

This is a translation into English of the statutory auditors' report on the financial statements of the company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Unibail-Rodamco SE

Year ended December 31, 2017

Statutory auditors' report on the financial statements of the parent company only

To the Annual General Meeting of Unibail-Rodamco SE,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Unibail-Rodamco SE for the year ended December 31, 2017.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as at December 31, 2017 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the audit committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "*Statutory Auditors' Responsibilities for the Audit of the Financial Statements*" section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2017 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics (code de déontologie) for statutory auditors.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Impairment test of investments in subsidiaries

Key Audit Matter

As at December 31, 2017, Unibail-Rodamco SE held €10,403 Mn of investments in subsidiaries.

An impairment is booked when the value in use of an investment in subsidiaries is lower than its acquisition cost.

As described in note 1.2.3. to the financial statements, the value in use of the investment in subsidiaries is based on the revalued net asset of the subsidiary which takes into account the unrealised capital gain on its investment properties and other assets held by each subsidiary.

The estimate of the value in use of the investment in subsidiaries requires assumptions and estimates by management, as it is based on the fair value of the investment property held by the subsidiary.

The valuation of the investment properties is performed by independent appraisers and takes into account property specific information as well as prevailing market yields and market transactions.

Accordingly, the impairment test of investments in subsidiaries is considered as a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the level of judgment associated with determining fair values.

How the scope of our audit responded to the risk

We evaluated the company's controls over the process implemented to determine the value in use of investments in subsidiaries.

We checked the calculation of the revalued net asset which takes into account percentage of ownership, shareholder's net equity, and unrealised capital gains on investment properties and other assets.

As to the unrealised capital gains, we agreed the fair values of the underlying assets with the appraisers' reports. Our procedures on the fair values of the underlying assets consisted mainly of:

- meeting the independent external appraisers with our real estate valuation experts
- assessing the reasonableness of data and operational assumptions
- benchmarking the market assumptions (yields, market rent...) with relevant market evidence.

Additionally, we considered the appropriateness of the disclosures in the financial statements in respect of investments in subsidiaries.

Accounting for financial debt and derivatives

Key Audit Matter

As at December 31, 2017, Unibail-Rodamco SE has borrowings and financial liabilities of €15,670 Mn described in note 15 "Borrowings and financial liabilities" to the financial statements.

The company uses derivatives, mainly interest rate swaps and caps and cross-currency swaps, to hedge its exposure to movements in interest and currency exchange rates. This portfolio of derivatives is described in note 28.1 "Financial instruments" to the financial statements.

The company's gearing, liquidity, covenant obligations and financing cost profile result from this portfolio of financial debt and derivatives.

During the year, the company restructured its portfolio of derivatives as described in note 2.1. "Significant events of the year" to the financial statements.

Financial debt and derivatives are considered as a key audit matter due to the significance of the balances to the financial statements as a whole and due to the fact that the accounting of derivatives is complex. Please refer to notes 6, 16 and 24 to the financial statements.

How the scope of our audit responded to the risk

We obtained and analysed loan contracts on a sample basis to understand the terms and conditions and checked that those characteristics are correctly reflected in the financial statements and we also performed analytical procedures on the financial expenses.

The carrying value of debt was agreed to third party confirmations on a sample basis.

Where debt covenants were identified, we checked management's calculations to verify compliance with the contracts.

We confirmed a selection of derivatives directly with counterparties and performed procedures to ensure completeness of their disclosures in the off-balance sheet items.

We assessed the hedging position of the company and analysed that derivatives were appropriately classified (hedging vs trading). In particular, the audit team, including our internal capital markets specialists, examined the restructuring operations conducted on the derivatives portfolio and assessed the compliance of accounting treatments applied.

Additionally, we considered the appropriateness of the disclosures in the financial statements in respect of financial debt and derivatives.

Verification of the management report and of the other documents provided to the shareholders

We also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

Information provided in the management report and in the other documents provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the management board and in the other documents provided to the shareholders with respect to the financial position and the financial statements.

Information related to the corporate governance of the company

We confirm the existence in the Supervisory Board's report of the information required by articles L.225-37-3 and L.225-37-4 of the French Commercial Code (code de commerce) in relation with the corporate governance of the company.

Concerning the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by the members of the management board and of the supervisory board and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlling and controlled companies. Based on this work, we attest the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on other legal and regulatory requirements

Appointment of the statutory auditors

We were appointed as statutory auditors of Unibail-Rodamco SE by the annual general meeting held on April 27, 2011 for DELOITTE & ASSOCIES and on May 13, 1975 for ERNST & YOUNG Audit.

As at December 31, 2017, DELOITTE & ASSOCIES was in its 13th consecutive year of mandate given the acquisitions or mergers with firms that have previously taken place, and ERNST & YOUNG Audit in its 43rd consecutive year of mandate.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the company or to cease operations.

The audit committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the management board.

Statutory auditors' responsibilities for the audit of the financial statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation

Report to the audit committee

We submit a report to the audit committee, which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the audit committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the audit committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the audit committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, March 27, 2018

The Statutory Auditors, French original signed by

DELOITTE & ASSOCIES

ERNST & YOUNG Audit

Pascal Colin

Jean-Yves Jégourel