

**Memo to the attention of the Unibail-Rodamco SE shareholders holding their shares
in a PEA before the implementation of the Westfield Transaction on June 7, 2018**

This memo has been prepared for French individual tax residents who held shares of Unibail-Rodamco SE (**UR SE**) in a *plan d'épargne en actions* (**PEA**) (shares savings scheme) before the implementation of the Westfield Transaction (the **Transaction**).

The shares of UR SE and the class A shares of WFD Unibail-Rodamco N.V. (**WFD-UR**) are now stapled (the **Stapled Shares**). The UR SE shares and WFD-UR shares were stapled immediately after UR SE distributed one WFD-UR share in respect to each of its outstanding UR SE shares.

As indicated in the Prospectus dated March 28, 2018¹ and in its Supplement dated May 15, 2018², the Stapled Shares are not eligible for inclusion within the assets of a PEA.

As a result, the distribution of WFD-UR shares should theoretically trigger the closure of your PEA.

However, the French tax authorities³ confirmed that your PEA would not be closed if you follow one of the regularization processes described in this memo by August 6, 2018.

The purpose of this memo is to:

- Present the methods of implementing such regularization and describe the tax value of your Stapled Shares for future capital gains computations,
- Provide practical examples, and
- Give a detailed description of each regularization method.

This memo will be updated after the publication of the group financial statements for the period ending on June 30, 2018.

This memo does not constitute tax advice or a tax opinion. The particular situation of each shareholder is different, and we recommend that, in any case, you contact your own tax advisor. This memo does neither include a complete description of the tax consequences of the receipt of the WFD-UR shares and the ownership and sale of the Stapled Shares. In this respect, we invite you to refer to the Prospectus dated March 28, 2018 and its supplement dated May 15, 2018 for a more detailed description of the tax consequences of the receipt of the WFD-UR shares and the ownership and sale of the Stapled Shares.

¹https://www.urw.com/-/media/Corporate~o~Sites/UR-Corporate/Files/Homepage/Investors/Westfield-Transaction/Prospectus_EN.ashx

²<https://www.urw.com/-/media/Corporate~o~Sites/UR-Corporate/Files/Homepage/Investors/Westfield-Transaction/Supplement~o~to~o~EU~o~Prospectus~o~visa~o~18172.ashx>

³Letter dated May 14, 2018 from the Direction de la Législation Fiscale

1. Summary of methods of regularization to be implemented by August 6, 2018

	Fraction of the Stapled Share relating to the UR SE share	Fraction of the Stapled Share relating to the WFD-UR share
Regularization method n°1 – Disposal of the Stapled Shares by August 6, 2018		
Sale price apportionment	93.235% of the sale price of a Stapled Share	6.765% of the sale price of a Stapled Share
Tax basis	Tax basis of the UR SE share is not impacted by the Transaction i.e. same as before the transaction (generally acquisition cost)	€10.19
Tax treatment of capital gain (sale price minus tax basis)	PEA tax regime	Standard tax regime
Regularization method n°2 – Transfer of the Stapled Shares into an ordinary securities account by August 6, 2018		
Transfer value	93.235% of the stock exchange value on the date of the transfer	€10.19
For PEA held for eight years or less – Compulsory compensatory payment		
Amount of the compensatory payment	93.235% of the stock exchange value on the date of the transfer (for the UR SE share) + €10.19 (for the WFD-UR share)	
New tax basis	93.235% of the stock exchange value on the date of the transfer	€10.19
For PEA held for more than eight years – Compensatory payment (1) or partial withdrawal (2)		
First option	Compensatory payment and new tax basis in WFD-UR share and UR SE share for an amount of : 93.235% of the stock exchange value on the date of the transfer (for the UR SE share) + €10.19 (for the WFD-UR share)	
Second option	Transfer of the Stapled Shares without a compensatory payment. This transfer will qualify as a “ <i>retrait partiel</i> ” subject to standard conditions (social levies) and will prevent any cash reinvestment in the PEA New tax basis in WFD-UR share and UR SE share: 93.235% of the stock exchange value on the date of the transfer (for the UR SE share) + €10.19 (for the WFD-UR share)	

2. Method of regularization n°1 – Example

Example of regularization by way of disposal of a Stapled Share

Consequences of the transaction

Situation before the transaction

Securities held in the PEA	UR SE share
Tax basis of the UR SE share	100.00

Situation after the transaction

Securities shown in the PEA	Stapled Share
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Regularization by way of disposal of the Stapled Share

Sale price of the Stapled Share	200.00
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Sale price apportionment

Apportionment to the UR SE share	93.235%	186.47
Apportionment to the WFD-UR share	6.765%	13.53

Computation of capital gain

Computation of the capital gain relating to the UR SE share

Sale price apportioned to the UR SE share	186.47
Tax basis of the UR SE share	100.00
Capital gain relating to the UR SE share (benefits from the PEA regime)	86.47

Computation of the capital gain relating to the WFD-UR share

Sale price apportioned to the WFD-UR share	13.53
Value of the WFD-UR share on the date of the transaction	10.19
Capital gain relating to the WFD-UR share (taxable)	3.34

Situation after the regularization by way of disposal

PEA cash account

Sale price apportioned to the UR SE share	186.47
Value of the WFD-UR share on the date of the transaction	10.19
Total credited to the PEA cash account	196.66

Ordinary cash account

Balance of the sale price of the Stapled Share	3.34
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3. Method of regularization n°2 – Example

Example of regularization by way of a transfer of a Stapled Share

Consequences of the transaction

Situation before the transaction

Securities held in the PEA	UR SE share
Tax basis of the UR SE share	100.00

Situation after the transaction

Securities shown in the PEA	Stapled Share
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Regularization by way of transfer of the Stapled Share

Value on the stock exchange of the Stapled Share	200.00
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Apportionment of the Stapled Share value

Apportionment to the UR SE share	93.235%	186.47
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Computation of the compensatory payment

Value of the UR SE share on the date of the transfer	186.47
Value of the WFD-UR share on the date of the transaction	10.19
Amount of the compensatory payment	196.66

Situation after the regularization by way of transfer

Securities shown in the ordinary securities account	Stapled Share
of which tax basis attributable to the UR SE share	186.47
of which tax basis attributable to the WFD-UR share	10.19

4. Detailed description of regularization methods to be implemented by August 6, 2018

The French tax authorities confirmed that your PEA would not be closed if you follow one of the following regularization processes by August 6, 2018. They also confirmed the consequences of the regularization processes on the tax value of your shares and as the case may be, the treatment of capital gains⁴.

4.1. First regularization method: disposal of the Stapled Shares

You may sell your Stapled Shares during a two-month period from the date of their recording in the securities account of your PEA. Although the Staples Shares are traded under a single quotation line (ticker URW), for French tax purposes the Stapled Shares are treated as separate shares.

The capital gain relating to the UR SE share will be equal to the difference between the sale price apportioned to the UR SE share and the tax basis of the UR SE share. The tax basis of the shares of UR SE is not impacted by the Transaction and, therefore, generally corresponds to the acquisition cost. **This capital gain will benefit from the PEA tax regime.**

The capital gain relating to the WFD-UR share will be equal to the difference between the sale price apportioned to the WFD-UR share and an amount of 10.19 euros (representing the value of the WFD-UR share on the date of the implementation of the Transaction). **This capital gain will not benefit from the PEA tax regime and will be taxed according to standard rules.**

Upon the sale of the Stapled Shares, the sale price may be apportioned between the UR SE share and the WFD-UR share pursuant to the following method:

- Sale price apportioned to the UR SE share
93.235% of the sale price of the Stapled Share
- Sale price apportioned to the WFD-UR share
6.765% of the sale price of the Stapled Share

The cash account of your PEA should be credited, in respect of each Stapled Share sold, of an amount equal to the aggregate of:

- The sale price apportioned to the UR SE share; and
- 10.19 euros (representing the value of the WFD-UR share on the date of the Transaction).

Those amounts will not be taken into account for the computation of your maximum amount of investment in cash in the PEA.

The balance of the sale price will be credited to an ordinary cash account.

4.2. Second regularization method: transfer of the Stapled Shares into an ordinary securities account

You may transfer, into your ordinary securities account, your Stapled Shares during a two-month period from the date of their recording in the securities account of your PEA.

⁴ Letter dated May 14, 2018 from the Direction de la Législation Fiscale

4.2.1. PEA held for eight years or less

If you have held your PEA for eight years or less as of the date of the recording of the Stapled Shares in the securities account of the PEA, you shall make a compensatory payment into your PEA.

The amount of the compensatory payment should be equal to the aggregate of:

- The value of the UR SE shares on the date of the transfer, which will be 93.235% of the stock exchange value of the Stapled Shares on the date of the transfer, and
- An amount of 10.19 euros for each WFD-UR share (representing the value of the WFD-UR share on the date of the Transaction).

As a result of the transfer, the tax basis of your Stapled Shares will be apportioned between your WFD-UR shares (for a unitary price of 10.19 euros for each WFD-UR share) and your UR SE shares (93.235% of the stock exchange value of each Stapled Share on the date of the transfer into an ordinary securities account).

Those amounts will not be taken into account for the computation of your maximum amount of investment in cash in the PEA.

4.2.2. PEA held for more than eight years

If you have held your PEA for more than eight years as of the date of the recording of the Stapled Shares in the securities account of the PEA, you may:

- Either make a compensatory payment under the conditions described above,
- Or, within such two-month period, transfer your Stapled Shares into an ordinary securities account without making a compensatory payment upon express request to the bank that manages your PEA. As a result of the transfer without cash compensation, you will not be allowed to reinvest cash in your PEA. This transfer qualifies as a "*retrait partiel*" subject to standard conditions (notably with respect to social levies)⁵.

Following the date of the transfer, your tax basis of your Stapled Shares should be apportioned between your WFD-UR shares (for a unitary tax cost of 10.19 euros) and your UR SE shares (for a tax cost equal to the value apportioned to the UR SE share on the date of transfer, i.e. 93.235% of the stock exchange value of each Stapled Share on the date of the transfer).

⁵ Assuming that you held securities other than UR SE shares in your PEA