

UNIBAIL-RODAMCO-WESTFIELD SE

A European Company with Management Board and Supervisory Board

Share capital: €691,964,200

Registered office: 7, place du Chancelier Adenauer, 75016 Paris

682 024 096 RCS Paris

ADDITIONAL REPORT OF THE MANAGEMENT BOARD ON THE USE OF THE AUTHORITY DELEGATED BY THE NINETEENTH RESOLUTION OF THE COMBINED GENERAL MEETING OF SHAREHOLDERS ON MAY 17, 2019 (Article R. 225-116 of the French Commercial Code)

To the shareholders,

On February 12, 2020, upon the Remuneration Committee's recommendation, the Supervisory Board authorized the Management Board to use the delegation granted by the nineteenth resolution of the Combined General Meeting held on May 17, 2019.

Under this resolution, the shareholders authorized the Management Board to increase the share capital, on one or more occasions, in a maximum nominal amount not exceeding €2 million, by the issue of ordinary shares and/or securities giving access to the share capital of the Company, and reserved for participants of the Company savings plan, while cancelling preferential subscription rights.

At its meeting on April 24, 2020, the Management Board decided to use this delegation and open a first tranche of capital increase reserved for the participants in URW's Company savings plan, namely Unibail-Rodamco-Westfield SE, UES Unibail and UES Viparis (hereinafter, the "Management Board Decision"). The Management Board set the overall maximum nominal amount of the capital increase capable of being completed at about 0.07% of the fully diluted capital, namely a maximum of 100,000 shares. It is specified that the maximum nominal amount of this capital increase will be charged to the overall upper limit set by the fifteenth and sixteenth resolutions of the Combined General Meeting held on May 17, 2019.

The capital increase completed by the issue of new shares will be subscribed for the benefit of all the participants of URW's Company savings plan in France through the intermediate mutual fund URW Relais 2020, which is to be merged into the "Fonds URW" Unibail-Rodamco-Westfield mutual fund approved by the French Financial Markets Authority.

The subscription period was set from May 5, 2020, to May 15, 2020, inclusive.

The subscription price of one Stapled Share was fixed at €43.94 (comprising €41.20 for Unibail-Rodamco-Westfield SE part and €2.74 for WFD Unibail-Rodamco N.V. part), corresponding to the average opening price of the Stapled Share over the 20 trading days preceding the Management Board Decision, on April 24, 2020, including a 20% discount (or €54.92 before 20% discount).

This subscription price allocation between Unibail-Rodamco-Westfield SE part and WFD Unibail-Rodamco N.V. part was determined by applying the apportionment ratio published by the Group. For Unibail-Rodamco-Westfield SE share portion in the Stapled Share, the most recent apportionment ratio published is: 93.771%.

The new Stapled Shares issued will be entitled to dividends distributed in connection as of the 2020 financial year. They will be listed and admitted to trading on Euronext Paris and Amsterdam at issuance and will be subject to all applicable bylaw provisions.

The dilution calculations, set out below, have been carried out on the basis of the statutory financial statements as at December 31, 2019. The amount of the Company's equity capital on December 31, 2019, was €15,192,369,882.

For your information, an additional report of the statutory auditors will also be submitted to you, which provide that the statutory auditors have verified the compliance of the decision taken by the Management Board with the delegation of authority that was granted to the Management Board at the last Combined General Meeting.

I The impact of the capital increase on the situation of a shareholder owning 1% of the capital

<u>The impact of the capital increase on the situation of a shareholder owning 1% of the capital</u>				
	The shareholder's stake (non-diluted basis)	The shareholder's stake (diluted basis)	Total no. of shares (non-diluted basis)*	Total no. of shares (diluted basis)**
Before the issue of the new shares derived from the capital increase reserved for employees	1.00%	1.00%	138,378,605	138,577,341
After the issue of the new shares derived from the capital increase reserved for employees (i.e. a maximum of 100 000 shares)	0.999%	0.998%	138,478,605	138,677,341

*Number of shares on December 31, 2019.

** Number of shares on December 31, 2019, based on the Net Asset Valuation calculation.

II Impact of the capital increase on the situation of shareholders and owners of securities giving access to the share capital (Equity capital per share)

As of December 31, 2019	Net equity	Number of shares	Net equity per share (€)
Before the issue of the new shares resulting from the capital increase reserved for employees	15,192,369,882	138,378,605	109.79
Capital increase reserved for employees	4,120,298	100,000	41.20
After the issue of the new shares resulting from the capital increase reserved for employees	15,196,490,180	138,478,605	109.74
Capital increase related to securities giving access to the share capital (Stock-Options, Performance Shares, ORA)*	0	198,736	0
After dilution effects	15,196,490,180	138,677,341	109.58

* These calculations do not include the net share-settled bonds convertible into new and/or exchangeable for existing shares issued in September 2014 and April 2015 and the stock-options, that are not in the money nor exercisable as at December 31, 2019.

III The theoretical impact of the capital increase on the stock market value of the shares

A. The theoretical impact of the total share capital increase on the market value of Stapled Shares based on their average value over the preceding twenty trading days

	Non-diluted basis	Diluted basis*
Theoretical price before the issue of the shares resulting from the capital increase reserved for employees	€54.92	€54.84
Theoretical price after the issue of the shares resulting from the capital increase reserved for employees	€54.91	€54.83

* These calculations do not include the net share-settled bonds convertible into new and/or exchangeable for existing shares issued in September 2014 and April 2015 and the stock-options, that are not in the money nor exercisable as at December 31, 2019.

B. The theoretical impact of the share capital increase of Unibail-Rodamco-Westfield SE on the market value of Unibail-Rodamco-Westfield SE shares based on their average value over the preceding twenty trading days pursuant to the apportionment ratio

	Non-diluted basis	Diluted basis*
Theoretical price before the issue of the shares resulting from the capital increase reserved for employees	€51.50	€51.43
Theoretical price after the issue of the shares resulting from the capital increase reserved for employees	€51.49	€51.42

* These calculations do not include the net share-settled bonds convertible into new and/or exchangeable for existing shares issued in September 2014 and April 2015 and the stock-options, that are not in the money nor exercisable as at December 31, 2019.

The Management Board