

Paris, Amsterdam, July 21<sup>st</sup>, 2010

**PRESS RELEASE**

## **RESHAPING THE FUTURE**

### **H1 2010 RESULTS**

*No 1 Listed Property Company in Europe*  
*€23.3 Billion Property Portfolio (up 4.7% like-for-like)*  
*€4.70 Recurring Earnings Per Share (up 0.4%)*  
*€131.00 fully diluted NAV/share (up 2.2% on December 31, 2009)*  
*31% Loan to Value*  
*€20 per share capital reimbursement*

#### **Steady operational performance**

The Group presents mid-year results in line with guidance: Recurring Earnings Per Share up 0.4%, despite low indexation, disposals ahead of plans, a seasonal slow first half year for Convention & Exhibition and a later than planned closing of the Simon Ivanhoe transaction. The positive results growth is mostly due to continued growth in the Retail division combined with lower administrative, interest and tax expenses.

Footfall in the Group's shopping centres was up 0.9% in H1 2010 and tenants' sales evolution is back to positive, with 2.2% increase (May year-to-date figures). Like-for-like rental income growth for the shopping centres came to + 1.8%, or + 1.2% above indexation. In the Office division, like for like growth came to a strong 8.7%, mostly due to leasing of vacant units.

#### **Net asset value back to positive trend**

After two years of decrease, the Group's appraised asset values grew by €1 billion, or 4.7% like-for-like to €23.3 billion. This is a consequence of the increasing long term investors interest in buying prime shopping centre and office properties. Despite the impact of the annual €8 per share distribution paid in May, the triple net NAV increased by 2.2% to €131/share, on the back of higher asset values.

#### **Priority on selective acquisitions and major developments**

The €715 million acquisition of the Simon Ivanhoe portfolio, announced in February, received competition authority clearance on July 12<sup>th</sup>, and closed on July 15<sup>th</sup>. Deliveries of several development projects took place such as Tour Oxygène and Lyon Part-Dieu extension in Lyon, and La Maquinista extension in Barcelona. In addition, the Group made very significant progress in structuring and obtaining authorisations for major projects of its €5.7 billion development pipeline.

**Strategic focus, divestments and capital reimbursement**

Since the merger between Unibail and Rodamco in 2007, the Group has pursued its strategy of concentrating on prime assets, building an exceptional portfolio of large shopping centres. Doing so enables a stronger management focus, fully dedicated to a smaller number of large, visible and highly profitable investments, where the Group's know-how in operation, marketing and development creates the difference.

This strategy was implemented through an ambitious divestment programme. Since the merger, some €4 billion worth of assets were sold. Backed by good market conditions, the Group is accelerating this policy with €1.2 billion of disposals signed or closed in H1 2010 (including the Capital 8 Messine Building) with an average 9% price premium achieved on appraisal value on these disposals. A further €500 million disposals are expected for the remainder of 2010.

As a consequence of this successful strategy and the strength of its balance sheet, the Group has the opportunity to reshape its capital structure to improve the quality of the return it generates for shareholders.

The joint Supervisory and Management Boards propose to return capital to the shareholders for an amount corresponding to €1.8 billion broadly in line with the disposal proceeds achieved, net of acquisitions, since the merger. For this purpose, the Group intends to call a general meeting for the 8<sup>th</sup> September 2010 to declare a capital reimbursement of €20 per share, distributable on October 12<sup>th</sup>, 2010. The capital reimbursement would be declared from the Group's contribution paid-in capital and paid from the available undrawn credit lines, which came to €4 billion at June 30, 2010.

The Group has approached two rating agencies Standard & Poor's and Fitch to rate the Group's pro forma financial position. The expected rating from both these agencies after the capital reimbursement is an "A" rating with stable outlook from Fitch and with negative outlook from Standard & Poor's.

The Group will still be among the least indebted companies within its peer group and will retain sufficient financial flexibility to deal with its significant development pipeline and any acquisition opportunities which may emerge while maintaining its highly focused strategic approach.

**Outlook**

The Group reaffirms its outlook for 2010 of growing the recurring earnings per share with 0% to 2%. This outlook incorporates the impact of the proposed capital reimbursement.

Key consolidated indicators (in € Mn)	H1-2010	H1-2009	Growth %	Growth % like for like
Shopping centres	474	469	1.0%	1.8%
Offices	108	111	-2.1%	8.7%
Convention & exhibition and hôtels	41	54	-23.5%	-23.5%
<b>Net rental income</b>	<b>624</b>	<b>634</b>	<b>-1.6%</b>	<b>0.4%</b>
Valuation movements and gain on disposals	977	-1,911		
Net profit group share	1,107	-1,324		
of which net recurring profit	429	426	0.8%	
<b>Recurring earnings per share</b>	<b>4.70 €</b>	<b>4.68 €</b>	<b>0.4%</b>	

	30 June 2010	Dec 31 2009	%
<b>Fully diluted liquidation Net Asset Value per share</b>	<b>131.00 €</b>	<b>128.20 €</b>	<b>2.2%</b>

The press release and its appendix can be found on Unibail-Rodamco's website: [www.unibail-rodamco.com](http://www.unibail-rodamco.com)

#### **About Unibail-Rodamco**

Unibail-Rodamco is Europe's leading listed commercial property operator, investor and developer. It is present in 12 countries across the continent. Its portfolio of shopping centres, offices and convention-exhibition venues was valued at €23.3 billion on June 30, 2010. Its 1,616 employees create value for its shareholders by investing in and developing outstanding assets, then managing them to exceed its customers' expectations. The Group's success is founded on its ability to build strong relationships with tenants and communities and create comfortable, welcoming spaces for people to work, shop, relax and do business. The Group is listed on the CAC 40, AEX, Euronext 100 and Stoxx 50 indexes. Unibail-Rodamco's commitment to environmental, economic and social sustainability has been recognised with listings in the DJSI (World) and FTSE4Good indexes. For more information, please visit our website: [www.unibail-rodamco.com](http://www.unibail-rodamco.com)

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