



Investor Relations and M&A - Jaap Tonckens, Chief Financial Officer

2016 INVESTOR DAYS **unibail·rodamco**

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INVESTOR PERCEPTION SURVEY

Neo Project, Brussels

INVESTOR PERCEPTION SURVEY: CONTEXT

Capital Axis collected analysts' and investors' feedback on the company's interactions with the financial community

18

buy-side investors

12

from Europe

6

from North America

Wide range
of **investors**
from a style
and focus
perspective

5

sell-side analysts

FOCUS OF INVESTOR PERCEPTION SURVEY



Differentiation
strategy

Corporate social
responsibility
and **sustainability**

Investor
relations

Management

Dividend
and **shareholder**
remuneration

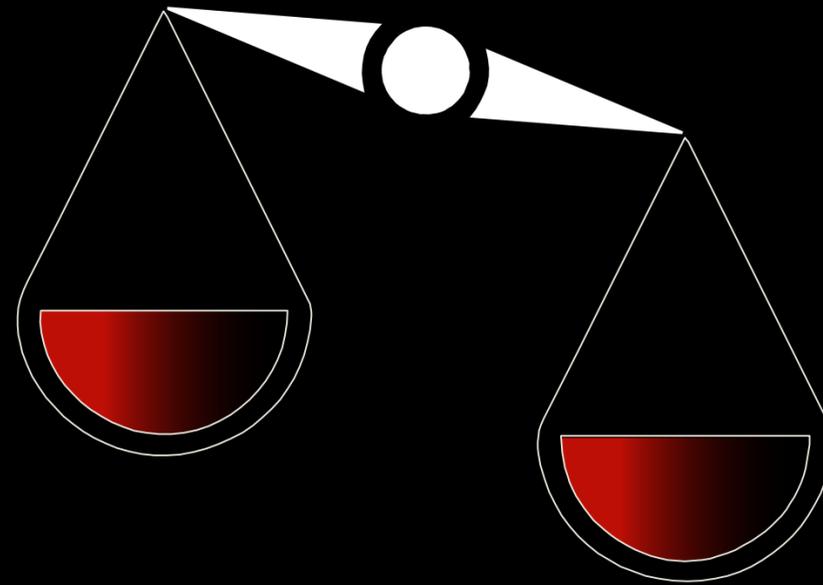
Financial
disclosure

INVESTOR FEEDBACK

Financial Disclosure	U-R Response	Status
Like-for-like NRI	Glossary / same sqm (unchanged since 1990's)	✓
Tenant sales	Glossary Significant changes identified	✓
LTV	LTV calculation	✓
Returns on pipeline	Case studies of recently completed projects	✓
Capital Markets Days	Increased asset information	✓
Additional disclosure	Proportionally consolidated P&L and Balance Sheet By region: OCR, rent /sqm, NRI CAGR Occupancy by asset Bridge for Recurring EPS Liability management	✓
Asset by asset data	Portfolio approach	✗

ASSET BY ASSET DISCLOSURE

↗ Full transparency



- ↗ Lose sight of portfolio
- ↗ Asset by asset management
- ↗ Active asset rotation strategy

Objective: maximize premiums to book value at disposal



OUR BUSINESS MODEL

Mall of Scandinavia, Stockholm

MAXIMIZE CASH FLOWS AND IRR WITH STRONG BALANCE SHEET

NET ASSET VALUE \neq CASH FLOWS

Only an **accounting calculation**

ERV disconnect
between appraisers
and Unibail-Rodamco

**Active portfolio
management**
underestimated

Portfolio synergies
ignored

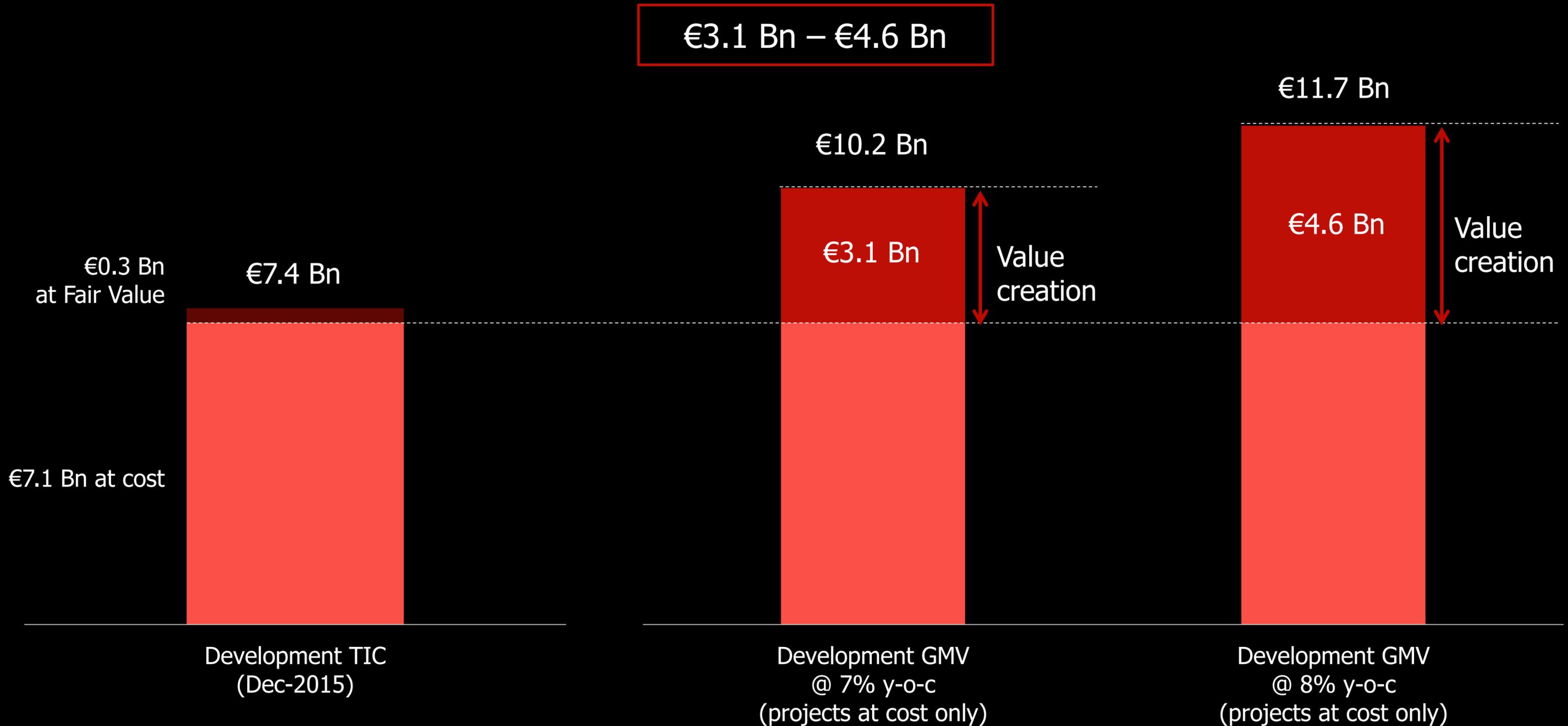
Capital structure
not a factor in asset
valuation

**Value from
development pipeline**
not reflected

Discount rate
disconnect

Management quality
and **track record** not a
factor

PIPELINE VALUE CREATION POTENTIAL



*GMV calculation based on regional NIY as of Dec 2015
For illustrative purposes only. Not a forecast*

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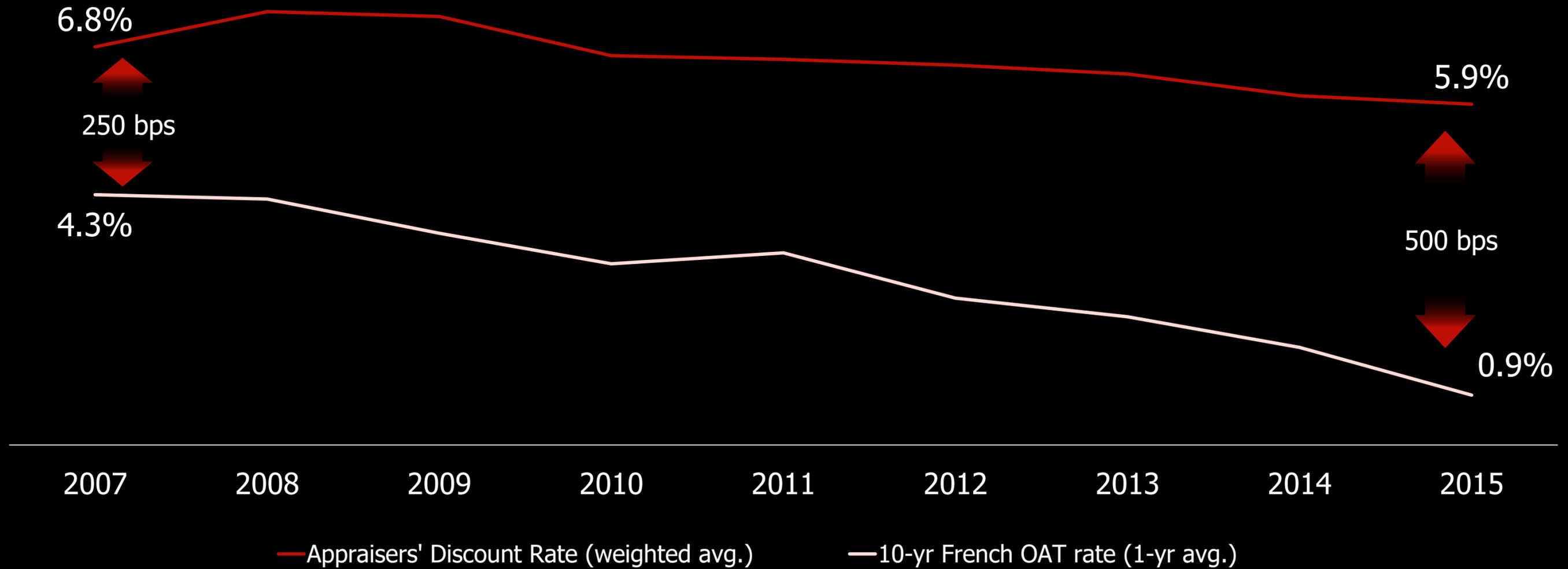
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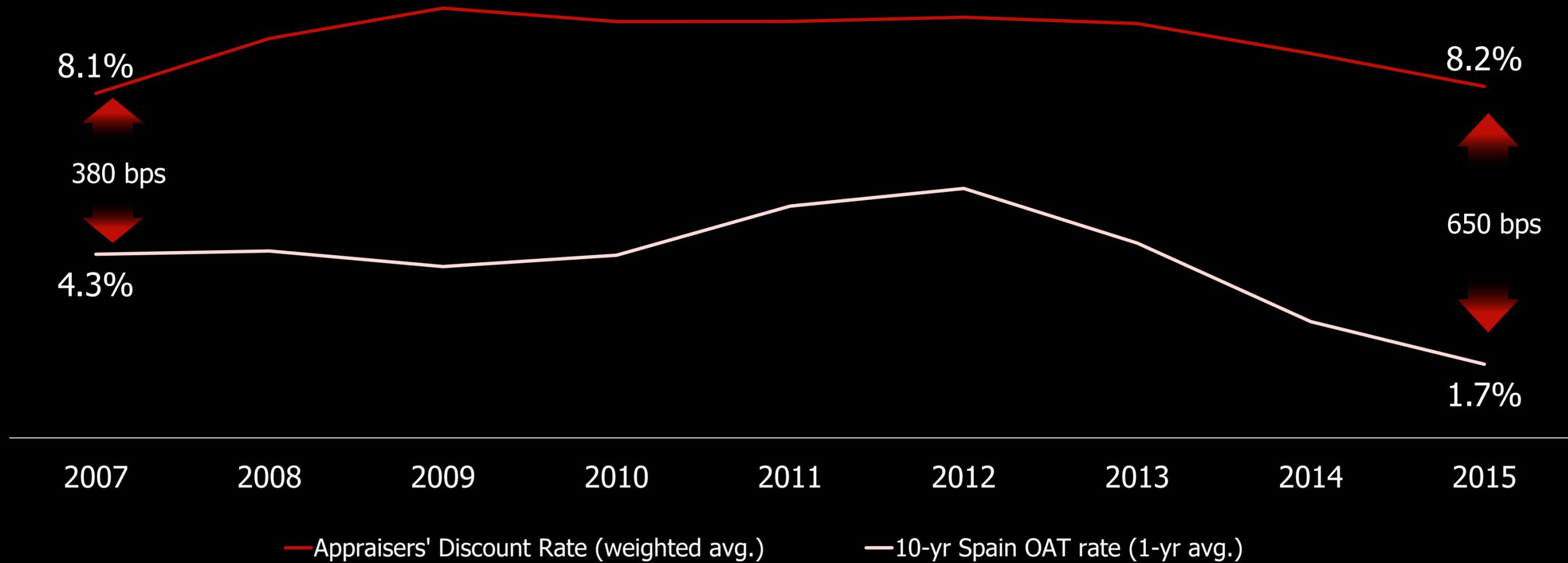
DISCOUNT RATE DISCONNECT

France

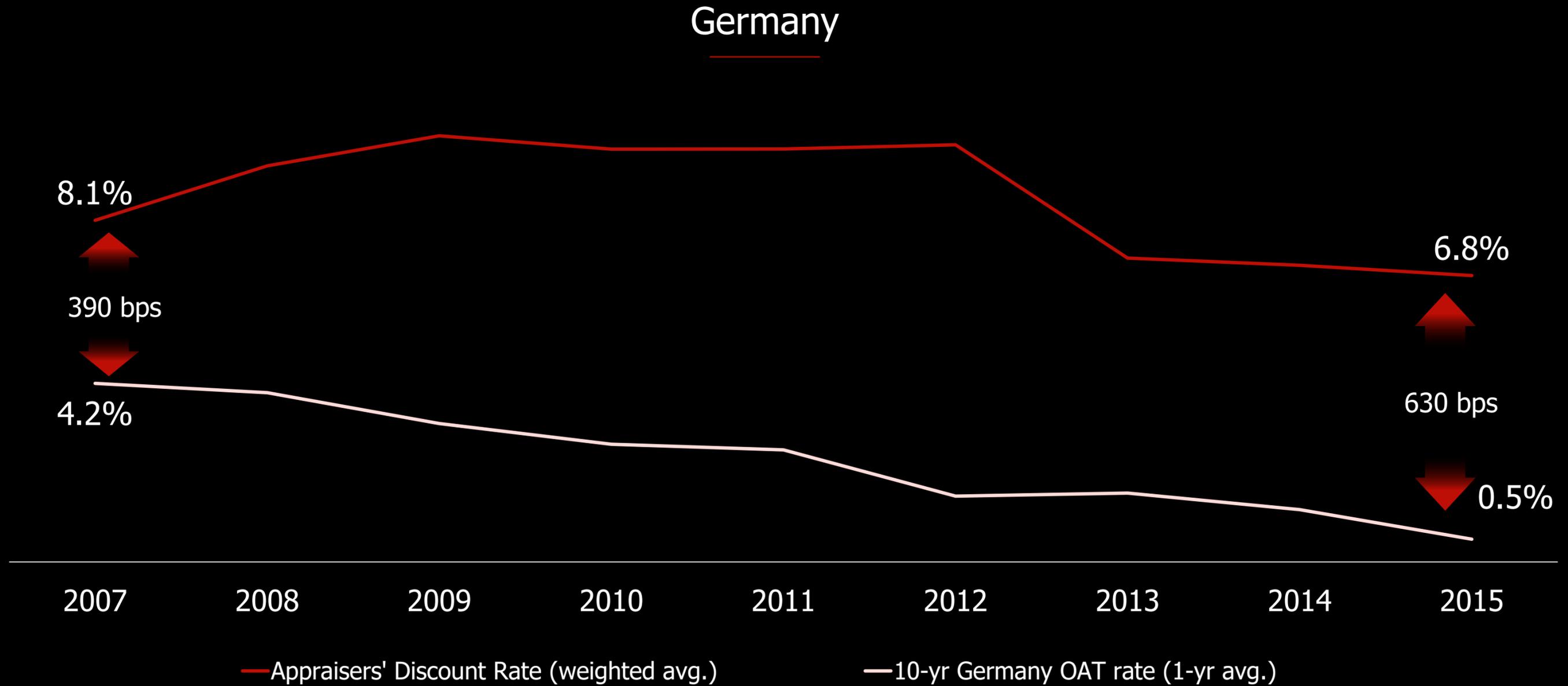


DISCOUNT RATE DISCONNECT

Spain



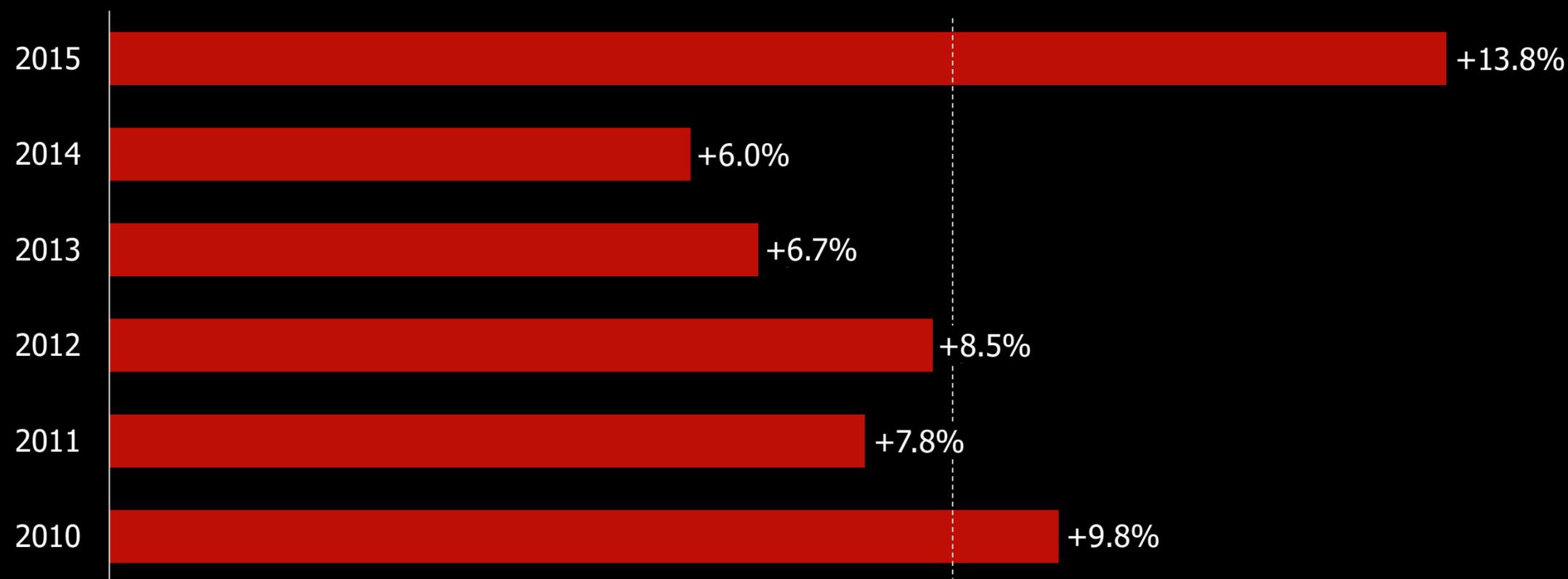
DISCOUNT RATE DISCONNECT



Germany U-R discount rate based on average on Dec-15 consolidated perimeter (i.e. excluding Centro, Gropius and Paunsdorf)

NON-CORE ASSETS DISPOSAL PREMIUMS

Average Premium at Disposal



Aggregate weighted average
premium: 8.7%

Disposals
2010-2015:
€7.5 Bn



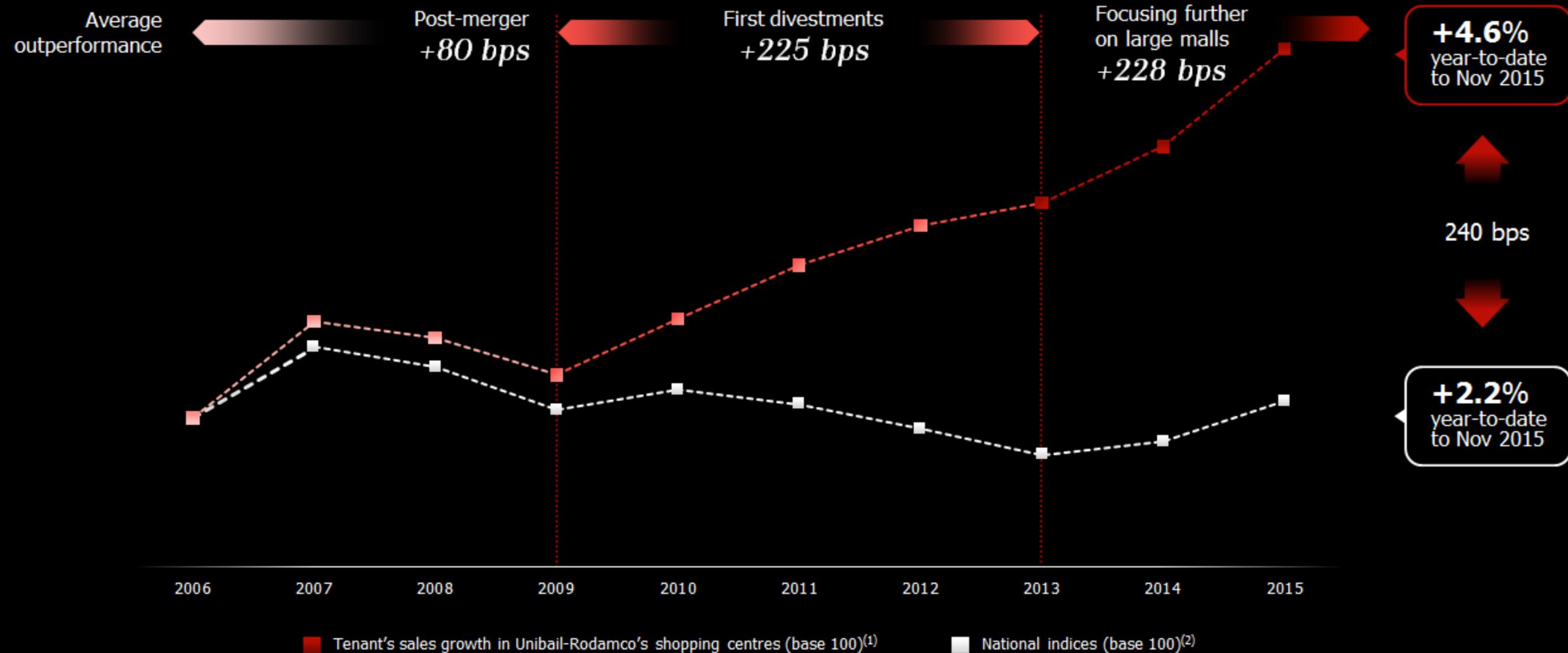
MARKET VALUE > BOOK VALUE

Calculated as difference between TAC and last unaffected GMV

WE ARE NOT A PROXY FOR MACRO

Consistently strong tenant sales outperformance

Tenant sales growth in Unibail-Rodamco's shopping centres vs. national indices since 2006 (rebased to 100)



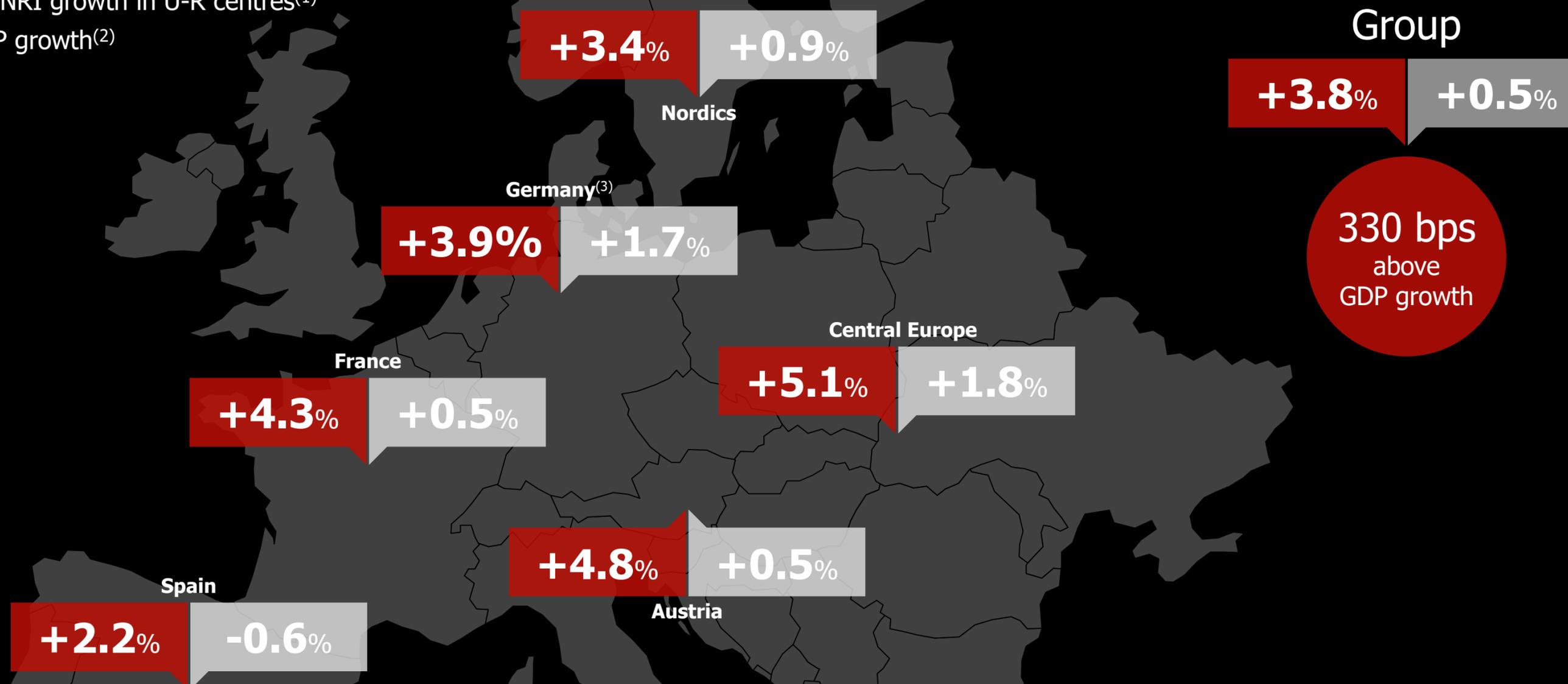
(1) Tenant sales performance in Unibail-Rodamco's shopping centres (excluding The Netherlands) in portfolio of shopping centres in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, acquisition of new assets and assets under heavy refurbishment. For the 2015 reporting period, shopping centres excluded were Forum des Halles (Paris), Parly 2 (Paris Region), Carré Sénart and Carré Sénart shopping park (Paris Region) and Polygone Riviera (Cagnes-sur-Mer), Galerie Gaité (Paris), Täby Centrum and Mall of Scandinavia (Stockholm), Palais Vest (Recklinghausen), Minto (Mönchengladbach), Ruhr Park (Bochum), Glòries (Barcelona), Centrum Chodov (Prague) and Aupark (Bratislava)

(2) Based on latest national indices available (year-on-year evolution) as of November 2015: France: Institut Français du Libre Service (IFLS); Spain: Instituto Nacional de Estadística; Central Europe: Český statistický úrad (Czech Republic), Polska Rada Centrow Handlowych (Poland, as of October 2015), Eurostat (Slovakia); Austria: Eurostat; Nordic: HUI Research (Sweden), Danmarks Statistik (Denmark), Eurostat (Finland)

WE ARE NOT A PROXY FOR MACRO

Unibail-Rodamco LfL NRI growth⁽¹⁾ vs. GDP growth⁽²⁾ (2009-2015 average)

- Average 2009-15 LfL NRI growth in U-R centres⁽¹⁾
- Average 2009-15 GDP growth⁽²⁾



(1) Like-for-like NRI: Net Rental Income excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields or redevelopment of an asset when operations are stopped to enable works), all other changes resulting in any change to the square meters and currency exchange rate differences in the periods analysed
(2) Source: Eurostat
(3) 2015 data only



APPROACH TO M&A

La Maquinista, Barcelona

ICONIC ASSETS ACQUIRED OFF MARKET – OPPORTUNISTIC



Shopping City Süd

La Maquinista

Arkadia

Centro

Acquisition Date

➤ May 2008

➤ July 2008

➤ February 2010

➤ May 2014

A DISCIPLINED M&A STRATEGY

High asset quality

Ability to **implement synergies** and **execute strategy**

Operational and cultural fit

Internal resources to implement **synergies** and **BP**

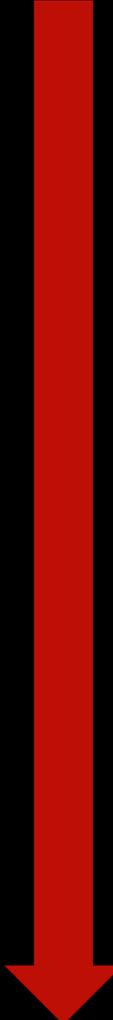
Strong **operational** and **financial rationale**

Window of opportunity
(accretion and 2-digit IRR)

VERY LIMITED NUMBER OF OPPORTUNITIES

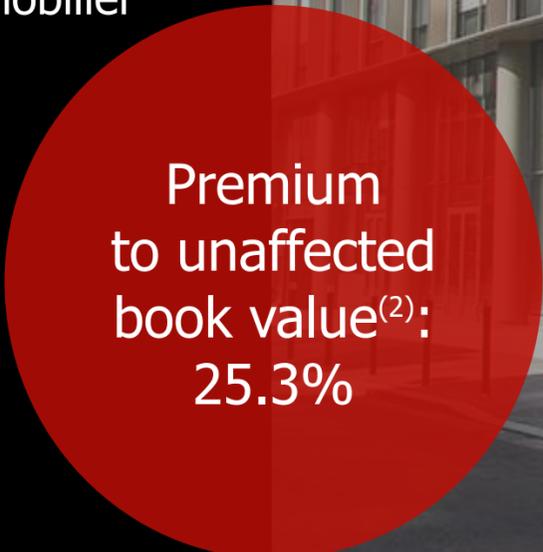
DISPOSALS CREATE VALUE

2-8 rue Ancelle



1999	Acquisition date 17,200 m ² of offices located in Neuilly-sur-Seine
2011	Historic tenant departure (Gras Savoye)
2012-14	Full refurbishment / restructuring. Cost: €52 Mn
Jan. 2013	Pre-let before delivery to CMS Bureau Francis Lefebvre
Sept. 2014	Delivery
Dec. 2015	Sale agreed with ACM Vie / funds managed by Amundi Immobilier
Mar. 2016	Disposal completed

(1) Excluding transfer taxes and transaction costs
(2) Unaffected book value as of December 2015



Premium
to unaffected
book value⁽²⁾:
25.3%



Total price: €268 Mn⁽¹⁾

Book value as at 31/12/11:
€96 Mn

Renovation cost: €52 Mn

Gross margin: €120 Mn

DISPOSALS CREATE VALUE

Nova Lund

- Shopping centre – 2-3 Mn visits / annum
 - 26,000 m²
 - Lund (Sweden) – 20 km northeast of Malmö
- Fully let
- Non-core: size and limited reversionary potential
- Competition increasing
- Buyer: TH Real Estate – October 2015
- TAC: €176 Mn⁽¹⁾
- Average TAC/m²: €6,791
- Net initial yield: 5.5%⁽²⁾

Premium
to unaffected
book value⁽³⁾:
14.3%

(1) Including transfer taxes and transaction costs

(2) Annualised contracted rent including indexation for the next 12 months, net of operating expenses, divided by the TAC

(3) Unaffected book value as of December 2013

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