



2011

Annual and sustainable development report

unibail·rodamco

Corporate

- 04** Profile
- 06** Message from the CEO & Chairman of the Management Board
- 08** Message from the Chairman of the Supervisory Board
- 10** 2011 performance
- 12** Stock market performance and shareholders
- 14** EPRA performances measures
- 16** Corporate governance and risk management

Strategy

- 20** Operations
- 24** Investment & divestment
- 26** Development
- 28** Financial resources
- 30** Human resources

Activities

- 34** France
- 36** The Netherlands
- 38** Nordic Countries
- 40** Central Europe
- 42** Austria
- 44** Spain
- 46** Men and Women of Unibail-Rodamco
- 48** Offices
- 50** Convention & Exhibition

Sustainable development

- 54** 2011 highlights
- 56** A comprehensive strategy
- 58** Environmental management systems
- 60** Environmentally-sustainable development projects
- 62** Cooperation on environmental issues
- 64** Climate, emissions and energy
- 68** An efficient, responsible approach to risks and resources
- 72** Encouraging dialogue and strengthening relationships
- 76** Corporate citizenship

Financial and legal information

- 80** Portfolio
- 92** Business review & 2011 results
- 120** Corporate sustainability
- 154** Consolidated financial statements
- 212** Legal information
- 252** Report of the Chairman of the Supervisory Board



Outstanding
to shop, work and exhibit
places

unibail·rodamco



Leadership

Committed teams, solid results

Corporate

- 04 Profile
- 06 Message from the CEO & Chairman of the Management Board
- 08 Message from the Chairman of the Supervisory Board
- 10 2011 performance
- 12 Stock market performance and shareholders
- 14 EPRA performances measures
- 16 Corporate governance and risk management

Profile

Unibail-Rodamco is Europe's leading listed commercial property company with a portfolio valued at €25.9 billion on December 31, 2011.

PORTFOLIO BY ACTIVITY*



■ Shopping centres **76%**
■ Offices **15%**
■ Convention & Exhibition **9%**

PORTFOLIO BY REGION*



■ France Retail **41%**
■ France Offices **13%**
■ France Convention & Exhibition **9%**
■ Spain **9%**
■ Nordic Countries **8%**
■ Central Europe **7%**
■ Austria **7%**
■ Netherlands **6%**

**As of December 31, 2011, in value including transfer taxes and transaction costs.*

A clear strategy

Unibail-Rodamco is present in three segments of the commercial real estate industry: shopping centres, office buildings, and convention and exhibition venues. The Group focuses on large, high-quality shopping centres in major European cities with high population density and wealthy catchment areas. It invests in assets with reversionary potential that can be captured through superior operational management and through development opportunities such as extensions and renovations. 51 of the Group's 74 shopping centres receive more than 6 million visits per annum.

A commitment to value creation

1,500 employees create value for shareholders through an integrated approach combining property and asset management, investment and development.

The Group constantly reinforces the tenant mix and customer experience in its retail assets to make them more attractive and increase footfall. Present in 12 European countries, Unibail-Rodamco is a natural partner for retailers seeking to enter or expand in these markets.

In the office segment, Unibail-Rodamco focuses on modern and efficient buildings of more than 10,000 m², primarily in Paris, where there is strong demand due to a lack of new construction and the obsolescence of the existing offer. Investments are driven by development and renovation opportunities.

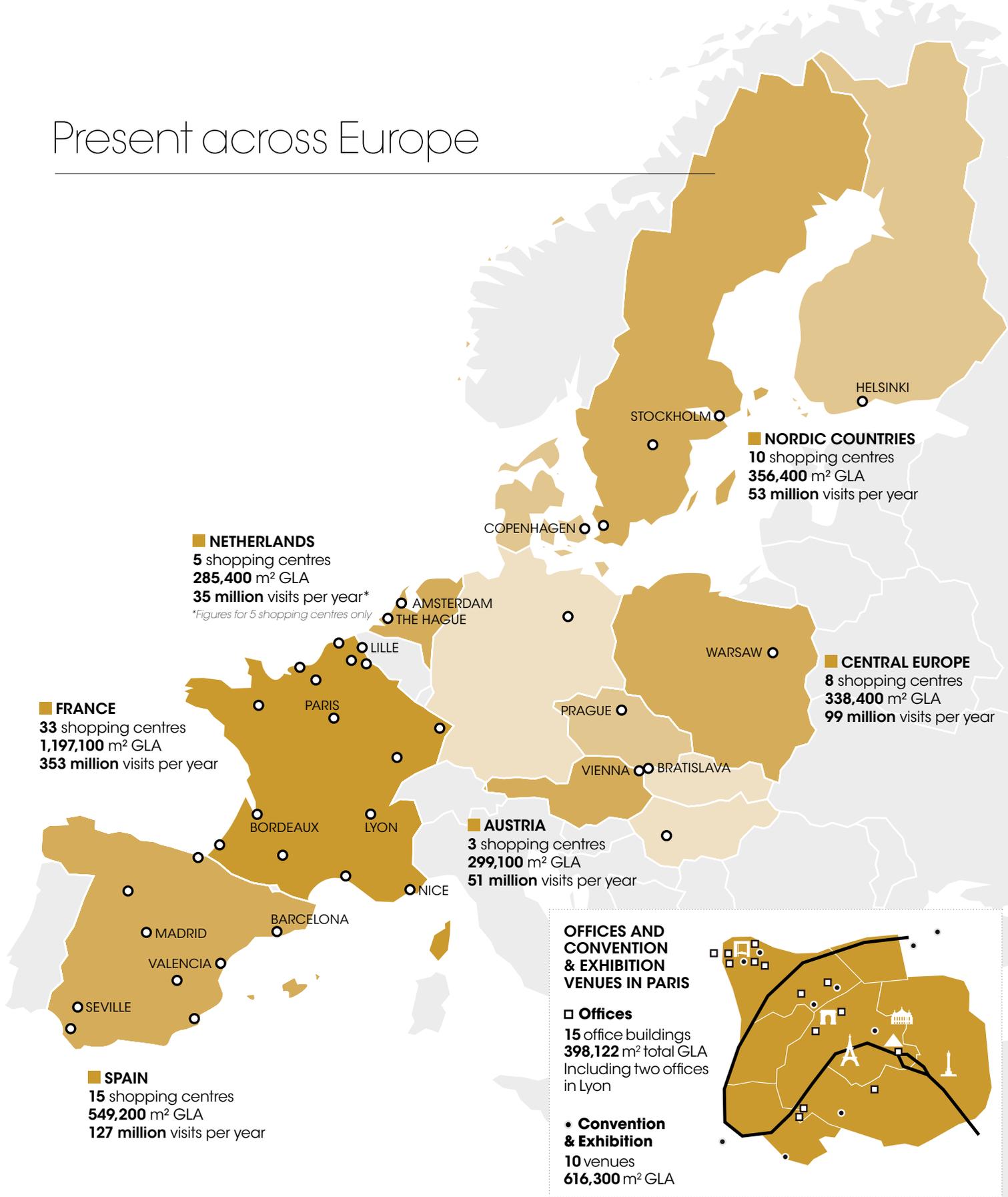
The Group also owns and operates the major convention and exhibition centres of the Paris region in joint venture with the Paris Chamber of Commerce and Industry. With 10 venues in Paris, VIPARIS is a formidable competitor in this increasingly international activity.

The development pipeline, which mainly consists of offices in Paris and shopping centres across Europe, creates further value. At end 2011, the pipeline covered 1.4 million m² and had an estimated total investment cost of €6.9 billion.

Financial strength and stability

Unibail-Rodamco is listed on Euronext. It is a member of the CAC 40, AEX and Dow Jones EURO STOXX 50 indices. 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 indices. The Group benefits from a strong balance sheet with a conservative LTV of 37%. With an 'A' rating from Standard & Poor's and Fitch, it has the strongest rating in the industry.

Present across Europe



06

UNIBAIL-RODAMCO
2011 ANNUAL AND SUSTAINABLE DEVELOPMENT REPORT
CORPORATE



Message from the CEO & Chairman of the Management Board

Guillaume Poitral

Unibail-Rodamco's consistent strategy to focus on large, high footfall shopping centres in the best locations in European capital cities is proving its value in the current tough, unpredictable and volatile retail environment. The Group's 2011 results, which exceed expectations, demonstrate that it is possible to beat negative macro trends, by offering customers and retailers unique shopping and leisure experiences; with a combination of the latest trends in retail as well as modern, safe and pleasant environments. In 2011 there was an increase in shop openings of various distinct premium retailers such as Apple, Hollister, Aldo and Forever 21, in many of the Group's malls for the first time. The outperformance of footfall and tenant sales versus national indices speaks for itself.

In 2011, Unibail-Rodamco made significant progress in streamlining its asset base. The non-core asset disposal programme which, since it began in 2007, has generated some €5.6 billion in disposal proceeds, is now close to finalisation. Investments in existing assets, and the acquisition of new core assets further improved the overall quality of the portfolio, leaving the Group with some 74 shopping centres, of which 51 well located high footfall malls that represent 88% of the Group's investment in retail. However, size and location are not enough to make the difference for an increasingly critical consumer public and the increasing influence of on-line retail sales.

That is why the Group's operational focus on re-designing (improving the mall's attraction for retailers and consumers), re-tenanting (introducing retailers that will attract more people) and re-marketing (actively promoting the centre in its catchment area) is relentlessly pursued. Attention to every detail is critical and is demanded from the Group's committed professional teams across the portfolio.

In 2011, the Group made further inroads in various development projects in both the retail and office divisions. This year several high profile projects moved into the construction phase, such as the Forum des Halles' renovation/extension works, the Aeroville project, the Cerný Most extension and the Majunga office tower.

The Group reached final agreements on the construction of the Mall of Scandinavia, due to start in 2012. Several projects are expected for delivery in 2012 such as Lyon Confluence, El Faro, SO Ouest retail and offices.

The Group is very pleased to have been recognised on several occasions in the year for its substantial contributions to sustainable development.

The size of the development pipeline grew to €6.9 billion, with the inclusion of projects like Bubny in Prague and extensions of Chodov and La Maquinista.

Access to the financial debt markets remains critical to the Group's success. The Group's excellent A credit rating has been instrumental in successfully issuing several public bonds at very attractive rates, as well as in renewing existing, and in signing new lines of credit with various banks. In total, the Group obtained more than €3 billion in new debt in 2011 at attractive pricing conditions.

Looking forward to 2012, it is prudent to remain cautious. The challenges in the economy are complex and unprecedented without a clear roadmap to recovery. However, even in this environment the Group is well positioned to outperform and to show continued growth in recurring income, based on its unique asset portfolio, asset management style, development pipeline, governance and its highly committed team of professionals.

Finally, I would like to thank Robert van Oordt, who will resign following the next AGM on 26 April 2012 in accordance with the statutory age considerations, for his exceptional and long-standing contribution to the Group. Robert was Rodamco Europe's interim CEO (from 2000-2001), its Supervisory Board Chairman (from 2001-2007) and became Unibail-Rodamco's first Supervisory Board Chairman in 2007. In this regard, I take this opportunity to highlight, in particular, Robert's dedication to the success of the merger between Rodamco Europe and Unibail. Under the new Chairmanship of Robert ter Haar, an experienced and longstanding Rodamco Europe and Unibail-Rodamco Supervisory Board member, the Management and Supervisory Board's continued commitment to excellence in governance is assured.

Message from the Chairman of the Supervisory Board

Robert F. W. van Oordt

This is my last message to the shareholders of Unibail-Rodamco S.E.. At the next AGM on 26 April 2012, I will retire as Chairman of the Supervisory Board in accordance with the age limit considerations laid down in the Company's Articles of Association. I am delighted that the Supervisory Board, during its meeting of 5 March 2012, unanimously agreed to appoint Rob ter Haar, a Unibail-Rodamco SB member since 2007, as my successor.

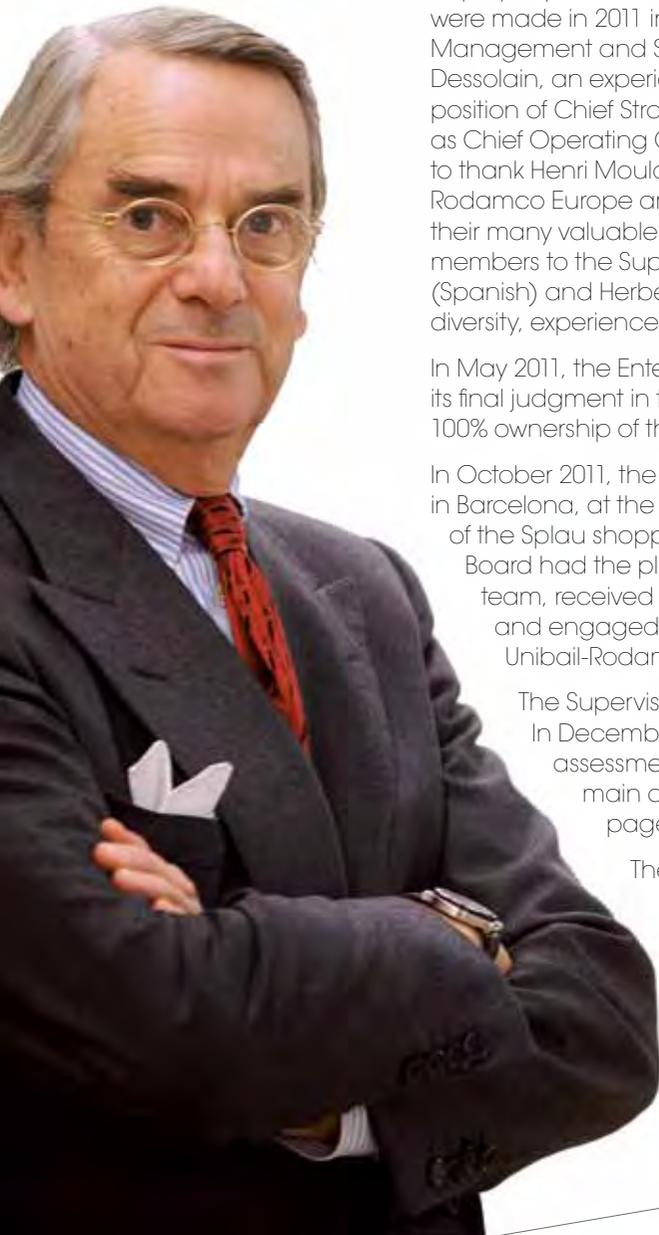
To properly condition the Group to meet its future challenges, important changes were made in 2011 in the structure and composition of Unibail-Rodamco's Management and Supervisory Boards. On the Management Board, Michel Dessolain, an experienced and long standing member, was appointed to the new position of Chief Strategy Officer while Christophe Cuvillier joined Unibail-Rodamco as Chief Operating Officer. For the Supervisory Board, I'd like to take the opportunity to thank Henri Moulard and Bart Okkens, two long standing members of the Unibail, Rodamco Europe and Unibail-Rodamco Boards, who retired at the 2011 AGM, for their many valuable contributions. I further highlight the arrival of three new members to the Supervisory Board in 2011: Marella Moretti (Italian), José Luis Duran (Spanish) and Herbert Schimetschek (Austrian); further enhancing the Board's diversity, experience and skill set.

In May 2011, the Enterprise Chamber of the Amsterdam Court of Appeal rendered its final judgment in the buy-out procedure which formalised Unibail-Rodamco's 100% ownership of the shares in Rodamco Europe.

In October 2011, the Supervisory Board held its annual strategic retreat in Barcelona, at the time the Group announced its successful acquisition of the Splau shopping centre in the south of this large metropolis. The Supervisory Board had the pleasure of meeting the members of the Spanish management team, received a comprehensive briefing on the Group's activities in the region and engaged in discussions with the Management Board regarding the Unibail-Rodamco's overall performance, future strategy and objectives.

The Supervisory Board met 7 times in 2011 with 95% overall attendance. In December 2011, the Supervisory Board performed its annual self-assessment. A summary of the 2011 Supervisory Board activities and the main conclusions of the 2011 self-assessment are summarised on page 256 of the Chairman's Report in this annual report.

The years to come will, most likely, be equally challenging as those experienced since the merger in 2007. In that context, I strongly believe that the successfully accomplished restructuring of the Group's portfolio focusing on its very best assets with maximum growth potential and the continued dedication, skill and efficiency of its management and employees will continue to deliver outstanding results.





MEMBERS OF THE UNIBAIL-RODAMCO SUPERVISORY BOARD, FROM LEFT TO RIGHT: JEAN-LOUIS LAURENS; MARY HARRIS; FRANS J.G. M. CREMERS; ALEC PELMORE; FRANÇOIS JACLOT (VICE CHAIRMAN); ROBERT F.W. VAN OORDT (CHAIRMAN); MARELLA MORETTI; HERBERT SCHIMETSCHKE; ROB TER HAAR; YVES LYON-CAEN; JOSÉ LUIS DURAN.

2011 performance

Increasing rental income and outperforming tenants' sales led to **solid results in 2011**. The acceleration of the introduction of **international premium retailers** as well as **active tenant rotation** led to significant rental uplifts in the Group's shopping malls. Recent extension/renovation completions in the portfolio proved highly successful in 2011, confirming the Group's strategy to constantly upgrade its portfolio of large shopping centres. Three quarters of the Group's large assets portfolio will have undergone a complete refurbishment by 2014. The Group divested €1,084 Mn of non-core retail and €242 Mn of office assets in 2011, at an average 7.8% premium over latest externally appraised values. This brings the total value of **divestments since mid-2007 to €5.6 Bn**. In the office sector, the Group is preparing for the future in an environment of low supply of prime assets and limited vacancy.

The Group's **EPRA triple net asset value per share** rose to €130.70 at year-end 2011, increasing by 4.9% year on year. The **Going Concern NAV per share**, which includes transfer taxes and excludes deferred capital gains taxes, stands at €143.10/share. The **Gross Market Value of the portfolio** now stands at €25.9 billion, with **average yields** standing at 5.5% for shopping centres and 6.6% for the occupied office portfolio.

The **2011 recurring earnings per share (REPS)** of **€9.03** represent a -2.6% decline against 2010. This outperforms the minus 3% to minus 5% outlook announced early 2011. Corrected for the -6.5% REPS impact of the €20/share (€1.8 Bn) exceptional distribution in October 2010, the 2011 REPS shows good underlying growth. The results reflect good like-for-like performance in all business lines, low cost of debt, and decreasing overhead costs.

Based on the Group's REPS of €9.03, the Group will propose to the Annual General Meeting to declare a **dividend of €8.00 per share in cash**. This represents a **pay-out ratio of 89%**, within the Group's dividend pay-out ratio policy of 85-95%.

NET RENTAL INCOME (NRI) (in million €)

2010	1,257
2011	1,262

RECURRING EARNINGS PER SHARE (REPS) (in €)

2010	9.27
2011	9.03

DISTRIBUTION PER SHARE (in €)

2010	8.00
2010	Exceptional Distribution 20.00
2011	8.00 *

*Subject to approval from the Annual General Meeting of Shareholders



MEMBERS OF THE MANAGEMENT BOARD, FROM LEFT TO RIGHT: GUILLAUME POITRINAL
CHIEF EXECUTIVE OFFICER AND CHAIRMAN OF THE MANAGEMENT BOARD; PETER VAN
ROSSUM CHIEF FINANCIAL OFFICER; CATHERINE POURRE CHIEF RESOURCES OFFICER;
CHRISTOPHE CUVILLIER CHIEF OPERATING OFFICER; MICHEL DESSOLAIN
CHIEF STRATEGY OFFICER; JAAP TONCKENS CHIEF INVESTMENT OFFICER.

NET RENTAL INCOME

(in million €)		2011	2010	Growth %	Growth % like-for-like
Shopping Centres	France	499	481	3.9%	4.9%
	Netherlands	75	105	-28.4%	1.2%
	Nordic Countries	90	95	-5.0%	7.0%
	Spain	129	123	4.5%	2.0%
	Central Europe	101	79	27.5%	4.9%
	Austria	90	78	14.5%	8.0%
	Net Rental Income	984	961	2.4%	4.6%
Offices	France	155	174	-10.6%	3.5%
	Other	29	33	-9.9%	8.7%
	Net Rental Income	185	206	-10.5%	4.2%
Convention & Exhibition	Net Rental Income	93	90	3.5%	3.5%
Total	Net Rental Income	1,262	1,257	0.4%	4.4%

KEY CONSOLIDATED INDICATORS

(in million €)	2011	2010	Growth %	Growth % like-for-like
Net Rental Income	1,262	1,257	0.4%	4.4%
Valuation movements and gain on disposals ¹	904	1,806		
Net profit, Group share	1,328	2,188		
of which net recurring profit, Group share	830	848	-2.2%	
Recurring earnings per share	€9.03	€9.27	-2.6%	
Regular distribution per share²	€8.00	€8.00		
Exceptional distribution per share		€20.00		

NET ASSET VALUE (NAV)

(€/share)	Dec 31, 2011	Dec 31, 2010
Going-Concern Net Asset Value per share	143.10	136.50
Fully diluted liquidation Net Asset Value per share	130.70	124.60

1. Excluding fair value adjustment of financial instruments.

2. Subject to approval from the Annual General Meeting of Shareholders.

Stock market performance and shareholders

Shareholding structure

Unibail-Rodamco has been listed on the Paris Stock Exchange since 1972 and included in the CAC 40 index since June 18, 2007. On December 31, 2011, the Group had a market capitalisation of €12.8 billion¹. As a result of the merger with Rodamco, the Group has also been included in the Dutch AEX Index since June 22, 2007. On February 8, 2010, Unibail-Rodamco entered the Dow Jones Euro Stoxx 50 Index.

Unibail-Rodamco has a large and diverse international shareholding base, which is mainly composed of institutional investors based in the United States, the Netherlands, the United Kingdom and France. On January 1, 2012, none of Unibail-Rodamco's shareholders had declared holdings of more than 10% of the issued share capital. The principal known investors, with holdings of between 5% and 10%², include APG and Amundi.

Stock market performance

Stock market value creation is measured by Total Shareholder Return (TSR). TSR indicates the total return obtained through ownership of a share over a given period of time. It includes dividends (or any other distribution) paid and any change in the company's share price. Annualised TSR for Unibail-Rodamco shares with dividends (or any other distribution) reinvested amounted to:

- 17.9% per annum over a 10-year period between December 31, 2001, and December 31, 2011, compared with -0.6% for the CAC 40 index and 8.3% for the EPRA³ property investment companies' performance index (Euro zone).

- 12.9% per annum over the period between April 28, 2005⁴, and December 31, 2011, compared with 0.5% for the CAC 40 index and 1.4% for the EPRA property investment companies' performance index (Euro zone).
- -1.1% per annum over the full year 2011, compared with -13.4% for the CAC 40 index and -14.3% for the EPRA property investment companies' performance index (Euro zone).

Traded volumes

In 2011, the number of shares traded slightly decreased to an average daily volume of ca. 404,000 shares compared to 443,000 shares in 2010. In parallel, the average daily traded capitalisation increased to €65.5 million in 2011, compared to €64.3 million in 2010.

2012 distribution schedule

Unibail-Rodamco's current distribution policy is to pay out between 85% and 95% of the financial year's net recurring earnings per share. At the General Meeting to be held on April 26, 2012, the Board will propose a distribution of €8.00⁵ per share for the 2011 financial year. Subject to approval of the General Meeting, the distribution will be paid in one payment of €8.00 per share in May 2012.

1 - Including 8,173 ORAs outstanding at December 31, 2011.

2 - Based on latest ownership threshold disclosures received.

3 - European Public Real Estate Association (www.epra.com). TSR for EPRA Euro Zone index is calculated with gross dividend reinvested.

4 - Date of the appointment of Mr Guillaume Poitral as CEO of the Company.

5 - Subject to approval of the Annual General Meeting of shareholders.

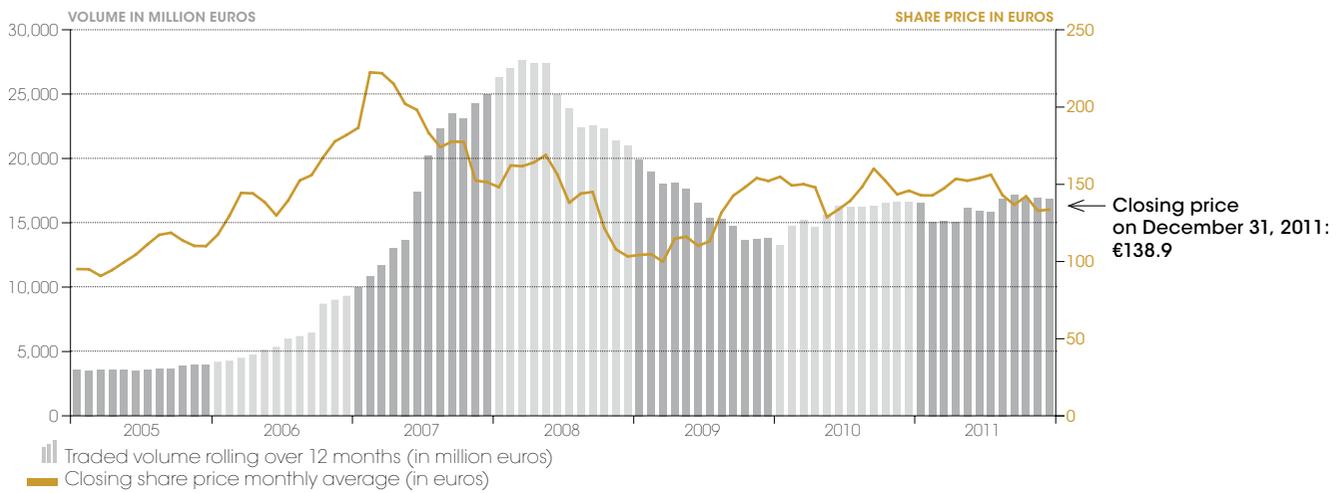
Investor and shareholder relations contacts

Website: www.unibail-rodamco.com
Investor relations: Tel.: +33 (0)1 53 43 72 01
investors@unibail-rodamco.com

Financial services for shares and dividends

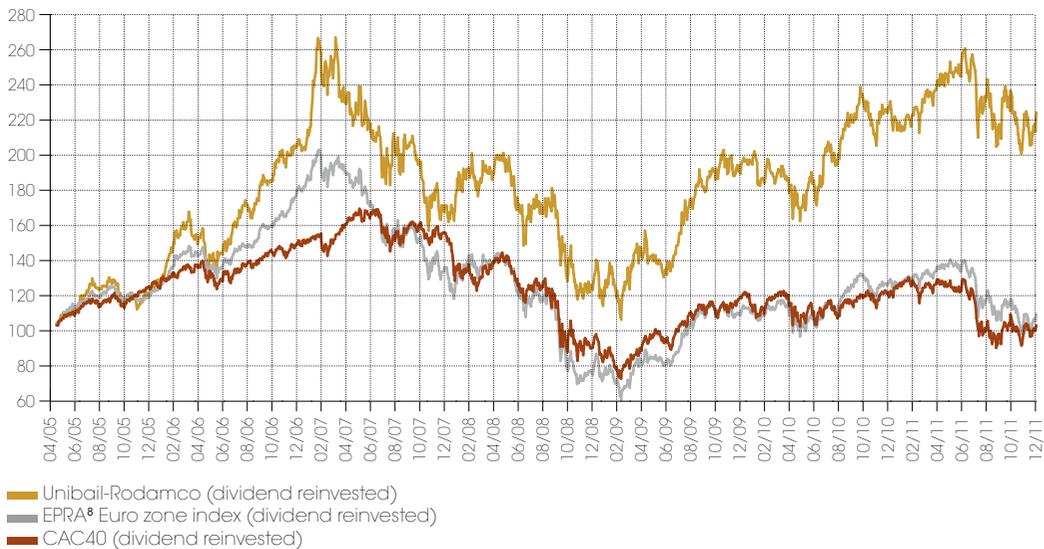
Crédit Agricole – Caisse d'Épargne Investor Services (CACEIS)
Service Emetteurs-Assemblées
14, rue Rouget de Lisle – 92862 Issy-les-Moulineaux Cedex 9 – France
Tel.: +33 (0)1 57 78 32 32 Fax: +33 (0)1 49 08 05 82

CHANGE IN SHARE PRICE AND TRADED VOLUMES SINCE 2005



RELATIVE PERFORMANCE OF UNIBAIL-RODAMCO'S SHARE⁶

(rebased to 100 as at April 28, 2005⁷)



6 - As at December 31, 2011.

7 - Date of the appointment of Mr. Guillaume Poitrial as CEO of the Company.

8 - European Public Real Estate Association (www.epra.com).

EPRA performance measures

Unibail-Rodamco complies with the Best Practices Recommendations (BPR) established by EPRA¹, the representative body of the real estate industry in Europe. These recommendations, which focus on the key measures that are seen to be of most relevance to investors, are intended to make the financial statements of public real estate companies clearer, more transparent and comparable across Europe.

1. EPRA Earnings (in €/share)

2009	9.19
2010	9.27
2011	9.03

2. EPRA NET ASSET VALUE (NAV) (in €/share)

2009	133.30
2010	129.20
2011	137.50

3. EPRA TRIPLE NET ASSET VALUE (NNNAV) (in €/share)

2009	128.20
2010	124.60
2011	130.70

4.i. EPRA Net Initial Yield (NIY) shopping centres

2009	
2010	5.4%
2011	5.2%

4.i. EPRA Net Initial Yield (NIY) offices

2009	
2010	5.6%
2011	5.5%

¹ - European Public Real Estate Association (www.epra.com)

4.ii. EPRA 'topped-up' NIY shopping centres**4.ii. EPRA 'topped-up' NIY offices****5. EPRA Vacancy Rate shopping centres****5. EPRA Vacancy Rate offices**

	Definition	Reference
1. EPRA Earnings	Recurring earnings from core operational activities	Page 118
2. EPRA NAV	Net Asset Value adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model	Page 118
3. EPRA NNNNAV	EPRA NAV adjusted to include the fair values of (i) financial instruments, (ii) debt and (iii) deferred taxes	Page 118
4.i. EPRA Net Initial Yield (NIY)	Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs	Page 118
4.ii. EPRA 'topped-up' NIY	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents)	Page 118
5. EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio	Page 118

Corporate governance and risk management

Unibail-Rodamco has a two-tier governance structure designed to ensure balanced, responsible decision-making and sustainable economic growth.

The Supervisory Board

The Supervisory Board, chaired by Mr. Robert van Oordt, exerts oversight and control over the Management Board and the general affairs of the Group. Supervisory Board members participate in regular review sessions on subjects including market and industry developments, financial and legal matters, sustainable development, risk management, and governance¹. The Board is assisted by two committees which focus on specific aspects of its supervisory responsibilities: the Audit Committee, and the Governance, Nomination and Remuneration Committee.

The Supervisory Board is committed to diversity in its membership in expertise, age, gender and nationality. On 31 December 2011, all members qualify as independent according to the criteria defined in the Supervisory Board Charter, based on the AFEP-MEDEF French Corporate Governance Code criteria. The Supervisory Board reviews the independence of its members and its functioning annually in accordance with AFEP-MEDEF best practice.

The Management Board

The Management Board is comprised of 6 members, chaired by Mr. Guillaume Poitrial. The Management Board's duties include developing and carrying out the Group's strategy within the approved risk profile, effectively structuring and staffing the organisation, applying consistently the principles of sustainability to

operations and developments, and achieving and properly reporting on financial targets and results. The Board operates under its own Charter and is overseen by the Supervisory Board.

The Code Of Ethics

The fundamental principles, values and standards that govern the Group are described in Unibail-Rodamco's Code of Ethics. It sets out the Group's policy on respect for human dignity, respect for employees' work and non-discrimination, on loyalty, integrity and conflicts of interest, on ethical ways of doing business, and on the treatment of confidential information. In particular, it prohibits the giving and/or receiving of bribes or other unlawful payments, promotes respect for all applicable laws, and places clear restrictions on the giving and/or receiving of gifts. Violation of the Code may lead to disciplinary and legal action.

In addition to legal regulations, employees are required to respect internal procedures in stock-market transactions when they relate to shares or related financial instruments in the Group or its listed subsidiaries and closed periods prior to the publication of the half-year and annual accounts. All employees are required to disclose any contractual relationship, any delegation of powers or interest in any competitor, supplier or customer of the Group. They must alert the Group to real or potential conflicts of interest arising from direct or indirect personal interests.

As a signatory of the UN Global Compact, Unibail-Rodamco has undertaken to promote the application of fundamental values with respect to human rights, labour, the environment and corruption.

Risk management

The overall risk philosophy of the Group can be described as conservative, with an emphasis on accepting the risks that determine the nature of the business, such as fluctuations in the value of assets, vacancies, volatility in market rents, or risks associated with development activities. Key risks are assessed using a standard, Group-wide risk analysis framework and risk maps are used to rank exposure on the basis of probability and magnitude. Sensitivity analysis is also conducted at Group level. Other risks, notably interest rate and exchange rate risks, are closely managed and actively hedged. Financing risks related to potential breaches of loan covenants are minimised through a conservative financing policy, which has served the Group very well during recent years. The table below shows the potential impact of three types of risk on recurring result and equity.

Type of risk	Impact on recurring result	Impact on equity
Interest rate +50 bps	-€1.8 million	-
Swedish Krona/ Euro -10%	-€1 million	-€94 million
Asset yields ² +25 bps	-	-€954 million

The Group's internal audit department carries out regular, risk-oriented audits of operational and functional activities according to an annual audit plan. The final audit reports are addressed to the departments concerned and the Management Board. An action plan is subsequently drawn up, implemented and followed up. The Internal Audit Department reports directly to the Chief Executive Officer and to the Chairman of the Audit Committee.

The Articles of Association, the Code of Ethics and the Management and Supervisory Board charters are available on the Group website: www.unibail-rodamco.com.

1 - Full details of the Group's corporate governance structure and risk management approach are provided in the Report of the Chairman of the Supervisory Board and the Legal Information chapter.

2 - On shopping centres and offices (including transfer taxes and disposal costs).



Parking P
Taxi
Porte n°3
Porte n°5

Parking P
Taxi
Porte n°3
Porte n°5

Places

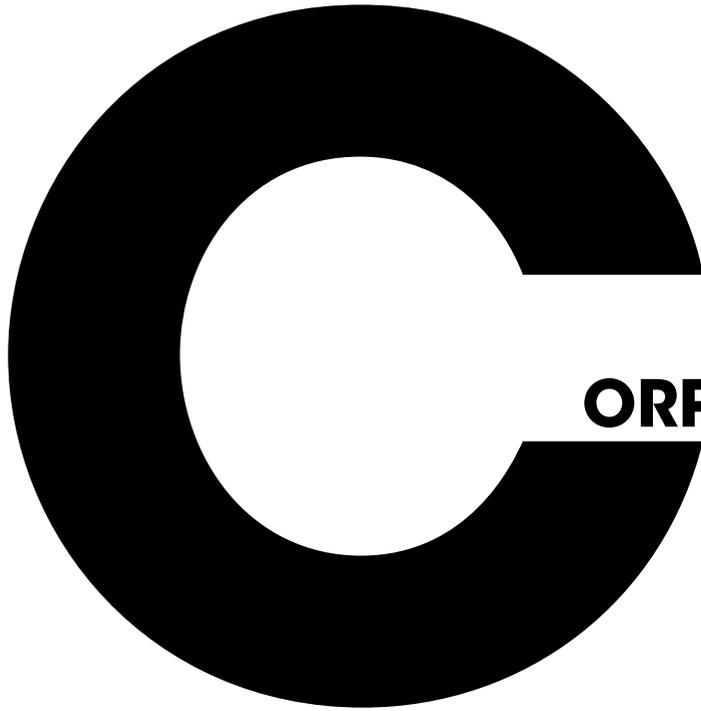
Aspiring the iconic, but always exceptional

Strategy

- 20 Operations
- 24 Investment & divestment
- 26 Development
- 28 Financial resources
- 30 Human resources



THE THIRD MOST VISITED SHOPPING CENTRE IN THE GROUP'S FRENCH PORTFOLIO, **LA PART-DIEU**, USES COLOURS AND SHAPES TO OFFER SHOPPERS A UNIQUE, CREATIVE AND MODERN ENVIRONMENT.



CORPORATE STRATEGY & BUSINESS OVERVIEW

The quality of the Group's asset portfolio and integrated operational strategy again proved its worth in 2011. Unibail-Rodamco is unrelenting in its mission to continuously improve the attractiveness of its shopping centres for visitors and tenants, ensure profitable growth and continue its superior track record of creating shareholder value.

Unibail-Rodamco focuses on large, high-quality shopping centres in major European capital cities. The scale of the Group's European portfolio, coupled with important renovation, extension and repositioning projects undertaken in recent years, makes Unibail-Rodamco the preferred partner for international premium retailers.

Prime retailers are increasingly focusing their attention towards the creation of 'flagship stores', where they can create a dialogue with customers, showcase products, and support their brand identity. While online sales channels offer convenience and value, the potential for flagship shopping centres and flagship stores to offer a memorable, sensational shopping experience is consolidating their central position in the retail landscape. Unibail-Rodamco's prestigious assets offer these retailers direct access

to new markets and large numbers of potential customers, in exciting shopping environments that are well aligned with their positioning and image.

Cutting-edge retailers

This is borne out by the sharp increase in the number of new leases signed with premium international retailers in 2011: 104 new leases, were signed compared to 48 in 2010. Having introduced Hollister (Abercrombie & Fitch Group) to Spain in 2010, Unibail-Rodamco welcomed their first four stores in France, as well as their first stores in Sweden and Vienna. 7 Apple Stores are now open in Unibail-Rodamco assets while the first Forever 21 store in Spain was launched in La Maquinista in May 2011.

These exciting additions to the retail offering fuel customer preference for the Group's shopping centres and reinforce a virtuous circle whereby higher sales attract other high quality retailers and drive higher rents. Carré Sénart, for example, saw sharp growth in footfall thanks to the arrival of premium brands such as Apple, Hollister, Kiko and Jack&Jones.

Strategy

>>> Unique places to shop

The Group optimises the inherent qualities of its assets to create an outstanding shopping experience for visitors. La Part-Dieu and Parly 2 were fully renovated, and the first phases in major expansion and renovation programmes were delivered at Täby Centrum and Fisketorvet respectively. The levels of design, service and comfort offered by these re-designed assets places them in a different category from traditional malls. Genuine copper leaf was used to bring new life to the 'sixties chic' ceiling of Parly 2, for example, while artist Nina Saunders has combined musical pleasure and visual drama at Fisketorvet with her massive sculptural installation, the 'Liquid Piano'.

Shopping and sensations

Particular attention is paid to visitor attraction and retention. In 2011, the Group raised the standard for spectacular events when it welcomed the Cirque du Soleil to its six key Parisian assets in the run-up to Christmas. The Elite Model Look tour took place in 31 shopping centres across Europe. New digital tools such as iPhone and Android applications as well as Facebook fan pages enabled Unibail-Rodamco to build direct relationships with its customers while a new consumer WebMagazine, shoppinggetsensations.com, uses an inviting format to give shopping hints and insiders.

Despite the challenging business conditions of 2011, the Group's unique value proposition enabled it to outperform national indices and deliver sales growth of +2.7%, maintain stable footfall, and obtain an MGR uplift of 19.4% on renewals and re-lettings.





NAMED THE CENTRAL PARK OF MADRID, **PARQUESUR**, WITH A LAKE AT THE HEART OF THE CENTRE AND ITS BEAUTIFUL LANDSCAPED GARDENS COMBINES AN IDEAL MIX OF NATURE AND LEISURE.



EXCEPTIONALLY WELL LOCATED IN LYON AND DESIGNED BY RENOWNED ARCHITECT JEAN-PAUL VIGUIER, **CONFLUENCE** WILL OFFER 500,000 POTENTIAL CUSTOMERS IN A 10 MINUTE CATCHMENT AREA A UNIQUE SHOPPING EXPERIENCE.

INVESTMENT & DIVESTMENT

Retail rationalisation programme coming to an end

In accordance with its strategy of focusing on large, prime retail assets in central locations, Unibail-Rodamco has been consistently divesting non-core assets, mostly high street retail and smaller shopping centres, since the merger between Unibail and Rodamco in June 2007. Including the proceeds of divested offices, the total disposal proceeds since 2007 now stand at €5.6 billion. Out of this amount, €1.3 billion was achieved during 2011, with an average gain to latest appraisal value of 7.8%.

Unibail-Rodamco maintained its highly disciplined, opportunistic approach to investments and divestments despite the unstable macro-economic environment and was thus able to largely complete the current rationalisation programme before the markets effectively shut down in the last quarter. As a result of this carefully managed divestment programme, which is now as good as completed, the Group enters 2012 with a finely tuned portfolio of assets that is well aligned with its strategic objectives. The Group will continue to evaluate its portfolio with a view towards opportunistically monetising asset and deploying proceeds in higher return opportunities.

Recycling capital into high-potential assets

The composition of the asset portfolio is regularly reviewed and the Group continues to acquire large assets and development projects that meet its rigorous investment criteria. In 2011, it acquired

Splau, a modern 55,100 m² GLA shopping centre in Barcelona, for €189 million. While a number of other acquisition opportunities were reviewed in 2011, the scarcity of high quality assets offered for sale meant that auctions succeeded in generating offers at yields that exceeded the Group's internal economic hurdle rates. Consequently, the Group maintained its disciplined investment approach.

As well as recycling the capital released by the divestment programme into new assets with high growth potential, such as Splau, the Group continued to consolidate its position in existing assets. For example, Unibail-Rodamco acquired full ownership of Galeria Mokotów and Aupark by acquiring the stakes held by the original developers. This enabled the Group to redeploy capital at higher yields than the average yields of divested assets in assets that the Group knows intimately and which reduces risk while accelerating improvement programmes. In addition, the Group signed €1 billion of new contracts to acquire control over new development opportunities throughout countries in which it operates.

Opportunities for growth

With a challenging macro-economic outlook, the Group intends to continue its approach of investment discipline and to use its deal sourcing capabilities, strong balance sheet and efficient operating model to take advantage of opportunities that may arise.

DEVELOPMENT

Making it happen

2011 was a pivotal year for the Group's development activity. A number of major, high-profile projects which have been in the pipeline for several years moved off the drawing board and into reality, such as the 83,900 m² GLA Aéroville shopping centre, which was fully redesigned and renegotiated during 2010 and launched in 2011, and the 101,300 m² GLA Mall of Scandinavia development project, which was finally launched at the end of 2011. Work on other large developments, such as the SO Ouest mixed retail-office project and the Lyon Confluence and Badajoz shopping centres, continued to advance. These assets will enter the operational portfolio in 2012.

Unibail-Rodamco's ability to conduct a counter-cyclical development strategy is founded on its strong balance sheet and financial stability. Investing in the development pipeline means the Group is able to deliver organic growth in challenging economic conditions and to secure construction projects at favourable rates. In 2011, for example, Unibail-Rodamco secured close to €1.0 billion of construction contracts at prices that reflect current market conditions and meet its stringent investment criteria.

On 31 December 2011, Unibail-Rodamco's consolidated development pipeline covered 1,410,532 m² and had a total investment cost of €6.9 billion. €1.5 billion of this sum has already been spent and a further €1.7 billion is under construction. Notable

additions to the pipeline included the Maquinista extension in Spain, the Chodov extension in the Czech Republic and also the Bubny retail project in the heart of Prague. Building permits were obtained for Courcellor 1 and the Mall of Scandinavia projects. Construction started for the Majunga tower at La Défense and is progressing well, with delivery expected at the beginning of 2014. Unibail-Rodamco continues to move forward with the Phare and Triangle office projects in Paris, both of which are in administrative authorisation phases.

Creating value for stakeholders

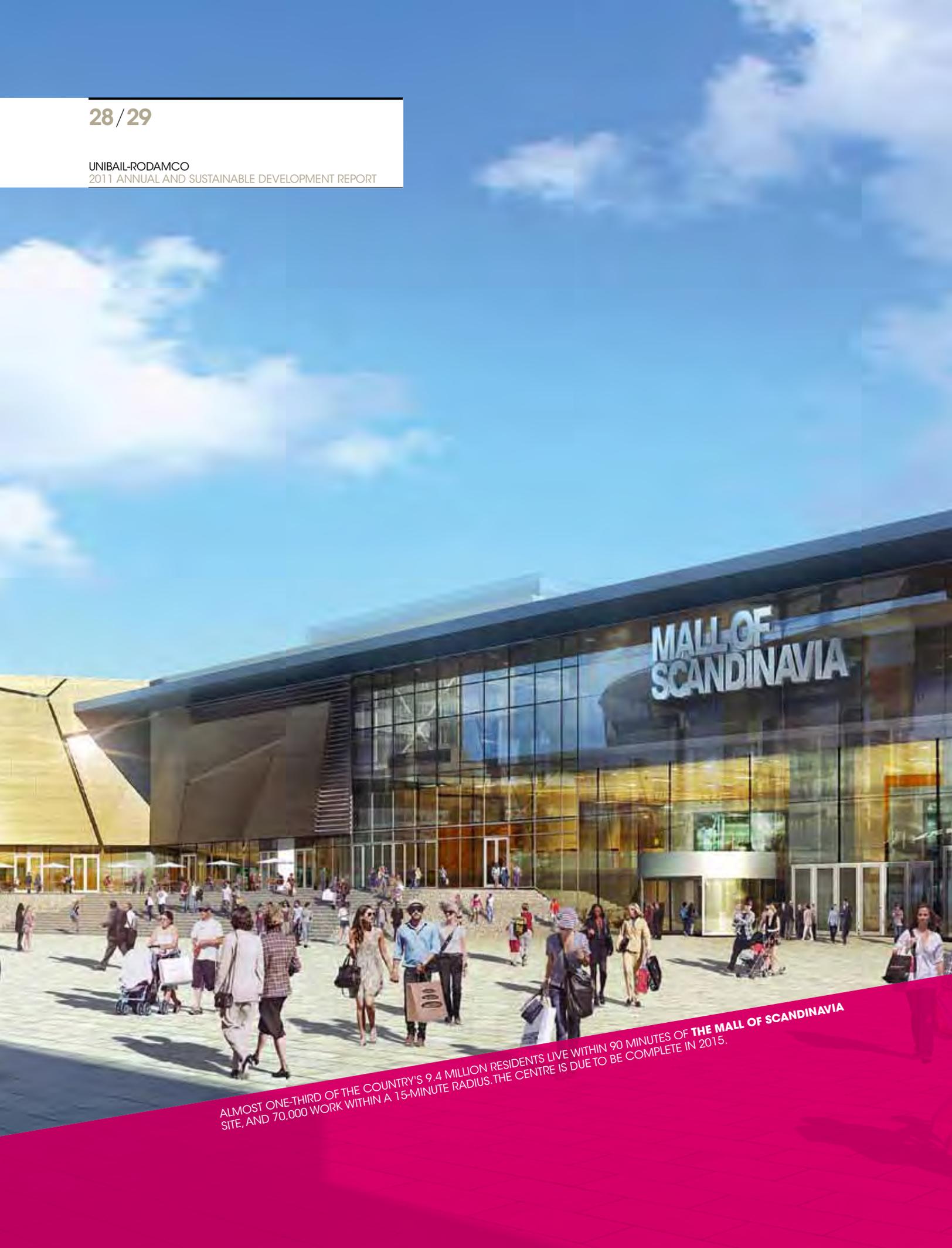
The Group's development strategy is strongly focused on value creation and environmental efficiency. As well as ensuring that each project provides the appropriate financial returns, Unibail-Rodamco works to deliver assets that are attractive, efficient and easy to access. With the rise of internet shopping and telecommuting, the comfort and design of shopping centres and offices is becoming increasingly important to tenants and end users. Premium retail and office tenants alike are seeking well-located 'flagship' assets that are attractive in their own right. Unibail-Rodamco is responding by developing a new generation of shopping centres and office buildings that offer spectacular architecture and interior design, a wide range of services and a welcoming, lively and pleasant environment.



Strategy



VOTED THE BEST SHOPPING CENTRE IN THE STOCKHOLM REGION SINCE 2003 IN AN ISI WISSING SURVEY. **TÄBY CENTRUM** ONLY PROMISES TO BECOME MORE POPULAR WITH A 28,000 M² EXTENSION DUE TO BE COMPLETED IN 2014.



ALMOST ONE-THIRD OF THE COUNTRY'S 9.4 MILLION RESIDENTS LIVE WITHIN 90 MINUTES OF THE MALL OF SCANDINAVIA SITE, AND 70,000 WORK WITHIN A 15-MINUTE RADIUS. THE CENTRE IS DUE TO BE COMPLETE IN 2015.

FINANCIAL RESOURCES

Proven access to funding

2011 saw a significant deterioration of the financial environment in Europe on the back of the sovereign debt crisis.

This crisis which was initially concentrated in Greece, Ireland and Portugal, has extended to almost all countries within the Euro zone. It impacted equity and credit markets, as well as banks, making access to liquidity and funding more and more challenging in 2011. Despite this demanding environment, Unibail-Rodamco has raised over €3 billion of medium to long term financing in 2011, including €1.7 billion on the bank market and €1.4 billion on the bond market. The amount raised in 2011 on the bank market includes the refinancing of a major €500 million syndicated loan due to mature in 2012, as well as a number of new bilateral lines signed with banks.

Particularly on the bond market, where the Group issued €1 billion of public bonds in the second half of 2011, demonstrated its ability to raise funds, using windows of opportunities, in more volatile markets. It also illustrated bond investors' confidence in Unibail-Rodamco's credit profile, which has remained strong in 2011 thanks to a very disciplined financial approach with an unchanged LTV of 37%

and a strong ICR of 3.6. In 2011, Standard & Poors' confirmed the Group's long term 'A' rating and revised its outlook from negative to stable, while Fitch confirmed the 'A' long term rating for the Group with a stable outlook.

The Group relies on a diversified source of debt which consisted of bonds for 48% of its total gross financial debt, bank debt for 38%, short term paper for 8% and convertible bonds for 6% at year-end 2011. It intends to further diversify its sources of funding in the future. The Group remains well prepared for the ongoing challenging environment with €3.2 billion of undrawn credit facilities at year-end 2011.

A low cost of debt

The cost of the Group's debt remained low in 2011, standing at 3.6% vs 3.9% in 2010. The Group used the low interest rate environment to reinforce its hedging programme with 2012, 2013 and 2014 being fully hedged against interest rate evolutions. This will improve the Group's visibility for the cost of its debt in the coming years. The low interest rate levels secured should also mitigate the increase in spread currently experienced in this crisis environment, and therefore ensure a controlled cost of debt for the future.



HUMAN RESOURCES

The confidence to lead

Unibail-Rodamco's human resources strategy is designed to provide all people, especially young graduates, with the skills and confidence they require to take objective, informed decisions in a wide variety of high-stakes situations.

Staff in core functions such as development, investments and operating management, acquire key skills and experience through a combination of on-the-job and academic training and internal and international mobility. A thorough grounding in these functions and in the different countries where the Group is active enables them to act

autonomously as they progress and take on leadership roles. Individual assets, for example, can have the operational complexity and turnover of a large company but are managed by relatively small teams who exercise significant financial and operational responsibilities.

Young, talented staff are entrusted with positions of responsibility from early in their careers. In a 2011 survey of almost 27,000 young graduates from France's leading business and engineering schools, Unibail-Rodamco was identified as the company which offers the most responsibility to recent recruits.

DESIGNED BY INTERNATIONALLY RENOWNED SPANISH ARCHITECT RICARDO BOFILL, **THE OCEANIC PROJECT**, DUE TO BE DELIVERED IN 2015, WILL OFFER OVER 200 NEW TOP RETAIL NAMES IN THE VIBRANT VALENCIA AREA.



A disciplined approach to skills and standards

The Unibail-Rodamco Academy ensures that core processes, such as investment decisions, business modelling and long-term planning, are carried out in a disciplined and standardised way in all regions. This ensures very high operational standards across the Group and facilitates mobility. In 2011, a new course in management skills and leadership training was deployed. It is designed to equip managers with the skills they require to create a results-driven but supportive work environment which promotes high standards and employee well-being.

Rewarding achievement

To ensure that the hard work and commitment of its teams is recognised in a fair and equitable manner, Unibail-Rodamco is progressively introducing a new approach to performance measurement in 2011. The results achieved by the Group's leasing managers were measured and rewarded on the basis of a series of objective, comparable criteria. By adjusting for differences that are due to external factors, such as a country's macro-economic situation, and emphasising the quality of the results obtained, this approach increases transparency and rewards performance equitably across regions and departments. This approach will be extended to other functions, notably shopping centre management, in 2012.





Experiences

The ideal blend of design and pleasure

Activities

- 34 France
- 36 The Netherlands
- 38 Nordic Countries
- 40 Central Europe
- 42 Austria
- 44 Spain
- 46 Men and Women of Unibai-Rodamco
- 48 Offices
- 50 Convention & Exhibition



OPENED IN 1969, **PARLY 2** WAS THE FIRST SHOPPING CENTRE TO OPEN IN EUROPE; THE RECENTLY RENOVATED CENTRE HAS NOT FORGOTTEN ITS HERITAGE, WITH AN ELEGANT MIX OF MODERN DESIGN AND 60'S FLAIR.

France

'2011 was marked by the arrival of a new wave of exceptional premium retail brands. The coherence between the Group's assets and premium brands in terms of service, quality and design is driving this trend, with a positive impact on sales and footfall.'

Jean-Marie Tritant, Managing Director, France



Enabling retail innovation is key to our success. Apple, Hollister, Uniqlo, Gant, Lacoste, Disney Store, Prêt à Manger: the list of differentiating premium brands that are choosing Unibail-Rodamco as their natural partner to enter or develop on the French market continues to lengthen.

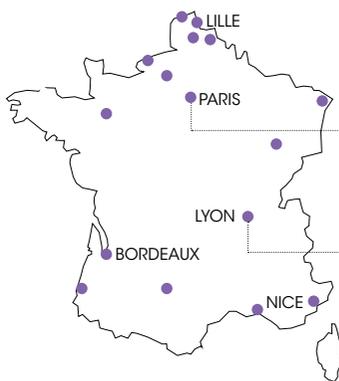
Amongst these brands, Hollister opened its first four stores in France in quick succession. Uniqlo chose to test the French market in 2007 with a store in Les Quatre Temps; in 2011, this initial pilot location was transformed into a 2,800 m² flagship. The 'new concept' Disney Store at La Part-Dieu is also proving very successful. Sales have exceeded expectations and the effect on footfall

has been strong: at Lyon Part-Dieu, for example, visitor numbers rose by 7.3% in the two months following the inauguration of the renovation, at the end of October 2011.

Customer-focused digital services were extended and upgraded during 2011. The free smart-phone applications which have been developed for all major shopping centres are used by around 300,000 customers every month. Along with interactive shopping directories and digital advertising panels, these services open up new channels for the Group and its tenants to communicate directly with customers.

The combination of outstanding retailers, attractive events and customer-focused services enabled Unibail-Rodamco to achieve positive sales and footfall figures in its French shopping centres portfolio (+2.2% and 1.1% respectively).

The portfolio continues to expand and improve in quality. Major renovations of La Part-Dieu and Parly 2 were delivered and plans are well advanced for similar programmes at Rennes Alma and Toison d'Or. Lyon Confluence and SO Ouest will be delivered in 2012 with Aéroville and the reinvented Forum des Halles entering the portfolio up to 2014. These exceptional assets will add further capacity to the portfolio and create new opportunities for growth.



Major assets

- Les Quatre Temps-Cnit**, 61.7 million visits
- Parly 2**, 13.3 million visits
- Vélizy 2**, 15.4 million visits
- Carré Sénart**, 14.4 million visits
- Rosny 2**, 14.4 million visits
- Le Forum des Halles**, 40.1 million visits
- Lyon Part-Dieu**, 32.7 million visits

33 shopping centres
1,197,100 m² GLA
353 million visits per year



A unique partnership between Unibail-Rodamco and world renowned **Cirque du Soleil** transformed the Group's Parisian jumbos into a fairytale.

La Part-Dieu, the biggest shopping centre in a European capital city of its kind underwent important renovations and a 15,000 m² extension in 2010.



The Netherlands

'The asset rationalisation programme undertaken in recent years is bearing fruit: the Group's five core shopping centres appeal to premium retailers and customers alike, and form a solid platform for future development and income growth.'

John van Haaren, Managing Director, The Netherlands



Over the last four years, Unibail-Rodamco has streamlined its activities in the Netherlands and repositioned the portfolio in line with the Group's strategic objectives. In 2011, €246 million of smaller, non-core retail assets have been sold, at an average premium of 8.3% to their latest appraisal value.

The Group's operational activities in 2011 were focused on a lean, well-positioned portfolio of five large shopping centres in major urban centres. The size, location and quality of these assets enabled Unibail-Rodamco to attract premium international brands at a time when many retailers were adopting a cautious approach to expansion.

New arrivals included Rituals, G-Star, Footlocker, Adidas, Bose and Saint Tropez at Amstelveen; Sabon, Guess and Jack&Jones at Zoetermeer; Guess at Almere; Rituals and the new concept G-Star at Leidsenhage; and Mango at Hoofddorp, Vier Meren.

To build on the existing strengths of its core assets, the Group will be making sizable investments over the coming years in extension and renovation programmes. These projects will improve the customer experience by expanding retail capacity and increasing the range and quality of services on offer. At Almere, for example, the central square has been transformed into a

popular meeting place thanks to an improved design and an attractive mix of restaurants and beauty and fashion stores.

Events and marketing programmes continue to have a positive impact on the reputation and footfall of the Group's assets. For example, the CityBEACH event at Almere saw footfall rise by 16% during summer weekends; visitor numbers jumped by 35% on the day of the Amstelveen Midsummer event; and the Elite Model Search competition continued to generate positive footfall and press coverage.



Major assets

- Citymall Almere**, 10.0 million visits
- Stadshart Amstelveen**, 9.3 million visits
- Vier Meren**, 6.1 million visits
- Zoetermeer**, 9.1 million visits
- Leidsenhage**

5 shopping centres

285,400 m² GLA

35 million visits per year*

** Estimated figure at 31/12/2011*



The most prestigious international modelling competition 'The Elite Model Look' in Amstelveen.

This was an exclusive partnership with Unibail-Rodamco's centres.

A major redevelopment programme at **Leidsenhage**, situated close to The Hague, aspires to transform this asset into a major shopping destination for the surrounding region.





ASPIRING TO BE THE TRENDIEST CENTRE IN THE NETHERLANDS, **AMSTELVEEN** OFFERS A UNIQUE SHOPPING ENVIRONMENT FOR THE DEMANDING INTERNATIONAL RESIDENTS OF GREATER AMSTERDAM.



A CREATIVE TOUCH, WITH DANISH ARTIST NINA SAUNDERS' 7 METRES LIQUID PIANO AT **FISKETORVET**, WHICH WILL PROVIDE LIVE MUSIC DAILY.

Nordic Countries

'The Nordic portfolio was streamlined and upgraded in 2011, and now consists of ten well located high performance shopping centres. Moreover, an exciting development programme is underway, further boosting the position of the Nordics portfolio.'

Olivier Coutin, Managing Director, Nordic Countries



The programme to refine and refocus the Nordics portfolio was delivered successfully. The divestment of €424 million-worth of assets was achieved, while major renovation and extension projects created new capacity and elevated the quality of the customer experience.

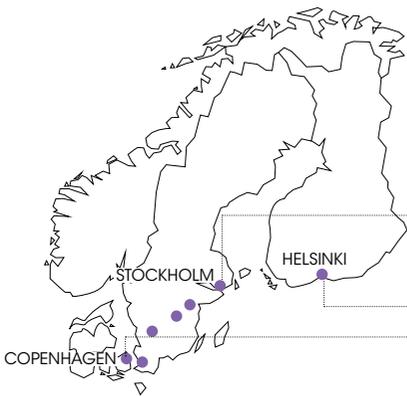
Fisketorvet, for example, has been completely redesigned and upgraded. The centre now benefits from a stronger retail offer which includes new international concepts such as G-STAR Raw, Joe & the Juice, Peak Performance, Face Stockholm and Pandora, as well as improved parking facilities and customer services. Solna Centrum and

Täby Centrum also delivered the first phases in major renovation projects which are due to be completed in 2012 and 2014 respectively.

Premium retailers continued to choose Unibail-Rodamco as their preferred partner on the Nordic market: Täby Centrum welcomed Hollister's first Swedish store, Rituals' first store in the Nordics, and Thomas Sabo and Swarovski's first stores in Swedish shopping centres; s.Olivier opened its first store in Finland at Jumbo; and Superdry opened its first store in a Unibail-Rodamco shopping centre at Fisketorvet. In all, 214 new leases and renewals were signed. The inherent qualities of

the Group's assets in terms of retail, leisure and services continue to underpin this vote of confidence. Additional appeal is provided through the organisation of one off events. For example, footfall at Nacka Forum rose by 23% on the day of the Elite model competition.

The quality of Unibail-Rodamco's management and operating personnel is also critical. The 2011 streamlining programme led, naturally, to significant adjustments, including a number of internal promotions. The combination of a motivated, highly-qualified team and a high-quality portfolio should continue to deliver solid results in 2012.



Major assets

- Täby Centrum**, 10.0 million visits
- Solna Centrum**, 6.4 million visits
- Nacka Forum**, 5.8 million visits
- Jumbo**, 9.4 million visits
- Fisketorvet**, 6.4 million visits

10 shopping centres
356,400 m² GLA
53 million visits per year



An Important renovation and extension project is underway at **Solna Centrum**, with the first phase inaugurated in October 2011 and the complete project to be delivered in 2012.

Light and space are very important, as seen represented by the ceiling at **Täby Centrum**. The centre, which is one of the largest in Sweden, is undergoing a complete refurbishment and two major extensions, which will increase the centre's GLA by 28,000 m² by 2014.



Central Europe

'Unibail-Rodamco's assets in Poland and the Czech Republic strongly performed in 2011 thanks to their location, quality and a pro-active management style. Arkadia and Wilenska have been fully integrated into the portfolio with very positive results.'

Arnaud Burlin, Managing Director, Central Europe



Unibail-Rodamco continues to invest in its exceptional Central European portfolio. Having acquired the Arkadia and Wilenska shopping centres from Simon Ivanhoe in 2010, the Group further consolidated its position in Warsaw in 2011 by acquiring the 50% stake held by the joint venture partner of Galeria Mokotów.

In Prague, work on the extension and renovation of Centrum Cerný Most started in September. The project, which is due to be delivered in 2013, will add 44,000 m² GLA of new retail capacity and transform this asset into an outstanding, supra-regional shopping centre of more than 96,000 m² GLA. Retailers are showing strong interest in

Centrum Cerný Most's extension, already 77% pre-let. Again in Prague, the Group acquired the rights to develop land for a large shopping centre, which has the potential to be one of the city's most attractive retail and leisure assets. In line with the Group's portfolio management strategy, two non-core assets – Arkad (Hungary) and Allee-Center (Germany) – were successfully divested in 2011.

The quality of the Central European portfolio makes it highly attractive to premium retailers seeking to enter this market. Leasing activity was strong throughout 2011, with more than 157 leases and renewals signed. New arrivals included the first Gap store in Poland at

Arkadia and the first Karen Millen store in the Czech Republic at Centrum Chodov. Both of these store openings received significant positive press coverage, as well as a warm welcome from fashion-conscious shoppers. Customers also welcomed the arrival of Gant Kids, Footlocker, Tous, Aldo and Guess in the region.

As well as actively managing the retail offering, the Group invests in customer loyalty by improving the quality of the shopping experience. At Arkadia, for example, the specialty leasing activity has been upgraded to offer more variety and quality, and a number of attractive premium retailers has been introduced.



Major assets

- Arkadia**, 20.8 million visits
- Wileńska**, 19.3 million visits
- Galeria Mokotów**, 13.6 million visits
- Centrum Chodov**, 12.5 million visits
- Cerný Most**, 9.5 million visits

8 shopping centres
338,400 m² GLA
99 million visits per year



A trendy food court in **Centrum Chodov** attracts crowds with its 'wow' effect.

A photo exhibit in **Arkadia** by Italian artist Daniele Guido, 'Wild for art', known for his exceptional and educational wildlife representations. The event resulted in a 13% increase in footfall.





ARKADIA, ONE OF THE TWO OUTSTANDING WARSAW SHOPPING CENTRES UNIBAIL-RODAMCO ACQUIRED IN JULY 2010.



A DIGITAL PLAY AREA, CAUGHT THE ATTENTION OF CHILDREN AT DONAU ZENTRUM.

Austria

'The excellent performance of Donau Zentrum during 2011 provides clear evidence of the value of the Group's investment and operating strategy. Austria became a multi-country region with the integration of the Aupark shopping centre in Bratislava, Slovakia.'

Markus Pichler, Managing Director, Austria



The Austrian portfolio underwent some significant changes in 2011. The Group purchased the 50% stake held by its partner to obtain full ownership of the Aupark shopping centre in Bratislava. An adjacent plot of land for a possible extension was also acquired. This attractive, resilient asset is now being managed by the Austrian team due to the geographical proximity of Bratislava and Vienna. The Group's 're-designing, re-tenanting, re-marketing' value creation strategy will be implemented in 2012/2013.

The Group's 50% stake in the non-core Südpark shopping centre in Klagenfurt was sold for €29.1 million, a premium of

9% to its last appraisal value. A major renovation programme at Shopping City Süd commenced, with most of the improvements due to be delivered in time for Christmas 2012.

One year after the delivery of the renovation/extension of Donau Zentrum, the centre goes from strength to strength. Sales are up 31% year-on-year even though the surface of the shopping centre only increased by 28%. The size of the average basket has also increased significantly thanks to an improved retail offering and the centre's ability to attract more high-income customers from central Vienna.

The Austrian team welcomed a number of new premium retailers during the year. Donau Zentrum hosted Hollister and Bershka's first stores in Vienna, along with G-Star Raw and a 3,500 m² Mueller department store. Guess and Austrian jeweller Thomas Sabo opened stores at Donau Zentrum and Shopping City Süd. Thomas Sabo is also leveraging Unibail-Rodamco's European platform to expand into Sweden.



Major assets

- Aupark**, 11.6 million visits
- Shopping City Süd**, 22.3 million visits
- Donau Zentrum**, 16.9 million visits

3 shopping centres
299,100 m² GLA
51 million visits per year



Donau Zentrum is now the largest shopping centre in the city of Vienna and a winning combination of design, architecture and top quality retail.

A stylish bar at **Shopping City Süd**, the largest centre in Austria and also one of the biggest in Europe.



Spain

'Unibail-Rodamco's unwavering focus on its operating strategy and management approach for its prime assets are enabling it to achieve positive results in Spain despite tough macro-economic conditions. The Group continues to invest in future growth.'

Simon Orchard, Managing Director, Spain



The quality, size and location of Unibail-Rodamco's assets make them a key partner for premium international retailers seeking to enter the Spanish market.

In 2011, the Group welcomed a number of high-profile brands. Both Apple and Hollister built on the success of their first Spanish stores (opened in La Maquinista) by opening a second store in a Unibail-Rodamco shopping centre at Parquesur. Primark will open in Parquesur in Q1 2012. In La Maquinista, Nespresso opened in 2011 and Superdry is scheduled to open in Q1 2012. In Bonaire, Primark and Hollister are signed and scheduled to open in the first part of 2012. H&M has already opened in the Vallsur extension and New Yorker is due to follow in Q1 2012. These deals

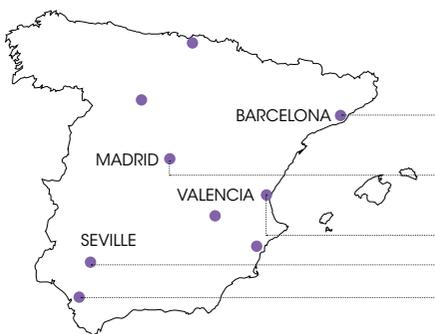
and other pro-active negotiations helped the Group outperform the market in terms of both sales and footfall.

The acquisition of Splau was a highlight of 2011. This modern, 55,100 m² GLA shopping centre has a strategic location in the densely-populated, under-supplied southern suburbs of Barcelona. During 2012, a targeted investment programme and an active leasing strategy will re-design and re-position this asset to maximise its revenue potential. Unibail-Rodamco also made a number of smaller, strategic acquisitions to consolidate its position in existing assets.

Good progress is being made on Oceanic, a 97,000 m² retail development

project which was recently presented in Valencia. Construction of the El Faro shopping centre in Badajoz advances to its 2012 opening, with confirmed tenants including Inditex, H&M, Primark, C&A and Sephora, anchored by the El Corte Inglés department store.

The continuous improvement of the Group's existing portfolio remains a priority. La Vaguada, Bonaire and Vallsur were renovated or restructured in 2011, improving the quality and range of customer services and promoting customer loyalty and tenant preference by creating a more appealing shopping environment. Los Arcos, Garbera and Las Glòries will follow in 2012.



Major assets

- La Maquinista**, 14.3 million visits
- Las Glòries**, 11.4 million visits
- Splau**, 8.2 million visits
- La Vaguada**, 24.1 million visits
- Parquesur**, 16.3 million visits
- Bonaire**, 9.4 million visits
- Los Arcos**, 6.6 million visits
- Bahía Sur**, 7.7 million visits

15 shopping centres

549,200 m² GLA

127 million visits per year



A complete refurbishment is underway at **La Vaguada**, restoring its prime image. Here visitors heads turn with this art installation designed by architects, which casts an inviting scarlet glow as the sun sets every evening.

Four of the performers of one of Spain's most popular TV show spent four days at **Bonaire** entertaining shoppers with 45 minute monologues. The event increased traffic by 35% year-on-year during show times.





AN AMBITIOUS AND COMPLETE RE-DESIGN OF **SPLAU** WILL TURN THIS CENTRE INTO A PRIZED DESTINATION FOR THE 3.4 MILLION RESIDENTS FOUND IN ITS 30 MINUTE CATCHMENT AREA.

At the root of our success: An exceptional team of shopping centre managers

France 01 - Arcayna Élodie (4 Temps & CNIT) - 02 - Aubree Gaëlle (Rennes Alma) - 03 - Baloud Éléonore (Usine Mode & Maison) - 04 - Briosne Stéphane (Bab 2) - 05 - Delamarre Olivier (Bay 2) - 06 - Desprets Jeremy (Cité Europe) - 07 - Dury Anne-Laure (L'Usine Côte d'Opale) - 08 - Dussauze Thierry (Mériadeck) - 09 - Escrivant Martine (Côté Seine) - 10 - Foresto Audrey (Carrousel du Louvre & Galerie Gaité) - 11 - Gaillard Bertrand (Vélizy 2) - 12 - Gailly Matthieu (Toison d'Or) - 13 - Gerecht Julie (Docks Vauban) - 14 - Kozubek Nicolas (Rosny 2) - 15 - Lapeyre Elisabeth (Rivetoile) - 16 - Margerie Véronique (Carré Sénart) - 17 - Mercier Sébastien (Nicetoile) - 18 - Milutinovic Dusan (Party 2) - 19 - Mouchot Laure (Euralille) - 20 - Pais Nelly (Ulis 2) - 21 - Pelou Jean-Philippe (La Part-Dieu) - 22 - Psomiadis Stéphane (Lyon Confluence) - 23 - Reungoat Pascal (Palais des Congrès de Paris) - 24 - Toulemonde Jonathan (Le Centre V2) - 25 - Varin Philippe (Docks 76) - 26 - Veron Alexis (Forum des Halles) **Nordics Countries** 27 - Bannor Jacob (Fisketorvet) - 28 - Bengt Johansson (Balsta Centrum) - 29 - Bergovist Louise (Solna Centrum) - 30 - Strand Hanna (Nacka Forum) - 31 - Wallner Mikael (Täby Centrum) **Spain** 32 - Alemany Vicente (Barnasud) - 33 - Burgo Martin (Sevilla Factory) - 34 - Casaponsa Immaculada (Albacenter) - 35 - Corwith Katherine (Splau) - 36 - Fernández Joaquín (Las Glorias) - 37 - Garcia Sergio (Parquesur) - 38 - Garcia Victor (La Maquinista) - 39 - Garcia Fernando (Equinoccio) - 40 - Guerrero Alvaro (Los Arcos) - 41 - Herrero Sebastián (Habaneras) - 42 - López Germán (Bonaire) - 43 - Marin Eva (La Vaguada) - 44 - Pardo Ernesto (Bahia Sur) - 45 - Pascual Noemi (Vallsur) - 46 - Vegas Nuria (Garbera) **The Netherlands** 47 - Slegtenhorst Doris (Vier Meren) - 48 - Steenbeek Allard (Citymall Almere) - 49 - Van Geemert Monique (Leidsenhage & Zoeterméer) - 50 - Verheijen Ben (Amstelveen) **Central Europe** 51 - Hrdličková Marcela (Centrum Chodov) - 52 - Jaksic Zdenka (Centrum Černý Most) - 53 - Klimczak Pawel (Galeria Mokotów) - 54 - Krylowicz Filip (Wileńska) - 55 - Vestin Anthony (Arkadia) **Austria** 56 - Cech Anton (Shopping City Süd) - 57 - Kuciak Rudolf (Aupark)



UNIBAIL-RODAMCO
2011 ANNUAL AND SUSTAINABLE DEVELOPMENT REPORT



UNIBAIL-RODAMCO
2011 ANNUAL AND SUSTAINABLE DEVELOPMENT REPORT



REVIVING LEVALLOIS-PERRET AS A BUSINESS DESTINATION IN PARIS, **SO OUEST**, WHICH WILL REACH COMPLETION IN 2012, SETS A NEW STANDARD FOR ARCHITECTURAL INNOVATION IN THE AREA.

Offices

'Active asset management was the key focus in 2011. Major assets are being completely renovated or restructured to deliver a level of efficiency and comfort that reflects tenant demand for modern, high-performance, sustainable office spaces in central locations.'

Jean-Marc Jestin, Managing Director, Offices France



The Paris Region letting market grew relatively since 2010; nudging towards 2.4 million m² of take-up. Vacancy rates were stable, standing at around 6.6% in the Paris Region, 4.9% in the Paris Central Business District (CBD) and 7% in La Défense at year end.

Prime rents continue to be resilient, and even increased in the CBD due to the limited supply of high quality surfaces: the supply of new and refurbished offices is at historically low levels and accounts for 23% of available space. The quality and desirable locations of its assets enabled the Group to entirely fill all its premises in this area.

The Parisian investment market was very active with transactions in excess of €11 billion and a clear preference for prime assets. The Group successfully divested a mature, fully-let office building at 3-5 boulevard Malesherbes for a net disposal price of €134.3 million, a net initial yield of 5%.

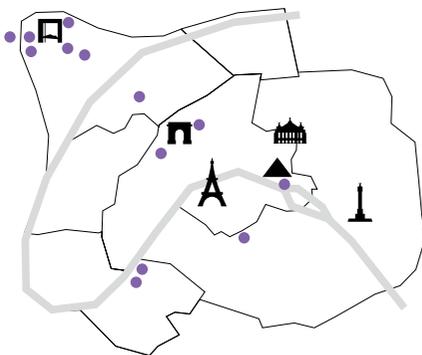
The restructuring projects underway are reinforcing the Group's position by bringing modern, efficient assets to an undersupplied market. SO Ouest (33,400 m²) will be delivered in H2 2012, and work started on the renovation of Wilson (13,000 m²) and Issy Guynemer (15,000 m²), both of which are due to be delivered in early 2012. A complete renovation of 2-8 Ancelle (16,000 m², plus a new 3,000 m² extension) will be launched in 2012.

Two major new development projects are also in progress: the 39,600 m² SO Ouest Plaza, which is due to be delivered in 2014, and Majunga, a 63,000 m² tower at La Défense, which should arrive on the market early 2014.

In keeping with its wider development and sustainability strategies, the Group focuses on central, well-established business districts that are hyper-connected to public transport, and delivers modern, efficient, comfortable offices that reflect and anticipate the needs

of companies and their employees. Majunga, for example, is the first of a new generation of high-rise buildings offering unrivalled efficiency in terms of cost per workstation and innovative services and social spaces for the comfort of end-occupiers. It is the first high-rise building in Europe to obtain 'Excellent' BREEAM Design Stage certification, and the first in France to be certified HQE-BBC (see page 61). Demand for new assets at La Défense is expected to grow even further in the coming years due to significant infrastructure improvements, such as the full automation of the Line 1 metro and the planned extension of the regional express link 'Eole'.

Efficient floor-plates, very low energy consumption, and prime, central locations in central Paris, La Défense and the Western suburbs of Neuilly and Issy-les-Moulineaux give the Group a strong position in dynamic well-established business areas that are highly attractive to tenants.



13 office buildings
in the Paris Region
398,122 m² total GLA

Due to be delivered in 2014, **Tour Majunga** embodies innovative and creative design. It will be the first skyscraper at La Défense with opening windows for natural ventilation and high-rise outside gardens.



Convention & Exhibition

'2011 was an excellent year for the Convention & Exhibition business. There was significant growth across all activities thanks to the ongoing appeal of these formats and the Group's continued investment in venues and high-value services for organisers and participants.'

Renaud Hamaide, Managing Director,
Convention & Exhibition France



2011 was a record year for VIPARIS, with 987 events held in total, of which 312 shows, 151 congresses and 524 corporate events. In the last two years, international convention and exhibition business has enjoyed double-digit growth, the highest of any European capital city.

Standout biennial events included Bati-mat, the French construction industry exhibition; and the Paris Airshow, which reached new heights in terms of visitor and exhibitor numbers and, most importantly, the value of the orders placed (around €35 billion). The video and online gaming event, Paris Games Week, built on the success of its first edition with visitor numbers up by 40% year-on-year. This event, which won the Special Jury Prize at VIPARIS's Expocréa competition in 2010, is managed by

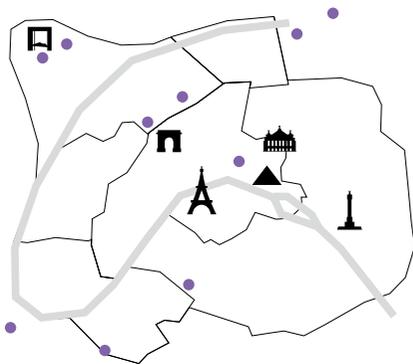
Comexposium, Unibail-Rodamco's events organisation joint venture.

Infrastructure investments in the size, scalability and quality of the Group's assets continue to bear fruit. In August, Paris Nord Villepinte welcomed the ESC congress, Europe's largest medical convention and the world's third largest convention in terms of participants. Villepinte successfully hosted this convention, its first ever, thanks to the delivery of Hall 7 in 2010 and investments in the customer welcome, signage, flow management and a successful collaboration with key players in the Paris region. The 2011 edition of ESC was the most popular ever, with 32,900 participants over four days.

Paris expo Porte de Versailles also demonstrated its flexibility. For example, in

July, it held its first large convention – 6,000 participants at the International Conference on Alzheimer's Disease – while in February, it welcomed 678,732 visitors and hosted almost 5,000 animals at the French Agricultural Show.

VIPARIS rolled out a range of new online services in 2011. These include EPEX, an intuitive e-commerce site where exhibitors and event organisers can test and order different stand's technical services. Organisers can also make use of the Standtag marketing service, which allows them to create their own online platform to share documentations, which visitors can receive by scanning a flash code. VIPARIS has also rolled out smart-phone applications that include geo-localisation services.



10 venues
9 million visitors
151 congresses
312 exhibitions
524 corporate events

A spectacular show
at **Paris Le Bourget** from one
of France's most famous circuses,
Le Cirque Bouglione.



UNIBAIL-RODAMCO
2011 ANNUAL AND SUSTAINABLE DEVELOPMENT REPORT



WITH ITS CLEAN ARCHITECTURAL LINES AND LIGHT SPACES, PALAIS DES CONGRÈS CONTINUES
TO BE A LEADING DESTINATION FOR LARGE FUNCTIONS.



Sustainability

In tune with society and the environment

Sustainable development

- 54 2011 highlights
- 56 A comprehensive strategy
- 58 Environmental management systems
- 60 Environmentally-sustainable development projects
- 62 Cooperation on environmental issues
- 64 Climate, emissions and energy
- 68 An efficient, responsible approach to risks and resources
- 72 Encouraging dialogue and strengthening relationships
- 76 Corporate citizenship



2011 highlights

ENVIRONMENTAL

-30% CO₂/visit (-52% since 2006)***-6%** kWh/visit (-18% since 2006)***-1%** litres/visit (-14% since 2006)**1,434** green leases signed*
within the Group out of 1,680 in total**4** BREEAM In-Use certificates obtained**€2,5 million** saved on
operating costs in managed shopping
centres through energy reductionAbove **1,000,000** m² GLA
under BREEAM certification
(committed and controlled pipeline)***7** verified KPIs*

SOCIAL

1,464 employees*
(49.2% women and 50.8% men)Sustainability criteria integrated
into **variable compensation**
of Regional Managing Directors**37** recruitments welcomed
in the European Graduate Programme**26,083** hours of employee training***Occupational health & safety**
Group's policy updated**€3,070,373** million donated
in cash and in kind to **good causes****3** verified KPIs*

GOVERNANCE

100% of Supervisory Board members are independent**18%** of Supervisory Board members are women**6** nationalities represented on the Supervisory Board**100%** of staff underwent e-training in the Code of Ethics Programme

* Verified by Ernst & Young. See assurance statement pages 152-153.

A comprehensive strategy

PROGRESS TOWARDS 2011 TARGETS*



- Achieved **73%**
- Partially achieved **17%**
- Not achieved **10%**

The Group's environmental and social targets are realistic but ambitious. Unibail-Rodamco chooses to set the bar high to challenge its teams to outperform and innovate, even though this comes at the expense of a perfect score sheet. The considerable performance improvements made since 2006 demonstrate the relevance of this approach.

AMBITIOUS LONG-TERM TARGETS

-50% CO₂/visit 2006-2016

-30% kWh/visit 2006-2016

-20% litre/visit 2006-2012

In keeping with its responsibilities as a leading player on the commercial real estate market, Unibail-Rodamco implements a comprehensive, coherent sustainable development strategy.

The needs and interests of all of Unibail-Rodamco's **stakeholders are taken into account** in the definition and execution of this strategy, which covers all of the environmental, social and governance issues which have been identified as being relevant to the Group's activities. For example, the strategy improves the quality of the Group's performance and leverages opportunities to create **long-term value** by:

- Delivering the next generation of sustainable buildings
- Reducing capital expenditure and operating costs
- Providing an environment that is attractive to top-quality retail and office tenants
- Providing a safe environment for employees, customers and tenants
- Reinforcing cooperation with communities and local authorities
- Managing and mitigating legal, operational and reputational risks
- Maintaining a competitive advantage on the market

To ensure that its activities remain relevant and informed by developments on the market and the regulatory landscape, Unibail-Rodamco conducts regular reviews and updates of its sustainability strategy. For example, the certification processes that have been introduced in recent years for new developments and existing assets has provided an objective, external viewpoint for evaluating the quality of the Group's in-house development and operational guidelines. **Third-party audits** of its environmental and social data, which were first conducted in 2009, have also contributed to the quality and rigour of the Group's processes.

Finally, a series of demanding internal environmental and social targets ensures that the Group continues to progress in the right direction, towards a more sustainable future. Unibail-Rodamco sets ambitious targets by committing all of its departments to a robust reporting system, enabling the Group to effectively track performance. Challenging its teams to **outperform** and **innovate** contributes to considerable performance improvements, which the Group's results have continued to demonstrate.

* Full details of the Group's performance relative to its 2011 achievements and its targets for 2012 and beyond are provided on pages 148-151.

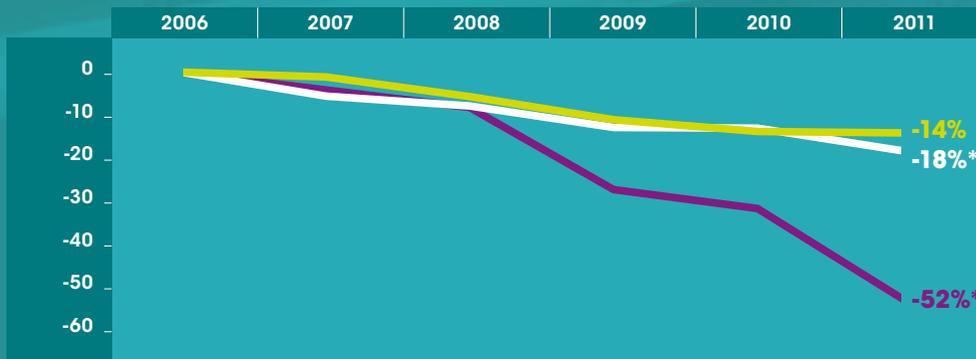




SUSTAINABILITY ISSUES FULLY INTEGRATED INTO GROUP'S CORE PROCESSES AND DAILY CONCERNS

Investment	<ul style="list-style-type: none"> Assess climate change vulnerability
Development	<ul style="list-style-type: none"> Deliver flexible & sustainable buildings Obtain high level of environmental certification
Leasing	<ul style="list-style-type: none"> Sign green leases and develop tenant's awareness
Operating	<ul style="list-style-type: none"> Reduce cost and carbon footprint of existing assets Integrate stakeholders
Marketing	<ul style="list-style-type: none"> Develop visitor's awareness

ENVIRONMENTAL PERFORMANCE OF MANAGED SHOPPING CENTRES



■ Carbon Intensity (CO₂/visit)* ■ Energy Efficiency (kWh/visit)* ■ Water Intensity (litres/visit)

* Verified by Ernst & Young. See assurance report on pages 152-153.

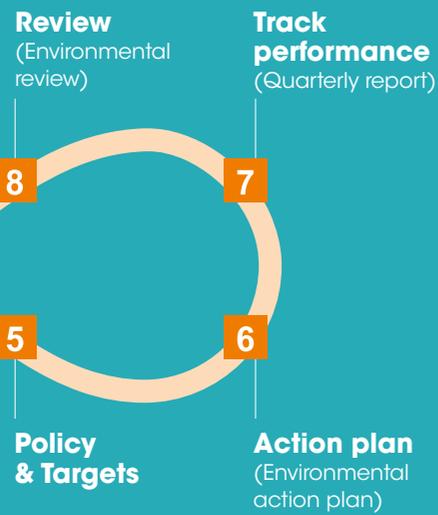
New Projects



Sustainable 'Design' Attitude



Standing assets



Sustainable 'Management' Attitude



BREEAM In-Use Rating¹

Asset	m ² GLA	Asset	Management	Status
Docks 76	37,700	★★★★★	★★★★★	1 st shopping centre certified Very Good in France for Management (November 2011)
Carré Sénart	95,900	★★★★★	★★★★★	1 st shopping centre certified Very Good in Europe for Asset and Management (December 2011)
Nacka Forum	53,900	★★★★★	★★★★★	1 st shopping centre certified Good in Sweden for Asset and Management (December 2011)
La Vaguada	85,500	★★★★★	★★★★★	1 st shopping centre certified Good in Spain for Asset and Management (December 2011)

1 - ★ Acceptable ★★ Pass ★★★ Good ★★★★ Very Good ★★★★★ Excellent ★★★★★★ Outstanding.

UNIBAIL-RODAMCO
2011 ANNUAL AND SUSTAINABLE DEVELOPMENT REPORT

Environmental management systems

Unibail-Rodamco's environmental achievements are founded on two complementary Environmental Management Systems (EMS) which are in place across the whole portfolio. The 'Sustainable Design Attitude' for new development projects and the 'Sustainable Management Attitude' for existing managed assets balance the needs of tenants and customers with the demands of environmental performance.

The '**Sustainable Design Attitude**' ensures that all new developments are designed and constructed in line with the most demanding standards from the outset. Comprehensive internal guidelines are in place for everything from energy efficiency, acoustics, lighting and biodiversity to flexibility, adaptability, intensity of use and building management systems. These guidelines are regularly reviewed and updated.

The letting phase marks the transition between the 'Sustainable Design Attitude' and the '**Sustainable Management Attitude**'. When the asset is handed over, the commissioning process enables both parties to check that the building performs as expected and that the building's management systems are optimised in terms of operational efficiency and user comfort. The quality of the commissioning process is a key factor in the Group's ability to obtain high levels of BREEAM² certification for new assets.

Once the asset has been delivered and commissioned, the 'Sustainable Management Attitude' is applied to ensure that all of its systems **operate efficiently on a daily basis**. The rigorous management standards that this EMS impose has enabled the Group to achieve significant reductions in its environmental footprint since 2006. For example, energy intensity (kWh/visit) was reduced by -6% year-on-year in 2011 and has been cut by a cumulated total of -18% in the last five years. It is also enabling Unibail-Rodamco to obtain high scores in the new BREEAM In-Use certification programme for operational assets.

2 - The Building Research Establishment Environmental Assessment Method (BREEAM) is the world's most widely used sustainable construction certification.

UNIBAIL-RODAMCO
2011 ANNUAL AND SUSTAINABLE DEVELOPMENT REPORT

Environmentally-sustainable development projects

In-house development teams have acquired significant experience in environmental design and management following the Group's decision to apply for third-party certification of all new assets of more than 10,000 m².

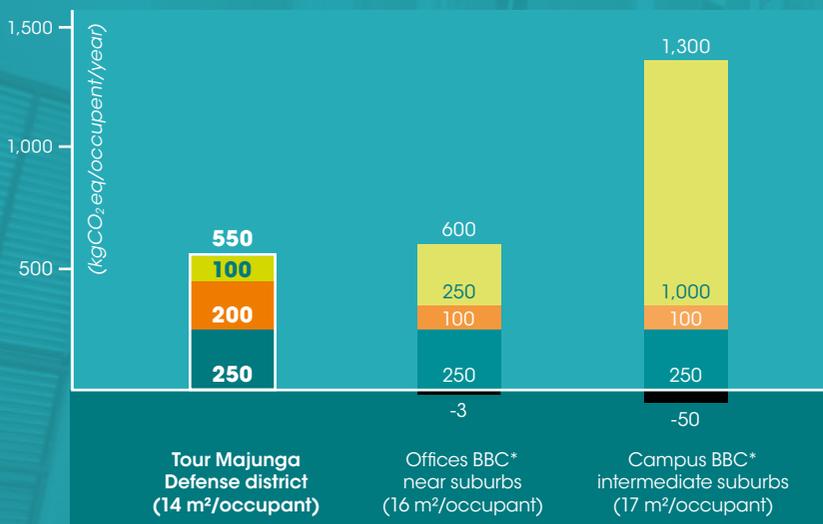
Thanks to the 'Sustainable Design Attitude' and a clear focus on excellence, Unibail-Rodamco has reinforced its position as a market leader in sustainable construction and is driving the industry to propose innovative technologies and a better, more relevant sustainability framework to deliver a **new generation of buildings**.

In 2011, Unibail-Rodamco teams worked hard to ensure that all new development projects achieve the best possible results in terms of performance, comfort and efficiency. Notable achievements included **Majunga's** designation as the first high-rise building to obtain the French HQE¹ passport with an 'Excellent' rating, and the validation of geothermal energy for the **Aéroville** project, paving the way for an 'Excellent' rating with the BREEAM certification.

1 - HQE (Haute Qualité Environnementale/High Environmental Quality) is the French standard certification scheme for sustainable construction.

CARBON FOOTPRINT OF MAJUNGA COMPARED TO LOW RISE BUILDINGS

Construction Energy use Transportation Photovoltaic production



Source: Carbone 4

MAJUNGA TOWER EMBRACES ENVIRONMENTAL EXCELLENCE

- State of the art in **energy efficiency**: the first office tower Labelled BBC* in France, Majunga consumes 4 times less energy compared to towers from the 90's and earlier.
- The **unbeatable connectivity** to public transport (metro, bus, train, tram...) and local services (CNIT, 4 Temps shopping centre...) significantly reduces the carbon footprint of the tower.
- **Innovative design** combines environmental performance (the first high rise achieving BREEAM Excellent rating in Europe), density and user comfort (convivial, opening windows in the façade at all floors, exceptional indoor air quality...).

* BBC : Low Energy Building.

MAJUNGA Paris-La-Défense, France

63,000 m², 44 floors, 195 metres high

Due to be delivered early 2014 (construction in progress)

- 1st high-rise building in Europe to obtain '**Excellent**' BREEAM Design Stage certification
- 1st high-rise building in France to be **labelled BBC** ('Low-Energy Building', awarded to buildings with energy consumption levels **50% below regulatory requirements**)
- Certified HQE with a 'High Performance' score in 11 out of 14 criteria

Environmental highlights:

- The first skyscraper at La Défense with **opening windows** for natural ventilation and greater comfort.
- The first skyscraper at La Défense with high-rise **outside garden spaces** that are accessible to employees.
- A highly energy-efficient envelope, with triple glazing or a double-facade depending on the orientation.
- A very **low-energy lighting** system, with extensive use of light sensors, natural daylight and low-energy bulbs.
- A low-impact construction which reduces noise, dust and nuisance by strictly respecting BREEAM standards.

AÉROVILLE Roissy, France

82,000 m² GLA

Due to be delivered in late 2013 (construction in progress)

Environmental highlights:

- The first shopping centres in France to **use geothermal energy** for heating and cooling: an annual saving of **307 tonnes of CO₂**.
- Water-saving and recycling measures that reduce the consumption of drinking-quality water by **40%**.
- A full thermal dynamic study of the building was carried-out resulting in a total energy consumption **55% under the required national standards**, notably through the use of natural lighting, great insulation and smart ventilation strategy in the mall and the car parks.
- 25 parking and recharging spaces for **electric vehicles**.
- Low-impact materials, notably in terms of Volatile Organic Compounds (VOC) and formaldehydes.



Cooperation on environmental issues



LED refitting of parking lights, efficient building management with technical partners and active cooperation with tenants to optimise in-store lighting helped Albacenter (Spain) reduce its annual energy consumption by **30%** in 2011.

Cooperation with key environmental partners gathered pace in 2011. A growing percentage of shopping centre services are purchased from responsible suppliers. Tenant committees and customer communications are helping to spread the message that everyone has a role to play in the environmental performance of an asset.

The **'green leases'** introduced by Unibail-Rodamco late 2009 are now an integral part of the Group's sustainability strategy. Their implementation clearly identifies the Group as a leader in environmentally sustainable operations and demonstrates its commitment to involving key stakeholders in this process. 'Green lease' clauses, which have been implemented for all new leases and renewals since 2009, are now included in more than 32% of the Group's active leases.

Sustainability committees at individual assets are used to define shared action plans, encourage dialogue, and inform tenants about the Group's initiatives, the performance of the asset, and the contribution expected from retailers. In 2011, sustainability committees were held at 43% of managed shopping centres. Key priorities highlighted by tenants during committee meetings include the development of sustainable transport and 'green' communications for visitors, the improvement of waste management as efficiently as possible. Tenant/landlord workshops will be held on these issues in 2012.

Since 2009, the Group's purchasing teams across Europe have ensured that new contracts and renewals include **'green clauses'**, covering everything from the use of chemical cleaners, waste disposal to energy savings behaviour. These encourage suppliers to adopt environmentally-sustainable habits. In 2011, suppliers' compliance with these clauses was assessed in all regions: 191 key maintenance, cleaning and security suppliers were assessed in 67 shopping centres and conventions and exhibitions venues. The results are shared and discussed with the supplier in order to improve service quality, management, pro-reactivity and sustainable behaviour.

1,434*
green leases signed

191*
suppliers assessed

43%
of energetic shopping
centres hold an annual
tenant-landlord
sustainability committee

* Verified by Ernst & Young. See assurance report on pages 152-153.



**2011/2010 ENERGY REDUCTION (LIKE FOR LIKE)
BREAKDOWN OF RETAIL MANAGED PORTFOLIO.**

In 2011 **49%** of managed shopping centres have reduced their consumption by more than **10%**.



REDUCING CO₂/VISITS AT MANAGED SHOPPING CENTRES

■ Year-on-year reduction ■ Accumulated reduction



In 2011, the Group reduces the **carbon intensity** of its shopping centres by **30%**:

- **-20%** from green electricity purchases
- **-5%** of energy consumption reduction
- **-5%** of CO₂ emission factor changes

CO₂/visit provides a transparent, quantitative gauge of the carbon impact of a real estate asset. It measures three key elements that contribute to an asset's carbon footprint: energy mix (CO₂/kWh), energy efficiency (kWh/m²) and intensity of use (m²/visit). In the future, it will also take account of emissions from customer transport (kgCO₂/visit).

UNIBAIL-RODAMCO
2011 ANNUAL AND SUSTAINABLE DEVELOPMENT REPORT

Climate, emissions and energy



INTEGRATING CLIMATE CHANGE CRITERIA INTO INVESTMENT DECISIONS

In 2011, the Group decided to **integrate climate change risk criteria** into its investment process. As with other aspects of the due diligence process, this will minimise risks by assessing the vulnerability of potential investments to:

- flooding,
- extreme weather effects (e.g. drought, heavy rainfall, snow, strong winds),
- technological risks related to neighbourhood,
- regulatory risks.

Unibail-Rodamco is tackling the related challenges of climate change, CO₂ emissions and energy efficiency in a number of ways, but measures its progress with one key indicator: CO₂/visit. In 2011, Ernst & Young certified that the Group had met its primary long term target by reducing CO₂/visit by 52% and kWh/visit by 18% at managed assets since 2006*. This remarkable achievement is a clear demonstration of the Group's commitment to the environmental sustainability of its portfolio.

To reduce its CO₂ emissions and mitigate its impact on **climate change**, the Group works to reduce its energy consumption and cut the **carbon content** of the energy that is consumed. Energy consumption in the Group's managed assets has been declining steadily since the Sustainable Management Attitude was introduced in 2008. In 2011, this in-house EMS helped the Group to reduce the annual consumption of its shopping centres by 6%, equivalent to 26.5 GWh. In addition to the environmental benefits, this represents an **annual saving** (total site) of €2.5 million for operating costs.

In 2011, Unibail-Rodamco chose to expand its **green electricity** purchasing policy to three large assets in Central Europe (Centrum Chodov, Centrum Cerný Most and Galeria Mokotów). This had an immediate and significant impact on CO₂ emissions (equivalent to -19,336 tonnes in 2011). The main aim, however, is to encourage energy providers to invest in these technologies by increasing market demand for low-carbon and renewable energies. ■■■

* Verified by Ernst & Young. See assurance report on pages 152-153.



Spain: 38 free recharge points for electric vehicles were installed at 14 Spanish shopping centres in 2011; 41 shopping centres across Europe are now equipped.



Austria: An additional free bus link between Shopping City Süd and Vienna city centre has been implemented in August. The two bus lines have been used by 309,422 passengers in 2011.

- An increasing proportion of the Group's energy is being generated on-site. For example, a highly-efficient **tri-generation** unit which produces electricity, heat and cooling from gas was installed at Los Arcos (Seville) in 2010. In 2011, the second tri-generation unit was operated at Parquesur (Madrid). Based on the experience of the Aéroville project (see page 61), the Group is studying the technical and financial feasibility of using **geothermal energy** at other sites.

As well as optimising the environmental performance of its assets through challenging energy and CO₂ reduction measures, Unibail-Rodamco has developed a long-term roadmap to address and adapt to **climate change**. In particular, the Group aims to understand the scale of risks to asset value and operations and ensure compliance with existing and future legislation. The roadmap provides a methodology to address issues such as flooding and extreme weather events on the portfolio. The roadmap is reviewed and updated regularly and adaptation strategies are developed when relevant.

Every square metre that is built has an environmental impact during construction, during operations and at the end of its life. This is taken into account through the '**intensity of use**' (visitors/m²) component of the CO₂/visit indicator. To improve its performance, Unibail-Rodamco ensures that development projects are appropriately sized and also works to attract increasing numbers of customers to its assets.

Buildings which are accessible only by car have a far higher indirect carbon footprint than those with good public transport connections. Most of Unibail-Rodamco's assets have central locations in major European cities and are easily accessed by **sustainable modes of transport**. Almost 56% of customers walk, cycle or use public transport to visit the Group's shopping centres. The office portfolio is also extremely well-connected to major transport hubs.

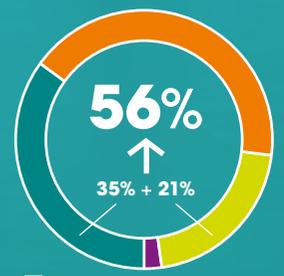


ENERGY MIX BY REGION (INDIRECT ENERGY), INCLUDING CARBON WEIGHT PER KWH (ALL ASSETS)

Fossil fuel
 Nuclear
 Renewable

Region/Asset Type	Fossil fuel	Nuclear	Renewable	Carbon Weight (gCO ₂ /kWh)
Shopping centres*	33%	33%	34%	162 gCO ₂ /kWh
Austria*	18%		82%	111 gCO ₂ /kWh
Central Europe*	63%	1%	36%	368 gCO ₂ /kWh
France*	12%	76%	12%	67 gCO ₂ /kWh
Netherlands*	17%		83%	138 gCO ₂ /kWh
Nordics*	29%	17%	53%	64 gCO ₂ /kWh
Spain*	57%	16%	27%	284 gCO ₂ /kWh
Offices	29%	62%	9%	97 gCO ₂ /kWh
Convention & Exhibition*	22%	69%	9%	99 gCO ₂ /kWh

MODES OF TRANSPORT USED BY VISITORS TO THE GROUP'S SHOPPING CENTRES



Public transport 35%
 Car/taxi 42%
 Foot/bicycle 21%
 Other 2%

* Verified by Ernst & Young. See assurance report on pages 152-153.



WATER CONSUMPTION AT MANAGED SHOPPING CENTRES

■ Common part share ■ Tenant share



UNIBAIL-RODAMCO
2011 ANNUAL AND SUSTAINABLE DEVELOPMENT REPORT

An efficient, responsible approach to risks and resources

Unibail-Rodamco's approach to managing natural resources, promoting biodiversity and ensuring health and safety combines targeted action on issues that it controls and close cooperation with external stakeholders on other, wider issues.

A successful **waste management policy** must be based on **active cooperation** with tenants and suppliers, who are the source of almost all of the waste in a typical shopping centre. Tenants are regularly informed about on-site waste management systems and waste segregation facilities. Both supplier purchasing contracts and tenants green leases establish the minimum requirements for waste sorting and recycling that must be respected. In 2010, the Group decided that, by 2016, at least 50% of waste collected from managed shopping centres should be recycled, and the proportion of waste diverted from landfill should have risen by 50% relative to 2009. In 2011 35% of waste was recycled and the proportion of waste sent to landfill reduced by 35% since 2009.

For new development projects Unibail-Rodamco '**considerate construction charter**' sets out the Group's requirements and recommendations for optimising the environmental quality of its construction sites with a view to creating a **positive experience** for the workforce, local communities, and the environment. It includes all applicable local regulations and sets waste optimisation targets for its contractors. In 2011 9,173 tonnes of waste was generated during the demolition of the "Mondiale" office building. Initially, the contractor was obliged to achieve a optimum disposal rate of 80%, but managed to reach 8,740 tonnes, equivalent to a valorisation rate of 95% by weight. ■■■



A new collaborative initiative introduced at Centrum Chodov (Prague): Each tenant's waste is weighed and checked in the presence of the tenant before being sorted into **17** categories for recycling and disposal. By charging tenants according to their volume of waste, quantity of waste collected was cut by **26%** and revenues from recycling increased by **16%**.

- ■ ■ The Group continues to pay close attention to **health and safety** and **environmental risk** management issues across its portfolio. An extensive, comprehensive in-house policy is used to mitigate and manage risks. The main subjects covered are air quality, water quality, asbestos, ground and air pollution, legionella, electromagnetic radiation, and technical equipment such as lifts and escalators. 2011 saw the completion of the asbestos mapping process in the region's 26 concerned assets that were built before this material was banned by local regulations. This information will be used to schedule and prioritise asbestos removal works. In parallel, a standardised Methodological Risk Analysis (MRA) was rolled out at 11 assets which have cooling towers under the Group's direct management. By identifying risk factors and establishing Group-wide standards for monitoring, maintenance and documentation, this MRA increases operational efficiency and reduces the risk of legionella proliferation in concerned sites.

In 2011, an **independent health and safety inspector** was appointed in each country where the Group operates. In 2012, annual health and safety risk management assessments will be carried out at all managed assets in all regions.

This annual assessment will be used to set up and prioritise action plan to **improve continuously** the quality of the risk of managed assets across the Group.



WASTE RECYCLING AT MANAGED SHOPPING CENTRES

■ Non recycled ■ Recycled



COMPOSITION OF WASTE RECYCLED IN 2011

■ Cardboard 81% ■ Paper 1% ■ Plastics 4% ■ Glass 2%
 ■ Wood 3% ■ Metals 1% ■ Other 8%

WASTE BY DISPOSAL ROUTE IN 2011



■ Recycling/Reuse/Composting 35%
 ■ Incineration 13%
 ■ Incineration with energy recovery 11%
 ■ Landfill 17%
 ■ Landfill with methanisation 14%
 ■ Managed by local authority 10%



26,638

customers and
tenants participated in
satisfaction surveys

UNIBAIL-RODAMCO
2011 ANNUAL AND SUSTAINABLE DEVELOPMENT REPORT

Encouraging dialogue and strengthening relationships

At every stage in the business cycle, Unibail-Rodamco aims to create value for its stakeholders and minimise its impact on the environment. Skilled, dedicated employees and strong relationships with external stakeholders underpin the Group's results and enable it to improve, adapt and thrive over time.

Shopping centres provide entertainment, services and social opportunities to people of all ages and serve as a focus for whole communities. To ensure that its activities benefit the local area, the Group works to build and maintain strong relationships with residents and public authorities. Public consultations for development and extension projects provide an opportunity to explain the proposed project in detail, listen to the **public's concerns** and respond appropriately, whether by providing clearer information, conducting additional studies or adjusting aspects of the proposal.

Both new investments and existing activities generate **economic growth** through employees' salaries, payments to suppliers and infrastructure investments, and create direct and indirect employment. For example, it has been estimated that the convention and exhibition activity in Paris, where the Group is a major actor, contributes around €4.5 billion to the local economy.

The Group conducts regular surveys to learn more about the **needs and expectations** of two key stakeholders: customers and tenants. The availability of reliable quantitative data of this type enables Unibail-Rodamco to continuously improve the quality of the shopping experience it provides, which in turn has a positive impact on the financial performance of the portfolio.

The quality of service provided to customers with disabilities was a major focus in 2010. In 2011, the Group continued to strengthen its partnership with the UNAPEI, a charitable association that works on behalf of people with **mental disabilities**. 8 centres will shortly complete the 'S3A'¹ certification process as a permanent sign of their commitment to welcoming people who are affected by mental disability and their families. ■■■

¹ - 'S3A' is a French standard for public spaces that have demonstrated their commitment to being welcoming, supportive and accessible to people with mental disabilities.



Unibail-Rodamco is listed on several prestigious SRI indexes, including the **FTSE4Good**, the **Dow Jones Sustainability Index** (World and Europe), and the **ASPI Index** (Europe). In 2011, it entered the **STOXX ESG Leaders Index** with high scores in each of the three sub-indices.



S3A Label

- Major investors are integrating increasingly stringent environmental criteria into their investment decision-making processes. The Group organised four dedicated **sustainability sessions** for around 91% of the top 50 investors by value in Paris, Amsterdam and London in 2011 and met a further 10 investors during one-to-one meetings. Their feedback on the Group's sustainable development approach and communications was generally favourable, as was feedback from external analysts and researchers. For example, in September 2011, the GRESB report, supported by APG and PGGM, ranked Unibail-Rodamco 4th out of 32 listed companies in the EPRA peer group for its environmental policy management, implementation and measurement.

Promoting equality and diversity

During 2011, all Unibail-Rodamco employees completed an e-learning programme about the **Code of Ethics**. This short, succinct course focuses on real-life situations where ethical dilemmas can arise, which encouraged employees to think about the practical application of the code. Ethical business behaviour was also covered during the week-long **European Graduate Programme** induction seminar and in training courses across Europe and at the Unibail-Rodamco **Academy**.

The Group maintained its commitment to ensuring that men and women doing jobs with similar levels of responsibility receive **equal pay**. It also took steps to increase transparency in the remuneration process by launching a tailored assessment framework for leasing managers. Clear, objective criteria are used to measure success and minimise the differences in results that can arise between regions and assets. Similar programmes will be introduced for other core functions in 2012.

A major new programme in **leadership** and management skills was added to the Unibail-Rodamco Academy curriculum in 2011 (see page 144). In total, 26,083 hours of training were provided to employees during 2011, across all regions. 36% of management positions were held by women in 2011.* 41% of all cadres** and engineers in France are women.

Employee communications about sustainable development policies and activities were maintained and expanded in 2011. The **internal newsletter**, which is distributed to all employees, continued to highlight a different environmental issue every month.

In May, the **Management Convention** brought together 160 senior managers in Vienna for two days of networking, team-building and learning. Unibail-Rodamco's sustainability policies, achievements and objectives were presented. Simon Orchard, the regional managing director for Spain, received the first annual 'Unibail-Rodamco **Sustainability Award**' in recognition of the Spanish team's commitment to sustainable development and their ability to propose and implement innovative environmental and social solutions, year after year.



UniNews, the Group's internal newsletter, plays an important role in informing employees on sustainability issues.

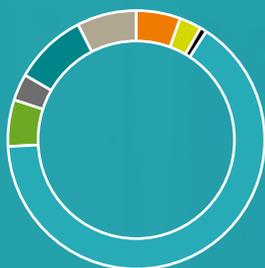
Further information on the Group's HR activities and programs can be found on pages 142-147.

* Verified by Ernst & Young. See assurance report on pages 152-153.

** Junior, middle and senior management positions.

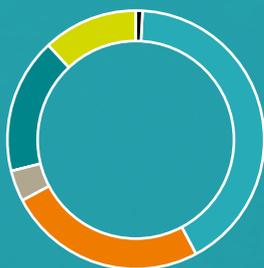


EMPLOYMENT BY COUNTRY*



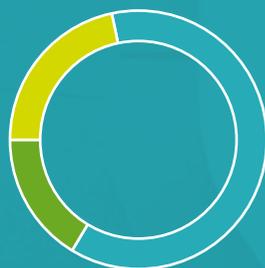
- Austria 67
- Czech Republic 35
- Denmark 10
- France 1,015
- Netherlands 61
- Poland 41
- Spain 135
- Sweden 100

EMPLOYMENT BY ACTIVITY



- Offices 16
- Shopping Centres 550
- Convention & Exhibition 399
- Development 85
- Shared Services 230
- Headquarters 184

EMPLOYEES BY AGE



- < 30 years old 24.2%
- 30 - 50 years old 60%
- > 50 years old 15.8%

EMPLOYEES BY GENDER



- Women 49.2%
- Men 50.8%

* Verified by Ernst & Young. See assurance report on pages 152-153.

Corporate citizenship



Always keen to support education, The Group has partnered with the associations Ecoles du Monde and Enfants de Majunga to completely fund a **school in Majunga, Madagascar**. The construction of the Majunga Tower, which is due to be completed in 2013 and is situated in the heart of the Gallieni area in La Défense, presented a perfect opportunity for the Group to support this initiative. The tower is named in honour of Joseph Simon Gallieni who was Governor General of Madagascar from 1896-1905 and was responsible for the administrative region of Majunga. On the 15th of December 2011 an event was organised in the Group's Paris headquarters so that **employees** could contribute to the **school's funding**.

The Group maintained its commitment to supporting good causes in 2011. A total of €3,070,373 in cash and in kind was donated to educational, cultural, entrepreneurial and social initiatives. More than 330 local charity fundraising and awareness events were held in the Group's shopping centres. Space is provided for free to small local charities as well as to large international organisations like UNICEF and the Red Cross.

Unibail-Rodamco devotes considerable energy to attracting top-flight tenants and helping them to expand and develop their commercial activities. This commitment to supporting business extends to entrepreneurs and start-ups: by nurturing new concepts, the Group is able to provide greater variety for customers and contribute to the development of the premium brands of the future. Through the **Grand Prize for Young Retail Entrepreneurs**, in the retail sector, and Expocréa, in the convention and exhibition sector, Unibail-Rodamco provides financial and logistical support that helps creative, imaginative business people to get their venture off to a good start in the best conditions.

Expocréa, which is organised by VIPARIS, **encourages innovation** by helping promising new convention and exhibition events to prepare their second show. In 2011, the main prize winner was "The Funerary Fair", an unusual event which provided visitors with information and insights into the psychological, philosophical, spiritual and practical aspects of death and dying. Paris Games Week, the 2010 winner, enjoyed a hugely successful second edition with visitor numbers up 40%.

A new partnership was signed with the 'Enfants de Majunga' and 'Enfants du Monde'. These associations are working to support local populations in the Majunga region of Madagascar, which shares a name with the next-generation high-rise tower that Unibail-Rodamco is currently building at Paris-La Défense. The funds contributed by the Group and its French employees in 2011 will be used to construct a **new school for the children** of Majunga.

SCHOOL OF THE SECOND CHANCE (E2C)

In France, the Group reaffirmed its support for the School of the Second Chance (E2C). This long-standing partnership provides the E2C Foundation with a reliable source of funding as it works to give 18- to 25-year olds with few or no qualifications with the training and support they require to access further education or employment. It also opens numerous opportunities for students to obtain work or work experience in the Group's assets. In 2011 for example, 191 students obtained work in this way.

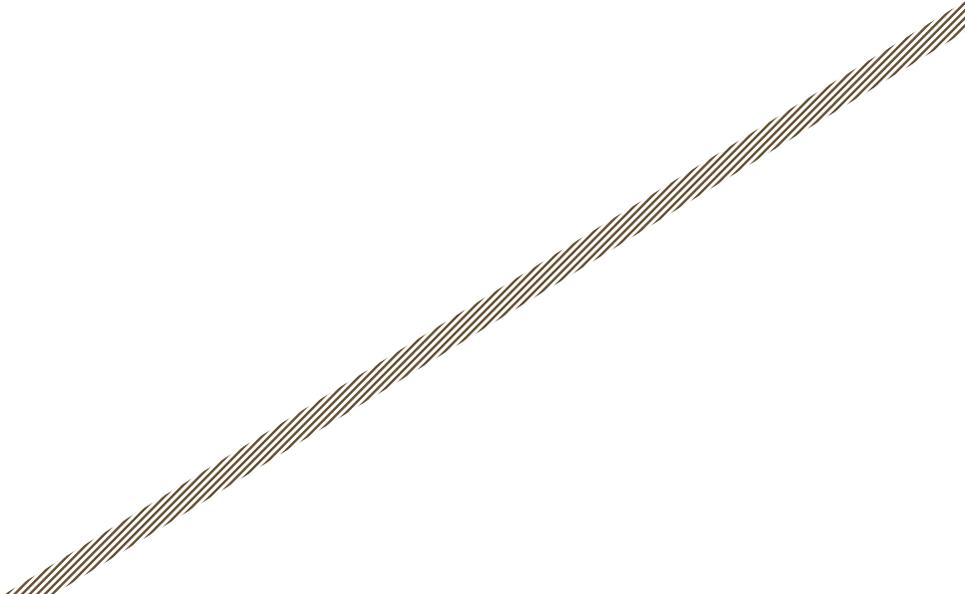
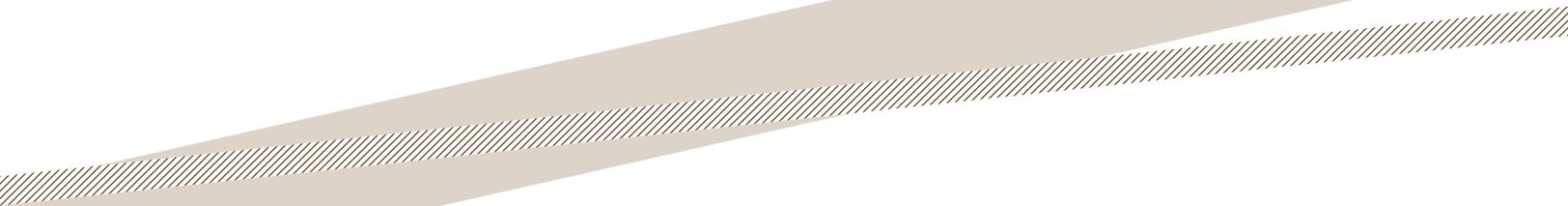
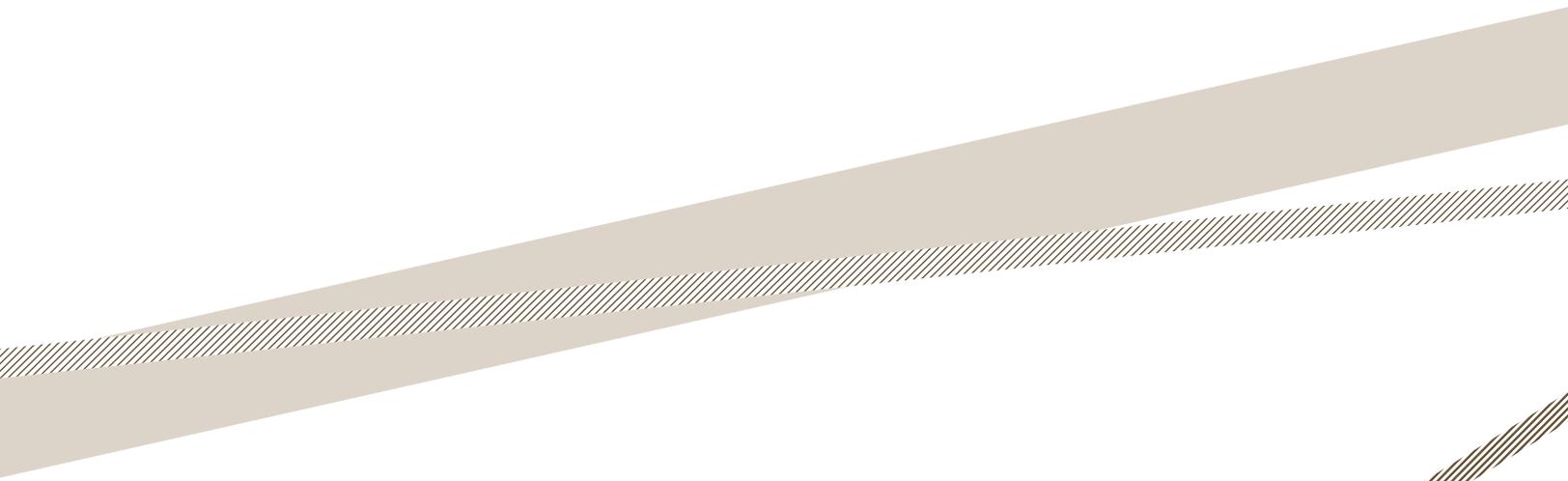
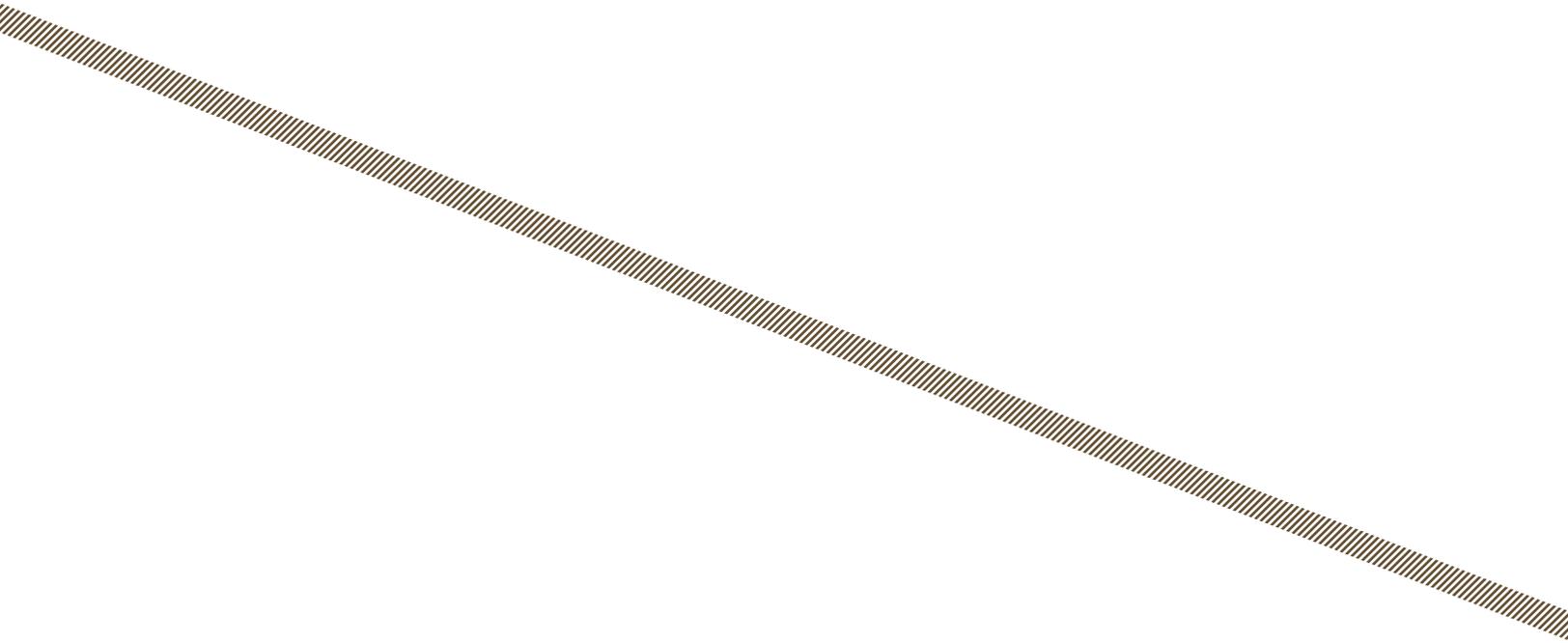




GRAND PRIZE FOR YOUNG RETAIL ENTREPRENEURS

The Grand Prize provides tomorrow's retail stars with the financial and logistical support they need to start their business today. It is by far the largest single endowment supporting the creation of new businesses in France, distributing prizes with a value of €1.35 million to the three winners. Unibail-Rodamco provides them with retail space in one of its shopping centres, waiving both key money and the first six months' rent to relieve the new entrepreneurs of some of the stress that is involved in launching a commercial venture. In addition, all six finalists receive marketing, legal, business and management guidance to help them to fine-tune their business plan. The fifth edition of the Grand Prize for Young Retail Entrepreneurs was won by Sports d'Epoque, which sells replicas of the kit worn by legendary sporting teams. The runners-up were Mi-Mai, with designer shoes at accessible prices, and La Chambre aux Confitures, which sells high-quality jams and preserves.





Transparency

Financial and legal information

80	Portfolio
92	Business review & 2011 results
120	Corporate sustainability
154	Consolidated financial statements
212	Legal information
252	Report of the Chairman of the Supervisory Board

PORTFOLIO

FRANCE: SHOPPING CENTRE PORTFOLIO	81
FRANCE: CONVENTION-EXHIBITION PORTFOLIO	84
FRANCE: OFFICE PORTFOLIO	85
NETHERLANDS: SHOPPING CENTRE PORTFOLIO	87
NETHERLANDS: OFFICE PORTFOLIO	87
NORDICS: SHOPPING CENTRE PORTFOLIO	88
NORDICS: OFFICE PORTFOLIO	88
SPAIN: SHOPPING CENTRE PORTFOLIO	89
CENTRAL EUROPE: SHOPPING CENTRE PORTFOLIO	90
CENTRAL EUROPE: OFFICE PORTFOLIO	90
AUSTRIA: SHOPPING CENTRE PORTFOLIO	91
AUSTRIA: OFFICE PORTFOLIO	91

France: Shopping Centre Portfolio as at December 31, 2011	GLA of the whole complex (m ²)	Parking spaces	Catchment area (in millions of people)	Number of visits (in millions)	Year of acquisition	Construction / Extension (C) Refurbishment (R) date	GLA of the property owning companies (m ²)	% Unibail-Rodamco's shares	% of consolidation	Total space according to consolidation (m ²)
Shopping centres in the Paris Region										
Les Quatre Temps (La Défense) Auchan, Castorama, C&A, 24 MSU, 209 shops and a cinema complex	136,900	6,500 ⁽³⁾	5.7	44.2	1992/95 1999/ 2011	1981 R 2006/08	132,200	53%	100%	132,200
Vélizy 2 Auchan, C&A, FNAC, Le Printemps and 10 MSU, 162 shops and a cinema	104,000	6,915	6.8	15.4	1994 2007	1972 R 2005/07	66,100	100%	100%	66,100
Parly 2 (Le Chesnay) Printemps, BHV, Simply Market, Habitat, FNAC, Decathlon, C&A, Toys'R'Us, 10 MSU, 160 shops and a cinema	107,200	5,050	4.6	13.3	2004	1969/87 R 2011	46,400	100%	100%	46,400
Rosny 2 Carrefour, Galeries Lafayette, FNAC, 18 MSU, 158 shops and a cinema	111,600	5,950	8.0	14.4	1994 2001/ 2010	1973 R 1997 C 2011	32,100 23,000	26% 100%	26% 100%	8,300 23,000
Carré Sénart (Lieuxaint) Carrefour, Go Sport, Cinema, 1 shopping park, 17 MSU, 120 shops	105,000	5,260	1.7	14.4	1994/99	2002 2006/07	80,900	100%	100%	80,900
Bay 1 - Bay 2 Carrefour, Leroy Merlin, Conforama, Toys'R'us 7 MSU, 123 shops, a cinema (16 screens)	96,300	4,870	3.3	8.0	2010	2003/04	7,900 21,000	100% 100%	100% 100%	7,900 21,000
Le Forum des Halles (Paris 1^{er}) FNAC, H&M, Go Sport, 13 MSU, 117 shops, 1 UGC Ciné Cité and 1 UGC Orient Express	63,900	2,100	6.5	40.1	1994/ 2010	1979/86 R 1996	62,000	65%	100%	62,000
Ulis 2 Carrefour, 9 MSU, 88 shops and a cinema	51,100	2,930 ⁽³⁾	2.2	6.3	1994	1973 R 1998/99	22,400	100%	100%	22,400
Côté Seine (Argenteuil) Géant Casino, 7 MSU, 53 small units	29,000	1,350 ⁽³⁾	4.8	5.8	2003	2002	14,600	100%	100%	14,600
Cnit (La Défense) FNAC, Decathlon, Monoprix, Habitat, 27 shops and a restaurant area	27,000	4,800 ⁽⁴⁾	5.7	17.5	1999	C 1989 R 2009	27,000	100%	100%	27,000
Bobigny 2 Atac, 53 shops o/w 6 MSU and a cinema	26,900	1,100	4.0	n.a.	2004	1974	7,900	100%	100%	7,900
L'Usine Mode et Maison (Vélizy) 111 shops (Gerard Darel, Ventilo, Quicksilver...)	20,500	1,270	13.9	1.3	2005	1986 R 2011	20,500	100%	100%	20,500
Boutiques Palais des Congrès (Paris 17^e) Galerie Gourmande, Les Editions du Palais, Palais Maillot, 3 MSU, 1 cinema and 65 shops	17,800	1,600 ⁽³⁾	7.2	8.2	2008		17,800	50%	100%	17,800
Galerie Gaité (Paris 14^e) Darty, 3 MSU, 16 small units	14,300	1,992 ⁽¹⁾	6.5	3.5	1998	1976 R 2000/01	12,900	100%	100%	12,900
Carrousel du Louvre (Paris 1^{er}) Virgin, Apple, 1 MSU, 33 shops and a food court	11,500	700 ⁽²⁾⁽³⁾	6.7	15.4	1999	1993 / R 2009	11,500	100%	100%	11,500
Sub-total Shopping centres in the Paris Region										582,400

Catchment area: less than 30 minutes from the Shopping Centre (except for factory outlet with 90 minutes)

MSU: Medium Size Units

(1) Gaité Montparnasse car parks are shared between Pullman hotel, Gaité shopping gallery and office.

(2) The Carrousel du Louvre car park is shared between the shopping centre and the exhibition spaces.

(3) Car parks not owned by Unibail-Rodamco.

(4) Car parks are owned by Cnit C&E and are shared between Cnit C&E, Cnit Offices and Cnit Retail.

France: Shopping Centre Portfolio

as at December 31, 2011

GLA of the whole complex (m ²)	Parking spaces	Catchment area (in millions of people)	Number of visits (in millions)	Year of acquisition	Construction / Extension (C) / Refurbishment (R) date	GLA of the property owning companies (m ²)	% Unibail-Rodamco's shares	% of consolidation	Total space according to consolidation (m ²)
--	----------------	--	--------------------------------	---------------------	---	--	----------------------------	--------------------	--

Shopping centres in the French Provinces

Lyon La Part-Dieu Carrefour, Galeries Lafayette, Decathlon, C&A, BHV, Go Sport, Boulanger, Monoprix, 28 MSU, 212 shops and 14 screens UGC cinema complex	127,300	4,756	1.4	32.7	2004	1975 R 2001/02 C 2009/10 R 2011	79,700	100%	100%	79,700
Calais Cité Europe - L'Usine Côte d'Opale Carrefour, C&A, Bowling, Toys'R'Us 16 MSU and 106 shops 42 factory outlets	86,400	5,100	0.5	7.1	1995	1995 2003 R 2008	49,700 13,900	50% 100%	50% 100%	24,900 13,900
Euraille Carrefour, Go Sport, 14 MSU and 100 shops	66,700	2,900 ⁽¹⁾	1.4	11.7	1994/ 2010	1994	42,900	76%	100%	42,900
Le Havre Docks Vauban Leclerc, Saturn, Baobab, 8 MSU, 36 shops, 1 cinema	53,500	2,000 ⁽¹⁾	0.3	5.4		2009	53,500	100%	100%	53,500
Dijon La Toison d'Or Carrefour, Norauto, Cultura, Boulanger, 11 MSU and 105 shops	57,900	3,540	0.3	6.4	1994	1990	32,800	100%	100%	32,800
Villeneuve 2 Auchan, La Poste 7 MSU (Furet du Nord, H&M), 124 shops	57,100	3,250	1.6	11.9		1977 R 2004/06	32,700	100%	100%	32,700
Toulouse Labège 2 Carrefour 6 MSU (C&A, H&M...), 108 shops	47,700	3,310	0.8	6.1	1994 2006	1983/1992 C 2008	21,400	100%	100%	21,400
Rouen Saint Sever Leclerc, UGC 7 MSU (Go Sport, La Grande Récré...) and 80 shops	45,400	1,800	0.5	9.6		1978/2002	34,400	100%	100%	34,400
Bordeaux Meriadeck - Passages Meriadeck Auchan, Darty 6 MSU (Zara, H&M...) and 76 shops	41,400	1,670 ⁽¹⁾	0.8	13.2	1994	1980 R 2000 C 2008	26,900 7,400	61% 100%	100% 100%	26,900 7,400
Bayonne BAB 2 Carrefour, 3 MSU (H&M, C&A), 80 shops	42,100	2,500	0.3	5.8	1994	1982 C 2009	14,100	100%	100%	14,100
Rouen Docks 76 Toys'R'Us, 7 MSU (Hollister, H&M...), 66 shops and a cinema	37,700	1,000	0.6	4.0		2009	37,700	100%	100%	37,700
Rennes Alma Carrefour, Printemps, 2 MSU and 64 shops	35,900	2,668	0.6	6.3	2005 2007	1971 R 1990	23,000	100%	100%	23,000
Marseille La Valentine Printemps, Castorama, Darty, FNAC	30,000	1,500	1.4	n.a	2007	1982 R 1999	8,400	100%	100%	8,400
Wasquehal Carrefour, Centre Auto Feu Vert, Gas station 30 shops	31,200	2,000	1.3	n.a	2010	1981 C 2006	6,000	100%	100%	6,000
Strasbourg Rivétoile Leclerc, Darty, H&M, Hollister, Bershka, Zara, and 77 shops	28,300	1,800 ⁽¹⁾	0.7	5.3	-	2008	28,300	100%	100%	28,300
Orléans Place d'Arc Carrefour 4 MSU (Darty, H&M, Zara), 54 shops and a cinema	27,200	750 ⁽¹⁾	0.3	7.7	1988	1988	13,600	73%	100%	13,600
Nice Etoile C&A, 4 MSU and 89 shops	21,800	2,157	0.7	12.1	2000	1982 R 2005	17,600	100%	100%	17,600
L'Usine Roubaix 5 MSU and 77 shops	19,200	400	3.9	n.a	2007	1984	19,200	100%	100%	19,200
Sub-total Shopping centres in the French Provinces										538,400

Catchment area: less than 30 minutes from the Shopping Centre (except for factory outlet with 90 minutes)
MSU: Medium Size Units
(1) Car parks not owned by Unibail-Rodamco.

France: Shopping Centre Portfolio as at December 31, 2011	GLA of the whole complex (m ²)	Parking spaces	Catchment area (in millions of people)	Number of visits (in millions)	Year of acquisition	Construction / Extension (C) Refurbishment (R) date	GLA of the property owning companies (m ²)	% Unibail-Rodamco's shares	% of consolidation	Total space according to consolidation (m ²)
--	---	----------------	---	-----------------------------------	---------------------	---	---	-------------------------------	--------------------	---

Other holdings

Paris Aquaboulevard Decathlon, Water park, Fitness center, Gaumont Cinema Event areas, 1 "food court", 3 shops	38,400	1,000	n.a.	n.a.	2006/ 2008	1990	32,400	100%	100%	32,400
Villabé Carrefour, 6 MSU, 55 shops	34,100	2,900	1.3	n.a.	2010	1992	5,700	15%	15%	900
Bel Est Auchan, 67 shops	48,800	2,000	3.8	n.a.	2010	1992	5,500	35.2%	35.2%	2,300
Paris Maine Montparnasse 1 shop Naf Naf	35,500	1,900 ⁽¹⁾	n.a.	n.a.	2007		200	100%	100%	200
Boissy 2 Géant, 30 shops	23,000	900 ⁽¹⁾	0.2	n.a.	2004	1976	700	100%	100%	700
Paris - 23, boulevard de Courcelles (Paris 8^e) Renault car dealer	12,900	-	n.a.	n.a.	1999	R 1989	12,900	100%	100%	12,900
Paris - 40 ter, avenue de Suffren (Paris 15^e) Volkswagen car dealer	11,200	-	n.a.	n.a.	1999	R 1982	11,200	100%	100%	11,200
Grigny 2 Casino, 1 MSU, 26 shops	10,700	1,200	n.a.	n.a.	2004	1973 R 2000	1,600	100%	100%	1,600
Go Sport: Marseille Grand Littoral, Evreux, Saintes, La Valentine	8,900		-	n.a.	2007		8,900	100%	100%	8,900
Plaisir Boulangier	5,200	100	n.a.	n.a.	2001		5,200	100%	100%	5,200
Sub-total Other holdings										76,300
Total (according to the scope of consolidation)										1,197,100

Catchment area: less than 30 minutes from the Shopping Centre (except for factory outlet with 90 minutes)

MSU: Medium Size Units

(1) Car parks not owned by Unibail-Rodamco.

France: Convention- Exhibition Portfolio

as at December 31, 2011

Year of acquisition	Construction (C) Refurbishment (R) date	Parking spaces	Total floor space of the asset (m ²)	% Unibail-Rodamco's share	% consolidation	Total space according to consolidation (m ²) ⁽³⁾	Description
---------------------	--	----------------	---	---------------------------	-----------------	--	-------------

PARIS AND PARIS-LA DÉFENSE

Property and operation

616,300

Paris Porte de Versailles - Paris 15 ^e	2000	1923 Hall 5 in 2003	5,500	226,000	50%	100%	226,000	8 exhibition halls (from 5,000 to 70,000 m ²), 32 conference rooms of which 3 auditoriums
Paris Nord Villepinte	2008	1982 Hall 7 in 2010	13,000	245,000	50%	100%	245,000	9 exhibition halls, 45 conference rooms of which 3 auditoriums
Cnit - La Défense	1999	1958 R 2007	4,800 ⁽⁴⁾	24,000	100%	100%	24,000	Exhibition and convention space
Espace Grande Arche - La Défense	2001	1989 R 2003		5,000	50%	100%	5,000	Flexible space covering 5,000 m ²
Espace Champerret - Paris 17 ^e	1989/1995	1987 R 2008	1,100 ⁽¹⁾	9,100	50%	100%	9,100	Exhibition space (trade shows)
Le Palais des Congrès de Paris	2008	1993	1,500 ⁽¹⁾	32,000	50%	100%	32,000	92 conference rooms of which 4 auditoriums
Carrousel du Louvre (Expos) - Paris 1 ^{er}	1999	1993	4,300 ⁽¹⁾	7,100	100%	100%	7,100	Exhibition space (trade and fashion shows, corporate events)
Palais des Sports - Paris 15 ^e	2002	1960		n.a.	50%	50%	n.a.	Flexible entertainment or convention room from 2,000 to 4,200 seats
Hilton Cnit - La Défense	1999	R 2008		10,700	100%	100%	10,700	Hotel
Pullman Paris - Montparnasse Hotel - Paris 14 ^e	1998	1974	1,992 ⁽²⁾	57,400	100%	100%	57,400	Hotel, conference centre and private parking lot ⁽²⁾

Operation

Paris Le Bourget	2008	1952/ 2005	12,000 ⁽¹⁾	80,000	50%	100%	0	5 exhibition halls, 7 conference rooms of which 1 auditorium
Palais des Congrès de Versailles	2008	1964	4,300 ⁽¹⁾	3,200	45%	100%	0	11 conference rooms of which 1 auditorium
Palais des Congrès d'Issy-les-Moulineaux	2009	R 2007		3,000	48%	100%	0	14 conference rooms of which 1 auditorium

Total (according to the scope of consolidation)
616,300

(1) This parking lot does not belong to the group.

(2) Car parks are shared between Pullman hotel, Gaîté shopping gallery and office.

(3) Unibail-Rodamco's interest in the property.

(4) Car parks are owned by Cnit C&E and shared between Cnit C&E, Cnit Offices and Cnit retail.

France: Office Portfolio *	Year of acquisition	Construction / Refurbishment (R) date	Total floor space of asset (m ²)	Parking spaces	% consolidation	Total floor space according to consolidation (m ²)	Main tenants (in terms of rental income)
-------------------------------	---------------------	--	--	----------------	-----------------	---	---

Paris CBD, Paris and Western Paris outskirts**Paris 1^{er}**

34-36, rue du Louvre	1976	R 2006	4,183	-	100%	4,183	Caisse d'Epargne
----------------------	------	--------	-------	---	------	-------	------------------

Paris 8^e

Capital 8 (Monceau/Murat)	2001	R 2006	45,280	373	100%	45,280	GDF-Suez, Eurazeo, Dechert, SAP, Marionnaud, Arsene, Nixon
---------------------------	------	--------	--------	-----	------	--------	--

Paris 15^e

Le Sextant, 2 bis - 2 ter rue Louis Armand	2009	1998	13,404	147	100%	13,404	Securitas, Direct Energie, La Poste
--	------	------	--------	-----	------	--------	-------------------------------------

Paris 16^e

7, place du Chancelier Adenauer	1999	R 2008	12,066	150	100%	12,066	Unibail-Rodamco's headquarters
---------------------------------	------	--------	--------	-----	------	--------	--------------------------------

Sub-total "Paris CBD"

74,933			74,933
---------------	--	--	---------------

92 PARIS-LA DÉFENSE

Espace 21 (Les Villages)	1999	R 2006	42,092	1,541	100%	42,092	Genegis, Concorde Management Company, Louvre Hotels
--------------------------	------	--------	--------	-------	------	--------	---

Tour Ariane	1999	R 2008 ⁽²⁾	63,489	212	100%	63,489	Marsh, British Telecom France, Société Générale, Completel, Ciments Français, Arkea, Mercer, Network Appliance, Regus, Vanco, Air Liquide
-------------	------	-----------------------	--------	-----	------	--------	---

Cnit (Offices)	1999	R 2008	36,959	4,800 ⁽³⁾	100%	36,959	SNCF, ESSEC, APEC, Select IT
----------------	------	--------	--------	----------------------	------	--------	------------------------------

Michelet-Galilée	1999	R 2010	32,662	127	100%	32,662	Alstom
------------------	------	--------	--------	-----	------	--------	--------

70-80, av. Wilson	1999	1988	22,543	549	100%	22,543	Comexposium, Orphan
-------------------	------	------	--------	-----	------	--------	---------------------

Sub-total "Paris-La Défense"

197,744			197,744
----------------	--	--	----------------

92 NEUILLY-SUR-SEINE

2, rue Ancelle	1996	R 2000	16,041	173	100%	16,041	Gras Savoye
----------------	------	--------	--------	-----	------	--------	-------------

92 ISSY-LES-MOULINEAUX

34-38, rue Guynemer	1999	R 2006	47,048	897	100%	47,048	Carlson, Aldata, Accor
---------------------	------	--------	--------	-----	------	--------	------------------------

Sub-total "Neuilly-Levallois-Issy"

63,088			63,088
---------------	--	--	---------------

* And related: shops in office buildings, light-industrial space, apartments,...

(1) Car parks are shared between Pullman hotel, Gaîté shopping gallery and office.

(2) Refurbishment from 2004 to 2008.

(3) Car parks are owned by Cnit C&E and shared between Cnit C&E, Cnit Offices and Cnit retail.

France: Office Portfolio *

as at December 31, 2011

Year of acquisition	Construction / Refurbishment (R) date	Total floor space of asset (m ²)	Parking spaces	% consolidation	Total floor space according to consolidation (m ²)	Main tenants (in terms of rental income)
---------------------	--	--	----------------	-----------------	---	---

Other office buildings in Paris (Paris 14^e)

Gaité-Montparnasse (Offices)	1998	1974	9,646	1,992 ⁽¹⁾	100%	9,646	Le Point, Craf
------------------------------	------	------	-------	----------------------	------	-------	----------------

Other office buildings in Western Paris region (Nanterre)

29, rue du Port	2010	1989	10,342	90	100%	10,342	ITT Flygt
-----------------	------	------	--------	----	------	--------	-----------

Sub-total of other office assets in Paris

19,988	19,988
---------------	---------------

Sub-total Paris CBD, Paris and Western Paris outskirts

355,753	355,753
----------------	----------------

Outside Paris

Lyon

Tour Crédit Lyonnais	1996 / 2007	1977	12,948	60	100%	12,948	France Télécom, DHL, CAF de Lyon
----------------------	----------------	------	--------	----	------	--------	----------------------------------

Tour Oxygène	2007	2010	29,420	-	100%	29,420	SNCF, Ernst & Young
--------------	------	------	--------	---	------	--------	---------------------

Sub-total Outside Paris

42,369	42,369
---------------	---------------

Total (according to the scope of consolidation)

398,122	398,122
----------------	----------------

* And related: shops in office buildings, light-industrial space, apartments,...

(1) Car parks are shared between Pullman hotel, Gaité shopping gallery and office.

Netherlands: Shopping Centre Portfolio

as at December 31, 2011

	GLA of the whole complex (m ²)	Parking spaces	Catchment area (in millions of people)	Number of visits (in millions)	Year of acquisition	Construction Refurbishment date	GLA of the property owning companies (m ²)	% Unibail-Rodamco's shares	% of consolidation	Total space according to consolidation (m ²)
Shopping Centres										
Almere - Stadshart Almere	89,500	1,807 ⁽¹⁾	0.6	10.0	2002	2002/2008	85,100	100%	100%	85,100
Amstelveen - Stadshart Amstelveen	81,300	2,775	1.7	9.3	2005	1960/1998	51,900	100%	100%	51,900
Zoetermeer - Stadshart Zoetermeer	75,500	3,340 ⁽²⁾	1.9	9.1	1983	1983/2005	50,800	100%	100%	50,800
Leidschendam - Leidsenhage	74,600	3,000 ⁽²⁾	2.1	n.a.	1990	1971/2000	23,700	100%	100%	23,700
Hoofddorp - Vier Meren/Dik Tromplein	74,000	1,900 ⁽²⁾	1.6	6.1	2004	2004	31,600	100%	100%	31,600
Hilversum - Kerkstraat	12,200	72	n.a.	n.a.	1993	n.a.	11,500	100%	100%	11,500
Oldenzaal - In den Vijfhoek	8,100	340 ⁽¹⁾	n.a.	n.a.	1980	1980	7,700	100%	100%	7,700
Deventer - Brink 100	7,700	n.a.	n.a.	n.a.	1993	1735	7,700	100%	100%	7,700
Almere - Zoetelaarpassage	4,900	-	n.a.	n.a.	1983	1983	4,900	100%	100%	4,900
Rotterdam - Plaza	3,800	488	n.a.	n.a.	1992	1992	3,800	100%	100%	3,800
Rotterdam - K.Doormanstraat/J. Banckertsplaats	2,700	n.a.	n.a.	n.a.	1996	1957	900	100%	100%	900
Venlo - Carleijspassage 10	1,900	n.a.	n.a.	n.a.	1993	1951	1,900	100%	100%	1,900
Rotterdam - Coolsingel	1,600	n.a.	n.a.	n.a.	1961	1957	1,600	100%	100%	1,600
Waalwijk - De Els	14,500	500 ⁽¹⁾	n.a.	n.a.	1990	1975/1990	1,200	100%	100%	1,200
Sneek - Oosterdijk	1,500	n.a.	n.a.	n.a.	1988	n.a.	900	100%	100%	900
Amstelveen - Pieter Lastmanweg 2-6	78,200	n.a.	n.a.	n.a.	n.a.	n.a.	200	100%	100%	200
Total (according to the scope of consolidation)										285,400

(1) Car parks not owned by Unibail-Rodamco.

(2) Car parks partly owned by Unibail-Rodamco.

Catchment area: less than 30 minutes from the Shopping Centre.

Netherlands: Office Portfolio

as at December 31, 2011

	GLA of the whole complex (m ²)	Parking spaces	Catchment area (in millions of people)	Number of visits (in millions)	Year of acquisition	Construction Refurbishment date	GLA of the property owning companies (m ²)	% Unibail-Rodamco's shares	% of consolidation	Total space according to consolidation (m ²)
Offices										
Rotterdam - Plaza	29,700	474	n.a.	n.a.	1989	1992	29,700	100%	100%	29,700
Leidschendam - Leidsenhage	25,300	3,000	n.a.	n.a.	2007	1971/2000	25,300	100%	100%	25,300
Zoetermeer - Stadshart Zoetermeer	16,900	3,340	n.a.	n.a.	1983/2005	1983/2005	16,900	100%	100%	16,900
Almere - Zoetelaarpassage	9,200	-	n.a.	n.a.	1983	n.a.	9,200	100%	100%	9,200
Rotterdam - Coolsingel	9,200	28	n.a.	n.a.	n.a.	1961	9,200	100%	100%	9,200
Groningen - Oude Boteringestraat	7,300	n.a.	n.a.	n.a.	1992	1992	7,300	100%	100%	7,300
Hoofddorp - De Polderlanden	3,700	1,037	n.a.	n.a.	1996	2008	3,700	100%	100%	3,700
Delft - Kalfjeslaan 2	4,200	71	n.a.	n.a.	1999	n.a.	4,200	90%	100%	4,200
Rotterdam - Hofplein 33	3,500	n.a.	n.a.	n.a.	1984	1987	3,500	100%	100%	3,500
Amstelveen - Stadshart Amstelveen	2,500	2,775	n.a.	n.a.	2005	1960/1998	2,200	100%	100%	2,200
Hoofddorp - Dik Tromplein	2,100	n.a.	n.a.	n.a.	1999	1999	2,100	100%	100%	2,100
Almere - Stadshart Almere	2,100	1,807	n.a.	n.a.	2002	n.a.	2,100	100%	100%	2,100
Total (according to the scope of consolidation)										115,400

Nordics: Shopping Centre Portfolio

as at December 31, 2011

Sweden**268,700**

	GLA of the whole complex (m ²)	Parking spaces	Catchment area (in millions of people)	Number of visits (in millions)	Year of acquisition	Construction Refurbishment date	GLA of the property owning companies (m ²)	% Unibail-Rodamco's shares	% of consolidation	Total space according to consolidation (m ²)
Greater Stockholm - Täby Centrum 160 units and a cinema complex	58,900	1,800	1.2	10.0	1997	1968/1969 1975/1992	58,900	100%	100%	58,900
Greater Stockholm - Forum Nacka 150 units	53,900	1,900	1.4	5.8	1996	1990/1997/2008	53,900	100%	100%	53,900
Greater Stockholm - Solna Centrum 120 units	47,600	1,265 ⁽¹⁾	1.6	6.4	1985	1962/1965/1992	47,600	100%	100%	47,600
Greater Stockholm - Eurostop Arlandastad 30 units	30,400	1,600	1.0	1.8	1996	1992	30,400	100%	100%	30,400
Greater Stockholm - Eurostop Halmstad 33 units	26,200	1,500	0.1	3.1	1996	1991/2001	16,300	100%	100%	16,300
Lund - Nova Lund (1, 2 & 3) 75 units	25,900	1,300	0.6	2.5	2002/ 2005	2002/2006	25,900	100%	100%	25,900
Greater Stockholm - Arninge Centrum 25 units	20,200	500	1.2	2.8	2001	1983/1990	20,200	100%	100%	20,200
Örebro - Eurostop Örebro 7 units	15,500	900	0.2	4.4	1996	1991/1996/2007	15,500	100%	100%	15,500

Denmark**57,800**

Copenhagen - Fisketorvet 122 shops and a cinema complex	57,800	1,600	1.4	6.4	2000	2000	57,800	100%	100%	57,800
---	--------	-------	-----	-----	------	------	--------	------	------	--------

Finland**29,900**

Helsinki - Jumbo, 122 units	85,100	4,600	1.2	9.4	2005	1999/2005	29,900	100%	100%	29,900
---------------------------------------	--------	-------	-----	-----	------	-----------	--------	------	------	--------

Total (according to the scope of consolidation)**356,400**

Catchment area: less than 30 minutes from the Shopping Centre.

(1) Car parks partly owned by Unibail-Rodamco.

Nordics: Office Portfolio *

as at December 31, 2011

Sweden

	GLA of the whole complex (m ²)	Parking spaces	Catchment area (in millions of people)	Number of visits (in millions)	Year of acquisition	Construction Refurbishment date	GLA of the property owning companies (m ²)	% Unibail-Rodamco's shares	% of consolidation	Total space according to consolidation (m ²)
Greater Stockholm - Solna Centrum 75 office units, 108 apartments	48,700	-	n.a.	n.a.	1985	1962/1965/1992	29,200	100%	100%	29,200
Greater Stockholm - Täby Centrum 48 office units	18,000	-	n.a.	n.a.	1997	1968/1969 1975/1992	18,000	100%	100%	18,000
Greater Stockholm - Forum Nacka 94 office units	13,900	-	n.a.	n.a.	1996	1990/1997/2008	13,900	100%	100%	13,900
Greater Stockholm - Eurostop Arlandastad 1 Hotel, 228 rooms	10,000	-	n.a.	n.a.	1996	1992	10,000	100%	100%	10,000
Örebro - Eurostop Örebro 1 hotel, 111 rooms	4,700	-	n.a.	n.a.	1996	1991/1996/2007	4,700	100%	100%	4,700
Greater Stockholm - Eurostop Halmstad 1 hotel, 107 rooms	4,000	-	n.a.	n.a.	1996	1991/2001	4,000	100%	100%	4,000

Total (according to the scope of consolidation)**79,800**

* And related: shops in office buildings, light-industrial space, apartments,...

Spain: Shopping Centre Portfolio as at December 31, 2011	GLA of the whole complex (m ²)	Parking spaces	Catchment area (in millions of people)	Number of visits (in millions)	Year of acquisition	Construction Refurbishment date	GLA of the property owning companies (m ²)	% Unibail-Rodamco's shares	% of consolidation	Total space according to consolidation (m ²)
Madrid - Parquesur 206 units	151,200	5,800	5.6	16.3	1994	1989/2005	94,500	100%	100%	94,500
Valencia - Bonaire 177 units Retail Park	135,000	5,700	1.8	9.4	2001	2001/2003	47,400	100%	100%	47,400
Barcelona - La Maquinista 235 units and a hypermarket	90,500	4,700	4.0	14.3	2008	2000/2010	75,800	51.1%	100%	75,800
Madrid - La Vaguada "Madrid 2" 239 units	85,500	3,600	5.8	24.1	1995	1983/2003	21,400	100%	100%	21,400
Cádiz - Bahía Sur 95 units	59,000	2,737	0.7	7.7	1994	1992/2005	24,300	100%	100%	24,300
Barcelona - Las Glorias 175 units	56,300	2,804 ⁽¹⁾	4.5	11.4	1998	1995/2001	30,100	100%	100%	30,100
Barcelona - Splau Supermarket, cinema complex and 146 stores	55,100	2,800	3.4	8.2	2011	2010	55,100	100%	100%	55,100
Barcelona - Barnasud 83 units Retail Park	43,700	2,450	3.5	4.2	2001	1995/2002/ 2006	33,400	100%	100%	33,400
Seville - Los Arcos 107 units	43,400	1,800	1.4	6.6	1995	1992/2002	17,700	100%	100%	17,700
Madrid - Equinoccio 58 units Retail Park	36,800	1,408	5.2	3.1	1998	1998/2000/ 2008	33,400	100%	100%	33,400
San Sebastian - Garbera 83 units	36,000	2,784	0.6	5.1	2002	1997/2002	26,100	100%	100%	26,100
Valladolid - Vallsur 92 units	35,100	2,250	0.4	6.7	2002	1998/2004/ 2011	34,700	100%	100%	34,700
Albacete - Albacenter 64 units	28,000	1,223	0.2	3.8	2002	1996/2002/ 2005/2008/ 2009	15,200	100%	100%	15,200
Torrevieja - Habaneras 68 units	24,100	850	0.4	4.6	2008	2005	24,100	52.8%	100%	24,100
Seville - Dos Hermanas FOC 60 units	16,000	1,200	1.3	1.9	2002	1999/2000	16,000	100%	100%	16,000
Total (according to the scope of consolidation)										549,200

Catchment area: less than 30 minutes from the Shopping Centre.

(1) Car parks partly owned by Unibail-Rodamco.

Central Europe: Shopping Centre Portfolio

at December 31, 2011

	GLA of the whole complex (m ²)	Parking spaces	Catchment area 0-30 min (in millions of people)	Number of visits (in millions)	Year of acquisition	Construction Refurbishment date	GLA of the property owning companies (m ²)	% Unibail-Rodamco's shares	% of consolidation	Total space according to consolidation (m ²)
Czech Republic										140,300
Prague - Centrum Chodov 207 units	57,700	2,400 ⁽²⁾	1.2	12.5	2005	2005	57,700	100%	100%	57,700
Prague - Centrum Cerný Most 77 units and a cinema complex	52,400	1,535	1.2	9.5	2000	1997	52,400	100%	100%	52,400
Prague - Centrum Pankrac 120 units	40,300	1,100	1.2	10.8	2005	2008	40,300	75%	75%	30,200
Poland										159,300
Warsaw - Arkadia 235 units and a cinema complex	113,300	4,300	1.8	20.8	2010	2004	75,300	100%	100%	75,300
Warsaw - Złote Tarasy ⁽¹⁾ 207 units and a cinema complex	66,200	1,600	1.9	20.4	2007	2007	n.a.	n.a.	n.a.	n.a.
Warsaw - Galeria Mokotów 246 units and a cinema complex	65,900	2,600	1.8	13.6	2003/ 2011	2000/2002/ 2006	65,900	100%	100%	65,900
Warsaw - Wilenska 107 units	40,000	1,253	0.9	19.3	2010	2002	18,100	100%	100%	18,100
Hungary										25,100
Budapest - Europark 71 units	25,100	950	0.8	7.0	1999	1997	25,100	100%	100%	25,100
Germany										13,700
Berlin - Ring-Center 1 62 retail units and a cinema complex	20,600	1,000 ⁽³⁾	1.3	5.0	1996	1997	20,600	67%	67%	13,700
Total (according to the scope of consolidation)										338,400

Catchment area: less than 30 minutes from the Shopping Centre

Central Europe: Office Portfolio

at December 31, 2011

	GLA of the whole complex (m ²)	Parking spaces	Catchment area (in millions of people)	Number of visits (in millions)	Year of acquisition	Construction Refurbishment date	GLA of the property owning companies (m ²)	% Unibail-Rodamco's shares	% of consolidation	Total space according to consolidation (m ²)
Warsaw - Złote Tarasy Lumen ⁽¹⁾	23,700	-	n.a.	n.a.	2007	2007	n.a.	n.a.	n.a.	n.a.
Warsaw - Wilenska Offices	13,400	-	n.a.	n.a.	2010	2002	4,800	100%	100%	4,800
Total (according to the scope of consolidation)										4,800

(1) Economic ownership. The income is treated as financial income for the time being.

(2) Car parks partly owned by Unibail-Rodamco.

(3) Car parks not owned by Unibail-Rodamco.

Austria: Shopping Centre Portfolio as at December 31, 2011		GLA of the whole complex (m ²)	Parking spaces	Catchment area (in millions of people)	Number of visits (in millions)	Year of acquisition	Construction (C) Refurbishment (R) date	GLA of the property owning companies (m ²)	% Unibail-Rodamco's shares	% of consolidation	Total space according to consolidation (m ²)
--	--	---	----------------	---	--------------------------------	---------------------	--	---	----------------------------	--------------------	---

Austria											246,500
Vienna - Shopping City Süd (SCS) 317 units	192,600	10,000	2.7	22.3	2008	1976/2002	124,300	100%	100%	124,300	
Vienna - Donauzentrum 257 units, cinema complex and a hotel	122,200	2,997	1.9	16.9	2003	C 1975/2000/2010 R 2006/2008/ 2010/2011	122,200	90%	100%	122,200	
Slovak Republic											52,600
Bratislava - Aupark 244 units and a cinema complex	52,600	2,320	0.6	11.6	2006/ 2011	2000/2001/2007	52,600	100%	100%	52,600	
Total (according to the scope of consolidation)											299,100

Catchment area: less than 30 minutes from the Shopping Centre (except for SCS 60 minutes).

Austria: Office Portfolio as at December 31, 2011		GLA of the whole complex (m ²)	Parking spaces	Catchment area (in millions of people)	Number of visits (in millions)	Year of acquisition	Construction Refurbishment date	GLA of the property owning companies (m ²)	% Unibail-Rodamco's shares	% of consolidation	Total space according to consolidation (m ²)
--	--	---	----------------	---	--------------------------------	---------------------	------------------------------------	---	----------------------------	--------------------	---

Austria											
Vienna - Donauzentrum 2 buildings	10,700	n.a.	n.a.	n.a.	2003	1975/1985	10,700	90%	100%	10,700	
Vienna - Shopping City Süd (SCS)	8,800	n.a.	n.a.	n.a.	2008	1989	8,800	100%	100%	8,800	
Total (according to the scope of consolidation)											19,500

BUSINESS REVIEW AND 2011 RESULTS

BUSINESS REVIEW AND 2011 RESULTS	93
I. Accounting principles and scope of consolidation	93
II. Business review by segment	94
III. Sustainability	100
IV. 2011 Results	100
V. Post closing events	101
VI. Dividend and Outlook	101
DEVELOPMENT PROJECTS AS AT DECEMBER 31, 2011	102
NET ASSET VALUE AS AT DECEMBER 31, 2011	106
FINANCIAL RESOURCES	114
EPRA PERFORMANCE MEASURES	118

BUSINESS REVIEW AND 2011 RESULTS

I. Accounting principles and scope of consolidation

Accounting principles

Unibail-Rodamco's consolidated financial statements as at December 31, 2011 have been prepared in accordance with International Financial Reporting Standards (IFRS) as applicable in the European Union as at December 31, 2011.

No changes were made compared to the accounting principles used for 2010 closing.

They 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 Business Review.

Scope of consolidation

There was no significant change in the scope of consolidation since December 31, 2010, apart from some entities sold or liquidated in the context of the disposal plan of non core assets and the increase of the Group's stake in Aupark-Bratislava (50% to 100%) and Mokotow-Warsaw (50% to 100%). The two entities owning these shopping centres, previously consolidated proportionally, have been fully consolidated since the acquisition date.

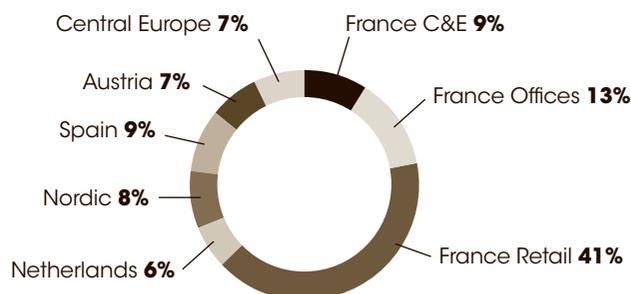
As at December 31, 2011, 261 companies have been fully consolidated, 25 companies have been consolidated proportionally and 5 companies have been accounted for under the equity method⁽²⁾.

On May 17, 2011, The Enterprise Chamber of the Court of Appeal in Amsterdam set the price of the 660,562 remaining Rodamco Europe NV shares (0.74%) at €87.66/share.

Since June 9, 2011, Unibail-Rodamco has been the 100% shareholder of Rodamco Europe NV.

The Unibail-Rodamco Group is operationally organised in 6 geographical regions: France, The Netherlands, Nordic, Spain, Central Europe and Austria⁽³⁾. As France has substantial representation of all 3 business-lines of the Group, this region is itself divided in 3 segments: Shopping Centres, Offices and Conventions & Exhibitions. The other regions operate mainly in the shopping centre segment.

The table below shows the split of asset value (Gross Market Value) per region as at December 31, 2011.



(1) EPRA Best Practices Recommendations are available on EPRA web-site: www.epra.com

(2) Mainly the COMEXPOSIUM subsidiaries (Trade show organisation business).

(3) Slovakia, previously managed by Central Europe region, is now managed from Austria. 2010 figures have been restated accordingly.

II. Business review by segment

1. Shopping centres

1.1. Shopping centre market in 2011

The overall macro-economic context continued to be difficult and uncertain and worsened in H2'11. The GDP of the European Union as a whole grew only by 1.6%⁽⁴⁾ in 2011. Rising unemployment at 9.2%⁽⁵⁾ also held back economic growth. Consumer confidence remained fragile, and retail sales remained sluggish in spite of continued growth of internet penetration.

In this challenging context, Unibail-Rodamco maintained a healthy performance. After a strong start of the year but a difficult 2nd half, also affected by unfavourable weather conditions, overall footfall in the Group's shopping centres grew by 0.5% thanks to an excellent month of December. Tenant sales in the Group's retail centres⁽⁶⁾ grew by 2.7% for the full year, with strong performance of Austria (+9.1% with Donau Zentrum impact) and good resistance of Spain (+2.9%). Tenant sales growth year to November 2011 was +2.8% which compares to a retail sales decline of -0.8% for the comparable national sales statistics⁽⁶⁾⁽⁷⁾.

The Group's large assets (over 6 million visits per year) showed a 3.2%⁽⁸⁾ increase in tenant sales in 2011, a clear confirmation of the superior attraction of these assets for tenants and consumers. In particular, shopping centres with active retenanting saw significant increases in tenant's sales and rotation rates⁽⁹⁾ in 2011, such as Carré Sénart (Paris region), with a rotation rate of 19.7% and tenants' sales up by 9.9%, La Part Dieu (Lyon) with a rotation rate of 10.2% and sales up by 4.1%.

This good performance reflects the Group's asset quality and pro-active management, which aims to continuously reinforce the attractiveness of its assets by upgrading their layout and design, renewing the tenant mix and enhancing the shopping experience. In that context La Part-Dieu (Lyon), Parly 2 (Paris) and Bonaire (Valencia) were fully renovated in 2011 and 1st phases of major extensions and redevelopments were delivered at Täby (Stockholm) and Fisketorvet (Copenhagen). Following its renovation, Parly 2 realised a 9.9% rotation rate, providing the mall with international up-market retailers (Kiko, Wolford, Kitchen Bazaar, Lara Todd, Pierre Marcolini, after Zadig & Voltaire and Bang & Olufsen in 2010).

(4) EU27, source Eurostat.

(5) EU27, Nov 2011, source Eurostat.

(6) Based on national indices Nov 2011 (year on year evolution):

- France: Institut Français du Libre Service (IFLS);

- Spain: Instituto Nacional de Estadística;

- Nordics: HUI (Sweden), Danmarks Statistik (Denmark), Tilastokeskus-Statistikcentraalen (Finland);

- Austria: Eurostat (Austria and Slovakia);

- Central Europe: Eurostat (Czech Republic and Poland).

(7) December statistics are available for France only, with footfall for the Group +1.1% vs CNCC index -1.3%, and tenants' sales Group +2.2% vs Procos +0.1%, CNCC -0.5% and IFLS -1.0%.

(8) Tenants' sales (excluding Netherlands) on portfolio of shopping centres in operation including extensions of existing assets and excluding deliveries of new brownfield projects, high street assets and assets under heavy refurbishment. Apple store sales estimated on the basis of available public information from Apple Inc (2011 and 2010 10-K).

(9) Rotation rate = (number of re-lettings + number of assignments + number of renewals with new concepts) / number of stores.

More than half of the Group's large assets⁽¹⁰⁾ (in value) have been renovated or extended since 2005 and another 20% will benefit from a renovation/extension in 2012-2014.

There was robust leasing activity in 2011, where 1,320 new leases were signed, compared to 1,469 in 2010, resulting in €18.1 Mn rental uplift, ie + 19.4% on relettings and renewals. There was a spectacular surge in premium retailer⁽¹¹⁾ deals, which more than doubled in 2011, with 104 new leases compared to 48 in 2010. This confirmed the quality of Unibail-Rodamco's pan-European portfolio for large international retailers seeking to accelerate their European expansion, and their confidence in the Group's assets: Hollister (Abercrombie & Fitch Group) for instance opened its first four stores in France, as well as its first store in Sweden and in Vienna, in the Group's shopping centres. Marks & Spencer also chose to partner with Unibail-Rodamco for its expansion into France, securing major stores in the SO Ouest and Aéroville developments. The Group hosted three additional Apple Stores in France and one in Spain, bringing the total to seven stores opened in the Group's shopping centres.

2011 saw the roll-out throughout the Group of digital marketing tools, such as revamped internet sites (65 re-designed shopping centre websites with 14.5 Mn visits on a full-year basis), iPhone and Android applications (20 iPhone and 8 Android apps launched and downloaded more than 200,000 times) as well as Facebook fan pages (676,000 Facebook fans for 51 shopping centres of the Group), enabling each Shopping Centre to interact directly with end-customers and to communicate better on promotions and events.

2011 was also the year of spectacular entertainment in the Group's assets, including Cirque du Soleil who performed at six of the Group's key Parisian centres, and the Elite Model Look tour which took place across 31 shopping centres in Europe.

1.2. Rental income from Unibail-Rodamco shopping centres

The Group owns 94 retail assets, including 74 shopping centres out of which 51 host more than 6 million visits per annum. The 51 larger centres represent 88% of the Group's retail portfolio in Gross Market Value.

Total consolidated Net Rental Income (NRI) of the shopping centre portfolio amounted to €984.1 Mn in 2011.

Region	Net Rental Income (€Mn)		
	2011	2010	%
France	499.3	480.5	3.9%
Netherlands	75.0	104.8	-28.4%
Nordic	90.2	95.0	-5.0%
Spain	128.7	123.2	4.5%
Central Europe	101.3	79.4	27.5%
Austria	89.6	78.2	14.5%
Global	984.1	961.1	2.4%

Aupark shopping centre in Bratislava-Slovakia has been operationally transferred from Central Europe region to Austria. 2010 figures have been restated accordingly.

(10) For centres above 6 million visits per annum.

(11) Retailer that has a strong and international brand recognition, with a differentiating store design and product approach improving shopping centres' attractiveness.

The total net growth in NRI amounted to +€23.0 Mn (+2.4%) and broke down as follows:

- +€46.6 Mn from acquisitions:
 - Simon Ivanhoe portfolio acquired in July 2010 comprising 2 shopping centres in Warsaw-Poland (+€18.8 Mn) and in France, Bay1-Bay2 near Paris and 3 participations in smaller shopping centres (+€9.4 Mn).
 - Increase of the Group's stake⁽¹²⁾ in Euralille (Lille-France) from 40% to 76% in July 2010 (+€6.7 Mn).
 - Acquisition of the remaining 50% of Galeria Mokotow in Warsaw-Poland in July 2011 (+€5.4 Mn⁽¹³⁾).
 - Acquisition of the remaining 50% of Aupark in Bratislava in October 2011 (€+1.9 Mn⁽¹⁴⁾).
 - Acquisition of Splau in October 2011, a 55,100 m² shopping centre in Barcelona-Spain (+€2.2 Mn).
 - Acquisition of additional plots in existing shopping centres in Spain and in France (+€2.2 Mn).
- +€8.4 Mn from delivery of shopping centres extensions: mainly, Donau Zentrum-Vienna delivered in October 2010, La Maquinista-Barcelona delivered in September 2010 and Lyon La Part-Dieu delivered in May 2010.
- -€66.6 Mn due to disposals of smaller assets:
 - €30.6 Mn in The Netherlands further to the divestment of retail assets in 2010 and 2011 in cities of Zwijndrecht, Almere, Eindhoven, Rotterdam and Breda.
 - €17.7 Mn in France, due to the disposal of Saint Martial-Limoges in July 2010, and Bonneveine-Marseille, Shopping Etrembières- Annemasse, Saint Genis 2 near Lyon, Evry 2 in Paris region, Boisseuil in Limoges and Croix Dampierre in Châlons-en-Champagne mainly in the first half of 2011.
 - €13.1 Mn in Sweden due to the disposal of retail assets in Haninge, Tyresö, Balsta, Helsingborg, and Väsby in H1-2011.
 - €0.4 Mn in Austria due to the disposal of Südpark in Klagenfurt in July 2011.
 - €4.8 Mn due the disposal of the Group's share in Arkad in Budapest in February 2011 and Allee-Center in Germany in October 2011.
- The net growth like-for-like amounted to €35.4 Mn, after deduction of €0.8 Mn corresponding to constant currency correction⁽¹⁵⁾, one-off provision reversal and transfers to pipeline for renovation or extension, representing a 4.6% growth compared to 2010, of which 1.0% due to indexation.

Region	Net Rental Income (€Mn) Like-for-like		
	2011	2010	%
France	416.3	396.9	4.9%
Netherlands	67.6	66.8	1.2%
Nordic	66.7	62.3	7.0%
Spain	120.7	118.3	2.0%
Central Europe	56.0	53.4	4.9%
Austria	77.5	71.8	8.0%
Global	804.9	769.5	4.6%

Excluding currency effect.

Region	Net Rental Income like-for-like evolution (%)			
	Indexation	Renewals, relettings net of departures	other	Total
France	0.0%	2.1%	2.8%	4.9%
Netherlands	2.1%	-2.5%	1.6%	1.2%
Nordic	2.6%	0.4%	4.1%	7.0%
Spain	2.2%	0.6%	-0.7%	2.0%
Central Europe	1.3%	5.4%	-1.8%	4.9%
Austria	2.2%	6.9%	-1.2%	8.0%
Global	1.0%	2.0%	1.6%	4.6%

Net of indexation and on a like-for-like basis, the average NRI growth rate was 3.6%, the best performing regions being Austria (5.7%), France (4.9%) and Nordic (4.4%).

Across the whole portfolio, sales based rents represented 1.8% of total net rental income of 2011, stable compared to 2010.

1.3. Leasing activity in 2011

1,320 leases were signed in 2011 (1,469 in 2010) for €128.6 Mn of Minimum Guaranteed Rents with an average uplift of 19.4% (18.3% in 2010).

Region	Lettings/Re-lettings/Renewals excl. Pipeline				
	nb of leases signed	m ²	MGR (€Mn)	MGR uplift like for like	
				€ Mn	%
France	412	82,413	53.5	8.0	20.4%
Netherlands	95	23,568	6.7	0.5	10.1%
Nordic	214	45,646	20.7	2.0	12.8%
Spain	344	55,156	22.9	2.3	13.3%
Central Europe	157	23,824	13.6	3.3	32.9%
Austria	98	30,746	11.3	2.0	30.3%
Global	1,320	261,353	128.6	18.1	19.4%

MGR : Minimum Guaranteed Rent.

The rotation rate (11.3% in 2011 for the whole portfolio and 11.6% for assets above 6 million visits per annum) showed a significant increase vs 2010 (8.1%), thus unlocking significant reversionary potential translating into rental growth.

(12) Euralille previously consolidated under equity method has been consolidated globally since July 1st, 2010.

(13) Change from proportional consolidation to full consolidation.

(14) Change from proportional consolidation to full consolidation.

(15) Mainly in Sweden.

1.4. Vacancy and Lease expiry schedule

The following table shows a breakdown by lease expiry date and at the tenant's next break option.

Retail portfolio	Lease expiry schedule			
	at date of next break option	as a % of total	at expiry date	as a % of total
Expired	55.9	5.6%	50.0	5.0%
2012	160.0	16.1%	80.0	8.1%
2013	168.4	17.0%	61.2	6.2%
2014	215.9	21.7%	93.0	9.4%
2015	161.9	16.3%	97.3	9.8%
2016	70.9	7.1%	81.1	8.2%
2017	37.2	3.7%	59.8	6.0%
2018	30.1	3.0%	83.9	8.5%
2019	28.8	2.9%	80.8	8.1%
2020	22.9	2.3%	68.3	6.9%
2021	13.7	1.4%	63.7	6.4%
2022	6.1	0.6%	20.5	2.1%
Beyond	21.0	2.1%	153.0	15.4%
€Mn	992.8	100%	992.8	100%

Potential rents from vacant space in operation on the total portfolio amounted to €21.7 Mn at December 31, 2011 versus €20.2 Mn at year end 2010.

The EPRA Vacancy rate⁽¹⁶⁾ as at December 31, 2011 stood at 1.9% on average across the total portfolio (vs 1.7% as at December 31, 2010) and 1.6% for assets above 6 million visits per annum.

Region	Vacancy (Dec 31, 2011)		% Dec 31, 2010
	€Mn	%	
France	9,9	1,7%	1,4%
Netherlands	3,6	4,1%	2,3%
Nordic	2,9	2,7%	3,7%
Spain	3,5	2,2%	1,6%
Central Europe	0,7	0,6%	0,2%
Austria	1,1	1,1%	2,8%
Global	21,7	1,9%	1,7%

Excluding pipeline.

The occupancy cost ratio⁽¹⁷⁾ on average stood at 12.6% compared to 12.0% at year end 2010, and 12.8% for assets above 6 million visits per annum.

It slightly grew in all regions: France 13.3% (vs. 12.9%), Spain 11.7% (vs. 11.5%), Central Europe 11.9% (vs. 11.5%), Austria 13.8% (vs. 12.4%) and Nordic 10.8% (vs. 9.8%).

(16) EPRA Vacancy rate = Estimated Rental Value (ERV) of vacant spaces divided by ERV of total surfaces.

(17) Occupancy Cost Ratio = (rental charges + service charges including marketing costs for tenants) / (tenants' sales); VAT included and for all the occupiers of the shopping centre. As tenants' turnover is not known for The Netherlands, no reliable OCR can be calculated for this country.

1.5. Investment

Unibail-Rodamco invested €1,358 Mn⁽¹⁸⁾ in its shopping centre portfolio in 2011:

- New acquisitions amounted to €735 Mn:
 - On July 30, 2011, Unibail-Rodamco acquired from the co-owner its 50% stake in Galeria Mokotow, a prime retail and entertainment centre located in Warsaw, Poland (62,300 m² GLA). This brought Unibail-Rodamco's ownership to 100%.
 - On October 31, 2011 the Group has taken the full ownership of Aupark in Bratislava-Slovak Republic (52,300 m² GLA) further to the acquisition of the co-owner's 50% stake.
 - In Spain, on October 7, 2011 the Group acquired Splau, a 55,100 m² shopping center located in the south of Barcelona for €189 Mn.
 - A plot of land was acquired adjacent to La Maquinista-Barcelona, Spain.
 - Several acquisitions of additional plots were made in Les 4 Temps and Aquaboulevard in Paris, in Rennes Alma, Parquesur, La Vaguada in Madrid and Leidsenhage in The Netherlands, as well as parking lots close to Las Glories in Barcelona and a piece of land used for temporary parking in Täby, in Sweden.
- €309 Mn was invested in construction and extension projects. Significant progress has been made for Aeroville and SO Ouest in France, Faro del Guadiana in Badajoz in Spain and Mall of Scandinavia in Sweden (see details in following section "Development projects").
- €168 Mn was invested in renovation of existing shopping centres, notably: €108 Mn in France (mainly Vélizy 2, Parly 2 renovations inaugurated in November 2011 and Lyon Part-Dieu), €12 Mn in Spain (Parquesur and Bonaire) and €29 Mn in Austria (Donau Zentrum and Shopping City Süd).
- Financial costs, eviction costs and other costs were capitalised respectively for €24 Mn, €94 Mn and €28 Mn.

1.6. Divestments

Divestment of non core assets has been actively pursued in 2011, and generated a total net disposal price of €1,084.1 Mn (underlying assets values⁽¹⁹⁾) and a net disposal profit of €65.0 Mn.

- €310.2 Mn in France: Bonneveine in Marseille, shopping Etrembières in Annemasse (50%) and participations in Saint Genis 2 near Lyon, Evry 2 in Paris region, Boisseuil in Limoges and Croix Dampierre in Châlons-en-Champagne. Most of these disposals took place during the first half of the year.
- €325.8 Mn in Sweden: Haninge Centrum, Väsby Centrum, Tyresö-Stockholm, Balsta-Stockholm, Helsingborg and Eurostop-Jönköping.

(18) Total capitalised amount in asset value Group share, excluding leaseholds.

(19) As six assets were sold through share deals, the total net proceeds amounted to €964.8 Mn.

- €245.9 Mn in The Netherlands: Buitenmere-Almere, Houtmarktpassage-Breda, Walburg-Zwijndrecht, Oude Marktpassage-Stadskanaal, Woonmall-Rotterdam and Piazza Centre Eindhoven.
- €202.2 Mn for the Group's share in the Arkad centre in Budapest, the 50% participation in Allee-Center in Magdeburg-Germany and the Group's 50% stake in Südpark Klagenfurt – Austria.

These divestments (at an average buyer's yield of 5.6%) implied a premium of 8.8% compared to the latest externally appraised values.

1.7. Portfolio valuation⁽²⁰⁾

As at December 31, 2011 the shopping centre portfolio of Unibail-Rodamco was valued on the balance sheet at €19,145 Mn, excluding transfer taxes and transaction costs.

Valuation movements to shopping centre investment properties (standing assets and property under development) was a €776.7 Mn profit in 2011 P&L, breaking down as follows:

- €352.9 Mn in France,
- €202.6 Mn in Central Europe,
- €71.4 Mn in Austria,
- €69.6 Mn in Nordic,
- €60.7 Mn in Spain,
- €19.5 Mn in The Netherlands.

2. Offices

2.1. Office property market in 2011

Take-up⁽²¹⁾

At the end of 2011, take-up of office space in the Paris Region totaled some 2.4 Mn m², representing a year-on-year rise of 14%. These results were better than the average performance over the last ten years, with a strong Q3 (787,600 m² let) and a somewhat weaker Q4 (496,000 m² let).

The Paris Region's large segment (deals over 5,000 m²) saw a strong take-up with 68 large transactions listed during 2011 for a total of almost 1 Mn m² let (compared to 71 transactions for a total of 760,000 m² let last year). These results are mostly due to the conclusion of several very large transactions in low-rent areas such as the Thalès deal for 78,600 m² in Gennevilliers, the Carrefour deal for 85,000 m² in Massy or the SFR deal for 124,000 m² in Saint-Denis. These transactions were initiated between 2009 and 2010 for cost-cutting and centralisation purposes and totaled almost 380,000 m² (16% of the 2011 take-up of the Paris Region).

Further market support came from the level of activity inside Paris with almost 1 Mn m² let. The city accounted for 39% of the Paris Region take-up. The CBD performed particularly well with

more than 400,000 m² let (around 40% of the take-up in Paris), followed by the Western Crescent.

Rents⁽²²⁾

Rental values in the Paris Region for new, redeveloped or renovated space remained relatively stable in 2011 but with some geographical variations.

Even if a selected number of transactions⁽²³⁾ showed an increase in rents, the overall trend still shows moderate downward pressure.

In La Défense, prime rents decreased to €494/m² at the end of 2011 (compared to €511/m² last year), driven by a large supply of second-hand buildings. The highest rents during 2011 were related to transactions on Tour First with the Ernst & Young move and the Euler Hermes deal.

Investment market⁽²⁴⁾

Investment transactions in offices during 2011 in the Paris Region market totalled some €11.3 Bn, up from €8.7 Bn in 2010. The biggest transactions in 2011 were the acquisition of Europe Avenue by Generali/Predica for €450 Mn (bought from Beacon Capital Partners) and the acquisition of River Ouest in Bezons by ING Real Estate Investment for €368 Mn (bought from HRO).

After having risen during the financial crisis, market yields have seen some compression since 2010. The prime yield stood at the end of 2011 between 4.5% and 6% in Paris CBD and between 6% and 7% in La Défense (CBRE data).

Limited new supply⁽²⁵⁾

Immediate supply in the Paris Region has been stable since 2009 with 3.6 Mn m² available. Very few new developments are scheduled for delivery in 2012.

In this context, the Paris Region vacancy rate reached 6.6% with large variations from area to area: 4.9% for Paris CBD, 7% for La Défense, 10.4% for the Western Crescent and 11.7% for the Northern Crescent.

Pressure on quality supply of available space increased. The Paris Region suffers from obsolescence due to age and low quality of a significant part of the supply. New and redeveloped supply continues to be modest and was not replenished by completions, which were too few. Consequently, the share of new or renovated premises in immediately available supply is only 23%.

2012 is expected to be a year of caution: in general, companies are likely to keep on cutting costs while their new development projects could be slowed down by the economic crisis. In this context, opportunities arise for Unibail-Rodamco, supplying new, high-quality, connected and sustainable assets, in a market which is short of quality assets.

(22) Source: CBRE.

(23) According to CBRE, prime rents in Paris CBD have increased from €734/m² in 2010 to €748/m² thanks to 3 transactions over €800/m² recorded in 2011.

(24) Sources: Immostat, CBRE.

(25) Sources: Immostat, DTZ.

(20) See details in the following section on Net Asset Value.

(21) Sources: Immostat, DTZ, CBRE.

2.2. Office division 2011 activity

Unibail-Rodamco's consolidated Net Rental Income (NRI) from the offices portfolio came to €184.5 Mn in 2011.

Region	Net Rental Income (€Mn)		
	2011	2010	%
France	155.2	173.5	-10.6%
Netherlands	11.5	12.0	-4.1%
Nordic	15.0	17.6	-15.2%
Other countries	2.9	3.0	-2.0%
Global	184.5	206.1	-10.5%

The decrease of €21.6 Mn from 2010 to 2011 is explained as follows:

- -€17.1 Mn due to disposals:
 - Buildings sold in 2010: in France, Capital 8-Messine, 18-20 Hoche, 11-15 St Georges, 168 av Ch. de Gaulle-Neuilly, one logistic asset in Spain and small assets in Sweden and The Netherlands.
 - 3-5 Malesherbes in Paris, sold in July 2011.
 - Various small assets sold in 2011 in Sweden and The Netherlands.
- -€21.5 Mn due to buildings currently under refurbishment (mainly Courcellor 1 in Levallois, part of Issy-Guynemer in Paris and part of Le Wilson in La Défense).
- +€6.4 Mn came from delivery of Michelet Galilée-La Défense and Tour Oxygène-Lyon in H1-2010 and two small acquisitions in Nanterre-France and in Wilenska-Poland.
- Several one-off items, a reversal of provision for litigation and currency effect had a net positive impact of €5.5 Mn.
- Like-for-like NRI increased by €5.1 Mn, i.e a +4.2% growth, with a limited impact of indexation of +1.0%. This variation is broken down as shown in the following table.

Region	Net Rental Income (€Mn) Like-for-like		
	2011	2010	%
France	109.1	105.4	3.5%
Netherlands	5.3	4.7	13.9%
Nordic	10.0	9.3	7.0%
Other countries	2.3	2.2	4.7%
Global	126.6	121.5	4.2%

In France, 21 leases were signed or renewed in 2011.

17,284 m² were renewed and 12,137 m² relet with an average uplift of 4.3%.

The expiry schedule of the leases of the office portfolio (termination option and expiry date) is shown in the following table.

Office portfolio	Lease expiry schedule			
	at date of next break option	as a % of total	at expiry date	as a % of total
Expired	1.2	0.6%	1.1	0.6%
2012	21.0	10.8%	16.4	8.4%
2013	43.0	22.0%	13.2	6.7%
2014	24.6	12.6%	7.2	3.7%
2015	27.3	14.0%	27.0	13.8%
2016	28.6	14.6%	24.3	12.4%
2017	2.1	1.1%	15.4	7.9%
2018	15.1	7.7%	18.2	9.3%
2019	25.3	13.0%	59.7	30.5%
2020	3.4	1.7%	6.3	3.2%
2021	2.8	1.4%	2.8	1.4%
2022	-	0.0%	0.4	0.2%
Beyond	1.1	0.6%	3.7	1.9%
€Mn	195.6	100%	195.6	100%

Potential annualised rents from vacant office space in operation amounted to €14.5 Mn at December 31, 2011, corresponding to 7.3% of financial vacancy⁽²⁶⁾ on the whole portfolio (7.1% at year end 2010).

Estimated rental value of vacant spaces in France stood at €10.9 Mn, mainly in Issy-Guynemer building in Paris, Tour Ariane and Cnit in La Défense and Tour Oxygène in Lyon, corresponding to a financial vacancy of 6.5% vs. 5.7% as of end of 2010.

2.3. Investment

Unibail-Rodamco invested €167.2 Mn in its office portfolio in 2011.

€145 Mn was invested for works, mainly in France for the Majunga tower in La Défense, the SO Ouest building and renovation schemes for various buildings and minor acquisitions (see more details in the following section on Projects pipeline).

Financial costs and other costs capitalised amounted to €22.3 Mn.

These amounts do not include the acquisition of the 7.25% stake in SFL (Société Foncière Lyonnaise) in March 2011 for €106.5 Mn.

2.4. Divestments

During 2011, the Group sold one office building in France, six office buildings in Sweden and two in The Netherlands for a total net disposal price of €242.2 Mn and a net result of €7.3 Mn based on the valuations as at December 31, 2010.

The most significant disposal was the 3-5 Malesherbes office in Paris, sold in July 2011 for a net disposal price of €134.3 Mn, at a buyer's net initial yield of 5.0% (5.1% including car park).

These divestments (at an average buyer's yield of 5.6%) implied a premium of 3.4% compared to the latest externally appraised values.

(26) EPRA Vacancy rate = Estimated Rental Value (ERV) of vacant spaces divided by ERV of total surfaces.

2.5. Portfolio valuation⁽²⁷⁾

As at December 31, 2011, the office portfolio was valued at €3,624 Mn, excluding transfer taxes and transaction costs, on the balance sheet, including the Group's Headquarters at 7 Adenauer, Paris, reported at historical cost.

The change in the fair value of office investment properties since December 31, 2010 generated a negative valuation result of €26.1 Mn⁽²⁸⁾.

3. Convention & Exhibitions

This activity is exclusively located in France and consists of a real estate venues rental and services company (VIPARIS) and a trade show organiser (COMEXPOSIUM). Both organisations are jointly owned with the Paris Chamber of Commerce and Industry (CCIP). VIPARIS is fully consolidated by Unibail-Rodamco and COMEXPOSIUM is recorded under the equity method.

Due to the global economic crisis, the average floor space rented for a typical show has come down while the opening period was sometimes shortened. However, the creation of new shows is picking up again. 2011 saw 29 new shows compared to 15 new shows in 2010.

There are other positive signs. Especially in this environment of limited marketing budgets, shows are one of the most effective media for exhibitors since they offer direct, personal and effective contacts with customers relative to other forms of media. To control advertising and gain new orders, companies maintain their presence on shows. The most important shows have seen little impact of the crisis, as they have become landmark events for the public at large.

The 2011 activity level has been largely driven by the "Agriculture show" (SIA) and "Paris International Agri-business Show" (SIMA), where the number of visitors increased by 8% compared to the last edition in 2009, and by the biennial "Le Bourget Air Show" that was greatly successful in terms of visitors, exhibitors and orders. Sustained activity has also been experienced during the second half of the year with Première Vision, Maison & Objet and the Nautic show with increases in the number of visitors. The Paris Horse Show has also confirmed its success since its transfer to Paris Nord Villepinte. 140,000 visitors have attended the show, a 17% increase compared to the previous edition.

Congress activities have been picking up. Paris Nord Villepinte hosted the European Society of Cardiology's Annual Congress (ESC), the largest medical congress in Europe and the third largest congress worldwide in all economic sectors. With over 32,000 delegates, the Paris edition of the ESC saw 23% more participants than the last edition in Stockholm in 2010.

This experience has proved that Paris, and Paris Nord Villepinte, have the full capacity to host large scientific and professional events with more than 10,000 delegates.

Paris Expo Porte de Versailles has welcomed the 6,000 delegates of the Alzheimer's Association International Congress (ICAD Congress 2011). It was the first international congress held on Porte de Versailles.

Visitor numbers have been satisfactory with more than 9 million in aggregate on VIPARIS's venues and more than 56,000 exhibitors, of which some 33% from outside France.

In total 987 events were held on all 10 venues, of which 312 shows, 151 congresses and 524 corporate events. This is a record number since the creation of Viparis.

Traditionally, the Convention and Exhibition business has a seasonal results pattern, with annual, biennial and triennial shows, and an uneven distribution of shows during the year. Even years tend to have more shows than odd years.

As a result of these seasonal effects and in view of the challenging external environment, VIPARIS' EBITDA amounts to a satisfactory €122.0 Mn. This represents an increase of €3.9 Mn vs. 2009, despite the absence of the triennial show Intermat (last edition was in 2009) and the end of the Furniture show.

At year-end 2011, pre-booking levels for 2012 are strong at 91%, compared to the usual level of 85-90%.

On July 12, 2011, the Paris City Council has decided to launch a consultation with a view to modernise the Porte de Versailles site and to increase its attractiveness. The stated goal is to allow substantial investments to be done by the selected operator in exchange for a new long term lease contract given by the City in connection with the site. Nevertheless, no decision on the termination of the concession contract expiring in 2026 has been made to date and the operating conditions remain unchanged. Viparis will participate in this tender.

COMEXPOSIUM contributed to the Group's recurring result for €10.8 Mn versus €15.3 Mn in 2010 and €7 Mn in 2009 (comparable year in term of seasonality).

In January 2011, the Group acquired SEHM (Managing company of the Méridien Montparnasse hotel in Paris) and simultaneously signed a management contract with the Accor Group which now runs the hotel under the Pullman brand name. The Group already owned the building.

Including Pullman-Montparnasse and Hilton-Cnit La Défense hotels and after deduction of depreciation, the Convention & Exhibition division showed an operating profit of €129.2 Mn in 2011 (€136.1 Mn in 2010 and €125.9 Mn in 2009).

(27) See following section on Net Asset Value.

(28) Capital 8-Murat no longer benefits from the VAT regime on transfer. An additional €24.8 Mn transfer tax was deducted to compute the new Net Market Value at year end.

III. Sustainability

Sustainable thinking is closely integrated into Unibail-Rodamco's day-to-day operating, development and investment activities. The Group's sustainability strategy is designed to return reliable, quantifiable improvements in performance over the long term.

Unibail-Rodamco has three main, long-term environmental targets: reduction in CO₂ emissions per visit, energy consumption per visit and water consumption per visit. Performance against these targets is measured, and the first two indicators are externally audited annually by Ernst & Young.

In 2011⁽²⁹⁾, the energy consumption in kWh per visit decreased by -6% (for Retail managed portfolio – like-for-like basis), which leads to a cumulative -18% decrease between 2006 and 2011, in line with the -20% reduction target set for the period 2006 to 2012.

Carbon intensity (CO₂e/visit) of its shopping centres portfolio activities reduced by 30% on a year to year and like-for-like basis. This result leads to a cumulative impact of -52% for the carbon intensity indicator between 2006 and 2011, exceeding the primary target of -40% between 2006 and 2016.

Contributing to these good results are targeted energy savings measures, carbon emissions reductions achieved by energy suppliers, and new 'green' electricity contracts entered into in the year.

The Group is listed in the main Environmental, Social and Governance indices⁽³⁰⁾, and continues to improve its scores. To ensure alignment between the Group and its office and retail tenants on its environmental objectives, the Group introduced 'Green Leases' for the first time at the end of 2009. Since then, 32% of the whole active lease portfolio includes 'green clauses'. In the development pipeline the Group achieved the BREEAM qualifications for SO Ouest, the first Shopping Centre certified 'Excellent' in Europe, and for Majunga, the first high rise office building certified HEQ & BREEAM 'Excellent' in Europe. Furthermore, some 273,000 m² GLA is now certified under the BREEAM 'In Use' scheme across the group.

IV. 2011 Results

General expenses amounted to €83.4 Mn (€97.5 Mn in 2010). The decrease reflects the results of the Group's cost efficiency project and the portfolio rationalisation.

Non-recurring general expenses include acquisition costs related to share deals⁽³¹⁾ for an amount of €2.9 Mn in 2011 related to the Aupark and Galeria Mokotow acquisitions and the Pullman-Montparnasse hotel transaction (€15.8 Mn in 2010 related to the Simon Ivanhoe deal).

Development costs incurred for feasibility studies of projects and non successful deals amounted to €5.2 Mn in 2011 (€7.2 Mn in 2010).

Property services net operating result (€17.3 Mn) came from property services companies in France, Spain and Central Europe.

Other income (€7.2 Mn) was mainly composed of the €7.1 Mn dividend paid by SFL (Société Foncière Lyonnaise) in May and November 2011 on the 7.25% stake acquired by Unibail-Rodamco in March 2011.

Group net financial expenses totalled €345.5 Mn, including capitalised financial expenses of €44.4 Mn allocated to projects under construction. Net borrowing expenses recorded in the net recurring profit came to €301.1 Mn, the €32.2 Mn increase compared to 2010 resulting from the financing of the €1.8 Bn exceptional distribution of October 2010.

The ORNANE⁽³²⁾ convertible bond issued in April 2009 was accounted at fair value in accordance with IFRS. The value as at December 31, 2011 decreased compared to December 31, 2010, resulting in a profit of €43.4 Mn included in the non-recurring result.

Most of the ORAs⁽³³⁾ issued in 2007 have been converted. Only 8,173 ORAs⁽³⁴⁾ were still in issue as at December 31, 2011.

In accordance with the option adopted by Unibail-Rodamco for hedge accounting, the change in value of caps and swaps was recognised directly in the P&L, resulting in a charge of €234.5 Mn⁽³⁵⁾ in the non recurring result.

The Group's average cost of financing came to 3.6% over 2011 (3.9% over full year 2010). Unibail-Rodamco's refinancing policy is described in the following section 'Financial Resources'.

The income tax charge came from countries where specific tax regimes for property companies⁽³⁶⁾ do not exist and activities in France which are not eligible to the SIIC regime, mainly in the Convention & Exhibition business.

Total income tax allocated to the recurring result amounted to -€12.1 Mn.

Corporate income tax allocated to valuation result and disposals was a charge of €108.8 Mn due mainly to the variation of deferred taxes on assets' fair value.

Minority interests in the consolidated recurring net profit after tax amounted to €90.9 Mn (€88.3 Mn in 2010). Minority interests related mainly to CCIP's share in VIPARIS (€32.1 Mn) and to shopping centres in France and in Spain (€56.2 Mn, mainly Les Quatre Temps and Forum des Halles). Following the completion of the statutory buy-out process, there are no minority interests in Rodamco Europe NV since June 9, 2011. Thus Rodamco Europe's minority interests in 2011 recurring result dropped to €1.3 Mn (€4.8 Mn in 2010).

(29) 2011 figures audited by Ernst & Young.

(30) FTSE4Good, DJSI World, DJSI Europe and STOXX Global ESG Leaders.

(31) According to IFRS rules, acquisition costs are capitalized in case of asset deals but charged to income in case of share deals.

(32) Net share settled bonds convertible into new and/or existing shares.

(33) ORA: Obligations Remboursables en Actions = bonds redeemable for shares.

(34) Convertible into 10,220 shares.

(35) Of which: -€1.4 Mn for derivatives nettings and -€7.8 Mn for amortisation of Rodamco debt marked to market at the time of the merger.

(36) In France: SIIC (Société d'Investissements Immobiliers Cotée).

Consolidated net result (group share) was a profit of €1,327.8 Mn in 2011. This figure breaks down as follows:

- €829.6 Mn of recurring net result.
- €498.2 Mn of fair value adjustments and net gains on disposals.

200,109 new shares were issued in 2011, further to stock options exercised, saving scheme and ORA or Orname conversions. 139,150 shares were bought back at an average price of €126.29 per share and cancelled.

The average number of shares and ORAs⁽³⁷⁾ in issue during this period was 91,862,849.

Recurring Earnings per Share (EPS) came to €9.03 in 2011, representing a decrease of -2.6% compared to 2010.

This outperforms the minus 3% to minus 5% outlook announced early 2011. Corrected for the -6.5% recurring EPS impact of the €20/share (€1.8 Bn) exceptional distribution in October 2010, the 2011 recurring EPS shows good underlying growth. The results reflect good like-for-like performance in all business lines, low cost of debt, and decreasing overhead costs.

V. Post closing events

On January 20, 2012 the Group has acquired a part of the Sant Cugat Shopping Centre, comprising 22,382 m² for a total acquisition cost of €33.7Mn.

VI. Dividend and Outlook

Dividend

The Group will propose to the Annual General Meeting to declare a dividend of €8.00 per share in cash, corresponding to a total amount of €734.4 Mn for 91,806,889 shares issued as at December 31, 2011.

This represents an 89% pay-out ratio, in line with the Group's 85%-95% dividend pay-out policy.

The statutory 2011 result of Unibail-Rodamco SE (parent company) was a profit of €1,067.5 Mn of which €358.6 Mn of dividend received from Rodamco Europe NV and €294.5 Mn of reversal of impairment of Rodamco Europe shares. The 2011 result of Unibail-Rodamco SE's SIIC sector amounted to €392.2 Mn with an obligation of dividend distribution of €319.7 Mn. After payment of the proposed dividend, the SIIC obligation of distribution will be totally fulfilled.

Outlook

For 2012, the Group remains positive in its expectations on rental income growth. This is driven by ongoing strong fundamentals, such as low vacancy, sustainable occupancy cost ratios and good rental uplifts. The cost of debt will be contained at low levels. At the same time the impact of the current Euro zone crisis on consumption and retailer's health cannot be ignored, and some caution is required. Against this backdrop, the Group expects to achieve an REPS growth in 2012 of around 4%.

For the period 2013-2015, much will depend on how the economic crisis is going to be resolved. Given the Group's determination to deliver its strategy of developing, investing in and operating outstanding places to shop, work and exhibit, the Group retains its target of an annual growth of its REPS of 5% to 7% on average.

(37) It has been assumed here that the ORAs have a 100% equity component.

DEVELOPMENT PROJECTS AS AT DECEMBER 31, 2011

Unibail-Rodamco's development project pipeline amounts to €6.9 Bn at year-end 2011. It corresponds to a total of 1.4 Mn m² Gross Lettable Area (GLA), re-developed or to be added to the standing assets portfolio. In 2011, the Group launched projects that offer good leasing prospects. In addition, several new projects were launched for which the Group retains full flexibility.

1. Movements in the development project pipeline

New projects have been added to the Pipeline in 2011, mainly through four projects that perfectly illustrate the Group's strategy:

- Organic growth with two planned extensions of successful existing assets: Chodov, in Czech Republic, and Maquinista, in Spain, where Unibail-Rodamco seized the opportunity to acquire an adjacent land plot (today used as a parking lot).
- Two partnerships in Central Europe: one in the Bubny area of Prague (Czech Republic), and the other in Poland still under confidentiality agreement.

During the year, Unibail-Rodamco moved various projects ahead to pass significant milestones.

Building permits have been obtained in 2011 for major projects, such as Courcellor 1 (Office in France) and Mall of Scandinavia (Sweden). The latter project was launched at the very end of 2011, following years of negotiations and reconfiguration. The land is now acquired and the 'design and build' contract committed. Ground works have already started for a planned opening in H2-2015.

In total, more than €1 Bn of major construction contracts have been signed and works started in 2011 (in addition to Mall of Scandinavia, Aéroville in France, Majunga offices in France, extension/renovation of Centrum Cerny Most in Czech Republic, Täby in Sweden...) benefiting from favorable conditions due to the slow construction industry environment throughout Europe.

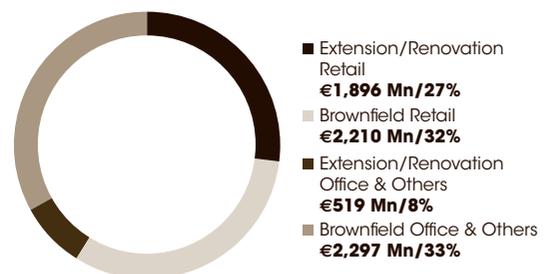
Some significant intermediate steps on major projects were achieved this year, like the grand opening of the indoor central square in Täby Centrum in October 2011 as part of Täby's extension/renovation project.

Given the pending litigation on the Trois Pays project, the Group has decided to temporarily reclassify the project out of the development pipeline. However, the Group remains confident on the positive outcome of the litigation.

2. Development pipeline overview

The estimated investment cost of the development pipeline as at December 31, 2011 amounts to €6.9 Bn. The breakdown is the following:

DEVELOPMENT PIPELINE BY CATEGORY



The €4.1 Bn retail pipeline is split into brownfield projects, which represent 54%, and extensions and renovations, which make up the remaining 46%. This corresponds to the creation of 783,500 m² GLA and redevelopment of 102,400 m².

Expected investments in the Offices & Other sector amount to €2.8 Bn. Brownfield projects, corresponding to some 357,900 m² of new GLA, represent 82% of this investment. The remainder will be invested in redeveloping or refurbishing 166,800 m² of existing assets.

3. A secure and flexible development pipeline

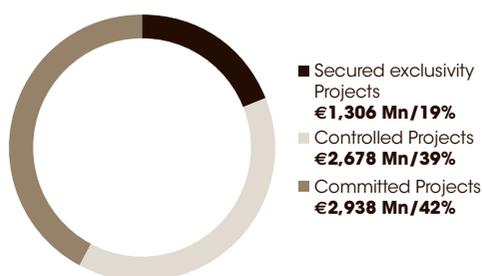
Committed⁽³⁸⁾ projects as at December 31, 2011 amounted to €2.9 Bn (vs. €1.7 Bn at end 2010), Controlled⁽³⁹⁾ projects to €2.7 Bn (vs. €2.9 Bn at end 2010) and Secured Exclusivity⁽⁴⁰⁾ projects to €1.3 Bn (vs. €2.0 Bn at end 2010).

(38) Committed projects: projects currently under construction, for which Unibail-Rodamco owns the land or building rights and has obtained all necessary administrative authorisations and permits.

(39) Controlled projects: projects in an advanced stage of studies, for which Unibail-Rodamco controls the land or building rights, but where not all administrative authorisations have been obtained yet.

(40) Secured exclusivity projects: projects for which Unibail-Rodamco has the exclusivity but where negotiations for building rights or project definition are still underway.

DEVELOPMENT PIPELINE BY PHASE



Of the €2.9 Bn Committed development pipeline, €1.3 Bn has already been spent, implying that €1.7 Bn remains to be invested⁽⁴¹⁾. Of this, €1.2 Bn has already been contracted.

Construction was launched during 2011 on a number of projects that consequently moved from the controlled to the committed phase. They were launched in view of favourable conditions for construction contracts and high levels of interest from potential tenants. These projects notably include Mall of Scandinavia in Sweden, Aéroville in France and the extension of Centrum Cerny Most in Czech Republic.

78% of the committed pipeline belongs to the Retail sector. The remaining 22% is concentrated in the Offices & Others sector in the Paris region.

Pre-letting levels on Committed projects in retail ensure income visibility. Of retail projects to be delivered in 2012, MGR pre-letting is ca 96% in Lyon Confluence (Lyon, France) and 80% (MGR signed, including heads of terms) in SO Ouest shopping centre (Paris region, France). On the extension of Centrum Cerny Most in Prague that should be delivered in the first half of 2013, the MGR pre-letting is 77% (MGR signed, including heads of terms).

4. Projects introduced in the development pipeline during 2011

In the course of 2011, projects with a consolidated total investment cost of around €650 Mn were introduced in the development pipeline, including⁽⁴²⁾:

- A shopping centre in the Bubny area in Prague, Czech Republic, with a total GLA of 59,823 m² and an expected cost of €119 Mn for Unibail-Rodamco share;
- An extension of Centrum Chodov in Prague, Czech Republic, with a net GLA of 34,268 m² and a total investment cost of €112 Mn to open in H2-2016;
- An extension to the La Maquinista Shopping centre in Barcelona, Spain, to be built on an adjacent plot of land, adding 35,000 m² for an estimated cost of €107 Mn;

(41) Figures may not add up due to rounding.

(42) It also includes the project of renovation of L'Usine Mode & Maison (formerly Vélizy Usines Center) introduced in the development pipeline and delivered in 2011.

- The renovation and an extension for a total GLA of 18,351 m² of the Ancelle 2-8 office building in Neuilly-sur-Seine (Paris Region, France), for an estimated total cost of €61 Mn to be delivered in H1-2014;
- And a preliminary agreement has been signed for a development project in Poland, which is still under a confidentiality agreement.

Most new projects have either Secured Exclusivity or Controlled commitment levels, providing growth potential for the Group, while ensuring a high level of flexibility.

5. Investments in 2011

Unibail-Rodamco invested €477 Mn⁽⁴³⁾ in works in its shopping centre portfolio in 2011:

- €309 Mn was invested in construction and extension projects with significant progress made for Aeroville and SO Ouest in France, Faro del Guadiana in Badajoz in Spain and Mall of Scandinavia in Sweden;
- €168 Mn was invested in renovation of existing shopping centres, notably: €108 Mn in France (mainly Vélizy 2, Parly 2 renovations inaugurated in November 2011 and Lyon Part Dieu), €12 Mn in Spain (Parquesur and Bonaire) and €29 Mn in Austria (Donau Zentrum and Shopping City Süd).

Unibail-Rodamco invested €145 Mn in works in its office portfolio in 2011, mainly in France for the Majunga tower in La Défense, the SO Ouest building and renovation schemes for various buildings.

6. Delivered projects

Various renovation projects were delivered during 2011, including the renovation of the following shopping centres:

- La Part Dieu in Lyon, France,
- Donau Zentrum in Vienna, Austria,
- Parly 2 in Paris Region and
- L'Usine Mode & Maison (formerly Vélizy Usines Center) in Paris Region, France.

The Group also completed the restructuring of units in the Rosny 2 shopping centre in Paris Region, France while a 3,400 m² GLA extension in the Vallsur shopping centre in Valladolid, Spain was delivered.

(43) Total capitalised amount in asset value Group share, excluding financial leases.

7. Deliveries expected in 2012

Several deliveries are expected in 2012, notably:

- SO Ouest Shopping Centre, a brownfield project with 46,773 m² GLA in Paris Region, France;
- SO Ouest Office building, a 33,419 m² GLA project, in Paris Region, France, close to the SO Ouest Shopping Centre;
- Lyon Confluence, a 53,287 m² GLA brownfield shopping centre project in Lyon, France, with a 7,364 m² hotel;
- Faro del Guadiana, a 65,994 m² GLA brownfield shopping centre project, in Badajoz, Spain;
- "Carré Sénart 3" extending the existing scheme by 13 637 m²;
- Fisketorvet and Solna shopping centre renovations; and
- The delivery of several restructured offices, including the 70-80 Wilson and the Issy Guynemer office buildings.

8. Projects overview

See table next page

In addition to the introduction of new projects and the exclusion of some other projects from the development portfolio (mainly Trois Pays project), estimated costs have evolved since December 31, 2010 due to:

- Mechanical effects of inflation and discounting as projects move closer to completion;
- Currency exchange effects, specifically the strengthening of the SEK;
- Changes in programme, for example the increased size of the Oceanic (formerly Fuente de San Luis) scheme from 74,249 m² to 96,488 m², the sheltering of the Lyon Confluence shopping centre to improve customer comfort, new improvement works to Forum des Halles, Mall Of Scandinavia, Parly 2 extension and Täby;
- Increase in the French tax for the creation of office and retail area in *Ile de France* (Paris area).

Opening dates for some projects have changed. For example, the delivery of SO Ouest Offices has been delayed while the delivery of SO Ouest Shopping Centre has been brought forward, ensuring the coherence of the schemes and allowing for the office project to get a 'BBC' certification (*Bâtiment Basse Consommation* - certification for low power consumption). Deliveries of 70-80 Wilson and Issy Guynemer office buildings in the Paris Region, France have also been delayed to H1-2012.

PROJECTS OVERVIEW (31 DECEMBER 2011)

Development projects ⁽¹⁾	Business	Country	City	Type	Total Complex GLA (m ²)	GLA U-R scope of consolidation (m ²)	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 (%)
LYON CONFLUENCE	Shopping Centre	France	Lyon	Greenfield/Brownfield	53,287 m ²	53,287 m ²	241	281	H1 2012	
ISSY GUYNEMER	Office & others	France	Paris Region	Redevelopment/Refurbishment	14,833 m ²	14,833 m ²	14	30	H1 2012	
SOLNA RENO	Shopping Centre	Sweden	Solna	Extension/Renovation	2,091 m ²	2,091 m ²	19	29	H1 2012	
70-80 WILSON	Office & others	France	Paris Region	Redevelopment/Refurbishment	12,828 m ²	12,828 m ²	11	20	H1 2012	
ROTTERDAM PLAZA	Office & others	Netherlands	Rotterdam	Redevelopment/Refurbishment	16,025 m ²	16,025 m ²	7	20	H1 2012	
SO OUEST OFFICES	Office & others	France	Paris Region	Greenfield/Brownfield	33,419 m ²	33,419 m ²	165	195	H2 2012	
SO OUEST SC	Shopping Centre	France	Paris Region	Greenfield/Brownfield	46,773 m ²	46,773 m ²	240	337	H2 2012	
FARO DEL GUADIANA	Shopping Centre	Spain	Badajoz	Greenfield/Brownfield	65,994 m ²	42,994 m ²	53	90	H2 2012	
FISKETORVET RENO	Shopping Centre	Denmark	Copenhagen	Extension/Renovation	177 m ²	177 m ²	15	34	H2 2012	
CARRE SENART 3	Shopping Centre	France	Paris Region	Greenfield/Brownfield	13,637 m ²	13,637 m ²	16	26	H2 2012	
CENTRUM CERNY MOST EXT	Shopping Centre	Czech Rep.	Prague	Extension/Renovation	43,980 m ²	43,980 m ²	35	140	H1 2013	
AEROVILLE ⁽⁵⁾	Shopping Centre	France	Paris Region	Greenfield/Brownfield	83,893 m ²	83,893 m ²	67	334	H2 2013	
MAJUNGA	Office & others	France	Paris Region	Greenfield/Brownfield	63,035 m ²	63,035 m ²	140	362	H2 2013	
FORUM DES HALLES RENO	Shopping Centre	France	Paris	Extension/Renovation	15,310 m ²	15,310 m ²	3	129	H2 2014	
TÄBY CENTRUM EXT	Shopping Centre	Sweden	Täby	Extension/Renovation	28,427 m ²	28,427 m ²	103	277	H2 2014	
MALL OF SCANDINAVIA	Shopping Centre	Sweden	Stockholm	Greenfield/Brownfield	101,300 m ²	101,300 m ²	88	586	H2 2015	
OTHERS					12,230 m ²	12,230 m ²	33	49		
Committed Projects					607,239 m²	584,239 m²	1,253	2,938		7.7%
SCS RENO	Shopping Centre	Austria	Vienna	Extension/Renovation	0 m ²	0 m ²	14	83	H2 2013	
RENNES ALMA EXT	Shopping Centre	France	Rennes	Extension/Renovation	10,403 m ²	10,403 m ²	23	93	H2 2013	
LA TOISON D'OR EXT	Shopping Centre	France	Dijon	Extension/Renovation	11,883 m ²	11,883 m ²	2	82	H2 2013	
2-8 ANCELLE	Office & others	France	Paris Region	Extension/Renovation	18,351 m ²	18,351 m ²	4	61	H1 2014	
COURCELLOR 1	Office & others	France	Paris Region	Redevelopment/Refurbishment	39,603 m ²	39,603 m ²	13	181	H2 2014	
BENIDORM	Shopping Centre	Spain	Benidorm	Greenfield/Brownfield	54,639 m ²	27,319 m ²	38	76	H1 2015	
OCEANIC	Shopping Centre	Spain	Valencia	Greenfield/Brownfield	96,488 m ²	96,488 m ²	1	252	H1 2015	
LES PORTES DE GASCOGNE	Shopping Centre	France	TOULOUSE Plaisance du Touch	Greenfield/Brownfield	85,084 m ²	25,042 m ²	9	110	H2 2015	
PARLY 2 EXT	Shopping Centre	France	Paris Region	Extension/Renovation	15,008 m ²	11,052 m ²	5	104	H2 2015	
TRIANGLE	Office & others	France	Paris	Greenfield/Brownfield	83,532 m ²	83,532 m ²	6	515	Post 2016	
MAQUINISTA EXT	Shopping Centre	Spain	Barcelona	Extension/Renovation	35,000 m ²	35,000 m ²	58	107	Post 2016	
PHARE	Office & others	France	Paris Region	Greenfield/Brownfield	124,531 m ²	124,531 m ²	53	915	Post 2016	
OTHERS					8,915 m ²	8,915 m ²	7	98		
Controlled Projects					583,436 m²	492,119 m²	233	2,678		8% target
TRINITY	Office & others	France	Paris Region	Greenfield/Brownfield	45,975 m ²	45,975 m ²	2	286	H2 2015	
CHODOV EXT	Shopping Centre	Czech Rep.	Prague	Extension/Renovation	34,268 m ²	34,268 m ²	4	112	H2 2016	
BUBNY	Shopping Centre	Czech Rep.	Prague	Greenfield/Brownfield	59,823 m ²	35,894 m ²	1	119	Post 2016	
OTHERS					218,037 m ²	218,037 m ²	3	789		
Secured Exclusivity Projects					358,103 m²	334,174 m²	10	1,306		8% target
U-R Total Pipeline					1,548,779 m²	1,410,532 m²	1,496	6,922		8% target
				Of which additional area		1,141,344 m ²				
				Of which redeveloped area		269,188 m ²				

(1) Figures subject to change according to the maturity of projects.

(2) Excluding financial costs and internal costs capitalised.

(3) Excluding financial costs and internal costs capitalised. The costs are discounted in today's value.

(4) In the case of staged phases in a project, the date corresponds to the opening of the first phase.

(5) Aeroville cost to date and expected cost does not include the leasehold fees paid after the opening of the shopping centre.

NET ASSET VALUE AS AT DECEMBER 31, 2011

Unibail-Rodamco's EPRA triple Net Asset Value (NNNAV⁽⁴⁴⁾) amounted to €130.70 per share as at December 31, 2011, up by 4.9% from December 31, 2010. The total NNNAV increase of €6.10 per share reflects the effect of the mark-to-market of assets and liabilities for €4.90, the net recurring earnings and the net result of divestments for €9.79 per share, offset by the €8.00 per share distribution for the 2010 recurring result and a decrease of €0.59 per share due to variations in transfer taxes and deferred tax adjustments and in the diluted number of shares. The going concern NAV⁽⁴⁵⁾ (GMV based), measuring the fair value on a long term, ongoing basis, came to €143.10 per share as at December 31, 2011, increasing by 4.8% compared to year-end 2010.

1. Property portfolio

The European investment volume increased over 2011 by 6% compared to 2010 to reach €110 Bn⁽⁴⁶⁾, which indicates the continuing year-on-year improvement in the European real estate investment market and a continuing strong appetite from investors in high quality assets. Retail investments increased by 7% year-on-year and represented 34% of overall transactions over the period, reflecting a strong interest for retail as an investment class, due to its defensive nature.

On the back of sound recovery during the first half of 2011, the second half was characterised by a stabilisation in most of the European markets. As reported in July, across Continental Europe, the pace of growth in asset values remains differentiated: whereas yields are stabilising in core markets such as France, specific markets are seeing a yield compression on the back of strong fundamentals, competitive bidding by international equity investors attracted by relatively high yields compared to long term interest rates and sound macro-economic fundamentals. This is especially the case in Central Europe and Austria while an improved investment sentiment has been noticed in the Nordics.

As debt financing remains constrained, the market for prime products continues to be dominated by equity players (institutional investors, private funds) searching for yield and secure income. On the supply side, there is a lack of prime properties which remain highly demanded. As a result, the Group's large centres, attracting significant footfall, have shown a solid revaluation performance.

Appraisers continue to review in detail productivity performance of the Group's assets, with specific attention to footfall, recent letting deals and asset trading performance trends to confirm cash flow growth. Letting deals across the European portfolio demonstrate that retailers are still focusing on prime locations and selectively expand in locations that offer the highest footfall and sales performance.

Unibail-Rodamco's asset portfolio including transfer taxes grew from €24,532 Mn at year-end 2010 to €25,924 Mn as at December 31, 2011. On a like-for-like basis, the value of the overall portfolio increased by €734 Mn net of investments, i.e. +3.6% compared with year-end 2010.

(44) EPRA NAV: the intrinsic - long term - value of the company, per share.
EPRA NNNAV: the intrinsic current (liquidation) valuation of the company, per share.
(45) Going Concern NAV: the amount of equity (per share) required to replicate the Group's portfolio with its current financial structure.
(46) Source: DTZ research.

Asset portfolio valuation of UNIBAIL-RODAMCO (including transfer taxes) ^(a)	December 31, 2010		December 31, 2011		Like-for-like change net of investment - full year 2011 ^(b)	
	€Mn	%	€Mn	%	€Mn	%
Shopping centres	18,614	76%	19,803	76%	675	4.4%
Offices	3,885	16%	3,853	15%	-11	-0.4%
Convention-Exhibition centres	1,716	7%	1,901	7%	61	3.9%
Services	318	1%	367	1%	9	7.8%
Total	24,532	100%	25,924	100%	734	3.6%

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/at cost value of the entire property portfolio (100% when fully consolidated, Group share when consolidated under the proportional method).
- The market value of Unibail-Rodamco's equity holding in Comexposium, a trade shows organisation business, consolidated under the equity method.

The portfolio does not include shares of Société Foncière Lyonnaise or the prepayment related to Zlote Tarasy shopping centre in Poland.

(b) Excluding changes in the scope during the full-year 2011, mainly:

- Acquisitions of shopping centres: Splau (Barcelona/Spain), shares in Aupark (50%) and Galeria Mokotow (50%);
- Acquisitions of plots in Les Quatre Temps and Aquaboulevard in France, and in Parquesur and La Vaguada in Spain;
- Acquisitions of a land plot adjacent to Maquinista/Spain, a parking plot adjacent to Glories in Barcelona/Spain, a land plot related to Mall of Scandinavia project (Stockholm/Sweden), a land plot adjacent to Rennes-Alma/France and a parking plot adjacent to the Täby shopping centre (Stockholm/Sweden);
- Acquisition of the Pullman-Montparnasse hotel asset ("fonds de commerce");
- Acquisitions by Comexposium (mainly SODES, a company organising the "Paris Prêt-à-Porter fashion show");
- Disposal of 6 shopping centres in France (Shopping Etrebières, Saint Genis 2, Evry 2, Croix Dampierre, Boisseuil and Bonneveine);
- Disposal of 3 shopping centres in Austria and Central Europe: Allee-Center in Magdeburg/Germany, Arkad in Budapest/Hungary, and Südpark in Klagenfurt/Austria;
- Disposal of various assets in the Netherlands, including the Piazza Center office and retail buildings in Eindhoven, the Buitenmere office and retail buildings in Almere-Buiten, and small shopping centres and high street properties (Houtmarkt passage, Ginnekenstraat and Molsterrein (parking) in Breda, Oude Markt passage, Walburg and Woonmall Alexandrium);
- Disposal of 3-5 Malesherbes office building in Paris CBD/France;
- Disposal of retail and office buildings in Sweden (Haninge, Väsby, Bålsta Centrum, Eurostop Jönköping and Tyresö), a hypermarket let to ICA Maxi in Helsingborg, the Hotel Park Inn and a residential lot in Solna.
- The like-for-like change in valuation is calculated excluding changes in the scope abovementioned.

Appraisers

Two international and qualified appraisers, Jones Lang LaSalle and DTZ, assess the retail and office properties of the Group since 2010. The valuation process has a centralised approach, which ensures that, on the Group's internationally diversified portfolio, pan-European capital market views are taken into account. Unibail-Rodamco has allocated properties across the two appraisers, while ensuring that large regions are assessed by both companies for comparison and benchmarking purposes. The appraiser of Conventions and Exhibitions as well as Services activities is PricewaterhouseCoopers. Assets are appraised twice a year (in June and December), except service companies, appraised yearly.

Appraiser	Property location	% of total portfolio
DTZ	France / Netherlands / Nordic / Spain / Central Europe	49%
JLL	France / Nordic / Spain / Central Europe / Austria	40%
PWC	France	8%
At cost or under sale agreement		3%
		100%

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

The valuation principles adopted are based on a multi-criteria approach. The independent appraiser determines the fair market value based on the results of two methods: the discounted cash flow and the yield methodologies. Furthermore, the resulting valuations are cross-checked against the initial yield and the fair market values established through actual market transactions.

Intelligence on Unibail-Rodamco's own transactions executed in 2011 was also used to validate and cross-check the valuations.

Appraisers have been given access to all information relevant for valuations, such as the Group's 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) or in the applied required returns or discount rates.

Valuation scope

As at December 31, 2011, independent appraisers have appraised 97% of Unibail-Rodamco's portfolio.

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. The company 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) as deemed appropriate by the independent appraiser. In some cases, both methods were combined to validate and cross-check critical valuation parameters.

The following assets under construction continued to be assessed at fair value as at December 31, 2011:

- Shopping centre projects such as Faro del Guadiana (Badajoz/Spain), Lyon Confluence (Lyon/France) and SO Ouest (Levallois/France);
- SO Ouest Office in Levallois/France;
- Hotel Lyon Confluence, in Lyon/France.

The extension of Täby shopping centre (Stockholm/Sweden) and the extension of Alma (Rennes/France) also continued to be assessed at fair value as at December 31, 2011, but are now considered as part of the corresponding standing assets.

In addition, Centrum Cerny Most extension (Prague/Czech Republic) and Carré Senart Shopping Park extension are now assessed at fair value.

The remaining assets (3%) of the portfolio, which have not been externally appraised as at December 31, 2011, have been valued as follows:

- At cost for the IPUC for which a reliable value could not yet be established. These mainly represent shopping centres under development (notably Aéroville in Roissy/France, Portes de Gascogne in Toulouse/France, Mall of Scandinavia in Stockholm/Sweden), and office developments (notably Phare and Majunga in La Défense/France and Courcellor in Levallois/France);
- At acquisition price for assets acquired in the second half of 2011, mainly Splau shopping centre in Spain.

1.1. Shopping Centre portfolio

The value of Unibail-Rodamco's shopping centre portfolio is the addition of the value of each individual asset. 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, as this value cannot be objectively assessed, yet is definitely part of the attraction to the shareholders.

Evolution of Unibail-Rodamco's Shopping Centre portfolio valuation

The value of Unibail-Rodamco's Shopping Centre Portfolio grew from €18,614 Mn as at December 31, 2010 to €19,803 Mn as at December 31, 2011, including transfer taxes and transaction costs:

Valuation 31/12/2010 (€Mn)	18,614
Like for Like revaluation	675
Revaluation of Non Like for Like assets	168 ^(a)
Capex/Acquisitions	1,438 ^(b)
Disposals	-1,099
Constant Currency Effect	8 ^(c)
Valuation 31/12/2011 (€Mn)	19,803

(a) Non like-for-like assets regarding investment properties under construction taken at cost or at fair value.

(b) Value as at 31 December 2010.

(c) Currency gain of €8 Mn in Nordic, before offsets from foreign currency loans and hedging programs.

Based on an asset value excluding estimated transfer taxes and transaction costs, the shopping centre division's net initial yield as at December 31, 2011 came to 5.5% vs. 5.7% at year-end 2010.

Shopping Centre portfolio by region - December 31, 2011	Valuation including transfer taxes in €Mn	Valuation excluding estimated transfer taxes in €Mn	Net initial yield Dec. 31, 2011 ^(a)	Net initial yield Dec. 31, 2010 ^(a)
France ^(b)	10,512	10,089	5.2%	5.3%
Spain	2,397	2,343	6.6%	6.8%
Nordic ^(c)	1,920	1,883	5.1%	5.8%
Central Europe ^(d)	1,846	1,823	6.2%	6.7%
Netherlands	1,303	1,226	5.6%	6.0%
Austria ^(d)	1,826	1,809	5.4%	5.4%
Total	19,803	19,173	5.5%	5.7%

(a) Annualised contracted rent (including latest indexation) net of expenses, divided by the value of the portfolio net of estimated transfer taxes and transaction costs. Shopping centres under development are not included in the calculation.

(b) For France, the effect of including Key Money in the Net Rental Income would increase net initial yield to 5.8% as at December 31, 2011.

(c) Excluding the impact of the Täby project, the Nordic net initial yield is 5.5%.

(d) Pro-forma net initial yield as at December 31, 2010 for Central Europe and Austria, following the transfer of Aupark from Central Europe to the Austria region in 2011.

Sensitivity

Based on the year-end 2011 net initial yield of 5.5%, a change of +25 basis points would result in a downward adjustment of -€822 Mn (or -4.2%) of the total shopping centre portfolio value (including transfer taxes and transaction costs).

Like-for-like analysis

On a like-for-like basis, the value of the Shopping Centre portfolio, including transfer taxes and transaction costs and restated for works, capitalised financial and leasing expenses and eviction costs, increased by €675 Mn (or +4.4%) over the year. This breaks down into +3.5% from the increase in revenues and +0.9% due to changes in yield.

Shopping Centre - Like for Like (LxL) change ^(a)				
Full year 2011	Like for Like change in €Mn	Like for Like change in %	LxL change - Rent impact	LxL change - Yield impact ^(b)
France	288	3.5%	2.8%	0.7%
Spain	44	2.3%	3.8%	-1.6%
Nordic	61	5.0%	4.2%	0.7%
Central Europe	185	14.8%	7.2%	7.6%
Netherlands	14	1.2%	0.8%	0.3%
Austria	83	5.4%	5.0%	0.4%
Total	675	4.4%	3.5%	0.9%

(a) Like-for-like change net of investments from December 31, 2010 to December 31, 2011.

(b) Yield impact calculated using the change in potential yields (to neutralise changes in vacancy rates) and taking into account Key Money.

1.2. Office portfolio

Evolution of Unibail-Rodamco's Office portfolio valuation

The value of the Office Portfolio decreased to €3,853 Mn as at December 31, 2011 from €3,885 Mn as at December 31, 2010, including transfer taxes and transaction costs:

Valuation 31/12/2010 (€Mn)	3,885
Like for Like revaluation	-11
Revaluation of Non Like for Like assets	1 ^(a)
Capex/Acquisitions	219
Disposals	-242 ^(b)
Constant Currency Effect	1 ^(c)
Valuation 31/12/2011 (€Mn)	3,853

(a) Includes: (i) investment properties under construction taken at cost or at fair value (ii) assets with significant refurbishment programmes (Issy Guynemer, 70-80 Wilson) (iii) the 7 Adenauer building in own use by the Group.

(b) Value as at 31/12/2010.

(c) Currency gain of €1 Mn in Nordic, before offsets from foreign currency loans and hedging programs.

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

Valuation of Office portfolio - December 31, 2011	Valuation (including transfer taxes)	
	€Mn	%
France	3,459	90%
Nordic	192	5%
Netherlands	157	4%
Austria	38	1%
Central Europe	8	0%
Total	3,853	100%

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, 2011 stabilised at 6.6%.

Valuation of occupied office space - December 31, 2011	Valuation including transfer taxes in €Mn ^(a)	Valuation excluding estimated transfer taxes in €Mn	Net initial yield Dec. 31, 2011 ^(b)	Net initial yield Dec. 31, 2010 ^(b)
France	2,633	2,551	6.4%	6.4%
Nordic	174	170	7.5%	7.5%
Netherlands	97	92	9.8%	9.8%
Austria	38	37	6.6%	7.3%
Central Europe ^(c)	8	8	8.1%	n/a
Total	2,950	2,857	6.6%	6.6%

(a) Valuation of occupied office space as at December 31, 2011, based on the appraiser's allocation of value between occupied and 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) Net initial yield for Central Europe as at December 31, 2010 not available. Wilenska office only recognised in 2011 in the office portfolio.

Sensitivity

A change of +25 basis points in the offices net initial yield would result in a downward adjustment of -€132 Mn (or -3.4%) of the total office portfolio value (occupied and vacant spaces, 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, decreased on a like-for-like basis by €11 Mn (or -0.4%) over the year 2011. This breaks down into +2.3% from the rents and lettings and -2.7% due to changes in yields.

Offices - Like for Like (LxL) change ^(a)				
Full year 2011	Like for Like change in €Mn	Like for Like change in %	LxL change - Rent impact	LxL change - Yield impact ^(b)
France	-11	-0.4%	2.4%	-2.8%
Nordic	6	6.8%	3.5%	3.3%
Netherlands	-6	-4.8%	1.0%	-5.8%
Austria	-0	-0.2%	-1.9%	1.7%
Central Europe	-	-	-	-
Total	-11	-0.4%	2.3%	-2.7%

(a) Like-for-like change net of investments from December 31, 2010 to December 31, 2011.

(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, 2011	Valuation (including transfer taxes)	
	€Mn	%
Paris CBD	788	23%
Neuilly-Levallois-Issy	749	22%
La Défense	1,670	48%
Other	251	7%
Total	3,459	100%

For occupied offices and based on an asset value excluding estimated transfer taxes and transaction costs, the French Office division's yield as at December 31, 2011 came to 6.4%.

Valuation of French occupied office space - December 31, 2011	Valuation including transfer taxes in €Mn ^(a)	Valuation excluding estimated transfer taxes in €Mn	Net initial yield Dec. 31, 2011 ^(b)	Average price €/m ^{2(c)}
Paris CBD	756	739	5.9%	13,946
Neuilly-Levallois-Issy	317	309	6.2%	5,943
La Défense	1,331	1,279	6.7%	7,481
Other	229	224	6.9%	3,636
Total	2,633	2,551	6.4%	7,655

(a) Valuation of occupied office space as at December 31, 2011, as 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 as based on the appraiser's allocation of value between occupied and vacant spaces.

Average prices were restated for parking spaces with a basis of €30,000 per space 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 centre portfolio is derived from the combination of the value of each individual asset.

Valuation methodology

The valuation methodology adopted by PricewaterhouseCoopers 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, if it exists or otherwise over a 10-year period, with an estimation of the asset's value at the end of the given time period, based either on the residual contractual value for concessions⁽⁴⁷⁾ or on capitalised cash flows over the last year.

The discounted cash flow methodology has been adopted for the Pullman-Montparnasse hotel asset and the Cnit-Hilton hotel (both operated under an operational lease agreement) and the Lyon Confluence hotel (operated under a management contract) as at December 31, 2011.

(47) For Porte de Versailles asset valuation, the expert has taken into account a probability of renewal of the concession of 22%.

Evolution of the Convention-Exhibition Centres valuation

The value of Convention-Exhibition centres and hotels, including transfer taxes and transaction costs, grew to €1,901 Mn⁽⁴⁸⁾ as at December 31, 2011:

Valuation 31/12/2010 (€Mn)	1,716	^(a)
Like for Like revaluation	61	
Revaluation of Non Like for Like assets	38	
Capex	87	
Valuation 31/12/2011 (€Mn)	1,901	^(b)

(a) Of which €1,530 Mn for Viparis and €186 Mn for hotels.

(b) Of which €1,630 Mn for Viparis and €271 Mn for hotels.

On a like-for-like basis, net of investments, the value of Convention and Exhibition properties and hotels is up €61 Mn or +3.9% compared with year-end 2010.

Convention-Exhibition - Like for Like change net of investment	Full year 2011	
	€Mn	%
Viparis and others ^(a)	60	3.9%
Hotels	1	1.2%
Total	61	3.9%

(a) Viparis and others includes all of the Group's Convention-Exhibition centres (of which 50% of Palais des Sports).

On a like-for-like basis and net of investments, the value of the Convention-Exhibition venues grew by €60 Mn or +3.9% compared to year-end 2010.

Based on these valuations, the average EBITDA yield on Viparis (and others) as at December 31, 2011 (recurring operating profit divided by the value of the asset, excluding transfer taxes) was 7.8% and compressed by 40 basis points vs. December 31, 2010.

The Lyon Confluence Hotel project was valued as IPUC at fair value at year-end 2011.

1.4. Services

The services portfolio is composed of:

- Comexposium, a trade show organisation business;
- 2 property service companies, Espace Expansion and Rodamco Gestion.

The services portfolio is appraised in order to include at their market value all significant intangible assets in the portfolio and in the calculation of Unibail-Rodamco's NAV. Intangible assets are not revalued but maintained at cost or at amortised cost on Unibail-Rodamco's consolidated statement of financial position (subject to impairment test).

Comexposium was valued at €241 Mn (Group share) as at December 31, 2011 by PricewaterhouseCoopers. The value net of investments increased by 12.8% or €26 Mn compared to December 31, 2010, mainly due to an improved profitability.

Espace Expansion and Rodamco Gestion were valued at €126 Mn following the appraisal conducted by

(48) Based on a full scope of consolidation, including transfer taxes and transaction costs (see §1.5 for Group share figures).

PricewaterhouseCoopers as at December 31, 2011. This represents an increase of €9 Mn or +7.8% compared to year-end 2010, due to the increase of the size of the portfolio managed.

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	
	€Mn	%	€Mn	%
Asset portfolio valuation - December 31, 2010				
Shopping centres	18,614	76%	17,120	77%
Offices	3,885	16%	3,880	17%
Convention-Exhibition centres	1,716	7%	1,029	5%
Services	318	1%	318	1%
Total	24,532	100%	22,346	100%

	€Mn	%	€Mn	%
Asset portfolio valuation - December 31, 2011				
Shopping centres	19,803	76%	18,300	77%
Offices	3,853	15%	3,850	16%
Convention-Exhibition centres	1,901	7%	1,167	5%
Services	367	1%	367	2%
Total	25,924	100%	23,684	100%

	€Mn	%	€Mn	%
Like for Like change - net of Investments - Full year 2011				
Shopping centres	675	4.4%	611	4.2%
Offices	-11	-0.4%	-11	-0.4%
Convention-Exhibition centres	61	3.9%	33	3.7%
Services	9	7.8%	9	7.8%
Total	734	3.6%	642	3.5%

	Rent impact %	Yield impact %	Rent impact %	Yield impact %
Like for Like change - net of Investments - Full year 2011 - Split rent/ yield impact				
Shopping centres	3.5%	0.9%	3.2%	1.0%
Offices	2.3%	-2.7%	2.3%	-2.7%

	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2011	Dec. 31, 2010
Net Initial Yield				
Shopping centres	5.5%	5.7%	5.5%	5.7%
Offices - occupied space	6.6%	6.6%	6.6%	6.6%

2. EPRA triple net asset value calculation

The EPRA triple net 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, 2011, consolidated shareholders' equity (Owners of the parent) came to €11,636 Mn.

Shareholders' equity (Owners of the parent) incorporated net recurring profit of €829.6 Mn, and a positive impact of €498.2 Mn of fair value adjustments on property assets and financial instruments, as well as capital gain on sales of properties.

2.2. Impact of rights giving access to share capital

Dilution coming from securities giving access to share capital was computed when such instruments came in the money.

The debt component of the ORAs⁽⁴⁹⁾, recognised in the financial statements (€0.2 Mn) was added to shareholders' equity for the calculation of the NNNAV. At the same time, all ORAs were treated as equity shares.

In accordance with IFRS rules, financial instruments and the ORNANE⁽⁵⁰⁾ 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 P&L and thus in the consolidated shareholders' equity.

The fair value of ORNANE as at December 31, 2011 was restated for the NNNAV calculation (€169.4 Mn of revaluation) and its potential dilutive effect was taken into account in the number of shares. The full conversion of the ORNANE would lead to the issue of 694,356 new shares without any shareholders' equity increase.

The exercise of stock-options whose prices were below share price (in the money) as at December 31, 2011 and with the performance criteria fulfilled, would have led to a rise in the number of shares of 2,784,553, leading to an increase in shareholders' equity of €291 Mn.

In 2011, 139,150 shares were bought back at an average price of €126.29 per share and cancelled.

As at December 31, 2011, the fully-diluted number of shares taken into account for the NNNAV calculation totalled 95,296,018.

2.3. Unrealised capital gains on intangible assets

The appraisal of property service companies and of the operations ("*fonds de commerce*") of 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 €134 Mn which was added for the NAV calculation.

(49) Bonds redeemable for shares.

(50) Net share settled bonds convertible into new and/or existing shares (ORNANE) - see Financial Resources note.

2.4. Adjustment of capital gains 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, 2011.

For the purpose of the EPRA NAV calculation, deferred tax on unrealised capital gains on assets not qualifying for tax exemption (€879 Mn) has been 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 €287 Mn.

For the calculation of the EPRA NNNAV, estimated taxes actually payable should a disposal take place (€435 Mn) was deducted.

2.5. Mark-to-market value of debt

In accordance with IFRS rules, financial instruments were recorded on Unibail-Rodamco's statement of financial position at their fair value.

The fair value adjustment (€281 Mn) was added back for the EPRA NAV calculation and then deducted for the EPRA NNNAV calculation.

On the contrary, the value of the fixed-rate debt on the balance sheet 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 €183 Mn. This impact was taken into account in the EPRA NNNAV calculation.

2.6. Restatement of transfer taxes and transaction costs

Transfer taxes 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, 2011, 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 net adjustment of €253 Mn.

2.7. EPRA triple Net Asset Value

Unibail-Rodamco's EPRA triple Net Asset Value (Owners of the parent) thus stood at €12,459 Mn or €130.70 per share (fully-diluted) as at December 31, 2011.

The EPRA NNNAV growth was 4.9% over the year 2011.

Value creation during 2011 amounted to €14.10 per share, adjusted for the €8.00 distribution paid out in May 2011.

The following tables show the calculation presented in compliance with EPRA best practices recommendations. A bridge from December 31, 2010 to December 31, 2011 is also presented.

2.8. Going concern Net Asset Value

Unibail-Rodamco adds to the EPRA NNNAV per share optimised 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 €143.10 per share as at December 31, 2011, increasing by +4.8% vs. year-end 2010.

EPRA NNNAV calculation (All figures are Group share, in €Mn)	Dec. 31, 2010		June 30, 2011		Dec. 31, 2011	
	€Mn	€/share	€Mn	€/share	€Mn	€/share
Fully diluted number of shares		95,554,960		97,555,216		95,296,018
NAV per the financial statements	11,025		11,226		11,636	
ORA and ORNANE	213		270		170	
Effect of exercise of options	347		497		291	
Diluted NAV	11,585		11,994		12,097	
<i>Include</i>						
Revaluation intangible assets	126		127		134	
<i>Exclude</i>						
Fair value of financial instruments	129		7		281	
Deferred taxes on balance sheet	760		793		879	
Goodwill as a result of deferred taxes	-255		-236		-287	
EPRA NAV	12,345	€129.20	12,685	€130.00	13,105	€137.50
Fair value of financial instruments	-129		-7		-281	
Fair value of debt	-147		-126		-183	
Effective deferred taxes	-378		-409		-435	
Transfer tax optimization	215		251		253	
EPRA NNNAV	11,906	€124.60	12,394	€127.00	12,459	€130.70
% of change over 6 months				1.9%		2.9%
% of change over 1 year						4.9%

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)	Dec. 31, 2010		June 30, 2011		Dec. 31, 2011	
	€Mn	€/share	€Mn	€/share	€Mn	€/share
EPRA NNNAV	11,906		12,394		12,459	
Effective deferred capital gain taxes	378		409		435	
Optimized transfer taxes	758		738		743	
GOING CONCERN NAV	13,042	€136.50	13,541	€138.80	13,637	€143.10
% of change over 6 months				1.7%		3.1%
% of change over 1 year						4.8%

Change in EPRA NNNAV and Going concern NAV between December 31, 2010 and December 31, 2011 broke down as follows:

Evolution of EPRA NNNAV and Going concern NAV	EPRA NNNAV	Going concern NAV
As at December 31, 2010, per share (fully diluted)	€124.60	€136.50
Revaluation of property assets *	7.74	7.74
<i>Retail</i>	7.39	
<i>Offices</i>	-0.27	
<i>Convention & Exhibition and other</i>	0.62	
Capital gain on disposals	0.76	0.76
Recurring net profit	9.03	9.03
Distribution in 2011	-8.00	-8.00
Mark-to-market of debt and financial instruments	-2.84	-2.84
Variation in transfer taxes & deferred taxes adjustments	-0.44	0.01
Variation in number of shares	-0.01	-0.01
Other	-0.14	-0.09
As at December 31, 2011, per share (fully diluted)	€130.70	€143.10

(*) Revaluation of property assets is €5.70 per share on like-for-like basis, of which €4.80 is due to rental effect and €0.90 is due to yield effect.

FINANCIAL RESOURCES

In 2011, the financial markets remained volatile and deteriorated in H2 on the back of macro-economic and sovereign uncertainties. This affected interest rates and credit spreads, as well as the banking environment. Despite a more challenging context, Unibail-Rodamco raised €3.1Bn of medium to long term funds through the bond and the bank markets at attractive conditions, thanks to the strength of the Group's balance sheet. The financial ratios stand at healthy levels: the Loan to Value (LTV) stands at 37% and the interest coverage ratio stands at 3.6x. The average cost of debt stabilised and stands at 3.6% for 2011.

1. Debt structure at December 31, 2011

Unibail-Rodamco's consolidated nominal financial debt as at December 31, 2011 increased to €9,749 Mn (€9,252 Mn as at December 31, 2010).

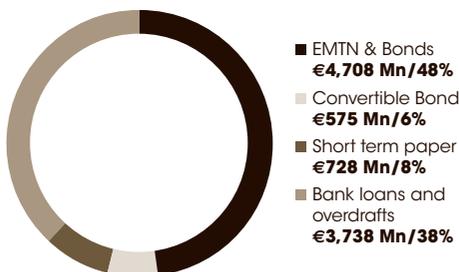
This financial debt includes €575 Mn of net share settled bonds convertible into new and/or existing shares of Unibail-Rodamco (ORNANE) for 100% of their nominal value.

1.1. Debt breakdown

Unibail-Rodamco's nominal financial debt as at December 31, 2011 breaks down as follows:

- €4,708 Mn in bond issues, of which €3,708 Mn in Euro Medium Term Notes (EMTN) of Unibail-Rodamco's programme and €1,000 Mn in EMTN of Rodamco Europe's programme;
- €575 Mn in ORNANE;
- €728 Mn short term issues of commercial paper (*billets de trésorerie* and Euro Commercial Paper⁽⁵¹⁾);
- €3,738 Mn in bank loans, including €2,667 Mn in corporate loans, €1,062 Mn in mortgage loans and €9 Mn in bank overdrafts.

No loans were subject to prepayment clauses linked to the Group's ratings⁽⁵²⁾.



The Group's debt remains well diversified with a predominant proportion of bond financing, in which the Group has a long track record.

1.2. Funds Raised

Medium to long term financing transactions completed in 2011 amounted to €3,056 Mn and include:

- The signing of €1,659 Mn medium to long term credit facilities or bank loans with an average maturity of 4.6 years and an average margin⁽⁵³⁾ of 75 bps. This amount includes the renewal of a €500 Mn syndicated loan, due to mature in 2012, and renegotiated and extended in December 2011;
 - The issue of 2 public EMTN bonds for a total amount of €1,000 Mn with the following features:
 - in September 2011: issue of a €500 Mn bond with a 3.50% coupon and a duration of 4.5 years at issuance;
 - in December 2011: issue of a €500 Mn bond with a 3.875% coupon and a duration of 6 years at issuance.
 - The issue of five taps on existing EMTN bonds for a total amount of €300 Mn with the following features:
 - issue of €200 Mn bonds through three taps of the existing €500 Mn bond at 3.875% maturing in November 2020. The €200 Mn bonds were raised at an average margin over mid-swap of 86 bps;
 - issue of €100 Mn bonds through two taps of the existing €500 Mn bond at 4.625% maturing in September 2016. The €100 Mn bonds were raised at an average margin over mid-swap of 73 bps;
 - The €300 Mn new bonds were swapped to variable rate at issuance.
 - The issue of a floating rate €50 Mn private placement, with a duration of 6 years and a margin over 3-month Euribor of 78 bps.
 - The issue of two private placements for a total of €47 Mn, with a duration of 20 years and a fixed rate of 4.1% on average.
 - In total €1,397 Bn was raised on the bond market in 2011 at an average margin of 148 bps over mid-swap and an average duration of 6.4 years.
- Other new financial resources were obtained from the money market by issuing commercial paper. The average amount of commercial paper outstanding in 2011 was €559 Mn, including €525 Mn of *Billets de Trésorerie* and €34 Mn of Euro Commercial Paper (maturity of up to 6 months). *Billets de trésorerie* were

(51) Short term paper is backed by confirmed credit lines (see 1.2).
 (52) Barring exceptional circumstances (change in control).

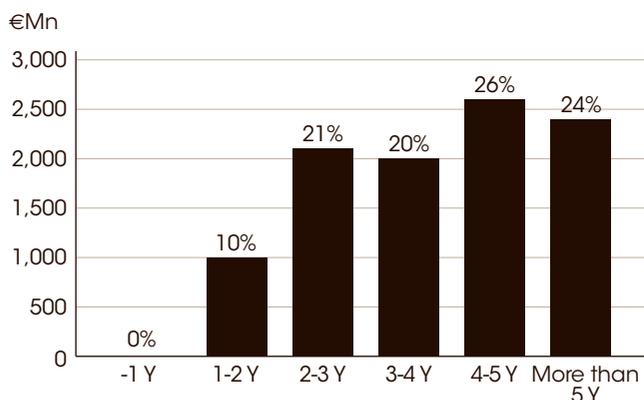
(53) Taking into account current rating and based on current utilisation of these lines.

raised over 2011 at an average margin of 11 bps above Eonia and Euro Commercial Paper nearly flat to Euribor on average. As at December 31, 2011, the total amount of undrawn credit lines came to €3,223 Mn.

The cash surpluses are limited to €82 Mn, thanks to the implementation of a European cash pooling system in 2010 which optimises the cost and the use of liquidity across the Group.

1.3. Debt maturity

The following chart illustrates Unibail-Rodamco's debt as at December 31, 2011 after the allocation of the confirmed credit lines (including the undrawn part of the bank loans) by date of maturity and based on the residual life of its borrowings⁽⁵⁴⁾.



About 70% of the debt had a maturity of more than 3 years as at December 31, 2011 (after taking into account undrawn credit lines).

The average maturity of the Group's debt as at December 31, 2011, taking into account the confirmed unused credit lines, has slightly increased to 4.5 years (4.3 years as of December 31, 2010).

Liquidity needs

Unibail-Rodamco's immediate debt repayment needs⁽⁵⁵⁾ are covered by the available undrawn credit lines: the amount of bonds or bank loans outstanding as at December 31, 2011 and maturing or amortising in 2012 is €1,539 Mn (including one €500 Mn bond to be repaid in December 2012) to be compared with €3,223 Bn of undrawn credit lines outstanding as at December 31, 2011.

1.4. Average cost of Debt

Unibail-Rodamco's average cost of debt came to 3.6% over 2011 (3.9% over 2010). This average cost of debt results from the level of margins on existing borrowings, the low interest rate environment in 2011, the Group's hedging instruments and the cost of carry of the undrawn credit lines.

⁽⁵⁴⁾ Figures may not add up due to rounding.

⁽⁵⁵⁾ Excluding Commercial Paper's repayment amounting to €728 Mn.

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 31, 2011 and revised its outlook from negative to stable.

On June 24, 2011, Fitch confirmed the "A" long term rating to the Group with a stable outlook. Fitch also rates "F1" the short-term issuances of the Group.

3. Market risk management

Market risks can generate losses resulting from fluctuations in interest rates, exchange rates, raw material prices and share prices. 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, as well as to exchange rate fluctuations due to the Group's international activities in countries outside the Euro-zone. The Group's exposure to equity risk is immaterial.

Unibail-Rodamco's risk management policy aims to limit the impact of interest rate fluctuations on profit, 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.

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.

3.1. Interest rate risk management

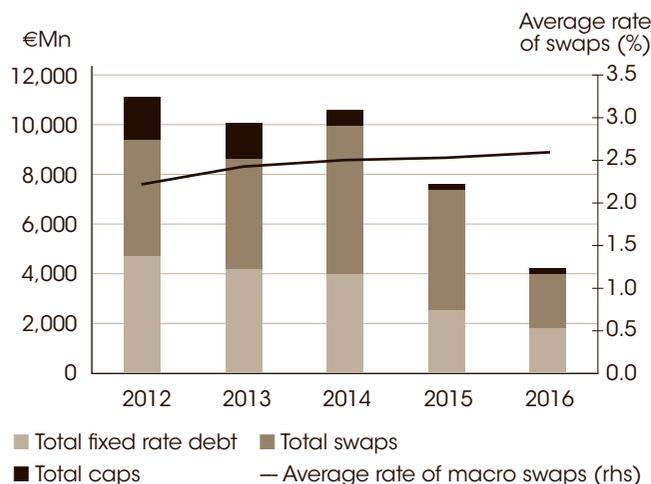
Interest rate hedging transactions

During 2011, interest rates came down reflecting the macro-economic environment.

- After reviewing the interest rate exposure of the Group as at December 31, 2010, the Group cancelled €1 Bn of swaps in January 2011.
- In H2-2011 taking into account its latest debt projection, Unibail-Rodamco entered into forward swaps to hedge in advance the years 2012 to 2016 (€1,250 Mn of swaps have been contracted on the short term – one to two years starting in 2012 – and €1,500 Mn on medium to long term maturities). These swaps were concluded at an average rate of 1.76%.
- Since December 31, 2011, €500 Mn of swaps have been cancelled in January 2012 to adjust the overall exposure of

the Group in the long run (in particular in view of the bond issued in H2-2011 kept at fixed rate).

Annual projection of average hedging amounts and fixed rate debt over the next 5 years (€ Mn – as at December 31, 2011)



The graph above shows:

- The part of debt which is kept at 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.

Note that, when applying IFRS, Unibail Holding did not opt to classify its financial hedging instruments as a cash flow hedge. As a result, any fair value changes in these instruments are recognised in the income statement.

As for Rodamco Europe, it applied a cash flow hedge accounting policy according to IFRS for some of its derivative instruments.

Measuring interest rate exposure

As at December 31, 2011, net financial debt stood at €9,667 Mn, excluding partners' current accounts and after taking cash surpluses into account (€82 Mn).

The outstanding debt was hedged at 100% against an increase in variable rates, based on debt outstanding as at December 31, 2011 through both:

- Debt kept at fixed rate.
- Hedging in place as part of Unibail-Rodamco's macro hedging policy.

Hedges starting in 2012 have already been contracted. Those hedges will significantly decrease the exposure of the Group to interest rate evolution for 2012.

Based on Unibail-Rodamco's debt situation as at December 31, 2011⁽⁵⁶⁾, if interest rates (Euribor, Stibor or Libor) were to rise

(56) And taking into account some hedges restructuring that took place early in January 2012.

by an average of 0.5%⁽⁵⁷⁾ (50 basis points) during 2012, the resulting increase in financial expenses would have an estimated negative impact of €1.8 Mn on the recurring net profit. A further rise of 0.5% would have an additional adverse impact of €2.8 Mn. Conversely, a 0.5% (50 basis points) drop in interest rates would increase financial expenses by an estimated €3.4 Mn due to the activation of floors and would impact 2012 recurring net profit by an equivalent amount. The anticipated debt of the Group is almost fully hedged for 2012, 2013 and 2014.

3.2. Managing and measuring currency risk exposure

The Group has activities and investments in countries outside the euro-zone, primarily in Sweden. When converted into euros, the income and value of the Group 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.

Measuring currency exposure

Main foreign currency positions (in €Mn)

(in €Mn)					
Currency	Assets	Liabilities	Net exposure	Hedging Instruments	Exposure net of hedges
SEK	1,525.7	-361.0	1,164.7	-135.5	1,029.1
DKK	323.0	-210.5	112.5	135.7	248.2
HUF	1.8	-	1.8	-	1.8
CZK	0.1	-159.4	-159.3	156.2	-3.1
PLN	40.6	-	40.6	-	40.6
Total	1,891.1	-730.9	1,160.2	156.5	1,316.7

The main exposure kept is in Swedish Krona. A decrease of 10% in the SEK/EUR exchange rate would have a €94 Mn negative impact on shareholders' equity.

The sensitivity of the 2012 recurring result⁽⁵⁸⁾ to a 10% depreciation in the SEK/EUR exchange rate is limited to €1 Mn following the implementation of forward exchange rate transactions early in 2012.

(57) 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 in interest rates are calculated above the Euribor as of December 31, 2011 of 1.356%.

(58) The sensitivity is measured by applying a change in exchange rate to the net revenues in SEK (net rents - financial expenses - taxes), based on an EUR/SEK exchange rate of 9.0834.

4. Financial structure

As at December 31, 2011, the portfolio valuation (including transfer taxes) of the Unibail-Rodamco group amounted to €25,924 Mn.

Debt ratio

As of December 31, 2011, the Loan-to-Value ratio (LTV) calculated for Unibail-Rodamco came unchanged vs. December 31, 2010 to 37%.

Interest coverage ratio

The interest coverage ratio (ICR) for Unibail-Rodamco came to 3.6x for 2011. It is in line with the solid levels achieved in recent years. The evolution from 2010 (4.1x) was expected and results from the €1.8 Bn exceptional distribution made in October 2010.

Financial ratios	Dec. 31, 2011	Dec. 31, 2010
Loan-to-Value ⁽⁵⁹⁾	37%	37%
Interest Coverage Ratio ⁽⁶⁰⁾	3.6x	4.1x

Those ratios show ample headroom vis-à-vis bank covenants usually set at 60% for LTV and 2x for ICR.

As at December 31, 2011, 92% of the Group's credit facilities and bank loans allowed indebtedness amounting to 60% or more 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.

(59) Loan-to-Value (LTV) = Net financial debt/Total portfolio valuation including transfer taxes.

(60) Interest Cover Ratio (ICR) = Recurring Ebitda/Recurring Net Financial Expenses (including capitalised interest); Recurring Ebitda being calculated as [total recurring operating results and other income less general expenses, excluding depreciation and amortisation].

EPRA PERFORMANCE MEASURES

In compliance with the EPRA⁽⁶¹⁾ best practices recommendations⁽⁶²⁾, Unibail-Rodamco summarises below the Key Performance Measures over 2011.

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.

		2011	2010	2009
EPRA Earnings	€Mn	829.6	847.9	836.3
EPRA Earnings/share	€/share	9.03	9.27	9.19
Growth Earnings/share	%	-2.6%	0.9%	7.1%

Note:

2011 results affected by the €1.83 Bn capital reduction of October 2010, and the asset rationalisation programme, with asset sales at yields significantly above the cost of borrowing.

2. EPRA Net Asset Value and EPRA NNAV

For a more detailed description of the EPRA NAV and triple NAV, please see the Net Asset Value chapter, included in this report.

		2011	2010	2009
EPRA NAV	€/share	137.50	129.20	133.30
EPRA NNAV	€/share	130.70	124.60	128.20
% change over year	%	4.9%	-2.8%	-15.2%

Note:

2010 NNAV affected by the €20/share exceptional distribution of October 2010.

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:

	2011		2010	
	Retail	Offices	Retail	Offices
Unibail-Rodamco yields	5.5%	6.6%	5.7%	6.6%
Effect of vacant units	0.0%	-0.8%	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	-0.2%	-0.2%	-0.2%	-0.2%
EPRA topped-up yield⁽¹⁾	5.4%	5.7%	5.6%	5.9%
Effect of lease incentives	-0.1%	-0.2%	-0.2%	-0.3%
EPRA Net Initial Yield⁽²⁾	5.2%	5.5%	5.4%	5.6%

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.

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).

	2011	2010	2009
Retail			
France	1.7%	1.4%	1.5%
Netherlands	4.1%	2.3%	1.9%
Nordic	2.7%	3.7%	3.2%
Spain	2.2%	1.6%	1.2%
Central Europe	0.6%	0.2%	0.0%
Austria	1.1%	2.8%	3.7%
Group average Retail	1.9%	1.7%	1.7%
Offices			
France	6.5%	5.7%	4.3%
Group average Offices	7.3%	7.1%	5.6%

(61) EPRA: European Public Real estate Association.

(62) Best Practices Recommendations, issued in October 2010. See www.epra.com

CORPORATE SUSTAINABILITY

I. STRATEGY AND ORGANISATION	121
II. CORPORATE GOVERNANCE ETHICAL CONDUCT AND RISK MANAGEMENT	123
III. ENVIRONMENT	124
IV. STAKEHOLDERS	138
V. CORPORATE PHILANTHROPY	140
VI. HUMAN RESOURCES	141
VII. GRI AND EPRA CONTENT INDEX	146
VIII. 2011 ACHIEVEMENTS AND 2012 OBJECTIVES	148
IX. INDEPENDENT ASSURANCE STATEMENT	152

CORPORATE SUSTAINABILITY

Unibail-Rodamco has integrated its social and environmental responsibilities into its business model. Since 2007, the Group has published an annual corporate sustainability report which aims to provide a clear, objective picture of its goals and results. Since the 2010 reporting period, the corporate sustainability report has been integrated into the annual report to reflect the fact that sustainable practices are now fully integrated into the Group's everyday operations.

I. STRATEGY AND ORGANISATION

At Unibail-Rodamco, environmental best practice, social fairness and responsible governance have a central role to play in the construction and consolidation of long-term economic success.

Strategy

An effective sustainability strategy gives rise to a number of business benefits, including:

- cost efficiencies derived from more active monitoring and management of operational expenditures (e.g. for energy),
- a modern asset portfolio which reflects growing market demand for efficient, environmentally-sound buildings,
- reduced exposure to operational, legislative, compliance and reputational risks due to more rigorous monitoring and reporting,
- an improved competitive position, thanks to an "early adopter" advantage in everything from certification programmes to the changing regulatory landscape,
- effective dialogue with stakeholders, which ensures that operations, business processes and products are aligned with their expectations,
- teams which are skilled, motivated and able to implement the Group's strategy effectively.

The Group's sustainability strategy is consistent with its desire to be a responsible corporate citizen, which communicates transparently on its activities to all of its stakeholders. As a signatory of the UN Global Compact, Unibail-Rodamco is committed to promote the application of fundamental values with respect to human rights, labour, the environment and corruption.

Implementation

Unibail-Rodamco's sustainability strategy is designed to return reliable, quantifiable improvements in social, environmental and economic performance over the long term. Matters which are the sole responsibility of the Group are managed through a system of in-house processes, targets and key performance indicators that are fully integrated into existing management processes. Their implementation is verified with external audits and certification programmes.

Relevant management processes are in place at all stages in the Group's business cycle. For example:

- the due diligence process for acquisitions and investments includes a complete audit of technical, regulatory, environmental, and health and safety procedures; including risks such as soil pollution. A climate change risk assessment was added in 2011,
- development projects are regularly reviewed through the Design Guidelines to deliver the most demanding standards,
- each managed asset has a customised Environmental Action Plan and performance targets, which are challenged at least on an annual basis,
- the 4-person Internal Audit Department conducts regular assessments of the management and compliance processes in place at all of the Group's business units. Final audit reports are addressed to the Management Board and to the departments involved in the audit.

When responsibility for obtaining results is shared with other partners, the Group seeks to cooperate with those partners in order to identify and work towards common goals. In situations where results depend on factors that cannot be controlled, such as weather conditions, the Group works both to leverage opportunities and to identify and mitigate risks.

Organisation and target-setting

The management structure for sustainability issues is designed to drive performance improvements from the top down and the bottom up and ensure that the Group's strategy is informed by the needs and expectations of stakeholders.

- The Corporate Sustainability Committee (CSC) develops the Group's sustainability strategy, sets ambitious social and environmental targets, and monitors results. The 6-member CSC meets at least three times a year and reports on progress and objectives to the Management Board and the Supervisory Board on a quarterly basis. The committee is chaired by Catherine Pourre, the member of the Management Board responsible for Unibail-Rodamco's environmental and social sustainability strategy and activities, all but one of the members of the CSC report directly to the CEO.
- The Environmental Performance Committee (EPC) implements the Group's sustainability strategy, motivates regional teams, identifies and shares best practices and tracks environmental performance to report results and achievements on a quarterly basis. The committee is chaired by François Cantin, the Group Director of Property Maintenance, Purchasing & Sustainability. The committee brings together the Group's environmental sustainability team and the regional environmental managers

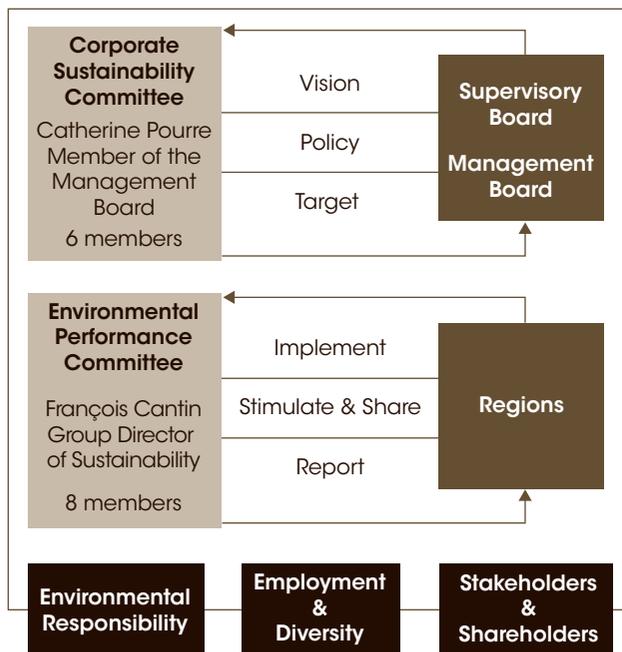
every six weeks by conference call to share best practices and monitor progress. Sustainability seminars gathering all EPC members are held twice a year.

Economic, environmental and social targets are identified and implemented in close cooperation with the finance, leasing, operating, marketing and human resources departments. Environmental targets are monitored and managed by a four member team dedicated to corporate environmental sustainability.

Overall responsibility for achieving sustainability targets is assigned to the relevant member of the Management Board, and delegated to the managing director of each region, who ensures that the necessary actions and processes are integrated into their teams' operating practices. The Group has introduced financial incentives for sustainability performance: from 2011, part of the variable remuneration of the Regional Managing Director is based on sustainability achievements. In 2012 this compensation policy will be extended to the Group's entire Management Team.

The shopping centre management team and asset managers at each site play a particularly important role in the Group's sustainability strategy. They are responsible for developing constructive relationships with tenants and local communities and cooperating with suppliers to ensure that day-to-day operations are as efficient and sustainable as possible.

Organisation and target-setting



Training

To ensure that the Group's sustainability strategy and processes are properly implemented, training sessions are regularly organised for relevant employees and managers. Details of sustainability training programmes are provided alongside Group-wide training information and data in section VI, Human Resources.

Research and development

The Group conducts sustainability research on a case-by-case, project-by-project basis. Research projects generally focus on environmentally-sound, energy-efficient construction methods and operating practices for new office and shopping centre developments. The Group's efforts to apply next-generation solutions offers a number of benefits, including lower operating costs throughout the life-cycle of the building, 'future-proofing' of the portfolio relative to an increasingly tough regulatory environment, and the commercial edge offered by recognised third-party certifications.

Studies are also commissioned on topics of particular relevance to the Group's operations. Recent examples include a detailed analysis of the biodiversity status and potential of the Group's shopping centre assets, and a study into the use of natural and artificial lighting in retail assets, with particular reference to the sometimes conflicting demands of marketing and environmental performance.

Participation in external organisations

As Europe's leading listed commercial real estate company, Unibail-Rodamco has an opportunity and a responsibility to encourage the industry as a whole to adopt more sustainable operating practices.

The Group became a founding member of the International Sustainability Alliance (ISA) in 2009. ISA is a global network of leading real estate organisations dedicated to achieving a more sustainable built environment by evaluating and improving the performance and environmental impact of commercial buildings. Within the European Public Real Estate Association (EPRA), Unibail-Rodamco has made a significant contribution to the definition of consistent, shared key performance indicators for the industry.

The indicators reported in the 2011 Annual and Sustainable Development Report complies with the draft Best Practice Recommendations that were issued by EPRA in late 2010 and adopted in 2011 (see pages 146-147). The Group is active in the EU Public Affairs Committee (EPAC) of the International Council of Shopping Centres (ICSC) and the sustainability committees of the French Council of Shopping Centres (CNCC) and the French Property Real Estate Association (FSIF).

In France, Unibail-Rodamco played an active role in the government's "Grenelle 2" consultation process to develop a set of national environmental regulations.

Awards and recognition

Unibail-Rodamco is listed on a number of prestigious SRI (Socially Responsible Investment) indexes in 2011:

- **FTSE4Good** (since 2005): made up of companies that meet globally recognised corporate responsibility standards.
- **Dow Jones Sustainability Indexes (World since 2008; Europe since 2010)**: global indexes tracking the financial performance of the leading sustainability-driven companies worldwide. Unibail-Rodamco has improved its score in each annual assessment and scored **75** in 2011.

- **ASPI Eurozone** (since 2010): tracks the financial performance of companies in the Eurozone that are leaders in sustainability.
- **Ethibel Excellence** (since 2011): include companies that show a better than average performance in terms of corporate sustainability and responsibility in their sector. "Unibail-Rodamco has been selected for inclusion in the Ethibel EXCELLENCE Investment Register since 13/23/2011 and is being monitored regarding its CSR profile since then."
- **Global ESG Leaders Index** (since 2011): composed of the leading global companies in terms of environmental, social and governance (ESG) criteria. Unibail-Rodamco is a member of all three sub-indexes.

The Group has also been recognised through diverse ESG awards and rankings, including:

- **Global 100 Most Sustainable Corporations in the World.** Unibail-Rodamco ranked 47th in the 2011 list, produced by Corporate Knights.
- **GRESB (Global Real Estate Sustainability Benchmark).** Unibail-Rodamco was named a GRESB "Green Star" in 2011 and ranked 4th out of 32 companies in the EPRA peer group. Research is conducted by the University of Maastricht.
- **World's Most Ethical Companies 2011.** Unibail-Rodamco was one of only two French companies out of the 110 companies that featured in the 2011 ranking, which is produced by Ethisphere.
- **Proxinvest survey** of the governance of CAC40 companies. Unibail-Rodamco ranked 2nd in both France and Europe.
- **Novethic Barometer.** The Group ranked 2nd in the 2011 assessment of the environmental performance of buildings owned and managed by French real estate companies.
- **JP Morgan Cazenove study of the sustainability performance** of 44 European real estate companies. Unibail-Rodamco ranked in 1st position.
- **Challenges' "Best Employer for Women"** ranking. This leading French business magazine placed Unibail-Rodamco 4th amongst French CAC 40 companies.
- **Universum.** Young graduates from leading business and engineering schools, ranked Unibail-Rodamco number 1 in France for the "High level of responsibility offered to recently-hired young graduates".

II. CORPORATE GOVERNANCE, ETHICAL CONDUCT AND RISK MANAGEMENT

Unibail-Rodamco's corporate governance, ethical conduct and risk management policies provide the stability and reliability that are necessary for sustainable growth and performance.

Corporate governance

Unibail-Rodamco has a two-tier governance structure with a Management Board and a Supervisory Board. The Group adheres and applies the best practice recommendations of the French Afep-Medef Corporate Governance Code.

Please see the Legal Information chapter (page 214) for detailed information regarding:

- the composition and independence of the Supervisory Board and its committees;
- the composition of the Management Board;
- the qualifications and professional experience of the members of the Management and Supervisory Boards;
- the remuneration policy for members of the Management and Supervisory Boards;
- the remuneration and fees paid to the members of the Management and Supervisory Boards in 2011.

The Legal Information Chapter also contains information about the Group's Articles of Association, corporate governance structure, general meetings of shareholders, share capital and voting rights.

Ethical conduct

The Unibail-Rodamco **Code of Ethics** describes the values and principles that every employee, manager and director of the Group must respect and comply with at all times. In particular, it covers:

- respect for dignity and for employees' work, notably the Group's refusal to tolerate discrimination, harassment or intimidation in any form;
- loyalty, integrity and conflicts of interest;
- respect for applicable laws and regulations, respect for delegations of authority and signatures, the treatment of confidential and proprietary information, the use of Unibail-Rodamco's assets and services, and the incident handling procedure;
- operations on Unibail-Rodamco securities;
- ethical ways of doing business, notably with respect to the purchase of goods and services, the rejection of corruption and bribery, and environmental preservation.

The Code of Ethics is published on the corporate internet and intranet sites and is distributed to all employees, who are asked to confirm their acceptance of its terms. It applies to all employees and subsidiaries, and is available in English, French, German, Polish, Czech and Swedish. The Group's performance appraisal system includes an assessment of each employee's respect for compliance procedures and codes of conduct. This information is taken into account by the Group's remuneration committees. Training is provided to employees on compliance and ethical business behaviour. An e-learning course on the contents of the Code of Ethics has been developed and is being rolled out to ensure that all employees in all regions understand how the Code should be applied during day-to-day business operations.

The Unibail-Rodamco **Compliance Book** for Governance, Organisation and Corporate Rules sets out the Group's operating and management rules. It systematically defines the responsibilities, accountabilities and reporting lines that are in place in all of the Group's divisions and regions, as well as for all core operational processes. The Compliance Book is published on the corporate intranet site, and the Group Internal Audit team conducts regular assessments of the compliance and management standards in place across all business units.

Employees and suppliers with concerns about compliance or ethics are invited to contact the Group Compliance Officer, who reports directly to the Chairmen of the Management and Supervisory Boards. The Code of Ethics guarantees the confidentiality of employees and suppliers reporting possible compliance breaches. The Group respects national and European regulations on the reporting of compliance breaches to financial authorities. Any breaches of the Group's compliance and ethical standards are met with appropriate disciplinary or legal action.

Any material compliance breaches are reported to the French Stock Market Authorities, *Autorité des Marchés Financiers* (AMF), which would then make this information public via its internet site. The Group did not report any material breaches in 2011.

In 2011, a clause on ethical business behaviour was added to contracts signed with the Group's suppliers. As well as explaining that suppliers are expected to uphold the standards described in the Group Code of Ethics, the clause describes the steps they should take to report breaches, or possible breaches, of the code.

Risk and crisis management

The Report of the Chairman of the Supervisory Board (pages 253-263) contains detailed information on Unibail-Rodamco's Internal Control System and its management of key business risks. Relevant risks are identified through a risk mapping process which focuses on key risks and assesses them on the basis of probability and magnitude. These risks are monitored through the Group's Internal Control System, which covers all activities of the Group in all regions. The Internal Control System is in line with the general principles of the internal control system reference framework drafted by the AMF Working Group. The Group's risk assessment framework takes account of environmental, social and governance risks, such as climate change, public health and safety, and bribery and corruption. Please see page 128 for information on climate change risks and page 138 for information on health and safety risks.

III. ENVIRONMENT

Unibail-Rodamco's environmental strategy is designed to reduce the environmental impact of each of the Group's managed assets and deliver a new generation of ecologically-sound properties, while maintaining the Group's reputation for providing high-quality features and services that reflect market demand.

1. Environmental Management Systems

The Group's environmental strategy is based on two environmental management systems (EMS) which reduce the impact of its assets at every stage in their lifecycle, from

initial design through to daily operation. Unibail-Rodamco's EMS for sustainable design and construction is called the 'Sustainable Design Attitude' (SDA), while its EMS for sustainable management and operations is known as the 'Sustainable Management Attitude' (SMA).

Sustainable Design Attitude (SDA): an EMS for development projects

The SDA ensures that all development projects, whatever their size or type, are designed in the most efficient way for long-term success, in order to minimise environmental impacts and ensure that each new project over 10,000 m² obtains at least a BREEAM rating of 'Very Good' or better.

For each pipeline project, the 'Sustainable Design Attitude' covers all four stages in the development process: sourcing; design and planning; construction; and letting.

- **Sourcing:** sustainability and climate change risks are analysed and evaluated during the Group's due diligence process.
- **Project reviews:** at the design stage, each project is assessed using the Group's in-house 'Design Guidelines' to ensure that the building will be as sustainable as possible and in preparation for its BREEAM assessment.
- **Construction:** the contractor agrees to abide by the Unibail-Rodamco Considerate Construction Charter, which is designed to reduce the social and environmental effects of the construction process.
- **Letting:** a commissioning process is applied to ensure that operational needs are met, building systems perform efficiently and that maintenance suppliers and shopping centre management staff are properly trained.

Since 2009 the Group's 'Design Guidelines' are applied to all new development, renovations and extension projects. The 'Design Guidelines' aligned with BREEAM requirements ensure that the Group's projects, whatever their size or scope, will be designed to ensure attractiveness, flexibility and the most sustainable buildings with the lowest possible energy consumption and GHG emissions levels. Best practices from the 'Design Guidelines' are also leveraged to improve the energy efficiency of existing assets during major renovation and extension projects.

Example of 'Design Guidelines' requirements for new developments include:

- close attention to structural elements that can affect energy requirements (e.g. orientation, prevailing winds, shell composition),
- an architectural design that maximises natural lighting while minimising solar heat gains,
- the use of natural ventilation, along with a high-performance building envelope to reduce the loss of heated and cooled air,
- integrated systems to produce renewable energy when appropriate (e.g. wind turbines to ensure free-cooling, geothermal energy to cool and heat large shopping centres),
- energy efficient equipment, coupled with an effective Building Management System (BMS) that optimises operating hours and conditions of each piece of technical equipment.

In 2011 the 'Design Guidelines' were updated on the basis of new assumptions, technologies and operational feedback from across the Group. New studies have been conducted to enrich the Retail Guidelines with innovative solutions such as geothermal systems, lighting, materials and a revolutionary approach regarding sound design.

The SDA EMS ensures that the Group's new retail and office assets achieve respectively the highest possible BREEAM ratings and HQE certification. The SDA is central to the work carried out by a number of departments, including Development; PMPS (Property Maintenance, Purchasing and Sustainability); Operating; Leasing; and shopping centre management.

Sustainable Management Attitude (SMA): an EMS for existing assets

The SMA is the in-house environmental management system (EMS) implemented across the whole of the managed portfolio in Europe. This pragmatic and dynamic EMS ensures that the Group is able to meet its annual and long term targets and supports Unibail-Rodamco's policy of continuous improvement for each area covered by the Group's policy, including climate change, resource use and stakeholders.

The 'Sustainable Management Attitude' covers four stages in the management process: target setting; action plan implementation; performance measurement; and performance review.

- **Group policy and targets:** targets are set each year for each managed asset in line with the Group's long term targets and with each of the sites individual specifications.
- **Environmental action plan:** an environmental action plan covering key topics such as energy, CO₂, water, waste, transport and stakeholders is implemented and challenged for each managed site.
- **Quarterly and yearly report:** performance is tracked and analysed on a quarterly basis at site level, regional level and Group level. A corrective action plan is implemented in case of deviation.
- **Sustainability review:** the corporate sustainability team holds sustainability reviews at least once a year for each managed asset to check the status and progress and to prepare the environmental action plan for the year to come.

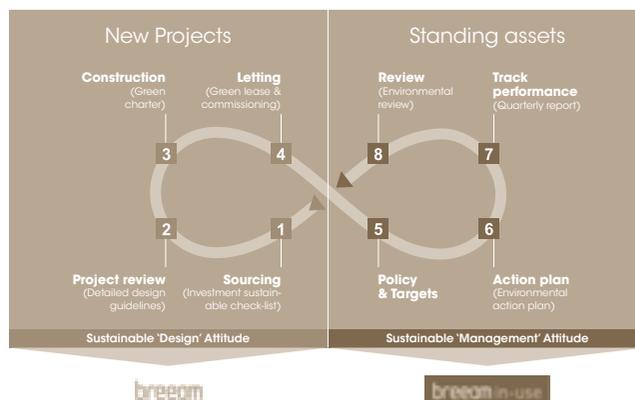
The SMA EMS ensures that the Group's retail assets achieve the highest possible ratings under the BREEAM In-Use scheme which has been chosen in 2011 for the main assets in order to promote the environmental performance of the Group's running building policy towards visitors, tenants and local communities. The SMA is fully integrated into the daily operations of teams such as Operating; Leasing; Marketing; PMPS (Property Maintenance, Purchasing and Sustainability); and shopping centre management.

These complementary EMS help the Group to:

- deliver the most sustainable and flexible projects with the highest BREEAM scores;

- ensure that managed assets are operated efficiently from a sustainable development and economical point of view;
- develop awareness and create a positive trend amongst Unibail-Rodamco's staff involved in the design, development, management and redevelopment of the Group's assets.

Two combined Environmental Management Systems to ensure the highest performance and certifications



Best practices from the Sustainable Design Attitude are leveraged to improve the Sustainable Management Attitude and vice versa.

Environmental certifications					
Development					
	2009	2010	2011 ⁽²⁾	Committed and controlled pipeline (31 st of December 2011)*	
<i>BREEAM new built (Office & Retail)</i>					≥Very Good
Average score	47.26%	60.34%	63.19%		
Associated average rating	Good	Very Good	Very Good		
Surface certified per year (m ² GLA)	37,691	246,136	63,035		
Cumulated surface certified (m ² GLA)	37,691	283,827	346,863	1,097,416	
Standing assets					
	2009	2010	2011	Target 2012	
<i>BREEAM In Use (Retail)</i>				1,154,954	
Surface certified (m ² GLA)	/	/	273,000		

* Figures subject to change according to the maturity of projects

2. Reporting methodology for environmental data

The Group uses a variety of tools, processes and indicators to monitor the performance of the assets that it owns and manages. They serve to structure the Group's environmental

(2) Indicators for which a limited assurance has been delivered by Ernst & Young. The statutory auditor's report is available on pages 152-153 and on the Group's website: www.unibail-rodamco.com

management approach, track results, and inform third-parties about performance.

Unibail-Rodamco continuously improves its environmental reporting tools and processes in order to fine-tune the quality and accuracy of its consolidated data. This enables the Group to manage its data collection processes more efficiently, track and analyse performance at all levels (site, region, Group) on a regular basis, assess results against objectives, and implement suitable corrective measures.

Description of environmental key performance indicators (KPIs)

Environmental Key Performance Indicators (KPIs) covering climate change and resource use are tracked for all of the Group's managed assets. Definitions of each KPI are provided alongside the relevant data tables on the following pages. The Group introduced several new indicators in 2011 to ensure compliance with 2011 EPRA Best Practice Recommendations (BPR) and with the Global Reporting Initiative Construction & Real Estate Sector Supplement reporting framework (GRI3.1 CRESS published in 2011). A GRI and EPRA content index is published on pages 146-147 of this report.

Reporting values

Data is reported using absolute values (energy and water consumptions, CO₂ emissions, quantities of waste) or normalised values (to show efficiency).

In addition to the standard intensity that gives the ratio between environmental information and the corresponding floor space (energy, CO₂ emissions, water/square metre), Unibail-Rodamco promotes indicators that reflect the intensity of use related to the building's specific activity.

For **standard intensity indicators**, denominators (square metres) are defined as:

- for shopping centres, areas of mall and common parts accessible to public, and total GLA to which common utilities (energy, water) are provided,
- for offices, total floor area.

For **intensity of use indicators**, denominators are adapted to each business unit:

- for shopping centres, the annual number of visitors which is monitored by a footfall counting system (i.e. energy, CO₂ emissions, water/visitor),
- for offices, the number of working stations of the building (i.e. energy, CO₂ emissions, water/occupant),
- for convention & exhibitions, the annual sum of square meters occupied during days when the venues are opened to public (i.e. energy, CO₂ emissions/square meter DOP).

Reporting scope

The Group reports on the environmental performance of assets that are under its operational management, where data on energy efficiency and resource use can be measured and

verified. In 2011, Unibail-Rodamco reported energy data for **100%** of its managed assets (all sectors combined), water data for **100%** of its shopping centres and of its **93%** offices, and waste data for **97%** of its shopping centres.

In 2011 Unibail-Rodamco enlarged the reporting scope of intensity indicators to Offices, and Convention & Exhibitions spaces.

Environmental KPIs are reported using two scopes:

- **'All assets'**, used to report the value of an indicator for the year in question. This scope includes all assets that were managed by the Group for the whole of the year in question. Assets which enter the managed portfolio during a given year through acquisition, construction or the delivery of a management mandate are included in the scope the following year on a full-year basis.
- **'Like-for-like'**, used to show the change in an indicator over time at a constant portfolio scope (notably in terms of the assets which are monitored). This scope includes assets that were managed by Unibail-Rodamco over the whole of the two-year comparison period. Assets that underwent major refurbishment and/or extension during that two-year period are temporarily excluded. To assess the positive impact of its management policy at the earliest opportunity, Unibail-Rodamco ensures that the like-for-like scope for year (Y+1) includes any site acquired in year Y and/or managed as from year (Y), if and only if a complete set of data is available for the full year (Y).

Changes in reporting scope

Changes in reporting scope may occur as a result of the start or end of a management mandate; acquisitions or disposals of assets; developments of new assets or major renovations and extensions.

The following rules are applied to reflect these situations:

- for property management mandates starting or ending, and for acquisitions or disposals occurring during the rolling year (Y), all corresponding data for the rolling year (Y) are excluded. If Unibail-Rodamco acquires an asset or starts a property management mandate during the rolling year (Y), and all corresponding data for the full rolling year (Y) are available, the asset is included in the 'all assets' scope for year and 'like-for-like' scope for year (Y+1);
- property developments in progress are not included in the 'all assets' reporting scope until the building goes into operation and this will take effect from the next full rolling year; the asset will be included in the 'like-for-like' scope as from the second full rolling year;
- assets refurbished during the rolling year remain in the reporting scope for year (Y);
- assets whose common floor space is being extended by more than 5% during the rolling year (Y) remain in "all assets" scope, and are excluded from the 'like-for-like' scope until the full rolling year (Y+2), following completion of the works. Where it is possible to exclude data relating to the extension, the asset will remain in the 'like-for-like' scope.

ASSETS INCLUDED IN 2011 REPORTING SCOPE FOR ENVIRONMENTAL KPIS

	Number of assets	Assets	Gross Lettable Area (GLA)**	Intensity of use 2011
Austria	2	Donau Zentrum, Shopping City Süd	311,600 m ²	39.6 million visits
Central Europe	5	Centrum Cerný Most, Centrum Chodov, Galeria Mokotów, Arkadia*, Wilenska*	326,600 m ²	75.6 million visits
France	31	BAB 2, Bay 2*, Carré Sénart, Carrousel du Louvre, Cité Europe, Côté Seine, Cour Oxygène*, Docks 76, Docks Vauban, Euraille, Gaîté Montparnasse, La Part-Dieu, Labège 2, Le Forum des Halles, Les Quatre Temps, L'Usine Côte d'Opale, L'Usine Roubaix, Centre Meriadeck, Passages Meriadeck, Nice Étoile, Parly 2, Place d'Arc, Rennes Alma, Rivétoile, Rosny 2, Saint-Sever, Toison d'Or, Ullis 2, Vélizy 2, Vélizy Usines Center, Villeneuve 2	1,629,300 m ²	331.8 million visits
Netherlands	5	Vier Meren, Leidsenhage, Citymall Almere, Stadshart Amstelveen, Stadshart Zoetermeer	388,000 m ²	40.6 million visits
Nordic Countries	9	Arninge Centrum, Eurostop Arlandastad, Eurostop Halmstad, Eurostop Örebro, Fiskeforvet, Nacka Forum, Nova Lund, Solna Centrum, Täby Centrum	340,300 m ²	43.2 million visits
Spain	14	Albacenter, Los Arcos, Bahía Sur, Barnasud, Bonaire, Equinoccio, Garbera, Glòries, Habaneras, La Maquinista, Parquesur, Sevilla Factory, La Vaguada, Vallsur	837,800 m ²	119.4 million visits
Offices	14	40 ter Suffren, 7 Adenauer, 2-8 Ancelle, 70-80 Wilson, Capital 8, Espace 21, Issy Guynemer, Tour Ariane, Sextant	291,266 m ²	21,973 occupants
Convention & Exhibition	10	Cnit, Espace Champerret, Espace Grande Arche, Carrousel du Louvre, Palais des Congrès de Paris, Palais des Congrès de Versailles, Palais des Congrès d'Issy*, Paris Nord Villepinte, Paris Nord Le Bourget, Porte de Versailles	638,900 m ²	31.852 million m ² occupied per days opened to the public (m ² DOP)

* Added to the scope in 2011.

** GLA of the whole complex.

Reporting system

Each region is responsible for collecting, checking and consolidating the data for its managed assets. At the corporate level, data is consolidated, analysed, validated and reported:

- quarterly for the consumption of each energy source used, and the CO₂ emissions. Regular, detailed monitoring of these indicators ensures that performance issues are identified and corrected swiftly at asset level. Energy data are made available monthly as a minimum requirement and are also sometimes measured on a real-time basis. The quarterly frequency provides a regular assessment of the sites' performance in relation to the targets that have been set. It promotes the sharing of good practices between the various sites and enables corrective action plans to be implemented swiftly;
- annually for water, waste and transport and for supplementary data that is necessary for some calculations (e.g. conversion factors for CO₂ emissions; number of visits to shopping centres; m² per days of opening of convention & exhibitions venues to the public).

The Group's Annual and sustainable development report discloses all KPIs together with their annual and cumulative changes by business segment (shopping centres, office buildings and convention & exhibition venues), and by region.

This system has been applied across the whole of the reporting scope.

Reporting period

In preparation for the extra-financial reporting obligations which are due to be introduced under the Grenelle II laws in France (Article 225), the Group decided to integrate the corporate sustainability report into the annual report in 2010. As a result of this early publication, the Group adapted its reporting methodology to report its environmental data for a 12-month rolling period (Q4 previous year plus Q1, Q2 and Q3 for the reporting year) rather than for the financial year, as was the case in the years prior to 2010.

Continuous improvement of definitions and data quality

Unibail-Rodamco continues to improve the quality and comparability of its environmental data, to develop internal benchmarks, introduce sub-metering to collect information for data which is currently estimated, and perfect accuracy of data and perimeters reported. Some adjustments may occur on data from the previous year where relevant.

In 2011 particularly, Unibail-Rodamco achieved significant improvements on its environmental reporting:

- refine its Environmental Reporting Guidelines, the Group reference document that defines raw data collected, scopes rules, and KPI calculations in order to secure the reporting system and the homogeneity of disclosed results;

- update of Asset Booklets, reference documents for each asset describing technical characteristics and functioning, areas, and perimeters of collected data. This update has been used to correct some historical data;
- implementation of an on site internal control of environmental reporting. A sample of assets is audited each year by the corporate sustainability team to check the accuracy and compliancy of their reporting with the Group's Reporting Guidelines.

Third-party independent verification

In 2011, Ernst & Young performed a detailed review of 8 informations and 10 key performance indicators, including the carbon intensity KPI, which was also verified in 2009 and 2010 (see assurance statement page 152-153). This verification included a detailed review of some of the Group's largest assets.

For 2012 the Group will comply with the Global Reporting Initiative Construction & Real Estate Sector Supplement reporting standard (GRI3.1 CRESS published in 2011) to increase its transparency on social and environmental disclosures. The Group plans to obtain a B+ level by 2012, which demands that all management information and 20 performance indicators are disclosed. The "+" shows that the level declared has been verified by a third party.

3. Climate change

The effects on Unibail-Rodamco's portfolio of climatic changes that could occur in the coming years will vary by region and by asset. The scale and severity of any changes will determine the extent of the impact, as will factors such as the age, location, construction method and operational efficiency of the asset, and the quality and capacity of local infrastructure.

Risks to the Group's activities are likely to include: higher insurance premiums; higher operating costs for energy, water and maintenance; a higher chance of flooding; and a higher risk of disruption to commercial activity from extreme weather events, including problems affecting local infrastructure that are outside the Group's control. There is, however, a low likelihood of significant changes to the Group's activities due to tidal flooding, extreme temperature variations, aridity, demographic shifts, etc., thanks to Unibail-Rodamco's strategic focus on major cities in continental Europe.

Unibail-Rodamco's due diligence process for acquisitions and new development projects covers a wide range of financial and operational issues and takes many of these risks and opportunities into account. For example, the due diligence process includes a complete audit of technical, regulatory, environmental, and health and safety performance. The potential financial impact of identified risks is taken into account during negotiations and investments. Issues covered include asbestos, legionella, electromagnetic radiation and soil pollution. Since 2011, the climate change risk criteria framework has been integrated into the due diligence process in order to identify and minimise risks by assessing the vulnerability of potential investments.

As well as preparing its assets to face the potential effects of climate change, Unibail-Rodamco is working to limit the impact of its activities on the climate. The Group's CO₂-reduction strategy is based on energy-efficient behaviours and equipment and, when possible, the use of low-carbon and renewable energies.

The Group complies with regulatory requirements in each region with regard to flooding risks, water management, and drainage systems for exceptionally heavy rainfall. In France and the Nordic countries, for example, regulations regarding drainage systems for exceptionally intense rainfall are particularly stringent. Almost all assets offer opportunities for incorporating new facilities, such as green roofs or walls, heat reducing systems, or wind protecting equipment. When possible and relevant, upgrades of this type are implemented during renovation/extension projects.

CO₂ emissions

The Group reporting covers greenhouse gas emissions (GHG) related to buildings energy consumption, converted into a CO₂ equivalent unit (CO₂e). In 2011, on a year to year and a like-for-like basis, the Group reduced the carbon intensity (CO₂e/visit) of its shopping centres portfolio activities by **-30%** due to:

i) increased energy efficiency (i.e. less consumption) reduced CO₂ emissions by **5%** (4,877 tonnes),

ii) changes in carbon conversion rates resulting from changes in the primary energy mix of suppliers led to a **5%** reduction in carbon intensity (5,112 tonnes),

iii) the purchase of 'green' electricity in Central Europe (Centrum Chodov, Centrum Cerný Most and Galeria Mokotów) with an impact of **-20%** (19,336 tonnes).

Visitor footfall was almost stable and did not have a noticeable impact.

This encouraging CO₂ performance is still anchored by the ambitious energy-savings programmes that operate across all the Group's assets. However, in 2011, this strong reduction in carbon intensity has benefited from cyclical factors unsecured in the long term, as favourable climate conditions and the extension of green electricity purchase for the most carbon-intensive shopping centres.

More than quick carbon savings, the primary purpose of signing certified 'green' electricity contracts for the Group is to encourage suppliers to invest in low-carbon and renewable energy technologies, by increasing market demand for these 'clean' energies.

This result leads to a cumulative impact of **-52%** for the carbon intensity indicator between 2006 and 2011, exceeding the primary target of **-40%** between 2006 and 2016.

This CO₂ reduction performance has to be considered in the long term, taking into account the possible cyclical and external factors, such as tough climate conditions or uncontrolled changes in the suppliers' energy mix. This is why the Group decided to maintain the new reduction target at **50%** for its cumulated carbon intensity in 2016 compared to the 2006 baseline.

KPI: CO₂ EMISSIONS (kgCO₂e) [GRI EN16]

CO₂ emissions related to energy consumption are considered in absolute Energy Consumption KPI. The CO₂ figures are calculated with local emission factors for each source of energy consumption. These factors depend on the source of energy (electricity, gas, etc.), the country and the energy supplier. Since 2011, the KPI highlights the split between direct CO₂ emissions (scope 1: gas and fuel oil) and indirect CO₂ emissions (scope 2: electricity, district heating network and district cooling network).

	Shopping centres								Offices		Convention & Exhibition	
	Scope	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	All assets	Scope	All assets
2009	72/75	100,717,141	11,254,212	47,788,390	12,154,807	2,610,260	5,055,125	22,433,082	19/19	6,614,597	9/9	15,783,889
2010	77/77	118,635,150	7,319,097	71,911,428	12,154,807	3,235,663	5,051,927	18,962,226	17/17	5,852,888	10/10	17,171,712
2011	66/66	67,149,171	5,987,035	29,506,324	10,080,213	1,939,521	3,886,885	15,749,193	14/14	3,621,496	10/10	18,151,423
of which direct emissions		10,924,314	3,624,950	0	4,699,640	1,479,028	0	1,120,697		308,681		7,195,816
of which indirect emissions		56,224,857	2,362,085	29,506,324	5,380,573	460,494	3,886,885	14,628,497		3,312,815		10,955,606
2011/2006 Like-for-like		-51%	-40%	-53%	-31%	-79%	-23%	-45%		-29%		7%
2011/2010 Like-for-like	65/66	-30%	-7%	-43%	-17%	-15%	-8%	-17%	14/14	-28%	10/10	6%

KPI: CARBON INTENSITY OF USE (gCO₂e/visit/year for shopping centres, kgCO₂e/occupant/year for offices, gCO₂e/m²DOP/year for convention & exhibition) [GRI CRE3]

Numerator: CO₂ Emissions KPI. Denominator: usage indicator per business activity (see Reporting Methodology part Reporting values page 126).

	Shopping centres ⁽²⁾								Offices		Convention & Exhibition ⁽²⁾	
	Scope	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	All assets	Scope	All assets
2009	72/75	154	244	870	36	55	79	185	18/19	254	9/9	1,196
2010	76/77	166	173	750	36	68	76	158	16/17	233	10/10	2,555
2011	65/66	103	151	390	30	48	90	132	13/14	163	10/10	2,827
2011/2006 absolute		-36%	-1%	-64%	-29%	-77%	44%	-42%		-21%		/
2011/2006 Like-for-like		-52%	-34%	-57%	-33%	-82%	-23%	-44%		-29%		/
2011/2010 Like-for-like	65/66	-30%	-7%	-43%	-18%	-15%	-5%	-17%	12/14	-28%	10/10	-3%

KPI: CARBON INTENSITY PER SQUARE METRE (kgCO₂e/m²/year) [GRI CRE3]

Numerator: CO₂ emissions related to energy consumption considered in absolute Energy Consumption KPI. Denominator: square metres (see Reporting Methodology part Reporting values page 126).

	Shopping centres ⁽²⁾								Offices	
	Scope	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	All assets
2009	72/75	38	38	174	10	19	12	51	18/19	20
2010	77/77	42	25	181	10	25	12	43	16/17	18
2011	66/66	26	22	93	9	18	13	36	13/14	13
2011/2006 Like-for-like		-51%	-40%	-53%	-31%	-79%	-23%	-45%		-29%
2011/2010 Like-for-like	65/66	-30%	-7%	-43%	-17%	-15%	-8%	-17%	13/14	-28%

(2) Indicators for which a limited assurance has been delivered by Ernst & Young. The statutory auditor's report is available on pages 152-153 and on the Group's website: www.unibail-rodamco.com

Energy consumption

In 2011, absolute energy consumption in shopping centres decreased on both an 'all assets' and a like-for-like basis, thanks to continuous effort and commitment of operational teams and also to favourable climatic conditions. The Group's energy efficiency for retail (kWh/visit) was reduced by **-6%** in 2011 compared to 2010 (on a like-for-like basis) and by **-18%** since 2006 close to the primary long-term target of 20% set for the 2006-2012 period. The Group has decided to set a new target with a goal to cut cumulated energy intensity by **30%** by 2016, compared to a 2006 baseline for managed shopping centres.

42% of the Group's managed shopping centres have reduced their energy consumption by more than 20% since 2006.

In order to get the best return on its investments in energy efficiency solutions, the Group has clearly set the daily energy optimization as its priority (see graph below).

Energy efficiency measures are applied across every asset that the Group manages. Standard practices include: the identification of factors that affect energy consumption; systematic optimisation of the running hours of each piece of equipment; seasonal action plans to adjust temperatures in line with outside conditions; regular monitoring of each asset's energy consumption; a strong focus on behavioural changes (e.g. turning out lights, using 'free cooling'); and regular checks to ensure that technical equipment is functioning correctly.

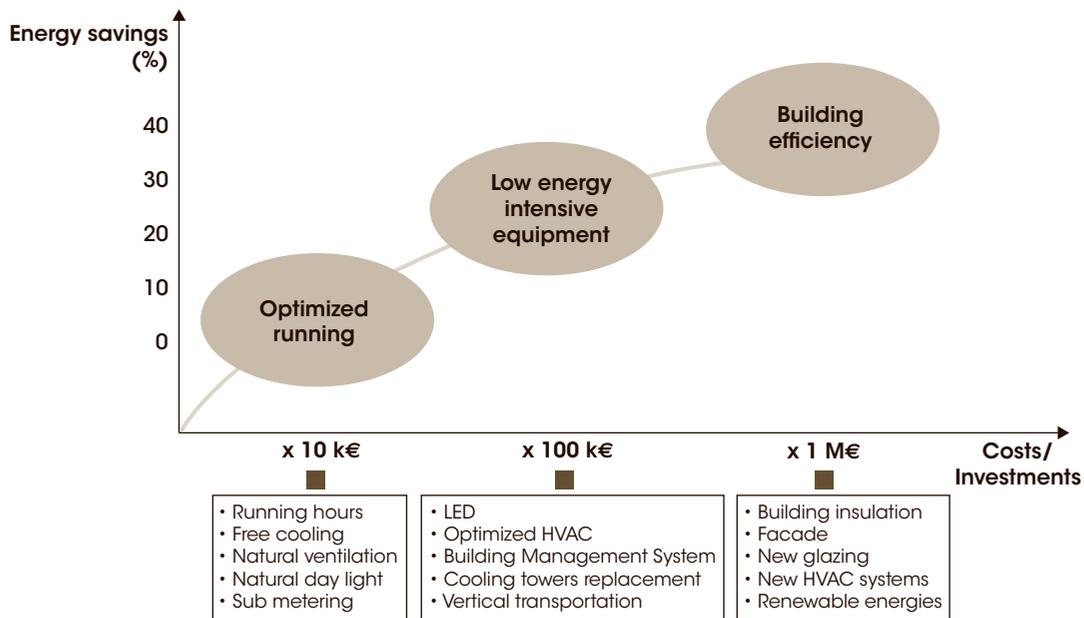
The Group systematically installs Building Management Systems (BMS) in its assets so on-site teams can easily monitor and manage performance through a single interface. Energy efficiency is also a determining factor in the choice of low consumption technical equipment, notably for regular maintenance works related to lighting, heating, cooling and ventilation. Main improvements in intrinsic building efficiency are synchronized with major developments and extension/renovation projects.

An energy efficiency attitude is well embedded in all existing processes related to technical management of each asset by ensuring gradually:

- optimization of the daily technical core function,
- technical improvement through annual non recurrent maintenance works,
- intrinsic building changes through the Group's value creation policy.

Increased energy efficiency limits Unibail-Rodamco's exposure to rising, increasingly volatile energy prices and cushions it against possible supply shocks in the future. This is particularly important in France, where energy prices are currently below European market rates.

A gradual and pragmatic approach to energy savings



KPI: ENERGY CONSUMPTION (kWh) [GRI EN3, EN4]

Energy consumption includes both direct and indirect energy. Direct energy refers to primary source energy which is purchased and consumed on site (e.g. gas and fuel oil). Indirect energy refers to energy produced by and purchased from a third party in the converted form of electricity or fluid (e.g. electricity, heating/cooling network or steam). For shopping centres, offices and convention & exhibition centres, final energy purchased for use in common areas including car parks and by common equipment (heating & cooling, distribution power, ventilation, vertical transportation, and lighting) and energy provided to tenants for heating and/or cooling. Electricity purchased by tenants is not included.

	Shopping centres								Offices		Convention & Exhibition	
	Scope	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	All assets	Scope	All assets
2009	72/75	460,220,677	61,278,672	78,732,860	155,667,401	23,216,465	80,616,248	60,709,031	19/19	60,341,104	9/9	164,765,607
2010	77/77	504,653,487	59,687,648	112,898,220	163,065,501	23,455,737	83,578,468	61,967,914	17/17	53,386,362	10/10	167,911,989
2011	66/66	414,456,206	53,975,551	80,120,017	150,320,259	14,049,709	60,554,565	55,436,105	14/14	37,197,653	10/10	183,783,511
of which direct energy		51,085,313	18,175,641	0	20,083,931	7,250,135	0	5,575,606		1,319,149		30,751,352
of which indirect energy		363,370,893	35,799,910	80,120,017	130,236,328	6,799,574	60,554,565	49,860,499		35,878,504		153,032,159
2011/2006 Like-for-like		-17%	1%	-14%	-20%	-11%	-8%	-29%		-26%		-5%
2011/2010 Like-for-like	65/66	-6%	-5%	-2%	-8%	-8%	-1%	-11%	14/14	-18%	10/10	9%

KPI: FINANCIAL SAVINGS RESULTING FROM REDUCED ENERGY CONSUMPTION (€) [GRI EN5]

Total amount of cost saved thanks to the reduction of energy consumptions of the Energy Consumption indicator, estimated with an average energy cost per supplier.

Definition:

- The difference in energy consumption year-on-year, "like-for-like perimeter".
- The energy consumption difference multiplied by energy cost, per supplier, per asset and consolidated per region.

	Shopping centres								
	Scope	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	
Energy consumptions evolutions 2011/2010 (kWh)	65/66	-26,505,479	-2,743,536	-2,053,024	-13,068,546	-1,294,658	-813,906	-6,531,809	
Cost savings 2011/2010 (€)	65/66	-2,542,299	-143,271	-137,130	-1,225,305	-235,333	-156,684	-644,575	

KPI: ENERGY EFFICIENCY PER BUILDING USAGE: (kWh/visit/year for shopping centres, kWh/occupant/year for offices, kWh/m² DOP/year for convention & exhibition) [GRI CRE1]

Numerator: Energy Consumption KPI. Denominator: usage indicator per business activity (see Reporting Methodology part Reporting values page 126).

	Shopping centres ⁽²⁾								Offices		Convention & Exhibition ⁽²⁾	
	Scope	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	All assets	Scope	All assets
2009	72/75	0.70	1.33	1.43	0.48	0.49	1.26	0.50	18/19	2,323	9/9	11.9
2010	76/77	0.71	1.41	1.18	0.48	0.49	1.26	0.52	16/17	2,131	10/10	16.6
2011	65/66	0.63	1.36	1.06	0.44	0.35	1.40	0.46	13/14	1,686	10/10	18.1
2011/2006 absolute		-9%	38%	-35%	-19%	-24%	12%	-26%		-15%		/
2011/2006 Like-for-like		-18%	10%	-22%	-22%	-22%	-1%	-27%		-22%		/
2011/2010 Like-for-like	65/66	-6%	-5%	-3%	-9%	-8%	2%	-10%	12/14	-18%	10/10	0%

(2) Indicators for which a limited assurance has been delivered by Ernst & Young. The statutory auditor's report is available on pages 152-153 and on the Group's website: www.unibail-rodamco.com

KPI: ENERGY EFFICIENCY PER SQUARE METRE (kWh/m²/year) [GRI CRE1]

Numerator: Energy Consumption KPI. Denominator: square metres (see Reporting Methodology part Reporting values page 126).

	Shopping centres ⁽²⁾								Offices	
	Scope	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	All assets
2009	72/75	172	206	287	140	166	193	138	18/19	179
2010	77/77	177	201	284	139	184	200	141	16/17	166
2011	66/66	160	199	251	131	127	196	126	13/14	130
2011/2006 Like-for-like		-17%	1%	-14%	-20%	-11%	-8%	-29%		-26%
2011/2010 Like-for-like	65/66	-6%	-5%	-2%	-8%	-8%	-1%	-11%	13/14	-18%

Energy mix

Unibail-Rodamco works to reduce the environmental impact of the energy it consumes by purchasing low-carbon/renewable energy from suppliers and generating low-carbon/renewable energy on-site. The energy mix is a key focus in regions which have a carbon-intensive national energy infrastructure, such as Central Europe.

The Group's policy of purchasing low-carbon energy from suppliers offers two key benefits. Firstly, it reduces the carbon intensity of the Group's operations. Secondly, it encourages suppliers to invest in 'green' power-generation technologies by contributing to the strong and growing market demand for

low-carbon and renewable energies. In 2011, Unibail-Rodamco expanded its 'green' electricity purchasing policy to cover three large shopping centres in Central Europe (Centrum Chodov, Centrum Cerný Most and Galeria Mokotów).

Some assets are equipped with systems to generate low-carbon or renewable energy. In Spain, for example, **20,300 m²** of solar panels installed at nine assets produced renewable energy for re-sale to the national grid, and two shopping centres also have tri-generation systems. In France, there is ongoing research into the use of geothermal energy for several new developments.

KPI: CARBON WEIGHT OF ENERGY MIX (gCO₂e/kWh) [GRI EN16]

Numerator: CO₂ Emissions KPI. Denominator: Energy Consumption KPI.

	Shopping centres								Offices		Convention & Exhibition	
	Scope	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	All assets	Scope	All assets
2009	72/75	219	184	607	74	112	63	370	19/19	110	9/9	96
2010	77/77	235	123	637	75	138	60	306	17/17	110	10/10	102
2011	66/66	162	111	368	67	138	64	284	14/14	97	10/10	99
2011/2006 Like-for-like		-41%	-41%	-45%	-14%	-76%	-17%	-23%		-4%		12%
2011/2010 Like-for-like	65/66	-26%	-3%	-42%	-10%	-7%	-6%	-7%	14/14	-12%	10/10	-3%

(2) Indicators for which a limited assurance has been delivered by Ernst & Young. The statutory auditor's report is available on pages 152-153 and on the Group's website: www.unibail-rodamco.com

KPI: DIRECT AND INDIRECT FINAL ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE (%) [GRI EN3, EN4]

Direct energy refers to the primary source of energy which is purchased and consumed on site (e.g. gas). Indirect energy refers to energy which was generated by and purchased from a third-party in the form of electricity, heat or steam.

2011	Shopping centres ⁽²⁾							Offices	Convention & Exhibition
	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	All assets	All assets
Direct natural gas	12%	34%	0%	13%	52%	0%	10%	4%	17%
Indirect natural gas	8%	12%	1%	5%	8%	0%	28%	17%	13%
Fuel oil	2%	0%	0%	2%	0%	4%	3%	7%	3%
Coal	15%	0%	58%	3%	0%	1%	20%	3%	2%
Other fossil fuels	4%	0%	3%	0%	0%	24%	1%	0%	0%
Nuclear	29%	0%	1%	66%	0%	17%	15%	60%	58%
Sub-total: non-renewable	271,966,515	9,718,002	51,183,842	132,551,006	2,426,810	28,178,406	40,715,877	33,754,398	167,007,183
Hydro power	16%	48%	15%	6%	40%	8%	17%	6%	6%
Wind power	1%	1%	6%	0%	0%	0%	0%	0%	0%
Biomass based intermediate energy	6%	5%	13%	1%	0%	14%	0%	1%	0%
Other renewable sources	7%	0%	2%	2%	0%	31%	7%	2%	2%
Sub-total: renewable	142,489,691	44,257,549	28,936,175	17,769,253	11,622,899	32,376,159	14,720,228	3,443,255	16,776,328
Total final energy	414,456,206	53,975,551	80,120,017	150,320,259	14,049,709	60,554,565	55,436,105	37,197,653	183,783,511
<i>of which direct energy</i>	51,085,313	18,175,641	0	20,083,931	7,250,135	0	5,575,606	1,319,149	30,751,352
<i>of which indirect energy</i>	363,370,893	35,799,910	80,120,017	130,236,328	6,799,574	60,554,565	49,860,499	35,878,504	153,032,159

Scope: 66 shopping centres out of 66; 14 offices out of 14; 10 Convention & Exhibition centres out of 10.

KPI: RENEWABLE ENERGY PRODUCED AND CO₂ EMISSIONS SAVED [GRI EN3, EN4]

Energy output of 20,300 m² of solar panels installed at 9 assets in Spain

	2009	2010	2011
Renewable energy produced on site (kWh)	1,202,384	1,354,068	1,278,943
CO ₂ emissions saved (kgCO ₂ e)	359,513	404,866	382,404

Transport

CO₂ emissions from visitor transport significantly outweigh the CO₂ emissions generated by energy consumed by the asset itself. Buildings which are accessible mainly by car have a far higher indirect carbon footprint than those which are well connected to public transport networks. Furthermore, the relative impact of visitor transport on overall CO₂ emissions will continue to rise as buildings become more energy efficient.

Unibail-Rodamco aims to limit transport-related CO₂ emissions associated with its activities. The Group focuses on assets that have central locations in major European cities and are easily accessed by sustainable modes of transport. All of the Group's

assets are connected to public transport. Internal surveys show that almost **56%** of customers walked, cycled or used public transport to visit the Group's shopping centres in 2011. **51%** of all of the Group's shopping centres are linked to a bicycle lane. The office portfolio is also particularly well-connected to major transport hubs.

The Group is promoting the use of electric vehicles by installing charging points in its shopping centres across Europe. In 2011 free recharging points for electrical vehicles were installed at **14** Spanish shopping centres. **41** shopping centres across Europe have now been equipped.

(2) Indicators for which a limited assurance has been delivered by Ernst & Young. The statutory auditor's report is available on pages 152-153 and on the Group's website: www.unibail-rodamco.com

KPI: SPLIT OF SHOPPING CENTRES' VISITS BY MODE OF TRANSPORT (%) [GRI EN17]

Visits split by mode of transport expressed in percentages. The split of transport modes is based on data collected for 2011.

2011	Shopping centres						
	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain
Public transport	35%	31%	44%	45%	17%	26%	17%
Car/taxi	42%	60%	35%	33%	42%	48%	62%
Foot/bicycle	21%	7%	20%	21%	38%	25%	18%
Other (motorbike, etc.)	2%	2%	1%	2%	3%	1%	3%

Scope: 60 shopping centres out of 66
Figures may not add up due to rounding.

KPI: ACCESS TO PUBLIC TRANSPORT (%) [GRI EN29]

Percentage of assets with excellent connection to public transport.

Definition:

- Assets located less than 200 metres from a public transport connection.
- Assets that are served at least every 15 minutes during weekday office hours.

2011	Shopping centres								Offices		Convention & Exhibition	
	Scope	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	All assets	Scope	All assets
Percentage of assets located less than 200 metres from a public transport connection	65/66	94%	100%	100%	93%	80%	100%	93%	14/14	86%	10/10	90%
Percentage of assets served at least every 15 minutes during weekday office hours	65/66	78%	100%	100%	77%	100%	33%	93%	14/14	100%	10/10	100%

In 2011, Unibail-Rodamco collected CO₂ emissions data relating to employees' business trips made by air and by train in all regions. The Group has introduced an employee travel policy designed to reduce transport-related CO₂ emissions. Employees are asked to travel by train whenever possible and to question whether a physical meeting is necessary. A Group compliance policy states that video and tele-conferences should be used whenever possible. Unibail-Rodamco has not introduced a target on travel-related emissions, as corporate travel is heavily influenced by business activities and can vary significantly from year to year (acquisitions, divestments, meetings with international retailers, etc.).

KPI: CO₂ EMISSIONS FROM EMPLOYEES' BUSINESS TRAVEL BY TRAIN AND PLANE (tonnes CO₂e) [GRI EN29]

The indicator is given both as an absolute value and as the ratio between CO₂ emissions from business travel and the average number of employees in 2011. Data and methodology provided by referenced travel agencies.

2011	Total	Headquarters & France	Austria	Central Europe	Netherlands	Nordics	Spain
Total emissions (tCO ₂ e)	1,296	725	39	141	68	130	193
Ratio (kg CO ₂ e/employee)	885	714	589	1,859	1,110	1,182	1,426

4. Resource use

Unibail-Rodamco's resource use policy covers materials, water, waste and biodiversity. In-house Environmental Management Systems for new developments and existing assets provide clear, comprehensive guidelines on the use of resources. Third-party certification systems and audits are used to validate these guidelines and ensure that the standards they impose are respected.

Materials

An in-house materials policy ensures that materials are fit for purpose, that opportunities to reuse existing materials and structures are systematically reviewed, and that materials with a low environmental impact and recycled products and materials are preferred. Materials must not exceed the European Union's Volatile Organic Compounds (VOC) thresholds.

Maintainability experts check each of the Group's development projects at the end of each design phase (schematic design and detailed design) to ensure that they achieve the highest levels of durability, maintainability, accessibility and security.

In line with BREEAM certification requirements, the Group's materials policy specifies that 80% of wood used in development, extension and renovation projects must be responsibly sourced (i.e. from certified, managed forests with FSC or PEFC labels) and that 100% must be legally sourced. This policy is systematically specified in tender documents for construction projects and all contractors are asked to abide by its terms. The Group works with large, reputable construction companies.

In-house project managers are asked to pay close attention to this contractual requirement. Nevertheless, given the low volumes involved and the nature of the products purchased, it is not possible to monitor the weight, nor the origins of the wood used in all projects. The Group aims to obtain post-construction BREEAM certification for projects assessed using the BREEAM referential; certification is in progress for a number of projects. As part of this certification process, the sourcing of wood used during construction is verified and validated.

Water

In line with environmental best practice, the Group is taking active steps to cut water consumption, reduce wastage and

maintain water quality. In particular, efforts are made to install water-efficient equipment, optimise operating practices, and ensure that leaks are detected and repaired rapidly. Run-off water collected from car parks is treated before being disposed of through municipal networks. Closed-circuit systems are being introduced to re-use water during the testing of sprinkler equipment. Climate change impact assessments are helping the Group to identify regions and assets that are particularly susceptible to water shortages in order to find appropriate solutions.

At existing assets, the Group relies on close cooperation with tenants and customers to reduce water consumption. Green leases, tenant sustainability committees, and dedicated water surveys are all used to help raise awareness and assist with water management.

At new developments and during renovations and upgrades, efficiency is a determining factor in the choice of technical equipment (toilets, urinals, taps, sprinkler systems, cooling systems, etc.). The Design Guidelines for new development, renovation and extension projects provide clear steps on how to achieve water efficiency.

Water savings in 2011 corresponds to **282,856 m³**, water efficiency at managed shopping centres has been improved by **14%** since 2006 on a like-for-like basis.

KPI: WATER CONSUMPTION (m³) [GRI EN8]

Water purchased for common and private use (restrooms, cleaning, heating & cooling systems, sprinkler systems, watering of green spaces, etc.). Water consumption in tenants' premises is indicated in percentage when consumption can be estimated.

	Scope	Shopping centres							Offices	
		All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	All assets
2009	72/75	2,776,428	251,789	281,080	1,190,856	36,014	465,681	551,011	17/19	154,719
2010	76/77	3,150,838	244,567	548,643	1,177,730	30,930	462,822	686,149	16/17	209,859
2011	66/66	2,867,982	230,142	395,568	1,205,048	31,976	281,389	723,862	13/14	132,425
Of which estimated tenants' consumption		62%	71%	60%	58%	-	68%	65%		
2011/2006 Like-for-like		-13%	4%	-13%	-13%	-20%	-27%	-9%		-17%
2011/2010 Like-for-like	64/66	-1%	-1%	1%	4%	3%	-20%	4%	13/14	-30%

KPI: TOTAL WATER WITHDRAWAL BY SOURCE (%) [GRI EN8]

Split by source of total water purchased and consumed in shopping centres from the indicator Water consumption during the reporting year.

2011	Shopping centres	Offices
Municipal water supplies & other utilities	99.5%	100%
Rainwater collected	0.01%	0%
Reused water (grey water, black water, treated waste water...)	0%	0%
Others sources (surface water, ground water...)	0.5%	0%

In 2011, the shopping centres Vélizy 2 (France) and Donau Zentrum (Austria), respectively, collected on site **13,300 m³** of rainwater and ground water reused for cleaning and green spaces watering. In 2011, **22** shopping centres across the Group reused the water from the periodic regulatory sprinkler tests.

KPI: WATER INTENSITY OF USE (litre/visit/year for shopping centres, m³/occupant/year for offices) [GRI CRE2]

Numerator: Water Consumption KPI. Denominator: usage indicator per business activity (see Reporting Methodology part Reporting values page 126).

	Scope	Shopping centres							Offices	
		All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	All assets
2009	71/75	4.29	5.47	5.12	3.77	0.79	7.25	7.25	17/19	6.01
2010	75/77	4.45	5.77	5.72	3.51	0.65	7.00	5.73	16/17	8.41
2011	65/66	4.40	5.81	5.23	3.62	0.79	6.51	6.51	13/14	6.03
2011/2006 Like-for-like		-14%	15%	-21%	-15%	-29%	-21%	-6%		-17%
2011/2010 Like-for-like	64/66	-1%	-1%	1%	3%	4%	-17%	4%	13/14	-30%

KPI: WATER CONSUMPTION PER SQUARE METRE (litre/m²/year) [GRI CRE3]

Numerator: Water Consumption KPI. Denominator: square metres (see Reporting Methodology part Reporting values page 126).

	Scope	Shopping centres							Offices	
		All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	All assets
2010	63/77	1,080	859	1,199	985	856	1,138	1,308	16/17	739
2011	65/66	1,070	848	1,204	996	887	911	1,380	13/14	466
2011/2010 Like-for-like	64/66	-1%	-1%	1%	4%	4%	-20%	4%	13/14	-30%

Waste

Unibail-Rodamco's waste management approach is designed to maximise recycling and minimise disposal to landfill. Tenants are regularly informed about on-site waste management local policy and process. Both supplier purchasing contracts and tenant green leases establish the minimum requirements for waste sorting and recycling that must be respected. Suitable waste segregation facilities are in place in all assets.

The total volume of waste generated in a building, whatever its usage mainly relies on the level of activity of the tenants i.e. sales for shopping centres and occupancy for offices buildings. This means that the Group has a limited impact on the total volume of waste generated on site. On the other hand, the Group is committed on waste management efficiency measured through long-term objectives set for recycling and disposal route:

- reduce the proportion of waste sent to landfill by **50%** in 2016 relative to 2009,
- obtain a waste recycling rate of at least **50%** by 2016,

In 2011, **35%** of waste was recycled and **17%** was sent to landfill.

Unibail-Rodamco's waste management responsibilities and reporting scopes may vary by region. In some assets, local authorities are responsible for managing waste. The Group does not control the final destination of waste produced at these assets.

The Group's development projects are built in line with in-house Design Guidelines and BREEAM certification, both of which require waste management plans and project-specific reduction/reuse/recycling targets as standard practice. The Unibail-Rodamco Considerate Construction Charter sets out the Group's requirements and recommendations for optimising the environmental quality of its construction sites with a view to creating a positive experience for the workforce, local communities, and the environment. It includes all applicable local regulations, sets waste valorisation targets and is aligned with BREEAM requirements. Signature of the Charter is a pre-requisite for companies signing construction contracts. It should be noted that Unibail-Rodamco works with large, reputable construction firms which also apply their own certified waste management schemes. Demolition projects are relatively rare and are managed on a case-by-case basis.

KPI: TOTAL WASTE (tonnes) [GRI EN22]

Total waste collected on site

	Shopping centres							
	Scope	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain
2009	66/75	49,165	4,594	4,744	21,877	1,327	5,773	10,849
2010	72/77	58,634	4,575	7,571	25,336	1,622	5,835	13,694
2011	64/66	55,042	3,904	5,685	25,750	777	3,984	14,943

KPI: PERCENTAGE OF WASTE RECYCLED (%) [GRI EN22]

Tonnes of waste recycled divided by tonnes of waste collected

	Shopping centres							
	Scope	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain
2009	66/75	33%	53%	31%	25%	44%	61%	23%
2010	72/77	36%	53%	36%	30%	41%	50%	34%
2011	64/66	35%	58%	37%	25%	41%	58%	39%

KPI: SPLIT OF NON-HAZARDOUS WASTE BY DISPOSAL ROUTE (tonnes) [GRI EN22]

Tonnes of waste by disposal method

2011	Shopping centres							
	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	
Total non-hazardous waste (tonnes)	54,948	3,904	5,666	25,750	729	3,984	14,916	
Recycling/Reuse/Composting	35%	58%	37%	25%	41%	60%	40%	
Incineration (including energy recovery)	24%	42%	0%	35%	61%	39%	5%	
Landfill (including methanisation)	30%	0%	62%	40%	0%	1%	19%	
Managed by local authority*	10%	0%	0%	0%	0%	0%	36%	
Other	0%	0%	1%	0%	0%	0%	0%	

Scope: 64 shopping centres out of 66.

Figures may not add up due to rounding.

* Information on how local authorities manage the waste they collect is not available. The final disposal route of this waste can not be monitored and reported.

KPI: SPLIT OF RECYCLED WASTE BY TYPE OF WASTE (tonnes) [GRI EN22]

2011	Shopping centres							
	All assets	Austria	Central Europe	France	Netherlands	Nordics	Spain	
Cardboard	15,210	1,620	2,043	6,055	273	1,616	3,602	
Paper	162	0	0	2	42	109	9	
Plastics	800	154	26	73	2	21	524	
Glass	447	219	2	36	2	53	136	
Wood	532	59	0	53	0	0	420	
Metals	196	86	0	12	0	85	13	
Other recycled waste	1,423	124	4	227	0	391	677	
Total recycled waste	18,770	2,263	2,076	6,457	319	2,275	5,380	

Scope: 60 shopping centres out of 66.

Figures may not add up due to rounding.

Biodiversity

Unibail-Rodamco has developed a clear strategy and methodology for integrating biodiversity and ecology into all of its activities. The Group worked closely with a biodiversity expert to define and implement its approach to these important issues.

For all development projects involved in a BREEAM certification process (i.e. projects over 10,000 m²), an ecologist forms part of the design team. The ecologist advises the architects and designers on the most appropriate species to choose for the development, taking into account their relevance to local habitats and their potential to create a positive ecological impact by enhancing and/or conserving local fauna and flora. For all other development projects, the site is analysed to estimate its potential and ensure that all opportunities to foster biodiversity are exploited. An impact assessment, which includes an environmental/biodiversity component, is a pre-requisite for obtaining a building permit and commercial planning permission in France. A public consultation is also carried out as part of this process.

An equally pragmatic approach is taken to biodiversity and ecology at existing assets, even though the very dense urban locations of most assets severely limit the potential to enhance biodiversity. As a result, Unibail-Rodamco's main focus is on creating 'green' spaces, such as green roofs and green walls, and carefully selecting the plant species used. The Group undertakes a biodiversity study prior to major renovations or investments. Gap analysis methodology is used to measure the site's ecological potential against its initial status.

Health & safety and environmental risks

Unibail-Rodamco takes the health and safety of its employees, customers, tenants, suppliers, contractors and local communities very seriously. The Group complies with all applicable health and safety legislation as a matter of course and often exceeds minimum requirements to ensure a higher standard of service and safety in its assets. On-site teams are trained in first aid techniques and maintain close relationships with local emergency services (fire brigade, paramedics and police). Defibrillators have been made available for security staff and have been installed in all shopping centres across Europe.

The Group has drawn-up an extensive, comprehensive in-house risk management policy to ensure that risks are mitigated and managed. The main subjects covered by this risk management process are air quality, water quality, asbestos, ground and air pollution, legionella, electromagnetic radiation, and technical equipment such as lifts and escalators. The risk management process also provides a framework for responding to exceptional risks and crises. Unibail-Rodamco's due diligence process for acquisition includes a complete audit of technical, regulatory, environmental, and health and safety procedures and risks, including soil pollution and climate change.

In 2011, an independent, third-party health and safety inspector was appointed in each country where the Group operates. In

France, each asset undergoes an annual health and safety risk assessment process in order to secure compliancy with applicable regulation and Group's policy: corrective action plans are undertaken and tracked in case of discrepancy. This assessment process will be extended to all other regions during 2012. The Group Director of Property Maintenance, Purchasing & Sustainability, is responsible for overseeing its implementation.

KPI: FINES FOR ENVIRONMENTAL BREACHES [GRI EN28]

Annual monetary value of significant fines and total number of non monetary sanctions for non compliance with environmental laws and regulations.

	2010	2011
Monetary value of significant fines (€)	0	0
Total number of non monetary sanctions	0	0

IV. STAKEHOLDERS

The Group's economic success is founded on the strength of its relationships with stakeholders: tenants, customers, investors, local communities, suppliers and contractors, and employees. The need to develop and operate assets that meet stakeholders' expectations in terms of shopping experience, financial return and environmental performance is central to the Group's strategy. These areas are embedded in the Group's operating structure and product development process, are regularly discussed at Supervisory Board and Management Board level, and are subject to careful analysis and monitoring. Relevant tools have been developed to identify and respond to the expectations of each stakeholder community and communicate this information to top managers and on-site operational teams.

1. Customers

The quality of the customer experience is central to the economic sustainability of Unibail-Rodamco's business as it attracts visitors and encourages loyalty. It is the result of intensive work in subjects as diverse as leasing, maintenance, health and safety, marketing and customer research. The Group continuously improves the Welcome Attitude, its customer service strategy for retail assets. Facebook sites and websites for individual shopping centres contribute to the Group's ongoing dialogue and loyalty with its customers.

Customer satisfaction surveys were conducted in **53** assets in 2011. The average score across the Group was **7.7/10**. As a new survey methodology was used by the Group's marketing teams in 2011, the scores obtained in 2010 and 2011 are not comparable. Internal quality audits were used to assess **240** services and comfort criteria. These audits help to ensure that the Group's assets maintain their prime position on the market.

	2010	2011
Average score in internal quality audit	86%	82%

The score decrease represents a change in the methodology realised to increase the comprehensiveness of the answers and improve the quality of the audit.

Many of the Group's shopping centres organise events and communication campaigns to promote environmentally-responsible behaviour among their customers and highlight the asset's environmental performance and objectives.

2. Tenants

Strong, mutually beneficial relationships with tenants are fundamental to the Group's long-term success and sustainability. Unibail-Rodamco devotes considerable energy to attracting top-flight retailers and supporting their national and international expansion *via* its extensive network of well-located, prime shopping centres. Annual "retailer open house" events are held in all regions to present the Group's portfolio of existing assets and new developments to current and potential tenants. The Group is also committed to leasing space and providing support to entrepreneurs and smaller national and local retailers. The Group regularly conducts tenant satisfaction surveys, holds one-on-one meetings with tenants, and participates in retail industry round tables and conferences. The annual Unibail-Rodamco management convention features a keynote address by a major retail partner.

Tenants are the Group's most important partner when it comes to reducing the global environmental footprint of its assets. A proactive green lease policy, launched in late 2009 and founded on dialogue, information and the sharing of best practices, is encouraging tenants to play an active role in on-site environmental management. As well as contributing to lower common and private service charges, these efforts are helping all parties to prepare for a tougher regulatory environment in the future. In addition to the tenants' associations which are active in most assets, tenant-landlord sustainability committees have now been set up in **43%** of managed shopping centres in 2011.

All of the new leases and renewals signed with retail and office tenants contain environmental clauses. These 'green' leases cover the issues that are most relevant to improving environmental awareness and performance among tenants, such as the sharing of energy consumption data, specifications for fit-out projects, and measures for saving energy and water and sorting waste. **1,434** of these 'green' leases, which regardless of the size of surface leased, were signed in 2011. In two years **32%** of Group's active leases include 'green lease' clauses.

	2009	2010	2011 ⁽²⁾
Number of 'green' leases signed	42	1,180	1,434
Number of 'green' leases as a percentage of all new office/retail leases (including renewals)	2%	79%	85.3%

3. Suppliers and contractors

Unibail-Rodamco works with a large network of third-party suppliers and contractors. They provide the Group with different services such as legal advice, architectural design and operational services related to site's exploitation. At present, suppliers are mainly selected according to technical and financial criteria, but the Group is working to incorporate structural sustainability criteria into its selection process.

The Group's social and economic relationships with its suppliers are governed by internal rules and compliance regulations as well as by strict local and national laws and regulations. Internal compliance rules state that the suppliers of all goods and services must be selected equitably on the basis of objective, comparable criteria and, when relevant, according to procedures applying to invitations to tender.

To encourage existing suppliers and contractors to adopt sustainable operating practices and use environmentally sustainable materials, Unibail-Rodamco is communicating with key suppliers about its environmental and social objectives and asking them to share their sustainability policies and practices. Service providers in existing assets, primarily cleaning, facilities management and security agencies, are also being asked to sign a contract addendum. The addendum covers a range of issues, including energy efficiency, waste, the use of environmentally-sound products and materials, and social and ethical behaviour (notably an engagement to comply with International Labour Organisation (ILO) conventions and local labour laws and regulations). In 2011 a yearly assessment has been performed for **191** key maintenance, cleaning and security suppliers in **67** shopping centres and convention & exhibition to assess their compliance with environmental clauses, management and service quality.

The Group is present in European Union countries where social and labour standards are clearly regulated. It checks that its suppliers provide all documentation required by law. The corporate audit team regularly performs audits of purchasing contracts to ensure that suppliers respect their contractual obligations. During calls to tender, companies are asked to provide a detailed description of their social policy.

4. Investors and shareholders

Unibail-Rodamco is listed on a number of prestigious SRI indexes (see pages 122-123 for details). The Group shares its sustainability strategy and achievements with investors at dedicated sessions. In 2011, sustainability sessions were held

(2) Indicators for which a limited assurance has been delivered by Ernst & Young. The statutory auditor's report is available on pages 152-153 and on the Group's website: www.unibail-rodamco.com

with **91%** of the top **50%** of investors by value, in Paris, Amsterdam and London. These meetings also enable Unibail-Rodamco to learn more about its investors' vision of sustainability in the real estate sector and to improve its yearly notations in the different SRI indexes.

Unibail-Rodamco participates in the Carbon Disclosure Project and is a signatory of the UN Global Compact.

5. Communities and local authorities

Unibail-Rodamco plays an important social role in the community. The Group's activities generate economic growth through employees' salaries, payments to suppliers and infrastructure investments, and contribute directly and indirectly to job creation and urban renewal. To ensure that its investments, developments and operations benefit the communities where it is present and reflect their needs and expectations, the Group works to build and maintain strong relationships with local residents and public authorities. Extensive public consultations are held for all development and extension projects.

The Group's shopping centres provide opportunities to socialise, relax and be entertained as well as an extensive, high-quality retail offering. In addition to commercial leisure offerings which range from pony clubs to cinemas, all assets regularly organise free events, such as fashion shows and concerts. Shopping centre managers are committed to develop many local initiatives with associations involved in cultural, charitable and environmental domains.

Unibail-Rodamco works hard to ensure its assets are welcoming and accessible to all members of the community. Special provisions are made for customers with reduced mobility and physical and sensory disabilities, as well as for elderly customers and the parents of small children. In France, for example, the Group is building a close partnership with the UNAPEI, a charitable association that works on behalf of people with mental disabilities. During 2012, shopping centre staff who work with the public (retail employees, security staff, cleaning contractors, etc.) will receive training in welcoming customers with mental disabilities and accommodating their needs. These centres will then display the 'S3A' label as a permanent sign of their commitment to the 700,000 people in France who are affected by mental disability and their families. Each centre will also hold a public event every year to raise awareness of mental disability.

V. CORPORATE PHILANTHROPY

Unibail-Rodamco continued to pledge its support to good causes in 2011. A total of **€3,070,373**, in cash and in kind, was donated to support various educational, cultural, entrepreneurial and social initiatives. The donations originate from three sources; shopping centres and regional initiatives contributed **€1,170,523**, corporate donations totalled **€549,850**

and the Grand Prix des Jeunes Créateurs, to which the Group donated **€1,350,000**.

The principal evolution between 2010 and 2011, is the end of artist Alexander Calder's tour across the Group's shopping centres and the Centre Pompidou modern art museum in Paris.

This unique, one-off event contributed to an exceptional year in 2010, raising €3.75m in cash and kind.

In 2011, more than **330** local charity fundraising and awareness events were held in the Group's shopping centres. The Group collaborated with a wide spectrum of partners for these charitable events, including UNICEF, La Croix Rouge and les Restos du Coeur.

Entrepreneurship

The Grand Prize for Young Retail Entrepreneurs is an action that aims to harness the creativity of tomorrow's retail stars by providing them with the financial and logistical support they need to start their business. It is the most significant action supporting the creation of new business in France, distributing prizes of a value of **€1.35 million** to the three winners. Unibail-Rodamco provides the winners with the retail space in one of its shopping centres, as well as the first 6 months of rent to relieve the entrepreneurs of some of the stress that is involved in starting a new commercial venture.

VIPARIS, the Group's convention and exhibition division, encourages entrepreneurship and innovative thinking in its sector by organising Expocréa. In 2011, the main prize winner was 'The Funerary Fair', an unusual event which provided visitors with information and insights into the psychological, philosophical, spiritual and practical aspects of death and dying. Paris Games Week, the 2010 winner, enjoyed a hugely successful second edition where visitor numbers increased by **40%**.

Educational

Inspired by the construction of the Majunga tower in La Défense, which is due to be completed in 2012, The Group further reaffirmed its support for education, by partnering with the associations Ecoles du Monde and Enfants de Majunga, to completely fund a school in Majunga, Madagascar. A fundraising event was organised in the Group's headquarter, where employees contributed to the school's funding.

Social

The Group continued to support its partnership with Ecole de la Deuxième Chance (E2C, School of the Second Chance), which provides 18-25 year olds, who have little or no qualifications, with the training and support they require to access further education or employment. In 2011, **191** students found work in this way.

In this respect, new projects, involving UR employees were launched, in particular with Les Enfants de Majunga. Unibail-Rodamco aims to contribute to the financing of associations and activities that maintain a strong bond with its own real estate development projects.

VI. HUMAN RESOURCES

Unibail-Rodamco aims to offer a working environment that promotes equality and diversity, and provide its employees with the skills and opportunities they require to build exciting and rewarding careers. Recruitment and human resources policies are designed to attract and retain the best talents on the market.

1. Reporting methodology

Throughout the year, Unibail-Rodamco uses a set of Key Performance Indicators (KPI's) to track and analyse key data in the Company to support the implementation of the Group's Human Resources policies.

Description of Human Resources Key Performance Indicators

Human Resources KPI's are based on precise common referentials for all regions which were set up and implemented at the Group level in 2011. Many of these Human Resources indicators are outlined in the different tables below and preceded by a short definition.

Reporting scope

Unibail-Rodamco's social reporting is based on data from all the regions where the Group operates and across its three types of assets; Shopping Centers, Offices and Convention/Exhibitions (excluding Comexposium) at December 31, 2011.

Reporting period

Each region controls, collects and consolidates quarterly data related to their area as part of a common database accessible by the Corporate Human Resources teams. In 2011, a Human Resources IT data reporting program, was enhanced to ensure even greater accuracy of data and operations. In 2012, a new system will be gradually introduced in other key regions to further improve the automation and production of Human Resources data at the Group level.

2. Employment and diversity

In 2011, average headcount for the Group was **1,464** employees. The Group has a positive track record for gender and age diversity: the workforce is split almost equally between men and women and the age pyramid is well balanced. Job candidates are asked to submit anonymous CVs to ensure that academic profile and proven achievements are the sole criteria for selection.

The Group participates in the voluntary, non-profit BoardWomen Partners programme, which aims to improve the corporate governance of European listed companies by increasing the number of women present on their supervisory boards. According to an October 2011 survey carried out by Challenges (a leading French business magazine), Unibail-Rodamco ranked **4th** among the CAC 40 companies as "Best Employer for Women", with **36%** of management positions held by women⁽²⁾. **41%** of all cadres* and engineers in France are women.

* Junior, middle and senior management positions.

(2) Indicators for which a limited assurance has been delivered by Ernst & Young. The statutory auditor's report is available on pages 152-153 and on the Group's website: www.unibail-rodamco.com

In 2011, a "women's network" was created to define actions for gender Diversity and Equality.

In France, Unibail-Rodamco is a signatory of the Diversity and Disability Workplace Charters. The Group aims to ensure that the standards set out in these charters are respected across all its regions and create a workplace which is free from discrimination on any basis whether it is age, gender, disability or ethnic origin; and promotes diversity and equality.

KPI: Employment by country: sum of the headcount on the last day of each month in the year in each region divided by 12

	Average headcount	%
Austria	67	5
Czech Republic	35	2
Denmark	10	1
France*	1,015	69
Netherlands	61	4
Poland	41	3
Spain	135	9
Sweden	100	7
Total	1,464⁽²⁾	100

* This figure includes 100% of VIPARIS employees (399).

KPI: Employment by activity: sum of the headcount on the last day of each month in the year in each activity divided by 12

	Average headcount
Offices	16
Shopping Centres	550
Convention & Exhibition*	399
Development**	85
Shared Services	230
Headquarters	184
Total	1,464

* These figures include 100% of VIPARIS employees.

** Offices and Shopping centre development.

KPI: Employment by age: workforce at 31st December

	2010	2011
< 30 years old	21.7%	24.2%
30 - 50 years old	62.1%	60.0%
> 50 years old	16.2%	15.8%

KPI: Employment by gender: workforce at 31st December

	2010	2011
Women	49.1%	49.2%
Men	50.9%	50.8%

3. Career management

A job grading system, deployed in 2010, provides a common, consistent and transparent language, and visibility, for careers and mobility across the Group. Employees receive regular support and advice on career development. Employees meet with their

manager at least once a year to discuss their performance objectives and career progression, to review their achievements and identify possible training needs. A 360° feedback review process, which is hierarchical, peer-to-peer and upward, is held annually to provide employees with comprehensive feedback on their strengths and scope for development. **100%** of employees are reviewed in the Group's Talent Committees each year.

In 2011, for the first time the entire Talent Review process was conducted via an IT Portal for all Regions.

Internal mobility between core disciplines is strongly promoted. This approach provides employees with an in-depth understanding of the technical processes and business priorities at different stages in the lifecycle of the Group's assets, and also helps to build networks and share best practices between the different regions. In 2011, **26** people worked abroad on an international mobility assignment. During the year, **148** employees made a lateral geographical career shift within the Group and **155** employees were promoted.

4. Training

Unibail-Rodamco's training and mobility policies are designed to ensure that employees have the skills and confidence required to make sound decisions in complex situations that involve large assets and important sums of money. Targeted training is backed by on-the-job experience and mentoring to accelerate skills acquisition for new recruits, enable career progression and support transitions to new positions, functions and/or countries.

General business and management skills are taught via a combination of internal and external experts, and is delivered through the Unibail-Rodamco Academy. In 2011, a specific focus was put on Leadership and Management training for the **110** Top Managers across the Group. This training focused on the Group's management principles and on practical training in the areas of performance management and feedback, team development and speed of execution.

The main actions were the 4 Star policy trainings across the Group and, in France, sessions on the prevention of psychosocial risks and legal training for experts and operational people. The contents of this extensive professional training syllabus are regularly reviewed and updated.

Representatives from all regions participated in a sustainability seminar and training course in Paris. Training sessions were held in the Group's Paris headquarters on environmental design guidelines, BREEAM assessment and ethical business behaviour for corporate development. Additional sessions on sustainability awareness policy were proposed for local teams in all regions, excluding France. An e-learning course on the Code of Ethics was delivered to more than **900** employees across the Group to ensure that employees in all regions understand how the Code should be applied during day-to-day business operations.

KPI: Training: sum of all the hours of training attended by Employees with permanent and fixed term contracts

	2010	2011 ⁽²⁾
Total number of hours provided	30,332	26,083
Average number of hours per employee*	20.3	18.0

* Based on effective headcount at the end of the year.

5. Employee movements

The Group recruits 'the best-in-class' talent from leading business and engineering schools across Europe. In 2011, the Group recruited **37** young graduates into the European Graduate Programme (EGP) across all its Regions. A total of **55** people - from **14** different nationalities - participated in the program during this year. In 2011, Unibail-Rodamco was named the **n°1** company in France for the "High level of responsibility offered to recently-hired young graduates" by Universum, one of the largest surveyors of young graduates. An internal survey was also conducted for the EGP's second year running and yielded very positive results.

An exit interview is systematically conducted when there is a departure. Employee turnover, as measured by the number of resignations, dismissals, mutual agreements, retirements and departures during probationary periods over effective headcount at the end of 2011, stood at **18.6%** in 2011 (versus 18.2% in 2010 on the same basis).

KPI: Recruitment: all new comers (excluding internships) who joined Unibail-Rodamco in 2011

	2010	2011*
Permanent contracts	163	244
Fixed-term contracts	58	70
Apprenticeships*	7	6
Total	228	320

* Excluding internships (35 in 2011).

KPI: Departures: all departures (excluding internships) who left Unibail-Rodamco in 2011

Reasons for departures in 2011	Departures	%
Resignation	144	39.3%
Dismissal	33	9%
Mutual Agreement	82	22.4%
Retirement	6	1.7%
Departure during probationary period	23	6.3%
Expiry of temporary contract	59	16.1%
Outsourcing	19	5.2%
Death	0	0%
Total	366	100%

6. Employee Well-being

In 2011, a Group-wide employee Health and Safety policy was developed to promote a safe working environment and reinforce the fact that the excellence in the management of health and safety in the workplace is an essential element of Unibail-Rodamco's overall business strategy.

In order to support this policy, Unibail-Rodamco is committed to:

1. Reporting all injuries and work-related illnesses
2. Identifying and preventing of hazards in the workplace
3. Preventing the recurrence of all major incidents
4. Providing information and training to avoid hazards
5. Ensuring excellence in employee health and well-being
6. Promoting effective Management Practices

The Group also develops regular efforts to foster employee health and well-being such as, for instance, Christmas parties, an annual football tournament, total or partial reimbursement for health club memberships for employees in most countries, fresh fruit distribution free of charge to all employees, and ergonomic assessments by a trained consultant for several countries.

Unibail-Rodamco entities have undertaken various initiatives to organise statutory working time. These measures take into account the specific operating requirements of each site and business line within the Group. The most common arrangements adopted are as follows:

- a fixed annual number of working days for executives,
- a shorter working week and extra leave days in other cases,
- an annual number of working hours and yearly adjustment for certain employee categories (mainly VIPARIS).

In addition, a certain number of employees work part-time or fewer fixed days per year, corresponding to a range between 40% and 90% of a full-time activity rate.

In 2011, sickness absences totalled **10,677** working days (**2.8%** of total working days) and lost days for injuries and occupational diseases represented **903** days (**0.2%**).

- Absenteeism and departures are closely tracked in each region and data is regularly reported back to management.
- The causes of work-related injuries are studied, and measures are taken to reduce the likelihood that they will reoccur.

KPI: Absenteeism

	N° of incidents	Ratio
Injuries	25	1.7%
Work-related fatalities	0	0%
	N° of days	Ratio
Lost days for injuries	1,018	0.3%
Lost days for sick leave	10,677	2.8%
Other paid absence days (excluding vacation)	903	0.2%
Other unpaid absence days	4,025	1.1%
Total	16,623	4.4%

In 2011, maternity/paternity leaves represented **7,938** working days (**2.1%** of total working days).

Employees by contract type	2010	2011
Permanent contract	96.8%	97.1%
Fixed-term contract	3.2%	2.9%
Employees by contracted hours	2010	2011
Full-time contract	94.7%	95.3%
Part-time contract*	5.3%	4.7%

* Corresponding to between 40% and 90% of a full-time activity rate.

7. Remuneration

Unibail-Rodamco works to ensure that there is no difference between the remuneration of men and women who do the same job and have similar responsibilities. All young graduates in a given country are recruited at the same base salary, regardless of gender or age. Remuneration policy is designed to encourage individual achievement and support the long-term growth of the Group. On a like-for-like headcount basis, total salaries increased by an average of **3.9%** in 2011.

Comparison of remuneration (in euros) for similar positions across the Group in 2011 *	Women		Men	
	% per category	Average gross monthly salary**	% per category	Average gross monthly salary**
Accountants	77%	2,972	23%	3,157
Analysts***	47%	3,484	53%	3,556
Assistants	95%	2,836	5%	2,662
Controllers	33%	5,692	67%	5,080
Development/Investment	35%	5,582	65%	5,558
IT managers & project heads	25%	5,495	75%	5,761
Leasing	63%	5,157	37%	5,689
Legal managers	81%	4,588	19%	4,709
Marketing managers (shopping centres)	89%	3,546	11%	3,840
Operating managers	44%	5,875	56%	5,638
Property Maintenance & Purchasing (PMP)	13%	3,514	87%	3,886
Shopping centre managers	40%	5,710	60%	5,409

* Positions composed of more than 12 staff in the Group, excluding VIPARIS.

** Average gross monthly salary equals annual fixed salary plus individual bonus divided by twelve.

*** "Analyst" category encompasses all employees graded "Analyst" in the job grading system.

Total remuneration*	2009	2010	2011
Annual increase in average salary, including bonus	2.5%	4.1%	3.9%

* Based on like-for-like headcount.

Variable remuneration	2009	2010	2011
Received an individual merit-based bonus	65.0%	64.1%	65.7%
Received stock options	18.0%	18.6%	19.8%

In 2011, **779,950** options were granted to **19.8%** of total employees and MB members at no discount to the share price at the time of allocation.

These options were all subject to conditions based on Unibail-Rodamco's share price performance compared with that of the EPRA Euro zone index, which is a benchmark for the sector's performance.

In 2011, the Group supported the voluntary saving contribution of its staff by making a total employer contribution of 331k€.

On December 31st, 2011, more than **76%** of eligible employees (excluding Viparis) were shareholders of Unibail-Rodamco through the Group's Saving Plan.

In France, employees this year received an exceptional bonus which reached up to **€600** per employee as part of the French law on the distribution of dividends. The approach taken was to award the highest bonuses to people with lower salaries.

The Group further introduced in 2011 a new KPI based compensation system to its leasing managers. In 2011, the variable compensation scheme of the Group's Regional Managing Directors encompasses achievements in the area of sustainability.

8. Employee relations

Unibail-Rodamco works closely with employee representative bodies in compliance with the local labour laws of the various European countries where the Group is present. The Group chose to become a European Company in April 2009. As part of this transformation, a European Employees' Committee (EEC) was created. Each European country within the Group is entitled to have at least one representative on the EEC.

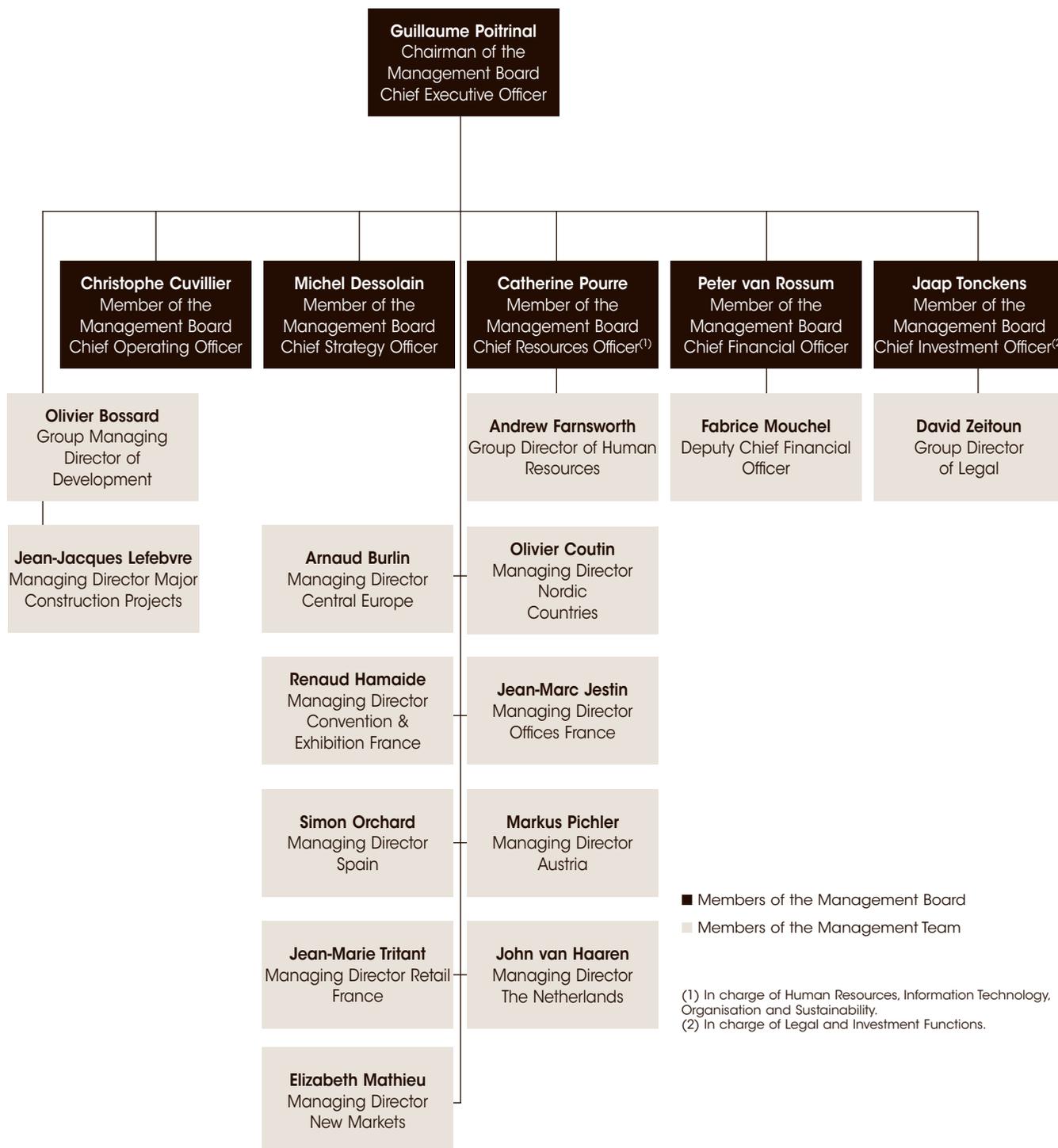
In addition, the Group conducted social relations meetings in the regions with representative employee Committees and Unions on various subjects (almost **150** meetings in 2011 across the Group).

On December 31, 2011, **90%** of employees were covered by collective bargaining agreements.

Labour relations	2010	2011
Employees covered by collective bargaining agreements	90%	90%

Finally, Unibail-Rodamco abides by the labor standards as outlined by the International Labour Organisation.

9. Organisational structure



VII. GRI & EPRA CONTENT INDEX

1. Economic

1.1. Economic performance

GRI G3.1 CRESS Performance indicators	UNIBAIL-RODAMCO Key performance indicators	Page number
EC1: Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Narrative on Corporate philanthropy KPI: Recruitment KPI: Remuneration Revenues and Employee remuneration and benefits in Consolidated Financial Statements section	140, 142, 143, 144 206-209
EC2: Financial implications and other risks and opportunities for the organisation's activities due to climate change and other sustainability risks.	Narrative on Climate change	128

2. Environment

2.1. Energy

GRI G3.1 CRESS Performance indicators	EPRA Sustainability Performance Measures	UNIBAIL-RODAMCO Key performance indicators	Page number
EN3 Direct energy consumption by primary energy source.	Total energy consumption from fuels (kWh)	KPI: Energy consumption (kWh) KPI: Direct and indirect final energy consumption by primary energy source (%)	131, 133
EN4 Indirect energy consumption by primary source.	Total energy consumption from electricity (kWh) Total energy consumption from district heating and cooling (kWh)	KPI: Renewable energy produced and CO ₂ emissions saved	
CRE1 Building energy intensity.	Building energy intensity per person (kWh/person/year) Building energy intensity per m ² (kWh/m ² /year)	KPI: Energy efficiency (kWh/visit/year for shopping centres, kWh/occupant/year for offices, kWh/m ² DOP/year for convention & exhibitions) KPI: Energy consumption per square metre (kWh/m ² /year)	131, 132
EN5 Energy saved due to conservation and efficiency improvements.	Year-on-year Like-for-like comparison	KPI: Energy consumption (kWh) KPI: Financial savings resulting from reduced energy consumption (€)	131
EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	/	Narrative information	130
EN7 Initiatives to reduce indirect energy consumption and reductions achieved.	/	Narrative on Energy consumption KPI: Energy consumption (kWh)	130, 131

2.2. Water

EN8 Total water withdrawal by source.	Total water withdrawal by source (m ³)	KPI: Water consumption (m ³) KPI: Total water withdrawal by source (%)	135
EN10 Percentage and total volume of water recycled and reused.		Narrative on Water	135
CRE2 Building water intensity.	Building water intensity (litres/person/day) Building water intensity (m ³ /m ² /year)	KPI: Water intensity (litre/visit/year for shopping centres, m ³ /occupant/year for offices) KPI: Water consumption per m ² (litre/m ² /year)	136

2.3. Biodiversity

EN14 Strategies, current actions, and future plans for managing impacts on biodiversity.	/	Narrative on Biodiversity	138
---	---	---------------------------	-----

2.4. GHG emissions, effluents & waste

EN16 Total direct and indirect greenhouse gas emissions by weight.	Total direct greenhouse gas (GHG) emissions (tonnes CO ₂ e) Total indirect greenhouse gas (GHG) emissions (tonnes CO ₂ e)	KPI: CO ₂ emissions (kgCO ₂ e) KPI: Carbon weight of energy mix (gCO ₂ e/kWh)	129, 132
EN17 Other relevant indirect greenhouse gas emissions by weight.	/	KPI: Split of shopping centres' visits by mode of transport (%)	134
CRE3 Greenhouse gas intensity from buildings.	Greenhouse gas intensity from building energy (kgCO ₂ e/person/year) Greenhouse gas intensity from building energy (kgCO ₂ e/m ² /year)	KPI: Carbon intensity (gCO ₂ e/visit/year for shopping centres, kgCO ₂ e/occupant/year for offices, gCO ₂ e/m ² DOP/year for convention & exhibitions) KPI: Carbon intensity per square metre (kgCO ₂ e/m ² /year)	129
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved.	/	Narrative on CO ₂ emissions KPI: CO ₂ emissions (kgCO ₂ e)	128, 129

EN22 Total weight of waste by type and disposal method.	Total weight of waste by disposal route (tonnes) Proportion of waste by disposal route (%)	KPI: Total waste (tonnes) KPI: Percentage of waste recycled (%) KPI: Split of non-hazardous waste by disposal route (tonnes) KPI: Split of recycled waste by type of waste (tonnes)	137
---	---	--	-----

2.5. Products and services

EN26 Initiatives to enhance efficiency and mitigate environmental impacts of products and services, and extent of impact mitigation.	/	Narrative information	124, 125, 128, 130, 138
--	---	-----------------------	-------------------------------

2.6. Compliance

EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	/	KPI: Fines for environmental breaches	138
---	---	---------------------------------------	-----

2.7. Transport

EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	/	KPI: Access to public transport (%). KPI: CO ₂ emissions from employees' business travel by train and plane (tonnes CO ₂ e)	133, 134
--	---	--	----------

3. Labor practices and decent work

3.1. Employment

GRI G3.1 CRESS Performance indicators	UNIBAIL-RODAMCO Key performance indicators	Page number
LA2 Total number and rate of new employee hires and employee turnover by age group, gender, and region.	KPI: Recruitment Employee turnover	142
LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Narrative on Remuneration	143, 144

3.2. Occupational health and safety

LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	KPI: Absenteeism	143
CRE6 Percentage of the organisation operating in verified compliance with an internationally recognised health and safety management system.	Narrative on Health & Safety	138

3.3. Training and education

LA10 Average hours of training per year per employee by gender, and by employee category.	KPI: Training	142
LA12 Percentage of employees receiving regular performance and career development reviews, by gender.	Narrative on Career Management	141, 142

3.4. Diversity and equal opportunity

LA13 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	KPI: Employment by country KPI: Employment by activity KPI: Employment by age KPI: Employment by gender % of women in management position Composition of the Management Board in Legal information section	141 226-229
LA14 Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	KPI: Comparison of remuneration between women and men for similar positions across the Group in 2011	143

4. Society

4.1. Society

SO1 Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Narrative on Communities and local authorities	140
---	--	-----

4.2. Corruption

SO3 Percentage of employees trained in organization's anti-corruption policies and procedures.	Narrative on Ethical conduct	123
--	------------------------------	-----

5. Product responsibility

5.1. Products and service labelling

PR3 Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements.	Narrative on Materials	134, 135
CRE8 Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment.	Environmental certification achievements	125
PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Narrative on Customer satisfaction	138, 139

VIII. 2011 ACHIEVEMENTS & 2012 OBJECTIVES

2011 Achievements		Scope ⁽¹⁾	Status / target date	Comment
Environmental Management Systems				
Existing assets	Obtain an external assessment of the Unibail-Rodamco 'Sustainable Attitude' environmental management system in each region ⁽³⁾	R / O / C	●	External assessments of the Group's EMS have been performed by third-party for Czech Republic, Austria and Sweden regions, in addition to France.
New developments	Achieve a BREEAM rating of 'Very Good' for all new developments of more than 10,000 m ² ⁽³⁾	R / O	Ongoing target	100% of major projects that were in progress in 2011 underwent BREEAM assessment.
	Conduct training sessions for the development teams in each region on the use of the updated Design Guidelines	R / O	●	Dedicated training sessions have been held for regional development team in all regions.
	Formalise the terms of the Group's 'Considerate Construction Charter' to reduce the social and environmental impacts of construction (e.g. noise, dust, traffic) for all new development projects	R	●	The terms of the 'Group's considerate construction charter' has been formalised. The master charter will be implemented in each region in 2012.
Stakeholder involvement				
Tenants	Increase the response rate of the tenant satisfaction survey to 50%	R	○	Tenant satisfaction survey response rate increased from 14% in 2010 to 37% in 2011.
	Ensure that at least 85% of new retail and office tenants sign a green lease ⁽³⁾	R / O	●	In 2011 1,434 green leases were signed across the Group which represent 32% of total active leases
	Set up sustainability committees in each 'jumbo' shopping centre	R	●	Sustainability committees are in place at 43% of managed Energetic shopping centres.
Suppliers and contractors	Assess suppliers' compliance with environmental clauses at each 'jumbo' shopping centre (target relates to security, cleaning and maintenance contracts) ⁽³⁾	R	●	In 2011, 191 assessments of key maintenance cleaning and security suppliers were performed in 67 shopping centres and convention & exhibition.
Customers	Develop a communication strategy to highlight asset-specific sustainability or disability initiatives at 10 'jumbo' shopping centres	R	●	Corporate framework has been developed to highlight social and environmental initiatives for each managed shopping centre.
	Increase the average score in the internal quality audit by 25% between 2009 and 2012	R	Target: 2012	Quality audit score evolved from 86 in 2010 to 82 in 2011. The score decrease represents a change in the methodology realised to increase the exhaustivity of the answers and straighten the quality of the audit.
Shareholders and investors	Increase the average score in the customer satisfaction survey from 7.5/10 in 2010 to 8/10 in 2011	R	●	Customer satisfaction score increased from 7.5 in 2010 to 7.7 in 2011, but stayed below annual target.
	Combine the CSR and the Annual Report to provide a coherent overview of the Group's financial, social and environmental performance for the investment community and other stakeholders	G	●	2010 Corporate Sustainability Report has been combined in 2010 Annual Report.
	Organise meetings on corporate governance with 5 of the Group's top 10 investors	G	●	Meetings on corporate governance organised with APG, Amundi Asset Management, BNP Paribas LPN, ING Clarion RE securities and PGGM in Paris, London and Amsterdam.
Communities and local authorities	Cover at least 90% of the top 50% of investors by value in meetings with management	G	●	Meetings held with 91% of the top 50% investors by value.
	Cooperate with local authorities to launch specific sustainability initiatives for at least 10 'jumbo' shopping centres, including at least 1 asset per region	R	●	Sustainability initiatives organised in cooperation with local authorities at Carré Sénart, Docks 76, Vélizy 2, SCS, Chodov, Solna, Garbera, Parquesur, Arkadia and Almere.
	Obtain S3A label for at least 10 French shopping centres to show their commitment to welcoming and supporting people with mental disabilities	R	○	8 shopping centres have rolled-out the labelization process in cooperation with local associations. S3A label will be delivered during Q1 2012.
Environmental responsibility				
Climate change adaptation and mitigation	Introduce climate change risk criteria into investment activity (acquisition process) ⁽³⁾	R / O / C	●	Climate change criteria introduced in the Group's technical due diligence process.
	Reduce CO ₂ emissions per visit at managed shopping centres by at least 40% in 2016 relative to 2006 ⁽³⁾	R	●	In 2011 the carbon intensity reduced by 30%. The Group had met its primary long-term target by reducing CO ₂ /visit by 52% since 2006.
	Increase energy efficiency at major managed shopping centres by 20% in 2012 relative to 2006 ⁽³⁾	R	Target: 2012	In 2011 the energy efficiency reduced by 6%. The Group had met its primary long-term target by reducing kWh/visit by 18% since 2006. A new target has been set (see page 151).
	Extend the monitoring of CO ₂ emissions arising from employees' business travel and define targets for 2012	G	○	Business travel data collected in each region to monitor CO ₂ emissions due to business train + plane. No target set for 2012 as it has been considered non relevant.
	Install additional charging points for electric vehicles at 15 managed assets	R / O / C	●	Additional charging points for electrical vehicles installed in 17 other shopping centres (Spain = 14; France = 2; Netherlands = 1). 41 shopping centres are now equipped.

(1) Target are established for specific scopes : R = Retail, O = Offices, C = Convention & Exhibition, G = Group.

(3) Informations for which a limited assurance has been delivered by Ernst & Young. The statutory auditor's report is available on pages 152-153 and on the Group's website: www.unibail-rodamco.com

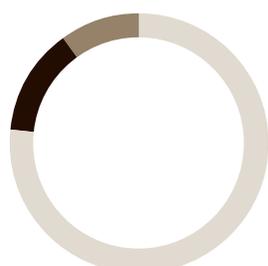
2011 Achievements		Scope ⁽¹⁾	Status / target date	Comment
Resource use	Monitor and improve the implementation and uptake of the VIPARIS CO ₂ calculator	G	●	VIPARIS CO ₂ calculator has been used for 10 events.
	Increase water efficiency (litres/visit) in managed shopping centres by 20% in 2016 relative to 2006	R	Target: 2016	On track to achieve target in 2016. Water efficiency reduced by 14% since 2006.
	Reduce the proportion of waste sent to landfill by 50% in 2016 relative to 2009 (target relates to waste managed by Unibail-Rodamco)	R	Target: 2016	On track to achieve target in 2016. The proportion of waste sent to landfill reduced by 26% since 2009.
	Obtain a waste recycling rate of at least 50% at managed shopping centres by 2016 (target relates to waste managed by Unibail-Rodamco)	R	Target: 2016	On track to achieve target in 2016. In 2011, 35% of waste were recycled.
Employment and diversity				
Diversity and ethical behaviour	Increase employees' awareness of diversity, non-discrimination and the Code of Ethics via e-learning courses and regional training programmes	G	●	In 2011 an e-learning session was followed by 918 employees through out the Group.
	Continue to implement the terms of the 3-year Senior Employees Agreement in France	G	●	All the objectives defined in the agreement were met or exceeded in 2011.
	Roll out training programme on psycho-social risks in the workplace to managers in France	G	●	83 managers were trained in 2 separate programs (Directors and Employees) for a total of 197 hours of training provided.
Environmental responsibility	Continue to increase awareness of sustainable behaviour by providing a yearly training session for all employees in each region ⁽³⁾	G	●	Awareness meetings were proposed in all Regions for each employee excluding France.
Training	Develop management and leadership across the Group by delivering specific training courses for managers with a level of Principal and above in the job grading framework	G	●	In 2011, a specific focus was put on Leadership and Management training for the 110 Top Managers across the Group. This training was focused on the Group's management principles and on practical training in the areas of performance management and feedback, team development and speed of execution.
Mobility and recruitment	Maintain the number of employees working for the Group outside their home region	G	●	26 international mobilities in 2011 (25 in 2010).
	Organise a 10-day induction programme for all new recruits to the European Graduate Programme	G	●	28 participants from 8 nationalities have participated to the Group's 10-day induction programme.
Performance management	Introduce a Group-wide performance measurement system for leasing managers	G	●	In 2011, a deals bonus system for leasing managers was introduced for the first time within the Group (excluding France and Spain) in order to complete the overall managerial assessment with measurable KPI performance.
	Develop and launch a Group-wide employee health and safety policy to promote a safe working environment	G	●	In 2011, a Group-wide employee Health and Safety policy was developed to promote a safe working environment and reinforce the fact that the excellence in the management of health and safety in the workplace is an essential element of Unibail-Rodamco's overall business strategy.
Social reporting	Launch an electronic suggestion box to collect employees' ideas and proposals on efficiency and other topics	G	●	A suggestion box was launched in June 2011. In overall, 18 ideas were analyzed by the evaluation committee and some of them are already in place.
	Launch a pilot employee survey in the Group	G	●	A managers survey was conducted in 2011 at Group level, focused on the Group Leadership and Management behaviours: Direction and Leadership, Empowerment, Business Knowledge, Performance and Team spirit.

(1) Target are established for specific scopes : R = Retail, O =Offices, C = Convention & Exhibition, G = Group.

(3) Informations for which a limited assurance has been delivered by Ernst &Young. The statutory auditor's report is available on pages 152-153 and on the Group's website: www.unibail-rodamco.com

● Achieved = Target 100% complete ● Partly achieved = 26-99% complete ○ Not achieved = 0-25% complete

PROGRESS TOWARDS 2011 TARGETS



■ Achieved: **23**
 ■ Partly achieved: **4**
 ■ Not achieved: **3**

Targets for 2012 and beyond		Scope ⁽¹⁾	Target date
Environmental Management Systems			
Existing assets	Obtain in the regions (Spain, Netherlands and Poland) an external assessment of the 'Sustainable Management Attitude,' the Group's environmental management system	R / O / C	2012
	Obtain a BREEAM In Use certification for all 'energetic' shopping centres (assets with an annual energy consumption above 5 GWh /year)	R	2014
	Obtain HQE and/or BREEAM certification for at least 50% of the managed office portfolio by 2016 (by area)	O	2016
New developments	Achieve a BREEAM rating of 'Very Good' or better for all new developments of more than 10,000 m ²	R / O	Ongoing
	Formalise the terms of the Group's 'Considerate Construction Charter' in each region to reduce the social and environmental impacts of construction (e.g. noise, dust, traffic) for all new development projects	R / O	2012
ESG reporting	Comply with the Global Reporting Initiative (GRI) standard and obtain level 'B+' for ESG reporting	G	2012
	Extend the scope of environmental and social information that is verified by a third party (3 business units)	G	2012
Innovation			
	Launch the "Office & Retail 2020" Project (e-novative building dealing with low-carbon, comfort & well-being, environment)	G	2012
Stakeholder involvement			
Tenants	Increase the response rate of the tenant satisfaction survey to 50%	R	2012
	Ensure that at least 90% of new and renewals retail and office tenants sign a green lease	R / O	2012
	Maintain sustainability committees with tenants in each 'energetic' shopping centre (assets with an annual energy consumption above 5 GWh/year)	R	2012
Suppliers and contractors	Assess suppliers' compliance with environmental clauses at each shopping centre (target relates to security, cleaning and maintenance OPEX contracts)	R	2012
	Launch specific training in 'customer-oriented attitude' skills for the service staff of security and cleaning suppliers in '4 Star' labelled shopping centres	R	2012
Customers	Increase the average score in the internal quality audit by 25% between 2009 and 2012	R	2012
	Increase the Customer Satisfaction Survey score at 8.0 /10	R	2012
	Obtain the '4 Star' label (the Unibail-Rodamco service quality standard) for 15 managed shopping centres	R	2012
Shareholders and investors	Conduct an annual third-party audit of health and safety risk management in each managed asset	R / O / C	2012
	Organise meetings on corporate governance with five of the Group's top 10 investors	G	2012
	Participate in an investor conference, or organise investor meetings, on sustainable development with at least 10 investors	G	2012
Communities and local authorities	Cover at least 90% of the top 50% of investors by value in meetings with management	G	2012
	Cooperate with local authorities to launch specific sustainability initiatives for at least 15 shopping centres	R	2012
	Obtain the S3A label for at least 12 French shopping centres, to show their commitment to welcoming and supporting people with mental disabilities	R	2012

(1) Target are established for specific scopes : R = Retail, O =Offices, C = Convention & Exhibition, G = Group.

Targets for 2012 and beyond		Scope ⁽¹⁾	Target date
Environmental responsibility			
Climate change adaptation and mitigation	Apply the new climate change risk criteria during the technical due diligence process for acquisitions	R / O / C	2012
	Reduce carbon intensity (CO ₂ emissions per visit) at managed shopping centres by at least 50% in 2016 relative to 2006	R	2016
	Increase energy efficiency at managed shopping centres by 30% in 2016 relative to 2006	R	2016
Resource use	Increase water efficiency (litres/visit) in managed shopping centres by 20% in 2012 relative to 2006	R	2012
	Reduce the proportion of waste sent to landfill by 50% in 2016 relative to 2009 (target relates to waste managed by Unibail-Rodamco)	R	2016
	Obtain a waste recycling rate of at least 50% at managed shopping centres by 2016 (target relates to waste managed by Unibail-Rodamco)	R	2016
Employment and diversity			
Diversity and ethical behaviour	Deploy standard charters on disability and diversity across the Group	G	2012
	Maintain the training action plan for new arrivals with a focus on diversity, non-discrimination and the Code of Ethics via e-learning courses and regional training programmes, and reinforce the local induction programme in each region	G	2012
Compensation	Apply a metrics-based compensation framework to shopping centre managers	G	2012
	Extend the integration of sustainability criteria into the variable compensation framework for the whole Group Management Team	G	2012
Environmental responsibility	Hold an annual training session in sustainable behaviour for employees in each region	G	2012
Occupational health and safety	Set up a Group-wide health and safety training program and deploy associated initiatives to ensure a safe and healthy workplace	G	2012
	Extend psycho-social risk training in the workplace for all managers across the Group (outside France)	G	2012
	Ensure all new young graduates have an in-house mentor during their first year with the Group	G	2012
Social reporting	Extend the 2011 pilot employee survey to other topics	G	2012
Citizenship			
Corporate philanthropy	Maintain the Group's commitments in supporting its main philanthropic causes towards entrepreneurship, social and young talents	G	2012

(1) Target are established for specific scopes : R = Retail, O = Offices, C = Convention & Exhibition, G = Group.

Disclaimer

Certain statements contained in this document are statements of future expectations and other forward-looking statements. These expectations are based on the management's current views and assumptions and involve known risks and uncertainties that could cause actual results and/or data to differ materially from those expressed or implied in these statements. Statements are based on the current property portfolio and disregard the potential effects of external factors including, but not limited to, climate change, local energy policy or regulatory or legal developments.

The 2006-2008 data that is provided in this report was collected and consolidated for the first time in 2008. The data provided for

2009, 2010 and 2011 was collected using internal management tools on a quarterly and/or annual basis. The accuracy of this data may be affected by a number of variables, including but not limited to the heterogeneity of the assets in Unibail-Rodamco's portfolio, the specific characteristics of certain assets, and the differences in data collection systems and perimeters at different assets.

Readers should not place undue reliance on forward-looking statements. Unibail-Rodamco assumes no obligation to update any forward-looking information contained in this document subject to legal requirement. Data is subject to change without notice.

LIMITED ASSURANCE REPORT ON SELECTED ENVIRONMENTAL AND HUMAN RESOURCES INFORMATION AND INDICATORS

FINANCIAL YEAR ENDED DECEMBER 31, 2011

This is a free translation into English of the original report issued in French and it is provided solely for the convenience of English-speaking users.

Further to your request, we have performed a review of seven environmental and three human resource indicators⁽¹⁾ (the "Indicators") identified with the footnote "(2)" on pages 125, 129, 131-132-133, 139, 141-142 of the annual report, as well as the procedures agreed with you on eight selected sustainability pieces of information (the "Information") identified with the footnote "(3)" on pages 148-149 of the annual report, all published in the group's 2011 annual report. These Indicators and Information were prepared under the responsibility of the management of Unibail-Rodamco, in accordance with the reporting criteria applicable in 2011 (the "Reporting Criteria"), a summary of which is provided on pages 125-128 of the 2011 annual report, and with general principles of reliability, neutrality, understandability and relevance as defined by the Global Reporting Initiative International standards. It is also the responsibility of Unibail-Rodamco to update and internally distribute these Reporting Criteria.

It is our responsibility to express a conclusion on these Indicators and Information on the basis of our review. Our review was conducted in compliance with the international standard ISAE 3000 (International Standard on Assurance Engagements, December 2003) of IFAC. Our independence is defined by legal and regulatory texts as well as by our professional code of ethics. The conclusions and findings expressed below relate solely to the Indicators and Information reviewed and not to the entire sustainability information published in the 2011 annual report. A higher level of assurance would have required more extensive work.

Nature and scope of work

Regarding the ten selected Indicators

For selected Indicators, we performed the following review:

- We have assessed the Reporting Criteria with respect to their reliability, understandability, neutrality, completeness and relevance. At group level, we have conducted interviews with the persons responsible for consolidating the Indicators. We have assessed the risk of misstatement, implemented

(1) Environmental indicators: For shopping centers, energy efficiency per visit and for convention-exhibition venues per m² days opened to public (DOP); energy consumption of shopping centers per m²; carbon intensity for shopping centers by visit and for convention-exhibition venues per m² DOP; carbon intensity for shopping centers per m²; energy mix for shopping centers; number, surface area and certification level for BREEAM certified projects; number of new green leases for shopping centers and offices.
Human Resource indicators: headcount; gender management; and training hours.

analytical procedures and verified, on a test basis, the calculations as well as the consolidation of the Indicators.

- Taking into account the site's activity and location, we selected a sample of four operational entities⁽²⁾ on the basis of their size and contribution to the group's consolidated data as well as of the results of the risk review performed previously. The selected operational entities represent an average of 23% of the total value of the environmental indicators and 59% of the total value of the human resource indicators⁽³⁾. At this level, we have verified the understanding and application of the Reporting Criteria, and verified, on a test basis, calculations and reconciliation with supporting documents.
- We have also reviewed the presentation of the Indicators in the annual report.

Regarding the eight selected pieces of Information

On the selected Information, we have conducted interviews with the sustainability and human resources persons in charge of the rolling-out of the sustainability program in order to gather underlying evidence of the progress made in the implementation of the sustainability program and review the presentation of the Information in the annual report.

Comments about the Procedures

With respect to the Criteria, we wish to make the following comments:

Relevance:

- The energy efficiency indicators reported reflect the sectoral recommendations provided by the European Public Real Estate Association (EPRA).
- In case where a «green» energy contract exists with an energy provider, the group applies a zero emission factor for renewable energy consumed. Green electricity purchases significantly influence the reduction in emissions reported by the group.

Completeness:

- The environmental indicators cover shopping centers for 2011, convention-exhibition venues and offices managed by

(2) France: convention-exhibition venue Porte de Versailles, shopping center Rosny 2; Czech Republic: shopping center Centrum Chodov; Austria: shopping center DonauZentrum.

(3) 14% for energy consumption and energy mix, 14% for CO₂ emissions, 6% for the number of visits, 45% for m² DOP, 9% for measured areas, 52% for green leases, 76% for headcount, 42% for training hours.

Unibail-Rodamco that represent 84% of the total gross market value of the assets portfolio aggregated as at December 31, 2011.

- Rules regarding the "like for like" scope, as defined in the Reporting Criteria for the energy efficiency and carbon intensity indicators, lead to the exclusion of the assets that have been refurbished, extended, sold, or that entered the managed portfolio through acquisition or construction. This fact generates uncertainties when assessing the assets portfolio performance evolution.
- The calculation methodology for the Indicators evolution, based on the aggregation of the annual percentage, leads to the addition of the annual uncertainties, which might generate a high level of uncertainty in the long term.

Reliability:

- The information sources and control procedures to be used for the calculation of surface areas, along with the details of how historical data should be updated, should be detailed in the Reporting Criteria.
- Regarding social data, the Reporting Criteria should be completed to include all published information.

Conclusion

Based on our work, nothing has come to our attention that causes us not to believe that:

- the Indicators were established, in all material respects, in accordance with the Reporting Criteria;
- the Information was established, in all material respects, in accordance with general principles of reliability, neutrality, understandability, and relevance.

Paris-La Défense, March 16, 2012

ERNST & YOUNG et Associés
Climate Change and Sustainability Department
French original signed by

Eric Duvaud

CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2011

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME: EPRA FORMAT	155
CONSOLIDATED STATEMENT OF NET COMPREHENSIVE INCOME	155
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	156
CONSOLIDATED STATEMENT OF CASH FLOWS	157
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	158
CHANGES IN SHARE CAPITAL	158
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	159
1. Accounting principles and consolidation methods	159
2. Business segment report	167
3. Scope of consolidation	173
4. Highlights and comparability of the last two years	179
5. Notes and comments	183
5.1. Notes to the consolidated assets	183
5.2. Notes to the consolidated liabilities	191
5.3 Notes to the consolidated statement of comprehensive income (EPRA format)	196
5.4. Notes to the consolidated statement of cash flows	198
6. Financial instruments	199
7. Capital risk management	203
8. Financial commitments and guarantees	204
9. Employee remuneration and benefits	206
10. Related party disclosures	209
11. Relationship with statutory auditors	209
12. Post closing events	210
STATUTORY AUDITORS' REPORT ON THE 2011 CONSOLIDATED FINANCIAL STATEMENTS	211

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

CONSOLIDATED INCOME STATEMENT Presented under EPRA ⁽¹⁾ format (in €Mn)	Notes	2011	2010
Gross rental income	19	1,463.1	1,484.5
Ground rents paid	20	-17.6	-22.4
Net service charge expenses	21	-13.8	-14.1
Property operating expenses	22	-169.7	-190.6
Net rental income		1,262.0	1,257.4
Corporate expenses		-81.1	-95.2
Development expenses		-5.2	-7.2
Depreciation		-2.3	-2.3
Administrative expenses	23	-88.6	-104.7
Acquisition and related costs	24	-2.9	-15.8
Revenues from other activities		165.8	160.1
Other expenses		-123.4	-116.3
Net other income	25	42.4	43.8
Proceeds from disposal of investment properties		772.6	1,527.1
Carrying value of investment properties sold		-736.5	-1,413.4
Result on disposal of investment properties	26	36.1	113.7
Proceeds from disposal of shares		378.1	-
Carrying value of disposed shares		-342.0	-
Result on disposal of shares	27	36.1	-
Valuation gains		1,022.9	1,838.6
Valuation losses		-193.7	-136.2
Valuation movements	28	829.2	1,702.3
Badwill & Impairment of goodwill		-	-2.1
Net operating result before financing cost		2,114.3	2,994.6
Result from non-consolidated companies		9.9	0.4
<i>Financial income</i>		87.9	81.2
<i>Financial expenses</i>		-383.0	-350.7
Net financing costs	29	-301.1	-268.9
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	12	43.4	-23.8
Fair value adjustments of derivatives and debt	30	-234.0	-104.6
Debt discounting	31	-0.5	-0.9
Share of the result of associates	32	4.2	3.5
Income on financial assets	32	6.0	6.2
Result before tax		1,642.1	2,606.5
Income tax expenses	33	-120.9	-121.0
Net result for the period		1,521.2	2,485.5
Non-controlling interests	34	193.4	297.9
Net result (Owners of the parent)		1,327.8	2,187.6
Average number of shares (undiluted)		91,850,947	91,478,541
Net result for the period (Owners of the parent)		1,327.8	2,187.6
Net result for the period (Owners of the parent) per share (€)		14.46	23.91
Net result for the period restated ⁽²⁾ (Owners of the parent)		1,284.4	2,211.4
Average number of diluted shares		93,291,418	92,845,642
Diluted net result per share - Owners of the parent (€)		13.77	23.82

(1) Presentation complying with European Public Real Estate Association best practice recommendations.

(2) The impact of the fair value of the "ORNANE" is restated from the net result of the period (see "Accounting principles and consolidation methods" §1.13).

NET COMPREHENSIVE INCOME (in €Mn)	Notes	2011	2010
Net result for the period		1,521.2	2,485.5
Foreign currency differences on translation of financial statements of subsidiaries		21.9	27.0
Gain/loss on net investment hedge		-14.4	12.6
Cash flow hedge		1.4	0.8
Revaluation of shares available for sale		4.3	-
Other comprehensive income⁽¹⁾	35	13.1	40.4
Net comprehensive income		1,534.3	2,525.9
Non-controlling interests		193.4	298.0
Net comprehensive income (Owners of the parent)		1,340.9	2,228.0

(1) The other comprehensive income could be recycled, at any time, in the net result of the period.

For the presentation of the income statement by division, please refer to the "notes to the consolidated financial statements" section 2 "Business segment report".

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in €Mn)	Notes	Dec. 31, 2011	Dec. 31, 2010
Non current assets		25,426.1	23,177.3
Investment properties	1	24,055.9	21,988.4
<i>Investment properties at fair value</i>		23,419.1	21,646.5
<i>Investment properties at cost</i>		636.8	341.9
Other tangible assets	2	198.4	199.8
Goodwill	3	296.8	265.6
Intangible assets	4	211.3	170.8
Loans and receivables	5	253.3	251.4
Shares available for sale	6	113.0	-
Deferred tax assets	14	6.0	10.0
Derivatives at fair value	13	84.9	89.9
Shares and investments in companies consolidated under the equity method	7	206.6	201.4
Current assets		977.2	1,799.8
Properties under promise or mandate of sale	1	221.5	979.7
Trade receivables from activity	8	282.5	306.6
Property portfolio		257.4	283.2
Other activities		25.1	23.4
Other trade receivables	9	390.9	429.5
Tax receivables		179.3	131.0
Receivables on sale of property		3.4	78.6
Other receivables		155.1	152.7
Prepaid expenses		53.1	67.2
Cash and cash equivalents	10	82.3	84.0
Financial assets		2.3	10.1
Cash		80.0	73.9
Total assets		26,403.3	24,977.1
Shareholders' equity (Owners of the parent)		11,636.1	11,025.2
Share capital		459.0	458.7
Additional paid-in capital		5,712.0	5,948.2
Bonds redeemable for shares		1.4	1.8
Consolidated reserves		4,163.3	2,465.1
Hedging and foreign currency translation reserves		-27.4	-36.2
Consolidated result		1,327.8	2,187.6
Non-controlling interests		1,419.4	1,345.4
Total shareholders' equity		13,055.5	12,370.6
Non current liabilities		10,127.0	9,609.1
Long term commitment to purchase non-controlling interests	11	10.7	10.4
Net share settled bonds convertible into new and/or existing shares (ORNANE)	12	738.5	780.0
Long term bonds and borrowings	12	7,571.4	7,256.9
Long term financial leases	12	120.8	59.0
Derivatives at fair value	13	369.8	278.1
Deferred tax liabilities	14	965.3	850.5
Long term provisions	15	28.3	24.9
Employee benefits	15	10.9	13.6
Guarantee deposits		182.1	180.8
Tax liabilities	18	-	0.5
Amounts due on investments	16	129.3	154.4
Current liabilities		3,220.8	2,997.4
Current commitment to purchase non-controlling interests	11	-	35.6
Amounts due to suppliers and other current debt	17	759.1	712.5
Amounts due to suppliers		117.3	118.7
Amounts due on investments		280.8	241.6
Sundry creditors		180.8	181.3
Other liabilities		180.2	170.9
Current borrowings and amounts due to credit institutions	12	2,309.2	2,102.3
Current financial leases	12	4.6	3.3
Tax and social security liabilities	18	122.2	123.6
Short term provisions	15	25.7	20.1
Total liabilities and equity		26,403.3	24,977.1

CONSOLIDATED STATEMENT OF CASH FLOWS

(in €Mn)	Notes	2011	2010
Operating activities			
Net result		1,521.2	2,485.5
Depreciation & provisions		18.1	47.0
Changes in value of property assets		-829.2	-1,702.3
Changes in value of financial instruments		190.7	128.4
Discounting income/charges		0.5	0.9
Charges and income relating to stock options and similar items		6.9	7.5
Other income and expenses		0.3	0.3
Net capital gains/losses on sales of consolidated subsidiaries		-36.1	-
Net capital gains/losses on sales of properties ⁽¹⁾		-35.2	-112.6
Income from companies consolidated under the equity method		-4.2	-3.5
Income on financial assets		-6.0	-6.2
Dividend income from non-consolidated companies		-9.9	-0.3
Net financing costs		301.1	268.9
Income tax charge		120.9	121.0
Cash flow before net financing costs and tax		1,239.1	1,234.6
Income on financial assets		6.0	6.2
Dividend income and result from companies under equity method or non consolidated		7.8	0.3
Income tax paid		-17.2	-17.4
Change in working capital requirement		-16.6	-1.6
Total cash flow from operating activities		1,219.0	1,222.1
Investment activities			
Property activities		-265.6	147.5
Acquisition of consolidated subsidiaries	36	-357.1	-477.9
Amounts paid for works and acquisition of property assets		-1,245.6	-824.9
Exit tax payment		-0.5	-2.5
Change in property financing		-0.3	0.4
Disposal of subsidiaries	36	503.4	-
Disposal of investment property	37	834.6	1,452.4
Finance leasing and short-term lending activities		-0.1	1.3
Repayment of finance leasing		-0.1	1.3
Financial activities		-105.5	-0.7
Acquisition of financial assets ⁽²⁾		-108.6	-
Disposal of financial assets		3.0	0.4
Change in financial assets		-	-1.1
Total cash flow from investment activities		-371.2	148.1
Financing activities			
Capital increase of parent company		19.3	38.3
Capital increase from company with non controlling shareholders		7.5	-
Distribution paid to parent company shareholders	38	-735.2	-2,565.6
Dividends paid to non-controlling shareholders of consolidated companies		-3.1	-9.9
Purchase of treasury shares		-17.3	-
New borrowings and financial liabilities		2,758.2	3,001.5
Repayment of borrowings and financial liabilities		-2,410.7	-1,561.9
Financial income		82.3	80.4
Financial expenses		-386.1	-334.7
Other financing activities		-159.0	-202.8
Total cash flow from financing activities		-844.0	-1,554.7
Change in cash and cash equivalents during the period		3.8	-184.5
Cash at the beginning of the year		70.9	256.4
Effect of exchange rate fluctuations on cash held		-1.2	-1.0
Cash at period-end⁽³⁾	39	73.5	70.9

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

(2) Relates mainly to the acquisition of the SFL shares.

(3) Cash and cash equivalents include bank accounts and current accounts with terms of less than three months.

The financial statements are presented in millions of euros, rounded to the nearest hundred thousand and, as a result, slight differences between rounded figures could exist in the different statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in €Mn)	Share capital	Additional paid-in capital	Bonds Redeemable for Shares	Consolidated reserves	Consolidated net result	Hedging & foreign currency translation reserves ⁽¹⁾	Total Owners of the parent	Non-controlling interests	Total shareholder's equity
Balance as at December 31, 2009	456.4	8,475.7	3.4	3,925.1	-1,467.8	-76.6	11,316.3	1,119.3	12,435.6
Profit or loss of the period	-	-	-	-	2,187.6	-	2,187.6	297.9	2,485.5
Other comprehensive income	-	-	-	-	-	40.4	40.4	0.2	40.6
Net comprehensive income	-	-	-	-	2,187.6	40.4	2,228.0	298.1	2,526.1
Earnings appropriation	-	-	-	-1,467.8	1,467.8	-	-	-	-
Dividends related to 2009	-	-731.3	-	-	-	-	-731.3	-50.7	-782.0
Exceptional distribution	-	-1,834.3	-	-	-	-	-1,834.3	-	-1,834.3
Stock options and Company Savings Plan	2.2	36.2	-	-	-	-	38.4	-	38.4
Conversion of Bonds Redeemable for Shares	0.1	1.9	-1.6	-	-	-	0.4	-	0.4
Share based payment	-	-	-	7.4	-	-	7.4	-	7.4
Changes in scope of consolidation and other movements	-	-	-	0.5	-	-	0.5	-13.2	-12.8
Reclassification of non-controlling interests	-	-	-	-	-	-	-	-8.1	-8.1
Balance as at December 31, 2010	458.7	5,948.2	1.8	2,465.1	2,187.6	-36.2	11,025.2	1,345.4	12,370.6
Profit or loss of the period	-	-	-	-	1,327.8	-	1,327.8	193.4	1,521.2
Other comprehensive income	-	-	-	4.3	-	8.8	13.1	-	13.1
<i>Hedging and foreign currency translations</i>	-	-	-	-	-	8.8	8.8	-	8.8
<i>Revaluation of shares available for sale</i>	-	-	-	4.3 ⁽⁴⁾	-	-	4.3	-	4.3
Net comprehensive income	-	-	-	4.3	1,327.8	8.8	1,340.9	193.4	1,534.3
Earnings appropriation	-	-	-	2,187.6	-2,187.6	-	-	-66.2	-66.2
Dividends related to 2010	-	-237.7	-	-497.5	-	-	-735.2	-	-735.2
Stock options and Company Savings Plan	0.9	18.3	-	-	-	-	19.2	-	19.2
Conversion of Bonds Redeemable for Shares	-	-	-0.4	-	-	-	-0.4	-	-0.4
Cancellation of treasury shares	-0.7	-16.7	-	-	-	-	-17.4	-	-17.4
Share based payment	-	-	-	6.9	-	-	6.9	-	6.9
Changes in scope of consolidation and other movements	-	-	-	-3.0 ⁽³⁾	-	-	-3.0	-53.2 ⁽²⁾	-56.2
Balance as at December 31, 2011	459.0	5,712.0	1.4	4,163.3	1,327.8	-27.4	11,636.1	1,419.4	13,055.5

(1) The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

(2) The change relates mainly to the purchase of non-controlling interests of Rodamco Europe NV.

(3) Relates mainly to the acquisition of the remaining non-controlling interests of Rodamco Europe NV (see section 4 "Highlights and comparability of the last two years").

(4) Revaluation of the Société Foncière Lyonnaise shares.

CHANGES IN SHARE CAPITAL

	Total number of shares
As at January 1, 2010	91,264,549
Capital increase reserved for employees under Company Savings Plan	30,579
Exercise of stock options	438,753
Bonds redeemable for shares	12,043
As at December 31, 2010	91,745,924
Capital increase reserved for employees under Company Savings Plan	28,766
Exercise of stock options	169,463
Bonds redeemable for shares	1,881
"ORNAME"	5
Cancellation of treasury shares	-139,150
As at December 31, 2011	91,806,889

Shares in the parent company (Unibail-Rodamco SE) pledged by third parties

At year-end 2011, 398,713 shares held in a registered custodian account were pledged, while no standard registered shares were pledged.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Accounting principles and consolidation methods

In accordance with EC regulation no. 1606/2002 of July 19, 2002, on the application of international accounting standards, Unibail-Rodamco has prepared its consolidated financial statements for the financial year ending December 31, 2011 under International Financial Reporting Standards (IFRS) as adopted in the European Union and applicable at this date.

These can be consulted on the website http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

The accounting principles and methods used are consistent with those applied for the preparation of the annual consolidated financial statements as at December 31, 2010, except for the application of the following new obligatory standards and interpretations:

- IAS 24 R: Related Party Disclosures
- IAS 32 A: Classification of Rights Issues
- IFRIC 14 A: Minimum Funding Requirements and their Interaction
- IFRIC 19: Extinguishing Financial Liabilities with Equity Instruments
- Improvements of IFRS 2010:
 - IAS 1 A: Presentation of Financial Statements
 - IAS 34 A: Interim Financial Reporting
 - IFRS 7 A: Financial Instruments: Disclosures
 - IFRIC 13: Customer Loyalty Programmes
 - IFRS 3 A: Business Combinations

These standards, amendments and interpretations do not have a significant impact on the Group's accounts.

The amendment of IFRS 7 – "Disclosures – Transfers of Financial Assets" has been adopted by the European Union as at December 31, 2011 but with a later effective date of application and was not applied in advance.

The following texts were published by the IASB but have not yet been adopted by the European Union:

- IAS 1 A: Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income
- IAS 12 A: Deferred Tax - Recovery of Underlying Assets
- IAS 19 A: Employee Benefits
- IAS 28 R: Investments in Associates and Joint Ventures
- IFRS 1 A: Severe Hyperinflation and Removal of Fixed Dates for First Time Adopters
- IFRS 9: Financial instruments
- IFRS 10: Consolidated Financial Statements
- IFRS 11: Joint Arrangements
- IFRS 12: Disclosures of Interests in Other Entities
- IFRS 13: Fair Value Measurement

- IFRIC 20: Stripping Costs in the Production Phase of a Surface Mine

The measurement of the potential impacts of these texts on the consolidated accounts of Unibail-Rodamco is ongoing.

Regarding the new IFRS 10-11-12 and in particular the new definition of control, an impact analysis has been carried out. The Group doesn't anticipate any modification of the scope of consolidation, except for the entities currently in joint control. The application of IFRS 10 & 11 will lead to consolidation under equity method of 15 companies currently consolidated by proportional method. It represents a total impact on the net rental income of -€36.5 Mn and on the investment properties portfolio of -€641.2 Mn. Following the change of consolidation method from proportional to equity method, no impact on the net result owner of the parent is expected.

Estimations and assumptions

Certain amounts recorded in the consolidated financial statements reflect estimates and assumptions made by management, particularly with regards to the fair value of investment properties and financial instruments as well as the valuation of goodwill and intangible assets.

The most significant estimates are set out in the notes to the consolidated financial statements: for the valuation of investment properties in section 1 § 1.5 "Asset valuation methods" and section 5 note 1 "Investment properties", for the goodwill and intangible assets, respectively in § 1.3 "Business combinations" and § 1.5 "Asset valuation methods" and, for fair value of financial instruments, in note 13 "Hedging instruments". Actual future results or outcomes may differ from these estimates. The property portfolio and intangible assets used by the Retail, Office and Convention-Exhibition segments are valued by independent appraisals.

The consolidated financial statements under IFRS concern the financial years ending December 31, 2011 and December 31, 2010.

1.1. Options selected under IFRS 1

When adopting IFRS for the first time, IFRS 1 grants certain exemptions with regards to the application of other IFRS. These exemptions are optionally applied.

The exemptions applied relate mainly to business combinations, where the application of IFRS 3 "Business combinations" retrospectively to business combinations which occurred prior to the transition to IFRS is optional. Unibail-Rodamco has chosen to use this exemption.

Prior business combinations have generated goodwill which has been allocated to the fixed assets of the companies acquired. The goodwill amounts for Espace Expansion (1995) and Viparis - Porte de Versailles (2000) were originally recorded and amortised over a period of 20 and 26 years respectively. However, in accordance with IFRS 1, goodwill on assets relating to providing services governed by contractual agreement are recognised as an intangible asset and amortised over the remaining life of the agreement. Accordingly, goodwill for

Viparis - Porte de Versailles has been reclassified as an intangible asset on the opening balance sheet dated January 1, 2004 (with recognition of a deferred tax liability) and amortised over the remaining life of the operating contract.

Finally, Unibail-Rodamco has chosen not to apply other options provided by IFRS 1.

1.2. Scope and methods of consolidation

The scope of consolidation includes all companies controlled by Unibail-Rodamco and all companies in which the Group exercises joint control or significant influence.

The method of consolidation is determined by the type of control exercised:

- control: fully consolidated. Control is presumed if Unibail-Rodamco, directly or indirectly, holds an interest of more than 50%, unless there is clear evidence that this shareholding does not provide control. Full control also exists when the parent company holds 50% or less of the voting rights in a company and has authority regarding the company's financial and operational strategies and can appoint or dismiss the majority of members of the Board of Directors or an equivalent decision-making body,
- joint control: proportionally consolidated. This is demonstrated by the sharing of control of an economic activity under a contractual agreement. It requires the unanimous agreement of partners for operating, strategic and financial decisions,
- significant influence: consolidated under the equity method. Significant influence is identified when there is authority to contribute to financial and operational decision-making of the company concerned, but without exercising control over its policies. Significant influence is assumed where the Group directly or indirectly holds more than 20% of voting rights in a company.

The consolidated financial statements are established by integrating the individual financial statements of Unibail-Rodamco SE with all relevant subsidiaries over which Unibail-Rodamco exercises control. Subsidiaries closing their accounts more than three months before or after Unibail-Rodamco's closing date prepare pro forma interim statements to December 31, determined on a 12-month basis.

1.3. Business combinations

From January 2010

Business combinations are accounted for using the acquisition method. The acquisition is recognised at the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. The Group continues to measure the non-controlling interest at the proportionate share of the acquiree's identifiable net assets.

Acquisition costs incurred are booked as expenses.

At the date of acquisition and in accordance with IFRS 3 Revised, identifiable assets, liabilities, off-balance sheet items and contingent liabilities of the acquired company are valued individually at their market value regardless of their purpose. The analysis and appraisals required for the initial valuation of these items, as well as any corrections based on new information, may be carried out within 12 months of the date of acquisition.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit and loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of any contingent consideration classified as liability will be recognised in profit and loss.

Prior to January 2010

In comparison with the above policy, the following differences applied:

- transaction costs directly attributable to the acquisition formed part of the acquisition costs,
- contingent consideration was recognised if, and only if, i) the Group had a present obligation, ii) an economic outflow was more likely than not and iii) a reliable estimate was determinable. Subsequent adjustments to the contingent consideration were recognised as part of goodwill.

Goodwill

Goodwill only arises upon a business combination and is initially measured as the residual cost of the business combination after recognising the acquiree's identifiable assets, liabilities, and contingent liabilities. Subsequently the goodwill is carried at cost and is subject to regular reviews by the Group and impairment tests at least once per year or whenever there is an indication of impairment. At the date of acquisition, goodwill is allocated to one or more cash-generating units expected to benefit from the acquisition. The recoverable amount of a cash-generating unit is determined using the most appropriate method, most commonly the discounted cash flows method, and is applied to the full cash-generating unit rather than each legal entity.

Goodwill may arise on acquiring an asset via a share deal, where the group inherits the fiscal basis of the assets. As IFRS requires recognition of deferred taxes on a nominal basis, while share transactions are based on market value of these taxes, a difference may appear that is reflected in the goodwill. The impairment of this goodwill is calculated according to the amounts of tax optimisation existing at the date of reporting.

The goodwill for Espace Expansion has not been reclassified. In accordance with options available under IFRS 1, it is no longer amortised as of January 1, 2004 but is subject to an annual impairment review.

Under IFRS 3 Revised, acquisition of additional shares from non-controlling shareholders are regarded as equity transactions and therefore no additional goodwill is recognised. This method was already applied by the Group.

Consequently, when non-controlling shareholders have an agreement to sell, non-controlling interests are reclassified as debt at the present value of the exercise price. The difference between the latest value and the net carrying value of the non-controlling interests is recognised as equity – owners of the parent. Any subsequent change in debt is also accounted for as equity – owners of the parent. Income from non-controlling interests and dividends are booked in equity – owners of the parent.

1.4. Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). Consideration in determining the functional currency is given to the denomination of the major cash flows of the entity e.g. revenues and financing. As a consequence, the Group uses the functional currency rather than the local currency for the following entities: euro for the property companies in Czech Republic, Hungary, Slovakia and Poland.

The consolidated financial statements are presented in euros, which is the Group's functional and presentation currency.

Foreign currency transactions and balances

Transactions in foreign currencies are translated into euros at the spot foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the accounting date are translated into euros at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into euros at foreign exchange rates ruling at the dates the fair value was determined.

Exchange differences arising on the settlement of currency transactions or on translating monetary items at rates different from those at which they were translated on initial recognition during the year or in previous financial statements are recognised in the profit and loss account in the year in which they arise. Translation differences on non-monetary financial assets and liabilities that are stated at fair value are reported as part of the fair value gain or loss.

Foreign currency transactions are translated into the functional currency of the Group using the exchange rates at the date of transactions. Foreign exchange gains and losses resulting

from settlement of these transactions are recognised in the income statement. Foreign exchange gains and losses resulting from the retranslation of monetary assets and liabilities denominated in foreign currencies are also recognised in the income statement with the exception of:

- unrealised translation results on net investments,
- unrealised translation results on intercompany loans that, in substance, form part of the net investment.

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instruments relating to the effective portion of the hedge are recognised directly in equity, whereas those relating to the ineffective portion are recognised in the profit and loss account.

Group companies with a functional currency different from the presentation currency

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- the assets and liabilities, including goodwill and fair value adjustments arising on consolidation, are translated into euros at foreign exchange rates ruling at the accounting date,
- income and expenses are translated into euros at rates approximating the foreign exchange rates ruling at the dates of the transactions,
- all resulting exchange rate differences are recognised as a separate component of equity (currency translation reserve),
- when a Group company is sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

1.5. Asset valuation methods

Investment properties (IAS 40)

Under the benchmark treatment recommended by IAS 40, investment properties are shown at their market value.

Transaction costs incurred for an asset deal are capitalised in the value of the investment property.

Since January 1, 2009, Investment Properties Under Construction (IPUC) are covered by IAS 40 and are eligible to be measured at fair value. In accordance with the Group's investment properties valuation method, they are valued at fair value by an external appraiser. Projects for which the fair value is not reliably determinable are valued at cost until such time that a fair value valuation becomes reliable, or until one year before the construction completion.

The development project is eligible for a fair value measurement once all three following criteria are fulfilled:

- all administrative authorisations needed to complete the project are obtained,

- the construction has started and costs are committed toward the contractor,
- substantial uncertainty in future rental income has been eliminated.

If the time to delivery is less than one year, the project has to be taken at fair value.

For the Investment Properties Under Construction whose fair value could be reliably measured, the difference between market value and cost value is entirely recognised in the income statement.

Properties under construction carried at cost are subject to impairment tests, determined on the basis of the estimated fair value of the project. The fair value of a project is assessed by the Development & Investment teams through a market exit capitalisation rate and the targeted net rents at completion. When the fair value is lower than net book value, an impairment provision is booked.

For properties measured at fair value, the market value adopted by Unibail-Rodamco is determined on the basis of appraisals by independent external experts, who value the Group's portfolio as at June 30 and December 31 of each year. A discount is applied to the gross value in order to reflect disposal costs and transfer taxes⁽¹⁾, depending on the country and on the tax situation of the property.

As at December 31, 2011, independent experts have appraised 97% of Unibail-Rodamco's portfolio.

For the Shopping Centre and Offices portfolios, the valuation principles adopted are based on a multi-criteria approach. The independent appraiser determines the fair market value based on the results of two methods: the discounted cash flow and the yield methodologies. Furthermore, the resulting valuations are cross-checked against the initial yield and the fair market values per square metre established through actual market transactions.

Intelligence on Unibail-Rodamco's own transactions executed in 2011 was also used to validate and cross-check the valuations.

Appraisers have been given access to all information relevant for valuations, such as the Group's 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) or in the applied required returns or discount rates.

For the Convention-Exhibition portfolio, the valuation methodology adopted is mainly based on a discounted cash flow model applied to total net income projected over the life

of the concession or leasehold, if it exists (notably the Porte de Versailles concession) or otherwise over a 10-year period, with an estimation of the asset's 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 valuations carried out by the appraiser took into account total net income, which comprised net rents and ancillary services, as well as net income from car parks. The cost of maintenance works, major repairs, refurbishments, redevelopments and extensions, as well as concession or leasehold fees, are included in projected cash flow figures.

The income statement for a given year (Y) records the change in value for each property, which is determined as follows:

market value Y – [market value Y-1 + amount of works and other costs capitalisable in year Y].

Capital gains on disposals of investment properties are calculated by comparison with their latest market value recorded in the closing statement of financial position for the previous financial year.

Properties under promise or mandate of sale are identified separately in the statement of financial position.

Other tangible assets

Under the preferential method proposed by IAS 16, operating assets are valued at their historic cost, less cumulative depreciation and any decrease in value. Depreciation is calculated using the "component accounting" method, where each asset is broken down into major components based on their useful life. The four components of a property are the main structure, the facade, technical equipment and finishing fixtures and fittings, depreciated respectively over 60, 30, 20 and 15 years for offices properties and 35, 25, 20 and 15 years for retail assets.

The property owned and occupied by the Group, located at 7, Place Adenauer, Paris 16th, is classified in Other tangible assets.

If the appraisal value of a property is lower than net book value, an impairment provision is booked.

Borrowing costs generated by construction projects (IAS 23)

Borrowing costs directly attributable to the acquisition or construction of an asset are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The interest costs capitalised are calculated using the Group's weighted average costs of borrowing applied to the average value of the work completed during each quarter, unless specific financing exists for the project. In this case, the specific interest costs are capitalised.

Capitalisation of borrowing costs starts when an Investment Property Under Construction is recognised as an asset and ends when the project is transferred to standing investment

(1) Transfer taxes are valued on the assumption that the property is sold directly, even though the cost of these taxes can, in certain cases, be reduced by selling the property's holding company.

property at the delivery date to the tenant or earlier when the project is technically completed.

Intangible assets (IAS 38) / Impairment of assets (IAS 36)

An intangible asset is recognised when it is identifiable and separable and can be sold, transferred, licensed, rented, or exchanged, either individually or as part of a contract with an attached asset or a liability, or which arises from contractual or other legal rights regardless of whether those rights are transferable or separable. After initial recognition, intangible assets are recognised at cost less any amortisation charges and impairment losses.

Intangible assets with a finite life are amortised on a linear basis over the life of the asset. The useful life of an asset is reviewed each year and an impairment test is carried out whenever there is an indication of impairment.

Intangible assets with an indefinite useful life are not amortised but their life span is reviewed each year. These assets are subject to impairment tests annually or whenever there is an indication of impairment, which consists of comparing the book value with the recoverable amount of the intangible. The recoverable amount of an asset or a cash-generating unit is the maximum between its fair value less disposal costs and its utility value. It is assessed on the basis of the present value of expected future cash flows from the continued use of the asset and its terminal value. Impairment tests are carried out by grouping assets together into cash-generating units. In the case of reduction in value, a corresponding impairment charge is recognised in the income statement.

The intangible assets recognised on Viparis entities are valued by external appraisers. If the appraisal value of an intangible asset is lower than net book value, an impairment provision is booked.

1.6. Leasing

Leases are classified as finance leases when they transfer substantially all risks and rewards of ownership of the leased asset to the lessee. Otherwise they are classified as operating leases.

- The Group's remaining finance leasing activity as lessor represents a residual outstanding amount of €0.4 Mn as at December 31, 2011.
- **Ground leaseholds:** based on the analysis of existing contracts, IAS 17 and IAS 40, a leasehold may be classified as either an operating lease or a finance lease. The classification is made on a contract-by-contract basis and depends on the risks and rewards transferred to the Group.

For the leaseholds recognised as operating leases, rental payments are recognised as expenses in the income statement. Rental payments made at the beginning of the contract are classified as prepaid expenses and expensed over the life of the contract.

Buildings constructed on land under a lease agreement are recognised in accordance with the accounting principles described in § 1.5.

Revenue recognition

- **Accounting treatment of investment properties leases**

Assets leased as operating leases are recorded on the statement of financial position as investment property assets. Rental revenue is recorded on a straight-line basis over the firm duration of the lease.

- **Rents and key money**

Under IAS 17 and SIC 15, the financial impacts of terms set out in the lease agreement are spread over the fixed duration of the lease starting from the date the premises are made available to the tenant. This applies to rent-free periods, step rents and key money.

- **Eviction costs**

Compensation payments to evicted tenants may be capitalised, in view of securing higher rentals through new lease agreements on improved terms and which ultimately enhance or at least maintain asset performance.

- **Delivery of an Investment Property**

In case of an Investment Property Under Construction, revenues are recognised once spaces are delivered to tenants.

1.7. Financial instruments (IAS 32 / IAS 39 / IFRS 7)

The recognition and measurement of financial assets and liabilities are defined by the standard IAS 39.

a) Classification and measurement of non-derivative financial assets and liabilities

- **Loans and receivables**

Loans and receivables, acquired or granted, not held for the purpose of trading or sale, are recorded on the statement of financial position as "Loans and receivables". After initial recording, they are measured at amortised cost based on the effective interest rate. They may be subject to impairment when necessary.

- **Available-for-sale securities**

These are non-derivative financial assets held for an undetermined period that may be sold by the Group at any time. They are measured at their fair value at the accounting date and recorded as financial assets. Interest accrued or received on fixed-income securities is recorded as income based on the effective interest rate. Changes in market value other than income are recorded in shareholders' equity. Fair value variations are recorded on the income statement if the asset is sold or significantly impaired.

- **Non-derivative financial liabilities**

Non-derivative financial liabilities are measured after initial booking at amortised cost using the effective interest rate.

In certain cases, IAS 39 permits financial liabilities to be designated at fair value upon initial recording. This treatment is applied for the net share settled bonds convertible into new and/or existing shares (ORNANE) issued in April 2009.

Being a financial debt with an embedded derivative, and in accordance with IAS 39, the ORNANE convertible bond is accounted for fully, right from the start, at fair value, on a separate line in the statement of financial position, with subsequent changes recorded on a separate line in the income statement. The accrued interests are classified in the consolidated statement of financial position on the line "Current borrowings and amounts due to credit institutions". The interest expenses are classified in the statement of comprehensive income on the line "Net financing costs".

b) Classification and measurement of financial derivatives and hedge accounting

The Group uses derivative financial instruments to hedge its exposure to movements in interest and currency exchange rates.

All financial derivatives are recorded as financial assets or liabilities at fair value on the statement of financial position. Fair value variations of financial derivatives, apart from those designated as cash flow hedges or as net investment hedges (see below), are recognised in the income statement for the period.

Unibail-Rodamco has a macro-hedging strategy for its debt. Except for currency derivatives, it has chosen not to use the hedge accounting proposed by IAS 39. All such derivatives are therefore measured at their market value and any fair value variations are recorded in the income statement.

Derivatives designated as cash flow hedges under the French accounting standards applied in 2004 were recorded on the opening balance sheet as at January 1, 2005 at their fair value at this date. The difference of -€1 Mn was booked to equity as a hedging reserve and depreciated over the remaining lifetime of these financial instruments. In the income statement split by division, these depreciation charges and value changes have no impact on recurring income and are recorded under "Valuation Movements".

Regarding the currency derivatives, they aim at hedging the investments made in countries outside of the Eurozone. Therefore the majority of currency swaps and forward contracts are designated as a net investment hedge. The portion of the gain or loss on these instruments that is determined to be an effective hedge is recognised directly in equity (currency translation reserve). The ineffective portion is recognised directly in the profit and loss account, as fair value changes derivative financial instruments.

Changes in the fair value of forward exchange contracts that economically hedge monetary assets and liabilities in foreign currencies and for which no hedge accounting is applied are recognised in the profit and loss account. Both the changes in fair value of the forward contracts and the foreign exchange

gains and losses relating to the monetary items are recognised as part of "financing result" as these instruments are designated as hedging instruments.

1.8. Discounting of deferred payments

Long term liabilities and receivables are discounted when this has a significant impact.

- The exit tax liability payable over a four-year period (to qualify for the SIIC tax regime) is discounted.
- Guarantee deposits received from tenants have not been discounted given the negligible impact of discounting.
- Provisions for material liabilities taken under IAS 37 are discounted over the estimated duration of the disputes they cover.
- Deferred payments on acquisitions of land, ground leases or assets have been discounted up to the payment date.

1.9. Taxes

The Group companies are taxable according to the tax rules of their country. In some countries, special tax regimes for public property companies exist.

French SIIC status (Société d'Investissement Immobilier Cotée)

All the French property companies which are eligible for SIIC tax status have opted for this regime. Recurring income and capital gains are exempted from French tax but the companies are required to distribute 85% of their recurring income, 50% of capital gains and 100% of dividends received from SIIC subsidiaries.

Due to the diversity of its business activities, Unibail-Rodamco SE undergoes a specific tax treatment:

- its SIIC-eligible business is exempt from tax on recurring income and capital gains on disposals,
- activities relating to finance leasing contracts signed before January 1, 1991 are tax exempt,
- all other operations are taxable.

Dutch FBI regime

The requirements for FBI companies are partly related to their activities and their shareholding base. According to the Dutch Ministry of Finance, Unibail-Rodamco itself does not qualify as an FBI, as it is deemed not to meet the activity test. Therefore, as reported in its press release of December 11, 2009, Unibail-Rodamco expects that the Dutch tax authorities will deny the status of FBI in The Netherlands for Unibail-Rodamco's Dutch activities for 2010 onwards. Differences between the French SIIC and the Dutch FBI regime, although materially insignificant in the Group's case, proved to be irreconcilable for the Dutch tax authorities.

Although Unibail-Rodamco does not agree with the viewpoint of the Dutch tax authorities, it continues to apply a prudent view in its 2011 accounts, based on the assumption that the Dutch activities from 2010 onwards will be taxable. Due to significant Dutch tax-loss carry forwards the Group has realised,

this had no impact on the Group's recurring result for 2011, and will not have a material impact on its recurring results for the foreseeable future.

Income tax and deferred tax

• Corporate income tax

Corporate income tax is calculated using appropriate local rules and rates.

In France, the companies which pay income tax are mainly the Viparis entities and some property services companies. The other companies which are not eligible for SIIC tax status are grouped under tax consolidation sub-groups, which have opted for the tax consolidation scheme.

• Deferred tax

Deferred taxes are recognised in respect of all temporary differences between the carrying amount and tax base of assets and liabilities at each financial year-end.

Deferred tax assets or liabilities are calculated based on total temporary differences and on tax losses carried forward, using the local tax rate that will apply on the expected reversal date of the concerned differences, if this rate has been set. Otherwise, they are calculated using the applicable tax rate in effect at the financial year-end date. Within a given fiscal entity or group and for a given tax rate, debit balances are booked to assets for the amount expected to be recoverable over a foreseeable period. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The main deferred tax liabilities relate to:

- the mark-to-market of investment properties, resulting in the recognition of a deferred tax liability for non tax-exempt assets,
- the recognition of intangible assets identified on Viparis entities, particularly Viparis Porte de Versailles and Viparis Nord Villepinte.

1.10. Share-based payments

Under IFRS 2, all transactions relating to share-based payments must be recognised in the income statement. This is the case for Unibail-Rodamco's Stock Option Plan, Company Savings Plan and Bonus Share Plan.

Stock options granted to employees are stated at their fair value on the date of allocation. As the transactions are equity-settled share-based payments, this value remains unchanged, even if the options are never exercised. The value applied to the number of options finally acquired at the end of the vesting period (estimation of the turnover) is booked as an expense, with a corresponding increase in equity which is spread over the vesting period (i.e. the period during which employees must work for the company before they can exercise the options granted to them).

The stock options have been valued using a binomial model for those with no performance criteria and using a Monte Carlo model for those subject to performance criteria.

Bonus shares were allocated in 2006 and 2007. They were valued at their market price on the date of allocation less two years of estimated dividends. The value is recognised as an expense deferred over the two-year vesting period.

Shares issued under the Company Savings Plan are offered at a discount to the share price. This discount represents an employee benefit and is recorded in the income statement for the period, with a corresponding increase in equity.

The additional expenses incurred by the stock option plans, company savings plan and bonus share awards are classified under personnel expenses.

1.11. Employee benefits

Under IAS 19, a company must recognise all commitments made to its employees (i.e. current or future, formal or informal, cash payments or payments in kind). The cost of employee benefits must be recorded during the vesting period.

Post-employment benefits

Pension schemes may be defined contribution or defined benefit schemes.

Under defined contribution schemes, the employer only pays a contribution, with no commitment from the Group regarding the level of benefits to be provided. The contributions paid are booked as expenses for the year.

Under defined benefit schemes, the employer makes a formal or implied commitment to an amount or level of benefits and therefore carries the medium or long term risk. A provision is booked to liabilities to cover all of these pension commitments. This provision is assessed regularly by independent actuaries using the projected unit credit method, which takes into account demographic assumptions, early retirements, salary increases and discount and inflation rates.

In the majority of the Group's companies, pensions due under the various compulsory retirement schemes to which employers contribute are managed by specialist external organisations. Defined contributions paid into these various compulsory retirement schemes are recognised in the income statement for the period.

The Dutch companies have pension plans with both defined contribution as well as defined benefit components. For the latter, commitments are recorded as a provision.

Provisions are booked for retirement allowances relating to defined benefit schemes based on the net present value of these future allowances.

Long term benefits

These are benefits paid to employees more than 12 months after the end of the financial year during which the corresponding

service was provided. The same valuation method is used as for post-employment benefits.

Except for the provision for retirement allowances, no commitments relating to long term or post-employment benefits need to be accrued.

1.12. Business segment reporting

Segment information is presented in respect of the Group's division and geographical segments, based on the Group's management and internal reporting structure.

Business segments

The Group presents its result by division: Retail, Offices, Convention-Exhibition and Property services.

The Convention-Exhibition division comprises management of exhibition venues (Viparis), lease management of the Pullman (formerly Méridien) Montparnasse and Crit Hilton hotels, and the organisation of exhibitions (Comexposium), the latter consolidated under the equity method.

Geographical segments

Geographical segments are determined on the basis of the Group's definition of a home region. A home region is defined as a region with more than €1 billion in property investment and a local organisation dedicated to all three business lines: the "owner function" (asset selection and management including pipeline), retail management, and the finance function.

The following are considered home regions based on specific operational and strategic factors:

- France,
- The Netherlands,
- Nordic Countries managed from Stockholm, including Sweden, Denmark and Finland,
- Spain,
- Central Europe managed from Prague, including the Czech Republic, Germany, Hungary and Poland,
- Austria including Austria and Slovakia, managed from Vienna.

1.13. Earnings per share

The earnings per share indicator is calculated by dividing net result (owners of the parent) by the weighted average number of ordinary shares in circulation over the period.

To calculate diluted earnings per share, the average number of shares in circulation is adjusted to take into account the conversion of all potentially dilutive ordinary shares, in particular stock options and bonus shares during the vesting period, as well as the bonds redeemable for shares (*ORA*) and the net share settled bonds convertible into new and/or existing shares (*ORNANE*).

The dilutive impact is determined using the treasury stock method, which assumes that proceeds from the exercise of warrants or options are used to repurchase company shares at their market value. The market value corresponds to the average monthly share price weighted by trading volumes. The theoretical number of shares that may be purchased at the market value is deducted from the total number of shares resulting from the exercise of rights. This number is then added to the average number of shares in circulation and hence constitutes the denominator.

The ORNANE being accounted as a debt at fair value, the impact of the variation of their fair value is restated from the net result when taking into account the dilutive impact.

1.14. Current and non-current assets and liabilities

In accordance with IAS 1 "Presentation of Financial Statements", assets and liabilities other than consolidated shareholders' equity are classified in the statement of financial position as "current" when they are due or payable within twelve months of the accounting date.

2. Business segment report

CONSOLIDATED INCOME STATEMENT BY DIVISION

(in €Mn)		2011			2010			
		Recurring activities	Valuation movements and disposals	Result	Recurring activities	Valuation movements and disposals	Result	
RETAIL	FRANCE	Gross rental income	547.6	-	547.6	529.9	-	529.9
		Operating expenses & net service charges	-48.3	-	-48.3	-49.4	-	-49.4
		Net rental income	499.3	-	499.3	480.5	-	480.5
		Contribution of affiliates	-	-	-	2.4	4.8	7.1
		Gains on sales of properties	-	8.4	8.4	-	9.7	9.7
		Valuation movements	-	352.9	352.9	-	938.7	938.7
		Impairment of Goodwill	-	-	-	-	-2.1	-2.1
		Result Retail France	499.3	361.3	860.7	482.9	951.0	1,433.9
	THE NETHERLANDS	Gross rental income	83.0	-	83.0	118.2	-	118.2
		Operating expenses & net service charges	-8.0	-	-8.0	-13.4	-	-13.4
		Net rental income	75.0	-	75.0	104.8	-	104.8
		Gains on sales of properties	-	17.3	17.3	-	68.1	68.1
		Valuation movements	-	19.5	19.5	-	61.3	61.3
	Result Retail The Netherlands	75.0	36.8	111.8	104.8	129.4	234.2	
	NORDIC COUNTRIES	Gross rental income	113.9	-	113.9	127.7	-	127.7
		Operating expenses & net service charges	-23.7	-	-23.7	-32.8	-	-32.8
		Net rental income	90.2	-	90.2	95.0	-	95.0
		Gains on sales of properties	-	30.9	30.9	-	-0.4	-0.4
	Valuation movements	-	69.6	69.6	-	98.8	98.8	
	Result Retail Nordic	90.2	100.6	190.8	95.0	98.4	193.4	
	SPAIN	Gross rental income	139.8	-	139.8	132.2	-	132.2
		Operating expenses & net service charges	-11.1	-	-11.1	-9.1	-	-9.1
		Net rental income	128.7	-	128.7	123.2	-	123.2
		Valuation movements	-	60.7	60.7	-	92.3	92.3
	Result Retail Spain	128.7	60.7	189.4	123.2	92.3	215.5	
	CENTRAL EUROPE	Gross rental income ⁽¹⁾	105.5	-	105.5	84.2	-	84.2
		Operating expenses & net service charges	-4.2	-	-4.2	-4.8	-	-4.8
Net rental income⁽¹⁾		101.3	-	101.3	79.4	-	79.4	
Gains on sales of properties		-	5.4	5.4	-	-0.3	-0.3	
Valuation movements ⁽¹⁾		-	202.6	202.6	-	80.1	80.1	
Result Retail Central Europe	101.3	208.0	309.3	79.4	79.8	159.2		
AUSTRIA	Gross rental income ⁽¹⁾	94.2	-	94.2	81.2	-	81.2	
	Operating expenses & net service charges	-4.6	-	-4.6	-3.0	-	-3.0	
	Net rental income⁽¹⁾	89.6	-	89.6	78.2	-	78.2	
	Gains on sales of properties	-	3.0	3.0	-	-	-	
	Valuation movements ⁽¹⁾	-	71.4	71.4	-	119.5	119.5	
Result Retail Austria	89.6	74.3	163.9	78.2	119.5	197.7		
Total result Retail	984.1	841.8	1,825.8	963.4	1,470.4	2,433.8		
OFFICES	FRANCE	Gross rental income	154.4	-	154.4	181.3	-	181.3
		Operating expenses & net service charges	0.8	-	0.8	-7.8	-	-7.8
		Net rental income	155.2	-	155.2	173.5	-	173.5
		Gains on sales of properties	-	4.7	4.7	-	35.1	35.1
		Valuation movements	-	-34.3	-34.3	-	193.4	193.4
	Result Offices France	155.2	-29.5	125.7	173.5	228.5	402.0	
	OTHER COUNTRIES	Gross rental income	34.2	-	34.2	39.4	-	39.4
		Operating expenses & net service charges	-4.9	-	-4.9	-6.9	-	-6.9
		Net rental income	29.3	-	29.3	32.6	-	32.6
		Gains on sales of properties	-	2.6	2.6	-	1.5	1.5
Valuation movements		-	8.2	8.2	-	8.3	8.3	
Result Offices other countries	29.3	10.8	40.1	32.6	9.8	42.3		
Total result Offices	184.5	-18.7	165.8	206.1	238.2	444.3		

(in €Mn)		2011			2010			
		Recurring activities	Valuation movements and disposals	Result	Recurring activities	Valuation movements and disposals	Result	
CONVENTION-EXHIBITION	FRANCE	Gross rental income ⁽²⁾	181.1	-	181.1	180.0	-	180.0
		Operating expenses & net service charges ⁽²⁾	-96.3	-	-96.3	-102.5	-	-102.5
		Net rental income⁽²⁾	84.8	-	84.8	77.4	-	77.4
		On site property services	37.2	-	37.2	42.7	-	42.7
		Hotels net rental income⁽²⁾	8.6	-	8.6	12.8	-	12.8
		Exhibitions organising	10.8	-0.6	10.2	15.3	-12.7	2.6
		Valuation movements, depreciation, capital gains	-12.1	78.4	66.2	-12.2	110.0	97.8
		Total result Convention-Exhibition	129.2	77.7	206.9	136.1	97.3	233.4
	Other property services net operating profit	17.3	-	17.3	13.3	-	13.3	
	Other net income	7.2	2.7	10.0	0.6	-	0.6	
	Total operating result and other income	1,322.4	903.5	2,225.9	1,319.5	1,805.9	3,125.4	
	General expenses	-83.4	-2.9	-86.3	-97.5	-15.8	-113.4	
	Development costs	-5.2	-	-5.2	-7.2	-	-7.2	
	Financing result	-301.1	-191.1	-492.3	-268.9	-129.3	-398.3	
	Result before tax	932.7	709.5	1,642.1	945.8	1,660.7	2,606.5	
	Income tax expenses	-12.1	-108.8	-120.9	-9.6	-111.4	-121.0	
	Net result	920.5	600.7	1,521.2	936.2	1,549.3	2,485.5	
	Non-controlling interests	90.9	102.5	193.4	88.3	209.6	297.9	
	Net result - Owners of the parent	829.6	498.2	1,327.8	847.9	1,339.7	2,187.6	
	Average number of shares and ORA (million)	91.9			91.5			
	Recurring earnings per share (€)	9.03			9.27			
	Recurring earnings per share growth	-2.60%			0.87%			

(1) Due to the transfer of the Aupark shopping centre from geographical zone Central Europe to Austria, figures have been restated accordingly in 2010.

(2) In 2010, slight changes due to reclassification of spaces from hotels to convention-exhibition.

The income statement by division is split between recurring and non-recurring result. The non-recurring result before tax consists of the valuation movements on investment properties, fair value adjustments on derivatives and debts, the net result on disposals, impairment of goodwill or reversal of badwill, as well as costs directly incurred during a business combination.

The income tax is also split between recurring taxes and non-recurring taxes.

Recurring tax is the outcome of:

- the amount of income tax effectively due on recurring income, after deduction of any tax losses,
- plus/minus changes in a deferred tax asset recognised on tax losses stemming from recurring income (excluding those caused by a change in tax rate and/or those caused by a use of such deferred tax asset by non-recurring profits),
- plus/minus changes in deferred tax assets not related to tax losses and deferred tax liabilities relating to recurring result (excluding those caused by a change in tax rate and/or those caused by a use of such deferred tax asset by non-recurring profits).

RECONCILIATION BETWEEN THE RESULTS BY DIVISION AND THE INCOME STATEMENT OF THE PERIOD (EPRA FORMAT) FOR 2011

(in €Mn)	Retail							Offices			C.E. ⁽¹⁾	Not allocated	TOTAL 2011
	France	The Netherlands	Nordic	Spain	Central Europe	Austria	Total Retail	France	Others	Total Offices	France		
Gross rental income	547.6	83.0	113.9	139.7	105.5	94.2	1,084.1	154.4	34.2	188.6	190.5	-	1,463.1
Net rental income	499.3	75.0	90.2	128.7	101.3	89.6	984.1	155.2	29.3	184.5	93.4	-	1,262.0
Administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-88.6	-88.6
Acquisition and related costs	-	-	-	-	-	-	-	-	-	-	-	-2.9	-2.9
Revenues from other activities	-	-	-	-	-	-	-	-	-	-	109.4	56.4	165.8
Net other income	-	-	-	-	-	-	-	-	-	-	25.1	17.3	42.4
Result on disposal of investment properties and shares	8.4	17.3	30.9	-	5.4	3.0	65.0	4.7	2.6	7.3	-	-	72.2
Valuation movements	352.9	19.5	69.6	60.7	202.6	71.4	776.8	-34.3	8.2	-26.0	78.4	-	829.2
Net operating result before financing cost	860.7	111.8	190.8	189.4	309.3	163.9	1,825.8	125.7	40.1	165.8	196.8	-74.2	2,114.3
Result from non consolidated companies	-	-	-	-	-	-	-	-	-	-	-	9.9	9.9
Share of the result of associates & income on financial assets	-	-	-	-	-	-	-	-	-	-	10.2	-	10.2
Net financing costs	-	-	-	-	-	-	-	-	-	-	-	-301.1	-301.1
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	-	-	-	-	-	-	-	-	-	-	-	43.4	43.4
Fair value adjustment of derivatives and debt & debt discounting	-	-	-	-	-	-	-	-	-	-	-	-234.5	-234.5
Result before tax												-	1,642.1
Income tax expenses												-120.9	-120.9
Net result													1,521.2

(1) Convention-Exhibition division.

RECONCILIATION BETWEEN THE RESULTS BY DIVISION AND THE INCOME STATEMENT OF THE PERIOD (EPRA FORMAT) FOR 2010

(in €Mn)	Retail							Offices			C.E. ⁽¹⁾	Not allocated	TOTAL 2010
	France	The Netherlands	Nordic	Spain	Central Europe ⁽²⁾	Austria ⁽²⁾	Total Retail	France	Others	Total Offices	France		
Gross rental income	529.9	118.2	127.7	132.2	84.2	81.2	1,073.5	181.3	39.4	220.7	190.2	-	1,484.5
Net rental income	480.5	104.8	95.0	123.2	79.5	78.2	961.1	173.5	32.6	206.1	90.3	-	1,257.4
Administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-104.7	-104.7
Acquisition and related costs	-	-	-	-	-	-	-	-	-	-	-	-15.8	-15.8
Revenues from other activities	-	-	-	-	-	-	-	-	-	-	108.9	51.2	160.1
Net other income	-	-	-	-	-	-	-	-	-	-	30.6	13.3	43.8
Result on disposal of investment properties	9.7	68.1	-0.4	-	-0.3	-	77.1	35.1	1.5	36.5	0.1	-	113.7
Valuation movements	938.7	61.3	98.8	92.3	80.1	119.5	1,390.7	193.4	8.3	201.7	109.9	-	1,702.3
Impairment of goodwill	-2.1	-	-	-	-	-	-2.1	-	-	-	-	-	-2.1
Net operating result before financing cost	1,426.8	234.2	193.4	215.5	159.2	197.7	2,426.8	402.0	42.3	444.3	230.8	-107.2	2,994.6
Result & dividends from non-consolidated companies	-	-	-	-	-	-	-	-	-	-	-	0.4	0.4
Share of the result of associates & income on financial assets	7.1	-	-	-	-	-	7.1	-	-	-	2.6	-	9.7
Net financing costs	-	-	-	-	-	-	-	-	-	-	-	-268.9	-268.9
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	-	-	-	-	-	-	-	-	-	-	-	-23.8	-23.8
Fair value adjustment of derivatives and debt & debt discounting	-	-	-	-	-	-	-	-	-	-	-	-105.5	-105.5
Result before tax	-	-	-	-	-	-	-	-	-	-	-	-	2,606.5
Income tax expenses	-	-	-	-	-	-	-	-	-	-	-	-121.0	-121.0
Net result	-	-	-	-	-	-	-	-	-	-	-	-	2,485.5

(1) Convention-Exhibition division.

(2) Due to the transfer of Aupark shopping centre from geographical zone Central Europe to Austria, figures have been restated accordingly in 2010.

DECEMBER 31, 2011

STATEMENT OF FINANCIAL POSITION BY DIVISION

(in €Mn)	Retail							Offices			Convention-Exhibition ⁽¹⁾	Not allocated ⁽²⁾	Dec. 31, 2011
	France	The Netherlands	Nordic	Spain	Central Europe	Austria	Total Retail	France	Others	Total Offices	France		
Investment properties at fair value	9,966.5	1,155.6	1,727.3	2,265.2	1,738.1	1,745.3	18,598.0	2,824.0	343.7	3,167.6	1,653.4	-	23,419.1
Investment properties at cost	176.0	-	102.9	74.0	5.9	-	358.9	277.3	-	277.3	0.7	-	636.8
Properties under promise or mandate of sale	34.3	69.9	26.4	-	59.6	-	190.3	-	31.2	31.2	-	-	221.5
Other tangible assets	-	-	-	-	-	-	-	147.7	-	147.7	39.9	10.8	198.4
Goodwill	35.7	-	51.9	1.2	86.8	96.0	271.6	-	-	-	14.9	10.3	296.7
Intangible assets	-	-	-	-	-	-	-	-	-	-	207.8	3.5	211.3
Shares and investments in companies consolidated under the equity method	-	-	-	1.2	-	-	1.2	-	-	-	205.3	-	206.6
	10,212.5	1,225.6	1,908.5	2,341.6	1,890.5	1,841.3	19,420.0	3,248.9	374.9	3,623.8	2,122.0	24.5	25,190.4
Other assets	279.1	8.9	8.5	131.6	221.0	8.4	657.6	209.2	5.2	214.4	103.4	237.5	1,212.9
Total Assets	10,491.7	1,234.5	1,917.0	2,473.2	2,111.5	1,849.6	20,077.6	3,458.2	380.0	3,838.2	2,225.4	262.0	26,403.3
Total Liabilities excluding shareholders' equity	676.1	25.9	181.0	196.3	166.5	268.4	1,514.2	109.1	18.7	127.8	274.8	11,431.0	13,347.8

(1) Including hotels.

(2) Refers to structure properties, furniture and equipments items.

INVESTMENTS BY DIVISION

(in €Mn)	Retail							Offices			C.E ⁽¹⁾	Not allocated	Dec. 31, 2011
	France	The Netherlands	Nordic	Spain	Central Europe	Austria	Total Retail	France	Others	Total Offices	France		
Investments in investment properties at fair value	372.6	14.2	45.0	255.0	261.9	212.2	1,160.8	74.4	13.6	88.0	63.8	-	1,312.6
Investment in tangible assets at cost ⁽²⁾	132.5	-	159.0	61.1	21.7	-	374.2	74.3	6.1	80.4	7.3	6.3	468.2
Total investments	505.1	14.2	204.0	316.1	283.6	212.2	1,535.0	148.7	19.8	168.4	71.1	6.3	1,780.8

(1) Convention-Exhibition division

(2) Before transfert between category of investment property.

DECEMBER 31, 2010

STATEMENT OF FINANCIAL POSITION BY DIVISION

(in €Mn)	Retail							Offices			Convention-Exhibition ⁽¹⁾	Not allocated ⁽²⁾	Dec. 31, 2010
	France	The Netherlands	Nordic	Spain	Central Europe ⁽³⁾	Austria ⁽³⁾	Total Retail	France	Others	Total Offices	France		
Investment properties at fair value	9,149.3	1,322.3	1,523.9	1,947.5	1,425.9	1,468.0	16,836.9	2,907.7	383.0	3,290.7	1,518.9	-	21,646.5
Investment properties at cost	60.8	-	38.9	15.0	24.3	-	139.0	202.4	-	202.4	0.5	-	341.9
Properties under promise or mandate of sale	444.3	98.1	302.0	-	54.6	25.3	924.3	-	55.4	55.4	-	-	979.7
Other tangible assets ⁽⁴⁾	-	-	-	-	-	-	-	150.4	-	150.4	39.8	9.6	199.8
Goodwill	38.4	-	59.1	-	52.7	76.9	227.2	-	-	-	28.2	10.2	265.6
Intangible assets	-	-	-	-	-	-	-	-	-	-	166.0	4.8	170.8
Shares and investments in companies consolidated under the equity method	-	-	-	-	-	-	-	-	-	-	201.4	-	201.4
	9,692.9	1,420.4	1,924.0	1,962.5	1,557.4	1,570.2	18,127.4	3,260.5	438.4	3,698.9	1,954.8	24.6	23,805.7
Other assets	282.3	82.8	19.0	66.6	215.5	9.2	675.4	133.6	-	133.6	95.7	266.7	1,171.4
Total Assets	9,975.2	1,503.2	1,943.0	2,029.0	1,772.9	1,579.4	18,802.8	3,394.1	438.4	3,832.5	2,050.5	291.3	24,977.1
Total Liabilities excluding shareholders' equity	649.1	39.3	308.3	188.4	142.8	209.5	1,537.5	157.8	1.4	159.2	255.8	10,654.1	12,606.5

(1) Including hotels.

(2) Refers to structure properties, furniture and equipments items.

(3) Due to the transfer of the Aupark shopping centre from geographical zone Central Europe to Austria, figures have been restated accordingly in 2010.

(4) On site property services' other tangible assets were reclassified from not allocated to convention-exhibition activity for an amount of €39.8 Mn.

INVESTMENT BY DIVISION

(in €Mn)	Retail							Offices			C.E ⁽¹⁾	Not allocated	Dec. 31, 2010
	France	The Netherlands	Nordic	Spain	Central Europe ⁽²⁾	Austria ⁽²⁾	Total Retail	France	Others	Total Offices	France		
Investments in investment properties at fair value	741.3	13.0	28.5	39.3	519.8	98.0	1,440.0	39.3	5.1	44.4	82.6	-	1,566.9
Investment in tangible assets at cost ⁽³⁾⁽⁴⁾	275.6	3.4	15.5	-9.3	5.3	-	290.5	123.0	-	123.0	17.5	5.0	436.0
Total investments	1,016.9	16.5	44.1	30.1	525.1	98.0	1,730.5	162.3	5.1	167.4	100.0	5.0	2,002.9

(1) Convention-Exhibition division.

(2) Due to the transfer of the Aupark shopping centre from geographical zone Central Europe to Austria, figures have been restated accordingly in 2010.

(3) Before transfert between category of investment property.

(4) On site property services' tangible assets investments were reclassified from not allocated to convention-exhibition activity for an amount of €8.6 Mn.

3. Scope of consolidation

List of consolidated companies	Country	Method ⁽¹⁾	% interest Dec. 31, 2011	% control Dec. 31, 2011	% interest Dec. 31, 2010
SE Unibail-Rodamco	France	FC	100.00	100.00	100.00
SHOPPING CENTRES					
Donauzentrum Besitz- u. Vermietungs GmbH	Austria	FC	90.00	90.00	89.25
SCS Liegenschaftsverwertung GmbH	Austria	FC	100.00	100.00	99.17
SCS Motor City Süd Errichtungsges.mBH	Austria	FC	100.00	100.00	99.17
Shopping Center Planungs- und Entwicklungsgesellschaft mbH	Austria	FC	100.00	100.00	99.17
Shopping Center Planungs- und Entwicklungsgesellschaft mbH & Co. Werbeberatung KG	Austria	FC	100.00	100.00	99.17
Shopping City Süd Erweiterungsbau Gesellschaft mbH & Co Anlagenvermietung KG	Austria	FC	99.99	99.99	99.17
Südpark Betriebs und Verwaltungen GmbH	Austria	-	sold	sold	49.59
Centrum Cerny Most as	Czech Republic	FC	100.00	100.00	99.17
Centrum Praha Jih-Chodov sro	Czech Republic	FC	100.00	100.00	99.17
Pankrac Shopping Center ks	Czech Republic	PC	75.00	75.00	74.38
Autopaikat Oy	Finland	PC	34.29	34.29	34.01
Kiinteistö Oy Vantaanportin Liikekeskus	Finland	PC	21.40	21.40	21.22
Kiinteistö Oy Vantaanportin Liiketilat	Finland	PC	60.00	60.00	59.50
SA SFLA	France	FC	100.00	100.00	100.00
SA Société d'Exploitation des Parkings et du Forum des Halles de Paris	France	FC	65.00	65.00	65.00
SARL Bay 1 Bay 2	France	FC	100.00	100.00	100.00
SARL BEG Investissements	France	FC	100.00	100.00	100.00
SARL Foncière d'Investissement	France	FC	100.00	100.00	100.00
SARL Le Cannet Développement	France	PC	50.00	50.00	50.00
SAS Aquarissimo	France	FC	100.00	100.00	100.00
SAS Askela	France	-	Liquidated	Liquidated	100.00
SAS Cipcom	France	-	Liquidated	Liquidated	50.00
SAS La Toison d'Or	France	FC	100.00	100.00	100.00
SAS Le Carrousel du Louvre	France	FC	100.00	100.00	100.00
SAS Monpar	France	FC	100.00	100.00	100.00
SAS Nice Étoile	France	FC	100.00	100.00	100.00
SAS Parimall-Bobigny 2	France	FC	100.00	100.00	99.17
SAS Parimall-Party 2	France	FC	100.00	100.00	99.17
SAS Parimall-Ulis 2	France	FC	100.00	100.00	99.17
SAS Parimall-Vélizy 2	France	FC	100.00	100.00	99.17
SAS Parimmo-58 Marceau	France	FC	100.00	100.00	99.17
SAS Parly 2 Avenir	France	FC	78.40	78.40	77.75
SAS PCE	France	PC	50.00	50.00	50.00
SAS PCE-FTO	France	PC	25.00	25.00	-
SAS SALG	France	FC	100.00	100.00	99.17
SAS SFAM	France	FC	100.00	100.00	100.00
SAS Société de Lancement de Magasins à l'Usine	France	FC	100.00	100.00	100.00
SAS SP Poissy Retail Entreprises	France	PC	50.00	50.00	50.00
SAS Spring Alma	France	FC	100.00	100.00	100.00
SAS Spring Valentine	France	FC	100.00	100.00	100.00
SAS Spring Vélizy	France	FC	100.00	100.00	100.00
SAS Uni-commerces	France	FC	100.00	100.00	100.00
SAS Uniwater	France	FC	100.00	100.00	100.00
SAS Villeneuve 2	France	FC	100.00	100.00	99.17
SCI 3borders	France	FC	100.00	100.00	100.00
SCI Aéroville	France	FC	100.00	100.00	100.00
SCI Berri Washington	France	FC	100.00	100.00	99.17

List of consolidated companies	Country	Method ⁽¹⁾	% interest Dec. 31, 2011	% control Dec. 31, 2011	% interest Dec. 31, 2010
SCI Bordeaux-Bonnac	France	FC	100.00	100.00	100.00
SCI Channel City	France	FC	100.00	100.00	100.00
SCI Coquelles et Coquelles	France	FC	100.00	100.00	100.00
SCI des Bureaux Rouen Bretagne	France	FC	100.00	100.00	99.17
SCI du CC de Bordeaux Préfecture	France	FC	61.00	61.00	61.00
SCI du CC de Lyon La Part Dieu	France	FC	100.00	100.00	99.17
SCI du CC de Rouen St-Sever	France	FC	100.00	100.00	99.17
SCI du CC des Pontôts	France	FC	100.00	100.00	100.00
SCI du Forum des Halles de Paris	France	FC	65.00	65.00	65.00
SCI du Petit Parly 2	France	FC	100.00	100.00	99.17
SCI Eiffel Levallois Commerces	France	FC	100.00	100.00	100.00
SCI Elysées Châlons	France	-	Sold	Sold	99.17
SCI Elysées Parly 2	France	FC	100.00	100.00	99.17
SCI Elysées Vélizy 2	France	FC	100.00	100.00	99.17
SCI Espace Commerce Europe	France	PC	50.00	50.00	50.00
SCI Evry Expansion	France	-	Liquidated	Liquidated	100.00
SCI Extension Villeneuve 2	France	FC	100.00	100.00	99.17
SCI Foncière Marceau Saint Sever	France	FC	100.00	100.00	99.17
SCI Grand Magasin Sud LPD	France	FC	100.00	100.00	99.17
SCI Grigny Gare	France	FC	100.00	100.00	100.00
SCI Labex	France	FC	100.00	100.00	100.00
SCI Lyon Kléber	France	FC	100.00	100.00	99.17
SCI Lyon Les Brotteaux	France	FC	100.00	100.00	99.17
SCI Marceau Bussy-Sud	France	FC	100.00	100.00	99.17
SCI Marceau Côté Seine	France	FC	100.00	100.00	99.17
SCI Marceau Parly 2	France	FC	100.00	100.00	99.17
SCI Marceau Plaisir	France	FC	100.00	100.00	99.17
SCI Parlunic 2	France	FC	100.00	100.00	99.17
SCI Pégase	France	FC	53.30	53.30	53.30
SCI Rosny Beauséjour	France	PC	50.00	50.00	50.00
SCI Rouen Verrerie	France	FC	100.00	100.00	99.17
SCI SCC de la Défense	France	FC	53.30	53.30	53.30
SCI SCC du Triangle des Gares	France	FC	76.00	100.00	76.00
SCI Sicor	France	FC	73.00	73.00	73.00
SCI Sirmione	France	FC	100.00	100.00	100.00
SCI Val Commerces	France	-	Sold	Sold	50.02
SCI Vendôme Boissy 2	France	FC	100.00	100.00	100.00
SCI Vendôme Saint-Genis	France	-	Liquidated	Liquidated	100.00
SCI Vendôme Villeneuve 2	France	FC	100.00	100.00	99.17
SCI Waskim	France	FC	100.00	100.00	100.00
SCI Winter	France	-	Sold	Sold	50.02
SEP Bagnolet	France	PC	35.22	35.22	35.22
SEP du CC d'Évry 2	France	-	Sold	Sold	7.50
SEP du CC de Rosny 2	France	PC	26.00	26.00	26.00
SEP Extension Évry 2	France	-	Sold	Sold	7.50
SEP Galerie Villabé	France	PC	15.00	15.00	15.00
SEP Première Extension Évry 2	France	-	Sold	Sold	7.50
SEP Valorisation CC LPD	France	PC	62.51	62.51	62.02
SEP Valorisation CC Parly 2	France	PC	47.85	48.47	47.45
SEP Valorisation CC Saint-Sever	France	PC	76.55	76.55	75.91
SEP Valorisation CC Ullis 2	France	PC	38.92	38.92	38.77
SEP Valorisation CC Villeneuve 2	France	PC	52.57	52.57	52.13
SNC Almacie	France	FC	100.00	100.00	100.00
SNC CC Francilia	France	FC	100.00	100.00	100.00

List of consolidated companies	Country	Method ⁽¹⁾	% interest Dec. 31, 2011	% control Dec. 31, 2011	% interest Dec. 31, 2010
SNC Cegep et Cie	France	FC	100.00	100.00	99.17
SNC de Bures-Palaiseau	France	FC	100.00	100.00	100.00
SNC de l'Extension de Rosny	France	FC	100.00	100.00	100.00
SNC du CC de Labège	France	FC	100.00	100.00	100.00
SNC Élysées Vauban	France	FC	100.00	100.00	99.17
SNC Les Docks de Rouen	France	FC	100.00	100.00	100.00
SNC Les Passages de l'Étoile	France	FC	100.00	100.00	100.00
SNC Maltèse	France	FC	100.00	100.00	100.00
SNC Randoli	France	FC	100.00	100.00	100.00
SNC Saint-Genis Laval	France	-	Liquidated	Liquidated	100.00
SNC Vélizy Petit-Clamart	France	FC	100.00	100.00	100.00
SNC VUC	France	FC	100.00	100.00	100.00
Immobilienkommanditgesellschaft Dr. Mühlhäuser & Co Einkaufscenter Magdeburg	Germany	-	Sold	Sold	49.59
KG Schliebe & Co Geschäftszentrum Frankfurter Allee	Germany	PC	66.67	66.67	66.12
EKZ 6 ÖVTE Kft	Hungary	-	Sold	Sold	32.73
Euromall Kft	Hungary	FC	100.00	100.00	99.17
Vezer Center Kft	Hungary	-	Sold	Sold	99.17
Arkadia Centrum Handlowe Sp. z.o.o.	Poland	FC	100.00	100.00	100.00
Rodamco CH1 Sp zoo	Poland	FC	100.00	100.00	49.59
Wilenska Centrum Handlowe Sp. z.o.o.	Poland	FC	100.00	100.00	100.00
Aupark as	Slovakia	FC	100.00	100.00	49.59
Aupark Bratislava	Slovakia	FC	100.00	100.00	-
D-Parking	Spain	EM	42.50	42.50	-
Essential Whites SLU	Spain	FC	52.78	100.00	52.34
Glorias Parking	Spain	PC	50.00	50.00	-
Promociones Inmobiliarias Gardiner SLU	Spain	FC	52.78	100.00	52.34
Proyectos Inmobiliarios Time Blue SLU	Spain	FC	51.11	100.00	50.69
Unibail-Rodamco Benidorm SL	Spain	PC	50.00	50.00	49.59
Unibail-Rodamco Garbera SL	Spain	-	Liquidated	Liquidated	99.17
Unibail-Rodamco Inversiones SLU	Spain	FC	100.00	100.00	99.17
Unibail-Rodamco Ocio SLU	Spain	FC	100.00	100.00	99.17
Unibail-Rodamco Proyecto Badajoz SLU	Spain	FC	100.00	100.00	99.17
Unibail-Rodamco Steam SLU	Spain	FC	51.11	100.00	50.69
Unibail-Rodamco Vallsur SL	Spain	-	Liquidated	Liquidated	99.17
Eurostop KB	Sweden	FC	100.00	100.00	99.17
Rodamco Arninge Centrum KB	Sweden	FC	100.00	100.00	99.17
Rodamco Centerpool AB	Sweden	FC	100.00	100.00	99.17
Rodamco Eneby AB	Sweden	-	Sold	Sold	99.17
Rodamco Fisketorvet AB	Sweden	FC	100.00	100.00	99.17
Rodamco Forum Nacka KB	Sweden	FC	100.00	100.00	99.17
Rodamco Garage AB	Sweden	FC	100.00	100.00	99.17
Rodamco Helsingborg KB	Sweden	-	Sold	Sold	99.17
Rodamco Nova Lund KB	Sweden	FC	100.00	100.00	99.17
Rodamco Nova Lund 2 AB	Sweden	FC	100.00	100.00	99.17
Rodamco Nova Lund 3 AB	Sweden	FC	100.00	100.00	99.17
Rodamco Parkering AB	Sweden	FC	100.00	100.00	99.17
Rodamco Solna Centrum AB	Sweden	FC	100.00	100.00	99.17
Rodamco Täby Centrum KB	Sweden	FC	100.00	100.00	99.17
Rodamco Tyresö Centrum AB	Sweden	-	Sold	Sold	99.17
Rodamco Väsby Centrum AB	Sweden	FC	100.00	100.00	99.17
Oranjevast/Amvest CV	The Netherlands	EM	10.00	10.00	9.92
Unibail-Rodamco Nederland Winkels BV	The Netherlands	FC	100.00	100.00	99.17

List of consolidated companies	Country	Method ⁽¹⁾	% interest Dec. 31, 2011	% control Dec. 31, 2011	% interest Dec. 31, 2010
OFFICES					
SA Rodamco France	France	FC	100.00	100.00	99.17
SAS Alba	France	-	Liquidated	Liquidated	100.00
SAS Aquabon	France	FC	100.00	100.00	100.00
SAS Immobilière Louvre	France	FC	100.00	100.00	100.00
SAS Iseult	France	FC	100.00	100.00	100.00
SAS Unibail Investissements II	France	FC	100.00	100.00	100.00
SCI 3-5 Malesherbes	France	-	sold	sold	100.00
SCI Ariane-Défense	France	FC	100.00	100.00	100.00
SCI Bureaux Tour Crédit Lyonnais	France	FC	100.00	100.00	99.17
SCI Cnit Développement	France	FC	100.00	100.00	100.00
SCI Eiffel Levallois Bureaux	France	FC	100.00	100.00	100.00
SCI Gaîté Bureaux	France	FC	100.00	100.00	100.00
SCI Galilée-Défense	France	FC	100.00	100.00	100.00
SCI Le Sextant	France	FC	100.00	100.00	100.00
SCI Marceau Part Dieu	France	FC	100.00	100.00	99.17
SCI Montheron	France	FC	100.00	100.00	-
SCI Ostraca	France	FC	100.00	100.00	100.00
SCI Sept Adenauer	France	FC	100.00	100.00	100.00
SCI Tour Triangle	France	FC	50.00	100.00	50.00
SCI Trinity Défense	France	FC	100.00	100.00	100.00
SCI Village 3 Défense	France	FC	100.00	100.00	100.00
SCI Village 4 Défense	France	FC	100.00	100.00	100.00
SCI Village 5 Défense	France	FC	100.00	100.00	100.00
SCI Village 6 Défense	France	FC	100.00	100.00	100.00
SCI Village 7 Défense	France	FC	100.00	100.00	100.00
SCI Village 8 Défense	France	FC	100.00	100.00	100.00
SCI Wilson (Puteaux)	France	FC	100.00	100.00	100.00
SNC Capital 8	France	FC	100.00	100.00	100.00
SNC Gaîté Parkings	France	FC	100.00	100.00	100.00
SNC Lefoullon	France	FC	100.00	100.00	100.00
Akvest Kantoren CV	The Netherlands	FC	90.00	90.00	89.25
CONVENTION-EXHIBITION					
SA Comexposium Holding (subgroup)	France	EM	50.00	50.00	50.00
SAS Lyoncoh	France	FC	100.00	100.00	-
SA Viparis - Le Palais des Congrès d'Issy	France	FC	47.50	95.00	47.56
SARL Pandore	France	FC	50.00	100.00	50.00
SAS Paris Expo Services	France	FC	50.00	100.00	50.00
SAS Société d'Exploitation du Palais des Sports	France	PC	50.00	50.00	50.00
SAS Viparis	France	FC	50.00	100.00	50.00
SAS Viparis - Le Palais des Congrès de Paris	France	FC	50.00	100.00	50.00
SAS Viparis - Nord Villepinte	France	FC	50.00	100.00	50.00
SAS Viparis - Palais des Congrès de Versailles	France	FC	45.00	90.00	45.00
SAS Viparis - Porte de Versailles	France	FC	50.00	100.00	50.00
SCI Propexpo	France	FC	50.00	50.00	50.00
SNC Viparis - Le Bourget	France	FC	50.00	100.00	50.00
SERVICES					
Donauzentrum Betriebsführungsges.mmbH	Austria	-	Liquidated	Liquidated	99.17
UR Austria Verwaltungs GmbH	Austria	FC	100.00	100.00	99.17
Südpark Holding GmbH	Austria	-	Liquidated	Liquidated	99.17
Unibail-Rodamco Austria Management GmbH	Austria	FC	100.00	100.00	99.17
Unibail-Rodamco Invest GmbH	Austria	FC	100.00	100.00	99.17
EKZ 11 sro	Czech Republic	PC	75.00	75.00	74.38
Rodamco Ceska Republica sro	Czech Republic	FC	100.00	100.00	99.17

List of consolidated companies	Country	Method ⁽¹⁾	% interest Dec. 31, 2011	% control Dec. 31, 2011	% interest Dec. 31, 2010
SARL Cefic Gestion	France	-	Liquidated	Liquidated	100.00
SARL Sogefic	France	-	Liquidated	Liquidated	100.00
SARL Sovalec	France	-	Liquidated	Liquidated	99.59
SARL SPSP	France	FC	100.00	100.00	100.00
SARL TC Design	France	-	Liquidated	Liquidated	100.00
SAS Cnif Restauration	France	FC	100.00	100.00	100.00
SAS Espace Expansion	France	FC	100.00	100.00	100.00
SAS Rodamco France Management	France	FC	100.00	100.00	99.17
SAS Rodamco Gestion	France	FC	100.00	100.00	99.17
SAS Société d'Exploitation Hôtelière de Montparnasse	France	FC	100.00	100.00	-
SAS Société d'Exploitation Hôtelière du Cnif	France	FC	100.00	100.00	100.00
SAS Unibail Management	France	FC	100.00	100.00	100.00
SAS Unibail Marketing & Multimédia	France	FC	100.00	100.00	100.00
SAS Unibail-Rodamco Développement	France	FC	100.00	100.00	100.00
PFAB GmbH	Germany	EM	22.22	22.22	22.04
Rodamco Management Sp. z.o.o.	Poland	FC	100.00	100.00	100.00
Unibail-Rodamco Polska Sp zoo	Poland	FC	100.00	100.00	99.17
Rodamco Metropolis Management LLC	Russia	FC	100.00	100.00	99.17
RF Property Management spol, sro	Slovakia	-	sold	sold	49.59
Unibail-Rodamco Spain SAU	Spain	FC	100.00	100.00	99.17
Rodamco Management AB	Sweden	FC	100.00	100.00	99.17
Rodamco Projekt AB	Sweden	FC	100.00	100.00	99.17
Rodamco Sverige AB	Sweden	FC	100.00	100.00	99.17
Rodamco Europe Beheer BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Nederland BV	The Netherlands	FC	100.00	100.00	99.17
Unibail-Rodamco Development Nederland BV	The Netherlands	FC	100.00	100.00	99.17
U&R Management BV	The Netherlands	FC	100.00	100.00	100.00
HOLDINGS AND OTHER					
Unibail-Rodamco Liegenschaftserwerbs GmbH	Austria	FC	100.00	100.00	99.17
Moravska Obchodni as	Czech Republic	FC	65.00	65.00	64.46
Rodamco Pankrac as	Czech Republic	FC	100.00	100.00	99.17
Rodareal Oy	Finland	FC	100.00	100.00	99.17
SA Société de Tayninh	France	FC	97.68	97.68	97.68
SA Uni-Expos	France	FC	100.00	100.00	100.00
SA Union Internationale Immobilière	France	FC	100.00	100.00	99.17
SA Viparis Holding	France	FC	50.00	50.00	50.00
SARL Espace Expansion Immobilière	France	FC	100.00	100.00	100.00
SARL Foncière Immobilière	France	FC	100.00	100.00	100.00
SARL Groupe BEG	France	FC	100.00	100.00	100.00
SARL Unibail-Rodamco SIF France	France	FC	100.00	100.00	100.00
SARL Unibail-Rodamco SIF Services	France	-	Liquidated	Liquidated	100.00
SAS Doria	France	FC	100.00	100.00	100.00
SAS Frankvink Investissements	France	FC	100.00	100.00	99.17
SAS Hoche Poincaré	France	-	Liquidated	Liquidated	99.17
SAS R.E. France Financing	France	FC	100.00	100.00	99.17
SAS Unibail-Rodamco Participations	France	FC	100.00	100.00	100.00
SAS UR-SIF	France	-	Liquidated	Liquidated	100.00
SAS Valorexpo	France	FC	100.00	100.00	100.00
SCI du CC d'Euralille S3C Lille	France	FC	60.00	60.00	60.00
SCI Tayak	France	FC	100.00	100.00	100.00
SCI Vendôme Boisseuil	France	-	Liquidated	Liquidated	100.00
SNC Financière 5 Malesherbes	France	FC	100.00	100.00	100.00
Rodamco Deutschland GmbH	Germany	FC	100.00	100.00	99.17
Rodamco Deutschland GmbH & Co Süd Liegenschafts KG	Germany	FC	100.00	100.00	99.17

List of consolidated companies	Country	Method ⁽¹⁾	% interest Dec. 31, 2011	% control Dec. 31, 2011	% interest Dec. 31, 2010
Zeilgalerie Gbr	Germany	FC	100.00	100.00	99.17
Liffey River Financing Ltd.	Ireland	FC	100.00	100.00	-
SA Crossroads Property Investors	Luxembourg	FC	100.00	100.00	-
SARL GSSM Luxembourg Holding	Luxembourg	-	Liquidated	Liquidated	100.00
SARL WSSM Luxembourg Holding	Luxembourg	-	Liquidated	Liquidated	100.00
Uniborc SA	Luxembourg	FC	90.00	90.00	-
Zlote Tarasy Warsaw SCA	Luxembourg	FC	100.00	100.00	-
Crystal Warsaw Sp. zoo	Poland	FC	100.00	100.00	-
GSSM Sp. z.o.o.	Poland	FC	100.00	100.00	100.00
GSSM Warsaw Sp. z.o.o.	Poland	FC	100.00	100.00	-
Lodz Nord Shopping Mall Sp. z.o.o.	Poland	FC	100.00	100.00	100.00
Polska Shopping Mall Sp. z.o.o.	Poland	FC	100.00	100.00	100.00
Szczecin SM	Poland	-	Liquidated	Liquidated	100.00
WSSM Sp. z.o.o.	Poland	FC	100.00	100.00	100.00
WSSM Warsaw Sp. z.o.o.	Poland	FC	100.00	100.00	-
Arrendamientos Vaguada CB	Spain	PC	62.47	62.47	61.95
Promociones Unibail-Rodamco Generales SLU	Spain	-	Liquidated	Liquidated	99.17
Proyectos Inmobiliarios New Visions SLU	Spain	FC	100.00	100.00	99.17
Unibail-Rodamco Levante SLU	Spain	-	Liquidated	Liquidated	99.17
Unibail-Rodamco Parques Comerciales SLU	Spain	-	Liquidated	Liquidated	99.17
Anlos Fastighets AB	Sweden	FC	100.00	100.00	-
Eurostop AB	Sweden	FC	100.00	100.00	99.17
Eurostop Holding AB	Sweden	FC	100.00	100.00	99.17
Fastighetsbolaget Älvringen AB	Sweden	-	Sold	Sold	99.17
Fastighetsbolaget Anlos H BV	Sweden	FC	100.00	100.00	-
Fastighetsbolaget Anlos L BV	Sweden	FC	100.00	100.00	-
Fastighetsbolaget ES Örebro AB	Sweden	FC	100.00	100.00	-
Fastighetsbolaget Grindtorp AB	Sweden	FC	100.00	100.00	99.17
Fastighetsbolaget Helsingborg Östra AB	Sweden	FC	100.00	100.00	99.17
Fastighetsbolaget Helsingborg Västra AB	Sweden	FC	100.00	100.00	99.17
Haninge Handel Fastighets AB	Sweden	-	Sold	Sold	99.17
Knölsvanen Bostads AB	Sweden	FC	100.00	100.00	99.17
Piren AB	Sweden	FC	100.00	100.00	99.17
Rodamco Handel AB	Sweden	FC	100.00	100.00	-
Rodamco AB	Sweden	FC	100.00	100.00	99.17
Rodamco Expand AB	Sweden	FC	100.00	100.00	99.17
Rodamco Hallunda Centrum HB	Sweden	FC	100.00	100.00	99.17
Rodamco Holding AB	Sweden	FC	100.00	100.00	99.17
Rodamco Invest AB	Sweden	FC	100.00	100.00	99.17
Rodamco Nacka AB	Sweden	FC	100.00	100.00	99.17
Rodamco Northern Europe AB	Sweden	FC	100.00	100.00	99.17
Rodamco Scandinavia Holding AB	Sweden	FC	100.00	100.00	-
Rodamco Täby AB	Sweden	FC	100.00	100.00	99.17
Rodamco Tumlare AB	Sweden	FC	100.00	100.00	99.17
Solna Torg Fastighets AB	Sweden	-	Sold	Sold	99.17
Trumpetsvanen Bostads AB	Sweden	-	Sold	Sold	99.17
Tyresö Hus Fastighets AB	Sweden	-	Sold	Sold	99.17
Väsby Handel Fastighets AB	Sweden	-	Sold	Sold	99.17
Väsby Hus Fastighets AB	Sweden	-	Sold	Sold	99.17
Belindam BV	The Netherlands	FC	100.00	100.00	99.17
Cijferzwaan BV	The Netherlands	FC	100.00	100.00	99.17
Crystal Warsaw Real Estate BV	The Netherlands	FC	100.00	100.00	-
Deenvink BV	The Netherlands	FC	100.00	100.00	99.17
Dotterzwaan BV	The Netherlands	FC	100.00	100.00	99.17

List of consolidated companies	Country	Method ⁽¹⁾	% interest Dec. 31, 2011	% control Dec. 31, 2011	% interest Dec. 31, 2010
Feldkirchen BV	The Netherlands	FC	100.00	100.00	99.17
New Tower Real Estate BV	The Netherlands	FC	51.11	51.11	50.69
Old Tower Real Estate BV	The Netherlands	FC	52.78	52.78	52.34
Rodamco Austria BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Central Europe BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Czech BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Deutschland BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco España BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Europe Finance BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Europe Finance II BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Europe NV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Europe Properties BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Hungary BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Nederland Winkels BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Project I BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Retail Deutschland BV	The Netherlands	FC	100.00	100.00	99.17
Rodamco Russia BV	The Netherlands	FC	100.00	100.00	99.17
Romanoff Eastern Europe Property BV	The Netherlands	FC	80.00	80.00	79.34
Unibail-Rodamco Poland 1 BV	The Netherlands	FC	100.00	100.00	99.17
Unibail-Rodamco Poland 2 BV	The Netherlands	FC	100.00	100.00	99.17
Unibail-Rodamco Poland 3 BV	The Netherlands	FC	100.00	100.00	99.17
Unibail-Rodamco SI BV	The Netherlands	FC	Liquidated	Liquidated	100.00
Vuurvink BV	The Netherlands	FC	100.00	100.00	99.17

(1) FC: full consolidation method, PC: proportional consolidation method, EM: equity method.

4. Highlights and comparability of the last two years

In 2010

1. Disposals

• Offices

The Group sold 8 office buildings in 2010 for a total net disposal proceeds of €462.0 Mn and a net profit of €36.5 Mn:

- Capital 8-Messine in Paris, sold in Q2 for a net disposal price of €242.1 Mn at a net initial yield of 5.6%,
- 18-20 avenue Hoche in Paris, sold in Q1 for a net disposal price of €40.0 Mn and a net initial yield of 5.3%,
- 168 avenue Charles de Gaulle-Neuilly, sold at the end of the year for a net disposal price of €62.5 Mn and a net initial yield of 5.8%,
- 11/15 St Georges in Paris, sold at the end of the year for a net disposal price of €74.6 Mn and a net initial yield of 4.7%,
- One logistic building in Madrid for €27.5 Mn,
- Small assets in Sweden, France and The Netherlands for €15.3 Mn.

• Shopping centres

Pursuing its strategy of concentrating on large prime shopping centres, the Group has accelerated its divestments. In The Netherlands, 16 shopping centres and 2 high street portfolios were sold and in France, Saint Martial shopping centre in Limoges was sold during the second half-year. Disposals

amounted to €1,065.8 Mn (net disposal proceeds) and generated a net result of €77.1 Mn.

2. Acquisitions

• Shopping centres

On July 1, 2010, the Group increased its stake in SCI du Triangle des Gares (Euralille shopping centre) in Lille, France, from 40% to 76% for an underlying asset value of €65.5 Mn for the acquired part. This entity, previously consolidated under the equity method, has been fully consolidated as from this date.

The Group invested in several plots, notably in Garbera and Parquesur in Spain and Rosny 2 in France, for €39 Mn.

In the context of the large project of restructuring of Forum des Halles in Paris, the Group acquired from the City of Paris the land of the existing ground leasehold for an amount of €106.6 Mn. It will be paid in several instalments until 2019. The debt value was discounted in counterpart of the asset value.

• Offices

The Group acquired an office building in Nanterre – France for an amount of €2.8 Mn.

• Convention-Exhibition

In Parc des expositions Paris – Nord Villepinte, the new hall 7 was delivered in July 2010. This new hall has been let to VIPARIS for 97 years. This lease contract meets the criteria to be accounted for as a financial lease. Consequently, an asset

classified in investment property was booked for an amount of €58.6 Mn against a same amount of financial liability.

3. Acquisition of Simon Ivanhoe's portfolio

On July 15, 2010, the Group acquired Simon Ivanhoe's portfolio, composed of 2 shopping centres in Poland, Arkadia and Wilenska in Warsaw, and Bay1/Bay2 shopping centre in France, east of Paris. This portfolio also includes stakes in 3 other shopping centres in France, Bel-Est, Villabé and Wasquehal and 5 projects, including Les Portes de Gascogne in Toulouse.

The acquisition was treated as a business combination.

The fair value of the identifiable assets and liabilities of Simon Ivanhoe's portfolio as at the date of acquisition were:

(in €Mn)	Fair value recognised on acquisition
Investment properties	779.4
Tangible and intangible assets	0.9
Other financial assets	11.7
Deferred tax assets	1.5
Other current assets	32.7
Cash and cash equivalents	82.6
	908.8
Bonds and borrowings	325.3
Other financial liabilities	21.6
Deferred tax liabilities	88.8
Other non current liabilities	7.1
Other current liabilities	42.7
	485.6
Total identifiable net assets at fair value	423.2
Goodwill arising on acquisition	46.4
Total consideration	469.6

The total consideration of €469.6 Mn booked for the 100% share acquired consists of €464.6 Mn cash and a contingent amount of €5.0 Mn related to the development activity on Les Portes de Gascogne, in Toulouse, France. This latter amount will be paid if planning permission is obtained in the 3 years from July 15, 2010.

The incidental costs of €7.2 Mn incurred in connection with the acquisition have been expensed and are included in the operating result on the line "acquisition and related costs".

The Simon Ivanhoe portfolio was acquired in July 2010. In 2010, this portfolio contributed €24.8 Mn to gross rental income, €6.3 Mn to the recurring result and -€10.4 Mn to the non recurring result.

If the combination had taken place at the beginning of the year, the impact for the Group would have been:

- gross rental income: €53.1 Mn,
- recurring result: +€10.6 Mn.

The goodwill of €46.4 Mn is justified by tax optimisation expected on the assets both in France and in Poland.

None of the goodwill is expected to be deductible for tax purposes.

4. Change in stake on Benidorm project

According to the partners' agreement, as all of the authorisations had not been obtained in September 2010, the Group's interest in Unibail-Rodamco Benidorm SL, which owns the Benidorm project in Spain, changed from 89% to 50%.

5. Rodamco Europe squeeze out proceedings

Non-controlling shareholders still owned 0.83% of Rodamco Europe NV and the buyout proceedings under Dutch law, initiated on December 14, 2007 before the Enterprise Chamber of the Amsterdam Court of Appeal, was still ongoing at December 31, 2010.

Unibail-Rodamco SE has accepted an unsolicited offer to purchase 579,420 shares in Rodamco Europe NV for a price of €70.65 per share ex-dividend, effective June 11, 2010. An additional offer to purchase 7,300 shares was concluded on June 15, 2010. These transactions represent 43.7% of the remaining Rodamco Europe NV shares held by third parties. On December 31, 2010, Unibail-Rodamco SE holds 99.17% of the Rodamco Europe NV shares. (see section 4 "Highlights and comparability of the last two years" – In 2011 § 4).

6. Capital reimbursement

As a consequence of its successful divestment strategy and considering the strength of its balance sheet, the Group decided to reshape its capital structure. Accordingly, a proposal to make an exceptional distribution of €20.00 per share was approved by an extraordinary General Meeting on September 8, 2010. This €1.8 Bn exceptional distribution, declared from the Group's premium reserve, was paid on October 12, 2010.

7. Financing

During 2010, the Group issued 2 public EMTN bonds for a total amount of €1,135 Mn and signed €650 Mn medium to long term credit facilities or bank loans with an average maturity of 4.4 years.

In 2011

1. Disposals

• Offices

During 2011, the Group sold six office buildings in Sweden, two in The Netherlands and one in France. One French disposal and one of the Swedish disposals in part took the form of a share deal. For the assets sold directly, the total net disposal price amounted to €99.6 Mn and gave a net positive result of €0.8 Mn based on the valuations as at December 31, 2010. For the share deals, the net disposal proceed amounted to €86.4 Mn and gave a net positive result of €6.5 Mn.

The most significant disposal was the 3-5 Malesherbes office in Paris, sold in July 2011.

• Shopping centres

Divestment of non core assets has been actively pursued in 2011. Asset deals amounted to €673.1 Mn net disposal price and gave a net result of €35.4 Mn based on the valuations as

at December 31, 2010. Share deals amounted to €291.7 Mn net disposal price and gave a net positive result of €29.6 Mn.

The underlying assets values were as follows:

- €310.2 Mn in France: Bonneveine in Marseille, shopping Etrembières in Annemasse (50%) and participations in Saint Genis 2 near Lyon, Évry 2 in Paris region, Boisseuil in Limoges and Croix Dampierre in Châlons-en-Champagne. Most of these disposals took place during the first half of the year.
- €325.8 Mn in Sweden: Haninge Centrum, Väsby Centrum, Tyresö – Stockholm, Balsta – Stockholm, Helsingborg and Eurostop – Jönköping.
- €245.9 Mn in The Netherlands: Buitenmere – Almere, Houtmarktpassage – Breda, Walburg – Zwijndrecht, Oude Marktpassage – Stadskanaal, Woonmall – Rotterdam and Piazza Centre – Eindhoven.
- €202.2 Mn for the Group's share in the Arkad centre in Budapest, the 50% participation in Allee – Center in Magdeburg, Germany and the Group's 50% stake in Südpark Klagenfurt, Austria.

2. Acquisitions of shopping centres

• Asset deal

In May 2011, the Group's subsidiary SCI Aéroville signed a long term ground leasehold with Aéroports de Paris for the development of the Aéroville shopping centre project. This agreement has been treated as a financial lease in the consolidated financial statements, recognising an Investment Property at Cost and a financial liability, both for €68.8 Mn.

On October 7, 2011, the Group acquired shopping centre Splau in Barcelona for a total amount of €188.8 Mn including transaction costs.

A plot of land was acquired adjacent to la Maquinista in Barcelona, Spain for an amount of €58.2 Mn.

Several acquisitions of additional plots were made in Les 4 Temps and Aquaboulevard in Paris, in Rennes Alma, Parquesur, La Vaguada in Madrid and Leidsenhage in The Netherlands, as well as parking lots close to Las Glories in Barcelona and a piece of land used for temporary parking in Täby, in Sweden.

• Share deal

For all the business combinations described below, the values recognised in the consolidated financial position as at December 31, 2011 are based upon current best estimates. It is possible that further adjustments may be recognised within twelve months of the acquisition in accordance with IFRS rules.

• Galeria Mokotow-Warsaw

On August 1, 2011, Unibail-Rodamco has acquired the co-owner's 50% stake in Galeria Mokotow, a prime retail and entertainment centre located in Warsaw in Poland. This brings Unibail-Rodamco's ownership to 100%. Unibail-Rodamco will continue to manage the centre. The Group who formerly had a jointly controlled on this entity, has now the full control.

The acquisition was treated as a business combination in stages.

The acquisition date fair value of the equity interest in Galeria Mokotow held by the Group immediately before acquisition date amounted to €139.0 Mn.

An amount of €34.2 Mn was recognised on the line "Valuation movements" of the statement of the comprehensive income, as a result of remeasuring to fair value the equity interest in the acquiree held by the acquirer before the business combination.

Furthermore, a total amount of -€17.2 Mn previously recognised in the other comprehensive income as foreign currency differences on translation was booked in the statement of comprehensive income.

An amount of €7.3 Mn corresponding to the cancellation of Rodamco Europe goodwill allocated to the tax optimisation on this entity was reversed and booked as an expense in the result of the period.

All these impacts were recognised on the line "valuation movements" in the statement of comprehensive income.

The fair value of the identifiable assets and liabilities of Galeria Mokotow as at the date of acquisition were:

(in €Mn)	Fair value recognised on acquisition
Investment properties	495.4
Other financial assets	3.1
Other current assets	1.5
Cash and cash equivalents	10.0
	510.0
Bonds and borrowings	195.6
Other financial liabilities	2.8
Deferred tax liabilities	69.6
Other non current liabilities	3.2
Other current liabilities	9.1
	280.3
Total identifiable net assets at fair value	229.7
Goodwill arising on acquisition	48.2
Total consideration	278.0

The total consideration of €278.0 Mn booked for the 100% share consists of €139.0 Mn cash for the acquisition of the 50% additional stake in the company and €139.0 Mn for the 50% previously held equity interest in the acquiree revalued at the date of acquisition.

The incidental costs of €0.6 Mn incurred in connection with the acquisition have been expensed and are included in the operating result on the line "acquisition and related costs".

From the date of acquisition, Galeria Mokotow has contributed at 100% to €11.5 Mn to the gross rental income and €2.8 Mn to the recurring result for the Group.

If the combination had taken place at the beginning of the year, the contribution of Galeria Mokotow at 100% would have been:

- gross rental income: €26.4 Mn,
- recurring result: €8.6 Mn.

The goodwill of €48.2 Mn is justified by tax optimisation expected on the asset. None of the goodwill is expected to be deductible for tax purposes.

• Aupark-Bratislava

On October 31, 2011, Unibail-Rodamco has acquired 50% stake in Aupark AS in Slovakia. This brings Unibail-Rodamco's ownership to 100%. The Group who formerly had a jointly controlled on this entity, has now the full control.

The acquisition was treated as a business combination in stages.

The acquisition date fair value of the equity interest in Aupark AS held by the Group immediately before the acquisition date amounted to €122.1 Mn.

An amount of €20.6 Mn was recognised on the line "Valuation movements" of the statement of comprehensive income, as a result of remeasuring to fair value the equity interest in the acquiree held by the acquirer before the business combination.

An amount of €5.5 Mn corresponding to the cancellation of Rodamco Europe goodwill allocated to the tax optimisation on this entity was reversed and booked as an expense in the result of the period on the line "valuation movement".

The fair value of the identifiable assets and liabilities of Aupark as at the date of acquisition were:

(in €Mn)	Fair value recognised on acquisition
Investment properties	328.5
Other financial assets	3.1
Other current assets	3.1
Cash and cash equivalents	6.4
	341.0
Bonds and borrowings	46.0
Deferred tax liabilities	42.8
Other non current liabilities	3.1
Other current liabilities	27.4
	119.3
Total identifiable net assets at fair value	221.7
Goodwill arising on acquisition	22.5
Total consideration	244.2

The total consideration of €244.2 Mn booked for the 100% share consists of €122.1 Mn cash for the acquisition of the 50% additional stake in the company and €122.1 Mn for the 50% previously held equity interest in the acquiree revalued at the date of acquisition.

The incidental costs of €0.6 Mn incurred in connection with the acquisition have been expensed and are included in the operating result on the line "acquisition and related costs".

From the date of acquisition, Aupark AS has contributed at 100% to €3.9 Mn to the gross rental income and €2.1 Mn to the recurring result for the Group.

If the combination had taken place at the beginning of the year, the contribution of Aupark at 100% would have been:

- gross rental income: €22.4 Mn,
- recurring result: €12.1 Mn.

The goodwill of €22.5 Mn is justified by tax optimisation expected on the asset. None of the goodwill is expected to be deductible for tax purposes.

At the same date, the Group acquired also 100% of Aupark Bratislava, spol s.r.o. The total consideration booked for the 100% share acquired amounted to €3.1 Mn. The goodwill of €0.5 Mn is justified by tax optimisation expected on the asset. From the date of acquisition, there is no significant impact on the recurring result.

• Glorias Parking

On November 16, 2011, the Group acquired, in Spain, 50% of Glorias Parking S.A. and 42.5% of D-Parking S.C.P. The total consideration booked for the share acquired amounted to €4.9 Mn. From the date of acquisition, there is no significant impact neither on the recurring result, nor on the non recurring result.

• Convention-Exhibition

In January 2011, the Group acquired SAS Société d'Exploitation Hôtelière de Montparnasse (SEHM), the managing company of the Méridien Montparnasse hotel in Paris, and simultaneously signed a management contract with Accor group which now runs the hotel under the Pullman brand name. The Group, which already owned the walls of the hotel, has now the full control of the building.

The acquisition was treated as a business combination.

The fair value of the identifiable assets and liabilities of SEHM as at the date of acquisition were:

(in €Mn)	Fair value recognised on acquisition
Intangible assets	39.1
Investment property	7.6
Other non current assets	3.0
Current assets	5.2
Cash and cash equivalents	1.4
	56.2
Provisions	2.9
Deferred tax liabilities	12.9
Bonds and borrowings	0.3
Other financial liabilities	0.2
Current liabilities	20.1
	36.4
Total identifiable net assets at fair value	19.8
Goodwill arising on acquisition	0.4
Total consideration	20.2

The total consideration booked for the 100% share acquired amounted to €20.2 Mn.

The incidental costs of €1.5 Mn incurred in connection with the acquisition have been expensed and are included in the operating result on the line "acquisition and related costs".

The hotel has been valued by external appraiser at the date of the business combination, part of this value has been allocated to the intangible asset.

The values recognised in the consolidated financial position as at December 31, 2011 are based upon current best estimates. It is possible that further adjustments may be recognised within twelve months of the acquisition in accordance with IFRS rules.

3. Other financial investments

Unibail-Rodamco SE acquired from Eurohypo AG on March 2, 2011 a 7.25% stake in Société Foncière Lyonnaise (SFL) for a total amount of €108.7 Mn (including €2.1 Mn of transaction costs) corresponding to €31.59 per share. SFL is listed on the Paris Stock Exchange, and invests predominantly in high quality office buildings in the Paris Central Business District.

The acquisition has been made for investment purposes and is classified on the statement of financial position as "Shares available for sale" in the non current assets. According to IAS 39, they are measured at their stock market value and changes in fair value are recognised in other comprehensive income. The dividends received in May 2011 (€4.7 Mn) and in November 2011 (€2.4 Mn) were booked as an income in the net result of the period.

4. Rodamco Europe squeeze out proceedings

During the first quarter 2011 Unibail-Rodamco purchased 79,061 shares of Rodamco Europe NV, representing 0.09% of the outstanding share capital.

On May 17, 2011, the Enterprise Chamber of the Court of Appeal in Amsterdam decided on the buy-out price for the 660,562 remaining Rodamco Europe NV shares (0.74%), which Unibail-Rodamco proceeded to purchase.

€64.7 Mn was paid in total to buy out the minority shareholders. In accordance with IFRS 3 Revised, these transactions were treated as equity transactions and therefore no additional goodwill was recognised. The impact on the consolidated equity of the owners of the parent amounted to -€3.9 Mn.

Effective June 9, 2011, Unibail-Rodamco is the 100% shareholder of Rodamco Europe NV.

5. Notes and comments

5.1. Notes to the consolidated assets

Note 1 – Investment properties

In accordance with the preferred method provided under IAS 40, investment properties are stated at their market value as determined by independent appraisers.

On the back of sound recovery during the first half of 2011, the second half was characterised by a stabilisation in most

of the European markets. Across Continental Europe, the pace of growth in asset values remains differentiated: whereas yields are stabilising in core markets such as France, specific markets are seeing a yield compression on the back of strong fundamentals, competitive bidding by international equity investors attracted by relatively high yields compared to long term interest rates. This is especially the case in Central Europe and Austria while an improved investment sentiment has been noticed in the Nordics.

As debt financing remains constrained, the market for prime products continues to be dominated by equity players (institutional investors, private funds) searching for yield and secure income. On the supply side, there is a lack of prime properties which remain highly demanded. As a result, the Group's large centres, attracting significant footfall, have shown a solid revaluation performance.

Appraisers continue to review in detail productivity performance of the Group's assets, with specific attention to footfall, recent letting deals and asset trading performance trends to confirm cash flow growth. Letting deals across the European portfolio demonstrate that retailers are still focusing on prime locations and selectively expand in locations that offer the highest footfall and sales performance.

Investment Properties Under Construction (IPUC) are eligible for revaluation except for those for which the fair value is not reliably determinable.

IPUC at fair value were valued using a discounted cash flow or yield method approach (in accordance with RICS⁽¹⁾ and IVSC⁽²⁾ standards) as deemed appropriate by the independent appraiser. In some cases, both methods were combined to validate and cross-check critical valuation parameters.

The following IPUC were assessed at fair value as at December 31, 2011:

- Five shopping centre projects: in Spain, the Faro del Gadiana project, in Czech Republic the Cerny Most extension and in France Lyon Confluence in Lyon, SO Ouest Shopping Centre in Levallois-Perret and Carré Sénart 3 in Paris region,
- SO Ouest Offices in Levallois-Perret, France,
- Hotel Lyon Confluence in Lyon, France.

These projects represented a total amount of €912.2 Mn in the consolidated statement of financial position at December 31, 2011, of which €663.1 Mn for Retail, €225.0 Mn for Offices, and €24.1 Mn for Convention-Exhibition. The total impact of the revaluation of these assets in the income statement for 2011 is a gain of €66.1 Mn.

The extension of Täby shopping centre in Stockholm – Sweden and the extension of Alma in Rennes – France continued to be assessed at fair value as at December 31, 2011, but are now considered as part of the corresponding standing assets.

As at December 31, 2011, buildings under construction valued at cost are shopping centres under development, notably

(1) RICS : Royal Institute of Chartered Surveyors

(2) IVSC : International Valuation Standards Committee

Aéroville in Roissy-France, Portes de Gascogne in Toulouse-France and Mall of Scandinavia in Sweden, and offices developments such as Phare and Majunga in La Défense-France and Courcellor in Levallois-Perret-France.

Assets still stated at cost were subject to an impairment test at December 31, 2011. An allowance was booked on one asset for -€2.0 Mn.

As mentioned in section 1 "Accounting principles and consolidation methods" §1.5 "Asset valuation methods", for the Shopping Centre and Office portfolios, the valuation principles adopted are based on the discounted cash flow and yield methodologies. For the Convention-Exhibition portfolio, the valuation methodology adopted is mainly based on a discounted cash flow model applied to total net income projected over the life of the concession or leasehold, if it exists, or otherwise over a 10-year period, with an estimation of the asset's value at the end of the given time period, based either on the residual contractual value for concessions⁽¹⁾ or on capitalised cash flows over the last year.

• Shopping Centre portfolio

Based on an asset value excluding estimated transfer taxes and disposal costs, the division net initial yield at December 31, 2011 came to 5.5% vs. 5.7% at year-end 2010.

Based on the year-end yield of 5.5%, a change of +25 basis points would result in an adjustment of -€822 Mn (-4.2%) of the portfolio value (including transfer taxes and disposal costs).

• Offices portfolio

For occupied offices and based on an asset value excluding estimated transfer taxes and disposal costs, the division net initial yield at December 31, 2011 is stable at 6.6%.

Based on the year-end yield of 6.6%, a change of +25 basis points would result in an adjustment of -€132 Mn (-3.4%) of the portfolio value (occupied and vacant space, including transfer taxes and disposal costs).

• Convention-Exhibition portfolio

Based on the valuations, the average EBITDA yield on Viparis at December 31, 2011 (recurring operating profit divided by the value of the asset, excluding transfer taxes) was 7.8%, vs. 8.2% at year-end 2010.

A change of +25 basis points of the yield and WACC as determined at the end of the year would result in an adjustment of -€52 Mn (-3.5%).

For further information on the parameters used for the investment properties valuation, please refer to the note on the Net Asset Value as at December 31, 2011.

As at December 31, 2011, the outstanding balances of deferred lease incentives and key monies amortised over the firm term of the lease and deducted from the appraisal value represented €22.7 Mn.

(1) For Porte de Versailles, a concession renewal probability of 22% was assumed by the appraiser.

CHANGES IN INVESTMENT PROPERTIES AT FAIR VALUE

2011 Change

(in €Mn)	Dec. 31, 2010	Acquisitions ⁽¹⁾	Entry into the scope of consolidation ⁽²⁾	Capitalised expenses ⁽³⁾	Disposals/ Exit from the scope of consolidation ⁽⁴⁾	Reclassification and transfer of category ⁽⁵⁾	Discounting impact ⁽⁶⁾	Valuation movements	Currency translation	Dec. 31, 2011
Retail	16,856.6	232.2	438.6	490.1	-262.3	77.1	3.7	754.1	8.0	18,598.0
Offices	3,271.1	3.8	-	84.1	-160.7	-8.5	0.5	-24.3	1.7	3,167.7
Convention-Exhibition centres	1,518.8	-	7.6	56.2	-	-0.2	-	71.0	-	1,653.4
Total investment properties	21,646.5	236.0	446.2	630.4	-423.1	68.3	4.2	800.9	9.6	23,419.1
Properties under promise or mandate of sale	975.4	-	-	-	-848.8	95.4	-	-0.5	-	221.5 ⁽⁷⁾
Total	22,622.0	236.0	446.2	630.4	-1,271.9	163.7	4.2	800.4	9.6	23,640.6

(1) The main acquisitions were the shopping centre Splau located in the south of Barcelona (€188.8 Mn), a ground leasehold for Aquaboulevard shopping centre in Paris (€6.4 Mn) and some additional plots in Les 4 Temps shopping centre in La Défense - France (€10.2 Mn), in Rennes Alma - France (€9.6 Mn), in Parquesur shopping centre in Madrid - Spain (€2.9 Mn) and parking lots close to Las Glories in Barcelona - Spain (€2.4 Mn).

(2) The entries into the scope of consolidation related mainly to the entries of Galeria Mokotow, in Poland and Aupark, in Slovakia further to the additional acquisition of stakes. (see section 4 "Highlights and comparability of the last two years").

(3) Capitalised expenses related mainly to:

- shopping centres:

• in France (€345.2 Mn), mainly for Lyon Confluence (€62.9 Mn), SO Ouest in Levallois-Perret (€55.7 Mn), Carrousel du Louvre in Paris (€16.1 Mn), Parly 2 in Le Chesnay (€40.2 Mn), Les Quatre Temps in Paris La Défense (€29.1 Mn), Velizy Usines Center (€10.3 Mn), Le Forum des Halles in Paris (€15.7 Mn),

• in Austria in Vienna for Donau Zentrum (€9.5 Mn) and Shopping City Süd (€21.2 Mn),

• in Spain Faro del Guadiana in Badajoz (€12.9 Mn), Bonaire in Valencia (€11.9 Mn) and Parquesur in Madrid (€12.2 Mn),

• in Denmark for Fisketorvet (€18.7 Mn) and in Sweden for Solna in Stockholm (€14.4 Mn),

- offices: in France (€75.1 Mn) mainly for SO Ouest in Levallois (€33.3 Mn), Issy Guynemer (€19.5 Mn), Wilson in Puteaux (€12.1 Mn), Ancelle in Neuilly-sur-Seine (€4.1 Mn); in Austria for Donau Zentrum in Vienna (€1.1 Mn); in Sweden (€3.9 Mn) and in The Netherlands (€3.2 Mn),

- Lyon Confluence hotel in France (€12.3 Mn) and the French convention-exhibition centres Parc des Expositions de la Porte de Versailles (€22.2 Mn) and Le Palais des Congrès de Paris (€9.9 Mn).

(4) Refer mainly to the disposal of shopping centres in Sweden (-€288.4 Mn), in France (-€338.7 Mn), in The Netherlands (-€228.5 Mn), in Germany (-€111.8 Mn), in Hungary (-€50.3 Mn) and in Austria (-€25.4 Mn), and offices in France (-€125.6 Mn), in Sweden (-€92.4 Mn) and in The Netherlands (-€2.3 Mn) (see section 4 "Highlights and comparability of the last two years").

(5) The extension of Täby shopping centre in Stockholm - Sweden, the extension of Carré Sénart in France and the Cerny Most extension were transferred from IPUC at cost to Investment Properties at fair value during the period.

(6) Impact of the deferred payment on the ground leasehold of Forum des Halles in Paris (€2.8 Mn), SO Ouest office (€0.5 Mn) and SO Ouest retail in Levallois-Perret-France (€0.9 Mn). The debt value was discounted in counterpart of the asset value.

(7) Sales commitments for retail properties in France, Germany, The Netherlands and Sweden for a total amount of €190.3Mn and office properties in Sweden and The Netherlands for a total amount of €31.2 Mn.

2010 Change

(in €Mn)	Dec. 31, 2009	Acquisitions	Changes in the scope of consolidation	Capitalised expenses	Disposals	Reclassification and transfer of category	Discounting impact	Valuation movements	Currency translation	Dec. 31, 2010
Retail	15,003.5	178.8	918.6	342.6	-653.2	-455.9	-22.7	1,388.2	156.5	16,856.6
Offices	3,282.6	13.6	-	30.8	-338.0	74.9	-	177.2	29.9	3,271.1
Convention-Exhibition centres	1,294.8	58.6	-	24.0	-0.2	12.1	-	129.6	-	1,518.8
Total investment properties	19,581.0	250.9	918.6	397.4	-991.3	-368.8	-22.7	1,695.0	186.4	21,646.5
Properties under promise or mandate of sale	396.4	-	-	-	-396.4	975.4	-	-	-	975.4
Total	19,977.4	250.9	918.6	397.4	-1,387.7	606.6	-22.7	1,695.0	186.4	22,622.0

CHANGES IN INVESTMENT PROPERTIES AT COST

2011 Change

(in €Mn)	Dec. 31, 2010	Acquisitions ⁽¹⁾	Capitalised expenses ⁽²⁾	Disposals/ Exit from the scope of consolidation ⁽³⁾	Reclassification and transfer of category ⁽⁴⁾	Discounting impact ⁽⁵⁾	Impairment ⁽⁶⁾	Currency translation	Dec. 31, 2011
Gross value	371.0	213.5	241.2	-0.2	-156.7	-0.8	-	-0.2	667.9
Amortisation	-29.1	-	-	-	-	-	-2.0	-	-31.1
Total Investment properties at cost	341.9	213.5	241.2	-0.2	-156.7	-0.8	-2.0	-0.2	636.8
Properties under promise or mandate of sale	4.3	-	-	-4.3	-	-	-	-	-
Total	346.2	213.5	241.2	-4.5	-156.7	-0.8	-2.0	-0.2	636.8

(1) Relates mainly to the acquisition of a piece of land plots close to La Maquinista in Spain (€58.2 Mn), to the land for the Mall of Scandinavia project in Sweden (€69.7 Mn), to the acquisition of a piece of land for the shopping centre in Täby, Sweden (€13.5 Mn) and to the recognition of the financial lease of Aéroville (€68.8 Mn).

(2) Capitalised expenses mainly related to the shopping centres Täby Centrum (€67.0 Mn) in Sweden, Aéroville in Roissy - France (€47.7 Mn) and Cerny Most extension in Czech Republic (€20.1 Mn) and to office properties, in France, Majunga (€47.0 Mn), Levallois-Courcelor (€10.8 Mn) and Tour Phare (€10.0 Mn).

(3) Corresponds to the disposal of the Arkad shopping centre in Budapest - Hungary.

(4) Corresponds mainly to the transfer to the category "Investment properties at fair value" of the extension of Täby shopping centre in Stockholm - Sweden for (-€88.5 Mn), the extension of Carré Sénart in France (-€16.0 Mn) and to the Cerny Most extension in Czech Republic (-€40 Mn).

(5) Relates to the deferred payments on the acquisition of Tour Majunga ground and to the acquired land of Mall of Scandinavia. The debt value was discounted in counterpart of the asset value.

(6) Relates to an allowance of -€2.0 Mn booked on one asset.

2010 Change

(in €Mn)	Dec. 31, 2009	Acquisitions	Changes in the scope of consolidation	Capitalised expenses	Disposals	Reclassification and transfer of category	Discounting Impact	Impairment	Currency translation	Dec. 31, 2010
Gross value	614.2	199.1	-31.7	212.7	-9.6	-613.4	-3.8	-	3.5	371.0
Amortisation	-42.6	-	-	-	-	3.4	-	10.1	-	-29.1
Total Investment properties at cost	571.6	199.1	-31.7	212.7	-9.6	-610.0	-3.8	10.1	3.5	341.9
Properties under promise or mandate of sale	-	-	-	-	-	4.3	-	-	-	4.3
Total	571.6	199.1	-31.7	212.7	-9.6	-605.7	-3.8	10.1	3.5	346.2

Note 2 - Other tangible assets

2011 Change

Gross value (in €Mn)	Dec. 31, 2010	Acquisitions and capitalised expenses ⁽¹⁾	Changes in the scope of consolidation ⁽²⁾	Disposals ⁽³⁾	Amortisation	Other movements	Dec. 31, 2011
Operating assets	168.3	0.8	-	-	-	-	169.1
Furniture and equipment	94.0	9.9	2.8	-7.0	-	-0.5	99.2
Total	262.3	10.7	2.8	-7.0	-	-0.5	268.3

Depreciation / Impairment (in €Mn)	Dec. 31, 2010	Charges	Changes in the scope of consolidation	Reversals ⁽³⁾	Amortisation	Other movements	Dec. 31, 2011
Operating assets	18.0	3.5	-	-	-	-	21.4
Furniture and equipment	44.5	10.3	-0.1	-6.0	-	-0.4	48.3
Total	62.5	13.8	-0.1	-6.0	-	-0.4	69.8

Net value (in €Mn)	Dec. 31, 2010	Acquisitions and capitalised expenses	Changes in the scope of consolidation	Disposals ⁽³⁾	Amortisation	Other movements	Dec. 31, 2011
Operating assets	150.3	0.8	-	-	-3.5	-	147.7
Furniture and equipment	49.4	9.9	2.9	-1.0	-10.3	-0.1	50.8
Total	199.8	10.7	2.9	-1.0	-13.8	-0.1	198.4

(1) Major works relate to Viparis entities for €7.1 Mn.

(2) Due to the entry of the Spanish company Glorias Parking.

(3) Main disposals refer to technical equipments which were scrapped (-€1 Mn).

2010 Change

Net value (in €Mn)	Dec. 31, 2009	Acquisitions and capitalised expenses	Changes in the scope of consolidation	Disposals	Amortisation	Other movements	Dec. 31, 2010
Operating assets	135.9	-	-	-	14.5	-	150.3
Furniture and equipment	49.7	11.7	0.7	-0.5	-11.2	-0.9	49.4
Total	185.6	11.7	0.7	-0.5	3.3	-0.9	199.8

Note 3 – Goodwill

2011 Change

(in €Mn)	Dec. 31, 2010	Increase	Decrease	Impairment	Dec. 31, 2011
Gross value	1,867.6	73.2	-28.0	-	1,912.8
Amortisation	-1,602.0	-	-	-14.0	-1,616.0 ⁽¹⁾
Total	265.6	73.2	-28.0	-14.0	296.8

(1) The accumulated impairment corresponds mainly to the impairment booked on the Goodwill of Rodamco Europe at the date of combination in 2007.

The goodwill at December 31, 2011 breaks down as follows :

- €117.7 Mn correspond to the value of tax optimisation on Rodamco assets at the date of the combination adjusted for the cumulative impairments through to year-end 2011,
- €46.6 Mn represent the tax optimisation on the Simon Ivanhoe assets,
- the remaining amount corresponds mainly to the goodwill booked on the acquisition of Shopping City Süd in Vienna, Austria, on the acquisition of additional stakes and full consolidation of the shopping centres Galeria Mokotow in Warsaw-Poland and Aupark in Bratislava-Slovakia and on the creation of Viparis. The goodwill is justified by the tax optimisation expected on these assets.

Change in gross value corresponds mainly to:

- the exit of a part of the goodwill of Rodamco Europe which was justified by the tax optimisation expected on assets sold during the period,
- the goodwill recognised at the date of full consolidation of Galeria Mokotow and Aupark. (See section 4 "Highlights and comparability of the last two years").

The impairment test consists of comparing the net value of this goodwill with the amounts of tax optimisation as determined at the date of reporting. This test leads in 2011 to an impairment of €14 Mn on the Viparis goodwill due to a reduction in the amount of tax optimisation on one of the assets. An amount of deferred tax liability was reversed for the same amount on this asset. Both amounts are recorded in "Income tax expenses" in the consolidated income statement.

2010 Change

(in €Mn)	Dec. 31, 2009	Entries into the scope of consolidation	Increase	Decrease	Impairment	Dec. 31, 2010
Gross value	1,820.3	46.4	2.1	-1.2	-	1,867.6
Amortisation	-1,599.9	-	-	-	-2.1	-1,602.0
Total	220.4	46.4	2.1	-1.2	-2.1	265.6

Note 4 – Intangible assets

2011 Change

Gross value (in €Mn)	Dec. 31, 2010	Acquisitions	Disposals	Reclassification and other movements	Dec. 31, 2011
Rights and exhibitions	286.6	39.0 ⁽¹⁾	-	5.6	331.3
Other intangible assets	33.8	2.5	-3.3	-5.4	27.7
Total	320.4	41.5	-3.3	0.2	358.9

Amortisation (in €Mn)	Dec. 31, 2010	Charges	Reversals	Reclassification and other movements	Dec. 31, 2011
Rights and exhibitions	121.0	5.2	-7.4 ⁽²⁾	4.6	123.4
Other intangible assets	28.6	3.9	-3.3	-5.1	24.2
Total	149.6	9.1	-10.7	-0.5	147.6

Net value (in €Mn)	Dec. 31, 2010	Acquisitions	Disposals and reversals	Reclassification and amortisation	Dec. 31, 2011
Rights and exhibitions	165.6	39.0	7.4	-4.2	207.8
Other intangible assets	5.2	2.5	-	-4.2	3.4
Total	170.8	41.5	7.4	-8.4	211.3

(1) Recognition of an intangible asset representing the value of the business, at the date of acquisition of SEHM, the managing company of the Pullman Montparnasse hotel in Paris (see section 4 "Highlights and comparability of the last two years").

(2) Reversal of part of the impairment of the Paris-Nord Villepinte exhibition site intangible asset, according to the external appraiser (€7.5 Mn).

The intangible assets qualified as "rights and exhibitions" relate mainly to the Viparis' entities and are valued by external appraisers. A change of +25 basis points of the yield and WACC as determined at the end of the year would result in an adjustment of -€6 Mn (-3.7%).

2010 Change

Net value (in €Mn)	Dec. 31, 2009	Acquisitions	Entries into the scope of consolidation	Disposals and reversals	Reclassification and amortisation	Dec. 31, 2010
Rights and exhibitions	190.2	-	-	-	-24.6	165.6
Other intangible assets	7.2	1.4	0.2	-0.2	-3.4	5.2
Total	197.4	1.4	0.2	-0.2	-28.0	170.8

Note 5 – Loans and receivables

(in €Mn)	Dec. 31, 2011			Dec. 31, 2010		
	Gross	Provision	Net	Gross	Provision	Net
Outstanding finance leasing ⁽¹⁾	0.4	-	0.4	0.6	-	0.6
Finance leasing receivables	1.0	-0.7	0.2	1.0	-0.7	0.3
Advances to companies consolidated under the proportional method	33.6	-	33.6	33.5	-	33.5
Non-consolidated interests	9.0	-0.6	8.5	9.4	-0.2	9.1
Deposits paid	11.0	-	11.0	9.1	-	9.1
Prepayments ⁽²⁾	198.3	-	198.3	198.3	-	198.3
Other financial assets ⁽³⁾	10.7	-9.4	1.3	9.6	-9.2	0.4
Total	263.9	-10.7	253.3	261.6	-10.2	251.4

(1) No new finance leasing contracts have been entered into since 1991. As a result, outstanding financing is decreasing as contracts terminate (at maturity or due to early exercise of purchase options or cancellations).

(2) Refers to the prepayment made to ING in 2007 for the acquisition of 50% the company owning the shopping centre Zlote Tarasy located in Warsaw, Poland. As at December 31, 2011, the shares have not yet been delivered. On this prepayment, financial interests are paid by ING to the Group.

(3) Concerns mainly loans to property developers granted by Omnifinance (liquidated) and fully impaired.

Note 6 – Shares available for sale

On March 2, 2011, Unibail-Rodamco acquired a 7.25% stake in Société Foncière Lyonnaise which is classified as "Shares available for sale" for their stock market value (€113.0 Mn ; see section 4 "Highlights and comparability of the last two years"). The fair value change of €4.3 Mn was recognised in other comprehensive income.

A dividend of €7.1 Mn was received during the period and booked in the net result on the line "result from non-consolidated companies".

Note 7 – Shares and investments in companies consolidated under the equity method

(in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Share in Comexposium Group consolidated under the equity method	55.7	51.7
Loan granted to Comexposium Group	149.6	149.6
Sub-total Comexposium Group investment	205.3	201.4
Share in D-Parking consolidated under the equity method	1.3	-
Sub-total D-Parking investment	1.3	-
Total shares and investments in companies consolidated under the equity method	206.6	201.4

The value of the stake in Comexposium Group includes the value of the intangible assets (net of the deferred taxes) recognised for these companies at the date of entry into the scope of consolidation.

The main items of the statements of financial position of companies consolidated under the equity method are presented in the tables below. These items are stated on a 100% basis including restatements for consolidation purposes.

The result of the impairment test on intangible assets booked within the Comexposium Group led to the impairment of intangible assets for €2.8 Mn and to a reversal of impairment for €4.5 Mn.

Comexposium Group

(in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Intangible assets ⁽¹⁾	369.5	330.1
Goodwill ⁽¹⁾	191.0	191.0
Other non current assets	13.0	10.2
Current assets	117.8	124.8
Total assets	691.4	656.1
Restated shareholders' equity	133.4	127.5
Deferred tax liabilities	102.7	92.9
External borrowings and debts to partners	301.4	301.8
Other non current liabilities	8.1	5.3
Current liabilities	145.7	128.7
Total liabilities	691.4	656.1

(1) Intangible assets and goodwill are presented net of amortisation and impairment.

The main income statement items of companies consolidated under the equity method are presented below. These items are stated on a 100% basis including restatements for consolidation purposes.

Comexposium Group

(in €Mn)	2011	2010
Revenues from other activities	201.2	208.0
Net operating profit before financing cost	26.5	5.2
Net income	9.7	-3.4

SCI Triangle des Gares

(in €Mn)	2011	2010 ⁽¹⁾
Rental revenues	-	7.2
Change in fair value of investment property	-	11.9
Net income	-	17.0

(1) Corresponds to a 6-month period, the consolidation method of SCI Triangle des Gares changed from equity method to full consolidation following the acquisition of a further stake of 36% on July 1, 2010.

Note 8 – Trade receivables from activity

All of these receivables are due within one year, except rent-free periods and step rents amortised over the firm term of the lease.

Trade related receivables (in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Trade receivables	179.7	195.5
Doubtful accounts	51.0	52.1
Rent-free periods and step rents	95.7	99.3
Gross value	326.4	346.9
Provisions for doubtful accounts	-43.9	-40.4
Net	282.5	306.6

Breakdown of trade receivables by business line (in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Retail	142.0	151.0
Offices	69.1	83.1
Convention-Exhibition	58.8	61.1
Property services	9.1	10.0
Other	3.5	1.5
Total	282.5	306.6

	2011	2010
Changes in provisions for doubtful accounts (in €Mn)		
As of January 1	-40.4	-31.9
Currency translation adjustments	-	-0.7
Change in scope of consolidation	0.2	-1.6
Reclassifications	0.4	-0.1
Additions	-14.8	-13.9
Use and reversal	10.8	7.8
As of December 31	-43.9	-40.4

Note 9 – Other trade receivables

All of these receivables are due within one year, except leaseholds.

Tax receivables (in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Value-Added Tax and other ⁽¹⁾	174.6	124.6
Corporate income tax	4.7	6.4
Total	179.3	131.0

Receivables on sales of property (in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Receivables on sales of property ⁽²⁾	3.4	78.6
Total	3.4	78.6

Other receivables (in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Receivables from suppliers	9.3	9.4
Service charges due	41.5	32.1
Other debtors	96.8	94.3
Receivables from partners	8.9	17.6
Accrued income receivable on caps and swaps	0.8	1.1
Gross value	157.3	154.5
Provisions	-2.1	-1.8
Net	155.1	152.7

Prepaid expenses (in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Leaseholds: payments made at the start of the contract ⁽³⁾	41.6	42.2
Prepaid expenses	11.5	24.9
Total	53.1	67.2

(1) The increase is mainly due to a tax receivable following the acquisition of the shopping centre Splau in Spain.

(2) The change relates mainly to two disposals in The Netherlands, which took place on December 31, 2010 and for which cash was received early in January 2011.

(3) Straight-line depreciation over the life of the contracts. The balance of these prepaid expenses is deducted from the appraisal value of investment properties to determine their fair value in the statement of financial position.

Note 10 – Cash and cash equivalents

(in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Available-for-sale investments ⁽¹⁾	2.3	10.1
Cash	79.7	72.3
Current account to balance out cash flow	0.2	1.6
Total	82.3	84.0

(1) This item comprises investments in money-market SICAV (marketable securities). There were no unrealised capital gains or losses on the portfolio.

The level of cash at year-end is stable thanks to the implementation of a European cash pooling system in 2010 which optimises the cost and the use of liquidity across the Group.

5.2. Notes to the consolidated liabilities

Note 11 – Commitment to purchase non-controlling interests

Unibail-Rodamco has given commitments to purchase the non-controlling interests in the shopping centre Donau Zentrum in Vienna, Austria.

The change on the current part relates to the disposal of the company owning the shopping centre Val Commerces in Etrembières, France, to the non-controlling shareholders.

Note 12 – Current and non current financial liabilities

• Net share settled bonds convertible into new and/or existing shares (ORNANE)

In accordance with IAS 39, net share settled bonds convertible into new and/or existing shares (ORNANE) of Unibail-Rodamco are stated at fair value.

The ORNANE is valued for an amount of €738.5 Mn at December 31, 2011. The valuation at fair value (quoted price) generated a gain of €43.4 Mn at December 31, 2011, accounted for in the result of the period. The related issuing charges have been amortised during the period for an amount of €6 Mn.

Unibail-Rodamco's nominal financial debt as at December 31, 2011 breaks down as follows:

- €4,708 Mn in bond issues, of which €3,708 Mn in Euro Medium Term Notes (EMTN) of Unibail-Rodamco's programme and €1,000 Mn in EMTN of Rodamco Europe's programme,
- €575 Mn in ORNANE,
- €728 Mn short term issues of commercial paper (*billets de trésorerie* and Euro Commercial Paper),
- €3,738 Mn in bank loans, including €2,667 Mn in corporate loans, €1,062 Mn in mortgage loans and €9 Mn in bank overdrafts.

• Debt breakdown (including ORNANE)

Borrowings and other financial liabilities (in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Net shares settled bonds convertible into new and/or existing shares (ORNANE)	758.5	800.0
Debt at fair value	738.5	780.0
Accrued interest	20.0	20.0
Bonds and EMTNs	4,712.1	4,337.7
Principal debt	4,708.0	4,311.0
Accrued interest	45.4	61.7
Charges and premiums on issues of borrowings	-30.3	-19.8
Mark-to-market of debt ⁽¹⁾	-11.0	-18.2
Mark-to-market of debt (Fair value hedge)	-	3.0
Bank borrowings	3,740.7	3,709.4
Principal debt	3,729.2	3,699.0
Accrued interest on borrowings	10.7	4.3
Charges and premiums on issues of borrowings	-9.5	-8.5
Bank overdrafts	3.5	11.2
Accrued interest on bank overdrafts	1.3	2.0
Current accounts to balance out cash flow	5.4	1.9
Mark-to-market of debt ⁽¹⁾	0.1	-0.5
Bonds redeemable for shares	0.2	0.2
Other financial liabilities	1,407.5	1,291.9
Interbank market instruments and negotiable instruments	728.1	653.5
Accrued interest on interbank market instruments and negotiable instruments	1.1	0.2
Current accounts with non-controlling interests	678.4	638.2
Financial leases⁽²⁾	125.4	62.3
Total	10,744.4	10,201.5

(1) Rodamco fixed-rate debt has been marked-to-market at the date of its first consolidation.

(2) Change mainly refers to the signature of Aéroville's ground leasehold accounted for as a financial lease.

The following table shows a breakdown of outstanding duration to maturity of borrowings and financial liabilities:

Outstanding duration to maturity (in €Mn)	Current Less than 1 year	Non-current		Total Dec. 31, 2011
		1 year to 5 years	More than 5 years	
Net share settled bonds convertible into new and/or existing shares (ORNANE)	20.0	738.5	-	758.5
Debt at fair value	-	738.5	-	738.5
Accrued interest	20.0	-	-	20.0
Bonds and EMTNs	508.8	2,335.3	1,868.0	4,712.1
Principal debt	500.0	2,340.0	1,868.0	4,708.0
Accrued interest	45.4	-	-	45.4
Charges and premiums on issues of borrowings	-30.3	-	-	-30.3
Mark-to-market of debt	-6.3	-4.7	-	-11.0
Bank borrowings	1,051.1	2,398.3	291.3	3,740.7
Principal debt	1,039.1	2,398.7	291.3	3,729.2
Accrued interest on borrowings	10.7	-	-	10.7
Charges and premiums on issues of borrowings	-9.5	-	-	-9.5
Bank overdrafts	3.5	-	-	3.5
Accrued interest on bank overdrafts	1.3	-	-	1.3
Current accounts to balance out cash flow	5.4	-	-	5.4
Mark-to-market of debt	0.6	-0.5	-	0.1
Bonds redeemable for shares	0.2	-	-	0.2
Other financial liabilities	729.1	425.2	253.2	1,407.5
Interbank market instruments and negotiable instruments	728.1	-	-	728.1
Accrued interest on interbank market instruments and negotiable instruments	1.1	-	-	1.1
Current accounts with non-controlling interests	-	425.2	253.2	678.4
Financial leases	4.6	18.7	102.1	125.4
Total	2,313.8	5,916.0	2,514.7	10,744.4

Unibail-Rodamco's main refinancing operations over 2011 were as follows:

- the signing of €1,659 Mn medium to long term credit facilities or bank loans with an average maturity of 4.6 years. This amount includes the renewal of a €500 Mn syndicated loan, due to mature in 2012, and renegotiated and extended in December 2011,
 - the issue of 2 public EMTN bonds for a total amount of €1,000 Mn,
 - the issue of five taps on existing EMTN bonds for a total amount of €300 Mn,
 - the issue of a floating rate €50 Mn private placement, with a duration of 6 years,
 - the issue of two private placements for a total of €47 Mn, with a duration of 20 years.
- In total €1,397 Mn was raised on the bond market in 2011 at an average duration of 6.4 years.

Other new financial resources were obtained from the money market by issuing commercial paper. The average amount of commercial paper outstanding in 2011 was €559 Mn, including €525 Mn of *Billets de Trésorerie* and €34 Mn of Euro Commercial Paper (maturity of up to 6 months). *Billets de trésorerie* were raised over 2011 at an average margin of 11 bps above Eonia and Euro Commercial Paper nearly flat to Euribor on average.

MATURITY OF CURRENT PRINCIPAL DEBT

(in €Mn)	Current			Total Dec. 31, 2011
	Less than 1 month	1 month to 3 months	More than 3 months	
Bonds and EMTNs	-	-	500.0	500.0
Bank borrowings	1.1	137.5	900.5	1,039.1
Other financial liabilities	391.1	247.0	90.0	728.1
Financial leases	-	-	4.6	4.6
Total	392.2	384.5	1,495.1	2,271.8

As at December 31, 2011, Unibail-Rodamco's average debt maturity was 4.5 years (4.3 years as of December 31, 2010), after taking into account the confirmed unused credit lines.

Unibail-Rodamco's immediate debt repayment needs are covered by the available undrawn credit lines: the amount of bonds or bank loans outstanding as at December 31, 2011 and maturing or amortising in 2012 is €1,539 Mn (including one €500 Mn bond to be repaid in December 2012) to be compared with €3,223 Mn of undrawn credit lines outstanding as at December 31, 2011.

• Characteristics of bonds and EMTN's (excluding ORNANE)

Issue date	Rate	Amount at December 31, 2011 (€Mn)	Maturity
October 2004	Fixed rate 4.375%	500.0	October 2014
December 2005	Fixed rate 3.75%	500.0	December 2012
July 2008	Constant Maturity Swap 10 years Euro +0.74%	105.0	July 2013
July 2009	Fixed rate 4.22% during 2 years then linked to inflation	70.0	July 2019
August 2009	Fixed rate 5% during 3 years then Constant Maturity Swap 10 years (floored at 5%, capped at 7.5%)	50.0	August 2019
August 2009	Fixed rate 5% during 3 years then Constant Maturity Swap 10 years (floored at 5%, capped at 7.5%)	50.0	August 2019
September 2009	Fixed rate 4.8%	150.0	November 2017
September 2009	Fixed rate 4.625%	600.0	September 2016
March-May 2010	Fixed rate 3.375%	635.0	March 2015
May 2010	Structured coupon linked to CMS 10 year	50.0	May 2020
June 2010	Structured coupon linked to CMS 10 year	50.0	June 2020
September 2010	Fixed rate 3.35%	50.0	September 2018
September 2010	Fixed rate 3.35%	60.0	September 2018
November 2010	Fixed rate 4.17%	41.0	September 2030
November 2010	Fixed rate 3.875%	700.0	November 2020
June 2011	Float rate (Erb3M + 78bps)	50.0	June 2017
October 2011	Fixed rate 4.08%	27.0	October 2031
October 2011	Fixed rate 3.50%	500.0	April 2016
November 2011	Fixed rate 4.05%	20.0	November 2031
December 2011	Fixed rate 3.875%	500.0	December 2017
Total		4,708.0	

Bonds issued are not restricted by any covenant based on financial ratios which could lead to early repayment of the debt.

The €500 Mn bond issue launched by Unibail in October 2004 included an early redemption clause in the event of a change in ownership.

There are no financial covenants (such as LTV or ICR) in the EMTN and the CP programs.

The bonds issued by Rodamco under the EMTN program and maturing in 2012 and 2014 (€1,000 Mn as at December 31, 2011) include a restriction of the amount of indebtedness at subsidiary level, which cannot exceed in aggregate 30% of Total Group Assets. At December 31, 2011, the Group has not exceeded this restriction.

No loans were subject to prepayment clauses linked to the Group's ratings, barring exceptional circumstances such as change in control.

A significant part of bank loans and credit facilities contains financial covenants such as LTV (Loan To Value) and ICR (Interest Coverage Ratio) ratios, as well as a prepayment clause in case of occurrence of a material adverse change.

Current levels of ratios show ample headroom vis-à-vis those bank covenants (see financial resources note).

As at December 31, 2011, 92% of the Group's credit facilities and bank loans allowed indebtedness amounting to 60% or more of the Group's total asset value or of the value of the asset of the borrowing entity, as the case may be.

The market value of Unibail-Rodamco's fixed-rate and index-linked debt is presented in the table below. The remainder of the Group's outstanding debt is variable-rate debt, which has its carrying value on the statement of financial position as the sum of the nominal amount and coupon accruals.

(in €Mn)	December 31, 2011		December 31, 2010	
	Carrying value	Market value	Carrying value	Market value
Long-term debt				
Fixed-rate & index-linked borrowings, interbank instruments and negotiable market instruments	6,065.6 ⁽¹⁾	6,248.6	5,812.0	5,959.7

(1) ORNANE included, at market value (see paragraph above on ORNANE).

Note 13 – Hedging instruments

Derivative instruments owned by the Group are stated at their fair values and were recorded in the statement of financial position as at December 31, 2011, for €84.9 Mn as assets and €369.8 Mn as liabilities.

Derivatives are valued by discounted estimated future cash flows based on the interest rate curve at the end of December 2011. The valuation has been cross-checked against valuations by banks.

The mark-to-market of derivatives generated a net loss of €226.6 Mn in 2011, including a loss of €1.4 Mn of cancellation of swaps. Regarding fair value hedge derivatives, a gain of €3.3 Mn has been recorded in other financial interest and a loss for the same amount has been recognised on the same line in the income statement for the hedged item.

Net investment hedge generated a gain of €72.7 Mn which has been accounted for in equity.

Cash flow hedge generated a loss of €0.9 Mn in the net result of the period and a gain of €1.8 Mn in equity.

Note 14 – Deferred tax

2011 Change

(in €Mn)	Dec. 31, 2010	Increase	Decrease	Reclassifications	Currency translation	Changes in scope of consolidation	Dec. 31, 2011
Deferred tax liabilities	-940.9	-101.2	37.0	0.5	-1.3	-49.9	-1,055.8
Deferred tax on investment properties	-884.0	-98.6	35.3	0.5	-1.3	-37.0	-985.1
Deferred tax on intangible assets	-56.9	-2.6	1.7	-	-	-12.9	-70.7
Other deferred tax	90.4	9.9	-15.9	6.9	0.3	-1.1	90.5
Tax loss carry-forward ⁽¹⁾	77.3	3.2	-15.4	5.4	0.3	-	70.8
Others ⁽¹⁾	13.1	6.7	-0.5	1.5	-	-1.1	19.7
Total Deferred tax liabilities	-850.5	-91.3	21.1	7.4	-1.0	-51.0	-965.3
Deferred tax assets							
Other deferred tax assets	0.3	-	-	-	-	-	0.3
Tax loss carry-forward	9.7	4.1	-0.7	-7.4	-	-	5.7
Total Deferred tax assets	10.0	4.1	-0.7	-7.4	-	-	6.0

(1) Deferred tax assets and liabilities within a same fiscal group are offset.

Deferred tax liabilities on properties refer to those countries where there is no tax efficient status comparable to that of France (SIIC), providing a tax exemption on recurring income and capital gains on property sales. The increase of deferred tax liabilities on investment properties is mainly due to the increase of the valuation of the assets outside France.

Changes in the scope of consolidation refer to the following operations:

- -€56.7 Mn of deferred tax liabilities on investment properties recognised at the date of entry of Aupark and Galeria Mokotow,
- +€19.7 Mn of deferred taxes exited from the scope of consolidation following the disposals of the entities owners of the shopping centres Arkad-Center in Hungary, Allee-Center in Magdeburg-Germany, and Südpark Klagenfurt in Austria,
- -€12.9 Mn of deferred tax on intangible asset recognised at the entry of SEHM.

2010 Change

(in €Mn)	Dec. 31, 2009	Increase	Decrease	Reclassifications	Currency translation	Changes in scope of consolidation	Dec. 31, 2010
Deferred tax liabilities	-704.9	-126.7	8.6	2.9	-21.6	-99.2	-940.9
Deferred tax on investment properties	-639.5	-126.7	0.1	2.9	-21.6	-99.2	-884.0
Deferred tax on intangible assets	-65.4	-	8.5	-	-	-	-56.9
Other deferred tax	65.7	18.9	-6.4	0.4	1.4	10.4	90.4
Tax loss carry-forward ⁽¹⁾	64.9	17.0	-6.0	-	1.4	-	77.3
Others ⁽¹⁾	0.8	1.9	-0.4	0.4	-	10.4	13.1
Total Deferred tax liabilities	-639.2	-107.8	2.2	3.3	-20.2	-88.8	-850.5
Deferred tax assets							
Other deferred tax assets	-	-	-0.9	-	-	1.2	0.3
Tax loss carry-forward	11.9	0.8	-	-3.3	-	0.3	9.7
Total Deferred tax assets	11.9	0.8	-0.9	-3.3	-	1.5	10.0

(1) Deferred tax assets and liabilities within a same fiscal group are offset.

UNRECOGNISED DEFERRED TAX ASSETS

(in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Temporary differences investment properties	24.4	44.1
Tax losses carry-forward not recognized ⁽¹⁾	253.5	192.0
Total unrecognized assets	277.9	236.1

(1) This amount does not include Dutch tax losses.

The temporary differences and tax losses are mainly related to real estate operations in Germany (€62.7 Mn) and in Spain (€51.6 Mn) and to negative financial result on French SIIIC entities (€125.9 Mn). Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available to be offset against these assets.

It is expected that the Dutch tax authorities will deny the FBI status for Unibail-Rodamco's Dutch activities for 2010 onwards (see section 1 § 1.9 "Taxes"). The Group does not agree with this position. As at December 2011, a deferred tax liability of €25.8 Mn was booked on the Dutch investment properties. A deferred tax asset for the same amount based on tax losses was recognised. Both amounts were netted. In this context of uncertainty, no other deferred tax asset has been recognised for significant Dutch tax-loss carry forwards.

Note 15 – Provisions

2011 Change

(in €Mn)	Dec. 31, 2010	Allocations	Reversals used	Reversals not used	Discount	Changes in scope of consolidation ⁽³⁾	Other movements ⁽⁴⁾	Dec. 31, 2011
Long term provisions	24.9	6.1	-1.6	-0.8	0.3	-	-0.5	28.3
Provisions for litigation	20.4	3.5	-1.1	-0.2	0.3	-	-0.5	22.5
Other provisions	4.5	2.5	-0.5	-0.6	-	-	-	5.9
Provisions for pension liabilities	13.6	0.2	-2.0	-2.1	-	1.8	-0.6	10.9
Short term provisions	20.1	6.6	-6.1	-5.9	-	1.0	9.9	25.7
Provisions for litigation ⁽¹⁾	15.0	2.9	-2.7	-5.4	-	1.0	10.2	21.0
Other provisions ⁽²⁾	5.1	3.7	-3.4	-0.5	-	-	-0.3	4.7
Total	58.6	13.0	-9.7	-8.8	0.3	2.8	8.8	64.9

(1) Rent indexation disputes in France were solved, resulting in the reversal of the provisions not used for €5.4 Mn.

(2) During the period, restructuring provisions were used in France, in Spain and in The Netherlands for €2.1 Mn.

(3) Changes in scope of consolidation relate to the entry of SEHM. The provision for pension liability was reversed during the period since it was paid to the operating manager of the hotel.

(4) Other movements relate mainly to an allocation of provision of litigation booked against investment property and to reclassification of various provisions between long term and short term, depending on the current estimate of when they will be settled.

The Group is involved in legal proceedings in Austria where a tenant has obtained a court judgment limiting the amount of square meters a certain category of retailers in the shopping centre may operate without its consent. The related risks have been taken into account in provision for litigations and in the fair value calculation of the investment property.

2010 Change

(in €Mn)	Dec. 31, 2009	Allocations	Reversals used	Reversals not used	Discount	Other movements	Dec. 31, 2010
Long term provisions	18.9	5.5	-6.7	-1.6	0.3	8.4	24.9
Provisions for charges	0.7	-	-0.2	-0.4	-	-0.1	-
Provisions for litigation	16.3	4.9	-6.0	-0.2	0.3	5.1	20.4
Other provisions	2.0	0.6	-0.4	-1.0	-	3.4	4.5
Provisions for pension liabilities	10.3	3.4	-0.1	-	-	0.1	13.6
Short term provisions	15.8	15.2	-3.5	-3.4	-	-4.1	20.1
Provisions for litigation	8.8	10.8	-1.6	-1.6	-	-1.6	15.0
Other provisions	7.0	4.4	-1.9	-1.8	-	-2.5	5.1
Total	45.0	24.1	-10.3	-5.0	0.3	4.4	58.6

Note 16 – Amounts due on investments

As at December 31, 2011, the non current amounts due on investments mainly comprised:

- the buyout of the ground lease of Le Forum des Halles in Paris, France for a discounted amount of €86.2 Mn,
- the deferred payment of €23.0 Mn on part of the acquisition price of the land for the Majunga project in La Défense, France,
- the deferred payment of €15.2 Mn of the piece of land related to the Mall of Scandinavia project near Stockholm in Sweden which was acquired in 2011.

Note 17 – Amounts due to suppliers and other current debt

Trade payables by division (in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Retail	59.4	44.4
Offices	4.5	5.3
Convention-Exhibition	39.9	54.2
Property services	5.2	2.8
Others	8.3	12.0
Total	117.3	118.7

Sundry creditors (in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Due to customers ⁽¹⁾	41.4	43.3
Due to partners	8.2	4.3
Other creditors	131.2	133.8
Total	180.8	181.3

Other liabilities (in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Prepaid income ⁽²⁾	180.2	170.9
Total	180.2	170.9

(1) This item includes eviction costs.
(2) Mainly rents received in advance.

Note 18 – Tax and social security liabilities

(in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Tax liabilities	-	0.5
Total non current	-	0.5
Social security liabilities	37.6	36.6
Value-added tax	66.3	72.7
Income tax due	13.8	7.5
Other tax liabilities	4.4	6.8
Total current	122.2	123.6

5.3. Notes to the consolidated statement of comprehensive income

Note 19 – Gross rental income

Rental income consists of rents and similar income (e.g. occupancy compensation, key money, parking revenues) invoiced for Shopping Centres and Offices properties over the period. The effects of rent-free periods, step rents and key monies are spread over the fixed term of the lease.

Rental income from the Convention-Exhibition division includes turnover generated by the rental of exhibition space and the provision of unavoidable associated support services to this space.

Charges invoiced to tenants are not included in rental income but deducted from net service charge expenses.

Note 20 – Ground rents paid

Ground rents correspond to lease payments (or straightlining of initial payments) for properties built on land subject to a leasehold or operated under an operating contract

(concession). This item mainly applies to Shopping Centres, in particular Euralille and Carrousel du Louvre in France, and to the French conventions and exhibitions venues of Le Bourget and Porte de Versailles.

Note 21 – Net service charge expenses

These expenses are net of charges re-invoiced to tenants and relate mainly to vacant premises.

Note 22 – Property operating expenses

These expenses comprise service charges borne by the owner, works-related expenses, litigation expenses, charges relating to doubtful accounts and expenses relating to property management.

Note 23 – Administrative expenses

This item comprises personnel costs, head office and Group administrative expenses, expenses relating to development projects and depreciation charges for Unibail-Rodamco's headquarters.

Note 24 – Acquisition and related costs

These are costs incurred for business combinations.

In 2011, they represent:

- the costs incurred for the acquisition of SAS Société d'Exploitation Hôtelière de Montparnasse (SEHM) in Paris, France (€1.5 Mn),
- the costs incurred for the acquisition of the further stake of 50% in Aupark (€0.6 Mn),
- the cost incurred for the acquisition of the further stake of 50% in Galeria Mokotow (€0.6 Mn),
- other costs relating to the acquisition of Simon Ivanhoe portfolio (€0.2 Mn).

Note 25 – Net other income

Revenues from other activities cover:

- fees for property services received by companies in the Convention-Exhibition division,
- fees for property management and maintenance services provided to Offices and Shopping Centres. These fees are invoiced by property services companies for their property management activities on behalf of owners outside the Unibail-Rodamco Group,
- fees invoiced for leasing activity and for project development and consulting services. These fees are capitalised by the company owning the asset. The internal margin generated on these leasing, construction and renovation operations is eliminated,
- revenues from other property services, mainly invoiced by Unibail Marketing & Multimedia in France,
- revenues from residual financing leases, which comprise lease payments net of related amortisation costs.

Other expenses comprise charges relating to property services, general costs and depreciation charges for related fixed assets.

Note 26 – Result on disposal of investment properties

Proceeds from the disposal of investment properties correspond to the disposal price received net of disposal costs. The carrying value of disposed assets corresponds to the market value recorded on the closing statement of financial position for the previous financial year, plus works costs and capitalised expenses for the period and adjusted for reversals of remaining amounts of rent-free periods and step rents straightlined. See section 4 "Highlights and comparability of the last two years – In 2011 § 1 Disposals".

Note 27 – Result on disposal of shares

This item corresponds to the disposal of investment properties through a share deal. See section 4 "Highlights and comparability of the last two years" for details of the main share deals.

Note 28 – Valuation movements

This item reflects changes in market valuation of investment properties and impairment on intangible assets.

(in €Mn)	2011	2010
Retail	776.8	1,390.7
Offices	-26.0	201.7
Convention-Exhibition	78.4	110.0
Total	829.2	1,702.3

Note 29 – Net financing costs

(in €Mn)	2011	2010
Security transactions	0.5	0.6
Other financial interest ⁽¹⁾	20.8	18.2
Interest income on caps and swaps	60.5	60.3
Currency gains	0.2	2.2
Total financial income	81.9	81.2
Security transactions	-5.5	-2.4
Interest on bonds	-201.2	-186.5
Interest and expenses on borrowings	-100.4	-63.1
Interest on partners' advances	-25.6	-24.8
Other financial interest	-3.6	-5.6
Interest expenses on caps and swaps	-91.2	-102.8
Sub-total financial expenses	-427.4	-385.2
Capitalised financial expenses	44.4	35.1
Total financial expenses	-383.0	-350.1
Net financial expenses	-301.1	-268.9

(1) Other financial interest includes financial interest on the prepayment for the acquisition of 50% of the company owning the shopping centre Złote Tarasy and the adjacent office building in Warsaw, Poland (see note 5 "Loans and receivables").

Note 30 – Fair value adjustments of derivatives and debt

During 2011, changes in fair value of derivatives (caps and swaps) generated a loss of €225.3 Mn.

The amortisation of the hedging reserve generated a profit of €0.5 Mn.

The amortisation of the fair value of the debt recognised at the entry of Rodamco amounted to €7.8 Mn.

The derivatives cancellation generated a loss of €1.4 Mn on the period.

Note 31 – Debt discounting

This item records the discounting of long term provisions and liabilities, according to their scheduled term.

Note 32 – Share of the result of associates and income on financial assets

This item breaks down as follows:

(in €Mn)	Recurring activities	Valuation movements and disposals	Result
Income from stake in Comexposium Group consolidated under equity method	4.8	-0.6	4.2
Interest on the loan granted to Comexposium Group	6.0	-	6.0

Note 33 – Income tax expenses

(in €Mn)	2011	2010
Deferred and current tax on:		
- Change in fair value of investment properties and impairment of intangible assets	-64.2	-118.1
- Impairment of goodwill justified by taxes	-25.2	-
- Other non-recurring results	-17.7	8.6
- Other recurring results	-12.4	-13.7
Allocation / reversal of provision concerning tax issues	-1.4	2.2
Total tax	-120.9	-121.0
Total tax due	-38.7	-17.4

Reconciliation of effective tax rate	%	2011
Profit before tax, impairment of goodwill and result of associates		1,637.9
Income tax using the average tax rate	29.4%	-482.1
Tax exempt profits (SIIIC)	-22.4%	367.5
Tax exempt costs	0.2%	-3.2
Effect of tax provisions	0.1%	-1.4
Effect of non-recognized tax losses ⁽²⁾	-1.9%	31.0
Effect of currency translation in tax	0.4%	-7.1
Other	-	-0.4
Impairment of goodwill justified by taxes	1.5%	-25.2
	7.4%⁽¹⁾	-120.9

(1) The very low tax rate of 7.4% is mainly due to tax exempt profits in France according to SIIIC regime.

(2) Relates to a large extent to the effect of non recognised tax losses in The Netherlands (see note 14 "Deferred tax").

Note 34 – Non-controlling interests

In 2011 this item mainly comprised non-controlling interests in the following entities:

- i) Rodamco Europe's Group, from January 1 to June 9, 2011 (€1.7 Mn),
- ii) Shopping centres in Spain, La Maquinista and Habaneras (€21.5 Mn),
- iii) several shopping centres in France (€105.0 Mn, mainly Les Quatre Temps for €78.8 Mn and Forum des Halles for €20.0 Mn),
- iv) and Convention-Exhibition entities (€65.3 Mn). This amount takes into account a dividend contractually defined between the partners of €4.1 Mn attributed to Unibail-Rodamco, over and above its percentage of interest.

Note 35 – Other comprehensive income

In 2011, other comprehensive income comprised:

- i) €21.9 Mn of foreign currency differences on translation of financial statements of subsidiaries. This amount comprises a reversal of €17.2 Mn related to the currency reserve of Galeria Mokotow booked in the statement of comprehensive income (see section 4 "Highlights and comparability of the last two years – In 2011 § 2 Acquisitions of Shopping Centre – Share deal),
- ii) -€14.4 Mn of Net Investment Hedge which comprises the fair value adjustments of derivatives and the impact of foreign currency translation on loans qualified as Net Investment Hedge,
- iii) €1.4 Mn of mark-to-market related to derivatives qualified as Cash Flow Hedge,
- iv) €4.3 Mn of revaluation of shares available for sale.

5.4 – Notes to the consolidated statement of cash flows

The income tax is classified under cash flow from operating activities.

Net financial interest payments as well as cash flow relating to the purchase or sale of derivative instruments are classified as cash flow from financing activities.

Interest received on loans granted to associates is classified as cash flow from operating activities.

Note 36 – Breakdown of acquisitions and disposals of consolidated subsidiaries

(in €Mn)	2011	2010
Acquisition price of shares	-361.9	-545.8
Cash and current accounts acquired	4.8	68.0
Acquisitions net of cash acquired⁽¹⁾	-357.1	-477.9
Net price of shares sold ⁽²⁾	370.2	-
Cash and current accounts sold	133.2	-
Sales net of cash sold⁽³⁾	503.4	-

(1) For 2011, this item refers mainly to the acquisition of the further stake (50%) of Aupark and Galeria Mokotow respectively for €121.9 Mn and €132.4 Mn, the acquisition of the remaining shares of non-controlling shareholders of Rodamco Europe NV for €64.7 Mn and the acquisition of SAS SEHM in Paris, France for €26.3 Mn.

(2) Comprises a reduction in the net disposal price of shares in Germany for an amount of €8 Mn corresponding to the tax to be paid by the vendor and taken into account in the disposal price of shares. This amount was classified in "income tax expenses" in the consolidated income statement as it is offset by a reversal of deferred tax liabilities.

(3) For 2011, refers to the disposals of subsidiaries in Austria, France, Germany, Hungary and Sweden (see section 4 "Highlights and comparability of the last two years – In 2011").

Note 37 – Disposal of investment property

This amount includes the net proceeds of the period as well as the two following items:

- a cash amount of €75.2 Mn related to two disposals in The Netherlands which took place on December 31, 2010 and for which cash was received early in January 2011,
- a reduction in the net disposal price of two assets in Sweden for an amount of 13.7 Mn, which compensates the buyer for the loss of future tax advantages. This amount was classified in "income tax expenses" in the consolidated income statement as it is offset by a reversal of deferred tax liabilities.

Note 38 – Distribution to parent company shareholders

On May 10, 2011, in accordance with the Annual General Meeting of April 27, 2011, €735.2 Mn was distributed (€8.00 per share) which includes a dividend of €5.30 and a complementary distribution of €2.70 deducted from the "distributable reserves" and the "contribution premium".

On May 10, 2010, a distribution of €731.2 Mn was paid (€8.00 per share) regarding the 2009 financial year (April 28, 2010 AGM's approval). This distribution was deducted from the additional paid-in capital accounts.

On October 12, 2010, an exceptional distribution of €1,834.3 Mn (€20.00 per share) was paid from the "contribution premium account", in accordance with the decision of Unibail-Rodamco SE General Meeting of September 8, 2010 extraordinarily convened (see section 4 "Highlights and comparability of the last two years – In 2010" § 6).

Note 39 – Reconciliation of cash at period-end on the statement of cash flows and cash on the statement of financial position

(in €Mn)	2011	2010
Available-for-sale investments	2.3	10.1
Cash	80.0	73.9
Current account to balance out cash flow	-5.4	-1.9
Bank overdrafts	-3.5	-11.2
Cash at period-end	73.5	70.9

6. Financial instruments

Carrying value of financial instruments per category in accordance with IAS 39

L&R: Loans and Receivables

AfS: Available for Sale financial assets

FAHfT: Financial Assets Held for Trade

FLAC: Financial Liabilities measured At Cost

FLHfT: Financial Liabilities Held for Trade

Year-end 2011

(in €Mn)	Categories in accordance with IAS 39	Carrying Amount Dec. 31, 2011	Amounts recognised in statement of financial position according to IAS39			Fair value
			Amortised cost	Fair value recognised in equity	Fair value recognised in profit & loss	
Assets						
Loans	L&R	253.3	253.3	-	-	322.3
Shares available for sale	AfS	113.0	-	113.0	-	113.0
Derivatives at fair value	FAHfT	84.9	-	0.6	84.3	84.9
Trade receivables from activity ⁽¹⁾	L&R	186.8	186.8	-	-	186.8
Receivable on sale of property	L&R	3.4	3.4	-	-	3.4
Other receivables ⁽²⁾	L&R	113.6	113.6	-	-	113.6
Cash and equivalents ⁽³⁾	FAHfT	82.3	-	-	82.3	82.3
		837.3	557.1	113.6	166.6	906.3
Liabilities						
Financial debts (excluding ORNANE)	FLAC	9,880.6	9,880.6	-	-	10,063.6
Net share settled bonds convertible into new and/or existing shares (ORNANE)	FLAC	738.5	-	-	738.5	738.5
Derivatives at fair value	FLHfT	369.8	-	-	369.8	369.8
Guarantee deposits	FLAC	182.1	182.1	-	-	182.1
Non current amounts due on investments	FLAC	129.3	129.3	-	-	129.3
Amounts due to suppliers and other current debt ⁽⁴⁾	FLAC	566.1	566.1	-	-	566.1
		11,866.3	10,758.1	-	1,108.3	12,049.4

Year-end 2010

(in €Mn)	Categories in accordance with IAS 39	Carrying amount Dec. 31, 2010	Amounts recognised in statement of financial position according to IAS 39			Fair value
			Amortised Cost	Fair value recognised in equity	Fair value recognised in profit & loss	
Assets						
Loans	L&R	251.4	251.4	-	-	295.8
Derivatives at fair value	FAHfT	89.9	-	-1.2	91.1	89.9
Trade receivables from activity ⁽¹⁾	L&R	207.3	207.3	-	-	207.3
Receivable on sale of property	L&R	78.6	78.6	-	-	78.6
Other receivables ⁽²⁾	L&R	120.5	120.5	-	-	120.5
Cash and equivalents ⁽³⁾	FAHfT	84.0	-	-	84.0	84.0
		831.7	657.8	-1.2	175.1	876.1
Liabilities						
Financial debts (excluding ORNANE)	FLAC	9,359.2	9,070.2	-	289.0	9,506.9
Net share settled bonds convertible into new and/or existing shares (ORNANE)	FLAC	780.0	-	-	780.0	780.0
Derivatives at fair value	FLHfT	278.1	-	72.9	205.2	278.1
Guarantee deposits	FLAC	180.8	180.8	-	-	180.8
Non current amounts due on investments	FLAC	154.4	154.4	-	-	154.4
Amounts due to suppliers and other current debt ⁽⁴⁾	FLAC	530.6	530.6	-	-	530.6
		11,283.1	9,936.0	72.9	1,274.2	11,430.8

(1) Excluding rent-free periods and step rents.

(2) Excluding prepaid expenses, service charges due and tax receivables.

(3) Regarding the managing policy of the cash equivalents hold by the Group, they have been fully classified in 2011 as "Fair value recognised in profit and loss" and 2010 has been accordingly restated.

(4) Excluding prepaid income, service charges billed and tax liabilities.

"Trade receivables from activity", "Other receivables", "Cash and cash equivalents" and "Amounts due to suppliers and other current debt" mainly have short term maturity; their carrying amounts at the reporting date approximate the fair value.

Fair value hierarchy of financial instruments

This table splits the financial instruments in assets or liabilities into three levels:

- level 1: financial instruments quoted in an active market,
- level 2: financial instruments whose fair value is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets,
- level 3: financial instruments whose fair value is determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable current market transactions in the same instrument (i.e. without modification or repackaging) and not based on available observable market data.

(in €Mn)	Fair value measurement at Dec. 31, 2011			
	Total	Level 1	Level 2	Level 3
Assets				
<i>Fair value through profit or loss</i>				
Derivatives	84.3	-	84.3	-
Available-for-sale investments	2.3	2.3	-	-
<i>Fair value through equity</i>				
Shares available for sale	113.0	113.0	-	-
Derivatives	0.6	-	0.6	-
Available-for-sale investments				
Total	200.2	115.3	84.9	-
Liabilities				
<i>Fair value through profit or loss</i>				
Financial debts (excluding ORNANE)	-	-	-	-
ORNANE	738.5	738.5	-	-
Derivatives	369.8	-	369.8	-
<i>Fair value through equity</i>				
Derivatives	-	-	-	-
Total	1 108.3	738.5	369.8	-

NET GAIN/LOSS BY CATEGORY

2011 (in €Mn)	From interest	From trading	From subsequent measurement			Net gain/loss
			At fair value	Currency translation	Impairment/reversal of impairment	
Loans & receivables	19.2	-	-	-	-	19.2
Available-for-sale financial assets	-	-	0.5	-	-	0.5
Financial instruments held for trading	-	-30.7	-	-	-	-30.7
Financial liabilities at amortised cost	-334.8	-	-	-	-	-334.8
	-315.6	-30.7	0.5	-	-	-345.8
Capitalised expenses						44.4
Other						0.2
Net financial expenses						-301.1

2010 (in €Mn)	From interest	From trading	From subsequent measurement			Net gain/loss
			At fair value	Currency translation	Impairment/reversal of impairment	
Loans & receivables	16.4	-	-	-	-	16.4
Available-for-sale financial assets	-	-	0.6	-	-	0.6
Financial instruments held for trading	-	-42.5	-	-	-	-42.5
Financial liabilities at amortised cost	-280.8	-	-	-	-	-280.8
	-264.3	-42.5	0.6	-	-	-306.2
Capitalised expenses						35.1
Other						2.2
Net financial expenses						-268.9

Unibail-Rodamco closely monitors its financial risk linked to its activity and the financial instruments it uses. The Group identifies and evaluates regularly its different risk exposures (liquidity, interest rates, currency exchange rates) in order to implement the adapted strategy when necessary.

Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures with respect to rental customers. Credit risk is managed on a Group level. The Group structures the level of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparties, and to geographical and industry segments. Such risks are subject to at least an annual review, and often more frequently. The Group has policies in place to ensure that rental contracts are made with customers with an appropriate credit history.

The main tenants of Unibail-Rodamco's office properties in France are blue-chip companies. The tenants profile minimises insolvency risks.

In the Retail division, the risk of insolvency is spread widely across a large number of tenants.

When tenants sign their leasing agreements, they are required to provide financial guarantees, such as deposit, first-demand guarantee or surety bond amounting to between three and six months' rent.

Payments for ancillary services provided by the Convention-Exhibition division are generally received in advance, thereby reducing the risk of unpaid debt.

Late payment reminders are automatically issued in respect of late payments and penalties are applied. Such late payments

are monitored by a special "default" committee in each business division which decides on the pre-litigious or litigious action to be taken.

The Group applies the following rules to calculate the provision for doubtful accounts:

- 50% of receivables due for more than 3 months (calculation after preliminary deduction of deposits and bank guarantee),
- 100% of receivables due for more than 6 months.

Market risk

a. Liquidity risk

The following table shows the Group's contractually agreed interest payments and repayments of the non derivative financial liabilities and the derivatives with positive and negative fair values. Amounts in foreign currency were translated at the closing rate at the reporting date. The payments of the floating-rate interests have been calculated on the basis of the last interests rates published on December 31, 2011. Lines drawn as at December 31, 2011 are considered as drawn until maturity.

Commercial paper has been allocated at the earliest period of redemption even if they are rolled over. All other borrowings have been allocated by date of maturity.

(in €Mn)	Carrying amount ⁽¹⁾ Dec. 31, 2011	Less than 1 year		1 year to 5 years		More than 5 years	
		Interest	Redemption	Interest	Redemption	Interest	Redemption
Bonds, borrowings and amounts due to credit institutions:							
Bonds and EMTN's	-5,283.0	-207.0	-500.0	-644.7	-2,915.0	-238.7	-1,868.0
Bank borrowings and other financial liabilities	-5,135.7	-94.6	-1,798.1	-147.4	-2,793.0	-948.6 ⁽²⁾	-544.6
Financial derivatives:							
<i>Derivative financial liabilities:</i>							
Currency and interest rate derivatives in connection with net investment hedges	-	-	-	-	-	-	-
Interest rate derivatives without a hedging relationship	-369.8	-33.8	-	-181.6	-	14.8	-
Currency and interest rate derivatives in connection with fair value hedges or cash flow hedges	-	-	-	-	-	-	-
<i>Derivative financial assets:</i>							
Currency derivatives in connection with cash flow hedges	0.6	2.0	-	0.7	-	-	-
Interest rate derivatives without a hedging relationship	84.3	-3.9	16.2	-13.8	0.2	-	-

(1) Corresponds to the amount of principal debt (see note 12 "Current and non current financial liabilities").

(2) Includes an amount of €919.0 Mn interests on current accounts with non-controlling interests of Viparis entities, whose term is in 2107.

Unibail-Rodamco's long term refinancing policy consists of diversifying the Group's expiry schedules and financial resources. Accordingly, bonds & EMTN issues represented 48% of financial nominal debt at December 31, 2011, bank loans and overdrafts 38%, commercial paper & *billets de trésorerie* 8% and convertible bonds 6%.

The commercial paper programmes are backed by confirmed credit lines. These credit lines protect Unibail-Rodamco against the risk of a temporary or more sustained absence of lenders in the short or medium term debt markets and were provided by leading international banks.

As at December 31, 2011 the total amount of undrawn credit lines came to €3,223 Mn.

b. Counterparty risk

Due to its use of derivatives to minimise its interest and exchange rate risk, 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. To limit counterparty risk, Unibail-Rodamco relies solely on major international banks for its hedging operations.

c. Interest rate risk management

Unibail-Rodamco is exposed to interest rate fluctuations on its variable rate loans. Unibail-Rodamco's strategy regarding interest rate risk is to minimise the impact that changes in rates could have on earnings and cash flow and optimise the overall cost of financing in the medium term. In order to implement this strategy, Unibail-Rodamco borrows at variable rates and

uses derivatives (mainly caps and swaps) to hedge its interest rate exposure. The Group's market transactions are confined exclusively to those interest hedging activities. All transactions are managed centrally and independently by the Group.

• Average cost of Debt

Unibail-Rodamco's average cost of debt came to 3.6% over 2011 (3.9% over 2010). This average cost of debt results from the level of margins on existing borrowings, the low interest rate environment in 2011, the Group's hedging instruments and the cost of carry of the undrawn credit lines.

• Interest rate hedging transactions

During 2011, interest rates came down reflecting the macro-economic environment.

- After reviewing the interest rate exposure of the Group as at December 31, 2010, the Group cancelled €1 Bn of swaps in January 2011.
- In H2-2011 taking into account its latest debt projection, Unibail-Rodamco entered into forward swaps to hedge in advance the years 2012 to 2016 (€1,250 Mn of swaps have been contracted on the short term – one to two years starting in 2012 – and €1,500 Mn on medium to long term maturities). These swaps were concluded at an average rate of 1.76%.

• Measuring interest rate risk

As at December 31, 2011, net financial nominal debt stood at €9,667 Mn, excluding partners' current accounts and after taking cash surpluses into account (€82 Mn).

	Financial assets		Financial liabilities		Net exposure	
	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate
Less than 1 year	79.7	2.6	-1,045.3	-1,230.8	-965.6	-1,228.2
1 year to 2 years	-	-	-20.2	-1,509.6	-20.2	-1,509.6
2 years to 3 years	-	-	-589.8	-464.9	-589.8	-464.9
3 years to 4 years	-	-	-1,262.2	-131.1	-1,262.2	-131.1
4 years to 5 years	-	-	-1,105.4	-230.4	-1,105.4	-230.4
More than 5 years	-	-	-1,724.9	-434.5	-1,724.9	-434.5
Total	79.7	2.6	-5,747.9	-4,001.3	-5,668.1	-3,998.7

The Group doesn't have a micro-hedging strategy, except when both currency exchange risk and interest rate risk are hedged, which enables it not to correlate its liquidity risk and interest rate risk management. Consequently, the maturities of the debts and hedging instruments can be dissociated and the outstanding derivatives instruments can hedge a part of the fixed rate debt maturing in the following years.

The outstanding nominal net debt was hedged at 100% against an increase in variable rates through both:

- debt kept at fixed rate,
- hedging in place as part of Unibail-Rodamco's macro hedging policy.

(in €Mn)	Outstanding total at Dec. 31, 2011	
	Fixed rate	Variable rate ⁽¹⁾
Financial liabilities	-5,747.9	-4,001.3
Financial assets	79.7	2.6
Net financial liabilities before hedging programme	-5,668.1	-3,998.7
Hedging	1,342.3	-1,342.3
Net financial liabilities after micro-hedging⁽²⁾	-4,325.9	-5,341.0
Swap rate hedging ⁽³⁾	-	3,567.3
Net debt not covered by swaps	-	-1,773.7
Cap and floor hedging	-	1,755.8
Hedging balance	-	-17.9

(1) Including index-linked debt.

(2) Partners' current accounts are not included in variable-rate debt.

(3) Forward hedging instruments are not accounted for in this table.

Based on Unibail-Rodamco's debt situation as at December 31, 2011, if interest rates (Euribor, Stibor or Libor) were to rise by an average of 0.5%⁽¹⁾ (50 basis points) during 2012, the resulting increase in financial expenses would have an estimated negative impact of €1.8 Mn on the recurring net profit. A further rise of 0.5% would have an additional adverse impact of €2.8 Mn. Conversely, a 0.5% (50 basis points) drop in interest rates would increase financial expenses by an estimated €3.4 Mn due to the activation of floors and would impact 2012 recurring net profit by an equivalent amount.

d. Currency exchange rate risk management

Regarding exchange rate risk, the Group aims to limit its net exposure to an acceptable level by taking up debt in the same currency, by using derivatives and by buying or selling foreign currencies at spot or forward rates.

• Measuring currency exchange rate exposure

The Group has activities and investments in countries outside the Eurozone, primarily in Sweden. When converted into euros, the income and value of the Group 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 are 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 development activities investments is covered 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.

• Main foreign currency positions at December 31, 2011 (in €Mn)

Currency	Assets	Liabilities	Net Exposure	Hedging instruments	Exposure net of hedges
SEK	1,525.7	-361.0	1,164.7	-135.5	1,029.1
DKK	323.0	-210.5	112.5	135.7	248.2
HUF	1.8	-	1.8	-	1.8
CZK	0.1	-159.4	-159.3	156.2	-3.1
PLN	40.6	-	40.6	-	40.6
Total	1,891.1	-730.9	1,160.2	156.5	1,316.7

The main exposure kept is in Swedish Krona. A decrease of 10% in the SEK/EUR exchange rate would have a €94 Mn negative impact on shareholders' equity.

(1) 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 in interest rates are calculated above a Euribor of 1.356%

The sensitivity of the 2012 recurring result⁽²⁾ to a 10% depreciation in the SEK/EUR exchange rate is limited to €1 Mn following the implementation of forward exchange rate transactions early in 2012.

7. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may issue new debt or buy back existing outstanding debt, adjust the amount of dividends paid to shareholders (subject to the Group's fiscal status under the SIIC regime in France), return capital to shareholders, issue new shares or buy back outstanding shares or sell assets to reduce debt.

The Group has disclosed the debt ratio "Loan-to-value" (LTV) which is calculated as the net financial nominal debt expressed as a percentage of the portfolio valuation (including transfer taxes). As at December 31, 2011, net financial debt stood at €9,667 Mn excluding partners' current accounts and after taking cash surpluses into account (€82 Mn). The portfolio valuation (including transfer taxes) of the Group at the same date amounted to €25,924 Mn. As at December 31, 2011, the calculated ratio came unchanged vs. December 31, 2010 to 37%.

(2) The sensitivity is measured by applying a change in exchange rate to the net revenues in SEK (net rents – financial expenses – taxes), based on an EUR/SEK exchange rate of 9.0834.

8. Financial commitments and guarantees

All significant commitments are shown below. The Group does not have any complex commitments.

COMMITMENTS GIVEN

Commitments given (in €Mn)	Description	Maturities	Dec. 31, 2011	Dec. 31, 2010
1) Commitments related to the scope of the consolidated Group			191.1	94.0
Commitments for acquisitions	- purchase undertakings and earn-out ⁽¹⁾	2012	157.4	94.0
Commitments given as part of specific operations	- liability warranties	2012+	33.8	-
2) Commitments related to Group financing			1,077.1	1,139.4
Financial guarantees given	- mortgages and first lien lenders ⁽²⁾	2012 to 2023	1,077.1	1,139.4
3) Commitments related to Group operational activities			1,624.9	1,058.3
Commitments related to development activities	- properties under construction: residual commitments for works contracts and forward purchase agreements ⁽³⁾	2012 to 2016	1,322.4	737.8
	- residual commitments for other works contracts	2012 and 2013	19.6	23.1
	- commitments with suspensive conditions ⁽⁴⁾	2012 to 2014	105.1	104.5
Commitments related to operating contracts	- commitments for construction works ⁽⁵⁾	2012 to 2026	144.9	166.8
	- rental of premises and equipment	2012 to 2048	9.5	15.1
	- others		23.4	11.0
Total commitments given			2,893.1	2,291.7

(1) €123.0 Mn concern the acquisition of a stake in a shopping centre in Poland, and the remaining part is mainly related to the acquisition of a hypermarket in a shopping centre in Spain for an amount of €32.2 Mn.

(2) Discloses the outstanding balances at the reporting date of the debts and credit lines which are guaranteed by mortgages. The gross amount of mortgages contracted, before taking into account subsequent debt reimbursement and unused credit lines, was €1,353.6 Mn at December 31, 2011 (€1,438.9 Mn at December 31, 2010).

(3) Concerns commitments linked to the construction of new or extension of existing shopping centres and offices, particularly the Majunga offices in La Défense, Courceller offices in Levallois-Perret, SO Ouest offices and retail in Levallois-Perret, Forum des Halles retail in Paris and Aéroville retail at Paris Charles-de-Gaulle airport, all in France, as well as Mall of Scandinavia in Stockholm and Täby Centrum in Täby, Sweden.

The significant increase in the commitments on projects under construction results mainly from the Aéroville and Mall of Scandinavia projects and from Majunga offices, partially compensated by the advancement of several others, such as SO Ouest offices and Lyon Confluence and Täby Centrum retail.

(4) Mainly commitments for land purchases for the Oceanic project at Valencia in Spain, for Portes de Gascogne project in Toulouse and for the Majunga project at La Défense in France.

(5) Concerns the commitment to carry out maintenance and refurbishment works under the contract of the exhibition site Porte de Versailles in Paris, France.

Other unquantifiable commitments given related to the scope of the consolidated Group

- Unibail-Rodamco SE gave an earn-out commitment in the event that an extension permit is obtained for the Chelles 2, France shopping centre before 2012. The maximum amount of this payment is €124.69 per square metre of contractual Gross Leasable Area (GLA), indexed according to the Construction Cost Index.
- For a number of recent acquisitions of properties in France, Unibail-Rodamco has committed to the French tax authorities to retain these interests during at least five years, in accordance with the SIIC tax regime.
- As part of the agreements signed January 28, 2008 between the CCIP and Unibail-Rodamco to create Viparis and Comexposium, Unibail-Rodamco has committed to retain its interests in shared subsidiaries until 2013. The CCIP has a right of first choice and a right of joint sale.

Other unquantifiable commitments given related to Group operational activities

- As part of the Forum des Halles retail project, the Group's 65% subsidiary SCI du Forum des Halles de Paris has committed to pay to the City of Paris a conditional earn-out in 2019.
- The Group's 50% subsidiary SCI Propexpo has committed that the Espace Champéret venue in Paris, France will continue to be used as an exhibition hall through to 2066.
- The Group has committed until 2028 to purchase from management and employees of the Comexposium Group, which is consolidated under the Equity Method, preferred shares which they may hold in Comexposium Holding SA as a result of the Comexposium Group's stock option plan. The CCIP is also a party to this commitment.

COMMITMENTS RECEIVED

Commitments received (in €Mn)	Description	Maturities	Dec. 31, 2011	Dec. 31, 2010
1) Commitments related to the scope of the consolidated Group			10.0	78.9
Commitments for acquisitions of companies	- sales undertakings		-	69.4
Commitments received as part of specific operations	- liability warranties ⁽¹⁾	2012	10.0	9.6
2) Commitments related to Group financing			3,223.4	2,983.0
Financial guarantees received	- refinancing agreements obtained but not used ⁽²⁾	2012 to 2017	3,223.4	2,983.0
3) Commitments related to Group operational activities			573.5	408.7
Other contractual commitments received related to operations	- bank guarantees on works and others	2012+	55.5	21.1
	- others		60.2	48.4
Assets received as security, mortgage or pledge, as well as guarantees received	- guarantees received relating to Hoguet regulation	2012	111.7	73.2
	- guarantees received from tenants	2012 to 2022	232.5	241.8
	- guarantees received from contractors on works	2012 to 2015	113.5	24.2
Total commitments received			3,806.9	3,470.6

(1) Warranty received from the vendor of the Aupark shopping and entertainment centre in Bratislava, Slovakia, following the acquisition of an additional 50% stake in this asset.
(2) These agreements are usually accompanied by a requirement to meet specific target ratios based on revalued shareholders' equity, Group portfolio valuation and debt. Certain credit lines are also subject to an early prepayment clause (in full or in part) in the event of a change in ownership or a series of disposals reducing portfolio assets below a given threshold. Based on current forecasts, excluding exceptional circumstances, these thresholds on target ratios are not expected to be attained during the current year.

Other unquantifiable commitments received related to the scope of the consolidated Group

- As part of the agreements signed January 28, 2008 between the CCIP and Unibail-Rodamco to create Viparis and Comexposium, the CCIP has committed to retain its interests in shared subsidiaries until 2013. Unibail-Rodamco has a right of first choice and a right of joint sale. Finally, the CCIP accords to the SCI Propexpo, a 50% subsidiary of the Group, a right of preferential purchase on its property rights in the areas of the Palais des Congrès de Paris and the Parc des Expositions de Paris-Nord Villepinte in France.

Commitments relating to operating leases

General overview of the main provisions of lease agreements

In France, commercial lease agreements are covered by articles L. 145-1 to L. 145-60 of the French Commercial Code. The minimum term of the lease is nine years and the tenant has the exclusive right to terminate the agreement at the end of each optional three-year break period subject to giving six months' notice by extrajudicial agreement. However, lease contracts can provide for waiving of this three-year break provision.

Rents are usually received quarterly in advance and are annually indexed to the INSEE retail rental index (ILC or ILAT) or construction cost index (ICC). Rents may be stepped or constant and can include rent-free periods or step rents. The level of rent is determined at the time the lease agreement is signed and remains in force for the term of the lease. All charges, including land duties and office tax, are usually paid by the tenant, unless stated otherwise in the lease agreement.

In the case of shopping centres, rent is based on a minimum guaranteed rent, indexed and established so that the variable turnover based part of rents represents a small part of total rents. In 2011, variable rents accounted for just 1.8% of total rents.

In Sweden, commercial lease agreements are covered by Chapter 12 of the Code of Land Laws. There is no minimum term of the lease, however three to five years is standard practice with a right to prolong the lease. Rents are usually received quarterly in advance and historically include all charges, such as tax and costs for the operation of the shopping centre. However, new leases exclude services charges which are invoiced separately.

In the Czech Republic, commercial lease agreements are regulated mainly by Act No. 116/1990 Coll. on the lease and sublease of non-residential premises. A commercial lease can be entered into either for a definite term or for an indefinite term with a right to terminate. Unless such option is granted, the lessee has no legal right to renewal.

Rents are expressed in euros, and are usually paid in CZK quarterly in advance.

In Poland, commercial lease agreements are regulated by articles 659-692 of the Polish Civil Code. Lease agreement can be concluded for a specified period of time (usually 5 years) or indefinite period of time. Rents are expressed in euros, and usually received in PLN monthly in advance and are annually indexed to the European HICP index.

In The Netherlands, commercial lease agreements are covered by the regime set out in articles 290 and following of book 7 of the Dutch Civil Code. By law, the lease agreement in principle applies for a period of five years. After expiry of this five year period, the lease is extended by operation of law for another period of 5 years and thereafter implicitly on an annual basis. A

landlord has in principle very few rights to terminate. A landlord requires the verdict of a cantonal court for those terminations. Rents are usually received quarterly in advance.

In Austria, commercial lease agreements are covered by articles 1090 to 1121 of the Austrian Civil Code. The average term of the lease agreement is 7-10 years and the agreement expires at the end of this period without any need of action by landlord or tenant. However, lease agreements can provide for options which can be exercised by the tenant in order to prolong the term of the lease agreement. Rents are received monthly in advance.

In Spain, commercial lease agreements are covered mainly by The Urban Lease Act, passed on 24 November 1994. In this regard, parties may freely agree almost all the clauses of the agreement except for the legal deposit which has to be mandatory delivered by the tenant amounting two months rent. The term of most of the leases may be freely agreed by the parties and usually comes to five years in Unibail-Rodamco's shopping centres. The rents are usually received monthly in advance.

Minimum guaranteed rents under leases

As at December 31, 2011, minimum future rents due under leases until the next possible termination date break down as follows:

Minimum future rents per year (in €Mn)			
Year	Retail	Offices	Total
2012	879.4	174.4	1,053.8
2013	693.4	135.3	828.7
2014	506.3	110.5	616.8
2015	301.5	88.3	389.8
2016	194.2	55.1	249.3
2017	140.7	48.0	188.7
2018	108.6	40.3	148.9
2019	83.5	19.2	102.7
2020	53.7	4.1	57.8
2021	33.0	1.2	34.2
2022	24.3	1.2	25.5
Beyond	131.5	12.8	144.3
Total	3,150.1	690.5	3,840.6

9. Employee remuneration and benefits

9.1. Personnel costs

(in €Mn)	2011	2010
Head and regional office personnel costs	83.4	90.7
Personnel costs for property services activities	23.4	21.3
Personnel costs for Convention-Exhibition centre management activities	31.1	30.6
Employee benefits ⁽¹⁾	6.9	7.4
TOTAL	144.8	150.0

(1) Expenses relating to the Company Savings Plan, stock options and bonus share awards, recognised with an equivalent increase in equity.

Employee profit sharing

Employees belonging to the UES (*Unité Économique et Sociale* – Social and Economic Group) comprising Unibail Management, Espace Expansion and Unibail Marketing & Multimedia, employees of Unibail-Rodamco SE, as well as employees belonging to the UES comprising Rodamco France Management and Rodamco Gestion, benefit from a common employee profit-sharing plan and a common profit-sharing agreement introduced in 2002 and renewed in 2011. The profit-sharing agreement is based on the annual growth of the net recurring result, weighted for the activity in France and adjusted for indexation.

Employees belonging to the UES Viparis benefit from an employee profit-sharing plan and a profit-sharing agreement renewed in 2011 based on growth in net operating income.

The following amounts were allocated to these schemes:

(in €Mn)	2011	2010
Regulated employee profit-sharing plan	3.1	2.0
Employee profit-sharing agreement	0.6	-

9.2. Number of employees

The average number of employees of the Group's companies breaks down as follows:

Regions	2011	2010
France ⁽¹⁾	1,015	1,050
The Netherlands	61	93
Nordic countries	110	134
Spain	135	148
Central Europe	76	100
Austria	67	91
Total	1,464	1,616

(1) Of which Viparis: 398 / 404

9.3. Employee benefits

Pension Plan

The majority of the Group's pension schemes are defined contribution plans. The Dutch group companies have pension plans with both defined benefit as well as defined contribution components.

(in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Benefit obligations	39.0	40.5
Fair value of plan assets	-31.3	-30.1
Net liabilities at year-end	7.7	10.4

(in €Mn)	2011	2010
Net liabilities at the beginning of the year	10.4	7.4
Employer contributions	-0.6	-0.8
Expenses recognised in the result of the period	-2.1	3.8
<i>Actuarial (gains)/losses</i>	-3.1	3.1
<i>Current service costs</i>	0.4	0.7
<i>Interest costs</i>	1.8	1.8
<i>Expected return on plan assets</i>	-1.3	-1.3
<i>Settlement</i>	-	-0.5
Net liabilities at year-end	7.7	10.4

Principal actuarial assumptions used:

	Dec. 31, 2011	Dec. 31, 2010
Discount rate	4.60%	4.60%
Expected return on plan assets	4.60%	4.25%
Future salary increase	3.25%	3.25%
Future inflation	2.25%	2.25%
Future pension increase	2.25%/3.25%	2.25% / 3.25%

Company Savings Plan

Subscription to the Company Savings Plan is offered to employees in France who have been with the Group for more than three months. The subscription period is opened once per year after the share capital increase reserved to employees has been authorised by the Management Board, which also sets the subscription price. The subscription price is equal to the average of the opening share prices on the Eurolist of Euronext Paris over the 20 trading days preceding the decision of the Management Board, less a 20% discount. The Group also makes a top-up contribution applied exclusively to voluntary contributions, including profit-sharing, made by employees to the Group E Fund (fund fully vested in Unibail-Rodamco shares). These voluntary contributions are limited to a maximum of one quarter of the annual salary with a cap of €25,000.

The total cost of subscriptions to the Company Savings Plan (employer contribution and difference between the subscription price and the share price on the date of the capital increase) amounted to €1.3 Mn in 2011 compared with €1.5 Mn in 2010.

Stock option plans

There are currently five stock option plans granted to directors and employees of the Group. The main characteristics are as follows:

- Plan authorised in 2003 (plan n°3), relating to options allocated in 2003, 2004 and 2005. These stock options have a duration of 7 years and may be exercised at any time, in

one or more instalments, as from the 4th anniversary of the date of allocation by the Board of Directors. Two stock option schemes have been adopted: one scheme is unconditional and the other is subject to performance criteria. The latter scheme is intended mainly for the company's responsible officers and members of the Executive Committee. The right to exercise stock options is subject to Unibail-Rodamco stock performance being higher in percentage terms than that of the EPRA benchmark index over the reference period. As at December 31, 2011, unexercised options totalled 69,419 under the unconditional plan and 2,152 under the performance-related plan.

- Plan authorised in 2006 (plan n°4), relating to options allocated in 2006, all subject to performance criteria. These stock options have a duration of 7 years and may be exercised at any time, in one or more instalments, as from the 4th anniversary of the date of their allocation. The performance criteria are identical to those of the 2003 plan. As at December 31, 2011, a total of 334,730 options allocated had not been exercised.
- Plan authorised in 2007 (plan n°5), relating to options allocated in 2007, 2008 and 2009, all subject to performance criteria. These stock options have a duration of 7 years and may be exercised at any time, in one or more instalments, as from the 4th anniversary of the date of their allocation. The performance criteria are identical to those of the 2003 plan. As at December 31, 2011, a total of 2,130,905 options allocated had not been exercised.
- Plan authorised in 2010 (plan n°6): relating to options allocated in 2010 and 2011, all subject to performance criteria. These stock options have a duration of 7 years and may be exercised at any time, in one or more instalments, as from the 4th anniversary of the date of their allocation. The performance criteria are identical to those of the 2003 plan. As at December 31, 2011, a total of 1,549,714 options allocated had not been exercised.
- Plan authorised in 2011 (plan n°7): 26,000 options have been allocated on June 9, 2011, all subject to performance criteria. These stock options have a duration of 7 years and may be exercised at any time, in one or more instalments, as from the 4th anniversary of the date of their allocation. The performance criteria are identical to those of the 2003 plan. As at December 31, 2011, a total of 26,000 options allocated had not been exercised.

The table below shows allocated stock options that had not been exercised at the period-end:

Plan	Exercise period	Adjusted subscription price (€) ⁽¹⁾	Number of options granted	Adjustments in number of options ⁽¹⁾	Number of options cancelled	Number of options exercised	Potential additional number of shares	Unconditional scheme	Performance-related scheme
2003 plan (no. 3)	2004	from 13/10/2008 to 13/10/2011	61.17	308,000	99,638	16,865	390,773	-	-
	2005	from 14/12/2009 to 14/12/2012	86.37	404,500	46,071	80,800	298,200	71,571	69,419
2006 plan (no. 4)	2006	from 11/10/2010 to 11/10/2013	128.46	365,500	78,376	66,860	42,286	334,730	-
2007 plan (no. 5)	2007	from 11/10/2011 to 11/10/2014	143.46	653,700	126,180	208,088	-	571,792	-
	2008	from 23/10/2012 to 23/10/2015	103.62	860,450	185,210	232,679	-	812,981	-
	2009	from 13/03/2013 to 13/03/2016	79.08	735,450	170,116	159,434	-	746,132	-
2010 plan (no. 6)	2010	from 10/03/2014 to 10/03/2017	120.33	778,800	170,561	130,222	-	819,139	-
	2011	from 10/03/2015 to 10/03/2018	141.54	753,950	15,059	38,434	-	730,575	-
2011 plan (no. 7)	2011	from 09/06/2015 to 09/06/2018	152.03	26,000	-	-	-	26,000	-
Total			4,886,350	891,211	933,382	731,259	4,112,920	69,419	4,043,501

(1) Adjustments reflect distribution paid from retained earnings.

The table below shows the number and weighted average exercise prices of stock options:

	2011		2010	
	Number	Weighted average price (€)	Number	Weighted average price (€)
Outstanding at beginning of period	3,649,671	112.24	2,982,831	124.94
Allocated over the period	779,950	141.89	778,000	122.74
Adjusted over the period	84,472	116.36	667,990	111.05
Cancelled over the period	-231,710	113.02	-341,197	111.94
Exercised over the period	-169,463	93.08	-438,753	79.80
Average share price on date of exercise	-	151.69	-	136.39
Outstanding at end of period	4,112,920	116.80	3,649,671	112.24
Of which exercisable at end of period	978,093 ⁽¹⁾	134.15	573,434	114.70

(1) For 908,674 options, the right to exercise is subject to meeting the following performance condition: the overall market performance of Unibail-Rodamco must be higher in percentage terms than the performance of the EPRA reference index over the reference period.

Stock options are accounted for in accordance with IFRS 2 (see section 1 "Accounting principles and consolidation methods" § 1.10). The expense recorded on the income statement in relation to stock options came to €5.8 Mn in 2011 and €6.5 Mn in 2010.

The performance-related stock-options allocated in March and June 2011 were respectively valued at €10.33 and €11.19 using a Monte Carlo model. This valuation is based on an initial exercise price of €144.37 and €152.03, a share price at the date of allocation of €147.60 and €153.15, a vesting period of four years, an estimated duration of 4.7 years, a market volatility of 23.5% and 23.7%, a dividend representing 6.4% of the share value, a risk-free interest rate of 2.7% and 2.6% and a volatility of EPRA index of 24.4% and 22.6% with a correlation EPRA / Unibail-Rodamco of 87.6% and 87.5%.

The performance-related stock options allocated in 2010 were valued at €8.67 using a Monte Carlo model. This valuation is based on an initial exercise price of €148.32, a share price at the date of allocation of €154.10, a vesting period of four years, an estimated duration of 4.7 years, a market volatility of 24.2%, a dividend representing 6.4% of the share value, a risk-free interest rate of 1.8% and a volatility of EPRA index of 31.0% with a correlation EPRA / Unibail-Rodamco of 85.9%.

The performance-related stock options allocated in 2009 were valued at €6.50 using a Monte Carlo model. This valuation is based on an initial exercise price of €99.42, a share price at the date of allocation of €98.79, a vesting period of four years, an estimated duration of 4.7 years, a market volatility of 23.3%, a dividend representing 8% of the share value, a risk-free interest rate of 2.8% and a volatility of EPRA index of 18.5% with a correlation EPRA / Unibail-Rodamco of 84.5%.

The performance-related stock options allocated in 2008 were valued at €8.50 using a Monte Carlo model. This valuation is based on an initial exercise price of €130.27, a share price at the date of allocation of €113.88, a vesting period of four years, an estimated duration of 4.7 years, a market volatility of 22.4%, a dividend of €7, plus year-growth of 8% in 2009 and 10% the following years, a risk-free interest rate of 3.5% and a volatility of EPRA index of 17.6% with a correlation EPRA / Unibail-Rodamco of 86.2%.

The performance-related stock options allocated in 2007 were valued at €14.70 using a Monte Carlo model. This valuation is based on an initial exercise price of €180.36, a share price at the date of allocation of €184.60, a vesting period of four years, an estimated duration of 4.7 years, a market volatility of 21%, a dividend of €7, plus year-growth of 10%, a risk-free interest rate of 4.29% and a volatility of EPRA index of 12.5% with a correlation EPRA / Unibail-Rodamco of 98.2%.

The performance-related stock options allocated in 2006 were valued at €11.70 using a Monte Carlo model. This valuation is based on an initial exercise price of €161.50, a share price at the date of allocation of €167.40, a vesting period of four years, an estimated duration of 4.7 years, a market volatility of 19.6%, a dividend of 3.85% of the value of the share, a risk-free interest rate of 3.72% and a volatility of EPRA index of 12.3% with a correlation EPRA / Unibail-Rodamco of 98.2%.

Stock options allocated in 2005 were valued at €13.90 using a binomial model for the unconditional scheme and €6.90 using a Monte Carlo model for performance-related options.

Stock options allocated in 2004 were valued at €12.90 using a binomial model for the unconditional scheme and €7.10 using a Monte Carlo model for performance-related options.

10. Related party disclosures

The consolidated financial statements include all of the companies in the Group's scope of consolidation (see section 3 "Scope of consolidation").

The parent company is Unibail-Rodamco SE.

To the Group's knowledge, there are no shareholders' pacts nor persons or groups of persons exercising or who could exercise control over the Group.

The main related party transactions refer to transactions with companies consolidated under the equity method.

(in €Mn)	Dec. 31, 2011	Dec. 31, 2010
Comexposium Group		
Loan	149.6	149.6
Recognised interest	6.0	5.9
Rents and fees invoiced ⁽¹⁾	44.3	52.8
SCI Triangle des Gares⁽²⁾		
Loan	-	-
Recognised interest	-	0.4
Fees invoiced	-	0.4

(1) Correspond mainly to rents and fees invoiced by Viparis entities to Comexposium and to rent invoiced by the SCI Wilson for the head office of Comexposium.

(2) Correspond in 2010 to a 6-month period.

All of these transactions are based on market prices.

No transactions with related parties have influenced significantly the consolidated financial statements.

Transactions with other related parties

• Remuneration of the Management Board:

(in €) Paid in:	2011	2010
Fixed income	2,943,267	2,909,174
Short-term incentive	2,300,078	1,284,426
Other benefit ⁽¹⁾	849,929	421,585
Total	6,093,274⁽²⁾	4,615,185

(1) Mainly pension and company car.

(2) The amounts indicated correspond to the periods during which the beneficiaries were members of the Management Board.

In 2011, members of the Management Board were allocated a total of 185,000 stock options, all of which are subject to performance criteria.

Regarding the 2011 results, the Management Board members will receive in 2012 a total variable remuneration of €1,893,374.

• Remuneration of the Supervisory Board: €804,085.

Loans or guarantees granted to directors: None.

Transactions involving directors: None.

11. Relationship with statutory auditors

Statutory auditors are:

– Ernst & Young Audit

Commencement date of first term of office: AGM of May 13, 1975

Persons responsible: Christian Mouillon and Benoit Schumacher designated in April 2011

– Deloitte & Associés

Commencement date of first term of office: AGM of April 27, 2011

Person responsible: Damien Leurent designated in April 2011

Expiry of term of office for both auditors at the AGM held for the purpose of closing the 2016 accounts.

Fees of statutory auditors and other professionals in their networks for the 2011 and 2010 fiscal years, for the parent company and fully-consolidated subsidiaries:

(in €Mn)	Ernst & Young				Deloitte				Others			
	Amount		%		Amount		%		Amount		%	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Audit												
Statutory audit, certification, review of company and consolidated financial statements												
Issuer ⁽¹⁾	0.3	0.4	21%	18%	0.3	0.4	28%	41%	-	-	-	-
Fully consolidated subsidiaries	1.1	1.8	67%	72%	0.6	0.6	64%	56%	-	-	18%	-
Other assignments and services directly related to the statutory audit assignment												
Issuer ⁽¹⁾	0.1	0.1	7%	4%	-	-	2%	3%	-	-	-	-
Fully consolidated subsidiaries	0.1	0.2	5%	7%	0.1	-	6%	-	0.1	-	82%	-
Subtotal	1.6	2.5	100%	100%	0.9	1.0	100%	100%	0.2	-	100%	-
Other services rendered by the network to fully consolidated subsidiaries												
Legal, tax, employee-related	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Total	1.6	2.5	100%	100%	0.9	1.0	100%	100%	0.2	-	100%	-

(1) The issuer is the parent company.

Concerning the subsidiaries consolidated by the proportional or equity methods, the fees of statutory auditors and other professionals in their networks for the 2011 fiscal year for the statutory audit, certification and review of company financial statements amount to €0.3 Mn, of which €0.1 Mn for Ernst & Young, and €0.2 Mn for Others.

12. Post closing events

Acquisition

On January 20, 2012, the Group has acquired a part of the Sant Cugat shopping centre, in Spain, for a total acquisition cost of €33.7Mn.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2011

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholder's General Meeting, we hereby report to you, for the year ended December 31, 2011, on:

- the audit of the accompanying consolidated financial statements of Unibail-Rodamco;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Management Board. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2011 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code (code de commerce) relating to

the justification of our assessments, we bring to your attention the following matters:

- As stated in note 1.5 to the consolidated financial statements, the real estate portfolio is subject to valuation procedures carried out by independent real estate appraisers. We ensured that the fair value of investment properties as stated in the consolidated statement of financial position and in note 5.1 to the consolidated financial statements was determined in accordance with the valuations carried out by the aforementioned appraisers. We have also assessed the reasonableness of these valuations. Moreover, for investment properties under construction for which the fair value could not be reliably determined, we have assessed the reasonableness of the data and assumptions used by your Group to carry out the impairment tests of these assets maintained at cost. We have ensured that necessary depreciations have been booked following these impairment tests.
- As indicated in note 1.5 to the consolidated financial statements, your Group carries out on an annual basis impairment tests for its intangible assets, most of them based on external appraisals. We have notably assessed the reasonableness of the data and assumptions used by your Group to carry out these tests and we have ensured that necessary depreciations required by these tests had been booked.

For those assessments we also ensured that appropriate information was disclosed in the notes.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification

As required by law we have also verified in accordance with professional standards applicable in France the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-Sur-Seine and Paris-La Défense, March 22, 2012

The Statutory Auditors French Original signed by

DELOITTE & ASSOCIES
represented by Damien Leurent

ERNST & YOUNG AUDIT
represented by Benoit Schumacher and Christian Mouillon

LEGAL INFORMATION

I. GENERAL INFORMATION	213
II. SHARE CAPITAL - GENERAL INFORMATION	215
III. SHARE CAPITAL AND VOTING RIGHTS	225
IV. MANAGEMENT BOARD AND SUPERVISORY BOARD	226
V. OTHER INFORMATION	246
VI. RISK FACTORS	247

LEGAL INFORMATION

I. GENERAL INFORMATION

Company name

Unibail-Rodamco SE

Registered office

7, place du Chancelier Adenauer – 75016 Paris (France)

Legal form and applicable law

European public limited-liability company governed by Management Board and Supervisory Board, pursuant to the provisions of the European Council Regulation 2001/2157/EC of October 8, 2001, applicable to European companies and the current laws and regulations of France.

SIIC Regulation

In 2003, the Company and its eligible subsidiaries opted for and became subject to the tax regime applicable to Listed Property Investment Companies (SIIC) introduced by the 2003 French Finance Act (Article 208 C of the French General Tax Code, Code Général des Impôts). This regime is based on the principle of fiscal transparency. The tax is borne at the shareholder level and not at the company level.

SIIC distribution obligation⁽¹⁾

As the Company has opted for the SIIC regime, in France, the net recurring results for eligible activities and the capital gain on eligible asset divestments are exempt from tax provided that:

- 85% of the net recurrent results flowing from eligible activities in year X are distributed to shareholders in year X+1; and
- 100% of dividends received from subsidiaries and 50% of eligible capital gain in year X is distributed to shareholders (at the latest) in year X+2.

As of January 1, 2010, no shareholder is entitled to own more than 60% of the capital and/or voting rights in a SIIC company. The same applies to or group of shareholders acting in concert. As at the date of filing of this Registration Document, to the best of the Company's knowledge, no shareholder has reached this threshold.

Term of the Company

99 years from July 23, 1968. Expiry July 22, 2067.

Corporate purpose

The corporate purpose of the Company is:

- investment through the acquisition, development, construction and ownership of land, buildings, property assets and rights, and the fitting out of property complexes, with a view to renting them out;
- the management, rental, leasing, divestment or exchange of the above assets, either directly, or through taking investments or interest ownerships, or by creating partnerships, companies or consortia;
- more generally, any financial, securities or property transactions directly or indirectly connected with the foregoing purpose or likely to facilitate its achievement;
- the acquisition, ownership or divestment of assets in any French or foreign legal entities with an activity directly or indirectly linked to the corporate purpose of the Company or which would favour its development.

Trade and Companies Register

682 024 096 RCS Paris – SIRET 682 024 096 00054 – APE code: 6420Z

Access to legal information concerning the Company

The Articles of association and other public documentation concerning the Company is available on the Company's website and/or at its registered office:

7, place du Chancelier Adenauer – 75016 Paris (France)

Tel: +33 (0)1 53 43 74 37

www.Unibail-Rodamco.com

Financial year

The financial year runs from January 1 to December 31.

Requirements pertaining to the distribution of profits

The distributable profit in any given year is equal to the sum of the net profit and any retained earnings, less: (1) any accumulated loss; and (2) amounts transferred to reserves ("Distributable Profits"). In addition to the Distributable Profits, the general meeting of shareholders may expressly resolve to distribute sums from other distributable reserves and/or the contribution premium.

Pursuant to the SIIC regime, the payment of a dividend may give rise to the imposition of a withholding tax (currently at a rate of 20%) on the Company pursuant to Article 208-C-II-ter of the French General Tax Code; calculated on the basis of the total dividend paid to shareholders holding (directly or indirectly) 10% or more of the share capital ("Shareholder Concerned")⁽²⁾.

⁽²⁾ Refer to paragraphs "Requirements pertaining to the distribution of profits" and "Statutory shareholder registration threshold". A "Shareholder Concerned" is any shareholder, other than a natural person, that owns, directly or through entities acting as intermediaries that it controls within the meaning of Article L. 233-3 of the French Commercial Code, the percentage of rights to a dividend specified in Article 208-C-II-ter (10%) of the French General Tax Code.

⁽¹⁾ For more information on the SIIC regime, refer to page 164.

This tax, where applicable, is borne by the Shareholder Concerned i.e. the withholding amount is reimbursed by the Shareholder Concerned (or offset against its dividend).

Corporate governance structure⁽³⁾

The Company is managed under a two-tier governance system (Management Board and Supervisory Board).

As at December 31, 2011, the Management Board is composed of six members (appointed by the Supervisory Board) and the Supervisory Board is composed of 11 members (appointed by the general meeting of shareholders).

General Meeting of Shareholders

A general meeting of shareholders is convened and conducted pursuant to French law and European regulations. All shareholders have the right to participate, either in person or through a representative, provided that they have been shareholders for at least 3 days prior to the date of the general meeting. There is one voting right per share. There are no preference shares.

Statutory shareholder registration threshold

– Pursuant to Article 9 of the Company's Articles of Association, a Shareholder Concerned⁽⁴⁾ must register the totality of its

shares (owned directly or via an entity it controls) and provide evidence to the Company by registered mail within five trading days of reaching such threshold. The declaration should confirm whether the Shareholder Concerned is resident in France for taxation purposes; and, if not, whether the Shareholder Concerned is subject, in its country of residence, to a tax equal to at least 2/3rds the level of taxation applicable in France. Any change in the Shareholder Concerned's position should be notified to the Company within ten trading days prior to the payment of any distribution. A Shareholder Concerned that fails to comply with the above requirements may lose the right to participate in and/or vote at general meetings of the Company.

– Pursuant to Article 9(b) of the Company's Articles of Association, any shareholder that reaches a 2% shareholding threshold in the Company (or any further multiple thereof) must notify the Company by registered letter within ten trading days of reaching such threshold. A Shareholder that fails to comply with this requirement may lose the voting rights attached to those shares exceeding the said threshold for a period of two years from the date of the (late) notification to the Company and upon the request of one or more shareholders holding at least 2% of the Company's share capital.

(3) For full details, refer to the Articles of Association and the Supervisory and Management Board charters available on the Company's website and at the Company's registered office.

(4) Ibid 2

II. SHARE CAPITAL - GENERAL INFORMATION

Statutory obligations pertaining to changes in the Company's share capital and categories of share rights

None

Authorised share capital - Form of shares

As at December 31, 2011, the share capital is €459,034,445, divided into 91,806,889 fully paid-up shares with a nominal value of €5 each. Company shares may be registered or bearer shares. The only exception applies to Shareholders Concerned who must register their shares in accordance with the requirements set out in Article 9 of the Articles of Association.

Table summarising authorisations to increase the share capital (as at December 31, 2011):

Pursuant to the Article L. 225.100 of the French Commercial Code, the following table summarises current authorisations granted to increase the share capital in the 2011 financial year and authorisations pre-dating 2011 which remain in force.

Type of authorisation	Amount authorised ⁽¹⁾	Date of general meeting	Authorisation expiry date	Potential Beneficiaries	Terms and conditions*	Number of shares issued/ subscribed for or permanently allocated ⁽²⁾	Authorisation outstanding in terms of shares able to be issued as at 31/12/2011 ⁽²⁾
Increase in the share capital by issue of ordinary shares to be subscribed for in cash or by issue of negotiable securities with PR ⁽³⁾	€75,000,000 (nominal value) in ordinary shares and/ or securities giving access to the share capital + €1,000,000,000 (nominal value) in debt instruments	April 27, 2011	October 27, 2012	Shareholders	Fixed by Management Board pursuant to AGM authority.	0	Totality of the authorisation
Increase in the share capital by issue of ordinary shares to be subscribed for in cash or the issue of securities without PR ⁽³⁾	€45,000,000 (nominal value) in ordinary shares and/ or securities giving access to the share capital + €1,000,000,000 (nominal value) in debt instruments	April 27, 2011	October 27, 2012	Shareholders and / or third parties	Fixed by Management Board pursuant to AGM authority; including power to cancel pre-emptive rights and replace with a priority right. Mandatory pre-emptive right for shareholders holding 10% or more of the share capital.	0	Totality of the authorisation
Increase in the share capital with or without PR ⁽³⁾	Maximum threshold of 15% for the first issue and within the global limit	April 27, 2011	October 27, 2012	Subscribers to the issue	Management Board has the power to make further issuances on the same terms and conditions as the initial issue.	0	Totality of the authorisation

Type of authorisation	Amount authorised ⁽¹⁾	Date of general meeting	Authorisation expiry date	Potential Beneficiaries	Terms and conditions *	Number of shares issued/ subscribed for or permanently allocated ⁽²⁾	Authorisation outstanding in terms of shares able to be issued as at 31/12/2011 ⁽²⁾
Increase in the share capital without PR ⁽³⁾ by the issue of ordinary shares to be subscribed for in cash, or the issue of any negotiable security in consideration for capital	Capital contribution in the form of securities: 10% of the authorised share capital as at the issuance	April 27, 2011	October 27, 2012	Subscribers to the issue	Fixed by Management Board pursuant to AGM authority; including the power to cancel pre-emptive rights.	0	Totality of the authorisation
Increase in the share capital reserved for employee savings plan participants	Maximum nominal value of €2,000,000 pursuant to the delegated powers	April 27, 2011	October 27, 2012	Participants in the Company Savings Plan	Fixed by Management Board pursuant to AGM authority. 20% discount applies based on the average share price over previous 20 trading days.	28,766 shares	371,234 shares
Increase in the share capital reserved for managers and employees eligible for the stock option plan (Plan no. 7 Performance)	Maximum: 1% of the fully diluted share capital per year	April 27, 2011	June 27, 2014	Group managers and employees	Fixed by Management Board pursuant to AGM authority. No discount applied.	0	26,000 stock options subject to performance conditions

(1) For more details, refer to the exact text of the resolutions.

(2) After adjustments if applicable.

(3) Pre-emption rights.

(4) The conditions of allocation, retention and, if applicable, performance are set by the Board for each allocation.

Table summarising new authorisations to increase the share capital to be proposed to the Annual General Meeting of Shareholders for approval on April 26, 2012:

Type of authorisation ⁽¹⁾	Amount ⁽²⁾	Date of General Meeting	Authorisation expiry date	Beneficiaries	Issue terms and conditions	Effect on the previous authorisation
Increase in the share capital by the issue of ordinary shares to be subscribed in cash, or of any negotiable securities with PR ⁽³⁾ . Resolution #11	€75,000,000 (nominal value) in ordinary shares and/or securities giving access to the share capital + €1,500,000,000 (nominal value) in debt instruments	April 26, 2012	October 26, 2013	Shareholders	Fixed by Management Board pursuant to AGM authority.	The approval of this authorisation would revoke the remainder of the April 27, 2011 authorisation
Increase in the share capital by the issue of ordinary shares to be subscribed in cash, or of any other securities without PR ⁽³⁾ . Resolution #12	€45,000,000 (nominal value) in ordinary shares and/or securities giving access to the share capital + €1,500,000,000 (nominal value) in debt instruments	April 26, 2012	October 26, 2013	Shareholders and/or third parties	Fixed by Management Board pursuant to AGM authority; including power to cancel pre-emptive rights and replace with a priority right. Mandatory pre-emptive right for shareholders holding 10% or more of the share capital.	The approval of this authorisation would revoke the remainder of the April 27, 2011 authorisation
Increase of the number of shares or securities to be issued in the case of an increase in the share capital with or without PR ⁽³⁾ . Resolution #13	Maximum threshold of 15% for the first issue and within the global limit	April 26, 2012	October 26, 2013	Subscribers to the issue	Management Board has the power to make further issuances on the same terms and conditions as the initial issue.	The approval of this authorisation would revoke the remainder of the April 27, 2011 authorisation
Increase in the share capital without PR ⁽³⁾ by the issue of ordinary shares to be subscribed in cash, or of any negotiable securities as consideration for capital contributions in kind. Resolution #14	Capital contribution in the form of securities: 10% of the authorised share capital as at the issuance	April 26, 2012	October 26, 2013	Subscribers to the issue	Fixed by Management Board pursuant to AGM authority; including the power to cancel pre-emptive rights.	The approval of this authorisation would revoke the remainder of the April 27, 2011 authorisation
Increases in the share capital reserved for participants of employees savings plan. Resolution #15	Maximum nominal value of €2,000,000	April 26, 2012	October 26, 2013	Participants in the Company Savings Plan	Fixed by Management Board pursuant to AGM authority. 20% discount applies based on the average share price over previous 20 trading days.	The approval of this authorisation would revoke the remainder of the April 27, 2011 authorisation
Increase in the share capital reserved for Group salaried staff and company officers, Performance share Plan. Resolution #16	Global limit: 0.8 % of the total diluted capital over the authorisation validity period. The total number of (i) Performance shares granted under this authorisation to be approved by the General Meeting on April 26, 2012 and of (ii) Options that may be granted under the unused part of a previous authorisation still in force and of (iii) Options open but not yet exercised and (if any), Performance shares granted under previous authorisations cannot give rise to a number of shares exceeding 8% of the share capital on a fully diluted basis.	April 26, 2012	June 26, 2015	Group salaried staff and company officers	Fixed by Management Board pursuant to AGM authority.	-

(1) For more details, refer to the exact text of the resolutions.

(2) Pursuant to French law, the AGM to be held on April 26, 2012, will be invited to fix a total maximum amount (included in Resolution #11) for all authorisations as follows:
- up to €122 million nominal amount of share capital increase;

- and up to €1.5 billion nominal amount for debt securities issues.

(3) Pre-emption rights.

Other securities granting access to the share capital

Options to subscribe for and/or purchase shares ("Options")

Options are allocated by the Company to Group managers and employees for exemplary performance, the assumption of additional responsibilities or key roles within the Group. The allocation of Options is by no means automatic. As a consequence, the beneficiaries (frequency and amount of Options allocated from year to year) may vary. Pursuant to Group rules:

- no discount is applied to Options;
- Options are valid for a 7 year period; and
- Options may be exercised once or several times from the fourth anniversary of the allocation date.

The detail of the various Option plans in force (Plan no. 3 to Plan no. 7) is provided below. A performance condition is applicable to the exercise of all Options under the various plans since 2003 for managers and since 2006 for employees. The performance condition has remained in force and unchanged ever since.

Performance condition

The exercise of Options is conditional on the Company's overall stock market performance outperforming the European Public Real Estate Association ("EPRA") index over the reference period. The reference period begins on the date of allocation of the Options and ends on the last trading day prior to the exercise of the said Options by the beneficiary (inclusive).

- The overall market performance of the Company is defined according to the evolution in its share price (taking into account gross distributions, dividends or interim dividends reinvested on the distribution date) over the reference period. The gross dividend figures included in the Company's overall stock market performance are those published by Bloomberg which is the reference for the EPRA Euro Zone Total Return ("RPEU") index.
- The performance of the EPRA index is defined by the evolution of the EPRA "RPEU" index over the reference period. This index is composed of the main European Public Real Estate companies and is a "total return" index (including dividends paid).

General conditions applicable to the allocation of Options (in force since March 2009)

- Pursuant to Afep-Medef recommendations, the allocation date must fall within the one-hundred-and-twenty (120) day period following the date of the publication of the Company's annual accounts.
- In accordance with Afep-Medef recommendations, the Supervisory Board fixes a maximum percentage out of the total number of options that can be granted to the Chairman of the Management Board and to the top six beneficiaries under the plans.

- The number of Options allocated to individual members of the Management Board is subject to the prior approval of the Supervisory Board on the recommendation of its Governance, Nomination and Remuneration Committee.
- In accordance with the Group remuneration policy, the Company must not grant Options exceeding the annual limit of 1% of the company's fully diluted share capital.

• Plan no. 3 and Plan no. 3 Performance (collectively referred to as "Plan no. 3")

The Combined General Meeting held on June 17, 2003, authorised the Board of Directors at the time to grant the Group's managers and employees Options up to a limit of 3% of the fully-diluted share capital. On October 15, 2003, on the recommendation of the Nomination and Remuneration Committee at the time, the Board of Directors approved the terms of two stock option plans: (i) Plan no. 3 for Group executives and employees without performance conditions and (ii) Plan no. 3 Performance limited to executives and high level managers with a performance condition (as defined above).

A total of 1,147,000 Options were granted under Plan no. 3. This may result in the creation of 1,416,058 new shares after legal adjustments pursuant to Article R228-91-3° of the French commercial code, in particular: the adjustment ratio of 1.2726 following the exceptional distribution of January 7, 2005 (applicable to 2004 tranche); the adjustment ratio of 1.02 following the exceptional distribution of July 15, 2009; the adjustment ratio of 1.06 following the exceptional distribution of May 10, 2010; the adjustment ratio of 1.14 following the exceptional distribution of October 12, 2010 and the adjustment ratio of 1.02 following the exceptional distribution of May 10, 2011 (for all tranches under Plan no. 3). As at March 14, 2012, a total of 1,258,174, Options were exercised under Plan no. 3. After the cancellation of Options due to staff departures, the potential number of new shares under Plan no. 3 is 60,219 (without performance conditions) and 2,152 (with performance conditions).

• Plan no. 4 Performance ("Plan no. 4")

The Combined General Meeting held on April 27, 2006, authorised the Board of Directors at the time to grant the Group's managers and employees Options up to a limit of 3% of the fully-diluted share capital. On October 11, 2006, on the recommendation of the Nomination and Remuneration Committee at the time, the Board of Directors approved a new stock option plan subject to the performance condition (Plan no. 4).

A total of 365,500 Options were granted under the Plan no. 4. This may result in the creation of 443,876 new shares after legal adjustments pursuant to Article R228-91-3° of the French Commercial code; notably: the adjustment ratio of 1.02 following the exceptional distribution of July 15, 2009; the adjustment ratio of 1.06 following the exceptional distribution of May 10, 2010; the adjustment ratio of 1.14 following the exceptional distribution of October 12, 2010 and the

adjustment ratio of 1.02 following the exceptional distribution of May 10, 2011. As at March 14, 2012, 54,438 Options were exercised under Plan no. 4. After the cancellation of Options due to staff departures, the potential number of new shares under Plan no. 4 is 322,578.

• **Plan no. 5 Performance ("Plan no. 5")**

The Combined General Meeting held on May 21, 2007, authorised the Management Board to grant the Group's managers and employees Options up to a limit of 3% of the fully-diluted share capital. This authorisation replaced the authorisation granted by the General Meeting on April 27, 2006. On October 11, 2007, in agreement with the Supervisory Board and the Governance, Nomination and Remuneration Committee, the Management Board approved a new stock option plan subject to the performance condition (Plan no. 5). Plan no. 5 was extended to all Unibail and Rodamco Europe Group subsidiaries following the formalisation of the merger on June 21, 2007.

In agreement with the Supervisory Board (on the recommendation of the Governance, Nomination and Remuneration Committee), the Management Board granted further allocations under Plan no. 5 on October 11, 2007, October 23, 2008 and on March 13, 2009. A total of 2,249,600 Options were granted. This may result in the creation of 2,731,106 new shares after legal adjustments pursuant to Article R228-91-3° of the French commercial code; notably: the adjustment ratio of 1.02 following the exceptional distribution of July 15, 2009, the adjustment ratio of 1.06 following the exceptional distribution of May 10, 2010; the adjustment ratio of 1.14 following the exceptional distribution of October 12, 2010 and the adjustment ratio of 1.02 following the exceptional distribution of May 10, 2011. As at March 14, 2012, after the cancellation of options due to staff departures, the potential number of new shares under Plan no. 5 is 2,112,039.

• **Plan no. 6 Performance ("Plan no. 6")**

The Combined General Meeting held on May 14, 2009, authorised the Management Board to grant the Group's managers and employees Options up to a limit of 3% of the fully-diluted share capital on the condition that the total sum of the Options granted under this and previous authorisations, including performance shares previously granted, do not exceed 5% of the Company's authorised share capital on a fully-diluted basis and subject to adjustments under Articles R. 225-137 and R. 225-142 of the French Commercial Code.

In agreement with the Supervisory Board (on the recommendation of the Governance, Nomination and Remuneration Committee), on March 10, 2010, the Management Board approved a new stock option plan subject to the performance condition (Plan no. 6).

In agreement with the Supervisory Board (on the recommendation of the Governance, Nomination and Remuneration Committee), on March 10, 2010 and on March 10, 2011, the Management Board granted a total number of 1,532,750 Options. This may result in the creation of 1,718,370 new shares after legal adjustments pursuant to Article R228-91-3° of the French commercial code; notably: the adjustment ratio of 1.06 following the exceptional distribution of May 10, 2010; the adjustment ratio of 1.14 following the exceptional distribution of October 12, 2010 (contribution premium reimbursement) and the adjustment ratio of 1.02 following the exceptional distribution of May 10, 2011. As at March 14, 2012, after the cancellation of options due to staff departures, the potential number of new shares under Plan no. 6 is 1,529,708.

• **Plan no. 7 Performance - "Plan no. 7"**

The Combined General Meeting held on April 27, 2011, authorised the Management Board to grant the Group's managers and employees Options 3% of the fully-diluted share capital in the Company (with an annual limit of 1% on a totally diluted basis) on the condition that the total sum of options granted under this authorisation, and previous authorisations, including performance shares previously granted, do not exceed 8% of the Company's authorised share capital on a fully-diluted basis and subject to adjustments under Articles R. 225-137 and R. 225-142 of the French Commercial Code.

On June 9, 2011, in agreement with the Supervisory Board (on the recommendation of the Governance, Nomination and Remuneration Committee), the Management Board approved a new stock option plan subject to the performance condition (Plan no. 7) and granted 26 000 Options with the potential for the creation of 26 000 new shares.

In agreement with the Supervisory Board (on the recommendation of the Governance, Nomination and Remuneration Committee), on March 14, 2012, the Management Board granted a total number of 672,202 options. This may result in the creation of 698,202 new shares under Plan no. 7.

Stock option information as at March 14, 2012 (Table no. 8 AMF/Afep-Medef recommendations)History of the Share Subscription or Purchase Options' Allocations
Information about the Share Subscription or Purchase Options' Allocations

Date of the plan	Plan n° 3	Plan n° 3	Plan n° 4	Plan n° 5	Plan n° 5	Plan n° 5	Plan n° 6	Plan n° 6	Plan n° 7
	Tranche 2004 + Performance ⁽¹⁾	Tranche 2005 + Performance ⁽¹⁾	Tranche 2006 Performance	Tranche 2007 Performance	Tranche 2008 Performance	Tranche 2009 Performance	Tranche 2010 Performance	Tranche 2011 Performance	Tranche 2012 Performance
Date of Board	13/10/04 (2) (3) (4)	14/12/05 (3) (4)	11/10/06 (3) (4)	11/10/07 (3) (4)	23/10/08 (3) (4)	13/03/09 (3) (4)	10/03/10 (4)	10/03/11	14/03/12
Total number of shares that may be acquired through exercising options, of which:									
By responsible officers	407,638	450,571	443,876	779,880	1,045,660	905,566	949,361	795,009	672,202
G. Poirinal ⁽⁵⁾	59,658	108,798	100,582	144,585	188,589	157,158	203,377	161,660	158,950
C. Cuvillier ⁽⁶⁾	41,840	74,076	50,290	50,290	75,435	62,862	61,629	56,100	42,500
M. Dessolain ⁽⁵⁾								26,000 ^(A)	29,750
C. Pourre ⁽⁵⁾	17,818	18,504	25,146	25,146	37,718	31,432	30,815	26,520	20,400
P. van Rossum ⁽⁵⁾		16,218	25,146	25,146	37,718	31,432	30,815	26,520	20,400
J. Tonckens ⁽⁷⁾				44,003	37,718	31,432	30,815	26,520	20,400
End of lock-up period							49,303	26,520	25,500
Expiry date	13/10/08	14/12/09	11/10/10	11/10/11	23/10/12	13/03/13	10/03/14	10/03/15	14/03/16
Strike price (€)	13/10/11	14/12/12	11/10/13	11/10/14	23/10/15	13/03/16	10/03/17	10/03/18	14/03/19
Exercise terms (if the plan has more than one tranche)	61.17	86.37	128.46	143.46	103.62	79.08	120.33	141.54	146.11
Number of options subscribed as at March 14, 2012	See page 218	See page 218	See page 218	See page 219					
Number of options cancelled	390,773	309,552	54,438	0	0	0	0	0	0
Outstanding options	16 865	80800	66,860	214,376	238,338	166,353	141,813	46,849	0
	0	60,219	322,578	565,504	807,322	739,213	807,548	748,160	672,202

(1) After taking into account the adjustment applied on January 7, 2005.

(2) After taking into account the adjustment applied on July 15, 2009.

(3) After taking into account the adjustment applied on May 10, 2010 and on October 12, 2010.

(4) After taking into account the adjustment applied on May 10, 2011.

(5) Member of Unibail-Rodamco SE Management Board since June 2007.

(6) Member of Unibail-Rodamco SE Management Board since June 2011.

(7) Member of Unibail-Rodamco SE Management Board since September 2009.

(A) with the exception of Mr Cuvillier who had an exceptional grant subsequent to his appointment on June 1, 2011. In the framework of an additional Plan (Plan n°7), the details of his allocation were fixed as follow : allocation date = June 9, 2011; exercise period = June 9, 2015 to June 9, 2018; exercise price = €152.03.

Performance shares

In order to diversify the Company's current LTI policy, on March 5, 2012 the Supervisory Board (on the recommendation of its Governance, Nomination and Remuneration Committee), decided to introduce a new performance share scheme; subject to the AGM's approval of the relevant resolution⁽⁵⁾ on April 26, 2012. This authorisation would take immediate effect and would authorise the Management Board to allocate Performance Shares (PS) to salaried staff members and corporate officers of the Company and its subsidiaries.

The main features of the Performance share Plan are as follows:

- the total grant of PS under the authorisation must not exceed 0.8% of the Company's share capital on a fully diluted basis over the 38 month validity period;
- the PS are conditional on performance and presence conditions;
- for French tax residents: a minimum vesting period of 3 years, and a minimum holding period of 2 years once vested;
- for non-French tax residents: a minimum vesting period of 4 years without any requirement to hold the shares;
- for Management Board members: an obligation to acquire 1 share for every 2 performance shares awarded, upon their availability, in compliance with the Afep-Medef code.

(5) Resolution # 16 on the agenda of the General Meeting to be held on April 26, 2012

PS would be allocated to Group managers and employees for exemplary performance, the assumption of additional responsibilities or key roles within the Group. The allocation of PS is by no means automatic. As a consequence, the

beneficiaries, frequency and number of PS allocated from year to year may vary.

- Performance condition: the vesting of the PS is conditional on the Company's overall stock market performance outperforming the European Public Real Estate Association ("EPRA") index over the reference period. The reference period begins on the grant date and ends on the last day of the vesting period.

- The overall market performance of the Company is defined according to the evolution in its share price (taking into account gross distributions, dividends or interim dividends reinvested on the distribution date) over the reference period. The gross dividend figures included in the Company's overall stock market performance are those published by Bloomberg which is the reference for the EPRA Euro Zone Total Return ("RPEU") index.

- The performance of the EPRA index is defined by the evolution of the EPRA «RPEU» index over the reference period. This index is composed of the main European Public Real Estate companies and is a "total return" index (including dividends paid).

The Performance condition can only be restrictively tested four times ("restrictive tests") during the vesting period. If the performance condition is not met on one of the "restrictive tests", all rights are definitively lost.

General conditions applicable to the allocation of PS

- Pursuant to Afep-Medef recommendations, the allocation date must fall within the 120-day period following the date of the publication of the Company's annual accounts;
- In accordance with Afep-Medef recommendations, the Supervisory Board fixes a maximum percentage out of the total number of PS that can be granted to the Chairman of the Management Board and to the top six beneficiaries under the plans;
- The number of PS allocated to individual members of the Management Board is subject to the prior approval of the Supervisory Board on the recommendation of its Governance, Nomination and Remuneration Committee;
- The total number of: (i) Performance shares granted under the authorisation to be approved by the General Meeting on April 26, 2012; (ii) Options that may be granted under the unused part of a previous authorisation still in force; and (iii) Options open but not yet exercised and (if any), Performance shares granted under previous authorisations, cannot give rise to a number of shares exceeding 8% of the share capital on a fully diluted basis.

With the prior approval of the Supervisory Board, on March 14, 2012, the Management Board granted 44,975 performance shares; subject to the AGM's approval of the relevant resolution⁽⁶⁾ with effect April 26, 2012.

(6) Ibid 5.

Warrants to purchase existing shares and/or subscribe for new shares

None

ORA (Bonds redeemable in shares)

Pursuant to the Rodamco Europe NV Public Exchange Offer, 9,363,708 ORA were issued in part consideration for the shares contributed by Rodamco Europe NV shareholders. As at December 31, 2011, 9,355,535 ORA had been redeemed for shares. The remaining ORA, yet to be converted, as at December 31, 2011, is 8,173. A total of 10,216⁽⁷⁾ potential new shares may be issued out of the exercise of the ORA based on the redemption ratio of 1.25 following the exceptional distribution of May 10, 2011. For full details on the ORA, please refer to the "Note d'opération" approved by the Autorité des Marchés Financiers (AMF) (French financial markets authority) under visa no.07-152 dated May 18, 2007.⁽⁸⁾

ORNANE (Bonds redeemable in cash and in new and/or existing shares)

On 29 April 2009, Unibail-Rodamco SE issued 3,928,670 bonds redeemable in cash and in new and/or existing shares (ORNANE) at a nominal value of €146.36 and for a total amount of €575 Mn.

As at December 31, 2011, the remaining number of ORNANE, is 3,928,640. Based on the conversion rate of 1.29, the number of potential new shares that may be issued out of the exercise of ORNANE, subsequent to the exceptional distribution of May 10, 2011, as at December 31, 2011 is 694,356. For full details on ORNANE, please refer to the "Note d'opération" approved by the Autorité des Marchés Financiers (AMF) (French financial markets authority) under visa no.09-104 dated April 21, 2009.⁽⁹⁾

Share buy-back programme

Pursuant to Article L. 225-209 seq. of the French Commercial Code and the European Commission Regulation no. 2273/2003 of December 22, 2003, the Combined General Meeting held on April 27, 2011 (replacing the authority granted on April 28, 2010) authorised the Management Board, for a period of eighteen months, to buy-back Company shares up to the legal limit of 10% of the total number of outstanding shares adjusted for any change in the share capital during the authorisation period, with a view to:

- (i) cancelling all or part of the shares purchased as at April 27, 2011 under Article L. 225-209 of the French Commercial Code, subject to the General Meeting's authorisation to reduce the Company's share capital;

- (ii) holding shares that may be allotted to its executive officers and employees and to those of affiliated companies under the terms and conditions provided by law pursuant

(7) Subsequent to ORA holder entitlement to round up fractional shareholdings.

(8) Available for free on the company's website or on request.

(9) Ibid 7.

to the Company's stock option schemes, free allotments of existing shares or Company or inter-company employee stock purchase plans;

(iii) holding shares that enable it to allot shares upon the exercise of rights attached to negotiable securities giving access to the share capital by way of redemption, conversion, exchange, presentation of a warrant, or in any other manner;

(iv) holding shares that may be retained and subsequently used by way of exchange or payment in the context of external growth operations (including the acquisition of interests) without exceeding the limit laid down by Article L. 225-209 of the French Commercial Code in the context of mergers, spin-offs or contributions in kind;

(v) stimulating the market in and the liquidity of the shares through an investment intermediary in the context of a liquidity contract;

(vi) implementing any new market practice which might be approved by the Autorité des Marchés Financiers (AMF) (French financial markets authority) and, more generally, carrying out any transaction permitted under the regulations in force.

The maximum share buy-back purchase price is fixed at €200 per share, excluding costs, based on a nominal value of €5/share. The total cost of the share buy-back programme must not exceed €1.83 billion.

At the General Meeting to be held on April 26, 2012, the Management Board will propose to shareholders that they renew this authorisation for a period of eighteen months on the same terms and conditions.

This new authorisation, subject to shareholder approval, would replace the authorisation granted on April 27, 2011.

Review of share buy-back programme (March 11, 2011 to March 1, 2012)

Between March 11, 2011 and April 27, 2011, the Company did not buy back any shares pursuant to the General Meeting authorisation of April 28, 2010. From April 27, 2011 to March 1, 2012, pursuant to the General Meeting authorisation of April 27, 2011, the Company: (i) bought back 139,150 shares; (ii) cancelled 137,270 of shares; and (iii) allocated the remaining 1,880 shares for the exercise of ORA and ORNANE.

As at March 1, 2012, the Company does not hold any of its own shares.

SITUATION AS AT MARCH 1, 2012

% of the treasury shares held directly or indirectly on the date of the publication of the programme	0%
Number of cancelled shares during the last 24 months	137,270
Number of shares held in the portfolio as at March 1, 2012	0
Accountant value of the portfolio	€0
Market value of the portfolio	€0

INFORMATION ON TRANSACTIONS BETWEEN APRIL 27, 2011 AND MARCH 1, 2012

	Gross totals		Open positions on prospectus filing date			
	Buy	Sales/ Transfers	Buy		Sell	
Number of shares	139,150	137,270 (cancelled) 1,880 (allocated to exercises of ORA and ORNANE)	Purchased call options	Forward buy	Sales call options	Forward sale
			-	-	-	-
Average maximum maturity	-	-	-	-	-	-
Average transaction price (€/share)	€126.29	€126.29	-	-	-	-
Total amount	€17,573,191.75	€17,573,191.75	-	-	-	-

The Company has not entered into any market-making or liquidity agreements.

The Company has not used any derivative products as part of its share buyback programme.

Pledged Company shares

As at March 1, 2012; 396,137 shares were pledged in a registered custodian account (nominatif administré). No standard registered shares (nominatif pur) were pledged.

Escheat shares

Within the framework of the procedure set forth in Article L. 228-6 of the French Commercial Code, Company shares unclaimed by shareholders for a period of two years following the publication of a notice in the newspaper La Tribune on July 8, 2005, were sold. The shareholders whose shares were sold may claim the counter value from Caceis (the Company's share registrar).

Other securities granting access to the share capital

None

Dividends/Distribution of profits

Dividends are paid out of profits, retained earnings and, if necessary, distributable reserves. As yet, the Company has not used its power pursuant to Article 21 of the Articles of Association to distribute the dividend in the form of new shares.

With respect to the 2010 financial year, the Company made a distribution of €8.00 per share (authorised by the General

Assembly on April 27, 2011) paid on May 10, 2011 (total value €735,123,112); comprised of:

- a dividend of €5.30 per share paid out of distributable profits;
- a dividend of €0.11 per share deducted from the "distributable reserves";
- a distribution of €2.59 deducted from the "contribution premium" accounts.

The overall distribution in respect of the 2010 financial year amounted to €735.12 Mn comprising of €497.28 Mn in dividend and €237.84 Mn in contribution premium.

In respect of the 2011 financial year, on the basis of the consolidated recurring result of €9.03⁽¹⁰⁾ per share, at the General Meeting to be held on April 26, 2012, the Management Board will propose to shareholders that they approve the accounts for the financial year ending December 31, 2011 and the payment of a dividend of €8.00 per share to be paid out of distributable profits. It is proposed to pay the dividend on May 10, 2012.

Note: Dividends that remain unclaimed for a period of five years from the date they are made available for payment are paid to the French Treasury, in accordance with Article L. 27 of the French State Property Code (*Code du Domaine de l'État*).

(10) Split based on the number of existing shares as at December 31, 2011.

INCREASES/DECREASES IN UNIBAIL-RODAMCO'S SHARE CAPITAL OVER THE PAST THREE YEARS

Date	Movements in the share capital	Number of shares issued	Total number of shares	Total share capital	Premium resulting from transaction
05/01/2009	Exercise of options (2001-2004)	14,027	81,444,653	€407,223,265	€1,008,681.57
02/03/2009	Reimbursement of ORA	77	81,444,730	€407,223,650	€14,753.20
02/03/2009	Exercise of options (2001-2004)	86,952	81,531,682	€407,658,410	€6,188,602.80
20/04/2009	Exercise of options (2001-2004)	1,698	81,533,380	€407,666,900	€122,103.18
20/04/2009	Reimbursement of ORA	3,000,000	84,533,380	€422,666,900	€574,800,000.00
08/06/2009	Exercise of options (2001-2004)	9,013	84,542,393	€422,711,965	€408,589.94
08/06/2009	Reimbursement of ORA	107	84,542,500	€422,712,500	€20,501.20
25/06/2009	Company Savings Plan	25,919	84,568,419	€422,842,095	€2,302,903.15
22/07/2009	Exercise of options (2001-2004)	164,088	84,732,507	€423,662,535	€8,697,922.37
31/08/2009	Exercise of options (2001-2004)	34,955	84,767,462	€423,837,310	€2,062,070.42
31/08/2009	Reimbursement of ORA	3,570,003	88,337,465	€441,687,325	€670,250,491.00
30/10/2009	Exercise of options (2001-2004)	45,028	88,382,493	€441,912,465	€2,878,112.75
30/10/2009	Reimbursement of ORA	2,851,513	91,234,006	€456,170,030	€535,357,591.60
31/12/2009	Exercise of options (2002-2005)	28,961	91,262,967	€456,314,835	€2,112,437.94
31/12/2009	Reimbursement of ORA	1,582	91,264,549	€456,322,745	€297,016.60
01/03/2010	Exercise of options (2002-2005)	42,410	91,306,959	€456,534,795	€3,139,535.78
07/05/2010	Exercise of options (2002-2005)	98,719	91,405,678	€457,028,390	€7,596,364.73
24/06/2010	Exercise of options (2002-2005)	7,771	91,413,449	€457,067,245	€494,678.35
24/06/2010	Reimbursement of ORA	4	91,413,453	€457,067,265	€665.60
24/06/2010	Company Savings Plan	30,579	91,444,032	€457,220,160	€3,175,626.15
11/10/2010	Exercise of options (2002-2005)	270,344	91,714,376	€458,571,880	€19,977,434.14
11/10/2010	Reimbursement of ORA	1,907	91,716,283	€458,581,415	€337,618.75
31/12/2010	Exercise of options (2004-2006)	19,509	91,735,792	€458,678,960	€1,608,693.75
31/12/2010	Reimbursement of ORA	10,132	91,745,924	€458,729,620	€1,568,825.35
10/03/2011	Exercise of options (2004-2006)	16,331	91,762,255	€458,811,275	€1,210,623.54
10/05/2011	Exercise of options (2004-2006)	128,134	91,890,389	€459,451,945	€11,267,171.04
30/06/2011	Exercise of options (2004-2006)	5,990	91,896,379	€459,481,895	€725,635.70
30/06/2011	Reimbursement of ORA	2	91,896,381	€459,481,905	€297.83
30/06/2011	Company Savings Plan	28,766	91,925,147	€459,625,735	€3,350,951.34
18/10/2011	Exercise of options (2004-2007)	13,603	91,938,750	€459,693,750	€1,289,413.54
18/10/2011	Reimbursement of ORA	4	91,938,754	€459,693,770	€613.80
19/10/2011	Cancellation of shares	-128,370	91,810,384	€459,051,920	-€15,567,844.45
25/11/2011	Exercise of options (2005-2007)	146	91,810,530	€459,052,650	€18,025.16
25/11/2011	Cancellation of shares	-8,900	91,801,630	€459,008,150	-€1,083,085.50
31/12/2011	Exercise of options (2005-2007)	5,259	91,806,889	€459,034,445	€427,924.83

Note: Increases in the share capital associated with the exercise of options and ORA are taken into account by a statement of the Management Board.

III. SHARE CAPITAL AND VOTING RIGHTS

Ownership of capital and voting rights

The Group's share capital as at March 1, 2012 comprises of 91,813,648 fully paid-up shares with a nominal value of €5 each.

One voting right is attached to each share.

Over 99% of the share capital is free floating.

The Company's shareholding structure has changed as follows over the last three financial years:

Shareholder	Year-end 2009			Year-end 2010			Year-end-2011			Position as at March 1, 2012		
	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights
Free float	90,788,525	99.47%	99.47%	91,161,886	99.36%	99.36%	91,167,217	99.30%	99.30%	91,177,510	99.30%	99.30%
Treasury shares	0	0.00%	0.00%	0	0.00%	0.00%	0	0.00%	0.00%	0	0.00%	0.00%
Company directors	239,473	0.26%	0.26%	311,811	0.34%	0.34%	364,470	0.40%	0.40%	364,470	0.40%	0.40%
Group Company Savings Plan	236,551	0.26%	0.26%	272,227	0.30%	0.30%	275,202	0.30%	0.30%	271,668	0.30%	0.30%

Pursuant to Article 13 of the Articles of Association, Supervisory Board members are required to own at least one share each. Further, in line with the Afep-Medef Corporate Governance Code, Article 3.3 of the Supervisory Board Charter provides that all Supervisory Board members "should hold a fairly significant number of shares".

The shares owned by Supervisory Board and Management Board members must be registered shares (Article L. 225-109 of the French Commercial Code).

Ownership threshold disclosures between March 10, 2011⁽¹¹⁾ and March 1, 2012

To the best of the knowledge of the Company, the following shareholder threshold disclosures were made to the Company and/or the French financial markets authority (AMF) between March 10, 2011 and March 1, 2012:

Owner	Number of shares	% of share capital as of March 1, 2012	Number of voting rights	% of voting rights as of March 1, 2012
NATIXIS ASSET MANAGEMENT (number of shares stated by a registered notification of April, 27, 2011)	1,858,269	2.02%	1,858,269	2.02%
Commerzbank AG (AMF statement of May 18, 2011)	2,585,395	2.82%	2,585,395	2.82%
SOCIETE GENERALE (number of shares based on a registered notification of May 23, 2011)	4,534,386	4.94%	4,534,386	4.94%
UBS (number of shares based on fax of August 1 st , 2011 sent to the Company)	2,107,608	2.30%	2,107,608	2.30%
COHEN&STEERS (number of shares based on a letter of December 5, 2011)	3,642,122	3.97%	3,642,122	3.97%
AMUNDI (number of shares stated by a registered notification of February 20, 2012 sent on the name and behalf of 3 management Companies of Amundi Group: Amundi, Société Générale Gestion et Etoile Gestion SNC, about the joint sum of their voting rights)	4,555,707	4.96%	4,555,707	4.96%
Sumitomo Mitsui Trust Holding, Inc (number of shares stated by a registered notification of February 22, 2012); Sum of shares owned by funds managed by 5 companies directly or indirectly controlled by SMTH and on behalf of its constituents	1,868,298	2.03%	1,868,298	2.03%

Shareholder agreement

To the best of the knowledge of the Company, there is no shareholders' agreement, nor any person or group of persons exercising or capable of exercising control over the Company.

Code of conduct

Unibail-Rodamco SE's Supervisory Board and Management Board members and all staff must comply with the Unibail-Rodamco SE Group Compliance Book (including a Code of Ethics and Insider Trading Rules) applicable to individual dealings in the Company's

(11) Threshold disclosures notified prior to March 10, 2011 can be viewed on the A.M.F website and/or previous Company's annual reports available on its website.

securities. In particular, there is an obligation to refrain from dealing in Unibail-Rodamco SE shares (or financial instruments associated with such securities) during the 30-day period preceding the publication of the annual and half-year results. The Company's Supervisory Board and Management Board members and certain employees, who by reason of their functions have access to insider information, are classified as permanent or temporary insiders within the meaning of Article 622-2 of the French financial market authority's (the AMF's) general rules and regulations.

IV. MANAGEMENT BOARD AND SUPERVISORY BOARD

1. Composition of the Management Board as at 31 December 2011

<p>Mr. Guillaume Poitrinal Chairman of the Management Board Chief Executive Officer of Unibail-Rodamco S.E.</p> <p>Born on December 22, 1967 French national</p> <p>First Mandate: June 26, 2007 Renewal of mandate: May 15, 2009 Mandate expires: AGM 2013</p>	<p>Other current Functions and Mandates (outside of the Unibail-Rodamco Group) (French Companies)</p> <ul style="list-style-type: none"> • Representative of Unibail-Rodamco as Member of the French Fédération des Sociétés Immobilières et Foncières (FSIF) • Member of the Ethics Committee of the MEDEF • Director of Pavillon de l'Arsenal • Representative of Unibail-Rodamco on the Boards of Directors of l'Association pour la Formation Supérieure aux Métiers de l'Immobilier and of Société Paris - Ile-de-France Capitale Économique <p>(Associations)</p> <ul style="list-style-type: none"> • Representative of Unibail-Rodamco as Member of the European Public Real Estate Association (EPRA) <p>Other current Functions and Mandates (intra-group) (Foreign Companies)</p> <ul style="list-style-type: none"> • Director of U&R Management B.V. <p>(French Companies)</p> <ul style="list-style-type: none"> • Vice Chairman of the Supervisory Board of Salon International de l'Alimentation (SIAL) S.A. • Director of Comexposium Holding and Viparis Holding <p>Previous Mandates during the last 5 years</p> <ul style="list-style-type: none"> • Representative of Unibail-Rodamco as Chairman of the European Public Real Estate Association (EPRA) • Permanent representative of Unibail-Rodamco Participations S.A.S. on the Supervisory Board of SEML Nouvelle du Parc du Futuroscope • Permanent representative of Société Civile du Forum des Halles on the Board of Directors of SEMPARISEINE • Chairman and CEO of Unibail S.A. • Chairman of Groupe Exposium Holding S.A.S. and Doria S.A.S. • Director of Viparis - Palais des Congrès Paris • Representative of Unibail-Rodamco as the Chairman of the Comexposium Holding • Representative of Unibail-Rodamco on the Board of Directors of Viparis Holding • Representative of Doria S.A.S. as the manager of Financières 5 Malesherbes • Representative of Groupe Exposium Holding S.A.S. on the Board of Directors of Comexposium <p>CV</p> <ul style="list-style-type: none"> • Graduate of HEC Business School • Started his career at Morgan Stanley in London and Paris with the M&A and Corporate Finance departments • Joined Unibail in 1995 • Appointed the CEO of Unibail in April 2005 and took over the chairmanship of the Board of The Directors on June 2006 • Chairman of the Management Board and CEO of Unibail since June 2007
--	---

<p>Mr. Christophe Cuvillier Member of the Management Board Chief Operating Officer of Unibail-Rodamco S.E.</p> <p>Born on December 5, 1962 French national</p> <p>First Mandate: June 1, 2011 Mandate expires: AGM 2013</p>	<p>Other current Functions and Mandates (outside of the Unibail-Rodamco Group) (French Company) Member of the Board of Cariboom.com</p> <p>Other current Functions and Mandates (intra-group) None</p> <p>Previous Mandates during the last 5 years (French Companies)</p> <ul style="list-style-type: none"> • Chairman and CEO of FNAC • Chairman and CEO of Conforama <p>CV</p> <ul style="list-style-type: none"> • Graduate of HEC business school • Prior to joining Unibail-Rodamco, Mr Cuvillier held various positions within the PPR Group from 2000; notably, CEO of FNAC from 2008 to 2010 and CEO of Conforama from 2005 to 2008. • Prior to PPR, he spent 14 years with the Luxury Products Division of the L'Oreal Group, both in France and abroad.
<p>Mr. Michel Dessolain Member of the Management Board Chief Strategy Officer of Unibail-Rodamco S.E.</p> <p>Born on December 2, 1955 French national</p> <p>First Mandate: June 26, 2007 Renewal of mandate: May 15, 2009 Mandate expires: AGM 2013</p>	<p>Other current Functions and Mandates (intra-group) (Foreign Companies)</p> <ul style="list-style-type: none"> • Member of the Board of Rodamco España B.V. and U&R Management B.V. • Member of the Board of directors and Secretary of Unibail-Rodamco Inversiones SLU, Unibail-Rodamco Ocio SLU • Member of the Board and Chairman of Proyectos Inmobiliarios New Visions, S.L.U, Unibail-Rodamco Proyecto Badajoz S.L.U., Essential Whites, S.L.U, Promociones Inmobiliarias Gardiner, S.L.U, Unibail-Rodamco Steam, S.L.U, Proyectos Inmobiliarios Time Blue, S.L.U. <p>Previous Mandates during the last 5 years (French Companies)</p> <ul style="list-style-type: none"> • Chief Operating Officer (COO) of Unibail-Rodamco SE until May 31, 2011 • General Manager of the Shopping Centre Division of Unibail Group, Member of the Executive Committee • Chairman and CEO of Société Foncière du 4-6 rue Louis Armand • Deputy CEO of Unibail Management S.A.S. • Chairman of Uni-Commerces S.A.S., Espace Expansion SAS and Toison d'Or S.A.S. • Managing Director of Espace Coquelles and Immo-Limo <p>(Foreign Companies)</p> <ul style="list-style-type: none"> • Member of the Board of directors and Secretary of Unibail-Rodamco Parques Comerciales SLU, Unibail-Rodamco Garbera SL, Unibail-Rodamco Vallsur SL and Unibail-Rodamco Levante SLU • Member of the Board and Chairman of Promociones Unibail-Rodamco Generales SLU <p>CV</p> <ul style="list-style-type: none"> • Masters Degree in Law and Graduate of Ecole Spéciale des Travaux Publics • Started his career with La Caisse des Dépôts et Consignations, then held international development positions for the retail company Habitat • He joined Unibail in 1997 as Espace Expansion Deputy Managing Director

<p>Ms. Catherine Pourre Member of the Management Board Chief Resources Officer of Unibail-Rodamco S.E.</p> <p>Born on February 2, 1957 French national</p> <p>First Mandate: June 26, 2007 Renewal of mandate: May 15, 2009 Mandate expires: AGM 2013</p>	<p>Other current Functions and Mandates (outside of the Unibail-Rodamco Group) (French Company)</p> <ul style="list-style-type: none"> • Director and member of the Audit Committee of Neopost S.A. (listed company) <p>Other current Functions and Mandates (intra-group) (Foreign Companies)</p> <ul style="list-style-type: none"> • Management Board member of Rodamco Europe N.V. • Director of U&R Management B.V. • Representative of Unibail-Rodamco on board of directors of Crossroads Property Investors SA <p>(French Companies)</p> <ul style="list-style-type: none"> • Chairman and CEO of Société de Tay Ninh (listed company) • Chairman of Doria S.A.S. and Unibail Management S.A.S. • Director of Comexposium Holding, Unibail-Rodamco Participations and Viparis Holding • Supervisory Board Member of Uni-Expos • Managing Director of Espace Expansion Immobilière <p>Previous Mandates during the last 5 years (French Companies)</p> <ul style="list-style-type: none"> • Executive Vice-President of Unibail S.A. in charge of Finance, Human Resources, IT, Legal and Property Engineering Departments, Member of the Executive Committee • Chairman and CEO of Unibail-Rodamco Finance • Deputy CEO of Doria S.A.S. and Groupe Expositium Holding • Permanent representative of Groupe Expositium Holding on the Supervisory Board of Salon International de l'Alimentation (SIAL) S.A. and on the Board of Directors of Comexposium • Representative of Doria S.A.S. on the Boards of directors of Viparis-Porte de Versailles, Expositima and Intermat • Member of the Supervisory Board of SMP S.E. • Director of Comexposium, of Européenne de Salons, of Expogestion, Viparis-Porte de Versailles, Viparis-Le Palais des Congrès de Paris <p>CV</p> <ul style="list-style-type: none"> • Graduate from ESSEC Business School • CPA (Certified Public Accountant) degree and Masters degree in Law (Université Catholique de Paris) • Started her career at PricewaterhouseCoopers and was a Partner there from 1989 to 1999 • Executive Director of Cap Gemini Ernst & Young France from 1999 until joining Unibail in 2002
<p>Mr. Peter van Rossum Member of the Management Board Chief Financial Officer of Unibail-Rodamco S.E.</p> <p>Born on May 31, 1956 Dutch national</p> <p>First Mandate: June 26, 2007 Renewal of mandate: May 15, 2009 Mandate expires: AGM 2013</p>	<p>Other current Functions and Mandates (intra-group) (Foreign Companies)</p> <ul style="list-style-type: none"> • Management Board Member of Rodamco Europe N.V. • Representative of the Unibail-Rodamco S.E. Permanent Establishment in The Netherlands • Member of the Board of Rodamco Europe Beheer B.V., Rodamco Europe Finance B.V., Rodamco Europe Finance II B.V., Rodamco Central Europe B.V., Rodamco Austria B.V., Rodamco Czech B.V., Rodamco Russia B.V., Rodamco Hungary B.V., Rodamco Deutschland B.V., Rodamco Project I B.V., Dofferzwaan B.V., Cijferzwaan B.V., U&R Management B.V., New Tower Real Estate B.V., Old Tower Real Estate B.V., Stichting Rodamco, Rodamco Nederland B.V., Rodamco España B.V., Unibail-Rodamco Poland 2 B.V., Rodamco Nederland Winkels B.V., Unibail-Rodamco Poland I B.V., Crystal Warsaw Real Estate B.V. <p>Previous Mandates during the last 5 years (French Company)</p> <ul style="list-style-type: none"> • Chairman of RE FRANCE Financing S.A.S. <p>(Foreign Companies)</p> <ul style="list-style-type: none"> • Member of the Boards of Rodamco Eastern Europe Holding B.V. • CFO and Management Board member of Rodamco Europe N.V. • Non-executive member on the Board of Woodside Petroleum in Australia, from 2004 to 2006 <p>CV</p> <ul style="list-style-type: none"> • Masters Degree in Business Economics at the Free University of Amsterdam • Chartered Accountant's degree at the Free University of Amsterdam • Built extensive experience over 24 years in financial positions with Shell in Europe, Middle East, United States and Asia, was Regional Finance Director for Shell's Exploration and Production business in Asia/Pacific • Was CFO at NAM, the Dutch upstream joint venture between Shell and Exxon • Joined Rodamco Europe NV in 2006 as CFO

Mr. Jaap Tonckens

Member of the Management Board
Chief Investment Officer
of Unibail-Rodamco S.E.

Born on July 16, 1962
Dual American/Dutch national

First Mandate: September 1, 2009
Mandate expires: AGM 2013

Other current Function and Mandate (intra-group)**(French Companies)**

- Chairman of Uni-Commerces S.A.S., itself chairman of 20 UR'subsidiaries and manager of 50 UR'subsidiaries
- Chairman of Immobilière Lidice S.A.S., itself chairman of 9 UR'subsidiaries and manager of 19 UR'subsidiaries
- Chairman of Rodamco - France

(Foreign Companies)

- Representative of the Unibail-Rodamco S.E. Permanent Establishment in The Netherlands
- Member of the Board of Directors of Unibail-Rodamco Austria Management GmbH, Unibail-Rodamco Austria Verwaltungs GmbH, Shopping Center Planungs- und Entwicklungsgesellschaft mbH, SCS Motor City Süd Errichtungsgesellschaft mbH, SCS Liegenschaftsverwertung GmbH, DZ-Donauzentrum Besitz- und Vermietungs-GmbH, Unibail-Rodamco Invest GmbH, Unibail-Rodamco Liegenschaftserwerbs GmbH
- Member of the board of directors of Rodamco Ceská republika, s.r.o., Centrum Praha Jih-Chodov s.r.o., CENTRUM CERNÝ MOST, a.s., Rodamco Pankrác, a.s., Moravská Obchodní, a.s.
- Member of the board of directors of Rodamco Deutschland GmbH
- Member of the administrative board (Verwaltungsrat) of Kommanditgesellschaft Schliebe & Co. Geschäftszentrum Frankfurter Allee (Friedrichshain)
- Member of the board of directors of Euro-mall Kft
- Representative of Rodamco Czech BV on Board of Directors of UNIBORC S.A.
- Member of Supervisory Board of Rodamco CH1 Sp. z o.o.
- Member of the Board of GSSM Warsaw Sp. zo.o., WSSM Warsaw Sp. z o.o., Gdansk Station Shopping Mall Sp. z o.o., Wilenska Station Shopping Mall Sp. z o.o., Arkadia Centrum Handlowe Sp. z o.o., Wilenska Centrum Handlowe Sp. z o.o.
- Member of the Board of Rodamco España B.V., Rodamco Europe Beheer B.V., Rodamco Central Europe B.V., Rodamco Russia B.V., Rodamco Austria B.V., Rodamco Hungary B.V., Rodamco Czech B.V., Rodamco Deutschland B.V., Dotterzwaan B.V., Cijferzwaan B.V., Unibail-Rodamco Poland 2 B.V., Rodamco Project I B.V., Rodamco Nederland Winkels B.V., Unibail-Rodamco Poland I B.V., Unibail-Rodamco Nederland Winkels B.V. (formerly RRN Monumenten B.V.), Rodamco Nederland B.V., Crystal Warsaw Real Estate B.V.
- Member of the Board of Directors and Chairman of Unibail-Rodamco Inversiones SLU, Unibail-Rodamco Ocio SLU.
- Member of the Board of Directors and Secretary of Proyectos Inmobiliarios New Visions, S.L.U., Unibail-Rodamco Proyecto Badajoz S.L.U., Essential Whites, S.L.U., Promociones Inmobiliarias Gardiner, S.L.U., Unibail-Rodamco Steam, S.L.U., Proyectos Inmobiliarios Time Blue, S.L.U.
- Member of the Board of Directors of Aupark a.s. and Aupark Bratislava spol. s r.o.
- Member of the Board of Rodamco Sverige A.B., Fisketorvet Shopping Center, Rodareal OY
- Chairman of the Board of Rodamco Northern Europe A.B., Eurostop A.B., Eurostop Holding A.B., Rodamco Management A.B., Fastighetsbolaget Grindtorp AB, Fastighetsbolaget Helsingborg Ostra A.B., Rodamco Projekt A.B., Fastighetsbolaget Helsingborg Vastra A.B., Rodamco Centerpool A.B., Knölsvanen Bostad A.B., Rodamco Solna Centrum A.B., Piren A.B., Rodamco A.B., Rodamco Väsby Centrum A.B., Rodamco Expand A.B., Rodamco Nova Lund 2 A.B., Rodamco Holding A.B., Rodamco Parkering A.B., Rodamco Invest A.B., Rodamco Fisketorvet A.B., Rodamco Nacka A.B., Rodamco Täby A.B., Rodamco Nova Lund 3 A.B., Rodamco Tummlaren A.B., Rodamco Garage A.B., Anlos Fastighets AB, Fastighetsbolaget ES Örebro AB, Rodamco Scandinavia Holding AB, Fastighetsbolaget Anlos H AB, Fastighetsbolaget Anlos L AB, Rodamco Handel AB

Previous Mandates during the last 5 years**(French Companies)**

- Manager of Groupe BEG, Unibail-Rodamco SIF France, Unibail-Rodamco SIF Services, TC DESIGN, Sarl Foncière Immobilière
- Co-Managing Director of Foncière d'Investissement

(Foreign Companies)

- Chairman and manager of Unibail-Rodamco SI B.V.
- Chairman of Solna Torg Fastighets A.B, Trumpetsvanen Bostad AB, Rodamco Tyresö Centrum AB, Rodamco Eneby AB, Väsby Handel Fastighet AB, Tyresö Hus Fastighet AB, Väsby Hus Fastighet AB, Fastighetsbolaget Älvringen AB, Haninge Handel Fastighets AB
- Member of the Board of Directors and Chairman of Unibail-Rodamco Parques Comerciales S.L.U., Unibail-Rodamco Garbera SL, Unibail-Rodamco Vallsur SL, and Unibail-Rodamco Levante S.L.U.
- Member of the Board of Promociones Unibail-Rodamco Generales S.L.U.
- Managing Director at Endurance Capital, U.S.A.
- Managing Director at Morgan Stanley, Leverage & Acquisition Finance, New York

CV

- Law Degree from Leiden University, The Netherlands
- Masters Degree in Law from Emory University, Atlanta, U.S.A.
- Started his career as an Associate with Shearman & Sterling L.L.P. in New York and Paris
- Associate, Vice-President and Executive Director at Morgan Stanley in London

2. Composition of the Supervisory Board as at 31 December 2011

<p>Mr. Robert van Oordt Chairman of the Supervisory Board Chairman of the Governance, Nomination & Remuneration Committee</p> <p>Independent member*</p> <p>Attendance: SB 100% and GN&RC 100%</p> <p>Born on March 26, 1936 Dutch national</p> <p>First Mandate: June 25, 2007 Mandate renewed: May 15, 2009 SB term expires: AGM 2012</p> <p>Holds 800 U-R shares</p>	<p>Other current Functions and Mandates</p> <ul style="list-style-type: none"> • None <p>Previous Mandates during the last 5 years</p> <ul style="list-style-type: none"> • Chairman of the Supervisory Board and Chairman of the Nominating & Governance Committee of Rodamco Europe N.V. (NL) (2001 until June 2007) • Member of the Board of Directors and Chairman of the Audit Committee of Nokia Corporation (FL) • Member Board of Directors and Chairman of the Audit Committee of S.A. Umicore N.V. (BE) • Member Board of Directors and Chairman of the Audit Committee of Fortis Bank S.A. / N.V. (BE) • Member Board of Directors, Chairman of the Business Practices Oversight Committee and member of the Nominating & Governance, Audit and Executive committees of Schering-Plough Corporation (USA), Lead Director during 2008 • Member of the Supervisory Board, Chairman of the Audit & Governance Committee and Member of the Nominating & Remuneration Committee of Draka Holding N.V. (NL) <p>CV</p> <ul style="list-style-type: none"> • Masters Degree in Business Economics from the University of Amsterdam
<p>Mr. François Jaclot Vice Chairman of the Supervisory Board Chairman of the Audit Committee</p> <p>Independent member*</p> <p>Attendance: SB 100% and Audit Committee 100%</p> <p>Born on May 1, 1949 French national</p> <p>First Mandate: June 25, 2007 Mandate renewed: April 28, 2010 SB term expires: AGM 2013</p> <p>Holds 335 U-R shares</p>	<p>Other Current Functions and Mandates</p> <ul style="list-style-type: none"> • Director and CEO of Addax and Oryx Group (AOG) (MT) • Chairman of the Board of Directors of Financière du Bois du Roi (FR) • Managing Director of FJ Consulting (BE) <p>Previous Mandates during the last 5 years</p> <ul style="list-style-type: none"> • Member Board of Directors of Unibail S.A. (FR) (2003 until June 2007) • Chairman of the Boards of Directors of FACEO (FR) and SEREN (FR) • Member of the Board of Directors of Axmin (CAN) (listed) <p>CV</p> <ul style="list-style-type: none"> • Graduate of ENA and the Institut d'études Politiques, Masters Degree in mathematics and graduate of the École Nationale de Statistiques et d'Administration Économique (ENSAE) • Inspecteur des Finances
<p>Mr. Frans Cremers Member of the Supervisory Board Member of the Audit Committee</p> <p>Independent member*</p> <p>Attendance: SB 83% and Audit Committee 75%</p> <p>Born on February 7, 1952 Dutch national</p> <p>First Mandate: June 25, 2007 Mandate renewed: April 28, 2010 SB term expires: AGM 2013</p> <p>Holds 325 U-R shares</p>	<p>Other Current Functions and Mandates</p> <ul style="list-style-type: none"> • Vice Chairman of the Supervisory Boards of Fugro N.V. (NL) (listed) and NS N.V. (NL - Dutch Railways) • Member of the Supervisory Boards of Royal Vopak N.V. (NL) (listed), Luchthaven Schiphol N.V. (NL), Parcom Capital Management B.V. (NL) and SBM Offshore N.V. (NL) (listed) • Member of the Capital Market Committee of the AFM (The Netherlands Financial Markets Authority) <p>Previous Mandates during the last 5 years</p> <ul style="list-style-type: none"> • Supervisory Board member Rodamco Europe N.V. (NL) (end 2004 until June 2007) • Member of the Committee investigating Fortis NV on behalf of the Enterprise Chamber of the Amsterdam Court of appeal (2009-2010) • Member of the Committee investigating Royal Ahold on behalf of the Enterprise Chamber of the Amsterdam Court of appeal (2005-2006) <p>CV</p> <ul style="list-style-type: none"> • Masters Degree in Business Economics and a PhD in Business Finance from the Erasmus University (Rotterdam - NL) • He was active in Royal/Dutch Shell for 21 years in financial and commercial positions all over the world including Finance Director of Shell Expro (UK) • From 1997 - 2004 he was CFO and member of the Executive Board of VNU N.V. (NL)

<p>Mr. José-Luis Duran Member of the Supervisory Board Member of the Governance, Nomination & Remuneration Committee</p> <p>Independent member*</p> <p>Attendance: 100% since appointed on April 27, 2011 (SB and GN&RC)</p> <p>Born on November 8, 1964 Spanish national</p> <p>First Mandate: April 27, 2011 SB term expires: AGM 2014</p> <p>Holds 350 U-R shares</p>	<p>Other Current Functions and Mandates</p> <ul style="list-style-type: none"> • CEO of Maus Frères International Services S.A.S. (FR) • Chairman of the Management Board and CEO of Devanlay S.A. (FR) • Permanent representative of Montaigne Diffusion S.A. (FR) on the Board of Lacoste S.A. (FR) • Board member of France Telecom S.A. (FR) (listed) <p>Previous Mandates during the last 5 years</p> <ul style="list-style-type: none"> • Chairman and CEO of Carrefour S.A. (FR) • Board member HSBC Holdings (UK) <p>CV</p> <ul style="list-style-type: none"> • Bachelor of Economics and Management, Universidad Pontifica Comillas de Madrid, Spain
<p>Mr. Robert ter Haar Member of the Supervisory Board Member of the Audit Committee until April 27, 2011 Member of the Governance, Nomination & Remuneration Committee as of April 27, 2011</p> <p>Independent member*</p> <p>Attendance: SB 100% and Committees 100%</p> <p>Born on February 13, 1950 Dutch national</p> <p>First Mandate: June 25, 2007 Mandate renewed: April 27, 2011 SB term expires: AGM 2014</p> <p>Holds 350 U-R shares</p>	<p>Other Current Functions and Mandates</p> <ul style="list-style-type: none"> • Chairman of the Supervisory Boards of Parcom Capital Management B.V. (NL) and VvAA Groep B.V. (NL) • Member of the Supervisory Boards of Maxeda Retail Group B.V. (NL) , B.V. Sperwer Holding (NL), Spar Holding B.V.(NL), Bergschenhoek Groep B.V. (NL) and an advisory member to the board of Univar Inc. (USA) <p>Previous Mandates during the last 5 years</p> <ul style="list-style-type: none"> • Supervisory Board member Rodamco Europe N.V. (NL) (end 2004 until June 2007) • Supervisory Board member of Royal FrieslandCampina N.V. (NL) <p>CV</p> <ul style="list-style-type: none"> • Masters Degree in Commercial and Corporate Law from Leiden University, The Netherlands • Formally held the positions of CEO of Hagemeyer N.V.(NL) and CEO of De Boer Unigro N.V.(NL) • Former Board member of the Household & Personal Care division of Sara Lee/DE (NL) and former General Manager of Mölnlycke (Benelux)
<p>Ms. Mary Harris Member of the Supervisory Board Member of the Governance, Nomination & Remuneration Committee</p> <p>Independent Member*</p> <p>Attendance: SB 100% and GN&RC 100%</p> <p>Born on April 27, 1966 U.K. national</p> <p>First Mandate: April 29, 2008 Mandate renewed: May 15, 2009 SB term expires: AGM 2012</p> <p>Holds 600 U-R shares</p>	<p>Other Current Functions and Mandates</p> <ul style="list-style-type: none"> • Member of the Supervisory Board and Audit committee and Chair of the Remuneration committee of TNT Express N.V. (NL) (listed) • Non-executive director and member of the Remuneration, Nomination and Corporate Responsibility committees of J Sainsbury plc (UK) (listed) <p>Previous Mandates during the last 5 years</p> <ul style="list-style-type: none"> • Consultant and Partner at McKinsey & Co in London, Amsterdam, China and South East Asia • Member of advisory board of Irdeto B.V. (NL) <p>CV</p> <ul style="list-style-type: none"> • Masters Degree in Politics, Philosophy and Economics from Oxford University and a Masters Degree in Business Administration from Harvard Business School • Formerly, held various positions at Pepsi Beverages, Goldman Sachs and at private equity/venture capital firms

Mr. Jean-Louis Laurens
Member of the Supervisory Board
Member of the Audit Committee

Independent member*

Attendance:
SB 100% and Audit Committee
100%

Born on August 31, 1954
French national

First Mandate: June 25, 2007
Mandate renewed: May 15, 2009
SB term expires: AGM 2012

Holds 361 U-R shares

Other current Functions and Mandates

- General Partner of Rothschild & Cie Gestion Paris (FR)

Previous Mandates during the last 5 years

- Member Board of Directors of Unibail S.A. (FR) (until 2007)
- Chairman and CEO of AXA Investment Managers Paris (FR) and Deputy CEO of the AXA Investment Managers Group (FR)
- Member Board of Directors of AXA France Assurance (FR)
- CEO of Robeco France (FR) and Global Head of Mainstream Investments of the Robeco Group (NL)

CV

- Graduate of the École des Hautes Études Commerciales (HEC)
- He has a Doctorate in Economics and a Masters Degree in Law

Mr. Yves Lyon-Caen
Member of the Supervisory Board
Member of the Governance,
Nomination & Remuneration
Committee

Independent member*

Attendance:
SB 67% and GN&RC 60%

Born on June 29, 1950
French national

First Mandate: June 25, 2007
Mandate renewed: May 15, 2009
SB term expires: AGM 2014

Holds 400 U-R shares

Other Current Functions and Mandates

- Chairman of the Supervisory Board of Bénéteau S.A. (FR)
- Chairman of the Supervisory Board of Sucres & Denrées (FR)

Previous Mandates during the last 5 years

- Member Board of Directors of Unibail S.A. (FR) (2005 until June 2007)
- Member Board of Directors of Nexans S.A. (FR) (2005 to 2007)

CV

- Law graduate of the Institut d'Études Politiques and former student of the École Nationale d'Administration (ENA)

Ms. Marella Moretti
Member of the Supervisory Board
Member of the Audit Committee

Independent member*

Attendance:
100% since appointed on April 27,
2011 (SB and Audit Committee)

Born on November 4, 1965
Italian national

First Mandate: April 27, 2011
SB term expires: AGM 2014

Holds 10 U-R shares

Other Current Functions and Mandates

- CFO of Fiat Finance et Services S.A. (FR)
- CEO and Member of the Board of Fiat Industrial Finance France S.A. (FR)
- General Manager and Member of the Internal Committee of CNH Financial Services S.A.S. (FR)
- Member of the Board of Fiat Finance and Trade Ltd (LU) (listed)

CV

- Graduate of "Amministrazione Aziendale" Business School, University of Turin, Italy

<p>Mr. Henri Moulard Member of the Supervisory Board Member of the Governance, Nomination & Remuneration Committee up until April 27, 2011</p> <p>Non-independent member**</p> <p>Attendance: 100% attendance up until end of his mandate on April 27, 2011 (SB and GN&RC)</p> <p>Born on May 2, 1938 French national</p> <p>First Mandate: June 25, 2007 Mandate renewed: May 15, 2009 SB term expired: AGM 2011</p> <p>Holds 3 U-R shares</p>	<p>Other Current Functions and Mandates</p> <ul style="list-style-type: none"> • Chairman of Truffle Capital S.A.S. (FR) and HM & Associés S.A.S. (FR) • Chairman of the Supervisory Boards of Cie Foncière du St-Gothard (ex. Dixence) S.A.S. (FR) and Compagnie Foncière Franco-Suisse S.A.S. (FR) • Director of Burelle S.A. (FR) (listed), Allflamed S.A. (MA), Sogelym-Dixence (FR), Neufzvie Vie (FR) and Petra – Best Real Estate (MA) • Censor for Gerpro S.A.S. (FR) and permanent representative for Gerpro S.A.S. in Saproc S.A. (FR), Royal Hotel S.A. (FR) and Hoteliere de la Cote d'Azur S.A. (FR) • Censor, Chairman of the Remuneration Committee and member of the Audit Committee of GFI Informatique S.A. (FR) (listed) • Censor of Amundi Private Equity Funds S.A. (FR) <p>Previous Mandates during the last 5 years</p> <ul style="list-style-type: none"> • Member Board of Directors of Unibail S.A. (FR) (1998 until June 2007) and Member of the Supervisory Board of Unibail-Rodamco S.E. (FR) (2007 – 2011) • President of the Supervisory Board of Centuria Capital S.A.S. (FR) (2002 – 2011) • Within the Crédit Agricole Group: Chairman of the Audit Committee of Crédit Agricole S.A. (FR), CA-CIB (ex. Calyon S.A.) (FR) and Crédit Agricole Asset Management (CAAM) (FR) and Censor and Chairman of the Risk Committee of LCL Crédit Lyonnais S.A. (FR) (all up until 2010) • Director of Elf Aquitaine (FR) (2000 until May 2010) • Chairman of the Nomination Committee and member of the Governance Committee of Française de Placements Investissements (FR) (2003 - 2009) • Chairman of the Supervisory Board of AWBank Europe (FR) (2005 - 2007) • Member of the Board of Directors of AWBank (MA) (1987 - 2007) and Attijari Bank (TN) (2005-2007) • Censor of Amundi Group (FR) and Censor and President of the Audit Committee of Amundi (FR) (2009 – 2011) <p>CV</p> <ul style="list-style-type: none"> • Degree in Private Law from Lyon University and post graduate professional degree (DES) in Public Law from the Institut d'Etudes Politiques in Lyon
<p>Mr. Bart Okkens Member of the Supervisory Board Member of the Governance, Nomination & Remuneration Committee up until April 27, 2011</p> <p>Independent member*</p> <p>Attendance: 100% attendance up until end of his mandate on April 27, 2011 (SB and GN&RC)</p> <p>Born on July 23, 1941 Dutch national First Mandate: June 25, 2007 Mandate renewed: May 15, 2009 SB term expired: AGM 2011</p> <p>Holds 0 UR shares post the expiry of his mandate</p>	<p>Other Current Functions and Mandates</p> <ul style="list-style-type: none"> • Chairman of the Supervisory Board of Esselink Groep B.V. (NL), Bornet Group Rotterdam B.V. (NL), Van Hoorn Holding B.V. (NL), Bergschenhoek Groep B.V. (NL) and the Boijmans van Beuningen Museum (NL) • Supervisory Board member of Stichting de Nationale Sporttotalisator (NL) (SNS), Huisman Equipment Holding B.V. (NL) • Board member of Stichting RESERVE 1983 (NL), Stichting Continuïteit ICT (NL) and Stichting Administratiekantoor Golf Team Holland (NL) <p>Previous Mandates during the last 5 years</p> <ul style="list-style-type: none"> • Vice Chairman of the Supervisory Board of Rodamco Europe N.V. (NL) (April 2001 until June 2007) and Member of the Supervisory Board of Unibail-Rodamco S.E. (FR) (2007 – 2011) • Board member of Stichting Administratiekantoor J. Van Dyk (NL) <p>CV</p> <ul style="list-style-type: none"> • He holds a Masters Degree in Notarial Law from the Rijksuniversiteit in Utrecht • He was an independent legal advisor, former civil law notary in Rotterdam and Managing Partner at De Brauw Blackstone Westbroek N.V. (NL) • He held a number of senior professional positions, including Vice Chairman of the Royal Association of Civil Law Notaries and member of the Supervision of Notaries Chamber in Rotterdam
<p>Mr. Alec Pelmore Member of the Supervisory Board Member of the Audit Committee</p> <p>Independent member*</p> <p>Attendance: SB 100% and Audit Committee 100%</p> <p>Born on October 14, 1953 U.K. national</p> <p>First Mandate: April 29, 2008 Mandate renewed: May 15, 2009 SB term expires: AGM 2012</p> <p>Holds 500 U-R shares</p>	<p>Other Current Functions and Mandates</p> <ul style="list-style-type: none"> • Senior Independent Director on the board of Metric Property Investments plc (UK) (listed), Chairman of its Audit Committee and member of its nomination and remuneration committees <p>Previous Mandates during the last 5 years</p> <p>Nil</p> <p>CV</p> <ul style="list-style-type: none"> • Degree in Mathematics from Cambridge University • He held positions as an equity investment analyst specialising in real estate companies mainly at Dresdner Kleinwort Benson and Merrill Lynch. With partner Robert Fowlds, his team was voted no. 1 for real estate in Europe for 12 out of 13 years from 1995 to 2007

<p>Mr. Herbert Schimetschek Member of the Supervisory Board Member of the Audit Committee</p> <p>Independent member*</p> <p>Attendance: 100% attendance since appointed on April 27, 2011 (SB and Audit Committee)</p> <p>Born on January 5, 1938 Austrian national</p> <p>First Mandate: April 27, 2011 SB term expires: AGM 2014</p> <p>Holds 350 U-R shares</p>	<p>Other Current Functions and Mandates</p> <ul style="list-style-type: none"> • CEO of Hans Dujsik Privatstiftung (AT) (trust foundation) • Deputy CEO of ARION Immobilien & Development Privatstiftung (AT) (trust foundation) • Supervisory Board member of YAM Invest N.V. (NL) • Deputy Supervisory Board Chairman of Bank Gutmann AG (AT) and Donau-Chemie AG (AT) <p>Previous Mandates during the last 5 years</p> <ul style="list-style-type: none"> • CEO of Austria Versicherungsverein auf Gegenseitigkeit Privatstiftung (AT) (trust foundation), Executive Board member of Austria Versicherungsverein Beteiligungs-Verwaltungs GmbH (a related entity) and „Graben 27-28“ Besitzgesellschaft mbH (a related entity) • Executive Board member of UNIQA Praterstraße Projektentwicklungs GmbH (AT) • Supervisory Board Chairman of the National Bank of Austria (AT) and DIE ERSTE österreichische Spar-Casse Privatstiftung (AT) (trust foundation) • Deputy Supervisory Board Chairman of Strabag SE (AT) (listed) and InnoPacking AG (AT) • Supervisory Board member of SCOR SE (FR) (listed) • Within the UNIQA Group (AT): Deputy Supervisory Board Chairman of UNIQA Versicherung A.G. (listed), Supervisory Board Chairman of UNIQA Assurances SA, UNIQA Previdenza SpA, UNIQA Protezione SpA and UNIQA Assicurazioni SpA • Chairman and board Member of AUSTRIA Hotels Liegenschaftsbesitz AG (AT)
---	---

* For full details concerning Supervisory Board Independence, refer to the Supervisory Board Charter and the Report of the Chairman of the Supervisory Board on pages 253 to 263.
** Mr Moulard did not qualify as independent in 2011 as his tenure with the Boards of Unibail S.A., Unibail-Rodamco S.A. and Unibail-Rodamco S.E. (combined) exceeded 12 years.

3. Corporate Governance

Unibail-Rodamco SE has a two-tier governance structure with a Management Board and a Supervisory Board. There is a clear distinction between their respective operational roles, responsibilities and related tasks.

For full details, refer to the Report of the Chairman of the Supervisory Board.

3.1. Supervisory Board and its Committees

As at 31 December 2011, the Supervisory Board has eleven members elected for a term of three years. The Supervisory Board Chairman is Mr Robert van Oordt and the Vice-Chairman is Mr François Jaclot. The composition of the Supervisory Board reflects a strong commitment to the independence, diversity and expertise of its members.

At the Company's next General Meeting on April 26, 2012, Mr. Robert van Oordt, who turned 75 in March 2011, will retire from his functions as Chairman and a member of the Supervisory Board in accordance with the age considerations specified in the Company's Articles of Association. On March 5, 2012, after due consultation and deliberation, the Supervisory Board decided to appoint Mr. Robert ter Haar as its new Chairman with effect upon the close of the General Meeting proceedings on April 26, 2012. Mr Robert ter Haar has been a member of the Unibail-Rodamco S.E. Supervisory Board since 2007 and was a member of the Rodamco Europe N.V. Supervisory Board from 2004 to up until the formalisation of the merger.

The Supervisory Board's role, responsibilities and related tasks are spelled out in part IV of the Company's Articles of Association and in a separate Supervisory Board Charter.⁽¹²⁾

The Supervisory Board has two sub-committees focusing on specific aspects of its overall responsibility: the Audit Committee and the Governance, Nomination and Remuneration Committee (GN&RC). Each committee has

a specific Charter⁽¹³⁾, which describes the Committee's role, responsibilities, organisation, and functioning. The Committees make recommendations and advise the Supervisory Board within their scope of responsibility. The Supervisory Board is, however, ultimately responsible for all the decisions and actions taken on the Committees' recommendations.

• Audit Committee

Since the 2011 General Meeting, the Audit committee is composed of six members, chaired by Mr. François Jaclot. All members are independent pursuant to the criteria detailed in the Supervisory Board Charter and have significant financial and accounting expertise.

The Audit Committee specifically focuses on the Company's financial performance-related accounts, financing, auditing and associated risks. It examines and supervises the Company's publication of financial information. It also ensures the relevance and efficiency of the Group's accounting and financial standards, tax and funding policies and internal audit, risk-management and control procedures.

The Audit Committee deals with a number of recurring issues, such as interim and annual financial statements, internal control and risk management relating to liabilities and net asset value. In addition, the Committee may carry out specific examinations on its own initiative or at the request of the Supervisory Board. In addition to the regular contact that the committee has with the Management Board and its Statutory Auditors, it is free to interview experts in particular fields (e.g. accounting, finance and audit managers) without members of the Management Board being present. The Committee has access to valuations carried out by independent appraisers.

• Governance, Nomination and Remuneration Committee

Since the 2011 General Meeting, the GN&RC is composed of five independent members; chaired by Mr. Robert van Oordt. The GN&RC examines and advises the Supervisory

(12) Available on the Company's website and the Company's registered office.

(13) Ibid no. 12

Board on: (a) the profile and selection criteria for the members of the Management Board and the Supervisory Board; (b) the Company's human resources policies and related remuneration policies; (c) the annual remuneration arrangements (fixed income, short-term incentive, long-term incentive and other benefits) of the CEO and the other members of the Management Board; (d) the scope, composition and functioning of the Management Board and the Supervisory Board; (e) the independence of the Supervisory Board members; (f) the (re)appointment of members of the Management Board and/or the Supervisory Board; (g) the Group's corporate governance practices and rules.

3.2. Management Board

The Management Board is the Company's collective decision-making body, overseen by the Supervisory Board, and is chaired by Mr. Guillaume Poitral, the Company's CEO. As at December 31, 2011, following the appointment of Mr. Christophe Cuvillier effective June 1, 2011, it consists of six members, appointed by the Supervisory Board for a four-year term.

Management Board members are collectively in charge of and responsible for the day-to-day management of the Company. The Management Board's duties include formulating and carrying out the Company's strategy, effectively structuring and staffing the organisation and achieving and properly reporting on the forecasted financial results.

The Management Board operates under its own Charter, and has assigned responsibilities for particular operational aspects of management to its individual members, based on clearly determined authority limits. The Management Board actively supervises the Company's internal audit program.

Pursuant to the Afep-Medef Code, the Supervisory Board conducts a yearly assessment of the functioning of the Management Board (carried out in December 2011 for 2011). For full details, refer to the Report of the Chairman of the Supervisory Board.

3.3. Compliance with the Afep-Medef Corporate Governance Code

Under article L. 225-68 of the French Commercial Code, Unibail-Rodamco SE adheres to and enforces the Afep-Medef Code as published in consolidated form by Afep-Medef and adopts this code as its reference for corporate governance matters. As at the date of filing, the Group complies with all of the Code's recommendations except as follows:

- In 2007, as an exception the Company decided that the criteria applicable to the assessment of the independence of the ex Supervisory Board members of Rodamco Europe N.V., now presiding on the Unibail-Rodamco Supervisory Board, should not take into account that Rodamco Europe N.V. subsequently became a consolidated subsidiary. This decision was motivated: (i) by the fact that Rodamco Europe N.V. became a consolidated subsidiary only as a result of a Public Exchange Offer at the initiative of the Company; and

(ii) so as not to artificially and unjustifiably distinguish between members of the Supervisory Board according to their previous memberships on the boards of Unibail Holding or Rodamco Europe N.V.

- The CEO's Fixed Income is reviewed by the Supervisory Board on the recommendation of its Governance, Nomination and Remuneration Committee on an annual basis pursuant to the overall increase in fixed salaries on a like-for-like basis across the Group as of January each year (for more information, please refer to page 238).

Compliance with the Afep-Medef Code is monitored by the GN&RC and the Supervisory Board. For more detail, refer to the Report of the Chairman of the Supervisory Board (page 253).

3.4. Group Compliance Book and Code of Ethics

To ensure the highest standards of governance, in 2008 the Group established a comprehensive Compliance Book; including (amongst other things) a Code of Ethics and insider trading rules. The Compliance Book applies to all the Group employees and executive officers throughout the regions in which the Group operates.

The Code of Ethics⁽¹⁴⁾ outlines the fundamental principles and values governing the Company and provides employees with rules and guidelines as to the behaviour they should adopt in their working environment, in particular:

- respect for human dignity, employees' work and non-discrimination,
- respect for law and regulations,
- loyalty, integrity, and avoidance of conflict of interests,
- ethical ways of doing business and anti-corruption measures,
- confidential information,
- operations on Unibail-Rodamco SE securities, including insider trading rules,
- use of Unibail-Rodamco SE's assets and services,
- respect for delegations of authority.

In addition, concerning the selection process of service providers, the Group chooses to contract with those who agree to provide their services in accordance with the principals and values set out in the Group's Code of Ethics.

The Group Compliance Officer formally reports to the Management Board and to the Supervisory Board, through its GN&RC, at least once a year on compliance (in the form of a formal Compliance Report) including any incidents in respect of the Code of Ethics. In this regard, the Group applies strict standards and penalties, as applicable by law, according to the seriousness of the breach.

The insider trading rules contain procedures that must be followed regarding transactions in Company shares (or related financial instruments) or the shares or related financial instruments of its listed subsidiaries. There are also rules prohibiting trading in shares during closed periods (such as

(14) Available on the Company's website and at the Company's registered office.

the 30-day period prior to the publication of the half-year and annual accounts).

Group employees must disclose details of their official positions (e.g. directorships) and must abstain from holding a position, performing duties or holding a financial interest in any of the Group's competitors, clients, suppliers or business partners. Employees must alert the Company to any conflict of interest (including potential conflicts of interest), due to a direct or indirect personal interest.

As a signatory to the UN Global Compact, Unibail-Rodamco SE undertakes to promote the application of the fundamental values with respect to human rights, labour rights, the environment and anti-corruption.

4. Remuneration of Management Board and Supervisory Board members

4.1. Remuneration policy for members of the Management Board

The Governance, Nomination and Remuneration Committee (GN&RC) held five meetings in 2011. This committee is specifically instructed by the Supervisory Board to examine and report to the Supervisory Board on Management Board member remuneration matters. The GN&RC is also responsible for preparing the annual Management Board member remuneration proposals comprising of: Fixed Income (FI); a short term incentive (STI) based on performance in the previous year; a long term incentive (LTI) in the form of stock options (the exercise of which is 100% performance based); and other benefits such as a company pension plan, company car, insurance etc. These proposals are reviewed in a totally independent manner by the Supervisory Board, which deliberates and votes on each component.

In 2007, the Supervisory Board, on the recommendation of the GN&RC, established the Management Board remuneration policy with the assistance of Towers Watson (Towers Perrin at the time) as independent external advisors. This policy encompasses all components of the remuneration of Management Board members and establishes a balance between these components based on a comparative study of the practices of CAC40, AEX25 companies, major European real estate companies and best corporate governance practices. Performance criteria are clearly established and reinforced for the variable remuneration component (STI) and the right to exercise granted stock options (LTI). The policy also sets maximum thresholds for STI and LTI components vis-a-vis the Management Board members' fixed income, to ensure the reasonableness of the total compensation package.

End 2009, the Supervisory Board and the GN&RC engaged Towers Watson, to conduct a formal benchmark study of the executive remuneration practices of a panel of CAC40, AEX 25 and major listed European real estate companies ("Benchmark"). The Benchmark revealed that the maximum

annual cash compensation and LTI amounts of Unibail-Rodamco's CEO and other Management Board members were below average against all panels. In addition, Unibail-Rodamco's CEO and other Management Board members' pensions were considerably below average compared to their CAC40 peers.

As a result, on March 9, 2010, noting that the CEO and other Management Board members' fixed income had not been adjusted in 2.5 years, the Supervisory Board, on the recommendation of the GN&RC, adjusted the fixed income component for the CEO and existing Management Board members, effective January 1, 2010.

On March 7, 2011, in light of the Benchmark results and an updated Towers Watson opinion confirming the practice in France for executive pensions in 2010, the Supervisory Board, on the recommendation of the GN&RC, introduced an additional annual cash contribution for the CEO and existing Management Board members on the condition that the individual amounts be invested (after tax and social charges) in a "personal pension scheme" for the period that the individual is a corporate officer with the Group.

During the same meeting, taking into consideration the substantially below average level of fixed income of the CEO compared to all panels, the Supervisory Board decided, from this point onwards, to revise the CEO's gross fixed income annually on the basis of the increase in fixed salaries on a like-for-like basis across the Group as of January of each year. This is considered better governance practice over the long term and compliant with the spirit of the Afep-Medef code although not in line with part of the wording of one of its articles. The increase in gross fixed income of the Chairman of the Management Board in 2011 (against 2010) was 2.7%.

On March 5, 2012, in light of an updated benchmark of the Management Board remuneration components performed by Towers Watson and having considered the Company's 2011 full year results and the CEO and Management Board's performance in 2011, the GN&RC made its recommendations to the Supervisory Board on CEO and Management Board remuneration. The full details of the remuneration arrangements for the CEO and each of the other Management Board members are detailed in the following pages.

The Company complies with all of the 2008 Afep-Medef recommendations on the remuneration of executive officers of French listed companies as confirmed and supplemented by the recommendation of the AMF published shortly thereafter with the exception of the practice of an annual review of the fixed income of the Chairman of the Management Board as mentioned earlier. The application of these recommendations is monitored and evaluated on an on-going basis by the GN&RC and the Supervisory Board in close cooperation with the Management Board. The CEO and the other Management Board members renounced their employment contracts with the Company in accordance with these recommendations in 2008 and 2009 respectively.

a) Details of Management Board member remuneration (before income tax and social security charges)

REMUNERATION, STOCK OPTIONS AND SHARES ALLOCATED TO MANAGEMENT BOARD MEMBERS

Table no. 1 AMF/ Afep-Medef recommendations (before income tax and social security charges) in respect of the referred years

	G. Poitrial Chief Executive Officer (since June 26, 2007)					C. Cu villier Chief Operating Officer (since June 1st, 2011)					M. Dessolain Chief Strategy Officer (since June 26, 2007)				
	Year 2007	Year 2008	Year 2009	Year 2010	Year 2011	Year 2007	Year 2008	Year 2009	Year 2010	Year 2011	Year 2007	Year 2008	Year 2009	Year 2010	Year 2011
Fixed income	€553,059	€700,000	€700,000	€800,000	€821,600	n.m.	n.m.	n.m.	n.m.	€396,894	€377,367	€400,000	€400,000	€440,000	
Short term incentive*	€923,333	€344,595	€320,068	€1,021,514	€642,331	n.m.	n.m.	n.m.	n.m.	€306,499	€335,000	€210,000	€170,621	€317,141	
Pension Contributions	€35,604	€77,384	€73,415	€73,456	€203,849	n.m.	n.m.	n.m.	n.m.	€32,083	€23,621	€50,679	€47,842	€47,532	
Other benefits	€14,541	€16,578	€16,729	€21,771	€29,040	n.m.	n.m.	n.m.	n.m.	€18,323	€7,957	€12,929	€15,025	€19,070	
Board fees	€28,125					n.m.	n.m.	n.m.	n.m.						
Remuneration due in respect of the Financial year	€1,554,662	€1,138,557	€1,110,212	€1,916,741	€1,696,820	n.m.	n.m.	n.m.	n.m.	€753,800	€743,945	€673,608	€633,488	€823,743	
Evolution year n vs year N-1 in %		-26.8%	-2.5%	72.6%	-11.5%	n.m.	n.m.	n.m.	n.m.			-9.5%	-6.0%	30.0%	
Options IFRS valuation allocated during the financial year** (detailed in table n°4)	€538,000	€415,000	€221,000	€318,500	€385,550	n.m.	n.m.	n.m.	n.m.	€197,600	€269,000	€207,600	€110,500	€159,250	
Evolution year n vs year N-1 in %		-22.9%	-46.7%	44.1%	21.1%	n.m.	n.m.	n.m.	n.m.			-22.8%	-46.8%	44.1%	
Performance shares IFRS valuation attributed during the financial year	€380,000					n.m.	n.m.	n.m.	n.m.						
TOTAL	€2,472,662	€1,553,557	€1,331,212	€2,235,241	€2,082,370	n.m.	n.m.	n.m.	n.m.	€951,400	€1,012,945	€881,208	€743,988	€982,993	
Evolution year n vs year N-1 in %		-37.2%	-14.3%	67.9%	-6.8%	n.m.	n.m.	n.m.	n.m.	n.m.		-13.0%	-15.6%	32.1%	

	C. Pourre Chief Resources Officer (since June 26, 2007)					P. van Rossum Chief Financial Officer (since June 26, 2007)					J. Tonckens Chief Investment Officer (since September 1, 2009)				
	Year 2007	Year 2008	Year 2009	Year 2010	Year 2011	Year 2007	Year 2008	Year 2009	Year 2010	Year 2011	Year 2007	Year 2008	Year 2009	Year 2010	Year 2011
Fixed income	€322,915	€400,000	€400,000	€440,000	€440,000	€369,342	€400,000	€400,000	€440,000	€440,000	n.m.	n.m.	€172,937	€440,000	€440,000
Short term incentive*	€330,000	€190,000	€180,621	€317,141	€223,636	€234,200	€190,000	€185,621	€317,141	€223,636	n.m.	n.m.	€101,874	€327,141	€273,636
Pension	€24,050	€51,366	€48,031	€47,541	€112,263	€64,711	€68,131	€66,863	€70,580	€135,647	n.m.	n.m.	€14,688	€43,809	€108,782
Other benefits	€7,873	€12,845	€13,060	€17,065	€23,583	€14,964	€15,001	€15,060	€17,505	€22,950	n.m.	n.m.	€630	€7,633	€18,129
Remuneration due in respect of the financial year	€684,838	€654,211	€641,712	€821,747	€799,482	€683,217	€673,132	€667,544	€845,226	€822,233	n.m.	n.m.	€290,129	€818,583	€840,546
Evolution year n vs year N-1 in %		-4.5%	-1.9%	28.1%	-2.7%		-1.5%	-0.8%	26.6%	-2.7%	n.m.	n.m.		n.m.	2.7%
Options IFRS valuation allocated during the financial year** (detailed in table n°4)	€269,000	€207,600	€110,500	€159,250	€182,260	€470,750	€207,600	€110,500	€159,250	€182,260	n.m.	n.m.	€0	€254,800	€182,260
Evolution year n vs year N-1 in %		-22.8%	-46.8%	44.1%	14.4%		-55.9%	-46.8%	44.1%	14.4%	n.m.	n.m.		n.m.	-28.5%
Performance shares IFRS valuation attributed during the financial year	€99,900										n.m.	n.m.			
TOTAL	€1,053,738	€861,811	€752,212	€980,997	€981,742	€1,153,967	€880,732	€778,044	€1,004,476	€1,004,493	n.m.	n.m.	€290,129	€1,073,383	€1,022,806
Evolution year n vs year N-1 in %		-18.2%	-12.7%	30.4%	0.1%		-23.7%	-11.7%	29.1%	0.0%	n.m.	n.m.	n.m.	n.m.	-4.7%

*Short Term incentive indicated in column «Year N» is Short Term incentive due in respect of Year N and paid in March Year N+1.

**The value corresponds to the value of the options and financial instruments at the time they were attributed according to IFRS 2 requirements (based on the evaluation conducted by Towers Watson), notably after taking into account any discount related to performance criteria and the probability of presence in the company after the vesting period, but before taking into account the effect of the spread of the charge during the vesting period according to IFRS 2.

Remuneration of the Chairman of the Management Board and Chief Executive Officer

As indicated in the Company's 2010 Annual Report, on March 7, 2011, the Supervisory Board, on the recommendation of the GN&RC, revised the gross fixed annual income of the Chairman of the Management Board to €821,600, effective January 1, 2011. This amount is before income tax and social security charges. It represents an increase of 2.7% in his 2010 fixed remuneration; identical to the increase in fixed salaries on a like-for-like basis across the Group as of January 1, 2011.

On March 5, 2012, the Supervisory Board noted that the updated benchmark of the executive remuneration practices of CAC40 companies and a panel of CAC40 companies with similar market capitalisation revealed that the annual fixed income for Unibail-Rodamco's CEO was significantly below average and below the first quartile against all panels. Therefore, in accordance with the Management Board remuneration policy, the Supervisory Board, on the recommendation of the GN&RC, decided to revise the gross fixed annual income of the Chairman of the Management Board to €850,438, effective January 1, 2012. This amount is before income tax and social security charges. It represents an increase of 3.51% against his 2011 fixed remuneration, which is the increase in fixed salaries on a like-for-like basis across the Group as of January 1, 2012.

According to the Management Board remuneration policy, the short-term incentive (STI) of the Chairman of the Management

Board due in respect of financial year 2011 is determined according to the achievement of quantitative targets and is calculated according to a formula, that takes into consideration the following key performance indicators:

- the recurring net profit and recurring EPS growth above inflation; and
- the value creation during the period, measured by the growth (above inflation) of the net asset value per share plus dividends distributed over the same period.

The STI for the Chairman of the Management Board is capped at 150% of his fixed income. This formula has been in place since 2007.

The application of the formula in respect of the financial year 2011 resulted in an STI for the Chairman of the Management Board of €642,331. This represents a decrease of 37.1% essentially reflecting the fact that the growth in net asset value per share, however strong in 2011, was lower compared to 2010, which was a very strong year following the 2009 crisis.

The Chairman of the Management Board benefits from the Company's defined contribution pension scheme with a contribution of €73,849 in 2011 and, with effect, January 1, 2011, an additional cash contribution of €130,000 (before tax and social charges). This latter contribution must be allocated, net of income tax and social contributions, to a long term savings scheme with a view to financing retirement for the period that the Management Board members remain Group Corporate Officers.

The Chairman of the Management Board does not benefit from any defined benefit pension scheme (*retraite chapeau* Art. 39).

Overall, including LTI, the total compensation of the CEO in 2011 decreased by 6.8% compared to 2010.

The Chairman of the Management Board benefits from a company car, a health and life mutual insurance and unemployment contribution (GSC type) and is eligible for the Company Savings Plan without the benefit of the top-up offered to employee participants. The Chairman of the Management Board does not benefit from: (i) the profit-sharing scheme (*intéressement et participation*) available to employees; (ii) any contractual severance package; nor (iii) any contractual indemnification clause in relation to non-competition provisions.

In accordance with Afep-Medef recommendations, the Chairman of the Management Board has no employment contract (*contrat de travail*).

Pursuant to the AMF recommendations of December 22, 2008 and the Afep-Medef recommendations of November 2008 concerning the compensation of executive officers of listed companies, the tables on pages 237 and 238 present:

- gross remuneration received in respect of the financial years 2007 through to 2011, i.e. including short term incentive due in respect of financial year X and paid in Year X+1 after the publication of the results of financial year X (table no. 1); and
- gross remuneration paid during 2010 and 2011 respectively, i.e. including the short term incentive that was paid in Year X accrued in respect of the previous year (table no. 2).

Remuneration of the other members of the Management Board

As indicated in the Company's 2010 Annual Report, on March 7, 2011, the Supervisory Board, upon the recommendation of the GN&RC, decided to maintain the individual gross fixed income of the non-CEO MB members at €440,000 (effective since January 1, 2010). With respect to Mr. Christophe Cuvillier, appointed to the Management Board with effect June 1, 2011, the Supervisory Board, upon the recommendation of the GN&RC, decided to fix his individual annual gross fixed income at €620,000; which is applied *prorata temporis* in 2011.

On March 5, 2012, the Supervisory Board upon the recommendation of the GN&RC, decided to maintain the current levels of gross fixed income of the non-CEO MB members in 2012.

According to the Management Board remuneration policy approved by the Supervisory Board on June 26, 2007, the short-term incentive (STI) of the other members of the Management Board due in respect of financial year 2011 is determined according to the achievement of two sets of objectives:

- i. Quantitative targets capped at 50% of fixed income (capped at 60% of fixed income in the case of Mr. Cuvillier) and calculated according to a formula that takes into consideration two key performance indicators:
 - the recurring net profit and recurring EPS growth above inflation;

- ii. Qualitative targets capped at 50% of fixed income (capped at 60% of fixed income in the case of Mr. Cuvillier), which are defined by the GN&RC (based on proposals received from the CEO), discussed with each Management Board member, approved by the GN&RC/Supervisory Board, and accepted by each Management Board member at the beginning of each calendar year.

In application of this policy, on March 5, 2012, the Supervisory Board fixed the STI of the other Management Board members in respect of the financial year 2011 at the levels indicated in table no. 1 (pages 237-238) on the basis of proposals received from the GN&RC and the Chairman of the Management Board. These figures represent a decrease (from -16.4% to -29.5%) against the STI paid to Management Board members in respect to financial year 2010, reflecting the fact that the growth in net asset value per share, however strong in 2011, was lower compared to 2010, 2010 being a very strong year following 2009 crisis.

All non-CEO Management Board members have the benefit of a company car, the Company's health and life mutual insurance as well as an unemployment contribution (GSC type for French members), the Company's supplementary pension plan and, with effect, January 1, 2011, an additional cash contribution. This latter contribution, must be allocated, net of income tax and social contributions to a long term savings scheme with a view to financing retirement during their entire tenure as Management Board member. All non-CEO Management Board members can subscribe to the Company Savings Plan without the benefit of the top-up contribution offered to the employee participants.

The non-CEO Management Board members do not benefit from: (i) the profit-sharing scheme (*intéressement et participation*) available to employees; (ii) any contractual severance package; nor (iii) any contractual indemnity clause in relation to non-competition provisions.

None of the Management Board members have employment contracts (*contrats de travail*).

Overall, including long term incentives, the total compensation of the other Management Board members in 2011 evolved by -4.7% to +0.8% compared to 2010.

Pursuant to the AMF recommendations of December 22, 2008 and the Afep-Medef recommendations of November 2008 concerning the compensation of executive officers of listed companies, the tables on pages 237 and 238 present:

- gross remuneration received in respect of the financial years 2007 through to 2011, i.e. including short term incentive due in respect of financial year X and paid in Year X+1 after the publication of the results of financial year X (table no. 1); and
- gross remuneration paid during 2010 and 2011 respectively, i.e. including the short term incentive that was paid in Year X accrued in respect of the previous year (table no. 2).

DETAILS OF THE REMUNERATION (BEFORE INCOME TAX AND SOCIAL SECURITY CHARGES) OF EACH MANAGEMENT BOARD MEMBER

(Table n°2 of AMF/ Afep-Medef recommendations)

	Financial year 2010		Financial year 2011	
	Amount due	Amount paid	Amount due	Amount paid
Mr. Guillaume Poitral Chairman of the Management Board and Chief Executive Officer				
Fixed income	€800,000	€800,000	€821,600	€821,600
Short term incentive	€1,021,514	€320,068	€642,331	€1,021,514
Pension	€73,456	€73,456	€203,849	€203,849
Other benefits	€21,771	€21,771	€29,040	€29,040
Total direct cash remuneration	€1,916,741	€1,215,295	€1,696,820	€2,076,003
LTI - Options allocated IFRS valuation*	€318,500	€318,500	€385,550	€385,550
Total direct cash remuneration + LTI	€2,235,241	€1,533,795	€2,082,370	€2,461,553

	Financial year 2010		Financial year 2011	
	Amount due	Amount paid	Amount due	Amount paid
Mr. Christophe Cuvillier Chief Operating Officer (since June 1, 2011)				
Fixed income	n.m	n.m	€396,894	€396,894
Short term incentive	n.m	n.m	€306,499	€0
Pension	n.m	n.m	€32,083	€32,083
Other benefits	n.m	n.m	€18,323	€18,323
Total direct cash remuneration	n.m	n.m	€753,800	€447,301
LTI - Options allocated IFRS valuation*	n.m	n.m	€197,600	€197,600
Total direct cash remuneration + LTI	n.m	n.m	€951,400	€644,901

	Financial year 2010		Financial year 2011	
	Amount due	Amount paid	Amount due	Amount paid
Mr. Michel Dessolain Chief Strategy Officer				
Fixed income	€440,000	€440,000	€440,000	€440,000
Short term incentive	€317,141	€170,621	€223,636	€317,141
Pension	€47,532	€47,532	€119,691	€119,691
Other benefits	€19,070	€19,070	€25,589	€25,589
Total direct cash remuneration	€823,743	€677,223	€808,915	€902,420
LTI - Options allocated IFRS valuation*	€159,250	€159,250	€182,260	€182,260
Total direct cash remuneration + LTI	€982,993	€836,473	€991,175	€1,084,680

	Financial year 2010		Financial year 2011	
	Amount due	Amount paid	Amount due	Amount paid
Ms. Catherine Pourre Chief Resources Officer				
Fixed income	€440,000	€440,000	€440,000	€440,000
Short term incentive	€317,141	€180,621	€223,636	€317,141
Pension	€47,541	€47,541	€112,263	€112,263
Other benefits	€17,065	€17,065	€23,583	€23,583
Total direct cash remuneration	€821,747	€685,227	€799,482	€892,987
LTI - Options allocated IFRS valuation*	€159,250	€159,250	€182,260	€182,260
Total direct cash remuneration + LTI	€980,997	€844,477	€981,742	€1,075,247

	Financial year 2010		Financial year 2011	
	Amount due	Amount paid	Amount due	Amount paid
Mr. Peter van Rossum Chief Financial Officer				
Fixed income	€440,000	€440,000	€440,000	€440,000
Short term incentive	€317,141	€185,621	€223,636	€317,141
Pension	€70,580	€70,580	€135,647	€135,647
Other benefits	€17,505	€17,505	€22,950	€22,950
Total direct cash remuneration	€845,226	€713,706	€822,233	€915,738
LTI - Options allocated IFRS valuation*	€159,250	€159,250	€182,260	€182,260
Total direct cash remuneration + LTI	€1,004,476	€872,956	€1,004,493	€1,097,998

	Financial year 2010		Financial year 2011	
	Amount due	Amount paid	Amount due	Amount paid
Mr. Jaap Tonckens Chief Investment Officer				
Fixed income	€440,000	€440,000	€440,000	€440,000
Short term incentive	€327,141	€101,874	€273,636	€327,141
Pension	€43,809	€43,809	€108,782	€108,782
Other benefits	€7,633	€7,633	€18,129	€18,129
Total direct cash remuneration	€818,583	€593,316	€840,546	€894,051
LTI - Options allocated IFRS valuation*	€254,800	€254,800	€182,260	€182,260
Total direct cash remuneration + LTI	€1,073,383	€848,116	€1,022,806	€1,076,311

* The value corresponds to the value of the options and financial instruments at the time they were attributed according to IFRS 2 requirements (based on the evaluation conducted by Towers Watson), notably after taking into account any discount related to performance criteria and the probability of presence in the company after the

vesting period, but before taking into account the effect of the spread of the charge during the vesting period according to IFRS 2.

b) Details of long term incentive (Options) granted to / exercised by the CEO and other Management Board members

• Details of Long Term Incentive (Options granted) to the CEO and other Management Board members in the financial year 2011 (Art. L. 225-184 of the French Commercial Code)

All Options granted in 2011 are without discount and are subject to a performance condition. The 2011 grant compared to the 2010 grant represents an increase of 21.1% for the CEO and an increase of 14.4% for the non-CEO Management Board members (with the exception of Mr Tonckens whose grant decreased in 2011 against 2010 due to an exceptional grant in 2010). This increase is due to a 10% increase in the number of options compared to 2010 and a 4% appreciation in the economic value of the Options between 2010 and 2011 due to a higher volatility. The 2011 grants remain lower than the 2008 grants by 23% to 7%. In addition, an additional grant of 26 000 Options was made to Mr. Cuvillier in 2011 pursuant to his remuneration package approved by the Supervisory Board on April, 27, 2011 (effective June 1, 2011). The economic value (as accounted under IFRS in the Group consolidated accounts as at the date of grant) of the total amount of Options and performance shares to be granted to Management Board members ranges between 0% and 150% of their fixed income based on a qualitative discretionary evaluation by the GN&RC

and the Supervisory Board and on proposals received from the CEO for his Management Board members.

For Options granted in 2007 and thereafter, all Management Board members must keep a personal investment in Unibail-Rodamco SE shares, equivalent to 30% of the capital gain (net of tax) on the date of exercise of the stock options granted, until they leave the Company⁽¹⁵⁾. This rule applies to Unibail-Rodamco SE shares up to a value equivalent to two years' fixed income for other Management Board members and three years' fixed income for the CEO. The rule applies to shares acquired in respect of all Unibail-Rodamco SE stock option plans from which Management Board members have benefited.

On the recommendation of the GN&RC, on March 5, 2012, the Supervisory Board decided to maintain the following rule: the top six grants of Options (collectively and including the CEO) must not exceed 25% and the grant of Options to the CEO alone must not exceed 8% of the total number of Options granted. The same thresholds have been in place since 2008.

Management Board members are formally prohibited from using hedging instruments to cover options and shares that are owned as a result of exercising Options.

The allocation of Options to Management Board members is detailed in table no. 4 in the format recommended by the AMF and the Afep-Medef.

(15) Supervisory Board decision pursuant to section L. 225-185 of the French Commercial Code.

SHARE SUBSCRIPTION OR PURCHASE OPTIONS GRANTED DURING THE FINANCIAL YEARS 2008 TO 2011

(Table no. 4 of AMF/Afep/Medef recommendations)

Plan Number	Plan n° 5 performance		Plan n° 5 performance			Plan n° 5 performance			Plan n° 6 performance		
Date of grant	October 23, 2008		March 13, 2009			March 10, 2010			March 10, 2011		
Exercise period	Oct. 23, 2012 to Oct. 23, 2015		March 13, 2013 to March 13, 2016			March 10, 2014 to March 10, 2017			March 10, 2015 to March 10, 2018		
Exercise Price per option	€130.27*		€99.42*			€148.32*			€144.37*		
Type of options	Share subscription or purchase stock-options subject to performance conditions and with no discount		Share subscription or purchase stock-options subject to performance conditions and with no discount			Share subscription or purchase stock-options subject to performance conditions and with no discount			Share subscription or purchase stock-options subject to performance conditions and with no discount		
Names of MB member	Number of options granted*	Value of options granted**	Number of options granted*	Value of options granted**	Variation 2009 vs 2008 in value	Number of options granted*	Value of options granted**	Variation 2010 vs 2009 in value	Number of options granted*	Value of options granted**	Variation 2011 vs 2010 in value
Mr. G. Poitral Chief Executive Officer	60,000	€415,000	50,000	€221,000	-46.7%	50,000	€318,500	44.1%	55,000	€385,550	21.1%
Mr. Christophe Cuvillier Chief Operating Officer ^(A)	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	26,000 ^(A)	€197,600 ^(A)	n.m
Mr. Dessolain Chief Strategy Officer	30,000	€207,600	25,000	€110,500	-46.8%	25,000	€159,250	44.1%	26,000	€182,260	14.4%
Ms. C. Pourre Chief Resources Officer	30,000	€207,600	25,000	€110,500	-46.8%	25,000	€159,250	44.1%	26,000	€182,260	14.4%
Mr. P. van Rossum Chief Financial Officer	30,000	€207,600	25,000	€110,500	-46.8%	25,000	€159,250	44.1%	26,000	€182,260	14.4%
Mr. J. Tonckens Chief Investment Officer	n.m	n.m	n.m	n.m	n.m	40,000	€254,800	n.m	26,000	€182,260	-28.5%

* At the date of the grant and before adjustments.

** The value corresponds to the value of the options and financial instruments at the time they were attributed according to IFRS 2 requirements (based on the evaluation conducted by Towers Watson), notably after taking into account any discount related to performance criteria and the probability of presence in the company after the vesting period, but before taking into account the effect of the spread of the charge during the vesting period according to IFRS 2.

(A) with the exception of Mr Cuvillier who had an exceptional grant subsequent to his appointment on June 1, 2011. In the framework of an additional Plan (Plan n°7), the details of his allocation were fixed as follow: allocation date = June 9, 2011; exercise period = June 9, 2015 to June 9, 2018; exercise price = €152.03.

• Long Term Incentive Policy for 2012

Taking into consideration the results of the March 2012 Management Board remuneration benchmark exercise performed by Towers Watson and the evolution of the LTI practices in France, on March 5, 2012, the Supervisory Board, upon the recommendation of its GN&RC, resolved to modify the Company's LTI policy to provide for the allocation of performance shares to salaried staff and corporate officers of the Company and its subsidiaries in addition to Options. The proposed Performance Share scheme is detailed on page 220.

The economic value (as accounted under IFRS 2 in the Group consolidated accounts at the date of grant) of the total amount of options and Performance shares to be granted to Management Board members must remain in the range 0% to 150% of their fixed income based on a qualitative discretionary evaluation by the GN&RC and the Supervisory Board (based on proposals received from the CEO for his Management Board members).

• Details of options granted to the Management Board members in the financial year 2012 (Art. L. 225-184 of the French Commercial Code)

In accordance with Afep-Medef recommendations, the annual allocation of stock options is made in March, following the publication of the financial results. For more details, refer to page 218.

On March 14, 2012, a total of 672,202 Options, representing 0.73% of the fully diluted share capital, were allocated. All Options granted in 2012 under Plan no. 7 (refer to pages 219 for full details) have the same characteristics as the Options allocated in 2011 i.e. there is no discount and they are subject to the same performance condition. Allocations to Management Board members are subject to the same conditions as in 2011 as referred to above and as shown in the following table.

SHARE SUBSCRIPTION OR PURCHASE OPTIONS GRANTED TO MANAGEMENT BOARD MEMBERS IN THE FINANCIAL YEAR 2012

(Table no. 4 of AMF/Afep/Medef recommendations)

Plan Number	Plan no. 7 performance	
Date of grant	March 14, 2012	
Exercise period	March 14, 2016 to March 14, 2019	
Exercise price per option	€146.11	
Type of options	Share subscription or purchase options subject to performance conditions and with no discount	
Names of MB member	Number of options granted	Value of options granted*
Mr. G. Poitral - Chief Executive Officer	42,500	€293,675
Mr. C. Cuvillier - Chief Operating Officer	29,750	€205,573
Mr. M. Dessolain - Chief Strategy Officer	20,400	€140,964
Ms. C. Pourre - Chief Resources Officer	20,400	€140,964
Mr. P. van Rossum - Chief Financial Officer	20,400	€140,964
Mr. J. Tonckens - Chief Investment Officer	25,500	€176,205

* The value corresponds to the value of the options and financial instruments at the time they were attributed according to IFRS 2 requirements (based on the evaluation conducted by Towers Watson), notably after taking into account any discount related to performance criteria and the probability of presence in the company after the vesting period, but before taking into account the effect of the spread of the charge during the vesting period according to IFRS 2.

The number of options granted to the CEO and the non-CEO Management Board members evolved by -22.7% for the CEO and by -21.5% to +14.4% for the non-CEO Management Board members to allow for the grant of performance shares in 2012 subject to the approval of the resolution 16 proposed to the AGM.

DETAILS OF OPTIONS EXERCISED BY MANAGEMENT BOARD MEMBERS IN THE FINANCIAL YEAR 2011 (ART. L. 225-184 OF THE FRENCH COMMERCIAL CODE)

(Table no. 5 of AMF/Afep-Medef recommendations)

Options exercised by the Management Board Member	Plan number - Tranche year and date	Number of options exercised for the financial year ⁽¹⁾	Exercise price per option ⁽¹⁾
Mr. G. Poitral	Plan Performance no. 3 - Tranche 2005 14/12/2005	66,930	€88.10
		4,000	€86.37

(1) After legal adjustment(s), if any.

c) Details of performance shares allocated and/or available to Management Board members (Art. L. 225-194-4 of the French Commercial Code)

• Details of performance shares allocated and/or available to Management Board members in the financial year 2011

(Table no. 6 of AMF/Afep-Medef recommendations)

Performance shares allocated to Management Board members in the 2011 financial year	Plan number and date	Number of shares allocated per financial year	Share valuation according to the reserved method for consolidated financial statements	Acquisition date	Availability date	Performance criteria
NO ALLOCATION						

(Table no. 7 of AMF/Afep-Medef recommendations)

Performance shares available to Management Board members	Plan number and date	Numbers of shares that became available during the financial year	Acquisition criteria
NONE			

• Details of performance shares granted to Management Board members in the financial year 2012 subject to the approval of resolution #16 by the AGM of April 26, 2012

On March 5, 2012, the Supervisory Board, in accordance with the new LTI policy, authorised the Management Board to allocate a maximum of 45,000 performance shares representing 0.049% of the diluted share capital with effect on April 26, 2012 to employees and corporate officers of the Group (subject to the AGM's approval of the relevant resolution on April 26, 2012).

These performance shares are a 100% subject to an external performance condition based on Unibail-Rodamco SE's overall stock market performance, distributions reinvested, outperforming the EPRA Total Return Benchmark index over the vesting period (for a minimum 3 years) (see page 221).

The economic value (as accounted under IFRS 2 in the Group consolidated accounts) of the total amount of Options and Performance shares to be granted to Management Board members must remain in the range 0% to 150% of their fixed

income based on a qualitative discretionary evaluation by the GN&RC and the Supervisory Board (based on proposals received from the CEO for the other non-CEO Management Board members) (see page 220)

The Supervisory Board, in the same meeting, decided that :

- all Management Board members must hold 30% of the performance shares as a personal investment when these performance shares become available, until they leave the Company. This retention obligation, together with the retention obligation for Options, applies up to a maximum of

the equivalent in Unibail-Rodamco shares of 2 years of Fixed income for non-CEO Management Board members and 3 years of fixed income for the CEO until the Management Board member leaves the Company.

- In compliance with the Afep-Medef code, all Management Board members must acquire 1 share for every 2 Performance Shares awarded, upon their availability. This rule is, however, suspended for a period that a Management Board member owns a number of Unibail-Rodamco shares equal to at least 50% of his or her annual fixed income in any given year.

(Table no.6 of AMF/Afep-Medef recommendations)

Performance shares allocated to Management Board members in the 2012 financial year	Plan number and date	Number of shares* allocated per financial year	Acquisition date	Availability date ⁽¹⁾	Performance criteria
Mr. G. Poitrial	Plan no.1 - 26/04/2012	2,845	26/04/2015	26/04/2017	yes
Mr. C Cu villier	Plan no.1 - 26/04/2012	1,992	26/04/2015	26/04/2017	yes
Mr. M. Dessolain	Plan no.1 - 26/04/2012	1,366	26/04/2015	26/04/2017	yes
Ms. C. Pourre	Plan no.1 - 26/04/2012	1,366	26/04/2015	26/04/2017	yes
Mr. P. van Rossum	Plan no.1 - 26/04/2012	1,366	26/04/2016	26/04/2016	yes
Mr. J. Tonckens	Plan no.1 - 26/04/2012	1,707	26/04/2015	26/04/2017	yes

(1) First potential availability date

* As decided by the Supervisory Board on March 5, 2012; subject to the AGM's approval of the relevant resolution on April 26, 2012.

d) Number of Unibail-Rodamco SE shares/Options/performance shares held by Management Board members as at March 14, 2012 (including stock options granted on March 14, 2012) (Art. 17 of Annex 1 of Regulation EC 809/2004)

MB member	Unibail-Rodamco SE shares owned	Options non exercised	Performance shares* locked up in retention period
Mr. G. Poitrial	206,432	399,106	2,845
Mr. C Cu villier	0	55,750	1,992
Mr. M. Dessolain	81,860	197,177	1,366
Ms. C. Pourre	77,030	197,177	1,366
Mr. P. van Rossum	850	190,888	1,366
Mr. J. Tonckens	450	101,323	1,707

* Effective on 26/04/2012 subject to approval of resolution 16 by the AGM on 26/04/2012.

e) Information required by the AMF on the situation of members of the Management Board (Table 10 Recommendation AMF)

The CEO's contract was terminated in accordance with the Afep-Medef recommendations on Dec 31, 2008. Subsequently, the Management Board decided to go beyond the Afep-Medef recommendations by terminating all existing Management Board member employment contracts during the course of 2009.

The supplementary pension plans that are in place for the members of the Management Board reflect the Franco-Dutch character of the Group and the fact that normal practices and standards in The Netherlands can differ from those in France. For this reason, certain Management Board members benefit from the Dutch supplementary pension plan, in accordance with Dutch practice, connected to their activities in The Netherlands.

	Employment contract		Additional pension scheme		Contractual severance package		Severance related to non-competition clause	
	YES	NO	YES	NO	YES	NO	YES	NO
Mr. G. Poitrinal - CEO Renewal of mandate: May 15, 2009 End of mandate: AGM 2013		X	X			X		X
Mr. C. Cuvillier - Chief Operating Officer First mandate: June 1 st , 2011 End of mandate: AGM 2013		X	X			X		X
Mr. M. Dessolain - Chief Strategy Officer Renewal of mandate: May 15, 2009 End of mandate: AGM 2013		X	X			X		X
Ms. C. Pourre - Chief Resources Officer Renewal of mandate: May 15, 2009 End of mandate: AGM 2013		X	X			X		X
Mr. P. Van Rossum - Chief Financial Officer Renewal of mandate: May 15, 2009 End of mandate: AGM 2013		X	X			X		X
Mr. J. Tonckens - Chief Investment Officer First mandate: September 1, 2009 End of mandate: AGM 2013		X	X			X		X

Company supplementary pension plan

All pension contributions for 2011 are included in "Pension" lines of tables 1 and 2 and all Company costs related to pension are shown on page 207.

Chairman of the Management Board (CEO)

The CEO benefits from the Company's supplementary pension plan (defined contribution part only). His level of pension contributions for 2011 is included in the "Pension" lines of tables 1 and 2. He does not benefit from any defined benefit pension scheme (retraite chapeau Art. 39).

Other Management Board members

All other Management Board members benefit from the defined contribution plan within the framework of the Company's supplementary pension plan.

In common with all Dutch employees, Mr P. van Rossum is also eligible for a defined benefit plan. This defined benefit pension at retirement will be equal to 1.8421% of his last pensionable salary for each year of service with the Company. In 2011, the pensionable salary is the base salary limited to €53,196 minus an offset of €15,296. Mr. Peter van Rossum joined the Company in 2006.

Additional cash contribution effective January 1, 2011

On March 9, 2010 the GN&RC and Supervisory Board noted the finding of the Towers Watson Benchmark that the pension coverage for the Unibail-Rodamco CEO and other Management Board members was well below the CAC40 median.

On March 7, 2011, in light of the evolution of the total remuneration for the CEO and Management Board members, and noting that Unibail-Rodamco was still below the CAC 40 average, the Supervisory Board, upon the recommendation of the GN&RC, and in accordance with the Towers Watson

Benchmark decided that, effective January 1, 2011, the CEO and other Management Board members would benefit from an additional annual contribution towards their retirement equal to €130,000 for the CEO and €65,000 for each of the other Management Board members present at that date.

When Mr. Christophe Cuvillier was appointed to the Management Board with effect June 1, 2011, the Supervisory Board, on the recommendation of the GN&RC, approved an additional annual contribution equal to €55,000 per annum as part of his global remuneration package.

These contributions are subject to the payment of social contributions and income tax. The contributions are made by the Company subject to the condition that the CEO and other Management Board members allocate the entire amount, net of income tax and social contributions to a long-term savings scheme with a view to financing their retirement (Plan d'Assurance-Vie or PERP for the French members) for the period that they remain corporate officers of the Group.

4.2. Remuneration of members of the Supervisory Board

a) Remuneration of the Chairman of the Supervisory Board

On 9 March 2009, taking into account his duties as Chairman of the Supervisory Board and Chairman of the Governance, Nomination and Remuneration Committee, the Supervisory Board fixed his total annual gross remuneration at €130,000 effective from January 1, 2009. This remuneration, all inclusive, has remained unchanged since. It is paid separately and in addition to the general envelope fixed by the General Meeting. The same remuneration package will be maintained for the new Chairman upon Mr. Robert van Oordt's retirement at the close of the next General Meeting (April 26, 2012).

b) Fees paid to the other members of the Supervisory Board

The total annual amount approved by the General Meeting to be allocated towards Supervisory Board fees is €875,000 and has remained unchanged since 2007. The amounts paid to the individual Supervisory Board members from this envelope were fixed by the Supervisory Board during its May 14, 2009 meeting and amended on February 8, 2010 as detailed below. The fee arrangements have remained unchanged since.

• Supervisory Board fees in 2011

In 2011, the annual Supervisory Board fee remained €52,000 per member (comprising of a fixed portion of 75% and a variable portion of 25%, allocated according to member attendance). The fixed portion was paid quarterly and the variable portion was paid at year-end. The Vice Chairman of the Supervisory Board was paid a supplementary fee of €15,000 for his services. An additional fee of €1,350 per day was paid to Supervisory Board members attending a meeting of the Supervisory Board and/or a Supervisory Board and a committee meeting held outside their country of residence.

• Supervisory Board Committee fees in 2011

In 2011, the annual fee for Audit Committee and GN&RC members was maintained at €10,000. The Chairman of the Audit Committee was paid a supplementary fee of €10,000 for his services. An additional fee of €1,350 was paid to members attending a Supervisory Board committee meeting and/or a Supervisory Board committee meeting and a Supervisory Board meeting held outside their country of residence. As of January 1, 2010, 25% of the annual committee fee is variable and allocated according to attendance at committee meetings at year end.

ANNUAL FEES PAID IN THE FISCAL YEARS 2010 AND 2011⁽¹⁾

Supervisory Board Members	2010 fees	2011 fees
Mr. Frans Cremers	€69,593	€67,265
Mr. Jacques Dermagne ⁽²⁾	€15,500	€0
Mr. José Luis Duran ⁽⁴⁾	€0	€44,060
Mr. François Jaclot	€99,150	€96,450
Mr. Robert ter Haar	€72,800	€71,450
Mrs. Mary Harris	€74,150	€71,450
Mr. Jean-Louis Laurens	€63,350	€63,350
Mr. Yves Lyon Caen	€59,618	€58,060
Ms. Marella Moretti ⁽⁴⁾	€0	€44,310
Mr. Henri Moulard ⁽³⁾	€63,350	€16,915
Mr. Bart Okkens ⁽³⁾	€74,150	€20,965
Mr. Alec Pelmore	€72,800	€71,450
Mr. Herbert Schimetschek ⁽⁴⁾	€0	€48,360
Mr. Jos Westerburgen ⁽²⁾	€15,500	€0
Total SB members (excluding SB Chairman)	€679,961	€674,085

Annual remuneration of the Supervisory Board Chairman in the fiscal years 2010 and 2011

Mr. Robert van Oordt	€130,000	€130,000
----------------------	----------	----------

(1) Including the out of country fees, if any, and before withholding tax (25%) for non French residents, where applicable.

(2) Term expired April 28, 2010.

(3) Term expired April 27, 2011.

(4) Appointed April 27, 2011.

5. Prospectus regulations - negative declaration

To the best knowledge of the Company, the Management Board and Supervisory Board members are not subject to the situations and restrictions referred to in article 14 of Annex 1 of the Regulation (EC 809/2004).

V. OTHER INFORMATION

1. Details of top ten stock option grants / exercises (excluding Executive Officers) in the Financial year 2011 (Art. L. 225-184 of the French Commercial Code)

(TABLE 9 OF THE AMF / AFEP-MEDEF RECOMMENDATIONS)

	Top ten stock-options grants in 2011*	Top ten stock-options exercises in 2011
Number of granted stock-options/ subscribed or purchased options ⁽¹⁾	142,500	34,620
Weighted average price	€144.37	€98.37
Plan no. 3 Tranche 2004 ⁽²⁾	-	9,183
Plan no. 3 Tranche 2005 ⁽²⁾	-	11,096
Plan no. 4 Tranche 2006 ⁽²⁾	-	14,341
Plan no. 6 Tranche 2011 ⁽²⁾	142,500	-

(1) The number may exceed ten in the event more than 10 people own the same number of options. Each year the option holders list may vary.

(2) For all the information about the different plans, see pages 218 to 219.

* At the date of grant and before taking into account adjustments applied on May 10, 2011.

2. Information on share transactions and Permanent Insiders

Pursuant to AMF General Regulation disclosure requirements, all persons with management responsibilities in the Company (and persons with whom they have 'a close personal relationship') are informed of the disclosure rules that they must comply with in relation to any dealings in the Company's shares. In this regard, pursuant to Article L. 621-18-4 of the French Monetary and Financial Code, the Company has provided the French financial markets authority (AMF) with a list of persons qualified as permanent insiders.

3. Appraiser fees

The assets of each of the Group's three business sectors are valued twice a year by external appraisers. The appraiser fees are fixed by agreement and amounted to M€1.2 in 2011 (cf. M€1.4 in 2010). For each appraiser, the invoiced fees represent less than 10% of the appraiser's overall turnover.

4. Insurance

Unibail-Rodamco SE is covered by a Group insurance programme, which is underwritten by leading insurance companies. This programme is actively monitored by the Group Insurance Department in liaison with local teams and insurance brokers.

Under the property damage and terrorism programmes, the Group's property assets are insured, for most of them, for their full reconstruction value, which is regularly assessed by external property insurance valuers, and for business interruptions and loss of rents. The Group has also taken out general liability insurances that cover financial damages resulting from third parties' claims.

Main construction projects and renovation works on properties are covered by Contractor's All Risks policies. Defects affecting the works are covered by Decennial insurance in France and by Contractors warranties for works in every Region.

The 2010 premium amounted to €5.8Mn, except construction insurance premiums. Most of these premiums were invoiced to tenants or to other co-owners in the context of existing contracts and regulations in force.

There were no major or significant losses in 2011.

5. Supplier payment dates for the parent company, Unibail-Rodamco SE

As required by article D. 441-4 of the French Commercial Code, the table below shows the balances of outstanding supplier accounts as at December 31, 2011 (according to the due date). This information is provided with comparative figures against the preceding year.

Balance in K€	Due				Already due at year end		Without payment date		Total	
	within 30 days		between 30 days and 60 days		Dec. 31, 2010	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2011
	Dec. 31, 2010	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2011						
Suppliers	6,195	1,440	142	0	1,368	807(*)	0	0	7,705	2,247
Accruals							24,812	27,106	24,812	27,106
Other							1,857	1,547	1,857	1,547
France	6,195	1,440	142	0	1,368	807	26,669	28,653	34,374	30,900
Dutch Permanent Establishment									3,790	3,498
Total Unibail-Rodamco									38,164	34,398

(*) Decrease due to the effort of discharge of accounts payable transferred to Unibail-Rodamco SE after liquidations of many subsidiaries.

Other are mainly amounts withheld as contractual guarantees.

VI. RISK FACTORS

Internal control policies and arrangements of Unibail-Rodamco Group ("the Group"), which are based on reference documents, charters, standards, procedures and best practices, aim to create and maintain an organisation that helps to prevent and/or mitigate and manage controllable risk factors, in particular operational, financial, tax and legal risks to which Unibail-Rodamco SE and its subsidiaries are or could be exposed, even if these risks can never be totally eliminated.

The relevant Group monitoring procedures and management components are largely detailed in the internal control system section of the Report of the Chairman of the Supervisory Board (see pages 259 to 263).

Investors' attention is drawn to the fact that the risk factors discussed in this section are not exhaustive and that there may be other risks, either wholly or partly unknown and/or of which the occurrence is not considered likely to have a material adverse effect on the Unibail-Rodamco Group, its operations, its financial situation and/or its results as at the date of filing of this Registration Document.

Risks inherent in Unibail-Rodamco SE's business activities

Risks arising from trends in the property market

The Unibail-Rodamco Group is present in various sectors of the commercial property sector, specifically shopping centres, offices, convention-exhibitions and associated services. Apart from risk factors specific to each asset, the Group's activities are exposed to factors beyond its control and to specific systemic risks, such as the cyclical nature of the sectors in which it operates. The Group's strategy and policies aim to curb the negative effects of these risks. However, sudden changes in the economic (including domestic consumption*), financial, currency, regulatory, geopolitical, political, social, health and/or ecological environment may have a significant impact on the Group, the value of its assets, its results, its distribution policy, its development plans and/or its investment/divestment activities.

A long-term deterioration in economic conditions with implications for the rental market may have a significant impact on the level of the Group's activities, its results, the value of its assets and its investment and development strategy.

* consommation des ménages.

The Group's assets (with the exception of certain development projects) are valued biannually using the fair value method. The value of the Group's assets is sensitive to variation according to the valuers' principal assumptions (yield, rental value, occupancy rate) and is, therefore, susceptible to material variations that may impact the Group, its profile and/or its results.

Some of the Company's real estate assets depend on flagship stores to attract customers and could suffer a material adverse impact if one or more of these tenants were to terminate their respective leases or to fail to renew their lease and/or in the event of consolidation among these retail sector companies.

Risks arising from property asset construction and refurbishment projects

Unibail-Rodamco conducts construction and refurbishment activities in the office, shopping centre and convention-exhibition property segments, the principal risks of which are linked to: 1) securing the requisite legal administrative authorisations (building permits, commercial licences, opening and/or operational licences, etc.); 2) controlling construction costs (staying on time and on budget); and 3) achieving a good letting rate for properties (letting of all surfaces at sufficient rent levels).

Tenant insolvency risks

Unibail-Rodamco's ability to collect rents depends on the solvency of its tenants. Tenant creditworthiness is taken into consideration by Unibail-Rodamco before it enters into a specific lease. Nevertheless, it is possible that tenants may not pay rent on time or may default on payments, especially in more difficult economic environments, and this could materially affect Unibail-Rodamco's operating performance and/or its results.

Legal, regulatory, tax, environmental and insurance-related risks

Legal and regulatory risks

Unibail-Rodamco has to comply with a wide variety of laws and regulations, in particular: urban planning regulations, construction and operating permits and licences, health and safety regulations (particularly for assets that are open to the public), environmental regulations, lease laws, labour regulations, and corporate and tax laws, in particular the provisions of the SIIC⁽¹⁶⁾ regime. Changes in the regulatory framework and/or the loss of benefits associated with a status or an authorisation could require Unibail-Rodamco to adapt its business activities, its assets or its strategy (including geographical presence), possibly leading to a material significant impact in the value of its property portfolio and/or its results, an increase in its expenses, and/or a slowing or even halting of the development of certain investment or letting activities.

(16) Listed Property Investment Companies SIIC (Sociétés d'Investissements Immobiliers Cotées).

In the normal course of its business activities, the Group could be involved in legal proceedings (for instance, regarding contractual responsibility, employers' liabilities, penal issues) and is subject to tax and administrative audits. Associated risks include reputational damage associated with the company's image, ethics and way of doing business. To the best of the Company's knowledge, at the filing date of this Registration Document Unibail-Rodamco is not involved in or party to litigation which could have a material adverse effect on the results or financial situation of the Group as reflected in its financial statements.

For additional information relating to the measures taken to mitigate legal risks, please refer to the Report of the Chairman of the Supervisory Board (part IV "Internal Control System"), page 262.

Tax risks linked to special tax regimes

• General

Unibail-Rodamco is subject to tax in the countries in which it operates. In some countries, a special tax regime for real estate investors exists, leading to a lower tax burden at Group level, the basic principle being that it distributes most of its income, which subsequently is taxable at the level of the shareholders. If and to the extent Unibail-Rodamco opts to make use of such system, it will be obliged to meet the conditions that are linked to the respective systems.

• France

In France, Unibail-Rodamco is subject to the SIIC tax regime. If Unibail-Rodamco does not respect the required conditions, it would become liable for standard corporate income tax which would have a negative impact on its business activities and its results. For example, if one or more of Unibail-Rodamco SE's shareholders, acting separately or together, reaches the 60% ownership threshold for voting rights, this would cause Unibail-Rodamco SE to lose its SIIC status.

Unibail-Rodamco SE could be faced with an additional 20% tax charge on any distribution paid to a tax-exempt shareholder (excluding natural persons) owning 10% or more of Unibail-Rodamco SE's share capital (a Shareholder Concerned) in the event that the Company is unable to off-set this tax charge to the Shareholder Concerned. For more details, refer to pages 213 and 214.

• The Netherlands

As reported in its press release of December 11, 2009, Unibail-Rodamco expects that the Dutch tax authorities will deny the status of FBI (Fiscale Beleggings Instelling) in The Netherlands for Unibail-Rodamco's Dutch activities for 2010 onwards. Unibail-Rodamco still qualifies as a SIIC under the French SIIC regime. Differences between the French SIIC and the Dutch FBI regime, although materially insignificant in the Group's case, proved to be irreconcilable for the Dutch tax authorities.

Although Unibail-Rodamco does not agree with the viewpoint of the Dutch tax authorities, it continues to apply a prudent view in its 2011 accounts, based on the assumption that the

Dutch activities from 2010 onwards will be taxable. In light of the significant Dutch tax loss carry forwards identified by Group's fiscal advisors in the Netherlands, this assumption should have no impact on recurring result for 2011 nor for the foreseeable future.

• Future changes

In all countries it operates in, Unibail-Rodamco and its subsidiaries remain exposed to changes in the tax rules that are currently in force.

Environmental risks

As a property owner or manager, Unibail-Rodamco has to comply with local environmental regulations in each country where it is active. Failure to comply with these local environmental regulations, or the need to comply with significant new environmental regulations that may be introduced, could lead to higher expenses or hamper the development of the Group's activities and could potentially affect Unibail-Rodamco's results or general liability.

Moreover, each of Unibail-Rodamco's real estate assets is vulnerable to natural disasters (climate change, health or ecological crises, etc.) that may have a negative impact on the affected properties.

Each year, Unibail-Rodamco SE includes a chapter on Sustainability in its Annual and Sustainable Development Report. This report, also available on its website, deals with environmental group policy, achievements and targets. A specific section is dedicated to the Group policy for Health and Safety risk management on its assets.

Unibail-Rodamco SE was included on the Dow Jones Sustainability World and Europe Indexes 2011. No guarantee can be given regarding the Company's inclusion on these indexes going forward.

Insurance-related risks

Insurers could face economic difficulties resulting in them being unable to honour claims pursuant to the Group's insurance policies.

Unibail-Rodamco depends on the insurances markets and their financial capacities to cover its risks. It could therefore experience insurance shortfalls or find it impossible to cover all or part of certain risks.

Some of Unibail-Rodamco's potential losses may not be covered, or may be partially covered. In such instances, Unibail-Rodamco could lose all or a portion of the capital invested in an asset, as well as the expected rents from the asset.

Unibail-Rodamco may be exposed to a situation where the value (reconstruction cost) of one or more of its assets is wrongly assessed by its external property insurance valuers.

In respect of assets which are managed by third parties, Unibail-Rodamco may face a situation where insurance policies taken out by these external management companies,

are not in force anymore or provide an insufficient coverage in case of loss.

Risks associated with Unibail-Rodamco's financing policy and financial activities

Market risks

Unibail-Rodamco, through its activities, is exposed to market risks which can generate losses as a result of fluctuations in interest rates and/or currency exchange rates.

Unibail-Rodamco is exposed to interest-rate risks on the loans it has taken out to finance its investments. An increase in interest rates could have a negative impact on Unibail-Rodamco's results. Part of the Group's exposure to variable rates is hedged through derivatives but these hedges could be insufficient to cover these risks. Moreover, changes in interest rates could have a negative impact on Unibail-Rodamco's result by affecting the valuation of contracted derivatives.

Unibail-Rodamco is exposed to foreign exchange risks because it operates in countries outside the euro zone. The value of assets, rents and revenues received in these countries, when translated into euros, may be affected by fluctuations in exchange rates. Additionally, changes in the interest rates of countries outside the euro zone may also impact the results and / or the statement of financial position.

Unibail-Rodamco's foreign exchange risk is managed at a corporate level by the Treasury department which monitors the foreign exchange risk on a regular basis. To hedge part of this risk, the Group uses derivatives and debt in foreign currency. Such instruments may not hedge perfectly the underlying assets or activities, and as a result changes in the currency exchange and/or interest rates may have an impact on the cash flows, the results and/or the statement of financial position.

In addition, committees with several members of the Management Board are held several times a year to decide the appropriate hedging strategy which is then implemented by the Treasury department. Procedures do not allow for speculative positions to be put in place. Hedges processes and the net interest rate and currency positions are described in the paragraph "Market Risk Management" of the Financial Resources in the Business Review section.

Liquidity risks

Unibail-Rodamco's strategy depends on its ability to raise financial resources, either in the form of debt or equity capital, so that it can finance its ongoing activities and its investments. It is possible (for example in the event of disruption in the bond or equity markets, a reduction in the lending capacities of banks, changes affecting the property market or investor appetite for property companies, a downgrade in Unibail-Rodamco SE's credit rating or a change in business activities, financial situation or Unibail-Rodamco SE's ownership structure) that the Group could – at any given point in time – encounter difficulties in raising funds and, as a result, lack the access to

liquidity that it needs. These events could also affect the cost of borrowing and lead to an increase of the financial expenses of the Group. In this context, Unibail-Rodamco has put in place undrawn back up facilities for an amount mentioned in the paragraph "Funds raised" of the Financial Resources in the Business Review section.

Additionally, some of the Group's borrowings are subject to financial covenants and the occurrence of material adverse changes. More details on the Group's covenants and ratio levels can be found in the paragraph "Financial structure" of the Financial Resources in the Business Review section.

Counterparty risks

A large number of major international financial institutions are counterparties to the interest rate derivatives and foreign exchange contracts or deposits contracted by the Group. In the case of default by a counterparty, Unibail-Rodamco could lose all or part of its deposits or may lose the benefit from hedges signed with such counterparties. This could then result in an increase in interest rate or currency exposure. The Group's policy to manage counterparty risks in relation to derivative products is described in the paragraph "Market Risk Management" of the Financial Resources in the Business Review section.

Risks related to Unibail-Rodamco SE securities

Volatility in the price of Unibail-Rodamco SE securities

Stock markets may experience major fluctuations which may or may not be related to the results of the companies whose shares are traded on regulated markets. The price of Unibail-Rodamco SE's securities (including shares, ORA, i.e. bonds redeemable in Unibail-Rodamco SE shares and Orname, i.e. convertible bonds in Unibail-Rodamco SE shares) could be volatile and could be affected by events affecting Unibail-Rodamco, its competitors or the financial markets in general.

For instance, the price of Unibail-Rodamco SE's securities could fluctuate significantly in response to various factors and events, which could include changes in the liquidity of the market for Unibail-Rodamco SE shares; changes in the expectations of

volatility of shares; variations in the Group's financial results or its competitors from one accounting period to another; differences between Unibail-Rodamco's financial or operating results and those expected by investors and analysts; changes in analysts' recommendations or forecasts; changes in general market conditions or in the economic environment; market fluctuations; the promulgation of new laws or regulations or changes in the interpretation of existing laws and regulations relating to Unibail-Rodamco's business.

Risks linked to key managers

The departure of a top management team member could have a material adverse impact upon the business, financial situation and/or results of the Group.

Risks related to Unibail-Rodamco's geographic presence

Although Unibail-Rodamco's operations are concentrated in Europe, part of the business is or may be conducted in markets where Unibail-Rodamco may be exposed to social, political, legal, tax and/or economic instability, among other risks.

In relation to the risks related to Unibail-Rodamco's geographic presence, the Group operates in some countries that have not joined the Euro zone. A depreciation in the local currencies of such countries could have a negative impact on Unibail-Rodamco's cash flows in euros: 1) when rents collected in local currency are converted into euros and where the Group's hedging policy is not sufficient; or 2) when rents are collected in euros and this affects the tenants' ability to pay.

A depreciation of the currency of countries outside the euro zone may also reduce the value of Unibail-Rodamco's portfolio, despite the implementation of hedging policies.

Risks associated with possible conflicts of interest

Risks of conflicts of interest with companies where Unibail-Rodamco SE is the majority shareholder

Unibail-Rodamco SE is the majority shareholder in several companies which have one or more minority shareholders (see pages 173 to 179). In certain circumstances, these situations may raise potential conflicts of interest and/or generate potential claims from the minority shareholders of those subsidiaries.

REPORT OF THE CHAIRMAN OF THE SUPERVISORY BOARD

PORTFOLIO

BUSINESS REVIEW
& 2011 RESULTSCORPORATE
SUSTAINABILITYCONSOLIDATED
FINANCIAL STATEMENTS

LEGAL INFORMATION

REPORT OF THE CHAIRMAN
OF THE SUPERVISORY BOARD

I. SUPERVISORY BOARD	253
II. REMUNERATION OF THE MANAGEMENT BOARD MEMBERS	259
III. CORPORATE GOVERNANCE	259
IV. INTERNAL CONTROL SYSTEM	259

REPORT OF THE CHAIRMAN OF THE SUPERVISORY BOARD

On the arrangements for planning and organising the work of the Supervisory Board and on the Group's internal control procedures for the financial year ending December 31, 2011 (Article L. 225-68 of the French Commercial Code).

This report was prepared in close cooperation with Unibail-Rodamco S.E.'s Management Board, the Group Director of Legal and the Group's Director of Internal Audit and Risk Management. In addition, it was discussed with the Group's Statutory Auditors. On February 1, 2012, the Supervisory Board approved this report pursuant to Article L. 225-68 of the French Commercial Code.

I. SUPERVISORY BOARD

1. Functioning of the Supervisory Board

1.1. Purpose and powers

The Supervisory Board exerts permanent oversight and control over the Management Board and the general affairs of the Company. To that end, the Supervisory Board conducts appropriate inspections and reviews and may obtain copies of any document to fulfil its duties. The Supervisory Board functions under the Company's Articles of Association and a Supervisory Board specific Charter⁽¹⁾. It makes suggestions and formulates recommendations to the Management Board on the following:

- company strategy and financial performance;
- business risks;
- structure and administration of internal risk management and control systems;
- financial reporting procedures and compliance with relevant laws and regulations.

In addition, the Supervisory Board makes decisions concerning the Company's corporate governance and its implementation. It assesses the functioning of the Management Board, the Supervisory Board (including its committees) and their individual members. It handles and settles any conflicts of interest and any discrepancies with respect to the functioning of the Supervisory and/or Management Board.

1.2. Limitation on the powers of the Management Board and the purview of the Supervisory Board

Pursuant to Article 11.5 of the Company's Articles of Association and the thresholds set out in the Supervisory Board Charter, the Supervisory Board's prior approval must be obtained for certain Management Board decisions and operations, in particular:

- acquisitions, investments (including capital expenditures for internal development), interest acquisitions and off-balance sheet commitments exceeding €25 million (consolidated figure) concerning assets or activities located outside European Union Member States or outside the scope of the approved Group strategy. The threshold is raised to €500 million⁽²⁾ (consolidated figure) for assets or activities located within European Union Member States and within the scope of the Group's strategy;
- asset disposals (including transfers of real property or interest) exceeding €500 million⁽³⁾ (consolidated figure);
- indebtedness or security interests in excess of €500 million (consolidated figure), threshold raised to €1 Bn for corporate debt refinancing purposes;
- transfers of all or part of the Company's business to third parties in excess of €500 million (consolidated figure);
- any significant changes in the Group's governance and/or organisation, allocation of responsibilities within the Management Board and any action affecting the Company's entitlement to tax regime applicable to Listed Property Investment Company (SIIIC) tax treatment or any other real estate tax-exempt status in a foreign country;
- any alterations to the Company's dividend policy and proposals by the Management Board in the distribution of interim or full dividends.

The Supervisory Board must also, pursuant to its Charter, be informed of transactions involving amounts in excess of €300 million but below €500 million. The thresholds were last amended by the Supervisory Board on February 9, 2011. For full details and information, refer to the Supervisory Board Charter.⁽⁴⁾

(2) This threshold is raised again to €700 million (consolidated figure) for urgent operations and decisions; subject to prior dialogue between the CEO, the Chairman and the Vice-Chairman of the Supervisory Board.

(3) Ibid 2.

(4) Available on the Company's website and at the Company's registered office.

(1) Available on the Company's website and at the Company's registered office.

1.3. Composition

Pursuant to the Articles of Association, the Supervisory Board can consist of 8 (minimum) to 14 (maximum) members, who are appointed by the Company's shareholders. Supervisory Board members are generally appointed for a three year term and may be re-elected. Under the Supervisory Board's resignation and rotation rules, the resignation and reappointment of members is staggered to prevent, to the greatest extent possible, appointments/resignations occurring simultaneously. The age limit for Supervisory Board members is 75 and at all times at least two-thirds of its members must be 70 or younger. Each year, the Supervisory Board and its Governance, Nomination and Remuneration Committee review the Supervisory Board profile and individual Supervisory Board member independence. The Supervisory Board profile includes a commitment to diversity in its membership in terms of gender, age and nationality.

The Supervisory Board was composed of 11 members in 2011.⁽⁵⁾ As at December 31, 2011, all members qualify as independent pursuant to the criteria defined in the Supervisory Board Charter based on the French Afep-Medef corporate governance code (first published in consolidated form in December 2008 and last updated in April 2010). As at December 31, 2011, 2 out of 11 members are women, the average age of members is 58.5 years and 6 nationalities are represented. The varied skills and expertise of members is summarised in the table below and are further specified in the detailed biographies provided in the Legal Information chapter.

At the Company's AGM convened for April 26, 2012, the current Chairman of the Supervisory Board, Mr. Robert van Oordt, who turned 75 on March 26, 2011, will retire in accordance with the abovementioned age limit prescribed by the Company's Articles of Association. On March 5, 2012, and following due consultation and deliberation, the Supervisory Board decided to appoint, effective on the close of the General Meeting on April 26, 2012, Mr. Robert ter Haar as its new Chairman.

Mr ter Haar will also replace Mr van Oordt as the Chairman of the Governance, Nomination and Remuneration Committee. Mr ter Haar has been a member of the Unibail-Rodamco SE Supervisory Board since 2007 and, prior to the merger, was a member of the Rodamco Europe N.V. Supervisory Board (2004-2007).

In addition, at the April 26, 2012 AGM, shareholders will be invited to nominate a new female member to the Supervisory Board, Ms Rachel Picard, CEO of Thomas Cook France and former CEO of Voyages-Sncf.com.

(5) At the April 27, 2011 Annual General Meeting: (1) Messrs Henri Moulard and Bart Okkens did not stand for re-election; (2) Messrs Yves Lyon-Caen and Robert ter Haar were reappointed, each for a 3 year term; and (3) 3 new members were appointed to the Supervisory Board: Madame Marella Moretti and Messrs José Luis Duran and Herbert Schimetschek, increasing the number of Supervisory Board members from 10 to 11.

Members of the Supervisory Board of Unibail-Rodamco S.E. as at 31 December 2011⁽⁶⁾

Name	Age	Main positions in addition to Unibail-Rodamco S.E. Supervisory Board membership	Year appointed to the Unibail-Rodamco S.E. Supervisory Board	AGM at which Supervisory Board term expires
<i>Robert F.W. van Oordt</i> Chairman Independent member Dutch national	75		2007	2012**
<i>François Jaclot</i> Vice-Chairman Independent member French national	62	Director and CEO of Addax and Oryx Group (MT)	2007	2013
<i>Frans J.G.M. Cremers</i> Independent member Dutch national	59	Vice-Chairman of the Supervisory Boards of Fugro N.V.(NL) and N.S. N.V. (NL - Dutch Railways) Member of the Supervisory Boards of Parcom Capital Management B.V. (NL), Royal Vopak N.V. (NL), Luchthaven Schiphol N.V. (NL), and SBM Offshore N.V. (NL)	2007	2013
<i>José-Luis Duran</i> Independent member Spanish national	47	CEO of Maus Frères International Services S.A.S. (FR) Chairman of the Management Board and CEO of Devanlay S.A. (FR) Board member of France Telecom S.A. (FR)	2011	2014
<i>Robert ter Haar</i> Independent member Dutch national	61	Chairman of the Supervisory Boards of Parcom Capital Management B.V. (NL) and VvAA Groep B.V. (NL) Supervisory Board member of Maxeda Retail Group B.V. (NL), B.V. Sperwer Holding (NL), Spar Holding B.V. (NL) and Bergschenhoek Groep B.V. (NL) Advisory member to the Board of Univar Inc. (USA)	2007	2014
<i>Mary Harris</i> Independent member U.K. national	45	Member of Supervisory Board, Audit committee and Chair of Remuneration committee of TNT Express N.V. (NL) Non-Executive Director and member of the Remuneration, Nomination and Corporate Responsibility committees of J.Sainsbury plc (UK)	2008	2012*
<i>Jean-Louis Laurens</i> Independent member French national	57	General Partner of Rothschild & Cie Gestion, Paris (FR)	2007	2012*
<i>Yves Lyon-Caen</i> Independent member French national	61	Chairman of the Supervisory Boards of Bénéteau S.A. (FR) and Sucres & Denrées (FR)	2007	2014
<i>Marella Moretti</i> Independent member Italian national	46	CFO of Fiat Finance et Services S.A. (FR) CEO and Member of the Board of Fiat Industrial Finance France S.A. (FR) General Manager CNH Financial Services S.A.S. (FR)	2011	2014
<i>Alec Pelmore</i> Independent member U.K. national	58	Senior Independent Director on the board of Metric Property Investments plc. (UK), Chairman of its Audit Committee and member of its nomination and remuneration committees	2008	2012*
<i>Herbert Schimetschek</i> Independent member Austrian national	73	CEO of Hans Dujsik Privatstiftung (AT) Deputy CEO of ARION Immobilien & Development Privatstiftung (AT) Deputy Supervisory Board Chairman of Bank Gutmann AG (AT) and Donau-Chemie AG (AT)	2011	2014**

(*) To be proposed for re-election at the 2012 Annual General Meeting.

(**) To retire in accordance with the age considerations specified in the Company's Articles of Association.

(6) For full information please consult the biographies in the Legal Information chapter.

1.4. Meetings, attendance and information

Pursuant to its Charter, the Supervisory Board meets at least five times a year according to a pre-set schedule. Extraordinary meetings may be held for specific reasons at the written request of the Supervisory Board Chairman, or one-third of the members of the Supervisory Board, or any Management Board member.

To encourage attendance at Supervisory Board and committee meetings, attendance of members is taken into consideration for the payment of the variable portion of the annual Supervisory Board member fees. The Statutory Auditors attend the year-end and half-year meetings of the Supervisory Board where the financial statements for those periods are reviewed. A notice of meeting is sent at least three days prior to Supervisory Board meetings (except in unusual circumstances). The notice includes a detailed agenda and comprehensive papers enabling the Supervisory Board members to prepare for the discussion or, if necessary, the approval of the matters on the agenda. Whenever appropriate, Supervisory Board members are sent materials prepared by the Company's advisors and/or risk managers.

To ensure that Supervisory Board members are fully informed of developments in the respective industry segments and of events taking place within the Group, operational and strategic matters and the Group's corporate sustainability performance are regularly discussed during Supervisory Board meetings. Supervisory Board members also receive press reviews and financial reports on Unibail-Rodamco, its competitors and on industry matters. In addition, once a year the Supervisory Board and Management Board take the opportunity to discuss strategic matters and market developments in-depth at a specially tailored strategic retreat convened in countries where the Group is active.

1.5. Summary of Supervisory Board activities

The Supervisory Board of Unibail-Rodamco S.E. held six meetings in 2011; (including its meeting at the annual Supervisory Board retreat). Overall attendance at these meetings was 95%. In addition to the items and decisions within its statutory scope, the Supervisory Board was briefed on and discussed all major events in 2011, both internal matters (e.g. organisation matters, key appointments within the Group, internal audits, etc.) and external matters (e.g. acquisitions, disposals, developments in the Group's strategy, development projects, financial policy, etc.). The Supervisory Board in particular approved:

- the 2011 Budget;
- investment, development and divestment projects and operations above its prior approval thresholds in force in 2011;
- the remuneration of the Management Board members;
- the total allocation of stock options for 2011, including the allocations to Management Board members;
- the appointment of Mr. Michel Dessolain, existing Management Board member, as Chief Strategy Officer

- and the appointment of Mr. Christophe Cuvillier as a new Management Board member and Chief Operating Officer;
- amendments to the Management Board and Supervisory Board Charters, including amendments to the prior approval thresholds in the Supervisory Board Charter effective as of 9 February 2011;
- the profile and composition of the Supervisory Board and the composition of its committees, including the proposal of the 3 new Supervisory Board members appointed by the General Meeting on 27 April 2011;
- the proposal of the Statutory Auditors appointed by the General Meeting on 27 April 2011 for a term of six years;
- the functioning and efficiency of the Supervisory and Management Boards (Annual Self Assessment process);
- the Company distribution payment policy and distribution payment decisions; and
- regulated agreements pursuant to French law.

In addition, the Supervisory Board examined / was informed of the following matters:

- the quarterly Management Board reports for 2011;
- regular updates on Group's business activities;
- regular updates on Corporate Sustainability initiatives;
- important investment, development and divestment projects and significant operational matters below its prior approval thresholds in force in 2011;
- internal audit, risk management and compliance matters;
- the working terms and conditions of the Statutory Auditors for the closing of the 2010 annual accounts;
- the Company's share buy-back programme;
- the full year 2010 and half year 2011 financial statements;
- the 2011 five-year Group business plan, including its financial results and financing resources and needs;
- the implementation of the Company Savings Plan, in 2011, in France;
- the completion of the acquisition by Unibail-Rodamco S.E. of the remaining minority shares in Rodamco Europe N.V.;
- updates to the Group's Compliance Book; and
- succession planning of the Supervisory and Management Board.

Supervisory Board members were also informed of the work and recommendations of its specialised committees and that of the Statutory Auditors. The minutes of all the meetings of the Audit Committee and the Governance, Nomination & Remuneration Committee were systematically distributed to all members of the Supervisory Board.

The Annual Self Assessment was performed by the full Supervisory Board by way of a verbal discussion using a pre-determined issue list. Each of the Supervisory Board's committees also dedicated a point on their agenda to the assessment of their functioning. The conclusion of the assessment was that the current corporate governance structure and arrangements are functioning well. It was decided that the training day held for the new members of the Supervisory Board should become an annual event.

1.6. Supervisory Board Remuneration⁽⁷⁾

The Chairman of the Supervisory Board is paid a total gross annual remuneration of €130,000 for his duties as Chairman of the Supervisory Board and Chairman of the Governance, Nomination and Remuneration Committee. This amount has remained unchanged since January 1, 2009.

The annual fee paid to Supervisory Board members (with the exception of the Supervisory Board Chairman) was maintained at €52,000 per member in 2011. The fee comprises of a 75% fixed portion and a 25% variable portion allocated according to attendance at Supervisory Board meetings. The fixed portion is paid quarterly and the variable portion at year-end. The Vice-Chairman of the Supervisory Board is paid a supplementary annual fixed fee of €15,000.

An additional fee of €1,350 per day is paid to Supervisory Board members (with the exception of the Supervisory Board Chairman) who attend a meeting (or several related meetings) of the Supervisory Board and/or a Supervisory Board committee outside their country of residence.

2. Functioning of the specialised committees of the Supervisory Board

Two specialised committees assist the Supervisory Board: (1) the Audit Committee and (2) the Governance, Nomination and Remuneration Committee. All Supervisory Board members participate in one of these committees. The committees function under separate Charters.⁽⁸⁾

2.1. Audit Committee

Tasks

The Audit Committee's main role is to oversee financial matters, internal control and risk management. In this context and in accordance with its Charter⁽⁹⁾, the Audit Committee examines and reports to the Supervisory Board on the following matters:

- quarterly financial statements and consolidated accounts;
- business information, asset valuations, off-balance sheet commitments and the Group's overall cash position;
- internal management controls, risk control and the implementation of Company-relevant financial legislation;
- the Company's financial policy (accounting methods and developments in the legislation, etc.), finance and tax planning;
- the evaluation and/or adoption of the Statutory Auditors' recommendations;
- the relationship between the Company and its Statutory Auditors.

Composition

Since 27 April 2011, the Audit Committee consists of six independent members pursuant to the criteria defined in the

Supervisory Board Charter, including the Chairman of the Audit Committee. All Audit Committee members are financially literate and, pursuant to French Commercial Code requirements, at least one member has expertise in financial administration and accounting for listed companies or other large companies exposed to IFRS accounting methods. Typically, the Chairman of the Management Board (CEO), the Group's Chief Financial Officer (CFO) and the Chief Resources Officer (CRO) attend Audit Committee meetings. Other Management Board members may also attend meetings unless decided otherwise by the Committee. The Audit Committee may decide to meet without the Management Board members or to meet only with the CEO, the CFO or the Statutory Auditors. The Deputy CFO, the Group's Director of Consolidation and Accounting, the Group's Controller and the Group's Director of Internal Audit & Risk Management attend Audit Committee meetings at the request of the Audit Committee.

Meetings and information

The Audit Committee meets at least on a quarterly basis and whenever one or more Supervisory Board or Management Board members request a meeting. The Audit Committee meets at least once a year with the Statutory Auditors without the members of the Management Board being present. The Audit Committee may solicit the advice of external advisers as it deems necessary. Members receive notice convening meetings with an agenda and the meeting documents at least three days prior to each meeting. To allow for adequate preparation and consideration, the Audit Committee usually meets at least 48 hours prior to the Supervisory Board meeting at which the full year accounts are reviewed. The Supervisory Board is informed of the proceedings and recommendations of the Audit Committee at its meeting directly following that of the Audit Committee.

Summary of Audit Committee activity

The Audit Committee met four times in 2011 (twice in the presence of the Statutory Auditors). The member attendance rate was 95%. In 2011, the Audit Committee considered and reported to the Supervisory Board on:

- the revaluation of net assets, the Company's financial statements and consolidated accounts for the 2010 full-year accounts and the 2011 half-year accounts;
- the quarterly Management Board reports for 2011;
- the funding of the Group's five-year business plan, financial resources and borrowing requirements;
- taxation;
- the working terms and conditions of the Statutory Auditors for the closing of the 2010 annual accounts;
- the Company dividend payment policy and the proposal to the AGM regarding the annual allocation and distribution of profits;
- the internal audit charter, risk mapping, the internal audit reports for 2011 and the audit plan for 2012;
- the examination of the Company's exposure to and management of risks;

(7) For full details, refer to the Legal Information chapter.

(8) Available on the Company's website and at its registered office.

(9) Ibid 8.

- the completion of the acquisition by Unibail-Rodamco S.E. of the remaining minority shares in Rodamco Europe N.V.; and
- the review of relevant accounting and governance developments such as IFRS developments.

Audit Committee Remuneration⁽¹⁰⁾

The annual Audit Committee fees were maintained in 2011 at €20,000 for the Audit Committee Chairman and €10,000 for the other Audit Committee members. An additional fee of €1,350 per day is paid to members attending a meeting (or several related meetings) of the Audit Committee and/or the Supervisory Board held outside of a member's country of residence. As of January 2010, 25% of Audit Committee fees are variable and allocated according to attendance at Audit Committee meetings.

2.2. Governance, Nomination & Remuneration Committee - GN&RC

Tasks

The GN&RC's role is to examine all issues falling within its scope of action under the GN&RC Charter⁽¹¹⁾ and to advise the Supervisory Board accordingly. Its tasks specifically include a constant review of the independence of the Supervisory Board members against the criteria set out in the Supervisory Board Charter. In relation to governance matters, the GN&RC assesses the adequacy of the Company's corporate governance rules and practices, concerning the Company as a whole as well as the Management Board, the Supervisory Board and its committees. It continuously evaluates the Company's compliance against these rules. The GN&RC also monitors the Group's remuneration policy and related remuneration arrangements (fixed income, short-term incentive, long-term incentive and pension) for Management Board members and the remuneration and attendance fee arrangements for Supervisory Board members. In relation to nomination matters, it develops profiles and screening criteria for Supervisory Board members and initiates proposals for the renewal and appointment of Supervisory Board and Management Board members. It also assesses the performance of Supervisory Board and Management Board members on a regular basis.

Composition

Since 27 April 2011, the GN&RC consists of five members, including the SB Chairman, all of whom are independent pursuant to the criteria defined in the Supervisory Board Charter based on the Afep-Medef Code.

In addition to GN&RC members, the CEO and the Chief Resources Officer typically attend GN&RC meetings. They are absent from matters concerning them, where appropriate. Other persons may be invited to attend by the GN&RC Chairman.

Meetings and information

The GN&RC meets at least two times a year⁽¹²⁾ and whenever one or more Supervisory Board or Management Board members request a meeting. Members receive a notice convening each meeting with an agenda and the relevant documentation at least three days before each meeting. The Supervisory Board is informed of the GN&RC's proceedings and recommendations at the meeting directly following that of the GN&RC.

Summary of GN&RC activity

The Committee met five times in 2011. The member attendance rate was 92%. In 2011, the GN&RC considered and reported to the Supervisory Board on:

- Unibail-Rodamco S.E.'s governance practices compared to the Afep-Medef and Dutch corporate governance codes;
- the annual review of the Supervisory Board's profile;
- the annual review of the independence of Supervisory Board members;
- the expiration of mandates and reappointment of Supervisory Board members pursuant to the resignation and rotation rules;
- the remuneration of Management Board members;
- long term incentive arrangements, including the 2011 allocation of stock-options to Management Board members;
- the short-term incentive for Management Board members for 2010 performance;
- the appointment of Mr. Michel Dessolain, existing Management Board member, as Chief Strategy Officer and the appointment of Mr. Christophe Cuvillier as a new Management Board member and its Chief Operating Officer;
- the profile and composition of the Supervisory Board and the composition of its committees, including the proposal to have 3 new Supervisory Board members appointed by the Annual General Meeting on 27 April 2011;
- succession planning of the Supervisory and Management Boards;
- the delegation of powers and responsibilities from the CEO to Management Board members;
- the amendment of the Supervisory Board Charter and the Management Board Charter; and
- the implementation of the Group Company Savings Plan for 2011.

GN&RC Remuneration⁽¹³⁾

The annual GN&RC fees in 2011 were maintained at €10,000 per member (excluding the GN&RC Chairman who is remunerated separately for his duties as SB and GN&RC Chairman)⁽¹⁴⁾. An additional fee of €1,350 per day is paid to members attending a meeting (or several related meetings) of the GN&RC and/or the Supervisory Board held outside of a member's country of residence. As of January 2010, 25% of the GN&RC committee fee is variable and allocated according to attendance at GN&RC meetings.

(12) On February 9, 2011, the Supervisory Board decided to reduce the number of regular GN&RC meetings from 3 to 2 meetings a year.

(13) For full details, refer to the Legal Information chapter.

(14) Ibid 13.

(10) For full details, refer to the Legal Information chapter.

(11) Available on the Company's website and at its registered office.

II. REMUNERATION OF THE MANAGEMENT BOARD MEMBERS⁽¹⁵⁾

Unibail-Rodamco S.E. complies with all of the Afep-Medef recommendations on executive officer remuneration as incorporated in the latest version of the Afep-Medef Code; first published on December 2008 (with one exception). Further and going beyond these Afep-Medef recommendations, none of the Management Board members have employment contracts, as of the end 2009. The Management Board remuneration policy was developed by the Governance Nomination & Remuneration Committee prior to the merger of Unibail SA and Rodamco Europe NV in 2007. It was approved by the Supervisory Board in June 2007 and has remained unchanged since. The remuneration of each Management Board member consists of 4 components: (i) Fixed Income (FI), (ii) Short Term Incentive (STI), (iii) Long Term Incentive (LTI) comprised of stock-options subject to performance conditions, and (iv) other benefits (pension, company car, insurance, etc.).

III. CORPORATE GOVERNANCE

In accordance with Article L. 225-68 of the French Commercial Code, Unibail-Rodamco S.E. hereby states that it adheres to and enforces the French Afep-Medef corporate governance code, as published in consolidated form by Afep-Medef in December 2008 (Afep-Medef Code) and adopts the Afep-Medef Code as its code of reference for corporate governance matters. Unibail-Rodamco S.E. has analysed its practices and procedures against the Afep-Medef Code. As at the date of filing, the Company complies 100% with the Afep-Medef Code's principles with 2 exceptions (refer to page 235).

In line with the Group's commitment to the highest standards of corporate governance and its activities in The Netherlands, the Group is also compliant with the vast majority of the Dutch Corporate Governance Code⁽¹⁶⁾ requirements, even though the Company is not legally required to comply with this code.

All shareholders have the right to attend shareholders' meetings. The terms and conditions of participation in shareholders meetings are set out in Article 18 of the Company's Articles of Association.⁽¹⁷⁾ All information pursuant to Article L. 225-100 of the French Commercial Code that is likely to have an effect in the event of a takeover, such as the information specified in Article L. 225-100-3, is included in the legal information chapter of this Annual Report.

IV. INTERNAL CONTROL SYSTEM

The Unibail-Rodamco Group is active in the commercial property sector, more specifically in the development, management and regular refurbishment of shopping centres and offices, and the

management and organisation of convention and exhibition venues and associated services. Apart from general risk factors, the Group's business is subject to common exposure and systemic risks including, in particular, the cyclical nature of the property sector. The Group's strategy and policies aim to limit the negative effects of these risks. However, sudden changes in the geopolitical, political, social, economic, financial, monetary, regulatory, health and ecological environment could have a negative impact on the Group, and result in, amongst other things, a decrease in asset values, an increase in certain costs, or investment/divestment operations being delayed or even abandoned.

"Controllable" risks are identified through a risk mapping process which focuses on key risks and assesses them on the basis of probability and magnitude. This risk mapping was updated and approved by the Management Board in March 2011. In addition, it was discussed by the Group's Audit Committee and, subsequently the Supervisory Board, in April 2011.

These "controllable" risks are monitored through the Group's internal control system. This system covers all activities of the Group in all regions, except those where Unibail-Rodamco is not directly involved in the management, notably Comexposium. This system is based on a set of principles that aim to provide reasonable assurance that the following internal control objectives are met:

- transactions are executed effectively and optimised;
- property assets are protected;
- financial information is reliable; and
- all operations comply with prevailing legislation, external regulations and Unibail-Rodamco's internal rules.

The Group's internal control system is in line with the general principles of the Internal Control System reference framework drafted by the AMF working group and is based on:

- standardised procedures;
- the accountability of managers in charge of the business, finance and control;
- a committee-based decision-making process for acquisitions, disposals and refurbishment/construction projects; and
- a segregation of duties between the executive and control functions.

Unibail-Rodamco S.E. is run by a Management Board, composed of 6 members as at December 31, 2011, which manages all of the Group's activities. The Management Board holds fortnightly meetings as well as ad hoc meetings whenever required. It acts as the decision-making body for any issues that, due to their financial significance or strategic and/or cross-functional nature, require its involvement. Its main focus areas are set out in the Management Board Charter, which is available on the Group's website.

The Group's control environment includes the Compliance Book for Governance, Organisation & Corporate Rules (Compliance

(15) Ibid 13.

(16) As published by the Corporate Governance Code Monitoring Committee in December 2008.

(17) Available on the Company's website and at its registered office.

Book) which was updated twice in 2011 and approved by the Management Board. The Compliance Book details:

- the Group organisation structure: a matrix organisation with a double reporting line at corporate and regional levels;
- the governance organisation for Unibail-Rodamco S.E. and its subsidiaries;
- a framework of core processes and internal rules covering investment & divestment, development, leasing activities and support functions, notably Finance and Human Resources; and
- a Code of Ethics covering the Group's core values and rules of conduct, with particular emphasis on ethical behaviour, conflicts of interests, confidentiality of information, and transactions involving the Group's shares.

In addition to the Compliance Book, the Group's control environment comprises of:

- job descriptions and an appraisal system based on performance targets for the entire Group;
- a set of delegation of authority and responsibility rules and limits that span all of the Group's activities;
- specific procedures applicable at the corporate level and in the different regions where the Group is present; and
- less formal instructions and recommendations that nevertheless form an integral part of the internal control system.

A description of the main risks monitored by this internal control system follows.

1. Investment and Divestment Authorisation

Corporate business development or property acquisition projects are always discussed by the relevant management team. Any deal opportunity is presented to the Chief Executive Officer and the Chief Investment Officer in order to determine whether the transaction is worth pursuing and investigating. If it is worth pursuing or investigating, a project manager is appointed.

A legal, financial, technical and commercial review of these transactions is subsequently presented to an ad hoc committee comprising of the Chief Executive Officer, the Chief Investment Officer, the Chief Financial Officer (for transaction above €100 Mn), the Group Managing Director of Development (for property development and re-development), the Chief Operating Officer (for retail operations) and the relevant Regional Managing Director and regional Investment teams. This committee approves the value creation strategy, the assumptions made and the offer price, subject to a more in-depth audit (data room) and final approval in compliance with the Group's authorisation rules. Various financial models (e.g. discounted cash flows, peer comparisons) are being used and provide the basis for the committee's assessment.

During the annual budget review within each region, a disposal schedule is drawn up for mature properties. These asset

divestments are then prepared and analysed in detail by the committee referred to above, which verifies the assumptions on which the disposal conditions are based.

Unibail-Rodamco's property assets are valued twice a year by external experts. This enables the Group to assess the respective market values and to verify and validate the internal assumptions that are used to determine the selling price or rental value of its different properties. Most of the teams involved in reviewing and managing these transactions have experience in mergers and acquisitions acquired through investment banks, law firms or other institutions specialising in such areas of functional expertise. The Group calls upon external experts, such as lawyers, tax specialists, auditors and consultants, whenever necessary.

In accordance with the Group's authorisation rules, any transaction within the boundaries of the Group's existing strategy and/or in European Union member states is subject to final approval by the Management Board when exceeding €100 million and is subject to the additional prior approval by the Supervisory Board when exceeding €500 million. For transactions outside the Group's existing strategy and/or in a country outside European Union member states, the Management Board's approval is required and the Supervisory Board's approval is required for such transactions exceeding €25 million.

The Unibail-Rodamco Group has centralised the documentation and management of legal matters relating to all of its property assets in Austria, France, Spain, and in The Netherlands. This centralised organisation makes it easier to prepare data rooms when properties are being sold and helps to improve the liquidity of the assets.

2. Risks Associated with the Management of Construction and Refurbishment Projects

Unibail-Rodamco's construction projects are carried out in countries where the Group has a locally based team. A minimum level of pre-leasing is required before launching a retail project to secure each project from a financial point of view.

Unibail-Rodamco, except in exceptional cases, selects large, reputable contractors to work on its construction and refurbishment projects by issuing invitations to tender based on a set of clear specifications. The final choice of contractors is made once a comparative analysis of written offers has been carried out. Any discrepancies in relation to the original budget must be explained and justified.

In addition, Unibail-Rodamco employs construction experts within its own organisation. They act as project managers and are responsible for ensuring that:

- the properties built by the Group's contractors comply with the design specifications;
- construction and renovation costs are kept under control and remain in line with initial budgets; and

- buildings comply with the Group's Environmental Quality Charter and any regulations applicable to owners.

The progress of the works, the budget and internal rate of return of each project is reviewed on a quarterly basis at Group level by the Control Department and the Management Board.

This organisation was reinforced in September 2011 with the appointment of a Director of Finance of Unibail-Rodamco Development who is in charge of enhancing the financial, legal and tax structuring of Unibail-Rodamco Development projects and optimising Development project costs, controlling, budgeting and reporting.

To manage environmental risks, the Group has created an International Environmental Performance Committee and Regional Environmental Performance Committees, which work to shape a common environmental performance policy and monitor the way it is embedded in operating practices. The Group has been a constituent of the Dow Jones Sustainability Index since 2008. Unibail-Rodamco S.E. publishes detailed corporate sustainability information dealing with the Group's environmental and social policy, its targets and achievements.

3. Asset protection risks

Unibail-Rodamco is covered by a Group insurance program that is underwritten by reputable leading insurance companies. This program is monitored by the Group Insurance Department in liaison with local teams and insurance brokers. In addition, Unibail-Rodamco carries out a regular follow-up of the solvency rating of its insurers.

For property damage and terrorism, most of the Group's property assets are insured for their full reconstruction value, which is regularly assessed by external property insurance valuers and for business interruption and loss of rents. The Group has also taken out general liability insurance that covers financial damages incurred by third parties.

Most construction projects and renovation works on properties are covered by Contractor's All Risk policies in all regions. Defects affecting the works are covered by Decennial Insurance in France and by Contractors warranties for works in other regions (an inherent defect insurance is occasionally taken out for large projects outside of France).

In addition, Unibail-Rodamco regularly arranges inspections of technical facilities that could have an impact on the environment and/or personal safety, such as fire-fighting equipment, ventilation and air conditioning systems, electric installations and elevators.

To mitigate health and safety risks, the Group has issued a health and safety manual which is used for all of the properties that are managed by the Group in France and in Spain. In 2011, an independent Health & Safety inspector was appointed in each region where the Group operates. In 2012, the Health & Safety manual will be implemented for all managed assets in all regions. This manual provides a single and comprehensive source of information on the management of sanitary/

environmental risks such as water, air, lead, asbestos and Legionnaire's disease.

This organisation is part of the group-wide policy on health and safety risk management. This policy consists of group-wide rules and guidelines and is complemented at the local level by additional procedures mandated by local regulations and are the responsibility of each Regional Managing Director.

4. Risks Associated with Property Leasing and Ancillary Services

The marketing of assets is handled by dedicated teams with, in the case of the Office Division, additional support from leading external brokers. Targets (e.g. prices, deadlines and prospective tenants) are defined within each region in collaboration with a team at Group level and are presented to the Management Board for approval. Leases that are particularly important in terms of value or special terms and conditions (e.g., price, term, and security) must be approved in advance at Management Board level by the Chief Operating Officer (for shopping centres) or by the Chief Executive Officer (for offices).

The large number of tenants in the Group's shopping centre portfolio is varied, and thus minimises the risks associated in the event of the insolvency of any retailer. The Group's principal tenants in its office portfolio are blue-chip companies. When tenants sign their lease agreements, most are required to provide financial guarantees, such as a deposit, first-demand guarantee or surety bond equal to 2-6 months' rent. The amounts due under the lease agreements are invoiced by the Group's property management companies. In all regions, a set of procedures describes how invoicing and the recovery of rents and service charges are organised and monitored. Payments for ancillary services provided by the Convention and Exhibition division are generally received in advance, thereby reducing the risk of unpaid debts. Late payment reminders are systematically issued in respect of late payments and are monitored by local teams in each region. These teams decide on the pre-litigation or actual litigation action to be taken.

5. Financial risks

Sensitivity to interest rates, currency movements, liquidity and counterparty risks is monitored by the Group Treasury Department in line with the policy defined by the Group Asset & Liability Management Committee (ALM Committee). This committee has 6 members, including 3 members of the Management Board (the Chief Executive Officer, the Chief Financial Officer and the Chief Resources Officer).

The groundwork for this committee is prepared by the Group Treasury Department, which regularly provides each member with a comprehensive report on the Group's interest rate position, liquidity projections, bank covenant positions, availability under the Group's committed lines of credit, proposed (re)financing or hedging operations (if applicable),

the details of any (re)financing operations or transactions (hedging operations, share buybacks, etc.) completed since the last ALM Committee meeting, and a report on counterparty risks. Currency exposure is also reviewed on an ad-hoc basis.

The ALM Committee met 3 times in 2011. Throughout the year, the members of this committee received regular updates on significant changes in the financial environment, especially changes in interest rates, financing conditions, share prices or trade operations.

The Group's market trading guidelines for hedging operations and transactions involving Unibail-Rodamco shares and its transaction control guidelines are formally set out ensuring the segregation of duties between execution and control functions.

In terms of cash management, a European cash management system is in place in order to optimise the cost and the use of liquidity across the Group and to enhance the visibility of cash forecasts. This European cash management system applies to all regions, except Poland which will be integrated in the Group cash pooling in the beginning of 2012.

To reduce the risk of fraud and embezzlement, the Group has implemented a secure payments procedure and has formalised the rules for opening, changing and closing bank accounts.

Unibail-Rodamco must comply with fiscal obligations resulting from REIT-regimes in the countries where it operates. These requirements are followed on a quarterly basis by dedicated specialists within the Finance Department.

6. Legal risks

Legal risks are monitored by the Chief Investment Officer, who oversees the deployment of the Group's legal philosophy, policies and procedures to protect the Group's interests and ensures that Unibail-Rodamco complies with the regulations that govern its operations.

The legal organisation is composed of a central corporate department and regional departments which are monitored by the Group Director of Legal. These departments are charged with protecting the Group's interests in contractual matters, drawing up standard contracts and supervising litigation.

The Group employs lawyers who are specialists in jurisdictions in which the Group operates and who enlist the support of external counsel and experts as required.

In all regions, the Group legal department has implemented systematic information procedures to ensure senior management at Group and regional levels is informed immediately of any new risks or of any events likely to alter the assessment of an existing risk. Every quarter, all local legal departments provide the Chief Investment Officer and the Group Director of Legal with formal progress reports on the Group's main outstanding disputes. There is a centralised procedure for registered mail that is received at the Group's French registered office. Every day, a copy of the first page of

these letters is automatically sent to the Chief Resources Officer, the Group Director of Legal and the Group Director of Internal Audit and Risk Management. An equivalent procedure has been implemented in all of the regions.

7. Information technology (IT) risks

The IT Department of Unibail-Rodamco is in charge of defining the IT strategy and implementing and operating the shared IT systems for the Group.

Unibail-Rodamco's information system relies on:

- internally designed & developed software dedicated to the efficiency of assets and leases management;
- software packages from well-known IT companies such as SAP, SOPRA, CODA, and IGEL; and
- a set of data warehouses/datamarts enabling comprehensive reporting on all functions with extracting controls to guarantee data consistency and integrity.

Unibail-Rodamco's IT risk management approach is largely based on:

- A Security Policy: individual passwords are required to access to computers and applications. In addition, the control of access right requests ensures the security and integrity of the Group's information system.
- A Change Management Policy: IT development projects are monitored through dedicated status committees where planning, costs and key issues are addressed. IT developments are approved by end users.
- Business Recovery management: the regular and formalised backup of data is stored off site and ensures the recovery of the activity in the event of a failure in the information system. An outsourced data centre ensures the high availability of the mailing and treasury systems, being also a backup platform for the IT recovery system. In addition, the Group Business Recovery Plan (BRP) was updated in 2011. This BRP provides a technical and organizational action plan in the event of a major breakdown (temporary unavailability of Head Offices and/or computing infrastructures).

8. Risks associated with the production of financial and accounting data

Accounting systems can be a source of financial risk, particularly in the context of end-of-period accounting, the consolidation of accounts, and accounting for off-balance sheet obligations.

Accounting processes are handled by local and corporate teams using multiple information systems. Unibail-Rodamco uses manuals for accounting procedures and instructions which describe the segregation of duties between the accounting execution and the control.

Unibail-Rodamco maintains analytical accounting reporting on each property, event and exhibition which enables it to monitor the realisation of its budgets closely.

A common process and reporting template, the Quarterly Flash Report (QFR), is used. This report consists of a set of quarterly (or half-yearly) data concerning valuations, pipeline projects and operational Key Performance Indicators (KPIs), as well as financial data such as comparisons between actuals and budget, actuals year by year, and full year forecasts (GRI, NRI, administrative expenses, etc.). Reports are prepared and checked at the regional level before being submitted to the Group Control and Consolidation departments.

Regional quarterly reports are double-checked and challenged by the Group Control Department, which analyses the KPIs as well as any discrepancies between the budget and end-of-period actuals or forecasts. Group Control establishes a Group Quarterly Flash Report which consolidates all Group KPIs, valuations and pipeline projects.

The QFRs are presented to the Management Board by the country management teams of each region and the consolidated QFR is provided to the Audit Committee and the Supervisory Board.

Consolidated financial statements are produced for the Unibail-Rodamco Group. The consolidation process is centralised and carried out by a dedicated team in the Group Consolidation department. When consolidating the accounts, multiple checks are carried out, of which:

- variations in the controlling shares of subsidiaries and investments are tracked to ensure an appropriate method of consolidation;
- consolidated packages received from regions are reconciled with the QFRs;
- adjustments to consolidated figures are analysed and explained in a report;
- reports from local external auditors are analysed; and
- variation analyses related to budgets and forecasts are cross checked with Controlling.

Rules for off-balance sheet commitment recordings have been laid down in specific procedures in order to ensure that each commitment is centrally logged by the Legal Department. Commitments given and received are aggregated and brought to the attention of the Management Board and the Supervisory Board.

Group financial statements are reviewed by the Statutory Auditors before being presented and explained to the Management Board, the Audit Committee and, ultimately, to the Supervisory Board.

The appraisal of the internal control system is carried out by the Group Internal Audit Department (composed of 4 persons) which conducts regular assignments into all of the Group's business units in line with the annual audit plan approved by the Management Board and the Group Audit Committee.

Occasionally, the Chief Executive Officer or (the Chairman of) the Audit Committee may ask the Group Internal Audit

Department to carry out one-off "flash" assignments in order to provide a rapid response to urgent issues and/or the treatment of new risks or problems. Final audit reports are addressed to the Management Board and to each department which has been involved in the audit. A summary of audit findings is sent to the Audit Committee on a quarterly basis.

Unibail-Rodamco's Internal Audit Charter sets out the different missions of the audit function. To ensure it remains genuinely independent, the Internal Audit Department reports directly to the Chief Executive Officer and to the Chairman of the Audit Committee.

STATUTORY AUDITORS' REPORT

Statutory auditors' report, prepared in accordance with article L. 225-235 of the French Commercial Code (code de commerce), on the report prepared by the Chairman of the Supervisory Board of Unibail-Rodamco

To the Shareholders,

In our capacity as statutory auditors of Unibail-Rodamco and in accordance with article L. 225-235 of the French commercial code (code de commerce), we hereby report on the report prepared by the chairman of your company in accordance with article L. 225-68 of the French Commercial Code (code de commerce) for the year ended December 31, 2011.

It is the chairman's responsibility to prepare and submit for the supervisory board's approval a report on internal control and risk management procedures implemented by the company and to provide the other information required by article L. 225-68 of the French Commercial Code (code de commerce), particularly in terms of corporate governance.

It is our responsibility to:

- report on any matters as to the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information, and
- confirm that the report also includes the other information required by article L. 225-68 of the French Commercial Code (code de commerce). It should be noted that our role is not to verify the fairness of this other information.

We conducted our work in accordance with professional standards applicable in France.

Information on internal control and risk management procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the chairman's report in respect of internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consist mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of accounting and financial information on which the information presented in the chairman's report is based and the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of accounting and financial information that we would have noted in the course of our work are properly disclosed in the chairman's report.

On the basis of our work, we have no matters to report on the information relating to the company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the chairman of the Supervisory Board in accordance with article L. 225-68 of the French Commercial Code (code de commerce).

Other information

We confirm that the report prepared by the chairman of the Supervisory Board also contains other information required by article L. 225-68 of the French Commercial Code (code de commerce).

Neuilly-Sur-Seine and Paris-La Défense, March 22, 2012

The Statutory Auditors French Original signed by

DELOITTE & ASSOCIÉS

represented by Damien Leurent

ERNST & YOUNG AUDIT

represented by Christian Mouillon & Benoit Schumacher

OVERVIEW OF VALUATION REPORTS PREPARED BY UNIBAIL-RODAMCO'S INDEPENDANT EXTERNAL APPRAISERS

Scope of Instructions

In accordance with your instructions we have undertaken valuations of the various freehold and leasehold property interests as at 31st December 2011 (the "valuation date") either held directly by Unibail-Rodamco (the "Company") or held in a Joint Venture where the Company holds a share, as referred to in our valuation reports for each individual property. This Overview letter has been prepared for inclusion in the Company's accounts.

The valuations have been undertaken by our local valuation teams in each relevant country and have been reviewed by the Pan European Valuation teams of all three valuation firms. In arriving at an opinion of Market Value for each property we have taken into consideration European wide investment transaction activity and not solely any investment activity in the domestic market.

We can also confirm that our opinion of Market Value has been reviewed against other valuations conducted across Europe for consistency of approach and consideration of the evidence and sentiment in the market place.

The valuations have been based upon the discounted cash-flow or yield methodologies that are regularly used for these types of properties.

Basis of Valuation and Assumptions

We set out below the basis and assumptions we have used in preparing our Valuation.

We confirm that the valuations have been made in accordance with the appropriate sections of the current Practice Statements contained within the RICS Valuation Standards, 7th Edition (the "Red Book"). This is an internationally accepted basis of valuation. Our valuations are fully compliant with IFRS accounting standards and IVSC valuation standards and guidance.

The valuations have been also prepared in accordance with the AMF recommendations regarding the presentation of valuation parameters of listed real estate companies, published February 8, 2010.

We can confirm that we have prepared our valuations as External Valuers as defined in the Royal Institution of Chartered Surveyors Valuation Standards and our valuations have been prepared in accordance with our General Principles.

Our valuations are prepared on the basis of Market Value and are reported as gross values (Market value gross of any deduction made for typical purchaser costs).

Market Value is defined as: "The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

Date of Valuation

The effective date of valuation is 31 December 2011.

Information

We have requested company management to confirm that the information which it has supplied to us in respect of the property and its lessees is both comprehensive and correct in all material aspects. It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as operating expenses, committed capital expenditure, financials including any doubtful debtors, sales based rental levels, prospective and signed leasing deals, lease incentives and all rent roll information and vacant units have been made available to us and that the information is up to date in all material aspects.

Floor Areas

We have not measured the property and have relied on the areas which have been supplied to us.

Environmental Investigations and Ground Conditions

We were not instructed to carry out a site survey or environmental assessment nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we assume that properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect their present or future use.

Planning

We have not seen planning consents and we assume that properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We assume that buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations. We also assume that any extensions currently under construction satisfy all planning regulations and all necessary permits are in place.

Title and Tenancies

We have relied upon tenancy schedules, summaries of additional income, non recoverable costs and capital expenditure and business plans which have been supplied to us.

Our valuations assume that, other than disclosed in our reports, there is good and marketable title to the properties and that they are free of any undisclosed burdens, outgoing, restrictions or charges. We have not read documents of title and for the purposes of our advice have accepted the details of tenure, tenancies and all other relevant information, which have been supplied by the Company.

Condition

We have reflected the general condition of the property as noted during our inspections. We were not instructed to carry out a structural survey but we have reflected any apparent wants of repair in our opinion of the value as appropriate. The property has been valued on the basis of the Company's advice except where we have been specifically advised to the contrary, that no harmful materials have been used in its construction.

Taxation

No allowance has been made in our valuations for expenses of realisation or for any taxation, which may arise in the event of a disposal. All rental and capital values stated are exclusive of Valued Added Tax.

Confidentiality and Publication

Finally and in accordance with our normal practise we confirm that our valuations are confidential to the party to whom it is addressed for the specific purpose to which they refer. No responsibility whatsoever is accepted to any third party and neither the whole of our valuation reports, nor any part, nor references thereto may be published in any document, statement or circular, nor in any communication with third parties without our prior written approval of the form and context in which it will appear. In signing this Overview, each appraiser does so on its behalf for its own valuation work only.

Yours faithfully,

Christian Luft
MRICS

Director

For and on behalf of Jones Lang
LaSalle Limited

Bryn Williams
MRICS

Director

For and on behalf of DTZ Debenham
Tie Leung Limited

Marc Gerretsen

Partner

For and on behalf of
PricewaterhouseCoopers
Corporate Finance

ANNUAL DISCLOSURE FORM

In accordance with the provisions of article 451-1-1 of the French Monetary and Financial Code and article 222-7 of the General Regulation of the Autorité des Marchés Financiers (AMF), this document contains or refers to information published or disclosed by the issuer during the 12 months (until March 1, 2012) to satisfy legal and regulatory requirements.

Publication date Matter/filing number	Information	Place of inspection
NEWS RELEASES		
17.11.2011	DOCKS 76 - the first shopping centre in France certified "Very Good" by the environmental performance reference for existing buildings "BREEAM in Use"	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
07.10.2011	Unibail-Rodamco acquires shopping centre Splau in Barcelona and sells two assets in Magdeburg (Germany) and in Eindhoven (The Netherlands)	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
26.05.2011	Unibail-Rodamco to acquire full ownership of Galeria Mokotow in Warsaw	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
17.05.2011	Judgment issued in Rodamco Europe N.V. buy-out procedure	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
06.05.2011	Unibail-Rodamco unveils Aeroville, its latest shopping centre project for end 2013	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
13.04.2011	Unibail-Rodamco sells a portfolio of three Swedish shopping centres and a single retail unit to a consortium led by Grosvenor Fund Management	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
ANNUAL FINANCIAL STATEMENTS - SHELF-REGISTRATION DOCUMENTS - SHARE BUY-BACK PROGRAMME - REGULATORY INFORMATION		
03.02.2012	Information on total number of voting rights and shares in the capital at January 31, 2012	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾ Les Echos (2 février 2012) Le Figaro (3 février 2012) Hef Financieele Dagblag (3 février 2012) Boursorama.com (2 février 2012) FT.com (6 février 2012)
01.02.2012	Full year results 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
06.01.2012	Information on total number of voting rights and shares in the capital at December 31, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
07.12.2011	Information on total number of voting rights and shares in the capital at November 30, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
06.12.2011	Successful issuance by Unibail-Rodamco of a €500 Mn bond	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
21.11.2011	Disclosure of trading in own shares from November 18, 2011 to November 21, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
08.11.2011	Information on total number of voting rights and shares in the capital at October 31, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
28.10.2011	Financial Information as of September 30, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
06.10.2011	Information on total number of voting rights and shares in the capital at September 30, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
28.09.2011	Successful issuance by Unibail-Rodamco of a €500 Mn bond	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
27.09.2011	Disclosure of trading in own shares from September 22, 2011 to September 27, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
05.09.2011	Information on total number of voting rights and shares in the capital at August 31, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
18.08.2011	Disclosure of trading in own shares from August 9, 2011 to August 18, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
05.08.2011	Information on total number of voting rights and shares in the capital at July 31, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
28.07.2011	2011 Financial interim report publication	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
20.07.2011	2011 half-year results	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾

Publication date Matter/filing number	Information	Place of inspection
06.07.2011	Information on total number of voting rights and shares in the capital at June 30, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
09.06.2011	Information on total number of voting rights and shares in the capital at May 31, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
09.05.2011	Tax regime applicable to the distribution of €2.70 per share, to be deducted from the "distributable reserves" and "contribution premium", as included in the total distribution of €8.00 per share payable on May 10, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
05.05.2011	Unibail-Rodamco SE announces adjustment to the rights of holders of securities granting access to the share capital as of May 10, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
05.05.2011	Information on total number of voting rights and shares in the capital at April 30, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
28.04.2011	Unibail-Rodamco ORA: cash amount and cash amount deferral payable on May 10, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
28.04.2011	Unibail-Rodamco SE to distribute €8.00 per share on May 10, 2011 Renewals and appointments to the Supervisory Board	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
27.04.2011	Press Release: Nominations to the Management Board Mr Michel Dessolain, member of the Unibail-Rodamco Management Board, appointed as Chief Strategy Officer Mr Christophe Cuvillier appointed to the Unibail-Rodamco Management Board as Chief Operating Officer	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
26.04.2011	Press release: First Quarter 2011 Revenues	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
07.04.2011	Information on total number of voting rights and shares in the capital at March 31, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
18.03.2011	Publication of the 2010 annual report/registration document	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾ Het Financieele Dagblad (22.03.2011)
11.03.2011	Information concerning the availability of all the explanatory documentation to the Annual General Meeting to be held on April 27, 2011	www.unibail-rodamco.com www.thomsonreuters.com ⁽¹⁾
BALO PUBLICATIONS		
31.08.2011 Bulletin no. 104	Publication of the annual accounts	http://balo.journal-officiel.gouv.fr
06.05.2011 Bulletin no. 54	Notice about the adjustment : ORA, ORNANE, options	http://balo.journal-officiel.gouv.fr
06.04.2011 Bulletin no. 41	Notice of shareholder's meeting to be held on April 27, 2011	http://balo.journal-officiel.gouv.fr Affiches Parisiennes n°6560
11.03.2011 Bulletin no. 30	Prior notice of shareholder's meeting to be held on April 27, 2011	http://balo.journal-officiel.gouv.fr Het Financieele Dagblad (22.03.2011)
INFORMATIONS FILED AT THE COMMERCIAL COURT/PUBLISHED ON THE AFFICHES PARIISIENNES		
06.02.2012 Filing no 11875	Capital increases, updated bylaws	www.infogreffe.fr Affiches Parisiennes N002403
02.02.2012 Filing no 11117	Capital increases, Capital decrease (abstract of the minutes dated as of November 25, 2011), updated bylaws	www.infogreffe.fr Affiches Parisiennes M029549
02.02.2012 Filing no 10773	Capital increases, Capital decrease (abstract of the minutes dated as of October 19, 2011), updated bylaws	www.infogreffe.fr Affiches Parisiennes M027794
12.01.2012 Filing no 3859	Capital decrease (abstract of the minutes dated as of November 25, 2011)	www.infogreffe.fr
12.01.2012 Filing no 3857	Capital decrease (abstract of the minutes dated as of October 19, 2011)	www.infogreffe.fr
21.07.2011 Filing no 69506	Capital increases, updated bylaws	www.infogreffe.fr Affiches Parisiennes M015991
29.06.2011 Filing no 62384	Nomination to the Management Board (abstract of the minutes dated as of April 27, 2011)	www.infogreffe.fr Affiches Parisiennes M014317
14.06.2011 Filing no 56713	Appointment of 3 Supervisory board's members, Change of auditors, Expiry of 2 Supervisory board's members term of office (abstract of the minutes dated as of April 27, 2011) Capital increases, updated bylaws	www.infogreffe.fr Affiches Parisiennes M012319 Affiches Parisiennes M012320
29.03.2011 Filing no 31400	Capital increases, updated bylaws	www.infogreffe.fr Affiches Parisiennes M006965

(1) Information provider registered by the AMF for regulated information issuance

PERSONS RESPONSIBLE FOR THIS DOCUMENT, FOR THE FINANCIAL INFORMATION AND FOR AUDITING THE ACCOUNTS

Persons responsible for the Registration Document⁽¹⁾ (*Document de Référence*)

We confirm, to the best of our knowledge, after having taken all reasonable measures, that the information contained in this Registration Document gives an accurate and fair view of the Company and the information contained within is free from any material misstatement.

We confirm, to the best of our knowledge, that the financial statements have been prepared in accordance with the applicable accounting and financial reporting standards and give an accurate and fair view of the financial situation of the Company and of the entities taken as a whole included in the scope of consolidation. The management report (pages 92 to 119) presents a fair view of the development and performance of the business, the results and of the financial situation of the Company and of the entities taken as a whole included in the scope of consolidation and describes the main risks and uncertainties to which they are exposed.

We have obtained from the statutory auditors their end-of-audit letter, which states that they have verified the information on the financial position of the Company and the financial statements included in this Registration Document and have read this Registration Document in its entirety.

The statutory auditors have issued a report on the historical financial information included in the financial section of this document.

It is reminded that, without qualifying the opinion expressed, the statutory auditors drew the following comment for the financial year 2010: the attention is drawn to note 1 to the consolidated financial statements that describes the changes in accounting methods applied by the Group starting 2010, and in particular the application of revised IFRS 3 – Business combinations and revised IAS 27 – Consolidated and separate financial statements.

Paris, March 23, 2012

On behalf of the Management Board
Guillaume Poitral
Chairman of the Management Board
of Unibail-Rodamco SE

(1) The English version is a free translation of the Registration Document and does not include the Statutory accounts of the parent company.

Principal Statutory Auditors

Expiry of term of office at the Annual General Meeting (AGM) held for the purpose of closing the 2016 accounts

Ernst & Young Audit

1/2 place des saisons
92400 Courbevoie Paris La Défense 1
Christian Mouillon
Benoit Schumacher
Commencement date of the first term of office: AGM of May 13, 1975

Deloitte et Associés

185, avenue du Général de Gaulle
92200 Neuilly-sur-Seine
Damien Leurent
Commencement date of the first term of office: AGM of April 27, 2011

Deputy Statutory Auditors

Expiry of term of office at the Annual General Meeting (AGM) held for the purpose of closing the 2016 accounts

Auditex

1/2 place des saisons
92400 Courbevoie Paris La Défense 1
Commencement date of the first term of office: AGM of April 27, 2011

BEAS

7/9 Villa Houssay
92200 Neuilly-sur Seine
Commencement date of the first term of office: AGM of April 27, 2011

Documents available to the public

The following documents are available on Unibail-Rodamco's website at www.unibail-rodamco.com:

- the registration documents in the form of annual reports, as well as their updates, which are filed at the AMF;
- the financial press releases of the Group.

Unibail-Rodamco's Articles of Association and parent company accounts may be consulted at the headquarters of the Company, 7, place du Chancelier Adenauer - 75016 Paris and on the website www.unibail-rodamco.com or obtained on demand.

CONCORDANCE TABLE OF THE REGISTRATION

The table below sets out the principal categories required under the European Regulation (CE) 809/2004.

Category of appendix 1 of European Regulation (CE) 809/2004	Page number of the registration document
1. Responsible persons	
1.1. Persons responsible for the information included in the reference document	269-270
1.2. Declaration of the persons responsible for the reference document	269
2. Statutory auditors of accounts	
2.1. Name and address of the statutory auditors	270
2.2. Resignation of the statutory auditors	na
3. Selected information	
3.1. Historic information	na
3.2. Interim information	na
4. Risk factors	
	115-116; 201-203; 247-250; 260-263
5. Information on the issuer	
5.1. History and evolution of the Company	
5.1.1. Corporate name and trade name	213
5.1.2. Registration centre and number	213
5.1.3. Date of incorporation and statutory length of life	213
5.1.4. Head office and legal form	213
5.1.5. Important events	179-183
5.2. Investments	
5.2.1. Description of the year's main investments	96; 98
5.2.2. Description of investments in progress	101; 102-105
5.2.3. Description of future investments	102-105
6. Overview of activities	
6.1. Main activities	
6.1.1. Nature of the operations	94-99
6.1.2. New products or new developments	102-105
6.2. Main markets	4-5; 34-49
6.3. Exceptional events	na
6.4. Possible dependencies	na
7. Organisational chart	
7.1. Description of the Group	93
7.2. List of significant subsidiaries	173-179
8. Property ownership	
8.1. Significant fixed assets	81-91
8.2. Environmental issues possibly influencing the usage of property	58-71; 124-138
9. Analysis of the financial position and results	
9.1. Financial position	156
9.2. Operating profit	155; 167-168
9.2.1. Important elements	94-101
9.2.2. Important changes	94-101
9.2.3. Influencing factors	na
10. Cash-flow and share capital	
10.1. Share capital of the issuer	158; 224
10.2. Sources and cash-flow amounts	157
10.3. Terms of borrowings and financial structure	114-117
10.4. Share capital restrictions that could affect the activities of the issuer	na
10.5. Forecast of financial sources	114-117

11. Research and development patent licences	na
12. Information on market trends	
12.1. Principal trends which impacted production and revenues	94-99
12.2. Trends which may impact future activity	101
13. Forecasts or estimates of profit	
13.1. Main assumptions underlying forecasts and estimates	101
13.2. Report of the independent statutory auditors	na
13.3. Forecast or estimate of net profit	101
13.4. Forecast of profit included in an existing prospectus	101
14. Supervisory bodies, directors, control and executive management	
14.1. Supervisory bodies and directors	226-234; 253-257
14.2. Conflicts of interest regarding supervisory bodies and directors	na
15. Remuneration and benefits	
15.1. Remuneration paid and benefits in kind	209; 236-246
15.2. Provisioned amounts for pensions, retirements, or other benefits	206-207
16. Functioning of supervisory bodies and directors	
16.1. Expiry of current mandates	226-234
16.2. Service contracts linking members of supervisory bodies	na
16.3. Information on the Audit Committee and the Remunerations Committee	234-235; 257-258
16.4. Corporate governance	8; 16; 234-236; 259
17. Employees	
17.1. Number of employees	141-145; 206
17.2. Profit sharing and stock-options	206-209; 218-221
17.3. Agreements for employees to subscribe to the share capital	206-209
18. Main shareholders	
18.1. Shareholders holding more than 5% of share capital	225
18.2. Different voting rights	225
18.3. Direct or indirect holding or control of the issuer	225
18.4. Known agreements with the issuer which could engender a change of control	na
19. Related party transactions	209
20. Financial information concerning the portfolio, financial position and results	
20.1. Background financial information	10-15
20.2. Pro-forma financial information	na
20.3. Financial statements	154-210
20.4. Verification of annual historic information	
20.4.1. Audit certificate of annual historical information	211
20.4.2. Other information reviewed by the statutory auditors	na
20.4.3. Sources of information not reviewed by the statutory auditors	na
20.5. Dates of previous financial information	
20.5.1. Most recent financial year for which the financial information has been audited	211
20.6. Interim financial information	
20.6.1. Audited quarterly or half-yearly information	na
20.6.2. Quarterly or half-yearly information not audited	na
20.7. Dividend distribution policy	
20.7.1. Amount of dividends per share	12; 101; 223
20.8. Court proceedings and disputes	183
20.9. Significant changes in financial position or business activity	na
21. Supplementary Information	
21.1. Company share capital	
21.1.1. Subscribed capital	215
21.1.2. Non-representative shares	na
21.1.3. Number, book value and nominal value of treasury shares	221-222
21.1.4. Amount of securities giving access to share capital	218-221
21.1.5. Information relating to the conditions applying to acquisition of shares issued but not yet paid up	na
21.1.6. Information relating to the share capital of group companies subject to options	na
21.1.7. Historical information on share capital	158; 224

21.2. Applied regulations and articles of association	
21.2.1. Corporate purpose	213
21.2.2. Synopsis of the articles of association	213-214
21.2.3. Description of rights and privileges	213-214
21.2.4. Description of actions required to modify shareholders' rights	213-214
21.2.5. Description of conditions for convening shareholders' meetings	213
21.2.6. Change-of-control provisions	na
21.2.7. Rules defining the thresholds for disclosure of shareholdings	214
21.2.8. Description of conditions governing changes in capital	215-217
22. Important contracts	na
23. Information from third parties, expert statements and interest statements	na
23.2. Expert statements	265-266
23.3. Third party information	na
24. Documents publicly available	213; 267-268
25. Information on shareholdings	189

In application of article 28 of European Regulation 809/2004 on prospectus documents, the following are included for reference purposes:

- The Business Review and the consolidated accounts for the 2009 financial year prepared in accordance with IFRS accounting standards, including reports pertaining to statutory auditors, that can be found on page 65-145, lodged at the AMF (Autorité des Marchés Financiers) no. D.10-145 on March 23, 2010.
- The Business Review and the consolidated accounts for the 2010 financial year prepared in accordance with IFRS accounting standards, including reports pertaining to statutory auditors, that can be found on page 90-195, lodged at the AMF (Autorité des Marchés Financiers) no. D.11-0144 on March 17, 2011.

This is a free translation into English of the Registration Document⁽¹⁾ issued in French and filed at the AMF⁽²⁾ on March 23, 2012 and is provided solely for the convenience of English-speaking users.
When consulting this document, and in the event of a conflict in interpretation, reference should be made to the original French version.
This document has been prepared by the issuer under the responsibility of its signatories.



(1) Excluding statutory accounts of the parent company.

(2) Autorité des Marchés Financiers (The French Stock Market Authorities).

NOTES

NOTES

NOTES

Creation and production: W&A

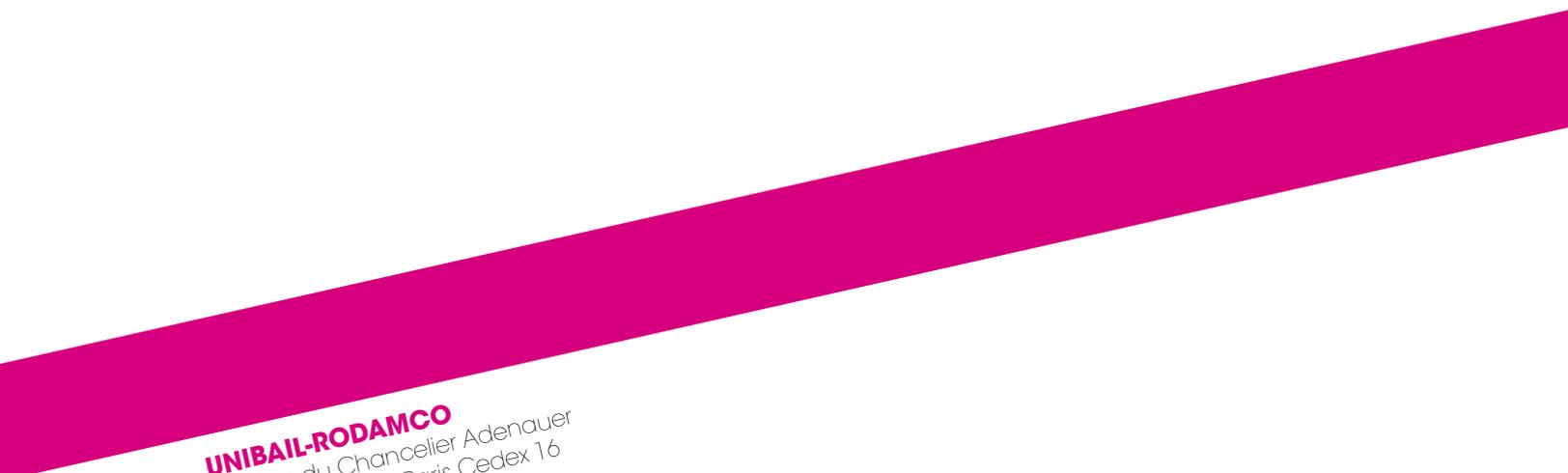


This document is printed on FSC-certified coated paper composed of pre- and post-consumer waste (60%) and FSC wood pulp (40%). The paper was manufactured in factories that have ISO 9001 and ISO 14001 certification for their environmental management systems. Printed by HANDIPRINT, a disability-friendly employer.

Photo credits

Untitled images: Tour Ariane (pp. 2-3); Martin Bureau (p. 8); Cité Europe/Nicolas Claeysen (pp. 18-19); Parly 2 (p. 34); Tour Ariane/Fabrice Rambert (pp. 52/53); Tour Majunga/Agence Jean-Paul Viguié & Associés (p. 54); Splau (p. 57); Rivétoile - Strasbourg/Frank Barylko (pp. 58-59, 63); Panneaux solaires (p. 64); Lyon Confluence/Agence Jean-Paul Viguié & Associés (p. 65); Cnit/Paris-La Défense (p. 67); Docks Vauban - Le Havre/Frank Barylko (pp. 68-69); Carré Sénart/Frank Barylko (p.71); Académie/Michel Labelle (p.75).

Images: Täby Centrum (cover); Nicolas Gallon/Contextes (p. 6); Michel Labelle (pp. 9, 11); La Part-Dieu (p. 20); Parquesur (pp. 22-23); Lyon Confluence/Agence Jean-Paul Viguié & Associés (pp. 24-25); Täby Centrum (pp. 26, 27, 39, 72); Mall of Scandinavia (pp. 28-27); Oceanic (pp. 30-31); Cnit/Paris-La Défense (pp. 32-33); Cirque du Soleil/Laurent Clément (p. 35); La Part-Dieu/Frank Barylko (p. 35); Amstelveen (p. 36); Leidsenhage (p. 36); Amstelveen/Michel Claus (p. 37); Fisketorvet Denmark/Gyriethe Lemche (pp. 38, 66); Solna Centrum/Gyriethe Lemche (p. 39); Centrum Chodov (p. 40); Arkadia (pp. 40,41); Donau Zentrum/Andi Brucknev (pp. 42,43); Shopping City Süd/Andi Brucknev (p. 43); La Vaguada/David Munchavaz (p. 44); Bonaire (p. 44); Splau (p. 45); SO Ouest Offices - Levallois-Perret/Agence Jean-Paul Viguié & Associés (p. 48); Tour Majunga/Agence L'Autre Image (p. 49); Cirque Bouglione/Agence Sofiacome (p. 50); Palais des Congrès de Paris/Alain Potignon (p. 51); Tour Majunga & Aéroville/Agence Jean-Paul Viguié & Associés (p. 61); Albcenter - Spain (p. 62); Shopping city süd, Austria (p. 66) ; Centrum Chodov-Prague (p. 70); Enfants de Majunga/Association Écoles du Monde (pp.76, 77); and images from the Unibaill-Rodamco image bank.



UNIBAIL-RODAMCO
7, Place du Chancelier Adenauer
CS 31622 - 75772 Paris Cedex 16
France
Tel: +33 (0) 1 53 43 74 37
Fax: +33 (0) 1 53 43 74 38
www.unibail-rodamco.com