



# UNIBAIL-RODAMCO-WESTFIELD

## GLOSSARY

---

**Average cost of debt:** recurring financial expenses (excluding the ones on financial leases and the ones related to partners' current accounts) + 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.

**Average rental spread:** for the US portfolio, the rental spread reflects the trailing 12-months average increase in total rents, including common area maintenance charges, for specialty stores (excluding lease extensions and deals for <12 months).

**Buyer's Net Initial Yield:** annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the TAC.

**Committed projects:** projects currently under construction, for which URW 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 URW controls the land or building rights, but where not all administrative authorizations or internal approvals have been obtained yet.

**EBITDA-Viparis:** "Net rental income" and "On site property services operating result" + "Recurring contribution of affiliates" of Viparis venues.

**EPRA:** European Public Real estate Association.

**EPRA NNAV (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 URW's NIY with the EPRA Net Initial Yield definitions, refer to the EPRA Performance Measures.

**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.

**Flagships:** assets of a certain size and / or with footfall in excess of 10 million per year, substantial growth potential for the Group based on their appeal to both retailers and visitors, iconic architecture or design and a strong footprint in their area.

**Financial statements under IFRS:** the Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as applicable in the European Union as at closing date.

**Financial statements on a proportionate basis:** they are prepared based on the financial statements under IFRS, except for the joint-controlled entities, which are consolidated on a proportionate basis, instead of being accounted for using the equity method (as applicable under IFRS). Unibail-Rodamco-Westfield believes that these financial statements on a proportionate basis give to stakeholders a better understanding of the underlying operations of URW and the joint-controlled entities, as they represent a significant part of the Group's operations in the US and the UK.



## UNIBAIL-RODAMCO-WESTFIELD

**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 capitalized interest); Recurring EBITDA is calculated as total recurring operating results and other income less general expenses, excluding depreciation and amortization.

**Influencer Brand:** unique retailer that create differentiation and experience in URW's shopping centres due to strong brand recognition and a differentiated product approach.

**IVSC:** International Valuation Standards Council.

**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, excluding current accounts with non-controlling interests / total assets (whether under IFRS or on a proportionate basis), including or excluding transfer taxes and excluding goodwill not justified by fee business.

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

**Net Disposal Price (NDP):** Total Acquisition Cost incurred by the acquirer minus all transfer taxes and transaction costs.

**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.

**Net Operating Income (NOI):** Net Operating Income before management fees, termination/settlement income and straight-line adjustments.

**Non-recurring activities:** non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, impairment of goodwill or recognition of negative goodwill, amortization of fair value of assets and liabilities recorded for the purpose of purchase price allocation, 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.

**Replacement capital expenditure (Replacement Capex):** replacement Capex relates to works either on equipment or the structure of a standing asset. The primary purpose of Replacement Capex is to ensure that the asset is in good working order and / or to make minor improvements. These investments can be triggered by obsolescence, maintaining technical performance at market levels or compliance with regulatory requirements.

**RICS:** Royal Institution of Chartered Surveyors.



## UNIBAIL-RODAMCO-WESTFIELD

**Rotation rate:** (number of relettings and number of assignments and renewals with new concepts) / number of stores. Short term leases are excluded.

**SBR:** Sales Based Rent.

**Secured exclusivity projects:** projects for which URW has the exclusivity but where negotiations for building rights or administrative authorizations, or detailed project definition, are still ongoing.

**SIIC:** Société d'Investissement Immobilier Cotée (in France).

**Specialty tenant:** specialty stores <10k sq. ft. (ca. 929 sqm).

**Tenant sales:** performance in URW'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 transaction costs.

**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, design costs, technical fees, tenant fitting-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 financial interests, overheads costs, early or lost NRI and IFRS adjustments.

**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.



## UNIBAIL-RODAMCO-WESTFIELD

**Disclaimer:**

This document has been prepared by Unibail-Rodamco-Westfield for general circulation and is circulated for information only. The data that appears in this document is based on internal or external studies, compilations of different studies, or third-party declarations. This data, along with all other information contained in this document and particularly visual images, is provided for reference only, is subject to change over time and should not, under any circumstance, be considered to be contractual information.

Unibail-Rodamco-Westfield reserves the right to modify the information in this document at any time without prior warning. Unibail-Rodamco-Westfield accepts no liability whatsoever for any loss or damage of any kind arising out of the use of all or any part of this document.