unibail·rodamco

Paris, Amsterdam, February 2nd, 2016

Press Release

FULL-YEAR RESULTS 2015

Another successful year for the Group

Recurring Earnings per Share (recurring EPS) at €10.46, exceeding the range of €10.15 - €10.35 per share guidance for 2015 provided in January 2015.

- Recurring Earnings per Share (recurring EPS) of €10.46, representing **underlying growth of +8.3%** from the recurring EPS for 2014 adjusted for the disposals in 2014 and 2015[1]
- Solid operating performance: Like-for-like Group Net Rental Income up by +3.2%, of which +3.9% for its shopping centre division
- Record low cost of debt at 2.2% while extending average debt maturity to 6.5 years
- Total portfolio value increased to €37.8 Bn, up by +9.2%
- Net asset value per share:
  - Going Concern Net Asset Value per share: €186.70, up by +12.3%
  - EPRA NNNAV per share: €169.90, up by +12.4%
- €7.4 Bn prime quality development pipeline

	FY-2015	**FY-2014**	**Growth**	**Like-for-like growth**
Net Rental Income (in € Mn)	**1,453**	1,465	-0.8%	**+3.2%**
Shopping Centres	1,177	1,192	-1.3%	+3.9%
France	549	629	-12.7%	+2.6%
Central Europe	148	141	+5.1%	+5.4%
Spain	147	146	+1.2%	+7.6%
Nordic	106	97	+9.2%	+8.7%
Austria	92	88	+4.4%	+4.4%
The Netherlands	67	72	-7.1%	-1.7%
Germany	67	19	n.m	n.m
Offices	170	172	-1.2%	-2.9%
Convention & Exhibition	105	100	+5.1%	+5.3%
Recurring net result (in € Mn)	**1,030**	1,068	-3.5%	
Recurring EPS (in € per share)	**10.46**	10.92	-4.2%	
Underlying Growth[1]			**+8.3%**	
	FY-2015	FY-2014	Growth	Like-for-like growth
Total portfolio valuation (in € Mn)	**37,755**	34,576	+9.2%	+6.0%
Going Concern Net Asset Value (in € per share)	**186.70**	166.30	+12.3%	
EPRA triple Net Asset Value (in € per share)	**169.90**	151.20	+12.4%	

Figures may not add up due to rounding.

[1] 2014 recurring EPS adjusted for the impact of (i) the disposals in 2014 (-€1.15) and (ii) the further disposals effected in 2015 (-€0.11).

"2015 has been another successful year for Unibail-Rodamco. The Group delivered three unique new shopping centres: Minto (Mönchengladbach), Polygone Riviera (Cagnes-sur-Mer) and Mall of Scandinavia (Stockholm). Their success was immediate; each of them drew more than 1 million visits in less than 4 weeks. In December 2015, the Group signed a binding term sheet for a lease agreement with Deloitte for the remaining 19 floors in Majunga (La Défense) which was ratified and signed on January 18, 2016. Majunga is now fully let. Unibail-Rodamco also executed a number of successful financing firsts and asset-liability management exercises, further decreasing its average cost of debt to a record low of 2.2%. The consistent execution of Unibail-Rodamco's strategy by our excellent teams generated Recurring EPS of €10.46, representing an underlying growth of +8.3%."
Christophe Cuvillier, CEO and Chairman of the Management Board

RECURRING EPS AT €10.46, UP +8.3% COMPARED TO ADJUSTED FY-2014

The Group's recurring EPS came to €10.46 in 2015, representing an increase of +8.3% from the recurring EPS for 2014 adjusted for the disposals in 2014 and the further disposals effected in 2015.
This successful year has been driven by solid like-for-like net rental income (NRI) growth in the shopping centres, successful deliveries and a record-low cost of debt.
Reported recurring EPS decreased by only -4.2% in 2015 compared to 2014, despite the impact of the massive disposals in 2014 (-€1.15) and 2015 (-€0.11) and ever lower indexation.

CONSISTENT EXECUTION YIELDS STRONG RESULTS

Shopping Centres

Although affected by the terrorist attacks in Paris last year, the Group's tenant sales were up by +4.1% through December 31, 2015, second only to the +5.3% recorded in 2007. Through November 2015, the Group's tenant sales were up by +4.6%, outperforming national sales indices by 240 bps due to, among others, the very strong performance in the Group's Spanish, French and Central European shopping centres. The like-for-like NRI for shopping centres grew by +3.9% compared to 2014, 360 bps above indexation. At only 0.3%, indexation was the lowest since 2007. The Group signed 1,367 leases on standing assets, with a Minimum Guaranteed Rent uplift of +18.2%, and +20.2% for its large shopping centres. Unibail-Rodamco signed 196 leases with international premium retailers, up by +15% from 170 in 2014. The EPRA vacancy rate remained low at 2.5%.

Offices

The Paris region office market saw a gradual recovery in take-up in 2015. Unibail-Rodamco achieved a number of notable leasing successes, with So Ouest Plaza (Levallois, Paris region) delivered in H1-2015 and fully let to L'Oréal, and the complete letting of the remaining 31,000m² of GLA in the Majunga tower to Deloitte. Majunga is now fully let.

Convention & Exhibition

Convention & Exhibition's strong performance was driven by successful shows such as "SIMA", "Batimat", the "Le Bourget International Air Show", the triennial "Intermat" show and "COP21". NRI was up by +5.1% compared to 2014.

STRONG OPERATING RESULTS CREATING VALUE

The Gross Market Value of the Group's assets as at December 31, 2015, amounted to €37.8 Bn, up +9.2% in total and up +6.0% like-for-like compared to December 31, 2014, driven primarily by rental and yield effects of +2.6% and +3.3% respectively, of the shopping centres division.
The average net initial yield of the retail portfolio compressed to 4.6% as at December 2015 (vs. 4.8% as at December 2014), reflecting market yield contraction and the increased quality of the portfolio. Yields in the office sector saw a strong recovery on the back of buoyant investor demand.

Going Concern NAV stands at €186.70 per share as at December 31, 2015, an increase of +€20.40 (+12.3%) compared to €166.30 as at December 31, 2014. This increase was the sum of (i) the value creation of €29.24 per share, (ii) the mark-to-market of the fixed-rate debt and derivatives for +€0.76, and (iii) the impact of the dividend of €9.60 per share paid in 2015.

€7.4 Bn DEVELOPMENT PIPELINE TO DRIVE FUTURE GROWTH

In 2015, the Group delivered €2.0 Bn of projects, including new retail assets Minto (Mönchengladbach), Polygone Riviera (Cagnes-sur-Mer) and Mall of Scandinavia (Stockholm), restructured and/or extended shopping centres, mainly Täby Centrum (Stockholm), Euralille (Lille) and Ruhr Park (Bochum), and delivered the fully let So Ouest Plaza office tower (Levallois, Paris region), which includes a cinema and restaurant right next to the So Ouest shopping centre. The Group added €1.4 Bn of new projects to the pipeline, including the Triangle tower project (Paris) following its approval by the Paris City Council on June 30, 2015. The total investment cost of the development pipeline amounts to €7.4 Bn as at December 31, 2015, compared to €8.0 Bn as at December 31, 2014.

ACTIVE BALANCE SHEET MANAGEMENT CONTRIBUTES TO STRONG FINANCIAL PERFORMANCE

The Group took advantage of very favorable market windows in 2015 to refinance €1.9 Bn of debt at lower rates and with longer maturities. In addition, the Group restructured part of its hedging positions following the European Central Bank meeting on December 3rd 2015.
The average cost of debt of Unibail-Rodamco decreased to a new record low of 2.2% (from 2.6% in 2014), and the average maturity of its debt increased to 6.5 years. Financial ratios are strong: Loan-To-Value (LTV) decreased to 35% (vs. 37% as at December 2014) and the interest coverage ratio increased to 4.6x, up from 4.2x in 2014. The Group increased liquidity further, with a record level of €5.45 Bn of undrawn credit lines at December 31, 2015.

OUTLOOK FOR 2016

Adjusted for the impact of the €1.6 Bn of net disposal proceeds in 2015 (-2.6%), the Group anticipates its underlying rate of growth for 2016 to be in line with the +6% to +8% announced last year.
The successful restructuring of its hedging portfolio will provide an additional benefit in 2016, bringing the **growth** to **between +8% and +10%**. Consequently, the Group expects **recurring earnings per share in 2016 of between €11.00 and €11.20 per share.**

DIVIDEND

In 2016, Unibail-Rodamco will again pay its dividend in two installments. For the 2015 fiscal year, the Group will propose a **cash dividend of €9.70 per share**, subject to the approval of the Annual General Meeting (AGM) on April 21, 2016. The payment schedule will be as follows:

- Payment of an interim dividend of €4.85 on March 29, 2016 (ex-dividend date March 23, 2016); and
- Payment of a final dividend of €4.85 on July 6, 2016 (ex-dividend date July 4, 2016).

For 2016 and thereafter, the Group intends to increase its annual cash distribution in line with its recurring EPS growth.

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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 €37.8 billion as of December 31, 2015. 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 1,995 professionals, Unibail-Rodamco applies those skills to highly specialised market segments such as large shopping centres in 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

APPENDIX TO THE PRESS RELEASE
February 2, 2016

- Financial Statements
  - ✓ Consolidated income statement by segment p 2
  - ✓ Statement of comprehensive income p 3
  - ✓ Consolidated statement of financial position p 4
  - ✓ Consolidated statement of cash flows p 5
- Business review and 2015 results p 6
- Development projects as at December 31, 2015 p 26
- Net Asset Value as at December 31, 2015 p 30
- Financial resources p 40
- EPRA Performance Measures p 45

- Glossary p 49
- Financial Statements with entities under joint control consolidated under proportional method p 51

The audit procedures by statutory auditors are in progress.

The press release and its appendix as well as the results presentation slide show can be found on Unibail-Rodamco's website www.unibail-rodamco.com

Consolidated Income Statement by segment (€ Mn)			2015 Recurring activities	2015 Non-recurring activities [1]	2015 Result	2014 Recurring activities	2014 Non-recurring activities [1]	2014 Result
SHOPPING CENTRES	FRANCE	Gross rental income	606.4	-	606.4	696.9	-	696.9
		Operating expenses & net service charges	(57.3)	-	(57.3)	(68.1)	-	(68.1)
		Net rental income	**549.1**	**-**	**549.1**	**628.8**	**-**	**628.8**
		Contribution of affiliates	9.0	(2.9)	6.1	12.9	6.2	19.2
		Gains/losses on sales of properties	-	6.9	6.9	-	46.3	46.3
		Valuation movements	-	307.7	307.7	-	504.3	504.3
		Result Shopping Centres France	**558.1**	**311.6**	**869.8**	**641.7**	**556.8**	**1,198.5**
	CENTRAL EUROPE	Gross rental income	153.6	-	153.6	144.9	-	144.9
		Operating expenses & net service charges	(5.4)	-	(5.4)	(3.9)	-	(3.9)
		Net rental income	**148.2**	**-**	**148.2**	**141.0**	**-**	**141.0**
		Contribution of affiliates	36.0	102.3	138.3	36.5	(3.8)	32.7
		Gains/losses on sales of properties	-	23.7	23.7	-	(0.1)	(0.1)
		Valuation movements	-	266.9	266.9	-	195.1	195.1
		Result Shopping Centres Central Europe [2]	**184.2**	**392.9**	**577.1**	**177.4**	**191.3**	**368.7**
	SPAIN	Gross rental income	164.0	-	164.0	165.6	-	165.6
		Operating expenses & net service charges	(16.5)	-	(16.5)	(19.8)	-	(19.8)
		Net rental income	**147.5**	**-**	**147.5**	**145.8**	**-**	**145.8**
		Contribution of affiliates	1.1	(2.1)	(1.0)	1.4	(1.0)	0.4
		Gains/losses on sales of properties	-	(3.0)	(3.0)	-	4.4	4.4
		Valuation movements	-	385.5	385.5	-	192.3	192.3
		Result Shopping Centres Spain	**148.6**	**380.4**	**529.0**	**147.1**	**195.7**	**342.8**
	NORDIC	Gross rental income	126.4	-	126.4	116.1	-	116.1
		Operating expenses & net service charges	(20.4)	-	(20.4)	(19.0)	-	(19.0)
		Net rental income	**106.1**	**-**	**106.1**	**97.1**	**-**	**97.1**
		Gains/losses on sales of properties	-	2.2	2.2	-	(0.1)	(0.1)
		Valuation movements	-	354.0	354.0	-	110.7	110.7
		Result Shopping Centres Nordic	**106.1**	**356.2**	**462.3**	**97.1**	**110.6**	**207.7**
	AUSTRIA	Gross rental income	99.7	-	99.7	94.6	-	94.6
		Operating expenses & net service charges	(7.6)	-	(7.6)	(6.4)	-	(6.4)
		Net rental income	**92.1**	**-**	**92.1**	**88.2**	**-**	**88.2**
		Valuation movements	-	138.7	138.7	-	86.9	86.9
		Result Shopping Centres Austria [2]	**92.1**	**138.7**	**230.8**	**88.2**	**86.9**	**175.1**
	GERMANY	Gross rental income	73.2	-	73.2	21.0	-	21.0
		Operating expenses & net service charges	(6.1)	-	(6.1)	(1.6)	-	(1.6)
		Net rental income	**67.1**	**-**	**67.1**	**19.4**	**-**	**19.4**
		Contribution of affiliates	32.9	82.7	115.6	31.6	16.3	47.9
		Gains/losses on sales of properties	-	3.1	3.1	-	0.8	0.8
		Valuation movements	-	38.4	38.4	-	21.9	21.9
		Result Shopping Centres Germany [2]	**100.0**	**124.2**	**224.2**	**51.0**	**39.0**	**90.1**
	THE NETHERLANDS	Gross rental income	76.2	-	76.2	79.9	-	79.9
		Operating expenses & net service charges	(9.2)	-	(9.2)	(7.7)	-	(7.7)
		Net rental income	**67.0**	**-**	**67.0**	**72.1**	**-**	**72.1**
		Contribution of affiliates	-	-	-	-	-	-
		Gains/losses on sales of properties	-	0.5	0.5	-	2.2	2.2
		Valuation movements	-	7.4	7.4	-	12.7	12.7
		Result Shopping Centres The Netherlands	**67.0**	**7.9**	**74.9**	**72.1**	**14.9**	**87.1**
		TOTAL RESULT SHOPPING CENTRES	**1,256.1**	**1,711.9**	**2,968.0**	**1,274.8**	**1,195.2**	**2,470.0**
OFFICES	FRANCE	Gross rental income	156.7	-	156.7	154.6	-	154.6
		Operating expenses & net service charges	(5.3)	-	(5.3)	(6.2)	-	(6.2)
		Net rental income	**151.4**	**-**	**151.4**	**148.4**	**-**	**148.4**
		Gains/losses on sales of properties	-	4.4	4.4	-	(0.3)	(0.3)
		Valuation movements	-	221.7	221.7	-	54.5	54.5
		Result Offices France	**151.4**	**226.1**	**377.5**	**148.4**	**54.2**	**202.7**
	OTHER COUNTRIES	Gross rental income	22.7	-	22.7	28.8	-	28.8
		Operating expenses & net service charges	(3.7)	-	(3.7)	(4.8)	-	(4.8)
		Net rental income	**19.0**	**-**	**19.0**	**24.0**	**-**	**24.0**
		Gains/losses on sales of properties	-	-	-	-	1.3	1.3
		Valuation movements	-	16.8	16.8	-	(5.0)	(5.0)
		Result Offices other countries	**19.0**	**16.8**	**35.8**	**24.0**	**(3.7)**	**20.3**
		TOTAL RESULT OFFICES	**170.4**	**242.9**	**413.3**	**172.4**	**50.5**	**223.0**
CONVENTION & EXHIBITION	FRANCE	Gross rental income	188.0	-	188.0	180.4	-	180.4
		Operating expenses & net service charges	(96.8)	-	(96.8)	(95.4)	-	(95.4)
		Net rental income	**91.2**	**-**	**91.2**	**85.0**	**-**	**85.0**
		Contribution of affiliates	0.5	0.2	0.7	0.4	(0.3)	0.2
		On site property services	**51.4**	**-**	**51.4**	**49.7**	**-**	**49.7**
		Hotels net rental income	**14.2**	**-**	**14.2**	**15.3**	**-**	**15.3**
		Exhibitions organising	**8.0**	**43.6**	**51.6**	**14.2**	**(2.9)**	**11.3**
		Valuation movements, depreciation, capital gains	(11.1)	85.1	73.9	(10.6)	152.9	142.4
		TOTAL RESULT CONVENTION & EXHIBITION	**154.1**	**128.9**	**283.0**	**154.1**	**149.7**	**303.8**
		Other property services net operating result	33.4	(2.4)	31.0	33.7	(1.1)	32.7
		Other net income	-	-	-	4.7	28.3	33.0
TOTAL OPERATING RESULT AND OTHER INCOME			**1,614.0**	**2,081.3**	**3,695.4**	**1,639.7**	**1,422.7**	**3,062.4**
		General expenses	(106.1)	(1.6)	(107.7)	(89.3)	(4.9)	(94.2)
		Development expenses	(4.5)	-	(4.5)	(4.1)	5.0	0.9
		Financing result	(299.5)	(362.1)	(661.6)	(338.5)	(446.9)	(785.3)
RESULT BEFORE TAX			**1,203.9**	**1,717.7**	**2,921.6**	**1,207.9**	**975.9**	**2,183.8**
		Income tax expenses	(24.8)	(263.5)	(288.3)	(3.2)	(176.8)	(180.0)
NET RESULT FOR THE PERIOD			**1,179.1**	**1,454.2**	**2,633.3**	**1,204.7**	**799.1**	**2,003.8**
		Non-controlling interests	148.7	150.6	299.3	136.7	196.6	333.3
NET RESULT - OWNERS OF THE PARENT			**1,030.4**	**1,303.6**	**2,334.0**	**1,068.1**	**602.4**	**1,670.5**
Average number of shares and ORA			98,496,508			97,824,119		
RECURRING EARNINGS PER SHARE (€)			**10.46**			**10.92**		
RECURRING EARNINGS PER SHARE GROWTH			**-4.2%**			**6.8%**		

[1] 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.

[2] The 2014 figures have been restated following the creation of the new Germany region which was previously included in Central Europe, and the transfer of Slovakia from Austria to Central Europe.

CONSOLIDATED INCOME STATEMENT Presented under IFRS format (€Mn)	2015	2014
Gross rental income	1,685.0	1,702.0
Ground rents paid	(17.5)	(14.0)
Net service charge expenses	(29.1)	(24.5)
Property operating expenses	(185.6)	(198.3)
Net rental income	**1,452.8**	**1,465.1**
Corporate expenses	(104.0)	(87.1)
Development expenses	(4.5)	(4.1)
Depreciation of other tangible assets	(2.2)	(2.2)
Administrative expenses	**(110.7)**	**(93.4)**
Acquisition and related costs	**(1.6)**	**0.1**
Revenues from other activities	293.4	237.3
Other expenses	(219.7)	(164.4)
Net other income	**73.7**	**72.9**
Proceeds from disposal of investment properties	342.4	766.4
Carrying value of investment properties sold	(341.0)	(749.7)
Result on disposal of investment properties	**1.4**	**16.7**
Proceeds from disposal of shares	114.4	886.0
Carrying value of disposed shares	(100.7)	(820.1)
Result on disposal of shares	**13.7**	**65.9**
Valuation gains on assets	2,137.4	1,576.0
Valuation losses on assets	(318.6)	(261.8)
Valuation movements on assets	**1,818.8**	**1,314.2**
Impairment of goodwill/Negative goodwill	**-**	**11.3**
NET OPERATING RESULT BEFORE FINANCING COST	**3,248.2**	**2,852.8**
Result from non-consolidated companies	-	4.7
Financial income	*86.3*	*99.9*
Financial expenses	*(385.8)*	*(438.4)*
Net financing costs	(299.5)	(338.5)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	(183.4)	(48.3)
Fair value adjustments of derivatives and debt	(178.0)	(396.6)
Debt discounting	(0.7)	(1.8)
Profit on disposal of associates	69.6	
Share of the result of companies under the equity method	243.3	88.6
Income on financial assets	22.1	22.9
RESULT BEFORE TAX	**2,921.6**	**2,183.8**
Income tax expenses	(288.3)	(180.0)
NET RESULT FOR THE PERIOD	**2,633.3**	**2,003.8**
Non-controlling interests	299.3	333.3
NET RESULT (Owners of the parent)	**2,334.0**	**1,670.5**

Average number of shares (undiluted)	98,488,530	97,814,577
Net result for the period (Owners of the parent)	2,334.0	1,670.5
Net result for the period per share (Owners of the parent) (€)	**23.7**	**17.1**
Net result for the period restated (Owners of the parent) (1)	2,346.2	1,720.2
Average number of shares (diluted)	100,311,426	103,878,972
Diluted net result per share (Owners of the parent) (€)	**23.4**	**16.6**

NET COMPREHENSIVE INCOME (€Mn)	**2015**	**2014**
NET RESULT FOR THE PERIOD	**2,633.3**	**2,003.8**
Foreign currency differences on translation of financial statements of subsidiaries	5.2	(12.9)
Gain/loss on net investment hedge	1.3	(45.2)
Cash flow hedge	1.3	0.9
Other comprehensive income which can be reclassified to profit or loss	**7.8**	**(57.2)**
Other comprehensive income reclassified to profit or loss	**-**	**(19.8)**
Employee benefits - will not be reclassified into profit or loss	**14.8**	**(5.9)**
OTHER COMPREHENSIVE INCOME	**22.6**	**(82.9)**
NET COMPREHENSIVE INCOME	**2,655.9**	**1,920.9**
Non-controlling interests	299.3	333.1
NET COMPREHENSIVE INCOME (OWNERS OF THE PARENT)	**2,356.6**	**1,587.8**

(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 Statement of financial position (€ Mn)	**31/12/2015**	**31/12/2014**
NON CURRENT ASSETS	**36,634.2**	**33,287.8**
Investment properties	**33,710.0**	**30,253.6**
Investment properties at fair value	*33,001.8*	*29,781.5*
Investment properties at cost	*708.2*	*472.1*
Other tangible assets	216.3	215.7
Goodwill	542.8	541.2
Intangible assets	242.1	237.5
Loans and receivables	41.1	46.7
Financial assets	17.1	77.1
Deferred tax assets	31.6	14.3
Derivatives at fair value	297.2	225.7
Shares and investments in companies under the equity method	1,536.0	1,676.1
CURRENT ASSETS	**1,475.7**	**2,282.4**
Properties or shares held for sale	**268.8**	**614.1**
Trade receivables from activity	**393.6**	**364.4**
Other trade receivables	**470.6**	**472.8**
Tax receivables	159.6	166.8
Other receivables	218.3	229.4
Prepaid expenses	92.7	76.6
Cash and cash equivalents	**342.6**	**831.1**
Available for sale investments	98.4	529.3
Cash	244.2	301.8
TOTAL ASSETS	**38,109.8**	**35,570.2**
Shareholders' equity (Owners of the parent)	**16,042.1**	**14,519.9**
Share capital	493.5	490.3
Additional paid-in capital	6,310.2	6,229.8
Bonds redeemable for shares	1.2	1.3
Consolidated reserves	6,967.3	6,199.9
Hedging and foreign currency translation reserves	(64.1)	(71.9)
Consolidated result	2,334.0	1,670.5
Non-controlling interests	**3,196.5**	**2,413.3**
TOTAL SHAREHOLDERS' EQUITY	**19,238.6**	**16,933.2**
NON CURRENT LIABILITIES	**15,127.8**	**16,108.4**
Long-term commitment to purchase non-controlling interests	45.4	119.6
Net share settled bonds convertible into new and/or existing shares (ORNANE)	1,087.8	1,406.7
Long-term bonds and borrowings	11,522.9	12,006.0
Long-term financial leases	361.4	367.3
Derivatives at fair value	263.9	698.3
Deferred tax liabilities	1,465.6	1,172.9
Long-term provisions	35.3	40.2
Employee benefits	8.7	20.7
Guarantee deposits	201.4	196.0
Tax liabilities	0.0	1.3
Amounts due on investments	135.4	79.4
CURRENT LIABILITIES	**3,743.4**	**2,528.5**
Current commitment to purchase non-controlling interests	**-**	**2.0**
Amounts due to suppliers and other current debt	**1,117.8**	**1,035.2**
Amounts due to suppliers	162.2	187.6
Amounts due on investments	415.0	379.1
Sundry creditors	337.7	256.1
Other liabilities	202.9	212.4
Current borrowings and amounts due to credit institutions	**2,447.7**	**1,289.4**
Current financial leases	**6.0**	**6.0**
Tax and social security liabilities	**153.8**	**172.8**
Short-term provisions	**18.1**	**23.1**
TOTAL LIABILITIES AND EQUITY	**38,109.8**	**35,570.2**

Consolidated statement of cash flows (in €Mn)	2015	2014
Operating activities		
Net result	**2,633.3**	**2,003.8**
Depreciation & provisions	22.9	31.8
Impairment of goodwill/Negative goodwill	-	(11.3)
Changes in value of property assets	(1,818.8)	(1,314.2)
Changes in value of financial instruments	361.4	445.0
Discounting income/charges	0.7	1.8
Charges and income relating to stock options and similar items	7.8	7.9
Other income and expenses	-	(5.0)
Net capital gains/losses on disposal of shares	(13.7)	(65.9)
Net capital gains/losses on disposal of shares of associates	(69.6)	-
Net capital gains/losses on sales of properties (1)	(0.2)	(16.0)
Income from companies under the equity method	(243.3)	(88.6)
Income on financial assets	(22.1)	(22.9)
Dividend income from non-consolidated companies	(0.1)	(4.8)
Net financing costs	299.5	338.5
Income tax charge	288.3	180.0
Cash flow before net financing costs and tax	**1,446.2**	**1,480.0**
Income on financial assets	22.1	21.5
Dividend income and result from companies under equity method or non consolidated	7.9	19.9
Income tax paid	(38.9)	(39.8)
Change in working capital requirement	(21.7)	106.8
Total cash flow from operating activities	**1,415.6**	**1,588.4**
Investment activities		
Property activities	**(518.0)**	**(118.2)**
Acquisition of consolidated shares	(226.5)	(891.1)
Amounts paid for works and acquisition of property assets	(1,276.2)	(1,339.0)
Exit tax payment	(1.4)	(1.4)
Repayment of property financing	98.5	1.1
Increase of property financing	(30.4)	(12.6)
Disposal of shares/consolidated subsidiaries	166.6	1,271.4
Disposal of shares of associates/non consolidated subsidiaries (2)	409.0	137.8
Disposal of investment properties	342.4	715.6
Repayment of finance leasing	**-**	**0.2**
Financial activities	**(3.4)**	**(3.0)**
Acquisition of financial assets	(6.5)	(5.6)
Disposal of financial assets	2.3	1.6
Change in financial assets	0.7	1.0
Total cash flow from investment activities	**(521.4)**	**(121.0)**
Financing activities		
Capital increase of parent company	83.1	94.2
Change in capital from company with non controlling shareholders	3.0	1.2
Distribution paid to parent company shareholders	(946.5)	(871.4)
Dividends paid to non-controlling shareholders of consolidated companies	(40.9)	(65.8)
Disposal of interests in subsidiaries not resulting in a loss of control	690.8	-
New borrowings and financial liabilities	3,458.8	3,419.1
Repayment of borrowings and financial liabilities (3)	(3,843.8)	(2,907.7)
Financial income	84.4	97.8
Financial expenses	(397.4)	(420.7)
Other financing activities (3)	(503.5)	(62.8)
Total cash flow from financing activities	**(1,411.9)**	**(716.1)**
Change in cash and cash equivalents during the period	**(517.7)**	**751.3**
Cash at the beginning of the year	**827.6**	**94.8**
Effect of exchange rate fluctuations on cash held	**10.1**	**(18.4)**
Cash at period-end (4)	**320.1**	**827.6**

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

(2) In 2015, comprises mainly the disposal of Comexposium and Arkady Pankrac shopping centre (Prague). In 2014, it corresponds mainly to the disposal of the stake in Société Foncière Lyonnaise.

(3) A reclassification has been done in 2014 between "Other financing activities" and "Repayment of borrowings and financial liabilities"

(4) Cash and equivalents include bank accounts, available-for-sale investments and current accounts with terms of less than three months, less bank overdrafts.

I. ACCOUNTING PRINCIPLES AND SCOPE OF CONSOLIDATION

Accounting principles

Unibail-Rodamco's consolidated financial statements as at December 31, 2015 were prepared in accordance with International Financial Reporting Standards ("IFRS") as applicable in the European Union as at December 31, 2015.

Unibail-Rodamco has applied for the first time IFRIC 21 "Levies", with a limited impact on the Group's financial statements.

No other change was made to the accounting principles with those applied for the year ended December 31, 2014.

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

Scope of consolidation

The principal changes in the scope of consolidation since December 31, 2014, were:

- The sale on January 15, 2015, of the Nicetoile shopping centre to a joint-venture between Allianz and Hammerson;
- The sale on June 30, 2015, of the Group's 75% stake in Arkady Pankrac (Prague) to Atrium European Real Estate Limited;
- The acquisition on July 24, 2015, of an additional stake of 15% in Ruhr Park (Bochum) pursuant to which the Group has gained control of this asset, which has been fully consolidated since that date;
- The sale on July 31, 2015, of the Group's 50% stake in Comexposium to Charterhouse;
- The sale on October 1, 2015, of the Nova Lund (Lund) shopping centre to TH Real Estate;
- The acquisition of units and the sale of several minor non-core assets, located in France, The Netherlands and Spain.

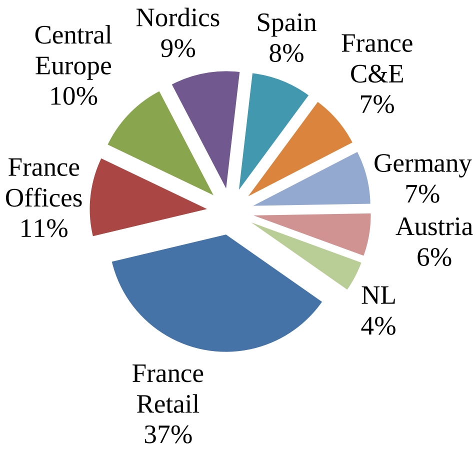
As at December 31, 2015, 298 companies were fully consolidated, 6 companies were consolidated under "joint operation" (as defined by IFRS 11) and 24 companies were accounted for using the equity method[2].

Operational reporting

The Unibail-Rodamco Group is operationally organised in seven regions: France, Central Europe[3], Spain, the Nordics, Austria, Germany and The Netherlands. The creation of a specific reporting segment for Germany this year is the result of the significant investments the Group has made in this region since 2012.

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. The other regions operate primarily in the Shopping Centre segment.

The table below shows the split of Gross Market Values per region as at December 31, 2015, including assets accounted for using the equity method[4].



Figures may not add up due to rounding.

[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 Ring-Center, Ruhr Park (until July 23, 2015), CentrO, Gropius and Paunsdorf shopping centres in Germany.

[3] Central Europe includes Ring-Center (Berlin), accounted for using the equity method, and Aupark (Bratislava), previously in the Austrian region.

[4] Except property service companies (Espace Expansion and Unibail-Rodamco Germany (previously "mfi") (property services).

II. BUSINESS REVIEW BY SEGMENT

2015 was another successful year for the Group. Notable accomplishments include: the successful delivery of three new shopping centres (Minto (Mönchengladbach), Polygone Riviera (Cagnes-sur-Mer) and Mall of Scandinavia (Stockholm)), the delivery of extensions at Täby Centrum (Stockholm) and Ruhr Park (Bochum), and the disposal or agreement to dispose of (i) additional non-core retail assets in France, the Nordics, the Czech Republic, Spain and The Netherlands, (ii) two office buildings in France, (iii) the Group's 50% stake in Comexposium, and (iv) a stake in Unibail-Rodamco Germany, for total net disposal proceeds to Unibail-Rodamco of €1.6 Bn.
In addition, in December 2015, the Group signed a binding term sheet for a lease agreement with Deloitte for the remaining 31,164 m² of GLA in Majunga (La Défense) which was ratified and signed on January 18, 2016. Majunga is now fully let.

The Group again achieved a number of financing "firsts" for a real-estate company in the Euro market, including a €500 Mn 15-year 1.375% bond, the longest maturity, and a €500 Mn negative yield convertible. In addition, Unibail-Rodamco executed a number of successful asset-liability management exercises, further reducing its average cost of debt.

Lastly, despite the massive disposals in 2014 and 2015, ever lower indexation and the impact of terrorist attacks in Paris, the Group's recurring earnings per share reached €10.46, comfortably exceeding the range of €10.15-10.35 per share guidance for 2015 provided in January 2015.

1. Shopping Centres[5]

1.1. Shopping centre activity in 2015

Economic environment

GDP in the European Union (EU) and the Eurozone[6] is expected to have grown by 1.9% and 1.6%, respectively. This reflects a modest improvement in both the EU and the Eurozone compared to 2014. A conjunction of positive factors including significantly lower oil prices, a depreciating euro and the European Central Bank's accommodative monetary policy have stimulated private consumption and exports. The short-term positive impact of these factors on economic growth has been partially offset by, among others, below trend investment activity likely related to economic and political uncertainty (e.g., the Greek crisis). Unemployment levels[7] in the European Union and Eurozone remain high but have decreased compared to December 2014 (-80 and -90 bps) reaching 9.1% and 10.5% in November 2015, respectively. These are the lowest recorded rates since January 2012 for the EU and September 2009 for the Eurozone. Unemployment is expected to further decline gradually in the next few years. Annual inflation in the Eurozone remains exceptionally low at 0.2% in 2015, due primarily to low energy and commodity prices.

In Unibail-Rodamco's regions, the weighted average forecasted GDP growth of 2.0% in 2015 slightly exceeded that of the 1.9% expected for 2015 for the EU.

Region / Country	GDP	
	2015 Forecast	2014 Actual
European Union (EU)	1.9%	1.4%
Eurozone	1.6%	0.9%
France	1.1%	0.2%
Czech Republic	4.3%	2.0%
Poland	3.5%	3.3%
Spain	3.4%	1.4%
Sweden	3.0%	2.3%
Finland	0.9%	-0.4%
Denmark	1.9%	1.3%
Austria	0.8%	0.4%
Germany	1.7%	1.6%
Netherlands	2.0%	1.0%

Source: Eurostat.

Footfall[8]

Despite the uncertain economic environment and unfavourable weather conditions, the number of visits to Unibail-Rodamco's shopping centres for the full year ended December 2015 continued their

[5] Effective January 1, 2015, Aupark was transferred from Austria to Central Europe and the 2014 data have been restated to reflect this change.
[6] Source: Eurostat, November 13, 2015. http://ec.europa.eu/eurostat/documents/2995521/7075215/2-13112015-BP-EN.pdf/b1b2ad4f-32ef-4737-abbe-5dc7b91dd1bb
[7] Source: Eurostat, January 7, 2016.
[8] Except as indicated otherwise, footfall data are year-to-date through December 2015. 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, acquisition of new assets and assets under heavy refurbishment. For the 2015 reporting period, shopping centres excluded were Forum des Halles (Paris), Parly 2 (Paris region), Carré Sénart and Carré Sénart shopping park (Paris region) and Polygone Riviera (Cagnes-sur-Mer), Galerie Gaité (Paris), Täby Centrum and Mall of Scandinavia (Stockholm), Palais Vest (Recklinghausen), Minto (Mönchengladbach), Ruhr Park (Bochum), Glories (Barcelona), Centrum Chodov (Prague) and Aupark (Bratislava).

longstanding positive trend with an increase of +2.0% compared to 2014. This increase was driven by footfall in the German, Austrian and Nordic shopping centres, up by +7.1%, +5.5% and +2.6%, respectively.

The terrorist attacks in January and November in Paris have had a significant impact on footfall in Unibail-Rodamco's Paris region shopping centres. While footfall in France was up by +3.5% through October 2015 compared to the same period last year, footfall dropped by -4.3% and -4.6%, in November and December 2015, respectively, both compared to the same month in 2014. Downtown shopping centres (Les 4 Temps, CNIT and Carrousel du Louvre) were disproportionally affected. However, footfall in the Group's French assets increased by +1.9% for the year ended December 31, 2015, compared to a drop of -0.9% in the French national footfall index. Aéroville (+16.2%) continued to grow at healthy pace. Shopping centres outside of the Paris region were less impacted. Recently renovated or opened shopping centres such as Euralille (Lille) (+10.8%) and Confluence (Lyon) (+12.8%) saw significant footfall growth.

Tenant sales[9]

Thanks to the Group's active management and innovative marketing, tenant sales in the Group's shopping centres grew by +4.1% through December 31, 2015 compared to 2014. Through November 30, 2015, Group's tenant sales outperformed the relevant national sales indices[10] by +240 bps, with growth of +4.6% compared to the same period last year. Spain, Germany and Central Europe were the principal drivers with growth of +8.3%, +5.0% and +4.5%, respectively.

Tenant sales in Spain outperformed the national sales index by 480 bps driven primarily by La Maquinista (Barcelona) (+10.9%), Splau (Barcelona) (+9.2%) and El Faro (Badajoz) (+14.9%).

In Austria, tenant sales grew by +3.2%, outperforming the national sales index by 210 bps.

Tenant sales in Germany outperformed the national sales index by 180 bps mainly due to Höfe am Brühl (Leipzig) (+8.3%) and Pasing Arcaden (Munich) (+6.2%).

In Central Europe, the Group's tenant sales outperformed the national sales index by 220 bps driven by Galeria Wilenska (Warsaw) (+14.5%) and Centrum Cerny Most (Prague) (+8.7%).

The strength of the Group's business model was further illustrated by the fact that the +4.1% sales growth by French retailers in the Group's portfolio through November 2015 outperformed the national sales index by +270 bps. French tenant sales benefited also from strong growth in newer or refurbished shopping centres such as Aéroville (Paris region), Confluence (Lyon), So Ouest (Paris region) and Euralille (Lille) as well as the increase in Sunday openings of a number of the Group's French malls prior to Christmas. The terrorist attacks in November 2015 in Paris caused a drop in tenant sales of -6.8% in November, whereas sales in December were almost flat (-0.7%), both compared to the same period in 2014.

In the Nordics, tenant sales, which exclude sales in Täby Centrum and Mall of Scandinavia (Stockholm), increased by +1.8%. The sales growth in Fisketorvet (Copenhagen) (+9.3%) and the Swedish shopping centres (+1.9%) were partially offset by Jumbo (Helsinki) (-4.0%). Including tenant sales of Täby Centrum in 2015 and the Mall of Scandinavia, delivered on November 12, 2015, the Groups' tenant sales in the Nordics through November 2015 were up by +12.7%, whereas the Nordics national sales index, which includes the sales of these two assets, was up by +3.6%.

[9] Except as indicated otherwise, tenant sales data are year-to-date through November 2015. 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, acquisition of new assets and assets under heavy refurbishment. For the 2015 reporting period, shopping centres excluded were Forum des Halles (Paris), Parly 2 (Paris region), Carré Sénart and Carré Sénart shopping park (Paris region) and Polygone Riviera (Cagnes-sur-Mer), Galerie Gaité (Paris), Täby Centrum and Mall of Scandinavia (Stockholm), Palais Vest (Recklinghausen), Minto (Mönchengladbach), Ruhr Park (Bochum), Glories (Barcelona), Centrum Chodov (Prague) and Aupark (Bratislava).

[10] Based on latest national indices available (year-on-year evolution) as of November 2015: France: Institut Français du Libre Service (IFLS); Spain: Instituto Nacional de Estadistica; Central Europe: Česky statisticky urad (Czech Republic), Polska Rada Centrow Handlowych (Poland, as of October 2015), Eurostat (Slovakia); Austria: Eurostat; Nordic: HUI Research (Sweden), Danmarks Statistik (Denmark), Eurostat (Finland).

Leasing and Brand Event activities

2015 was marked by strong leasing activity and significant International Premium Retailer (IPR[11]) introductions.

As at December 31, 2015, a total of 1,367 deals had been signed for the Group's portfolio of standing assets surpassing the 1,315[12] deals signed in 2014. The Group's leasing teams generated a Minimum Guaranteed Rent uplift[13] of +18.2% and a rotation rate[14] of 13.2% in 2015, exceeding the Group's objective to rotate at least 10% of its tenants in each shopping centre every year.

In 2015, the Group signed 196 leases with IPRs, a +15.3% increase compared to the 170[15] deals signed last year, representing 13.8% of the tenant rotation[16] in 2015.

More exciting retailers have chosen Unibail-Rodamco's shopping centres to open their first mono-brand stores in Continental Europe, such as Origins from the Estée Lauder Group in Galeria Mokotow (Warsaw), Victoria Secrets' full store concept signature in Arkadia (Warsaw), Reiss in Polygone Riviera (Cagnes-sur-Mer) (first shop in France) and Aesop in Mall of Scandinavia (Stockholm). A significant number of shopping centres "firsts" were recorded in several countries in 2015, such as Tesla in Parly 2 (Paris region), Brooks Brothers and Bobbi Brown in Polygone Riviera (Cagnes-sur-Mer); Nespresso in Pasing Arcaden (Munich); & Other Stories in Galeria Mokotow (Warsaw); & Other Stories and COS in Mall of Scandinavia (Stockholm), and Bobbi Brown in Aupark (Bratislava).

Major brands with great customer recognition have increased their store count in Unibail-Rodamco's portfolio in 2015, with Primark signing 4 additional leases in French and Spanish shopping centres (Polygone Riviera (Cagnes-sur-Mer), Lyon Part-Dieu (Lyon), Euralille (Lille) and La Maquinista (Barcelona)), and Uniqlo signing 3 additional leases in France. Furthermore, the Group signed 11 new leases with Rituals, 8 with Tiger, 7 with the Estée Lauder Group, 7 with Superdry, 5 with JD Sports and 5 with Kusmi Tea. These signings demonstrate the interest by differentiating retailers in the Group's shopping centres.

Strong progress has been made in the pre-letting for a number of projects in the Group's development pipeline:

- In September 2015, more than 200 retailers attended a kick-off event for the Wroclavia project, a new development of 79,634 m² in Wroclaw. The development has been 49% pre-let[17] almost two years prior to the scheduled opening in H2-2017, including to major international groups such as Inditex (Zara, Massimo Dutti, Bershka, Stradivarius, Pull&Bear, Oysho and Zara Home), H&M and the LPP group (Reserved, Mohito, Sinsay, House, Cropp Town and Tallinder). A Carrefour supermarket and the biggest cinema of the city with the first IMAX-technology complete the anchor tenants.

- For Centrum Chodov´s 41,411 m² extension project in Prague, pre-letting kicked off in September. The Group secured the commitment of a number of major tenants, including all of the Inditex Group's brands, with market entries for Zara Home and Oysho, and H&M's new flagship store. Pre-letting stands at 44% and the delivery is expected in H2-2017. The extension will also include the Dining Experience™ with 43 restaurants and market entries for both Wagamama and Vapiano.

- In April 2015, the pre-letting of Carré Sénart's major extension of 29,055 m² additional GLA (65 new units) kicked-off. 39% of the extension has been pre-let[17], including its new main anchor, a 9,500 m² Galeries Lafayette department store, and delivery is planned for H2-2017.

The Group's Brand Events team seeks to sign leases with exclusive and pioneering retailers in cross-border deals offering such retailers the Group's pan-European platform with innovative formats such as digital screens and pop up stores designed specifically for such retailers. In 2015,

[11] IPR = Retailer with strong and international brand recognition, and a differentiating store design and product approach, which may increase the appeal of the shopping centres.

[12] On a proforma basis, after deduction of 143 leases signed in 2014 in the 12 French shopping centres disposed (Cité Europe is not included as it was previously accounted for using the equity method).

[13] Minimum Guaranteed Rent (MGR) uplift: difference between new MGR and indexed old MGR. Indicator calculated on renewals and relettings only.

[14] Rotation rate: (number of relettings + number of assignments and renewals with new concepts) / number of stores.

[15] On a proforma basis, after deduction of 12 leases signed in 2014 with IPRs in the 12 French shopping centres disposed (Cité Europe is not included as previously accounted for using the equity method).

[16] Number of relettings and number of assignments and renewals with new concepts.

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

Unibail-Rodamco signed its first cross-border deal with Parrot (headphones) in 5 different shopping centres (La Part Dieu (Lyon), La Maquinista (Barcelona), Stadshart Amstelveen (Amstelveen), Riem Arcaden (Munich) and Mall of Scandinavia (Stockholm)). Devialet, with its high-quality Phantom speakers, chose Parly 2 (Paris region) for its first pop-up store in a shopping centre in France. Moreover, Amazon launched its first pop-up stores in France in Les Quatre Temps and Parly 2 (both in the Paris region) selling Kindle e-books and Fire tablets. Lastly, Amazon launched its Amazon Locker program in France in the Group's shopping centres. Nine of Unibail-Rodamco's shopping centres currently offer the Amazon Locker service and a further three are scheduled to open shortly.

Extension, renovation and brownfield projects

2015 has been a successful year with the deliveries of 3 new centres and the completion of 3 major refurbishment & extension projects throughout the Group´s regions.

See Section 6 of the Development projects segment for a list of all retail projects delivered in 2015.

On March 25, 2015, Unibail-Rodamco opened Minto (Mönchengladbach), a 41,867 m² regional shopping destination with more than 100 shops. The shopping centre includes the Group´s latest innovations such as Iconic Shop fronts and 4 Star services. The retail offer includes international and established brands such as Liebeskind, H&M and Saturn as well as IPRs such as Reserved and Forever 21. Fynch-Hatton opened its very first German shop in Minto. The delivery of this new shopping destination with its unique and novel features and experience was extremely well received in Germany by both visitors and press alike. The shopping centre attracted more than 6.9 Mn visits through the end of 2015.

On May 20, 2015, Euralille (Lille) revealed its first refurbishment since its construction in 1994. The Total Investment Cost (TIC)[18] of this project was €70 Mn. More than 50,000 visitors attended the opening event to experience the fully-redesigned customer journey. The introduction of the Group's latest innovations such as Iconic Shop fronts and the 4 Star label complemented a significantly improved retail offer, including the first Burger King and Starbucks in the region. From May 20 until the end of 2015, the shopping centre attracted +12.9% visitors compared to the same period last year.

On October 21, 2015, Unibail-Rodamco inaugurated Polygone Riviera (Cagnes-sur-Mer) with a total of 144 stores and 67,367 m² of GLA. At opening, the shopping centre was 90% let. The asset attracted 2.1 Mn visits through December 2015. Polygone Riviera includes the Group's latest innovations and was awarded the 4 Star label. Customers are offered a large variety of restaurants as part of the Dining Experience™, an entertainment cluster including a multiplex cinema, a casino and an open-air theatre. The first Designer Gallery™ in Europe was launched with 30 original designer brands. The retail offer also includes 35 IPRs such as Uniqlo and Forever 21. Polygone Riviera is 94% let as at December 31, 2015, including Primark which will open in March 2016.

On November 4, 2015, the Group finalised the refurbishment and extension of Ruhr Park (Bochum). As the largest open-air shopping centre in Germany, Ruhr Park offers 157 shops over 115,460 m². The TIC of €134 Mn (at 100%) has transformed the original building from the 60's into a modern regional lifestyle destination. The retail offer includes IPRs such as Kusmi Tea and Superdry's iconic flagship store. The extension was almost fully let at opening.

On November 12, 2015, Unibail-Rodamco inaugurated Mall of Scandinavia (Stockholm). 50,000 visitors attended the opening event while the centre welcomed over 100,000 visitors the first Saturday and its millionth visitor 17 days after opening. Through December 31, 2015, Mall of Scandinavia has attracted 2.6 Mn visits. At December 31, 2015, Mall of Scandinavia was 97% let with 219 stores, of which 36 were IPRs.

Excluding Polygone Riviera (Cagnes-sur-Mer), in which the Group acquired its interest at an already mature development stage in 2012, the yield-on-cost[19] of the Group's retail projects delivered in 2015 was 7.4%. Collectively, the yield-on-cost of those projects amounted to 6.8%. As at December 31, 2015, appraisers valued these assets at a weighted average net initial yield of 4.5%.

[18] Total Investment Cost: 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.

[19] Yield on cost: contracted rents for the 12 months following the opening, net of expenses, divided by the Total Investment Cost.

Innovation

During 2015, the Group further expanded a number of innovative concepts developed by UR Lab to drive additional footfall:

- 4 Star label: 8 more shopping centres have been awarded the 4 Star label, increasing the number of 4 Star labelled shopping centres to 25. The 8 centres include: Polygone Riviera (Cagnes-sur-Mer), Mall of Scandinavia (Stockholm), Minto (Mönchengladbach), Aupark (Bratislava), Ruhr Park (Bochum), Vélizy 2 (Paris region), Shopping City Süd (Vienna) and Euralille (Lille). The 17 shopping centres previously labelled all passed the annual independent audits which monitor the consistent quality in line with the 684 criteria referential.

- The Dining Experience™: this initiative focuses on a large range of dining offers in spectacular dining plazas and emphasizes animations accentuating the customer's culinary experience. After launching the 5th Dining Experience™ in February at Les Quatre Temps (Paris region), the roll out continued in H2-2015 with Polygone Riviera (Cagnes-sur-Mer), Mall of Scandinavia (Stockholm) and Splau (Barcelona).

- The Designer Gallery™: the Group continues to emphasize its differentiation strategy and places creativity at the heart of its shopping experience with The Designer Gallery™, recently unveiled at Polygone Riviera (Cagnes-sur-Mer) and Mall of Scandinavia (Stockholm). The Designer Gallery™ is an exclusive destination designed to celebrate fashion and design in all forms.

- Digital marketing: the Group keeps growing its digital audience. As of December 2015, on a like-for-like perimeter (excluding the 2014 divestments and the Group's German assets), smartphone application downloads increased by +20% (to 3.5 Mn), website visits grew by +11% (to 32.2 million visits) and on Facebook, the Group's shopping centres now have 5.4 million fans (+15.3% compared to the same period in 2014)[20].

To develop its location-based marketing strategy and better address its visitors, the Group has invested in a new digital infrastructure:
- A new Content Management System to administer content on websites, mobile applications, social networks and interactive directories;
- New websites with a brand new user experience and social content are being published;
- An omni-channel loyalty account system offering exclusive perks and customized offers;
- An indoor positioning technology based on Bluetooth technology has been deployed in 18 shopping centres with the goal to expand this to 41 shopping centres by June 2016;
- A social media management platform.

These new infrastructure tools allow the Group to provide innovative solutions that improve the visitors' journey in its shopping centres. Having identified the main pain points for visitors, Unibail-Rodamco developed three features:
- Smart Park: easy entrance and exit from the parking for loyalty card holders by automatic recognition of their number plate and automatic memorization of the parking slot;
- Smart Map: enabling visitors to easily locate the shops they are looking for and current promotions on the map of their shopping centre on their smartphone;
- Meet My Friends: a social indoor positioning feature making shopping sessions easier and more fun; through this application, visitors can share their location with their friends and, thus, catch up easily in the shopping centre.

Finally, the openings of Polygone Riviera and Mall of Scandinavia have been the "store front" of the Group's digital strategy and have given rise to test some additional innovative features such as:
- Click & Eat which allows customers to order, pay for and collect food from restaurants in Mall of Scandinavia;
- An audio guide on the app that accompanies the Art journey of Polygone Riviera;
- Help please, a text messaging service that strengthens customer relationships.

These new digital features have already improved engagement of customers who are willing to share data in exchange for clear benefits. As a result, new loyalty account creation was up by +17% in Q4-2015 vs. the same period last year in the first 7 shopping centres where the new system has been implemented.

Finally, to increase their usage, both these new functionalities and digital engagement have been at the heart of the exceptional marketing events

[20] Facebook conducted a massive cleanup of all Facebook accounts in March 2015 impacting all major commercial pages, including Unibail-Rodamco's (a loss of roughly 300,000 fans).

organized in Unibail-Rodamco's shopping centres in 2015:

- The largest live "Escape Game" ever in France, the first ever in a shopping centre in Europe, was held in Les Quatre Temps during four days in September 2015. The 1,500 players had to participate by using the mobile application and the Meet My Friends functionality, generating over 2,300 mobile application downloads and loyalty accounts creations.
- The promotional offers of the "Unexpected Days" event held in 5 shopping centres (Les Quatre Temps, So Ouest, Parly 2, Vélizy 2 and Forum des Halles) were only accessible via the mobile application, generating almost 6,300 additional digital visits and over 700 loyalty account creations.
- The "Unexpected Fitness" sport event, in exclusive partnership with Reebok and deployed in 9 shopping centres in 4 different countries (France, Poland, The Netherlands and the Czech Republic) have generated over 3,700 participations and 5,000 subscriptions on a web platform on the Group's shopping centres' websites.

1.2. Net Rental Income

As at December 31, 2015, the Group owned 88 retail assets, of which 72 shopping centres. 56 of these host 6 million or more visits per annum and represent 97% of the Group's retail portfolio[21] in Gross Market Value (GMV). Following the disposals in 2014 and 2015, the Group's French shopping centres now account for 45% of the Group's retail portfolio GMV (vs. 53% as at December 31, 2013, and 48% as at December 31, 2014).

Total consolidated Gross and Net Rental Income (NRI) of the shopping centre portfolio in 2015 amounted to €1,299.5 Mn and €1,177.0 Mn, respectively, a -1.3% NRI decrease from 2014 as a result of the disposals (a -9.1% impact) completed in 2014 and 2015.

Region	Net Rental Income (€Mn)		
	2015	2014	%
France	549.1	628.8	-12.7%
Central Europe	148.2	141.0	5.1%
Spain	147.5	145.8	1.2%
Nordic	106.1	97.1	9.2%
Austria	92.1	88.2	4.4%
Germany	67.1	19.4	n.m.
Netherlands	67.0	72.1	-7.1%
TOTAL NRI	**1,177.0**	**1,192.4**	**-1.3%**

Figures may not add up due to rounding.

The total net change in NRI amounted to -€15.4 Mn compared to 2014 due to:

- +€48.8 Mn from acquisitions and changes in consolidation methods:
  - ✓ In Germany, Unibail-Rodamco Germany (previously mfi) has been fully consolidated since July 25, 2014, following the acquisition of an additional stake and the related change of control, and Ruhr Park (Bochum) has also been fully consolidated since July 24, 2015, following the acquisition of an additional 15% stake and the related change of control;
  - ✓ Acquisition of additional units mainly in the Parquesur and La Vaguada shopping centres in Madrid, in Stadshart Amstelveen (Amstelveen), Leidsenhage (The Hague region) and in Les Ulis 2 (Paris region).
- +€15.6 Mn from delivery of shopping centres or new units, mainly in Sweden (Täby Centrum and Mall of Scandinavia in Stockholm), in Spain (mainly Garbera) and in France (mainly So Ouest Plaza (Paris region) and Polygone Riviera (Cagnes-sur-Mer)).
- -€5.7 Mn due to assets moved into the pipeline, mainly in the Nordics with projects in Nacka Forum (Stockholm) and Solna Centrum (Stockholm), in Spain with Glories (Barcelona) and in France with Carré Sénart (Paris region), Forum des Halles (Paris) and Galerie Gaité (Paris).
- -€108.3 Mn due to disposals of non-core assets:
  - ✓ -€96.3 Mn in France, mainly due to the disposal of 12 shopping centres[22] in November and December 2014 and in January 2015;
  - ✓ -€6.2 Mn in Spain due to the disposals of Albacenter (Albacete), Habaneras (Alicante) in 2014 and Sevilla Factory (Sevilla) in July 2015;
  - ✓ -€4.3 Mn in The Netherlands further to the divestment of several small assets; and
  - ✓ -€1.5 Mn in the Nordics due to the disposal of Nova Lund (Lund) in October 2015.
- -€2.4 Mn due to a negative currency translation effect from SEK.

[21] On standing assets, including assets accounted for using the equity method.

[22] Five to Carmila, six to Wereldhave and one to an Allianz/Hammerson joint-venture. Not including Cité Europe sold to Carmila and which was accounted for using the equity method.

- The like-for-like NRI[23] growth amounted to +€36.6 Mn (+3.9%), 360 bps above indexation.

Region	Net Rental Income (€Mn) Like-for-like		
	2015	2014	%
France	487.5	475.1	2.6%
Central Europe	145.0	137.6	5.4%
Spain	130.4	121.2	7.6%
Nordic	58.0	53.3	8.7%
Austria	92.1	88.2	4.4%
Netherlands	53.1	54.0	-1.7%
TOTAL NRI Lfl	**966.0**	**929.4**	**3.9%**

Figures may not add up due to rounding.

Region	Net Rental Income Like-for-like evolution (%)			
	Indexation	Renewals, relettings net of departure	Other	Total
France	0.0%	2.0%	0.6%	2.6%
Central Europe	0.8%	4.1%	0.6%	5.4%
Spain	-0.3%	2.5%	5.4%	7.6%
Nordic	1.3%	3.8%	3.5%	8.7%
Austria	1.6%	3.3%	-0.5%	4.4%
Netherlands	0.9%	-1.2%	-1.4%	-1.7%
TOTAL	**0.3%**	**2.4%**	**1.2%**	**3.9%**

The +3.9% like-for-like NRI growth for the Group[24] in 2015 reflects the good performance in renewals and relettings (+2.4% vs. +1.8% in 2014), the positive impact of "Other income" (+1.2% vs. +1.1% in 2014) and the low indexation (+0.3% only vs. +0.8% in 2014, the lowest since the merger in 2007).

In France, like-for-like NRI growth accelerated in H2-2015 to reach +3.1% vs. + 2.1% in H1-2015 for a total of 2.6% for the year. Growth was negatively impacted by lower "Other income" (+0.6% instead of +2.0% in 2014) due to increased marketing expenses and less key money than in 2014 and an increase in doubtful debtors and non-recoverable expenses due to higher vacancy. "Other income" in Spain is mainly due to an indemnity received following the successful outcome of a long-running legal procedure. In the Nordics, "Other income" is mainly due to less doubtful debtors and to more parking income in Fisketorvet (Copenhagen). In The Netherlands, the reduction in "Other income" is mainly due to an increase in property taxes and the reversal of a provision in 2014.

Excluding the impact of the indemnity received in Spain, like-for-like NRI growth for the Group in 2015 would have been +3.6%.

The like-for-like growth in large malls[25] was +4.5%. Their performance was strong in most regions with year-on-year like-for-like NRI up by +9.8%, +9.2%, +6.3% and +3.2% in the Nordics, Spain, Central Europe and France, respectively.

Across the whole portfolio, Sales Based Rent (SBR) represented 1.9% (€22.4 Mn) of total NRI in 2015 (vs. €18.9 Mn (1.6%) last year).

1.3. Contribution of affiliates

The total recurring Contribution of affiliates[26] for the shopping centre portfolio amounted to €79.1 Mn in 2015, compared to €82.4 Mn in 2014.

Region	Contribution of affiliates (€Mn)		
	2015 Recurring activities	2014 Recurring activities	Change
France	9.0	12.9	- 3.9
Central Europe (1)	36.0	36.5	- 0.5
Spain	1.1	1.4	- 0.3
Germany (1)	32.9	31.6	1.3
TOTAL	**79.1**	**82.4**	**- 3.3**

(1) For 2014, Ruhr Park, Unibail-Rodamco Germany and CentrO were restated from Central Europe to Germany.

Figures may not add up due to rounding.

The total net decrease of -€3.3 Mn is mainly due to:

- The negative impact in France of the disposal of Cité Europe (Calais), sold to Carmila in November 2014;
- In Central Europe, the impact of the disposal of Arkady Pankrac (Prague) in June 2015 was almost entirely compensated by the increase in the results from Zlote Tarasy (Warsaw);
- In Germany:
  - ✓ The positive impact of the acquisition, in May 2014, of a stake in CentrO (Oberhausen), partially offset by;
  - ✓ The change of control in Unibail-Rodamco Germany in July 2014 (now fully consolidated instead of accounted for using the equity method); and

[23] 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.

[24] Germany is not yet included in the like-for-like calculation as Unibail-Rodamco Germany (previously, mfi) was fully consolidated as of July 2014 only.

[25] Standing shopping centres with more than 6 million visits per annum.

[26] 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.

- ✓ The change of control in Ruhr Park (Bochum) in July 2015 (Ruhr Park is now fully consolidated instead of accounted for using the equity method).

On a pro-forma basis, excluding the change of consolidation method, acquisitions and divestments, the total recurring Contribution of affiliates grew by +€4.7 Mn (+12.6%), mainly due to Zlote Tarasy (Warsaw).

1.4. Leasing activity in 2015

The Group signed 1,367 leases in 2015 on consolidated standing assets for €169.9 Mn of MGR (compared to 1,315 leases in 2014, adjusted for the disposal of the French assets in 2014 and H1-2015). The average MGR uplift[27] was +18.2% on renewals and relettings during 2015 (compared to +19.6% in 2014). The uplift in 2015 compared to 2014 was the result of the good uplifts in France, Central Europe, Austria and Germany, partially offset by the +5.8% uplift in The Netherlands and a negative MGR uplift in small shopping centres (less than six millions visits) of -16.6%.

Region	Lettings / re-lettings / renewals excl. Pipeline				
	nb of leases signed	m²	MGR (€ Mn)	MGR uplift Like-for-like	
				€ Mn	%
France	299	104,945	61.5	10.3	24.5%
Central Europe	328	89,004	41.3	5.3	20.5%
Spain	273	50,940	21.0	1.8	10.6%
Nordic	204	54,643	20.7	1.5	10.1%
Austria	101	18,109	11.2	1.6	20.2%
Germany	58	9,065	4.0	0.3	13.4%
Netherlands	104	33,195	10.0	0.4	5.8%
TOTAL	**1,367**	**359,900**	**169.9**	**21.1**	**18.2%**

MGR: Minimum Guaranteed Rent

Figures may not add up due to rounding.

The MGR uplift for large shopping centres was +20.2%.

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

As at December 31, 2015, the total annualised MGR from Unibail-Rodamco's shopping centre portfolio increased to €1,243.2 Mn (€1,143.4 Mn as at December 31, 2014), despite the disposals of Nicetoile (Nice), Nova Lund (Lund) and Sevilla Factory (Sevilla) in 2015 and thanks to deliveries and the full consolidation of Ruhr Park (Bochum).

The following table shows a breakdown by lease expiry date and at the date of 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	40.9	3.3%	38.4	3.1%
2016	227.3	18.3%	80.9	6.5%
2017	212.5	17.1%	83.5	6.7%
2018	241.7	19.4%	89.2	7.2%
2019	131.9	10.6%	113.6	9.1%
2020	127.6	10.3%	128.4	10.3%
2021	67.4	5.4%	91.2	7.3%
2022	48.2	3.9%	133.2	10.7%
2023	31.4	2.5%	117.2	9.4%
2024	30.2	2.4%	77.1	6.2%
2025	34.5	2.8%	121.2	9.7%
2026	5.9	0.5%	16.8	1.4%
Beyond	43.6	3.5%	152.4	12.3%
TOTAL	**1,243.2**	**100%**	**1,243.2**	**100%**

Figures may not add up due to rounding.

Estimated Rental Values (ERV) of vacant space in operation on the total portfolio increased to €36.2 Mn (from €29.8 Mn as at December 31, 2014), resulting mainly from an increase in vacancy.

The EPRA vacancy rate[28] as at December 31, 2015 increased from 2.2% as at December 31, 2014 to 2.5% across the total portfolio, including 0.2% of strategic vacancy. The increase of the vacancy rate in France is mainly due to the temporary vacancy in Rosny 2 (Paris region) and Polygone Riviera (Cagnes-sur-Mer) and to strategic vacancy in Les 4 Temps and Parly 2 (Paris region), as well as an increase in vacancy in the French smaller assets such as Les Boutiques du Palais (Paris) and L'Usine Mode & Maison (Paris region). Collectively, the strategic vacancy in the French portfolio amounted to 0.4%. In the Nordics, the increase in vacancy is mainly due to Täby Centrum, Solna Centrum and Nacka Forum (Stockholm) and Jumbo (Helsinki). In The Netherlands, vacancy increased by 60 bps due primarily to vacancy in Citymall Almere (Almere). In Spain, Austria and Germany, the vacancy decrease is mainly due to good leasing activity.

[27] MGR uplift: difference between new and indexed old rents. Indicator calculated on renewals and relettings.

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

Region	Vacancy (Dec 31, 2015)		%
	€Mn	%	Dec. 31, 2014
France	19.1	2.8%	2.2%
Central Europe	1.4	0.9%	0.9%
Spain	2.1	1.1%	1.5%
Nordic	6.2	3.8%	3.1%
Austria	1.7	1.6%	2.1%
Germany	3.1	3.0%	4.7%
Netherlands	2.5	3.9%	3.3%
TOTAL	**36.2**	**2.5%**	**2.2%**

Excluding pipeline

Figures may not add up due to rounding.

The OCR[29] for the Group, at 14.1% on average as at December 31, 2015, remained almost stable compared to 2014 (14.2%).

Region	OCR	
	31/12/2015	31/12/2014
France	14.7%	14.4%
Central Europe	15.5%	15.1%
Spain	12.3%	12.6%
Nordic	12.3%	12.6%
Austria	15.8%	16.1%
Germany	13.0%	15.7%
Netherlands (1)	-	-
TOTAL	**14.1%**	**14.2%**

(1) Tenant sales not available in The Netherlands.

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 assets.

[29] OCR (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 in 2015 in Toison d'Or, Bonaire, El Faro, Parquesur, Splau and Shopping City Süd.

Shopping Centres - December 31, 2015		Rent in € per sqm (a)	CAGR of NRI (b)
France	Max	905	8.8%
	Min	85	0.2%
	Weighted average	487	4.9%
Central Europe (c)	Max	535	4.9%
	Min	116	2.2%
	Weighted average	369	2.7%
Nordic	Max	531	5.5%
	Min	114	2.2%
	Weighted average	358	4.5%
Spain	Max	747	5.2%
	Min	100	1.4%
	Weighted average	274	3.4%
Germany (c)	Max	399	4.5%
	Min	238	2.2%
	Weighted average	293	3.0%
Austria (c)	Max	367	2.8%
	Min	345	2.6%
	Weighted average	356	2.7%
Netherlands	Max	412	4.3%
	Min	131	-1.8%
	Weighted average	252	3.1%
Group	**Max**	**905**	**8.8%**
	Min	**85**	**-1.8%**
	Weighted average	**374**	**4.0%**

(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).
(c) Aupark (Bratislava) was transferred from Austria to Central Europe in January 2015. German assets are now presented separately.

1.7. Investment and divestment

Unibail-Rodamco invested €901 Mn[30] in its shopping centre portfolio in 2015:

- New acquisitions amounted to €125 Mn:
  - ✓ In The Netherlands, a number of retail units and other minor assets, mainly in Leidsenhage (The Hague region) and in Amstelveen, for a Total Acquisition Cost[31] (TAC) of €64 Mn;
  - ✓ In France, additional plots in Forum des Halles (Paris), Euralille (Lille) and other shopping centres, for a TAC of €38 Mn;
  - ✓ In Spain, additional plots in Parquesur (Madrid), Glories (Barcelona) and Bonaire (Valencia) for a TAC of €23 Mn.

- €647 Mn were invested in construction, extension and refurbishment projects. Minto (Mönchengladbach) was delivered in March 2015. Polygone Riviera (Cagnes-sur-Mer) was delivered in October 2015 and Mall of Scandinavia (Stockholm) in November 2015. Significant progress was made on Forum des

[30] Total capitalised amount in asset value group share.
[31] 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 transactions cost.

Halles (Paris), the Carré Sénart extension (Paris region), Glories (Barcelona), Centrum Chodov (Prague) and Wroclavia (Wroclaw) (see also section "Development projects").

- Financial, eviction and other costs were capitalised in 2015 for €22 Mn, €74 Mn and €33 Mn, respectively.

On January 15, 2015, the Group completed the sale of Nicetoile (Nice), for a TAC of €312.5 Mn, representing a net initial yield of 5.0%.

Further to the agreement with Atrium European Real Estate entered into on January 22, 2015, Unibail-Rodamco completed the disposal of Arkady Pankrac (Prague) on June 30, 2015. The transaction terms are: a TAC of €162 Mn[32], representing a net initial yield[33] of 5.65% and an average value of €5,361 per m².

On July 1, 2015, Unibail-Rodamco sold a 46.1% stake in Unibail-Rodamco Germany (formerly mfi GmbH) to the Canadian Pension Plan Investment Board (CPPIB). CPPIB paid the Group €394 Mn for the equity stake and provided additional funding in support of Unibail-Rodamco Germany's financing strategies. The price reflected an implied net initial yield of 5.1% for Unibail-Rodamco Germany's portfolio and an average price of €5,000/m². This transaction brings most of the parties' shopping centres in Germany under one umbrella, except for Ruhr Park (Bochum) and the Überseequartier (Hamburg) development. Unibail-Rodamco Germany remains fully consolidated.

On July 24, 2015, Unibail-Rodamco and AXA Real Estate (AXA) acquired Perella Weinberg Real Estate Fund (PWREF)'s 50% stake in Ruhr Park (Bochum) (AXA: 35% and Unibail-Rodamco: 15%). The Group now owns a 65% stake. Unibail-Rodamco's total commitment for the equity stake, the assumption of debt and the incremental capex to complete the extension and refurbishment of the shopping centre was approximately €98 Mn. Pursuant to the shareholders' agreement entered into between Unibail-Rodamco and AXA, the Group controls Ruhr Park, which is fully consolidated as at December 31, 2015.

The Group on October 1, 2015, sold the Nova Lund shopping centre (Lund) to TH Real Estate. Nova Lund is a 25,889 m² shopping centre which attracted between 2-3 million visits per year. The TAC amounts to SEK1,635 Mn (€176 Mn[34]), representing a net initial yield[33] of 5.5% and an average value per m² of SEK63,155 (€6,791/m²)[34].

The Group also sold some smaller non-core assets in France and in Spain.

These disposals were realized at an average premium of +11.3% above the last unaffected appraisal value.

1.8. Overview of German operations

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[35] in 2015, the following paragraph describes on a pro-forma and 100% basis, a number of key performance indicators[36]:

- The total GMV of the German portfolio amounted to €4.8 Bn as at December 31, 2015 (€4.3 Bn as at December 31, 2014);
- The Pipeline amounted to €1.2 Bn as at December 31, 2015, following deliveries of Minto (Mönchengladbach) in March 2015 and the Ruhr Park extension (Bochum) in November 2015 and the change in program of Überseequartier (Hamburg), compared to €1.3 Bn as at December 31, 2014;
- The GLA managed amounted to 1.4 million m² and includes 0.8 million m² of owned assets;
- NRI amounted to €190.7 Mn in 2015, an increase of +€50.2 Mn compared to 2014, mainly explained by the acquisition of CentrO in May 2014, the openings of Palais Vest (Recklinghausen) in September 2014 and Minto (Mönchengladbach) in March 2015 as well as the delivery of the Ruhr Park extension (Bochum) in November 2015. On a like-for-like basis, NRI grew by +3.9% (including +0.3% of indexation);
- 272 leases were signed in 2015 (209 in 2014), of which 149 leases for standing assets (including 11 with IPRs), with an average MGR uplift of +10.0%, and 123 leases for pipeline assets (including 5 with IPRs);

32 Corresponding to Unibail-Rodamco's 75% stake in Arkady Pankrac (Prague) and implying a TAC of 100% share of €216 Mn.

33 Annualized contracted rent including indexation for the next 12 months, net of operating expenses, divided by the asset value.

34 Using the exchange rate of 1 EUR = 9.3 SEK.

35 Excluding Ring-Center (Berlin).

36 These operating data are for 100% of the assets for the years 2014 and 2015, including CentrO since its acquisition date in May 2014, and cannot therefore be reconciled with the Group's financial statements and key performance indicators.

- The vacancy rate as at December 31, 2015 stood at 3.0% (compared to 3.3% as at December 31, 2014);
- The OCR for tenants in 2015 was 14.7%.

2. Offices

2.1. Office property market in 2015

Take-up

Despite a mixed first half of 2015, take-up in the Paris region in 2015 increased by more than +4% compared to 2014, for a total of 2.2 million m².[37]

This take-up, close to the 10-year average (2.3 million m²) is primarily due to the high level of transactions below 5,000 m². This segment saw an increase of +12% in volume[38] compared to 2014.

On the other hand, take-up in the large transaction (over 5,000 m²) segment decreased by -16% during 2015[38], despite an increase in the activity level towards the end of the year with 7 transactions over 20,000 m², including 2 transactions over 40,000 m² recorded in the Southern Inner Rim (La Poste in "le Lemnys" for 42,600 m² and Accor Hotels for 43,000 m² in "Sequana" in Issy-les-Moulineaux). BNP Paribas Development also signed a turn-key deal with Novartis in Rueil-Malmaison (Paris region) for 42,000 m².

Take-up in inner Paris represented 43%[39] of the total Paris region take-up, the highest level since 2005. This situation is mainly due to the +18% increase in take-up in the Paris Central Business District (CBD) for 450,000 m² in 2015 compared to 380,000 m² in 2014. Five out of seven transactions over 5,000 m² in Paris CBD involved heavily refurbished buildings.

In 2015, the Western Crescent recorded the largest divergence in volume of transactions in the Paris region, with, for example, an increase of +92% in take-up in the Southern Inner Rim and a decrease of -52% in Neuilly-Levallois. The take-up recorded in 2014 in this sector was unusually high[38], due to transactions in So Ouest Plaza and Ecowest.

In 2014, the La Défense market had reached one of the highest levels of take-up ever, thanks to a number of very large transactions. In 2015, the 140,900 m² take-up is close to the 5-year average of 151,600 m² [39]. This result is largely due to small and mid-size transactions. Only one transaction over 15,000 m² was recorded in 2015 in La Défense for 19,000 m² of renovated surfaces in Tour Egée, rented by Groupe Elior.

Rents

In 2015, the average prime rent in Paris CBD increased by +5% from €688/m² in 2014 to €724/m² in 2015. The highest rent recorded was €800/m² with the Viel et Cie transaction in Place Vendome (Paris 1 arr.) for 3,000 m². Facebook rented 3,600 m² in the #Cloud building in Paris CBD – Opéra for €780/m².

The highest rents recorded in La Défense were €530/m² for surfaces below 5,000 m² on the Cœur Défense building and €460/m² for surfaces over 5,000 m² on the Carpe Diem building. The reference prime rent is €550/m² for Majunga tower.

For the first time since 2010, lease incentives decreased on average in the Paris region in 2015 (from 20% in 2014 to 19%[40] in 2015). Contributing factors include the increase of transactions below 5,000 m² (lower incentives), the larger share of take-up in Paris CBD relative to previous years and landlords offering lower face rents.

Important variations were recorded between sectors in the Paris region, with for example, average lease incentives of 16% for Paris CBD and 27% for the Northern Rim[40] and La Défense.

Immediate supply

With 3.9 million m², the immediate supply in the Paris region decreased by -3% at the end of 2015 compared to December 31, 2014. Similarly, the vacancy rate decreased from 7.2% to 6.9%[41] over the same period.

Large variations of vacancy rates per geographic sector exist: the lowest vacancy rate, 4.8%, is in Paris CBD which represents a -17% decrease compared to December 31, 2014[41]. This drop is due to the lowest level of new offer in this sector since 2008.

At the opposite end of the spectrum, the vacancy rates of Peri-Défense and the Northern Inner Rim sectors stand above 11%.

The vacancy rate in La Défense dropped from 12.2% at the end of 2014 to 10.8% as at December 31, 2015[41]. This decline is due to the lack of

[37] Source: CBRE, janvier 2016.
[38] Source: BNP Paribas Real Estate, Le Marché des Bureaux en Ile-de-France, janvier 2016.
[39] Source: CBRE, janvier 2016.
[40] Source: BNP Paribas Real Estate, Le Marché des Bureaux en Ile-de-France, janvier 2016.
[41] Source: CBRE, janvier 2016.

significant new deliveries and to the level of transactions recorded in this sector in 2015. This decrease in vacancy is expected to continue in 2016, considering the amount of on-going advanced negotiations and the lack of new deliveries in 2016.

In 2016, some sectors such as inner Paris and Paris CBD in particular are expected to have a shortage of quality office buildings. This dynamic is expected to be supportive of rents and lead to a further reduction of lease incentives. Sectors with a higher immediate available supply should benefit from this dynamic. Tenants have already started looking at the La Défense market for high quality office space. In 2015, companies, which historically kept offices in inner Paris, have chosen La Défense (e.g., Groupe Elior (formerly Paris 12th arr.), Invivo (from Paris 16th arr.), Celgen (from Paris 2nd arr.) and Groupe Démos (from Paris 8th arr.)).

Investment market

The total volume of transactions closed during 2015 in the Paris region amounted to approximately €15.9 Bn[42], a +12% increase from 2014, in which the highest volume since 2007 was recorded. The 2015 volume is 48% above the €10.7 Bn ten-year average (2005-2014) and reflects the current high demand for offices in the investment market.

The market was characterized, as in 2014, by large transactions with noticeable deals such as Ecowest in Levallois (> €470 Mn); the Amundi headquarters (Paris 15th arr.) (> €300 Mn), as well as portfolios (the Aqua portfolio sold by Union Investment for €260 Mn for the Paris assets; the Ivanhoé Cambridge portfolio consisting of GDF headquarters buildings T1 and B in La Défense and the PSA building (Paris 16th arr.) (> €1.2 Bn); and the Kensington portfolio sold by General Electric (> €600 Mn for the Paris assets)).

The type of assets involved are diversified, ranging from opportunistic deals characterized by empty buildings or buildings to be vacated shortly and needing refurbishment (e.g., Tour Pascal, le Belvédère or Ex-Libris in La Défense; 173 boulevard Haussmann vacated by La Française (Paris 8th arr.); Tour Van Gogh vacated by Klesia (Paris 12th arr.), to secured assets with long-term leases (e.g., Art&Fact in Rueil Malmaison, City Light 2 in Boulogne; Paris Square (Paris 11th arr.), Trigone in Issy-Les-Moulineaux and Alleray in Paris 15th arr.).

The strong demand for offices compressed yields in the Paris region. Prime office assets in Paris CBD were transacted at yields around and below 3.5% from between 4.0% and 4.25% during 2014. This rate compression also occurred outside of Paris CBD as evidenced by transactions in Boulogne, Issy-Les-Moulineaux and Paris 15th arr. at yields below 4 % (l'Angle, Trigone, Alleray). This has also been reflected in the pending disposal of 2-8 Ancelle in Neuilly by Unibail-Rodamco for an estimated Net Disposal Price of €267 Mn, at a yield below 4%.
Prime yields in La Défense fell by about 50 bps compared to 2014 to around 5.0%, as illustrated by the sale by Ivanhoé Cambridge of GDF's headquarters in buildings T1 and B.

2.2. Office division activity in 2015

Unibail-Rodamco's consolidated Gross Rental Income and NRI from the offices portfolio came to €179.4 Mn and €170.4 Mn in 2015, respectively, a NRI decrease of -1.2% (-€2.0 Mn) year-on-year.

Region	Net Rental Income (€Mn)		
	2015	2014	%
France	151.4	148.4	2.0%
Nordic	12.4	12.5	-1.1%
Netherlands	0.9	7.3	n.m.
Other countries	5.7	4.2	35.5%
TOTAL NRI	**170.4**	**172.4**	**-1.2%**

This decrease is the result of:

- +€10.3 Mn due to the delivery of 2-8 Ancelle in Neuilly-sur-Seine (Paris region) and the AXA arrival in Majunga (La Défense);
- +€1.6 Mn due to the full consolidation of Unibail-Rodamco Germany since July 2014;
- -€2.9 Mn due to assets transferred to the pipeline mainly in France (Villages 3 and 4 and Issy Guynemer);
- -€6.5 Mn due to disposals, mainly of several office buildings sold to VALAD in The Netherlands in December 2014 and of 34-36 Louvre (Paris) sold in February 2014 and eleven floors in Tour Crédit Lyonnais (Lyon) in December 2015;
- -€0.3 Mn due to currency effects in the Nordics;
- Like-for-like NRI[43] declined by -€4.2 Mn (-2.9%), mainly due to less indemnities received

[42] Source: BNP Paribas Real Estate, January 2016.

[43] 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

in 2015 from departing tenants in France compared with 2014 (net impact of -€8.6 Mn).

Region	Net Rental Income (€Mn) Like-for-like		
	2015	2014	%
France	123.3	127.6	-3.4%
Nordic	12.7	12.5	1.8%
Netherlands	0.5	0.5	n.m.
Other countries	3.0	3.2	-3.9%
TOTAL NRI Lfl	**139.6**	**143.8**	**-2.9%**

Figures may not add up due to rounding.

52,157 weighted square meters (wm²) were leased in standing assets in 2015, including 20,109 wm² in France and 20,447 wm² in the Nordics. Several renewals and relettings were signed in Tour Ariane (La Défense) and 70-80 Wilson (Paris region) with a negative rental uplift.

So Ouest Plaza office (Levallois, Paris region) was delivered in H1-2015. After leasing 80% of this building to L'Oréal in 2014, the remaining floors representing 7,274 wm² were leased to L'Oréal in H1-2015. This building is now fully let.

In addition, in December 2015, the Group signed a binding term sheet for a lease agreement with Deloitte for a lease of the remaining 31,164 m² of GLA in Majunga (La Défense) which was ratified and signed on January 18, 2016. Majunga is now fully let.

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	9.7	4.6%	8.3	3.9%
2016	31.8	15.0%	22.9	10.8%
2017	13.6	6.4%	6.3	3.0%
2018	25.4	12.0%	16.9	8.0%
2019	43.8	20.8%	38.4	18.2%
2020	6.2	2.9%	5.7	2.7%
2021	12.1	5.8%	8.4	4.0%
2022	4.5	2.1%	10.8	5.1%
2023	0.9	0.4%	18.2	8.6%
2024	2.7	1.3%	8.2	3.9%
2025	16.9	8.0%	2.3	1.1%
2026	42.4	20.1%	42.5	20.2%
Beyond	0.9	0.4%	22.2	10.5%
TOTAL	**211.0**	**100%**	**211.0**	**100%**

Figures may not add up due to rounding.

ERV of vacant office space in operation amounted to €34.7 Mn as at December 31, 2015, compared to €34.3 Mn as at December 31, 2014, corresponding to a financial vacancy[44] of 14.4% on the total portfolio (stable vs. 2014), including €31.8 Mn and 14.7% (vs. €31.2 Mn and 14.6% as at December 31, 2014) in France. This vacancy is mainly due to the remaining 51% vacancy in Majunga (La Défense) as at December 31, 2015. This vacancy accounted for almost 56% of the vacancy in the Group's French offices as at December 31, 2015.

2.3. Investment and divestment

Unibail-Rodamco invested €157 Mn[45] in its offices portfolio in 2015:

- €148 Mn were invested for works and acquisitions of plots, mainly in France for the Trinity project in La Défense and for So Ouest Plaza in Levallois (Paris region) and Les Villages in La Défense (Paris region) (see also section "Development Projects");

- Financial and other costs capitalised amounted to €9 Mn.

On December 4, 2015, Unibail-Rodamco entered into an agreement ("promesse de vente") for the sale of the 2-8 Ancelle office building (Neuilly-sur-Seine, Paris region) for a Net Disposal Price of approximately €267 Mn. This transaction is subject to standard conditions precedent and is expected to close in Q1-2016. 2-8 Ancelle is a fully refurbished 17,200 m² office building, let to CMS Bureau Francis Lefebvre for a 12-year firm period.

The Group expects to continue to monitor the investment market and take advantage of market conditions to dispose of mature office buildings across its portfolio.

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

currency exchange rate differences in the periods analysed.

44 EPRA Vacancy rate = Estimated Rental Value (ERV) of vacant spaces divided by ERV of total surfaces.
45 Total capitalised amount in asset value, group share.

triennial shows, and an uneven distribution of shows during the year.

With more constrained marketing budgets in a lackluster economic environment, shows remain one of the most effective media for exhibitors. Therefore, companies maintain their presence in order to gain new orders, even if they lease fewer square meters. The average floor space rented for a typical show and the number of corporate events organized in Viparis contracted slightly (-2%) during 2015. A few shows were cancelled or postponed after the November 13th terrorist attacks. Viparis supported its clients and helped to find appropriate solutions to face this situation, resulting in a negligible financial impact. The business performed well in 2015, and 22 new exhibitions were held in 2015 (compared to 24 in 2014).

2015 was characterized by the following shows:

Annual shows:
- The "International Agriculture Show" (SIA) attracted 691,000 visitors, one of the best attendances in the past ten years[46].
- The 2015 edition of the "Foire de Paris" attracted 563,500 visitors and 3,500 exhibitors and brands.

Biennial shows:
- "Le Bourget International Air Show" (SIAE) 51st edition was a record-breaking event, with more than 2,000 exhibitors from 48 countries, $130 Bn in new orders and 351,000 visitors (+11% vs. 2013).
- Batimat, the world's leading construction show, attracted 2,526 exhibitors (including 45% of international exhibitors) and 353,600 visitors in 5 days.

Triennial show:
- One of the world's leading shows, the "International Exhibition for Equipment and Techniques for Construction and Materials Industries" (Intermat), demonstrated its international leadership, with more than 131,000 visitors, of which 35% from abroad.

International congresses, when held in Viparis venues, break attendance records. For example, the 8th International Conference on Advanced Technologies & Treatments for Diabetes (ATTD 2015) held at the CNIT saw a +20% growth in participants since its last session. In June, the World Gas Conference held at Paris Expo Porte de Versailles hosted 3,500 delegates, 350 exhibitors and 5,000 trade visitors. The COP21, the UN's Global Climate Change Conference, held in December at Paris Le Bourget, hosted 19,385 delegates from more than 190 countries and 150 world leaders.

In total, 792 events were held in Viparis venues during 2015, of which 266 shows, 118 congresses and 408 corporate events.

As a result of its seasonal activity and despite the challenging economic environment, Viparis' EBITDA[47] reached €143.1 Mn for 2015, an increase of +€22.5 Mn vs. 2013, the latest comparable period. This increase resulted from: (i) the positive impact of the triennial Intermat show; (ii) a small acquisition in December 2014; (iii) the impact of the new 50-year lease with the City of Paris for Porte de Versailles, the rent of which is now accounted for in the Financing expenses, instead of an expense deducted from EBITDA under the prior concession; and (iv) a growth of +€10.6 Mn (+8.8%) of EBITDA vs. 2013 on a comparable basis.

The new 50-year lease contract signed with the City of Paris to operate and modernize the Porte de Versailles venue took effect on January 1, 2015. Viparis will invest approximately €500 Mn over a 10-year period for renovation works and €220 Mn for maintenance works over a 50-year period.

The first phase of renovation works started in June 2015, with demolition works to build the new Welcome Plaza, travelators in the Central Alley, the Meshing facade of Pavilion 1 and the full renovation of the 72,000 m² Pavilion 7. These works will create the new "Paris Convention Centre", including a 5,200-seat auditorium.

In 2018, its opening year, the "Paris Convention Centre" will welcome EASL's International Liver Congress. For five days in April, more than 11,000 international experts are expected in Paris for the most important event in this field.

The NRI from hotels amounted to €14.2 Mn for 2015, compared to €15.3 Mn for 2014, a decrease of -€1.1 Mn, mainly due to the impact of the terrorist attacks on November 13th, following a good performance in H1-2015.

During the first 7 months of 2015 before its disposal, Comexposium contributed €8.0 Mn to the Group's recurring result. These 2015 results were favourably impacted by the triennial Intermat show.

In order to accelerate Comexposium's international development and reinforce CCIR's partnership with

[46] On a comparable number of days.

[47] EBITDA (Viparis) = "Net rental income" and "Other site property services income" + "Contribution of affiliates" of Viparis venues.

Comexposium, Unibail-Rodamco and CCIR entered into an agreement with Charterhouse, pursuant to which Charterhouse acquired Unibail-Rodamco's 50% stake in Comexposium on July 31, 2015. This transaction valued Comexposium at an enterprise value of €550 Mn[48].

III. SUSTAINABILITY

Sustainable thinking is closely integrated into Unibail-Rodamco's operating, development and investment activities. Sustainability is a day-to-day commitment of all teams within the Group to run a more efficient and ethical business. The Group's sustainability strategy, based on environmental best practices, social fairness and transparent governance, is designed to return reliable and quantifiable improvements in performance over the long term.

In 2015, the Group continued the implementation of its long-term sustainability strategy and priorities. In particular, in parallel with continuing efforts in environmental matters, the cooperation with stakeholders and local economic development have been reinforced in the Group's Sustainability initiatives. These initiatives aim to sustain and create value for both the Group and its stakeholders. An update of the materiality survey, initiated in 2012, was carried out in 2015 to measure progress made and identify changes in business risks and opportunities in the Real Estate sector and for the Group. This survey also included, for the first time, input from external stakeholders on these topics. The updated Sustainability vision led to new medium term objectives.

In April, Unibail-Rodamco successfully issued its third Green bond, for €500 Mn with a 10-year maturity and a coupon of 1.00%, a record low level for a bond issued by the Group. This new "responsible bond" demonstrated the Group's commitment to and long-term view on sustainability for the development, construction and operating phases.

In 2015, the Group's energy intensity decreased a further -1.5% compared to 2014 (in kWh/visit for the managed shopping centre portfolio on a like-for-like basis). This performance led to a cumulative -13% decrease of energy intensity since 2012, in line with the objective of a -25% decrease by 2020 from the 2012 baseline.

In December, Unibail-Rodamco and Viparis hosted the COP21 in Paris Le Bourget. For the first time ever, a State or UN Climate Conference was ISO 20121 certified.

With about 200 trained users, Unibail-Rodamco successfully implemented its new environmental e-reporting tool based on the Enablon software, the leading dedicated solution for environmental reporting in Europe. This environmental e-management solution supports each team on site in targets setting, in following up their environmental action plan and in monitoring their building performance, especially for resources consumption and energy cost optimisation. Through a robust data collection and consolidation process, it also allows the Group to secure reliability and traceability of its publicly disclosed data, and facilitates the external verification of its environmental reporting.

In 2015, the Group accelerated the progress towards environmental certifications for its entire portfolio and development projects.

For its development projects, the Group obtained one additional environmental certification under the BREEAM scheme for Polygone Riviera (Cagnes-sur-Mer) and confirmed two BREEAM 'Excellent' final certificates for both Majunga tower (La Défense) and the Aéroville shopping centre (Paris region).

Continuing its certification policy for the standing managed portfolio, 21 shopping centres obtained a BREEAM In-Use certificate in 2015 (9 newly certified and 12 renewed), of which 16 at 'Outstanding' level for the 'Building Management (part 2)'.

With 46 shopping centres certified as of December 31, 2015, 81% of the Group's standing shopping centre portfolio is now BREEAM In-Use certified[49], corresponding to over 2.6 million m² of GLA. 96% of certifications obtained reached an 'Excellent' or 'Outstanding'[50] level for the 'Building Management (part 2)', which is the highest certification profile for a portfolio in the retail real estate market.
In addition, the So Ouest office in Levallois (Paris region) was BREEAM-In-Use certified in 2015 with an 'Excellent' score for the 'Building Management – (part 2)'.

With best BREEAM In-Use scores in the industry obtained in 2015 in five of the countries where it operates, including the first European double 'Outstanding' score obtained by Centrum Chodov (Prague), Unibail-Rodamco is demonstrating the

[48] Excluding minority interests.

[49] In terms of m² of GLA, as at December 31, 2015.

[50] BREEAM-In-Use "Building Management" score.

superior environmental performance of its assets and of its property management policy, despite the diversity of its portfolio in terms of size, age and location.

In 2015, the Group continued the embedding of its in-house Risk Management System ("RMS") across its entire portfolio (including for the first time, the German shopping centres) in order to mitigate and better manage health and safety risks. 57% of the Group's managed assets obtained in 2015 the highest A-score in the annual risk management assessment carried out by an independent third-party (compared to 44% in 2014) and 32% of the managed assets improved their overall rating compared to 2014 thanks to a strict implementation of customized improvement plans set up in each asset.

The Group was again included in the principal Environmental, Social and Governance indices in 2015 (FTSE4Good; STOXX® Global ESG[51] leaders; Euronext Vigeo Europe 120; Dow Jones Sustainability Index - DJSI World, DJSI Europe) and is ranked among the top companies in the Real Estate sector.
The Group was selected as industry leader in Sustainalytics rating (Sustainalytics is used for the STOXX® Global ESG Leaders indices, and its score is one of the ESG ratings most used by SRI analysts).

In the 2015 GRESB Survey (Global Real Estate Sustainability Benchmark – the only sustainability benchmark dedicated to the Real Estate sector), Unibail-Rodamco was selected as 'Green Star' for the fifth year in a row, and was named 2015 'Global sector leader' achieving the best score worldwide within the retail sector (out of 123).

In addition to the fourth consecutive EPRA Sustainability Gold Award received for its compliance with the EPRA Best Practice Recommendations for Sustainability Reporting, the Group's reporting for 2014 again complied with the international reporting framework GRI G4 (Global Reporting Initiative), based on the most material issues for the Group, and in line with its main business opportunities and risks.

[51] Environmental / Social / Governance.

IV. 2015 RESULTS

Other property services net operating result amounted to a recurring result of €33.4 Mn in 2015 from property services companies in France, Spain and Germany, a decrease of -€0.3 Mn compared to 2014. The decrease was mainly due to the negative impact of the disposals of 13 shopping centres[52] in France, and was almost entirely offset by the positive impact of the full consolidation of Unibail-Rodamco Germany from July 2014.

Other net income in 2015 amounted to €0.0 Mn compared to €33.0 Mn in 2014, of which €28.3 Mn was a non-recurring capital gain on the sale of the Group's 7.25% stake in SFL, and €4.7 Mn was the annual dividend paid by SFL in April 2014 and recognized in recurring income.

General expenses amounted to -€107.7 Mn in 2015, including -€106.1 Mn in recurring expenses (-€94.2 Mn in 2014, of which -€89.3 Mn in recurring), an increase of €13.5 Mn mainly due to the impact of: (i) the full consolidation of Unibail-Rodamco Germany; (ii) increased IT spending to modernize and upgrade the Group's information systems; and (iii) the one-time impact of the termination of the defined benefit pension plan in The Netherlands. As a percentage of NRI from shopping centres and offices, recurring general expenses were 7.9% in 2015 (vs. 6.5% in 2014). As a percentage of GMV of shopping centres and offices, recurring expenses were 30.6 bps for the period ended on December 31, 2015, compared to 28.4 bps at the end of December 2014.

Development expenses incurred for feasibility studies of projects and potential acquisitions amounted to -€4.5 Mn in 2015 in recurring expenses (+€0.9 Mn in 2014, including +€5.0 Mn in non-recurring and -€4.1 Mn in recurring).

Recurring financial result totalled -€299.5 Mn in 2015, excluding capitalised financial expenses of €30.3 Mn allocated to projects under construction. This represents a -€39.0 Mn decrease compared to 2014. The -€299.5 Mn include the fees paid to Ville de Paris related to the 50-year lease contract for Porte de Versailles, which was accounted for as a financial lease with effect as of January 1, 2015.
The Group's average cost of debt[53] was 2.2% for 2015 (2.6% for 2014).

[52] Six to Carmila, six to Wereldhave and one to an Allianz/Hammerson joint-venture.
[53] Average cost of debt = Recurring financial expenses (excluding the ones on financial leases) + 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.

Unibail-Rodamco's financing policy is described in section 'Financial Resources'.

Non-recurring financial result amounted to -€362.1 Mn in 2015, which breaks down as follows:

- -€214.3 Mn resulting mainly from the premium and costs paid on the €1,145 Mn of bonds repurchased following the completion in April 2015 of a tender offer for 9 bonds maturing between 2016 and 2021 with coupons ranging between 1.625% and 4.625%, and on the repurchase of €741 Mn of the ORNANE issued in 2012, corresponding to a hit ratio of ca. 99%;
- -€75.9 Mn mark-to-market of the ORNANEs issued in 2012 (for its remaining part), 2014 and 2015;
- -€64.8 Mn of currency impact mainly resulting from the revaluation of debt issued in HKD, USD and CHF. The offsetting benefit of the cross currency swap was recorded in the mark-to-market of derivatives as these transactions were fully hedged;
- -€13.4 Mn due to the impact of the restructuring of hedges in H2-2015 and of the mark-to-market of derivatives, in accordance with the option adopted by Unibail-Rodamco for hedge accounting to recognise directly in the income statement the change in value of caps and swaps;
- +€6.3 Mn of debt discounting and other items.

Income tax expenses are due to the Group's activities in countries where specific tax regimes for property companies[54] do not exist and from activities in France not eligible for the SIIC regime, mainly in the Convention & Exhibition business.

The income tax expense amount takes into account the impact of the recent changes in the tax environment in the various regions where the Group operates.

Income tax allocated to the recurring net result amounted to -€24.8 Mn in 2015 compared to -€3.2 Mn in 2014. The increase year-on-year stems mainly from tax expenses in non-SIIC activities in France, including a reversal of a provision reducing recurring taxes in 2014.

Non-recurring income tax expenses amounted to -€263.5 Mn in 2015, due mainly to the increase of deferred tax liabilities as a result of the revaluation of certain assets to fair market value. This amount also includes the 3% tax levied on cash dividends paid by French companies in 2015. In 2015, the Group paid -€14.0 Mn of tax on the dividends paid in March and July 2015 for the fiscal year ended December 31, 2014.

Non-controlling interests in the consolidated recurring net result after tax amounted to €148.7 Mn in 2015 compared to €136.7 Mn in 2014. Recurring non-controlling interests related essentially to shopping centres in France (€83.0 Mn, mainly Les Quatre Temps, Parly 2 and Forum des Halles) and Germany (€18.3 Mn, mainly CPPIB's stake in Unibail-Rodamco Germany) and the stake of CCIR in Viparis (€44.6 Mn). The non-recurring non-controlling interests amounted to €150.6 Mn in 2015, down from €196.6 Mn in 2014, due primarily to the lower revaluation results from Viparis year-on-year.

Net result - owners of the parent was a profit of €2,334.0 Mn in 2015. This figure breaks down as follows:

- €1,030.4 Mn of recurring net result (compared to €1,068.1 Mn in 2014), a decrease of -3.5% year-on-year, as a result of the disposals in 2014 and 2015 partially offset by strong like-for-like NRI growth, the delivery of new shopping centres and lower interest expenses;
- €1,303.6 Mn of non-recurring result[55] (compared to €602.4 Mn in 2014).

The average number of shares and ORAs[56] outstanding during this period was 98,496,508, compared to 97,824,119 during the same period last year. The increase is mainly due to stock options exercised in 2014 and 2015 (impact of +623,214 on the average number of shares in 2015) and to the issuance of performance shares in April 2015 pursuant to the Group's 2012 compensation plan (impact of +18,854 in 2015).

[54] In France: SIIC (Société d'Investissements Immobiliers Cotée).

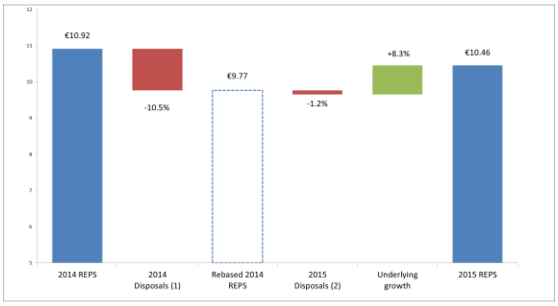
[55] Include valuation movements, disposals, mark-to-market and termination costs of financial instruments, including bond tender premiums, impairment of goodwill or reversal of negative goodwill and other non-recurring items.

[56] It has been assumed here that the ORAs have a 100% equity component.

Recurring Earnings per Share (recurring EPS) came to €10.46 in 2015, representing an underlying growth of +8.3% from the recurring EPS for 2014 adjusted for the impact of (i) the disposals in 2014[57] (-€1.15) and (ii) the further disposals effected in 2015[58] (-€0.11).

These results reflect the robust like-for-like rental growth of the shopping centres despite the near absence of indexation, the seasonal results of the Convention & Exhibition activity and the decrease in the average cost of debt.

The evolution of the recurring EPS in 2015



(1) Refer to footnote 57.
(2) Refer to footnote 58.

Reported recurring EPS decreased by -4.2% in 2015 compared to €10.92 reported for 2014.

V. POST-CLOSING EVENTS

None.

VI. DIVIDEND[59]

In 2016, Unibail-Rodamco will again pay its dividend in two instalments. Unibail-Rodamco believes that this policy offers shareholders a regular flow of dividends which more closely matches the Group's cash flows.

For the 2015 fiscal year, the Group will propose a cash dividend of €9.70 per share, subject to the approval of the Annual General Meeting (AGM). The payment schedule will be as follows:

- Payment of an interim dividend of €4.85 on March 29, 2016 (ex-dividend[60] date March 23, 2016); and
- Payment of a final dividend, subject to approval of the AGM, of €4.85 on July 6, 2016 (ex-dividend date July 4, 2016).

The total amount of dividends paid with respect to 2015 would be €957.3 Mn for the 98,693,942 shares issued as at December 31, 2015. This represents a 93% pay-out ratio of net recurring result, up from 88% last year, and in line with the Group's 85%-95% dividend pay-out policy.

The statutory 2015 result of Unibail-Rodamco SE (parent company) was a profit of €1,159.6 Mn. The 2015 result of Unibail-Rodamco SE's SIIC sector amounted to €1,110.1 Mn with a dividend distribution obligation of €877.0 Mn. After payment of the proposed dividend, the SIIC distribution requirement will have been met.

Assuming approval by the Annual General Meeting on April 21, 2016:

(i) €8.89 of the dividend will have been paid from Unibail-Rodamco's tax exempt real estate activities (the "SIIC dividend"). Such dividend, which corresponds to the distribution obligation under the SIIC regime, will bear applicable French withholding tax reduced, as the case may be, by double tax treaties, will not be eligible for the tax exemption provided for under the parent-subsidiary regime when received by legal entities that are liable to French corporate income tax, and will not benefit from the 40% rebate for French-resident individual shareholders;

(ii) The remaining €0.81 will have been paid from Unibail-Rodamco's non-tax exempt activities (the

[57] Including 12 shopping centres in France, the 7.25% stake held in SFL, two non-core shopping centres in Spain, almost all of the Group's offices in The Netherlands, and the disposal of Nicetoile (Nice) on January 15, 2015 (2014 impact).
[58] Including the impact of the disposals of Arkady Pankrac shopping centre (Prague), Nicetoile (Nice) (revenues received in 2015 related to the recovery of service charges not included in the 2014 impact), Nova Lund (Lund), the sale of a stake in Unibail-Rodamco Germany to CPPIB, the 50% stake in Comexposium and a small non-core retail asset in Spain as well as a non-core office building in France.

[59] The tax elements included in this section are not intended to constitute tax advice, and shareholders should consult their own tax advisers.
[60] The ex-dividend dates indicated in this section VI take into account the modification of the settlement deadlines applicable since October 6, 2014.

"non-SIIC dividend"). The non-SIIC dividend will bear applicable French withholding tax reduced, as the case may be, by double tax treaties, will be eligible for the tax exemption provided for under the parent-subsidiary regime when received by legal entities that are liable to French corporate income tax and will benefit from the 40% rebate for French-resident individual shareholders.

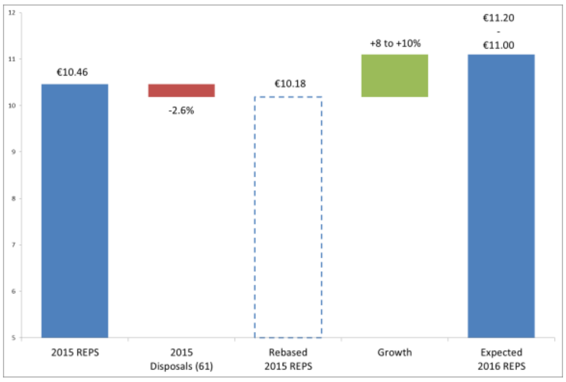
For 2016 and thereafter, the Group intends to increase its annual cash distribution in line with its recurring EPS growth.

VII. OUTLOOK

The macroeconomic environment in 2015 benefited from tailwinds such as improved consumer confidence in a number of countries, lower consumer debt, cost of debt and commodity prices. Looking ahead, political unrest in the European Union, continued negative adjustments of the Chinese economy and emerging markets or further terrorist attacks could impede economic growth in Europe and the Group's business.

Adjusted for the impact of the €1.6 Bn of net disposal proceeds in 2015 (-2.6%[61]), the Group anticipates its underlying rate of growth for 2016 to be in line with the +6% to +8% announced last year. The successful restructuring of its hedging portfolio will provide an additional benefit in 2016, bringing the growth to between +8% and +10%. Consequently, the Group expects recurring earnings per share in 2016 of between €11.00 and €11.20 per share.

Expected recurring EPS in 2016



For the medium term, the Group reiterates it expects to grow its recurring earnings per share at a compound annual growth rate of between +6% and +8%.

This medium-term outlook is derived from the Group's annual 5-year business plan exercise and results in annual growth rates which are different from year to year.
The key inputs in the Group's business plan, which is built on an asset by asset basis and based on current economic conditions, are assumptions on indexation, which recently has consistently been below market expectations, rental uplifts, disposals, timely delivery of pipeline projects, cost of debt and taxation. Variations in these assumptions will also cause growth rates to vary from one plan to the next.

[61] Impact on the recurring earnings per share of the disposals of Arkady Pankrac shopping centre (Prague), Nicetoile (Nice) (revenues received in 2015 related to the recovery of service charges not included in the 2014 impact), Nova Lund (Lund), the sale of a stake in Unibail-Rodamco Germany to CPPIB, the 50% stake in Comexposium and a small non-core retail asset in Spain as well as a non-core office building in France.

DEVELOPMENT PROJECTS AS AT DECEMBER 31, 2015

Unibail-Rodamco's consolidated development project pipeline amounted to €7.4 Bn (€6.7 Bn in group share) as at December 31, 2015, corresponding to a total of 1.5 Mn m² Gross Lettable Area (GLA), to be re-developed or added to the standing assets portfolio. The Group retains significant flexibility on its consolidated development portfolio (74% of the total investment cost[62]).

1. Development project portfolio evolution

2015 has been a very active year for development projects, with a significant number of deliveries. Major project deliveries include the new 4 Star shopping centres Minto (Mönchengladbach), opened in March, Polygone Riviera (Cagnes-sur-Mer), opened in October, and Mall of Scandinavia (Stockholm), opened in November. The last extension of Täby Centrum (Stockholm) opened in March. The restructured and extended Ruhr Park (Bochum) shopping centre was unveiled in November. The renovation project at Euralille and the redeveloped So Ouest Plaza office tower (Paris region), fully let to L'Oréal, were delivered in May. The refurbishment of Aupark (Bratislava) was delivered in October. The refurbishment of Rosny 2 (Paris region) was successfully completed in November.

The Group also made significant progress on the existing pipeline projects, entering the construction phase for the Wroclavia shopping centre (Wroclaw), and the extension projects at Carré Sénart (Paris region), at Centrum Chodov (Prague), and at Glories (Barcelona). Lastly, in December, the construction works of the Trinity office tower in La Défense (Paris region) started.
In July, the Group signed an agreement with the EPADESA (The Public Development Authority of La Défense Seine Arche) for a modified project of the Phare tower in La Défense (Paris region). This project, now called "Sisters", consists of a 95,000 m² program, with 75,000 m² of offices and 20,000 m² dedicated to a hotel and services.

The Group once again demonstrated its ability to refill its development pipeline as €1,364 Mn of new projects were added in 2015. The 3 Pays shopping centre (Basel region) project was added, as well as a two-stage extension project for Vélizy 2 (Paris region), representing an additional GLA of 35,792 m². The Triangle tower project (Paris) was added back following the positive vote of the Paris City Council on June 30, 2015, and the complete redevelopment of the Issy Guynemer office building (Paris region) is now part of the offices projects.

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

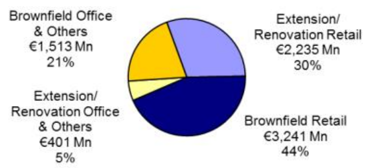
2. Development projects overview

The estimated total investment cost (TIC)[63] of the consolidated development pipeline[64] as at December 31, 2015 amounts to €7.4 Bn. This amount does not include the projects under development by companies accounted for using the equity method[65], which amount to circa €0.3 Bn (group share), nor projects under consideration.

The €7.4 Bn development pipeline compares with that of €8.0 Bn as of December 31, 2014. The change in TIC results from (i) the new projects added to the pipeline in 2015 (+€1,364 Mn), (ii) modifications in the program of existing projects, including currency changes (+€289 Mn), (iii) the change in the program from Phare to "Sisters" (-€288 Mn), (iv) the change of consolidation method of the Ruhr Park extension project (+€134 Mn), (v) delivered projects in 2015 (-€2,016 Mn), and (vi) the replacement of the Shopping City Süd east extension project (-€149 Mn) with an alternative extension project in the western part of the shopping centre (+€73 Mn).

The pipeline categories are as follows:

Consolidated development pipeline by category[66]



[63] 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.
[64] The development pipeline includes only the projects in the shopping centre and offices divisions of the Group. Projects for the Convention & Exhibition business are not included.
[65] Mainly the development of 2 new shopping centres located in Benidorm (Spain) and in Central Europe.
[66] Figures may not add up due to rounding.

The €5.5 Bn retail pipeline is split between brownfield projects, which represent 59%, and extensions and renovations, which make up the remaining 41%. The Group currently expects to add 1.0 Mn m² of GLA, representing an increase of ca. 31% of the Group's existing retail GLA.

Development projects in the Office & Others sector amount to €1.9 Bn. Brownfield projects represent 79% of this investment and correspond to some 240,000 m^2 of new GLA, of which 73% is expected to be delivered after 2020. The remainder will be invested in the redevelopment or refurbishment of almost 120,000 m² of existing assets. Out of the €1.9 Bn Office & Others pipeline, €339 Mn (16.3%) are committed.

3. A secured and flexible development pipeline

The table below shows the evolution of the development pipeline between December 31, 2014 and December 31, 2015, by commitment categories:

In € Bn	2015	2014
"Committed[67]" projects	1.4	2.1
"Controlled[68]" projects	5.2	4.3
"Secured Exclusivity[69]" projects	0.8	1.5
Consolidated Total Investment Cost	**7.4**	**8.0**

Figures may not add up due to rounding.

Several projects were transferred from the "Controlled" to the "Committed" category following the start of works. These include the Wroclavia project (Wroclaw) and the Trinity office building project in La Défense (Paris region), as well as the extension and renovation projects in Centrum Chodov (Prague), in Carré Sénart (Paris region), in Glories (Barcelona) and in Bonaire (Valencia), for an expected aggregate TIC of €1,088 Mn.

The Überseequartier project (Hamburg) was transferred from the "Secured exclusivity" to the "Controlled" category.

[67] "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.

[68] "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.

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

Consolidated development pipeline by phase[66]

Of the €1.4 Bn "Committed" development pipeline, €0.4 Bn has already been spent, with €1.0 Bn still to be invested over the next 3 years. Of this amount, €0.6 Bn has been contracted.

The "Controlled" and "Secured exclusivity" development pipeline represents options to create significant value for the Group.

The Group's pipeline does not include projects under consideration or for which it is in competition.

4. Changes in development pipeline projects in 2015

In 2015, several projects with a total investment cost of ca. €1.4 Bn were added to the development pipeline. Key projects include:

- The Triangle tower project in Paris, for an expected TIC of €521 Mn;
- The 3 Pays project, for an expected TIC of €390 Mn;
- A two-stage extension project in Vélizy 2 (Paris region), the first for an 18-screen cinema, restaurants and a fitness center, and the second for retail units, for an expected TIC of €268 Mn;
- The redevelopment of the Issy Guynemer office building in Issy-Les-Moulineaux (Paris region) for an expected TIC of €140 Mn;
- A new west extension project in Shopping City Süd (Vienna) has been added to the pipeline, for an expected TIC of €73 Mn.

Since December 31, 2014, the delivery dates of some of the Group's projects have been pushed back, for example: the Maquinext project (Barcelona; 24 months) and the Palma Springs project (Palma de Mallorca; 24 months) were delayed following local elections in Spain, and administrative procedures delayed Val Tolosa (Toulouse; 12 months) and the Spring project (The Hague region; 18 months).
On the other hand, the delivery date of the Carré Sénart extension project has been accelerated due to administrative approvals having been granted earlier than anticipated and works progressing ahead of schedule.

5. Investments in 2015

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

6. Delivered projects in 2015

A significant number of projects were delivered in 2015, in both retail and offices sector, of which the most important retail projects are:

- Mall of Scandinavia, a 101,048 m² shopping centre in Stockholm, for a TIC of €657 Mn;
- Polygone Riviera, a 67,367 m² shopping centre in Cagnes-sur-Mer, for a TIC of €457 Mn;
- The last phase of the Täby Centrum (Stockholm) extension. This five year project represents a TIC of €320 Mn;
- Minto, a 41,867 m² GLA shopping centre in Mönchengladbach, for a TIC of €213 Mn;
- The Ruhr Park extension and renovation[70] (Bochum), a major restructuring project for the 115,460 m² shopping centre, for a TIC of €134 Mn;
- The restructuring and renovation of the Euralille (Lille) shopping centre for a TIC of €70 Mn;
- The 4,222 m² of retail GLA in Levallois (Paris region), a cinema and restaurant, in the mixed-use project So Ouest Plaza for a TIC of €24 Mn.

Excluding Polygone Riviera (Cagnes-sur-Mer), in which the Group acquired its stake at an already mature development phase (in 2012), the yield-on-cost[71] for the retail projects delivered in 2015 is 7.4%. Collectively, the weighted average yield-on-cost on these delivered retail projects was 6.8%.

The So Ouest Plaza office building in Levallois (Paris region), 36,571 wm² GLA, was delivered in H1-2015 and fully let to L'Oréal.

The renovation of Aupark was completed, with a grand opening on October 20. The TIC of this part of the project is ca. €15 Mn. The extension project is still part of the pipeline projects.

7. Deliveries expected in 2016

The extension/renovation project of Forum des Halles, in the centre of Paris, will be delivered in H1-2016.

The delivery of two other projects is expected in 2016:

- An extension project in Bonaire (Valencia);
- A refurbishment project in Les Villages office buildings in La Défense (Paris region).

Preletting of the two retail projects stands at 77%.

8. Projects overview

See table next page

The net aggregate TIC of existing projects remained stable, but individual projects varied due to:

- The mechanical effects of inflation and discounting;
- Changes in scope, mainly in the Spring project in The Hague region or significant modifications in the program in some projects, mainly in Überseequartier (Hamburg);
- An increase of other costs in some projects (mainly Forum des Halles, Glories and Wroclavia);
- The decrease in TIC of the Sisters project (Paris region), previously the Phare project, following the program modification.

[70] Ruhr Park shopping centre (Bochum) is fully consolidated since July 2015.
[71] Yield on cost: contracted rents for the 12 months following the opening, net of expenses, divided by the Total Investment Cost.

DEVELOPMENT PROJECTS – December 31, 2015

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
FORUM DES HALLES RENOVATION	Shopping Centre	France	Paris	Extension / Renovation	14,989 m²	14,989 m²	89	164	H1 2016		Fair value
WROCLAVIA [6]	Shopping Centre	Poland	Wrocław	Greenfield / Brownfield	79,634 m²	79,634 m²	64	235	H2 2017		At cost
CHODOV EXTENSION [7]	Shopping Centre	Czech Rep.	Prague	Extension / Renovation	41,411 m²	41,411 m²	48	166	H2 2017		At cost
CARRE SENART EXTENSION	Shopping Centre	France	Paris region	Extension / Renovation	29,055 m²	29,055 m²	52	233	H2 2017		At cost
PARLY 2 EXTENSION	Shopping Centre	France	Paris region	Extension / Renovation	8,195 m²	8,195 m²	25	112	H2 2017		At cost
GLORIES EXTENSION-RENOVATION	Shopping Centre	Spain	Barcelona	Extension / Renovation	10,690 m²	10,690 m²	33	116	H2 2017		Fair value
TRINITY	Office & others	France	Paris	Greenfield / Brownfield	48,693 m²	48,693 m²	91	310	H2 2018		At cost
OTHERS					21,119 m²	21,119 m²	19	58			
Committed Projects					**253,785 m²**	**253,785 m²**	**421**	**1,392**		**8.3%**	
PALMA SPRINGS [8]	Shopping Centre	Spain	Palma de Mallorca	Greenfield / Brownfield	72,565 m²	72,565 m²	12	227	H1 2018		At cost
AUPARK EXTENSION	Shopping Centre	Slovakia	Bratislava	Extension / Renovation	7,245 m²	7,245 m²	0	14	H2 2018		At cost
ISSY GUYNEMER	Office & others	France	Paris region	Redevelopment / Refurbishment	43,869 m²	43,869 m²	0	140	H2 2018		At cost
VAL TOLOSA	Shopping Centre	France	Toulouse	Greenfield / Brownfield	97,384 m²	64,756 m²	43	274	H2 2018		At cost
VELIZY 2 LEISURE EXTENSION	Shopping Centre	France	Vélizy-Villacoublay	Extension / Renovation	18,442 m²	18,442 m²	1	100	H1 2019		At cost
SPRING [9]	Shopping Centre	Netherlands	The Hague region	Extension / Renovation	77,392 m²	77,392 m²	185	467	H1 2019		At cost
MAQUINEXT	Shopping Centre	Spain	Barcelona	Extension / Renovation	38,363 m²	38,363 m²	63	179	H2 2020		At cost
BUBNY	Shopping Centre	Czech Rep.	Prague	Greenfield / Brownfield	55,692 m²	55,692 m²	22	197	Post 2020		At cost
TRIANGLE	Office & others	France	Paris	Greenfield / Brownfield	85,140 m²	85,140 m²	10	521	Post 2020		At cost
NEO	Shopping Centre	Belgium	Brussels	Greenfield / Brownfield	120,098 m²	120,098 m²	6	559	Post 2020		At cost
ÜBERSEEQUARTIER	Shopping Centre	Germany	Hamburg	Greenfield / Brownfield	207,385 m²	207,385 m²	6	977	Post 2020		At cost
PHARE - "SISTERS" PROJECT	Office & others	France	Paris region	Greenfield / Brownfield	95,000 m²	95,000 m²	56	629	Post 2020		At cost
VELIZY 2 RETAIL EXTENSION	Shopping Centre	France	Paris region	Extension / Renovation	17,350 m²	17,350 m²	0	168	Post 2020		At cost
OTHERS					202,431 m²	202,431 m²	102	767			
Controlled Projects					**1,138,356 m²**	**1,105,728 m²**	**505**	**5,219**		**8% target**	
3 PAYS	Shopping Centre	France	Hésingue	Greenfield / Brownfield	82,661 m²	82,661 m²	2	390	H2 2020		At cost
SCS WEST EXTENSION	Shopping Centre	Austria	Vienna	Extension / Renovation	7,313 m²	7,313 m²	0	73	H1 2020		At cost
OTHERS					75,213 m²	75,213 m²	4	315			
Secured Exclusivity Projects					**165,187 m²**	**165,187 m²**	**6**	**779**		**8% target**	
U-R Total Pipeline					**1,557,328 m²**	**1,524,700 m²**	**931**	**7,390**		**8% target**	
					Of which additionnal area	1,286,251 m²					
					Of which redevelopped area	233,814 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	471 m²	2	18	H2 2018	
Committed Projects					**471 m²**	**471 m²**	**2**	**18**		**8% target**
BENIDORM	Shopping Centre	Spain	Benidorm	Greenfield / Brownfield	57,582 m²	28,791 m²	39	97	H1 2019	
OTHERS [10]					104,672 m²	52,336 m²	4	171		
Controlled Projects					**162,254 m²**	**81,127 m²**	**43**	**268**		**8% target**
U-R Total Pipeline - Projects under equity method					**162,725 m²**	**81,598 m²**	**45**	**285**		**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 December 31, 2015.
(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) Formerly named Wroclaw.
(7) The project includes 1,754 m² of offices assessed at fair value since December 31, 2014.
(8) Formerly named Mallorca.
(9) Units acquired for the project are included in the cost to date at their acquisition cost and in the fair value of the standing shopping centre.
(10) Under confidentiality agreement.

Unibail-Rodamco's EPRA triple Net Asset Value (NNNAV)[72] amounted to €169.90 per share as of December 31, 2015, an increase of +12.4%, or +€18.70, from €151.20 at December 31, 2014. This increase of +€18.70 is the result of: (i) the value creation of €27.54 per share representing the sum of: (a) the 2015 Recurring Earnings Per Share of €10.46, (b) the revaluation of property and intangible assets and capital gain on disposals of €19.05 per share, (c) the dilutive effect of the instruments giving access to Group's shares of -€1.23 per share, (d) the change of transfer taxes and deferred tax adjustments of -€1.13 per share and (e) other items for €0.39 per share; (ii) the positive impact of the mark-to-market of debt and financial instruments of €0.76 per share; and (iii) the impact of the payment of the dividend of €9.60 per share.

The going concern NAV[73] (GMV based), measuring the fair value on a long term, on-going basis, came to €186.70 per share as at December 31, 2015, up by +12.3%, or +€20.40, compared to €166.30 as at December 31, 2014.

1. PROPERTY PORTFOLIO

Investment volumes in European commercial real estate reached a historical record high in 2015 with €246 Bn transacted[74], representing an increase of +27% vs. 2014, the previous record since 2007. Retail accounted for 28% of the 2015 total transaction volume, of which shopping centres accounted for €34 Bn or 49%.

Demand for commercial property remained high across all sectors, retail and shopping centres in particular, in an environment of ample liquidity and low interest rates. Prime shopping centres and offices, offering secure and stable yields as well as solid rental growth prospects, remained on top of the target list of institutional and sovereign investors as well as private equity firms with significant liquidity to deploy. In the shopping centre segment, the competition for prime and super prime products on the market in 2015 was intense, with several transactions completed at net initial yields around or below 4% (Ala Moana (Hawaii), Dundrum (Dublin), Wijnegem (Antwerp), Ruhr Park (Bochum)). Against this backdrop, appraisers have compressed yields and discount rates. The largest compressions were observed for the largest, most dominant and attractive shopping centres, which do not typically come to market frequently.

Unibail-Rodamco's mall portfolio saw its GMV increase by +5.9% on a like-for-like basis, of which +6.2% for malls with 6 million visits or more per annum, representing 97% of the GMV[75]. For malls with more than 10 Mn visits per annum, this was +7.4%. With footfall and tenant sales increasing by +2.0% and +4.1% through December 2015, respectively, and MGR uplifts[76] of +18.2% for the full year (+20.2% in shopping centres with 6 million visits or more p.a.), the growth in GMV was split between a yield compression (+3.3%) and a rental (+2.6%) effect.

The GMV of the Group's Spanish shopping centres grew by +15.2% on a like-for-like basis, driven by yield hardening (+11.1%) and rental growth (+4.1%). In Central Europe, Austria, the Nordics and France, like-for-like GMV growth in 2015 amounted to +10.3%, +7.6%, +5.0% and +3.4%, respectively, driven by rent increases and strong investor demand for prime products.

The Group's office portfolio saw its GMV grow by +6.1% on a like-for-like basis as a result of a yield compression effect of +8.6%, evidenced by several benchmark prime transactions in Paris, which was partially offset by a -2.5% rental effect.

The Convention & Exhibition's portfolio value grew by +6.6% on a like-for-like basis, primarily as a result of lower discount rates used by appraisers and the solid operating fundamentals.

Unibail-Rodamco's asset portfolio including transfer taxes stood at €37,755 Mn as of December 31, 2015, compared to €34,576 Mn as of December 31, 2014, i.e. an increase of +€3,179 Mn. On a like-for-like basis, the value of the Group's portfolio increased by +€1,666 Mn, net of investments, i.e. +6.0% compared to December 31, 2014.

[72] EPRA NNNAV (triple net asset value): corresponds to the Going concern NAV per share less the estimated transfer taxes and capital gain taxes.
[73] Going Concern NAV: the amount of equity per share needed to replicate the Group's portfolio with its current financial structure.
[74] Source: Cushman & Wakefield research.
[75] In term of Gross Market Values as of December 31, 2015, including values of shares in assets accounted for using the equity method.
[76] Minimum Guaranteed Rent (MGR) uplift: difference between new MGR and indexed old MGR. Indicator calculated on renewals and relettings only.

Asset portfolio valuation of UNIBAIL-RODAMCO (including transfer taxes) (a)	December 31, 2015		Like-for-like change net of investment - full year 2015 (b)		December 31, 2014	
	€ Mn	%	€ Mn	%	€ Mn	%
Shopping centres	30,129	80%	1,269	5.9%	27,348	79%
Offices	4,512	12%	215	6.1%	4,081	12%
Convention & Exhibition	2,726	7%	164	6.6%	2,498	7%
Services	387	1%	18	4.9%	649	2%
Total	**37,755**	**100%**	**1,666**	**6.0%**	**34,576**	**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 Centre in Germany, the Zlote Tarasy complex in Poland and a 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 €1,535 Mn as of December 31, 2015 compared to €1,617 Mn as of December 31, 2014. The decline is due primarily to the change in consolidation method of Ruhr Park (Bochum) in 2015 (from equity method to full consolidation) and the disposal of Arkady Pankrac (Prague).
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 €343 Mn of cash and cash equivalents on the Group's balance sheet as of December 31, 2015.
(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 2015, consist mainly of:
- Acquisitions of units in Parquesur (Madrid), Bonaire (Valencia), Glories (Barcelona), Leidsenhage (The Hague region), Euralille (Lille), Toison d'Or (Dijon), les Quatre Temps (Paris region), La Valentine (Marseille), Centrum Chodov (Prague), Stadshart Amstelveen (Amstelveen) and Citymall Almere (Almere);
- Acquisitions of land plots in Cagnes-sur-Mer (Nice region) for Polygone Riviera and a land plot in La Défense (Paris region) for the Trinity project;
- Disposals of retail assets: Nicetoile (Nice), Arkady Pankrac (Prague), Nova Lund (Lund), Sevilla Factory (Sevilla) and three retail units (one in Evreux and two in Marseille);
- Disposal of the Group's stake in the Crédit Lyonnais tower (Lyon);
- Disposal of the Group's stake in Comexposium;
- So Ouest Plaza (Paris region), Minto (Mönchengladbach), Polygone Riviera (Cagnes-sur-Mer) and Mall of Scandinavia (Stockholm) delivered in 2015;
- Impact of the change in consolidation method of Ruhr Park (Bochum) in 2015 (from equity method to full consolidation).
The like-for-like change in portfolio valuation is calculated excluding changes described above.

Appraisers

In March 2015, Unibail-Rodamco appointed three international and qualified appraisal firms, Cushman & Wakefield (formerly DTZ), JLL and PwC, to value its retail, office, convention & exhibition and service portfolios. This appointment follows the expiry of the previous appraisal mandates as of December 31, 2014. The selection of Cushman & Wakefield, JLL and PwC is the result of a wide and competitive tender process with 12 different appraisal firms invited to tender, ensuring the selection of the best appraisers in their respective geographies. In accordance with RICS recommendations, all appraisal signatories were rotated.

JLL and Cushman & Wakefield appraise the retail and office properties of the Group. The valuation process has a centralised 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 Institute 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 / Netherlands / Central Europe	49%
JLL	France / Germany / Nordic / Spain / Austria	41%
PwC	France / Germany	8%
At cost or under sale agreement.		3%
		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, incentives), in the applied required returns or discount rates and in the yield applied to capitalise the exit rent to determine an exit value.

Pursuant to the adoption of IFRS 13 (Fair value measurement) in 2014, additional disclosure on the valuation methodologies applied by the Group's appraisers is available in § 1.6. IFRS 13 did not impact the valuation methods used by the Group's appraisers.

Valuation scope

As at December 31, 2015, 97% 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 remaining level of risk, focusing notably on uncertainty remaining in construction and leasing.

IPUC were valued using a discounted cash flow or yield method approach (in accordance with RICS and IVSC standards[77]) as deemed appropriate by the independent appraiser. In some cases, both methods were combined to validate and cross-check critical valuation parameters.

As the appraisers noted no meaningful impact of the terrorist attacks in Paris on the Group's assets during this valuation round, the December 2015 valuations have not been impacted.

The following assets were delivered in 2015 and are now classified as standing assets as at December 31, 2015:

- So Ouest Plaza (Paris region);
- Minto (Mönchengladbach);
- Mall of Scandinavia (Stockholm);
- Polygone Riviera (Cagnes-sur-Mer).

The aggregate TIC[78] of these four projects delivered in 2015 amounts to €1,543 Mn and the current market value calculated by the appraisers is €1,949 Mn.

The Forum des Halles (Paris) and Glories (Barcelona) extension and renovation projects continue to be taken into account by appraisers in the valuation of the standing asset.

Refer to the table in the Section "Development Projects as at December 31, 2015" for an overview of valuation methods used for development projects.

The remaining assets (3%) of the portfolio were valued as follows:

- At cost for IPUC for which a reliable value could not yet be established. These include assets under development: the Wroclavia shopping centre project in Wroclaw, the Parly 2 (Paris region), Carré Sénart (Paris region) and Centrum Chodov (Prague) extension and renovation projects and the Trinity office project in La Défense (Paris region), as well as all development projects included in the "Controlled" and "Secured exclusivity" categories (see section "Development Projects" for more details);
- At acquisition price for assets acquired in 2015 that were not appraised;
- At bid value for assets under sale agreement: 2-8 Ancelle (Paris) and offices in Würzburg.

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. 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 definitely 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 €27,348 Mn as at December 31, 2014, to €30,129 Mn as at December 31, 2015, including transfer taxes and transaction costs.

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

[78] 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.

Valuation 31/12/2014 (€ Mn)	27,348	
Like-for-like revaluation	1,269	
Revaluation of non like-for-like assets	375	(a)
Revaluation of shares	220	(b)
Capex / Acquisitions	1,561	(c)
Disposals	- 657	(d)
Constant Currency Effect	13	(e)
Valuation 31/12/2015 (€ Mn)	**30,129**	

Figures may not add up due to rounding.
(a) Non like-for-like assets including investment properties under construction valued at cost or at fair value, including projects such as Mall of Scandinavia (Stockholm), Minto (Mönchengladbach), Polygone Riviera (Cagnes-sur-Mer) and Forum des Halles (Paris).
(b) Revaluation of the shares in companies holding the assets accounted for using the equity method.
(c) Includes the impact of the change in consolidation method of Ruhr Park (Bochum) in 2015 (from equity method to full consolidation)
(d) Value as at 31/12/2014. Does not include the sale of a stake in Unibail-Rodamco Germany, which remains fully consolidated.
(e) Currency impact of +€13 Mn mainly in the Nordics, before offsets from foreign currency loans and hedging programmes.

Based on an asset value excluding estimated transfer taxes and transaction costs, the shopping centre division's net initial yield as at December 31, 2015, decreased to 4.6% from 4.8% as at December 2014.

Shopping Centre portfolio by region - December 31, 2015	Valuation including transfer taxes in € Mn	Valuation excluding estimated transfer taxes in € Mn	Net inital yield (a) Dec. 31, 2015	Net inital yield (a) Dec. 31, 2014
France (b)	13,661	13,148	4.3%	4.4%
Central Europe (c)	3,691	3,657	5.2%	5.5%
Nordic	3,338	3,281	4.6%	4.9%
Spain	3,090	3,031	5.1%	5.7%
Germany (c)	2,681	2,564	4.8%	5.3%
Austria (c)	2,147	2,126	4.5%	4.6%
Netherlands	1,521	1,432	5.0%	5.3%
Total (d)	**30,129**	**29,238**	**4.6%**	**4.8%**

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 4.5% as at December 31, 2015.
(c) Aupark was transferred from Austria to Central Europe on January 1, 2015. German assets are now presented separately except for Ring-Center which continues to be included in the Central Europe region. The 2014 figures have been restated accordingly. Net initial yield as of December 31, 2015 now includes Ruhr Park (fully consolidated).
(d) Valuation amounts in € include the Group 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)	December 31, 2015		December 31, 2014	
	€ Mn	%	€ Mn	%
France	13,661	45%	13,041	48%
Central Europe (a)	3,691	12%	3,367	12%
Nordic	3,338	11%	2,919	11%
Spain	3,090	10%	2,661	10%
Germany (a)	2,681	9%	1,971	7%
Austria (a)	2,147	7%	1,964	7%
Netherlands	1,521	5%	1,424	5%
Total (b)	**30,129**	**100%**	**27,348**	**100%**

Figures may not add up due to rounding.
(a) Aupark was transferred from Austria to Central Europe on January 1, 2015. German assets are now presented separately except for Ring-Center which continues to be included in the Central Europe region. The 2014 figures have been restated accordingly.
(b) Valuation amounts include the Group share equity investments in assets accounted for using the equity method.

<u>Sensitivity</u>
A change of +25 basis points in net initial yield would result in a downward adjustment of -€1,457 Mn (or -5.2%) of the shopping centre portfolio value (excluding assets under development or accounted for using the equity method), including transfer taxes and transaction costs.

<u>Like-for-like analysis</u>
On a like-for-like basis, the value of the shopping centre portfolio, including transfer taxes and transaction costs but excluding works, capitalised financial and leasing expenses and eviction costs, increased by +€1,269 Mn (or +5.9%) in 2015. This 5.9% increase was the result of a +2.6% rent impact and a +3.3% yield compression impact.

Shopping Centre - Like for Like (LxL) change (a)				
Full year 2015	LxL change in € Mn	LxL change in %	LxL change - Rent impact	LxL change - Yield impact (b)
France	354	3.4%	1.3%	2.2%
Central Europe	278	10.3%	6.5%	3.8%
Nordic	109	5.0%	2.2%	2.9%
Spain	332	15.2%	4.1%	11.1%
Germany	32	3.1%	-3.7%	6.8%
Austria	149	7.6%	5.7%	1.9%
Netherlands	16	1.4%	1.7%	-0.3%
Total	**1,269**	**5.9%**	**2.6%**	**3.3%**

Figures may not add up due to rounding.
(a) Like-for-like change net of investments from December 31, 2014 to December 31, 2015, excluding assets accounted for using the equity method.
(b) Yield impact calculated using the change in potential yields (to neutralise changes in vacancy rates) and taking into account key money.

Like-for-like revaluations confirm a differentiation between assets attracting 6 million or more visits per annum (+6.2% in 2015, of which +2.8% is the rent impact and +3.4% the yield impact) and those with less than 6 million visits per year with -2.3% in 2015 (-1.1% rent impact and -1.2% yield impact).

Shopping Centre - Like for Like (LxL) change by footfall category (a)				
Full year 2015	LxL change in € Mn	LxL change in %	LxL change - Rent impact	LxL change - Yield impact (b)
6 Mn visits and above	1,288	6.2%	2.8%	3.4%
Below 6 Mn visits	- 19	-2.3%	-1.1%	-1.2%
Total	**1,269**	**5.9%**	**2.6%**	**3.3%**

(a) Like-for-like change net of investments from December 31, 2014 to December 31, 2015, excluding assets accounted for using the equity method.
(b) Yield impact calculated using the change in potential yields (to neutralise 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 +7.4% in 2015 (+4.1% rent impact and +3.3% yield impact).

1.2. Office portfolio

Evolution of Unibail-Rodamco's office portfolio valuation

The value of the office portfolio increased to €4,512 Mn as at December 31, 2015 from €4,081 Mn as at December 31, 2014, including transfer taxes and transaction costs.

Valuation 31/12/2014 (€ Mn)	4,081	
Like-for-like revaluation	215	
Revaluation of non like-for-like assets	62	(a)
Revaluation of shares	16	(b)
Capex/ Acquisitions	158	
Disposals	- 22	
Constant Currency Effect	1	(c)
Valuation 31/12/2015 (€ Mn)	**4,512**	

Figures may not add up due to rounding.
(a) Includes: (i) investment properties under construction or delivered in 2015, valued at cost or at fair value (mainly So Ouest Plaza) and (ii) the reversal of the provision on the Triangle project made in December 2014.
(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 programmes.

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

Valuation of Office portfolio (including transfer taxes)	December 31, 2015		December 31, 2014	
	€ Mn	%	€ Mn	%
France	4,044	90%	3,659	90%
Nordic	209	5%	189	5%
Central Europe (a)	137	3%	121	3%
Germany (a)	54	1%	46	1%
Austria	40	1%	39	1%
Netherlands	27	1%	28	1%
Total	**4,512**	**100%**	**4,081**	**100%**

Figures may not add up due to rounding.
(a) German assets (previously in Central Europe) are now presented separately. The 2014 figures were restated accordingly. Central Europe includes shares in Zlote Tarasy offices (Lumen and Skylight).

For occupied offices and based on an asset value excluding estimated transfer taxes and transaction costs, the Office division's net initial yield as at December 31, 2015 compressed by -85 basis points to 6.0%.

Valuation of occupied office space - December 31, 2015	Valuation including transfer taxes in € Mn (a)	Valuation excluding estimated transfer taxes in € Mn	Net inital yield (b) Dec. 31, 2015	Net inital yield (b) Dec. 31, 2014
France (c)	3,077	2,989	5.9%	6.8%
Nordic	187	183	7.0%	7.2%
Central Europe (d)	137	137	8.6%	8.4%
Germany (d)	49	47	5.9%	7.3%
Austria	37	36	6.7%	6.6%
Netherlands	5	5	8.1%	7.8%
Total	**3,492**	**3,397**	**6.0%**	**6.8%**

(a) Valuation of occupied office space as at December 31, 2015, based on the appraiser's allocation of value between occupied / vacant space.
(b) Annualised contracted rents (including latest indexation) net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs.
(c) The occupied space in Majunga is included in the Net Initial Yield computation as at December 31, 2015.
(d) German assets (previously in Central Europe) are now presented separately. Central Europe does not include the investment in Zlote Tarasy offices (Lumen and Skylight).

Sensitivity

A change of +25 basis points in net initial yield would result in a downward adjustment of -€202 Mn (-5.0%) 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 capitalised financial and leasing expenses, increased on a like-for-like basis by +€215 Mn (+6.1%) in 2015 mainly due to yield compression of (+8.6%) which was partially offset by a negative rent effect (-2.5%) as some of the Group's offices are over rented.

Offices - Like for Like (LxL) change (a)				
Full year 2015	Like for Like change in € Mn	Like for Like change in %	LxL change - Rent impact	LxL change - Yield impact (b)
France	200	6.2%	-2.7%	8.8%
Nordic	10	5.4%	-2.1%	7.5%
Central Europe	0	1.5%	4.2%	-2.7%
Germany	8	18.0%	-4.5%	22.5%
Austria	- 3	-6.7%	4.5%	-11.2%
Netherlands	- 1	-6.4%	-3.8%	-2.6%
Total	**215**	**6.1%**	**-2.5%**	**8.6%**

Figures may not add up due to rounding.
(a) Like-for-like change net of investments from December 31, 2014 to December 31, 2015. Does not include assets accounted for using the equity method.
(b) Yield impact calculated using the change in potential yields (to neutralise changes in vacancy rates).

French Office portfolio

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

French Office portfolio by sector - December 31, 2015	Valuation (including transfer taxes)	
	€ Mn	%
La Défense	1,940	48%
Neuilly-Levallois-Issy	1,235	31%
Paris CBD & others	870	22%
Total	**4,044**	**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 as at December 31, 2015 came to 5.9% reflecting a -89 bps decrease in yields during 2015, partly due to the inclusion of Majunga for the first time.

Valuation of French occupied office space - December 31, 2015	Valuation including transfer taxes in € Mn (a)	Valuation excluding estimated transfer taxes in € Mn	Net inital yield Dec. 31, 2015 (b)	Average price €/m² (c)
La Défense	1 350	1 303	6,9%	6 586
Neuilly-Levallois-Issy	1 184	1 158	5,3%	8 190
Paris CBD and others	543	528	4,2%	11 885
Total	**3 077**	**2 989**	**5,9%**	**7 761**

(a) Valuation of occupied office space as at December 31, 2015, based on the appraiser's allocation of value between occupied and vacant spaces.
(b) Annualised contracted rent (including latest indexation) net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs.
(c) Average price, excluding estimated transfer taxes, per square meter for occupied office space 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 Neuilly-Levallois-Issy and €15,000 for other areas.

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 capitalised cash flows over the last year.

The discounted cash flow methodology has been adopted for the Pullman Montparnasse and the Cnit Hilton hotels (both operated under an operating lease agreement by 3rd party operators) as well as for the Confluence hotel as at December 31, 2015.

Evolution of the Convention & Exhibition valuation

The value of Convention & Exhibition centres and hotels, including transfer taxes and transaction costs, grew to €2,726 Mn[79] as at December 31, 2015:

Valuation 31/12/2014 (€ Mn)	**2,498**	(a)
Like-for-like revaluation	164	
Revaluation of non like-for-like assets	3	
Capex/ Acquisitions	61	(b)
Valuation 31/12/2015 (€ Mn)	**2,726**	(c)

(a) Of which €2,227 Mn for Viparis (including Palais des Sports) and €271 Mn for hotels.
(b) Including the -€29 Mn impact of an asset reclassified from the Convention & Exhibition sector to the Retail sector.
(c) Of which €2,439 Mn for Viparis (including Palais des Sports) and €287 Mn for hotels (including hotel project in Porte de Versailles).

On a like-for-like basis, net of investments, the value of Convention & Exhibition properties and hotels is up +€164 Mn (+6.6%) compared to December 31, 2014.

Convention & Exhibition - Like-for-Like change net of investment	Full year 2015	
	€ Mn	%
Viparis and others (a)	182	8.2%
Hotels	- 17	-6.5%
Total	**164**	**6.6%**

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 amortisation divided by the value of assets, excluding estimated transfer taxes) of Viparis' consolidated venues as at December 31, 2015 decreased by -15 basis points from December 31, 2014 to 6.3%.

1.4. Services

The services portfolio is composed of:
- Espace Expansion, a property service company in France;
- Unibail-Rodamco Germany's fee business.

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 recognised at cost less any amortisation charges and / or impairment losses booked.

[79] 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 gross market value):

	Full scope consolidation		Group share	
Asset portfolio valuation - December 31, 2015	€ Mn	%	€ Mn	%
Shopping centres	30,129	80%	26,240	80%
Offices	4,512	12%	4,480	14%
Convention & Exhibition	2,726	7%	1,592	5%
Services	387	1%	312	1%
Total	**37,755**	**100%**	**32,624**	**100%**

Asset portfolio valuation - December 31, 2014	€ Mn	%	€ Mn	%
Shopping centres	27,348	79%	24,534	80%
Offices	4,081	12%	4,077	13%
Convention & Exhibition	2,498	7%	1,486	5%
Services	649	2%	637	2%
Total	**34,576**	**100%**	**30,734**	**100%**

Like-for-like change - net of Investments - Full year 2015	€ Mn	%	€ Mn	%
Shopping centres	1,269	5.9%	1,125	5.9%
Offices	215	6.1%	212	6.1%
Convention & Exhibition	164	6.6%	86	5.9%
Services	18	4.9%	12	3.9%
Total	**1,666**	**6.0%**	**1,435**	**5.9%**

Like-for-like change - net of Investments - Full year 2015 - Split rent/yield impact	Rent impact %	Yield impact %	Rent impact %	Yield impact %
Shopping centres	2.6%	3.3%	2.5%	3.4%
Offices	-2.5%	8.6%	-2.5%	8.6%

Net Initial Yield	Dec. 31, 2015	Dec. 31, 2014	Dec. 31, 2015	Dec. 31, 2014
Shopping centres	4.6%	4.8%	4.6%	4.9%
Offices - occupied space	6.0%	6.8%	6.0%	6.8%

Figures may not add up due to rounding.

1.6. Additional Valuation parameters - IFRS 13

Unibail-Rodamco complies with the IFRS 13 fair value measurement and the position paper[80] 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.

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

Shopping Centres

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

Shopping Centres - December 31, 2015		Net initial yield	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
France	Max	8.7%	905	13.0%	9.5%	8.8%
	Min	3.6%	85	5.3%	4.0%	0.2%
	Weighted average	4.3%	487	5.9%	4.5%	4.9%
Central Europe (e)	Max	8.8%	535	11.5%	9.5%	4.9%
	Min	4.9%	116	6.8%	5.1%	2.2%
	Weighted average	5.2%	369	7.0%	5.5%	2.7%
Nordic	Max	9.8%	531	9.8%	7.8%	5.5%
	Min	4.1%	114	6.7%	4.5%	2.2%
	Weighted average	4.6%	358	7.2%	4.8%	4.5%
Spain	Max	8.4%	747	11.0%	7.8%	5.2%
	Min	4.6%	100	7.5%	4.8%	1.4%
	Weighted average	5.1%	274	8.2%	5.2%	3.4%
Germany (e)	Max	7.2%	399	8.0%	6.9%	4.5%
	Min	4.3%	238	6.4%	4.2%	2.2%
	Weighted average	4.8%	293	6.8%	4.8%	3.0%
Austria (e)	Max	4.5%	367	6.4%	4.5%	2.8%
	Min	4.4%	345	6.3%	4.5%	2.6%
	Weighted average	4.5%	356	6.3%	4.5%	2.7%
Netherlands	Max	12.4%	412	9.1%	9.0%	4.3%
	Min	4.5%	131	6.0%	4.4%	-1.8%
	Weighted average	5.0%	252	6.5%	5.0%	3.1%

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 capitalise 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).

(e) Aupark (Bratislava) was transferred from Austria to Central Europe in January 2015. German assets are now presented separately.

Offices

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

Offices - December 31, 2015		Net initial yield on occupied space	Rent in € per sqm (a)	Discount Rate (b)	Exit yield (c)	CAGR of NRI (d)
France	Max	11.9%	484	9.8%	8.3%	24.5%
	Min	4.0%	104	5.0%	4.3%	-2.6%
	Weighted average	5.9%	370	6.1%	5.2%	3.1%
Nordic	Max	9.0%	248	9.0%	7.9%	3.9%
	Min	5.1%	68	7.1%	5.5%	1.6%
	Weighted average	7.0%	195	7.9%	6.6%	2.8%
Netherlands	Max	15.5%	52	13.8%	9.8%	9.4%
	Min	n.m	n.m	6.6%	5.4%	n.m
	Weighted average	8.1%	47	10.5%	8.1%	9.3%
Germany	Max	7.7%	535	8.5%	7.5%	7.6%
	Min	4.9%	53	6.5%	4.5%	1.4%
	Weighted average	5.9%	165	7.9%	6.3%	2.9%
Austria	Max	6.9%	126	7.6%	7.0%	2.7%
	Min	6.4%	120	7.2%	6.5%	2.0%
	Weighted average	6.7%	123	7.4%	6.8%	2.4%

Net initial yield, discount rate and exit yield weighted by GMV. Central Europe region only encompasses one asset (excluding shares in Zlote Tarasy offices, Lumen and Skylight) 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 capitalise 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).

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 December 31, 2015, consolidated shareholders' equity (Owners of the parent) came to €16,042 Mn.

Shareholders' equity (Owners of the parent) incorporated the net recurring profit of €1,030.4 Mn and the positive impact of €1,303.6 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 December 31, 2015 was computed when such instruments were in the money and fulfilled the performance conditions.

The debt component of the ORAs[81], recognised 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[82] 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 December 31, 2015. Consequently, the fair market value was restated for an amount of €2 Mn for the NNNAV calculation and the potential dilution (+8,547 shares) was included in the number of fully diluted shares outstanding as at December 31, 2015 (i.e. for the outperformance part of the ORNANE, the nominal amount remaining 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 December 31, 2015, 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 December 31, 2015, would have led to a rise in the number of shares by +774,205, generating an increase in shareholders' equity of +€107 Mn.

As at December 31, 2015, the fully-diluted number of shares taken into account for the NNNAV calculation was 99,484,430.

2.3. Unrealised capital gains on intangible and operating assets

The appraisal of property service companies, of the operating asset of Unibail-Rodamco (7 Adenauer, Paris 16th arr.) 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 unrealised capital gain of +€340 Mn which was added for the NAV calculation.

2.4. Adjustment of capital gains deferred taxes

In accordance with accounting standards, deferred tax on property assets was calculated on a theoretical basis on the consolidated statement of financial position as at December 31, 2015.
For the purpose of the EPRA NAV calculation, deferred taxes on unrealised capital gains on assets not qualifying for tax exemption (€1,377 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 €267 Mn.

For the calculation of the EPRA NNNAV, estimated taxes actually payable should a disposal take place (€670 Mn) were deducted.

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 (€99 Mn) was added back for the EPRA NAV calculation and then deducted for the EPRA NNNAV calculation.

The value of the fixed-rate debt on the balance sheet of the Group is equal to the nominal value for the ex-Unibail debt and the fair value of the ex-Rodamco debt at combination date (June 30, 2007). Taking fixed rate debt at its fair value would have had a negative impact of -€469 Mn. This impact was taken into account in the EPRA NNNAV calculation.

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

2.6. Restatement of transfer taxes and transaction costs

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

As at December 31, 2015, 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 €442 Mn.

2.7. EPRA Triple Net Asset Value

Unibail-Rodamco's EPRA NNNAV (Owners of the parent) stood at €16,903 Mn or €169.90 per share (fully-diluted) as at December 31, 2015.

The EPRA NNNAV per share increased by +12.4% (or +€18.70) compared to December 31, 2014 and increased by +5.1% (or +€8.20) compared to June 30, 2015.

The increase of +€18.70 compared to December 31, 2014 was the sum of: (i) the value creation of +€27.54 per share, (ii) the impact of the dividend paid in March and July 2015 of -€9.60, and (iii) the positive impact of the +€0.76 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 €186.70 per share as at December 31, 2015, an increase of +€20.40 (+12.3%) compared to December 31, 2014.

This increase was the sum of: (i) the value creation of +€29.24 per share, (ii) the impact of the dividend paid in March and July 2015 of -€9.60, and (iii) the positive impact of the +€0.76 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, 2014 to December 31, 2015 is also presented.

EPRA NNNAV calculation (All figures are Group share, in €Mn)	**December 31, 2014**		**June 30, 2015**		**December 31, 2015**	
	€Mn	€/share	€Mn	€/share	€Mn	€/share
Fully diluted number of shares	100,177,029		100,625,762		99,484,430	
NAV per the financial statements	14,520		14,641		16,042	
Amounts owed to shareholders	0		473		0	
ORA and ORNANE	148		3		2	
Effect of exercise of options	279		309		107	
Diluted NAV	14,947		15,425		16,151	
Include						
Revaluation intangible and operating assets	350		398		340	
Exclude						
Fair value of financial instruments	464		425		99	
Deferred taxes on balance sheet	1,244		1,317		1,377	
Goodwill as a result of deferred taxes	-255		-253		-267	
EPRA NAV	16,750	167.20 €	17,313	172.00 €	17,699	177.90 €
Fair value of financial instruments	-464		-425		-99	
Fair value of debt	-907		-363		-469	
Effective deferred taxes	-604		-651		-670	
Impact of transfer taxes estimation	372		397		442	
EPRA NNNAV	**15,147**	**151.20 €**	**16,271**	**161.70 €**	**16,903**	**169.90 €**

% of change over 6 months	**5.5%**		**6.9%**		**5.1%**
% of change over 1 year	**3.4%**		**12.8%**		**12.4%**

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)	**December 31, 2014**		**June 30, 2015**		**December 31, 2015**	
	€Mn	€/share	€Mn	€/share	€Mn	€/share
EPRA NNNAV	15,147		16,271		16,903	
Effective deferred capital gain taxes	604		651		670	
Estimated transfer taxes	909		927		1,000	
GOING CONCERN NAV	**16,660**	**166.30 €**	**17,849**	**177.40 €**	**18,573**	**186.70 €**

% of change over 6 months	**5.9%**		**6.7%**		**5.2%**
% of change over 1 year	**4.2%**		**12.9%**		**12.3%**

The change in EPRA NNNAV and Going concern NAV between December 31, 2014 and December 31, 2015 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, 2014, per share (fully diluted)		**151.20 €**	**166.30 €**
Revaluation of property assets *		18.73	18.73
Retail	15.62		
Offices	2.39		
Convention & Exhibition	0.73		
Revaluation of intangible and operating assets		-0.52	-0.52
Capital gain on disposals		0.84	0.84
Recurring Net Result		10.46	10.46
Distribution 2014		-9.60	-9.60
Mark-to-market of debt and financial instruments		0.76	0.76
Variation in transfer taxes & deferred taxes adjustments		-1.13	0.45
Variation in the fully diluted number of shares		-1.23	-1.12
Other (including foreign exchange difference)		0.39	0.40
As at December 31, 2015, per share (fully diluted)		**169.90 €**	**186.70 €**

(*) Revaluation of property assets is €14.43 per share on like-for-like basis, of which +€3.66 is due to rental effect and +€10.77 is due to yield effect.

In 2015, the financial markets remained volatile on the back of negative macro-economic news flow and of uncertainties on central bank decisions. In this context, Unibail-Rodamco raised €4,015 Mn of medium to long-term funds in the bond and bank markets at attractive conditions while further diversifying its sources of funding.

The financial ratios stand at healthy levels:

- The Interest Coverage Ratio (ICR) improved and stands at 4.6x (versus 4.2x in 2014),
- The Loan to Value (LTV) ratio decreased to 35% (versus 37% as at December 31, 2014). This evolution is mainly due to the disposals completed in 2015 and valuation increases partly offset by capital expenditures on projects delivered or to be delivered in the coming years and by balance sheet management costs.

The average cost of debt for 2015 reached a record low level of 2.2% (vs. 2.6% in 2014 and 2.9% in 2013).

1. Debt structure as at December 31, 2015

Unibail-Rodamco's consolidated nominal financial debt as at December 31, 2015 remained stable at €13,600 Mn[83] compared to €13,652 Mn as at December 31, 2014.

The financial debt includes €1,009 Mn of net share settled bonds convertible into new and/or existing shares of Unibail-Rodamco (ORNANE) for 100% of their outstanding nominal value issued in June 2014 and in April 2015, while ca. 99% of the ORNANE issued in September 2012 has been repurchased in 2015 (see section 1.2).

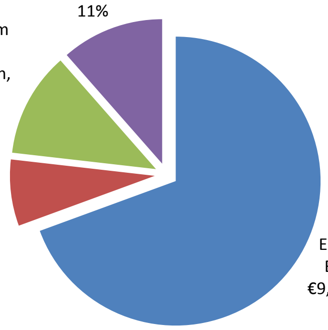
1.1. Debt breakdown

Unibail-Rodamco's nominal financial debt as at December 31, 2015 breaks down as follows[84]:

- €9,438 Mn in bonds under the Euro Medium Term Notes (EMTN) programme of Unibail-Rodamco,
- €1,009 Mn in ORNANE,
- €1,595 Mn in commercial paper (*billets de trésorerie*) and BMTN paper[85],
- €1,558 Mn in bank loans and overdrafts, including €438 Mn in unsecured corporate loans, €1,098 Mn in mortgage loans and €23 Mn in bank overdrafts.

No loans are subject to prepayment clauses linked to the Group's ratings[86].

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



The Group's debt remains well diversified with further diversification achieved in 2015 and a predominant proportion of bond financing.

1.2. Funds raised

In 2015, the Group took advantage of positive market windows and of limited financing needs to manage its balance sheet by buying-back existing public and convertible bonds in H1-2015 and by issuing new diversified debt at attractive conditions and for longer maturities, completing the following number of "firsts":

- 1st tender offer of the Group on its ORNANE,
- 1st tender offer allowing the Group to switch from regular bonds to Green Bonds,

While the Group issued the:

- 1st ORNANE with a negative yield for a real-estate company in the Euro market,
- 1st public bond with a 15-year maturity issued by a real-estate company, i.e. the longest ever maturity achieved in the sector on the Euro market,
- New Green bond issued by the Group in the Euro market with a 10-year maturity.

The Group also further diversified its sources of funding at attractive conditions (below secondary levels) and for long maturities through private placements completed in H2-2015 including bonds in HKD with Asian Investors, Constant Maturity Swap rate (CMS) indexed bonds and long term Floating Rate Note (FRN) format.

In total, medium- to long-term financing transactions completed in 2015 amounted to €4,015 Mn and include:

- The signing of €2,275 Mn of new or refinanced medium- to long-term credit facilities or loans with an average maturity of 5.9 years and an average margin[87] of 38 bps. This amount includes the refinancing of two

[87] Taking into account current rating and based on current utilization of these lines.

mortgage loans on assets in Germany and France for a total amount of €360 Mn and a new average maturity of ca. 11 years.

In addition to the €2,275 Mn raised, Unibail-Rodamco extended its existing syndicated credit lines for a total amount of €1,800 Mn with an additional 1-year maturity.

- The issue of 2 public EMTN bonds in April 2015 for a total amount of €1,000 Mn with the following features:
  - ✓ A €500 Mn 15-year bond with a 1.375% coupon,
  - ✓ A Green Bond issued for an amount of €500 Mn with a 1.00% coupon and a 10-year maturity.

- The issue of 4 private placements under Unibail-Rodamco's EMTN programme in H2-2015 for a total equivalent amount of €240 Mn, at an average margin of 78 bps above mid-swap and for an average duration of 12 years, split as follows:
  - ✓ €90 Mn equivalent bond issued in HKD and swapped back to Euro for a 10-year maturity,
  - ✓ €50 Mn of FRN format bond for a 9-year maturity,
  - ✓ €70 Mn of 10-year CMS indexed bond swapped back to 3-month Euribor for a 15-year maturity,
  - ✓ €30 Mn of fixed rate bond for a 15-year maturity.

  In total, €1,240 Mn were raised on the bond markets in 2015 at an average margin of 65 bps over mid-swaps for an average duration of 12 years, versus 67 bps on average for an average duration of 9 years in 2014.

- The issue of a €500 Mn ORNANE in April 2015 with the first negative yield for a real estate company in the Euro market (Unibail-Rodamco received 100.5% of the par value of the ORNANE at issuance), a 0% coupon, a duration of 7 years and an exercise price of €346.87 at issuance, reflecting a 37% premium to the volume weighted average of Unibail-Rodamco's share price on the day of the issue[88].

The Group also completed two successful tender offers in April 2015 for:

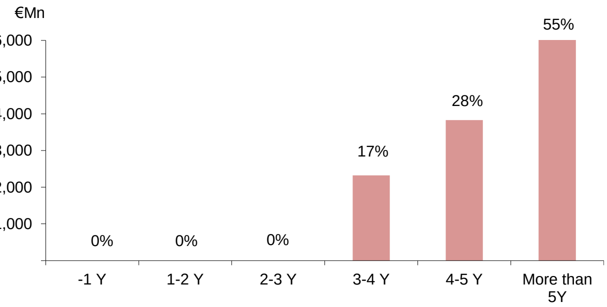
- €1,145 Mn encompassing 9 bonds maturing between 2016 and 2021 with coupons ranging between 1.625% and 4.625%,
- €741 Mn of ORNANE issued in 2012 corresponding to a hit ratio of ca. 99%.

In addition, Unibail-Rodamco accessed the money market by issuing commercial paper and *Bons à Moyen Terme Négociables* (BMTN). The average amount of commercial paper and BMTN outstanding in 2015 was €1,192 Mn (€804 Mn on average in 2014) with remaining maturities of up to 14 months. *Billets de trésorerie* were raised in 2015 at an average margin of 11 bps above Eonia[89].

As at December 31, 2015, the total amount of undrawn credit lines came to €5,450 Mn following the signing of new lines and the restructuring of existing lines and the cash on-hand came to €343 Mn.

1.3. Debt maturity

The following chart illustrates Unibail-Rodamco's debt as at December 31, 2015 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 December 31, 2015 (after taking into account undrawn credit lines).

The average maturity of the Group's debt as at December 31, 2015, taking into account the unused credit lines improved to 6.5 years (versus 5.9 as at December 2014 and 5.4 years as at December 2013).

<u>Liquidity needs</u>

Unibail-Rodamco's debt repayment needs[90] for the next twelve months are covered by the available undrawn credit lines. The amount of bonds and bank loans outstanding as at December 31, 2015, and maturing or amortising within a year is €915 Mn (including a total of €612 Mn of bonds maturing in April and September 2016) compared with €5,450 Mn of undrawn committed credit lines and €343 Mn of cash on-hand as at December 31, 2015.

[88] The ORNANE includes a €9.6 dividend adjustment provision (dividend paid being adjusted for their portion above €9.6).

[89] Eonia rate was -0.107% in average in 2015.

[90] Excluding €1,480 Mn of Commercial Paper maturing in 2016.

1.4. Average cost of Debt

Unibail-Rodamco's average cost of debt decreased to 2.2% for 2015 compared to 2.6% for 2014. This record low average cost of debt results from low coupon levels the Group achieved during the last 3 years on its fixed rate debt, the tender offer transactions realised in October 2014 and April 2015, the level of margins on existing borrowings, the Group's hedging instruments in place, the cost of carry of the undrawn credit lines and, to a lesser extent, the low interest rate environment in 2015.

2. Ratings

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

Standard & Poor's confirmed its long-term rating "A" and its short-term rating "A1" on May 29, 2015 and maintained its stable outlook.

On July 20, 2015, Fitch Ratings confirmed the "A" long term rating of the Group with a stable outlook. Fitch Ratings also rates the short-term issuances of the Group as "F1".

3. Market risk management

Market risks can (i) generate losses resulting from fluctuations in interest rates, exchange rates, raw material prices and share prices and (ii) prevent the Group from raising financial resources needed to apply its strategy. Unibail-Rodamco's risk is limited to interest rate fluctuations on the loans it has taken out to finance its investments and maintain the cash position it requires, exchange rate fluctuations due to the Group's activities in countries outside the Euro-zone, and liquidity risk.
Unibail-Rodamco's risk management policy aims to limit the impact of interest rate fluctuations on results, ensure its liquidity, while minimising the overall cost of debt. To achieve these objectives, the Group:
- Uses derivatives, mainly caps and swaps, to hedge its interest rate exposure through a macro hedging policy. Market transactions are confined exclusively to these interest rate hedging activities, which are managed centrally and independently;
- Put in place undrawn back-up facilities.

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

Due to its use of derivatives to minimise its interest rate and currency risks, the Group is exposed to potential counterparty defaults. The counterparty risk is the risk of replacing the derivative transactions at current market rates in the case of default. The Group marks to market its derivative transactions pursuant to IFRS 13 since June 2013.

3.1. Interest rate risk management

<u>Interest rate hedging transactions</u>

The Group took advantage of historically low long term interest rates in H1-2015 to issue longer maturities and lock-in attractive coupons kept at fixed rate:
- €500 Mn 7-year ORNANE with a 0% coupon,
- €500 Mn 10-year bond with a 1.00% coupon,
- €500 Mn 15-year bond with a 1.375% coupon.

The market environment evolved significantly in H2-2015 which saw interest rate curve steepening through a decrease in short term rates to record low levels while long term rates rebounded after the ECB meeting on December 3, 2015.

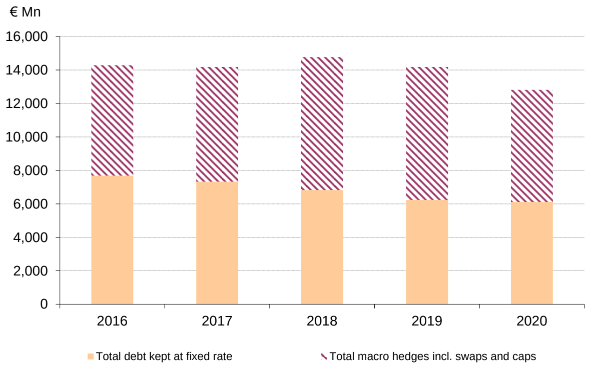
Against this backdrop and the Group's hedging position, the Group restructured part of its hedging position in H2-2015 through:
- The cancellation of €3 Bn of existing long-term swaps[91] through 2022,
- The restructuring of existing swaps[91] for €4 Bn through 2017,
- The implementation of caps[92] for €5.5 Bn and €4 Bn on short- and medium-term maturities until January 2021, taking advantage of low medium-term rates and of a decrease in the cap volatility over this period.

Following these restructurings:
- The debt the Group expects to raise over the next three years is fully hedged,
- The debt the Group expects to raise in 2019 and 2020 is hedged at more than 79%,
- The hedging of the Group is more balanced with an increased proportion of hedging by way of caps on more than 24% of the projected debt allowing it to benefit from lower rates.

The restructuring of the hedging position in H2-2015 (including cancellation, restructuring and implementation of new hedging instruments) has been done for a total cost of almost €0.5 Bn.

[91] Including options on swaps.
[92] Including caps with options on swaps.

Annual projection of average hedging amounts and fixed rate debt up to 2020 (€ Mn – as at December 31, 2015)



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 recognised in the Group's income statement.
A cash flow hedge accounting policy according to IFRS is only applied for its derivative instrument on the Täby Centrum loan raised in DKK and swapped into SEK.

<u>Measuring interest rate exposure</u>

As at December 31, 2015, net financial debt stood at €13,258 Mn (vs. €12,821 as at December 31, 2014), excluding partners' current accounts and after taking into account the cash surpluses of €343 Mn.
The outstanding debt was fully hedged against an increase in variable rates, based on debt outstanding as at December 31, 2015 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 2016, if interest rates (Euribor, Stibor or Pribor) were to rise by an average of 0.5%[93] (50 basis points) during 2016, the resulting estimated impact on financial expenses would be a €8.0 Mn negative impact on the 2016 recurring net profit. A further rise of 0.5% would have an additional negative impact of €0.8 Mn. A 0.5% (50 basis points) drop in interest rates (leading to negative interest rates) would have an estimated €28.3 Mn positive impact on financial expenses and would impact 2016 recurring net profit by an equivalent amount.

3.2. Managing and measuring currency risk exposure

The Group has activities and investments in countries outside the euro-zone (e.g., the Czech Republic, Poland and Sweden). 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.

<u>Measuring currency exposure</u>

Main foreign currency positions (in €Mn)

(in € Mn) Currency	Assets	Liabilities	Net exposure	Hedging Instruments	Exposure net of hedges
CHF	0	-124	-124	124	0
CZK	3	-145	-141	0	-141
DKK	400	-207	193	135	328
HKD	0	-296	-296	296	0
HUF	5	0	5	0	5
PLN	289	1	290	0	290
SEK	2,773	-1,045	1,728	-134	1,595
USD	0	-189	-189	189	0
Total	**3,471**	**-2,005**	**1,466**	**610**	**2,076**

The main exposure kept is in Swedish Krona:
- A decrease of 10% in the SEK/EUR exchange rate would have a €145.0 Mn negative impact on shareholders' equity,
- The sensitivity of the 2016 recurring result[94] to a 10% depreciation in the SEK/EUR exchange rate is limited to €10.5 Mn,
- The SEK 1,750 Mn credit line signed in April 2012 is undrawn as at December 31, 2015.

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[93] 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 December 31, 2015 of -0.131%.

[94] 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 9.2118.

4. Financial structure

As at December 31, 2015, the portfolio valuation (including transfer taxes) of Unibail-Rodamco amounted to €37,755 Mn.

Debt ratio

As at December 31, 2015, the LTV ratio calculated for Unibail-Rodamco amounted to 35%[95], compared to 37% as at December 31, 2014.

Interest coverage ratio

The Interest Coverage Ratio (ICR) ratio for Unibail-Rodamco improved to 4.6x for 2015 as a result of strong rental level growth with delivery of assets and the lower cost of debt. It is in line with the solid levels achieved in recent years and increased from 4.2x in 2014.

Financial ratios	Dec. 31, 2015	Dec. 31, 2014
LTV[95]	35%	37%
ICR[96]	4.6x	4.2x

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

As at December 31, 2015, 97% 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 and the CP programs.

[95] LTV = Net financial debt / Total portfolio valuation including transfer taxes. Total Portfolio valuation includes consolidated portfolio valuation (€37,755 Mn as at December 31, 2015 versus €34,576 Mn as at December 31, 2014). The LTV excluding transfer taxes is estimated at 37% as at December 31, 2015.

[96] 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[97] best practices recommendations[98], Unibail-Rodamco summarises below the Key Performance Measures over 2015.

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.

		2015	2014
EPRA Earnings	€ Mn	1,030.4	1,068.1
EPRA Earnings / share	€ / share	10.46	10.92
Growth EPRA Earnings / share	%	-4.2%	6.8%

Bridge between Earnings per IFRS Income Statement and EPRA Earnings:

	2015	2014
Earnings per IFRS income statement (owners of the parent)	**2,334.0**	**1,670.5**
Adjustments to calculate EPRA Earnings, exclude:		
(i) Changes in value of investment properties, development properties held for investment and other interests	1,818.8	1,314.2
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	84.7	82.6
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties		
(iv) Tax on profits or losses on disposals	-14.9	-
(v) Impairment of goodwill / Negative goodwill	-	11.3
(vi) Changes in fair value of financial instruments and associated close-out costs	-362.1	-446.9
(vii) Acquisition costs on share deals and non-controlling joint venture interests	-1.6	0.1
(viii) Deferred tax in respect of EPRA adjustments	-248.6	-176.8
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	177.9	14.5
(x) Non-controlling interests in respect of the above	-150.6	-196.6
EPRA Earnings	**1,030.4**	**1,068.1**
Average number of shares and ORA	98,496,508	97,824,119
EPRA Earnings per Share (EPS)	**10.46 €**	**10.92 €**
EPRA Earnings per Share growth	**-4.2%**	**6.8%**

[97] EPRA: European Public Real estate Association.
[98] 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 net NAV, please see the Net Asset Value section, included in this report.

		Dec. 31, 2015	Dec. 31, 2014
EPRA NAV	€ / share	177.90	167.20
EPRA NNNAV	€ / share	169.90	151.20
% change over 1 year	%	12.4%	3.4%

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:

	Dec. 31, 2015		Dec. 31, 2014	
	Retail (3)	Offices (3)	Retail (3)	Offices (3)
Unibail-Rodamco yields	**4.6%**	**6.0%**	**4.8%**	**6.8%**
Effect of vacant units	0.0%	-1.2%	0.0%	-0.5%
Effect of EPRA adjustments on NRI	0.1%	0.0%	0.1%	0.0%
Effect of estimated transfer taxes and transaction costs	-0.1%	-0.1%	-0.2%	-0.2%
EPRA topped-up yields (1)	**4.5%**	**4.7%**	**4.7%**	**6.1%**
Effect of lease incentives	-0.2%	-1.2%	-0.2%	-1.4%
EPRA Net Initial Yields (2)	**4.3%**	**3.5%**	**4.6%**	**4.7%**

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 using 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). Central Europe was restated to exclude Germany as at December 31, 2014.

	Dec. 31, 2015	Dec. 31, 2014
Retail		
France	2.8%	2.2%
Central Europe	0.9%	0.9%
Spain	1.1%	1.5%
Nordic	3.8%	3.1%
Austria	1.6%	2.1%
Germany	3.0%	4.7%
Netherlands	3.9%	3.3%
Total Retail	**2.5%**	**2.2%**
Offices		
France	14.7%	14.6%
Total Offices	**14.4%**	**14.4%**

5. EPRA Cost ratios

		2015	2014
	Include:		
(i-1)	General expenses	- 106.2	- 89.3
(i-2)	Development expenses	- 4.5	- 4.1
(i-3)	Operating expenses	- 99.9	- 112.7
(ii)	Net service charge costs/fees	- 29.1	- 24.5
(iii)	Management fees less actual/estimated profit element		
(iv)	Other operating income/recharges intended to cover overhead expenses		
(v)	Share of Joint Ventures expenses	- 14.3	- 14.9
	Exclude (if part of the above):		
(vi)	Investment Property Depreciation		
(vii)	Ground rents costs		
(viii)	Service charge costs recovered through rents but not separately invoiced	28.8	28.5
	EPRA Costs (including direct vacancy costs) (A)	**- 225.3**	**- 217.0**
(ix)	Direct vacancy costs	- 29.1	- 24.5
	EPRA Costs (excluding direct vacancy costs) (B)	**- 196.2**	**- 192.5**
(x)	Gross Rental Income (GRI) less ground rents	1,490.6	1,517.4
(xi)	Less: service fee and service charge costs component of GRI (if relevant)	- 28.8	- 28.5
(xii)	Add Share of Joint Ventures (Gross Rental Income less ground rents)	121.4	123.9
	Gross Rental Income (C)	**1,583.1**	**1,612.9**
	EPRA Cost Ratio (including direct vacancy costs) (A/C)	**14.2%**	**13.5%**
	EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	**12.4%**	**11.9%**

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

6. Capital expenditure

in € Mn	2015		2014	
	100%	Group Share	100%	Group Share
Acquisitions (1)	137.7	127.6	412.6	273.4
Development (2)	507.8	422.2	450.0	399.3
Like-for-like portfolio (3)	513.9	407.7	511.4	434.5
Other (4)	172.6	137.6	155.1	129.7
Capital Expenditure	**1,332.1**	**1,095.1**	**1,529.2**	**1,236.9**

Notes:
1) In 2015, includes mainly the acquisitions of land and assets related to the Leidsenhage project, Amstelveen and Parquesur. In 2014, includes mainly the capitalisation of the new lease contract for Porte de Versailles (Viparis).
2) Includes the capital expenditures related to investments in brownfield projects, mainly the Majunga and Trinity towers as well as Mall of Scandinavia (Stockholm), Polygone Riviera (Cagnes-sur-Mer) and Carré Sénart extension (Paris region).
3) In 2015, includes mainly the capital expenditures related to extensions and renovations in pre-existing assets: So Ouest Plaza offices (Paris region), Täby Centrum (Stockholm), Ruhr Park (Bochum) and Minto (Mönchengladbach). In 2014, includes mainly the capital expenditures related to the Täby Centrum (Stockholm), Parly 2 (Paris region), Glories (Barcelona) and Euralille (Lille) extension and renovation projects.
4) Includes eviction costs and tenant incentives, capitalised interest relating to projects referenced above, letting fees and other capitalised expenses of €74.3 Mn, €25.8 Mn, €28.6 Mn and €8.9 Mn in 2015, respectively (amounts in group share).

7. LTV reconciliation with B/S

in € Mn	31/12/2015	31/12/2014
Amounts accounted for in B/S	**36,515.9**	**33,538.2**
Investment properties at fair value	33,001.8	29,781.5
Investment properties at cost	708.2	472.1
Other tangible assets	216.3	215.7
Goodwill	542.8	541.2
Intangible assets	242.1	237.5
Shares and investments in companies under the equity method	1,536.0	1,676.1
Properties or shares held for sale	268.8	614.1
Adjustments	**1,239.0**	**1,037.8**
Transfer taxes	1,642.8	1,465.6
Goodwill	- 400.4	- 421.9
Revaluation intangible and operating assets	418.3	408.0
IFRS restatements, including	- 421.7	- 413.9
Financial leases	- *364.3*	- *368.9*
Other	- *57.3*	- *45.0*
Total assets, including Transfer Taxes (=A)	**37,754.9**	**34,576.0**
Total assets, excluding Transfer Taxes (=B)	**36,112.1**	**33,110.4**
Amounts accounted for in B/S		
Net share settled bonds convertible into new and/or existing shares (ORNANE)	1,087.8	1,406.7
Long-term bonds and borrowings	11,522.9	12,006.0
Current borrowings and amounts due to credit institutions	2,447.7	1,289.4
Total financial liabilities	**15,058.3**	**14,702.1**
Adjustments		
Mark-to-market of debt	- 79.1	- 177.8
Current accounts with non-controlling interests	- 1,227.0	- 766.5
Impacts of derivatives instruments on debt raised in foreign currency	- 99.9	- 27.5
Accrued interests / issue fees	- 52.0	- 78.3
Total financial liabilities (nominal value)	**13,600.3**	**13,652.0**
Cash & cash equivalents	- 342.6	- 831.1
Net financial debt (=C)	**13,257.7**	**12,820.9**

LTV ratio, including Transfer Taxes (=C/A)	**35%**	**37%**
LTV ratio, excluding Transfer Taxes (=C/B)	**37%**	**39%**

Average cost of debt: recurring financial expenses (excluding the ones on financial leases) + 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.

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 may increase the appeal of the shopping centres.

IVSC: International Valuation Standards Council.

Large malls: standing shopping centres with more than 6 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.

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

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.

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.

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 transactions cost.

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.

FINANCIAL STATEMENTS WITH ENTITIES UNDER JOINT CONTROL CONSOLIDATED UNDER PROPORTIONAL METHOD

For Information Only – Not Audited

Consolidated Income Statement by segment (€ Mn)			2015 Published	Joint control	Total 2015	2014 Published	Joint control	Total 2014
			Recurring activities	Recurring activities	Recurring activities	Recurring activities	Recurring activities	Recurring activities
SHOPPING CENTRES	FRANCE	Gross rental income	606.4	8.9	615.3	696.9	15.5	712.4
		Operating expenses & net service charges	(57.3)	(0.5)	(57.8)	(68.1)	(1.6)	(69.7)
		Net rental income	**549.1**	**8.4**	**557.5**	**628.8**	13.9	**642.7**
		Contribution of affiliates	9.0	(9.0)	(0.0)	12.9	(12.9)	(0.0)
		Result Shopping Centres France	**558.1**	**(0.7)**	**557.5**	**641.7**	**0.9**	**642.7**
	CENTRAL EUROPE	Gross rental income	153.6	0.4	154.0	144.9	0.3	145.2
		Operating expenses & net service charges	(5.4)	(0.0)	(5.4)	(3.9)	(0.0)	(3.9)
		Net rental income	**148.2**	**0.4**	**148.6**	**141.0**	**0.3**	**141.3**
		Contribution of affiliates	36.0	(0.2)	35.8	36.5	(0.1)	36.4
		Result Shopping Centres Central Europe	**184.2**	**0.2**	**184.4**	**177.4**	**0.2**	**177.7**
	SPAIN	Gross rental income	164.0	0.4	164.4	165.6	0.4	166.0
		Operating expenses & net service charges	(16.5)	(0.1)	(16.7)	(19.8)	(0.1)	(19.9)
		Net rental income	**147.5**	**0.3**	**147.7**	**145.8**	**0.3**	**146.0**
		Contribution of affiliates	1.1	(1.1)	0.0	1.4	(1.4)	0.0
		Result Shopping Centres Spain	**148.6**	**(0.8)**	**147.7**	**147.1**	**(1.1)**	**146.0**
	NORDIC	Gross rental income	126.4	-	126.4	116.1	-	116.1
		Operating expenses & net service charges	(20.4)	-	(20.4)	(19.0)	-	(19.0)
		Net rental income	**106.1**	**-**	**106.1**	**97.1**	**-**	**97.1**
		Result Shopping Centres Nordic	**106.1**	**-**	**106.1**	**97.1**	**-**	**97.1**
	AUSTRIA	Gross rental income	99.7	-	99.7	94.6	-	94.6
		Operating expenses & net service charges	(7.6)	-	(7.6)	(6.4)	-	(6.4)
		Net rental income	**92.1**	**-**	**92.1**	**88.2**	**-**	**88.2**
		Result Shopping Centres Austria	**92.1**	**-**	**92.1**	**88.2**	**-**	**88.2**
	GERMANY	Gross rental income	73.2	52.3	125.4	21.0	50.8	71.8
		Operating expenses & net service charges	(6.1)	(3.5)	(9.6)	(1.6)	(4.1)	(5.7)
		Net rental income	**67.1**	**48.8**	**115.9**	**19.4**	**46.6**	**66.1**
		Contribution of affiliates	32.9	(31.3)	1.6	31.6	(31.0)	0.6
		Result Shopping Centres Germany	**100.0**	**17.5**	**117.5**	**51.0**	**15.6**	**66.7**
	THE NETHERLANDS	Gross rental income	76.2	-	76.2	79.9	-	79.9
		Operating expenses & net service charges	(9.2)	-	(9.2)	(7.7)	-	(7.7)
		Net rental income	**67.0**	**-**	**67.0**	**72.1**	**-**	**72.1**
		Result Shopping Centres The Netherlands	**67.0**	**-**	**67.0**	**72.1**	**-**	**72.1**
		TOTAL RESULT SHOPPING CENTRES	**1,256.1**	**16.2**	**1,272.3**	**1,274.8**	**15.7**	**1,290.5**
OFFICES	FRANCE	Gross rental income	156.7	-	156.7	154.6	-	154.6
		Operating expenses & net service charges	(5.3)	-	(5.3)	(6.2)	-	(6.2)
		Net rental income	**151.4**	**-**	**151.4**	**148.4**	**-**	**148.4**
		Result Offices France	**151.4**	**-**	**151.4**	**148.4**	**-**	**148.4**
	OTHER COUNTRIES	Gross rental income	22.7	-	22.7	28.8	-	28.8
		Operating expenses & net service charges	(3.7)	-	(3.7)	(4.8)	-	(4.8)
		Net rental income	**19.0**	**-**	**19.0**	**24.0**	**-**	**24.0**
		Result Offices other countries	**19.0**	**-**	**19.0**	**24.0**	**-**	**24.0**
		TOTAL RESULT OFFICES	**170.4**	**-**	**170.4**	**172.4**	**-**	**172.4**
CONVENTION & EXHIBITION	FRANCE	Gross rental income	188.0	2.6	190.6	180.4	1.7	182.1
		Operating expenses & net service charges	(96.8)	(2.0)	(98.8)	(95.4)	(1.2)	(96.7)
		Net rental income	**91.2**	**0.6**	**91.8**	**85.0**	**0.5**	**85.4**
		Contribution of affiliates	0.5	(0.5)	-	0.4	(0.4)	(0.0)
		On site property services	**51.4**	**-**	**51.4**	**49.7**	**-**	**49.7**
		Hotels net rental income	**14.2**	**-**	**14.2**	**15.3**	**-**	**15.3**
		Exhibitions organising	**8.0**	**-**	**8.0**	**14.2**	**-**	**14.2**
		Valuation movements, depreciation, capital gains	(11.1)	-	(11.1)	(10.6)	-	(10.6)
		TOTAL RESULT CONVENTION & EXHIBITION	**154.1**	**0.1**	**154.2**	**154.1**	**0.0**	**154.1**
		Other property services net operating result	33.4	(1.6)	31.8	33.7	1.6	35.4
		Other net income	-	-	-	4.7	0.0	4.8
TOTAL OPERATING RESULT AND OTHER INCOME			**1,614.0**	**14.7**	**1,628.7**	**1,639.7**	**17.4**	**1,657.1**
		General expenses	(106.1)	(2.6)	(108.7)	(89.3)	(3.2)	(92.5)
		Development expenses	(4.5)	(0.0)	(4.6)	(4.1)	(0.4)	(4.5)
		Financing result	(299.5)	(13.6)	(313.1)	(338.5)	(16.3)	(354.8)
RESULT BEFORE TAX			**1,203.9**	**(1.6)**	**1,202.3**	**1,207.9**	**(2.5)**	**1,205.4**
		Income tax expenses	(24.8)	1.6	(23.2)	(3.2)	2.5	(0.7)
NET RESULT FOR THE PERIOD			**1,179.1**	**(0.0)**	**1,179.1**	**1,204.7**	**(0.0)**	**1,204.7**
		Non-controlling interests	148.7	-	148.7	136.7	-	136.7
NET RESULT - OWNERS OF THE PARENT			**1,030.4**	**(0.0)**	**1,030.4**	**1,068.1**	**(0.0)**	**1,068.1**
Average number of shares and ORA			98,496,508		98,496,508	97,824,119		97,824,119
RECURRING EARNINGS PER SHARE (€)			**10.46**		**10.46**	**10.92**		**10.92**
RECURRING EARNINGS PER SHARE GROWTH			**-4.2%**		**-4.2%**	**6.8%**		**6.8%**

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 (Oberhausen), Rosny 2 (Paris region), Paunsdorf (Leipzig), Benidorm (Benidorm) and Palais des Sports (Paris).

CONSOLIDATED INCOME STATEMENT **Presented under IFRS format** (€Mn)	**2015 Published**	**Joint Control**	**Total 2015**	**2014 Published**	**Joint Control**	**Total 2014**
Gross rental income	1,685.0	64.5	1,749.5	1,702.0	68.6	1,770.6
Ground rents paid	(17.5)	(2.2)	(19.7)	(14.0)	(0.0)	(14.0)
Net service charge expenses	(29.1)	(3.8)	(32.9)	(24.5)	(2.5)	(27.1)
Property operating expenses	(185.6)	(0.1)	(185.7)	(198.3)	(4.5)	(202.8)
Net rental income	**1,452.8**	**58.4**	**1,511.2**	**1,465.1**	**61.6**	**1,526.7**
Corporate expenses	(104.0)	(2.6)	(106.6)	(87.1)	(3.2)	(90.3)
Development expenses	(4.5)	(0.0)	(4.5)	(4.1)	(0.4)	(4.5)
Depreciation of other tangible assets	(2.2)	-	(2.2)	(2.2)		(2.2)
Administrative expenses	**(110.7)**	**(2.6)**	**(113.3)**	**(93.4)**	**(3.6)**	**(97.0)**
Acquisition and related costs	**(1.6)**	**(0.0)**	**(1.6)**	**0.1**	**(1.2)**	**(1.1)**
Revenues from other activities	293.4	-	293.4	237.3	2.4	239.7
Other expenses	(219.7)	(1.6)	(221.3)	(164.4)	(0.8)	(165.1)
Net other income	**73.7**	**(1.6)**	**72.1**	**72.9**	**1.6**	**74.5**
Proceeds from disposal of investment properties	342.4	-	342.4	766.4	-	766.4
Carrying value of investment properties sold	(341.0)	-	(341.0)	(749.7)	0.0	(749.7)
Result on disposal of investment properties	**1.4**	**-**	**1.4**	**16.7**	**0.0**	**16.7**
Proceeds from disposal of shares	114.4	-	114.4	886.0	-	886.0
Carrying value of disposed shares	(100.7)	-	(100.7)	(820.1)	-	(820.1)
Result on disposal of shares	**13.7**	**-**	**13.7**	**65.9**	**-**	**65.9**
Valuation gains on assets	2,137.4	106.5	2,243.9	1,576.0	36.6	1,612.6
Valuation losses on assets	(318.6)	(4.3)	(322.9)	(261.8)	(1.0)	(262.8)
Valuation movements on assets	**1,818.8**	**102.2**	**1,921.0**	**1,314.2**	**35.7**	**1,349.9**
Impairment of goodwill/Negative goodwill	**-**	**-**	**-**	**11.3**	**-**	**11.3**
NET OPERATING RESULT BEFORE FINANCING COST	**3,248.2**	**156.3**	**3,404.5**	**2,852.8**	**94.1**	**2,946.9**
Result from non-consolidated companies	-	0.0	0.0	4.7	0.0	4.7
Financial income	*86.3*	-	*86.3*	*99.9*	-	*99.9*
Financial expenses	*(385.8)*	*(13.6)*	*(399.4)*	*(438.4)*	*(16.3)*	*(454.7)*
Net financing costs	(299.5)	(13.6)	(313.1)	(338.5)	(16.3)	(354.8)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	(183.4)	-	(183.4)	(48.3)	-	(48.3)
Fair value adjustments of derivatives and debt	(178.0)	3.8	(174.2)	(396.6)	2.9	(393.7)
Debt discounting	(0.7)	-	(0.7)	(1.8)	-	(1.8)
Profit on disposal of associates	69.6	-	69.6	-	-	-
Share of the result of companies under the equity method	243.3	(119.9)	123.4	88.6	(64.7)	23.9
Income on financial assets	22.1	(2.0)	20.1	22.9	(2.4)	20.5
						-
RESULT BEFORE TAX	**2,921.6**	**24.7**	**2,946.2**	**2,183.8**	**13.7**	**2,197.5**
Income tax expenses	(288.3)	(24.7)	(313.0)	(180.0)	(13.7)	(193.7)
NET RESULT FOR THE PERIOD	**2,633.3**	**0.0**	**2,633.3**	**2,003.8**	**(0.0)**	**2,003.8**
Non-controlling interests	299.3	-	299.3	333.3	-	333.3
NET RESULT (Owners of the parent)	**2,334.0**	**0.0**	**2,334.0**	**1,670.5**	**(0.0)**	**1,670.5**

Consolidated Statement of financial position (€ Mn)	**31/12/2015 published**	**Joint control**	**Total 31/12/2015**	**31/12/2014 published**	**Joint control**	**Total 31/12/2014**
NON CURRENT ASSETS	**36,634.2**	**506.9**	**37,141.0**	**33,287.8**	**576.8**	**33,864.6**
Investment properties	**33,710.0**	**1,215.9**	**34,925.9**	**30,253.6**	**1,357.0**	**31,610.6**
Investment properties at fair value	*33,001.8*	*1,198.0*	*34,199.8*	*29,781.5*	*1,339.5*	*31,121.0*
Investment properties at cost	*708.2*	*17.9*	*726.1*	*472.1*	*17.5*	*489.6*
Other tangible assets	216.3	0.2	216.5	215.7	0.1	215.7
Goodwill	542.8	90.5	633.3	541.2	90.5	631.7
Intangible assets	242.1	0.0	242.1	237.5	0.0	237.5
Loans and receivables	41.1	0.1	41.2	46.7	0.1	46.8
Financial assets	17.1	-	17.1	77.1	0.0	77.1
Deferred tax assets	31.6	26.3	57.9	14.3	32.3	46.6
Derivatives at fair value	297.2	-	297.2	225.7	-	225.7
Shares and investments in companies under the equity method	1,536.0	(826.1)	709.9	1,676.1	(903.2)	772.9
CURRENT ASSETS	**1,475.7**	**38.9**	**1,514.6**	**2,282.4**	**68.2**	**2,350.6**
Properties or shares held for sale	**268.8**	**-**	**268.8**	**614.1**	**-**	**614.1**
Trade receivables from activity	**393.6**	**5.3**	**399.0**	**364.4**	**4.3**	**368.7**
Other trade receivables	**470.6**	**11.5**	**482.1**	**472.8**	**27.9**	**500.7**
Tax receivables	159.6	1.3	160.9	166.8	2.1	168.9
Other receivables	218.3	7.5	225.8	229.4	23.0	252.4
Prepaid expenses	92.7	2.7	95.4	76.6	2.8	79.4
Cash and cash equivalents	**342.6**	**22.1**	**364.7**	**831.1**	**35.9**	**867.0**
Available for sale investments	98.4	2.3	100.7	529.3	0.2	529.5
Cash	244.2	19.8	264.0	301.8	35.7	337.5
TOTAL ASSETS	**38,109.8**	**545.8**	**38,655.6**	**35,570.2**	**644.9**	**36,215.1**
Shareholders' equity (Owners of the parent)	**16,042.1**	**-**	**16,042.1**	**14,519.9**	**-**	**14,519.9**
Share capital	493.5	-	493.5	490.3	-	490.3
Additional paid-in capital	6,310.2	-	6,310.2	6,229.8	-	6,229.8
Bonds redeemable for shares	1.2	-	1.2	1.3	-	1.3
Consolidated reserves	6,967.3	-	6,967.3	6,199.9	-	6,199.9
Hedging and foreign currency translation reserves	(64.1)	-	(64.1)	(71.9)	-	(71.9)
Consolidated result	2,334.0	-	2,334.0	1,670.5	-	1,670.5
Non-controlling interests	**3,196.5**	**-**	**3,196.5**	**2,413.3**	**-**	**2,413.3**
TOTAL SHAREHOLDERS' EQUITY	**19,238.6**	**-**	**19,238.6**	**16,933.2**	**-**	**16,933.2**
NON CURRENT LIABILITIES	**15,127.8**	**521.8**	**15,649.6**	**16,108.4**	**513.7**	**16,622.1**
Long-term commitment to purchase non-controlling interests	45.4	-	45.4	119.6	-	119.6
Net share settled bonds convertible into new and/or existing shares (ORNANE)	1,087.8	-	1,087.8	1,406.7	-	1,406.7
Long-term bonds and borrowings	11,522.9	397.8	11,920.7	12,006.0	393.4	12,399.4
Long-term financial leases	361.4	-	361.4	367.3	-	367.3
Derivatives at fair value	263.9	0.0	263.9	698.3	1.2	699.5
Deferred tax liabilities	1,465.6	121.3	1,586.9	1,172.9	116.6	1,289.5
Long-term provisions	35.3	0.2	35.5	40.2	-	40.2
Employee benefits	8.7	-	8.7	20.7	0.0	20.7
Guarantee deposits	201.4	2.5	203.9	196.0	2.5	198.5
Tax liabilities	0.0	-	0.0	1.3	-	1.3
Amounts due on investments	135.4	-	135.4	79.4	-	79.4
CURRENT LIABILITIES	**3,743.4**	**24.0**	**3,767.4**	**2,528.5**	**131.3**	**2,659.8**
Current commitment to purchase non-controlling interests	**-**	**-**	**-**	**2.0**	**-**	**2.0**
Amounts due to suppliers and other current debt	**1,117.8**	**20.2**	**1,138.0**	**1,035.2**	**27.7**	**1,062.9**
Amounts due to suppliers	162.2	9.9	172.1	187.6	11.4	199.1
Amounts due on investments	415.0	0.0	415.0	379.1	0.1	379.2
Sundry creditors	337.7	8.1	345.8	256.1	14.8	270.9
Other liabilities	202.9	2.2	205.1	212.4	1.4	213.8
Current borrowings and amounts due to credit institutions	**2,447.7**	**0.9**	**2,448.6**	**1,289.4**	**101.4**	**1,390.8**
Current financial leases	**6.0**	**-**	**6.0**	**6.0**	**-**	**6.0**
Tax and social security liabilities	**153.8**	**2.8**	**156.6**	**172.8**	**1.9**	**174.7**
Short-term provisions	**18.1**	**0.1**	**18.2**	**23.1**	**0.3**	**23.4**
TOTAL LIABILITIES AND EQUITY	**38,109.8**	**545.8**	**38,655.6**	**35,570.2**	**644.9**	**36,215.1**