2017.

Other commitments received related to the scope of the consolidated Group

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

Commitments relating to entities' interests in joint ventures and associates

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

12.3. Contingent liabilities

The Group is involved in an arbitration procedure with Peab involving claims regarding the development of Mall of Scandinavia. The process involves claims by both sides and is expected to take time to resolve.
Based on the risk analysis as of June 30, 2017, no provision was recorded in the consolidated accounts.

NOTE 13. SUBSEQUENT EVENTS

None.

STATUTORY AUDITORS' REVIEW REPORT ON THE 2017 FIRST HALF-YEARLY FINANCIAL INFORMATION

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

To the Shareholders,

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

- the review of the accompanying condensed half-yearly consolidated financial statements of Unibail-Rodamco SE, for the period from January 1 to June 30, 2017, and

- the verification of the information presented in the half-yearly management report.

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

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists in making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRS as adopted by the European Union applicable to interim financial information.

2. Specific verification

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

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

Neuilly-sur-Seine and Paris-La Défense, July 24, 2017

The statutory auditors
French original signed by

DELOITTE & ASSOCIES	ERNST & YOUNG Audit
Pascal Colin	Jean-Yves Jegourel

FINANCIAL STATEMENTS WITH ENTITIES UNDER JOINT CONTROL CONSOLIDATED UNDER PROPORTIONAL METHOD

<u>For Information Only – Not reviewed by auditors</u>

Consolidated Income Statement by segment (€ Mn)			H1-2017 published	Joint control	Total H1-2017	H1-2016 published	Joint control	Total H1-2016	2016 Published	Joint control	Total 2016
			Recurring activities	Recurring activities	Recurring activities	Recurring activities	Recurring activities	Recurring activities	Recurring activities	Recurring activities	Recurring activities
SHOPPING CENTRES	FRANCE	Gross rental income	336.1	4.5	340.6	325.3	4.6	329.9	651.2	8.9	660.1
		Operating expenses & net service charges	(32.9)	(0.3)	(33.2)	(30.0)	(0.3)	(30.3)	(70.7)	(0.7)	(71.4)
		Net rental income	**303.2**	**4.2**	**307.4**	**295.3**	**4.2**	**299.5**	**580.5**	**8.2**	**588.7**
		Contribution of affiliates	4.0	(4.0)	-	3.3	(3.3)	-	7.0	(7.0)	-
		Result Shopping Centres France	**307.2**	**0.1**	**307.4**	**298.6**	**0.9**	**299.5**	**587.5**	**1.2**	**588.7**
	CENTRAL EUROPE	Gross rental income	84.6	0.2	84.8	81.1	0.2	81.3	159.6	0.3	159.9
		Operating expenses & net service charges	(1.1)	(0.0)	(1.1)	(1.0)	(0.0)	(1.0)	(3.4)	(0.0)	(3.4)
		Net rental income	**83.5**	**0.2**	**83.7**	**80.1**	**0.1**	**80.2**	**156.2**	**0.3**	**156.5**
		Contribution of affiliates	22.8	(0.1)	22.8	17.2	(0.0)	17.1	30.7	(0.1)	30.7
		Result Shopping Centres Central Europe	**106.3**	**0.1**	**106.4**	**97.3**	**0.1**	**97.4**	**186.9**	**0.2**	**187.1**
	SPAIN	Gross rental income	87.9	0.2	88.0	80.0	0.2	80.2	163.3	0.3	163.6
		Operating expenses & net service charges	(8.4)	(0.0)	(8.4)	(8.5)	(0.0)	(8.5)	(17.3)	(0.1)	(17.4)
		Net rental income	**79.5**	**0.2**	**79.7**	**71.5**	**0.1**	**71.6**	**146.0**	**0.2**	**146.2**
		Contribution of affiliates	0.1	(0.1)	-	0.4	(0.4)	-	0.5	(0.5)	-
		Result Shopping Centres Spain	**79.6**	**0.0**	**79.7**	**72.0**	**(0.3)**	**71.6**	**146.5**	**(0.3)**	**146.2**
	NORDIC	Gross rental income	82.9	-	82.9	79.8	-	79.8	158.4	-	158.4
		Operating expenses & net service charges	(7.7)	-	(7.7)	(7.2)	-	(7.2)	(18.5)	-	(18.5)
		Net rental income	**75.2**	**-**	**75.2**	**72.7**	**-**	**72.7**	**139.9**	**-**	**139.9**
		Result Shopping Centres Nordic	**75.2**	**-**	**75.2**	**72.7**	**-**	**72.7**	**139.9**	**-**	**139.9**
	AUSTRIA	Gross rental income	53.5	-	53.5	51.6	-	51.6	102.1	-	102.1
		Operating expenses & net service charges	(1.5)	-	(1.5)	(3.7)	-	(3.7)	(3.5)	-	(3.5)
		Net rental income	**52.1**	**-**	**52.1**	**47.9**	**-**	**47.9**	**98.6**	**-**	**98.6**
		Result Shopping Centres Austria	**52.1**	**-**	**52.1**	**47.9**	**-**	**47.9**	**98.6**	**-**	**98.6**
	GERMANY	Gross rental income	49.9	22.7	72.6	47.9	23.0	71.0	96.6	46.3	142.9
		Operating expenses & net service charges	(2.7)	(1.4)	(4.1)	(3.0)	(1.4)	(4.4)	(6.7)	(3.5)	(10.2)
		Net rental income	**47.1**	**21.3**	**68.4**	**45.0**	**21.6**	**66.6**	**89.9**	**42.8**	**132.7**
		Contribution of affiliates	14.6	(13.9)	0.7	14.6	(14.0)	0.6	28.5	(27.3)	1.2
		Result Shopping Centres Germany	**61.7**	**7.4**	**69.1**	**59.5**	**7.7**	**67.2**	**118.4**	**15.5**	**133.9**
	THE NETHERLANDS	Gross rental income	33.5	-	33.5	37.8	-	37.8	73.3	-	73.3
		Operating expenses & net service charges	(4.1)	-	(4.1)	(6.9)	-	(6.9)	(11.8)	-	(11.8)
		Net rental income	**29.4**	**-**	**29.4**	**30.9**	**-**	**30.9**	**61.5**	**-**	**61.5**
		Result Shopping Centres The Netherlands	**29.4**	**-**	**29.4**	**30.9**	**-**	**30.9**	**61.5**	**-**	**61.5**
		TOTAL RESULT SHOPPING CENTRES	**711.6**	**7.6**	**719.2**	**678.9**	**8.4**	**687.3**	**1,339.4**	**16.6**	**1,356.0**
OFFICES	FRANCE	Gross rental income	62.9	-	62.9	77.9	-	77.9	140.9	-	140.9
		Operating expenses & net service charges	(2.2)	-	(2.2)	(2.7)	-	(2.7)	(5.2)	-	(5.2)
		Net rental income	**60.7**	**-**	**60.7**	**75.2**	**-**	**75.2**	**135.7**	**-**	**135.7**
		Result Offices France	**60.7**	**-**	**60.7**	**75.2**	**-**	**75.2**	**135.7**	**-**	**135.7**
	OTHER COUNTRIES	Gross rental income	10.6	-	10.6	11.2	-	11.2	21.7	-	21.7
		Operating expenses & net service charges	(1.8)	-	(1.8)	(2.1)	-	(2.1)	(4.1)	-	(4.1)
		Net rental income	**8.9**	**-**	**8.9**	**9.1**	**-**	**9.1**	**17.6**	**-**	**17.6**
		Result Offices other countries	**8.9**	**-**	**8.9**	**9.1**	**-**	**9.1**	**17.6**	**-**	**17.6**
		TOTAL RESULT OFFICES	**69.6**	**-**	**69.6**	**84.3**	**-**	**84.3**	**153.3**	**-**	**153.3**
CONVENTION & EXHIBITION	FRANCE	Gross rental income	96.2	1.0	97.1	91.0	1.5	92.4	186.0	2.7	188.7
		Operating expenses & net service charges	(49.1)	(1.0)	(50.0)	(47.6)	(0.9)	(48.5)	(96.4)	(1.8)	(98.2)
		Net rental income	**47.1**	**0.0**	**47.1**	**43.4**	**0.6**	**44.0**	**89.6**	**0.9**	**90.5**
		Contribution of affiliates	0.3	(0.3)	-	0.4	(0.4)	-	0.7	(0.7)	-
		On site property services	**25.9**	**-**	**25.9**	**25.1**	**-**	**25.1**	**61.8**	**-**	**61.8**
		Hotels net rental income	**7.6**	**0.4**	**8.0**	**10.0**	**-**	**10.0**	**13.0**	**-**	**13.0**
		Valuation movements, depreciation, capital gains	(5.7)	-	(5.7)	(5.5)	-	(5.5)	(11.4)	-	(11.4)
		TOTAL RESULT CONVENTION & EXHIBITION	**75.3**	**0.1**	**75.4**	**73.5**	**0.1**	**73.6**	**153.6**	**0.3**	**153.9**
		Other property services net operating result	19.2	(0.6)	18.5	16.4	(0.8)	15.6	35.8	(1.4)	34.4
		Other net income	0.9		0.9	0.1	-	0.1	0.4	-	0.4
TOTAL OPERATING RESULT AND OTHER INCOME			**876.6**	**7.1**	**883.7**	**853.2**	**7.8**	**860.9**	**1,682.5**	**15.5**	**1,698.0**
		General expenses	(55.6)	(0.9)	(56.5)	(54.8)	(0.5)	(55.3)	(119.0)	(1.5)	(120.6)
		Development expenses	0.9	-	0.9	(1.9)	(0.8)	(2.7)	(5.9)	(0.8)	(6.7)
		Financing result	(112.1)	(6.7)	(118.8)	(131.4)	(6.5)	(137.9)	(254.9)	(13.0)	(267.9)
RESULT BEFORE TAX			**709.8**	**(0.5)**	**709.3**	**665.0**	**(0.0)**	**665.0**	**1,302.7**	**0.2**	**1,302.9**
		Income tax expenses	(1.8)	0.5	(1.3)	(0.2)	0.0	(0.2)	(11.1)	(0.2)	(11.3)
NET RESULT FOR THE PERIOD			**708.0**	**(0.0)**	**708.0**	**664.8**	**(0.0)**	**664.8**	**1,291.6**	**0.0**	**1,291.6**
		Non-controlling interests	94.1	-	94.1	89.5	-	89.5	177.4	-	177.4
NET RESULT - OWNERS OF THE PARENT			**614.0**	**(0.0)**	**614.0**	**575.3**	**(0.0)**	**575.3**	**1,114.2**	**0.0**	**1,114.2**
Average number of shares and ORA			99,632,796		99,632,796	98,964,456		98,964,456	99,160,738		99,160,738
RECURRING EARNINGS PER SHARE (€)			**6.16**		**6.16**	**5.81**		**5.81**	**11.24**		**11.24**
RECURRING EARNINGS PER SHARE GROWTH			**6.0%**		**6.0%**	**8.2%**		**8.2%**	**7.5%**		**7.5%**

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

Consolidated statement of comprehensive income (€Mn)	**H1-2017 published**	**Joint control**	**Total H1-2017**	**H1-2016 published**	**Joint control**	**Total H1-2016**	**2016 Published**	**Joint control**	**Total 2016**
Gross rental income	908.2	28.5	936.7	895.9	29.4	925.3	1,770.3	58.5	1,828.8
Ground rents paid	(9.3)	(1.0)	(10.3)	(8.7)	(1.0)	(9.7)	(17.4)	(2.0)	(19.4)
Net service charge expenses	(11.9)	(1.5)	(13.4)	(12.8)	(1.7)	(14.5)	(29.2)	(4.0)	(33.2)
Property operating expenses	(92.7)	(0.1)	(92.9)	(93.3)	(0.0)	(93.3)	(195.2)	(0.0)	(195.2)
Net rental income	**794.3**	**25.8**	**820.1**	**781.1**	**26.7**	**807.8**	**1,528.5**	**52.5**	**1,581.0**
Corporate expenses	(54.5)	(0.9)	(55.4)	(53.7)	(0.5)	(54.2)	(116.8)	(1.5)	(118.3)
Development expenses	0.9	-	0.9	(1.9)	(0.8)	(2.7)	(5.9)	(0.8)	(6.7)
Depreciation of other tangible assets	(1.1)	-	(1.1)	(1.1)	-	(1.1)	(2.2)	-	(2.2)
Administrative expenses	**(54.7)**	**(0.9)**	**(55.6)**	**(56.7)**	**(1.3)**	**(58.0)**	**(124.9)**	**(2.3)**	**(127.2)**
Acquisition and related costs	**-**		**-**	**(1.2)**		**(1.2)**	**(1.3)**	**(0.0)**	**(1.3)**
Revenues from other activities	124.5	0.4	124.9	120.3	-	120.3	261.3	-	261.3
Other expenses	(85.1)	(0.6)	(85.7)	(84.3)	(0.8)	(85.1)	(175.1)	(1.4)	(176.5)
Net other income	**39.4**	**(0.2)**	**39.2**	**36.0**	**(0.8)**	**35.2**	**86.2**	**(1.4)**	**84.8**
Proceeds from disposal of investment properties	1.2	-	1.2	306.3	-	306.3	973.9	0.6	974.5
Carrying value of investment properties sold	-	-	-	(303.6)	-	(303.6)	(882.7)	-	(882.7)
Result on disposal of investment properties	**1.2**	**-**	**1.2**	**2.7**	**-**	**2.7**	**91.2**	**0.6**	**91.8**
Proceeds from disposal of shares	-	-	-	26.3	-	26.3	25.9	-	25.9
Carrying value of disposed shares	-	-	-	(20.9)	-	(20.9)	(20.9)	-	(20.9)
Result on disposal of shares	**-**	**-**	**-**	**5.4**	**-**	**5.4**	**5.0**	**-**	**5.0**
Valuation gains on assets	1,249.0	13.5	1,262.5	1,147.1	40.8	1,187.9	2,244.0	37.9	2,281.9
Valuation losses on assets	(175.8)	(3.5)	(179.3)	(105.2)	0.2	(105.0)	(238.2)	(17.0)	(255.2)
Valuation movements on assets	**1,073.2**	**9.9**	**1,083.1**	**1,041.9**	**41.0**	**1,082.9**	**2,005.8**	**20.9**	**2,026.7**
NET OPERATING RESULT BEFORE FINANCING COST	**1,853.5**	**34.6**	**1,888.1**	**1,809.2**	**65.6**	**1,874.8**	**3,590.5**	**70.2**	**3,660.7**
Result from non-consolidated companies	0.9	0.0	0.9	0.1	(0.0)	0.1	0.4	(0.0)	0.4
Financial income	*57.9*	*-*	*57.9*	*41.7*	*-*	*41.7*	*88.8*	*-*	*88.8*
Financial expenses	*(170.0)*	*(6.7)*	*(176.7)*	*(173.1)*	*(6.5)*	*(179.6)*	*(343.7)*	*(13.0)*	*(356.7)*
Net financing costs	(112.1)	(6.7)	(118.8)	(131.4)	(6.5)	(137.9)	(254.9)	(13.0)	(267.9)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	23.5	-	23.5	20.1	-	20.1	37.0	-	37.0
Fair value adjustments of derivatives and debt	(44.1)	0.1	(44.1)	(184.9)	0.7	(184.2)	(276.8)	1.5	(275.3)
Debt discounting	(0.3)	-	(0.3)	(0.3)	-	(0.3)	(0.6)	-	(0.6)
Share of the result of companies under the equity method	37.1	(24.8)	12.3	74.8	(52.5)	22.3	(13.3)	(55.5)	(68.8)
Income on financial assets	13.2	(0.5)	12.7	9.3	(0.7)	8.6	18.3	(1.6)	16.7
RESULT BEFORE TAX	**1,771.6**	**2.7**	**1,774.3**	**1,596.9**	**6.7**	**1,603.6**	**3,100.6**	**1.7**	**3,102.3**
Income tax expenses	(27.0)	(2.7)	(29.7)	(112.3)	(6.7)	(119.0)	(283.2)	(1.7)	(284.9)
NET RESULT FOR THE PERIOD	**1,744.6**	**(0.0)**	**1,744.6**	**1,484.6**	**0.0**	**1,484.6**	**2,817.4**	**(0.0)**	**2,817.4**
Non-controlling interests	282.0	-	282.0	199.8	-	199.8	408.4	-	408.4
NET RESULT (Owners of the parent)	**1,462.6**	**(0.0)**	**1,462.6**	**1,284.8**	**0.0**	**1,284.8**	**2,409.0**	**(0.0)**	**2,409.0**

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

Consolidated Statement of financial position (€ Mn)	**30/06/2017 published**	**Joint control**	**30/06/2017**	**31/12/2016 Published**	**Joint control**	**31/12/2016**
NON CURRENT ASSETS	**40,743.2**	**477.7**	**41,220.9**	**39,509.3**	**502.6**	**40,011.9**
Investment properties	**37,648.6**	**1,256.5**	**38,905.1**	**36,380.9**	**1,239.8**	**37,620.6**
Investment properties at fair value	*36,271.4*	*1,247.4*	*37,518.8*	*35,426.9*	*1,230.7*	*36,657.6*
Investment properties at cost	*1,377.2*	*9.1*	*1,386.3*	*954.0*	*9.0*	*963.0*
Other tangible assets	215.7	0.1	215.8	219.8	0.2	219.9
Goodwill	539.9	90.5	630.4	539.9	90.5	630.4
Intangible assets	224.7	0.0	224.7	229.4	0.0	229.4
Loans and receivables	69.5	0.1	69.6	113.3	0.1	113.3
Financial assets	29.7	-	29.7	25.1	-	25.1
Deferred tax assets	23.7	0.3	24.0	24.0	25.5	49.5
Derivatives at fair value	218.9	-	218.9	268.8	-	268.8
Shares and investments in companies under the equity method	1,772.5	(869.7)	902.8	1,708.2	(853.4)	854.8
CURRENT ASSETS	**2,846.2**	**59.9**	**2,906.1**	**1,235.8**	**51.5**	**1,287.2**
Properties or shares held for sale	**525.7**	-	**525.7**	-	-	-
Trade receivables from activity	**413.7**	**20.4**	**434.1**	**369.0**	**16.3**	**385.3**
Other trade receivables	**527.9**	**13.5**	**541.4**	**466.6**	**11.0**	**477.7**
Tax receivables	168.5	1.3	169.8	217.7	1.1	218.8
Other receivables	230.7	9.9	240.6	136.4	8.2	144.6
Prepaid expenses	128.7	2.2	130.9	112.5	1.7	114.2
Cash and cash equivalents	**1,378.9**	**25.9**	**1,404.8**	**400.1**	**24.1**	**424.2**
Available for sale investments	848.8	2.3	851.1	38.2	2.3	40.5
Cash	530.1	23.6	553.7	362.0	21.8	383.8
TOTAL ASSETS	**43,589.4**	**537.6**	**44,127.0**	**40,745.0**	**554.1**	**41,299.1**
Shareholders' equity (Owners of the parent)	**18,001.1**	-	**18,001.1**	**17,465.3**	-	**17,465.3**
Share capital	499.2	-	499.2	497.0	-	497.0
Additional paid-in capital	6,470.0	-	6,470.0	6,402.3	-	6,402.3
Bonds redeemable for shares	1.2	-	1.2	1.2	-	1.2
Consolidated reserves	9,736.7	-	9,736.7	8,349.3	-	8,349.3
Hedging and foreign currency translation reserves	(168.6)	-	(168.6)	(193.4)	-	(193.4)
Consolidated result	1,462.6	-	1,462.6	2,409.0	-	2,409.0
Non-controlling interests	**3,780.4**	-	**3,780.4**	**3,554.4**	-	**3,554.4**
TOTAL SHAREHOLDERS' EQUITY	**21,781.5**	-	**21,781.5**	**21,019.7**	-	**21,019.7**
NON CURRENT LIABILITIES	**18,033.7**	**497.9**	**18,531.6**	**16,209.9**	**518.6**	**16,728.5**
Long-term commitment to purchase non-controlling interests	40.9	-	40.9	40.9	-	40.9
Net share settled bonds convertible into new and/or existing shares (ORNANE)	1,016.4	0.0	1,016.4	1,049.4	-	1,049.4
Long-term bonds and borrowings	14,032.6	394.9	14,427.5	12,223.7	392.9	12,616.6
Long-term financial leases	354.3	-	354.3	355.4	-	355.4
Derivatives at fair value	350.7	0.0	350.7	327.9	0.0	327.9
Deferred tax liabilities	1,706.6	99.8	1,806.4	1,690.2	122.7	1,812.9
Long-term provisions	30.7	0.6	31.3	33.6	0.5	34.1
Employee benefits	9.2	-	9.2	9.2	-	9.2
Guarantee deposits	214.7	2.6	217.3	208.1	2.5	210.6
Tax liabilities	0.1	-	0.1	0.1	-	0.1
Amounts due on investments	277.5	-	277.5	271.4	-	271.4
CURRENT LIABILITIES	**3,774.2**	**39.7**	**3,813.9**	**3,515.4**	**35.5**	**3,551.0**
Amounts due to suppliers and other current debt	**1,614.0**	**37.5**	**1,651.5**	**1,314.3**	**30.5**	**1,344.7**
Amounts due to suppliers	138.0	12.0	150.0	150.4	12.3	162.7
Amounts owed to shareholders	509.8	-	509.8	-	-	-
Amounts due on investments	366.6	0.1	366.7	326.5	0.1	326.6
Sundry creditors	364.7	22.1	386.8	625.0	15.9	641.0
Other liabilities	234.9	3.3	238.2	212.3	2.1	214.5
Current borrowings and amounts due to credit institutions	**1,939.2**	**0.3**	**1,939.5**	**2,005.6**	**2.7**	**2,008.3**
Current financial leases	**5.9**	-	**5.9**	**6.1**	-	**6.1**
Tax and social security liabilities	**205.8**	**1.9**	**207.7**	**179.1**	**2.4**	**181.5**
Short-term provisions	**9.3**	-	**9.3**	**10.3**	-	**10.3**
TOTAL LIABILITIES AND EQUITY	**43,589.4**	**537.6**	**44,127.0**	**40,745.0**	**554.1**	**41,299.1**

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

Average cost of debt: recurring financial expenses (excluding the ones on financial leases and the ones related to partners' current accounts) + capitalized financial expenses (excluding non-recurring financial expenses such as mark-to-market and termination costs of financial instruments including bonds repurchased, currency impact) / average net debt over the period.

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

Committed projects: projects currently under construction, for which Unibail-Rodamco owns the land or building rights and has obtained all necessary administrative authorizations and permits.

Controlled projects: projects in an advanced stage of studies, for which Unibail-Rodamco controls the land or building rights, but where not all administrative authorizations have been obtained yet.

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

EPRA: European Public Real estate Association.

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

EPRA NIY: annualized rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the Gross Market Value of the portfolio. For a reconciliation of Unibail-Rodamco's NIY with the EPRA net initial yield definitions, refer to the EPRA Performance Measures (Item 3).

EPRA topped-up yield: EPRA Net Initial Yield adjusted in respect of the expiration of rent free periods (or other unexpired lease incentives such as discounted rent periods and step rents).

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

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

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

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

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

IVSC: International Valuation Standards Council.

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

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

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

Maintenance capital expenditure (Maintenance CAPEX): maintenance Capex relates to works either on equipment or the structure of a standing asset. The primary purpose of Maintenance Capex is to ensure that the asset is in good working order and / or to make minor improvements. These investments can be triggered by obsolescence, maintaining technical performance at market levels or compliance with regulatory requirements.

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

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

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

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

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

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

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

RICS: Royal Institution of Chartered Surveyors.

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

SBR: Sales Based Rent.

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

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

Tenant sales: performance in Unibail-Rodamco's shopping centres (excluding The Netherlands) in portfolio of shopping centres in operation, including extensions of existing assets, and excluding deliveries of new brownfield projects, acquisition of new assets and assets under heavy refurbishment.

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

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

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

LIST OF GROUP'S STANDING ASSETS

1.1. FRANCE: SHOPPING CENTRES

Portfolio as at June 30, 2017	GLA of the whole complex *(m²)*
SHOPPING CENTRES IN THE PARIS REGION	
Les Quatre Temps (La Défense)	139,600
Carré Sénart (Lieusaint)	120,500
Rosny 2 (Rosny-sous-Bois)	111,600
Parly 2 (Le Chesnay)	107,200
Vélizy 2 (Vélizy-Villacoublay)	104,000
Aéroville (Roissy-en-France)	83,300
Le Forum des Halles (Paris 1)	73,200
So Ouest (Levallois-Perret)	54,300
Ulis 2 (Les Ulis)	53,900
Bobigny 2 (Bobigny)	26,900
CNIT (La Défense)	25,800
L'Usine Mode et Maison (Vélizy-Villacoublay)	20,600
Boutiques Palais des Congrès (Paris 17)	18,900
Galerie Gaité (Paris 15)	14,300
Carrousel du Louvre (Paris 1)	13,100
SHOPPING CENTRES IN THE FRENCH PROVINCES	
La Part-Dieu (Lyon)	132,000
La Toison d'Or (Dijon)	78,000
Polygone Riviera (Cagnes-sur-Mer)	73,400
Euralille (Lille)	66,700
Villeneuve 2 (Villeneuve-d'Ascq)	57,100
Lyon Confluence (Lyon)	53,500
Rennes Alma (Rennes)	46,100
La Valentine (Marseille)	30,000
L'Usine Roubaix (Roubaix)	19,300
Channel Outlet Store (Coquelles)	13,700
OTHER ASSETS	
Bel-Est (Bagnolet)	48,800
Aquaboulevard (Paris)	38,400
Maine Montparnasse (Paris)	35,500
Villabe (Corbeil)	35,300
Grigny 2 (Grigny)	10,700
Go Sport (Saintes)	2,500

1.2. FRANCE: CONVENTION & EXHIBITION

Portfolio as at June 30, 2017	Total floor space of the asset *(m²)*
PARIS REGION	
PROPERTY AND OPERATION	
Paris Porte de Versailles (Paris 15)	220,000
Paris Nord (Villepinte)	245,000
CNIT (La Défense)	24,000
Espace Grande Arche (La Défense)	5,000
Espace Champerret (Paris 17)	9,100
Le Palais des Congrès de Paris	32,000
Carrousel du Louvre (Expos) (Paris 1)	7,100
Hilton CNIT (La Défense)	10,700
Pullman Paris-Montparnasse Hotel (Paris 14)	57,400
OPERATION	
Paris, Le Bourget (Le Bourget)	80,000
Palais des Congrès de Versailles (Versailles)	3,200
Palais des Congrès d'Issy-les-Moulineaux (Issy-les-Moulineaux)	3,000
Hôtel Salomon de Rothschild (Paris 8)	1,600
Palais des Sports (Paris 15)	n.a.
OUTSIDE PARIS	
Novotel Lyon Confluence (Lyon)	7,100

1.3. FRANCE: OFFICES

Portfolio as at June 30, 2017	Total floor space of the asset *(m²)*
Capital 8 (Monceau/Murat) (Paris 8)	45,300
Le Sextant (Paris 15)	13,400
7 Adenauer (Paris 16)	12,100
Les Villages de l'Arche (La Défense)	42,100
Tour Ariane (La Défense)	63,600
CNIT (Offices) (La Défense)	37,100
Majunga (La Défense)	65,600
Michelet-Galilée (La Défense)	32,700
So Ouest Plaza (Levallois-Perret)	36,600
Issy Guynemer (Issy-les-Moulineaux)	30,600
Gaîté-Montparnasse (Offices) (Paris 15)	9,900
29, rue du Port (Nanterre)	10,300
Le Blériot (Rueil Malmaison)	3,400

1.4. CENTRAL EUROPE: SHOPPING CENTRES

Portfolio as at June 30, 2017	GLA of the whole complex *(m²)*
CZECH REPUBLIC	
Centrum Cerny Most (Prague)	106,700
Centrum Chodov (Prague)	62,400
POLAND	
Arkadia (Warsaw)	116,000
Galeria Mokotow (Warsaw)	68,500
Zlote Tarasy[1] (Warsaw)	66,400
CH Ursynow (Warsaw)	46,600
Wilenska (Warsaw)	39,900
SLOVAK REPUBLIC	
Aupark (Bratislava)	56,800

1.5. CENTRAL EUROPE: OFFICES

Portfolio as at June 30, 2017	Total floor space of the asset *(m²)*
Zlote Tarasy Lumen (Warsaw)	23,700
Zlote Tarasy Skylight (Warsaw)	22,000
Wilenska Offices (Warsaw)	13,400

1.6. SPAIN: SHOPPING CENTRES

Portfolio as at June 30, 2017	GLA of the whole complex *(m²)*
Parquesur (Madrid)	151,200
Bonaire (Valencia)	135,000
La Maquinista (Barcelona)	95,000
La Vaguada (Madrid)	85,500
Glòries (Barcelona)	68,800
El Faro (Badajoz)	66,300
Bahía Sur (Cádiz)	59,300
Splau (Barcelona)	55,000
Los Arcos (Sevilla)	44,000
Barnasud (Barcelona)	43,700
Garbera (San Sebastian)	40,000
Equinoccio (Madrid)	36,800
Vallsur (Valladolid)	36,000

[1] Not managed by Unibail-Rodamco.

1.7. NORDICS: SHOPPING CENTRES

Portfolio as at June 30, 2017	GLA of the whole complex *(m²)*
SWEDEN	
Mall of Scandinavia (Greater Stockholm)	103,200
Täby Centrum (Greater Stockholm)	81,400
Nacka Forum (Greater Stockholm)	56,800
Solna Centrum (Greater Stockholm)	50,000
Eurostop Arlanda (Greater Stockholm)	33,200
Arninge Centrum (Greater Stockholm)	20,200
Eurostop Örebro (Örebro)	15,300
DENMARK	
Fisketorvet (Copenhagen)	59,600
FINLAND	
Jumbo (Helsinki)	85,100

1.8. NORDICS: OFFICES

Portfolio as at June 30, 2017	Total floor space of the asset *(m²)*
SWEDEN	
Solna Centrum (Greater Stockholm)	29,900
Täby Centrum (Greater Stockholm)	21,500
Nacka Forum (Greater Stockholm)	13,800
Eurostop Arlanda (Greater Stockholm)	10,500
Eurostop Örebro (Örebro)	4,700

1.9. AUSTRIA: SHOPPING CENTRES

Portfolio as at June 30, 2017	GLA of the whole complex *(m²)*
Shopping City Süd (SCS) (Vienna)	199,900
Donau Zentrum (Vienna)	123,900

1.10. AUSTRIA: OFFICES

Portfolio as at June 30, 2017	Total floor space of the asset *(m²)*
Donau Zentrum (Vienna)	10,700
Shopping City Süd (SCS) (Vienna)	9,200

1.11. GERMANY: SHOPPING CENTRES

Portfolio as at June 30, 2017	GLA of the whole complex *(m²)*
CentrO (Oberhausen)	241,900
Ruhr Park (Bochum)	115,800
Paunsdorf Center (Leipzig)	113,300
Gropius Passagen (Berlin)	93,700
Höfe am Brühl (Leipzig)	54,600
Pasing Arcaden (Munich)	52,900
Palais Vest (Recklinghausen)	43,100
Minto (Mönchengladbach)	41,800
Gera Arcaden (Gera)	38,600
Ring-Center 1 (Berlin)	20,600

1.12. NETHERLANDS: SHOPPING CENTRES

Portfolio as at June 30, 2017	GLA of the whole complex *(m²)*
SHOPPING CENTRES	
Stadshart Almere (Almere)	89,500
Stadshart Amstelveen (Amstelveen)	83,500
Stadshart Zoetermeer (Zoetermeer)	77,400
Leidsenhage[2] (The Hague region)	75,400
OTHER ASSETS	
De Els (Waalwijk)	14,500
Kerkstraat (Hilversum)	12,200
In den Vijfhoek (Oldenzaal)	8,100
Zoetelaarpassage (Almere)	6,700
Carleijspassage10 (Venlo)	1,900
Oosterdijk (Sneek)	1,500

1.13. NETHERLANDS: OFFICES

Portfolio as at June 30, 2017	Total floor space of the asset *(m²)*
Stadshart Zoetermeer (Zoetermeer)	11,500
Stadshart Amstelveen (Amstelveen)	6,800

[2] Undergoing a substantial extension and renovation in connection with the Mall of The Netherlands project.