

HALF-YEAR RESULTS 2013

Delivering outperformance with recurring EPS up by +5.5% to €5.21

“Unibail-Rodamco’s H1-2013 recurring net result was up by +10.0% to €499 Mn, driven by strong like-for-like performance in the Group’s shopping centres, a significant decrease in average cost of debt and focus on cost control. These results confirm the Group’s continued capacity to grow and outperform in a difficult macro-economic environment and the resilience of its business model, focused on large and high footfall shopping and leisure destinations in Europe’s wealthiest cities.” Christophe Cuvillier, CEO and Chairman of the Management Board

Strong operating performance

Despite the on-going macro-economic challenges and the adverse weather conditions during the spring season, tenant sales in Unibail-Rodamco’s shopping centres picked up significantly in May and June and are flat (0.0%) for the first semester. Through May 2013, the Group’s tenant sales outperformed national sales indices⁽¹⁾ by +230 bps. This continued outperformance reflects the appeal of large and prime shopping malls of Unibail-Rodamco. Net Rental Income (NRI) of shopping centres grew +4.7% like-for-like, an outperformance of +260 bps over indexation. The Group signed 634 leases in H1-2013 and achieved rental uplifts on renewals and re-lettings of +15.6% in Unibail-Rodamco’s large shopping malls (+13.7% for the Group as a whole). Vacancy remains frictional and limited at 2.4%.

The Paris region office market is currently undergoing important challenges with a continuing decline in rental values, and take-up is down -19% compared to H1-2012. Against this backdrop, the Group’s offices like-for-like net rental income was down modestly by -1.6%, of which -0.8% in France.

Convention and Exhibition’s resilience in H1-2013 was driven by large shows (Agriculture show, Foire de Paris, Air show) and was offset by a meaningful slowdown in corporate events.

Fast forward differentiation

Unibail-Rodamco continued the differentiation of its shopping malls by introducing new initiatives and rolling out its innovation strategy in order to offer customers the unique experience not found in other retail settings or on the internet:

- International premium retailers: the Group signed in H1-2013 78 leases with international premium retailers (vs 139 in full-year 2012), including Superdry, Samsung, Michael Kors, Costa Coffee, Lego and Primark;
- 4 Star label: following a comprehensive audit conducted by SGS, 3 additional malls were awarded this exclusive quality label in H1-2013 (Centrum Cerny Most, Splau, La Maquinista), bringing the total number of labelled malls to 12;
- Dining Experience: after a successful launch in La Maquinista (Barcelona) in July 2012 and Confluence (Lyon) in May 2013, the initiative which aims to double the space dedicated to dining in the Group’s malls and improve the quality and offer of restaurants will be deployed in Galeria Mokotow (Warsaw) and Aéroville (Paris region) in H2-2013;
- Iconic shop fronts: 6 malls will be equipped with double height shop fronts at the end of 2013, to have the Group’s malls become “the Home of the Flagships™”;
- Digital marketing: the Group innovated its digital marketing once again with the launch in June 2013 of a totally redesigned version 3 of its smartphone app, offering enhanced features and services. Apps of the Group’s malls have already been downloaded 1.9 Mn times and the Group’s malls now count 3.3 Mn facebook fans.

Note (1) based on latest national sales indices available

Declining average cost of debt

During the first 6 months of 2013, Unibail-Rodamco raised €2.3 Bn of medium to long-term financing in the bond and bank markets and increased the average debt maturity to 5.4 years as of June 2013 at very attractive conditions, taking advantage of the Group's strong balance sheet. The average cost of debt for the Group in the first half decreased to 2.9%, compared to 3.4% for the full-year 2012.

Financial ratios stand at healthy levels: Loan-To-Value ratio of 38% (vs 37% at year-end 2012) and Interest Coverage Ratio at 4.1x (compared to 3.5x). Availability under undrawn credit facilities stood at €4.1 Bn.

Asset values increase driven by rental growth

The gross market value of the Unibail-Rodamco's assets as of June 30, 2013 stood at €30.5 Bn, up +0.9% like-for-like compared to December 31, 2012, mainly driven by rental growth. The value of the Group's shopping centres grew +1.2% like-for-like, with large shopping centres up +1.5%.

EPRA Going Concern Net Asset Value per share was €154.30, up by +2.1% from €151.10 as of December 2012, taking into account the negative impact of the €8.40 per share distribution in June this year. This reflects +€11.60 per share in value created during the period. The Group's EPRA triple net asset value per share was similarly up by +2.1% to €141.30 in H1-2013.

The net initial yield of the shopping centre portfolio was stable at 5.3%, while the net initial yield for occupied offices increased by 20 basis points to 7.1%.

€6.9 Bn prime quality development projects

In H1-2013, the Group inaugurated the Czech Republic's first 4 Star shopping centre Centrum Cerny Most (Prague), following a 43,444 m² GLA extension. With 81,189 m² GLA and 164 shops, the mall's tenant mix includes 15 international premium retailers and Decathlon's first store in Prague. With an increase of +55% in footfall since opening, Centrum Cerny Most is an outstanding success.

On October 17, 2013, Unibail-Rodamco will deliver its latest brownfield shopping mall Aéroville (Paris region), showcasing the Group's latest innovations in terms of design, architecture and services. In addition, the South extension of Täby Centrum (Stockholm), the extensions and renovations of Alma (Rennes) and Toison d'Or (Dijon) and the renovated Shopping City Süd (Vienna) are to be delivered later this year. Projects to be delivered in the second half are already 88% pre-let, providing income visibility.

The Group's development pipeline amounted to €6.9 Bn as of June 2013, of which €2.9 Bn are committed. 79% of committed projects are retail. Unibail-Rodamco retains significant execution flexibility on 53% of its projects.

Viparis designated selected bidder for Porte de Versailles concession

On July 9, 2013, Viparis was designated by the Paris City Council as the selected bidder to operate the Porte de Versailles convention-exhibition site, following the launch of a call for tender in 2012 with a view to modernise the site and increase its appeal. The objective for Viparis will be to make significant investments in exchange for a new 50-year lease agreement, expected to be signed in Q4-2013 and to become effective in 2015.

Outlook

For 2013, the Group confirms its recurring EPS growth target of at least 5%, as a result of strong operating fundamentals (outperforming tenant sales, low vacancy, sustainable occupancy cost ratios and good rental uplifts) and new deliveries from extensions and brownfield projects. In addition, the cost of debt is also expected to be contained at low levels.

Governance

Upon the proposal of Christophe Cuvillier, the Supervisory Board of Unibail-Rodamco has appointed⁽²⁾ Ms Armelle Carminati-Rabasse as Chief Resources Officer and Member of the Management Board, with effect from September 1, 2013. Armelle Carminati-Rabasse joins from Accenture, where she was Group General Manager, Human Capital and Diversity. She will replace Catherine Pourre, who will cease her activities with Unibail-Rodamco SE as of the same date.

The Supervisory Board and the Management Board of Unibail-Rodamco take this opportunity to highlight and pay tribute to Catherine's exceptional achievements and commitment to her role. She has been instrumental in the merger between Unibail SA and Rodamco Europe NV in 2007, and has greatly contributed to the success of the Group over the last 11 years.

Note (2) subject to the Dutch Financial Market Authority's (AFM) approval

"I thank Catherine for her hard work and dedication to the Group over the years helping to build the leading high performance organization that Unibail-Rodamco is today. I am delighted to welcome Armelle Carminati-Rabasse, whose skills and experience in both the retail industry and human capital will be key in fuelling the great ambitions of the Group and its future successes". Christophe Cuvillier

	H1-2013	H1-2012 ⁽³⁾	Growth	Like-for-like growth
Net Rental Income (in € Mn)	657	648	+1.4%	+2.1%
- Shopping centres	532	510	+4.2%	+4.7%
- Offices	80	85	-5.7%	-1.6%
- Conventions & Exhibitions	46	53	-13.5%	-13.5%
Recurring net result (in € Mn)	499	453	+10.0%	
Recurring EPS (in € per share)	5.21	4.94	+5.5%	
	June 30, 2013	Dec. 31, 2012 ⁽³⁾		
Total portfolio valuation (in € Mn)	30,527	29,116		+0.9%
Going Concern Net Asset Value (in € per share)	154.30	151.10	+2.1%	
EPRA triple Net Asset Value (in € per share)	141.30	138.40	+2.1%	

Figures may not add up due to rounding. Note: (3) Restated to take into account the impact of the early adoption of IFRS 10 and 11

The appendix to the press release and the half-year 2013 results presentation are available on the Group's website www.unibail-rodamco.com
Review procedures completed, statutory auditors' report issued today

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About Unibail-Rodamco

Created in 1968, Unibail-Rodamco SE is Europe's largest listed commercial property company, with a presence in 12 EU countries, and a portfolio of assets valued at €30.5 billion as of June 30, 2013. As an integrated operator, investor and developer, the Group aims to cover the whole of the real estate value creation chain. With the support of its 1,500 professionals, Unibail-Rodamco applies those skills to highly specialised market segments such as large shopping centres of major European cities and large offices and convention & exhibition centres in the Paris region.

The Group distinguishes itself through its focus on the highest architectural, city planning and environmental standards. Its long term approach and sustainable vision focuses on the development or redevelopment of outstanding places to shop, work and relax. Its commitment to environmental, economic and social sustainability has been recognised by inclusion in the DJSI (World and Europe), FTSE4Good and STOXX Global ESG Leaders indexes.

The Group is a member of the CAC 40, AEX 25 and EuroSTOXX 50 indices. It benefits from an A rating from Standard & Poor's and Fitch Ratings.

For more information, please visit our website: www.unibail-rodamco.com